

*How To Leverage Your Knowledge For Big Profits
- With Little or None of Your Own Money*

OTHER PEOPLES MONEY



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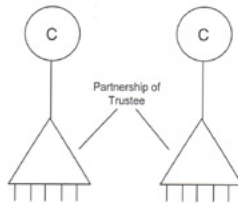
Seller JV's – Resi & Commercial

Trade Dollars

Spotters Fees

Structuring JV's - 1) Equal Contributions

- A) **Partnership** of 2 Discretionary Trusts
- Each would have a corporate trustee ©
 - Property would be owned as **tenants in common** between the trusts.

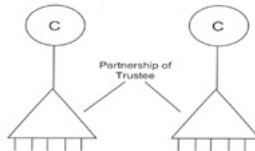


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Structuring JV's - 1) Equal Contributions

- A) **Partnership** of 2 Discretionary Trusts
- Allows for fractional ownership as well as 50/50 deals as the Tenants in Common ownership can be **split in any percentage**.
 - Each party takes on **each others debt**.

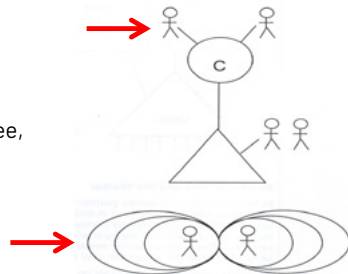


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Structuring JV's - 1) Equal Contributions

- B) New Corporate Trustee
- New Corporate Trustee set-up where **both parties become directors** of the Corporate Trustee, & both named as primary beneficiaries in discretionary trust.



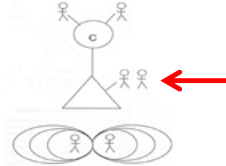
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Structuring JV's - 1) Equal Contributions

B) New Corporate Trustee

- New Corporate Trustee set-up where **both parties become directors** of the Corporate Trustee, & both named as primary beneficiaries in discretionary trust.
- Important that both parties are also **nominated as appointors** of the Discretionary trust - so that neither one Has more control than the other.



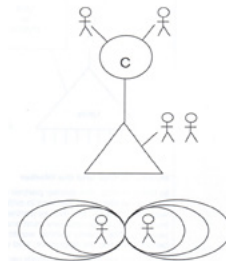
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Structuring JV's - 1) Equal Contributions

B) New Corporate Trustee

- **Does not allow for fractional or uneven ownership.**
- Slightly easier to finance than A)

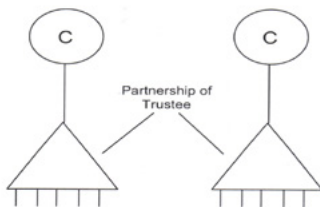


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Structuring JV's - 2) Unequal Party Contribution

- A) Can be done as **tenants in common** using a partnership of two discretionary trusts

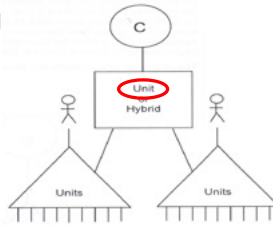


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Structuring JV's - 2) Unequal Party Contribution

B) A **unit trust** can be formed with a corporate trustee, with the units held in a discretionary trust (Piggy Bank Trusts).

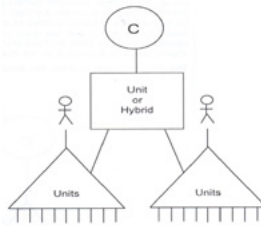


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Structuring JV's - 2) Unequal Party Contribution

Can have a few **Capital Gains Tax problems** e.g. treated as fixed trusts and **may not be entitled to the 50% exception** for owning a property for more than 12 months.

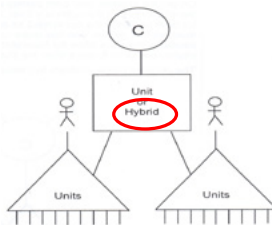


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Structuring JV's - 2) Unequal Party Contribution

C) **Hybrid Trust** - which would eliminate any CGT issues
Hybrid trusts can be **difficult to Finance**.
Percentage ownership can be distributed in whatever proportions are agreed upon between the Piggy Bank Trusts.



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Seller JV's

- The number ONE untapped strategy in Australia today!
- Not every deal has seller JV potential



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Vendor or Seller JV Deals

- Using Talents instead of money
 - Landscaping / Handyman
 - Subdivisions
 - Strata
 - Renovation
 - Even building



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Create a List of Properties

- Choose your turf and a strategy that will work
- Walk up and down the streets noting down properties that match your search
- Record each property in a spreadsheet!
- Write each owner a letter or door knock



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What Characteristic to look for in Seller JV Deal

- A seller with a limitations
 - eg - money
 - knowledge
 - time
- A seller with flexibility in outcomes (Age can be an advantage)
- A business person as the seller
 - SHOW ME THE MONEY PERSON
- A seller with a badly presented product
- A seller with no clue
- A Sell who can't sell



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Examples of Potential Seller JV Deal

Maybe there is a reason its not selling



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The Benefits

- No holding costs
- No deposits
- No Banks
- No limitation on price point
- No limitation on volume
- All you need is your own SMARTS



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Examples of Potential Seller JV Deal

**Example
Landscaper**



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Examples of Potential Seller JV Deal

What is the potential if you see a sign like this?

- Make a deal if you see this sign
- Offer to rent with an option to buy
- Find a deal that is in need renovating, or subdividing, or re-zoning, or in a good growth area



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Examples of Potential Seller JV Deal



Needs TLC!

Bendigo \$ 260,000 - \$290,000

\$264,000 (80.0 % of median)
On the Market for over 12 months

Renovate or start from scratch

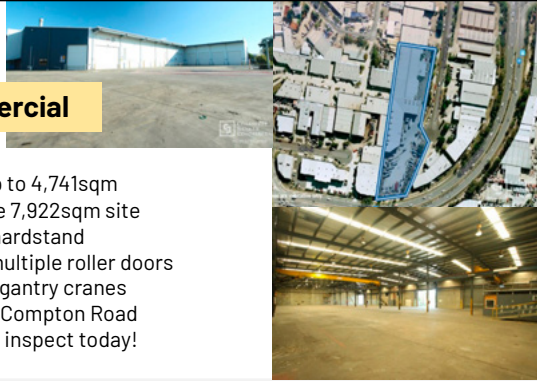
This property is set on a 694m2 block and is situated only 2km's from Bendigo's CBD and very close to sporting grounds, schools, pubs and shopping centers. The options are for you to renovate the existing house or to start from scratch and build a new home or 2/3 townhouses.

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Vacant Commercial

- From 1,800sqm up to 4,741sqm
- Fenced and secure 7,922sqm site
- 3,463sqm sealed hardstand
- Great access via multiple roller doors
- Multiple overhead gantry cranes
- Great exposure to Compton Road
- Tenant relocating, inspect today!



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Old under market rental secured on an option

Freestanding 2 stories Commercial building
Downstairs: shop plus storage, kitchen and toilet Upstairs: 5 bedrooms and a bathroom rear access to street Good Opportunity for own business and investment



Rent total \$800 p/w
Potential for improvement/ Reno and increase / separate rents
Sale price likely to be in the 500's

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Buy Business Real Estate - under market



\$695,000 Neg.

Business and stock are included in the price as well as a 4 bedroom home which you can live in or rent for extra income.
 The business is carrying over \$100K in stock and \$50K in fixtures. Owners are happy to have a changeover period so you can learn the business from start.
 This is a highly profitable business and owners are selling for genuine ill health reasons.
 PRICE NEGOTIABLE



1618m² "double' block Development Potential

Ripe for an upgrade or leave with a tenant until you are ready to subdivide!
 This Chamferboard home has 4 bedrooms a main bathroom, combined living and dining plus a separate kitchen.
 Kingaroy list 15/4/2015 \$199,000 (62.2 % of median)



Search Term: Ill Health

Kingston \$1,700,000

LOCATION - LOCATION - LOCATION - LOGAN MOTORWAY **Address: Not supplied**
 ([View Kingston on Google Maps & Street View](#))

Type here **LOCATION - LOCATION - LOCATION - One of a Kind.** Rare opportunity to buy a huge 5756sqmtrs of hard stand property on two titles. Zoned General Industry Includes 300 sq mtr shed which contains two separate offices and reception area with mezzanine floor over offices. Offices have brick fascade to front road. Male & Female toilets. 3 phase power. 2 high roller doors (can access prime movers).

- Totally secure inside and out.
- Fully fenced with in and out gates.
- Ample parking.
- Central to ALL locations.



(noagentproperty.com.au)

Site suitable for developer, owner operator business requiring large hard stand area or investor. (Previously leased for \$130,000pa plus all outgoings). Also has lapsed plans for future buildings.

[Get finance for this property >>](#)

This is Prime real estate with excellent uninterrupted view from Logan Motorway. Advertising priceless. Central to all locations motorways and freeways. Entry to Logan Motorway 500 mtrs on & off. High and DRY FLOOD FREE area. Logan Council welcomes businesses to the area and will assist wherever possible. Owner now wishes to sell due to **ill health**. Expressions of interest welcomed. All reasonable offers considered. Contact owner today.



Spotters / Finders Fees

How does the remuneration work?

- Spotter can charge a fixed fee agreed on at the beginning
- Percentage of the purchase price
- Buyers agent charges between 1% - 3.3% of purchase price
- Ensure the agreement is in writing through a legal practitioner



Trade Exchanges

Barter Card
Empire Trade
Ibis

- Percentages vary and charges vary
- Some have ability to borrow dollars
- Some have ability to borrow on the black market



Kawana Island, QLD

\$1,200,000 / 25% trade /

Vendor finance



40



The Numbers

Purchase Price
Purchase Costs (Stamp duty etc.)
Bartercard Costs (6.5%)
Office Fit-Out (\$15k on 5

Total Costs

**Valued at \$600,000
& \$85k profit!
& Neutral Cash flow!!**

(\$350,000)
(\$122,475)
(\$42,000)

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Syndication



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Syndication

- Use Multiple investors for a single deal
- Good for 3pax, 4pax, 5pax deals plus
- Every syndicate member keeps a property at cost
- Charge a project management fee or profit share arrangement or both

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Crowdfunding for Property

What is Crowdfunding?



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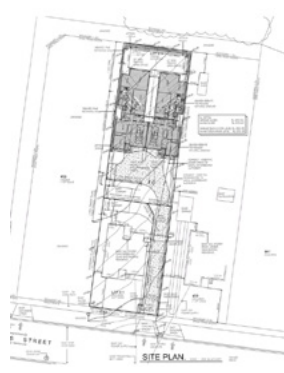
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Dep. Finance / Sub/ Reno / Build



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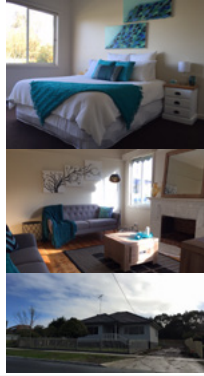


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Staged Development

- Step 1: Negotiate the deal
- Step 2: Design
- Step 3: Subdivision + Renovation
- Step 4: Sell existing house
- Step 5: Construction at rear
- Step 6: Sell or hold at completion



The Numbers

| | |
|----------------------------------|------------------|
| Purchase Price | \$260,000 |
| Purchase Costs (Stamp duty etc.) | \$16,208 |
| Strategy Costs | \$22,250 |
| Renovation | \$23,000 |
| Construction Costs | \$440,000 |
| Total Costs | \$761,458 |
| Total Sales | \$920,000 |
| Less Sales costs | (\$27,600) |
| Approx Net Profit | \$130,942 |
| Profit on Costs | 17.2% |



No Money?

Australia's 9.6 million residential properties are worth \$5.9 trillion at the end of the September quarter 2015.

Total Mortgage Values in Australia are \$1.4 trillion dollars.

Source: Core Logic



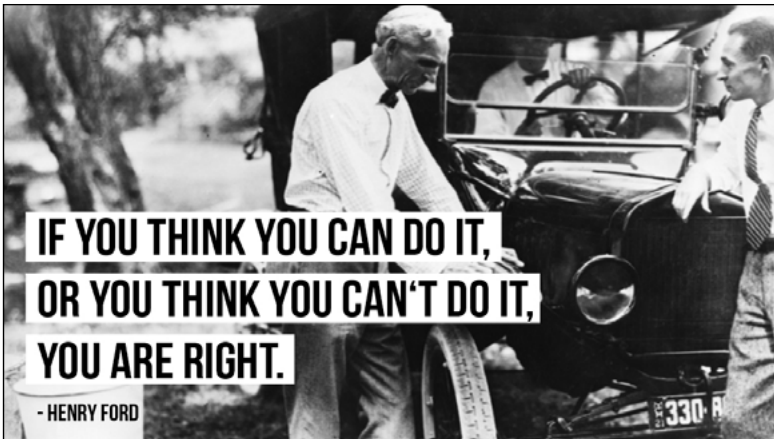
What will make the biggest difference?

Shifting you own psychology and changing what you believe...



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QUESTIONS?

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