



INTELLIGENT CHOICES

Congratulations, Your Investment Property In Australia Has Settled!

...but wait it doesn't end there. At this point the fact is, there are several crucial steps you must take.

Obtain insurance

In Australia, it is compulsory for all home owners to insure the property. It is possible to get an insurance cover note to cover your property until settlement. You can then convert it to a policy. We recommend that you speak with Intellicochoice first about obtaining a cover note or policy that will insure your property adequately.

If you are planning on renting out the property while you are overseas, speak to Intellicochoice about obtaining Landlord's Insurance. This type of insurance will allow you to claim for malicious damage should a tenant vandalise your property, loss of rent, emergency work and temporary repairs and the replacement of locks or lost keys. Intellicochoice will be able to provide you with more details on what the policy covers.

Choose a property manager

A good property manager does

more than just collect the rent.

- ❖ Check their credentials - what is the length and breadth of their experience
- ❖ What processes do they have in place for advertising and vetting tenants/doing regular inspections/attending to maintenance/reporting to landlord
- ❖ Do their practices comply with Legal requirements under the Rental Tenancy Act?



Many new developments offer on-site management where those Managers have paid for the rights to manage and have often purchased a property in the complex. It is a business venture for them so they have a vested interest in ensuring all the properties are kept in good condition and occupied by stable, trustworthy tenants.

To furnish or not to furnish

Furnished properties generally attract much higher rents - approximately AU\$100 or more per week. The downside is the initial outlay. We advise that you do your homework first and check whether there is a demand for furnished properties in the area and for the style of property. Generally any property which will be let on a short term basis - holiday let must be furnished. The opposite applies for long term tenancies anything from 6 months or more in tenure.

Make the tax advantages pay off.

Organise your tax depreciation schedule before the end of the financial year in which you have purchased.

The Australian Taxation Office just like UK Inland Revenue will scrutinize taxation returns to ensure claims are legitimate. A tax depreciation report prepared by a professional quantity Surveyor will ensure that you receive the maximum depreciation benefits available and that they are allowable by the tax office.

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A message from Darin Hindmarsh

Hi,

With news hitting media outlets that England will be hit harder than any other advanced nation in the worst recession in more than 60 years, we are encouraging all investors to take advantage of the Australian property market now. Property is in high demand as people recognise Australia as a smart investment choice and want to come here where they can buy more for their money. We are seeing first home buyers and investors complete with expats and foreign investors for city centre investment properties from as little as GB£150,000 (around AU\$300,000).

To respond to this increase in demand from UK-based foreign investors, we have recruited British investment property specialist, Brian Mangham to head up our International Property Investment section at Intellicochoice. Brian is helping UK-based, newly arrived British investors and Aussie expats make a smooth transition back into the Australian property market, facilitating access to the strongest capital growth properties in the world. Having done so himself, Brian is proof that Brits can make a stress-free and successful transition to life in Australia and will be able to help others do the same thing - but more on that in our next newsletter.

With the lowest interest rates in over 40 years, we are seeing an increase in activity in the market and we encourage you to assess your situation and reconsider now as the right time to buy.

Please visit the revamped website on www.intellicochoice.co.uk to learn more about living in Australia and how we can help you with your next property purchase. We also offer a unique Advice Package for those looking at taking the leap to a better life Down-Under, with access to Visa Specialists, Accountants, Lawyers, Advisers on schooling, health and employment, so that much of the stress can be taken away.

Please don't hesitate to call us on +44 (0) 1704 565684 or +61 7 3624 1900. Alternatively, email info@intellicochoice.com.au and take advantage of this strong capital growth market now.

Kind regards,

Darin Hindmarsh
Director

The Numbers Game

2,700

Australians leave Britain each month to return to Australia

516,000

Mortgages granted in the UK in 2008 (down 49% from 2007)

3.3%

How much Australian house prices fell 2008, as compared to 10-20% fall observed across Europe and the USA.

42%

Britons see themselves living the dream overseas

\$1.85 billion

Amount spent by UK investors on Australian real estate

40%

Of Australians said their priority in 2009 is to buy property

20,851

Visas granted to young Britons heading to Australia for a 12 month working holiday in 2008 (As compared to 17,327 in 2007)

Property prices, rents set to soar by second half of 2009

Predictions of a looming recession and escalating unemployment rates in Australia have made property buyers wary of venturing into the property market. But with interest rates at their lowest in 45 years and tipped to fall even further, a window of opportunity exists for investors to snap up bargains before property prices begin to escalate.

According to property expert, and former economist for the Reserve bank of Australia, Malcolm Reid, the current buying opportunity may end sooner than you think when the property market recovers towards the end of this year.



He predicts that after a sluggish performance in the beginning of the year, property prices

will rise again, significantly. "As an economist who follows many economic sources each month in the USA, UK and Australia, and all the property issues in Australia, I am completely convinced that the second half of 2009 will see an enormous rise in most residential rents and prices after a mild low in the first half. As usual, it will take all but the hardened property investors and respected forecasters by surprise," he said.

He noted that rents have risen strongly throughout 2008 because of a fundamental imbalance between rental accommodation supply and demand.

"Population, as the main driver in rents and property prices, is expanding rapidly. New births are booming - partly due to incentives - and immigration/internal net migration is the strongest in years and forecast to continue as far as the eye can see. We need approximately 170,000 additional accommodation units per annum to satisfy this growing demand.

"Our building industry at full stretch has rarely achieved this figure. The poor senti-

ment has caused many developers to delay, defer or completely abandon proposed projects, so supply is falling further and further behind demand for rental properties.



"Due to the inevitable long lead times, rent MUST continue strongly for a minimum of two to three years."

With interest rates falling rapidly to all-time-low levels, Reid said investors can now selectively buy as positive cash flows. "Many smaller investors have been scared off the stock market - understandably - and will enter the property investment market as soon as it seems to have stabilized. Markets always turn before the stats are there to prove it."

Add Some Spice To Your Life...



1

FESTIVAL OF THE FALLING LEAF (NSW)
1-9 MAY 09

The scenic location, autumn colours and crisp, clear weather pattern of the Tumut Region, provide a unique

experience for visitors during the Festival. It pairs the region's magnificent Autumn scenery with fun and festivities for the entire family including fine food and wine, bush poetry, market stalls, a fireworks display, street parade, flower show, arts and crafts and a full program of music and other events.



2

CRONULLA FOOD & WINE FESTIVAL (NSW)
30-31 MAY 09

As always, world class wine, gourmet food and a fantastic line up of live jazz acts will help set the scene for a weekend jam-packed with plenty of attractions.

The festival will feature wines from some of Australia's best boutique and contemporary wineries and live performances from some of Australia's finest Jazz musicians.



3

WORLD'S GREATEST PUB CRAWL (QLD)
1 - 7 JUN 09

Queenslanders can quench their thirst for history, drinks and weird and wacky fun on the World's Greatest Pub Crawl, hosted by Maryborough's historic pubs. It's also a chance to make international history, as Maryborough attempts its fifth assault on the Guinness World Record for the largest pub crawl, as it tries to beat its own record of over 3,000 pub crawlers set last year.

Pre-release opportunity in Sydney



Pre-release opportunity...central location in Sydney, the most vibrant harbour city in Oz!

Register your interest now for this superb new development in a fabulous central location, boasting the highest quality build.

At a glance:

- ❖ Studios, one, two and three bedroom apartments with prices starting below AU\$400,000 (GB£180,000)
- ❖ Construction due to commence mid-2009
- ❖ Pre-launch expressions of interest invited
- ❖ An opportunity not to be missed. Investors are lining up
- ❖ Register now with Intellichoice to get your foot in the door by emailing info@intellichoice.co.uk