## A Former Marine Goes From Flipping Appliances to Flipping Houses

*Wrenching on broken sets nets for a decent profit, but the business experience of buying and selling is priceless.*

It might surprise you to know that household appliances used to last 20-25 years when purchased brand new. Today, it isn't out of the ordinary to replace a washer and dryer after 8-10. While the manufacturing of these appliances has changed to better suit our environment; the case has yet to be made for our wallets.

Though most people accept the rinse and repeat of the modern market, Benson Gitau saw something he got hung up on.

While looking for appliances online to fill his empty house, he found that brand new sets would be bought and sold for $800 daily, but used sets would sit at $100 for longer.

Most people wouldn't think twice about a used set but as a former Marine, he saw a whole other ball of lint.

After purchasing the used washer/dryer set, he looked up its serial number and began parsing through its parts to figure out what was wrong. He was no stranger to online research being that his main hustle was working in cybersecurity.

His first step was YouTube. Using the appliance's serial number he searched for instructional guides. Most of the time, after opening the appliance, he would be able to see what was wrong and learn that a part would need replacement. For his first used appliance set, he discovered he needed a $15 replacement part and saw he had a knack for putting things together.

After fixing up the washer, Benson started to put the pieces together for a new income generator.

As a cybersecurity specialist in California, he quickly realized he needed a side hustle to support his expenses. Luckily, the house he owned was a duplex so he was able to rent it out for a small profit. But in California, expenses are everything and he turned to the same place he got his training and certificate for cybersecurity from-the internet.

He got into Cybersecurity by watching online tutorials by Professor Messer, an IT certified trainer. Since then, he’s been looking for something less sedentary.

Having come out of the military and into cybersecurity, the transition wasn't exactly as physically demanding. Purchasing and repairing these appliances became his new afternoon workout, it certainly didn't hurt that it pulled in few bucks too.

His monthly target was $2,000, net profit. At first he stuck with appliances that he was familiar with, washers, dryers and things that could have tutorials online. Within months he made close or beyond his target, enough to get a small truck, presser washer and some power tools.

Benson was also quick to post his work on ecommerce groups like Facebook and OfferUp. His craftsmanship and candor were received excellently by his buyers, which is noted by the 5 star ratings he received on Facebook Marketplace.

But all that washes doesn’t wash. One of the biggest problems he faced during this time was faulty products. Usually, he could find a few new parts along with a tutorial or two and that would get the job done. But every now and then he would come across a set that would be out of his wheelhouse of repairs or he’d be unable to find any new parts.

After losing time and money on unfixable products, he started to strategize his buying and fixing process by only tailoring himself to the brands and machines he knew he could fix.

While he could fix the faulty products, his strategy for problematic customers almost always required eating into profits. For unreasonable buyers, he had no choice but to exchange the set or refund their money and get his product back.

After one too many of these incidents he decided to buy and place vending machines as he knew how to fix them and could have a more reliable side flow of cash.

But after 2 years of tumbling around with refurbishing and vending he sold everything and moved to Texas to ride a different horse, one with walls. He was flipping houses.

Not only did his side gig of flipping appliances help him gain handywork experience, he got a lot of valuable business insight. When he was selling his fixed up appliances online, he would test different prices to see how long it would take to get them off the market. He learned how to gauge the right price for him and the market by feeling out a buyer's sweet spots with a variety of products.

It also taught him to keep an eye on the sellers goal and be resolute upon making decisions.

Benson was able to use what had learned flipping appliances and simply scaled that experience to start flipping homes profitably.

Though he has more time inbetween sales with flipping homes, he still works his cybersecurity job to supplement the income and leverage different side goals.

If flipping houses was an upgrade from appliances, this former marine also has his eyes set on upgrading to a seat at the House of Representatives. And if he were to win, Benson is still dedicated to flipping houses though it would be in the form of opening a firm and hiring a team.

It just goes to show that Benson has unlimited flipping potential.

**Words of Wisdom**: Benson mentions that "uncertainty is an important part of [his] business strategy." Because it was one of his biggest points of worry when starting out, he now tries to focus on the points of the market he can work with. Instead of expecting positive profits, he's focused on the sellers goal.

**Fun Fac**t: Millennials (born 1982-2000) are now the largest age group in the United States, according to Pew Research Center. While most people were dedicated to investing in the stock market, this age group is more interested in real estate as a valuable asset. With stock market investor numbers dwindling, 85 percent of millennials believe real estate to be a great investment. These numbers contrast to the uncertainty of other assets like stocks.

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Conversation between Jedd and Benson

1) I personally love that you used YouTube to teach yourself on how to fix appliances. Can you expand on how you went about this? This process is important and valuable but I think there's some important tips and things people need to know about searching for information on how to do anything. Can you talk about how you knew what video would be the most helpful? Maybe also share how you've used YouTube to help you develop other skills?

The first time, I opened up YouTube and typed the code that was displayed by the washing machine plus the word fix. I don't remember the actual code but we can use the most common code for LG machines which is DE. I typed LG + (Washer Model #) + DE Fix. The washer model can be found on the washer when you open the door. After typing that, I checked the results to see the most viewed video and the most commented. I would go to the comments to find comments that say "Thank you for helping fix this" If a video has a lot of those comments, then that is the video I picked. YouTube is literally a library of knowledge. I watched Professor Messer's videos to prepare me to take a security+ certification that helped me get started in a Cybersecurity career. I also happen to watch a lot of YouTube videos when I ran into an issue that I am unable to figure out. Most of the time there's usually a video about that specific issue.

2) After flipping appliances for 2+ years, can you talk about strategies and tips in case someone wanted to do something similar? What basic skills should they have? Where was the best place to find inventory and sell?

One of the strategies I used is pricing. I listed the appliances with different pricing. I started with $400. That sold quickly. I jumped to $600 on the next appliance set. They took longer to sell, so I lowered the price to $500. This seemed to be the sweet spot that worked for many buyers. Another strategy I used was to wait to make an offer. If someone posted a set of washers and a dryer for sale, I would watch the posting for a day or two without making an offer. Most sellers would list them for $200. On the second day, the seller will have received full-price offers and the potential buyers bailed out. Psychologically, the seller is vulnerable, so I make the $100 offer and I let them know I will be picking up the set ASAP. Most sellers would agree. Anyone can do this but the person has to be handy. No other skill is needed. Personally, I am a handy person. Having a Cybersecurity job doesn't help because I am sitting at my desk all day. At the end of the day, I have a lot of energy I need to burn. This side hustle worked very well with my personality. The Best place to find washers and dryers, and fridges were Facebook Marketplace, OfferUp, and sometimes connecting with local contractors who fix houses. For selling, Facebook Marketplace and OfferUp.

3) Can you share about how the experience flipping appliances helped in any way with what you're currently doing, flipping houses? We have a hunch flipping appliances taught you some great lessons. We want our audience to see how reselling in general can teach you a lot.

I attribute the house flipping business to flipping washers and dryers. It's basically the same thing, except a different process and different merchandise. The key is finding a good deal. If I can locate a washer and dryer that I can sell for $500, and get it for $100, that means I will make at least 3 times the profit given that I might have to buy some parts and install them. For house flipping, if I can find a house that I can sell for $500k, and I end up paying $300k, that means if I can do $50k - $70k of repairs, I can make $130k - $150k, or at least $100k net profit. By flipping appliances, it gave me the confidence that you can buy anything and resell it at a profit, doesn't matter what it is.

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| **Your Name** * | Benson Gitau |
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| **Your Instagram handle (@...)** | @ibensongitau |
| **Your Twitter** | @ibensongitau |
| **Where did you hear about Side Hustle School?** | HARO |
| **What's your day job?** | Cyber Security Engineer |

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| **In two sentences or less, tell us about your side hustle.** | I was flipping appliances, mainly washers and dryers. |

**Tell us the story of HOW and WHY you started your side hustle. We'd also love to hear any fun/interesting/funny stories about your experience! Please include as much detail as possible.** *

In 2018, I bought a house in Riverside California. I noticed that I could barely make mortgage payments, so I figured in order for me to make payments and save, I had to find a side hustle. I just got a job as a Cyber Security Analyst but the pay wasn't that good. I needed to supplement my income to be able to cover my expenses, and have some savings. Luckily, the house I bought was a duplex. I rented the guest house. I asked for a $500 security deposit from the renters (which was a big mistake). I used $100 from the money to get started on my appliance flipping business.

It all started out by accident. The house that I bought had no appliances. I looked up a new set of washer and dryer and found out they were priced at least $800 for a set on the lower end. I downloaded offer up and found a nice looking LG set for $100. I bought it and transported it using my neighbor's truck. When I got home I noticed the washer wasn't working. It was displaying a code. I typed the code on YouTube and I found a lot of videos on how to fix the code. Turns out I needed to buy a sensor for $15. I ordered it on Amazon. It was there the next day. I followed the disassembly steps per the YouTube video and replaced it. I reassembled it and it worked!

A light bulb turned on inside my head as soon as that happened. I washed the set, took pictures and posted it on Facebook Marketplace and offer up for $400. It was bought within 2 hours! So, I took my clothes to the laundromat, and I started looking for great deals on Facebook Marketplace and Offer up. That same week I got 2 sets of washers and dryers. I repaired them and listed them for $500 each. They were bought in 3 days. I now had $$1,300. I repeated the process and within that month, I bought a used Toyota Tacoma pick up for $2,000, a pressure washer and fast tools.

I did that business for 2+ years until earlier this year when I sold the house and moved to a different state where I am now flipping houses using those proceeds.

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| **Timeline of how you started to where are you are now: *** | I started 2 years ago and today I am now flipping houses |
| **What happened when you got your first sale or customer? Did you do anything special to celebrate?** | When I sold my first set, I was still in disbelief. I was waiting for the customer to call me the next day to tell me they changed their mind and didn't want the set anymore. It didn't happen, so that added my confidence. |
| **How much did it cost to get your hustle started (and what did you spend that money on)? What's your monthly or annual profit from the hustle now? *** | I started with $100. I eventually was able to buy additional equipment to help me with the business. I bought a used pressure washer on Facebook marketplace for $40, and a used Toyota Tacoma Truck for $2000. I My monthly target would be $2,000 net profit. most of the times I would meet the target, and some months would be even better. On average though, I would save $2,000 a month. That's $24,000 a year. |
| **How do you find your customers? Please share the marketing techniques you've tried, if they cost you anything,** | I joined ecommerce groups near the area on Facebook. When I posted the machines on Facebook marketplace, I would also post in those groups. Also I would post on offer up. It really helped that my store |

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| **and what's worked/not worked.** | ratings were 5 star on both offer up and Facebook. They still are. |
| **What has been the best part of the experience thus far? Additionally, how has having a side hustle benefited you?** | My wife has been a part of it. Having a side hustle has impacted our lives positively. Living in California is expensive, so having additional income made sure I was able to save to start a house flipping business. |

**What struggles have you encountered, and how did you overcome them? Is there anything you'd go back and do differently?**

Some of the struggles associated with the side hustle were getting a machine that was broken way more than I had estimated. For example, if a machine wobbles, most of the time it's usually a bearing that needs to be changed. Upon opening the machine, it turns out the whole drum needs to be replaced. That eats into the profit. Another downside is having some horrible customers. the type that can't really be satisfied by anything you do. That didn't happen often but when it happened, I just would either exchange the set for them or have them give me the set back and I refund them the money.

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| **What are the top two pieces of advice you'd give to others wanting to follow a similar path** | I would say just do it! Don't even try to second guess yourself. |
| **Have you had more than one Side Hustle? If so, briefly tell us about it** | At the time when I was doing the appliance Side Hustle, I started buying and placing Vending Machines. That was on purpose to preserve capital and grow it. Eventually I sold everything and I am now using that money to flip houses in Texas, where we currently reside. |
| **What's next for you?** | This is an interesting question. I am actually doing real estate flipping at the moment. I am also running |

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| | for office as a big of a goal that sounds. I am running for US House of Representative. |