



# THE VALUE OF CREATING PROPERTY INVESTMENTS

MOST OF MY INVESTMENT ADVICE REVOLVES AROUND CREATING VALUE  
IN YOUR PROPERTY INVESTMENTS.

Strategies like buying a block of land and building an investment home is one such strategy.

The Benefits you can receive by becoming involved at the “wholesale” end of production and not at the “retail” end like most investors, are numerous:

## **1. PROFIT**

You have the flexibility of either making a cash profit by selling your developed or enhanced properties or you can keep your profit in the properties and hold as an investment – or a mix of both.

## **2. DEPOSIT**

You can use your manufactured profit as the deposit to purchase another investment property as you build your investment portfolio. This profit (not hard cash) might be all you need - with the bank putting in the rest.

## **3. CAPITAL GAIN**

You don't have to wait for the market to rise because you can create your own capital gain (your manufactured profit) up front. This is particularly valuable in periods of low capital growth when you need to be more active in moving your wealth-creation forward.

## **4. RENTAL YIELD**

Your rental yield (rent as a percentage of purchase price) will automatically be higher because your purchase price (wholesale cost) is lower than the market but you still get the normal retail rent.

## **5. TAX BENEFITS**

If you hold your developed properties as investments you can claim very favorable depreciation write-offs.

## 6. HIGH RETURNS ON CAPITAL

The annual percentage return on funds invested (upfront equity) on an average project would be in the vicinity of 80 - 100 %. That's somewhat higher than a term deposit wouldn't you say?

## 7. RAPID PORTFOLIO GROWTH

This is a key benefit. You can acquire investment properties much faster by acquiring them at wholesale than you otherwise could by paying retail price like the rest of the market.

## 8. SPECIAL SAVINGS

If you are holding your wholesale properties you can save on stamp duty, marketing costs, and agent's commission - and you get to keep the-profit.

This is just an outline of the technical, quantifiable benefits you can reap as a property investor.

The immeasurable benefit is LIFESTYLE - having control over your wealth accumulation – and therefore the quality of your life and those around you.

