

PROPERTY NEWS

Ideas to help you when you're Buying or Selling

MUDGEES IS BOOMING



Popular town experiences high buyer demand

Knowing when to put your property on the market can mean the difference between a flourishing sale and a second-rate result.

If you decide to sell when the property market is at its strongest, the chance that your home will attract a fabulous price in an extremely short time is very high.

After a surge in successful sales and a climb in house prices, there is no doubt that the Mudgee area is enjoying a strong market.

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In this issue of Property News:

- The latest on the interest rate increase
- Sales strong on Mudgee property market
- Tips on preventative maintenance for landlords



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

A letter from the Editor

Dear Reader

Recently Robert Gottlieb dropped a bombshell when he wrote, "Instead of super, the next generation is likely to focus on property which will push up prices". This logic makes a whole lot of sense.

Allan Kohler in his newsletter says that Gottlieb draws his points from a group of investors aged in their thirties. Gottlieb says the group he interviewed "made it clear that they had no interest in superannuation This group has a two stage plan: to buy accommodation that meets their needs and then to negative gear additional property."

With more numbers immigrating to Australia and a growing population, demand for residential property will be strong and rents will go up. It's obvious the generation interviewed can see this and want a part of the action.

I am a firm believer that the next 5 years in real estate are going to be very interesting. If you own your own property now enjoy the ride. If you don't, start saving and buy soon!!

In the meantime,

Love where you live.

Hugh Bateman
Principal



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REIA questions RBA rate hike!

'Latest increase puts too much pressure on home and business owners'



The Real Estate Institute of Australia (REIA) believes that although the Reserve Bank of Australia's (RBA) decision to lift official interest rates by another 0.25 per cent was expected, it will put further pressure on home and business borrowers.

The decision by the RBA at its November meeting to raise the official cash rate to 3.5 per cent brings the total increases in the rate to 0.50 per cent in a month. According to the REIA, this will add about \$30 a week in interest alone to a typical \$300,000 mortgage, and even more to business loans, which have taken a proportionately greater hit.

The REIA President, Mr David Airey, said: "Many commentators, including ANZ Chief Mike Smith have questioned the RBA's approach to rate increases and whether it is too soon to be so jumpy about inflation induced rate rises.

"The CPI headline rate at 1 per cent for the September quarter is above the RBA's target rate but the major factors underlying this figure do not suggest rampant increases in consumer spending. The biggest increases were for utilities and rising prices in this group don't reflect increased consumer demand. Increasing interest rates will not stop utility costs rising so it's a double whammy for the poor old borrower."

Mr Airey added the REIA welcomed economic recovery but it believed that sharp rate rises had the potential to dampen the market and stifle recovery, especially in business and property development lending which was already subdued.

The REIA President suggested that economic data for the December quarter and in particular business and property lending figures, as well as the CPI, should be assessed and taken into account before another rate rise was considered. On this basis, it would be March before the RBA needed to act giving borrowers time to adjust to the increased rates and higher repayments.

"Surely we need clear direction that the economy is getting back to growth before increasing rates again and prematurely stifling these early and tentative signs of recovery?" Mr Airey said.

Buyers wait for top Mudgee properties to hit the market

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In this report, The Property Shop Principal Hugh Bateman explains why now is a great time to sell with so many homebuyers and investors on the hunt for the perfect property in Mudgee.

The Property Shop is continuing to achieve extraordinary sales results in the Mudgee market.

"We are experiencing demand for properties in all areas of the market for families, couples and investors," Hugh said.

"We recently sold a very neat 3-bedroom villa which was located in the east Mudgee area. The property had been listed elsewhere for some 12 months. The buyer interest in this property was very strong and as a result we had no issues selling it with the best results within one week."

The Property Shop team are also selling homes in the town's centre with strong buyer demand for these centrally located properties.

"We sold a practically new residence that was located just one block from Mudgee CBD - buyers are especially interested in properties with this close proximity to town and its services," he said.

Mudgee's charm continues to ensure a strong buyer demand for weekender and investment properties.

Being just a three and a half hour drive from Sydney, Mudgee is a favourite "short break" destination for people who like food, wine and the great outdoors.

"Mudgee offers a charming atmosphere with cafes, stunning heritage buildings and lush farmyard outlooks - all this can be found less than 4 hours away from Sydney," Hugh said.

"The vacancy rates are quite low for rental properties in the Mudgee area and this is continuing to tempt savvy investors who recognise the area's potential for growth."

Due to the demand of properties in all areas of the market, The Property Shop team desperately need more stock to keep up with buyer demand.

"We have a fantastic reputation in the local community for selling and continue to receive repeat customers - this is due to our fabulous marketing skills, negotiating experience and of course you can't argue with our results," Hugh said.

If you are thinking about buying or selling and would like to employ an experienced agent who knows how to achieve a great result for you, talk to the team from The Property Shop.

SOLD!SOLD!SOLD!



SOLD!SOLD!SOLD!



SOLD!SOLD!SOLD!



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



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Preventive maintenance

can save money

Blocked drains, leaking roofs can prove expensive

Summer is on us again, a great opportunity for landlords to arrange preventive maintenance that can save substantial amounts of money.

One of the biggest contributors to upkeep for a home is water damage. In the wet season, whether it's the rainy period in the country's north or winter down south, water can cause extensive damage to a home, so now is the chance to take steps to prevent that happening.

Cleaning out gutters to prevent water damage from blocked pipes and drains is one simple but effective way to protect your property.

It's especially useful if you take the opportunity to install some type

of gutter guard. There are several such products on the market and some of them work in different ways. However, they all do the same thing, they stop leaves from collecting in the gutter. Any hardware store can readily show you what type is best suited to your property.

Leaking roofs can also prove expensive so money spent now on flashing and the replacement of cracked or broken tiles is well spent.

Even though it's not so common these days, corrugated tin roofing is often better replaced with quality roofing such as Colorbond which does not rust and has a much longer lifespan.

If you're going to retain a plumber to check the drains and roof, ask them to check for other maintenance work such as dripping taps at the same time. At first sight, dripping taps may not seem important, but with water charges on the rise they can prove expensive.

Better to get the plumber to check them while he is doing other work so you are only billed for one call out fee.

The Federal Government's Home Insulation Program that includes rental properties is proving to be a big advantage for owners. In many cases, insulation can be installed without the owner or the tenant having to pay a cent. The insulation company does the work and bills the government direct.

The installation of insulation not only reduces greenhouse emissions because of reduced heating and cooling costs, it also makes for happier tenants. As such, it is in a landlord's interests to install effective insulation.

Ask the Property Management team for advice about the best way to get it installed.



Working for you around the clock!

Want to rent your property?

Call us today on 6372 2222!



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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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