
Renovation Webinar

Dean Parker & Troy Harris (Active Property Network)

First Joint Venture Deal – How did it work out?

Troy Harris: Okay, I've got a question and then I've got someone else has sent in along a similar line. But you've mentioned to me before that your *first joint venture* was actually with one of your neighbors. How did that come about?

Dean Parker: Yeah, well, it was during our first reno, that's correct and it was actually with an older couple that we got to know quite well and we're still actually really good friends with them. And essentially, they could just see what we were doing and they just took an interest in...they almost became our sort of second lot of parents. You know, they'd come in and check out what we'd done and they were, I guess, motivating as much as anyone else was.

So the good thing is by the time we'd finished it and we worked out the numbers and we told them what we'd been able to do, then I guess it got them thinking about wanting to actually get involved themselves. And we just actually over a bottle of wine one night after they'd come in to check the place out, we said, "Well, how about we have a go at doing one together?" Because we didn't actually have any more money to do anything. We had it all tied up into our projects. And it was a way that they had to some equity in there house. We had a little bit more time and we both put different things into the J.V. and, I guess, just made it happen.

So from that point of view, it just came about over a group of friends having the same goal and wanting to get into it and have a go. So that's pretty much how it worked. There was nothing, no formal...nothing really formal on that first one...well, when we first agreed anyway. But yeah, it was a really good result.

Troy Harris: Two people coming or two parties coming together with the...looking for the same outcome. It's a great joint venture.

Dean Parker: Exactly.