

# MORTGAGE MATTERS

THE GUIDE THE MARKET



## REF "CBA "

"THE FAMILY HOME GUARANTEE "

"DESIGNED TO SUPPORT SINGLE PARENTS WITH DEPENDENT CHILDREN TO PURCHASE AN EXISTING HOME OR BUILD A NEW HOME:

WITH A DEPOSIT OF AS LITTLE AS 2 PER CENT. THERE WILL BE 10,000 PLACES OVER FOUR YEARS THROUGH THE FAMILY HOME GUARANTEE"

REF CBA BANK\*

DIRECTOR  
VEE R-BYRNE

## REF \*NATIONAL AUSTRALIA BANK

Family Home Guarantees available at NAB from 1 July

10,000 Family Home Guarantees (FHG or Scheme) will be available to eligible single parents

Family Home Guarantee can be used to build a new home or buy an existing home with - 2% deposit.

First home buyers can apply -To be used for principal residence.

REF: NAB\*



## **Changes to special packages-Ref BANK OF MELBOURNE\***

**Update to Medico Sector package**

**Chiropractors and Physiotherapists : now included as eligible medico qualifications\***

**Update to Self-employed Employed Assessment Documents.**

**Applicants are now required to provide is 2019/2020 financial information as latest financial information**

## **Valuation**

**Ref BLUESTONE \***

**The two new valuation methods are:**

- **AVMs "These are statistical models used to generate estimates of the fair market value of a property at an 'address specific' level. Use of AVMs on loans with an LVR of 75% and under.**
- **Desktops, also known as EVRs. "The same details used to generate an AVM are provided to a qualified valuer with knowledge of the local area to determine the value.-on loans with an LVR of 75% - 80%.**

# **This Month's Spotlight**

## **STEPS IN PROPERTY HUNTING**

**1.Appointment To Discuss Your Goals & Objectives**

**2.Apply for conditional Pre-Approval so that you can shop within your budget**

**3.Research your market -short list the suburbs**

**4.Customise and get property reports**

**Choose A loan That Suits Your Needs**

**1.Principle & Interest**

**2.Interest Only**

**3.Standard Variable Rate (Flexibility with features)**

**4.Fixed Rate**

**(Know your repayments-Locked for 1-5 Yrs)**



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#### WHEN SHOULD I BUY?

BUYERS TRYING TO GAUGE THE BOTTOM OF THE PROPERTY MARKET OR WAIT FOR THE PERFECT TIME OF THE YEAR TO BUY A HOUSE, ARE MORE AT RISK OF MISSING OUT ON THEIR PERFECT HOME THAN SNARING A DEAL.

THE DECISION TO BUY IS REALLY A PERSONAL ONE ACCORDING TO FORMER REIV PRESIDENT AND REAL ESTATE INDUSTRY LEADER, GEOFF WHITE.

"IF YOU ARE BUYING AS AN OWNER OCCUPIER, THE TIMING HAS GOT TO BE RIGHT FOR YOU AND ONCE YOU UNDERSTAND WHAT IS MOTIVATING YOU TO BUY, THEN YOU CAN DETERMINE WHETHER YOU SHOULD DO IT NOW OR IF YOU CAN AFFORD TO WAIT," HE SAID.

"BASICALLY, YOU SHOULD BUY ACCORDING TO YOUR OWN SITUATION, THAT WOULD ALWAYS BE MY ADVICE."

"DON'T ALWAYS BE GUIDED BY THE SUNSHINE AS BEING THE BEST TIME TO BUY PROPERTY, SOMETIMES BUYING IN THE DEPTHS OF WINTER CAN BE ADVANTAGEOUS BECAUSE THERE MIGHT BE LESS COMPETITION FOR PROPERTY.

BUY ACCORDING TO YOUR SITUATION AND WHEN YOU HAVE YOUR FINANCES ORGANISED AND ALL SYSTEMS ARE GO, THAT'S WHEN YOU DO IT.

"BUYERS ALWAYS WANT TO BUY AT THE BOTTOM OF THE MARKET, BUT THE SILLY THING IS YOU DON'T KNOW IT IS THE BOTTOM OF THE MARKET UNTIL THE MARKET STARTS TO PICK UP, SO YOU'VE MISSED THE BOAT."

MR WHITE SAID POTENTIAL BUYERS SHOULD START BY WRITING A LIST OF ALL THE THINGS THEY NEED IN A PROPERTY AND THEN WORK OUT IF THEY CAN FIND A PROPERTY THAT TICKS ALL THOSE BOXES.

"AND IF YOU GET ONE THAT VIRTUALLY TICKS ALL THE BOXES, THEN YOU WOULDN'T WANT TO WAIT BECAUSE IT MIGHT TAKE A LONG TIME TO FIND A PROPERTY THAT TICKS ALL THE BOXES IN THE FUTURE," HE SAID.

"MARKET CONDITIONS CAN VARY BUT IF YOU ARE BUYING TO HOLD, AS WE WOULD RECOMMEND, IT IS MORE IMPORTANT TO GET THE PROPERTY WITH THE RIGHT FEATURES, IN THE RIGHT LOCATION FOR YOU AND SUITS YOUR REQUIREMENTS."

"IF YOU HAVE DONE ALL THE RESEARCH AND ARE PREPARED, THAT IS THE RIGHT TIME TO BE BUYING."



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## 2021/2022 VICTORIAN BUDGET, BRIEF OVERVIEW ON HOW THE CHANGES TO TAXES WILL AFFECT THE PROPERTY MARKET

THE STATE GOVERNMENT HAS ANNOUNCED THAT THE VICTORIAN BUDGET FOR 2021-2022 WILL INCLUDE NEW LAND TAX INCREASES AND A NEW 'PREMIUM STAMP DUTY' FOR PROPERTY TRANSACTIONS ABOVE \$2 MILLION. THE INCREASES WILL COMMENCE FROM 1 JULY 2021.

### LAND TAX

INCREASES TO LAND TAX WILL BE RAISED FOR PROPERTIES WORTH MORE THAN \$1.8 MILLION FROM 1 JANUARY 2022. LAND TAX WILL INCREASE BY 0.25 PERCENT FOR PROPERTIES WITH TAXABLE HOLDINGS BETWEEN \$1.8 MILLION AND \$3 MILLION, INCREASING THE RATE TO 1.55%, AND BY 0.30 PERCENT FOR PROPERTIES WITH TAXABLE HOLDINGS OVER \$3 MILLION, INCREASING THE RATE TO 2.55%. THE INCREASE IN TAXES IS EXPECTED TO ALSO IMPACT LAND PRICES AT ALL LEVELS.

### STAMP DUTY

A 'PREMIUM' STAMP DUTY WILL BE INTRODUCED FOR PROPERTY TRANSACTIONS ABOVE \$2 MILLION ENTERED INTO FROM 1 JULY 2021. TRANSACTIONS ABOVE \$2 MILLION WILL ATTRACT STAMP DUTY AT THE RATE OF 6.5 PERCENT, RESULTING IN A 1 PERCENT INCREASE FROM THE CURRENT 5.5 PERCENT CURRENTLY APPLICABLE TO ALL PROPERTY TRANSACTIONS ABOVE \$960,000.

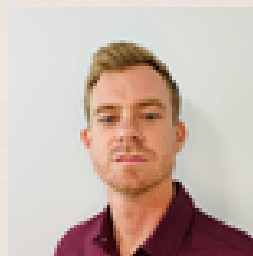
(THE ABOVE DOES NOT INCLUDE ANY FOREIGN RESIDENT STAMP DUTY SURCHARGE)

### WINDFALL GAINS TAX

A NEW WINDFALL GAINS TAX WILL ALSO BE INTRODUCED FOR ANY REZONING PLANS EXPECTED FROM 1 JULY 2022 WHICH WILL APPLY TO PROPERTY INVESTORS THAT PROFIT FROM REZONING OF EX-INDUSTRIAL LAND AND NEW RESIDENTIAL ESTATES. THE NEW WINDFALL GAINS TAX THAT WILL BE APPLIED WILL BE UP TO 50 PERCENT FOR WINDFALLS ABOVE \$500,000.

IF YOU HAVE ANY QUESTIONS, PLEASE DO NOT HESITATE TO CONTACT RON COHEN, PRINCIPAL AT TISHER LINER FC LAW AT +613 8600 9329 OR BY EMAIL RCOHEN@TLFC.COM.AU.

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GROWING WEALTH THROUGH PROPERTY INVESTMENT  
WORKING WITH YOU AND FOR YOU

### 3 WAYS YOUR INVESTMENTS CAN OUT-PERFORM THE MARKET

#### 1. INCREASE YOUR CASHFLOW THROUGH HIGH YIELD PROPERTIES

ONE OF THE BEST WAYS TO INCREASE YOUR YIELD AND CASHFLOW IS TO INVEST IN DUAL INCOME PROPERTIES SUCH AS, DUPLEX'S, GRANNY FLATS, 2 IN 1.

THE FIRST RENT PAYS THE BILLS AND THE SECOND IS YOUR INCOME STREAM.

#### 2. BUY A HOUSE WITH SUBDIVISION POTENTIAL

PROPERTIES WITH A LARGE YARD THAT CAN BE SUBDIVIDED INTO TWO LOTS CAN BE A GREAT WAY TO CREATE EQUITY WITHOUT RELYING ON THE MARKET.

CORNER BLOCKS ARE A GREAT START AS THEY ARE TYPICALLY CHEAPER TO SUBDIVIDE AND HAVE GREAT KERB SIDE APPEAL. BE CAREFUL OF HIDDEN COSTS, IT PAYS TO HAVE THE RIGHT ADVICE.

#### 3. HIRE A PROFESSIONAL

AS BUYER'S AGENT'S WORKING IN THE PROPERTY MARKET FULL TIME SEARCHING FOR AUSTRALIA'S HIGHEST PERFORMING REAL ESTATE ASSETS, WE KNOW WHERE TO LOOK FOR LARGE CAPITAL GROWTH AND WHERE TO LOOK FOR HIGH 10% RENTAL YIELDS. ON TOP OF LOCATING REAL ESTATE WE ALSO HANDLE NEGOTIATIONS AND THE SALE ON YOUR BEHALF.

IN ADDITION WE PROVIDE CONNECTIONS TO ALL OF THE PROPERTY PROFESSIONALS REQUIRED FROM OUR TRUSTED NETWORK.

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VIEW OUR FULL RANGE OF PROPERTIES AT. [360BUYERSAGENTS.COM.AU](http://360BUYERSAGENTS.COM.AU)



**Thank You**