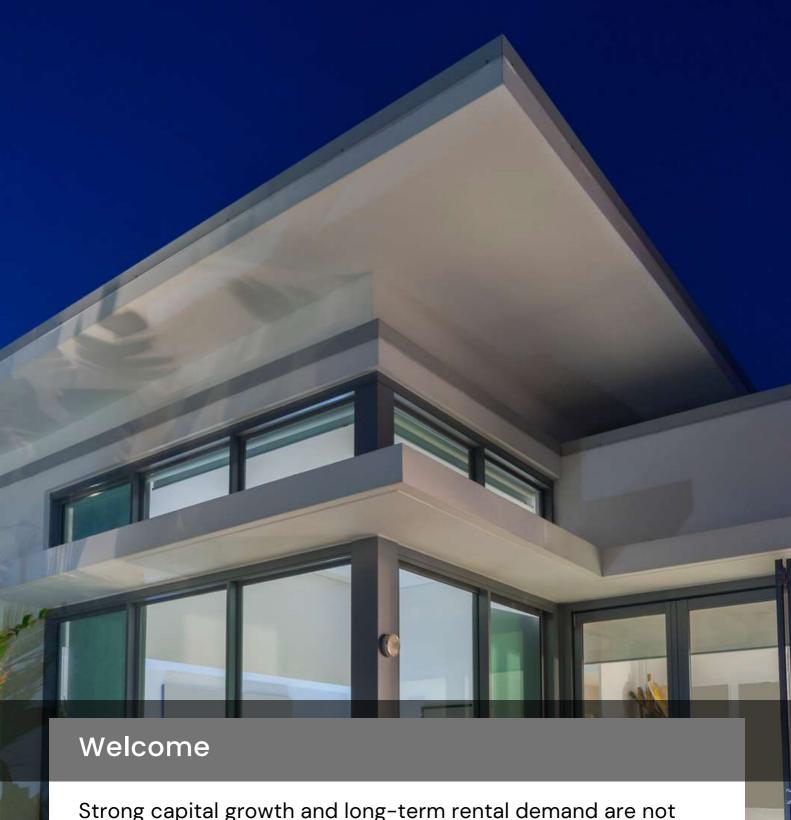


6 of Brisbane's Best-Kept Property Investment Secrets

Secure Investment Means a Secure Future



Strong capital growth and long-term rental demand are not automatic guarantees in property investment. To have that kind of security, you need to make the right investment in the right place at the right time. As a long-term, wealth development plan, property investment is a solid strategy so long as you know how to draw in the maximum returns while still staying strategically safe in the market. Keep reading to learn how to identify a quality property in prime locations – with high capital growth potential.



### 1. When to Buy

Without a doubt, the timing of an investment property purchase has its own sweet spot.

We are focused on Brisbane right now for this very reason; we are in the sweet spot. Brisbane is in the early stages of its midgrowth period. The economy is flourishing, growth continues as a result, and affordability is still very real for regular Australian families (this is not so in many of our other major cities in Australia).

As Brisbane continues to attract increased interest from around the country and the world as a prime destination, a massive amount of infrastructure development is either underway or approved. Brisbane property values enjoyed tremendous growth over the last two years with average increases of over 20%.



#### 2. Where to Buy

First and foremost, focus your attention on areas where infrastructure already exists.

Your rental yield and your eventual sale price are heavily dependent on the desirability of the area itself, in addition to outward accessibility into adjacent suburbs that service the remainder of your lifestyle needs.

Growth typically extends from the centre outward, so take one or two logical next steps out of an already gentrified suburb into the next area with great potential that is in the early or mid-stages of its own sweet spot.

The best investments come from the right balance between the purchase price, expected growth and lifestyle benefits. Schools, jobs, shops, transport, green areas, community; all of these things are the lifestyle returns you look for when buying your own home and are the same things everyone else is looking for too.

Your risk is often higher if your investment decision is based purely on low-cost entry.

#### 3. How to Invest as a Beginner

Property investing is about taking a moderate, but very well-calculated risk in order to reap long-term benefits. It's not a short-term game, but instead, requires patience, strategic planning and the willingness to drop short-term thinking from the decision-making process.

The initial outlay needs to be significant enough to purchase a desirable home in a desirable location where competition isn't already sky-high. Here are some things to consider:

- **1. A cookie-cutter home:** Generic, one-size-fits-all homes hold little appeal for discerning buyers and high-quality renters and this significantly reduces your financial return on investment.
- **2. Poor infrastructure:** As we've noted before, if it's not a desirable place to live, no matter how cheap the home is, you are at a very high risk of getting stuck with a non-performing asset.
- **3. Low-lying land:** Building your home at or close to sea level is a flood risk and should be avoided at all costs.
- **4. Owner-Occupier Vs Tenants:** What is the mix of owner-occupiers versus tenants in the area? Look for a relatively even balance.



## 4. The Key to Capital Growth

One of the keys to capital growth is buying where land supply is destined to become limited and in high demand. Identifying the areas that are more likely to provide you with capital growth requires much more than an internet search. While that has its value as a preliminary research tool, it is important to deal with businesses that have a high level of experience and expertise; they need to have 'walked the talk'. Look for evidence that they have genuine passion and a focus on long-term relationships.

#### 5. When Turnkey isn't Turnkey

The term Turnkey Package gets thrown around a lot within the construction industry and, at first glance, would seem to indicate that in these cases your builder is going to provide you with an end-to-end service so you don't have to bring in any other specialists.

Unfortunately, this is a case of caveat emptor or buyer beware. Many builders describe their service as turnkey while simultaneously excluding certain things from your build. It is essential for you to read and understand your building contract thoroughly, paying particular attention to what is NOT included.

Some of the typical things that can be excluded, even in a turnkey package, **include:** 

- Blinds
- Landscaping
- Driveway
- Fence
- Site clean up
- Letterbox
- Floor coverings
- Flyscreens
- Mirrors

Every exclusion is an additional cost on top of the contract price you signed up for and can add tens of thousands of dollars to your final bill.



### 6. How to Identify a Quality Property

While land and location are critical factors, the actual build obviously needs to be of a very high standard. To the untrained eye, it is often difficult to ascertain the difference between builders' specifications and it is very easy to reduce the actual build cost by using low-quality fittings and fixtures that often look good but don't last the distance

All registered builds in Queensland are covered by mandatory warranties for up to 7 years to protect you from early-onset structural degradation, maintenance issues and faults, along with full-tilt wear and tear. However, also keep in mind this is a long-term plan. Your house needs to hold its integrity for 10, 20 or even 30 years so plan for a home that is going to stand the test of time, which requires quality materials and design.

In order to secure a home with this long-term picture in mind, make sure your investment advisor is focused on the quality of the build, which includes being extremely selective about and having a close relationship with the builders they use and having a full and complete understanding of their history in construction.



There is an exciting future planned for and rolling out in Brisbane, making it one of Australia's most desirable cities and squarely on the map in terms of continued development. Brisbane Invest has pre-release access to properties from top-tier developers, comprehensive reports on specific developments on request, a deep understanding of the Brisbane market and strong connections to quality developers on premium estates. If you are serious about investing in the exciting future that is planned for Brisbane then we would welcome the opportunity to talk with you.

We Love Success Stories - Let's Get Started on Yours

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