



SERVICE AND RESULTS ARE OUR
NUMBER ONE PRIORITY

PROPERTY INVESTOR

NEWSLETTER

MAY –
JUN 2018

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

TALK TO THE PROPERTY EXPERTS

BUYING, SELLING & PROPERTY MANAGEMENT

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

THE HENRY TAX REVIEW FOUND THAT STAMP DUTY WAS AN INEFFICIENT TAX

COURTESY: REIQ MEDIA RELEASE

38% of the total taxation revenue in Queensland comes from property-related taxes or the equivalent to about \$5 billion in FY2017. The full abolition of stamp duty would serve to increase housing affordability for all Qlders & result in a dramatic boost to property transactions. It would also help unleash a flurry of economic activity that would have a positive kick-on effect not only in real estate, but throughout the Qld economy. Abolition of stamp duty will

- Allow new homeowners to put the subsequent savings towards paying off the cost of their new home;
- Make purchasing a home more affordable for the average Qlder; &
- Provide greater flexibility & choice for aspiring home-owners.

It is nothing more than an inefficient & regressive tax that stymies economic activity in the real estate sector. The system needs to be reformed & a modern property tax process needs to be introduced.

MAXIMISING YOUR RENTAL RETURN!

With an ever-increasing competitive property market, investors are seeking ways to maximise their rental returns to balance out any negative effects from increased expenses.

One consideration to maximise returns of an existing property is to look at the possibility for further development with a Secondary Dwelling commonly known as “a Granny Flat”.

Planning and development regulations have recently been amended with the aim to encourage higher density living on **existing** properties – which means it's a great opportunity to further develop your existing property – to increase its value and achieve a higher return.

Dwellings like Secondary Dwellings have become a popular value – adding strategy for investors.

Other ways to increase value include, extensions, adding extra bedrooms or sub-dividing.

CAN ANYONE BUILD A SECONDARY DWELLING (GRANNY FLAT) ON THEIR LAND?

In most cases Yes! It's “As of Right” depending on the size of the land and building dimensions, with no Planning Application required just a Building Application. However, there are rules and regulations in relation to Secondary dwellings that may vary from State to State and even Shire to Shire.

If you would like a free, no obligation assessment of the development potential of your property, call today, we have experienced staff dealing with Planning and Building opportunities every day.

Please contact Kate Young at Ascot Real Estate on 4151 5890

P.T.O >

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

ATO TAX TIME – 30 JUNE IS FAST APPROACHING DEDUCTIONS CHECKLIST

More than one million Australians claim deductions on rental properties each year. There are many possible expenses that property investors can potentially claim against income generated from leasing out the property. It is important to remember that deductions can only be claimed for times when the property is rented or genuinely available for rent (otherwise expenses may need to be apportioned).

Expenses you may be entitled to claim as an immediate deduction:

- ☐ Advertising for tenants
- ☐ Body corporate fees and charges
- ☐ Council rates
- ☐ Water charges
- ☐ Land tax
- ☐ Cleaning
- ☐ Gardening and lawn mowing
- ☐ Pest control
- ☐ Insurance (building, contents, public liability)
- ☐ Interest expenses
- ☐ Property agent's fees and commission
- ☐ Repairs and maintenance
- ☐ Some legal expenses
- ☐ Travel to inspect the property, to collect the rent or for maintenance

Borrowing expenses you may be entitled to over time:

- ☐ Depreciation
- ☐ Capital works expenditure
- ☐ Stamp duty charged on the mortgage
- ☐ Loan establishment fees
- ☐ Title search fees charged by your lender
- ☐ Costs (incl. solicitors' fees) for preparing/filing mortgage documents
- ☐ Mortgage broker fees
- ☐ Fees for a valuation required for loan approval
- ☐ Lender's mortgage insurance

SUDOKU COFFEE BREAK

Every row & column, and 3X3 box, must contain the numbers from 1-9. Good luck!

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FREE NO OBLIGATION PROPERTY APPRAISALS

WHAT'S YOUR
PROPERTY WORTH? Call
our experienced property
consultants Rob Brown or
Peter Bowden today on
(07) 4153 3511 to arrange
your free consultation and
appraisal. Or request a call
by emailing
sales@ascot.net.au

BUNDABERG REGION'S REAL ESTATE MARKET CONTINUES TO GROW

COURTESY: REIQ JOURNAL

Bundaberg ended the year on a tight vacancy rate of around 1.7%. This is usually an encouraging sign that stronger sales figures will follow, but in the early part of this year we are seeing a weakening of the rental market. This is not unusual, with the traditional transfer season often leaving properties vacant in parts of the first quarter, which later fill as residents move to town. Transfers & relocations for both public & private employment sectors mean vacancies trend seasonally higher. We will wait to see how this data shakes out in coming quarters.

Other factors impacting our local economy include the loss of investors due to recent changes to the lending criteria. Restrictions on interest-only loans has created angst amongst some mum-&-dad investors. This is putting additional pressure on our residential real estate market.

Bundaberg is like many other regional Qld areas. Unemployment is high, & youth unemployment is particularly high. However, we do have some jobs programs on the horizon & it is hoped that we will start to reap the rewards from these major projects soon. Business optimism is also improved by major projects slated to go ahead here. Major developments include:

- The continued Bundaberg Port State development area,
- Investment by developers into new land estate releases
- Continuing strengthening of the Central Qld University campus
- The first mixed-use residential development application to Council by a company with Chinese connections on a Bargara Esplanade site.
- Refurbishment of the Stockland's Kensington Shopping centre with new retail tenancies

It is expected that the year ahead may be more promising for Bundaberg & there is a cautious sense of optimism in the community. It's best characterised as a "wait-&-see" attitude.