

## **Beware of Hidden Costs**

Cheap properties can become expensive mistakes if you're not careful. Always check:

- Age & condition – Older homes may need plumbing, roof, or electrical repairs.
- Strata fees – These can eat into returns. Ask for the quarterly breakdown.
- Crime rates – High-crime areas can affect insurance and resale value.
- Flood/fire zones – Always check hazard maps and get proper inspections.

What looks like a bargain on the surface can cost thousands more in the long run.

## **20 questions to ask when looking for the right property as an investment**

### **What is the cashflow of this property?**

This asks how much income the property generates after expenses. Positive cashflow means the property earns more than it costs, which is essential for sustainable investment.

### **What is the vacancy rate of the area?**

Vacancy rate shows the percentage of rental properties currently unoccupied. Lower rates usually indicate strong rental demand and less risk of long vacancies.

### **What are the infrastructure plans for the area?**

This involves upcoming projects like roads, schools, or public transport that can improve the area's desirability and property values.

### **What is the population, population growth, and demographic data growth?**

Understanding how the population size and makeup change helps predict future housing demand and rental market strength.

### **What is the competition?**

This means assessing other properties available for rent or sale nearby, which affects your property's attractiveness and pricing power.

### **What are the growth and rental trends?**

This examines historical and projected changes in property values and rents to gauge potential investment returns.

### **Is there economic vibrancy in the area?**

Economic vibrancy refers to job opportunities, business activity, and overall financial health, which supports property demand.

### **What is the proximity to a large town or area?**

Being close to major towns or cities usually means better access to jobs, amenities, and services, boosting property appeal.

### **Is there a diversity of industry in the town?**

Multiple industries reduce risk if one sector slows down, providing economic stability and steady demand.

### **If this is a niche market property, is there a second use to it?**

For specialised properties, knowing if it can be repurposed helps protect your investment if demand shifts.

### **Does this property match your personal risk profile?**

Every investor has a comfort level with risk; this checks if the property fits your financial goals and tolerance.

### **What financing arrangements can you access from this property?**

This looks at loan options, interest rates, and borrowing capacity related to the property.

### **Is the property at market value?**

Ensures you're paying a fair price compared to similar properties, avoiding overpaying.

### **Who is the builder/developer?**

A reputable builder or developer often means better construction quality and fewer surprises.

### **Is there a rent guarantee?**

Rent guarantees provide a safety net by ensuring rental income even if the property is vacant.

### **What will the property management arrangement be?**

Understanding who will manage the property and how can affect your stress levels and investment returns.

### **What is the age of the property?**

Older properties may require more maintenance, impacting costs and cashflow.

### **Is the property tenant friendly?**

Tenant-friendly properties are easier to rent and maintain, reducing vacancy and turnover.

### **What are the title arrangements?**

Clear and appropriate legal ownership structures prevent future disputes or restrictions.

### **Am I being commercial in my approach?**

This question asks if you're evaluating the investment logically and financially, rather than emotionally.

# From Teaching Placement to Property Investor

When I did a teaching placement at Walkerville Primary, I fell in love with the area, tree-lined streets, strong community, great schools, and only minutes from the city.

The problem? Walkerville isn't cheap. It's a blue-chip suburb. But I stayed focused. I tracked the area closely and watched unit prices. I knew exactly what to expect for different streets, layouts, and price points.

Then came an opportunity I couldn't ignore. A teammate from my soccer club (also a real estate agent) mentioned a 2-bedroom unit was being sold off-market. It ticked the boxes: location, condition, and price. I acted quickly, ran the numbers, and made the deal. I bought that Walkerville unit for \$409,000 in 2022 at age 25. That wasn't luck. That was preparation.

## Why It Worked

- Strong rental demand – Walkerville has a low vacancy rate.
- Close to schools and shops – Desirable for tenants and future buyers.
- Low upkeep – Strata fees covered most maintenance.
- Rentvesting strategy – I rented where I wanted to live while my property paid itself off.

It wasn't the fanciest home. It didn't have a big backyard or dream kitchen. But it made sense financially, and that's what counts.

# PROPERTY #1



## Property value ①

Based on data we have available for this property and other properties in the area, the estimated property value of 9/6 Fuller Street is \$537,581, we estimate it has increased by 0.6% in the last month and increased by 31.1% since it last sold in 2022.

realEstimate™

Last updated 30 June, 2025

\$490k — **\$538k** — \$590k  
Low range High range

High Confidence

Since last month  
**Up 0.6% ↑**



Since last sold in 2022  
**Up 31.1% ↑**



## **Buying Smart at Auction (Even on a Budget)**

Let's shift gears and talk about auctions, because they're a big part of how homes are sold in Australia. And they can be intimidating, especially if it's your first time.

If you're on a low or mid income, the stakes feel even higher. You can't afford to be pressured into overpaying.

Here's a real story that shows how understanding the auction process can save you tens of thousands of dollars.

### **Auction Tactic #1: The Vendor Bid**

We were recently at an auction where things were slow to start. So, the auctioneer stepped in with a vendor bid, a legal but artificial bid placed by the seller.

A lot of first-home buyers panic when this happens. But it's just a tactic to generate momentum.

We didn't react. We were already the top legitimate bidder. Why raise our offer when no one else was bidding?

### **The Twist: The Bid Was Withdrawn**

After a tense pause, the auctioneer rescinded the vendor bid, something few people realise is even allowed.

This caught everyone off guard. Some bidders might've jumped in out of panic.

But we held our position. And that kept us in control.

### **Auction Tactic #2: The Reserve "Reveal"**

The agent soon returned from "speaking to the vendor" with a piece of paper showing the reserve, \$75,000 higher than the current bid.

Now here's the trap: many buyers see that number and assume that's what they have to pay to win.

But that's not true. If a property passes in, the highest bidder still gets first right to negotiate.

The reserve is a benchmark, not a demand.

## **The Three-Way Negotiation**

Once bidding stalls, it becomes a negotiation between the buyer, the agent, and the seller. Agents don't want to restart a whole new campaign. They want a deal done, and fast.

That gives you leverage, especially if you're the top bidder and you're holding firm.

## **How It Ended**

We didn't bite. We didn't flinch. Another bidder eventually won the property, but they did so by sticking to their strategy and paying no more than their original top offer.

They knew their power and used it well.

That's how you win at auctions, even when you don't walk away with the keys.

## **Key Takeaways**

If you're on a modest income and trying to get into the market, here's what matters most:

- Buy with a clear plan, not emotion.
- Focus on what builds long-term wealth (location, value, rental appeal).
- Be flexible with what you buy, but firm in how you buy it.
- Know the rules, especially at auction.
- Be ready. Because sometimes opportunity knocks when you least expect it.



“Luck is what happens  
when preparation meets  
opportunity.” - Seneca

# SIX - CREATIVE WAYS TO GET INTO PROPERTY ON A MODEST INCOME

If you're earning a modest income, it's easy to feel like the property market is out of reach. House prices are rising, deposits are large, and the media doesn't exactly make things sound easy. But the truth is, there are creative, flexible strategies that everyday Australians are already using to get into the market, even without a high income.

This chapter is all about opening your mind to what's possible. Property success isn't about buying your forever home straight away. It's about getting your foot in the door and building from there.

## **Rentvesting**

Live where you want, buy where you can afford.

Rentvesting is a smart strategy for those who want lifestyle flexibility while still building wealth. You might choose to rent in a central, high-cost suburb near your work or social life, but buy a more affordable property in a growing outer suburb or regional area.

You still benefit from rising property values and can rent the property out to cover the mortgage. Over time, your equity builds, putting you in a stronger financial position to upgrade or reinvest.

Why it works:

- You don't need to sacrifice lifestyle to get started
- You can take advantage of affordable growth areas
- Rental income can offset your mortgage

## **Buying with a Guarantor**

Use family support to boost your borrowing power and reduce your deposit.

If your parents or a close family member own their home, they might be able to act as a guarantor on your loan. This means they offer part of their property as security, helping you borrow more with a smaller deposit, and in many cases, avoid Lenders Mortgage Insurance (LMI), which can save you thousands.

This strategy isn't risk-free for the guarantor, so it's essential everyone involved seeks independent legal and financial advice.

Why it works:

- You can buy sooner with a smaller deposit
- You may avoid paying LMI
- It gives lenders extra confidence in your application

## **Co-Buying**

Partner with a trusted friend, sibling, or partner to combine forces.

Can't buy solo? Consider teaming up. Co-buying allows you to combine deposits, incomes, and borrowing power, giving you access to better properties sooner. It's important to treat this like a business agreement, no matter how close you are.

You'll need a legally binding co-ownership agreement that outlines:

- Who owns what percentage
- Who's contributing to repayments, maintenance, and bills
- What happens if someone wants to sell or exit

Why it works:

- Easier to meet deposit and lending requirements
- Shared financial responsibility
- Potential to enter the market faster

## Shared Equity Schemes

Get a boost from government or nonprofit programs.

Shared equity programs allow you to co-purchase a property with a government or organisation. You buy a portion (e.g., 70%), and they cover the rest. You'll repay or buy out their share later, often interest-free for a set period.

These programs are growing across Australia and are ideal for first-home buyers who can afford repayments but struggle with the upfront deposit.

Why it works:

- Lower entry costs
- Reduced loan size
- Easier pathway into ownership

## Fixer-Uppers

Buy under market value, add value through simple renovations.

If you're handy or have friends or family who are, consider buying a property that needs a bit of TLC. Properties requiring cosmetic upgrades, like paint, flooring, or kitchen refreshes, often sell below market value. By putting in the work, you can increase the property's value and your equity without waiting for market growth.

Be cautious of major structural issues or expensive fixes. Focus on cosmetic improvements that provide a high return on investment.

Why it works:

- Buy in at a lower price
- Add value quickly through renovations
- Use increased equity to leverage your next move.

## **Be Flexible and Open-Minded**

Your first property isn't the destination, it's a launchpad. The goal is to get in, build equity, and gain leverage for the next step. That could mean upgrading to your dream home, turning your property into an investment, or refinancing to fund future goals.

Be strategic, not sentimental. Stay open to alternatives. The property game rewards those who think outside the box and act early, regardless of income.

# How Rentvesting Helped Me Buy My First Property

When I first started seriously thinking about buying property, I wasn't on a huge income. I was like a lot of young Aussies, working hard, putting money aside where I could, and watching house prices climb faster than I could save. It felt like homeownership was always one step ahead of me, no matter how disciplined I was.

I remember lying awake some nights, stuck between two options:

1. Do I stretch myself financially just to buy something... anything... just to “get in”?
2. Or do I keep renting in a place I love and accept that I might be stuck on the sidelines for a while?

Neither option felt right.

That's when I came across the concept of rentvesting. It honestly changed everything for me.

## The Lightbulb Moment

Rentvesting is simple: you rent where you want to live and buy where you can afford. It sounds obvious now, but at the time it flipped everything I thought I knew about property.

Growing up, I assumed the goal was to buy your “forever home” settle down, get the keys, hang some framed prints, and start paying off a mortgage. But the truth is, I wasn't ready to settle down. I still wanted flexibility, community, and to live close to the lifestyle I enjoyed.

With rentvesting, I didn't have to choose between lifestyle and ownership. I could have both.

## **Starting the Search**

Once the strategy clicked, I got to work. I wasn't just browsing realestate.com.au for fun anymore, I was hunting. I set some simple criteria to guide my search:

- The suburb needed strong rental demand
- It had to have a solid yield and be close to amenities
- Most importantly, I wanted it to hold its value long-term

I spent months running numbers, comparing suburbs, listening to podcasts, and learning how to analyse a deal. I kept circling back to Walkerville, just outside the Adelaide CBD. I'd done a teaching placement there and always loved the area, leafy streets, great schools, and that feeling of being tucked away but still close to everything.

Buying a house in Walkerville was out of reach, we're talking \$900K-plus. But a two-bedroom unit? That was doable.

## **The Right Place, Right Time**

Then came a bit of luck, or maybe just being prepared when opportunity knocks.

One of my teammates from soccer, Nicholas Bucco (who happened to be a real estate agent), told me he had a unit in Walkerville coming up off-market. Because I'd already done so much research, I knew instantly it was a good deal. We sat down, ran the numbers, and they made sense.

In 2022, at age 25, I bought that unit for \$409,000.

## **What Happened Next**

The rent from the property almost completely covered the mortgage. Meanwhile, I kept renting in a house I genuinely enjoyed living in, close to work, friends, and the lifestyle I wanted.

I wasn't stressed. I wasn't overcommitted. And most importantly, I was on the property ladder, without having to compromise on everything else.

## What I Learned

Looking back, that decision taught me more than any book or seminar ever could:

- You don't have to live in your first property, you just need to own it.
- Your first home doesn't have to be your forever home, it can be a stepping stone.
- Not every great place to live is a great place to invest, and that's okay.
- Your network matters, that soccer conversation led to a property I would've missed otherwise.
- You don't need a six-figure salary, just a budget, a plan, and some discipline.

In a market where property often feels out of reach, rentvesting gave me another path, one that made sense for where I was in life. I wasn't chasing a dream home I couldn't afford. I was making a smart, simple move that set me up for the future.

And if you're reading this thinking, "Yeah, but I don't earn that much..." neither did I.

Rentvesting helped me find the balance between enjoying the present and building for what's next. That's something I wish more young people knew was possible.



“Do not save what is left after spending but spend what is left after saving. True wealth is built not by chasing the dream lifestyle today, but by patiently creating opportunities that will secure your future. The smartest investments are made with discipline, careful planning, and a willingness to live a little differently now, so you can live a lot better later.”  
— Adapted from Warren Buffett’s wisdom

# SEVEN - STEP-BY-STEP BUYING PROCESS

The property buying journey can feel overwhelming, but it's just a series of clear steps. Knowing what to expect gives you control and confidence throughout the process. This chapter breaks down each stage, from pre-approval to moving in.

## **Get pre-approved**

Start by getting pre-approval from a bank or mortgage broker. This confirms how much you can borrow and makes your offer stronger when negotiating. You'll need to provide ID, payslips, tax returns, and bank statements.

## **Start House Hunting**

With your budget set, dive into searching for homes. Explore listings online, attend open inspections, and research suburbs carefully. Track actual sale prices, not just asking prices. Sites like [realestate.com.au](https://www.realestate.com.au) and Domain will help you get familiar with market trends.

## **Engage Key Professionals**

Having the right team behind you makes a huge difference:

- **Mortgage Broker:** Helps you compare loans and secure finance
- **Conveyancer/Solicitor:** Manages legal paperwork, contracts, and settlement
- **Building and Pest Inspector:** Ensures the property is safe and free of issues

## **Make an Offer or Bid**

Found the right place? Submit your offer through the agent. If it's an auction, bid confidently, only if your finance is ready. Negotiate where possible, price, settlement dates, or inclusions can sometimes be adjusted.

## **Sign Contracts and Pay Deposit**

Once your offer is accepted, you'll sign a contract of sale and pay a holding deposit (usually 5–10%). The contract may include conditions, like finance approval or inspections, to protect you.

## **Finalise Your Loan**

Your lender will conduct a valuation and, if everything checks out, give you formal loan approval. At this point, your deposit is locked in, and the deal becomes legally binding.

## **Conduct Final Inspection**

Before settlement, do a final walkthrough to confirm the property is in the same condition. Report any damage or missing items immediately.

## **Settlement Day**

On settlement day, your lender transfers the funds to the seller, and the property title is legally transferred to you. You collect the keys and officially become a homeowner!

## **Don't Rush!**

Ask questions at every stage. A good conveyancer or broker will explain everything clearly and act in your best interest.

# How I Bought My First Property

Buying your first property can feel overwhelming. Here's how I did it, using my own numbers and experience buying a two-bedroom unit in Walkerville at age 25.

## Getting My Finances Pre-Approved

I started by getting pre-approval from my mortgage broker. This told me exactly how much I could borrow and strengthened my offer when the time came. To get pre-approved, I provided ID, payslips, bank statements, and tax returns, standard stuff.

## Starting to House Hunt

With my budget set, I focused on two-bedroom units in Walkerville because:

- They rent well, with low vacancy rates
- The area has strong demand and great infrastructure
- Strata fees and maintenance costs were low, making it affordable

I tracked sale prices and market trends on realestate.com.au and Domain and attended inspections whenever I could.

## I Built a Team of Pros

This part mattered more than I realised. I leaned on:

- Mortgage Broker: Not all brokers are equal, in my opinion, Sergio Stefano from Flint Group is the best in the business. With 27,000 brokers in Australia, the average settles \$11 million in loans per year. Sergio does that in a week, pure beast.
- Conveyancer: Handled contracts and legal checks smoothly, making me confident in my purchase.
- Building and Pest Inspector: Made sure there were no hidden problems. I still keep in touch with them for routine inspections to keep my property in good shape.

Having this team made the process less stressful and more professional.

## Making That Offer

An off-market opportunity came through a soccer teammate who's a real estate agent. It was the perfect fit. I submitted an offer for \$409,000 and it was accepted.

## Signing the Contract and Paying My Deposit

I put down a \$15,000 deposit to secure the unit. The contract included conditions like finance approval and building inspections. Here's how my upfront costs broke down:

Item	Amount
Purchase Price	\$409,000
10% Deposit	\$40,900
Lenders Mortgage Insurance (LMI)	\$11,300
Conveyancing	\$1,380
Stamp Duty	\$16,283
Pest and Building Inspection	\$300
Total Upfront Cost	\$70,163

## **Finalising My Loan**

After submitting my documents, the lender (Commonwealth Bank) did a valuation and gave formal loan approval. This locked in my loan, and the contract became legally binding.

## **Conducting the Final Inspection**

Before settlement (30 days after signing), I did a final walkthrough to make sure the property was in the same condition. Everything checked out.

## **Finally, Settlement Day!**

On settlement day, the lender transferred funds to the seller, and I officially became the owner. I got the keys and started planning next steps, renting the unit out while living elsewhere.

## **What I Learned from This Process**

- Being organised and prepared made every step less stressful
- Knowing the local market inside out helped me make confident choices
- Budgeting for all costs upfront (stamp duty, LMI, strata fees) is essential
- Rentvesting allowed me to invest early without compromising my lifestyle

## **Don't Rush! I Beg You, Don't Rush!**

Ask questions, lean on your professionals, and trust the process. With patience and discipline, you can turn a complex process into a clear path to property ownership.

“Don’t wait to buy real estate. Buy real estate and wait.”

— Will Rogers

# EIGHT - MANAGING YOUR FIRST MORTGAGE

Congratulations, you're now a homeowner! Buying your property is a huge milestone, but managing your mortgage effectively is what will truly set you up for long-term financial success.

## **Understand Your Loan Type**

Your mortgage type affects how your repayments behave and how you should plan your finances. Generally, there are three main types of loans:

- **Fixed Rate Loans:** Your repayments stay the same for a fixed period, usually 1 to 5 years. This helps with budgeting because you know exactly what you owe each month. Fixed loans protect you from interest rate rises but might limit flexibility for extra repayments.
- **Variable Rate Loans:** Your repayments can change as interest rates go up or down. Variable loans usually let you make extra repayments without penalties and offer features like redraw facilities or offset accounts. But be prepared for repayments to increase if rates rise.
- **Split Loans:** This divides your mortgage into two parts, one fixed and one variable. It offers some stability from the fixed part, while allowing flexibility with the variable portion. It's a good middle ground for managing risk and making extra repayments when you can.

Understanding your loan type helps you make smarter choices about repayments, budgeting, and when to refinance or renegotiate your loan.



## **Set Up Automatic Repayments**

Avoid missed payments and reduce stress by setting up automatic repayments from your everyday or offset account. This keeps your loan serviced on time every month, protecting your credit score and keeping your mortgage on track. Plus, you won't have to remember payment due dates, making your life easier.

## **Use an Offset Account**

An offset account is a transaction or savings account linked directly to your mortgage. The money in this account reduces the balance your lender charges interest on. For example, if you owe \$400,000 and have \$20,000 in your offset, you'll only pay interest on \$380,000.

Even keeping a small buffer in your offset account can add up to big interest savings over time. Plus, you have easy access to your funds, unlike extra repayments that are locked in unless you refinance.

## **Make Extra Repayments**

Paying extra on your mortgage is one of the smartest ways to reduce your loan term and the total interest you pay. Even small amounts, like an extra \$20 per week, can save you tens of thousands of dollars over the life of the loan.

Before you start, check your loan terms. Some fixed loans have restrictions or fees for extra payments, but most variable loans welcome them. Consider linking extra repayments to windfalls like tax returns, bonuses, or side hustle income to speed up your progress without impacting your daily budget.