



Real Estate Matters

Sales

Auctions



33 Wark Avenue, Pagewood

Auction: Saturday 28 April, 2012

On Site at 12.45pm

View: Thursday & Saturday 12 - 12.45pm

Peter Bakas 0425 25 25 41

02 8347 6080

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97 Hannan Street, Maroubra

Auction: Saturday 21 April, 2012

On Site at 2.15pm

View: Thursday & Saturday 2 - 2.45pm

Cameron Airlie 0410 560 961

02 8347 6065

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Recent Sales



5/135 Duncan Street, Maroubra



17 Keysor Road, Pagewood



3/2 Daniel Street, Botany



11A Wise Street, Maroubra



3 Towner Gardens, Pagewood



65 Boyce Road, Maroubra



25 Cooper Street, Maroubra



19 Canara Avenue, Phillip Bay



29 Mathewson St, Eastgardens

Feature Property



Coogee 3/85 Bream Street

Two Level Whole Floor Penthouse

Occupying the entire 2 top floors of this 1 year old masterbuilt development this penthouse apt offers over 200sqm of liveable space on title. This glamorous home boasts custom designed interiors and enjoys dual generous deck areas to take advantage of the stunning Coogee beach, Wedding Cake island and suburban vistas. In a class of its own this apt is sure to please any discerning home buyer looking for total security and privacy. Only the finest of finishes have been selected to compliment this stand alone penthouse situated in this building of only 3 residences.

- Open plan living and dining with feature granite and timber flooring
- Designer Caesar kitchen with Miele appliances & mosaic feature walls
- 3 kingsize bedrooms with robes
- 2 stunning bathrooms including ensuite/separate guest powder room
- Fully ducted air conditioning, tv intercom security, int laundry
- Security carspace, direct lift internal access to both levels

Auction Wednesday 16 May 2012, 6.30pm

Crowne Plaza, Coogee Beach

View Sat 10.30 - 11.15am or By App. Commencing Sat 14 April 2012

Contact ANDREW MALOUF 0433 026 626

Investment Properties For Sale



63 Johnson Street, Mascot



41 Gale Road, Maroubra



46 Hansard Street, Zetland



226/635 Gardeners Rd, Mascot



12 Tasman Street, Phillip Bay



109 Austral Street, Malabar

Maroubra/South Coogee 8347 6000

781 Anzac Parade
Maroubra 2035 NSW

Mascot/Rosebery 9669 5066

Shop 114, 747 Botany Road
Rosebery 2018 NSW

Commercial South Sydney 9317 2800

747 Botany Road
Rosebery 2018 NSW

Ray White®

Real Estate Matters

Rental

Tax Traps for Landlords

Uncertain move ... when you can and can't claim interest payments confuses many.

The strategy:

To avoid rental property tax traps.

Do I need to worry?

With about 1.7 million taxpayers claiming negative gearing deductions, rental property is a point of focus for the Tax Office. Late last year it announced it would contact as many as 100,000 rental property owners this financial year who might have incorrectly claimed tax deductions. So, yes, if you're not 100 per cent sure of your claims, you could have cause for worry.

What sorts of mistakes are they looking for?

According to Deloitte, common mistakes revolve around when you can and can't claim interest payments.

Deloitte says deductibility is determined by use of the borrowed money rather than the security provided. Interest on funds borrowed for private purposes is not deductible, no matter what is used as security. For example, let's say Mike owns his home outright. He decides to rent it out and borrows to buy a new one using his old home as security.

Deloitte says the money borrowed to buy the new home is for private purposes and therefore the interest is not deductible, despite the fact the property used as security is now rented out.

Linked and split loans can also create tax problems. These loans provide finance for both private and investment purposes. Deloitte says they are often marketed on the basis that people can pay off their home loans faster and get bigger tax deductions for interest by paying off their private loan first and letting the interest accumulate on the investment loan. But this might not be the case.

Deloitte says there are two tax rulings on the deductibility of interest on such loans and a more recent tax determination discussed how the anti-avoidance provisions of tax legislation could apply to arrangements that make the payment of interest on the capital sum paid in reduction of the home loan tax-deductible.

Where a loan is used for both investment and private purposes, Deloitte says the interest needs to be apportioned. For example, interest paid on money initially borrowed to buy a rental property but used in part to buy a car or pay off a credit card will not be fully deductible. Only the interest relating to the money borrowed for the investment property will be deductible.

Where a rental property is held in joint names, it says, the interest must be split according to the legal ownership of the property. And where a property is rented to a family or friends at less than a commercial rent, the interest may be calculated on a pro rata basis.

Deloitte says another common error is claiming loan repayments as an interest deduction. Deductibility is limited to the interest part of the loan repayment, unless it is an interest-only loan.

Voluntary advance payments towards the principal are also not deductible.

Source – Annette Sampson Sydney Morning Herald, March 7, 2012

Read more: <http://www.smh.com.au/money/tax/tax-traps-for-landlords-20120306-1uev0.html#ixzz1pJoskM84>

Terminating a lease

Fair Trading has clarified recently introduced legislation confirming regardless of whether an owner had any intention of selling a property or not before the commencement of a tenancy, a tenant has the right to terminate the tenancy agreement during the fixed term with 14 days notice if they were not informed about the sale of the property prior to the signing of the tenancy agreement and does not have to compensate the landlord.

It is essential that you discuss with your Property Manager any thoughts you may have about selling your property now or in the future to ensure that we adequately document and advise your tenant prior to the signing of any new tenancy agreement.



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Sen. Prop. Manager
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