

In This Issue

**Investment Property
Incentives**
Did you know 3.0
A word of thanks

Join our list

Join our mailing list!

Hi,

Welcome to the September issue of Your Wealth bulletin.

Learn to be calm and you will always be happy(Paramhansa Yogananda)

Investment Property Incentives

National Rental Affordability Scheme (NRAS)

The Federal Government has created an interesting initiative to assist with the rental affordability concerns of low to middle income earners. It has been named the National Rental Affordability Scheme (NRAS).

The efforts to develop measures such as this should be applauded. However there is a distinct lack of publicity for the scheme, meaning that investors may not be aware of this opportunity.

The National Rental Affordability Scheme is an Australian Government initiative to stimulate the supply of new affordable rental dwellings by up to 50,000.

Under the Scheme investors will be eligible to receive a National Rental Incentive for each approved dwelling, on the condition that they are rented to eligible low and moderate income households at 20 per cent below market rates.

For investors, the first reaction is simply a loss of money, ie. discounting rental income by at least 20%. However, the Federal and State Governments have a subsidy that may equal, if not be greater than, the discount in rent.

For example, as of June 2009, the Federal Government grant is \$6,504 in tax rebates per year for the next 10 years. A number of State Governments, provide

investors with a \$2,168 in a cash grant per year for the next 10 years. These amounts are then indexed each year as per the rental component in the national CPI.

The tenancy leases are generally of a longer term than a standard residential lease, while non-profit organisations are typically the rental property managers for each property.

Discussing this scheme with investment property specialists, there appears to be the sentiment that these properties are designed for Housing Commission type arrangements, or Defence Force style schemes.

The government has unfortunately failed to clarify these misconceptions. It is documented that the target market for this housing scheme will be public service type occupations such as nurses, teachers, police, fire brigade, etc.

Our review of providers in the marketplace indicates that there are a variety of real estate investment providers offering different versions and options within the NRAS scheme.

While the NRAS opportunity deserves further exploration for real estate investors, it would pay to do some careful research for all options prior to committing to a long term investment.

Further information can be sought from the ATO website:

[ATO - NRAS Overview](#)

Did you know 3.0

You Tube Video

Technology seems to be changing at an ever increasing pace. The role and impact that this technology has in society is often underestimated.

To give some perspective to the rapid change of society, and what it means to us and our children, here is an interesting video that is well worth a look.

The link is below:-

[Did You Know 3.0](#)

A word of thanks

Referrals

I'd just like to pass on a message of thanks for those clients that have referred their family or friends in the past few months to our business.

Your kind thoughts are greatly appreciated!

Disclaimer: The statistics and figures presented in this report are based upon historical data, obtained from external sources. There is no guarantee or suggestion that markets will behave as they have in the past. Future results will be affected by political & economic events. Information is not directed to any particular persons investment financial objectives. Therefore, you must seek advice tailored to your individual circumstances before making any specific decisions.

Responsibility for the content and opinions expressed in this document rests solely with the author and opinions expressed do not necessarily represent the views and opinions of Millennium3 Financial Services Pty Ltd

Millennium3 Financial Services Pty Ltd adheres to the Privacy Act. If you don't wish to receive further communications, such as newsletters, either use the unsubscribe button or email enquiries@reedfinancial.com.au who will ensure the request is carried out. Please allow 2 days for your request to be actioned.

If you have any queries about this month's newsletter or would like to discuss your financial situation in more detail, please feel free to email or call our office on 1300 78 55 77. If you would like to forward this email to a friend, click on the forward email link below.

David Reed Financial Services
Original Blue Pty Ltd ATF The Reed Family Trust t/as David Reed Financial Services is a Corporate Authorised Representative of Millennium3 Financial Services Pty Ltd ABN 61 094 529 987 AFSL No. 244252

Email: enquiries@reedfinancial.com.au

Phone: 1300 78 55 77
Fax: (02) 8521-7215
Web: <http://www.reedfinancial.com.au>

[Forward Email to a Friend](#)



This email was sent to enquiries@reedfinancial.com.au by enquiries@reedfinancial.com.au |
Instant removal with [SafeUnsubscribe™](#) | [Privacy Policy](#).

David Reed Financial Services | 110 Wyralla Road | Miranda | NSW | 2228 | Australia



Try it FREE today.