

THE PROPERTY SHOP PUBLICATION - ISSUE FORTY

# PROPERTY NEWS

*Ideas to help you when you're Buying or Selling*

# YOUR HOME CAN WORK FOR YOU!

**Increased demand for accommodation  
a boon for Mudgee property owners**



**See page 3 for full details >>>**

**In this issue of Property News:**

- How to reduce stress when moving
- How your home can work for you
- How to get a good return on your investment property



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## Letter from the Editor

Dear Reader,

Rain and more rain and just how good does our district look. Having lived in the area all my life I have never seen such a season like it.

There are however some downsides to rain when it comes to our local rural roads. In many instances the first point of blame is our council. Given the recent wet periods we've been experiencing, our roads have taken an absolute pounding, and in some instances still recovering from the previous flooding.

Before we throw the bricks at the council we need to consider the damage to the rural roads nationally and the little funding that local councils' are left with after distribution of grants. To be fair there is a massive strain on local councils' right across Australia for rural road funding. The rates we pay do little more than help maintain, and under annual budgets adds some new works.

It is my belief that our council is doing the best it can under the current circumstances. Coupled with the growth in the region and also expansion of mining, more pressures are placed on our local councils' resources, and in that respect the council seeks contributions of the company's' creating heavy traffic on these rural roads.

Rather than throw the bricks, perhaps lending support to our council in obtaining government grants and company contributions is a more appropriate means of securing a better rural road network in our area.

We trust you will enjoy your Easter break and if you are travelling away, please drive carefully. We want to see you all back in Magical Mudgee.

In the meantime,  
Love where you live.

Regards,  
**Hugh Bateman**  
Principal



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# How To Reduce Stress When Moving

**Moving house is an exciting experience -  
although it can be stressful.**

**Partly because it's a major upheaval in your life, whether your new property is the place next door or somewhere across the country.**

You can however, reduce the stress by taking time to plan and prepare the move. The smoother the transition, the less trauma you should experience.

You'll need to decide whether to use professional removalists or to hire a truck or van and do it yourself. Professional removalists can do all the packing for you, which would save you a lot of physical effort and time.

However, if you can't afford a removalist or prefer to save the money that it would cost, try to be as organised as possible about the way you pack and transport your belongings from one home to another.

### **A few tips include:**

You'll need to begin your packing some time before you move, so start by packing things that you don't use regularly. There's nothing worse than having to rummage through boxes full of items looking for something essential. As moving day approaches, begin packing items that you use more regularly.

Keep one box until last. It should contain the things you will need until the time you move, such as equipment and products for a final clean of the house.

Label each box clearly, indicating its contents and the room where it belongs.

Just in case there is a last minute hitch, pack a small bag with a change of clothes, toiletries and anything else you might need for overnight in case the delivery of your goods is delayed or your moving date changes at the last minute.

If you're doing your own moving, work out the distance you'll have to travel between the two properties and how many trips you will need to make. This helps you to carry out the moving operation as comfortably as possible. Depending on the distance involved, you may decide it is better to do the move over two days rather than trying to settle into your new home at midnight.

**Footnote: In the midst of all the packing and transporting, don't forget to arrange the connection of utilities such as gas, electricity and phone at your new home. It's no fun unpacking in the dark!**

# Rent + deductions = money in the bank



## Mudgee home owners increase income by renting out rooms in their homes

From page 1 ...

### Did you know you can make money from your home without selling it?

Some home owners in the Mudgee district, for example, are increasing their income by renting out rooms within their homes.

This has occurred in response to the population growth in the area resulting from the mining expansion,

with a corresponding rise in the demand for accommodation.

By renting out a room or rooms you immediately open up two ways of supplementing your income.

First, of course, there is the rent you will receive from your tenant or tenants.

In addition to this, you could then find yourself entitled to claim certain tax deductions.

This can even apply to the payment of rent by family members living at home.

When you declare rent you receive in your tax return, some of the expenses and depreciation related to that rental may be claimed as a deduction.

The Australian Tax Office has a formula for calculating the amount of the expenses that can be claimed as a deduction in this respect.

Basically, it is appropriate to take into account the floor area of the home to which the tenant has sole occupancy together with fifty per cent of the general living area that the tenant shares equally with the home owner. Shared living areas could, for example, include the kitchen, bathroom and laundry of the home.

You may also be able to claim a portion of relevant deductions such as insurance, rates, and interest payments made on a mortgage on the property.

In order to know where you stand in relation to making such claims, it is important when renting out a room in an owner occupied home to obtain a property depreciation report from a specialist Quantity Surveyor.

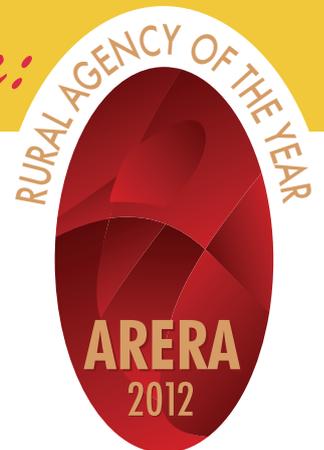
For details in regard to claiming deductions in your own home in these circumstances we recommend you seek professional advice from your accountant.

**And for all real estate needs, contact The Property Shop on 6372 2222.**

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2012 Winner:



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Principal



**Lucas Sheppard**  
Sales Agent



**Damian Kearns**  
Sales Agent



**Peter Vanags**  
Sales Agent



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# How to get a **good return** on your investment property

**When you buy an investment property, you're investing a lot of money in your future.**

So you want to make sure you do everything you can to ensure you achieve a good return on your investment.

## Some of the ways to do this include:

### Do your homework

You're investing a lot of money in this venture and you don't want risk your financial future by acting too hastily. Do some research before committing. Check valuations and recent prices on reputable real estate websites to ensure you're making a wise decision.

### Watch your finances

Don't get your hopes up before knowing you have the wherewithal to buy. You could waste a lot of time looking in the wrong price bracket and then finding you can't borrow enough money.

### Check the demand

There's no point buying an investment property unless you can be sure it will be tenanted. One way to do this is to buy close to facilities such as shops, schools and transport. People usually want to live close to such facilities and will look for rental accommodation nearby.



### Think long term

Don't buy an investment property hoping to cash in on a boom in the next couple of years. Rather than trying to predict what the market will do, you're better to set your sights on buying the type of property for which there is an established demand so that it will bring in the returns you want.

### Find a good property manager

Once you have your investment property, you want to make sure it is

managed properly. A good property manager can take the worry out of such things as finding the right tenants, collecting rents and seeing that the property is well maintained. Make sure your property manager is licensed, has local knowledge and understands the importance of communicating regularly with you about your investment property.

**Follow these tips and you'll be well on your way to a happy future as a property investor.**



*Our award winning  
Property Management team*

## Want to rent your property?

Call us today  
on 6372 2222!



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Strata Manager



**Graeme Kurtz**  
Residential Property  
Management



**Bernice Offner**  
Residential Property  
Management



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Residential Property  
Management

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