

The Hunter Investor Property Check

Before You Buy: 7 Things Every Property Investor Should Check

Purchasing an investment property is about more than finding a home that looks appealing.

The most successful investors focus on tenant demand, rental performance and long-term income potential before they sign a contract.

This guide outlines seven key areas every investor should review before purchasing a property in the Hunter Region.

1. What Rent Will the Property Actually Achieve?

Many investors rely on advertised rental estimates or assumptions.

Before purchasing, research:

- Recent leased properties nearby
- Current rental supply
- Property features that influence rent
- Tenant demand within the suburb

A small difference in weekly rent can significantly impact annual returns.

Example: \$20 per week difference = \$1,040 per year

Over a 10-year period, this can have a substantial impact on your investment performance.

2. Who Is Your Ideal Tenant?

Different properties attract different tenant demographics.

Ask yourself:

- Families?
- Professional couples?
- Singles?
- Retirees?
- Students?

Understanding your target tenant helps determine whether the property's layout, location and features align with market demand.

3. How Much Competition Exists?

High levels of rental supply can increase vacancy periods and place downward pressure on rents.

Check:

- Number of comparable rentals available
- New housing developments nearby
- Future land releases
- Apartment or townhouse developments planned for the area

Properties in oversupplied markets often experience longer vacancy periods.

4. Is the Property Easy to Maintain?

Every property has ongoing maintenance requirements.

Consider:

- Age of the property
 - Roof condition
 - Plumbing and drainage
 - Hot water system age
 - Air conditioning
 - Landscaping requirements
 - Retaining walls
 - Pools and spas
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5. Does the Layout Appeal to Renters?

Not every property layout suits tenant demand.

Popular features currently include:

- Air conditioning
- Built-in wardrobes
- Functional outdoor space
- Multiple bathrooms
- Secure parking
- Modern kitchens
- Reliable internet connectivity

Tenant preferences change over time, making layout and functionality important considerations.

6. Are There Hidden Compliance Costs?

Property investors should be aware of ongoing legislative requirements.

Potential compliance considerations include:

- Smoke alarm compliance
- Pool compliance
- Blind and curtain cord safety
- Electrical safety
- Water efficiency requirements
- Future minimum energy efficiency standards

Understanding these costs before purchasing helps avoid surprises later.

7. What Is the Vacancy Rate Telling You?

Vacancy rates provide insight into rental demand.

Generally:

- Lower vacancy rates indicate stronger tenant demand.
- Higher vacancy rates may indicate increased competition among landlords.

Review vacancy trends alongside local market conditions before making a purchasing decision.

Your Investment Property Checklist

Before purchasing, ask:

- ☐ What rent is realistically achievable?
- ☐ Who is the target tenant?
- ☐ How much rental competition exists?
- ☐ What maintenance costs should I expect?
- ☐ Is the layout attractive to renters?
- ☐ Are there compliance costs to consider?
- ☐ What is tenant demand like in the area?

Want a Professional Property Profile?

Rubix Realty provides independent Property Profiles for investors considering a purchase.

Our assessment can include:

- ✓ Estimated rental return
- ✓ Tenant demand analysis
- ✓ Local market insights
- ✓ Rental competition review
- ✓ Property strengths and weaknesses
- ✓ Compliance considerations
- ✓ Recommendations to maximise rental appeal

Simply send us the property address and we will provide an initial assessment.

Rubix Realty

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