**PEP 123 Edited\_Transcription**

[Daniel Hill] (0:05 - 0:44)

Welcome to the official property entrepreneur podcast with myself, Daniel Hill, we are now rated in the top 10 of all business entrepreneurship podcasts in the UK. Last year, we were rated the seventh most popular property podcast. And every month by downloads, we are rated in the top 5% of most popular podcasts in the entire world.

Thank you all for your support for sharing and subscribing to these podcasts. This is literally my life's work broken down into simple blueprints for you to execute everything that you want, be it wealth, health, or life by design. Success and failure are both very predictable.

Let's get into it.

[Adam Goff] (0:47 - 1:08)

Hello, and welcome to another edition of the property entrepreneur Hall of Fame. It gives me huge, it gives me a huge pleasure and sense of massive satisfaction to introduce to you our latest Hall of Famer. His name is Mr. Billy Turriff. He's a long term property entrepreneur board member and a very good friend of lots of the board. Billy, congratulations on making the Hall of Fame.

[Billy Turriff] (1:09 - 1:11)

Thank you very much, Mr. Goff. Lovely to see you.

[Adam Goff] (1:12 - 1:35)

Lovely to see you too. For people that don't know Billy, Billy has successfully transitioned from corporate high flyer to full time property entrepreneur investor. Billy, give us an idea then now that people know a little bit about you.

Where are you? Well, first of all, where are you based? What company or companies do you have?

And how long have you been on property entrepreneur?

[Billy Turriff] (1:37 - 2:40)

To the last question first, and then work my way back. So I joined the same year as you. So I think it would have been end of 2016, start of 2017.

So it's probably five, six years around the track now, which is kind of quite scary, because it just seems like yesterday. I've got a couple of different companies. So I've got my main business is my buy to hold investment business.

So that's got a mixture of assets in it from student HMOs, professional HMOs, commercial properties and service accommodation in there as well. I then got a niche lending business that we do in kind of a first charge basis with individuals called Kensington Finance. And then I've got a small coaching business where I kind of work with individuals who really want to do what I've done.

Either we're in the corporate world, and they want to get out of it and be full time in property, or they've maybe left the corporate world, they are full time in property, but they're not receiving the returns that they want to.

[Adam Goff] (2:41 - 2:51)

Perfect. The three different revenue streams that we literally teach on property entrepreneur. We can talk more about that in a second.

So whereabouts in the country are you based?

[Billy Turriff] (2:52 - 3:05)

Yes, I'm based in Manchester, as in that is where my home is. My portfolio is mainly in Manchester and Liverpool. So I kind of spend half my time each week in Liverpool and half in Manchester.

[Adam Goff] (3:05 - 3:28)

So you're part of the Northwest powerhouse. So you're employing a variety of strategies across your portfolio, which is really impressive. Where were you when we first met six, six odd years ago, six, seven years ago, when you first started as a property entrepreneur, where were you in your life and your business, business, your business life and your life then?

[Billy Turriff] (3:29 - 5:10)

Yeah, so I was in quite a good place. So I kind of left the corporate world probably about maybe six to nine months by the time I met Dan. And by the year before I'd left the corporate world, I'd gotten quite an aggressive expansion to build my portfolio so I could come back from Dubai to be based in the Northwest.

And really at that time, before I met Dan, it was the right thing to do. I was just thinking about building a portfolio, making sure I could get cash that would come in. What I hadn't really thought about is, well, are you going to manage that?

What people do you need? What are you going to do around finance, et cetera? And really the work I've done with Dan, people at UJOS, other people, property entrepreneurs to actually say, well, it's good that you've got a business or you've got money coming in.

But what you want to be careful is how to protect that, how to grow it year on year, but also how to manage it to make sure. One of the things we talk about as well is kind of life by design. And some of the stuff, to be honest, even before getting technical was working through, did I want to be an investor or did I want to be a business owner?

And it probably took me about 12 months to do that, kind of ran out, recruited a whole lot of people, put them on PAYE and then kind of felt a little bit trapped from it and then was almost going up the wrong ladder. Doing property entrepreneur kind of helped me to put a more flexible team in place, but with everyone on the performance contract. So it's much more their service providers.

So I could kind of concentrate on the business rather than being a manager, which is one of the things that I didn't like in the corporate world and why I got out of it.

[Adam Goff] (5:11 - 5:52)

Well, exactly. And I mean, this whole transition from being a high paid corporate earner, there'll be many people listening that will be in that situation and they'll want to have transitioned and followed your journey. And I think really just what you were saying is, we'll talk about how property entrepreneurs helps you later, but it's given you a framework.

You didn't go and create a big mess because obviously you're keen to buy and then people create quite a noisy business in inverted commas without realising and then get themselves in corners like you did with PAYE and stuff. So fast forward to seven years, there'll be a number of challenges and lessons and excitements and achievements along the way. But where are you now?

So looking back then, where are you now, where you're at?

[Billy Turriff] (5:53 - 6:51)

Yes, I mean, I've certainly diversified my portfolio a bit. So when I first started, I was very student driven. I've also exited certain markets.

I was also a developer at that point in terms of kind of niching in, in terms of what I wanted to do. I've got a staffing model that won't change. I've also got a very different finance model where stuff like cash flow, balance sheets, risk, you know, much more about managing risk now than pure growth, which is where I was about at the start.

So really, you know, the businesses have matured, the lines are the same minus the development, but really much more about fine tuning each of them individually and also survive the joys of COVID.

[Adam Goff] (6:52 - 8:02)

Exactly. Well, you got through COVID, you've repositioned, so you've kept yourself relevant. I know you went through quite a big transition from, we'll talk about it more from out of the student market and into HMOs, but it sounds now that you've got some people systems, you've got a process for modeling, you know, recruiting people, managing people, you've got some financial systems.

So you've got like some infrastructure to basically keep you on the rails. And you're in a very modest chat, you know, you're in a very good position. You've worked hard year on year.

And I know from conversations where you've steadily increased, you know, the value of your estate by just showing up consistently. And I think that's very admirable. And like I said, there'll be lots of people that will, because we had to ride the ups and the downs is what's important in business.

So especially as we come into a recession at the moment. So a very big congratulations for where you've got to, Billy. And I'm looking forward to hearing about the challenges that you've had along the way.

What has the journey been like? And what have been the biggest problems you'd say that you've had to overcome to get where you are and other people can take from to learn for themselves?

[Billy Turriff] (8:03 - 13:43)

Yes, I think some of the challenges is, if you look at the assets I invested in, and the market to start with, as I said, to start with, I was very much student HMOs. And then also let's do developments. So it was a kind of a focus on the student HMOs.

The reality was, I was one of the first people in Liverpool, who changed kind of two bedroom house to six bedroom houses. And I probably went on that way for a couple of years. Whilst I was on that wave, lots of other people then came into the market, copied what we were doing, which is fine, and also built on it.

So we'd kind of gone from two bedrooms, six bedrooms, two or three bathrooms. The next lot of developers came in, and they were doing like six bedrooms with en-suites. So then product was probably getting a bit better.

And also, so there was far more supply. And also, from a financial perspective, I was over-concentrated in Liverpool. I had a conversation with Shawbrooke Bank, where we're kind of doing a review.

And they said, look, it's great you've got these 25 HMOs in Liverpool, but we'd also like to see you work in another city as well. And that was one of the reasons why I came to Manchester. And since that, I've then kind of gone into, for example, the Airbnb business, but also doing multi-lets on commercial side, also doing blocks of flats.

It's kind of understanding that your property is good because it's slow. At the end of the day, if you think of it, you live in your parents' house, you move to student halls, you move to an HMO, you move to a flat, you move to a house, there's loads of stuff out there. But there is different ways you can sweat an asset and you can put it in place.

So certainly one of the challenges has been understanding that market and adjusting to it. And also quite well, you know, understanding different cities. You know, it takes time to, particularly if you haven't grown up somewhere, to get to know a city, get to know the good, the bad areas, get to know where the potential will be.

So certainly doing that has been one of the main challenges from kind of a macro perspective. Really at the micro level is getting to a satisfactory position between using agents and employing my own staff. So we've got a bit of a hybrid model, which has taken some time to get there, whereby, you know, we'll use agents heavily for the student stuff because students turn up on maths, you know, they come and they say, show me a six bedroom house, and they'll want to see 10, 15 of them.

So you're far better, in my view, with agents for student houses. It's just a more mature market sort of thing, rather than it being investor led. However, where agents can crucify your business, to be quite frank, is how they'll maintain it, your costs, etc.

So I've got a self-employed facilities manager, and any of our maintenance requests, you know, above like £250, will be managed by that maintenance person. And also in addition to that, that maintenance person working with me, we will review our houses each year, because that's the thing as well, that when you go from acquisition to operational mode, one of the mistakes a lot of people do, it's quite easy to buy properties, there's loads of them on right move, but if you don't look after them, they'll start to degrade, etc. You know, we've always managed to let our stuff, because we've got a robust facilities management plan in place, whereby each year we review stuff, we do stake of what's got to be done, and then Rachel and the rest of the people then execute it.

So certainly, the challenge around how we kind of operate that, and that's kind of using our sales stuff, our maintenance, also, you know, admin, we've got a VA that works with me in that. And then the fourth side of it is on our account side, where you kind of work well with a bookkeeper and an accountant, you know, to kind of manage the monthly accounts, and then to manage the year-end accounts. But that's probably, as I say, the macro level understanding changes in the market, still doing what we did with the students, you know, with the students, we bought stuff, you know, we paid x, we refurbed it, it cost y, but then our end value was more than x plus y, so we could get our cash out.

We do that same model, and we said, how could that work for commercial? So we bought one commercial building, rented out to spa, kind of said, well, if we break this building into little rooms, and we rented out to nine different businesses, will that give us more money? And we managed to do that because we bought it well, we did a little bit of rejigging that, not significant, but then when we then refinanced it, because we had strong rental income, we could get the money back from it again.

And that's really how we built stuff year-on-year, is by doing momentum investing. We've also done that on the build-to-rent side. So we've done a number of commercial to residential deals, particularly during COVID.

And before COVID, when we've kind of taken small commercial buildings, converted them to two or three apartments, got them fully let, then refinanced and got our cash all back out and basically gone again.

[Adam Goff] (13:44 - 15:08)

Billy, you make it sound so easy. But there's a lot of challenges in there. For those people that don't know Billy, Billy is a steel wealth dynamics profile.

He's our resident steel on the board level, and he is famous for his attention to detail and for just looking at things slightly differently. But all of that takes a lot of know-how. And I think the interesting, I'm just going to pick up on a few things that you've said that I thought were fascinating.

One is you really knew your niche. When you started, you focused on the student HMOs in Liverpool, and you had your 20-plus houses there. And you nailed a niche.

You had a sweet spot. You were riding the crest of a wave. You were first.

And it was like textbook property entrepreneur blueprint. And then what everyone does actually when they get to a level of success is they realize they need to diversify, because now they've got all their eggs. They're really good at one thing.

But if that one thing falls over, they fall over. So now you've diversified. You've gone to different cities.

And I think that's all part of the journey. And we would recommend specializing and then diversifying like that. I just want to talk more about the hybrid model between, because there'll be a lot of landlords out there who are thinking, that's interesting, because Billy's done this.

So you do use agents, but you then have your own. So you take a hands-on approach to management beyond a certain level. Is that how you work?

Do you pay agents on a monthly basis? Is it just a finder's fee for the tenant?

[Billy Turriff] (15:08 - 17:05)

Just a little maths again. I don't want to talk to students. I actually do talk to them when we visit the houses once a year and I kind of do more of a quality check on the agent.

But I don't want to hear from someone that they're at four in the morning when they're drunk that they've lost their keys, basically. So I pay the agent a management fee, full management, for all Liverpool HMO properties. That fee is negotiated because of the size of the portfolio.

And also because they do know that we will manage our own maintenance from it as well. Which, to be honest, I don't mean about they don't like, because if they did it, they'd make more money. But I can guarantee you that we're probably saving easily 50% on our maintenance by doing it that way.

And also I've then got quality control on it, which agents don't have high margins. So actually having that quality control can be difficult. And also a lot of it's the staff.

I can have the same painter. I know what he does. If they change painters, they don't know this next one's going to be as good as the one before.

So on the half the portfolio, it's fully letting, rent collecting, dealing with student queries is the agents, but we do the maintenance. Also the students, because they come and go each year, there's quite a good opportunity to do annual plans around it, whether it's cleaning the gutters, doing the backyards, et cetera, upgrading the properties. Again, we bought our first one in 2011.

So it's kind of gone from rubbish furniture to built in furniture, carpets to laminates, et cetera, brown kitchens to whatever funky kitchens Rachel puts in. When it then comes to non-student properties. Sorry, who's Rachel?

Rachel's the facilities manager.

[Adam Goff] (17:06 - 17:07)

Okay, cool. Very interesting. Yeah.

[Billy Turriff] (17:08 - 19:48)

When it then comes to non-student properties, we've kind of, you know, we used to use agents and I remember I did an analysis one time and basically my fees for using student agencies was around about 10%. My fees for using agents when all their fees were put in to turn around inventories, et cetera, was nearer 24, 25%. So it's quite significant.

And again, it's taken me probably about a year to get to the exact model that we wanted. And I'll explain the model and I'll tell you how we got there. But basically we now have, we have an admin person, we have a portfolio person who are both self-employed and the admin person will do the admin stuff.

So stuff like ASTs, stuff like checking when all the gas certs are done on Arthur, et cetera. The portfolio person will do the viewings, will do the inspection checks on the person and will help with some of the refurb stuff as it's ongoing. And it's really on a pay-as-you-go basis.

Again, I mean, the last year there has just been very little turnover. So it's actually been quite light touch from that. A lot of the work has been on maintenance and increasing rent, but also when we had to fill the commercial entity, the portfolio person had to make a Facebook page, had to get advertising from outside, had to work with solicitors to get contracts in place because it's different to residential, meet the people, et cetera.

But again, we have, even like the commercials, probably an hour's drive away and we do all the viewings remotely. And again, to be honest, till COVID happened, we would have never thought that. So I'm not going to say it was a big strategic decision, but my point is, once you, if you've got a scale where you can afford to pay people like we're at, you know, so we've got 20 student houses, but then 30 of the other houses.

So there's enough tenancies there to be able to pay. And just to be clear, these, you know, my admin person does 40 hours per month, you know, and there's a lot of stuff outside of the property. She's probably only doing 10 hours property and 30 hours of other stuff, you know, like accounts, et cetera.

And the portfolio manager's doing about 10 hours a month. So it's quite light touch.

[Adam Goff] (19:48 - 20:21)

And there's no fixed overheads. Honestly, what you've successfully done is you've built a business that you've built a business. Well, you said, I don't want students calling me.

You've built a business, which is this infrastructure around your portfolio, which allows you to do what you want to do and insulates you from the stuff you don't want to do in a cost effective way, which is the difference between some people say, well, I don't want to be an entrepreneur. Well, you might not call yourself an entrepreneur, but you've actually built yourself, you've built yourself a business there that is, you know, that is highly lucrative and highly leveraged and you're doing what you want to do. So that's also very impressive.

[Billy Turriff] (20:22 - 20:52)

Yeah. And I think it's worth saying as well, you know, when we did build it to get there was a case, you know, it wasn't a case of just saying take on someone and have them 40 hours a month. At the start, there was a bigger chunk, you know, that was one of the things that kind of came from property entrepreneur.

I mean, I remember the first kind of staff member I took on, it was almost like, here's everything I don't like, can you go and sort it? And then three months later, they're like, I'm leaving. I don't know what I'm doing.

And you're a nightmare to work with. I'm like, okay, thanks.

[Adam Goff] (20:53 - 20:56)

Many entrepreneurs will be in that same situation.

[Billy Turriff] (20:57 - 21:47)

Whereas, you know, on the, let's run the admin and the portfolio side, it was a case of actually working out what we do, documenting a process manual, you know, and spending a lot of time going through it bit by bit, so actually showing how stuff works. And then also kind of utilising tech. So, you know, we've got stuff like, you know, again, it's not complicated, but Arthur, Xero, Google, without those kind of three tech enablers, we would struggle.

But again, I mean, don't quote me on this, I think the dearest tech one of that is Xero, that's 25, 26 quid a month, you know, I think, or no, sorry, Arthur, we probably put 70 pounds a month. But again, it's not, you put it, it's not significant tech spend.

[Adam Goff] (21:47 - 22:23)

It's not significant, but it's a building system. And that's obviously, you've overcome that challenge with build, well, getting these tech systems in place, but not just, and although it's a very, very classic journey of trying to abdicate everything to someone you've hired. And then understanding that building a business is documenting what you do, in which we teach in winter, and then training, hiring someone and training them on and actually train them on it probably five times longer than you'd want to.

But the reality is, that's what people need to get good at something. And then only then can you take your hands off the wheels. It sounds like you've learned that lesson.

[Billy Turriff] (22:23 - 22:48)

Yeah, and I think also, the bit that's probably worth there as well, in terms of the staff is, is using likes the wealth dynamics tool, which we do to make sure we've got the right people to do the job, to start with, I tried to recruit people like me, which is fine for me to go to the pub with and have a drink, but it's not really fine if you want them to do jobs that are different to my skill set, if you get me.

[Daniel Hill] (22:51 - 23:25)

Just jumping in quickly with two things. So the first is if you're enjoying these podcasts, and you haven't already ordered a copy of my brand new first ever released book, Karma Credits, please go to Amazon now and order yourself a copy of Karma Credits by Daniel Hill. And it'll explain to you the universal law of wealth, health and happiness.

And the second, if you want a free report that you can read straight away, go to www.boomorbust.co.uk to understand the five things that I'm doing as we head into this next phase of recession. Back to the podcast.

[Adam Goff] (23:28 - 23:52)

That's definitely something we teach is just yeah, you need to hire people that have varying skill sets. I've fallen into that trap too, I used to hire people that I'd like to go to the pub with, and it didn't work out as well. So understanding what profile people are for your recruitment, and you probably when you started never wanted to recruit anyone, you probably thought I don't want to recruit anyone, I don't want to have a team, but then you realize actually, you need a team and they can be incredibly useful if you know how to do it.

[Billy Turriff] (23:52 - 25:26)

Absolutely. And also though, I mean, I wouldn't say it was ego, but I knew I did at one point, I think I wanted what I'd call a massive business. And I quite quickly, well, I was good, I quite quickly understood what it took to have a massive business.

But also to understand the risk and rewards, you know, there's, there's very few businesses that succeed. I'd argue there's loads of, you know, if you look at this percentage rate for businesses that are about in five years, versus the percentage rate of investors and landlords, it far favours investors and landlords. The downside is you can, you know, my wealth is the portfolio, it's not going to be sold at multiple profits, although it could be potentially, but it would be minimal.

Whereas, you know, it's not like a company that can be sold at 10 times profit. So you, you lose some of the upside. But I actually think the cards are far much more in your favour as an investor.

And also to be blunt, I do like to do things differently. So I didn't do different things, whereas, which I can do from the student stuff to the commercial to the SA to the lending to the training, when you're running a business, you know, you're going to create a brand, you're going to create a shop, you're going to put people there, you can't be doing as much different stuff, you know, which, you know, and there's no right or wrong. I like change, I like different projects each year.

And being at the investor level means it's much easier to pivot than what it would be, as I say, by the shop front, for example.

[Adam Goff] (25:27 - 26:28)

Yeah, and just so everyone knows, thank you for that insight, Billy, just so everyone really just to give some more depth to what Billy's saying, we talk about the different levels, you can play the game out as a property entrepreneur, you can be a landlord level where the business is your job, you are the business, the tenants call you and if you're on holiday, things don't get done, you can have investor level where you've got a small team, it's flexible, they come to you, your team will come to you for things, you're managing them, but you're close to it, you can, you know how the business is doing, it's enjoyable, it's dynamic. And there's a good, it's a small enough team to really have a lifestyle business, or the entrepreneur level, which is where you're creating a corporate entity. And it takes you're running a what some of us might steam as a proper business, although all of the three are businesses.

And you're really potentially going for some kind of trade sale or exit or some sort of big impact that's only only available with massive leverage, which comes from huge risk. So yeah, I absolutely share Billy's sentiment on on where he's at. And I think that's fascinating.

So you've also talked about and potentially, maybe you've now got some more sophisticated finance systems.

[Billy Turriff] (26:28 - 29:41)

And so was that maybe another problem that you had on the wire is a problem that you think might be worth sharing, just what I'd call your property to me is the easiest business to be in. Because it's the only business where a bank will lend you 75% of the money and let you keep all the capital growth. And you get to keep the yield, you know, you're opening a restaurant, you're not going to get money lent you like that.

If you're doing a letting agency, you're not. The downside of property is it's quite capital intensive, obviously. So how I'm kind of modeled stuff is I look at it kind of as fast pound and slow pound.

So the slow pound buying stuff, and having it kept with you, and then refinancing it every five years, 10 years as it goes up in value, and keeping cash flow from it. The fast pound is what's kind of given me lots of cash to invest. And that's been you know, that's been other people's money to enjoy ventures with people borrowing money from people.

And it's also they've been doing developments, whereby we've done like six listed buildings now to apartments that we've sold off, which has given us profits that we could kind of invest. And also a kind of lending and coaching business that will pay funds on a monthly basis, which is really profit play. So certainly on the building the portfolio, you've got to be aware of how you get quick pounds versus what your slow pounds are.

And also just making sure you know, everybody wants to do everything quick, and I totally get that. But also, as long as you've got enough reserves, you can also never go bust. So and also if you own 20 houses or 30 houses, your life's not hugely going to change.

So certainly being far more aware of how to manage cash flow on an annual basis. And also the bigger the portfolio you have, the more your costs come in. You know, I mean, maintenance costs on a large portfolio are significant, whether you're just talking about certificates, small things to clearing gutters to the old roof going, the old kitchen going, etc.

You know, you could, I would recommend that we could have our own maintenance team, but that would be fairly difficult to manage. But just the point is, you need to work out how you go that quick pound, slow pound to almost your acquisition funds, and then and your living funds as well. But then you need to have a cash flow model that enables you to manage stuff and particularly with students because we have the summer dip when they're normally maybe half price rent.

They also haven't got their grants. So they're and also even when they pay you a lot of the time, they'll then pay you three months up front. So it is a little bit all over the place.

And then also, to be honest, making sure you keep what you earn, so doing everything as tax effective as possible. So using stuff like pension schemes to save We might say that as a top tip really, because I think we're coming there now.

[Adam Goff] (29:41 - 30:56)

I'll just I'll just pull that together because I think I see I hear a lot with people at landlord level who say, oh, I've just got a I've got loads of refurbs on at the moment. I haven't got any money. I'm waiting for this remortgage.

When this remortgage is done, then I'll have some cash, Adam. And and I see people with with significant net wealth, who aren't don't have systems to manage their finances and get themselves in these situations where these quite wealthy people are actually living from hand to mouth because they're not really managing that they're not treating that their business as a business. It's ad hoc.

And I think that's a really some fantastic insight, So some interesting challenges you niched and you had to diversify. You had to come up with a hybrid model for agents versus staff. And you knew your numbers on that, which I think's fascinating.

Obviously, you've been very successful with momentum investing. You've got you've changed strategies, not just areas. And you were very clear about the levels that you wanted to play out and what was going to work for you and investor levels, definitely your level and putting in a number of systems, whether it's been people, recruitment, training or finance, has allowed you to keep the car on the track.

There's so much in there. There's so much from this already, so many tips. But if you had to summarise three top tips for people, what would they be?

[Billy Turriff] (30:57 - 34:29)

So the first one would be is. When I say know your level, I don't mean it as we see level is know your sweet spot. So I have landlord friends and people I've worked with that maybe have up to 10 properties and it gives them the lifestyle that they want and they are hands on, but they need to stop within 10.

So they didn't run into that kind of overwhelm where you need kind of processes and systems. And again, then you work out whether you want to be an investor. So I'm very much like an asset person rather than a product person, which is maybe a lot more if you want to go on to like the front shop business owners are.

So certainly know what level is your sweet spot and don't think that it's a hierarchy. It's actually what works best for you. You know, they've each got advantages and disadvantages.

So I think that's certainly the first one. Second one is learn when to go from acquisition to operational mode. And I do think, you know, there's a bit of a joke, people go and mastermind, create a mess and then they go and profit the entrepreneur and sort it out.

And there's a lot of truth in that, but I think that's the reality. I've also worked with people who try and create a perfect model, but they've got no deal flow. They've got nothing to put into it.

So when you are growing a business and a portfolio, you'll have a different way of doing stuff. You'll have different tools, processes, different financing models. But when I see people fall away, some people just want to grow the whole time.

And it's a bit like that phrase that we've got, more revenue doesn't mean more profit. So understanding how to switch that over. And then the third tip I would say is know your numbers.

I mean, I'm amazed, and maybe I'm just a geek with numbers, but I know people that you know as well who are really financial, successful businesses are far bigger than what I am. And they've asked me to kind of do an audit, for example, of how they pay themselves. And, you know, just because they've never gone into the detail of it, they're wasting, and I'm talking like 30, 40% of their earnings, not doing stuff tax effective.

So it's kind of know your numbers from your own perspective and also the business. And again, you know, going into knowing, just you are in a business. So when you run a business, your cash flow is key.

Profit and loss is key. Balance sheets is key. You know, those three tools are key.

With zero, they're really not difficult to have them updated to you each month. But you've got to understand them. And if you don't, you've got to pay someone that does.

Again, it's a bit like when you say I've got one guy that has just asked me for some help. He's got a hugely successful portfolio, but he's at risk of going bust simply because he's got like a quarter of a million of debt. And I could do not add about 70% per annum on like payday loans.

But yeah, he's got a portfolio with over a million and a half of equity. So it's kind of like, you know, don't be scared, you can sell stuff and just pay it off. But because some people's just about growth, growth, growth, they've done at any cost, but not actually making sure their house is in order.

So yeah, know your numbers. Some people, it's not exciting, but if you don't know your numbers, it will be difficult for the business to ultimately be successful long term.

[Adam Goff] (34:30 - 35:00)

There's such wise words there, Billy, from someone who's actually done it walking the talk. You know, there's so much hype in the property industry around going bigger, going harder. And there's very few people, success leaves clues.

And there's the people that have done it really understand that actually you don't often need as much as you think you need. You just need to be smart, as well as work hard. That's really what you're talking, isn't it, about?

It's like knowing your numbers and minimizing your tax bill from being smart, so some great advice.

[Billy Turriff] (35:01 - 35:49)

And that is one of the huge advantages of property. You know, again, the point that you have refurbs that go on, it actually lets you poof a lot of your capital costs out. Until you sell, you're not paying your capital gains or increase in value, but you've refinanced them, so you've got more money to grow.

So really, again, to me, you've got to enjoy property, as well. But it's just, I argue that I don't think I've done anything clever. I think I've worked out where the cards can be in your favor.

And I just really think the population, et cetera, that as a business, I think it's far easier to make money from property than trying to deal in shares, running restaurants, running letting agents.

[Adam Goff] (35:50 - 36:17)

RAOUL PALSARY I have to say, I agree. I think it's a way to build wealth, which is what you're talking about, isn't it? It's an absolutely fantastic way to go.

So top tips were know your level, knowing to flip the switch from acquisitions to operations, and know your numbers. Understand that you need a cash flow forecast, P&L and balance sheet. And if you're not doing those things, you're driving the car without any dashboard.

And sooner or later, the engine's going to explode.

[Billy Turriff] (36:17 - 36:36)

Yeah. And if you don't know your cash flow, yeah, it will explode. People can get by without P&Ls and balance sheets and just let it get done once at the year end.

But unless you've got lots of money behind you, and you're not managing cash flow, you're going to crash, basically.

[Adam Goff] (36:37 - 36:54)

RAOUL PALSARY Fantastic, Billy. Thank you from everyone at Property Entrepreneur. Thank you so much for giving out your time today to share your insights.

It's been a really valuable conversation. And once again, just congratulations on making the Hall of Fame long overdue and thoroughly well-deserved. And we really appreciate having you as part of our community.

So thank you for everything that you do for us. It's much appreciated.

[Billy Turriff] (36:55 - 36:56)

BILLY COOPER Oh, it was a pleasure. I look forward to seeing you soon.

[Adam Goff] (36:56 - 37:06)

RAOUL PALSARY If people want to know more or get in touch with you, what's the best way to follow you? Do you have a social media profile? Are you available?

What's the situation?

[Billy Turriff] (37:06 - 37:25)

BILLY COOPER Yeah, so you can message me on Facebook, Instagram. I'm not particularly active on social media, but you can find me there. I've also got a YouTube channel where I give some investment tips to people.

So if you contact me through any of them, I'll be good to hear from you and I'll happily chat with anyone.

[Adam Goff] (37:26 - 37:31)

RAOUL PALSARY Yeah, so it's billytariff, T-R-I-R-I-F-F. And you have billytariff.com, do you?

[Billy Turriff] (37:31 - 37:35)

BILLY COOPER I do, yeah. I've got a website, billytariff.com, where you can find out a bit more information as well.

[Adam Goff] (37:35 - 37:39)

RAOUL PALSARY Cool. So, Billy, thanks so much. I really appreciate that.

Have a great rest of your day.

[Billy Turriff] (37:40 - 37:40)

BILLY COOPER You too, buddy.

[Daniel Hill] (37:40 - 38:44)

RAOUL PALSARY I hope you enjoyed this episode of the Official Property Entrepreneur Podcast. If you are not already subscribed, click subscribe now to make sure you never miss an episode again. If you're not already following me on social media, Instagram is propertyentrepreneur underscore, Facebook is Dan Hill.

And if you're not already in the Official Property Entrepreneur community on Facebook, there's over 8,500 of us in there now. Join that group. And if you're not in one of the private WhatsApp groups, maximum of 20 people in each group, in the show notes, type VIP podcast and send it to the number that's in the show notes on WhatsApp.

And we'll get you added to one of the private VIP WhatsApp groups where you can request your own podcast. It'll be dedicated to you and your business. And every Tuesday, I'm in there answering questions, giving you one-to-one direct support.

And we don't know how long we're going to keep these open for. Success and failure are both very predictable. I will see you on the next episode.