



# HOW TO CREATE WEALTH WITH A PROPERTY INVESTMENT

**PROPERTY  
ASSET  
PLANNING**

SEAMLESS, SIMPLE,  
EFFECTIVE INVESTING



# YOUR GUIDE TO BUILDING WEALTH

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## ABOUT US

Property Asset Planning is a specialist property investment company, located in South Australia, dedicated to helping Australians to build their successful property portfolios.

Brian Chant, the Managing Director of Property Asset Planning has more than 27 years' experience in the Building industry. Brian is a licensed Real estate agent, only dealing with brand new tax effective properties and is also an avid, active property investor himself.

Property Asset Planning liaise and communicate with a team of professionals through your investment journey.

\*The builders on a weekly basis to ensure your investments are progressing smoothly through each stage.

\*The specialist independent financier who has his own credit license and understands the importance of setting up the correct finance structures for investment properties.

\*The Master Financial Planner who assists our clients in using their superannuation to purchase investment properties, with a self-managed super fund (SMSF).

\*Property Asset Property Management is a unique property management service. We pride ourselves on our clear & effective communication with clients, and effective management strategies and initiatives that are suitable for both previously managed homes and brand-new properties! With our very own in-house property management department, we can take care of all facets of your investment property, alleviating the stress that comes from the day-to-day management of properties, straight after the handover process with 90 day inspection. Before any Property is handed over, to our clients, there is a building inspection conducted, by a qualified building inspector.

This process alleviates dealing with any unexpected issues that arise with the management of your new investment property after handover.

Our mission is to make the entire investing process smooth, simple, seamless and effective.

\*Sources: ATO, RPData, ASIC, Australian Bureau of Statistics, various State Government and Local Government departments



**SUCCESSFUL  
PROPERTY  
INVESTMENT  
MADE EASY**



# START BUILDING WEALTH NOW



## INVESTING IN PROPERTY

### ANALYSING YOUR INVESTMENT STRATEGY

- > Capital growth
- > Location
- > Tax effective Investment Properties
- > Reduce the amount of income tax you pay

### THE INVESTMENT TEAM

Successful investors understand the need to create a strong team of people around them. Property Asset Planning have a team of professionals. You can rely on their advice and expertise to help you navigate through the investment property process.

- > Professional advisers,
- > Builders,
- > Financiers,
- > Financial planners,
- > Conveyancers,
- > Property managers,
- > Accountants,
- > Quantity surveyors.

Each of the people in our team will play a crucial role in helping you progress towards your goals. We work closely with each person in the team, during the build process and beyond.

### SUCCESSFUL PROPERTY INVESTORS

Only 18% of all Australian property investors own more than 1 investment property. This means around 325,000 property investors have 2 rental properties in their portfolio.

If you break down the statistics further, you'll see that only 5.5% of property investors have managed to accumulate 3 investment properties. 2% go on to accumulate 4 investment properties. A further 0.8% of investors find a way to build their way up to owning 5 investment properties.

Only 0.9% of all property investors manage to build an investment portfolio containing 6 or more properties.

That's just over 15,000 Australian investors who have figured out how to keep leveraging their portfolios to keep accumulating more property and building their wealth.



# BUILD A PROPERTY PORTFOLIO ON AN AVERAGE INCOME

## GETTING STARTED ON AN AVERAGE INCOME

Most people mistakenly believe that only rich people or those on a high income can invest in property. Yet statistics from the ATO show that around 72% of people who invest in property earn LESS than \$80,000 per year.

The key to getting started is figuring out how to take advantage of **OPM** – that's **Other People's Money (Tax & Rent)** – to build your investment portfolio.

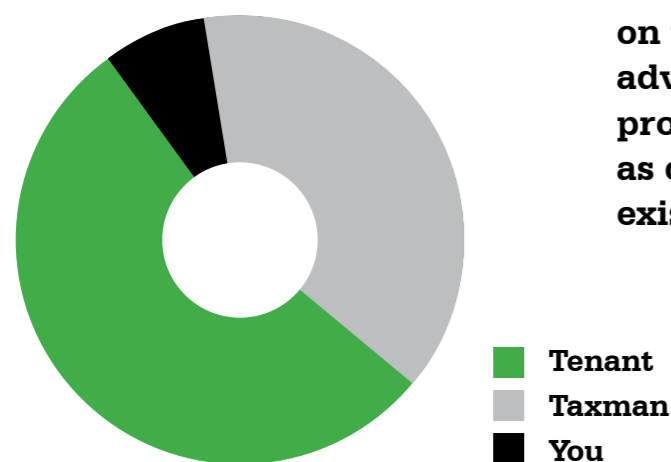
You see, when you own a rental property, your tenant is the one going to work 5 days a week to earn enough income to pay the rent.

In addition, the Australian Tax Office gives investors plenty of incentives for becoming landlords.

Essentially, your tenant and the taxman end up paying the costs associated with owning an investment property. **Properties that we deal with are tax effective.**

The properties in your investment portfolio will build wealth, using **Other People's Money. Other Peoples Money = Tax & Rent**

**Incentives differ greatly depending on the property you buy. The tax advantages of building a brand new property offer far greater benefits as compared to purchasing an existing dwelling.**



# REDUCE YOUR INCOME TAX



## BUILDING YOUR INVESTMENT PROPERTY PORTFOLIO

### FINANCE

We work closely with a specialist independent financier who has his own credit license. He knows the specific intricacies of investor finance and works diligently to ensure all our clients have their finances structured correctly.

Learn how to borrow 100%+ costs the most tax effective way without paying lenders mortgage insurance (LMI).

Have your investment loan structured correctly, so you're not cross collateralized & learn how to pay down your current home loans down

### SUPER OR A SELF-MANAGED SUPER FUND (SMSF)

Have you ever looked at the amount of cash sitting in your superannuation account and wondered if it was possible to leverage it? With changes in legislation, you can utilize your super to purchase an investment property.

Setting up a Self-Managed Super Fund can be simplified and streamlined with the help of an independent Master Financial Planner who we work closely with.

### Typical SMSF structure, employer contribution and rent from a tenant



**What is missing from this pie chart is YOU**

- Rental Income
- Spouse's Employer
- Your Employer

**Vacancy rates are not just a measure of cash flow and income from your tenant. It can also be a growth indicator.**

## VACANCY RATES

A **low vacancy rate** means **better** yield. ...A location with a **low vacancy rate** means there is demand in the area and a potential undersupply of housing. This means that a **property** should not stay **vacant** for long, as there is always demand to rent the **property**.

A low vacancy rate means more confidence in a market and more security for the investor.

The Australian National Average Vacancy rate is 2.5%.

Adelaide has 1.1% vacancy rate

Source: (SQM Research) Calculations of vacancies are based on online rental listings that have been advertised for three weeks or more compared to the total number of established rental properties.

## CAPITAL GROWTH

Median property prices across the Adelaide metropolitan area have risen by 18.5% in the last 10 years. In March 2010 Median Property prices was \$405,000 and in March 2020 it was \$480,000. Source: [www.data.sa.gov.au](http://www.data.sa.gov.au)

## REDUCING THE AMOUNT OF TAX YOU PAY

### Have you ever stopped to think about how much tax you really pay?

Most people look at the amount of tax taken out of their weekly or fortnightly pay. Many will even take notice of how much tax they pay throughout the financial year.

However, have you ever considered how much tax you will pay by the time you retire?

Since 1936 there has been a way to get back 50%, if not more of the income tax you pay, when building a brand new investment property.

CITY	DEC-2018 VACANCIES	DEC-2018 VACANCY RATE	NOV-2019 VACANCIES	NOV-2019 VACANCY RATE	DEC-2019 VACANCIES	DEC-2019 VACANCY RATE
<b>ADELAIDE</b>	<b>2,383</b>	<b>1.3%</b>	<b>1,896</b>	<b>1.0%</b>	<b>2,203</b>	<b>1.1%</b>
SYDNEY	25,177	3.6%	24,258	3.4%	26,415	3.6%
MELBOURNE	12,619	2.2%	12,963	2.2%	14,597	2.5%
BRISBANE	10,519	3.2%	8,629	2.5%	9,931	2.9%
PERTH	6,395	3.4%	5,200	2.5%	5,228	2.5%
CANBERRA	829	1.3%	756	1.1%	1,112	1.7%
DARWIN	1,317	4.3%	981	3.1%	1,117	3.5%
HOBART	121	0.4%	159	0.5%	197	0.6%
<b>NATIONAL</b>	<b>82,544</b>	<b>2.5%</b>	<b>75,947</b>	<b>2.2%</b>	<b>85,591</b>	<b>2.5%</b>

INCOME	1 YEAR	10 YEARS	20 YEARS	30 YEARS
\$40,000	\$4,547.00	\$45,470.00	\$90,940.00	\$136,410.00
\$60,000	\$11,047.00	\$110,470.00	\$220,940.00	\$331,410.00
\$80,000	\$17,547.00	\$175,470.00	\$350,940.00	\$526,410.00
\$100,000	\$24,497.00	\$244,970.00	\$489,940.00	\$734,910.00
\$120,000	\$31,897.00	\$318,970.00	\$637,940	\$956,910.00

Calculated May 2020 with ATO tax calculator. Excludes Medicare Levy.



## WHAT OUR CLIENTS ARE SAYING ABOUT US

### **Christy and Daniel, Salisbury**

Christy and Daniel knew that investing in property could be good for reducing tax – but with our help & guidance, Daniel now only pays 4% tax!! Like many of our clients, Daniel and Christy were on moderate incomes, but thanks to our tailor-made investment property strategy, they've since significantly reduced the amount of income tax they pay, meaning they take home more money from their jobs each week!

Realising how simple our process was with their first investment property, and after seeing firsthand the tax benefits available, Daniel and Christy have since come back and purchased a second investment property through us!

If you'd like to see what our existing clients have to say about their experience with Property Asset Planning, head over to the website at: <http://propertyassetplanning.com/memories/>

You can find even more videos from our existing clients on our YouTube channel too: <http://www.youtube.com/user/PropertyAssetPlan>



**I am so grateful for the wonderful advise and help from PAP. Brian is a legend. Thanks to the whole PAP team I am already looking at where I might be able to build another investment property in the future.**

Janet, Wayville

**Had the most amazing day with these guys... the coaching, the wisdom, the honesty. I look forward to a long, rewarding future with the team from Property Asset Planning**

Anne-Marie, Para Hills

# WE MAKE PROPERTY INVESTMENT EASY





## ARE YOU READY TO START BUILDING WEALTH NOW?

You can book an obligation-free consultation with our specialist consultants.

Throughout your consultation, you will learn the following:

- > How to use **Other People's Money** to grow your wealth  
**Other People's Money = Tax & Rent**
- > How to significantly **reduce your income tax**
- > Tax effective investments – the do's and don'ts
- > How to pay off your own home sooner
- > How to own a second property with just \$1000 deposit
- > Property in Self-Managed Super Funds
- > Retirement – what do you need and what are your options
- > What is gearing and how does it work
- > What is mortgage reduction
- > The obstacles of wealth
- > Maximum **tax benefits**
- > FREE personal assessment

If you're interested in building wealth through property and reducing the amount of income tax you pay, call our office and book your property investment consultation today.

**Call Property Asset Planning on 08 8338 7206**

**Or email**

**[info@propertyassetplanning.com](mailto:info@propertyassetplanning.com)**



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