



ISSUE

SEP – OCT

2020

THE INVESTOR

COMMON INVESTOR MISTAKES TO AVOID

To be successful at property investing you need to be educated, informed, know your numbers, understand the market and always have a backup if something does not go to plan. You also, need to make sure that you avoid the common investor mistakes.

To support our investors, we have listed some key mistakes that can be made when buying an investment property:

- Investing time into look for a property before applying for a mortgage
- Talking to only one mortgage lender
- Utilising all your savings
- Buying with emotions instead of researched facts
- Borrowing to a maximum limit and not consider future changes in the market
- Choosing the wrong location or property type
- Relying on the rental income to pay expenses
- Failure to check your credit rating online before applying for a loan
- Failure to include the right protection clauses in your sale contract
- Not obtaining the necessary pre-purchase inspections
- Getting focused or distracted by key aspects of the property that you are attracted to, and not looking at the big picture
- Failure to notice the hidden details, such as the roof, behind cupboard doors and furniture

Before you buy your next property, we strongly recommend that you talk to a professional and take the time to create a list to help guide you through the process.

We are always just a telephone call away.



IS RENOVATING YOUR PROPERTY WORTH IT?

With the current financial relief of accessing superannuation, government incentives to renovate as well as the increased emergence of renovation television shows over past years, we are starting to see more property owners choosing to renovate or upgrade their property.

The renovation could be an extension to the property, a long overdue facelift, a re-model to make it your own, or simply a process undertaken to capitalise on the property and make money and build the asset.

If you are considering selling a renovated property in the short-term, or want to make money from your renovations, you should take the following into consideration to ensure that you do not over-capitalise.

Tip 1: Know the value of your property before you undertake the renovations.

Tip 2: Know your local market. What is the average price for similar properties? What is the lower and higher priced range? How are these properties presented? To really get to know the market, take the time (if possible) to drive past and view these properties.

Tip 3: What will your renovation realistically cost? Take the time to obtain several quotes from the outset. Always add an extra 10%-20% on top of your anticipated costs and allow and budget for the unexpected costs.

Tip 4: Engage an expert builder or project manager to assist with establishing the overall renovation costs/project.

Tip 5: The most popular rooms to renovate are the bathroom and kitchen, as they offer emotional appeal to the buyer or investor.

Tip 6: Improving the outside appearance such as the lawns, gardens and external painting of the property is often money well invested. Make sure that the renovations are in keeping with the street appeal and don't dramatically stand out.

Tip 7: Always take the property resale values into account when you renovate.

Renovating is often a personal choice on many levels. If it is an 'investment' decision, don't forget to take into consideration the needs and wants of potential tenants and buyers.

CYBER ATTACKS! DON'T GET CAUGHT, BE SMART

As smart property investors it is important that we take the time to continually keep up to date with what is happening in the real estate market. We must research, read, become knowledgeable and understand all things real estate to protect our assets 'the property'. However, assets are more than just our investment 'properties'. Assets are our superannuation funds, shares, cash in the bank as well as our family and friends.

In June this year, the Prime Minister made an announcement that Australia had been targeted by a major cyber-attack against governments and businesses. As a reader of this newsletter (right now) you may have skimmed over this news headline.

While we are all considerate and mindful of the current impact that COVID has had on everyone across the globe, we also must be careful and mindful of our future.

We are entering times of financial pressures, increased stress and uncertainty, and now is the time that we don't get personally caught up in not seeing a bigger picture. Personal data (outside of cash that is slowly being eliminated) is the new currency of the world that we all need to think about in protecting the focus of 'you, your family and friends' against data hacking and control.

If this sounds odd to you; just take a moment to be aware, because hackers ARE becoming unauthorised users breaking into computer systems, laptops, iPhones, iPads and anything connected to the Internet; in order to steal, change or destroy information. They are focused on installing dangerous malware without your knowledge or consent.

SMART TIPS TO BE ONE STEP AHEAD...

These tips are some simple ways that you can protect your assets, data and information.

1. Check that all devices have virus protection software.
2. Do not open any email attachments that appear suspicious. Opening an email attachment can download malware to your device to extract information.
3. Make sure that you use strong passwords that are unique and different. Avoid using a couple of common, similar passwords for everything.
4. Keep your software up to date.
5. Be mindful of what you are posting on social media. Hackers want to obtain personal information to access your bank accounts (including superannuation funds). If you are sharing you pet's name, date of birth or your mother's maiden name online this can allow a hacker direct access to sensitive information used to identify you.
6. Educate yourself on the settings, features and applications of your devices.
7. Make sure the Internet access into your devices is strong and protected with a complex password or consider a VPN, which is an additional layer of security to stop (prevent) hackers getting your data at work or in the home.
8. Where possible, introduce a 2-step verification on your accounts, which is an additional layer of security to protect you if a hacker obtains your passwords. The 2-step will require an additional code to be sent to your phone, email or via an authenticator app.
9. Avoid saving your passcodes online.
10. Utilise *Face Recognition* and make sure apps have your password codes turned on.

Technology is here to stay... just be smart, aware and safe with your data.

TAKE THE TEST... HOW SAFE IS YOUR DATA

If someone could get inside your computer or phone what would they see?

TEST 1: YOUR COMPUTER Open Google. Click on the three vertical dots in the top right-hand corner. Click Settings. Click on Passwords, Payment methods and Addresses and more, and see what personal information you have stored in your computer. Sometimes saving a password for convenience sake, may not be worth the exposure of your personal data.

TEST 2: YOUR PHONE Open your phone settings. Click on Website & App Passwords and see what personal information you have stored in your phone. Avoid using the auto fill feature for passwords if you want to be protected.

* The above test access instructions will vary depending on the device that you use.

You should not act solely based on the material contained in this newsletter. The information and statements herein are general comments only and do not constitute or convey advice per se. Seek independent professional advice before making any decision or acting. | © International copyright and published by PPM Group (www.ppmgroup.com.au)

RISTIC NEWS!



THE FIRST STEP

CURRENT FROM 11.59pm 13 SEPTEMBER

FOR: Metro Melbourne

Key points

- Curfew in place 9pm to 5am
- Stay within 5km of your home except for permitted reasons such as work or education if these can not be done at home
- Exercise or recreation: 2 people or a household can meet outdoors for two hours maximum
- Visitors to the home: "Single person bubble" 1 nominated visitor if living alone/single parent (all children under 18)

169 APPLICATIONS RECEIVED

7 PROPERTIES LEASED

AVERAGE DAYS ON MARKET: 14.7



SUDOKU COFFEE BREAK

Every row & column, and 3X3 box, must contain the numbers from 1-9

3		6	5		8	4		
5	2							
	8	7					3	1
		3		1			8	
9			8	6	3			5
	5			9		6		
1	3					2	5	
							7	4
		5	2		6	3		



Fusun Ristic
Director of
Property
Management