
Renovation Teleconference

Answers by Dean Parker

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Do we have a business plan and how do we review our goals?

Dean Parker: One thing you said here is do you have a business plan?

Barry: Yeah.

Dean Parker: Now, when you say business plan do you mean do we have a plan for what types of projects we do and how much money we want to make? Is that what you mean or...

Barry: Do you have a bit of that and a bit of the strategy you want and long term goals, those sorts of things?

Dean Parker: Yeah, well we do regularly, every quarter sit down and go through our goals and we try and fit a set of goals for the year of...and it's normally at a high level of how much profit we want to make from a project and how many of those projects we want to do within a year. So in our renovation business, let me see, because we've got a couple of reasonably bid development projects going on at the moment as well. In our renovation side of the business, we wanted to make a minimum of about \$150,000 per renovation project we did and we want to do four of them. So that's what we're working towards for this year.

So if you're doing bigger projects and doing less of them I guess. Where when we first started we were doing projects that we're all right I want to do...I mean, when we started, we said ...when we first said, we said if we can make \$10,000 out of a property and do it in our part time, we'd be happy and that was our first goal. We turned around and went okay well, we did that. And we actually renovated similar to yourself, Karen, we essentially worked full time and one of the early ones we did was a little property. It was in Melton; we didn't have to drive too far. But we just did it on really three weekends and it was really just a paint and carpet and that was about it. Now, it's also some of those jobs. And we were just happy to make a certain amount of money, just out of the project, just to do it in our part time, just to see whether we could actually make the thing work.

There's profit to be made. Like, if you're talking you want to make a certain amount of profit from a project, it's like all that sort of stuff can be done. Like there's no real limit on that.

Like we're making that sort of profit on every project we do now but I mean, three years ago, we'd never have thought that we could make that sort of money on one renovation project. And I'm sure there's people out there making \$500,000, \$600,000, \$1,000,000, whatever. It's all relative to how much money you want to put in and how much money you've got and how much you want to risk. But from that regard, there's no real limit. It's really just about what you guys...how far you want to push yourselves and what you want to do when you get going.