

P SOUTHERN HIGHLANDS *Cribbin Blencowe Estate Agents*
PROPERTY NEWS
Ideas to help you when you're buying, selling or renting

BEWARE HIDDEN COSTS!



SEE PAGE 3 FOR FULL DETAILS

When you buy a new house, it may cost more than you think

In this issue of Property News:

- Your Highlands holiday retreat
- Beware hidden costs
- How can negative gearing help investors?

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Letter from the Editor

Dear Readers,

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 at our office on 4862 7100.

We will be only too happy to help.



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The easy way to find your Highlands holiday home



When you plan a holiday in the Southern Highlands, you're opening the door to a memorable experience in one of the most beautiful areas of Australia.

Its spectacular scenery, historic towns and villages, antique shops, art galleries, wineries, restaurants, colourful gardens and extensive programme of festivals throughout the year are just a few of the reasons for spending time in this unique area.

Having the right base for your holiday is a special part of your Southern Highlands experience but if you don't know the area well, it's not easy to decide on the type and location of holiday place that will best suit your needs.

This is where you can make the most of the expertise available at Highlands Holidays, the specialist holiday letting business recently established by

well-known local real estate agency, Cribbin Blencowe.

Operated under the guidance of specialist holiday lettings manager, Jane Rutherford, Highlands Holidays offers in-depth local knowledge of the area along with an awareness of the properties available to suit the needs of individual clients.

Whether you want a roomy family home, a quiet hideaway where you can relax and unwind, a property close to a particular activity or just somewhere central from where you can enjoy the many attractions of the whole area, Highlands Holidays can help you.



For help with your holiday rental needs or to find out more about our holiday rental management service visit www.highlandsholidays.com.au or call 02 4862 7100



HIGHLANDS HOLIDAYS

*enjoy the benefits of working with
a specialist holiday let manager*

www.highlandsholidays.com.au

Buying a home is an exciting experience – but it's also a time for careful decision making.

You need to think about such things as where you want to live and what size and layout will best suit your requirements.

You also need to give some careful thought to whether you plan to buy a new or established home.

If you are looking at new homes you should be aware of the need to look beyond the asking price.

This is because, compared with an established home, there are a lot of additional costs to take into consideration when buying new. While the price may look affordable, you may find that by the time you add the costs of the things that aren't included, the property may actually be beyond your means or it may be better value to buy an established home.

Some of the extra costs you could encounter when buying a new home include:

Landscaping: Unless you are buying a package that includes this, you will need to factor it in.

Fencing: This can be a major expense to consider.

Screens: If these aren't included, it's another expense to budget for.

Curtains and/or blinds: If you like your privacy, these are essential.

Light fittings: Are these included? If not, start shopping!

These are just a few of the additional costs you could encounter and that you need to know about when buying a new home.

On the other hand, if you buy an established home that already includes

What do you get for your money?



Look beyond the asking price when purchasing a new home

most of these items, you may be surprised by the savings.

Two cases in point are these properties sold recently by CB Estate Agents.

As well as becoming the owners of a beautifully designed four bedroom home, the purchasers of 18 Mairinger Crescent, Bowral, will not have to worry about the cost of features such as gas central heating, fencing and well established lawns and plants. It was all included in the price of \$552,000.

Similarly, there were many quality

inclusions for the buyers of 10 Plane Tree Close, Bowral, which sold for \$550,000, such as ducted, zoned reverse cycle air conditioning, a 4000 litre water tank and an alarm system.

So when you're house hunting, give careful thought to the advantages of buying an established home. You could get a lot more for your money than you expected!

For help with buying or selling from committed agents, contact CB Estate Agents on 4862 7100.



Sell your home successfully!

At Cribbin Blencowe Estate Agents we will also help make buying or selling a home easy for you. Use our online property search or click on our **"we'll call you right now"** button and one of our team will guide you through. Please contact us to make an appointment to talk about how we can help you buy or sell your property quickly and for the best possible price.

Phone 4862 7100

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To gear or not to gear?

What is negative gearing and how can it help investors?

Is negative gearing really a good investment strategy?

The question is often asked by property investors, many of whom do not fully understand the meaning and implications of negative gearing.

In a nutshell, the answer is that it is really more a tax strategy.

Basically, negative gearing occurs where the costs of renting out an investment property outweigh the rental returns that are received from the rental of that property.



The cost of the loan (i.e. interest on mortgage repayments and stamp duty etc) is taken into account when calculating whether the investment is running at a loss. Some of the other costs of running a rental property that can be used to negatively gear a rental property include body corporate fees, building depreciation, cleaning costs, council rates, insurance costs, land tax, repairs, maintenance and water bills.

If the investment is shown to be running at a loss, the Australian Taxation Office allows investors to offset this loss against their income tax assessment.

This means that negative gearing on rental property is more a tax strategy than an investment strategy. While it can help property investors to reduce their taxable income in the short to medium term, it should not be considered the main reason for investing in any property.

There are, of course, obvious tax advantages to the negative gearing of a rental property. But the purpose of investing, after all, is to receive a positive cash flow and to make a profit. Over the longer term at least, you should be aiming to make a profit from your rental returns rather than a loss.

By making a loss in order to negatively gear your investment property, you may be relying too much on making a huge profit when it comes time to sell your property at some point in the future.

We also make being a landlord easy for you



Are you being looked after? It's very simple to change agents.

Cribbin Blencowe Estate Agents are committed to protecting your investment and obtaining the best possible return. For an obligation free appraisal of your residential, holiday or commercial rental property please contact our office on 02 4862 7100.



Phone 4862 7100

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