



ONLY REALTY

PROPERTY GROUP

**FIVE SECRETS TO
GETTING STARTED IN
PROPERTY INVESTMENT**



About the Author



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Grant is an Entrepreneur & Property Investor, Director of a National Property business, and Founder of EPiC South Africa, a community for the education, creation, support and empowering of Entrepreneurs & Property Investors. Grant relentlessly pursues the goal of changing the DNA of every single South African, to take responsibility of their own financial well-being and create financial abundance through business and property.

Introduction

PROPERTY INVESTMENT IS A TRIED AND TRUSTED METHOD OF CREATING FINANCIAL ABUNDANCE, CREATING FUTURE WEALTH AND CREATING TIME FREEDOM FOR SUCCESSFUL INVESTORS.

Property Investment is also a method of losing money, creating future liabilities and causing financial hardship for uneducated, unaware, haphazard investors.

Property investors must be fully versed in the risks involved in property investment and how to navigate these. It is vitally important the potential riches of property investment do not cloud an investor's judgement. An investor must always consider the downside of any investment, and ensure strategies are in place to offset these risks.

In South Africa we have many property investment opportunities, but also many risks due to the nature of our economy and legal system. Gearing or leverage adds to the risk, particularly if the property purchased is not properly researched and turns out to be a poor investment.

In order to get started in Property Investment, here are 5 Secrets to getting started. These are by no means an exhaustive list, but will create a great foundation for your future venture into Property Investment.



SECRET

#1

AWARENESS

THE PROPERTY MARKET IS CURRENTLY CAUGHT IN A WAR BETWEEN AGENTS, TENANTS AND OWNERS THAT STEMS FROM A LACK OF EDUCATION AROUND FINANCE AND PROPERTY.

We allow our emotions, views and opinions to be driven by partial facts or misinformation which leaves us vulnerable and results in poor decision making when it comes to property.

Potential investors must do their research into both the area they are consider purchasing property in and the tenants they are considering renting to avoid any nasty surprises down the line. Research and educating yourself are vitally important to ensure you are making well informed decisions.

There are too many biased experts in the market that will teach you that what they are selling is the best option. The only way to overcome being taken advantage of is to ensure you are well informed.



SECRET

#2

ENTREPRENEURSHIP

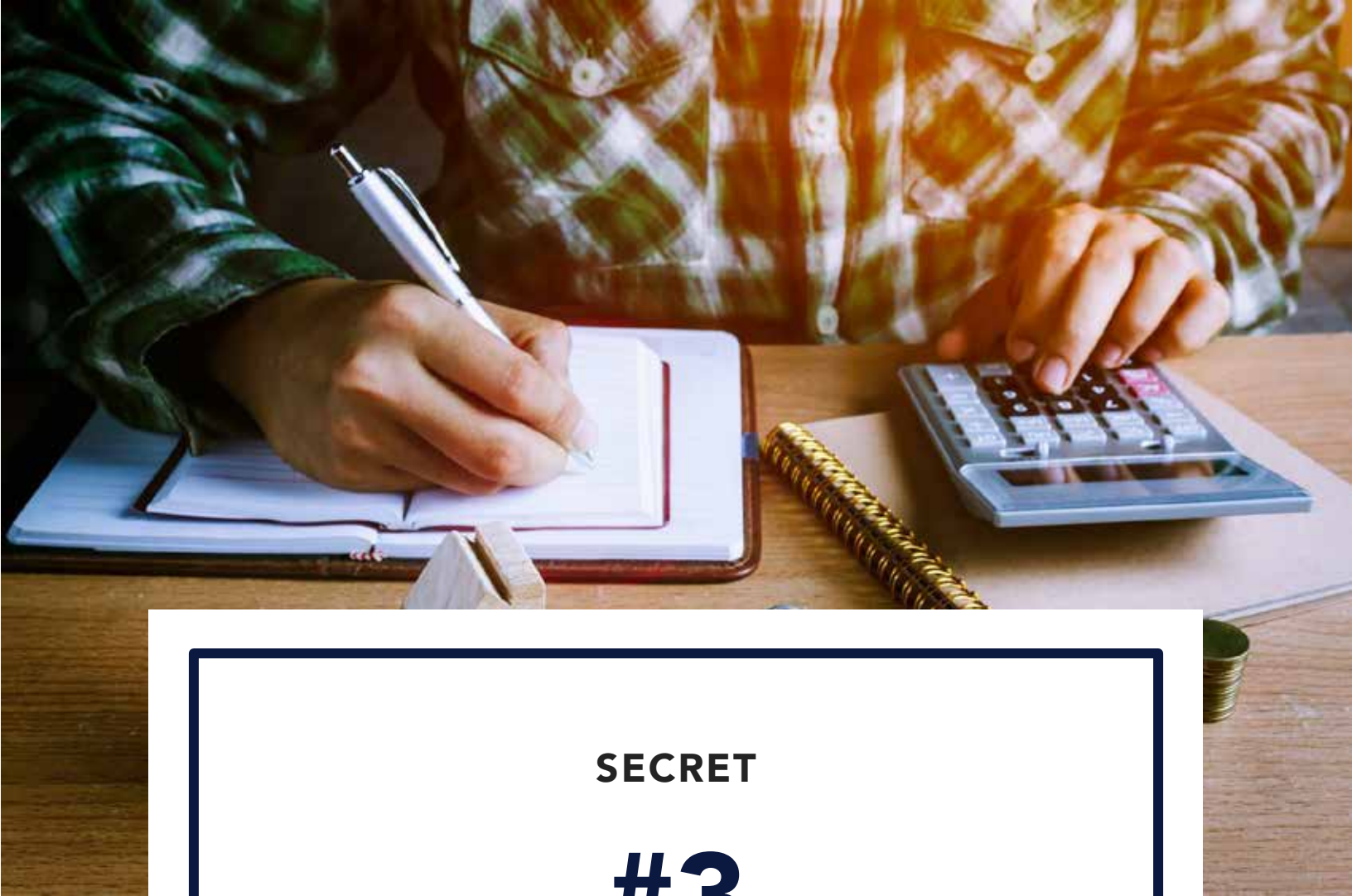
YOU ARE AN ENTREPRENEUR. IN VESTING IN PROPERTY IS A BUSINESS AND AS SUCH, TRANSACTIONS, MANAGEMENT AND ADMINISTRATION DUTIES WILL BE CONSTANTLY REQUIRED.

By running your Property Investment business correctly, you will create systems and processes that will enable you to fully enjoy the benefits of your property investment empire in the future.

Working on the premise of begin as you'd like to finish will enable you to create systems that free up your time, systems that run your business efficiently and profitably, and will therefore enable you to grow and scale the business.

Part of running a business is ensuring you have the best possible team around you. Make sure you are engaging with the most competent and professional team members. These are rarely not the cheapest service providers, however often the cheapest providers turnout to cost your business much more in the long term.





SECRET

#3

UNEXPECTED COSTS

Unfortunately, additional and unforeseen costs are an inevitable part of the property game and even the most seasoned investors often find themselves having to deal with unexpected and unbudgeted costs.

Special levies, insurance and a maintenance reserve are costs often overlooked. Making provision for these and other unexpected costs is the difference between successful investors and those that experience cashflow difficulties.

A high-value item like a property is vulnerable to risks such as negligent or non paying tenants, unexpected maintenance costs, as well as interest rate and insurance risks.



SECRET

#4

LOCATION, LOCATION, LOCATION

THE PHRASE MAY BE OVERUSED, BUT THERE TRULY IS NO FACTOR MORE IMPORTANT TO CONSIDER WHEN INVESTING IN PROPERTY THAN LOCATION AS IT DIRECTLY DETERMINES YOUR ROI

You may pay a little more when you buy, but to buy in a better location means you have many more profitable options in the future.

When choosing an area to invest in, prospective investors should look for transport infrastructure, the presence of other residential and commercial property development and the lifestyle options the area offers.

Carefully consider the segment of the market you'd like to focus on, for example Student Letting or Short Term Letting, and ensure that the area you are focused on meets your prospective clients', your tenants', needs.

Look at local amenities, transport, affordability, employment centres, future development and supply versus demand.



SECRET

#5

TRENDS & INNOVATIONS

WITH THE LONGER TERM TREND OF RISING HOUSE PRICES, IT COMES AS NO SURPRISE THAT MILLENNIALS NOW MAKE UP THE DOMINANT DEMOGRAPHIC WITHIN THE RENTAL MARKET.

In an economy of sacrifice, tenants look for value and convenience.

Whether or not one succeeds as a property investor is dependent on how well they understand the property market (and tenants) in the area which they operate. If you research each aspect of your investment thoroughly, and budget for external fluctuations, you will be protected from most of the hurdles that trip-up first-time investors.

A Property Investor should be a student of property market trends and innovations. To become successful as a Property Investor, as with anything, an investor should fully immerse themselves into the property market.

Continually researching the market, staying on top of developments in the investment area, attending industry events, networking with property investors and Entrepreneurs, and lastly, actually putting some skin in the game, taking action and investing, are all steps an investor should take to ensure that they are on top of the market to make the best possible investment decisions.



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