

INTELLIGENT CHOICES

INTELLICHOICE

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A message from Darin Hindmarsh

Hi,

"The World is going down the toilet!" Well, we don't need any more comment on how badly our financial heavyweights have performed and sent more than a few of us for an extended visit to the W.C.

I realize that this may seem a completely irrelevant topic - toilets and water closets, but believe it or not, the photo on the top left is a picture of the public toilet in Mooloolaba, Queensland. It is affectionately known to the locals as "Loo with a view" and to my way of thinking, if you have to be sent to one, why not this one? Yes, the view does look like this and no, there hasn't been any photo touch ups, not that my kids have any appreciation of what they are using.

What is brought into perspective, is how fortunate we are in South East Queensland - our property prices have remained strong through recent events and we still have business and personal migration flowing in, which makes for stable investment opportunities.

Now, it may seem like lip service, but I have always loved the UK. Not even a constant diet of Coronation Street as a child in New Zealand could deter me from wanting to visit and live there. Having said that, I believe that Queensland, shows great promise, particularly in the following areas:

1. Great lifestyle, particularly for raising children
2. Small city coming of age in Brisbane (the capital of Queensland) as it is close to Asia and the Pacific Islands and the major port for mining operations in the state

All this has led to more than a few compatriots off shore and interstate asking whether we need to suck on a few lemon wedges each morning to help wipe the smile off our faces!

We have been very fortunate here and suggest you come out for a visit if time allows. In the meantime, it is worth visiting our property and finance site www.intellichoice.co.uk and if you are interested or would like to chat, please drop us a line on 44 7720 889 641 or email us on info@intellichoice.co.uk.

Kind regards,



Darin Hindmarsh
Director

Why Buy An Australian Property

With a steady growth in GDP (approximately 2% - 3% pa) and its lowest unemployment rate for decades, the safe investment environment in Australia is expected to continue.

There are many reasons why you should consider buying an Australian property:

Strong Investment Performance

Australia has been one of the world's most consistent property markets over the past 30 years, providing secure returns in excess of 7% per annum over this period.

The Australian property market is also underpinned by a strong and regular



inflow of migrants and a stable economic base that further ensures that the demand for Australian property continues to grow from both the influx of new arrivals and the increasing demand of the local market for quality Australian property.

A stable rental market also ensures that investors can readily obtain tenants for their property, essential for the long-term success of any investor.

Safe Legal Structure

Almost all property offered for sale in Australia comes with a clear and distinct freehold title. The legal system is

weighted heavily to protect the interests of all landowners and does not discriminate against foreign owners in any way.

Furthermore, the strong consumer laws that govern the standards of construction will ensure you can safely rely on developers delivering you a property built to the most stringent specifications, that will last for many years to come.

If you are renting out your property, the laws protecting the interests of landlords are very clear and ensure that you are always safeguarded against issues of squatters and delinquent tenants to further enhance your investment through the legal system.

Future Migration to Australia

If you are contemplating migration to Australia at some future date, then acquiring property prior to your arrival is indeed beneficial.

Not only will it allow you to possibly acquire your future residence at 'today's' price rather than the increased value when you actually relocate, but it will provide you with a strong financial platform upon your arrival to build a more secure life in your new country.

It may also provide you with distinct tax planning advantages to reduce the impact of Australian taxation when you become an Australian resident. It is advised that you speak with an accountant or financial adviser for more details.

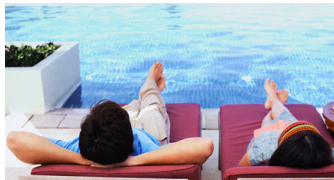
Future Expatriate Return to Australia

Acquiring property during your time as an Australian expatriate is far more affordable due to the improved financial circumstances most expatriates find themselves in.

You will also have the benefit of being a landlord and collect rent.

Tax Planning Benefits For Investors, Expatriates & Intended Migrants

The Australian tax system is extremely friendly for Australian property investors based abroad. It is possible to invest 'Tax Free' when you structure your purchase with a prudent level of borrowing, and take advantage of the significant tax incentives offered to you by the Australian Government.



For investors, this can mean a safe tax-free investment in Australia. For Expatriates and Intended Migrants, these tax incentives can be built up to offset future Australian income such as salary or retirement income, ensuring a tax free retirement or significant tax free earning period when you do relocate or return to Australia.

Conclusion

Before buying a property in Australia, we strongly recommend that you speak with one of our experienced financial advisors and they can run through with you the taxation and financial advantages of being an offshore-based Australian property investor.

Call Intellichoice on (44) 7720 889 641 or +61 7 3624 1900 now and find out how we can assist you.

The Numbers Game

42%

Britons who plan to purchase a house overseas primarily as an investment

3 million

Britons looking to buy property abroad over the next 2 years

£46.49

Average fall per day of property value in England since the beginning of 2008

1%

Vacancy rate in Sydney, Melbourne and Perth. (Other capital cities are at historic lows below the normal rate of 2.5%)

£3 billion

Value of the housing market in England that has been wiped off since January 2008

1/3

Australians use a broker instead of directly sourcing a loan from a bank. Reasons include saving time, get a better deal, guidance in a confusing mortgage market, specialist advice and wider range of products

Investing: Units vs Houses—Depreciation Differences

“Units usually attract higher depreciation items than a house...they are also entitled to claim part of the common property”

We are often asked by investors why a unit obtains more depreciation deductions than a house. Whilst the depreciation difference is not always obvious between the two property types, it is worth investigating the reasons this may occur.

When calculating the depreciation deductions available in a property, items that are taken into consideration include property purchase price, settlement

date, construction commencement and completion dates, land value (where relevant) and the plant and equipment items within the property.

Why does a unit usually attract higher depreciation deductions?

Units generally contain more plant and equipment items than a house. Not only can unit owners claim the items within their strata unit, like dishwashers, hot water systems and carpets, but they are

also entitled to claim part of the common property. This includes items like driveways, pool pumps, outdoor furniture, lifts and common fire alarm systems.

The following example shows that when a house and unit are compared (with the same purchase price, construction completion date and settlement date), there is a difference of AU\$15,000 in depreciation deductions over the first 5 years of ownership.

Location: Windsor, Queensland			
Purchase price: £144,400 Construction date: March 2008			
House		Unit	
Year 1 depreciation	£4000	Year 1 depreciation	£5,500
Year 1 - 5 cumulative depreciation	£15,800	Year 1 - 5 cumulative depreciation	£21,800
Total depreciation over 40 years	£96,900	Total depreciation over 40 years	£105,400



Add Some Spice To Your Life...



1 THE WHITSUNDAYS REEF FESTIVAL 13-16 NOV 08

A great event encompassing and showcasing all aspects of the Whitsundays lifestyle, including carnivals, fireworks, food, wine, comedy, live music, theatre, fashion and fun for adults and kids.



2 THE CAVES - SUMMER SOLSTICE (CENTRAL QUEENSLAND) 10 DEC 08 - 15 FEB 09

This brilliant spectacle, Summer Solstice is unique in the Southern Hemisphere. A beam of dazzling bright sunlight penetrates through a 14 metre vertical shaft into the darkened cavern below.

This event occurs due to the combination of the caves location on the Tropic of Capricorn and the position of the sun directly over the Tropic at midday. This natural phenomenon can be viewed through December and early January, but the beam is brightest and longest on 22 December, the day of the Summer Solstice, the longest day of the year. The Caves can be found 25 minutes drive North of Rockhampton.



3 2009 CHINESE NEW YEAR FESTIVAL (SYDNEY) 23 JAN - 15 FEB 09

Featuring more than 50 events over 3 weeks, the City of Sydney's 2009 Chinese New Year Festival will be the largest celebration of the Lunar New Year outside of Asia.

For the first time in 2009, the famous parade will move to night time, to become the Chinese New Year Twilight Parade, featuring spectacular lanterns, floats and performers illuminating the parade route. With events covering culture, sports, food, performing and visual arts and history, there is something on offer to interest any taste.

PROPERTY IN FOCUS



BREEZE, THE BOARDWALK—COOLUM

A brand-new residential development, situated on the leafy fringe of the Sunshine Coast township of Coolum, the location is without doubt, one of the prettiest and most unspoiled places you will find.

Apartment features

- ❖ 1, 2 or 3 bedroom apartments available
- ❖ Large balconies offering views of Mt Coolum or across the sand dunes towards the ocean
- ❖ 1 car space, but many will have 2 car-spaces
- ❖ Spacious open-plan living areas featuring contemporary design and outstanding finishes
- ❖ Recreational area includes a heated pool, spa, shaded BBQ areas, sun decks, gym and onsite café/deli
- ❖ Prices range from £147,000 - £421,500

Explore

- ❖ Only 140 metres from a patrolled beach
- ❖ Mt Coolum National Park within walking distance
- ❖ Close to the quaint hinterland villages of Maleny and Montville
- ❖ Minutes from 3 international golf courses
- ❖ 90 minute drive to Brisbane and only minutes to Coolum, Maroochydore and Noosa

Call (44) 7720 889 641 for an information pack now