

Property investing: Why it's my ideal career

By [Chris Gray](#)



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New year, new career. If you want to work in a job that you love and are passionate about, rather than working just to pay the bills, why not consider going from an amateur property investor to a professional? Doing this gave me lifestyle benefits I once only dreamed about.

Being a career investor means turning your property investments into your main source of income. In 2011 you could focus less on your work for income and developing a long term strategy for building wealth - with far more success than starting a business or share trading. Most business owners end up working twice as hard and usually only profit until they sell. In share trading, you are in danger of margin calls, which have brought down many a millionaire.

Today, there are generally three career paths that will help you to build real wealth: business, shares and property. While many people start their own business to escape working for others, they often end up working twice as hard to keep the business afloat. Generally, the real benefits don't come until you decide to sell. Likewise, share trading brings with it the danger of margin calls, bringing down many a millionaire.

Let's look at property. Here is a "career" that is easy to understand (everyone needs somewhere to live!), fully supported by the government and banking system, and is far more stable than the share market. Property can be self-funded or it can provide a passive income.

If this all sounds like your ideal way of building wealth, read on to find out how you could launch a highly profitable career in property:

Buy Well

If you buy well from the get go, you'll own an appreciating asset. You can then use the equity you've built to purchase your next property - without paying for it from your wages.

Take into consideration things that will value the property, such as proximity to workplaces, public transport and leisure facilities. You'll need to put in the research - I look at 100-plus properties before buying in a new area. If you don't have time to do your own ground work then look into using a professional buyers' agent.

Invest for the long-term

Investing for the long-term by holding onto your properties is a strategy that works for me. I invest for growth rather than rental return. If you can cash flow the property over the short term you will be able to counteract the down times as most properties bounce back from market lows.

Build a large portfolio

If you have twice the assets you should make twice the money. Building a large portfolio steadily (with cash for emergencies) is the way to go. Refinance your property

It's cash-flowing the difference between the rent and the mortgage that most people struggle with. The key is to use the capital gain to finance that difference. Draw on your capital gain by refinancing your property (rather than selling). By doing this, you forego expensive transaction costs and capital gains tax, while keeping an appreciating asset.

How to start your career as a property investor:

- Do your figures first (with an accountant that understands property)
- Don't fear the gear - debt is good if you buy appreciating assets
- Choose high capital growth areas
- Try and pick a bargain, but make sure it's a good grower too
- Add value by renovating
- Use your equity to help cash flow your properties in the short term
- Look at 100+ properties before you buy - or get someone to do it for you
- Reduce your risk by investing in yourself and in a good team of advisers.