



How to be tax smart ■ The low down on the Federal Budget 2015 ■ Paint it up ■ Read. Watch. Listen

## FAST FACELIFT



### Six ways to add value to your property

Whether you're looking to sell or upgrade, there are a few sure-fire ways to add value to your property with some clever cosmetics. Here are our best tips:

#### A fresh lick of paint

One of the quickest and easiest ways to give your home a new look and coordinated interior or exterior is a fresh coat of paint. Painting can be relatively inexpensive, whether you decide to do it yourself or hire professionals. See our colour forecast for this season's latest trends.

#### Update your fittings

One of the first things buyers tend to look at are the doors and cupboards, lights, locks, curtains and blinds. Make sure these fittings are all functional, and consider upgrading any old or mismatched fittings.

#### Kitchen refresh

Redoing an entire kitchen can be expensive but the kitchen is one of the most important rooms in a home. Many buyers prefer an open-style kitchen so if you have a traditional closed-room kitchen you may want to consider removing a wall. If you're not looking to make structural changes, you can replace benchtops, sinks or even cupboard fittings as a quick, inexpensive way to spruce up your kitchen.

#### Buff your bathroom

Everyone likes a sparkling bathroom, so pay close attention to cracked tiles, worn or mouldy seals and leaking taps. Like kitchens, bathrooms should also be stylish, modern and functional. Replacing broken towel racks or dripping shower heads can make a big difference, while new mirrors and lighting can be a great finishing touch to make your bathroom feel more spacious.

#### Add a bedroom

The three major factors that drive a property's price are the location, land size and number of bedrooms. While you may not be able to change the first two, adding a bedroom can make a significant change in the value of your property. Make sure you speak with an architect for this sort of renovation and don't forget you'll need council approval for your plans.

#### The great outdoors

Whether you want to get rid of the pool and build a granny flat, or you simply want to turn a small balcony area into an outdoor entertaining area with a barbecue and herb garden, there are endless possibilities for your extra outdoor space.

Before you start any renovations, think about your budget. Speak to us to understand your financing options and needs. We're passionate about helping you realise more value through your property. Give me a call today for more resources and insights.

## Welcome



### OPENING UP YOUR KITCHEN TO THE FAMILY LIVING AREA IS A POPULAR CHOICE WITH BUYERS

## We can help you

- Get a home loan
- Reassess your current loan
- Refinance your existing loan
- Find a commercial or business loan
- Consolidate debt and free up equity

## How to be tax smart

It's that time of year again! Don't let your tax return get you down – there are lots of clever ways to save money on your tax bill.

**Find an accountant.** Accountants can have a better understanding of specific tax laws to make sure you get the best return possible. While you may have to pay for an accountant's time, you can then claim the fees on next year's tax bill.

**Keep a car log book.** If you use your car for work, you may be able to claim thousands in deductions. So keep receipts for expenses like petrol and servicing, and keep a log book for just 12 weeks a year.

**Have you worked at home this year?** Even if you're not self-employed, you may be able to claim a proportion of your home expenses if you're regularly taking extra work home. Claimable expenses may include internet and utilities, and depreciation of any furniture used.

This is general information only. It does not consider your personal situation. Please consult your accountant for professional advice on your personal situation or speak to your taxation adviser to see if any of the above tips would be suitable for you.

Call me if you feel you need more support in this area and would like to be connected with an accountant or tax adviser.

### OWN AN INVESTMENT PROPERTY? HERE'S WHAT YOU MAY BE ABLE TO CLAIM

Great news – there's a lot you can claim when it comes to your investment property– but make sure you check with your accountant first. Some expenses may include:

- Property management costs
- Council rates
- Water charges
- Mortgage interest
- Repairs and maintenance
- Pest control
- Cleaning fees
- Legal fees
- Depreciation (and related costs, e.g. getting a depreciation schedule)
- Rental property costs (e.g. running advertisements)
- Borrowing expenses (for the first five years)
- Strata fees
- Gardening costs
- Insurance

“

**12** weeks

**MAINTAIN A CAR LOG BOOK TO HELP CLAIM POSSIBLE WORK RELATED TAX DEDUCTIONS**



## THE LOW DOWN ON THE FEDERAL BUDGET 2015

There's so much written about the Federal Budget, but what does it mean for you as an individual? Some significant changes were outlined that will impact families, retirees and business owners – here are the top seven:

- The company tax rate for small businesses with turnover of less than \$2 million will be reduced by 1.5% to 28.5%. These small businesses will also be able to claim an immediate tax deduction for each and every item they purchase up to \$20,000.
- Unincorporated small businesses will receive a 5% tax discount;
- Increased childcare subsidies will be available to many lower income young families. The table below explains how this will work.
- Families that don't vaccinate their kids will miss out on childcare subsidies and family benefits.

- Changes to the pension assets test will be a boost for retirees with less money, however, higher net worth retirees may still qualify for some entitlements.
- It will no longer be possible to claim both the full Government and employer provided parental leave payments;
- Watch out online! You'll have to pay GST on digital products and services from offshore businesses from 1 July 2017.
- Great news for farmers – expenses for fencing and water facilities will be fully deductible.

The great news is that negative gearing was untouched in this budget. If you'd like to talk about an investment home loan, give me a call.

Annual family income <sup>1</sup>	Subsidy per child	Cap
Up to \$65,000	85% of fee paid	n/a
\$65,000 - \$170,000	Will taper gradually from 85% down to 50%	n/a
\$170,000 - \$185,000	50% of fee paid	n/a
Over \$185,000	50% of fee paid	\$10,000 per annum

<sup>1</sup> www.pm.gov.au/media/2015-05-10/jobs-family-child-care-package-delivers-choice-families



## PAINT IT UP

Watching paint dry can be more exciting than you think – if you're on trend.

Here's a range of colour forecasts for 2015 from those in the know.

**Resene Paints** says trends have come around to perennial favourites – deep blue reds, the striking tone of black and near black, the soothing restfulness of duck egg blue and greyed blues and the bold pops of orange and yellow to add a touch of upbeat liveliness.

(See [resene.com.au](http://resene.com.au) for full colour forecast)

**Sherwin Williams** is forecasting four key trends.

*Chrysalis*: Looking to the earth and sky for inspiration with colours that create an oasis.

*Voyage*: From space tourism to undersea resorts, we look to beyond to find colours that are supernatural and magical.

*Buoyant*: Bright florals, green spaces, urban environments define the colour in this palette.

*Unrestrained*: From bold, ethnic-inspired colours, designs and crafts to the Bohemian lifestyle.

(See [sherwin-williams.com](http://sherwin-williams.com) for full colour forecast)

**Dulux** is focusing on four palettes.

*Wildland* colours showing contrast of light and dark.

*Silentshift*'s soft colour palette allows you to create spaces in which there is minimal

pattern and contrast, inviting your mind to rest and be silent.

*Modhaus* is based on Memphis design of the 1980's, with contrasting colour blocks spliced between graphic patterns, often in black and white, played against geometric shapes that repeat to create a sense of order, balancing out the colour.

*Earthwerks* is a palette drawn from greens and mineral hues creating spaces where mimicked or real nature blends seamlessly with future interiors.

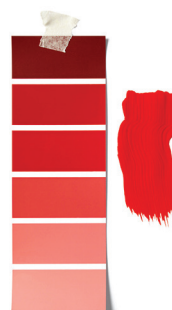
(See [dulux.com.au.com](http://dulux.com.au.com) for full colour forecast)

**Dunn Edwards'** colour palettes for 2015 include rich, oil-paint canvas colours and deep, jewel tones reminiscent of old masters paintings to pastel-influenced post-war hues, providing backdrop to 1950's-influenced design. Bright pops of colour weave story lines of global travel and the best of science and technology.

(See [dunnedwards.com](http://dunnedwards.com) for full colour forecast)

**Benjamin Moore's** colour of the year is Guilford Green. It's a neutral that's natural. A silvery green that works with everything. Go monochromatic. It's what feels right, right now. Try warm, cool, dark and light layers of the same hue. It's one chromatic concept, gracefully flowing from room to room.

(See [benjaminmoore.com](http://benjaminmoore.com) for full colour forecast)



**ETHNIC-INSPIRED  
PALETTES TO  
BOLD GEOMETRIC  
BLOCKS...RED IS  
SUPER HOT**

## Read. Watch. Listen.

It's time to broaden your horizons – why not try a new book, TV show or album?



A surprising but well deserved inclusion on the 2014 Man

Booker Prize short list was Karen Joy Fowler's *We Are All Completely Beside Ourselves* – a profound, compelling and witty view of what makes a family.

For fans of *Gone Girl*, pick up author Gillian Flynn's earlier work – *Dark Places* – which is being adapted for film this year.

For an unparalleled insight into the personal impact of war, Chris Kyle's *American Sniper* is an unforgettable read, lifting the lid on his battlefield experiences during the Iraq war.



If you're ready to lose yourself in a historical fantasy,

*Outlander* (SoHo) is a sure bet. The show stars Caitriona Balfe as a World War II combat nurse who travels back in time to the 1743 Scottish civil war.

For lovers of English history, the TV adaptation of Hilary Mantel's *Wolf Hall* (BBC First) premiered in April. Set in the court of Henry VIII, it focuses on the intrigues and relationships of political adviser Thomas Cromwell.

And if you're in the mood for a laugh, check out the fourth season of *Veep* (Showcase), the hilarious political satire starring Seinfeld alumnus Julia Louis-Dreyfus as the scheming Vice President of the United States.



The most listened-to podcast in history, *Serial* is a

multi-episode investigation of a true crime – the alleged murder of teenager Hae Min Lee in 1999 by classmate and ex-boyfriend, Adnan Syed. Host Sarah Koenig recreates the crime and talks to witnesses, including Adnan himself. Full of dramatic twists and turns, theories and conspiracies, the podcast will keep you guessing to the very end. Visit [serialpodcast.org](http://serialpodcast.org) to have a listen.



# STEADY AS SHE GOES

It's important to understand what's driving the Australian economy – especially when you're a homeowner, property investor or hopeful first homebuyer.

The last year has been a steady one for the Australian economy. It hasn't fired up – but it hasn't slowed dangerously, which is good news.<sup>1</sup>

NAB lowered its overall growth forecast for FY2015/16 to 3% in March (from 3.2%). Why? Weaker business investment, a slightly higher unemployment rate, and weak domestic consumption mean slower overall growth.<sup>1</sup>

## House prices and investment

With so much data available on how national and local housing markets are faring, it's not hard to stay informed on how property values are developing. According to CoreLogic RP Data, Capital city dwelling values rose by 0.3% in



# 0.3%

**CAPITAL CITY  
DWELLING VALUES  
ROSE BY 0.3% IN  
FEBRUARY<sup>3</sup>**

February – that brings overall growth to 8.3% in the 12 months to February 2015.<sup>2</sup> Tim Lawless, CoreLogic RP Data's head of research, says we might not see the lower interest rate environment stimulate the housing market as much as in the past. "Weaker jobs growth, higher unemployment, declining affordability, low rental yields and political uncertainty are all factors that could dent consumer confidence," he points out.<sup>3</sup>

Sydney and Melbourne are still the strongest markets across Australia, with yearly growth up 13.7% and 7.4% respectively by the end of February 2015.<sup>4</sup> The \$400,000-\$600,000 price bracket accounts for the largest proportion of both house and unit sales in 2014. Hobart remains the most affordable capital city for housing, as the only capital with over 5% of house sales below \$200,000. In contrast, almost one third (31.6%) of all house sales were over \$1 million.<sup>5</sup>

Housing investment and building approvals continue to remain steadily strong, despite attempts to tighten foreign investment rules. NAB expects to see similar or stronger growth in dwelling investment over the next year.<sup>6</sup>

We're always happy to point you towards the latest research and data on the economy and housing market or if you are interested in obtaining an updated valuation on your property, touch base today.

<sup>1</sup> NAB Business research and Insights, Australia & The World on Two Pages, March 2015

<sup>2</sup> [www.corelogic.com.au/media-release/growth-trend-continues-with-capital-city-dwelling-values-rising-0-3-in-february](http://www.corelogic.com.au/media-release/growth-trend-continues-with-capital-city-dwelling-values-rising-0-3-in-february)

<sup>3</sup> CoreLogic RP Data Home Value Index, 2 March 2015

<sup>4</sup> CoreLogic RP Data Annual house and unit sales year to December 2014, February 2015

<sup>5</sup> CoreLogic RP Data Property Pulse Market Update, February 2015

<sup>6</sup> NAB Business Research & Insights, 30 March 2015, Australian Markets Weekly



## Plans for the future?

Build  Renovate  Buy  Invest

**Let us help find a home loan that suits.**