

PROPERTY NEWS

Ideas to help you when you're Buying or Selling

PERFECT PRICING

Why is it important to make sure your property is priced to meet the market?



Pricing your home to meet market expectations is essential for a successful sale. Overpricing can result in months of waiting, limited buyer enquiries and no sale.

Many property owners don't realise that you can sell over the asking price if you set a realist asking price from the very beginning.

In this report we speak with The Property Shop Mudgee Principal Hugh Bateman about what can happen when vendors do not heed their expert advice on pricing their property for a sale.

When you first list your home, it is vital to get the price right straight away. So what happens if you or the agent gets it wrong?"

Quite a while ago, we appraised a Mudgee property for a couple who wanted to retire. This was very well-presented and had beautiful established gardens which certainly added to its street appeal. We assessed the value of the property and advised the owners of our professional opinion," Hugh said.

Unfortunately for the owners, they were given some advice by a well-meaning family member who had suggested that their property was worth about \$60,000 more than we had appraised.

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- 'Live' Real Estate Radio program sells homes
- Setting the right price for your home
- Struggling to keep up demand for housing



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6372 2222

Letter from the Editor

Dear Reader

Although there remains a possibility of yet another interest rate increase, some economists believe that there will be a pause for a while.

It's amazing the turnaround in Australia's fortunes in such a short time since the GFC. According to the ABS, there is now \$133 billion worth of construction in the pipeline, which is the greatest investment boom in history.

Prices for iron and coal seem likely to double this year and the number of coal ships queuing off Newcastle is up to more than 50. There will be a boost to national income as a result of the resources boom giving the Government a budget windfall of more than \$10 billion by 2013/14.

So in the next few weeks we will see the Government changing from recession mode to prosperity planning. This is good for Australia and hopefully we will see big contributions to health, infrastructure, tax reform and national saving next year.

With so much happening in coal related development and of course the development of the Hill End Gold development, Mudgee and Gulgong will very much be a part of this resources boom. The flow on is infectious; already our company is dealing with businesses associated with resources who are in the process of acquiring business premises to relocate here in the next few months. It's looking extremely promising.

We hope you have a wonderful May. In the meantime love where you live!

Hugh Bateman
Principal



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Real Estate Radio

The Property Shop Mudgee has been gracing the airways for 36 years

Radio has formed a part of the promotional and marketing activities of real estate in Mudgee, thanks to The Property Shop.

This medium is not traditionally utilised by agents in the metropolitan area but has been one adopted by agents in regional NSW.

In 1974, The Property Shop's principal Hugh Bateman embarked on a "live" real estate program which began on Sundays from 7:45am.

Each Sunday, the pilgrimage to local radio station 2MG on the outskirts of town was made, regardless of weather conditions. On at least one occasion, Hugh walked through knee high water during floods to run the programme. Since that time, the radio programme has moved to Saturday mornings, but has continued weekly.

Further live sessions were introduced some years ago with the addition of Monday, Wednesday and Friday real estate talks. During these segments, a guessing competition "Where In The World" was introduced, where listeners were given clues to a place somewhere in the world. The ultimate winner received a jackpot prize and the competition added a "fun aspect" to the weekly slots.

"We encourage our team to be involved on the Wednesday weekly programme by having one of them conduct the broadcast and select two of our exclusive listings to promote", Hugh said.

The 7:50am Saturday programme also brings a "fun aspect" to the radio audience. Hugh, who has the uncanny ability to call the shots on when it's going to rain, gives a brief opinion on his thoughts on the weather.

There's also a wool report and of course the usual selection of exclusive properties open for inspection on that day together with details of any upcoming auctions and clearing sales.

Adding to that, some years ago rather than providing householders with a standard fridge calendar, a calendar



featuring "Mudgee - a great place to live!" was introduced with a lucky number on the back. A new number is drawn each week on air with the prize jackpotting each week until someone produces the "lucky number".

"It's an effective way of having our calendars utilised and again forms part of the enjoyable aspect of our programs," Hugh said.

Malcolm Rock, Manager of 2MG and 93.1 Real FM said Hugh had become somewhat of a traditional part of Mudgee radio.

"He's being doing these radio programs on weekends for 36 years and people regularly tune in to hear what he has to say. He has somewhat of a cult following." Malcom said. "Even if someone wants a community announcement made, they'll ring Hugh because they know there's a large listening audience that will hear."

Over the years the local radio station has been utilised for live auctions to help raise funds for charities, organisations and individuals. The support shown by the community on these occasions was overwhelming.

When asked how much had been raised, Hugh said "I lost count years ago. A good old friend of mine and a tremendous stalwart of the community, Jack Griffith, guessed some years ago that the tally was well over a million dollars

"When it comes to charity, Mudgee is just wonderful like that. However, we couldn't have done it without our local radio.

"We're particularly lucky because 2MG and 93.1 Real FM have an idiom of thinking community and that is fantastic," Hugh said

Overpricing scares buyers away

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"Sometimes family members think they know better than professionally trained real estate agents but in the long run their 'well-meaning comments' can often hinder the sales process."

The Property Shop team obeyed the owners' request and listed the property at a price much higher than they had suggested.

"We had some fantastic inspections, however, we were continually getting the same response from the prospective buyers - the home was overpriced and they believed the home should be valued at a price similar to what we had assessed the property at initially. It was incredibly frustrating for us as agents, as because the home was overpriced we were not attracting any offers. Plenty of interest, but no offers."

Twelve months down the track, after considerable stress for the owners, the team from The Property Shop finally achieved a sale at the price they originally assessed the property to be worth. So why did it take 12 months for this offer to come in?

"Often if you are more than three percent above the asking price, people will simply discard the property as being too expensive and will look elsewhere," he said.

"So when you are ready to place your property on the market, make sure you have the price right to begin with! We

have extensive market knowledge and vast industry training which enables us to select the best market-reflective price for a property to make sure it sells with the best results. So believe us, agents don't make up prices!"

If you are looking to sell your property and would like to employ an experienced agent who knows how to achieve the best results for you and your property, talk to the team from The Property Shop Mudgee.

A HOPPING MUDGEE MYSTERY



Easter in Mudgee was a very busy time for the local retailers, motels and coffee shops with the area booming with holiday-making visitors from the city.

As well as the endless supply of chocolate that is available at this time of the year, one of the most enjoyable aspects of the Easter period was The Property Shop's Easter Bunny hopping through the Town Centre Shopping Centre.

With a spectacularly laden basket of chocolate eggs, the "bunny" was kept busy posing with Easter Bunny lovers young and old.

But just who was inside that bunny suit? Maybe the mystery will be revealed next Easter!

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



2010 Winner:



Hugh Bateman
Principal



Lucas Sheppard
Property Consultant



Damian Kearns
Property Consultant



Peter Vanags
Property Consultant



Australasian
Real Estate Results
Achievement Award

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!

www.thepropertyshop.com.au

THE GREAT HOUSING FAMINE

What does a booming population mean for the housing industry?



More people equals more houses, but with a booming population Australia is continuing to struggle to keep up with the demand for housing.

During the 2009 September quarter, Australia's residential population broke the 22 million mark. With one of the highest population growth rates in the Western world, the number of Australian permanent residents was estimated to be 22,065,671 persons, 451,876 more than the same time last year.

Population growth is a good indication for housing demand and for some time now, Australia has been experiencing such high demand for property that it has been running out of supply. This depletion of stock is being experienced for both for

new homes and rental properties.

As the economy regains strength, house prices are continuing to climb and with the nation's population on track to reach 36 million by 2050, housing affordability is predicted to be strained even further.

If construction of new homes does not increase dramatically, some experts are predicting that the shortages of available homes will more than quadruple by 2020. And it is New South Wales and Queensland who face the biggest problems.

Many people want to live in inner city areas, where properties are highly-sought after and have reflective price tags. As a result the sky-rocketing house prices,

pushes these types of properties out of reach for many Australians.

Land is also scarce in these areas making building impossible. Restrictions on planning, the higher taxation on new housing relative to existing dwellings and labour shortages all add to the new home shortage.

The home shortage and decreasing affordability means many potential buyers are forced back into renting, which is great for landlords but frustrating for those wanting to buy their own home.

The shortage of rental properties in the lower end of the market means potential tenants are in a competitive frenzy to secure a place to live.

This rental shortage has been steadily worsening over the years, with the booming population only adding salt to the wound.

Some experts believe the multiple interest rate rises, the drop in housing construction and the reduced investor interest combined with the increase in population, has put unimaginable strain on the rental market.

However, the demand seems to remain in the lower end of the market with more demand for cheaper rental properties, especially in areas around Universities and educational facilities.

The NSW Tenants Union states that about one quarter of low-income households are paying more than 30 per cent of their weekly income on rent.

And this is set to get worse, with rents predicted to increase by more than 40 per cent over the next five years.



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



Bernice Offner
Residential Property
Management



Roy Peters
Commercial Property
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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