

# Property Gallery



## Ravenswood

### Ravenswood River Estate

Secure your slice of land on the banks of the Murray River. Act now, lock and leave lifestyle cottage lots, packages available.

**From \$139,000**



## Perth

### 101/130a Mounts Bay Road

Knock out location at a knock out price. Popular with 1<sup>st</sup> homebuyers, tenants and investors alike these apartments never last long!

**\$265,000**



## West Perth

### 65/66 Cleaver Street

Full city skyline views from this well looked after 1brm apart with balcony and Leederville Café strip just a short stroll away.

**\$265,000**



## Perth

### Adelaide Terrace

Character fully furnished 1 bedroom plus sleep-out apartment. Secure complex with pool.

**\$269,000**



## Perth

### 708/2 St George's Terrace

Enjoy upper class living from this magnificently appointed 1x1 fully furnished 7th floor condo.

**\$399,000**



## East Perth

### 41/193 Hay Street

Exceptional rental returns generated from this prime location. Strong rental history with this fully furnished 2brm apartment in the city.

**\$419,000**

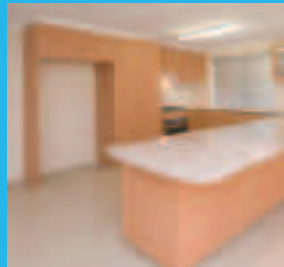


## Perth

### 418 Murray Street

Choice of 3 f/furnished 2brm apartments situated in an unparalleled location right in the heart of the city. Resort facilities: pool, spa, gym & in-house café.

**From \$429,000**



## Clarkson

### 71 Victorsen Parade

Stylish, refurbished family 5x2 home. Work and play collide in this spectacular location, close to all amenities.

**\$445,000**



## Perth

### 9/996 Hay Street

Fully furnished and equipped apartment located in Perth's popular west end making it popular with tenants and owners occupiers alike.

**\$499,000**



## Aveley

### 89 Edgcombe Pass

Stylish Vogue built, brand new two storey home just needs your finishing touches to this superb quality home.

**\$599,000**



## Burswood

### 51 The Circus

Magnificently crafted, 3 storey executive 4x3 terrace home set in glorious surrounds in Burswood Peninsula with fantastic entertaining area.

**\$1,495,000**



## East Perth

### 16 Kensington Street

Magnificent 4x2 home spanning over 3 levels plus ground floor 100m<sup>2</sup> office. Featuring glorious alfresco entertaining areas totally over 500m<sup>2</sup> plus 3 car garage.

**\$1,975,000**



## Perth

### 58/255 Adelaide Terrace

Modern design 3 level penthouse with creative flair, featuring floor to ceiling windows to enjoy the views to the river and South Perth f/shore. Virtual Tour

**\$2,150,000**



## West Perth

### 30 Coolgardie Street

Located opposite Harbour Town, 494m<sup>2</sup> property boasts a 2:1 plot ratio with great holding income from existing warehouse and office (approx 430m<sup>2</sup>).

**\$2,200,000**



## Burswood

### 1105/96 Bow River

Luxurious Aurora!! North facing Penthouse sprawling over a massive 200sqm of internal space. 4x3x2 plus 2 balconies with breathtaking 180 degree views from the city to the hills.

**\$2,590,000**

## Positive signs for 2010

*Recent REIWA data shows the median price of properties in Perth has climbed back to the highs experienced in 2007. Even better news, however, is that all the fundamentals point to continued upward movement.*

### Inside

- Why property maintenance and repairs are vital
- The value of professional property management
- Meet Emma Reay Heaton

Fuelled by a constant stream of good news on the resources front, Perth appears perfectly placed for a continued rise in both property prices and rental returns. Whilst not emulating the heady days of 2007 and 2008, Perth seems set to experience good growth across the board in the months ahead. For many property owners, Perth will continue to enjoy her time in the sun!

Yet many factors – some of which involve unknowns and unpredictable outcomes – are also worth considering for their potential to dampen the forecast growth for Perth's property market this year.

First, there is continual upward pressure on interest rates. As rate rises affect both owners and investors, each additional rise has the potential to slow the growth process.

Second, international situations continue to influence our own economy. The UK and several European economies continue to wallow in the doldrums, and the recovery in the United States has not been swift or far reaching (with over 27% of all US homes in default and over 37 million citizens on food stamps). Some chinks also seem to be appearing in the usually optimistic reports about growth and demand from China: our main trading partner, and the nation that is responsible for a major portion of WA's economic growth.

On top of this, the findings of the much talked about Henry Report (Rudd's review) have the potential to produce sweeping changes to both the Australian tax and Superannuation systems. Coupled with the other constraints mentioned above, such changes could act as somewhat of a deterrent to any excessive growth in both the property sector and the Australian economy at large. Banks and financiers remain cautious – this is reflected in the tighter lending policies of the big four banks. The phasing out of the first home owners' grant scheme also continues to impact segments of the property market.

Despite these words of caution, 2010 should see some solid and meaningful growth across the board. This year could prove the perfect time to revisit your property goals, as there is no better time to trade from current properties and raise your purchasing power. 2010 should be a year of renewed confidence for both owner-occupiers and investors alike, across all sectors of the Perth real estate market. Compared to 2009, the Year of the Tiger should prove far more rewarding.



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# Property mythbuster

**Myth:** *It's cheaper for me to manage my own residential property.*

**Reality:** *This is a common misconception that we hear over and over again. In fact, the true cost of managing residential property on a DIY basis can be much higher than you'd imagine. Consider the following:*

**Letting your property** – it is a documented fact that over 95% of all rental enquiries are driven directly off the internet. DIY landlords don't have the capacity or access to the broad range of real estate internet sites and rely on the diminishing success of signs and press advertising.

**Market rate** – we find the majority of DIY landlords risk letting their properties under the current market rate due to the fact they are not in the market constantly and therefore not able to accurately assess and charge 'up to the minute' rental.

**Inspections** – as most DIY landlords are only managing their properties on a part-time basis due to other time constraints, regular routine inspections can be either overlooked or not completed to a standard that would protect the landlord if there was an issue. This can cause major problems at vacate time.

**Tradespeople** – as professional property managers, most companies such as Mark Hay Asset Management have a long list of qualified traders and associated persons that can be accessed swiftly and at more competitive rates due to the regularity of work conducted.

**Art of negotiation** – as DIY landlords deal direct with clients it is not unusual for landlords to become personally or emotionally involved to a point where they don't implement accurate rent reviews (or in some cases not at all) or continually accept late payments from the tenant. An agent acts as a go-between and is not emotionally involved to the point of blurring commercial reality.

**Documentation and court** – unfortunately the Residential Tenancy Act is quite convoluted and correct protocol and procedures need to be rigidly followed to avoid any possible conflict. In the case of streetwise tenants who know how to work the system there can be some fundamental ramifications for the naive or ill-prepared landlord.

**Delinquent tenants** – all professional property managers have access to the tenant register database, which lists bad or unfavourable tenants for the benefit of the landlord. Once again, like internet-based enquiries, it is hard if not impossible for DIY landlords to gain access to this register.

**Tax deductible** – on top of the advantage of employing a professional to manage your property for you, the bonus is the government will pay you back, as a tax refund, between 30% and 47% on all fees associated with the management. (Subject to your Tax Rate).

**Your time** – obviously if you are managing your property it will take time (possibly quite a lot of time!) and of course there is the nuisance factor of chasing late payments or that weekend phone call to attend to repair and maintenance aspects of the property. Your time also comes at a cost.

**Accountability** – The government's constant net of drawing in cash payments within the economy has seen DIY landlords targeted by the tax department as they audit both payments and deductions made on rental property. Whilst having your property professionally managed and a monthly statement from a professional property manager may not be a guarantee against an audit, it can certainly go a long way to appeasing any investigation.

In summary, property management is a very specialised field. Before you decide to take the step of managing your own for the sake of having the job done cheaper, ensure you evaluate the whole process and real opportunity cost of actually managing your own property.



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## Property maintenance and repairs: the facts

At Mark Hay Realty we would like to remind all property owners of the importance of regular property maintenance and inspections by qualified professionals. Failure to carry out regular maintenance could lead to increased risks of permanent defects that, over time may become increasingly more expensive to remedy. Another downside is the likelihood of reduced rental price.

*Just as your car needs a regular service to ensure it is in good running condition, your investment property will require maintenance and repairs from time to time. These can sometimes seem costly and time consuming, but they are essential and safeguard your investment.*

It is important to note that property owners are legally liable for any damage or injury caused as a result of their property not being properly maintained. By attending to maintenance regularly, particularly between tenancies, you are ensuring that the value of your property is upheld and small maintenance items don't become major, costly repair issues.

- Maintenance and repairs are categorised separately as they each serve a different purpose, and incur different tax implications: Maintenance is work to prevent deterioration or fix existing deterioration. For example, painting a rental property every few years to keep it looking fresh and well presented, cleaning something that is otherwise in good working condition or maintaining plumbing by replacing washers from time to time.
- Repairs are defined as work to make good or remedy defects in, damage to or deterioration of the property, such as repairing a faulty stove, replacing tiles damaged in a storm or fixing a leaking ceiling.

The Australian Tax Office and your accountant can advise you on the income tax and capital gains tax implications of repairs and maintenance on your investment property.

Your Property Manager will not only report necessary repairs to you as they arise, but will also report maintenance that they believe is required to safeguard the value and extend the life of your investment.

Remember, the key to preserving the value of your investment property is timely, regular property maintenance and inspections by qualified professionals.

**Samantha Kelly**  
Manager Residential Leasing



Emma Reay Heaton is the vivacious, friendly face on Mark Hay Realty's reception desk, and also holds the role of Associate Property Manager. A natural multi-tasker, Emma manages her responsibilities with an enviable efficiency, providing the highest quality customer care and support at all times.

Wearing her Assistant Property Manager's hat, Emma supports the property management team, helping them to meet weekly targets and provide a reliable, quality service to clients. Her communication and organisational skills are second to none.

As the main Receptionist, Emma ensures a positive first contact for all Mark Hay Realty Group clients. Ever-willing to help, Emma knows the company inside out, and ensures the office runs smoothly at all times.

Emma says she enjoys the vibrancy of the real estate industry, and loves being the face of a company as well established as Mark Hay.

"It's fun, energetic, developing, changing and growing – it's great," Emma says.

Emma's energy levels don't abate when she's away from the office. In her spare time she enjoys ballroom dancing, netball and working out at the gym.

Meet Emma Reay Heaton

## Welcome back!

Brett van Son is back! We are delighted to welcome him back to the Mark Hay sales team following a two-year hiatus.



During this time, he has backpacked around the world, trained and competed in triathlons and the full Ironman competition, and generally taken time to stop and smell the roses.

Well known to many of our clients in his five years of diligent service across all aspects of real estate, Brett is now back in investment/sales, working specifically with Mark across the full spectrum of sales and marketing.

With his many years of training and experience, as well as a rekindled enthusiasm and passion for property, Brett is set to assist all Mark Hay Realty clients, and to continue to make a difference.