



PROPERTY INVESTOR

NEWSLETTER

MAR – APR
2018

This newsletter has been designed to keep you updated on what is happening within the industry and our real estate agency

WHAT IS YOUR PROPERTY WORTH?

Guess or Know...

When was the last time you received a market appraisal for your investment property? Many States and market property prices are on the rise.

If you would like a free 'no obligation' market appraisal for your property, please feel welcome to contact a friendly member of our team. We are here to work with you in building your wealth. 9800 0700

FIVE COMMON PROPERTY INVESTING MISTAKES

Property investing has long been a mainstream investment strategy for both novices and experts alike. Yet, as rewarding and effective as property can be as an investment, there are some pitfalls that are unfortunately all too common. These can render investments potentially ineffective, if not costly. Here are a few key areas to consider before buying a property, making offers or signing on the dotted line.

Poor financial structures

With property being a major purchase and one that attracts considerable costs in addition to the purchase price, such as stamp duty and legal fees, it is important to consider the 'how' of buying just as much as the 'what'. Other than buying the investment in your own name, you might want to set up a family trust or use your superannuation fund and turn it into a Self-Managed Super Fund (SMSF), to undertake the purchase. Changing the ownership of the property later is going to be a costly exercise, so it is worth considering the options before you decide to buy the right property. Likewise, with the many loans and mortgage products out there, it is good to consider the options before you pursue the right property. Getting the right advice from suitable professionals with experience in structuring investment portfolios is highly recommended.

Lack of solid research and due diligence

Researching the market, looking at competitive pricing, rentability, vacancy rates, and proximity to employment centres, education, transport and shopping should all be part of your due diligence process for sourcing a suitable investment property/location. This should happen well before you even think about buying a property, which many investors overlook. In addition, undertaking research into infrastructure, both current and future, should be a priority as these can have a major bearing on the performance of your investment over time.

Using emotions to make decisions

The most important thing to remember is that you are not buying a home – you are buying an investment. All too often people make investment decisions based on emotion rather than looking at the figures that should be the basis of any investment decision.

Continued Over >

“
DO WHAT YOU
HAVE TO DO
UNTIL YOU CAN
DO WHAT YOU
WANT TO DO.”

CHANGE OF DETAILS

All requested change of details such as emails, contact details, postal address, insurance or bank details and general instructions must be in writing. This is to protect our client's security of data

We are focused on maximising your rental income and optimising your capital growth

FIVE COMMON PROPERTY INVESTING MISTAKES

Over-borrowing without a safety buffer

Interest rates are the lowest they have been and now is the time to buy. However, always allow yourself a buffer in case there is a shortfall in rent; the property requires unexpected repairs or maintenance, or the interest rate goes up.

All these factors can easily occur and you should never leave yourself in a vulnerable situation causing unnecessary stress or potentially even jeopardising your investment. A rule of thumb is to allow for at least 3 months of costs as a buffer as well as having all relevant insurances in place to minimise risk and protect your investment and your capital.

Lack of strategic planning

Fail to plan then plan to fail. It is important to have an investment plan. Know how you need to finance the property and how it will build your wealth. Know your short and long-term goals. Will it reduce your tax bill (negative gearing), add extra income or are you looking at buying with a view of renovating/redeveloping it later?

Property investing is a great wealth creation strategy. To avoid unnecessary risks and mistakes, it is always wise to seek advice from people that are experienced. Seek out qualified experts who hold their own successful property portfolios.

EMERGENCY REPAIRS REMINDER

Did you know that a tenant may arrange for a suitably qualified person to make emergency repairs if swift action is not taken to rectify the issue?

What is deemed to be an emergency repair?

A blocked water service, blocked or broken lavatory system, serious roof leak, gas leak, dangerous electrical fault, flooding or serious flood damage, serious storm, fire or impact damage, failure or breakdown of the gas, electricity or water supply to premises, failure or breakdown of an essential service or appliance on premises for hot water, cooking or heating, a fault or damage that makes the premises unsafe or insecure, a fault or damage likely to injure a person, damage the property or unduly inconvenience a resident of the premises or a serious fault in a staircase, lift or other common area of the premises that unduly inconveniences a resident in gaining access to or using the premises.

It is important to act quickly on all emergency repairs.

THE MODERN DAY TENANT

Today there is more and more competition to attract and retain quality tenants. They are more sophisticated and have grown accustomed to better things, to better standards of living and housing conditions. Like all of us, they want to be treated fairly and with respect. When next considering the needs of the tenant take a moment to ask "How would I like to be treated?"

THINKING ABOUT BUYING OR SELLING A PROPERTY?



 **9800 0700**

TALK TO THE PROPERTY EXPERTS

BUYING, SELLING & PROPERTY MANAGEMENT

Call us if you are thinking about buying or selling or know of someone who is

 **9800 0700**

Properties Recently RENTED

Keeping you updated on the local rental market

HOUSES

Loch Street, Ferntree Gully **\$430p/w**

3 Bed, 2 Bath, Double Garage.

School Lane, Ferny Creek **\$770p/w**

3 Bed, 1 Bath, Car Space, plus Loft with 1 Bed, 1 Bath, 1 Car Space

UNITS/TOWNHOUSES

Henry Street, Boronia **\$410p/w**

3 Bed, 1 Bath, Double Garage

David Street, Knoxfield **\$360p/w**

3 Bed, 2 Bath, Double Garage.

GREAT INVESTMENT OPPORTUNITY



FOR SALE **1336 Stud Road, ROWVILLE**

They talk about position and this home will delight the avid golfer. Located between Tirhatuan and Waverley golf courses, or the nature lovers you have the Tirhatuan Wetlands and Dandenong Creek walking tracks. The home is also close to bus and offers lounge dining at the front, updated kitchen, security and privacy etc etc....

CALL US ON 9800 0700 to find out more!