

PROPERTY ADVICE

news from Croll First National Real Estate
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Market Report

Market slow-down - almost an over-reaction to media reports

By Andrew Croll, Principal



I'm constantly asked these days if property prices are in decline. This question is no doubt prompted by

negative media reports on the economy in general.

Here's how I see it.

From the end of 2006, all through 2007, and right up to about March of this year the market was extremely strong.

However, there's no denying that the market has slowed considerably over the past 2-3 months, but I firmly believe this reaction has been too strong, too quickly almost an over-reaction to the media reports.

I'm confident that the market will bounce back as quickly as it's gone down.

The winter period is traditionally slow anyway, but with the added 'fear-factor' created by the media thrown into the mix, it is indeed slower than anticipated given the time of year.

The statistics are showing that prices are generally holding well and when it comes to good quality properties such as waterfronts, these will always fetch exceptional prices.

Come Spring you can bet your bottom dollar that both activity and prices will pick up, so if you want to take advantage of some great buying opportunities, now is the time to make your move.

If you'd like to know more about the local market and what opportunities exist, give our team a call at Croll First National Real Estate on 9953 0133.

Some recent listings

- **Cremorne - 125 Holt Avenue**
3 bedroom apartment - \$900,000 plus
- **Cammeray - 556 Miller Street**
2 bedroom 1920s home - \$850,000
- **Neutral Bay - 137 Kurraba Rd**
2 bedroom apartment - \$715,000
- **8D/80 Shirley Road, Wollstonecraft**
3 bedroom apartment \$1,000,000 plus
- **15 Park Avenue, Neutral Bay**
2 bedroom home \$850,000 plus
- **12/360 Miller Street, Cammeray**
2 bedroom apartment \$595,000

New website designed to be of greater use to you

Not so long ago it was only the 'younger generation' who used the internet to search for rental properties or their first home. But the internet is no longer strictly the domain of the young.

These days, almost everyone looking to rent or purchase a home or investment property jumps online to research the market and search for their ideal property.

Now, finding the property of your dreams or the information you need has never been easier - we've recently completed a major redesign and rebuild of our website. It's clean and uncluttered, extremely user-friendly and packed with properties and useful information.

SMS or email alerts

Visit www.croll.com.au and you'll see in the top left corner a search facility.

Simply type in the suburb you're interested in and whether you're looking to buy or rent, you're instantly presented with a list of properties from which to choose.

The new website has lots of other great features too, including the ability to allow you to subscribe to our electronic newsletter, request an appraisal, gain advice, or even request to be alerted by SMS or email when new properties fitting your specified preferences arise.

For a fresh approach to real estate on the Lower North Shore visit Croll First National Real Estate at www.croll.com.au

How is your suburb performing?

According to the latest figures from Residex, the prices of houses and units in our area indicate bricks and mortar continue to be a great investment. See how your suburb is performing in this comparative table:

Suburb	12-months to 31st December 2007		12-months to 31st March 2008	
	Houses	Units	Houses	Units
Cammeray	5.53%	10.72%	1.20%	10.20%
Cremorne	16.44%	6.41%	14.27%	2.84%
Cremorne Point	N/A	10.05%	5.13%	12.72%
Crows Nest	17.07%	9.50%	12.24%	10.25%
Kirribilli	19.94%	6.94%	20.52%	4.96%
Mosman	13.00%	8.31%	11.12%	8.19%
Neutral Bay	10.10%	6.28%	5.90%	4.85%
North Sydney	6.14%	4.73%	2.70%	2.37%
Waverton	6.12%	9.30%	0.74%	8.89%
Wollstonecraft	9.89%	5.05%	4.85%	1.93%



Croll
FIRST NATIONAL REAL ESTATE

www.croll.com.au
phone (02) 9908 1955



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Favourite tenant complaints

- 1 Dear Landlord, this is to let you know that our toilet seat is broken and we cannot get Foxtel.
- 2 Dear Landlord, I woke this morning and found my water boiling.
50% of the walls have rising damp, 50% have plaster crumbling off them and the other 50% are just plain filthy.
- 3 I am requesting urgent repairs to my stove. It causes backfires and recently burnt my knob right off.
- 4 Dear Landlord, my lavatory seat is cracked. Could you please tell me where do I stand on this?



Now is the time to sell a home with winter appeal

Do you have one of those homes that is extremely inviting in winter? If so, this could well be the ideal time for you to sell.

You're probably well aware of the type of house we're talking about. It may have at least one fireplace or wood burning heater, earthy colours on walls and soft furnishings.

Sometimes, but not always, it will be an older house with roof insulation and relatively small windows.

In all likelihood it will be carpeted or have warm wooden floors tastefully broken by rugs. Possibly it will have the odd timber feature wall and wooden windows.

On a cold and wet winter's day such a

home will appeal to one of our most basic needs - the desire for a warm cosy shelter.

So if your home fits this category you could find that in winter it will attract serious interest from many buyers, improving your chances of selling quickly and at the best possible price.

Of course your home may not have many of these characteristics, yet be warm in winter because its location and construction enable the house to benefit fully from the free warmth of the sun.

If so your property could be even more attractive to buyers because they can actually feel the warmth as they inspect your home.

Tips for Strata Owners:

Make sure you know what you're allowed to do

With the increasing popularity of renovating many people in home units are having improvements made.

An issue that sometimes arises in strata complexes is what are you allowed to do and what requires approval from the Committee of the Owners Corporation.

Essentially you're entitled to conduct work on the internals of your property. Any external work will require approval

from the Owners Corporation or it may come under the category of work that the Corporation is responsible for itself.

One area that you may need to be careful of with respect to interior renovation is the installation of new flooring - particularly if you're in an upstairs unit.

If your floor is someone else's ceiling then be aware that some modern flooring

materials are noisy and can create a sound nuisance for the occupants below.

If you make the mistake of installing inappropriate material you could be told to remove the material or cover it with a sound deadening carpet which of course might destroy the effect of installing the material.

Be warned, lack of forethought could prove to be expensive!

A depreciation expert could save you a packet

Everybody knows about the taxation benefits of negative gearing. However, there are many investors who fail to take full advantage of other substantial tax credits available to owners of investment properties?

One of the areas where many investors are missing out is depreciation.

So when should you take steps to ensure you are claiming the maximum allowable depreciation on your property? The short answer? When you buy the property. However, it's never too late to make sure you are getting it right.

To get the maximum tax benefit you should talk to people with particular expertise in this complex field, such as a recognised property tax depreciation expert.

Depreciation specialists use their intimate, up-to-date understanding of tax laws and their construction costing skills to precisely determine what credits you are entitled to.

They will ensure that the maximum number of depreciable items is identified - anything from the dwelling itself to capital works such as fencing, paving and even the garden shed.

And they will come up with a schedule which will clearly set out what you are entitled to claim for each depreciable item.

In all likelihood, you will be able to increase your depreciation tax deduction.

It may surprise you but in many cases the tax benefits from depreciation could be as substantial as the rental income, particularly with a recently constructed home.

What's more, you will save yourself a great deal of time and you will avoid having to answer persistent queries from the taxation office.



Garden lighting can help sell your home

With all the options now available, creating stunning lighting effects in your garden is only limited by your imagination.

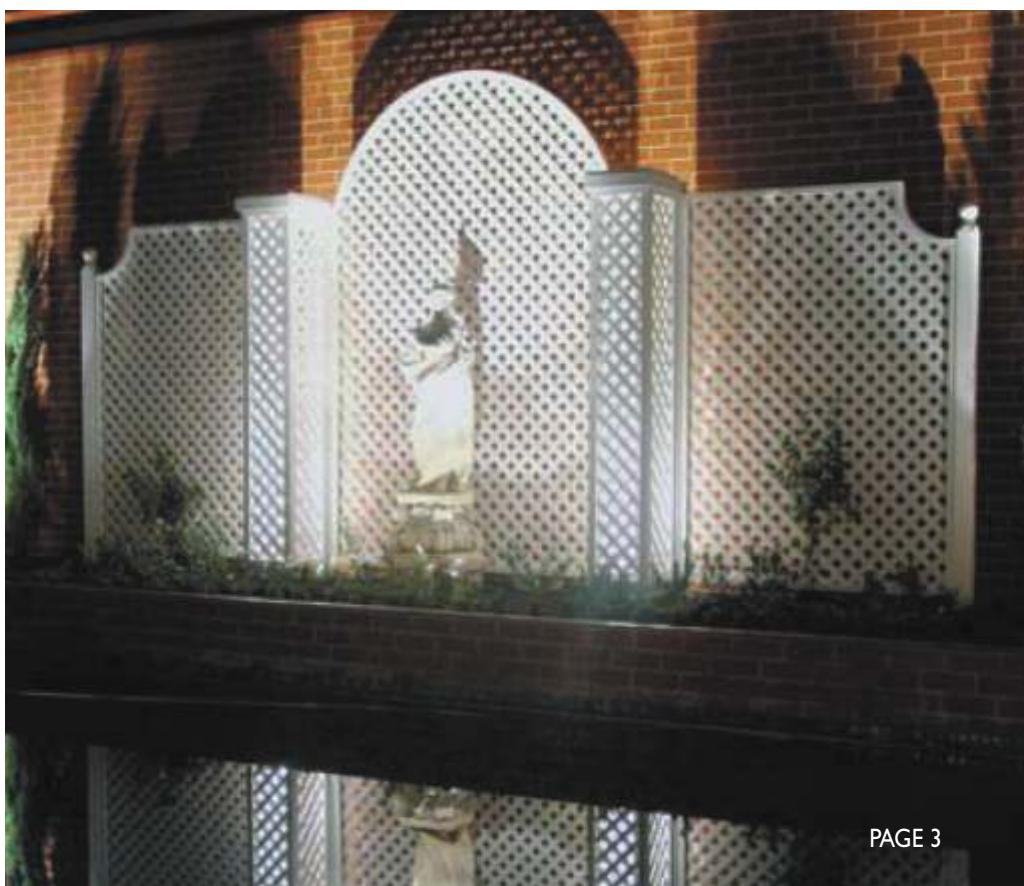
For a relatively low investment, particularly if you are able to use solar lighting, landscape lighting can transform the after dark appearance of even the most mundane garden.

As importantly, according to crime prevention experts, it is one of the most effective crime prevention tools available.

If you are thinking of selling your home, landscape lighting could also be the point of difference that pulls a buyer across the line.

According to experts the best use of light is to focus on key architectural features. For example, spectacular effects can be created by bathing a wall or fence line in a sheet of light.

Light in the branches of a tree or to highlight a statue, fountain or shrubs can also create a stunning impact. Just one word of warning - don't try to turn your home into the Moulin Rouge of the south: always keep your lighting subtle.



Something special

By Fran Turner



Every now and again a property comes along that truly is 'something special'. One such property is showcased below. For more details on this outstanding property contact me on 0418 118 148.

Quiet classic character apartment

10/100 Kurraba Rd Neutral Bay - \$618,000



Occupying a quiet, sunny, rear, coveted top floor position in a prestigious post federation building, this exclusive 84sqm apartment is simply perfect for the professional couple who want a lifestyle of quality and charm.

With views of the Harbour Bridge from the two side rooms - spectacular both day and night - it is only metres to Neutral Bay Ferry Wharf.

Beautifully maintained and extremely well presented throughout, the apartment has a complementary blend of period finishes and designer details. Features include high ceilings, original woodwork and glass panelled doors opening from the living room to a sunny dining room which enjoys a private outlook into the surrounding jacaranda trees.

The apartment is invitingly spacious with a wide entrance foyer that flows into the light filled living room. There are two generous bedrooms with built-in robes and ample storage cupboards throughout. Foxtel cabling has been installed into the building.

The stylish designer kitchen has granite benches, glass splash backs, gas appliances and washing machine facilities. There is direct stair access to the garden from the kitchen.

At the rear of this beautifully maintained building there are additional laundry facilities, storage and a wide level lawn and garden for outdoor living.

Being only a stroll to parks, cafes, bus and ferry transport this is a quality home in a coveted Sydney Harbourside enclave.

10/100 Kurraba Road
Neutral Bay, 2089



Make the most of your investment property



By Gary Bixley,
Associate Director,
Property Management

With the current demand for rental properties at an all time high, property investors are enjoying excellent rental returns.

However, to make the most of their investment, they need to claim ALL the tax deductions to which they are entitled.

Therefore, given it's that time of year (again), here's a quick check list of some items you might tend to overlook. There maybe many more, so check with your accountant:

- Advertising for tenants
- Bank charges
- Body corporate fees & charges
- Cleaning
- Council rates
- Water rates
- Gardening & mowing
- Insurance -building-contents-public liability
- Interest on loans
- Land tax Lease document expenses
- Mortgage discharge expenses
- Pest control
- Property agents fees & commissions
- Secretarial & bookkeeping fees
- Stationery & postage
- Travel & car expenses for property inspections or collecting rent

Remember also, if you spend money to spruce up your investment property it will probably not only rent faster and attract a higher weekly rent, the money you spend giving your property a facelift is also tax deductible.

So what can you do to make your rental property stand out from the crowd?

Firstly, stand back and take a good look around. Is it time for a new coat of paint (pick a neutral colour that goes with lots of different furnishings)? Are the curtains or blinds looking a bit shabby? Have the kitchen and bathroom fittings seen better days? Is it time to rip up the old carpet and replace with shiny new floorboards?

You'll be surprised how little some of these renovations cost, but how much of an impact they'll have on those looking to rent your property.