

Commercial property, like office buildings, shopping centres, or warehouses, can offer a compelling investment opportunity. Here's a breakdown of some key considerations.

Please remember though - this is a simplified overview! Consulting with a financial advisor experienced in commercial real estate is vital before making any investment decision.



## Potential Benefits:

**Passive income:** Tenants pay rent, providing a steady stream of income.

**Long-term appreciation:** As cities and businesses grow, property values can increase over time.

**Hedge against inflation:** Rental income can rise alongside inflation, maintaining purchasing power.

**Tax advantages:** Depreciation deductions can offset rental income, lowering tax liability.

**Diversification:** Commercial property adds a different asset class to your portfolio, reducing overall risk.



## Potential Risks:

**Higher upfront costs:** Commercial properties are typically more expensive than residential investments.

**Management responsibilities:** You might need property management or handle tenant issues yourself.

**Vacancy risk:** Empty spaces mean lost income. Market research and strong tenant selection are crucial.

**Liquidity:** Selling commercial property can take longer than stocks or bonds.

**Market dependence:** Economic downturns can impact rental rates and occupancy.



## Who is it for?

Commercial property investment can be suitable for individuals with significant capital, a long-term investment horizon, and a tolerance for some risk. Careful due diligence, including location analysis, tenant quality evaluation, and understanding the local market, is essential for success.

For those without significant capital, investing in a share or unit in a property trust which owns property may be a way to invest.

## Learn more and additional resources

If you'd like to learn more please take a look at our other Education Series publications and access additional resources here: [ASA Knowledge Hub](#)

## Please note

This document was prepared by ASA Real Estate Partners Pty Ltd. Nothing in this document should be taken as general or specific financial advice. This document has been prepared without taking account of your individual investment objectives, financial situation or particular needs. We recommend if you have any questions that you should contact an appropriate professional advisor.



**Tim Slattery**  
Managing Partner



**Alex Abell**  
Managing Partner

### Learn more about the Fund

[www.asarep.com](http://www.asarep.com)

### Contact us

[investorservices@asarep.com](mailto:investorservices@asarep.com)

[1300 553 122](tel:1300553122)