



profile

CROSSING THE TASMAN

Mary O'Brien has carved herself an interesting place in both the New Zealand and Australian mortgage industries since migrating to Sydney two years ago. Gillian Bullock reports.

Bringing together her years of experience in New Zealand with her life in Australia has seen Mary O'Brien create her own niche in the mortgage industry.

The Auckland-born mortgage broker runs two businesses concurrently – one helping New Zealanders to settle in Australia; and the other helping Australians to invest in New Zealand and Australia. This, you could say, is the embodiment of the 1983 Closer Economic Relations trade agreement between the two trans-Tasman countries!

Fifteen months ago O'Brien came to Australia because her fiancé had been transferred here as Product Development Manager with aluminium group Capral. But when they looked to buy a property, O'Brien says she was absolutely shocked at the level of stamp duty.

"When I saw how much stamp duty I had to pay, it was just such a shock – in New Zealand you only need a 5 per cent deposit and \$1000 in legal fees to buy a property, says O'Brien. It made me start to think that there was a gap in the market and so I decided to set up a company to help New Zealanders come to Australia,"

Shocked

"I thought if I'm shocked then there are a lot of other New Zealanders coming here who are equally shocked and there must be some solution," she says. "Most of the people coming here would have equity

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in their home in New Zealand and that equity is growing because of the booming market there.”

So O’Brien took her five years’ experience as a mortgage broker in Auckland and her strong relationships with the key lenders there and created a business that provides New Zealanders with the money to pay their stamp duty and set-up costs in Australia and ideally provide some 20 per cent of the deposit. The remaining 80 per cent is then sourced in Australia either through O’Brien who is a Choice Home Loans broker or she will assist other Australian brokers who have New Zealand clients. The New Zealand arm of her business is called New Zealand Mortgage Solutions and is based in Sydney.

By using this strategy, buyers with existing property in New Zealand can acquire 100 per cent finance yet avoid the need to pay mortgage insurance.

But there’s another side to the coin. The growing popularity of New Zealand as a location for property investment has created another niche market for O’Brien.

Again, it was an event that prompted her to recognise this niche – namely when NSW Premier Bob Carr bought a property on the South Island of New Zealand.

“New Zealand is very attractive to Australian property investors as there is no stamp duty, no land tax, good capital growth and good rental returns,” says O’Brien.

Right information

She uses her contacts in New Zealand with lenders, accountants, valuers and real estate agents to ensure

potential buyers are armed with all the right information for a successful purchase.

“Potential buyers will tell me where they are interested in buying and I send them to the appropriate websites containing information about the locality, the real estate there and the valuations. I know people in real estate in New Zealand along with lawyers, accountants and valuers,” she says. “I encourage them to have their Australian solicitor and accountant talk with their counterparts in New Zealand before they go in order to work out the best financial structure for their individual circumstance. And I encourage them to have pre-approval of their loan through a New Zealand lender via New Zealand Mortgage Solutions before they go over there.”

For instance, capital gains tax is not payable on NZ properties but once a permanent Australian resident sells any property worldwide, they are liable for Capital Gains Tax to the Australian Tax Office. That’s why it’s important to nut out your financial structure before you buy.

For Australians investing in New Zealand, O’Brien will generally source 20 per cent of the investment in Australia and the balance in New Zealand.

The trans-Tasman nature of O’Brien’s work means that her day starts early to allow for the two-hour time difference. And because she is frequently called upon to talk at seminars about the property market in New Zealand her days can go on well into the night.

But she still finds time to indulge in her favourite passion of being near the water. Not long after moving to Sydney, O’Brien and her fiancé bought a holiday home near Jervis Bay on the NSW South Coast. Here they enjoy boating, swimming and fishing.

Her other love is landscape and design and she has recently completed a marketing degree in New Zealand.

Travel has always played a major part in O’Brien’s life. Over the years she has travelled extensively in New Zealand and Australia and has spent a number of years working in Europe. A six-week trip to Munich to experience Oktoberfest turned into a four-year stay where she worked as the assistant to the financial controller of Compaq.

When O’Brien left school her ambition in life was to travel the world and meet people. And having already visited 75 per cent of the world, that’s just what she’s done! 