**PE 9 Edited\_Transcription**

[Daniel Hill] (0:05 - 0:25)

Welcome to the Official Property Entrepreneur Podcast with myself, Daniel Hill. On this Strip Back podcast, we're going to be going behind the scenes with special guests to provide insight and inspiration on all things business, life, and the actual realities of high performance in practice. Success and failure are both very predictable.

We hope you enjoy.

[Sally Lawson] (0:32 - 0:41)

Daniel, thank you so much for joining us today. How are you? Very well.

My pleasure, Sally. Thanks for having me. And where are you?

You look like you're in the garden or something.

[Daniel Hill] (0:41 - 0:49)

Well, I'm trying to get the best signal I can for our call. I'm sitting on the roof of the narrowboat. Luckily, the sun's out, so it's making the most of that as well.

[Sally Lawson] (0:49 - 0:51)

Getting a bit of a suntan whilst you're at it as well, yeah?

[Daniel Hill] (0:51 - 0:52)

Bit of a ginger tan.

[Sally Lawson] (0:53 - 1:33)

As you can see, I've been in the sun for weeks. Oh, dear. Okay, people are joining us now.

Fantastic. Guys, you are in for an absolute treat. I am so excited to have Daniel on here today.

When I saw that he had created a process, and we all love a good process, don't we, guys? In this group, we love a process, Daniel. Anything to do with the process, we are there.

We are there, like, with our boots polished, going, give me the process. When I saw that you had created a process for applying for SIBA loans, I was like, we've got to have this guy in the group. It's going to be amazing.

I'm really, really pleased that you could actually come and join us and share with us your process for applying for a SIBA loan. We've known each other for a few years, actually, haven't we? We've met numerous times over the years in different places.

[Daniel Hill] (1:34 - 1:36)

Yeah, it's my pleasure.

[Sally Lawson] (1:36 - 1:48)

It's been great. We've got loads of people piling in now. Just tell us a little bit about you then first, so people know who you are.

Put a little bit of a bio in there. But you tell us in your own words who you are, what makes you tick, and why did you want all these loans?

[Daniel Hill] (1:48 - 3:27)

Yeah. So I've been an entrepreneur all my life, moved into property in 2011, and step by step built up a group of property companies. PPN UK is the umbrella brand.

We have Multiletter UK, which is the UK's largest network of HMO specialists, letting agents. We're a portfolio building company. We build high cash flow portfolios for high net worth individuals.

We have a training company, Property Entrepreneur. We train 100 landlords and investors every year in how to actually turn their venture into a full-time business. And we have a development company where we do high density, build to rent to sell, blocks of flats, industrial, commercial, business centers, things like that.

Obviously, as the lockdown came in, certain elements of the business were affected. Some weren't. But I think the biggest thing was strategically.

It was very clear. The day that they were talking about lockdown and we were still in the office, I did a Facebook Live to all of our property entrepreneurs and said, basically, don't panic. What they're doing at the minute is there's a huge social restriction to suppress this infection.

And it's going to look crippling for businesses, but it'll be followed pretty quickly by government support. So it'll all come through. What we need to do, though, is every man, we're all in this together, but every man and his dog's going to go for it.

And the industry, the finance industry, the government sector, the social sector, the public sector, they're not geared up for this level of demand. So it is going to be a game of learning the rules, playing the game, and getting it through as quick as possible. And Sybil's was just one of the initiatives that we made the most of.

[Sally Lawson] (3:28 - 4:31)

I know. It was almost like a gift from above, wasn't it, really, when that was announced? It was like, oh, brilliant.

There's going to be this government-backed, almost interest-free loan that we're going to give us. And then, of course, many of us realized it wasn't that easy. And the banks were like, oh, no.

And you can't have this. It doesn't apply to you. And you're not relevant.

And so many people just like, ah, there's no point doing this. And I know when I first had my communication with the bank, and it was basically an F-off in another word, and just saying, well, no, we can do an overdraft. We can do this.

You don't need that. It's not right for you. You wouldn't get through anyway, and whatever.

And it was just like, what? And then I spoke to the other bank, and they said, yes, we can put an application. And this form came like this.

And it was just like, what? And when you're hearing for everybody just saying, like, only 1% have been approved, you just think, oh, I can't be bothered. So I actually haven't applied for any of my business.

I just thought, what's the point? And then when I saw this, I thought, right, OK, Daniel's going to come in and tell me how to do it, so we can go get some money out of the government. Because do you know what?

When that 10K came in from the SBIR grant, I thought, wow, that's so nice receiving money from the government. If we can have a big government, that would be nice. It was just like, it's just so weird.

[Daniel Hill] (4:32 - 5:29)

And it is, like you say, it is a once in a lifetime opportunity. Obviously, there's lots of bad things going on, and everyone's having their challenges. But we're entrepreneurs.

We sign up for this stuff. It's just the rules have changed. The goalposts have moved.

We just need to figure out how to play the game. And I think the good thing, as well, is we're all in this together. And if you think, for those who are, obviously, everyone's concerned about their businesses, what's going to happen over the next 3, 6, 12 months, things like that.

But the reality is, the government need our businesses more than we do. Because the government, the easiest way to explain it is the government have got to keep the air in the balloon. It takes a lot longer to grow an economy than it does to slow an economy.

And you're already looking at over 2 million people signed up for universal credit. Granted, a lot of them will be foot soldiers who are just waiting to get back to work. But there's going to be, as soon as those companies start to contract and the unemployment goes up, the government have got even bigger problems on their hands.

So it's in their interest as much as anyone's to get this going.

[Sally Lawson] (5:31 - 5:50)

I think they reacted pretty quickly as well, didn't they, when the banks started mucking about. And the banks were mucking about in the first few weeks. They did react quite quickly and slap their wrists, which I was quite impressed at.

Because they knew that the banks were what was holding up the process. Did you find that? Did you have your applications in before the slapping of the wrists or after?

[Daniel Hill] (5:52 - 6:27)

Yes. I mean, one sentiment on that is I think the government is getting exhausted now listening to the 10-15 minutes of the PM's updates at five o'clock. And then you get 45 minutes of the press talking about anything they can poke a stick at.

I think the press, I think the government have done fantastic. I think Rishi, he's only 39 and he's in post for the first time. Boris has gone off ill.

I think they're doing a phenomenal job. The way I explained it to the property entrepreneurs from the off was what's going to happen is the government are going to release funding, the banks will just lock up and not let anything out. Or they'll put it out at 8%, 10%, 12%.

[Sally Lawson] (6:29 - 6:31)

30%. 30% one of our people have quoted.

[Daniel Hill] (6:32 - 8:30)

It's just a game. It's all a game. And then the government have to put this pressure on to level it out.

With the banks as well, it's always a dance. You've just got to dance with the bank. As soon as it was announced, it was coming available.

The exact dates that we did ours are in that press release that you're going to share with your community for those who are interested in how it plays out. But we did it before any of the pressure went on. We put it in and we knew that we were going to get rejected.

We knew we were going to have to do a dance. We did eight failed applications. But it's just because they had, I knew more than the banks.

The banks were saying, unfortunately, you don't qualify because, I can't remember what it was, you don't qualify because your grant, your loan request was less than 250,000. I was like, right, here's section one of your own application form, which says loan start at 25,000. So we did the dance with them for ages.

And then I suppose the process that you guys are looking for is, I mean, the way this is going to play out is there's this window of opportunity now. The government have slapped their wrists, to use your terminology. The government have slapped their wrists.

There's now this huge pressure to get this money out of the bank. And I said this would have happened two weeks ago, but I was wrong because last week, they didn't make the headlines. This week, they still only authorized 1% of businesses with loans.

The government need to get that headline and money out of the bank. And the pressing deadline is tomorrow. It's over 80% of the country's payroll day tomorrow.

And people need to make payroll, so the money needs to come out of the bank. So you'll see this loosening period for the next few weeks, where it's still a manual process. The banks are doing it on face value conversations at the breakfast table sort of deals.

And then what will happen in three to six to eight weeks is every bank will fall into a framework. They'll all have a system. They'll have a process.

And then you're back to ticking boxes. So there is a really small window here to get these through. And yeah, there is a process to do it.

[Sally Lawson] (8:31 - 8:41)

So your first ones that you applied for, they were in the early days, and you had eight that were declined. And then you've had three, is that right, that are accepted and have gone through and are in the bank?

[Daniel Hill] (8:42 - 9:38)

So we split-tested it initially, because we were like, what is the game they're going to play? Are they going to go to? We tested three.

We tested one loss-making company, one profitable company, and one break-even company. And without a doubt, the one that they wanted to go for was profitable, because it's easy then. They know you made profits.

I'll give you the criteria in a minute if you're interested for what they're actually looking for. But we split-tested over those three. And then it was literally a case of doing the dance with the bank manager and working it through as the government revised things, as they changed things.

They moved the goalposts with security. And yeah, they ended up getting three through. Two were for portfolio management companies, and one was for one of our training companies.

And to be honest, they were the only three we actually put in the final one. So the success rate on the final three was 100%. But it took us eight failed applications and literally days of revisions to get it there.

[Sally Lawson] (9:38 - 10:04)

That's sort of confusing, because the criteria that I've read is that the criteria for the loan acceptance is that they have to be part of the business banking standards, which is when you read that, it says you're not able to get a loan elsewhere. Is that true or not true now? Because that's what it said in the initial editions of it, that if you can get funding elsewhere, you're not entitled to a CBILS loan.

Have they changed that? Is that different, or is it just being interpreted differently?

[Daniel Hill] (10:05 - 11:13)

So the first protocol, when it first came out, the bank's policies that they adopted was from the central policy, which said, if you were eligible in normal circumstances to go for a normal loan, then you need to go for a normal loan with the same security and everything else. And then obviously, the social and economic pressure was all the entrepreneurs, the business owners, all of commerce were saying, well, this is just not fair. We've worked for the last 10 years to build these businesses.

Through no fault of our own, we've absolutely been hit. We've paid our taxes, and we need some support. And granted, if the business doesn't survive, the business doesn't survive.

And nobody's going to want to see that happen. But if a business doesn't survive through no fault of your own, and you're then on the hook, personally, for 100 grand, half a million, whatever you borrow, it's a difficult position to be in. So it's not the case now, although it might still be published.

A lot of the stuff online is outdated a day after it's published. You want to read the Financial Times, read the Business and Money Supplement on a Sunday in the Sunday Times, and listen to things like Bloomberg and stuff like that. That's the most live information, and the update at 5 o'clock.

[Sally Lawson] (11:13 - 11:34)

It is moving so fast, though, isn't it? It's hard to keep up with it all, to be fair. So what you're saying is they're looking, so if you're a non-profitable company, should you not bother?

Or can you still get an application through? What do you think is the criteria they're looking for? Profitable, non-profitable?

Are they just erring on the side of profitable because they're banks? Or can a non-profitable business also get an application through? Have you noticed a difference there?

[Daniel Hill] (11:35 - 13:45)

So the general sentiment at the minute is it's for previously, so companies that are fundamentally commercially sound, so that they, in their own right, could raise finance. So to give you some insights of the process, if you just take this back to basis, I've read all the stuff that's online. I've read all the press releases.

I've read all the banks' criteria. I've read all the central policy. When you boil it all down, it just comes down to five things, and it's before corona, so this is who is eligible.

To explicitly answer your question, at the minute, it's mainly profitable companies, but that will change because I've got a company that pays over £40,000 a month in salaries, and it's never made a pound profit in its life because it's not supposed to. It's a head office, and then it recharges all of our local letting agencies. If that takes a dip through lettings revenue, because we're not letting rooms at the minute, we make about nearly half a million pound a year letting rooms, and we can't let rooms for six months.

It's a lot of money that's going to disappear to a completely sound business. What the bank want to see is that before Sybil's, were you a sound business that was standing on its own two feet? Second is, have you been negatively impacted by the coronavirus, and how is that?

The third is, if you borrow this money, are you going to be able to successfully trade out? Will it enable you to trade out the other side? Then the final one, maybe it's just four points, the final one is, once you trade out of this, what's your service?

Are you going to be able to service the debt? If you can prove those things, I'm sure there's five steps. They're in that PDF I put, but it's literally that simple.

If you can't do any of those things, you weren't sound before, and it's a zombie business, just put it to bed. Pull the trigger and put it to bed. If you can't trade out of it, or you can't service the debt afterwards, or you haven't been impacted, but if you can't trade out and you can't service the debt, you wouldn't want to borrow the money anyway, because you're just dragging it out.

This is a bit of a forest fire. We'll get rid of all the dead wood, like any recession.

[Sally Lawson] (13:46 - 14:44)

Guys, if anyone's got any questions, please just put them in the chat. I'm looking over here, because I'm keeping an eye on the chat. Just let me know if you've got any questions for Daniel.

One of the things I noticed on the application form that I was sent through was that you, and I haven't filled it in, because I looked at it, I thought, ooh. One of the challenges that we have is that in some areas, we've not really been impacted. It actually says that you have to attribute, so you have to have assumed that you've taken the grant, you've furloughed your staff, you've deferred your PAYE and your VAT.

You're only allowed to apply for a C-bill loan for the losses that you're going to make, the cost that you've still got to pay for the things that you can't shift or furlough or whatever, during the C-bill's loan that have been directly attributed, because I'm thinking, well, there isn't anything, because we've managed to furlough and get rid of everything or whatever. They're just saying it's just for the losses during this period of those things. I haven't actually got anything to put on the form.

So how do you deal with that? Or did you not have that in your application form?

[Daniel Hill] (14:44 - 14:49)

Yeah, yeah, definitely. So I suppose there's the reality of it.

[Sally Lawson] (14:49 - 15:01)

Did you put on loss of income? Because the way it was worded, it's just the expenses you've got to cover. And so that's not the problem.

The problem is the loss of income, and therefore loss of profits. But do you understand what I'm saying? It's a very confusing form.

[Daniel Hill] (15:01 - 17:55)

Yeah, well, it makes a lot of sense. So I probably take the much higher level attitude of there's finance available, we want to get our hands on it. The objective being, I mean, this is a once in a lifetime lifeline.

Our loans were 2.4%. So this is no setup fees, no arrangement fees, six years repayment, a year interest-free payment by the government, up to a year capital repayment. That 2.4% one was, which was 2.4%, 2.8%, and 3.2%, I think. You're never going to see this again.

So strategically, my thought was, if I can get my hands on that capital, I will do. You do need to be aware of all of this support though. At the minute, we're in panic mode.

So the government are like, let's get money out the door, let's get support out the door. But as with anything, there's going to be a huge amount of fraud. People abuse the system.

In 6 to 12 months' time, there'll be a corona fraud squad who will visit all of these people who've taken funding and want you to show that you've used it, essentially, for what you want. Let's say you borrow 100 grand. Sybil's is basically what we call a revenue replacement facility.

It's a revenue replacement facility that gives you three to six years of replacement, and then you dilute that replacement over six years. So you're impacted, but you don't really feel it. To answer your question about what's it actually for, there's only two types of financial and economic analysis at the moment.

There's those who don't know what's going to happen. The reality is, none of us know what's going to happen. We know that there's a problem.

My attitude to everyone would be, do everything you can to cushion the problem so you can deal with it before it becomes an emergency. This is your lettings group, isn't it? So for those who are in the lettings agency industry, the model that we've used is three months' high impact, which basically means a slowly reducing revenue from management charges due to arrears and voids, and a three-month dead period for lettings due to lockdown, and then a three-month recovery period.

And we just got the P&L from last year, literally up to March, trading accounts, not registered accounts, trading accounts, and said this was where we were before lockdown. We copied it and pasted it. And then on the top line of revenue, I just adjusted the first three months, zero lettings revenue, 50% reduction in management.

And then the second three months, 50% reduction in lettings and 50% reduction in management, and then applied for that. And also, we applied for the maximum you're allowed to, which it differs per bank, but we used Lloyds, who have been one of the RBS, have been top of the pile. Lloyds have been second or third.

And Lloyds' criteria was you can apply for a maximum of 25% of your annual profit.

[Sally Lawson] (17:58 - 18:14)

Interesting. So you have put the application based on loss of revenue as opposed to expenses that you can't cover, which is the form I've got. That's an HSBC form I'm talking about.

It seems to be focusing on the loss of expenses you can't cover. So are the forms different for different banks?

[Daniel Hill] (18:14 - 19:58)

They are. They are different. They all run off the same policy.

They'll all fall into a standard framework in about three or four weeks. At the minute, obviously, everyone's running around just trying to catch the bull. When it falls into a framework, they'll then release a centralized system.

And the funds will be distributed by the bank, but they'll all use the same blueprint. At the minute, you think people talk. It is exhausting listening to the news.

You think about how hard these guys are working to get money out the door. The banking sector is the most heavily regulated sector in the world. And even to log into a bank computer, you have to have got all sorts of levels of security.

And now they've got to distribute 330 billion pounds worth of funds from their house with their 2-year-old running around on a Dell laptop that their kids have been using. I had a very interesting conversation with a good friend of mine earlier in the week who knows a lot of the seniors in the bank. And he was saying, it's just madness.

It's crazy. They're expected to. The banks don't want to stitch themselves up as well.

But I would skirt over that and just get the money in the bank. And then the other side of it, if you don't use it for what you think you're going to use it for, take a view. Because say, we've borrowed over £100,000, and we don't use it.

We've got a new agency acquisition we're doing, which we were going to raise on crowdfunding at 8% to 10%. We've now got money. We've now got more than enough to buy that agency, because it's on a split cash upfront and deferred deal.

We've got more than enough cash in the bank to buy it at 2.5%. But it's just being aware that if the government come back in 18 months' time and say, can you show us that you used that revenue for what you said you were going to, if you didn't, or it'd probably be Lloyd's actually, if you didn't, then it's going from 3% up to 7%. It's just being savvy with that, really, and understanding where we are.

[Sally Lawson] (19:59 - 20:08)

Being at 10% is not that bad in the business lending world, is it really, compared to what some people have been quoted right now, which is up to 30%. So that's pretty awesome still.

[Daniel Hill] (20:08 - 20:30)

I mean, that's got it, John. The symbols won't. The government will put more and more pressure on those loans.

I said right at the beginning, these will come out at 3% to 6%. And my sentiment stands, I think that's where you're going to see this money land, is 3% to 6%. And the first phase will be the profitable ones, because they're easy rubber stamps, and they'll get the headlines.

After that, it'll be the people who really do need the money, but perhaps wouldn't normally qualify for it.

[Sally Lawson] (20:31 - 20:44)

So you mentioned there that Lloyd's is a percentage of the profit. And which would you say is the number two and number three bank to approach? Or does it have to be the bank that you bank with, which is one of the questions we've had here?

Does it have to be your existing bank? Is that what Mark Shaw's asking? Or can it be any bank that you approach?

[Daniel Hill] (20:45 - 22:57)

Yeah. So the strategy at the minute is, if you think about it logistically, there's far more people who want to borrow this money than there is people to issue it. So demand and supply, most banks have locked up now, and they're only dealing with existing clients.

It's probably not a surprise, RBS is the easiest. RBS, up to last Saturday, RBS had issued 66% of loans granted. There was 6,000 loans granted, and of those, 66% of them, 2 thirds of them were granted by RBS.

It's probably not a surprise. RBS is owned by the taxpayer still. So they have got a favor to return.

Lloyd's are being very accommodating. Lloyd's are taking their normal commercial stance. The impressive thing with Lloyd's is they've thrown a load of resource at it.

So Lloyd's are notoriously good for commercial lending. We've borrowed millions from Lloyd's over the years. The challenge is normally they're very slow.

And they've recruited a whole army of people to come in and push the admin through, and without exaggerating, they sent our loan agreements out on the Friday. We signed them on the Saturday, they processed them on the Sunday, and they transferred the money on Monday. That is, for any company, that is exceptional.

For a bank, that is amazing. For Lloyd's, it's unheard of. So the banks have locked up.

Go to your own bank first, without a doubt. Go to your own bank first. I've had unreasonably good authority, although I've not since checked it, that a few of the fintechs and crowdfunding platforms have now been approved to issue Sibyls.

The benefit here is they don't have clients. They don't have day-to-day business. They're just loaning.

So if you can't get money out of your own bank, Barclays apparently are being quite challenging. If you can't get money out of your own bank, have a look on the business banking website. I haven't done that.

It's just, I just haven't looked at it yet. There's some fintechs on there, like crowdfunding people, not crowdfunding, funding circle, people like that. Now, the benefit you're going to have there is you're not going to be in a waiting list of existing clients.

It's all going to be new business applications. And they're going to have a huge appetite to get the next band up. It'll be more like 6%, 12%.

But it'll be quick. It'll be government backed. It'll be no fees.

It'll be interest holiday. It'll be good.

[Sally Lawson] (22:57 - 23:10)

Awesome. You keep breaking up a little bit there. So I think we've got the gist of that.

One of the questions I think has been asked here, could you use it for buying your premises, says John Conroy.

[Daniel Hill] (23:11 - 23:37)

So there's three things you can use it for. So one is revenue replacement. The second is investment.

So we've just invested in a new software to chase arrears, which costs us 30 grand. That went on our application. So revenue replacement, investment, and acquisitions.

There is a form, there is an element on the Lloyds business form that says if you're looking to buy another company, you can put the details in there. We didn't do that, but you can.

[Sally Lawson] (23:38 - 24:02)

Another question I've got, because I've got two banks and I spoke to RBS and I spoke to HSBC. You say RBS is the best one, but they're so antagonistic with me. And because I've got multiple companies like you, what they wanted to do in order to even consider us receivable loans was they got to assess all the companies and then they'll take a view and they'll make a decision.

Did you have any of that where they want to assess all the companies or did they just base it on individual company when you went through them?

[Daniel Hill] (24:02 - 24:19)

The answer is just ring fence. We've got some companies that have carried losses for two years and if they were all thrown in the mix, you'd then be down to your group's profit. Whereas where you've got individual companies, the ones that we put through were all like 20% to 30% profit companies and they flew through.

[Sally Lawson] (24:19 - 24:32)

But they didn't consider the companies that you've got, just that one company, even because all mine is limited companies, but they want to assess all of them and make a decision. I thought, well, that's crazy. They don't even bank with you half of them.

So it seemed really odd.

[Daniel Hill] (24:33 - 24:43)

Yeah, I'd be inclined to say that will come down because that doesn't make any logical sense. Because as long as they're limited companies, they're ring fence, so it doesn't make any sense.

[Sally Lawson] (24:45 - 25:05)

It doesn't. No, they've just been completely antagonistic right from day one. I've got a name for them, but I can't share it because we're live in the group.

We have an in-house name for RBS and it's not very pleasant. Right. Okay.

So you've created a process. So tell me about this. I'm intrigued.

What is this thing? I'm going to share the link in the group so people can download it in a minute. What is this thing you've created?

What is it?

[Daniel Hill] (25:06 - 28:16)

Yeah, I mean, all it is really is we tried everything that didn't work and then just boiled it down to the process. And it's not a million miles away from what I've given So there's three things that you need to submit alongside. So you've got your application form is to submit that.

You then need a business plan. So by business plan, this isn't a 60 page. Can you hear me okay?

Yeah. Cool. This isn't a 60 page venture capitalist presentation.

If you think about this in logical terms, there's somebody who's on the other end of the inbox who has no time to read this. In the fewest possible words, you need to show how you meet their criteria. So your application, business plan, financial forecast, which is your last 12 months trading, and then a forecast of the next 12 months of what you think is going to happen.

And obviously because it's a bank presentation, hope for the best, expect the worst. You know, if you're pitching your sales team, hope for the best. If you do it, run in your finance for financial forecasting, plan for the worst.

And then within that financial forecast, so application, business plan, 12 months previous accounts and 12 months financial forecasting. And within that, the criteria they want to say is, well, there's two bits to this. One is the quickest way to get through this process wise is speak to your bank.

You need to speak to a person, not a computer. So do anything you can to get in touch with a bank manager. So your existing bank manager, your relationships manager.

If you've got a friend who banks with the same bank who's already talking to somebody, the first port of call is you need to find that person. The second port of call to make these documents in the process, the second port of call is to ask them what their criteria is. So Lloyd's as an example was, I think I said 25% profit earlier.

It wasn't. It was 25% revenue. I'm sure it was.

It's in that document. And 25, Lloyd's was 25% of revenue. I think it was a serviceability of 1.55, which is basically, if you've got to pay back the debt, a thousand pound a month, 155% of that is your profitability. So you've got to be making 1550 pound a month to service the debt. And that the company was profitable. That was Lloyd's criteria.

And then build out the set of documents to support that. On the financial forecast is just list down those things they want. So how much are you going to be impacted?

So I might say 80,000. How much are you applying for? If there's an opportunity to, it's always good to roll it down rather than roll it up.

Just shows cricket and just fair play. Roll it down. We want to apply for this much.

Our repayments of this will be X pounds per month. Our annual profit after loan repayment will be X, which means our annual serviceability percentage will be, and all of ours were well over 300%. So the bank manager can then read that two-page document, read the financial forecast.

And then they're looking for the quick wins at the minute. They can just rub a stamp in and say, you're a profitable company. You've been impacted.

You can service the debt. You can have the money. And then they did just fly straight through.

[Sally Lawson] (28:17 - 28:31)

So you're just making it easy for them, really, aren't you? You're just taking away all the question marks they may have and giving them all the information right at the beginning. So they can just say, yep, this is quick win.

Let's get this through. And then they can focus on the more complex back-of-the-packet applications they've had from the other 1,000 people, I guess.

[Daniel Hill] (28:31 - 28:51)

Exactly. It's a sort of game. And you know how to deal with the banks.

If you're asset-backed or you're doing a revaluation, you know what's going to get through. You know what's going to take time. And in this scenario, I'd say just play the game.

If you've got profitable companies, put them through. Just run the exercise. Every step of it is in that document.

Just follow that document. That's exactly what we did. And it did work.

It worked really well.

[Sally Lawson] (28:51 - 29:10)

So preferably start off by going through your existing bank manager. Go to your normal bank. Have all your figures worked out beforehand.

Create the plan. Follow your spreadsheet. Download your spreadsheet.

I've put the link in the chat, by the way. Download the spreadsheet. Follow the process.

Knock it up. How long does it take? How long has it taken you?

Because they were quoting seven weeks. I mean, it couldn't have been seven weeks. I don't think it's been around that long.

How long has it taken you to get these three through?

[Daniel Hill] (29:11 - 29:29)

Well, just one sentiment on the quick summary you did there. The first thing to do before you prepare the documents, I would say, is find out, either from that person you're going to speak to or the bank, what their criteria is. Because it's all a game.

Like, if they say jump this high, you just need to go and jump. So every bank is different at the minute, although it will get standardized.

[Sally Lawson] (29:30 - 29:35)

Have you made an application for every company? No. For any companies?

No. You just chose the profitable ones, or have you just?

[Daniel Hill] (29:36 - 31:36)

We just, well, we had a figure in our head that we wanted to raise £100,000. So we chose the three most profitable. Or they weren't necessarily the most profitable, because we had a lot of development companies.

But they're just complicated. But when there's profit involved, it just got complicated. Letting agencies were very, very easy to get through.

And our training business has got, like, five years trading. It's very, very profitable. They were just the easy ones.

And we added them up, and that was £140,000. And we got £125,000. So that was basically all we wanted to borrow.

It is debt as well. You've got to remember, it's still debt. It's cheap debt, but it is still debt.

The first application we put in, as soon as they announced it, that the lockdown was going to happen, we started the process then, when nobody even knew what it was. So literally, the applications opened on the Monday. This was about five weeks ago, four or five weeks ago.

I think it was the 14th of March. So it's probably like, well, no. Yeah, 14th of March, I think it was.

The dates are in that document. The first day we put it in, and then it was just a dance. It was like, literally, the aim of the game was to be top of the table and dance with the bank manager.

So we were top of the table. We were top of the waiting list, and we just did the dance. And then as it played out, we were the first ones getting served.

And yeah, the money landed in the account on Monday. So about four, five, four weeks, maybe? Well, once it was approved, once we put those final three applications in and they were approved, that process in turn was very quick.

It was probably 10 days to have it. It was sent to the creditors and the underwriters. There was probably another week to get it rubber stamped, and that was last Wednesday.

Last Wednesday, they said, you can have the money. We'll send the contracts. They came Friday.

Saturday, we signed them. Sunday, they processed them. Monday, the money was in the bank.

That was very quick. The process is quite quick. If you do the documents correctly, the difficult bit you're going to have here is getting somebody to talk to.

That bit at the beginning is going to be the time-consuming bit, because you need to get anything. Each bank manager's probably got 500 applications at their desk.

[Sally Lawson] (31:36 - 32:31)

Yeah. Wow. Amazing.

I don't know if there's any more questions here. It's been amazing this chat today. I think it's been really, really useful.

And I think the guys in this group are going to get a huge amount of value from this. So I've shared the link in here. So please, guys, download Daniel's How to Get Sebil's Loan Guide checklist and process to follow that.

I haven't seen it yet, so just download that. I'm happy for you to share that in the group as well separately, Daniel, if you want to make a separate post and put that in there for people to download, because I think this is a really valuable tool for people, because there has been a lot of chatter. And I think in this group and a lot of business groups, there's been a general consensus that it's just no point.

We're not going to get it. And you're the first person I've seen that's come along and said, yes, you can. Go for it.

So I think this has been an absolutely amazing chat and really will be value to all of our members here at Agent Rami. There's about 3,500 members in this group, so it's a big thing. I think there'll be a lot of people getting a lot of value from this.

So if you download it, download it and follow it and talk to your bank manager. I'm going to send one to RBS just for the hell of it.

[Daniel Hill] (32:32 - 32:49)

Honestly, do it. My closing sentiment would be the majority of people complaining and saying they're not worth doing. It's because it's hard work.

But we're entrepreneurs. Nothing's ever easy. But 125 grand at less than 3%, that's well worth a day's worth of phone calls.

[Sally Lawson] (32:49 - 33:28)

As you say, it's a gift. It's not to be looked at. I think we've all just had the most completely, myself included, the most completely random answers from the banks.

It just made no sense. Of course, I guess they don't know what they're doing any more than the rest of us. And a lot of us just thought, I can manage without that.

But in reality, what you've done, because you've put so many applications through, you've gone through that quagmire of crap for once for better word and actually got to actually say this, this, and this, then you're on to a winner. So you've done a lot of the hard work for us. So I can only say thank you for that, Dan.

That's absolutely amazing. It's been amazing to have you in this group. And if anybody has any questions, are you OK to answer any questions?

[Daniel Hill] (33:29 - 33:51)

Yeah, absolutely. If you've got any questions now, feel free to share. If not, bang them in the group on the thread, and I'll jump on there later today or tomorrow, and I'll gladly support.

It's just, you reap what you sow. If you put the effort in with these things, dance with the bank manager, play the game, the money's there for the taking. And I think at the minute, they've got like 2 billion out, and there's over 200 billion available.

So I think just make the most of it. You'll never see this again, no doubt.

[Sally Lawson] (33:51 - 33:57)

Amazing. Thank you so much, Daniel. Enjoy the sunshine.

Have a great day. Yeah. Good to catch up, Sally.

All the best.

[Daniel Hill] (33:57 - 34:30)

Thank you. Thank you everybody watching. Thank you.

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