



Investors – What can go wrong

Actual Case Study – Sally & Bill

- Bought an Off The Plan 1 bedroom apartment in **2010** for **\$410k**
- Our Portfolio Report in **2013** indicated a **\$390k** appraisal and little opportunity for capital growth moving forward
- Clients weren't prepared to accept a loss and sell
- They struggled to lease it as 100's more properties came into the supply pool, so dropped the rent
- It was negatively geared, however a low income didn't allow much benefit from tax deductions
- Sold Dec **2015** for **\$355k - \$35k less than if sold in 2013**

Poor asset selection and wrong strategy caused \$70k cash loss and \$60k lost capital growth opportunity over 5 years

Property Portfolio Report - September 2013

Sample Client

108/171 Inkerman St, St Kilda East

