
Renovation Webinar

Dean Parker & Troy Harris (Active Property Network)

Renovation Calculators and Analysis Tools

Troy Harris: I know you've had some fantastic super calculators to see if a property's worth looking at any further. Can you briefly explain how that works?

Dean Parker: We came up with some quick deal analysis. Well, the two *quick deal analysis*, one helps you identify what the price...Essentially if you've got a buy price, you use the quick deal analysis calculator to determine an end price based on all the costs associated with doing a renovation. And we've got two different calculators, one for the cosmetic renovations and one for advanced because there's slightly different costs associated.

So we developed these because I'd go and look at...I can remember early on getting in a car with a real estate agent and he'd have seven properties to show me that could suit renovation. And we'd get to a property and it would be on the market for \$205,000 and I'd say, "All right, well, if we did this, this and put a new kitchen in and paint it, what's it going to be worth?" And he'd turn around and go, "Ah look, in this area you're probably going to max out at around that \$230,000." And really, quickly I could figure out that there's no way knowing that we could make any money out of that.

And the other good purpose was that I actually started giving these calculators off to the agents to get them to actually use them to filter out the deals before they'd even ring me to save wasting both our times. There's no point driving around for half a day looking at properties if they're actually...you know they're not going to work and if you could've educated the agent first, you could have saved his time too.

So we've got some analysis calculators that help with doing that analysis but then they also help us with how much cash is going to be required for a project and how much profit. So there's a whole series of calculators that we've come up with based on...It's really just the percentages of costs for a project and the costs of acquisition costs, your reno costs, your holding costs and your selling costs.

Calculators explained in The Complete Renovation System

- ✓ Quick Deal Analysis – selling price calculator
- ✓ Quick Deal Analysis – purchase price calculator
- ✓ Quick Cash Analysis – cash required calculator
- ✓ Quick Cash Analysis – determining purchase price based on cash
- ✓ Quick Profit Analysis – determining purchase price based on profit

<http://www.propertyystems.com.au/products/55-the-complete-renovation-system.html>