

Chapter 9

Jason Marianoff

Infinite Returns



JASON MARIANOFF

"In some small way, no matter what it might be, I will leave this place slightly better or make someone happier than when I first arrived."

It was a week before Christmas of 1972 (at Brisbane's Mater Hospital), when Jason Marianoff was welcomed into the world by his parents. His unusual surname was inherited from his Russian grandfather, who was known in the family as a good mathematician.

Jason's childhood was quite unsettled – he was diagnosed with asthma at the age of two and his parents divorced around the same time. To complicate things, a difficult relationship with his stepfather led Jason to move in with his grandparents soon after his 7th birthday... And then they ended up divorcing!

Jason's grandmother became his primary carer... He vividly recalls her struggling financially, literally running out of money from one pension day to the next. Seeing this created a burning desire in Jason – he wanted to be a millionaire!!

By the time he graduated Year 12 of high school, Jason had discarded the notion of going to University in favour of earning his own income ASAP. He approached his school work experience employer (a computer repair shop) seeking a job, and was delighted when they accepted him on a trial basis.

For the first few months, everything seemed great – until the day came when Jason's employer explained they were cutting back staff and would have to let him go! Jason was devastated. He decided the only sensible thing to do was to find another job, any job. He soon found work at a photocopying shop, until a few months later his persistence led to a job back in the computer industry.

About a year later, a lack of appreciation by his new employer drove Jason to start his own business... At just 19 years old, with only \$4,000 in savings, he took the plunge and created a very basic showroom in his rented home. The business grew steadily, and by age 21 Jason had bought his first property! His plan was to buy and hold more properties, as often as he could afford to.

Just before his 30th birthday, Jason experienced a major health problem, sold a property and closed his business. (He didn't know it at the time, but he had just "retired", no longer needing a job to support himself financially.)

Today, Jason has a substantial property portfolio and thrives on uplifting others and inspiring them to take action towards their own financial freedom. He believes everyone has something to contribute – and contributing to others is the key to not only great wealth, but to feeling wonderful along the way...

What beliefs about money did you grow up with as a child?

There were two people in my family that influenced me the most regarding my beliefs around money as a child...

My grandfather was a disciplined saver, very much against borrowing money for any reason. He believed that keeping his savings in the bank earning interest was the only sensible option. His philosophy was, "If you can't afford it, you don't buy it!" It amazes me to think about it, but he did manage to save enough to pay cash for his own home. As a young child, I believed saving money was good and debt was bad.

After my grandparents divorced, my grandmother's sole income was a pension, and I constantly saw her struggling financially (never having any savings to speak of). I saw the pain this caused her and the continual sacrificing of her own desires, and thought to myself that I wanted my life to be different – I wanted to have freedom, not be controlled by money.

I was probably about 12 years old when I made the conscious decision that I would be a millionaire. I didn't know how I was going to do it (all I had in my mind at this time was saving money in the bank, earning interest!); however, making the definite decision (and feeling a burning desire to achieve it) turned out to be a great starting point.

I soon felt inspired to visit the school library, reading books about budgeting money and investing. I also loved visiting the book store in our local shopping centre, browsing through the business section. It was during one of my book store visits as a teenager that I had the magical moment of discovering two books that I credit with literally changing my life: *The Richest Man in Babylon* by George S. Clason, and *Think & Grow Rich* by Napoleon Hill.

As I started to gain more insights around money, I tried many times to help my grandmother create a budget. Unfortunately, she rejected my efforts because she wouldn't accept that a "teenage kid" could have any idea how to manage her money any better than she did. I used her rejection to make me even more determined to succeed financially in my own life!

I very much believe that the environment we are in (both as a child and an adult) affects our belief of what is possible. But the exciting part

is that we can enhance our environment so easily – for example, by choosing a book to read on a relevant topic of interest. Through books I realised that my grandfather was right about saving money, but his policy of never borrowing money was actually a huge limitation.

Thinking back on my childhood, I can honestly say I am grateful it had its challenges. Having contrast is a good thing – it was by experiencing things that I didn't like, that I was able to identify what I did want instead! Without this, I might never have had the motivation to read books and set my own financial goals. Maybe I could have been trapped for a lifetime in a conventional job, exchanging my time for money without knowing any better until I became a tired, old man. What a depressing thought!

“Every adversity carries with it the seed of an equivalent or greater benefit.”
Napoleon Hill

When did you actually decide to go out and do property deals?

In 1992 I read a book called *Building Wealth through Investment Property* by Jan Somers. I credit this book as igniting my original passion for investing in property. It just made so much sense, understanding that property prices and rents increase over the long-term (and demand for housing is such a fundamental need in our society).

To me, residential property is the most common-sense investment class because of its inherent value and usefulness, leverage capacity, potential to add value, compound growth and rental income, tax effectiveness and the fact that buying and selling negotiations can be performed with real people. I also view it as having a very manageable level of risk.

What property strategies do you use?

I love finding creative solutions and helping people solve financial problems. For me, this translates into two distinctly different areas that I apply to my property investing...

Firstly, I am attracted to properties where I can identify a way to add value. This could mean a minor renovation, or my favourite strategy which is obtaining development approvals (typically for land subdivisions and/or multi-unit developments). I started with a “buy and hold” philosophy (thanks to Jan Somers’ book), but found that this can actually slow you down at certain times in the market cycle. I am now comfortable selling a property occasionally (usually at least once every financial year), to release maximum equity to invest into my next opportunity to add value.

The second aspect of my investing involves solving people’s problems. I am delighted whenever I am able to negotiate directly with the seller(s) of a property, as this allows me to uncover more about their unique needs and tailor my offer to suit. Providing I am dealing with a reasonable seller, I know I can find a way to satisfy their needs and also create a financial benefit for myself in the process.

Can you tell us about your most creative deal?

Sure... This is a great example of how I solved someone’s problem and was paid handsomely to do so. It started with me receiving an alert from realestate.com.au about a property with a large land area in a suburb on my watchlist. The asking price was \$899,000. I went and inspected the property, but concluded that it didn’t suit me at the time because it didn’t have sufficient development potential for that sort of price.

Speaking to the agent several months later, I found out it hadn’t sold and was going to be auctioned. They told me the auction date and I immediately set a calendar entry in my mobile phone to remind me on the morning of the auction. At this point, all I wanted to do was attend the auction to see what price it would sell for (more out of curiosity than anything else, as I like to know what is going on in the suburbs of interest to me).

I arrived on the day of the auction and the agent greeted me, inviting me to register to bid. At first I declined, saying I was just there to

watch, but the agent insisted that it couldn't hurt to register, and that maybe I might even get a bargain (and of course I didn't have to bid if I didn't want to).

I then asked the terms of the auction and the agent responded, "Thirty day settlement, with 10% deposit payable at the fall of the hammer." I replied that those terms didn't suit me. Instead of leaving it at that, the agent surprised me by asking what terms I'd need to be willing to bid. I responded that I'd need a longer settlement and less deposit! He then volunteered a 45 day settlement and a 5% deposit, subject to the owner's approval. A few minutes later this was agreed upon, so I decided to reward the agent's initiative and register to bid after all.

Anyway, to cut a long (and entertaining) story short, I only made one bid at the auction. The bidding had reached \$500,000 and at this point I exclaimed in a loud, firm voice, "Five hundred and fifty thousand dollars!" I had decided that this would be my one and only bid, thinking it would be a bargain at this price (but sure someone else would bid more for it).

Much to my surprise, all the other bidders seemed frozen in time and I started to feel like I was in a daze as I heard the auctioneer say, "Going once, going twice, going thee times... SOLD to you, Sir!" I almost had to pinch myself! (Based on the previous asking price of \$899,000, I was sure the reserve would have been at least \$600,000 – obviously I was wrong!)

After winning the auction, instead of being pleased, I was very nervous! The reality at this time was that I didn't have finance pre-approved and my available cash reserves were uncomfortably low. What had I done?! This was a very dangerous situation to be in, but in any case I had to put fear aside and make the most of it... What happened next was amazing!

I was now being ushered to sit down at a table to sign the contract. The owner sat next to me, and we started talking about what he intended to do next... He asked if I'd be open to renting the property back to him for a while (shortly afterwards, I found out that the sale of his property was due to financial stress). It occurred to me to mention a house I owned a few blocks away (which had just become vacant), offering to take him to inspect it – I thought it'd be great if he would rent it from me instead.

We arranged the inspection and he loved it! We continued chatting, discussing the timing of him moving in, etc. Out of the blue, he started sharing with me how he didn't have any use for the money he'd be getting from the sale of his property (other than clearing some debts) and that he was actually quite worried the extra cash would affect his disability pension. [Can you guess where this is heading??]

Holding back my excitement, I casually asked him if he'd like to take part-ownership of my property, explaining that this would naturally reduce the rent he paid me and hopefully would mean his pension could still continue unchanged (since he would have spent the surplus cash). He showed genuine interest in my proposal and before long, we agreed he would give me \$90,000 from his sale settlement proceeds to buy a 20% share in my property! In return for this, he would receive 20% discount off the rent (but he'd have to pay 20% of the council rates). As far as I could see, this represented an ideal outcome for both of us!!

In conclusion, by helping this seller solve his problem, he solved MY problem (i.e. by accepting \$90,000 less at settlement, he greatly reduced the amount of deposit I needed to have to be able to buy his property)! It was a wonderful "win-win", and now he even gives me home grown vegetables when I see him to collect the rent. This is one of those deals where the payoff isn't just financial, but is emotionally satisfying too.

What is the most profit you have made from a property deal and what was it?

In late-2004 I bought an old house in an established inner-city suburb in Brisbane, and by mid-2005 negotiated to privately purchase an adjoining property. Combined, this gave me enough land to lodge a development application for five townhouses. After receiving the DA Approval (in mid-2006), I listed the two properties for sale as a development site (without actually building anything myself). I achieved a sale within a few months, creating a net profit of approximately \$370,000 (after allowing for all costs). I estimate I'd invested about \$150,000 of my own money (leveraged with approximately \$700,000 worth of debt), so this is a return of almost 250% on my capital over a period of approximately two years.

The key for me is to focus on the percentage return I make on the money I personally put into each deal, rather than having a dollar figure profit target. For example, one of the houses I bought in 1999 would now be worth at least five times what I paid for it (i.e. 500% return), yet when I consider how much of my own money I actually put into buying it (including the cost of a minor renovation), my “return on investment” (ROI) was more like 6,500%! This sort of return was only possible because of my willingness to use borrowed funds. This same property now yields me a rental income of around 25% per annum (based on its original purchase price, plus renovation costs). If I hadn’t been open to using debt to help me purchase it at 1999 prices, it’d be a very different story!

Through careful use of leverage, even properties with a fairly average capital gain can still provide attractive returns. Here is a simplified example, based on a property I bought in early-2007 for \$279,000 and sold three years later for \$360,000 (this is a capital gain of 29% over three years):

Initial Outlay (My Deposit)	Loan Amount	Net Holding Cost (3 years)	Property Total Cost	My Total Outlay	Gross Profit	ROI (3 yr)
\$55,800 (20%)	\$223,200	\$18,568 (est.)	\$297,568	\$74,368	\$62,432	84%
\$27,900 (10%)	\$251,100	\$25,264 (est.)	\$304,264	\$53,164	\$55,736	105%
\$13,950 (5%)	\$265,050	\$28,612 (est.)	\$307,612	\$42,562	\$52,388	123%
\$NIL	\$279,000	\$31,960 (est.)	\$310,960	\$31,960	\$49,040	153%

Notice the significance of using borrowed money – a 29% gain in property value has resulted in an 84-153% ROI (based on my total out-of-pocket outlay)! When considering your next purchase, ask yourself: “How can I commit to this property, using the least amount of my own money?” Or try this one: “How can I buy this property and be paid at settlement??” (This is not a trick question – there are at least five different ways to achieve this.)

A word of WARNING: Using borrowed money can also work against you, if the combined capital growth and rental income is lower than the cost of interest and all other expenses incurred holding the property. Naturally, you must also be capable of continually making the loan repayments.

Can you tell us about your current projects?

At the time of writing, my primary project is obtaining a DA Approval for 62 townhouses on a development site I control using a “Call Option”. [Note: A Call Option grants the exclusive right, but not the obligation, to complete the purchase of a specific asset at a pre-agreed price by a pre-agreed date. This can be a great way to control an asset (such as a development site) and manage your risk, especially if it allows you enough time to obtain a DA Approval prior to settling the purchase.]

The site is located in a popular bayside suburb of Brisbane, and I lodged the development application in May 2009. I initially hoped it would be approved within one year, however various “information requests” issued by Brisbane City Council have slowed things down. After I obtain the DA Approval, I’m open to selling the site to someone else (before I exercise the Option), or to completing the purchase myself and developing it in stages.

Another current project is a 67-lot land subdivision in Clifton, Queensland (Clifton is located halfway between Toowoomba and Warwick, about two hours drive from Brisbane). I developed the first stage myself (creating 14 lots), and am now considering whether to proceed with Stage 2 or sell the remainder of the site to free up capital for the townhouse project.

Aside from this, I own a number of rental properties and am helping some of my tenants into home ownership by letting them buy a home from me under flexible terms.

How do you pick the suburbs to develop?

My personal approach is to keep an eye on a few different clusters of suburbs. I originally based this on suburbs that were physically near me, but more recently I now consider areas based on fundamental reasons such as proximity to useful amenities and upcoming infrastructure. My focus has been mostly on the Eastern Suburbs of Brisbane (examples

include Norman Park, Balmoral, Carina, Murarrie, Tingalpa, Wynnum and Wynnum West). I also invest in Crestmead (in Logan City), and my regional town of choice is Clifton (in the Toowoomba region).

If I were advising someone else on suburb selection, I'd suggest getting familiar with at least two or three suburbs that the person already has some sort of connection with or interest in. Once you become knowledgeable on prices in a suburb, you will begin to recognise a potential opportunity quite quickly. Then, over time, gradually add another suburb and focus your attention on it... Visit open homes, talk to real estate agents, set up alerts on realestate.com.au and domain.com.au – and put in offers!!!

You can look, look and keep looking, but until you start making some offers, you won't know for sure what's really possible. In my experience, some sellers will be grateful just to see a written offer – and you might be surprised that you've just created a "great buy", simply because you had the initiative to submit an offer in writing!

Do you have any funny stories around a property project?

Back in 2006 I attended a seminar specifically about controlling properties using Call Options. My first real-world application of using a Call Option on a property turned out to have some rather unexpected twists and turns!

It started with me responding to a private sale ad in Brisbane's *Courier Mail* newspaper (a gentleman called Paul was advertising two properties for sale). After inspecting both properties, I thought one had potential so I asked Paul, "If I pay you a price you're happy with, would you be open to a longer-than-usual settlement?" I soon found out he was selling to free up some cash, as well as buy a better car. Interestingly, I was wanting to sell my car at the time and thought it couldn't hurt to mention this to Paul.

As luck would have it (and I don't believe in luck!), my car happened to be just what Paul was looking for. After a few telephone and in-person discussions, we agreed on a win-win deal where Paul would grant me a Call Option on his property if I paid him 10% of the purchase price as an upfront "Option Fee" (this would count as a deposit) – and he'd buy my car before I exercised the Option! [TIP: Make it attractive for a seller to grant you a Call Option by tailoring the Option Fee to suit their needs.]

Sure enough, Paul bought my car, although a few months later he called me and explained that someone else had made him a better offer for his property! I could tell Paul wished he could accept it. I felt the right thing to do was to release him from my Call Option, if he agreed to refund my Option Fee plus pay interest at the rate of 1% per month for the time he had use of my money... Paul was delighted and agreed to these terms.

So by taking an Option on a property, I ended up selling my car at a price I was happy with and received interest on the Option Fee! It just goes to show that taking action to inspect properties, chatting directly with an owner and keeping an open mind can lead to all sorts of amazing things!!

How did you get started on the property ladder?

The way I got started was to firstly adopt the habit of spending less than I earn. This meant I could gradually build up my savings over time and, as I became used to living on less than my full income, this boosted my confidence that I'd be able to handle the commitment of making home loan repayments.

It took me two years of being completely focused on wanting to buy my first property before a suitable opportunity presented itself... and even then it looked like it wasn't going to happen because the banks were saying I didn't have enough deposit for them to approve my loan! Thankfully it was a private sale, and the seller knew me as a customer of his business. He actually offered to provide 10% Vendor Finance to help me buy it (this made up for my lack of deposit). So that's how I bought my first property.

Here are my suggestions for anyone wanting to get started on the property ladder:

- Firstly, make a decision that you really want to buy a property.
- Secondly, believe it's possible (even if you're not sure how just yet).
- Whenever any money comes to you (from any source), immediately put a fixed percentage of it aside in a different bank account (10% is a good target, but start smaller if you have to). This is a wonderful habit to get into and

somehow enhances your ability to attract more opportunity. Intentionally living BELOW your means is the best way I know to have peace of mind around money and sustainable financial freedom. Think of it this way... You really have nothing to lose because whatever you don't spend now is still yours to spend later on if you wish! (My advice, though, is to only use this money in ways that will make you more money). If you practice living below your means, you build the perfect foundation for future wealth creation (I call it creating a "financial buffer").

- If possible, do something extra to bring in more income (either regularly, or one-off) to continue growing your financial buffer.
- Talk to a good mortgage broker to find out how much you can borrow, and obtain pre-approval for a home loan.
- Don't buy the most expensive property you can afford – you'll be able to afford that (plus a whole lot more!) later on. Be open to a property that you can add value to (perhaps one that needs a good clean-up), but avoid properties with structural problems.
- Consider renting out a room, or perhaps buy a house with a "granny flat" that you can rent out separately. Add the rent you receive to your home loan repayments and you'll greatly accelerate building up your equity! (Paying extra into your loan also acts as a further buffer, just in case you need it in the future.)
- Eventually, you'll have built-up enough equity so that you can borrow more to invest again... and again... and again... and so on!

**"A part of all I earn is mine to keep."
*George S. Clason***

If someone wanted to get started in property projects/development today, what is the best advice you have?

The best advice I can give right now is to realise that just because a property is on the market being promoted as having development potential, this does NOT guarantee that you'll make any money from it!

To survive the development game, you've got to be willing to do some site-specific research and walk away if you aren't confident of a high enough profit margin to compensate for the prevailing market conditions and unique characteristics and risks of the site. In my experience, a better deal will always come. You don't want to be committed to a "bad deal", only to miss out on a "good deal" that's just around the corner (sometimes literally!).

To protect yourself from finding out the hard (expensive) way, I'd suggest always including some form of "due diligence" clause in your offer. This is to allow you time to talk to the local Council (or ideally an experienced independent town planner) to confirm what is possible and the likely costs involved. During this time you would also undertake a feasibility analysis to ensure there is a sufficient profit margin in the project and confirm the market wants the type of product you intend to create.

Finding the right property to develop is only one part of what's needed. You also need patience, as invariably property development will take more time than you anticipate. It only takes one consultant missing a deadline to have a domino-effect and slow down a project as you try to reschedule everyone else who is depending on that consultant's report. (I am speaking with far too much experience on this topic!)

Be sure to have a financial buffer! Be extra conservative in your feasibilities until you build your experience and get to know the true costs. As far as a profit margin is concerned, if you can't realistically justify sale prices at least 25-30% above all anticipated costs (including holding costs), then be very careful. [TIP: If you realise a deal doesn't stack up during your due diligence period, it might be worth explaining this to the seller to see if they are open to further negotiation; if not, walk away!]

Believe it or not, sometimes more profit is made by doing NOTHING to a property than by going in with all guns blazing and fully developing

it. Sometimes, “less is more” (e.g. the highest density isn’t always the answer). Maybe retaining an existing dwelling might give the best profit.

I can’t stress it enough: No matter what you think it’s all going to cost and how long it should take, budget for it costing more and taking longer. The world of developing almost always goes over budget and over time! And a miscalculation in this area can see your profit margin eroding fast, or at worst force you to sell the site prematurely, which could mean a very real risk of financial loss. You NEVER want to be in a position where you are in a hurry/forced to sell a property (especially if you are partway through developing it).

What is the most important thing(s) you have learnt about successful property development?

As well as the things I have already mentioned, a vital component of successfully developing property is to have a good team of people supporting you. It is impractical to be the expert on all topics, so at the minimum you need a good town planner, architect, surveyor, solicitor, financier and accountant, and where possible choose people who already have experience (and a successful history) in exactly the type of project you are wanting to do.

Whilst it can be very rewarding negotiating price and terms on properties, I feel it’s better to look after your consultants and pay them promptly in full without fuss. The goodwill you build up will help your future projects move to the top of their list, and they’ll be more likely to go the extra mile to help you (often without charging if it’s a simple query). At times, having immediate access to your consultants can make or break a deal for you. Look after them... They deserve to make money too.

Do you only develop properties or do you buy other’s stock?

I made a decision in my early years of property investing to never buy somebody else’s brand new property. The logic behind this is that if I’m buying a brand new property, then there’s no opportunity left for me to add value (i.e. because the property is already at its best at the time of purchase). Furthermore, once I rent it out, it’s no longer new anymore! This means I’m at the mercy of the market as to its future value, and that will just slow me down. Therefore, I view buying a

brand new property as too risky! (This is just my opinion; I accept other people love the idea of hassle-free new properties with generous depreciation benefits, etc.)

I actually quite enjoy the process of starting with a concept and then working towards a specific design that achieves the highest and best use of a site. My personal preference, therefore, is to buy “raw” development sites and obtain my own DA Approval. I may still consider purchasing a site with an existing approval, but it would have to be at an attractive price. Often, what happens is the person who obtains the DA Approval ends up asking a bit too much for the site. I’m happy for them to make a profit, but sometimes they seek more than their fair share (I’ll admit to being guilty of this myself at times, although these days I am getting much better at making sure I “leave a dollar in it” for the next person).

I’m also very fond of having multiple exit strategies, so by buying a raw site and obtaining the DA Approval myself, this means my first profitable exit point might be to simply put the site back on the market for sale as soon as I have obtained the approval.

Do you participate in Joint Ventures?

Yes, I go through phases where I find more opportunities than I am able to comfortably commit to financially on my own. Rather than let them go, I’ve found that being willing to share the rewards with other people can be a great way to supplement my individual investing.

It started with some of my family members investing with me (sometimes for a fixed interest rate, other times on a profit-share basis), but these days I now have private investors who are very satisfied with investing with me. I’ve paid anywhere from 9% per annum to 9% per month(!) depending on the deal! Done properly, joint ventures are a fantastic way to bring together people with different strengths and resources for mutual benefit.

What has been one of the biggest challenges you have had to face in your property investing/developing, and how did you overcome it?

My biggest challenge so far has been the unique combination of factors in 2008-2009 that resulted in tightening credit policy (particularly

“low-doc” loans), slowing property sales and a decline from the peak sale prices (and valuations) that were previously attainable.

Why this was a challenge is because at the same time as all of this was happening, I was in a situation where I needed to top up my financial buffer. Previously I could do this easily, either by refinancing a property or selling it outright to release maximum equity.

After listing some of my properties for sale, I made the mistake of not accepting any of the initial offers which came along, holding out hoping for a bit more. When I eventually decided to “meet the market” with my pricing, I had lost time and money and my financial buffer had become depleted – I was living off cash advances on credit cards! In hindsight, unless we are in a booming market, I’d say it’s better to accept an offer in the first month or two than to wait, hoping for something better. My grandfather used to say, “A bird in the hand is worth two in the bush.”

Thankfully, I made it through, albeit somewhat disappointed with my final sale prices. This reinforced the critical importance of planning ahead to avoid a situation where one is forced to sell in a hurry (it’s almost like the buyers could sense I was in trouble!). Without doubt, maintaining a large enough financial buffer (even if this includes access to borrowed money as a last resort) is essential to survival in the property game.

A question I recommend people ask themselves is: “How long could I survive financially if I had no more income coming in?” If the answer to this is less than comfortable (which for me is at least six months, with 12 months or more being ideal), then it’s time to do something about it!

“There is no failure, only successive moments of learning before mastery is achieved. No one starts out perfect.” *David Cameron Gikandi*

What are your secrets to being a top property developer/business owner?

Whenever I am faced with a difficult decision, I find it really helpful to ask myself this question: “Which of my available choices will benefit the most people and/or be of the most benefit to everyone who will be affected by this decision?”

I ALWAYS strive to create a win-win outcome. I view this as sustainable – by consistently operating this way, people will naturally want to continue dealing with me. It just doesn’t make sense to me to be any other way. I also believe our intentions are picked up by other people (even if on a subconscious level). How fortunate our intentions are completely within our control; therefore, I make it a daily habit to sincerely intend happiness, good health, loving relationships and prosperity to all whom I encounter.

I mentioned earlier about “walking away” from a deal that doesn’t stack up. It’s also important to realise that not everyone has your best interests at heart. Therefore, if someone is being unreasonable (one of the early warning signs is if they continually complain about others, or just generally seem committed to a negative outlook), then I’d be looking for someone else to deal with. Under no circumstances would I enter into a joint venture with such a person – they’ll find a way to sabotage the deal! It’s not worth it.

Remember, there will always be opportunities... For as long as there are human beings living on this planet, there will be problems to solve and deals to negotiate. I’m not sure who first said this, but I find it to be true: “The opportunity of a lifetime usually comes along about every week or two, if you’re open to it.”

And of course if you haven’t picked it up by now, my personal “secret” to maintaining financial freedom is to ensure I always have access to more cash than I need. It’s vital to realise that you can’t always depend on the market wanting to buy just because you are wanting to sell. Therefore, the best solution to this is to plan ahead so you can avoid being in a situation where you are dependant on a sale. I even go so far as to have multiple financial buffers, which is like having various firewalls protecting me, extending the time before I require a financial buffer top-up.

Did you have to change your mindset surrounding wealth/starting in property and, if so, how did you do it?

I had to become comfortable with debt. My grandfather was very much against debt in all circumstances. Thankfully, I realised that debt can be a wonderful tool that provides a way of securing a property at TODAY'S prices. You could try saving year after year, but never catch up to the ever-increasing value of a property. By securing a property at today's prices, you end the vicious cycle – and debt makes this possible. My belief system now is that the wise use of debt is a wonderful thing!!

What are some of your future plans or goals for the next five to 10 years?

I have a big vision for the future... I will continue buying properties and adding value (keeping some and selling some), with all of this leading me towards eventually stepping into philanthropy in a bigger way. I believe that every human being has unique gifts, talents, skills and abilities that give us the potential to be a valuable member of society... We all have a reason for being, but at times lack expression due to inadequate funding. How many people have had wonderful ideas, yet failed to act on them because they couldn't see how to raise sufficient capital? My goal is to be in a position to hear another's ideas and not only feel inspired to help, but be financially capable of providing the necessary funding.

I also have a personal goal to create a new model/system for home ownership, to provide solutions for people who don't fit the criteria of traditional lenders. I am already doing this now, but on a very small scale.

Another project is writing my own book on creating abundance for the everyday person, which I am very excited about!! It will include original insights on achieving and maintaining financial freedom, with a special focus on acknowledging people's individual values and how to do what they love while being paid handsomely. I believe that we all have the potential to be wealthy beyond our personal needs – we just need to release those beliefs that don't serve us, and gain specific knowledge on how to convert our natural gifts, talents and abilities into their monetary equivalent by providing loving service to others.

Is there any one book you would recommend?

Thinking back over all the books I have read (there are literally hundreds), if I could suggest only one that I feel is relevant, it would be *The Courage to be Rich* by Mark O. Haroldsen. This rare book is so inspirational!

Who are the mentors that have inspired you? What important lessons have you learnt from them?

There are so many people who have had a positive influence on my thoughts and beliefs, and have inspired the actions I've taken (and subsequent results I've achieved) in life... Some who spring to mind right now are: Napoleon Hill, George S. Clason, Foster Hibbard, Dr John F. Demartini, Jan Somers, Alan J. Falkson, Mark O. Haroldsen, Michael Domeyko Rowland, Andrew Matthews, Eckhart Tolle, Neale Donald Walsch, Earl Nightingale, Dale Carnegie, Wayne Dyer, Deepak Chopra, Jim Rohn, Jeffrey Gitomer, Anthony Robbins, Bill Zheng, Don Miguel Ruiz, Og Mandino, Louise L. Hay, Esther & Jerry Hicks, Gary Chapman and, last but certainly not least, my partner Rachel who I can best describe as an Angel in human form. There are countless others – sometimes just a stranger on the street.

The lessons I have learnt from these wonderful people have given me a new level of gratitude, peace of mind and positive outlook towards life. Hopefully, you will feel a sense of that in my responses to these questions.

I am humbled and in a state of awe at how easy it is these days to have access to a person's accumulated lifetime of experiences and insights on virtually any topic of interest. Being able to buy books, audio CDs, DVDs and attend live seminars has definitely been a huge factor in my success.

Is there a significant quote/saying or mission statement that you live by?

Every single time I go somewhere, I carry with me a thought which goes something like this: "In some small way, no matter what it might be, I will leave this place slightly better or make someone happier than when I first arrived."

Do you continue to practice your personal development even now?

Absolutely! I consider my car my “mobile university”, as I’m forever listening to inspirational audio CDs from some of my mentors I mentioned previously. I also enjoy journaling, which for me means whenever I feel drawn to it; I sit down with pen and paper and just start writing...

Sometimes I write about challenges I am facing and will then explore different solutions; other times I write lists of things I am grateful for. I find that with a pen and paper and some quiet time, I am able to peacefully express myself, and quite often this leads to new discoveries that I find of immense value.

I also continue to grow my collection of personal development material, and love sharing an inspirational movie with others, followed by a group discussion afterwards to explore the meaning everyone receives from it.

What do you believe are the essential qualities or personal attributes of a successful person?

Keep to your word... Don’t make any promises that you can’t keep. Be dependable, punctual and reliable. Be honest. Be someone that has all of the characteristics that YOU would like in someone to do business with! Whenever you see a way of helping someone (without hurting yourself or others), then do so – even if there is no apparent reward in it for you. At the same time, be open to receiving kindness and gifts from others.

To sum it up, I am a huge believer in living the Golden Rule: “In all things, do unto others as you would have them do unto you.” Applying this as the basis of ALL my decisions (both in business and my personal life) has resulted in arguably the biggest overall boost to my success (materially, and how I feel about what I do). This is my ultimate success “secret”!

What do you think stops people from achieving the level of success they desire?

I’d say fear, guilt, or lack of clarity in what they want to achieve. Let’s start with the latter... Vague goals aren’t anywhere near as powerful as those that are specific and measurable. Do you know exactly what your

life will look like when you've achieved "success"? If not, how about coming up with some smaller goals – stepping-stones along the way that will give you confidence and greater clarity as you achieve them? This way you'll know that you are making progress... It's important to regularly ask yourself if the decisions you are making (and actions you are taking) are moving you closer to or further from your desired outcome.

Sometimes what happens is that people clearly define a goal or vision of success that isn't in true harmony with their own values or current beliefs. An example could be choosing a goal motivated by wanting to impress others. Observe this by asking yourself: "If I had to keep my achievement of this goal a complete secret from all others, would this goal still be just as appealing to me?"

I believe everyone already has success in at least one area of their life... It's better to build on what you have already achieved rather than focus on a perceived lack by comparing yourself with others. Remember, there is a price to pay for success. There is no such thing as "something for nothing" (at least not permanently). Goals often involve sacrifices and require action! Are you willing to give, or do, whatever it takes to achieve "success"? Maybe the price to pay for the type of success you seek is too high?? For example, most people would regret ruining their health or relationships over chasing a financial goal.

Another point is that I believe long-term success cannot be obtained if it is based on the loss or suffering of someone else. At best, this approach will only bring temporary satisfaction. Ultimately, it results in unconscious self-sabotage, because even if the other person doesn't know you have hurt them, YOU know! And that can be enough to hinder future plans for success.

I feel the best way to achieve lasting success is to build the success of others along the way. Thinking about *money* for a moment, why should someone give you their money (whether it's for a property, service, or anything else for that matter) unless you are giving them something that they feel is worth more to them than the money they are giving you? Sadly, this basic concept is sometimes forgotten in our quest for wealth.

What is the most important piece of advice anyone has ever given you?

Outside of the Golden Rule, the single most important piece of advice anyone has ever given me is that no matter what happens in life, we have the choice of how we respond to it. I find this really comforting, as it means that feeling good has surprisingly little to do with what's going on in our lives, but everything to do with how we perceive it (and what we choose to do next). Another piece of advice that is worth its weight in gold is that all the knowledge in the world is useless without action. You now know some of what I know... *What will you do with this knowledge?*

"When you change the way you look at things, the things you look at change." *Dr Wayne W. Dyer*



Jason Marianoff reveals his ultimate success "secret" to readers of *Property Millionaire* in his *Golden Rule* MP3 audio presentation (this also includes rare content from Napoleon Hill)!

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