



PROPERTY INVESTOR

NEWSLETTER

MAR –
APR 2019

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

NAME YOUR PROPERTY AND ADD VALUE

When selling your property do you want it to stand out, be a little different, generate greater enquiries and possibly increase the sale price?

Naming your property can be considered as a label/brand and a marketing tool that can give a property a perceived uniqueness and prestige.

Surveys conducted of more than 100 real estate agents, as well as general consumer research, has revealed that naming a property can increase the value by 0.5% to 5%. *

The key is, it must be a suitable well-chosen name, as a bad name can have the opposite affect and reflect negatively on the sale.

If you feel that you are not very creative with names, there are lots of *house name generator* websites that can assist.

You will also need to design and purchase your house sign.

* Halifax Property Services

WHEN A TENANT VACATES

CLEANING, REPAIRS OR FAIR WEAR & TEAR

The tenant/s have just vacated your investment property. The property manager has a copy of the original condition report (the only legal evidence that can be taken into consideration to release the bond) and attends the property to undertake the final inspection.

The property manager enters the property and observes:

The griller is dirty, there is a chip on a kitchen tile, marks on the lounge room wall, walk-way wear marks down the hallway, slight mould on the bathroom tiles, a soap holder has been broken off, there is a crack in the toilet seat, a dent behind the bedroom door from a missing door stopper, dust in the window tracks, small tears in several fly screens, a wardrobe rail has broken off, there is a bleach stain on the bedroom carpet and weeds in the garden. It seems like a long list of things that require attention.

Who is responsible... is it cleaning, repairs or fair wear & tear?

Whenever there is a dispute, it is always good business practice to try and mediate the situation between all parties to come to a win/win situation or a compromise. If an outcome cannot be reached between the parties, the matter will have to be determined by a hearing at the tribunal/courts, which will vary depending on the circumstances. The tribunal/courts will take into consideration:

- How old the property is?
- How old the fixtures and fittings are that require repairs, taking into consideration depreciation (the diminishing value)?
- How long did the tenants reside in the property?
- How many tenants resided in the property?

If the property is six-months old, has almost brand-new fixtures and fittings and there were two tenants residing in the property for six-months, this could be considered cleaning and repairs that the tenant needs to action. However, if the property is 18-years old, with the original fixtures and fittings (that have depreciated over time in value), had a family of six reside there for five-years, then this could be considered fair wear and tear and an owner/landlord expense.

We will always discuss the final inspection with you and explain our understanding of the situation in accordance with legislation requirements, while taking your instructions into consider.

P.T.O.>



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

STATE LAND TAX EXPLAINED

AND WHAT TO DO IF YOU OBJECT...

Land tax is an annual tax payable by owners of land. Land tax is administered by each state or territory government and is applicable everywhere except for the Northern Territory.

The laws between each state are comparable, but there are some variations in how the taxes are calculated and the thresholds. The amount of land tax you pay is determined by the combined unimproved value of taxable property. If your business owns property, then it is likely you will need to pay land tax on it.

It is important that you know what your entitlements are, because land owned by some types of organisations can be exempt from land tax.

Your main home (i.e. permanent residence) is generally exempt from land tax.

With the market softening in some states, it appears that some UCV (Unimproved Capital Value) assessments have increased, where in fact, many believe they should have reduced or remained static.

Investment property owners receiving their next land tax valuation assessments should pay close attention to the land value stated on the assessment notice and monitor sales of similar properties. If you are concerned with any substantial increase in land value and the consequent land tax payable, you should consider having the land value reviewed.

LAND TAX AND EXEMPTIONS SUMMARY

To determine the land tax calculation methods for each state of Australia visit www.business.gov.au/finance/taxation/land-tax.

From an investment point of view, it is also important to know the land tax thresholds and calculations, as it could be a prudent decision to spread your investment portfolio across several states to reduce your land tax payable.

If you feel that your land tax is incorrect or over-inflated, you can object or dispute the assessment notice by contacting your land tax state governing body. Each state has a slightly different process and time-frame to apply.

If you are concerned about your land tax assessment, we recommend that you seek professional advice from your accountant, solicitor or state land tax department.

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

Properties Recently RENTED

Keeping you updated on the local rental market

King Ranch Dv, Bowral - \$550pw

Green Valley Rd, Goulburn - \$360pw

Loftus St, Bowral - \$400pw

Avoca St, Goulburn - \$250pw

Berrima St, Welby - \$440pw

Ottiwell St, Goulburn - \$245pw

Langley Ave, Renwick - \$495pw

Leopold St, Mittagong - \$560pw

Dalton St, Mittagong - \$490pw

Roslyn St, Crookwell - \$250pw

Bedford Pl, Burradoo - \$650pw

SUDOKU COFFEE BREAK

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

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