

PROPERTY NEWS

Ideas to help you when you're Buying or Selling

GRANTS BOOST ENDS IN JUNE!

The Property Shop warns first homebuyers not to miss market

First Homebuyers \$21,000 rebate on building
From \$132,500



First Homebuyers \$14,000 rebate
Only \$225,000



The Federal and State Governments' generous incentives for first homebuyers coupled with falling interest rates and low prices, have seen house prices rise, as first homebuyers have come flooding back into the market.

The generous grants and low prices have triggered a rush by both first homebuyers and investors on properties at the lower end of the market. As a result some areas in metropolitan and regional New South Wales have reported mini-booms in house sales.

However, the Principal of The Property Shop, Hugh Bateman, has warned that many first homebuyers are going to be disappointed if they don't act swiftly and buy immediately. ▶▶

First Homebuyers \$14,000 rebate
Only \$220,000



First Homebuyers \$21,000 rebate on building
From \$175,000



In this issue of Property News:

- Attracting the right buyer using database contacts
- Now is the ideal time to invest or buy
- Environmental incentives result in huge savings

THE PROPERTY SHOP

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

A letter from the Editor

Dear Reader

The Mudgee property market, particularly residential housing to \$400,000 continued to be active during the past month.

Very noticeable has been the fast clearance of some homes that have been on the market for some time. Sellers are meeting the market and buyers are taking advantage.

You always know you have an active market when there are two or more buyers vying for the same property and homes are listed and only on the market one or two days before being sold.

We've had a very busy two months with one of our "fresher" property consultants notching up 9 sales in one month.

Obviously all the activity being generated from our office is now creating a shortage of property in the range up to \$350,000. We would be delighted to have more property listed in this price range, as the buyers are certainly there.

For those that are thinking of marketing their property in the spring, I would suggest you follow the strength of the market. It's strong now. While spring creates aesthetics around the home, it doesn't necessarily govern the market.

Now is a good time to sell, while buyers are in the market.

Have a great month.

In the meantime - love where you live

Regards,

Hugh Bateman
Principal



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Does your agent have the contacts?

In this report, we examine several points you need to consider to see if your agent has an active database of potential buyers

Sometimes homes sell swiftly because they are exceptionally priced and other times they are snapped up because of their prime position.

But how are buyers found when a property has only been on the market for a few hours?

The secret to this phenomenon is database marketing. Agents have been using this method to achieve outstanding selling results for countless sellers in the area.

In this exclusive report, we discuss the valuable use of an extensive client database featuring potential buyers who are currently seeking property.

When a buyer contacts the agent or attends an open home inspection, they can be added to the database for future reference.

From the moment the listing is received for a property, a simple referral back to the buyer database can match the property to a suitable buyer.

An inspection is organised with a qualified buyer straight away and the buyer can make an offer even before the property is advertised.

This can prove a valuable source with the benefits of having active buyers and investors on your books - through understanding the requirements of valued clients, you can match and introduce prospective purchasers to available properties.

If you've been reading Property News, you'll have noticed a consistent set of stories each issue demonstrating regular sales success in your local area.

With the average homeowner purchasing once every seven years, a satisfied customer, in most cases will return to use the services of the agent that helped them successfully buy a property last time.

Why is an agent's ability to use a client database so important when you are looking to buy and sell property?



The benefits of holding a large database are two fold - the agent can instigate inspections on behalf of the vendor in a very short time frame, often prior to advertising, helping to create competition and the purchaser benefits from the first bite of the cherry, allowing for early assessment of a property.

By using a database method potential buyers can be found quickly and inspections can be organised from day one - using a client database eliminates the need to implement costly advertising campaigns and allows agents to sell to the right buyer.

It is so important that you appoint a selling agent with an established network of clients. Having sold a property once, if they feel your property will meet the buyer's criteria, a sale can happen extremely quickly.

Successful agents always try to match properties to purchasers before taking them to look at properties on their books. If they don't have a long list of clients the sales process can be extremely slow.

Plus, it is good to have an agent negotiating on your behalf who has already had the experience of selling to the buyer in the past!

Home prices up!

'Incentives boost set to expire at the end of next June,' agent warns



► "This warning is not just some sales hype," Hugh stressed to Property News. "We all know consumers can be cynical about real estate agents but the truth is there is now a shortage of stock at the lower end of the market.

"Not only is there a shortage of stock, but the First Home Owners Boost (FHOB) which doubled the first homebuyers' grants for established homes to \$14,000 and trebled the grants to \$21,000 for new homes is set to end on the 30th of June," Hugh said.

"Unless the Federal Government extends the cut off date for the FHOB, after June only the First Home Owners Grant (FHOG) will be available. This means a contract signed after June 30 will only be eligible for a \$7,000 grant regardless of whether it is an established home or a new home."

"But, not only are purchasers now facing stock shortages and a June cut off date, but some lenders are struggling to cope with the huge increase in loan applications from first homebuyers," he said.

"Only recently, the Sydney Morning Herald reported that some lenders were taking as long as a month to process applications because they couldn't keep pace with the demand. The report warned the problem had been compounded by inexperienced first homebuyers making mistakes in their loan applications.

"The Sydney Morning Herald reported that the processing delays had led to some borrowers missing their settlement dates," Hugh said.

"In light of all these pressures, we at The Property Shop offer our services to first homebuyers who are still anxious to buy.

"We appreciate there are a lot of pressures on them, but we still have houses listed we believe are suitable for first homebuyers. Our experienced team will be only too happy to guide first homebuyers about how to approach the market and which houses would be best for them.

"We will also try to help them with any paperwork they may need. Obviously, we always urge purchasers to seek legal advice about contracts and applications, that is the best way to minimise mistakes, but we are only too happy to try to make a special effort to ensure prospective purchasers succeed in buying their first home," he said.

If you are a first homebuyer don't hesitate to ask The Property Shop for assistance in applying for the any of the benefits available. The firm's team of expert consultants will be only too pleased to guide you and also show you any properties that may interest you.

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

www.thepropertyshop.com.au

Householders can make big savings!

The NSW State Government's household rebates scheme is proving to be a big success with more than 50,000 rebates being paid up until the end of 2008 since the government's Climate Change Fund was established in July 2007.

The NSW Climate Change Fund rebate program provides:

- ▶ Up to \$1,500 for rainwater tanks connected to toilets and washing machines
- ▶ Up to \$1,200 to switch from an electric hot water system to a solar, gas or heat pump service
- ▶ Up to \$300 to install ceiling insulation
- ▶ \$150 for washing machines with at least a 4.5 star WELS rating.

It's estimated up to 40 per cent of a household's water use can be replaced with rainwater. The Rainwater Tank Rebate was set up to help households and government save energy and water.

According to the Department of Environment & Climate Change, the Rainwater Tank Rebate is available for the installation of any new rainwater storage system in residential properties in NSW. To be eligible the tank must have a minimum 2000-litre capacity and be purchased in full and installed between 1 July 2007 and 30 June 2011.

In NSW water heating is the biggest energy user so switching from electric to solar, heat pump or gas hot water makes sense: such a move can achieve significant energy and emission savings for individual households.

Taken together, the widespread installation of such systems can mean massive savings for the State. The following rebates are available to switch from an electric hot water system: \$300 for a gas hot water system with a 5-star or higher energy rating; up to \$1,200 for a solar or heat pump hot water system.

The rebate for solar and heat pump hot water systems is based on the amount of greenhouse gas emissions saved. This is determined by the eligibility of the system for Renewable Energy Certificates (RECs). The new system must be purchased in full and installed between 1 October 2007 and 30 June 2009.

There is also a ceiling insulation rebate which covers half the cost of installing ceiling insulation up to a maximum of \$300. The insulation must be new, cover the entire ceiling area and be purchased in full and installed between 1 October 2007 and 30 June 2009.

According to the department, a 4.5-star water efficient washing machine can save up to 100 litres per wash compared to an old top-loader. The washing machine rebate provides \$150 for a new washing machine with a WELS water efficiency rating of 4.5 stars or higher. The machine must be purchased between 1 August 2008 and 30 June 2010.



Rebates result in huge savings in water and greenhouse gas emissions

FEDERAL REBATES

Under the Federal Government's Energy Efficient Homes Package, rebates are available for the installation of ceiling insulation or a solar hot water system.

Under this program the government is offering a rebate up to \$1,600 for ceiling insulation to all Australian home owner-occupiers or a \$1,600 rebate on the costs of installing a solar hot water system.

The government has announced it is helping residents arrange early installation with the release of early installation guidelines and application forms. The forms cover the period from 3 February 2009 until the commencement of the program on 1 July 2009.

If you have installed ceiling insulation or a solar hot water system in your home or rental property since 3 February 2009 and meet the requirements outlined in the guidelines, you can now claim your reimbursement. For further information: www.environment.gov.au.



Working for you 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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