

At home in the reno business



TRADING ROOM

KATHERINE JIMENEZ

KADE Hancock remembers driving around looking at houses in Sydney's eastern suburbs for hours every day.

It wasn't for any aspirational purposes, but rather homework for a business idea he had.

He looked at what was for sale and what was being renovated.

The then 25-year-old had an idea for a professional project management services business in the residential construction sector. "I did some research of the dollar value of the market, looking at how many renovations were going on roughly per street, how many streets in the suburb and what the potential was, and this was during the depths of the GFC (global financial crisis)," he said.

His research showed the eastern suburbs had a high concentration of unrenovated property.

As a result of his research, Mr Hancock decided to concentrate his business there.

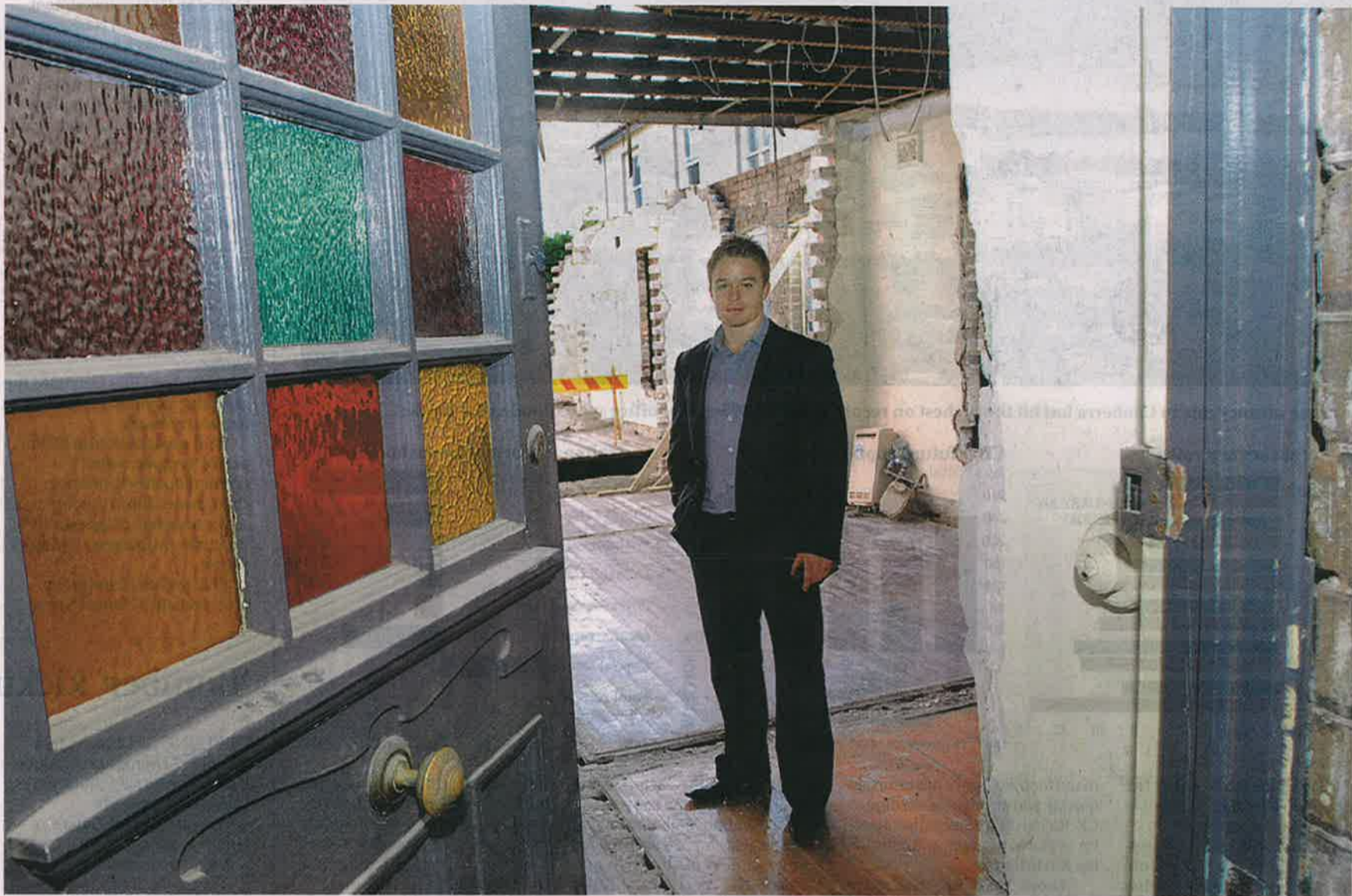
"It's the only area we are seeing higher returns on an average renovation spend on a property," he said.

"Out west, I guess you generally don't see a return on your money when you renovate."

Mr Hancock started his business 2½ years ago and the plan has paid off.

His company, Home Projectz, established in 2008, has completed more than 60 projects worth more than \$8 million.

The work has ranged from



JEREMY PIPER

Kade Hancock at one of his renovation projects, in Randwick, in Sydney's eastern suburbs

house and apartment renovations to new houses and entire apartment block refurbishments.

Mr Hancock said there was no defining moment in his career early on that got him started. It was more of a "natural progression of wanting to work for myself", he said.

"I always had an entrepreneurial mindset."

But property was always in his blood.

Straight after high school, he had joined the family property business and eventually started managing projects.

He then had a stint in the mining sector in Western Australia, building mines.

After 2½ years in mining, he returned to property.

From there, he started renovating a few homes for friends and developed some of his own property. "I just saw a massive gap in the market for the type of service that we offer," he said.

He sees his firm's main point of difference as its ability to deliver home owners reduced construction time frames, fixed-price contracts and better quality.

Not long after starting Home Projectz he expanded the business to incorporate a full-serviced project development company.

The aim of Home Projectz Development over the next few years is to expand that arm of the busi-

ness further to incorporate larger-scale residential development and project marketing.

The business is now poised to undertake the refurbishment and expansion of two Bondi apartment buildings over the next year, worth \$1m and \$3m.

As part of Mr Hancock's vision for the business, he recently created a property sourcing company that is focused on packaging residential investments for private investors.

iLocate was formed to find properties for investors in the \$400,000 to \$700,000 bracket. It aims to pinpoint underdeveloped sites and properties in need of renovation that can be quickly re-

furbished to deliver returns to the investor.

"Investors can buy, renovate and sell usually within a six to 12-week timeframe, with profits typically between \$50,000 to \$150,000," he said.

For Mr Hancock, the vision for the company has been there from day one. And two years after starting the business he believes he is not far from fulfilling that vision. "Everything seems to happen quicker than I expect, so hopefully it will happen next year."

He said the three arms of the business were the building blocks for the company but that, "moving forward, it's expanding each one of the arms."

For example, in renovations, it was developing a product to deliver a low-budget renovation, based on modular building.

"It will be a new way of thinking around renovations to lower prices and give economies of scale. That's how I plan to dominate that sector of the market."

Mentors have also played an important role for Mr Hancock. One of them is US motivational speaker Anthony Robbins. "I read probably a book a week on business development ... top 10 Harvard Business books," he said.

"Every time I find a good idea or listen to a good idea that seems practical, I try always to apply it to the business."