



Focus on Adelaide

... Gaining Attention and Building Momentum

In attending various property development seminars and gatherings, I am often asked why is Adelaide a good city to develop and invest in?

Aside from the recent accolades ... Adelaide was recently again voted one of the most liveable cities, featuring at #5; Adelaide is gaining wider attention both nationally and abroad for tourism and also from a commercial viewpoint.

From a city-wide focus, the State's 30 Year Plan is being executed and many of the local councils are embracing the vision with updated development plans encouraging various forms of medium to high density development.

The state's various commercial projects are gaining worldwide focus with the delivery of world class venues and facilities such as the Adelaide Airport project, iconic Adelaide Oval and the soon to be finalised Royal Adelaide Hospital. Adelaide now has claim to some of the newest landmark projects in the world.

The infrastructure projects are also gaining momentum with various rail and road projects enabling more efficient travel; whilst urban renewal projects are working toward achieving higher density transit oriented developments (TODs) around several Adelaide hubs.

Bowden as the first example of this TOD is well under-way and we anticipate further plans for Woodville, Modbury and Oaklands Park to name

a few future candidates. These communities are anticipated to offer housing diversity and will combine amenities, employment opportunities and well integrated transport links.

Adelaide has predominately lower density housing than other major Australian cities; and many larger sites within close proximity of the city that are suitable for urban infill development.

When you consider that Adelaide's market is generally stable and predictable it is considered a safe place to invest in property. Whilst growth may be slower, the market is not as susceptible to the falls that can lead to diminished returns in other cities within Australia.

Furthermore, the end products are generally at a price point that is more affordable to a range of purchasers and investors; providing exposure to a larger market pool and with less reliance on selling to a more fickle higher end of the market.

By understanding where to purchase, what the market desires and the optimum build form depending on the area there are excellent opportunities to develop and profit on medium density developments that are simply not available in other states of Australia - either through a lack of land suitable for such projects (without undertaking higher risk, higher density) and or market pricing that limits the ability for first-time developers to enter the market.

Adelaide's Hotspots ... Suburbs for Developments

Zybek is continually reviewing the market and looking to stay ahead of the curve with respect to identifying excellent property opportunities. This involves not only being aware of council development plan amendments and state government initiatives; but also market trends.

The market is improving and competition for sites is increasing; which will make it more important to strategically identify the sites.

Over the last few publications, Zybek has been unveiling 10 of the best areas for development in Adelaide, with these suburbs appearing across 9 different council areas.

This issue we reveal the suburbs ranked 5-6.

Just to recap those so far (councils in brackets):

- 10. Dover Gardens (Marion)
- 9. Largs North (Port Adelaide Enfield)
- 8. Woodville North (Charles Sturt)
- 7. Payneham South (Norwood, Payneham, St Peters)

The list has been compiled based on extensive research of the current development plans in conjunction with potential re-zoning. The analysis also considers growth potential (market value relative to surrounding suburbs), infrastructure projects, nearby amenities and gentrification that is occurring within the suburb.

It is crucial to secure the sites with the right dimensions and size as well as understanding any potential risks and full project financials before determining any offer. Zybek can provide a detailed [feasibility](#) on any site.

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Prospect

Prospect is conveniently located just 4km north of the CBD. Prospect was first earmarked for potential in this newsletter in 2012 and nothing has changed to dull that enthusiasm. The major overhaul has continued with the Northpark and Churchill commercial precincts and the renewal of the major transport corridors through the suburb.

The development plan was recently amended to allow for higher density within the Urban Corridor Zone and there have been a multitude of developments within the area that are changing the face of Churchill, Prospect and Regency Road. As new commercial outlets are introduced and projects are successfully completed, it is envisaged that the growth will continue.

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Christies Beach

Christies Beach remains one of Australia's most under-valued seaside suburbs within 20km of a major city.

The rezoning has certainly contributed to increased medium density developments; many of which are improving the area's profile. Zybek has certainly been at the forefront of the movement and has significantly changed the landscape through their developments; and is involved in many projects which will eventuate in the next few years. This is all expected to translate into good capital growth for the area.

The lure of one of Australia's best beaches, appeal of the nearby Port Noarlunga township and convenient access to the CBD, all make this an excellent place to invest and reside - and we think the best is yet to come ...

"Knowing where to buy is important, but its fundamental to identify the right property for the right price; to understand all the development options, build the optimum size dwellings to a style and specification appropriate for the target market; and manage the project efficiently to extract the best

Project Gallery

56 Fenton Avenue, Christies Beach



Located in a quiet street and within walking distance to the Beach Road precinct, the beach, Port Noarlunga and quality local schools; these well appointed townhouses feature the exceptional fitout of a Zybek project.

Each dwelling features 2.7m ceilings, open plan living with polished porcelain tiled floors and a custom designed kitchen with stone benchtops, glass splashbacks and quality appliances.

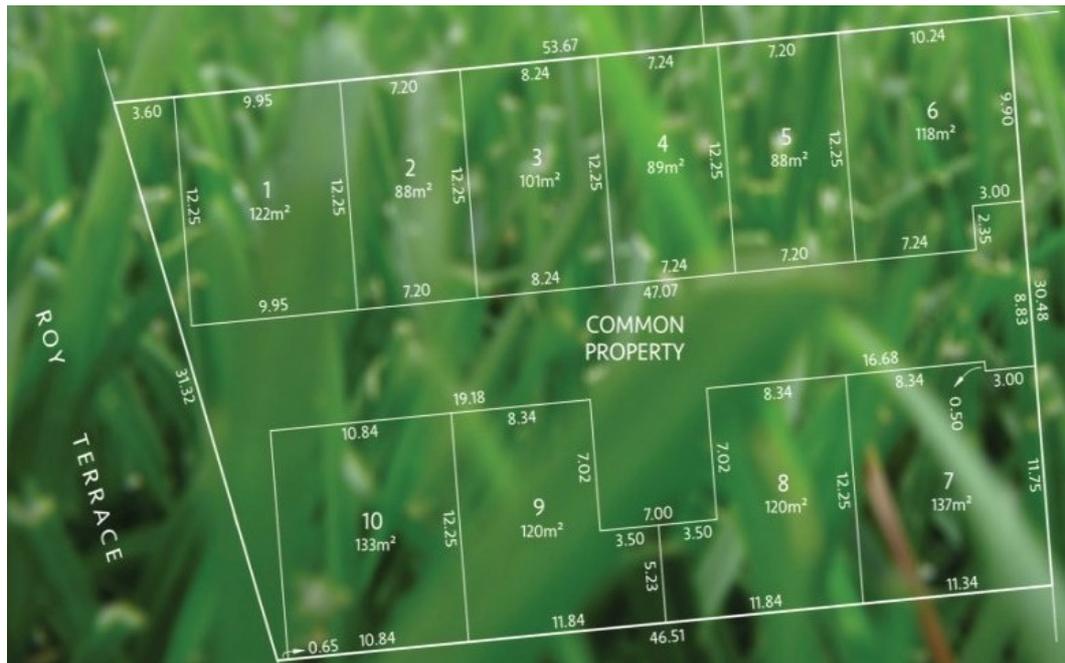
The dwellings also include 3 spacious bedrooms and 2 bathrooms, with each fully tiled bathroom including quality fixtures and fittings throughout.

All townhouses offer a single car garage with auto panel glide door and a secure fully enclosed outdoor entertainment area.

The street frontage dwelling is currently being offered for sale. For more information please visit - [56 Fenton Avenue](#).

On the Market

24 Roy Terrace, Christies Beach



Development Site with Full Approvals for “10” Dwellings

Auction: Thursday 12th November at 11am. For more details follow the link - [24 Roy Terrace](#)

A prized opportunity to secure a rare and exciting development site with full approvals to construct ten (10) townhouses in the popular Christies Beach.

The site is positioned just three streets from one of Adelaide's finest beaches and within easy walking distance to local shopping and the commercial precinct of Beach Road.

The ten (10) well designed townhouses range between 138 to 152 sq m in total (build area) and are sited on 1,527 sq m of land.

Externally, the dwellings feature a design with great articulation and excellent use of materials, whilst internally, each townhouse has a

functional floor plan accommodating three bedrooms, two bathrooms plus separate toilet, open plan living accessing a useable rear courtyard and garage parking. Six townhouses include a north-facing rear yard.

With demolition already completed and full development approvals and consents being obtained, development is ready to commence, resulting in significant time and cost savings.

Available upon request are construction working drawings, engineering report, energy efficiency report, scheme descriptions and Community By-Laws, survey plans, land division pegging plans and final certified plans.



Property from a Financial Planning perspective

The term Financial Planning is often used to cover a broad range of investments and strategies - and over many years we've seen them all. Some that do well and others not so.

So what constitutes a good financial plan?

One that takes into consideration your appetite for risk - your capacity to ride through the rough patches, has a realistic view of the potential outcomes and where you can measure your progress. It's often difficult to predict future outcomes so base your expectations at the lower end of the scale. It's always better to get a surprise on the upside!

Property ownership is a favourite amongst Aussie investors and, where it comprises a part of a well diversified portfolio, deserves its place in wealth accumulated strategies. Unlike 'listed assets' that are volatile and visible on a daily basis, the ownership of bricks and mortar provides many clients with favourable benefits. Like any investment it is vital to understand the potential pitfalls to 'Bullet Proof' your strategy, with consideration to:

Borrowings - Are interest rates historically high or low? Some consideration could be given to a part fixed/part variable rate loan to capture lower interest rates whilst locking in some guarantees around repayment costs.

The Cash Trap - Don't commit until you know what your available funds are. Some clients have found it difficult to manage their cash flow if an asset they were relying on fails to sell. It is also important to maintain a 'cash buffer' to take the burden off personal cash flow in the event that a property takes longer than expected to sell where interest repayments still need to be met.

Adequate Backups - When investing and relying on your employment income or a tenant to 'pay the bills' make sure you have income protection and trauma insurances as a 'back

door' in case things go bad. In most cases the premiums for income protection are tax-deductible - which can be an added benefit for people on higher marginal tax rates.

Tax Effectiveness - People with substantial assets in super may benefit from a self managed fund strategy. Unlike retail/industry super funds, self managed super funds (SMSFs) can hold direct investment properties as an asset of the fund. For people approaching retirement who have met their 'preservation age', there are strategies that can be utilised where the sale of the property may be CGT free (under the current legislation) when sold in the 'pension phase'.

A carefully managed self managed SMSF can be an excellent wealth accumulation vehicle for investors who are happy to act as a trustee of their own fund. With the right advice and strategies investors may benefit from; tax effective contributions, investing in assets of your choice and using the lower (or in some cases nil) rate of tax to improve the net result from your investment.

What does it all mean?

It is very important to manage strategies such as this with the right level of professional advice so that the structure meets all of the legislative requirements and that any risks/responsibilities are fully understood prior to commencing - but there are certainly exciting opportunities for those who meet the required criteria for investing in this fashion.

Jade Eley AFP Adv Dip FS, SMSF Accredited, AMC

Director | Plan 4 Strategic Advice

This article contains information that is general in nature. It does not take into account the objectives, financial situation or needs of any particular person. You need to consider your financial situation and needs before making any decisions based on this information. If you decide to purchase or vary a financial product, consult a professional financial planner for individual advice.

Client Testimonial

Success in Christies Beach

As a business professional based in Sydney with a good understanding of property development, I was interested to see what options existed for assistance in managing a development on my site in Christies Beach.

After some initial research and discussions with local agents, I came across Simon Zybek from Zybek Consulting and Management who quickly assured me that he was the person to provide the best possible outcome for the project. As an experienced developer with a good track record; Simon showcased his skills from the outset with a thorough feasibility analysis to highlight all possible options and costs; and then managed the project to execute the key deliverables and project outcomes.

The project has recently completed and has delivered an outstanding design of 4 contemporary townhouses, of which 3 will be retained for a longer term investment portfolio.

Based on the success of the first project I have subsequently engaged Zybek to identify an additional site, which has already been progressed to full development approvals.

Zybek's task oriented approach makes him very efficient and organised; whilst his approachable nature has made him easy to work with; and our collaborative approach has resulted in a project that I am very pleased with.

John Tyree, October 2015

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