

THE AGENCY

A modern, minimalist living room with a light-colored sofa, a wooden coffee table, and large windows overlooking a green landscape. The room is bright and airy, with natural light streaming in from the windows. The sofa is a light beige color with a textured fabric. A white throw blanket is draped over one end. The coffee table is made of light-colored wood with a simple, clean design. On the table, there is a small vase with dried flowers, a stack of books, and a mug. The floor is covered with a light-colored, textured rug. The walls are a neutral tone, and there is a small side table with a lamp in the background.

Hold, sell or buy?
Questions every investor should be asking.



Property investment has always been a long-term game, but the environment investors are operating in today looks very different from a few years ago.

Interest rates, changing tax settings, rising ownership costs, evolving legislation and different market conditions across Australia mean that simply owning a property and waiting for capital growth is no longer enough.

With changes to negative gearing and capital gains tax now shaping investment decisions, and rental markets remaining tight in many parts of the country, investors are understandably asking:

Should I hold? Should I sell? Or is now the right time to buy?

There is no one-size-fits-all answer. The right decision depends on your property, your cash flow, your financial position and your long-term investment strategy.

Here are some of the questions worth asking.



1. Is my property actually performing?

Before making any big decision, look beyond the property's current value.

Ask yourself:

- What rent is the property achieving compared with similar properties?
- Has the rent kept pace with the market?
- What are my annual holding costs?
- What is my net return after management fees, maintenance, insurance, rates, interest and other expenses?
- Is the property delivering the return I originally expected?

A property can increase significantly in value and still be a poor-performing investment if rental income has fallen behind the market or expenses have increased.

Your property's value matters - but so does what it puts back in your pocket.

2. Has the reason I bought it changed?

Your investment strategy should evolve as your circumstances change.

Perhaps you originally bought for capital growth. Maybe the priority was negative gearing and tax benefits. Or perhaps you were looking for a reliable rental income stream.

But your priorities may be different today.

You might now be approaching retirement and want stronger cash flow. You may have more equity and be considering another purchase. Or you may simply want to reduce debt and simplify your financial position.

The question isn't just:

"Is this a good property?"

It is:

"Is this still the right property for me?"



3. What will the changing tax environment mean for me?

Tax changes are an important part of the investment conversation, but they shouldn't be the only reason to buy or sell.

The Federal Government's 2026 Budget introduced significant proposed changes to negative gearing and the capital gains tax treatment of residential property from 1 July 2027, including changes affecting established properties purchased after the relevant commencement date.

That means investors should understand how the proposed changes could affect their individual circumstances rather than making decisions based purely on headlines.

Your accountant or financial adviser can help you understand the tax implications of holding, selling or purchasing a property under the new rules.

4. Could I improve the property's return without selling?

Before deciding to sell, ask whether the property's performance can be improved.

A professional rental review can identify whether the property is achieving its current market rent, while a review of expenses, maintenance and presentation may uncover other opportunities.

Sometimes the biggest opportunity isn't selling the property.

It's managing the property better.

Even a relatively small improvement in weekly rent can make a meaningful difference over a year - particularly when combined with better vacancy management and proactive maintenance.

5. If I sold, what would I do with the money?

This is one of the most important questions.

Selling a property isn't simply about the sale price.

You need to consider selling costs, tax implications, outstanding debt and what you would ultimately do with the remaining funds.

Would you:

- Pay down debt?
- Invest elsewhere?
- Purchase another property?
- Move money into shares or other investments?
- Keep the funds in cash?

If you don't have a clear answer to what comes next, selling simply because the market feels uncertain may not necessarily improve your position.

6. If I didn't already own this property, would I buy it today?

This can be a very useful test.

Forget what you paid for the property.

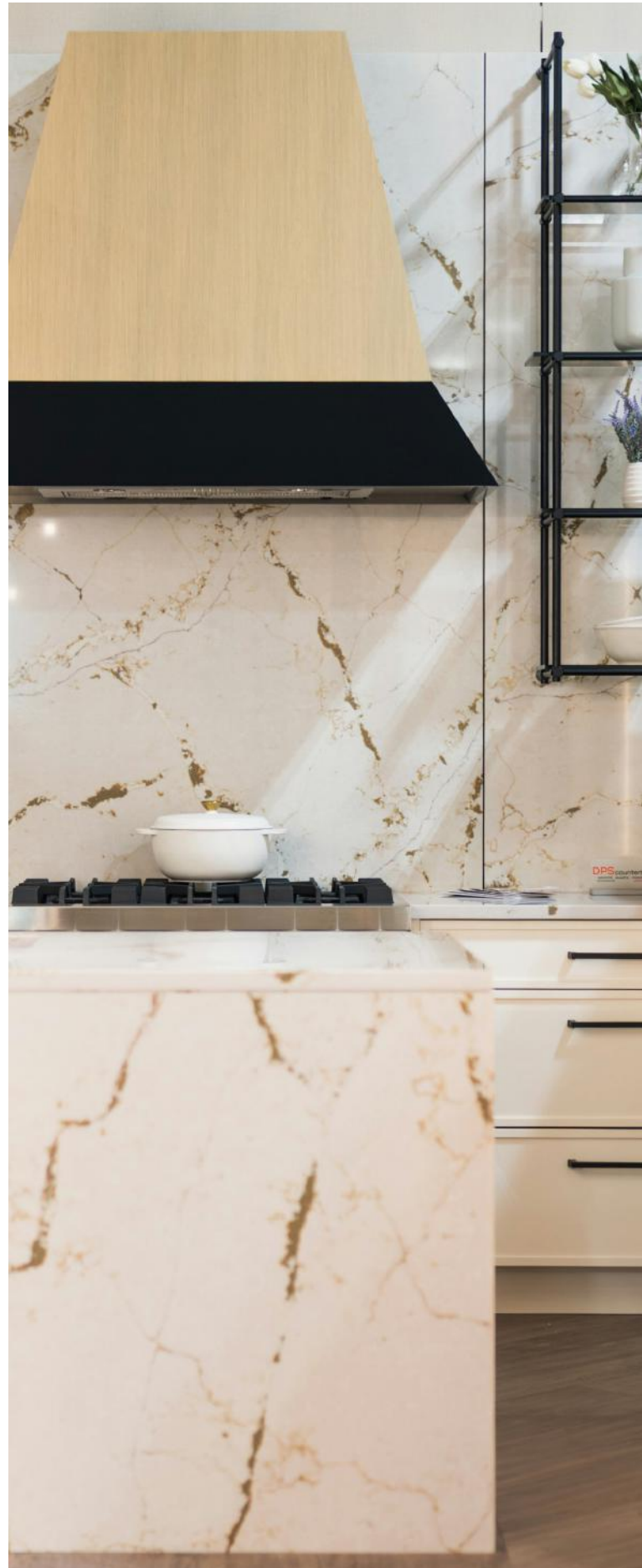
Forget how much it has increased in value.

Look at it objectively today.

If this property came onto the market today, would you buy it at its current value, based on its rental return, location, future prospects and costs?

If the answer is no, it may be worth having a deeper conversation about why you are holding it.

If the answer is yes, that can be a strong reason to remain patient.



7. If I'm thinking about buying, am I buying the right property - not just the right price?

For investors considering buying, today's market may require more discipline.

Rather than asking simply, **"How much can I afford?"**, consider:

"What investment property gives me the best combination of rental return, demand, location, costs and long-term potential?"

With investor activity shifting and established-property lending falling while new-build investment has increased, the distinction between different types of property is becoming increasingly important.

A cheap property isn't necessarily a good investment.

A higher-priced property isn't necessarily a better one either.

The numbers and fundamentals need to stack up.

8. What does the next 5-10 years look like?

Property investment shouldn't be based solely on what happens in the next six months.

Ask yourself where you want to be in five or ten years.

Do you want:

- **Capital growth?**
- **Rental income?**
- **Debt reduction?**
- **A combination of all three?**

Your answer may determine whether you should hold your current property, sell and reposition your portfolio, or look for another investment.





So, where to next?

There is plenty of uncertainty in property at the moment. But uncertainty doesn't automatically mean you should sell - and it doesn't automatically mean you should buy.

It means investors should **review their position carefully**.

Look at the numbers. Review the rent. Understand your costs. Consider your debt. Understand the changing tax environment. Think about your long-term goals.

And most importantly, don't make a major investment decision based on a headline.

The best investment decision isn't necessarily Hold, Sell or Buy.

It's the decision that best supports where you want to be financially in the future.

This article is general information only and isn't intended to be personal financial or tax advice. Investors should speak with their accountant or financial adviser about their individual circumstances.



Australia's real estate.

theagency.com.au