



# THE RIGHT TIME, THE RIGHT ADVICE

Were you thinking of investing in property last year but didn't take the first step? Welcome to 2011 – it's a new year and a fresh start, the perfect time to make your move. There's always doubt and uncertainty attached to a new investment, but **Nikki Connors** thinks she can assuage your fears.

THERE ARE ONLY three ways to fail in property investment: 1) The wrong legal structure, 2) The wrong financial structure, and 3) The wrong property. It's as simple as that. If you understand the pitfalls as well as the benefits of this hugely satisfying form of investment, you are that much closer to becoming a successful investor.

Yes, we New Zealanders do love property – and why shouldn't we? If we take a long-term view to our investment then we are no longer at the mercy of a fluctuating market. By minimising each of the three ways you can fail, you maximise your chances of having an investment that offers you a good, solid future capital gain. All that, without compromising your ongoing personal cash flow and without jeopardising your home and everything for which you have worked.

## THE RIGHT FINANCIAL STRUCTURE

No cash deposit? Looking to utilise equity in your home? If so, it is important that the investment property only needs a minimum deposit. This means that the profile of the property has to match your bank's criteria. That way you are not tying up your home's equity and you not putting your home at undue risk. Also if there is a top-up needed on this property over its lifetime, you

need to ensure it is an amount that you can easily afford. If you have to think about whether you can afford to buy the next cup of coffee then this is not the right property for you. Look at how your own home mortgage is structured and whether you are paying it as efficiently as possible. Sounds daunting? Don't worry; Propellor has the expertise to ensure you have the right advice – this is part of our service.

## THE RIGHT LEGAL STRUCTURE

Having the right legal structures in place can literally be the saving of your home in the future. It is important that all you have built up is protected. Also, you want to receive all the tax benefits from your investment property that you are legally entitled to – without difficulty and as you get paid. At Propellor we organise this for you too.

## THE RIGHT PROPERTY

Many clients have come into see me for advice to start the investment process after getting into major difficulties in the past. The majority of the time their problems stemmed from choosing the wrong investment property. If, like me, you want to be a passive investor who can walk away from the investment then an old, cheap do-up is not for you. What can start out as being a cash flow positive proposition can quickly turn

into a nightmare the moment the roof has to be repaired or the wiring has to be updated.

You should not have to worry about maintenance and repair issues. That is the reason Propellor only recommends new brick and tile, concrete block or tilt slab properties.

Buying a property because of its location to your own home is another trap for new players. The location is irrelevant provided the price is right, with the right rental ratio and in an area with demonstrable and measurable growth. The area has to have a high rental demand as well as planned infrastructure to ensure its future on saleability.

## THE RIGHT ADVICE

Propellor has helped hundreds of New Zealanders – and clients around the world – secure their future and pay off their home mortgages in less than half the time. That's because:

- Propellor is completely independent of any developer and development, and,
- We do not buy and on-sell property,
- So we are able to scour the country for what we believe to be good solid investment propositions for our clients. We perform our own due diligence on all the properties we recommend.

When we meet with you and put together a strategy that is tailored to your personal and financial profile and then select properties to match this. We provide full cash flow projections on each property so that you know exactly what the outgoing and income will be over a 10-year period. We organise tenancy on your behalf on settlement. If you are a new investor we particularly look for properties with guaranteed rentals so as to reduce your risk even further. For example, some of the safest investments you can have today are new brick and tile, freestanding houses, under \$350,000 with guaranteed rentals for at least 10 years. Luckily we have those to offer you too!

It's a new year a new mindset and a new way of thinking. Don't be another year older and another year closer to an uncertain future. Propellor has hundreds of satisfied clients who are looking forward to an independent financial future – and our services to you are completely free.

*Nikki Connors is Principal of Propellor Property Investments and well known New Zealand media commentator on investment property. To find out more about Propellor Property Investments call 0800WEALTH or go to: [www.propellorproperties.co.nz](http://www.propellorproperties.co.nz)*

## Why should you invest in OUR property?

Because we don't have any! We are totally impartial investment property specialists. We are completely independent from any developer, bank or financial institution. We search New Zealand for good quality property that is solidly built, appropriately priced, has excellent rental demand and in areas with proven growth for potentially high capital gains. We provide you with full due diligence on every property we recommend and we ensure you have the right financial, legal and mortgage structures. And we do it at no charge – guaranteed.

Start the journey with Propellor Property Investments.

**THE FUTURE IS STILL PROPERTY... WE'LL TAKE YOU THERE**

Phone Free : 0800 WEALTH • email: [info@propellorproperties.co.nz](mailto:info@propellorproperties.co.nz) or go to our web site: [www.propellorproperties.co.nz](http://www.propellorproperties.co.nz)



**Ad vitam paramus**  
We are prepared for life