

THE BIGGEST MISTAKES 3 PEOPLE MAKE WHEN INVESTING IN PROPERTY AND HOW TO AVOID THEM



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THE 3 BIGGEST MISTAKES PEOPLE MAKE WHEN INVESTING IN PROPERTY

1

Lack of knowledge and experience

Often when building an investment property, both for first timers and repeat investors alike, lack of experience or understanding within this industry can be the downfall of the project. This includes an inability to effectively plan and research the best investment opportunities, accepting bad financial and real estate advice from people whose interests are tied up in either the sellers profit or 'one night stand' sales, and also missing out on the right opportunities due to lack of connection and networks. So many investors, with the best of intentions, are taken for a ride by project builders, developers and banks- all due to a lack in understanding of how things should be done.

Some of the major pitfalls in property investment without the input and guidance of experts include:

- **Not understanding how banks work.**
- **Not understanding how property investment works with depreciation schedules and gearing.**
- **Buying the wrong property.**
- **Buying at the wrong time.**
- **Buying without the proper time to manage the investment.**
- **Buying without the confidence to properly negotiate.**

Here at Investmentproperty.com.au we have years of experience in investment properties and can give you the benefit of our large network of quality contacts and providers, years of learning what to do and what not to do and also our a wealth of research and knowledge to find you the best investment opportunities.



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Driven by heart rather than head

One of the biggest traps for people when buying property is the emotional attachment and drive in the process. While the emotional connection is understandable in the purchase of a family home, purchasing for the purposes of investment can be severely hindered by emotive decisions. Investments that are clouded by the heart rather than negotiated by the head are often the ones that struggle in return on investment due to clouded judgement when it comes to matters of location, long term durability and negotiations within the set budget. At the end of the day, to get profitable returns and to successfully build a secure and advantageous property portfolio, property investment needs to be led by a business and economic mindset rather than an emotional decision.

Things to look out for include:

- **Being able to 'check-up' on the investment may be a hindrance. Remove the emotional connection by using investmentproperty.com.au to manage your project.**
- **Not having pre-set goals or plans gives room for emotion to run the investment.**

At investmentproperty.com.au we want to see you win in the property investment arena and build a thriving property portfolio. [Investmentproperty.com.au](http://investmentproperty.com.au) brings the focus back to making good property and financial decisions that will set you up for a profitable future, and bring balance and stability to your investment decisions. Remember, professional investors buy on facts and figures provided by experts. Treat your investments like a business and act on information not emotion.



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Unbalanced pull between cost and performance

It is widely accepted and understood that buying an investment opportunity within property has its risks; however these risks are significantly magnified when the planning stages of the project are influenced with a lack of detail and research. All too often people fail to plan with a long term view and therefore they experience a devastating imbalance between the cost of the investment and the performance of the investment. The phrase "failing to plan is planning to fail" hits the nail on the head. A return of at least 5% should be a goal within property investment and achieving this can be difficult when largely preventable factors put unnecessary pressure on the investment, such as price blow out, poor property management and purchasing the wrong property in the wrong area.

Reasons that so many investors fail in this area are:

- **They have no plan**
- **They don't have a long-term view**
- **They deal with sketchy companies that blow costs out and create a terrible return.**
- **They waste time due to lack of planning and understanding.**



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Don't become another property failure statistic - engage with the experts' at investmentproperty.com.au who know how and where to find the best property investment opportunities that can bring you a healthy return and build your investment portfolio.



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- **Expert Financial & Property advice**
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- **Access to well-researched investment property opportunities and data.**
- **Access to our team of highly experienced property experts who can answer any questions or queries that you may have.**

Don't miss your opportunity to create a healthy and successful property portfolio with the help of investmentproperty.com.au. Engage with our industry experts today to take advantage of free Platinum Membership.



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