



BRW Rich-Lister Shares Secret To Property Success

Allister Lewison, national property developer at OpenCorp, has appeared on the BRW Young Rich List for three years, jumping from a ranking of 64 to 33 in 2017. In the last financial year Lewison almost doubled his fortune, with a total of \$74 million in assets, up from \$42 million the year before.

The entrepreneur's impressive rise mirrors that of OpenCorp itself, which has evolved since its inception to not only offer investment advice, but also a funds management and property development division with \$500m of national projects in the pipeline.

With this evolution, the group has taken the step to rebrand its residential property development branch to Equire, and Lewison has taken charge of this new brand as director.

"Given the continued growth of the development division of the OpenCorp group of companies, it was a natural progression to create the new brand Equire to allow the business to build on the 11 years of success it has already achieved," Lewison said. Here, he shares the top three strategies that have driven his property and wealth creation success:

1. Don't be afraid to diversify

Look outside of your own city for strategic opportunities in growth areas. "Property is cyclical and each market follows its own pattern. While Melbourne continues to shine as one of the strongest residential markets in the country, we have also been actively working on opportunities in both South East Queensland and parts of Perth," Lewison said. "We are constantly evaluating numerous opportunities in line with our national acquisition strategy, and we are keen to focus more heavily on land in Brisbane and Perth, townhouses in Brisbane and Melbourne, and boutique apartments in Melbourne."

2. Do extensive research

Research has been crucial to finding various opportunities created by different growth drivers across states, Lewison shared. "Understanding and being across the drivers and property cycles for the various markets is important," Lewison states. "You need to be forward thinking – it's not enough to understand today's market demands, which is why we are always looking at long-term trends. This way we can be confident that our projects will remain successful, even as the property landscape continues to change."

3. Tailor your investment to the market

It doesn't matter what type of property you are personally drawn to: as a successful investor, you need to strip all emotion from the equation and focus on what the market wants. "We are always well researched and focus in depth on the areas we are looking at for new acquisitions," he said. "This way, we ensure that we're developing the most suitable product for that market, whether it is high-end downsizer apartments in Perth or a first-home-buyer land subdivision in Brisbane. It comes down to understanding the purchaser and ensuring the product we are delivering meets their needs."





Businesses expect a bumper year as economic forecasts paint a rosy picture for 2018

AUSTRALIAN business chiefs expect a bumper 2018 with the rosiest economic forecasts in five years.

Prospects for boosted investment and employment are the strongest since 2012 while sales are expected to increase for 67.3 per cent of businesses, according to an Australian Industry Group survey released today.

Of the 269 chief executives surveyed, just 19.7 per cent forecasted no change from 2017 and 13 per cent were resigned to a sales decline.

But the chances of workers enjoying heftier pay packets are limited — perhaps one reason for the CEOs' optimism — as it is believed wage growth will remain stunted this year.

Ai Group Chief Executive Innes Willox said “renewed optimism from CEOs” indicated they expected “general business conditions, turnover, employment growth and gross margins to be all higher than at any time in the past five years”.

“If these positive expectations can be turned into reality we would see strong business investment and spending on training, R&D and technologies reaching post-GFC highs,” Mr Willox said.

“And most importantly, we would see a year in which employment growth equalled or even exceeded the record jobs growth experienced in 2017.”





Labor said the response showed there was no need for the \$65 billion in corporate tax cuts, which Prime Minister Malcolm Turnbull and Treasurer Scott Morrison say are needed to boost investment and boost job creation.

“Turnbull and Morrison’s claims that tax cuts for large multinationals will boost wages has been dealt a blow by the Ai Group who have called for a continuation of Australia’s stagnant wages,” Opposition employment spokesman Brendan O’Connor said.

“Business has said they will invest profits in everything except for wages. The Government’s tax giveaway for big business will not be passed on to low and middle income Australians.”

The Ai Group survey found 42.3 per cent of CEOs surveyed last October and November anticipated improved business and 42 per cent expected conditions to remain the same this year.

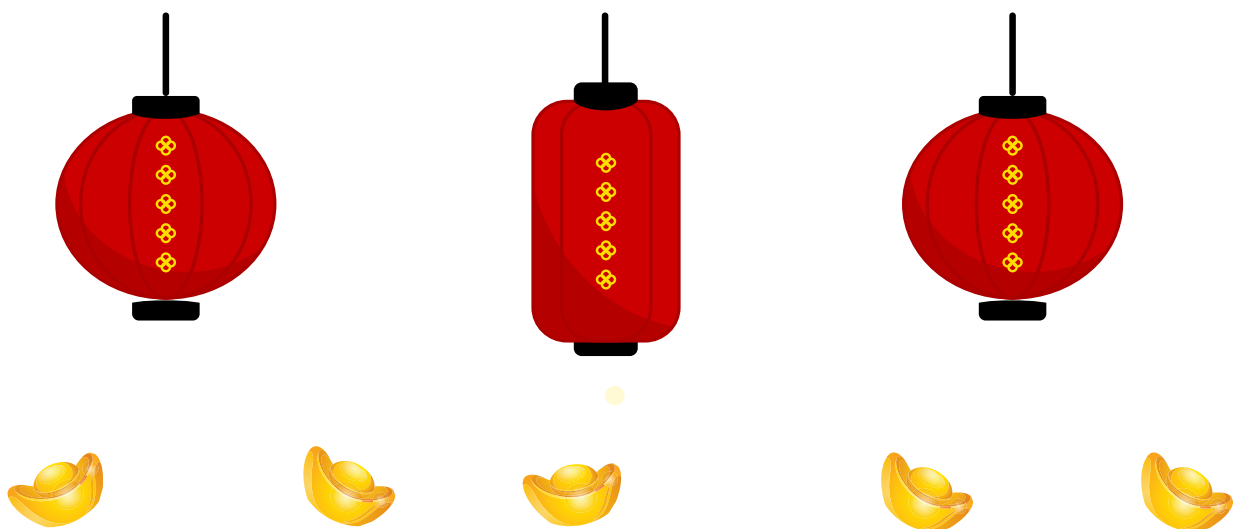
A clear majority of top executives — representing 57.6 per cent of companies — expected to put on more workers this year, the first majority on this issue in five years.

But there was no strong prospect of stagnant wages moving up significantly.

“This expectation of strong employment growth appears to be closely associated with an expectation of a continuation of the moderate wage rises experienced over the past couple of years,” said Ai Group.

“Wages pressure is identified by only 4.6 per cent of respondents as their leading concern heading into 2018. This is sharply lower than in 2017 and below the levels reported in the previous four surveys.

“Although the majority — 67.3 per cent — of CEOs expect their total turnover to grow in 2018, gross profit margins are expected to grow in only 41 per cent of businesses in 2018. “And 13 per cent of CEOs are expecting deteriorating margins and 46.1 per cent expect no change.”



Innes Willox, CEO, Australian Industry Group, said there was “renewed optimism” from businesses for 2018. Source: Supplied