

Business – What a great Investment!

Recent years have proved that there are now very few guarantees when it comes to a secure investment and the safe havens we had enjoyed for so long.

Gone are days of large capital gains in the residential and commercial markets and most shares/super funds/term deposit investments offer very little return.....if any. A typical rental home priced at \$400 000 will only return rent of around 5% (or \$22 000) per annum, whilst a commercial premise of the same value may get you up to 10% (\$40 000) that is if you can retain a tenant.

Businesses however, have never offered such value. For the same outlay you can buy an established business and expect around 45% (or \$180 000) return on your investment. A typical business of this size will come with proven systems, a loyal client base, tangible assets and will have trained staff in place ensuring you won't be working 24/7.

Sure, most businesses in this price bracket require an owner operator at the helm; however, you may choose to employ a manager and enjoy a truly passive investment. Adequate training is usually offered by the seller, this combined with the knowledge of the existing staff should ensure you enjoy the numerous benefits associated with business ownership.

Obviously there is always some risk involved as with any investment you make. By employing good advisors and carefully researching the business/industry prior to making your decision you will greatly reduce the risk.

Successful business operators can enjoy large capital gains if they grow their business and plan an exit strategy. The rewards of business ownership really can be life changing.