

USING YOUR EQUITY



1 WHAT IS EQUITY

- BORROWING AGAINST YOUR HOME'S VALUE IS ACCESSING YOUR EQUITY. YOUR HOME'S VALUE MAY HAVE GONE UP BY \$100,000 AND YOU MIGHT BE ABLE TO NOW BORROW THIS AMOUNT FROM THE BANK



2 WHAT TO DO WITH IT

- WITH THIS LOAN YOU COULD NOW BUY ANOTHER PROPERTY, MEANING YOU CAN INVEST AT TODAY'S PRICES RATHER THAN IN FIVE YEARS TIME



3 GEARING

- NOW YOU'VE INVESTED, NEGATIVE GEARING CAN HELP WITH ANY EXPENSES RELATED TO YOUR INVESTMENT PROPERTY. IF YOU'RE POSITIVELY GEARING THEN YOU CAN SIT BACK AND LET IT PAY ITSELF OFF



4 REMEMBER

- THERE IS A RISK THOUGH. IF YOU ARE NOT ABLE TO PAY OFF YOUR LOANS, YOU MIGHT FIND THE HOME YOU LIVE IN IS AT RISK, SO DON'T BORROW MORE THAN YOU CAN HANDLE

