

**Investor Guides**  
**Building A**  
**Property Portfolio.**

# Building A Property Portfolio.

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Kicking off an investment portfolio is no mean feat. However, with the right strategy, proper research and expert guidance to help you, it is possible over time, to build a highly lucrative nest egg.

So where should a property investor start?

## Be Interested In Investing

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If you want to build a multi-property portfolio that performs well, you need to have an interest in investing and a passion to grow your financial future.

Introduce a regular routine that will help you grow your investing knowledge. Reading daily or weekly updates on overall market conditions helps you stay current and focused. Lock in dedicated research time into your diary to ensure you make it happen. Commit to learning how to evaluate trends, attend investment seminars and speak to fellow investors and experts for advice.

## Know Your Why

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It's crucial you know why you're building a portfolio in the first place. If you identify the reason you're choosing to build a multi-property portfolio along with your financial and lifestyle goals, it's much easier to create a plan to work towards them.

Your portfolio must ideally be suited to your individual income and future goals. Once you know what you're aiming for, then you can take the required action to achieve it.

## Start Out Right

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If you're just starting out, making the right choice when buying your first investment property will help buying those second and third investments a possibility sooner rather than later.

Your first property's performance is the key to unlocking portfolio growth. If you buy the right property in the right area and it increases in value in 24 months, you'll have another deposit and can get right back in the market again.

## Select Suburbs Carefully

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Choose the area you will be investing in carefully. Growth suburbs are always an investor's best friend. So look for areas that have at least doubled in the past 10 years.

Lifestyle suburbs close to public transport, good schools and with easy access to shopping, are always popular with the majority. You should also consider up-and-coming areas with predicted growth and planned infrastructure that will be highly sought-after.

## Aim For The Best

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Selecting the right property is one of the most important factors to a successful investment portfolio. Make sure the property is re-saleable and has a minimum risk of rental vacancy.

### Other things to consider are

- Purchase below median price, allowing room for the property value to grow
- Aim for at least 9% capital growth and a rental yield of 8% per year to cover all property-related expenses
- Look for property that has an average of under 30 days on the market - as this can determine a property that sells well.

## Diversify To Lower Your Risk

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In order to spread the risk and performance outcomes, set up a long-term focused, diversified portfolio with properties in both city and regional areas.

You should also look at buying properties in a variety of states or territories, to help alleviate land tax burdens.

## Learn & Move On

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It's quite normal for investors to occasionally make mistakes when building long-term wealth. The most important thing is to learn from any set backs and to keep moving forward.

Never be afraid of having to sell. Remember that getting rid of one bad investment in order to acquire another that will increase in value, is sometimes necessary. And often you can make up the loss over the next 12 months.

Set backs do happen and that's why it's always important to align yourself with like-minded professionals who will support you and give you the right advice.

## Expand Your Portfolio Strategically

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If your first investment property is performing well, and you're in a financially secure position, then it's time to consider adding another property and start building your portfolio.

Rather than focusing on the size of your portfolio, it's better to focus on the performance of your properties. With strategic investing, you can easily acquire four properties that give you the same result as 10. It's all about selecting high performance properties.

## Build A Support Team

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Smart investors know to seek out help from those who are experts in their field.

Align yourself with an experienced, financial advisor, an accountant who specialises in property investment and a trusted mortgage broker. Develop relationships with buyer agents around the country to help you find the best deal possible.

Choose a Client Relationship Specialist that has the skill and market knowledge to manage your property portfolio and pro-actively act on your behalf.

## Be Patient

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Successfully investing in a property portfolio takes time. If you remain dedicated to investing for the long-term, keep consistent with your wealth building strategies and most importantly, stay educated, then building a portfolio will eventually pay off in the long term.

[Looking for support to manage your growing property portfolio?](#)

[Get in touch with a Taylors Property Specialist today.](#)