

An inspirational story: From less than zero to \$1 million in 3 years...

Dymphna: Okay, now a very different student I want to bring up here. Now this is someone who has gone through so much hardship in his life. He is someone who was a self-made millionaire, had built up a fabulous wealth and portfolio and employed a lot of people and had a good income, great life, and then had it taken away from him in 48 hours. I'll let you listen to his story. I'll let him tell that story for you but let's welcome Mr. Keith Farquhar. Come up here Keith. Are you up to talking about a lot of this stuff?

Keith: Yes.

Dymphna: You're obviously not from here with that accent.

Keith: I lived all my life, until last 8 eights in Zimbabwe, in Africa.

Dymphna: Let's talk about your early years. I mean you were a self-made millionaire in Zimbabwe. You did what you knew which was farming and agricultural things like that and you built up, how many farms?

Keith: Five.

Dymphna: Five farms.

Keith: Yes.

Dymphna: Okay, tell us about that process?

Keith: Okay so, we were in Rhodesia in those days. When we finished school, we all went and did national service because what everyone did. There was a war and when we left school – unless you were a teacher - we went on and did 6 weeks on and 6 weeks off and that's how it was. Then I started farming and I worked for somebody else almost for 3 years and then leased my own farm and then it's just grew from there.

Dymphna: What are doing sitting this close to a lion?

Keith: There's a program there for re-introducing lions into the wild and lions which are born in captivity for whatever reason and then they sort of put them with a warden to look after them and then as they grew up, then they've let them out to a bigger paddock and then encourage them to hunt to themselves and then eventually they let them go. Luisa has just walked with them couple of months back there, so it's great. You can pay to go and walk with the lions and it's something we used to do often and sort of giving back to it as well but they're good.

Dymphna: It's got teeth.

Keith: He's got teeth but he's just having a yawn there, he's not angry.

Dymphna: Okay, so you built up not only your farms, you had an agriculture business. You had transport. You had planes. You had trucks. You had your boat.

Keith: Yes. Okay, so there we are – we had the 5 farms. We employed nearly a thousand people at peak periods. We had a trucking business, 76 trucks, big guys and whatever. We had obviously the farms, and there are the children. What a nice way to grow up, okay? They're all big now. The little one in the front, she's at University in WA and the ones in the back are in Brisbane but all grown up. It was a lovely way for the kids to grow up - a beautiful lifestyle. We have our own game park on the one farm. The game park was actually over two of the farms, 3,600 acres with an electric fence around it and all the animals run in the backyard and it was just a walk away.

Dymphna: Just a hobby farm.

Keith: It was cool.

Dymphna: And you liked it.

Keith: Yes, there's part of the animals and that's the elephants on the lake but Kariba is the second mad-made lake in the world, 360 miles long and 80 miles wide...

Dymphna: Wow.

Keith: By plane, it was 35 minutes from the farm. So we had a boat, and we used to go there and just fly there for the weekend and come back, it was good.

Dymphna: So what happen, you basically were happily farming, employing; is it thousand people?

Keith: Yes. At peak periods because the farming was seasonal, but at peak periods, almost thousand people between the transport and the farming and our main thing was tobacco but we also had maize, and seed maize, and grass seed that we used to export and the game farm obviously. I went back there in May and the top left hand picture is one of the grading sheds, the tobacco grading shades...

Dymphna: And how many of those did you have?

Keith: We had five, but say in there, there would be 80 to 100 people at anytime working and one of those sheds and I went back there in May and there were two of them there. That's what's happening there now but it's not only this farms, it's all of them. It happened to all of us Dymphna.

Dymphna: What happened? You were basically happily farming and trucks came in with men with guns and said, "You've got 48 hours to leave."

Keith: Basically the government was losing popularity and they wanted to gain popularity - they were losing votes, so they decided to take back the lands from commercial farmers and give it back to the rightful owners which happened to be the army generals and the airforce vice marshals and those people who were politically connected basically. And as I keep reiterating it happened to all of us but in my case, 8 army

Audio #28 - An inspirational story: From less than zero to \$1 million in 3 years...

trucks pulled up there, 5 or 6 o'clock in the evening and then just said 48 hours, take your belongings, and get out but only take your personal stuff. All these belong to the people. The trucks, the tractors, the lot, they all belongs to the people. All the irrigations, it's just go. Yes, there's not a lot of choice really, hey?

Dymphna: Your mate down the road, choose to stay and fight?

Keith: Yes. We didn't lose many people and that whole thing but yes, one neighbour, he stayed and unfortunately, he's not with us today. So yes, our route was probably the better one to go.

Dymphna: You were able to take a few things off and you choose to come to Australia. Why did you pick Australia?

Keith: I had traveled 36 countries before we came to Australia and we looked at it all – apart from elder 2 daughters that come this way because of tertiary education but it was the obvious place to go. People speak a similar language. It's the outdoors and the sun and the sport and barbecues and you drive on the same side of the road even, so that's good. And so this was the obvious way to go.

Dymphna: And you've been back there few times. The picture at the top is how you left it?

Keith: Yes, that's how we left it. Few years later, we had chickens in the front yard and in May, there we are, no doors, no windows...

Dymphna: Don't even have a roof.

Keith: Yes.

Dymphna: It astounds me when you look at pictures like that; it's just gone to wreck and ruin.

Keith: Yes, and it was the bread basket of Africa, it really was. It's just nothing now.

Dymphna: It must be like pretty sad. So you came to Australia...

Keith: Yes, I came to Australia with what I had squirreled away and I did it all wrong. I came here and bought a nursery, but I what I did was I bought the business and I bought the stock and I leased the land. Where we come from, a hand shake is good and this one wasn't like that. And after 3years, I lost the lease on the land we went to court about it at 9 o'clock in the morning, 11 o'clock, they took the keys away and there I was again but this time, no house, no car, no money, can't borrow money. The company was liquidated and that was it.

So, one of the things we had done here was landscaping and my son, Barry and I, we said, "Oh well, here we go again," so we had to start landscaping which is what we did. We've been doing a lot of the camps out at the mines, and we were doing one in towns, we saw this big one-page advertisement for Dymphna.

What drew me to it was that was about structures. What happened in Africa happened, no structure was going to save that - but if we had of had the structures right here with the nursery, we would have been okay.

Dymphna: Yes.

Keith: We would have been okay, but we weren't, so that's what drove me, that was first and foremost - get the structures right - and obviously to learn about what we should do and then to take action, I didn't have time to stick around and wait for so many years, to build this, so I have to do it now, there was no other time. It had to be immediate.

Dymphna: So basically, starting again, you did learn the structures...

Keith: Yes.

Dymphna: Asset protection and separating things out and all of that kind of stuff.

Keith: So we setup everything that Dymphna taught us and now it's there but all the property is now in individual trusts.

Dymphna: So your first deal had to be a joint venture deal or could have been few other things with what you chose?

Keith: Well that's what Dymphna told me and I started with Dymphna and let's just go back on that one day thing. Dymphna said there is a thing she would have said the other day, "Write down 10 things that you need to do now to get going," and I wrote down one thing, I said, "Get close to Dymphna." Then, when I joined the Ultimate Program, then I went to and said, "Right, now what I do? I don't have money, I don't have a house, I don't have a car, I've got to do something. How do I do this?"

The 'how' was joint ventures and I also knew that I have to do it now, I couldn't wait for it. Within 2 months, we were into it and we had found our partners and we hit the ground running.

Basically, we were finding property on a lot, just an old house, on a lot that we could subdivide. Put two there, put one on the back and them make our money and move on. Let's go and do the next one. This was the very first one and the pictures are all the same. They're all renovations. They're all old houses and we just changed it from an old into a new.

Dymphna: These renovations?

Keith: Manufactured the growth and at that stage, we were selling those houses, using that money to do the subdivision and then re-valuing on the lot and then using the money to do the another one.

There is Rae Street and somebody here has bought up at 68 Rae Street also.

Okay, so this was the first one in Mackay and it was the same thing here, so we renovated this house and then subdivided it and when we

Audio #28 - An inspirational story: From less than zero to \$1 million in 3 years...

sell them, as somebody was saying yesterday at Dymphna's event, we stage all the houses.

We always stage our houses when we sell them. Then subdivide the land.

This was just going through the renovations again, same thing as before and after - they're all the same. We've done 13 of those in the last 2 years.

Dymphna: This is a removal house.

Keith: Yes, this is the house that came from 33 Rae Street, just across the road. It had about 180 meter move to get it here and put it on the block. We renovated that, turned it into 4 bedroom, 2 bathroom house and sold that one as well.

Evans Street, same thing, was actually a 1 bedroom that we turned into 3 bedroom, 2 bathroom, subdivide and put one on the back.

That's my son, Barry, who started the landscaping; now he can do anything. I just crack the whip on him.

Gold Street, this was a good one Dymphna because the idea of this one - it was 2 lots, 2 separate titles - but the house was in the middle so, we learned to how to slide it across, all on blocks with soap and jacks and just slide it across a couple of meters. It took us half a day...

The idea was that we were going to just put that one there, renovate it, and on the other side, we're going to move another house, and put it there. Anyway, we put that there, renovated it, we're now getting \$600 a week for that now.

It's a 2 bedroom, 2 bathroom, so that's great but on the left, where we were going to put another one. The council decided no, no, no. They told us that we needed to put a manhole in the road and another one here and a sewer, and the numbers didn't work. We were going to lose money.

Audio #28 - An inspirational story: From less than zero to \$1 million in 3 years...

So went to the council and said, "Can we put a dual occ (occupancy) here? Can we do that?" And they said, "Well you can go harder," so we came with the plan for duplex and they said, things have changed, you can go harder and so we're putting 6 units on there now.

Dymphna: Hey, that's alright.

Keith: That's good.

Dymphna: This one?

Keith: Symons Street, we like Symons Street. Between the joint ventures and the people we we're working with, we've got five on the street.

Keith: This is just on the right, which is the one we were working on right now. This is one that was raised. It is a flood area, so it has to be – there is still a meter there but there's enough room to do that underneath. We just did that and then rented it. We're going to put two houses on the back - 3-bedroom houses on the back - and we'll fill that one in underneath as well.

Dymphna: Very good. Barry, he's looking good too?

Keith: Barry, after 2 years of the work, he has learned how to do this and trying not to do so much of a work.

He joined the Ultimate Program in November last year, and he has had me to help him do it, but this is in here just to show you how quickly you can actually do it.

He's young. He joined in November, went to the first workshops with Dymphna. He contracted this property in December. Renovated it. There were three rooms upstairs; one was a lounge, one was – I don't what, and one was a bedroom. Downstairs, the guys had filled it up around the bottom but hadn't done anything inside but had left a whole heap of materials there, so that was good.

Audio #28 - An inspirational story: From less than zero to \$1 million in 3 years...

So he filled it in, turned it into 6 bedroom, 2 bathroom, furnished it, rented it also - joined Ultimate in November, contracted the property in December, did the renovations.

Remember, he is still working; we're still in Mooroomba doing renovations for other people. We're doing this stuff full-time, so he was doing these on weekends with his mates using the company's staff as well, but he was doing it himself and still working. End of March, rented it out for \$35,000 a year, thank you for coming.

Dymphna: And how old is Barry?

Keith: 24.

Dymphna: 24, that's alright for 24-year-old.

Keith: Yes, that's cool. But it doesn't stop there, it's a big property, we can put another 4 units on it, so there we go.

Dymphna: What kind of figures will that give Barry - passive income with 4 units?

Keith: At \$30,000 - \$35,000; probably about \$140,000 by the time we finish.

Dymphna: That's pretty good salary for 24-year-old who can stay in bed, not doing anything if he wanted to.

Keith: He won't be allowed to.

Dymphna: That's it there isn't it?

Keith: That's it on the left. In fact the grey on the bottom at the left, see he had already started spraying it. One of his mates has started spraying and turned it from ugly into something reasonable. The top there, the wooden cladding was so... and you can see the painting was terrible, so all he did is he got Colorbond and just put Colorbond over the top. He decided it was too hard to paint it. That looks good.

Dymphna: Sometimes it is just easier to re-clad than it is to get some of that old paint off.

Keith: Then we looked at where to go next.

I have been into vendor finance. We've got a couple going where we have 6 months. These ones have to be unconditional when we sign the contract but we have got six months to do something with it.

In Mackay at the moment, we can turn these into positively geared properties very quickly - it wasn't like that a year ago, but it is now. So all the ones we're doing now, we make sure we get something that can be positively geared immediately or very quickly, and has to be able to manufactured growth. So we find something where we can get it to pay for itself and then we go about doing the subdivision or the multiple occupancy or whatever and putting something in the bank.

Dymphna: Okay, good. So lessons learned, what do you think? Where are we now before we get into that? I mean you have got a lot of projects underway, and a lot that you haven't finished yet. You've finished some. You've halfway through others and you've got some just contracted that you haven't even got around to yet. When all of what you have today is finished, with you and Barry, what financial position will you be in, in dollar value and passive income?

Keith: It's good.

Dymphna: Too hard a question?

Keith: The chunk deals are probably going to give us in the realm of \$700,000 from the first ones we are doing - the chunk deals when they all come through.

Dymphna: That's your share of the JV.

Keith: That's our share in the JV and then, I think I said to you last week, we just contracted on a triplex on Mackay that we can renovate. That will be positively geared immediately but we can add another room and we can strata it as well...

Dymphna: Okay.

Keith: That would be good. We're looking at one in Bowen on Friday.

So the ones that we've got afoot on underway - leave Barry's one out of that - there is a \$140,000 when that's all finished. There is probably another \$120,000 there in passive income but equity; we would have created in excess of \$400,000 in equity through manufactured growth.

Dymphna: Okay, so very good. So where are you at now? What do you do?

Keith: Play.

Dymphna: Play? But you've got a bit of a team setup?

Keith: That's correct. We've got a team of 10 builders or 10 trademans. We do a lot of renovations for other people. We do building for other people now as well, as well as doing our own ones. We're up in Mackay and the sort of mining areas there and we do a lot of these manufactured growth deals for other students of yours actually, and we still doing our joint ventures - if we find somebody that wants to do a joint venture that we are happy with, then we do it. We're in a place now where we can choose and we do that and we do our own ones, so...

Dymphna: So lessons learned?

Keith: The other thing we can do now is help other people because it's been great to learn to all this stuff by doing it and now, to be able to help other people do things, so that's been great.

Dymphna: And your kids too are part of that?

Keith: Yes.

Dymphna: Get them going.

Keith: Yes, absolutely. Lessons learned, I mean anything is possible. I came here without a house or a car or to be able to borrow money, nothing -

Audio #28 - An inspirational story: From less than zero to \$1 million in 3 years...

and I still can't borrow money - but I can still do it and it's all through what you learn from this thing here. There's lots of ways of skinning the cat as they say.

Create your vision board. Dymphna teaches you how to do all that stuff. Create a vision board and look at it. It's on my computer screen. Every time I open it, it's there and so you can see where you want to go, what you want to achieve, and it might not be just property. It might not be just financial but it's a goal of where you want to go. Create it and then put your 'peg in the sand' and go there. Jason, he told me long ago, "You've got to get on the field and play."

Dymphna: Remember Jason, Jason is the one that films me?

Keith: You have got to get on the field and play. Any game of footy, any ball game, anybody can score the goal but you've got to be on there the field. Whether you're the seasoned player, whether you're the captain, or whether you're the rookie, your first game, you can score a goal but if you are actually sitting in the stands watching, there's no way you'll ever score a goal. Honestly, as I said I had to do something and do it now - if you're looking for what advice I can give - get out there. Put your 'peg in the sand', get on the field, and play and get on board with this program. This program works, it really does. Look at it.

Keith: And just one more thing, Dymphna, I've got to thank you for everything. Dymphna really cares about her students and about everyone around her.

Dymphna: Thank you. Pretty inspiring hey?

You look at all of the stories and different backgrounds, different outcomes, different journeys but it does come back to putting that 'peg in the sand'. Knowing what you want and getting out there and shooting for it. Keith is an absolute inspiration to people because he got knocked down so severely, twice, beyond what most people would ever go through once in their entire life and his attitude? Did

Audio #28 - An inspirational story: From less than zero to \$1 million in 3 years...

you hear it? Well what next? Where are we going to go to now? It's like that - get up, dust yourself off and move forward.

Keith had all the excuses in the world to blame the system. Blame the government. Blame Africa. Blame Australia. Blame our legal system. He had all the excuses to do that but did he? No, not for a second.

His attitude was, "Okay, I learned from that. How can I fix that?" With what I teach with structure and all of those sort of things in Australia, he could have fixed that quite easily. That would not have happened to him, had he done the program before he went off and bought the nursery, but maybe that was Keith's journey to learn that, to learn to do it properly this time around.

You look at those figures and you look at the income and you look at the wealth that's being created and all the attitude, of all of them, it's all been one of 'let's get out there, we're going to make it happen'.

I'm never going to find you properties -it's not what I do. I'll talk about areas. I'll talk about where to go. I'll talk about dynamics. I'll talk about the type of property you need to be buying. Price points. I have got all the people around you to talk about where your margin might be and what your next deal needs to be and what the type of deal needs to be, where it needs to be; a chunk deal or an income deal or whatever it is. All the support is there for you but you've got to have that attitude. I can't give you that attitude.

I can coax you. I can pull you along. I can belt you over the head, but it's your attitude and if you have that attitude - a 'can-do' attitude - then right, let's go and make this happen. I don't care where you start from. I don't care whether you start with less than zero, I mean Keith was less than zero to where he is now - it can be anyone of you.