

**THE**  
**MANAGEMENT**  
**RIGHTS**  
**- F O R M U L A -**



**Work Smarter, Create Wealth**  
*and*  
**Live the Lifestyle You Deserve**

**JESSICA DONG**



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- FORMULA -**

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#### Disclaimer

All the information, techniques, skills and concepts contained within this publication are of the nature of general comment only and are not in any way recommended as individual advice. The intent is to offer a variety of information to provide a wider range of choices now and in the future, recognising that we all have widely diverse circumstances and viewpoints. Should any reader choose to make use of the information contained herein, this is their decision, and the contributors (and their companies), authors and publishers do not assume any responsibilities whatsoever under any condition or circumstances. It is recommended that the reader obtain their own independent advice.

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“ Try not to become a man of success. But rather try to become a man of value.”

**~Albert Einstein**



# TESTIMONIALS

Jessica is an expert in management rights. She took the time and had the patience to help me pick out the perfect business for me. SIRE's service and products are top notch. I came away completely happy and satisfied.

— **Jimmy Yan**, Founder of VITO 888 Pty Ltd

It was a great pleasure getting to know Jessica and the SIRE Team. I'm relatively new to this industry, and Jessica was helpful and enthusiastic, providing tips and answering all my questions. And after I signed the contract, she helped make the transition to the final settlement a smooth one. I would highly recommend SIRE Management Rights to anyone who is interested in having a future career in the industry.

— **Charles Chiu**, Founder of Neon Life Pty Ltd

I met Jess and Richard few years ago when I bought my first management rights business. They are trustworthy and warm-hearted and not like other agents who try and push the buyer. They make sure to help every customer on the basis of fairness and honesty. This is the main reason I chose them to be my second MR business purchasing agent. I would recommend SIRE to newbies who don't have much experience and knowledge regarding the MR business. SIRE knows what a buyer needs. Their experienced staff assists buyers from day one, all the way

through to post-settlement. Contact the SIRE Team and experience the SIRE difference.

— **Chris Li**, Founder and Director of CJE Pty Ltd QLD.

After trying many other agents, I went to Jessica who understood my needs. Not only can she help the novice to fully understand the body corporate interview process, but she also helps lay the foundation for the operation after settlement. I'm grateful to Jessica and SIRE Management Rights for their help.

— **Hong Chen**, Founder of RH&L Pty Ltd QLD

SIRE Management Rights has rich industry experience in management rights, and their active and responsible attitude is remarkable. SIRE Management Rights provides an efficient communication bridge for buyers and sellers from day one, and the exclusive SIRE Body Corporate Interview Workshop is an extraordinary add-on benefit to buyers and sellers. I would recommend SIRE Management Rights to anyone thinking about selling their business.

— **Sam Huang**, Director JH Pro Management Pty Ltd

Jessica helped me find a buyer for my business within two weeks. The sale of management right it is a complicated process. We really needed someone kind and patient who could walk us through the process. If you want to buy or sell a management rights, you need to contact SIRE Management Rights.

— **Bruce Huang**, Connect Education Network Pty. Ltd.

The SIRE Team was knowledgeable and understanding and had total confidence that they would find the right buyer for my business at an excellent price, Their knowledge and assistance was invaluable to me. I have discovered the benefit of selling a management rights business and

will definitely be using the SIRE Team for all future transactions, as well as referring them to anyone I know who is selling their management rights.

— **Derek Edgar**, K4 Property Management

The selling of management rights is complex and requires diligent work and specialised skills in the management rights field. SIRE Management Rights' system and process gave me peace of mind. The body corporate interview training is dynamic, unique, practical and up-to date. I would highly recommend SIRE Management Rights to anyone who is thinking of selling or buying management rights.

— **Simon Tang**, Founder, Kenon Group Pty Ltd

Jessica is legendary in the management rights business. The SIRE Team understood what had to be done and got on with it. I would recommend SIRE Management Rights to buyers and sellers.

— **Tim Wright**, Director Australian Rental Management Pty Ltd QLD

After going to other brokers with disastrous results, Jessica and The SIRE Team brought us buyers who really wanted our business. Jessica is great at talking with both parties to negotiate and reach a win-win outcome. I recommend the SIRE Team to anyone buying or selling management rights.

— **Jiang Ping**, Director AUCN Pty Ltd QLD

When we came to SIRE, we were concerned we couldn't get the asking price in the short time frame we needed to sell our management rights, due to other business commitments. We chose Jessica, because of her efficiency and unique approach working with prospective buyers. We would recommend Jessica and SIRE Management Rights to anyone who needs to sell or buy a management rights business.

— **Taurus Yang**, Founder of The Yang Circle Pty Ltd QLD

After finding it difficult to run several sites, we decided to sell our Sherwood businesses. SIRE's innovative marketing initiatives led to more viewings by potential buyers. We have no reservation recommending SIRE to anyone who would like to sell their management rights businesses.

— **Leo Ho**, Director of LJ Ho Pty Ltd QLD

When we considered selling our management rights, I called Jessica to help me get my documentation organized and guide us through the sale process. Jessica and the SIRE Team are efficient and always love to help. They provide lots of useful information and advice. They helped us find qualified buyers and submitted several good offers to us within two weeks. The whole process was easy and simple, and more importantly, we got the price we wanted. We really appreciated Jessica and The SIRE Team's excellent work and would highly recommend them to anyone buying or selling a management rights business.

— **Philip Li and Jessica Chen**, Managing Director  
– AFX Management Pty Ltd QLD

# DEDICATION

It's truly a team effort to write and produce this book, and it would not exist without the support of the contributing authors, management rights owners and industry partners.

I'd like to take this opportunity to thank you all. We share the vision to inspire and influence change and have a positive impact on the strata hotels, motels and accommodation industry as a whole.

The secret to any successful venture is seeking out those who've prospered, and learning from them. By sharing your knowledge, you're helping others to follow in your footsteps.



## THE MANAGEMENT RIGHTS FORMULA BONUS GIFTS

Simply by purchasing a copy of *The Management Rights Formula*, you now have access to a range of incredible gifts that will increase your income, so you can build a more valuable management rights business.

By putting together the most inspiring people in the industry who are willing to spill their secrets, we are giving you the tools to go above and beyond what you ever thought possible.

We can't possibly include all of their incredible knowledge in one book, so we've created a special website that has loads of extra goodies just for you that will keep you motivated on your journey to success.

We at *The Management Rights Formula* Headquarters like to keep up-to-date with technology, so you can have quicker and easier access to the information you'll need on your path to success.

These free gifts are located throughout the book at the end of each chapter and can be accessed all in one place on our dedicated website, **[www.mrformula.com.au](http://www.mrformula.com.au)**.



# ACKNOWLEDGEMENTS

*To my children, James and Victor, who are my angels! You're both so caring and fun to be around. You teach me something new every day☺. I write to record the life experiences your father and I have journeyed through before and after you were born, to set a good example for you.*

*To my husband, love and best mate, Richard, who has always supported me since we were rebel teenagers with ambition. Thank you for your support, ideas, execution and big, kind heart filled with unconditional love.*

*To all the contributing authors: This has been incredibly humbling. I'm in awe of your commitment and generosity in sharing your experience, knowledge and insights. You're truly inspirational.*

*To all our vendors who trusted The SIRE Team with their biggest asset, we say, "Thank you". As you ride off into the sunset on a yacht to travel around the world and follow your passions, we feel a great sense of fulfilments and contribution.*

*To our buyers who trusted us with their life savings and invested in the wonderful management rights industry, we feel great joy and inspiration seeing you grow, prosper and become movers and shakers!*



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# INTRODUCTION

by Jessica Dong

In 2015, our company had just settled a portfolio of buildings and complexes, completing a great year.

One beautiful Brisbane morning at 5:30 am, I was getting ready for a quick gym session, when I checked my phone and saw eight missed calls from our manager, Daniel. He'd been in an accident and had spent the night in emergency. Daniel is our general manager. He's the one who knows everything about the buildings in our portfolio. He's efficient, experienced, hard-working and amiable, with a laid-back personality. In other words, he's a star. Let me put it this way: he's so good at what he does, that at the time our business couldn't run without him.

Long story short, we quickly found an experienced manager named Debra. She was stylish, friendly and has a beautiful soul. Everyone loved Deb. Since she had over ten years of experience in management rights and good references from her previous owners and clients, we assumed she understood management rights and would be great at assisting in the handling of our portfolios, but nothing could be further from the truth.

Every building is different, and every team member has their own style. The harsh reality is that managing one building by yourself is quite different from managing a portfolio of buildings and adapting to a team in which everyone uses a different system.

There was a communication breakdown, and we were putting out fires while desperately trying to stay on top of what was going on. As the week progressed, three of us were stressing out and becoming impatient with each other and our contractors. After a week, complaints started coming in.

This was a huge wake-up call to me that being a good manager doesn't mean you can be a good business owner. It also taught me that a business can't rely on one person. At that point, I knew I needed to change my way of doing things before I ended up disappointing our owners and losing my life savings.

I decided we needed to get some help from a successful on-site manager who handled multiple big buildings, whose owners loved him and yet still has time for the finer things in life.

I registered for a business systemising free event. When I told them my situation, they recommended we build a real system that didn't rely on one person who, if he left the company, would cause the whole business to collapse.

I then signed up for a workshop that assisted business owners who were overworked and burnt out. They taught us how to improve efficiency, systemise processes and procedures, create video training and utilise new technologies to do all the heavy lifting in order to get the work done in half the time.

What I discovered was that we weren't lacking information or strategies, we just needed the ability to take action. We had to figure out the best way to do everything, from creating easy-to-follow training videos all the way down to the correct formula for the cleaning fluid used to mop the floors.

Once we learned how to use the tools, which took just ten minutes, we were able to produce how-to videos. Then we made sure that any staff member who had the log-in could search the videos and be trained in exactly the same way to consistently produce high-quality results.

Now it doesn't matter if our best employee can't make it into work. We can quickly train up staff in a week, and the best part of all is that I don't even need to do it myself. This process allows us to take on new buildings and ensure we have adequate human resources to look after the owners and buildings.

I also learned that there's a system and a formula for everything you want to achieve. And it's much better to emulate what works from the people who walked the same road rather than wasting vast amounts of time on trial and error.

The tried and tested system is also useful for single operators in a smaller complex or building. By implementing new technology and strategies, you can get all the work done in half the time, so you're able to work on your business and increase income or do the things you enjoy. By systemising your processes and procedures, you can train a relief manager to deliver the exact same result for your owners without you personally training them or having to be there while you're on holidays.

My promise to you is that by reading this book, even if it's just one page a day, you'll pick up the mindset, ideas, tools and action steps, to buy management rights at a great price, operate efficiently, grow your income and live the lifestyle you desire.

Then, when you're ready to sell, the SIRE Team will be able to get you the highest price for your business.

*“The Management Rights Formula transforms self-employed on-site managers into systemised business owners who take daily meaningful, impactful actions to produce desired results.”*

**~Jessica Dong**

## THE EXPERTS

In the following chapters, experts in the field of management rights share their experiences, stories, tips and tools that will make the process of finding the appropriate management rights opportunity a simple and smooth one. By utilizing these strategies, you'll be able to settle into your business, improve the efficiency of your operations, build a team around you and maximise your income.

You'll build a legacy management rights business that enhances the experiences of your owners, guests and residents. And when it's time to exit, you will have a highly desirable management rights business that commands top offers.

*“By the end of this book, I hope to provide you with some new inspirational ideas and initiatives that will motivate you to take action, so you can move one step closer to your freedom!”*

**~Jessica Dong**

SIRE Management Rights QLD

# CHAPTER ONE

Jessica Dong

Let's Buy Management Rights:  
A Simplified Science



“*Work, love and play are the great  
balance wheels of one's being.*”

~**Orison Swett Marden**

Founder of *Success* magazine

Jessica Dong is a management rights sales specialist and co-founder of SIRE, a company that specialises in management rights and strata hotel/motel sales.

Through her company, Jessica has helped hundreds of people find the best management rights to suit their needs so they can live a life filled with purpose, secure income, and free time to do what they love. The SIRE Team transforms management rights newbies into super on-site managers, who everyone, from residents and guests to the body corporate, absolutely love.

Six years ago, Jessica:

- didn't have enough time to look after her young son and baby
- had to travel overseas once a week to get a pay cheque that hardly covered her increasing expenses
- was rapidly running out of equity due to increased expenses and less time to work
- was overwhelmed and directionless.

But her life changed when she discovered that climbing the corporate ladder didn't give her much time to take care of her family, so she took a vital step and got into the management rights industry. Now she works from home and sets her own hours. Her wonderful clients and mentors inspire her every day to improve her efficiency and implement new strategies to secure a stable cash flow, as well as help other managers and operators optimise their business and maximise income.

Today, Jessica directly impacts the lives of accommodation and management rights owners. A cross between a strategist and sales specialist, Jessica is as comfortable working with mum and dad operators as she is with hotel chains, developers and new entries to the industry. She also loves sharing her knowledge with others and keeps herself busy with public speaking.

By using their systemised and simple process, Jessica and the entire SIRE team, help buyers purchase suitable management rights, operate well and build wealth.

*“The real goal of what we're doing is to have a positive impact on the community in which we live, and that means starting with the buildings we manage and care for.”*

**~Jessica Dong**

SIRE Management Rights

## **What does ‘The Management Rights Formula’ mean?**

During my many years in the industry, I’ve had the privilege of interviewing various management rights owners and their team members, most of whom truly know how to optimise the operation of their business and have their team perform like a well-oiled machine. All of this is underpinned by a clear vision, good planning and systemised processes and procedures, as well as strategic delegation that gives business owners the time to focus on improving the building and getting a good return on their investment.

I call these dedicated people ‘management rights insiders’. Because they’ve generously shared their tips, experiences and strategies with me, I’m able to pass this information on to experienced and new managers. And in turn, they can purchase the best management rights for themselves and make the most of their experience once they settle in.

However, knowledge without action is meaningless, so it’s important to follow a proven formula and take action on it to get the desired result. And you must systemise the process to deliver that result consistently. Whether you’re the one taking on the task or delegating it, there needs to be continuous learning, the willingness to take action and the ability to measure and improve your business operations. Whether it’s in marketing, sales, procurement or service delivery, by following the right formula, you’ll be able to deliver the best outcome in the most efficient way.

Give yourself permission to live the lifestyle you deserve. Buy the right business and build it up, so you can create wealth and change lives in the process.

“*There are essentially two things that will make you wiser: the books you read and the people you meet.*”

~Charles “Tremendous” Jones

### **Why did you choose management rights as a profession?**

Nineteen years ago, I read *Rich Dad, Poor Dad* by Robert T. Kiyosaki while trying to figure out what I should do with my life after university, apart from getting a nine-to-five job and living pay cheque to pay cheque.

While I was focused on my goals and career, I was unable to allocate enough time and money to bond with my family and friends. It soon became clear to me that I should be working toward investing into my own business that would generate money, even if I wasn't physically present.

Ten years ago, I made a decision to do something about it. I used the equity in two of my properties and channelled it into my own management rights business. I read everything on the subject, including information about the body corporate, caretaking, building management, sales, relationship building, communications and systems.

I was also mentored by some of the most successful management rights insiders, and more importantly, applied everything they taught me into building a comfortable income and lifestyle. This experience made me realise management rights was the best business vehicle to provide me with cash flow and flexible time, particularly considering I'm very conservative with my money and don't like taking risks.

**You've been selling management rights for six years now. How do you feel about the industry?**

I love the management rights industry because of all the benefits I've already mentioned. The sky's the limit. I meet wonderful people and learn something new every day. I rarely have the same experience twice. The fuel for the management rights vehicle is efficiency and productivity, which makes it go faster and perform better.

You get rewarded by delivering better value to your owners, while also having more free time and income. Many of my clients have benefited from my personal experience in building management, as well as the practical and valuable education I share from management rights insiders regarding the improvement and efficiency of their operations.

**What is management rights?**

Around fifty years ago, the first management rights (MR) business emerged on the Gold Coast in QLD Australia. Since then, it's become extremely popular, as it offers the owners of strata buildings (properties that are adjoined, such as apartments or townhouses) great benefits and services.

There are three components to management rights: a manager's unit, a caretaking agreement and a letting agreement. The on-site manager is also called the resident letting agent and usually owns and lives in the manager's unit, getting paid a salary to maintain the complex, as well as paid commission to rent out the units. Because they're not only part owners of the building, but also live and work on the property, the manager is motivated to provide top-notch, value-added services to the body corporate (the collective body of owners within the complex, building owners, residents and guests).

From a business point of view, management rights has a built-in niche, because all the services are located in the one building.

*“Unity is strength...when there is teamwork and collaboration, wonderful things can be achieved.”*

**~Matte J.T. Stepanek**

### **How many different types of management rights are there?**

SIRE Management Rights mainly sells six types of management rights, where the duties are specified in the caretaking agreement, and the differences are in the letting part of the business:

- **Permanent management rights**  
Offers a six-month (or longer) lease to the rental market for long-term accommodation.
- **Holiday management rights**  
Offers anything from one night to three-month stays for people on holiday.
- **Mixed management rights**  
Offers permanent and holiday lettings.
- **Student management rights**  
Provides accommodation to students. This is for buildings located next to universities and other educational providers.
- **Corporate management rights**  
Provides accommodation to business travellers when they require less than a three-month accommodation or prefer not to sign a lease

- **Aged care management rights**

Provides four different levels of care and accommodation to over fifty residents.

## 6 Step Comparison Slide for PowerPoint



The best way to understand each style of management rights is to join a SIRE management rights inspection. Please visit [www.mrformula.com.au/buy.html](http://www.mrformula.com.au/buy.html) to register for an on-site inspection where the SIRE Team and manager will go through all the nuts and bolts with you.

### **What are the income streams for management rights owners?**

There are many sources of income for the management right owner, with the two major ones being the body corporate salary and letting commissions/fees.

A body corporate salary applies to all different types of management rights. Within the caretaking agreement, there's a specified annually

increasing amount of remuneration for the duties performed to maintain the common area and facilities.

Management rights owners also offer letting services to investor owners. For this they receive a letting fee, which is a one-off payment made at the start of a new tenancy agreement. It usually comes out of the first rent payment and covers the cost of advertising the property and setting up the tenancy agreement with the new tenant. In addition, they receive a letting commission, which is ongoing.

For different types of management rights, there are many other sources of income, such as providing repair and maintenance services for the owners, cleaning services for the residences and commissions received from touring companies. For strata hotels and motels with restaurants and bars, income can be generated from these sources as well. Over the years, we've compiled a list of over twenty ways management rights insiders can increase their income. You can download this list on our website, at [www.mrformula.com.au/increase-income.html](http://www.mrformula.com.au/increase-income.html).

### **What are some of the reasons people buy management rights?**

Here are some of the responses I've received when I ask people why they buy management rights:

- I'm planning on having baby this year, and I want to work from home and look after my family.
- I was just made redundant and want to be my own boss this time around.
- I want to work my own hours.
- I need a stable income.
- I want a low-risk business.
- I'd like to invest in something that has an established, time-tested business model.

- I'm looking for a business that provides the highest leverage using the bank's money.
- I'm interested in a business that's easy to operate.
- I want a business that has a clear, easy and profitable exit strategy.

What they find is that management rights is the only business that ticks all the boxes for them.

### **What's the most important step in buying a suitable management rights?**

The type of management rights you decide to purchase must be aligned with why you want to own this business. First, you need to be clear with your vision: the clearer the picture, the fewer the choices and the easier the decision.

To clarify your WHY, please go to [www.mrformula.com.au/why](http://www.mrformula.com.au/why).

Once there, use the *clearer vision formula* to help you narrow down what type of management rights aligns with your goals. Figuring out your WHY will get you to where you want to go faster and more efficiently.

“Well done is better than well said.”

~Benjamin Franklin

### **What are the financial considerations regarding purchasing a management rights?**

The best thing about management rights is its lending potential. Banks can lend up to 70 percent of the whole purchase price, which really demonstrates the stability of this type of business.

If you want to find out your price range, please fill out the *Use Other People's Money* questionnaire online at [www.mrformula.com.au/opm.html](http://www.mrformula.com.au/opm.html), and a management rights specialised finance broker will call to assist you with determining your price range.

### **How does someone identify which management rights business they should choose?**

This is a question I get asked all the time. Some buyers tell me they want a management rights that generates big income, has a low multiplier, requires minimal workload, has a long agreement and the manager's unit has a low price tag, but they need it to be spacious and in a great location.

Let me be real: this type of business doesn't exist. It's like when you're buying a house, and you're on a limited budget, but you want it to be a mansion in the richest area.

I've also worked with buyers who ask for every single listing's full details, including an information memorandum, a profit-and-loss statement and agreements, but never attend any inspections. Then they wonder after two years why they haven't found anything. Coming to our inspections is the best way to find a suitable business in the quickest time possible.

Every member of the SIRE Team is an expert in management rights and follows the Management Rights Formula. We've all been through the buying and selling process ourselves, so we can share the mistakes we've made, as well as our experience and knowledge, which will save you time and money.

If you're new to the industry, you'll learn to identify the pros and cons of each business and the right tools to improve it and increase income,

just by talking with the SIRE team during the inspection. For instance, something you might view as a negative on paper, when you bring it up during the inspection, we might be able to shed a different light on it, which in turn can become a great opportunity for you.

If you're interested in some real case studies, you can also attend our monthly FREE information event by registering at [www.siremanagemnetrights.com.au/freeevent.html](http://www.siremanagemnetrights.com.au/freeevent.html).

“Ninety-five percent of success is just showing up.”  
~Woody Allen

### **How can someone ensure they don't miss out on an excellent management rights opportunity?**

Once you're clear on why you're buying a management rights, and what your price range is, you need to attend some SIRE inspections. When you see a management rights that meets your requirements, you'll be able to identify it right away. But you need to be quick, as most good listings receive multiple offers.

Our offer form is designed to ensure your interest is protected. This means you will be subjected to financial verification, legal due diligence and financial approval, so at any stage if something isn't quite right, the SIRE team will assist both parties in reaching an amicable agreement. Rest assured that you're totally protected during this process.

## **Once they've made the decision, how should they calculate what to offer?**

What to offer is always case by case.

The price of a management rights business is usually the value of the manager's unit, plus the cost of the actual business. It's valued and sold using a 'multiplier' of annual net income or profit, which is the year's net return, times what the buyer will pay the seller. It's all about supply and demand.

The size of the multiplier is contingent upon market conditions, which includes the influence of banks and other valuers, and can depend on variables like location, age and size of the property, market demand and occupancy, and interest rates.

With so many variables, it's unlikely any two management rights transactions will ever be the same. What this means is that in management rights, you're really buying the security of a future income stream. The more work or risk involved in the investment, the higher the return you can expect. A low-risk, low-effort investment in a building with a twenty-five-year agreement might command a six or even higher multiplier, whereas a business subject to market fluctuations might have a 3.5 or lower multiplier.

If you're a management rights buyer using cash, and you want a 20 percent return on the business part of the investment, to find out what you'll pay, multiply the net return per annum by one hundred and divide by twenty. So if the business nets \$100,000 per annum, you'll calculate the price like this:

$$\$100,000 \times 100 \text{ divided by } 20 = \$500,000$$

What this translates to is \$100,000, or a 20 percent return, for a \$500,000 business.

The way you get the multiplier is to divide twenty into one hundred, which equals five. So the new calculation is the multiplier times the net return, or:

$$\$100,000 \times 5 = \$500,000$$

This means it's important to work with someone who really understands you, your vision and your business module. For instance, if one buyer owns five buildings in the area, the SIRE team can save them a lot of time and money by showing them another business with a much more efficient system in place that can be implemented across the whole portfolio to improve the overall performance. We share the true value of the management rights, while also letting you know how to overcome any perceived flaws. This kind of valuable information is why buyers continue to utilise SIRE's services year after year.

### **How much should someone offer for the manager's unit?**

One of the reasons people love management rights is because they get to work from home.

The manager's unit is the only place where you can operate the letting business, so therefore there's no comparison with the other units in the building or complex. This means it needs to be compared with the manager's units in nearby complexes. Typically, if the unit is similar to others in a similar complex or building, then the price should be at

least 10 percent more. Most of the manager's units come with an office on title and exclusive use of areas in the complex. All of this should be considered during the bank valuation process.

### **What else needs to be considered before and after signing the contract?**

I've sold lots of great management rights over the years and always get multiple offers. This means many people do miss out, even though they might have been just as qualified as the other buyers.

What I've found is that the reason they were unable to take advantage of a fantastic opportunity is because they were unprepared. To save you time, I'd like to offer suggestions as to the key areas in which you need to get organised.

#### **1. Get financial pre-approval.**

You must use finance brokers who are specialised in management rights to assist you in working out your ideal price range.

#### **2. Set up your purchasing structure.**

Many buyers use a company and family trust to purchase the management rights. Both provide tax benefits and risk protection.

#### **3. Get an RLA license**

You'll need a Resident Letting Agent (RLA) license if you're going to live on-site, or a full license if you're thinking of owning multiple complexes/buildings and intend to have staff live on-site.

#### **4. Get some experience in the industry.**

We're always happy to assist you in getting hands-on experience. Just email me at [sales@siremanagementrights.com.au](mailto:sales@siremanagementrights.com.au) with your CV, and we can get that arranged.

Once you've completed all of these steps and you make an offer, the vendor will definitely take yours more seriously and consider it first. This puts you in an excellent position to go to the top of the list and beat out the competition.

You can find everything you need in the resource session in the back of this book.



**Why should someone work with management rights professionals during the contract process?**

Management rights is a specialised industry, and not many people understand it. Even today, we witness many developers making mistakes in setting up the agreement, so the management rights of a perfect building/complex ends up being unsaleable.

Over the years, I've come across buyers who use a solicitor, accountant, real estate agent or financier to assist with the process, but none of them are specialised in management rights, so they end up wasting lots of money and time. There are quite a few hoops to jump through between the contract signing to settlement, and if you don't have

someone with years of industry experience on your side, you won't know how to deal with the potential problems that could arise during the process.

The industry is also changing all the time, so unless you're living and breathing management rights, you probably won't know how to identify and get around potential issues and solve challenges as they come up. By associating yourself with any of the professionals included in this book, I guarantee you'll come out on top.

One of our proudest achievements at SIRE Management Rights is that we have a 100 percent body corporate approval rating. If you would like to know more about the body corporate interview process, please visit [www.mrformula.com.au/interview.html](http://www.mrformula.com.au/interview.html) and attend our monthly interview information session.



### How does someone prepare for the settlement process?

Once you've received financial approval, there are still many steps you need to go through before the process is complete, such as the body corporate interview preparation, the actual interview, attending training with the out-going manager, setting up the advertising platform and the software handover.

Once the settlement occurs, some new managers overlook the importance of establishing a professional working relationship from day one with the body corporate, committee members, owners and body corporate manager. Since this is the take-off phase of your flight that will help make the rest of your trip cruise along, it would be a mistake to neglect it. All management rights insiders follow a formula that we can share with you in our monthly interview information session.

### How long does it take to settle into a new management rights and consolidate your relationship and income?

Depending on the size of your building/complex, it would take six to twelve months. The next step would then be to improve your efficiency.



## How many steps are there to go from newbie to competent on-site manager?

There are five simple steps:

1. Clarify your desired lifestyle, income and level of freedom, and then write down your WHY and share it with The SIRE Team. We will support you along the way.
2. Attend inspections with The SIRE Team to discover the true value of each management rights.
3. Associate yourself with management rights insiders, and take impactful action by following the Management Rights Formula.
4. To ensure a smooth transition, sign a well-planned contract.
5. Use the time from contract date to settlement to fully prepare yourself. Going through a well-structured process ensures an excellent take off to your new management rights career. Then you can work on your business daily to improve efficiency and income.

Enjoy the process, and set aside some time each week to attend our inspections. Then email me your questions, and share what you liked and didn't like. The SIRE team will be glad to show you a management right that meets your requirements.

Please feel free to share this information with your friends, and of course if they would like to get into management rights, please invite them to one of our inspections.

## What action steps would you recommend for someone who wants to buy management rights?

1. Make a list of your desired requirements from the purchase of your management rights

### **Example One: Single Operator**

Income: \$150,000

Location: Between Gold Coast and Brisbane, with an easy drive for partner to get to work.

Manager unit: three bedrooms (or more)

Lifestyle: Set own hours, more gardening, less cleaning.

Growth potential: Doesn't matter. A stable cash flow is the goal.

### **Example Two: Husband and Wife Operators**

Income: \$300,000+

Location: Brisbane or Gold Coast

Manager unit: One to three bedrooms, so there's enough room for staff.

Lifestyle: Set own hours. Have the staff do most of the work.

Growth potential: Low occupancy rate. Rundown business/building that can be refurbished.

### **Example Three: Company/Investor Operator**

Income: \$1,000,000+

Location: QLD

Manager unit: For staff only.

Lifestyle: Set own hours. Have staff do most of the work.

Growth potential: Building can be refurbished. Improve OTA booking, direct booking, etc.

## 2. Get started.

- Register for the Management Rights Formula information session.
- Email your requirements to SIRE Management Rights.
- Book three inspections and schedule in your diary.
- Record your own action plan.

**DO IT NOW!** It's your turn to make a list of what you want as a result of buying a management rights business.

Income:

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Location:

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Manager unit:

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Lifestyle:

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Growth potential:

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Other:

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Three jumpstart actions:

1.

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2.

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3.

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Start Date:

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## The seven wisdoms from this chapter:

1. Be specific and flexible as to the lifestyle and management rights you desire.
2. Identify those who have achieved success, mingle with them and follow their formula.
3. The four major reasons to get into management rights are:
  - stable cash flow
  - flexible working hours
  - the ability to leverage other people's money
  - the potential to grow an asset to create wealth.
4. By failing to prepare for your body corporate interview, you're setting yourself up for failure.
5. Energies are contagious. Surround yourself with people who are experts in the management rights industry.
6. When building your team, only use specialists in management rights, which includes:
  - the SIRE Team
  - a solicitor
  - an accountant
  - a financier
  - Management Rights Formula insiders.
7. The great aim of education isn't knowledge, but acting on that knowledge.



## Special Offer for *The Management Rights Formula* Readers

We're offering an extraordinary opportunity to participate in our exclusive three-hour workshop, entitled *Apply the Management Rights Formula*, where some of the most successful insiders share everything you need to know about acquiring an excellent management rights, so you can live the lifestyle you deserve.

You'll learn their strategies, processes, systems and procedures for building better relationships with owners and improving the products and services you provide to the market, so you can deliver the performance your owners will rave about.

This event runs the first Wednesday of each month at seven p.m., but we only have space available for twenty people, so book your seat today.

Please note that attendance will be on a first come, first served basis, as we believe this is the fairest way to allocate the limited number of spots we have available for this FREE event. Go to [www.mrformula.com.au/bonus](http://www.mrformula.com.au/bonus) to start your adventure today.





**To find out how you can:**

**Sell Your Management Rights Fast for  
the Highest Price**

**Not Waste Time and Money on the  
trial-and-error method**

**Get the Current Multiplier of Your  
Management Rights**

**Have this Appraisal Free without  
Obligation Valued at \$697**

**Please contact SIRE Management Rights today on  
+61 404 331 310 or  
[www.siremanagementrights.com.au/sell.html](http://www.siremanagementrights.com.au/sell.html)**



**Do You;**

- Live the lifestyle you deserve?
- Get your hands on the sure-fire management rights formula used by successful industry insiders?
- Have more capital to start your own business with minimal risk?
- Have a stable income/cash flow?
- Stop feeling busy and burnt out but not productive?
- Increase your income and create wealth?



**Then *The Management Rights Formula* is a must-read for you**

**In this book you will discover how to:**

- Buy a suitable management rights the quick and easy way. Use other people's money to start your management rights business
- Develop the mindset and attitude that will help you achieve success in the management rights industry
- The latest technology, systems and actions to improve your productivity and profit
- Protect your assets and invest in smart tax planning
- Grow your business and generate over a million dollars a year in net income
- Attract the right talent and retain high-performing contractors and staff
- Design a lifestyle based on your own individual needs
- Create wealth by implementing an exit strategy that will help you sell your business in the most profitable and expedient way possible.



You hold in your hands the formula for buying and operating a thriving management rights business. If you want to learn the strategies and action plans that will guide you on your path to success, as well as the pitfalls to avoid, You need to buy this book!

**Price \$49.95**

<http://www.mrformula.com.au>

