



PROPERTY FOR PROFIT AND PROFIT ALONE

KEVIN FLEURY

Senior Partner

www.smartinvestmentproperty.com



SMART INVESTMENT PROPERTY

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Smart Investment Property (SIP) are a British Virgin Island registered, UK based company that views the world wide investment property market in the same manner as shrewd investors view the stock market.



With in depth research, favourable economic conditions and great locations we believe that property investors can greatly increase their chances of equity growth. SIP travel the world seeking hot up and coming market areas. We believe that there are only a handful of great investments properties available at any time.



THE SMART INVESTMENT PROPERTY FORMULA (The SIP Formula)

Smart Investment Property believe that the availability of 4 or more of the following 5 factors will dramatically increase your success and profit when buying investment properties.

1.Price: Are you purchasing the property at its true value or can you purchase it below its current value. Markets may have retreating sectors pulling out due to home economic conditions creating distressed vendors and great savings. This does not occur all the time but when it does it can add equity to a deal before the keys. We always base our decision on professional valuations. If a property fails to value up, we walk away.

2.Equity Growth: What is the yearly or assumed yearly growth in a regions property market. A growth of 20% or more is a good marker. Good equity growth does not happen all over but is specific areas due to many internal and external factors. We research and publish these factors with our listings. We will give you proven and assumed yearly growth rates as well as the time span of the growth allowing you to form an exit strategy.



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3. Rental Market: How buoyant is the local rental market. Is it based on holiday lets, professional long term tenants or near universities. Is the market short of rental units or over crowded. As a rule, the rental income should at least cover your mortgage payments, management costs and leave you a modest profit.

4. Currency: Can you use a strong currency exchange to purchase or mortgage the property. In other word can you 'BUY MORE PROPERTY FOR LESS'. Currently the strong pound has given investors a great opportunity to buy in the United States and Canada with their weakened dollars.

5. Extraneous Factors: Outside factors such as the addition of international airports, tour operators setting up shop , corporate expansion, change of zoning. legal blocks on future building or over population of nearby areas can all dramatically affect the future value of a property taking an area from bust to boom

6. Financing Availability: The availability of reasonable rate finance abroad has offered us the opportunity to invest in more property by placing 20% - 35% deposits and financing the balance. With rental returns funding the mortgage payments the investor has more options available for investment.



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Top Tips For Buying a Smart Investment Property

1. Always seek independent legal advice. A lawyer not connected with the vendor or developer will give clear and concise advice on title and the contract.
2. Look away from popular destinations and focus on the up and coming areas. These offer you first stage growth.
3. Investigate property prices 12 months ago in the area you are interested in with the current price. This will give you a better feel for the Equity growth per year.
4. Ask local civic employees about future developments such as Airport expansion or opening, new industries moving in.
5. Look at past rental accounts if you are buying a re-sale property. This may allow you to buy and have income coming in straight away.

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6. Always look for first or second phases in developments. Past this point the annual equity growth will slow down greatly.
7. Look into areas that offer you that offer you a strong currency position. Currently the pound is very strong over the US dollar and expected to get stronger into early 2005. This will offer you a great financial return once the dollar returns to its normal setting with the UK pound. This can occur with other currency as well.
8. Always ask local management companies which type of unit rents better. Some areas will have a great for 3 bedroom with 2 bath. If you buy a 1 or 5 bedroom you may lose on rental income.
9. Interview potential management companies. Get references and always stress that good communication is important.
10. When choosing a destination to invest in write down a list of places you may be interested in. Check each area with the above tips to see how your area stacks up as an investment.



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