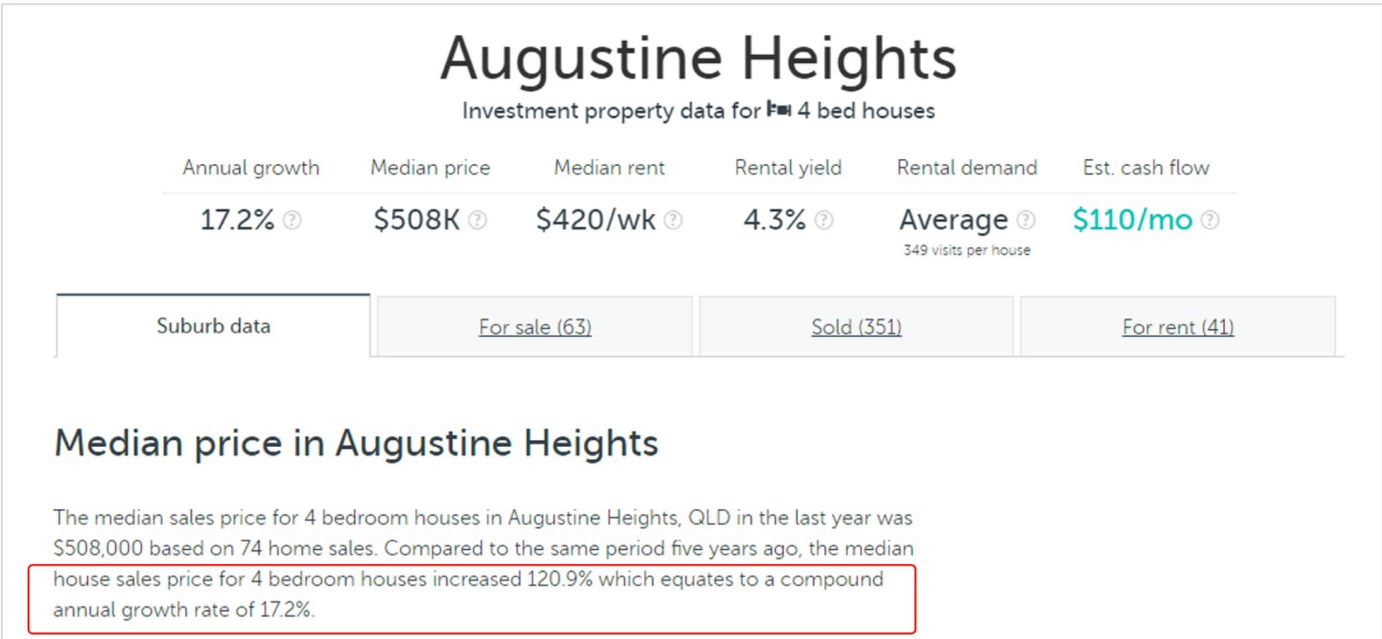
# 2017's PROPERTY INVESTING SECRETS

## *How to Succeed This Year When The Sydney Property Market Is Cooling, Rates Are Rising AND Banks Are Making It Harder for Investors*

# They Laughed When I Told Them to Invest in Augustine Heights… But My Clients Who Did Have Made 120.9% Capital Growth In The Last 5 Years.

Yes, that is more growth than Sydney had during its biggest boom ever!

(Check out the screenshot from RealEstate.com.au taken on May 30th, 2017)



Augustine Heights

Investment property data for 4 bed houses

| Annual growth | Median price | Median rent | Rental yield | Rental demand | Est. cash flow |
|---|---|---|---|---|---|
| 17.2% | $508K | $420/wk | 4.3% | Average<br>349 visits per house | $110/mo |

Suburb data | For sale (63) | Sold (351) | For rent (41)

Median price in Augustine Heights

The median sales price for 4 bedroom houses in Augustine Heights, QLD in the last year was $508,000 based on 74 home sales. Compared to the same period five years ago, the median house sales price for 4 bedroom houses increased 120.9% which equates to a compound annual growth rate of 17.2%.

And now, with the Sydney market starting to cool, banks increasing their interest rates outside of the Reserve Bank AND the government (through APRA) trying to make it harder for investors, what am I suggesting investors do?

Well, there are still some great opportunities out there… but before I talk more about them, let me share what I believe will be the biggest mistake someone investing in 2017 will make.

Ready?

## The Biggest Mistake Any Property Investor Can Make In 2017…

Is To Buy An Apartment In Any Capital City This Year!

I don't care where you buy – the apartment market is set for a very shaky future in the coming years across all cities.

I know that sounds crazy, right?

After all, isn't that what all investors do… or at least have done?

Look, people have made a lot of money during the boom in Melbourne and Sydney from 2012 to 2016 by investing in Apartments.

Yet even Harry Triguboff, currently the 2nd richest man in Australia and the founder of Meriton apartments said in an interview in early 2017 that he expects apartment prices to drop "slightly" as they have risen so much over the last few years…

**But, apartment pricescould drop significantly if banks are instructed to lend less.**

And guess what?

That is exactly what is happening.

Banks are now doing everything they can to lend less on apartments, including bringing down values.

How can a bank bring down the value of apartments you ask?

Well, let me give you an example:

I met someone in May of this year who had bought an apartment in Hurstville in 2015 for $860,000

He then got his same lender to value his property in 2017. The valuation was $780,000!

## Yes, that is an $80,000 drop in value!

Think that's a one off?

How about this?

A prospective buyer bought a place in Doonside for $770,000 at the beginning of 2016 and he wanted my help to get an investment property, using the equity he had. The first step was to get his bank to re-value his property. It was now the end of 2016, and when did the valuation, the result come back at....

$700,000

Yes, that's a drop of $70,000!

Not only did he not have the equity to use for an investment property,

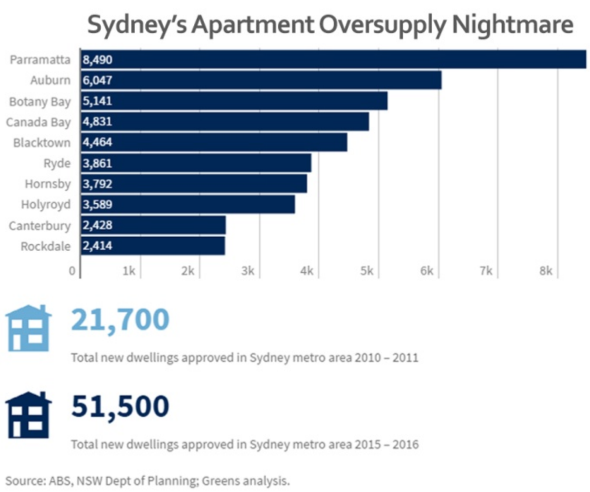
But he now has Negative Equity, which means

## His Sydney Apartment Is Now Worth Less Than His Loan...

Do you want to take the risk of that happening to you?

We are also seeing more and more reports of oversupply in the apartment marketing various parts of Sydney.

Check this out...




This report, taken from the Sydney Morning Herald in February 2017, shows an oversupply of 8,490 units in Parramatta, 3,861 in Ryde and 2,428 in Canterbury, plus more.

But, they are still building!

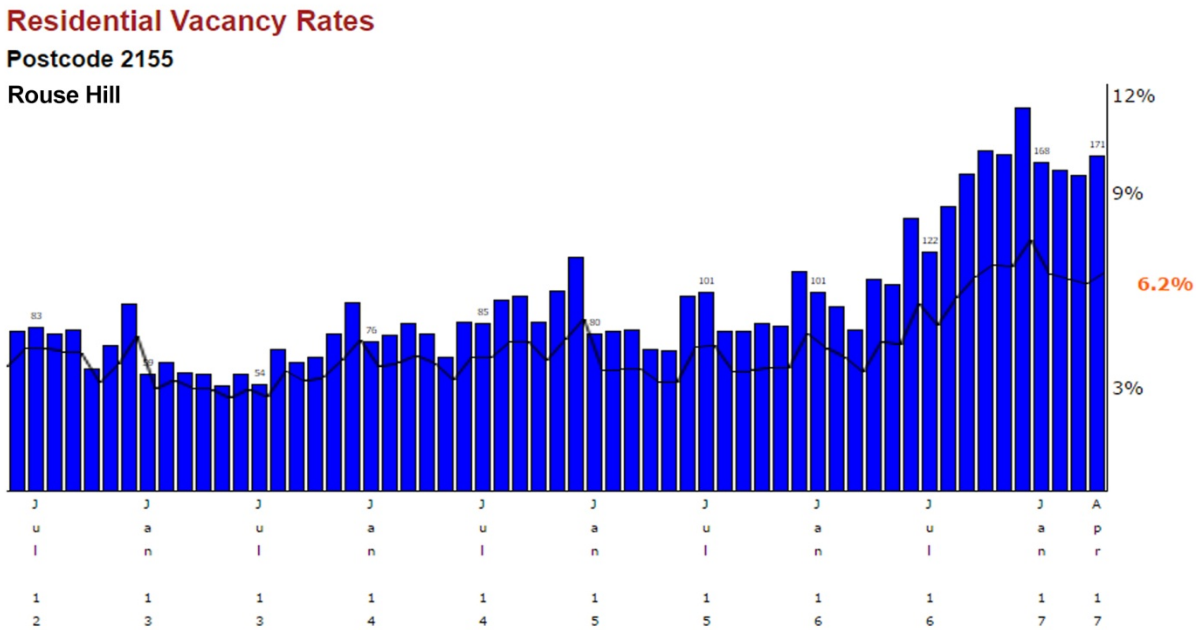
So what's that going to do prices, as the oversupply gets worse?

It's no wonder banks are undervaluing apartments.

With all this oversupply, you're also going to have to compete for tenants.

Think it can't get difficult to get your properties rented in Sydney?

**Well, check out the vacancy rate in Rouse Hill, in the North West of Sydney…**




**It's a staggering 6.2%.**

When an area has a vacancy rate of over 3%, it's said to be in oversupply, which means there are more properties to rent than prospective tenants.

So a vacancy rate of 6.2% is disastrous.

## In Fact, The Vacancy Rate of Rouse Hill Is Higher Than Some Mining Towns.

Riverstone, an area west of Sydney, as another example now has a vacancy rate of nearly 5%. In fact, the number of suburbs in Sydney with rising vacancy rates is scary.

Look, I'm not someone who is into hype or headlines!

I think the data speaks for itself… and you need to invest on data and numbers, NOT on emotion or what has worked previously.

That's how I've been investing successfully all around the country for the last 15 years

And how I've helped my inner circle clients purchase over $61.8 Million worth of property in just the last 6 years alone.

And right now I am seeing a lot of potential pain in the Sydney market.

## What I Would Do If I Was Investing in 2017

1. **Stick to buying houses** – There is actually an undersupply of houses in many locations. If you can't afford to invest in a house in Sydney, then look outside of Sydney but….

2. **Stick to capital cities** – I know that investing in regional towns like Newcastle, Port Macquarie and Cairns is very popular right now. However, I saw this after the last Sydney boom, when regional towns became very popular. Unfortunately, I've also NEVER met anyone who ever invested in regional towns and actually got wealthy over the long term.

   Why?

   Well… in Australia, the vast majority of the population wants to live in Capital cities. So that's where you should be investing. Capital cities are what have the lowest risk and greatest chances of making money (which is after all what you want, right?) But if you're looking outside of your local area, then…

3. **Get some help** – Make sure you work with someone who can give you expert local knowledge about the particular markets you're looking to invest in.

4. **Check the Vacancy Rates** – This needs to be a key criteria when looking to invest in 2017. If the vacancy rate of the suburb you're looking at is over 3%, stay away!

Ok, so that said, where do I think you should be looking to invest in 2017 and for the coming few years.

In a nutshell, certain areas of Brisbane!

Sceptical?

I don't blame you. After all, most areas of Brisbane have had next to no growth for the past several years (although some have)… and what about flooding?

Well I'll come to all of that in just a second, but first let me share…

## The 5 Reasons Why I Believe Brisbane Is The Place To Invest For Maximum Growth In The Coming Years:

1. **The price difference:** Sydney prices are now 70% higher than Brisbane's. Yet there is only a 14% difference in house hold incomes. That 70% gap is too high a differential and will come back to more normal historical levels as Brisbane property prices start to rise. For a limited time, you have an opportunity to take advantage of this Price Arbitrage

2. After 2004, where Sydney prices peaked at 96 per cent higher than Brisbane's, **the Brisbane market grew significantly for 5 years**, while they Sydney market went dead flat for 8 long years. In Australia, history often repeats itself with property cycles, and I can see that happening here again.

3. **Brisbane property affordability:** From 2008 to 2015, Brisbane prices only rose 15% but the average income in Brisbane rose 31%.

   Unlike us poor Sydneysiders, people in Brisbane have had their incomes rise faster than property prices – so they can easily sustain a property price rise without issue

4. **Queensland's population growth is the fastest** right now since 2007, driven primarily by interstate migration (mainly Sydneysiders!) This growth is creating huge demand for property and as I'm sure you know, when demand exceeds supply, prices start rising rapidly (think about what happened in Sydney in 2012!)

5. **Economic and Jobs Growth** – According to Deloitte Access Economics, the QLD economy is expected to have the strongest growth leading into 2019 and beyond, outstripping NSW and Victoria, both of which will suffer as a result of the post property boom environment.

***But There Are Some Risks With Investing In Brisbane…***

… and unfortunately I'm seeing many do-it-yourself investors about to get burned. I'm not trying to scare you because many areas in Brisbane provide, I believe, the best opportunities for capital growth AND positive cash flow in Australia!

However, Brisbane is a VERY different market to Sydney. Unlike what happened in the Sydney boom, where EVERY area went up in value, that WON'T happen in Brisbane.

You can't just throw a rock and buy where it lands and make money, although unfortunately, that's what a lot of buyers' agents are saying right now, which is wrong!

So let' s look at…

## The Biggest Mistakes I'm Seeing Investors Make When Buying In Brisbane…

1. **Buying Apartments in Brisbane** – if you're thinking this is the way forwards because you'd have bought an apartment in Sydney, don't do it! The Brisbane apartment market will NOT perform the way apartments have in Sydney… especially because the average person living in Brisbane does NOT want to live in an apartment. They want to live in a House! So that's what you should be investing in.

2. **Buying Close to the City** –This is a classic example of Sydney thinking being applied to the Brisbane market… and it's unfortunately a recipe for disaster. You see in Sydney (and in Melbourne), the capital growth happens in rings. The growth starts in the city and then goes outwards. So in our two biggest markets, we often look to buy as close to the city as we can afford.

   However, that is NOT the case in Brisbane. For example, at the start of this presentation, I outlined how my clients invested in Augustine Heights which has been virtually the BEST PERFORMING SUBURB in all of Australia in the last 5 years… yet, it's 35 minutes South West of Brisbane. The Brisbane CBD itself grew very little over the same time period.

   Why is this the case? Because the QLD government is putting the infrastructure outside of the city. So you need to understand where the infrastructure is going, where the jobs growth is AND where the people are moving to. It's not the Brisbane CBD AND trying to take a shortcut of buying closer to the city, without doing your researchwill hurt you.

3. **Buying Older, Cheaper Property** – I wouldn't be doing this! Older property can be in flood planes, older property gets far less in depreciation, especially now as a result of the 2017 Federal Budget and older property has more maintenance issues. Ultimately, in the growing areas, it is the new properties that also get you higher rents and better quality tenants.

   Now many people think that you end up paying more for brand new properties. Of course, there are people who would love to rip you off – so you need to do your re-search. However, whenever I help clients get into an investment property, I show them a sneaky little finance tactic that virtually GUARANTEES THEY CANNOT PAY TOO MUCH for their property. Once you understand this, it takes all doubt away about whether you are paying too much or not.

Ok, so I hope you've enjoyed this short report. I've done my best to keep it as short as possible while also making it super valuable.

However, it is impossible for me to share everything I have learned from the last 15 years of property investing in this short report.

There are never any guarantees and I don't have a crystal ball. However, I have developed a property investing system that has worked for me and has worked for hundreds of clients in the last 6 years.

So let me ask you…

## Would you like me to help you source an investment property in a quality suburb of Brisbane?

One that is expected to grow in value significantly in the coming years and one that won't cost you more than a cup of coffee a day to hold? (It may even be positive cash flow for you)

I'm happy to show you exactly where in Brisbane and what type of property you should be investing in. I'm talking about a house for less than $550,000 (depending on your financial situation) in an area with established infrastructure, close to public transport and amenities (eg: shopping, schools and hospitals) with a low vacancy rate (so your property can get rented very quickly)
I offer this service, because as a Property Investment Advisor, my role is to source quality investment properties for prospective buyers.

And there's a good possibility that if you've read this far, I can find the right investment property for you in an area with high expected capital growth.

But here's the best part!

If you choose to proceed with a property I source for you…

## YOU DON'T NEED TO PAY ME!

Unlike a traditional buyer's agent who'll charge you thousands of dollars in fees (with no guarantee of result), I can actually do a deal with the seller and get them to pay me. So my services are at no cost to you.

With that said, please know that I don't work for any developers or builders. I aim to identify areas with high expected capital growth, based on key fundamentals… and then I source a developer or builder to work with that will give you a quality product. So in many ways, I work in completely the reverse manner to many others … which is why I've been able to help my clients so successfully.

My role is to help those who feel I'm a good fit for them.

Therefore, I promise not to pressure you or pester you in any way at all.

In fact, if you choose to meet with me, and in the unlikely event that you feel I've wasted even a second of your time, I promise to give you $50 as my way of saying sorry!

But before we go any further, you need to know I can't help everyone. I can only be of benefit to people who:

- **Looking to invest in property according to a proven plan** *(which has already helped our clients purchase over $61.8 Million worth of property)*
- **Have access to at least $95,000 in savings or equity**
- **Are open to working with someone who can help you build a successful real estate portfolio**

## If You Meet These 3 Criteria, Here's What to Do Next...

Visit **FreeCallWithNiro.com.au**

And book your free, no obligation 30 Minute Property Investing Roadmap Phone Call with me, at a time that suits you.

During our half an hour together, we'll get to know each other, your current situation and what you're trying to achieve. This is also your time to ask me about any concerns you have with investing.

After our call, I'll then go away and do some analysis to see what's possible for you and then set up a time to go through it all with you.

There's absolutely no obligation, no risk and no costs whatsoever

Sound good?

If so, then book your FREE call with me by going to:

**FreeCallWithNiro.com.au**

I look forward to speaking to you.

To your success,

Niro

PS: Nobody can ever guarantee results. Investing in property does carry risk so please ensure you get the right advice before proceeding. If you believe I could be the person to provide that advice, then go to **FreeCallWithNiro.com.au**

PPS: I currently have property managers willing to guarantee they will get your property rented. Yes, rental guarantees from property managers (not developers who inflate their price) so that should tell you how easy it is get the properties rented in the areas I recommend investing in. So if you want a successful, stress free investing experience, let's connect.
Book your free call at:
**FreeCallWithNiro.com.au**

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