Your Property Success Podcast

Ep 15: Are You Leaving Money on the Table with Tyron Hyde

John Blackman: Did you know with just two investment properties and one single renovation that you could put over a million dollars in the bank? It's true and why stop there? Welcome to Your Property Success Podcast, the show that explores the practical steps to making your property investment dreams a reality.

And now here's your host. A lady who once caused a stop work meeting because of her new haircut, Jane Slack-Smith.

Jane Slack-Smith: That is true. This is true.

John Hubbard: What a wonderful life you lead.

Jane: I do. I do. I was working on the mines at Mudgee and I had long hair all the way down my back and I decided to go short. I don't know if they actually bought the stop work meaning on because of the haircut or it just came up during the meeting, but there was a 15 minute stop work and they all went into a room and I was excluded and they talk about do they like short hair or long hair on women for a while. And they all came back out and—

John: What was their conclusion?

Jane: I got the thumbs up. They liked the new look which is good. We could all get back to work, get it underground, mine some coal and life went on.

John: All was well with the world.

Jane: Wow. So, a big welcome to Your Property Success Podcast and Episode 15. And as always, we really appreciate you taking the time to be here. And John we have a very interesting topic for discussion today don't we?

John: Yeah. Absolutely. Well, this is an area that's completely overlooked by many investors and I think there will definitely be people listening today who are leaving money on the table.

Jane: Yes. This might be the single most valuable episode of the podcast so far John. So, just listen to the end everyone and then collect the money. We are talking about the role that a good quantity surveyor should be playing in your property investing and our very special guest is one of the industry's leading experts. We are very grateful to have with us today quantity surveyor extraordinaire Tyron Hyde.

John: Yes. Tyrone Hyde, CEO of Washington Brown. And why do we need a quantity surveyor Jane? Can't just our accountants keep track of all this stuff?

Jane: I'm afraid not. And as we will learn today quantity surveyors can make a huge difference in how we build and grow our portfolios and in ways that you will be very surprised to learn about. And if you already own an investment property and did not engage a quantity surveyor when you purchased the property or before a renovation, don't fear. There is some good news for you too. You might find you've left money on the table that you didn't even know you had.

John: I like the sound of that. So, don't go anywhere. We have a very valuable show for you coming up with today's very clever guest Tyron Hyde.

Jane: Hello Tyrone and welcome to Your Property Success Podcast.

Tyrone Hyde: Hi Jane. How are you? Thanks for having me on.

Jane: I am great. It's been a long time since we chatted. So, I'm really excited to jump straight into this. Now you have been around property for many many years but take me all the way back to the beginning.

Tyron: Thanks for that Jane. Yes, I have. I guess I first got my interest in probably about 16. I was that guy at to stand through the building site fences and be amazed at construction and I still do that to this day to be honest, which drives my wife a bit crazy. But I've always loved building and I started – well, I actually thought I'd get into architecture but I didn't get in. And my second choice was construction economics at UGS and that's what I did for two years, that was in 1989-90. And then if you remember back then, interest rates went to 70% for residual home owners, developers were borrowing money at 21% and it's really really hard to make property development work at 21% interest rate. Westpac went broke, the cranes in the sky just came to a halt, and so I thought I'd do the right thing and backpack for three years because I couldn't get a job. And suddenly, when I did that I came back and I finished my two years because I was working over in London at time Jane and I realized that working for minimum wage was not my cup of tea.

Jane: So, you went in and checked out the architectural sites overseas.

Tyron: Of course. Yes.

Jane: To compared them to Australia and bring back that knowledge is what you're telling me.

Tyron: Yeah, very good, partly different there. So, I came back and I decided that I had to finish my degree and then in the last year – it was still really hard to get a job. They're still cutting out, that was in '94.

Jane: So, what would be the job that you'd come out of with that degree behind you?

Tyron: Okay, that the job is, according to a surveyor profession, you would have to deal with construction economics, but quantity surveying is my profession. And so, basically we work out what things cost to build. And in that final year, we had to work for a company for a year and there was a guy at uni, the Brown in Washington Brown, Mr Brown and he put up some signs around uni, “cadet wanted” and I went and stole them all because I was too old to get into the industry at 24 and I was the only one the turned up Jane and I got that job.

Jane: Wow. Now that’s an interesting interview technique actually. Get rid of all of the opposition. He must have thought that the university wasn’t a place he’d source people from in the future.

Tyron: Well he did ___ because I had worked for him for nothing for a year, but now I own the company so it's a good story.

Jane: So, we’re just going to call you the Gillette man. I liked it so much, I bought the company.

Tyron: Pretty much, pretty much so.

Jane: So, take me all the way back. Did your family have a background in property at all? Where did this kind of 16-year-old kid staring through the fences looking at construction come from?

Tyron: My brother in law was in property and he said two things to me. One was that McDonald’s wasn't really a hamburger making company, they are a property developer. I thought that’s interesting and the other thing he said to me was – and he's quite a wealthy guy – the other thing he said to me was you’ll never make real money working for someone else which is kind of true. Yes sure, ___ but how many of us can become that, but you go and you get pound for pound I think you've got more chance of winning doing well financially if you are working for yourself.

Jane: So tell me, did your parents, were they property investors? Did they have their own home? Where are they from?

Tyron: No. Actually to be honest, another thing that sparked my interest in property was my father – around that time of when interest rates went high. My father was lecturing all his life and he had his big nest egg of I think back then it was 250,000 which was a lot in 1988 or around that time and he lost it all in putting it into a company called Estate Mortgage. I remember them but they were they were pretending – there were ads back then to get you, I think at the time rates I can't remember exactly where this was but rates say that after a time you’ll get 9% on your fixed term deposit and the average bank is giving you 4% or 5% and they pretended intended to be a bank. They’re saying you're investing residential property, so there’s mortgage secured but what they didn't tell you was that it was actually first mortgage secured on a property on property development an organ site not a residential home. So, when the developments crashed, all the investors lost their money. They're getting 15 cents back to a dollar or something like that. But that’s what all he save all his life and it basically killed him ghastly, so I was pretty upset with that and I guess that kind of – he was a lecturer but he didn't really have a huge financial brain and I guess they don't teach financial literacy a lot in school. I know that now but they sure did not know for this route. He's always being on about that they should be teaching more on financial on literacy to students and I agree. They sure didn’t do it back then.

Jane: Absolutely. It’s interesting we speak to a lot of people on the podcast and a lot of them do come from a background of their parents or there's been some family experience of either incredible opportunities being found through property or there's been the kind of disaster story where they've lost it all and seeing your hard working parents go through something like that definitely leaves a mark in wanting to make a difference. I know that's exactly what you've done with Washington Brown. I mean, I read somewhere at one stage that you read the tax laws at night trying to find a way around helping your clients.

Tyron: Right. I didn't grow up thinking I was going to do that by the way Jane.

Jane: Architecture sounded so much more interesting.

Tyron: Well, yes. I don't know if that's the best degree anymore. I certainly love that. I guess one of things I've had the advantage of is dealing with some of the most financial savvy property developers in the country, like I count Harry Triguboff – he came as a client. He's one of my first clients to be honest that he's been loyal to me for 20 years.

Jane: How did you first get him as a client because I think he also wrote the foreword in your book, didn't he?

Tyron: He did and there's a chapter there called High Rise Harry. I’ll tell you that story in a second, but well, he approached us. Back then, when I started doing ___ depreciation, there was only one other company that was doing it now but now it is about 100, and he approached us as they said they do it all themselves and they're really bad at it and they approached us and when we first meeting with him, we thought we’ve heard about this multimillionaire that was scary kind of guy, and he can be trusted. He can be scary but he never yelled at me Grace. You can yelled at me but he can yell. He approached us and we thought, “Oh yeah, he's not going to pay and we sent him all these reports.” And he clears the check the next day and it has been like that ever since.

Jane: Wow. Well, back in the time of clearing checks.

Tyron: Well back then in the time of him signing every individual check and him in printing out on our dot matrix printers and stuff like that.

Jane: I guess the thing about Harry is, obviously you know him I don't, but he is hands on and he’s still hands on today.

Tyron: Totally hands on. He's totally hands on. I just went to his 84th party two weeks ago and he's still buying sites that are going to go for another 10 years. Talk about a definition of optimism. God bless him.

Jane: That's how we all should think is "Plant the acorns for the future," right?

Tyron: Absolutely. [crosstalk] with that guy that was. He's always pushing the boundaries. The savviest people are always not just thinking "Well, this is A+A = B or whatever it is ___ he's always thinking, "Let's see if I can take that around and see what happens here" and test it because a lot of tax law, there are so many different variables. There is a ruling on everything. I was scrapping when you rent about a property and throw things away and looking at the case – then I transpose that to all the knowledge that I know into how many people ___ one over here and one over there and they can't give a ruling on everything that you do. So, we would have meetings that we would say "Well, what about this? What about that? Why can't we look at it from this way? What don't we look it from that way?" And that kind of stuff I love. I love trying to think of outside the square and how we can best benefit clients.

Jane: And if I can just go back to that. You turned up as a uni kid doing a year of free work for Mr Brown and was there a Washington at some stage as well?

Tyron: No. There was never a Washington. This is probably the best thing that he ever did, was create his name called Washington Brown because there was a developer down the road from us, where we used to be have been in Crows Nest in New South Wales in Sydney and he had all these different companies names, Sterling Estates and Churchill Homes and all these fancy names and my partner said "Why did you do that?" He was like, "Todd Brown and Associates" so it became Washington Brown and it was better. It's a good name.

Jane: And it's a good name. So, you worked for him for a while if we go back to that beginning. How did we turn into the Gillette man? When did he say, "Well then I moved on?"

Tyron: Yeah that's a good question. Initially, when I started into it, I kind of specialise in appreciation side for the business. The other side of the business is more traditional side which is where we're estimating for developers and banks. We go out and do progress claims each month and stuff like that. That's what he calls is his baby and my baby. But I was on that side, later is it also good to have but then I sought this other avenue of depreciation and so I started that and then I said to him when I was about 26, so after like two three years, I said "Look, I think there's a business in here. I'm going to go do it for myself." And he nearly fell off a chair and then I started my business for a year company called Property Depreciation which still exists in trade, but it's all around and I did okay with that and then he invited me back as a 50/50 partner. So, at a pretty young age it was good, so that side of the business now does 10 times turnover from the depreciation than 10 times turnover of the other side.

Jane: Gosh. ___ about that. So tell me what let's just get into what does a quantity surveyor do and who employs them when we're talking about depreciation and particularly on residential properties?

Tyron: Okay. So, in 1997, if we go back to why it was it's called quantity surveyors—

Jane: Not accountants.

Tyron: Nope, not accountants. They're actually not allowed to do it. In 1997, the ATO put out a ruling that said quantity surveys are the expert people in estimating costs. Where the costs are unknown, you can engage with a quantity surveyor to give you a report as a property investor and we'll write a report that says construction cost is $200,000 and you claim that as a certain rate and the avenue your property's worth actually quite a certain rate and we'd break the building down into parts and you give that to your accountant and then he claims those tax deductions. ___ because the property ATO recognise what accountants don't know what it costs to layer a square metre of bricks. That's what we know and the costs of what you base your depreciation claim of the building on is the actual cost of construction, not what it's worth, not the valuation of the property or how much you pay for probably is completely irrelevant in what we do for the building allowance. So, the ATO said that we specialise in that and that's what they accept when the costs are unknown. When the costs are known, if you build a house Jane and you have a building contract for $200,000 we can't come along and say, "Oh we think it should have cost $300,000 and give you are report of that. Where the costs are known, you have to take that into full account.

Jane: And you get down to how many screws are going to be used in the building when you're doing the estimate really don't you?

Tyron: When we're doing estimates for the banks and developers and builders, we're used that kind of work but that can be very time consuming but yes.. It's what's called a builder's bill and that does get down to screws. It's not that exciting to be honest with you. I kind of move away from that because it's so long.

Jane: Yah, exactly. So, get back to like 1990. There area couple of quantity surveyors out there. There are not hundreds of companies, you're with Washington Brown—

Tyron: The reason why there is only a couple of companies because these allowances **[inaudible]** around for a hundred years. It's big in England and most of the quantity surveyors back in 1990, the ones that headed up the companies here were all English. ___ and they kind of started profession here. But then when an attack to the depreciation wars of property, it only came around in 1982 and in residential 1985, so there was no industry for depreciation pre-1985. So, by the time I'm graduating around 1993-ish, no one still knew about it. So, I wrote my thesis on depreciation of property and that's kind of why I catapulted into this into this sphere.

Jane: And so, back then when you were starting off, and as you said Mr Brown was into the big banks, developments, etc. and you were just starting and playing in the residential depreciation space, what was the percentage of property investors that would have used a quantity surveyor then compared to now?

Tyron: I'd love to get into but it would be very small. I reckon the problem was educating people back then. Because remember, this is pre-internet. Back then I used to manage to do one quote a day, mail them out the quote, hope it would come back you know with a call. In fact then, believe it or not Jane, we used to charge three times what we charge today for a report. But now, we do a lot more obviously in quantities and scale, but in an answer to your question, I reckon you would've been lucky those 5% with getting reports. Now, well the ATO stats show that 67% of property businesses are claiming depreciation and that's probably and that probably – so I reckon in reality that's probably upwards of 80%-90% because you then got other people that can't claim depreciation because we don't need to because their income is so low. Then you've got people that have a property that's so old that there's no point, then you've got other people that have only probably 40 years ___ 67% plus the ones that you must be up near 80% of people are doing it now which is good.

Jane: I know my first property in 2001 it was this one of the things on the list get a depreciation schedule, so obviously there's been a bit of education. Just talking about people who don't can't get depreciation schedules or it's not in their interest, there's a lot of there's also those that might be turning the property over quickly because it's actually part of the – can you explain if that it's part of the capital cost?

Tyron: Okay. So, if they're the property over, you mean they're flipping it?

Jane: Yeah.

Tyron: It depends upon how ong they owe for. If sell it before where it's off the plan and then they sell it prior to settlement to someone else then if they can't find of project because they never physically owned it. That's one person. If someone owed it for two months and then they sold it straight away, definitely they can get a depreciation and in actual fact, even if you only own it for one month, you'll be surprised how much you can claim. It's like settling on a property – you settle in June, you might only own it for that one month of their financial year, but invariably you might be claim $5,000 to $10,000 just for that one month. Why? Because what we do is, all lines that are under 300 dollars, you get to write it off immediately as a tax deduction even if you owned it one day. You don't have to own it for the whole year in order to claim that. Same with what's called low value pooling. There are ways of fast tracking items.

Jane: Does it come off the capital cost at the at the end when they're doing the final calculation?

Tyron: Yes and no. There are two components of what we do in our airport. There's the brickwork and the concrete which is a structure that's called the capital works deduction and then you've got this other thing called plant equipment which is your ovens and loose stuff. So, whatever you claim in it in the plant equipment which is all Garvin's and dishwashers or all the blinds, carpet, that doesn't come into the capital gains equation. But what you claim in terms of the building allowance, yes you have to put that into the capital gains equation. However, you're if you're claiming for a 10-year period or whatever you're getting that money today. So, there's a time = cost of money equation going on there to your benefit. And then, if you held it for more than a year, whatever you claim, you have anyway because you've got the 50% discount. At the moment, you have let's wait till the mini budget to say whether we're going to change that, but at the moment, ___

Jane: And there's two ways of actually claiming back plant equipment? How does that work?

Tyron: Yup, correct. You're right in saying plant equipment because the building allowance component, the capital works deduction, you can't you have to claim that at a fixed rate of 2.5% per annum over a 40-year period if the property is brand new.

Jane: And that has a start too doesn't it? That was the 1985 was it?

Tyron: Yes. So, the property has to be built after 1985 in order for you to claim it. But if you buy a property built in 2000 and you buy it today for the building allowance component, that's where you used up 17 years you see because you can claim it from 40 years from when it's brand new. So, if you buy a property today that was built in 2000, there's only 23 years left for you to claim those deductions for the building allowance. However, the plant equipment is totally different. So, it gets valued and if it's 70 years old, it would have had probably two cycles of the ovens in there. So, we have to value the plant equipment based upon what you pay for the property and also its condition at the time of settlement, things like that, and when you claim those lines, you can claim them under a diminishing value method or a prime cosmetic. One fast tracks one, one slows it down. Most people want to claim the deductions as quickly as they can because if you don't claim it, someone else–

Jane: --leave it for someone else, yup.

Tyron: Leave it for someone else. Then you ask yourself, “Why would anyone want the slower deductions?” And the answer to that is, say, you lived in the property for two years at the beginning you don't want to use the fast track method because you're just robbing yourself. You want to slow it down, so that when you moved then it became an investment property, there's more for you left. So, if you buy an investment property today and you and it's an investment property from day one, most people choose the diminishing value method because you get more upfront. If you choose the prime cost right, it evenly spread this thing out. So, if carpet’s worth a thousand dollars and it's got a 10-year effective life, you get to claim on $100 dollars per annum, per annum, per annum for 10 years. But if you lived in that property for two years, you don't want to use the diminishing value method because in those first two years, it eats up a lot of those stocks. You want to slow it down, so that when you move out there's more for you left to kick in to start claiming.

Jane: So that means that you can claim it while you're living in the property?

Tyron: No you can't. I mean you're living in a property so that's why you want to slow it down while you're living in the property, so when you do move out, there's more for you to claim.

Jane: Great, got it. Now, you just mentioned like a 10-year effective life, who decides this effective life and is it the same for everything?

Tyron: Great question. You should quote that. Okay. So, the ATO decides the effective life – I just wrote a blog on this actually. The ATO determines the effective life of each item when it's brand new. So, it says a carpet is going to last for 10 years and you get to claim of over a 10-year period. However, and most people don't know, they have this effective life table, but that's only when it's still brand new but it wouldn't stay in the reason that if I bought a property that's five years old then it ___ 10-year effective life.

Jane: No.

Tyron: So, you got to revalue it. ___ probably had more wear and tear than the average carpet, maybe it's only going to last for four years. And then the advantage of that is that you then increase the rate of the deduction. If you put back on that 10-year effective life and ___ result. You're just robbing yourself. You got to fast track it. ___ has the same effective life.

Jane: So, that's why you should have a quantity surveyor go out and do a depreciation schedule every time there's a sale or purchase or a significant change.

Tyron: Absolutely. And for instance, just to give the audience an understanding how effective life work, a good example is say, an oven, a oven might have an – I think it's an 8-year effective life in residential property. But a McDonald's over, it's got two because it gets used so much. ___ every 2 seconds ___ once a month.

Jane: So, if I called you out to have a look at one of my investment properties that's got five tenets in the bathroom, in theory we could claim things a whole lot faster.

Tyron: You could possibly argue that this would add more wear and tear than the other. Simply like carpet n a commercial property has an 8-year effective life because there's so much more traffic on it than the carpet at your home.

Jane: So, what about people listening out there who've got an investment property doing the head slap going, "Oh gosh, I haven't claimed anything. Can I go back and claim from the past?"

Tyron: They can. They can amend their tax returns for two years. This is where it actually might be of benefit to people who are actually a little bit behind on their tax returns, as you get a major tax return, but yeah you go back two years. But if you if you bought the property six years ago and it's an old property there's no building allowance component, it's probably too late. So, we always should get out a quantity surveyor just after settlement because that is also the truest picture because we go out we take pictures of property. That's truest point to determine what the state of the problem that you bought is in order for us to determine effect lives of some of the assets. It's the truest picture we can get.

Jane: And what about those people, if you bought an investment property and you somehow know then the investor has not been claiming depreciation, can you claim their depreciation?

Tyron: I like your angle, but no.

Jane: Okay. Always looking for the twist.

Tyron: ___ He used to promote that. ___ So, I'm sorry but you know there's a little thing called the law.

Jane: Don't believe everything you hear at a seminar, eh?

Tyron: That’s right. Absolutely.

Jane: Okay. So, if we’ve got – now you mentioned you were doing a blog on a scrapping schedule. Now this is something that I guess you revealed to me maybe five or six years ago and I thought it was fantastic and we obviously talk to our renovation students about, but a lot of people don't know about this. Can you take me through what is the scrapping schedule?

Tyron: Okay. Well, basically when you buy an investment property where you determine what the value of certain items are in your property and it's quite common that you buy a property whether you want have a 10-year ___ a month, six months, a year, or I might own the property for two years and then you decide “Well, I want to renovate that property.” Basically, whatever value is left on those items instead of continuing to claim them because have been removed, it would state the reason that you can't claim anymore, but there’s a residual value there that was assigned to that item and you get that as an immediate tax deduction. Simply if you start knocking down walls and there's value attached to the kitchen cupboards, to the brickwork, tiling provided the property was built after 1985, there's value attached to that that can be huge in terms of the scrapping value. I did a report once for a client – and it’s not that unusual so now want to renovate a property that has been built in 1990 and that’s very common. This hasn't been such a big thing because property. What's exciting about 20 years old, I just read about it in My Property ___ and it was only 15 years old and it was incredibly dated, the previous renovation. And so, as times change and as an investor you want to get maximum value of your property. You want to get a tenant inside. I saw some properties remain unrenovated for 40 years, but not that common these days from what we said is generally some form of renovation. And as you get to a 20 year old property, it's starting to need a new kitchen but the ATO, the interesting thing is, the ATO is determined that a lot of these items are going to last 40 years such as kitchen cupboards, such as a shower screen. Now, I disagree with that. I don't know about you Jane, but I don't want a shower in a 39 year old shower screen. Right?
Jane: I'm with you.

Tyron: We don't assign values on every item when you get a depreciation schedule. So, we don't say the kitchen covers are worth $10,099. We tell you the overall building costs and we tell you the individual items such as the oven that the plant equipment owns. So, you as an investor, you don't know what the value of some of the things that you're about to renovate. It's very key to get a quantity surveyor out if you are going to renovate. So, get a quantity surveyor before you renovate, so we can document what you're about to throw away and put some values on that and you'll be surprised at what the initial kicker or initial claim can be once you've done that renovation. And then, when you put the new stuff you start the new depreciation anyway.

Jane: Yup. So, just on that. I think I've previously forgotten pre renovation to call you up and I've been able to send in photos and a real subject of works of what it had been done to the property. Now it's possible to do a scrapping schedule based on that?

Tyron: It can be. The good news is that these days RP data has so much photographs. Back in in the old days it probably won’t be possible. Sometimes we see 50 up to 80 photos on some properties these days and documented over the years been like this. I think they encourage agents for financial purpose or some point system that the more photos are put up there the better and that's great.

Jane: I did a deal review for one of my mortgage clients recently. It went back to 1982 of photos and we could see there had been two renovations that had been done because we’re trying to come up with the estimate of whether the person who had bought at last had done a renovation since and whether the valuation that was provided by RP Data was actually relevant, so incredible information there.

Tyron: And even with that, it was over Google Maps and Google Earth. We can see where it's ___ where the pool went in, so we use all these tricks and tools to try and get as much information about the property.

Jane: Tell me this, Google Earth Timeline, is there something I'm missing? How do you use that?

Tyron: You can go to Google Earth and it has an age part age there, so it will show you what their photo was in 2014, what the photo was in – the same street view as well. So, you can go back and see okay 2014, 2012, and go back sometimes up to 10 years and see when they rendered, when did the pool go in, etc., etc., it’s great.

Jane: Fabulous when you see some gentrification as it's happening over the years.

Tyron: You saw that through. That's right.

Jane: You did say people who possibly have property that's older than 1985 may not be able to claim depreciation, but my first property they were renovated was built in 1860, and I did a renovation and I'm still claiming now obviously on the renovation itself. it doesn't really matter the initial time bill does it?

Tyron: Correct. That's right. So, Paddington Terrace for instance in Sydney or what do you call Carlton Terrace? The initial structure is not the – that when the ___ went in but if the kitchen was put in the year 2000, that capital work deduction starts again from when that was. So, if some of the capital works were late or fixed to the property, that's the date for that capital works, so yes you can buy property today that was built in 1800, but it had a $500,000 year old renovation five years ago. We're going to value that renovation five years ago, you may be able to claim ___ around the wall, around the perimeter, but you will be able to claim all the revelations that occurred and that's sometimes the trickiest part of our job because not so much of a fight ___ because if it's just a purely internal renovation, it's sometimes hard to know the exact date of where it occurred because you might not have to go out to council and the and the previous owner generally may not ___ over the information or they won't give you the plans or they might not have been plans, so that's where we have to use our skill set.

Jane: It's interesting I often get questions just in our private Facebook group when people are going "Oh, the valuer and the quantity surveyor are coming out next week. I've got everything organised." And like, "Which one do I tell the real numbers to where the renovation is like?" We don't tell anyone to tell right numbers but you know obviously if you buy a property for $500,000 and tell them the value you spent $50,000 it's not uncommon to get a $550 valuation back. But obviously being able to source materials that are below the price and all the work and extra time you put into it is something that you could potentially tell that value. But when it comes down to quality surveys, we're handing over receipts really aren't we, saying this is what we paid for this.

Tyron: Pretty much. Yeah that's right. You're right because we have to base it on the actual cost. Don't get me wrong, I know over the years there has been hundreds of clients I suspect and they've done a renovation and I should know there was one from ___ seminar but he is used to promote to do your innovation ___ and say "Oh, look I just bought it like this it." So, we put an estimate on it, which you know, we make people sign or confirm that they don't know the cost before, so they do that. Look, we're not the police. That's your business. But I'm sure it's happened to me in the past, but we're not the ATO. We're not ___

Jane: I'm not telling people to lie to valuers either.

Tyron: But it's an interesting thing, valuations, it certainly can be argued. People argue with us that the cost that they reckon the costs more than what we estimate and it happened a lot I got to be honest with you, but it can happen and we take a look at it sometimes it is hard to know. And generally it is with the renovations, but there are some crazy things. But we also sometimes we value the construction costs more than what you pay especially post ___ Noosa. The client paid $500,000 dollars to a property ___ when the construction costs go over the purchase price

___ release their report, my computer goes boom, which it won't let it release it, I have to decide what it is.

Jane: ___ nerds unite kind of ___ I know it really does.

Tyron: My computer shakes and I decide I'm not going to release a report in this. There is $1.45 build cost and purchase price is $500,000 dollars ___ some of the reports released for the ___ were amazing. But the law is the law, just because you paid the market got smashed – the construction cost – the construction cost, that's a law and there's actually a rule that said, yup they're right. The construction cost is more than what the client paid, you're allow to – see this is the only deduction in the act where you can get more deductions than what you pay for it because every other thing else is worth the value that you paid for it. If you buy a TV at half price, it might have cost Sony more to make it but you've got it based upon what you pay for it. With buildings, it's based upon what it costs to build which is very different.

Jane: Were they residential properties or developments you're talking about?

Tyron: No. One of them is residential. The Noosa home was a residential home. It was a for sale. Well, what happened after the GFC of course everyone that ___ holiday houses and your

Jane: Yeah exactly, which kind of brings me to these TV shows where people are doing renovations and I've seen some of the depreciation schedules after those. And you know, they're obviously including furniture as well. They are insane – some of the depreciations people are getting in the first year. Have you've seen those?

Tyron: I have not. I find them interesting.

Jane: Entertainment I think they are rather than educational.

Tyron: Entertainment. I don't know. Interesting numbers there but I don't know how they came about to be honest with you.

Jane: Let me take you to the big end of town, the developers. How did they use quantity surveyors? I was particularly interested in some of those colourful stories as well.
1
Tyron: So, developers they use ___ sometimes they don't want to use but they have to. So, when you go borrow $20 million from a bank, the bank just doesn't give you $20 million dollars to build the project, they will say, "Well, we want an independent valuation what we're going to sell them for" and they also want an independent valuation of what's it's going to cost to build. We do that kind of stuff and then every month we go out every month to release ___ upfront they'll release it progressively in the form of progress payments. So, once they've done the excavation, we'll go out to the project and we'll release reports saying you've done ___ got to make all the work and the bank then pays two ___, the development pays the builder, the ___ pays the subcontractors.

Jane: I'm sure the builder would like to have the money in advance.

Tyron: Well, sometimes they try to claim more than they should especially upfront. What a lot of builders do is they try and say they're trying to what's called ___ where they say that the excavation cost more because they want cash flow on their projects ___ unfortunately, a lot of times, builders are getting money for one job, then funding the other job –

Jane: And they may not have the presales that they really thought they were going to get that was going to bring some cash in.

Tyron: Yeah that's right. In the old days, many years ago, developers used to access to the deposits but that's obviously now held in trust but yeah so that's a big part of the job. We also do things like where do you do reports. In short, we're doing short reports. So, if you're going to insure your house or your – we do shopping centres where we say ___ you want a realistic cost or the insurance wants a realistic cost of what it's going to cost to rebuild that property is. When you're doing those kind of reports, it's not just what it's going to cost to build, we have to take into account things like what it costs to demolish what you've got there because that just doesn't go from the full – it doesn't just get removed, what about the holding cost? You're going to have someone to redesign it. You got to pay council again. All those things need to be factored into what you need to insure a properly for not just what the square meter rate of the building cost is.

Jane: Yeah, interesting. And tell me, I see you on the Facebook page, I'm sure you don't give the quality jobs to everyone in the office. I've seen you jet setting around the world. Tell us some of the interesting things that you've been able to go and assess?

Tyron: That's a good point because we now do depreciation all around the world, so it's a little known fact. To be honest you probably know, I'm the only one who has written a book on this topic called Claim It and so I think I'm a bit of an expert in this field and I've come across a little bit like that but I didn't even know until about five years ago and an accountant advised me and said ___ you can claim depreciation. As a resident here, if you're buying an investment property anywhere in the world, you can claim depreciation based upon the Australian tax law of your property where it is.

Jane: Get out of there.

Tyron: I know right.

Jane: I'm loving this. I think I might buy something in Fiji.

Tyron: Yes absolutely. And so we tour around the world – and some tours it has been great ___ "Hey I've got a property in Tasmania." I'll say, "Get out, I'm going ___ tax deduction."

Jane: Pack up the family.

Tyron: Yeah. I've done inspections in New York and I've done inspections in Thailand. In London, we did heaps and heaps in London which is great.

Jane: So, here's a twist for you. You mentioned the $1.5 million dollar property in Noosa that was a fire sale for $500,000. We had some student vests out there that were not geographically bound. They could probably pick up discounted properties throughout the world where the depreciations could pay for themselves right?

Tyron: That's very true. And places like Spain at the moment, the yields over there are fantastic still. You're right. Absolutely. And again we're basing this upon the actual cost of the structure. The only thing you got to be worried about I like we've done some Spanish kind of for golf, they went crazy, all the Brits went out there build these golf courses and stuff. You go there. And had someone go there and ___. We can't get a tenant, so that’s great. But you might get a deduction ___

Jane: You're obviously still working with Harry and Harry is still working. What's been the changes you've seen in the developments. We're hearing about oversupply of units in Brisbane and Melbourne at the moment. What are you seeing?

Tyron: ___ the other day that Melbourne’s vacancy rates have gone dramatically and even the ___ was like 2.7% or something. So it's really hard to know. I am a little bit worried and generally speaking I guess I'd be more worried where there's a lot of craziness going, it’s probably where I wouldn't buy right now. It’s a pretty simple theory, but you know ___ I live in Bondi here, there’s no cranes, there’s no land, there’s no one building here. There’s not going to be an oversupply here. There's always been a lot of want to live here.

Jane: Every time you mention Bondi, as you know, the only property I have ever sold. Right on Campbell parade, we lived there and renovated it, loved it, so I see you post your pictures going I know that and we ended up selling there last year and it came down to the cost of improvement so beach front, our older style unit and they went through and they looked at fixing up the roof and they looked at fixing some concrete cancer etc., improving it and it came down to being $200,000 to $300,000 per unit in the eight unit block to do the improvements and we had an independent assessment who said it should could possibly be double that and we went to our real estate agent down there and said “Tell us Angelo what if we spent $200,000 on this doing this work what would you add in value?” And he said, “Between $25,000 and $50,000 dollars because it's all going to be structural work, so no longer becomes a retirement plan unfortunately.

Tyron: But you've got out a good time, so you've held it pretty good, but you sold it last year.

Jane: Well we did, but we declared obviously that there was work to be done and it comes down to obviously the ___ do no harm is our motto here, do good. So, now we declared –

Tyron: Yeah, wow. That's an expensive renovation per unit.

Jane: Well, it's the works to be done on the on the roof, etc. But we did get a lot of developers come along trying to buy the roof space as well what you've probably seen you like put in a lift and will own the penthouse at the top and sell it. So, interesting things in Bondi.

Tyron: I just did a report on a Tamarama and I'm going to write a blog there ___ This unit block, it's six levels and it's got a seventh and it's such in a state of dilapidation. I don't know if you know, how it ever got approved in Tamarama. It's six story kind of ___ kind of building but it's got views, the most beautiful views, but the building can't ___, so they changed the laws about this because what the buildings to go broke. They need $20 million dollars to repair this building. And so, they have done exactly that. They also own a block of land next door, then they sell that for $4 million. They're selling roof space to someone for like $10 million dollars because you'll be able to build two penthouses houses and that's the only way they could afford to keep this building, to get it to a livable state because it is literally falling apart.

Jane: So, hopefully they're going to spend that money—

Tyron: They changed the laws here. They changed the law for this building to allow this building ___ to sell the space to someone. So basically yes, it's an amazing story this building.

Jane: But the money's going to into just making it possible to actually build on top rather than not falling down.

Tyron: Yeah, that's right. But they're also building old balconies. So, this building back then with the most amazing views, guess what, didn't put any balconies. It happens.

Jane: Look, you mentioned you love riding and we've had chats about this regularly because you had a column in API magazine how sad a way that that's gone because I still love reading your bulk but you obviously wrote Claim It and you've shed some tips in there and mistakes that people make. So, tell me this could you share with our listeners or people just starting out or thinking about getting into investing. What are some of the mistakes that people make when it comes down to y the depreciation reports and what they might forget.

Tyron: Getting into property, I started with no money when I started life and first two properties I owned I convince two of my friends to come in with me but I didn't have any. So, I know it's hard but there are ways of being creative into getting into property as someone who's starting. I tell my staff – they always ask me for advice. It is hard to get in the city market right with a million bucks to the average house. In order to get a deposit, you've got to have $100 grand. You probably got stamp duty $30++, you need like $150 to start with. How do you save $150,00 when you're earning $60,000 to $70,000 and you got to live. It's incredibly hard. So, I say why are you looking at Sydney? I think sometimes we need to get over this mindset that we have to own the property that we're living, that we rent. ___ sign a five-year lease. I have tenancy ___ five-year lease. They're happy, they've got security. I'm happy I got a tenant. It's not as hard to get tenancy at the moment, but it makes sense. I said, "Why don't just start buying around the country?" Go to Hobart ___ start there, then buy a home in Adelaide, you can buy ___ and you still feel like you've got the home ownership, you've got diversification and you've got less ___ instead of buying lots in one state.

Jane: And do you have properties around the country?

Tyron: I currently like Perth. I always like to do the opposite of whatever else you do ___.

Jane: Yes. Mr. Buffett.

Tyron: I've got one in Cairns for most of my properties are in New South Wales. I'm looking at another one in Queensland.

Jane: And mainly residential? What’s the Tyron kind of buying criteria when you're looking at properties?

Tyron: Cheap. Discounted. I bought an office the *(?) Pitt Street,* my office there. That was probably one of the best investments I've ever made that was in the middle of the GFC. So, I I think I paid $880 for 300 square meters of office in *Pitt Street* ___ when you're they're selling studio apartments down on the road for the same amount of money. And I aborted my superfund and I'm paying a higher amount of rent that goes into my superfund at a tax of 15% with no brainer especially when literally they're selling studio apartments down the road for the same amount of money.

Jane: You say that so fast and I hope people are going to go back and replay and listen to that. So, this right there's a lot of information in there. People are going, “Oh my God. That's insane.” And what about the other properties that you have?
1
Tyron: I I've got one in Bondi Junction. I live in the opposite of the house. I've got one in Manly, I've got one in Cairns, I've got in Wallaby but it's only like a storage type of thing. ___ for me, I prefer timing. There was a time there Jane where – do remember when Sydney and Perth were exactly the same, that median price.

Jane: Yes.

Tyron: To me that was a no brainer. ___ I think to a same degree now I like it when it's hurt a lot. I don't sell property, but I had in the past, always regretted it. But I look at buying at Perth because it’ll come back and I think over time you're going to see more of an imbalance now. If you're buying a property in Sydney and ___ yield is like 2%. Even commercial properties now, they're selling it for 3% yields. It’s like, really? I know it because rates are looking long and low for a long time, but to me I prefer to have a bit more yield in my property than what's being offered at Sydney and Melbourne at the moment I guess. I guess to a certain degree you're pricing in more capital growth.

Jane: You're willing to wait and hold and sell in the future.

Tyron: Yeah, a little bit. Well actually, I asked Harry Triguboff at lunch the other day because he invited me to a lunch and I said I had like 10 questions I wanted to ask him. The first one I said, “Well Harry, question. What’s more important? Location, location, location or timing, timing, timing every time.

Jane: Which advanced investors would say.

Tyron: Yeah, well, that’s right. That’s right and the other one I asked was quite funny, because he builds in Sydney obviously and he builds in Queensland ___ I asked him, “Harry why have you ever built in Melbourne?” I think he’s going to say that the unions or the construction costs and he looked at me and said “It’s too cold.”

Jane: Sydney is a surfer’s paradise, that's it.

Tyron: That's right.

Jane: For people starting out, some of the mistakes people make?

Tyron: All right. With depreciation definitely not getting a report would have to be the number one mistake and also not ___ but not doing it straight away. So like I said before, you can only amend your returns for two years, so you should get us out straight away. That would be the number one mistake. Number two, I guess with common property kind of developments, high rises and stuff, not claiming the ___ property, your portion of the lifts. Your portion of the common carpet. You own all of that as well. You own a portion – when you buy an apartment building, you're not claiming what's internally in your unit, you're claiming all the peripheral items like the swimming pool and the lift and so forth.

Jane: Shared laundry.

Tyron: Because at the end of the day, you're paying levies for that as well, so you might as well claim the depreciation over it as well.

Jane: And what about those doing developments, professional fees, council cost? Tell us about that. I read your book. I read your book Tyron.

Tyron: When you claim that the depreciation of the building, it's not just what the bricks and concrete are. It's also the design cost, that could be the engineers, the architects, landscape architects, and then also there's a lot of council contributions as well. I'm not sure they're called Section 94: Contributions, but you have to make contributions to the authorities in order to make amends of the development that you're about to do. That's claimable as well as part of the building cost. You can't claim things like the interest on your construction but you can certainly claim project manager and other professionals that relate to the building.

Jane: Getting a depreciation schedule in my mind, it became an absolute no brainer when I learnt that it was deductible itself and there's often some guarantees around them, right?

Tyron: Absolutely. So, yeah our fee is deductible immediately. We get a lot of people so instructing us in June because they want the tax deduction. They want us to issue the report to them in July or August but as long as they engage us in June or pay in June, they get the deduction this year, so it’s 100% tax deductible. And yeah, we guarantee that you can get at least twice your our fee as a tax deduction in the first year from when you get the report. In actual fact it's generally more likely to be five times to be honest, at least five times, so it's a pretty it's, pretty—

Jane: Compelling.

Tyron: Yeah pretty compelling. I wish my stockbroker said that to me. I'll give you $10,000 you can guarantee to get me $20 ___.

Jane: I just this it’s an guarantee and it's a no brainer why people don't get them. But for residential properties, what's the common cost that you would look at for a depreciation schedule? What do people expect to pay?

Tyron: Between $660 to $770 depending upon where it is but that can also be a quite bigger property ___ but we're nationwide and we're pretty much that fee all around the country now, which isn’t bad. When the mining boom was on, it was more difficult because there was a lot of people buying in a bit more regional location where sometimes the travel cost could be prohibitive. But that's not such a big thing now as you probably noticed, buying in mining towns, but maybe should be. Maybe that will come back, who knows, but we saw some crazy crazy prices being paid and it’s quite sad. We know a lot of people – like, I go to seminars and I know some people promoting these kinds these of stuff and I feel really bad for them because I'm getting told ___ Murrumba that were $800K and now they're like worth $150. I feel sorry for them. I hope they got out in time.

Jane: Unfortunately, a lot of people didn't get out. So yeah it's heartbreaking. Well, you know how do people hear more about you or contact you? What's your website?

Tyron: Okay, so it's www dot – do you need to say “W-W-W dot” these days?

Jane: I don’t think so. I think people just assume that it’s there.

Tyron: Right. It’s just washingtonbrown.dom.au ___ There's a blog there that you can subscribe to.

Jane: There's a calculator as well, right?

Tyron: Yeah absolutely. It's a projection a calculator. So, if you're interested in knowing how much you claim on a property that you bought or doing your maths, we've got the only calculator lets you input what the property value is and what estimate of depreciation you'll get. So, it's pretty cool. It took about five years to write, but yeah, it's the only calculator where you can put in the value of what you're about to pay for a property and get an instant depreciation estimate.

Jane: That's fantastic. And I encourage people to go and grab the book Claim It too because there's so many more little tips that Tyron shares in there and they just the depreciation schedule on the scrapping schedule on renovations you know. Hopefully, out of this podcast alone, leave us a comment guys on the on the website, but I reckon we could save people thousands of thousands of dollars just going back and amending tax returns.

Tyron: I hope so.

Jane: We could call this $10,000 dollar podcast. I reckon that amount we could save our listeners. Thank you so much for sharing all of these tips with us and your story. I have to say I've got two pages of notes here I've got and I thought I knew a lot about depreciation schedules, but I've got some tips to go back to and I'm definitely going to go and check out that Google Earth age bar that's intriguing, but I really appreciate your time Tyron and sharing all of these tips with us.

Tyron: Thank you. It's been fun. I hope you've enjoyed it.

Jane: All the best.

John: Yeah that was great. That's great. Lots of – I mean, I've got a couple of pages of notes here. Lots of things I learnt in that episode.

Jane: It's interesting isn't it that depreciation industry really didn't even exist before legislation came in pre 1985.

John: His timing was good wasn't it?

Jane: Well, somewhat. He did what, go to university and then take off overseas.

John: Yeah.

Jane: Hey. I do really like the idea of getting a job by going around university and pulling off the signs, so no one else knows that they're interviewing.

John: Yeah. Came first in a horserace of one.

Jane: Yeah, exactly. And back in the 1990s, it's interesting that in Australia most of those companies that were doing depreciation were headed up by the English. That was when the profession really started.

John: Yeah, because they have the industry. All the expats came over and headed up the industry. So yeah, it's really interesting.

Jane: And who better start with one of your clients but High Rise Harry, one of the biggest developers in Australia and still a good friend and mentor for Tyron, wrote the foreword of his book.

John: Yeah, good client to have.

Jane: It was always handy. It really cracked me about High Rise Harry when he asked him why don't you have developments in Melbourne and he was thinking about some economic thing, but not, it's just way too cold, so there you go. So really interesting and I guess you fast forward and it's very similar to a lot of the people that we've spoken to on the podcast. There is some type of history around their family or friends or money management or property kind of gone wrong and it kind of redeemed that or helped others in the future and Tyron's no different to that.

John: No and in this case it was his father, wasn't it? He got caught up in a bit of a—

Jane: Estate Mortgage company.

John: Yeah, Estate Mortgage company and security wasn't where they thought it was and the developments crashed and all the investors lost all their money.

Jane: I know. It's a terrible story isn't it? And it's something that comes around and we've have that with a couple of our guests on the podcast like Louis Christopher.

John: Yup, Louis Christopher, yeah.

Jane: Kind of a bad family start in property and the importance of financial literacy in these, I guess, property experts today really made that commitment to making sure that more and more people understand what they're doing. And the good thing about Tyron was, obviously, he had his father's bad experience where he lost the gold nig, the cash retirement fund, but his brother-in-law was actually in property, so he could actually see property from a positive point of view as well.

John: Yup, yup. It was the McDonald's comment. They're not a hamburger company, they're actually a property developer.

Jane: Yup, absolutely. So yeah, it was really interesting. And you know what I really loved about the story about Washington Brown was the fact where Mr Brown named the company. He said no one’s going to remember Todd Brown and Associates but Washington Brown sounds strong.

John: It does sound good and he loved it so much he bought the company.

Jane: Exactly. That’s why he’s our Gillette man. And so Tyron, he started out and he was specialising in that kind of depreciation residential side but the insight that he really shared with us about what quantity surveyors do for developers is really interesting as well, isn’t it?

John: It is, yeah. And we had this on our own developments and particularly on our first development that gave us a lot of help just understanding how the payments were released to the builders and all the kind of stuff. Like he said, they know every single part of that building. It’s amazing.

Jane: And of course, in the parcel that people thought that they're accountants could provide the depreciation schedules for them but ATO says no, it has to be a quantity surveyor. So, those are things that we kind of learn along the way. I really like the insight that Tyron gave us into the different methodologies of calculating the depreciation and the choices you might make about the two methodologies. That methodology around doing the prime cost or the diminishing value and understanding one really has the front end loaded, so a lot of depreciation upfront, so if you're living in the property and planned to make an investment, you don’t want that, but if you maybe plan to sell the property in three to five years, you probably do want the front-end loading. So, just understanding that because I know when I originally used to get my quantity surveyors to send me the depreciation reports, I look and go “I got these two methods. How do I decide?” You really have to have that conversation with your accountants.

John: So, you need the three of you in it and a clear plan.

Jane: Yeah, absolutely. And you know, the things is there’s so much that value as you said the quantity surveyor can add and recently the renovation that I did in Sydney last year, I had a scrapping schedule done and it was fabulous to be able to just depreciate straight away some of those things that we just threw out. And I think for renovators, getting a scrapping schedule is fabulous.

John: Yeah, that’s great. That was good too with the renovation tip if you haven’t got a quantity surveyor in the right time and he said the right time is when you purchase a property or before you did the renovation. But if you haven’t done that, you can actually go back and go through the photos and also he mentioned the Google Earth Timeline.

Jane: Absolutely. So, using Google Earth to go back appear at a time to have a look at the changes that have been if you have that property and that’s what they use. But if you haven’t claimed on your tax return, here’s some more money in the pocket for you back to two years.

You can go back and actually get that depreciation schedule done and claim that on your tax returns and have them amended.

John: That's great, worth the price of the mission alone.

Jane: Absolutely. And Tyron said – he said his thoughts about what's happening in the market now and obviously he's looking at the contrarian type of investment, looking at Perth.

John: Yup. He likes the timing. Timing the market and he likes the big yields.

Jane: Yup. And as we say, be geographically agnostic. He buys around the country and he looks at the numbers first and isn't kind of linked and set in stone that he has to buy in this particular place. And he talked about the most common mistakes that people make and I think the thing is you've heard about leaving money on the table, depreciation schedule, as you drive the car out from the showroom, it goes down your value, your land should be going up in value, your property goes down in value as this wear and tear and the Australian tax office allows you to claim that.

John: The most of it.

Jane: There might be some money that you can claim in your next tax return and let us know if there has been because we might put up a bit of tally together. Just send a review. Write a review for us. Get onto iTunes.

John: Yup. Absolutely.

Jane: And so, once again, an amazing episode John and I know you had two pages of notes, I cracked two pages as well and I know this is a big win episode for some of you out there listening who are really really encouraged to run out there and take some action today, so let us know.

John: Yeah, yeah absolutely. And speaking of big wins Jane...

Jane: It's that time again.

John Blackman: Yes. It's that time again where you get the chance to test your suburb knowledge while the entire nation holds its breath. Ladies and gentlemen, it's time to play, Suburbs Against the Clock. The rules are simple. To play, all you have to do is answer a question about 10 suburbs in the city of your choice within 20 seconds. The lucky winner of Suburbs Against the clock will win 1 year's free access to Your Property Success Club. Your Property Success Club is an in-depth monthly master class which gives you the practical tools needed to grow your portfolio yourself without having to spend a fortune on expensive seminars or even leaving your own home. So, who do we have standing by to play Suburbs Against the Clock?

Jane: Hi Paul, can you hear us?

Paul: Good to go.

John: Oh wonderful. Okay.

Jane: Okay Paul. Now, do you know how Suburbs Against the Clock runs?

Paul: I certainly do, yeah.

John: Oh good.

Jane: I have to tell you. If you're already a member of The Your Property Success Club, some changes afoot, are you a member?

Paul: I am member, yeah.

Jane: Ah. Changes are afoot. So, if you do actually get 10 suburbs in 20 seconds, then we will renew your membership for another year, so it's something good to play for.

John: To the new revamped version.

Paul: Oh, no pressure.

John: Okay. Paul which city would you like to play for?

Paul: Let's play Sydney.

John: Sydney. Yeah. Okay. Paul, your question is "Can you name 10 Sydney suburbs that are beach front?"

Paul: Manly, Bondi, Tamarama, [inaudible]

Jane: Quick, quick, quick.

Paul: Uhm…

John: Oh no. That's it.

Jane: Well done. Well played. It was so tough. But you were close, very close.

John: It's the pressure.

Jane: Thanks Paul for being such a good sport.

Paul: No problem guys. Thanks again.

John: Good on you. See you. And if you'd like to test your knowledge in the most modest and unassuming, the best suburb quiz in Australia, simply email support@yourpropertysuccess.com.au and use the subject line, Suburbs Against the Clock. Please keep those suggestions for the questions coming too.

Jane: Please. Because we're really getting at the bottom of the barrel aren't we?

John: Obviously.

Jane: Well John, that's it for the day. A huge thank you to today's fabulous guest, Tyron Hyde. Now, if you would like instant access to the transcript plus get access to some free training we have for our community and all the show notes and links to everything mentioned in the show including a link to an ebook that I've put together with Tyron when we busts some myths about depreciation schedule, please head over to the website, yourpropertysuccess.com.au/ep15, that's your property success dot com dot A-U, the letter E for echo, P for papa and the number 15. So, that's all for today, stay safe and here's to your property success.

John Blackman: Ladies and gentlemen, it's important for you to understand that you need to take care in applying what you've heard on this podcast to your own personal circumstances. Every one's situation is different. And while we go to great lengths to ensure that everything we share is accurate, the information in today's podcast was based on personal experiences and opinions and is not intended to be specific to your circumstances. We are not real estate agents, financial planners, lawyers or accountants and are not liable for any loss, damage, or misunderstanding caused by reliance on any information provided or inferred. We highly recommend you seek out the services of a professional or mentor to help chart your own path to property success.