



PAT BARRETT  
REALTY

Serving the Redlands since 1973

PROPERTY  
INVESTOR

NEWSLETTER

JANUARY  
2022

## WHAT IS YOUR PROPERTY WORTH? GUESS OR KNOW

When was the last time you found out the current value of your property?

Many owners and investors have been shocked by the price movement of their property.

In some areas of Australia, the market has been peaking at a 30% increase.

If you want to know the current worth (price) of your property ... all it takes is just one telephone call to our agency to request an obligation free appraisal.

The increase in your property value could be a deposit free opportunity to purchase another investment property to build your wealth.

**CALL US TODAY.**

## HOME IMPROVEMENTS DON'T GET CAUGHT

Carrying out any work on a property needs to be carefully considered. Whether replacing a hot water system or building an extension onto the home, you must follow a simple checklist.

1. Get three quotes.
2. Check the tradesperson's license, registration, and insurance details.
3. Get the works in writing; no job is too small to specify the work needed.
4. If it is major works to the property, make sure you check with your home and contents insurer that they will cover the works should anything go wrong. You may be surprised by the insurer's fine print regarding renovation works.

And lastly, be cautious of tradespeople who offer cheap deals on jobs around your home.



IF YOU WANT  
DIFFERENT RESULTS  
THEN YOU NEED TO DO  
SOMETHING DIFFERENT

## ARE YOU MAXIMISING YOUR DEPRECIABLE DEDUCTIONS?

Did you know that there are more than 6,000 depreciable plant and equipment assets recognised by the Australian Taxation Office (ATO), where investors can claim deductions?

While we cannot list all 6,000, we thought that it would assist our investors to highlight the most common items found where you can claim depreciable deductions in addition to the everyday expenses such as cleaning, repairs, and management costs.

The ATO outlines two separate depreciation deduction categories for claims: plant and equipment and capital works.

Deductible **plant and equipment** items are those that can easily be removed from the property and are subject to wear and tear over a period, such as:

- Air conditioners or heating systems
- Carpet
- Garbage bins
- Window coverings
- Smoke detectors
- Hot water systems

Deductible **capital works** are those items that are permanently fixed to the property and are also subject to wear and tear of the building structure, such as:

- Built-in kitchen cupboards
- Doors, locks, and door handles
- Clotheslines
- Bricks, mortar, walls, flooring, and wiring
- Driveways
- Fences and retain walls
- Sinks, basins, baths, and toilet bowls.

CONTINUED OVER >...

## DEPRECIABLE DEDUCTIONS | CONTINUED...

When it comes to tax time, you need to make sure that you claim every expense and item within the property to maximise your refund.

If you feel that you have not claimed your deductible plant and equipment and capital works items, we strongly recommend that you speak with your accountant, financial advisor, or tax depreciation expert to obtain a depreciation schedule.

## OUR TOP 10 TIPS FOR YOUR PROPERTY MANAGEMENT SUCCESS

1. As the landlord, you are our number one priority and have the final say.
2. As your managing agent our focus is to keep you updated on what is happening with your property. We will present you with the facts and then take your instructions.
3. It is essential to keep updated on legislation requirements and know what you can and cannot do, which we will guide you on.
4. Think ahead and be prepared when you know a tenant is going to vacate the property. Are there any renovations, repairs, or maintenance that you can schedule while the property is vacant?
5. Effectively advertise the property. Modern-day technology makes it easier to market a property online with professional photos, floor plans, virtual tours, and virtual staging. Investing extra time and money into advertising your property will ensure that it stands out over your competitor properties, rents faster and achieves the highest possible rent.
6. Plan for the unexpected. What if a major repair is required or the tenant vacates without notice? Can you financially manage? Take the time to think about the unknown.
7. If you don't have an investment budget plan, create one now.
8. Make sure that you have landlord protection insurance. For such a minimal tax-deductible fee, you will have added peace of mind.
9. Keep up to date and in the know about your local market. If you have not conducted a recent online property search of all similar properties to your investment, act now and compare current rents and sale values.
10. Ensure that you read your end of month statements and have a good accounting filing system to track your expenses and invoices.
11. Go the extra mile to delight your tenant and show them that you care. A tenant who feels respected will go the extra mile to care for your property and do the right thing.

## A BROKEN HOME APPLIANCE | THINK FIRST!

Often, a rental property will include appliances such as a dishwasher, dryer, air conditioning or a garbage-disposal unit, to name a few.

If an appliance was to break down or attract a considerable repair cost, investors can sometimes suggest that they wish to dispose of the item without any replacement.

However, beware! When a tenant enters into a tenancy agreement, there are certain expectations, terms and conditions that must be adhered to.

If the appliance was present in the property at the commencement, it forms part of the tenancy inclusions and therefore must be maintained by the landlord during the tenancy.

If it became necessary to dispose of an appliance (*without replacement*), the tenant would have to be agreeable, and compensation paid to the tenant for the loss of the appliance by way of a reduction in the weekly rent.

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## Recently Rented

- 3 Gwingarra St, Birkdale
- 1/33 Willard Rd, Capalaba
- 1 Como St, Ormiston

## Current Listings

[http://www.patbarrettrealty.com.au/](http://www.patbarrettrealty.com.au)

# NEWS Update

📅 Hoping everyone had a relaxing Christmas & New Year Period.

Ready to take on 2022!

📅 Australia Day Public Holiday  
26<sup>th</sup> January.



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## HAPPY VALENTINES' DAY

REMINDER | 14 February

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