

PROPERTY NEWS

Ideas to help you when you're Buying or Selling

Things are looking good in Mudgee!



Farmers are smiling and the district is doing well

“Despite a world downturn, this area has always maintained an air of stability”

What's the picture in Mudgee at the moment and what is the outlook for the future?

In a word, it's looking good; as good as the rain that has resulted in smiling farmers, smiling retailers and a happy Mudgee overall.

In more recent decades, tourism and mining have become an adjunct to our rural base.

Are we recession proof? With the tremendous diversity of the area, despite a world downturn, this area has always maintained an air of stability.

“During my 38 years in real estate in Mudgee I have seen a town grow from strength to strength whilst at the same time maintaining its unique character,” says The Property Shop Principal Hugh Bateman.

“So, during this growing period of world economic instability, Mudgee once again will sail through nicely.”

For the best professional advice from people who care about your success and your future, contact The Property Shop on 6372 2222.

In this issue of Property News:

- Finding the best person to sell your asset
- Tips on managing your investments
- Ideas to maximise your rent returns



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

Letter from the Editor

Dear Reader

With rain comes smiling farmers, smiling retailers and a happy Mudgee. With lamb and cattle prices remaining at sound levels and the wool market at a 25 year high it is gratifying to know that the farming community in our district is doing well after years of drought and low commodity prices.

We shouldn't forget where Mudgee's history began; with the straying of cattle to the area.

The varying geological structures of our area have enabled a unique diversity in agri-business since founding; from superfine and medium wools, fat lambs, beef and stud cattle, thoroughbred horses and lucerne farming to vineyards, orchards, olive groves and beekeeping, they're all here in quality and quantity.

In more recent decades tourism and mining have become an adjunct to our rural base.

Are we recession proof? No one is, but this town's diversity is its biggest strength.

Right now commentators are saying recession fears in Australia are ill-founded and this goes double for Mudgee.

In my long career in Mudgee real estate I have watched the town go from strength to strength yet still manage to maintain its unique character.

World instability or not, Mudgee will sail through nicely.

In the meantime ... love where you live!

Regards
Hugh Bateman
Principal



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Choosing the right agent

How do you find the best person to sell your valuable asset?



When you're selling your home, you want the experience to be as pleasant and profitable as possible. Choosing the right agent to help you is a big step along the way to achieving these two aims.

An agent can offer expert help in various areas, from giving you tips as to how to present your home for the market to advising you about the price that is most likely to achieve a successful sale.

But how do you know who is the right agent for you?

Ask around

If you haven't dealt with a real estate agent before, a good starting point is to talk to anyone you know who has sold a property and ask the name of the agent who helped them. You can also check recent local sales of properties similar to yours, and contact the agents who sold those properties. As well as providing you with information about the local market, talking to these agents will help you to decide on the one with whom you feel you have the right rapport and trust.

Be businesslike

You need to feel comfortable with your agent but you also need to remember it is a business relationship, with both parties hoping to benefit from a successful result. Don't be afraid to check the agent's experience and to ask how much commission will be charged.

Be realistic

As well as being guided by your agent's knowledge of the market, you should also do some homework yourself to make sure you have some idea of the top and bottom prices you could expect for your property. An agent who suggests a price that seems unrealistically high may not be the best person to sell your home.

Ask questions

The right agent should be able to communicate well and to explain the selling process to you. Ask about costs such as advertising, check the proposed marketing programme, enquire about whether open houses would be beneficial and get your agent's opinion about the presentation of your home. The answers should help you to know whether you will be happy to entrust your valuable asset to this agent.

ANTIQUA AUCTION

Saturday 17th September 2011



To include Victorian cedar & mahogany furniture; porcelains; glassware; pictures & paintings; jewellery; and a host of collectables. A sale not to be missed including pieces from well known Mudgee families.

**The Property Shop Auction Room
58 Market Street, Mudgee**

The devil's in the detail!

Even for the most experienced agent, understanding the numerous rules and regulations associated with leasing a property can be a daunting task.

However, most industry experts agree that having a fine eye for detail is a key requirement for managing property successfully.

With plenty of experience in the property management area, Property Shop director June Lewis believes that in few professions is the phrase "the devil's in the detail" more relevant.

"In this profession you have to be very specific, looking at figures, checking

applications. These are very important day to day tasks," she said. For example, failing to check applications diligently could result in major problems and undermine the landlord's faith in the manager's ability.

"There are some agencies that just accept any application," June says, "but you need to be really thorough because if you don't check the application well, it can turn out to be a bit of a nightmare. It comes down to a lot of things like determining dates for tenancy termination. If you get that wrong the termination can become void and cause a lot of problems."



Keeping up to date with rental payments and ensuring property inspections are completed on time are some of the simple tasks that property managers need to have on their 'to do' list, tasks that ensure they keep their landlords both happy and prosperous.

Property managers encounter a range of challenges and complications in their day to day work.

As a result, they need a well-organised system and proper policies and procedures in place to deal with them.

Bernice Offner, Property Manager at the Property Shop, points out that while not every situation can be handled in the same way, property managers who have a sound set of policies and procedures will be able to continue to meet the expectations of their landlord professionally when problems arise.

And she knows that a proactive approach is key. With a sizeable bank of insider tips, she has organised a system to ensure she spends less time tidying and more time focusing on her business.

"It was prepared over years of experience by our senior management," Bernice said.

Policies and procedures make the work easier



"For example, as well as inspecting applications thoroughly, if you follow up with an inspection soon after you put tenants in, you can gauge what type of tenants they will be."

Balancing the landlord-tenant relationship can, however, sometimes be difficult. Some property managers fall into the trap of feeling sorry for the tenant who is unable to pay the rent on time. In this situation, not only do ethical issues arise but the relationship you have with the landlord will almost certainly begin to unravel.

"If you haven't followed your policies and sent out the correct notification in the first week, you will quickly find yourself further behind," said Bernice.

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



2011 Winner:



Hugh Bateman
Principal



Lucas Sheppard
Property Consultant



Damian Kearns
Property Consultant



Peter Vanags
Property Consultant



Like us on Facebook at *The Property Shop Mudgee*

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!

**Australasian
Real Estate Results
Achievement Award**

www.thepropertyshop.com.au

Improve your property & market for big profits



With availability of rental properties at an all time low and the situation not expected to improve for years to come there are opportunities for landlords to maximise their returns as never before.

For the first time in many years expenditure on improvements to rental properties and even money spent on their marketing can generate real returns rather than a mere tax advantage.

Investors have long known that property improvements can bring two or threefold returns when selling, but now the market is right for a whole new approach to rental properties.

Whenever the rental vacancy rate drops below a benchmark of around 3% the rents cycle swings in favour of the property owner. Nationwide now the vacancy rate is way way below that level with some markets almost at crisis point, showing rates of 1.5%.

Economists are predicting that this situation will not change in the near future as it is endemic of a national housing shortage.

Government building incentives so far have failed to make an appreciable impact on this shortage which runs across the board from Government stocks to the private sector.

Ideas to maximise your rent returns

This remarkable situation has created an even more remarkable opportunity for owners who are now able to make improvements that will not only increase the value of their property, but increase the rents, giving both long and short term gains.

And with the building industry relatively quiet there is no shortage of tradesmen ready, willing and able to slash and burn their charges.

But what to do? Where to start? What improvements will give the best return? Sure, you could go all out and add another bedroom - a surefire way to increase the rental return. But that's a high cost that will take a while to amortise.

The clever approach is to look at ways to cost effectively increase the desirability and livability of your property.

A new benchtop in the kitchen, perhaps some splashbacks and cupboards doors, is a good way to start.

Less than \$500 will get you a pretty impressive BBQ for an outdoor entertaining area and a verandah extension or even a new deck is not expensive if you approach it in the right way.

Even the bathroom can be given a whole new look for less than \$1500 with a vanity and shower.

In all of these things the trick is not to shop where you would for your own home, but to shop smart at factory outlets, seconds stores and even via e-bay online stores.

Throughout the process, from planning to shopping and installation, don't lose sight of the fact that you are aiming to make the place desirable.

When you are done, talk to your agent about marketing. Don't ask, be insistent. Good photos (not a few happy snaps), well thought out copy and the right approach will paint a picture of your rental property that will in itself justify adding another \$50 a week to the rent.

Your other consideration with your improvements and your marketing is the target market - aim for young professionals in an upper demographic.



Our award winning Property Management team

Want to rent your property?

Call us today
on 6372 2222!



June Lewis
Commercial/
Strata Manager



Graeme Kurtz
Residential Property
Management



Bernice Offner
Residential Property
Management



Ray Peters
Residential Property
Management

The Property Shop Property Management staff are committed to protecting your investment and obtaining the best possible return. Please feel most welcome to contact us for an obligation free appraisal of your rental property.

www.thepropertyshop.com.au