

**SMASH**   
**PROPERTY**



Mini eBook -

**INTEREST-ONLY  
EXPLAINED:  
A STRATEGIC  
GUIDE FOR  
PROPERTY  
INVESTORS**

**ABN**

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# Why Go Interest-Only? Here's the Real-World Advantage:

## 1. MORE CASH IN YOUR POCKET

Lower repayments = better cash flow. That extra money can go towards:

- Covering costs (rates, insurance, maintenance)
- Holding the property without stress
- Saving for the next deposit
- Cash flow is king, especially early on.



## 2. BUILD YOUR PORTFOLIO FASTER

Banks assess how much you can borrow based on your current commitments. Lower repayments mean more borrowing power (in some circumstances), which lets you get into your next deal sooner.



## 3. TAX BENEFITS

If the property is an investment, the interest is usually tax-deductible. Interest-only = higher deductions = better outcome at tax time.



## 4. STAY IN CONTROL

You don't have to pay down the loan right away — and that's the point. You decide when it makes sense to reduce debt — maybe after a renovation, a value uplift, or once rent increases.



## 5. PLAY THE LONG GAME

Most investors don't get wealthy by paying off properties — they get wealthy by growing their asset base. Interest-only helps you focus on growth first, then consolidate later.



# A FEW THINGS TO KEEP IN MIND

## What Do You Want to Achieve?

### SHORT-TERM VS. LONG-TERM GOALS:

- Eventually, the loan flips to principal + interest — so plan for that or refinance to another lender to restart the timer.
- You still need a game plan long-term (refinance, sell, pay down, etc.)
- It's not about being “cheap” — it's about using your money smartly.

## FINAL WORD

- Interest-only loans aren't for everyone. But for investors looking to scale smart and fast, they're one of the most powerful tools out there — if used strategically.
- Want to know if it suits your game plan?
- Let's chat – book a free strategy call at Smash Property Investing.

Setting clear goals is critical to your success. Without a destination, any road will take you somewhere, but it might not be where you want to go!

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### Important warnings, disclaimers and disclosures:

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