

ISSUE
FEB – MAR
2020

THE INVESTOR

PROPERTY RESEARCH DATA SOURCES

WHERE TO LOOK?

If you are wanting to research the property market, the following information data sources are a great starting point:

- Core Logic
- RP Data
- Residex
- SQM Research
- Australian Bureau of Statistics
- Australian Property Monitors

However, if you want to be one step ahead and know the key indicators that impact the property market, then you should pay attention and research the following information:

- Population growth
- Consumer confidence
- Finance approval trends
- Employment growth
- Council plans, developments and projects
- Relevant legislation changes

And most importantly, seek advice from industry experts and look at as many properties as you can.

THE REAL MEASURE
OF YOUR **WEALTH** IS
HOW MUCH YOU
WOULD BE WORTH
IF YOU LOST ALL
YOUR MONEY



THE HIDDEN TRAPS THAT CAN DEVALUE A PROPERTY

When buying or selling property there are many different factors that can impact on the price achievable. The size of the property, size of the land and location are elements that generally cannot be changed. Then there are factors that can be changed or controlled that will impact on the sale price.

To avoid the hidden traps that can devalue a property's sale price achievable, consider the following:

DIY renovations

In the short-term DIY renovations can save money, however when an agent appraises a property or a buyer steps into the home, any works carried out at a property (such as painting, tiling, property modifications, etc.) that have not been completed to a professional standard, will be noticed for the wrong reasons. While some DIY small jobs, handy work in the garden and a good clean can be done by the owner, make sure you always engage a qualified and licensed person for the big jobs, such as building, electrical, painting, plumbing or heating repairs and works.

Illegal home improvements

If you are going to structurally improve the property, make sure that you obtain the correct building or development approvals from the council for any extensions to the property, or building modifications, such as a new jetty, pool, deck or balcony, etc.

If you do not have all your approvals in place this may affect the sale and the sale price or could potentially result in a collapsed contract.

General state of repair

Dirty grout, unpleasant odours (pet smells or newly fertilised gardens), peeling paint, crumbling garden sheds, quirky décor, sliding doors that don't work, outdated furniture, cracked concrete, too much clutter, loud colours, old and worn out carpet, finishing's and appliances will all impact on the sale price.

Before you list a property for sale, take the time to carry out a thorough spring clean, freshen up the property, tidy up any mess (including inside cupboards) and pay attention to the finer details. If you feel you need to update the furnishings and décor to showcase the property so that it stands out and is more appealing to a wide range of buyers, consider property styling, staging and furniture hire as this could potentially add tens of thousands of dollars to the list price.

Curbside appeal

There is no second chance for a first impression. If there is no curbside appeal, potential buyers may not even enquire on the property. Make sure you invest time into the presentation of the external areas of the property as well, such as external painting, pressure clean driveways, buy a new front door, letter box and house number, tidy the lawns and gardens, remove unnecessary items or junk and fix any repairs needed. **P.T.O** >

KEEPING YOU IN THE KNOW

Property Research 'Supply & Demand'

To be an informed and successful investor, it is important to keep up-to-date and in the know of relevant property research, market conditions, future predication and developments, general industry information, data, trends, as well the lingo or terminology of the property industry.

This month we look at the concept of 'Supply and Demand'.

Supply and demand are the most fundamental concepts of economics and the cornerstone of a market economy. The basics of supply and demand in real estate is if there is a high demand for buying property (more buyers than properties for sale) then prices will rise and if there is an over-supply of property (more properties for sale than buyers) then prices will fall.

When carrying out your property investment research, there are many factors you can consider, which will help you gauge the levels of supply and demand.

Average property days on the market – This refers to the average number of days properties are advertised for sale before selling. Tracking these figures help ascertain the current supply and demand for properties in a suburb. Generally, the lower the figure is for average property days on the market, the higher the demand is, and prices will rise.

How long the property has been on the market that you want to buy – Real estate that is taking a long time to sell can be a result of a lack of demand in the suburb, which in turn can lead to motivated sellers and potentially discounted prices.

Vacancy rates – The vacancy rate is a numerical percentage value, which reflects how many properties are vacant at any one time. If there is an oversupply of properties in a suburb, and the demand is low, there will be a high vacancy rate.

Property price discounting – The seller discount is the average percentage discount from the original asking price to the final selling price. Tracking this figure within a suburb can give you an indication of the levels of buyer interest and seller motivation. For example, if the level of discount is low, it means that demand is strong, and the seller may not have to discount very much (or at all) in order to sell their property.

Auction clearance rates (ACR) – This is the proportion of properties listed for auction that sell. In a suburb with strong demand, a higher proportion of properties will sell at auction than in a suburb with weak demand.

Proportion of renters – This figure, compared to owner occupiers, indicates the supply of investment property in a suburb.

In addition to these supply and demand gauges, you should also look at the population statistics for a suburb (how many people are moving or looking to move into the area); if there are any new developments planned; the construction statistics for the area and the disposable income levels of the people residing in the area, as all of these factors will also influence supply and demand and the rise and fall of property prices.

Before buying property always do your research and know the market to ensure that you are making smart and informed investment decisions.

INTERESTING FACTS ABOUT PETS

With many states around Australia (Qld, Victoria and the ACT) looking to/or actually introducing new pet reform laws, the RSPCA have released some interesting pet ownership facts that may have played a role in these reforms, which are making it more difficult for landlords to discriminate or refuse pet approval requests, unless there are exceptional circumstances or reasonable grounds.

According to the RSPCA, there are over 29 million pets in Australia being one of the highest

pet ownership rates in the world. Approximately 61% of households in Australia own pets, with dogs being the most common (40%), followed by cats (27%). 64% of pet owners are female, and 65% of pet owners are from households with incomes of \$50,000 or more.

Are you a pet owner? Should tenants have the right to a pet, if they can prove that they can afford to pay the rent and maintain the property in a clean and tidy condition by providing rental references?

RISTIC NEWS

This month we celebrate the birthday of our #1 Boss!



GETTING TO KNOW US:

Did you know our Property management department consists of:

- 5 Property Managers
- 2 Leasing Consultants
- 2 Support staff
- 1 Trust accountant
- 1 Director of Property Management

So, rest assured our team of professionals have your invest properties well cared for.



Fusun Ristic
Director of
Property
Management

SUDOKU COFFEE BREAK

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