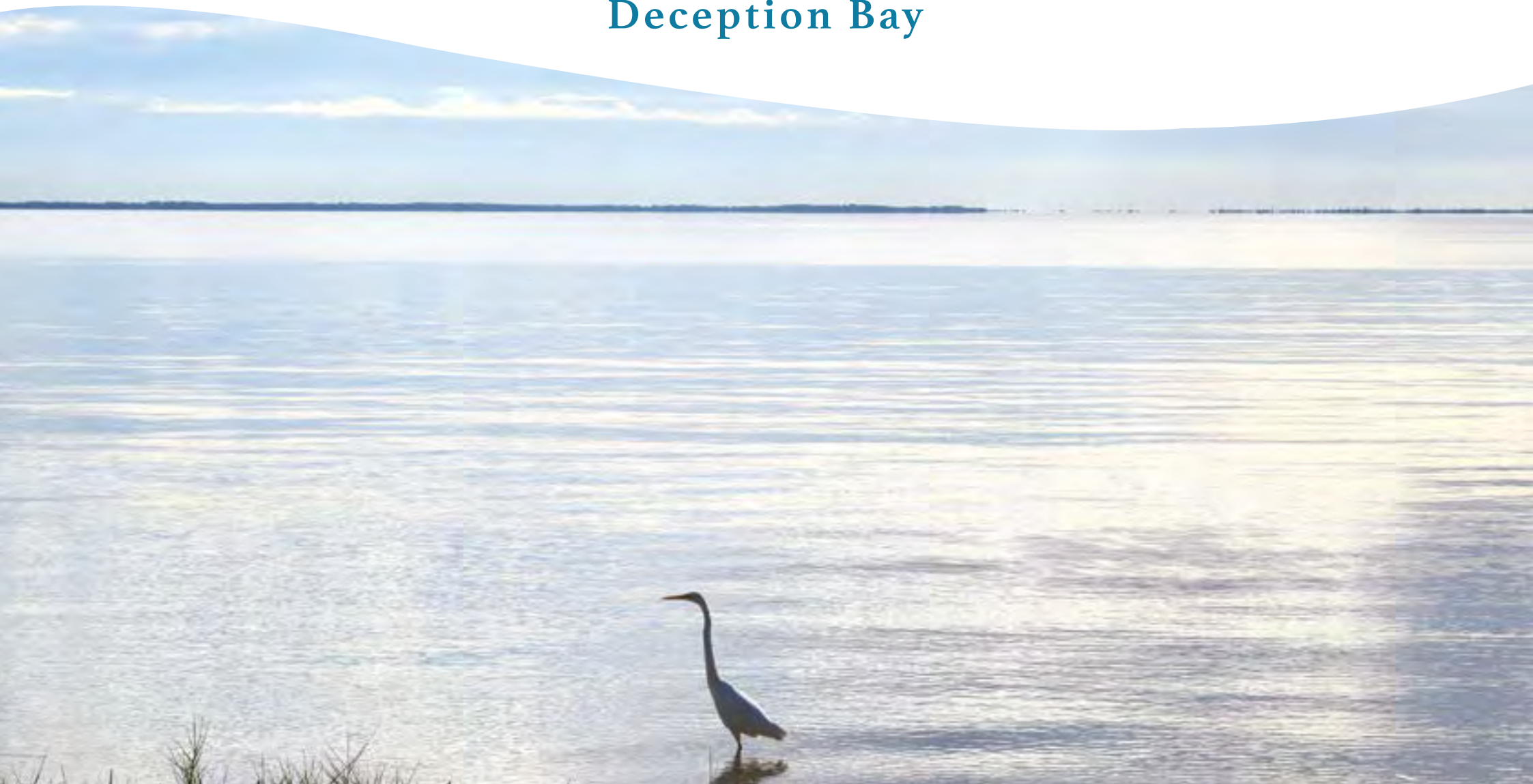




## Deception Bay



# Starting from only \$299,000 BayLife apartments are an ideal investment.

Perfectly positioned just a stone's throw from the water, BayLife at Deception Bay lies 32km north of Brisbane at the southern end of the bay. Within minutes of stepping out your front door you can be enjoying beautiful water views and listening to the sound of the ocean. Deception Bay is one of the last places in South East Queensland where you can buy close to the water at an affordable price.

Comprising 74 apartments in 2 stages of 37. Stage 1 is sold out. Stage 2 is now released for sale and construction has now commenced.

**“Areas where buyers can still get good value and low medians around \$400,000 should do well, particularly in good value Northern Suburbs like Deception Bay.”**

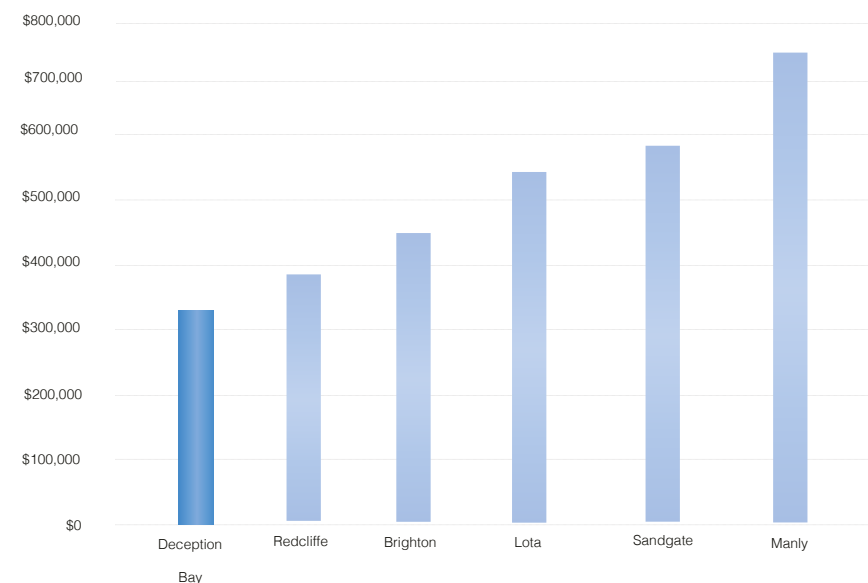
*(Andrew Wilson 2016, Domain Group Senior Economist)*



# Opportunities Abound

Deception Bay, only 30 minutes from Brisbane CBD, is a "rejuvenation" suburb undergoing transformation with redevelopment and changing demographics. Traditionally rejuvenation suburbs have very strong capital growth and increasing rental returns when redevelopment commences. Previously the bayside suburbs of Manly, Sandgate, Lota, Brighton and Redcliffe experienced rejuvenation as investors and developers identified an investment gap in these suburbs.

Median House Prices - Bayside Suburbs - 2015



**"There are now limited opportunities to purchase waterfront properties close to Brisbane at an affordable price. Deception Bay is one of the last places where such property is available."**

*(Brooke Wildin QUT, John Minnery Qld University)*





## Right Place ... Right Time ... Right Investment

Deception Bay is poised for growth with billions of dollars being spent on upgrading infrastructure. The new rail link and motorway upgrades will ensure residents easy access to Brisbane CBD.

### TRANSPORT UPGRADES

- \$1.1 billion rail link direct to Brisbane CBD
- \$5.7 million upgrade to Deception Bay Bus Station

### MOTORWAY UPGRADES

- \$15.1 million upgrade of Plantation Road Project
- \$1.162 billion upgrade of Gateway North
- \$100.4 million Boundary Rd interchange upgrade

### SHOPPING CENTRE UPGRADES

- \$250 million expansion of Westfield North Lakes
- \$20 million upgrade of Deception Bay Shopping Centre

### EDUCATION

- Sunshine Coast University - plans underway
- 29 schools within 10 km

**"Infrastructure development is one of the most powerful creators of capital growth. Areas previously unattractive to buyers because of the travel time to key destinations like CBD's or shopping precincts can be revolutionised by a new motorway connection or upgraded train service"**



## Location ... Location ... Location ...

BayLife is perfectly positioned, close to water, transport and schools

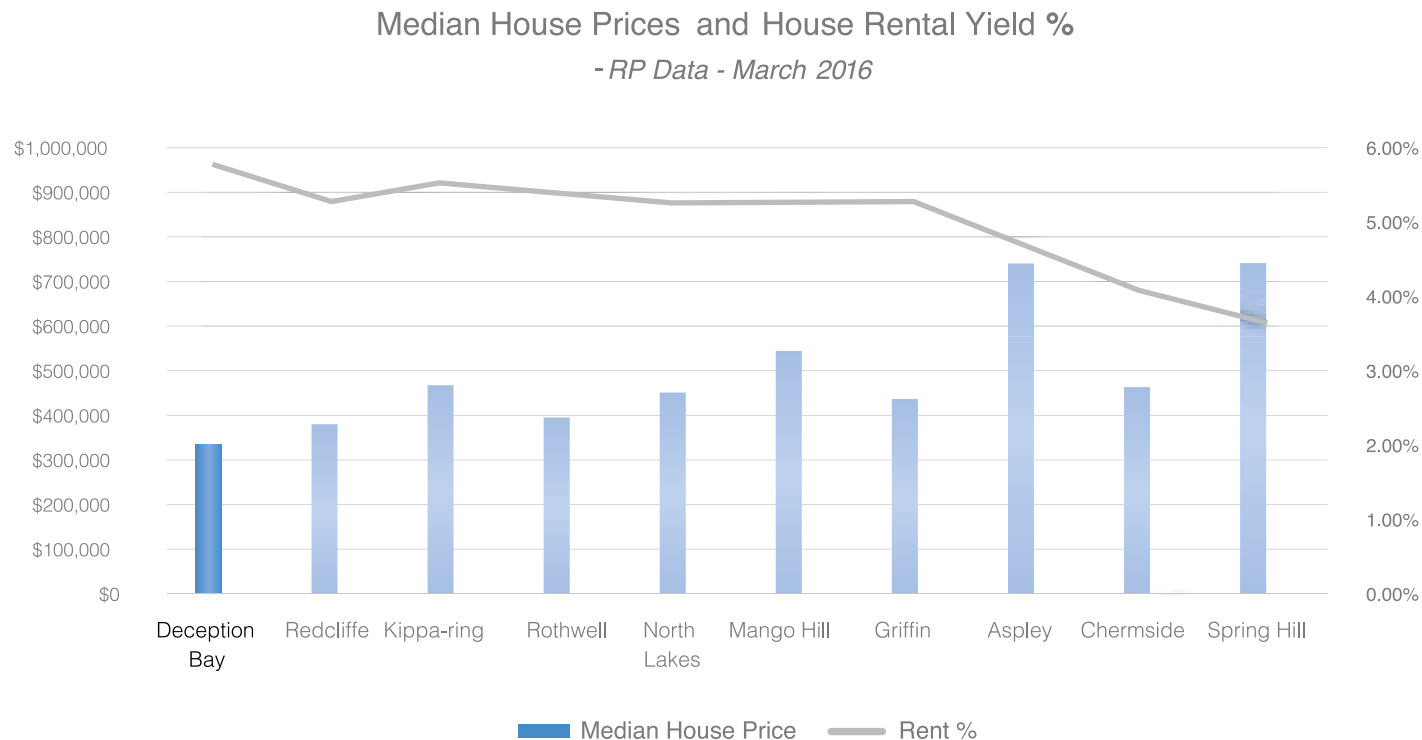
- Walk to the beach (1 min)
- Supermarket and Medical (5 min)
- Westfield and Golf (10 min)
- Brisbane CBD (35 min drive)
- Sunshine Coast (40 min drive)
- Train Station (5 min drive)
- 30 minute train ride to CBD
- Deception Bay State School
- Deception Bay High School
- Deception Bay North State School
- Christ the King Catholic Primary
- Moreton Downs State School
- Tafe College
- Sunshine Coast University Campus (Currently underway)
- North Lakes Bus Interchange
- Cottonwood Walk, Deception Bay Foreshore
- The Heritage Trail
- Brisbane Airport (30 min drive)

**"Proximity to schools has helped house prices surge"**

*(Domain School Zones Report, 2016)*

# House Price Analysis

The median house price for Deception Bay is \$330,000. When this is compared to other suburbs close by, it can be seen that Deception Bay is exceptional value for money and has significant growth potential. The positive rental return in comparison to the purchase price is also a significant indicator of exceptional growth.



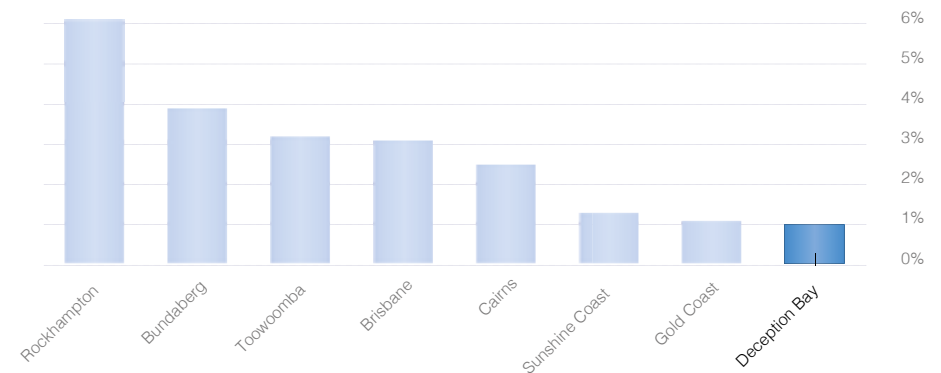
# Exceptional Rentability

## Vacancy Rate

Deception Bay has one of the lowest vacancy rates of all areas in Queensland. A low vacancy rate indicates that there is high demand for rental properties in the area.

## Residential Vacancy Rates

Queensland by region



Broad Property Research & Advisory Pty Ltd  
Source: Australian Property Monitors and REIQ. Data as at March quarter 2016.

[Click here to see the full Broad Property Research & Advisory Report](#)

✓ Price Point ✓ Growth Area ✓ Rental Returns ✓ Growth Accelerators

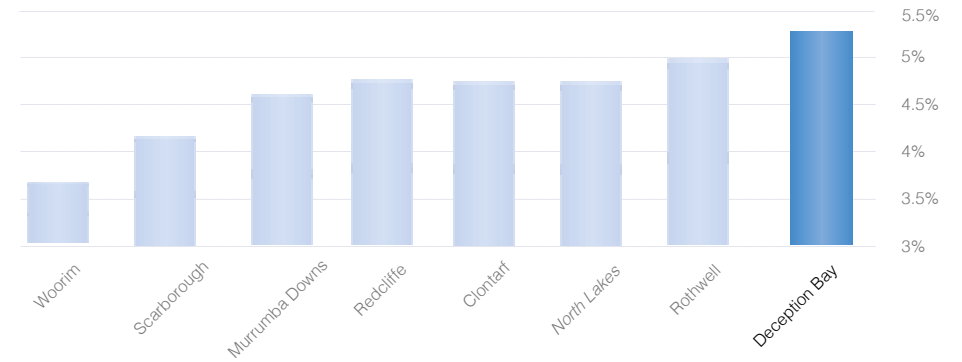


# Rental Returns

Properties in Deception Bay are currently receiving gross rental yields in excess of 5%

## Rental Returns Moreton Bay Region

Realestate.com.au June 2016



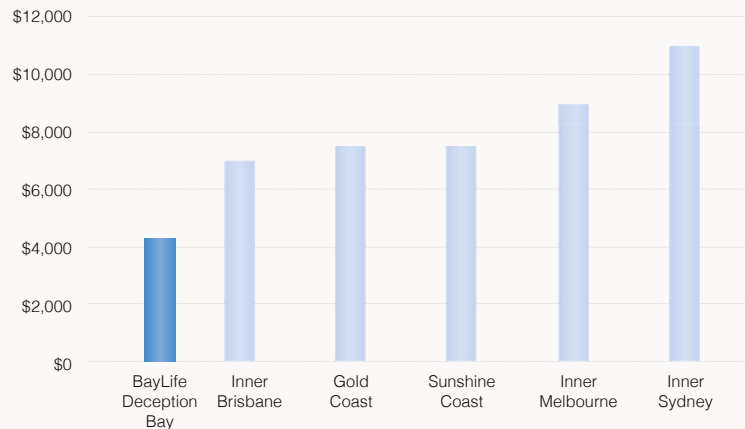


## Outstanding Value

BayLife apartments are outstanding value at \$4,090 to \$4,551 per square metre. A significant saving in comparison to the average price per square metre of \$6,500 in Brisbane.

### Price per square metre

New apartment product - various locations



## Added Value

BayLife Capital Limited, the developer, has delivered these apartments to the market at excellent value due to:

- Locking in low headworks charges in 2009
- Large building site with a low rise construction enabling economical construction
- No basement car parking reducing construction costs (all on ground level)
- Land cost at \$25,000 per site compared to \$50,000 to \$90,000 for other development sites in Brisbane

# Population Growth

One of the main drivers of demand for residential property is population growth. Over the past decade, the population of the Deception Bay Study area has increased by 4.4% making it one of the fastest-growing regions in Queensland.

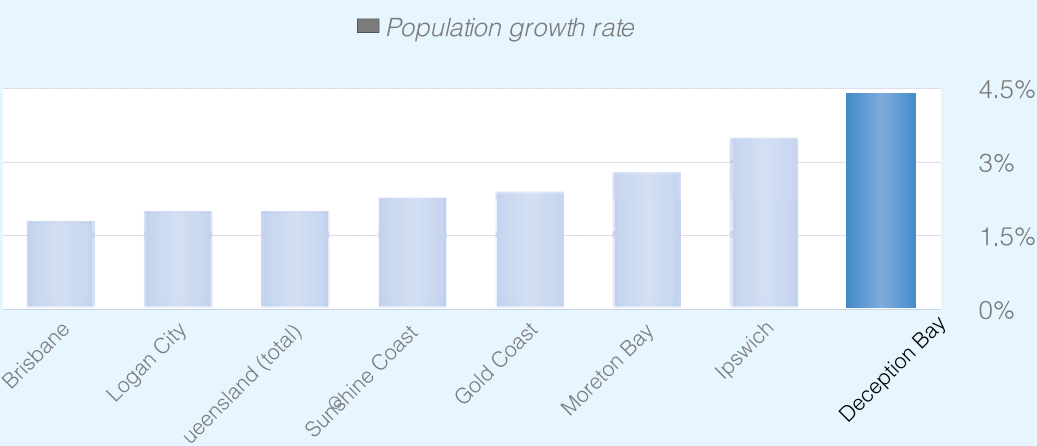
Importantly, population growth in Deception Bay Study Area is supply-led, that is, population growth has increased when new dwellings have been delivered. This provides a significant level of comfort for proponents of new apartment projects such as BayLife Deception Bay.

## Population growth - South East Queensland

Average annual increase - last ten years

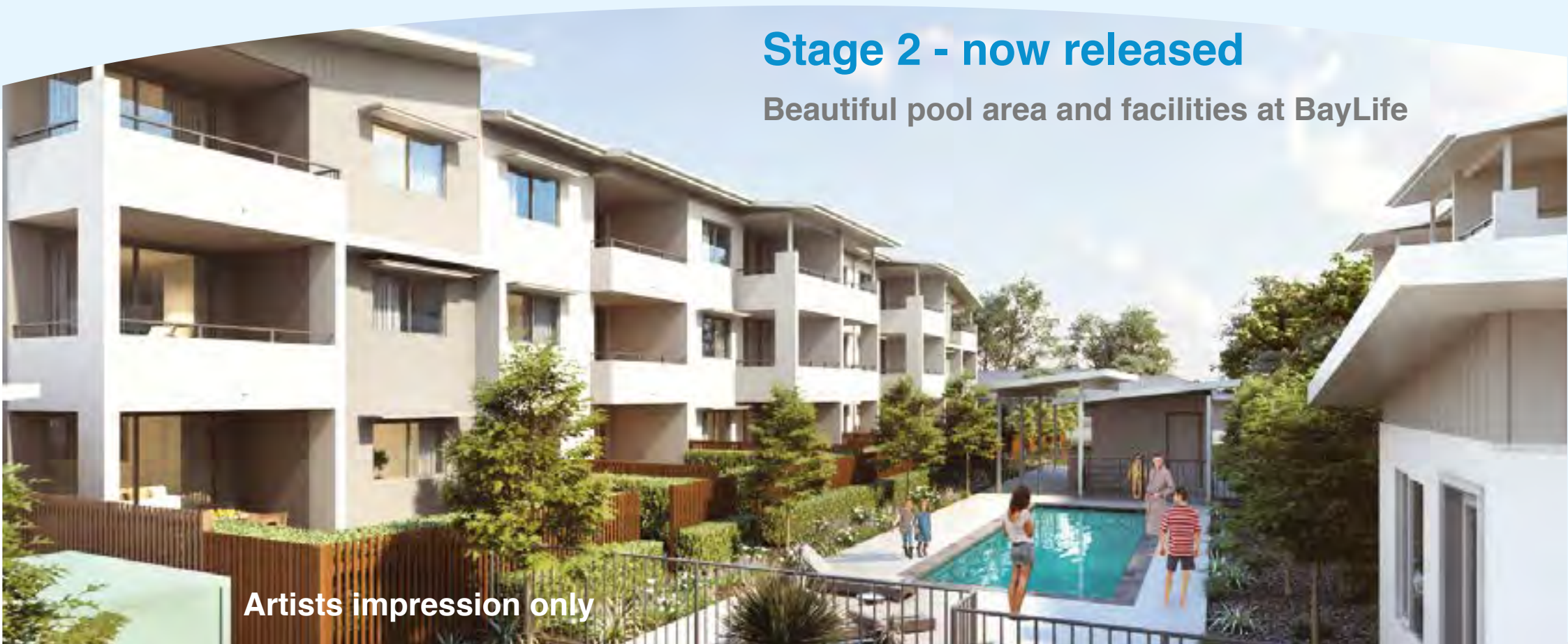
Broad Property Research & Advisory Pty Ltd

Source: Australian Bureau of Statistics Cat. No. 3218.0. Data as at end June for the decade ending June 2015.



## Stage 2 - now released

Beautiful pool area and facilities at BayLife







Webster Road - Direct to the Beach

*Artists impression only*

## Stage 2 Release - for sale now

**Building 3:** 12x 2 bedroom, 2 bathroom apartments  
9 x 1 bedroom plus study apartments  
Three storey building with pool view

**Building 4:** 16 x 2 bedroom, 2 bathroom apartments  
  
Four storey building with a lift

**Ground floor:** All ground floor apartments have a courtyard and direct access to the street or pool

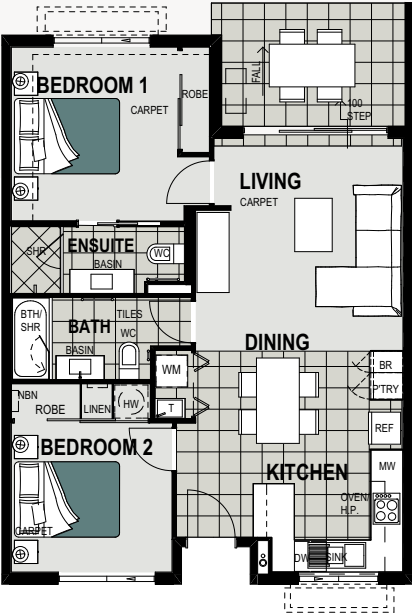
**Common areas:** Pool and Central BBQ area

**Car park:** All apartments have one undercover car park

# Floorplans - 2 Bedrooms, 2 Bathrooms

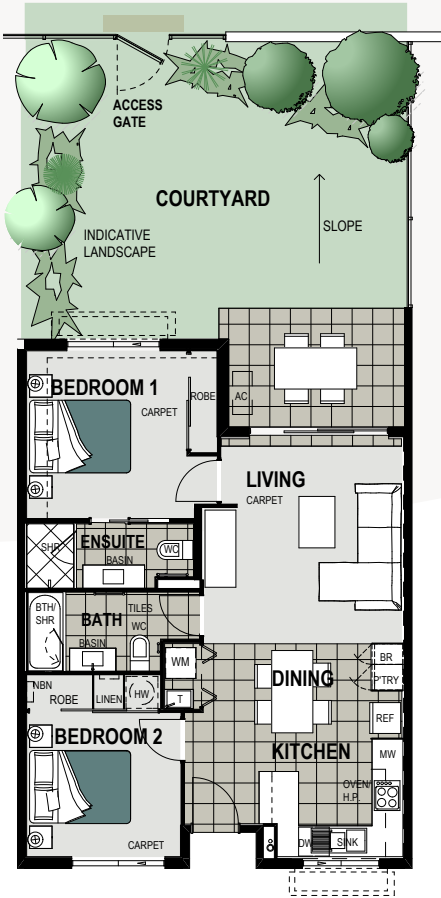
## Levels 1, 2 and 3

Internal	69sqm
External	9sqm
<b>TOTAL</b>	<b>78sqm</b>



## Ground Floor

Internal	69sqm
External	9sqm
<b>TOTAL</b>	<b>78sqm</b>
<b>Courtyard</b>	<b>36sqm to 74 sqm</b>



Body Corporate Fees range from \$3,251 to \$3,640  
Estimate Rates and Utilities \$1,600 pa

*(Body Corporate also covers Property Manager on-site for rental and complex maintenance)*

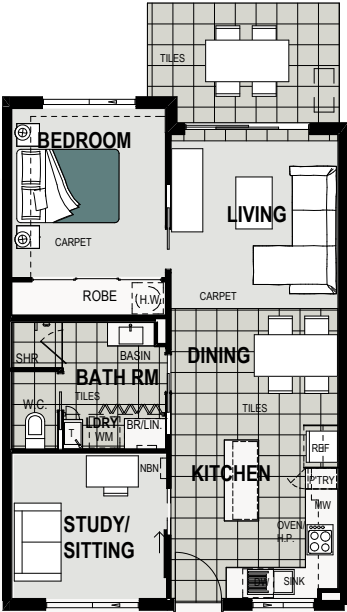
Please note that the above floor plan is an artist's impression only and is not to scale. Whilst every care is taken to ensure that this plan is correct, all room sizes and areas are approximate only and may vary. Final design may alter for reasons outside of our control. All measurements are gross area measured to the centreline of common walls. Areas also include the area of ducts that fall within the outer wall of the unit. This material was prepared prior to the completion of design and construction of the product featured. Purchasers must rely on their own enquiries and the Contact for Sale.



# Floorplans - 1 Bedroom plus study

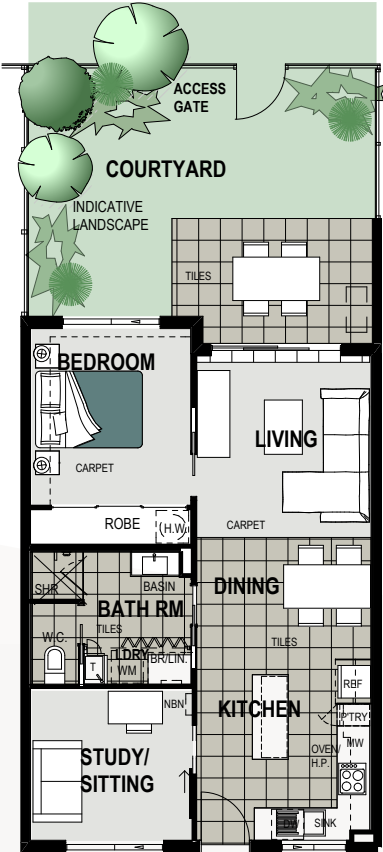
## Levels 1 and 2

Internal	61sqm
External	9sqm
<b>TOTAL</b>	<b>70sqm</b>



## Ground Floor

Internal	61sqm
External	9sqm
<b>TOTAL</b>	<b>70sqm</b>
<b>Courtyard</b>	<b>23sqm</b>



BodyCorporate Fees range only \$3,191 to \$3,346 pa  
Estimate Rates and Utilities \$1,500 pa

*(Body Corporate also covers Property Manager on-site for rental and complex maintenance)*

Please note that the above floor plan is an artist's impression only and is not to scale. Whilst every care is taken to ensure that this plan is correct, all room sizes and areas are approximate only and may vary. Final design may alter for reasons outside of our control. All measurements are gross area measured to the centreline of common walls. Areas also include the area of ducts that fall within the outer wall of the unit. This material was prepared prior to the completion of design and construction of the product featured. Purchasers must rely on their own enquiries and the Contact to Sale.

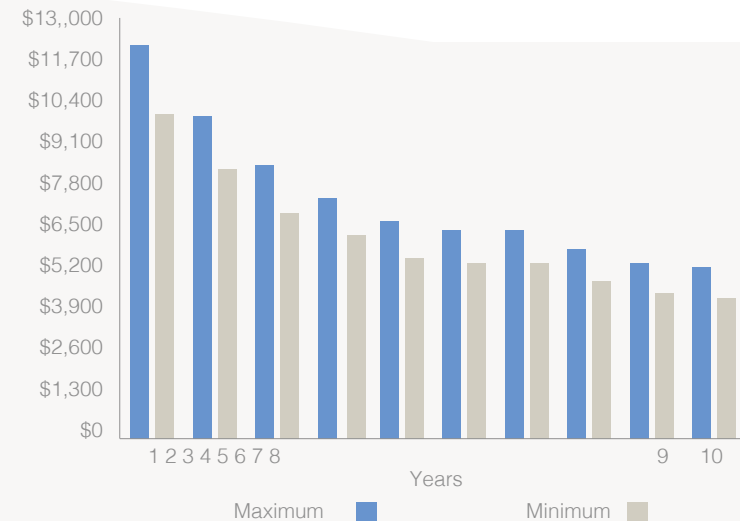
# Exceptional Tax Benefits

There are excellent tax depreciation benefits with BayLife. Depreciation reduces taxable income and is a very important consideration in any property investment.

## Depreciation

**Estimate of Depreciation Claimable Typical Apartment, BayLife Apartments  
27-31 Webster Road, DECEPTION BAY, QLD 4508. Purchase Price \$319,000**

Year	Plant & Equipment	Division 43	Total
1	7,340	4,747	12,087
2	5,302	4,747	10,049
3	3,660	4,747	8,407
4	2,759	4,747	7,506
5	1,921	4,747	6,668
6	1,740	4,747	6,487
7	1,657	4,747	6,404
8	1,033	4,747	5,780
9	649	4,747	5,396
10	405	4,747	5,152
11+	669	142,405	143,074
Total	\$27,135	\$189,875	\$217,010



**"Apartments in low rise, boutique apartments, have the most generous tax depreciation"**

# Return on Investment

The power of property investment lies in leverage – the ability to borrow. The banks lend up to 95% on residential investment property at very low interest knowing it is safe and secure (compared to the volatility of shares for instance). This should also give the property investor great comfort as to safety and security. It is this capacity for leverage that the property investor needs to utilise. Of primary evaluation is the rate of return an investor can obtain in a safe secure investment on the actual 'cash' outlaid while utilising the bank to provide the balance. The return on investment should take into account rent, capital growth and tax benefits.

As is evident below, BayLife offers an opportunity for minimal cash down compared to many other residential investments and an excellent return on investment.

Over 20% per annum return on invested capital with the investment being cash flow positive.

*Definitions and Assumptions Include;*

- Calculated on an IRR (Internal Rate of Return) bases which equates to a compound rate of return per annum based on monthly cash flow
- Final values in Year 5 and 10 include the construction year
- Cash flow based on purchaser claiming PAYG variation
- Attached yearly figures are a summary of the monthly cash flow

*Analysis and figures are for indicative only. Purchasers should always consult their financial advisers on all financial matters.*

## Over 20% pa compound return on investment

### Property Investment Analysis

BayLife	1 Bedroom + Study	2 Bedroom, 2 Bath
Current Taxable Income	\$80,000	\$80,000
Borrowing %	80%	80%
Apartment Purchase Price	\$299,000	\$319,000
Interest Rate %	5%	5%
Rent Per Week	\$320	\$340
Weeks Rent Per Year	50.96	50.96
Capital Growth Rate %pa	6%	6%
Cost Inflation CPI %	4%	4%
Total Ownership Cost	\$6,800	\$7,200
Cash Required	\$62,192	\$66,352
Interest Paid	\$12,438	\$13,270
Gross Rent Recieved	\$16,307	\$17,326
Pre-tax Cash Flow	-\$4,236	-\$4,530
Total Tax Deductions	-\$17,084	-\$17,418
Tax Savings	\$5,552	\$5,661
Gross Rent Recieved + Tax Savings	\$21,859	\$22,987
Interest Repayments + Expenditure	\$20,543	\$21,857
Cash Net Surplus Year 1	\$1,316	\$1,131

### Property Investment Analysis Outcomes

*(Based on the assumption of sale of property in years 5 and 10)*

BayLife	1 Bedroom + Study	2 Bedroom, 2 Bath
Weekly Cash Surplus	\$25	\$22
Cash Invested	\$62,192	\$66,352
Return on Investment (5 years)	22.1%	21.9%
Return on Investment (10 years)	26.7%	26.4%

**STAGE 2 AVAILABLE NOW**

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**[www.baylife.com.au](http://www.baylife.com.au)**

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