



Leveraging the value of your home to acquire an investment property is a sound financial tactic, writes **Joanne Hawkins**

The benefits of equity

STRUCTURE OF LOANS IS CRUCIAL

WHEN Miriam Sandkuhler (left) bought her four-bedroom investment property in Preston, she used her home's equity to facilitate the purchase via an offset account.

"I had an offset account set up and I chose to fund 20 per cent of the purchase price plus costs from that account, while the remaining 80 per cent was secured against the property by taking out a stand-alone mortgage," she said.

Ms Sandkuhler, an experienced property investor and chief executive of property advisory firm Property Mavens, chose to finance the purchase this way to avoid cross-collateralising (where your investment loan is secured across both properties).

"I'm not a fan of cross-collateralisation because if something goes wrong, then both properties are at risk," she said.

"If you are going to use

