**TBP 248 Edited\_Transcription**

[Daniel Hill] (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.

[Rachel Davis] (0:38 - 1:01)

From madness to meticulousness, I'm joined today by a brand new addition to the Hall of Fame, the winner of the Property Entrepreneur Programme 2024, Mrs. Kay Hutchby. Kay, you now hold the mantle of the Property Entrepreneur of the Year. You came home with first place in the recent finals we did.

A huge congratulations from me. How do you feel? Hi, Rachel.

[Kay Hutchby] (1:02 - 1:21)

Yeah, pretty pleased with myself, if I'm honest. Good. It's been a journey.

So yeah, I'm quite ecstatic. It's so weird because like in my every day, I'm just like, I don't even acknowledge that it's there. But when people ask me about it or mention it, I do feel good about it.

Yeah. It's really good. Thank you.

[Rachel Davis] (1:21 - 1:55)

And you absolutely deserve it. You had, your presentation was absolutely fantastic. We were all blown away by the results that you've had this year.

So you should feel, you know, very proud of yourself. I know Grant's super proud of you. He was, his face when you won the award, it was just absolutely wonderful.

So it's a massive pleasure to have you on the Hall of Fame podcast, and I'm really keen to dive into the details of your journey this year and everything that you've achieved. But before we do that, can you tell us a bit about yourself, what your company does, and how long you've been on Property Entrepreneur?

[Kay Hutchby] (1:55 - 2:06)

A little bit about myself, mum to four children, married to Grant Hatchby, for those that are on our group of Property Entrepreneur will know Grant very well.

[Rachel Davis] (2:06 - 2:11)

Yeah, just to add in there, you did the programme with your partner, didn't you? You both had a sleep together. Yeah.

[Kay Hutchby] (2:11 - 2:18)

Yeah. I probably wouldn't have done it actually if Grant hadn't said we're going. So that's the reason why I'm here.

So give him credit for that.

[Rachel Davis] (2:18 - 2:24)

Yeah, absolutely. I can resonate. My husband dragged me onto the programme as well.

Some similarities.

[Kay Hutchby] (2:25 - 2:45)

Some funny. I started our business together in 2018, so that's about six years ago now. So it's KG Shorts Day, and what we do is specialise in helping Airbnb hosts save time and make more through our management services.

Lovely. Yeah. In a nutshell.

In a nutshell.

[Rachel Davis] (2:46 - 2:50)

And is that the business you've had for the last six years? Is that what you've been building?

[Kay Hutchby] (2:50 - 3:53)

Yeah. Fantastic. Yeah.

Yeah, really. Actually, when we started our business journey, Grant knew he wanted to be in property. I didn't really know what that was going to be.

I didn't know anything about property. I kind of just knew you can get a mortgage for a house, and that's how you eventually own a property. And really, that was it.

I'm very, very young and naive, to be honest with you. But he dragged me to another course one day, and it was good. It was about strategies, different strategies that you can do within property.

And he basically said, pick one that you want to do. And that's how short-term rental or serviced accommodation, as it's also known, came about for us, because it was the one that I knew I could transfer most of my skills to from my current career at the time, sorry, which was mobile phones. I've been in mobile phones for almost 25 years.

Wow. And that's all I did. Yeah.

Just selling mobile phones for 25 years. But that's serviced accommodation was the one I knew I could transfer my skills to. And that's why we picked this particular business.

And we've done it since day one.

[Rachel Davis] (3:53 - 4:40)

So you started that six years ago, and now you are where you are. So we'll get into that in a second. So how long have you been a property entrepreneur?

So this is our first year. Yes. So you've done your first year on the track, around the programme, and you've ended up winning it.

Congratulations, Debbie! So you've obviously had a phenomenal year, and we'll get into that in a second. So that's telling us a little bit about your business.

It's really interesting that you talk about how you knew that, obviously, you wanted to get into property. And then you literally just picked a strategy, and you've stuck with it ever since, which is fascinating. So that leads us to another question I've got for you, which is, where were you before you started property entrepreneur?

So even if you want to cast your mind back before you even started the property business, where were you? What's your kind of background there?

[Kay Hutchby] (4:41 - 4:41)

Wow.

[Rachel Davis] (4:42 - 4:42)

OK.

[Kay Hutchby] (4:42 - 5:22)

So, yes, I started in mobile phones when I was 16, and just stayed in that career. Genuinely, genuinely thought that's where I was going to be retiring. I did get to a point where I was a bit nervous, being 60 years old, selling mobile phones.

I think that was a bit of a turning point for me. I met Grant in 2015, and blended families. So Grant has two children from a previous relationship.

I have two from a previous relationship. All of a sudden, we both have four children, a dog, and, yeah, decided to do this business. So we actually set the business up whilst we were both working full-time for almost a year, actually.

I was working full-time whilst the business was going.

[Rachel Davis] (5:23 - 5:33)

So you started, like a lot of people do, a business on the, like with property, it's very common, isn't it, to start a business on the side? Yeah. Like you said, it was a side hustle, and then obviously that side hustle.

[Kay Hutchby] (5:33 - 6:16)

Yeah, so we knew that we'd already planned from the beginning that this business needed to replace my income as quickly as possible to get me out to full-time work, so I could then dedicate all my time on the business. Grant earned more than me, so it was obvious that we were going to replace my wages first. We actually did that in eight months.

Yeah, we planned to do it in, we kind of estimated maybe 15 months, but we did it in eight. So I actually did leave my full-time job within eight months. That was October of 18.

And Grant left the following September, I think it was. So we then replaced his wages by the second year. And then we were both working full-time on the business.

[Rachel Davis] (6:17 - 6:31)

That's quite incredible progress, isn't it, when you think about it? So you really, how did you manage to do that? Like to get to that point so quickly?

You know, lots of people, sometimes it takes quite a long time, not always, to get to the point where you can actually replace your full income.

[Kay Hutchby] (6:31 - 7:25)

I think we were just so determined to make it work. We'd both come out of divorces, probably had a bit of a challenging time when we'd met each other. And I think this was just our, you know, do it together kind of thing, if that makes sense.

We started off with one rent essay. And there's a bit of a story behind that, because Grant went into the room without me. And I was like, no, you really shouldn't.

And anyway, he signed the deal, done and dusted. And he was like, typical phrase, it's a lick of paint. Yeah, no, it wasn't a lick of paint.

We had to re-plaster the whole house and replace the bedroom ceiling. It cost us about five grand, which was our wedding fund. By the way, that was the same year we were getting married.

So, yeah, we'd spent what was left of the wedding fund. The beginning part of the wedding fund went on a training course, I'd say. You were both very determined.

[Rachel Davis] (7:25 - 7:29)

Did you manage to make the wedding fund back and do what you wanted to do?

[Kay Hutchby] (7:29 - 8:38)

Yeah, we got married in Cyprus as well. So we still managed to get the money for the wedding. It was brilliant.

We did this property. That was our first one. And then by the end of that year, we had already secured four properties.

Three of them were rent essay. And then we decided to start the management side of it. By, I want to say 15 months, we were already up to around 15 properties that we were managing for other people.

And it just scaled from there. And I think the thing that actually helped us the most was networking, if I'm honest. We did used to have a local network where we live in Swansea.

And we would go every month. And I think that's where we really built good reputations with people and relationships. And we got quite a bit of our business.

We still have clients now that we got from six years ago from that networking event. There's still clients on our books right now. So that's how we got started.

So yeah, I would have to say networking made a big difference, to be honest with you, for sure.

[Rachel Davis] (8:39 - 9:03)

That's brilliant. So your business took off quite quickly, didn't it? By the sounds of it, 15 months and you're both out of your day jobs and working full time in your SA business.

It's interesting. I just wanted to ask you this question. Do you service the Swansea area?

Is that where all of your clients, are they all in a specific location? Or are they all over?

[Kay Hutchby] (9:03 - 9:35)

Yeah, so we started in Swansea with that being our base. But we now have listings in Liverpool. We have listings in Nottingham.

So yeah, we've kind of spread out a little bit now. We have a remote management service as well. So we'll allow people to look after the cleaning and the maintenance and we'll look after all the customers.

The customer side is the hardest part, dealing with all the customers, the incoming questions, the 24-hour call service. I think for our business, that's the hardest part people struggle with. And so we take all that off their hands.

[Rachel Davis] (9:36 - 9:58)

So yeah, we spread out a little bit now, yeah. Oh, great. And it is quite a noisy business.

We'll probably get on to that in a minute. So where were you before you came? I know Grant dragged you to Property Entrepreneur.

I hugely resonate with that. I've been in a very similar world. Why did he drag you to Property Entrepreneur?

And what was life like for Kier Hutchby before you went on the course?

[Kay Hutchby] (9:58 - 11:16)

On reflection, I probably thought we were finding it a good place, if I'm honest. But where I was back then, it was a little bit of a madness. There's a lot going on.

We both did everything within the business. It wasn't really clear what our strengths were, because we built the business together and we'd done everything together. Grant had even cleaned a house.

We literally done everything from scratch. And so we were a little bit, I want to say, all over the place, really. But when you're in it, you don't realize that that's the space you're in, I suppose.

We'd just come off the back of a previous boardroom that we'd actually been with since day one. And they just decided to move on and do other things. And Grant and I are big fans of keeping yourselves educated and surrounding yourself by like-minded people.

And we were, in all fairness, we were recommended to Property Entrepreneur. But absolutely loved every minute of being on it, for sure. So we were in a bit of a messy place, but probably didn't realize it at the time.

I think that's fair to say.

[Rachel Davis] (11:17 - 12:17)

Particularly in property, it is really easy, isn't it, to find yourself cleaning, I have as well, cleaning rooms, your partner fixing toilets. You just have to get into the nitty-gritty of it to begin with, don't you? But the key is to get yourself out of that situation as quickly as you can.

Absolutely. Property Entrepreneur is all about getting you from landlord level to investor level. And that's what we call it, isn't it?

Having a team of people to do these things for you. And I guess that's some of the journey that you've definitely been on. So you talked there about how you were definitely working in the business.

It was quite chaotic. That's why we call it from madness to meticulousness. Not an even distribution of roles or a clear distribution of roles between you and Grant.

You were both getting stuck into the business. So let's fast forward to where you are right now. And you've been on the programme for 12 months.

It's only a short time, really. But what's the fundamental differences that you've seen from where you were then to where you are now?

[Kay Hutchby] (12:18 - 14:12)

I think the fundamental differences is everyone knows their role. We work with, I think we've got a team, top of my head right now, of about 15 people, probably 20 if we add in the people that do minimal hours as well. But we all know where we are.

We all know what everyone's roles and responsibilities are. That was the first, I think, big change. And having the right people in the right roles as well.

So, you know, everybody in our team wanted to do a good job, but they weren't all good at the role that they were in. And so, you know, I think we did wealth dynamics. And that actually just really did level up the business, because it gave everybody an opportunity to enjoy what it is that they're good at as well.

So that was one step change. I think the other one was our finances, because we were a bit all over the place with that. Performing well, but we hit some, there were two times in our years of business, we've hit significant cash flow issues.

And there was a month that we did a session on looking at your finances. And that's really realigned our focuses on money going in, money going out, or coming in, shall I say. Knowing our profits down to the penny as well.

Just knowing where everything is. And whilst we've always had a clear understanding of the direction we want to go in, being on this 12-month track with everybody, it's actually helped us to understand how we're going to achieve it. We know where we want to go, but sometimes you don't know how you're going to get there.

This has given us some tools that's fundamentally changed how we were going to go about things. I think that's one of the biggest changes for us. Biggest successes for us as a business, for sure.

Wow, that's incredible.

[Rachel Davis] (14:14 - 15:17)

So you were quite, it's quite extraordinary really. So you had a strong business already, doing quite well, but lots of madness working in the business on it. And I guess the last 12 months we've seen you working more on it strategically, looking at the things that you needed to focus on, like finance.

It is a big challenge for lots of businesses, isn't it? Whether they're fledgling 12 months into their new business, or they're just forming or whether they're actually in norm and they've built a business over time and they're quite established. All businesses need to absolutely understand the key fundamentals, which are their profit, their profit and loss, their profit margins, exactly what they're making, where all the money's going.

I think that's really, really key, isn't it? And I talk to a lot of entrepreneurs who really need to get that piece of the puzzle in place. And I think that's, it seems to me that that's really clicked for you this year, which is phenomenal.

And I guess, has that made, can I ask, what kind of difference has that made to you financially, just getting your finances sorted?

[Kay Hutchby] (15:17 - 16:36)

Finances is always one of those big question marks above everyone's head, I think, when you're in business, because you always feel, you always feel like you either know you're doing well or you're not. It's a feeling as opposed to a fact, isn't it? Not always the same.

Yeah, I'm sure. It's given us clarity of where we are. It's definitely confirmed we're in a good place, that's for sure.

But it's given us a bit of an eye opener on how we handle certain things or our budgets. We've realigned our budgets as well, so we've re-looked at the budgets and realised that what we thought was the right budget is not, it doesn't match what we're trying to achieve. It just makes you look at a lot of different things in different ways.

But fundamentally, it feels like a weight lifted, because now there's this humongous spreadsheet, albeit a big spreadsheet, but there's a big spreadsheet, and I can just click on it and I know, I can see where we are, how we're performing. And I can also see the prediction of the months going forward as well. So it's just comforting to know that we can change our focuses and decisions to achieve what it is we're trying to achieve just by looking at that.

And we wouldn't have had that in place if we hadn't have gone through some of the challenges we've gone through, that's for sure.

[Rachel Davis] (16:37 - 18:25)

Yeah, and that's one of the things we talk a lot about. I think we do one big workshop on finance, don't we? Because it's such a big fundamental for any entrepreneur and any property business is to have that clarity that you've obviously got now from going through the course, and it is all about you.

I can hear in your voice there, the business finance now is informing your decisions and your direction, whereas perhaps you might not have been 100% clear enough to know that beforehand. And I think that's a fundamentally different place that you're in now where the finance, it's the clarity that you've got on your finances that helps you make decisions now about where you go with the business and where you move forward. And I think that's huge.

We do on the programme spend a lot of time on helping entrepreneurs just like you, Kay, don't we, understand financial clarity and actually get that golden gem. Because it's the golden goose, isn't it? The golden goose needs to keep on giving.

And then you talked a little bit there about that, like it's helped you understand the how. Obviously, you and Grant are very clear on where you want to go. I think you've always been quite clear, haven't you, throughout the programme, where is there is quite clear.

However, it's not always clear how you actually go about doing that. And I think it sounds to me like it's had quite an impact on helping you understand how to go about it. And you mentioned there about wealth dynamics, which we do on Property Entrepreneur, don't we, on the course.

And that's all about understanding people's profiles and their strengths and weaknesses, really, isn't it? It's like find the right person, put them in the right position, and they will really fly in that role and do super well. So is that exactly what you've done with your...

Absolutely, yes.

[Kay Hutchby] (18:25 - 20:36)

Yeah, we were very excited to go and do that exercise with everybody because we knew in our hearts that people weren't delivering, but it wasn't because they didn't want to. Some people are good at some things and not at others. So when we did it, we did this whole exercise with everybody and we did a meeting and we explained everything and then we went and gave some options about changing positions.

And I think we changed at least 17% of everyone's positions in the business. Nobody objected to it when they went through everything with us, which was great as well. Everyone was on board.

They all understood what the benefits to them and the people around them were going to be. And it's just almost like the water settles a little bit in that sense where everyone's just a little more calmer in what they're doing. They're obviously more confident in what they're doing now as well.

They don't feel on edge because they're doing something they don't enjoy, but they're doing it because it's their job. And I think a lot of people go and apply for jobs that just aren't necessarily right for them because I suppose you don't really understand truly what you're good at. We tell each other we know what we're good at, but actually we don't really know what to be until we've analysed everything.

And also in terms of recruitment going forward, we've completely changed our recruitment process now. And if someone applies for a role that doesn't fit their dynamic, they just don't go through to the next stage. It's as simple as that.

So just to touch on that, when I both recruited executive assistants this year and mine needed to be a steel and we had over 500 applications and just that one process of only pushing the steels through reduced it down to about 100 applications. Obviously we narrowed it down further, but we reduced it significantly because we knew Blazers, as an example, were not going to fit this role, even though they had applied for it. We knew they weren't going to be long-term the right people for this role.

And I'm happy to say he's doing a fantastic job as well. He's been absolutely brilliant for me. So it works.

It's worked and it's something we're definitely going to stick to 100%.

[Rachel Davis] (20:36 - 21:08)

I remember being introduced to the Wealth Dynamics and it is a real eye-opener. So Wealth Dynamics is explaining what people are really good at in their day-to-day work, isn't it? What their natural strengths are, isn't it?

That's what it's all about. And you've got quite a big team, haven't you? So reorganising that team, it must have been no easy feat.

So well done to you and Grant for changing it and getting them on board because part of the battle, isn't it, is getting people on board. Did you do anything specifically to get them really behind you using Wealth Dynamics and changing everybody's job roles?

[Kay Hutchby] (21:09 - 21:40)

Yeah, we went basically, we did this whole meeting and explained it and explained what the test was, asked them to do the test. They just sent their results in. I think, to be honest with you, them reading about their own personalities and their strengths for themselves made the decision easier because we didn't really have to sell it.

We just explained why we wanted to do it. Yeah, I suppose we're lucky. I think we're lucky that we've got great people on board already and so it was just a case of rejiggling them about and putting them in the right positions.

[Rachel Davis] (21:40 - 22:38)

I think part of what you've probably done really well there, Kate, is that you spent the time explaining to them and making sure that they understood why it was really important to you and I think that's a really important step, isn't it? For those people who are listening in, listening to your journey, Kate, you are a very inspiring lady. You have achieved so much and I know you're super modest and we have to, you know, drag this out of you.

You can't believe it yourself. But I think, you know, we were talking about this earlier. It's great to be in a position where you are actually genuinely successful and you and Grant certainly are.

But it's putting these things into practice. It's the things that you've had to do. The reality of actually becoming successful is a journey, isn't it?

And I think for the benefit of the listeners tuning into this podcast, what would you say were the, like, four biggest challenges you've been through over the last year or the last six years building this business? What would you say those challenges are that you've met along the way to help other people?

[Kay Hutchby] (22:38 - 24:31)

So I think the first biggest challenge, which is probably why we are successful, is successful to the place we are at right now, is the first one is cash flow. There's been two times in our existence we've hit big cash flow problems. The first one is we just messed up and we needed to figure out how we were going to fix it, which we did.

We're very resilient and I'm very grateful that that's something we've both got in us is we're very resilient and we're always about the solution. The second time was because we weren't keeping an eye on the finances in terms of what was coming in and going out. And that one hit us really hard to the point that we had to take loans out to make sure we paid clients and staff.

And we knew by taking the loan out we were always going to get it back because we knew how to fix it. We knew what the problem was. We'd identified it.

We knew what we needed to do to fix it. But the going through that feeling of having to take a loan out to pay for your staff and pay your clients, it felt awful. It was a horrible weight on my shoulders.

The fact that I was taking a loan out and I didn't need to, if I had just done it right first time round, I didn't need to do this, was probably more of a kick in the back for me. So cash flow, that's hit us hard twice now. But I'm 100% confident the lessons we've learned, that's not going to happen again.

So that was one of my first – that's the one that probably grains on me the most, I think, because it's probably something that didn't need to happen either. If we were just aware of what we were doing and focusing on what was going on in your business a bit more rather than being in your head in the clouds all the time. Well, not all the time, but that happens, doesn't it?

You get carried away.

[Rachel Davis] (24:31 - 25:24)

That's what financial clarity is all about, though, isn't it? Being massively aware of where you're at all of the time, every month. It's that checking in piece, isn't it, knowing where you are on a monthly basis, doing those financial reviews.

And that's obviously something that we teach on the course. But I think that it's been a big challenge for you, but at the same time, I think all entrepreneurs go through a cash flow issue. I think it's part of the journey because, again, being an entrepreneur, being a property entrepreneur and running a property business, which you absolutely 100% are, it comes with lots of challenges, doesn't it?

And I think you've hit a really big one there for most people and given us a really honest account of how you found the experience. And I appreciate it. You do learn these lessons.

Dan Hill said something to us recently when I was on Property Entrepreneur Advanced. He said, you grow through what you go through.

[Speaker 4] (25:25 - 25:26)

And I think that's very true.

[Rachel Davis] (25:26 - 25:46)

Yeah. It's a beautiful quote that I'll probably use forever. It was one of his great nuggets of knowledge.

But it is so true, isn't it? And now you feel like you've learned that lesson. You've been in a couple of positions where that's happened to you in your business, and you feel like you've learned from that experience already to help you follow through.

Yeah.

[Kay Hutchby] (25:47 - 26:30)

And we've got systems and processes in place now to prevent us from making that mistake again. I think it's one of the things, cash flow is one of the things that sits in the background. It just happens, you know, because we're a very noisy business.

We have a lot of money coming in and going out every single day. And it's just even the small amounts, they slip through this net and they add up at the end of time. And then all of a sudden it's a real big problem for you.

But by putting in the correct systems and processes that we now have, like I feel like we're 100% protected because of the way we now we've learned from those mistakes. But they were horrible. It was a horrible mistake to learn from.

It didn't feel good at all, for sure.

[Rachel Davis] (26:30 - 26:45)

You were definitely not alone, Kei. Definitely not alone. But it's really good to hear that you've grown through that situation.

Yeah. So that's your first challenge as growing a property business. What's your second challenge that you've seen?

[Kay Hutchby] (26:45 - 29:12)

So the second one for me is having people you can trust around you. And that's a tough one. And I think it's a tough one because not only do I have my own experiences, but I do hear quite often in the circle, people have gotten into business or someone that works with them that they've known for years and trusted and something in the dynamics has changed and that trust is no longer there anymore.

So for me, it was quite early in our journey. It was only our second year. And we used to buy all the linen for our beds.

And we had three sets for every bed. So we had around £10,000 worth of bedding that was being laundered on a regular basis. And we had a cleaning company that assisted us to do that.

And I want to say there was a bit of a disconnect in the relationship and we'd agreed to part ways, which was fine. Only they decided to keep all of the linen, which was £10,000. And they kept some keys for houses as well.

And it was just the trust we'd worked with them since day one. And, you know, whilst no relationship doesn't have its own hiccups, in general, it was a good working relationship. But when it came to the end that we parted ways, they were very quick to just keep this linen.

And it cost me £10,000 to replace, which we used our own money to replace it because it was our mistake. So we didn't cross-charge that back to clients because it technically belonged to them. We replaced this out of our own money.

And it just felt really disappointing that somebody would know that that's going to impact you the way it did and just out of spite do that. And it's probably, you know, I'm sure like builders have come up against this. I mean, we've paid people to do work on houses and then they've just not turned up on the job.

Or we've had people walk off the job after having an advance. And, you know, it's not a big enough amount that you want to go through the court proceedings, you know, because that's a lot of time invested and time is money. But it happens quite a lot.

And I think trust is a big one that everyone probably at some point is going to experience a bit of a wobble on, you know.

[Rachel Davis] (29:13 - 29:30)

So, yeah, I really resonate with that. We've all had, I think every entrepreneur's journey has worked with someone who initially it looked fantastic. It's going really well.

And then something happens, something changes. Or there's just other challenges that fall into the mix and it changes everything, doesn't it?

[Daniel Hill] (29:32 - 30:30)

Just jumping in quickly with a opportunity for you. So in Props to Entrepreneur, we use a scorecard called the Life by Design Scorecard. And it shows you exactly where you are excelling in life and where you have the opportunity to improve.

We created this two years ago and it uses every single life mapping, matrix and psychometric testing that is out there to rate your life and show you where you currently excel and where you have the opportunity to improve. If you want to do yours now, go to the show notes and visit www.lifebydesignscorecard.co.uk now. There's a link in the show notes.

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It's www.lifebydesignscorecard.co.uk. Back to the podcast.

[Rachel Davis] (30:32 - 30:49)

From learning that experience or going through that experience, how has it informed your decisions about people who you bring into your business now? Have you changed the way that you do things to help you with that? Or is it just something that sits in the back of your mind?

It's a difficult one.

[Kay Hutchby] (30:49 - 32:38)

I don't think you can really judge a book by its cover, if that makes sense. I think it's always going to be a test, trial and error. I think what I do do is I don't give away so much responsibility to begin with.

I think people do have to work and earn that from me now. Oddly, not so much from Grant. He just likes to give it all away.

He's a generous man. I don't know if there's a formula that will help you know if someone's going to do that to you in two, three years down the line. I think it's just something if it's going to happen, it's going to happen.

You're going to learn from it and you're going to grow and get stronger. We've had similar things happen since. I've just not stressed or doubt with them the same way as I did.

That, to me, nearly floored me. I genuinely thought we weren't going to get out of that one. I was panicking a lot, concerned about having to close properties down because we didn't have the bed in.

Again, very grateful that Grant and I are very resilient about fixing problems, but it didn't stop me from stressing, sleepless nights. I'm still obviously having the family to deal with. We have a family, school runs and dinners and all that still continues, whilst I'm panicking about the fact that I've just had to pay £10,000 for bedding.

The kicker on that one is a month later, we decided not to use bedding that we purchased anymore and went to hired linen anyway and sold the whole lot.

[Rachel Davis] (32:38 - 34:16)

That's the lesson, isn't it? It's a kicker, but it's also a lesson, isn't it? I think there's always another solution.

I think quite rightly, as you've said, going through an experience like that, you've grown through it and now you've found other solutions to solve the problem so that you don't have to rely on one relationship. I think there's a lesson there, isn't there? With trust, people do have to earn it.

Just like you said, I think that is the absolute right way to deal with it. I couldn't agree more. I think you've handled that really well.

People need to earn your trust 100%. I also think that you shouldn't put all your eggs in one basket. That's a lovely saying, isn't it?

And have everything weighted in one place. You need to share that responsibility. I think you've obviously found solutions.

You are both very resilient people and you always find a solution. That's literally how you've done it, I think. Hats off to you both for going through these experiences, learning from them and finding a solution.

But I do think you're right about the burden. Mindset is a huge thing, isn't it? The first time you go through something, it can weigh really heavy and stress you out quite a lot.

Once you've been through something like this, then you learn from that experience and bounce back faster mentally as well as find the solution in the business. As you said, you are between you. I haven't congratulated you for this, but four children and a dog.

It's pretty impressive. And an incredible business. Incidentally, how many clients do you chat serve in your business?

Can you share that kind of number?

[Kay Hutchby] (34:18 - 34:34)

Top of my head, I think it's around 42 clients. We manage over 130 properties. We're quite lucky that some of our clients have got multiple properties.

It's nice that it's only one person, but 10 or 12 homes.

[Rachel Davis] (34:35 - 34:46)

That's a lot of units, isn't it? Congratulations to you both for doing all of this and running a family and pets and everything that goes with it. We've just talked about your second challenge there.

[Kay Hutchby] (34:46 - 36:17)

What's the third? The third one was a challenge for us. I'm not sure anyone is able to relate.

I don't know. But we set the business up or we started a new business in March of 2018. It was February technically, but we got our first property in March.

We both worked full time. We planned and got married in the July abroad in 2018. And we moved homes as well in 2018.

We, I think, did everything anyone possibly can do all in one year. It's weird because I don't think we planned to just do it all in one year, but it happened. Obviously, the wedding we planned and then the business we decided to do.

But the moving just came about the fact that we were obviously working full time. That was just mental that entire year. And even now when Grant says we did all that in one year, like, no, we didn't.

Don't be silly. But we did. We did it all in one year.

So it just goes to show if you put your mind to something, if you really, truly want it and you put your mind to it, it will happen. And everything's gone perfectly well. We've now moved out of that home, but we still own it, which is great.

It's a lovely home. We're still married, so that's always a win. It's always a win.

The business is still blossoming. And we still have the kids.

[Rachel Davis] (36:18 - 36:34)

We've taken it all out. So what was the challenge then, taking on a big year like that and radically changing your circumstances from being employed to being a property entrepreneur? What was your biggest challenge in that year then?

[Kay Hutchby] (36:35 - 38:48)

The biggest challenge was juggling it, just juggling everything. So moving home, some people say that that's, like, the hardest thing they've ever had to do, and I agree with them. It's not easy.

I mean, we have actually moved three times since. It's not an easy task at all. Starting a business, especially when, for me, I didn't really know anything about serviced accommodation when I started.

I was very, very green. Like, I was literally going to work, so I was leaving for work at 7 a.m. I wasn't getting back until between 6 and 7, depending on my day. You know, did a bit of family time.

And then literally we were doing a Zoom call until 9 o'clock at night, or I was at the computer doing research and just trying to educate myself on this new business that I was launching or had launched. You know, every minute of our time was invested into everything going around us. And it was all because we wanted to create a better life for ourselves and our children and also not be working for someone else anymore, because I think that was just making me very, very miserable, working for someone else.

And I truly needed to get out of that. And Grant making this decision to start a business was my savior, and I didn't realize it at the time, although I was very, you know, excited to start a new project. That's kind of like how my brain thought about it.

I don't think I actually thought it was going to be a whole business. It's just a little project. It's always a project.

It's always a project. Yeah. At some point it will end, but I'm not sure.

But yeah, for me, the challenge was juggling everything and putting my every motion and feeling into the things I truly wanted to achieve. And I don't think I've ever done that before. Like, I don't think I've ever really put all that focus and attention into something as important to me as getting out of work, starting a business, and having a nice home for the kids.

But we did it all in one year, and it was phenomenal. And, you know, very grateful for having Grant to drag me along on that one as well.

[Rachel Davis] (38:48 - 39:52)

You know, what I'm hearing from that, Kate, is that with the juggling comes a lot of sacrifice. So you sacrifice your – when you could have been sat relaxing at home after a busy day putting the kids to bed, you were actually working. So you sacrificed a lot of your spare time, by the sounds of it, to achieve what you both wanted to achieve.

And also what I really heard there is just how much you've focused in on your big why. And we talk about that on the programme, don't we? When we go through strategy on the programme and we spend three months talking about what we really want for the next year, what we really want for the next five years, you know, we call it where is there, don't we?

And in that process, we ask ourselves why we're doing the things that we're doing, you know, what is it all for? And I think you've quite clearly struck, you know, in that big year that you had, you found your reason why, basically. And that reason why is what's pushed you forward to juggle and to sacrifice and to get done what you needed to get done.

Because form stage isn't easy, is it, when you're forming a new business?

[Kay Hutchby] (39:53 - 40:03)

No, not at all. Albeit when you look back, you realise it was actually quite fun and exciting because it was all new challenges and you've learnt loads. But in the moment, no.

[Rachel Davis] (40:04 - 40:21)

I know exactly how you feel. And would you say is there any, I think we're on a, so we've got cash flow was the first challenge. Trust with people, we talked about then juggling and sacrifice as your third big challenge that you've had to go through.

Is there a fourth?

[Kay Hutchby] (40:21 - 43:41)

Yeah, so the fourth one for me is building and implementing the systems. So when you, for me, this is how I did it. I'm not saying this is how everyone else will do it.

But when I started the business with Grant, I did everything. And so everything was just in my head. I was the only person working in the company at the time.

You know, whilst I had contractors or people who provided services, you know, they didn't work for me technically. In my head, I was the only person working for me. And so everything I did was in my head.

And we managed a good four years with no processes. It's just mental how I managed to do that. Yeah.

But when it came to the point and there was a big session in winter, which was last year for us now. And it was about building your systems. Whilst I was very, very excited to get it done, I'm still doing it.

Now, almost a year later, because it's so much in your head. And to get it out onto paper or recording the process on your computer, building the transcript to go with it, putting the process, like creating a whole process for one thing, it not only takes forever. It's exhausting.

It's quite freeing when you do it. I think we've got about, I want to say about 50 individual processes now, because there's lots of nitty gritty things that go on in our business. So it's probably about 50.

And now we're the year down the line. Like some of those I need to redo. Some of them have changed a bit and I actually now need to do them.

And yet I've still got more I haven't yet done. So building and implementing the systems, whilst is a great feeling when you do it, and it is, for me it was absolutely, because it meant that I wasn't the only person that knew everything in the business. I'm not the only person people can ask questions now, because actually it's on a computer system and you can just go look for yourself.

You don't need me to do this anymore. So it's very freeing. It's also a massive challenge.

And a couple of years ago, somebody mentioned to me about their processes, and I didn't take it seriously enough at the time. And, you know, they did say you need to write it all down. Now's the time.

Whilst you're creating all these new things you're doing, write them down. And I was like, yeah, of course I will. Of course I will.

When I get to it, it's not a priority. It is a priority now, because I don't want 20 people asking me questions about every aspect of our business. So massive, massive challenge for us.

And us as a business, not just me, but I've had to get Grant and all the side of the business that he deals with, that I don't really do anymore. I've had to get him to create processes for all of that side of the business as well. And trying to get someone else to do it is probably really, for me, like, I just want to put my foot down and say, you know, the deadline.

The deadline is now. Now you do it today. Sit down and you do it.

Because he will keep pushing that deadline every day.

[Rachel Davis] (43:42 - 44:53)

And this is the reality. So one of the things we talk about at Proper Century and do a lot on is systems. And systems have saved me too.

So one of the things, a book I read recently that really made sense, I mean, I've been on the programme for five years, and I know this is your first year. And I read this book by Dan Martell called Buy Back Your Time. Buy Back Your Time, yeah.

Yeah, yeah. And one of the things people don't realise, systemising is really difficult to do in reality. In the day to day, like you said, it is a challenge because you have to run the business and try and systemise it at the same time.

And it is no easy thing. But once you do it, the end result is the thing that you've always wanted, which is not 20 people not asking you loads of questions. And you can't literally get off the phone or get away from the desk because somebody's calling you about some issue.

It's all written down somewhere and people can watch a video. And who knew you could replicate yourself 50 times over in a video. And it enables you to buy back your time.

So having gone through some serious systemising this year, which I know you've done, have you seen any of these benefits where you've actually found that you can buy back a bit more of your time? How has it impacted on your personal life?

[Kay Hutchby] (44:53 - 46:09)

So we were asked to do Toggle. So it's basically just a way of tracking your time. And one of the departments that I invested too much of my time in, it was 30 hours a week I was putting into this department and it was low level tasks that they needed to get done.

And I just always ended up being the person doing them. Toggle identified that I was spending 30 hours a week and I really needed to get that down to eight so that I could use my time on high value tasks. These processes that I created, the first thing I did was build it around that department that I needed to let go of.

I didn't trust people to do it the right way, which is why I ended up always doing it. So there's a little bit of control problem there more than anything. But when I wrote the processes and I did the videos and I put them out for people to use and they come and ask a question and I'll just say, it's on that one there.

Just go and read it, go and watch it, go and enjoy your time, have a cup of tea when you're doing it. Just don't disturb me no more. I now spend two and a half hours a week on that department from 30.

So I wanted to get it down to eight and it's now down to two and a half hours a week.

[Rachel Davis] (46:10 - 46:17)

Sorry, let's just repeat that because that is a major one, Kim. You were spending 30 hours and now you're on two and a half hours.

[Kay Hutchby] (46:17 - 47:48)

Two and a half. And that two and a half is just me quality checking, which is what I should do. I should just be checking that it's done.

So, yeah, two and a half hours a week is now all I invest in that department. Toggle has been brilliant, I think, because it kind of opens your eyes. We all get carried away with day to day tasks.

Sometimes we prioritize and don't realize that, you know, we've been distracted by things that might be important but aren't urgent. But your head will just do the tasks that are easy sometimes because then it feels like you're ticking a lot off your list. But it's not stuff I need to be doing.

It's all stuff that other people in the company should be doing. So, yeah, that that was for me a brilliant result. But just goes to show how important having these processes are in place, because if I the best thing is if I want to go away on holiday or I want to switch off on the business, I absolutely can.

I can go on holiday and we do now. Well, if we are away on holiday, we will have one hour a day on our business phone, catching up, answering messages, and then we will leave the phone at the room or the hotel or wherever and get on with our day. And we will not touch that phone until the next day.

And we can do that now. And we've probably been doing that. I would say the last year we've gotten really good at it.

But most recently, Grant didn't even take his business phone with him. I mean, I'm not at that stage yet. I'm not there.

I can't take it.

[Rachel Davis] (47:49 - 48:21)

That is fantastic to hear, OK. Systems set you free. But the busiest people are the people who need this more than anything, because it is it can be.

You know, your claim to fame we talked about was from madness to meticulousness. And this meticulousness is what's calmed the madness down, isn't it? And the systemisation, getting to grips with your finances, it's got you where you need to be so that you can enjoy lots of quality time with the children and with your husband, because you two go on such amazing holidays.

I really need my husband to up his game, to be honest.

[Kay Hutchby] (48:25 - 49:43)

And I just wanted to point out, because I didn't say this, that our biggest challenge is, number one, being cash flow. We talked about, I explained that we've had big cash flow problems before. But I really wanted to highlight the importance of doing the exercise of looking through your statements, because one of the things that was my biggest successes this year was by doing that, I identified a significant amount of money that was owed to us as a business, not from one place, but it was from several places.

But it was one hundred and thirteen grand that we were owed, that we got back. And whilst some of it we noticed because there was a cash flow issue, some of the stuff we didn't know until we'd gone through that meticulous of checking the bank statements properly. But yeah, and I think Adam said it best, you know, if you can find one hundred and thirteen grand in the back of your sofa, then you deserve to win.

And that's what that's what I did. So my biggest problem being number one, cash flow, but we also had a massive win from that. And again, it was going to point number four, building and implementing the systems.

It was implementing the systems is what helped us find one hundred and thirteen thousand pounds this year. So it was they all kind of, I suppose, come together, don't they?

[Rachel Davis] (49:44 - 50:22)

Yeah. And massive congratulations to you. Honestly, you and Grant and Duke here, you know, for the things that you've done this year to go from the chaos that you were experiencing before to the meticulousness the entire year, fine tuning absolutely everything.

So your business is at peak performance. It's an incredible achievement. Again, I know I keep saying this, but you should be very proud.

I'm sure you've inspired lots of people listening to the podcast who want to go on a similar journey. Service accommodation is still a very attractive business and property to do. Have you got some top tips?

I'd like you to finish up with three top tips that you'd give people who maybe want to follow in your footsteps.

[Kay Hutchby] (50:23 - 53:08)

OK, so my first top tip is don't scrimp on education. It's something that the both of us have always invested our time in. We do it differently.

Grant reads a lot of books and I mean a lot of books. He's on over 200. I'm more of a doer, so I'll get involved and more hands on.

But yeah, for us since day one, it's something that we've never let go of. And I truly believe educating ourselves is continually educating ourselves on aspects of the business that we want to progress on or develop. It's the reason why we're still here and doing well for ourselves as well.

Yeah. Number two for me is start as you mean to continue. So build your business with the end in mind.

And we've done that since day one. Whilst the end in mind change slightly for us, it still is the same goal for us and is the reason why we're driving in one direction. And I think sometimes when you start and you don't have the end in mind, you end up getting pulled in lots of different directions, potentially take on things that look shiny.

But then you realise that wasn't really what you needed to do or wanted to do. Start as you mean to go on and build with the end in mind, as always kept us on the straight and narrow, I think. Great advice.

And my third one, and Grant probably wouldn't agree, but is my emergency fund. So for me, always have an emergency fund for when it hits the fan. And it has hit the fan for us on more than one occasion.

And that emergency fund has just made me feel a little more easy about dealing with situations. But I wouldn't let Grant quit work until we had six months worth of income. And it's on our bank account is called the Do Not Touch Fund.

Like it actually has its name and it's the Do Not Touch Fund. And we've had it since day one. Obviously, the numbers have to get bigger as the business has gotten bigger.

But for me, it's just knowing that if something serious happened, that maybe one of us had to come out of the business or something major, like we've got that fund there. It's there. I don't need to overpanic.

And I think a lot of people overspend. I do also have some clients that spend their profit quite quickly and then complain it's not as good. And we don't, you know, just keep some of it back.

Have your rainy day fund, I call it. I call it my Do Not Touch Fund. That for me is my big safety net.

But yeah, those would be my three that I would live by if I was starting again.

[Rachel Davis] (53:09 - 54:38)

I think they're fantastic. So the first one is don't skimp on your education. So invest in education.

And also, you know, obviously that includes net. But when you when you invest in education, you often it's books, but it's also networking events. And it's also education like property entrepreneur.

Second one was, you know, start your business with the end in mind. I think that's a fantastic piece of advice. And the third one was have an emergency fund.

So as you get started, put some money into a separate account or somewhere to the side that you can't spend it. And it's there for the emergencies that do inevitably show up in business. And I think they are fantastic pieces of advice.

Kate, it's been an absolute pleasure to have you on the podcast. Let's remind everyone why you're here, because you are the Property Entrepreneur of the Year for the programme 2024. Congratulations on your award.

You've gone from madness to meticulousness and ended up on the stage winning the end of year presentations. Because what you've done this year with Grant alongside you has been nothing short of spectacular. So, you know, take take this moment.

And if you can bear it, listen back to this, because just listen. I know no one likes to, but you have gone. You've come such a long way.

We're so very, very proud of your property entrepreneur. And it's been a real honour of mine to watch you grow through the last 12 months. And congratulations.

It's much deserved care. Thank you very much. Yeah.

Thank you for being on the podcast.

[Kay Hutchby] (54:38 - 54:41)

It's been an absolute pleasure and a blast, let me tell you.

[Daniel Hill] (54:41 - 55:29)

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