

THE FREEDOM WARRIOR



HOW TO BUILD A BIGGER LIFE THROUGH
ALTERNATIVE PROPERTY INVESTMENT STRATEGIES

SALENA KULKARNI

Advance Praise for The Freedom Warrior



This is a fascinating and thought provoking read.

With so much noise and misinformation around about investing, wealth and financial freedom, Salena has a depth of insight that can't be denied. Her ability to communicate the complexity of investing, in parables and analogies, allows her to take people on an enriched journey to a greater understanding of wealth creation, that delivers true life freedom.

Her simple idea of being a Freedom Warrior, as opposed to investing just for the purpose of creating wealth, is both original and challenging. It's this ability to challenge that makes her such a wonderful educator.

Her highly structured models give people a blueprint for freedom, through wealth creation, and her client results are the evidence of the success of her genius and the models through which she expresses it.

Salena applies what she teaches to her own circumstances. This is real world advice from someone who is in the game everyday.

Simon Bowen
Founder The Models Method®
Creator The Genius Model®

Yes, I've read the classics on property investing and wealth creation and implemented my learnings. Those strategies have worked amazingly well

for me for decades but now they no longer deliver the results I once enjoyed. The world has changed and the rules for successful property investment have to change too. The Freedom Warrior is new thinking, not a rehash of what worked a decade ago. If you want typical results do what others typically do...if you want atypical results you need an atypical plan and for me The Freedom Warrior has given me that.

Geoff Currie
CEO, Business Growth Leaders

What Salena has produced here is not just another boring property book with basic information. This is outside the box thinking, outside the box strategies and something very relevant to any property investor or business owner. Having been a property investor for over 8 years and running a business for over 9, I know the importance of having multiple wealth pillars. Salena has provided a guide to follow, how to's to use and made it easy to understand no matter what investment level you are at. Her ability to see things differently to traditional financial planners and property coaches is what makes Salena one of the best around.

Michael Griffiths
Founder, Referral Marketing Guru

For anyone serious about building wealth to create freedom in their lives then this is a must read. Salena beautifully articulates the importance of your “why” as the key factor to accelerating your financial situation. With a plethora of age-old wisdom combined with up to date insights into the current financial climate, the Freedom Warrior will give you a fresh perspective on the age-old art of wealth creation. If knowledge is power, then this book will certainly give you the power to be the freedom warrior in your life.

Brent Williams
CEO, Tomorrow Youth International

**WARNING:
THIS BOOK MAY CHANGE YOUR LIFE**



First published in 2018 by Salena Kulkarni
Canberra, ACT, Australia
© Salena Kulkarni

The moral rights of the author have been asserted.
This book is a SpiritCast Network Book.
National Library of Australia Cataloguing-in-Publication data:

Author:

Kulkarni, Salena

Title:

The Freedom Warrior; How to build a bigger life through alternative property investing strategies

ISBN-13:

978-0-359-19745-3

Subjects:

Wealth Creation, Property Investing, Alternative Property Investing

All rights reserved. Except as permitted under the Australian Copyright Act 1968 (for example, a fair dealing for the purposes of study, research, criticism or review), no part of this book may be reproduced, stored in a retrieval system, communicated or transmitted in any form or by any means without prior written permission. All enquiries should be made to the publisher at salena@phoenixwealthgroup.com.au

Editor-in-chief: ***Cherise Lily Nana***

Cover Design: ***Bliss Inventive***

Disclaimer:

The material in this publication is of the nature of general comment only, and does not represent professional advice. It is not intended to provide specific guidance for particular circumstances and it should not be relied on as the basis for any decision to take action or not take action on any matter which it covers. Readers should obtain professional advice where appropriate, before making any such decision. To the maximum extent permitted by law, the author and publisher disclaim all responsibility and liability to any person, arising directly or indirectly from any person taking or not taking action based on the information in this publication.

Table of Contents



PART I – BEING THE FREEDOM WARRIOR	1
CHAPTER 1 - THE SHIFTING SANDS OF WEALTH CREATION	3
CHAPTER 2 – AGE OLD WISDOM AND THE NEW WORLD OF PROPERTY INVESTING	17
CHAPTER 3 - THE ESSENTIAL TOOLKIT OF THE FREEDOM WARRIOR	25
CHAPTER 4 - THE SEASONS OF INVESTING	39
PART II – BLUEPRINT FOR YOUR PIPELINE	45
CHAPTER 5 - QUANTIFIED VISION	47
CHAPTER 6 - A SUSTAINABLE STRATEGY	59
CHAPTER 7 - ELEGANT EXECUTION	71
PART III – DEVELOP ALTERNATIVE SOURCES	79
CHAPTER 8 - ALTERNATIVE OPTIONS	81
CHAPTER 9 - MINDFUL DIVERSIFICATION	99
CHAPTER 10 - PROTECTED NAVIGATION	105
PART III – BE THE CAPTAIN	113
CHAPTER 11 - A ROBUST RUDDER	115
CHAPTER 12 - ELEVATED MONEY WISDOM	123
CHAPTER 13 - ELITE NETWORK	133
FINAL THOUGHTS	139



Foreword



Creating a life of authentic freedom is the entrepreneur's dream. However, freedom isn't free. It comes with a price. It's not enough to hope for freedom. It requires intentionality. To preserve it requires a vigilant mindset and determined action.

It is not an easy goal and runs opposite to the majority of the population who too often live by default, allowing governments, other people and societal indoctrination to dictate their future.

Freedom requires a contrarian attitude. It's about following one's map, which is the road less travelled and a road that is often lonely.

The path is never without setbacks, challenges, and resets.

The Freedom Warrior, authored by my friend and colleague, Salena Kulkarni, provides the mindset and the plan that, if followed with perseverance, will guide the reader to that ultimate goal of a freedom lifestyle.

I must admit to some bias. I know Salena Kulkarni personally. It is not by accident that we met doing what we both believe is essential to a life of freedom, meeting through an international mastermind group. In this case, a tribe of like-minded entrepreneurs taking that lonely road.

It is a proven fact that going solo in life or business (or investments) is the long road filled with bumps and wrong turns. Finding people who are on the same path or have gone ahead of you in life is the fastest path to get from point A to point B. The in-between is "the gap." Moreover,

it is that gap that Salena shows the reader how to close, not by working harder, but by strategically investing in international real estate properties.

This treatise is not a theoretical essay. Salena has a proven track record with a background as a chartered accountant, entrepreneur, and international investor. In *The Freedom Warrior*, she lays out the premise that a high level of active income, trading time for dollars, provides a false sense of security. Lifestyle and materialism is not a measure of true freedom. There is ultimately a day of reckoning when one either desires to stop or is forced to get off of the hamster wheel, and active income is no longer an option.

With governments around the globe accruing massive amounts of debt, it is imperative that those who want a sustainable lifestyle after active income must build net worth equity that converts to predictable lifetime cash flow. Salena has made a case for alternative investments in the real property asset class. She lays the foundation for creating a vision and reverse engineering the process with substantiated strategies vs. random investment tactics. As a global investor, she also includes a discussion of alternative investments abroad, in particular, the U.S. market, where she has considerable experience and an expansive network.

What action will you take? Will this be a book that goes on the bookshelf or becomes buried in the never-ending stack of yet-to-be-read?

Will you take a committed next step? Will you do something that you've thought about but until now has only been a dream?

What's stopping you? Your fears? Fear of what?

Freedom is not granted. It is earned. It is fought for.

It's your life. Don't live it with regrets.

Step forward now or forever hold your peace.

David Phelps, D.D.S.
Founder and CEO, Freedom Founders
Rockwall, Texas
www.FreedomFounders.com

Acknowledgements



To my best friend and darling husband Jon; thank you for inspiring and supporting me on our journey to date. Without you this book would have been a complete dud. You rock!

To my two kind, intelligent and cheeky boys; thank you for being my miracle babies. Even though you haven't really understood the whole book writing thing, I am grateful for your kind words of encouragement.

To David Phelps; for being a 'next level' mentor and giving me the support and guidance to pursue my dream of running a Mastermind. Without you, I might never have begun.

To Taki Moore; thank you for helping me get unstuck all those years ago and showing me (amongst other things) how to explain ideas in a simple effective way. Life changing stuff.

To Dave Thompson and the team at IBWR; your skilled and nurturing support has helped me achieve the unachievable. Thank you.

Dedication



In loving memory of my Dad, who gave me his all, encouraged independent thinking and taught me about perseverance and grit.

To my Mum; who brought magic to my childhood and taught me the value of nurturing relationships.

Part I

Being The Freedom Warrior



Chapter 1

The Shifting Sands of Wealth Creation

Being a property investor is no longer the pursuit of a few outliers. It is the pursuit of the masses.

Understandably, with the amount of literature and media bombarding us with messages that we ‘can’t rely on superannuation and the government’, it’s no wonder that many people are looking to property as the best alternative to filling the gap between what they want and what they might otherwise end up with.

But here’s the thing.

In our pursuit of ‘great properties’ to invest in, we have forgotten the bigger picture of investing. Surely the purpose of investing is to create freedom. Not just lip service to a vague idea, but real, solid, definable freedom.

So what is freedom?

No doubt everyone’s definition of freedom is unique. Ultimately however, financial freedom could be summed up as the ability to be free from the worry of having enough money, along with the ability to choose exactly how you want to live.

One of the things I have observed in Australia is that we try to get wealthy quietly. There seems to be social embarrassment around the idea of capitalism, because we don’t want people to think that we want to be wealthy at someone else’s expense. The end result of this is that we are quiet in our pursuit of wealth and freedom. In some cases we are so quiet about it that we seem apathetic, when we are certainly not.

Freedom is definitely something to be valued. It is something to be fierce about. If you aren’t fierce about the pursuit of freedom, it will elude you. It’s not about being loud, it’s about being passionate and ferocious in the way you bring it to life. In my world, to obtain freedom, you must be a warrior.

A warrior is someone who demonstrates expanded awareness, courage, discipline, cunning, and patience. It is hard to attain financial freedom by being mild. Your ability to succeed increases exponentially when you are a freedom warrior.

A Freedom Warrior believes:

They must be fierce about their pursuit of freedom. It is hard to attain financial freedom by being mild.

They must demonstrate expanded awareness, courage, discipline, cunning, and patience.

This book has been written specifically to challenge you on what you think you know about property investing and to have you reassess how to tackle it in order to create the freedom YOU want. Not freedom by anyone else's definition, but your own. It is to inspire you to TAKE ACTION and begin to look at the world of property investing as simply the vehicle that will get you to the freedom you want.

But here's the catch: if you don't define and aren't passionate about creating freedom, it might never arrive.

The question is, are you prepared to be fierce about your freedom?

Nobody wants to invest in property for the sake of it.

The whole point of investing is to put aside money into something that will grow in value, or provide us with income, so that sometime in the future when we want to make any life changes, we have the freedom to do so, free of worry about the financial implications.

It isn't about the money. It's about the freedom that comes from having the choice to spend your time exactly as you choose. Time is your most

precious commodity. No matter how wealthy you are, you're never going to get back even a nanosecond of your yesterdays.

Money is the most powerful way to take back your time.

If you could stop trading your time for money (where the money seems to go out as fast as it comes in), what would that mean to you?

Sadly, although it's widely recognised that property investing is the most accessible and lucrative form of investing, it comes at a time when getting results from property investing has never been harder.

Statistics tell us that nearly 8% of the Australian population are property investors (I'd hazard a guess that at least another 5% want to be property investors). Of that 8%, only 0.065% actually go on to own five or more properties. What does this tell us?

Some people 'wing it' and might do ok. But most people who want to create wealth from property flounder.

I speak to countless property investors each year who are struggling to get results. Who are disheartened by their efforts with property investing. Who feel that they can't get a break. Who are flustered and fear that they won't have the money they need in retirement.

As a keen student of what is happening in the world of property investing, one thing is apparent. Taking the actions that have worked in the past will no longer get you the same results as in years gone by.

A Freedom Warrior understands:

Money is the most powerful way to take back your time.

The time has come to stop, take stock and try something else.

But here are the challenges:

First off, the marketplace is significantly more crowded than it was even ten years ago. Over the last two generations, we have seen the ability to secure great opportunities in property go from ‘plentiful’ to ‘scarce’. An intention to make money in property investing and a theoretical understanding of what’s possible just isn’t enough anymore. Ultimately this means is that it’s getting tough to find lucrative property deals in a marketplace already filled with hungry property investors.

Secondly, the market is flooded with information which may or may not be helpful to you and your investing journey. There is an abundance of educators, advisers, marketers, bankers, and media sources all vying for your attention. For newbie investors this makes it overwhelming to sift through the noise and decide what is real. The property sales industry has evolved into a marketplace where it is difficult to gauge what is important and what isn’t. Each player desperately trying to tell/sell you that their perspective is the right one. Common sense is often lost behind skewed facts & statistics, all designed to compel you to take action.

A Freedom Warrior recognises:

Not many people who give advice about money and wealth are rich because they have been great investors themselves. They are rich because their business pays them handsomely.

And finally, the market has become unbelievably expensive. It’s no longer a small gamble to take a punt on a property. As the average price of property has skyrocketed well past \$500k (half a million dollars?!), investors have to be more discerning about what they strive to buy. Adding even one or two ‘lemons’ to your portfolio of investment properties can be crippling because of the scale and volume of resources required for each investment.

In summary, property is harder to transact, margins have become skinnier, and economics are more uncertain and complex.

All these things provide friction. Their impacts can range from simply slowing us down a little, to creating insurmountable obstacles. What we are all really worried about is that time is running out. Have we done enough to create the kind of financial future and legacy that we thought we would?

But now here's the good news:

If you get it right, you can begin to identify opportunities that others are overlooking and from which you can cherry-pick as and when you decide.

You can develop the right filters so that it becomes apparent which voices are congruent with your plan and which are not. If you get it right, your ability to find and attract those people to support your property investing journey is simplified and your skills as a property investor can be amplified.

The need to build a massive asset base is diminished. The focus is on effective property investing rather than volume. You can begin to focus on the minimum effective investments needed to achieve the financial freedom you want. You can discern between opportunities that are 'a fit' for you, versus those that will be more speculative, or a distraction.

This is what has led me to start challenging 'conventional wisdom' when it comes to property investing. It is 100% true that over history there are people who have managed to create wealth in literally any market conditions. Who were these people? What did they do differently?

Instead of doing what others are doing, what if I got really clear about who I am and what I want, worked out how to find opportunities that others weren't thinking about, but above all else, found out how to build my network in a way that generated opportunities as I needed them?

Who is this book for?

This book is for business owners and executives who want to understand a framework that can be adapted to work in any environment or market conditions. This book is for people who recognise that although business and high-paying corporate roles can be lucrative, they aren't the path to freedom.

For many people, being in business is a cash-cow. For some executives, it might seem that the gravy train will never end. The reality, though, is that fortunes can change in a heartbeat... an unexpected event, economic change, government intervention...and so on.

Most of the smartest business people of all time take their hard-earned business income and switch it into more stable assets like property. This is how they 10x their wealth. It's not from selling their business.

Executives do the same. They deploy as much of their income into income-producing capital assets so that when they say 'goodbye' to the workplace, the cash just keeps rolling in.

A Freedom Warrior understands:

Most of the smartest business people of all time, take their hard-earned business income and switch it into more stable assets like property. This is how they 10x their wealth. It's not from selling their business.

If I were to articulate the needs of a successful property investor, I would say there are a few vital ingredients:

1. You need a system to fast-track your knowledge and understanding of property so that you can implement fast and avoid pitfalls.

2. You need a framework to help you access and deploy your hard-earned money and disposable income to maximise the return you achieve.
3. You need a plan to replace all or a large part of your income, so that at some defined point in the future you can make the choice to work or not work.
4. You need access to people you trust who can guide you when you need it and give you an inside track to opportunities ahead of the masses.

For me, it has never been about trying to earn more money through my business. The game has been, 'how can I take the income that I earn and translate it into income-generating assets that gradually replace my entire living expenses?' I love teaching people how to create financial freedom. I believe it is part of my calling in life.

The pressure to succeed in modern day society is higher than ever. We are busy beyond what sometimes seems reasonable and much of our daily lives is spent juggling work, family and personal commitments. Time is precious and scarce. Investing is something that falls into the category of important, but not urgent.

While most busy professionals and business owners like the idea of creating wealth, driving it forward mindfully often just seems like more hard work in an already busy life.

This book takes you through the key ideas and frameworks you need to set yourself apart as a property investor and how to deploy your hard-earned capital carefully and effectively to fast-track your path to the sort of freedom that is meaningful to you.

As we move towards an economy when change is implemented at the speed of thought, doing business seems to be getting harder and slightly more confusing.

I take my hat off to those people in business who are really kicking big goals. I have had fantasies in my past of being a Richard Branson type, but recognise now that is simply not my genius.

What my genius is however, is working with people who recognise that while their business or employer might be their cash-cow, the smartest exit strategy of all is to be thinking about how to build an alternative pillar of wealth through property investing.

Selling a business for a lump sum of cash that you plan to use as your nest egg can be tough for many businesses, so it's super important to be thinking in terms of how to develop a secondary stream of cash-flow while you have the means to do it.

A Freedom Warrior knows:

The smartest exit strategy of all is to be thinking about how to build an alternative pillar of wealth through property investing.

For the executive, the superannuation you've been diligently squirrelling away is honestly going to have to be pretty 'meaty' by the time you hit retirement to be impactful.

This isn't about trying to step out of your business or work because you don't love what you do, it's about creating choice.



Before you charge forward, I want share some ideas with you that will explain the 'lay of the land'. To skip ahead would otherwise be like jumping out of a plane and missing the safety briefing.

The Great Wealth GAP

The story is a familiar one. A smart person attracted to the idea of wealth, but with little time put towards their financial matters.

The wealth gap is not a reference to some gap between rich and poor. It is a reference to the unforeseen GAP that most successful people don't anticipate as their lives unfold. It is the GAP between the image people hold of what life beyond work looks like and what they can actually afford.

What is incredible, is the number of people who earn a fabulous living and assume that minimal attention to their future investments will still get them over the line.

It's very easy when you are a high income earner to have all of the lifestyle and accessories that go along with that. Certainly to the outside world you can project great success around money.

The reality for the majority of people though, is that if their income stream were to dry up tomorrow, all of that wealth or 'perceived wealth' would evaporate.

Financial freedom isn't the same as being rich. Although people often confuse the two, they are completely separate goals. One person could be completely financially free, earning \$30,000 per year. Another person could be trapped, even with millions of dollars.

The scary part about the wealth GAP is that so few people give it any attention.

A Freedom Warrior understands:

High income and high net wealth are not the same thing....

...and never, ever judge a person by the car they drive.

When most people are in their prime earning years, it is easy to throw attention toward wealth and wealth management on the back burner.

But here's the kicker: if we think about the range of possible financial futures we might have, ranging from epic to diabolically bad, the longer we give ourselves to change our trajectory, the easier it is to change gears and get a good result.

In other words, if the runway to retirement is short, the ability to change track is in many cases irrecoverable. It is really important, regardless of where you are on the runway to retirement, that you stop, reflect and decide if now is the time to give it some attention.

But only you can drive the change. Nobody else. Nobody cares about your money as much as you do.

A Freedom Warrior believes:

Nobody cares about your money as much as you do.

Australia's Love Affair With Property Investing

Australia has evolved into a nation of people who love property and property investing. It's not hard to understand why; there are countless stories of people becoming multi-millionaires by riding the wave of success with their property investing.

People on modest incomes have scrounged and saved their deposits for properties and have been able to use the growth in the property values to drive their ongoing investing and massive equity gains.

We have magazines, media reports and websites all dedicated to fuelling our love of property investing.

So let's examine the good, the bad and the ugly.

Firstly, it is indeed possible to make a passive income stream from property. The sad news is that as property prices continue to rise sharply, the metrics push everything out of whack and it is getting pretty tough to develop much income within the first few years of holding an Australian property.

Imagine you are in the market for a typical residential investment property. The median house price in Australia is now soaring past half a million (and some sources claim as high as \$800k). That's a lot of money by anyone's standards. Now imagine you hold that property with no debt... initially this might seem exciting, right? But if we assume a super-exciting yield of say 5% (the Australian average is reported as 3.83%), you might say this equates to a modest income. Then deduct the typical holding costs such as rates, insurances, property management, possible vacancy and maintenance. Let's say this equates to between 2-3% of the property value. Suddenly your income stream drops to between 1-3%.

Now I don't know about you, but I personally think that's a pretty crappy return. If you had a million dollars invested, would you be excited by an income stream of \$10,000 to \$30,000?

Secondly, the number of people actually achieving any degree of success with their investing results is dwindling.

I mentioned earlier that an estimated 0.065% of our population actually make it to owning five or more properties. This means that about one in every one hundred investors is actually having any sizeable degree of success.

Imagine that one in one hundred!

A Freedom Warrior accepts:

The Australian model for average residential property investing is flawed. It's great for building capital, but when you need an income stream, it doesn't deliver much.

This book is not only about how to position yourself to be that one in one hundred, but how to do it in a way that has never been tackled before.

Albert Einstein's View On Change

One of the biggest challenges for property investors today is that people are looking for the shortcut to wealth. In particular, we are hungry to see what everyone else is doing to guide our own investing decisions. That's how millions of dollars-worth of 'get rich quick' courses have been sold from the stage.

Surely this is a reasonable approach?

Perhaps. But, in a marketplace which is now crowded, where information is everywhere and where people are time-poor and want to get results asap, doing what others are doing is not necessarily going to get you the results you want.

Paul Rulkens did a TED talk where the idea he wanted to share was that the majority is always wrong and that only 3% of people look beyond what everyone else is doing.

He tells the story of how in 1942, Albert Einstein was teaching at Oxford University. It was reported that he gave his senior physics students exactly the same exam he had given them the year before. His assistant assumed it to be a mistake, but Einstein confirmed that the exam was exactly the same. The assistant thought Einstein was 'losing it', but Einstein is quoted as replying, "...the questions are still the same, but the answers have changed."

Many people have gone on to show that this same principle applies in the world of finance and economics. In other words, doing what everyone else is doing isn't going to get you the amazing outcome it once did.

The majority of investors just keep doing what they know over and over again. We go through sixteen years of schooling where the main premise is that history is the best teacher and then step into life expecting that if we replicate what others have done in the past, we will achieve the same results or better.

Perhaps this even works some of the time.

A Freedom Warrior recognises:

For success as an investor, you need to tread a different path to the majority.

The issue is that we aren't taught to take into consideration new things and things that could happen, but have never happened before. The majority keep doing what worked in the past and expect the same result. What's more, when they're not happy with the result, an individual, institution or country starts to do more of the same, expecting better results.

Investors who follow the herd invariably end up buying at or near the top of booms when the media and the so-called 'experts' are most euphoric. Then they often sell when everybody else is selling, when the media is most pessimistic at the bottom of the busts.

And so... our goal as a freedom warrior is to step outside of conventional wisdom and find ways to collectively 'next level' our investing results.

Chapter 2

Age Old Wisdom and the New World of Property Investing

A Bucket Carrying World

I have always loved parables as a way to impart wisdom.

Many investors have been inspired to think about investing because they've heard or read about some version of 'the parable of the pipeline'.

This story is simple and yet it has been responsible for inspiring thousands of people to try their hand at becoming investors.

I have heard a bunch of versions told of this story over the years, some more elaborate than others, but in a nutshell, the gist of it is as follows:

One thousand years ago, two friends lived in a village near a large lake. They both decided to set up businesses that would deliver water to the village.

The first friend used his strength and stamina to carry bucket after bucket to the village. The villagers were overjoyed and paid him handsomely for his efforts. As long as he showed up to work and carried the buckets, he kept getting paid.

The other friend started similarly, by carrying the water, but eventually recognised that his body was wearing out and that whenever he stopped, the income stopped as well. He was inspired to take a different approach and decided to design and build a pipeline.

He worked really hard... I mean really hard, to build the pipeline on his own. He was mocked and ridiculed by the villagers for his ideas, but eventually the pipeline was completed and the village was able to benefit from the water that flowed directly from the lake to the village with the simple turn of a tap.

He became the town hero.

He started to collect money day and night and barely had to lift a finger. His friend eventually went out of business, but was later invited to join forces with him and together they developed multiple pipelines.

They both retired young and with great freedom to use their resources as they chose. They attempted to share this wisdom with others, but many preferred the 'old school' and understood method of carrying the buckets.

Fast forward one thousand years and we see that not much has changed.

As mentioned, I often witness confusion in investors between high income and high net wealth. In other words, most of us confuse bucket carrying for pipeline building. Essentially a job of any variety, including most businesses, is a modern-day version of bucket carrying.

Since the idea of high income is held up as the ideal, it is not surprising that most people believe that the pathway to success is to find a job or business that pays well.

A Freedom Warrior comprehends:

Most of us confuse bucket carrying for pipeline building.

Having worked with many 'high income' earners over the years though, I can tell you now that regardless of their income, most are only a few pays from broke. In other words, if the business or other paid income stopped tomorrow, the ticking clock to bankruptcy would be a matter of months.

Here is the way we are told to be successful in life:

- We are told by our parents that the way to succeed in life is to find the biggest possible bucket.
- Go to school and figure out a way to get a bucket.
- As you get into the workforce, try to grow the size of your bucket.
- As you get older and you create a family and other responsibilities, work even harder to upgrade your bucket to cope.

- Pray the bucket is big enough to carry you through retirement.
- Fantasise about what you will do when you can hang up your bucket.

The majority of bucket carriers will put an enormous amount of energy into growing the bucket, or in some cases trying to carry multiple buckets. More buckets means more income, right?

Whether you are in business, or you work for someone else, if you sell your time for money, then you are effectively carrying a bucket.

The good news is that in our modern world, there is a growing awareness that investing and building a pipeline of passive income could be the way to putting our bucket down sooner. However, as it's unfamiliar and fraught with perceived dangers, it gets tossed into the 'too hard bucket'... (hahaha!). It seems simpler to just keep working and doing what's familiar, than to learn or think about a different path.

The lesson? No matter how big your bucket is, when you stop, it stops being filled.

This book endeavours to show you the path to true freedom and why, if you aren't fierce about building your pipeline, you will remain trapped in the bucket-carrying mode.

The principle of effective investing is to work hard to develop your first pipeline and then leverage that effort. The choice we all face is whether to stop putting all our efforts into bucket carrying and start to divert some of our precious time and money into building a pipeline. In other words, pay a little bit now, to create freedom sooner at a significantly more amplified rate. The alternative is a big cost later, when you might be working years beyond when you might have liked, or your savings bucket falls short.

Some may laugh at us. Some may even shame us for this pursuit.

In my own experience, I have often felt judged by those who thought I should have taken a more conventional path as a Chartered Accountant. Luckily for me, a gnawing feeling that building a pipeline was infinitely more fun and would create more freedom over the long-term, propelled me into this space.

High income and high net wealth are not the same thing. Too many people confuse these ideas. More money from working can often appear to be a step towards being 'richer', but if your bigger bucket is going towards more lifestyle spending, it's really just creating the 'illusion' of wealth.

If wealth is about building a pipeline, or in other words, a self-sustaining income stream, perhaps it could even be measured by how long you could afford to not work. Becoming wealthy has little to do with luck, intelligence or education. Becoming wealthy requires patience, self-discipline, determination and effort. Sometimes it can require a compromise in lifestyle, figuring out how much you are prepared to go without now, to reap the benefits of your pipeline in the future.

The extension of being wealthy can be freedom, but not always. Plenty of wealthy people still work themselves to the bone, feel financial pressure and have little time.

Why?

Because true freedom requires awareness and a framework that guides actions.

The Point?

Although this parable is a story that has been told and retold many times, the extension I want to add, is that knowing you need to build a pipeline just isn't enough anymore. It takes more skill, awareness and agility than in years gone by.

A Freedom Warrior understands:

Knowing you need to build a pipeline just isn't enough anymore.

Sliding Doors

Do you remember the movie ‘Sliding Doors’?

Sliding Doors was a fun romantic comedy in the nineties about how there are forks at every point in the road that can lead us to completely different outcomes. Real life is also a continuous series of ‘sliding doors’ that can lead us to completely different outcomes.

If you reflect on where you are now in your life financially, and imagine where you might like to be in say 10-15 years, you may consider a few possible outcomes:

1. Firstly, you might imagine a future that looks super bright. Where time and money are plentiful and you are well above average wealth standards. You have maximised the premium income you have had over time by building beautiful pipelines that bring you income. You work from time to time because you like to, but in general you enjoy your time following your passions.
2. You might also imagine a future that looks a little less bright, where perhaps you are moderately comfortable and slightly above average in your wealth position. You have tried to put aside energy towards building your pipeline, but on the whole, you have minimised your effort and taken the conventional path. Your primary focus over time has been on growing your bucket. Unfortunately, you have been unable to reduce the pressure of your workload and the idea of an early retirement seems unlikely.

3. Imagine a future where things are a bit skinny. You can make ends meet, but you have had to let go of most of the luxuries you had hoped to enjoy. There had been little emphasis on building any kind of pipeline, but it feels too late now to roll up your sleeves and start now. When you think of retirement, it seems to still be some way off. It's not ideal, but you recognise you need to soldier on.
4. Things are in a really depressing state. You are looking down the barrel of a shortfall in lifestyle when you stop working. You anticipate working at a time when others have long since retired. Your family might be thinking about how they might have to support you in the future.

Which of these scenarios seems most likely to you right now?

Which one would you like it to be?

The good news is that the jump from one possible future to another is a small tweak to the 'doors' you slide open right now. It's about committing the time and resources to building your pipeline now.

The longer you postpone the decision to take a different path, the harder it is to make an impactful change. The really sad news is, that if you leave the decision to open a different door till too late into the future, your ability to recover financially is almost impossible.

And here's the bonus. If you are already on pathway number one, then the model I am about to unveil will simply shorten the timeline and bring forward the freedom closer to today.

The New World Of Property Investing

As powerful and as widely understood as the fable of the pipeline story is, there is mass confusion in the market about how to succeed as a pipeline builder.

While the schooling systems don't really teach us much about wealth, there are still plenty of people and sources of information out there telling us to go out there and 'just build our passive income'. Truthfully though, this is a tough call. In a competitive marketplace, where there is an avalanche of information available, the question becomes, 'but which path should I take?'

More and more people understand the need to develop a pipeline, but not many people know how.

After years of working with hundreds of budding investors, the framework that follows represents the essential ingredients property investors need in order to build the pipeline of their dreams.

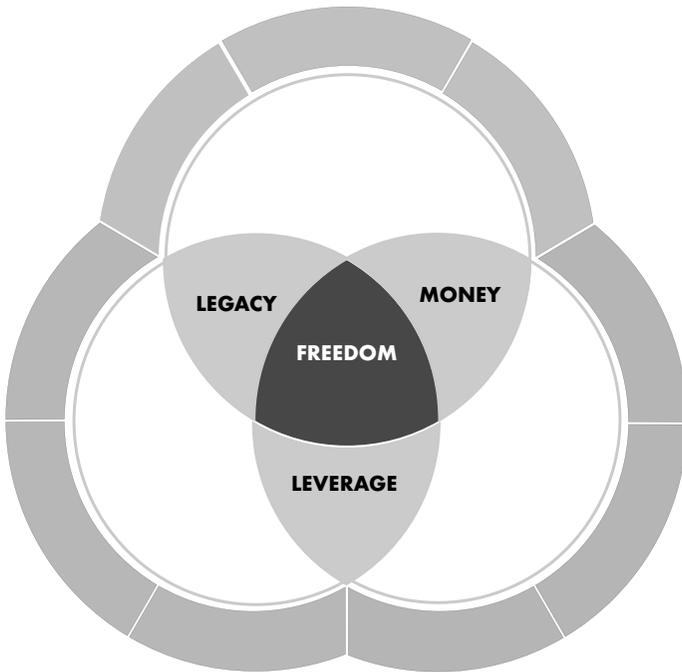
Chapter 3

The Essential Toolkit of the Freedom Warrior

So let's start at the beginning.

First of all, it can sometimes be hard to articulate our motivations for creating wealth. The simplest word to capture the common theme that I hear people express, is freedom. What most people are striving for at an unconscious level is some flavour or variety of freedom.

THE FREEDOM WARRIOR FRAMEWORK™



I am passionate about helping people use property investing as the pathway to achieve total freedom. It is important to emphasise again here that property investing is simply the tool to achieve the outcome we want.

What I mean by this specifically, is freedom on three levels. Freedom with money, freedom to leverage time and resources, and the freedom to create an enduring legacy.

1. Money

Money is about flow. The major limitation that people experience around flow is that they are carrying buckets.

If we were to articulate what it is that most people are striving for, it is high continuous flow, as distinct from carrying buckets.

Regardless of income level, money seems to create stress and limitations in people's lives.

Imagine this. A student doctor fantasies about how their life will be different when they are earning a high income as a fully qualified surgeon. But as time passes, they continue to enjoy bigger lifestyle expenses with every incremental increase in income. They've earned it. They've worked hard. They deserve it. Years after becoming a well-known reputable surgeon and earning in excess of a million dollars a year, the money tension has not shifted. They still feel money strain and now pressure to continue earning to support new responsibilities.

While not always the case, it is true that for the majority, as your income grows, your desire to indulge in more lifestyle expenditure also increases. Hence the idea that increasing your income will bring you financial freedom is not necessarily true.

Now imagine a situation where money flowed into your bank accounts and covered your living expenses regardless of whether you worked or not. The way you live your life, the possibilities and self-imposed limits might change considerably.

The flow of money is one dimension of freedom that can have a transformative impact on our lives.

2. Leverage

This is about your ability to multiply your efforts to create more time and resources.

Consider the use of a fulcrum. The effect of a fulcrum in the context of lifting heavy objects, is that it makes lifting something that is impossible, possible.

It is commonly said, that it isn't how much you earn, but what you do with it, that has the greatest impact on your wealth over time. The main prize of earning higher income and carrying a larger bucket, is that it gifts us with the capacity to take action and use that income to create wealth more rapidly.

The beauty of leverage is that it reduces the efforts we need to dedicate towards achieving our goals. It means we can achieve goals quickly, so that our time and resources are put to best use.

If you have no leverage, your ability to multiply your results is massively diminished.

3. Legacy

At a certain time in your life, you stop worrying about yourself and start worrying about others, whether it is friends, family, our tribe, causes or community.

Legacy is often the unspoken and more subtle element of financial freedom. We all want to feel like we've made a contribution beyond just that of filling our own cup. And yet, to powerfully enable legacy requires an ability to freely dedicate time, resources and money.

It should be the case that as wealth is passed down to the next generation, that the family tribe becomes increasingly wealthier. That is certainly far from the reality of most Australians. More often than not, parents spend their wealth (or the bulk of it), leaving their kids in a position where they must start wealth building again.

Legacy is the freedom to dedicate and share wealth with others, whether it's your time, resources or money.



For me, the motivation to achieve these things in my life has always been crystal clear.

When I was ten years old, my parents shared with me that my dad had been diagnosed with a terminal illness. It was my mum that shared the news with me and at the time, the prognosis was that he might have a window of perhaps six months.

Needless to say, as a young child, I was really rocked.

Fortunately for all of us, during that window of time, a new technology was developed that gave my dad a small extension on life. The technology was new however, and no one understood how effective it would be, or how long it would give him. They estimated another six months.

At the end of that six months, they again told him that he might have another twelve months... and so it went, on and on, maybe another twelve months... in fact he went on to live another thirty years and when his time was up, he left on his own terms.

Sadly, my dad never really shared any of that with me till the last two weeks of his life.

What I witnessed was a man whose switch was flicked overnight. He went from a happy-go-lucky sort of guy, to a man whose only concern was how his wife and two daughters might survive without him. I couldn't understand it at the time, but I often felt his pain around money; the worry and his burning desire to see my sister and I become independent, successful women.

My dad busted his butt to give us everything he could. He was generous with us to a fault and he shouldered the burden of his health like a quiet soldier. His treatment was painful and stressful, but he rarely complained about it.

Watching his journey taught me many things.

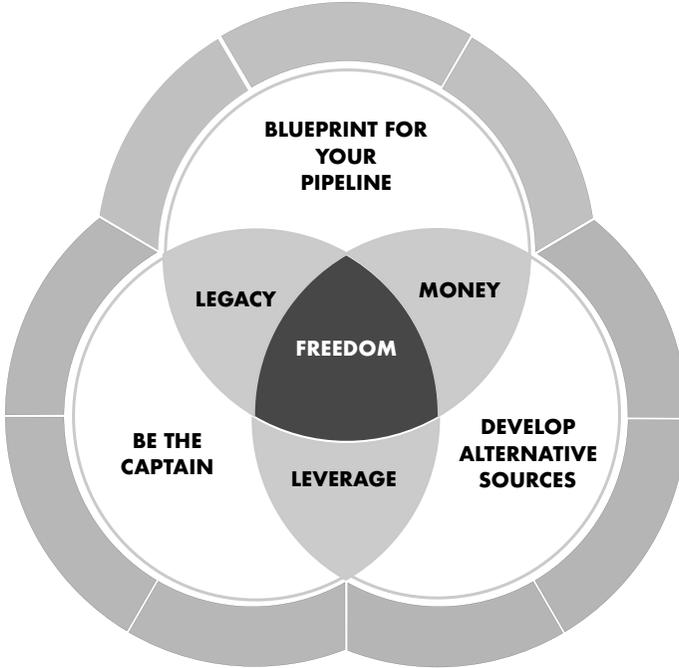
Firstly, I am 100% clear that you never know when your time is up. We all behave as if we have forever to live - that we can postpone important things till tomorrow. I try hard not to do this.

Secondly, my dad's relationship with money had a profound influence on me. I decided I didn't ever want to have the sort of money worries that I had witnessed in my dad. I wanted to have a good relationship with money. I wanted the freedoms that come with having my own pipeline. I wanted to build something robust that could weather any storm. I absolutely want the freedom to be with my family as I choose and to create a legacy beyond my own existence.



As with our fable, we can either be the bucket carrier or the person who builds a pipeline. To achieve more money flow, to amplify your efforts, time and resources and to give you the ability to create a bold legacy, you need to focus on three big things:

THE FREEDOM WARRIOR FRAMEWORK™



1. Blueprint For Your Pipeline

Imagine a garden hose trying to fill a dam. The trickle is there, but it is slow. If you are not in a hurry, this might be tolerable. For those with places to go and things to do, this idea of a more substantial pipe that will fill the dam quickly is of greater appeal.

Imagine you want to fill your dam not over the course of your life, but well before retirement age. You need the design and the apparatus to build something big that can carry significant amounts of water.

This element really forms the foundation for the whole model and it is important that in looking at new opportunities that this becomes the filter through which these opportunities are assessed.

This is all about planning BIG.

Without a blueprint for your pipeline, you have no direction.

2. Develop Alternative Sources

As the developer and owner of your pipeline, it is vital that you examine where you are drawing your water from. Are you drawing your water from multiple sources?

The river nearby can ebb and flow with the seasons. At times it can flow with strength and at other times it can dry down to a trickle. If this is the only resource your pipeline relies on, then at times it will run well and at other times you will have to patiently wait for a change in season to continue your ability to develop opportunities.

But... if you were to walk over the hill and up into the mountain range, you might find there is a huge lake up there, with another river going past. If you made the effort to find out and understand these alternate water sources, you could tap into those as well. This would not only increase your capacity but would mitigate against changing conditions.

This becomes an issue of water security. In a similar way that many governments try to draw water from multiple sources, it is necessary to ensure that the pipeline can maintain sufficient flow along with diversifying the risk of reliance on one source.

This is all about playing BIG.

Without developing alternative sources, you have no ability to adapt to changing market conditions.

3. Be The Captain

Once your pipeline is established and the water needed for your own uses is satisfied, the mind can turn towards ideas of helping others. Perhaps your tribe, village or even the rest of the world can benefit from the pipeline you have created.

It is necessary to elevate your thinking.

The journey becomes one of examining the ways to improve the strength and capacity of your pipeline. What are the best materials, what is the best way to build to endure for a long time, and who are the experts that you need to support ongoing flow?

Building an enduring pipeline is about developing your thinking, surrounding yourself with people who understand best practice. If you use the wrong materials or the wrong people, you are going to build a pipeline that breaks down.

You start to consider whether the pipeline will give you not only the capacity that you want, but also the longevity.

Capacity is about making sure you have enough to take care of the needs beyond your own.

Longevity is about considering how to set up your pipeline so that it lasts.

These require patience and perseverance to put in place measures that allow the pipeline to ensure beyond your existence and attention.

Also consider that being the Captain is a recognition that creating substantial wealth is like guiding a large ship. Without a captain coordinating effort, the ship can easily get off course, run into obstacles or in the worst-case scenario, sink. To successfully guide a ship, the captain needs wisdom to judge and adapt to conditions, relationships with great people to crew the ship for them and a ship with a sensitive steering system to move in the desired direction.

This is all about thinking BIG.

Without becoming the Captain, you have no ability to endure.

A Freedom Warrior knows:

If you have a blueprint for your pipeline (you PLAN BIG) and you become the Captain (you THINK BIG), then you have LEGACY.

If you have a blueprint for your pipeline (you PLAN BIG) and you develop alternative sources (you PLAY BIG), then you have MONEY.

If you become the Captain (you THINK BIG) and you develop alternative sources (you PLAY BIG), then you have LEVERAGE.

Let's go deeper into this framework.

To be The Freedom Warrior and master wealth and property investing, you need to know how to accelerate your progress.

Within each of the three big elements, there are nine projects that must be implemented to accelerate our results.

The three keys projects to building the blueprint for our pipeline are:

1. Develop a quantifiable vision - This is about defining what we want, what success looks like and having clarity on where we are right now. Without this, we lack direction.
2. Create a sustainable strategy - This is about building the blueprint that will drive our investing actions. We want to make sure we invest in opportunities that fit our means, risk appetite, our major life milestones and marry up with our need and wants.
3. Prepare for elegant execution - This is all about putting in place the components of our investing engine that enable us to smoothly transact as and when we need to. As opportunities present themselves, we need to have a framework to prepare a business case, harness a team to execute and skillfully distill opportunities to extract only the best ones.

The three key projects to developing alternative sources requires us to:

1. Create an awareness of alternative investment options - This is about becoming familiar with opportunities that might otherwise be considered beyond our reach or comfort zone and recognising that there are ways to incorporate these into our plan in a safe and methodical way.
2. Develop mindful diversification - This is about bringing a higher level of awareness to the way in which we implement diversification in our investing. Instead of giving 'lip service' to this idea, it is about bringing a more structured approach to the way we accumulate investments.
3. Operate a navigation system that keeps us protected - It is critical when trying new and exciting investment opportunities that we remain safe. Staying protected is about developing the systems and frameworks to filter opportunities and reduce risk.

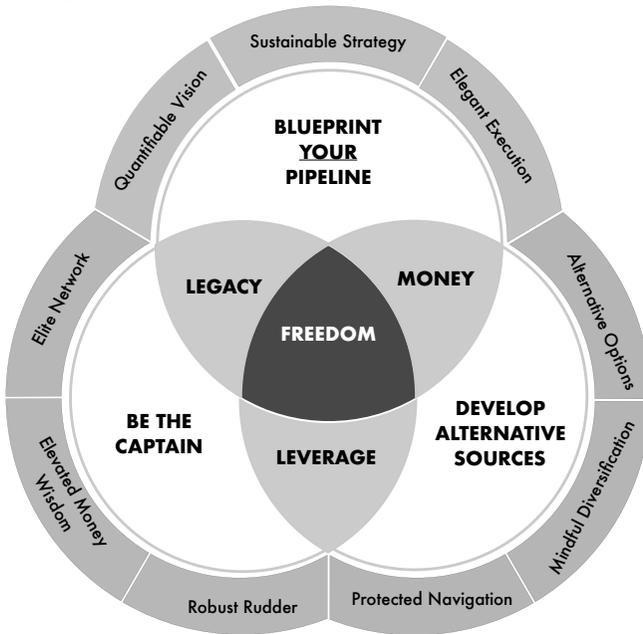
The three key projects which give us the strength to be the Captain are:

1. Our ability to play the long game - An important aspect of wealth creation for many people is how to share that wealth with

others beyond our own lives. It is the development of ideas and structures that can be used to bring those people and causes that we love, into alignment with our intentions and hopes for the use of the wealth we intend to pay forward. We might liken this to the rudder of a ship. It is important for a large vessel to have a robust rudder.

2. Capacity to develop elevated money wisdom - This is an essential part of becoming the Captain. It is the development of the way we think and act around money. Growing wealth to the next level requires high awareness and an ability to be a stellar steward of our capital.
3. The strength of our elite network - For many, this is the single most important element of wealth creation. Without this piece, the best laid plans can become useless. Our network is the primary driver of our success, so it is critical we cultivate it in all the right ways.

THE FREEDOM WARRIOR FRAMEWORK™



Each of these nine projects forms a building block that all professional investors rely on. I would encourage you to assess your strength against each of these elements as being at one of three possible levels:

RED - I haven't addressed this at all, or don't know anything about it.

AMBER - I have some ideas, but need some work here.

GREEN - I am all over it!

It is important to feel confident about all of these in order to build the full armour of the Freedom Warrior!

An investor isn't a professional investor because they spend more time looking for things to invest in. A professional investor is one who understands the importance of preparation and makes sure all elements of strength and weakness have been considered and accounted for.

A Freedom Warrior is aware that:

A professional investor is one who understands the importance of preparation and makes sure all elements of strength and weakness have been considered and accounted for.

This book is intended to open up dialogue designed to put you firmly on the path of becoming a professional investor.

The freedom warrior is really the person who has the ability to **LIVE BIG.**

Chapter 4

The Seasons of Investing

Not all investors should be lumped into a single bucket.

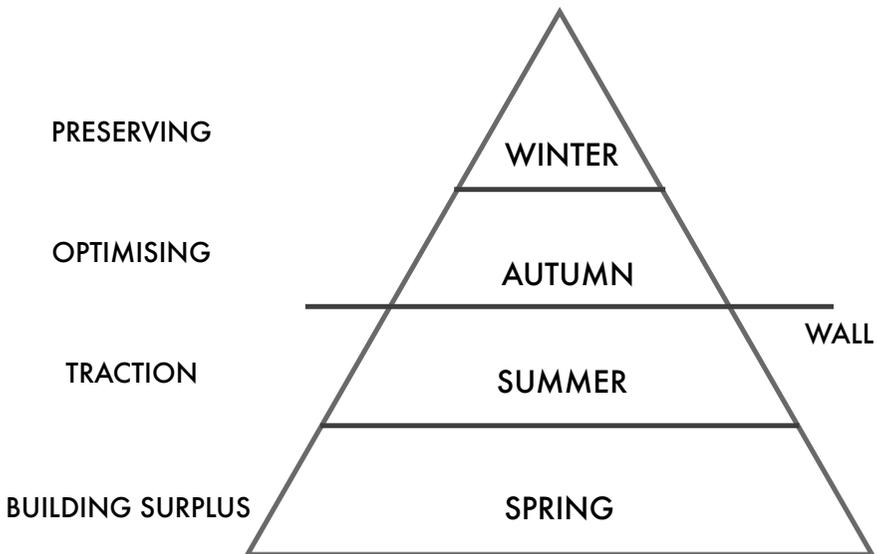


As our wisdom around creating wealth evolves, it is important to recognise that so too does our awareness as an investor. At each stage of our evolution, we need different things, have different aspirations and need different people to support our journey.

The simplest metaphor to understand these transitions is to talk about the seasons. An ability to understand which season you are in, is what will drive which aspect of the Freedom Warrior Framework™ you should be most focused on.

First and foremost, it is important to mention that a person's income level doesn't necessarily relate to the season they are in. The season is a reflection of important habits, priorities and actions that are driving your wealth.

THE FREEDOM WARRIOR SEASONS™



The typical journey of a property investor looks something like this:

SPRING - BUILDING SURPLUS

This is the season to harness your resources and cultivate good money habits.

When you first enter the workforce, or when property investing as a concept gets on your radar, what you want to do is work as hard as you possibly can to accumulate surplus cash so that you can kick off your property investing journey.

This is really a pre-investor stage. Although you may not hold many (or any) assets at this time, it is your opportunity to educate yourself, design and prepare for the future. In our current world there is no doubt that this is a tough challenge. Life is expensive and filled with distractions and subtle signals to focus on spending in the now.

Your level of passion and determination in the initial stages will set the foundations and determine your ability to quickly progress your journey as an investor.

SUMMER - TRACTION

This is a season where you need strong returns to give you traction.

At the beginning of your journey as an investor, you want your money to work as hard for you as possible. The goal in the early days when you are investing is to amass as much of a capital base as you can, be aggressive and accelerate as quickly as you can. You want your money to do as much heavy lifting as possible, mostly in terms of capital growth, because additional cash-flow isn't as important to you while you are working.

As you build your asset base, you find yourself constantly looking for ways to tweak and grow it. This season is all about wanting to maximise your capital base.

My experience working with many investors tells me that this is where most people get stuck, or stop. An investor may have done a good job to build their asset base, but then find themselves hitting a plateau. It can occur for many reasons, but most commonly, the banks don't want to lend any more money, or lifestyle expenses increase, putting further investing on ice.

Most investors don't probe any further and hope that the assets they have in place will perform over time.

AUTUMN - OPTIMISING

This is where you work with the assets you have to optimise them and bridge the last part of the gap between where you are and where you want to be before retirement (or achieving freedom).

For those few investors that push into this season, this is the place where you start asking the question 'what else'.

The emphasis now is on just beginning to turn the dial away from trying to build more capital and more towards generating an income stream on your capital base. Again, this is where many property investors struggle and may tolerate poor income streams simply because they don't know 'what else' to do.

This season is about making the most of what you have and trying to make sure you hold the optimal blend of assets. Access to the right education and resources, but above all else, the right people, will determine how easily you transcend this stage.

WINTER - PRESERVING

And finally Winter. This is the season where you say, 'I am in preservation mode'.

As you reach your ideal capital base, the emphasis changes. You may no longer have an interest in making your capital work as hard for you as possible, but more want to focus on protecting it and having it generate a healthy, but not necessarily aggressive, income stream that you need to live a life you love.

This is the point at which wealth creation becomes more about ‘playing the long game’. Reaching wealth targets doesn’t necessarily mean radically changing spending habits or starting to spend up big simply because you have the means to do so. In fact, many intergenerationally wealthy families are said to be relatively conservative with their spending.

When you have a large capital base, it becomes less attractive to be constantly trying to find ways to deploy your capital to work at its maximum capacity.

You are less interested in being a hands-on investor and want to reduce the energy directed towards investing activities. You want less stress, hassle and risk, so you are happy to forgo riskier premium returns and lean more towards moderate returns.

The focus becomes - how do I preserve and protect what I have worked so hard to create? You become more conservative and want to insure against economic fluctuations.



Think of these seasons like hunger.

Your level of hunger as an inexperienced investor is often higher and maybe your approach to strategy isn’t quite as sophisticated. You are generally prepared to take on more risk in the early stages of wealth creation. But as your capital base grows and you broaden your experience

with investing and you get closer to the goal you have for a capital base, your hunger will shift. You won't be quite as hungry to make your capital work so hard.

I believe complacency is the enemy of success and big results. In fact, you might have heard the expression, 'the enemy of a great life is a good one.' The same is true with your investing.

In my own journey, in 2009 I had been hustling pretty hard to work whatever capital and savings we had laying around. The banks finally turned around and said, "No more." It would have been pretty easy to stop, consolidate and sit back and wait for market conditions to change. Instead, I started to look for the loopholes. Where were there other opportunities that would allow me to keep moving forward? This is what opened up opportunities in the US market for me.

It was simply asking these types of questions that became the start of a journey that opened up a whole new world of property investing I never dreamt could exist...