

YOUR

# PROPERTY

COMPANION

*Invest, renovate  
or subdivide  
for a secure  
financial future*

## THE PROPERTY CLOCK

WHEN IS THE RIGHT  
TIME TO INVEST?

*Fund your future  
How to finance  
a property venture*

WWW.ALLEURA.COM

 Alleura

## WHY CHOOSE ALLEURA?

NOT YOUR AVERAGE PROPERTY  
PROJECT MANAGER

*Your Property  
Development  
Questions  
Answered*

## THE STEPS FOR YOUR SUCCESS

HOW TO HIT YOUR STRIDE  
AS A PROPERTY INVESTOR

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CHECK THE BACK COVER FOR A SPECIAL OFFER!

# FOUNDER'S LETTER

HI AND THANKS FOR GRABBING THIS COPY OF YOUR PROPERTY COMPANION



“

THIS PUBLICATION  
WILL GIVE YOU  
KEY INSIGHTS INTO  
WHAT'S INVOLVED  
WITH INVESTING  
AND THE MANY  
OPTIONS YOU HAVE  
TO GROW YOUR  
WEALTH THROUGH  
PROPERTY.

If we haven't already met, I'm Kavitha Vipulananda, the founder of Alleura. This business began in 2010, has been a full-time operation since 2014 and has now played a major role in numerous development, subdivision and renovation projects across the east coast of Australia.

I have had a long-standing obsession with property and the potential it has to deliver a strong financial future. As my journey as a property owner and developer progressed, I noticed I also have a passion for showing others how to take hold of similar opportunities.

Alleura was created to enable others to achieve the same success I have through identifying potential and bringing a vision to life.

This publication will give you key insights into what's involved with investing and the many options you have to grow your wealth through property. Inside, you'll find tips on the best time to invest, clever strategies to fund your purchase and information on how to develop a stunning new home.

Once you have had a read and discovered the many ways property can be leveraged to boost your net worth or create an income for life, get in touch to find out how we can help you. My team and I are so excited to uncover the ideal opportunities for you.

*Kavitha  
V*

# NOT YOUR AVERAGE PROPERTY DEVELOPER

## HOW ALLEURA CAME TO BE AND WHY WE'RE DIFFERENT

By now, you have probably noticed that I don't fit into the typical stereotype of a project manager or someone who owns a project management company. Because I'm not an older male with a background as a builder, some people do a double-take when I explain my role in the property industry. But I have never let that stop me.

How did I get into this profession and become sought after as a property developer, project manager and property investment consultant? I was largely inspired by my father.

A structural engineer and property developer with a strong

entrepreneurial streak, my father encouraged me to stay outside my comfort zone and see what I could achieve. Thanks to him, I have always had a resolve to chase my passions, become educated and put my skills to the test in the real world. This included spending some of the early years of my career working for his firm, PSV Consulting Engineers.

Sadly, Dad passed away when I was 28. Instead of holding me back, the shock of his passing motivated me to build a secure financial future for myself and my family. As I have worked to achieve my own dreams, I have found the real rewards come from being able to use everything I learn to help others.

### Creating a vision, achieving my goals

I knew I wanted to use property and the wealth-creating tips my father had shared with me to build a solid financial foundation but the journey wasn't always easy.

To stick with it, I created a vision and set goals for myself. I have never been one to look for shortcuts and my strategy has always been about long-term growth.

After developing my skills and gaining qualifications as a structural/civil engineer, I did endless research, invested in property and learned from my own mistakes. Once I felt I had the confidence and knowledge, I started the Alleura brand in 2010 and began operating it full-time in 2014 in the areas of both project management and property development.

Stepping out to do this, I left behind a paid contracting role in Project Management at a major bank. Had I known how challenging it would be to start out, I may not have acted so confidently! However, I have always been focused on my vision and my goals as a way to keep moving forward.



### Early success

My first project was a property I purchased located in Altona North in Melbourne, it had two units on one property title. My team and I renovated both properties and subdivided, which means we cut the block into two.

Within six months, we had made \$90,000. This resulted from only two months of actual hard renovation work. The other few months we spent marketing and waiting for settlement.

I still have that cheque on my wall, and I remember feeling on top of the world when I got it. That was my first renovation and my first pay cheque in property. There's nothing more encouraging than witnessing your hard work pay off, and seeing your vision become a reality at last.

I combined two strategies – renovation and subdivision – to get this profit. The process wasn't easy, but it paid off and showed me what was possible.



## Helping others to succeed

One of the biggest lessons for me has been to stick within my skill set and to take on projects which highlight my strengths. For me, this lies in boutique developments rather than grand-scale high-rises or massive subdivisions.

The focus of Alleura is to help people who want to grow their own wealth through property. My team and I offer project management services for clients including property investors, architects and other industry professionals who understand the value of developing blocks of land into townhouses or a small number of units.

I know all too well; developing property requires a great deal of knowledge and experience. Yes, you can take on a project yourself but unless you want to spend every waking hour researching, pouring over plans and phoning around trying to find the right builders and subcontractors, you are better

off finding an agency to handle the heavy lifting (literally and figuratively).

Many clients come to Alleura because they have started a project and realised they have bitten off more than they can chew. They understand their profits will go down the drain if they don't apply the right strategies, and fast.

Other clients need advice on how to renovate for the best returns or how to subdivide the property they currently live on. Some have an empty block of land and need support to optimise its potential.

When working with Alleura, you'll have access to the designers, architects, planners and project managers your development requires to be a success. Our team has a wealth of experience and prior knowledge which will get you the financial results you're looking for, without the stress.

## Not your typical project manager

I may not be what people expect to see when they approach a project management company, but I'm the real deal when it comes to experience and insider strategies. Along with being a developer myself and coming from a family that has been in the game for decades, my motive is to get you what you desire out of your project.

Being outside of the mould has forced me to prove myself time and time again. I'm proud to use my past examples of success and to be able to share real dollar figures as a testament to my abilities.

Alleura is a smaller firm so we can afford to give you personal attention. When working with boutique, architecturally designed developments across Brisbane, Sydney and Melbourne, we pay close attention to detail. This means the properties are well-built, great looking and appealing to both buyers and tenants. For you, the payoff is results you are thrilled with.

## What's your vision?

Alleura has now completed many projects that have delivered a great return on investment for our clients. We are looking forward to showing you how we can help you achieve your own goals.



### CLIENT TESTIMONIAL

“

*“I worked with Alleura on several large projects and I found them as a Project Manager to be very good to work with. Alleura was diligent and professional, and they ensured they were across and fully understood all aspects of each project and dealt with all parties in a very professional and timely manner.”*

- John B - Melbourne

# THE PROPERTY CLOCK

## TICK TOCK... WHEN IS 'THE RIGHT TIME' TO INVEST IN PROPERTY?

Australians have a love affair with property and are always talking about prices and when is the perfect time to make a purchase.

This is for good reason. While most homeowners find their property grows in value over time, investing can be a different ball game. If you make the wrong decision or you don't apply the right strategies, you can end up losing money.

Without a crystal ball, you can't exactly predict which properties will serve you best. However, with the right knowledge, you can identify a strategic time to buy or sell. This is where the property clock comes in.

### What is the property clock?

Seasoned property professionals have witnessed many times over how the property market follows a 'boom' and 'bust' cycle which seems to naturally rise and fall over time.

Between 2012 and 2017, Australia experienced an unprecedented boom, thanks in part to historically low interest rates.

Then, in 2018, the Banking Royal Commission led to a crackdown on lending.

With fewer buyers in the market and nerves about what would happen next, a 'bust' period began.

The property clock refers to this cycle. While the influencing factors can be different, the clock ticks on past the 12 o'clock 'peak', down to the 6 and back up again. At 3 o'clock, the market is falling and at 9 o'clock it is heading towards another high.

2018 and the beginning of 2019 saw a rapid movement towards the bottom of the market. This was to be expected after such a massive growth period and while prices have fallen, they have come nowhere near to what they were five years ago.

Consider that at the last 'settling' of the market, in 2012 the average house price for Sydney was \$550,000. In October 2017, it had reached \$1.1 million.

By mid-2019, it had dropped, but only to \$1 million. A long term view shows property owners are still well ahead!



**“ THE CLOCK TICKS ON PAST THE 12 O'CLOCK 'PEAK', DOWN TO THE 6 AND BACK UP AGAIN. AT 3 O'CLOCK, THE MARKET IS FALLING AND AT 9 O'CLOCK IT IS HEADING TOWARDS ANOTHER HIGH. ”**

## Applying the property clock

With a picture in your mind of how the property clock works, you can gain an understanding of when is the right time to buy.

Each area has its own property clock, ticking away based on current market conditions. By doing your research and working out where the suburb you're looking to invest is at on the clock, you can time your purchase to happen sometime after around 6 o'clock.

Post-election and with interest rate cuts now being applied, many areas in capital cities have passed the bottom point of their cycle. Now sitting at 7 or 8 o'clock, these locations are ideal places to invest.

Of course, the property clock may take a while to reach the 12 again (when it is time to sell). By doing further research and looking at factors which will propel it faster, you'll be able to make an informed decision.

For example, areas which are set for major infrastructure developments are ideal to consider. These will soon attract young families and workers looking to rent. There should be more than one drawcard for the community. New hospitals, roads, train stations and even airports give an indication of future success for property investors.



While property price falls make many buyers nervous, those with a long-term vision can see a slowdown as an opportunity. Consider the Global Financial Crisis, when house prices dipped across Australia. Savvy investors who put their money into the market at that time are now reaping the positive returns.



**NO MATTER WHAT, THE LONG TERM TREND FOR PROPERTY IS ALMOST ALWAYS POSITIVE. HOWEVER, TO GET RETURNS MORE QUICKLY, YOU MUST BE STRATEGIC ABOUT WHEN IN THE PROPERTY CLOCK CYCLE YOU BUY AND SELL.**



## Research is vital

The property clock is ticking away at different times around the country. While homes in Sydney, Melbourne and Brisbane lost value during 2018-2019, property prices in Adelaide, Hobart and Canberra saw an increase.

By watching trends and keeping your eye on sales results, you can get an idea of what will happen over the next few months. This will help you make a more informed decision about the magical 'right time' to buy and sell property.



**NEED HELP TO FIGURE OUT IF NOW IS THE RIGHT TIME TO BUY? GET ADVICE FROM ALLEURA.**

# PROPERTY INVESTOR MYTHS BUSTED

SO MANY PEOPLE RULE THEMSELVES OUT AS PROPERTY INVESTORS BECAUSE THEY LISTEN TO BAD ADVICE. ALLEURA'S FOUNDER KAVITHA SHARES WHY THESE COMMON BELIEFS ARE SIMPLY UNTRUE.

Somewhere along the line, it was decided you need to be wealthy and very well established to get started as a property investor. This is anything but true. In fact, it is property investing which will help you become wealthy and well-established.

If you have automatically ruled yourself out of being an investor because of what people say or what you believe, let me bust some myths for you.



## MYTH #1: You need money to make money

While you do need a deposit before you can start your property portfolio, you don't have to have a wealthy background. You just need a plan and a determined mindset.

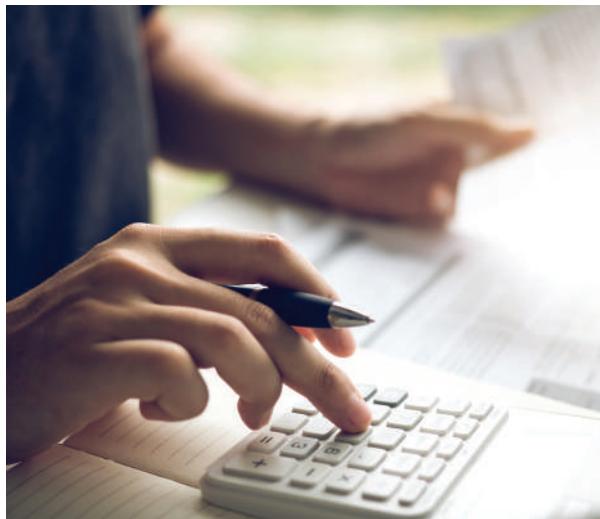
Like many other property owners, I started with just enough for a deposit. Since then, I have grown my portfolio, mostly by learning the hard way. After making many mistakes myself, I created a project management company called Alleura.

## MYTH #2: You need millions to buy a property

Most people think you need millions of dollars in savings to buy an investment property but that's so far from the truth.

When you do your research, you will realise there is more than one way to fund a property purchase.

Strategies include having a co-investor, having family act as guarantor and something called vendor finance, which may allow you to buy a home without the need for a bank loan.





#### MYTH #3:

##### **It takes too much time to be a professional investor**

If growing your wealth is truly a goal for you, you will find the time. We always make time for things that are important to us.

You have probably witnessed that it is the people who are busiest who can always get things done. This is because they have a vision for their lives and they are selective about what to prioritise.

People who always seem to have time on their hands are good at outsourcing. They know when the time is right to get help so tasks are more manageable.

You have the same amount of time as everybody else! It's how you manage it that's important.



#### MYTH #4:

##### **A mortgage will tie me down**

When I lived in London during my 20s, I already had a property. I travelled a lot while paying London rent and paying a mortgage. There were a few times when I tried to convince my father that I needed to sell, but he wouldn't have a bar of it.

I paid off that apartment within a year of my dad passing away, and it set me up for my investing career for the rest of my life.

If you want to enjoy your life and have a mortgage, the answer is not to stretch your budget too far. Take on a loan which you can comfortably afford and which will move you forward.



#### MYTH #5:

##### **The timing isn't right**

The property clock does play an important role in investing but waiting for the perfect moment can mean you never take action.

If it is not a great time to buy, it is an excellent time to start doing research and preparing to invest. Use the time to talk with property experts and start figuring out how you will finance your next move.

You may find that after reaching out to people, an opportunity presents itself which makes sense. If you have done your groundwork, you will be prepared to take action.

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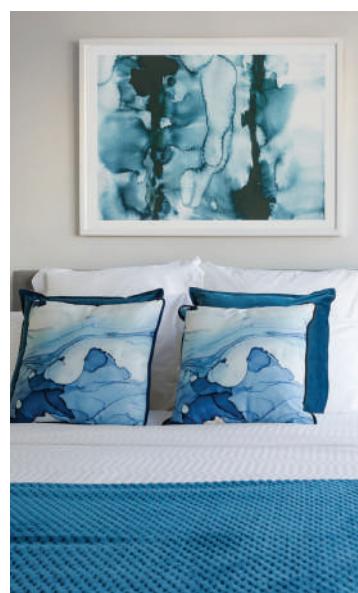
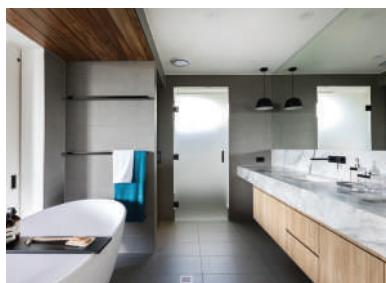
**“THERE ARE ALWAYS EXCUSES BUT IF YOU NEVER TAKE ACTION  
YOU WILL NEVER SEE RESULTS.”**

*Kavitha*  
*V*

# ALLEURA SUCCESS STORIES

TAKE A LOOK AT SOME OF OUR PAST DEVELOPMENTS

The expert team at Alleura is committed to delivering premium, boutique developments of unmatched quality. Each project is architecturally designed, modern, and beautifully appointed, with no expense spared when it comes to elegance, style and high-end finishes. We focus on a small number of developments at a time, giving ourselves the opportunity to deliver innovative, luxurious and beautifully crafted properties.



## STRUCTURAL RENOVATION

### ARCADIA

Bardon, Brisbane

It is little wonder this incredible statement home achieved a record sale price for the Ithica district of Bardon. Alleura transformed an original character home into a contemporary showpiece during this structural renovation project. Focusing on harmony and proportion, the finished result was a desirable family oasis.



## NEW HOMES PROJECT

### GREEN PARK

Altona North, Melbourne

A land purchase gave Alleura the opportunity to create four impeccably appointed homes. Bright, open designs and landscaped gardens added to the appeal of the convenient Altona North location. Exquisite finishes and a 'no compromises' approach meant all four homes were snapped up in no time.

## NEW HOMES PROJECT

### Q885

Kew, Melbourne

Located in the highly sought-after Melbourne location of Kew, this luxuriously appointed, architect-designed development includes five stylish townhouses. Offering a modern twist on heritage Victorian style, these homes perfectly suit the elegant and cultured lifestyle of this area's tight-knit local community.



## TOWNHOUSE PROJECT

### FAIR VIEW

Yeronga, Brisbane

With four of the six selling in just two weeks at premium prices, this intricately finished set of townhouses offered sleek, architecturally designed spaces with modern finishes and private outdoor courtyards. The finished homes were eye-catching, chic and perfectly created to meet the needs of local homebuyers, allowing them to move in and enjoy the Yeronga lifestyle.



## RENOVATION

### BLACK SHORES

Altona North, Melbourne

A dramatic transformation left two tired, dated properties looking like brand new homes. These renovated properties were given a new lease of life, with modern design and flawless finishes delivering the ultimate in comfortable, luxurious family living.



## NEW HOMES PROJECT

### SEASCAPE

Altona, Melbourne

This beachside set of townhouses is designed with lifestyle in mind. Light-filled spaces and high-quality, contemporary fittings are highlights of these homes, with residents being able to enjoy convenient access to the beach and Melbourne CBD.

## RENOVATION

### CENTRO

Melbourne CBD

This spacious and dazzlingly appointed city apartment was given a cosmetic renovation then fully furnished with decor and furniture fit for a stylish and discerning inner-city professional. Leased almost immediately after being put to market, it generates significant passive income for our client.

# OUR SERVICES

## HOW ALLEURA CAN HELP SECURE YOUR FINANCIAL FUTURE

Alleura is committed to the future of growing wealth-creating property portfolios in Australia by assisting our clients with smart world-class services in the areas of project management services and, where required, separate services in relation to investment strategies.

With a focus on boutique developments, we have a keen eye for what works best and a commitment to quality.

Our clients come to us for help with a range of projects, including the following:



### SOURCING AND MANAGING A PROJECT

If you have the funds or equity and want to investigate property development, Alleura can help. Our experienced property professionals will support your quest to identify the best areas to invest and offer suggested sites which may be suitable for your goals, based on our experience.

We also provide a service for ‘armchair investors’, assisting clients who want to develop property by managing the process for them.



### RENOVATING

Those home renovation shows make it look so easy! But the fact is every dollar you spend needs to be worth it.

A common mistake is to have a vision and get the results you want aesthetically, only to realise you have gone over budget. The outcome is a beautiful property but no money in the bank.

Avoid the hidden traps of renovating with advice and support from Alleura’s talented team.

### CLIENT TESTIMONIAL

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*“Alleura is a focused, versatile, highly motivated project management practise. They are effective in a variety of environments, and to adapt to the politics and imperatives each delivery environment encounters.”*

- Richard B, Melbourne



## PROPERTY DEVELOPMENT

At Alleura, we live and breathe property development, having been involved in many projects around Australia. Our specialised residential development team have built up a wealth of knowledge and experience as well as being technically qualified in property development.

Larger property projects have the potential to pay off to the tune of hundreds of thousands of dollars. We offer our clients individually tailored development services from house development, residential apartment development and unit or townhouse development.

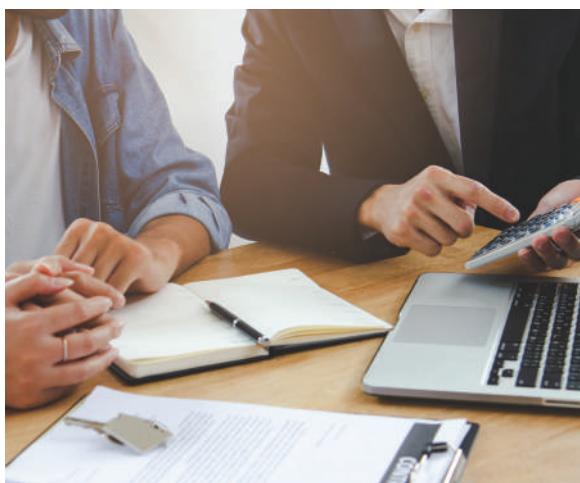


## SUBDIVISION

Subdivide for success! You can turn a single-dwelling property into two completely detached residences or a set of three or more townhouses with the right approval from council.

However, like renovating, subdividing can be easier said than done. You need to make sure you have all the necessary permission and that the extra properties you create will suit the block and the location.

Rely on the professionals at Alleura to guide your subdivision project to success.



## PROPERTY ADVICE AND STRATEGY SESSIONS

Excited to get started on a renovation, build or development project but not sure where to begin? Contact the experts at Alleura for clarity and direction.

We will help you identify the best opportunities to invest and help you make the right decisions. Get together with us to explore your options in detail and achieve your personal financial goals.

A strategy session will help you feel more confident about your investment and your future.

### CLIENT TESTIMONIAL

“

*“Alleura are detailed oriented project managers with a great work ethic and tenacious approach to delivering to project timelines. Would highly recommend.”*

- Arthur D, Melbourne



## BUILD FROM SCRATCH

Is there anything more exciting than building a home from scratch? You can have everything you want, right where you want it in your dream property, or create the best possible opportunity to attract buyers or tenants.

Make sure your vision becomes a reality with project management from Alleura.

Having overseen the completion of dozens of home-builds, we're able to ensure your new home build is completed on time and within budget.



## DEVELOPMENT SALES, MARKETING & BODY CORPORATE ESTABLISHMENT

To ensure your development sells and is resident-ready Alleura can also manage sales, marketing, paperwork and body corporate set-up.

We rely on our specialist consultants to provide end-to-end services and ensure your project is a success.



## PROJECT RECOVERY

The unfortunate event of a builder going into liquidation does not have to mean all is lost.

Alleura can engage a team of experts who specialise in project recovery, including providing support for insurance claims (if possible) and engaging new builders. As a result, stressful situations can be turned around to achieve positive outcomes for our clients.

### How can we help you?

Alleura's involvement can begin at any stage during the property development process but the earlier we are involved, the better.

You can rely on our team for services including site analysis, town planning and building approval. Our team will oversee construction as project managers while also taking care of the sales and marketing of your investment to ensure maximum return.

We aim to ensure every step you take is the right one, and provide the support of experienced industry professionals so you can achieve your goals.



# SEVEN STEPS TO PROPERTY DEVELOPMENT

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INVESTING IN PROPERTY AND MAKING A PROFIT TAKES TIME. IF YOU FOLLOW THESE STEPS, YOU WILL BE BETTER EQUIPPED TO MAKE THE RIGHT CHOICES.



## STEP ONE DO YOUR RESEARCH

Research, also called due diligence, is probably your most important step. Without research, you risk buying something that you won't be able to profit from.

When you research, you must cover:

- a. Your own financial position
- b. The market where you plan to buy
- c. The financial viability of the project

### OUR TIP

Spend time running the numbers, looking at current values and investigating the costs involved with your project in detail.



## STEP TWO IDENTIFY YOUR STRATEGY

There are plenty of strategies out there to make money through property, but you need to find one that fits you.

Some of the most common strategies are renovation, subdivision and development.

The strategy that fits you best will be based on your experience, your skillset, your time, your equity position and your ability to service the loan.

### OUR TIP

Start small so you're not putting too much at risk. Even major developers began with more straightforward projects.



# SEVEN STEPS TO



## STEP FIVE BUY WITH YOUR HEAD

Buy an investment property or home that you can easily afford while also having the lifestyle you want yourself. It is a risk to overspend to the point where you could end up in trouble if your situation changes.

### OUR TIP

Set your budget and stick to it. If the property costs too much, it's not for you.



## STEP SIX GET TO WORK!

Once you have purchased your property, the sooner you can put your strategy to renovate or develop it into action, the better. You should have the budget ready to get on with things straight away.

With the help of a professional team, you can sidestep the common mistakes and save yourself from losing money because of unreliable tradespeople or overspending on items that don't add value.

### OUR TIP

No project ever goes 100 per cent to plan. Allow some wriggle room for your timelines and budget.

**STEP THREE****FIND A MENTOR OR COACH**

There are many mentors out there who offer different types of courses related to property investment, renovation or subdivision.

The key is again to do your research and find an educator who suits you. Speak to people who've taken each educator's course and ask for testimonials. There are plenty of good and bad mentors out there, so choose wisely.

**OUR TIP**

Don't turn to friends and family for advice if they're not qualified or experienced as investors. They may not share your vision or understand what's possible.

**STEP FOUR****CHOOSE YOUR LOCATION**

After you have done your research, narrow your hunt down to three suburbs in your price range and look at these suburbs in detail. Go to open homes, compare prices and speak to real estate agents. Keep investigating to find out what is in store for the area in terms of infrastructure and other developments. You can even spend a weekend in the area to see if it is the right fit.

**OUR TIP**

Visit the council and take a look at the current building permits to see if there is a risk of oversupply.

# PROPERTY DEVELOPMENT

**STEP SEVEN****SELL, LEASE OR MOVE IN!**

Having a huge property portfolio may make you seem like a mogul but if everything is negatively geared you may find yourself struggling to make ends meet.

If you can hold the property, rent it out and earn passive rental income, you could potentially keep it for the cash flow and wait for more market growth. However, if you need the profit to do the same thing again on another property on a larger scale, we usually recommend selling.

**OUR TIP**

Every person's situation is different and needs to be individually considered. Alleura recommends seeking advice from an experienced property accountant on the financial benefit of selling versus holding.





LOOKS EASY, DOESN'T IT?  
WITH THE RIGHT AMOUNT OF  
KNOWLEDGE AND SUPPORT, THE  
ROAD TO GENERATING LASTING  
WEALTH THROUGH PROPERTY MAY  
BE SHORTER THAN YOU THINK.

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Visit [www.alleura.com](http://www.alleura.com) to find out more.



“

OUR VISION  
IS SIMPLE: WE  
WANT TO ENABLE  
CLIENTS TO  
CREATE FINANCIAL  
FREEDOM THROUGH  
PROPERTY.



# FUND YOUR FUTURE

THERE IS MORE THAN ONE WAY TO SECURE FINANCE FOR YOUR PROPERTY PURCHASE. TAKE A LOOK AT SOME OPTIONS.

When it comes to property investment and development, there's no straight, clear-cut formula for success. Fortunately, this lets you get creative about structuring a successful property purchase.

Funding a property investment, especially to begin with, can mean thinking outside the box. Here are some creative ideas to help you get started.



## Visit the Bank of Mum and Dad

If you're lucky enough to have access to this type of 'financial institution', make the most of it! Not every investor can draw on their parents to be lenders but if yours are interested in making a donation or giving you a loan, it is something to investigate.

Your family may also be interested in joining with you on a property purchase. No matter how you access their help, be sure to get a legal contract written up. This will protect all parties, should things start to go wrong.

Your contract doesn't have to be complicated but it should outline terms and responsibilities everyone can agree on.



## Vendor Finance

Most people aren't aware of vendor finance. This strategy allows you to get into property with a negotiable deposit amount (sometimes as low as \$10k) and then take over the property by paying installments that are typically above the owner's mortgage repayments.

You may be able to find properties with this type of financing for sale online on websites like gumtree.com.au, realestate.com.au and other property-related online forums/websites. There are multiple creative vendor finance strategies you can choose from, with installment contracts being the most popular option. Each option allows you as the buyer to purchase with a lower deposit and more flexibility.

## Low Deposit Home Loan

Low-documentation or low-doc loans are typically for those who experience difficulty getting the required documentation for a traditional home loan, and generally attract slightly higher interest rates than bank loans.

They're worth investigating, especially if you plan to sell for profit relatively quickly.



## Buy with Other Investors

Another approach is to partner up. You can even make a purchase with three or four others. Buy a larger lot then subdivide the property so there is one for each of you and everyone will come out on top.

Again, contracts are essential for this type of arrangement. Everyone needs to agree ahead of time on exit clauses and the development or renovation strategy.



## Joint Venture with an Owner

A joint venture with an owner can create a win-win for both parties if you're trying to build up your cash reserves. This is another great option if you have very limited finances or no funds at all to spend right now.

Many property owners would like to benefit from developing or renovating their property but believe they're too old or they don't have the knowledge or time. You may be able to directly negotiate with them to do all the work required in a joint venture.

For instance, an owner may have a property with very little debt. You can use the property as equity for the bank to fund a renovation or development. Initially, this may seem complicated, but it doesn't have to be. The JV agreement can be written up by any good property lawyer in coordination with a good accountant and finance broker.



## Property Options

An option agreement gives you the right to buy a property, but doesn't obligate you to do so. As the purchaser, you get to control the property without owning it, so you have no associated costs like rates or loans.

The purpose of a property option agreement is to buy you time. Because you control the property, you can uplift its value before you own it.

You then have the choice to either sell it at a profit or get the increased value as equity in the eventual purchase so that less (if any) deposit is required. Large subdivisions are often done this way.

**“ HOW WILL YOU FUND YOUR FUTURE? ALLEURA WILL GO THROUGH YOUR OPTIONS BEFORE PUTTING YOU IN TOUCH WITH PEOPLE WHO ARE EXPERIENCED IN SHARING FINANCIAL GUIDANCE.**



AUSTRALIA'S #1 AUTHORITY AT

# CREATING WEALTH THROUGH INNOVATIVE PROJECT MANAGEMENT

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## CLIENT TESTIMONIALS

*I worked with Alleura on a townhouse project in Brisbane. Kavitha is a great project manager with a strong focus managing the many moving parts that make up a townhouse development. She has a keen eye for extracting the best out of all the professionals and is a strong negotiator when it comes to selecting a suitable builder and finalising the construction quote. The project was successful with all the townhouses being sold for a profit and the finished product was a modern, high quality development that will stand the test of time. Kavitha has a track record of delivering successful projects for her JV partners and I would recommend her as an experienced project manager.*

Adam Cooke, Oatlands, NSW

*I had both the pleasure and privilege to invest in a property development with Alleura. People often say these things are risky. But when you have proven professionals with experience and industry knowledge you are in good hands. Switched on and hands on I was kept updated every step along the way and they delivered on time and with a great return. Doesn't get better than that!*

Anna E, Mount Waverley, VIC

*I worked with Alleura on a townhouse development in Melbourne and I have been very happy with the outcome. Kavitha is an experienced Project Manager and was able to effectively navigate through a range of difficult situations which required persistence and strong negotiation skills; both key strengths of hers. Kavitha has a wealth of knowledge in the property development space and I feel very fortunate to have had the opportunity for her to help guide me through this project.*

Philip Mullins, Dee Why, NSW

*Alleura is very professional and a pleasure to deal with. We would highly recommend them to any prospective equity partners and we would happily be involved with any of Alleura's projects in the future.*

Henrico and Joanne Smit, Mount Lawley, WA

*Kavitha is a results-focused project manager who isn't afraid to ensure her perspective is heard and considered. She will go to great lengths to ensure the right outcomes are delivered for the project and pragmatic actions are taken whilst showing respect for due process. Kavitha is a clear communicator and has a no-nonsense style to delivering results.*

Christopher Loo Melbourne

*We are Property Developers and Investors from Adelaide. As well as doing our own deals we loan money in Joint Ventures to other Property Developers.*

*We are currently on our second joint venture deal with Alleura, we had no hesitation in working with them again, as with our first deal they kept us informed as to how the development was going all the way through and when it was finished paid promptly and they sent us some beautiful before and after photos to show us their very professional work.*

*The loan is drawn up by a lawyer so you know you are safely lending your money and with a very generous interest rate.*

*We wish them all the best with their ventures and do not hesitate to recommend them to anyone interested in a Joint Venture*

Mark and Sue H., Adelaide, SA

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*A fundamental part of effective project management is communication - to project team and stakeholders alike. Kavitha from Alleura, is an excellent communicator and she forms effective working relationships easily with people of many different professional and cultural backgrounds.*

Warwick Molloy, Melbourne

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*Kavitha is a woman with ambition, courage, intelligence and dedication. When Kavitha puts her mind to a project, she is focused and takes action to execute the best results possible. Kavitha is passionate about her work and will do what it takes to produce excellence.*

Sofia Vatos, Director/Business Operator, Eview Real Estate Chelsea

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*Alleura and I entered into a Joint Venture, they Project Managed the entire development.*

*They had done all the initial research on feasibility of the development with detailed costing and in depth understanding of the life cycle of the project. They used a fair and conservative approach to the feasibility process and thus myself and the project had a solid understanding from outset.*

*The permitting and council process demonstrated that Alleura has the right industry knowledge, contacts and understanding of the Property Development process to preempt, manage and execute required milestones for timely development. All projects will face challenges, and Alleura met challenges head on and dealt with any issues arising for the Project.*

*In selling and commercialization of the townhouses, Alleura demonstrated extensive marketing ability and adjusted strategies to a dynamic market. They worked extensively with buyer desires and builder requirements to ensure a happy purchaser and thus project success.*

Abhishek Baxi, WA

# YOUR QUESTIONS ANSWERED

INVESTING IN AND DEVELOPING PROPERTY FOR THE FIRST TIME CAN FEEL OVERWHELMING. HERE ARE THE QUESTIONS OUR NEW CLIENTS OFTEN ASK US.

## Who does Alleura work with?

Our clients range from young individuals or couples to middle-aged people, retirees, experienced property developers and consultants including architects and town planners.

You can contact us to help find you a site, renovate or sub-divide your home or start a development project from scratch. Alleura will help you minimise expenses and maximise return, creating a smoother, less stressful experience.

## How much money do I need to invest in property?

Great question! When you get in touch, we'll ask some questions about your income and assets before exploring your options to finance a property development.

It is possible to get started with less than you may think.

## Do I need to know a lot about investing and developing to work with you?

Alleura was created to make the property development process less complicated and save clients from making mistakes that cost them hundreds of thousands of dollars.

We will give you all the advice you need, plus we can take on a project manager role so you don't have the headache of dealing with town planners, builders, banks or real estate agents.

## Can Alleura help me renovate my own home?

Of course! Hidden on your property are so many opportunities to improve its value. We can take a look and talk about renovating, subdividing or any of the easy wins which will grow the value of your property. Our services are available as project managers for any of your property needs.

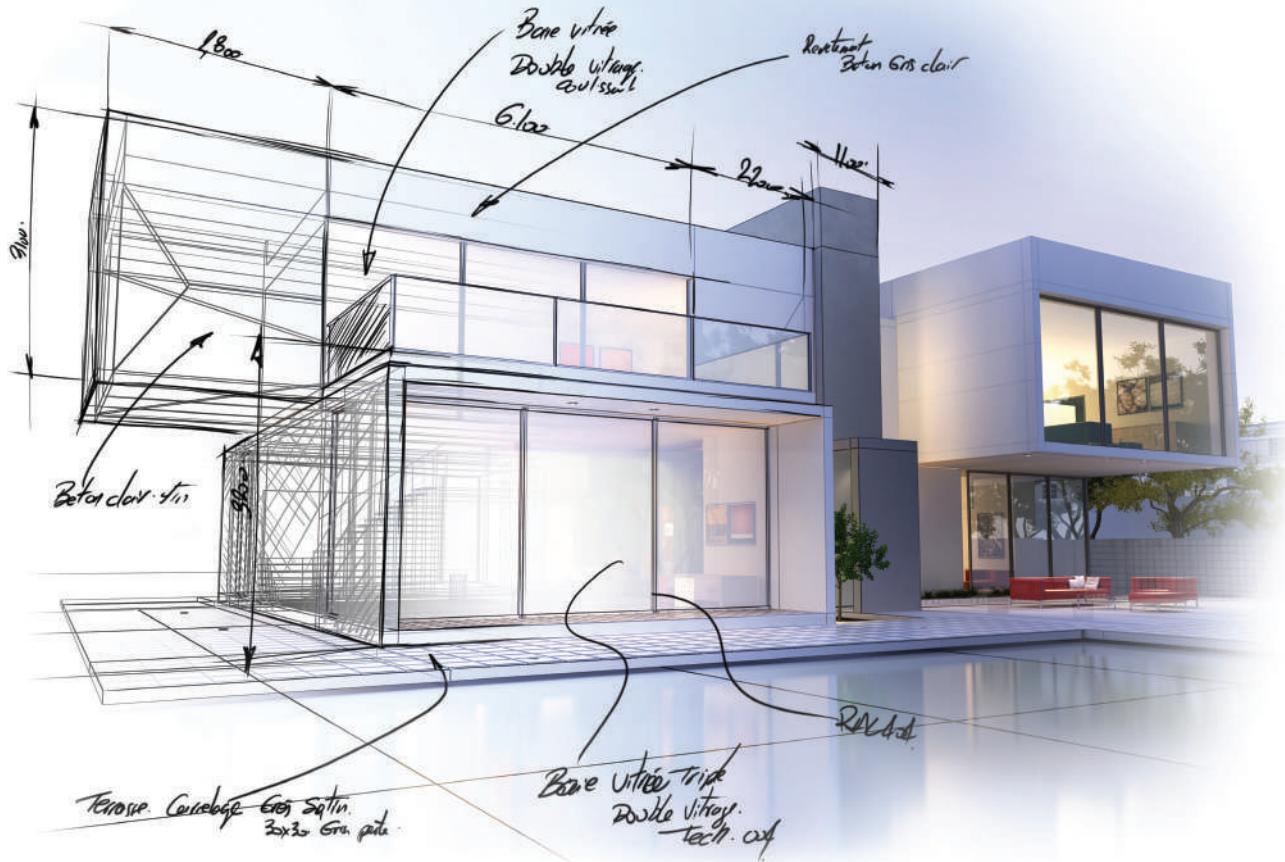
## Can't I just do it all myself?

You can take on your first property project solo but be warned! Without qualifications or experience you will hit roadblocks and pitfalls that will eat into your profits.

If you're serious about making the maximum returns from your property investment, putting some budget towards professional help will make the experience simpler and far more profitable.

## I have empty land. Can you help me develop it?

In return for a fee, the team at Alleura can assess your site and make recommendations to maximise its value. From here, we can design a home or collection of townhouses, facilitate council approval, project manage the build from start to finish and even do the marketing for you. Contact us to discuss the costs involved with leveraging our services.



## What should I do with my new home?

Sell, lease or move in! What you decide to do will depend on your circumstances and your goals. We can help you make a decision about the strategy that will deliver the results you hope to achieve. We also work closely with accountants and financial planners and can even speak to them with you, if you require.

## Who works at Alleura?

Led by property professional Kavitha Vipulananda, Alleura is a small team of renovation, subdividing and new build experts. We are your dedicated consultants and project managers, helping you navigate the often choppy waters of property development and guiding you towards success.

## When can I start?

Today! Contact Kavitha and the team at Alleura for your initial consultation or for an assessment of your property. You'll find the details on the back cover of this magazine.

### CLIENT TESTIMONIAL

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*“Kavitha and the team at Alleura demonstrated an acute ability to manage mission-critical projects and are solution-oriented people who are capable of delivering innovative solutions to solve complex issues.”*

- Darren W, Melbourne



B R O U G H T   T O   Y O U   B Y   A L L E U R A



# GLOSSARY

GET TO KNOW THE WORDS AND PHRASES YOU WILL HEAR AS A PROPERTY INVESTOR

<b>Bad Debt</b>	This kind of debt may include credit cards, car loans, personal loans and any other type of loan with no growth potential. This is something that will impact your future loan servicing and creditworthiness.
<b>Caveat</b>	The word caveat means ‘beware’. Lodging a caveat on a property forewarns anyone dealing with that property that someone else has an interest in it. The party who lodges a caveat is known as a caveator.
<b>Comparable Sales</b>	These are properties that are comparable in terms of suburb, size, location and quality to the home or land you are building/renovating. They can be properties that have already been sold or that are currently for sale. Generally, the sale price or anticipated price is provided as a comparable.
<b>Compound/Compounding</b>	This is the result of reinvesting profit, rather than paying it out. With compounding, the profit you make in the next property deal is then earned on the total sum of the profit on the new principal, plus any previously accumulated profit. Therefore, the profit you make compounds in value.
<b>Critical Path</b>	This is the longest sequence of activities in a project plan that must be completed on time for the project to complete within a due date. An activity on the critical path cannot be started until its precursor activity is complete. If it's delayed for a day, the entire project will also be delayed for an entire day unless the activity following the delayed one is completed a day quicker.
<b>Cross-Securitisation</b>	Cross-securitisation refers to a lender using more than one property to secure a loan.
<b>Development (Property Development)</b>	The business of buying land and buildings and making improvements to them, most often so their selling price exceeds the price paid for them. This includes renovation.
<b>Development Approval</b>	See ‘Planning Permit’.
<b>Due Diligence</b>	Research that is required and conducted to ensure a particular site project will be profitable for you. This can include financial feasibility, market research, etc.
<b>Finance Broker</b>	A professional broker who can assess your financial position and do the legwork to find the best lender and packages for your personal situation.
<b>Equity</b>	The monetary value of a property or business, less any amounts owed on it in mortgages, claims, liens, loans, etc.
<b>Financial Planner</b>	A qualified investment professional who helps individuals meet their long-term financial objectives, often through providing investment options.
<b>Finance Pre-approval</b>	A clause used in a contract to allow a purchaser to obtain advanced approval for a loan from a lender before the contract has gone unconditional.
<b>Financial Feasibility</b>	Assessment of the total sales value of a project, minus the total costs, which equates to the profit. Other items such as GST and the margin scheme may also need to be considered. Ensure this assessment is done by someone experienced.
<b>Gentrification Suburb</b>	A suburb that maintains a lower price point, often in a less desirable location, but which is surrounded by neighbouring suburbs with higher price points. Examples include some of the Northern and Western areas of Melbourne. These suburbs may currently be in a state of change or will change in the future to meet the surrounding suburbs.

<b>GST Margin Scheme</b>	This is a way of working out the GST you must pay when you sell property and the sale attracts GST.
<b>Headwork Charges/ Contributions</b>	The charge made by authorities like councils, water authorities or power suppliers to cover the cost of providing, maintaining and extending infrastructure such as reservoirs and sewerage plants. It is usually charged on the basis of a set fee per new dwelling and can be one of the major costs of development.
<b>Hot Market</b>	A Hot Market happens when there are more buyers than sellers, which in turn pushes up property values.
<b>Lender's Mortgage Insurance (LMI)</b>	This is an insurance premium you pay as a home loan borrower, typically for a mortgage with an LVR (see below) of greater than 80%. LMI protects the bank against the potential loss they may incur if you cannot repay your loan.
<b>Leverage</b>	In property, this is the technique of using borrowed funds to purchase an asset. This results in your money going further as it is 'leveraged'.
<b>Line of Credit</b>	A line of credit is an ongoing agreement between you and your bank that gives you access to a predetermined amount of credit whenever you need it. With a line of credit home loan, any money you borrow is usually secured against the equity in your home.
<b>Loan to Value Ratio (LVR)</b>	This is the loan amount as a percentage of the value of the property.
<b>Low-Documentation or Low-Doc Loans</b>	Low-documentation or low-doc loans are a type of loan for people who have difficulty getting together the documentation that's required for a traditional home loan. Typically they have slightly higher interest rates than bank loans.
<b>Market Growth</b>	This is the natural growth of the value of a property over time.
<b>Market Price</b>	Market price is what the property should be worth if you sell it today in the current market.
<b>Negative Gearing</b>	This is when the rental income of a property fails to cover its costs, which can include interest, utilities, maintenance, etc.
<b>Offset Account</b>	An offset account is a transaction account linked to an eligible home or investment loan. The money you have in this account could offset the amount you owe on that loan, and you will only be charged interest on the difference.
<b>Open Homes</b>	Open homes are a scheduled period of time during which a property is open for viewing by potential buyers.
<b>Opportunity Cost</b>	When an individual or investor misses out on one alternative as they have chosen another, such as choosing to rent instead of buy.
<b>Option</b>	An option is the right to buy a property without any obligation to do so. It allows you to control the property without owning it.
<b>Overcapitalise</b>	This occurs when you spend more on uplifting a property than it ends up being worth. This can result in needing to hold the property till the price goes up in the future or selling at a loss.
<b>Passive Income</b>	Income that you earn without needing to take any action. This means you continue to make money with no or very little effort on your part.
<b>Planning Permit (Development Approval)</b>	The legal document that entitles you to develop your land, including conducting renovations. Different states in Australia use different terms, eg. Planning Permit, Development Approval.

<b>Positive Gearing</b>	This means that the rental income of a property more than covers its costs, which can include interest, utilities, maintenance, etc.
<b>Prime Cost</b>	A prime cost (PC) item is the amount of money included in a contract sum to purchase a specified item such as tiles, taps, doors or bathroom fittings.
<b>Project Marketer</b>	These are agents who sell off a plan to investors, and they usually charge a premium in commission.
<b>Provisional Sum</b>	A provisional sum (PS) is the amount of money included in the contract sum to cover work, materials or both, the extent of which can't be specifically detailed when entering a contract.
<b>Quantity Surveyor (QS)</b>	A consultant appointed by the bank to assess the build amount and then ensure any claims during the life of the construction are accurate.
<b>Renovation</b>	The action of improving a property by reinvigorating, refreshing and/or reviving it.
<b>Return on Investment (ROI)</b>	A measure of the amount of return (profit) on an investment relative to its cost.
<b>Servicing/Serviceability/ Creditworthiness</b>	Serviceability is your ability as a borrower to meet loan repayments, based upon the loan amount and your income, expenses and other liabilities.
<b>Stamp Duty</b>	The revenue levied by States on various types of transactions such as transfers and agreements for the sale of real estate.
<b>Subdivision</b>	A subdivision occurs when a large parcel of land is divided into multiple smaller ones. Its purpose is to split the land into ones that are easier to develop and that can be developed independently of one another to increase growth and maximise the use of space.
<b>Title</b>	<p>Property ownership of a piece of land and/or property. It is a person's record of interests and rights affecting their land. The Title is issued to the person entitled to it, eg. the registered proprietor or mortgagee.</p> <p>The Title shows the date of creation, plus all registrations and recordings made in the register at the time. This includes the name(s) of registered proprietor(s) and other interests such as mortgages, covenants and caveats.</p>
<b>Trail Commission</b>	This is the commission that the bank pays to a financial broker for their involvement in securing the loan. It's typically a percentage of the loan amount paid monthly for the entire duration that you hold this loan.
<b>Unencumbered Property</b>	Property that is clear of any mortgages or debts.
<b>Under Water</b>	This occurs when the value of the property used to secure a loan is less than the outstanding balance on the loan (mortgage). This can also be referred to as "negative equity."
<b>Unconditional</b>	A conditional contract is one that has "out clauses" attached to it (e.g. subject to finance). Once both parties have signed the contract and it has gone "unconditional," it is binding on both parties that they are legally obliged to settle.
<b>Uplift</b>	The action of renovating or developing a property to create uplift in price so that the selling price exceeds the price paid for it.
<b>Vendor Finance</b>	A creative way to buy a property with minimal deposit and low/no servicing.

# READY TO CREATE A MORE SECURE FINANCIAL FUTURE?



SIMPLY MENTION THIS MAGAZINE WHEN YOU BOOK YOUR FIRST APPOINTMENT

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