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Welcome to the monthly Property Profile Group newsletter!

As Australia's strongest and most dynamic collection of independent real estate agencies, we publish this newsletter to inform and excite readers about the property market. Included are articles, facts and figures on industry news and helpful property-related hints and tips. As always, we value your feedback, so please be in touch with any ideas and suggestions.



The Value of Building Inspections

Bidding at an auction or purchasing a property without a building inspection is a huge risk. Rising damp, structural damage, deteriorating roofing and wiring, asbestos, termites and pest damage are all possible problems no one wants to discover later.

A building and pest inspection, carried out by a fully qualified and licensed inspector, usually costs \$300–\$500. It's a small price to pay for peace of mind and can save buyers a much larger amount of money further down the track.

Below is a list of the areas the inspector will be looking at to determine the overall condition of the property:

- inspection of structural elements of internal/external areas
- inspection of roof cavities
- inspection of all internal rooms
- inspection of leaking windows
- inspection of retaining walls
- inspection of subfloor areas
- inspection of dampness and ventilation
- inspection of outbuildings including fences, driveways & surface drainage

A pest inspection should include the following:

- identifying any timber pests such as termites and borers and determining the presence of any wood decay.
- inspecting roof cavity, subfloor and room by room testing of all visible timber areas.
- identifying conducive areas for termites both in the house and around the perimeter of the house including fences and trees.

A written report will be completed for each inspection. Some companies go as far as giving a list of estimated costs associated with fixing any problems they find. If damage or pests are discovered it doesn't necessarily mean the house is not worth buying. The report simply arms the purchaser with all the information they need to make an informed decision about the value of the property before they buy it.



Window dressing

Winter may be all about adding accessories to create a sense of comfort and warmth, but there is an exception: windows. While a thick curtain or drape can insulate against plunging temperatures, heavy fabric also prohibits precious daylight from entering your home, potentially making rooms seem dark, or worse, dingy.

When it comes to dressing your mullion windows or French doors for the cooler months, a good principle is to use only what you need for privacy. If you have glass doors [To page 2](#)

From page 1 at the front of the home, for example, you will want something to stop passers-by watching as you prepare dinner.

Consider a semi-sheer curtain that can be tied back, or reflective blinds, which appear opaque from outside, but are near invisible from inside. If the back or side windows are hidden behind the fence, however, consider leaving them bare. Not only will your home capture the winter light, you will be able to admire the changing colours of the season as you go about your business.

Tax time tips for property investors

It's the end of the financial year and many investment property owners will be thinking about what tax deductions they may be eligible for. The list below is provided by the Australian Tax Office and covers expenses for which you may be entitled to an immediate deduction in the income year you incur the expense.



- advertising for tenants
- bank charges
- body corporate fees and charges
- cleaning
- council rates
- electricity and gas
- gardening and lawn mowing
- in-house audio/video service charges
- insurance
 - building
 - contents
 - public liability
- interest on loans
- land tax
- lease document expenses
 - preparation
 - registration
 - stamp duty
- mortgage discharge expenses
- legal expenses (excluding acquisition costs and borrowing costs)
- pest control
- property agent's fees and commission
- quantity surveyor's fees
- repairs and maintenance
- secretarial and bookkeeping fees
- security patrol fees
- servicing costs — for example, servicing a water heater
- stationery and postage
- telephone calls and rental
- tax-related expenses
- travel and car expenses
 - rent collection
 - inspection of property
 - maintenance of property
- water charges.

You can claim a deduction for these expenses only if you actually incur them and they are not paid by the tenant.

This information is sourced from the Australian Tax Office. You can visit their site at www.ato.gov.au. Always seek independent tax advice before making any claims.



Out of space

Trying to find space for storage where there doesn't seem to be any? Good storage means looking for clever ways to increase and expand the space you have, without paying big dollars for an extension.

Older homes with pitched roofs and framed in the traditional way with rafters, ceiling joists, purlins and struts often have a large ceiling cavity that can be used for storage. The installation of a pull down ladder and trapdoor from the ceiling provides instant access to the roof space. Costs can vary depending on ceiling height and the materials used but a good guide is around \$800–\$1000. If the access ladder needs to be custom made the cost can rise to around \$1200 or more. The unobtrusive trapdoor is usually spring-hinged and balanced for effortless opening. It should unfold as simply as a sofa bed.

A more elaborate option for attic storage is to add some secure flooring to the space. This is a good idea as it makes the area safer — no stepping from joist to joist. Plywood sheets are perfect for the job, and if someone in the household is handy, can be completed over a weekend. An estimated cost for DIY flooring would be from \$400.

For a complete solution ceiling spaces can be totally transformed into an additional room. Dust proof rooms are constructed with a reinforced flooring platform, stud walls are then used to attach an air-cell dust proof insulation sheet, a turbo beam light vent is added and then the access ladder. A qualified tradesperson is required to carry out such works and thus costs can vary. When undertaking any larger projects it's advisable to obtain several quotes before making a decision.

Most modern truss roofs with the smaller timbers and W-shaped webs intrude into the useable space more and cannot be altered in any way without the advice of a structural engineer.