

3 Reasons to Invest in a Buy-to-let Property in Grahamstown/Makhanda

- 1.** It gives protection against inflation. The fundamental component of property is that people will always need somewhere to stay and in Grahamstown/Makhanda there are always people looking for accommodation. If you have the right property in the right location, you will do well. Ideally, you want both your capital and rental values to increase over the years (and not become flat or decrease). The longer you keep your investment the better the capital appreciation is likely to be because over time your property will ride through cyclical highs and lows, but will appreciate in the long run. In most cases, properties held for a long time have capital appreciation that exceeds the rate of inflation for the same period.
- 2.** A huddle of properties. Property is an asset that you can use to grow your investment portfolio. Because you are locked into the bond for the first few years (when cancellation penalties may apply) and the investment, your commitment is necessarily long term. As you acquire more investment properties, your level of debt increases along with the value of your portfolio. You must develop a track record and expertise and this requires that you know and understand what the different suburbs in Grahamstown/Makhanda offer tenants and buy according to the needs of your target market.
- 3.** Fortune favours the bold. Investing in Grahamstown/Makhanda is an opportunity to build wealth for the future. It is too easy to forget the benefits of time and compound interest so the younger you start thinking about investing, the better the returns tomorrow. It is still a buyers' market so there are bargains to be had if your agent negotiates well for you, and you can negotiate low interest rates on your bond if you use a canny mortgage originator. The environment is, therefore, conducive to property investments right now.



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