ISSUE 9

I LOVE REAL ESTATE

COST: PRICELESS

The Source

EDUCATION | COACHING | STRATEGIES | SUPPORT | COMMUNITY

Why No One Is Taking About The Real Estate Rebound Rocket... *Until Now.*

BY DYMPHNA BOHOLT
Founder of I Love Real Estate

Is this what maximum fear looks like?

This is the question you should be asking yourself right now.

Remember Warren Buffett's famous maxim:

Be fearful when others are greedy.

Be greedy when others are fearful.

So where are we at in the fear/greed cycle?

We're deep in the fear now, right? If you look at the consumer sentiment data, it's in the toilet. It's worse now than it was in April 2020, when households were staring down the barrel of a pandemic-driven apocalypse!

Sounds pretty close to maximum fear, right? But how is it possible?

The short answer, I think, is that households care more about rate hikes today than they do about a pandemic 'potentially' derailing the entire global economy, tomorrow.

(Households are a bit selfish like that.)

And so with the RBA dropping a 300 basis point rate-hike sledge hammer on the economy in the space of just 8 months, that was enough to drive people into an uber-flap of panic.

BUT YOU KNOW WHAT THE WEIRD THING IS?

The fear in the market just doesn't line up with the data. Australian GDP grew 5.9% in the September quarter – a "beautiful set of numbers" all things considered. The unemployment rate remains at 3.4% - the lowest level in almost 50 years! On top of that, wages are growing at the fastest rate in over a decade.

Do those numbers justify the kind of fear we're seeing in the market?

I don't think so.

WE'RE SEEING A SIMILAR PARADOX PLAYING OUT IN THE PROPERTY MARKET

The RBA's rate hikes have made people nervous, although there are growing signs that the RBA's hiking cycle is getting close to its end.

... if it's not there already!

Capital city property prices have fallen a bit over 7% from their peak, and that's also making people wary. However, the pace of monthly declines has been slowing since August, and historically, property bear markets in Australia don't see drawdowns much bigger than this.

The biggest decline was in 2017-19, and that was only a touch over 10%.

On that basis, you'd have to think we're getting close to the bottom, and the market is close to turning. There is evidence for this, and some suburbs in some cities are growing already.

What's more, when you look further down the road, the fundamentals are solid. Rents are still growing at more than 10% p.a, on the back of a chronic housing shortage. There is very little stock for sale on the market, and a construction crunch will make that shortage even worse.

It looks pretty clear to me that the market is at a turning point, and the rebound into growth could be quick and sharp.

The rebound rocket is firing up.

But that doesn't change the fact that most people think it's the worst economic conditions ever, and the worst time to buy a property ever.

It just doesn't add up.

But that's the thing about greed and fear. They're not objective facts. They're emotions.

And their emotions that create opportunities for investors (like Warren Buffett!) who can keep their heads.

My sense is that we are very close to maximum fear in the cycle, and this is the perfect time to be greedy.

The returns could potentially be enormous.

THIS IS WHAT OPPORTUNITY LOOKS LIKE

In the pages of this magazine, you're going to read about students of mine – actual real-life examples of people who took charge of their lives and seized the opportunities that were available to them.

You're going to read about Carson, a surfie drop out who turned a development niche into massive profits on page 5. Or Christine and Brad, who created $138,000 in passive income on page 13. Or single mother Kristi, who built a $150,000pa portfolio and quit her day job on page 23.

They're all fantastic stories, but more than dollar-figure returns, they are stories about people who took action and seized opportunity.

Now, I'd love to say that I can promise that you'll get results like this.

But I can't.

That's not a promise I can make.

I know some of you are going to find that a bit disappointing. I know that about half of you are going to stop reading at this point.

"If you can't guarantee me a Lamborghini and cabana in the Bahamas, what's the point?"

And look, I know I look good in silk pants, but I'm no magic genie.

I'm not selling magic bullets here.

If you're looking for some kind of scheme that can turn a hundred bucks into $100 million in seven days, I can't help you.

Nobody can.

And the truth of it is that I can't promise that you'll get results because it's not my promise to make.

It's yours.

We can give you the skills and training you need, but the keys to success – belief, hard work and courage – these are things you have to find within yourself.

A FEW WORDS OF WARNING

Now, one important thing about these stories: They belong to my students, and I did not pay them to share them with us, nor have I done any deep forensic accounting on these numbers.

That said, there is nothing particularly unusual in any of the deals they have done either. They are exactly the kind of opportunities that the property market continues to present to educated investors.

Another thing: Property investing is not a static sport. What I mean by that is portfolios are organic creatures. They grow and shrink, depending on the requirements of the individual investors.

So, with full transparency, the stories here are captured at a point in time. I can guarantee you that if you review them, 6 months, 12 months, 24 months later, the numbers will be different, as investors buy-sell, pay down debt, or change the focus of their portfolio. I'm sure you get that!

And one last thing!

Before you turn the pages, and possibly see your "future self" in the mirror, some of the numbers here are mind-blowing, but that's not really the point. These are not just stories of profit and cashflow.

They are stories of vision, transformation and growth. Remember that. Success always has a personal dimension.

So read on, and let yourself be inspired. Your opportunity is now.

I LOVE REAL ESTATE

The Source

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I Love Real Estate Founders

Dymphna Boholt

Creator of the I Love Real Estate Community.

Born in a small central Queensland town, Dymphna began her working life as a jillaroo. At the age of four, she invested in a cow which she bred with neighbouring cattle to create her first asset portfolio – a herd. Dymphna sold her herd to pay her way through the Australian National University in Canberra from where she graduated with a degree in Accounting and Economics.

On graduation, with fifteen job offers to choose from, she decided to move to Sydney and work with the prestigious Coopers & Lybrand (one of the world's biggest accountancy firms). She also did stints as a financial controller in the liquor, mining, stockbroking and finance industries.

In 1994, she found herself 'starting over' after a divorce left her on her own with very little money, a young child to support and another one on the way. To get back on her feet, she moved to the Sunshine Coast and started her own accountancy practice, Active Financial Answers, which she has since sold.

In the year 2000, Dymphna met U.S. property guru and real estate adviser to Robert Kiyosaki, Dr Dolf de Roos. Listening to him speak on stage, Dymphna realised she was doing exactly what he was warning against – 'trading time for money'.

Keen to escape the constraints of a solo mum with a full-time job, she decided to try her hand at real estate investment. She focused on properties that brought in more than they cost. Within just one year, she'd accumulated a $3.5 million property portfolio boasting $1.55 million in equity and had totally replaced the income she had been earning as an accountant working 40 to 60 hours a week.

Through just one property purchase, she managed to generate a passive income greater than the average Australian wage.

Since that time, she has become firm friends with Dr de Roos. Her property portfolio has expanded into a multi-million dollar international property portfolio.

Dymphna is in great demand nationally and internationally as a speaker on a multitude of topics, most of which fall under the headings of personal finance, business, taxation, asset protection, property investing or motivation and inspiration.

She is regularly called on by the media for interviews or to contribute articles – see her website for her extensive list of media coverage.

She is the author of four books specifically aimed at helping others succeed as real estate investors – *Confessions of a Real Estate Millionaire, Tax Secrets of a Real Estate Millionaire, Asset Protection Secrets of a Real Estate Millionaire* and *101 Top Ten Tips for Real Estate Success.*

Dymphna is also responsible for some of the best-selling training and coaching curriculums for rookie investors who want to immerse themselves and learn from some of the most successful mentors and coaches in the field.

Another of Dymphna's innovations is the I Love Real Estate network, a community of like-minded investors who get together to help each other grow and achieve greater success.

The now happily remarried mother of three lives on the beautiful Sunshine Coast in what she describes as her "thirty-two-acre piece of paradise", completely surrounded by rainforest with its lush vegetation, babbling creeks and abundant wildlife.

"IF YOU WANT TO BUILD A FANTASTIC LIFE, YOUR FOUNDATIONS HAVE TO BE ROCK SOLID."
DYMPHNA

Jon Giaan

Founder of Knowledge Source and co-founder of the I Love Real Estate community.

Jon Giaan is a self-confessed dreamer, an advocate of financial freedom, a passionate wealth seeker and a mad multi-millionaire property investor with an unquenchable thirst for self-education and knowledge. And not just any type of knowledge, but knowledge that empowers and adds value to areas of your life that are crying out for improvement. With that as his inspiration, he founded Knowledge Source.

Now Australia's number one education and training company, Knowledge Source brings together the best, most adept and sought-after educators in the area of property investing and self-improvement. The secret of success lies in surrounding yourself with successful people and in practising the wise words of mentors who have blazed a trail before you.

Giaan's own success as an investor and wealth creator came late in life. Aged thirty-six with three kids all less than three years old, no clear career path and no formal education, he realised he'd have to work fast if he wanted to start making enough money to support his young family and achieve his life-long dream of financial freedom.

"I attended every seminar out there at the time – property, shares, business, personal growth, etc. I fell in love with the idea of self-education, and I quickly realised that even though I didn't have a formal education and I'd failed my HSC, I could still achieve success.

With great determination, drive and application I started at the bottom and built a vision of what I wanted my life to look like. I remember doing a lot of personal development at the time involving vision boards and goal setting workshops. I realised that the first thing I needed to work on was my mindset and then focus on tactics and strategy.

Despite my thirst and commitment, success was elusive. I failed a lot in the early days. I tried futures trading with a small account and lost the lot within six months. I bought a property and the value stayed the same for years. I tried my hand at various businesses without success. However, one of the key things I learned from all the seminars I attended was that it's ok to fail and that failing is a form of feedback that tells you what you did wrong and what needs fixing. I used that feedback to refine my strategies and reset my goals.

My game plan was first to master the area of business, make money there and use the profits to build a property portfolio. Diving even deeper into self-education, into every aspect of business, I stumbled upon the concept of direct response marketing and soon became an expert. With this skill, I rapidly became the go-to person in the area of lead generation and conversion. From there, I eventually built my own businesses in business coaching, consulting and publishing. That success enabled me to start and grow an investment property portfolio that today is valued at more than $35 million and growing.

Following my initial success, I was keen to set up a training and event business that would coach, support and motivate people to achieve their goals through self-education. Today, Knowledge Source is that business. One of my mentors said it best: "Formal education will get you a job, self-education will make you rich."

IN THIS ISSUE

Plus much, much more

HOW TO NAIL A BATHROOM ON A BUDGET

Renovating a bathroom? Here's a few tips for overdelivering under-budget

BY DYMPHNA BOHOLT

You're about to list your place and you've got it looking fab. Freshly painted. Decluttering complete. Good to go, all except for… the ugly bathroom.

You don't need to spend a fortune renovating a tired bathroom but updating a few key features can create an 'on trend' space that really appeals to potential buyers – and gets them to open up their wallets a little further!

Not sure where to start? I've put together a few tips on achieving a great cosmetic 'facelift' at a fraction of the cost you'd normally expect.

SET YOUR BUDGET AND STICK TO IT

Staying on budget can be a tough task when flicking through the latest bathroom mags but keep your eye on the prize: an inexpensive update that buyers will love.

Visit your local bathroom or tiling supplies shop to see what's trending and how it might work with what you've got.

Remember, the style you project in your bathroom should be in keeping with the rest of your house. Ultra-modern house with polished concrete floors? Don't go for federation style fittings. That kind of thing…

STICK WITH THE LAYOUT

Moving plumbing around is expensive, so save money by leaving the layout alone. Don't try to reinvent the wheel, always work with what you've got where you can.

Remember: you're not creating your dream-forever-bathroom here, you're creating a fresh look that appeals to a wide range of buyers.

KEEP? REPLACE? REFRESH? MAYBE ALL THE ABOVE…

Look for ways you can breathe new life into what you already have, decide which fixtures you will work with and what must go… Look up! Is your extractor fan cover clean? And your lightshade? Clean is beautiful.

REVAMP THE VANITY

If the vanity is more shabby than chic, a coat of paint can work wonders and is much less expensive than replacing the cabinetry. As any good renovator knows, preparation is the key to a great result when painting anything – and you can apply paint to literally just about anything from tiles to wood panelling, to mirror frames.

Keep the colour palate simple and remember the old real estate adage: any shade of white will do…

Replacing cabinet doors is another easy way to achieve a dramatic transformation that won't blow your budget out of the water. Simply unclick the hinges and voila!

THINK ABOUT TAPS

Another all-important feature that can bring your bathroom up to scratch in flash or drag it back through time is tap wear. It's one of those features that can really stand out – in a good way or bad. An overall style is exuded through these details and it dates a place.

One hard and fast rule: tap wear must be matching. Pick a range you can afford and replace them all. Make sure the style you pick fits the rest of the picture.

LIGHT SWITCHES STAND OUT

Have you notice how grubby light switches stand out? Now there's another super easy switch (pun intended) that makes the right kind of impression. Use a qualified electrician. DIY'ers and electricity don't mix.

SOMETHING TO PULL IT ALL TOGETHER

Most fabulous spaces involve a special something that pulls it all together. Right now, in real estate, it's all about plants. Beautiful, lush green plants. Some gorgeous foliage literally brings life to any bathroom…

FREE HELP IS AVAILABLE

Finally, if your ambition doesn't quite match your skill set, help is at hand. Bunnings has some great, easy to follow tutorials on how to do just about anything! The trick is to know your limits.

The result should be a sparkling fresh bathroom that buyers will notice for all the right reasons, adding value to your sale.

Best of luck!

Dymphna

CARSON & TANYA

From Barefoot To Booming.

How this 'surfie dropout' built a $2.6m portfolio in just six years.

Not everyone manages to excel at school or college, but real estate is accommodating – there's a place for everyone no matter what your education level is. This is how a surfie drop out turned a development niche into massive profits.

Describing himself as pretty cruisy and something of a 'try hard surfer', Carson thought he was doing well for himself. At just 18 years of age as a carpet cleaner in WA he purchased his first home from a client. Shortly after, he discovered it had doubled in value and his confidence grew.

On the profit of the apartment sale, Carson and his brother threw on their backpacks and travelled. During this time Carson met Tarnz, and they volunteered for a couple of years until their funds dried up and they returned to Australia.

"I was trying to work out what I was doing, and my folks were buying investment properties in WA".

A conversation with one of Perth's Real Estate industry leaders left Carson inspired by the many lucrative opportunities, so much so he decided to try student life again, this time with the Real Estate Institute of WA (REIWA). Having struggled through school, Carson soon failed REIWA too. Back to the drawing board, he phoned his uncle and returned to the safety of berry picking on the Sunshine Coast of QLD.

They bought another unit, but ended up selling it for a loss, just as they were about to welcome their first child into the world. This set Carson and Tarnz up for yet another mission. They packed up and moved to the Gold Coast. Carson's Dad had some cash to help him get a Carpet Cleaning and Pest Control business started, while Tarnz did hair and make up. With just $1000 in the bank and a credit card debt of $5k, they started family life from an anxious back seat position of -$4k.

"I don't know why, but the price went up. I felt like an awesome property guy." - Carson

BUCKLE UP, HERE WE GO

Tarnz and Carson lived week to week until one day one of his clients suggested an Amway side hustle to which he politely responded he was more into property. This ended up being the catalyst for action he needed. Carson had seen ads for Dymphna Boholt's conferences online. Carson cajoled his dad into paying for the conference and signed up. As a family, he, his dad and Tarnz attended their first Conference.

"We didn't have a great starting position, I didn't have two cents to rub together." - Carson

DEAL 1

In 2015 Carson and his dad joined forces and pulled together around $400,000 to get into their first deal.

Carson found a multiple title opportunity on the Gold Coast. After turning a single holding into two separate lots, building on both lots, and selling the original cottage back to the Real Estate Agency who had sold to them the property in the first place, Carson and his dad booked a total profit of $342,000. In hindsight, Carson said he should have just sold the lots without doing any of the development, but still, he pocketed $171,300 after going halves in the profits with his Dad.

"I asked a woman who had done the training 'Is this for real or what?' and she said 'Look it's changed my life'." - Carson

DEAL 2 – A LUCRATIVE VISION

With the confidence this deal gave them – maybe too much confidence - their second deal was a bit more of a precarious buy. The house had been trashed by some unsavoury characters, but it was a Dual Occupancy and Carson could see its potential. He carried out some minor repairs and cleaned up the damages, and sold it on for a profit of over $80,000.

He laughs as he remembers showing the place to Tarnz. "OK babe, when we come to this place. Look at it with vision. Don't look at this as our forever home."

Carson and Tarnz banked their share of $43,750 and their confidence really started to blossom.

DEAL 3 – KNOW YOUR WORTH

From that point on, Carson and Tarnz were ready to stand on their own two feet, and do deals with people they weren't related to. Despite fears around losing other people's money Carson plucked up the courage and reached out to Dymphna Boholt's community. He joined forces with a Sydney woman and engaged his Civil Engineering friend, and bought a Sub-Division deal on the Gold Coast.

Carson found he was great at spotting ugly ducklings – properties with a lot of warts but also with a lot of potential. His profit share of $36,160 is testament to that. By now he was really beginning to understand his own unique strengths and talents.

"I was stoked because it was such a passion. He was always on the internet looking at deals. Something came alive in him". – Tarnz

DEAL 4 & 5 – DOUBLE WHAMMY

His fourth deal was another Lot Subdivision. This project was an epic learning curve with wild water issues: flood mitigation and water mains repairs, but was still profitable and Carson was really coming into his own as an investor. Where deal number four had been a headache, deal number five was easy and quick money – joint-venture sub-division where underlying value lay in the land not the house. The house was removed and both blocks were sold. This is a golden opportunity people often miss.

DEAL 6 & 7 – BACKACHE BE GONE

With all of this experience, difficult enviro sites become something of a niche for Carson, and a profitable one at that. His Civil Engineering mate came on board as his business partner and they did Development Application Flip in Brisbane built on a 3 lot sub-division. Although it was a steep site with storm water issues, it still allowed them to bank roll another project from the profits.

Cleaning carpets and couches had taken a toll on Carson's physical wellbeing. But now, Dymphna Boholt's training and Carson's dedicated work are starting to pay off, and he was in a financial position now where he could sell his Carpet Cleaning business.

DEAL 8 – BOOM, THERE IT IS

With success under his belt, Carson started hunting for bigger, juicier deals. He found one site where he knew they could get 14 town houses on a Gold Coast Subdivision & Build Site. The plan is to sell 10 and keep four duplexes in order to start building a portfolio to start creating cashflow. This deal is projected to deliver $1.2m in profits.

"It's a genuine win for both parties" - Carson

DEAL 9 – SMALL FRY SCOUT

These days Carson's eldest son Seth is almost 12 years of age and a real chip off the old block. With the odd bribe of Maccas, he became his dad's wingman in attending open homes all over the place. Carson briefed Seth on what to look for in potential properties and he started scouting.

"Jeeze, I think you've actually found one mate" Carson told Seth one day when he presented his dad with a site that ticked all of Carson's qualifying boxes. Seth is part of the family business now, having really immersed himself in the process and will bank a sweet $5k on settlement.

Not bad for a kid.

DEAL 10 – PATIENCE PAYS OFF

Still dreaming big, Carson's next deal was an 11-Lot sub-division. By the time Carson found it, the site had been on the market for 6 years. Carson had actually made an offer two years earlier but to no avail. This time he negotiated to do the operational works to clear the trees under a 15-month option and previous DA. Carson will peg it out and mark it and be able to presell it; while a private lender will fund it.

"My back is feeling better about not cleaning couches." - Carson

BRING ON MORE MISSIONS

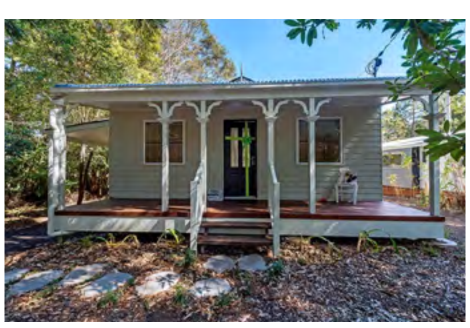
With a family of five now, Carson is stoked that he is living life on his own terms – where he can spend time with his family, apply the skills he has and do what he loves. Setting his family up for success and freedom to roam has meant the world to Carson. He's excited for the missions they have ahead of them.

PROOF IS IN THE PORTFOLIO

Just six years ago, Carson's financial position was pretty dire. Yet he and his wife Tarnz have transformed -$4,000 into a current portfolio worth $2.6m, generating a projected $70K per annum of passive income.

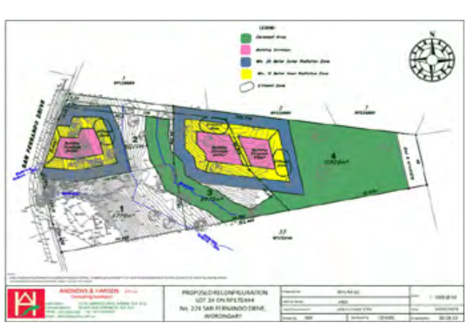
Not bad for a fella who flunked school.

"It's been brilliant and is going to give us a LOT of options. If Dymphna gives you an opportunity, I'd say go for it." - Carson



BUILD ON MULTIPLE TITLES

Purchase Price	$355,000
Holding Cost	$27,000
Strategy Cost	$51,400
NET PROFIT Share	**$171,300**



4 LOT SUBDIVISION

Purchase Price	$985,000
Holding Cost	$21,600
Strategy Cost	$621,620
NET PROFIT Share	**$131,360**

JV SUBDIVISION & 22 TOWNHOUSES

Purchase Price	$ 935,000
Strategy Cost	$ 3,878,670
PROJECTED EQUITY Share	**$ 1,203,000**
PROJECTED CASHFLOW Share	**$ 53,550**

PRE I LOVE REAL ESTATE

Property	$0
Cash	$1000
Super	$0

NOW WITH I LOVE REAL ESTATE

Property*	$1,680,000
Equity*	$1,493,000
Cash	$392,000
Profits*	$491,326
Cashflow*	$70,925

*Projected figures on completion of current projects

DAVID & ROSEMARY

No more working ourselves to death

David and Rosemary wanted out of the rat-race. After attending a dozen different seminars, they found I Love Real Estate and the keys to $400,000 pay days.

David and Rosemary were no slouches. They worked hard for a living. However, David felt like a slave to the system having consistently put in 12-hour shifts as a Power Station Operator over the past 18 years.

He also had a solar business side-hustle with his wife Rosemary, which turned over a million dollars a quarter. But with nine staff and being on call 24 hours, they both had their noses to the grindstone. David would often put in 80-hour weeks.

"We wanted the early retirement. We wanted the lifestyle. But we just couldn't find a way to make it happen." – David

A DEAL GONE SOUR

David and Rosemary both felt like property might be their ticket out of the rat race, but they didn't know how to make it happen.

They had heard of people getting good results with sub-division developments and charged headlong into one of those.

"It was an expensive lesson. I could've bought a really nice new car for that." – David

However, sometimes you don't know what you don't know, the costs blew out, and they lost $67,000 – as well as several months of their lives!

When another property they bought with a "buy and hope" strategy went nowhere, they were totally demoralised.

At this stage, David and Rosemary had quite literally, worked themselves sick.

Stress had taken such a toll on David that he found himself bed-ridden quite often. Rosemary also needed surgery – one that meant she would no longer be able to put in the work hours she used to.

"We had no time to give each other outside the business. We had become business partners rather than a husband and wife." – Rosemary

Not only were they both in poor physical health, their family was in a heap. David says 'The kids grew up around us. We were terrible role models; we just weren't valuing our kids or each other as a couple'.

As tough as things were, when David's beloved mother was diagnosed with cancer, they knew things really had to change.

They realised they had to work smarter, not harder, and they needed to invest in their education. They closed the doors on their solar business and plugged into the I Love Real Estate community. It was there that they built up the skills and contacts they needed to really make a go of it.

DEAL 1: THANKS DYMPHNA, A $52,900 WIN

The first thing David and Rosemary did was a strategic review of their portfolio. This showed them that the subdivision and "buy and hope" properties were never going to fly.

So they bit the bullet and cut those properties loose, freeing up cash to put into more profitable deals.

The first of those deals was a duplex site which they purchased for $320,000. They oversaw the build of two duplexes, which they then sold for a profit of $52,900.

"Once we got educated and once we connected with our coaches, then things really took off." – David

DEAL 2: GROUND WORK

David then found a 'money partner' through Dymphna's community and spent 7 months researching a single suburb until he knew it inside out. He identified a major renovation site and settled just two days prior to Covid19 lockdowns.

Rosemary and David lived onsite. But with Covid causing chaos with planning and building schedules, this was a project that had disaster written all over it.

Nevertheless, David and Rosemary put their heads down and got creative, and managed to walk away with over $10,000 profit.

It could have been worse. Much worse.

"When you're living on site, your tradies don't just have to be good on the tools, they have to be good company round the dinner table." – David

DEAL 3: THE POWER OF COMMUNITY

With the banks watching Covid cautiously, David and his partner from the previous deal reached out to Dymphna Boholt's community in order to raise the capital they needed to purchase their next property. They were able to find a metro site and purchase it outright. They then subdivided it and completed renovations on the existing houses.

It took them less than a week, through Dymphna's community, to raise the money they needed. And after 30 weeks on the job, David banked his profit share of $65,000.

DEAL 4: SPEEDY SIDE HUSTLE

Their next deal was a quick flip renovation, structured as a joint-venture deal with the existing owner. This project ran concurrently to the previous project but David oversaw operations and was able to create a sales uplift of $150,000 of value in just four weeks of renovations.

The owner was stoked and David banked $7,500 for his efforts.

DEAL 5: NEW SUBURB RECORD

David then set his sights a little higher. Even though he had done his research and thought he had bought well, he also knew that he also needed the property to sell for $2m just to break even.

In the end, and through some strategic alliances, they were able to build and sell the property for a suburb record of $2.45m, creating a profit of $261,000 for his share.

"At $2.45m it was a suburb record. We couldn't believe it. But we really understood our audience." – Rosemary

DEAL 6: PROJECTED PROFIT SHARE OF $400,000

David and Rosemary's community has grown, as has their portfolio. Opportunities are a-plenty. A previous money partner came to David with this subdivision property and said "Do you want to be part of this? You finance it, we'll just make it happen."

It's currently under contract with a profit share projection of $400,000.

SMALL CHANGE, SIGNIFICANT EFFECT

With the kind of numbers they're achieving now, David and Rosemary have been able to really dial back and give themselves time and space for life and family. This has had a huge impact on their health and their outlook.

Property investing has given them their life back.

... and the funds to really live it.

"We're not going through the motions anymore. We're really living." – David

DEAL 1: DUPLEX BUILD

Purchase Price	$320,000
Purchase and Holding Costs	$60,302
Strategy Costs	$483,259
NET PROFIT	**$52,939**

DEAL 3: JV SUBDIVISION & RENO

JV 2 splitters into 3 block Subdivision

Purchase Price	$1,200,000
Holding Costs	$119,683
Strategy Costs	$308,803
NET PROFIT (Our Share)	**$65,760**

DEAL 5: JV KNOCKDOWN REBUILD

Purchase Price	$912,000
Purchase Costs	$41,790
Strategy Costs	$983,527
NET PROFIT – Our Share	**$261,000**

POSITION PRE-DYMPHNA

PPR	$630,000
SUPER	$500,000
EQUITY	$346,000
CASHFLOW	$1,400

POSITION POST-DYMPHNA

PROJECT 1	$52,929
PROJECT 2	$10,500
PROJECT 3	$65,760
PROJECT 4	$7,500
PROJECT 5	$261,000
PROJECT 6 - ESTIMATED	$400,000
EXPECTED TOTAL PROFIT	**$797,689**

HOW TO WEAPONIZE STRESS

Some people don't just handle stress… they feed off it.

BY JON GIAAN

These are still pretty intense times. Covid seems to be coming under control just as we're clocking how serious the climate crisis is…

… and as the Chinese property sector goes belly up, potentially taking down the whole financial system.

It's easy to get frozen with fear.

But have you ever stopped and thought about how odd the "rabbit in the headlights" effect is?

Something is coming at you. Something scary. You're response? Freeze.

Humans, like rabbits, can become "frozen with fear."

That's odd isn't it? I think God had his B-team of DNA developers on that one. Of all the survival strategies available to you, if something scary is coming your way, being completely still seems to be your lowest-odds play.

Turns out though that it's not so much a strategy, as a glitch. You kind of just crash. You freeze up like a computer.

We can kind of think about this like flooding an engine. Maybe only my older readers will get this one. I don't think it's possible to flood modern cars these days.

As a refresher for you kids out there, 'flooding' happens when you fill the system with too much fuel before it's up and firing. You drown the engine. There's too much fuel for the ignition systems to handle.

You can have too much of a good thing.

Same story with stress and fear.

Both of these are a fuel – a source of energy.

If you've ever had a near-accident in a car you'll know what I'm talking about. Think about the adrenalin rush that followed. Your body becomes electric. You're fully alive. Energy is coursing through your veins.

If it wasn't for the fact that you'd just come face to face with your own mortality, it would actually be a beautiful and exhilarating experience. You could bottle it and sell it.

(oh wait, there's coffee.)

But as I said, there can be too much of a good thing. Too much fear locks you up. The energy jams. You turn to stone. Blue screen of death.

There's a great book called "The hour between dog and wolf." It was written by this guy who used to work on a trading floor of a big investment bank.

It was a high-stress workplace. People were taking big gambles with big sums of money.

The thing that interested this guy though was how different people handled it. Some were flattened by it. It took a huge toll on their body. Some developed asthma. Some developed chronic fatigue. It was like they'd been hit by a truck.

Others though thrived with stress. They lived with it and they loved it. Stress was just another part of the game and the game was fun.

This guy's idea is that the difference between road-kill and the game players was all about how they responded to stress.

The game players took the energy of stress and turned it into action. They did something with it. They were louder, bigger presences in the office. The exercised a lot, often getting into extreme sports. They enjoyed living on the edge.

The road-kill on the other hand were always fighting their stress. They were trying to keep up calm appearances, not let anyone know that the stress was getting to them. They refused to accept the game that they had found themselves in.

And the final stages of a road-kills death spiral was often the same – a total inability to make any decisions.

So this is the question I am asking everyone right now: if the current global situation is making you feel stress, what are you doing about it?

Are you using that stress to fire up your day? Are you turning it into motivation to put in the hard yards and bring your A-game?

Or are you sitting on it, smothering it, trying to pretend that it doesn't faze you? Hoping it will just be alright?

We've all got to find a productive way to deal with stress – to turn fear in to fire. I wish I could tell you that there was a path to serious wealth that didn't involve risk. But there isn't.

If you want to play a game where the outcomes are influenced to some degree by what goes on in China or Europe, then you need to be ok with risk. There's no way around it.

So Relax.

Nothing is under control.

JG.

VAL & PETER

Never too late to be a property millionaire.

How Val and Peter secured their retirement.

Only a few years off retirement age, Val and Peter realised that there wasn't much in the kitty, and they'd have to be working a lot longer than they wanted to. Thankfully, under the guidance of the Platinum Program, Val and Peter landed $1.3 million in profit in just two deals, and locked in the retirement they deserved.

Owning your own home doesn't make you rich, as many older Australians know. Val and Peter got together later in life, each fortunate enough to own their own homes – properties they bought way back in the '80s.

However, beyond their principal place of residence, Val and Peter didn't have a whole lot else. Val had spent most of her life caring for her daughter – a beautiful soul with down syndrome – and she had spent many years on Centrelink.

"My daughter has Down Syndrome and we were on Centrelink for many years. It really knocked my self-esteem around. But when I met Dymphna, she was just so easy to relate to. It made me think, 'Maybe I can do this too'."

After Peter turned 60, and with Val close behind, they took stock of their savings and super, and realised there just wasn't all that much to go around.

They had worked hard all their lives. How were they going to fund the retirement they felt they deserved?

They knew that the equity they had built up in their homes was valuable – and something that could be used to invest and grow their wealth. However, they didn't know just what they should do with it, and they were scared of losing the little that they had.

"We looked at our figures and thought, "Geez. We're going to be working 'til we drop!"

With this in mind they joined the ILRE community, coming first to the Ultimate Program, and then signing up for the close one-on-one mentoring available in the Platinum program.

This gave them a clear direction and strategy, and the resources they needed to execute "professional-level" deals.

These deals have been a game-changer. In just two joint-venture development deals, Val and Peter have secured $2.9 million in profit, and have turned their financial situation on its head.

Let's take a closer look.

DEAL 1: HARD KNOXVILLE

Inspired and armed with the tools to do a feasibility study, Val and Peter had been watching a property in their neighbourhood of Knoxville that had been struggling to sell.

The vendors had put a price of $1.5 million on the property, and in six months, they hadn't had so much as a nibble. Val and Peter knew the property had potential. At a huge 1,700 square metres, it clearly had scope for medium density development.

Partnering up with a builder they met through the ILRE community, Val and Peter put together joint venture development strategy and approached the owner, eventually talking them down to just $1.1 million.

This new purchase price opened up a lot of opportunities. Val and Peter will build six townhouses for $1.9 million, will sell four and hold two, for a total profit of $1.7 million, or $850,000 for each partner.

Suffice to say that Val and Peter were stoked.

"The total profit on this one is almost $1.7 million. It's mind-blowing."

DEAL 2: PLAY IT AGAIN, SAM

On the back of this success, Val and Peter went looking for a similar deal, this time becoming the money partner in a joint-venture with some dear friends they had made in the ILRE community.

They purchased a large property in the suburb of Wantirna, and the working-partner couple will live in the house while the development plans go through council.

Purchased for $755,000, they will build another four townhouses for a cost of $1.3 million. With an end value of $3.6 million, this deal will create $945,000 in profit.

HOW QUICKLY THINGS TURN AROUND

In a few short years, with the right training and support, Val and Peter have turned their retirement from a constant source of worry, into something they are positively looking forward to.

Not that they intend to rest on their laurels just yet. They've got a taste for development now, and there are still plenty of opportunities to be had.

"When we saw what was possible, we got a little over-excited. But being part of Platinum has kept our feet on the ground and given us a very clear strategy and way forward. We couldn't have done it without Platinum."

PRE-DYMPHNA

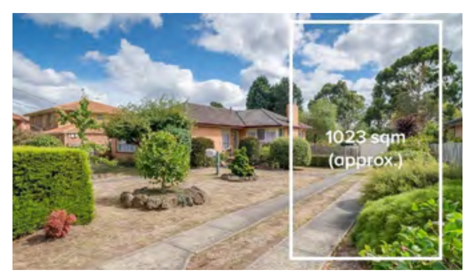
PROPERTIES	2017	OWING	EQUITY
COOPER ROAD PPR	$850,000	$150,000	$700,000
MANSFIELD COURT PPR	$850,000	$220,000	$630,000
TOTAL	**$1,700,000**	**$370,000**	**$1,330,000**

POST-DYMPHNA

PROPERTY	VALUE	EQUITY	UPLIFT	CASHFLOW
COOPER ROAD PPR	SOLD	$663,310	$43,000	-
MANSFIELD COURT	SOLD	$722,000	$2,500	$103,717 (4YR)
APARTMENT – G08	SOLD	$21,000	-	$30,227 (2YR)
APARTMENT – 108	SOLD	$31,000	-	$30,227 (2YR)
APARTMENT - 109	SOLD	$10,000	-	$30,940 (2YR)
APARTMENT - 101	SOLD	$35,000	-	-
APARTMENT - 212	SOLD	$39,000	-	
CLYDE ST TAS	$330,000	$72,000	$7,000	$35,000 (2YR)
DAVID ST	$1,400,000 (JV)	$400,000 (JV)	$7,000	-
HIBISCUS ST	$980,000 (JV)	$225,000 (JV)	$1,000	-
TOTAL	**$2,710,000**	**$2,218,310**	**$60,500**	**$307,899 (4YR)**

HOUSE – TASMANIA 3 BR / 1 BATH

Purchased 2017:	$258,000
Borrowings:	$206,000
Costs:	$7,000
Rent:	$330 per week since Dec 2017
Est Value 2019	$330,000
Sold Price	On the market
Expected Profit	**$70,000**



WANTIRNA PPR/DEVELOPMENT

Contract May '19	$755,000
Build Cost:	$1,600,000
Dev Costs:	$300,000
GRV	$3,600,000
Expected Profit	**$945,000**

JV DEAL – KNOXFIELD SIX-TOWNHOUSE DEVELOPMENT

JV with Builder (ILRE) 50/50 -	$815,000	Est Build Cost:	$1,900,000
Build 6, Hold 2,	Sell 4 @ $850K	Settlement Mar '20	
Contract Mar '19	$1,100,000	GRV	$4,930,000
Dev Costs:	$300,000	**Expected Profit**	**$1,630,000**

THE OUTLOOK FOR MONEY IN 2023

The five theatres of interest I'm watching next year.

BY JON GIAAN

There's a factor out brewing in left-field that could have a huge impact on our property markets in 2022.

Is 2023 going to be a good year or nah?

Personally, I'm bullish. I think the stars are aligning for a good one.

But these are still unusual times. We're still in uncharted waters. And there's the fair share of risks around.

But let me step through the key theatres of interest next year, and compare the bull and the bear cases, so you can decide for yourself how good a year you think it's going to be.

THEATRE 1: INFLATION

This is still the main game in town. We've got meaningful inflation for the first time in a generation, and central banks are still scrambling to respond.

The bull-case – and my personal sense – is that inflation has peaked. Inflation has been driven by supply chain bottlenecks, and they seem to be easing (container shipping rates, for example) have come off, and that should feed through into lower prices in time.

The bear case is that inflation is sticky, and that the baton will be passed from supply-shocks to wages pressure. There is no real evidence of that.. yet. But bears might tell you it's coming.

THEATRE 2: GROWTH

With central banks hiking rates hard, they're trying to take heat out of economy, and thereby, inflation.

The danger is they hike too hard – or are forced to hike to hard thanks to persistent inflation – and we end up in recession.

So far the growth numbers are holding up, but growth is narrowly based – in Australia its almost entirely about consumer spending.

My sense is that there enough of a savings warchest to help consumers weather the rate-hike storm, especially with such a strong labour market behind them. And that should be enough to keep the economy from stalling. That's the bull-case.

The bear case is that the consumer will collapse like a house of cards as rate pain really starts to bite, and the economy will keel over as a result. This is the bear-case, and it's not what I expect, but it is possible.

THEATRE 3: INTEREST RATES

With inflation peaking and growth clearly slowing, my sense is that the RBA will be happy to draw a line under eight consecutive rate hikes and take a pause at their next meeting in February.

We might get another one or two hikes through the first half of the year, but I reckon we're pretty close to the top. That's the bull-case.

The bear-case is that inflation is sticky, and the RBA is forced to rate hikes, even into a recession, in order to break the back of inflation. Again, that's possible.

THEATRE 4: HOUSE PRICES

House prices have fallen substantially already. Corelogic data for November showed that the 5-Capital median was down 7.6%.

That said, given prices were up 30-odd percent through the pandemic, a consolidation like that was always to be expected.

For the moment, the housing fundamentals remain very strong. Rents are growing north of 10% a year, and there remains a shortage of stock on the market. As the labour market supports household incomes, and as the rate cycle turns, that should see prices find a floor and start to head north again.

That'd be my expectation.

The bear case is that the labour market deteriorates, and the rate hikes we have already seen become too much for some people, and we see a number of forced sales come on to the market, depressing prices.

We haven't seen any evidence of this so far, and my sense is that you'd need a really deep and protracted recession to topple the housing market. It's just not that likely in my mind.

THEATRE 5: GLOBAL RISKS

It's easy for bears to point to risks to the global outlook. The war in Ukraine could take a turn for the worse (it could literally go nuclear.) China is also struggling with their zero-Covid policy, and there have even been rare signs of political unrest.

Energy prices could also take a leg higher and be a major headwind for global growth.

That said, there are always dark clouds on the economic horizon, and most of them never come to pass.

And my sense is that a lot of them are priced in already. If the war in Ukraine gets worse, it's not really going to be that much of a surprise.

Putting it all together...

In sum, it seems to me like we've done well to manage a fairly orderly transition from the Covid growth spurt to consolidation and the normalisation of prices.

It could have gone badly.

But it hasn't. We've had pretty much a full year of central banks around the world raising rates and a clear change of direction in fiscal policy.

So far, nothing has broken.

And I think that speaks to how solid economic fundamentals were coming into the turn.

And my sense that if things haven't broken by now, they're probably not going to.

And that's why I see a lot of upside potential in 2023.

It will be a year of rebound in asset prices, and in housing in particular.

But then again, there's good money to be made in any market.

JG

PROPERTY OUTLOOK 2023 PART ONE BY DYMPHNA BOHOLT

WHAT HAPPENED TO PROPERTY IN 2022?

I reckon there will be three key things to watch in 2023

BY DYMPHNA BOHOLT

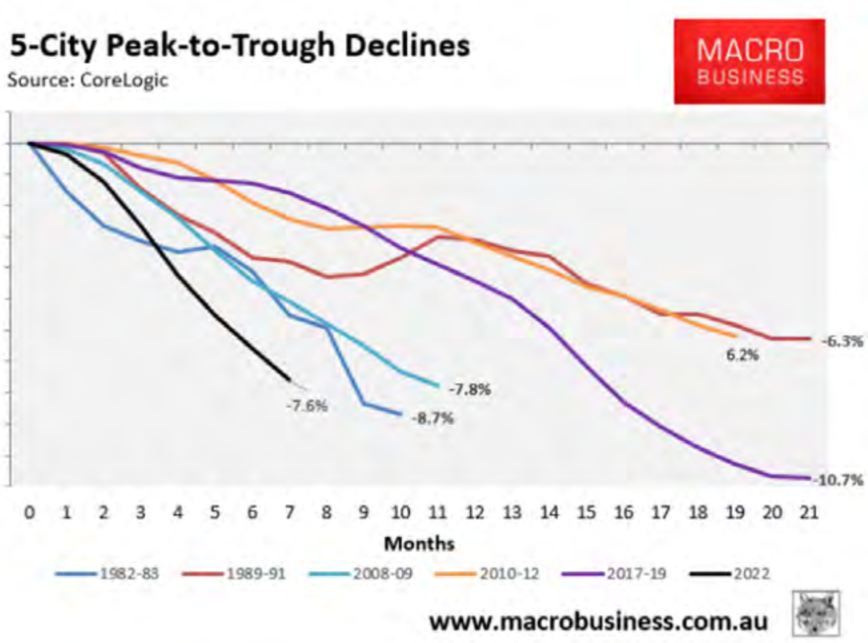
So let tell you where I think the property market is headed in 2023.

But first, a quick recap on where we are and how we got here.

So the latest Corelogic data for November showed us that property prices had now fallen 7.6% from their peak in April.

Over 7% in just seven months makes it the sharpest downturn on record.

You can see this chart here, which compares previous market downturns from their prospective peaks.



There's a couple of things to say about that though.

The first is that this comes after property prices soared over 30% in under two years – one of the sharpest increases on record. So some consolidation was always on the cards.

The second thing to note is that, historically, when property prices fall, they don't tend to fall that far. The biggest market drawdown in 2017 was still only just over 10%.

So based on that fact alone, you'd have to think we're getting close to the bottom of the cycle.

But we're not quite there yet. I'd still expect prices to fall a little further. We might even push past that 10% benchmark.

And that's not surprising – the RBA has raised rates by a full 300 basis points in just eight months.

That's the most aggressive hiking cycle on record, and it's going to have an impact.

But not a major one.

And the way I see it, there's three key drivers that are going to limit the downside and see the property market turn around sometime in the middle of the year.

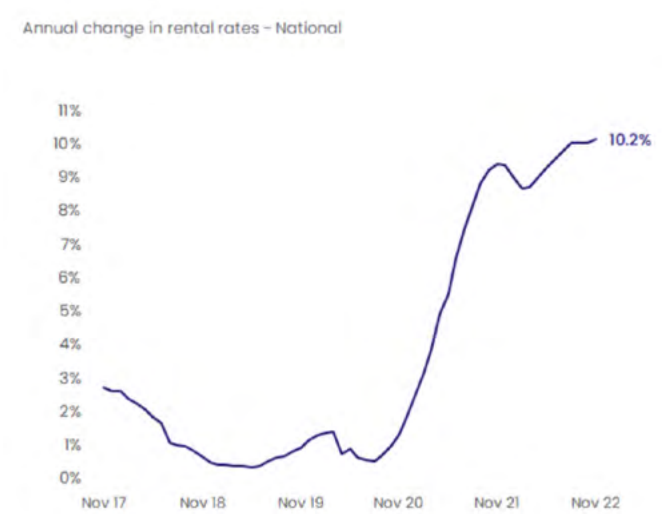
What are those three drivers?

Glad you asked.

I'm talking about rents, a shortage of stock on market, and a construction crunch. Let's work through them:

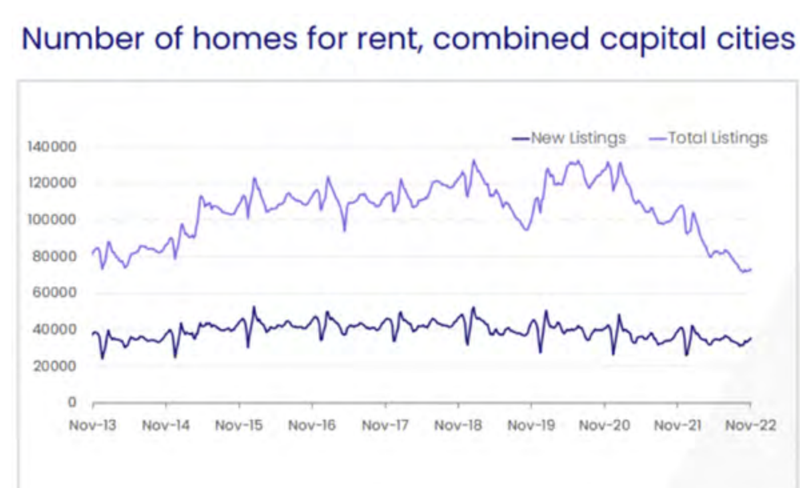
DRIVER #1: RENTS

The first driver is rents. While property prices rolled over this year, rental growth did not. Rental prices are still storming higher, growing at more than 10% a year.



And that's because there's an epic shortage of rental properties.

CoreLogic's latest data shows that the number of homes listed for rent nationally has plunged to its lowest level in around a decade. Take a look at the chart. In 2020 there were close to 140,000 homes for rent. Now there's about 70,000:



That's a big fall.

And as the borders continue to open up and immigration returns in full, I don't see rental growth slowing down anytime soon.

This is massively supportive for property prices. Rents are the return you get on your asset, and it's the first law of finance, the higher the returns, the more your asset is worth.

Continued on page 78.

Dymphna

14 properties in six years – turning dream and drive into millions.

Leaving his family behind in Zimbabwe to come to Australia was the hardest thing Sanders ever had to do. But it was a gamble that paid off, and Sanders has used a phenomenal run in property investing to set his family up for a life they never dreamed was possible.

Sanders flew into Sydney airport with $50 in his pocket. He sold everything he had to come to Australia, and it broke his heart to think of his wife and three children he had left behind.

However, he was doing this for his family, and he worked three jobs until he had enough money to fly them all over to join him. From that point on, he and his wife, Khumbu, worked tirelessly. As registered nurses, they worked multiple jobs at various hospitals across Sydney, often barely seeing each other between shifts.

In a few years, they had saved enough to buy their own place, and Sanders was committed to giving his kids a stable place to call home. A few years after that, they had saved enough to buy their first investment property – negatively geared and a bit of a dud in hindsight.

"I had to sell everything we had just to afford the flights. Not only did I leave my family behind, I left them with nothing."

However, it was the beginning of a journey with real estate, and in 2013 Sanders saw Dymphna Boholt talk at a one-day event, and was immediately impressed with her down-to-earth approach to property investing.

Using the strategies on offer through ILRE, Sanders was able to begin an incredible run of deals. In six years, he has bought 14 properties, delivered almost $1 million dollars in profit, and created $60,000 a year in passive income.

Not only that, with other members of the ILRE community noticing his amazing results, Sanders was able to earn $120,000 as a buyer's agent last year alone.

Looking back, Sanders is incredibly grateful for the opportunities he has received, and for the life that property investing has made possible.

This is how his dream became a reality.

DEAL 1: NEW BUILD, NEW BEGINNINGS

Having thrown himself into the education modules, Sanders was keen to gain experience with building and development, and his first deal was a new-build property in Western Sydney. Picking the land up for a bargain and building cheaply, Sanders was able to sell this one for a profit of $265,000 ... which made the small cost of the ILRE training seem like a real bargain!

DEALS 2 & 3: OFF-THE-PLAN, OFF THE BEATEN TRACK

With the confidence to invest outside of their own back yard, Sanders bought off-the-plan townhouses in Townsville and Newcastle. While this is a little outside Dymphna's playbook, these have been solid investments and gave Sanders useful experience in assessing development potential.

"When I came to Australia I was worth $50. Today I am worth $1.5m. It's been an amazing journey."

DEAL 4: STACK 'EM UP

Sanders' training had shown him that there was often value in stacking different strategies together, and so for his next deal Sanders bought a run-down block on a large piece of land. Doing a cosmetic renovation on the house and adding a separate downstairs flat, Sanders was able to quickly flip the property on for a profit of $143,000.

DEAL 5: FALLING IN LOVE

It was Sanders' next deal that gave him a taste for what was to become his favourite investing strategy – finding large blocks in infill development areas, and adding multiple townhouses. Finding a large block on Sydney's south coast, he purchased the property for $425,000, spent $900,000 on building three units on the site, and sold them all for $1.8 million, or a profit of $500,000.

It's easy to see why Sanders came to love deals like this so much.

DEAL 6: ACCUMULATION PHASE

Sanders then bought a property for $265,000 and spent $10,000 on a quick renovation. When done he had the property valued at $400,000, delivering some very handy equity to work with.

DEAL 7: TAKE IT ACROSS THE BORDER

Sanders then decided to take his strategies to Queensland, dividing a large block in two and putting a five-bedroom house on each block. He sold one house for $875,000, and rents the other one out as a boarding house for a positive cash flow return of $24,000 a year.

"After our seventh deal, things were looking nice. My wife was able to cut back to 5 days a week."

DEAL 8: ANOTHER KEEPER

Sanders has another development deal in the pipeline, building a four-bedroom duplex in Albion Park, Sydney. This will deliver $250,000 in profit if he decided to sell, but since it will be positively geared to the tune of $15,000 a year, Sanders will hang on to this one.

"I like being a nurse. I'm helping other people. But the truth is I need to help myself as well... Property investing has allowed me to do that."

DEALS 9 & 10: JOINT VENTURES

Members of the ILRE community were so impressed with the deals that Sanders was pulling together, that they approached him to go into joint ventures with them. Coming on board as money-partners, where they provide all of the finance, the first deal will give Sanders a 50% share in a $280,000 profit, and the second a 50% share in a $320,000 profit.

THE START OF A LEGACY

Sanders has now gone from working three jobs to working just three days a week, with plans to phase out working altogether in 2020. Sanders also knows that he and his family's future in Australia is now secure, and they finally have the freedom to live the life they were always dreaming of.

POST-DYMPHNA RESULTS

PROPERTY	VALUE	DEBT	EQUITY	SOLD	CASHFLOW
GLENWOOOD – PPR	$1.25M	$750K	$500K	KEEP	$0
GRANNY FLAT	$120K	$100K	$20K	KEEP	$12K
GOROKAN	$400K	$180K	$220K	KEEP	$5.7K
CAMP HILL	$875K	$620K	$255K	KEEP	$24K
TULLIMBAR	$1.05M	$800K	$250K	KEEP	$15K
TOWNSVILLE	$465K	$260K	$205K	KEEP	$2.7K
JORDAN SPRINGS	–	–	–	$715K	–
JESMOND	–	–	–	$357K	–
MARKS POINT	–	–	–	$718K	–
ALBION PARK RAIL	–	–	–	$1.8M	–
TOTAL	**$4.16M**	**$2.71M**	**$1.45M**	–	**$60K**

HOUSE AND LAND PACKAGE IN WESTERN SYD

Land Price	$215,000
Build Price	$235,000
Sale Price	**$715,000**
Profit / Equity	**$265,000**

MULTIPLE STRATEGY – NEWCASTLE – EQUITY UPLIFT

Purchase Price	$455,000
Cosmetic Reno	$5,000
Granny Flat	$120,000
Sale Price	**$718,000**
Profit	**$143,000**

DEVELOPMENT INFILL SITE – SOUTH COAST – MULTIPLE STRATEGIES

Purchase Price	$425,000
Total Building Costs	$1,300,000
Sale Price	**$1,800,000**
Profit / Equity	**$500,000**

BRISBANE INFILL SITE – MULTIPLE STRATEGIES

Purchase Price	$795,000
Sold 1 house	**$875,000**
Keep 1 House – Rent Room by Room	
Rental	**$1080/week**
Positive Cashflow	**$24,000pa**

BY DYMPHNA BOHOLT

HOW COVID FORCED ME TO CHANGE

Change is hard… but sometimes easier than you think.

I sometimes you just wake up one day and realise that everything you need is already at your fingertips.

Sometimes you just need something to stop you in your tracks – for the alarm clock to go off – something that makes you stop and take another look at things.

For a lot of people and a lot of businesses that thing has been Covid.

I know it's definitely true with my business and my training programs.

As far as the industry goes we were pretty ahead of the curve in taking things online. But it was still never a top priority. We always saw it as a supplement to the in-person events.

But then Covid came along and forced us to pull the finger out. We couldn't let it be a backburner project any longer. We had to make it front and centre.

And what we realised was that a lot of the things that we thought were holding us back were just excuses.

We thought this or that was going to hold us back. We thought this or that was going to be difficult.

And look, there were challenges. It wasn't as simple as flicking a switch.

But once Covid forced us to make the change, we realise that it wasn't actually all that difficult after all.

And I can't tell you how many times in the last two years I've said something along the lines of "we should've done this years ago!"

The need was there. The tools we needed were there. All we needed was something to just come along and kick us in the bum and get us going.

And I've seen that dynamic play out time and time again with the students I've worked with.

People have to get to the brink of bankruptcy before their personal finances become priority number one.

People have to become completely burnt out by their day job before they start looking around for other ways of making money.

People have to face a major and expensive health challenge before they wonder if their comfortable little nest egg could actually be working harder for them.

And, most common of all, people have to reach their wits end trying to prop up a negatively-geared property portfolio before they wonder whether there might actually be better ways to invest.

The need has always been there. The tools have always been close at hand. But we all just need that kick in the bum sometimes.

So I genuinely hope that Covid has been a kick in the bum for you.

I hope it has been the shock you needed to see that change is possible

… and easier than you thought.

Dymphna

How Christine used property to get Brad out of a toxic workplace and create $138,000 in passive income!

After being forced to deal with a bully boss, Brad was slowly but surely inching towards a mental breakdown... until his wife, Christine, decided enough was enough.

Brad and Christine were the typical Australian couple. He was an employee, while she was a real estate agent.

But they had a dark secret.

Christine was suffering from an anxiety disorder. While Brad was on the road to a mental breakdown.

Brad recently decided to sell his business because his partner was a bully.

You'd think his troubles ended, but that's not the case.

Why?

Because selling part of the company meant that he stayed as an employee... with the same bully.

This took a toll on his mental health.

Brad was working long hours, and when he got home was exhausted. The adrenal fatigue was getting worse.

One day, Christine sought professional help. And the psychologist told her to get Brad out of there.

But how could she, when he was the breadwinner?

What happened next...

While Christine was scrolling on Facebook...

She saw a blonde woman, by the name of Dymphna, talking about her Property event in Brisbane...

And it just so happened... They were in the area that same day!

With no expectations, Christine dragged Brad along. One thing led to another, and they found themselves signing up...

And then for the boot-camp...

Then Millionaire Within...

This series of events completely turned their life around!

"When you want to do something bad enough, you do whatever it takes." – Christine

Now two years on, Brad and Christine earn $138,000 in passive income. And they made a million bucks, during the COVID-19 pandemic!

Want to know how they got started?

Le's break down their five initial deals.

DEAL 1: GET RID OF THE CRAP

Before joining ILRE, Brad and Christine had two properties. One was a home for their kids. While the other was a property that tied Brad to his bully boss.

After a session with the ILRE's coaches they were told to get rid of them!

You see, the first property was not making money. And it would be better for their kids to buy their own property.

The second... Well, it was making good money. But Brad was getting out of the clutches of his business partner. And that property wasn't helping him.

Thankfully, they listened.

DEAL 2: MANUFACTURE MANUFACTURE GROWTH AND INCOME

Christine and Brad started to get income when they bought a block of units. It was located across the road from a very popular hotel and one street back from the beach.

They paid $540,000, which was well below their initial ask.

The catch?

The place was falling apart!

Asbestos paint was peeling...

All of the wiring wasn't encased properly...

It was truly an ugly duckling!

But they decided to do a renovation in just six weeks.

And Brad did all the work! He lived in one of the units while renovating.

And when it was done, they were earning $53,000 in passive income.

DEAL 3: PUTTING PROPERTY ON AIRBNB

After her initial success, Christine finally met Dymphna, and was introduced to Airbnb...

"What Dymphna said to me in that meeting just changed my life. She'd said I needed to look into this thing called Airbnb, which I had never heard of. And that was where all this started." – Christine

Before they attempted to list properties on Airbnb the couple decided to stay in one.

Their experience was a complete disaster! The property was stuck in the back of someone's yard... with no bathroom.

Brad and Christine realised that no matter how terrible the place was, people were booking it. The owners were making money. That convinced them to buy another block of units. Brad once again renovated one of the units.

Then COVID-19 hit. And the property sat there fully furnished, ready to go, all styled up.

Christine finally decided to stop letting it sit there... And listed it on Airbnb and they were off.

"I said to Brad, this is ridiculous. We can't leave it sit there. So I'll put it up on Airbnb. Did it all in a day. Put it up on Airbnb. By that afternoon, somebody had booked it for a month, and we're off." – Christine

DEAL 4: BUILDING UP CASH FLOW

With the additional passive income of about $41,000, this allowed them to buy another duplex. And they found one about 10 minutes away.

Once again, Brad did his magic.

Initially, the couple wanted to list the first unit on Airbnb and the other half for long-term.

But as of this moment, both units were added to their Airbnb listings and make good money.

DEAL 5: DUE DILIGENCE AND EQUITY UPLIFT

Through ILRE, Brad and Christine learned that sometimes, it's not about the deals you make, but about the deals you walk away from.

With one investment, the couple signed a conditional contract on building and pest. But later learned that that's not where the building's problem lies.

It was the illegal wiring.

Air conditioners, fans, lights... were plugged into leads poked through the wall...

And the roof itself was a real hazard.

To fix the roof problem alone was quoted at $50,000.

Luckily, they avoided all that thanks to their due diligence clause. The ILRE's Professional team drew up the clause that protected them from this dud.

After dodging this bullet, they invested in a triplex property.

The value of that property is now worth more than what they bought it for.

"You know, I just can't say enough about this program because it's changed our whole lives." – Christine

A BETTER LIFE THROUGH ILRE

Brad and Christine completely change their lives for the better. Their mental health is now in tip-top shape. Brad is out of a job... "I'm not in a J-O-B. I've got a life".

The best part of their property investment journey is that the couple now gets to have a life.

No one is telling them what to do, so they can afford to spend a lot of time on the beach. They can now take time off whenever they want.

Christine says that when it comes to property investing...

95% is mindset, and property is just 5%.

Why?

Because without the right mindset, property is nothing. That's the most important thing she and Brad learned since joining I Love Real Estate.

"It's the friends you make in this community, that you make nowhere else. It's as simple as that. You just have the support and you're able to talk to people that are actually supporting you as well. You don't see that anywhere else. Unbelievable." – Brad

MACKAY QLD DUPLEX

Purchase Price	$ 307,500
Income – 2 x STR	$ 75,500
Chanel Management	$ 15,000
Insurance	$ 1,800
Interest	$ 11,000
Rates / Water	$ 6,700
Total Hold Costs	$ 34,500
Annual Cashflow	**$ 41,000**

MACKAY QLD DUPLEX/ SUBDIVIDE/CONSTRUCTION

Purchase Price	$ 320,000
Income – 2 x STR	$75,500
Chanel Management	$16,990
Insurance	$1,800
Interest	$11,500
Rates / Water	$6,900
Total Hold Costs	$37,190
Annual Cashflow	**$38,310**

PRE-DYMPHNA

PROPERTIES VALUE	$1,175,000
LOANS	$800,000
EQUITY	$1,050,000
CASHFLOW	$6,000

POST-DYMPHNA RESULTS

PROPERTIES VALUE	$2,565,000
LOANS	$1,618,000
EQUITY	$1,344,000
CASHFLOW	$138,200

Turning a ‘struggle mentality’ into over $2.6 million in equity in under three years: How Shane broke the cycle.

Sometimes hard work is not enough. Sometimes you need to make peace with the ghosts of the past, and find love again, before you can find the freedom you’re looking for.

Shane was born into poverty and grew up in housing commission flats around Melbourne. When his father died when he was 11 years old, his mother remarried and Shane found himself battling with an alcoholic and abusive stepfather.

Scared and confused, Shane learnt from his mother that the key to survival was to put your head down and work hard, and Sharon still describes Shane as the hardest working person she’s ever met.

But for Shane, hard work wasn’t enough. Having built up his own successful engineering company and pouring himself into his work, he got divorced after 28 years of marriage and realised that, financially, he didn’t have all that much to show for his hard work. Had it been worth it?

“I think a lot about my legacy. I think about my mum, and all she did to help us get ahead – to survive the poverty we lived in. I want to give my kids a similar gift.”

It was at that point that two blessings came into his life. The first was Sharon – who he calls Super Shaz – his soul mate and partner in crime. The second was the ILRE community. With the training he received he was able to increase his net worth from just $200,000 to over $2.6 million in just three years.

More importantly, Shane has been able to overcome his ‘struggle mentality’ – his belief that life was always going to be hard. Now he has made it his mission to help his three kids see just what is possible in this wonderful world of ours – particularly with the right training in property.

“Once the marketers take their cut it’s really hard to make the numbers work. We got stitched up.”

HOW TO DO PROPERTY RIGHT

Shane had tried his hand at property investing before, and he had enjoyed it, even though he hadn’t seen all that much success with it. His first property investment was an overpriced house in a new estate in rural Queensland. Shane reflects that he had been “stitched up” by the flashy marketers, and even though the property was negatively geared for the entire time he held it, he still sold it 10 years later for a loss.

Nevertheless, he believed that there had to be a way to make it work, and if he could find the right help, property investing could be the vehicle he was looking for. It was that belief that led him to the ILRE community.

DEAL 1: REWORKING THE PPR

Like many students who study with Dymphna Boholt, Shane’s first task was to make sure the family home – his principal place of residence (PPR) – was pulling its weight.

Shane had built this house himself, back in the 80s, all while working three jobs to make ends meet. In recent times though he had generously let family and in-laws live there with little oversight, and the place had become a bit run down.

So Shane and Sharon got to work, driving a cosmetic renovation themselves. They spent $50,000 on the reno, and increased the valuation of the property by $140,000. Drawing down the equity, this gave Shane and Sharon the working capital they needed to set out on their journey in property investing.

DEAL 2: SHAZ’S PLACE

Sharon had entered the marriage with her own property, and now Shane and Sharon wondered if there could be something they could do with her place.

It was actually a large block – over 1,000 square metres – and so Shane tapped the wisdom and experience of the ILRE community to see if they could subdivide the property.

Plans are now in motion to subdivide the property into a battle-axe block, keeping the house on the front block, and selling the back as vacant land. Together, these two blocks will be worth $1.05 million, delivering an equity gain of over $600,000.

“I tried a bunch of different stuff – the share market, different trading “systems”, but none of them worked. In fact, they took me backwards!”

DEAL 3: THE MORNINGTON TRIPLE

Most students in the ILRE community find particular strategies that they resonate with, and for Shane it was a renovation and subdivision combination. With extensive knowledge of the Mornington Peninsula area, Shane found a large property over 8,000sqm that had the potential to be divided into three separate properties.

After renovating the existing dwelling, Shane has already achieved an equity gain of $250,000, with the other two blocks set to deliver substantial windfall profits – most likely somewhere north of the million-dollar mark – after the subdivision is complete.

DEAL 4: HELPING OUT MY DAUGHTER AND MATE

With Shane achieving some impressive results, a mate of his kept hitting him up with potential deals, wanting to know if Shane thought they were any good. With the training he had received from ILRE, he knew they weren’t good deals, and for a number of months he successfully kept his mate from making a substantial financial mistake.

Finally, Shane found a deal that looked like a winner, and he offered to go into a joint venture with his mate, going 50/50 in a four-lot subdivision. His mate was super excited, but as the deal took shape, it became clear that he just couldn’t afford it.

Luckily, around the same time, Shane’s daughter was also looking to break into property investing, and had enough capacity to do so. She will take over Shane’s mate’s share, and together they’ll share in over a million dollars in profit. It gives Shane immense satisfaction to be able to give his daughter such a fantastic head-start in life.

THE LEGACY IS SET

All told, with a small handful of well-executed deals, Shane has managed to increase his equity from $213,000 to over $2.6 million in just three years. However, more importantly, he now understands that he can live a life free from struggle, free from financial hardship, and free from the ghosts of the past.

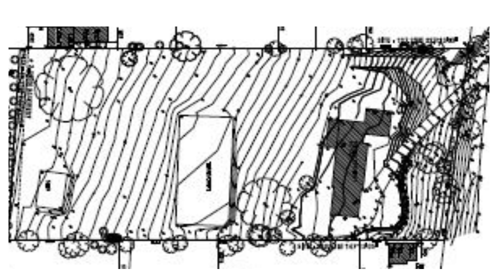
“When I pulled together the numbers for this story, I actually couldn’t believe it. I thought I must be adding it up wrong. I just can’t believe just how far we’ve actually come.”

PPR RENOVATION WANTIRNA SOUTH

Owner Built in 1986	$300K
Re-purchased property after divorce in 2013	$670K
Sold after renovation	$860K
Reno	$50K
Equity Uplift	**$140K**

SUBDIVISION 1000M² PROPERTY MORNINGTON

Current value before sub-division	$750K
Prepared battlelaxe sub-division on PPR	
Cost of sub-division	$100K
Estimated after subdivision	$1.05M
- Rear battleaxe block	$400K
- Existing front house	$650K
Equity Uplift	**$615K**



3 LOT SUBDIVISION MT ELIZA

Renovate existing house and sell after sub-division to reduce debt (or convert to Rooming House and hold)	
Build 2 new houses on 2 new blocks and lease	
Value of 2 new properties	$3M
Subdivision, Reno & Build Costs	$1.4M
Additional Equity Uplift	**$1.45M**

POSITION PRE-DYMPHNA

PROPERTIES	2 x PPR
MARKET VALUE	$1,089,000
LOAN AMOUNT	$876,000
EQUITY	$213,000
CASHFLOW	$0

POSITION POST-DYMPHNA

PROPERTIES	5
PURPOSE	1 x PPR, 4 x INVEST
PURCHASE PRICE	$3,279,000
DEPOSIT	$675,000
STAMPS & LEGALS	$126,000
LOAN AMOUNT	$2,784,000
MARKET VALUE PREPLAN	$4,580,000
EQUITY UPLIFT PREPLAN	$1,456,000
MARKET VAL POST SUB	$7,030,000
EQUITY UPLIFT POST PLAN	$3,446,000
EXPECTED TOTAL PROFIT	**$2,645,000**

This young couple started a new life in Australia and generated $256,000 in just 14 months!

Neil and Yelena believed Australia was their Land of Opportunity. They quickly realised that opportunities only come to those who seek them.

Yelena came from a typical middle-class family in Russia. She believed a good life meant studying hard and landing a good job.

It was all about getting a job...

Getting married...

Working 9 to 5...

Trying to relax, in any way possible...

Then doing it all over again!

That's why at the age of 18, Yelena was sent to America... a place her parents thought was the land of opportunity.

Soon after arriving in the US, Yelena met and married Neil. They decided to move to Australia so Neil could pursue his Master's Degree.

But just when they thought Australia was their land of opportunity...

Brisbane gave them a very wet welcome.

"We arrived the day the Brisbane floods peaked, so we had no accommodation. It was really difficult."

When they arrived at the airport, it was actually flooding! Unfortunately, they arrived at the peak of the Brisbane floods. So they were forced to stay at a backpacker's for a few days before moving to a shared house.

But that's not the worst part.

When, Neil and Yelena sold everything they owned to move to Australia, and arranged Neil's enrollment, they thought he would start in semester two. Until they learned it was different from America's term two...

So in their excitement to come to the Land Down Under, they didn't know that Australia's second semester did not start until a month after they arrived.

They couldn't go back, and Neil couldn't work. So, they had to exist on one income. Thankfully, Yelena landed a good corporate job that allowed them to make ends meet.

But two years later, another tragedy struck.

While Neil was still finishing Uni, their apartment building caught fire, and they lost everything...

They were forced to start again...

Sometime later, both of them found themselves climbing the corporate ladder.

But they soon realised they were unhappy.

And felt trapped.

That's when they decided to give property investing a shot.

And they've never looked back.

Why?

Check out these four projects the couple did that led them to find success.

PROJECT #1: THE HUMBLE BEGINNING

Neil and Yelena's journey in property investing wasn't easy.

They initially believed all they had to do was save $100,000 to buy into the market. But all their savings were reallocated after Yelena's mom had a massive stroke.

So with barely any money, the couple decided to sign up for Dymphna Boholt's Ultimate program. That's when they put their 'peg in the sand'.

"That was the moment that we knew we were absolutely going to have a go at this. We said, "We're going to be up on stage one day."

With limited funds to start, they set their sights on a property in Ballarat. They bought it as a principal place of residence (PPR) just so they could save on stamp duty.

If they came out of this deal positive, they would treat it as a win.

However, everything that could go wrong during this renovation project, actually did. The plumbing was galvanised, so they had to do it again. And since the house had the old, black electrical wiring in it, they had to rewire the house, too.

In the end, it transformed into a beautiful property... but not without hard work.

They started with a renovation budget of $60,000 and six months. It took them nearly a year to finish and cost them a whopping $120,000!

And they made $23,000 profit to be exact.

PROJECT #2: SPEEDING IT UP

After making their first deal, Neil and Yelena felt that they were ready for more.

So they went out and started networking with agents and other members of the ILRE community. And got an off-market deal through an agent they established a relationship with.

As Neil and Yelena were going through the agent's listings, the agent decided to offer a property that was about to get listed. It was a tightly held inner city home that was selling for $630,000. The couple bought it and did renovations for 5 months.

It was eventually sold to the next-door neighbour for a profit of $83,000.

PROJECT #3: ANOTHER DEAL, ANOTHER $$$

Another agent offered Neil and Yelena a second off-market deal. But this was more challenging because the purchase price was above their current savings. So, what they did was they talked to another ILRE member for equity partners.

And the result?

It was an absolutely stunning renovation that was finished in just 4 months!

When the buyer saw it, she was super excited. She revealed that it was the ensuite of her dreams. The buyer even admitted that she fell in love with it after just one look!

Once the deal was finished, Neil and Yelena walked away with their $75,000 earnings.

PROJECT #4: FINDING THEIR RHYTHM

Neil and Yelena's fourth project was another off-market deal... with less work this time.

It's because they converted a 3/1 to a 3/2 and reconfigured the entire floor plan.

The renovation work was absolutely stunning. What's more, it took them only three months to get everything done!

To make sure that they got their $98,000 profit, Neil and Yelena operated like pros and managed their budget, too.

It was clear as day from this project that Neil and Yelena found their rhythm in property investing... and it's only going to get better for them from here on out.

THE VALUE OF RELATIONSHIPS AND POWERFUL CONNECTIONS

There's a lot to learn from the story of Neil and Yelena.

They never gave up. No matter how many storms, they continued pushing through to achieve their lofty goals.

They also kept reviewing their 'peg in the sand'. They made sure that their actions were aligned with their goals, and believed that goals could change their lives for the better.

Lastly, they were able to recognise the value of relationship building. Most of their projects came from good relationships with agents and those within the ILRE community. Not only were they able to snag off-market deals, but also got enough funding to pursue bigger projects thanks to the ILRE Community.

Now, Neil and Yelena devote their time to property investing. And Yelena quit her corporate job.

They started with $40k... and they are now worth 10 times that – in just 14 months.

Clearly, they've found their footing in the land of opportunity.

"What we found in this community is the sense of belonging, and we support each other, we meet on a monthly basis and we share stories, no judgments."

NEWINGTON, VICTORIA RENOVATION

Purchase Price	$364,000
Holding Cost	$22,000
Strategy Cost	$120,000
NET PROFIT	**$23,000**

WINDSOR, QLD RENOVATION

Purchase Price	$630,000
Holding Cost	$2,100
Strategy Cost	$87,000
NET PROFIT	**$83,000**

KEDRON, QLD RENOVATION

Purchase Price	$785,500
Holding Cost	$5,500
Strategy Cost	$312,000
NET PROFIT	**$75,000**

STAFFORD HEIGHTS, QLD RENOVATION

Purchase Price	$631,400
Holding Cost	$8,100
Strategy Cost	$133,000
NET PROFIT	**$ 98,000**

BY JON GIAAN

WHAT WE ACTUALLY LEARNT IN 2022

The economy posted some good in the September quarter, but there's still trouble under the hood...

We got our last major data point of 2022 in December with the Australian GDP numbers.

They were pretty good numbers. 0.6% in the September quarter. 5.9% over the year.

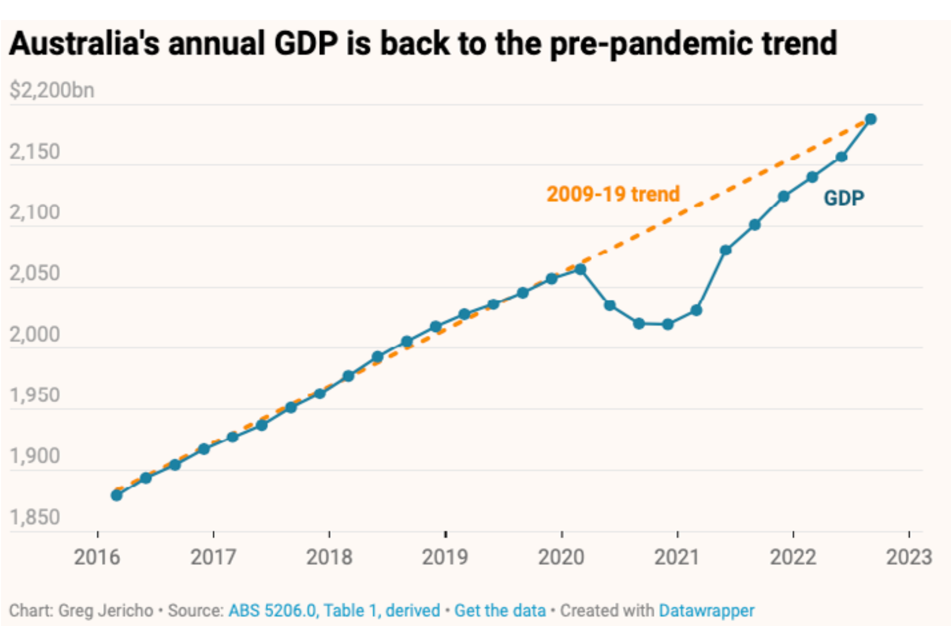
That 5.9% is a pretty massive number, but it's more of a statistical artefact, since it comes off the back of some very weak numbers a year ago.

But still, if you take the pace of the September quarter, and assume it continues through the rest of the year, you get an annualised pace of 2.4%.

That's good. Not amazing. But good.

And very good all things considered.

We're now back to where we would have expected to be if Covid had never happened.



(Covid changed the world forever, but not the Aussie economy.)

And one of the things that jumps out at you is just how important household consumption is right now.

Household consumption was up 1.1% in the quarter, and over the year, it's pretty much the only piston firing.

Take consumption out of the mix, and the Aussie economy is going nowhere.

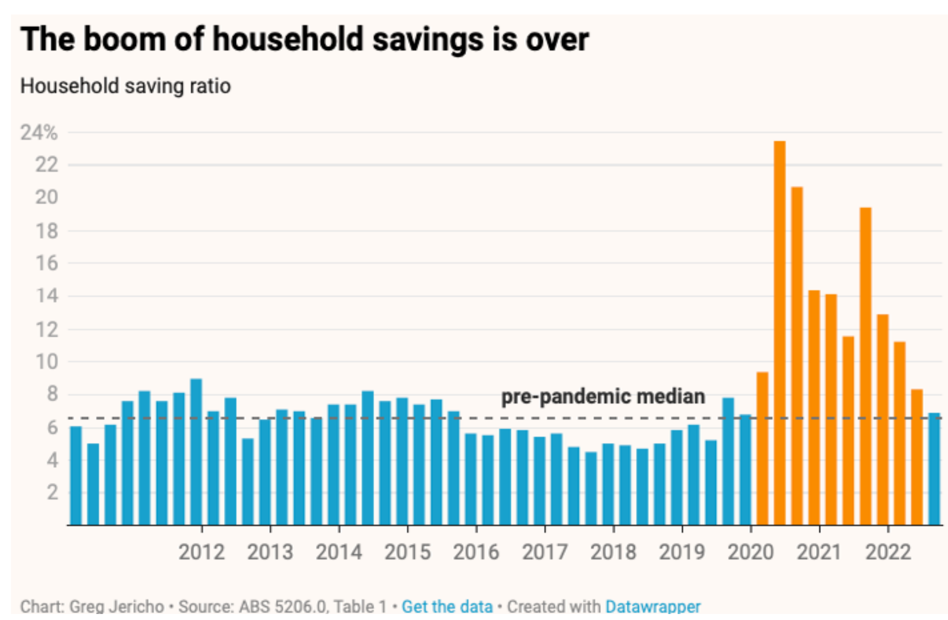
This is interesting for a couple of reasons.

First, it's interesting that consumer spending is holding up, given the onslaught of rate hikes this year.

Rates have gone up a full 300 basis points in just 8 months. It's kind of surprising that consumers haven't cut back more.

That's probably because the savings warchests accumulated through Covid are still in effect.

Saving rates have normalised, but there hasn't been any pack back.



So it seems likely that, for now, households are happy to eat into their warchests a little.

The question then is really, how long this can continue for?

Inflation is still eating into household income – Real Household Disposable Income is down an ouchy 4.1% over the year.

And consumers have to be feeling the mortgage pain, right?

I know a lot of the market is still on fixed rates – about a third at last count.

And I know that rates feed through with a lag.

But still. Consumers know what's going on. You look at the consumer confidence data and it's in the toilet. Consumers are clearly worried.

So what's holding up spending?

And what that question is really asking, given consumption is holding up the economy, is what's holding up the economy?

The economy seems to be built on some fairly shaky foundations right now.

However, my sense is that the labour market outlook is still strong enough to give consumers the sense that their financial position is secure.

And with the end of a rough year upon us, maybe they're happy just to let things run a little loose for a while.

Let's enjoy Christmas and worry about it next year.

Oddly enough, that idea might just be enough to give us the ability to nail this 'soft landing' we keep hearing about, and get through 2023 without recession.

But for the moment, it all hinges on the consumer.

JG

Making money in the land of opportunity. How Vanessa made Australia home.

Vanessa and her husband arrived in Australia with two bags and $10,000. She felt daunted and alone, but connecting with the ILRE community has given her a sense of belonging, as well as the strategies she's needed to carve out an exciting new life for herself.

As the financial crisis in Argentina went from bad to worse, Vanessa and her husband knew that they had to get out. They decided to try their luck in Australia – a country they had never been to, but seemed to promise plenty of opportunity to people who were willing to work hard.

In 2008, they walked through the gates of Melbourne Airport with two bags and $10,000 in cash, thinking, "Now what?"

"When you come to a new country, your support networks are really important because you don't have any family. But then I look at the ILRE community and think, "If this isn't family, what is?"

Vanessa has always had an interest in property, working as a real estate agent in Argentina, selling high-end properties to foreigners – consulates, embassies, fancy apartments to investors from Miami, things like that. She had seen first-hand that real estate could be a fantastic way to build wealth, and she believed that property investing could be the vehicle her family needed to set themselves up in Australia.

"I told the boss I was working from home, but every Wednesday I'd drive over to Geelong, just to get to know the market better."

However, she knew that she needed help understanding the local market and the kinds of strategies that would work in Australia, and so she signed up for Dymphna Boholt's Quantum Program in 2016. The training she received gave her the confidence she needed to go after a couple of cheaper deals in Geelong, and the ILRE network also introduced her to Chris – a money partner willing to fund another deal for her in regional Victoria.

These three deals have delivered over $80,000 in profit, but Vanessa stresses that it's the sense of community and the 'family' that she's found that has been most valuable.

It's the community, after all, that makes a place home.

Let's have a quick look at the deals Vanessa has used to get herself started.

DEAL 1: A DEAL TO SUIT EVERY BUDGET

Working with the ILRE strategists, Vanessa could see that without a lot of capital to work with, she would have to leverage her passion and drive, and start out with a cheaper deal in a regional area.

Living in Melbourne, Vanessa was attracted to the property market in Geelong. Telling her boss that she was working from home, every Wednesday for six months she would drive to Geelong and work from the local cafes. She would even do her grocery shopping there, until she felt like a local area expert.

Finally, she found a property with an existing tenant that she was able to buy for just $211,000. She renovated at the end of the lease and sold for a profit of $34,000.

DEAL 2: A FRIEND WITH MONEY

With a successful deal under her belt, Vanessa then went into a joint venture as the money partner – funding the deal, while her JV partner Kris did the work. She met Kris through the ILRE network and they found a deal in the small town of Canowindra, Victoria.

They purchased it for just $105,000 and Vanessa spent $20,000 on the renovation. The reno went very well, but the sale took longer than expected as it was a small town.

With of their ILRE education they had planned for this scenario, and they decided to rent it until sold. It generated positive cashflow while it was on the market and they got a healthy $212,000 on the sale.

"It takes a long time to sell a property in a town with only 2,000 people!"

DEAL 3: LEVERAGING EXPERIENCE

Vanessa had now gained enough confidence to do another deal on her own terms. The agent who sold her first deal in Geelong brought a property to her. Leveraging her experience and knowledge she immediately recognised it was a good deal, as she knew the area well and the renovation costs. She contracted straight away.

Purchased for just $300,000, and after the renovation Vanessa was able to get a record price on the second open for inspection day of $420,000, for a total profit of almost $50,000.

DEAL 4: A BIT OF DYMPHNA JUJU

In 2019, Vanessa sold the Melbourne townhouse she was living in to move to Brisbane. Under Dymphna's guidance, Vanessa had been doing a lot of work on her mindset – a process that included the use of vision boards.

When her property went to auction, Vanessa had put an ambitious final sale price of $952,000 on her vision board, which is exactly where the bidding stopped. There was one final bid of $962,000 right before the hammer fell, which was a bonus, but if Vanessa was looking for proof of the power of these processes, this was it.

A PLACE TO CALL HOME

She recently contracted her third reno in Geelong after another local agent brought her an off-market deal knowing the work she does. Vanessa and her family are now well established in Australia and she knows that property investing will be a big part of their future here. She has found a place to call home, but more importantly, with the ILRE community, she has also found her tribe. And she is loving it!

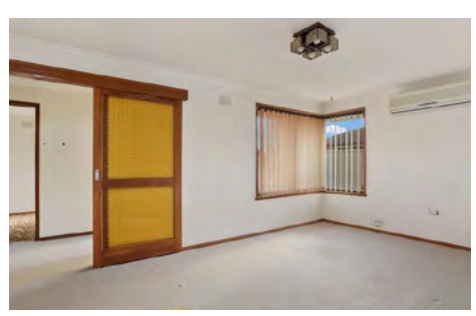
"I told the auctioneer that I had put a sale price of $952,000 on my vision board. He was like, "Um... ok. That's a little ambitious..." But when the bidding stopped at $952,000 exactly, you should have seen the look on his face!"

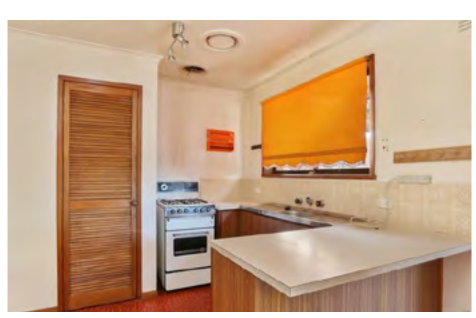
1ST DEAL – CORIO (VIC)

Purchase Price	$211,000	Strategy Costs	$18,000
Purchase Costs	$ 15,449	Sale Costs	$14,600
Holding Costs	$ 20,667	GST	n/a
-Rental income	-$ 8,913	**Sale Price**	**$305,000**
Net Hold Costs	$11,754	**Profit**	**$34,197**

2ND DEAL – CORIO (VIC)

Purchase Price	$300,000	Sale Costs	$13,672
Purchase Costs	$ 16,628	GST	n/a
Holding Costs	$5,741	**Sale Price**	**$420,000**
Strategy Costs	$36,439	**Profit**	**$47,520**





POST-DYMPHNA RESULTS

PROPERTY	PRE-RENO	RENO SPEND	POST-RENO	PROFIT
PPR (MELBOURNE)	$680,000	$10,000	$962,000	**$272,000**
1ST DEAL CORIO	$211,000	$18,000	$305,000	**$34,000**
2ND DEAL CORIO	$300,000	$36,500	$420,000	**$47,500**

Creating a $250,000pa passive income stream in just twelve months – this is how you put equity to good use.

Sergio and Charity had worked hard to put themselves in a solid financial position. They wanted to escape the rat race, but they didn't want to risk all that they had achieved. They are big believers in "writing your own story", but when they found the right strategy through ILRE, they were shocked at how quickly it all came together.

Sergio and Charity are driven and disciplined people. They had achieved a solid financial position through years of hard work, owning their own home and a single investment property in the Eastern Suburbs of Sydney. However, they wanted more. They wanted financial freedom. They wanted more time to spend with the family and do the things they love. They wanted out of the rat race.

They tried their hands at a number of different ventures – various trading systems and enterprises – but none of their efforts made significant results. During their search they came across Dymphna Boholt, and what she offered immediately resonated. Other than the systems and the results her students were getting, they found Dymphna's own mission of personal empowerment and being among like-minded people they met through her programs really help their self-development.

"We just didn't know what we were doing. We had a lot of debt on the house; our investment property was positively geared, but only just... We really needed a plan."

They decided to join the ILRE community, opting for the close one-on-one mentoring available through the Platinum program. They took the time to explore the suite of strategies available under the Dymphna Boholt umbrella until they found the one that best suits them. Since their goal was to replace their income as quickly as possible, they focused their efforts on multiple-tenancy commercial investment properties.

In just twelve months they have completed four deals, focussed around regional Queensland, creating a stunning $256,000p.a worth of passive income – enough to replace both of their incomes.

Needless to say, they are extremely happy with the results. These are the deals that made it happen.

DEAL 1: STACKS OF POTENTIAL

Sergio and Charity found their first deal through the ILRE forum. Another student had found a great deal, but just wasn't in a position to make it happen. Since the deal was in Queensland, Sergio figured he would jump on it and sign the contract first, and do his research and due diligence later. That research showed that it was just the kind of deal he was after. It was a commercial property with multiple tenancies, with a strong anchor tenant – a national company with $20million revenue in Queensland. He also calculated that it would cost that tenant around $100,000 to move, so they would most likely stay.

The deal cost them $900,000, but was positively geared to the tune of $65,000 a year. Not only that, it could potentially be strata titled for further uplift.

"We had some aggressive goals, but we'd worked hard for our equity and we wanted to put it to good use."

DEAL 2. AN UGLY DUCKLING IN A FLOOD ZONE

On the back of this first deal, Sergio and Charity went looking for something similar. They found it in a property in Gympie through a buyers agent, which was having trouble selling because it was in a flood zone. However, when Sergio did his research, he realised that it was in a slow-release flood site, and so when the rare floods occurred, all the businesses managed to get out of the way in time, and the disruption was minimal. In addition, the businesses themselves paid for the insurance so it was no skin off their nose.

"There'd only been three floods in twenty years, and you always get 24 hours notice."

The price was negotiated down to $708,000, and it is positively geared to the tune of $41,000 a year, returning 10.5% net yield.

DEAL 3. TAKE IT UP A NOTCH

With a winning formula now, Sergio and Charity wanted to take it up a level. They found it in an industrial property in Emerald that cost them $1.4million, but is putting a massive $148,000 a year in their pocket!

DEAL 4. ONE FOR DAD

With friends and family noticing the fantastic results they were getting, Sergio and Charity decided to get Sergio's dad into a similar deal – a three-lot industrial property in Bundaberg costing $635,000, and generating $48,000 in passive income.

A YEAR TO REMEMBER

With the close support of their mentors in the Platinum Program, Sergio and Charity were able to set a cracking pace, hammering out four deals in under twelve months. Not only that, they have put their hard-earned equity to fantastic use, generating a passive income stream worth over $250,000 a year. Now, finally, they feel like they are sorted.

"With the knowledge gained, one of the biggest benefits is you can help your loved ones achieve their goals too."

PRE-DYMPHNA POSITION

PROPERTY	VALUE	OWING	EQUITY	CASHFLOW
COOGEE (PPR)	$1,100,000	$550,000	$550,000	$0
KINGSFORD (INV)	$825,000	$282,000	$543,000	$10,000
TOTAL	**$1,925,000**	**$832,000**	**$1,093,000**	**+$10,000**

POST-DYMPHNA RESULTS

PROPERTY	VALUE	OWING	EQUITY	UPLIFT	CASHFLOW
COOGEE (PPR)	$1,200,000	$400,000	$800,000	$250,000	$0
LOC		$350,000			$0
DEAL # 1	$900,000	$555,750	$344,250	$45,000	$65,900
DEAL # 2	$750,000	$460,000	$290,000	$40,000	$41,700
DEAL # 3	$1,400,000	$910,000	$490,000	$0	$148,000
TOTAL	**$4,250,000**	**$2,675,750**	**$1,574,250**	**$335,000**	**+$255,600**

DEAL 1 COMMERCIAL INDUSTRIAL, DALBY, QLD

Purchase Price	$855,000
Rent	$124,200
Property Management	$5,600
Insurance	$3,100
Interest	$39,000
Rates / Water	$10,600
Total Hold Costs	$58,300
Annual Positive Cashflow	**$65,900**

DEAL 2 COMMERCIAL MULTI-TENANCY, GYMPIE, QLD

Purchase Price	$708,000
Buyers Agent	$10,000
Rent	$72,000
Property Management	N/a
Insurance / Rates	N/a
Interest	$30,300
Total Hold Costs	$30,300
Annual Cashflow	**$41,700**

DEAL # 3 COMMERCIAL INDUSTRIAL, EMERALD, QLD

Purchase Price	$1,400,000
Rent	$187,600
Property Management	N/a
Insurance / Rates	N/a
Interest	$39,600
Total Hold Costs	$39,600
Annual Cashflow	**$148,000**

DEAL # 4 COMMERCIAL INDUSTRIAL, BUNDABERG, QLD. (MUM AND DAD)

Purchase Price	$635,000
Buyers Agent	$10,000
Rent	$60,600
Property Management	N/a
Insurance / Rates	N/a
Interest	$12,400
Total Hold Costs	$12,400
Annual Cashflow	**$48,200**

WHAT HAPPENS IF YOUR TENANT STOPS PAYING RENT?

When it comes to managing bad tenants, prevention is worth an ounce of cure.

BY DYMPHNA BOHOLT

As a property investor, the last thing you want is a bad tenant. And 99 out of 100 tenants are great. But what are your rights when the rent stops and the tenant burrows in like a tick?

We've all heard the stories.

Good tenant going in. Good job, pays rent on time. Mows the lawn.

A few parties every now and then. Nothing serious. The neighbours are happy.

But then –

they lose their job. The parties happen a lot more often. There are cars coming and going at all hours.

The neighbours complain.

The rubbish piles up out the front.

The rent stops coming in.

And this isn't even the worst case scenario. Bad tenants can be really bad; and can result in you losing access to your own property, or your property being significantly damaged.

And costing you significant time and money.

But in most cases, these problems should never happen. Most tenants will do the right thing because they don't want to end up homeless.

If you have a property manager they should be all over it from the start.

If you're going it alone it pays to know your rights.

You or your property manager should be across all the dos and don'ts of vetting tenants, from checking out their rental history and references to making sure they can actually pay the rent.

Most agencies have policies built into the rental application process, such as the rent being not more than 30% of a tenant's income. This is good yard stick for you, too.

But should your tenant fall behind, they are considered to be in arrears if they are overdue by a certain number of days. Know the law in your state - in some states it is three days.

So what happens when a tenant is in arrears?

This is when good communication skills come to the fore.

It could simply be that the tenant didn't realise what day it was, and the payment date slipped passed.

A polite and friendly email or text message to remind them should be enough.

Things could be more serious – they may have lost their job, become ill, or had an accident. Relationships can fail, sometimes there's a death in the family. These things can seriously affect a tenant's ability to pay on time.

If you're managing your own property, you will have a relationship with your tenant, and they should be able to reach out to you if things have gone pear shaped.

Otherwise your property manager should have an established line of communication with your tenant – this is what you're paying them for, after all. Perhaps a payment plan can be put into place. Something that works for both of you.

After all, you're relying on this income to pay your own mortgage and protect your investment.

But if you don't get a satisfactory outcome, you should understand when and if a Notice to Vacate needs to be issued. It's kind of a warning that the tenant will be evicted. In Victoria, this can be done once the tenant is in arrears by 14 days.

A Notice to Vacate isn't just a "Get Out" message wedged under the door, nor is it a text message sent at 3 am. In fact, a landlord or property manager can't actually evict a tenant.

The Notice to Vacate can be issued by yourself or the agency, but it has to be delivered by Registered Post. Then the matter is filed before the relevant tenancy body.

In NSW it's the NSW Civil and Administrative Tribunal. In Victoria it's VCAT. The tribunal will make a decision based upon evidence provided by both parties and they may enforce a possession warrant.

You should still have bond money at this point, lodged with the relevant authority. In NSW this is the Dept of Fair Trading and it is a legal requirement of all rentals in NSW. You can't just keep it in a sock under your mattress.

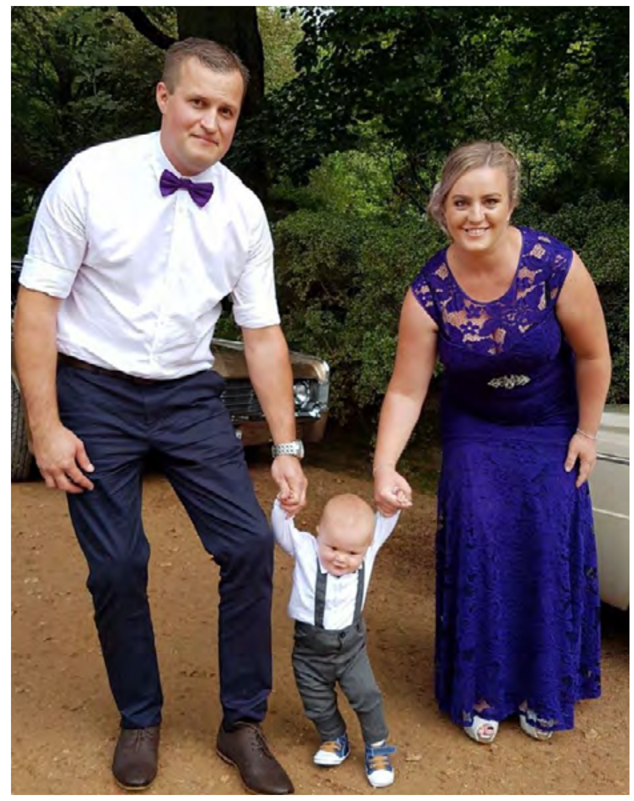
And make sure your insurance is up to date.

Hopefully it never gets to this point and you maintain an awesome working relationship with your tenant for the long term.

So your investment does what it's meant to do.

Dymphna

How two young property investors made their dream home a reality.



Gary and Camilla, a young hard-working couple, knew exactly the kind of home they wanted to raise their family in. But how could they afford it? This is how Dymphna Boholt showed them how deal-focused investors could make that dream a reality – at a fraction of the cost – and set themselves up for a lucrative career in property in the process.

Spending too much on a family home is a classic rookie mistake and one that too many young people make. It chains you to unproductive debt, builds equity incredibly slowly, and hamstrings your efforts to create wealth and lifestyle.

Thankfully, Gary and Camilla joined ILRE before they could make that mistake, and learnt from Dymphna Boholt that every property you buy should be a 'deal' – it should help you build wealth and take you closer to where you want to go, even if you're talking about the family home.

"I wasn't just skeptical of ILRE... I was dead against it. But I've seen the results now." – Camilla"

Looking at the problem again through this 'deal-maker mindset', Gary and Camilla could see that they needed to get creative, and that they'd have to roll up their sleeves and get to work.

This young couple, who had been together since Camilla was 16 and Gary was 18, had initially joined ILRE because their first investment property had been a failure, and they just wanted to "do property investing right."

However, they quickly realised that there were tools and strategies on offer that could help them make their dream home a reality. This is how they methodically worked themselves into the house of their dreams, all while ensuring their financial futures.

"Being at the auction was petrifying. This was a big first step for us."

FINDING LAND

Not all properties are created equally; some have more potential than others, thanks to size, zoning, amenity and other factors. Once Dymphna had shown Gary and Camilla the kinds of things they could be considering in their research, they spent a long time looking for exactly the right piece of land. They eventually found it for $640,000. And it was exactly what they were looking for.

With an ability to understand the market, they were also able to negotiate the price down to $570,000.

TWO SHEDS TO PAY BACK THE PARENTS

Their plans hit a snag when their bank had issues with power lines crossing the front corner, and refused to lend to them at a 90% loan to valuation ratio. Thankfully, Camilla was able to lean on her parents for another 10%, and they got the deal over the line.

They were very keen to pay Camilla's parents back as quickly as possible, so they built two sheds on the property and within six months were able to refinance the loan, and repay her folks the money they'd borrowed with interest.

ONE DEAL TO FUND ANOTHER

At that stage, Gary and Camilla had enough to construct a modest home, but not the home they were dreaming of. So, they decided to find another investment deal to help raise extra finance.

They found a run-down property on the market for $500,000 and set to work renovating it, doing most of the work themselves.

They then removed a shed and started working on plans to subdivide the property and build a secondary dwelling on the first site.

While they had checked all their numbers and had their finance pre-approved, around this time the government-enforced lending regulations changed, and they weren't able to get the finance they were initially eligible for.

That meant that they had to go to a private lender to make up the rest of the construction finance. This obviously ended up costing them more, but they had built enough margin into the deal that they were still able to turn a $265,000 profit on the sale of both properties.

"We cleared $265,000 after the sale of both properties... even after the cost of getting private finance."

THE TOWNHOUSE DEVELOPMENT

While their funding options were still limited, Gary and Camilla were keen to keep moving forward, and so they put together a town-house development deal, together with Gary's cousin and the builder from the last project.

The build took just six months, this deal created a profit of $300,000, to be shared between the JV partners.

LET'S BUILD!

These two deals had given Gary and Camilla a considerable war-chest to work with, and using the builder from the previous two projects, they should be able to deliver a million-dollar build for around $500,000.

Even though Gary and Camilla will have built this house exactly to their tastes, making their dream a reality, those numbers mean that their family home should deliver an equity gain of over $800,000.Now that's a nice deal.

THIS IS THE WAY FORWARD

Property investing has helped Gary and Camilla achieve their dream, and they can see this is the way forward for them. They have secured two more development sites, and they expect to share in almost half a million dollars in profit once those deals are complete.

They have also set up an investment advisory service. It is just for friends and family at this stage, but they may take it public in the near future.

At the end of the day, Gary and Camilla's story shows that all dreams are possible – so long as you have the right education and strategies in place.

Let's hope that all young people learn from their example.

"We joined ILRE with $70,000 in equity. Now we're up to $1.4 million... and we're in our dream home!"

POST-DYMPHNA	VALUE	LOAN	EQUITY
PPR	$2,000,000	$820,000	$1,180,000
TOWNHOUSES (OUR SHARE)	$1,800,000	$940,000	$287,000
TOTAL EQUITY POSITION	-	-	**$1,467,000**

RENOVATION, SUBDIVISION & BUILD

Purchase	$505,000
Renovation	$80,000
Knocked down shed, subdivided. built another house	
Sold both houses	**$256,000 Profit**

JOINT VENTURE: HORSLEY THREE TOWNHOUSE PROJECT

Purchased for delayed settlement	$635,000
Saving on purchase with a tax credit	$43,000
Built in 6 months	$750,000
Sold (conditional)	**$1,800,000**
Projected profit	**$300,000**

WHAT THE RBA THINKS WILL HAPPEN TO RENTS

Sometimes the RBA looks stupid. Sometimes it's on the money.

BY DYMPHNA BOHOLT

There were a lot of Gem's at the RBA Governor Phil Lowe's testimony to the Economics Legislation Committee in Canberra at the end of 2022.

Like when he was asked if he was sorry if people believed him when he said interest rates wouldn't go up until 2024 at the earliest.

(He was sorry. 'My bad'.)

And fair a-flipping nuff. You're supposed to be the smartest guy in the room Phil. You literally have an entire building of economists working for you.

And it's your hand that is literally on the interest rate lever.

When you say, "interest rates won't go up until 2024 at the earliest", it's pretty reasonable for people to believe you."

And when you then turn around and drop 300 basis points on the country in the space of eight months, is it any wonder people were surprised? Is it any wonder that people were angry?

Because it had real financial consequences. Maybe people stretched themselves to take out loans, confident that rates wouldn't rise until Mumma was back at work.

Or maybe people didn't bother to fix at super low rates because they didn't think rates were going anywhere.

So yeah, I get that the outlook was very different when you said it, but still, unless you're absolutely 100% confident, maybe you shouldn't go around saying stuff like that?

Just a thought.

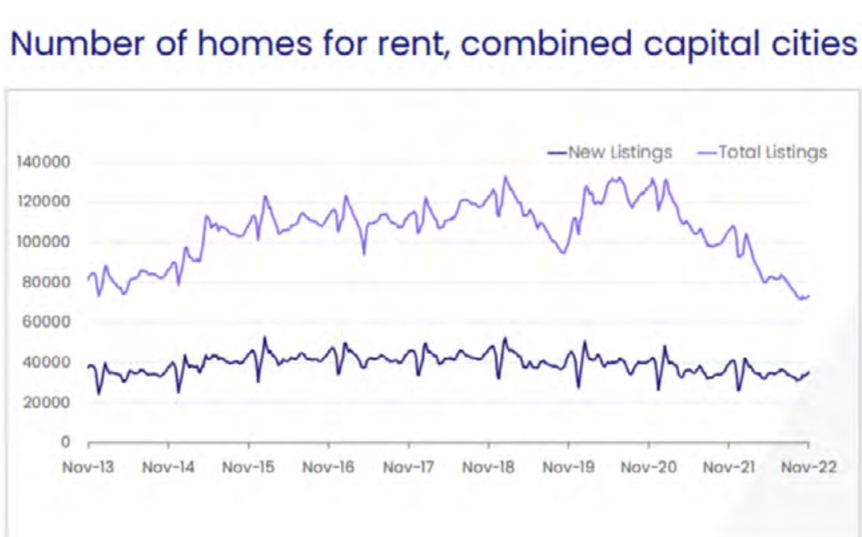
But anyway, rants aside, the other interesting thing I noted was that Phil Lowe agrees with me, in the sense that he's expecting rents to keep on growing quickly:

"The other supply side issue we are focused on is the supply of housing, because the rental vacancy rate now is quite low and the population growth is picking up".

"I'm imagining that we'll see increased pressure on rents over the next year as population growth collides with fairly modest growth in the supply of housing".

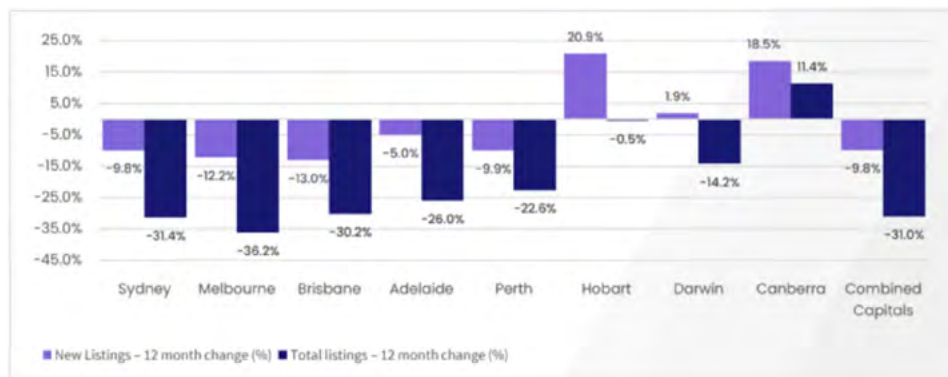
I've been saying this for a while.

CoreLogic's latest rental data shows that the number of homes listed for rent nationally has plunged to its lowest level in around a decade. Take a look at the chart. IN 2020 there were close to 140,000 homes for rent. Now there's about 70,000:

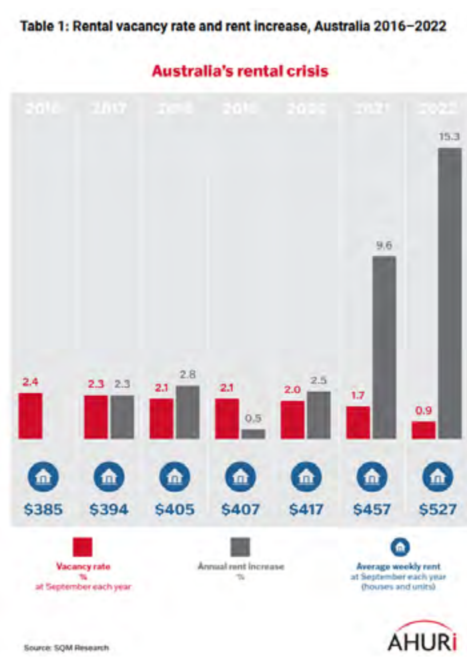


That's a big fall.

And this is a national story, with all the capitals down. Melbourne (-36.2%), Sydney (-31.4%) and Brisbane (-30.2%) have had especially sharp falls over the past year:



And a recent report from the Australian Housing and Urban Research Institute (AHURI) reckons that Australia's rental vacancy rate is tracking at 20-year lows, and this has helped drive rents through the roof:



The AHURI blames Australia's rental crisis on there being "not enough homes to keep up with population and household growth":

At a basic level, Australia needs sufficient new housing to house the nearly one million new households formed between the 2016 and 2021 Census; an 11.9 per cent increase (or an average of 197,826 households per year)...

The number of new residential dwellings did not keep up with the number of new households, increasing by only 10.6% per cent (around 198,000 new dwelling each year)...

As the rate of household formation is greater than the increase in new dwellings, this leads to increased pressures on housing demand.

Table 2: Population and household numbers, Australia 2016–2022

Australia	2016 Census	2021 Census	% change 2016-21
Population	23,401,881	25,422,789	8.6%
Households	8,286,078	9,275,212	11.9%
Rented dwellings	2,482,548	2,842,378	14.5%
All private dwellings	9,325,958	10,318,993	10.6%

So rents are going to soar higher and higher.

And there's nothing that AHURI or Phil Lowe, or anyone for that matter can do about it.

It's locked in.

Dymphna

WHAT THE SUPER-RICH WORRY ABOUT

There's work we all have to do, no matter how much money we have.

BY JON GIAAN

Not long ago I was on a super-yacht in the Greek isles talking to someone.

(Yes, I know a lot of my stories start that way.)

Anyway, the old fellah I was talking to seemed like he had it made.

He owned a super-yacht for starters. That's often a bit of a give-away. He also owned most of the island where we were staying, several mansions across Europe and America, a global shipping empire and an online shopping network, and there was probably enough gold around his neck to buy a small African nation.

The man had money.

And this was the tail end of the GFC, when everything seemed a bit topsy-turvey.

And do you know what he said to me?

"I just want to make sure I'm ok."

I didn't pick up on it at the time, but talking to my wife over dinner that night, I reflected on how strange it was.

He wasn't being ironic. He wasn't having a laugh about how much wealth he had.

He genuinely wanted to be "ok". He was genuinely worried that he wouldn't be ok. I could hear the worry in his voice.

It was ridiculous. There was enough seafood and whiskey, just on board the yacht, to last out a nuclear winter.

His companies made him more money in a single day that most of the world would earn in their entire lifetimes.

If he liquidated all his assets, there would have been so much cash that if you set it on fire, you could see it from space... and still have enough left over for him to live out the rest of his days in comfort. (He was already mid-70s.)

What does ok even mean?

And this is the thing.

(And if you're starting out on your journey to exceptional wealthy, as I sincerely hope you are, pay attention.)

We all need to feel like we're ok. That's a basic human need.

And money helps with all problems. Money is very useful like that. Often, if you're not ok – you're sick or your relationships are rocky – more money is probably going to help.

(Rich people have much lower divorce rates that the rest of the population.)

But at some point, once you've solved this problem and that problem, you're going to reach a point where money isn't going to help you anymore.

You've reached a level where it's about your relationship to your self. It's about whether you like who you are as a person. It's about your personal pride. It's about your resiliency.

And it's about whether you feel you can lean into and find support in the social networks you have around you.

Money is useful here, but it can not solve these problems.

It requires conscious work. It requires looking within and dealing with what you find there. It involves growing as a person.

Until you do that, you will never be ok. You will never know peace.

And it just takes the smallest global financial crisis to trigger it all off again, and for you to start worrying about whether you will be "ok" or not.

So take the time to be with yourself. I'm not talking five minutes after footy practice. I'm talking booking a weekend away to stare at the coast. Time by yourself.

Find that centre, that core – that place you turn to when life presents you with challenges.

Find that core, and you will always be ok. No matter what.

This is the work that we all have to do.

And money can't save us from it.

JG

Going Solo:

How a single mum built a $150,000pa portfolio and quit her day job!

After her divorce, Kristi found herself terrified of starting again. How would she find a way to support her family? However, with close coaching support, she smashed through her fears and landed $130,000 of passive income in a single deal. This is how she did it.

Kristi had been a dedicated full-time mum, but when her marriage ended, she found herself alone with two teens, over-indebted, overworked and wondering how on earth she would find a way to pay off a $300,000 mortgage.

Kristi exited the marriage with a modest amount of cash, shares and super, but she was totally overwhelmed by the idea of being the only person responsible for her family's future. She had all these inherited ideas – societal norms – about how you should make money, but none of them were inspiring or seemed to hold much promise.

The reality struck home. Kristi suddenly realised that having all her money tied up in the family home was never going to afford her the income or lifestyle she desired. On her end, she had a strong work ethic and a steady job, but she was burnt out from working long hours for just $65K per annum. She was a single mum with limited prospects and all alone.

"All of a sudden you're out there and you think, 'It's just me. I've only got myself to rely on."

"I thought what am I going to do? I no longer have a partner to back me up."

In order to increase her income, Kristi felt the only way forward would be to sell her house and start renting to free up some funds she could then invest in Real Estate.

Kristi attended Dymphna Boholt's conference a year before her house sold, and joined Platinum – a close one-on-one coaching program - just as the house settled.

Busting through her inherited beliefs that you need to work hard and do what's expected of you, Kristi started playing her own game of life.

DEAL 1 – SHEDS FULL OF DOUBTS

Kristi had done residential property investment before, but working closely with her Platinum Coach she decided to go after commercial property because of the income potential.

Being Perth-based did not deter Kristi from scouring the internet for sites nationwide. Some storage sheds in Maryborough, QLD popped up and they seemed like a deal with potential.

But then Covid threw Kristi a curveball. She wouldn't be able to travel, and she would need to purchase site unseen. This kind of deal is usually deemed super risky.

The deeper she got into the detail, the more challenges she found. To begin with, the sheds had no power, had limited accessibility, lacked vital tenant contract details, and on top of it all, the IT systems were absolutely archaic. A substantial number of the sheds were also vacant.

Kristi remembers how she was trying to find issues at every turn because she was trying to sabotage the deal. She was scared and wanted to protect herself. Her coach called her on it and asked her to confront her fears and meet them with facts.

As it was, the tenancy agreements were a little quirky, but workable. With coaching she was able to work through all of her concerns and mitigate the risks. The deal started coming together and Kristi decided to take the plunge.

There are 78 sheds on site and a small accompanying cottage. The cottage tenant takes care of general property maintenance and this in turn frees Kristi up even more to do the things she loves most.

The storage sheds are now 100% managed from Perth and 100% occupied.

"My Platinum coach really, REALLY got me over the line."

BUT WAIT, THERE'S MORE

The site also holds potential for an additional 30 sheds due to 700 square metres of vacant land.

She has plans to make these sheds happen, because she has seen how much interest she can generate in renting them out.

"I used to worry about getting enough tenants in, but now I get so many calls I don't even answer the phone!"

Kristi says "My answer phone message says 'the sheds are 100% full. If you are interested in going on a wait list please leave a message'."

What an absolute winner the storage sheds turned out to be! Personal breakthroughs and savvy systems skills have enabled a turnover increase of 45 percent. Kristi's passive income skyrocketed to $130,000 p.a, having invested $550,000 into the deal.

What's more, out of the equity gain she created by increasing the rent she was able to bankroll her second deal.

DEAL 2 – A TASTY $228,000 UPLIFT

Being based in Perth, Kristi had never heard of Maryborough in Queensland, nor had she ever been to Taree. This mattered precious little however when she spied a tantalising duplex opportunity in NSW.

Embodying her newfound confidence, and harnessing existing new-build skills, Kristi purchased the land for just $205,000 in this fast-developing location and teamed up with a developer.

Site works are currently in progress. The existing strategy is to complete the build and hold. Holding the properties would afford a yearly cash flow increase of nearly $20,000. However, if Kristi decides to sell, she will be $228,000 better off.

The ability to choose her own adventure from here only reinforces her sense of agency. Kristi can sell both, hold both, or sell one and hold one.

What would you do?

"I became aware that I was sabotaging myself. I had to choose to change."

SWEEPING OUT SELF DOUBT

Dymphna believes that cultivating a belief in yourself and breaking through pain points is always part of the process. Financial freedom goes hand in hand with personal freedom.

Platinum coaching provided a buttress of support in those crucial early stages so Kristi could stride with confidence towards her own unique goals.

She felt supported and able to talk things through with someone who really knew their stuff. This enabled Kristi to readily separate the hard facts from her fictional and defeating self-talk.

Though many fears had a spotlight shone on them along the way, Kristi managed, with the support of the I Love Real Estate community, to move through each one.

And now the results speak for themselves.

FEELING FREE, FEELS AMAZING

It is absolutely priceless being able to work less. Kristi has been able to take the time she needed to support her daughter through a period of poor health and more quality time with her granddaughter has been a special bonus too.

Friends and family are astounded by what Kristi has been able to achieve in such a short time and are also now asking how they too can see what opportunities await them.

A WEALTH OF KNOWLEDGE

Single parents often find themselves shouldering a heavy financial burden following separation and divorce. Dymphna's community provides financial literacy for property investing as well as a diverse and extensive community willing to support you exactly where you are at.

"Who wants to work 80 hour weeks for $65,000 a year when you can generate a passive income of almost $150,000!"

Inspired and now empowered to make really clever choices, Kristi is living on easy street with plenty of time for friends and family.

The future forecast looks sunny and bright.

STORAGE SHEDS MARYBOROUGH QLD

Purchase Price	$1,100,000
Purchasing and Holding Cost	$78,000
Operating Expenses	$43,000
Cashflow Per Annum	**$130,000**

DUPLEX DEVELOPMENT

Purchase Land	$ 205,000
Purchasing and Holding Cost	$ 47,463
Build Cost	$ 659,000
Estimated Sale Price	**$1,140,000**
Estimated Net Profit If Sell	**$ 228,000**
Estimated Cashflow If Hold	**$ 19,737**

CURRENT POSITION AFTER I LOVE REAL ESTATE

DEAL 1	
VALUE	$1,100,000
LOAN	$550,000
EQUITY	$550,000
CASHFLOW	$130,000pa
DEAL 2	
VALUE	$1,140,000
LOAN	$691,000
EQUITY	$449,000
CASHFLOW	$19,737 pa
SHARES	**$95,000**
SUPER	**$250,000**

BY DYMPHNA BOHOLT

WHY YOU MUST GET LANDLORD INSURANCE

Landlord insurance is just a cost of doing business.

If you're like many Australians, you might think that buying insurance for your assets isn't really worth it.

After all, the cost of insurance for your car might be the same as repairs should you have an accident. And after you pay the excess and yearly premiums, it could be about the same over a number of years.

But what happens when you crash into a Porsche? Have you seen how many Teslas are around these days?

You're up for big money. And let's face it. Even the most minor accidents can end up incurring huge costs.

So most of us probably do have insurance for our valuable assets.

So why wouldn't you have insurance for your investment property?

If you're a property investor, there are a few reasons why you should have it. I'll explain what you might be up for if you don't.

Firstly, it's tax deductable.

So it really isn't costing you anything. That's a no brainer. Enough said.

Now, this is a big one and you may not have even thought about it, but your landlord's insurance will cover you for Public Liability.

That's right. Most policies will cover you for around twenty million dollars if things go really pear shaped on your property for your tenants. A significant injury or a death on your property is something we all hope will never happen, but if it does, you want to be covered.

It might not even be the tenant, but one of their visitors. And should there be a legal case against you, you want all the help you can get.

Public liability is something we all need when we run a business or are a sole trader to protect us against legal action in the case of accidents, injury or death. These things can happen anywhere. Best to be prepared.

Landlord insurance also covers you against rental loss.

That's right. Now that doesn't mean if your house is empty because you're between leases, or because you're renovating. It means that if there has been a storm and the roof caved in or a flood took out the downstairs bedroom, you're covered for the period of time that it has become uninhabitable.

You're also covered for other types of damage.

Not just from the wild weather, but also in the case of wild tenants.

Tenants are protected from having to pay for the normal wear and tear that occurs to a property during its life time by state laws.

But what happens if a tenant has a dog you didn't know about that likes chewing on the doors? Or your tenant has had a few too many people living there and one of them decided to do some minor renovations? Like put a hole in the wall?

What happens when a tenant accidentally sets the VCR on fire with an ambient vanilla scented candle and burns down half the loungeroom? Yep, that happened to a student of mine.

And they didn't have insurance.

The tenants were all students, so of course they weren't going to foot the bill. It cost an absolute bomb for the repairs. The bond didn't even come close.

If they had had insurance, the costs for repairs and rebuilding would have been covered.

Malicious damage and vandalism are also covered by Landlord's insurance.

Tenants on the run.

It's unfortunate, and sometimes unforeseeable, but it does happen. Sometimes tenants will skip town, owing you rent. Sometimes they'll take the furniture with them.

I have a friend whose tenant took his moving truck when he left the property. It was his business and it put a massive hole in his month.

The costs to recover the vehicle were substantial to say the least. As well the time and stress of dealing with the police. Now, if he'd been insured, at least some of those costs would have been taken care of.

Your insurance will also cover legal costs if the situation with your tenant ever gets to the Tribunal or you have to go to court.

You get the picture.

So if your rental has white goods, or a $4000 leather couch, or anything else that you consider to be valuable, like walls, you'll be covered in the event that something happens, be it accidental or not.

So if you have investment properties, you should consider Landlord Insurance to be just a cost of doing business.

Don't think of it as optional, or you might be up for more than you bargained.

Dymphna

How Kelly went hard: Earning $45,000 at the reception desk one year and $191,000 through property investing the next!

Kelly knew she didn't want to be stuck behind the reception desk forever. And when her partner – a rugby league coach – got a great opportunity in another city, Kelly knew she needed a source of income that was independent and portable. Property investing has given her just that, and in less than 12 months, she has replaced her income five times over.

Kelly has been part of the ILRE community for two years now, but she reflects that she just spent the entire first year just trying to get her head around the huge amount of information on offer.

She then decided that she wanted to 'go hard', and so she signed up for the Platinum Program to access the close one-on-one mentoring support the program offered.

This mentoring support has allowed Kelly to achieve an incredible amount in a very short time – hammering out six deals and creating over $191,000 worth of equity in less than 12 months.

However, these results speak to Kelly's tireless hard work and dedication as much as they do to the effectiveness of the strategies and support available through ILRE.

This is how she did it.

"To get to my first ILRE event I rode from Palm Beach to Broad Beach on a pushy. It took me two hours."

DEAL 1: THE BLIND BUY

Kelly had learnt that you make money when you buy, not when you sell, and so she went looking for a property she could buy for under market value. She found it in a unit that had a problematic tenant that wasn't letting anyone in for inspections.

Kelly made an offer (subject to inspection) without ever seeing the property, but once she did finally get to inspect the property, she was happy with what she saw, and the deal went ahead.

She and her partner then moved into the property, and renovated it while they were living there, redoing the kitchen and opening up the living areas. Kelly sold the property when they moved to Brisbane for a profit of $67,000, after costs.

"We've learnt that ugly is good. Easy-to-fix-ugly is even better."

DEAL 2: MOVING TO BRISBANE

Kelly's partner coaches Rugby League and got an opportunity to coach at a level up in Brisbane. Kelly decided to do another PPR renovation, finding a cheap unit in Clayfield, and renovating it back to market standard. When she sold the property just over a year later she made a tidy profit of $73,000, after costs.

DEAL 3: FINDING PARTNERS IN CRIME

At this point Kelly had maxed out her borrowing capacity, since she was working on the reception desk at a real estate agent's office, and the wage wasn't substantial.

Kelly wasn't going to let this hold her back though, and so she sought out 'money-partners' through the ILRE community – people willing to fund profitable investments.

Having secured a JV partner she found a cheap property in Maryborough, QLD. It was a steal at just $125,000, but as an old Queenslander, it had a lot of potential. Reconfiguring the floor plan, adding a shed, and doing a large chunk of the work herself, Kelly was able to increase the property's value by $57,000 in just seven weeks, giving her a profit share of $17,000.

Not bad for seven weeks' work.

DEAL 4: TALENTS COMBINED

Kelly then engineered another JV deal. This time with a friend she had made through ILRE, and they realised that if they got together they'd have just enough for a deal.

They found a property in Brisbane's north, just 14 kilometres from the CBD for $412,000. They put in a new kitchen and bathroom and tidied up the façade, and sold the property just eight weeks later for $570,000, or a profit of $73,000 after costs.

DEAL 5: WHO NEEDS A DAY JOB?

Kelly has stuck with a winning formula and is quickly becoming familiar with the market. Now, she's is in the middle of another JV renovation flip.

With a purchase price of $538,000 and a projected final sales price of $690,000, Kelly expects to book a profit of $47,000 on this one.

Kelly laughs. In just seven and a half weeks she can make more money that she used to make in a year at her previous job.

And she doesn't have to deal with a boss. You can't put a price on that.

"I was more of a risk taker, but my JV partner was really good with the numbers, so we made a good team."

DEAL 6: MAKING THE PPR PAY FOR ITSELF

Kelly has realised that there's no reason you can't apply these strategies to your own home, and so she has recently bought a cheaper property in the inner-suburbs of Brisbane, and is in the process of doing it up. Her partner's coaching contract winds up in two years, at which point she expects they'll sell for a profit of $70,000.

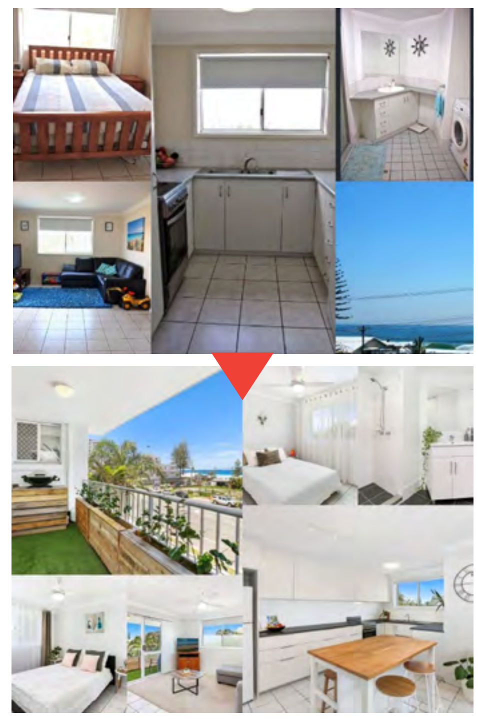
PLATINUM ACCELERATION

Kelly wanted to go hard, and the Platinum Program gave her the support and resources she needed to create a phenomenal turn-around in her life. And she's barely gotten started.

"I've found a niche and a strategy I love. Now it's just about working with bigger and bigger numbers."

PRE-DYMPHNA	VALUE	LOAN	EQUITY
SAVINGS	$6,000	-	$6,000
PPR	$277,000	$181,000	$96,000
INVESTMENT PROPERTY	$350,000	$278,300	$71,700
CREDIT CARD	-	$5,000	-$5,000
TOTAL EQUITY POSITION	-	-	$168,700

POST-DYMPHNA	VALUE	LOAN	EQUITY
SAVINGS	$64,500	-	$64,500
PPR	$390,000	$144,500	$195,500
INVESTMENT PROPERTY	-	-	-
CREDIT CARD	-	-	-
LINE OF CREDIT	$166,500	$166,500	-
TOTAL EQUITY POSITION	-	-	$360,000



PALM BEACH RENOVATION

Sales Value	$380,000
Sales Costs	$12,160
Purchase Price	$277,000
Total Costs	$313,010
Profit	**$66,990**

BRISBANE NORTH JV RENO FLIP

Sales Value	$570,000
Sales Costs	$16,947
Purchase Price	$412,000
Total Costs	$496,193
Profit	**$73,807**

AUTHENTICITY. THE KEY TO COURAGE

This doctor has given me a whole new outlook on authenticity

BY JON GIAAN

I used to think 'authenticity' was a bit of a magical thing.

It's a drive we all have. I'm sure of that. We want to live in a way that's authentic – that's true to ourselves.

We want to feel that our outward life reflects our inner life. That we move in a way that's true to our values and beliefs.

I didn't really question where that came from. Sometimes I wondered if that authenticity was what the mystics talked about when they talked about a 'soul' – a potent energy deep inside us that longed to be expressed.

But I knew that authenticity was one of the keys to happiness. I knew that it didn't matter what you achieved in the material world – it didn't matter how big your penthouse was or how shiny your car was – if you weren't being authentic to yourself then you'd never be happy.

So I was very interested this week when I watched a doco on Gabor Mate. He's a doctor that's worked a lot with trauma, and the way trauma lives on in the decisions we make and the way we live our lives.

(Amazing dude. Check it out if you haven't had the chance.)

Anyway, he said that there only two basic needs we have as humans. Attachment (connection and intimacy), and authenticity.

But for him, authenticity wasn't some airy-fairy idea. It was a biological imperative.

For him, it's connected to our gut – our intuition.

The world we evolved in was too complex and too fast to meet with the conscious mind. If you suddenly heard the foot-fall of a sabre tooth tiger behind you, you had to react instinctively. You couldn't wait for you head to process what was happening. You had to let your body drive. You had to move at the speed of instinct.

Authenticity then is a feeling that comes when your body's instincts play out in a healthy way within you. It's when there is space for them. It's when it's ok for the body's instincts to be expressed.

This is authenticity. It's a survival mechanism.

And that's why we value authenticity so much. It's why we feel so lost and despondent when we are living in an inauthentic way or living inauthentic lives.

If there's no space for genuine emotion and genuine authentic expression, then we are cut off from the most important survival tool we have – the instincts of our own body.

And so when we deny anger and suppress it, we disconnect from our instincts. And when we deny grief and suppress it, we disconnect from our instincts. And when we deny our sensual and sexual sides, we disconnect from our instincts.

But we rely on our instincts. We've relied on our instincts for millennia.

So is it any wonder that if we're being inauthentic – if we're disconnected from our bodies – we feel alienated, alone and scared?

And isn't authenticity then the key to courage?

So I don't know. I'm still not sure where this lands.

But I'm seeing authenticity in a whole new light.

Living true to yourself and living on your own terms – it's even more awesome (and important!) than I'd imagined.

JG

GREG, KAREN, CASSY & JARROD

The family that deals together, stays together.

The inspiring story of how property investing has become the glue that keeps this lovely family together.

Greg and Karen became members of the I Love Real Estate community in August 2014. Their daughter Cassy and her fiancé, Jarrod, decided to join them just over a year later.

They were all already seasoned property investors at that stage, but were still struggling to get the results they were looking for. Greg and Karen, in particular, had been defrauded by a close friend, and were struggling to trust people and take risks.

Spending time with the ILRE community gave them the perspective to rethink their investment strategies, and pivot towards deals that were better suited to their stage of life. For Greg and Karen, who had accumulated some equity, it was about creating income. For Cassy and Jarrod, who were still on the fun side of 30, it was about accumulation and sharpening their teeth as professional property developers.

"In our little tribe we're called 'The Property Parents.' We love hanging out with the young ones and helping them with their deals." - Karen

Their financial results speak for themselves, but their example also speaks to the ability of property to transcend generational divides. Property is always a hot topic of conversation around the dinner table, and jamming out property deals is something of a family pastime.

They really value having a shared mission and a shared set of tools to work with. It is a strong bond that holds the generations together.

THE PROPERTY PARENTS

Greg and Karen joined ILRE with about $700,000 worth of equity in their home and in two investment properties that they owned. However, the investment properties were neutrally geared, and weren't providing any income.

Their first task was to get their investment properties to do a bit more lifting, by adding attached granny flats, and purchasing two more cashflow-positive investment properties.

They then set their sights on two joint venture boarding house deals in regional NSW, and one on their own.

These properties are nearing completion, and will be positively geared to the tune of $100,000 and $65,000 respectively.

In just over three years, they were able to create $177,000 worth of passive investment income.

THE PROPERTY KIDS

Greg and Karen's daughter Cassy knew that her teenage sweetheart, Jarrod, was "a keeper" the day he showed her around a vacant block of land he owned, and told her about all the wonderful things he was going to do with it.

Since then, he's been a passionate property buff, although perhaps a bit prone to 'buying first, thinking later'.

"People say, 'When are you going to retire?' but I say, 'Why would I retire? Property already allows me to do what I want to do'." - Greg

ILRE has put the polish on their raw talent and potential, and set them up for a long and profitable career in property development.

Cassy and Jarrod's go-to strategy is house and land construction projects, with a particular focus on suburbs around Sydney's south-west, often in joint ventures with other ILRE students.

"I hear people say that kids can't get into property, but look at us. There's always a way if you're willing to work hard, get educated, and get creative." - Cassy

"This is the ripple effect. You work on yourself, you change your situation, and the impact of that can last for generations." - Dymphna Boholt

These deals typically return around $100,000 - $150,000 in profit each, and with their systems now humming like a well-oiled machine, Cassy and Jarrod are now able to complete 10 to 12 projects a year.

In the last three years alone, they have booked over $1.8 million in profit, and have launched an award-winning construction company ... all while they are both still in their 20s.

POST-DYMPHNA

PROPERTY	PROFIT	PASSIVE INCOME
ORAN PARK	$219,000	$3,700
LEPPINGTON	$210,000	$4,800
DUPLEX ORAN PARK	$166,000	-
DUPLEX ORAN PARK	$120,000	-
DUPLEX GREGORY HILLS	$48,750	-
HOUSE SPRING FARM	$36,500	-
SUBDIVISION SPRING FARM	$825,000	-
DUPLEX ORAN PARK	$28,250	-
DUPLEX ORAN PARK	$47,313	-
4X DUPLEXES ORAN PARK	$180,000	-
TOTAL	**$1,880,813**	**$8,500 PA**

ATTACHED HOUSE AND GRANNY FLAT – ORAN PARK

Cost (2016)	$631,000
Value	$850,000
Rent	$850 per week
Positive Cash Flow	**$3,700 per year**

ATTACHED HOUSE AND GRANNY FLAT – LEPPINGTON

Cost (2016)	$640,000
Value	$850,000
Rent	$850 per week
Positive Cash Flow	**$4,800 per year**

DUPLEX – ORAN PARK

Cost	$1,110,000
Sold	$1,276,000
Profit	**$166,000**

DUPLEX – ORAN PARK

Cost	$1,180,000
Sold	$1,300,000
Profit	**$120,000**

JV (50%) DUPLEX – GREGORY HILLS

Cost	$1,092,500
Sold	$1,190,000
Profit	**$97,500.00**

JV (50%) HOUSE – SPRING FARM

Cost	$617,000
Sold	$690,000
Profit	**$73,000**

JV (25%) 34 LOT LAND SUBDIVISION – SPRING FARM

Cost	$7,400,000
Sold	$10,760,000
Profit	**$3,300,000**

JV (25%) DUPLEX IN ORAN PARK

Cost	$1,100,747
Sold	$1,290,000
Profit	**$189,252**
Did another four Profit (25%)	**$720,000**

How a fortune is made: Susan's portfolio generates over half a million dollars cash flow every year!

It cost Susan everything she had to leave South Africa, but after the second car jacking, she knew her family's safety had to come first. Starting over in Australia, she has built a phenomenal property portfolio, valued at almost $10 million, and paying her over half a million dollars every year … and all in the space of less than 10 years.

Susan's son has cerebral palsy, and to be able to immigrate to Australia, she and her family had to pay for a number of lengthy and expensive medical procedures. But after the armed robbery and the second car jacking, Susan knew that they just had to do whatever it took.

Whatever it took ended up being everything that they had, and Susan arrived in Australia with no job and just $5,000 to her name. However, she and her husband quickly found work, and set about rebuilding their life.

"It's terrifying when someone sticks a gun in your face. After the third time, I thought, 'That's it, we've got to go."

Susan knew that property was a fantastic road to wealth, and she had completed a number of deals in South Africa before coming over to Australia. However, she really wanted to understand how the property market in Australia worked – including how property law worked, the best tax and ownership structures, the kinds of deals that were possible, etc.

After some research, she found Dymphna Boholt, who was the expert she was looking for. Furthermore, the ILRE training contained everything she needed to know. Soaking up the education that was on offer, Susan quickly set about rebuilding her fortune.

It started with a small renovation deal, which set her up for a subdivision deal, which then set her up for two large and profitable development plays. Her personal investment portfolio is now worth $9.1 million, it generates over half a million dollars in passive income, and she's generated almost $10 million in profit along the way. And, she's managed to achieve all this in less than 10 years. This is how her incredible journey played out.

DEAL 1: GETTING A TOE HOLD

Susan managed to execute her first deal with no money of her own. Leveraging off the First Home Owner's Grant, which at the time was $7,000, she managed to borrow the rest of the purchase price off the bank. Scratching enough together for a small renovation, Susan sold the property a short while later for a profit of $20,000.

"I did my first deal without any money. It was all first homeowner grants and a mortgage."

DEAL 2: THE DEAL THAT KEEPS GIVING

Doing a joint-venture with a friend she had made at an ILRE property event, Susan picked up a vacant parcel of land for $350,000, with a 12-month settlement. She then subdivided it into eight separate lots, keeping two for herself and giving one to her JV partner. She sold off the other five lots for a cash profit of $160,000.

With her two vacant pieces of land she built one dual-key property, and one duplex. Since she was able to build the dual-key property without a loan, that one is positively geared to the tune of $30,000 a year, while the duplex is positively geared to the tune of $11,000 a year.

DEAL 3: READY TO DREAM BIG

Having built equity and having increased her income and serviceability – all while continually investing in her education – Susan was now ready to go after the big one.

She found that in the form of a large parcel of rural land that had recently been rezoned medium density. Purchased for $3.75 million, Susan and her JV partners are in the process of building an incredible 159 townhouses and 12 apartments.

Spread out across five stages, they have already completed the first two stages, and are already in the money, having booked over $1 million in profit. By the time the five stages have completed, they will have booked $19 million in profit, of which Susan will keep half.

Not only that, but Susan plans to keep 10 townhouses and the retail centre with 11 apartments for herself. She also maintains management rights on the property, as well as ownership of the local solar grid, both of which provide operational income.

So on top of her profit share of almost $10 million, Susan will receive over half a million dollars of income out of the property every year.

Now that's big fish.

"We've built the first 27 houses, and now we're starting to see the money come in. It's amazing. We've created $19 million profit on this deal."

DEAL 4. GO BIG AGAIN

After another couple of deals – which were great but small fry in the scheme of Susan's story – Susan is now in the process of negotiating a large commercial centre in Noosa. The property already has three tenants, delivering a net rental income stream of $236,000 per annum, but Susan plans to develop the property, and put in an organic market, a tech incubator and some student accommodation among other things.

Susan expects that, when completed, this property should deliver around $750,000 a year in passive income.

"It takes a lot of sacrifice and will-power, but you also need support. I couldn't have done this without my JV partners and the ILRE community."

REBUILDING AND REBUILT

Having rebuilt her fortune many times over, Susan isn't slowing down anytime soon. For people willing to invest in themselves and to take action, the opportunities really are endless.

DEAL 3: JV TOWNHOUSE DEVELOPMENT

159 townhouses, mixed use and 12 apartments

On Completion in 2 years approx

Estimated Sales	$75,185,000
Total Construction Costs	$56,388,750
Profit (Including Properties Held)	**$18,796,250**
POC	33%

DEAL 5: JV COMMERCIAL RENO & TENANTED, FORTITUDE VALLEY

Burnt down property, empty for 6 years

Turned into co-working space

Lease mgnt cashflow approx $120k per year

POST-DYMPHNA RESULTS

PROPERTIES	VALUE	EQUITY/UPLIFT	CASHFLOW	PROFIT	FUTURE PROFIT	PRTY MGNT	MGNT RIGHTS	SOLAR ELC
DEAL 1 - RENO	-	-	-	$20,000	-	-	-	-
DEAL 2 - SUBDIVISION	-	-	-	$79,537	-	-	-	-
DEAL 2 - DUALKEY	$650,000	$314,000	$30,000	-	-	-	-	-
DEAL 2 - DUPLEX	$750,000	$300,000	$11,500	-	-	-	-	-
DEAL 3 - DEVELOPMENT	-	-	-	$806,796	$9,398,125	$7,572	$210,000	$39,596
DEAL 3 TOWNHOUSES HELD	$1,020,000	-	-	-	-	-	-	-
DEAL 4 - UNIT RENO	$695,000	$185,000	$35,000	-	-	-	-	-
DEAL 5 - COMMERCIAL RENO	-	$500,000	$120,000	-	-	-	-	-
DEAL 6- REDEV COMMERCIAL	$6,000,000	-	$236,000	-	-	-	-	-
TOTALS	**$9,115,000**	**$1,299,000**	**$432,500**	**$906,333**	**$9,398,125**	**$7,572**	**$210,000**	**$39,596**

BY DYMPHNA BOHOLT

HOW TO WIN THE RAT RACE

Why is it so hard to get ahead?

How did we get here? One of the richest nations on earth, and we're all still struggling.

Or it feels that way sometimes.

We're not living-in-a-shanty-town-on-a- rubbish-tip struggling, but still, 60 odd years of economic miracles and how much relaxation do we have to show for it?

Not too much.

And maybe some boomers are coming in to retirement, feeling like they might be able to enjoy a well-earned rest.

But then their kids are facing the prospect of being locked out of the housing market if they don't step in to help.

We know that, more and more, kids are going to their parents, or even their grand-parents for help coming up with a deposit.

(More and more people are leaning on the grandkids for school fees!)

So much for a cruisy retirement.

What's the point of busting a gut you're whole working life, only to find out a good chunk of what you've put away is now needed just to help your kids get a house?

The rat race has gone intergenerational.

And the point is that it's not just about where you are in absolute terms. But in a market where there is free competition for goods and services, and when that competition sets the price, then it's not your absolute position. It's your relative position. It's where you're placed in the great rat pack.

And we've got an economic system that relies on growth. It's like a shark. If it stops moving, it dies.

And so the system relies on whipping the rats along faster and faster. And if the system starts to stall, we ask the politicians to crack the whip a little harder.

(I definitely don't think you'd design a system this way.)

But all of this rat racing is hidden from us to a degree. And that's because the prices of pretty much every manufactured thing have been falling.

Think about computers. $1000 buys you a tonne more computer now than it did ten years ago.

And so that gives us the feeling that we're getting ahead. And it is true, in a way, that massive deflation in most things in the economy gives us the feeling that we're getting wealthier.

But the nature of the rat race means that those wealth gains just get transferred somewhere else. Save $500 on a computer, and that's $500 to spend somewhere else.

And so we only see the full extent of the rat race in things that are in fixed supply.

Things like land and property.

Growing incomes and a falling general cost of living have simply translated into higher property prices. (Well, its one of the factors driving prices). The more money we have in our pockets, the more money we have to bid up limited real estate.

And the wealthier nan and pop become, the harder it is for the kids to buy houses, the harder they lean on nan and pop.

Is there a net gain?

I don't want to be too much of a downer. I wouldn't swap living in Australia for anything. Life is awesome, and we're all doing the best we can. And I think we can say that life is better now than it was 50 years ago... can't we?

My only point is, when some resources are limited (like land), we create a rat race. That rat race will then turn around bid up the price of things like land.

It's not enough to just keep pace with the rats. You need to jump exponentially ahead of the pack if you want to relax.

And in my mind, assets that are pumped most by the rat race, are exactly the vehicle you need to do that. It's why I'm a property nerd.

It's a bit of an ugly truth, but this is the system we've got. You either work with it or you don't. And I don't see any alternatives on the horizon.

Dymphna

The X Factor:

The one thing it took to turn a desperate single mum into a successful business owner.

Melissa was a property guru and she didn't even know it. A bitter divorce had robbed her of her sparkle and her self-esteem. It wasn't until Dymphna Boholt took an interest in her skills, and gave her the tools she needed to repair her sense of self-worth, that Melissa was finally able to live a brand new story.

Melissa looked up one day and realised that she was a single mum with a three-year-old. The world (and the economy) isn't kind to single mothers, and for the first time, Melissa's future held nothing but grey clouds and uncertainty.

She thought that perhaps this was all she deserved.

"The divorce was bitter. It robbed me of my sparkle, and not only that, now I was a single mum who was unable to get ahead."

Looking for a way out of a desperate situation, Melissa joined ILRE in 2015. Back then, everything she earned went towards her living expenses, and Melissa didn't know how she was going to provide for her daughter.

She came to ILRE as an open book; she didn't know what her niche was going to be, and she didn't believe she had all that much to offer.

MELISSA'S SECRET

But Dymphna Boholt was quick to see her potential. Melissa actually had a wealth of experience in real estate. For several years her day job had involved sourcing properties for charities to raffle off. And since her charity was one of the smaller ones, she had to find older, cheaper properties with potential, and do them up.

"You have this expectation when you join ILRE that everyone is already a million dollar developer, so what do I know? But the truth is the right people can help you realise your potential."

With a million dollars to work with each month, she had bought a property every 30 days for five years, and had project-managed over 70 major renovations.

Outside of Dymphna herself, there are only a handful of people in the ILRE community with that kind of experience. It's incredibly valuable.

But Melissa still thought she had nothing to offer. She was still running a script about being a single mother, destined to struggle and no idea how to break free.

MELISSA'S SECRET IS DYMPHNA'S SECRET TOO.

In this way, Melissa's story is Dymphna's story. Dymphna had also been a single mother, chained to the wheel of her accountancy practice, struggling to provide for her three children.

Dymphna's future also seemed to offer her nothing of hope and value, until she sat herself down and asked herself two questions; two questions that can completely transform a life. The first being, "What do I truly want?" and the second is "What am I willing to do to achieve it?"

For Dymphna, it was uncovering the secrets of property investing, and replacing her income in 18 months. The rest is history.

TIME FOR A NEW STORY

For Melissa, it was a willingness to honour the potential Dymphna saw in her. Dymphna asked Melissa to get up on stage and share what she knew about styling and presenting a home with the other Platinum students.

After that, Dymphna took Melissa on her national roadshow, asking her to present to thousands of people across the country.

For a normally 'mousy' Melissa, this took courage, and it took a willingness to see her self in a whole new light. She couldn't be a desperate single mum with nothing to offer. She had to be a confident woman with a wealth of invaluable experience to share with investors.

"I took my coffee across the road to the beach and sat myself down with a notebook and asked myself, "Ok, what do I really want?" That one hour completely changed my life."

Of course, she already was that woman, but she needed to see it for herself. You can't rewire yourself like this overnight, but thankfully Dymphna had the tools Melissa needed to start telling a brand new story.

A PROPERTY GURU IS BORN

For Melissa, now the rest is history. Under Dymphna's guidance, she has launched her own property advisory service, helping investors stage and style their homes for sale.

Leveraging off Melissa's unique experience, these services are in high-demand. Her company, Meluka Design, has long since outgrown Melissa's garage, and is now a company with it's own warehouse, four employees and she was awarded Stylist of the Year for South East Queensland.

Melissa has given birth to the property guru within, and her future is now one of incredible promise and excitement.

At the end of the day, Melissa's story highlights the fact that behind every success story in the ILRE community, no matter how grand or humble, there is one thing they all have in common - a special X-Factor – and it's this:

It is simply a willingness to tell a new story about who you are, and what your future holds.

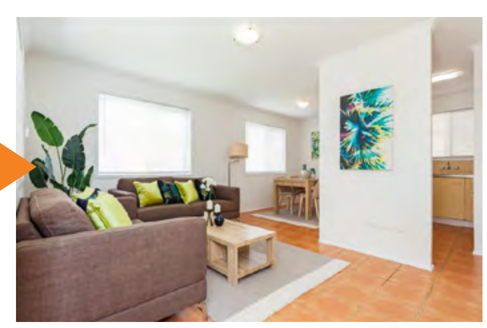
It is as simple, and as difficult, as this.

"You've got to give yourself time. Take time out and ask yourself, "What do I truly want?" and "Am I still on that path?"

PRE-DYMPHNA	OWING	EQUITY
PROPERTY – MOOLOOLABA UNIT	$264,000	$66,000
POST-DYMPHNA	**OWING**	**EQUITY**
PROPERTY – ACREAGE HOME	$685,000	$185,000
BUSINESS - MELUKA DESIGN (VALUE $750,000)	-	$400,000
PERSONAL GROWTH	PRICELESS	PRICELESS
SELF CONFIDENCE	PRICELESS	PRICELESS
TOTAL		**$ 585,000**

PROPERTY DEAL 1: RENOVATION CONSULTATION & STAGING
Property hadn't sold for 9 months
Total client spend reno and furniture $20,000
SOLD on the first open home for $90,000 more than originally listed

MELUKA DESIGN BUSINESS GROWTH
2015 – Single garage
2016 – Large backyard shed
2017 – 200m² Industrial warehouse
2020 – 600m² Industrial warehouse
Awarded "Property Stylist of the Year" 2018, South East Queensland"



PROPERTY DEAL 2: JV RENOVATION, SUBDIVISION & BUILD
809m² property in suburbia purchased $329,000
Renovated front house, built second house at back, build time – 7 weeks
Strata titled block, staged both properties
Front dwelling sold $383,000
Back dwelling sold $435,000
Total profit $120,000 Split with JV partner $60,000 each

SHIRAL & CHANI

How a boy from Sri Lanka turned $40,000 into $32 million of property deals in just five years.

DEAL 1: RIVERSTONE NORTH WEST SYDNEY
3 Lots sold as House & Land

DEAL 3: RIVERSTONE NORTH WEST SYDNEY
11 Lots sold as House & Land

DEAL 5: AUSTRAL SOUTH WEST SYDNEY
26 Lots Land Subdivision

When Shiral and Chani came to Australia, they started working incredibly hard, but Shiral could see there was no future in "trading time for money." Using some creative "no-money-down" strategies, he built up enough wealth to start doing large scale deals on his own, and he now earns over $100,000 a year, just from his investments. This is how he did it.

Born into a humble household in Sri Lanka, Shiral never had much money growing up. He remembers at one stage his father didn't have enough to pay for his karate uniforms, and he had to quit.

When he was 17, Shiral's father suddenly passed away. This taught Shiral that are no certainties in life so he became driven to work hard and become financially secure.

Shiral and his teenage sweetheart, Chani, worked incredibly hard to set themselves up. They studied very hard and came to Australia to work as nurses, both going on to do post-graduate study.

They both then got 'good jobs'; Shiral became a Clinical Nurse Specialist and worked in management positions. To save for a house they both worked long shifts, often leaving at 6:30 in the morning and coming home at 11:30 at night.

"A lot of people at work said, "Oh you're going to go broke. You're not going to make it." I didn't argue but I didn't let it stop me either. Don't listen to people who have never done anything."

But Shiral felt that there must be more. He wasn't there when his sons first started to speak, or when they first started to crawl. He was living to work.

To make matters worse, Shiral couldn't see a way out. Robert Kiyosaki, the author of Rich Dad, Poor Dad, says that a job is a short-term solution to a long-term problem, and Shiral knew that as long as he was trading time for money, they'd never be able to live the life they dreamed of.

One day, one of his colleagues invited him to a one-day event Dymphna Boholt was running, and this gave Shiral the hope he was looking for. He threw himself into the study materials, watching the training videos over and over.

"I've done very well, but I didn't come up with any of this. I learnt these systems from Dymphna. I just made them happen."

In the meantime, Chani was jealous. Shiral was spending more time with Dymphna than with her. But the study paid off. Shiral and Chani had just $40,000 to work with, but Shiral identified some strategies that could get them moving forward, and in his first deal Shiral turned that $40,000 into $150,000.

That gave Shiral and Chani the start they needed, and after another couple of similar deals, Shiral moved into larger development deals. His first was a 26-lot subdivision, which created over $2 million in profit for Shiral and his investors.

From there, Shiral and Chani were on their way. They have now organised two more deals, each one bigger than the last, and they have almost $32 million worth of property completed or in progress.

More importantly, Shiral and Chani now earn almost $100,000 a year from their investments. This has enabled Shiral to quit his nursing work and stop trading time for money.

And, they were able to do all this in less than five years.

This is how they made it happen.

DEALS 1 & 2: STARTING WITH NOTHING

Through all of his study, Shiral learnt about property options. An option is the right, but not the obligation, to purchase a property. That gave Shiral the ability to complete the deal before he was required to pay for it.

He found three vacant lots in north-west Sydney, engaged a builder, and sold them on as house and land packages. The option fee and the legal cost Shiral $40,000, but he created a profit of $150,000 on the deal in a matter of months.

This worked so well that Shiral did it again, turning a quick profit of $75,000 on another three-lot deal.

DEAL 3: BIGGER THIS TIME

Dymphna had taught Shiral that it's best to become an expert in a small number of strategies, rather than running around and trying lots of different things. So Shiral went for another option deal, only this time on a parcel of 11 lots.

Using the same builder, Shiral created half a million dollars in profit, of which his share was $400,000.

"Successful completion of development projects not only benefitted myself but also the people that trusted in me – thanks to Dymphna's Education"

DEAL 4: INTO THE BIG LEAGUE

At this point, north-west Sydney was becoming too expensive, so Shiral went looking for deals in south-west Sydney. He did a letter-box drop himself, walking door to door on foot, dropping off bright pink envelopes with offers to buy.

This turned up a large three-acre property that Shiral engineered into a 26-lot house and land project. That deal alone has created over $2 million in profit.

DEAL 5: A SYSTEM THAT WORKS

Shiral now has a system he knows and loves, and he has secured another 26-lot project in Sydney's south-west. The DA is with the council now, and it should also create several million dollars in profit.

DREAMING BIG, REMAINING HUMBLE

In just five years Shiral has created a personal fortune of over $4 million and has created an income stream of over $100,000 a year. He has quit his day job and finally has the time he wanted to spend with his family.

However, Shiral and Chani remain humble, and they currently sponsor five children in Sri Lanka through school and university. They want them to have the start in life that they had to fight so hard to achieve themselves.

"You need support, and that is why the ILRE Facebook group is so amazing. You put up a question, and 30 or 40 people will be there to help you. You can't get that anywhere else."

PRE-DYMPHNA

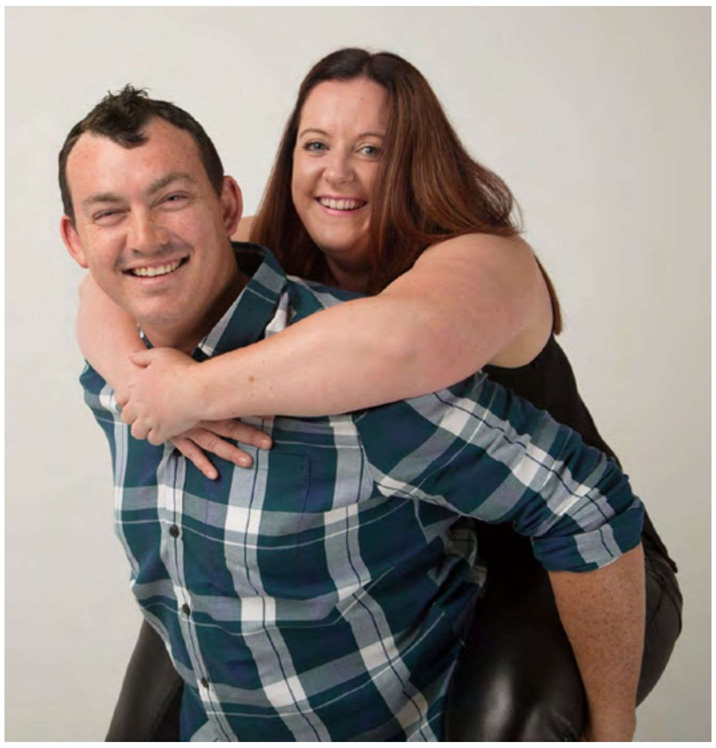
PROPERTY	VALUE	EQUITY	DEBT
PPR	$650,000	$200,000	$450,000
CREDIT CARD	-	-	$20,000

POST-DYMPHNA

PROPERTY	VALUE	EQUITY	CASHFLOW
DEALS & DEVELOPMENT	$4,300,000	$3,020,000	$100,000

Tough love and tough choices.

How the right education pulled this young couple out of crippling debt.



A bit of keenness and overconfidence had landed Jordan and Alex in a terrible financial position. This is the story of how the ILRE community pulled a young couple out of trouble, and put them back on the straight and narrow.

Jordan admits that he was "never great with theory." What he lacks in academic rigour he makes up for in enthusiasm and charm but, unfortunately, when it comes to property, those qualities can only take you so far.

In fact, property can be a dangerous game for the uneducated, and a few 'rookie mistakes' had given Jordan and his partner Alex such a heavy debt burden that they were scratching together every cent they could to stay on top of their bills and keep the wolves of debt from the door.

They wanted to move forward. They wanted to live out Jordan's dream of moving back to the land. They wanted to have the time to do the things that really mattered. However, they had backed themselves into a corner and couldn't see a way out.

Thankfully, they found the leadership they needed in the ILRE community. They found people who could show them the way out and, more importantly, who weren't afraid of giving them a bit of 'tough love' to force them to make the tough choices they needed to make.

They also found people who believed in them. When they completed their first independent project, a member of the ILRE community was so impressed with what they had done that she asked them to project manage a deal for her (for a share of the profits, of course!)

With the help of the community, in just three years they have freed themselves from debt, and given themselves a decent chunk of equity to continue their journey with property investment – happily now under the watchful eye of the ILRE elders.

HOW A MESS IS MADE

Jordan actually joined ILRE back in 2016, and with Alex too busy with full-time work on top of full-time study, he was left to drive their journey into real estate.

Jordan was enthusiastic. Maybe a little too enthusiastic. He studied the extensive course materials at distance, rushing through the theory so he could get to the practice. He thought that he didn't need to attend any of the events, or tap into the wealth of wisdom available through the ILRE network. He had an overview of the basics and, so he thought, that was all he needed to get started.

"I've always struggled with the education side of things. I want to skip the theory and jump straight into practice."

CHANGING COURSE IN THE MIDDLE OF A RIVER

Inspired by what the course materials had shown him was possible, Jordan rushed into a subdivision of their principal place of residence (PPR). However, he hadn't done his research properly, and after several months, and a substantial amount of money, he realised that a subdivision was not going to be possible.

He then pivoted towards putting a granny flat on the back of the block, which was a sensible enough move. However, once the construction of the granny flat was underway, Jordan thought, "Why don't we renovate the front place while we're at it?"

With no planning or prior experience – and matters further complicated by the concurrent construction of the granny flat – the renovation blew up in their faces. It took 18 months longer and cost more than twice as much as expected.

What's worse, Jordan and Alex had leveraged into the deal, and now had $80,000 of personal debt and $50,000 of credit card debt to add to their $300,000 mortgage. Pushed to the very limits of their carrying capacity, Jordan and Alex were forced to move back in with Jordan's parents. The mess was complete.

"We moved back in with the parents and we were just on survival mode. Every cent counted at that stage."

GET IT DONE RIGHT

It was at this point that Jordan decided that he needed to do the education properly, and he signed up for his first bootcamp in February 2019.

He didn't want to hear the advice he received, though. Every one he talked to – from experienced investors to the guys at Wizdom Finance – told him that he simply had too much debt and he needed to sell.

Jordan and Alex had just invested too much in that property, emotionally, to simply sell up and walk away. And they refused to take the advice they were given.

Finally, after they completed one of Dymphna's goal-setting and visioning processes, they realised that their attachment to this property was holding them back from the life they wanted to live. Finally, they bit the bullet, shot the dog, and sold up.

THEY MEET AN ANGEL (INVESTOR)

After the sale went through, Jordan posted the result to the ILRE members-only Facebook group, as a way of celebrating the big step that they had made.

Someone saw that post, and was so impressed by the job they had done, that she asked them to project manage a similar deal she had already bought into.

This gave Jordan and Alex a share of the profits, but not only that, Jordan and Alex now manage the property as a successful Airbnb listing.

WHAT A GOOD DEAL LOOKS LIKE

Clear of debt and with equity to work with, Jordan and Alex worked with their mentors to find a deal and to do it properly. They found a relatively cheap regional property for $320,000. Spending $80,000 on the reno, it will soon be on the market for $560,000, delivering a profit of over $100,000. That's more like it.

THE FULL 180

Jordan and Alex have completed a remarkable turnaround, having gone debt-free and having completed their first six-figure deal, all in just three years. They had to eat a bit of humble pie to do that, but thankfully, the collective wisdom and support of the ILRE community was there for them when they were ready to ask for help.

"Sometimes it's the things you don't want to hear – the tough love – that is really going to set you free."

JV RENOVATION

- Completed renovation
- Painted outside
- Built-in downstairs
- Rented spare rooms 3x $150pw

RENO FLIP DEAL

- 2 months start to finish
- Majority of the work completed by tradies
- Purchase price $320,000
- Reno cost $80,000
- Re-sale value $540,000 to $560,000

WHERE WE WERE AND WHERE WE ARE NOW

Year	Debt total	Savings	No. of properties
2016	$240,000	$20,000	1
2018	$521,000	0	1
2019	when sold $0	when sold $175,000	when sold 0

LOUISE

How Louise ~~made a million dollars.~~ LOST 42 Kg!

Financial transformation often goes hand in hand with deep personal transformation. When Louise signed up for one of Dymphna's property events, she had no idea she'd be given the keys to completely change her life.

Louise and her partner, Rob, have been part of the ILRE community for several years now, and about 18 months ago they both signed up for *The Millionaire Within* program – a course focused on the personal growth and mindset shifts needed to create lasting change.

"I was at the event thinking, there's not going to be anything in this for me. I'm just a broke, fat chick."

Louise was sceptical at first, but this single event became a pivotal turning point and gave Louise the courage she needed to finally confront her weight and health challenges.

Just 18 months later, Louise has lost an incredible 42.1 kilograms, and she feels amazing. While everyone's journey is different, Louise's story highlights three key milestones that are the hallmarks of deep and lasting personal growth:

1. BE HONEST ABOUT WHERE YOU'RE AT

The first step in making change is being brutally honest with yourself. For Louise, it was acknowledging that her weight and health issues were becoming serious. She had developed high blood pressure and arrhythmia, and she was at high risk of having a stroke.

She faced the facts, and decided to do whatever it took to be around to watch her grandkids grow up.

2. YOUR PAST IS WHO YOU WERE, NOT WHO YOU ARE

Louise then had to change her thinking and stop believing that her past defined who she was. Yes, she had been overweight her entire adult life, but that didn't mean it was written in stone. We all have the capacity for change. Every day is an opportunity to start over, and the battle is only lost once we stop believing that is true.

"I was a stroke waiting to happen, and I actually thought, 'Well, if it finishes me off, maybe that's not such a bad thing.' That was just where I was at."

3. DO IT BECAUSE YOU ARE WORTH IT. BELIEVE YOU ARE WORTH IT.

Many of the things Louise needed to do – which included cutting out wheat, for example – had been on her radar for a long time. It is often the case that the solutions you need are close at hand. Sometimes the only question you have to ask is, "What's holding me back?"

For Louise, it was that she didn't believe she was worth fighting for.

She knew what she had to do, but just didn't value herself to do it. She didn't believe she was worth it.

Louise had to dig deep, and rebuild her sense of self-worth from the ground up.

"People talk about battling with their weight. But it was never a battle for me. I started waving the white-flag at the get-go, and I've been fat my whole life."

WRITING YOUR OWN STORY

With huge improvements in her health and energy levels, Louise now feels like she is ready to look at her financial situation and start investing. But she is glad she has put first things first, and taken the time to get herself sorted before taking anything major on.

As Louise knows, if you want a new life, you need a new story

"I didn't believe I was worthy of anything. I didn't even love myself enough to take care of myself."

MORE STUDENTS SUCCESS STORIES?
SCAN THE QR CODE BELOW WITH YOUR PHONE

Explore the success stories of everyday Aussies from the I Love Real Estate Community who have succeeded wildly in property.

These are regular people who not only achieved amazing results investing in property, but did so in a very short space of time.

Scan QR code below or go to: iloverealestate.tv/success-stories/

How a love-struck young immigrant went from earning $9 an hour to pulling in $30,000 a year from a $3.6M portfolio …. And got the girl!

Richard and his girlfriend Jane landed in Australia in 2007 with a suitcase of clothes and just $5,000 in cash. Living in a crowded boarding house and studying IT at university, Richard thought himself lucky to be earning $9 an hour waiting tables at a restaurant in Darling Harbour. In China, that was big money.

When they graduated and moved into their own rental apartment. They had made it and Richard was ready for the "happily ever after."

Jane had other ideas. She wanted more from life. She didn't want to be average and always struggling to get by. And she wanted to be able to help her parents. She just couldn't see any future with Richard that excited her, and announced that she was moving out.

Richard was devastated. He begged Jane to give him another chance. He would turn their life around, and build a future that would excite them both. Jane moved out of their apartment, but promised not to sever ties.

"Jane pushed me to be a better person. I went from being a naïve boy to a real man with the power to look after his family. But I couldn't have done it without the ILRE community."

Richard was on notice. How could he turn their life around?

About this time, his new housemate lent him some books on property, and rekindled a long-held fascination with property.

However, he wasn't managing his money well, spending a lot on Jane and flashy dates and cruises. Before long he had $40,000 worth of credit card debt across five separate credit cards. He also lost money trading ForEx with no idea what he was doing. He just couldn't bring himself to tell Jane.

And so, hoping to turn thing around, he joined Dymphna's Ultimate Program in 2012, signing up to the payment plan and putting it all on his credit card.

Richard suddenly had an answer. He could see how he could solve his financial problems, and create an exciting life for them both in Australia. He threw himself into his education and deal-making, and in just 4 short years, he has amassed a 10-property portfolio, worth over $3.6M and delivering $30,000 pa in passive income.

With his financial situation turned around, and a mission-driven life forming around property investment, he had a future he could offer his beloved. Jane travelled across the country with him looking at deals, sharing his growing passion for property, and finally agreed to marry him on a romantic holiday to Fiji.

After 10 years together, both off and on, Jane and Richard were finally married. All thanks to property investing.

A quick look at Richard's deals shows that a strategy of searching far and wide for the right deals, and a willingness to muck-in and do the hard yards with ugly ducklings can really pay off.

DEAL 1: RENO'ING THE PPR

Like most investors, Richard's journey began with his principal place of residence (PPR). He renovated the laundry and added a second bathroom, increasing the valuation by $65,000 and immediately wiping out his credit card debt. He has also recently added a granny-flat, increasing the valuation to $1.15M.

DEAL 2: ENTRY LEVEL INVESTMENT UNIT

Richard's first investment play was a unit in Western Sydney, which he purchased for $289,000, and renovated to increase its value to $375,000. It is currently negatively geared, but well positioned for growth.

DEAL 3: THE REGIONAL CASH COW

Richard then purchased a property in Griffith in regional NSW for $153,000. He added a granny flat to increase the rent to $510 a week, making it positively geared to the tune of $10,000 a year.

DEAL 4: REGIONAL RENT-TO-OWN

Richard's fourth deal was in Dubbo NSW. Purchased for $220,000, Richard has a rent-to-own agreement in place with the current tenant. The option fee increases the properties cashflow position, delivering a net $6,000 pa a year, with an expected back end profit of $50,000 once the sale is complete.

DEAL 5: THE DRUG DEN

Richard's next purchase was an ugly-duckling unit in Western Sydney. The agents were having trouble selling the place because whenever they took prospective buyers to inspect they found heroin addicts in the stairwell, or prostitutes plying their trade in the communal areas.

However where others saw a disaster Richard saw an opportunity. He took control of the body-corporate and used the sinking fund to fix up the stairwells and get rid of the junkies and prostitutes.

Together with some minor renovations of his own, Richard has managed to increase the valuation of his purchase by $60,000 in just a few months.

DEAL 6: ANOTHER CASH COW IN THE COUNTRY

Richard decided to purchase another property in Dubbo to improve his cashflow position. Purchased for $152,000, this property is already delivering positive cashflow of over $4,000 a year. Richard is happy with this property as is, but may renovate if the existing clients move out.

DEAL 7: MORTGAGEE IN POSSESSION

Turning to Moree, NSW, Richard found a bargain basement property for $50,000, with plywood over the windows. With some basic renovations this property is now valued at $60,000 and is delivering $5,600 p.a passive income.

DEAL 8: A JOINT VENTURE IN THE BLUE MOUNTAINS

In a joint-venture arrangement where Richard provides the servicing and his partner provides the cash, Richard purchased a cheap property in Leura with a view to renovate. Purchased for $478,000, they expect to be able to sell for $800,000, for a total profit of $150,000.

DEAL 9: PARKES JOINT VENTURE

As the working and servicing partner, Richard has purchased a property in Parkes with multiple dwellings on it. His strategy is to renovate and strata-title, which is expected to increase the valuation by over $150,000. However, he may hold on to this property, as it is already delivering $5,000 pa passive income.

DEAL 10: THE SUB-DIVISION

Richard is now in early stages of purchasing another regional property with two houses on one lot. He plans to subdivide the property into two lots, increasing the valuation by $100,000.

"To achieve financial freedom, you need educational freedom. I never had it at school, but now I do and look where it has got me."

ADVICE TO INVESTORS

Richard's success is a case study of dedication and application. Richard threw himself into property investing, cutting out 'time-wasters' from his life, including the T.V.

Richard also knows the relationship benefits that come when you are working side-by-side with your partner to create the life you want. Property investing has brought Richard and Jane closer together, and given them both the ability to create the life of their dreams… and live happily ever after.

PRE-DYMPHNA

- $40k bad debt with 5 credit cards
- I may loose my dream girl due to poor financial status
- Groupon addiction
- Couldn't afford Dymphna

POST-DYMPHNA

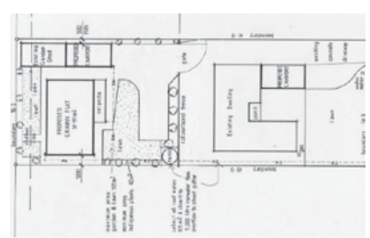
- 10 properties
- Over $1,000,000 in equity
- Over $30,000 passive income
- AND GOT THE GIRL!

PPR SYDNEY 3-BED HOUSE

- Purchase Price: $590,000
- Strategy: 2 Renovations and granny flat
- End Value: $655,000, $880,000, $1.15m
- Cashflow: $16,800 pa (granny flat only, main house PPR)

WESTERN SYDNEY 2-BED UNIT

- Purchase Price: $289,000
- Strategy: Renovation
- End Value: $375,000
- Rent: $340 pw
- Cashflow: Negative but Sydney growth

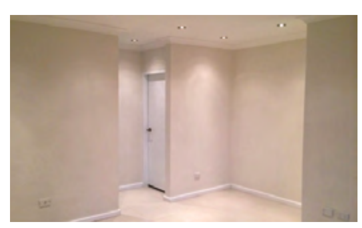


REGIONAL NSW

- Purchase Price: $153,000
- Strategy: Granny Flat
- End Value: $270,000
- Rent: $510 pw
- Cashflow: Approx $10,000 pa

REGIONAL WESTERN NSW

- Purchase Price: $220,000
- Strategy: Renovation and a 3-Phase Rent-to-buy Scheme
- End Value: $250,000
- Cashflow: $6,000 pa



WESTERN SYDNEY

- Purchase Price: $290,000
- Strategy: Renovation
- End Value: $350,000
- Rent: $310 pw

REGIONAL WESTERN NSW

- Purchase Price: $152,000
- Strategy: Reno when tenants vacate and possible Rent-to-buy Scheme
- Cashflow: Over $4,000 pa

REGIONAL NORTH COAST NSW

- Purchase Price: $50,000
- Strategy: Renovation
- End Value: $60,000
- Rent: $200 pw
- Cashflow: Over $5,000 pa

REGIONAL WESTERN NSW – JV

- Purchase Price: $400,000
- Strategy: Renovation and Strata Titling
- End Value: $570,000 (estimated)
- Cashflow: $5,000 pa
- $150k Equity uplift from Strata Titling

JULIE

Saving grace: How one woman made $237,000 and gave her family hope again.

Julie had lost money on property in the GFC, and it was a case of once bitten, twice shy. With a divorce, a drug addicted daughter and a grandson to look after, Julie needed to step up and save her family. With the right property training, she was able to do so. Here's how.

Julie and her husband bought two house and land investment packages in Perth in 2006. When the GFC hit and smashed the Perth market, Julie and her hubby had to bunker down and ride out the storm. They sold one of those investment properties for a loss, and moved into the other after selling the family home. It was a bitter experience, and one that almost put Julie off property investing for good.

To make matters worse, Julie's teenage daughter started mixing with a bad crowd, eventually becoming addicted to drugs, fleeing north to Karratha and leaving her two-year old son behind. Julie knew she had to step up. She wanted to be able to care for her grandson, and to be there for school pick-ups and drop-offs.

Her day job wasn't going to give her that flexibility.

And so she came back to property investing, although this time she committed to doing it properly, signing-up to study with the ILRE community.

"When my daughter got tangled up in drugs, I needed to be there for my grandson. I never could have done it if I was still working a day job."

This opened her eyes to what was possible, and she found an investment strategy that made her feel safe: quick renovation flips, often working with joint-venture partners.

These strategies allowed Julie to get in and out of the deals very quickly – sometimes in as little as four weeks. This gave the market no opportunity to move against her as it had done during the GFC.

It also meant that Julie could stick to Perth, a market she knew well. And since she was creating her own profits, she could still make money, even though the Perth market overall has not done well in recent years.

This strategy gave Julie the control she was looking for.

"I needed a new strategy. Something I could do without much money, but that allowed me to get out of the rate race."

Since joining ILRE, Julie has now done eight renovations, creating $237,000 in profit for herself. This new income stream has given her the ability to quit her day job and be there for her family.

However, Julie says that it has been amazing to offer her family a different kind of role model, demonstrating that you can take charge of your life and make it what you want. Julie's daughter has now cleaned herself up and moved back home, and following her mother's inspiration, has started her own horticultural business.

Here are some of the deals Julie did to make this transformation possible.

DEAL 1: A DIAMOND IN HER BACKYARD

Julie had been hunting around Perth, when one of her real estate contacts proposed a deal. The owners of a property in Queensland wanted to be rid of the house, so Julie put in a quick offer of $360,000, which was accepted.

She then did a low-budget renovation. No new kitchens or bathrooms – just a good lick of paint and a polish of the floorboards. The renovation cost just $17,000, but Julie was able to sell it on for a $37,000 profit just four weeks after she purchased it.

Not bad for a month's work.

DEAL 2: DISTRESSED SALE

Next, Julie found a property with an owner who was on the brink of bankruptcy. Julie gave him $20,000 to just walk away, letting her take over the mortgage and pay off the various debts to the council, the electricity company, and so on. Spending another $25,000 on a quick renovation, Julie sold the property on for a profit of $100,000. Again, in just four weeks.

"We paid him $20,000 to walk away, and we took over the mortgage."

DEAL 3: CHEAP CHARACTER COTTAGE

People started to take notice of what Julie was achieving, and someone approached her to help her do a deal. This woman had money to work with, but was time poor, so she wanted Julie to find and execute the deal.

They purchased a property for $230,000, spent $23,000 on a renovation, and sold it again for a profit of $23,000. Julie describes that as 'quite a small profit', but again, it's pretty good return for just four weeks' work.

DEAL 4: THE HOUSE IS TRASHED

The next property she picked up as a mortgagee-in-possession, and the place had been trashed – there was graffiti on the walls and all the windows had been smashed in. However, it was in a good neighbourhood, so she was able to turn a profit of $39,000 in 12 weeks.

DEAL 5: SO MANY CATS!

With more people wanting to enter into a JV with her, Julie found an estate that was practically uninhabitable, as the previous owner had eight cats. She picked it up for a song, renovated it, and solid it six weeks later for a profit of $63,000.

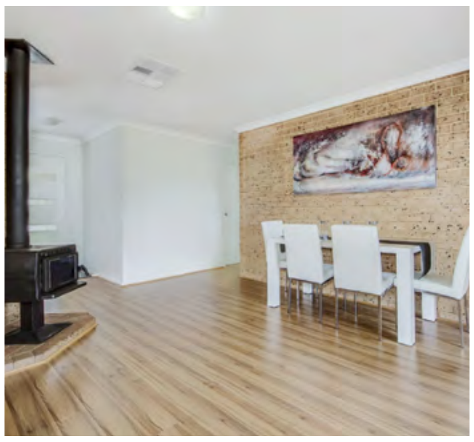
"He had eight cats in there and it stunk to high-heaven. But it meant we got it for just $130,000."

THE ROCK A FAMILY CAN RELY ON

There are more deals we could outline, but you get the gist. Julie has found a strategy that works for her and her JV partners. And she's achieved this while holding her family together and being the rock her daughter and grandson could rely on.

"I've done this and I've shown my daughter that anything is possible. It really is."

PRE-DYMPHNA		
PROPERTY	**VALUE**	**EQUITY**
SECRET HARBOUR	$220,000	$95,000
POST-DYMPHNA		
PROPERTY	**VALUE**	**EQUITY**
SECRET HARBOUR	$390,000	$190,000
MY SHARE OF PROFITS FROM 8 RENOVATIONS		$237,000



RENOVATION NO. 2 (JV)

Renovated and sold in 4 weeks

Bank valuation	$153,000
Renovation & other costs	$60,000
Sale price	**$320,000**
Profit (Split 50/50 with JV partner)	**$100,000**

RENOVATION NO. 5 (JV)

Bought, renovated and sold in 12 weeks

Purchase price	$257,000
Renovation cost	$82,000
Sale price	**$409,000**
Profit	**$39,000**

RENOVATION NO. 6 (JV)

Second renovation with first JV partner

Purchase price	$382,000
Renovation cost	$117,000
Bank valuation	**$595,000**
Increased equity after all costs	**$50,000**

RENOVATION NO. 7 (JV)

Bought, renovated & sold in 6 weeks

Purchase price	$130,000
Renovation cost	$53,000
Sale price	**$259,000**
Profit	**$63,000**

YOUR MISSION OR YOUR MONEY. CHOOSE!

Most people think they need to solve two problems with one solution.

BY JON GIAAN

I'm thinking about making friendship bracelets out of leather and selling them at the markets (when they open up again.)

I've got a passion for it. I like working with my hands. I like the feel of the leather. I like interacting with happy people in a craft market context.

It's a lifestyle choice really.

I told a friend of mine. Do you know what he said?

"Jon, that's crazy. That is such a difficult way to make money. It will take up lots of your time. It's impossible to scale. Chinese producers will monster your margins. The market is really fickle depending on the weather..."

"It will be incredibly difficult to turn that into a viable career."

And he's right. Deciding to become a professional friendship bracelet maker would be an incredibly difficult way to make a living.

And is that going to stop me?

Nup.

Why?

Because I'm made all ready. I've got a fortune behind me already. It doesn't matter if I don't sell a single bracelet. It's not going to touch me.

I am completely free to follow my passion for bracelet making because I don't have to make it work financially.

My money gives me freedom.

And there's something I do that I know a lot of people don't do when they're starting out.

I separate my money and my mission.

I see them as two separate things.

When you look at what a good life is, it's solving two problems. The first problem is how do I survive? How do I gather the resources I need to get by? I call this the money problem.

The second problem is how do I create a life that's enjoyable to live? How do I find a way to live with meaning and purpose and joy?

I call this the mission problem.

Now, it's important to recognise that these are two distinct problems.

Most people try to treat them as if they were a single problem.

I love baking cakes (mission problem), so I'll set up a cake shop (money problem).

I love being fit and dancing (mission problem) so I'll become a dance teacher (money problem).

I love helping people (mission problem) so I'll become a therapist (money problem).

The trouble is that most mission solutions are terrible money solutions.

Like friendship bracelets. It's a perfectly lovely solution to the mission problem. It's a terrible solution to the money problem.

So what I would encourage everyone to do is to keep these problems separate in your mind – you need money and you need to have mission – but they don't need the same solution.

And the reality is that if you find a way to solve the money problem for good – and this is what wealth is – a permanent solution to the money problem – then you are completely free to follow your passions.

And your passions can be whatever they want to be, without feeling the pressure to make money as well.

Keep your money and your mission separate.

Then you'll be free.

JG

How Foong turned her back on the traditional wisdom of property investing and 'good jobs' to earn $490,000 in a single year.

Foong did all the right things. She worked hard and on her accountant's advice, bought as many negatively geared properties as she could. But it left her $70,000 in the red each year, and she was working so hard that she couldn't care for her infant sons. Thankfully, her introduction to the world of profitable, cash-flow positive properties has been a game-changer.

After Foong's father passed away, her family sent her from Malaysia to Australia to seek her fortunes. Her family wanted her to become a doctor, and she effectively had two years to learn English and top the state in her HSC exams.

Although this was a practically impossible task, Foong gave it everything she had, scoring an almost miraculous 94%. However, this was still 2% short of what was required to enter medicine so, again, following her family's wishes, Foong studied pharmacy.

"Those properties were blood-suckers. They were like leeches. And when my mum got sick, we just couldn't do it anymore."

As a graduate pharmacist, Foong worked long and hard hours to gather money for her family, taking on the graveyard shifts that no other pharmacist wanted. This hard work allowed her to earn more than six figures a year and, at this point, her accountant's advice was that she should start buying negatively geared investment properties.

(Because, supposedly, the point of property investing is to minimise tax, not build wealth.)

ACTING ON GOOD 'ADVICE'

Believing that her accountant knew what he was talking about, Foong did just that: steadily amassing a large, entirely negatively geared investment portfolio.

And when she got together with her husband, Paul, she insisted that he too start buying negatively geared investment properties, because that's just what you did and it was important that they were on the same page financially.

Over the next seven years, Foong and Paul built a portfolio of 14 investment properties, all of them negatively geared. It was a portfolio that was costing them an eye-watering $70,000 a year.

The only way to pay for this portfolio was to keep working, so Foong continued to pour herself into her career. She was working so much that she even had to send her boys, both under three, to stay with her auntie through the week, seeing them only briefly on weekends.

IT STARTS TO COME APART

Things were starting to take their toll, but it reached a crisis point when Foong's mother was diagnosed with cancer. Foong and Paul had to come up with $80,000 to cover her medical expenses, and it almost broke them – mentally and financially.

Finally, Foong was ready to start considering whether the traditional approach to property investing was the right way to do things. She found Dymphna Boholt, and even though Dymphna's strategies went against everything she knew, she could finally see that there was a better way.

BREAKING WITH TRADITION

Foong culled the deadwood from her portfolio, jettisoning nine properties that she couldn't do much with. She tweaked the others to improve their rental yield, and in a few years her portfolio had become positively geared to the tune of $20,000 a year – a $90,000 turnaround.

She also became an active, rather than a passive (buy-and-hope) property investor. Her strategy of choice is joint-venture renovation and development deals, mostly around South Australia. She likes joint ventures because she likes working with people, and she has a natural affinity for renovations and the creativity of interior design.

"We bought our first positively geared property, and every month I could actually see the money coming in. I was like, 'Wow'... I had to take a Valium."

And as much as she enjoys it, this has also become a very profitable niche for Foong. In the past 12 months for instance, she has completed five renovation deals, for a combined profit of $490,000.

Even when she was throwing herself completely into her pharmacy work, she was lucky to earn $110,000 a year. Now, she earns four times that, and has a lot more fun doing so.

HER OWN BOSS NOW

With a thumping investment income coming in, Foong has cut back to working as a pharmacist just five hours each fortnight. She wants to keep her hand in the game, but she knows that her future is in property, not pharmacy.

"I work five hours a fortnight now, and I pick and choose my jobs. I'm the boss now."

For her family, this has been is a challenging career move. The traditional approach says that you should get a "good job" and just work hard. But this is classic "poor dad" thinking and Foong wants more out of life.

And as Foong's story shows us, sometimes you have to break the mould to find the life that is truly yours.

TUSMORE, SA (JV DEAL)

Purchased Dec 2018	$895,000
Renovation cost	$198,000
Sale price	**$1.4M**

SEATON, SA (JV DEAL)

1 into 2 Subdivision

Purchased July 2019	$409,000
Profit (after GST)	**$35,000**

MILE END, SA (JV DEAL)

Off market deal renovation

Purchased Oct 2019	$524,000
Renovation cost	$147,000
Sale price	**$895,000**

WOODVILLE SOUTH, SA (JV DEAL)

Retain the front then renovate and sell
Subdivide (hammerhead) and sell

Purchased Nov 2019	$537,000
Estimate profit	**$70,000**

MORE IMPORTANT THINGS THAN PROPERTY

Family holiday to Budapest.

2015 NEPAL EARTHQUAKE VICTIMS

Showing our boys the power of property and gratitude.

PRE-DYMPHNA

PROPERTY	VALUE	EQUITY	CASH FLOW
MARDEN PPR	$950,000	$340,000	-
INVESTMENT PROPERTIES (14)	$4,700,000	$800,000	-$70,000 PA

POST-DYMPHNA

PROPERTY	PURCHASE	RENO/DEV COSTS	NET PROFIT
TUSMORE SA	$895,000	$198,000	$200,000
SEATON SA	$409,000	$32,000	$35,000
MILE END SA	$524,000	$147,000	$135,000
WOODVILLE STH SA	$537,000	$53,000	$70,000
CARRAMAR NSW	$200,000 SHARE	MONEY PARTNER	$50,000

An untapped niche gave these newlyweds the perfect strategy for success!

When Kelly and Liam came to the I Love Real Estate community, they both already owned one property each.

Unfortunately, both properties were bought at the height of the mining boom and had gone backwards since then to the tune of around 35 per cent. In dollar terms, they were around $200,000 behind the equity 8-ball.

Both houses were in Mackay in Queensland and there was a glut of four bedroom houses in the area which anyone could rent for $200pw, but what they did find in their research was that there was a demand for small spaces and fully furnished rooms in the area.

In fact they found that while you could rent a whole four bedroom house in the area on a twelve month lease for just $200 a week, people would happily pay $150 per room if it's fully furnished and some of the amenities are included.

So their first move was to furnish Liam's place to help with cash flow. With their strategy of going fully furnished they were able to completely fill every room very quickly.

DEAL 1: MORTGAGEE IN POSSESSION

Kelly and Liam found a house listed at "offers over $110,000" but with the market not moving and the mining boom well and truly over, no one was buying so they were able to pick up the house for just $85,000.

Since they were working full time they dedicated themselves to working on the property in the evenings after work and on the weekends.

Kelly was keen to know whether renovating a house would pay them as well as their jobs so they kept meticulous records of every hour they worked on the deal. All up they spend 513 hours working and renovating this deal and it cost them $19,500.

"When you're getting positive cash flow and you're able to redraw on the equity, you don't have to sell."

Once it was completed, the revaluation came in at $140k and using the same strategy of renting by the room fully furnished, they were able to create $6,000 a year positive cash flow.

When they worked out the numbers based on the redraw, it turned out that they got paid a bit more than their jobs, but with each new deal they got faster and better at their workflow as you'll see.

DEAL 2: ANOTHER MORTGAGEE IN POSSESSION

They were able to buy another similar two-bedroom property for $80k not far from the first one. This time the reno cost $10,500 and they only spent 340 hours. The revaluation came in at $160,000 giving them another $64,000 to redraw for the next deal.

Rented out by the room this property brings them another $5612 per annum (pa).

Settling into their groove with this strategy they went back to the complex where the first deal was only to find:

DEAL 3: A DECEASED ESTATE

When they talked to the relatives and found they wanted to sell, Kelly and Liam offered them $92,000 prior to auction. The vendors rejected this saying they wanted $200,000 for the property (even though it was similar to the first deal that they landed for $85,000).

On auction day no one bid on the property and the vendors begged them to put in a bid, which they did, for $87,000 ($5,000 less than their original offer).

"You've got to look for what your market needs and provide that."

This time the reno cost them $11,250 and they did the whole thing in just 220 hours.

Like the others the revaluation came in at $160k giving them, in this case, a redraw of $58,400 to use for the next one and a cash flow of $7619 pa.

While this last deal was happening, the tenants at Kelly's place turned bad and Kelly had to get them evicted. They left the place in a terrible state of disrepair which means that this became their next project.

Since it was in the same area, they applied the same winning formula they had used for all the others: renovate, furnish, rent. Because this property was bought at the height of the market, the increased rent lessened the burden of the negative cash flow but it's not quite enough to make it positive, yet.

When they got serious, they decided that their future was more important than socialising and hanging out with their mates. Fitting in four renovations in less than 12 months cannot be done without some sacrifice, but at the end of the 12 months they are in a much better position than before and have passive income to boot.

When they started this process, they did Dymphna's "Peg in the sand" goal setting journal, and after seeing all the things they wanted for their lives Liam, decided not to wait on one of them. He asked Kelly to marry him.

"You can have excuses or you can have results."

So, to add to a full-time job for each of them and renovating four properties in the last 12 months, they also got married! When two people have the same focus and passion, and are moving in the same direction, you just know it's going to be the perfect match.

PRE-DYMPHNA
- Equity: $36,000
- Cash flow negative: -$25,000 pa

POST-DYMPHNA
- Equity: $250,000+
- Cash flow positive: $17,000 pa

LIAM'S PPR
- Completed renovation
- Painted outside
- Built-in downstairs
- Rented spare rooms 3x $150pw

DEAL 1 POST ILRE
- Purchased: $85,000
- Renovation: $19,500
- Revalued: $140 000
- Rent: $320pw
- Redraw: $44,000
- Cash flow: $6,064pa

DEAL 2 POST ILRE
- Purchased: $80,000
- Renovation: $10,500
- Revalued: $160,000
- Rent: $300pw
- Redraw: $64,000
- Cash flow: $5,612pa

DEAL 3 POST ILRE
- Purchased: $87,000
- Renovation: $11,250
- Revalued: $160,000
- Rent: $350pw
- Redraw: $58,400
- Cash flow: $7,619pa

Saving Dee from a NEGATIVE GEARING NIGHTMARE!

At one stage, Dee's property portfolio was costing her $40,000 a year to sustain. That burden kept her nose to the grindstone, and it was sucking the life out of her. But after joining ILRE, in just three short years, she had turned it around a full $100,000, and she now lives entirely off her property income, enjoying a rich retirement full of travel and service.

Dee had always believed that if you worked hard, things would work out. And if things weren't working out, you just had to work harder.

In the pioneering Australian tradition, she also believed you had to be self-reliant and do everything yourself. When it came to property investing, she distrusted the banks and the accountants, and she refused to take advice from anyone. Instead, she just did what she thought you were supposed to do – keep buying negatively geared investment properties until the bank tells you to stop.

"I was so negatively geared and I just thought working harder was the solution. At one stage I had five different jobs."

When the bank finally did tell her to stop, Dee had 11 investment properties and all of them were negatively geared. She was paying $39,800 a year for the privilege of owning these properties.

As a single mother with two children, Dee found herself working five jobs at one stage, just to pay the bills. She also found herself spending more money on her investment properties than she did on her family.

"I was just in survival mode. I didn't have time for my sons. I didn't have time for my parents."

It was at that stage that Dee knew she had to reach out for help. She found Dymphna Boholt and the ILRE community, and signed straight up for the close one-on-one mentoring available through the Platinum Program.

WORK WITH WHAT YOU'VE GOT

Dee sat down with her mentor – and now life-long friend, Tamara – and took stock of her portfolio. For the first time, she realised that you didn't just have to accept the return a property gave you. There were hundreds of ways you could whip a property into shape.

They also took stock of Dee's strengths. She had spent her life in the Hunter region of NSW, so she understood that market well. She had spent her life working in the mining industry, so she knew what young miners were looking for in a rental. Finally, she felt comfortable with entry-level properties, and so this gave Dee a niche to start focusing on.

They then set about doing a total renovation on her property portfolio. Where it was possible, they set about increasing the rental returns of particular properties. For example, Dee turned several unfurnished long-term rental properties, into fully furnished properties aimed specifically at mining contractors. In doing this she was able to double and sometimes triple the rent she was able to extract from them.

For other properties though, there was no saving them, and they had to be cut loose.

WHIPPING HER PORTFOLIO INTO SHAPE

Over the next three years, Dee trimmed her portfolio down to just seven properties, which were collectively positively geared to the tune of $64,000 a year. That's a turn-around of more than $100,000 a year and it made an incredible difference to Dee's life.

"I knew what I wanted. I wanted to be debt-free, I wanted to travel and I wanted to see a cheetah."

After just three years in the Platinum Progam, Dee felt that her work was complete. However, she has since rationalised her portfolio down even further, keeping only the two cash flow superstars.

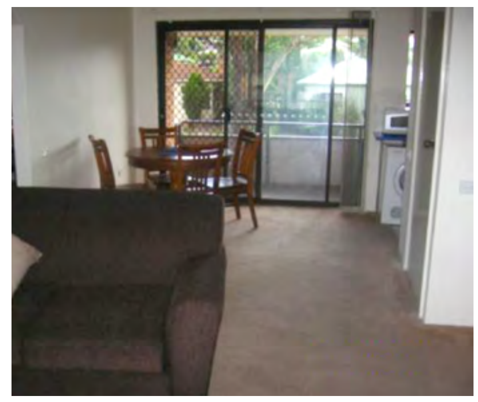
LIVING THE DREAM

This process has allowed Dee to become an independent, self-funded retiree. She was able to be with her parents during their final days, spent more time with her boys, and dedicated more of her life to travel and volunteering.

Dee recently spent three months on a truck travelling through West Africa, she travelled from Beijing to Vladivostok on the Trans-Siberian railway, and she spent a year in Kenya, volunteering with the Red Cross, teaching women basic farming principles.

Dee is well aware that none of this would have been possible if she hadn't joined Platinum, and if she hadn't achieved such a massive turn around in her property portfolio. And sometimes, as Dee shows us, success is about working smarter, not harder.

"It was such a blessing to be able to spend time with my parents, right up to the very end. I never could have done that if I was still working."



MUSWELLBROOK: 2 BEDROOM UNIT
Purchased: $120,000 Weekly rental: $360/week

SCONE: 4 x FULLY RENOVATED & FURNISHED 2 BEDROOM UNITS
Purchased: $600,000 Monthly rental: ($1300 x 3) + $1400 = $5300/month

PRE-DYMPHNA

PROPERTY	NET OPERATING INCOME	DEBT SERVICE	CASH FLOW
O'HALL	$8,650	$9,840	-$1,190
KENN	$8,900	$11,040	-$2,140
COR	$7,199	$10,416	-$3,217
BOON	$4,418	$6,240	-$1,822
DARBY	$6,272	$8,892	-$2,620
1-6	$4,418	$5,856	-$1,438
23 ST J	$7,990	$14,328	-$6,338
INVER	$7,726	$14,928	-$7,202
DUNED	$4,018	$8,388	-$4,370
3-5	$7,663	$10,416	-$2,753
6-6	$4,881	$5,856	-$975
TOTAL	**$72,135**	**$106,200**	**-$34,065**

POST-DYMPHNA

PROPERTY	NET OPERATING INCOME	DEBT SERVICE	CASH FLOW
MUSWELLBROOK	$22,469	$0	$22,469
SCONE	$38,359	$0	$38,359
TOTAL	**$60,828**	**$0**	**$60,828**

ZEN AND THE ART OF PROPERTY MARKETING

Some folks are superstitious… but can you use that to sell your property for more?

BY DYMPHNA BOHOLT

Have you ever been in a high rise building and noticed that the thirteenth floor is entirely missing?

Or that in some buildings there are only twelve stairs in the fire escape?

You may not be superstitious, and if you're a typical Aussie, chances are you probably won't be.

Or you might be. I mean, what's typical these days? I met a truck driver from Robina the other day who had a big number 9 on the front of his truck. "For good luck", he said.

Many people from non-anglo backgrounds believe in the power of good energy creation and the significance of numbers. And there are plenty of people from different cultures buying and selling property in Australia right now.

Chinese buyers are still a significant force in the market, and China is a deeply spiritual country.

So even though you're fine to walk under ladders and your own cat is black and perfectly happy about it, you might want to get across some cultural belief systems that could just explain why properties in some suburbs sell quickly, and why some don't.

If you're looking into an area where there is a particular ethnic demographic, it pays to understand what the locals believe in, and how this might influence your buying or selling capacity.

Let's look at a few factors that might have a bearing.

FENG SHUI

You've heard of this one right? Like moving the furniture around so all the energy flows, man? But actually many professionals take Feng Shui very seriously when it comes to property. From interior designers to architects to yep, even real estate agents.

So maybe there's something in it - if not for you, for the people on the other end of your deal.

Let's look at some of the basics of Feng Shui and how it applies to your decision making process, whether you're buying or selling.

The basic principles of Feng Shui are open space, no clutter and symmetry. It's all about creating pathways for the flow of positive energy or Qi (Chi) as a tangible force.

So on open house days, keep your stylings minimal. The more space, the better the flow of energy.

Balance your kitchen with the elements to create better Qi. If you're designing or developing, incorporate materials that contain wood, earth, air and fire to create that Zen feeling.

THE RED DOOR

Having a red front door signifies an invitation to positive Qi. It is also said to keep the bad spirits out and tells weary travellers that your home is safe.

The implications here are pretty obvious. Who doesn't want good vibes in their home?

ASPECT

How your property sits in the environment also affects its Feng Shui. For example if you have a slightly upward sloping block, symmetrically rectangular in shape you will cultivate an increase in wealth.

LOCATION

This is important to anyone no matter what their culture, but good location can mean different things. To people considering convenience of travel, being close to a highway or major arterial road might be appealing.

In Feng Shui, you don't want the house by a busy intersection. Too much movement creates energy dispersion. You're going to get all wigged out, sunbeam!

The element of water is also very important. Be as close to water as you can. No wonder we all want to live by the beach, right? But no, you need calm water, not wind. Wind blows away your Qi.

So swimming pools are a good thing, not just to swim in. And if you have some protection from the breeze, also very good. Near a mountain with a creek running past, absolutely ideal.

But we don't all have the perfectly aligned property to offer up. That doesn't mean you can't use the basics of Feng Shui when planning your marketing strategy.

And if you're developing property, you can hire a Feng Shui expert to help you incorporate these ideas into your plans.

If you're buying, you may want to consider these ideas for your own peace of mind. After all, traffic noise is a total bummer.

LUCKY NUMBERS

The number thirteen may be considered bad luck in some European cultures but in Italy, it is very good luck, and is believed to bring long life and wealth. The number seventeen is very bad luck, considered to look like the hanged man and the gallows.

For the Chinese the numbers two, three, six, eight and nine are very lucky. And the Chinese will pay good money for property that has these numbers associated with it. But then again they will avoid the numbers thirteen and four like the plague, literally.

Remember those missing apartment floors? In China it is common place for the 13th floor of buildings to be missing entirely. The number four is also extremely unlucky as the word for the number four sounds like the word for death. So maybe don't have your open home or auction at 4 pm, on the 4th of like, April.

The number eight however is extremely auspicious, and represents wealth and prosperity. Eighty eight is double happiness. So I guess you want to have your auction on the 8th of August.

And number nine sounds like the word for eternity. I guess that truck driver liked long journeys!

SELL LIKE A MASTER

So if you are looking to sell a property, taking these lucky and unlucky numbers into account according to the demographic of your potential buyers could help you get a sale over the line.

Throw some eights and nines around if you have some serious inquiries from the Asian community. And get rid of those nasty fours from your marketing material.

Even if you don't believe in the power of numbers and you get your energy by going for a beach run, or lifting weights, it can only help you to do some research into the beliefs of people who you might be doing business with.

The more local knowledge you have, the more prepared you are going in, the better your chances will be.

Dymphna

"I dodged a bullet": How a property investor survived being sued and created a million dollar's worth of equity in just two years.

Neil had a substantial property portfolio but, like many Australians who had fallen into the negative gearing trap, it was costing him $20,000 a year to hold on to it. When he was sued and almost lost everything, he realised there had to a better way. In just two years, he has made his portfolio and wealth 'bulletproof', while completely turning his portfolio around.

In 2008, Neil and his family were sued. Neil had rented one of his investment properties to three women with disabilities and they had a carer who visited occasionally. One day, as the carer negotiated a situation with two of the tenants, she fell off the back steps and hurt her back. As an 'uninvited guest' in the eyes of the law, she decided to take Neil to court, engaging the services of a no win – no fee lawyer.

The case took a strain on Neil's family and was a constant source of stress. Neil and his wife, Anthea, had their personal belongings packed up in boxes because they thought they were about to lose it all.

It came down to the crunch at a compulsory mediation, which included the government agency that the carer worked for. In a safety assessment that had been undertaken on the stairs, it was found that a handrail needed to be put in place.

At the time of the accident, the stairs had a handrail. The lawyers argued that the assessment called for a second hand rail. However, Neil was able to present a receipt that showed that he had put in the existing handrail after the safety assessment had been done. The government still tried to pressure him to contribute to the settlement, but Neil held his ground. In the end, he didn't need to contribute anything to the settlement, although the process cost him around $10,000.

"I think that lawyer looked me up and took one look at my portfolio and said, 'Yep, there's money here. Let's go for it'."

This was a wake-up call that Neil needed. With his portfolio costing him money each year, he knew there had to be a better way of doing things.

When a friend introduced Neil to Dymphna Boholt, it lit a fire in him and Neil threw himself into education. He attended 43 events in just over two years – and his commitment has paid off. Neil has restructured his portfolio, increased his equity by more than a million dollars and has created an expected $63,000 a year in passive income.

This is Neil's story.

SECURING ASSET PROTECTION

Like many investors, Neil made the mistake of putting the properties in his portfolio under his name. This meant that all of the properties would be at risk if he was to be sued. In fact, as Neil found out, without the proper defences in place, he was an attractive target for litigation.

"You think, 'Oh, that won't happen to me.' But it does. You really have to protect yourself."

Neil was relieved to find that Dymphna Boholt is one of Australia's leading experts on asset protection. He used the templates and legal support on offer through the I Love Real Estate community to restructure his portfolio into trusts and created a defensive wall around his assets.

After the stress of being sued and the prospect of losing everything, Neil and his family have found peace of mind.

DEAL 1: CREATE FOUR BLOCKS OUT OF ONE

While inspecting his portfolio with the ILRE mentors, Neil realised that one of his properties in the Brisbane suburb of Salisbury had serious potential. As a large block with a single Queenslander, it could be subdivided into four separate blocks.

As a large sloping block, Neil realised that he could get more for each block if he put in a retaining wall and levelled the blocks out. He's always looking for a way to save money, so he decided to build the wall himself – all 100 metres of it! He even roped his wife and kids into helping him lift in 100 concrete sleepers – at 80 kilograms each.

Neil also decided to do the perimeter fences himself, which stretch 200 metres and comprise of 50 posts and thousands of palings. However, his mentors have encouraged him to outsource and leverage, especially when there's a huge profit in the deal already.

All done, the blocks are worth more than $400,000 each and with his costs – including the original purchase and subdivision which were around $800,000 – it leaves Neil with a tidy profit of $811,000.

DEAL 2: REFRESHING A RENTAL PROPERTY

While the profit on his first deal was fantastic, Neil still hadn't sorted out his cashflow situation. Luckily, his education had given him fresh ways of looking at property, so he went back to a four-bedroom rental that he owned and decided to turn it into a five-bedroom rooming house.

The property had a large lounge room which he converted this into two bedrooms and turned one of the other bedrooms into a lounge. He then put code-locks on the doors instead of keys, and put televisions in every room.

These changes cost Neil $22,000 and after expenses, this property now makes him more than $25,000 a year in passive income.

DEAL 3: THE OLD PPR BECOMES A CASH COW

Following the success of his previous rooming house deal, Neil decided to revisit his old home, which had become a five-bedroom rental. The bedrooms in this property were very large, and Neil has decided to add ensuites to each of the rooms to increase their earning potential.

"I'm not sure what my next deal will be, but I've made such great contacts in the Platinum Program that I've become a money partner in a number of other people's deals."

This project is nearing completion and has cost Neil $145,000. However, it will become a tidy little earner, pulling in more than $75,000 a year, creating almost $40,000 a year in positive cash flow.

NO PRICE ON PEACE OF MIND

Neil and Anthea feel much more confident about their financial situation. They can sleep with peace of mind knowing that their portfolio, their wealth and their family's future can no longer be taken away from them.

Neil has also found a new sense of purpose. He loves the community he has found through ILRE and the Platinum Program and he's excited to start working on deals with other people.

"In the beginning, it's all about the money but after a while, you realise what's important: the giving [and] the sharing. Together, we can do so much more than we can as individuals."

DEAL 1: CREATE FOUR BLOCKS OUT OF ONE

Cost of DA and preparing land for development	$20,000	Lot 1 (402m) sold price	$410,000
Cost of all work on subdivision	$313,500	Lot 2 (402m) sale price	$405,000
Costs of borrowing the money	$68,400	Lot 3 (610m) sold price	$428,000
Sale costs (Builder Broker, legal, etc)	$25,950	Lot 4 (610m) sale price	$425,000
Original Loan to buy the property	$429,000	Total price of 4 lots	$1,668,000
Total cost of the deal	**$856,850**	**Profit after costs**	**$811,150**

PRE-DYMPHNA

PROPERTY	VALUE	EQUITY	CASH FLOW
House 1 (PPR)	$1,000,000	$1,000,000	$0
House 2 (GD)	$900,000	$500,000	-$9,040
House 3 Subdivision	$1,000,000	$571,000	-$6,620
House 4 (40 H)	$650,000	$480,000	-$1,500
House 5 (42 H)	$500,000	$346,000	-$3,420
Total	**$4,050,000**	**$2,897,000**	**-$20,580**

POST-DYMPHNA

*Projects in Progress

PROPERTY	PROFIT	EQUITY	CASHFLOW
House 1 (PPR)	$1,000,000	$1,000,000	$0
House 2 (GD)*	$900,000	$500,000	+$39,440*
House 3 Subdivision	$0	$1,240,000	$0
House 4 (40 H)*	$650,000	$480,000	+$27,000*
House 5 (42 H)	$500,000	$346,000	-$3,420
Total	**$3,050,000**	**$3,566,000**	**+$63,020***

The baby didn't stop her: how one woman made a million dollars in four years, all while having her first child.

RENOVATION OF PROPERTY 1

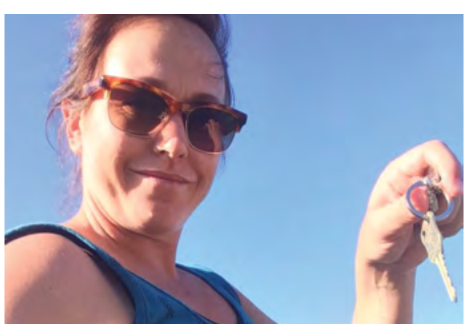
Property Value	$300k
Renovation	$40k
End Value	**$495k**
Uplift	**$155k**
Cashflow	**$7,500**

RENOVATION OF PROPERTY 2

Property Value	$450k
Renovation	$50k
End Value	**$750k**
Uplift	**$250k**
Cashflow	**PPR**

HIGH-YIELD FURNISHED MOOLOOLABA

Purchase Price	$280k
Renovation & Furniture	$6k
End Value	**$395k**
Uplift	**$109k**
Cashflow	**$10k**



CONSTRUCTION DUAL-OCCUPANCY

Purchase Price	$325k
Renovation	$40k
Costs	$91k
Build	$222k
New House sale	**$435k**
Original House sale	**$363k**
Profit	**$120k**

PRE-DYMPHNA	VALUE	EQUITY	CASH FLOW
PROPERTY 1	$300,000	$100,000	NEGATIVE
DEAL 2 RENO PPR	$450,000	$80,000	NEGATIVE
TOTAL	**$750,000**	**$180,000**	**$0**

POST-DYMPHNA	PROFIT	EQUITY	CASHFLOW
DEAL 1 RENO PROP 1	$155,000	$155,000	$7,500
DEAL 2 RENO PPR	$250,000	$250,000	-
DEAL 3 RENO & STYLE	$109,000	$109,000	$10,000
DEAL 4 RENO&CONST	$120,000	$120,000	-
DEAL 5 RENO&CONST (IN PROGRESS)	$150,000*	$150,000*	$26,000*
DEAL 6 SUB/STRATA (SOON)	$570,000*	$350,000*	$10,000*
DEAL 7 AIRBNB MANAGEMENT	-	-	$10,000
TOTALS (EXPECTED ON COMPLETION)	**$1,354,000**	**$1,134,000**	**$63,500**

Jenny's story is proof that passion, persistence and hard work always pay off. Over the last four years, Jenny has thrown herself into the education and resources available in the I Love Real Estate (ILRE) community and has achieved some truly inspirational results. Jenny increased her personal equity by close to a million dollars and built a passive yearly income stream of $63,000 – all while welcoming her first child into the world. This is her story.

Starting out like most 'novice' investors, Jenny had purchased a negatively geared investment property. When she joined Dymphna Boholt's program, she had $180,000 worth of equity in her principal place of residence and a single investment property.

After joining ILRE, Jenny became incredibly inspired and started to 'live and breathe Dymphna', watching the DVDs on repeat and placing sticky notes all over her house.

"The equity didn't come from the market, but by saving what we could and not having avocado on toast."

Next, Jenny arranged meetings with everyone she knew who was involved in the property business: builders, town planners, civil engineers, finance specialists and other investors.

Two years into her journey, Jenny became a mother for the first time. This gave her even more motivation to gain financial independence. With utter determination, she attended the Platinum Program with her baby daughter strapped to her chest.

Over the last four years, Jenny has negotiated seven deals and created almost a million dollars worth of equity and over $60,000 worth of passive cash flow. Here is how she did it.

"Signing up for the Platinum Program I was thinking, 'What the heck have I just done!' Luckily everything that was promised at the introduction events was actually delivered tenfold".

DEAL 1: A COMFORTABLE RENOVATION

Jenny's first deal was a relatively small renovation on her existing investment property. She spent $40,000 on a renovation, which lifted the property's value by $155,000. This made the property cash flow positive to the tune of $7,500 a year.

DEAL 2: A SECOND COMFORTABLE RENOVATION

Next, Jenny set her sights on putting her PPR to work. Learning from her first deal, Jen was able to keep the renovation costs low at $50,000, which clocked in an impressive $250,000 worth of extra value.

DEAL 3: A LITTLE LOVE FOR BIG RETURNS

Jenny then purchased her first deal: a stylish house in the holiday town of Mooloolaba, QLD. Honing her renovator's skill set and the knowledge gained in the Quantum Program, she spent just $5,000 on renovations and $1,000 on furniture. This was enough to increase the property's value by $109,000, and it now puts $10,000 a year in her pocket.

DEAL 4: A FIRST BUILD AND A BABY BUMP

Jenny soon set her sights on something a little more 'complex' – a construction project in Kuluin, QLD. Jenny had a dual-occupancy title and wanted to add a new house next to the existing house.

During this time, Jenny found out she was pregnant with her first child, but that didn't slow her down. The construction was expected to take four months but it ended up taking just seven weeks. This landed the deal ahead of schedule, right as Jenny was going into labour.

This deal created a profit of $120,000, which was double what Jenny had projected.

DEAL 5: DELIVERING STRATA

Jenny's next deal was a duplex with strata title, which proved to be a massive learning curve. The deal gave Jenny an equity gain of $150,000, which she remembers as 'a pretty good baby bonus'. A healthy passive income of $26,000 was also perfectly timed for her growing family.

DEAL 6: DIVIDE AND CONQUER

After gaining momentum and increasing confidence, Jenny's next move was to subdivide a larger block of four units with strata title. To do this, Jenny channelled a piece of advice she heard at one of Dymphna's boot camps: "If you really want to get a good deal, you've got to start talking to people and you've got to start knocking on their doors".

"I was walking into the delivery room, I had my baby bag in one hand, and the strata titling folders in the other."

And that's exactly what she did. The first person Jenny asked was willing to sell his property. Jenny walked away with a $350,000 increase in equity and $10,000 in cash flow.

DEAL 7: AIRBNB BONUS

For her next deal, Jenny suggested placing her friend's vacant holiday home on Airbnb. In exchange for her work, she would take a 25 per cent return on the income generated by holiday letting, which won Jenny an extra $10,000 a year.

"So there's absolutely nothing that I really need to do except, count the cash that comes in."

THE SKY'S THE LIMIT

Jenny's newfound expertise, network and passion haven't gone unnoticed. She was recently invited to be part of a development collective. As part of this collective, Jenny is in the early stages of multiple projects on the Sunshine Coast, QLD.

One of these projects is a 65-lot subdivision with an estimated profit of $1.96M. This is in the advanced planning stages and the group have their sights on an 85-unit residential apartment block with five commercial shops – with a projected profit of $10M!

"Stop sitting on the fence. Educating yourself is the key to making it happen. You can never go wrong when investing in your own knowledge."

Aside from her newfound skill set and financial freedom, one of the highlights for Jenny and her husband has been paying it forward. In 2018, they advertised their beachside property for free to farmers who'd had a tough time during a recent drought.

For this young family, their success has been made sweeter through their willingness to share it with others.

Moonlighting Mary: how one woman made $800,000 in less than two years ... without quitting her day job!

Mary was a successful executive in Sydney who was rapidly reaching burnout. She was managing more than 120 staff, which was taking a toll on her health and her mortgage was through the roof. After moving to Adelaide, joining the I Love Real Estate Community and implementing joint-venture strategies, Mary has turned her life and her finances around. This is how she did it.

Mary hit a turning point in her life when her mother was diagnosed with rapid-onset motor neuron disease. During this time, Mary painfully watched her mother spend her remaining days fretting over finances. With nothing but a house to her name, her mother was asset-rich but cash flow poor. As a result, Mary resolved to live on her own terms and aspired to take her finances into her own hands.

Mary knew that if she wanted to grow her wealth quickly she'd need help. Even as a successful executive in Sydney, she'd been trading time for money. After reading Robert Kiyosaki – author of *Rich Dad, Poor Dad* – Mary knew this had to change. She wanted to leverage other people's money, skills, and energy.

"I suppose this is what everyone aspires to: marriage, kids, the big house, the high-flying job. But I just felt frazzled. I was burning out."

In this regard, joint ventures were a natural fit for Mary's goals. They also dovetailed well with her natural collaborative style. As a twin, she says she was practically born into a joint venture.

By teaming up with a number of 'money partners', Mary has been able to move quickly, having completed four deals in less than two years, with two more large deals in advanced stages of development. Together, these deals have created more than $800,000 worth of profit, with Mary's personal share topping half a million dollars.

DEAL 1: NOTHING BUT A CHANGE IN TITLES

Mary's first joint venture was a three townhouse unit in Thirroul, south of Sydney. The property is located on the beach and had long-term tenants, but the three townhouses were lumped into a single title.

"We found a beehive in the roof. Turns out apiarists aren't cheap."

Mary's strategy was just to simply strata title and separate the units out. The townhouses were initially purchased for $1.7M and the value of the three properties after strata title is $2.5M, giving Mary an equity share of $375,000. Mary plans to hold on to the properties to benefit from the stable rental income.

DEAL 2: A QUICK FLIP

Mary's next line of attack was to renovate and flip a house in South Penrith, NSW. She purchased it for $590,000 as a deceased estate and she spent $130,000 on renovations. Mary sold the property six months later for $780,000, leaving her with a profit of $60,000.

DEAL 3: A QUICK SPLIT

Next, Mary went to Brisbane where she found a block that was ripe for a one-into-two subdivision. She purchased it for $730,000. After splitting the land, she sold one lot for $450,000 and the other for $435,000 – all within six months of the initial purchase. That left Mary with a quick profit of $30,000, even after some unexpected costs associated with asbestos removal.

"Joint ventures allow you to grow so quickly – whether you're in as a money partner or as a working partner growing your wealth."

DEAL 4: CAN WE GET A GRANNY IN THERE?

While still in Brisbane, Mary found a very cheap property that wasn't big enough to subdivide but had enough space for a granny flat. She purchased the property for $289,000, spent $60,000 on renovations and the construction of the granny flat. Mary made a total equity gain of $19,000. Mary has decided to hold on to this property, as she receives two rental incomes.

DEAL 5: GET THE PPR IN SHAPE

With a number of successful renovations under her belt, Mary's next move was to improve her principal place of residence with a number of structural renovations. Her development application was approved in August 2018, so renovations should be currently underway. Thanks to the natural market growth, Mary's PPR has increased the value of her property by $110,000 – which is just the icing on the cake.

DEAL 6: DREAM BIGGER

With her knowledge, passion and experience, Mary has been invited to be part of a development collective tackling a 65-lot subdivision and development in Nambour, QLD. Each member of the collective put in $100,000 and the land was purchased in March 2018. This development is expected to deliver a profit of $50,000 profit in less than 18 months.

DON'T QUIT YOUR DAY JOB

In less than two years Mary has increased her personal equity by more than half a million dollars, without risking any of her own money. What's more, she has done this without quitting her day job. Mary's story demonstrates what can be achieved with the right training and a good dose of hard yakka.

"The resources in this community are amazing; there's always someone to help you."

POST-DYMPHNA RESULTS

PROPERTY	JV PROFIT	PROFIT SHARE	EQUITY	CASHFLOW
THIRROUL	$750,000	$375,000	$375,000	-$2,091
SOUTH PENRITH	$60,000	$30,000	$60,000	
DARRA	$60,000	$30,000	$30,000	
CABOOLTURE SOUTH	-$19,000	-$9,500	-$9,500	$8,894
PPR (2016)		$110,000	$110,000	
TOTAL TO DATE	**$851,000**	**$535,500**	**$565,500**	**$6,803**

JV 3 TOWNHOUSES WITH STRATA POTENTIAL

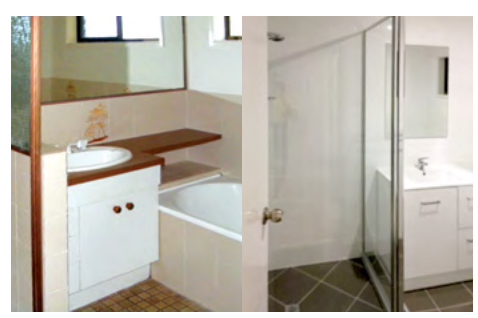
Purchased	$1.7M
Rent	$87,620pa
After Strata value	$2.5M
Equity Share	**$375,000**

JV SOUTH PENRITH RENO FLIP DECEASED ESTATE

Purchased	$ 590,000
Costs	$ 130,000
Sold Mar 2017	$ 780,000
Profit	**$ 60,000**

JV SPLITTER BLOCK DECEASED ESTATE

Purch Mar 17	$730,000
Costs	$95,000
Lot 1	$450,000
Lot 2	$435,000
Profit Share	**$30,000**



RENO AND GRANNY FLAT HOLD CORNER BLOCK

Purchased	$289,000
Reno + G'Flat	$60,000
Rent both	**$26,260pa**
Value	**$ 330,000**

JV DUAL OCCUPANCY LOT BUILD 2 TOWNHOUSES

Purchased	$100,000
Timeframe	18 months
Expected Profit	**$ 50,000**

JV STRATA PLUS CONSTRUCT NEW TOWNHOUSE

Purchased	$1.65M
Sell Strata Units	$2.27M
Strata Costs	$183,000
Estimated Profit	**$437,000**

BY JON GIAAN

WHAT TO DO WITH YOUR 'BEST' HOURS

This is some killer advice my mentor once gave me.

Spend the best hours of your day on your biggest opportunities, not your biggest problems.

This is something one of my mentors told me once and I have found it to be a really useful rule to live by.

Life is busy. I don't need to tell you that. It's hectic.

And life is full of challenges – full of problems.

And by the time something comes onto our radar as a problem it has usually become urgent.

Most people give very little thought to the problems that they are facing 5 to 10 years down the road. Most of our problems are in the here and now.

The reverse is true for our opportunities. It is incredibly unlikely that today will present you with an opportunity that will totally transform your life.

Most opportunities have runways that are at least 12 to 24 months long, if not more.

I mean, if you decided today that you wanted to make your fortune as a property investor, it would take a month or two to get your skilled up, a month or 2 to get your market ready, and then maybe one or two deals over 6 to 12 months to get you into a position where you would be able to capitalise on a truly life changing opportunity.

We are not miracle workers here. You have to be able to lift your gaze a little.

But most people don't. Most people aren't looking ahead to the opportunities that could possibly be on the horizon. Most people spend most of their productive lives bogged down in the weeds – battling with one urgent problem after another.

And if it's one thing I know about life, it's that no sooner have you knocked one problem on the head, than another one appears to take its place.

It is very easy to spend your whole life playing whack-a-mole mole with an endless series of seemingly urgent problems.

It's no way to live.

No, there is a responsibility here and a discipline here.

And that's to make sure that at least some of your productive day is going towards the opportunities that are going to set you up for life.

And I know this takes courage. you have to be able to let your problems run a little more than would normally feel comfortable – to give them a little less attention than you otherwise would.

But you have to have a little faith. You have to be able to trust that whatever disasters might emerge from unattended problems will be nothing in comparison to the tragedy that is a life of squandered opportunities.

There's nothing worse than this.

So make some time today. Make some time for the biggest opportunity in your life right now.

And do it every day.

Your future self will thank you for it.

JG

Juliette's 'peg in the sand' was to be there for her kids. Property and positive cash flow made that happen.

With a little creativity and a lot of determination, Josh and Juliette built a property portfolio valued at more than $4M with $65K pa rental income in under five years after joining I Love Real Estate. The deals are now coming thick and fast for them, but it wasn't that long ago that they could barely keep their heads above water. They wanted to get into property, sensing it could be their way out.

Juliette, a mother of four, just wanted to be there for her kids. She didn't want to be tied to the rat race. That was her "peg in the sand".

With debts racking up, next to no capital to their name and the banks continually refusing to release equity on their PPR, they were stuck. However, after attending one of Dymphna's boot camps, Juliette and Josh realised that there was always a way – especially if you had a creative mind and an ability to put in the hard yards.

Taking charge of the body-corporate sinking fund, and buttering up the valuers with brownies, they finally convinced the bank to release $100K, and it was enough to give them the start they needed. From there, they have gone from strength to strength, getting their hands dirty with very profitable chunk deals, a major subdivision and redevelopment, PPR build and joint venture developments.

There have been many challenges along the way – not the least of which has been the raising of four kids – but they have found their calling. They have now built their dream house and hold a property portfolio over $4M. Juliette works from home on joint venture developments, enabling her to enjoy her four kids, track toward financial freedom and generate profits enough to share with joint venture partners.

GETTING CREATIVE

Juliette attributes much of her success to the advice and creative strategies Dymphna gave her along the way. This included words of wisdom on how to convince banks to release equity, how to find off-market deals and how to pick the next boom suburb.

She also knew that to really make this work, she would have to bring all of her goodwill and warm personality into the mix. Many of her success stories were scored on the back of handwritten letters, brownies, beer and cups of tea.

To secure one of her deals, she included a letter to the homeowner explaining she wasn't a hot-shot developer, just a mum. It worked, and with a little swag of deals and some future plans, the Josh and Juliette 'strategically' went out to secure their dream home for themselves.

Not only that, they structured the deal in such a way that it has given them $1.2M of manufactured equity that they could use to go again and again.

DEAL 1: THE TIGHT TOWNHOUSE

During a bubble of first homeowner grants, Josh and Juliette bought a place to live in – a three-bedroom townhouse in North Shore Sydney. It cost them $500,000 and several years later was still worth $500,000. They had zero equity in the property and they could see no way to get the property investment ball rolling.

However, at one of Dymphna's boot-camps in 2011, Juliette realised that some of the creative strategies they were being taught could be applied to their situation. Josh became treasurer of the Strata scheme for their complex and they used the sinking fund to make some valuable renovations. Landscaping and painting, sanding the floor, installing an intercom and a brick fence – anything they had spare they threw at the place to increase its value.

After all their hard work, the bank still said it was worth only $500,000. Fighting off disappointment, Juliette lobbied them, sending before and after shots, paying for another valuation and baking brownies for the valuer until at last they released $100,000 equity on the property.

Following Dymphna's advice, they held on to their Wahroonga townhouse to invest their equity in their next deal. In 2015, they sold it for $1.11m, giving them a massive $600,000 in cash profit.

DEAL 2: 3 PLUS 3 EQUALS 21

With $100,000 to play with, Juliette went looking for her strategic dream – something that would give them an opportunity to renovate, build and subdivide the land. After being gazumped twice, it finally came in the form of a big 'ugly duckling' block of land four kilometres from the CBD of Newcastle.

Turning two sunrooms into rooms, they transformed the three-bedroom house into accommodation for five students that practically paid for itself.

Flushed with success, they set their sights on building a duplex of two three-bedroom townhouses at the back of the property. However, this proved to be a more arduous than anticipated. They receive 13 objections from neighbours, one of whom was a member of a political party that rallied against the development. As a result, the council rescinded their verbal support for the DA.

Back at the drawing board, knowing she was in over her head, Juliette went in search of a town planner. Another appeal and $12,000 later, she finally secured permission to build.

The house and block of land was originally bought for $407,000, plus $33,000 in stamp duty. The DA, appeal and build cost $530,000, plus interest of $66,000 paid for the three years hold. In the end all this expense paid off, the total cost of the venture was $1,036,000 with a valuation on completion of $1,360,000, making them $324,000 in equity and passive income of $15,000.

DEAL 3: PARTNERING UP

As Juliette's hard work was beginning to gain traction and attention, a family member – who unbeknownst to Juliette had saved cash that was sitting doing nothing – approached her with a request for help. The request resulted in a joint venture with an opportunity for commercial and residential, this time in a very 'hipster' part of Newcastle.

They found a solicitor's office with a townhouse duplex attached. The property was bought for $643,000 (stamp duty included). Although the existing property was cash flow positive from the get-go, Juliette knew from her experience of the last development that they could do better. She is building three storeys with a little shop on the ground floor and four units in the levels above, each with two bedrooms.

This will turn dead money sitting doing nothing into five streams of rental income of more than $120,000 per year for her investment partner, while Juliette is paid a profit share in the new valuation of the block. From this project, Juliette hunted for another similar deal and found a little cottage right by a transport hub, rezoned for higher density.

This site is being transformed into four storeys with a commercial space below and eight apartments above. Juliette will generate 9 rental income streams for her partner from this venture with income of more than $230,000, and will share again in the new value of the completed block.

DEAL 4: FEEDING COCKATOOS FOR YOUR DREAM HOME

Juliette's attention now turned to her family, which was 'busting at the seams' of their little townhouse. She set out to search for the perfect place with the aim of finding a 'work-horse, not a trophy.' It also had to be something with financial headroom. With dogged determination, she called agents every week looking for off-market deals, until finally something unlikely emerged.

The property owner was an old hoarder with a special affection for cockatoos. A promise to take care of the mess and continue feeding the hundreds of cockatoos in the backyard, clinched Juliette the deal and secured this wonderfully strategic find.

The property was situated on the periphery of a suburb that was about to boom, and in the first 12 months, the site of the property increased in value by 40 per cent. After demolition and rebuild, the total project cost $1.604M and is worth $2.8M, an increase of $1.2M in equity, giving them the leverage they were looking for.

IT'S ONLY THE BEGINNING...

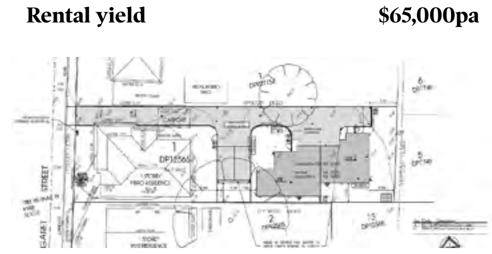
In the last four years, Juliette and Josh have gone from $0 to $1.9M in equity, with plenty of ideas and deals to come. Not only did they transform their lives through Dymphna's Platinum Program, but Juliette has also discovered she has a passion for real estate. She is pumped to spend quality time with the kids, giving a few hours every day to hatching new deals and exploring new investment opportunities.

Stressing that it was always about so much more than the money, Juliette and Josh are convinced that 'the snowball effect' will get behind anyone with enough courage to push through. They are grateful that their success has not only enabled them to provide for their children but also to continue throwing financial muscle behind some fantastic community development projects across developing Asia.

Juliette and Josh started in a townhouse they owned but had zero equity in. With creativity and persistence they made it work.

STRATEGY: STRATA SUBDIVISION AND DUPLEX BUILD

Total cost of purchase	$439,786
Planning and DA	$17,312
Appeal process	$11,988
Duplex build	$529,621
Total costs	$1,058,743
Sale appraisal on completion	**$1,360,000**
Front house rented out as 5 separate rooms to students -	
Rental yield	**$65,000pa**



How Robyn built a $2.2m property portfolio in just 18 months!

Robyn left school at 14 and opened her own photography studio at 20. She very quickly learned that she could never get wealthy through her art. That's when she decided to go into property investing.

Before becoming a property investor, Robyn wanted to earn an income through art. That's why she opened her own photography studio at 20 years old. However, she learned the hard way that the artist life can give her a good income... but it couldn't make her wealthy.

So, at 22 years old, Robyn bought her first block of units and renovated them. She ended up making more money out of that one renovation than she did in a whole year of doing photography!

This spurred Robyn to continue with property, buying an investment property year after year, believing that it will give her more passive income and ultimately, more control over her time.

Unfortunately, without a Strategy and a Plan, it was very hit and miss for Robyn.

Sure, some deals yielded her great profits. But some barely scraped over the line.

"I really just had to take responsibility for where I was at."

That's when she decided to get proper guidance on her property investing. She dragged her husband, Ross, to an ILRE weekend... and the rest, as they say, is history.

After joining Dymphna Boholt's program in March 2020, Robyn was finally able to create the life she's always wanted for herself.

DEAL 1: A COMMERCIAL PROPERTY TO KICK THINGS OFF

Robyn's first deal with ILRE took place just last year.

Her first assignment was to buy a multi-tenanted commercial property. So, she set her sights on a block of eight shops in Townsville.

The commercial centre had two vacancies. And Robyn bought the commercial block at $930,000 using the upside strategy to renovate and filling in the vacancies to increase it's value.

At the time, the aggregate rent from the tenants amounted to $93,000. After renovating the property and finding two more tenants to fill up the vacancies, the property is now valued at $1.4 million. Meanwhile, rent is rolling in at $145,000.

That means after overhead expenses, this commercial investment is giving Robyn an additional annual net cash flow of $60,000.

DEAL 2: GETTING RID OF A PROBLEM CHILD

Before joining ILRE, Robyn a property in Ramsey Crescent that she named Kylie the problem child, since she let an agent talk her into buying. Robyn didn't do any research and bought the property on the agent's 'good word' and advice.

Kylie was holding Robyn back, so the ILRE team helped her cut her losses and get rid of Kylie after over 200 days sitting in the market.

When it finally sold, albeit at an $83,000 loss, Robyn was able to free up much-needed financing in order to move forward to better performing deals

This brings us to deal number three...

DEAL 3: RENOVATING A PREVIOUS HOARDER'S HOME

Robyn's third deal with ILRE involved a knockdown and build duplex deal in Bokarina.

The property came with a few unwanted additions, as the previous owner was a hoarder who didnt even clean the house before handing the keys over to Robyn.

The purchase price was $750,000. Three builders gave estimates of how much it was going to cost Robyn to finish renovations, but that figure went up by $300,000 after six months.

At any rate, Robyn is anticipating a net profit of $500,000 from this deal.

DEAL 4: NEW ART DECO PPR

Robyn's fourth deal with ILRE involved a lovely four-bedroom, four-bathroom apartment. It's very remarkable, as it had bright turquoise tiles in every bathroom.

So, Robyn and her interior designer hatched a plan to go with an art deco theme to maximise some of the turquoise touches.

Renovations cost her about $150,000. That's on top of the $1.5 million price tag and the $68,500 purchase costs.

Two agents have since appraised the apartment, yielding an equity range of $2.4 million to $2.7 million after renovation and market uplift.

That's an equity increase of up to $950,000 for Robyn!

"It's got to be unique because I am."

DEAL 5: GETTING A MASSIVE DISCOUNT ON THE COAST

For her fifth deal with ILRE, Robyn cut another duplex deal.

This time, the property is at Wurtulla, right on the coast. The property had been for sale for about six weeks. And Robyn just knew there's got to be something wrong with anything that doesn't sell in six weeks on the coast.

So, Robyn using her learnings from ILRE called up the agent and negotiated the purchase down to $788,000 from a listing price of $900,000.

Robyn is expecting to net $500,000 from this deal, as well.

"I really enjoy the process... making sure I've done my homework so that I'm accountable."

DEAL 6: FIXING WATER LEAKS AT AN APARTMENT BUILDING

Robyn's sixth deal with ILRE took eight months of negotiations for a 12-year-old apartment that's never been sold.

The problem with the penthouse apartment was that every ceiling and every window in the whole apartment was leaking. There's just massive water leaks everywhere!

Having renovated for high rises before, water leaks are nothing new for Robyn. She had fresh knowledge, fresh information, and fresh ways to deal with the problem.

So, on week 9 of the projected week 12 renovation, she had sold and settled the penthouse apartment for an anticipated net profit of over $200,000.

MAKE YOUR DREAM LIFE A REALITY

Robyn created the life she's been dreaming about since leaving school at 14, within 18 months of joining ILRE.

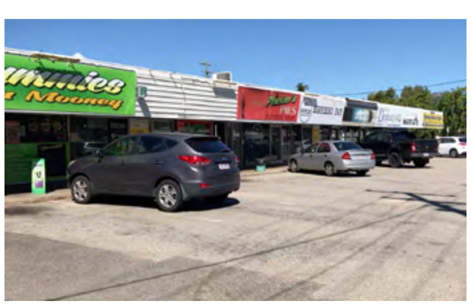
But more importantly...

Robyn's property investing journey has allowed her to rechannel her passion for photography into projects that fit her mantra of making the world a better, more beautiful place.

For Robyn, there are far more important things in life than money. That includes doing things that make her happy. Like only eating cake with pink icing, or giving her companies snazzy names like *Chocolates for Breakfast*.

But the reason she's able to do all that is her highly profitable property portfolio

"To me... the little things in life are really, really important."

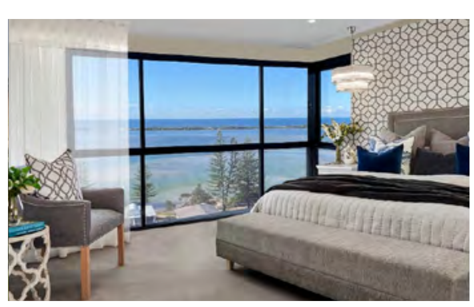


DEAL 1: TOWNSVILLE QLD COMMERCIAL

Purchase Price	$930,000
Re-Valuation (Refurb fully tenanted)	$1,400,000
Rent ($93,000 at purchase)	$145,000
Property Management	$5,500
Insurance	$18,000
Rates/Water (Outgoings renegotiated)	$21,000
Annual Net Cashflow	**$60,000**

DEAL 3: KNOCKDOWN & DUPLEX BUILD

Agent commission	$15,000
Purchase Price	$750,000
Timeframe to get DA	12 months
Rent	$450pw
Build estimate	$1,100,000+
Anticipated net profit*	**$500,000**



DEAL 6: GOLDEN BEACH RENOVATION

Off market	
Never been sold – 12 years old	
Negotiations	8 months
Renovation	4 months
Anticipated net profit	**$200,000+**

POST-DYMPHNA RESULTS

- Identified what my portfolio needed next
- Refinanced
- Bought and renovated a commercial property
- Bought 2 properties for duplex builds
- Bought a reno flip apartment
- Sold our ppr, bought a new one and renovated it
- Sold 2 long term holds

ANTICIPATED NET PROFIT	$2,200,000
CASHFLOW	$60,000

BY DYMPHNA BOHOLT

THE TRUE COST OF BUYING PROPERTY

Make sure you understand the full costs involved in purchasing property.

In property, the price tag is never the price.

If you're a bit new to the game, make sure you've clocked these 'extras' and make sure you understand the impact they have on your deal.

BANK FEES

Interest rates, loan establishment fees and refinancing fees are all important if you're buying under finance.

Some lenders charge application fees (or establishment fees) when you apply for a home loan. A lender who doesn't often makes up for it with higher ongoing fees.

If you're refinancing an existing loan, ask about exit fees. These vary between lenders and depending on how early you're terminating, they can sometimes be hefty.

CONVEYANCING & SETTLEMENT FEES

Conveyancers are specialists in property law, charging around $1200-$1500 to execute the process.

Banks' charge settlement fees when they discharge a mortgage, and you'll pay a government mortgage registration fee as well. The cost varies from state to state with Tasmania charging the least ($135) and Queensland the most ($187).

INTEREST RATES

Shop around for the combination of features that will work best for you in a home loan. Consider offset and redraw options if you like the idea of having access to savings while reducing interest charges. Some banks charge a fee every time you redraw so look out for this.

Both fixed and variable rates have never been lower, but future rate rises should be considered so you don't get caught short!

STAMP DUTY

One of the biggest up-front costs is stamp duty. Calculated as a percentage of the purchase price, this varies state to state. First home buyers may be entitled to a discount, but limitations apply so check before you buy.

PEST AND BUILDING INSPECTIONS

Having a clear picture of whether your property is in sound structural condition, requires any urgent repairs or maintenance and to check for any pest infestations that may have caused damage to the property is essential.

It's cost effective to find an inspector who can perform both building and pest inspections at the same time. The average cost is around $500 but it could potentially save you thousands should it discover something nasty. If you suspect the building may contain asbestos, check this too as it can be expensive to remove should you plan to renovate.

INSURANCE

Once you've made an offer, you have an interest in the property and should get insurance as soon as possible. Many lenders insist on annual proof of building insurance, but you might consider other forms of insurance as well. Life insurance covers the balance of your mortgage should you pass away – check life or permanent disability coverage attached to your superannuation account before you take out additional policies.

I've written a book about asset protection. No literally, an actual book. There's a lot too it, but insurance is the foundation of any good asset protection strategy.

Anyway, you've got to make sure that all of these costs are factored into your deal. Being aware of the extras gives you a clearer picture of the true cost of investing in property, and therefore, the true profits.

Dymphna

PROOF! ANYONE CAN BE BROKE

Henry is broke. Poor Henry. But Henry shouldn't be broke. He's earning six-figures. But that's the thing. Anyone can be broke. It's surprisingly easy.

BY DYMPHNA BOHOLT

I'm not talking about one person here – I'm talking about high income millennials. The so-called Henrys – High Earners, Not Rich Yet's.

A recent survey in the US found that 60% of them were living pay-cheque to pay-cheque.

From the AFR:

High-earning Millennials are feeling broke.

Sixty per cent of Millennials raking in more than $US100,000 (AUD$134,300) a year say they're living pay cheque to pay cheque, according to a new survey by PYMNTS and lending company LendingClub which analysed economic data and census-balanced surveys of over 28,000 Americans.

That is partly due to lifestyle choices. Many of these Millennials are likely HENRYs – short for high earner, not rich yet. The acronym was invented back in 2003, but has come to characterise a certain group of 30-something six-figure earners who struggle to balance their spending and savings habits.

HENRYs typically fall victim to lifestyle creep, when they increase their standard of living to match a rise in discretionary income. They prefer a comfortable and often expensive lifestyle that leaves them living pay cheque to pay cheque.

Ok, let's not gloat too much or roll out that 'entitled millennial' troupe.

Yes, it's about lifestyle and expenses. But life is also much more expensive than it used to be. The average Henry leaves university with a debt of US$80,000! That's a heckuva hole to be starting in.

And then houses are more expensive than they used to be, etc. etc.

But there's a really important point here – and that's about lifestyle drift.

When you're earning good money, you're probably working hard for it. And that means you want to feel rewarded for the work you do.

And you're probably moving in circles that spend freely. Expensive dinners out, that sort of thing. And they probably live in in expensive suburbs.

You either open up the wallet and fork it out, or you feel like you're being left behind.

I mean, I once had a student who as a high-end engineer on the mines. He was earning like $300K a year.

But when he came to me he was still renting. When I asked him why he said that he hadn't been able to save enough to build a deposit!

There are two sides to the wealth equation. There is your earn and your burn. If you're not earning more than your burning, then you're just not saving money and you're just not moving forward.

But this requires sacrifice – and it doesn't matter what level of income you're starting from – it requires sacrifice.

It requires a disciplined commitment to keep your burn on a leash. If you don't watch it, it will quickly drift out of control.

This is something we all have to watch. Even multi-millionaires like me.

Humans are just funny like that.

Dymphna

DON & JUDY

How one couple doubled their income, quadrupled their equity and gave their kids a place to live – in just four years.

Thirty years ago, Don and Judy Brady lost a daughter to leukaemia. The experience of that tragic loss has driven them to provide their three children with the best life possible and to be a rock that their children could rely on. Since joining Dymphna Boholt, they've been able to help their children in unprecedented ways.

Don and Judy Brady first met Dymphna Boholt at the National Achievers' Conference in 2011. They had initially gone to hear Robert Kiyosaki speak, but it was Dymphna who impressed them and they signed up for a boot camp later that year.

"We were winging it. And without structure and without education, we were flying blind. We were afraid we were going to lose everything." – Don

Don recalls that although they had an OK portfolio, they were 'winging it' and investing without a clear strategy in mind. After they committed to educating themselves, they realised just how much was actually possible. Through cleverly 'stacking' strategies, they have also achieved some very impressive results in relatively short time.

They currently live in a multi-generational PPR with their oldest and youngest children and their partners. Don and Judy also saved their middle daughter from an investment that was going south. Not only has this kept a roof over their children's heads, but it has helped them to save up the capital to become investors themselves – something Don and Judy are only to happy to mentor them in.

This is the story of how Don and Judy expanded their portfolio, doubled their equity and quadrupled their income in just five years.

DEAL 1: FAMILY COMES FIRST

Don and Judy's first deal came through helping their middle daughter, Lexi. She'd just had a baby and was struggling with an investment she'd made with her partner. Don and Judy decided to step in and lend them some money.

However, when they looked at the property, they wondered if they could do something more with it. They entered into a joint venture with their daughter and her partner, and subdivided the block into two for a quick sale. This netted them a quick equity gain of $140,000.

DEAL 2: HIGHEST AND BEST USE

In 2015, Don and Judy bought a site in Brisbane for $590,000 and had plans to subdivide and build townhouses and apartments. However, after joining the Platinum Program and becoming skilled in feasibility studies, they realised the highest and best use for the property was to subdivide and sell on.

The subdivision cost them less than $60,000, and they expect to sell the blocks for $425,000 each (with approved plans), creating $200,000 worth of potential profit in the deal.

DEAL 3: A NO-MONEY-DOWN BUSINESS

Don and Judy run a management rights business, looking after townhouses and apartments. In 2012, a developer asked Don if he would manage an off-the-plan development for him in Kallangur, Brisbane. As they lived on the Gold Coast, Judy was very reluctant.

The only way they could make it work was if they owned the management rights business outright. However, they didn't have the finance to make it happen. Don and Judy went to the owner to propose a vendor finance arrangement. They didn't think they had much chance but, to their surprise, the owner went for it.

After pocketing $100,000 a year for five years, they sold the business for a profit of $225,000.

"You hear about these no-money-down deals, and you think, well that sounds like B.S. But it's not. We did it." - Judy

DEAL 4: STACKING STRATEGIES FOR MULTIPLE PROFIT

Dymphna Boholt's Platinum Program had introduced Don and Judy to a range of new strategies, but it had also shown them that it was possible to stack multiple strategies into a single deal.

Putting this newfound knowledge to use, they bought a property with sub-division potential, but soon realised that they could also build a rooming house on the new block. All in all the rooming house cost them $530,000, including site costs. As well as delivering $40,000 p.a. in cashflow, it has also been valued at $830,000 – an equity uplift of $300,000.

DEAL 5: A PPR WITH INCOME POTENTIAL

Using the other block from the deal above, the Brady's built their own home, based on Judy's custom designs.

Don and Judy live on the lower floor, which includes a double garage and a deck. On the upper floor there is a two-bedroom unit, which their daughter and her family live in, and a one-bedroom unit, which their son and his fiancé live in.

There is considerable income potential in their PPR, but Don and Judy have chose to give their kids a stable place to live and a strong headstart in life. Their son Josh and his partner were able to save $100,000 in just 12 months.

ANCESTORS OF A BRIGHTER FUTURE

Don and Judy's story shows us that financial freedom is not just a gift we give ourselves, but is something we give to our children and our children's children. However, money alone is never enough, and Don and Judy have also demonstrated the love and commitment to family that is necessary for a truly special intergenerational gift.

Despite having engineered five successful deals, it's Don and Judy's ability to provide for their family that they're most proud of.

"We all want to be OK financially, but we have learnt that if there is stuff in your history that haunts you, you need to work on that too. We're all works in progress."

PRE-DYMPHNA	VALUE	CASH / EQ	NET CASH FLOW
HOUSE 1	$284,000	$91,500	+$5,500
HOUSE 2	$332,000	$103,500	+$4,500
HOUSE 3	$480,000	$40,000	-$8,000
M/R BUSINESS	$1,285M	$275,000	+$146K
CASH	NOT MUCH		
TOTALS	**$2.381M**	**$510,000**	**$148,000**

POST-DYMPHNA	VALUE	CASH / EQ	NET CASH FLOW
HOUSE PPR	$850,000	$456,000	-$21,000*
ROOMING HOUSE	$830,000	$411,000	+$40,000
HOUSE 1 – S/DIV IN PROG	$850,000	$201,500	-$10,000
JV HOUSE 50/50	$820,000	$140,000	-$3,380
JV M/R BUSINESS (75/25)	$2.6M	$800,000	+$328,000
CASH (M/R BUSINESS SALE		$500,000	
TOTALS	**$5.950M**	**$2.508M**	**$333,620**

NEW PROPERTY DEALS - MUSGRAVE ROAD JV

Purchase (Rented since 2015)	$600,000
Subdivision cost	$80,000
Sold blocks for $410,000 each	$820,000
Profit	**$140,000**

MACGROARTY STREET

Purchased 2015	$590,000
Subdivision costs	$58,400
Sell Blocks @	$425,000 each
Potential profit selling the blocks ourselves	**$200,000**

KALLANGUR MANAGEMENTS RIGHTS BUSINESS

Purchased off the plan	$215,000
Profit on sale	**$225,000**
Average income per year for 5 years	**$102,500**

DINMORE MANAGEMENTS RIGHTS BUSINESS

Purchased off the plan	$1,730,000
Income per annum (expected)	**$400,000**
Cash uplift (potential)	**$800,000+**

ROOMING HOUSE COOPERS PLAINS

Subdivided + built rooming house on new block

Land + build cost + furnishing	$530,000
Net Income per annum (approx)	**$40,000**
Recent Valuation	**$830,000**
Equity Uplift	**$400,000**

MULTI-GENERATIONAL PPR

Half of upstairs 2 bedroom self-contained area

Potential rent furnished plus 1 bedroom/1 bathroom /study	$450 - $500 per week
Potential rent Airbnb	$120 - $150 per night
Land + Build	$600,000
Valued 18 months ago	**$850,000**
Uplift	**$250,000**

Escaping a $100,000 hole and the brink of bankruptcy. How Peter and Kerrie turned it all around with just one deal.

When Peter's building business started to struggle after a messy business partnership breakdown, he found himself in a hole. His house and office mortgage was costing him $104,000 a year and he had $50,000 credit card debt. But after implementing the tools acquired through I Love Real Estate training and the Platinum Program, he quickly up-skilled and with one deal, he was able to get back on track and build a passive income stream of $104,000 a year, plus an equity gain of over $2,000,000. This is how he pulled it off.

After a messy partnership breakdown, the value of Peter's business disintegrated and he was left without a leg to stand on.

Thankfully, Peter had been a member of the I Love Real Estate (ILRE) community for a number of years and with the mentoring he had received through the Platinum Program, he was positioned to take action.

The first step was to let go of the office he no longer needed and sell his principal place of residence. He and his wife, Kerrie, loved their house but could see that it didn't fit with their financial goals.

"We didn't want to sell the house but Dymphna said to us: 'You can either get over it and get on with it, or you could go under'."

Having completed a number of successful property deals in the past, Peter felt he was ready to look at a high-yield commercial property. He found what he was looking for in the coastal town of Nowra NSW, which was experiencing rapid growth. The five-lot vacant block was on the market for $950,000, but Peter picked it up for $715,000 in a distressed sale – and that was after the seller put in an 18-metre wide road!

After finishing the subdivision process – including street light and developer contributions – Peter sold one lot for $250,000. he used this money to fund a good chunk of the remaining deal.

He then found a great buyer – a government agency – that was willing to pay $765,000 for three of the lots.

He was left with one block. His wife Kerrie noticed that there were a lot of children in the area, so they thought about building a child care centre. Peter found someone who managed a number of childcare centres in the area and signed a 15-year lease on a 96-place hi-tech childcare centre, at $190,000 a year.

With a long lease in place, finance was easy to obtain. Construction cost just $1.1M, with the fit-out and out-goings paid for by the tenant. What's more, the lease is contracted to increase by 3.5 per cent, which feeds directly into the capital value of the property.

With a lease of $190,000 a year, and mortgage costs coming to $76,000 a year, the deal puts $114,000 a year into Peter's pocket. With just one deal, Peter had broken free from his financial burden.

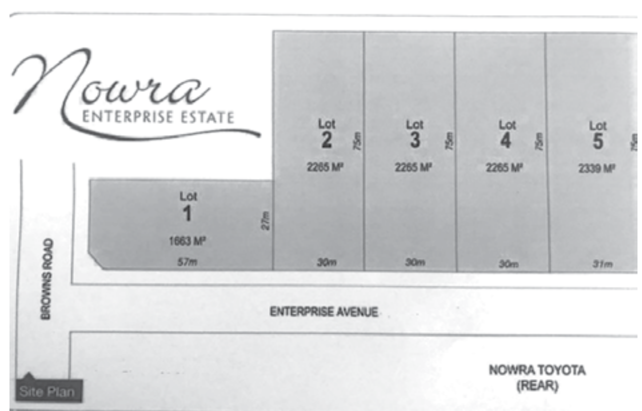
However, Peter cautions that this strategy might not work for everyone. Despite having a fantastic team behind him, he said there's a lot to get your head around.

Peter's story goes to show that with the right training and strategy, you can get yourself out of even the deepest of holes.

"Kerrie and I have always had a great marriage and work as a strong team. She is the wind beneath my wings."

SUBDIVISION - GOROKAN

Purchase price	$290K	Net Profit	$ 36K
Development	$ 48K	Project time	6-7 months



INDUSTRIAL LAND SUBDIVISION - NOWRA

Land purchased (2015)	$715K	Lots 3, 4 & 5 sold	$765K
Lot 1 sold for subdivision, DA costs and fees	$250K	This resulted in us owning Lot 2 outright	

DESIGN & CONSTRUCTION OF CHILDCARE CENTRE

Construction cost	$1.1M	Lease	$190k
Current Valuation -	$3.16M	All outgoings & fitout paid by lessee	
Negotiated 15 year lease			

DUAL OCCUPANCY & SUB DIVISION - CARINGBAH

Caringbah corner site	650m²	We keep ours as PPR, they sell	
JV with daughter & son in law		Anticipated total profit	$528K

PRE-DYMPHNA	VALUE	EQUITY	CASHFLOW
2 PROPERTIES		$1,400,000	-$104,000
CREDIT CARD DEBT	-$50,000		

POST-DYMPHNA	VALUE	EQUITY	CASHFLOW
CHILDCARE CENTRE	$3,160,000	$1,660,000	$114,000
DUPLEX (PPR)	$1,700,000	$1,700,000	–
TOTALS	$4,860,000	$3,360,000	$114,000

HOW TO CONQUER NEGATIVE SELF-TALK

There are two places negative self-talk comes from. One is bad. The other is a disaster.

BY DYMPHNA BOHOLT

Where does negative self-talk come from?

Your self-talk is important. These are the things you tell yourself about yourself. They give you an insight into your beliefs and attitudes about your most important asset:

Your self.

Some people come with great self talk. They're encouraging and supportive. They reflect a belief in a person's abilities and intrinsic self-worth.

These people are the lucky ones.

The rest of us – and probably the majority of us really – have to live with negative self-talk. We have to endure an inner monologue that puts us down – that always throws doubt on to our abilities and our fundamental loveabilityaness.

(Yes it's a word. My inner monologue says so.)

And so it's one of the things we have to work on. If you're constantly telling yourself that you're not good at something and that you're going to fail, guess what! You're probably going to fail.

So we've got to turn that around.

Now, in my experience, there are two types of negative self-talk.

The first genuinely reflects a negative perception of ourselves. For whatever reason, we've come to believe that we're not good with money, or we're not good with numbers, or we don't deserve to be wealthy or whatever it is.

The antidote to that kind of self-talk is shifting the underlying beliefs. Maybe affirmations might do it. Change the talk, change the belief.

This is actually a reasonably straight forward fix.

But there's a trickier self-talk that's much harder to defuse.

This is self-talk that comes from laziness.

This is self-talk that is willing to throw the self under the bus, just to avoid doing something difficult.

It's the person who has to do a study module on feasibility studies, who throws up their hands and says "Oh, I've never been good with numbers. I can't do this."

It's the person who's about to sign up for a financial training program, who declares, "I'm not good with money, I'll always be poor."

It's the person faced with finding time in the week to study the course materials who just says, "I can't do this. I'm dumb."

The negative self-talk is a justification for the person's laziness. Sorry to be blunt, but it's their refusal to take responsibility for themselves.

Their negative self-talk is just an excuse.

Now, you can have results or you can have excuses, as I always say. So excuses are bad enough on their own.

But this is doubly bad because you're reinforcing a negative perception of yourself. You're talking down your skills and abilities.

And that has consequences.

The more you say it, the more you come to believe it's true.

And once you believe it's true, it comes true.

And what's happened? You have actually made yourself "dumb" or "bad with money", just to avoid doing some work!

What a disaster.

So watch out for this.

Negative self-talk is a weed that needs to be pulled out at every opportunity.

But watch where that self-talk is coming from.

And whatever you do, don't let your laziness feed you negative lies.

Dymphna

Nathan replaced his personal wage in 13 months, remotely from half way around the world.

Australia's a big country so it's not unusual to do deals at a distance. Nathan, however, is based in Dubai for work and his amazing real estate turnaround was done in another time zone. He was also the first person to take up Dymphna on a special guarantee she ran for a time, namely: "Replace the current average wage in Australia which is $55K pa in passive income from your real estate investing within 36 months and you will get the money you invested in the course back in full."Nathan did it in 13 months. Here's how.

When Nathan came to the I Love Real Estate community, he already had five properties, which were all negatively geared. He was out of pocket $33K a year supporting these 'assets'. In fact, because Nathan was being paid in local currency and the exchange rate was not great at the time, it was actually costing him more money.

With an understanding that he's best to start with his own properties, a quick call to his strategist gave him an action plan to get started with. Two properties were costing him money, stopping him progressing. So that had to go. A quick reno to one and onto the market for a quick sale.

"If only I could chat to the cynic sitting next to me at Dymphna's one-dayer, and share with him what is possible if you just set your mind to it."

DEAL 1: THE DREAM HOUSE

On a regular trip back to Adelaide, Nathan and his wife considered the idea of buying a house right on the beach. So while they walked the strip of beach they wanted to be on, they also door knocked and asked if anyone wanted to sell. It just so happened that one owner said yes.

They set about doing a substantial renovation on the property and to help generate some cash flow, listed the house on Airbnb as soon as it was complete. To date, they have made $62,000 from that deal and short-term rental. They also got another $280K in equity uplift from the renovation.

Even though it's their dream house, they have no plans to move into it because they are loving the cash flow too much to give it up.

DEAL 2: SPLITTER 4 PACK

While in Dubai, Nathan found his next deal in a regional town in South Australia. The house was on a large 2000sqm block and he was able to do a quick cosmetic renovation on the house and quickly rent it out for $320 a week. The block has since been split and Nathan is in the process of building four houses on the rear block.

"I knew nothing about development so I thought, I think I'll do 4 – I didn't know what an option was, so I put it on an option"

Finally, the boot camp came up and Nathan flew in at 6am on the Friday morning, and out again back to Dubai at 10pm on the Sunday night. He didn't sleep a wink on the plane, thinking about property.

DEAL 3: THE PORTFOLIO DUPLEX

Nathan then revisited another duplex that he'd owned for around 15 years and was just renting out each side for $260pw. Once he came to understand the process of renting by the room he did a reno that turned the property from four bedrooms into six bedrooms.

That change of strategy turned a $9K pa cash flow into a $26,000 annual cash flow.

DEAL 4: THE HOMELESS SHELTER

In an attempt to give back with the help of a mate who works with homeless people, he bought a cheap house in a small town that really needed accommodation. After adding an extra bedroom and opening the house to rent by the room, he discovered that the people he was trying to help were very reluctant to change their ways. So sadly, he is putting the house back up for sale for a quick $30K profit.

"I flew in at 6am on a friday morning to attend the 3 day boot camp and flew out again at 10pm back to Dubai"

DEAL 5 – BACK TO THE PORTFOLIO.

Nathan owned a two-bedroom unit on the beach which was being rented out. That is the next property in Nathan's sights for a renovation and an add to Airbnb. Based on the area and other similar deals, this one unit will earn them around $9,000 a year.

In 13 months Nathan went from -$33,000 to +$56,000 passive income and within a few months that is expected to increase to around $99,000 a year. Additionally, his actions took his portfolio from $2,740,000 to $4,010,000, which is an equity uplift of $1,005,000 in just 13 months.

When you think that all this was done working full-time from another continent, it's a pretty amazing achievement. It also meant that Nathan was able to leave work and come back to Australia to be with his family, which was the whole point of the exercise.

It really shows, that with real estate as your vehicle and the right knowledge, you can set your goals and achieve them far quicker than you might imagine.

PRE-DYMPHNA	
PROPERTIES	5
PORTFOLIO VALUE	$2,740,000
CASH FLOW NEGATIVE	-$33,000

POST-DYMPHNA	
PROPERTIES	10
SOLD	2
BOUGHT	2
RENOVATED	6
CASH FLOW POSITIVE	$56,000
UNDER CONSTRUCTION	5
CASH FLOW POST CONSTRUCTION	$99,000
PORTFOLIO VALUE	$4,010,000
EQUITY UPLIFT	$1,005,000

RENOVATION HENLEY BEACH ADELAIDE

Purchased Oct 2015	$960,000
Renovation July 2016	$102,000
Equity uplift	*$280,000*
Increase rent from $650 p/w ($33,800) to $62,000 in 9 months (Airbnb, Stayz, Realestate.com)	
Positive cash flow	*$24,000*

RENOVATE/SUBDIVIDE/ CONSTRUCTION

Purchase	$350,000
Cosmetic renovation 6 weeks	$27,000
Rent original house	*$330 p/w*
Sell original house	*$320,000*
Subdivision Cost	$18,000
Construction 4 x 2br houses	$620,000
End value	$900,000
Equity uplift	*$280,000*
Positive cash flow	*$18,000*

RENOVATE/HMO/SUBDIVIDE 2 X 2 BEDROOM DUPLEX ON ONE TITLE.

Purchased August 2005	$336,000
Cosmetic renovation	$10,000
Jan 2017 valuation	$545,000
Jan 2017 Renovated to HMO	
Oct 2017 Subdivision	
New valuation $370K x 2 =	$740,000
Equity uplift	*$195,000*
Positive cash flow	*$26,200*

RENOVATE - AIRBNB

Purchased July 2000	$135,000
Current rent $365 p/w	$18,980
Airbnb average $500 p/w	$26,000
Current value	$400,000
Cosmetic renovation	$25,000
Equity uplift	*$90,000*
Positive cash flow	*$9,000+*

A million-dollar debt and a marriage on the line: How a mother-of-four discovered a new way and built an amazing life.

Vicky had been living beyond her means for years. From the outside, she had it all: a big house, big car, big boat and the private school that cost a fortune. Problem was, Vicky and her husband couldn't afford any of it. Then, when she was diagnosed with breast cancer in 2009, it felt like her life was falling apart. After her recovery, she joined the I Love Real Estate community and started to rebuild her life with passion and purpose.

Vicky purchased her first investment property in 2007. It was negatively geared and put a lot of strain on her finances. She was trapped in a cycle of 'fake wealth', skimming off any equity growth from her principal place of residence and refinancing the loan to build a pool, build a shed and buy a boat. "I was trying to get all those material things that measure success," she recalls.

Things were so tough that Vicky found herself deciding between making a mortgage repayment and buying shoes for her kids. When she started putting the groceries on her credit card, she knew she was trapped in a cycle of bad debt.

"Tim [my husband] was resistant to me doing this at first. But I got him to go to an event and the penny dropped. He was like, 'I get it now. This is a really great community'."

Then, the unthinkable happened. What should have been a routine doctor's appointment became a stage 2 breast cancer diagnosis. "[The experience] shook my confidence to the core and it made me readjust and reassess every single thing in my life," she says.

With a debt of one million dollars, her health in tatters and her marriage on the line, Vicky hit rock bottom.

Thankfully, she made a speedy recovery from breast cancer and set out to reclaim her life. Vicky made her way to one of Dymphna's one-day events, she won one of Dymphna's books, which she signed: "Vicky, just make it happen!" It was the push she needed to take control of her life.

Since joining the I Love Real Estate (ILRE) community, Vicky has paid off debt and turned around her cash flow position from $30,000 per annum in the red to $30,000 per annum in the black. Vicky even won over her sceptical husband, reuniting them in common purpose and passion.

DEAL 1: THE BIG HOUSE

In 2013, Vicky and her husband, Tim, bought the house of their dreams: a mansion on a hill. The upkeep on the house was laborious and the mortgage repayments were pummelling.

Vicky knew she had to find a way to make the property work financially. She considered everything: farm-stay cabins, overseas workers helping to maintain the property, hiring it out as a wedding venue and creating day spa experiences – she even thought about turning it into a brothel!

Vicky was at a loss until she joined ILRE and learnt how to do a feasibility study. Working closely with her mentor, she realised that the best strategy was a quick renovation and sale.

"I actually felt embarrassed having a big house ... it was like I didn't feel worthy enough."

She put $80,000 into some 'basic' cosmetic renovations, which increased the capital value by more than 30 per cent. Tim and Vicky were able to sell the property for a $230,000 profit.

DEAL 2: THE BEACH HOUSE

Old insecurities die hard, and Tim and Vicky soon found themselves looking at purchasing their dream beach house.

Emotions played a big part in how this deal played out. Unable to stick to her newfound knowledge, Vicky and Tim went over budget with the renovations.

Leaning on the ILRE community, Vicky was able to refocus on her goals and strategically get the deal back on track. With an extension on the property, a refurbished kitchen, bathroom, laundry and a new granny flat, she was still able to increase her equity in the property by $33,000.

The property now brings in $18,000 a year in passive income and provides her family with the occasional holiday getaway.

"I was too emotionally invested in the house. I forgot about all the things I had learnt and started making emotional decisions and relying on other people's opinions. I didn't trust myself."

DEAL 3: THE DUPLEX BUILD

With her portfolio in order now, Vicky was ready to launch into new deals. She found a block of land that was ripe for a duplex development. She purchased the land for $260,000 and estimates to spend $650,000 on the build, with the end value expected to be more than one million dollars. This should leave Vicky a profit of $136,000. Vicky intends to sell one house and keep the other for cash flow.

LIVING AN AFFORDABLE LIFE AND THRIVING

Despite losing sight of her goals and focus, Vicky was able to regroup with the support of the ILRE community. She has improved her equity position by $576,000 and created $60,000 turnaround in her annual cash flow position.

The biggest growth for Vicky, however, has been a personal 'coming of age' and a chance to find her voice. Through setting clear goals, Vicky and Tim have found a blueprint for working together with purpose and passion. "We communicate better and our marriage has been rejuvenated. It's wonderful"" she adds.

"Trust yourself and what you have learnt"

PRE-DYMPHNA

PROPERTY	VALUE	CASHFLOW
THE FARM	$580,000	$1,660
THE BIG HOUSE	$670,000	PPR
LESS DEBT (INC. CREDIT CARDS)	($1,059,000)	
NET	**$191,000**	**$1,660**

POST-DYMPHNA

PROPERTY	VALUE	CASHFLOW
THE FARM	$650,000	$ 11,209
BEACH HOUSE (ON COMPLETION)	$950,000	$18,200
DUPLEX BLOCK (ON COMPLETION)	$545,000	$3,950
LESS DEBT (INC. CREDIT CARDS)	($1,378,000)	
NET	**$767,000**	**$33,359**

THE BIG HOUSE

Purchase Price	$670,000
Purchase Costs	$28,500
Strategy	$80,000
Total Costs	$778,500
Sale Price (less sale costs)	**$1,016,500**
Profit 31%	**$238,000**

THE BEACH HOUSE

Purchase Price	$565,000
Purchase Costs	$24,000
Strategy – GF/Reno	$270,000
Total Costs	$859,000
Est Sale Price (less sale costs)	**$917,000**
Profit 6.75%	**$58,000**
Cash Flow (GF)	**$18,200**

DUPLEX BLOCK

Purchase Price	$260,000
Purchase Costs	$9,000
Strategy - Build	$650,000
Total Costs	$919,000
Est. Sale Price (less sale costs)	**$1,055,000**
Profit 15%	**$136,000**
Sell One – Keep One Strategy	
Expected Income	$24,700
Less Hold Costs	$20,750
Expected Cash Flow	**$3,950**

HOW SWEET OLD PEOPLE GOT THAT WAY

More radical responsibility – this time about holding on to your sweetness.

BY JON GIAAN

If it's one thing I've come to understand, it's that life makes you bitter.

And it's not that life is bad like that. I'm not having a grump. It's ok. I've had my coffee. You can talk to me.

No, it's not that life is wrong and bad and terrible.

It's just that we are just born so darn cute and innocent.

We come into the world beautifully naive.

For most of us, we enter a universe where we are completely doted on and where we have every need attended to. We don't even wipe our own bottoms.

And as we get a little bigger, we find ourselves with minimal responsibilities and oodles of leisure time to just stare at bugs or whatever.

And as we become teenagers, everything in our life confirms that we are the complete centre of the universe, and the love that we feel for that cute boy is the most epic love ever experienced by anyone in the universe.

So blissful.

But it's an artificial reality. It's a fantasy concocted for us by our loving parents and a consumer-culture obsessed with youth.

But then one by one, the walls of that fantasy begin to crumble, and we begin to face up to reality.

Being an adult involves responsibility. There's no avoiding it. We have to get jobs and pay bills. We have to wipe our own bottoms.

And we begin to realise that we might not be young forever. Grey hairs come. We get flabby where there never used to be flab. We realise that we are being shuffled aside to make way for the next generation of young and effortlessly beautiful.

With that comes the realisation of death. It moves from an abstract idea to something we genuinely have to come to terms with, as gnarly as the idea is.

And as our gaze lifts from our entitled teen-age belly-buttons, we realise that there's a whole world out there, and that there are entire nations of suffering and injustice.

And one day, we find that we are no longer living in a fantasy. We are living in the real world. And the real world is brutal and cruel and we are getting fat and going bald.

And with this, come bitterness.

And look, I just don't blame anyone who's been on this journey for becoming bitter. It's the most natural thing in the world. We naturally become bitter and disappointed and prone to yelling at kids who walk on our lawn.

But we don't have to let it happen.

We can choose to remain sweet.

And that doesn't mean clinging to the fantasy, the way some people seem to cling to the dream of being young forever.

No, it involves seeing the world for all it's cruelty and transfats, and remaining sweet in the midst of it all.

It's a decision to anchor yourself in gratitude.

It's a decision to grieve fully and savour every scrap of beauty that comes your way.

It's a decision to love everyone around you for all their faults. It's a decision to love yourself for all your faults.

If you can do this, you can hang on to your sweetness.

And if you can do this, then you win life. You're a winner. A happy and sweet golden oldie.

To me, this sweetness is the definition of success

JG

Mental makeover: How one couple overcame their ‘poor mentality’ and welcomed abundance into their lives.

Mark and Sue had pinned their hopes for financial stability on their property portfolio. However, after several years, they were getting nowhere and their portfolio was losing $20,000 a year. It wasn’t until they joined the I Love Real Estate (ILRE) community that they learnt the skills they needed to turn their situation around and find financial freedom. Now, they’ve got over one million dollars in equity and are earning $71,000 a year in passive income.

Sue and Mark say they were both ‘born poor’. Sue was raised on her grandmother’s pension, while Mark’s mother died at a young age and he had a ‘hands-off’ upbringing from a distant father.

After joining ILRE, Sue and Mark started acquiring the skills they needed to make their portfolio work. However, they also realised they needed to go back and shift their ‘financial DNA’. They desperately needed to reprogram their mindset around abundance and self-worth.

“I didn’t know how to receive. I couldn’t even take a compliment. I had to start there.” – Sue

Sue took naturally to the mindset development programs on offer through the ILRE community and the Quantum Program. They gave her perspective on her blockages and how to release them. In particular, Sue recognised that she was a ‘creative nurturer’; someone who had endless energy for others but took nothing for themselves.

Mark’s journey was slightly harder. At first, he was resistant to the vision boards, affirmations and all the ‘woo-woo’ stuff. He put his concerns aside and set to work. Now, he’s a firm believer in the power of the mind and the strength of belief: “It really works; if you can see it, feel it and really want it, it’s yours. The sky’s the limit,” he says.

“I didn’t have the confidence to go and make things happen or to talk to other people. This is where I’ve really grown.” – Mark

In just a few years, they’ve increased their equity by $1M and are earning $71,000 a year through property investment and development. Here’s how they did it.

DEAL 1: WORK WITH WHAT YOU HAVE

First up, Sue and Mark did a small cosmetic renovation on their existing investment property. This allowed them to increase the rent and the valuation uplift gave them cash to launch into their next deals.

DEAL 2: AN UPLIFT AND GRANNY FLAT

Sue and Mark spent $50,000 in building a granny flat on their principal place of residence. This dwelling was built for Sue’s mum, who’d found herself in a difficult spot. The granny flat increased their equity by $80,000, which gave them some more capital to work with.

DEAL 3: A SUNNY INVESTMENT

Sue and Mark enjoyed holidaying on the Sunshine Coast and thought it would be a great place to invest. On the back of an inspiring deal she saw at a three-day boot camp, Sue decided to ‘find something big and cut it up’.

Sue and Mark found a large property for the bargain price of $510,000. However, rooms had been added over the years and very few of them had been through the legal approval process.

However, Sue’s plan was to repurpose the property. Utilising Mark’s building skills, they transformed the property into a dual-key property with a granny flat. Sue and Mark banked an equity gain of $250,000 on the deal and with Airbnb supporting some longer-term rentals, the property is now cash flow positive to the tune of $40,000 a year.

DEAL 4: CASH FLOW FROM OTHER PEOPLE’S PROPERTIES

Having gained a taste for Airbnb, Sue went out and set up a consultancy business in managing Airbnb properties, which generates more than $30,000 a year.

Sue has even written a book called *Ready Set Host*, which is a guide to short-term rental set-up and self-management. In addition, Airbnb have interviewed Sue as a ‘model host’ and she was invited to be the Australian a coach on an international webinar.

EMBRACING ABUNDANCE

Sue and Mark have both come a long way from the children who could never afford toys. They’ve both expressed gratitude for the ILRE community, who have rallied behind their personal transformation.

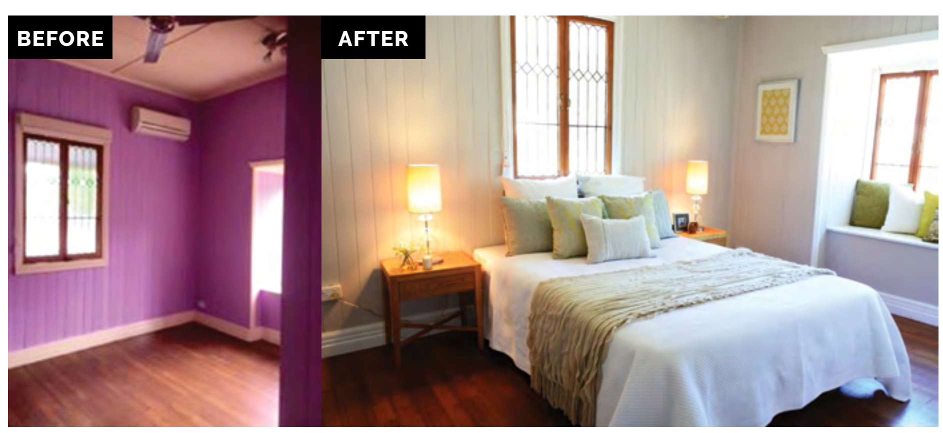
“We live with gratitude every day … We visualise first thing in the morning and throughout the day. We energize, whether that‘s the gym, walking, or [with] music. We celebrate and reward effort.” – Sue

Sue and Mark have stepped into their own power and no longer feel trapped by the conditioning of a money-poor mindset. In fact, Sue even bought herself a Porsche, which she believes is a tangible move that affirms her new mindset; it’s one of abundance, celebrating success.

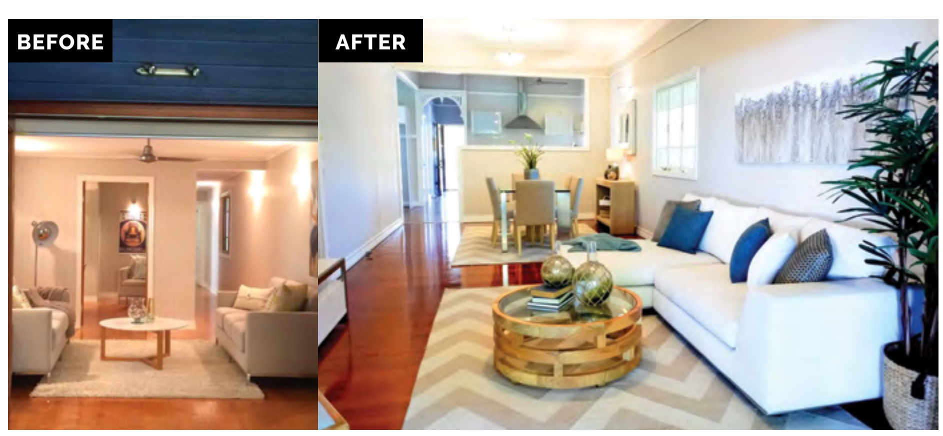
Today, Sue and Mark live by their daily rituals of energising and gratitude, and are a powerful inspiration to everyone they meet. They truly believe that good energy is infectious.

PRE-DYMPHNA	
SERVICEABILITY	$90,000
VALUE OF ASSETS	$960,000
LOAN	$464,000
EQUITY	$496,000
AWE	$396,800
CASHFLOW	-$22,428

POST-DYMPHNA	
SERVICEABILITY	$151,000
VALUE OF ASSETS	$1,910,000
LOAN	$884,000
EQUITY	$1,026,000
PROFIT SERVICES EXCHANGE DEALS	$76,000
CASHFLOW	$71,030



EXAMPLES OF RENOVATION DEALS WITH SERVICES EXCHANGE



How a farmer who'd never paid an electricity bill set her family up with a tax-free income of $160,000 a year.

Desley had spent her adult life on a farm. Her family had been through it all: droughts, floods – you name it. Though her husband was a fourth generation farmer, Desley could see that the stress was taking its toll. In 2015, they decided to sell up, which gave them something of a war chest to work with, but they needed to create income – and quickly.

Desley, her husband, Murray, and their four kids left their farm in Queensland with nothing. Their furniture was 30 years old, so they put it all in a pile and set fire to it. Shortly after arriving in the Sunshine Coast, they started burning through their savings. They desperately needed a source of income but as they'd been farmers all of their lives, they didn't know where to turn.

At the time, their investment advisor recommended managed funds but Desley and Murray wanted something that 'they could touch'. When Desley stumbled across an ad for Dymphna Boholt's one-day seminars, she was keen to learn more.

"As soon as Dymphna started talking about asset protection Murray was hooked. We'd come close to losing our farm a couple of times..."

Murray had always taken on the responsibility of the farm, so Desley wanted to give him a break and was adamant about doing the course herself.

Joining Dymphna's Ultimate Program and then Platinum Program was a steep learning curve. Desley had never done anything more than buy the family's food and clothes. In fact, she'd never even filled out a tax return.

However, the Platinum Program gave her access to some of the leading property experts in the country who helped her pull off the deals that she made later on.

Murray supported us for all those years, and he just never let on how much stress he was under. I didn't want him to worry about money ever again, so I took it all on."

Desley and the team knew that commercial real estate was the best way for them to generate income quickly. They were at a stage in their life where using a self-managed super fund made sense and they purchased a set of storage sheds for $450,000 and then followed that up with a $2.3M retail complex. These two deals were enough to create a yearly passive income of $160,000. Furthermore, since Desley and Murray are pensioners, this money is tax-free! This is how Desley did it.

DEAL 1: THE LOW-BALL OFFER

Desley and Murray used the money from the farm sale to purchase their new home on the Sunshine Coast outright, which gave them some stability. However, they were burning through their savings and needed some money coming in.

Desley looked at half a dozen deals before landing on one. Each time she went through the feasibility studies, the contracts and the negotiations, she learnt a little bit more. Finally, she came across a set of 31 storage sheds in Townsville. The vendors were a couple in the middle of a messy break-up and, with Townsville in a bit of a soft patch, they wanted to get out.

The sellers had an asking price of $800,000, but Desley decided to throw them a low-ball offer of $455,000. Murray worried that it might be insulting, but the vendors went for it!

The complex earns $42,000 a year, which puts $33,000 a year into their pockets after costs. Better yet, some of the sheds are still available for rent which means even more income.

PRE-DYMPHNA			
PROPERTY	**VALUE**	**EQUITY**	**NETT CASH FLOW**
PPR	$920K	$920K	$0
SMSF	$1.8M	$1.8M	$0
CASH	$300K	$300K	$0
TOTAL	**$3.020M**	**$3.020M**	**$0**

POST-DYMPHNA			
PROPERTY	**VALUE**	**EQUITY**	**NETT CASH FLOW**
PPR	$1M	$1M	$0
STORAGE SHEDS	$445K	$445K	$33K
SHOPPING CENTRE	$2.88M	$1.88M	$130K
TOTAL	**$4.325M**	**$3.325M**	**$163K**

DEAL 2: KNOCK HALF A MILLION OFF

Although the success of her first deal gave Desley some confidence, her next deal really pushed her out of her comfort zone.

A friend of Desley's had recently put an offer of $2.8M for a shopping centre at Yeppoon, which had full capacity of seven tenants. The vendor's asking price was $2.88M but when Desley and her team crunched the numbers, they realised they could only make it work if they got it for less than $2.4M. She put in an offer of $2.325M, which the vendor accepted with one condition: they needed to close the deal within the week.

"Everyone in my team was amazing. You hear it a lot but it's really true. You've got to have your A-team in place."

With her team and the guys at Pacific Law working over time to get the right structures in place, Desley and Murray drove seven and a half hours up to Townsville to inspect the property and close the deal. They signed the contract in a service station in Rockhampton, and the vendors signed the next day.

All told, the complex will pay Desley and Murray a passive yearly income of $130,000.

OFF-FARM INCOME, OFF-FARM LIFESTYLE

Desley has achieved what she set out to do; she has taken the financial burden off her husband's shoulders and set her family up with stable, tax-free income. She has also found the strength and stability that comes with having multiple sources of income.

Now, Desley is passionate about sharing her newfound knowledge with rural communities across Australia. Many farmers struggle with the intense financial pressures of farm life and Desley believes that our tragically high rural suicide rates reflect this. However, if we can set farmers up with sources of off-farm income, then she believes that this will alleviate some of that pressure.

It's a worthwhile cause that Dymphna Boholt has signed up to. It looks like there's no stopping Desley and we wish her the very best of luck.

"Seriously, without ILRE, without Platinum and the whole team, I would still be chasing my tail, with no idea what I was doing. I couldn't have done this alone."

DEAL 1: 31 STORAGE SHEDS

ASKING PRICE	$800,000	GROSS CASHFLOW	$42,000 PA
PURCHASE PRICE	$455,000	NET CASHFLOW	$33,000 PA

DEAL 2: SHOPPING CENTRE

ASKING PRICE	$2,880,000	NET CASHFLOW	$130,000 PA
PURCHASE PRICE	$2,325,000		

HOW THIS SECRET 'TAX ON CASH' JUST COST YOU A DECADE

Feeling like you're falling behind?
You probably are.

BY DYMPHNA BOHOLT

Can you hear that sound?

That's the sound of your lifestyle going to the drain.

Gurgle-gurgle-gurgle.

Inflation seems well and truly off the leash now. Headline inflation is running at over 7% annually.

It's been so long since we've had inflation in Australia that I'm not sure people really understand what it means.

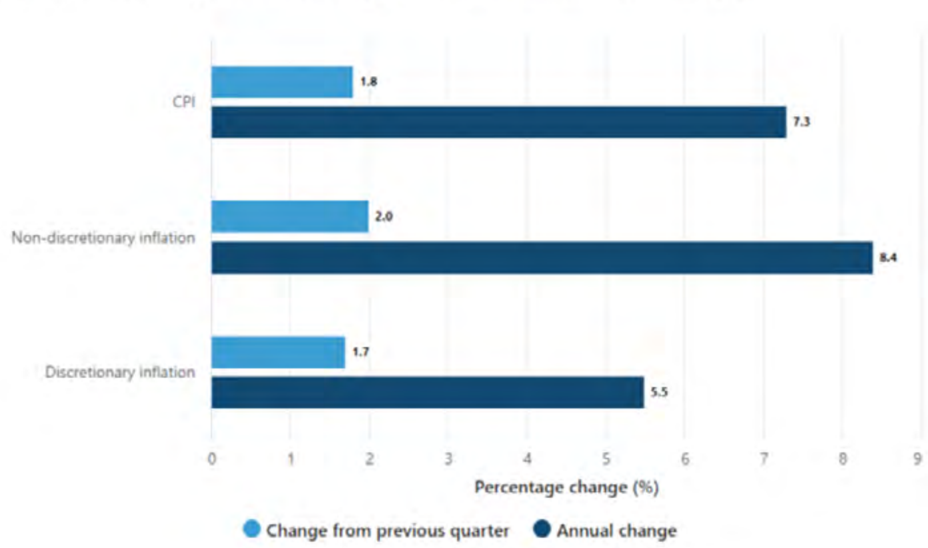
Yes, it means that the prices of things is 7 percent more expensive than a year ago.

But it also means that you money is worth less. It buys less stuff than it used to. Another way to think about it is that if you had $100 a year ago, that $100 is now worth only $93.

Inflation is a tax on your cash.

And there's no escaping it. The inflation of non-discretionary items (a fancy term for stuff you can't get away from no matter what – like food and shelter) is actually scorching. It's running at 8.4%.

CPI, non-discretionary and discretionary, quarterly and annual movements (%)



Now, that all might not be so bad if wages were keeping up.

If inflation is running at 7%, you can sort of keep your head above water if wages are also growing at 7%. That keeps you even, and often higher inflation goes hand in hand with higher wages growth.

But that's not happening. Wages are not keeping pace with inflation. Not even close.

We are seeing some wages growth, but nothing like 7%.

And since they're not keeping pace, real wages are actually falling.

Since 2019, real wages have fallen 3%.

By the middle of the next year, they'll have fallen 5%.

From there, things start to pick up a little, if you believe the forecasts presented in the recent budget, real wages will still be 3% lower than they were in 2019.

Index of Real Wages (2018-19 = 100)

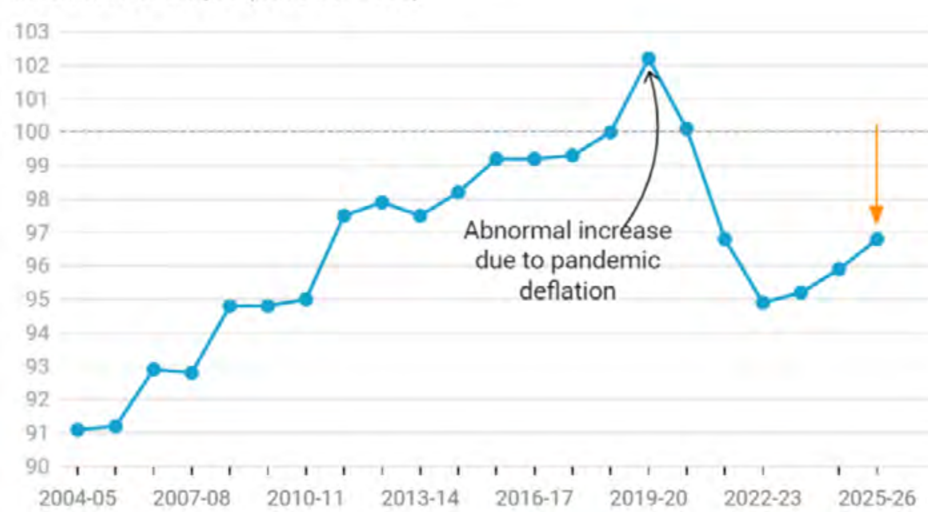


Chart: Centre for Futrue Work • Source: Budget Papers • Get the data • Created with Datawrapper

That is, your real wages will be about where they were in 2011!

And that's based on the government's assumptions, which historically have a tendency to be... well... a touch heroic.

And so that's a full decade lost. There's no getting ahead in this story.

Even if your wages are growing, unless they growing more than the average, in 2026, you'll be exactly where you were in 2011.

So much for getting ahead.

And so this is where we're at. There's a tax on your cash and your real wages are going backwards.

And still I see so many people just happy to put their heads down and bums up, and just keep chipping away at the 9-5 story, hoping that it frees them from the rat race at some point.

It won't.

In fact, you can lose an entire decade in less than a year.

This should be a rallying call. This should light a fire under your bum and inspire you to take charge of your financial story.

If it doesn't, you're not paying attention to history.

Dymphna

The million-dollar developer mum.

Basia didn't want to start small, but with the right guidance she was able to jump right into being a medium-sized, high-profit developer in the middle of a 'disaster market'!

Back in 2015, Basia wasn't doing very well. She'd spent most her life in what she would call a 'supportive role'. As a dedicated and loving mother to her four children, and as an employee in her husband's training business, she was used to giving a lot.

With a lot of debt and a negatively-geared investment property also heavily drawing on the family's finances, Basia hit rock bottom 2015. She was exhausted and she knew something had to change.

Basia joined Dymphna Boholt's Platinum Program in 2016 out of gut instinct. She'd always had an interest in property and had a fire in her belly to launch into apartment development. When Dymphna heard that Basia was planning to develop apartments in Perth – what many economists at the time were calling a 'disaster market' – she knew that Basia needed support.

"We travelled a lot and you do whatever it takes to create a calm and loving home for your children, but you tend to do that at your own expense."

The program was the perfect fit for Basia. With the aid of all the resources and mentoring available, she built her first seven-unit apartment complex in early 2018, for a profit of just short of a million dollars. With two similar deals already in the works, Basia has become the empowered developer she knew she could be – and an inspiration to her family.

Throughout the Platinum Program, Basia found a supportive community that believed in her and encouraged her to dream big. And when she told people that she wanted to launch straight into apartment development, they didn't ridicule her or tell her she couldn't do it. "Of course you can do it," they said. "Let's just get you the help you need."

The Platinum Program gave Basia close mentoring supervision and a wealth of contacts and resources, while the I Love Real Estate community put her in touch with a builder who was willing to enter into a joint venture. Together, they put together Basia's first deal: a complex of seven two-bedroom apartments.

The deal was completed in April 2018 and would have given Basia a profit of $950,000 if she decided to sell. Basia decided to hang on to the apartments to improve her long term asset equity and cash flow. This was an impressive start and, at a time when there was a lot of negativity surrounding the Perth market, it proved that there's good money to be made in every market – if you know what you're doing. Becoming an area specialist and developing a phenomenal A-team were imperative factors to Basia's success.

Basia currently has two similar projects underway and several more on the horizon. Basia's financial and personal transformation has seen her fully step into her power. These are the deals that made that transformation possible.

"People ask me, "How did you get so much done so quickly?' But that's what I learnt in 2015: time is precious. You have to act now."

DEAL 1: THE FIRST DEVELOPMENT

One of the first things Basia learnt with Dymphna was that if you're relying on natural growth, then you are putting your fortunes in the hands of the market. Holding her first negatively geared investment property through a soft patch in the Sydney market taught her that the hard way.

Basia wanted to take her fortune into her own hands. She started looking for land to develop apartments in 'poorer cousin' suburbs – those that hadn't seen the growth their 'richer cousins' had enjoyed. While many people tried to warn her about the Perth market, she believed the market would turn. In addition, Basia saw recent zoning changes in Perth made it an attractive city to develop in.

"Some days you just need someone, a mentor, who can really listen to you and push you when you need it – who says 'you can do this.'"

Basia found an old house on a large block of land in a suburb just 16km from the Perth's CBD. She purchased it for $870,000 and was able to build seven two-bedroom units on the land for a little over $1.5M.

With each apartment worth $530,000, there's over $130,000 worth of equity in each one, for a total equity gain of $956,000. Basia has decided to keep all seven units for equity and future cashflow.

DEAL 2: DO IT AGAIN

Basia had such a successful experience with her first development that she decided to do it again. Keeping her focus on Perth, she has found a parcel of land on which to develop five three-bedroom and two-bedroom apartments, specifically tailored to the downsizer market.

She purchased the land in March 2018, and construction was due to commence in in January 2019. All told, the apartments will create $810,000 profit.

DEAL 3: NEIGHBOURHOOD OPPORTUNITIES

After being made an offer on the land above, Basia was approached by a neighbour who asked if she was interested in purchasing his property. Basia looked at the numbers and saw that if she purchased the land off market, she could do a cookie-cutter repeat.

Basia purchased the land just a month after the parcel above, and she expects it will also deliver a profit of $810,000.

Sometimes I drive past that apartment block, just to remind myself of what I've done. I look at it and say, 'Hey, I did that. I'm proud of that.'"

DEAL 4: A NEGOTIATOR IS BORN

With a string of successful deals, Basia renegotiated the lease on the commercial property housing of her husband's business with great results. She negotiated a 50 per cent reduction in the lease, saving them $38,000 a year. Not only that, but she scored another three car spaces for free!

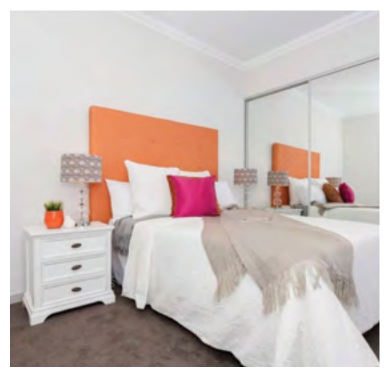
A NEW ADVENTURE BEGINS

Basia has come a long way from the dark days of 2015. She's stepped into her power as a mother, wife and a million-dollar property developer.

She credits ILRE & Platinum program with gaining the specific educational skills and personal development growth to achieve her goals. Basia has taken off pressure off her husband and the business as a sole income stream, created deals to pay off a negatively geared investment property and turned her interest in real estate into a profitable career.

Through her involvement with I Love Real Estate and the Platinum Program, Basia has also done extensive self-development work that has created a more balanced approach to her family, work and personal life, leading to a renewed belief in herself, her strengths and abilities.

"I'm grateful for the community and the friendships – for the people who pushed me and said, 'Why not you?' Through them I have really grown a lot."



DEAL 1: 7 APARTMENT DEVELOPMENT TO HOLD, PERTH WA

PURCHASE PRICE	$872,500
PURCHASE COSTS	$40,000
DEVELOPMENT COSTS (DA, BUILD, TITLING)	$1,573,500
HOLD COSTS	$180,000
TOTAL COSTS	**$2,666,000**
END VALUE 7 APARTMENTS ($530K EACH)	$3,715,000
SALE COSTS (IF SOLD)	$93,000
PROFIT (IF SOLD)	**$956,000**
PROFIT ON COSTS	**35%**

PRE-DYMPHNA

PROPERTY	VALUE	EQUITY	CASH FLOW
INVESTMENT - SYDNEY	$1,800,000	$150,000	-$55,000
OVERSEAS LAND	$400,000	$400,000	-$500
OVERSEAS UNIT	$200,000	$200,000	$0
PPR HOME	$3,100,000	$2,100,000	-$22,000
TOTAL	**$5,500,000**	**$2,850,000**	**-$77,500**

POST-DYMPHNA

PROPERTY	VALUE	EQUITY	CASH FLOW
INVESTMENT PROPERTY	$3,100,000	$1,450,000	-$11,000
OVERSEAS LAND	$600,000	$600,000	-$500
OVERSEAS UNIT	$350,000	$350,000	-$3,000
PROPERTY PPR	$3,400,000	$2,400,000	$0
DEAL#1	$3,700,000	$950,000	-$11,000
DEAL#2	$3,100,000	$810,000	0
DEAL#3	$3,100,000	$810,000	$0
DEAL#4 SON'S PPR	$1,200,000	$73,000	-$10,000
DEAL#4 SON'S PPR S/DIV (EST. VALUE $450,000)			
DEAL#5 COMMERCIAL LEASE			+$38,000
TOTAL	**$18,550,000**	**$7,443,000**	**+$2,500**

CHRISTINE

How a mother of seven left an abusive marriage and found herself through property investing.

Christine and her children had endured the physical and emotional abuse of her husband for more than 30 years. When she finally escaped the relationship, she found herself in an unfamiliar world, faced with the daunting prospect of taking care of her seven traumatised children and taking her finances into her own hands.

POST-DYMPHNA

OVERALL UPLIFT	$423,000
PROPERTY WEALTH (INCLUDING JV'S)	$4,629,000
INCREASE IN INCOME (PA)	$45,500
SMSF VALUE	$790,000
SUPER EARNINGS (PA) WAS: $25,000	NOW: $52,000

RENOVATE HOLIDAY HOUSE INTO 2 AIR BNB'S

Renovation	$150,000	Earning (gross)	$44,000
Furnishings	$20,000	New Valuation	$720,000

DAY SPA / HAIR SALON IN SOUTHSIDE QLD

Purchased Price	$495,000	Earning (gross)	$47,800pa

To say that Christine's ex-husband was controlling is an understatement. He was physically and emotionally abusive, and he kept Christine and their children disempowered and constantly on edge. She also had no idea what their financial situation was until she finally broke free.

Taking control of her life and her financial situation was a daunting prospect. Christine wanted to protect her wealth and her family's future but didn't know where to begin. She'd always left money matters to her husband and felt out of her depth. She sought help but couldn't find anyone that she could trust. One financial 'advisor' had even tried to sell her an off-the-plan apartment that they assured her was 'under market value'.

Thankfully, she found Dymphna Boholt and the I Love Real Estate (ILRE) community. While she loved the education, her self-esteem had been eroded over a lifetime of abuse. At the end of her first boot camp, she broke down in tears on the auditorium floor. "It's just too much," she cried.

With the close mentoring support of the Platinum Program, Christine learnt that she could take matters into her own hands. She developed the confidence to rebuild her self-worth and take control of her financial situation.

To her credit, Christine has launched six deals in under three years and is well and truly on her way. She has increased her equity by more than $400,000 and has improved her cash flow by $70,000 a year. This is how she made it happen.

DEAL 1: AIRBNB THE INHERITANCE

Christine's first deal was emotionally challenging. She had inherited a holiday house from her father and was too emotionally attached to think of it as an investment.

However, Christine was determined to start a new chapter. She was reluctant to permanently rent the house out, so when she heard about people successfully using Airbnb, she thought she'd give it a try.

The first step was to clean up the clutter and get a builder in to commence the renovation.

In total, the renovation cost her $170,000, the property is worth $720,000, and it brings in an income of $44,000 each year. In addition, successfully completing this project gave her a sense of control.

"My real estate agent came to do a valuation on a rental and said, 'Well, nobody would live in there.' And I said, 'Two weeks ago, somebody was!'"

DEAL 2: A DAY SPA IN THE SUNSHINE STATE

Before joining Dymphna Boholt, Christine had established a self-managed super fund (SMSF) but didn't know how to manage it. She went to some financial advisors who told her they would put her money in a managed fund and buy her an apartment in at a price they assured was 'under market.'

She almost went through with it, but after talking with Dymphna, she realised this was a bad idea and pulled the pin.

With a substantial amount still in the SMSF, Christine decided to focus on cash flow and commercial property. After a year of searching, she found a property through James Dawson's Property Search. It was a day spa and hair salon in Southside, Brisbane. Christine purchased it for $495,00 and it earns $47,800 a year – a gross yield of more than nine per cent.

DEAL 3: A NEW HOUSE FOR THE BABY

Soon after joining Dymphna Boholt, Christine found out that one of her daughters was pregnant. This daughter had been living in the holiday house but as Christine had started the renovation, she needed to find a new place to live. The local market was hot and she was having trouble landing a rental. With a baby on the way, the timing was tight.

Christine decided to do a joint venture with her daughter. They found a corner block in the suburb of Frankston, which had subdivision potential and an existing house that could be easily renovated.

They spent less than $100,000 on the renovation – with the help of her daughter's partner, who is a builder – and the subdivision. There is considerable equity gain in the deal and her daughter now has a place to live.

DEAL 4: TURNING A TWO-DWELLING INTO THREE

Christine's next deal came unexpectedly. She went to council to query why the land tax bill on one of her properties was so high. They told her it was because she could have three dwellings on the property, even though she only had two.

Instead of arguing, Christine set the wheels in motion to subdivide and turn a dual lot into three titles. She is removing one house and building two new ones. Construction costs are estimated at $750,000 but the properties will pay Christine $52,000 a year (after selling one to contribute to construction costs).

DEAL 5: AN OLD HOUSE FINDS A NEW HOME

With a house on her hands from the previous deal, Christine decided to set something up for two of her sons. Together, they bought a block of land for the house to go on to.

The land cost them $80,000, while the relocation and renovation will end up costing them around $200,000. With an estimated sale price of $325,000, this should leave over $40,000 worth of profit in the deal.

DEAL 6: WHY NOT BE A DEVELOPER?

As Christine gathered confidence and personal power, she set her sights on something bigger. She was looking for somewhere to do a townhouse development and found an ideal property in the Melbourne suburb of Seaford. The property is less than 500m from a train station, has a childcare centre and playground just around the corner and is in close proximity to the beach and schools. So it is very well located. Christine is currently trying to get plans through for three or four townhouses. One of her daughters is currently renting the existing house and will have the opportunity to buy one of the new houses at cost price.

"I said, 'I'm doing too many deals. I'm out of my depth' and so I joined Platinum to get more support."

DEAL 7: SUPPORTING MY SON

While Christine's life was going from strength to strength, she saw that one of her sons was really struggling. Her son was still living and working with his abusive father and was misusing drugs and alcohol.

When he made an attempt to take his own life, Christine knew she had to help him break free and find a fresh start. She 'dragged him along' to Dymphna's boot camps to help him find purpose and become part of a supportive community

Her son immediately felt a resonance, the ILRE community made him feel worthwhile and he began to see a new direction. He still has one of Dymphna's quotes stuck on his wall: "The pain of remaining the same must outweigh the pain of change."

With a new outlook on life, he has started over. He moved in with Christine and has started working as a labourer on Christine's deals. Dymphna Boholt has also gifted him with a Platinum membership so he can find his calling in property development.

IT'S NEVER TOO LATE TO START AGAIN

All told, Christine has improved her equity position by $423,000, and increased her cash flow by $70,000 a year – impressive results by any measure.

She has also been a great source of support for her children, who are trying to heal from the trauma inflicted on them by their father. She put a roof over the head of two of her daughters, leveraged two of her sons into their first property deal and supported one of them to recover from the point of desperation.

Christine's story is one of personal transformation. She is proof that anyone can rewrite their life story and start living on their own terms. After finding a community that believed in her, Christine learnt how to believe in herself. This is the stuff that healing is made of.

"Now I'm the person I was always supposed to be, and I'm helping my children become the adults they deserve to be as well".

If you or someone you know needs help, call Lifeline on 131 114 or Beyondblue on 1300 22 4636. In an emergency, call 000.

WHY I RECKON THERE'LL BE NO RATE HIKES IN 2023

If the jobs market can't light a fire under wages now, it never will.

BY JON GIAAN

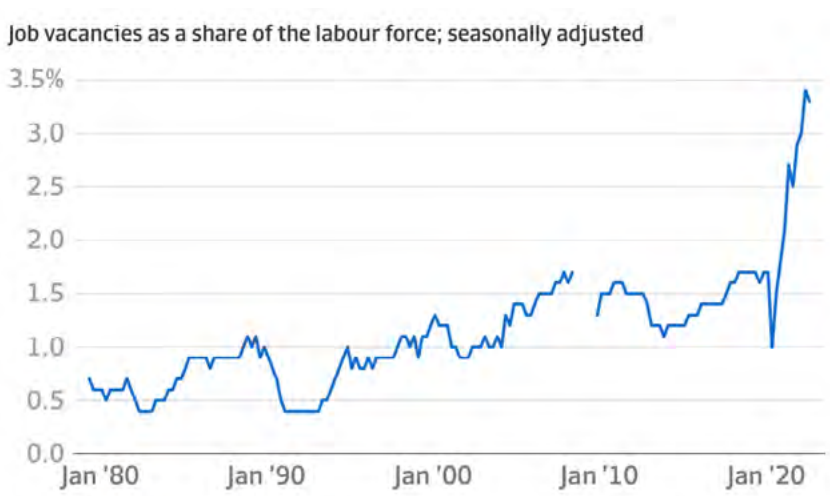
This is the strongest labour market in living memory.

The latest unemployment rate came in at just 3.4%.

That's the lowest level in 48 years!

We might be getting acclimatised that that kind of number, but it's worth remember just how phenomenal that is. I seriously never thought I'd see an unemployment rate in Australia that low again. Not in my life time.

We also know that the number of job openings remains sky-high.



It really is the best time to be a worker in living memory.

That said, wages growth isn't particularly impressive.

In the September quarter, they came in a touch higher than expected, at 1.0% in the quarter and 3.1% over the year.

I mean, it's a pretty good number. It's the fastest annual pace of growth since early 2013.

So that's nice.

That said, if you're looking for evidence of a break-out in wages, it's pretty hard to see it in these numbers.

With inflation growing at over 7%, real wages are going backwards... fast.

That doesn't suggest that workers have the bosses pinned and are squeezing them for more cash.

Hardly.

Because really, if you were going to see a strong surge in wages growth, September would have been the quarter to see it. Because the jobs market was incredibly tight. We also got the Fair Work Commissions ruling which gave a solid lift to the minimum wage (which fed through into these numbers).

The RBA's rate hikes had yet to feed through into business pessimism. And immigration was only starting to reboot, which meant that the supply of labour was limited and competition in the labour market was at its peak.

So this was the quarter. If ever there was a quarter where Australia was going to see a break-out in wages, September was it.

And what did we get?

Just 3.1%.

Pfft. Rember, the RBA thinks we needs to see wages growth of around 3.5 to 3.75% just to stop inflation falling UNDER the target band!

So there is absolutely nothing to see here that's going to frighten the RBA.

What's more, the partial indicators we have seem to be suggesting that wages pressures have peaked – like SEEK's Advertised Salary Index, which has rolled over:

So the RBA has to be looking at this and thinking, well, if we didn't get evidence of a wage-price spiral in September, it's probably not coming.

Which means we can probably back off on the old rate hikes.

And so my bet is that the RBA will stop hiking rates in early 2023.

Which will give the economy, and the property market, time to point itself in the right direction again.

JG

From negative gearing disaster to cash flow heaven in just 12 months.

Tack and Hoe Ping had a mantra they used to say to themselves: "You've got to stretch to grow".

Their plan to buy as many properties as they could, keep them for 10 years then reap the rewards was failing dismally. They decided that educated stretching was required.

At one point, Tack and Hoe Ping owned 19 properties. They had 16 when they found Dymphna and started with the I Love Real Estate (ILRE) community. That sounds impressive but when you get that most of their properties were negatively geared, it didn't end up looking as good.

"We became slaves to our properties, instead of the other way."

In fact, they were negatively geared to the tune of $110,000 a year. Hoe Ping was working five jobs to help make ends meet and the properties weren't increasing in value the way they hoped.

When their first baby came along and they were reduced to a single income, things got really tough. They started looking for solutions, found Dymphna and almost immediately joined Dymphna's high-end coaching Platinum Program.

At the time, they had a negative yearly cash flow of $90K, with 16 properties in their portfolio. That was the perfect place to start.

All their properties were also in their own name, all cross securitised. They freely admit they had made all the investing sins they could make, so it was going to take some time to unravel those issues.

"We had no problem reaching our goals, but they were uneducated goals. Now, we're trying to untangle that and fast-track to where we should be."

STAGE 1: ASSESS THE PORTFOLIO

Going through their portfolio, they found six that were dead weight, and promptly sold them. One more property is still on the market.

They made the heartbreaking but smart decision to sell their PPR which was costing them $40,000 a year.

Luckily, a couple of their properties were in areas that had had strong movement and a revalue of those properties convinced Tack and Hoe Ping that they should keep those ones (even though they were still negative) because the capital growth was doing what they wanted when they bought them.

The solution of course was to convert those properties from negative to positive.

STAGE 2: CREATING POSITIVE CASH FLOW

With properties in the right areas, Tack and Hoe Ping were well placed to convert two of their properties into Airbnb to create positive cash flow.

To add even more cash flow, one of the houses was in a busy area and they were able to rent out the car park separately to someone who worked locally.

Now focused on cash flow, their first deal since re-evaluating their portfolio was a commercial property in Cairns which was only partially leased.

When the agent failed to find a tenant for the property, they took matters into their own hands and placed a simple Gumtree ad. This ad landed them a tenant within a couple of weeks.

There are considerable upsides with this property and Tack is looking at strata titling. Not just the three shops, but also the land at the back of the shops and the air rights above the building to the maximum building height in the area of 46m.

While Tack and Hoe Ping are still negative, the net effect of reducing their negative cash flow and adding some positive cash flow has been that they are now, almost neutral.

Tack and Hoe Ping came to the ILRE community just over 12 months ago. So all things considered, they have come leaps and bounds, digging themselves out of a financial hole in a very short space of time.

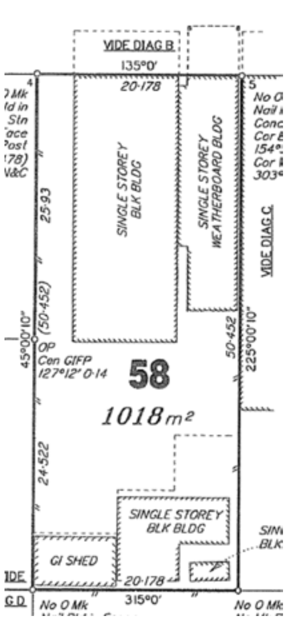
The big upside is that while it's taken some time to unravel the errors made prior to getting educated, they now have a solid, well planned portfolio of $7.9M with a total debt of $4.4M.

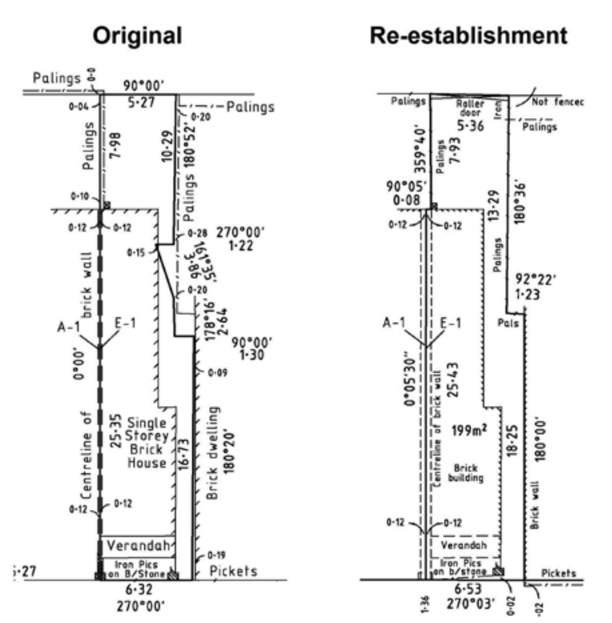
This means that they have plenty of equity to play with and the know how to make massive leaps in their wealth over the next few years. Feeling very blessed that they have the education and the skills to turn things around, Tack and Hoe Ping helped their parents upgrade from an old house by doing a one into two build.

They are also helping other family members to get started in property investing and they are forming a closer bond as a family without the stress of having to maintain massive negative cash flow.

"Stretch to grow – but have the proper support along the way."

The education and the action they have taken in the last 12 months has given them a new sense of direction and enthusiasm. They are loving life again and are excited about what they can create in the next 12 months.





ACTIONS WE HAVE TAKEN SINCE JOINING I LOVE REAL ESTATE

- Sold 6 properties with one on the market
- Sold our PPR which was costing us about $40Kpa
- Airbnb x 2 properties
- Rent out a carpark separately
- Title re-establishment / rooming plan
- Refinance x 2 properties
- Reno a 3 bedroom, 1 bath into 4 bedroom, 2 bathroom
- Revaluation and trying to refinance

How a young mum became a full-time property investor … and brought her family home to Australia.

For seven years Natasha had been living in Indonesia, as her husband, Zane, worked long shifts on the mines. When the air pollution in Jakarta put her youngest son in hospital with breathing disorders, she knew she had to get her family back to Australia.

In her early forays into property, Natasha had made some classic mistakes. She and her husband had over-capitalised on their principal place of residence (PPR) and they had bitten off more than they could chew with a six-unit apartment block. This put her family into what she describes as a 'deep hole'.

One day, Natasha tuned into one of Dymphna Boholt's webinars from her bedroom in Indonesia and she quickly realised that there were smarter ways to be a property investor. Plus, Dymphna's students' success stories rekindled her long-held passion for property.

Zane, however, needed some convincing. They lost a lot of money on their previous investments and were struggling financially. It was a case of once bitten, twice shy. Natasha also had her step-dad's voice in her ears, telling her that property development was "no place for a woman."

Natasha had to dig deep and believe in herself. Fast-forward three years and her self-belief has paid off.

With the support of the I Love Real Estate community, Natasha is working on a deal that could potentially deliver a profit of $2.7M. More importantly, Natasha's property investing has given her financial freedom and allowed her to bring her husband and three sons home to Australia. This is how she did it.

"My step-dad was a developer. He always told that women just don't do that. He was old school.

DEAL 1: DOING THE GROUND WORK

Natasha knew that she had to sort out her PPR, which was being rented out at the time. First, she sacked the real estate agents and decided to manage the property herself.

Then Natasha renovated to increase the rental yield. The property is now neutrally geared but Natasha plans to sell and free up money for other ventures.

DEAL 2: GET RELIABLE TENANTS

In 2016, Natasha bought an investment property online, without seeing it in real life. The real estate agent who sold the house had recently put tenants in who couldn't afford the rent and were selling drugs out of the garage. By the time the property settled, the tenants hadn't paid rent in a month.

Natasha's first step was to find some reliable tenants. She'd been inspired by some of Dymphna's students' success stories and decided to renovate and turn the property into a room-by-room rental.

The property is fully tenanted and brings in $810 per week. Natasha finally had an investment property that was putting money in their pocket and her husband was happy about it.

DEAL 3: RENOVATE AN ORIGINAL 1970S HOUSE

With renewed confidence, Natasha bought a property that hadn't been renovated since it was built in the 1970s. Again, she bought it without seeing the site. She spent $90,000 on renovations and increased the property's value by $140,000, with an equity gain of $50,000.

When she consulted a real estate agent, Natasha was told she could only get $300 per week for it. That wasn't going to cut it, so she turned it into an Airbnb rental.

"I told my hubby, 'I've got this great idea. I'm going to spend the last $10,000 we've got and turn it into an Airbnb rental.' And he's like, 'Oh my God.'"

Now, the property earns Natasha close to $30,000 a year, putting more than $17,000 worth of positive cash flow in her pocket.

DEAL 4: A QUICK PROFIT TURNAROUND

Natasha decided to buy yet another property online, without seeing the site. She knew what she was looking for and found a dual-lot, single title property in Townsville. With a small renovation and boundary realignment, Natasha created two blocks. After advertising one as a rent to own deal, she was able to sell on vendor finance. The final sale price was $450,000, which turned around a quick $165,000 profit.

DEAL 5: STEPPING INTO PROPERTY MANAGEMENT

Natasha quickly realised that she had a gift for managing projects, and since her last Airbnb had gone so well, she started looking for a co-hosting deal, where she could do day-to-day management on someone else's property. She found one in Perth earns more than $6,000 a year in management fees.

A PROFESSIONAL PROPERTY INVESTOR IS BORN

With Natasha's property portfolio performing so well, her husband Zane has finally come around and has even started hunting for deals. Now, their three boys are getting in on the action!

Most importantly, Natasha built a career for herself while living in Indonesia. For the first time in a long time, Natasha and Zane are able to see themselves and their family back home in Australia.

"I did all of this online. Everything you need is there – the training, the resources, an amazing and supportive community. If I can do it anyone can."

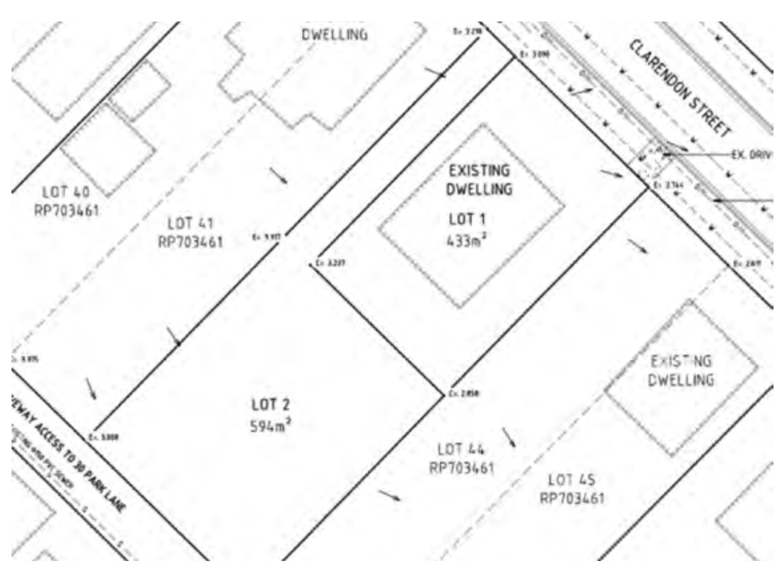
CURRENT CASH FLOW PER ANNUM

PROPERTY	PRE DYMPHNA	POST DYMPHNA
PPR	-$6831	EVEN
PROPERTY 2	-$10,098	+$13,936
PROPERTY 3		+$17,140
PROPERTY 4		+$27,824
TOTAL	**-$16,929**	**+$65,731**

DEAL 1: PPR
- Sacked the real estate agent
- Fixed some things that were costing money
- Found reliable tenants that pay rent

DEAL 2: OLD PROPERTY RE-VAMPED
- Turned into rent by the room
- $630p/w Net Cash Flow ($810p/w rent)

DEAL 3: RENO AIRBNB
- Bought $201,000
- Spent $90,000
- Revalued $340,000
- $17,140 Cashflow



DEAL 4: DUAL LOT SINGLE TITLE
- Bought $275,000
- Mini reno $10,000
- Boundary realignment
- Valued $390,000
- Contracts for $450,000 (vendor finance)
- Positive $27,824
- Uplift $165,000

How a corporate worker escaped the wage-slave cycle and found financial freedom.

Henry should have been living the dream. He was a professional engineer who was earning more than $170,000 a year. But beneath the surface, he was living pay-cheque-to-pay-cheque, renting, and had amassed a credit card debt of $70,000. After joining Dymphna Boholt's program in 2016, Henry started to turn things around. In just two years he cleared his credit card debt, increased his equity by $350,000, and left 'wage-slavery' behind for a career as a full-time property investor.

Henry had ticked every box society had given him: he had a loving wife, beautiful children and a high-paying job. He should have been on top of the world but, deep down, he was struggling.

Henry travelled more than 220 nights a year, leaving him with very little family time. To make matters worse, he felt that he was becoming alienated from his young children.

Despite his high-paying job, Henry didn't own a home and was barely getting by from one week to the next. Moreover, he had amassed $70,000 worth of credit card debt.

"I was talking to my friends about Dymphna, and I said, 'It's just too good to be true, right? But they said, "No man, it's actually all true.' So I joined up.

In 2016, Henry's friends convinced him to join Dymphna Boholt's Ultimate Program. A new world of possibilities opened up and he was keen to get started but didn't know where to begin. Henry's background as an engineer made him extremely analytical and cautious, and he suffered what Dymphna calls 'analysis paralysis'.

However, Henry's first step soon became clear. Like many others, he'd followed his accountant's advice and bought a negatively geared investment property. He decided to sell this, which gave him some capital to work with.

Henry bought a block of land for his principal place of residence (PPR), which created a large chunk of equity. This worked well, so he did it again in a neighbouring estate.

With some equity behind him, Henry went to America to land two cash-flow superstars, and then returned to Australia to put together two multiple townhouse developments, with another one currently in negotiation.

Henry had so much momentum behind him that he was able to complete his first marathon at the ripe old age of 41! Henry believes that his financial transformation has gone hand in hand with a personal transformation, thanks to the I Love Real Estate community.

DEAL 1: A PLACE TO CALL HOME

With the capital freed up from the sale of his negatively geared investment property, Henry was able to secure a block of land at 20 per cent below market value for his principal place of residence. After refinancing, he was able to use the equity gain to fund the construction of his home.

Having purchased and built well, Henry's home cost him less than $630,000 and has since been valued at $768,000 – an equity gain of $138,000.

DEAL 2: SAME DEAL, DIFFERENT ESTATE

Following the success of their PPR build and with a fresh injection of equity to work with, Henry decided to repeat the process. He worked with the same developer and bought a second block of land in a near-by estate.

However, with a growing awareness of how the property game worked, he was able to negotiate some aggressive terms. He bought significantly under market value, with a five per cent deposit and a long 12-month settlement.

Building is currently in process, but Henry has already created more than $50,000 worth of equity in the land alone.

"I'd done a house and land deal, and it had worked. So I wasn't as afraid of that as some of the other stuff."

DEAL 3: A VISIT TO CASH FLOW COUNTRY

After establishing a solid base, Henry set his sights on generating the cashflow he needed to pay off his debts. He headed to Florida, America, to visit family and looked into the American property market.

He found an attractive property for US$385,700. Henry was able to secure the deal on vendor finance and the owner allowed him to take over the loan. This created an easy point of access into the American credit market. After expenses, the property will be cashflow positive to the tune of US$7,100 a year.

DEAL 4: BUYING THE SEVEN DWARVES

While in America, Henry decided to take his family to Disney World in Florida. They stayed in a special holiday rental, which is named Seven Dwarves Lane. When Henry found out the holiday rental right next door was for sale, he spoke to his brother and his wife about the possibility of entering into a joint venture.

His brother and his wife had seen the transformation that was unfolding in Henry's life and were keen to know more. They also had direct access to the American credit market where they could secure fixed rate loans of two per cent. In America, a fixed rate loan can be fixed for the entire term of the loan – that's 30 years!

Together, they purchased the villa for US$160,000. It rents for an average of about $40,000 a year, which after expenses creates $6,400 worth of positive cashflow.

DEAL 5: HENRY BECOMES A BUILDER

Although the American deals had started to help with cashflow, Henry still felt he didn't have enough equity behind him to get moving. With this in mind, he became a registered builder and started hunting for deals that would create a good chunk of equity.

Henry teamed up with another member of the I Love Real Estate community, became a partner in a building company and found a property with potential in the Melbourne suburb of Bayswater.

Henry knew he needed to move quickly, so he put down a deposit – the last $50,000 he had in his name – and trusted that he would find the partner joint venture he needed to make the deal happen.

Henry was able to negotiate some favourable terms: five per cent deposit, 12-month settlement, and early access. These terms meant that there was enough in the deal to attract the joint venture partner he needed. With a large pool of potential partners available through the ILRE community, he found who he was looking for and got the deal across the line.

As a one-into-three townhouse development, with a total cost of $2.2M, and a final sales price of $2.6M, Henry's share of the profit comes to $360,000.

DEAL 6: A DEVELOPMENT LANDS ON HIS LAP

By this stage, Henry gained a reputation as a 'property fanatic', and his friend introduced him to a property investor based in Singapore. The investor owned a run-down house in Melbourne with potential for development. He wanted to build townhouses but didn't want to do any of the legwork. He offered to provide finance if Henry was willing to come on board as a 'knowledge partner'.

With the owner looking to hold the three townhouses long term, Henry's personal profit in the deal should come to $190,000.

THE WAGE SLAVE WINS HIS FREEDOM

Henry is close to closing the deal on a four-townhouse development in the Melbourne suburb of Kilsyth, which should create an expected profit of $442,000.

All in all, Henry has seen a remarkable turn-around in his finances, outlook and lifestyle. He has cleared his credit card debt, improved his cashflow position by almost $17,000 a year, and increased his equity by $370,000 – in just two years. Not only has this created a career that really gets him excited, it has brought him home to his family and his children couldn't be happier.

PPR DEAL MELBOURNE SOUTH EAST

Land Price	$270,000
Construction	$357,000
Total Cost	$627,000
End Value	**$768,000**
Equity	**$141,000**

CASHFLOW PROPERTY HOLLYWOOD, FLORIDA

Total cost	$389,000
Loan	$332,000
Rent (US$2200 p/m)	$37,700
Loan & Expenses	-$30,600
Net Cash Flow	**$7,100**

3 TOWNHOUSE DEVELOPMENT BAYSWATER

Land purchase	$835,000
Dev/Construction	$1,008,000
Other costs	$408,800
Total sales	$2,610,000
Net Profit	**$358,200**

RESULTS

PRE-DYMPHNA

CREDIT CARD DEBT	$70,000
PASSIVE CASHFLOW	-$3000PA
EQUITY	-$20,000
ACTIVE PROJECT PORTFOLIO	$0

POST-DYMPHNA

CREDIT CARD DEBT	$0
PASSIVE CASHFLOW	$13,500PA
EQUITY	$350,000+
ACTIVE PROJECT PORTFOLIO	$6,950,000

HOW TO BEAT 'LEARNED HELPLESSNESS'

Momentum is easier to achieve than you think.

BY DYMPHNA BOHOLT

By the time a lot of people come to me, they've reached a state of helplessness. I see it a bit.

Usually, they're in a pretty dire financial situation, but that's not all of it. I've met a lot of empowered people who didn't have a lot of capital to work with.

No, it's usually people who are in a dire financial situation, AND who have tried a lot of things that haven't worked out.

Maybe they tried property investing, but followed the herd into negative gearing and ended up with a mill stone around their neck.

Or maybe they tried to start a business to get themselves out of debt and just ended up in more debt.

Or maybe they had a joint venture deal where their partner duded them and walked off with the money.

They have tried and tried again, and failed every time.

Eventually, with enough setbacks, their self-confidence is completely destroyed.

They become totally helpless. They feel that there is nothing they can do to save themselves.

And so they want me to save them.

Now, I know that I can't save them, but I do know I can bust them out of helplessness.

How?

Small wins.

That's what I call it. Just do something. Get a win on the board. It doesn't matter how small. Just remember what achievement feels like.

I didn't know this before, but apparently this approach has some scientific backing. I was reading the other day about a book called 'Burnout' by Emily and Amelia Nagoski.

They reckon that there have been studies done on rats and dogs where they developed something called "learned helplessness."

Basically, the animals were given impossible tasks in a lab setting – like trying to find their way through an impossible maze or something.

After a while and after the animals had been given a few of these impossible tasks, they just stopped trying. They give up.

And they stay in that state of helplessness, even when you change the task and give them something that is possible. Even if you give them something that is easy.

They just don't try. They don't believe they can do it.

However, as soon as you help them do it – like you pick the rat up and help them navigate the maze to the cheese – as soon as you do that, they forget their helplessness, and start completing tasks again.

The authors argue that overcoming helplessness is as simple as just doing something (which they define as anything that isn't nothing!)

They argue that any success, no matter how small or in what context, can help you overcome a feeling of helplessness.

This is the idea behind small wins.

So if you're feeling stuck – if you're feeling helpless – just do something. Anything. Get a tiny win up on the board.

This is the way to get yourself moving again.

Dymphna

From negative equity and $60K negative cash flow to a $2.3M in equity position and $70K positive cash flow in just four years.

Before Anu and Prash discovered Dymphna and the I Love Real Estate (ILRE) community they had bought their home (PPR) as well as a negatively geared investment property. That all sounded good at the time but the reality was less than ideal.

They were in debt and having a hard time keeping up repayments. When they locked in an interest rate of 8.5 per cent for four years they thought they were doing the right thing protecting themselves from interest rate rises. Unfortunately, they locked than that in three months before the GFC hit and interest rates promptly plummeted below five per cent.

To add to their expenses they decided to get married. Being of Indian and Sri Lankan backgrounds they were used to large weddings, but knowing their financial situation they were able to negotiate with their parents to get it down to 660 guests. Despite these cuts, the cost of the wedding consumed all of their savings and blew out their credit card further adding to their debt and putting them in an even more difficult situation.

All up, they were $61,000 negative cash flow a year and in negative equity.

"Nothing you can imagine in your mind is impossible"

That started them on the search to find a solution to their financial woes. They attended seminar after seminar and finally ended up on a bus tour of Melbourne suburbs with a company that was showing them all the negatively geared properties they could buy.

One of the other participants was chatting to them and mentioned Dymphna's name, saying she was of the "other" school of thought when it came to cash flow. A quick google search found them booking into one of Dymphna's one-day events.

They excitedly left the one-day conference having invested in the Ultimate Program and the I Love Real Estate community but did nothing with the information for the next three years.

Finally, when an unsustainable business venture didn't change their situation, they decided to take the property education off the back-burner, get clear on their goals and start putting that education into action.

"Take that step, whatever happens you'll get learning and you'll be better off."

DEAL 1: THE INVESTMENT PROPERTY

They decided to renovate and sell their investment property with the help of some favours from friends and family. When they sold the property fully renovated, they made $99K profit on paper. That money went back into paying off the debts that owning the property had incurred in the first place – but they were happy to remove the debt and walk away breaking even and with a reduction in negative cash flow.

They then turned their attentions to their PPR to see what could be done to get them closer to their goals.

DEAL 2: THE PPR KNOCKDOWN

In this case the numbers worked for knocking the house down and building a duplex. The build cost them $809K (after a buy cost of $535K) and they ended up with an end value of $2.05M. Selling one of them and keeping the other left them with a profit of $706K (which includes $150K of capital growth that occurred since buying the property).

DEAL 3: THE VILLA UNIT

Finally they were in a position to start moving forward and their next step saw them buying a two-bedroom villa unit. Taking what they'd learned so far they decided to renovate and convert the two-bedroom one-bathroom into a three-bedroom two-bathroom which created an $81K profit in just four weeks when the revaluation came in at $480K.

They then took another strategy they had learned, which was to enquire about using the sinking fund to revamp the outside of the property. They were able to get all the unit owners to agree to use that money to render the outside of the property, to give the buildings more street appeal. A subsequent revaluation took the value of the property to $550K, giving them even more equity in the deal.

They've kept this deal and once rented, it turned out to be $3,000 positive cash flow a year.

DEAL 4: THE WA COMMERCIAL

Their next deal was an old house in Western Australia which was in a zoning that allowed them to knock it down and build a double storey commercial building on the front and a duplex on the back which could be used as a residential or commercial offices depending on need.

Conversations with the locals found them a tenant for the existing building and an agreement to take on the lease when the new building is completed so they effectively had a tenant from the day of settlement. When complete the whole property will be around $100K positive cash flow.

DEAL 5: THE CULTURAL HERITAGE TRIPLEX

Anu and Prash then found a block that seemed too difficult for most people, in fact most people wouldn't touch it. Undeterred, they went through several town planners until they found one who was confident they could do what they wanted, which was to build a triplex of four-bedroom townhouses.

The purchase was $1.06M, the build cost $1.64M and the final value came in at $4.05M netting them a tidy $1.35M profit. Their plan is to keep one of the three which should give them $48K passive income.

DEAL 6: THE MELBOURNE TRIPLEX

Their most recent deal was another triplex in Melbourne with a money partner. They sourced this deal with the DA and all the plans in place and were able to use their expertise to rejig the floor plan to add a self-contained granny flat with bathroom on the ground floor for two of the three townhouses.

This change added $300K profit to the end valuation. In the end they will walk away with project management fees (as serviceable income) and $200K of profit share with the other $437K in forecast profit going to the JV partner.

Since starting in earnest, Anu and Prash have created a $3.78M portfolio, with $2.3M in equity. Their current cash flow is $70K and will grow when the current projects reach completion.

"Convert love to energy and then energy to wealth, and use that wealth to feed your health and relationships."

Even more importantly, when they wrote down their goals and decided to take property seriously, one of their goals was to leave work and be able to focus on property full time by the time they turned 35.

They've both now achieved that goal, and with the birth of their son, they have even more reasons to treasure their free time and financial freedom.

PRE-DYMPHNA (2013)

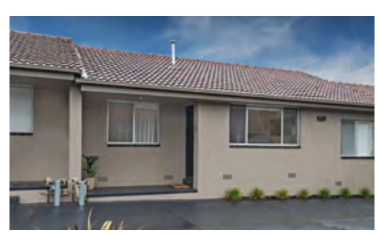
PROPERTY	DEBT	EQUITY	CASH FLOW
PPR (Melbourne)	$535,000	$0	-$33,000 PA
Investment Property	$350,000	$0	-$22,000 PA
Credit Card Debt (Wedding)	$30,000	-$30,000	-$6,000 PA
TOTAL	**$915,000**	**-$30,000**	**-$61,000 PA**

POST-DYMPHNA (2017)

PROPERTY	VALUE	EQUITY
PPR (Melbourne)	$1,400,000	$1,400,000
Investment Property 1	$550,000	$130,000
Investment Property 2	$1,450,000	$500,000
Investment Property 3	$350,000	No equity (requires development)
Investment Property 4 (JV)	N/A	$200,000 (Cash from deal)
TOTAL	**$3,780,000**	**$2,230,000**

DEAL 1: RENOVATE EXISTING INVESTMENT
- Purchase Cost: $350K
- Strategy: Renovate, sell & recoup loss
- Reno Cost: $12K
- Sale Price: $461K
- Profit (from reno): $99K

DEAL 2: PPR KNOCKDOWN TO DUPLEX
- Purchase Cost: $535K
- Strategy: Knockdown, duplex, sell one
- Build Cost: 809K
- End Value: 2.05M
- Profit: 706K



DEAL 3: VILLA UNIT RENOVATION
- Purchase Cost: $346K
- Strategy: Convert 2x1 to 3x2 and retain
- Reno Cost: $53K
- Revaluation: $480K
- Profit: $81K

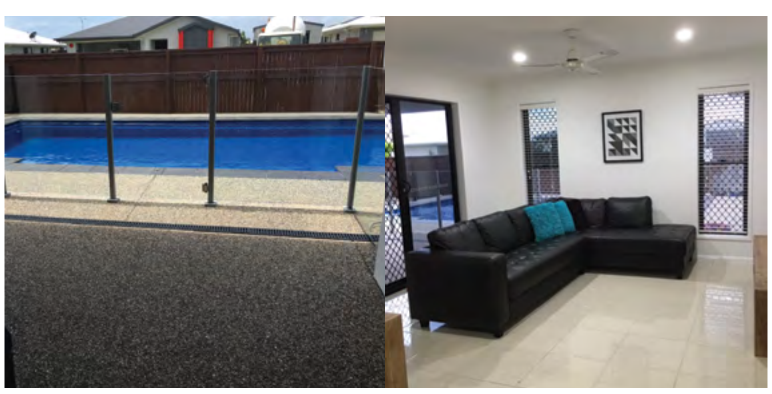
DEAL 4: WA COMMERCIAL
- Purchase Cost: $360K
- Strategy: Build Commercial & Duplex
- Build Cost: $2M
- Cash flow: $100k+ pa

DEAL 5: THE CULTURAL HERITAGE TRIPLEX
- Purchase Cost: $1.06M
- Strategy: Knockdown and build triplex
- Build Costs: $1.64M
- End Value: $4.05M
- Profit: $1.35M

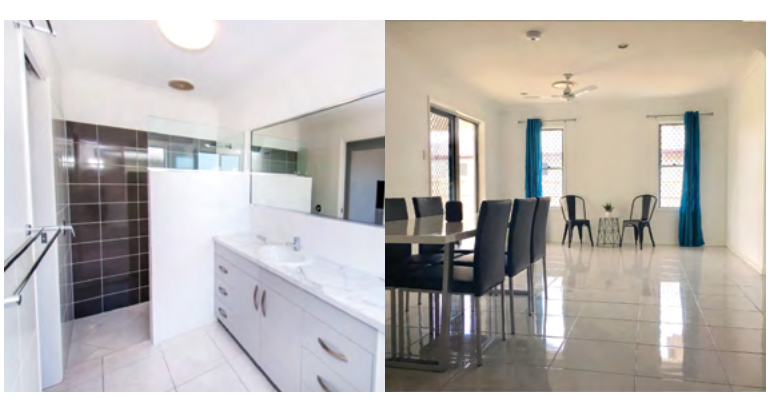
DEAL 6: THE MELBOURNE TRIPLEX JV
- Purchase Cost: $1.5M
- Strategy: Build triplex and sell all
- Build Cost: $1.49M Other costs: $423K
- Sale Price: $4.05M
- Profit Share: $200k Approx

FIRST DEAL AFTER ULTIMATE BOOTCAMP
RENO – REGIONAL QLD 2 BED, 1 BATH UNIT

Purchase price: $90,000
$18,000 of renovations
Revaluations: $150k & $180k
Equity gain of up to $89,200!
Rented Furnished for $300 per week
Positive cash flow $4,500+ pa



HMO COSTING $900 PER WEEK! NOW POSITIVE $8000 PA



WHY NOT DO IT AGAIN! POSITIVE CASH FLOW OF $12,000 PA

With this unique strategy Josh and Kara found there's good money to be made in every market.

Josh and Kara live in regional QLD, in a mining services town. They both had their own houses when they met, and then went and bought a parcel of land together. However when the mining boom turned to bust, their local market fell 30 per cent in three years. Vacancy rates rose to an eye-watering eight per cent. Their investment properties were costing them $64,000 a year in negative cash flow, and their properties were worth $200,000 less than what they owed. They wanted out, but "you just couldn't sell anything" in that market.

With Josh working away at the mines 28 days on, six days off, Kara knew she had to turn things around. She moved the family back in with her parents to save money, and attended one of Dymphna's three-day boot camps on the Gold Coast.

With Josh's income giving them decent serviceability, Kara knew their focus had to be on building equity and manufacturing their own growth.

Kara also realised that there was high demand for smaller, self-contained accommodation options in her market. Using a 'house in multiple occupancy' (HMO) strategy, she created a product that is in demand, even in a market with high vacancy rates.

Scrimping and saving, and working on the renovations themselves, Josh and Kara have managed to turn their situation around in a very short time. In just 10 months they have improved their equity position by $90,000, and improved their cashflow by over $65,000. What's more, as the deals in the pipeline come to fruition, there should be an extra $20,000 pa heading their way in 2017. This is their journey:

THE DISGUSTING FIRST DEAL

Josh and Kara's first deal was an entry-level investment. They purchased a two-bedroom, one-bathroom unit in regional Queensland for $90,000. It was mortgagee in possession and was in need of serious work. In fact, it was "gross".

They took out a personal loan to fund the deposit and the renovation costs, working late nights and weekends doing everything they could themselves to keep costs down. "Kara was a harsh supervisor. She was always happy to crack the whip."

After renovations, Josh and Kara had the property revalued at $195,000, for an equity gain of $90,000. Kara then rented it out privately herself, to tenants paying $300 a week. The property is now positively geared to the tune of $4,500 pa.

THE HMO CONVERSION

Having completed the renovation, Josh and Kara then joined a program focusing on HMO strategies. This gave them the vision they needed as to what they could do with their existing properties.

With the equity they'd freed up from the previous deal, they converted Kara's PPR into a HMO. With separate tenants, they have turned this property around from losing $4,000 pa to being $8,000 pa positively geared.

RINSE & REPEAT

The success of converting Kara's PPR to a HMO identified the market demand for small, furnished living arrangements. The formula was down, all they needed was to copy and paste.

This time, the property belonged to Kara's ex-boyfriend and was part owned with his father. The house was the same build and same floor plan as Kara's. Josh and Kara did all the leg work on the deal, from sourcing furniture to arranging tenants. They now make $12,000 pa off a property they don't even own!

"We had tenants all ready to go. The flat-pack furniture arrived Friday. The tenants moved in on Saturday."

MORE ON THE WAY

With the HMO strategy reaping dividends in their market, they have plans to develop more purpose-built HMO deals in the near future. They plan to convert Josh's PPR to HMO in the next six months, which will take them from a negatively geared position of -$4,500 pa to a positively geared $6,000 pa. They also have plans to develop a HMO on a vacant block of land, which will deliver an estimated $19,000 pa.

ADVICE TO INVESTORS

Josh and Kara admit their starting position was daunting. However, their education and training showed them that there are always options, and they have found it extremely satisfying to take back control of their financial futures, and to be able to help others within their community.

Kara also says that you should never be afraid to lean on other people in the community. Opportunities will come to those people seeking win-win outcomes.

"Even in a terrible market you can achieve great things."

DEALS IN THE PIPELINE

- BUILD ON VACANT LAND – PURPOSE BUILT HMO
- ESTIMATED $19K CASHFLOW
- JOSH'S HMO CONVERSION 6 MONTHS TIME (-$4.5K TO +$6K)
- JV DEALS WITH SIS AND BRO

REBECCA & SARAH

What do you do when you hate your work?

These two friends quit their day jobs and launched careers in real estate together. Now they have $10 million careers!

Rebecca and Sarah have been lifelong best friends since meeting way back in year seven. In 2009, they were ready to begin their real estate journey. Both of them had put tremendous effort into reaching this point, and they were desperate for a change.

Sarah worked up to 15 hours a day, nearly every day of the week, with frequent overseas travel that took her away from her children. She worried that they were growing up without a mother.

Rebecca put all of her resources into a homewares business in 1997, which floundered for five years and ultimately left her with nothing. For another five years, she lived in poverty to save as much money as possible for a new start.

Overcoming adversity, they started investing, and they never slowed down. After lining up an impressive string of deals, they were both able to quit their jobs around the beginning of 2015, and within the next two years, their combined portfolio is projected to exceed $10 million.

THE FIRST STEP IS THE HARDEST

After Rebecca and Sarah attended a three-day boot camp with Dymphna, Sarah returned to work full of ideas but still not sure how she was going to get started. Rebecca wasn't quite ready yet, but Sarah went on to join the Platinum Program, and her first step landed in her inbox.

DEAL 1: RISING WATERS

Another couple of investors, Jason and Amy, were looking around the Platinum community for a joint venture (JV) partner on a deal in Brisbane. When Sarah got a message from them, she jumped at the opportunity.

Still working long hours, she didn't have much time to devote to the deal, so she went in as the cash partner to purchase a house on a large lot. They subdivided, renovated and sold the existing structure to recoup some of their costs, and built a new dwelling on the second lot.

After the deal closed in 2010, they actually lost money due to the GFC and the Brisbane floods; however, Sarah had done enough research on the market in the area to be confident that property values and rents would pick up, and the purchase got her foot in the door of the real estate world.

DEAL 2: GETTING REBECCA ON BOARD

Happy with their partnership, Jason and Amy invited Sarah to participate in their next deal, which was quite similar. Again in the Brisbane area, they found a property to subdivide. This time, they demolished the original structure, and they sold one side of the divided property to Rebecca, who was now in a position to begin investing alongside Sarah.

They built new homes on their respective halves of the property, and despite some loss in value due to the floods (not directly damaging the property but affecting the citywide property market), they finished the renovation $200,000 ahead of their starting position, holding on to the properties to benefit from future gains.

DEAL 3: RINSE AND REPEAT

In 2013, Sarah was still tied up by her work, so Rebecca took responsibility for sourcing their next deal along with a new JV partner.

Purchasing a house on two lots in Wynnum, they closely replicated their previous deal. They demolished, divided, built and held for another $220K profit … in less than a year!

DEAL 4: A NEEDLE IN A HAYSTACK

With some funds available from their first few deals, Rebecca started looking toward properties that would generate some cashflow. She fancied owning a place on the Sunshine Coast, although she did her own research, saw that the market was beginning to change in the area, and came across an incredible find. It was a $470K, six-bedroom house in an excellent location. She had it under contract less than 12 hours after finding it. Rented by the room, the place is now pulling in over $25K in passive income.

DEAL 5: THE NASTY NEIGHBOUR

At this time, Sarah's employer went into liquidation and she found herself temporarily out of work. Now that she was able to put more of her own effort into investment, she wanted to start scaling up.

The next find was a 1940s Queenslander in Morningside. They purchased it off market through an agent who Rebecca knew. They weren't allowed to demolish the original house, but instead, they lifted it up and moved it forward on the lot to make room for two new townhouses in the rear.

One of the neighbours was upset about the off market sale – he wanted to buy it himself and took them to court over it. He attempted to delay proceedings and interfere with their project as long as possible, but fortunately, the judge was on Rebecca and Sarah's side, and the lawsuit ultimately only cost them two months and $30,000. They were free to move forward.

After completing the subdivision, renovating the old house, and building the new dwellings, they were prepared to sell the whole property for a $380K profit, but they reconsidered. They decided that selling would not leave them any better off than holding and drawing equity while the property was likely to continue appreciating, and now, two years later, the total profit on the deal is closer to $500K.

DEAL 6: STILL SCALING UP

The two friends were moving faster and faster as they gained more development experience. They found themselves in the right place at the right time to jump right into another deal much like the last one.

It was another 1940s Queenslander. This one was in bad shape and would need plenty of renovation, but just like the last one, they picked it up, moved it to the front of the lot, and planned three townhouses in the rear.

Due to an encumbrance on the property, they were forced to give a four-metre strip on the front of the land to the town council, which made the space very tight, but they were able to proceed with their plan.

The construction on this property is currently underway, and Rebecca and Sarah expect to sell it this autumn for a profit of over $600K, the first major cash payout they're taking from their investments.

EYES ON THE PRIZE

While the two Queenslander deals were underway, Sarah had to find another job to make sure she had an income. She ended up working for a year in China and leaving her kids in boarding school. Meanwhile, Rebecca had also fallen into a pattern of 13 to 14 hour work days, and the stress was taking its toll on her.

They both needed to free themselves from their day jobs, and to do that they needed to generate more income from property. With several successful development deals behind them, they were now in a position to approach new JV partners with the skills they had learnt.

DEAL 7: OTHER PEOPLE'S MONEY

The same agent from their first Queenslander development found them another one with room on the lot for three new townhouses. This time, Rebecca went in on a JV with a money partner so they could keep funding deals of this size.

They started a major renovation on the dwelling – at least they didn't have to lift it and move it this time – and got a DA approved for the new structures, which are set to begin construction soon. After the project is completed, they expect a return of $650K, split with their JV partner.

DEAL 8: FINALLY FREE

Finally, they were ready to make their move. They were fed up with work, and at the end of 2014, they had enough cash to live on until their major chunk payout in October or November. Sarah quit her job at the end of the year, and Rebecca followed soon after.

They tried something slightly different with this deal, working with their old JV partner from the Wynnum deal and splitting another block in Camp Hill. This time they could destroy the old house, and instead of townhouses this time, they planned two high-end luxury homes with much higher property values.

Once the build is complete, they expect a $350K return on this development, split with their partner.

DEAL 9: LEFT HANGING

On the same day as the Camp Hill purchase, the two friends went in for a bigger development with a new money partner on a property in Greenslopes. They purchased with extended settlement terms and planned to build five townhouses.

Planning for the project went ahead, but unfortunately, months into the process, their JV partner walked out and left them without funds. They're currently negotiating a new settlement term so they can keep the deal and finish the development on their own.

Once the new arrangements are sorted out, they're looking at half a million dollars in gains from this deal.

DEAL 10: THE NEXT LEVEL

Now that property was their day job, Rebecca and Sarah wanted to step up to bigger, more challenging, and more profitable investments. They hooked up with yet another JV partner who was able to bring plenty of cash to the table.

Their latest project is a development on three lots in the northern beaches suburb of Manly. They bought from two different sellers with extended settlement terms and are planning a total 15-17 units. When the project is completed in the next couple of years, they expect a return of $1.5 to $2M.

THEY MADE IT

Once they started investing, Rebecca and Sarah picked up momentum fast, and they show no signs of slowing down. In the six months since quitting their jobs, the two friends have already launched three development projects.

They aren't working 16-hour days anymore, but they're clearly keeping busy; just not too busy. Sarah used to worry that her kids never saw her. Now she gets to drop them off and pick them up from school.

PROPERTIES HELD SINCE ATTENDING DYMPHNA'S BOOT CAMP

VALUE	AREA
$500,000	SUNSHINE COAST
$730,000	WYNNUM WEST
$830,000	CANNON HILL
$850,000	MORNINGSIDE
$890,000	MORNINGSIDE
$1,200,000	BOTANY
$2,250,000	MORNINGSIDE *

* (DUE TO COMPLETE OCTOBER 2015)

$7,250,000	**TOTAL VALUE OF PROPERTIES**

PROFIT FROM CURRENT SITES IN DEVELOPMENT

$600,000 (BOUNDARY RD)
LIFT, SHIFT, RENO OF EXISTING HOUSE + 3 TOWNHOUSES

$660,000 (COMBLES RD)
LIFT, SHIFT, RENO OF EXISTING HOUSE + 3 TOWNHOUSES

$360,000 (MELBOURNE AVE)
SPLITTER BLOCK, 2 LUXURY HOUSES

$550,000 (EARL ST)
DEMOLISH + 5 NEW TOWNHOUSES

$1,500,000 (ERNEST ST)
DEMOLISH EXISTING, BUILD 15 UNITS (UNDER CONTRACT)

$3,670,000 TOTAL PROJECT INCOME IN THE NEXT 2 YEARS

BEFORE:
1618m^2 land, 1 title, 2 lots, 3 bedroom Queenslander

STRATEGY:
Separate into 2 lots, demolish the existing dwelling and build 2 new dwellings

RESULT:
$220,000 profit in less than 12 months

THE RACE FOR SPACE IS REVERSING. WHAT DOES THAT MEAN?

Covid caused a lot of changes. What happens when those changes reverse?

BY JON GIAAN

Covid had a massive impact on our property markets.

The crash in interest rates fuelled an epic boom in property prices across the country.

Not only that, there was a "race for space" – as people sought out larger homes, or homes further away from the big metro areas.

That gave us a truly epic boom in our regional property markets.

But Covid is (largely) behind us now. And so the question becomes, how enduring will these changes be.

Once employers start demanding employees show up in the workplace, will people really pay a premium for a home office? Will they still want to live and commute from lifestyle destinations?

My bet is that we'll hang on to some of the changes that Covid gave us. Work-from-home will probably morph into some sort of hybrid arrangement, combining home and office.

But a good chunk of those changes will be undone.

We're starting to see this already.

Michael Matusik has done some interesting work looking at NAB's survey data on what buyers are looking for.

He notes that all of your Covid factors - allotment size; having a dedicated study or work area or being in a regional location – are all becoming less important.

Table 3: Factors that Australian's think are important when deciding to buy

Factor	2021	2022	Trend
Amount they can borrow	**74%**	**82%**	↑
Good location – schools, shops + amenities	62%	60%	→
Size of the dwelling	52%	57%	→
Detached house instead of an apartment	53%	45%	↓
Size of the allotment	**52%**	**44%**	↓
Good local public transport	41%	40%	→
Having a study or dedicated work area	**26%**	**21%**	↓
Being a regional area/town	**21%**	**16%**	↓
Energy efficiency	**14%**	**14%**	→
Apartment instead of a detached house	5%	6%	→
Matusik + NAB. Fiscal years.			

As he says:

"It seems that many of those theoretical lifelong changes brought on by Covid (and the range of associated restrictions) appear to have been somewhat temporary after all. Shock and surprise!"

At the same time, Nila Sweeny in the AFR notes that vacancy rates are blowing out in some of those lifestyle destinations:

Residential vacancy rates have blown out in some outer ring and coastal suburbs around the country, defying the tightness in the broader market as more people move back closer to the central business districts, analysis by SQM Research shows.

There are now more than 20 regions across the country where the rental market has turned, according to Louis Christopher, SQM Research managing director.

"It's pretty clear we're now seeing rising rental vacancies, and rents in a number of these regions are already falling," he said.

"Many people flocked to regions to get away from the pandemic lockdowns, so it's not surprising to see them moving back to the cities as life returns to normal.

But the interesting thing here is that a region's loss is a metro area's gain. And so if vacancies are rising in regional areas, they must be falling in metro areas.

Louis Christopher agrees:

Mr Christopher said rental markets in the capital cities would continue to tighten amid increased demand and low supply.

"I think the trend we will see over the next six months is higher vacancies in regional areas and even tighter vacancies in capital cities," he said.

... I think it'll be a good six to nine months before we actually hit the worst of the rental market tightness."

And so even though rate hikes are a downdraft on property prices across the country right now, metro areas will be catching a lift from the reversal of the Covid choices we all made.

And so in 2023, I'd expect metro areas to solidly outperform the regions. In a big way probably.

JG

Living the dream as full-time property investors in tropical Queensland!

'All things are difficult before they are easy'.

As a young man, Aaron was as a plasterer and carpenter with a team of 10 people. Because he was on a high income, he was able to accumulate a big property portfolio using 'normal' buy and hold strategies.

However, he made some mistakes in this process. For example, he lost $30,000 after buying at peak of the market in a capital city. And a 'new build' home he bought in a country town sold for only $10,000 more than he paid nine years later!

Then, things got worse. His marriage ended and in the months after, he went through a period of suicidal depression. In amongst all that, he lost much of the wealth he had accumulted.

ENTER EMMA

When Emma met Aaron, she was a broke actor, basically living 'hand to mouth'. Surprisingly, despite being a low income earner, through the 'power of collaboration,' she had done around eight deals in three and a half years before she met Dymphna. At one stage she bought one of the cheapest homes in Australia...For a grand sum of $1,000!

However, because there were gaps in her strategy, she hadn't accumulated much money in the process. So, Emma had a 'past' in property to let go of before she could move forward.

Combined, they both had strengths they could bring to the table – Emma primarily in deal-finding, and fostering relationships. And, Aaron as a master tradesman!

They say, 'when the student is ready, the teacher will appear' and that was true in this instance. That's because by the time they met Dymphna at her flagship one-day event, they were frustrated and worn out.

Aaron was travelling two and half hours a day to and from work in Melbourne – despite only living 15km from work! The traffic was soul destroying and energy draining.

Meanwhile, Emma was starting a business working from home, which was mega stressful because she was burning through money like no tomorrow.

They knew they had to try something new. So, they decided to move to the tropical Sunshine Coast.

As Aaron said: 'We're not a tree, we can move'. So, they sold all their stuff on Gumtree and moved to Queensland.

It was at this time, they decided to start focussing on property full time. Coincidentally enough, this was also the time they got a completely unexpected call. They were invited to be on the TV show *Property Flippers*, on the basis of some renovations they had done previously. The crazy part is, at this stage of their life, they had virtually no money.

In fact, Emma had taken on a 'commission only' role selling ad space for a tiny local newspaper. And, because the house they were renovating was so noisy, she had to work in the park!

This was earning them just enough to buy food. Despite their "celebrity" status, they were still doing it tough.

Meanwhile, they were living on site at the renovation, which wasn't pleasant because there was plaster dust in everything!

AARON AND EMMA'S LUXURY 5 STAR LOVE NEST

Throughout this renovation, they learned a lot about what not to do. For example, one of the big lessons was don't live on site because that's a recipe for time blow outs.

However, they got there in the end and they turned an ugly duckling into a swan.

Here are how the numbers looked:

• Purchased:	$336K
• Spent:	30K on reno
• Stamp Duty:	$3,360 (PPR)
• Refinanced at	$480K
• Profit Approx:	$110,000

Not bad for 6 months' work.

"When you have a cookie cutter strategy that works and makes you money ... Keep cutting cookies".

ON TO PROJECT NUMBER TWO

With project two, they didn't try and 'scale up' the ladder of complexity.

They did what Dymphna always says: "When you have a cookie cutter strategy that works and makes you money ... Keep cutting cookies".

The advantages of this 'rinse and repeat process' are savings in both time and money. That's because you make decisions quicker. Plus, you can get better prices, terms and turnaround times from trades and suppliers.

All of this helps reduce your holding costs and project costs which then goes direct to your bottom line.

In fact, in this project they were able to get similar finance to their previous project in just six weeks, that took them 6 months last time. And again, the finished product looked amazing.

In this deal, they borrowed money from a private lender for this property – so they had to pay back $10,000 to them. However, to balance that out, they also made $11,979 profit while it was on the market renting it out via Airbnb. Clever move!

These are the sort of innovative strategies, that allows I Love Real Estate students to get 'more bang for their buck' from each project – while everyday investors settle for 'average'.

After this, they moved up to the next level of the profit ladder with three subdivision projects in the pipeline.

They are also using the 'HMO' Strategy (house in multiple occupancy strategy) to earn $300 per week positive cash flow off a property they don't even own.

In yet another deal, they made $100,000 profit on a property – they never even settled on – all within six weeks!

The secret of this was by getting what's called an 'option' on the property. This is where you pay a set amount of money to buy a property at future date for a fixed price. As part of this deal, they also got access to the property right away, so they could go in and renovate to add value.

Their most recent project saw them teaming up a joint venture with the owner of a home in South East Queensland who found herself financially compromised and needed to sell.

After a six-week renovation, Aaron and Emily increased the value of the property by $220,000, which after costs, was split 50/50 between themselves and the owner of the property. The result was a $75,000 profit from a property that they never even owned, and the owner was able to walk away with a life changing amount of profit.

They are about to settle on a 'buy and hold' renovation home which will be their principle place of residence – in beautiful tropical Queensland.

So, it's been an incredible journey for them both and they've never been happier.

"Being around like-minded, positive, encouraging people is an essential ingredient to success. If you want to make changes in your life, get involved."

Here's one of the biggest lessons they've learnt: You've got to know what your strongest role is. For example, they've worked out Emma's strongest role is NOT being hands-on on site.

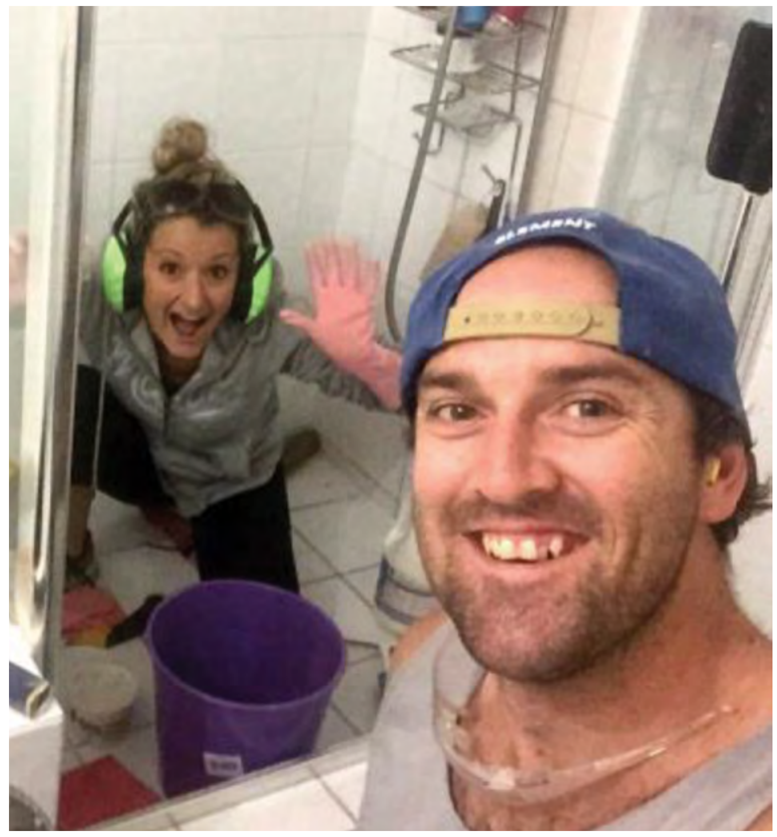
This costs them money, because she could be out finding lucrative deals.

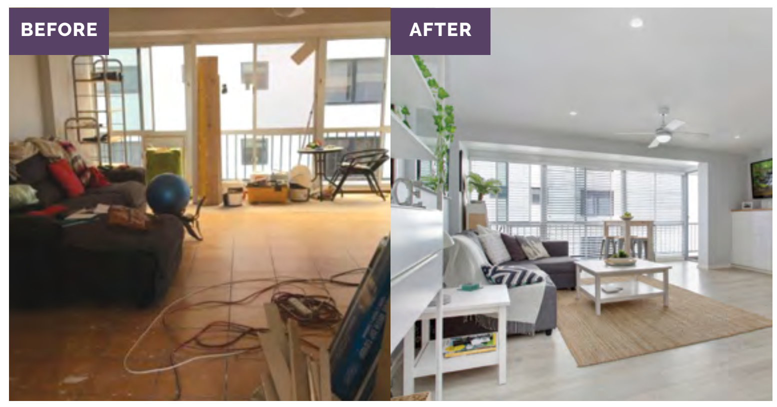
Plus, Aaron claims he works faster when she's not on site! Because they are not at each other's throat!

Em's best role is project manager, deal finder, negotiator and then styling the end product.

With his background as master tradesman, Aaron can get epic results done on a work site ultra-quick.

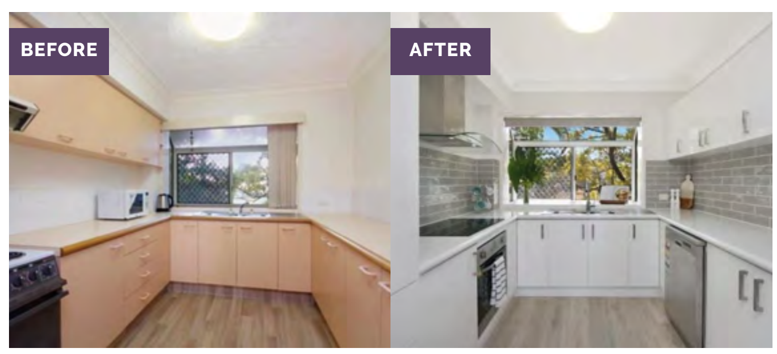
And of course, one of the biggest factors behind their success has been the I Love Real Estate community.





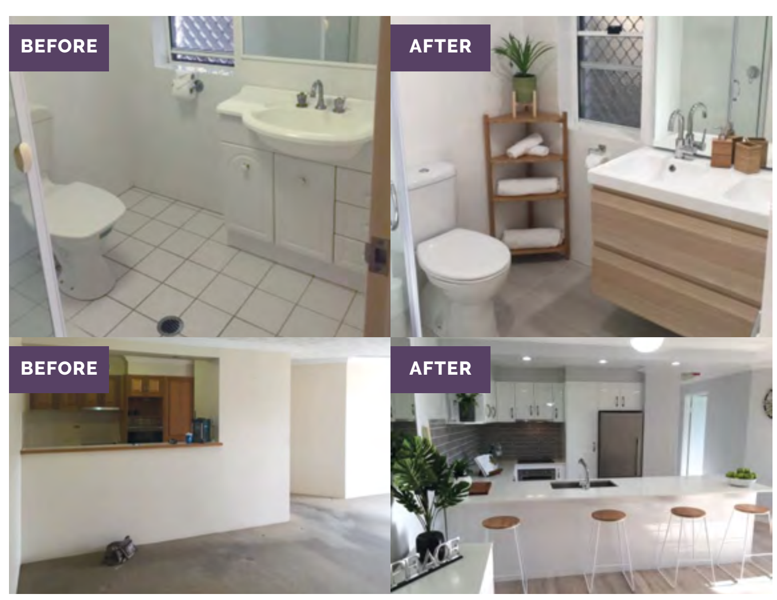
PROJECT 1: LIVE IN RENOVATION

- Purchased $336K
- Spent 30K on Reno
- Stamp Duty $3,360 (PPR)
- Refinanced at $480K
- **Profit Approx. $110,000**



PROJECT 2: COOLANGATTA – SIX WEEKS

- Purchased $330,000
- SOLD $442,500
- Stamp Duty $3,300
- Reno Costs $15,000
- Agents Cost & Solicitor $5,660
- **RENO PROFIT: $88,540**
- Interest to Private Lender $10,000
- + **Airbnb Profit while on market $11,979**



PROJECT 3: PUT & CALL OPTION

- Option to Purchase $400,000
- Immediate access under license agreement
- Rent back to vendor $400 p/week
- Reno Costs $40,000
- Hold Costs $2,000
- Agents Fee $8,000
- No Stamp Duty
- **Sold Option 6 weeks later $550,000**
- **Profit $100,000**

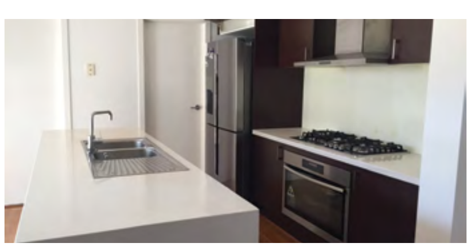
How one couple launched their investing career with just $20,000 … and have almost replaced their income in three years!

DEAL 3: BUILD HOUSE WITH GRANNY

Land Cost	$50K
Construction Cost	$410K
Manufactured Equity	$140K
Rent	$630wk
Cashflow	$10K

DEAL 4: SELL THE UNIT

Purchase Cost	$351K
Sold Price	$467K
Profit	$116K



DEAL 5: CONVERT PPR INTO INVESTMENT PROPERTY

Purchase Cost	$614K
Conversion Cost	$20K
Rent	$1,200wk
Manufactured Equity (just by conversion)	$60K
Cashflow	$20K

DEAL 6: SUB-DIVIDE AND BUILD PLUS ROOM BY ROOM RENT

Land Cost	$0
DA+CC Cost	$30K
Construction Cost	$320K
Rent	$1,050wk
Manufactured Equity	$150K
Cashflow	$22K

When Sanjeev and Illa's baby girl was born, they wanted a way to escape their 'hectic' jobs. Initially, they started small and focused on building cashflow. Three years later, they're just a deal or two away from replacing Sanjeev's income, and having the family time they so desperately wanted. Despite having cash flow as their main focus, they've managed to increase their equity 10-fold.

With a baby on the way, Sanjeev and Illa were desperate to find a revenue stream that could give them breathing space from their day jobs. After attending one of Dymphna Boholt's one-day events, Sanjeev knew it was the right course for them.

"Sanjeev called me from the event and he was so pumped up. I said, 'OK, let's talk about it and maybe we'll sign up for the Quantum Program.' He said, 'I already did'." – Illa

Starting out, they had about $80,000 worth of equity in their principal place of residence (PPR), $35,000 in a deposit for an off-the-plan apartment that had yet to settle, and $25,000 worth of credit card debt. They were cashflow negative and thought it would take a long time to get out of that hole.

However, Sanjeev and Illa diligently applied everything they learnt from Dymphna and made headway at an astounding pace. This is how they did it.

DEAL 1: FROM LITTLE THINGS, BIG THINGS GROW

With just $20,000 to work with, Sanjeev and Illa had no choice but to start small. They spent their weekends scouring regional areas within a 100km radius of Sydney. They looked at more than 30 properties until they found land with sub-division potential. Following Dymphna's advice of using a joint venture to increase their muscle, they bought the property for $85,000, spent just $2,000 on the subdivision and created two parcels of land worth $80,000 each. This first step boosted their confidence and hunger for more.

DEAL 2: THE UGLY DUCKLING RENOVATION

With their focus on affordable regional areas, Sanjeev and Illa began looking for properties where they could execute multiple strategies at once. They found a property with potential in Bathurst for just $299,000. They spent $50,000 in renovations and added an extra toilet so they could rent the property out room by room.

They earn $11,000 off the property each year and created $50,000 worth of equity.

DEAL 3: THE BUILD AND THE BONUS

After increasing their cashflow and serviceability, Sanjeev and Illa opted to build on the land they bought in their first deal.

After realising that the standard four-bedroom home would not give them the cashflow they desired, they built a house and granny flat under the same roof, creating a dual-occupancy, dual-income property.

With a construction cost of $410,000, Sanjeev and Illa created $140,000 worth of equity. The main house brings in $350 per week in rental and the granny flat brings in $280 a week, which puts in another $10,000 into their pocket each year.

DEAL 4: SELL THE UNIT

Sanjeev and Illa's off-the-plan unit had settled and with the rental income it was creating, it was cashflow neutral. Sanjeev and Illa used the opportunity cost framework they had learnt from Dymphna and realised they were better off selling. They sold the property a year after settlement for a profit of $116,000.

"We had to educate the real estate agents on what our room by room strategy meant, but they could see our passion and see it was a win-win outcome for all of us."

DEAL 5: TURNING A HOME INTO A CASH COW

After considering everything they'd learnt about property investment, Sanjeev and Illa started wondering if their PPR was pulling its weight.

After exploring a couple of strategies, they decided to rent and renovate their PPR. They spent $20,000 and turned their second living area into an extra bedroom. Now, they rent the property out room by room. This pays them an extra $20,000 a year and has increased their equity by $60,000.

DEAL 6: ANOTHER BITE OF THE CHERRY

Going back to the cheapie they bought in their second deal, Sanjeev and Illa realised they could subdivide the property and build another house which they could rent out room by room. They spent $350,000 on construction and estimate to pocket $1,050 per week in rental income. This deal has increased their equity by $150,000.

READY TO QUIT YOUR DAY JOB?

In just three years, Sanjeev and Illa have increased their equity from $90,000 to just shy of $900,000 but, more importantly, they've have increased their cashflow to $62,000 a year. Sanjeev estimates that he is just one or two deals away from being able to quit his day job.

Property investing has been incredibly gratifying for Sanjeev and Illa's financial position and family life – they've even been able to put their nieces in India through university!

Their story shows that with commitment and passion, any amount of money can be leveraged to create a better life.

"If my mother called and said she was sick, I wanted to be there for her, to have time for her. Property investing is making that possible."

PRE-DYMPHNA	VALUE	EQUITY	CASHFLOW
PPR	$650K	$80K	$0
INVESTMENT PROPERTY (NOT SETTLED)	$350K	$35K	$0
CREDIT CARD DEBT		-$25K	$0
TOTAL	**$1M**	**$90K**	**$0**

POST-DYMPHNA	VALUE	EQUITY	CASHFLOW
DEAL 1 (JV + SUBDIVIDE) + DEAL 3 (BUILD)	$600K	$231K	$10K
DEAL 2 (RENO)	$400K	$90K	$10K
DEAL 4 (SETTLED + RENTED +SOLD)	NA	$116K	$0
DEAL 5 (CONVERT PPR INTO INVEST)	$950K	$300K	$20K
DEAL 6 (SUBDIVIDE + BUILD)	$500K	$150K	$22K
TOTALS (PROJECTED)	**$2.45M**	**$877K**	**$62K**

ECONOMIST: "PROPERTY PRICES TO DOUBLE BY 2030"

This is a big call. Could it be true?

BY DYMPHNA BOHOLT

Are property prices going to double by 2030?

That's what one economist reckons. He says prices in Sydney will double by 2030, with some other cities to do even better:

From the Saturday Telegraph:

Sydney will lose its status as the country's biggest and most expensive city by the end of the decade – with other capitals set to eclipse a still bumper rate of property price growth in coming years.

Modelling provided exclusively to the Saturday Telegraph showed the property market will rebound from the current market downturn with strong price growth over the next decade.

It will leave home seekers paying an average of $2.4m for a house by 2030 – double what they pay now – and $1.05m for the average unit, according to the projections from property group PRD Nationwide.

...PRD Nationwide chief economist Dr Diaswati Mardiasmo said the market would eventually adjust to higher interest rates and the long-term outlook for home prices was increased growth.

Much of that growth would be driven by rising migration, a soaring city economy and developers not building new homes fastest enough to meet demand.

All of these factors are true an in play. Migration is coming storming back, and that's going to pump demand. Unemployment is low and jobs are plentiful.

And it is (still!) true that we just don't build enough homes. Like, not even close.

There's a housing shortage right now. Vacancy rates are at record lows. Rental properties in some suburbs are as rare as hens' teeth. Rents have been growing at a double digit pace all year.

And it's just Economics 101. When demand is high and supply is low, prices go up.

So yes, all of these factors will push prices higher.

Will we get to a doubling? Will the median Sydney house tip $2.4m?

That might be a touch ambitious, and a lot of it will depend on what's happening with interest rates and government spending programs.

But still, it's conceivable.

I think it's the thing that people keep forgetting. The fundamentals determine the long run trends for property, and the fundamentals are incredibly supportive.

Over the next ten years, property has everything going for it, and almost nothing holding it back.

The other point this guy makes, which I think is interesting to think about, is that in ten years, every body's first purchase is going to be an apartment:

Houses were becoming particularly scarce and units would be the likely entry point for most buyers in 2030, Dr Mardiasmo said.

"At the end of the day, it's about supply," she said. "If you look across Greater Sydney, most new projects are units, not houses.

"In fact, there are thousands of new apartments getting built but hardly any new houses. So we'd expect growth in unit prices to be half that of houses."

Now, what happens to the value of existing detached dwellings if they stop making new ones?

Remember supply and demand?

Dymphna

From two financial disasters to a bright financial future through real estate.

Beverle was terrified of being unemployable after 50 – and having an insecure financial future as she headed into retirement. Here's how she used real estate to create a bright financial future.

JV WITH PLATINUM STUDENT – RENO, DA SECOND DWELLING, SUBDIVISION

Purchase	$395,000
Reno, DA and hold costs	$81,000
Sold with DA	**$540,000**
Sales costs	$19,000
Profit	**$45,000**

4 TOWNHOUSE DA

Purchase	$755,000
Strategy and hold costs	$108,000
Sale	$1,052,000
Sale costs	$24,000
Profit 19.07%	**$165,000**
12 months 35% cash on cash return	

Life can 'throw many bricks at us', in the form of unexpected problems and disasters. But it's how we handle them – our attitude and actions - that determines where we end up.

Beverle property investing journey began in 2001 with the purchase of a modest town house in Balmoral, QLD. "I did my own research and decided to invest as it was a high cash flow option – it generated a bit of extra income for me and my family," explains Beverle.

"Despite a few problems over the years, that first property in Balmoral has remained a good investment, and had good equity growth over the years."

Beverle had a vision of the kind of future she wanted for her family, so was continually looking at different options to get there.

"I've always loved learning – I even dabbled in shares for a while but I found it wasn't really a passion of mine, so I decided to concentrate on property," said Beverle.

"Firstly, I did a JV (Joint Venture) with mixed success but it did make some profit ... just not as much as we were hoping."

"Around the mid 2000s I realised that our investments were not doing much for us – they weren't hurting but not really helping that much either. We weren't growing. I decided I wanted to ramp things up and speed things along, and began to think of ways to do this."

Despite this positive intention - things took a turn for the worse.

"In 2010, a couple of bad decisions really hit us hard. I'd bought a house and land package in a mining town but my timing was out and unfortunately the mining boom had come to an end. We had an equity loss of $100K which as you can imagine was quite a blow!"

"Around the same time, I'd also invested in a startup business. I thought that it would be a good idea to get another stream of income happening. Within 12 months that business had gone bust which hit us with another $60K loss."

Like many people who 'go it alone' in wealth creation, without support from a mentor, Beverle had made a few classic mistakes.

For example, insufficient due diligence and purchasing property in personal names. Both of which have proven costly and stressful. And life's punches kept on raining down on her family: "In 2015 I suddenly found myself out of work and my husband had been involuntarily retired for some years. This was another scary financial hit and a massive emotional blow.

"We didn't have a big safety buffer in terms of savings and we were still trying to manage our debt, so the pressure was quickly reaching breaking point. I felt a lot of fear around the future. Fear of being unemployable after 50 was a big one.

"I had a fear of not being able to support and provide for our children, who were going off to university. We only had a small cash fund for emergencies, so I was worried about the future. It was a very unsettling time and my health was starting to suffer as a result of all the stress," said Beverle.

It was around this time that Beverle knew she had to do something to pick herself back up and turn things around. "Luckily I found myself a good counsellor who helped me change my mindset and start to believe that I am worth investing in."

With her new learnings and mindset, Beverle engaged more closely with Dymphna Boholt and the I Love Real Estate Community. "I was already a member and decided that it was time to get some extra help. I was tired of always trying it out on my own and I knew I had gaps in my knowledge. I could see the value in getting some more in-depth mentoring from Dymphna and the I Love Real Estate community," said Beverle.

Now with a supportive community and proven strategies and processes to follow, things have started to turn around for Beverle.

RENO, SUBDIVISION & DA

They bought a house in Tahmoor and renovated the house, and subdivided the backyard and sold it with a DA (development approval).

This project took 12 months and they ended up with $45,000 profit, so not bad. But they were building their knowledge and the next deal turned out much better.

FOUR TOWNHOUSE DA

"With help from my coach, I then bought a property on the Central Coast, NSW which I sold with a DA for four townhouses. This deal made around 19 per cent ROI (return on investment) in 12 months."

This project took 12 months and gave her around 35% cash on cash return.

Beverle was over the moon with this result. Not just the financial gain – which was great – but the increased confidence.

"This whole experience has given me a new level of trust and confidence in my own skills, and financial future.

It's allowed me to pay down debt, build up a savings account and help my daughter out with her wedding.

I even get to make bigger contributions to my church and my chosen charities," said Beverle.

"I feel like I can breathe a sigh of relief ... I can see a compelling, safe and secure future for me and my family."

"And I get to have a lot of fun along the way as we continue this journey with a community of like-minded people," said Beverle.

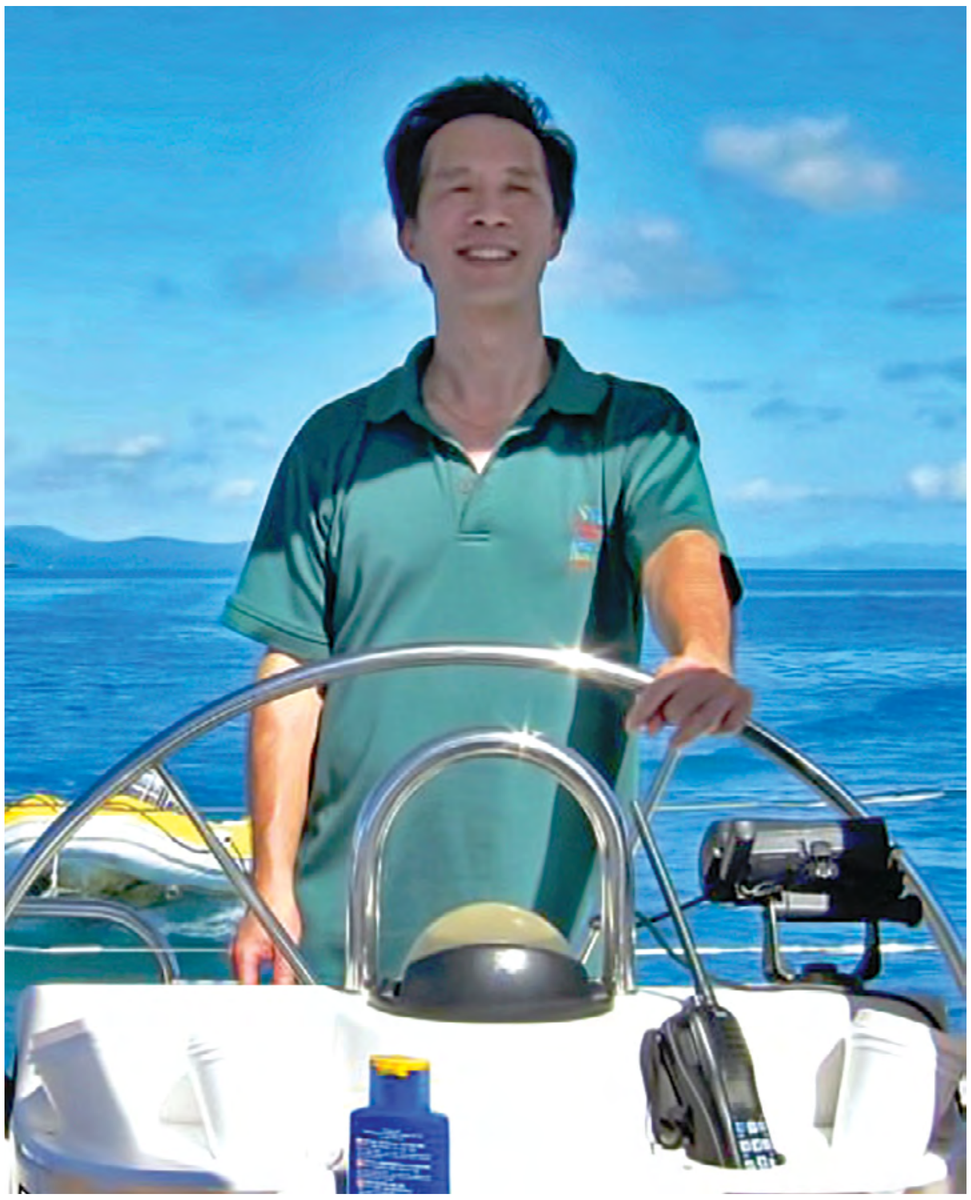
This ability to create 'wealth on demand' has clearly given Beverle a new level of confidence in her own financial future.

And as she says: "I've learned a lot of things on my property journey:

1. You can be profitable even if you make mistakes but you must do everything possible in due diligence and have a plan.
2. Multiple exist strategies are paramount.
3. You cannot see the future exactly. Listen to your heart when you make a decision. If your heart is uncomfortable then it may not be the right decision. If your heart is peaceful then trust that even if the result is not as expected, it will be OK."

FINAL RESULTS	**2013**	**2017**
Armidale – 3 bedroom house	$250,000	$300,000
Balmoral – 2 bedroom townhouse	$430,000	$430,000
Dalby – 4 bedroom house	$340,000	$250,000
PPR	$850,000	$1,650,000
Equity	*$830,000*	*$1,695,000*
Income	Neutral	Slightly negative
Cash/debt	*Debt $90,000*	*$145,000 cash*
SMSF	*Not enough money*	*$200,000*

How an unemployed refugee became an international property millionaire and started paying himself $180,000 a year!



Wilson came to Australia 40 years ago as a refugee. When he lost his job in IT, he turned to property investment to turn his life around. With a focus on the US market, Wilson has built a six-figure salary for himself from scratch and has never been happier.

Wilson calls himself a 'slow learner', but that hasn't held him back. What he might lack in speed, he certainly makes up for in vision and passion.

And when you look at what he's achieved in just five years – dozens of deals to his name and a passive income of $180,000 a year – it makes you wonder what Wilson's definition of 'quick' is!

Wilson has leveraged his opportunities. He partnered up with some experienced investors through the I Love Real Estate (ILRE) network to skill-up as quickly as he could, and has set up multiple income streams through the intelligent use of management rights.

When he told his family about his plans to transform his life through property, they were sceptical. "Sometimes your family can detect the changes that are happening to you, and they resist it. It makes them uncomfortable. But you can't let it stop you. You just have to tell them that you appreciate their love and concern, but this is something you need to do."

When Wilson made his first forays into the American market, he made a decision not to tell his family until after the deals had become successful!

But now, his family are happy. The proof is in the pudding. When he joined Dymphna Boholt's Platinum Program five years ago, Wilson had no job, no income and a pile of debt outstanding on his PPR. Now he works two months on, two months off, earns over $180,000 p.a and has 10 properties in the US alone.

PUTTING IN THE TIME

Wilson's story is all about hard work. He was able to reach his goals through tirelessly seeking new deals, always continuing his learning and contributing his own labour to take an additional share of income.

By contributing so much time and effort, Wilson was able to attract partners to cover for his lack of experience and cashflow. Eventually, with Dymphna's advice, he was able to gain the serviceability he needed to do his own deals.

When his joint venture investments started generating income, it enabled him to start prospecting in the U.S., where he took advantage of a weak U.S. dollar to put in a lot more work and landed a string of successful deals. Now he's in a position to just keep building his portfolio and enjoy the lifestyle he wants.

"I had the confidence to move forward by myself, but I still couldn't borrow money. So I needed a partner who could get financing."

DEAL 1: A HAND UP

Although Dymphna Boholt's Platinum Program taught Wilson the strategies for success, he had no income and was unlikely to be able to secure the finance he needed to get started.

Fortunately, working with Dymphna also connected Wilson to a community of other investors. He sold his house, and took the cash from that sale and found a serviceability partner to make his first deal possible.

They started with a major renovation in Killara, Sydney. Working alongside his JV partner gave Wilson some hands-on experience and proved the worth of the investing techniques he was learning. More importantly, it lent him the confidence he needed to take his next steps.

The renovation was so impressive that it is now one of the examples Dymphna uses for successful renovations!

DEAL 2: HUNTER DIVIDER

One deal wasn't enough to give Wilson a lot of purchasing power on his own, so he found another serviceability partner to do some prospecting in the Hunter Valley.

They found a good property, renovated it and subdivided the lot. But in hindsight, Wilson realised that they moved too slowly on their development application. By the time they had an approved DA, growth in the Hunter had slowed, property values had plateaued, and moving forward with their building plans would no longer be the best use of their money.

Demonstrating the power of buying well, the renovated house was still positively geared, and they have the subdivided lots ready to build on when the market picks up again.

THE NEXT FEW DEALS: MORE UPS AND DOWNS

Feeling more confident after the first Hunter Valley deal, Wilson quickly bought another house in the area and subdivided that lot as well.

This time, he had more information about the market situation, and he took his builder's advice to sell the vacant lot after subdividing. The land sale offset much of the cost of the house, which now generates additional positive cashflow.

Wilson then picked up two mining town properties in Archer and Casey. They paid off handsomely at the time, although the recent downturn in mining has undermined property values since then.

WILSON'S PEG IN THE SAND: GAINING AN INCOME

Wilson realised that what he really wanted was a better lifestyle, and for that he needed an income. After asking Dymphna for advice, he decided his path forward was through management rights.

It took six months to find the right joint venture partner for the deal Wilson had in mind, and then another year of arguments between lawyers to get all of the necessary financing approved. At the end of it all though, Wilson closed on an excellent apartment building in Chelsea Park, and the management rights strategy left him with three income streams from one deal.

"I found a very experienced partner, and I learnt a lot. He has given me the confidence to go forward."

First, Wilson agreed to personally manage the building, controlling the common areas and earning a salary for his work. Second, as a shareholder in the management company, he was entitled to a share of the profits from any leftover strata fees. Finally, his role as manager allowed him to earn commissions from sales of units within the building.

Together, the three sources of income add up to $80,000 a year. The management rights arrangement also gives Wilson the option to take back his free time and subcontract the building management in exchange for part of his salary.

AMERICA: THE LAND OF OPPORTUNITY

With an income stream making it easier to secure financing, Wilson decided it was time to start investing in the US In 2011, he took advantage of the weak US dollar, which was exchanging one to one with the Australian dollar. Since then, exchange rates have moved in his favour, adding 30 per cent to all of his gains in US currency.

Housing markets all over the United States were on the upswing at the time Wilson was buying. He found some very cheap deals on properties that appreciated quickly, giving him plenty of free equity while also providing passive income.

He tapped into his super fund for extra cash to make a series of eight purchases, keeping his focus on income generation.

In Atlanta, Georgia, he found a townhouse and another house for $35K and $60K. When a hedge fund also decided to invest in Atlanta and bought a lot of housing in the area, the property values skyrocketed to $80K and $110K.

Wilson met with similar success in other locations. In Dallas, Texas, he picked up a home in a gated community for $145K, and it's now valued at $170K.

Next, in Pittsburgh, Pennsylvania, he took on a duplex requiring substantial rehab. The purchase price was $16K and the rehab cost another $90K, but the property's estimated price after renovation is over $200K.

Finally, after seeing the housing market in Pittsburgh firsthand, Wilson went ahead and bought four properties. Two of these came so cheap that he turned around and resold them with rent-to-own agreements. The new buyers will pay them off at the higher market price—plus rent and interest—directly to Wilson over 30 years.

All told, Wilson's streak of American investments will provide him with net rental income of roughly $76K per year in US dollars. At today's exchange rates, that's about $100K Australian.

SO... WHAT NEXT?

Through every deal, Wilson always kept his mind on his real ambitions. It was never the money itself that he was working for, but the lifestyle that the money would give him. Whenever he lost sight of his strategy and considered making the wrong investments, remembering his peg in the sand kept him on track.

Now, Wilson has reached a turning point. After five years, he's reached his goals and now has plenty of time and money to spend on the things that are really important. He's not sure exactly what he'll do yet, but he will certainly work hard and do it well.

"Never give up! You could be so close to your goals and never know it."

MY SECRET – I'M AN INTROVERT

Most people would never guess, but my energy comes from a surprising place.

BY DYMPHNA BOHOLT

Confession time: I am an introvert.

No seriously. I am.

Now I know I don't really look like it. I know I make public speaking look easy. I can get up in front of 5000 people and talk to them all like they're my best friends.

(And by the end of the day, they are.)

And I can network a room like a professional. Shaking hands, making connections, sharing laughs.

I make it look easy.

But being an introvert or an extrovert is not about how "out there "you are. And it's definitely not about whether you're shy or whether you have a talent for public speaking.

It's about what energises you.

And while I enjoy working a room or sharing the knowledge I've gathered over the years, it tires me out after a while.

And when I need to recharge my batteries, what do I need?

I need to be alone.

I need to come back into my own quiet company. I need to spend some time with my own thoughts. I need to rinse and wring my brain out in the well of silence.

And I have a lot of capacity for alone time. I cherish it. I need it. It's what charges my battery.

And this is what makes me – Queen Bee Motormouth – an introvert.

It's worth remembering this. We often talk about introvert and extrovert as if it means shy or not shy.

But this isn't what it's about. It's about what energises you.

And so if you want to live a high productivity life, It's worth asking yourself, "Am I an introvert or an extrovert? What is it that energises me?"

Do I need some quiet time with a glass of red and the lights down low, rearranging the crystals in my study?

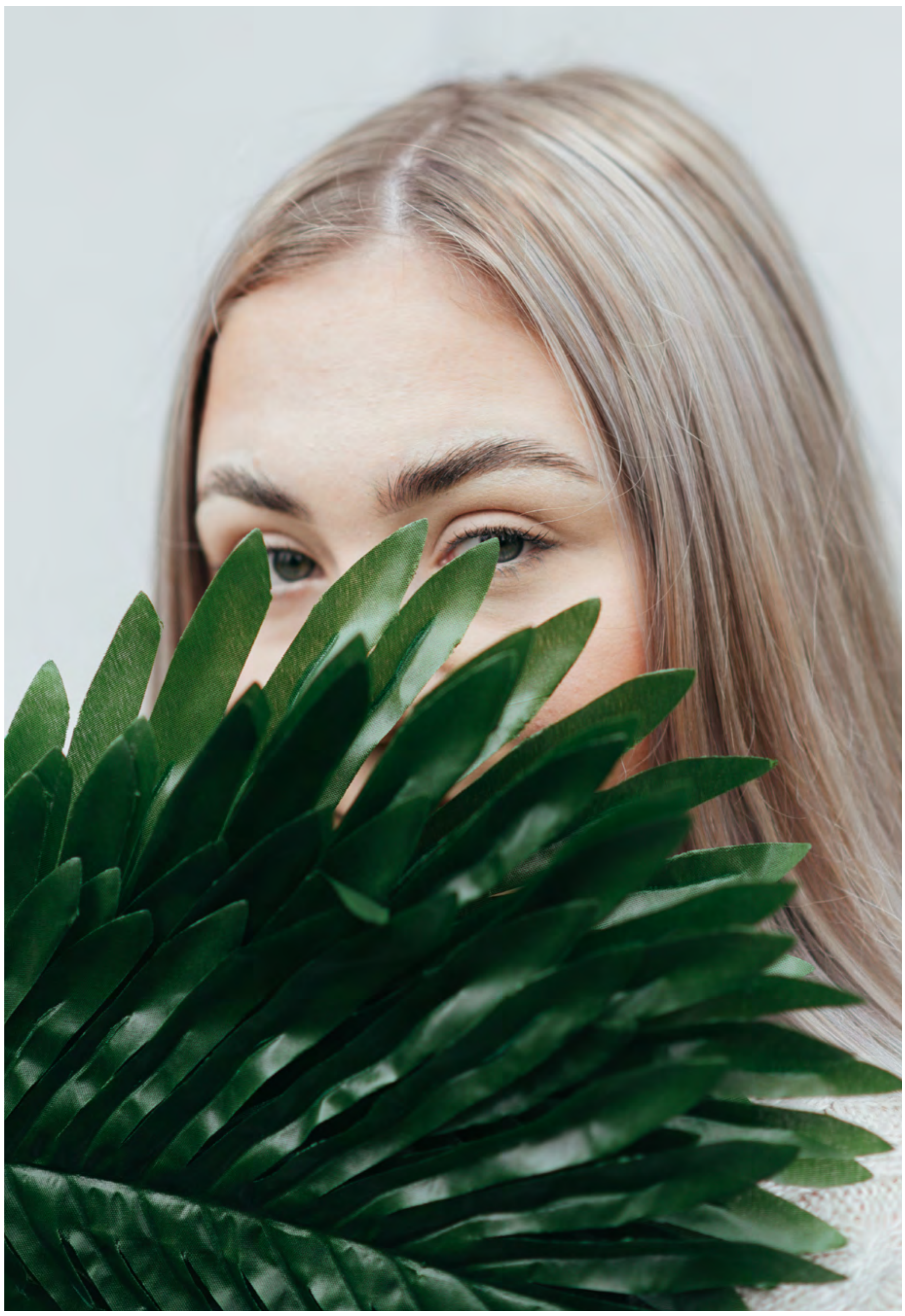
Or do I need some company? Do I need the companionship of old friends? Do I need to sit in crackling conversation the way the ancient ones used to sit by a fire?

Is this what's gonna charge my batteries?

This is what we need to come back to. Don't worry about shy or not shy, and all the value judgements that come from that.

This is about what energises you, and only you know what it is.

Dymphna



After eight long years of losing money on investments, one timely tip helped this couple surf the Sydney property boom to $2M in equity!

Manny and Sarah needed help to get their investment strategy on the right track. A three-day boot camp with Dymphna Boholt tipped them off to a coming real estate boom, and they used it to launch a brand new life.

Sydney's recent property boom has gifted Manny and Sarah with huge capital growth over the past four years. For a long time, though, their portfolio was going nowhere.

They had purchased four off-plan units in 2003. They eventually sold one at a loss, one to break even and one for a modest gain, but between the costs and the time spent, they considered their investments to be losses overall.

At the end of 2010, between their PPR and the remaining investment property, they found themselves with $440K in equity and no strategy for moving forward; however, at an Ultimate boot camp in Noosa, Dymphna showed them piles of data indicating an upcoming boom in Sydney.

All they needed to do was maximise their starting funds and buy in the right areas, then watch their capital grow. With attention to detail and some smart decisions, they managed to land three great deals and increase their equity position by $2.1M in four years.

MANUFACTURING GROWTH

The first step was to gain as much equity as they could in their existing properties to maximize their purchasing power. They did some cosmetic renovations to their PPR and their one investment property, then drew down their equity to make the next purchase.

DEAL 1: BUILD YOUR OWN AND BUILD FAST

To get the most out of their money, Manny and Sarah bought unregistered land in the Ponds from a developer and constructed a four-bedroom house on it for immediate capital gain instead of buying off-plan.

Because they had done their research and were paying close attention to market details, they were able to take advantage of an offer to waive stamp duty by beginning construction within 26 weeks of the purchase. The land and construction cost $676K, and the property is now worth $1.2M, equating to $174K a year for three years!

DEAL 2: THE EXTRA $100

Manny and Sarah worked with Investor Legal Network to tap their self-managed super fund for the next deal. They found a house in Winston Hills, but the buyers market was very competitive. They needed an edge to make sure their offer was accepted.

The seller's agent asked for offers in writing at 3 pm and would accept the highest bid. Manny had done careful research on RP Data and was prepared to spend $646,000 on the house. But instead of bidding the exact amount, he bid $646,100.

Manny's intuition was right. The next highest bidder had offered exactly $646,000, and they won the deal.

The sale closed in October, 2013. Since then, the property has appreciated in value to $840K, for a gain of nearly $200K in a year and a half.

"You've got to be selective. Listen to people who have done it themselves. We're riding on this property boom because we listened to Dymphna in 2010."

DEAL 3: AN EASY CONVERSION

By early 2014, Manny and Sarah were able to draw down the equity from their first deal to help with a new purchase. In Blacktown, they came across an excellent property with a unique feature.

The house had been built for dual occupancy but was now occupied by a large family who had converted it into a single-family home. This presented a perfect opportunity for them to restore it to two units with relatively low expense and no challenges in council.

After spending a total of $730K on the purchase, fees and renovation, they were able to immediately rent both units for neutral cash-flow, and the property has now been revalued at $850K, a gain of $120K in one year.

WHAT NEXT?

Keeping well-informed has enabled Manny and Sarah to stay ahead of a favourable market, putting them in a strong position. With $2.5M in equity at their disposal, they could draw funds from some properties to pay off others and create as much as $50,000 in passive income if they decided to retire. Instead, they've got their eye on larger deals for even greater growth moving forward.

They have also seen the value of having a strong financial position in recent times. Sarah's mother passed away not long ago, and her brother is being treated for cancer, so Manny and Sarah have provided financial support to their family. They are also providing aid to friends in their homeland, the Philippines, who were affected by the recent typhoon.

Manny says that following Dymphna's investing strategy has really improved their mindset and their lifestyle. They pay more attention to education, spend more quality time with family and friends, and are now teaching their two daughters the same values.

PROPERTIES:	5 INCL PPR
TOTAL VALUE:	**$5.35M**
NET EQUITY:	**$2.58M**

PROPERTY 1

Total Cost :	$676,000.00
Current Loan :	$688,000.00
Current Value :	$ 1,200,000.00

Capital Growth of $524,000.00 in 3 years!

PROPERTY 2

Purchase Price:	$646,100
Stamp Duty :	$24,584
SMSF Structure & Legal Cost :	$8000
Repair & Renovation:	$15,000
Total Cost :	$693,684

Capital Growth of more than $145,000.00 in 20 months!

PROPERTY 3

Purchase Price:	$665,100
Stamp Duty :	$25,420
Trust Structure & Legal Cost :	$6000
Repair & Renovation :	$35,000
Total Cost :	$731,520.00

Capital Growth of $120,000.00 in 12 months!

THE 3 DRIVERS TO WATCH IN 2023

I reckon there will be three key things to watch in 2023

BY DYMPHNA BOHOLT

So back on page 10, I gave you an update on what happened in the property market in 2022.

Then I outlined the three drivers that I thought would push property prices higher in 2023.

The first of those was rents, and I talked through how a continuing surge in rental price growth will be a rocket under property prices.

Now, let's talk through the remaining two drivers, and put some numbers on what I reckon we can expect for 2023 and 2024.

DRIVER #2: LACK OF STOCK

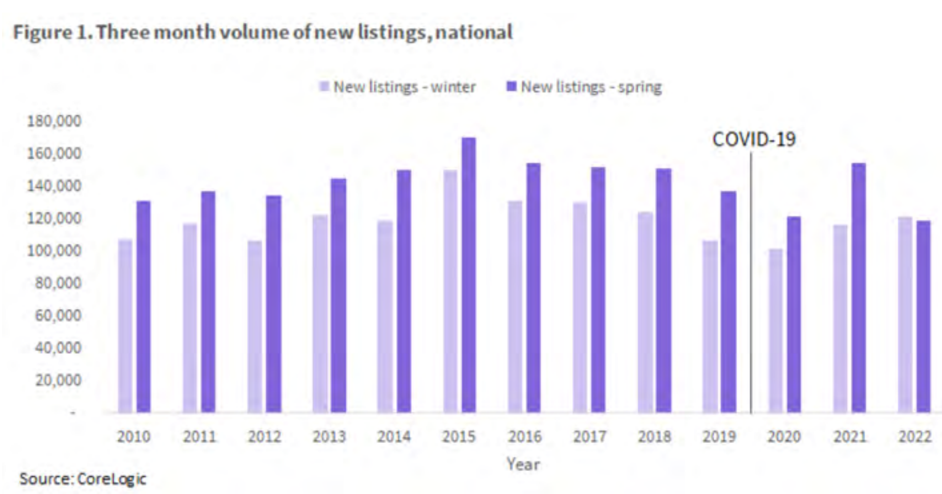
As a general rule, property prices only fall when there's a rush of new stock on the market, that causes a surge in supply.

That hasn't happened. It's not happening.

In fact, the 'spring selling season' this year was a total bust.

For the ten years prior to the pandemic, we always saw an increase in listings in spring. Spring sees an average uplift of 21% in new listings nationally.

But 2022 was different.



Spring came and went without the usual surge in listings. In fact, listings actually fell!

New listings added to the market in the three months to November totalled 118,734, down from 121,859 in the three months to August.

That's the first time that's happened since Corelogic started tracking listings data 12 years ago. It's possibly the first time ever.

For now, vendors seem happy to ride out the cycle, and wait for prices to improve. If they think the market will turn soon, they're probably right.

But what that means is that there's a real shortage of stock on the market at the moment.

We're just not seeing the "buyers' market" that many people were expecting.

And that's keeping a floor under prices. And as conditions stabilise and the RBA backs off on the rate hikes, it should see property price growth accelerate quickly once the market turns.

Like most things in Economics, it's all about supply and demand.

DRIVER #3: CONSTRUCTION CRUNCH

It seems that every time I pick up a newspaper these days, I read about a major builder going bankrupt.

I actually made a list. In the past few months, all of the following builders, some of them giants in the industry, have gone belly up:

- Elderton Homes
- Lanskey Constructions
- Oracle Platinum Homes
- Besse Construction
- Condev
- Snowdon Developments
- Inside Out Construction,
- Solido Builders,
- Waterford Homes,
- Affordable Modular Homes,
- Statement Builders,
- Langford Jones Homes,
- Willoughby Homes, and
- Norris Construction Group.

That's a big list. And that's not even counting the smaller outfits.

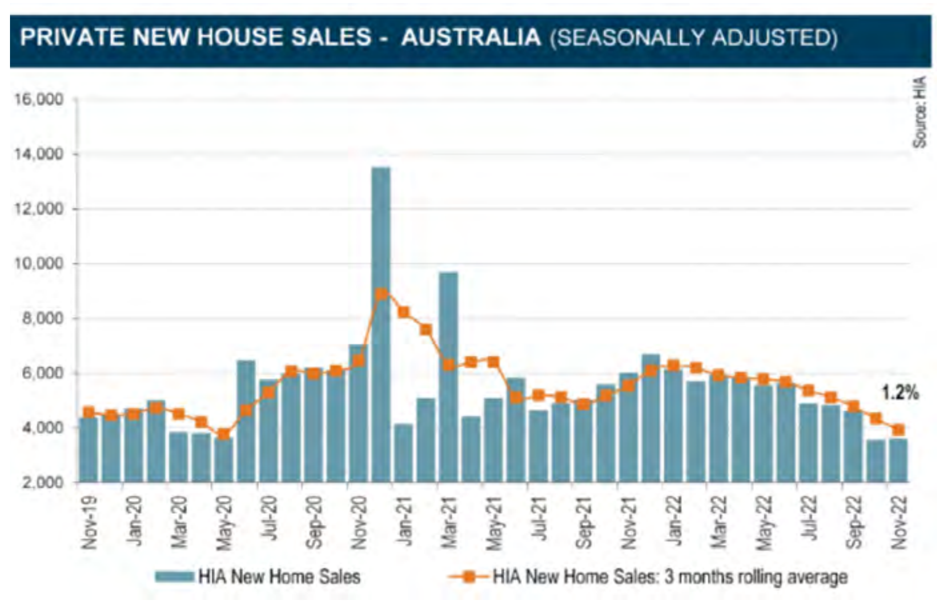
The big killer here is construction costs, which have exploded with Covid-related supply chain bottlenecks.

Based on ABS building approvals data, the average new house costs more than $400,000 to build – a figure a full $80,000 higher than before the pandemic:

For builders, many of which signed fixed price contacts 12 months ago, this is a nightmare scenario.

A growing number are giving up the ghost and exiting in the industry.

At the same time, new homes sales are falling quickly.



So with new homes sales falling, and nobody around the build them anyway, we're looking at a construction crunch.

But the market relies on the flow of new stock to keep things in balance.

Without it, our already undersupplied capitals will plunge further into housing shortage.

And, coming back to supply and demand, that will see strong price pressure in the second half of the year.

A prediction?

So look, there's still a lot of uncertainty here. These are still unusual times. I don't have a crystal ball.

But my base case looks something like this:

The RBA gives up on rate hikes in the first quarter of 2023.

In the second quarter, house prices find a floor and turn the corner.

In the second half the year, house prices begin to accelerate quickly, on the back of the three drivers I've outlined above.

That will net out at something like 4-5% growth for the calendar year. But that growth will be entirely backloaded into the second half of the year.

And so we'll follow that up with 8-10% in 2024.

As I said, there's a lot of uncertainty in that picture.

But I am confident that the market is closing in on a bottom, that it will grow quickly on the other side, and that there's always opportunities for investors who know what they're doing!

Dymphna

Mark and Amanda have found a way to generate $100K in passive income a year … and spend a heap more time with the kids!

Mark and Amanda's business ventures earned them a living but kept them too busy to "be there for their kids". After a few lessons in real estate, they've engineered a massive reduction in hours and a huge increase in pay.

They were 75km outside of Melbourne when they received a call from their son's school. He had been hit in the head with a cricket bat and needed a ride to hospital. With a business to run, Mark and Amanda were both tied up and had to ask family to pick up their son.

That was the moment when a light bulb went on, and they realised it was time to find a better way to live. They had started five businesses across outer Melbourne, not all of which were successful, and the returns simply didn't justify the responsibilities and all the time spent driving around.

They were sitting on some investment properties with modest positive cashflow but couldn't do much while waiting for them to grow. They knew they needed more knowledge before they could take the step into full-time investing.

A customer at one of their businesses had had some success investing in rooming houses, and he gave Mark a tip about real estate educator named Dymphna Boholt. Mark dragged Amanda with him to a one-day event, and that was the beginning of the education they'd been looking for.

Although they were short on cash, the seminar helped them find start-up funds right in their backyard. They realised that they were sitting on a dual title opportunity with their PPR, which had a tennis court and a valuable ocean view in the backyard. They gave up the view, got some cash, and hit the property market.

By specializing in developing rooming houses, they were able to build both a successful management business and a profitable real estate portfolio, with over $500K in equity and a passive income of $100K annually.

BECOME AN EXPERT IN SOMETHING

Mark and Amanda's singular focus on rooming houses has set them apart from other investors and led to benefits beyond just the investment income. Managing their own rentals saves them management fees and gives them the option to make extra money managing other landlords' properties at premium rates.

They had three purchases in progress when they joined Dymphna, and the first step was to review those deals to maximiSe their value. Instead of buying finished products to rent, they learned to apply as many strategies as possible to improve each property, and stacking strategies like this has made a big difference in their returns.

DEAL 1: A SPA FOR SOMEBODY ELSE

The first deal immediately proved the power of their new strategy. It was a single family home priced at $210K. Before their property education, they had intended to rent it as-is for around $300 weekly, doing just a little better than break-even on the rent.

Instead, they spent an additional $40,000 to convert the dwelling to an eight-bedroom rooming house. With a fancy ensuite, the master bedroom alone rented for $280 per week and has not been vacant since.

After renovation, renting all of the rooms gave Mark and Amanda $30K in passive income, and the renovation released an additional $45,000 in equity.

DEALS 2 AND 3: KEEP DOING WHAT WORKS

The other two properties that were in progress turned out a little less impressive than the first, but they were still solid deals after renovation.

The second house cost $190,000. Converting it to a five-bedroom rooming house at a cost of only $5,000 raised the total rent from $250 to $500 per week.

The third one, quite a bit larger, was a five-bedroom, two-bathroom home for $367K, originally renting for $900 per week. With $30,000 in updates, they converted it to a seven-bedroom, three-bathroom and rented the rooms for $1,300 per week; the difference in rent would make up for the renovation cost in just a year and a half.

DEAL 4: WHO NEEDS TOILETS?

At this point, they needed to start finding some more capital gains to keep funding their investments. From Dymphna's course, they knew they could have it all if they found the right properties to subdivide, selling some parts while holding others for cashflow and future growth.

They located a house on a corner lot that had enough space behind it for two new rooming houses and bought the property for only $115K, inviting a joint venture partner to help plan and build two five-bedroom, two-bathroom structures.

The DA approval took 12 months due to a few errors. At one point, it was approved but without provisions for sewers, so it had to be redone.

Fortunately, the existing house is rented for $400 per week, so Mark and Amanda are currently making a modest income from it while they wait. Once the development is done, they intend to sell the new structures for capital and then manage them on behalf of the new owners for 30 per cent of the rent.

DEAL 5: BUILDING BIGGER

From there they started ramping up the scale of their deals, helped along by another JV partner. The next property was another big lot; this time, they planned to tear down the house and build three new rooming houses. In this case again, the DA approval was delayed, but when everything is finished they will keep one house, sell one for cash and manage the third for their partner.

DEAL 6: GO BIGGER

Working with a new JV partner, Mark and Amanda's next deal was a corner lot with a six-bedroom, one-bathroom house. They set to building two nine-bedroom, four-bathroom structures behind it.

With each deal, they refined their tactics to try and maximise their returns and determine what worked best. With this deal, they began planning their builds to include more ensuites and kitchenettes in the bedrooms to attract tenants who would appreciate the extra privacy and amenities, and who would also tend to stay longer.

On this property, they will keep the original building for themselves and manage the other two on behalf of their JV partner.

DEALS 7 AND 8: MAKING IT LOOK EASY

Repeating the same kind of deal several times has made the standard process much easier for them.

Their seventh purchase was a house that came very cheap for its area, only $132K for a two-bedroom structure. They converted it to three bedrooms and rented it quickly for positive cashflow while securing approval to build a seven-bedroom, four-bathroom rooming house in the back.

For the eighth deal, they've got a lot with a DA approved to build three three-bedroom, three-bathroom units, a step up in luxury from their normal builds. They're just waiting for a new JV partner to bring in some money for the construction.

DEAL 9: FAST CASHFLOW

Most recently, Mark and Amanda picked up a smaller deal: an existing rooming house to renovate with no subdivision or construction required this time. They got vendor financing so they didn't have to put up much cash, and they converted the place from four-bedrooms, four-bathrooms, four-living rooms and one kitchen to five of each, effectively creating five separate full rental units that only share a laundry. The renovation went quickly, and the property now rents for a total of $1,000 per week.

THE POWER OF KNOWLEDGE

Before meeting Dymphna and learning about property, they had some acquaintances who were into unit developments but they were intimidated at the idea of doing that kind of project. Now they're experts in their particular real estate niche, with 19 properties generating income and they feel like they can do anything.

They have become a go-to source of information on rooming houses for their fellow investors. Mark helps developers negotiate with local councils who sometimes hold up deals due to misunderstandings, and he is working publicly to get local laws changed to make rooming houses more attractive investments. He hopes that his efforts will help put more low-cost housing on the market.

One of the current properties that's going to be knocked down and replaced with three boarding houses

Their first boarding house where they added additional rooms and greatly increased the cashflow

Since 2012 Mark and Amanda have gone from 10 properties and negative $841 per week to 19 properties and over $100,000 positive cashflow – plus an increase of equity of over $500,000!

RENTAL PRICES ON COURSE FOR THE MOON

Can rents go even higher still? Yes.

BY JON GIAAN

Landlords get ready. Rents are about to boom.

Well, to be fair, they're booming already. But they're going to boom even boomier.

Corelogic data shows rents growing at 10% - and they've been holding at that pace of growth – which is the highest on record – for several months now.

Recently we got a look at Domain's September quarter rental report which showed annual house rental growth of 12.8% across the combined capital cities, with unit rents soaring a whopping 16.7%:

HOUSES

Melbourne	$470	$460	$430	2.2% ▲	9.3% ▲
Brisbane	$550	$520	$450	5.8% ▲	22.2% ▲
Adelaide	$490	$480	$440	2.1% ▲	11.4% ▲
Perth	$500	$499	$450	0.2% ▲	11.1% ▲
Hobart	$540	$540	$495	0.0%	9.1% ▲
Canberra	$680	$690	$630	1.4% ▼	7.9% ▲
Darwin	$613	$600	$595	2.1% ▲	2.9% ▲
Combined Capitals	$530	$520	$470	1.9% ▲	12.8% ▲

Source: Domain, powered by APM

UNITS

Melbourne	$425	$410	$370	3.7% ▲	14.9% ▲
Brisbane	$460	$450	$410	2.2% ▲	12.2% ▲
Adelaide	$400	$380	$350	5.3% ▲	14.3% ▲
Perth	$420	$400	$380	5.0% ▲	10.5% ▲
Hobart	$450	$450	$400	0.0%	12.5% ▲
Canberra	$550	$550	$520	0.0%	5.8% ▲
Darwin	$500	$480	$460	4.2% ▲	8.7% ▲
Combined Capitals	$490	$460	$420	6.5% ▲	16.7% ▲

Source: Domain, powered by APM

Seriously. 16.7%?!? That's wild.

It's easy to see where this is coming from. The rental market remains incredibly tight. Domain reckon the national vacancy rate is just 0.9% - again, the lowest level on record.

The old rule of thumb is that a balanced market – where there's no upward pressure on rental prices – has a vacancy rate around 3%. So 0.9% is nuts.

Table 1. Monthly vacancy rates.

	Sep-22	Aug-22	Sep-21	Monthly change	Annual change
National	0.9%	0.9%	1.7%	–	↓
Combined Capitals	0.9%	1.0%	2.1%	↓	↓
Combined Regionals	0.7%	0.6%	0.6%	↑	↑
Sydney	1.1%	1.2%	2.5%	↓	↓
Melbourne	1.3%	1.3%	3.5%	–	↓
Brisbane	0.6%	0.6%	1.3%	–	↓
Perth	0.4%	0.4%	0.6%	–	↓
Adelaide	0.3%	0.3%	0.5%	–	↓
Hobart	0.5%	0.5%	0.4%	–	↑
ACT	1.1%	1.0%	1.0%	↑	↑
Darwin	0.7%	0.6%	0.6%	↑	↑

What's more, the number of listings is down 48.6% on a year ago – that is, the number of listings has fallen in half – to the lowest level of listings on record.

The rebound in unit prices is particularly interesting. These were the areas hardest hit when the borders closed.

But now the borders have reopened, rents are soaring across inner Melbourne areas like Docklands and the CBD:

The biggest increases were in suburbs that had emptied during COVID-19 lockdowns, including Docklands, where unit rents skyrocketed by 20 per cent to a median $480 per week. Unit rents in Melbourne's CBD soared by 19.4 per cent to $430...

"We continue to see strong rental growth, especially in student-friendly suburbs like the Docklands and Melbourne's CBD," [Domain chief of research and economics Dr Nicola Powell said]. "What we should expect is that rents will grow next year as more international workers and students return"...

"We would have more migrant workers filling apartments than any other groups," [Lucas Real Estate Docklands director Dylan Emmett said]...

It's the same story in Sydney:

The return of skilled migrants and international students had added to already strong rental demand...

"Overseas migration and short-term arrivals are still below pre-pandemic levels, so you have this stream of demand that is going to rise at a time when vacancy rates are at a record low, so that dynamic is going to create pain for tenants"...

And that's what I mean when I say the rental boom is going to keep booming and get even boomier.

The borders were shut for close to two years. Visa applications piled up.

Now, the borders are open again, but we're only seeing the first wave a renewed immigration program.

And all indications are that the Labor government seems keen to make up for lost time, and drive the immigration intake even higher.

So we've got a ramp up in immigration just as the amount of available rental properties is at a record low.

The number of available properties will fall even further, the vacancy rate will tighten further (which boggles the mind) and rental prices will boom.

Again.

JG

Would you drive 1,000km each month for financial freedom?

It's a sunny Tuesday afternoon and Shirley is sitting on 'Champagne Rock' on the banks of her Baffle Creek property in Queensland. This is where her and her friends often gather to celebrate victories over a drink. Shirley has a lot to celebrate. Through investing, Shirley has created an enviable lifestyle for herself and her family. But, the road to financial freedom wasn't always a smooth path.

She grew up in a remote country town in central Queensland. Raised by her aunt in her teenage years, Shirley was brought up with the attitude 'to serve'. This led Shirley to train and practice as a registered nurse.

After 20 years of working in the operating theatres - as well as spending time overseas helping people in poor villages - Shirley left to teach at TAFE.

And she did this until she was headhunted to run a retirement village. "Running a retirement village gave me the management, financial budgeting skills and confidence to buy the management rights to a large resort on the Sunshine Coast when the opportunity arose," explained Shirley.

Shirley's risk paid off and the business turned over a very healthy profit for a number of years. "It was a challenging and rewarding venture that I very much enjoyed, but unfortunately in 2014 I had to sell the management rights when I was diagnosed with breast cancer," said Shirley.

It was in 2014 that Shirley came across Dymphna Boholt and the I Love Real Estate community.

"Before meeting Dymphna, we did own a few properties and of course, we had made the classic rookie error of putting the properties in our own names," explained Shirley.

"Despite not having structured our portfolio properly, we were in a pretty good position. We owned a farm, industrial sheds, offices and a couple of other investments. But having met Dymphna, we immediately realised that we were doing some things 'wrong' in our investing ," said Shirley.

"We went on to restructure our portfolio and also purchased a couple of duplexes. Each gives us a nice return of over five per cent each," said Shirley. "All of these things have helped us to have the lifestyle we enjoy so much."

"I was so impressed with Dymphna's teachings that I brought my husband along to one of her events and we immediately got involved."

In late 2016, Shirley decided to get even more involved with the ILRE community by getting involved with the Platinum Program.

Since then things began to fast-track for them. "I really loved how supportive and friendly the community is. I have made many real and lasting friendships through ILRE," said Shirley.

So how valuable does Shirley find the I Love Real Estate Community? Well, every month, Shirley drives 1,000km to attend monthly IRLE property investor meetings!

"The value I get from those events and meetings is worth every kilometre! I listen to lots of real estate CD's and use the time for thinking and planning," said Shirley. "I know that the more I learn, the more I earn and grow."

This is the sort of attitude that Dymphna really encourages in her students. That's because the more you learn and take action - the more you can earn financially and grow as a person too.

The fruits of her 'what-ever-it-takes' attitude, are certainly showing up in Shirley's financial results.

In fact, since getting involved with Dymphna and the IRLE community, Shirley has achieved the following:

- Subdivided rural acreage in smaller blocks - with a potential profit of around $113,000
- Bought an investment property on a canal in the Sunshine Coast – which has since gone up in value
- Bought a unit in Brisbane, which helps her kids as she lets them rent it at a cheap rent
- Bought two Duplexes with yields of around 5.1 per cent and 5.8 per cent
- Started the process of investing in a development project in her family SMSF – with an estimated return of around 15 per cent
- And best of all...Shirley bought 81 industrial sheds with 100 per cent occupancy and a yield of 8.2 per cent.

This is a true cash flow bonanza!

She is even looking at putting a solar farm on the roof of these sheds to skyrocket her cash flow even further.

All of this in just four years! Shirley now enjoys a sizable six figure income from her portfolio – and she is really just warming up.

Like many of the IRLE community, Shirley loves to share her knowledge and help others get started on the road to financial freedom.

"The best way to get started is to simply begin," said Shirley. "Use the mentors available to you, and your peers - everyone here is willing to help and has different experiences.

"Everyone has a different starting point, so choose the strategy that suits your position and personality best. Talk and network – building relationships is so important.

That is how we landed on of our best investments. We made friends with a Real Estate agent and one day he rang us up with an offer to purchase storage sheds coming on the market – so we bought 81 sheds which provide a very generous 8.2 per cent return," said Shirley.

Shirley has learned many lessons on her journey to financial freedom. "Asset protection was one of the biggest takeaways from Dymphna's teachings. Due diligence and following processes is absolutely paramount before any new venture or investment. Never buy from marketeers (I learned that one the hard way!)" said Shirley.

"The good thing about being part of a community like ILRE is that when you hit a hard patch, as you invariably will, there is always someone who can help.

One of the key things I've learned on this journey is to be daring and get out of my comfort zone."

Part of the joy of this whole journey for Shirley is being able to give back and help others.

"Everyone here is willing to help and has different experiences."

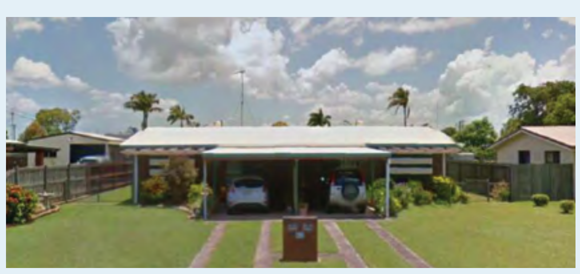
During this journey she has done volunteering overseas in Cambodia and off a remote island in Vanuatu. She plans to do much more work like this, because there is an urgent need for it.

So yes, some would call her 'crazy' for driving 1,000km to an investor meeting.

But we would say she's a living example of what's possible when one combines a big vision...with the right support and education, and massive action!

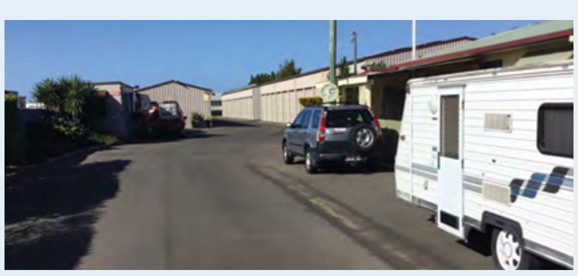
DUPLEX PAIR IN BUNDABERG 1

Purchase Cost	$315,000	Expenses	$6,975
Rent per Annum	$23,140	Positive Cash flow	$16,164



DUPLEX PAIR IN BUNDABERG 2

Purchase Cost	$300,000	Expenses	$5,360
Rent per Annum	$22,880	Positive Cash flow	$17,519



81 STORAGE UNITS/SHEDS BUNDABERG

Purchase	$1,510,000
Income	$162,787
Expenses	$34,473
Interest	$72,680
Profit	$55,634

Plus, 2 extra containers + owners shed + 3-bedroom house@ $20,952 = Total Profit of Approx $76,586 pa.

SUBDIVISION DEAL GOOBURRUM BUNDABERG

Purchase Cost $620K
+ $62K for machinery
(sold to our farm)

1:5 rural acreage blocks
Cost of Subdivision $361K
Anticipated Profit $113K

PRE-DYMPHNA PROPERTY	VALUE	NETT INCOME
Farm - partnership	$1.5m	$2,000
Industrial Sheds - p/ship	$1.1m	$89,000
Offices - SMSF	$500K	$36,000
Set 4 x 1 flats - my name	$450K	$14,000
Management Rights - Trust	$2.4m	$184,000
Unit – Brett's name	$625K	$26,000
TOTAL	**$6.575m**	**$351,000**

POST-DYMPHNA PROPERTY	VALUE	NETT INCOME/PROFIT
Farm - partnership	$1.5m	$2,000
Industrial Sheds - p/ship	$1.1m	$101,298
Offices x 2 - SMSF (currently vacant)	$350K	-$11,000
Set 4 x 1 flats - my name	$500K	$18,170
House – Trust	$740K	-$5,286
Unit – Trust	$440K	-$10,732
Duplex – Trust	$330K	$16,164
Duplex – Trust	$330K	$17,519
Subdivision – Trust	$1.194m	$113,646
Storage Sheds – Trust	$1.51m	$76,586
TOTAL	**$7.994m**	**$318,365**

WHY THE POWERFUL PAY THE PRICE

My friend was having relationship troubles, but I wouldn't let him get away with that one.

BY JON GIAAN

Imagine I could get you to do just one thing that would set you up for life. (Me, Jon. Your fairy godmother.)

What would it be?

Get up earlier? Exercise more? Read more, study more? Kale smoothies and quinoa colonics?

No, it would be this.

I would make it so that every time you hit a roadblock, every time you got knocked back, you would say to yourself, "I am not willing to pay the price for this."

That's it. You just keep doing you. But the next time life throws some tyre-spikes in your path, rather than blaming the world or feeling sorry for yourself or accepting 'no' as the final word, you would simply say to yourself, "I'm not willing to pay the price for this."

Everything has a price, and you're willing to pay it or you're not.

I was actually thinking about this after a conversation with my friend the other day. Without revealing any personal details, he was a bit grumpy because he and his wife hadn't been having all that much sex lately.

And there's reasons for that. They're both working full time, there's young kids in the picture, her health hasn't been fantastic.

But he was in a bit of a grump. He was angry at a world that kept them so flat-out they didn't have time for intimate time. And he was bitter at her for not craving physical intimacy the way he did.

So there seem to be some reasons to justify his sulky mood.

But I said to him, "You're just not willing to pay the price for this."

After he'd settled down and put down the bar stool, I explained that he knew what had to be done. His missus is burnt out, like most of us are. If he wants her to get physical, he knows he needs to lay the ground work. He needs to give her some kiddy-free time to relax and come back into her body. Maybe a bath and massage.

That's the price. No arguing with it.

The point of recognising that there is a price is so we don't give away our power. If we accept a no from the universe, it says that it's all out of our hands. There's nothing we can do. We have no power in the situation.

I don't think that's ever true unless we let it be true.

So there's a price.

The question then is, are you willing to pay the price or not?

That's your choice. It's your responsibility.

You're either willing to do what's required, or you're not.

And if you're not you're not. That's totally ok. It's totally reasonable to say that with everything else going on in my life, and in the hierarchy of my priorities, I'm just not willing to pay this price.

That's ok. That's still a statement of power.

But it's with you then. It's on you. You don't get to blame the world or blame others because you can't get what you want.

If you start blaming others or blaming the world, it's admitting that you have no power in the world, and what do you think happens to your life if you admit you have no power?

Nothing good.

No, you have to stay in your power.

And if you're feeling frustrated because you're not getting what you want, you just have to recognise that everything has its price, and it's always up to you whether you pay the price or not.

And this little mental shift is the one thing I would recommend to everyone.

It's a doctrine of radical responsibility. But that's what we want right? We want the power to make our lives exactly what we want them to be.

In all things, that involves paying a price.

You get nothing for nothing in this world. I know that for sure.

JG

Anna and Melvyn thought they were never going to make it, but with the right advice they've now built a massive $3.5M property portfolio with $30K in passive income.

Anna was determined to find a better way to live than working in the corporate world. Despite failed business after failed investment, she refused to quit, and now all of her effort has paid off. Nine years after moving to Australia from Kenya, Anna and Melvyn are enjoying great success, and they've certainly earned it.

Coming to Australia had been a lifelong dream for Anna. Between poverty and political unrest, she and Melvyn always knew they would need to leave Kenya to find a better place to raise a family.

The opportunity came shortly after their wedding. They gave away all of their new wedding presents and reached Sydney with two suitcases and $10,000 in cash to start a new life. They started with no work, no family and no connections.

After they immigrated, Anna found a new dream. While both she and Melvyn found regular employment, she began spending her free time studying for professional accountancy exams and launching new businesses, desperately trying to gain a passive source of income.

One day, she stumbled upon a Dymphna Boholt seminar invitation inside a motivational book. She and Melvyn were inspired by the seminar and quickly dove into Dymphna's Ultimate course. Now, after five years of practicing what they learnt, their investments have reached $3.5M in equity and are generating $30,000 pa in passive income.

NEVER GIVE UP

Perseverance and determination are the foundation of their success story. Due to the difficulties of adjusting to life in a new country and trying to make time for both work and study, Anna failed her professional accountancy exams twice before finally passing on her third attempt. Her business ventures were another string of failures, but she never stopped learning and searching for the project that would finally pay off.

The final setback before their luck turned around was an ill-advised property deal in 2009. It was an off-plan unit in southern Sydney with extremely high strata fees to pay for a gym, pool and lifts in the building. It was losing them money for a while, but fortunately, with the general rise in values across Sydney, it has since become cashflow neutral.

In 2010, after nine months of carefully working through the Ultimate course, they made their first investment with their new real estate strategy, and it turned out to be just the kind of success they were waiting for.

DEAL 1: THE SURPRISING SPRINGBOARD

Anna and Melvyn's first priority was still passive income, and the first property they found was a three-bedroom, one-bathroom home in a mining town in Queensland. They picked it up for $200K, and it rented for a decent price right away.

Then, the mining boom suddenly lifted the value of the home to $320K, which was faster than anyone had expected. Anna and Melvyn took this windfall and drew cash out of the home to fund their subsequent purchases.

The value of the house has dropped considerably since then, and it may be underwater soon, but as their mentor told them, this doesn't necessarily make it a bad deal. The money that Anna and Melvyn took out of the home has been well-used in other investments, so it's up to those other properties to make up the loss, which they definitely have.

DEAL 2: MAKE SURE YOU INSURE

Next, they started buying closer to home, with a quick renovation on a two-bedroom 1950s unit in southern Sydney. The total cost was $343K, including $36K in cosmetic updates that made the place easy to rent for neutral cashflow. It has since appreciated by $84,500, which they are redrawing this year to spend on newer investments.

There was one complication with this deal: a while after it had been rented, Anna and Melvyn found that it was occupied by six people living in two bedrooms who had done some damage to the property. Their agent had failed to conduct the appropriate inspections. Fortunately, insurance reimbursed all of the damage, so they didn't lose any money in the process.

DEAL 3: THE BAD BREAKUP

For their third deal, they stayed in southern Sydney and bought a three-bedroom home for another simple renovation. It was rented immediately, making it cashflow neutral, and the renovation was completed in 2014.

Unfortunately, just a month after the renovation, they had another tenant problem. The couple who were renting the home had been good tenants—until they split up. One of them didn't handle the break-up very well, and he put holes in the ceilings and walls. As before, the good news was that at least Anna and Melvyn had insurance to cover the damage and the lost rent.

They recently got approval to build a granny flat next to this house, which they expect to rent for $7,000 p.a, making the whole deal strongly cashflow positive.

DEAL 4: DRIVING ALL DAY

The fourth deal was an excellent find, but it took a lot of work. It was a distressed triplex in the Hunter Valley, which had been sitting on the market for a while.

Anna and Melvyn bought the property for $405K and spent $160K more on a major renovation. To reduce costs, Anna personally managed the project, but that meant constant three-hour drives to and from the place with her four-year-old daughter.

They spent 12 weeks on the renovation and spent the final day personally cleaning all three units well into the night. After their final long drive home that night, they were treated to a nasty surprise: their house had been broken into and trashed.

The burglars had taken a little bit of cash that the family had been saving as a reward for themselves after the renovation. Unfortunately for Melvyn, when they called the police over, he learned that he would have to clean up all of the fingerprint dust himself—just after spending all day cleaning the rental property.

But at the end of the project, all of the work and inconvenience had really paid off. The three units are now generating a total of $15,000 in positive cashflow, and even after the costly renovation, the property has appreciated in value enough for Anna and Melvyn to draw $68K back out of it this year.

DEALS 5 AND 6: OVERSEAS SICKNESS

For her next deal, Anna wanted to try something different, and a friend of hers had had some success investing in the United States. She booked a ticket to a five-day real estate investment conference and flew 23 hours with her young daughter to attend.

At the conference, a number of properties were being sold to attendees in a lottery process. Anna had her daughter pick numbers out of a hat, and her "lucky angel" got them three wins. Anna gave one up to a woman at the conference who would otherwise go home with nothing, and went ahead to purchase the other two.

She bought these two properties in Texas for $62K and $74K (Australian dollars). They are bringing in $15,200 in net rental income, and in two years, both have appreciated in value by nearly 100 per cent.

DEAL 7: A MAJOR FIND

Returning to Australia, Anna and Melvyn lined up their biggest deal yet in South Sydney and turned a tough seller to their advantage.

The seller was making it difficult for anyone to see the property, which turned off other potential buyers, but they were able to figure out what a great deal it would be and made the purchase without competition.

This was a large house with an entire lower floor built as a dance studio; it was a perfect opportunity to manufacture value by converting the lower floor into a separate unit. Building a separate secondary dwelling would typically cost upwards of $120K, but in this case they were able to plan a renovation for just $70K.

With a total cost of just over $1M, the estimated new value of the property will be $1.1 to $1.2M, giving Anna and Melvyn a substantial immediate return on their investment along with two rental units for more passive income.

"I had to just really support her, work as a team and trust her to know what she was saying."

PERSISTENCE HAS PAID OFF

Every one of their property deals came with some hardship or difficulty that they needed to overcome, from destructive tenants to late night drives and burglars. But they never let any of their setbacks stop them, and now they have a portfolio of 12 units bringing in the passive income that Anna had always hoped for, with plenty of equity available to let them keep investing.

Remembering their roots, the couple is using some of their funds to sponsor impoverished children abroad. Their goal is to sponsor one new child every year, and they currently support two girls in Kenya and one in Bolivia. They have also picked up the therapy costs for Anna's father, who became partially paralysed after a stroke in 2009.

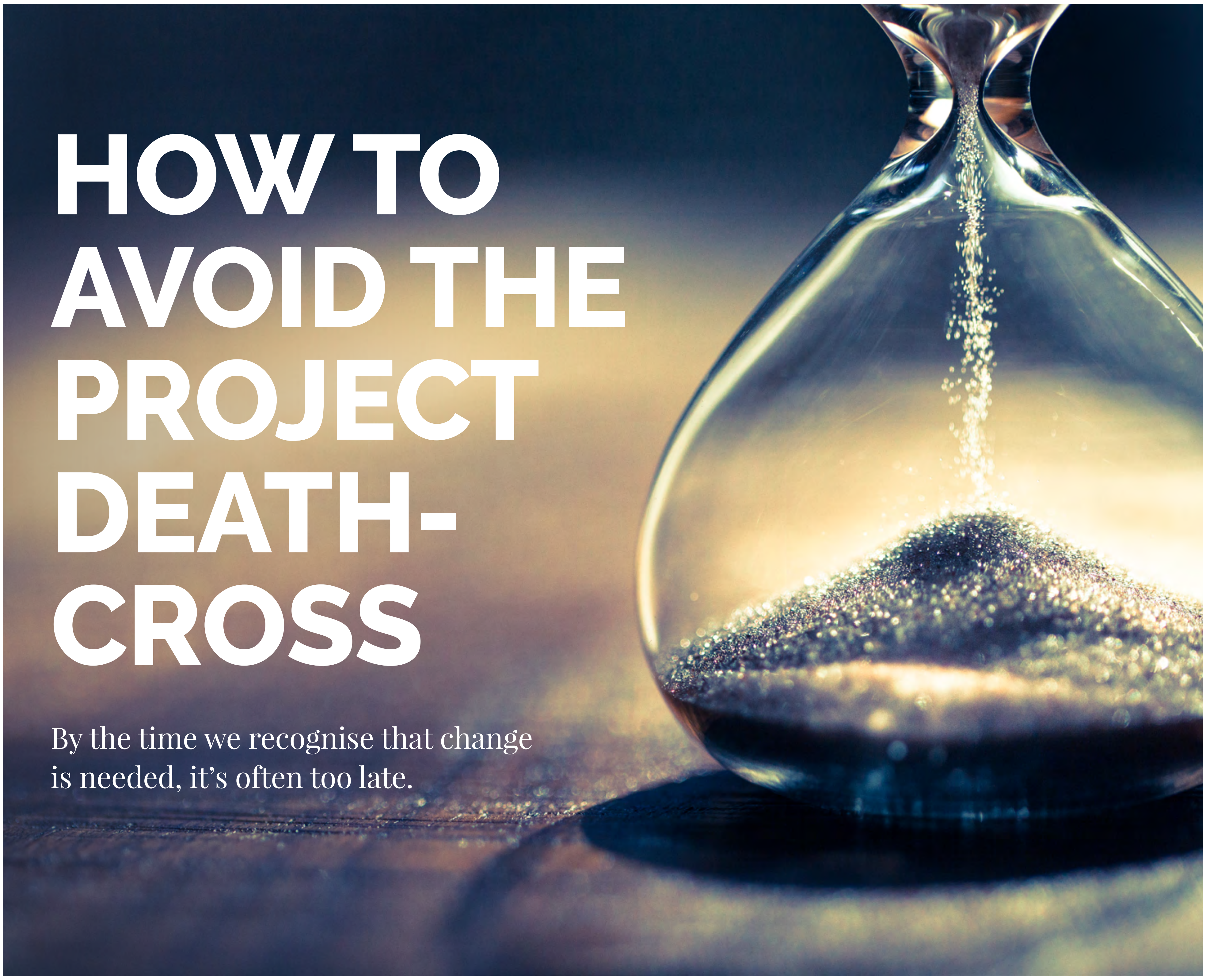
Anna and Melvyn say that the most important steps they took were investing in their education and connecting with like-minded people to inspire one another and share the journey.

POST-DYMPHNA: PROPERTIES: **12** TOTAL VALUE: **$3.5M** INCOME: **$30K**

PURCHASE PRICE: $200,000
CURRENT VALUE: $330,000 RENTAL YIELD: 4.7%

PURCHASE PRICE: $317,000
CURRENT VALUE: $430,000 RENTAL YIELD: 7.4%

PURCHASE PRICE: $405,000
CURRENT VALUE: $690,000 RENTAL YIELD: 14.4%



HOW TO AVOID THE PROJECT DEATH-CROSS

By the time we recognise that change is needed, it's often too late.

BY DYMPHNA BOHOLT

Ok, so I know a lot of my students have to manage projects and deal with people.

In fact, this is really most of the job. If you can do this, you're halfway there. The remainder is strategy and a teensy bit of maths.

It's why anyone can do it.

But if you are doing it, you're managing deadlines and managing people – or at least managing your relationship with people.

So I thought I'd just jot down something I've been thinking about recently – I'm calling it the course-correction death cross.

And I think it explains why getting anything done in this world is difficult, or at least challenging.

So let me explain what it is.

So when you're in charge of a project, or when you're dealing with a person, at some point you're probably going to need to "course-correct".

This is when you're give the project or the person a bit of a nudge to get things going in the right direction again.

So you can see that the civil works costs are blowing out a bit, so you go back to the drawing board and see if you can bring that element in under budget.

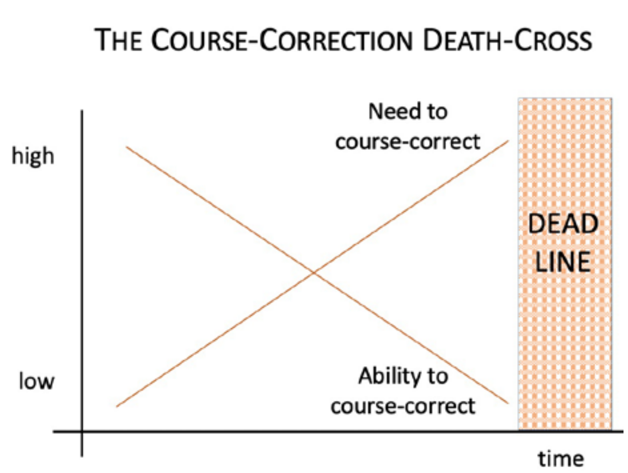
Or you might notice that your architect doesn't respond to emails, and then when they do you see they've added a safari-themed disco lounge. And so you need to tune in with them to get them back on track.

Or you might find out that your project manager has a habit of swearing at the tradies and threatening them with knives. You need to intervene here and get them to pull their head in before all your tradies walk.

Getting people or projects back on track is what I mean by 'course-correction'.

Now, the need for intervention, and your ability to intervene changes as you approach your deadline. And they change in exact opposite ways.

This is how it charts out:



So what this is saying here is that the need to course-correct in the early stages of a project isn't so intense. Everyone's feeling relaxed, there's still a lot of time left on the clock. You feel that things will probably just work themselves out.

The project manager comes off a bit rough some times, but hey, maybe it's just a phase.

However, as you get closer to your deadline, the pressure starts to build.

People are starting to get a bit stressed. Those 'quirks' in your project manager have now escalated into a series of restraining orders.

You feel an intense need to do something about it because it looks like the wheels are going to come off entirely.

However, your ability to do something about it is going in the other direction.

In the early days, it's easy to course-correct. Finding a new project manager in the first few weeks of a project is easy. It doesn't create that many problems. There's a lot flexibility.

However, the closer you get to your deadline, the harder change becomes. You can't just swap out project managers in the last few weeks of a project – not without creating a whole bunch of headaches.

So just when you are feeling the need for change the most is exactly when change is hardest.

This is the death-cross.

And so I think it's a skill we need to develop as we lead projects and people for ourselves.

We need to be anticipating problems. Sure, something might not feel that urgent, but fast-forward a few months, and add a bit of stress in the mix, and how much of a problem does it look like then?

And we need to be pro-active in making changes. We need to be looking to make necessary changes while we still have the ability to execute them.

That means knowing that crisis-level responses might be necessary BEFORE things become a crisis.

So keep this dynamic in mind. Your need to make changes and your ability to make changes don't move together.

Know that this dynamic exists. And don't let yourself get caught in a death-cross.

Dymphna

"I thought negative gearing was the way to go... Until I saw I was losing $184,000 a year!"

DAMNING ADMISSION:

"As an accountant, I was telling everyone that negative gearing was the way to go ... I WAS SO WRONG!"

This government tenant spent $1.5M on the fitout due to tight security regulations so they wont be going anywhere soon - This property created $40k positive cashflow from day 1.

Brian wanted to be a wildly wealthy woman.

Well, not quite. In 2004 Brian was dragged along to a seminar at the Brisbane Convention Seminar. Little did he know it was to an event called 'Wildly Wealthy Women', and he ended up being one of only two blokes in the room!

Still, it turned out to be his lucky day. It was there that Brian first met Dymphna, and it was there that of his journey into real estate success really began.

Because Brian had been doing everything wrong. On the advice of several "experts", Brian had every property he owned negatively geared. He also worked as a tax accountant and would tell all of his clients that negative gearing was the way to go.

For a long time, negative gearing was the received wisdom. It's just what everyone did. It was what every accountant recommended. However it led Brian up the garden path. Eventually the banks refused to lend him anymore money, and his properties were costing him $184,720 a year!

Meeting Dymphna, and joining the Ultimate and Platinum Programs has been a revolution. Brian has totally reworked his portfolio, and rather than losing money, his property portfolio now provides him with passive income of $65,000 a year. In less than three years!

With his own financial future secure, Brian has now begun helping his children build their own property portfolios, with his youngest son Luke looking to join Dad as a full time investor.

A TOTAL PORTFOLIO MAKEOVER

On the basis of advice he'd received from other real estate "experts", Brian had sought out negatively geared properties, drawing down equity once a year to pay the bills. Eventually, Brian found himself with a portfolio that was costing him $184,720 a year, and totally cut off from further credit. It was time for a total portfolio makeover.

Brian started selling down non-performing properties, and putting the rest to work, manufacturing growth through renovations, splitters and DA uplift.

DEAL 1: THE DREAM THAT WASN'T

Prior to joining Platinum, Brian had a property in Macgregor that he was renting out as student accommodation. It wasn't a great performer and had a pool, which was expensive to maintain.

However the council rezoned the area where the property was located to three stories and then to five stories. Brian got a DA approval for a five-storey unit complex, putting a lot of time and energy into the design and architecture.

However, when they did the numbers with Dymphna, they figured it would take them 18 months to complete, and tie up all of their finances and leave them unable to do anything else.

So Brian put his ego aside, and put the property on the market as is, with DA approval, and it looks set to gain considerable DA uplift.

DEAL 2: NZ SUBDIVISION

For a while, Brian was working in New Zealand as the Waikato University librarian in Hamilton. While he was there he purchased a property, and has now decided to subdivide, turning two lots into four.

This deal has been delayed by a tenant who has refused access to contractors – which tenants have a legal right to in NZ. The tenant has since decided to move on, and Brian is hoping to move ahead with this one in the near future.

"I'd been working as a tax accountant for 16, 17 years, and when clients came to me asking 'How can I save tax?' I would suggest negative gearing. It's just what everyone was doing."

DEAL 3: AN INFRASTRUCTURE PLAY

While he was in NZ, Brian bought another property in Hamilton, near the regional hospital and another private hospital, and a short walk to town. The plan now is to subdivide the property in two, keep the lot with the house, and sell the remaining land.

DEAL 4: A ROAD TO NOWHERE?

Brian found a property in Sailsbury facing a non-existent road. The council had plans to put a road in, but the plans were scrapped, and now there was a stalemate between the council and the previous owner. There was an opportunity here for Brian to subdivide the land, and get the road put in for the house himself.

He paid $330,000 for the original house and land. After the subdivision he sold the vacant land left over for $350,000 and kept the house, scoring a house for himself practically debt-free.

DEAL 5: RENOVATION GONE ROGUE

On his next deal, Brian set out to do a minor renovation on the bathroom, and give it a quick lick of paint. However, there was a leak in the shower and once Brian's eldest son (a builder) got involved it quickly escalated into a major reno.

In the end they totally redid the bathroom, ripped out the floor, put in a new kitchen and even added a new deck.

However, the renovations paid off and they were able to increase the rent. The property is now cash-flow positive and they have decided to keep it.

DEAL 6: ENTRY INTO COMMERCIAL

Dymphna's advice to Brian was to then diversify his portfolio and get into commercial property. Brian decided to use a SMSF to make his first commercial.

His search started looking for tenanted properties, but when that turned up nothing, he expanded his search to include untenanted. It was there he found one that, when you read the ad closely, was listed as untenanted but only because there was doctor who had been there 17 years and his lease was up for renewal. The doctor had every intention of renewing the lease and so Brian's eye for detail really paid off.

There is also a major commercial development next door, so if the doctor doesn't renew his lease they'll just mirror that development. Brian says he kind of hopes the doctor leaves, but says he's happy either way. And with $29,000 passive income, guaranteed for five years, why wouldn't you be happy?

DEAL 7: GOVERNMENT TENANT IN TAREE

His next property was another commercial property in Taree, tenanted out to the NSW government. They spent over $1.5M doing the fit out (due to tight security requirements) and won't be going anywhere any time soon.

With a tenant in place and guaranteed rent, this property has been delivering $40,000 passive income from day one.

HELPING OUT THE KIDS

With all the expertise that Brian's gained, he's started turning his focus to giving his kids the best start in life he can. Under his guidance, all three of his children managed to get into the first property by their 21st birthday.

The youngest son, Luke, also has two properties to his name – a sturdy and reliable rental in Inala, and a Queenslander built on 852m², with a lot of development potential.

For his middle son, Jonathan, Brian applied what he had learnt about staging and presenting a property, and helped him sell his house for $60,000 above expectations, setting a new bar in the neighbourhood.

He then helped them find a new place – a house on a large block of land for $630,000 – and they already have a DA in place to subdivide the land. Land in the area currently sells for around $450,000, so there's potentially $900,000 worth of value plus a roof over their heads for a few years.

For his daughter-in-law Trinity, he's currently mentoring her through a DA/BA process on fibro palace. The plan is to create four rentals, by splitting the existing dwelling and building an additional two three-bedders.

His eldest son James has two properties in his name. The first was a termite infested two-bedder that he picked up for $119,000. James is a builder, so he was able to live in it with a mate and completely do it over and add another bedroom. Now a rental, it's currently worth around $430,000. On his second property, he put in a granny flat downstairs where he currently lives, and rents out the three rooms upstairs, room-by-room.

A LIFE OF LEARNING

Brian believes education has been the foundation of his success, and has attended over 40 of Dymphna's events. He says, "I still attend as many events as I can. Each time I will learn something new that I can apply to our situation. I may have heard it before but there is always something that will suddenly click."

With a number of successful properties in the kids' names already, and Dad at the helm, Brian's family's legacy looks secure.

"I am grateful that Dymphna was able to see a potential in us – at a time when we didn't believe in ourselves. It's been an amazing journey."

TOTAL RESULTS SINCE 2012
FROM NEGATIVE -$184,000 TO $65,000 POSITIVE CASHFLOW
THAT'S A $249,355 TURNAROUND

THE NEXT DEVELOPMENT IN THE PLANNING...

How Gloria rewrote her life story… And replaced her income in just three years!

Having raised two kids on her own, and having worked hard to build the small amount of equity she had in her house, Gloria didn't want to take chances.

She couldn't bear the thought of having to start over. But Dymphna gave a strategy she could believe in. The only things standing in her way now were her own demons and her own past.

Gloria had been a single mum for 20 years after escaping a tumultuous marriage. She had worked hard providing for her son and daughter from a young age, but when she suffered a back injury in 2013 she realised how precarious her financial situation still was. She needed a back-up plan.

When she met Dymphna, she immediately resonated with her. Only single mothers can know how hard their road truly is and she was convinced that anyone who had made those sacrifices for her own children would surely do their best to help others in their journey, with passion and integrity.

However, as she commenced her studies with the I Love Real Estate (ILRE) community and as she began the deep inner work that brings the fullness of your being into alignment with your goals and desires, she realised that her past was still haunting her. Gloria recognised that the legacies of her past would always hold her back unless she could find a way to work through it.

"… I started running. I couldn't get past five letterboxes without running out of breath. But I said, tomorrow I'll do six, then seven. Now I can run eight kilometres without stopping. AND I've lost 10 kilos!"

THE RE-WRITE BEGINS

With Dymphna's support and in the safe workshop of the ILRE community – where the desire to reinvent yourself and be the author of your own life is honoured and celebrated – Gloria slowly began to turn things around. She worked on herself, confronted her fears and limiting beliefs, and gave herself permission to dream again.

Her health improved and she became brighter and more optimistic. She built a granny flat on the back of her principal place of residence (PPR) and secured two rooming house deals, which became a rich source of cash flow. With her investments now netting $74,000 a year, she has managed to completely replace her income, and cut back to three days a week work… and all that in just three years!

DEAL 1: THE GRANNY FLAT SQUEEZE

Like many real estate journeys, Gloria started with her PPR to build a base to work from. She replaced all the floor boards and doors, and gave the interior a new coat of paint – doing it all herself until her arms ached! She increased the valuation by $60,000.

She also had a large backyard that no one was really using, and was just a headache to maintain. So she developed plans for a granny flat. The plans were reasonably straight forward, but they still took 12-months to get through council. While many would have been put-off by the repeated knock-backs from council, Gloria persisted, until a letter from an Environmental Lawyer finally got her over the line.

The granny flat cost $120K to build, increased the valuation by $92,000, and is currently rented out for $420 per week. As Gloria says, "This income gave me my first breath in years. It was a tremendous boost."

DEAL 2: THE SOUTH AUSTRALIAN BOARDER

For Gloria's next deal, she went looking for something with a low entry point. She knew that serviceability was going to be an issue on her current income. This search took her over to South Australia.

Gloria found a large place with potential for seven bedrooms, and an attached granny flat. She sent a family friend to look at it and they said that they would never touch it. It was just too old.

However Gloria would not be deterred and after flying over for a quick inspection, purchased the property for $280,000. She then took annual leave to fly over and do the renovations, lining up all her tradies to be ready to go as soon as she landed. With her team in place, and putting in long hours, Gloria turned the property into a five-bed rooming house. It now earns $997 a week fully tenanted, earning $51K a year and generating $31,000pa passive income.

"A real estate agent said I could get $350, maybe $370 a week for the granny flat. I decided to rent it out myself. I had it tenanted within the week… at $420!"

DEAL 3: FINDING LOVE AGAIN… NEXT TO THE POLICE STATION

With some room to breathe and her children out most nights these days, Gloria decided that maybe she deserved somebody to love too. While Gloria found it funny at first, scrolling through a dating website with her daughter, she eventually plucked up the courage to go on a few coffee dates.

Still carrying the scars of her past relationships to men, it was a long and slow road back to being able to trust someone with her emotions and physical safety. However, her personal growth had its own momentum now and, utilising some manifestation techniques she learnt from Michael Dempsey, she eventually met Andrea – a solid and wonderful man whose support has "made an enormous difference to (her) life."

"When you make changes to yourself, you attract the people you want to meet into your life."

Gloria puts her ability to find love again down to the healing that has been central to the personal development she's found within the ILRE community. As she says, "I feel this in all aspects of my life now. I feel whole again."

DEAL 4: THE SOUTH AUSTRALIAN REPEAT

Following the success of her first rooming house deal, Gloria is aiming to rinse and repeat her strategy, again in Adelaide.

Gloria got the price she needed to make it work, and even negotiated to keep all the furniture! The property is currently tenanted, but when the lease expires, Gloria will begin renovations. After expenses, this property will be delivering $22,000 pa passive income.

THE STORY IS RE-WRITTEN

Gloria now has the backup strategy she was looking for. Her investments now pull in a net $74,000 a year, and this has allowed her to cut back to three days a week at work.

What's better, this money is coming in no matter what happens to Gloria. She has the peace of mind she was looking for.

Now believing that complete personal transformation and healing is possible, Gloria wants to help others, working as close to the source of trauma as possible.

She has recently started working with a group of young disadvantaged girls, many with histories of abuse, in Mt Druitt, Sydney. The six-week mentoring program, called "Girl Power" covers everything from goal setting to budgeting, helping them to find the power that Gloria believes lives within everybody.

Looking back, Gloria is extremely grateful for all the support she has received from Dymphna and the ILRE community.

"Words can't express how much this has changed my life."

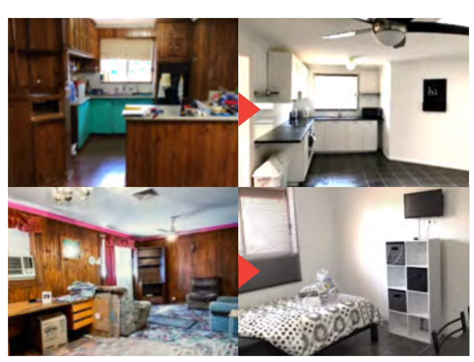
PRE-DYMPHNA	VALUE	EQUITY		CASH FLOW
Quakers Hill (PPR)	$550,000	$352,000		$0
POST-DYMPHNA	**VALUE**	**EQUITY**	**UPLIFT**	**CASH FLOW**
Quakers Hill PPR	$890,000	$510,000	$60,000	
Granny Flat	Inc in PPR	Inc in PPR	$92,000	$21,000
R House SA	$375,000	$95,000	$50,000	$31,000
R House SA 2	$245,000	$35,000		$22,000
Totals	**$1,510,000**	**$650,000**	**$202,000**	**$74,000pa**

PPR: RENO, EXTENSION AND LANDSCAPING

Purchased property back in 2000: $247K
Reno = Uplift in Equity: $60,000 (before G/Flat)
Current property value: $890,000 (incl. G/Flat)

PPR: GRANNY FLAT

Cost of build and landscaping:	$107,000
Uplift in equity:	$92,000
Rent:	$420 pw
Cash flow:	**$21,000 pa**
ROI:	**17%**



RESIDENTIAL TO ROOMING HOUSE 1

Purchase & reno:	$325,000
Valuation:	$375,000
Residential rent:	$320 per week
Rooming house rent:	**$995 per week**
Positive cash flow:	**$31,000pa**

RESIDENTIAL TO ROOMING HOUSE 2

Purchase, reno, furnishings, appliances:	$210,000
Currently Tenanted:	$4,000pa
Conversion to a 1B class rooming house in 2018	
Estimated positive cash flow on completion:	**$22,000pa**

How a son helped his parents build a million-dollar portfolio with almost $100K of passive income in just 18 months!

Having always been their own boss, Des and Shona had left Victoria for WA to take a job working for somebody else. But after two years they had lost their sparkle. They had become "puppets", in Shona's words, and very unhappy. So their son DJ secretly enrolled them in one of Dymphna's courses. The first time Shona heard of it was when someone called to check their credit card details.

But they took the opportunity for what it was and threw themselves into Dymphna's "university". For three and a half weeks, Des and Shona immersed themselves full-time in the materials, the CDs and DVDs, rewinding and going over sections to make sure they hadn't missed anything.

They had left Victoria with no retirement plan and just $110,000 in savings. Within 18 months of joining the Ultimate Program, they had built a million-dollar portfolio that delivers $100,000 a year in passive income.

"They'd been working for the big man for two years. They were really entrepreneurial, into all kinds of different things before, and then they just lost who they were. They'd become a shell of their former selves." – DJ

With their own futures provided for, they have turned their attention towards making a real difference in the remote communities they call home. They've even given up the rent on one of their properties so it can be used as a church and training centre.

Having started the whole ball rolling, their son, DJ, is now also in on the game, with two properties (at a total monthly mortgage bill of just $291 a month) to his name and on the hunt for a third.

GOLD IN THE HILLS

Their property success has been built by daring to go where many fear to tread – the bush. Their portfolio has been built around remote communities of North West WA, and they've manufactured growth by taking a 'cookie-cutter' approach to renovations – using the same plans and materials on a number of successive renovations.

In particular, they've made a lot of mileage out of targeting their rentals at government officials – people who have work in the town of interest but ending up staying in a motel three hours away because there's no where to live in town. With a focus on neat and clean accommodation, they've been able to score city-rents on a bush budget.

DEAL 1: UNFIT FOR HUMANS

Looking to make the most of the cash they had available to them, they got into a deal where they were able to get three dwellings on two titles for just $60,000. A former drug den, it had no tenants currently in place because the properties had been deemed unliveable.

But the Des and Shona got to work, and working alongside the future tenants, managed to get the properties up to scratch. Even though the renovations were common sense, their properties ended up being three of the flashest properties in town, and locals were cruising by in their cars to take a peek.

Living in one dwelling and renting out the other two, they were able to use the passive income and the manufactured equity to get into their next deal.

DEAL 2: PRETTY SURE IT'S CASHFLOW POSITIVE

Keeping their focus in the same town, Des and Shona bought a duplex for $55,000. They then spent $30,000 on renovations, turning it into a single six-bedroom family dwelling, recently valued at $240,000.

Originally renting for $420 a week, they've now been able to rent the property out to contractors for $850 a week. In case your calculator is out of batteries, that's cashflow positive.

They have used this model, and the materials and designs to do five similar renovations in a cookie-cutter style.

GIVING SOMETHING BACK

Des and Shona are determined to use their passive income to give something back to their community. One of their many achievements is a substance abuse program that helps indigenous communities deal with the evils of alcohol and drugs. Rather than the one-size-fits all programs applied by various governments, they have been asked by local Wangai and Pitjantjatjara elders to use their local knowledge and connections to help heal the community.

They've also given one of their houses back to the community to use as a church and training centre. They're giving up $800 a week in rent they could be getting, but as Shona says, "We know it doesn't make financial sense. But it makes heart sense."

DJ, Des and Shona stress how central the Ultimate Program has been in their success. All of the resources have been laid out and have been tried and tested. There's no need to reinvent the wheel yourself.

They are now using their resources and free time to really engage with their community – from driving ambulances to helping to run the supermarket. For them, real estate has been a vehicle to build real joy and meaning into their lives.

THEIR FIRST DEAL

- **$60,000**
- **2 TITLES, 3 HOUSES**
- **1000KM FROM PERTH**
- **UNFIT FOR HUMAN HABITATION**
- **NO SUPERMARKETS FOR 120KM**
- **1 PLUMBER AND 1 LOCAL SPARKY**

Creative strategies and out of the box investments have transformed Melissa and Phil's lives.

With $80,000 a year negative cash flow bleeding them dry Melissa and Phil knew something had to change.

Melissa and Phil always had businesses. They liked to keep busy, but working seven days a week to keep the businesses going was getting too much and they began to look for other solutions.

They already had several industrial properties and a couple of poorly performing houses in regional Victoria. The losses on the properties had become hidden in their business expenses.

It wasn't until they saw Dymphna live that they took a closer look at their numbers and realised that they were being bled dry by these properties.

In addition to negative gearing they had also made many of the common mistakes investors make: trust issues, properties in their own name, incorrectly set-up self-managed super fund...

They realised that the best place to start was with what they had.

DEALS 1 & 2: MANAGE YOUR MANAGERS

The two under-performing investment properties they owned had been left to rack and ruin, with one of them untenanted and the other with under market rent.

They took Dymphna's advice about managing the managers and cut better deals, putting up the rent on one and, after a quick reno, getting the other one tenanted. Both properties came with stricter contracts about how the properties were to be managed. Both now are positive cash flow and being properly maintained.

DEAL 3: MODULAR IMPORT IN THE NT

Another property they owned in Northern Territory had a large back yard which was under-utilised. Melissa and Phil began to explore modular options to build a self contained dwelling in the rear to create extra rent. This modular build created $14K passive income on a property they already owned!

DEAL 4: INDUSTRIAL LAND STORAGE UNITS

The two side by side industrial blocks which were doing nothing but costing them money became the next topic of discussion. After some investigation they found that flexible storage sheds were needed in the area and once built and rented out, this one move transformed an empty block that was costing them -$46K a year into a sought after industrial property making them $40K a year.

DEAL 5: PARMA & POT PUB

While they were developing a plan for the other block next door they found a pub for sale in country Victoria. Melissa had been watching this one for a while and knew that at the right price it would be a great deal with plenty of upside.

They got the pub in the end for $100K less than the reserve and it turned out to be cash flow positive from day one. The property came with a tenant (the publican) and in the renegotiation of the lease they took control of the backyard, which was unused.

Eventually Melissa and Phil will build units and a drive through bottle shop in the back yard, the intention being that someone else will run the business. The pub also comes with 11 guest rooms which they may turn into a separate business at some point.

DEAL 6: GUEST HOUSE CONVERSION

They decided that they had a knack for this kind of deal so they landed themselves a guesthouse in a small country town.

The guest house was ugly and in desperate need of a renovation. By this stage Melissa and Phil had earned a bit of a break so they arranged for all the works to be done while they were on safari in Africa. They returned to launch their newly refurbished guest house and complete the last details to get the bar open so they could serve drinks.

In addition, the guest house came with an attached laundromat. They've added a few extra machines and opened it 24/7. Now it makes around $160 a day profit and that's not even counting the fact customers now drop their washing off and head into the guesthouse bar for a coffee or a wine while they wait. Previously customers had to go across the road to the petrol station for a bad coffee, needless to say they are loving their laundromat weekly ritual now and Melissa and Phil have substantially added to their cash flow.

DEAL 7: DEER PARK SHOPS

The most recent deal was another deal that Melissa had been watching for a while. A group of seven shops in deer park which were very dirty and run down. Due to the high price asked for the shopping centre and the subsequent lack of interest, Melissa was able to negotiate harder by making a lower offer and a five-month settlement as part of the conditions.

Melissa had noticed that there were several people at the auction who wanted single shops but no-one who wanted the whole thing. They set about cleaning and repainting the shops, re-tiling some areas and generally making the place look like a good place to run a small business from.

Within 10 weeks they had completed their works and put all the shops back on the market to be sold at auction. Sadly no-one bid at that auction, however, thanks to some good planning and a great agent, all seven shops were sold within two days to small business owner occupiers.

This quick turnaround earned Melissa and Phil $415,000 in profit, but the real win was that they kept the title on the carparks and also the air rights to the maximum building height.

Using these air rights, they are installing four panel signage and solar panels. The signs will be leased to advertisers on five-year contracts at $15,000 pa per panel. The solar panels should return $5,000 pa, so the air rights will generate an additional $65,000 pa. And it doesn't end there as they are also seeking a development approval to build another three storeys above the shops.

THE ONE THAT'S IN THE PIPELINE

Using the unused piece of industrial land next to their storage sheds, Melissa and Phil have developed a new concept in industrial buildings, getting approval to build several factories with houses on top. They did some research and got over 1,000 expressions of interest from small business owners who loved the idea of being able to run their business from home, but need a warehouse.

It's a new concept that people have never heard of before, so they are planning to build one to use as a display home/factory that people can actually see, feel and imagine themselves in.

It's been a massive few years for Melissa and Phil but they are loving the journey, the creativity and especially the free time they have created for themselves in the process.

"Our aim was to be $200K passive income, but we've ended up doubling that."

MELISSA & PHIL PRE-DYMPHNA

Properties	Equity	Income	Expenses	Cash flow
7	$670,123	$64,740	$144,480	-$79.740

MELISSA & PHIL'S PORTFOLIO 2017

Properties	Equity	Income	Expenses	Cash flow
10	$3,155,795	$433,563	$261,418	$172,145

COUNTRY VICTORIA UNITS SMALL RENOVATION

Painted, freshened and fixed inside and out.

Original cost:	$115,000
New rent after reno:	$270 p/w
Positive Cash flow	over $13,000 pa

MODULAR SELF- CONTAINED DWELLING IN THE NT

Under-utilised large back yard.

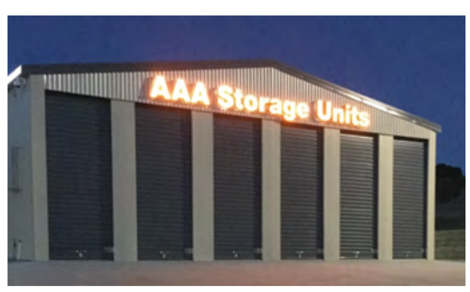
Property Rent:	$53,820 pa
Cash flow Positive	$14,226 pa

HEATHCOTE GUESTHOUSE RENOVATION & CONVERSION

Turn 7 room guesthouse into 13 room motel with a bar, outdoor deck area and a restaurant.
Equity gain: $200,000 Looking to sell business.
Maintain an $80,000 per year lease to start.

DEER PARK COMMERCIAL SHOPS 9 BUSINESSES, 7 TITLES

Extended settlement to enable us to renovate and sell off before we paid for the property.
Renovated, Marketed and Auctioned in 12 weeks.
$400,000 profit and up to $600,000 uplift.



INDUSTRIAL LAND STORAGE UNITS

Land Cost:	$169,759	Rent @ 90%:	$79,153 pa
Build:	$338,862	Cash flow:	$40,243 pa
Total:	$518,621		

PARMA & POT PUB

Total buy cost:	$952,420	Yield:	8.50%
Rental income:	$81,000	Cash flow:	$18,000 pa

Adjust terms on lease to take over the accommodation, renovate and build a bottle shop.

PROSPECT PLACE – WAREHOUSES WITH RESIDENCES

Construction date set for 2018. Will build one and continue from there. With over 1000 enquiries on the project I have no doubt.

SMALLER AFFORDABLE UNIT DEVELOPMENT

If we keep we will make approx $200,000 in equity and $31,000 positive cash flow. If we strata and sell, we will make between $380,000 and $400,000

HOW TO WEAPONIZE TIME

I don't think kids realise the power they have in their hands…

BY DYMPHNA BOHOLT

Tell your kids: time is a weapon.

We talk a lot about how this generation is different from previous generations blah blah blah.

I think this is a bit of a waste of time – like somehow a human born in the year 2000 has a different set of DNA or something.

It's the wrong way to think about it. The kids are different because the times are different.

We all grow up in different contexts, and those contexts have a huge impact on the kind of humans we turn into. They have a huge impact into the tools we develop to deal with the world. And they have a huge impact just on what we think is normal.

And when I worry about the kids – actually, I shouldn't say worry – every generation has its challenges. So when I think about the challenges our kids are facing, I worry about how they are being conditioned to immediacy.

Take TV – not that kids are watching TV – let's say "media on devices". It's so immediate. You open your device, press play, and it's exactly what you want to be watching.

And as soon as it stops being interesting, you can flick between shows or flick between apps and just move on to something new.

Our universe has become incredibly quick. We don't have to wait for things to 'boot up'. We don't have to wait for the show we want to be on. We don't have to wait for anything to come along.

We have created a reality where things transition incredibly quickly, and almost everything is immediately available.

And part of that conditioning says that we should be able to – with very little effort on our part – nothing more than paying some money and pressing a button – have everything we want.

We have created a reality that reinforces our sense of entitlement to instant gratification.

That's the culture and the world we are bringing our kids up in.

And that's on us. If our kids become enculturated in this way and start to feel entitled to instant gratification, that's on us. That the world we created. That's the education we gave them.

It's not about them and who they are.

And it's a shame because time is the most powerful weapon we have.

There aren't many problems in the world that don't eventually yield to consistent attention sustained over time.

Take learning to be a property investor for example. It's not rocket science. None of it is. But there is a lot to learn (I'm still learning and I've been doing it all my life!)

So there's a lot to learn, but that's ok. We swing a weapon in our hand called time. Just chip away, little by little, day by day, and in time, you will become a master.

Same story with building wealth. Your first deal shouldn't be the one that should makes your fortune. Really, if you turn a profit at all - if you just break even – you should be happy.

Wealth is built over time. Consistent attention sustained over time. That's what moves mountains.

And that's what I worry our kids aren't seeing – the power of time. The power of setting themselves a goal 18 months or more down the track and just consistently chipping away at it.

For our grandparents, this was second nature. It was the way everything in their world worked.

You planted seeds. The seasons past and then you harvested the corn.

Everything reinforced the idea that time was the most powerful weapon you had.

Now, I don't think our kids see this.

And I worry what's going to become of them.

So teach kids the power of time.

It's the most powerful tool we have.

Dymphna

ANDREW

After years battling depression Andrew found the formula for property success and is now a role model for younger investors.

Andrew is a sparky by trade. He's also an entrepreneur with a taste for deals. Back in the late '90s he got ahead of a trend for LED billboards that was already raging across Europe.

He was the man who brought LED advertising to Australia, and for several years it was a gold mine.

However, as he tried to grow his business he found himself in a legal dispute with one of his clients over a broken contract. Once the lawyers got involved things really went down hill fast, as the process burned through more and more cash.

In the end, Andrew became insolvent and he lost his business. Andrew then struggled with depression for several years. He lacked direction. Having moved to Queensland to get back into the sparky game, he met people who were making a killing with property development.

"I call it my wallowing in the mud period. I lost trust in people, and lost my soul, my spirit and my enthusiasm for life."

He decided he wanted in on the action, but he bought in late (stage five) on a residential development. Not long after the market tanked 20 per cent and Andrew lost $42,000.

Realising that property investing is a minefield for the uneducated, Andrew set about getting himself skilled up. He attended numerous seminars, including several with people who went bankrupt during the education process.

Eventually he found Dymphna Boholt. He attended a one-day seminar and "learnt more in one day than I had in years." He joined the Ultimate Program on the spot, and it has been "the best investment of my life."

"I learnt more in that day than I had in the last few years. I was convinced that this woman was the real deal."

Andrew now "buys property the right way" and has a number of deals going here in Australia and in the U.S. As well as improving his own financial position, with almost $700,000 in equity (excluding the PPR) and $60,000 pa in passive income, he is now helping young investors to learn the ropes.

Through Dymphna's program Andrew has become a complete investor. He has a better trust structure to carry his properties, he works to a business plan, and he has started meditating and working on his mindset.

IMPROVEMENTS IN WESTERN SYDNEY

Andrew's first property was purchased for $315,000 and was negatively-geared to the tune of $8,000 pa. Andrew has managed to turn this around by renting it out room-by-room in a House In Multiple Occupancy (HMO) structure, and he has also attached a granny flat. Currently valued at $535,000, Andrew's equity in the property has sky-rocketed to $295,000 and he receives a net $25,000 per year.

His second property, purchased for $205,000 with a negative cash flow of $6,000 was ideally suited to installing a granny flat. The property is now valued at $474,000 with a positive cashflow of $6,000 pa and an equity uplift of $246,000.

THE PITTSBURGH SERIES

After the GFC hit America and the housing market collapsed, Andrew 'just knew' he needed to be there. People in America were devastated, but Andrew knew it was an opportunity. Around this time Andrew was appointed President of Sutherland Shire Councils Sister City program and was required to travel back and forth between Australia and the US. Dymphna's education on investing in the US had Andrew well placed to grab some bargains.

"I was in America when the GFC hit. People were devastated, but all I could think was how many opportunities there'd be."

THE SECRET DWELLING

The first of his American deals was a three bedroom deceased estate on two acres selling for US$45,000, which he purchased in May 2013. He had the strong Australian dollar ($1.09) working on his side, but the real bonus was a two-storey duplex that the vendor had no idea was on the same title. After renovations, Andrew was able to create $6,000 pa in positive cash flow from both houses and the property is now valued at US$130,000.

ON THE HIGH SIDE

Next in line was a three bedroom house situated on the high side of the street with views across the city of Pittsburgh. Andrew purchased it in April 2013 for US$31,000 and currently rents it out for US$790 per month.

THE TERRACE

Now approved for American finance, Andrew purchased a three bedroom terrace for US$54,000 in February this year. After renovating, Andrew now rents it out for US$650 per month, and has plans to convert the carport into a lockable garage, which he will rent for US$50 per month. Located within 10 minutes of the city, and situated directly across the road from the Pepsi HQ and what is soon to be the second biggest movie studio outside of Hollywood, this one really gets his 'balls clanging like milk bottles'; it has very good prospects indeed.

A KNIGHT IN SHINING ARMOUR

Around this time Andrew started mentoring investors in Australia through the ILRE community. However, a young couple he was mentoring had gotten into trouble.

Luke and Steph had purchased a property in Penrith NSW for $570,000, with the original intention of renovating it for equity uplift and cashflow. Unfortunately their builder, who had given them the cheapest quote, hadn't shown up on site for six months and all development works had ceased. The project was heading off the rails.

Andrew took them to lunch and convinced Steph and Luke to cancel their contract, and allow Andrew to step in. At this stage in his career, Andrew could afford some time out from his businesses, and he gathered up his team of tradesmen and threw himself into a full structural renovation.

It took them seven weeks to complete the works and attach a granny flat. The renovation costs came to $54,000 (Andrew saved them $20,000 by donating his time and picked up the over-budget costs of $6,000) and the revaluation came in at $770,000. With rents as high as $1,300 per week, the team are ecstatic with the result, and Andrew really helped Luke and Steph dodge a bullet.

ADVICE TO INVESTORS

Andrew stresses the importance of working on your mindset and making sure your life is in balance. You can't put too much emphasis on the material things, and you've got to enjoy life.

Andrew's experience with Luke and Steph has also shown him how satisfying it is to give back to the community and help others. Andrew feels very fulfilled in his new role as mentor and angel investor.

WESTERN SYDNEY HMO

Purchased	$315K
Cashflow	-$8Kpa
Now Valued at	$535K
Equity	$295K
Cashflow	$25Kpa

$33k cashflow turnaround!

PITTSBURGH USA

- Deceased estate
- Aussie dollar at $1.09
- Purchase US$45K.
- 3 bedroom family house
- Plus two storey duplex
- Fully renovated
- 2 acres of land
- Total cash flow $6K
- Current value of property US$130K (AU$173k)

PITTSBURGH USA

- Purchase US$54K
- Rent US$650/month
- Lockable garage will rent $50/month
- Across the road is PEPSI headquarters

LUKE AND STEPH – PENRITH NSW

- Purchased $570K
- $54K in renovation costs
- $6K over budget which I funded
- Revaluation $770K

How a unique 'entry-level' property investment strategy helped one couple take control of their financial future.

Tamara and Jason admit that buying into a café/bakery on the Gold Coast wasn't the best decision they ever made.

It was meant to be their ticket out of Sydney, but neither of them had any experience with running a café or a bakery, and they had their pastry and bakery chefs quit on them within two weeks of taking over. However, it was the redevelopment of the host shopping complex that really derailed things.

When they had initially signed the lease, there were plans to put in a new Aldi store, and "proposed" changes to the car park, which would have given them a seating area over looking the river.

However, none of this was in writing, and the riverside seating never eventuated. What's worse, the bakery was left enclosed in a dark end of the complex, and they lost half of their existing seating space.

And just to rub salt into the wounds, the complex owners refused to reduce their rent.

Around this time Jason lost his brother to cancer, and they lost all their energy and enthusiasm for making the business work – at the time it would have needed it most.

Deciding to cut their losses, Jason moved to Darwin to work at the mines as a camp-manager, two weeks on, one week off. Tamara moved back to Sydney and moved in with her mum.

"I was cross-checking everything Dymphna was saying on the Internet. It all checked out..."

When Tamara became pregnant with twins, Jason needed to be with his family, and they all moved in with Tamara's mother. However, with a large family in a small space they slowly started to drive each other crazy.

Tamara's parents then lent her the money to get into their own place in the Southern Highlands. It was a "total disaster zone", with cigarette burns in the carpet and an old hydroponics set up in the cupboard, but it was a place they could call their own.

With three children and no savings, Tamara and Jason needed a strategy to take them forward. Tamara enrolled in the Ultimate Program, signing up for the payment plan and threw herself into her studies.

Meticulously pouring over the materials (and cross checking everything Dymphna was saying with the internet!), it took Tamara a full 12 months to develop her strategy.

However, now she knew what she wanted, and the exact kind of deal she was after.

THE ENTRY-LEVEL STRATEGY

Tamara decided to focus her search on towns with a minimum population of 10,000 people, and where you could still buy properties for under $100,000. Honing in on Deniliquin, NSW, she began to contact all the agents in the area. She put the work in and got to know her market. She learnt what properties typically rented for, and who they were rented to.

She was pleased with what she found. Deniliquin was a tight rental market, with an active single-professional and contract-worker market. Deniliquin was also in line for a major infrastructure injection (finally approved in July last year).

"There was an unusual ad in the paper that caught my eye..."

Tamara then found an advertisement from someone looking for a joint venture partner. It was a local farmer who had bought a property several years ago with the intention of building his own dream home. The property had a row of brick veneer units on one side and a derelict fibro-asbestos house on the other.

A dual lot with a single title, the farmer was looking for a partner to help him build two new dwellings on his land. With approval for a subdivision between the existing units and the house pending, Tamara recognised a deal. Tamara and Jason offered to buy the units, so long as settlement was subject to approval of the strata title (which gave them an extra six months), and so long as they could access the property prior to settlement.

The farmer agreed to their conditions, and they purchased the units for $95,000. Looking to move quickly on the renovations, Tamara and James had no money saved and had to get inventive. They took up an IKEA offer of 24-months interest free credit, and Jason kitted out all three units himself, including the plumbing and electricity. All up, the renovations cost them $25,000.

"I had YouTube running almost 24/7 – I learnt everything I know about renos from there."

After spending a total of $120,000 on the property, the units have had a recent valuation of $280,000, giving Tamara and Jason an equity uplift of $160,000. The units are currently rented at a total of $480 per week, and within the space of two years, Tamara and Jason have gone from a position of zero savings to over $16,000 pa in positive cash flow.

ADVICE TO INVESTORS

Tamara and Jason's story is proof that there are great opportunities out there, no matter what your starting position is. Tamara in particular stresses the importance of going back to the basics – go through everything step by step. Put in the time, do the research. There's nothing to be gained by cutting corners when it comes to property.

She also says you have to be patient. There are opportunities out there. Put time into your strategy, get clear about what you are looking for, and then just wait for it to come.

FINAL RESULTS

BUY		$95,000
COSTS		$5,000
RENO		$20,000
TOTAL		$120,000
CASHFLOW	**OVER**	**$16,000 PA**
NEW VALUATION AND OFFERED		**$280,000**
EQUITY INCREASE		**$160,000**

The homeless property investor

Michael's philosophy is 'live your life on your terms' – and he certainly does that – traveling around Australia in his campervan making great money from real estate.

Here's how this phase of Michael's life journey started. After 28 years of investing in property, Michael went to one of Dymphna Boholt's events, expecting to see a 'con woman' on stage.

Yet, after just 15 minutes he was 'sold' on her property expertise and her heart-felt values – and knew he had to learn from her.

He didn't take action right away. As he says: 'I sat on my comfy couch for three years before deciding to dive in' and take action on Dymphna's ideas.

Since that time, Michael has focused on buying cheap properties with motivated vendors, then renovating them and then renting them out. This strategy gives him equity due to the valuation uplift from the renovation and also great cash flow, as he gets an increase in rental income from the improved property.

This cash flow is important because it helps him to be able to continue to get bank financing for more properties.

But there has been another side benefit for Michael: being part of a supportive community. "Living in a regional area, I find that property investing can be quite a lonely journey and being able to be in contact with others has been invaluable," said Michael.

Prior to meeting Dymphna, Michael knew the basics and had some property investing success by himself.

"I knew not to get emotional and look at the numbers and then be creative to find a way to make the deal work. But I did have a fear of making mistakes and probably listened too much to friends and family who aren't educated in property," said Michael.

He had investments, but he also had debt and had sold properties over the preceding 10 years when money got tight.

To make things more challenging, he had occasionally got behind in repayments to the extent he had some black marks on his credit report making it very difficult to refinance.

However, the support of the I Love Real Estate (ILRE) education has been invaluable in helping him to still play the 'investor game' even with this challenge.

"ILRE has given me the confidence to know that with the right team behind me and the knowledge I've learned that I never have to worry about my future."

"I have been living and travelling in a motor home. It's great and gives me the time to travel around this beautiful country between property projects," explained Michael."

This has meant he has been given the name the 'homeless property investor!'

REGIONAL QUEENSLAND FLOOD DAMAGED HOUSE

Here's an example of one of his property 'reno and rent-out' deals that he's done since joining the ILRE community.

This was a flood damaged house, but luckily the flood damage was already repaired. Michael did a cosmetic renovation, and gave the place a new kitchen and ensuite.

This property now rents for $285 per week and saw an equity uplift of around $87,000!

This was a great little deal, with a super low cost base. Proving once and for all, that small fish can be sweet!

"One of the biggest lessons Dymphna taught me was to concentrate on a niche market and perfect a system. I have learnt not to listen to negative people and well-meaning naysayers."

So, following that advice Michael has done other 'Reno and Rent' deals - but he's also done some cracker positive cash flow deals.

FIVE ONE-BEDROOM UNITS IN REGIONAL VICTORIA

For example, here's a property Michael bought at a mortgagee sale, when it was passed in at auction. Michael used a combination of 'bluff' and 'delaying tactics' to beat the other offers.

This deal now gives him a tidy positive cash flow of approximately $10,000 per year – or around $200 per week. Not bad for a $154,000 investment!

The best part? Michael can also explore the possibility of strata titling the units to increase value, for refinancing purposes.

One of Michael's big learnings, is, "Not to get emotional about a property, work out all the figures and remember it's a business".

"I knew not to get emotional and look at the numbers, and then be creative to find a way to make the deal work."

"Motivation is very important and, speaking for myself, being in a regional area it's good to have contact with people all over the country that can help you with any difficulties that may arise."

So what's the bottom line of all Michael's projects? He's gone from owning properties valued at about $735,000 with an equity value of $450,000 to a portfolio valued at about $1 million – with an equity position of around $801,000!

This is a significant leap in net equity - which leaves Michael feeling financially confident about the future. Especially since he's adding to his wealth position consistently with more deals – he's in control.

So, if you're around Australia and you see the 'homeless property investor' on the road make sure you say g'day!

BEFORE DYMPHNA

PROPERTY	DEBT	EQUITY
PPR	$335K	$250K
COMM #1	$200K	$100K
COMM #2	$200K	$100K
TOTAL:	$735K	$450K

PLUS APPROXIMATELY $50,000 IN CREDIT CARD DEBTS

AFTER DYMPHNA

PROPERTY	DEBT	EQUITY
PPR	$140K	$175K
INV #1	$160K	$200K
INV #2	$184K	$230K
INV #3	$157K	$200K
COMM#1	$ 80K	$150K
COMM#2	$ 80K	$150K
TOTAL:	**$801K**	**$1005K**

FIRE DAMAGED COMMISSION HOUSE JV

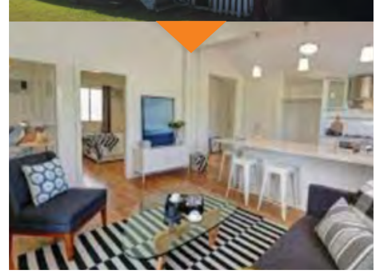
Cosmetic Renovation, New Kitchen, Bath paint and fire damage repair

Purchased June 2012	$191,500
Stamp Duty	$ 5,500
Legals	$ 1,500
Renovations	$ 35,000
TOTAL:	**$233,500**
Revalued	**$309,000**
Sold September 2014	**$335,000**

REGIONAL QUEENSLAND FLOOD DAMAGED HOUSE JV

Repair Flood Damage, cosmetic Reno. Replace Kitchen, add second bathroom

Purchased June 2013	$ 90,000
Stamp Duty	$ 1,937
Legals	$ 1,500
Renovations	$ 40,000
TOTAL	**$133,437**
Revalued:	**$200,000**
Buy and Hold Rented for	**$275 pw**



REGIONAL QUEENSLAND FLOOD DAMAGED HOUSE

Buy and Hold. Cosmetic Renovation with new kitchen, added ensuite.

Purchased Nov 2014	$100,000
Stamp Duty	$ 2,300
Legals	$ 1,500
Renovations	$ 40,000
TOTAL	**$143,800**
Revalued	**$230,000**
Rents@	**$285 pw**

REGIONAL VICTORIA FIVE x ONE-BEDROOM UNITS

Buy and Hold. Possible Strata Titling to increase value for refinancing purposes.

Purchased Sep 2013	$154,000
Stamp Duty	$ 4,000
Legals	$ 5,000
TOTAL	**$163,000**
Revalued at	**$200,000**
Initial Rents @425.00 p.w. **Now $575 pw**	
Positive Cash flow approx. $10,000 pa	

JENNIFER & JONATHAN

The GFC wiped them out: How they rebuilt their dream life with the right education.

Jonathan met Jennifer at a party 35 years ago. He went home and told his house mate: "I've just met the girl I am going to marry."

Over time, with persistence, he won her heart. Since then, they got married, had a family and climbed the corporate ladder together. Things were going well as they worked as a team to build a solid future for their family. But sometimes even the best laid plans don't always work out.

In the year 2000, Jonathan was made redundant. But, throughout it all, their attitude has been positive and 'can do'. "We've never been afraid of taking risks, seizing opportunities and trying new things. We work hard and always have done."

Jonathan and Jennifer have had some rewarding experiences in property too. "Over the years, we've renovated several times before finally building our own home. It wasn't quite our dream home, but it was the embodiment in bricks and mortar of everything we'd worked hard for," said Jonathan.

It was a good, solid family home, with a garden for Jennifer to tend to and a shed at the bottom of the garden for Jonathan to tinker in.

But in 2007, after being made redundant for a second time, things took a turn for the worse. "Sick of losing my job due to circumstances outside of my control, Jenn and I decided that I would buy a business. We were so excited about the possibilities that laid ahead, and I had done endless due diligence to make sure it was a sound business," explained Jonathan.

"But again, we were hit by things outside of our control ... It turns out I bought the business five minutes before the GFC hit Australia!" said Jonathan.

They pulled on all of their resources and managed to turn a profit with the business, with Jonathan restructuring things to ensure they didn't go under.

"But the problem was, I had taken out a second mortgage on our family home to buy the business, and try as I might, I couldn't make enough profit to cover the loan repayments" said Jonathan.

They had to make one of the hardest decisions of their life. "Four years ago with much emotion and tears, we gritted our teeth and sold our beloved family home," Jennifer explained.

"We knew it was only a matter of time before the banks would force us to sell and so we thought it would be better for us to be in control of the situation."

All that they had built over the past 30 years practically disappeared overnight. "Everything we had worked so hard for – gone. Just like that! We went from having our beautiful home with a garden for Jenn and a shed for me to muck about in, to nothing!" said Jonathan.

With Jennifer and Jonathan now in their late 50s, this was not what they had envisioned for themselves. "We were left thinking: no home, no prospects, no future. What next?!' asked Jenn. They moved into a rented town house with no garden (and no shed!) and had to begin again.

They did have some equity, but their serviceability was low and time was running short before they hoped to retire.

"After some discussions, we thought of real estate as a way forward… because it had been kind to us in the past.

We'd had some small success with real estate and renovations and we felt we knew enough about it to have a go at something," said Jonathan.

"But we were also a little hesitant. The sale of our home had left us with a little bit of cash but we knew we couldn't afford to get it wrong."

It was around this time that a friend of theirs gave them a book by Dymphna Boholt. From there everything changed. "After reading the book, our friends suggested we go along to one of Dymphna's one-day events. She was like a breath of fresh air! Dymphna told us we could find positive cash flow investments in our own state. And she even showed us how we could create wealth in property, without using our own money. Hallelujah!" said Jonathan.

"At the end of 2013 we got accepted into Dymphna's Platinum Program – a truly life changing event for us," – Jenn.

"In the beginning, we had a one-on-one session with Dymphna where she gave us some suggestions on where to look for a deal," said Jonathan.

"Jenn is a gun when it comes to searching for deals and in less than three months after joining the Platinum Program, we had bought a property in Toowoomba. We had no sooner settled when we were made an offer we couldn't refuse. We sold the property and netted ourselves a $45K profit before tax," said Jonathan.

Then, in mid-2016, they made a life changing decision. "After looking for a job for 6 months without success, Jenn and I went on a retreat with the I Love Real Estate community to Bali."

"While in Bali, we decided that I would pursue property full time, and Jenn would keep working until I could get her out of it. Somewhere during that retreat, Jenn wrote a goal that we'd have no mortgage on our own home by September 2017."

"After that retreat, we hit the ground running. We found deals, put them out to the I Love Real Estate Community to find people who might be interested in joint ventures. Our JV partners have money, serviceability but no time. We have not a lot of money, no serviceability but loads of time! So, it works really well," said Jonathan.

Here's one 'work in progress' JV deal they are doing in a bayside suburb of Melbourne.

- Purchase price: $915,000 - 9 months settlement
- Strategy: Demolish, subdivide, sell with plans & permits
- Estimated sale price: $1,400,000
- The estimated profit on this deal: $215,000.

However, if they choose to build it themselves, they could potentially make a profit of $400,000 to share with their partners. They'll keep us posted on what they end up doing!

The biggest lesson they've learnt from this deal so far is that finding a JV partner and JV deal take time. But it's worth it, because it can allow you to do deals, when you were previously stuck.

THE MINDSET ADVANTAGE

Although some of Dymphna's psychology of wealth secrets may be described as a little out there, there's no denying they worked for Jonathan and Jennifer.

"We have our vision boards and white boards where we write our goals. Remember the goal we wrote down in Bali to own our own home? We had no idea how this would happen, but it did. In August, my mum said she wanted to do a PPR JV with us and that was it – we got our goal," said Jenn.

They went from no home and no prospects to very exciting prospects and a much rosier future. "We can see ourselves doing this for the rest of our lives. Property investing for us is an exciting and fulfilling journey."

Jonathan and Jennifer are living proof that it is never too late to start again. "We've now done multiple profitable real estate deals to help us secure a comfortable retirement.

And, in September 2017 we were able to buy own home – we've got our garden and shed back!"

BEFORE DYMPHNA	**CASH FLOW**	**EQUITY**
	-$48,000 pa	**$350,000**
CURRENT POSITION	**CASH FLOW**	**EQUITY**
Toowoomba	–	+$48,000
Bendigo	+$15,000 pa	–
Melbourne	+$25,000 pa	+$80,000 (if build +$100,000)
PPR JV	Rent decreases to $0 pa	
Net current (2017)	**$40,000 pa**	**$478,000** (if build $573,000)

SEAFORD MELBOURNE – JV, SUBDIVIDE, SELL WITH PLANS AND PERMITS (OR BUILD AND SELL)

- 4 townhouse development
- Purchase price: $915,000 - 9 months settlement
- Strategy: Demolish, subdivide, sell with plans & permits – chunk
- Estimated sale price: $1,400,000
- The estimated profit on this deal: $215,000
- However, if they choose to build it themselves, they could potentially make a profit of $400,000 to share with their partners.

TOOWOOMBA – RENOVATE, SUBDIVIDE, BUILD

- 2 unit development

BENDIGO – STUDENT ACCOMMODATION

- Manage for cash flow

ADELAIDE – JV, SUBDIVIDE, BUILD

- 3 townhouse development

MELBOURNE – RENOVATE, HOLD FOR VALUE UPLIFT

PAUL & SHAKIRA

How a young couple secured a $680,000 house and had just $145,000 debt … all before they were 30!

PURCHASED PPR IN AUGUST 2013. RENOVATED OCT – DEC 2013

PPR SUBDIVISION & CONSTRUCTION OF NEW DWELLING

Purchase price	$448,000	Sale of Front House (Aug 2016)	$621,000
Purchase costs	$14,000	Value of New Dwelling (PPR)	$680,000
Strategy costs – renovation	$25,000	**Total Sales**	**$1,301,000**
Strategy costs – subdivision	$40,000	**Net Profit**	**$424,000**
Strategy costs – construction	$350,000	**Profit on Costs**	**48%**
Total Costs	$877,000	**Real Cost of PPR**	**$256,000**

NEW PROPERTY DEAL

- Purchased an established property with zoning that encourages high density development
- Access prior
- Finalising design for four-lot subdivision (864 sqm)
- The estimate profit: $375,000 (Jun 2018)
- 20 per cent return on cost

Paul and Shakira had just $200 in the bank and a bunch of debt.

Paul had to borrow money from his father to get into Dymphna Boholt's Ultimate program.

Since then though they have never looked back, working their way through the education modules and receiving one-on-one mentoring through the Platinum Accelerator Program.

This has put them in a fantastic position. They have bought their own home, worth $680,000, made $424,000 tax-free profit off renovating and subdividing it, and have just $145,000 debt outstanding. It's a success most 30 year olds could only dream of.

MAKING THE MOST OF THE PPR.

In August 2013, Paul and Shakira purchased 'the ugliest house on the street' in Kilsyth, Victoria for $462,000. With no equity, zero savings and limited cash flow, they got to work on cosmetic renovations, keeping the costs down wherever they could by using Kmart stagings for the internals and doing the landscaping themselves. After two months and $25,000, the renovations were complete.

"It was the ugliest house on the street. They had even matched the curtains to the bedspread!"

But then Paul and Shakira discovered their principal place of residence (PPR) was located in an area with subdivision potential. Although they had little knowledge of zoning and overlays, Paul and Shakira were armed with a strong belief that they were the creators of their own luck.

"We became so much more focused and disciplined with our time. I'd say, 'would Dymphna approve of what you're doing right now?'"

They set out on getting the subdivision through, which cost them $40,000, and then constructed an additional dwelling at the rear of their property for themselves for $350,000.

Although they made a conscious decision not to build their 'dream home'; Paul and Shakira's strategy was to focus on certain luxury features in order to maximise equity and position themselves for their next deal. They chose stone bench tops in the kitchen and high ceilings in the down stairs living areas.

Three years later, after spending a total of $877,000 on the property in total, Paul and Shakira have sold the front house for $621,000 and relocated to the rear property to avoid paying capital gains tax. Their new PPR is valued at $680,000, which puts the total value of the two properties at $1.3M and sets the effective cost of their second PPR at just $256,000, with a total net profit of $424,000.

"Having a mentor keeps you accountable and motivated. There's no way we could have done this without one."

ANOTHER IN THE NEIGHBOURHOOD

Fresh from their success with the PPR, Paul and Shakira purchased another Kilsyth property for $760,000 in November 2015. Already established, this property also came with zoning favourable to high-density development.

They negotiated a long settlement (nearly two years!), and also negotiated early access to commence DA approvals for a four-lot subdivision. The estimated profit from the sale of this property, targeted for June 2018, is $375,000, with a 20 per cent return on cost.

"We have vision board in our kitchen. Before that, we didn't actually know what we wanted. But now we have a daily reminder."

ADVICE TO INVESTORS

Paul and Shakira are the first to admit their surprise at being in such a strong financial position at such a young age. They put it down to the combined power of mentoring and education.

They also believe in the power of 'stacking' strategies – e.g. combining a reno with a subdivision – in order to create the perfect deal.

They also stress the importance of accountability. Through having an ongoing mentor and regular connection with the ILRE community, they know there's no room for excuses. Your community keeps you focused and moving forward.

"It has been the craziest of journeys. We have evolved completely. Joining the Ultimate Program was the best decision we ever made."

BY JON GIAAN

MY SECRET ANTIDOTE TO OVERWHELM

Overwhelm is about control, and the lack of it.

I know a lot of people feel a lot of overwhelm right now.

It's perfectly natural. It's a very common experience.

The real danger though is that overwhelm can totally derail our drive. We hit periods where it all feels too much, and we just quit.

That's a shame.

So we need to be able to deal with overwhelm. We all do. From Elon Musk to Bezos to Bozo the clown. Whoever. Whatever you do in life, you're going to hit periods of overwhelm.

But lets define the problem.

I reckon the feeling of overwhelm is really just another way of saying that you don't feel like you have control of your time. You're not in charge. The demands of life are conspiring to throw you this way and that.

And so number one when we're fighting the feeling of overwhelm is to become the masters of our own time.

One of the keys here is focus. I like to organise my time in blocks. When I'm on, I'm on. When I'm working on one project, whether its accounts, or design plans, or whatever, I give that one thing my full focus.

I don't take calls. I don't check emails. I don't see how many "likes" my pictures of breakfast are getting.

I stay focused.

That also means getting out of reactive mode. It means not checking each message or email as it comes in. It means not taking phone calls if we're in the middle of something. It means making a plan to give some energy and focus to one thing, and sticking to it.

Resist the temptation.

If you take control of your schedule, you'll stop feeling like a victim. Overwhelmed is another word for powerless.

And so I set my own schedule and do my best to stick to it. I can't hit it every hour of every day. Stuff happens, I know that. But when it does, it's my choice to respond or not.

I'm also a big believer in the idea of "plan tomorrow, today".

Don't scramble through to the end of the day and then try and figure out what the heck that was all about on the bus ride home.

Block out some time to take stock of where you're at, and plan your next day.

It is a real joy to begin the day (the morning hours are some of my most productive hours) with a clear plan and direction. What's more, you're not carrying all that stuff around in your head over night. That means you'll sleep and rest better, and have more energy to hit the day tomorrow.

But at the end of the day, the antidote to overwhelm is control. Take control of your time and you schedule, and it will go a long way to reduce the sense of overwhelm and stress in your life.

JG

HOW TO CUT THROUGH MEDIA SPIN

Don't believe the hype. Everyone is trying to sell you something.

BY DYMPHNA BOHOLT

Ok, so here's an exercise in cutting through media hype.

The AFR (who should probably know better) was running an article the other day under the dramatic headline "Distressed Listings Blow Out as Interest Rates Bite."

It caught my eye.

The number of distressed listings nationwide has jumped by more than 15 per cent since interest rates started rising in May as more vendors struggle to meet sharply higher mortgage repayments, data from SQM Research shows.

"I think the seven straight rises are now starting to bite," said Louis Christopher, managing director of SQM Research.

"The market can handle a 25 basis point rise and even a 50 basis point rise, but it's been happening each month for the past seven months so sooner or later it's going to catch up with some property owners.

"As we get more rate rises, the number of distressed properties will rise as more households struggle to keep up with their mortgage repayments."

Wow. A 15% increase. That's a big lift.

So how many are we talking? In a big state like NSW? 100,000? 200,000?

Nope.

1265.

Queensland posted the biggest increase in the number of properties selling under distressed conditions, rising by 588 homes or 26.7 per cent to 2791 according to SQM Research analysis.

In NSW, distressed listings jumped by 353 homes or 38.7 per cent to 1265, while Victoria added 99 distressed properties or 14.9 per cent to 765.

Distressed listings rose by 14 properties in Tasmania, three in the ACT and one in SA. WA and NT both recorded a drop in the number of distressed listings by 130 and two properties respectively.

In the past four weeks alone, the number of distressed listings increased sharply across Brisbane, up by 15 per cent to 1000 properties, the largest rise across all capital cities.

Number of distressed listings

	May	Oct	Change since May	Change since May (%)	YoY (%)
NSW	912	1265	+353	+38.71	+67.5
Qld	2203	2791	+588	+26.69	+5.4
Tas	54	68	+14	+25.93	+88.9
ACT	15	18	+3	+20.00	-5.3
National	**5753**	**6658**	**+905**	**+15.73**	**+6.0**
Vic	666	765	+99	+14.86	+9.6
SA	264	265	+1	+0.38	-46.8
NT	86	84	-2	-2.33	-1.2
WA	1532	1402	-130	-8.49	-9.2

SOURCE: SQM RESEARCH

Seriously. 765 homes in Victoria listed as 'Must Sell' is hardly going to move the market.

I'd barely think it was worth writing about.

Same story with 'stale listings' – listings that have been on the market over six months. They're up too, but still barely statistically different from zero.

The number of properties that have been sitting on the Sydney market for more than six months has increased by 3.3 per cent in October to 4650 properties.

Stale listings rose by 5.9 per cent to 2378 in Brisbane, were up by 1.5 per cent to 7082 in Melbourne and by 1.8 per cent to 4247 in Perth.

So yes, they're up. Yes, in percentage terms it's a big increase.

But the market is hardly in a panic.

But expect to hear more of this from real estate agents (who get commissions) and papers like the AFR (who sell ad space).

It's a like a broken record every time the market consolidates: "You need to sell and you need to sell now!!!"

Sell, sell, sell. Panic, panic, panic.

Spare me.

Dymphna

How investing in property helped one woman leave her husband and find herself again.

After years in a difficult marriage, Jen had lost touch with who she really was. When the time came to pack her belongings and leave with her children, Jen wondered how she could make ends meet. However, with just two property deals, Jen has secured $250,000 in profit and given herself the financial space to make a fresh start. This is her story.

Jen was a successful in the legal profession and owned property before she got married. Soon after getting married, she took her husband to a Dymphna bootcamp. Inspired by Dymphna they got to work and bought five properties in 3 months. All were manufactured growth deals. The regional properties were cash flow positive from day one, and the Western Sydney properties were slightly negative geared with good growth potential.

After having her children and not working on any property deals for a few years, Jennifer attended a one-day event and then signed up for the Quantum Program. Enjoying the networking opportunities the program offered, she attended the mindset weekend. Life was tough at home and she was nervous about how she would fare over that weekend.

"He wasn't the nicest of men. He put it in my head that I was useless and no good for anything... and I started to believe him."

During one of the exercises, Dymphna asked all of the participants to write down a list of things that made them happy. Jen couldn't think of anything and her page was blank. Dymphna called her out and asked her to speak up.

Under the lights, in front of hundreds of people, Jen didn't know what to say. She felt vulnerable and exposed. Did she really have no idea what made her happy? Was she really that disconnected from who she really was?

As the crowd filed out for lunch, Jen sat down on the carpet and bawled her eyes out. She had hit rock bottom.

A year later, a letter arrived. At the mindset weekend, Dymphna had asked everyone to write a letter to their future selves. Jen had no idea what to write, so she had simply scrawled one sentence: "You are stronger than you know." Seeing the note was the spark that Jen had been waiting for. She resolved to leave her husband and take her two young children with her.

With no job and her equity tied up in the marriage, she set up a working-from-home business, earning commission-only, and continued to work on property deals.

Despite the stress and heartache of a difficult home life and eventual separation, with just two deals Jen has banked $250,000 in profit and has set herself up for a clean and fresh start. This is how she did it.

DEAL 1: SUBDIVIDE THE NORTH

With a messy divorce still playing itself out in the courts, Jennifer lent on the support available in the Quantum Program and sought out a subdivision deal in the northern suburbs of Brisbane.

"Dymphna just resonated with me. I'm an ex-scientist and lawyer. I'm straight to the point and so is she. I love this woman."

After purchasing an old home on a double block for $608,000, Jennifer raised the building and repositioned it on the block, creating space for another house and block. She spent $192,000 on a renovation and subdivision, and $310,000 on the new house.

The new house sold for $780,000, which gave Jennifer a profit of $150,000.

DEAL 2: SUBDIVIDE THE SOUTH

Next, Jennifer purchased a vacant block with two lots for $658,000. She spent an additional $240,000 to get the infrastructure in place and was reliant on the neighbours to give her stormwater access to obtain council approval for the subdivision. After 7 months of negotiations with her neighbours, one neighbour finally gave consent and the subdivision approval was granted.

One of the lots recently sold for$515,000 and Jennifer has commenced discussions with the same builder from the North Brisbane deal to build a similar house on the remaining lot, modified to maximise the city views. The total profit on the deal should be more than $100,000.

FROM THE ASHES

With her divorce settled and financial freedom, Jennifer is ready to begin a new chapter in her life. Though property development and investing, Jennifer won back her independence, freedom, and, more importantly, she found herself.

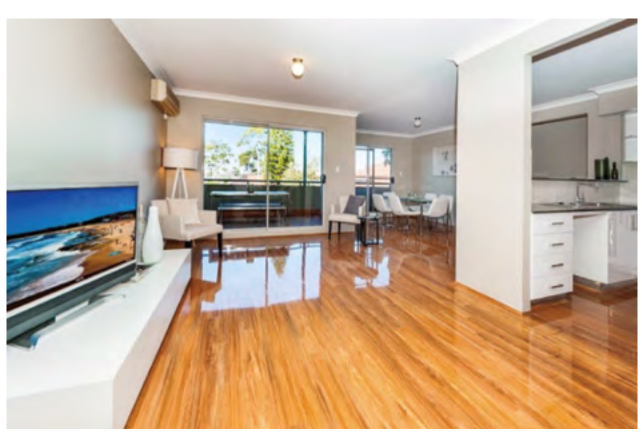
"If it's something you're good at just keep at it. You're going to get better and better every time"

PRE DYMPHNA	VALUE	EQUITY	CASHFLOW
GUILDFORD	$330,000	$70,000	-$5100 PA
MAROUBRA	$550,000	$150,000	PPR
YOUNG	$110,000	-$20,000	-$5000 PA
TOTAL	**$990,000**	**$200,000**	**-$10,100**

POST DYMPHNA	VALUE	EQUITY	CASHFLOW
GUILDFORD	$650,000	$320,000	$3900
WEST SYDNEY 1	$635,000	$385,000	$3725
WEST SYDNEY 2	$620,000	$380,000	$3500
CENTRAL WEST 1	$195,000	$96,000	$4620
CENTRAL WEST 2	$170,000	$77,500	$4200
STH BRISBANE LAND	$535,000	$277,000	-
TOTAL	**$2,805,000**	**$1,535,500**	**$19,945**

EX-HOUSING COMMISSION CENTRAL WEST NSW

Purchase price	$110,000	Current Value	$195,000
Renovation spend	$3,000	Rent	$230pw
New value	$130,000	Positive cash flow	$4620pa



RENOVATION TO SELL MAROUBRA NSW

Value prior to reno	$680,000	Insurance	$15,000
Renovation cost	$15,000	Sold for	$760,000

2 LOT SUBDIVISION – NORTH BRISBANE QLD

Purchase price	$608,000	New house build	$310,000
Subdvd & reno costs	$192,000	Sold new house	$780,000
Sold original house	$480,000	Profit before taxes	$150,000

Within three short years of joining a like-minded community, Kevin & Megan's lives had been transformed.

	PRE-DB 2013	TODAY
PORTFOLIO VALUE	$1,630,000	$2,730,000
DEBT LEVEL	$1,296,000	$1,764,000
EQUITY	$334,000	$966,000
NEGATIVELY GEARED	-$45,000	-$8,600
PROPERTIES OWNED	3	6

PTSD had driven Kevin and Megan to the edge.

Kevin flies helicopters. For 20 years he flew combat missions for the Australian army, completing a number of distinguished tours of duty, including Afghanistan.

Kevin returned home uninjured but the trauma of war stayed with him for years, developing into crippling post-traumatic stress disorder (PTSD). Kevin began withdrawing from the world. This process culminated in 2008 and with a breakdown that left Kevin barely functional and hurting deeply.

"I thought I'd failed my country, my community, my family." – Kevin

Kevin also lost his father in 2012. It hit him, "like a brick to the head." His father had worked for 45 years, retired "without so much as a thank you", and passed away six years later, with a good chunk of those few retirement years spent in hospital.

Determined to make the most of the gifts his father had given him and to escape a similar fate, Kevin found an ad for one of Dymphna Boholt's information days. Kevin felt that this could be what they were looking for. Megan wasn't so sure, but agreed to attend "on the condition that we're not signing anything!"

When they did sign up, they realised they had been "doing everything wrong." They had negatively geared properties, they had bought off-the-plan, and they had spent too much on their dream home. Their two investment properties were costing them $45,000 a year, and their PPR had saddled them with a huge mortgage. This was taking its emotional toll as well. Kevin remembers, "We had no life. In the end I couldn't stand that house anymore. It was killing us."

The I Love Real Estate (ILRE)study materials gave them something to work on together. After the kids went to bed, they got into 'Mum and Dad Homework' and started working closely with their coaches.

Having since renovated their PPR to build equity and reconfigured the downstairs area to create cash-flow, as well as successfully navigating an "ambitious" development project, their financial situation is substantially better and much less stressful.

TURNING A LIFE AROUND

However, it is Kevin's personal journey that has been most profound. He was unable to talk about his breakdown in 2008 until 2015 – at an ILRE Platinum conference!

It was within this 'family' of support – with a community of people committed to honesty and personal growth – that Kevin finally felt safe enough to face up to the ghosts of his past. The daily practices that are a foundation to Dymphna's training regime – the 7 Daily Rituals, the breathing exercise, the meditation, the gratitude practices – each of these began to work their magic.

Within three short years of joining ILRE, their life had been completely transformed. Where Kevin had once felt a deep sense of shame and self-loathing – unable to let the ILRE conference photographers even take his photograph – he has now become a confident public speaker and a passionate advocate for mental health – particularly within the community of pilots and returned service personnel.

This brings with it its own pay-it-forward effect. Within the last four months alone, Kevin's advocacy and work has helped bring two men back from the brink of mental illness and alcohol addiction.

He even turned his remarkable journey into a book. "Releasing Shrapnel from the Soul".

Not bad for a program that was only ever meant to get their financial life in order.

DEAL 1: SOME MAGIC MATHS ON THE PPR

Like many real estate journeys, Kevin and Megan started with their PPR to build a base to work from. Using Dymphna's Grid Variance Analysis, they realised there were probably some easy gains to be made with renovations.

They took the rumpus room, which was oversized, and put in a dividing wall. At a measly cost of $5,000, they added an extra bedroom, and increased the valuation of their property by $150,000. As Megan says, she's never cared much for numbers but she liked that maths!

DEAL 2: WHOOPS! HONEY, I DID A SEVEN TOWNHOUSE DEVELOPMENT

Their next deal ended up being a seven-townhouse development, though they never intended to set their sights so high so early.

Purchasing a property in Toowoomba, it was meant to be an easy "set and forget" development. They planned to subdivide the property, keep the house on the front and build on the back.

However, the block ended up being just 300mm short, and they were unable to subdivide it. They looked at a strata title but that didn't work either. In the end, the only way they could make the numbers stack up was to build seven townhouses.

They knew they were in over their heads, but luckily they had some experts they could lean on. As Kevin says, "The only way we got through this one with our shirts on was with Dymphna's guidance."

Thankfully, Dymphna was able to help them avoid what could have been a financial black hole, and it now looks like they should be able to book a $100,000 profit on the deal.

"I really value having a coach who can help you see what you can't see. My coach really gave me the tools to help me be me." – Megan

DEAL 3: AIRBNB SUPERHOST

Kevin and Megan then went back to their PPR, creating a self-contained unit underneath their house. The extra bedroom and bathroom cost them just $54,000, but again increased their equity by $150,000.

They now rent the studio out through Airbnb, with an 85 per cent occupancy and generating $24,000 pa passive income.

Megan is really enjoying the people-side of this work, and she achieved 'SuperHost' status in her first quarter!

For Megan this is one of the signs of just how far she and Kevin have come. "There's no way that I could have imagined just three years ago that I'd be inviting total strangers onto the property. I couldn't even invite close friends over."

PROFOUND HEALING

These days, Kevin and Megan feel much better about their financial situation. Their cash flow position is almost $40,000 a year better off, they have three additional investment properties, and they have almost doubled the value of the PPR.

However, it is the transformation they have seen in both of their personal lives that makes them 'eternally grateful'. Kevin found the strength and support he needed to "release the shrapnel from his soul", and he has become an inspiring example of the vulnerability and courage it takes to face your demons.

Megan had also thought that she would be supporting Kevin and his depression for life, and she cannot believe the freedom and expression she has now found, especially through Airbnb hosting.

They never imagined that joining the ILRE community would be such a personal revolution, but then as Dymphna says, magic happens where dreams and action meet.

"Men still aren't having a conversation about mental health in Australia. But I'm out there having that conversation." – Kevin

PPR ASHGROVE RENO 2013
Add wall to create 4th bedroom. Cost $5,000. Increased value by $150,000!

PPR ASHGROVE RENO 2017
Cost $54,000. Reconfigure downstairs to create Airbnb cash flow of $24,000. Uplift in value $150,000.

7 TOWNHOUSE DEVELOPMENT
Buy price $340k. GRV $2.24m. Flood of stock on market. Expected adjusted profit $100k.

Kevin talking about combat and perceived shame of mental illness as part of an Australian War Memorial video.

With the right strategies and support, this couple finally gained more financial freedom.

Dan and Leanne were doing everything 'right': they had good jobs, worked hard and put money aside to grow their wealth. Despite having a substantial property portfolio, they hadn't attained the financial freedom they were seeking. After joining Dymphna Boholt's Ultimate and Platinum Programs, Dan and Leanne streamlined their property holdings into a $2.8M 'performance portfolio'. This is their story.

Growing up, both Dan and Leanne were taught the rules of the status quo: the only way to get ahead is to get a good education, a good job, put your head down and work hard. After completing university, Dan worked as a real estate agent only to find that he didn't have enough secure employment for the banks to give him a mortgage. To gain more stability, he got a secure job as a police officer.

With Dan in a profession that 'teaches you to mistrust everyone' and Leanne working in public service, they lived a conservative life. Despite growing to a family of six and creating property portfolio of six, Dan and Leanne were still disillusioned, time poor and stressed. Dan's annual income was $110,000, which was enough for the family to stay afloat but not enough to truly get ahead.

Attending Dymphna's one-day event kick-started the rapid growth of Dan and Leanne's property portfolio assets. Despite having several investments, Dan lacked professional knowledge and an understanding of the property market. Dymphna's training showed them that they needed to step outside the box.

Dan and Leanne soon realised that there was a better way to accrue wealth and financial security. Using Dymphna's methodology, they streamlined their property portfolio, kept the properties with the most potential, and paid down their debt.

In just a few years, they've successfully reduced their debt from $1.35M to $950,000 and increased their equity by $400,000. They also have asset protection on their $3M portfolio. With a cash flow of $30,000, they're just one year away from replacing Dan's income and embracing more financial freedom.

"After half an hour I was like, 'Oh, my God, this woman [Dymphna] has so much to say that I need to hear'." – Leanne

Most importantly, Dan and Leanne's results have been felt on a deeply personal level. Thanks to Dymphna, they've been able to get their portfolio working for them and attain the lifestyle they were yearning for. This is how they did it.

DEAL 1: COUNTRY COIN

Dan and Leanne's first deal was the sale of a property they bought over a decade ago, which sat untouched. They looked at renovating, adding a granny flat and subdividing but a sewer line down the middle of the backyard limited their options.

After completing the training with Dymphna and learning how to do a feasibility study, Dan and Leanne discovered that selling their house in its current condition was the best course of action. The sale netted them a gross capital growth profit of $187,000.

DEAL 2: GAINING CONFIDENCE AND SECURITY

Another property gem that Dan and Leanne owned was a block of three units in Armidale, NSW. In early 2017, vacancy rates were rising and they found themselves in a tricky situation.

They wanted to sell and thought they needed to undertake a renovation. However, Dymphna's training showed the effectiveness of a 'partial renovations'.

They spent $15,000 on a partial renovation and increased the occupancy rate and the rent by $60 per week for each unit. By getting higher rental income and full occupancy on the units, Dan and Leanne could show that the value of the property had gone up. They sold the units for a seven per cent return on value and a profit of $183,000.

DEAL 3: A HELPING HAND REGAINS TRUST

Through implementing the strategies they'd picked up in the Quantum Program and the sale of their first two properties, Dan and Leanne started to regain control of their lives and finances.

This newfound confidence enabled Dan to help a colleague and enter into a joint venture. Dan's colleague was desperate to retire and was stuck with a property – a five-lot subdivision in rural NSW – that hadn't sold after two years on the market.

The owner hadn't been advised well and was trying to sell the subdivision with a DA approval, even though the plans mandated that a sewer connection was over two kilometres away. This made the sale of the property very unattractive to potential buyers.

With the advice of their mentors in the Quantum Program, Dan and Leanne struck a deal to finance and manage the project, and rework the DA plans into something more practical. All told, their projected profit for this deal will be around $200,000.

DEAL 4: TURN A NEGATIVE INTO POSITIVE

With their momentum building, Dan and Leanne turned their sights on their principal place of residence, which is positioned on a farm alongside a national park with a beautiful gorge and a waterfall. Although they bought the land with the intention of farming, they discovered that the land is tragically dry, meaning that their home functioned as a lifestyle choice, rather than an investment.

They started thinking outside the box and decided to share their private access to the national park and utilise an approved eco-tourism permit. They've undertaken comprehensive research and plan to build three deluxe eco-cabins which will be cash flow positive to the tune $66,000 a year.

"Get out of your box! If there's just one person that gets something out of our journey ... I'd be happy." – Leanne

BREAKING OUT OF THE BOX

Having extricated themselves from some tricky deals and streamlined their property holdings into a performance portfolio, Dan and Leanne's financial future is no longer a cause of stress. They're confident about future opportunities and Dan expects to leave the police force and replace his income within the next year.

FINAL RESULTS	PRE-DYMPHNA	POST-DYMPHNA
PROPERTIES	6	4
EQUITY (ESTIMATED)	$1,400,000	$1,800,000*
MORTGAGE	$1,350,000	$ 950,000*
CASHFLOW (GROSS)	$76,000	$32,760*
ASSET PROTECTION DEBT	NIL	$850,000
CONFIDENCE & GOODWILL	NIL	LOADS
PORTFOLIO VALUE	$2,467,000	$2,850,000

DEAL 1: COUNTRY NSW
Profit – Capital Growth only $187,000 gross

DEAL 2: ARMIDALE NSW
Overall Capital Growth – Manufactured and Natural $183,000

DEAL 3: JV SUBDIVISION ARMIDALE NSW
Net profit estimated $200,000 each

DEAL 4: HOLIDAY CABINS HILLGROVE NSW
Estimated cost $400,000
ROI: minimum 22%

WHY FORWARDS FEELS LIKE BACKWARDS

If it feels like you're going backwards, you might be making progress.

BY JON GIAAN

"Sometimes things have to get worse before they can get better."

This is something that I only got recently.

I always heard this and thought "yeah, yeah, that's probably true... for other people. I'm just going to cruise from one level of awesome to the next."

But the other day I got it.

And I got it because I went the physio.

I went to the physio to get my shoulder looked at. As you know, I hit the gym pretty regularly. I like the energy it gives me, and I like to keep myself looking like a Greek god (the god of eating and drinking.)

But my shoulder was starting to tweak out a bit, and I think all the time I was spending at the computer probably wasn't helping.

Anyway, I won't go into the details of the bio-mechanics (because there's no way I remember), but my physio spent some time on my shoulder and loosened a bunch of stuff up.

And what I noticed was that my shoulder was feeling better. So that was great. But then my neck was feeling really sore. And under my arm pit. And across my chest.

I'd seemed to have replaced a single chronic pain with a whole bunch of minor ones.

So I went back to the physio and was like, "hey, what's going on here?"

And they said, "Sometimes it has to get worse before it gets better."

And I'm like, "Oh don't give me that. What do you mean?"

It turns out that what was happening is that I was using my shoulder in a particular way to protect other parts of my body.

So because my neck was tight, my shoulder was moving in a way that didn't make my neck worse. And because my chest was tight, my shoulder was moving in a way that protected that.

Eventually, that funny way of moving started to create pain in my shoulder.

But what that meant was that when we got the shoulder moving freely again, it was no longer protecting my neck and my chest.

And without the protection of my shoulder, I now became very conscious of the pain in my neck and chest.

It felt like a new pain, but it was actually just an older, legacy pain being unsurfaced.

And so now I have more work to do.

And at this point I got it. This is why sometimes it feels like you're going backwards when you're going forward.

We build many different rigidities into our life to 'protect' pain points.

So maybe feeling poor is painful, so we cover that up with a resentment of rich people and an unfair capitalist system.

Maybe we felt shame about our creative urges, and so we cover that up with a hyper-macho commitment to being 'business-like'.

Maybe we were rejected in love, and so we cover that up with an over-the-top righteous commitment to dead-end marriages, with an expectation that marriage should be dull and boring.

Whatever it is, at some point those protective measures don't serve our broader life goals. They are protecting particular pain points, but they are holding us back from living a rich and happy life.

And so we need to 'unwind' them.

But when we unwind them, the old pains resurface, and now we've got to deal with them.

And so there comes a stage where all we've got to show for our work is a new set of pain – a new cluster of blockages – and a cluster of blockages that feels deeper and harder to shift than the original set, because they are.

And this is why sometimes things have to get worse before they can get better.

So stick with it.

Keep going, and eventually everything will be moving in harmony again. That point exists.

Just got to push through it.

JG

THE SUPER POWER MOST OF US NEVER USE

Humans have one super-power… and most of us never use it

BY DYMPHNA BOHOLT

Can you imagine if you had to learn everything from scratch?

I mean everything.

Okay, so I watched 'My Octopus Teacher' the other day. I know I'm late to the party. But it was a great little docco.

And one of the things that jumps out at you is just how smart octopuses are, and how clever they are learning how to get to around their little environment.

And you can watch this octopus, through a process of trial and error, learn how things work.

And it has to use trial and error because octopuses are one of those species that don't have the benefit of parents showing them how things are done.

Right now the magpies are active around where I live. And you can see the young ones shadowing the older ones, learning how to hunt and sing and steal worms from my garden.

But octopuses don't have that. Every octopus starts from scratch. Every octopus has to reinvent the wheel for themselves.

Which is why octopuses don't have wheels. Or steam engines. Or word processors. Or excel spreadsheets.

And it made me realise that this, perhaps more than anything, is why we are the dominant species on the planet. This is our super-power.

Yes we have big brains. But octopuses have the brains too.

The key to our dominance is our ability to transcend time. Every generation builds on the generation before.

I mean, imagine starting from scratch. How far along the timeline of technological advancement would you be able to get in a single lifetime? Maybe to a bow and arrow? Maybe to a wheel?

Certainly not to AI-powered facial recognition.

Humanity's greatest strength – our super-power – is our ability to share knowledge, with each other and through time.

Now, given this, how many property investors do you think try to reinvent the wheel when they first start out?

My guess … Maybe 90%. Maybe more.

Most investors when they're starting out want to be that clever little octopus, figuring out everything for themselves.

And maybe they'll do well. Maybe they are very clever. Maybe they'll get a few stages beyond the wheel all by themselves.

But how far do you think those investors would have got, if the first thing they had done was to tap the great well of our shared knowledge and wisdom?

The difference is massive.

So my advice to you is to lean into this – lean into what makes our species truly special – our super-power.

You don't have to be an octopus.

You don't have to do it alone.

Dymphna

With just one deal, this couple effectively doubled their income and created $800,000 worth of equity!

Jason had a building business that went bad. Relying too much on people that in the end just couldn't be trusted, Jason saw his once profitable business taken out from underneath him.

Not only did he find himself without his livelihood, he also found that he had a tax debt to the ATO of over $300,000.

Jason hit a low point.

With a total debt burden north of $700,000, they almost lost their home and had a tough fight on their hands to keep bankruptcy from the door. Jason had his faith in people tested, and he found it difficult to trust anyone. He just didn't know if he could start over.

However, after attending an I Love Real Estate (ILRE) presentation in Hobart, Jason was impressed with the ideas and strategies on offer, and signed up for the Ultimate Program.

Armed with a 30-point action plan and a brand-new mindset, Jason took what he learned at the Ultimate program, and with just one deal, managed to replace his entire income, and build $800,000 worth of equity.

"We can't believe it ourselves but we have done it. This is a life changing deal for us."

THE GOLDEN DEAL

With a background in business, Jason was drawn to commercial property. After they had skilled up through the Ultimate Program, they found the deal they were looking for, almost immediately.

Situated on the highway within minutes from the Huonville shops the property was a 3437sqm commercial complex on 1.5 acres of land with an asking price of $830,000. With main street frontage, an excellent location and mistakenly listed with a residential agent, Jason and Mary could see it was a hidden gem.

OPPORTUNITY PLUS

Upon further research, they found that the property had five separate business under lease with plenty of opportunity for more. It also had subdivision approval and strata potential at the rear of the property. One of the businesses was a warehouse with thirty-five storage units, and there was room to add more.

Currently, the property returned a positive cashflow of $21,000 pa. Jason ran the numbers and calculated the return on imnvestment at 14 per cent - even before they had tapped the property's full potential.

THE OFFER

Jason and Mary immediately made an offer of $800,000, but threw in a handful of important conditions:

- $10,000 deposit;
- 30-day finance clause;
- 30 days due diligence to confirm council records, easements, covenants and current lease agreements;
- Access to site and consent to approach council for plans and records; and
- Settlement in nine months.

To their delight the conditions were accepted, but the owner wouldn't budge on the asking price of $830,000.

TIME FOR ACTION

Within 30 days of discovering their treasure chest, they had received finance approval from two different lenders. Jason and Mary sat down and wrote a 30-point action plan for maximising the returns on this deal.

Their first strategic move was to negotiate a 'win-win gentlemen's agreement' with the owner, allowing them to start works before settlement. They also arranged a new lease agreement prior to settlement, which enabled them to increase the term of lease and reset the rent to current market value.

In the end, Jason and Mary settled three months early, and within ten weeks of ownership applied the following manufactured growth strategies:

- They were able to add a hardstand lease, since the agent had massively under quoted the available floor space;
- They added 12 extra storage units;
- They increased all leases to market rates; and
- They reduced $19,000 worth of outgoings to $12,000.

At the time of purchase, the net rent from the five tenancies amounted to $70,000 pa. It is now estimated at $117,000 pa, with a 12.6 per cent yield. The new value of the property is $1.16M, the estimated positive cashflow is $51,000 and they still have room up their sleeve with an option for extra tenancies or filling more storage units.

Jason and Mary now have the cash-cow they were after.

"It's possible with just one deal."

ADVICE TO INVESTORS

Having replaced their income with a single deal, and with their financial situation totally turned around, they have a new lease on life. They've regained their confidence, or as Mary says, Jason "has got his mojo back."

They stress the importance of education for showing you just what is possible, and what pitfalls to avoid. It is not rocket science, but there are a lot of things you need to be aware of, especially when you get into commercial property.

"There is no way that I would have done this deal without the training. I definitely wouldn't have even looked at commercial."

They also emphasise the power of networking. Once people know what you're capable of, people start coming to you with deals and joint-ventures, especially in a small community like Tasmania.

MANUFACTURED GROWTH STRATEGIES

- Leases month to month – Increased to market rent
- Under quoted floor space
- $19K outgoings by owner (reduced to $12K)
- Added hardstand lease
- Added 12 storage units
- Access prior to settlement and settled early!

NUMBERS BEFORE

- Buy $830K
- Nett Rent $70K
- 8.4% Yield
- Cashflow $21K

NUMBERS NOW

- Gross rent all tenancies today $152k Yield 16.8%
- Outgoings reduced to $12K 9.2% Yield

How an army veteran saved his family through property ... and ended up saving himself.

Heath and Monique joined the I Love Real Estate (ILRE) community because they wanted to help their families battles with property.

For Heath, it was about helping his ailing father extract himself from a sprawling, heritage listed home before the bills and the maintenance destroyed him.

For Monique, it was about fighting off the bank lawyers and saving her mother's house – all of which they've managed to do.

They've also managed to improve their own financial situation as well – creating a substantial equity gain in Heath's Canberra investment property and buying the block of land they've always dreamed of, setting themselves up to live completely off the grid.

However, it was finding a sense of family again in the ILRE community that really unlocked their lives. As Heath says, "the hardest time in the army is when you leave. It's like moving to another country. For 10 years the army's your family and suddenly it's gone."

This newfound community of support, along with the self-development practices that are part of the ILRE training has totally changed their outlook on life. They are optimistic about their future. Heath is no longer plagued by the crippling anxiety and suicidal thoughts resulting from his military experience and is now committed to helping others, particularly returned service men and women.

DEAL 1: MANY ROOMS IN MY FATHER'S HOUSE

For over three years, Heath had been covering all the costs of his father's place. It was a large seven bedroom heritage home in Bendigo, with just Heath's father rattling around inside. Heath's father was ready to sell, but there was no way they could get the price they wanted with the property in the condition it was in. Heath couldn't buy the property off his father so, using the templates he received with his training, he created a joint-venture with his father, with Heath covering the costs of renovations.

All up, they spent over $300,000 on the renovations (with $30,000 of that just going on paint!). It was a special place and they really wanted to do it justice.

However, the money is well spent, with the valuation uplift coming in at over $400,000. With his father's property sorted, Heath and Monique were then able to move on with their own property journey.

DEAL 2: A WEEK IN CANBERRA

Still partway through the renovations in Bendigo, Heath and Monique decided to renovate their Canberra investment property – a unit which was originally Heath's PPR.

Giving themselves just a week, they arrived and went straight to Ikea for a new kitchen.

Heath had been looking to refinance this property and was surprised that valuers were only giving him $160,000, when he was sure the market was at $230,000. He realised that it all came down to that one box to tick as to whether the property was renovated or unrenovated.

And so, with a cheap cosmetic renovation, costing less than $15,000, they were able to increase the value of the property by close to $100,000.

DEAL 3: LAWYERS AT THE DOOR

A short while later, they had to apply their newfound property knowledge to get Monique's mum out of trouble. She had a large six-bedroom house in Perth, but with the market stagnating, and struggling to keep up with repayments, the banks were threatening to repossess her house.

Heath had seen how well people had been doing out of Airbnb, and Monique's mum's house was close to the university. And so, while Heath sat there and pretended to watch television, he signed Monique's mum up to Airbnb. She couldn't understand why suddenly there were all these enquiries coming through on her phone.

Her first client – a German university student – signed up for three months, and the property is rarely empty these days.

With this extra cash flow and the staved off threat of foreclosure, they now have a healthy buffer to work with.

DEAL 4: SUB-DIVISION, NOTHING FANCY

Still waiting to apply their property knowledge to their own situation, Heath and Monique were then called on to help Heath's mum. Heath's step-dad had a sudden seizure and came within an inch of death. While he managed to pull through, the seizure had taken its toll on his mind. He could no longer answer even simple questions.

With medical bills mounting, Heath's mum wanted to know if there was anything they could do with her investment property in Bendigo. Heath's research showed that a similar property had recently been subdivided, with a duplex development being built on the back block.

Heath's mum was happy with the idea of a subdivision and this is in train, set to deliver a welcome $200,000 in profit. She's reluctant to commit to the idea of the duplex development so, this might be something that Heath and Monique will do later.

DEAL 5: THE DREAM BLOCK

With a clear vision of where and how they want to live now, Heath and Monique have bought a beautiful 100-acre block near Melbourne. The unique biodiversity of the place has meant that negotiating plans with council has been a long journey and the bushfire regulations in particular are complex.

They also spent so much time helping family in recent years that they've been unable to put as much energy in as they'd like – they've even had to live through several winters without heating!

However, they now have a temporary shipping container on site (which Heath describes as 'cosy' and Monique describes as 'tight') and with 18 solar panels and rainwater in place, they are already living the dream of living completely off the grid.

THOSE WHO SERVE

Taking power into their own hands and using that power to help their immediate family has been a profound experience for Heath and Monique.

Heath is amazed at his new-found confidence. There was a time where he couldn't share his story with anyone. To find himself on stage sharing his story with hundreds of people, is a sign of the transformation he's been through in a relatively short period of time.

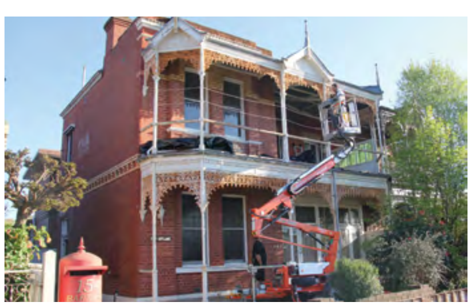
Heath and Monique also want to stress the importance of having a formal joint venture agreement in place even when you're working with family. It just keeps everything clear and above board. When money's involved, things can get tricky and the best intentions aren't going to save you or your relationships. Which, after all, is what it's all about.

PRE-DYMPHNA (PROPERTIES IN OWN NAMES AND PASSIVE APPROACH)

PROPERTY	VALUE	EQUITY AVAILABLE
TOTAL	$890K	$475K

POST-DYMPHNA

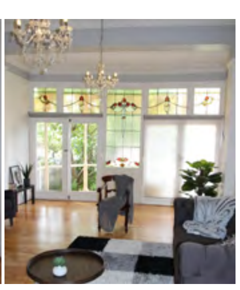
PROPERTY	VALUE	EQUITY AVAILABLE
CANBERRA UNIT	~$240K	+$80K
PERTH UNIT	$270K	-$10K
100 ACRES	$650K	+$200K
BENDIGO RENO (DAD)	$1.8M	+$400K+
BENDIGO SUBDIVISION (MUM)	~$200K+	+$200K
PORTFOLIO / (INC FAMILY DEALS)	$1.13M / ($3.4M)	$270K+
TOTAL CASH/PROFIT/UPLIFT	APPROX $1.35M	



DEAL 1: HERITAGE RENOVATION

$300,000+ on the renovations.
Repainted, new period fence,
replaced galvanised roof, landscaping,
smart home automation/security

Uplift: 400K+



DEAL 2: CANBERRA RENOVATION

PPR – 1 week reno blitz
Body corp – sinking fund
New front fence – street presence
Rendering car-ports/coverings

Uplift: +80K & rent +15%

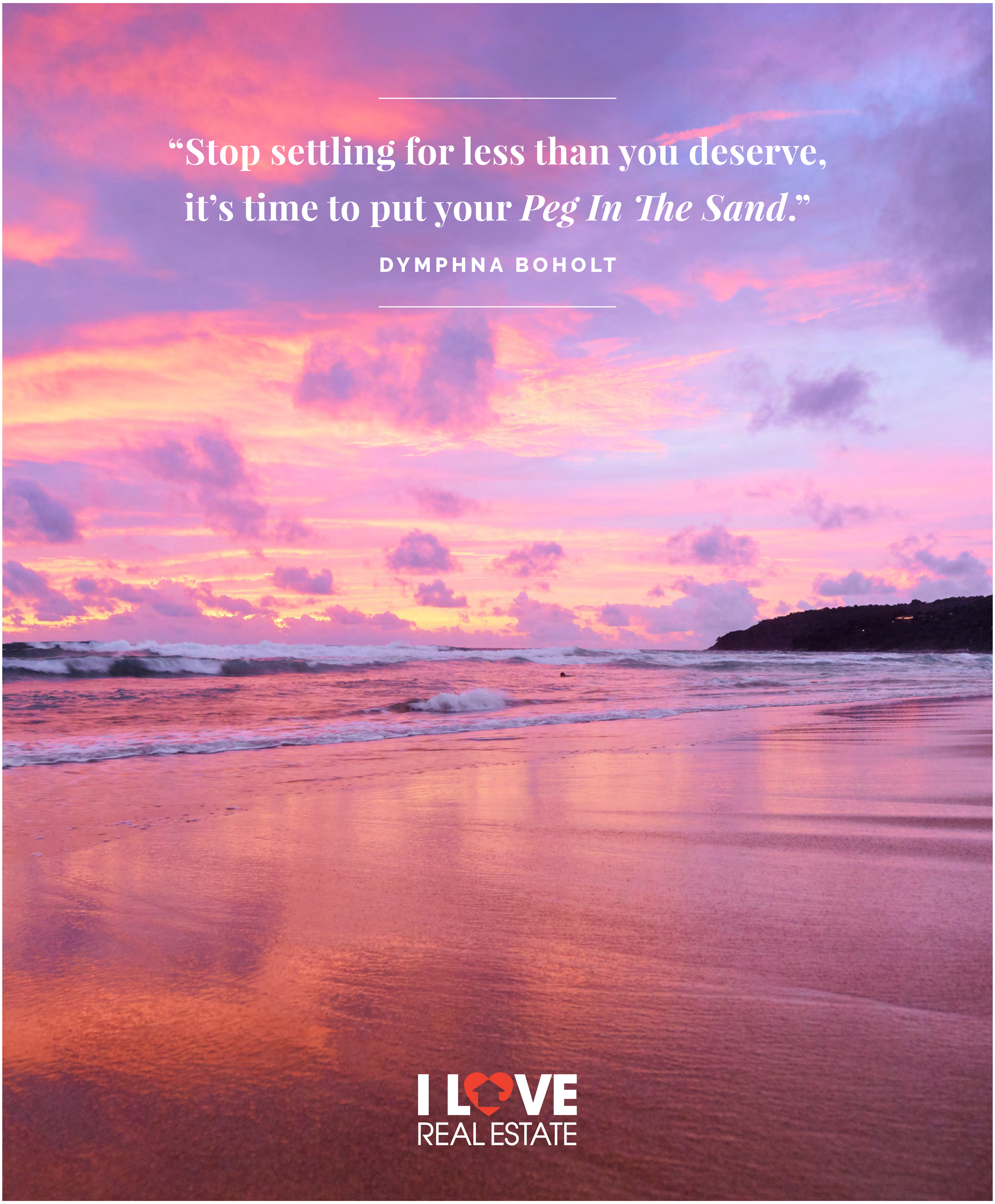
DEAL 3: PERTH AIRBNB

Monique's mother's 6 bedroom home is close to a University, so they put three of the bedrooms on Airbnb resulting in cash flow to help with her mortgage repayments.

DEAL 4: SUBDIVISION

Sub-division - Front/Rear Access,
1040m², 20m Frontage
Develop Rear Duplex

Uplift: +$200K



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The I Love Real Estate Movement is a 'Closed Group" for ALL those existing investors, future investors, and anyone who just wants to learn all about my Real Estate Investing Secrets. I will be providing heaps of behind the scenes info, LIVE messages, including students success stories. It is an inclusive Community that just Loves Real Estate, and you will find lots of useful and helpful support from other students and my coaching team! Scan the QR code or go to: https://www.facebook.com/groups/ILoveRealEstateMovement/

PLEASE NOTE: These stories reflect each investor's results at the time they were recorded. Individual positions may have changed since the time of writing. Real estate investing is a dynamic vehicle. Cash flow and equity positions can change on a daily basis. These are the student's stories (approved by the students) and the timelines and details of all transactions have not been verified by Knowledge Source or Dymphna Boholt. All readers should strongly consider seeking advice from their own personal investment adviser based on their specific circumstances. No remuneration was offered for students appearing in this publication.