



News - May 2014

Message from the Directors

There has been a decline in property listings which has created increased buyer demand for those looking to reside in their purchase. In some instances this has resulted in sales close to or above asking price. However, when it comes to investors they generally they will not take into account emotional factors that an owner occupier will. With investors it generally comes down to whether the figures 'stack up' and whether the indicative yield looks healthy and achievable. The Gold Coast rental market is tightening and the REIQ figures show vacancy rates have fallen from 2.2% in September 2013 to 1.9% in December 2013. It may have never been a better time to purchase an investment on the Gold Coast. If you own or are thinking of owning an investment property, it's very important to be organised and keep records of income and expenses relating to the property. Keeping adequate records for your investment property also means that you must keep adequate records in relation to Capital Gains Tax. The ATO outlines that "a capital gain - or capital loss - is the difference between what it cost you to get an asset and what you received when you disposed of it". It is also important to not feel pressured to "buy or miss out" when looking to make a purchase for an investment. Buying real estate is a long term investment. Take your time, study the market and consult your financial adviser for the best way to move forward.

Jason & Sandra



Our Tips For First Time Renters

Searching for your first rental home can feel quite a daunting experience. In fact, many first time renters come to us not knowing where to start or what their rights or obligations are? With many school leavers about to leave home before embarking on their first year of Tafe, University, or an apprenticeship, we know our Property Managers are about to enter their peak time of the year. We thought we'd put together this little tip sheet for those about to take their first step into the world of renting real estate:

- Search in the price range you can afford. This may sound really obvious, but it can be very tempting to keep jumping up to the next price bracket. Just remember, your first rental home doesn't have to be your dream home – and paying an extra \$20 to \$30 per week in rent may not seem like much, but actually equates to around \$85-\$130 per month. Work out what you can afford, then find the property that most closely meets your needs, while staying within your budget.
- Read the fine print. Most internet advertising will tell you the property price, available date and if the owners want a short term tenancy. The advertising will also let you know the viewing instructions and open times. You may be able to quickly eliminate properties from your shortlist if they're not available when you need to move or if the owners want a short or long term lease.
- Have your bond money ready to pay. Assume your tenancy application will be accepted and make sure you have the bond money ready to deposit. A bond is equal to one months rent.
- Be prepared. When viewing properties expect that competition will be tough and it may take a few weeks. Start looking early, take a completed application form and photocopies of ID and payslips with you, so you can submit your application as soon as you've been through the property you want.
- If you're moving out of mum and dad's to be closer to University, work or Tafe, make sure you're looking at properties that have easy access to it, or that you're nearby to the public transport that will get you there.

If you're ready to find your first rental home, or if you have any questions about renting, please contact our friendly team at Professionals Freedom Realty today – we'd love to help you.

Rising Utility Bills Top Money Worries

A new survey shows that rising utility bills are a leading financial concern for Australians in 2014.

Respondents to the Mortgage Choice Money Survey said utilities were their biggest concern (54.8%), followed by job security (40%) and rising petrol prices (30%).

Around 88% of respondents said their energy bills had increased significantly over the past 12 months.



Here are some simple tips to help reduce household energy costs:

Turn it off at the wall

We might be getting better at switching off lights when we leave a room, but leaving appliances plugged in with the power switch turned on can drain energy and incur cost. Unplug your phone when it's charged, or turn off the switch.

Environmentally friendly lights

Light-emitting diodes (LEDs) have a life expectancy of 50,000 hours (50 years for the average Australian household) and converting should save you come bill time.

Draught proofing

Sealing gaps around doors and windows can prevent warm air escaping in winter and cooled

air escaping in summer. A simple door snake can help with insulation.

Wash with cold water

Washing machines use most of their energy heating water, so washing with cold water can have an immediate impact.

Ditch the dryer

Using a clothesline rather than a tumble dryer can save up to \$100 a year for the average home.

Property of the Month

EXECUTIVE LIFESTYLE – Offers Over \$795K

54 Limetree Parade, Runaway Bay



LOADS OF ROOM – \$495 per week

41 Penrhyn Street, Pacific Pines

