



How to Buy the Right Investment Property

Presented on 20th September 2023 | 12:00



How to Buy the Right Investment Property

Webinar 20th September 2023

Welcome



How to Buy the Right Investment Property

Host

- Andrew Kent – National President of the ALA

Expert Panel

- Gaurav Bhatia – Property Advisor & Specialist
- Roy Sanderson CPA – Accountant & Taxation Specialist

Important Disclaimer



How to Buy the Right Investment Property

The information provided is general advice only. All individuals should seek independent professional advice specific to their circumstances before making any financial decisions.

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The First Decisions:

- Residential or Commercial
- House or Unit
- What can I afford – borrowing capacity
- Structure – Individual / Joint / Trust / SMSF

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- Set Investment Goals – what are we trying to achieve
- What is your comfort level or budget
- Review investment analysis showing costs & returns
 - Rent income
 - Interest
 - Expenses
 - Growth

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- Complete a finance pre approval application
- Use a finance broker who will assist you across multiple potential lenders

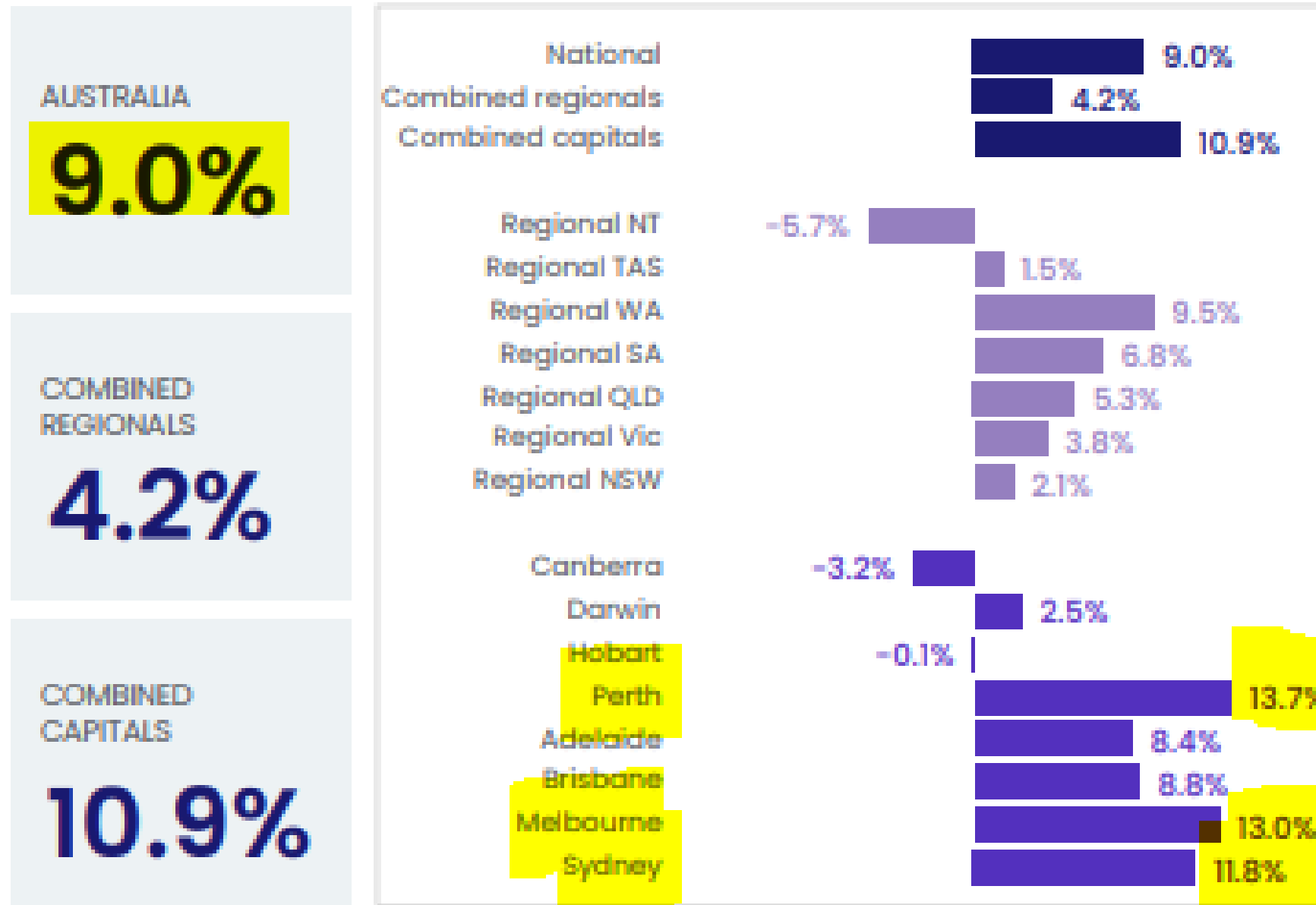
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Research Focus:

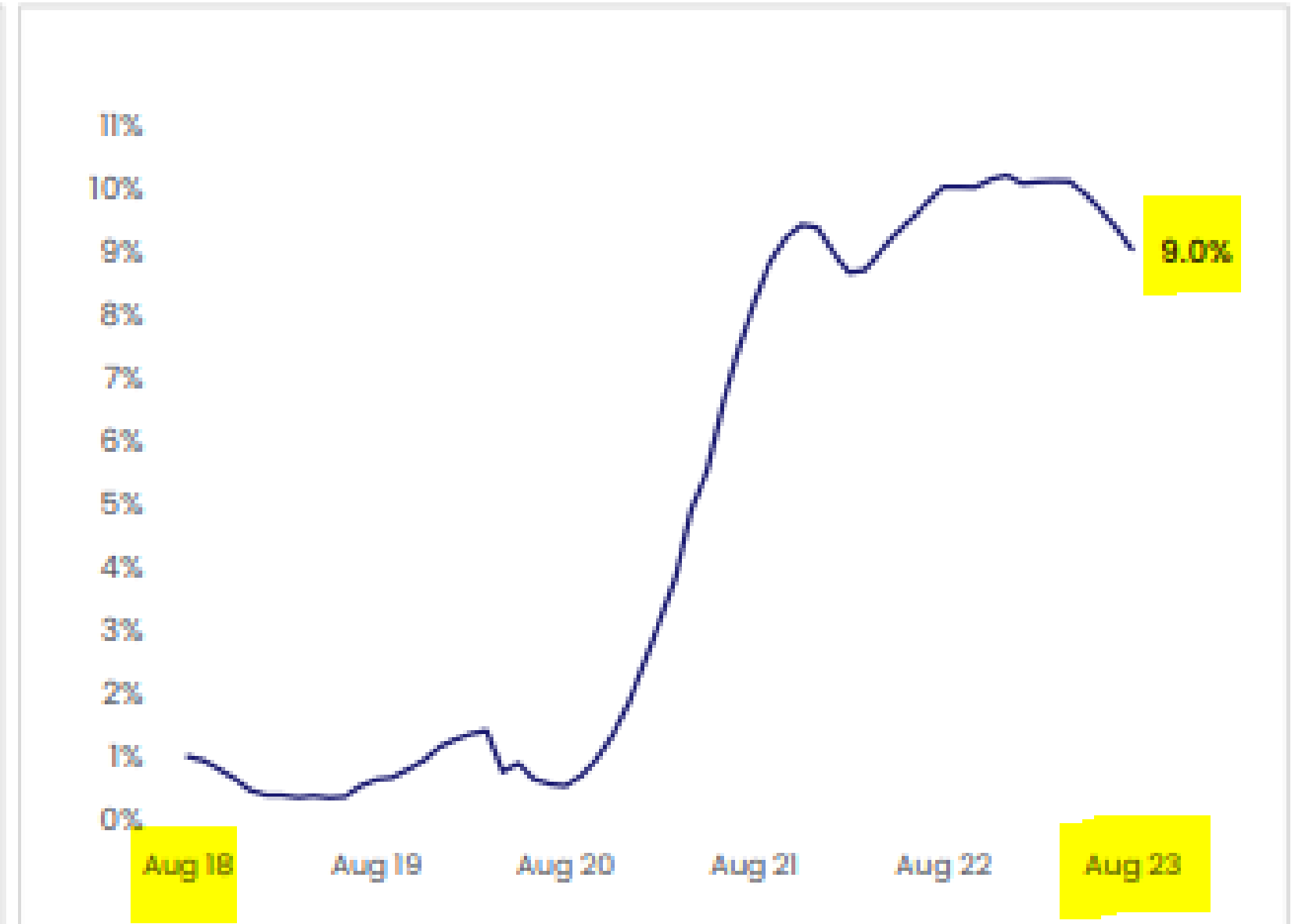
- Population & demographics
- Infrastructural planning
- Rental yields
- Vacancy rates
- Stock availability
- Affordability limits
- Growth expectations
- Rule of 72 = 7.2% return doubles in 10 years

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Annual change in rental rates to August 2023



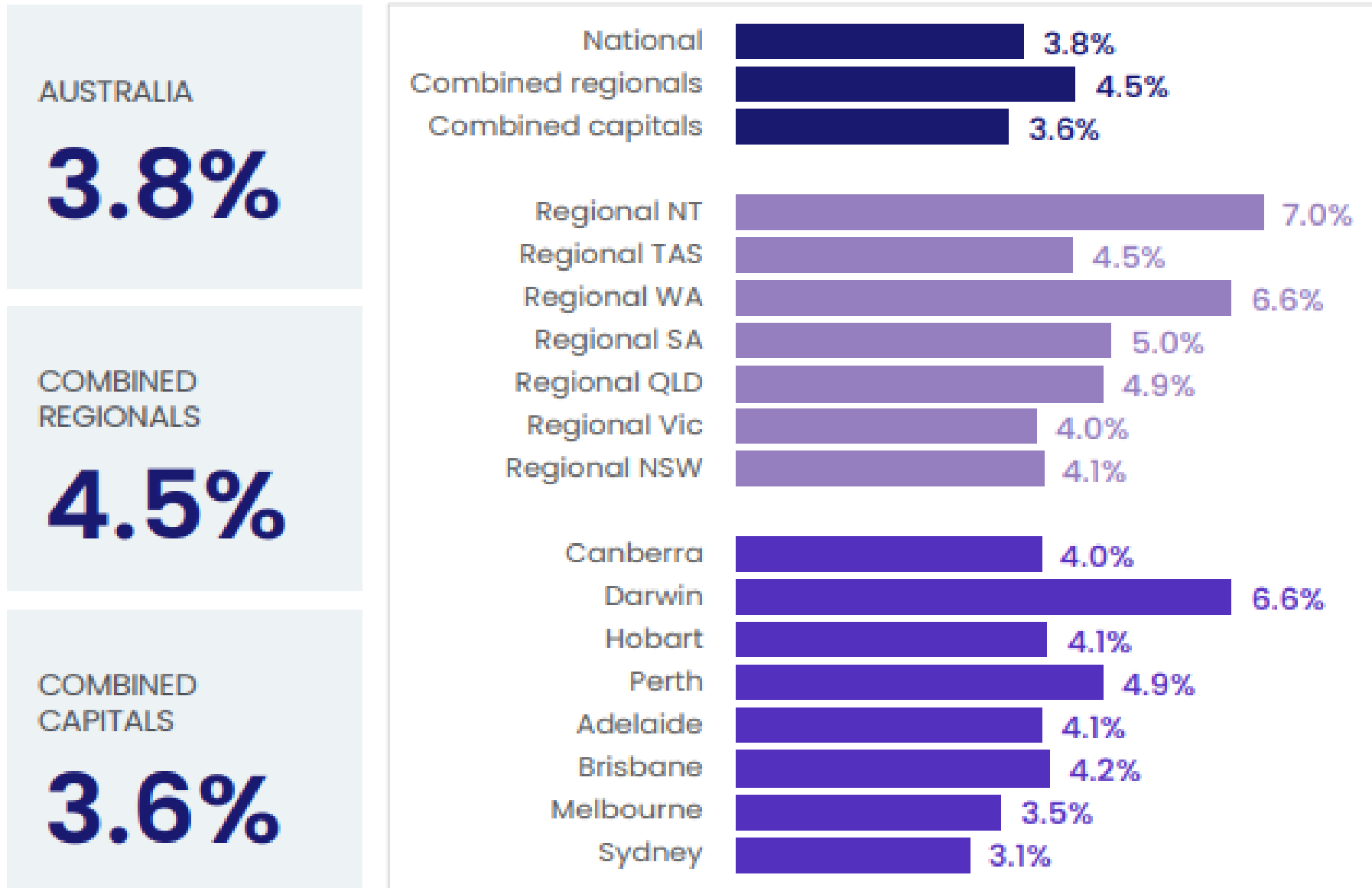
Annual change in rental rates - National



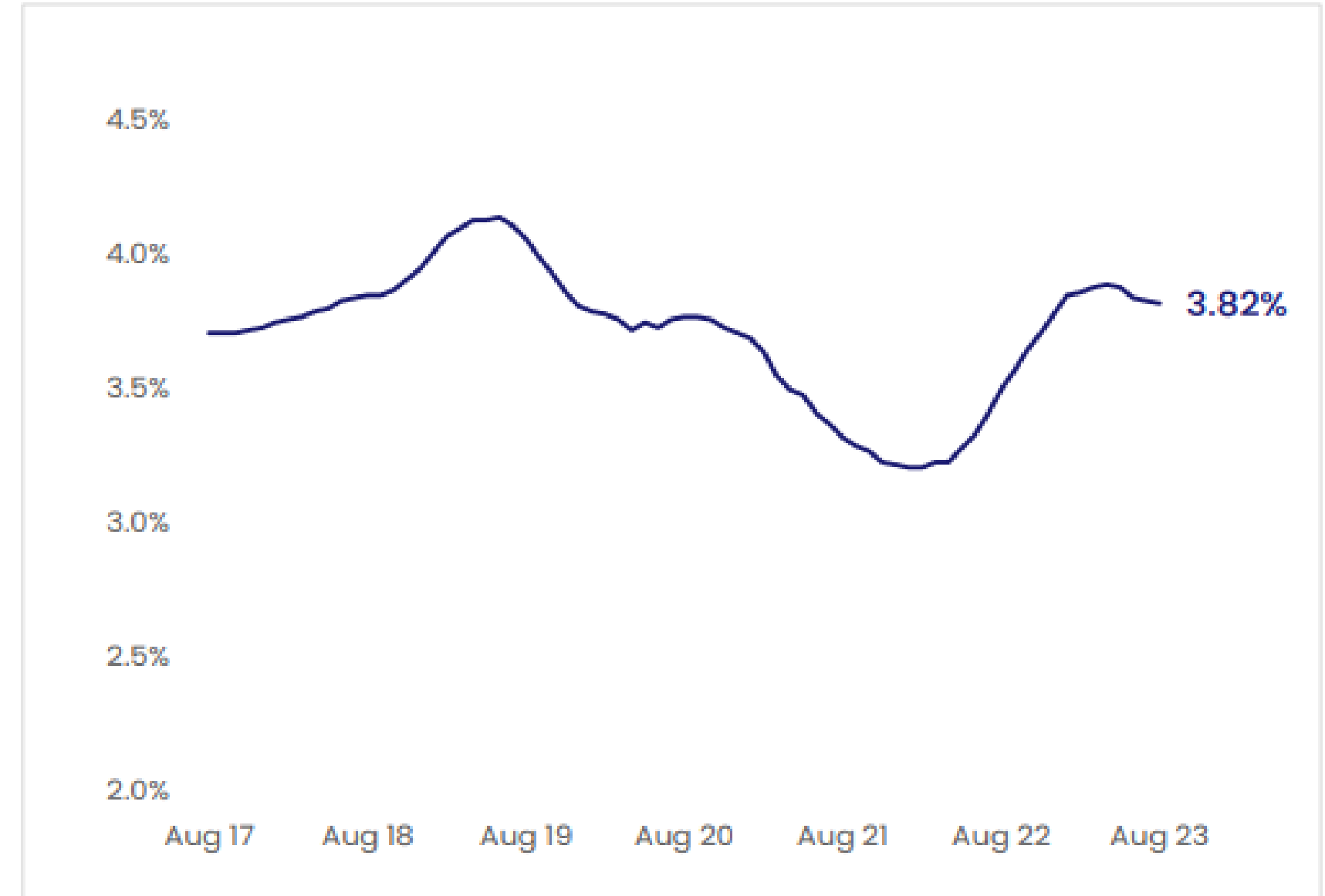
Rental Annual Change – 1 year

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Gross rental yields, August 2023

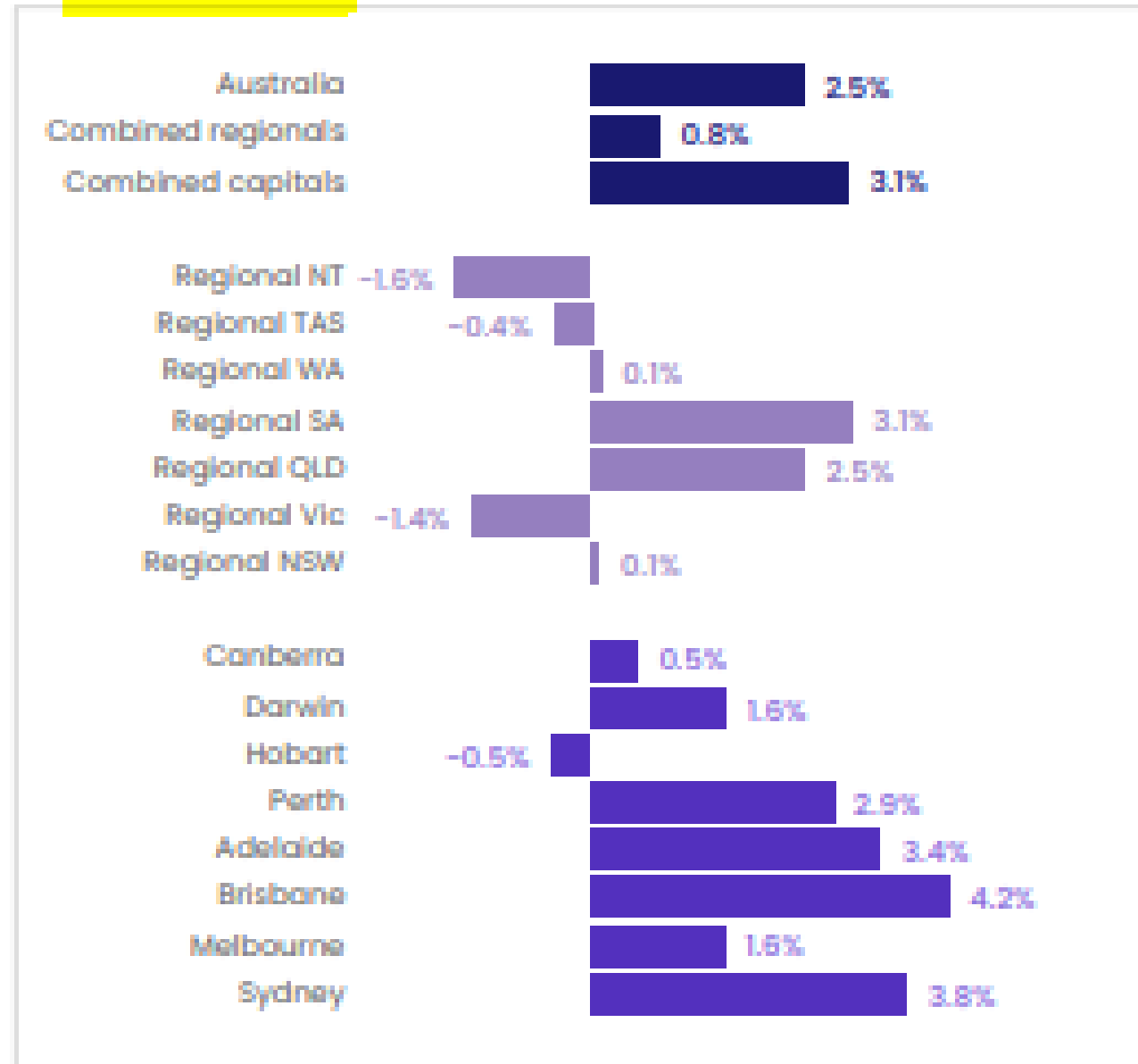


Gross rental yields

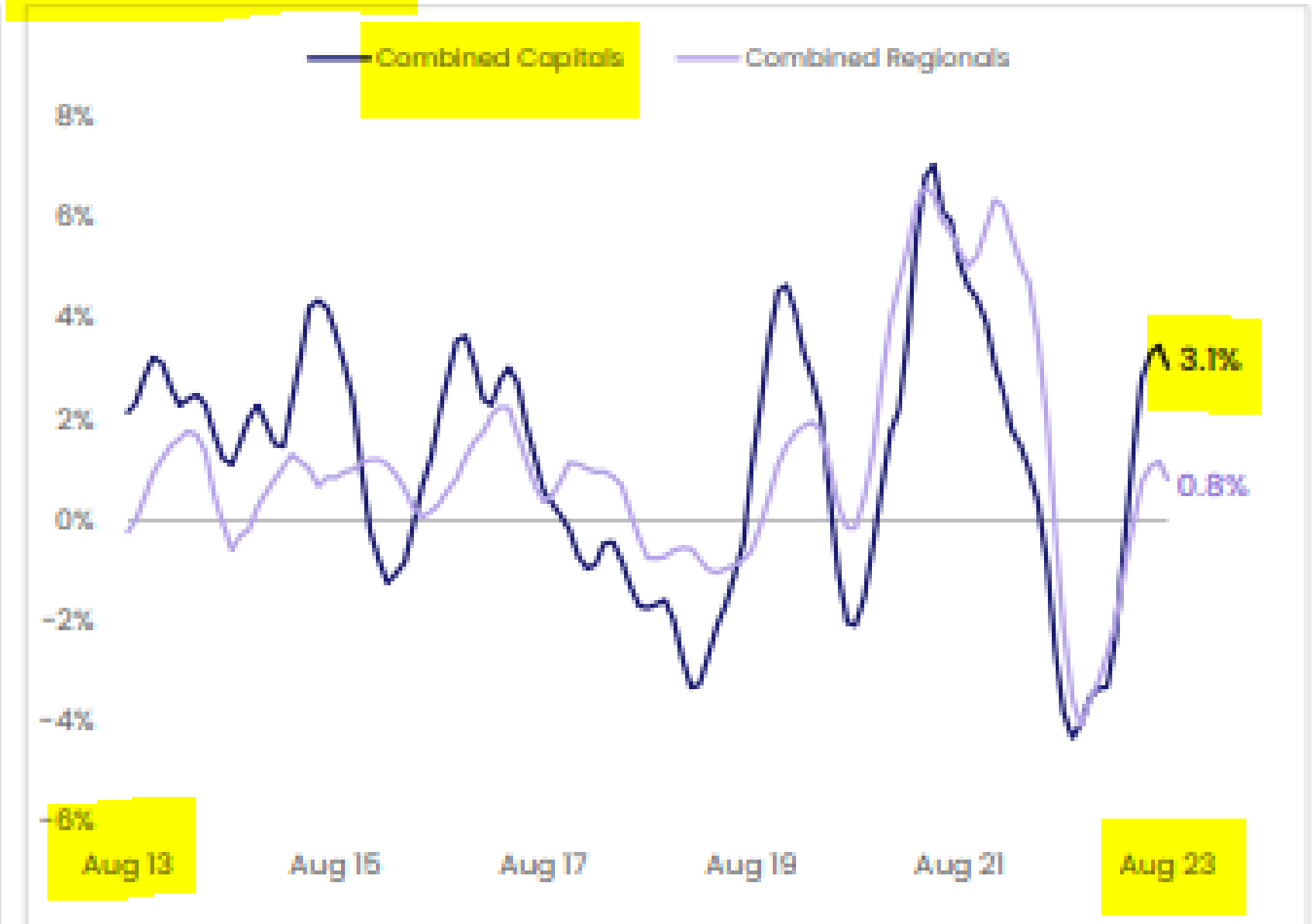


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Change in dwelling values, three months to August 2023

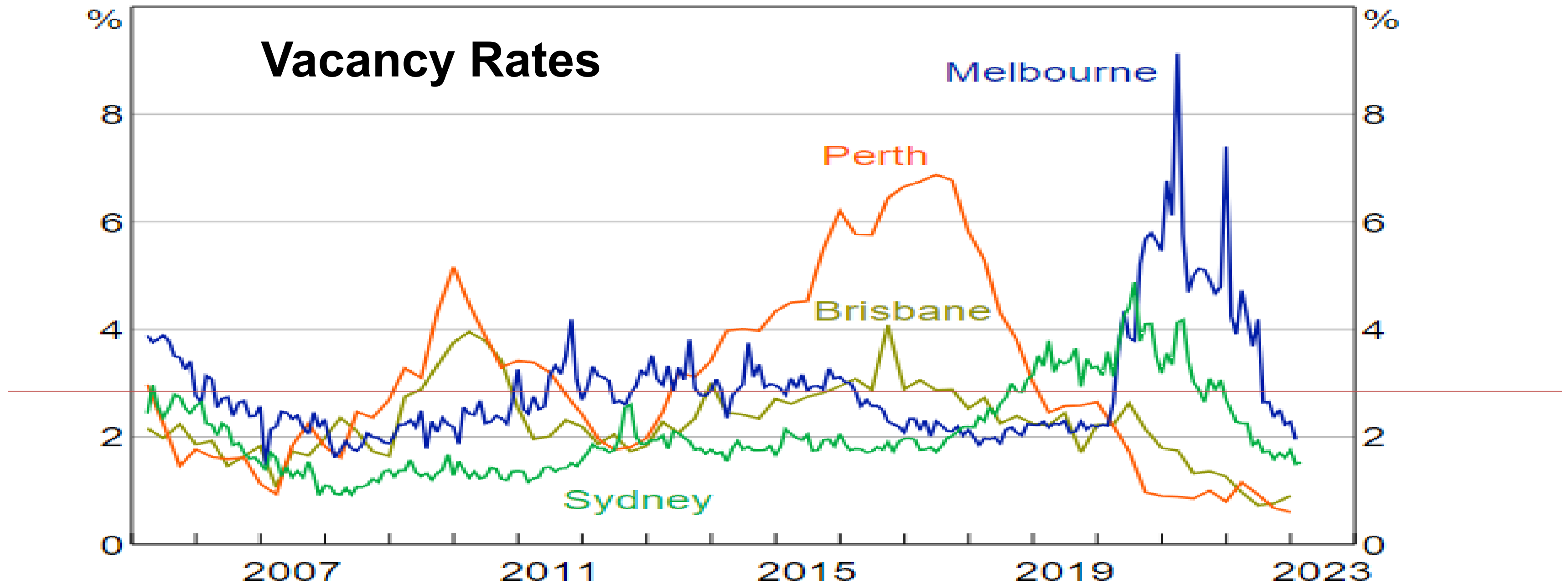


Rolling quarterly change in dwelling values



Quarterly Change in Value - Rolling

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Graph of the Cash Rate Target



Source: RBA

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Where Investors Go Wrong

- Get advice from family and well-meaning friends – Not Professionals
- Buy in locations they know rather than areas that will experience the best growth
- Don't treat the purchase as a business decision and buy on emotion or excitement
- Don't understand "ALL" the numbers that matter when it comes to property investment
- Don't think of property investment like a game of "Chess" you always want to be thinking 2-3 years in advance to build a property portfolio
- Negatively geared property when you can't afford it – Not having a proper financial model
- Buying for short term and hoping to outperform the market
- Cutting out the experts – Not having a property investment strategy

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Panel Q & A

Please type your questions in the chat and we will get to them in turn.

www.australianlandlords.com

www.equimaxpropertygroup.com.au

www.rjsanderson.com.au

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Thank you for attending.

We look forward to having you to our next webinar.
For mor information, you may visit our website:

www.australianlandlords.com

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