**TBP 148 Edited v2\_Transcription**

[Speaker 3] (0:05 - 0:34)

Welcome to the Blueprint podcast. In these episodes, I'm going to share with you my life's work boiled down into simple blueprints that I used to build a 10 million pound portfolio and retire with financial independence at the age of 35. You can listen to these podcasts in any order, and I guarantee you that when you execute them in practice, you will see that success and failure are both very predictable.

Let's get into the next blueprint.

[Josh Keegan] (0:38 - 1:08)

Today we're joined by Mo Hakin. Mo is a property entrepreneur board member. He's a multi-million pound developer.

He's a serial entrepreneur. And more recently, he started, he scaled and he systemized one of the most lucrative businesses we have seen on property entrepreneur. And today's a very special day because we're welcoming him in to the property entrepreneur hall of fame, which is where our high performance sit.

The people have done some really outstanding things for their time on property entrepreneur. A very warm welcome, Mo.

[Mo Haykir] (1:08 - 1:12)

Thank you very much. And thank you for the intro. It's very, very kind of you to say.

[Josh Keegan] (1:13 - 1:33)

I think it's almost underselling you because you've got so much to your bow. You've done so much. You've got a tremendous amount of experience.

So hopefully you're going to convey some of that. We'll talk through some of that in the actual, in the episode. So just to kick things off, what's your company's name?

What do you do? And how long have you been on property entrepreneur?

[Mo Haykir] (1:33 - 2:14)

Yeah. Okay. So we joined, started property entrepreneur in 2019.

So this is going to be, I think, is that the fifth year or currently in the fourth year that we've been on it? The company is really two companies. So Moorview Property, which is all about sourcing, refurbishing and managing high-end HMOs in Plymouth, which I think is the main thing we're going to talk about today.

And then we've got a KHP group, which is a development company specialising in converting heritage and listed buildings into amazing places for people to live. So typically like care homes and hotels and stuff like that, converting those. So yeah, that's our sort of main two areas of business, Moorview and KHP.

[Josh Keegan] (2:15 - 2:24)

Where would you say before you started property entrepreneur, where were you on your journey as an entrepreneur? Like what things were happening? What was good?

What was bad? And how did things look like?

[Mo Haykir] (2:25 - 4:53)

So before we started property entrepreneur, what, how would I characterise it? I'd probably characterise it as pretty scattergun, pretty open to any opportunities that anyone brought along. Cause I thought, actually, that's great.

You know, we thought as a team, that's great business opportunities and people want to work with us. And there's a bit of an ego thing around like, oh, people want to work with us. So let's work with them.

We had about 200 rooms under management in Moorview. Let's think of that at that time, um, working very, very hard for, for, for our money. Um, we, we, we had probably one of the biggest teams at the point of joining property entrepreneur.

We'd had quite a big team, had like people, people in sourcing, um, team in refurb, uh, a quite fairly big team in, in lettings management. We just taken on a workspace where we were doing like renting, renting office space out. We were still doing service accommodation.

We were doing developments. We were buying our own property. Um, I was also, I was thinking back about that time as well.

And I'd also started my own podcast with a, with a friend and we'd, we were also, we'd just written a book and launched that. Um, and it was just this like beast. And I mean, it was a great time in terms of like experience and it's good to go through that to them.

Like, no, that that's not the way, the way to do it. Um, but it was like feast and famine, whack a mole in terms of like one business does really well and you're like, great. But then there's like a fire in another area and you have to put a load of money into another area or you have to refund people.

Um, so yeah, it was, it was like hectic. And I think the other thing is, is the disconnect between, um, externally how you look and internally how you feel is probably the biggest it's been like in my, in my career. Cause literally everyone you speak to is like, cause you're doing so much stuff on social media.

It's just like people like, are you doing so well? Like the great to work with you, uh, I, you know, everything looks like it's going amazingly, et cetera, et cetera. Um, and actually internally the reality isn't that cause you're like, oh, we've got this cash flow, cashflow hole here.

We've got this staff issue here. We've got the sales issue, um, we're having to refund people here. We've got clients leaving, like, so that disconnect is quite hard to sort of reconcile.

Um, I mean, it's, it's good, I suppose from a social media side, I was doing a lot of good stuff on social media and we did have a lot to talk about, we were doing a lot of activity, but it wasn't like life by design. It wasn't like doing the things we needed to do to achieve the outcomes we wanted. It was just like sort of throw something at the wall and see what sticks.

[Josh Keegan] (4:54 - 5:01)

So it's basically just very busy doing so you, uh, would you think you're mistaking activity for progress? A hundred percent. Yeah, yeah, yeah.

[Mo Haykir] (5:01 - 5:26)

Yeah. So yeah. Very, very busy.

Yeah. I would, I would go down to, cause I live in London, invest in Plymouth. I'd go down and I'd stay, like stay down there overnight in, in a hotels or B and Bs.

And it was just like, just like, obviously we didn't have a kid at the time, but it was just like sort of depressing. I don't know. At the time it's, you, you think it's exciting because you're doing it.

And then after a while you're like, what, what am I doing? I'm just so busy here. Um, so yeah, lots of activity.

[Josh Keegan] (5:26 - 6:09)

Is this badge of honour, isn't it? Like I think at the start of our journey as entrepreneurs, everything is about being busy and like doing lots. And it feels like, cause we went to that travel lodge and we were working till 10 PM in the evening, then we're up at 5 AM for a networking meeting the next day.

And then we were networking, climbing to the evening meeting investors. We felt like we were an entrepreneur, we felt like we were successful, but the reality is, you know, as you go through your journey, you start out being, working the amount of hours you work and working more hours is the badge of honour. As you get to where you probably got to now and where we, where we go through, it's working less is the badge of honour.

So how little can you do to actually, um, still generate like more and more, more and more income and becoming more valuable and more leveraged.

[Mo Haykir] (6:09 - 7:03)

Yeah, absolutely. And I think I'm going to talk about it a bit later on in terms of like, um, sort of top tips, but I do think you have to work hard. I think like, it's not, it's not a case of like, you just don't have to do the work.

It's just like, you have to focus the work and channel it and you have to, so I probably would still do the same amount of travel. I probably would still work the same amount of hours if I was doing it again, all of that stuff. It's just that if I did, you know, if I focused all of that activity across like 10 different businesses and loads of different JV partners and all this other stuff into two or three things, I mean, ideally one, but probably two or three things, like imagine how much further ahead those things would be.

Um, yeah, so I think work, work hard definitely. And then you can start to like work out how you're going to work smart around it. But it's just the sort of broad spectrum of things.

Like you say that you wear as a badge of honour, uh, actually it doesn't really achieve what you want ultimately.

[Josh Keegan] (7:03 - 7:21)

So then fast forward about four years, um, obviously we're going to talk about the journey and that you've learned along the way, but where would you say, so you've got a busy full activity for progress, spinning multiple plates, flying kites around the garden rather than launching a rocket into space. Where are you now? Like fast forward four years.

What does life look like now?

[Mo Haykir] (7:21 - 9:02)

So now we're, I think that one of the fundamental things that's changed is just we're much, much clearer on strategy. So like we're clear on strategy. We know what our outcomes are that we want.

We're working on a sort of life by design. So what do we want to be doing? Who do we want to be working with?

How much do we want to be earning? Where do we want to be working? What type of work do we want to do?

Who don't we want to work with? All those kinds of things. So that's much, much, much clearer.

And we've reduced the number of businesses that we've got. So we've closed some of our businesses. We shut down our service accommodation, sort of sort of served us okay for cashflow in the early days.

But now it's, you know, not something I remember dreading, like seeing my phone ringing on like a Saturday, like Friday, Saturday night. And it was just like, it was always something wrong with the service accommodation business no matter how much we tried to systemize it and how much we tried to do. It was always just this like dread of having to answer the phone at that time.

So just got rid of that and restructured some of our other businesses. We've got our prices up and we've recruited, well, we've got our prices up, but we're also offering a way better service for what we're doing. So it's not like we've kept the service levels the same and put our prices up.

We've over delivered on what we were doing. And then we sort of put our prices up as well. We've recruited top team members into the key roles and probably focused more on now like buying talent and people that have done the role elsewhere rather than trying to get people on and train them up.

And again, it's probably a bit of an ego thing. Like you want someone that's sort of fresh and, you know, you can mold them into the person you want. Actually, the level we're at now, it's like just pay for the talent, pay for someone that's done the role that can actually bring some insight into your business.

[Josh Keegan] (9:03 - 9:27)

So it sounds like if you're going to kind of sum that up, and obviously I've known you for years as well. So I've got the insights into the journey. From what it seems to me, you've almost fine-tuned everything you do.

You're doing a lot less in terms of less companies, less limited businesses. You've got less team members. You've probably got less clients.

You've got less relationships, less business partners, but as a result, you're doing one hell of a lot more. Yeah, absolutely.

[Mo Haykir] (9:27 - 10:03)

And it's just the, I think it's like people talk about it in different terms, but like the reps or the iterations or the compound effect or whatever. And it's just, you can't expect to have that compounding, you know, that you can't expect to do the reps and have that compounding work for you if you're splitting yourself so thin over so many different, different businesses. And so absolutely like doing less, focusing more on, on less businesses and, and we still got challenges.

Like, it's not like we don't have challenges and, and, but we're solving bigger problems now, which means the reward is bigger because we're focusing more on, you know, less doing less things.

[Josh Keegan] (10:04 - 10:42)

So obviously you've done that in about three or four years at a time. And I'm assuming it's not been plain sailing. So for anybody that's sitting there going, right, well, I'm in most situation, I lack strategy.

I don't have the systems in place. I'm flying multiple kites around my garden. I'm spinning plates.

One business as well. One business does badly. And like, this is, this is how my life is.

Getting to that place where you've got a set of very high performing businesses, less people to worry about, less problems, no phone calls on a Saturday and like much calmer existence where you're moving strategically towards that life by design. What are the challenges or the problems that you face and people are going to face on that journey?

[Mo Haykir] (10:43 - 12:09)

I think clarity and having a lack of focus and not having clarity and not having strategy in place. I think that's the fundamental, like everything. It's why we start, you know, we start with it at the beginning of the year on property entrepreneur and it's, you know, I've been around the track as we call it so many times now, but it's, uh, it's like second nature to just start with that.

And, you know, all business should start with strategy. It's like, what do you actually want and what do you need at that point in your journey? Maybe.

And that's another lesson that we had is like, you've got to start off with getting your cash flow nailed. Like we've definitely jumped around the sort of wealth hierarchy between cashflow profit and assets. Um, pretty much from day one, we were like, it was sort of an error of trying to think so long term that you actually, you know, you, you cut out the need to actually have cashflow to sort of pay the bills day to day.

It's like, well, the end objective is to own loads of property. So why don't we just own loads of property now? Well, that's fine.

But if you take on loads of debt to do that, um, that obviously might put you back in terms of your, your earnings in the short term. So focus on strategy. If it's for most people to start with, it's cashflow and profit that you need to start with.

Nailing, get your cashflow nailed, get your profit nailed. Um, and if you're doing too many things, just take an honest look at them and be like, well, what can we cut out? Because, um, you've only got so many hours in the day and you might be able to increase your efficiency by like 10% or something.

But if you just stop doing something altogether, um, how much time would that free up to work on your other things?

[Josh Keegan] (12:10 - 12:58)

So we talk about this, uh, a lot of property entrepreneur. One of the things you're talking about there is, is the, what we call the wealth hierarchy and it's basically different layers of wealth, which is cashflow at the bottom, which is your salary, monthly money that comes in business like letting agencies or rent roll profit being chunks of money, project management, um, a flip and asset being long-term boring things you put money into when you've got enough, uh, from the, from the pyramid.

Now all day long, we say like cashflow first, cashflow first, but people still sometimes don't always listen and they still go and they build, try and build a single portfolio from the get go, or they try and start a, um, a, uh, development business or, or a business where they're flipping properties for profit from the get go. What would you say to really drill the message home about what you can expect if you don't listen to that advice and you don't start at the bottom of the pyramid?

[Mo Haykir] (12:59 - 14:57)

You can expect, well, worst case scenario, you go bust, uh, which, you know, I laugh, but actually there are plenty of examples of, uh, of, of developers and other people in property over the last few years that have, that have gone, gone bust. Um, so that's worst case scenario. More likely you just go through this feast and famine, um, you'll accrue loads of interest costs having to service, you know, you're just a lifestyle of being able to live and pay the bills while you're going through that, that, that, that process.

Um, and you'll get to a point where, when you do get your payouts from your profit, it's not as exciting as you thought, because you know, you've either got to pay back debt to fund the last 12 months of what you've done, or, um, you've got to put some aside because you've got like a gap until your next lump of profit comes in. So it'd be characterized by feasting famine and, um, not really enjoying the money when it, when it does it, when it does actually come or it doesn't actually come. And then like, like I said, it causes bigger issues.

So a hundred percent focused on cashflow and profits to start with. And again, it is another reference to ego is probably like any partly an ego thing to be like people love and networking meetings and stuff. People love to be like, how many houses you got?

Do you know what I mean? It's like how many rooms, you know, how many rooms do you manage? How many houses you got?

All this kind of stuff. And actually it doesn't matter. Like what matters is, well, it's individual to everyone.

It's life by design. Is it how many hours you spent with your family? Like at the moment I take, I can take my son to the nursery every day and pick him up every day.

And it's like probably one of two dads that can do that. Everyone else is, it's the mom that drops the kid off and picks them up. So like, I'm really privileged to be able to do that now.

Um, and, and yeah, you know, stuff like that. It's just that, that should be the marker of success rather than like, well, I've got however many HMOs, but how profitable are they? How much debts on them?

What occupancy are they at?

[Josh Keegan] (14:57 - 16:03)

All of this other stuff you don't, you don't know just by the headlines, how successful someone is from the, um, from a peace of mind perspective, having even a business that produces you a consistent two and a half, three grand a month cashflow, if that's around what your outgoings are is worth, I mean, that's consistent cashflow. It happens regardless. Even if COVID happens, it's very, very consistent.

It still continues. It's so much more valuable than two or three profit plays that might yield you double that in a year. Yeah.

Um, because you've got the peace of mind, you've got security, your bills are being paid and those profit pays may happen. You may make a ton of money, but it's so easy as we know sitting in the property world, but a refinance to slip for a deal to take six months longer than expected a refurb to go over budget. And then all of a sudden you go from this really lucrative looking year to like literally having to borrow money to live.

And then when that profit play comes in, it's just, it's just about, it's just paying back a loan and paying interest and you're back into the same boat. Yeah, absolutely. So the first is to, I guess, remove the ego, focus on the cashflow element first and get that bit done.

Yeah. Second problem.

[Mo Haykir] (16:03 - 18:26)

So second, um, I think a lot of people have, and we definitely had was lack of financial clarity. And I think that I've tied that in with sort of like low pricing or like incorrect pricing as well. Um, we didn't really know, um, we didn't really have, I wouldn't say we had complete financial clarity on everything we were doing at the point when we started property entrepreneur, we had like some bits that were actually, that's really good.

And all the development company, cause we had, um, one of our directors was, was, was the finance director is the finance director. He, he had that all nailed up and nailed down, but for more of you, it was, it was a little bit less clear. Um, so financial clarity, getting that in place is one.

And what that allows you to do is then set your pricing and actually create your business model and say, well, if we have this many rooms and we charge this much, and this is our management fee, and this is our tenant fine fee. And we are expecting to be able to sell 20 rooms in a month because of a 7% churn plus new rooms that we're bringing onto the market or whatever. Um, and this is the, and also then understand the commercial balance of like, well, to run 300 rooms, I know I'm going to need two property managers, a sales exec, you know, part-time finance assistant and then VA or whatever.

But then if I go to 400 rooms, I know that a couple of these items are gonna have to be doubled or whatever. Um, so, so having that financial clarity to looking backwards to allow you to then do the, um, business model and the, um, pricing going forwards was massive for us. Um, and I think when, when we started on property entrepreneur, we then, um, and also some of the work we've, we've done with yourself, it's then allowed us to set the pricing at a level.

Well, it basically increase our prices, but also massively increase our service because you can increase your prices. You can then, you've then got budget to have spend on team, just spend on systems that spend on improvements, um, stuff like that. So the, when we, when, when we pitched it to our, um, landlords, we basically said, this is our new pricing, but this is the occupancy that we're going to hit.

And if, if we do, or when we do this, you'll be taking home more money. So like, it's a no brainer to the, to our landlords and investors. It's like our fees are going up, but those fees are going to be paid for by better occupancy, not out of your pocket.

So you'll, you'll be taking more home. So it's a no brainer, isn't it?

[Josh Keegan] (18:26 - 19:11)

If you can make someone a hundred grand a year, you know, could you charge them 20 grand for doing it like a hundred percent? I think it's a really interesting problem. And it definitely comes down to finance and business model.

We talk about this all day, every day, a profit entrepreneur, the difference between a business that makes money and a business that doesn't make money is a business model. And a business model is basically the rules of the game. It's like, what's our minimum price?

What's our cost of sales? What's our gross margin? What can we spend on overheads?

What's our net margin? And I think that's the fundamentals that everybody needs. But then you alluded to something else, which I think is the bit that people get wrong, which is what we call commercial balance.

Do you want to just explain how, how you've understood that, how you've implemented that in your lettings?

[Mo Haykir] (19:11 - 21:41)

Yeah. So we, we've historically, we always had this thing where we, we make, we'd make a bit of money, but then we'd have some kind of service issue or we'd be like, right, we need to hire someone. And you'd make a little bit of money each month.

And then you'd be like, right, we really need to hire someone, hire someone. You go back into a loss-making position and it's this constant balance. It just feels like, well, the, the, the top line sort of revenue is growing, but why aren't we making more profit?

And it's just like, you're constantly chasing your tail rather than saying, okay, at a point in time. So for example, at 300 rooms under management, 400 rooms, 500 rooms, or whatever the figure is at that position of the business, I'm going to be doing this much in revenue. I'm going to like sensitize it and say, you know, I'm working on 90% occupancy or 95% or whatever, and I'm going to need the following staff to be able to deliver the business at that level.

And, and then understanding what the constraints of that might be. So like I said, you might have two property managers, a sales exec and a part-time finance manager that could, that can probably, from our example, that can take you from 200 to 350. But once you get over, once you get 350 rooms, you then got to sort of sprint to 500 because you might have to take on another sales exec, which then means you've got the, you've got the overhead of the sales exec and you've got to sort of cross the desert between 350 rooms and 500, because maybe up to 400 and a bit, you'll be losing money.

And then you only start making money again after you've crossed that. So just really understanding what those levels were and then challenging people in terms of what their job description is and what they're, because, because inevitably in a small business, like you, everyone just gets involved with everything and you start to get this sort of scope creep of people's responsibilities and they start to take on more and more. And you're actually like, well, no, you're a property manager.

You need to just do this. If there's something else that comes up, I need to, you know, resource it another way. And that was one of the issues of having so many different businesses that we've got like, well, the workspace, someone from like the lettings team would be like supporting the workspace delivery and bookings.

And then it's like, well, we've got some income from workspace, but some income from letting. So yeah, commercial balance is just about the levels at which like levels at which your business operates profitably. And how can you move between those levels as quickly as possible?

So you don't have this like constantly chasing your tail by taking on more staff. It's the sweet spots.

[Josh Keegan] (21:41 - 22:29)

And it comes from this concept that bigger is not always better. And actually you can grow yourself broke. I often share the story that we doubled in size over a three-month period and we were making less money than we were prior to that.

Because yeah, if you let your business decide like capacity for you, you'll always run out of money. So you get to a certain point, oh, we've got all this extra growth. Oh, but we need, we're now failing.

So let's bring on another person. So all the extra profit from that growth goes into funding that extra person. So, so yeah, but over time, I guess you must have, you must have had to get to know the business to understand where those sweet spots are.

Because it must be very hard at the beginning to go, someone's sitting here and listening to this and go, oh, that sounds very good. Appreciate there must be sweet spots. But how the hell do I know whether it's going to work well at 200 units or 500 units?

How do people work that out?

[Mo Haykir] (22:30 - 24:32)

Um, well, I think that one of my points later is about the sort of benefit of the community that you've got within Property Entrepreneur. It's like, you know, you're not the first, but you know, whoever it is, is not the first person to have this challenge. And they're not the biggest, if you've got an HMO lettings business, your chances are you're not the biggest HMO lettings business in the UK or in the world.

So is there someone that you could speak to that's already been there? And I think that's one of the key benefits of being on Property Entrepreneur is that you can actually, you can go into the room on a, on a bond, say on a Friday and probably find 10 to 15 people that have got HMO letting businesses that are, they might not even have to be bigger. They might just be set up differently.

And then you might be, well, actually I can do this with three UK team and then a couple of VAs or, or structured differently. So yeah, I think you can just ask other people for their insight on, on stuff. And the other thing I was going to say around commercial balance and around having a business model nailed is it allows you to really challenge people's job roles and what they're doing.

First, in terms of like the, the, the spread of different things they get involved with that they probably shouldn't be, but also the depth of like, well, what are they doing? And what is that actually adding? What's adding value?

And is there a tech solution that you can automate something? We had it recently with, with Arthur and we were like processing, processing tendencies to move from sort of fixed term to periodic. And like that was every time someone wanted to do that, the tenant requested it.

And we had to say, yeah, that's fine. We sent them a message and then we changed the status and that can all just be automated within Arthur. And it was one message to the sort of client relationship manager, Arthur.

And then they were like, yeah, we've done that. They'll send, they'll get an automatic notification how many weeks before they move out and it'll say their tenancy status will, will, will change automatically. But without knowing, without drilling into that person's role and saying, well, why is it taking you this many hours to do this role?

You should be able to handle X many units. You don't get that insight.

[Speaker 3] (24:34 - 25:16)

Jumping in quickly with a very exciting announcement. We have just confirmed the two dates for this year's annual three-day blueprint events. We've been running these for over a decade.

There's only two dates announced. And if you're interested, go to www.donttalktotenants.co.uk to see if you can make the dates. And also you can download our free PDF report, which details the only five problems you need to overcome to become a new age property entrepreneur with a seven figure net wealth and a six figure income.

And you can also join the waiting list to order one of the brand new 2023 property entrepreneur prospectuses. Back to the podcast.

[Mo Haykir] (25:19 - 27:03)

Okay. Yeah. Problem number three.

Problem number three was probably not knowing like who our avatar is and who the sweet spot in terms of who our clients, like who our best clients are, which then manifests in taking on individual landlords as you're growing and taking on people that aren't really aligned to your values. Again, just because you're chasing money, you're just like, well, business is business. So I'm just going to say yes to them.

I think it starts in the very early days with like, say, taking on bad tenants because you want to get sales in. Although quite quickly, we obviously introduced a referencing process, but with clients, it's a bit more like insidious maybe is the word or a bit more like sneaks up on you because you just want to, you know, you've got pressures in the business. You want to grow the business.

You just like start saying yes to clients and actually, well, there's two things. So saying yes to clients that aren't your avatar, as in avatar being your perfect client. So they value you the most.

So they're going to pay you the most or they'll be happy to pay what you're charging and they're aligned to your values. That's one thing. The other thing is if you know your avatar, you can then market to them and then you attract more of what you're marketing to because you can speak in their language.

And I don't think we really knew sort of what that was to start with. So it sort of means you just have to have 100 conversations when you could have had 10 and then you take on people that aren't aligned to what you want to do. And then you get further issues down the line.

Your team says, I don't think we should have taken this landlord on. They're not really aligned to what we're doing. And they have to email them back and forth to get approval for things.

Whereas other landlords are just like, yeah, they trust us to do it.

[Josh Keegan] (27:04 - 27:26)

And I guess when you've got a business full of people that you like working with, they value the service, they're easy to deal with. The business is built to serve their needs. I guess that really helps you create that life.

I guess that you want to be a part of, and it's nice to work with rather than it just being this constant battle.

[Mo Haykir] (27:27 - 28:48)

Yeah, exactly. And it's just like they value what you're providing more than that. They understand the difference between price and value, or maybe they don't understand it, but they are benefiting from it.

Because, for example, we've got investors that are abroad, investors that have never been to Plymouth, all of these other things like that. And they just trust us. Obviously, they're reviewing the financials and they need to see that we're managing properties well, but they're not micromanaging what we're doing.

And because they're not physically on the ground or they don't live locally, they really value that on the ground sort of thing. So when we say our cheapest management fee is 10.75% plus that, when we say that's our management fee, it's like, fine. Whereas you go to someone else and they're like, oh, the guy down the road does it at 8%.

Or, oh, well, I'm doing it myself. So I don't want to pay 11% to do it. So the people that are generally, I suppose, more sophisticated, bigger investors or don't live in Plymouth.

So bigger, more sophisticated investors because they've got a higher opportunity cost on their time. So they're like, well, I wouldn't go around to the property even if I live next door because it's not worth my time. I'm going to let you deal with it.

Or they live abroad. The amount of value they're getting from us far exceeds 10.75% plus that. So they're then like good customers because they sort of respect what we're doing.

[Josh Keegan] (28:48 - 29:29)

And I guess, once again, it's just that journey. Like you've gone from busy to far less busy and far more strategic. And once again, at the start, all of us at Journey, myself included, it's like client comes, like the answer is yes.

What's the question? We want to get them on board. It doesn't matter what they want.

We'll do anything. We'll create this bespoke service from this bespoke package. We'll basically make our team their PAs.

Whereas over time, you start to move to that place of, well, no, really, we only work with this kind of landlord. You want to do your own maintenance. No, sorry.

We do all maintenance for all our landlords. And that's the way we do things around here. And you find that all of a sudden that pushes.

You feel like it's not going to do you any favours because you're going to start losing clients. But actually, it's the right thing to do more.

[Mo Haykir] (29:29 - 29:51)

Well, it's scary. It's scary at the beginning. And I know, I can see why we wouldn't have done it early on.

And yeah, it's just scary to turn business down because you're like, well, I want to grow. We want the business to do well. But as soon as you get a little way in, it's much better to start saying no to certain people.

[Josh Keegan] (29:52 - 29:54)

Perfect. Number four, fourth biggest problem.

[Mo Haykir] (29:54 - 32:02)

Number four is, I think, is not delegating. I think there's sort of three things that are linked. It's like not delegating, not having the right team in place, and not having our right processes nailed.

So me and James are both creators. Dynamos of Wealth Dynamics. So it's not in our flow to sit down and write a process document and work it through and stuff like that.

So we probably overcompensated for that early on through hiring loads of tempos and steals and surrounded ourselves, our team pretty much for the last few years until quite fairly recently, has been mostly like tempos and steals. But that's still like, someone said it on a podcast recently, it's like the entrepreneur with a thousand arms, but everything's still linked back to you're making the decisions, you're making the calls on it. It's just that you've got a team of people that are doing the bits you need them to do, which sort of works fine for a period of time, but doesn't let you scale because you're the bottleneck ultimately.

So over the last few years, what we've done working on through the property entrepreneur methodology is really focused on like winter hit list, focused on the systems that we need in place, got process street implemented, really delegated the decision-making. It's the point now that the team make decisions on stuff. Like there was a thing with some tenants that they weren't really paying that well, it was a bit sporadic and they weren't really looking after the property and stuff like that.

And then one of the property managers just said, oh, they wanted to move into this other student house next year and we're not taking them on. And it was like the decision-making is like completely taken out of our hands and the team runs the business as if it's their business and like that's how you want it. But it's all under the banner of like the strategy that we've created and the policy of like how we want our brand to be experienced by the market.

And that's been massive. So yeah, go on.

[Josh Keegan] (32:02 - 32:04)

No, go on. So I finished it means it's right.

[Mo Haykir] (32:04 - 34:09)

I was just gonna say the key there is really like working on building your assets but actually scheduling out some time and being like, right, I'm gonna write the process for. And actually the reason one of these things came around which has completely transformed our sales process really over the last sort of year and a bit was one of our sales exec left. And at the time, because the size of the business she was doing both, she was doing viewing, she was doing check-in, she was doing messaging on spare room, she was basically doing everything really well and the occupancy was decent.

She left, it was like over Christmas. I had to jump in. It was like horrific because I was like doing everything.

I wasn't in Plymouth. So I was then trying to like message other people to get them to do it. And it was pretty horrid time, but it was a time that I was like, this is never ever gonna happen again.

No single point of failure and everything. And actually jumping in the business allowed me to like really understand how that bit works because I obviously hadn't done any messaging or viewings for like five years or whatever it was. So really understand how it works, how that sales process works and bring on a couple of VAs in the Philippines.

So now we've got like 20, like seven day a week responses to messages and also decouple messaging from physical viewings and check-ins. So which gives us two benefits. You've got like division of labor.

So people are just doing the same thing every day. They get really good at it. But also you've got no single point of failure.

So like if we lose one of the VAs, like other people can do messaging. If we lose our sales exec, other people can do viewings, but the messaging stays consistent. So the point of saying all that is jumping into the business for a short period of time with the objective of like, I'm gonna systemize, I'm gonna process this out.

So it's like nth degree and then hand it over what has been massive for our thing. And we're now like, I mean, the market's good at the moment anyway, but we're at like 97% occupancy. And it's, I don't think even in the current market, we'd be at occupancy if we didn't have the systems and processes and people that we've got in place now.

[Josh Keegan] (34:10 - 35:38)

I think there's so much to unpick there. Probably don't have time to talk to each, every different element of it. But I think one of the key sentiments for people, and this is basically a common theme is once again, it's just a journey you've been on.

And I think in the early days, people are not in one of two camps as an entrepreneur. One camp is they're just terrified to recruit anybody. They're trying to do it all themselves.

The other camp in the early days is basically, no, I'm really happy to delegate and outsource things, but we expect to just recruit people. Just say, right, there you go for a minute. And we expect it to just work.

The reality is no one can build your business for you. And you're, as the entrepreneur, you're the one that needs to build the business. And when we say build the business, we talk about the business map.

So methodology, assets, people and processes. And what we need to do is we need to work out what the methodology are. We need to turn that into assets, so documents, policies, videos.

People can then access the news and get the right people following the right processes in place. And it sounds like that's the journey you've been on. And it's all come together.

And I think part of that is, at the time of recording, we're in February at the moment. So we're in winter. And this is where the majority of that heavy lifting happens.

So if you're like Mo and you don't like diving into processes, you don't like diving into policies, you don't like recording training videos, I mean, I don't either. It's a three-month sprint in the winter period. And once it's done, it's done.

And would you say that winter has been the main kind of, is that what's driven the business to where it's got to?

[Mo Haykir] (35:38 - 36:50)

Yeah, 100%. Like winter hit list is such a key time to nail the bits that you need to do. But if there's anything that's like, obviously anything that's not business critical, we save for winter hit list and we log during the year and we record them and stuff like that.

But anything business critical, it's just working out like there's so many tools now to be able to allow you to create systems and processes. It can be as simple as just recording a video on your phone. It could be using something like Loom to just record your screen.

Literally, if you just do a task and record it and then send it to a VA or send it to anyone and say, can you type up how this was done and put some screenshots in? Your involvement has been limited to just doing that thing once like perfectly or how you would want it to be done. And then you can get it off your plate.

So there's really no excuse these days to not have that in place. But then at the same time, you've got to have... You can't just do that and then give it to people.

You've got to have ways to check in. So then you've got to have KPIs and have a rhythm to the business as well. But that all just comes as you start to...

The first thing is get someone in who's competent and give them the tools they need to succeed. And then you can start to monitor after that.

[Josh Keegan] (36:51 - 37:43)

It is a muscle though, I'd say. It's a muscle you have to build is to really think, right, how do I get this off my plate for somebody else to do it? And there's some things we guarantee, like if you look at Mo's journey, guarantee there's stuff that's on your to-do list right now, today, that honestly, you think there's no way anyone else can do for you, but 100% other people can be doing it.

You've just got to start to get in that headspace about how to get off your plate and also have the real drive and motivation to absolutely do as little as you possibly can because that's how you add more value. Can we go into three top tips to finish? So anybody that's sitting where you were four years ago wants to get to where you are.

We've talked about the problems. There's been a tremendous amount of value and insight into the journey. And I think there's so many learnings from there.

What are your three big top tips which are going to really help you accelerate on this journey from kind of busy full to bottom line, highly profitable, highly lucrative set of businesses?

[Mo Haykir] (37:44 - 39:15)

Yeah, so I think number one is invest in education and get around people that are doing the same thing as you. They're on the same journey. If you can get people that are slightly ahead of you, that's great because then they can sort of give you some tips on what they've done as well.

And I think we've always done this. It's just like what we've done with it has changed slightly in terms of how we've got that support. But I just can't overstate it enough because if you don't think about it, think about the converse, like you don't invest in yourself and you don't get around people that are doing bigger and better things than you.

You just think that the way you're doing it is the way that everyone does it and you have no experience of like the outside world. And like we were saying earlier with, well, how do you know what the commercial balance in a lettings business is? But if you don't have anyone around you that's doing it, you need to get into a network of people that have got that experience and can say, because for them, it's not.

For you, it's like the biggest issue in the world is like, well, how many people do I need to run a business at 300 rooms? For someone else, it's like a small one of a thousand problems they've had to solve over the last few years. For example, for me, that particular problem is not an issue now.

We're now like, well, what's the answer at 500 rooms, at 600 rooms, et cetera. So then I need to speak to someone who's at that level or above. So yeah, invest in education and get around people that are on the same journey.

That would be my biggest, one of the three top tips.

[Josh Keegan] (39:16 - 39:50)

Nice. I mean, I couldn't echo more. I've been, since I've been in business, I've been a part of property entrepreneur.

I've been a part of other things. And I know that it's a big part of your life as well. And it's just like, how could you possibly do this without other people around you doing it?

That's a very lonely journey. And also, as you said, it's like, we can be worrying about a problem or try to solve a problem for weeks. You ask somebody and they'll tell you the answer in about 10 seconds.

You say, I'll just tell you that, just do it this way. You're like, oh my God, that was worth like a year's worth of description for that one 30 seconds of advice. And it happens all the time.

A hundred percent.

[Mo Haykir] (39:50 - 39:58)

And I think the other thing, our good friend, Alex Hormozy, who is not a friend because he doesn't know who we are. But he's my man crush.

[Josh Keegan] (39:59 - 40:00)

I've still not watched the video yet. I don't fancy it.

[Mo Haykir] (40:00 - 40:01)

You've not watched it?

[Josh Keegan] (40:01 - 40:02)

No, I've not watched any of it.

[Mo Haykir] (40:03 - 41:11)

I thought you had, because I thought you were looking a bit more muscly. So you'd been copying his gym tactics. He's big on like challenging your own limiting beliefs.

And it's quite a big thing in like the personal development industry to be like challenging your limiting beliefs. And it's as simple as you don't know. You don't know what you don't know.

And you think you might have a belief that, well, there's no way that I could run a lettings business on five hours a week. And it can pay me whatever, 10 grand a month or whatever the figure is that you've got in your mind. And that's like your belief until you speak to someone that's actually doing that.

And then your belief has to change because you've seen evidence of it. Or you speak to a few people that have done X, Y, Z and it changes your belief. And so many of the things in life, this is one of the things he says, like so many things in life, you just think is like an absolute, you talk about them as if they're facts, but actually it's just a belief based on your experience.

And your experience is like limited to that tiny sort of vision of like what you've, the path you've gone through in life. But until you speak to people that are further ahead and done bigger things, they can't, you can't change your beliefs.

[Josh Keegan] (41:12 - 41:13)

Yeah, number two, is it number two?

[Mo Haykir] (41:14 - 42:45)

Number two is know your numbers. I think it's not a, it's not a sexy thing from a, you know, most people don't get into business and property and stuff to sit down in front of spreadsheets. But fundamentally, if you don't just wanna be a busy fool running around, you've got to know your numbers.

And it's the thing that will allow you to do, to earn more and do less. And if you do know, if you do know what your numbers are, pricing, business modeling, looking back at past financials, looking at forward cashflow, planning in for like when, you know, when you need chunks of cash in the future. Yeah, there's no way around it.

I think the key thing is, if it's not in your flow to do that, just have a team around you that does it. So we've got finance assistant, we've got finance management company. Again, the thing we learned was that we had our finance assistant also doing our management accounts.

And what that means is, you don't get your management accounts because there's already, there's so many finance assistant buyers that are burning in the month. It's like, oh, I'm not gonna have time to do the management accounts this week. Can I do them next week?

We had that in the past. So now we split those things out. Again, division of labor, one person just does one thing.

And that's worked really well. And then we've got, and then obviously we're working with you on the sort of financial direction. And we have our board meetings.

We talk strategy and we go through business model and review the management accounts and that stuff. And then we've got our tax accountants as well. So building that team around us that allows us to know our numbers without having to sit in the spreadsheet all day, every day.

[Josh Keegan] (42:46 - 42:59)

Brilliant. Obviously, you know, I'm a huge advocate of that. And I won't dwell on that one anymore.

But yeah, set of management accounts, don't do it yourself. It's like, it's just the fundamentals. If you want to have any sort of success, financial success.

[Mo Haykir] (43:01 - 44:44)

100%. Top tip number three. Top tip number three is, we alluded to it earlier.

It's work hard and then optimize for smart. I think everyone wants to like, not work and earn a load of money. But actually, I think you do have to produce output and you do have to do hard work.

And things are hard. It might not be hard work in terms of, oh, I've got to do an 18 hour day or whatever, massive weeks. But it might be, I've got to work hard in that.

I've got to have challenging conversations I don't want to have and stuff like that. But I think you just got to work hard. It's a bit, you've got to earn the right to not be able to work hard.

So I think when you start, you've got to work hard. Just make sure you're working hard on a few things and not spreading yourself too thin. So do the long hours.

You know, if you want something in life, you've got to go out and get it. So work hard. And then once you know the things that are working and you're working hard, then you can say, well, actually, I don't want to do as many hours of this.

How can I achieve the same thing that is working on less hours? And then you can start to systemize it that way. And I think there's probably quite a lot of stuff in personal development industry that's like, just work smart and you don't have to do anything and you can do four hour work week.

But it's just not the reality, really. I think if you speak to successful people, they've always got a season or a phase in their life where they've had to work hard. They've had to go away from their family at weekends.

They've had to get up early. They've had to work late. They've had to not spend money on something they wanted to do because they had to invest it in their business.

And I think people shouldn't be ashamed that that's a phase that they might have to go through.

[Josh Keegan] (44:45 - 45:53)

I think also talking through the journey you've gone on, I think it's a really good point, is inch wide, mile deep, which is pretty what you've related to, like going from spinning plates, trying to get so many things off the ground, a book, a podcast, like five or six different businesses, development, all this stuff that's going on to really streamlining, focus on two or three big things. And we do talk about some properties on distribution of focus. So having a 70%, a 20% and 10% of your time, having three projects, 70, 20, 10 and focusing on them is the way to go.

And what you're kind of talking about there is you may have to work very hard to get something off the ground. I'm working very hard on one of my companies at the moment to really push it forward to get off the ground. When it's kind of starting to get more established, at the moment it's in my 70%, when it's next year, it'll probably shift into my 20%.

Then I'll find another project working on my 70%. It's always working hard on something, but as you go on the journey of the lifestyle of the companies, you can often shift them to like the less time intensive areas by optimizing, getting more smart. But as entrepreneurs, we like the challenge, don't we?

So we'll always probably have a big project every single year.

[Mo Haykir] (45:54 - 46:19)

Yeah, 100%. And if I'd spent the amount of time and effort that I'd spent over the last, like say five or six years on less things, they would, of course, they would all be more progressed and further along, whether you measure that by how little time you have to put into them and how much more, how much money you earn or how big the brand is or whatever, however you measure it, they would have been, there's no way they wouldn't have been further along, if you know what I mean.

[Josh Keegan] (46:20 - 46:24)

Perfect. If people want to get in touch or reach out, how can they contact you?

[Mo Haykir] (46:24 - 47:01)

So Instagram, moratjeffreyhaykir, which is M-U-R-A-T-J-E-F-F-R-E-Y, I'm actually reading it because I don't know how to spell my own name, H-A-Y-K-I-R, and or email morat at khpgroup.co.uk or at moreviewproperty.com and also follow the property vlog on YouTube. So the property vlog, so I'm vlogging some of the stuff we're doing in Moreview and KHP and mostly around like development, funding, I do some stuff around some of the things we learn at Property Entrepreneur on there as well.

[Josh Keegan] (47:02 - 47:47)

Mo, it's been a pleasure to have you on today and thank you so much for coming on. It's been like a genuine joy to watch the journey, because I've known you for about four years now, watch the journey you've been on from where you were to where you are and I think you've just gone from a, I don't know what I might be saying here, almost like quite an immature entrepreneur to a very, very mature, very sophisticated entrepreneur now. You're very strategic, you get involved in the right things, the deal's getting bigger and bigger, you manage risk effectively, you know your numbers, you know your finances, you have some really lucrative businesses and I think what's amazing about this, although you've already gone on an incredible journey, I feel like this is just the start for you on like a second leg in your entrepreneurial journey.

So congratulations. And it's been a pleasure.

[Mo Haykir] (47:48 - 48:13)

Thank you very much. Yeah, no, it's been a pleasure working with you and being a property entrepreneur and I just love it. I think the intersection of business and business and property is exactly sort of in my flow.

And yeah, if anyone's got any questions on anything, like feel free to reach out. If I don't get back to you, don't take it personally, just give me another nudge and I'll get back to you and happy to chat with you and chat with you at the workshops as well. Thank you very much.

Thanks Josh.

[Speaker 3] (48:16 - 48:55)

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