

Members of The Month

Andrew & Sandy



We were both homeowners in our 20s before we'd even met each other. Real estate in Toronto was hot in the early 2010s and our parents thought it'd be a good head start for us to own our own places. We were both very fortunate to have support from them to buy condos in the downtown core at that time.

We started renting out pretty early on after becoming homeowners. I (Andrew) was moving in with Sandy, which left us with an empty condo. I was very risk averse and renting my condo and being a landlord was very uncomfortable. However, I'd purchased that condo not long before and didn't want to sell knowing the value hadn't gone up a lot. So, I ultimately decided to rent it out, but it never occurred to me that I was a "landlord" because I didn't have to do anything but deposit cheques.

It wasn't until I sold that unit, and received a very large cheque – a larger one than I'd ever seen before – that there is real money to be made in real estate. That cheque propelled us forward and led us to buy our next home. Then, when Sandy sold her condo, we received an even bigger cheque which allowed us to buy our next house, this time in Leslieville.

Our house in Leslieville is a duplex. It was Sandy's idea to "house hack". We lived in one unit and Airbnb-ed the upstairs unit. We lived in that house for free for several years, with the income from renting the upstairs unit covering our expenses.

Again, I was very opposed to it at the start but Sandy saw the potential.

It was weird to me to have random strangers live in half of our house, but Sandy took care of most of it and when I saw how financially beneficial it was, I quickly saw the benefit.

Homeownership felt normal at that point even though most people around us rented. We're early homeowners in our social circles, so we could see how well it was doing for our net worth compared to our peers. Real estate has given us a really big boost.

It started as "hey, I need a place to live" and then "I need a bigger place to live", the way a lot of people start out. It wasn't till the pandemic that we started considering buying more and more properties solely for investment purposes.

Our first purpose-bought investment property

was purchased in Hamilton, before finding Rock Star. We'd learned about the BRRRR method and were set to find a property to try and do a "perfect BRRRR".

On our first outing, we saw some scary properties, and we looked all over the Golden Horseshoe for a couple of months. Then, we stumbled on a single-family home on the Hamilton Mountain on a fairly large lot which seemed like a perfect setup. We took the plunge and bought and renovated it into a legal duplex; 3 bedrooms up and 3 bedrooms down. It now cash flows north of \$1,000/month for us.

We were then able to roll the refinancing funds into the next property.

I attended a Rock Star Intro Class while we were deep into that first BRRRR property and was immediately convinced to join Rock Star. When I told Sandy that Rock Star was a network of people sharing resources, she was on board too.

With our first BRRRR, Sandy had basically managed the whole thing on her own. The realtor we'd used gave minimal tips, so it was a lot of Sandy asking around and figuring things out by herself. There were a lot of nights spent trying to solve one problem or another.

Yes, we'd learned things from the first BRRRR, but planning to do a second one, and the idea of having the same amount of challenges we'd have to deal with alone was quite daunting. So, we were completely on board with Rock Star, and Charles has been so helpful. We would have loved to have him for that first property, but better late than never!

Early on, Sandy had the idea of Financial Independence Retire Early (FIRE). At that time, we had 2 or 3 doors and set the goal to have 10 doors by the time we hit 40. We wanted to grow aggressively after seeing the financial benefits.

I'm a physician but I've only been in practice for about 2 years now. However, our net worth has grown so quickly in those 2 years, almost entirely from real estate. I'd have to work so many years trading my time for money to grow our net worth in the same way. Why would I do that when the real estate path has been proven to be so effective for so many people? We're already reaping the benefits from it. We're at 8 doors, so we're very close to our goal, and only in our mid-30s.

Moving forward, we plan to

continue to take things one step at a time, continuing to use the BRRRR method to grow our portfolio. Our primary goal is about FIRE-ing, whether that means we actually retire or not. Having the financial freedom to be able to say, "I'm not worried about what happens at my job or the economy, we'll be okay". It's a huge weight off our shoulders.

A big challenge for both of us is that we come from very traditional backgrounds where you go to school, you get a good job, you work your job till you retire and that's life. So, for us to get into the mindset of becoming a landlord in our 20s, doing Airbnb, and taking on a lot of debt to buy more properties was very unnatural for us. So, if there's one thing we want to get across, it's for people to go outside of their comfort zone. We were lucky that we stumbled upon investing in real estate and realize this pays off, but it really was pure luck.

Since joining Rock Star in the summer of 2022, we've purchased two more properties - one is a single family home in Brantford that we plan to convert into a duplex and the other is a duplex in Kitchener. Now we're at 8 doors, well on our way to our target of 10 and our goal is to add 1-2 properties to our portfolio every year.



HAMILTON



BRANTFORD



KITCHENER



TORONTO CONDO



TORONTO SEMI

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PROPERTIES

WORDS OF WISDOM

TAKE IT ONE STEP AT A TIME. Focus on one project, see how it goes and from there you'll figure out your next step.

REAL ESTATE INVESTING IS SOLD AS PASSIVE INCOME, but it's really quite active. There are problems you have to deal with, but everything is solvable.

IF YOU'RE GOOD TO PEOPLE, people are good back to you.



Members of the Month

Maricar & Frank

We immigrated to Canada from the Philippines in the early 1990s, during the peak of recession. We were newlyweds in a new country. The job market was highly competitive and interest rates were in double digits. We had temp positions earning minimum wage.

There were times we wondered if it was worth leaving our "stable" jobs to work at entry-level positions and living in a small basement room. But when we learned that we could purchase our first home in Canada with 5% down, it was enough to get us excited. Such a contrast to the 30% minimum down required by the banks back home. So in 1997, we bought our first home in Mississauga, a back split house with 5% down at a 10% interest rate. That same year, we started a new job, had our first child, our parents came over and life got busy.

We knew real estate was one way to build wealth and we also thought that it was not possible without running into deep serious debt.

In 2007, one Wednesday afternoon, we saw a line-up of people trying to buy a house in the west end of Mississauga. The townhouses were already built, 3-bed, 4-bath with finished basements. Demand was high and people were camping overnight waiting for the first day of the sale which was on Saturday. We just came back from vacation that week and still had a few days off left. Out of curiosity, we lined up and camped too! The kids thought it was fun to camp in our minivan in the middle of the city.

Frank and I thought it was crazy to line up for a brand-new townhouse that was \$300K!

Saturday came and we were one of those who got a unit. We were pleasantly surprised to get approved for another mortgage but were also uncertain about what to do next! At that time, we felt we were in a difficult predicament. We could not afford 2 mortgages and didn't know how to find someone to help us pay for it.

Fortunately, a family member needed a bigger space for his growing family. They offered to rent our old

home while we moved to the new townhouse. They moved out a few years later. A friend and his family took over the home. You could say that we became "accidental landlords" who knew nothing about the rental market. We were just glad we had someone help pay the mortgage even if we covered the rest. It was a negative cash flow home.

With kids growing and family needs changing, the negative cash flow took a strain on our finances. When our tenant friend left, we converted the basement rec room to a 1-bedroom apartment and added a small kitchen. We hired a real estate agent to find us tenants for both units to no success.

We tried advertising on our own and crossed our fingers. Thankfully, we found good tenants. However, we were not maximizing the earning potential of our property. We didn't raise our below-market rents every year and shouldered some of the utilities.

Connecting with Rock Star was also a bit of an accident. One late night in 2013, I (Maricar) was browsing the internet and saw a FREE real estate class in Oakville. We decided to attend and we signed up immediately. The monthly membership was reasonable, with no commitment and I could opt-out anytime.

That was 10 years ago.

It was from those early classes we learned how to advertise and fill homes - something we didn't know before. We also met our coach Andrew Palhetas who helped us purchase a house in Waterloo in early 2014. Andrew guided us on all the steps of the rent-to-own process. Since the family did not end up buying the home when the contract expired, we decided to convert it to straight rental and had been steadily renting it through these years.

It was also in 2014 when we received the devastating news. Frank was diagnosed with Parkinson's Disease. A progressive neurological disease.

Symptoms manifest and progress differently for each patient. After years of misdiagnosis, seeing different specialists, and being prescribed different drugs, we finally had a

clear and definite answer. Suddenly, the "what ifs" which held us back (like late rent, vacancy, maintenance, cash flow...) changed to "what if" we had better control of our time and did not rely on a pay cheque to survive?

How do we prepare ourselves should Frank's symptoms get worse?

In our situation, we thought the best way to build our equity fast was through owning real estate. Dave Butler helped us with our 2014 purchase so when Dave gave us the "go ahead" we quickly went into search mode.

In 2015, we closed on another home in Waterloo and a townhouse in Oakville.

In 2017, when the market was crazy with multiple offers, we were able to add 2 Toronto downtown condos closing 2 weeks apart (where one was bought sight unseen).

In 2018, Frank left his corporate job due to his worsening condition.

In 2020, a few weeks into the pandemic, I quit my job and stayed home too.

Between 2014 – 2017, within 3 years, we managed to add 5 homes, run ads, interview prospects, manage properties etc. Something we could not have done on our own. We still manage all our properties which are all within the 1-hour drive range. Our boys who recently finished university help us from time to time.

Sometimes life doesn't work as planned. A new direction can be scary. It was for our case. Rock Star's invaluable roster of mentors, tools, Rolodex, market updates and regular real estate classes helped us pivot in our journey confidently.

Boy, are we glad we found Rock Star... by accident"!

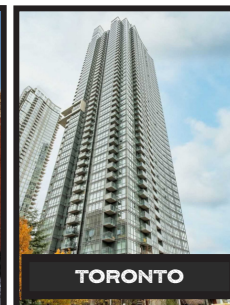
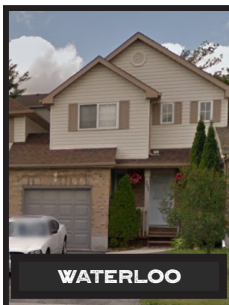
Words of Wisdom

Always be a student. It's never too late to learn something new.

Have a mentor. A good mentor helps give you confidence and direction. Learn to trust.

There is always risk. In any business, risk is always involved. Might as well take one that makes you money.

PROPERTIES



Member of the Month

Deirdre



with me, and she's interested in buying a property with me.

I was recently once again able to refinance that same property in Hamilton and pay off the mortgage on my house. Part of living life on my terms meant not retiring with a mortgage. **I've now had that Hamilton house for over 10 years and that one property financed my kids' education, paid off my mortgage, and helped pay for renovations at my house.**

Real estate has really helped give us some comforts that would have been a lot harder to pay for if we hadn't owned these homes. Real estate is about patience. It's a long game. It's not a get-rich-quick scenario.

I am now ready to buy two more properties, and I'm actively looking. The challenge right now is that properties either have long-term tenants, so the rents are low, or they don't come close to making financial sense.

I started off thinking that I wanted positive cash flow. That's what I was always taught. Buy for positive cash flow and appreciation is the gravy on top. Over time my thinking changed, and I was okay buying a property if it would break even. Now, I'm okay if I'm \$200 in the hole every month. That works for me and my goals, and if it means owning a good property, I'm actually ahead.

My other goal is to maximize the equity I've built up in my personal home and my two rental properties. Do I take out a line of credit and go into private lending? Or do I use it to buy a couple more rental properties?

Real estate has been very good to me. And what I love about Rock Star is the inspiration and motivation from VIP dinners, VIP Classes, Your Life. Your Terms. Events, and being around like-minded people. None of my friends have real estate investments. They all think it's risky, so it's nice to have this community I can tap into. It's motivating!

Getting into real estate investing wasn't a direct path for me. Different pieces kinda fell into place. I started with some self-development work back in 2007, and that led me to a week-long real estate investing seminar in Calgary in 2008. Tom and Nick were two of the panel members at that event, and they were the only people from Ontario, so after that ended, I zoomed over to meet them. I then went to one of their introductory classes, became a Rock Star member, and bought my first three properties in 2009.

These properties were Rent to Owns, which I eventually sold. Rent to Own was one of the main investing strategies Tom and Nick were teaching at the time and a lot of Rock Star Members were using it. It really made sense when I first became a member. I remember being asked, "do you want cash today, cash tomorrow, or cash to play?" Rent to Owns gave you cash today, meaning you got this "sizable" deposit upfront and that worked well for me starting out.

Another thing that attracted me to Rent to Owns was that you had these great tenants who weren't just tenants but tenants/owners who were then able to buy out a home they wouldn't normally be able to purchase.

And so, I had all three of those bought out.

- One was bought out on time
- Another was about a year after the initial buyout deadline
- And the last one closed about 18 months after the original buyout agreement term

So, all three properties closed but I had to work through that negotiation and figure out a timeline that worked for everyone.

In 2011-2012, I bought two more investment properties, one in Hamilton and one in Waterloo, and I own both of these to this day.

It was through Rock Star that I learned that you could rent out a garage separately, and one of these properties had a detached garage, and I've rented it out separately since.

Investing in real estate is never as bad as you think it's going to be. When I talk to people about it, everyone talks about backed-up toilets, bad tenants and how it's going to be a nightmare. In reality, it's never as bad as you think. The number one thing I've had to face is appliances. Appliances break down and need to be replaced, but I've had great long-term tenants with no insurmountable problems.

I'm small potatoes compared to some people in this group, but that's okay with me because my two properties have allowed me to accomplish a lot.

One of the reasons I bought rental properties was that I wanted a way to pay for my two daughters' university education. That was a big goal of mine. If there was some way that they could come out of school without debt, and we didn't have to go into a lot of debt to pay for their education, I'd be well ahead of the crowd. And I did just that. I paid for their university education by refinancing my Hamilton property.

Now, one of my daughters now attends the Your Life. Your Terms. Events

PROPERTIES



WORDS OF Wisdom

1. PERSEVERANCE! look at the long game

2. The problems are never as big or insurmountable as you think they are.

There is ALWAYS a solution, particularly when you have a community to tap into.



MEMBER OF THE MONTH PETER

I first dipped my toe into property investing when I was living in New Zealand in the late 2000s. I read Rich Dad Poor Dad by Robert Kiyosaki, and I told my wife that we needed to try investing in real estate and she said, "sure, let me know how it goes."

That worked well but the New Zealand property market was really flat for a long time. And when we moved to Toronto in 2014, we needed to release some equity so we could buy our property here. And so, we held onto it as long as we could, but we eventually sold it, unfortunately right before the property boom.

We weren't really thinking about property investing when we moved here because we didn't have enough cash to do anything. However, once we were settled here and my business was well established, we were in a much better financial position. That's when I heard about Rock Star on a podcast I was listening to. I thought Tom and Nick sounded interesting, so I started listening to Rock Star's podcast. Then, in October 2020 I paid to attend the large Your Life. Your Terms. Event and joined the membership. Then in January 2021, I decided to join the VIP group. I knew I wanted to do this, so I wanted to surround myself with people who are thinking like I was. You need to be saturated in something if you're going to do it and do it well. So, I jumped in with both feet.

I really liked the idea of student rentals and decided that's what we're going to focus on. Peterborough is a fantastic student town with two good universities there and is more conveniently located to me compared to other university towns.

So, I went out there with Rock Star Coach Andrew Palhetas and bought an older house in February 2021. The property already had some tenants in it, but they were finishing up at the end of the semester. We put an ad out and got new tenants with no trouble. However, those tenants were only going to be there for a year, so in January 2022, I started the process of securing tenants for the new season.

We did an open house, and the number of people waiting outside to see the property, in early February, was queued down the street. And everyone who came in said they wanted it. That's when I thought, "I think there's some demand here."

So, I called my coach and said, "let's find some more properties."

Working with Rock Star Coach, Curtis, we went through property after property, weekend after weekend. We finally found a couple of places that I liked. And in the end, I ended up with two properties in the same week, which, in hindsight, was a mistake. The stress that it caused was immense!

But everything got settled. And what was really great was that after I had an accepted offer on those properties, I went back to the list of candidates I really liked from my first property and said, "are you still looking? I may be able to help." So, I already had tenants lined up for both properties before I even closed. The downside was that I had to do some work on both properties, and one of the houses ended up needing quite a bit of work.

We found out last minute that someone had filed a complaint with the

city that the home had an illegal basement. It's been there for decades but in Peterborough, you can get an exemption if you can provide evidence that the unit was like that prior to 1995. Unfortunately, we couldn't get the necessary evidence to show the work was prior to that date. So, that put me in the position of needing to rectify it, and because a complaint had been made, there was no way around it. I was able to get some money off the asking price, and while I knew work needed to be done to the property, it became more work than I was expecting.

I've decided for now I will do the property management myself because I want to make sure I understand all the ins and the outs of it. What I'm working on now is building up good contacts I can rely on when I need them.

I see real estate firstly as my retirement strategy, building up some properties that have good cash flow coming in to support me. Or I can start selling them off or refinancing them in a way that can help fund my retirement. Secondly, with four kids, I get worried whether they'll ever be able to afford to buy a house. So, a part of the strategy is to ultimately have 4-6 properties, and if one of my children is struggling to be able to buy a property, I will be able to liquidate one of the properties and realize the capital gain to have some cash to help them get their own property. So, it's a backup plan for them as well.

At this point, my focus is to stabilize what I've got. Right now, we want to get that basement suite finished and legal before jumping into another property.

PROPERTIES



WORDS OF WISDOM

UNDERSTAND THE PERMITTING FRAMEWORK IN YOUR AREA

For example, in Peterborough, you need a permit to convert a room to a bedroom. Any time you apply for a permit, you open yourself up to scrutiny. So, when you go to solve one problem, you may open yourself up to having to fix multiple problems.

PICK SOMETHING AND STICK WITH IT!

I've learned a lot about student rentals and the rental environment in Peterborough. If I had different property types in different cities that learning curve would start over each time. Decide what you want to go for and do 2-3 like that so they become easier with each one.

MEMBERS OF THE MONTH

Ghazal & Jonathan



Both working in the building industry, we always wanted to invest in real estate. For years we've witnessed how stable real estate is in Southern Ontario over the long term, and we knew we wanted to seriously invest in the future.

Our initial long-term goal was to get into building homes but investing in real estate in one form or another was always part of our plans.

I (Ghazal) found Rock Star online and told Jonathan we needed to go to one of Rock Star's introductory classes. After regularly talking about "wanting" to attend a class, in 2018 we finally agreed, "we have to do this" and we made the drive down from Bradford to the old Rock Star office in Oakville. After attending that initial introductory class, we joined Rock Star right away.

We wanted to get started right away and one of Jonathan's coworkers (Rock Star Member John MacPherson) referred us to our Rock Star Coach, Nadeem Ahmed. Knowing someone who was already working with Rock Star and had a good relationship with his coach definitely gave us confidence to join Rock Star and take action right away.

The very first time Nadeem took us out to look at properties, we found a home in Welland that we both really liked and that was in our budget. We put an offer in right away.

But it didn't end there. With our financing all lined up, we ended up buying two more properties in the coming weeks, both in St. Catharines.

So, within a matter of months, we closed on three properties!

Then in 2021 we were ready to get back on the road and see what else we could find. First, we bought a great home in Thorold and then a few months later we closed on another single-family home in St. Catharines.

We bought our sixth property in the spring of this year and are currently about to close on our seventh!

In addition to our six properties, we have a vacant lot which we'd like to build on in the future.

We've kept our search to the Niagara region over the years, despite living 2 hours away ourselves. We saw the growth that was happening there, especially with the expansion of the GO Train. As a young couple, we thought, "where would we move if we wanted to be close to Toronto, but we couldn't afford to actually live in Toronto?". With the growing accessibility into Toronto thanks to the GO, as well as being close to the border, we believed there'd be a lot of continued demand for good homes in the region. Niagara really has a lot of benefits and we've been very happy building our portfolio there.

We've learned a ton in the four years since starting out, including:

- How to deal with student rentals, including what to do when our international students left at the start of Covid.
- How to better pick properties (we have an older property that needs more maintenance, which ultimately costs more).
- How to deal with neighbour complaints and difficulties with tenants.
- How to handle sewage backup (which happened in the middle of the night on Jonathan's birthday).

You learn a lot quickly and you take what you learn, and you move forward.

Having the right mentor and the right team around you is so important. Real estate isn't just about finding a property. It's a long-term plan, so you have to have the right people in place, mortgage brokers, lawyers, accountants, contractors, etc. It's a whole team process.

Our coach, Nadeem, could tell you the number of times we reach out for his opinion! His guidance has been invaluable. We trust him so much that we bought two of our properties without even seeing them first!

The ultimate goal is to have ten properties by next year. Then for me (Ghazal) to be able to be to stay at home with our daughter just like how both me and Jonathan were raised. And ultimately to have Jonathan to retire early as well so that we can live life on OUR terms!

Another large goal for us it to have something to leave for our daughter. We always thought how nice it would be if we could help our kids with the purchase of their first home. But now we're in a position to actually gift them a whole house to do what they chose when they turn 18.

Our daughter can either manage it herself, sell it and use the money, or she can move into it.

Learning about money and finances is so taboo in too many families. Parents don't talk about how much money they make, how to manage money, how to save, etc. So, we thought how nice it'd be to be able to teach our daughter everything we've learned over the years and for her to be able to do well with money.

Properties



STUDENT RENTAL - ST. CATHARINES



STUDENT RENTAL - ST. CATHARINES



SINGLE FAMILY - PORT COLBORNE



SINGLE FAMILY - PORT COLBORNE



SINGLE FAMILY - WELLAND



SINGLE FAMILY - ST. CATHARINES



TRIPLEX - THOROLD

WORDS OF WISDOM

Get out of your comfort zone

The bigger the risk the bigger the reward. Don't just think about all the things that could go wrong. Things will always go wrong whether you take that risk or not. But imagine all the things that could go RIGHT! That's where you create your future.