**PEP 138 Edited\_Transcription**

[Daniel Hill] (0:00 - 31:15)

How to avoid being busy, being burnt out, and being broke. If you're serious about levelling up this year, you could not have chosen a better year to be doing this. But you have to be strategic, you have to know what you're doing, you have to understand the economy, you have to understand the market.

Building a team, delegating, do nothing, delegate everything, define, delegate, done. If you're doing six and seven figure deals, how could you end up busy, burnt out, and broke? This is the sad reality of most people that are in business.

What we want to do is get you into the 5% that not only make a profit, but build your business, that you enjoy owning, you get fun from engagement, return on investment, and it actually builds a life by design that you want. Come join us at one of our three-day events. You will be our next market-leading, high-net-worth property entrepreneur.

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. Busy, burnt out, and broke. This is the sad reality of most people that are in business, let alone a lot of people who are actually in property.

And you'd have thought, if you're doing six and seven-figure deals, how could you end up busy, burnt out, and broke? Well, the reality is 95% of businesses do not even make a profit. And what we want to do is get you into the 5% that not only make profit, but build your business, you enjoy owning, you get fun from, engagement, return on investment, and it actually builds a life by design that you want.

This is what we're going to talk about in this podcast. We're going to talk about the new age property entrepreneur. The new age property entrepreneur just doesn't have these challenges.

They're not overworked. They're not underpaid. Even if you choose to go out and work 40, 50, 60 hours a week, you're doing it for fun.

And the net result is whether you choose to finish and end things today, or in 10, 20, 30 years with a sale or an exit, you've made significant wealth along the way, enjoyed the journey, and it's added value to yours and your family's lives, not detracted from it. So this is the new age property entrepreneur, how to avoid being busy, being burnt out and being broke. So what is a new age property entrepreneur?

So we're going to go through this first, and I'm going to take you through a list of points that I've written down to enable you to identify the difference between a property investor who's out there being real busy in the business, overwhelmed, overworked, underpaid, and a property entrepreneur who has a high net worth, owns assets rather than properties, looks at it as a business rather than a portfolio, and has a very, very different quality of living and wealth creation strategy.

So going through these in no particular order, if you think about the difference between a busy property investor and a high net wealth property entrepreneur, the first thing to acknowledge is their position within the business. Now, a property investor is very active in their business. They're working with agents, they're talking to tenants, they're arranging trades, refurbs, paying invoices.

They're very much a business operator. They're running the business. Now, this is good because it's self-employment, but it's definitely not business ownership and entrepreneurship.

So business investors, property investors very much work in the business, business operators. They run the company. Whereas property entrepreneurs are business owners, and they can own businesses that they're not involved in day to day.

They can own businesses and trade businesses that perhaps they don't even see, or have never visited. I've bought and sold companies that I've never seen. I've never been to the area they're located.

I've never met the team. Because a business owner sees a business as an asset in the same way that a business operator or a property investor sees a property. So real clear differentiation there between the new age property entrepreneur and the busy burnout, broke in some cases, property investor who's working twice as hard for half as much for the worst boss in the world.

The next thing is about strategic positioning. And this is all about what the property investor has against the property entrepreneur. Now, the property investor can often operate in markets which have high competition and low margins because the property investment community is very big.

The range of strategies is reasonably small. And there's not that many large towns and cities in which to invest, in which case as soon as something becomes popular, it can become very high competition, very low margin. Every man needs dogs doing it because it's the new hot thing of the day.

Property entrepreneurs, on the other hand, are highly strategic. And we're not looking to follow the masses. We're looking to observe the masses and do the opposite.

We're not looking to build busy cash flow, noisy businesses or portfolios. We're looking for niche strategies, crest of the wave strategies, emerging waves that other people just haven't got on yet. We're looking for that needle in a haystack.

And I'm not saying that this is easy. If it was easy, you'd be a property investor and you'd do what everyone else does. Because you're going to be more strategic as a new age property entrepreneur, you're going to look for the needle in a haystack where you're not aiming for 10 or 20% profit, which in the UK market would be seen to be the elite of privately held businesses.

As a new age property entrepreneur, we're looking for needle in a haystack. We're looking for crest of a wave. We're looking for niches where the reality of charging high price points with low competition and high margins that are 20, 30, 40% is very, very realistic.

But you have to be strategic. You have to know what you're doing. You have to understand the economy.

You have to understand the market. Most property investors just don't. Whereas new age property entrepreneurs absolutely, absolutely do.

The next is the focus. Now, as a property investor, when you're running your business and you're the operator of it, you're very task focused. So you wake up on a daily basis, you do your to-do list, and it's a list of tasks that you've got to achieve in that day, week, or month, or even in that moment.

Whereas a new age property entrepreneur isn't thinking about what or when are they going to do these tasks. They're thinking about who's going to do them. And new age property entrepreneurs don't have to have teams of 20, 30 people who are on 40, 50,000 pound salaries ahead.

They can be VAs, they can be PAs, they can be EAs, they can be people operating on a project basis, zero rate contract, the other side of the world. The most important focus is that a property investor focus on tasks, where a new age property entrepreneur focuses on team. Building a team, delegating, do nothing, delegate everything, define, delegate, done.

Just really starting to think of this as a business that you own, not a self-employed job that you work in. The next is the drive. Now, a property investor who's running their business is driven in the main by cash.

Cash in the bank, hand to mouth, food in the fridge. Property entrepreneurs are focused on becoming high net wealth, wealth creation. We're not too worried about the cash element because that's level one, which we'll talk about.

What we're focused on as a property entrepreneur is more about wealth creation. And this is level two and level three. Level two is all about profitability and level three is all about balance sheet.

We want to focus on having a surplus that we can then invest into getting assets that can then generate the steam. Not running around hoping that we've got enough money from the portfolio that we've built to pay our salary. That's very much property investor where we start.

If you want to move up to property entrepreneur, it needs to be focused on the P&L and the balance sheet, not the cash in the bank. The next is just a mindset, as I alluded to earlier, which is about burn what you earn. Investors, burn what you earn, hand to mouth, make two grand, spend it, five grand, spend it, 10 grand a month and spend it.

Property entrepreneurs are all about being frugal, saving money, breaking even and then creating net wealth. And not until you've completed levels two and three that I'll talk about shortly, that you actually start to enjoy the finer luxuries of life. It's all about wealth creation, financial independence, not financial freedom.

Financial freedom is property investment. Financial freedom means not having to have a job for somebody else. Financial freedom means not having to work fixed hours.

The sad thing as a property investor with financial freedom is we do that level one, we quit the job, the portfolio pays our salary, fantastic at level one, that's where we all start. But the danger is we get stuck there and we end up working twice as hard for half as much for the worst boss in the world. Whereas if we move to levels two and level three and become a high net wealth property entrepreneur, we can move away from that concept and that mindset and not burn what we earned, focus on actually creating a seven-figure net wealth that delivers a consistent six-figure net income.

Strategically, the property investor at level one works in their business all day every day, talking to tenants, talking to the team, arranging maintenance, visiting properties, answering the phone, running the show, that's working in the business. Whereas the property entrepreneur works on the business, works on strategy, works on fundraising, works on doing deals, works on expansion plan, leadership, culture, brand, vision, very much working on the business whilst the team run the company and work in it for you. Whereas the investor gets trapped at level one and just gets stuck in that moment.

In that moment, when you're stuck there, you have a high workload and a low income. The reason for that is it's not highly leveraged. If you look at your hourly rate as a property investor at level one, how much money did you make last year divided by the amount of hours you worked, that will give you your hourly rate.

If you're still doing tasks like answering emails or liaising with tenants, these are all services that you could employ. There's very few services you can't delegate for between 15 and 20 pound an hour. If you're still paying invoices, liaising with tenants about maintenance, doing viewings, all of these activities, you're very much stuck in that level one mindset.

At level two and level three, we don't have a high workload and low income. All of that entry-level work that can be delegated to VAs, PAs, EAs, senior teams, gatekeepers, project managers, enables you to have a much lower day-to-day workload, more like 10% rather than 90%. And it enables you to have a lower workload and a much higher income, a much higher hourly rate.

The reality of earning 50 or 100 pound an hour would be quite aspirational at most active property investors levels. Whereas at the property entrepreneur level, it's not unrealistic to be making 250, 500 pound an hour, which moves you into that strong six and then into seven figure annual earnings as a high net wealth, new age property entrepreneur. And this is what the transition we want to take you on.

The next is all about focus. The active property investor will be focused on things like spreadsheets and information flying around and emails and discussions. Whereas a property entrepreneur will have everything systemized.

They'll be driving by the dashboard, looking at the data, the KPIs, the reports, rather than the property investor who's just kicking their feet like Fred Flintstone. The harder you push, the faster you go. We don't drive by the pedals.

We drive by the dashboard. And this is all about moving up to the next level where it's all about data. It's about dashboards.

And it's about managing the team from a statistic point of view rather than a emotional, personal, connected point of view. And then finally, it's about that wealth creation element. And level one is where we cover cashflow, pay the salary, food in the fridge, get to the breakeven point.

95% of people just get stuck there, just burn what you earn, feast and famine, just living off the cashflow that's generated. We want to get you into the next level where you're generating profit, investing that up to assets and creating genuine financial independence. Which means as long as you don't do anything stupid, you will never have to work again.

Whereas the active property investor relies on the portfolio to keep working, keep churning and keep kicking out that cash of running a business. So what do you get when you get up to this property entrepreneur level? Well, the new age property entrepreneur has a number of appeals.

The first is genuine financial independence. If you're in property and your primary objective is not to achieve a net seven figure net wealth with a passive, as close as passive as you can get six figure income, then you are completely missing the point. Jumping in with a quick opportunity that may be of interest to some listeners.

So if you've not already listened to the living off the steam podcast, episode 96, and the 10 layers of wealth episode 125, I would highly recommend going to listen to them. They've been by far two of the highest download episodes we've ever done. In there I talk about start to finish the model that you want to use if you genuinely want to become not only financially independent, but build, maintain and manage generational wealth.

Off the back of those two podcasts, we've had a number of inquiries from people who want to actually have that structure in place for themselves. So for the first time ever outside of the board, which is our top level training program, which costs £30,000 a year plus VAT, for 12 people, I'm going to take them through this process over a six week period, where by the end of it, you will have this in place set up, and you'll have clear, absolute clarity on your wealth strategy, your financial management, and how to take all of this to the next level. This absolutely isn't for everybody. I would recommend that it's only really suitable for high net worth individuals who are already making over £100,000 a year.

The investment for is £5,000 plus VAT, and it will take six weeks to complete starting from the end of March. If that's of interest to you, and you meet those criteria, just drop me a message on private message through Instagram. My handle is property entrepreneur underscore, or call or email the office through the website at www.property-entrepreneur.co.uk and we can send you an application for. Back to the podcast. The high net worth property entrepreneur is all about building financial independence, where as long as they don't do anything stupid, they never have to This does not happen quickly. It does take time.

You have to be highly strategic and disciplined. But when you have it, the concept of being able to do things by choice and preference, not by having to make money is an absolute game changer. Equally location wise, you didn't choose to become self-employed as a property investor to be tied to a certain town or city or office or desk.

The property entrepreneur has complete freedom of location. They can work anywhere. Everything's done remotely.

They have teams managing their streams and they have businesses that are run by other people. They have offices or team members that they don't have to see on a daily basis who are running their companies for them. They don't have to turn up every day, week and month to run their company.

And with this freedom of movement, freedom of location, you can work from anywhere in the world. You can work at your house when you want to. You can work in local bars and restaurants when you want to.

You can work the other side of the world when you want to. And this is the thing about being a new age property entrepreneur. We do things that we want because we can.

The only way you're going to get there is go through the three steps from the active investor up to the new age property entrepreneur and get that independence. High net wealth is a luxury as well. If you think about it, it's not just how much you make, it's how much you keep.

It's not how much you earn every year that defines your wealth. It's what your balance sheet looks like. And the new age property entrepreneur understands that balance sheet and assets are far more important than cash flow and cash.

And with this, the longer you play the game, the higher that net wealth becomes, and the longer your sustainability. Initially, it will prepare you for life, then your children, then generation wealth to come should you choose to approach it in that way. The new age property entrepreneur is focused on high net wealth, high security, low risk, low return to get that real solid portfolio.

In your business, there's things you enjoy doing. I'm a new age property entrepreneur. I love business.

I've tried semi-retiring. I've run the big businesses. I've run the small businesses.

I love working. I love doing deals. I love being an entrepreneur.

There's things I love about business and there's things I absolutely hate. The new age property entrepreneur focuses on the 10% of things that they enjoy, the 10% of things they're good at, and the 10% of things that adds the most value. Whereas the active investor, the property investor who's just running around being busy, being broken, being burnt out, is just trying to keep this thing going.

Who actually really wants to spend their time after the novelty wears off of talking to tenants, managing refurbs, turning up and doing viewings, paying invoices, doing bookkeeping, dealing with administration, answering emails. That's where we get started. It's not where we finish up.

This is what new age property entrepreneurs do. They do the deals. They have the nice lunches.

They do the seven and eight figure transactions. They don't get involved in running the companies. That's what we do when we delegate to our team.

Do nothing and delegate everything. How do we do this? I would assume that most people, not everybody, most people want to move from that active investor level where you've become self-employed, you've got financial freedom, you don't have to work for the job anymore, but then you want to get to the point where you enjoy it.

Level one, pay your bills. Level two, do the fun stuff and create actual net wealth, not just working twice as hard for half as much. Well, there's three elements to it.

There's the three levels, there's the four seasons, and then there's the five problems. I've been doing this for 20 years. I've been teaching it for a decade.

If you master this blueprint, it's everything you need to put this into practice. The three levels, which I've alluded to, is landlord, investor, and then entrepreneur. The landlord is level one, basically.

You start doing property, you're managing the refurbs, you're viewing the tenants. We all start here. What we're looking for is how to create value.

How do you actually make money at level one? This is the landlord. You don't delegate anything, you do it all yourself, you don't have any team, you know the tenants, you're managing refurbs, you're doing the maintenance, collecting the rents, you do absolutely everything.

You are the business at level one. The only objective here is to figure out how to make money. How do you generate value?

How can you actually create a margin from whatever you're doing? That's level one. Level two is the novelty of that wears off.

Six months, 12 months into it, you realize, you know what? Actually, it's quite hard work dealing with tenants. I can't be sourcing deals and dealing with blocked toilets.

You start to build a team, a maintenance guy, a bookkeeper, a PA, property manager, and you start to build this small lifestyle team around you. This is investor level, and this is a reasonable sweet spot. The only challenge here is you will always be in the business.

You need to be there banging the drum. You need to be there leading the team. You need to be there driving standards.

You need to be there holding people accountable with carrots, sticks, whatever you need to do to get things done. That's that level two. Level three, what we're talking about is once you figured out how to make money and you start to understand and get confidence of delegating workload, recruiting people, systemizing businesses, then we move up to level three.

Level three is the property entrepreneur, the new age property entrepreneur that's making strong six, if not seven figures a year. They can be based wherever they want. They're traveling the world.

They're making lots of money. They've got a high net wealth. They're not worried about paying the bills, and they're taking low risk to make high returns with a large amount of capital.

This is the journey we want to take you on. How do you get through those three levels to go from being the busy landlord who is the business, to being the property investor who works in the business, to being the property entrepreneur who works on the business, does the deals, creates the net wealth, and doesn't have those challenges of 95% of those people that are self employed? Well, the four seasons is the way we do this because what you'll realize is working hard will be trumped at level one, will be trumped by working smart at level two.

And then what we want to do at level three is work strategically. And strategically is understanding how to start a business, how to systemize it, and then how to scale it. And this doesn't necessarily nowadays, where scaling a business 10 years ago might have involved 30 or 50 employees like I had at one time.

Nowadays, you can be running seven and eight figure businesses with two or three key employees, and then subcontract everything out on variable rates, pay per hour, fixed price project contracts, delegate to people self employed in the UK, outsource it overseas to VAs, PAs, EAs. The opportunity as a new age property entrepreneur are absolutely endless. But you're only going to do this if you're very strategic.

The way we get strategic is we run our businesses in four seasons and 12 month cycles because businesses don't grow in a linear fashion. They don't grow and grow and grow. Businesses grow in a cyclical nature, more like stretching a piece of elastic.

Stretch the elastic till it's nearly ready to break, regroup, repair, and then you stretch it again. And this is where the four season model comes in. It works for the natural world, it works for humanity, I can assure you it absolutely works for business.

And this is the second step is understanding the four seasons. And in the autumn, we do strategy, winter systems and finance, spring onboard trial and testing, and then summer sales, marketing and scaling. If you're doing 15 to 20% fast growth in the UK, you're in the top 2% of all companies in the country.

On property entrepreneur, on new age property entrepreneurs, it is not uncommon to be achieving 100 to 200% growth, basically doubling in size, not only in one year, but in as little as 12 to 24 weeks. And you can only do that if you use the four seasons. And then there's only going to be five problems.

Everyone thinks that business is this hugely complex, secret magic wand algorithm that nobody else gets. Listening to these podcasts, you'll understand that these blueprints are my life's work. If you can take complex things and boil it down, there's only really five problems you need to overcome.

The first is a lack of clarity, where you don't really know what you're building or what you're doing. What's your strategic position? What's your business model?

What's your sweet spot? What's your commercial balance? What's your gross margin, your net margin?

All of these things to pull it together, absolute crystal clear clarity. So within 60 seconds, you could explain to a stranger what it is you're building and why you're doing it. Very, very simple, but 99% of people just do not have it.

Absolute clarity, what you're doing, where you're going, and how you're going to get there. The second is a lack of systems. Most people are running their businesses on spreadsheets, via their inbox, on WhatsApp.

This is not a business. That's a group of people being self-employed, running around like headless chicken, earning 10 to 15 pound an hour. That is not that.

That active investor space is where we get started, but it's not where we want to stay. We need to introduce systems. We need to introduce the map to the business, the methodology, the assets, the people and the performance.

We need the scorecards. We need the dashboard. If you run it like a hobby and a bit of fun, it will pay you like a hobby and a bit of fun.

If you want to become a high net worth individual and be a new age property entrepreneur and genuinely move into that seven-figure net wealth and six-figure income, you need to start treating it like a business. If you treat it like a business, it will absolutely pay you like one. But if you don't apply this blueprint methodology and effort, the reality is the last thing that's going to happen is progress.

The third is finance. Most people either have a lack of cash flow or a lack of capital. There's only two types of finance you need in the business.

Capital is what you use to grow, and cash flow is what you use to keep going. They're the only two things you need. And through capital, there's so many ways you can raise private investor capital, EIS, CDIS, crowdfunding, government startup loans, private investor.

There's a million ways you can get cash into the business. And the second is cash flow. Most people don't have the cash flow they need to not only pay their own salary at investor level, but to pay the overheads of the business, to pay for a management team, to actually build a proper company.

And this is all about business modeling. If you've got a lack of finance, you do not have solid business modeling within your business. You wouldn't build a house without a solid set of plans.

Why would you build a business without anything less? Solid business, solid business model, get absolute clarity to ensure you've got the finance to both grow and then keep going. The fourth is a lack of capacity.

You just don't have the capacity. There's only two types of capacity you need. One is bandwidth, enough hours in the day.

The second is expertise. You can't be the best at everything. There's only 20% of the business you could really thrive in.

The other 80% needs to be delegated to other people who have the expertise and the bandwidth and the capacity to actually deliver it. Define, delegate, done. Do nothing, delegate everything.

We need to build the team, build people on board and start to see that investment in the team or money spent on the team is an investment, not an expense. And when that penny drops for you and you understand the more you can pay, the more you can profit, that every team member is going to give you a return on investment on either more revenue, more profit or more time, the game will change really quick for you. And just don't leave it another decade to figure that out.

And then finally is sales and marketing. You need to have a solid pipeline of high quality leads that are going to pay high price points and give you strong margins. 5% of every industry have people queuing up to do business with them, whereas 95% are running around, competing on price, fighting their way in the race to the bottom, and just not getting where they want to get to.

We want to get into that top 5% by developing a profile, developing a position and then getting an absolutely solid product or service and making sure that when you go to the market, the last thing you have to worry about is sales, revenue and actually making money. All of that should be inevitable when you find these needle in a haystack to be highly strategic, catch these crests of a wave and get into those highly lucrative niches with low competition and high margins. If you can put that into place, that will take you from being the active investor at the beginning of your journey, where you're running around doing everything being busy, burnt out and broke, up to becoming the new age property entrepreneur, who is highly lucrative, highly leveraged with a seven figure net wealth and a six figure income.

If you're serious about leveling up this year, you could not have chosen a better year to be doing this. 23 is going to be the gap between generational wealth and those that absolutely make it, those that tread water and those that fall by the wayside. We've got this 12 to 18 month window of opportunity where everybody else is running for the hills, where we can observe the matters, do the opposite, jump in, and you'll get more growth and progress in the next 18 months than you probably have in the last 18 years of high competition, low margin, running around, hands and mouth trying to put food in the fridge.

If you're interested in putting this into practice, come join us at one of our three day events, go to www.property-entrepreneur.co.uk and have a look at the three day blueprint events we run. We only run them once a year, three days start to finish, 100% money back guarantee. This is the 10th year that we've been delivering this training.

And if you get halfway through the second day and you haven't got value for money, this isn't for you, you don't believe it's going to work, then we'll give you all your money back. Give us the blueprint, we'll shake hands, we'll be friends, and you can go on your way. For those that do, they will level up, they will take it to the next level, they will move from being a business operator, where you're in it with low margins, low hourly rate, high workload, high noise, into becoming a business operator, a business owner, where you work on the business, not in it, you're a high value property entrepreneur, and you get to that seven figure net wealth with six figure income, just using this blueprint. It's taken me 20 years to develop it, I've been teaching it for 10 years, it worked for me, it'll work for you.

Come join us at one of our three day events, we'll show you a start to finish, and maybe you will be our next market leading, high net worth property entrepreneur. I hope you've enjoyed this podcast. Join us next Tuesday for the next episode.

It's my life's work, put them into the practice, and I guarantee you will be one of our new age property entrepreneurs working on it, not in it, and having a lot of fun. I'll see you on the next episode. I hope you enjoyed this episode of the Official Property Entrepreneur Podcast.

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Success and failure are both very predictable. I will see you on the next episode.