



David Johnston

**2** Property Planning Australia

**Location:** Offices in Hawthorn, VIC and Bondi Junction, NSW  
**Loan book size:** \$550m  
**Annual volume (2009/10):** \$170m  
**Number of brokers:** 5  
**Annual volume per broker:** \$34m  
**Conversion rate:** 85%  
**Percentage of repeat business:** 45%

**DAVID JOHNSTON, DIRECTOR**

**Q: What is the secret to a successful brokerage?**

**A:** Looking after your client and having integrity with the advice and service that you provide – making sure the client is at the centre of everything you do.

**Q: Why did you choose to set up on your own and not become part of a franchise?**

**A:** To have the ability to drive something ourselves, to be able to bring more creativity and ingenuity to it and not be constrained in what we could do. I'm not too good at being told what to do.

**Q: How do you market your business?**

**A:** We do some PR work in the consumer media such as *Your Investment Property* and we also run a property education course with Victoria University which helps us to get exposure. We get a lot of cross referrals internally from other areas of the business. Referrals from existing clients are a major source of business too.

**Q: Have you diversified your business beyond home loans?**

**A:** We have a financial planning arm to the business, as well as offering property and tax advice and risk insurance. We have a holistic approach to all our clients and offer a smorgasbord of services that allows them to pick and choose. We incorporate the property decision-making process in everything we do.

**Q: I know you use a fee-for-service model in other areas of your business, but do you envisage implementing it in your home loan division?**

**A:** No, we haven't. We associate value with the mortgage advice we give, but we don't charge the clients a fee because they can still go down the road and do it at no cost at a bank.

**Q: What impact do you expect licensing to have on your business?**

**A:** It certainly increases the workload to the business and everyone within it. It will have a positive impact in terms of the way the industry is seen and we have started to see some of the less serious operators leave the industry. As long as the regulation doesn't become too onerous it can only be a good thing.

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