

ALL THAT GLITTERS IS NOT GOLD

The Sunshine Coast is similar to most capital cities in Australia that have lots of new developments. Many of these are sold off the plan and by "investment advisers". There are many investment models that suggest that buying multiple properties equals multiple wealth.

These models work just fine if there is consistent capital growth in the area of your purchase and if renting these properties, there are no major maintenance costs and a consistent rental income is achieved. It doesn't take much of a hiccup in any of these factors for investors to be under pressure to meet their financial commitments causing stress.

Interest rates at record lows make bricks and mortar a very competitive investment strategy. The old adage "if it sounds too good to be true it probably is" should be remembered even if the alternative is considered boring in comparison. Safe markets such as the Hinterland provide safe investments and we believe very good returns over the mid to long term as the Sunshine Coast continues to rapidly expand.

Our capital growth has been very steady over the past 15 years, rising from a median house price of \$410,000 in 2005 to \$600,000 in 2019*. That is an average of 3% growth per year. Obviously, some years and investments are better than others, but this is an achievable safe investment return.

Rather than be seduced by the promise of unusually big returns, look for solid investments that are safe. The quality of the unit construction in Sydney recently has been a nightmare for many investors. Just when we think laws have been implemented to protect consumers from catastrophe, there is often another "hit from left field" that leaves investors with massive losses.

When you hear promises that sound too good to be true, just dig a little deeper to test the foundations those promises are made on.

Built on a solid foundation of over 25 years in real estate on the Blackall Range, our Agency has stood the test of time and gathered a wealth of local Real Estate knowledge. We are happy to share this with you, so for all your property questions and real estate information, please call in or make a time to meet with our team.

*Source - Pricerfinder.com.au

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