

COACHING FOR RESULTS

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Welcome to our second e-mail edition. In our last edition we talked about the importance of values in our business. The following article appeared in the Age on Thursday the 2nd November.

“Good Business: a new model” by Anita Ruddock.

Anita was the founder of the highly successful retail business, The Body Shop. Here’s some extracts from the article.....

“We are Britain’s truly international retailer and our passion for the human condition is for me the most important collective attribute we have. Lose it and we lose our identity – we lose ourselves. It is our **values** that will keep us as a leader in business. Being 20 times bigger is not a goal for me. Being better by being **value-led** is.

Show me one government that measures its greatness by how it treats the weak and frail. But business doesn’t have to be like that. **Business can show the**

politicians the way



WHAT ARE YOUR VALUES?

ahead.

Building relationships at every level – with staff, with communities, with stakeholders. If government isn’t going to do it, we in business have to take up the challenge! When you open for business and advertise for staff, you get a shock, because **people come instead**. It wasn’t so important to motivate your staff in the past, but it’s different now. **People dream bigger dreams**. They want to be part of a social experiment; they want to change the way things are. And they want to feel good. In short, they want a nine to five life, not a **nine to five death**.

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reverence back into our language and into our relationships, not only within the workplace but also within the global arena, there will be hope. Fail to do this and there will be *lower productivity* from disenchanted employees followed by the *desertion of customers*.

Succeed and maybe we’ll all get through this transition to a new model of business that doesn’t bleed the world dry!”

ANNOUNCEMENT

In our last edition we also mentioned the John Hopkins “Wealth and Lifestyle” weekend seminars.

Over the last two years as I have worked with the company, I have observed John assist many people start on the road to financial security, including my own son who purchased his first investment property earlier this year.

I have been a part of the implementation of the principles, the values, the vision and the ethics, that

sets this company apart from any other property/financial planning company that I have observed. John has had over twenty years as an independent specialist in property and investment and has assisted thousands of people to make decisions on securing their financial future.

In recent times I have made a decision to join the group on a more full time basis and to help them implement the next stage. I am currently working 3-4 days a week, leaving at least 1 day to assist other clients.

FREE WORKSHOP

On Thursday the 24th November from 6.30pm – 9.30pm, we will conduct a workshop exclusively for the first **20 people** to phone, fax or email me. (Normally \$59 per person) **Not only that**, for those of the 20 that wish it, we will give you your own individual financial plan, **free**. (Normally \$250)

I encourage you to be there.

The following is John Hopkins latest report:

PROPERTY CYCLES – WHERE ARE WE NOW?

There are questions which I am frequently asked about investment property. Over the past two months the most common has been: "is

it time to buy now and, if so. Where and what?

At present there are two types of property which, in my view, are well worth consideration.

Firstly, there is a great deal of upside in quality office accommodation in the city of Melbourne, St. Kilda Road and a few selected inner urban locations.

This is so because very little A-Grade commercial property has been built over the last 10 years and little presently being developed.

There is definite growth in the number of small business and business consultancies as the larger companies have downsized or refocused, and due to improved technology and communication facilities large infrastructures aren't always needed.

Melbourne's commercial vacancy rates for quality office space have dropped from the once high 30% to fewer than 5% within the last three years.

Rents dictate capital value in commercial property and because of reduced vacant and available space they have already increased.

With the prospect of continuing reduced supply, this will continue.

Secondly, there is no doubt that the inner urban medium to high-density residential market has had adjustments over the past 6 months and has been slower. Development costs have risen due to higher

labor charges, the GST, and increased land values with resultant higher asking prices. This situation could present purchasers with some excellent opportunities, yet careful professional assessment is advised.

Provided there are no massive increases in interest rates and easy availability of finance continues, the market will remain firm over the next 2 years because the underlying demand from both owner /occupiers and investors is strong. Both of these categories of property are presenting good opportunities for medium to long term investors.

However, during the thirty years I have been involved in the real-estate industry I have seen the wheel turn four times. Four slumps – four booms.

In the recessionary segments of these cycles, I have known some very worried people.

Developers, traders, investors and agents have all wished that happy days would soon be here again.

Some merely tightened their belts – others were forced to make big changes in their financial, business and personal arrangements – a few went bankrupt.

Many punters, playing the game for big profits, went to the wall.

Long-term property investors, who had carefully planned their investment strategies, were

relatively untroubled. Most people fail to realise that, for other than highly experienced and sometimes lucky operators, real estate is not a short-term profit-making venture. Cyclical downturns can be unexpected, disconcertingly rapid and of variable duration.

For the vast majority the best advice is to buy and hold for the long-term. Our invariable suggestion to clients is that they buy the best, affordable property in a premier location and consider holding it indefinitely.

In that way, original purchase costs are amortised over a long period and gains are not diminished by the expense of selling and re-purchase. Moreover, and more importantly, the effects of slumps and booms can be disregarded and a consistent increase in value is achieved.

It is easy to find excuses for not buying now: "The market will drop"....."Interest rates will take off"....."Liquidity problems"....."I don't want to commit to a purchase this year"

Some may be valid: many are an excuse for procrastinating.

If a careful assessment clearly demonstrates the financial capacity to invest, it is sensible to make a move at most times of the cycle.

In our opinion it is a time to invest in certain categories of prime property. Obviously I have a bias towards property, as an investment medium, induced by my training and experience and a vested interest in its promotion. But over many years, long-term property investment has provided financial independence to most of its adherents and for people with ready cash and/or high incomes or equity, now is a good time to buy prime, income-producing property. I cannot over emphasise the need to individually assess the merits of each property you look at.

Remember, it's not
*POSITION! POSITION !
POSITION!*

- It's **C.S.D**
*CONTINUING STRONG
DEMAND!*

The three golden rules of property investment:

1. Do your financial planning conservatively and correctly.
2. Buy the right property
3. Give it time

John Hopkins
John Hopkins Wealth & Lifestyle

"KNOWLEDGE"

"Whom then, do I call educated? First, those who control circumstances instead of being mastered by them; those who meet all occasions manfully and act in accordance with intelligent thinking; those who are honorable in all dealings; those who treat good naturedly persons and things that are disagreeable; and further more, those who hold their pleasure under control and are not overcome by misfortune; finally those who are not spoiled by success."

SOCRATES