



**INTELLIGENT**  
PROPERTY INVESTOR

**How the Facts Tell Us A Story About The Markets  
And Why You Don't Want To Get Left Behind**

**I LOVE**  
REAL ESTATE

## **Disclaimer**

The opinions stated in this report are Dymphna Boholt's personal views and are not intended to be a text on the legal and financial aspects of property investing and should not be relied on as such.

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All figures and statistics recorded in the book are accurate at the time of publishing, however may be subject to change.



## **Welcome To The Intelligent Property Investor Masterclass**

I've been asked a number of times why am I doing these?

Why am I giving out all of this free information on the markets, what it all means, where we're heading and all of those sorts of things.

Well, I'm doing this because I want you to become a more intelligent property investor, because more intelligent property investors make better decisions. They make more intelligent decisions and as a result, get better results.

The timing right now is particularly important because we are now entering a boom cycle.

Now, remember I am an accountant and I am an economist, and this cycle we're entering right now is going to be very crucial for you and your financial futures, as well as your family's futures and potentially for generations to come.

The last time that we had massive increases in property prices like we are seeing now, you have to go back to the end of GFC. It bottomed out in 2010, then really took off from 2012.

What did you do then? How many properties did you buy for those next few years? How much did they increase in value?

Because those are the kinds of times that we are entering again.

In fact, I could also take you back to the mid-cycle slow down in the early 2000s. Think about the pricing then (if you're old enough), think about what those prices were.

What did you do then? How many properties did you buy? What happened?

If you are even older, think about back in the early '90s when we had the last proper recession.

So what did you do then? Sydney prices back then were \$194,000. That was the median house price in Sydney and other cities were similar.

How many properties did you buy? What would they be worth today?

The reason I'm being so hard on you right now is because I really want you to understand the importance of this period of time that we're coming into.

I put this information out on my website too, which is [iloverealestate.tv](http://iloverealestate.tv) so you can get all of the previous Intelligent Property Investor masterclasses that I have done on a weekly basis.

You can go back and listen because it tells a story. And the more that you go through and listen to the story, you can see how it's developing.

I also put it out on my [YouTube channel](#) and I also put it out onto [Spotify](#) and onto [iTunes](#), but I really, really encourage you to, to jump onto my website, [iloverealestate.tv](http://iloverealestate.tv) and get a subscription to these master classes that are all free.

I want you to know that I'm not selling properties to you. We are not that type of business.

At I Love Real Estate we teach you lots of strategies to succeed in property, to build your knowledge and confidence to make intelligent investment decisions for yourself.

Ok. What are we going to be covering in this masterclass?

Well, this masterclass is going to be a bit different from the other ones that I've done.

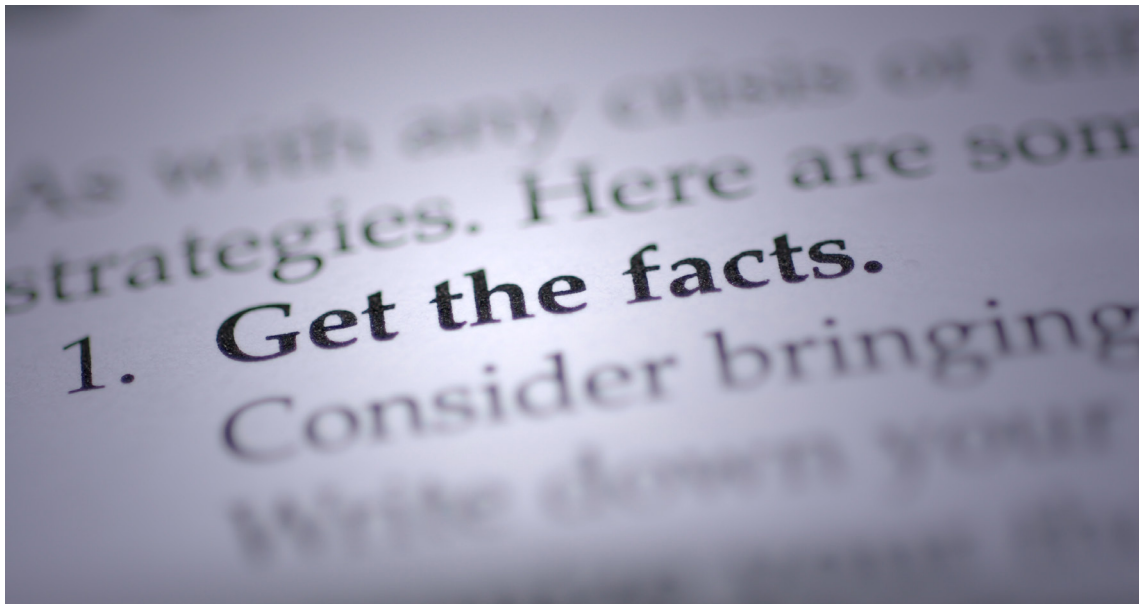
When we're talking about what's happening in the market, **it's really important to focus on the facts**. What do the facts, actually say?

**Facts and statistics tell us a very clear story of what the markets are doing.**

And more importantly, they'll tell us a story of the urgency and **you don't want to get left behind**.

That's what I'm going to cover this Intelligent Property Investor.

Let's get into it.



## Let's Start With A Few Facts

In this Intelligent Property Investor I've got a few facts for you.

**Now, the first one is that, over the last two centuries, about 90% of the world's millionaires have been created out of investing in real estate.**

Now, in recent years, that's changed because technology has been the front runner but for the average investor, it's property investing that is your best opportunity to become wealthy and to set yourself up for the rest of your life.

It's also a fact that house prices are the highest they have ever been in Australia.

When we look back, we had a bit of a lull between 2017 and the end of 2019, at the beginning of COVID, but we are back in a rising market.

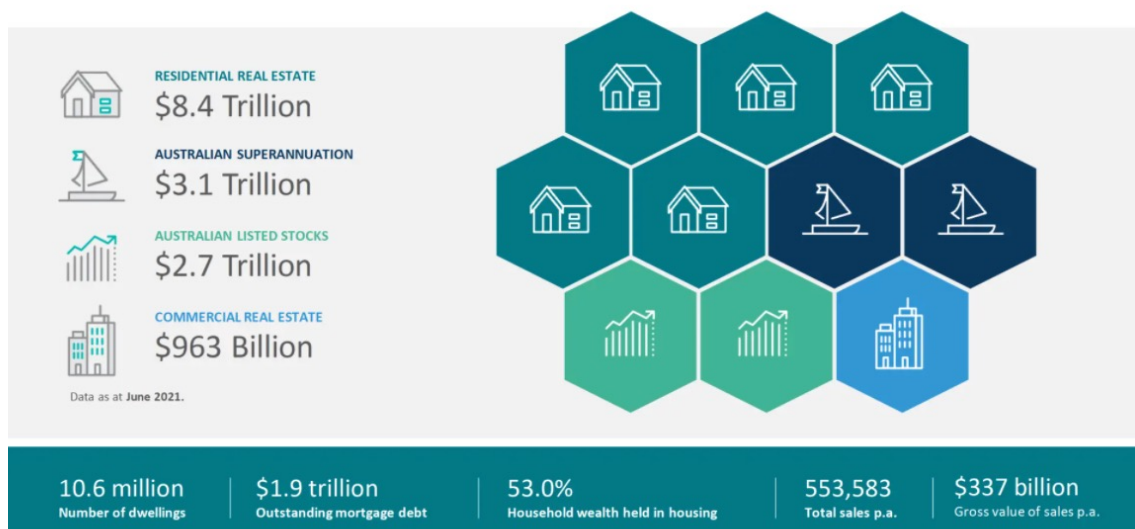
Now we are catching up with the growth trend that would have taken place during that period of time.

APRA intervened and they really slowed the market from 2017 through the end of 2019. And then of course, as we all know too well, COVID hit. So we have a lot of catching up to do.

Even though the media is talking about a bubble in the property market, what's actually going on, is that we are catching up to where we would have been if the normal growth over this period of time had happened.

And we're not there yet, which means there's a lot more to come. Which means you need to get cracking.

You need to get very urgent in your actions and in your activities to catch up to a market that's moving so quickly.



It's a fact that Australians are property centric. Now, why are we property centric? Well, get a load of this.

\$8.4 trillion in Australia is in residential real estate. In superannuation, we hold \$3.1 trillion. \$2.7 trillion in listed stocks. When it comes to commercial real estate, \$963 billion.

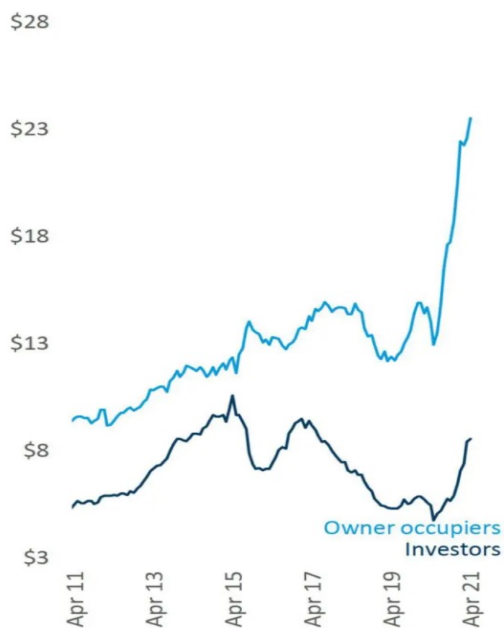
We've got 10.6 million dwellings in Australia and 53% of our wealth is held in real estate. This is a stark difference to America where they hold most of their wealth and holdings in stocks and shares.

We don't. We run to property. And this is another reason, why the property market is marching on so quickly.

Between June 2020 to June 2021, we had 553,000 sales equating to \$337 billion in sales. When you work that out, it works out we are transacting about a billion dollars worth of real estate a day. That isn't per week.

That's per day or around \$30 billion per month.

Monthly value of new finance commitments, total (\$ billions)



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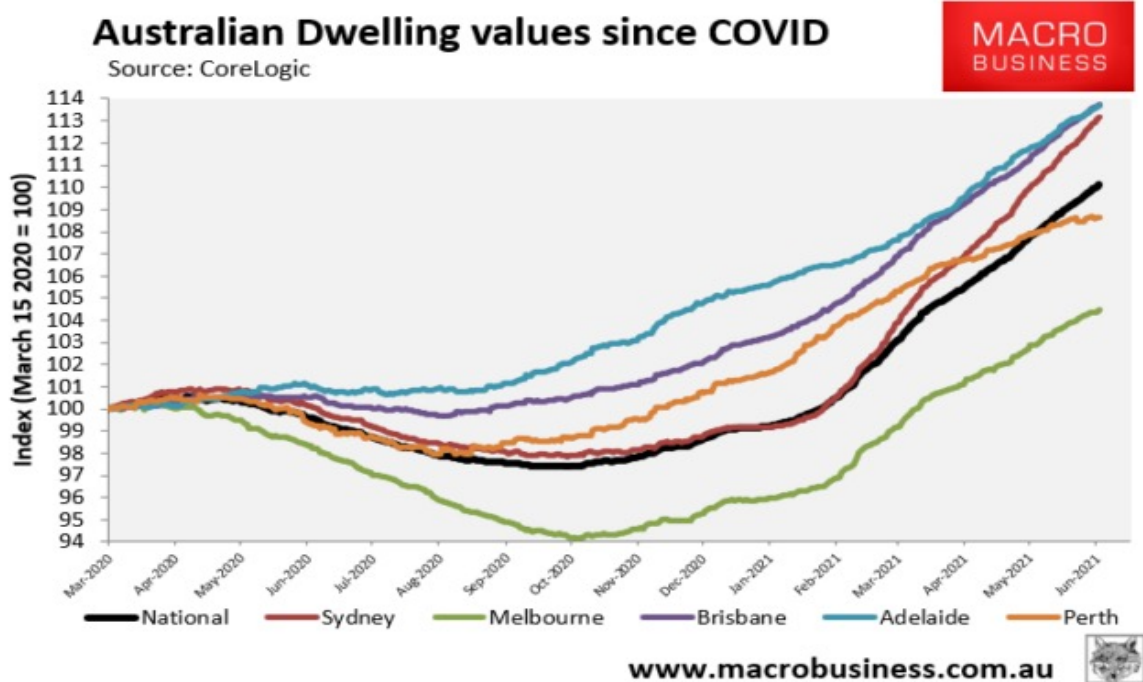
Portion of new lending for investment housing (excluding refinance)



So there's been such an uplift in the property market. What's been happening at the same time is a lot of the supply chain has been cutting back.

So with the supply chain being reduced and the demand continuing to increase through that space of time, we've got a problem. And the problem is being sorted out by price increases.

Prices are increasing so that demand will reduce to meet up with supply but we're a long way from that, at the moment.



This chart shows just what's happened to house prices through the COVID period of time. So you can see that we started in March 2020. And we take that, as a baseline across all the capital cities.

You can see all of the capital cities have increased, even Melbourne which was dragging the chain for a long time with the 100 day lockdown.

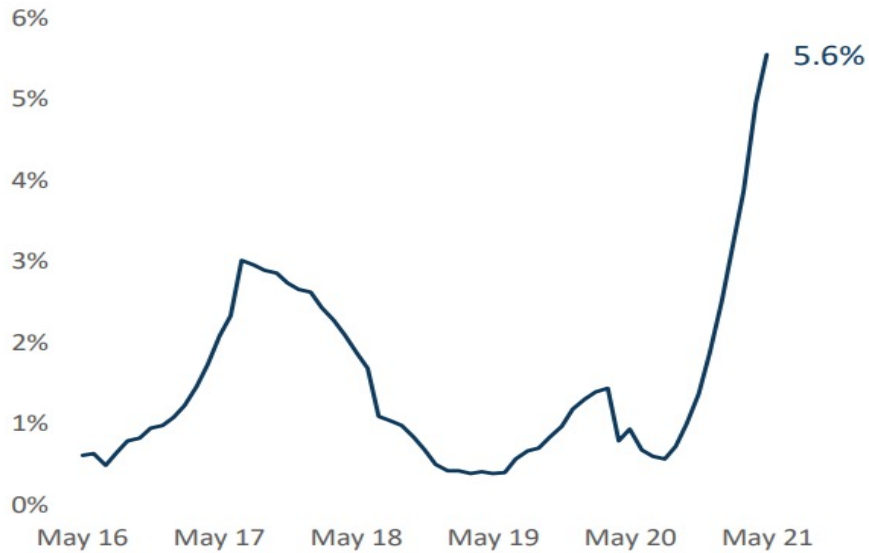
Melbourne has started to get higher than the pricing was a bit over 12 months ago.

So that's a good news story. But it's only just the start.

We are going to see further dramatic increases in property over the next couple of years.

Now, another thing that's happening in the property market, is that rents are up.

## Annual change in rental rates - National



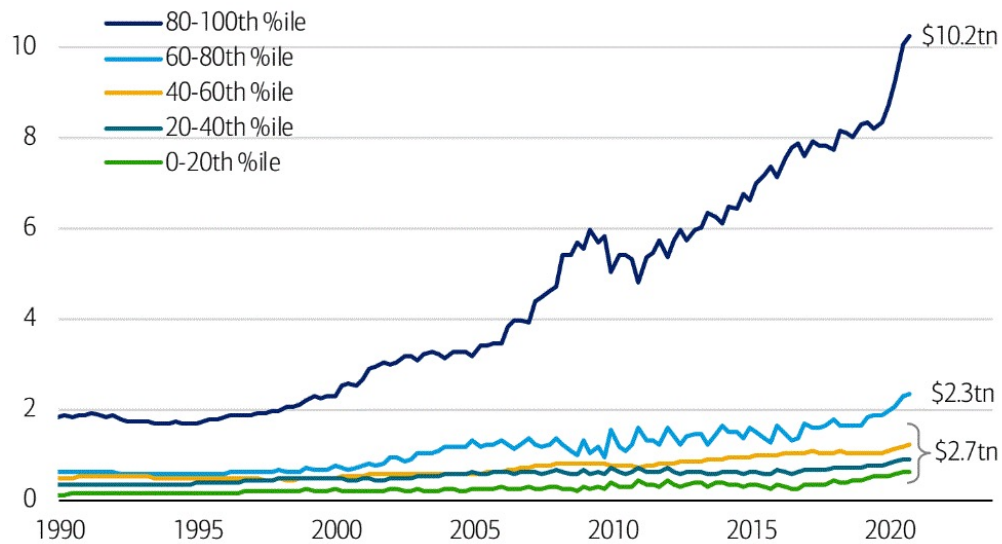
Rents continue to rise, and in the month of May they rose 5.6% just in one month. Isn't that incredible?

As they continue to rise, what happens is people start to flow into investments that give them a higher yield.

As property is giving a great yield at the moment, people are jumping out of other investments to put more into the property market.

On top of that, we've got another phenomenon going on, and this is happening right around the world.

**Exhibit 7: Cash on the sidelines, cash in the box seats**  
 Liquid assets held by US households, by income group in \$tn



Source: Federal Reserve

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This is an American chart but the same applies to Australia too. The rich are getting richer and those without property as an investment are getting left further behind. The divide between the poor and the rich is getting greater.

Why do you think that's the case? Well, let me tell you. It's because of property and investment holdings. Those who own the most investments during periods of time like we're going through will do the best.

So you can take two choices of action here. You can either sit back and we can go, oh no, the rich are getting richer and poor me, and all that kind of stuff.

But that's the wrong attitude. You see, that's a lack attitude. What you've got to do, is you've gotta think, how can I get on that line? How can I get on the rich are getting richer line.

And one way to do that is to own more property.

Now a lot of people may think that you need to have a lot of money to get into property. Well that's just not true.

What we do at I Love Real Estate, is we teach you how to get into property regardless of whether you've got any money or not. Many students have started out with very, very little.

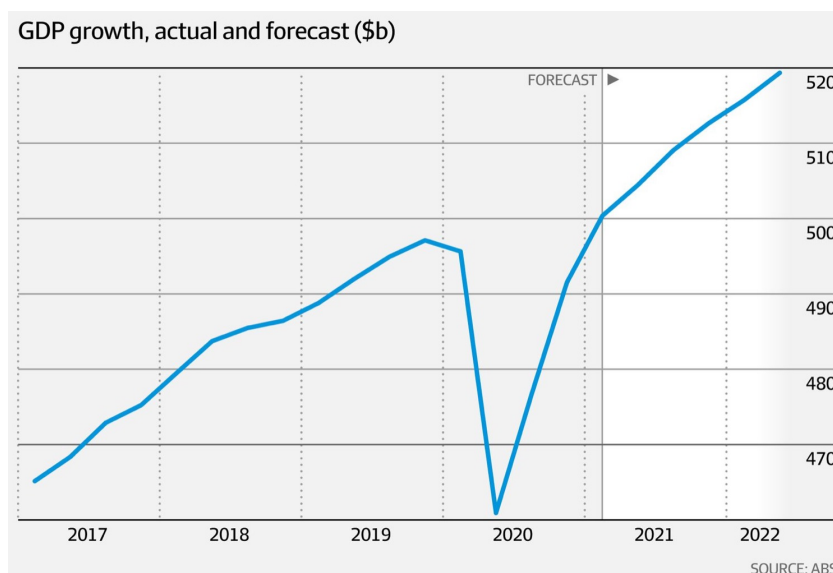
They were in poor income circumstances but they have been able to get into that first little property deal, then into another one, then into another. And ultimately be able to support themselves and build a passive income.

Because that's what it's all about.

You can see on the graph, the wealthiest top 20% are the ones who control 80% of the money.

Again we see that 80-20 rule. I've all talked about it before, how 20% of the population controls 80% of the world's riches. That's really showing it here.

A way to correct your own personal circumstances and get from that 80% into the top 20%, is to get into property. And it starts with learning. It starts with gaining knowledge. It starts with the ability to see through any of the problems that you may see yourself having right now.



Another fact is that we are officially out of recession. A recession is two consecutive quarters of negative growth or negative GDP.

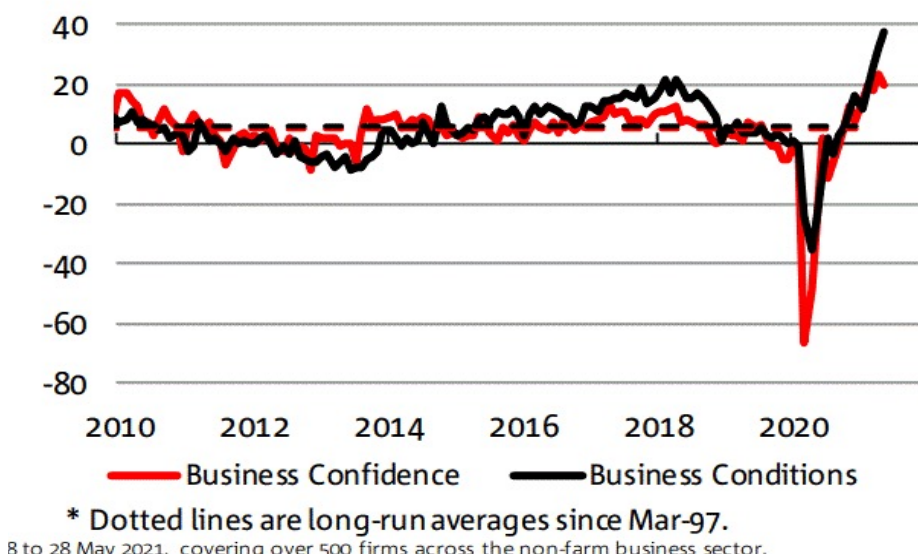
What we're seeing is that we're and truly past that. We've had two consecutive periods of positive growth. So we're well and truly out of the recession. What that also means is that the upward trend line is going to continue.

So if you missed the bottom of the market, I'm afraid it's gone. 2020 was the ideal time to be getting into property if you possibly could.

If you've been listening to me for any length of time you would have heard me say that back in 2019.

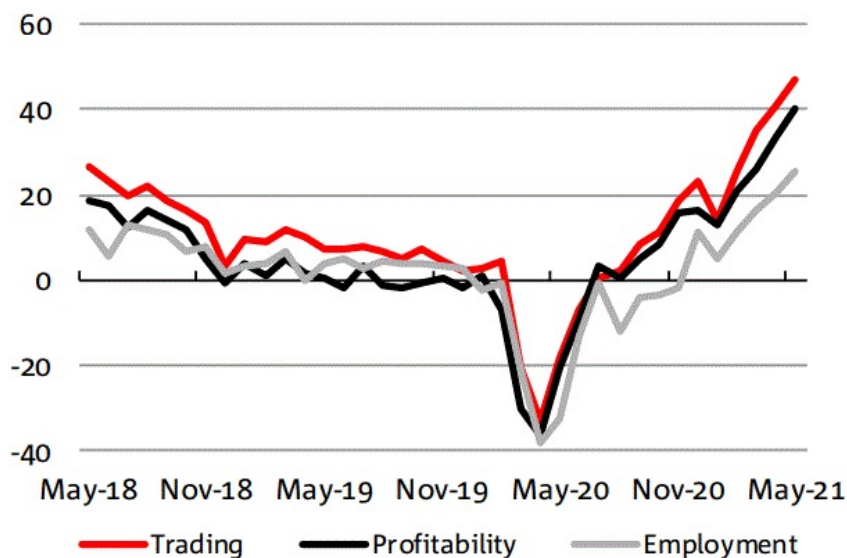
But it is not too late. Now is the time to get excited. Now is the time to get in and start buying property. If you haven't yet, it doesn't matter. We've still got a long road ahead of us – but you need to get started.

There is urgency in what we're talking about. You do need to start to take heed of this. You can't just sit back anymore. It's time to get a wriggle on.



Business confidence is back, in fact, business confidence is booming. You can see on this chart how we're higher than we have been for the last 10 years.

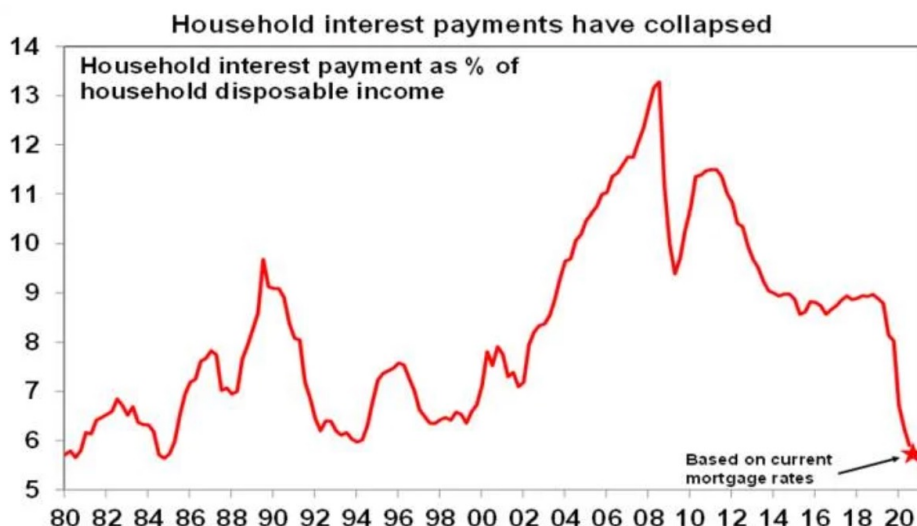
They're investing in their businesses. They're investing in capital expenditure. They're investing in employment, and this is a good thing because that's what makes the economy go around.



You can see here that profitability is up for businesses too.

Trading is up and employment is up. They're the three key elements that we want to see for an economy emerging out of a down turn like we've had.

One thing that is a bit of a misnomer at the moment, is the fact that people think property is unaffordable at the moment.



But in fact, as this chart above shows us, it is the most affordable it's have been in 40 years. In fact, it was the early 80s, was the last time that we were this affordable.

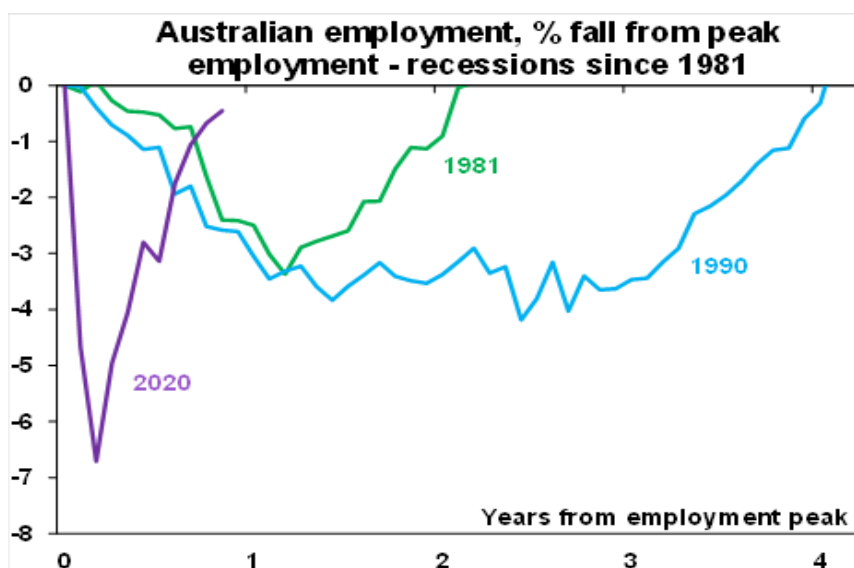
Because you see, affordability is a factor of house prices, wages and interest rates. Interest rates being our biggest cost.

Interest rates are so low at the moment. Our wages are reasonable. They probably need a bit of a lift, but they're reasonable. And house prices are starting to go up.

If you look back to where we were at the end of 2017, we've only just regained that ground. So that has to be taken into account.

When you're listening to mainstream media hype about being so unaffordable. The figures show we're not. And this is the fact, we are not.

We are actually, the most affordable we've been for 40 years.



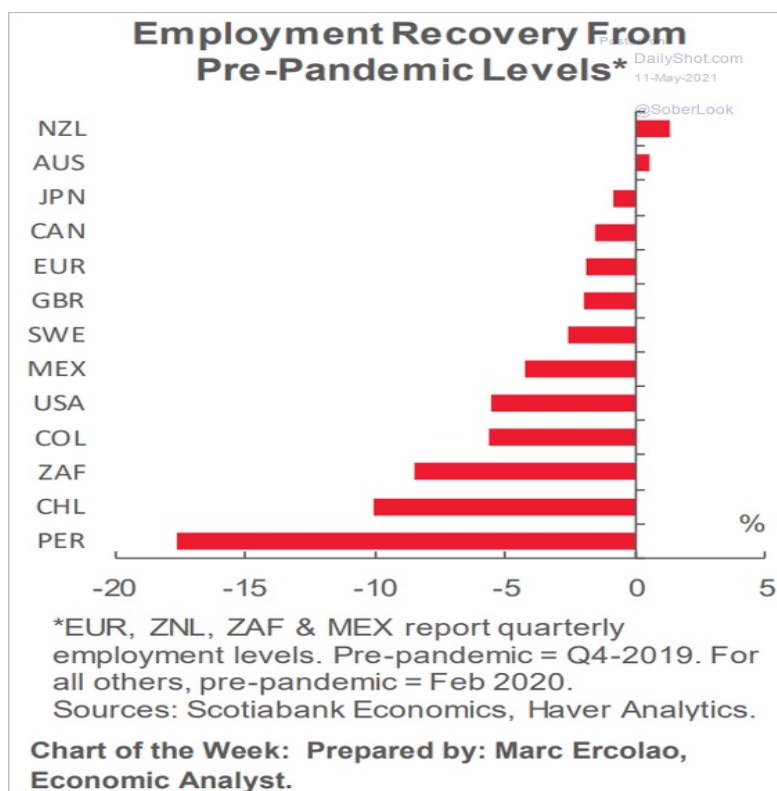
Employment has rebounded as well. This chart shows employment levels during the last three recessions that we've had.

Now, everybody thinks that we had a recession through the GFC, but we didn't. That's because we didn't have those two consecutive periods of negative growth. In fact, we had one negative, then we had one positive, then had another negative, so it didn't constitute an actual technical recession of two in a row.

The last three recession we had was back in the early 90s. I don't know whether you remember but Paul Keating very famously said that, this is the recession that we all had to have.

Before that we had one in 1981. But look how quickly employment rebound this time compared to the other two. You can see it took two years to get unemployment back up to where it was pre-recession back in the 80s.

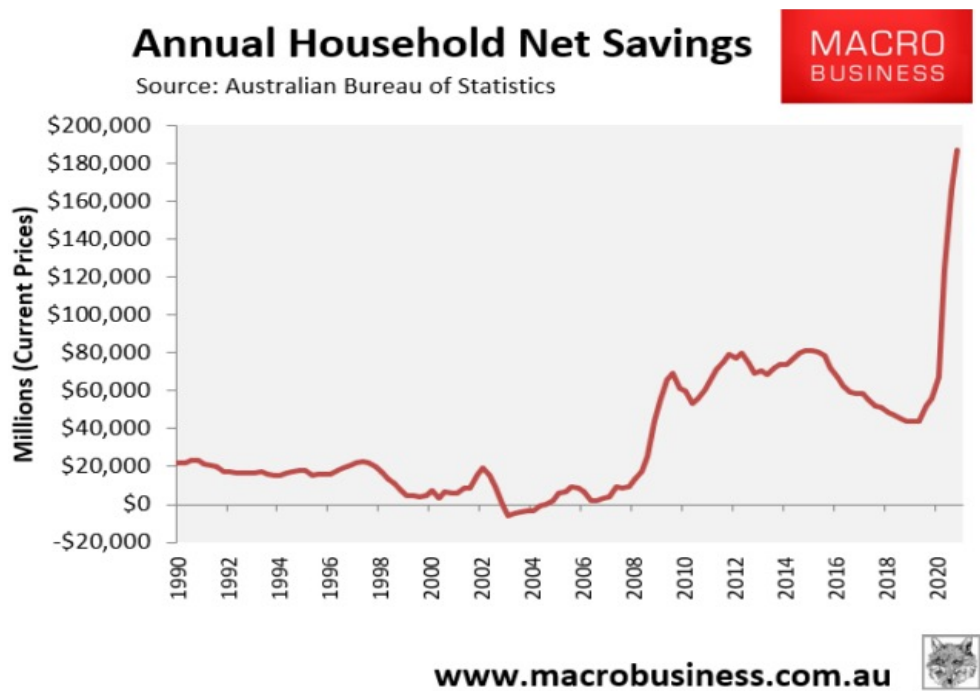
It took four years to get employment back up in the 90s. Whereas, for, for COVID, it took less than a year. So this has been a really, really, quick turn around.



When you look at the figures across the world, you can see here, that only Australia and New Zealand are the only ones that have recovered quickly.

Both of us are back up above pre-COVID levels. New Zealand is doing a bit better than us. And the next closest is Japan. But they're still in the negative. We're up there in the positives, which is great to see.

Poor old Peru is down there at the bottom, they're really suffering.



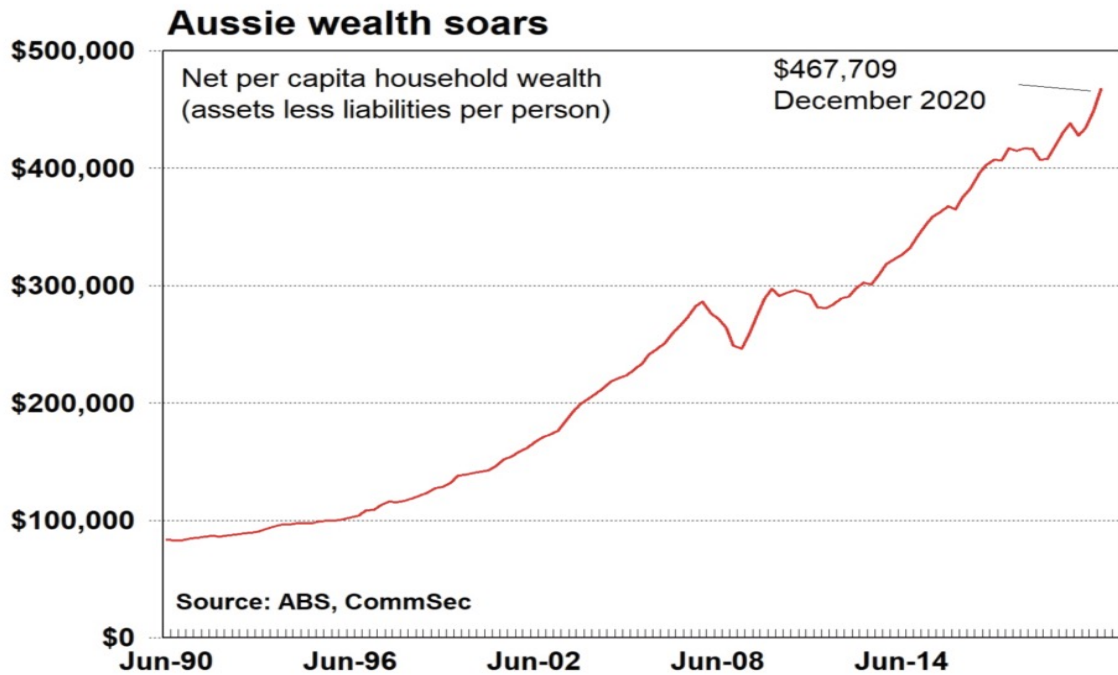
Another fact, that I thought that I'd bring to your attention, is that we saved much more than we normally do through COVID.

This chart shows just how much we saved through 2020 and COVID.

All that saving was probably one of the factors that put us into negative GDP. Because when we talk stop spending the economy goes into a bit of a stall.

But what it also did is that it meant that we gained wealth. A lot of that money went into paying down debts and into savings accounts.

So that's something that has really stood us well as we move forward out of COVID.

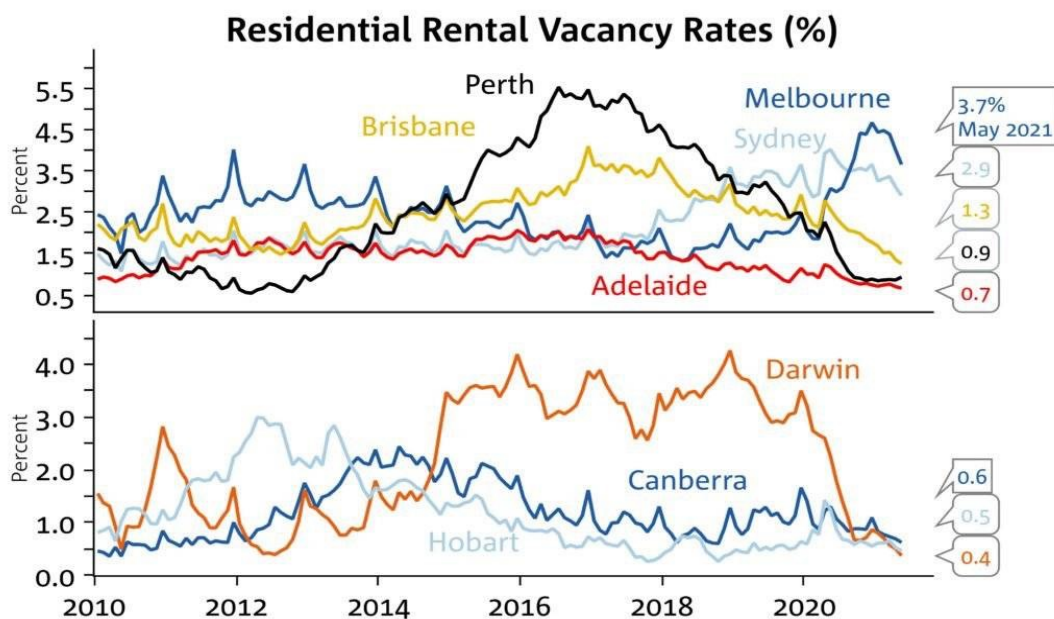


The next fact that I want to share with you is that household wealth is up seven percent from what it was a year ago, despite the worst recession in decades.

The average person's wealth is up close to \$500,000. And that's, at December 2000, so it's probably risen a whole lot more by now because of what we've seen with house prices increasing further.

And if 53% of our wealth is held in real estate, across the board, that figure will have topped the \$500,000 mark and gone higher.

So, we're all a lot wealthier than we were pre-COVID, believe it or not.



Source: National Australia Bank, SQM Research, Macrobond

Another fact is residential rental vacancies are extremely low.

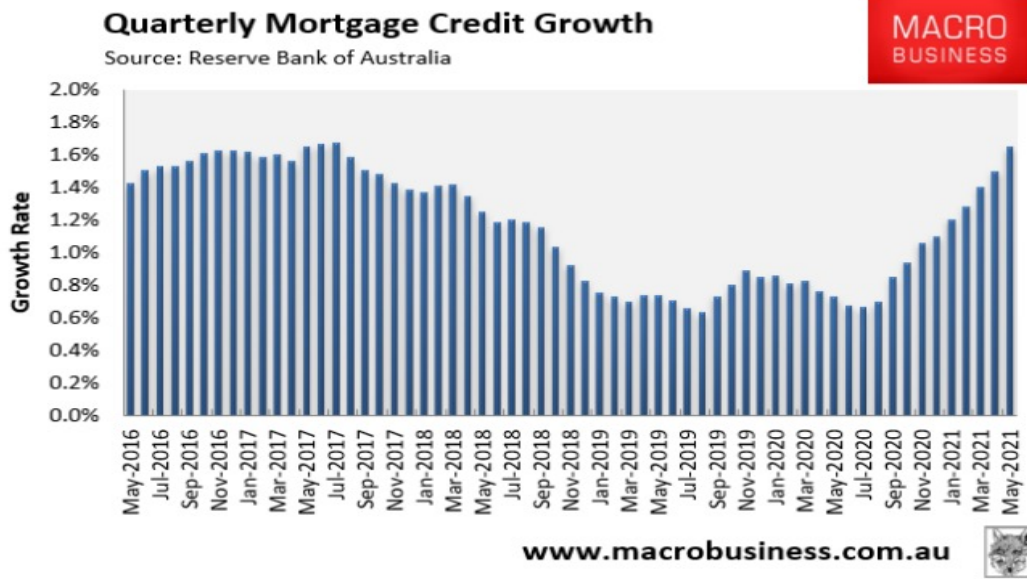
The only city bucking the trend is Melbourne and that's because Melbourne has a massive oversupply of units and apartments.

Until that apartment market is taken through the demand chain it's going to remain there. But you can start to see the trend starting to come down. Sydney is a little bit that way too.

But look at the rest of them. Everybody else have very low vacancies. In fact, so low that most of them are below one percent vacancies, which is an incredibly, low figure. So that's a good thing to see – unless you are looking for a property to rent.

Another fact that I want to share with you is that money is being lent out at similar rates as it was in 2017, before APRA stuck their nose in and started to restrict the banks lending policies.

We had the Royal Commission but I think they pushed it too far. They absolutely pushed it too far. There was an immediate reaction and of course, now they've swung the other way and want to see increased lending.



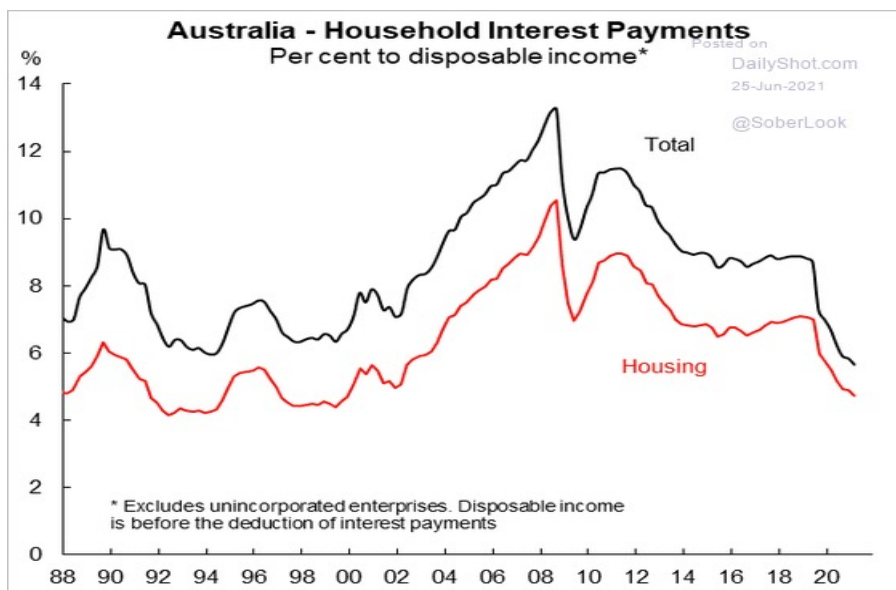
So that's made it a lot easier for people to start borrowing and this chart above really shows how borrowing picked up through the second half of 2020 to now. And we're at similar levels right now as we were back in 2017.



Another fact I thought I'd share with you, apparently, we are the wealthiest individuals in the world.

This was for 2019-2020 financial year. Our wealth increases are largely due to house price increases, but I believe that this will change as we get the figures for the end of June 2021. And the reason for that is, while we've had massive increases in our property prices, so too have a lot of other countries.

So we're starting to see some movement in these charts. But as we sat, at that point in time, we were the wealthiest country in the world. Isn't that great?



All right, back to interest rates. Did you know, interest rate payments as a percentage of disposable income are incredibly low. In fact, it was way back 40 odd years, that it was where we are now. In the early 90s, when we had that last recession, interest rate payments as a percentage of disposable income was quite low then.

The measure of interest rate payments as a percentage of disposable income, is really what determines how affordable property is in this country.

And it was in the early 90s, that it was as low as right now. It got very high leading up to the Global Financial Crisis (GFC), dropped when we had the GFC, crept up again and has been falling since 2012. But these are incredibly, low figures, where we are now.

It is because we've never, ever seen interest rates as low as they are right now. The official rate of 0.1% is ridiculously, low.



## I Love Real Estate Breakthrough Sessions

They are an hour long. All you've got to do is go to [www.iloverealestate.tv/questions](http://www.iloverealestate.tv/questions).

I've only got a few advisors set aside for these, but if you can get one it'll be well worth your while, because they'll go through and start to help you and guide you as to how we can help you get ahead.

So it's not just about buying one property, but it's two, three, four, six, ten, so that you're really capitalising on what this market is, but doing it safely.

**Now look, we don't sell properties.** We're not going to sell you any properties that are \$40-\$80,000 over price like a lot of people do. There's a lot of it being advertised at the moment. And a lot of it is rubbish.

What we will do is teach you how to do all of those things. So that regardless of where you're starting from, you'll be able to capitalise from your position to really set yourself up over the next few years.



There is no reason why you can't be debt-free in five years, own your home, and have a passive income that's replaced whatever you're earning now. No reason at all.

But you've got to start and you really need to start soon because that rise is coming and you can't afford miss it.

You can't out-save this. You simply can't.

Because me and my team recognise that these next few years are going to be very, very crucial to you, so you really need to be stepping up.

You need to be maximising your circumstances over these next few years, because, think about it, in somewhere around three to five years, you could have your income replaced. You could be debt-free on your mortgage.

So the website again, to get you your free breakthrough session, is [www.iloverealestate.tv/questions](http://www.iloverealestate.tv/questions), and you should jump on there and book a session now.



## Recap

Here's a bit of a recap on what we covered today.

Interest rates are the lowest they have ever been.

It is easier to borrow money now as banks have restrictions lifted on their lending practices.

House prices are on the UP.

Those who have the most exposure to property will be the wealthiest into the future. Now, is that time to act.

I really encourage you to take one up, one of those [Real Estate Breakthrough Sessions](#) with one of my advisers. They are free.

You've got to take action in order to have success, and the more of this uplift that we are seeing, the better for you.

You can make money in any market but when a market is running hot, you can make a lot more. And now is the time to make some really serious wealth.

I encourage you to take up one of those breakthrough sessions. They are free. They are an hour-long. Go to [iloverealestate.tv/questions/](http://iloverealestate.tv/questions/) lock in a time.

Please turn up on time too. Don't waste my advisors' time by not turning up to the appointment.

We are in a crucial era of time right now where you can seriously make some very big returns, but you've got to take action.

And you need to take smart action because dumb action is going to send you backwards. Dumb action, trial and error is not going to serve you.

You can't afford to be doing that when times are good. You simply can't afford to be making mistakes.

So take up one of those sessions. They're free. They're the [Real Estate Breakthrough Sessions](#) with one of my advisors.

They're 60 minutes long. Jump onto [iloverealestate.tv/questions/](http://iloverealestate.tv/questions/) and lock one in for yourself because they are limited..

I also encourage you to go across to my website [www.iloverealestate.tv](http://www.iloverealestate.tv) and subscribe to my weekly updates.

That way you're going to get these coming to you every single week and you'll always be on top of the latest information.

## Intelligent Property Investor

Jump on board. Be part of the Intelligent Property Investor Masterclass Series. Better information gives you better decisions, which gives you better results.

So that's it for me, this issue. I hope you've enjoyed this master class. Bye for now.

Yours in success,

*Dymphna .*



**Dymphna Boholt**

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