

FOR IMMEDIATE RELEASE

Realise the value of good property investment advice: PIPA

Thursday 21 February 2013: Australian home buyers and investors are being urged to realise the value of good advice as concerns mount for Australians who are investing in property without any assistance from a qualified professional.

According to Property Investment Professionals of Australia (PIPA) chair Ben Kingsley, stories of investors getting their fingers burned by bad investment decisions are commonplace.

Property remains a lucrative investment choice, he maintains, but well-planned purchasing strategies are more important in the current market than ever.

“The days of every property achieving double-digit price growth are history and Australians need to be much more deliberate and strategic in their approach to property investment,” Mr Kingsley said.

“At the same time, there are a lot of marketeers out there promoting and selling questionable properties under the guise of ‘independent property advice’ or offering so called ‘property investment education’ without any formal qualifications to do so.

“There are some great opportunities available to property investors, but you’ve got to be well informed and well researched to know what you’re doing.”

According to Mr Kingsley, qualified advice can make all the difference between a poor investment outcome and a prosperous one, but Australians are still hesitant to spend a few dollars on professional guidance.

“They think, ‘Oh, I understand property, so I don’t need to pay for advice, or worse still, they choose to work with someone who’s unqualified, because they’re offering so called ‘free advice’, but what they don’t realise is that a bad investment decision will cost them significantly more than paying for professional advice.”

While there is no formal regulatory framework covering property investment advice – despite continuous lobbying by PIPA for government regulation – Australian home buyers and investors can seek out professional advice from a Qualified Property Investment Adviser (QPIA).

“A Qualified Property Investment Adviser is a specialist whose primary focus is to provide clients with a property investment plan – not too dissimilar from the way in which financial planners provide investment plans relating to managed funds and shares,” he said.

QPIAs are accredited by PIPA and must complete an extensive formal education and accreditation program as well as ongoing training to become formally qualified to provide advice on property investment.

“A property investment adviser can actually build you a property investment plan according to your long-term personal and financial goals, so that any property purchase is deliberate and forms part of your overall financial goals” he said.

“A good plan will offer recommendations for investment supported by clear evidence and reasoning for the recommendations and guidance around anticipated performance, in terms of capital growth and rental income projections.”

Unfortunately, without regulation, plenty of people can claim to be ‘property investment advisers’, when in fact they are not, Mr Kingsley warned.

“Investors must take care that they only take property investment advice from those qualified to give it.

“Qualified Property Investment Advisers subscribe to a code of practice and adhere to strict qualification requirements investors can trust.”

Investors can locate a QPIA by visiting www.pipa.asn.au.

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NOTE TO EDITORS

About PIPA

The Property Investment Professionals of Australia (PIPA) is a not-for-profit association established by industry practitioners with the objective of representing and raising the professional standards of all operators involved in property investment.

Since its inception, PIPA has developed codes of ethics and conduct and professional standards of accreditation and education for the property investment industry, including a Property Investment Adviser Accreditation Course.

PIPA is actively lobbying the federal government to bring property investment advice within a regulatory framework.

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