



## 30 STEP - PROPERTY INVESTMENT CHECKLIST

- ☐ Be clear on your **Objectives, Goals & Plans**. Work with a **Property Investment Strategist/Mentor** to help you get a clear Direction & Strategy.
- ☐ Decide on a new or old property & engage a company (e.g. **Buyers Agent, Real Estate Agent**) to source the property.
- ☐ Inspect the property in person, or even by video/facetime.
- ☐ Review the numbers. Compare sales of similar properties. What are the future plans for the suburb/region? Seek 'on the ground' knowledge to support or challenge the numbers if necessary.
- ☐ Make a decision to proceed or not to.
- ☐ Submit the **Contract** to your solicitor and sign once your solicitor has reviewed and confirmed it's good to go.
- ☐ Submit a copy of the **Contract** to your Broker to process the Loan
- ☐ Pay a **Holding or Initial Deposit** to the **Selling Agent** (into their trust account).
- ☐ Arrange **Property Insurance**.
- ☐ Provide the **Rental Appraisal** to your **Broker**.
- ☐ Confirm the **Loan Provider** has arranged a **Valuation**.
- ☐ Arrange for **House Inspections** - (1) **Building and Pest**, (2) **Strata Report**.
- ☐ Contact the Building and Pest Company for a verbal discussion of the report, so you understand all elements of it.
- ☐ For older properties ascertain if any repairs are required and the cost estimate per repair.
- ☐ Once you have all your **inspection reports**, use the results to negotiate pricing with the Seller. For example, if \$5,000 of repairs will be required, ask for the price to be reduced by \$5,000 and so forth.
- ☐ Once you have agreed on a **final price**, ensure your solicitor has made all required checks and then proceed with the **deposit payment**.
- ☐ Pay the remaining **deposit** (often up to 10% of the purchase price).

- ☐ Review property management **agreements** (and assign a **rental agent**). Pay close attention to water usage payment, termination **notice of agreement**, repairs approval amounts, check management fees charged in the area. Agents in close proximity to the property tend to work better.
- ☐ If there is no current tenant, arrange a course of action to find a tenant with the **property manager**.
- ☐ Final approval for the loan. Sign the **loan agreement** (Justice of the Peace often required to witness signatures) and inform your solicitor of its completion.
- ☐ Check-in with your solicitor 1-2 weeks prior to settlement to ensure all is in readiness (solicitor to confirm that selling solicitor and banks are ready).
- ☐ Pay shortfall (what's remaining after the loan, the deposit and solicitor fees) a few days prior to settlement. Start to arrange details with your solicitor at least 1 week prior (either via direct deposit or bank cheque).
- ☐ **Final Inspection** on the day of settlement. If you cannot attend, arrange for someone who you trust to attend.
- ☐ Settlement occurs.
- ☐ Organise the necessary repairs or renovations to the property if required.
- ☐ Find a tenant quickly, adjust price every 4-7 days if required. Be aware that the summer holidays is often a tougher period to find a tenant.
- ☐ Create a spreadsheet for your record keeping & internet banking (automated transfers of rental and loan repayments).
- ☐ Ongoing **Strata Meetings** for apartment investors - Think about how involved you would like to be. At a bare minimum ensure you read all strata correspondence.
- ☐ Annual Smoke Alarm Testing - Budget between \$75-\$100 per annum.
- ☐ Maintain a good relationship with 'Your Team' - Property Mentor, Property Manager, Mortgage Broker, Buyers Agent, Accountant. They can save you both a lot of money and time.

## ABOUT THE CHECKLIST



I've taken the guess work out of what's involved in buying your first investment property in 2018!

This checklist has been collated from my experience acquiring over 50 properties for both my own and my clients portfolios.

If you would like to talk anything over, please don't hesitate to connect: [www.FirstTimePropertyInvesting.com.au](http://www.FirstTimePropertyInvesting.com.au)

***Luke Moroney***