



Buying with Confidence

Find out why hundreds of Aussie investors are turning to buyer's agents to make confident property decisions.

Foreword

Having been honoured as Australia's Buyer's Agency of the Year 2023, InvestorKit has consistently championed the cause of empowering investors through data-driven insights and informed decision-making. The property investment landscape in Australia is vast, and the choices made within it can profoundly influence one's financial trajectory. In collaboration with Smart Property Investment and the Agile Market Intelligence team, we've endeavoured to illuminate this landscape, presenting a comprehensive view of the Australian property investment scene in 2023.

Our decision to invest in this report stems from our vision: to be the most trusted, data-driven buyer's agency for successful business owners and professionals. We're passionate about empowering our clients with knowledge, challenging misconceptions, and providing a clear roadmap to success. This report stands as a testament to that unwavering commitment.

In the current market characterised by its rapid shifts and turns, investors face both opportunities and challenges. Beyond the pursuit of profitable returns, they're navigating the intricate corridors of real estate, aiming to make confident and precise decisions. This is where buyer's agencies like Investorkit prove to be invaluable allies. As staunch advocates for investors, buyer's agents offer clarity, direction, and expertise in property transactions.

Our exploration delves deeper than just success stories. We seek to understand the mindset of investors, uncovering the motivations behind their choices – be it to engage with a buyer's agent or to venture solo. By addressing and dispelling common myths and misconceptions, we aim to arm both seasoned and budding investors with the clarity they need to make informed decisions.

The narrative of this report is unequivocal: investors who collaborate with a buyer's agency such as InvestorKit often find themselves on a trajectory towards greater success. The insights within will underscore how these investors, by leveraging the expertise of a buyer's agent, enjoy streamlined processes, standout property performance, and a profound sense of satisfaction with their investments. These accounts highlight the undeniable value that a buyer's agent brings to their property investment journey.

Whether you're a seasoned investor or just setting out on your investment journey, the insights contained within these pages are invaluable.



Arjun Paliwal
Director & head of research
InvestorKit

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Introduction

Welcome to the *Buying with Confidence* report, a comprehensive examination of the Australian property investment landscape in 2023. This report delves into the experiences and choices of property investors across the nation, exploring the pivotal role that buyer's agents play in enhancing investment journeys.

In this dynamic and ever-evolving market, the decision to invest in property is not to be taken lightly. Property investors not only look to maximise their investments but also navigate the complexities of the real estate world with ease and assurance. It is within this context that we explore the critical role of buyer's agents – individuals or entities dedicated to representing the interests of investors in property transactions.

Our report illuminates a compelling narrative: investors who choose to engage buyer's agents tend to experience a higher degree of success across various dimensions. Through our research, we will demonstrate how investors benefit from enhanced ease of use, superior performance outcomes, and a heightened level of satisfaction with their property purchases. Their experiences serve as a testament to the value that buyer's agents bring to the table.

Beyond success stories, we delve into the motivations and considerations that drive investors' choices to either embrace or forgo the services of a buyer's agent. In doing so, we aim to uncover and dispel myths and misconceptions that may influence these decisions. By shedding light on these factors, we equip both seasoned investors and those new to the property market with the knowledge to make informed choices.

Crucially, this report also provides a snapshot of the demographics of buyer's agent clients. It challenges the notion that only a select few can benefit from the expertise of buyer's agents, showcasing that everyday Australians from diverse backgrounds and walks of life can harness the advantages these professionals offer in their property investment journey. Our findings reveal that buyer's agents cater to a broad spectrum of investors, emphasising inclusivity and accessibility in the property market.

As we embark on this journey through the realm of Australian property investment, we invite you to explore the insights and revelations that *Buying with Confidence* has to offer. By the end of this report, we aim to empower investors with the knowledge and understanding they need to make confident and informed decisions in the ever-evolving world of property investment.



A handwritten signature in black ink, appearing to read 'Michael Johnson'.

Michael Johnson
Director
Agile Market Intelligence

Key findings



62%

Of DIY investors said they did not use a buyer's agent for their most recent property purchase



26%

Of investors said they did use a full-service buyer's agent for their most recent property purchase



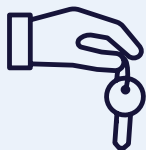
19%

Of potential investors said they would use a full-service buyer's agent from beginning to end



76%

Of first-time investors who used a full-service buyer's agent said they would use one again for their next property purchase



14%

Of DIY first-time investors said they would use a buyer's agent for their next property purchase



64%

Of investors who have or will use a buyer's agent said it's to ensure they make the right investment decision

Audience demographics

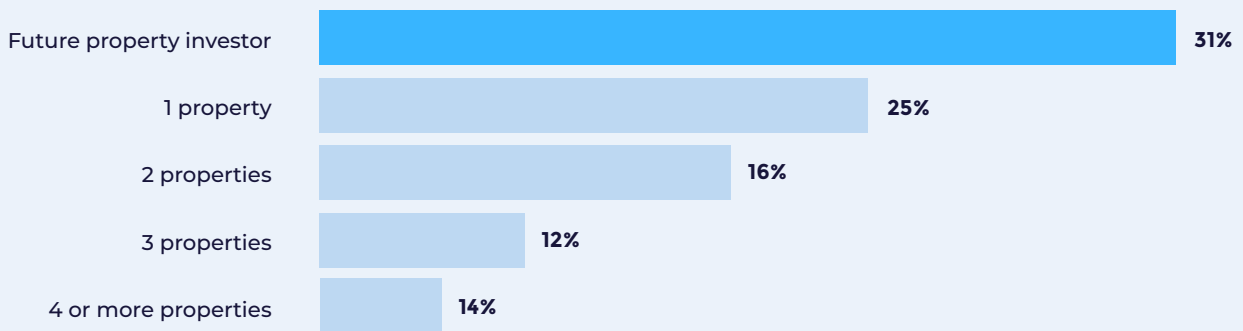
Demographics

The 2023 Buying with Confidence survey was conducted between 15 August and 4 September 2023. The survey encouraged property investors and general consumers across Australia to complete the questionnaire.

Smart Property Investment’s readership and Agile Market Intelligence’s consumer panel were invited to complete the online survey via email invitation. The survey received a usable sample of 741 responses, including 626 fully completed submissions. A number of responses were unqualified due to incomplete responses, while others did not meet survey criteria. Therefore, the margin of error for the results enclosed ranges between +/-3.92%. This is an excellent level of accuracy for a study of this nature.

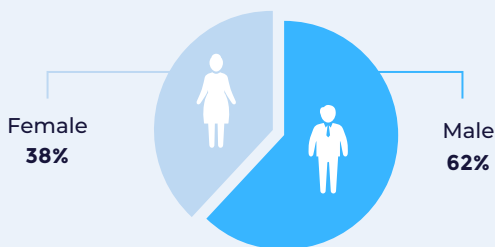
How many investment properties do you own?

Sample size: 626 (All respondents)



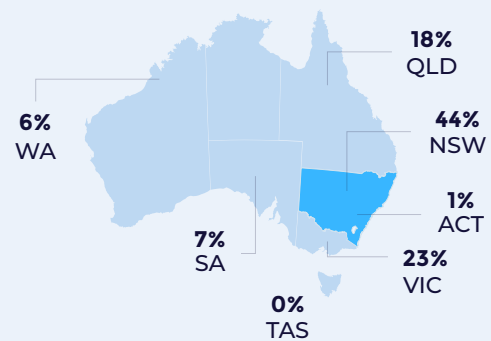
What is your gender?

Sample size: 626 (All respondents)



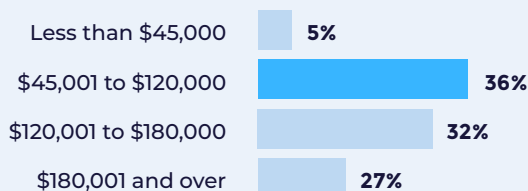
What is your location?

Sample size: 626 (All respondents)



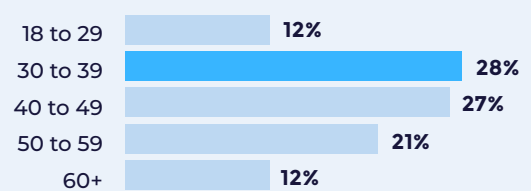
What is your annual income?

Sample size: 626 (All respondents)



What is your age bracket?

Sample size: 626 (All respondents)



Understanding property investment options

4 in 10 Australian property investors are working with buyer's agents

Before we explore the reasons why hundreds of Australians turned to buyer's agents to make confident property decisions in 2023, let's unpack the avenues available to Australian property investors.

From our research, there are three segments of investors: do-it-yourself (DIY) investors, investors who use a buyer's agent throughout the property purchasing process (full-service), and investors who conduct their own research and use a local buyer's agent to provide partial assistance with the purchase.

As per our prediction, the majority of investors (62%) surveyed said they did not use a buyer's agent for their most recent property purchase.

What stands out in this research is the adoption levels of a full-service buyer's agent. Property investors using buyer's agents were more than twice as likely to use full-service buyer's agents compared to local buyer's agents. More than a quarter (26%) of all investors stated their most recent purchase was made through a full-service buyer's agent, compared to only 12% who used a local buyer's agent.

This highlights the growing trust levels and ease of the process when using full-service buyer's agents, which we will explore in the following sections.

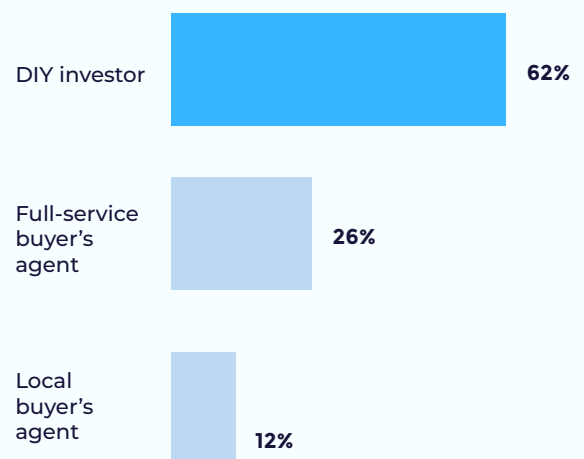
Similar to property investors, the large majority of potential investors prefer to start their property journey independently, accounting for more than half the responses (52%).

Conversely, almost three in 10 (29%) potential investors said they were almost two and a half times more likely to use a local buyer's agent compared to active investors. Comparatively, only around one in 10 (12%) active investors said they would use a local buyer's agent. This can be attributed to satisfaction, performance, and ease of the property purchasing journey that investors experience with a full-service buyer's agent.

In purchasing your most recent investment property, which approach did you use?

Sample size: 429 (Property investors)

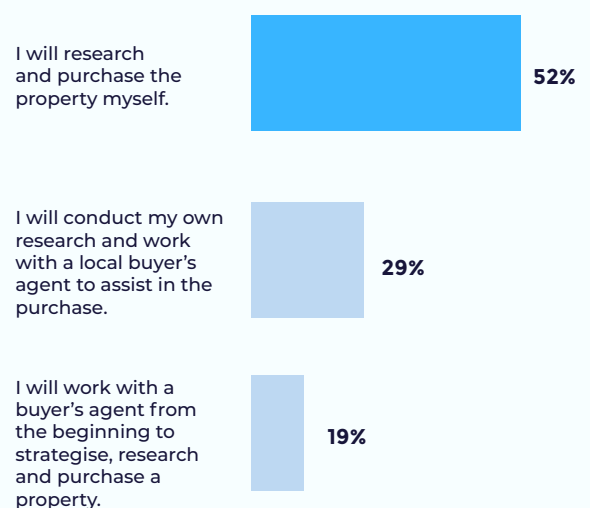
Property investors



Thinking about making your first property investment, which approach will you likely use?

Sample size: 197 (Potential investors)

Future property investors



Understanding property investment options

1 in 3 DIY investors will use buyer's agent for their next investment purchase

Contrary to initial predictions, although the majority of investors did not use a buyer's agent to purchase their first property, almost a third (30%) of DIY investors said they would likely start using a buyer's agent, signalling the difficulties in DIY property investing.

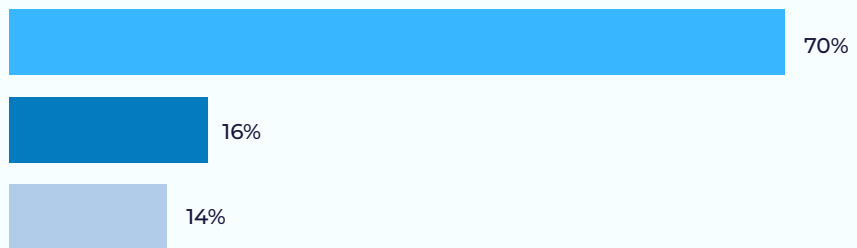
Our research reveals that full-service buyer's agents had higher retention levels among property investors, with more than three quarters (76%) of those surveyed who used a full-service buyer's agent stating they would do so again. This highlights the positive experience property investors have by partnering with a buyer's agent throughout their purchasing journey.

Thinking about your next investment property, which approach will you use?

Sample size: 429 (Property investors)



DIY investor



Local buyer's agent



Full-service buyer's agent



I will research and purchase the property myself. (DIY)



I will conduct my own research and work with a local buyer's agent to assist in the purchase. (Local buyer's agent)



I will work with a buyer's agent from the beginning to strategise, research and purchase a property. (Full-service buyer's agent)

Buyer's agents explained

What exactly are buyer's agents?

The scope and offerings of buyer's agents vary, but their core service is to guide a purchaser through a property transaction.

For many buyer's agents, this process includes:



Buyer's agent client profile

Full service buyer's agents are used by everyday Aussie investors, with no correlation to income

Our research reveals a growing percentage of what we consider 'everyday' Australians – investors who are using buyer's agents when starting their property investment journey – as well as a clear indication of experienced property investors using buyer's agents to aid their investment strategy.

When analysing investors' income, we found that almost two in five (36%) of investors within the bracket of \$45,001 to \$120,000 were predominantly using a local buyer's agent. This highlights the amount of trust and importance

investors place in buyer's agents as the majority of everyday Australians are within this income bracket.

Although fewer property investors were below 30 years of age, when examining our results, we found that the majority of investors between 18 to 29 were using a full-service buyer's agent, accounting for more than one in 10 (11%). Similarly, we found that two in five (40%) experienced investors between the ages of 30 to 39 were using a full-service buyer's agent.

In purchasing your most recent investment property, which approach did you use?

Sample size: 429 (Property investors)

INVESTOR EXPERIENCE

	DIY investor	Local buyer's agent	Full-service buyer's agent	Grand total
1 property	43% n=115	34% n=17	23% n=26	37% n=158
2-3 properties	35% n=94	42% n=21	57% n=63	41% n=178
4+ properties	22% n=59	24% n=12	20% n=22	22% n=93

BY GENDER

	DIY investor	Local buyer's agent	Full-service buyer's agent	Grand total
Male	62% n=165	66% n=33	74% n=82	65% n=280
Female	38% n=103	34% n=17	26% n=29	35% n=149

BY INCOME

	DIY investor	Local buyer's agent	Full-service buyer's agent	Grand total
Less than \$45,000	4% n=10	6% n=3	1% n=1	3% n=14
\$45,001 to \$120,000	30% n=81	36% n=18	27% n=30	30% n=129
\$120,001 to \$180,000	34% n=91	34% n=17	34% n=38	34% n=146
\$180,001 and over	32% n=86	24% n=12	38% n=42	33% n=140

BY AGE

	DIY investor	Local buyer's agent	Full-service buyer's agent	Grand total
18 to 29	6% n=16	8% n=4	11% n=12	7% n=32
30 to 39	24% n=63	24% n=12	40% n=44	28% n=119
40 to 49	28% n=74	34% n=17	34% n=38	30% n=129
50 to 59	28% n=75	22% n=11	13% n=14	23% n=100
60+	15% n=40	12% n=6	3% n=3	11% n=49

Reasons for using a buyer's agent

Investors choose to use a buyer's agent to make confident property investment decisions

Our research indicates that property investment knowledge and expert advice are crucial factors that contribute to investors' and potential investors' decisions on whether to use a buyer's agent.

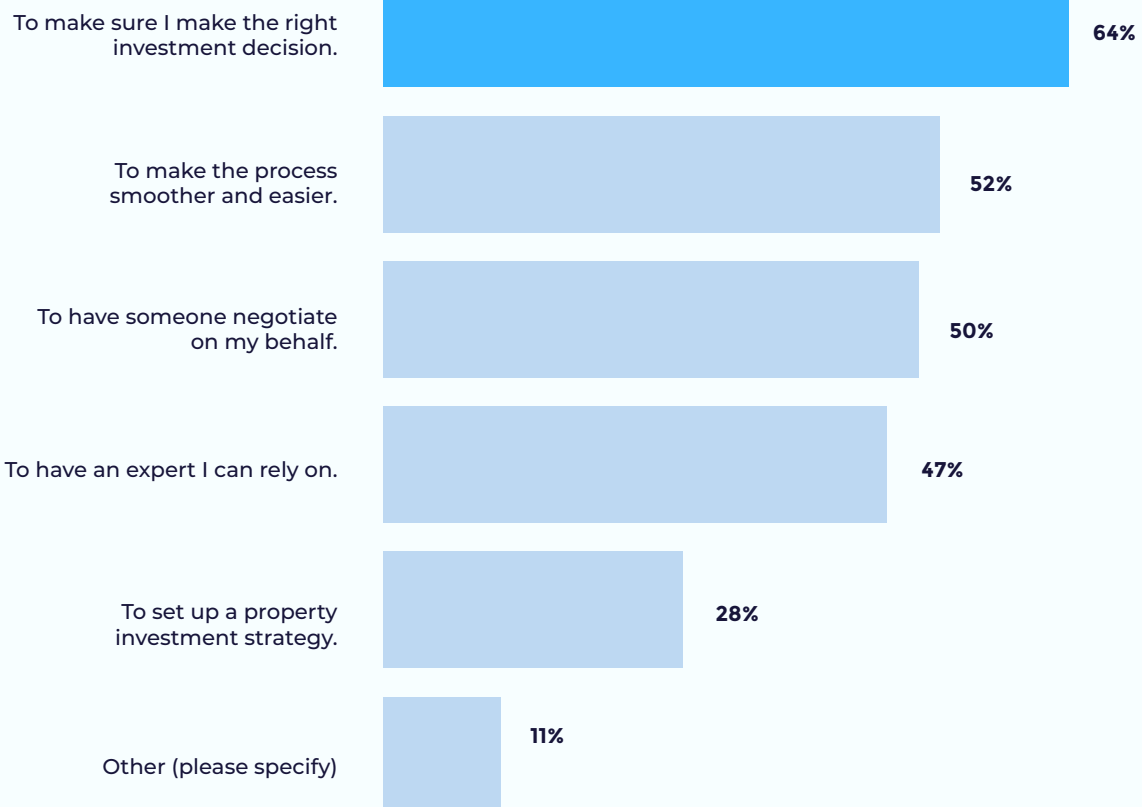
More than three in five (64%) investors and potential investors said they use a buyer's agent due to the experience they bring in helping them make the right investment decision. Almost half (47%) of investors and potential investors said they are considering engaging one so they can consult with, and rely on, an expert.

More than half (52%) of all active and potential investors indicated they would consider using one to make the process smoother, highlighting that using a buyer's agent can relieve stress for investors.

Other benefits of using an experienced buyer's agent are their negotiation skills to secure better deals for investors as they have access to off-market properties and a network of connections. Half (50%) of active and potential investors said they would use one so they have someone to negotiate on their behalf.

Why would you consider using a buyer's agent?

Sample size: 246 (Investors who have used or will use a buyer's agent)



Reasons for using a buyer's agent

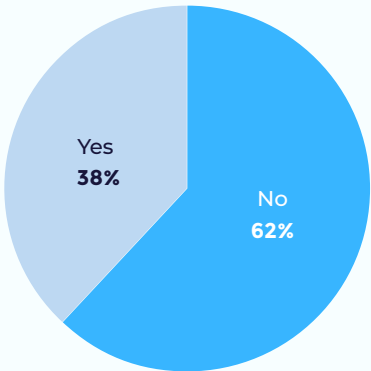
Buyer's agents are unlocking hard-to-find investment opportunities for their clients

One of the major benefits a buyer's agent provides is access to off-market opportunities that DIY investors are often unable to access. More than three in five (62%) investors using a buyer's agent stated they would not have been able to find their recent property without the help of the buyer's agent.

Interestingly, more than seven in 10 (71%) investors purchased on-market properties, with investors using full-service buyer's agents being more than three and a half times more likely to purchase off-market properties compared to DIY investors, and more than twice as likely compared to using a local buyer's agent.

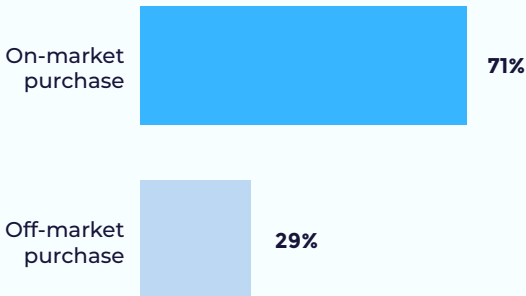
Would you have been able to find your investment property without the help of your buyer's agent?

Sample size: 161 (Buyer's agent investors)



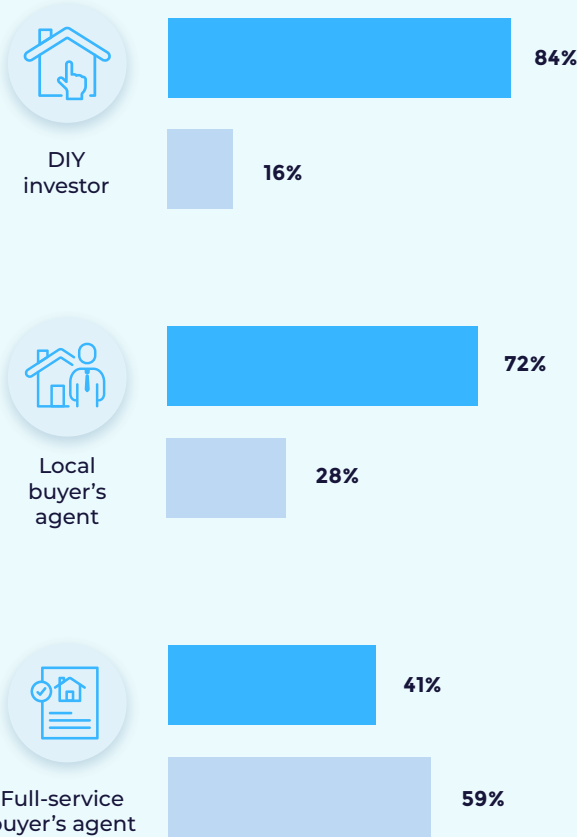
What was the nature of this property purchase?

Sample size: 429 (Property investors)



BY INVESTOR TYPE What was the nature of this property purchase?

Sample size: 429 (Property investors)



■ On-market purchase ■ Off-market purchase

Reasons for using a buyer’s agent

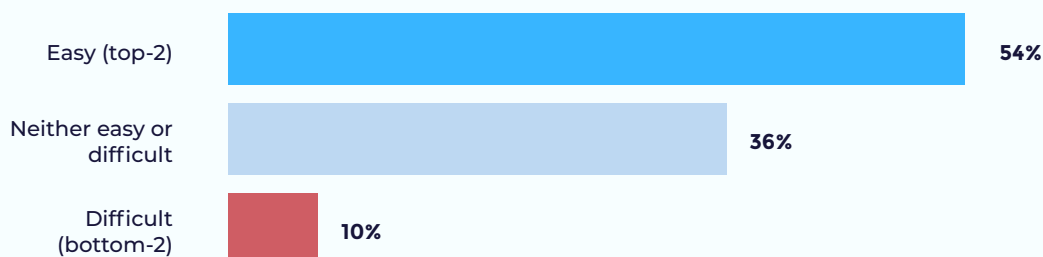
Stress levels are significantly lower for full-service buyer's agent supported investors

The majority of property investors found the purchasing process easy. Unsurprisingly, investors using a full-service buyer’s agent are almost one and a half times more likely to find the process of purchasing property easy compared to DIY investors. More than one in 10 (11%) DIY investors rated their property purchasing experience as difficult.

Our prediction is that the majority of DIY investors will remain the same, but the results highlight the growing stress and complexities these investors will continue to face without using a buyer’s agent. Some of these complexities include missing out on off-market properties, expert guidance on investment decisions, and being able to secure under-market value deals.

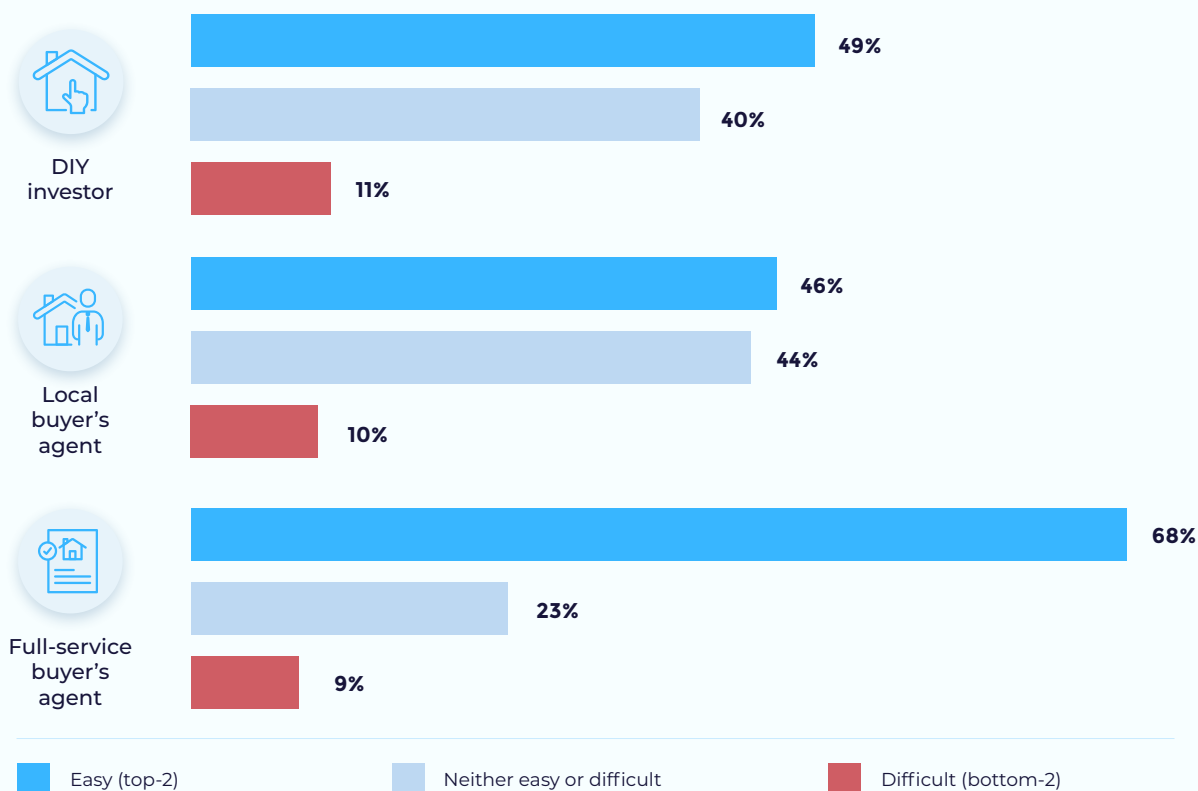
How easy or difficult was the process of purchasing this property?

Sample size: 429 (Property investors)



BY INVESTOR TYPE

How easy or difficult was the process of purchasing this property?



Reasons for using a buyer’s agent

Investors with expert advice use more measures to clearly evaluate their property performance

Benchmarking is an important process that helps review the performance of your property. Our survey responses reveal that comparing capital growth against the national average is the most common form of benchmarking, cited by almost three in five (56%) investors. This is followed by almost half (46%) of investors citing they compare rental yield against national averages.

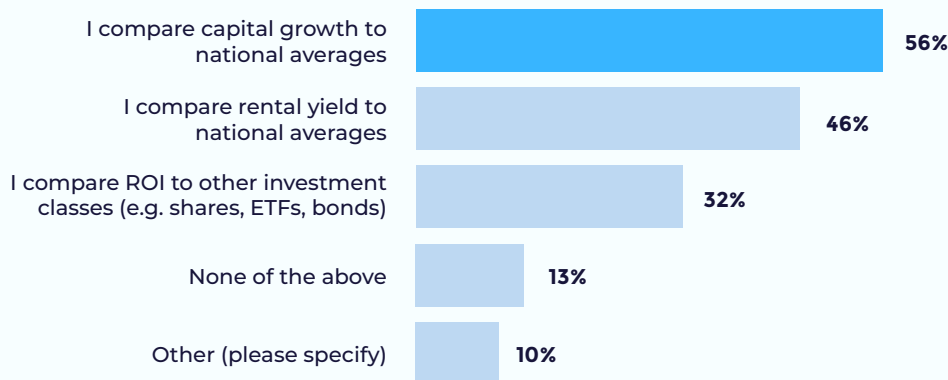
Surprisingly, upon further analysis, we found that investors who used a full-service buyer’s agent

were almost one and a half times more likely to compare capital growth against national averages compared to DIY investors. Similarly, investors using full-service buyer’s agents were equally likely to compare rental yield against the national average compared to DIY investors.

This highlights the expertise, property and location knowledge, and access to research data that buyer’s agents provide and investors value.

How do you benchmark the performance of your property portfolio?

Sample size: 429 (Buyer’s agent investors)



How do you benchmark the performance of your property portfolio?

Sample size: 429 (Buyer’s agent investors)

	DIY investor	Local buyer's agent	Full-service buyer's agent	Grand total
I compare capital growth to national averages	51% n=136	50% n=25	71% n=79	56% n=240
I compare rental yield to national averages	42% n=112	48% n=24	57% n=63	46% n=199
I compare ROI to other investment classes	31% n=82	34% n=17	35% n=39	32% n=138
None of the above	15% n=41	4% n=2	11% n=12	13% n=55
Other (please specify)	11% n=30	10% n=5	8% n=9	10% n=44

Challenges for future property investors

Saving for a deposit is the primary challenge for future property investors

The most common barrier preventing potential investors from purchasing their investment property is not having enough deposit for a property purchase. Indeed, nearly half (45%) of all potential investors cited this as an issue. Apart from saving a large enough deposit, nearly a third (30%) of the potential investors surveyed stated they did not know where or what property to purchase, while more than one in 10 (11%) said they weren't familiar with the purchasing process.

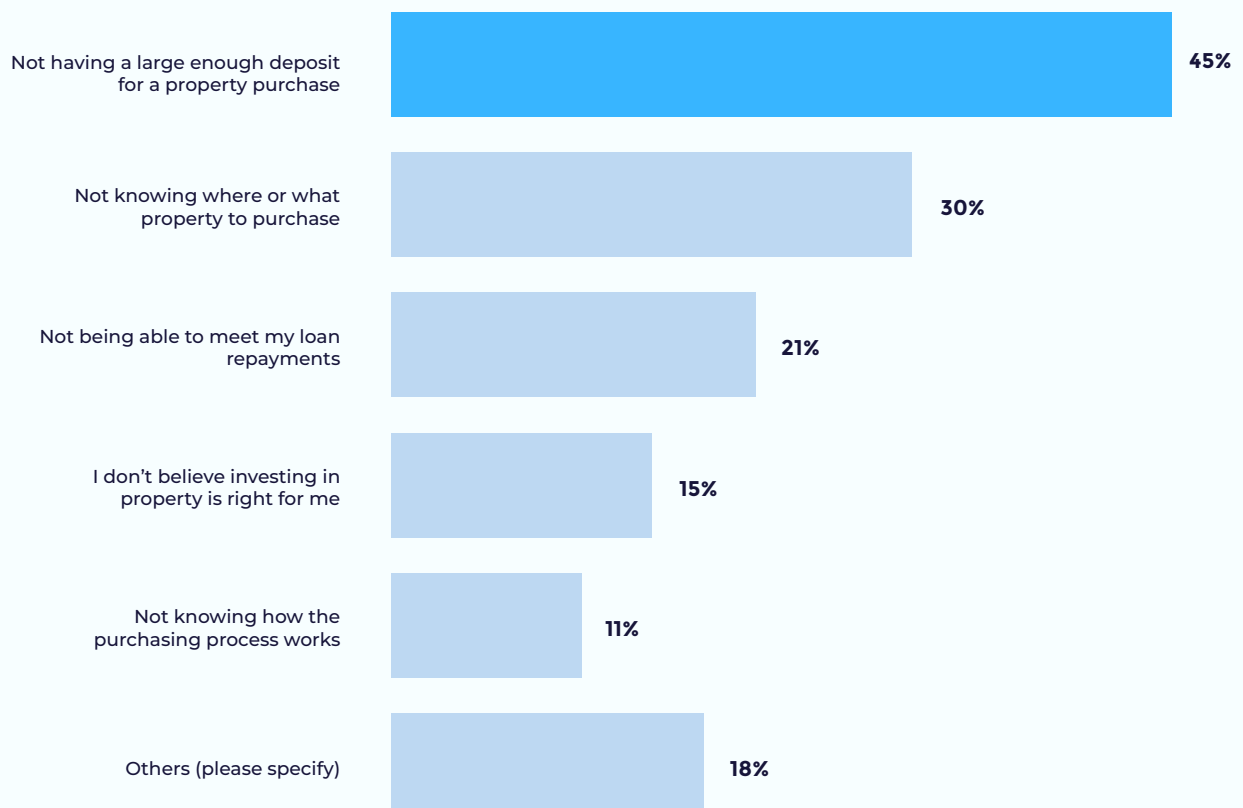
Our analysis revealed that potential investors are considering using a buyer's agent to address these major barriers, with nearly seven in 10 (65%) potential investors citing they would consider

using a buyer's agent to ensure they make the right investment decision. More than three in five (61%) potential investors are considering using a buyer's agent as it would smooth the process. Nearly two in five (38%) are considering using one to help them establish a property investment strategy.

This shows the value of buyer's agents, especially for new investors, as they can guide investors through the purchase process and implement a tailored investment strategy from the beginning. Buyer's agents could also source high-growth deals, which can often be off-market and undervalued, thus requiring less deposit from investors.

What are the core barriers preventing you from investing in property?

Sample size: 197 (Property investors)



InvestorKit case studies

The interrelation of investment strategies and decisions

While most investors said they would use a buyer's agent to ensure they make the right investment decision, few said they would use one to set up an investment strategy. This illustrates the lack of consideration or understanding of the link between these factors.

Investors who have or will use a buyer's agent were asked why they used or would consider engaging one. Most respondents (64%) said they would use a buyer's agent to ensure they make the right investment decision.

On the other hand, just over a quarter of respondents (28%) said they would engage one to set up a property investment strategy.

However, in order for investors to make the right investment decisions, they need to set up the right investment strategy.

InvestorKit – which partnered with Agile Market Intelligence to compile this report, and has a thorough understanding of this gap – is primed to assist with this. One of its primary service offerings is to set up a property investment strategy for investors to ensure future success, as demonstrated by the InvestorKit case studies below.



InvestorKit case study

Michael contacted InvestorKit stating that he had purchased one investment property. His objective was to expand his property portfolio. Through InvestorKit's detailed and data-driven investment strategy approach, Michael was subsequently able to purchase four additional properties. He is now seeking his sixth investment property.

InvestorKit was able to secure his properties based on the following results:



PROPERTY 1

BRISBANE

Purchase price 2021: \$560,000
Bank valuation 2023: \$770,000
Capital growth: 36.5%



PROPERTY 2

ADELAIDE

Purchase price 2021: \$555,000
Bank valuation 2023: \$733,000
Capital growth: 32.7%



PROPERTY 3

REGIONAL NSW

Purchase price 2021: \$950,000
Bank valuation 2023: \$1,080,000
Capital growth: \$130,000



PROPERTY 4

REGIONAL QLD

Purchase price 2021: \$720,000
Bank valuation 2023: \$775,000
Capital growth: \$55,000

InvestorKit case studies

This inspiring story didn't just make big profits – it also made the news

Aman and Charu's journey exemplifies the power of vision, focus, and expert guidance in achieving financial success in uncertain times.

Both Aman and Charu come from migrant backgrounds. Aman's business not only assists fellow migrants in securing their dream jobs and obtaining various visas, but also plays a pivotal role in fostering entrepreneurship within Australia's migrant community.

In 2020, Aman and Charu partnered up with the InvestorKit team, defying the prevailing sentiment that it wasn't the right time to invest.

Aman was driven by a clear goal: **to reach \$10 million in residential properties fast** by leveraging the power of compounding.

As always, tailoring our scaling formula and research to each individual's preferences was the next step. Aman and Charu, while having ambitious goals, wanted to find the tipping point of asset pricing before yields faded away. This was largely due to their belief that less can be more.

As time-poor individuals, they didn't want to have 20+ properties to manage to get to the same goal. So we found a sweet spot in suburb selection – properties with unique factors that allowed for high rents even at higher prices, all while being in up-and-coming locations and ensuring asset diversification.



What was the portfolio outcome?

These numbers are from certified bank valuations – real results.



\$1.491.5m

in equity growth in purchases with InvestorKit



6x

properties/income streams across 4x for diversity



Over \$7.5m

in compounding wealth generated in 3 years



PURCHASE PRICE

= \$6.063.5m



CURRENT VALUATION TOTAL

= \$7.555m

If you add in their two properties before partnering up with InvestorKit, **this means we have achieved Aman's first goal of \$10 million in property!**

But with all our valued clients, it's not over when a property is purchased. It's over when you've achieved your financial goals.

Aman and Charu are now transitioning to 2x more purchases with InvestorKit, including an SMSF commercial acquisition.

The pair now have goals to take the portfolio to \$20 million over the next five years through these two acquisitions and growth compounding across their current assets.

Aman and Charu, working with you was an absolute privilege.



Better insights, better on- and off-market properties



Recognition and confirmation are the real outcomes of being accoladed Australia's official #1 Buyer's Agency of the Year 2023.

This recognition was achieved through setting up our clients with the right strategy, guiding them on the right trajectory, ensuring the highest standards of customer service and then delivering the best possible outcomes.

Effortlessly sidestepping both the commonplace and rare costly blunders, we provide a complete 'done for you' service where you remain in control, you call the shots and we handle all the heavy lifting.

Investors nowadays have the opportunity to hunt with the experts! Achieve the best outcomes possible and remove the stress of the process and worry of the pitfalls.

- 33% of our clients have already joined the top 10% of investors with a lot more on their way
- 0% of our clients' properties delivered a negative return on investment
- Outperformance of the national market by an average of 29%
- 200+ perfect 5-star Google reviews
- Access to wider selection of properties
- Access to exclusive off-market opportunities

At InvestorKit, it's not over when you secure a property – it's over when you achieve all of your financial goals. And that's what a quick 15-minute discovery call is all about.

Defining your financial aspirations, reverse-engineering them to where you are now and putting the next step in place to build an incremental step-by-step road map to achieving those goals.

This is what we do, all day, every working day.

Rely on an expert.

Buy with confidence.

Book in a 15-minute discovery call by clicking this link [here](#) so that you too can join the hundreds of Australians we've already guided to property investment success safely, precisely and reliably.



Arjun Paliwal
Director & head of research
InvestorKit



About



Agile Market Intelligence is an market research agency focused on delivering meaningful insights and analysis for more informed decision making.

Our expertise is in combining the voice of our survey participants with expert research methodologies to explore the attitudes and behaviours of consumers, investors, customers, employees and more.

For more information about how we can help you navigate your marketplace, please visit our [website](#).



Smart Property Investment is the premier source of news, intelligence and information for property investors and home buyers.

Smart Property Investment provides Australian property investors with must-have insight, strategies and real-life experiences to help guide successful buying and selling decisions in the Australian property market.

Whether you're at the beginning of your investment journey or have an established property portfolio, Smart Property Investment helps you build, grow and manage your property purchases. We equip investors with essential insight to new hot spots, suburb performance, tried and tested investment strategies, and tax and legal updates.

Most importantly, Smart Property Investment is by investors, for investors. We have our own property portfolio and team of investment advisers, and have an intimate understanding of what property investors really need to know to be successful in the Australian market. Our team regularly shares its own wins and challenges, as do our range of expert commentators.

For all the latest from Smart Property Investment, sign up to our daily newsletter and follow us on [Facebook](#).

