

# **THE 8 THINGS YOU MUST KNOW BEFORE INVESTING IN PROPERTY**



**ANTHONY EDMONDS**

## ABOUT THE AUTHOR

Over the years, I've had the privilege of helping countless individuals reach financial freedom and secure their financial future through property investment.

This eBook, **"The 8 Things You Must Know Before Investing In Property,"** is a culmination of my experiences, insights, and the wisdom I've gained along the way.



## CHAPTER I

# Setting Your Investment Goals

As I began my own journey, I quickly learned the importance of setting clear investment goals. Your objectives are your North Star in the world of property investment. Without them, you're merely wandering in the dark. So, let me ask you: **What are your goals, and how will property investment help you achieve them?**

**Call to Action:** Take a moment to define your investment goals. Write them down and keep them visible throughout your journey.

## Financial Goals and Timeline to Achieve These Goals :

---

---

## Retirement Goals and Timeline to Achieve These Goals :

---

---

## Personal Goals and Timeline to Achieve These Goals :

---

---

## Lifestyle Goals and Timeline to Achieve These Goals :

---

---

## I Want To Buy Back My Own Time By The Year :

---

---

## CHAPTER 2

# Market Research & Location Selection

When I first ventured into property investment, I was lured by the idea of purchasing a property and watching it grow in value. However, I soon learned that it wasn't just about buying any property but buying the right property in the right location and most importantly with the right cash flow.

As an investor, your success is intrinsically linked to the location of your property. It's not just about the four walls and a roof; it's about the neighbourhood, the local economy, and the growth potential. This brings us to one of the most vital aspects of property investment — market research and location selection.

## The Significance of Thorough Market Research:

Let me share a personal story. In the early days of my investment journey, I was considering a property in an area that seemed promising. The property itself looked good, and the price was right. However, I decided to dig deeper and conduct market research.

During my research, I found that the apparent strength of the local economy in that area was deceiving. The job market was stagnant, and there were minimal signs of upcoming infrastructure development. Armed with this crucial information, I opted to consider alternative opportunities. Given that it wasn't situated in a capital city, and despite a large marina under construction, the area mainly catered to retirees and holidaymakers with limited owner-occupier presence. Looking back, it was a fortunate decision, as when the market eventually faced a downturn, property prices in that area were significantly impacted.

## How to Choose the Right Location:

Selecting the right location for your investment property is a multifaceted process. It involves considering various factors, such as market trends, economic indicators, demographic data, and more.



**Market Trends :** To make well-informed decisions, it's crucial to stay abreast of current market trends. Keep a close eye on whether property values in the area are steadily increasing or experiencing stagnation. This knowledge is key to assessing the growth potential. Additionally, consider delving into the rental market, related market cycles, and following relatable trends. Understand the intricate relationships between states, cities, and even suburbs within a city.

**Economic Indicators:** The local economy plays a significant role in property investment. Look for signs of a thriving economy, such as job growth, new businesses, and infrastructure development. These are indicators of a location's growth potential.



## How to Choose the Right Location:

Selecting the right location for your investment property is a multifaceted process. It involves considering various factors, such as market trends, economic indicators, demographic data, and more.



### **Demographic Data :**

Demographics can unveil significant insights about an area. Are there increasing numbers of young professionals moving in, indicating a positive trend for long-term population growth? Consider evaluating the presence of good schools and amenities that make the location attractive to families. The demographic composition can provide you with valuable insights for making informed decisions.



## CHAPTER 3

# Property Types and Investment Strategies

As I've guided countless investors through their property investment journeys, I've come to understand that one size doesn't fit all. Different investors have unique circumstances and goals, and this diversity calls for a consideration of various property types and investment strategies.

## Diversification of Areas in Residential Real Estate:

When it comes to property investment, residential real estate is often the go-to choice. And for good reason. Residential properties can offer a steady rental income and the potential for long-term capital growth. But even within the realm of residential real estate, diversification is key.

Consider a hypothetical scenario. You're an investor looking to build a property portfolio. While you may predominantly focus on residential real estate, diversification within this category is essential. This could involve investing in properties in different suburbs, cities, or even states.

Diversifying across areas can help mitigate risks associated with property market fluctuations. A downturn in one location might not impact another. It also enables you to take advantage of diverse market conditions and property cycles.

## Exploring Different Property Types:

In some cases, personal situations and investment goals may call for exploring different property types. While residential real estate is the cornerstone of many property portfolios, commercial, industrial, and retail properties can offer their own unique advantages.

## The Role of Residential Real Estate in Australia's Wealth:

Residential real estate underpins Australia's wealth in more ways than one. It is a fundamental part of the Australian Dream, allowing individuals and families to secure a place they can call home. But beyond that, it plays a significant role in building financial security.

As an investor, residential real estate holds the key to a reliable source of passive income. While strategic investments in these properties generate a steady stream of rental income contributing to financial well-being, the real game changer lies in substantial capital growth. It's noteworthy that more millionaires have been made through real estate than any other asset class.

It's important to remember that residential real estate has proven to be a resilient and stable investment in Australia. Despite economic fluctuations and market changes, residential properties have shown their ability to withstand the test of time.





## CHAPTER 4

# Financing Your Investment

Property investment often involves substantial sums of money. For many, it's not feasible to pay for a property upfront. Financing, in the form of mortgages or loans, becomes the catalyst for turning your investment dreams into tangible assets.

In my journey, I've encountered both traditional banks and mortgage brokers. While banks are a common choice for securing a mortgage, mortgage brokers offer a different approach, one that can work to your advantage.

## The Benefits of Using a Mortgage Broker:

Mortgage brokers are professionals who specialise in connecting borrowers with lenders. Unlike banks that offer a limited selection of their own mortgage products, mortgage brokers have access to a wide network of lenders, including banks, credit unions, and non-bank lenders. Here's why this can be advantageous:



**Choice:** A mortgage broker can provide you with a range of mortgage options from different lenders, allowing you to compare rates, terms, and conditions. This variety can lead to more favourable terms for your investment.

**Expertise:** Mortgage brokers are specialists in the field. They understand the intricacies of various mortgage products and can guide you in choosing the right one for your investment.



**Negotiation:** Brokers can negotiate with lenders on your behalf. This can be particularly beneficial if you have a complex financial situation or need a tailored mortgage solution.

**Savings:** The competitive nature of the mortgage market can result in cost savings for borrowers. Brokers may be able to secure loans with lower interest rates and reduced fees.



## CHAPTER 5

# Strategic Negotiation

Once you've established the property's value and investment potential, the negotiation phase is where the real artistry of property acquisition comes into play. Negotiating on price is just one aspect; you should also consider terms and contract conditions. Here's why strategic negotiation matters:

**Price:** Negotiating on price is the most obvious aspect, but it's not just about securing a lower price. It's about ensuring you're getting the best value for your investment. Sometimes, concessions on price may lead to a win-win situation.

**Terms:** Negotiating on terms can be equally crucial. Favourable terms can include delayed settlement periods, the inclusion of appliances or furnishings, or even repairs or renovations to be done before the settlement.

**Contract Terms:** The fine print of a contract can have significant implications. It's important to ensure that the contract is structured to protect your interests. Consider factors like deposit amounts, contingency clauses, and penalties for non-compliance.

## Local Demographic Market Considerations:

If you're building a new property or planning significant renovations, you must take the local demographic market into account. Your property should appeal to those who are likely to live in the area.

## CHAPTER 6

# Legal Aspects and Contracts



Legal aspects are often overlooked but are crucial to safeguarding your investments. I've seen investors land in hot water due to poorly structured contracts. Protect your interests with a sound legal foundation.

Our extensive network of legal experts, built over decades of investing, is at your disposal. These professionals offer legal expertise, contract reviews, transaction management, and dispute resolution services to safeguard your interests during the acquisition phase.



## CHAPTER 7

# Property Management and Maintenance

Your portfolio management team plays a pivotal role in ensuring the success of your investments. They understand that each property in your portfolio has a unique role to play. It's not just a place to call home; it's a financial asset with a key role in your wealth strategy.

Here's how your team can make a difference:



**Maximising Cashflow:** Your team will focus on optimising the cash flow generated by each property in your portfolio. This isn't just about rent; it's about ensuring your property consistently contributes to your financial growth.

**Tenant Selection and Management:**

Finding the right tenants is a priority. Your dedicated team will employ rigorous tenant selection processes to ensure reliable, long-term occupants who treat your property with care and respect.





**Market Monitoring:** Your team will keep a vigilant eye on the market to identify potential rental increases. Staying informed about market trends and local developments is essential for making timely and beneficial adjustments to your portfolio.

**Maintenance and Upkeep:** Your team will manage the ongoing ins and outs of property management, including necessary maintenance and repairs. This ensures that your investment retains its value and appeal.



## Access to the Same Team

What sets our approach apart is that you have access to the very same team that manages my portfolio. The team that understands your investment goals, your unique strategy, and the role each property plays in your portfolio's success.



## CHAPTER 8

# Exit Strategies and Wealth Building



Finally, every investment journey needs a destination. I've realised that exit strategies are often overlooked but are crucial to achieving your long-term goals. Do you know what you want to do with your investments down the road?

At **Safe As 3 Houses**, our commitment is to provide you with a wealth of knowledge and support throughout your property investment journey. We offer strategic guidance, property selection expertise, and access to our extensive network of professionals. We're here to help you make the most of your investments and ensure they align with your long-term financial goals.





# Conclusion:

Now, as we conclude our journey through the eight critical aspects of property investment, I want to leave you with one last message: Act on what you've learned. The road to financial success through property investment is yours to travel, and I encourage you to put these eight things into practice.

Don't hesitate to seek professional advice, stay informed about market trends, and adapt to changes. Your journey to financial security and wealth begins here.

Chat with me directly or book your free appointment at [www.safeas3houses.com](http://www.safeas3houses.com)

