

NEWSLETTER

“HOW ONE THING LEADS TO ANOTHER IN PROPERTY”

This month I wanted to talk you through what has happened to me in my property journey which will hopefully show you that you don't need to learn every strategy to start with and be overwhelmed with information – learn one thing, do it really well, and you will naturally arrive at new and exciting opportunities. You just need to be patient, property is a long game but it really can pay off if you commit and put the time and the work in!

I started as many people do with the rent to rent strategy. I chose this because I didn't have hundreds of thousands of pounds to spend on a house, and I was interested in starting a new business. I did a lot of market research which showed high demand in my local area for good quality rooms. I mentor people and we always start with the market research; this gives you so much confidence renting your property out as you already know that there is a need and a want for it.

IN MY FIRST YEAR I PICKED UP NINE HMOS AND LEARNED A HUGE AMOUNT – THERE ARE A LOT OF MOVING PARTS TO THE RENT TO RENT MODEL, AND IF YOU DON'T LEARN THESE PROPERLY IT'S EASY TO FAIL.

So within those months I learned:

- What kind of property to look for
- What marketing strategies I had to use
- How to analyse a deal
- How to negotiate with the landlord or agent
- How to refurb the property to a certain standard
- How to dress the property and rooms for marketing
- How to market the rooms
- Where to find tenants
- How to reference tenants and build a good household
- How to manage a HMO!
- What team members I needed to help me and what to delegate
- Compliance needed for HMOs



**ARE YOU READY
TO SCALE WITH
CONFIDENCE?**

Once I had a good understanding of all of this I had a model that I could repeat again and again, building my business up. During this time I was posting on social media, and I have been doing this ever since! This shows that I have knowledge on all of the topics above and I can give out free value to people looking to do similar things. This has attracted some investors who are looking to do HMOs but don't have time to gather all of this specific knowledge, so I can help them build up a portfolio.

I also started networking and made sure I went to my local pin meeting each month. Every month I would listen to the speakers who would talk about their own deals, different ways of financing deals, interesting software and top tips for people in the property industry. If you attend a pin meeting you always get the chance to stand up and take 20 seconds to say what you do. I would always stand up and say 'I'm Sophie, I specialise in HMOs in the area and I am always happy to have a coffee and a chat about property' or something similar each time.

THROUGH THESE NETWORKING MEETINGS I HAVE MADE FRIENDS IN MY AREA WHICH I FOUND TO BE SO VALUABLE.

Often in property your friends and family won't quite get what you're doing so it's really nice to have people to throw ideas around with, share problems and be able to talk property with!

I have met investors through networking. In December I had a coffee with someone who I met two years previously at a pin meeting. We had regularly attended the meeting and chatted briefly each time, and now he is ready to invest a substantial sum into property, and had been following what I had been doing. We are now working together to build a property portfolio funded by this investor!

People also remember you and can recommend you to their network, which is the most incredible thing. I had a message from someone last week who said 'A few people have told me to come and talk to you, as I'm also interested in scuba diving and property' – so we're having a coffee very soon! What I'm trying to say here is that if you turn up regularly to networking events there are two main things to remember:

1. You probably won't do business with someone immediately, but each time you show up you are building that relationship and eventually people will know, like and trust you enough to do something together
2. The people in the room with you all have their own network that they can mention you to. If you do this regularly and recommend people that you've met and love to work with, this will happen to you too.

So that is the power of networking!

The next interesting thing that happened to me through meeting lots of people in my local area was that I met a team doing HMO conversions. Now if you think rent to rent has a lot of moving parts, conversions and developments are on another level!



I get on well with this team and have learned a huge amount from them. So now if I meet someone interested in HMOs, I can recommend this team, get them a beautiful HMO sourced, converted and managed which is an incredible investment opportunity – the numbers work beautifully! And the benefit to me is that I can gain a sourcing fee and manage the HMO afterwards.

Recently as my businesses have grown I have been looking to use the cashflow on buying assets, and this has been the next natural step for me. Last year we started buying small properties that needed an uplift, a bit of a refurb and then we would refinance and move on to the next project. The skills that my husband and I had learned through doing small refurbs on the rent to rent HMOs served us really well. We have already replaced kitchens and bathrooms, we have replaced flooring, we have had houses painted and decorated, we have experienced roof issues, leaks, boiler issues and of course all of the tenant and management issues, using a deal analyser to stack deals; all of which we feel puts us in a great position to identify properties that we can buy, add value to, rent out and refinance.

So it's been an interesting journey so far, going from a beginner to growing a rent to rent business, getting into HMO conversions and now buying properties for ourselves and for investors. It was also a great honour last year to become a pin speaker and start speaking at national pin meetings on my background as a scuba diving instructor, how we bought a beach in Indonesia and built a scuba diving resort, to getting into the UK property industry! So I might see you at your local pin meeting soon!

I would love to hear how you're getting on in your property journey – please connect with me on linkedin or Instagram as I love hearing your stories and supporting you.

