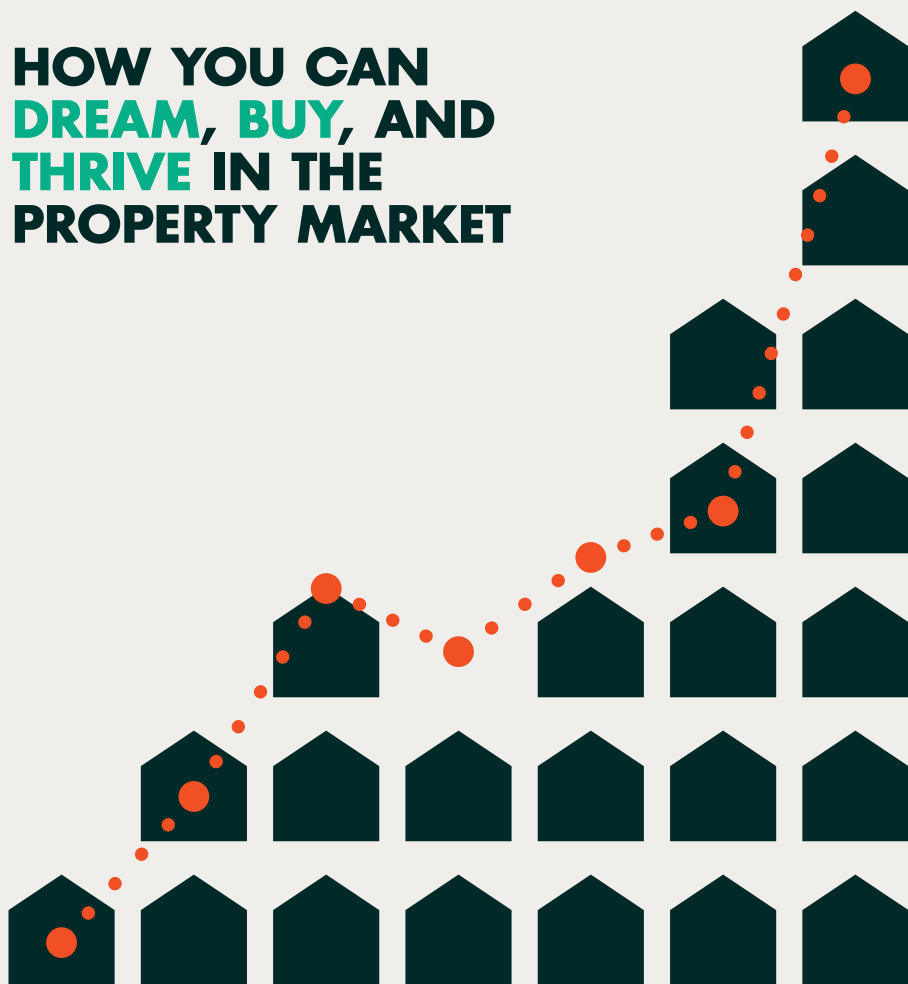


DRIVING THE DATA

HOW YOU CAN
DREAM, BUY, AND
THRIVE IN THE
PROPERTY MARKET



ARJUN PALIWAL

**DRIVING
THE DATA**

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THE DAY THAT STOPPED ME IN MY TRACKS

It was the day that stopped me in my tracks. A true day of reckoning that changed everything.

It was 10 am one morning in April 2024 when I heard a knock on my front door. Standing there on my porch was a police officer.

‘I’m looking for Arjun Paliwal,’ the officer said.

I’d never in my life had any reason to be in touch with the police, and before I’d had a chance to process, I blurted out:

‘Oh my god. What the actual frick have I done?!’

‘I’m here because I wanted to check that you’re alive,’ he said.

Come again?! I’m here, alive and very well, I thought. I had recently had some tests done for a new life insurance policy. Perhaps it was about that.

‘I’m doing a welfare check.’

‘What for?’ I said.

‘Your doctor is extremely concerned that something has happened to you, because you’re not picking up his phone calls.’

That much was true, I admitted.

‘Sorry, I’m non-stop. Busy, busy, busy!’ I exclaimed.

‘Well, you need to call your doctor ASAP.’

In those few minutes, the life I knew and loved began to look and feel very different. I had a wife, Leigh, and a little girl, Ruby, who was one. It dawned on me that for a police officer to show up on my doorstep to tell me to see my doctor things must be pretty serious. I began to sense that something was very wrong.

The police officer left and I rang my doctor immediately, and yes, sure enough, they said I needed to go in ASAP.

The next day, I heard the news that became both my nightmare and my saviour.

My doctor told me I had an extremely serious heart condition. He explained that a normal heart’s left ventricular diameter is 45 to 55 mm. If you have a left ventricular diameter 55 to 60 mm or more, you’re incredibly at risk and require urgent medical attention.

Mine was 73 mm.

And I was in the 1% of people in Australia who has what’s called a ‘leaking bicuspid aortic valve’. Apparently, it’s the hardest-working valve in the heart, and mine just happened to be leaking. This means that my heart swells like the underside of a cabinet when it gets wet, doing double the outflow work of the other valves to compensate for the blood leaking out.

My heart leakage was so severe that the doctor sat and stared at me as though I was some kind of medical marvel.

‘I don’t quite know how you’re breathing and standing,’ he said. ‘Your body has adjusted to this condition – it’s miraculous.’

He then told me I needed open-heart surgery as soon as possible and that my life expectancy had dropped to a few years.

Wow.

I felt nothing like a medical marvel. I felt numb, confused and scared, but I knew deep down I needed to have this surgery. Not only did I need to help my heart but also ensure my family would have me around for as long as possible.

What transpired next was a whirlwind of researching the best procedures, specialists and hospitals. I found out that the heart condition was something I was born with, and that my ventricular diameter needed to reduce to under 60 mm for me to be out of the danger zone.

In one month, I found the only specialist in Australia in Melbourne, with an impressive track record and who could carry out the surgery I needed, which involved not one operation on my valve but two, and a surgery duration double the time of a standard open-heart operation. I'd be on the table for up to eight hours.

It's called the 'Ross Procedure', and it involves removing the aortic valve altogether and taking the pulmonary valve nearby and placing it in the aortic position. The aim is to use my own body parts instead of introducing foreign elements, such as the more commonly used cow or pig valves, enhancing the body's chance of acceptance.

The operation involves a second component where a valve is used in the pulmonary position, from a human donation. Ultimately, the procedure would give me up to 20 to 40 years of life instead of 8 to 10 before another operation is needed.

I was booked in for surgery the following week.

My wife and family offered their unconditional support, which was made a little easier because they all live with us. We are a happy family of 13, living on a five-acre block in Pitt Town, Sydney, across two houses. In one house, there's me, Leigh, Ruby and our latest addition Amir, plus my brother, his wife and their sons, Ari and Armaan. In the second house lives my dad, step-mum, stepsister, mother-in-law and sister-in-law. It's true intergenerational living, and the reason I work so hard – so I can provide for the most treasured people in my life.

Up until that point, I had worked tirelessly all day every day to build the world around me, being able to provide an incredible home and support my family and extended family.

But this turn of events did cause me to start questioning everything.

LIVING LIFE TO THE FULLEST

I've always been about striving high and living life to the fullest. I've an insatiable curiosity – a sense of what could be possible – and I can see that everything I've done in my 33 years has been fuelled by these things.

I was born in Wellington, New Zealand, and moved to Australia on Guy Fawkes Day when I was 18, in 2010. I used to be a male model for HOYT's cinema and was even a pro dancer with the Sydney Krump Community. I played basketball in high school with some heavy hitters, including against Steven Adams who is now New Zealand's best basketballer and a star in the NBA.

As for work, I struggled when I moved to Australia. I couldn't land a job for many months. My first role was as a bank teller at CBA in Parramatta, in 2011. I loved numbers and finance and seeing all the success of my clients – as well as the mistakes they made, which I could learn from. Most of all, I loved the possibilities of where my career could go and what I could do to make a positive impact on the banking world.

Before long, I became one of Australia's youngest branch managers at 21 years old, earning six figures and winning the prestigious CEO Award. I achieved the highest status in CBA.

Working at the bank also piqued another curiosity – for property. One day a client came in who had a few investment properties. I was looking after his banking, and the curiosity was killing me. I just had to ask ...

'How did you do it?'

He told me he was a buyers' agent. Ummm what's that?

From that point, I was hooked. I studied everything I could get my hands on and learned how successful investors thought and markets operated. I started to unravel the volatile world of

the property market, where, as well as the success stories, there were also huge mistakes by investors, like buying an apartment because they thought they couldn't afford a house, only buying in their backyard, relying on E-evaluation platforms or ignoring the importance of due diligence.

After serious research and hard work, I eventually felt confident enough to buy my first property for \$970,000. I was 22 and I purchased it with my wife, Leigh. It was in Glenwood, Sydney, in 2015 – halfway through a major boom. This first place was a house to live in, but we eventually changed it to an investment and became rentvestors. Fast forward to today, we own our dream home.

After that I engaged a buyers' agent, who helped me purchase more properties. One was successful, while the others were very low performers and resulted in both time and financial losses. I acquired a couple of properties before COVID and sold them during the boom for roughly the same amounts I had purchased them for. I was not a part of the boom for those two properties.

I got burnt.

This taught me a lot. It hasn't been all smooth sailing for me – property teaches you a thing or two along the way, and while that first Glenwood property did well, I thought there had to be more. I also thought people should get better results when working with a buyers' agent.

So I decided to get serious. Well, *more* serious. I returned to study to further grow my income and career, basically working around the clock with five hours' sleep and either work or study in between. I graduated with my MBA from the Australian Institute of Business, and through the grind secured a strategy and research role in CBA's head office.

I also finally felt confident to buy my next investment property, in Burnie, Tasmania, for \$365,000, at a time when no one considered buying there.

In just five years, the value of that property doubled to \$785,000. After some renovations of about \$130,000 in 2022, it's now worth over \$1.1 million and rents for over \$1,200 per week.

By age 25 (2018), Leigh and I owned nine properties (eight residential and one commercial). Now, at the age of 33, I've purchased 17 properties in various suburbs across Australia. I bought all of these properties sight unseen, except for my own home. I'm humbled to have a portfolio value of \$17 million at the time of writing.

With hindsight, I can see now that hearing the news from my doctor was my saviour. It was true that it had only come about because of the extra health tests I had to do because business was good and I needed more insurance, but I still wouldn't want anyone to go through hearing that news.

THE BEGINNING OF INVESTORKIT

Back in 2018 – the year I owned nine investment properties – I had a revelation.

I was mid-flight from Bali. I had quit my job after eight years in banking, and was taking some time off. Call it a pre-mid-life crisis! As a leading finance broker, Leigh had stayed at work, and I had quit with an inkling that I could create my own business but wasn't sure how or what that looked like.

While away, I had time to reflect. I realised how many people were seeking my guidance on property investing and I thought I could do a better job at residential investing than the buyers' agent I had used, with my unique focus on market research and timing.

Then it hit me. Why didn't I start a business as a buyers' agent?

Not long after, I established InvestorKit, and the only way was up. From humble beginnings, I grew the business with a vision to create a data-driven and battle-tested process for busy

professionals to invest with confidence and build their wealth by outperforming the market.

I'm so proud of our achievements:

- seven consecutive years of 50%+ growth as a business
- 2,000+ properties purchased
- \$1 billion+ in real estate experience
- \$500 million+ in equity growth for our clients
- Outperformed the national market by over 49%
- 1,000+ clients helped.

Plus, a whole bunch of incredible awards, including:

- Australia's Buyer's Agency of the Year 2023 and 2024, by Real Estate Business (we are the first company to achieve this)
- Real Estate Business 2020 Rising Star
- Finalist Young Entrepreneur of the Year for Sydney 2021, 2022 and 2023, by Business News Australia
- one of the Top 10 places to work by *The Australian* 2024 for teams with less than 50 employees
- Top 50 Small Business Leader by Inside Small Business 2022
- Top 100 Young Small Business Entrepreneur by Business News Australia (ranked 71st)
- Australia's 18th fastest growing SME 2024 by Smart Company.

WHO THIS BOOK IS FOR AND HOW TO READ IT

I've always wanted to write a book, and when I was told that my life might be over in a few short years, it gave me a reinvigorated energy to get it done sooner than later.

Following a successful operation and my ventricular size decreasing, I'm not out of the woods, but I look at life through a fresh – healthier – lens, and that's a wonderful way to be. I've changed physically and emotionally, but my passion for helping people build their legacy for their families by blocking out all the noise to make data-driven decisions has never erred.

We all bring biases, family 'advice' and fear-mongering from the media to the property table. But you can't argue with evidence or numbers, which makes what we do so different and compelling. We don't believe in luck – we believe in research, diligence and clarity. It's irrefutable.

And of course, we believe in curiosity.

So, if you're a busy professional or successful business owner who wants to scale your portfolio – *this book is for you.*

If you're in the middle of the corporate ladder and killing it in your career – *this book is for you.*

If you value professional guidance, building a team and are time-poor – *this book is for you.*

If you want to grow an impressive seven- or eight-figure property portfolio backed by data – *this book is for you.*

Most of all, if you strive to create a legacy for your children, providing them with a financial stepping stone for their future – *this book is especially for you.*

Let's go!

PART I

MYTH BUSTING

Now that you know my story, it's time to tune into yours. Because everybody has a story about property.

Property serves as an incredible vehicle for many purposes – from fulfilling the basic human right to shelter to realising dreams as a multi-property investor. Hopefully, this is why you're reading this book.

While we all have stories about property, most of these are founded on and fuelled by mistruths, myths and so-called 'facts' from media with an agenda or publications to sell, or friends and family who place thoughts in your head rent-free that become solid beliefs.

The truth is that only 10% of Australian individual investors own three or more investment properties. That means there are 90% who don't, and who haven't gone through the process of building a portfolio and therefore possibly don't understand what's really going on in the property market.

That 90% believe in things like buying blue-chip properties, buying only in capital cities, buying near the best schools or cities or beach, and using your maximum budget.

But they're wrong. I'm going to show you why. This section is all about how this approach won't take you to where you want to be. I will take you through the most common myths so you can unlearn them, and then we will go back to property basics and fundamentals later in the book.

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TO LEARN WE MUST UNLEARN

The whole concept of myths came up for me when I realised how popular the most commonly held property ‘beliefs’ are in Australia. Think about it: we often inherit the way we think about homes, investing and the property market from our parents or those closest to us.

My approach is data-driven. I’ve spent the last 10-plus years studying the numbers and building my portfolio based on data, not opinion. After all, how many times have you picked up a property book and read about a new investing tactic with little to back it up other than what’s written on the page, but asking you to part with your money to have the privilege of learning it?

I’m going to prove to you that almost everything you think you know about property is based on an assumption, and that it doesn’t stack up against hard data. It might be hard, uncomfortable and challenging to ‘unlearn’ some of these assumptions you thought were true, but I want you to start by pressing pause. Knowledge is power, and it all starts with unlearning.

Prepare to be challenged on what you think you know!

THE DIFFERENT INVESTMENT JOURNEYS

Before we go into unlearning the myths, let's start by looking at the three ways most people come into property investing:

1. the accidental investor
2. the common beliefs investor
3. the family investor.

All three pathways may have led to a property investment purchase, but they're often based on ingredients that feel comfortable and places that may look nice and feel nice or that have been recommended by well-meaning but uninformed family members. When you realise how investors in these three types 'fall' into investment, it's not hard to see why their investments don't do as well as they *think* they will or have been *sold* that they will.

The accidental investor

I've included this first because it's essentially how most people become investors: *accidentally*. It works like this: you buy a home to live in, which solves the necessity of housing and shelter. Then, if you decide you want to upsize your home or change location, you turn that first property into an investment property when you acquire your second. By holding on rather than selling, you've inadvertently become an investor. This wasn't your intention when making the purchase, but then changes in income, your family or work situation, or other circumstances arise.

Chances are this property wasn't purchased with the metrics or the data of an investment property. And it was purchased in your backyard. Now you have two properties in the same city: you're a property investor! But will you be a *profitable* property investor?

I'm all for property investment in any form, and if that's how you get onto the ladder, that's fine. But I want to shift the

conversation from *accidental* investing to *intentional* investing, because you may not have made a sound, informed investment. And after you've bought, it's too late.

The approach I prefer is to look at the bigger picture. Rather than buying in your backyard, consider the whole of Australia, and use data to make a more intentional decision.

The common beliefs investor

This investor is defined as representing the most common ways people jump into beliefs about property investing. It's the chat at the friend's barbecue about how so-and-so has bought a few places in area X and reckons it's a hotspot. It's reading the weekend paper and identifying a niche stat anchoring an entire article about an area and believing it's an emerging hotspot. It's continually hearing popular beliefs about property and assuming they're fact. One of the biggest is 'location, location, location' – but it's simply not applicable once you apply a rigorous set of metrics.

The family investor

This is a tricky investing type to break. For those lucky enough to have a family to turn to, they can offer us fantastic advice on navigating life and big issues. But family members and relatives are also obliging with well-meaning advice and guidance about where and what to invest your money into, and these are usually investments that feel comfortable, are close to them, and which they presume would make a sound investment.

But our families aren't property investors (well, most of them!). With next to no data as evidence, their 'insight' is probably ill-founded and likely to create a poor-performing investment.

* * *

Whether you recognise yourself in one of these groups or have yet to jump on the property ladder, at some stage you do have to back yourself and stop listening to the noise.

That means putting down the motivational books, stopping the property podcasts (except InvestorKit's podcast, of course!), stopping the 'wealth manifesting', and admitting that maybe you don't know this stuff as well as you should. Especially if you're investing large amounts of money, and what that represents for you.

Instead, get smart and informed so that you can make the best decisions right from the start.

ARJUN'S INSIGHT

You need to learn the craft and not wish the result. Yes, it's okay to have self-belief and a good money mindset, but you still need to have a conversation with yourself to realise that a more informed, intelligent, research-based approach is the right way to invest. I know this can be hard, because you have to put aside the influencing factors in your life and back yourself. *The data won't let you down!*

A great place to start unlearning what you think you know about property is to see how most of the property 'education' you currently believe is not actually true. By busting the most popular myths in the industry, I'll show you why the myths are exactly that, and how you can see past them.

While I love proving these wrong, I also want to present you with the data behind the truth. You can't hide from the black-and-white figures, no matter how much they challenge your thinking.

I've grouped the myths into five categories and chapters:

- *Myths about strategy*
- *Myths about location and trends*
- *Myths about the property*
- *Myths about tools and indicators*
- *Myths about opportunities.*

Let's unlearn!

We hope you enjoyed this excerpt
from ***Driving the Data***

If you would like to purchase the full
copy of this book please go to
[**investorkit.com.au**](http://investorkit.com.au)