



WENDY PRIESTLY PMC PRESIDENT AND AUSTRALIA'S MOST SUCCESSFUL FEMALE INVESTOR

Long-term investment property strategies

Members often ask me about my long-term investment property strategies. In return, I always ask them what they consider to be long-term.

For me, the time period for long-term property investing is 15 to 20 years. While some property may double in a short space of time, others may take quite a deal longer.

Some of my properties in WA doubled their purchase prices within two years, however, they dropped back or "contracted" two years later by 20 to 30 per cent.

Other properties in our portfolio remained at the same value for three to five years. In NSW we had properties around the Sydney area that, while being well-located, remained stationary in value from 2004 until 2012. Even our own home did not grow in value then. Due to the possibility of an airport being located 20km away, it dropped 25 per cent in value within a month. This property then went on to grow more than three times the original value during a 20-year period.

Most of you would recall the media writings of the last year describing the growth in Sydney as above normal, at around 10 to 15 per cent in the one year. "How could this be?" many commentators asked. Property observers wondered at such accelerated growth and talked up the value of Sydney.

Little did they know Sydney had been stagnant for many years before and the growth was more of a catch-up than a boom.

Meanwhile, Melbourne has been flat and not the recommended area for investment these past two years. But, again, its turn will come for "above-average growth" when it climbs in value when factors are right for growth with tight supply.

Other properties in our portfolio have grown dramatically in value, then stalled, then taken off again to double in the years following. This pattern has been the norm of property over the long-term.

So, if this is the process of property growth, what are the strategies we must use?

I have found the following to be essential strategies in achieving the desired outcomes for a doubling and tripling of property values in the property portfolio:

- Patience over the long-term (15 to 20 years). While some properties will double in shorter times, others may take longer.
- Keep your goal in mind at all times and do not listen to property commentators who want you to sell when your property has not grown or gone backwards, or cash in when small gains are made.



NSW home



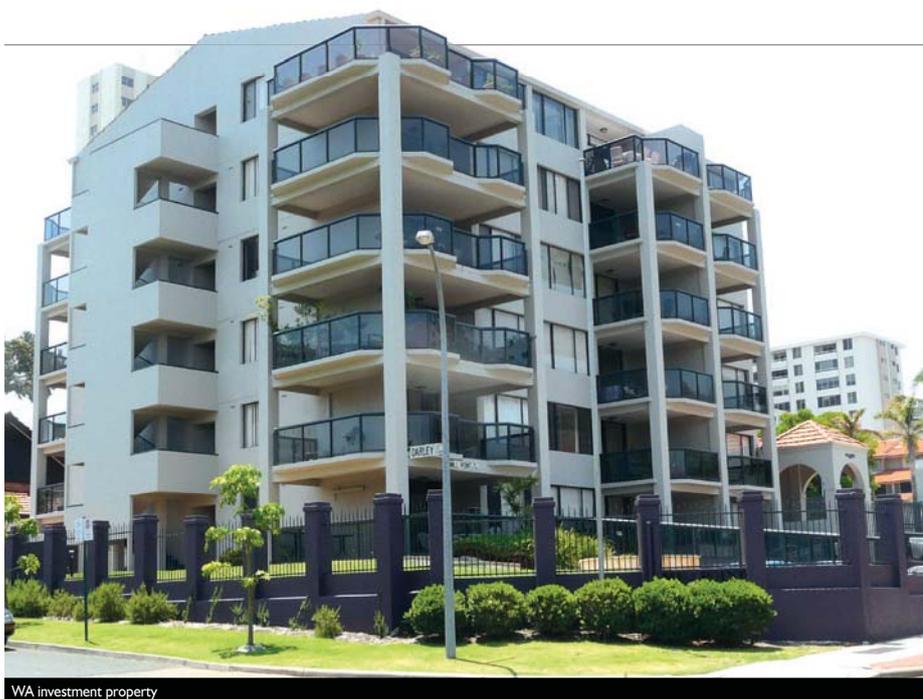
Queensland investment property



NSW investment property



NSW investment property



WA investment property

- Keep your cashflow in perspective and keep on top of this area. Ensure you are able to keep your portfolio cashflow protected by:
 - replenishing your weekly/annual tax benefits;
 - staying in employment (even second employment) and adding additional funds contributions to property cashflows; and
 - using limited reserve funds from a line of credit or offset account (available for two to three years). Even if it is difficult, find ways to overcome these situations and keep your properties funded.
- Keep continuing your property education and ensure you are always up to date on

leasing/rental legislation changes, changes in bank lending guidelines and LMI provider guidelines and banking policies.

- Keep in touch with your Property Mentor and ensure you have a catch-up at least every three to six months.
- Keep your property in good repair and always keep your tenants happy.
- Treat your property portfolio like a business, keeping good records of all transactions. Invest in maintaining the performance of your portfolio and creating greater returns where you can.

With these strategies in operation over the longer term, I know many members who have been very happy with the results, with their properties delivering great returns over the long-term.

Be a property farmer and know there will be years of plenty and years of drought, but in the long-term, the results of growing wealth in your property portfolio will deliver if you follow the above strategies. See and hear more of Wendy at our March Conference. ◀



Queensland investment property

➤ **OTHER PROPERTIES IN OUR PORTFOLIO HAVE GROWN DRAMATICALLY IN VALUE, THEN STALLED, THEN TAKEN OFF AGAIN TO DOUBLE IN THE YEARS FOLLOWING.**

PMC TRAVEL

Upcoming travel opportunities

Mediterranean Cruise June 2-9, 2014

The opportunity to cruise on the new Regal Princess from Venice to Barcelona with fellow PMC members is quickly selling out. Travelling with a group of PMC members allows a greater opportunity of seeing the “real places” with local guides at the various ports.

PMC Barcelona – June 2014

Are you travelling to Europe in June 2014 and have a week you would like to spend with PMC friends? Why not join in and spend a few days in Barcelona and then Sans Sebastian, enjoying the vibrant Spanish culture and cuisine.

PMC Scenic Cruise 16-30 June, 2014 (SOLD OUT)

This Scenic Tour is a relaxing cruise down the river from Amsterdam to the historic Hungarian capital of Budapest, offering sensational views of old European cities. Members will sit back while sipping a glass of wine and enjoying the lovely warm weather. It looks set to be a wonderful trip full of fun times with 29 PMC members.

PMC Indonesian Temples, Culture and Relaxation August 2014

This unique PMC tour of Indonesia includes UNESCO sites of Borobudur and Prambanan Temples and visiting Mt Bromo at sunrise. Afterwards, relax in villas away from the noise and tourists of Kuta.

PMC 10th Anniversary International Workshop October 4th – October 11th, 2014

All PMC Members are invited to join us for this anniversary workshop. The destination is the amazing city of Siem Reap in Cambodia, home of the famous UNESCO World Heritage Angkor Wat Temple.

All the above PMC tours will be escorted by Sharyn Bojczenko. Contact Sharyn Bojczenko Club Travel on 0407 551 567 or sharyn.bojczenko@bigpond.com.