

BE A SMART INVESTOR !!

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MAXIMISE YOUR INVESTMENT PROPERTY INCOME

Investing in real estate is a great investment which virtually ensures profit through capital growth and of course the tax advantages associated with owning an investment property. There are many ways in which the investor can maximise the income derived from their investment property. Most investors think that the only way to do this is by asking for or achieving the highest possible rent.

There are a number of *invisible* ways in which the property investor can maximise the income of their investment property.

First is to have an annual program of reviewing and increasing rents to a figure just below market rent. This ensures not only a growth in rental income, but by setting rent just below market rates, you ensure that your tenant's perceived value and interest in your property and is more than likely to remain for an extended time, therefore reducing the chance of vacancy and real loss of income of minimising the chances of having a non income producing asset.

Another invisible way that investors maximise their investment property income is to tailor the lease term around the peak letting times of the year. Rather than having the standard six month lease term in place, savvy investors steer clear of standard lease terms and ensure that a lease term expires in the better letting periods of the year. In these instances, should the tenant vacate the property it will be on the market in a better reletting period which in turn reduces days vacant and increases the opportunity of achieving a higher rental.

By tailoring the lease term, the investor is taking advantage of market place conditions to ensure a better continuity of income and ability to have a greater chance to increase cash income via a higher rent achieved in a peak letting period.

Your property manager is pleased to assist you in tailoring your lease term to assist in maximising the income you derive from your investment property.

WHERE DO I FIND GOOD INVESTMENT ADVICE?

We are often asked by our investor clients about the information that is provided by the myriad of real estate TV programs and magazine articles.

Firstly, it's timely that property investment is getting the media attention it deserves, however, the information provided must not be taken as gospel. As with any investment, the investor must gather as much information as possible, do their own homework and more importantly, seek the advice of their property manager. After all, what is shown on TV is generic in nature and may not be applicable to the market in which your property is located.

Your property manager is well equipped to give you market comparisons, inform you of the true market conditions within your locality and is happy to discuss property investment related items in the media with you to assist you with your investment.