



This newsletter has been designed to keep you updated on what is happening within the industry and our real estate office

FROM OUR TEAM

END OF FINANCIAL YEAR IS DRAWING NEAR...



With less than a month until June 30th there is still time to review your investments and how they are performing. Is there anything you can do to minimise your tax for this financial year?

If you have maintenance, renovations or repairs to be carried out at the property now could be the time to undertake the works.

We strongly recommend that you consult your Accountant to assist with minimising

INSPIRATIONAL QUOTE

*"You know your financial intelligence is increasing if as you get older your money is buying you more freedom, happiness, health and choices in life
~ Robert Kiyosaki*

IMPORTANT: This is not advice. Clients should not act solely on the basis of the material contained in this newsletter. Items herein are general comments only and do not constitute or convey advice per se. Every effort is made to ensure the contents are accurate at the time of publication. Clients should seek their own independent professional advice before making any decision or taking action. We take no responsibility for any subsequent action that may arise from the use of this newsletter. Published by THE PPM GROUP - www.ppmsystem.com

'PERFECT STORM' FOR PROPERTY BOOM GOLD COAST APARTMENTS SALES HIGHEST SINCE GFC



New Gold Coast apartments have recorded the highest sales volumes since the Global Financial Crisis with predictions the region could soon face a severe lack of supply, according to a report released by leading property consultants Urbis.

The Gold Coast Apartment Insights found the December 2013 quarter recorded almost 300 unconditional sales — the best result in three years. But Urbis director of apartment advisory Jon Rivera said the now low supply of new apartment stock would be an issue on the Gold Coast during the next six to twelve months. “

Current supply is sitting at 635 apartments

which, based on the current selling rate, could be taken up within six months,” Mr Rivera said. “However, if the Gold Coast apartment market has the uplift that is expected, the anticipated supply could also be exhausted much faster.”

Mr Rivera said while it was still a buyers market on the Coast, the window was closing after ripe buying conditions in 2012 and 2013 sparked a slight rise in property prices. He believed the Coast was now smart enough to avoid the inevitable pitfalls of a boom with a few different factors able to sustain the next major rise.

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"It's not just relying on tourism anymore ... and it's also becoming more of this actual wave," he said. Over the last year apartment and townhouse transactions over \$1 million significantly increased across the Coast for the first time in five years, a fact Mr Rivera said indicated a recovering market.

Last year 262 Gold Coast apartments were transacted at over \$1 million compared to 2012 which recorded 215 sales. Mr Rivera said during 2013, the suburb which attracted the highest number of \$1 million plus apartment sales was Surfers Paradise which accounted for 50 per cent (132) of the total 262 sales.

Following Surfers Paradise was Broadbeach which attracted 46 \$1 million plus apartment buyers. "During 2013 the building that attracted the highest number of \$1 million plus sales was Soul with 77 settled sales," Mr Rivera said.

The overall Gold Coast median apartment price for 12 months ending December 2013 was \$348,000 based on 8,483 sales including all settled apartments, new and resale. The median sales price has remained relatively static over the last 12 months with a slight decline of 0.6 per cent. Long term growth is recorded at 3.6 per cent, per annum over 10 years.

Mr Rivera said current market conditions were combining to make the "perfect storm" for a Gold Coast property boom. "The combination of infrastructure delivery, low supply, a boost in tourism and migration, the upcoming Commonwealth Games as well as the return of empty nesters to the coast are combining to make the property market surge," Mr Rivera said.

"I believe 2014 is the last we will see of the "bottom" of the market and, with the upward trends and market conditions, 2015 could be a new peak for the Gold Coast." Mr Rivera said around 1,700 new apartments could enter the market over the next six to twelve months which would alleviate supply issues to a certain extent.

However, the expected uplift in sales volumes, would see this stock also taken up quickly. He said the majority of new stock is planned for centrally located suburbs between Biggera Waters and Broadbeach which leaves the remainder of the Gold Coast with limited supply going forward.

~ GC Bulletin May 2014



WHAT DO YOU MEAN, I CAN'T CLAIM CHOCOLATE AS A BUSINESS EXPENSE?!?



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PREPARING FOR TAX TIME

Are all your investment accounts, receipts and invoices organised and ready for your accountant?

The end of the financial year can be stressful for some, so to assist you in not forgetting any tax deductions we have taken the time to outline an overview of what can be claimed:

Remember you need the documentation to support your claims.

- Advertising for a tenant
- Bank charges
- Body corporate fees
- Borrowing expenses
- Capital works
- Cleaning
- Commission, management and let fees
- Depreciation
- Insurance
- Interest
- Land tax

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GOLD COAST UPDATE ...

- Lawns and gardens
- Legal fees
- Office supplies
- Pool maintenance
- Phone
- Pest control
- Rates
- Repairs/maintenance
- Travel to the property to inspect or maintain
- Water charges



** This is a summary of important items that can be claimed and is not a full comprehensive list.*

BE AWARE

The Australian Taxation Office uses data matching to check claims made by taxpayers.



INVESTORS TIP: PRE-PAYING EXPENSES

If you have a negatively geared investment it may be worth considering pre-paying next year's interest or other expenses such as rates or levies to gain an immediate tax deduction. income and expenses.

REMINDER: DO YOU HAVE A PROPERTY DEPRECIATION SCHEDULE

Invest smarter with a depreciation schedule report. This is prepared by a specialist Quantity Surveying firm and helps to ensure that you are maximising the cash return from your investment property.

Some depreciation companies say "only 20% of investors fully utilise the tax advantages available".

ACTION APLENTY

BOATS, blues music, pool champions and carnival — the entertainment never rests on the Gold Coast.

With so much reported on today in your Bulletin, it is easy to understand why our city is building a reputation as an events tourism capital. From a range of impressive marine craft to enormous value in Pan Pacs seating, we have a good story to tell.

~ GC Bulletin May 2014

BUILD IT & THEY WILL COME

Ray Stevens could have his best chance yet to achieve a major tourism dream. On Saturday the Bulletin was optimistic in its assessment of the future of tourism, and for good reason.

Singaporean hotel giant Banyan Tree Group had paid \$11.5 million for two beachfront blocks in Surfers Paradise and announced an intention to build a five-star hotel—the first in the city since the global financial crisis rocked the world economy. This came hot on the heels of news of another major development at Southport, where a Chinese company will develop a resort and lifestyle precinct.

But the city needs to build further momentum in the reinvention and rejuvenation that must happen to boost the magic that keeps visitors coming back.

~ GC Bulletin May 2014

**MAKING
REAL ESTATE WORK
FOR YOU**

