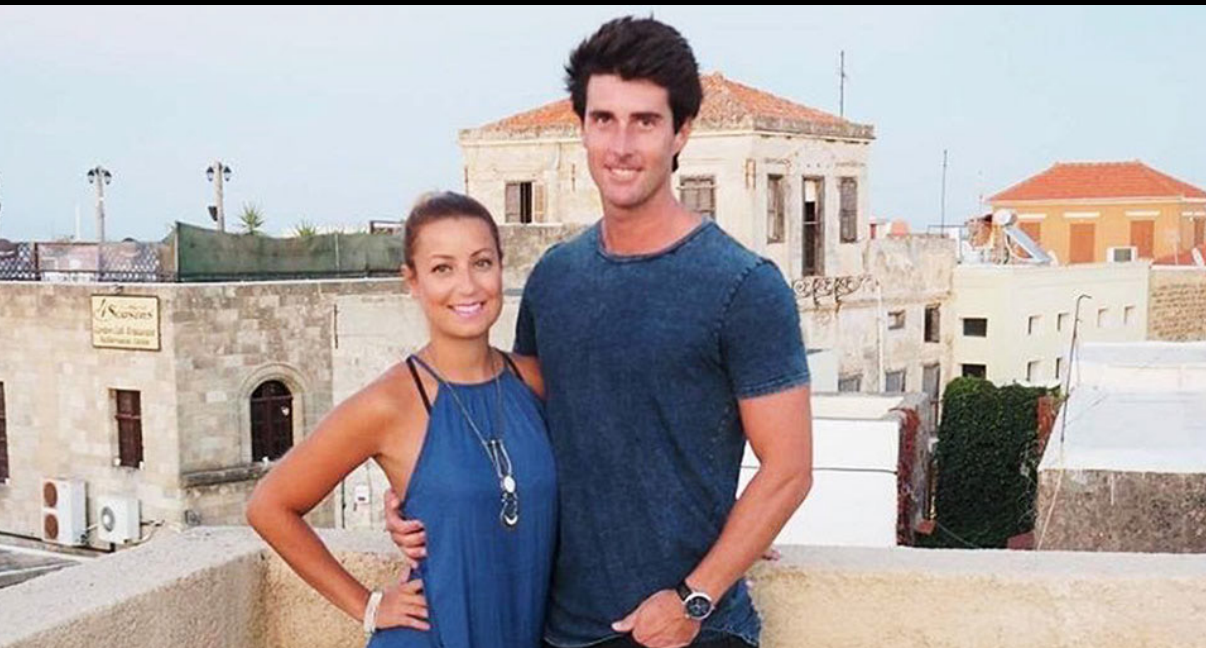




Investor Spotlight:

Scott and Mina O'Neill

Produced by **Mathew Robinson**



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Since making his first investment in 2010, founder and director of Rethink Investing, Scott O'Neill, has gone from saving a few thousand dollars a month to maintaining a portfolio worth more than \$11.5 million. Together, Scott and Mina O'Neill have a passive income of \$305,000 per annum, and it's all thanks to their savvy property investing.



How They Got Here

Scott's first exposure to the idea of a return on investment came at a young age when his father encouraged him to invest in stocks. His interest in property was piqued at the age of 17 when one of his friends entered the market, but Scott didn't acquire a property of his own until 2010 when he was in his early 20s.

While working as an engineer, he began to slowly build up his portfolio. "I always had this goal of creating \$150,000 passive annual income, as that was roughly what I was getting paid," he says. Once Scott hit this goal he rang his boss and called it quits. "For us, it was never about the money," he explains. "I essentially did this to get my time back."

Scott and Mina have always approached investing from a numerical point of view. "I was a really boring investor," Scott says. "I just bought based on the numbers every time." They would consider factors such as how a potential interest rate increase could affect their investment, and how long it could last. They even took into account things like how much income they could lose from a potential vacancy.



Over time, the pair were able to use their portfolio to generate enough passive income to allow them both to retire before the age of 30. Today their portfolio brings in an impressive \$305,000 annually for the couple thanks to their smart investing. Scott says his investing style may seem conservative or safe, but he's demonstrated his ability to take a great opportunity when one presents itself.

One of the couple's best investments was a five-block unit in Port Macquarie they purchased in 2014. Listed for just \$710,000, Scott knew they'd found a great deal and snapped it up for the asking price just two hours after the unit block was listed. "Basically, they sold it massively under market value," Scott recounts. "That was just the agent being naive, because how often do you sell a unit block?"

As of June 2016, that property was worth \$1.25 million.

O'Neill's Portfolio

The O'Neills' portfolio has been steadily growing over the years and currently includes 28 properties. By revaluing their properties regularly the couple is able to keep up a steady stream of equity which they can then use in a future investment.

"Using that strategy of revaluing every few months we were able to keep going, again and again," Scott says. This strategy is where the bulk of their equity comes from, and in this way each property is like a springboard to the next.

Scott's general strategy for early investing was to avoid buying premium waterfront housing, and instead aim for properties in the bottom-third position of house prices saying, "... we're buying places that real people live in, working-class to middle income earners." Properties like these, Scott believes, will always have tenants.

THE NUMBERS Scott O'Neill										
LOCATION	STATE	PROPERTY DESCRIPTION	PURCHASE DATE	PURCHASE PRICE	PURCHASE COSTS	RENOVATION COSTS	CURRENT VALUE/ SOLD FOR	RENT PER MONTH	EQUITY IN PROPERTY	LOAN TO VALUE RATIO
Sutherland	NSW	House	Sep 2010	\$480,000		\$45,000	\$1120,000	\$4,507	\$250,000	65
Maroubra	NSW	Unit	May 2012	\$620,000		\$25,000	\$1,010,000	\$3,207	\$433,500	30
Block 1 Labrador	QLD	3 BR Unit	May 2014	\$170,000			\$310,000	\$1,907	\$115,000	37
Block 1 Labrador	QLD	1 BR Unit	May 2014	\$145,000			\$260,000	\$1,257	\$45,000	52
Block 1 Labrador	QLD	1 BR Unit	May 2014	\$140,000			\$255,000	\$1,387	\$45,000	52
Block 2 Labrador	QLD	3 BR Unit	April 2014	\$185,000		\$10,000	\$340,000	\$1,408	\$117,000	48
Block 2 Labrador	QLD	1 BR Unit	April 2014	\$165,000			\$250,000	\$1,148	\$56,000	67
Block 2 Labrador	QLD	1 BR Unit	April 2014	\$155,000			\$260,000	\$1,083	\$56,000	67
Port Macquarie	NSW	Unit block 4 Units	Mar 2014	\$480,000		\$10,000	\$680,000	\$3,900	\$230,000	58
Cooma	NSW	Unit block 4 Units	Aug 2014	\$195,000			\$280,000	\$2,167	\$64,000	65
Cooma	NSW	vacant land/ subdivision	Aug 2014	n/a		\$15,000	\$89,000	n/a	\$80,000	n/a
Port Macquarie	NSW	Unit 1	Jun 2014	\$710,000		\$60,000	\$280,000	\$910	\$108,000	47
Port Macquarie	NSW	Unit 2	Jun 2014	units bought on 1 title			\$280,000	\$1,018	\$118,000	48
Port Macquarie	NSW	Unit 3	Jun 2014	units bought on 1 title			\$280,000	\$1,018	\$118,000	48
Port Macquarie	NSW	Unit 4	Jun 2014	units bought on 1 title			\$290,000	\$1,127	\$113,000	46
Port Macquarie	NSW	Unit 5	Jun 2014	units bought on 1 title			\$340,000	\$1,517	\$208,000	35
Ipswich	QLD	house	Feb 2014	\$270,000			\$320,000	\$1,430	\$62,000	69
Coomera Waters	QLD	house	Jan 2014	\$395,000			\$580,000	\$2,210	\$110,000	83
Clontarf	QLD	house	Oct 2015	\$490,000		\$5,000	\$540,000	\$2,253	\$85,000	82
Perth	WA	commercial supermarket	Dec 2015	\$400,000			\$510,000	\$3,708	\$120,000	55
Perth	WA	commercial fastfood store	Dec 2015	\$240,000			\$300,000	\$2,500	\$75,000	55
Capalaba	QLD	house	Jan 2016	\$477,500			\$520,000	\$2,687	\$95,000	75
Perth	WA	Medical Center (commercial)	Nov 2016	\$780,000			\$860,000	\$8,450		64
Loganlea	QLD	Duplex (two incomes one title)	Mar 2017	\$477,000			\$530,000	\$3,120		68
Hillcrest	QLD	House (+ subdivision potential)	Mar 2017	\$375,000			\$420,000	\$1,950		71
Mayfield	NSW	Commercial	Mar 2017	\$410,000			\$430,000	\$2,667		70
Surfers Paradise	QLD	Development site with house	Aug 2017	\$855,000			\$855,000	\$3,467		80
TOTALS				\$8,584,500		\$170,000	\$12,189,000	\$62,003	\$2,704,000	59.11538462

However, the O'Neills believe that diversifying is an important part of a successful portfolio. So after purchasing two growth properties that gave them a solid base of equity, the couple set their sights on a cash-cow - a property with an 8-10% yield - to balance out the portfolio. Since then they have continued to grow their portfolio using this method, as Scott explains, "We have a ratio of two growth properties for every cash-cow we buy."

Find out more:

Click on the link below to learn more about Scott and Mina O'Neill's' property investing journey, featured on the Property Investory website.

<http://propertyinvestory.com/episodes/scott-oneill-story/>

Also if you own property and want to share your story, please send an email to

hello@propertyinvestory.com