

PROPERTY NEWS

Ideas to help you when you're Buying or Selling

Strong demand sparks search for homes

The Property Shop chases listings as buying pressure mounts



There's no doubt the Federal Government's monetary and fiscal policies are working, with the property market showing good signs of recovery. This can be no better seen than with the results being achieved by Mudgee's leading estate agents, The Property Shop.

The firm has just run up a string of sales that underscores its claim to be the market leader in the region. Principal Hugh Bateman told Property News the agency was selling steadily "month in month out" and had so many qualified buyers on its books it was urgently chasing listings.

"We just can't get enough," Hugh said. "We often sell within a short time frame. This is mainly because of our huge database that lists many qualified buyers anxious to buy in the area.

"It has been built up over a long period of time doing business in the local community. There is no doubt it has contributed to our success and enabled us to keep selling consistently year in year out," Hugh said.

"We place a lot of emphasis on discussing a prospective purchaser's needs – clearly identifying what they want in a property and any special requirements.

"Regardless of the state of the market, whether it is weak or healthy, it is critical an agent qualifies their buyers to ensure they will like the house and can afford it. Such precautions save time for everybody," he said.

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In this issue of Property News:

- Evaluating your buying or selling options
- Property market remains strong
- Smoke alarm responsibilities for landlords



www.thepropertyshop.com.au **6372 2222**

A letter from the Editor

Dear Reader

The latest round of housing figures has confirmed a sustained improvement in the residential property sector over the last few months. Overall the total number of new loans posted the best result in months, an encouraging sign that interest rate cuts and government stimuli were causing budding homebuyers to enter the market.

Prospective purchasers are certainly finding the conditions very attractive and first homebuyers are taking advantage of the market. Over the last 3 months almost 40,000 first home buyers have purchased across Australia – the best result nationwide in eight years.

Here in Mudgee, the second week of March posted the highest number of sales in one week that we have recorded in 36 years in business.

Buyers predominantly included investors and first homebuyers. We are excited with the huge change in trends. Our biggest problem now is seeking listings in Mudgee to replenish our “sold” stock for buyers who are waiting for the “right” property to come on the market.

We’re really delighted with our new premises. The prominent location is attracting a large number of walk in enquiries, far more than our previous location. This is no doubt contributing to our selling success.

We trust you have a healthy month.

In the meantime, love where you live.

Regards

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Should you sell first before buying your next property?

You have found your dream property. Finally all those months of searching have ended and the property that meets all your needs is ready to be bought.

But wait a moment, you haven’t sold your current property. You definitely can’t own both.

In this report, we examine a common problem and give you a couple of hints as to what you could do.

Mum and Dad have had enough. Finally, after months of agonising over whether to extend the family home or sell, a decision has been made to sell up for a bigger property.

Mum, Dad and the kids have sat over many dinner table conferences debating what type of house will fit the bill for their family.

They spend the weekends on the real estate crawl looking for a new place.

Then, when they least expect it, they find the property of their dreams.

But then it dawns upon them that they must sell their home quick smart as there is a chance they’ll miss out on their dream property.

Maybe they would have been smarter selling before or should they take the plunge and sign on the dotted line and hope their old home sells?

The danger of buying before selling is that you may sell at a low price to meet your contractual obligations on the purchase,

thereby losing considerable capital.

The danger of selling before buying is that inflation may cause the price of the purchase to far exceed a comparable sale, thus costing you money.

The ideal, of course is to sell in a seller’s market and buy in a buyer’s market, but this requires a sudden and dramatic increase in market listings after you sell.

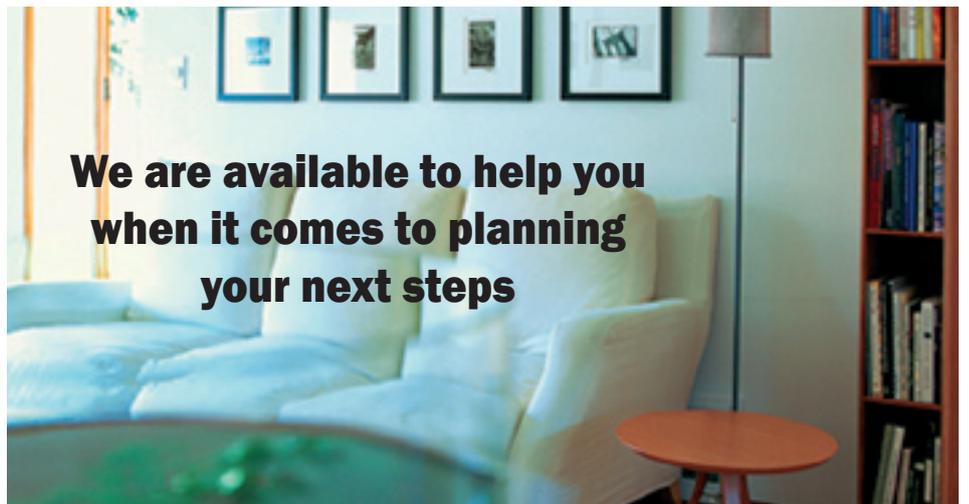
We recently met a couple who tackled the problem by having two interested purchasers on hold (before finalising a price), before they selected their new property.

Once they had negotiated a price on the property they wished to purchase, they could negotiate a final sale price on the property they had for sale.

This enabled them to calculate carefully what they would need to achieve from the sale before exchanging contracts on the purchase.

This is not always possible, but you need to work at ‘both ends’ of the transaction before finalising one at the expense of others.

To evaluate your options, we are happy to sit down with you FREE of charge and help you in planning your next steps.



We are available to help you when it comes to planning your next steps

Agents score top marks as sales roll on

Professionalism the key to top prices and results

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Asked why he thought the agency was such a success Hugh said: "Firstly, I want to say we're not impressed by all the media hype about soft markets and a downturn. We believe if you have the right attitude then you can sell in any market.

"Some agents have a defeatist frame of mind, but we know that provided a property is appraised correctly from the outset, that it's well presented and professionally marketed, we can sell.

"Agents must assess a property honestly. Some agents overstate prices simply to get the listing but we assess a property carefully and set a realistic figure we know will meet the market," Hugh said.

"Presentation is also most important, especially in a tight market where so many homes are competing with one another to attract buyer attention. The house that is dirty, or the lawns haven't been cut or that needs to be repainted will more likely be ignored by buyers than the property that has been spruced up," he said.

Commenting on the Reserve Bank of Australia's (RBA) decision at its April meeting to cut interest rates further, Hugh said the cut would give added confidence in the national economy.

He said he was not surprised that the RBA had decided to cut the rates 25 basis points, reducing the cash rate to 3 per cent. He said this would further stimulate

the economy and increase business and consumer confidence.

The cut has reduced the official cash rate to its lowest level since March 1960 when the rate was 2.99 per cent.

Hugh said: "We are already selling well. There's no doubt the monetary and fiscal policy initiatives by the Reserve Bank and the Federal Government are bringing a lot more buyers back, including investors. It's evident too that the global uncertainty has made it much more risky to invest in the stock market.

"As such, property represents a far safer haven not just for investors but owner-occupiers. It's a great time to buy," he said.

Hugh said with a positive attitude and strong work ethic great results were still achievable. So, if you are planning to deal in real estate, remember that the team at The Property Shop comprises expert consultants with many years experience in the industry. Call the firm for professional advice on the best way to sell, buy and lease.



View properties for sale at www.thepropertyshop.com.au



*Working for you
around the clock!*

Are you selling for the right price?

If you would like to sell your property please call our sales team on 6372 2222 and rest easy in the knowledge that our team of experts will look after you!



Hugh Bateman
Principal



Lucas Sheppard
Property Consultant



Damian Kearns
Property Consultant



Troy McKellar
Property Consultant

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Smoke alarms save lives!

Landlords must comply with smoke alarm legislation

Under the Residential Tenancies Act and the Residential Tenancies (Residential Premises) Regulation landlords are responsible for the installation of smoke alarms in rented premises.

These days, nobody disputes the importance of smoke alarms and how effective they are in saving lives. They are early warning devices, which are designed to detect smoke and alert occupants to the presence of a fire. Installed in the correct location, they increase the time available for safe escape.

Since the installation of smoke alarms became mandatory in NSW in 2005, the number of deaths in house fires has fallen



significantly. But, the NSW Fire Brigade has warned there are still deaths and often they arise when people have failed to install the alarms or forgotten to put in new batteries.

A convenient way to remember to test or change the battery is to do so when daylight saving changes. This year that will be on Sunday, 5 April.

According to the Office of Fair Trading, landlords have the right of access to rented premises to fit smoke alarms after giving the tenant at least two days notice.

Neither the landlord nor the tenant is allowed to remove or interfere with the operation of a smoke alarm fitted in a rented property unless they have a reasonable excuse. A person who does not comply with the legislation can face a fine of up to \$550.

Under the legislation, where a smoke alarm is of the type that has a replaceable battery, the landlord must put a new battery in at the commencement of a tenancy. After the tenancy begins, the tenant is responsible for replacing the battery if needed.

However, if the tenant is physically unable to change the battery the tenant is required to notify the landlord as soon as practicable after becoming aware of the need for it to be replaced.

The tenant is not responsible for the replacement of batteries in 'hard-wired'



smoke alarm systems that have battery back-up. This is the responsibility of the landlord.

The condition report section of the tenancy agreement must include a specific reference to smoke alarms so that tenants and landlords are able to note and comment on the presence of smoke alarms at the beginning and end of the tenancy.

If you need advice about the requirements for smoke alarms, contact our property management team today. Our friendly experts will be only too pleased to guide you about what is required under the law.



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around the clock!*

Want to rent your property?

Call us today on 6372 2222!



June Lewis Commercial/Strata Manager
Tony Bibb Residential Property Management
Ray Peters Residential Property Management
Jason Martin Commercial/Strata Management

The Property Shop Property Management staff are committed to protecting your investment and obtaining the best possible return. For an obligation free appraisal of your rental property contact us and we'll look after you.

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