
Renovation Webinar

Dean Parker & Troy Harris (Active Property Network)

Where Elise and Dean's interest in Real Estate began

Troy Harris: Hello and welcome to this webcast. My name is Troy Harris and I'm from Active Property Network. Today we're very fortunate that we have Dean Parker on the line. Bec and I have known Dean and his lovely wife Elise for approximately four years now. They've become great friends and mentors to us.

A little bit of background for you, not too long ago Elise and Dean were full time employees in the IT industry. Between them, they were earning in excess of \$130,000 per annum and at the top of their game. They were living in the heart of Melbourne and created their dream lifestyle. However, the problem was they were renting a two-bedroom apartment and felt they were throwing rent money down the drain and wanted to start paying their own mortgage rather than someone else's.

It was just as they were about to put pen to paper for the purchase of their very own three-bedroom apartment in the heart of Melbourne that they came to a very important realization. Signing on the dotted line would mean being stuck in a rat race forever. Although they would have enough money to survive, their property repayments would make them chained to their jobs. They decided not to sign which was a real sliding doors moment because only a few short years later they are now living the dream as property millionaires.

They have completed over 150 property transactions totally an amazing \$30 million in projects. Along the way, they've become recognized as two of Australia's best property investors and educators. They've appeared on Channel 7's *Hot Property* and will feature in *Handyman* magazine later this year. They are, by far, the most popular presenters at Active Property Network.

The journey started after attending a Steve McKnight property seminar and they are motivated to share their knowledge and to help others realize their dream. Initially, they created the "Renovation Toolbox" which has now been fully updated and revised and is now known as "*The Complete Renovation System*." They've educated thousands of ordinary Australians on how a successful renovation system could put lump sum cash profits into their pockets.

They continue to do amazing things. I can't wait to hear about their current project with a \$200,000 profit on the table. We welcome to the call Dean Parker.

Dean Parker: That's right exactly.

Troy Harris: Tell us a little bit more about why you made the decision to take control of your destiny and become a full time property investor instead of working in a job?

Dean Parker: Well, essentially it was just to make more money, to get some control of our time and control of our destiny. We were spending a lot of time early on in the car and...I mean, originally when we were living in Southbank (Melbourne, Victoria), we really wanted to get into our own home and we were throwing away rent money as you spoke about early on. And we really just wanted to do something different and get ahead so we just tried a few different things and probably end up being the thing that was able to, I guess, give it the freedom that we wanted and allowed us to make that extra money that we did need to, to get ahead.

Troy Harris: That's terrific. That's a very good place to start. A favorite story of mine, I'm sure the listeners would love to hear about your stinky, brown unit.

Dean Parker: Yeah, well, this was...I guess this is the sliding doors unit that we were going to move into and one that we did buy when we almost signed on the dotted line and bought that beautiful apartment in Melbourne and decided not to, we ended up buying this little unit in Melton that was mission brown or Melton brown as they called it and we paid \$77,000 for that as opposed to \$350,000 so it was quite a significant difference in purchase price. But it was quite a significant difference in quality of standard of living too in that it was over an hour away from Melbourne and to be honest, it just did stink. The carpet was a bit stinky. So that's how it got its little name.

Yeah, I guess it's significant for two reasons in that that's what we decided to buy and I guess that was one of the reasons why we were able to start getting ahead because we made that sacrifice early on. But also, it was significant because I had lost my job just a couple of weeks prior to actually settling on that property. So if we had of purchased the other one, it really would have left us in a massive hole. Although, we didn't get the opportunity of moving into it much to Elise's satisfaction because we ended up putting a tenant in there to help us pay for it. We moved into my parents' place.

It was one of those things. There was a lot of things happening in that time. We wanted to get ahead. Instead, I found myself without a job and living back at home after having, I guess, a bit of a dream lifestyle that Elise and I did want. So it was...Yeah, it was one of those things.

Troy Harris: Sounds like Elise was very disappointed about not getting into the stinky, brown unit.

Dean Parker: Yeah, she was but, as I said, moving into my parents' wasn't the ideal situation either. So it was, I guess, a bit of a win-win. I mean, the good thing is at least it wasn't a \$350,000 property and it didn't get us into too much trouble.

But the main thing was that, we made a decision that we wanted to take a bit more control of our destiny 'cause we didn't know whether that would happen again. I was employed at a company with 50 employees and walked into work one morning just to find that we had a meeting at 10 o'clock that everyone had been called into and half of us walked out of that meeting not too long afterwards without jobs. So it's one of those hollowing things and one of the key factors of why we really wanted to make a crack at this.

Troy Harris: Scary times when you're not in control of your own destiny.

Dean Parker: Exactly right, exactly.

Troy Harris: Okay, let's get on to when you got started. You've told me a number of times a very important day for you was when you attended a Steve McKnight MasterClass. What was something you were taught that day and about holding you back?

Dean Parker: By that time, that was 2004 so that was probably about there around about a month after we decided that we wanted to get into property. We were stumbling around what we were doing. We didn't really have a plan or a strategy or any real idea of what we were doing with property. We'd just bought that first little unit. We put a tenant in it and it had gone up and that had allowed us to buy another one. And we'd been able to continue using that system but we'd run out of money and we couldn't do it anymore.

So still looking for answers of how we could make property work for us. That's when we did meet Steve at his MasterClass seminar that he ran that year and he pretty much told us that we'd reached our borrowing ceiling and for us to progress, that we'd have to be able to sell something which though it went against what we were doing, we were sort of had gone okay collecting a few properties in the short term. But we could see that there was just no way forward. So we'd hit our borrowing ceiling and that along with a whole heap of other, I mean, just fantastic education that we got on that day, this really set us in the right direction for making an educated attempt at what we were going to do rather than just, stumbling along the way.