

# Get into property with right attitude

Dolf de Roos, an international property investor, author and educator, spoke recently about the secrets to his success. **ROXZANNE VAN EYK** was there

**A**T LAUNCH about 10 years ago, Private Property Listings offered sellers the then unique concept of no-commission payable for marketing properties on its website (with a nominal registration fee).

Justin Clarke, executive chairman, announced that effective May 1, Private Property had become a listed company.

New companies were also established. These include Rentaspot, a rental hub with a wide variety of properties to let; iLoan, offering pre-assessments and property finance where clients do not pay bond registration fees; and SmartSell, a full service estate agency registered with the Estate Agents Affairs Board.

Although one would assume that SmartSell is a contradiction to what Private Property stands for, the agency does not charge a commission percentage on the property, rather a low set fee based on the selling price of the property.

For example, the maximum fee is for a home sold for more than R3m, which equates to R50 000.

At a presentation hosted for free by Private Property at Montecasino last week, Dr Dolf de Roos provided insight into how your chances for wealth are greater if your psychology is right.

Supported by nine months of research, he explained that the rich only had two common denominators: integrity and that they made their money or held their wealth in real estate.

Currently residing in the US, De Roos has run property seminars for more than 25 years and has published eight bestselling property books, including Real Estate Riches.

He purchased his first property at 17 years and despite having a PhD in electrical engineering, made more money on one property deal than what he would have made in a full year as a practising academic.

An investment tip from De Roos is to buy as much property as you can afford, but be judicious about what you buy.

In his presentation, he

continually provided his antidotes on how the right attitude will lead to success in the property market. Some of his memorable quotes included: "It's not what happens to you in life, but how you react to these things"; "If you think education is expensive, try ignorance"; "The extent that you excel in life is in direct proportion to how enthusiast you are"; "If you don't have an opinion, you will lead someone else's life".

Although these quotes may sound to a cynic like nothing more than something out of a Hallmark card, De Roos counters that the cynic knows the price of everything, but the value of nothing. He believes that property investors need to be more enthusiastic, be proactive with their investment, not mix with negative people, and above all, buy judiciously.

One does not need money to make money, according to De Roos, who says banks want to give you money, so let them.

"People think owing money is bad, and it is, only if the value depreciates," he said.

De Roos cited an example of the benefit to using what he terms OPM (Other People's Money): "If you purchased a property for R100 000, then sold it for R180 000, this means you have

created R80 000 wealth for yourself by using OPM."

When taking a proposal for a loan to a bank, De Roos says investors must walk in with the following attitude: I am going to purchase the property, it's just a matter of which bank I decide to finance it through.

"Banks used to be powerful, but now the tables have turned. Buyers do not need to ask for a loan, banks should be offering them," he said.

Successful property investors are proactive. Placing one advertisement (or even a series of them) in a newspaper is not enough. If investors have no response they immediately give in and say the market is tough.

Instead De Roos says they need to be active about their objective. He advises sending out A4 flyers house to house, using word of mouth, taking beautiful pictures of the home and posting them to the web.

There are of course risks involved with real estate, but De Roos says so are there with getting out of bed.

"Each peak is higher than the next, so investors must always think of the long term investment potential," he says.

Considering SA's massive emerging market, De Roos is positive about the potential of the property market. He says that Phoenix in the US is the fastest growing city in the world and growth rates have been phenomenal; on average 43%.

The population of an area can have a huge effect on property values, according to De Roos, who suggests looking at Japan where the population is decreasing and property values are decreasing.

"The faster the population growth the faster the property price growth. It's all about supply and demand," says De Roos.

Clarke says that it is so refreshing to hear from a man who sees only the positive outlook. "With so many nervous to invest in SA these days, it's been great to hear Dolf de Roos reiterate my own feelings — that there are still many opportunities for anyone who cares to look for one."

## SUCCESSFUL NEGOTIATING TIPS

- Don't fall in love with the property
- Be prepared to compromise
- Focus on your top priorities and don't let your emotions get in the way
- Have a maximum figure in mind that you will not exceed before you begin to negotiate
- Offer a reasonable price
- Avoid low-balling (to underestimate or understate a cost deliberately)
- Remember good cash flow is your bottom line, not the purchase price of the property

Source: [www.dolferoos.com](http://www.dolferoos.com)