

30th Apr 2010

Property Options

Investors,

I have a number of clients actively seeking properties and not being able to find a property that they have been able to purchase for various reasons, vendor or agent going to auction, the agent doing a phone auction at the last moment, prices continuing to climb, already sold or under contract, etc.

I have access to a number of companies that can assist you being able to finalise a purchase.

1. Buyer's agents or advocates I refer clients to who concentrate on the investor market with about 4 in Melbourne and another in Sydney. For this service you pay a fee, sometimes fixed, sometimes a commission rate and often it can be negotiated. They will seek a property that suits your needs (be careful that it is one that fits into your strategy, not theirs) and will more times than not be able to purchase this privately or before auction. There are many sellers that do not want the hassle of going to auction and want to sell privately and many of these never reach the wider market. As buyers agents buy many properties for clients, real estate agents will ring them and let them know what they have coming into their office.

Some of the buyer's agents I work with are:

Advantage Property Group – call Tom 03 9531 0155 or view www.advantageproperty.com.au

Alliancecorp – call Jason 03 9863 7290 or view www.allaincecorp.com.au

Infolio – call Cameron 03 9690 0888 or view www.infolio.com.au

House Search Australia – call Jacque 02 9654 1429 or view www.housesearchaustralia.cm.au

1. Marketing companies for developers and some developers themselves. While I am not a big fan of new properties as a broad rule, that does not mean they cannot be excellent value and suit a particular client's investment strategy. One of the benefits is the additional building allowance which could be up to \$10k per annum depending on the property and construction cost. Another benefit in Victoria is the lower stamp duty especially for an off-the-plan purchase. It could save up to \$15k or so of stamp duty compared to that of an established property. They generally means lower maintenance (as it is new) and perhaps premium rents. It will suit higher income earners and/or clients with lower deposit savings or equity available.

Some of the companies I work with are:

Hyland Property Group – call Tom 0433 111 865 or view www.hylandinvestments.com.au They focus in the SE corner of Queensland.

Preview Property – call Grace 1300 773 843 or view www.previewproperty.com.au They have a new development in Altona North commencing construction in June 2010 of 10 units consisting of 2 and 3 bedroom apartments, selling for \$399k to \$519k. Of these 10 units, 3 are

sold and 3 are reserved already. I can forward a presentation if anyone is interested. Let me know.

1. Buyer's agents that purchase a single block of units, subdivide and do an external renovation and clients who purchase these now strata title units can do their own internal renovation if wanted. This can give immediate capital growth and higher rent yield. You buy for a fixed price as one of 4 to 12 owners depending on the size of the block. As these blocks can sell in the millions, not everyone can afford to purchase outright so this is a useful option.
 1. DHA properties. I have e-mailed details of these previously where the Defence Housing Australia purchases new or near new properties located near defence bases in Australia and sells them to investors. The leases are often 12+3 years and longer. Rental yields can be higher than average and as your tenant is the DHA itself, you are paid every week irrespective whether DHA on-lets these or not to defence personnel. Management fees are higher but they pay for a whole raft of costs as well.

DHA – call Ian 03 9947 8133 or view www.invest.dha.gov.au

The benefits to you in using companies like these is that you can purchase a property and know the cost, you do not enter into a bidding war (unless you choose to buy at auction) and as some of these companies operate interstate, clients who are running into land tax issues in Victoria, it gives the ability to purchase interstate and not have to spend a lot of time researching a market you are not familiar with.

I do not have a referral fee arrangement for any of these companies and if they insist on paying me a referral fee or commission and you use me as your finance strategist and/or mortgage broker, I will rebate this back to you. My benefit is that you move forward with your long term finance strategy plan.

If you would like to know more, please contact me. If you are going to contact any of these companies above directly, please let them know that I referred you to them as a courtesy.

In most cases you need to have your finances ready with a pre-approval in place and that is where I can assist.

I hope this gives you some ideas to consider if you are having difficulty finding a property to purchase.

Our Service to You

We provide a specialised service for investors wanting to create long term wealth for themselves and their families. We are finance strategists, credit advisers and mortgage brokers, helping you achieve your goals. Give us a call when you think it's time to consider your options.

As well as providing a service to investors, we will assist you in purchasing as an owner-occupier, or upgrading to a new property, or simply looking at better pricing or structuring options for your current loans and banking or assisting seniors looking at possible reverse mortgage options.

Our business is built on referrals provided by clients, so please don't keep us a secret, feel free to forward this e-mail to family and friends interested in their own financial future. Give us a call and book an appointment to see if it makes sense for you. If you have any questions about any of these topics, give me a call.

Helping People through Finance