ISSUE 7

I LOVE REAL ESTATE

COST: PRICELESS

The Source

COVID NEW NORMAL EDITION

EDUCATION | COACHING | STRATEGIES | SUPPORT | COMMUNITY

ARE YOU READY FOR THE ROARING '20s?

The Greatest Real Estate Boom In Our Lifetime Is Here

BY DYMPHNA BOHOLT
Founder of I Love Real Estate

What I'm going to share with you now is probably going to sound crazy.

How can we possibly be set for a rerun of the Roaring 20s?

We've got the Coronavirus under control (for now!) in Australia, but it's still running amok in America and most of Europe. China, our biggest trading partner (for now!) has Corona under control, but they've decided they don't want to be best buddies with us anymore, and are clamping back on cross-border trade.

On top of that, JobKeeper is ending, unemployment is up, mortgage deferrals are lapsing, small businesses are shuttering.

How could we possibly be on the cusp of the kind of super-cycle boom that made the 1920s famous?

But cast your mind back 100 years to 1920. How many people back then thought the future was going to be a bright and fantastic place to be?

Think about it. World War I had just ended, laying to waste an entire generation of young men the world over. On top of the tragic personal cost, it was a massive hit to the productive capacities of the world's economies.

Not only that, you had a pandemic that followed hot on the heels of the war. The Spanish Flu killed millions and there was no known cure.

The outlook in 1920 was grim.

And yet people stood on the cusp of one of the most epic and famous economic booms in human history...

... and they had no idea.

The world is a very different place 100 years on, but there are some important parallels.

For instance, just as they were in 1920, governments are squarely back in the driver's seat. After taking a hands-off approach for the better part of 60 years, governments are taking responsibility for our economic prosperity again.

After running close to surplus for several years, we are now running a budget deficit to the tune of 10% of GDP. That's massive. That's a huge injection of cash, straight into the economy.

This firehose of cash is working hand in glove with lower-interest rates. Mortgage rates in particular have tumbled, and it's increasingly common to see banks offering rates with a '1' in front of them.

Incredible! I never thought I'd see that in my lifetime.

At the same time, there's a revolution in the way we structure our economies. Just us WWI forced us to reimagine our trade networks and supply chains, Covid has given us Work from Home and Zoom meetings, and a rapidly shifting geo-political playing field.

And in the context of this rapidly dematerialising economy (think about what Netflix and Spotify have done to VHS cassettes and CDs), with the money machines printing cash at full tilt ($100 billion in six months in Australia!), hard assets have become a hot commodity.

This is what we saw during the GFC. All that "liquidity" (aka made-up money), flowed straight into asset prices. Between 2010 and 2018, in the western world, stock markets and property markets boomed.

But – and this is the really important thing – the 'liquidity' that flowed out of the GFC is nothing compared to what's flowing into the global economy right now! It's like comparing a garden hose with the mighty Murray-Darling.

And that's why I believe we're looking at a rerun on the Roaring 20s.

And look, obviously the 1920s is only a rough metaphor, and there's a lot of nuance we need to get into. But Jon Giaan – the rascal economist – and I will get into some of that nuance in the pages of this magazine for you.

And I think when you look at the data, when you see how our property and asset markets are already responding to the stimulus we've seen – and when you remember how much stimulus is still on the way – then it's easy to understand why the outlook is so exciting.

In fact, this could easily – very easily – become the greatest property boom we've ever seen.

THE BOAT IS LEAVING.

Here's another thought experiment. Go back to 1920 and give your ancestors a prod. Tell them to load up on property and stocks.

What would most of them say?

"Oh no. It's too risky. There's too many unknowns. There's still a pandemic. Unemployment is too high. I'm going to wait to maybe 1925 or 26 before I invest in anything."

Your ancestors would probably be saying the exact same things that people are saying now.

And they would miss the boat.

This is the thing. When you stand at one of the great inflection points of history, the way forward is never clear. There are always risks. There is always uncertainty.

But have a look at the evidence we lay out in these pages. Are you really going to take the risk? Are you really stare down the barrel of potentially one of the biggest booms in history and do nothing?

The time to get ready is now. Your window of opportunity might be short.

There's three things you have to do. You have to get educated, pick your line (decide on which strategy suits you and your situation), and get ready to execute (get finance-ready, set up ownership structures etc.)

Many property market indicators are already picking up. Some regional areas are already booming. How are you going to play it?

Now, in the pages of this magazine, I'm going to show you the complete range of property investment strategies on offer.

I'm going to share with you real-life examples of deals that real-life students have actually done. It's all in there. Renovations, flips, subdivisions, duplexes, triplexes, estate developments, boarding-houses, AirBnB's, you name it. It's all in there.

And the results are going to inspire you:

- Sanders (page 7) left Zimbabwe with $50 to his name, but he has now engineered a string of 14 successful deals, and has set his family up for life.
- Kelly (page 17) quit the reception desk where she was earning $45,000 a year, and now earns $190,000 a year as a full-time property investor.
- Shiral (page 23) turned just $40,000 into $32 million worth of real estate deals.

They're all fantastic stories, but these guys are all in the place they are in because they took the opportunities that life offered them.

They got educated, picked their line, and executed.

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.

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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."

ARE YOU READY FOR THE ROARING '20s?

CONTINUED FROM PAGE 1

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.

Here's something else you need to know.

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.

Dymphna

IN THIS ISSUE

REVEALED: THE BOOM IS ALREADY HERE!

Most people don't realise, but the boom's already started.

BY DYMPHNA BOHOLT

Right now, I'm going to let you in on a little secret.

The boom is already here.

Right now, the market is at an inflexion point. It's changing direction. The tide is in the middle of turning.

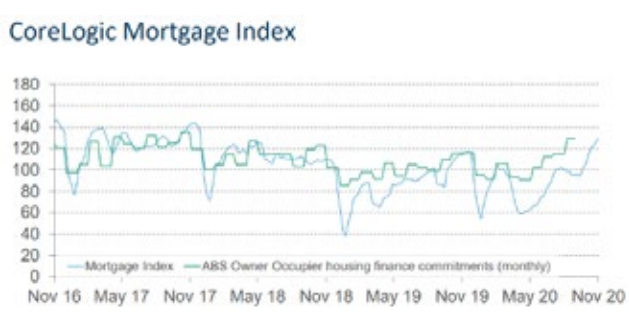
At times like this, the market doesn't give you a clear signal. The price data has yet to start moving with much confidence.

But if you look at the partial indicators – the data points that let you look behind the scenes at what's driving prices, you can see all the ingredients for a boom are already here.

I'm going to show you some of these partials now.

First up, take a look at CoreLogic's Mortgage Index – these tracks a number of things in the mortgage market – applications, enquiries, loans written etc. – and pulls them together into a single index of 'market activity'.

And what this index is showing is that the mortgage market is not just heating up, it's already running hot.



There was a sharp pause, as you'd expect, around March, but it's been consistently moving upwards since then, and it's now running at its highest level since November 2017.

This index tends to lead actual mortgage finance by about 3-months, so again, it's something that points to the market really hitting its stride in the first and second quarters of 2021.

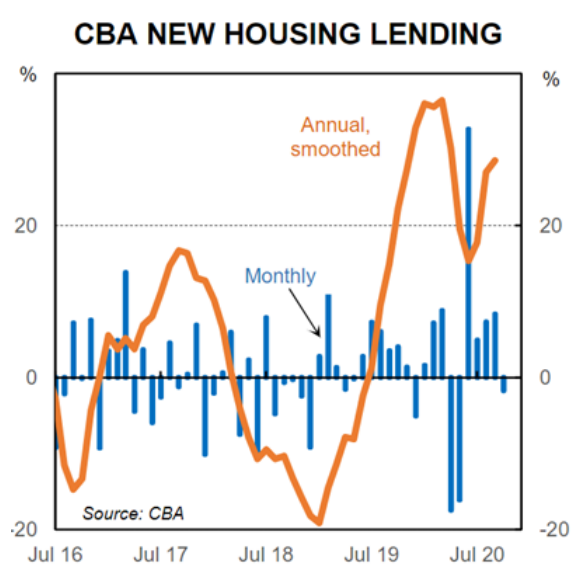
Let's stay with the mortgage market for a bit. Now, one of the things that makes forecasting hard is that there's often long lags between when the data is collected and when it's published.

The ABS's measure of mortgage data is like this, and it's a bit like looking in a rear-view mirror.

Thankfully, one of the innovations to come out of Covid is real-time updates from CBA, from their own mortgage book.

This data is telling us how many new loans CBA is issuing to CBA customers (so not the complete market, but a big enough chunk of it to give us a pretty good feel for the trends involved.)

And what this data shows us – the latest here being early December – is that CBA is writing mortgages at a furious pace!



The annual change there – the orange line – is probably most interesting, and it shows CBA's mortgage book is growing at over 20% a year!

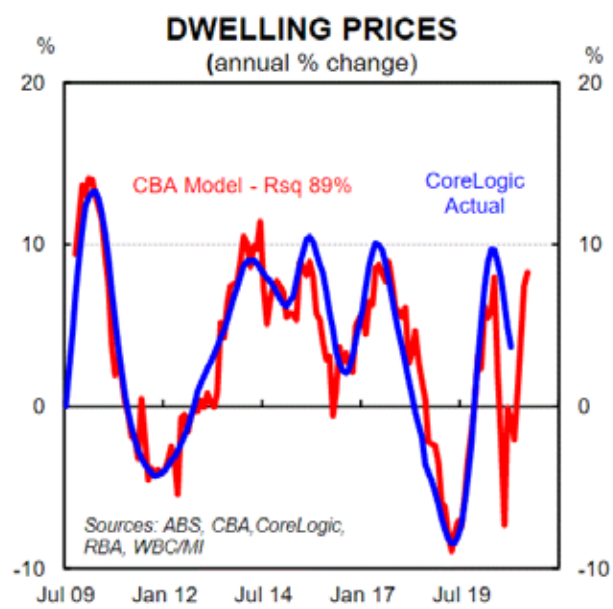
That's massive.

And it's way ahead of the pace mortgages were growing in 2016 and 2017.

And if we stay with CBA, we also know that they're model is looking for very strong price growth in the months ahead.

So CBA has a fancy model that they use to predict house prices – and to be fair, it generally does a pretty good job.

And right now, that model is expecting prices to be growing almost 10% in the first half of next year.



That kind of growth would take us back the mini-booms we saw in 2014 and 2016. (And I think that's probably only the start of it.)

So my advice to investors is don't wait for these things to show up in the rear-view mirror.

The partial indicators are giving us a very clear picture of where we're going.

And where we're going is 10%+ in the first half of 2021, with possibly as much again in the second half.

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**

WELL, THAT COULD HAVE BEEN WORSE

I'll be honest. That panned out better than I expected…

BY DYMPHNA BOHOLT

So, close of 2020. Where are we at?

(Aka – what on earth just happened?!?)

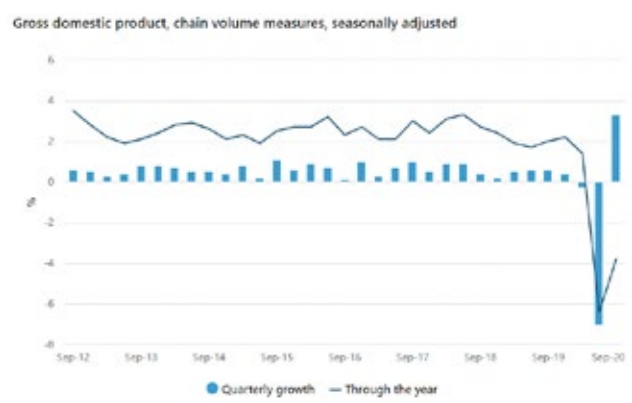
Pretty much all the data we're going to get this year is in, so we can paint a pretty clear picture of what 2020 has left us with.

And to be honest, we're ending the year in a stronger position than even I thought we'd be in (and I'm a glass-half-full kinda gal.)

On the two key economic metrics that matter, we've done surprisingly well. GDP – also called the economy – is doing much better than expected. And so far the jobs market is too.

We got the GDP data last week. It was a strong result. We got 3.3% in the quarter, which would be colossal any other year, but this isn't any other year, and much of it was due to the reopening of the economy after a forced lockdown in the June quarter.

However, it was better than most economists were expecting.

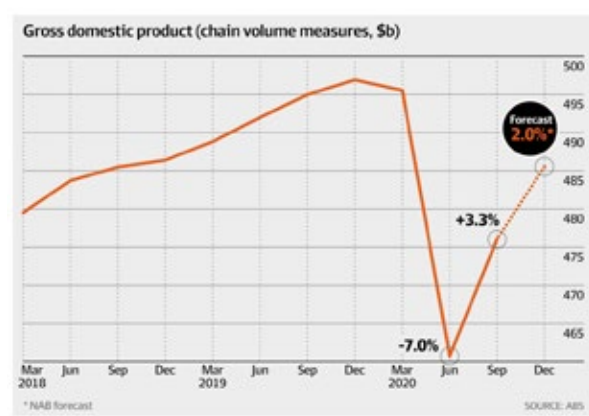


While we're certainly on the road back to recovery, we're not done just yet. The economy is still about 3.8% smaller than it was this time last year. That's substantial.

Never-the-less, it's better than most people could have hoped for, and most importantly, we're still on the up and up.

The latest GDP data only runs up to the end of September, at which time Victoria was still in lockdown.

So we know the economy has come even further back since then. This is what NAB's forecast looks like:



Given that much of the world (and our trading partners) are still dealing with a pandemic, this is a pretty decent picture.

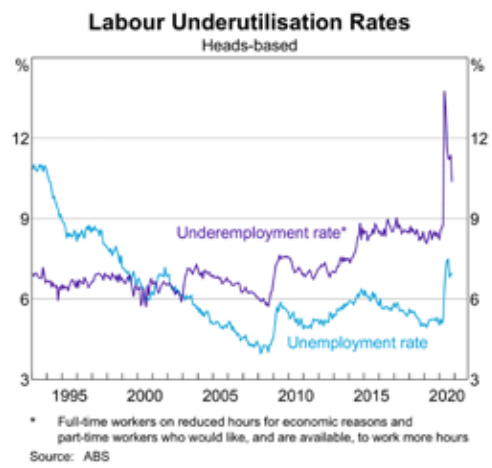
Covid gave the Australian economy a solid whack, but it is making its way back at an impressive speed.

When you look at the job market it's a similar story.

In many ways, the jobs data is even more important than the GDP data, since it's unemployment and people defaulting on their mortgages that can crash a property market.

But we're not seeing that happen.

There was a solid spike in June, but not to anything super-scary. I mean, it was a sudden lurch, but we didn't break 8%, leaving us with an unemployment rate similar to what we saw at the turn of the millennium.



So, a little scary, yes. Devastating, no.

And given GDP is in full recovery mode, the worst is probably behind us too.

And again, this all precedes Victoria's escape from lockdown.

When you looked at hours worked, you can see that Victoria is having a big impact on the data, and excluding Victoria, we're getting back to something pretty close to 'normal' levels.

There has also been some erosion of full time work since Covid, but part-time work has bounced right back to trend levels. This is encouraging since part-time work tends to lead full-time work.

So when you put it all together, you have a picture of an economy that is weathering the storm.

Covid has had its impact, make no mistake about that.

But things could certainly have been a lot worse, and it now looks like the worst is behind us anyway.

2021, it's over to you.

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**

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.

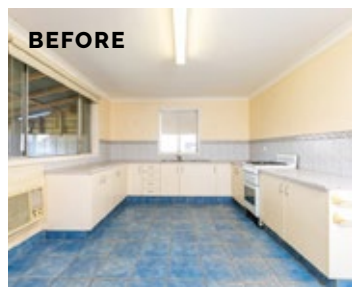
WHAT A GOOD DEAL LOOKS LIKE

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

SHANE & SHARON

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.

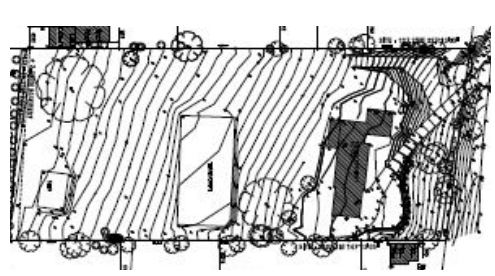
"When I pulled together the numbers for this story, I actually couldn't believe it. I thought I must be adding it up wrong. I just can't believe just how far we've actually come."

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**

WHAT? CONSTRUCTION IS BOOMING TOO?

The worst fears for the construction industry won't come to pass. In fact, all their Christmases have come at once.

BY JON GIAAN

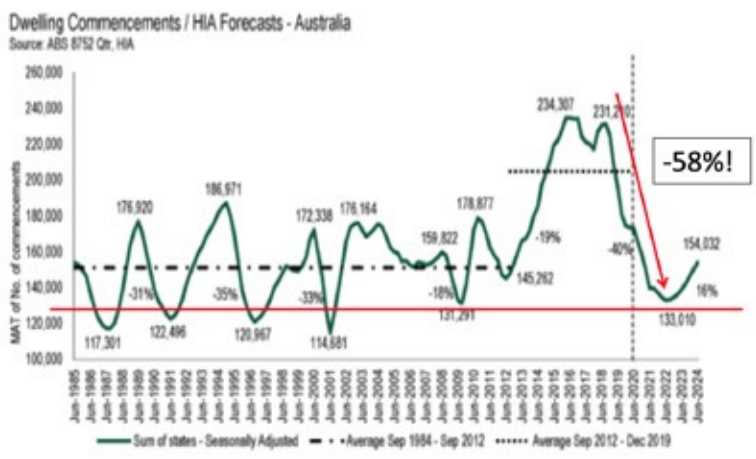
One of the interesting things about the way that this year has panned out, is that much of it was not as expected.

That's not surprising. It's been a pretty crazy year. But it tells you just how hard it is to forecast forward with all that much accuracy in times like these.

I'm particularly thinking here about the outlook for construction.

When Covid first broke it looked like it was going to be a bit brutal for the construction industry. There was a demand-side hit as credit froze and people bunkered. There was also a supply-side hit as there were major disruptions to the construction supply chain.

Putting those together, people were expecting construction to fall to some of the lowest levels in history. This chart here shows the Housing Industry Association's (HIAs) forecast, which had commencements falling 58% from their 2018 peak.



But all of this was before the HomeBuilder incentives.

And those incentives seem to have done their job.

Data from the Australian Treasury shows that nearly 500 applications for the federal government's HomeBuilder grant were approved each week in November!

It's a huge ramp up. It was less than 20 per week in July.

The Treasury now expects 40,000 applications for the grant to be submitted by the end of December, well above the initial forecast of just 27,000.

From The Australian:

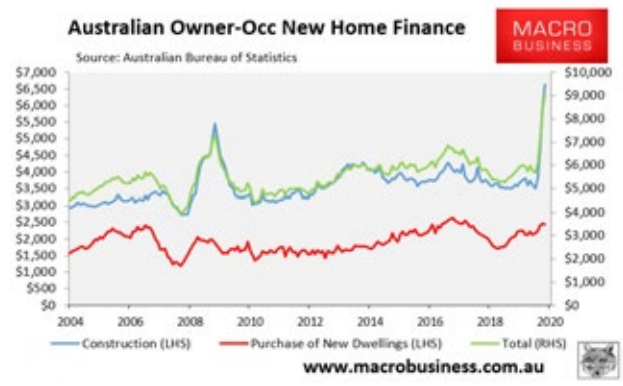
Figures obtained by The Australian show uptake of the government subsidy has already exceeded the initial Treasury estimate of 27,000 by December 31, and is expected to hit 40,000 — 50 per cent higher than forecast — by the end of the year…

Treasury officials did not anticipate the number of first and new home buyers that applied for the first round of $25,000 grants to underwrite the construction of new homes or major renovations.

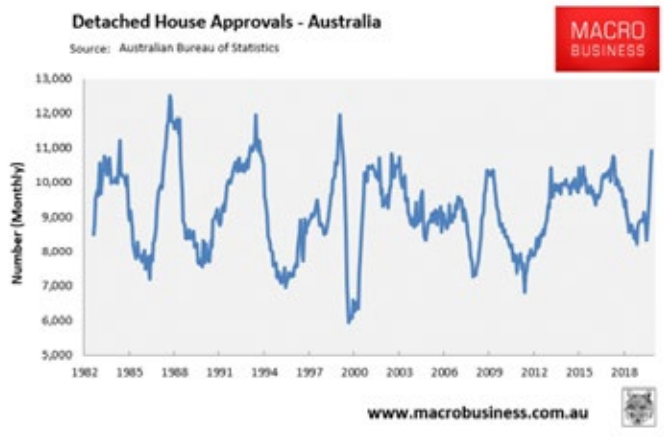
According to the Treasury data, the number of grants being approved has risen from less than 20 a week in the first month to almost 500 a week in November…

Australian Bureau of Statistics data released on Thursday showed a 65 per cent increase in the value of new home loan construction commitments between July and October compared with the same quarter last year.

The rise in construction finance commitments is unprecedented. Take a look at the boing-boing in this chart here:



As detached house dwelling approvals launched to a 20-year high in October:



There's a question here about to what extent the grants are just incentivising and 'pulling forward' construction that was going to happen anyway.

We'll know in March – when the scheme is slated to end (although we've heard that before).

It is possible that there'll be a gap in demand once the scheme ends.

But that doesn't mean it wasn't a good thing. This was exactly the idea. A temporary measure to get us over a temporary lull in demand.

And it seems to have done a stellar job of that indeed.

How good is this government?

VANESSA

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**

WHY INVESTORS SHOULD BE SCARED

Proof that you can lose money in every market.

BY DYMPHNA BOHOLT

One if five investors are going to lose money in every market.

That's sort of how I see it.

The latest Pain and Gain report from CoreLogic backs this idea up. Basically, they track recent property sales, compare them to the most recent purchase price, and then see if the owner made or lost money.

The results are actually a bit surprising, and should serve as a warning to all investors.

So on the latest data, they reckon 18% of investors sold their properties for a loss – that's just shy of one in five.

Proportion of total resales at a loss/gain, owner occupied vs. investors, June 2020 quarter

	PAIN		GAIN	
Region	Owner Occupied	Investor	Owner Occupied	Investor
Sydney	7.9%	10.6%	92.1%	89.4%
Regional NSW	6.1%	6.9%	93.9%	93.1%
Melbourne	3.9%	13.6%	96.1%	86.4%
Regional Vic	3.1%	1.9%	96.9%	98.1%
Brisbane	8.8%	28.6%	91.2%	71.4%
Regional Qld	16.9%	25.9%	83.1%	74.1%
Adelaide	6.9%	16.9%	93.1%	83.1%
Regional SA	15.0%	23.3%	85.0%	76.7%
Perth	32.9%	50.0%	67.1%	50.0%
Regional WA	40.4%	44.8%	59.6%	55.2%
Hobart	3.6%	1.5%	96.4%	98.5%
Regional Tas	4.6%	4.5%	95.4%	95.5%
Darwin	43.5%	67.0%	56.5%	33.0%
Regional NT	28.1%	25.0%	71.9%	75.0%
Australian Capital Territory	5.0%	31.4%	95.0%	68.6%
National	11.1%	18.0%	88.9%	82.0%
Cap city	10.5%	16.2%	89.5%	83.8%
Regional	10.0%	18.1%	90.0%	81.9%

Conditions were tough in Melbourne and Sydney – where the bulk of sales took place. But they were positively brutal in Brisbane (29%), Perth (50%) and Darwin (67%)!

Yikes. Scary numbers.

Now it's worth remembering that capital gain is not the only way you make money in property. If the rental returns were good (net positive at least!) then it might be worth taking a small loss on your eventual sales price.

But I kind of doubt that's happening here.

Because if a property was putting good money in your pocket, why would you sell it?

That means that there's a bit of a compositional bias in these stats. The investors who are selling are probably also taking a hit on the rental returns.

And I know there are a lot of negatively geared property investors out there. Negative gearing has achieved cult-status in Australia. I know. I've had to pick up the pieces more than once.

So what we've got is one in five investors losing money on the sales price and most likely losing money on the rental return.

One in five!

Now you might think this reflects the tough conditions Covid has created, but I doubt that too.

First, mortgage deferrals have kept forced sales out of the market for now, so that's not what's driving these loses.

Second, the market now looks like it's going to lose barely 5% in this consolidation phase – that's practically nothing, and definitely not enough to burn one in five investors.

No, the real culprit here is education.

I think what you're looking at is investors who don't know when and where to buy. There's actually quite a lot to this. I have a tool called Grid Variance Analysis that pulls all these factors together, but the short story is, buying well isn't easy.

Its very easy to buy into a market that's not going to perform, or simply overpaying when you buy.

I think we're also looking at investors who don't have a range of strategies they can draw on. I spend hours with my students helping them understand all the different ways you can make money in property.

But your average punter is still stuck in the paradigm of buying, holding, and praying that the market goes up.

The difference between successful and unsuccessful investors – between pain and gain – is applied education.

So let this be a warning to you.

I've been saying for a while that there's an epic boom in the offing. It's coming soon.

But if you don't know how to play it, there's a one in five chance (at least!) that you're going to get burned.

Dymphna

HOW TO SLEEP LIKE A GENIUS

Which comes first, sleep or genius?

BY JON GIAAN

Do you like your sleep?

Does that mean you'll never achieve greatness?

So it's a bit of a stylisation that creative geniuses don't sleep much.

There's actually a regime called 'The Da Vinci Sleep Schedule":

The Da Vinci sleep schedule, also known as the "sleep of genius" or polyphasic sleep, is a type of sleep pattern which involves sleeping not more than 5 hours a day. Some experts are more strict, arguing that to follow the Da Vinci sleep schedule, a person must become accustomed to sleeping an average of two hours a day, which is how much Leonardo Da Vinci himself slept…

The "sleep of genius"! Oh wow.

Look, I don't actually have anything to say about this particular regime – if it's going to elevate you to the level of genius or not.

Personally, I like sleep. I enjoy it. And its one of the many joys that my lifestyle empowers – contented, restful sleep.

I don't over do it. But I like it.

And there are a lot of examples from our celebrity fascination with CEOs. Super-achievers who don't sleep much – Marissa Myer from Yahoo. Tim Cook from Apple. Jack Dorsey from Twitter.

The evidence seems to be there. If you want to be a super-productive genius, you need to sleep a lot less than you do, you lazy piece of garbage.

But is this actually what this is telling us?

Could the causation actually run the other way?

Could it be that being a genius or being super-productive means that you need less sleep?

That would actually be my guess.

Think about it. What is sleep?

Well, funny thing. We don't quite know. To biologists, it is funny that organisms across the spectrum developed a strategy of being totally unconscious for extended periods of time.

We're so vulnerable. If it was possible to go without sleep, some organism would have found it and quickly raced to the top of the food chain.

So no. Sleep is performing so incredibly vital function… though scientists are still puzzled about what that function actually is.

Still, I feel like it's kinda safe to say that sleep is when your mind relaxes and rejuvenates (aware that 'mind' 'relax' and 'rejuvenate' aren't particularly clear concepts in this context.)

So is it possible that productive geniuses don't need to 'rejuvenate' their 'minds' as much as the rest of us?

I would argue that it's possibly true.

One of the hall-marks of productivity is focus. Rather than carrying around a bunch of ideas in their heads, maybe geniuses carry just one, and this takes much less of a toll on the mind.

How much of your mind-tiredness comes from just having too many things to think about? Having a cluttered head?

Geniuses are also inspired and driven.

That means they probably don't need to exercise much will-power to keep their minds on task.

If you've got to sit in front of a computer screen, doing stuff you hate, it takes enormous will power to not just get up and walk away.

Exercising that kind of will power makes your mind tired, in my experience.

So if they're inspired and doing something they love, it makes sense that they don't need to refresh their minds as much as the rest of us mere mortals.

So I'm not sure about this whole 'sleep of genius' story.

It seems quite possible to me that living and inspired life, with intense focus, doing something you love, is a naturally energising way to live. You probably just don't need all that much sleep.

That's my theory.

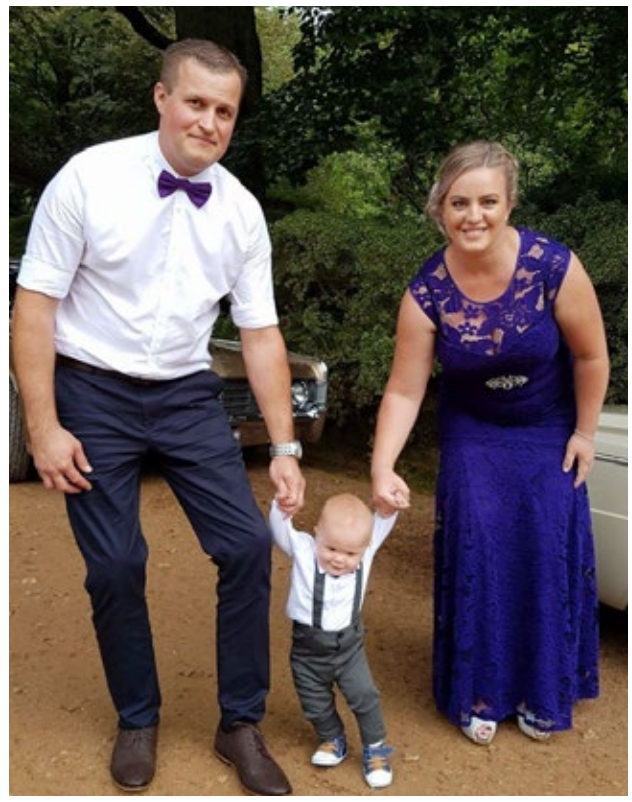
And if it's true, then before we start punishing ourselves with a brutal sleep regime, we should make sure that we're inspired and given over to work we love.

This always has to be our starting point.

JG

GARY & CAMILLA

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.

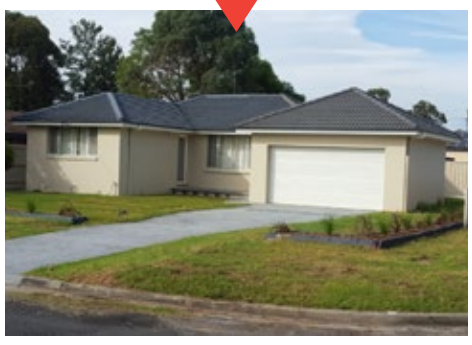
They have also set up an investment advisory service. It is just for friends and family at this stage, but they may take it public in the near future.

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

JOINT VENTURE: HORSLEY THREE TOWNHOUSE PROJECT

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

A BEGINNERS COURSE IN ECONOMICS
BY DYMPHNA BOHOLT

ECONOMICS 101

ECONOMICS FOR PROPERTY INVESTORS

I want to give a you a bit of an economics primer – Dymphna's Economics 101 – something to help people get a basic sense of how the economy hangs together.

This stuff is important. Obviously not as important as understanding the mechanics of a deal, and understanding where to find a deal or how to calculate if a deal stacks up or not.

(If you're starting anywhere, it needs to be there.)

But if you get a working sense of how the economy works – how interest rates affect the outlook for GDP and that sort of thing – then you're able to invest with more confidence. You have a better lay of the land.

And it's not that hard. I can give you a working understanding of the economy – something of a framework that you can tack stuff on to as your journey as an investor unfolds.

But the first question is what are we actually talking about? What is the 'economy'?

And this is the funny thing. There's no clear definition. What people mean by 'the economy' differs depending on what we're talking about.

And when you're looking at the data, when someone says its 'good data' or 'bad data', there's an assumption there about what our reference point is.

So we could say that the economy is everything that's bought and sold at any point in time. That's sorta true. Or we could say that it's all the infrastructure that goes into producing the goods and services that are bought and sold. That's true too. Or we could say that its everything we do, whether it happens in the market or not, that helps us to live, thrive and survive.

It's all sorta true. But it doesn't really matter.

Because we're not actually interested in 'the economy'. The 'economy' is just an analytical tool that gives us insight into the things we care about.

And what do we care about?

Well that depends on your perspective.

If you're talking from the average Australian's perspective, then economy is a window into whether the quality of our lives is improving and whether we're going to have jobs or not next year.

From a share-market investors perspective, the economy is a window into whether company revenues, profits and share prices are increasing or not.

And from a property investors perspective, it's a window into whether rents and prices are going up and down.

When we're talking about the economy – when you hear it in the media or whatever – there's an assumption about what perspective we're coming from, and what we're actually interested in.

Because no one, not even the economists, are interested in the economy per se.

We're interested in what the economy gives us a window into.

HOW TO BUILD A DIY ECONOMICS DASHBOARD

So let's break that down a little bit, and start to get a feel for how all the pieces of data you see reported in the media fit together.

So I want you to imagine the dashboard – like you get in a car. But this is an economics dashboard. This has everything worth knowing.

Now, the dashboard has two halves.

The first half we can call 'activity'. This is everything that happens and how it happens.

The second half we can call 'prices'. This is about how we measure value in our economy.

And we're probably about equally interested in both.

So let's look at the actual data that you see in the media, and how it fits in this activity:prices framework.

So on the activity side, we have two headline stats.

The first is **GDP – Gross Domestic Product**. This is a measure of what we produce in any given year. It's about what gets bought and sold.

The second is the **unemployment rate**. This is about how many people have jobs and how many don't.

Now each of these headline measures are actually composed of a number of pieces. So GDP is made of consumer spending, investment spending, government spending, and the trade balance.

The unemployment rate is calculated by taking the number of people looking for work as a percent of the total number of people in the workforce.

At any rate, these are out headline activity stats, and these are the ones that gain the most air-time in the media.

So if they were our two big gauges on the activity side, around them are a number of smaller gauges. These are our 'partial indicators' – they give us a partial view into our headline number.

So on the GDP side it might be retail sales, or consumer confidence, or industrial production. There's lots of them and there's new ones being dreamed up all the time. But basically, they're all trying to help us get a clearer picture of what's going on in GDP.

On the unemployment side, you have things like the job ads survey, or hiring intentions in the business survey. Same story, we're just trying to get a better sense of what's happening in the jobs market.

And so that's what we have on the activity side of the board. GDP and unemployment. Or, to borrow a phrase, "jobs and growth".

Now, what about the other half of the dashboard – the prices side?

Well, in many ways, this is what we're most interested in as investors. There are four key prices I'm interested in as a property investor.

There's **interest rates** – which is the price of money.

There's **inflation** – which is the price of goods and services.

There's the **exchange rate** – which is the price of the Australian dollar.

And there's **property prices** – which is what it says on the box.

And again, around those four gauges are a number of partial indicators.

At any rate, this is why my dashboard looks like.

What I'm trying to do here is give you a basic framework for understanding what's going on in the economy, and making sense of all the data you're going to see in the paper and what have you.

But you won't go too far wrong if you can remember this. At the end of the day, we're only interested in one of two things. There's activity and there's prices.

Each of those breaks down into further areas of interest. Activity breaks down in the GDP and employment. Prices breaks down into interest rates, inflation, exchange rates and property prices.

Everything else is just nuance.

If you can understand just this much, what you see in the papers will start to make a lot more sense.

HOW TO HACK THE ECONOMIC DATA

Now let's have a look at how we can quickly understand what a piece of data means.

Remember, this isn't the be all and end all of investing. Too many people put too much emphasis on what the market is doing, and not enough focus on how a particular deal stacks up.

But still, if you want to be a complete-package investor, you need to have a handle on this stuff.

Ok, so the basic trick here is that most data points have a concept of "normal."

That is, each time the data comes out, it tends to be around a certain amount, more or less.

Let's take GDP for example, and let's think about it the way economists usually think about it, in annual growth terms.

So typically, on average, GDP grows about 3-4% a year. So in any quarter (GDP data is published quarterly), that's what you'd expect annual growth to come in at.

And so you might see something like, "GDP came in at 0.6% in the quarter, and 3.2% over the year."

Those numbers are a bit meaningless to you unless you know what to expect. A result like that would be pretty average. If it was 0.9% in the quarter and 4.4% over the year, then you would know that that's a good result.

If it was 0.2% in the quarter and 2.4% over the year, you'd know that that's a pretty ordinary result.

And if it was negative in the quarter, then you'd know that's an unusually bad result.

So this is the trick that economists and market watchers like me have in their back pocket.

We don't know what the level of GDP is. I couldn't even tell you. $1.4 trillion? Something like that?

But we don't know because we don't care. As I said a couple of weeks back too, we try to bring everything back into annual growth terms, because that makes it easy to compare apples and oranges.

So this is the trick. Look at the annual growth rates, and try to keep in your head what a 'normal' rate would be.

And what is 'normal'? Well it depends on what data we're talking about.

Let's have a look at our headline indicators from the dashboard I introduced a little while back.

For GDP, as I said, in a mature economy like Australia's, you want to be growing about 3-4% a year.

For the unemployment rate – well, this is the one exception I mentioned, where it's expressed as a percentage. So we have this idea of 'full employment'. At this level, there's a certain amount of churn in the job market, but you can't really push below it without over-heating your economy.

We kinda think about this full employment rate being something like 5%. So 5-7% is pretty normal, and anything above that being a bit of a worry.

For inflation – actually, let's get clear on what this actually is first. So inflation keys off the consumer price index (CPI). The Australian Bureau of Statistics goes out and tracks the price of stuff, and then mashes it all into an index. That index is based to 100, so the index is like 180, 182... something like that.

But we don't talk about the level. We talk about the annual growth rate. And the annual growth rate in the CPI has a specific term: inflation. So when we're talking about inflation we're talking about annual growth in the CPI.

And what's normal? Well, the RBA has a mission to keep inflation between 2 and 3%, so that's a good measure. However, in recent years, inflation has consistently under-shot the RBA's target band, and has moved between 1.5% and 2%. So this is sort of normal, and when it breaks back above 2%, it'll be big news.

WHAT ELSE HAVE WE GOT?

Well, there was the price of money – interest rates – but interest rates have just been heading south for over a decade now, so I think economists are actually giving up on the idea of a normal now. We're in the middle of a paradigm shift.

Then there's the (US dollar) exchange rate. Historically this has moved between about 50 cents and $1.10, but you can kinda think about 70 cents being normal. I do.

Finally, there's property prices. This changes depending on where you are in the country. I would take a rough stab and say about 5% is close to 'normal'.

Anything less than that is probably a bit disappointing, while anything north of 10% is exciting!

And a that's kinda about it.

If you can remember our dashboard, and where these headline indicators fit on it, and if you can remember the ranges they normally move in, you're most the way there.

This should give you the ability to make sense of most economists. It will give you the ability to talk like an economist.

(If that's something you've ever aspired to...)

Dymphna

KELLY

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.

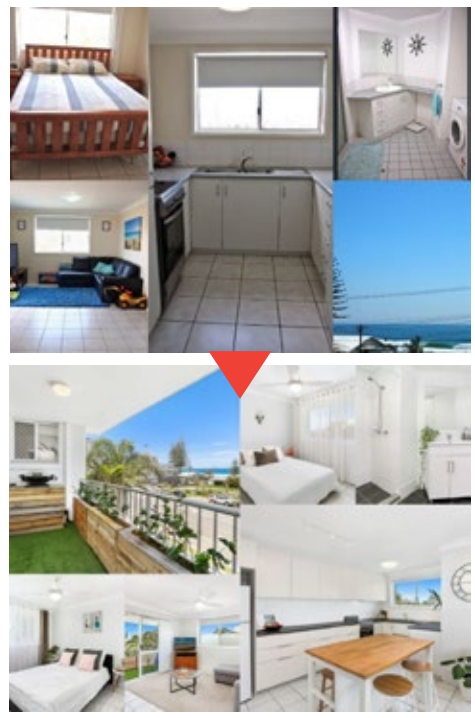
PLATINUM ACCELERATION

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**

People think there are no cash flow positive properties out there.
But if you can't find one – Make one.

NINE WAYS TO INCREASE RENTAL RETURN

BY DYMPHNA BOHOLT

At the risk of opening up the kimono too much, and giving away too much of everything I teach, here are nine ways to increase the income you're getting out of an investment property.

I call them **Income Accelerator Strategies.**

Now, the devil as always is in the detail, but this should at least give you something to think about.

INCOME ACCELERATOR #1. DIRECT CASH COWS

Now, the easiest place to create income is when you buy. If a property puts money in your pocket after all the expenses have been paid, then its something I call a Cash-Cow. As I said, I'm talking about real cash flow here – not paper income, or tax-credits – actual money you can use to fund your lifestyle or fund portfolio growth.

There's a rule of thumb I use to get a quick idea if a property is a cash-cow or not. If you take the purchase price, divide it by 1000, and then times it by 2, that's the weekly rent you need to be in the money.

Well, that calculation actually depends on the interest rate. When I came up with that rule mortgage rates were 8%, and they're obviously nowhere near that now. So at the time of writing, we should replace that 2 with 1.2. If interest rates went up to 4-5%, then we'd be looking at a multiple of 1.4.

But this is a great rule of thumb to quickly get a sense of whether a property is going to be positively-geared right off the bat, or whether you're going to have to do a bit of work yourself.

INCOME ACCELERATOR #2. REGIONAL CHEAPIES

Generally speaking, regional areas have higher yields (rental returns relative to price) than metro areas. That's often because the growth prospects aren't so exciting, but not always.

In that way, regional areas could be good places to do a manufactured growth strategy. Even if you can't sell and exit when you want to, it shouldn't hurt you because the property should still be putting money in your pocket.

INCOME ACCELERATOR #3. PARTIAL SELL-DOWNS

This is a strategy that applies to properties where there are multiple and separate sellable units. So a subdivision or a strata title or a new build construction for example.

So imagine you build a block of four strata-titled units. At the end of construction, after you've paid for the site and construction cost, and you still have debt to service, those four units might not be positively-geared. They might be costing you money.

But if you sold maybe two or three of them (a partial sell-down), then you free up money to pay down debts, and reduce your monthly expenses. It is likely then that the remaining units will be positively geared.

It's probably not going to be huge, but money is money, and it can be a great way to build a sustainable portfolio.

INCOME ACCELERATOR #4. SHORT-TERM LEASING

Typically, short-term leasing arrangements – executive leasing, holiday letting, AirBnB, etc, have higher yields and a greater return that longer-term leases. Again, there's no such thing as a free lunch, and those higher yields are to compensate owners for vacancies and management costs.

However, if you can manage it well, and can set up in the right areas – that is, if you can keep the management and vacancy expenses down – it can be a great strategy.

Now, when I talk about holiday-letting, etc, people always assume I'm talking about Bondi or Byron Bay. However, the areas that work are not always the ones you think. I've got one student for example who found a town on a major transport route that had no motels or other accommodation options. So she set up an AirBnB, pitched perfectly to her market, that now makes about $20-30,000 a year!

So it doesn't have to be a prime tourist destination. It comes back to being an area expert, and knowing what your potential market is going to need.

INCOME ACCELERATOR #5. MULTI'S

With multi's I'm talking about properties that have multiple income streams off the same title. So it might be a block of units with multiple rentals. Or it could be in the commercial space with strip shops, or storage sheds.

We're also talking about granny flats here, or built-in units, although there's not as much opportunity in this space as there was 5-10 years ago.

But the key here is rentable doors. The more rentable doors you have, the more income you can create.

INCOME ACCELERATOR #6. ROOMING AND BOARDING HOUSES

This is a specific form of multi's where you create multiple income streams not just from the same property, but from the same dwelling.

The returns here can be massive, but there's a lot to learn here and a lot of regulatory hoops you have to jump through, so beware.

A residential house is a class 1a building. A rooming house is a class 1b, while a boarding is normally over 300sqm and is a class 1c building.

Different states and different council areas have different regulations and zoning requirements around rooming and boarding houses, and the safety regulations in particular can be onerous.

Never-the-less, if you're willing to put in the work, there can be lots of opportunity here.

INCOME ACCELERATOR #7. LEASE AND SUB-LEASE

This is about controlling a property without actually owning it. So provided that the head-lease allows it and the owner of the property is fully on-board, you could take out a head-lease on a property and then sub-lease individual rooms to other tenants (as long as you're on the right side of rooming house regulations), or you could take out a long-term head-lease, and then put the property back on the short-term holiday letting market.

In this strategy you are creating and capturing value by taking on the work involved in managing the situation. However, that work can very well be worth the effort.

For example, I had a student who was a stay at home mum, looking for a way to bring in a bit of extra income. What she did was that she found some properties in a good area, rented them out and then turned them into Airbnb's, managing the properties herself. As a result, she was able to increase the rent going to the owners by $10-15,000, and take another $10-15,000 for herself. Win-win!

This is about applied knowledge, and it can be a great starter strategy for someone without much to work with. Get a handful of these deals, and you've replaced your income!

INCOME ACCELERATOR #8. COMMERCIAL

We've touched on this a few time now, so I won't go into great depth again. But the playbook is the same: it's about increasing the number of rentable doors (adding storage sheds to an unused car park for example), or improving the yield by increasing the property's value to your tenant (better street access or signage for example.)

INCOME ACCELERATOR #9. BUSINESS REAL ESTATE

This isn't going to be for everyone, but sometimes you can buy a property that has a business already attached to it. You're actually buying two things – the property and the business. So it could be a backpackers, caravan parks, hotels, guest houses, or even pubs with accommodation etc.

Now, you're going to have to actually run the business too, so you've got to keep that in mind. You're going to have to do all the administration, and book-keeping and promotion etc. However, if you're in a job you hate and you're looking to buy yourself a new job in a new field, this could be a great option. I've had students who have been able to step into a completely brand new life and have loved it.

However, running a business is not without risk. Even if it is under management you still need a plan in case your manager quits or gets sick. So you really need to work through the business case of the business attached to the property.

That said, a poorly performing business will pull down the value of the total, and if you can quickly turn the business around, you can score the property at a very cheap price.

ACCELERATE YOUR INCOME

As I said, the devil is in the detail, and there are an infinite number of ways to cut each strategy up. You can also combine or 'stack' strategies to get even more cash-flow return.

So if anyone tells you it's impossible to find or make a cash flow positive property, show them this.

Dymphna

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	$3,700.00
LEPPINGTON	$210,000	$4,800.00
DUPLEX ORAN PARK	$166,000.00	-
DUPLEX ORAN PARK	$120,000.00	-
DUPLEX GREGORY HILLS	$48,750.00	-
HOUSE SPRING FARM	$36,500.00	-
SUBDIVISION SPRING FARM	$825,000.00	-
DUPLEX ORAN PARK	$28,250.00	-
DUPLEX ORAN PARK	$47,313.10	-
4X DUPLEXES ORAN PARK	$180,000.00	-
TOTAL	**$1,880,813.10**	**$8,500.00 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 JON GIAAN

WHY THE BOOM TIMING SURPRISED EVERYONE

The finance data shows the boom taking root, coast to coast.

I've been saying a little while that we shouldn't be surprised if this boom gets a run on quicker than most people expect.

So far we've had a massive policy response that was aimed to combat a collapse in household incomes.

Only thing is, household incomes didn't collapse.

Or if they did collapse, it tended to be in lower-income cohorts (think hospitality workers for example), and these cohorts weren't your home-buying cohorts anyway.

So in terms of housing demand, you've seen households with steady financial positions receive a big boost from the government, either through direct cash injections, or through substantially lower interest rates.

Now, you probably would have expected those households to be tucking that money away – saving it – in anticipation of easing economic conditions.

And they have been doing that.

But they've also been going out and buying houses. (That's what the data I'm about to show you tells us.)

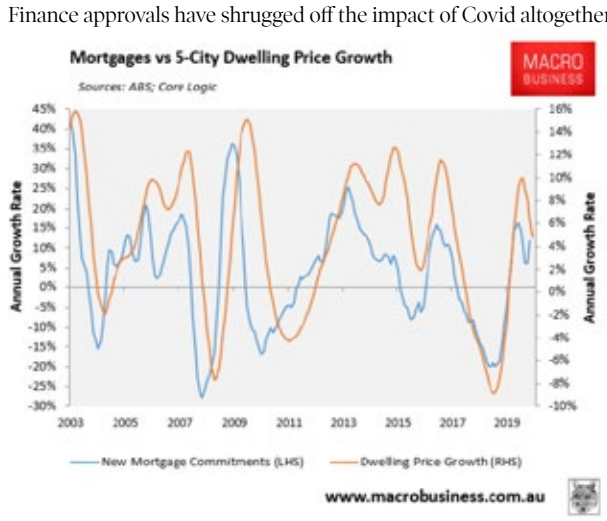
And that makes sense when you think about it. Yes, buying a house is a big financial decision. But if households are looking for stability and certainty, owning your own home is one of the best ways to deliver that.

And so we have seen a surge in home buying, particularly from first home buyers.

And we're seeing this surge show up in the finance approvals data – how many new home loans are being minted each month.

And what that data shows is that approvals positively surged in the month of August, up over 12% in the month.

Finance approvals have shrugged off the impact of Covid altogether,



This is pretty amazing really. This actually points to a market that's running pretty hot – and I don't think anyone expected that.

I mean, I knew it was coming. You can't throw that much money around without it having an impact. But still, less than six months into the worst recession since the Great Depression, it's still surprising.

Now, the interesting thing here is that finance approvals is one of the best leading indicators of price growth we have.

And so if you go around the capital cities, you can see that it's pointing to decent price growth in the short-term outlook.

Like Sydney. Sydney and Melbourne have been hardest hit, since they both rely on immigration pretty heavily. But still, the approvals data are pointing to price growth support around the 6-8% p.a. level.

In Melbourne, I'd expect price growth to recover back to similar levels, especially as the lockdown restrictions continue to ease.

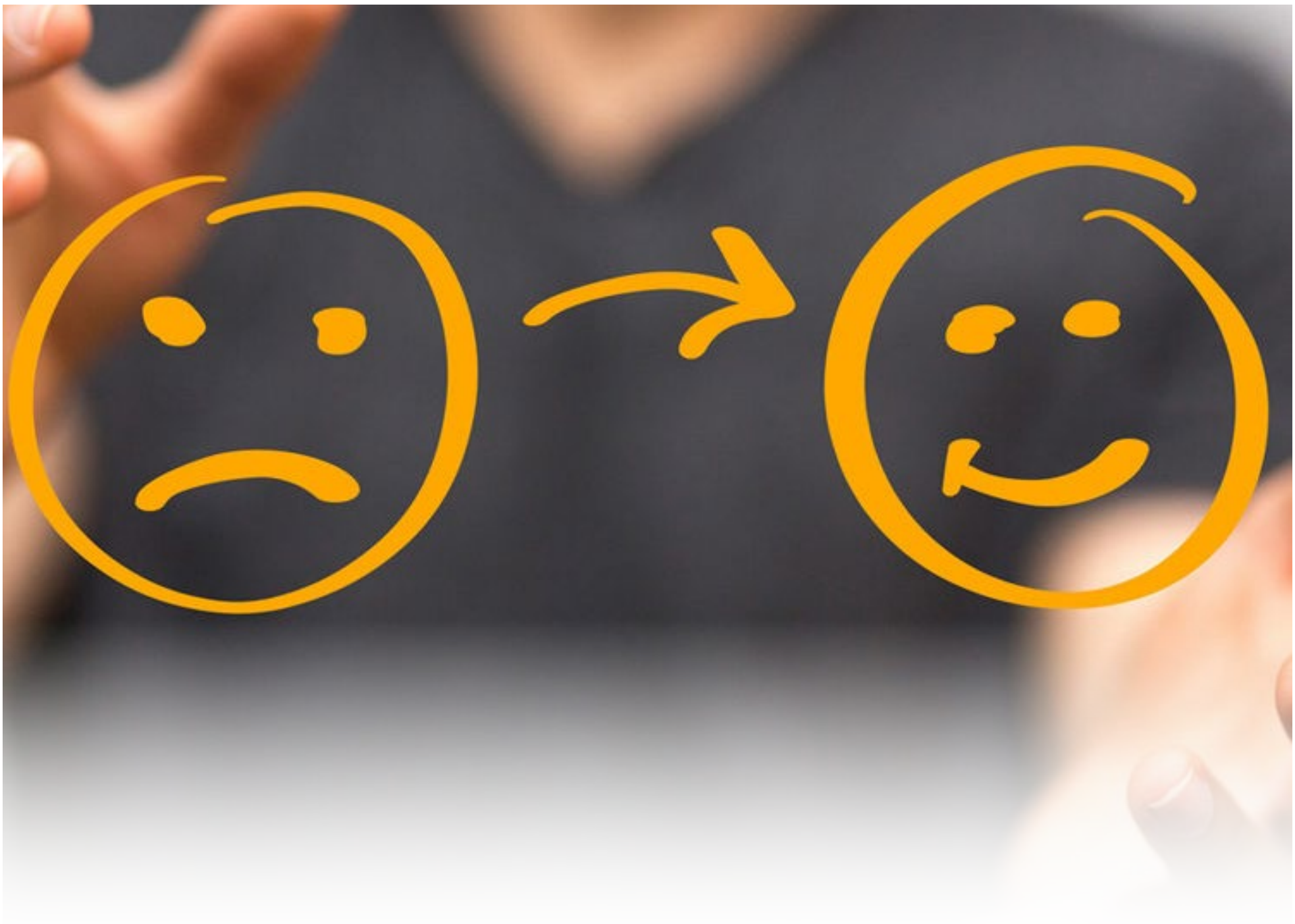
In Brisbane, the relationship isn't as tight, but we could possibly see prices pushing past 8% p.a.

In Perth, I don't think they've actually lined these series up quite right, and I'd expect price growth to turn positive again very soon, after spending quite a long time underwater.

And in Adelaide... well, nothing ever happens in Adelaide. But the trend is upwards.

So there you have it. Six months into what could easily be a depression, house prices look set to grow at around 6-8% p.a...

And the trend is going higher still.



HOW TO KNOW WHAT'S RIGHT FOR YOU

There's a simple, two-part hack for knowing if you've made a good decision.

BY DYMPHNA BOHOLT

I want to share with you a little decision-making hack my friend uses.

I really like it.

This is a hack for those moments in life where you're really caught on the fence. When you're not clear on what the right road to take is. Where there are lots of possibilities, but no strong signals to go one way or the other.

The idea is that your body should give you two strong cues when you've made a good decision.

That is, you know you've made a good decision if,

You feel a strong sense of relief; and

You want to do it right away.

And that's it.

But I think this is quite powerful.

I think the relief is important, because we want to feel our minds just letting go of everything else, and bringing focus to the new road ahead of us. It should feel like putting down a burden, because that is exactly what we're doing.

Carrying around the potentiality of many different roads is heavy. It's a heavy mental burden. When we set them down to focus on a single road, we should feel a sense of relief.

However, this alone can give us a false signal.

Sometimes the relief comes just because you no longer have the anxiety that comes with being stuck in that decision-making place.

You've been revving your mental engines, going over the same information again and again. It can be relieving just get away from that.

And sometimes people will make decisions just to get away from the discomfort of this place. And they make bad decisions because when you're in "any place but here" mode, any road looks good.

They might be stuck trying to choose between deciding if renovations or subdivisions is the strategy they want to start with, and they're stuck there for ages until one day they just go, "Stuff it. I'm going to invest it all in pink diamonds."

And they feel a sense of relief because they're no longer wrestling with the decision.

But they haven't made a good decision.

And so this is why the second signal is important.

You should feel a sense of relief, but you should also feel a desire to get going on it right away.

The road has become clear to you, and you want to set out immediately.

And I think if you're stuck with a choice, it's always worth hunting for that option that gives you these two feelings.

It might not be obvious. You might have to think a bit outside the box. But often that option is there, waiting in the wings. And once you find it, you get a very clear burst of motivation and energy.

So try it on and see if it works for you.

When you're wrestling with a decision, tune in to your body, and how your body is relating to it.

There is a wisdom there that we've barely begun to understand.

Dymphna

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

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 $60,00 each

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 TV.

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

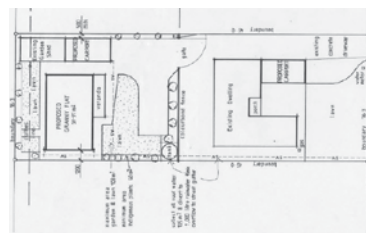
- $40k bad debt with 5 credit cards
- I may loose my dream girl due to poor financial status
- Groupon addiction
- Couldn't afford Dymphna

POST-DYMPHNA

- 10 properties
- Over $1,000,000 in equity
- Over $30,000 passive income
- AND GOT THE GIRL!

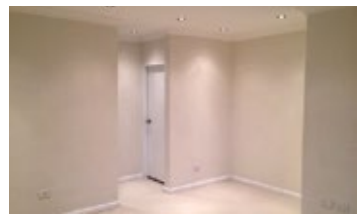
PPR SYDNEY 3-BED HOUSE
- Purchase Price: $590,000
- Strategy: 2 Renovations and granny flat
- End Value: $655,000, $880,000, $1.15m
- Cashflow: $16,800 pa (granny flat only, main house PPR)

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**

THE TRINITY OF CHANGE

Most people get this wrong, but there is incredible power in getting it right

BY DYMPHNA BOHOLT

There is power in small steps.

In fact, if I really look at it, I think this is where all lasting change comes from.

Focused intention, incremental steps, consistently implemented.

This is the holy trinity of change.

But most of us don't have the patience for this. And without patience, we calibrate all three dials in exactly the wrong direction.

We don't practice focused intention. Our focus drifts all over the place. It locks on to whatever shiny thing is flavour of the month. I'm going to start my own businesses. Actually, I'm going to trade foreign exchange. Actually, I'm going back to TAFE to become a hairdresser.

We end up all over the shop.

And we don't go for incremental steps. We go for hero moves. We go for kill-shots. We want to knock it out of the park with one almighty wallop.

We want to be fabulously wealthy by the end of the week, after a single deal. We don't want to put a string of deals together over the next two years.

(Who's got time for that?)

And we don't implement anything consistently. We run hot and cold. We give it a tonne of attention one week, and then completely forget about it the next. We chip away, get frustrated with our progress, and then give up on it.

This just seems to be how humans are wired.

But the hard truth we have to face is that the road to success – the road to genuine change – is not sexy.

It doesn't involve a momentary flash of brilliance, a single powerful strike, and then putting our feet up and the end of the week with a job well done.

It's not sexy like that.

It's boring. It's slow and its boring.

It requires holding focus. It requires picking your line and sticking to it, no matter how slow and boring the going gets.

And it involves small steps. It involves just doing little bits here and there. It involves letting small sustainable steps pile up over time into a giant leap.

And it involves consistent action. It involves the discipline to keep ourselves to the task, even when it gets hard, or it gets boring, or we get side-swiped by a hundred other distractions.

I wish I could tell you that it's sexy. I wish I could tell you that its quick. I wish I could tell you that its easy.

But it's not. This is the trinity of change: Focused intention, incremental steps, consistently implemented.

But while this might not sound sexy, there is a power in this that is almost impossible to believe.

With this formula, you really can almost do anything. You can achieve anything. You can be whoever you want to be.

Just keep you head down. Keep the faith. Keep chipping away.

Before you know it, you will have done incredible things.

This is the just the way it works.

Dymphna

FOONG & PAUL

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

DEE

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.

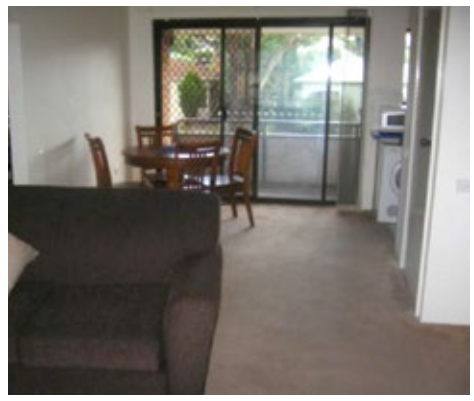
LIVING THE DREAM

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**

HAS THE BOOM ALREADY STARTED?

We're going to wake up and realise the property market has been booming for months.

BY JON GIAAN

Ok, how did that work out for us? 2020 I mean... For a while there it was looking hairy. Some economists were talking about prices falls north of 30%.

That looks a bit silly in hindsight, doesn't it? But I can understand it. Things were scary. It felt like the wheels were totally coming off.

At any rate, it's starting to look like the property market has come through 2020 practically unscathed. Nationally, prices are down less than 3%. Amazing.

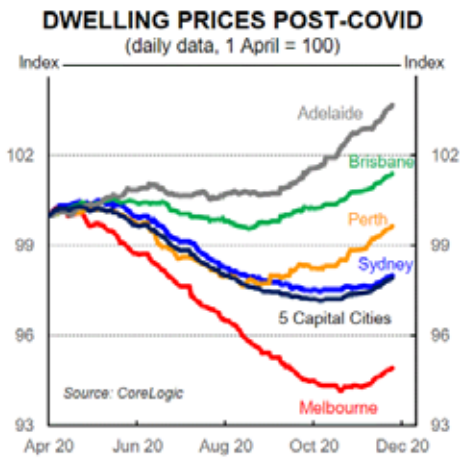
How did we do it?

Well lower interest rates certainly helped. As did the mortgage deferrals that stopped a rush of panic sales onto the market.

Those things helped the market keep its head. And at the end of the day, the property market rode on the coat-tails of the broader economy, which held up much better than most people expected.

And that meant that what happened in your property market really depended on what was happening in your local economy.

Consider the capital city breakdown.



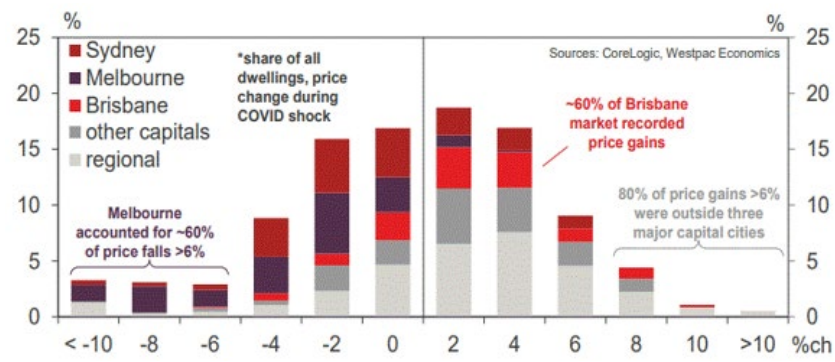
You can see that when it comes to price falls, it's really a story for Melbourne and Sydney.

Prices were essentially flat in Perth, while they were actually up a decent amount in Brisbane and Adelaide. (Not a bad outcome given it was the middle of a pandemic.)

Melbourne was obviously impacted by the lockdown, and Sydney was the city most exposed to a slowdown in immigration and overseas student numbers. And given Sydney and Melbourne account for 60% of the Australian population, and 70% of the housing stock by value, falls there dragged the national averages down.

But the national average actually disguises what's going on, on the ground. Because really, outside of Sydney and Melbourne city areas, our property markets are all picking up.

Take a look at this chart here, which looks at the distribution of price growth across our capital city and regional areas.



It shows you that price falls have been largely contained to the capital cities, while price gains have been largely concentrated in regional areas (with Brisbane being a bit of an exception.)

So what that tells me is that if you can look through the lockdown in Melbourne, and through the collapse in immigration and student numbers in Sydney, our underlying property market is actually already starting to heat up.

It's the same story when you compare units and houses. A lot has been made of the fall in rents in our capital cities, but when you break it down, you can see its almost entirely a unit story.

Rents for detached houses are actually up 1.5%!

Again, the apartment market is concentrated in Sydney and Melbourne, and some blocks are entirely dedicated to student accommodation.

So this is consistent.

But the story that emerges for me is that our underlying property market has already turned the corner, and is starting to heat up.

Sydney and Melbourne are lagging the country, and that's helping to hide what's really going on.

But if you look through it, the government support packages and record low interest rates are doing their job.

And the property market enters 2021 with a full head of steam.

JG

NEIL

"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***

JENNY

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

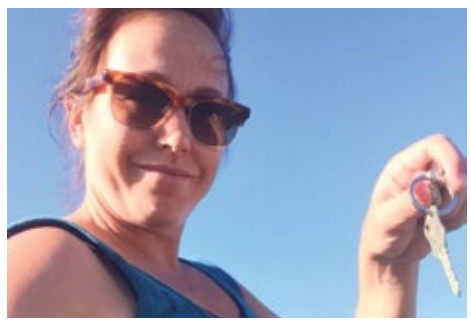
Property Value	$300k
Renovation	$40k
End Value	**$495k**
Uplift	**$155k**
Cashflow	**$7,500**

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

WHO DOES THE EARTH OWE MONEY TO?

Covid has caused global debt to soar… who is it owed to?

Apparently, the earth is now $388 trillion dollars in debt.

And Jupiter is coming to collect.

There's been a huge spike in global debt since Covid struck, and most economies have followed Australian into money-printing and massive deficits.

The last time I looked, which was a couple of years ago, it was around the $200 trillion mark, so it's a pretty massive ramp up.

And this is something that people struggle to get their head around. How can the whole world be in debt? How can it not balance out?

But this is how the global economy works.

Because we're not borrowing from other planets. There's no line of credit from the Bank of Venus. We're borrowing from ourselves.

From our future selves.

You've got to admire human ingenuity. We've constructed a system where we can draw down future production and earnings, and spend them in the present day.

Effectively the whole world's working on "I'm getting paid next week. I'll fix you up then."

This is the basics of the lending model. I'll lend you $1 today, if you give me $2 tomorrow.

'Tomorrow, tomorrow, I love you, tomorrow'

And in the modern era, everyone's in on it. Banks are lending to governments. Governments are lending to households. Banks are lending to non-bank financial institutions.

Credit is the oil of the capitalist machine.

Is that a bad thing?

Not necessarily. Personally, I'm a big fan. My fortune has been built on leverage. If I had to buy my first property outright I'd still be saving for it.

Who'd be writing these blogs for you then?

And credit, as a tool in the modern human's tool kit (up there with the wheel and agriculture) has allowed us to enjoy a far greater level of prosperity that would have otherwise been possible.

And with that, it has helped raise millions of people out of poverty – and the misery, disease and death that come with destitution.

But of course, not all debt is the same. We can understand this at a household level. Borrowing to buy a shiny new stereo is not the same as borrowing to invest in an income-producing asset like property, or even to invest in your own skills – like a Uni degree.

One type of borrowing sets your future-self up with greater earning potential to pay back the debts you owe. The other leaves your future-self grumbling about how you always get it in trouble.

Same story with government debt. There's a role for borrowing to build the productive capacity of the economy. Investment in infrastructure, roads, communications, etc, can all build the economic potential of the future.

This potential, realised through increased tax revenues, can make it a positive proposition for the government just on purely economic grounds.

But borrowing to throw pork at the electorate or bribe them off with tax-cuts does nothing to build national wealth. It's an entirely different story.

And there's good and bad debt in the financial sector as well. It's one thing to invest in a company with good earning potential – giving them the capital to invest in a new factory and expand production.

It's another to take leveraged bets on opaque financial instruments (like sub-prime mortgage back securities), or speculate in hot markets.

There is good debt, and bad debt.

And this is the what they don't teach you in school, and what the media misses when they spend so much energy on the headline numbers.

It's not the size of your debt. It's what you do with.

It's true for you as an investor, it's true for you bank, it's true for governments…

… and it's true for the earth.

JG

JOSH & JULIETTE

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...

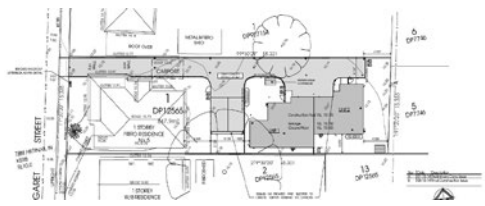
In the last four years, Juliette and Josh have gone from $0 to $1.9M in equity, with plenty of ideas and deals to come. Not only did they transform their lives through Dymphna's Platinum Program, but Juliette has also discovered she has a passion for real estate. She is pumped to spend quality time with 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**



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%

BY JON GIAAN

WHY YOU NEED THIS 'SPIRITUAL DISCIPLINE'

If you're too snatchy, you're settling for second best.

Patience is a virtue. I mean that. It's practically a spiritual discipline.

And it's a discipline that's worth developing.

I say that because when I look out at the world, I reckon most people are too 'snatchy'.

That is, the universe offers them something a bit shiny, and they rush out and grab it.

They've got greedy hands.

This is a shame because once your hands are full, they're full. You're no longer in a position to receive.

And the first thing the universe offers you isn't always the best thing it's got.

It might be a job for example. You might be thinking its time for a career change, and you've sketched out in your mind exactly what you're looking for.

But then something comes a long that's definitely an improvement on what you're doing now – it's a big step up – although it's still not exactly what you're looking for.

What do you do then?

Most people go for the snatch. They grab it and nail down that opportunity before it gets away.

There's a fearful voice that comes in at this point. "Grab it now while the opportunities there. It might not be there tomorrow. You might never find anything this good again."

The snatch comes from fear.

However, maybe what you really need to do here is be patient.

Maybe you just need to put your greedy hands in your pockets and see what the universe offers up next.

Patience is built on trust and abundance. It's built on the belief that there are endless opportunities in the world, and it's built on the trust that those opportunities are going to find their way to you at some point or another.

And in that sense, patience is built on a spiritual world view. Call it abundance or whatever you want, but it's based on an idea about just what kind of rock it is we're living on.

And that's why I say patience is a spiritual discipline.

And it's a discipline because it's not something that comes naturally.

You've got billions of years of biological evolution telling you to grab what you can while you can.

You need to train yourself in the way of patience.

But it's worth doing.

If you can disengage your greedy hands – if you can learn to stop snatching at the world – then you enter a much more receptive space.

For things to enter that space – to deeply enter – then they really need to be fully aligned with who you are and what you want.

The further and deeper they have to come, the more in alignment they have to be.

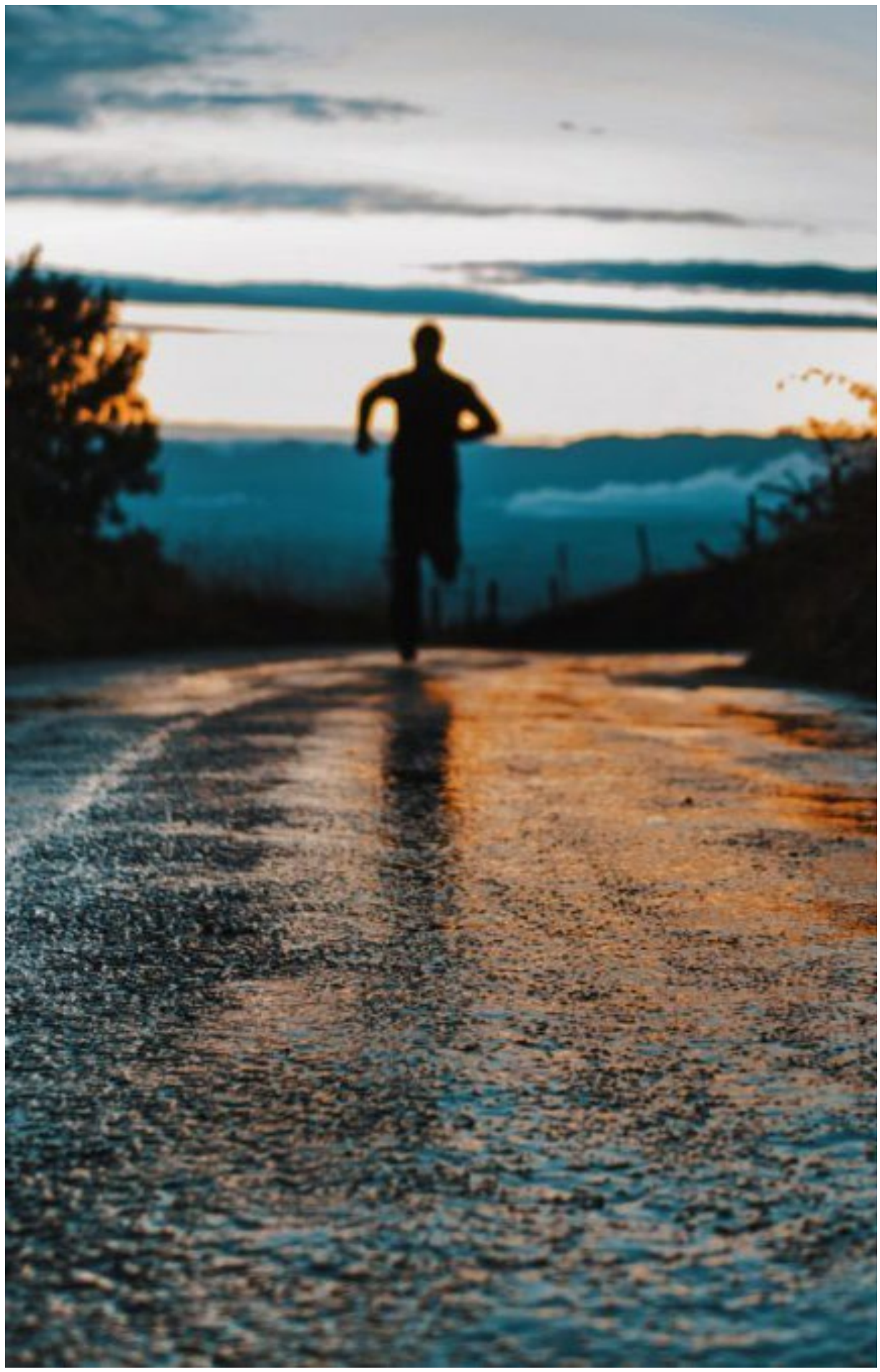
And so the more patient you can be, the more the universe really has to perfect what it offers you.

And perfect things are nice.

In fact, once you go there, once you see what the universe really has the ability to deliver, you'll never settle for second best again.

So don't settle, petal. And keep your greedy hands in your pockets.

JG.



NZ BOOM GOES 'HISTORIC'

For once, New Zealand is about 12 months ahead of Australia.

BY DYMPHNA BOHOLT

I've been saying for a few months now that if we want to know what's going to happen in the Australian property markets, the place to look to is New Zealand.

And what's happening across the ditch right now?

Kiwi house prices are up an incredible 20% year on year!

Median house prices across New Zealand increased by 19.8% from $605,000 in October 2019 to a new record median high of $725,000 in October 2020; and up from $689,000 in September this year (a 5.2% lift)...

Median house prices for New Zealand excluding Auckland increased by 15.4% from $520,000 in October last year to a new record median price of $600,000, and up from $585,000 in September this year (a 2.6% increase).

Additionally, Auckland's median house price increased by 16.3% from $860,000 at the same time last year to $1,000,000 a new record high, and up from $955,000 in September this year (a 4.7% increase)...

Bindi Norwell, Chief Executive at REINZ says: "October 2020 will go down in 'housing history' as being the point in time when Auckland region's median house price hit the million dollar mark for the first time – something no one anticipated or expected just six months after the entire country came out of lockdown.

It's historic, that's for sure. But forget that dollar figure amount. What's historic is that 20% jump.

It's not often you pick up 20% in a year. It's massive.

We're talking about 4.7% in October alone.

It's happening across the country.

SEASONALLY ADJUSTED MEDIAN PRICE

	COMPARED TO SEPTEMBER		COMPARED TO OCTOBER 2019	
	MEDIAN CHANGE	SEASONALLY ADJUSTED CHANGE	MEDIAN CHANGE	SEASONALLY ADJUSTED CHANGE
New Zealand	5.2%	4.7%	19.8%	20.0%
NZ ex Akl	2.6%	0.6%	15.4%	15.1%
Northland	9.1%	5.7%	16.5%	16.1%
Auckland	4.7%	2.9%	16.3%	15.7%
Waikato	3.1%	2.3%	15.9%	16.2%
Bay of Plenty	1.5%	-0.7%	16.2%	14.8%
Gisborne	1.8%	-4.5%	34.1%	33.0%
Hawke's Bay	0.9%	-1.2%	10.3%	10.1%
Manawatu/Wanganui	2.0%	-0.2%	17.5%	16.9%
Taranaki	-0.9%	0.4%	23.2%	21.7%
Wellington	5.4%	5.3%	20.8%	19.6%
Nelson	-0.5%	1.2%	10.5%	11.2%
Marlborough	6.6%	8.8%	26.8%	26.9%
Tasman	3.7%	3.6%	12.9%	11.5%
Canterbury	1.2%	0.4%	9.7%	10.3%
West Coast	1.1%	5.4%	25.6%	21.8%
Otago	10.6%	5.8%	22.7%	23.6%
Southland	9.1%	4.6%	17.4%	16.2%

As the price chart goes exponential...

... and sales volumes are up a frenzy-level 26% year on year.

SEASONALLY ADJUSTED SALES VOLUMES

	COMPARED TO SEPTEMBER		COMPARED TO OCTOBER 2019	
	VOLUME CHANGE	SEASONALLY ADJUSTED CHANGE	VOLUME CHANGE	SEASONALLY ADJUSTED CHANGE
New Zealand	2.5%	-3.4%	25.0%	25.8%
NZ ex Akl	0.8%	-7.4%	14.2%	14.6%
Northland	22.2%	6.1%	20.6%	21.4%
Auckland	5.5%	2.6%	50.9%	54.9%
Waikato	4.8%	0.1%	30.4%	31.3%
Bay of Plenty	-4.2%	-9.9%	6.1%	5.7%
Gisborne	57.5%	3.7%	43.2%	15.8%
Hawke's Bay	4.2%	-0.3%	10.9%	12.5%
Manawatu/Wanganui	-12.2%	-18.2%	2.3%	2.2%
Taranaki	4.8%	3.3%	24.5%	26.9%
Wellington	-1.7%	-16.8%	0.0%	-0.8%
Nelson	-7.3%	-14.3%	-1.0%	-0.8%
Marlborough	21.8%	4.8%	29.3%	33.2%
Tasman	-21.0%	-22.6%	10.7%	13.8%
Canterbury	0.3%	-6.1%	21.3%	22.0%
West Coast	-16.7%	-16.4%	28.2%	28.5%
Otago	-3.2%	-8.8%	3.2%	6.4%
Southland	17.8%	6.4%	23.2%	25.6%

So why do we care?

Well, I reckon that where New Zealand is going, Australia is not far behind. Remember New Zealand faced the same global shut-down that Australia did, although domestically, Covid never took hold like it did in Victoria.

Like Australia, New Zealand also got a solid dose of cheap money medicine. Interest rates were slashed and the government was spraying money all over the place. Now, cheap money in the way of government support and super-low interest rates will have an impact on asset prices eventually.

In Australia's case, the only thing holding our markets back is the lingering hang-over from Victoria's lock-down (although Adelaide is looking queasy now).

Once that clears, markets will lift, I can guarantee it.

And New Zealand gives us a sense of what's in store. New Zealand shows you what happens when you give a massive dose of cheap money medicine to an economy that's getting by ok.

It goes straight into asset prices, and house prices in particular. And then bam, all of a sudden, you're looking at price growth of 20%.

Which, for my money, is about where we'll be by mid to late 2021.

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	$450 - $500 per week
plus 1 bedroom/1 bathroom /study	
Potential rent Airbnb	$120 - $150 per night
Land + Build	$600,000
Valued 18 months ago	**$850,000**
Uplift	**$250,000**

BY JON GIAAN

WHY DIDN'T HOUSING BUST?

The story of how property dodged a bullet.

I remember in the early days of Covid, some economists were predicting property prices to be smashed.

I think it was even CBA who were talking about falls of 30-40%.

Well, that didn't happen. Right now, prices are down about 5% in Sydney and Melbourne, and that's as bad as it gets. Nationally, they're down just 1.7%!

You'd have to think that's a pretty impressive result, right? The biggest disruption to the market in 100 years, and all it costs you is a few percentage points of growth.

Meh. Whatever.

And look, I'll be honest. I never thought we'd see prices fall 30% – not in a prolonged way. I thought we might see a bit of panic selling and prices dip pretty sharply in the short-term, but we didn't even get that.

So how did we do it? With the benefit of hindsight, how did the property market make it through unscathed.

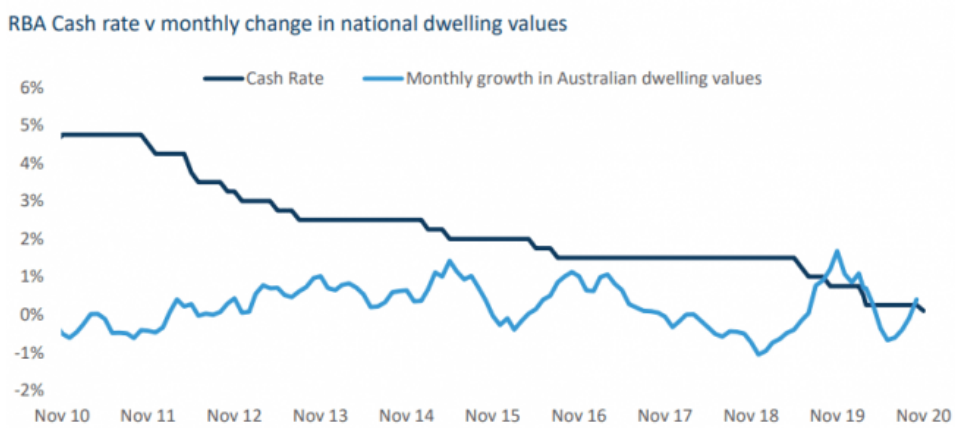
This is the questions that Eliza Owen at CoreLogic was asking herself the other day.

Basically, she reckons there's three reasons.

The first is, not surprisingly, super-cheap money.

The cost of borrowing money is probably one of the most important factors influencing property values. Over 2020, the RBA have reduced the official cash rate target (which influences lending rates) by 65 basis points, to 0.1%.

In a bid to stimulate economic activity, the reduced cash rate has lowered bank funding costs, leading to record low mortgage rates. This relationship has held up historically, with RBA research previously suggesting that a 100 basis point reduction in the cash rate can lead to an 8% increase in property values over the following two years.

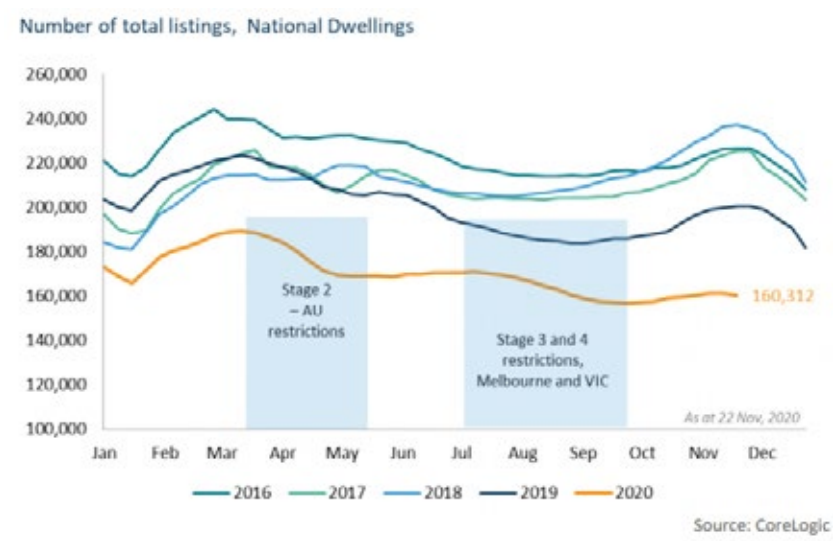


I think you probably have to add in money-printing at this stage here, but this is right. Nothing influences property prices like the price of money.

The second thing that saved us what a systematic program of mortgage deferrals, which stopped any forced sales going to market.

In the case of large-scale mortgage debt, ongoing arrears can lead to forced sales, which in turn fuel risks associated with higher supply in the housing market, lowers values, and higher rates of negative equity, where the borrower sells their property for less than what they owe the bank.

Mortgage repayment deferrals have acted as a temporary stopper on this vicious cycle. Those that did not want to sell amid economic uncertainty due to an inability to repay their mortgage, did not have to. This may have contributed to very low levels of stock throughout 2020, which only reduced further amid stage 2 restrictions from March. The low level of stock on market likely helped to insulate dwelling values during this time.



That chart on the number of listings is pretty telling. The market will end up having one of its quietest years on record.

The final reason Owen points to is the fact that this downturn was actually different. It wasn't widespread. It was concentrated in certain sectors.

A third, important factor that may have insulated parts of the housing market is the specific nature of the economic downturn. Severe job loss across hospitality, tourism and the arts resulted from the purposeful slowdown of 'social consumption'.

The chart above shows that those working in food and accommodation and arts and recreation, have seen devastating job loss through the pandemic. However, those working in this industry are less likely to have mortgage debt.

The decline of employment in these sectors likely contributed to severe pockets of rental income decline, but the investor servicing debt may be able to hold on to the asset while it is temporarily vacant.

So basically, most of the brunt of Covid's economic impact were borne by renters, and the home-buying segment got through relatively unscathed.

Put it together, and you've got to pay credit where credit's due. The government response, both on the monetary and fiscal side, helped the Australian economy get through this pretty well, and Australia's property market rode along on the economy's coat tails.

Good result, chaps. Good result.

JG

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.

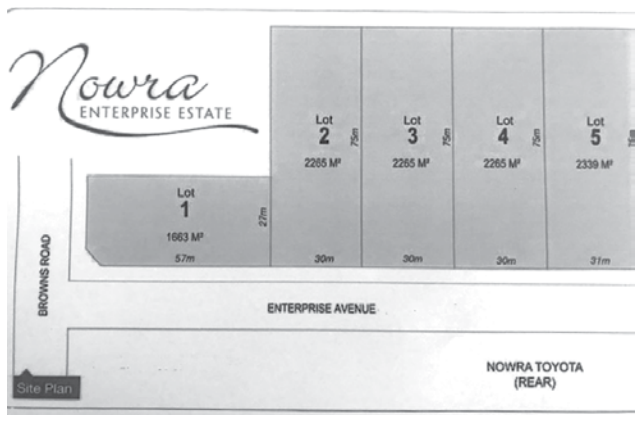
However, Peter cautions that this strategy might not work for everyone. Despite having a fantastic team behind him, he said there's a lot to get your head around.

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 - Negotiated 15 year lease	$3.16M	All outgoings & fitout paid by lessee	

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

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.

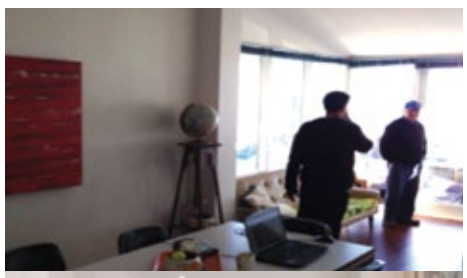
In 13 months Nathan went from -$33,000 to +$56,000 passive income and within a few months that is expected to increase to around $99,000 a year. Additionally, his actions took his portfolio from $2,740,000 to $4,010,000, which is an equity uplift of $1,005,000 in just 13 months.

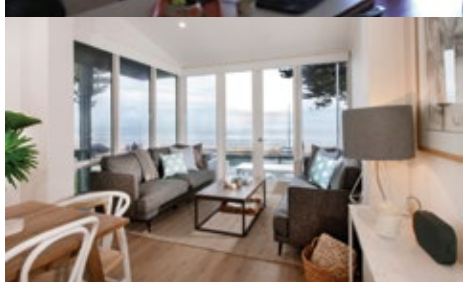
When you think that all this was done working full-time from another continent, it's a pretty amazing achievement. It also meant that Nathan was able to leave work and come back to Australia to be with his family, which was the whole point of the exercise.

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**

WHY WE ARE ANXIOUS AND FROZEN UP

There's two ways to build culture. I show you what's best.

BY DYMPHNA BOHOLT

One of the big challenges we face is that we don't have the right role models.

Without the right role models, we're a bit lost.

How do we know how to act? How do we know what to say? How do we know how to live out best life possible, with integrity and mission?

These things are hard to do when you literally have to reinvent the wheel from scratch to get it done.

And I only think it's getting tougher for our kids.

As parents, we only have small sense of what the world they will be stepping into will be like.

We barely understand the world we are living in right now.

Things are just changing so quickly.

In centuries past, you probably had a pretty good idea about how your world worked, because it worked the same way it did when your parents were kids, and when their parents were kids, and they were able to coach you into it.

Now, I don't even know what apps are on my daughter's phone.

When I grew up we didn't even have phones!

So when things are changing so much, we're all flying blind, into an unknowable future.

But it's worse than that.

Because this knowledge of how to navigate the world and how to thrive and survive – this is what could be called culture.

And culture is transmitted through two vehicles. There's a transmission on how to be, and there's a transmission on how not to be.

And the way it looks to me is that while we have become incredibly uncertain on the 'what to be' side of things, we still give a lot of energy to 'what not to be'.

So, as a society, we are judgemental and aggressive. We take down people on social media for saying the wrong thing, or doing the wrong thing, or wearing the wrong thing to the wrong wedding.

And if this is all we have – in the absence of role models showing us 'what to be' – we end up boxing ourselves in to a 'what not to be' culture.

And we are as anxious and self-conscious as we are bitchy and judgemental.

In that kind of culture, is it any wonder we all end up frozen up and depressed?

(This is where we're going, Australia!)

The anti-dote, I think, is to make sure we're exposed to role-models. That we surround ourselves with inspiring people living their best life possible.

It's one of the reasons I'm so proud of the community we've built here at I Love Real Estate. I'm proud of all the strategies and the wealth-creation hacks and all of that.

But it's the community that gives me that warm inner-glow.

Because I know what we're building is a 'what to be' culture. It's about showing what is possible, not trying to smother what we don't like.

It's about lifting people up and celebrating success.

It's about demonstrating just what is possible.

It's a 'what to be' culture.

And it's a culture I want to be a part of.

Dymphna

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.

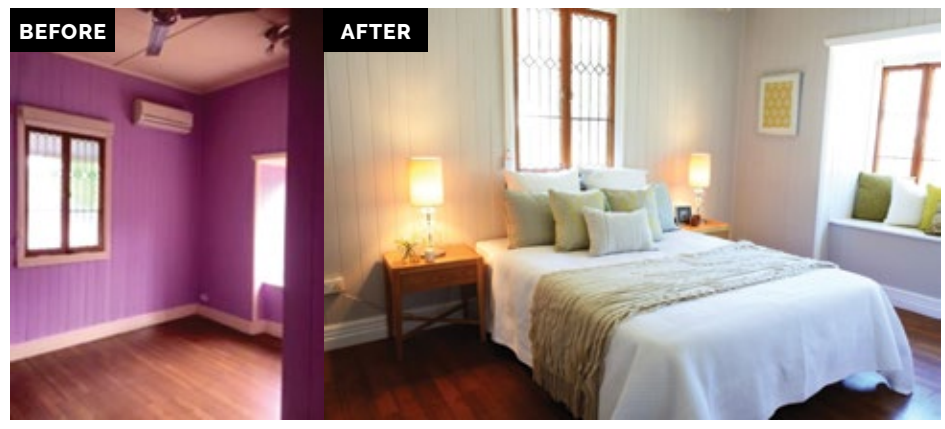
"We live with gratitude every day ... We visualise first thing in the morning and throughout the day. We energize, whether that's the gym, walking, or [with] music. We celebrate and reward effort." – Sue

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.

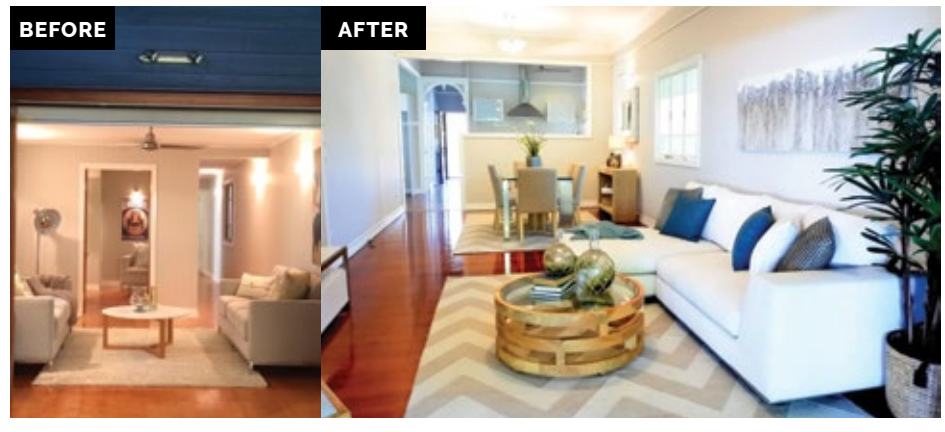
Today, Sue and Mark live by their daily rituals of energising and gratitude, and are a powerful inspiration to everyone they meet. They truly believe that good energy is infectious.

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		

BY JON GIAAN

THE KEY TO THE BOOM IN 2021

The boom this year hinges on this one thing.

So it seems like we're all agreed now. 2021 is going to be big.

CBA, ANZ, Westpac are all looking for price growth of between 10 and 20% over the next year or so.

(I don't know what NAB are on the record as predicting, but it's probably something pretty similar.)

A lot of people are going to find this puzzling. What happened to the worst economic downturn since the Great Depression? What happened to the Covid Crash? What happened to the devastation of lockdown?

(Over to you Adelaide.)

The short answer is money. Money happened.

The government carpet-bombed the economy with money.

And, if truth be told, maybe more money than they needed to, with the benefit of hindsight.

And how is that going to cause a boom in property prices?

Well, part of the story is interest rates.

When you include the pivot to fixed rates, interest rates are about half of what they were pre-covid.

And more than anything else, it's interest rates that drive property prices.

So that's creating a massive tail-wind for property prices.

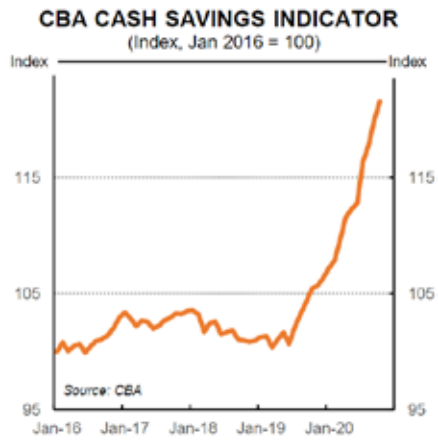
But there's another factor.

Deposit power.

Remember, to buy a property you need serviceability, which swings on interest rates, and you need a deposit.

And what's happening to deposits?

This is:



Wow. Is it even real?

This is from CBA's internal data. It is based on the average total savings balance per household, including home lending related savings and transaction or savings accounts.

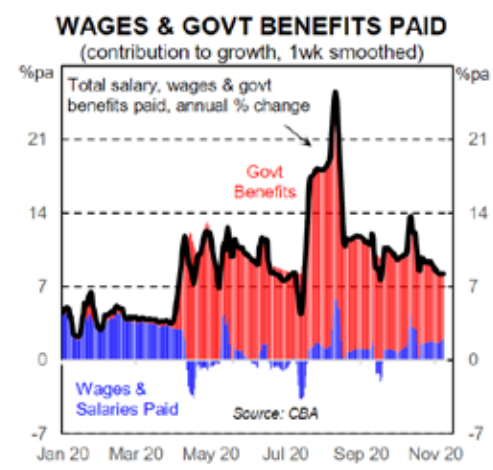
It has surged over the past six months, to be 15% higher than this time last year. And CBA reckon it's still growing.

So there's been a phenomenal surge in savings. And that means there's an 'extraordinary' amount of savings just sitting in the barrel:

The sums are simply extraordinary. On our calculations it looks like when we start 2021 the Australian household sector is likely to have around $A100bn (5% of GDP) in additional savings that have been accrued since COVID-19 arrived in Australia.

5% of GDP is phenomenal. It's massive.

And as I said, it's all thanks to government money. Financial support to households was massive, at the same time as wages and salary income held up much better than expected:



Thanks to government money, household incomes are now growing at a thumping 7% a year.

And that's enabled many households to just tuck that money away in their savings accounts.

But think about what they means.

Because what is a deposit? It's money that you've saved.

And so if we're saying there's been a phenomenal surge in savings, it's another way of saying that there's been a phenomenal surge in deposit power.

And when the dust settles and the new year opens up, households will find that they're sitting on huge reserves of capital, that they're ready to deploy.

Many households will funnel it into consumption, but many will funnel it into productive assets.

And if you're sitting on a deposit, with the cheapest interest rates in the world, you'd be kind of mad to not buy property, in my opinion.

(The right, investment-appropriate property, obviously.)

But this is what the boom in 2021 swings on. A massive increase in serviceability power, and a massive increase in deposit power.

It's pretty much baked in.

JG

BASIA

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.

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

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.

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.

BY DYMPHNA BOHOLT

WORKING WITH WUSS-BAGS

What you do at the water's edge can define your life.

Everybody knows what it's like to jump into cold water.

Am I being too Aussie if I say this is a universal human experience? Maybe not everyone the world over knows what I'm talking about, but my guess is you do.

At some point, you have stood at the waters edge, stuck a foot in and gone, "aw yeah, that's pretty fresh!"

You were committed to going for a swim a minute ago. The water looked lovely from back up on the dunes. You got into your swimmers. You even did that awkward little dance, wrapped in a towel, trying to get your undies over your ankles.

But now you're wondering what you were thinking. The water's not lovely. It's freezing. You felt like a swim a minute ago, but now you're feeling like, "Actually, yeah, nah. I think I'm good. I'm good here. I don't think I need to get in."

And now there's a process of negotiation.

You know from experience that it will probably be fine once you get in. It will probably be lovely.

And so you tell yourself that. You remind yourself.

And you agree with yourself. But you still want to stand at the waters edge for a bit, seeing if maybe it's going to get better.

And it's this phase of wavering that I'm really interested in.

You're in your swimmers already. You're fully committed. You're not getting any warmer. The water's not getting any warmer either.

But we can spend a bit of time on the waters edge – delaying, faffing about. "Mustering the courage" or whatever story it is that we're telling ourselves.

In many ways, I think this is the last stand of our resistances. It's the final last-ditch attempt from our wussy and sooky selves to send us back up the beach to the kiosk for an icecream.

And what I think is interesting is that we can see this "water's edge wavering" in everything we do.

Maybe it's that tricky conversation with our partner. Time doesn't offer us anything. The situation is not going to resolve itself. But we cling to the hope that something might save us from having to bite the bullet and jump in.

Or maybe it's at that point of making a major life decision. We know all this fly-in fly-out work isn't working for us, not with the kids so young. But still we can spend years standing at the edge of a new direction in life, never taking the plunge.

Or what about getting the finances sorted. We can see the writing on the wall. We're not on the way to the life we want to be living anytime soon. We know we've got to do something.

We're already down to our speedos, but we just can't get ourselves to take the leap.

There is a discipline here. And it's knowing the difference between genuine caution – which is important – and wussy wavering.

Because I think we are all just hard wired for this "water's edge wavering."

And often, you've just got to take the plunge.

Dymphna

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.

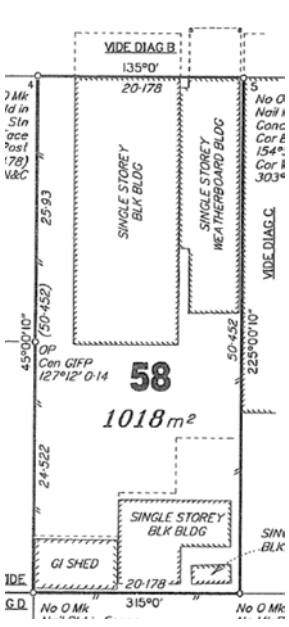
The big upside is that while it's taken some time to unravel the errors made prior to getting educated, they now have a solid, well planned portfolio of $7.9M with a total debt of $4.4M.

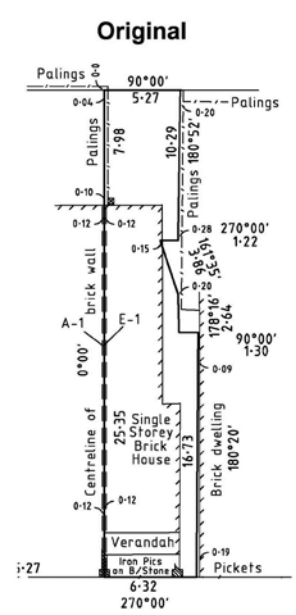
This means that they have plenty of equity to play with and the know how to make massive leaps in their wealth over the next few years. Feeling very blessed that they have the education and the skills to turn things around, Tack and Hoe Ping helped their parents upgrade from an old house by doing a one into two build.

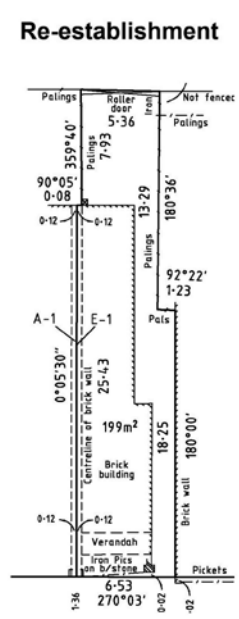
They are also helping other family members to get started in property investing and they are forming a closer bond as a family without the stress of having to maintain massive negative cash flow.

"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."

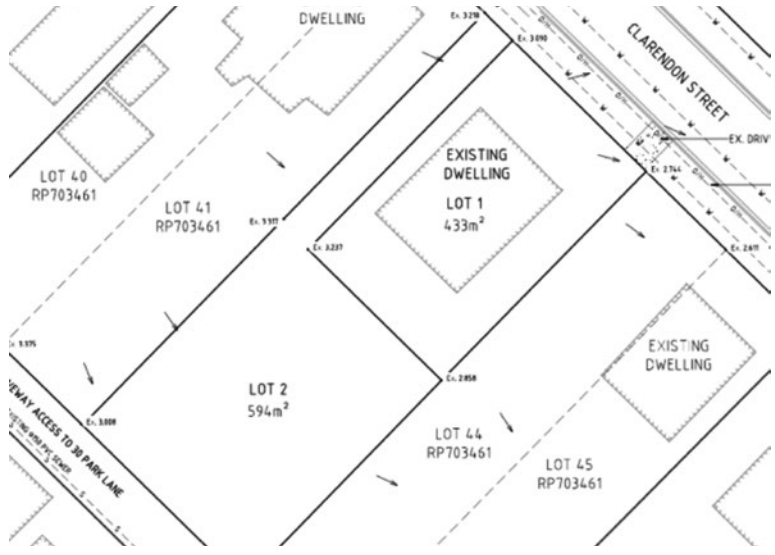
CURRENT CASH FLOW PER ANNUM

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

HENRY

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

BY JON GIAAN

LESSONS FROM A NAUGHTY DOG

I'm still not quite sure what to make of this experience.

That little dog got me in so much trouble.

I remember I was out for a walk one time, and this little dog comes running up to say hello.

I like dogs, so I bent down to give it a bit of a pat and a ruffle.

See what a nice guy I am. This proves it.

Side note – I was actually talking to a film-maker friend of mine, and this is a common movie technique. If they want you to like a character immediately, but they don't have time to put into it, they just give you a shot of them being kind to an animal.

Apparently, if we see somebody being nice to an animal, we just automatically assume they're a good person. Maybe because the opposite is true, if you're nasty to an animal you are probably a nasty person.

Anyway, watch out for it. Think Russel Crow's character is Gladiator. In the opening scene he's shown thoughtfully patting his dog (who for some reason has come to the battlefield with him), and then the dog is never seen of again. Or Brad Pitt in Fury, in the opening scene with the horse of the Nazi he's just killed.

Anyway, there I was, nice guy that I am, giving this dog a friendly pat.

At that point the dog decides that we're now buddies and he starts following me down the street.

I'm looking around for his owner, who I presumed was somewhere around, but then realise that this dog is out all on his own. I'm looking at the houses nearby and they're not looking like doggy houses.

Um... Now I'm wondering if I've accidentally invited a stray dog to come and live with me.

Because that's how its behaving.

It runs off for a bit, then runs back and looks at me like, "Where are we going next?" Then it goes and comes back and goes and comes back.

I keep on with my walk. I figure it will just get bored of me eventually.

And that's ok for a couple of blocks, but then the dog starts doing naughty things.

It runs up someone's driveway and runs around in their yard. It's in the middle of the road as car is trying to get past. It chases a cat.

And I realise that I'm now looking like an irresponsible dog owner. Like I'm some dude who has taken his dog out for a walk, and then just doesn't care what the dog gets up to.

And people are looking at me like, "Are you going to get your dog under control?"

And I'm shrugging at people, trying to say, "It's not my dog." But it just looks like I'm just saying, "Sorry my dog just shat on your lawn. Nothing I can do about it."

And this dog is still super friendly with me, and so now I look like a guy who takes his dog out for a walk, and then when it does something naughty, just pretends like it isn't his dog.

Any cred I established in the opening scenes is not lost, as people glare at me down the street.

It's just a bizarre experience.

But it's one that also feels kinda common.

Like, people are going to judge you about things they don't understand. They won't know the full story. They won't understand why you're doing the things you're doing, or how much control you have in the story anyway.

But they're going to judge you anyway.

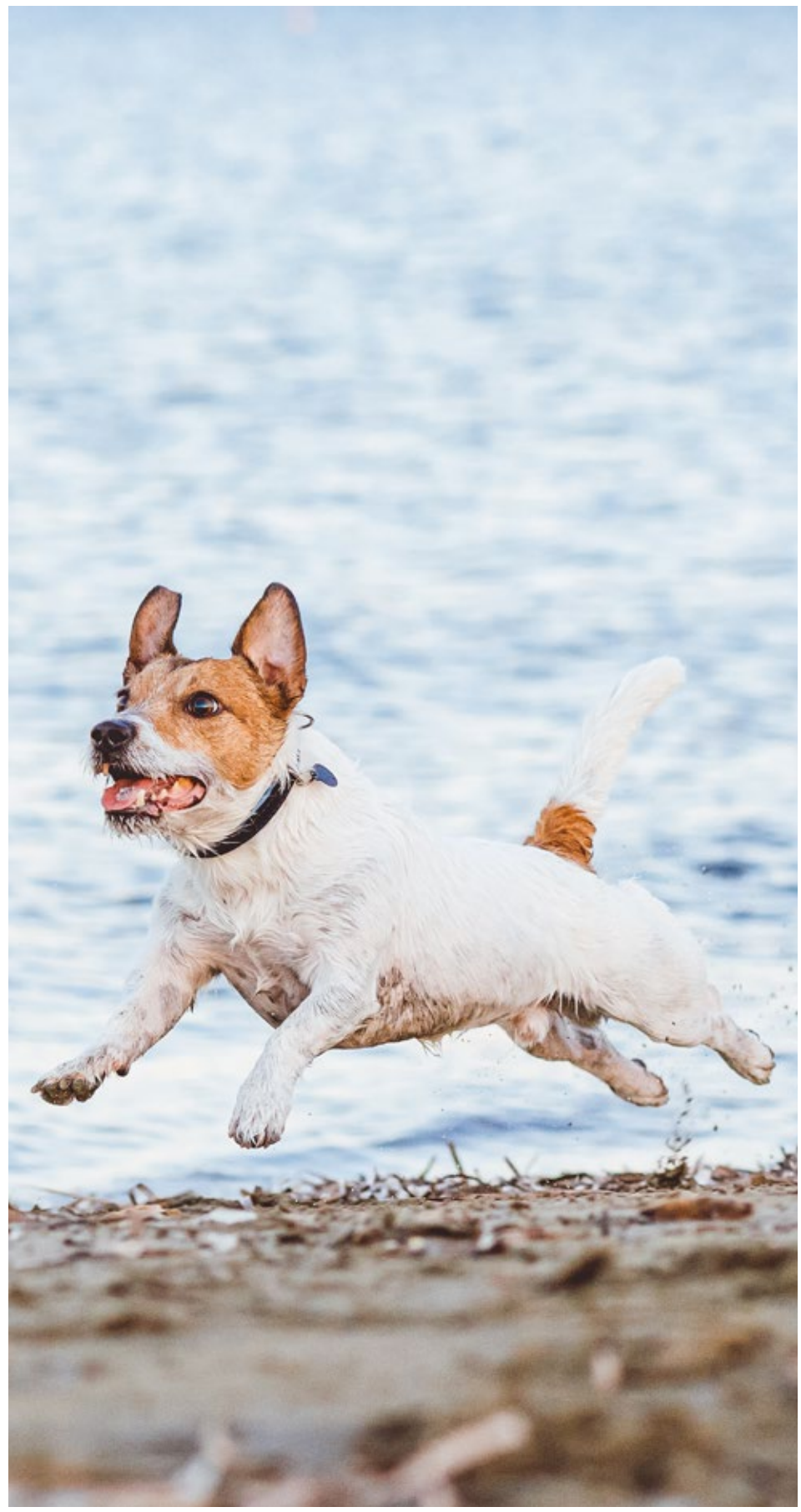
And there will be times when you are making a mess in someone's lawn – where you yourself will be the naughty dog – and you'll just have to shrug your shoulders and say, "Sorry. I don't know why I did that. I just don't have full control over this thing."

What can you do?

Haters are going to hate. You're going to be naughty and make a mess. It's just life.

All you can do is keep walking.

JG



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

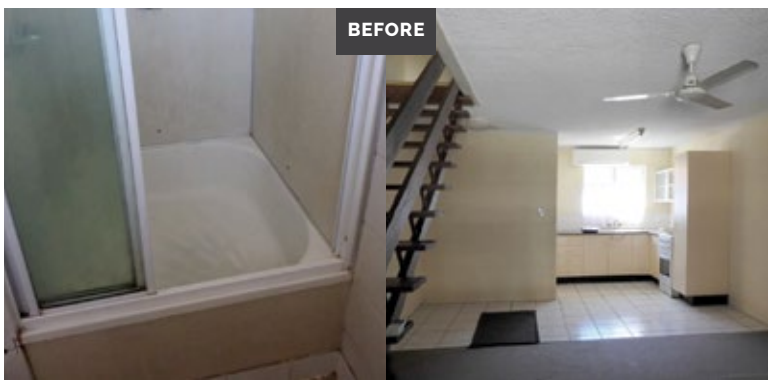
DEAL 4: WA COMMERCIAL
- Purchase Cost: $360K
- Strategy: Build Commercial & Duplex
- Build Cost: $2M
- Cash flow: $100k+ pa

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

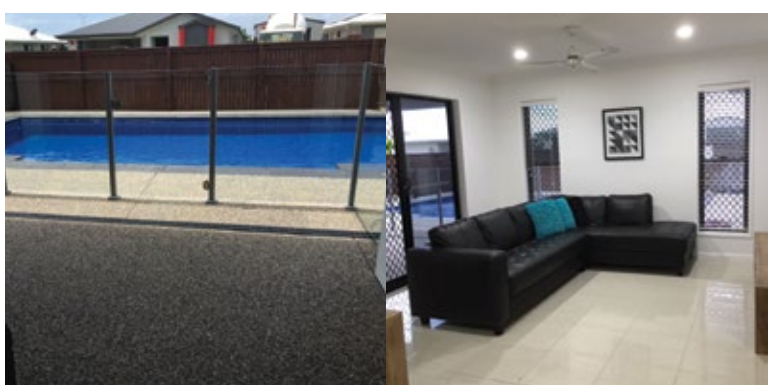
With this unique strategy Josh and Kara found there's good money to be made in every market.

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.

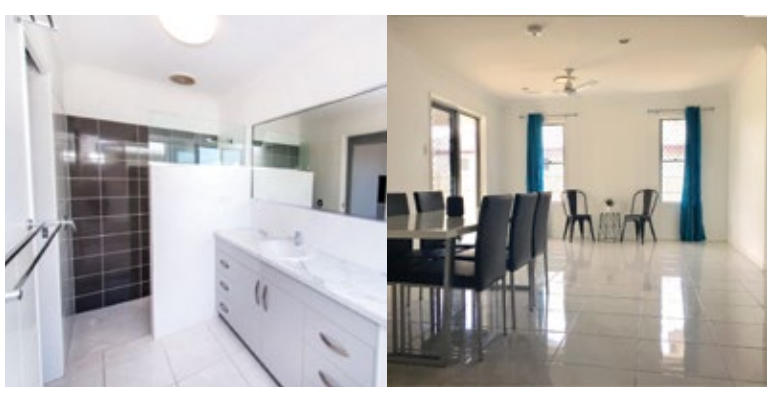


FIRST DEAL AFTER ULTIMATE BOOTCAMP
RENO – REGIONAL QLD 2 BED, 1 BATH UNIT

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 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 her father told her it was a bad time to invest there.

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:
1618m² 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

How one couple launched their investing career with just $20,000 ... and have almost replaced their income in three years!

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."

DEAL 3: BUILD HOUSE WITH GRANNY

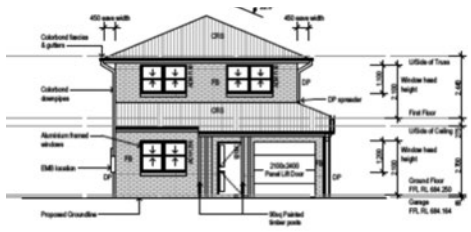
Land Cost	$50K
Construction Cost	$410K
Manufactured Equity	$140K
Rent	$630wk
Cashflow	$10K

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

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**

A SIMPLE HACK FOR CHANGING YOUR FLOWS

Could you make laziness a super-power?

BY DYMPHNA BOHOLT

To reinvent yourself, try introducing the perfect amount of friction.

Imagine a supermarket.

Walk into almost any supermarket and what section do you walk into?

Fresh fruit and vegetables.

Why is that?

It's certainly not because the optimal way to shop is to buy all your soft squooshy stuff first, and then pile tin cans and glass jars on top of it.

It's actually the exactly wrong order to do your shopping in.

So why do supermarkets organise themselves this way?

They're trying to take advantage of something called "decision fatigue."

The idea is that after you've made 100 micro choices over which carrots to get, or which type of apples to buy etc, your decision muscle is tired.

And when your decision muscle is tired, you make worse decisions. You might decided to splash out on the premium brand of ice cream. Or you might decide to splash out on icecream even though you promised yourself an hour ago you wouldn't.

This is exactly what the supermarkets want you to do. They don't want you impulse buying an extra banana. They want you impulse buying high-ticket items like ice-cream and plush toys.

And from your perspective, it's terrible. You spent half an hour in the fruit and veg section to save yourself 75 cents, only to blow $20 on a hair dryer you didn't actually need.

And all your fruit and veg are squashed as well.

Now all you have to do to foil their cunning plan is to break right as soon as you enter.

But almost no one does?

Why?

Because there is the perfect amount of friction there.

You've already started sizing up the apples, so it's just easier to go there. Everyone else is going that way too. The turn you have to make is also just kinda sharp, and is a bit counter-intuitive in a keep-left culture.

And so you keep left. You go with the flow.

The supermarkets don't make it impossible for you. They don't have a barrier there, or someone in a high-vis vest directing traffic.

But they don't have to. All they have to do is introduce enough friction to make keeping-left the easiest thing to do.

And we always do what's easiest.

So, what do we do with this?

Well, use going to the shops as an opportunity to expresses you rebellious and independent spirit.

There's that.

But also recognise that changing yourself – reinventing yourself even – might be as simple as introducing just the right amount of friction.

Over-eating? Put a little passcode lock on the fridge door that forces you to have a moment before you open it.

Want to take more vitamins? Keep them sitting on your desk while you work so it's just too easy to pop one down.

Want to drink less? Keep the booze on a top shelf where you have to use the step-ladder to access it.

Just a little bit of friction might be all you need to get you to go in the direction that you want.

It's not radical. It's not heroic.

It's just consciously using the human tendency to go with the flow.

So make the most of it.

Establish your own flows, and go wherever you want.

Dymphna

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	

BEVERLE

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.

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 sub-divided 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.

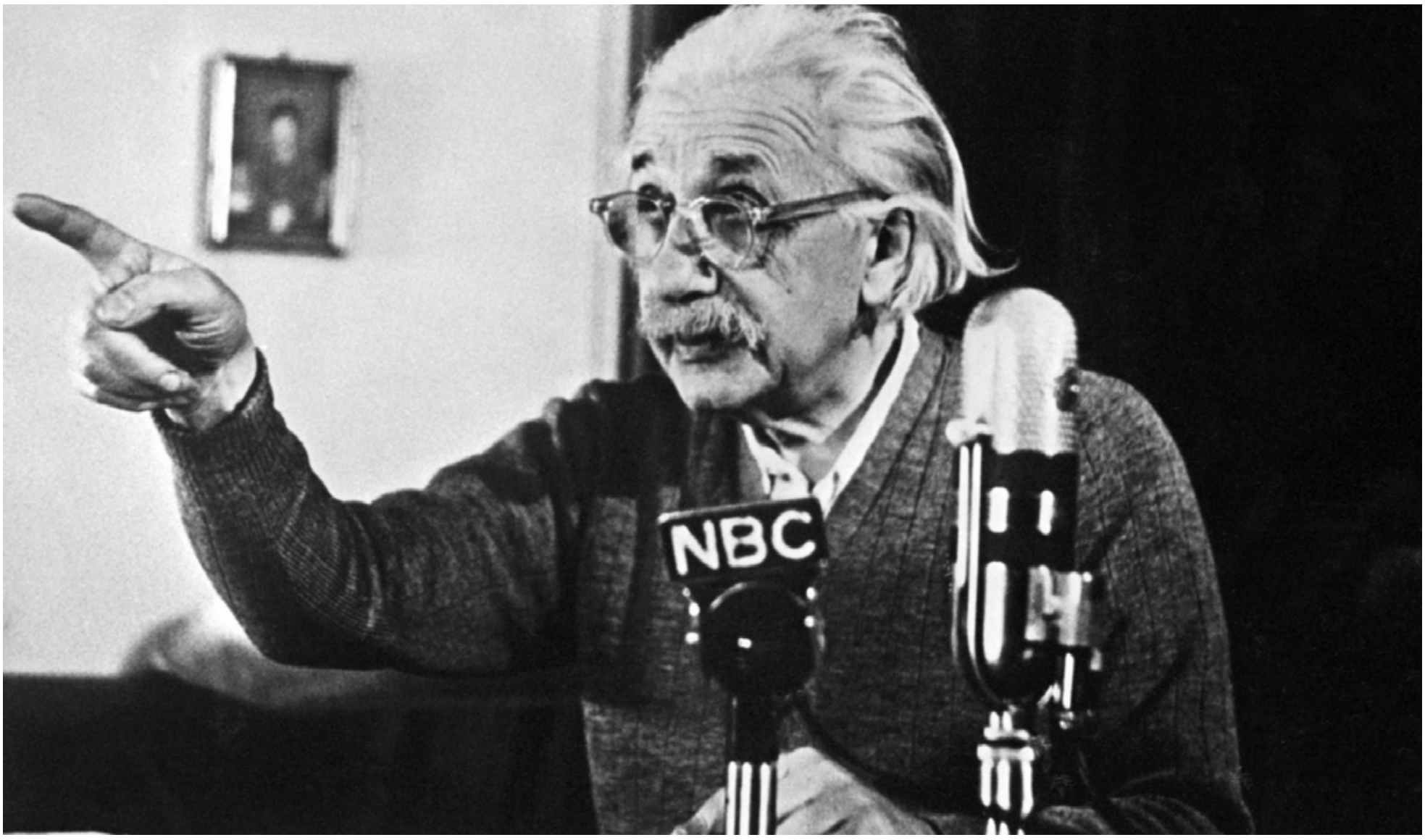
Now, Wilson has reached a turning point. After five years, he's reached his goals and now has plenty of time and money to spend on the things that are really important. He's not sure exactly what he'll do yet, but he will certainly work hard and do it well.

"Never give up! You could be so close to your goals and never know it."

BY DYMPHNA BOHOLT

THE DANGERS IN DENYING YOUR 'GENIUS'

You have a special genius. It will either make you or break you.



There's a passage from the Gnostic Gospel of Thomas I've been rolling around in my mind a bit lately.

I can't remember who put me on to it now. I do read pretty widely so it could be anybody. But you know, it's not like I've got a copy of the Gnostic Gospel of Thomas on the bedside table or anything.

Anyway, the saying goes:

"If you bring forth what is within you, what you bring forth will save you.

If you do not bring forth what is within you, what you do not bring forth will destroy you."

What do we mean by 'what is within you' here?

If we asked Thommo (we're on first name terms) he'd probably say something like 'grace' or 'unique soul' or 'divine will' or something like that.

But I'd be tempted to go with something like 'unique talents', or 'special genius' or 'true self'.

(And some people would probably say that they're the same thing anyway.)

There is a unique drive coming out of each of us. There is something special that only we can bring into the world. There is a note, and expression, that is ours and ours alone.

And it lives 'within' us. Not 'within' in a spatial sense. (Can you feel that lump, 2cm above your spleen? That's your 'unique gift'.)

But within as opposed to without. It is something we are born with. A destiny. A birth right.

It is not something that we acquire as we go along in life. It is with us all along. Life simply helps it mature and refine.

So it is a special genius that is yours and yours alone, and it wants to be brought into the world.

I can't tell you what it is. Only you can know that.

Maybe it's a talent for bringing people together. Maybe it's a passion for painting. Maybe it's a special sensitivity to the elements. It could be anything. The universe is endlessly creative.

But it's there. It's within you.

If you tap this special talent, and give it space to move into the world, it will have a profound impact on your life.

You will move with clarity and power, and the universe will conspire to support you at every turn.

Happy days.

But if you don't 'bring it forth'. If you smother it and bottle it up, if you deny it and kept it hidden and undeveloped, then it will destroy you.

Probably not literally. We're probably talking about living a frustrated life, where your passion never really lands, and nothing ever works out the way you want it to.

But also maybe literally. We know a lot of diseases have psycho-somatic causes. Denying your true self and smothering your talents does have an impact on your physical health.

So if you offer your talents and your genius to the world, it will save you. You will live in alignment with a higher flow, and amazing things will happen.

But if you deny it, you risk living a frustrated and broken life.

Sadly, we live in a world where we don't make this a focus.

We focus on developing marketable skills – skills that will make us employable.

But I really believe that the key to a satisfying life is to bring your special genius into the world.

Whatever it may be.

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!

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!

SHIRLEY

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**

BY JON GIAAN

DON'T MANIFEST UNTIL YOU DO THIS FIRST

The first step in manifesting anything is to drop into your power.

It's one of the paradoxes built into manifestation.

The way people tell the story – I'm talking about law-of-attraction type theories, which themselves have been around in various forms for centuries – everything has a gravity. Even emotional experiences have a gravity, and they pull towards each other.

Like attracts like.

So if like attracts like, that means that if you want to attract peace, joy, beauty, material possessions, whatever, then you need to put yourself in that emotional state, where you are actually already enjoying, peace, joy, beauty, material possessions, whatever.

It's these feelings – these body-based experiences – that then become the fuel that powers your dreams.

And to tap these feelings – this fuel source – you need to think past the sale. You need to put yourself in that place where you already have everything you want.

But, Question: if you already have everything you want, where are you then?

Answer: You are in your power.

That's what I reckon this state is. This manifestation state.

You are in your power. Every desire is realised. Every need is sorted. Every loved-one is taken care of, and you cut cleanly and quickly through the messy world towards your goals. Always.

You are in your fully-realised power.

You need to step into this place to manifest cleanly.

If this is true, that means that when you are consciously dreaming – when you are deciding on what it is you want to be calling into your life – you need to make sure that these dreams are the dreams of your full-power self.

You need to dream the dreams that your full-power self would dream.

They can't be coming from a place of lack. "I need a flash car so people will like me." Rubbish. Is that something the most powerful version of you would say? Of course not.

"I need a flash car because I like riding an iron dragon and writing my name in the open road."

That's something your full-power self would say.

So before you dream into what you want, dream into the fullness of your power. Open the door to everything you are capable of.

That might require a bit of imagination. But isn't that the magic that's hidden in imagination – to call into being something that has never existed before?

So dream into it. Dream into what it's like as your full-power self. Imagine what your full-power self would desire.

This is where it begins. I'd say don't even waste your time trying to manifest anything if you haven't grounded here first.

The first thought should be on your power.

There will be time for flash and bling later.

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%

With a cheating husband and her business stolen from under her, Esme was left "walking around like a zombie".

"I did it all alone and I'm a single mum. I think if I can do it, anyone can do it too. And also, one might think 'It's too late for me,' or 'I'm too old,' or whatever, but think again. I only started driving in my late 30s, I was computer illiterate until a couple years ago, and I'm a really slow learner. So if I can do it, anyone can too."

Having since built a property net worth of $1.9million, Esme is having the last laugh.

Seven years ago, Esme's deceitful husband left for Malaysia and never came home. At the same time, her successful café was forced to close. With her life in tatters, she wandered in a daze from seminar to seminar, desperate for an answer, but it wasn't until she attended Dymphna Boholt's one-day event that she found the direction she was looking for.

Despite the cruel blows that life had dealt her, Esme refused to be defeated. She is now almost halfway towards her goal of owning 50 properties, and has emerged as an inspiring woman of ambition, renewal and courage.

It all started when her husband went away. Soon enough, Esme received an email saying that their 20-year marriage was over. A little later, Esme opened her husband's life insurance letter to find that he had two children she had never known about, and not one, but two other wives! What's worse, her own name wasn't even on it.

Esme then lost her successful café business. The owner of the shopping centre where the café was located, who would regularly come for coffee at Esme's café, suddenly died. The new owner refused to renew her lease (which was later sold to a competitor!) and gave her one month to sell her business and get out. Esme was left reeling.

For a time, she went from seminar to seminar, unsure of what to do next or how to make a living. She had $100,000 from her business and that was it. She remembers attending a Dymphna Boholt one-day event and the feeling of the lights coming back on. She woke up.

"I went to one of Dymphna's events. Suddenly, she snapped me out of the zombie state."

Esme had never worked with goals, but for the first time in her life, she put pen to paper and made an ambitious commitment to buying 50 properties.

With newfound drive and direction, she threw herself into her property career. In the first year alone, she had completed seven deals. That was back in 2008. Now she has over 20 properties, both here in Australia and in the United States.

Following Dymphna's advice, Esme developed a two-fold strategy to create what she calls her 'cash-cow' business; firstly, to acquire the properties, secondly, to go back and add value. She didn't have quite enough to get started, but what she did have was an avid interest in antiques. She sold her Lalique French art, her Ken Done, antique furniture and pop-art, counting her lucky stars that she was into antiques rather than shoes.

She began buying properties that were on the low end of the market, often in rural towns, always on the lookout for investments that gave her some creative opportunities for the future. In this way she slowly built up her equity and loan capabilities until she was able to score a few strategic deals in Sydney. Then, after attending a Dymphna boot-camp on US property, she began investing abroad.

After just seven years, she has developed a portfolio of 20 properties worth a total $5M, with $1.9M worth of equity, and an annual passive income of $50,000.

USING HER NEW POWER TO HELP OTHERS

Stepping into becoming her own woman, Esme has become a crusader for the underdog. She sees great purpose in what she has achieved and now has the ability to contribute aid to women who are suffering. Her chosen cause is women in Africa who suffer from obstetric fistula, a condition that is caused when their baby dies in the womb. Left unable to control their own bodily functions, it is a horrible and tragic condition, but costs just $600 to fix. Motivated by genuine compassion for people such as this, Esme intends to keep growing her little cash-cow business so that she can continue to care for and help others.

DEAL 1: STRATEGIC SYDNEY

After thinking long and hard about the most strategic location in which to make a big investment, Esme finally settled on a unit in Blacktown, close to Parramatta, which is tipped to be the next major city centre of Sydney. She bought a deceased estate for $149,000 and spent $21,000 on renovations. That was in 2009, and she sold the unit for $280,000.

Recognising that this area is a prime place to do some investing, Esme made several more investments in the area.

DEAL 2: CREATIVE SHOPS

Esme bought a shop in Parramatta, which gave her good business up until her tenant left. Unable to get another tenant for almost two years, Esme began to get creative with the space. After getting approval from body corporate, she spent $100,000 and turned this little shop into an apartment. Bought for $288,000, this unit is now worth $450,000.

DEAL 3: THE PARRAMATTA PENTHOUSE

Esme then landed a very profitable and lucrative penthouse. Initially bought for $630,000, she thought it would be an investment to sell off quickly; however, Esme is a believer in intuition. This property has had several offers over the past couple of years. In fact, in 2013, she was offered the price she wanted, $780,000. Amazingly she listened to her gut and held on to the place. Now she is thankful she did, and her intuition about Parramatta becoming a hot spot has paid off.

This property is now worth a cool $1M.

DEAL 4: LAUGHIN' WHALAN

Always looking for little twists and creative ways to create a profit, Esme was attracted by the instantly profitable purchase of a Whalan house and granny flat. Usually not one to trust auctions, this time Esme bravely gave it a crack. On offer for $580,000 and in a "mad" Sydney market that could jump $20,000 in a week, Esme made a low-ball bid of $520,000. This was rejected, but Esme has now learnt that determination pays off. A few days later she made another offer of $550,000, which, to her delight, was accepted. This has proven to be a great investment since she can rent the house and the granny flat separately.

DEAL 5: TEXAS BOOTCAMP

In 2013, Esme ventured to the United States, and by taking advantage of the low buys and strong Australian dollar, she bought her first property in Texas for only $50,000. This was another deal where Esme was using her creative eye. The property had a house and also a vacant lot that she can rent out to caravans. She's currently holding on to this property as a development opportunity for the future.

STILL A LONG WAY TO GO

Now that Esme has 20 properties, she has begun to focus on value-adding and deepening her strategy with what she has already purchased. Still not able to believe how she has achieved so much in the last seven years, she is the mum everyone knows and loves. A little timid and bashful, she has some words of encouragement for anyone else thinking of getting into property.

Esme's first property was a deceased estate where the owner was found dead in the living room. Unperturbed, Esme gave new life to the property with a renovation and sold it, at a profit to the new owners who needed a home.

"When my tenant left, I had a bit of difficulty renting it out, and also trying to sell it was no good, I could only get about $250K. So I had to think outside the square. I renovated it and turned it into an apartment."

BRIAN

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.

"I thought negative gearing was the way to go... Until I saw I was losing $184,000 a year!"

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 852m^2, 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...

BY JON GIAAN

WHY YOU'RE PROBABLY PART OF THE HERD

The thing about herds is that no one thinks they're herd.

Do you run with the herd?

No, of course you don't. You don't think of yourself as part of the herd. You're not a fearful sheep or an instinct-driven cow.

You're a free thinker. You walk your own path. They should name a fragrance after you.

And look, the fact that you've made it this far – the fact that you're reading these blogs rather than nom'ing up whatever grass the main-stream media puts in front of your over-sized nose – that means you're already inclined to independent thought and critical media consumption.

Good for you. That's awesome.

But think about this: how many people self-identify as 'herd'?

"I used to identify as gender non-binary, but now I identify as bovine."

Seriously though. Who identifies as herd? Is there anyone out there who says, "My investment philosophy is to just do whatever I see everyone else doing and hope that it works out."

Of course not. The interesting thing about the herd is that every individual within the herd thinks that they are acting independently and following their own self-interest.

Herd dynamics don't emerge out of a shared, collective desire to be herd-like.

They emerge out of independent individual action spontaneously synchronising into herd-like behaviour.

So this creates a problem.

If you say that you act independently and don't "follow the herd", I would say that every individual in the herd would say the exact same thing.

So how do you know you are genuinely acting independently, and how do you know that you're not, in fact, just one of the herd-lings with delusions of agency and independence?

Well, how do you?

This is tricky.

The people who buy late into every bubble – whether that was Bitcoin in 2017, or the Tech boom in 2000, or Tulips in the olden days – they didn't think they were part of the herd.

They all thought they were part of the visionary or early-adopter cohorts

Same story with people who sell out right at the bottom of the cycle – at those moments of maximum panic.

They're not thinking, "Well the herd is really panicking now. I better join them."

They're thinking that things are about to get whole lot worse, and that they better get out before the herd comes to the same conclusion and tramples them.

And this is the thing. When you're herd, you don't know you're herd.

The antidote, I think, is education.

Education and more education.

The more you educate yourself – the more you get a feel for the landscape and learn who to listen to and who you can trust – the more inoculated you are to 'herd think.'

The more of this experience you have – the more you come to understand your place in the herd. Are you one of the leaders and independent thinkers on the fringes? Or are you smack bang in the middle?

The market is about to test us. So far we haven't seen anything that has spooked the market, but my bet is we will.

The herd is going to panic and freak out.

Time to ask yourself now. Am I going to go with them?

Or do I know myself and know where I stand?

JG

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."

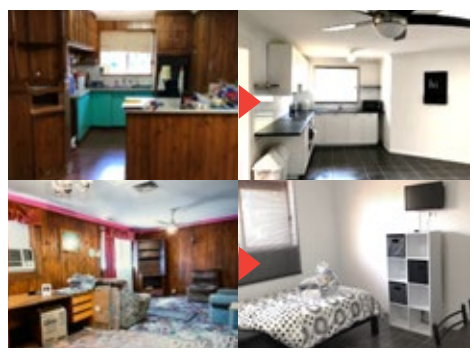
PRE-DYMPHNA	VALUE	EQUITY		CASH FLOW
Quakers Hill (PPR)	$550,000	$352,000		$0
POST-DYMPHNA	**VALUE**	**EQUITY**	**UPLIFT**	**CASH FLOW**
Quakers Hill PPR	$890,000	$510,000	$60,000	
Granny Flat	Inc in PPR	Inc in PPR	$92,000	$21,000
R House SA	$375,000	$95,000	$50,000	$31,000
R House SA 2	$245,000	$35,000		$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**

MELISSA & PHIL

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

GOVERNMENT READIES NEXT ROCKET PACK

The government is paving the way for the next property stimulus package.

BY JON GIAAN

So we're getting an early signal about where the next property boom is going to come from.

Actually, it won't cause it's own boom... or at least you won't notice the boom in the middle of the cheap-money boom.

But we can think about it strapping another rocket booster to the housing market.

The scheme I'm talking about is letting first home buyers raid their super to buy property.

The logic is pretty sound. There's no point having a large super nest-egg if you don't own your own home and you've been renting your whole life.

In many ways, buying your first home has to be your primary financial focus. The road to wealth gets easier after that.

And we know people want to do it, because it was one of the first things people did when they were allowed to raid their super when Covid hit.

So I'm not really seeing what's standing in the way of this idea. Maybe a bit of whingeing from the super industry.

But I reckon we can almost lock it in.

It's a proposal being championed by a group of Liberal MPs, led by Tim Wilson, are leading the calls:

Mr Wilson told The Age and The Sydney Morning Herald that compulsory superannuation had reversed the normal stream of life events and now prioritised saving for retirement ahead of saving for a house.

"Most Australians don't think it should be a choice between home ownership and super, but the reality is every dollar locked in super can't be used to buy a home."

"If Australians buy a home they can start saving for their future retirement, whereas they can't start saving for a home from retirement."

Mr Wilson said it was "illogical" that a 40-year-old had $100,000 in superannuation savings but did not own their own home.

"On the same trajectory they'll get the pension, it's just whether it will be gobbled up in rent, or used for a dignified retirement while owning a home," he said.

Former Reserve Bank governor Bernie Fraser agrees:

"In my view the long-term return of owning a house rather than having to be renting one would outweigh the return of even a good performing super fund," he said....

"I just think, particularly as house prices are going up and rent prices are going up, the opportunity for some modest-income people to have a house would be a very good investment."

As does Robert Gottliebsen:

My first recommendation is therefore that an amount of money in superannuation (let's leave the amount required until later) should be allocated to help buy a first home.

And the Senate cross-bench looks like they'll support it:

One Nation leader Pauline Hanson, Centre Alliance's Stirling Griff and independent senator Rex Patrick said they would be open to changes to the super system to help renters enter the property market by accessing their retirement savings early.

A growing number of Coalition MPs are urging cabinet to prioritise home ownership over super savings.

The crossbenchers' comments indicate the government could have enough support in the Senate to achieve changes to the retirement system.

A spokesman for independent senator Jacqui Lambie said she did not yet have a position. One Nation's Malcolm Roberts did not respond to a request for comment.

Done deal, I reckon.

And giving first home buyers a bit of help with their deposit is obviously a plus for property prices, particularly around the entry level segment.

So watch for it. This is just one more star aligning for property in 2021.

JG

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 the son of refugees built a $300,000 pa passive income stream in just five years.

John is soft spoken and humble. He never talks about his results with property, other than to say "I'm lucky enough to be earning six figures a year now". When Dymphna Boholt asked him to share his remarkable story, he only agreed to open the books on the hope that it might inspire others.

John grew up in the Kensington housing commission flats in Melbourne. They weren't pretty when they were built and they haven't got any better. John's parents worked sewing clothes for minimum wage. As refugees from Vietnam with no English, it was all they could do.

Watching his parents work so hard for so little inspired John to apply himself. He studied hard and got good grades, eventually graduating with a pharmacy degree from university.

From there he got a "fairy-tale" job, working at a pharmacy just 100 metres from where he grew up. However the fairy tale soured when the pharmacy ran into hard times and he became redundant. He found himself living back at home, with just $3.67 in his bank account.

To make matters worse, with the wolf of depression lurking around his door, his girlfriend left him. He admits he wasn't fun to be around in those darker days.

However, it was all the wake-up call he needed. He never wanted to be so dependent on a single source of income again. After finding an ad for Dymphna's program in the newspaper, he sussed out the training on offer and he threw himself into his studies.

THE RIGHT TOOLS IN THE RIGHT HANDS

With John's work ethic and natural optimism, the strategies he learnt with Dymphna became a formidable weapon.

He started small, with a three townhouse subdivision, but from there, there was no looking back.

Over the next five years, through a clever use of subdivision and small-scale development, John built a massive real estate portfolio. When current developments are complete he is expecting to have 42 properties, $8M in equity and up to $300,000 a year in passive income!

DEAL 1: THE THREE TOWNHOUSE APPETISER

John's first deal took a while to land, but was relatively straight forward. He bought a property in regional Victoria for $480,000. He subdivided the property into two, renovated the front house and built two townhouses on the back. With an end value of $1.5M, and earning $1,300 a week, the property earns John $20,000 a year in passive income, and gave him $700,000 equity to work with. Remember, this is just the beginning!

"At the start it feels daunting and scary. You think, 'Why aren't I getting results?!' But you've got to keep your head up."

DEAL 2: RIGHT PLACE, RIGHT TIME

In 2012, John got a call from the Ray White agency. He had once asked them about a rental valuation for a property he already had in the area. They were calling him to let him know the property next door was coming on to the market. It was going to auction the next day.

John knew that having a side-by-side deal would give him lots of potential and since he was market ready through Dymphna's training, he showed up to the auction and bought the property for $335,000.

Luck then smiled on John. Since the properties were close to a shopping centre, the council changed the zoning to high-density.

Where John had been talking to his architect about eight townhouses, the architect said he could fit a full 20 properties on the site!

That was exactly what John did, demolishing the property and building 20 units. With an end value of $5M, renting for $5,200 a week and providing $80,000 pa passive income, John has managed to keep all 20 properties for an equity lift of $2M.

DEAL 3: JOHN COMES TO THE CITY

With a war chest to work with, John then set his sights on metro Melbourne. He bought a large site for $400,000 that he felt had potential. All the architects he spoke to were telling him he couldn't get more than two townhouses on the lot.

However, John wouldn't settle for two. So he looked up the council plans and found the architect in the area that was building the kind of thing he wanted to build. John called the architect up, who straight off the bat said, "Yep, no worries. We can get three on there." Those three townhouses are now worth $1.8M, delivering an equity gain of $650,000.

DEAL 4: WORKING LIKE CLOCK-WORK NOW

Staying in metro Melbourne, John's next deal was bought off-market from someone working fly-in fly-out, with a long settlement. This long settlement gave John space to get a large development going, building five townhouses on the block for an end valuation of $3.25M, and an equity gain of $750,000.

DEAL 5: WHY NOT TEN?

John then found two neighbouring blocks for sale in Metro Melbourne, listed with two separate agents. He knew that there was enough room for ten townhouses on the blocks. So he purchased one but negotiated 30 days for due diligence in order to ensure that he could get the second.

He did and those ten townhouses are now worth $11M, delivering an equity gain of $3M.

DEAL 6: WHY NOT ANOTHER TEN?

John had found a development site off-market with enough room for another ten townhouses. On a purchase price of $1.4M, he negotiated a twelve month settlement.

However, CBA withdrew finance on him at the last minute, with just weeks left to settle. John called the owner immediately and apologised for the situation. She was OK with it, but needed $500,000 for the place she was moving into.

John offered to write her a cheque for $500,000 and settle the rest as soon as he could. He was getting the property 30 per cent under market so he didn't want to let it go. This sent his lawyer into conniptions, exchanging so much money without any security in return (and as Dymphna points out, there are other ways of doing these things).

However, John believes in the good in people and this deal worked out for the best. By best, we mean an end value of $4.2M on 10 townhouses and a $800,000 equity gain.

"You've got to speak to the Universe and make your intentions really clear."

DEAL 7: THE POWER OF HALF AN HOUR

John then found out the neighbouring property was coming on the market. He was volunteering in Malaysia at the time, but he called his architect to see how many townhouses he could get on the lot. He said 10 and that would work. It was a five-minute call.

He then called his mortgage broker. Could he get finance? Yep. Another five-minute call.

He then called the real estate agent. Could he get a six-month settlement and a 5 per cent deposit? No worries.

Finally he called his parents and asked them to go to the auction on his behalf. They agreed.

In just half an hour he lined a great deal that will deliver the kind of results that John is used to.

A BELIEVER IN EDUCATION AND EMPOWERMENT

John is now determined to give back to his community. He has created his own scholarship fund to help disadvantaged kids at his old high school. He is also the first Australian president of the International Pharmaceutical Federation.

John's results are truly an inspiration to people – no matter where they start. In just five years, John has built a 42 property portfolio. This provides him with an income of $300,000 a year.

To a large extent, John's easy going and optimistic nature has created his own luck. However, it was the skills and training he received from Dymphna Boholt and the ILRE community that meant that he was ready to strike when opportunity knocked. And as John's mentors can attest, it couldn't have happened to a nicer guy.

PRE-DYMPHNA (2012)		POST-DYMPHNA (2017)	
PROPERTIES	1	PROPERTIES	EXPECTED 42
EQUITY	$35,000	EQUITY	$8,000,000
CASH FLOW	$3000PA	CASH FLOW	$300,000PA

DEAL 1: 3 TOWNHOUSE SUBDIVISION
- Purchase Price: $480,000
- Strategy: Renovate front, build 2 at back
- End value: $1,500,000
- Rent: $1300 pw
- Cash flow: $20,000 pa
- Profit: $700,000

DEAL 2: DOUBLE BLOCK
- Purchase Price: $335,000
- Strategy: Demolish, build 20 apartments
- End value: $5,000,000
- Rent: $5200 pw
- Cash flow: $80,000 pa
- Profit: $2,050,000

PHARMACY BUSINESS MELBOURNE
- Purchase Price: $1,200,000
- Strategy: vendor finance, below MV, indefinite lease, off-market buy
- End value: $2,200,000
- Cash flow: $300,000 pa
- Profit: $1,000,000

DEAL 3: 3 TOWNHOUSE DEVELOPMENT
- Purchase Price: $400,000
- Strategy: Develop 3 townhouses to rent
- End value: $1,800,000
- Cash flow: $5,000 pa
- Profit: $650,000

DEAL 4: 5 TOWNHOUSES MELBOURNE
- Purchase Price: $1,350,000
- Strategy: long settlement, off-market, develop 5 townhouses
- End value: $3,250,000
- Profit: $750,000

DEAL 5: 10 TOWNHOUSES MELBOURNE JV
- Purchase Price: $2,650,000
- Strategy: Double block, long settlement, JV develop 10 townhouses
- End value: $11,000,000
- Profit: $3,000,000

DEALS 6&7: 10 TOWNHOUSES MELBOURNE
- Purchase Cost: $1,060,000
- Strategy: Knockdown and build triplex
- Build Costs: $1,640,000
- End Value: $4,050,000
- Profit: $1,350,000

JOHN NGUYEN TRUST SCHOLARSHIP
John created his own scholarship fund to help disadvantaged kids at his old high school. Felix, the current scholarship winner, dreams of studying bio-medicine at University.

MICHAEL

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

EMILY & AARON

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.

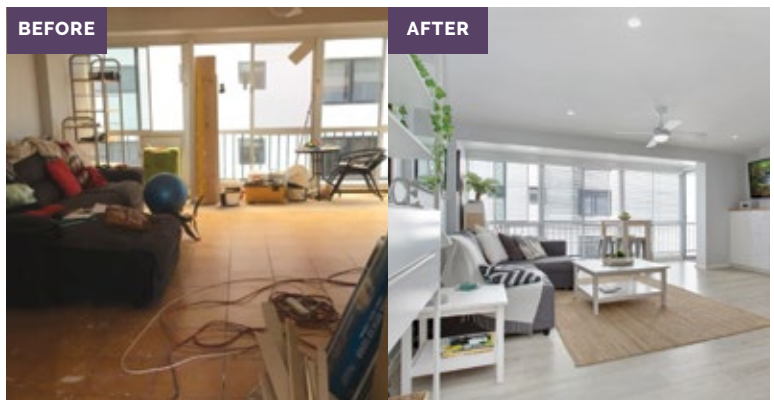
This costs them money, because she could be out finding lucrative deals.

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.

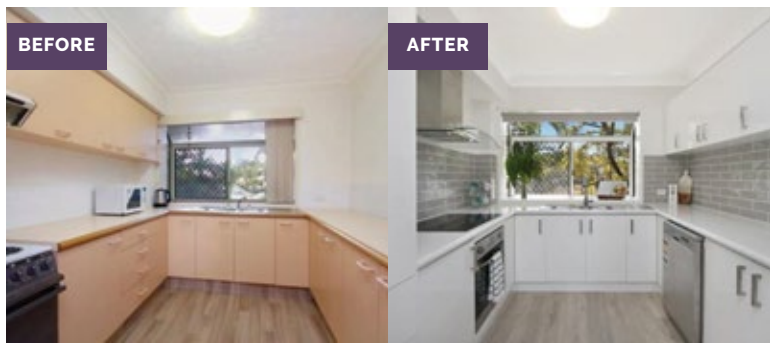
With his background as master tradesman, Aaron can get epic results done on a work site ultra-quick.

And of course, one of the biggest factors behind their success has been the I Love Real Estate community.



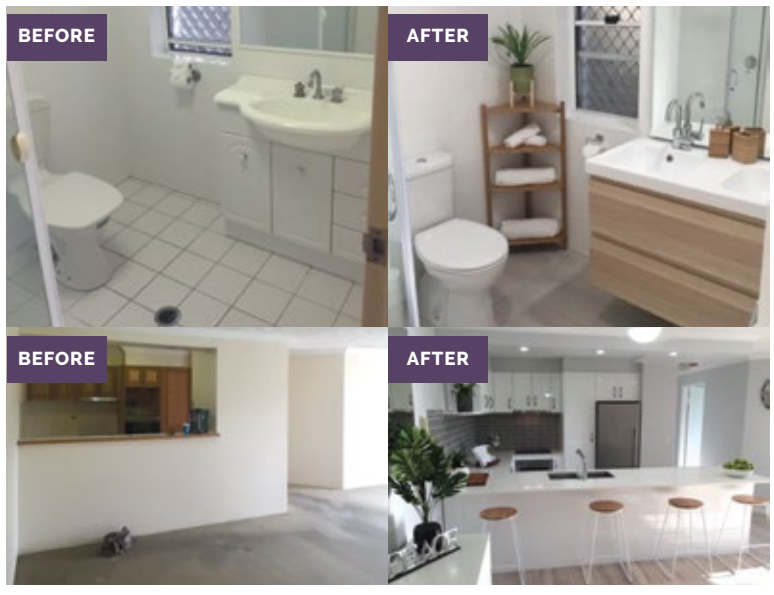
PROJECT 1: LIVE IN RENOVATION

- 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**

BY JON GIAAN

CAUGHT IN A REGRET LOOP?

Caught in a regret loop, I saw that they were a total fantasy…

I found myself wallowing in a bit of regret recently.

It might be something in the ether. I've got a few mates who have gone back to certain turning points in their lives, and taken a wistful look down a road that might have been.

Maybe it's the nature of Covid – a great big stop sign in the road of life. Maybe it's just what happens when you're cooped up inside all day.

Anyway, at first I'm like, "Oh, this is a productive use of my time. I'm taking stock of how some big life decisions panned out, so I can learn from them and make better decisions."

I think this is a good approach to have to life (in theory). I think with every investment decision you should make a note of your thinking so you can go back and check it against reality.

(What was I thinking when I invested in Pets.com?)

Otherwise you never learn.

But I don't think this is what I was actually doing. I think lockdown was just getting to me, and it was nothing but a bit of wistful escapism.

But I started watching my regrets and I noticed something.

What I found was that I was comparing my current life to a hypothetical life based on another life choice – making different financial decisions, different romantic choices, different creative pursuits.

But I noticed something.

The picture I had of my current life was pretty accurate (I think!). I had a sense for all the awesome stuff, and I was very aware of everything that wasn't awesome – the annoying and aggravating stuff.

However, the picture of I had of my 'alternate life' didn't have any of this nuance. When I imagined it, all I saw was how awesome it was. To the extent if I saw any downside at all, I tended to minimise it or dismiss it as not that much of a problem.

I think that's something about human nature – we're good at imagining how awesome something might be. We're not good at imagining the challenges and work involved.

But what that all gave me was an apples and oranges comparison. I was comparing my current life warts and all, to an alternate life which had no warts at all.

So of course I'm going to wistfully long for that alternate life. That alternate life doesn't have any problems. Everything's awesome there. All the time.

But obviously it's a total fantasy.

And so regret is nothing but a longing for a life that is completely unrealistic.

The reality, I try to remind myself, is that any life path has problems. All it has are different problems.

And so it's really unknowable whether it would be 'better' or not.

And in the end, I also know that it doesn't really matter. Happiness is mine to create. It's an inside job.

And so yeah, regrets. Total waste of time. You're comparing your current life to a life that has no basis in reality.

Don't bother.

Do some push ups instead.

JG.

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 princial 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."

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.

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**

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"

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.

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.

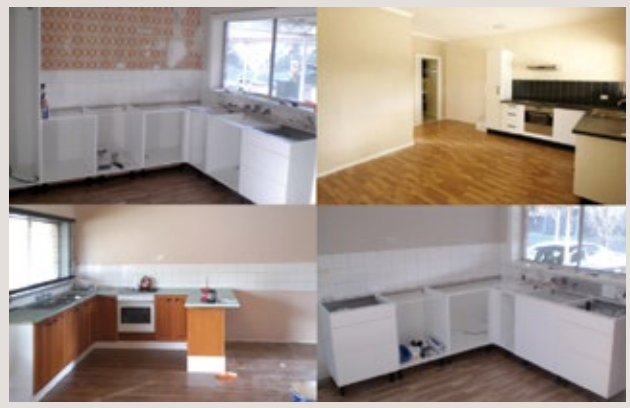
"I had YouTube running almost 24/7 – I learnt everything I know about renos from there."

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**

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."

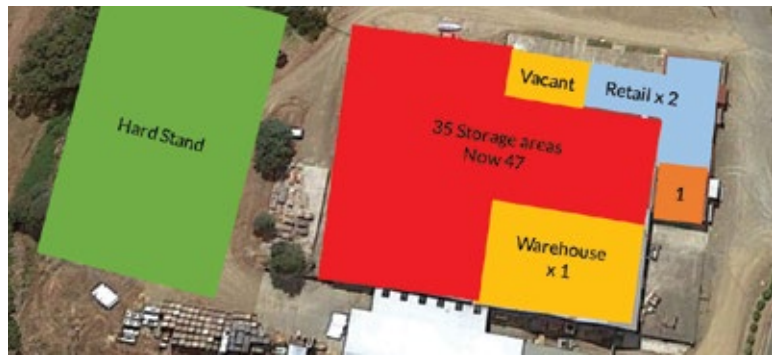
ADVICE TO INVESTORS

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

BY DYMPHNA BOHOLT

THE MOST FUN PRODUCTIVITY HACK

Fun is not a reward. It's part of the process.

People always want to know what productivity hacks I've got hidden away.

How do I get so much done? Is there a special calendar I use? Or a workflow system... or maybe an app?

(It's an app, isn't it?)

Look, you can tinker at the edges with these things if you want. But if you want to get 90% of the way towards where I am, there's only one productivity hack you need to know about:

Do one thing that brings you joy, once a day.

That's it. It's as simple and as difficult as that.

Do one thing that brings you joy, once a day.

Think about it this way. You are the battery of your life. You are the energy source. Everything that happens in your life – everything that you do or don't achieve – it all comes through you.

You make it happen. You are the energy. You power the results.

So how do you keep the battery full of charge?

Do one thing that brings you joy, once a day.

You have to find what fills you up – and that's a challenge in itself – but you have to find what fills you up, and just do it.

It really doesn't matter what it is. It could be something classicly rejuvenating – like a facial at the day-spa.

However, it could also be a night out with the boys getting trollied. Maybe that's just what you need to get you excited about life again – to recharge your batteries.

So find what it is, and make a practice of it. Make it a priority. Get it in place and build the rest of your life around it.

We often think about fun as the 'reward'. You do the work, and then once all the work is done, you're allowed to 'waste some energy' having fun.

But that's not the right way to think about it. Having fun is part of the process. It's actually a productivity technique.

I mean, try denying yourself any fun ever, and then see how excited you are to get anything done.

Having fun has to be in the same category as having a diary, or batching your workflow. It's a practice that enables you to achieve more.

Now only you know what fills your cup.

But find that thing, do it once a day, and you will find that your life quickly starts to feel like a never-ending parade of awesome.

... because you'll be having fun.

And then, once you have that much zest and ping going on..? well, then you can really do anything.

Dymphna

HEATH & MONIQUE

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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