

# A SURFER'S GUIDE TO PROPERTY INVESTING

*How to achieve your goals  
and lead a balanced life through  
investing in property*

**PAUL GLOSSOP**

## **Praise for *A Surfer's Guide to Property Investing***

“If you are an aspiring or seasoned property investor, you must read this book from cover to cover. Paul replaces confusion with confidence in all facets of investing in property and how to set your own life goals. It’s no surprise that Paul has earned the trust of his clients and built a sterling reputation in his industry.”

**Aaron Christie-David**, Managing Director, Atelier Wealth

“Paul practises what he preaches and shows that his pragmatic approach can be used by all investors of all levels. Whether you are a time-poor professional or lack the confidence and knowledge to invest, this book proves it can be done – simply saying ‘it’s too hard’ is not the right approach. Paul shares how the mind is your asset and getting your mindset right is the start to building a successful portfolio. Further leveraging from professionals and not just the bank resonates the strategic and realistic way to enhance results and to ensure overall success with your property portfolio and happiness.”

**Jeremy Iannuzzelli**, Partner, Keshab Chartered Accountants

“This book is an essential guide for any property investor. It covers all the fundamentals of property investing and the life skills you need to ride the wave of your life.”

**Ross Le Quesne**, Mortgage Broker, Aussie – Parramatta and Rouse Hill

“A beautiful, passionate and personal journey from Paul, with years of wisdom and practical guidance... from beginning to sophisticated investors, residential to commercial properties, working through the mindset to budget, to compliance, to legal, to growth and exit strategies, micro and macro determinants – the book is full of tips and real-life balanced current examples. I strongly recommended this as a tangible and motivational book for people in any stage of their lives!”

**Munzurul Khan**, Principal – Keshab Chartered Accountants

“This book is an inspirational story of what it truly takes to achieve success in property investment. Paul’s professionalism and objectivity have extended into great insights in this terrific book.”

**Alex Veljancevski**, Principal Eventus Financial

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*How to achieve your financial  
goals and lead your best life through  
investing in property*

**PAUL GLOSSOP**



First published in 2019 by Major Street Publishing Pty Ltd  
PO Box 106, Highett, Vic. 3190  
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### Ordering information

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A catalogue record for this book is available from the National Library of Australia

ISBN: 978-0-6484100-5-8

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Internal design by Production Works

Cover design by Simone Geary

Printed in Australia by Ovato, an Accredited ISO AS/NZS 14001:2004

Environmental Management System Printer.

10 9 8 7 6 5 4 3 2 1

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# FOREWORD

## **Work hard... you'll eventually find your perfect wave**

Surfers have a particular nostalgia when it comes to 'the search'. If you don't know what I'm referring to, this is the search for the perfect wave. 'The search' means a whole lot more however. It's the process of getting there, and the memories that keep you hungry for more.

As a Sydney-sider, for me it's turning right onto the M1 from the Pacific Highway and heading north – the classic Aussie road trip and the anticipation of good times, good laughs, good waves and cold beer. It's getting off the grid and leaving the responsibilities of an adult life behind – albeit just briefly.

Paul's story, like that of surfers the world over – and in particular those whose job often involves a suit from 9 to 5 – evokes this spirit of exploration; the Holy Grail of family, work-life balance, happiness and fulfilment we all aspire to but rarely attain.

This is the *real* search. And his vehicle is property investment.

Creating wealth through property is no secret. Generations have capitalised on Aussie real estate, created wealth and built futures. It's the process of getting there that gives a reward at the end.

Myself, I have a detached view towards property: it's an asset I use to elevate me into a future that will give me choice to do what I want to do. I don't get too emotional about property; it's its utility that resonates.

I'm not yet sure what this future is going to be, but I know property will certainly help me get there if I make informed decisions along the way, implement the correct strategies, and use the right people. A big part of this is education – and I've read a few property books in my time. A number are excellent, some good, there are also a lot not-so-good.

Paul's book *A Surfer's Guide to Property Investing* resonated with me; not only as a very average surfer, but as a process-driven person who appreciates the journey of making the right decisions at the right time to obtain an outcome – in this case, wealth creation through property investment.

For the 10 to 20 seconds you 'might' get on a wave a lot of hard work needs to be done. It's not unlike property. Swell direction, wave size, tides, weather, wind are all variables outside of your control. Your fitness, mental attitude, strategy (where to surf) and your support network (making time) are all within your control to help you score that perfect wave.

With investing, bank policy, regulation, market fluctuations, politics, tax rules and reform – are all the stuff you can't control. Your attitude, your strategy, your energy, your capacity to borrow, your advisers – these are all the things you can control.

Whether you surf or not, Paul's story as a property-investor-turned-property-professional is a great read. Draw on his story as you shape your own journey through property. Remember, you get out what you put in. If you're willing to do the hard work – and embrace the journey – you'll find your perfect wave.

**Phil Tarrant**, Managing Director, Momentum Media

# CONTENTS

## **Part I: Finding the perfect wave 1**

1. My story 3
2. Why property? 13

## **Part II: Before you paddle out 21**

3. Mastering the investor mindset 23
4. Budgeting and strategy 42
5. Learning and groundwork 47
6. Building your dream team 60

## **Part III: Picking the right line 81**

7. Picking a location 83
8. Understanding investment types 96
9. Renovation 120
10. House and land 141
11. Commercial property 168

## **Part IV: Mastery and living your best life 177**

12. The secret to building long-term wealth 179
13. Exit strategies 202

Postscript: The life you want 217

Glossary of terms 224

Index 227





# MY STORY

## **THE SECRET OF SUCCESS**

I believe the key to financial success isn't about getting bigger, better, faster or more. To me, success is freedom – freedom to spend more time with my family or to give back to my community or, as you may have guessed from the title of this book, just to have more time to go surfing.

I've worked out through my life experiences that success is all about setting your barometer (see Chapter 3). This is an ethos I subscribe to wholeheartedly. It helps me make great decisions that pay both emotional and financial dividends now and in the future.

My barometer tells me that my family and I don't need expensive toys to have a fulfilling life.

We don't mark the success property investing has brought us by buying a fancy car or going on a \$50,000 holiday to the Maldives. For us, success is marked by enjoying a simple life, with time for the things we hold dear – like family – and the freedom to decide where to direct our energy. We don't complicate our life with things that don't mean anything to us.

My wife Kim and I asked ourselves, 'Who do we really aspire to be?' And the answer was that we aspire to be people who can give back to our kids, give back to community and just have time on our side. Once we knew that, it was time for me to take a calculated risk and walk away from a corporate career, so I could start something that I was truly and holistically passionate about: helping my family and others change their lives through property.

Ultimately, that's what this book is about. Not every investor is looking to own a private jet. Many of the smartest individuals I know set their barometer at a realistic level of 'happiness' and forge on with the view that property provides freedom to enjoy the thing in life we all miss most – time.

Setting your barometer doesn't mean aiming low either of course! My barometer has helped me climb from zero assets to 17 property holdings worth almost \$9 million in just 10 years. And here's the thing – I'm not done yet!

This book is about where you are, where you want to be and how you're going to get there. And best of all, you and I are going to go on this journey together. I will show you how to build a property portfolio with the right mix of cash flow, blue chip and development opportunities – all designed to balance your wealth and your lifestyle.

I'll show you how to build a portfolio over time that doesn't involve lucking out in a fast growth market, but instead relies on a reasoned approach to sensible gains, all designed to set you free.

But first, here's a bit of background to my story.

## **IT'S WHERE YOU START**

The right take-off point is vital. Every time I head out for a surf, I always spend some time scanning the line up to find the best place to jump in and to position myself to catch the best waves on offer.

How you lead your life is defined to a great extent by your values. When you start to consider the values that define you, inevitably you think back to the people, places and events of your youth. That's where I'll start in sharing my life's journey with you – well, the journey this far anyway.

I was brought up in Liverpool, in south-western Sydney, by a single mum who made it a mission to ensure her boy entered the big wide world with all the emotional resilience, character and adventurous spirit he could muster, without coming to grief along the way – untethered young men like to flirt with disaster, after all.

Our home life was a long way from the silver spooned fortunes some broods enjoy in this harbour city – but it turns out that love, support, direction and motivation were better than a trust fund for me.

My mum raised me single-handed and she was never the type to wallow. There was no point whingeing, she just got on with it. She's been my mentor in everything I've done – personally

and in business. Mum studied as a nurse, then after a lifetime in the one profession, she retrained to become a post-natal depression psychologist when she was in her fifties – talk about re-inventing yourself! She worked in this profession for over a decade before ‘retiring’ to a life filled with charity work and grandchildren. To me, she remains a testament to pursuing joys over riches.

Our family was sports mad, and I couldn’t get enough of it. Mum was hell-bent on making sure I chased any activity with a passion. I spent the best part of my teenage years pursuing different athletic adventures. While school work wasn’t entirely left behind, it did come in second place behind my favourite physical pursuits. Like most of my friends, I had my sport, and would then get by with whatever grades kept me out of the principal’s office.

My parents separated when I was 11 and it was also around this time there was another defining tragedy in my life. Just before I turned 11, my cousin, who was a really close friend, died of a stroke at age 15.

She had a predisposed heart condition, which hadn’t been really fully diagnosed. One school holiday, while we were visiting my auntie in Taree, all of us kids went to the lake in Forster. One moment we were enjoying ourselves as only kids can – all together, and swimming – and then just like that she was gone.

It was significant because things suddenly got real for me at an age when I should have been more concerned about the trivialities of life, like fixing a broken bike chain or scoring an extra slice of cake. I was fortunate to have a very, very tight-knit family, all dealing with this personal tragedy, and I just had to find my place among the grief.

A few months after that, my parents separated.

When it rains, it pours – but you can either stand still and get drenched or start hunting for cover.

## **CHOOSE TO BE RESILIENT**

My mum was now a single woman on a single wage with a big mortgage – but that didn't stop her. She had things to get on with. She got busy paying off the mortgage, raising her boy and realising life is what you make it.

Watching how she dealt with the hurdles, and the confidence she displayed to stay on track, is ultimately what drives me. It taught me that there are always going to be curveballs, just as there are always going to be opportunities, whether they are in relationships, investing, your career – whatever. In these situations you can take one of two possible paths. You can say, 'Look, life sucks, I'm done' or you can say, 'Life sucks, but I can make it better'. I learned to take that second path and just get on with it, reflect on what happened and move forward because when it comes down to it, success is a decision to be resilient.

Mum also showed me that rewards are no fun if they're too easy. Whether you're talking tech in Silicon Valley, property cycles, manufacturing money in cryptocurrencies, or whatever it looks like, I think unless you've had the experience of earning rewards through hard yakka, you'll never fully appreciate your achievements.

It's something that my mum spent a lifetime teaching me.

## **U-TURN AT THE PUB**

Dramatic events have long-term consequences and not all of them are bad. Life's turning points are rarely gradual – most are more than 90 degrees.

My career's sliding-door moment came one night at a pub in Ultimo, Sydney.

I was interested in architecture throughout my late teens, and I ended up heading to architectural college for two years after leaving school.

My most important piece of assessment work involved designing a five-storey office block with some spanking new software called AutoCAD, using top-notch laptop hardware. It was all borrowed from the university and the project took up pretty much the entire 12 months of my second year.

It was November 2002, and before submitting this mammoth assignment, my classmates and I decided to go for a couple of drinks at The Broadway Hotel to celebrate completing the work.

We were sitting there, having a beer, talking about our assignments: what we did, how long it took us, et cetera, et cetera... and my laptop bag was at my feet under the table. I got up to get the next round, then settled down to polish off my schooner. Then it was time to go and submit my work. I looked down and my bag was gone. I thought my mates were pranking me, but that wasn't the case.

My bag containing the laptop and 12 months' worth of hard work got stolen in the few minutes that I wasn't watching it. This was before external hard drives and cloud storage. I had no back-up, so I was devastated.

I had a chat with my lecturer and the dean and while they were sympathetic, they both said there was little they could do because without a submission there was no way to assess my progress. Either I needed to figure out how to put my assignment back together, which would have been six months' more work, or start the whole course again. In the end, I decided a career in architecture was just not meant to be.

That was the catalyst for me to look at a career in teaching.

Three-and-a-half years later I held a Bachelor of Education degree. I was a qualified teacher, but still wasn't convinced I wanted to be an educator. I was also keen to explore what the rest of the world had to offer.

## **HEADING OVERSEAS**

With a few hundred dollars in my pocket I jumped on a plane to the UK and took up my first teaching post in one of the roughest, toughest schools in London... and loved it!

I was in my mid-twenties, experiencing a lot of different culture, doing a lot of travelling and really enjoying life. I was also promoted to several higher roles during my time at the school – probably because they couldn't attract any real talent if I'm being honest.

I ended up being made Head of Department within a year of being a teacher, which, in hindsight, was never a role that someone in my position should have had to take on.

Along with the experience and memories that I gained overseas, there was something else exceptional that I brought home from London: my wife, Kim. Kim is a highly dedicated professional who is passionate about teaching. However,

I didn't share her calling so with 2008 presenting some exciting opportunities in post-GFC (global financial crisis) Australia, I decided another change was on the cards.

## **A FORTUNATE FLIGHT**

It seems a little good luck can appear in the strangest ways. I was at the airport to catch my flight home from the UK with literally £25 in my pocket. I knew I was coming back to my mum's house and I knew I had a lot of work to do to get my life back in order. I had enjoyed my time in the UK and had the Facebook feed to prove it, but I also needed a way to kick off the next phase of my life.

I was standing in line at Heathrow Airport ready to pick up my Qantas boarding pass for a very cheap flight that would see me transiting through China. Suddenly, Qantas staff were walking along the queue and making an extraordinary offer to passengers willing to forgo this now overbooked flight – a night at the Hilton hotel, a business-class upgrade on the next day's flight and a \$1,000 cheque.

I'd never wanted to miss a flight so badly. I ended up staying the night at the luxury hotel and flying business class, both of which I'd never done before. After arriving in Sydney I went straight to the Qantas office and cashed the cheque.

That's how I ended up back home with \$1,040 to kick-start my future.

## **THE LUCKY COUNTRY**

Unlike the pessimistic outlook in Europe, there were some economic and social pluses in Australia at the time that



signalled opportunities. There was a mining boom, comparatively low unemployment, reasonably low property prices and historically high rental yields. And my senses were primed to take advantage of this environment – all I needed was a steady income and a plan.

I'd taken a job with a pharmaceutical company and was earning a good salary. I was also absorbed in developing a property investor mindset (more about this in Chapter 3) through self-educating in real estate investment and knocking down to work out how to acquire our first Sydney property holding.

Once I'd landed that first piece of real estate, I was hooked. I'd found my passion in property.

I took that passion and started analysing property markets in the major capital cities. Were there any chances in Brisbane, Melbourne or Sydney? Should I buy and hold, acquire cash flow, consider subdivision or bank for development? .

Within eight years of being back on Australian soil, I took the big step of quitting my job. Our property portfolio was providing a passive income sufficient to support our lifestyle, while also creating enough equity to fuel our ambitions.

It was December 2014 and we had two children by this stage, so you can imagine how many friends and acquaintances told me I was bonkers for walking away from a decent income. But I knew what could be achieved from investing because the people I respected most had taken risks and been rewarded.

Kim and I had also done a lot of planning and preparation before I took the leap into self-employment. In fact, without Kim's support, I wouldn't have done it. I couldn't have done it. She's been unwavering.

## *Chapter Hacks*

- Set your barometer and align your goals with it
- Understand your values
- Learn resilience
- Deal with hurdles head on – and keep on going
- Make the most of lucky breaks, and follow your passion
- Appreciate the guiding influences in your life

This is an excerpt from '*A Surfer's Guide to Property Investing*'  
by Paul Glossop, published by and available from  
Major Street Publishing.

The full version paperback or ebook can be purchased from  
all good book stores.