



How to Create a Blueprint for Wealth
and Retirement Income Through Property Investment

WEALTH BUILDER BLUEPRINT Getting Started Guide



WELCOME

I'd like to congratulate you for taking this step to create a successful Blueprint for wealth through property.

The following guide will provide a starting point that you can expand as your knowledge increases.

If you need any help with it, then please don't hesitate to call us. Our friendly staff are property and research nerds who love to talk property.

This process for creating your Blueprint is tried and tested. It has been used by many of our clients and other investors to successfully create their wealth.

In fact, this process is the same one being used for large infrastructure projects valued at \$100s of millions or even billions of dollars.

This guide shows you how to get started with a Blueprint for your investing. This is a process that has consistently and reliably produced results for our clients for over 20 years. I am extremely confident it will work for you too.

Many of our clients have achieved passive incomes in excess of \$2,000 per week in 10 years, and one in excess of \$40,000 per week in 4 years.

Many are using this strategy to replace their salaries and gain peace of mind especially in these uncertain times when changing technology is moving so rapidly we are not sure our day job skills will keep up.

If you have any questions or want to know more, [click on this link](#) and I would be more than happy to answer you.

All the very best for your future success.

john moore

HOW I GOT HERE...

Let me tell you a little about my journey...

I wanted to learn how property investing really worked and didn't want to waste any time going down dead ends and not get the results I wanted. I was determined to learn how to do it right the first time.

Having been a successful stock trader for many years, I knew a formula for making money. But it was challenging, and needed to spend sleepless nights watching stocks move up and down looking to opportunities to trade. Unfortunately, it had big effect on my personal life and relationships.

It was an obvious choice to switch to property as this was what I loved. I'd bought properties before and made some money but wanted to create a formula that would work reliably. I wanted to invest more predictably.

I went to all the big seminars and courses on property investing, read magazines, books and articles to find out how people did it. All I found was it wasn't as easy as they made out, and that the courses were often put on by people with vested interests in selling property. They wanted to get you excited and then have you buy from them.

In all of materials there was no foundation on which to make an investment decision. I was bamboozled. I had come out of large corporate businesses and couldn't believe there was no plan to move forward. I wondered how everyone was really making their money, did they know what they were doing.

Early on I lost \$170,000 through my property investments and I know others who lost more. I also invested in several developments that were not built which resulted in lost opportunity. This lead to me becoming frustrated with what the gurus where teaching in their courses, because few of their strategies really worked.

WHAT I DISCOVERED

Other colleagues, in the courses with me, bought several properties only to find that the value of each property had gone down between the time they had signed up and the time they were built. This meant that they had to find more money to settle. If they couldn't find the money, then they lost their deposits. That could be as much as \$30,000 per property in 2002.

So I went back to square one. I was used to making money as a share trader. The system for property investment simply wasn't good enough. I needed to know the answers to the following questions before I was happy to invest again.

(I know there are a lot however I don't like risk and wanted to be sure.)

1. Could exceptional results be achieved in short periods of time through property investing or did I have to just wait for growth?
2. How could I predict the market cycle so that we wouldn't get caught in a downswing?
3. How could I verify that the property I was purchasing was a good and fair price?
4. What made some properties go up faster than the rest of the market?
5. What made some areas go up in value much quicker than others?
6. How did global economics impact local capital growth drivers?
7. How did local economics impact local capital growth drivers?
8. What impact did Government policies have, either now or in the future, on my portfolio?

I set about discovering the answers to all these questions and began to paper trade. I modelled portfolios and outcomes with spreadsheets.

I wanted to 'stress test' outcomes and see what was needed to be put into place to hold them under adverse circumstances. It involved back testing the portfolios against the real data to see what results could have been achieved. The key was to know when to get into the market.

Countless hours were spent on my spreadsheets and the math for countless portfolios. The ones in the magazines, those of the gurus, my friends, my clients and of course my own strategies and ideas. Only then did I feel I'd learned enough to get back into the market.

.... WHAT I DISCOVERED

I started like I would with share trading, with the end in mind. “How much money and property would I need, to be able to achieve what I wanted?” Then I worked backward to identify the critical factors for success, and how to manage them carefully, so I could achieve my goals.

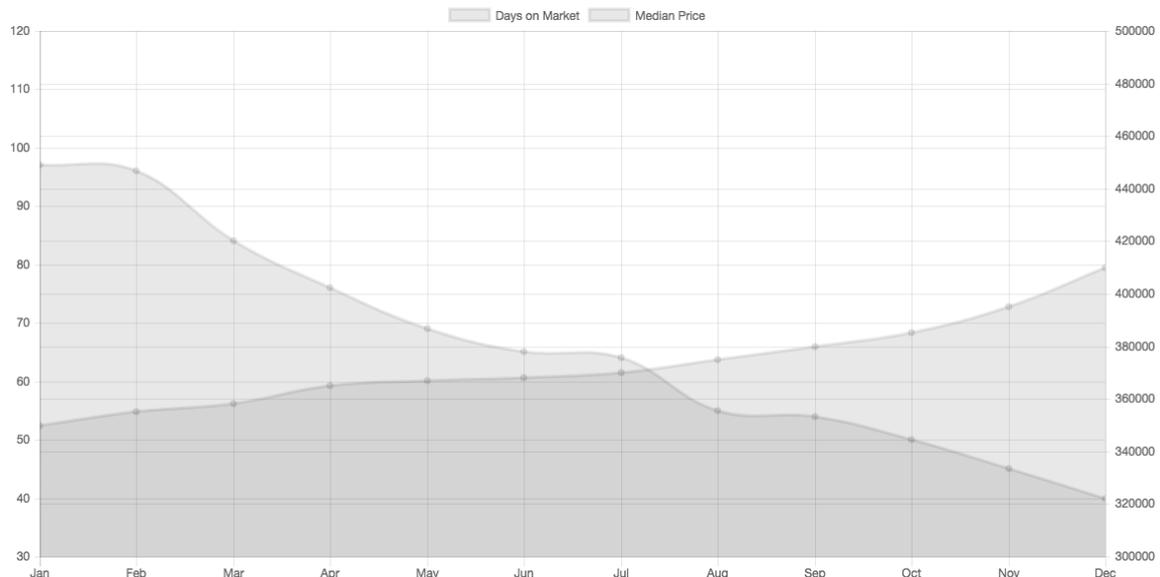
This gave me an understanding of capital growth rates and the yields needed from each investment I made. And, it showed me how they would contribute to my results.

Having gathered all this information and I began to group them to identify the key factors that made up the supply/demand equation. I wanted to test them, again and again, over time so I understood how they looked in different economic cycles.

I discovered that the number of days a property was on the market was a very good indicator of supply and demand. However, this alone was not enough to make me comfortable. I needed to know more. When did the demand-supply balance start to drive the median price growth?

The figures in isolation provide some help but weren't the total answer.

But what I found out next was astounding.



By mapping Days on Market over a period of several years, and, by overlaying it with the growth in median price over the same period I could see if the market was rising or falling in that particular area and the subsequent affect on capital growth.

The information could almost tell me when it would reach the top or bottom of the market.

1: Days on market (DOM) refers to the number of days a property has been on the market from the time it has been listed to the time it has been registered as sold.

\$40,000 PER WEEK IN 4 YEARS

This was the beginning of a very exciting period.

My wife and I purchased a property in Canberra that more than doubled in price in 4 years. Then we purchased a property in Sydney that made over \$250,000 in 4 years, on a purchase price of \$450,000. This was when the Greater Sydney market was flat lining for capital growth.

I knew it worked for me. I was keen to share what I'd learned.

At the time, in 2004, a young friend (in his late twenties) came to me. He was a professional footballer in his prime but had badly broken his arm. It stopped him from playing professional football again. He needed to find an alternative income, similar to what he was receiving in his football career.

So we explored the process and methodology for evaluating areas and markets.

He wanted an income of \$10,000 per week. And, he wanted it in 5 years. This initially seemed quite a tall order, but we went through the process.

The first thing was to determine what areas had good capital growth - ideally 20% or more and then what type of property would provide the best yield.

After much investigation we found that London in the UK had 20% price growth, and that it had the potential to continue to grow for the next 3 to 4 years at these rates (2004).

We identified the key attributes for the style of property that would support his Blueprint. It needed below median price properties that had renovation potential and were in high demand areas close to shops, cafes, and train stations.

So, he went over there to find the properties; identify the renovation potential and costs; and test the strength of the rental market.

He identified that Local Government Council flats were ideal. They were being sold by off by the Local Governments at below median prices. They were similar and a sound standard. Most offered three bedrooms, and one bathroom accommodation.

And, could be renovated by converting the kitchen into a fourth bedroom and putting a galley kitchen in the large living area. It cost around 5,000 pounds per property.

He put an advertisement on a popular web site for travelers, offering rooms for rent at 150

.... \$40,000 PER WEEK IN 4 YEARS

pounds per week. He received a great response and started a list of prospective tenants.

Now it was time to put the plan into action.

He had 20% capital growth, was renovating the flats to increase their value, and could release the equity to buy more. He had a steady stream of expat tenants renting rooms at 150 pounds per week giving him cash flow for income while he built his portfolio.

Over 4 years he had bought, renovated and tenanted about 30 properties. He had started with AUD\$200,000 of capital and he ended up with over AUD\$40,000 passive income per week after costs. Fantastic result!

I knew using this process could get great results for others.

Now, I had my proof at a whole new level.

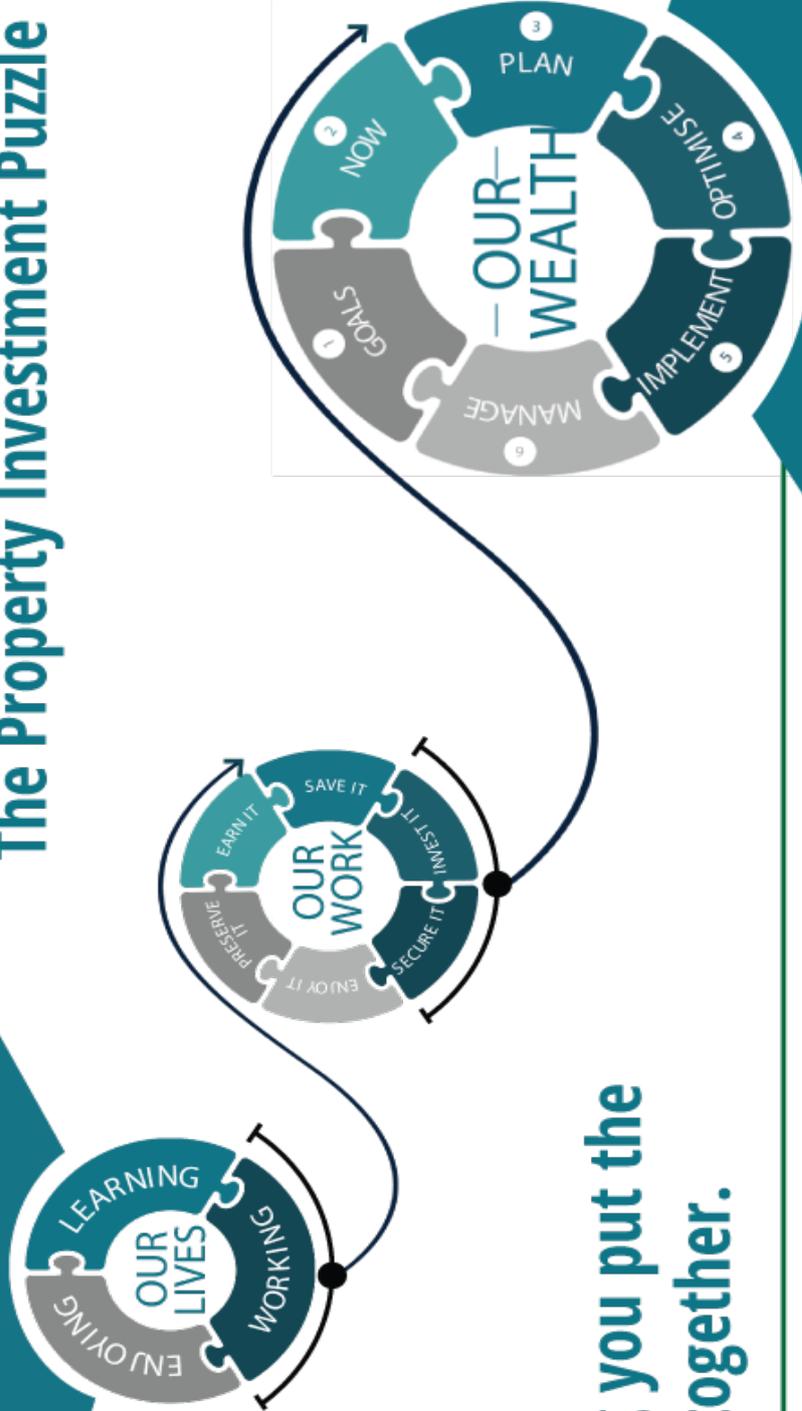
If you're starting out investing or already have a portfolio, we can help you do better. We have helped many clients replace their salary in 10 years or less and can help you to do the same.

We use the same proven process for you. It covers from delivery of your advice, to set up your plan, and to source the type of property to out perform the market.

This system let's you create your targeted passive income sooner. Releasing you from your reliance on your day job funds and giving you more choices for your transition from work to retirement.

A BIT OF MOTIVATION

The Property Investment Puzzle



Helping you put the pieces together.

WHY INVEST?

We'll get into the details of how this all works shortly, but before we do, here are some convincing reasons why we should invest

Will You Have Enough?

If we were to live for 90 years, we might imagine that we would spend 20 to 30 years learning, 30 years working flat out and 30 years in retirement, living the life we want.

Let's look more closely at the quality of our retirement if we don't have a goal. Let's presume we earned \$100,000 a year, **after tax**, for the 30 years. Then we would have earned \$3,000,000 in total.

If we saved 10% of our salary each year through our employer superannuation contributions. Let's assume we could invest our money and get a 10% return, plus we reinvested these earnings to compound the growth of our nest egg. At the end of 30 years we would have \$1,644,940.

Remember that if inflation was at the rate of 2.5% per year then at the end of the 30 years our \$1,644,940 would have eroded in value. Its spending power would be less than half its current value. Imagine living today with a lump sum of \$822,470 generating an income of \$41,124pa from a 5% return.

Most of us would be disappointed with this result. It would not be enough to fund the life we are expecting to live.

So, after 30 years working we now have our \$822,470. We live another 30 years in retirement, and inflation erodes our income further. By the time we are 90, and need the most health care for our quality of life, our income is only buying \$20,562 worth of goods and services per year. We are very likely to be a pensioner using Medicare for healthcare.

Not at all what we are imagining.

You might work more years, have a higher or lower income, however you get the idea. The spending power of your savings needs to be protected.

If we value true wealth then we need to make additional investment decisions to increase our retirement incomes.

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Property has been the preferred investment for many. It has also performed strongly in Australia. You can invest with a good plan, and be confident you are creating wealth to fund your future lifestyle.

Our clients have consistently created replacement salaries within 10 years. This was done with minimal disruption to their current lifestyles. They had a plan, they stuck to it and choose properties that paid for themselves.

Their success has allowed them to live the retirement lifestyle they planned. For some they have taken advantage of this earlier than planned and for others they have kept working wanting to create a legacy for their children.

Where to start?

Without an exit, holding and acquisition strategy you risk building a portfolio without knowing what it is meant to achieve.

No doubt you've heard the old cliché "If you fail to plan you plan to fail"

Well this might not always be true of investment property because you can do well with one or two properties without a plan. However, it is hard to tell what your results are at any point in time. Most of us haven't got time to create our planned property portfolio more than once, we want to know what we are doing, how it is performing and that we are on track now.

If you want it to work quickly, or efficiently then you will need a plan. More importantly if you have a plan, you will feel more comfortable within yourself and have a benchmark against which to assess your results.

Some people don't want debt because, for them, having debt creates stress.

I would argue that it's uncertainty that creates more stress.

I have seen many large property portfolios fail because there was no exit plan/strategy. Even portfolios written up in magazines as the shining lights of property investment, have failed.

If you have a plan, then you know what the risks are and what needs to be done to mitigate them. This is one of the key strengths of your plan.

Successful property portfolios are always designed with the following in mind:

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HOW TO BUILD A SUCCESSFUL PROPERTY INVESTMENT PORTFOLIO

1. How much passive income do you need to achieve and by when?
2. What's your capability to support the portfolio both financially and from a personal time commitment.
3. We constantly do extensive financial modeling to identify the best types, styles, and price ranges of properties to purchase. Then we evaluate the when and how to buy them. To get the most from this it needs great questions and sophisticated modeling tools. We want to stay on top of economic trends, Government policy and other buyer's behaviour. Our staff love to do this for you if you are interested in a Done For You service.
4. Document the plan – then live by it. It takes time but it keeps you measuring your success and identifying the opportunities to optimize your results. I personally like to look back and review the plan based on the impact current events. It helps me to learn more.

Once these steps have been completed the choice of property becomes easier. It is more about the numbers, and how they fit into your plan.

I am not going to tell you that any type, style, price range or whether old or new property is better because, in the end, it will depend on many things:

1. How much income you want
2. How much tax you want to save
3. Your risk profile
4. Your risk appetite
5. Your stage in life
6. Your health
7. How many dependents you have
8. How much initial time you have to devote to this endeavor
9. How much you have to start with

10. Your earning capability
11. Your potential
12. Your energy
13. Your knowledge, and
14. Most importantly how much professional help you have.

THE 6 STEP PROCESS



Following is the full process to create a portfolio that is going to achieve the results you desire.

It involves 6 simple steps that successful investors and professionals use to create their successful portfolios.

Step 1: Goals

Identify your goals – what you want to achieve and by when. Goals should be SMART.

S: Specific

M: Measurable

A: Achievable

R: Realistic

T: Time bound.

An example of a clear goal is “to have \$2,000 passive income per week from property in 10 years or less.”



The more attention we give to our goals, the more energy they accumulate and the more likely we are to achieve them.

Most of our clients want income replacement from their property portfolio in ten or fifteen year's time. This has been a very achievable goal for many.

Some clients have had larger appetites. They have aimed for more and achieved it.

Do you have clear goals about your future income?

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Step 2: Now

What is your current situation. This defines your current situation in relation to where you want to be. Start with your assets and liabilities, income and expenses, create a spreadsheet.



Once you have completed these two steps: Good job, you are on your way to success.

To do this you will need to document in a spreadsheet your assets, liabilities and your income vs expenses.

Click the link below to fill out your own fact finder and sent it to factfinder@forrestercohen.com.au. We will provide you with a free assessment. A fact finder is also designed to explore your risk profile or attitude to risk and your risk appetite or tolerance.

It has been shown time and time again that the psychology of our approach to risk determines what strategy works best for us. This can be very different from person to person.

This step is a 'reality check' to make sure you have all the current facts and figures to work from so that you are ready to step forward.

Click here to get your [FREE Fact Finder document](#).

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Step 3: Plan

Given the above, model some outcomes to see what can be achieved with your resources.

For example: If you had an initial investment capital of \$100,000 in savings or equity what could you borrow to invest in property?



Then assuming that the property had a 7.2% capital growth rate each year for 10 years. What might be achieved?

Note that the capital growth is especially important in the acquisition stage of your portfolio. The higher the capital growth rate the more equity is created, which in turn will allow you to qualify to borrow to purchase more property.

It is this equity that is created on your savings plan that generates the money for the deposit and costs for your next property.

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Step 4: Optimise

Modelling tools can show you the impact of key investment factors such as capital growth, interest rates, rental returns and cash flow. Using modelling tools, we can stress test your property (or portfolio) to identify the things to optimise so that it can achieve the result you want sooner.



Optimisation includes:

A. Capital growth performance: The key is to know which areas are going to outperform the market. We use facts to do this, not opinions. We want you to understand the property cycle of an area and the direction and strength of its movement. This is based on historical trends and the impact of future Government policy, economic trends and investment.

B. Identify the type of property that will perform better in that area.

C. Identify how to increase the rental return to maximize cash flow.

This covers the where to buy, what to buy and when to buy evaluation. Understanding the areas to consider, their timing in the property cycle and the type of property with the greatest potential. Answering those questions is the key to property selection to making your plan work.

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Step 5: Implement

Implementation starts with the outcomes of the planning process being documented in your Wealth Builder Blueprint.



It becomes your personal business plan, and just like in a business, this document is used to determine what specifically needs to happen, by whom and by when to implement it. It forms the basis for monitoring your results and taking the necessary action to stay on target and manage any risks.

Return on investment is the foundation of wealth creation. We need a documented plan and a risk management strategy that we regularly review to ensure our success.

A good plan identifies risks and offers ways to avoid them, or how approach them to reduce their impact. This makes it easier to hold your portfolio over time and gives you more confidence about your results.

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Step 6: Manage

This stage is the most important. The portfolio needs to be managed for risk and continually optimized for returns.



The management of a portfolio follows three phases:

A. **The Acquisition phase**

This is the phase where we acquire properties. It is the exciting part however should be the last step in our plan implementation. To ensure you are buying properties to suit your plan you need to model their information to see how they will perform within your portfolio.

If you want to achieve your results sooner you may need professional assistance to identify the characteristics of property that will produce results sooner.

We will also have identified the ownership vehicle that we need to use to hold the properties.

B. **The Holding phase**

The ability to hold on to our portfolio is essential. We need to identify and manage any market or personal risks that might occur while we are holding the portfolio.

C. **The Exit phase**

The Exit phase identifies the timing and market conditions for realising the results of your investments.

Most of us don't want our money to be lazy. We don't want it lying around in some under performing property in a town with limited or negative growth prospects. Nor do we want it to be in eye watering high risk areas.

We saw this at the end of the mining boom. It became clearer that the mining companies were in control of the rental market and that their policies were not transparent. They were making decisions on whether they would fly workers in and out, or rent local properties for them. This left investors unable to assess and manage their risk.

WHAT'S NEXT?

This simple six step process has been used by our clients to create passive incomes from \$2,000 per week in 10 years; to \$40,000 per week in 4 years.

Why is there a big difference in the results? Its really about each person's risk profile and risk appetite. Ultimately not everyone has the desire to create huge wealth. Many just want enough to make sure their retirement is secured. It really depends on your goals and your willingness to achieve them.

However, if it's a great lifestyle, or multigenerational wealth that you want, then it can be achieved.

So, that's the six step process that will help you get started so you can replace your salary and create more wealth for comfortable living in those final 30 years, or earlier.

And that's what this is all about, a reliable tried and proven process for generating wealth through property investment.

By creating a plan you understand, and by using proven methodologies, with factual property information you can access the best opportunities to ensure you achieve your desired results. I know that's what you want to do.

And, this is what successful investors are doing.

There has never been a better time to get started to ensure that you get these results. Now, the plan we generate for you is not some randomly generated plan or one that is used for everyone.

Its laser focused on your goals and time frames. It takes into account your risk profile and appetite, to ensure that you are 100% comfortable with the sequence of steps, the process, the purchases you make and resources that are available to you.

The strategy we help you to create, will give short term gains, as well as long term results, so that you can see its working.

So, where do we go from here?

You can follow the plan we have provided and do it yourself, and if you get stuck on anything give us a call we are only too happy to help.

For those who want help right away, then, for a limited time we are offering a 1 on 1 FREE planning session where we will work with you to identify exactly what strategy could work for you.

WHAT'S NEXT?

We call this session a **'Wealth Builder Blueprint Planning Session'**.

We will help you determine:

- what your goals are,
- what your current position is,
- and, then we will show you how you could achieve your goals in the time frame you want, given your current resources.

But, we can't work with everyone, we have a limited number of people we can work with right now. So whether you are just wanting to create additional passive income or wanting to create a legacy for future generations, we can work with you to determine the sort of plan that will help you to reach your goals.

Now, you're probably wondering why we would do this for free?

Well, I know that some people, when we help you to layout this strategy will want us to help them to optimise and implement it too.

We want to get to know you and help you to be successful. We hope we can help you to put your plan in place. Then having met us we hope you'll appreciate us and want us to help you implement it.

In the past we have charged \$650 for this introductory session. But if you don't end up wanting to work with us ... that's fine too, because we have many clients wanting to use our services and have already helped 100s of people who have, or, are on their way to replacing their income.

The last thing I want to mention is that, if for some reason, something comes up and you can't make your appointment, please let us know and we can reschedule. We want to work with as many people as possible and appreciate your consideration for our community.

So, with that said, just click the link below, select a time for you Wealth Builder Blueprint planning Session, answer a few questions and we will book you in for a phone call with one of our most experienced Senior Advisors.

On behalf of my team we are looking forward to talking with you really soon.

[Click here to make an appointment!](#)

or go to -> <https://www.forrestercohen.com.au/appointment-calendar>