

The Prosperity Column

Success, good fortune and wealth

In this regular feature Dominic Farrell ponders various aspects of prosperity and wealth

Einstein defined insanity as “doing the same thing over and over again and expecting different results”.

How successful have your investments been over the past year, whether property, stocks and shares, bonds or any other form of investment?

We can turn Einstein’s statement on its head by saying that, if you have been successful, then continue to do the same thing over and over as you will get the same results unless there is a shift in sentiment or fundamentals.

If you haven’t been successful, then now is the time for change: a new approach, a new strategy.

It is so easy to get into a pattern of behaviour, but also easy to break it. If you think success, then you will succeed. If you think failure, then you will fail. It is that simple.

I have recently met people who have had a bad experience in some parts of Eastern Europe, where they are now stuck with properties that they cannot sell or rent, and this experience is weighing them down, particularly the mortgage payments.

“Don’t be discouraged by a failure. It can be a positive experience. Failure is, in a sense, the highway to success, in as much as every discovery of what is false leads us to seek earnestly after what is true, and every fresh experience points out some form of error which we shall afterwards carefully avoid.” John Keats (1795–1821)

It is not much condolence to people who bought the marketing hype, but now armed with how not to do it, they can strive forward using that experience to their advantage.

One of the benefits of the education system I went through from school to university and then Sandhurst and beyond was that at every stage I was encouraged, particularly at the latter

institution, not to give up.

This is the key theme I want to get across in this column. Successful property investors, business people, entrepreneurs, sports people and anyone who is successful for that matter, are characterised by their ability to keep forging ahead regardless of the difficulties. They have a goal and will do all things necessary to achieve that goal.

That is where we all need to be. Setting goals is very important and should be the first stage in the process to formulating a property investment strategy. That strategy should be clearly targeted at achieving your goals and also adapted to your tolerance to risk. With a strategy in place and a psychological acceptance of success, then the world is your oyster.

But you have to take the first step.

I had lunch with a friend the other day and went through his portfolio looking at sell, buy and hold strategies. The way in which his portfolio was constructed allowed him ample opportunity to follow any strategy he liked. His Return on Investment was impressive and the equity could be released for further property investing,

whilst maintaining the overall target for the portfolio of being cashflow positive in order to reduce risk. He is now looking at the next step, which is expansion.

He only started investing a couple of years ago!

Remember that success breeds success and once you get going the momentum will take you along.

“You’ve achieved success in your field when you don’t know whether what you’re doing is work or play.” Warren Beatty

Do you want to work out the property investment strategy most suited to you and your goals? Then join us on the Fundamentals of Property Investment course.

Further details can be found at www.bewarethesharks.com or telephone 0151 482 5525

The next available course dates in London are:

Saturday 7th July 2007

Saturday 29th September 2007

Saturday 24th November 2007

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