



How to find the next property investment hotspot

The goal of any investment plan is to create a passive income.

Rental income is an example of passive income and has proved itself as a safe and secure way to achieve financial freedom.

You should always discuss your financial goals with your accountant or financial adviser before starting out on an investment plan. It's a really good idea to have a team around you that understands your financial goals.

This quick guide outlines how to find the next property investment hotspot.



It's the question on everyone's lips

A lot of people dream of buying a property and seeing its value skyrocket to double what they paid for it within a couple of years. Is this possible? Maybe. But it would be the exception rather than the rule.

If part of your strategy is to find property that is expected to enjoy solid rates of capital growth, you should consider the following issues.

Research

Everyone has an opinion on where the next hotspot is. By doing your own research, you will be armed with the right knowledge to make the best decision for your situation.

Research the underlying fundamentals of the state you are buying in:

- economic growth (gross domestic product)
- unemployment rates
- household wealth
- consumer confidence
- population growth
- established housing market median house prices and average monthly clearance rates
- new housing starts
- major infrastructure projects.
- general area:
 - infrastructure investment
 - proportion of houses versus apartments
 - change in demographics and lifestyles
 - income growth
 - local council workings, strategic plan.
- suburb, street and price point:
 - rental yield
- where the renters live
 - proximity to amenities like shops, transport, major arterials, medical centres and entertainment
 - crime statistics
 - development applications (is there a high rise tower going in next door?)
 - demographics of residents.



Where to find information

Australian Bureau of Statistics

<http://www.abs.gov.au/websitedbs/censushome.nsf/home/quickstats>

Australian Government Statistics

<http://australia.gov.au/topics/economy-money-and-tax/statistics>

The local council website will have a section that outlines their strategic plan, business and major projects plan plus the statistics and economic profile of the area.

The Real Estate Institute in your state will have information such as house prices by suburb and auction results.

There are also market reports by private suppliers available on the web.

How Horizon Property Alliance can help

The team at Horizon Property Alliance possesses an in-depth understanding of the property investment market. They bring a powerful combination of experience and professionalism to their clients.

Our mantra is about customer service.

We work with you and your financial advisors or will introduce you to highly skilled experts who will nurture you through the process. It's your choice.

We start by spending time with you to understand your financial goals and personal dreams. We choose the best property to suit your circumstances and educate you on the whole process.



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