**PEP 80 Edited v2\_Transcription**

[Speaker 3] (0:05 - 1:44)

Welcome to the official Property Entrepreneur podcast. It is the first of the month, ladies and gents, which means it's time to lift the bonnet on some of the UK's most creative, lucrative and award-winning deals on our Deals, Deals, Deals podcast with my good friend, Mr. Mark Barrett. Mark is an award-winning entrepreneur.

He has a wealth of experience in property investing. He's done 25 years as a landlord, 10 years as a broker, and he's been sourcing property deals for other people for over a decade. Mark joined us on the Property Entrepreneur board in 2016 and has been a board member ever since, which is our highest level programme where I work directly with our Property Entrepreneur board members.

He's done over 50 option deals, as well as delayed completions, planning gains, commercial developments, and over 40 HMO conversions. As well as property, Mark was also the founder of the HMO Agency. He now runs the Property Brokerage, which broker property deals for landlords and investors, so he knows this stuff inside out.

During these podcasts, what he's going to do is share everything he can with his experience, his expertise, his wisdom and insight to give you all the information and inspiration you need to apply this in your own business. Each month, on the first of the month, Mark's going to be interviewing some of the UK's market-leading and award-winning investors and developers to show various deals, structures, and strategies to enable you to apply this in practice. It's the first of the month.

It's time for Deals, Deals, Deals. So over to you, Mark.

[Mark Barrett] (1:48 - 2:44)

Hi, and welcome to the latest edition of the Deals, Deals, Deals podcast. I'm really excited to introduce a friend of mine who, as I joined the board in 2016, Kevin was already there and somebody I admired and I've always looked up to. So welcome, Kevin.

How are you doing? Yeah, great. Thank you.

It's a very generous introduction. Thank you very much. Good morning.

So as we kind of, as I was saying, you've had probably the biggest transformation both personally and business-wise, I think amongst those that have been on the board. And yeah, it's been, you know, inspirational to kind of see, as we say, the kind of like the journey that you've been on, but it is quite remarkable. Do you want to just say as to possibly at that time where you was at and maybe like lead us into like an introduction to yourself?

[Kevin Edge.] (2:45 - 3:59)

Yeah, sure. Yeah. So obviously I'm Kevin Edge.

So good morning. I mean, as you said, I joined the board, it was seven years ago. I was like one of the early members there.

I started out, met Dan on a systems day because I was running a construction business and I wanted to know how to how to systemize my business more. So always about education. And then Dan mentioned that we've got this board that he's starting.

And so, yeah, I was one of the early members on that. And at the time I was running a construction company, building extensions and renovations around St. Albans. Decent sized ones.

I mean, they're up to sort of three, £400,000. So sort decent sized projects because they're valuable houses around here. And we were building a strong business and doing a lot of work.

So with business, busyness, you need some systems in order to reduce the busyness. Otherwise it becomes overwhelming. So I was constantly looking to how to reduce the overwhelm.

And that's kind of how I started on the board, really like trying to get some support and education on how to run a business. Okay.

[Mark Barrett] (3:59 - 4:13)

Yeah. And also on a personal footing, you've had, you know, somewhat of a transformation on that. You know, you're kind of doing a lot of marathons now.

You're in a completely different position. Yeah. Yeah.

[Kevin Edge.] (4:13 - 5:33)

Yeah. That was, yeah, that was the fault of the board. I mean, we went on a body transformation.

So one of the great things about being on the board, it's not just about business. It's also about lifestyle and yeah, just living your best life, designer life, as we say. So one of the things that we all did as a group, we did a body transformation and I lost 25 kilos.

So I was a bit chunky before. And then we also raised money, which you was the inspiration for Mark, for Operation Smile. And we were going to run a 5k, a 10k or a half marathon.

I signed up for the half marathon, hurt my leg because I got too carried away, like trying to work too hard in the beginning and tried to get out of it. And then everyone was going, oh no, just do a 5k. So okay, all right, we'll do it.

Got into that. Then got into the whole process, we raised a load of money together, like 75 grand, I think it was. And eventually I ran a half marathon, quite enjoyed it.

So I carried on going. And since then I've run two full marathons, which was always an ambition, but I never thought I would do in my 50s. So that's been a great.

Yeah.

[Mark Barrett] (5:34 - 5:37)

And your times have been very good as well, haven't they?

[Kevin Edge.] (5:38 - 5:53)

Yeah, not quite Olympic standard, but yeah, not too bad. I mean, first one I did was three hours, 12 minutes, and then the second one was three hours, 11 minutes. So the goal now is to try and make three hours.

That's awesome. Awesome. Yeah.

[Mark Barrett] (5:54 - 6:03)

So you mentioned then about civic construction. So what's kind of happened because you no longer have that business. So what's happened in that?

[Kevin Edge.] (6:05 - 7:12)

Yeah. So civic construction, doing the extensions is now completely finished. That was three years ago.

And so now it's just doing development. So initially I've JV'd with a company called Fountainhill. So I'm a partner there, but I'm also doing my own thing and sourcing my own deals and doing our own direct to vendor approaches.

So now we just concentrate on new build developments. So up to sort of nine houses is a good sort of size for us. Just below the affordable housing threshold is key.

Otherwise the numbers start going very funny, but mainly just new build housing, also some commercial residential stuff as well. So that was where I won my first award was for a commercial residential we did in St. Albans. And then we won another one, as you know, in 2019 for another development, two awards for another development we did of nine houses in Waltham Abbey.

Fantastic. Yeah. Yeah.

[Mark Barrett] (7:12 - 7:31)

It's interesting what you're saying, it kind of like, you know, you finished civic and then you've now gone into the house building. I think you've also mentioned that one of the things that we do is each year kind of like reflect on the year and where it is you want to be going. Yeah.

So that was kind of part of that process for you, wasn't it?

[Kevin Edge.] (7:31 - 7:59)

Definitely. Yeah. So it's taking everything sort of step at a time, really.

It's been a reasonably, it's only taken a few years to go from extensions to developments, but it's had to be kind of step by step, had to wind down what you're doing. You've got to build up your workflow. And it does take some time and you've got to envision where you're going to go to.

And then make a plan to sort of get there as you go along.

[Mark Barrett] (8:00 - 8:22)

You've executed that, yeah, extremely well. So let's just go through, just before we move on to that actually, just about the wealth pyramid. You just say as to what you do on that, because obviously you've executed that fantastically as well.

You've also kind of, you have a tick in the box, which is like the new build, the self-build that you've done, which is.

[Kevin Edge.] (8:22 - 9:09)

Yeah. Yeah. I mean, it's always interesting to do this stuff because I sort of constantly just keep looking forward.

And sometimes you don't sort of stop to think where you've actually come from and got to. So it's good to do that as well. So the self-build, as you say, we've done for ourselves, for myself and my partner Anna, our own home.

So we brought an existing house and basically took everything down and kind of rebuilt it and made it sort of twice the size. And now I'm sitting in my office outside there as well. We've got a fantastic home, really lucky, really enjoyed that.

And it's great to be able to leverage my skills as well. So really pleased with that. And then I've forgotten what the other, I forgot.

[Mark Barrett] (9:09 - 9:17)

Yeah, sorry. We were saying about the wealth pyramid. So you- Wealth pyramid, yeah, sorry.

Yeah. You build your assets, haven't you? Cash flow.

[Kevin Edge.] (9:18 - 10:54)

Yeah, right. So the wealth pyramid, as we talk about on the board and property entrepreneur is kind of like three levels, bottom level being cash flow. So you're getting into property.

The main thing is to replace your wages. So you need some passive income in inverted commas, obviously, we know it's not passive, but you need some cash flow producing assets. So for on this podcast is property, right?

That's where we work. So for me, it was about getting my properties together, investing in properties that give me enough cash that I can afford to live without needing to rely on other income. So bottom layer, cash flow, second layer is profit.

So that comes from chunks of jobs. So for me, that's development. So I do a development, I'll get a chunk of profit, but I don't get that till right at the end.

So developments can be like a year, 18 months long, you don't get any money till you're finished. So my cash flow supports me, but when my profit comes in, it comes in one big chunk. And then we reinvest that in assets, which is the top part of the pyramid.

And on the top part of the pyramid is all your assets, which are producing your cash flow down the bottom. So it's kind of circular, if you like. And it's all feeding off of each other.

But I found it really helpful to have that template to understand the process that I was going through in order to increase my wealth and do it in a sustainable way. It's easy to do a development, get a chunk of money in and go buy a Ferrari and think you've made it until you get the petrol bill.

[Mark Barrett] (10:56 - 10:58)

What's your wealth dynamic profile?

[Kevin Edge.] (10:59 - 11:12)

Creator. Okay. Yeah.

Create a mechanic. So I love spreadsheets. I love all the kind of working stuff out, getting some shape around the numbers is really something I enjoy.

[Mark Barrett] (11:13 - 11:25)

So your role in your business, where you're creating the projects, you're doing all the numbers, you're really in your flow there, aren't you? And you have a team to support you.

[Kevin Edge.] (11:25 - 12:20)

Totally. But it's definitely about having the team because I have a quantity surveyor who works for us and he does all of the steel stuff. So he's actually a steel profile.

And so he does all the detail. It's really interesting from what I've learned about wealth dynamics through us working together and on the board is I can have the vision of where I want us to get to with all of our structures and our numbers and all the commercial side of the business, but it takes a steel profile to put all of that together. So Nick, who's our QS, it's kind of interesting to see because he can't see where I want us to get to quite.

I have to show him, then he can follow that path. So it's like the creator is almost like shining a light on where you want to go to and then the other skills come together to kind of make it all happen. Yeah.

Yeah. Yeah.

[Mark Barrett] (12:21 - 12:30)

Okay. So let's go through the development then at Flamstad. So can you give us some kind of background to that?

[Kevin Edge.] (12:31 - 15:04)

Yeah. So it was a commercial yard. So most of our sites are ex-commercial and it was a builder's yard originally.

And the way that we source our deals is generally direct to vendor. So we go through land insight or you can use Nimbus, we use land insight and we're looking for bits of land with development potential. So underutilized land or buildings.

So where the existing land use is not being maximized and then we think, okay, if we get planned admission there, we can raise the value. We can give them more money than it's worth at the moment and still be left with a profit ourselves as well. So this particular site was a builder's yard.

And again, it's just about timing. I mean, the guy was, his father had owned it and now it was owned by the son. He was coming up to retirement.

His son wasn't interested in taking it on. So the yard was really running down. So there's a big chunk of land in a nice area that's hardly being used at all.

So as he was coming towards his retirement, he gets a letter. So again, it's just timing, gets a letter. It's like, okay, I might be interested in selling now.

So it was originally two pieces of land that we brought and I won't go into too much detail on it, but first bit of land was we got permission for six houses and an orchard. The orchard was part of the section 106. So it's a commitment to the local authority.

You're going to give something back basically a section 106 and that has to be agreed as part of the planning commission. So sometimes you have to give them some money for roads or schools or something like that. Sometimes with affordable housing, you have to give them some houses at reduced cost.

For this development, we negotiated that because we looked at the history of the site, it was previously an orchard years and years and years ago. We said, well, we'll put some houses there and we will rebuild and replant the orchard. So it feeds the biodiversity of the area.

It's an area of outstanding natural beauty. We're right on the edge of it. So it really creates a nice development there.

So that allowed us to get planning commission for the first six houses. Then it was another small piece of land that was owned by the cousin. Once we got permission for the first six and he was able to sell or he was interested in selling.

So then we got eight houses on the whole site. Great.

[Mark Barrett] (15:05 - 15:14)

So just for those that might be interested, how you then secure the property. So you got to just tell us about the option that you got some terms.

[Kevin Edge.] (15:14 - 16:08)

Yeah. So we got it on a two year option and it's a one pound option. So basically there has to be an exchange of funds to make it legal.

So the minimum you can exchange is a pound. So we exchange a pound with the contract and then we have an option to purchase it, but not an obligation, but an option to purchase it within two years. So we've then got two years to do all of our due diligence.

Obviously we've done a lot before we put our offering, but to research the conditions of the site, research the conditions of the soil and all this kind of stuff. Then we put our planning application in. We've got to negotiate with planners.

Initially they were not very keen for us to get permission. So we've got to negotiate. We had to go to committee.

This all takes time. But we managed to do all that within just over a year actually.

[Mark Barrett] (16:09 - 16:31)

Yeah. I think it's important with the options that you have more than enough time to do that. And obviously having the two year one, that was very good because things can just take longer and what you don't want to do is run down the clock.

You've made sizable investments.

[Kevin Edge.] (16:31 - 16:34)

Well, exactly. And things often do take longer, don't they?

[Mark Barrett] (16:34 - 16:35)

Yeah, they do.

[Kevin Edge.] (16:37 - 17:02)

The risk is that exactly as you point out, you put all of your money into, because the cost for planning permission, the cost for the architect, the cost for all of the consultants we have to use is all borne by us. So the option's only a pound, but we've got to do all of the planning costs, which could be quite considerable. And if your option runs out before you've got permission, you get permission just after.

You no longer have an option to buy it. So you just create a planning commission for the landowner.

[Mark Barrett] (17:03 - 17:36)

Yeah. I started out doing a lot of options and you quickly learn that you need to allow yourself time and what you need. So you've got this site, you've then got planning.

So you've got planning for the eight houses, you were saying kind of like the optimum is like nine. So that's great. Just go through kind of like how you stack a deal.

We have like discussed, that's quite a big subject on itself, but the kind of like the key points, would you say?

[Kevin Edge.] (17:36 - 18:58)

Yeah, I'll give you the headlines of this one. And then perhaps, you know, you can ask any questions on the way through or give any commentary. So we originally valued the GDP, the gross developed value.

We originally valued that 5 million. And the way we do that is a lot of people know, but some people don't. You just basically, we did it through land insight, but also just going to right move what's sold in the area.

So how much is it sold for? How big is the house? You can get that through EPC, yeah, Energy Performance Certificate.

So all this stuff's available online. How much are the houses selling for per square foot in the area, similar house, and then add it all up, we got to 5 million. We was confident with that.

But it wasn't too over ambitious, but you've got to be ambitious in order to be able to offer the landowner enough money. Yeah. But when we've actually come to sell the houses, we've managed to get 5.4 for the houses. So there's eight houses, eight of them are all sold. Before we finished, one of them has just pulled out. So it's just gone back on the market.

We would expect that to sell in the next couple of weeks, probably. So did they lose their deposit there? They lose 50% of it.

Well, they haven't exchanged. So they put down a reservation for 2000 with the 18. Now there's 50% of that.

[Speaker 4] (18:59 - 18:59)

Yeah.

[Kevin Edge.] (19:00 - 20:48)

We've got a gross value now 5.4, which is good because bill costs are going up significantly. So then you've got to allow from that bill cost. So that's your income, but sometimes people forget there's costs that come off of that income.

So we're going to sell the houses. We've got to pay an agent to sell the houses. We've negotiated 1% for them because there's eight houses there, but it's 1% plus the 18.

So that's £65,000 to come off straight away. Then you've got your sales legal. So you've got legal fees for selling the houses.

You've got signage for the sites, a bit of marketing, a sales brochure. So the cost for selling the site are £81,000. So that's a fair chunk of money and you can't do it without it.

So our GDV goes from 5.4 to 5,318. Then we've got a land purchase cost. So to keep it simple, both of the bits of land together was £1,080,000.

I actually do need glasses. I can't see the spreadsheet properly. So £1,080,000.

Also, you need to remember before you start, when you're buying a development, so on your first one, people forget as well, there's a lot of costs that you have to bear yourself outside of planning fees, which are the QS, who's going to do the valuation for the bank for your costs. And then there's someone who's going to come and value the property. You've got to pay for all that.

You've got to pay for the legals for your own team and the legals for the bank as well.

[Mark Barrett] (20:49 - 20:52)

So then- The bank's legals are never cheap, are they?

[Kevin Edge.] (20:52 - 21:19)

Oh, the bank. The banks are really good at making money, right? I think that's why banks.

Yeah. So yeah, they've got fees left, right and centre. Anytime you talk to them, they seem to have found another one.

And that's a good point. You've got to be all over all of these costs and you'll soon learn it is at your cost if you're not, right? No one's going to say to you, if you didn't realise, you haven't got to pay.

That's not happened to me so far.

[Mark Barrett] (21:19 - 21:45)

Yeah. When you're looking at all these costs then, so you have a, I suppose you use like a spreadsheet to do all the numbers. And there's a lot of like costs to kind of like bear in mind on that.

You've been kind of like progressing yours, haven't you, from when you started? Yes. Any tips on that?

[Kevin Edge.] (21:45 - 22:32)

I think the best tip is not to use someone else's. That's my advice. Now you can use other people's and I have done myself as a starting point.

You need something, you need some kind of template, but you can't take that template as gospel because that template is just the cover sheet of all the intelligence, which is underneath it. And if you just work with the cover sheet, you can miss out on some of the intelligence that's in there. And so you really need to know, if I change this number, why does it affect another number?

Why have I got this list here that I've got to fill in? Is there anything included in that list? It's so important.

So my advice is use someone else's as a template. You've really just got to put the work in to understand it yourself. So important.

[Mark Barrett] (22:33 - 22:48)

Yeah. So when you were stacking this deal, you had your purchase costs, you had your GDV, you probably then had like your costs and then your bill costs. Yeah.

On that. So do you want to just go through the rest of those numbers?

[Kevin Edge.] (22:49 - 23:37)

Yeah. So on this particular deal, there's about £230,000 was allowed for everything apart from construction. So that's your drawings, your engineers, mechanical, electrical design, your road and drainage design, landscape design, topographical surveys, SAPs, CALCs, quantity surveyor, removing conditions on the planning commission, building submission, interior designer, your warranty with your new homes builder, project management.

We've got a cost for environmental agency, a seal payment, section 106, we have to allow for, but as I said, that was the orchard.

[Mark Barrett] (23:38 - 23:39)

You've still got a cost though.

[Kevin Edge.] (23:42 - 24:50)

You've got to think about site insurance. You've got to think about setting up an SPV. Again, it's only a small cost, but it's a cost.

General legals around setting up your SPV. And if you've got any private investors, this one, we had an indemnity policy for the access, a chunk of money, ground investigation report, asbestos report, ecology report, contamination report, legals for the conveyancing. So there's stamp duty, land tax, there's a massive list of loads of little 4,000, 5,000, 10,000 payments that really start adding up to 230,000.

So I'm always mindful to say to people that not to work on pounds per square foot, unless you really know what's included in it. Because you've got to know, is it all in cost? Is it just a build?

Does it include all of your professional fees? Does it include all of the external costs? You've got to be really careful.

[Speaker 4] (24:50 - 24:51)

Yeah.

[Kevin Edge.] (24:52 - 27:26)

I was going to say, that's our chunk of build costs or costs outside of the build. Then our build costs for this one, we allowed 1.9. So 1.9 million, that includes a contingency. That contingency, without complicating things too much, that contingency, we allowed 5% because we were confident in our numbers.

On this one, we got a C-Builds loan and they said that we had to allow 15% because build costs were going up so much. And actually, it was quite helpful to have that extra little bit really, because build costs during the project were just skyrocketing. So I was grateful to have that extra bit of contingency there.

And I'll come on to the C-Builds loan in a little bit. So we've brought up, we've brought our land, we've got all of our build costs. Total is 3 million pounds for the build and the land purchase and the associated costs.

Then we allow for all of the interest. So your interest payments, again, you've got to really look at it in detail. Your biggest risk for a development is right at the end when you're paying maximum interest.

So right at the beginning, it's on a drawdown facility. So you only pay the interest on what you've drawn down. So if you draw down 100,000 pounds, you're paying interest on 100,000 pounds, let's say over a year.

Next month, you draw down another 100,000 pounds. So you've got your first 100 plus the next 100, next one being for 11 months, you normally draw down monthly. But now you've got 200,000 pounds you're paying interest on.

And so it goes on till you get right to the end. When you're at maximum exposure to the bank, you've drawn down all your facility. And that's when you're paying the full amount of interest on a daily basis.

So you really don't want your project to overrun, because that's when you're going to be paying the most money. That's when you're going to be penalized. Often people don't realize it's overrunning till right at the end.

So that's when you need a really good project manager. So you can see it from the beginning. Yeah.

So on this project, we had allowed for interest 445,000 pounds for the whole project, including the sales period as well. There's different elements of interest in there.

[Mark Barrett] (27:27 - 27:34)

You had private investors. That's right. Yeah.

And then main lenders. And then did you have any mezzanine? Yeah.

[Kevin Edge.] (27:34 - 29:33)

So on this one, we had the bank and we had a self-administered small scheme. So a pension scheme. So we borrowed from a pension scheme in a club.

So we borrowed, I think it was about 450,000 pounds from them. Then we're paying interest on that. Then we brought the rest from the bank, which was...

Who did you use? We used assets capital. Okay.

And we were very lucky to get a CBills loan. So obviously, because of the pandemic, the CBills loans work, but they were just coming to an end. And we got basically, I think their last one, which meant that we could borrow all of the money for the development interest-free for a year.

It was fantastic. Yeah. I mean, it's made a great deal, really great deal.

So we get one year interest-free for the purchase of the land and all of the interest payments for the build and all of the fees for setting up the loan as well. So the broker got his money from the CBills. They paid all of the fees for the monitoring surveyor, the valuation, the bank's legals.

So it saved us... That's amazing. Yeah.

Fantastic. Really, really pleased with that, obviously. So the headlines on this one is 5.4 GDV, build costs 3 million, which is going to leave 2.4. We've got some more costs to come out of that, which is obviously the sales costs, as I said in the beginning, and the interest to the SaaS. But we'll be looking at probably just under 2 million pounds on this development. Amazing. Yeah.

It's a really good deal.

[Mark Barrett] (29:33 - 29:42)

Yeah. Yeah. Fantastic.

So with these properties, there was 8 properties. Did you say the size? What size were they each?

[Kevin Edge.] (29:43 - 29:45)

They're about 1,100 square foot each.

[Mark Barrett] (29:45 - 29:46)

Yeah. Okay.

[Kevin Edge.] (29:46 - 29:47)

Yeah.

[Mark Barrett] (29:47 - 29:55)

So then you've got an average price then based on 5.4, I think it's 675 across the piece.

[Kevin Edge.] (29:55 - 29:59)

Yeah. I think it's probably a bit less than that. I haven't worked it out because they're all individual.

Yeah.

[Mark Barrett] (30:00 - 30:14)

Okay. Yeah. Good.

So the other thing you've mentioned then is you bought this in an SPV, special purpose vehicle just to protect yourself on this site.

[Kevin Edge.] (30:14 - 30:41)

Yeah. Yeah. We always do that.

Keep everything separate. Really important. Also, particularly if you're working with investors, it means that they've got their investment ring fenced as well.

The bank like it all to be ring fenced in one place. So it keeps the development all separate. I mean, obviously with the bank, you've got personal guarantees anyway.

So the bank have got you tied up like left, right and centre. The bank are never losing money. Don't worry about that.

Yeah. Yeah.

[Speaker 5] (30:41 - 30:42)

Yeah.

[Mark Barrett] (30:42 - 30:52)

Okay. Great. So you've then, so you've structured it with SPV, you're using fast money.

What kind of interest do you pay on that?

[Kevin Edge.] (30:53 - 31:02)

I think we've paid 15% on that one. Yeah. And the fees to set it up are significantly less than they are with the bank.

[Speaker 4] (31:03 - 31:03)

Yeah.

[Kevin Edge.] (31:03 - 31:45)

Yeah. Yeah. I tend to like going forward.

I mean, it's only in the last sort of two or three years, really, I've learned more about the SAS. And again, through being on the board, we've spoken about it a lot there. I've learned a lot about SAS pensions and they work really well.

So I'll be feeding as much as possible of my own income into my now. You can only do £40,000 a year from your income. But doing developments, I can feed more money in.

Some of the profit can go back in there and then you can recycle it yourself. So then I can fund my own developments to a degree through my own SAS. That's something I'm going to work on a lot going forward.

[Mark Barrett] (31:45 - 31:48)

Brilliant. And did you also use Rebuild on this?

[Kevin Edge.] (31:49 - 32:13)

I haven't used it on this, but I'm going to use it on further developments. Yeah. So the Rebuilding Society where you can have a director's loan ISA.

Again, it's super tax efficient, like the SAS, where I can extract interest from the development and put that straight into my ISA. And I believe I can get up to sort of 24%. Amazing.

Which is fantastic. All tax free. Yeah.

Yeah.

[Mark Barrett] (32:13 - 32:22)

Okay. What about you? Are you on with this?

So you've just, you've got the sales when you're looking to complete the site?

[Kevin Edge.] (32:22 - 32:45)

We're looking to complete in about four weeks. So I'm actually going to site after this to see, meet with the site manager, see how we're getting on. But yeah, we're looking to complete in four weeks.

As I say, they're all going through legals at the moment. One of them has just gone back on the market, but I'm confident that won't take long. So we're looking to...

Are you still there Mark?

[Speaker 4] (32:45 - 32:46)

Yeah. Yeah.

[Kevin Edge.] (32:46 - 33:17)

Sorry, my screen's gone funny. I can't actually see. As long as you can hear me, that's fine.

Yeah. So yeah, we're looking to complete in four weeks and they're going through legals at the moment. So hopefully in the next one to two weeks, I'll be able to give the purchases the date that they can move in.

So the way the contracts works is you exchange and then we give them 10 working days notice to complete. Wow. Yeah.

It's not long, is it? It's not long at all. No, it's quite short.

Yeah.

[Mark Barrett] (33:18 - 33:43)

Okay. That's great. So yeah, unbelievable project.

So congratulations to you and the team. Yeah, that's awesome. So you've obviously gained a lot of experience both in Civic and then doing the new builds.

So what would be great is if you know like three top tips that you could share?

[Kevin Edge.] (33:44 - 36:52)

Yeah, sure. I suppose the first one is, as we kind of alluded to earlier, you've really got to understand your numbers. No one cares about your money more than you.

That is the single most important thing. So definitely don't go proceeding with guesswork with pound square foot you've heard at a network meeting somewhere or your mate down a pub sold you. Really, if you're going to take on large developments or even smaller developments, you've really got to understand your numbers.

So work with someone who understands the numbers and who can educate you because I reeled off a list earlier. There's so many things to think about and that wasn't even all of them. That's probably about a third of it.

So really get into numbers and really understand that's the most important thing. Don't rely on others. Number two is probably related to that as well, I guess.

And it's educate yourself and surround yourself with experience. So education is so important. It's all about adding as much value as you possibly can and you can only do that by being educated to know how to do it.

So in property, you can earn really good sums of money but you can also lose big sums of money too. So it can swing both ways. So you want to really educate yourself so you can have a clear picture of what you're getting into and what your direction is and also surround yourself with experience.

So when things do start getting a bit bumpy, someone can help you to navigate your way through the storm a little bit. Every problem is always, there's always a solution. Sometimes you might not be able to see it and it might be because you've never been there before or you're just really stressed.

So surrounding yourself with the right people with some experience is so important. And then I think the last one in terms of developments and I can't stress this enough is don't start until it's finished. There will be so many challenges on a development, absolutely guaranteed.

Every development that we do, there's always challenges. The more you can organize before you start, the more space you give yourself to deal with the challenges that come up so that they don't then have a large impact on your project. So don't start until it's finished means getting everything really organized, getting all your drawings completed, making sure that you've spoken to your subcontractors so that they know what you're doing.

Have they got any questions? Are there any challenges that they see? Making sure that you've got all your interior specifications done before you get there.

Making sure you've got all your consultants have completed all their work and that everyone understands everything that's going on so that when you start the project, it's a relatively smooth journey. So many people try and start just with excitement and bravado and energy and we'll get over anything until the big challenges come and then you realize it's maybe not as easy as you think. So don't start until it's finished.

So just to reiterate, I think understand your numbers, don't rely on others, it's your money. Educate yourself and surround yourself with experience and don't start until it's finished.

[Mark Barrett] (36:53 - 37:06)

So thanks Kev. That's another amazing project. So an excellent profit.

So I'm sure you're looking forward to that, getting that completed. If anybody that's looking to get in touch with you, what's the best way to do that?

[Kevin Edge.] (37:08 - 37:42)

Yeah, cool. I mean, probably the best way is through my website, kevinedge.co.uk. So looking to get some traffic there. It hasn't been open soon.

So you can make contact through there. And I mean, we're always looking to talk to investors. We've got a few projects coming up, so anyone's looking to invest in projects.

And we're always looking to work with sources, of course. We've got sources we work with at the moment, but always interested to talk to any others who can source deals or potentially JV. Okay, excellent.

[Mark Barrett] (37:42 - 37:44)

Thanks for your time and speak to you soon.

[Speaker 3] (37:45 - 38:16)

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