

PROPERTY NEWS

Ideas to help you when you're Buying or Selling

Investors!

Rental homes are in demand



Plenty of Property Management expertise at Oz Combined Realty

Back left to right: Chloe Dummett, Kylie Wilson, Nicole Turner, Tara Glasson

Front left to right: Amy Hewitt, Angela Tourgelis

In this issue of Property News:

- **Property Managers: here to help you**
- **The time to lease your property now!**
- **Negative Gearing - A simple explanation**



LETTER FROM THE PRINCIPAL

Dear Readers

We need more rental properties due an increased activity in the rental market. For more details please see our story on page 3. If you have a property you would consider renting, please contact us today.

If you are a property owner, employing a Property Manager is another way that you can reduce stress in your life. They can deal with all the rental property issues while you reap the rewards of your investment. Our page 2 story looks at the advantages of engaging a Property Manager.

Negative gearing, what is it and how can you benefit from it? These questions are often asked by investment property owners. We have some answers in our page 4 story.

Kind regards,

Greg Walsh

Principal



Shop 4/74 Owen Street
HUSKISSON NSW 2540

phone: (02) 4441 6033
fax: (02) 4441 6264
rentals: (02) 4441 7261

114A Macleans Point Road
SANCTUARY POINT NSW 2540
phone: (02) 4443 3222
fax: (02) 4443 2355

email: info@ozcomrealty.com.au
web: www.ozcomrealty.com.au

Disclaimer Notice: Neither Greg Walsh, Oz Combined Realty, nor Newsletter House Pty Ltd, nor the publishers and editors of articles in this issue, accept any form of liability, be it contractual, tortious or otherwise, for the contents of this newsletter or for any consequences arising from its use or any reliance placed upon it. All the information contained in this publication has been provided to us by various parties. We do not accept any responsibility to any person for its accuracy and do no more than pass it on. All interested parties should make and rely upon their own enquiries in order to determine whether or not this information is in fact accurate.
©Newsletter House Pty Ltd 2021
Ph: 02 4954 2100 www.propertynews.info



Property Managers: here to help you

As more Australians enter the property investment market, how best to manage the new property becomes a major issue. Not everyone has the skills, the time, or even want to manage the property themselves.

That's where a responsible, trustworthy property manager comes in – to help you avoid the day-to-day worries of rental properties.

A good property manager can easily become one of your greatest assets. But it's important to choose the right one.

A property manager organises and manages the letting of properties, screens tenants, liaises with tenants and owners, organises inspections, collects rent and follows up unpaid rent, responds to tenant complaints, and even pursues evictions.

As well as being reactive, a good property manager is proactive when it comes to staying on top of ongoing maintenance issues and controlling costs.

Then there's building insurance to worry about, plus owners corporation rules, smoke alarms, servicing of gas appliances, pool fencing legislation, risk management, council and water rates, the list can seem endless.

Importantly, an experienced manager has a good understanding of the local

market and how potential changes could affect your investment, including ways to improve the property that won't kill your budget, but will make it easier to rent out.

Chances are that you will be working with this person for a long time so it's a good idea to find someone that you like and respect.

Look locally. In real estate, local knowledge is crucial, from knowing how to attract tenants, to setting the rent at the right level, and having contacts with trusted tradies, a local property manager gives you a big advantage.

Another way to find a property manager is by word of mouth, asking family and friends for recommendations.

How does the property manager typically communicate with owners? Some examples include phone calls, emails and inspection reports.

Management fees are charged on a percentage basis of the total rent monies collected, plus a letting fee that is based on the weekly rent and only charged when a new tenant is found.

Considering the workload of a good property manager, it's a small price to pay.

Hiring a property manager makes sense and takes the stress out for the owner.



Don't let your investment sit there ... The time to lease your property is now!



The team at Oz Combined Realty has seen increased activity in the rental market with large volumes of prospective tenants actively seeking rental accommodation.

Properties are leasing quickly and the demand for homes is stronger than ever. In fact, the last five properties have leased before they were advertised.

Why is the rental market so active right now?

Since the recent pandemic, working from home has become very much a part of our everyday. Throughout the ups and downs of 2020, people have found working from home to be more productive and efficient, with less distractions and lengthy travel times. And many are in no hurry to return to the office.

With the on-going possibilities of working remotely, people are looking to

leave the cities and re-locate in coastal areas. Without having to travel to work, they can enjoy a better lifestyle while still maintaining their city job.

As a result, there has been a surge of people looking to rent quality properties in the area and they are prepared to pay for the right one. And with so many in the same boat, competition for properties is soaring.

Do you see it changing in the next six months?

No-one can really predict the future, and we know from COVID-19, just how true that is. While things are slowly returning to some sort of normality, many changes seem to be here to stay, at least for the foreseeable future. The opportunity of working remotely is certainly one of them. This is now a viable option for many

businesses and industries, allowing people to seriously consider moving further away from their workplace and enjoying a more relaxed, peaceful life. As a result, Oz Combined Realty is seeing a growing demand for rental properties that is only gaining in strength.

The Property Management Team at Oz Combined Realty have lots of pre-approved applicants waiting for homes. So, if you are looking to find out what your investment can achieve, the team at Oz Combined can help. They can take the stress out and find a perfectly matched tenant, and make your investment work for you!

So whether it's leasing or investing in property contact Oz Combined Realty today. The rental team is eagerly awaiting your call.

Leasing with

4441 6033

Huskisson - 4/74 Owen Street



4443 3222

Sanctuary Pt - 114A Macleans Pt Rd

Oz Combined Realty

www.ozcomrealty.com.au

info@ozcomrealty.com.au

Negative Gearing A Simple Explanation

Negative gearing is a popular tax minimisation strategy for many property investors.

For most, this is a short-term solution until an investment property can start making a positive cash flow.

However, some choose to remain negatively geared as part of a longer-term strategy. Negative gearing allows investors to offset losses from their investment properties to reduce their taxable income, effectively 'saving' money on their tax bill.

In essence, you only reduce your tax if you reduce your income. This is common tool for property investments, for example, where rental income is less than interest and other expenses.

It can provide a financial boost in the short-term, which is particularly beneficial in the early years of owning an investment property.

Although it reduces taxable income, a negatively geared investment property is still running at a loss. Investors should consider if they have the financial means to cover these losses each week, month and year.

You may be prepared to accept a loss if you expect to be able to offset your losses with a capital gain in the future when the value of the investment increases.

Another form of property investment, the rent-and-invest strategy, is on the rise. This is where investors buy a rental property while living in and renting a



different property.

Such investors are also negatively gearing their property. Besides the tax advantages, negative gearing has a slew of other benefits like easing mortgage pressure, the ability to target high growth areas, and the opportunity to add value almost instantly through things like renovations or subdivisions.

It also allows new investors to get on the property ladder and begin building equity.

A key advantage with having a property negatively geared is the potential for capital growth. So, while you're benefiting from lower taxes, your property should still be increasing in value.

The investment property is also made more affordable for tenants, making it easier to secure a long-term tenant.

However, investors need to be aware of the higher financial risk involved. Investors are vulnerable to fluctuations like sudden interest rate rises and falls in real estate prices.

A good cashflow is required to cover out-of-pocket expenses to maintain the property, plus budgeting for ongoing shortfalls and capital gains tax when the property is sold for a profit.

There are some political considerations to take into account. On both sides there are ongoing arguments for and against negative gearing, as well as calls for changes to legislation. Some argue that it is beneficial for investors, while others believe that it harms first homebuyers and non-investing taxpayers.

Investors should consider how any future changes could affect their investment and financial position.

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



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



4443 3222 or 4441 6033

Huskisson - 4/74 Owen Street
Sanctuary Pt - 114A Macleans Pt Rd

www.ozcomrealty.com.au

rentals@ozcomrealty.com.au