

# How to Avoid Property Investor's Anxiety



## Who is PEB Invest, how can I find out more about the company and their success?

We are a Perth based company established by brothers Jerry and Rick Collova, to provide property investment options across Australia.

How do you tell someone in writing to trust us? We don't think it's possible. You can talk with our clients and find out for yourself, what changes we have made to their lives. Ask your representative to put you in touch.

You can also search the Australian Securities and Investments Commission website (ASIC - [www.asic.gov.au](http://www.asic.gov.au)) for our business name and our website for our licenses.

## What fees are payable to PEB Invest?

There is no money exchange between PEB Invest and their clients. We offer our guidance at no 'out of pocket' costs.

## How does PEB Invest get paid?

PEB Invest is paid by our suppliers (land developers and/or builders) for marketing and referring their products. We act as their sales and marketing team that they otherwise would not have.

## How much will it cost me to invest?

We apply a 'worst case' scenario should economic situations change and this can see you negative anywhere up to \$50 per week; although negative cash-flow is not our goal if possible. Any investment vehicle needs to be able to stand on its own and property is no different.

## How do I know the property I choose is the right one for me?

Before you purchase a property, you must identify what you can afford and what you wish to gain from the purchase. Once these goals are established, we can help you find a property that increases in capital growth and produces the cash flow to help you achieve them. We do this by choosing a property based on location and infrastructure which includes; employment possibilities, schools, shopping centers, transport, parks and recreation facilities.

## Will my property be tenanted?

Yes, sometimes it may take longer if the rental price you are asking is not aligned to meet the market.

It is crucial to have a good property manager who is proactive and advises you where the rent needs to be to occupy the home ASAP. When rental vacancies are quite high, we believe that it is better to lower your rent for 6 months to attract a tenant in your home ASAP. This means you are not competing with any other homes near you because you have gone slightly below market value. As an example if you lowered your rent by \$30 a week, this would cost you \$780 for six months, a money smart option that could save you lots of dollars. If your property was empty for 6 weeks at \$400 per week that is a loss of \$2400.

## I am employed now but what if this changes in the future?

With our structure very little of your wages will be used to fund your investment repayments, therefore the investment property will not add pressure on your finances if you find yourself unemployed.



### How do I protect my family home?

One of our unique differences is that we factor all the risks in our proposal and setup the structure so your home is at arms length to your investment property.

### Are we in the right economic times to invest?

The economy works in cycles, it will spike then drop and flat line. Property is a long term investment and, history shows property prices will always go up, some over a longer period than others. Just look at your own home or your parents' home, what did they pay? What would an investment property purchased today be worth in 30 years' time?

### I like the property down the road from me, why would PEB Invest suggest something different?

When selecting your property, you will need to consider many factors including; what you can afford, will it generate a good cash flow and is there a high demand for rentals in the area. It is very important not to be guided by your heart but instead your head, and look outside of what you know. This is a business decision!

### How can being in debt be a good thing?

Investment debt is different to your personal debt, it creates wealth! Businesses do it, Governments do it and individuals should be doing it too.

By leveraging your savings and equity you can borrow more money to invest in a property as an appreciating asset, as long as this lending is done responsibly and with conservative loan to value ratios (LVR).

### I don't want to be ripped off on my investment

Unfortunately there are so many investment property companies that have not done the right thing and have sold properties in places where clients don't understand the market and in turn were sold a dud. The way that we structure your finance, your property will be independently valued by the banks and should a low value come through, your finance will not proceed so you will be well aware of being ripped off before you make any commitments.

### There are properties advertised for sale that are cheaper than PEB Invest's options

Many clients compare our investment packages to other standard house and land packages. The problem is they may not be a FULL turnkey product and can be misleading. Our packages are ready for your tenant to just move in. Compare apples with apples and pick up the phone to confirm if the advertised price will be the final contract price with all inclusive, no more to pay or do. We have a list of items that should be included, please ask us for one to use as a guide. If unsure ask the builder for a fixed price, written guarantee.

### Is the builder reputable and reliable?

Every builder we use is licensed and insured, no banks will approve finance unless this is in place. If something did happen to the builders, the insurance company will organise another builder to complete the build.

### I need more advice

We encourage our clients to seek independent advice. Just like your financial advisor is the expert in share portfolios, your accountant is the expert in tax and your lawyer is an expert in contracts, we are experts in property. Make sure you get the right advice and be careful of getting advice from friends and family that have little or no investing experience or knowledge.

### Are we in a property bubble, are prices going to fall?

We don't have a crystal ball. Unfortunately no one can answer this question but with the with the Australian population of 23 million as of June 2015 projected to increase to between 36.8 million and 48.3 million by 2061, demand will still be high.

### Should I be waiting?

Do you find yourself saying I wish I had purchased in 1995 when the average house price was \$150,000. The longer you wait, the older you get and the harder it becomes. There is no time like now. If you buy and commit today, imagine what your property will be worth in 2035? If the numbers stack up and you can, then you should invest today.

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