

# PROPERTY NEWS

Ideas to help you when you're Buying or Selling

# ACHIEVING MORE SALES!

Accurate  
appraisals result  
in sales



Full Report Page 3  
We go behind the scenes to find why  
Oz Combined Realty get results.

In this Issue of Property News:

- Attracting the right buyer using database contacts
- Now is the ideal time to invest or buy
- Tax guide for property investors

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## A letter from the Editor

Dear Reader,

The inner workings of the real estate industry can be extremely confusing for most people - there is so much information to absorb and it can be extremely overwhelming.

This is why in each edition of *Property News*, we endeavour to clear up the confusion involved in buying or selling property and also managing your investment property.

When you decide to buy or sell, learning as much as you can about the industry can assist you with the process.

We would be only too happy to answer your questions and assist you with your enquiries, so feel free to contact us.

Kind Regards,

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# Does your agent have the contacts?

**In this report, we examine several points you need to consider to see if your agent has an active database of potential buyers**

**Sometimes properties sell swiftly because they are exceptionally priced and other times they are snapped up because of their prime position.**

But how are buyers found when a property has only been on the market for a few hours?

The secret to this phenomenon is database marketing. Agents have been using this method to achieve outstanding selling results for countless sellers in the area.

In this exclusive report, we discuss the valuable use of an extensive client database featuring potential buyers who are currently seeking property.

When a buyer contacts the agent or attends an open home inspection, they can be added to the database for future reference.

From the moment the listing is received for a property, a simple referral back to the buyer database can match the property to a suitable buyer.

An inspection is organised with a qualified buyer straight away and the buyer can make an offer even before the property is advertised.

This can prove a valuable source with the benefits of having active buyers and investors on your books - through understanding the requirements of valued clients, you can match and introduce prospective purchasers to available properties.

**If you've been reading *Property News*, you'll have noticed a consistent set of stories each issue demonstrating regular sales success in your local area.**

With the average homeowner purchasing once every seven years, a satisfied customer, in most cases will return to use the services of the agent that helped them successfully buy a property last time.

**Why is an agent's ability to use a client database so important when you are looking to buy and sell property?**



The benefits of holding a large database are two fold - the agent can instigate inspections on behalf of the vendor in a very short time frame, often prior to advertising, helping to create competition and the purchaser benefits from the first bite of the cherry, allowing for early assessment of a property.

By using a database method potential buyers can be found quickly and inspections can be organised from day one - using a client database eliminates the need to implement costly advertising campaigns and allows agents to sell to the right buyer.

It is so important that you appoint a selling agent with an established network of clients. Having sold a property once, if they feel your property will meet the buyer's criteria, a sale can happen extremely quickly.

Successful agents always try to match properties to purchasers before taking them to look at properties on their books. If they don't have a long list of clients the sales process can be extremely slow.

**Plus, it is good to have an agent negotiating on your behalf who has already had the experience of selling to the buyer in the past!**

# More properties sold!



## Properties sell for good prices as government policies kick in

**There's no doubt the Federal Government's monetary and fiscal policies are working, with the property market showing good signs of recovery. This can be no better seen than with the results being achieved by Oz Combined Realty.**

The agency's Principal, Greg Walsh, said: "Waterfront properties are selling well. They are in great demand both as holiday rentals and permanent residences.

"We have many buyers on our database looking for such properties and would be only too pleased to assess any homes that owners are thinking about putting on the market.

Greg said a good example of the recent sale of a waterfront property was

177 Naval Parade, a waterfront home at Erowal Bay.

"Buyers truly appreciate what south coast waterfront properties have to offer and we had purchasers who were disappointed when they missed out on this particular residence."

"It was a first-class result which highlighted how accurate we were in pricing the property. We have a strict policy of putting an accurate price on a home," Greg said. "It's of no use to the vendor or us if we overvalue a property. Some agents do this so they win the listing but such policies can lead to a house languishing on the market for months.

"As a result, the vendor can lose money. Such practices can damage the property in the eyes of purchasers because they think the reason it has been on the market so long is that there is something wrong with it," he said.

**Greg said as a result of the recent successes the agency needs more properties. "We will give owners an**

**honest evaluation of what we believe the property is worth and also advise them on the best way to present it.**

"Good presentation is essential in real estate, especially in today's market where so many homes are competing for the same buyers."

Commenting on the Reserve Bank of Australia's (RBA) decision at its April meeting to cut interest rates further, Greg said the cut would give added confidence in the national economy.

He said he was not surprised that the RBA had decided to cut the rates 25 basis points, reducing the cash rate to 3 per cent. He said this would further stimulate the economy and increase business and consumer confidence.

The cut has reduced the official cash rate to its lowest level since March 1960 when the rate was 2.99 per cent.

**Greg said with a positive attitude and strong work ethic great results were achievable. So, if you are planning to deal in real estate, remember that the team at Oz Combined Realty comprises expert consultants with many years experience in the industry. Call the firm for professional advice on the best way to sell, buy and lease.**



## 2 LOCATIONS OPEN 7 DAYS



*We Get Results!*

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**IT'S TAX TIME AGAIN!**

# Financial tips for investors!

**Are you receiving all the tax deductions available?**

**If you are an investor you know just how demanding it can be to own a rental property. That is why so many property owners turn to Oz Combined Realty for advice and entrust them to manage their properties.**

However, no matter how professional an agent may be, there are always tasks that a landlord must attend to such as maintaining financial records.

Here are some tips from Oz Combined Realty aimed at guiding landlords so they can help their accountants prepare their tax returns.

Landlords should keep financial records comprising rental income statements, insurance details, depreciation reports and invoices in a safe, central location to ensure they are readily available for their accountants.

Remember too, the Australian Taxation Office (ATO) requires a business to keep records for five years after they were prepared, obtained or the transactions were completed (whichever occurs later).

**It is essential landlords understand what expenses are tax deductible and what are not.**

Repairs to rectify a condition that existed at the time of purchase are a capital expense and not a repair. This expenditure may be claimed over a 25-40 year period depending on the expenditure.

Repairs can only be claimed due to wear and tear which occurred while the property was earning rental income. You are entitled to claim as an expense the costs incurred in restoring the property to the condition it was before the tenants took possession.

Some landlords use their loan facility for both investment and private purposes. Only the interest expense on the investment portion of the loan is deductible, regardless of which property is used for security. If it was for a private purpose it is not deductible.

Expenses in setting up or refinancing a loan, are spread over five years or over the term of the loan, whichever is less. If your borrowing expenses are \$100 or less you

can claim the full amount in the income year they are incurred. If the loan is not wholly for investment the borrowing expenses needs to be apportioned.

If a landlord purchased a residential or commercial building that was constructed after 17 July 1985 the construction expenditure can be depreciated at either 4 per cent or 2.5 per cent depending on the start and completion dates. Any structural improvements that started after 26 February 1992 are claimed at 2.5 per cent.

To maximize entitlements to the capital works deduction, a depreciation report prepared by a qualified quantity surveyor is acceptable by the ATO. Quantity surveyors are recognised by the ATO to estimate building costs for the purposes of depreciation. Not all quantity surveyors are tax depreciation specialists, but some specialise in the field.

An investor's accountant should be able to recommend a specialist to complete a report. The depreciation benefits available vary from one investor to another.

All types of income producing properties, whether they be old or new, can be eligible for depreciation deductions. It is a misconception that older properties are not eligible so it is worth getting a report done on any property.

Many property investors are missing out on thousands of dollars in tax depreciation deductions because they don't understand the full extent of the claims that can be made.

If a property owner has not been claiming deductions for tax depreciation, previous financial years' tax returns can be amended. The ATO allows for up to two previous year returns to be amended.

**Finally, remember that taxation law is complex. It is always best to seek professional advice from a qualified accountant or tax agent about such matters.**

## Oz Combined Realty look after your property as if it were their own!



If you would like to rent your property without the fuss then call our property management team of experts and rest easy!

*We Get Results!*



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