



Buying Property in Superannuation

Financial adviser Simon Backman from Financial Spectrum discusses the importance of seeking financial advice before considering purchasing property inside a Self Managed Superannuation Fund.

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With the dismal performance of many superannuation funds over the past 18 months, many Australians are looking at new ways to have greater control over their savings for retirement. Combining this discontentment with super fund performance with the Australian love affair with property has created the new buzz in saving for retirement – buying property through a Self Managed Super Fund. But is this the right strategy for everyone?

Simon Backman from Sydney financial planning firm Financial Spectrum warns people considering setting up a Self Managed Superannuation Fund (SMSF) to take advantage of the ability to buy property without consulting the advice of a financial planner. "There are many rules and regulations which govern the setting up and operation of Self Managed Super Funds. To receive the benefits of having a SMSF such as the significantly reduced tax rates, you really need professional advice from an experienced financial planner to ensure that the fund complies with the various rules and regulations and that it remains compliant".

Simon stresses that the negative sentiment towards superannuation that has resulted from the economic downturn has made many Australians look at other avenues to help them feel a greater sense of control over their superannuation. Whilst having a Self Managed Superannuation Fund (SMSF) can open the doors to greater control and with it the ability to invest in property, it is certainly not a viable option for everyone. However, for those who are suitable having a SMSF can open the doors to some exciting strategies to assist in reducing tax and maximising retirement savings and income.

Mr Backman urges anyone considering a Self Managed Super Fund or using their SMSF to invest into property to consult a financial adviser for expert advice and ongoing assistance in the management of the fund.

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For further information about self managed superannuation funds and buying property in super, contact a Financial Spectrum financial adviser for your first free appointment in the Sydney CBD by calling 02 8238 0888 or by visiting their website <http://www.financialspectrum.com.au>

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