



## PROPERTY INVESTOR

# NEWSLETTER

JUN –  
JUL 2016

*This newsletter has been designed to keep you updated on what is happening within the industry and our real estate agency*

### CALLING YOUR PROPERTY MANAGER

The easiest way to contact your property manager is by email as all team members are operating on tight schedules with out of office inspections and sign up appointments.

### UPFRONT COSTS IN BUYING A PROPERTY

It may have been some time since you last purchased a property so here is a refresher of the upfront costs.

- Purchase price requiring a 10-20% deposit
- Stamp duty, mortgage registration and transfer costs
- Loan application and bank charges
- Lenders mortgage insurance if your deposit is less than 20% (depending on your circumstances)
- Legal and conveyancing fees
- Building, pest and strata inspection reports
- Moving costs if you are planning on living in the property

## ROUTINE INSPECTIONS

### Why do we do them?

Routine inspections are one of the most important tasks that our property management team undertakes and we take them very seriously.

We conduct routine inspections for the following reasons:

- To connect with the tenant and obtain their feedback on the property
- To prompt the tenant to spring clean the property
- To ensure that the tenant is caring for the property in accordance with the tenancy terms
- To provide feedback on maintenance and repairs required
- To ensure that the property is safe for the tenant to reside in
- To keep landlords up-to-date on future renovations and improvements required

It is paramount for a property to be well-maintained and presented in a clean and tidy condition to protect your investment and reduce the possibility of a litigation claim should there be a slip and fall.

### VISUAL INSPECTION ONLY

As your managing agent it is our obligation to visually inspect the property only. We are not licensed 'professional experts', such as building, pest, electrical or pool inspectors.

What we look for visually:

Leaks, doors and windows working, tears or ripples in carpets, fixtures and fittings working, marks, chips or holes, locks working (just to name a few) and the overall condition and presentation of the property.

We strongly recommend that professional experts undertake the necessary tax deductible annual inspections to protect your investment.

If work is required following an inspection it is important for all landlords to actions these requests as quickly as possible. We are always here to assist and support you with all your property needs.

**We are focused on maximising your rental income and optimising your capital growth**

# DEPRECIATE AND APPRECIATE



Property investors who own income producing properties are eligible for significant taxation benefits. Research shows that 80% of property investors are failing to take advantage of property depreciation and are missing out on thousands of dollars in their pockets. Depreciation is often missed because it is a non-cash deduction – the investor does not need to spend money to claim it.

What is depreciation?

As a building gets older, items wear out – they depreciate. The ATO allows property owners to claim this depreciation as a deduction. Depreciation can be obtained by any property owner who obtains income from their property.

Depreciation Facts:

- Investors can adjust previous years' tax returns – claim missing deductions from the ATO.
- An investment property does not have to be new – older properties also have good depreciation potential.
- By claiming property depreciation on an income producing building an investor will pay less tax.

Obtaining a depreciation schedule that maximises deductions may result in an investment property returning a positive income.

Quantity Surveyors are qualified under the tax legislation ruling TR97/25 to estimate construction costs for depreciation purposes and are one of the few professionals who specialise in providing depreciation schedules.

Source: BMT Tax Depreciation

## TALK TO THE PROPERTY EXPERTS

### BUYING, SELLING & PROPERTY MANAGEMENT

Call us if you are thinking about buying or selling or know of someone that is.

### Properties Recently Rented!

Keeping you updated on the local rental market

#### HOUSE

**5 Emmaline St, Ramsgate**  
Freshly painted 4 bedroom home, modern kitchen, timber floors & large rear yard - \$650 pw

#### UNITS

**4/1-3 Nielsen Ave, Carlton**  
Large modern villa style 2 bedroom unit, built ins, ensuite & tandem lock up garage - \$660 pw

**2/598 Forest Rd, Penshurst**  
Modern 2 bedroom unit with courtyard, open plan layout, built in robes & lock up garage - \$490 pw

**93/15 Lusty St, Wollie Creek**  
Huge penthouse style apartment, 3 bedrooms, quality kitchen, wrap around balcony & two secure car spaces - \$870 pw

## TENANT CHARACTERISTS

### WORD SEARCH

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T	R	N	G	E	N	E	R	O	U	S	O	J	N	R
H	M	E	J	U	S	T	E	L	H	M	B	M	C	H
F	O	S	N	D	S	Z	L	I	B	G	E	X	T	F
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L	E	P	I	O	U	S	A	E	S	K	I	R	A	D
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|------------|----------|----------|
| truthful   | honest   | obedient |
| respectful | humble   | polite   |
| punctual   | reliable |          |
| generous   | pious    |          |
| just       | kind     |          |
| helpful    | modest   |          |

## ANNUAL INCOME & EXPENDITURE REPORTS

These reports are attached to June 16 Statements for your convenience. If you need to reprint this report please feel free to log in online at [honerdodd.com.au](http://honerdodd.com.au) – landlord log. If you have a current email address on our files you will be able to retrieve your password. If not please call our office and we can provide you with these login details for your future reference.



## ARE YOU LOOKING TO BUY OR SELL A PROPERTY?

Call us today for friendly advice. We can also provide you with an updated market appraisal.

Request to be added to our database and be the first to know about newly listed properties.