

A modern living room interior featuring a bright orange sofa, a large green plant, and white cabinetry. The room is well-lit and has a clean, minimalist aesthetic. The text is overlaid on the image in a large, white, sans-serif font.

5 REASONS SAVVY INVESTORS ARE ADDRESSING AFFORDABLE HOUSING



INCREASE YOUR CASH FLOW AND HELP END AUSTRALIA'S HOUSING CRISIS, ALL AT ONCE

A new strategy has emerged that allows investors to **double the rental returns** from a standard residential property while **simultaneously** addressing Australia's Housing Affordability Crisis. You can now increase your income **and** create genuine connections within your community.

In this E-Book, you will discover five reasons to ditch the old, outdated property investment strategies and embrace a new, community-based approach. Now, you can achieve a much higher return on investment and solve one of the country's most significant issues; one room at a time!

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1. MARKET DEMAND

Understanding your market demand is key to any investment strategy. To create a successful portfolio, you must provide a product that the market truly needs and wants, not more of what it already has. It seems simple, but it's a common mistake made by uninformed investors that still follow old trends. Savvy investors who are doing their research have begun to realise the opportunities available!

MARKET MISMATCH

What do Amazon, Airbnb, and Uber all have in common? They each corrected a mismatch in their market. 80% of Australia's available housing consists of homes with 3-5+ bedrooms. But 60-80% of the current rental market is made up of young couples and singles.

This is an opportunity!

Now that we've identified the mismatch, we can solve the problem; by repurposing larger homes to suit the market's demand! The policies are already in place; you just didn't know they were there! Those who are willing to take action early on will benefit the most from applying this strategy.

DEMOGRAPHIC

The biggest misconception about affordable housing is its demographic. Someone in need of affordable housing can be:

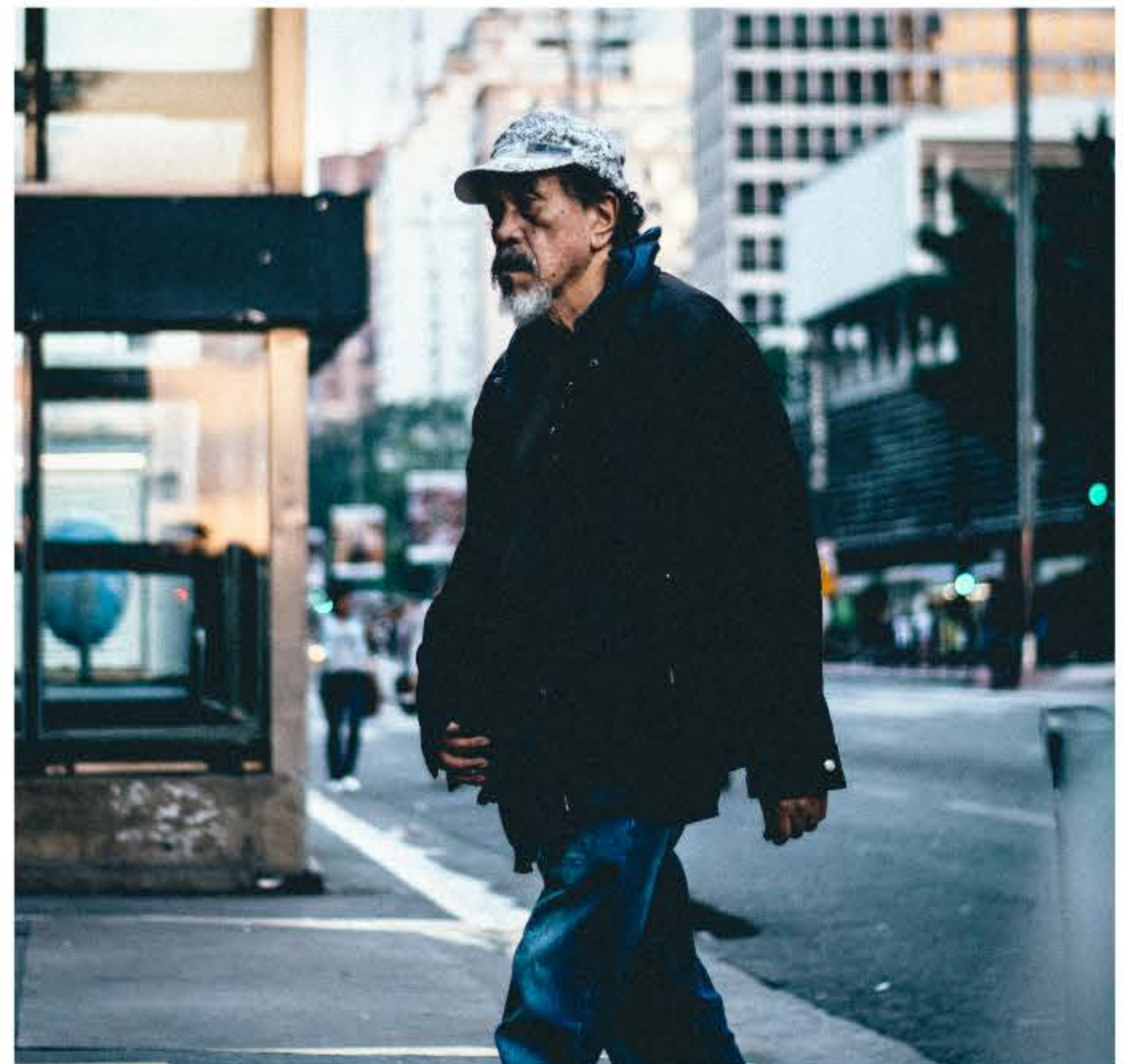
- A young fresh graduate, working their way up the corporate ladder
- A single parent, a young couple trying to save money for a deposit
- A recently separated mature age person or
- A retiree looking to downsize.
-

The biggest growing demographic of homelessness in Australia right now is the single 50+ year old female. If you, or someone you know, falls under any of these categories, you might require more affordable accommodation:

AFFORDABILITY

6 of the top 20 most **unaffordable cities** in the world are Australian cities. We have an oversupply of the wrong product, and our housing stress has increased across the country because of it.

The demand for affordable housing is apparent, but unfortunately, there are still negative connotations associated with the term. "Affordable housing" **does not** mean low end socioeconomic, and no longer applies to a minority of people; it applies to almost everyone. It has been shown that if a person spends more than 30% of their weekly wage, they are considered to be under housing stress. As rents and the cost of living climb, the number of people under housing stress climbs as well..



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“SUPPLY AND DEMAND EVENTUALLY REBALANCE. WE’VE SEEN THIS AGAIN AND AGAIN.”

JAMES P. GORMAN

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2. POSITIVE CASH FLOW

Cash flow is king to any investor, whether you're a budding first-timer or have years of industry experience. Consistent cash flow allows you to continue investing without getting stuck. Australia is the **only** country that not only condones but encourages negative gearing. Negatively gearing can work, but it's not a blanket strategy that suits everyone, and there are much better ways to go about it.

HALF THE HOUSE, DOUBLE THE INCOME

Most investors don't know that you can **legally and compliantly** take existing homes and retrofit them into multiple micro-apartments. You can also purpose build dwellings that allow unrelated parties to live with both private and communal facilities. The incentive for using this strategy? An average 4-bedroom house rents for approx. \$500 per week and a single bedroom unit in the same area rents for between \$230-\$250. By supplying the market with single units, there is an opportunity to **double or even triple the income** of a standard investment!

CREATING WEALTH IS ALL ABOUT THE LONG GAME

Savvy investors create wealth by holding onto property, not by selling it off. By moving away from neutrally or negatively geared investments and generating positive cash flow instead, you create a level of protection for your portfolio. If the market dives, you'll still be receiving double the returns on your investment! Due to the increased cash flow, you have a much higher chance of riding out the drop in the market. The investor that holds negatively geared property will feel the pinch a lot more and may have to sell to survive the downturn.

THERE ARE GOVERNMENT INCENTIVES FOR CREATING AFFORDABLE HOUSING

If doubling or tripling your regular rental returns isn't appealing enough on its own, government bodies all over the country offer incentives to the investors that are willing to embrace the market mismatch and provide more affordable housing. Rather than build it themselves using tax dollars, we can do it for them!

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“A SMALL BUSINESS CAN SURVIVE FOR A WHILE WITHOUT MAKING A PROFIT, BUT IF IT'S CASH FLOW DRIES UP, THE IMPACT IS FATAL.”
- THEO PAPHITIS

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3. FINANCIAL INDEPENDENCE

There are two critical differences between positive and negative cash flow: Positive cashflow properties create **financial independence**. Negatively or neutrally geared properties keep investors tied to their jobs. Which would you prefer?

DO YOU WORK FOR YOUR INVESTMENTS OR DO THEY WORK FOR YOU?

With a negative or neutrally geared property, any shortfall or unexpected expense comes out of the investor's pocket. That's all well and good if you have a steady job and a weekly paycheck, but that may not always be the case. By relying on a 9-5 job to pay for any shortfalls each month, you risk becoming trapped in a difficult position. Having the property work for you (rather than against you) protects you from any unexpected job changes or unforeseen circumstances such as injury or illness.

SCALE YOUR PORTFOLIO

Every time an investor executes a positive cash flow deal, it should put them in a stronger position than they were before. If structured correctly, this allows the investor to refinance at the back end of the deal and move immediately onto the next one.

There is no need to save up for another deposit **and** no need to prove to the bank that you can afford another investment property. When the property pays for itself and supplies another source of income, you can focus on scaling your portfolio and completely replace your 9-5 income to **leave paid employment**.

FREEDOM OF CHOICE

By focusing on positive cash flow properties, savvy investors create freedom of choice. No longer trapped in a job they dislike, they're able to choose precisely how to spend their days, because their portfolio isn't holding them hostage.

What would that be like for you? Would you spend more time with your family? Work less, play more? Start your dream business, travel the world, or study something you love! Whatever your reason, investing in positive cash flow property will allow you to realise those dreams.



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“A BIG PART OF FINANCIAL FREEDOM IS HAVING YOUR HEART AND MIND FREE FROM WORRY ABOUT THE 'WHAT IFS' IN LIFE.”

- SUZE ORMAN

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4. LOW RISK HIGH GAIN

Though the idea of ditching negative gearing may be daunting and highly confronting in its newness, it's all about low risk and **extreme gain**.



LOW RISK

By embracing affordable housing, you are addressing 80% of the market demand. You reduce your risk by understanding what the market wants and delivering what is required. The houses are designed to be adaptable when needed with the ability to act as a standard one-bedroom unit as well as a large family home.

HIGH GAIN

Doubling or tripling the rent on a standard investment is a significantly high gain. Because you are using the same house, with minor renovations, you can target a broader market.

ALL INVESTING INVOLVES SOME LEVEL OF RISK

If you are looking for a risk-free investment strategy, don't invest. All property investing involves some level of risk. Knowing your market and having a good education will reduce that risk by a mile.

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**“THE ONLY STRATEGY THAT IS GUARANTEED TO FAIL, IS
NOT TAKING A RISK.”**
- MARK ZUCKERBERG

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5. COMMUNITY & PURPOSE

Property investors and developers have a notorious reputation for greedily creating profit at the expense of everyone else. You wouldn't pin them as a community hero.

But what if there was a bigger picture? A better purpose?

WE'VE LOST COMMUNITY

We live in a modern age; we're digitally connected more than ever before but disconnected in reality. We no longer know who our neighbours are, our children play with their neighbourhood friends. We don't mix generations, but rather send the young and the elderly off to isolation so that we don't have to take care of them.

AFFORDABLE HOUSING CAN CREATE COMMUNITY

By mixing demographics and introducing multigenerational living, we can create an environment where people can thrive – supported by a network of people with varying degrees of experience and outlooks. We would feel safe and connected to everyone around us, one great big family unit.

WHAT'S YOUR PURPOSE?

Why did you choose property investment? Because that's what everyone else was doing? Do you do it purely for financial reasons, or are you not really sure. If the **sole** purpose is for **monetary gain**, you won't be playing the long game. Having a purpose will keep you focused on your goals.

Creating affordable housing is one of the greatest things you can do for yourself and someone else. Every night when you go to sleep, over 100,000 Australians will be without a home. Within the next ten years, we will be 1 million bedrooms short. If you had the power to change all that for the better, **would you?**



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"IT HAS TO MAKE SENSE BEFORE IT MAKES DOLLARS."

- IAN UGARTE



TO FIND OUT HOW YOU CAN INCREASE YOUR RETURNS AND ALSO PLAY A PART IN CORRECTING AUSTRALIA'S HOUSING AFFORDABILITY PROBLEM ...

VISIT US AT

WWW.IANUGARTE.COM.AU



CONTACT
info@smallisthenewbig.com.au
07 5450 8334