



Investment Property Conversion Checklist

Your Complete Action Plan for Converting Your Home to Rental Property

Use this checklist to make sure you don't miss any important steps when converting your owner-occupied property into an investment property.

Tick off each item as you complete it!

BEFORE YOU MOVE OUT

Decide if renting is the right strategy

- Have you thought about your 5-10 year plan?
- Can you afford the cash flow if negatively geared?
- Do you understand the 6-year CGT rule?

Get pre-approval for finance if needed

- Contact your broker or lender to discuss converting to an investment loan
- Check if the interest rate will change
- Discuss interest-only vs principal & interest options
 - Discuss variable rate vs fixed rate options
 - Discuss loan buffer options

Research property managers

- Get quotes from 2-3 property managers
 - Check their fees and services
 - Read reviews and ask for references
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WEEK 1: IMMEDIATELY AFTER MOVING OUT

Get a property valuation (CRITICAL!)

- Hire a professional valuer OR Get an appraisal from a real estate agent
- Keep this documentation safe - you'll need it for CGT
- Date: _____ Value: \$ _____

Order your depreciation schedule

- Find a qualified quantity surveyor
- Budget \$500-\$800 for the report
- This will save you thousands in tax!
- Quantity surveyor: _____ - Order date: _____

Set up your financial tracking system

- Open a separate bank account for property income/expenses
- Account details: _____
- Create a dedicated email folder for property matters
- Start a spreadsheet or use accounting software

Update your insurance

- Call your insurance company
- Switch from home & contents to landlord insurance
- Confirm you have building insurance
- New policy number: _____
- Date updated: _____

Notify your Broker or Lender

- Tell your bank/lender the property is now an investment
 - Confirm any rate or terms changes
 - Date notified: _____
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WEEKS 2-4: SETTING UP

Research your land tax situation

- Check your council rates for land value: \$ _____
- Compare to your state's threshold: \$ _____
- Will you pay land tax? Yes No
- If yes, budget for annual bill

Book an accountant appointment

- Find an accountant who specialises in property tax
- Accountant name: _____ - Appointment date: _____
- Discuss: depreciation, 6-year rule, deduction strategy

Prepare the property for tenants

- Professional clean: Done - Any repairs needed: Done
- Safety checks (smoke alarms, etc.): Done - Professional photos taken: Done

List the property for rent

- Property manager engaged: _____
 - Listing date: _____ - Weekly rent: \$ _____
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ONGOING: EVERY MONTH

Track all income and expenses

- Record rent received
- Keep ALL receipts for expenses
- Update your spreadsheet/accounting software

Build your vacancy buffer

- Target buffer: 2-3 months rent = \$ _____
 - Current buffer saved: \$ _____
 - **Keep building this over time!**
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DEBT PAYDOWN PRIORITY CHECKLIST

Use this to decide where your extra money should go:

Priority 1: Credit Cards

- Balance: \$ _____
- Interest rate: _____ %
- Pay this first! (Non-deductible, high interest)

Priority 2: Personal Loans / Car Loans

- Balance: \$ _____
- Interest rate: _____ %
- Pay this second (Non-deductible)

Priority 3: Your Home Loan

- Balance: \$ _____
- Interest rate: _____ %
- Pay this third (Non-deductible)

Priority 4: Investment Property Loan

- Balance: \$ _____
- Interest rate: _____ %
- Keep on interest-only while you pay off the above
- Once other debts are cleared, consider paying this down

Why this order? You're paying off non-deductible debt first (gives you no tax benefit), while keeping your investment loan interest-only (maximises tax deductions).

IMPORTANT CONTACTS

Keep this information handy:

Mortgage Broker:

Name: _____

Phone: _____

Email: _____

Accountant:

Name: _____

Phone: _____

Email: _____

Property Manager:

Name: _____

Phone: _____

Email: _____

Insurance Company:

Company: _____

Policy Number: _____

Phone: _____

Lender:

Bank: _____

Loan Number: _____

Phone: _____

6-YEAR RULE TRACKER

This is critical for capital gains tax planning!

Date you moved out: _____

6 years expires on: _____

Have you bought another property and claimed it as your main residence?

No - 6-year rule still applies

Yes - 6-year rule stopped on: _____

Set a reminder 6 months before the 6-year mark to review your strategy with your accountant!

QUICK REFERENCE: LAND TAX THRESHOLDS 2024-25

NSW: \$1,075,000

Victoria: \$50,000

Queensland: \$600,000

South Australia: \$626,000

Western Australia: \$300,000

Tasmania: \$50,000

Northern Territory: No land tax

ACT: Built into rates

Your land value: \$ _____

Will you pay land tax? Yes No

Need Help?

At Awesome Lending Solutions, we help Australian property owners navigate the complexities of investment property ownership. If you have questions about any of these steps, or you're not sure where to start, get in touch with us today.

Website: <https://awesomelendingsolutions.com.au/>

This checklist is designed to work alongside our complete Investment Property Guide. For detailed explanations of each step, refer to the main guide. This checklist provides general information only and doesn't constitute financial or tax advice. Always consult with qualified professionals about your specific circumstances.