**TBP 245 Edited\_Transcription**

[Daniel Hill] (0:06 - 0:46)

Welcome to this month's Deals, Deals, Deals podcast hosted by my very good friend, Mr. Mark Barrett. Mark Barrett is a longstanding property entrepreneur board member, has successfully started, systemized, scaled and sold his property management company. Mark now spends his time building hands-free portfolios for high net worth individuals via his company, The Property Brokerage.

And through these monthly Deals, Deals, Deals episodes, you're going to hear some of the UK's most lucrative, most strategic, award-winning and market-leading deals to inspire you and educate you in how you can do exactly the same. Over to Mark.

[Mark Barrett] (0:51 - 1:25)

Hi, I'd like to give a very warm welcome to my latest guest, who is Chris McDermott. Chris, how are you doing? Hi, Mark.

Thanks for having me on. Very good. So yeah, we've just been talking about this deal that we're going to discuss, and it's got all the aspects of kind of like deals that I love, creative terms, leases, you've got some planning permissions, so a lot to get stuck into.

But before we go on to that, for anybody that doesn't know you, could you just give us a bit of an introduction, please?

[Chris McDermott] (1:26 - 2:08)

Yeah, of course. So yeah, Chris McDermott, based in Didsbury in South Manchester, been investing in HMOs for about seven years now, built a portfolio with my partner, well, my wife now, Kat, got two young boys, George is three, Alfie is one and a half. So yeah, I suppose the whole reason behind investing was to try and give us some more freedom and flexibility for the family life.

Yeah, so yeah, we're here now. So yeah, no, thank you for having me on, looking forward to talking through the deals.

[Mark Barrett] (2:10 - 2:15)

So how did you start out then? What was your career then? How did you get into property then, Chris?

[Chris McDermott] (2:16 - 3:08)

So I started, so I was working for Kellogg's, and I was an account manager there. And just as part of, I suppose, trying to create another income stream and build financial security, we started investing in property completely separate to sort of our full daytime jobs. And we had a bit of a plan of, we wanted to get out within five years of investing.

And yeah, we slowly sort of chipped away at it. And I think we started investing in 2017. My wife left her corporate job in 2019.

And then, yeah, and I've sort of fully left at the end of May.

[Mark Barrett] (3:08 - 3:24)

Very good. So congratulations on that. And you joined Property Entrepreneur, was it like 12 months ago?

Yeah, exactly. And that was through, you knew Josh, you'd been working with Josh for quite a while, haven't you?

[Chris McDermott] (3:25 - 4:01)

Yes. Yeah. So we, when we started investing in property, we knew that we, you only know what you know.

And we wanted to get some training and education from someone further ahead in that journey than us. So we had one mentor who was all about just making progress and momentum investing. But we realised we need some more help on the back office.

And we got some coaching from Josh for a couple of years. And then, yeah, we sort of then moved into Property Entrepreneur.

[Mark Barrett] (4:02 - 4:05)

Very good. And how's your first year been then?

[Chris McDermott] (4:06 - 4:44)

Yeah, I've loved it, to be honest. When I talk to a couple of other people about it, we say, you know, a lot of the stuff is not rocket science. It all makes just complete sense as you go through it.

But it's just about implementing what you're taught. And you're not going to be able to implement 100% of what you're taught in year one. But even if you do 30, 40%, you'll do more in sort of that one year than probably what you would have done in three years if you'd have just gone it alone by yourself.

So I've really enjoyed it. It's been very full on. But I definitely have really enjoyed where we've got to with it.

[Mark Barrett] (4:44 - 4:59)

Very good. And we talk about the wealth dynamics. So what's your profile?

I'm a blaze. I'm a supporter. OK.

And then knowing that, how's that affected with what you do? Because is Kat a tempo like myself?

[Chris McDermott] (5:00 - 5:59)

Yeah, exactly. So it works quite nicely. We complement each other.

So generally, I'll go out and make a bit of a mess, just drive things forward. And then Kat then brings it all into order, sets processes around it. And then we sort of go a bit around the cycle again.

And then I'll make another mess and then she'll tidy it up. Yeah, nothing like we are around the house. I wouldn't like to be accused of just making a mess constantly there.

But yeah, it works well for us. And I think we both know where our strengths are. And we stick to our own sort of departments within it.

So, well, we try to as much as possible. So, yeah, we definitely make it work. And I focus on generating the relationships with investors.

We'll come on to it, but with supported living providers. And then Kat does more of the project management once we get projects on board and then seeing them through.

[Mark Barrett] (6:00 - 6:03)

OK, and then she does the interior design as well this year.

[Chris McDermott] (6:04 - 6:12)

Exactly, yeah. So she's sort of trained in interior design as a real passion for that. And then she applies that to our portfolio.

[Mark Barrett] (6:13 - 6:26)

Brilliant, because we actually met, was it about four years ago when you bought the Nelson pub in Boston? Yes. Yeah.

Which we got planning on and then you converted that into a nine bed HMO.

[Chris McDermott] (6:27 - 6:53)

Yeah, yeah, it was a while ago, because that was obviously during COVID. So, yeah, not the easiest project, but yeah, it sort of took us about 18 months in the end to fully complete it. But yeah, nine bed all en suite.

And yeah, so it's worked well since. So, yeah, thank you for introducing us to that one.

[Mark Barrett] (6:54 - 6:58)

And then what have you actually done with that one? Is that professional tenants or is that on a lease?

[Chris McDermott] (6:59 - 7:45)

That's on. So we don't have any direct tenant management within the portfolio. So we've got two structures.

So we used to. So we used to have everything managed professionally by an agent. And then when we got to a certain scale, we looked at how we could optimize that and reduce costs.

So one, the biggest thing we did was move the majority of the portfolio on to supported living leases. But then the other side of it is if we didn't have a provider that we thought was suitable or saw it as more of a professional that we've got rent to rent agreement in place with one rent to rent provider that manages five or six of our professional HMOs.

[Mark Barrett] (7:46 - 7:59)

All right. OK, OK. Yeah, good.

Well, that makes sense. So when was that shift then that you went from kind of like professional tenants to looking at the leases and what brought that on?

[Chris McDermott] (7:59 - 9:11)

So it's probably three, three and a half years ago. Now, it was sort of at the point where we were trying to have more of a consistent income from the portfolio when Kat left her full time role. And we were just looking at it and we had agency fees in there.

Obviously, you can avoid tenant fine fees that come, which is sort of a bit of a double whammy when you've then got voids. And, yeah, we just looked at what the alternatives were. So one thing we reviewed was whether we just had someone in house as a property manager.

And at that same point, we started to explore supported living and we found a really good provider that was able to take one of our properties on. And we just saw our rental profit increase as part of that and our time input reduced, which was a bit of a perfect scenario. So we ended up moving a lot of our other properties over gradually.

And it takes quite a while because you've got to find the right provider in the right area. But gradually, we've just slowly moved them over.

[Mark Barrett] (9:12 - 9:27)

That's good. OK, so we're going to discuss a particular deal now. Which is in Stockport.

Do you want to tell us a bit of background as to how that property came about and what it was when, what was the property when you first saw it?

[Chris McDermott] (9:28 - 11:06)

Yeah, so we were introduced to the property through a builder that we used to work with. We don't work with him anymore, but we just keep in touch because generally we found that he was always well connected and has deals being passed to him. So I just generally try and keep in touch with him sort of every couple of months or so.

So I just spoke to him, asked him what he was working on. He had an opportunity where he thought he had to buy something cash there and then, direct to vendor. He didn't have the funds in place to do so.

So we just asked if he would introduce us to the investor. We agreed a fee as part of that. The property was a four bed en suite, but we knew it had a lot more potential to be, to have more bedrooms within it and optimise it more.

So it had the basement that had already actually been converted, but wasn't converted correctly. So there was just damp issues down there. And equally the tenants, he'd let it out to the council, but they'd had problems with the tenants.

And so it was vacant. It had been vacant quite a while. He didn't have the funds to then reinvest into it.

And so he was just keen to sell it as quickly as possible. And yeah, that's when we sort of explored what the potential scenarios were, where we could create a win-win really.

[Mark Barrett] (11:07 - 12:04)

Yeah. Okay. I think one of the interesting things was the size of this property.

So you're saying it was a four bed and it had the basement. What size is it in square metres? It's 204 square metres.

Which is absolutely huge, isn't it? So to put that into context for those maybe listening that's not quite sure on that HMO sizes or kind of maybe square feet as well. But when we look for HMOs, typically the ballpark numbers we look for is a four bed, 80 square metres.

A five bed would be 100 square metres for all en suite, 120 square metres for a six bed and then going upwards. So this being over 200 square metres is basically the equivalent of like two, three bed terrace houses next to each other. So it's absolutely huge.

And then to have that as a four bed. Yeah. It's some size.

[Chris McDermott] (12:05 - 12:33)

Yeah. Like I say, that's definitely where we saw some potential within it. The owner, you know, he's got property, but he wasn't, I suppose, like an active investor.

He wasn't generally into HMOs. He just saw that that was a good use for this property. It just had four bedrooms.

So he just created it as a four bedroom. So it didn't have almost too much communal space, really, that just wasn't being utilised.

[Mark Barrett] (12:34 - 12:49)

Yeah. And so when you initially spoke to him, I think the other thing was sometimes you can speak to people and they want one thing, but actually you can actually create a different outcome. So what was the initial conversations?

[Chris McDermott] (12:50 - 14:35)

Yeah. So as I mentioned, I was introduced to him based on the fact he needed a cash sale. But when I spent some time with him, I realised that actually his pain point was the fact that it was just vacant at the moment.

The council tax was about to double. He was having his mortgage cost. So actually his real pain point was the fact it was costing him £1,000 a month.

He didn't necessarily, and he just couldn't afford to reinvest into it. So he'd already agreed in principle a lower price based on it being cash. But when we then got talking to him, we realised that there was maybe something more creative that could be done where we agreed an exchange with delay completion.

We took control of the property and paid him a grand a month rent. And then we got our supported living provider in place where we get rent of £2,200. And so we knew that we could make it over £1,000 a month there, just controlling the property while we looked to then get planning permission within the garden space, because there was a huge garden as well, which had the potential for a new dwelling.

And yeah, which we've now, we then looked to get planning on it. We've just had the confirmation from the council that they're going to approve it. And part of the deal was we will pay, we will give that, well, we've agreed a price with the initial builder to give him sort of first refusal on the land.

And yeah, we've agreed a price for that. So that's sort of one of the creative elements of the deal that just increases its profitability.

[Mark Barrett] (14:35 - 15:41)

Okay. So just going back a few things then. So you've done an exchange with a delay completion.

Did you pay deposit then? And if so, what was the deposit? Yeah, we paid a 10% deposit then.

Okay. And was that released or was that held by the solicitor? Held by the solicitor.

Yeah. So there's two types there. So you can have, I think it's like a stakeholder and I forgot what the other term is, but basically the standard is it's held by the solicitor.

Sometimes in negotiations, you can agree to release that. And then that could be 10%. You could actually be a few thousand pounds, 5%, whatever that is.

Whereas if they need to get some cash, you can do it that way. Obviously the safest thing is it's held by a solicitor. So that's all good.

And then with the standard, obviously when you come to buy a house is that you exchange a complete two weeks later, but there is no kind of a set period as to when that can be. And that's all like negotiations. So what was the terms that you'd agreed?

[Chris McDermott] (15:41 - 16:42)

Yeah. So we agreed the purchase price at the reduced price that he'd already agreed with the- How much is that? Sorry, the purchase price.

That's 220,000. And then we agreed a 12 month delay on the completion. And because of the relationship that we developed with the vendor, we did agree sort of offline that if we needed to extend that for whatever reason, that could be done at no extra cost.

So we actually did need to exercise that and push it back two months. And we ended up paying £100 in admin costs for doing that just while we were lining things up our side. But yeah, part of it was agreeing that reduced price, but then just agreeing the £1,000 a month to then know that he didn't have to worry about the property.

It was just taken off his hands and all his costs were covered.

[Mark Barrett] (16:43 - 16:51)

Yeah. And then when you did that, did you do the normal searches? How long did it actually get to take to exchange?

[Chris McDermott] (16:53 - 17:33)

It was just a normal period, really. We took a risk, I suppose. So we controlled it and started paying his £1,000 a month before we actually exchanged on it and got the provider in.

So we did that pretty much instantly because like I said, that was his pain point that we wanted to make sure that we were addressing. And then it probably took three months to go through conveyance into exchanging. And then having the 12 months of the delay completion.

[Mark Barrett] (17:34 - 18:44)

Yeah. One thing I found either doing options or doing delay completions is it's surprising how often you actually need more time than what you think. And I think that was kind of like a point where you've raised is if you always try and get more time than what you want, but also try and have a mechanism that if you need to extend, that it does state that within the agreement or the contract.

And that could be, yeah, I need another 12 months and I'll pay you £5,000 or I'll increase the rate of interest that we'll pay. But I think that's such a valid thing because a lot of people will go into a deal and then not have time to be able to exit. And always things can go wrong or cost more.

Or if you're going for planning, it takes longer than these delays. So having that in there, I think it's great that you've had the relationship so you can do that. But it's also, yeah, just try and bear in mind that trying to get some way that you can actually extend it, I think is a good point.

Yeah.

[Chris McDermott] (18:45 - 19:16)

100%. Yeah. Things always take longer in property than you think.

So yeah, like I say, it was all about knowing what his issues were. And he's equity rich, cash poor. And so, yeah, it wasn't really about getting that big chunk of money.

It was just the monthly income that he needed at that specific point in time. So it wasn't going to be an issue extending it.

[Mark Barrett] (19:17 - 19:49)

That's great. But I think anybody who's looking to do similar deals, it's just a great example that it's not always about the money. So it's not always about the big sale or that kind of thing.

And it's like what you've done is address the pain, find out and it can be that it's the cash flow type of situation. So that's a good learning. So you then, do you want to just talk through what you actually did with the property?

How many bedrooms you've actually made it into now?

[Chris McDermott] (19:49 - 20:37)

Yeah. So we, like I say, it was a four bed when we took control of it. We then added a fifth bedroom in the front room and another en suite room there.

And then we have re or we're in the process of reconverting the basement, which was sort of positioned as a two bed flat. But it wouldn't have sort of met regs and they had damp issues in there. So we've sort of had to fully re-tank it.

And that will be another two en suite rooms and a sort of communal, a small communal kitchen for those two tenants down there. So total seven beds all en suite it'll be.

[Mark Barrett] (20:38 - 20:44)

Okay. Fantastic. Yeah.

For anybody who's looking at basements, how much was it for the tanking?

[Chris McDermott] (20:45 - 21:15)

All in to convert, it was about 50, 55k to convert. So it was quite a large amount, but it's a big basement. It's got sort of two, I think a 12 and a half square meter rooms plus en suites.

Yeah. And then a communal space within the middle as well. So we've done them before for more like 25.

But obviously this is just a bigger space.

[Mark Barrett] (21:16 - 21:20)

Yeah. Okay. Did you have to dig down or was that just the tanking it had to do?

[Chris McDermott] (21:21 - 21:32)

Dig down as well. So not necessarily for, we wanted to just get a little bit of head height there, but also just to insulate the floor as well.

[Mark Barrett] (21:32 - 21:49)

Yeah. Okay, good. And then you've got a lease provider in.

So for anybody that's interested in getting into this space, what was the process that you went to get that lease provider? What is like the tenant types and the kind of like the terms that you've agreed?

[Chris McDermott] (21:50 - 23:57)

Yeah. So what we've agreed with them is that they're occupying the five rooms that are already in place. And then the agreement is when the other two rooms come on board, then they will lease those other two as well.

Obviously the benefit of us is we're getting the rent in place while we convert the basement. And then also, as I mentioned, to get planning in the garden. So that's our agreement with them.

They're a provider we've got a really close relationship with already. As I mentioned, we've sort of slowly moved our portfolio over to supported living. So those ones, we initially found them through, I mean, finding any providers is hard work.

It's a lot of sort of kissing a lot of frogs. I've got a business partner within a separate business where we help other landlords move their properties over to supported living leases. And she used to work within the council.

And so she is well connected to a number of different providers. So she was aware of them, made the introduction. And yeah, we've been working with them for quite a while now.

So hence being more open to something a little bit more creative with them. But they house refugees. And yeah, which is real reason why we like them.

I suppose real low support needs. We find that there's no issues with the tenants or the clients that they house. They generally come over as asylum seekers, then got a right to remain.

And the provider just helps them with setting up bank accounts, helping them learn English, getting set up. And then they generally move on. So they don't stay for a huge amount of time.

But when they're there, they're very much keen to get themselves going again. Now they've got the comfort that they've got the right to remain.

[Mark Barrett] (23:58 - 24:09)

Yeah, okay, that's good. And then typical lease terms that you would have on that, is it like a five-year agreement? Or and then what kind of like break clauses would you have in that?

[Chris McDermott] (24:10 - 25:04)

Yeah, so exactly that. So we do all of ours five years with a break clause after two years. And we generally find that's what mortgage lenders like.

The providers would generally be happier with longer leases and less of a break clause. But that as a condition of the lender, we always make sure that we put those in. And then different providers have different structures within the lease.

But generally, they'll look after day-to-day repairs and maintenance and manage all the utility bills and take the cost for them. This provider actually also manages and pays for all the compliance and also takes out the buildings and contents insurance as well. So it really is sort of like the rent they pay, the only cost that you've really got on that is a small buffer for repairs and maintenance that sit with you and then your mortgage.

[Mark Barrett] (25:05 - 25:26)

And that's on the structure of the building, the utilities? Yeah. Yes, yeah.

Okay, good. So yeah, just going back to the numbers, then if we can just go through the numbers. So you bought it at 220.

Yeah. And then what was then the additional costs?

[Chris McDermott] (25:28 - 26:53)

So then we've got stamp duty legal fees at about 8,000 there. Then the total refurb including the basement and adding the ensuite bedroom on the ground floor is 68,000. Yeah.

Now our other costs are then finance costs. So as much as we haven't had any costs so far, at the point that we complete on it, we will, because we've bought it at 220 and we want to realise a higher value, we will buy it cash and then refinance out after six months. So we've allowed for longer than that.

We've got about 20k worth of finance costs. That capital is based up on private investors. And then also I utilise my SaaS that I use as a loan back.

And then just the remortgages and stuff within our own portfolio to be able to fund that. And it's a total cost all in a 316. Yeah.

[Mark Barrett] (26:53 - 27:00)

Okay. Good. And then you've then got the sale of the land to come off that, haven't you?

[Chris McDermott] (27:00 - 27:23)

Yeah, exactly. So yeah, we'll net a profit about 40k there once all fees are taken in. We've deducted the introducer fee that we'd originally agreed because we've agreed the sale price with the builder that's going to just buy that land off us.

Now we've got planning.

[Mark Barrett] (27:24 - 27:52)

Yeah. Okay. That's good.

Just on that. So it's going to be a three-bedroom house. You were saying that sometimes you're better off selling that with the planning gain as opposed to when you're looking at bill costs, because bill costs are so expensive now.

That it might say it costs 150k to build that. So by the time you've got your finance costs in, the margins are not particularly great, are they?

[Chris McDermott] (27:53 - 28:40)

No, exactly. Yeah, we look to potentially keeping it. But yeah, if you take those, we're able to – we're selling it for 50 minus our fees.

If you take that 50, 150 to build it, you're at 200. And realistic or maybe slightly pessimistic, but we've done our numbers on it being able to sell for 230. So you've only got 30k's worth of profit potential in there.

And that's not taking into account agent fees for selling or any finance costs, as you say. So I mean, he's a builder, so he's potentially able to do it cheaper than that. But yeah, certainly for us, we knew that the biggest and lowest risk potential was if we just sell the land we're planning.

[Mark Barrett] (28:41 - 28:56)

Yeah, perfect. Yeah. And then valuations, we were saying, just go through, because there's two valuations that you work on, the bricks and mortar and then the commercial valuation, if you can just explain what they are and why you use one and not the other.

[Chris McDermott] (28:57 - 30:20)

Yeah. So just before I touch on that, there's another – we obviously got the 40k profit from the land sale, but then we've made about 12, so more like 15k's profit from the difference between the rent that we pay the landlord versus the rent that we take from the provider. So yeah, total profit potential, I suppose, or capital that we've generated within the deal is 54 there.

But then again, in terms of end valuations, we've got – so we're based on bricks and mortar of 330, which I think is pretty – yeah, well, I suppose a realistic number based on sole comparables. We generally refinance out just on bricks and mortar. We've always done that, but one of the reasons that we're doing it even more recently is a lender that we really like within the support and living space only uses valuers that value based on bricks and mortar.

And so that's our sort of primary exit. So yeah, we've used the numbers within this of 330. So 75% mortgage based on that is around 250.

[Mark Barrett] (30:21 - 30:41)

Okay. Yeah. So if you do that, then how much would you have left in the deal of your own capital?

So we'll leave in about 14K of our own capital. And then the lease based on seven beds, how much is that then a year?

[Chris McDermott] (30:42 - 31:02)

So it's 23K gross. And like I say, the provider generally – well, the provider pays all costs outside your mortgage. Sorry, that's the profit.

So the gross is 38. And then once you take off mortgage costs, then it's 23K gross profit.

[Mark Barrett] (31:03 - 31:21)

Okay, great. So you've got £23,000 a year, which is like nearly £2,000 a month, which on one deal is fantastic. And then your actual return on capital employed based on your 14,000 is really high, isn't it?

[Chris McDermott] (31:22 - 31:42)

Yeah. So like we were saying before we jumped on, not all our deals are like this. And obviously, this is quite a creative one.

But yeah, so we'll leave in 14, make 23 within the first year. So yeah, 170% return on capital. So yeah, I'm really, really pleased with it.

[Mark Barrett] (31:42 - 32:06)

After your first year, you've got all your capital and some profit. And then year two onwards is just all profit then, yeah? Yeah, exactly.

Okay. And then the other valuation is the commercial valuation. So can you just go through the numbers on that, just for those that might be looking to look at that on a project?

[Chris McDermott] (32:06 - 32:41)

Yeah, so if you base it on generally what we find is even though we've got supported living leases in place, if we want to get a commercial valuation, they'll still use the professional rent as their basis for then what they use multipliers from. So if you base this on 650 per room for the seven rooms and then do a 12% yield on that, it will come out about 455. Yeah.

Quite a significant difference in the commercial and the bricks and mortar at 330.

[Mark Barrett] (32:42 - 33:00)

Yeah. So yeah, potentially then if someone was looking at, they could borrow at 75%, 340. So I suppose if you're trying to leverage to do more projects, then that's one way you could go about it.

[Chris McDermott] (33:00 - 33:21)

Yeah, definitely. Like I said, yeah, definitely an option. And we may look at it, but like I said, for us, this deal is more than good enough.

And we're trying not to get too high based on just where we're at with our portfolio. So yeah, it makes sense for us to do the bricks and mortar. But yeah, by all means, there's some more potential within there.

[Mark Barrett] (33:22 - 33:31)

Yeah, absolutely. So yeah, congratulations, Chris, to you and Kat on that. That's a great deal.

So can you just share your three top tips?

[Chris McDermott] (33:32 - 36:51)

I think the first one is just around nurturing relationships and the importance of it. So there's a number of relationships within this deal, but the first being with the builder. So we don't use this builder for our own renovations.

But like I said, we know he always has access to deals. So we stay in touch with him every couple of months. And yeah, and it just happened that this was a deal that he was working on that he wasn't able to progress with.

So that being one. And then equally with the vendor on this one, I know I'm quite conscious when you talk a deal through like this, it makes it sound quite easy and simple. But obviously behind the scenes, there was, not that I'm complaining, but there's a lot of cups of tea at the house of the vendor.

You know, I've tried his daughter's wedding cake trial. You know, just like it was really about like getting him bought into us and what we do and what we're trying to achieve and also answering his problems. So yeah, nurturing relationships would be the first one within that.

And then the second being, once you've done that, try and understand where the needs are and where you can find your solution and make sure your solution is win-win. So again, with the builder, whilst he couldn't do the deal, we're more than happy to pay him for his part in it. So, you know, and introduce us, really, he didn't do a lot for that, but he introduced us to the opportunity and then I suppose moved away from the situation, which is what we wanted.

So yeah, we were happy to pay him for that because it is creating a win-win. And then equally, he's more likely to bring us more deals. And then with the vendor as well, we answered his problems, make sure that he's through with it.

So yeah, so creating a win-win all around, really, rather than looking to take all of the pie. Yeah. And then the last one.

Yeah. And just one of the benefits of that, the vendor owns another couple on the same road. So yeah, we are looking at exploring how we do the deals again.

So yeah, that's obviously one of the other values of creating a win-win, which we didn't know at the time. That's something that's just come out relatively recently. And then the third one is the deal doesn't need to be perfect.

It just needs to be good enough for you. So I'm really conscious when we're on a podcast talking about this deal, it's pretty much no money down. This is the only deal that we've got that where is anywhere near this level.

But we take more of an approach if we understand where we want to get to. It's a long-term focus. And as long as we just chunk away at that over time and just do deals that are good enough for us, then that'll get us over the line.

So they're really chuffed with this deal, but they're not all this good. So yeah, and I think that's important. They don't all need to be.

It's just doing the ones that are right for you.

[Mark Barrett] (36:51 - 37:04)

Yeah. Okay. Yeah.

That's a good point. I think, yeah, sometimes people can overlap, analyze deals or the waiting for the deal of a lifetime and miss upon what could be good deals.

[Chris McDermott] (37:05 - 37:48)

We spent a year. So we went on your classic property training event where it was no money down deals. They're everywhere.

Where's your credit card? Sign up to this. And we got really bought into it.

And I suppose that we didn't know anything different. So we then spent the whole first year of us trying to get into investing, just searching for no money down deals. And you think back, you think if we'd have taken more action and just bought deals that were good enough for us, this was in 2016, we'd have been a lot further ahead than where we are now.

Just if we'd have taken some action and not wait for the perfect deal. So yeah, that's very much our mantra.

[Mark Barrett] (37:49 - 37:54)

Yeah. Okay. That's good.

And then contact details for anybody that would like to reach out to you.

[Chris McDermott] (37:55 - 38:37)

Yeah. So I'm particularly interested in talking to people that are interested in learning more about supported living or have HMOs around Greater Manchester that they're open to moving on to supported living leases or anyone that's looking to invest in these sorts of deals as sort of a loan agreement. In terms of how to get in touch, my email address is Chris at nwliving.co.uk. You can follow us on Instagram at n.w.living or go over to our website, which is nwsupportedliving.co.uk. Excellent.

[Mark Barrett] (38:38 - 38:43)

We'll put those details in the show notes. And yeah, I look forward to meeting up with you soon, Chris.

[Chris McDermott] (38:44 - 38:46)

Thanks very much, Mark. Thanks for having us on.

[Daniel Hill] (38:48 - 39:32)

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