It's not rocket science.

How to Build Financial Security through Strategic Property Investment

MIRREN | FINANCIAL SECURITY THROUGH PROPERTY INVESTMENT

Mirren eBook

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How to Build Financial Security through Strategic Property Investment

by Rene Marzinger

Synopsis

Have you found yourself dreaming of never having to worry about money again? Of having the freedom to spontaneously take a three-week trip to Europe or give yourself a year to launch that start-up that you've constantly been thinking about? Reaching the holy land of financial freedom is the ultimate goal for so many of us, but so few of us even know where to begin.

This book is for those who are tired of seeing their paycheque eroded away by bills, mortgage repayments, tax and expenses.

This book explains how to use an astute, 5-step investment strategy to deliver financial freedom through investment in the Australian property market.

New to the property game? You'll get the inside scoop on all things property. Strategy options, developing an investment plan, tools, tricks and the magic of Lady Leverage. Learn the science behind expanding your property portfolio.

And we'll also discuss the pros and cons of recruiting a property expert to guide you through the process. Spoiler alert: a property investment expert can do wonders for you and your wealth.

And the moral of the story? If you follow the steps outlined in each chapter … it really is going to work!

01 Why invest in property?

TAKE CONTROL OF YOUR FUTURE

Congratulations! By reading this book, you've just dipped your toes in the refreshing swimming pool that is financial freedom.

When done right, calculated investment in property will result in an abundance of benefits for you and your family. Not only do you get to be your own boss by taking control of your financial well-being, you can generate positive cash flow and reap the rewards of generous tax write-offs.

But I'm getting ahead of myself here. Hang tight, I'll delve deeper into all of the investment benefits that are in store for you later.

SLOW DOWN TO SPEED UP

Often the most significant factors behind the failure of a property investment is the over eagerness of the investor. Failing to make the necessary preparations and lack of research do not bode well for the health of your investment.

This book will help you understand the ins and outs of the 5 crucial steps you need to take to become financially secure through property investment.

It will help you make a more informed decision about whether to invest, what type of investment to make and whether you want to take on the process yourself or enlist the help of a professional for some or all of the process.

WHAT THEY WON'T TELL YOU

I'll also delve deeper into the nitty gritty of property investment to shed some light on the details that investors often leave to the professionals. It is vital that you have an understanding of these processes, so that you can either tackle the challenge yourself or so that you know exactly what it is that you're paying for in your property specialist service.

This information will give you an informed perspective when you're dealing with property managers, real estate agents and tenants.

And there's lots of excitement. Beyond the paperwork and property taxes is the exciting world of real estate. When you make an investment into property, the worlds of wealth accumulation, passive rental income and financial freedom open up before you. And you, as the captain of your own ship, are in control of your own destiny in ways that you will never experience through full time employment alone.
Through careful preparation and informed management,

property investment can be the vessel that helps you achieve all of your financial goals and ambitions. And make no mistake about it, property is an investment category that has the potential to have immeasurable benefits for your life.

In the words of the legendary Mark Twain, 'Buy land, they're not making it anymore.'

WHY PROPERTY?

There are many ways you could invest your spare cash to set yourself up for the future. You could take your money to an investment fund, dabble in the stock market or join an angel investing group. But in Australia it's hard to discount the value of the safety and security offered by investment properties.

Not only is the housing market generally less risky than the stock market, growth in house prices has sat at around 7% for the last thirty years. That 7% price rise is a capital gain that puts wealth in your pocket.

To provide a comparison, many seasoned stock market investors, including Warren Buffet himself, typically hope to receive a 6-7% return on their investments. What this means is that the Australian housing market has consistently achieved the returns hoped for by even the most experienced investors!

The other huge benefit of property is the ability to leverage your investment through growing the bank's money as well as your own. Gains on property are calculated on the whole value of the investment (which includes the mortgage supplied by the bank) not just the capital you added at the beginning.

TAKE CHARGE OF YOUR FINANCIAL FUTURE

Although you may not have dreams of launching the next unicorn start-up, taking control of your finances and 'minding your own business' are the most essential steps to achieving financial freedom. Too often people fall into the trap of assuming that your wealth is dependent on your wage. That is simply not true.

Your wealth is about making your money work for you. Making smart decisions about investments will ensure that you get the most from your wage and develop a consistent passive income. Investing in yourself and establishing that passive income will put you on the fast track to getting out of the 9-5 office job and into your swimmers.

By investing in property, you can take charge of your finances and become your own boss.

THE WONDERS OF LADY LEVERAGE

One of the key benefits to property investment is the ability to utilise leverage to maximise your return on investment. When you buy a property, you'll more than likely make a deposit and borrow the rest from a bank in the form of a mortgage. This allows you to buy a property that is up to 20 times more expensive than the value of your deposit. Banks will not accept loans for stock market investments due to the risk, so property is your best bet to maximise the benefits of leverage.

The reason that leverage is so powerful is the potential for appreciation. Let's use an example to illustrate. Let's assume you've made a $20,000 deposit on a $100,000 property and borrowed the remaining $80,000 from the bank. If, over the next seven years, the property value goes up 50% to $150,000, you've gained $50,000.

Conversely, if you'd invested that $20,000 into the stock market and achieved an identical 50% growth, you'd only have $30,000; just $10,000 profit.

LINE YOUR POCKETS WITH POSITIVE CASH FLOW

If you're able to invest in a positively geared property, you'll likely be able to generate a positive cash flow from rental income throughout the duration of the investment period. There are a number of specific factors at play here, such as your mortgage repayment, maintenance costs and vacancy costs, that will determine whether your property turns into a source of passive income for you.

By securing a positively geared property, you can reap the rewards of long-term capital gains while enjoying a handy short-term positive cash flow. Improving your short-term lifestyle without forfeiting the long-term is a luxury you can expect from a calculated investment into real estate; getting you one step closer to the sweet victory of financial freedom.

RELAX! LET YOUR TENANTS PAY OFF YOUR HOME LOAN

The ability to have your tenants pay off your mortgages is generally considered to be the most appealing element of property investment. Once you've established the rental property, you can almost set and forget. And while you focus on the rest of your life, your tenants are slowly building your wealth for you.

For the first few years, the majority of the mortgage repayments will be interest-heavy. Yet as the years go on, more and more of the repayment will go towards paying off the principal of the loan, which builds your equity.

More often than not, you'll then be able to borrow against your equity to buy more investment properties. This will allow you to build your property portfolio to maximise your returns, without having to throw more and more cash at it.

Equity will compound with more properties and can be used to your advantage in the long term. Bottom line? You benefit from your tenants paying off your mortgage for you; allowing you to:

- **build your portfolio**
- **generate a greater cash flow**
- **inch closer and closer to the financial freedom you dream of**

TAKE ADVANTAGE OF THE TAX BENEFITS

You will be amazed at the endless array of tax benefits that you're entitled to as a property investor.

To begin with, you're entitled to depreciate the purchase price of your property based on a set depreciation schedule, even if your property is actually appreciating in value.

You're also able to write off any expenses relating to the property, including insurance, legal and professional fees, maintenance repairs and property taxes. Interest expenses are also tax deductible. And if you have interest accumulated on your credit card from expenditure on the property, you can write that off too.

Obviously, you'll need to consult your accountant to ensure that you're acting lawfully, but the potential tax savings offered by property investment are plentiful. Structuring your investment correctly to maximise tax savings can separate you from the pack and get you on the fast track to financial freedom.

IMPROVE YOUR HOUSE TO IMPROVE YOUR FUTURE

Unlike the stock market, there are tangible actions you can take to increase the value of your investment. When you buy shares, you sign over the control of your money to the company you've invested in. And you end up sitting in the back seat watching someone else determine your future.

However, if you decide to invest in property, you can take control of the value of your own investment. Whether you want to add a granny flat, subdivide the block or simply give the place a new paint job, the choice is yours.

On a smaller scale, you could take on simpler cosmetic renovations to add value to your property in smaller increments. Something as simple as replacing the front door with a more aesthetically pleasing one can do wonders for the overall appeal of the place. Or you could spend a few hours on your weekend doing some gardening and improving the landscaping.

The good news is that so many of the smaller cosmetic renovations can be done yourself, both saving you money and teaching you some new skills along the way.

Recap on Chapter 1: Why invest in property?

- **Be your own boss, take control, generate positive cash flow, take advantage of generous tax benefits.**
- **The Australian housing market is generally less risky than the stock market (growth around 7% over past 30 years).**
- **The wonders of leverage! You're able to utilise leverage to maximise your return on investment, growing the bank's money as well as your own.**
- **Positively geared properties mean you can enjoy long-term capital gains and short-term positive cash flow – your lifestyle won't be adversely affected.**
- **You can depreciate the property price and write off any expenses.**
- **Smaller cosmetic renovations can be done yourself, saving time and money.**

02 Have you got what it takes?

WORKING YOURSELF OUT OF THE 9-5 CYCLE

Growing up, many of us are taught the following formula as the route to financial success: finish university, get a job, work your way up the ladder, earn the highest salary possible and invest in your own home and a super fund.

While this is one way to get yourself the lifestyle you dream of, it certainly isn't the only one. The fact that you're reading about property investing suggests that at some point, you've gotten home from a long day at the office and thought to yourself, 'There has to be another way!'

There is. But you have to be prepared to follow a plan and work hard.

The most critical factor in the success of your property investment portfolio is how motivated you are to accomplish your goals. If you're not motivated to build your wealth outside of your salary, then you won't be willing to spend the time doing what needs to be done.
But if you are motivated and prepared to follow the 5-step strategy outlined in this book financial freedom will follow.

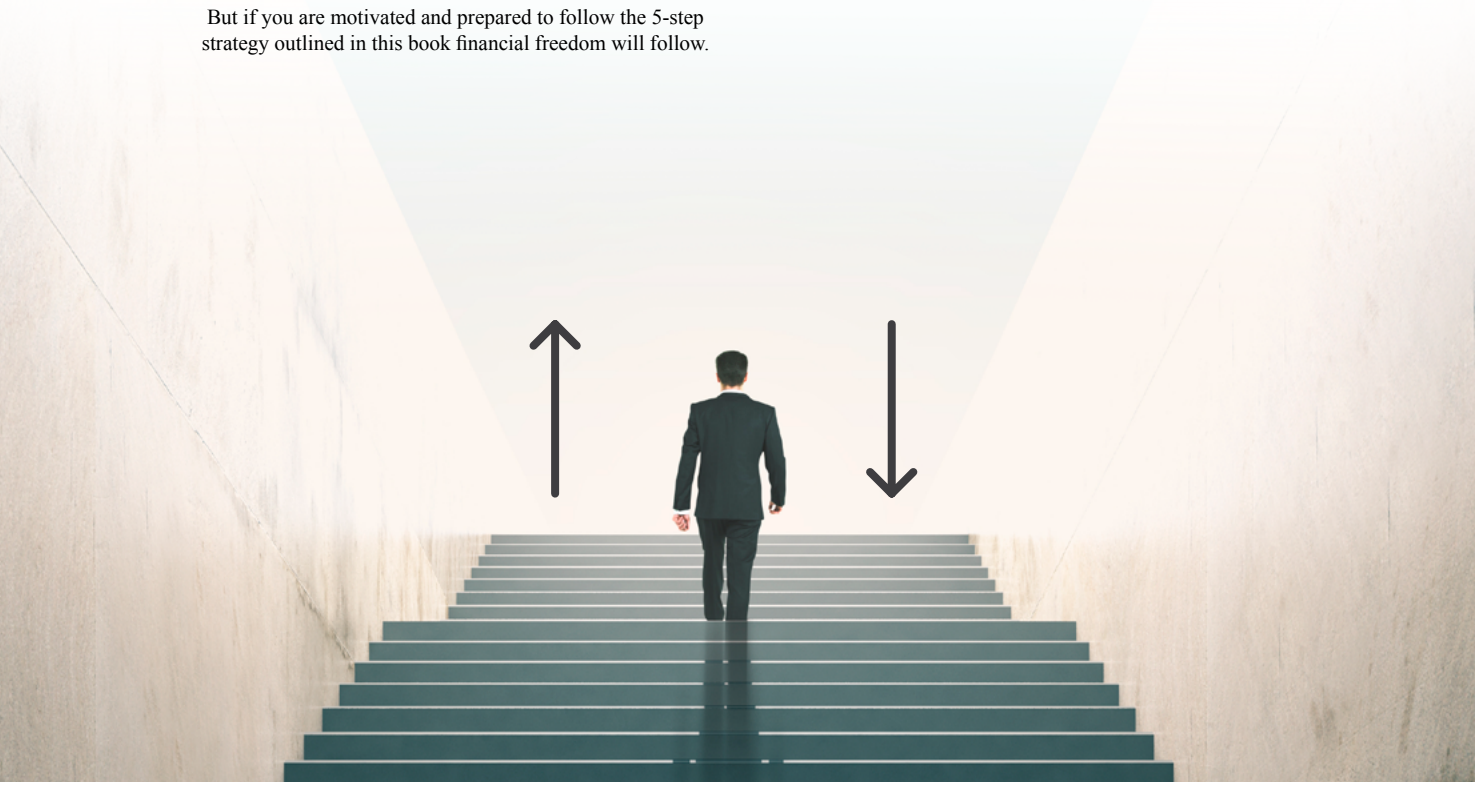
DO YOU HAVE THE CAPITAL?

The next critical step is to assess your financial position now and over the next three to five years. If you have a partner that you plan to invest with, you should do this together. You need to know how much capital you can afford to put down as a deposit and how much spare cash you have available each month.

If this step seems difficult, I suggest you get some help from a financial planner or property investment expert so you can devise a budget and assess your cash flow.

A professional will help you calculate how much you can afford to invest while mitigating any risks you may inadvertently expose yourself to.

Remember to prioritise your goals and objectives when considering any lifestyle sacrifices you may need to make. If cutting down to having just one car in the family will generate enough capital to allow you to make the leap into property investment comfortable, you should consider which is a higher priority; a second car or a start down the road to an investment portfolio and financial freedom.



EXPENSES BEYOND THE DEPOSIT

When you're evaluating the property price that you can afford, remember that there's a host of expenses outside of the initial deposit that will come up; both on a regular basis and every once in a while. Think about building insurance fees for houses, strata fees for apartments and council and water rates.

Remember too that things can go wrong, and as the property owner, the responsibility to cover expenses will fall squarely on your shoulders. The plumbing could get clogged or the air conditioner could fail in the middle of a summer heatwave. If something does go wrong, you need to be prepared to foot the bill!

Having an emergency fund to cover any one-off expenses that come up will exponentially increase your peace of mind and allow you to manage the investment smoothly.

You'll also need to consider the tenancy rate of the property, as you're not guaranteed to receive year-round rental income. Once again, if the property is vacant, you could find yourself paying off the mortgage from your own salary for longer than you'd like.

UNDERSTAND THIS IS A LONG-TERM STRATEGY

Our 5-step property investment strategy is not a 'get rich quick' scheme. If you want to be successful you need to commit yourself to the long haul. For most of our clients it takes around eight years to pay off their own home loan, for example.

You may have heard stories of successful investors making a living out of 'buying and flipping'. It will be tempting to try this approach, but succeeding with buy and flip is the exception, not the rule.

If you're prepared to be patient and approach every decision with our methodical strategy, you'll be more successful in growing your equity and generating positive cash flow. Those who rush into the decision and seek short-term gain are often those left out in the rain.

So, you're prepared to do the work. You have some capital and a reliable income. And you know you're in this for at least seven years …

Great.

Let's get going and learn about the process.

RECAP ON CHAPTER 2: HAVE YOU GOT WHAT IT TAKES?

- **Are you prepared to follow a plan and work hard?**
- **Are you able to find the motivation to build your wealth outside of your salary? If you are, you'll be willing to spend the time doing what needs to be done.**
- **Will you follow the 5-step strategy outlined in this book, patiently, methodically and strategically?**
- **Get help from a finance property expert, or finance planner to budget and assess your cash flow.**
- **Assess your capital and take stock of your financial situation.**
- **Prioritise your goals and objectives.**
- **Evaluate ongoing expenses.**
- **Ensure you have an emergency fund for unforeseen expenses.**

03 Purpose – know your "why"

Before you start down the road of property investment … you need to know what the end game is. You're setting a path to get you to a known destination. You need to know where that destination is.

For the vast majority of our clients the end game is financial freedom. But what does that mean to you? And what does it look like?

Financial freedom doesn't automatically equate to sailing around the world on your yacht with your own personal bartender. In fact, you might actually find that financial freedom is, in a way, the opposite of being rich in the traditional sense.

I believe financial freedom simply means that you have enough assets and passive income to enjoy the lifestyle you choose without ever having to work again.

For you this might mean a life of luxury goods and expensive holidays. Or it might be a modest lifestyle where you do everything you want on $100k per year. Obviously the second goal is easier to reach.

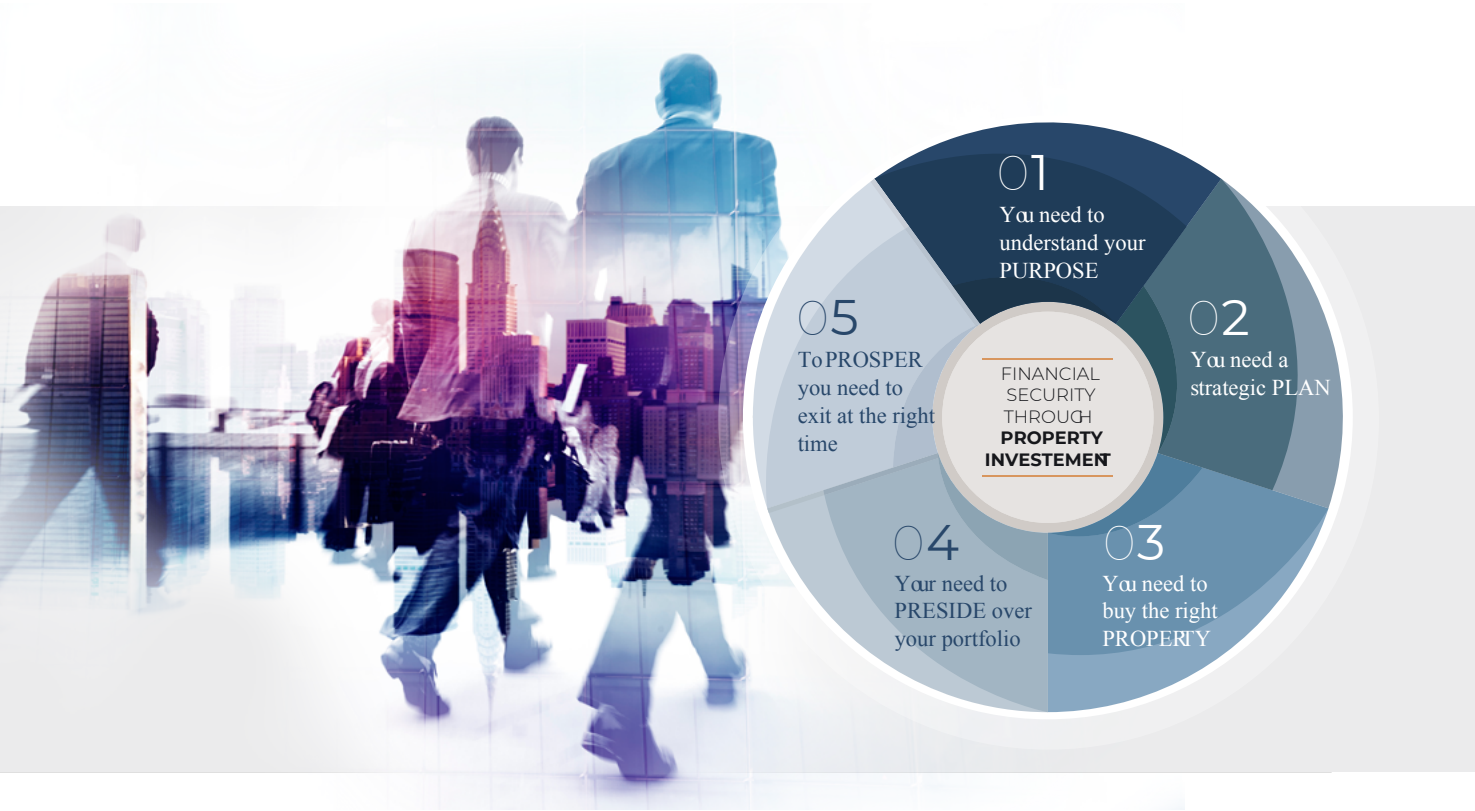
In the end it's about choice.
The goal is to create the choice and freedom to 'own' your life, without worrying about money. It means not having to rely on a salary or wage to cover your expenses, and it means living the lifestyle you want to live.

SET A REALISTIC GOAL

Before you start dreaming of African safaris and in-house waiters, it's important to be realistic. Yes, it would be nice to have a big house with water views, but if you really want to travel for months at a time, the house may not be a high priority.

You need to sit down with your partner, or on your own, and take the time to consider the lifestyle you most desire ... and how your financial situation ties into it. Setting clear goals and ambitions is the first and most essential step towards living the lifestyle you dream of.

After all, if you don't know where you're going, how do you get there?



THROW AWAY YOUR PAYSLIPS! (WELL, NOT JUST YET)

Being financially free means breaking loose of the shackles of your payslip, for however long you desire. You'll reach a stage where your passive income consistently exceeds your total expenses. But rental yields may only make up a slice of your passive income pie. And although property is historically one of the most effective sources of income, there is no one-size-fits-all formula to achieving financial freedom.

Only you can come up with a financial plan that works for you. Property investment can help you fulfil your financial dreams, but remember that if there are sacrifices that you need to make along the way, you'll be much more willing to make them if you have your sights firmly fixed on the end goal.

Your desired lifestyle and financial position will dictate how you invest ... so it's crucial you write – and understand – your plan. And be realistic. If your plan is ambitious, you may need to make sacrifices in the short term to ensure you get a greater long-term benefit. If you want to maintain your present lifestyle, then you might need to invest less aggressively to maintain current cash flow levels.

Either way, the process starts with YOU, your partner ... and how you want to live your lives. Once you have a clear understanding of your long-term goals, you can begin to think investment strategy.

DIVERSIFY YOUR ASSETS ... YOUR WAY

Compared to other asset classes, an investment property is a huge financial commitment, particularly in Australian metropolitan areas. While the property market is historically secure, if you're a risk averse investor, there's a number of things you can do to mitigate your exposure to a property market crash.

It's important to remember that mortgage securities are one of the biggest asset classes for the big four banks in Australia. As a result, if the housing market were to crash, there would likely be repercussions for the big four banks.

If I think back to the Global Financial Crisis of 2008 – risky mortgage lending practices in the US triggered a spike in mortgage default rates, which caused immeasurable damage to thousands and thousands of families. Until that point, it was a common perception that the housing market was the bedrock of the US economy and thus was too secure to crash. The US learned a big lesson … the housing market wasn't too secure to crash after all, and when it went, the rest of the global financial system went with it.

Luckily for us, Australia made it through the GFC relatively unscathed. And much of that has to do with the tighter levels of regulation in the finance industry. The important lesson here is that diversifying your assets by dividing your capital between property and a share portfolio, may not be as diverse as you think. Buying shares of companies that are heavily exposed to the housing market such as banks is essentially doubling up your own exposure to the housing market.

Combined Earnings p/a	$130,000
Monthly net	$10,000
Expenses	$ 8000
Save	$ 2,000
Apartment	$400,000
Deposit	$ 80,000
Mortgage	$320,000
Rent:	$1,600
Repayments	$1,527
Surplus	$ 73

THERE'S NO PLACE FOR UNREALISTIC AMBITION

While it is possible to secure an investment property with as little as 5% deposit, I don't recommend it. In Australia, if you make a deposit that's less than 20% of the total price, you'll be subjected to a hefty mortgage insurance premium. This is an insurance policy to insure against default or foreclosure. It means you'll end up paying more for your investment property in the long term ... and the amount you pay for your mortgage insurance will not contribute towards your equity in the property.

Make sure you have enough cash flow to cover the cost of the mortgage, should your investment property be vacant for any length of time. You need to be able to pay your bills and manage your day to day living expenses.

To do this, calculate your regular monthly expenses, including your groceries, mortgage, bills etc., and subtract it from your monthly income. Once you've got this figure, you can use an online mortgage calculator to get a rough idea of how much the mortgage repayments will be.

Let's consider a hypothetical couple, Mark and Lisa. They're in their mid-thirties, and halfway through paying off their own home. They have a stable annual income of $130,000 combined.

After calculating their monthly expenses, which turn out to be $8,000 a month and subtracting it from their monthly income of just over $10,000, they've found that they comfortably have $2,000 excess cash flow each month.

Mark and Lisa have been considering an investment property for some time now and have their eyes on a $400,000 apartment in Geelong, Victoria. They've worked out that by making a few small sacrifices, they can comfortably afford a 20% deposit.

As a result, they're entering into a 30-year mortgage agreement to borrow $320,000 at an interest rate of 4%.

Based on the rental history of the property, Mark and Lisa can expect a monthly rental income of $1,600. And they've made sure if they don't have tenants for any period of time, they'll be able to comfortably cover the monthly mortgage repayment of $1,527, without having to dip into their savings or make any lifestyle sacrifices.

The key point here is to make sure you've crunched the numbers on your own financial situation. Don't add stress by being too ambitious with the property you purchase. You're investing in property to build your future wealth ... but it's not worth crippling your current situation in the process.

YOU'LL KNOW WHEN YOU'VE 'MADE IT'

If you've carefully undertaken all the necessary steps to develop an investment plan, it will be easy to know when you've truly succeeded. You'll know that you've made it once you can comfortably afford the long-term goals you initially set out in your investment plan. It may be to retire at 50, or to give yourself two years to live without needing a paycheque so that you can start that business you've always dreamed of.

If you've been realistic about your ambitions, carefully developed an investment plan and had the discipline to stick with it all the way through, there will come a time when you won't need to worry about money; you WILL be able to do what you love.

And that's what financial freedom is all about.

RECAP ON CHAPTER 3: PURPOSE – KNOW YOUR "WHY"

- **Identify what financial freedom means to you and what it looks like for you.**
- **What's your destination? You're on the path to somewhere special, make sure you know what it is.**
- **Crunch the numbers and set realistic goals to plan out your desired lifestyle and financial goals.**
- **Do you have 20% deposit? You'll need it to avoid hefty mortgage insurances.**
- **Make sure your cash flow covers your mortgage(s), living expenses and bills.**

04 Plan – a map for success

ESTABLISHING YOUR INVESTMENT PLAN

So, you know what you want to achieve. And you know where you are now. What you need is a roadmap to get you where you need to go. And perhaps a GPS...

"Most people know where they are and where they need to go. I'm like a Navman – my job is to find the best road from A to B."

WHAT'S YOUR UNDERLYING STRATEGY?

Let's start with your underlying strategy. Again, there's no one-size-fits-all approach, so it's best to stick to what you feel most comfortable doing. Generally speaking, your strategy will either have a heavy focus on capital growth, positive cash flow or renovating for profit.

Capital growth
If you're buying with capital growth as your top priority, you're buying with the expectation that the property will increase in value over time. You'll need to do your research ... looking for areas that are primed to experience high levels of growth now and in the future. You'll need to consider your timeframe with this strategy too, because if you're looking to buy and flip within the next five years, you'll need to be certain that this market growth is going to occur within that time frame. Otherwise you'll find yourself back where you started, minus the hefty agent fees and property expenses.

Negative gearing
This strategy gives you the benefit of being able to take full advantage of negative gearing. A capital growth strategy will likely net you a property with a property price relatively higher than the rental income it earns for you. You can claim your cash flow shortfall against your other income to reduce your taxable income.

Positive gearing
Or you could focus on positive gearing to generate positive cash flow for yourself. For this, you need a property that generates more rental income than the total cost of the property, including the cost of your mortgage, property management fees, rates and other management costs.

By using this strategy, you'll increase your borrowing capacity and minimise your exposure to an economic downturn. Yet while this approach can improve your short-term lifestyle by increasing your disposable income without having to work more hours, it will take longer to build equity this way. If your cash flow is on the tighter side or you're nearing retirement, this option may be the best one for you.

Buy-renovate-flip
If you're the handyman type (or you're willing to bring in contractors) you could take the buy-renovate-flip approach. The aim of the game here is to quickly add value to a property, and this method has the greatest potential to make you big profits within a short time frame.

By investing time and money into renovating the home, you have the potential to add value to the property that will exceed the amount you've spent on the renovations.

If you're buying a property solely for the sake of renovating to resell, and you want to make substantial alterations to the property which may involve subcontractors, then the six-month timeline they quoted could blow out to twelve. It's common to spend more than you've budgeted for, particularly if there are issues that you haven't factored in. This is a risk that could potentially derail your dreams of turning a quick buck.

SURROUND YOURSELF WITH THE RIGHT PEOPLE

Should you enlist the services of experts to make decisions and manage the investment process for you? There are of course a number of benefits of allowing a trained sailor to steer the ship.

The biggest appeal of utilising a property expert is the time it will free up for yourself. Using a property expert saves hours and hours of time doing research, paperwork, interviews and more. It's not only a huge monetary investment, but also a huge time investment.

Using a property expert means that they consider things you probably haven't even thought of: infrastructure and development, capital growth indicators, shopping, schools, public transport and rental histories. A good property expert will have a deep understanding of the markets in each region, and they'll make decisions based on strategy, rather than potluck.

They'll most likely have relationships with builders and developers around the country and have priority access to house and land information earlier than you will.

... Or you could take it all on yourself – you have that control.

Both the solo path and the outsource route have plenty of success stories and failure stories. All that I can do is suggest taking the time to evaluate both options. Most property managers offer free initial consultations, so it can never hurt to explore your options.

PUT IN THE HARD YARDS WITH YOUR RESEARCH

I'll talk more in the next chapter about choosing a specific property, but in the planning stage it makes sense to have a top-level understanding.

You'll need to have a strong understanding of what to look for in the property itself and the surrounding neighbourhood. Making sure you put in the research could be the difference between success and failure.

When major companies consider major investments, they conduct extensive due diligence reports prior to making any decisions. Your process shouldn't be any different, and you'll minimise the risk of nasty surprises along the way.

CRUNCH THE NUMBERS ON IT

There's plenty to be gained from looking at property market data. Lower vacancy rates in an area suggest a shortage of rental places on the market ... or a spike in the number of tenants in an area. And higher rental yields in an area can indicate a rising suburb. Renters are generally the first ones to move to an up and coming suburb.

And house sales tell their own story. Look at the amount of time properties spend on the market. If properties are spending less time on the market, it suggests that buyers understand that the suburb is in high demand and snap up the property quickly.

You can also look at the number of properties going to auction, as auctions historically work better when demand is strong and real estate agents act accordingly. If you want to really dig deep, watch the clearance rate (the percentage of properties actually sold as a result of an auction) over a period of time in the suburbs you're evaluating.

If you're the obsessive type, this could be quite a lengthy journey for you.

You can track most of this information on both realestate.com.au and homesales.com.au. If you're unsure how to evaluate the data, speak to a real estate agent or a property consultant about the statistics.

RECRUITING YOUR HEAD COACH

The most important thing to look for in a property expert is someone who has a specific and proven strategy and knows how to implement it. It is essential that you know exactly what their plan is for you. Ideally, you want the strategy to be realistic and in line with your own goals and ambitions.

And, if you're looking to build your long-term wealth in preparation for retirement, you don't necessarily want your property manager to be rambling on about how they can make you quick cash with a buy-and-flip strategy.

SET THE BOUNDARIES EARLY

Make sure to discuss the nature of your expected working relationship. Both parties need to be clear about how often and with whom they'll be interacting. If you're after someone who's hands on, you might not fit well with someone that checks in on their clients once a year. Or if you're the set-and-forget type, you won't want an advisor sending you an email every few weeks.

And of course, you'll need to consider the fees, which will affect your cash flow. Your advisor will typically charge you either on an hourly rate, at a predetermined fixed rate or as a percentage of the assets they manage for you.

If you're worried about your advisor thinking about their own incentives, opt for the fixed rate pricing model. This model eradicates any incentives your financial planners may have to make unnecessary trades in order to increase their own revenue. It's the model used by most other professional services businesses such as law firms and accounting companies.

BUILD TRUST AND CEMENT YOUR RELATIONSHIPS

Take the time to evaluate whether you fully trust the professional you're dealing with. And make sure you find out about their professional network too – you want someone who has established relationships with builders and developers to ensure that they've got the whole process covered from start to finish.

And of course, if you've made the call to engage a property expert like Mirren, you want them to offer end to end management services and be proficient in all essential areas. You'll need to sign a management agreement when you finally decide on a property manager and to ensure that both parties understand their obligations.

ASK FOR REFERRALS FROM THOSE YOU TRUST

If you've got friends who have investment properties, ask them if there's anyone they'd recommend – their insights will be invaluable! You can also speak to real estate agents and other property owners, but remember, these referrals can be biased, so do your research and get referrals from multiple sources before signing anything.

STRENGTH IN NETWORKS

Your investment property is a long-term project, as are the relationships you're building with property consultants, financial advisors and solicitors, so although it may be tempting to set and forget, it's essential that you maintain your support network. You don't need to catch up for coffee every weekend, but you do need to establish a commitment to touch base regularly.

But if you do decide to enlist the help of a property expert, they'll take care of your network for you.

And when you do utilise the services of an Investment Property Specialist, you will meet regularly (for most it's quarterly) to go through your strategy and see how you're tracking. This is a great opportunity for maintaining those key relationships and keeping in the loop as far as new opportunities go. Remember it's about strategy, strategy, strategy.

Make sure you communicate openly and honestly about your situation. If your financial situation suddenly changes, for better or worse, make sure you update the relevant parties. It may feel extremely embarrassing to lose your job, and the thought of having to tell your financial advisor may make your stomach churn. But I can't stress enough how crucial it is to maintain transparency with your support network.

And if you've discussed it with each party, establishing lines of communication between members of your support network can significantly reduce the time you spend managing your property. Less time spent relaying information between parties means more time for you to spend on the things that make life worth living.

MANAGE YOUR CASH FLOW WELL

You're just about ready to search for your perfect investment property. But before I delve into the specifics of your property hunt, I want to be really clear about what your priorities should be ... and how you can make sure you find what you're after.

Cash flow can be a make or break factor in your property investment. Negative gearing and the consequent tax breaks can be an appealing, but the secure, long-term approach is to focus on generating positive cash flow through positive gearing.

To do this, make use of all the analytics available to you throughout the process. Having a superior level of insight through analytics will put you ahead of the mum-and-dad investors and maximise your chances of building positive cash flow.

Be conservative with your expenses ... and manage your exposure to interest rate hikes. It would be easy to 'accidentally' blow your budget and throw cash at the property each month … that cash is better off in your pocket.

Keep your eyes peeled for deals. Saving money on your purchase price through short sales, foreclosures and auctions will lower your monthly mortgage repayments, making you more likely to have some rental income left over after paying the mortgage and expenses.

Picking hot suburbs and renovating your property will also get you on the fast track to positive cash flow. However, I cannot stress enough how important it is to be conservative in your budgeting and predictions. You really don't want to risk having your investment property cut into your monthly spending capacity.

Remember, you're doing this to set yourself up for the future, not to erode your quality of life in the present.

RECAP ON CHAPTER 4: PLAN – A MAP FOR SUCCESS

- **Establish your plan early – it's your roadmap to success.**
- **Surround yourself with the right people – property experts, finance advisers, accountants, mentors, property managers.**
- **A good property expert can mean the difference between success and failure. They can help you research infrastructure, with development, capital growth indicators, finance applications, establishing budgets, ongoing mentoring and more.**
- **Make sure you understand the different between positive and negative gearing.**
- **Understand what to look for in a property.**
- **Think strategy and what's right for you. For example, is the buy-renovate-flip strategy for you, or are you more the long-term relationship type?**
- **Crunch the numbers – look at property market data including historical sales and rental histories.**
- **Be conservative with your expenses – cash flow is king**

05 Property – choose right

Congratulations! If you've gotten this far, you might be just about ready to start your property search ...

Keep focused and stay on track – you're well on your way to achieving a lifestyle and a financial freedom most people only dream about.

INFRASTRUCTURE: THE BACKBONE OF YOUR INVESTMENT SUBURB

If you're looking to minimise your risk, you'll want to stick to Australia's major cities, as employment opportunities are much more diversified. In smaller, rural towns, employment will be dominated by one or two major employers. If the business ceases to operate in that area, it could significantly affect your investment.

In the South Australian suburb of Elizabeth for example, the closure of Holden's manufacturing plant in 2017 stagnated the housing market. If you'd invested in a major city, you wouldn't be worried about a company of that size ceasing operations – it would barely affect the macro economy in the region.

It's crucial to evaluate the quality of the schools within the area you're exploring. Schools are an integral part of any local community and a great indicator of the general 'friendliness' of a neighbourhood. If you ask any real estate agent, they'll confirm the direct correlation between the quality of local schools and the value of homes in the area.

In a similar way, public transport is another key indicator of good investment neighbourhoods. In metropolitan areas, public transport accessibility is invaluable – and it's even more crucial for more densely populated areas. Imagine New York without the subway system!

You'll need access to good amenities, too ... like shopping precincts, hospitals, government services and public parks. These will go a long way towards determining the desirability of your area.

When looking at a suburb, try to imagine what your life would be like if you lived there. How would you do your shopping? Would you want to hang out there on the weekend? If the lifestyle that the suburb would afford you is appealing to you, chances are it's appealing to other people too.

LOOK AT THE BIG PICTURE

Looking at the overall economic viability of a city or region is critical in understanding the potential for long-term capital growth for your property. By looking at GDP growth, job growth rates, specific industries that are booming and at trends, you can develop a big-picture understanding of what is likely to happen to the region in the coming years.

Remember that house prices do not exist in a vacuum. A boom in the financial services sector for example, will create a large number of jobs and higher wages, likely bringing more people into the area and consequently raise house prices.

Although, consider the mining boom in Western Australia as a cautionary example. Economic growth and a booming industry do not always equate to long-term housing market growth. From 2005 to 2013, investors were scrambling to get into Western Australian property markets while prices were skyrocketing. Yet when the peak ended in 2013, houses lost almost half their value and investors lost thousands.

The lesson here is to not get too caught by short-term spikes in industries that are not built to last. Cities and regions with steady, long-term growth are the optimal regions to look at.

Population growth rates are also an extremely valuable indicator of potential capital gain. Why? Well, because everyone needs a place to live. And you don't need to be a trained economist to know that if you increase the number of people that want something, you'll drive up the price.

These indicators provide a solid backbone to your investment research. If you've found a city or region that has consistent population growth, GDP growth, wage and employment growth and has industries that are not likely to become obsolete, then you're on the right track.

And now you can begin to look more specifically at local communities and suburbs that appeal to you.

IT PAYS TO GO GREEN

Studies have also shown that green spaces (parks and recreational areas) are quite powerful in alleviating stress, improving mood and generally improving quality of life. And for young families, it's good to have an outlet to play. So keep an eye out for those luscious suburbs that have managed to maintain plenty of greenery. Bonus points too if you can add a body of water without breaking the bank.

You'll also want to give some consideration to the quality of mobile and internet connections in the area. It's not often something that's mentioned as a make or break issue for a property, but it is actually a major factor. If you've ever had to pause an episode of a show you're binge watching, and painstakingly wait for the video to load, you probably understand how detrimental poor internet can be to an area.

And it may seem obvious, but give preference to those suburbs with lower crime rates.

LOOKING FORWARD

Keep your ear to the ground for any upcoming infrastructure developments – these have the potential to rapidly add value to your property. An area you may have dismissed due to poor public transport infrastructure may have a train station on the way. You'll benefit from purchasing the property at a relatively lower price due to poor infrastructure, then you'll get the added benefit of an appreciation in value from the infrastructure upgrade. This is a double opportunity to grow your money.

THE EARLY STAGES OF REDEVELOPMENT

In an ideal world, you'd be able to easily calculate which suburbs were in store for a massive redevelopment in the coming years and make your investment decisions accordingly.

Alas, I don't live in an ideal world and neither do you. So instead, we need to keep our wits about us and look at key indicators of redevelopment to ascertain which suburbs will be soon getting a facelift; securing that glorious capital gain for our portfolio.

The most telling indicator of redevelopment is construction and renovations. You'll know a suburb is on the rise when you can't go a few hundred metres without seeing scaffolding, a stop sign and high-visibility clothing. Bonus points too if the construction is not just residential but is related to amenities or infrastructure.

Short of that, keep an eye out for businesses moving into the area. An influx of new gyms, yoga studios and cafes often indicates that a suburb is gentrifying, and you'll enjoy the effect it has on the value of your investment.

Suburb redevelopment rarely occurs in a vacuum. If you know that one suburb has recently undergone major redevelopment, keep an eye on the surrounding suburbs. Greater demand for housing drives up prices and rents, forcing potential homebuyers and tenants to look on the fringe of the area. This often means buying or renting in the next suburb over, so that they can still access their preferred suburb quite easily.

WHICH INVESTMENT SHOULD YOU PICK?

House, apartment, duplex, townhouse, vacant land, rural, city? It's important to explore all of your options before you make your final decision. While freestanding houses and duplexes may be traditionally viewed as the optimal investment property, rural properties, vacant lots and apartments can be an excellent investment when done correctly.

VACANT LOTS

As typically the cheapest option, I'll start with vacant lots. When the value of land goes up, buildings go down. It's logical; buildings become run down over the years and styles are constantly updating, whereas land is only becoming more and more in demand with our growing population and urban sprawl. And vacant lots are often half the price of a completed property. If you've got the capital and council approval, building a house on a vacant land can be a sure-fire way to increase the value of your investment. But don't take council approval for granted. Development proposals can take months to process and are often subject to restrictions.

However, you should only consider this option if you've got the capital for it, or you're certain that the value will go up soon. According to Australia's Tax Legislation, if an asset does not provide an income then expenses are not tax deductible. So, you can easily end up paying to hold onto that land.

GO BUSH?

Rural investment can be brilliant for your portfolio, particularly if there's an existing farm on the property. The advantage here is that if your tenants are using the property for agriculture, you're more likely to lock down long-term tenants with a reliable income stream. If there's one industry that will never internally combust, it's agriculture. As of 2017, the Australian agriculture industry was the largest contributor to our national GDP growth. And I'm pretty sure that we're not going to stop drinking milk or eating beef any time soon.

If there isn't an existing tenant with reliable income, proceed with caution. Historically, it's much harder to find tenants in rural areas than urban, and there's usually a fair chunk of grounds-keeping work that needs to be done. You might find yourself spending more time with a lawnmower than you'd care to. Or wearing the cost of outsourcing your maintenance, which eats into your cash flow. And typically, the income from a rural property compared to the value of the property is often low.

The jury is still out on rural property investment. If you get the location and the zoning right it can have a great financial payoff. But to get it right, you're likely to need specialist knowledge which is above the understanding of most residential investors.

APARTMENT

On the other side of the spectrum is an investment apartment. In this case, the bulk of your purchase will be for the building rather than the land. You generally own a portion of the block based on how many apartments are in the complex … and your land tax and council rates are likely to be lower. But you'll be hit with pesky strata fees, and with this comes a body corporate or owners' committee which manages the building.

Having a body corporate manage repairs and grounds can be an advantage if you're looking for a less time-intensive investment. But the disadvantage of having a body corporate is that that you're not always fully in charge of your investment. It's not guaranteed that you'll get along with all of the owners' committee members and you may find yourself having some hostile encounters.

And regarding what to look for … a general rule is smaller complexes. And remember that while a swimming pool and lifts are enticing for tenants, they're costly to maintain, which can drive up your strata fees. They also won't add any value to your investment over time as the benefit has already been accounted for in the current price.

FREESTANDING HOUSE...

...the crème-de-la-crème of investment properties. When you invest in a freestanding house, you get ownership of 100% of the block and you generally have the highest chance of securing rental income. To generate positive cash flow, having a home and a location that tenants find desirable is optimal. Remember that land appreciates over time, not buildings, so owning the entire block your property is on is more likely to result in capital growth than an apartment.

After you've carefully considered the location of your property using our guide from Chapter 4, there are a number of house features you can look for to make the place more desirable for tenants:

- **an enclosed fence for children and pets**
- **a good sized block of land will entice families**
- **a garage and three or more bedrooms**

Of course, all of these features will drive up the price of the house so make sure they're within your budget.

You'll be liable for all insurance and maintenance expenses and unlike apartments, you'll be responsible for everything and anything that happens to the house. But if you've found yourself a great property manager, they'll manage any issues that arise.

As you'd expect, houses are the most expensive of the investment types, unless you're buying an entire apartment block.

THE HALFWAY POINT

Townhouses – half house, half apartment – are a great investment. This is because rental returns are typically much better relative to the cost of the property. There is a minimal difference between the average rental return from a townhouse compared to a freestanding house, despite the property price generally being two thirds of what you'd pay for a house. You'll also get the same tax incentives that you would with a freestanding house.

You'll only have ownership of 50% of the block (which explains the price difference). So, your potential for capital gain in the long term is admittedly lower, but if you're looking to find positive cash flow, investing in a townhouse is a great option.

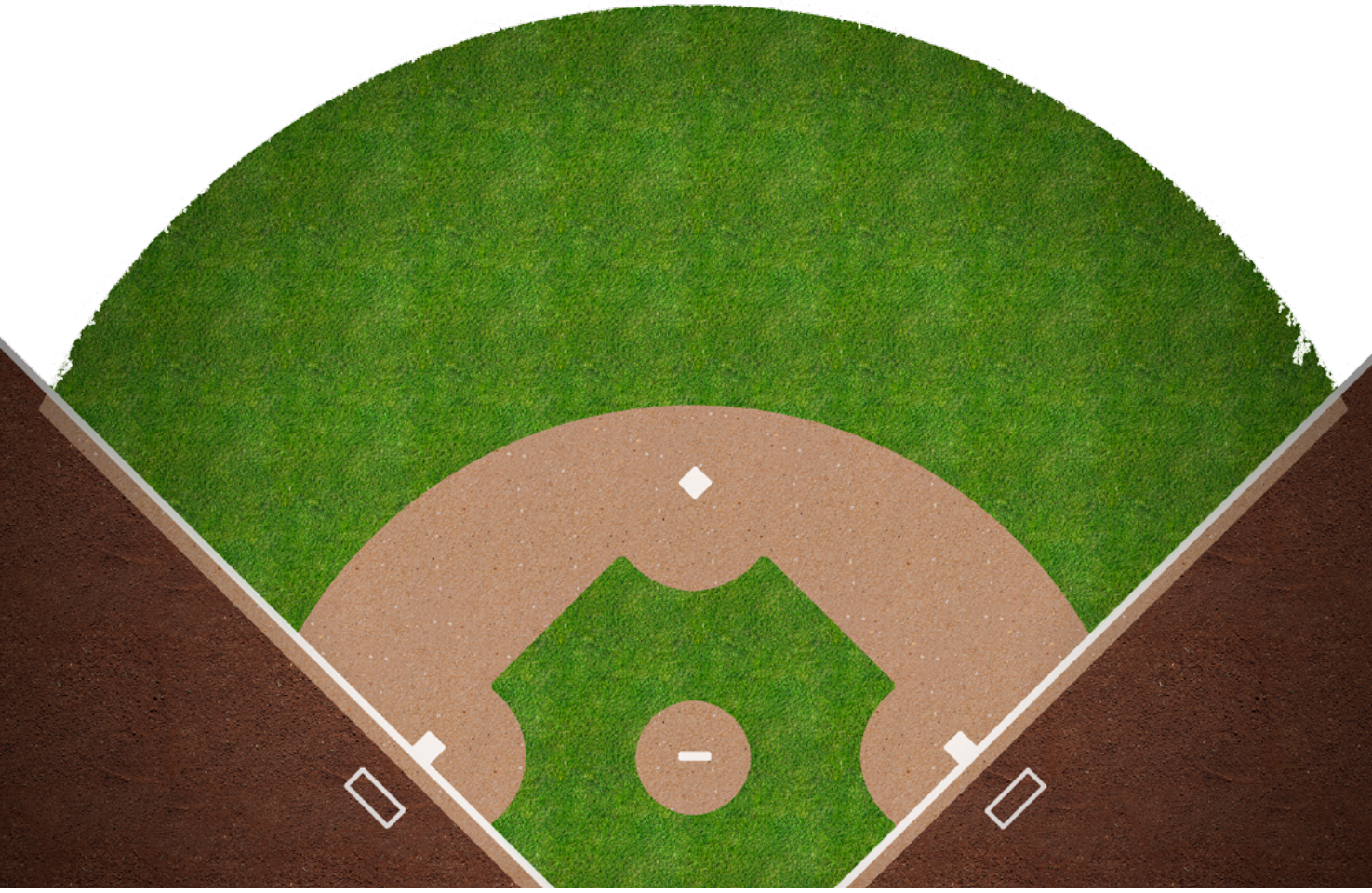
I've intentionally avoided discussing commercial properties. That's a whole other ballgame. There are definitely plenty of advantages to commercial property, including the tendency of tenants to sign multi-year leases, but the investment strategies and research recommendations I've made aren't necessarily applicable to commercial property. If you're interested, I recommend doing some further reading.

KNOW YOUR RIGHTS

Let's delve a little deeper into the differences in ownership rights that come with apartments and houses.

When you buy a house, you get **freehold ownership**, meaning that you have full ownership rights to the property including the building and the land that it's built on. And if you buy an apartment, you get **sectional title**, which is ownership of a portion of the complex; you purchase a section and an undivided share of the common property.

The biggest advantage of sectional title for you is the added security it provides. The majority of the time, the body corporate will manage building security for you. And living in close proximity to neighbours and in a more communal area is generally perceived to be safer. You'll also have a consistent monthly cost which will help you budget much more effectively to ensure you've locked in your positive cash flow. Rather than having expenses pop up every now and then, your insurance premiums, maintenance expenses, security and common utility bills will also be included in your monthly fee.



Yet freehold title offers the freedom that sectional title owners can only dream of. If you want to renovate your property, you won't have to ask permission first. You also won't be subjected to any wishes, demands or requests from other members of a body corporate.

Sectional title buyers (apartment investors) should make sure the scheme is being well managed and that the body corporate's financial statements are all in order. Errors can be made, leaving sectional title holders with a major liability that freehold owners will never have to worry about.

ALL YOU NEED TO DO IS UNLOCK THE DOOR

Another factor to consider is the rising trend of investing in turnkey properties. These properties are investments where all you really need to do is turn the key to the front door. A rising number of companies are undertaking end to end property developments. They take care of the construction or redevelopment of the property and some use an internal private management company to lease the place to tenants while other turnkey specialists introduce their clients to property managers in the area they've invested in.

And there are a number of companies like my own company (Mirren) that offer investment property advice and expertise on many types of investment properties but specialise in turnkey property investment because of the strategic and financial advantages it offers the buyer.

All that's left for you to do is invest and watch your bank account grow.

The streamlining of processes allows turnkey property companies to minimise their expenses. You can expect a turnkey property expert to have a strong network of local lenders, home inspectors, real estate lawyers and accountants to ensure you're getting the best deal possible. Earlier on, I highlighted the importance of having a strong team around you, now imagine having that without having to go through the arduous process of building those relationships yourself.

TRUST THE EXPERTS

If you work with a turnkey company, you'll soon start to realise why they work so diligently on your portfolio. It's because your incentives are intertwined; they succeed when you do. They carefully research each and every facet of the market to ensure your success.
As a result, you can expect turnkey companies to only exist in the best and most sustainable real estate markets. It's almost uncanny how synonymous turnkey companies are with emerging markets ... they have almost become a signal of urban redevelopment.

Let someone else do the legwork – your lifestyle thanks you for it. Spend the time you would've otherwise spent trawling through legal documents or researching market statistics on things that you enjoy. Remember, your goal is to reach financial freedom, which means having the time to do what you love without having to worry.

AN ALTERNATIVE ROUTE

There's also been a dramatic rise in property investment for Airbnb rentals. If you're a frequent (or even occasional) traveller, chances are you've used Airbnb before. The strategy for investors is simple; buy an investment property, prepare it and list it on Airbnb to take advantage of the significantly higher nightly rental rates. There are now a number of companies that will manage your Airbnb for you.

The trade-off is that your rental income is nowhere near as secure as the traditional rental route. Tourist seasons have peaks and troughs and you could find yourself without any rentals for a long period of time. But if having the option of staying in the place yourself from time to time appeals to you, Airbnb could be a great option for you.

Airbnb has established itself as the go-to for tourists looking for accommodation and has completely disrupted the tourism industry. For the investor, it means there is the potential for massive returns that far exceed what you could make with long-term tenants. And once you've prepared the place, the changeover labour between renters is much easier.

BUT IT COMES AT A PRICE

Unless you enlist the services of a management company, you're likely to spend more time on the property than you would with a traditional rental. The customer feedback element of the company means that you need to lift your game when it comes to your renters' experience. Many hosts go the extra mile with professional photos, quality bedding and bath accessories and welcome gift baskets. Renters are also known to really value local recommendations from their hosts, so expect to spend some time chatting with your guests.

Once again, location is crucial; perhaps even more crucial than a traditional rental. Take a look at the tourism figures as well as both the Airbnb and rental occupancy rates and average rental income.

If you're looking to secure year-round income, avoid seasonal tourist hot spots. It's not likely that you'll have an insane amount of demand for a ski lodge in the middle of summer.

You'll also need to be extra careful about the local regulations for Airbnb rentals. A number of cities have brought in strict legislation which may limit your ability to have guests. And you'll need to budget for all of the extra expenses you'll surely encounter, such as cleaning services, utility bills, landscaping and repairs. Remember too that Airbnb takes a 3% service fee on all of your income, so make sure you've accounted for that when you're calculating the financial viability of the investment.

It comes down to your own priorities, and you need to weigh up the risks and potential rewards. Think about it this way; the Airbnb route is like swinging big for a home run, whereas a traditional long-term rental is like hitting for a single. Both game plans can win you the match, but it's up to you to decide how you want to play the game.

REMEMBER YOUR BUDGET!

You may be getting ready to make the call on the type and value of the property you're after. You've probably been piecing together the different pieces of the property investment puzzle and by now you should have enough of the puzzle completed to see the big picture.

Most importantly, take the time to ensure that your ideal investment property is matched to your financial situation and goals. The last thing you want is for your investment property to turn into a financial burden by eating into your cash flow. That's not what property investment is all about.

YOUR FINANCING OPTIONS

Your mortgage will likely be structured in one of two ways; a fixed-rate mortgage or a variable rate mortgage. The fixed rate mortgage is what most people think of when they hear the word mortgage. You lock in to a fixed interest rate and agree to a loan term, typically between 15 and 30 years, and you pay a fixed amount per month.

Ideally you want a shorter loan length, as you'll end up paying less interest over the course of the loan. But with that comes higher monthly payments. The benefit of this loan structure is that you're protected against interest rate hikes and you have consistency in your repayments. But if interest rates fall, you might want to consider refinancing to avoid paying higher fixed rates.

Or you could opt for a variable-rate mortgage, otherwise known as an adjustable-rate mortgage. The interest rate charged for a variable-rate mortgage changes over time to reflect current interest rates. In most cases, the lender will offer an introductory 'teaser' rate, which is often lower than the rate available on a fixed-rate mortgage.

This teaser rate will end ... and you'll see a spike in your mortgage repayments when it does. Be prepared for this - it can drag you into financial hardship if you haven't. In fact, the GFC in 2008 was a result of millions of American homeowners defaulting on their mortgages because they were not prepared for a mortgage repayment spike.

If you're anticipating a drop in interest rates in the near future or expect to be able to pay off your mortgage before the teaser rate runs out, then a variable-rate mortgage may be your best option.

There are a number of other mortgage types that may be available to you, including split loans, honeymoon rates, home equity loans and so on. For further information, it's best to consult a mortgage advisor to explore your options.

YOUR MORTGAGE, BUT NOT YOUR PROBLEM

If you've done your planning and invested wisely, mortgage repayments shouldn't be a problem for you. Your rental income will cover the mortgage repayments and ideally, you'll have a little leftover for yourself after paying all of your other expenses. If you're looking at a specific property, you can roughly calculate the status of your cash flow.

To do this, find out the typical rental yield for the property, rough estimates of regular expenses and the annual occupancy rate. You won't be able to perfectly predict your cash flow, but if you work out the total annual rental income you'd receive and multiply it by the occupancy rate, you'll get a pretty good estimate of your total annual income from the property. Then you simply need to calculate the annual expenses on the property and your total mortgage repayment for the year. If you subtract the annual mortgage repayment and annual expenses from your total income and the result is positive, then you're on track to secure positive cash flow from the investment.

Of course, all of those figures are subject to change, which is why a **six-month** financial buffer is so critical. If you have a low year for your occupancy rate, you could end up paying some of the mortgage out of your own pocket. The buffer ensures that an event like that won't affect your day to day cash flow and lifestyle.

If you've bought a house before, chances are you understand the mortgage application process. For those who need a refresher, it all begins with your application. Your property manager can help you prepare it, as it can be quite draining. You'll then receive pre-approval, while the lender organises a property valuation and a credit check.
If there are no issues with your application, you'll get full approval a few days later. And once your loan documents arrive, your solicitor/conveyancer will settle the loan directly with the lender. The whole process will likely take a few weeks and there can be hiccups along the way. But if all goes to plan you'll soon be ready to complete the purchase of your property!

GET GOOD LEGAL ADVICE

When it comes to your own wealth and financial security, make sure to have your solicitor look over the management agreement, and any offers you make on properties. You need to make sure you have escape clauses in place in the event that the house is not what you thought it was ... or your property manager does something that directly violates your agreement.

Having a solicitor on your side also gives you the greatest possible chance to minimise your liability for any situations that arise such as personal injury or major property damage. And if you're considering evicting a tenant, your solicitor can advise whether you have legal grounds for eviction.

Your solicitor can also turn into your MVP (Most Valuable Player) during the process of purchasing the property by helping you in ways your property expert can't. Having a solicitor examine your brokerage, purchase and mortgage agreements with a fine-tooth comb can potentially save you thousands down the track if your property turns out to be a lemon.

Chances are, if you're skimming through the Terms and Conditions of your agreement, you're not fluent in legal jargon. But there are many issues that need to be addressed in these agreements, and your lawyer can translate the convoluted mumbo-jumbo into layman's terms for you. Trust us – the hours spent trawling through these documents to understand the nature of your agreement proves to be a good treatment for insomnia.

THE OPPORTUNITIES ARE ENDLESS

Before I delve into the nitty gritty of paperwork, legal docs and finance, let's take a second to explore all the ways that an investment property can affect your lifestyle. Spoiler alert: it involves waking up to find extra cash in your bank account and long weekends at the beach. Sounds pretty good, right?

Let's not get ahead of ourselves here; there is a long road ahead. But if you've done your research and invested wisely, property investment can unlock your freedom in ways that wage-dependent people can only dream of!

It starts with one investment property, but it doesn't end there. Build enough equity in one property, and you can expand your portfolio by using your equity to invest again. And eventually you wind up with a property portfolio that regularly generates a passive income for you and sets you up for the long term. The possibilities are endless!

As your wealth grows, so too do your opportunities. Use the extra cash flow to take your family on a holiday or choose to reinvest for the future. If you're committed to staying the course and understand that you won't get rich overnight, you'll be on track to give yourself the lifestyle you dream of. And that's something to get excited about.

THE NITTY GRITTY

Ahhh - the paperwork. The path to financial freedom is littered with it. The beauty of having a property expert on your side means that you can sit back and let them take care of all the finance and insurance applications, rental and lease agreements and more. What value can you put on that kind of time?

And when you've purchased your investment property, your insurance needs will need to be tailored specifically to that property. Hazard, fire and liability insurance are a must. Liability insurance is crucial to making sure that if you are subject to a lawsuit from a tenant for any reason, your legal fees and legal pay-outs will not be paid out of your own pocket.

Sewer insurance is also necessary, but it is usually a minimal additional cost. Flood insurance is also recommended, particularly if your property lies within a designated flood zone. And if you're planning on renting your property out, you'll probably want to add landlord insurance/loss of income insurance to your policy too.

Speaking to an insurance expert will help you establish exactly what combination of policies you'll need for your property. And having a property consultant look over the policy will help ensure that you're getting exactly what you need.

So, now you have a clear understanding of your purpose, have a made a great plan and bought an investment property that will steer you off into the sunset. So what's next?

RECAP ON CHAPTER 5: PROPERTY – CHOOSE RIGHT

- **Infrastructure and economic viability. Take the time to research and understand things like schools, public transport, employment opportunities, shopping, hospitals, government services, public parks and population rates.**
- **Vacant lots, apartment in the city, rural property, townhouse, freestanding house. There's a wide and varied choice and you and only you can make the decision about which best suits your specific needs.**
- **Ownership rights – make sure you take the time to understand which applies to you.**
- **Turnkey properties – where all you really need to do is turn the key to the front door. An end to end investment solution that offers strategic and financial advantages to the buyer.**
- **Remember your budget – make sure your ideal investment property matches your financial situation and goals without turning into a financial burden and eating into your cash flow. The balance needs to be right!**
- **Fixed rate or variable financing? Get the right advice for you.**
- **Engage a good solicitor – having a solicitor examine your brokerage, purchase and mortgage agreements with a fine-tooth comb can potentially save you thousands.**
- **Insurance, insurance, insurance – make sure you have the right kind: hazard, fire, liability, sewer, flood, landlord and loss of income insurance. If that sounds like a lot of paperwork, you might be better off engaging a property expert!**

06 Preside – manage well

STAY ON TOP OF YOUR INVESTMENT

Your involvement in the investment does not stop once you've completed the purchase. The ongoing management of your property is essential to ensuring the financial viability of your investment. If you have engaged a property manager, he or she will take care of most, if not all, of the day to day management elements of the property, including collecting rents, paying your mortgage and organising repairs.

YOU CAN'T SKIP THE PAPERWORK (OR CAN YOU?)

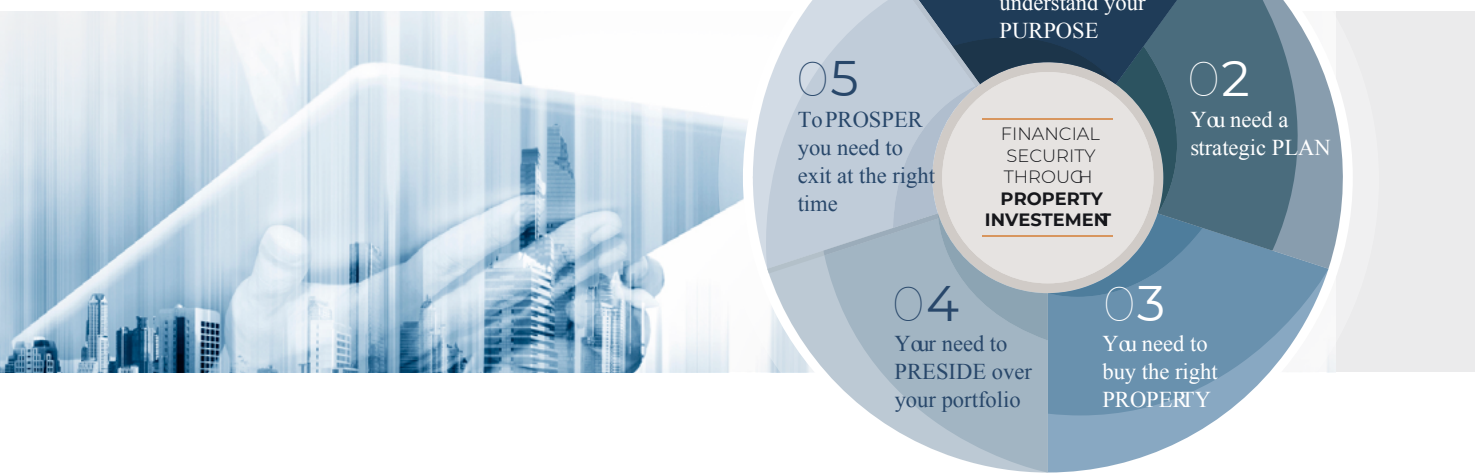
If you decide not to use a Property Manager, it's important to have a clear understanding of your legal requirements for tenancy agreements and rental bonds. In New South Wales, the Department of Fair Trading oversees all rental agreements and has a Residential Tenancy Agreement form that you'll need to lodge to make a lease official. It's easy to download online and it can be submitted online or at a Service NSW centre. You'll also need to provide your tenant with a new tenant checklist and complete a condition report before starting the lease. Rental bonds are not compulsory in NSW, but highly recommended.

Rental bonds provide security for your property in case the tenant damages the property in any way. Once again, you can download this form online and the completed form, along with the bond itself, needs to be submitted to Rental Bonds Online – a service provided by NSW Fair Trade.

LOOK AFTER YOUR TENANTS

And if you take on the management responsibilities yourself, you'll need to advertise the property, conduct interviews, undertake credit checks, lodge a bond and complete a condition report on the property. Yep, there's a fair bit to do if you fly solo.

You'll also need to take charge of settling any tenant disputes and manage any maintenance work that needs to be done. If you decide it's time for a rental increase, it's a legal requirement to give your tenants 60 days' notice. Keep in mind that there are limits to the number of rent increases you can implement based on the length of the lease. And I strongly recommend carrying out routine inspections at least once a year, which you'll also need to give your tenants adequate notice of.



Of course, a Property Manager will look after all these issues, in return for a monthly fee which is usually a small percentage of your monthly rental income.

KEEP YOUR HOUSE IN ORDER

Good record keeping is essential ... but one of the most time-consuming tasks. Make sure that you keep all of your receipts relating to your investment property and read up on which expenses you can claim as a tax deduction. Expenditure on insurance, strata fees, council rates and a host of other items will be tax deductible and could save you thousands in the long run.

If you're already feeling a little queasy at the thought of organising all of these receipts, you should establish an effective record keeping system from the get-go. There are countless programs, such as QuickBooks or Squirrel Street, that you can download to help streamline the process for you.

DON'T FALL FOR THE TAX DEDUCTION TRAP

Too many rookie property investors fall into the trap of seeking out tax deductions at all costs, even if this means making a loss on the property. Just because an expense is a tax deduction, it doesn't necessarily mean it's a smart financial decision – it's still money out of your pocket. And if saving ten dollars in tax justifies spending a thousand dollars on an unnecessary expense, then you really do need some smart financial planning advice.

And make sure you understand what's deductible and what isn't, before you make any decisions.

For example: Related expenses are only claimable for the period your property is actually rented or available for rent, so ideally you should invest in a property you can rent immediately. But ... some properties require maintenance before they're ready to rent but can still be very good investments. Just make sure you've realistically budgeted for a period without rental income.

As a general rule, any management and maintenance costs are tax deductible and can be claimed in the year the costs are incurred. So, you'll get the 'benefit' of these expenses on your current year's income. And you'll also be able to claim borrowing expenses, depreciation and capital works spending – and these are deducted over a number of years.

So, while you will be able to claim that second story renovation as a tax deduction, you'll have to spread out the cost over a number of years.

When it comes to bills paid by your tenants, you won't be able to claim those ... unless you're the one paying them. And any extra buying and selling costs such as advertising should be included in the property's cost base, rather than as individual tax deductions.

And lastly, you aren't able to claim GST credits for anything you purchase to lease the property. However, when claiming eligible expenses, you list the full price you paid for an item, so technically GST is included as a deduction in some expenses.

KEEP YOUR EYES PEELED FOR OPPORTUNITIES

Remember that your cash flow is never set in stone – there are always ways to cut costs and potentially increase your revenue. Find a better mortgage rate, research a better insurance policy … have annual meetings with your mortgage broker and property manager to investigate any opportunities to cut down expenses.

And as much as you may develop a strong relationship with your property manager, remember that you should be running your investment like a business. Consider conducting a 'performance review' so to speak, with your property manager to ensure you're getting value for your money.

SAVE YOURSELF SOME TAX DOLLARS

Tax depreciation – an often-overlooked sure-fire way to save you money. The ATO recognises that the value of capital assets gradually reduces over time, similar to cars, and so they allow a tax deduction to recover these depreciation costs. Not only can you claim a tax deduction on the depreciation of the building, you can also claim the depreciation of valuable assets within the building, such as the hot water system and the carpets.

To illustrate the power of depreciation, let's check back in with Mark and Lisa. Their $400,000 apartment investment has been progressing well and they've come to the end of the first financial year, which means tax time. With the help of their financial advisor and property manager, they've worked out the expected life of the building to be 40 years. As a result, they've established that they're eligible for a $10,000 tax deduction for the depreciation of the building.

Mark and Lisa file their tax returns separately and have invested equal amounts into the property. As a result, they're both able to claim $5,000 per year in depreciation as a tax deduction. Lisa's annual income before the depreciation was $70,000 and she would've paid $14,299 in tax. Yet with the deduction, her taxable income is $65,000 and so she'll only need to pay $12,672; a whopping $1,627 in tax savings.

Similarly, Mark's annual income is $60,000 and would've been liable for $7,797 in tax. With the depreciation deduction, he only needs to pay $6,172; a saving of $1,625. Together they've found themselves with an extra $3,252 in their pockets.

And with excess cash comes options; they can reinvest it into their new property, put it towards their next deposit or give themselves a two-week holiday in Bali. The only thing better than a beachside getaway is one that you pay for with your tax return.

Lisa's income	$70000
Tax	$13,299 tax
With deductions her taxable income is now	$65,000
She pays only	$12,672
Saving	$1,627
Mark's Income	$60,000
Tax	$7797
With deductions he only pays	$6172
Saving	$162500

KEEP YOUR TEAM IN TOUCH

Stay connected and stay engaged with your support network along the way. Maintaining open lines of communication with your property expert team, finance advisors, property manager and solicitor is the best way to be a step ahead if things start to go wrong. You don't need to chat every day, but you do need to make sure you're notifying them of any changes or developments.

And communication needs to work both ways. Even if the property manager has a simple, easily resolvable issue with your tenants, you still need to know about it.

Good communication with your support network is the key to all the big decisions you'll make about selling up or expanding your portfolio at any time.

PREPARE TO REPAIR

You'll need to accept that things will break and repairs will need to be made. When you first inspect the property, you should be able to anticipate which things will likely need to be replaced in the coming years. Ask yourself, 'How old is the carpet? What's the state of the roof?' Obviously, if there are glaring issues with the building you should raise the issue at the time. But many household items have a natural lifespan. And it is natural for years of wear and tear to render items in need of repair.

In some cases, you may be able to save some cash and do the repairs yourself. Maybe you consider yourself a bit of a handyman so you decide to fix up the back fence yourself. But chances are, at some point in time, you'll need to call in a professional. If you manage the property yourself, it will be extremely handy to have a regular contractor. Someone that you've dealt with before and trust to complete the job on time and up to standard.

With a property manager, repairs are often much easier to handle. Most companies will have an ongoing relationship with a trusted contractor. And remember that your property manager will have the same incentives as you – they want a quality job done efficiently just as much as you do. Having to have a job redone is just as frustrating for your property manager as it is for you. It's a waste of time for everyone, so you can be confident that their recommendation will be a reliable one.

REPAIRS VS IMPROVEMENTS: YOU NEED TO KNOW THE DIFFERENCE

It's crucial to understand the difference between making repairs on your property and making improvements to it. The distinction will dictate how you record your expenses at tax time. A repair is classified as maintenance necessary to keep the property in working condition, such as a broken air conditioner. But an improvement is anything you do to the property that will add value to the property.

There is quite a fine line here. If the property originally had air conditioning, but it has since broken, then the cost of replacing that air conditioning unit will be classified as a repair. But if you're adding air conditioning to a property that did not previously have it, then it is classified as an improvement. If you're confused, you're not alone. If you're unsure, always ask your support team. It's not worth guessing and risking tax fraud.

The reason this is so important to understand is that you can deduct the full cost of any repair expenses in the year that the expense is incurred. But for improvement expenses, you need to deduct it over a set depreciation schedule, depending on the expected life of the improvement. If the new air conditioning unit you installed cost you $5,000 and it's expected to last ten years, then you can claim a deduction of $500 per year.

DON'T FEAR THE BUILDING INSPECTOR

So, you've decided to take on a renovation project to add value to your property? Great! Taking on a renovation project is an exciting time for your investment. Just be sure you've planned effectively and submitted all the required information for council approval ... and don't be surprised if you get a visit from a council building inspector.

For all the bad press council inspectors get, they're really just doing their job. Make sure you're fully transparent with them. If they get the sense you're hiding something, they're likely to stick around for longer than you'd like. And be proactive – if you're asking questions and accompanying them on the inspection, you'll give off the impression that you've got the whole renovation thing covered (even if you haven't).

Make sure that you take full responsibility for any issues that arise. If you start to blame the contractors, they might get the impression that you don't really know what you're doing. It's a good idea to quickly resolve any issues that come up.

FIND YOURSELF A QUANTITY SURVEYOR

If you're eager to take advantage of the glorious benefits of tax depreciation, you'll need to go through a quantity surveyor. They're one of the only professions to be recognised by the ATO as possessing the skills and qualifications required to accurately estimate costs for the purpose of depreciation.

If you're worried about the cost of hiring a quantity surveyor to conduct a report, don't be. Generally speaking, the tax savings you gain by having a legal depreciation schedule far exceed the amount you'll pay to have an inspection done. In fact, many quantity surveying companies offer a money back guarantee if your deductions do not exceed a certain amount.

When looking for a quantity surveyor, you need to look for qualifications and experience. Of course, they do need to be a registered Tax Agent for their depreciation schedule to be legitimate, and I strongly recommend finding a quantity surveyor that is a member of the Australian Institute of Quantity Surveyors to ensure you're getting a top-quality report.

RECAP ON CHAPTER 6: PRESIDE – MANAGE WELL

- **Make sure you manage your property (or have someone manage it for you) to ensure its financial viability. Rent, repairs, day to day management.**
- **If you find a good property manager, they'll look after all the paperwork. But if you are managing your investment property yourself, you'll need to make sure you conduct thorough checks on all prospective renters and put a rental agreement and bond in place with the Department of Fair Trading.**
- **Keep good records! You'll thank us at tax time.**
- **Don't be afraid to ask for a better deal – mortgage rate, insurance policy, property management review.**
- **Make sure you understand tax depreciation – and how crucial that is to saving those hard-earned dollars.**
- **Stay connected to your team ... touch base and communicate regularly.**
- **Keep your property in good condition – repair what needs to be repaired and do the job well the first time.**
- **Use a good quantity surveyor and reap the rewards of tax depreciation.**

07 Prosper – reap the rewards

WHY BUILD?

The path to financial freedom does not stop at a single investment property. To build enough positive cash flow to live off your property investments, you're going to need more than one investment property.

When you diversify your portfolio by purchasing another investment property, you're maximising your chances of annual capital growth, while minimising your exposure to specific markets. If one of the markets dips but the other grows, you shouldn't experience any negative effects.

You'll also be able to create a much more comfortable financial buffer for yourself. If one of your properties starts to underperform, the cash flow from your other properties can be used to cover your losses, so that you're not left to dip into your cash flow. And if in the event that your mortgage debt becomes problematic, you have the option to sell off a property or two to pay your debts.

HOW DO WE GROW FROM HERE?

Earlier on, we talked about the power of leverage and what it can do for your investment. And when combined with compounding capital gains, it can allow you to invest in two or three or even twelve properties within a relatively short period of time. It really is magical. And it's important that you understand just exactly how it can work for you.

So, you're a year or two into your first foray into the world of property investment. You've consulted a property expert and have found yourself with a property that has secured both positive cash flow and achieved a capital gain in the time since you made the investment. What a dream! You've loved having the extra cash in your pocket and you're eager to grow on your current foundation of equity.

USE WHAT YOU'VE ALREADY GOT

From here, you have two options to finance your next property using the equity you've built in your first property. You could sell your first property and use the cash that's left over after repaying your mortgage to buy two new properties. But unless you have a serious concern with your first property, this isn't recommended. You'll end up backtracking by having to waste time setting up two properties rather than one.

Or you could take out another loan from your lender against the value of the equity. In essence, you'll leverage your current equity to borrow money, to grow your equity base in the future. The key point here is that you will not need to invest any more cash from an external source to finance your next investment property. The equity you've accumulated gives the bank the security it needs to be confident to lend you more money.

I recommend you diversify your location ... this will minimise your exposure to market fluctuations in specific suburbs. But the majority of your overall strategy can be replicated time and time again.

Stick to a proven plan, a strategy that works. If your first property was an apartment, you're likely to have quite a strong understanding of Body Corporate rules and how to minimise your expenses specifically for an apartment.

BUILDING YOUR EMPIRE

Practice makes perfect, so when the time comes to buy your third property, your strategy and investment theory should be deeply ingrained. Each time you repeat the process, you get better and better at it.

Remember – the more of your investment wealth that you reinvest into your portfolio, the greater your chances of expansion. And the larger your capital base, the greater the size of your property portfolio. For you, that means a faster accumulation of wealth and stronger passive income ... financial freedom here I come.

AND DO IT ALL OVER AGAIN

If your first property is running smoothly, chances are you'll be able to apply the same formula to your next property acquisition. Obviously, you may want to tweak some things in your strategy ... but I often find that if it worked the first time and it wasn't dumb luck, chances are it'll work again. You know what they say, 'If it ain't broke, don't fix it.'

You'll need to take into consideration the costs associated with buying and selling properties, so it's not as simple as you might think. Typically, your buying costs will be 6% of your equity, and your selling costs will be about 3%. So, with each property, you'll need to have at least a 6% capital gain before your investment can be profitable. And if you end up selling, you'll need an even higher price increase.

The good news is that in the property market, this is quite achievable. If you make wise investment decisions and stick to your long-term plan, there aren't many things that can stand in your way. Your dreams of an investment property empire and financial freedom will get closer and closer as time goes on.

DOES FASTER EXPANSION PEAK YOUR INTEREST?

If you'd like to accelerate the expansion of your property portfolio, you may want to explore the option of taking on an interest only mortgage. With an interest only loan, the only repayments you'll be making will be to pay off the interest that's accumulating on your loan, for a set amount of time. You won't be paying off any of the principal amount on the mortgage, which is the money you physically borrowed to buy the property.

While you will end up paying more for the property in the long run, it can result in much greater cash flow for you in the first few years of your investment. And that's cash you can put straight towards a deposit on another property, which gives you the opportunity to pick up another property earlier than you would otherwise.

TIME IS OF THE ESSENCE

The most powerful driver of your wealth accumulation is time. Compounding capital growth gets more and more powerful as time goes on, which is great news for your portfolio.

Let's say you have the option of buying an investment property now, or in five years.

You'll pay $400,000 in both cases, ignoring inflation. You're expecting 5% price growth annually. In the real world, your price growth won't be stable but this example is just to highlight the power of compound capital growth.

Ten years from now, the results will be striking. If you buy the property now, it'll be worth roughly $650,000 in ten years' time. But if you wait five years to buy the exact same property at the exact same price, it'll be worth roughly $510,000 in ten years' time.

You will earn an extra $140,000 by investing now and NOT in five years' time (not accounting for inflation).

What about in 20 years? Surely the difference has been made up over time, you ask? Nope. If you buy the property now, it'll be worth approximately $1,060,000 in 20 years. But if you cautiously decided to wait five years, your property is only worth $830,000. And you can see the pattern forming, the difference grows and grows as time passes.

The key takeaway here is that by investing earlier, compounding capital growth isn't just working its magic on the initial price of the property, but on all the capital growth that occurs in the first five years. Now imagine you multiply this effect by the five properties you'll eventually have in your portfolio.

Retire early with financial freedom ... or continue to be chained to your paycheque for longer than you'd like.

There's a reason that seasoned property investors like to accumulate properties quickly. If you want to make the most of your investment opportunities, you'll want to move quickly too. Ideally, buying a new property every two years or so will put you on the fast track to maximising your compounding capital growth and really being financially free.

BE CAUTIOUS WHILE CROSSING

It's important to understand what cross collateralisation is and why you should be avoiding it. Chances are, your financial advisor will already be on top of it, but just in case they aren't, it's crucial that you understand the dangers of it.

Cross collateralisation occurs when more than one of your properties is used to secure a loan for a new investment property. So instead of leveraging the equity from your first investment

property to get a mortgage for a new one, you're using your first two. It can greatly reduce your flexibility in the sale of a property, as the bank may decide that the proceeds from one sale need to be put towards reducing the size of the loans in the rest of your portfolio.

And if you do find yourself with a cross collateralised loan, your future finance options can be restricted. If your strategy includes the use of interest only loans, your lender may decide to not offer you that option because of the nature of your debt. Even worse, your lender has greater power to restrict your access to equity that has accumulated for one specific property.

The devil is in the detail. To find out whether your loans are cross collateralised, you or your financial advisor will need to take a fine-tooth comb to your mortgage contract. And to prevent accidentally finding yourself in a situation you don't want to be in, insist on stand-alone loans and securities when initially making the agreement.

AND THE PARTY CONTINUES

Just as there are tax benefits associated with getting into the property investment game in the first place, there are added benefits to expanding, too. Most notably is the ability to minimise your capital gains tax. If you limited yourself to just one property, you'll be liable to pay capital gains tax on any profit you make from the appreciation of the property value.

If you use the equity you've added to your first property to finance the buying of your second property, you won't be liable to pay tax on that capital gain. It's actually the most efficient way for you to access your investment profits.

And further down the track if your portfolio really starts to gain momentum, you can explore the option of establishing a property company. In doing so, you'll be able to retain more of your wealth and pay tax on your investment earnings at a lower rate. A large property portfolio would probably push you into the top tax bracket, which has a marginal tax rate of 45%. Yet if you establish a company with an annual turnover of less than $10 million, you'll only pay 27.5%.

If you're worried about how to pass on your wealth to your kids, you can explore the option of making them shareholders in your company. Any money they then receive from the company will be taxed at their individual rate, which is likely to be lower than yours.

If you've made it this far without a full suite of experts around you, then congratulations are in order. But company regulations can be extremely tedious, so it's probably time to bring in the experts.

DON'T FORGET THE BASICS

At the end of the day, as unique as the property market may be, it is still just that - a market. And as anyone with a basic understanding of economics will tell you, there will always be peaks and troughs in the business cycle. As a general rule, you should be looking to buy in the troughs when prices and relatively lower and sell in the peaks.

It's essential to evaluate the market as a whole. Ask yourself, is the current dip in the market just a part of the cycle, or does it reflect something wrong with the particular suburb? Your research and your support team will be able to guide you on this.

PLAY THE LONG GAME

Make sure you consider how expansion fits in with your long-term investment plan. Building your property portfolio is a great idea and can do wonders for your wealth, but there are always factors to consider. How aggressive do you want to be? Are you willing to dip into your own wealth to finance a slightly more expensive property? Do you have your worst-case scenario buffers in place in case anything happens?

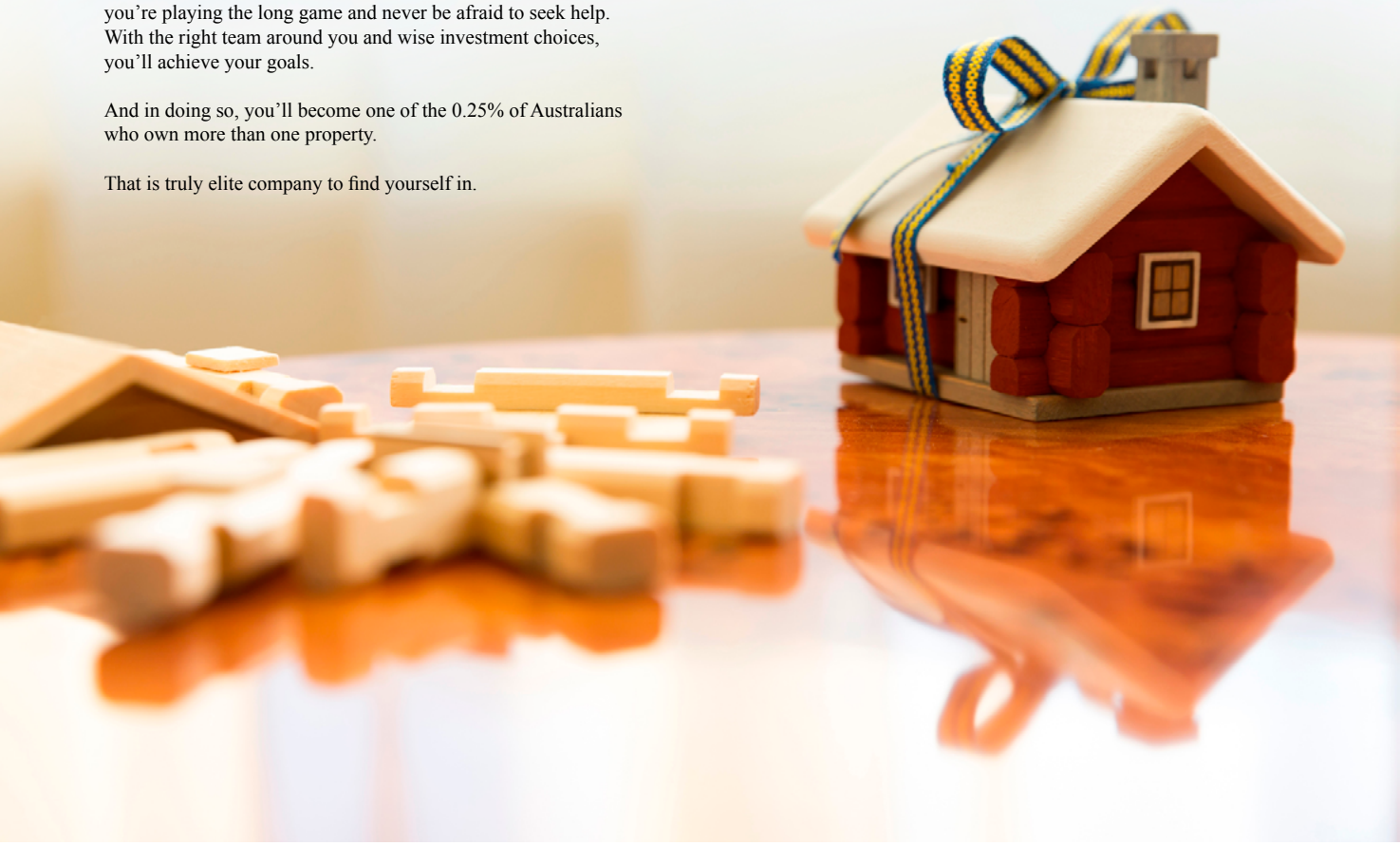
Your path to financial freedom does not have a set course. By taking control of your finances and taking the leap into property investment, you're taking that first crucial step. Remember that you're playing the long game and never be afraid to seek help. With the right team around you and wise investment choices, you'll achieve your goals.

And in doing so, you'll become one of the 0.25% of Australians who own more than one property.

That is truly elite company to find yourself in.

RECAP ON CHAPTER 7: PROSPER – REAP THE REWARDS

- **Diversify your portfolio with more than one property.**
- **Grow your portfolio using equity, the power of leverage and compound interest.**
- **Find a plan and a strategy - and stick to them.**
- **To expand at a fast rate, consider interest only loans.**
- **Be sure to understand cross collateralisation.**
- **Don't forget the basics. Look to buy in the troughs when prices are relatively lower and sell in the peaks.**



08 Scenarios

We're all at different stages in our lives. Some of us are married with young kids, some are married with adult children. There are single families, blended families, dual incomes, single incomes, self-employed and employees.

We could go on, but no matter what your finance and life circumstances are, chances are we've seen someone just like you and have been able to have an impact on their financial future, more than once.

As you'll see below, these scenarios outline what we've been able to help our clients achieve through property investment.

SINGLE INCOME/SOLE PARENT

- **Single female, two young teenage kids**
- **One investment property in Queensland**
- **Same income, same living expenses as before**
- **Rental yield is 5.05%**
- **Reason:**

Realised that they need to provide for retirement and pay off home loan as quickly as possible.

- **Outcome:**

Cash flow positive property, high % of tax returns, will pay $36,000 a year off home loan, will be able to pay off home in six years.

DUAL INCOME, LESS THAN 50 YEARS OLD

- **Middle class dual income**
- **One investment property**
- **Two mature kids**
- **Rental yield 4.97%**
- **Reason:**

Realised that they did not have enough money in their super for retirement, needed to build up superannuation fast due to age and reduce their home loan ASAP.

- **Outcome:**

After purchasing investment property: Paid $28,000 off home loan in three months through this investment property and using the tax benefits from the property effectively.

DUAL INCOME/OLDER FAMILY

- **Been with Mirren for seven years**
- **Four investment properties**
- **Two kids at university**
- **$700,000 home debt – home paid off within four years with Rene**
- **Great success story: husband was unemployed for two years after the GFC, however, due to their buffers and redraw accounts, he was able to continue to live the normal lifestyle, still go on holidays, buy his wife a new car and send his kids to private school whilst on one income. (No properties were sold during this time of financial stress.)**
- **Furthermore, in two years' time, two of the investment properties will be paid off.**

BUSINESS OWNER

- **Self-employed business owner**
- **Young family**
- **Three investment properties**
- **Most recent investment property has a 5.20% rental yield**
- **Reason:**

Paying a lot of tax. Client was referred to us from an existing customer. Having been so satisfied with our products and services, he has referred another seven people to us.

- **Outcome:**

Reduced tax significantly to single digits per year. Three cash flow positive properties which are helping him pay off the investment debt.

(Home loan is already paid off.) Client would like to set up his kids so that they can purchase their own home in Sydney in a few years' time.

- **Future plans are to do a SMSF property so that he can build up his super and retire at the age of 59.**

YOUNG FAMILY

- **Two investment properties**
- **Two young kids**
- **Most recent investment in Goodna, Queensland, is producing a yield of 4.91%**
- **Reason:**

Corporate professional – the client knew he had to invest and reduce his tax but didn't have the time or energy to do it himself. He came to Mirren from a referral to help him invest properly.

- **Outcome:**

Mirren was able to source a property, arrange the finance and strategy and help the family settle it with ease. The clients spend only one hour per month in managing their investment properties. They also wanted to renovate their current home and after two years, they are halfway through achieving this goal.

When this renovation is complete, the house price will go from $1mil to $2mil in value. They will be able to send their children to a more prestigious school to receive the education they would like them to have.

SEE THE POSSIBILITIES

Graph – from a client taken from their budget projections showing paying down of the loans over an eight year period.

Red line is total borrowing limit, personal and investment.

Blue line is showing the home loan being paid off (bad debt).

Yellow line is investment debt including equity from the house (good debt).

Green line is showing overall debt position (good and bad debt together).

The difference between the green line and red line is the equity in a cash format available in the redraw or offset account, accessible at any time for any emergencies (buffer or safety net).

09 Strategy success stories

Brian and Francis

How Mirren transformed the lives of two ordinary Australians … turning them into successful property investors.

Emil and Yvonne

Ten years, five investment properties and their primary mortgage paid off. What a strategy for this family from Sydney! How good advice from Mirren changed the course of their lives.

Rohan

How our property investment guru gave some sound advice and a wealth of experience to an experienced financial planner … and secured his financial future.

Amrin and Arif

How a 'financial personal trainer' won the hearts and the trust of this hard-working young couple.

10 Are you ready to take the next step?

So, the question you need to ask yourself now is, 'Am I ready?' The world of property investment is vast and exciting. And the things it can do for your wealth, your lifestyle and your family are infinite.

So, what are you waiting for? Get in touch with us to arrange a consultation and lay the foundations of your swimming pool of financial freedom. Trust us, the water's perfect!

To arrange a consultation visit:

Or call:
(02) 8814 5275