

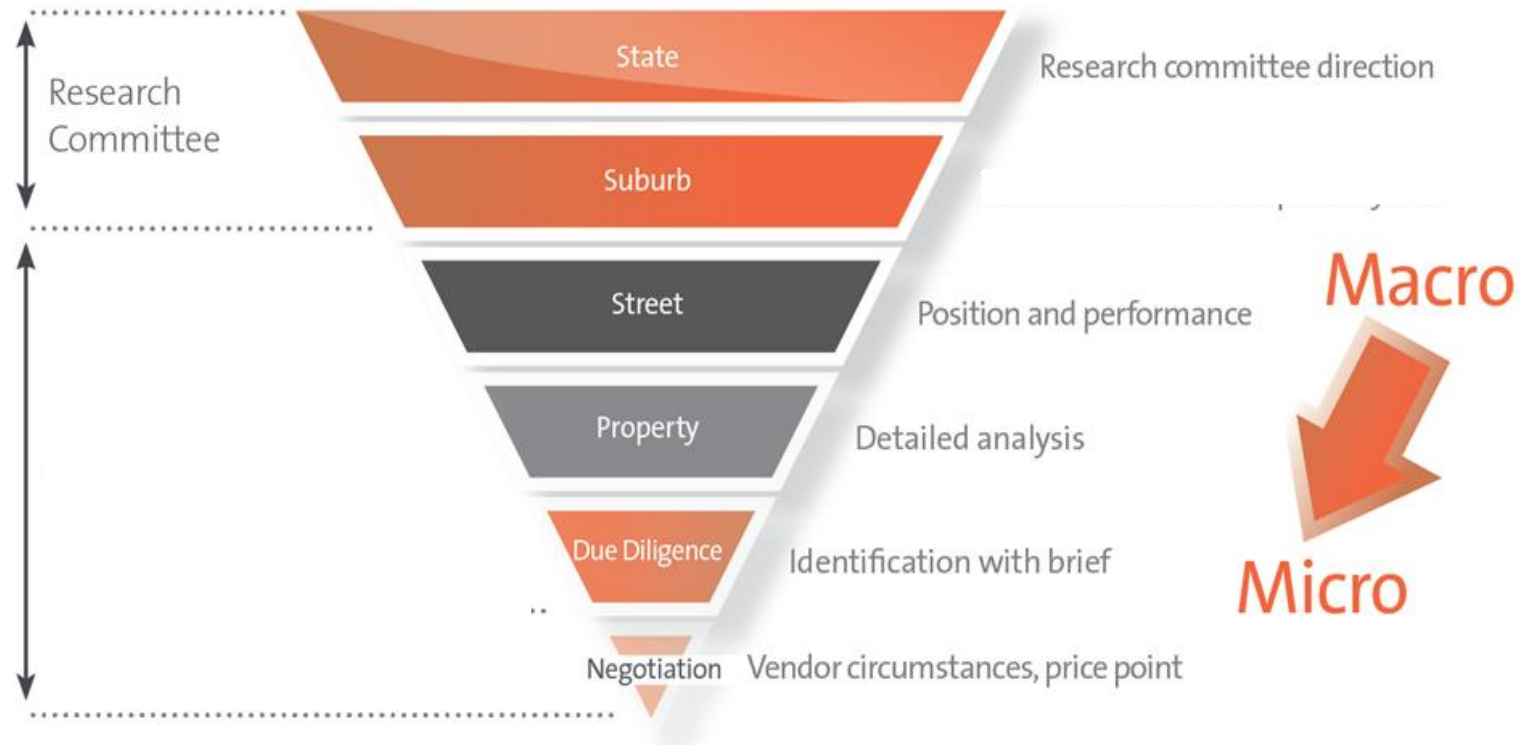
The Property Investment Formula



The Property Investment Formula

- Pillar 1: **A**sset Selection
- Pillar 2: **B**orrowing Power
- Pillar 3: **C**ashflow Management
- Pillar 4: **D**efence

Asset Selection - Framework



A Buyers Decision Quadrant



Buyers Decision Quadrant

Location/Area



- This is the **First** Consideration
- The **Most Important** & the **Hardest** for an Investor to Determine
- What Does it **Offer** Them:
 - Lifestyle?
 - Employment
 - Income?

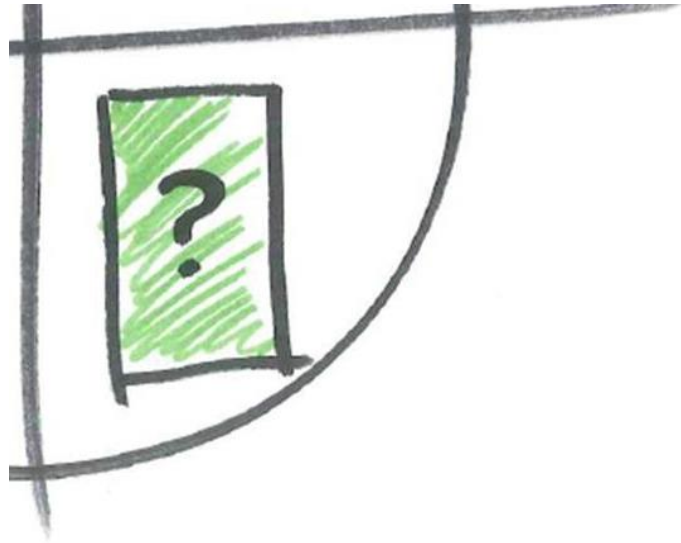
Buyers Decision Quadrant

Price



- What Buyers are Prepared to **Pay**
- **Borrowing** Capacity/
Affordability
- The **least 'flexible'**
within a Buyers
Decision

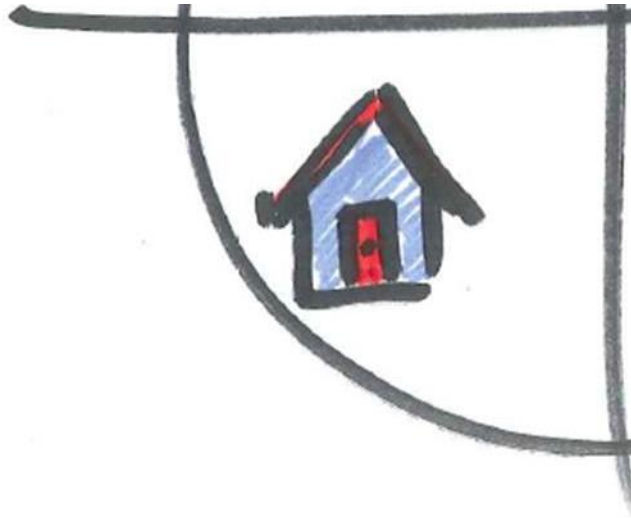
Buyers Decision Quadrant



Land Size

- Within '**Preferred**' Location – Land/House, Unit, T/house?
- Will it Meet Their **Needs**?
- Are They Willing to **Compromise**?

Buyers Decision Quadrant

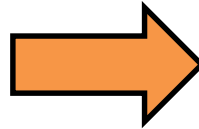


Dwelling Quality

- What is the **Quality** Like?
- What will 'People' **Think**?
- Do they want **shiny** or **potential**?

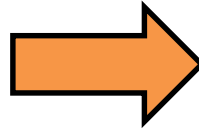
Borrowing Power

**The
Players**



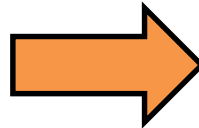
- **Lenders/Brokers**
- **Valuer**
- **LMI**

**Borrowing
Capacity**



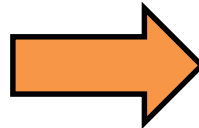
- **Capacity**
- **Collateral**
- **Character**

Products



- **Variable v Fixed**
- **Line of Credit**
- **Offset**

**Loan
Structure**



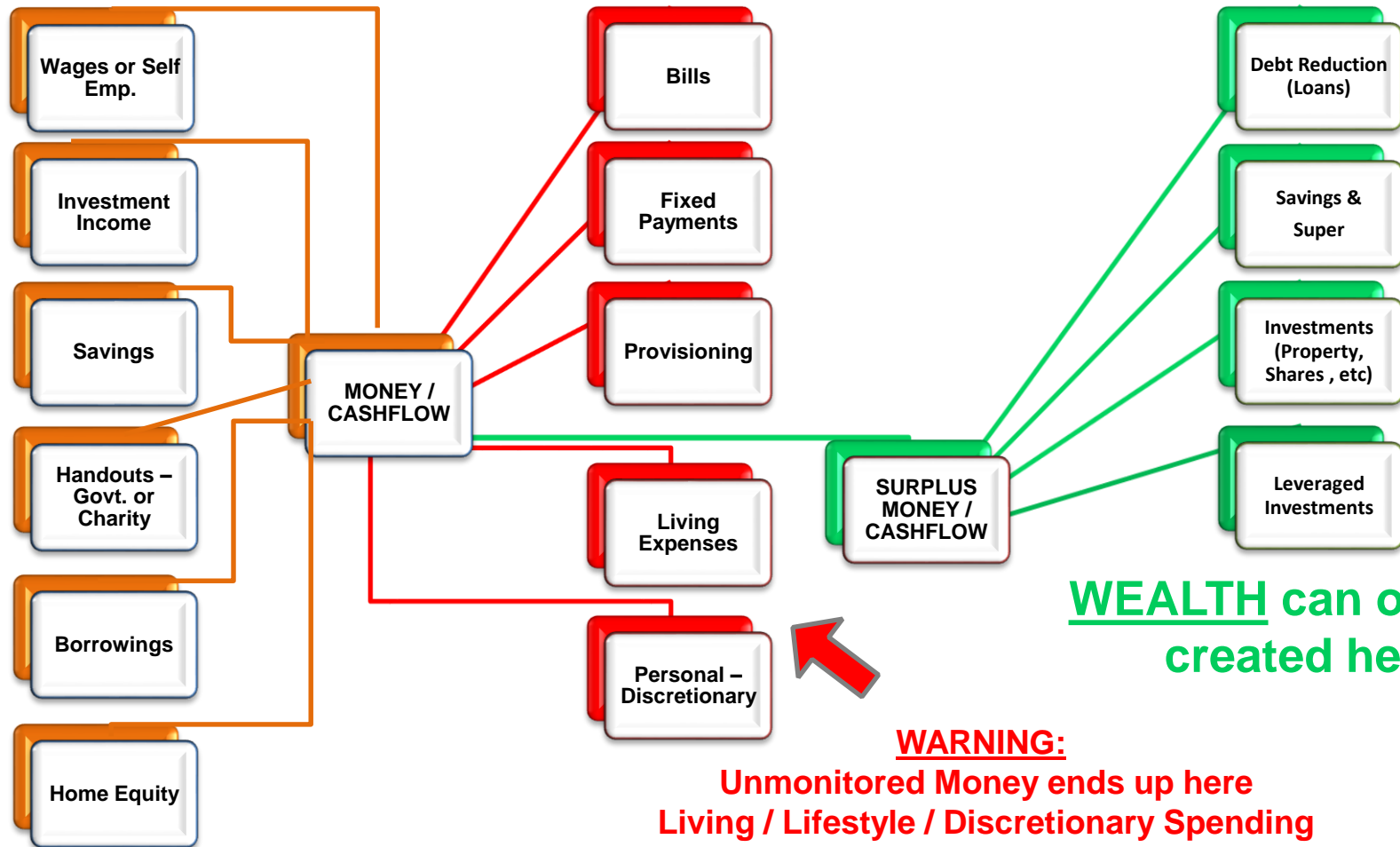
- **Stand Alone**
- **Cross-Security**
- **Ownership Name**

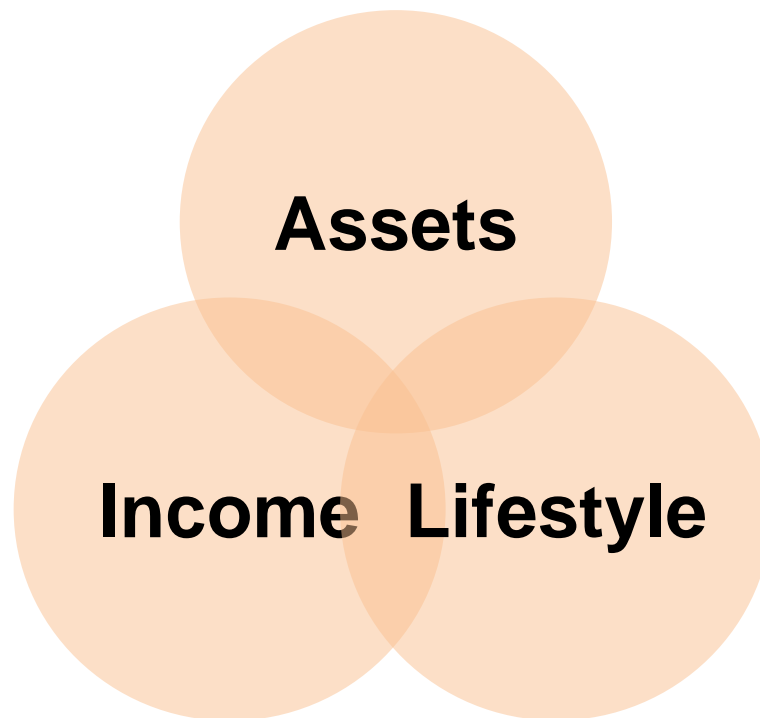
Cashflow Management

SOURCE OF MONEY

COMMITTED MONEY

SURPLUS MONEY





The 5 Essential Steps

Step 1 - CLARIFY

🔄 Collect & Goal Set

Step 2 - EVALUATE

🔄 Assess & Analyse

Step 3 - PLAN

🔄 Strategy & Tactics

Step 4 - IMPLEMENT

🔄 Find & Deliver

Step 5 - MANAGE

🔄 Measure & Monitor



🔄 Investing in property is a process, not an event

Questions?