

Starting from scratch

This young Kiwi couple have juggled family, business and real estate to grow their portfolio by three properties and more than \$1 million in seven years. VANESSA DE GROOT

Life hasn't always gone according to plan for Yvette Adams and her partner Steven, but that doesn't mean it hasn't worked out for the best.

In fact, things have turned out pretty well for the young couple so far, in terms of life, love, family business and of course, property.

Originally from New Zealand, Yvette and Steven headed over to the United Kingdom when they were in their 20s, where they had the time of their lives working in great jobs in London and using the city as a base for their travels. During their seven years there they took three trips around the world, one of which was fully funded because Yvette was a travel writer at the time. But then something unexpected happened.

"I fell pregnant on the pill at the age of 26, which was a shock to say the least," Yvette recalls. "I had recently become the managing editor of a newspaper and we were living in a great house in a great location and a baby just wasn't part of the plan, but we went ahead with it and were delighted when a baby boy entered our lives in November 2003."

Suddenly thrust in parenthood and with no family support in London, Yvette and Steven found it difficult to juggle childcare with working and paying the bills, so yet another decision had to be made.

"When our son was 10 months old we decided to throw in the towel and head back to the southern hemisphere," Yvette says.

"Being travellers we ensured our trip back this way stopped off at Dubai, Sri Lanka, Melbourne, Brisbane, Auckland and Wellington and our plan was literally to settle in one of the last four!"

But as fate would have it they didn't stay in any of these locations. The young family actually ended up settling on Queensland's Sunshine Coast.

With Yvette's parents splitting their time between their home city of Wellington and Mooloolaba, where they owned a one-bedroom unit on the esplanade, Yvette and Steven headed up to the Sunshine Coast from Brisbane for some family time and ended up liking its laid-back lifestyle.

"We initially stayed with my parents in their one-bedroom apartment – we lived in the lounge on a fold-out bed. You could say it was a little cramped!" Yvette recalls.

Fortunately the pair didn't have a lot of possessions at the time.

"We arrived in Australia with two backpacks, a guitar, a baby and a cot – we didn't have anything."

The couple found work pretty quickly, then focused on adding to an existing deposit they had from savings in the UK and New Zealand so they could buy their first home.

When Yvette's parents went back to NZ, Yvette and Steven were able to continue living in their Mooloolaba apartment for a few months rent-free, which meant they were able to save more and get a 20 per cent deposit together.

"We also borrowed a small amount from Steve's dad which



we paid back over the next 18 months," Yvette says.

Yvette and Steven started "shopping around" for their first property only two months after arriving on the Sunshine Coast in 2004 and they eventually picked up a three-bedroom house in Maroochydore at the end of that year for \$318,000, but they couldn't move in until the middle of July 2005, when the current tenant's lease ended. With Yvette's parents having returned to Australia by that time, the family had to find somewhere to rent for three months in the interim, which wasn't easy.

Yvette points out that they purchased their first property after the "big boom" in the market so they missed out on capitalising on that growth, but optimistically notes they still bought well and made money on it because they did a big renovation that added value.

"Every needed doing – it was a mess inside and out," she shares, but adds that it was a

SALARY RANGE

\$66K-\$80K

\$81-\$100K

\$101K-\$120K

THE NUMBERS | YVETTE AND STEVEN

LOCATION	DESCRIPTION	PURCHASE DATE	PURCHASE PRICE	RENOVATION COSTS	CURRENT VALUE	LOAN TO VALUE RATIO	RENT PER WEEK
Maroochydore, QLD	3-bed, 1-bath	Dec-2004	\$318,500	\$20,000	\$420,000	63%	\$370
Kuluin, QLD	4-bed, 2-bath + 1-bed, 1-bath fully self contained granny flat	Jan-2008	\$455,000	\$0	\$495,000	78%	PPOR*
Maroochydore, Qld	2-storey commercial warehouse	Apr-2011	\$265,000	\$5000	\$310,000	85%	\$475
TOTAL			\$1,038,500	\$25,000	\$1,225,000		\$845

* PPOR – principal place of residence

ALICIA ABERLEY PHOTOGRAPHY



great canvas. “It had good bones – it had a cathedral ceiling and large living spaces and we both had a clear vision of what we could do with it the moment we walked in.”

“We worked on all the large surfaces as a matter of priority, spraying the ceilings white to lighten and brighten it up, plasterboarding and painting all the dark brick walls, laying timber flooring and new carpet throughout as well as installing a brand new kitchen. It came up beautifully.”

Steven, who is now a builder, was able to do most of the work himself and along with Yvette’s passion for colour and design, the couple made a good team, creating a great finished product. The property is now worth around \$420,000.

Yvette points out that Steven did “all the hard slog” on the renovation of that house. While she worked full-time, he did the renovation at home, all the while taking care of their one-and-a-half to two-year-old son, who was prone to investigating paint buckets and screws, which proved to be tough!

Yvette started her own business seven weeks after her second child was born in 2007, operating it from that house, but eventually the home grew too small so the couple decided they needed to buy something bigger.

“We loved that house though and we didn’t want to let it go, so we rented it out and moved 800 metres away to a two-storey much larger house, which has five bedrooms and three bathrooms,” she says.

The couple paid \$455,000 for the property and it was the perfect place for Yvette to operate her business from, because it had a granny flat downstairs from the main house.

“I was able to be a mum and do things like the washing and housework around running my business from home,” she says.

But this space also eventually proved too small for Yvette’s growing business and in April this year the couple bought a commercial property in the heart of Maroochydore, just five minutes from their home, to house the business.

With the commercial property market looking to have bottomed out, Yvette saw it as the prime time to buy and the couple paid \$265,000 for the 115-square-metre two-storey warehouse.

While the commercial property was purchased to suit Yvette’s business, she points out that she also put her investor cap on and bought carefully, considering factors like saleability and the potential for growth in the area, which she believes is there, with several projects under way.

To help with growing their property portfolio, Yvette and Steven regularly open up their home to international exchange students.

While Yvette notes that being a host family isn’t for everybody, she says it suits them because they like having a busy household and they want their children, now aged four and seven, to experience

other languages and cultures. It also gives them a boost financially, with their current student paying \$240 a week in board.

With property prices on the Sunshine Coast having dropped a little of late, Yvette and Steven’s home is now worth just under \$500,000, but with a buy and hold strategy they’re sure to capitalise on the growth to come.

Yvette notes property investing runs in her family – her grandfather was a property investor all his life and post-retirement her father has also become an active investor.

Right now Yvette, 34, and Steven, 40, are in consolidation mode when it comes to their property portfolio, but Yvette admits she’s always got her eyes peeled for opportunities.

“We don’t have any immediate plans, but provided we get more equity we’ll buy again – maybe a good rentable unit near the coast, or a positive cash flow property, maybe in a mining community,” she says.

“We’ve done a lot really; being on humble incomes with two kids, we’ve done well to acquire what we have in that time frame and we’re happy with that for now.

“I hope to inspire other parents who think they can’t invest in property, start a business from home and have young kids.

It doesn’t matter if you start with nothing, with the right education on board, investing and growing your portfolio is totally possible. We’ve done it!” **api**