

PROPERTY NEWS

Ideas to help you when you're Buying or Selling

Another great sale on the Peninsula!

Why list with Honer, Dodd & Clay United Realty?

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 San Souci's leading estate agents, Honer, Dodd & Clay United Realty.

The firm has just rung up more sales that underscore its claim to be the market leader in the region. According to Director, Adrian Dodd, the agency has sold more properties and he expects the strong trend to continue. "We see our latest successes as being partly due to a strengthening market, a direct result of the Federal Government's policies, and partly as a result of our practice of appraising properties honestly.

"We have a strict policy of putting an accurate price on a home," Adrian said. "It's of no use to the vendor or us if we overvalue a property. Some agents do this to win the listing but such policies can lead to a house languishing on the market for months.

"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.

"A good example of our latest successes is the sale of 11 Alice Street, Sans Souci.

Nestled in a quiet sought after location, this tastefully renovated solid brick home was outstanding. Among other things, it had three large double bedrooms with built-in robes and a near new stunning bathroom.

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In this issue of Property News:

- Tax guide for property investors
- Property market remains strong
- How to stop the stress when moving



**HONER, DODD
& CLAY**

www.honerdoddclay.com.au **9529 7241**

A letter from the Editor

Dear Reader,

Honer, Dodd & Clay United Realty is excited to bring you our newsletter.

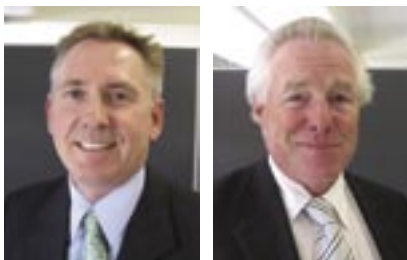
It's our hope that this newsletter will start to help you as you plan your next move when buying or selling real estate.

In the space available, we are only able to take you through the basics of each concept discussed.

That's why we are happy to meet with you, so that we can impart our local knowledge and experience to help you.

Please don't hesitate to call us anytime at our centrally located office in Sans Souci on 9529 7241.

Yours faithfully,



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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 Honer, Dodd & Clay United 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 Honer, Dodd & Clay United 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.

More homes sold!

Homes sell for good prices as government's policies kick in

From page 1

"We achieved \$920,000 for this property; a result we believe justifies our confidence in the market. We don't accept the forecasts of a bleak future for real estate and commend the Federal Government's foresight in extending the first homebuyers' grants," Adrian said.

He said the agency believed the grants had not only reinforced the lower end of the market but also other sectors. "The fact that houses in the cheaper bracket have held their prices and in some cases actually risen has seen a flow on effect, with many houses in the mid-range also holding up well."

The First Home Owner Grant (FHOG) scheme initially paid a grant of \$7,000

to eligible first homeowners but late last year the Federal Government announced a First Home Owner Boost (FHOB). It doubled the grant to \$14,000 for those buying an established home and trebled it to \$21,000 for those buying a new home or building their first home.

The boost was set to expire at the end of this June but in the May Budget the Federal Government announced it was extending it for another six months. The grants will continue as they are until 30 September and then from October until December will be reduced from \$14,000 to \$10,500 for established homes and from \$21,000 to \$14,000 for newly constructed homes.

Adrian advised purchasers not to hesitate but to buy now because sales were picking up so quickly there was a danger they could miss the market.

"We have some first-rate listings including 13 Alice Street, Sans Souci.

This spacious family home is situated on a large block. A character filled Cape Cod home it has four or five bedrooms, depending on they're used, two separate living areas and loads of potential to renovate or remodel. Priced at \$979,000 it is a unique opportunity to buy well in a prime location."

Adrian said another good listing was a three-bedroom solid brick home located on the corner of The Promenade and Darley Street, Sans Souci. This property is on a level block with some views of Kogarah Bay. It's perfect for building a two-storey home, subject to council approval. Both homes can be inspected by calling Sales Consultant Enzo Puopolo on 0411650450 or 95297241.

Adrian said with a positive attitude and strong work ethic great results were still achievable. If you are planning to deal in real estate, remember that Honer, Dodd & Clay United Realty has been operating for many years. Call the firm for expert advice on the best way to sell, buy and lease.

PRIME SANS SOUCI PENINSULAR LOCATIONS ON OFFER

13 Alice Street
SANS SOUCI

FOR SALE

\$979,000



Character filled 4/5 bedroom cape-code home with potential to renovate or remodel. Two separate living areas, side drive to double lock up garage and carport. land size approx 600m².

52 The Promenade
SANS SOUCI

FOR SALE

\$977,500



3 bedroom full brick home located on a approx 585m² block. Perfect level future building block with some waterviews of Kogarah Bay. Perfect for building a two storey home (subject to council approval).

Both homes can be viewed by calling Enzo Puopolo on 0411650450 or 95297241



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9529 7241

Are you selling for the right price?

Honer, Dodd & Clay United Realty has set high standards specialising in sales, service and management of all types of real estate property in the St. George & Sutherland Shire area.

If you would like to sell your property please call our sales team on 9529 7241 and rest easy in the knowledge that our team of professionals will look after you!



Norman Honer
0414 511 461



Adrian Dodd
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Enzo Puopolo
0411 650 450

Making the MOVE

How to stop the stress and strain when shifting house

You have sold your house and have signed the papers on your new home. But with all the excitement it is easy to forget about the gruelling task that now lies before you.

Suddenly you grasp the reality of the situation – for the next few weeks you will be drowning in a sea of old newspapers, bubble wrap and boxes.

Moving house is one of the most stressful times in a person's life, so how do you make sure the process is as pain-free as possible?

To avoid the tears and heartbreak, this report will reveal what steps to take when making your move.



By following these simple steps you can make the moving process simple and as stress free as possible.

1. Go through your belongings thoroughly to reduce the number of items you have to pack.

You don't want to drag boxes full of junk to your new home, so get rid of the excess before you leave.

Have a garage sale, take old clothing and bric-a-brac to the markets or donate items to a charity.

2. Decide on whether you want to hire professional removalists or do the job yourself.

If you decide on the professionals, make sure you call at least three companies for estimates, so you can compare prices. If you decide to do the job yourself, recruit friends and family to help out on moving day.

3. Inform the appropriate people that you are moving and provide a forwarding address.

Contact your utility companies (gas, electricity, water and telephone company), tell them you are moving and sign up the services to your new address.

4. Make sure your family and pets arrive at your new home safely.

Make travel arrangements for your pets and if you are driving and

ensure you get your car serviced before you go.

5. Important items should always travel with you.

These items include the keys to your new home, the telephone number of the moving company, documentation related to the sale of your home, your insurance policies, any important personal records and documents, photo albums and back-up copies of important computer files.

6. How do you prevent your old home and your new home from being damaged in the moving process?

When moving furniture, pad the corners and stairways and protect the floor coverings from grubby footprints by laying down old sheets in the entry and hallways.

7. What do you do when you and your furniture have arrived at your new home?

Show the movers where to place the furniture and unpack any valuable items as soon as you arrive. Then take the opportunity to drive around the neighbourhood to orientate yourself with your new area.

REDMOND HALE SIMPSON SOLICITORS & BARRISTERS KOGARAH



Redmond Hale Simpson, Solicitors and Barristers practise in many areas of Law. Our Highly Qualified & Experienced Lawyers are ready to assist you.



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- Apprehended Violence Orders
- Wills, Probate & Estate Planning
- Conveyancing
- Leases
- Franchising
- Business Law
- Notary Public

If you need any legal assistance in these areas, please do not hesitate to contact us.

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