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HERE COMES THE SELLING SEASON; HOW WILL YOU STAND OUT FROM THE COMPETITION?

Buyers 'spring' into action during September, October and November, and there is a lot of activity on the property market.

The catch-22 of the situation is more homes competing for attention. So how do you ensure your place stands out from the crowd and you achieve an excellent price?

Top tips to help sell your home in spring

- Check out the competition

The first step when it comes time to sell your home is to take a look at what you are up against.

Do your research and find out what homes are selling in your area and for how much. See what has already sold and what price the vendors received, and find out how long homes are taking to sell.

The best course of action after you have looked at a few properties is to sit down with your agent and ask them what the market is like in your area. Without taking the time to do this research, you can not have a solid idea of what price to expect for your home and how long it might take to find a new owner for it.

- **Have a strong market strategy**

A clear and comprehensive marketing strategy is key to selling real estate quickly and for a great price.

Brochures and flyers can be a strong addition to online advertising.

And your property ads do not have to be confined to the local market. Talk to your agent about the possibility of advertising on overseas property websites. Many overseas investors are very interested in Australian real estate while the rental market here is so strong.

If you do have an international advertising strategy, make sure your agent can conduct virtual tours so people can see your house from anywhere in the world.

- **Work with a professional photographer and copywriter**

Wherever you choose to advertise, you need high-quality photos and a well-written description of your home so people understand more about its features and benefits.

Your agent will arrange for a professional photographer and copywriter to handle your advertising photos and text so buyers can't help but stop and take a longer look when they are scrolling through listings.

- **Hire a stylist**

A property stylist will ensure your home looks better in advertising material so buyers form an emotional bond with the property.

Homes styled by a professional sell for more because furniture is arranged to make the most of the space and because the place looks modern and appealing. Potential buyers will walk through the door and instantly be able to picture themselves living in the home and making it their own. If you don't use a stylist and instead stick with your own furniture, you risk losing the 'wow' factor which is so important if you want multiple bids.

- **Have curb appeal**

With all the attention you have been paying to the interior, don't forget about the exterior of your home.

Curb appeal is essential to a successful sale because it gives that all-important first impression.

Tidying the garden and giving the front of your home a pressure clean can make all the difference. It's spring, so put in some flowering plants and have the place looking fresh.

Finally, make sure you have a clear and easy-to-see house number so that potential buyers can find your home with no hassles.

The final tip is to work with a reliable local agent who will work tirelessly to expose your home to as many buyers as possible and help you to negotiate the best price so you can make your next move with confidence.

Want to sell while buyers are out in force? There is still time. Speak to your local Professionals agent today.



HOME DEPOSITS EXPLAINED

You may know how much of a deposit you need to buy a home, but what happens to it during the buying process, and how can you ensure you don't lose your deposit?

Here's a quick explainer around the money you will put down when you buy via auction or private treaty.

How do home deposits work when you buy through a private treaty?

A private treaty is any private property sale that is not carried out through auction. Private treaty is the most common form of property in Australia. It generally involves the buyer making an offer and the owner either accepting it or negotiating for a higher price until an agreement is reached.

When you buy through a private treaty, you are expected to place a deposit. The deposit is usually 10% of the total cost of the property but this may be negotiable.

This deposit does not go directly to the vendor. Your real estate agent will take the money (either a cheque or a direct deposit) and place it into a special account, usually called a trust account. The money is held until you reach settlement, which is when it is transferred to the vendor.

- **What if you change your mind after paying your deposit?**

The purpose of the deposit is to protect the vendor if you change your mind. However, you may have a small window of a 'cooling-off period'.

Generally, you will be required to pay the agreed deposit (usually 10%) to secure the property after your offer is accepted. You will then have a period of a few days to confirm you can get finance to pay for the entire property and to arrange a building inspection to check the structural integrity of the building. If you decide not to go ahead during this period, you may still forfeit some of your deposit (usually around 0.25%).

After the cooling-off period, you cannot get your deposit back if you change your mind. In fact, if you pull out, you may even be liable for extra fees.

This is why it is wise to be absolutely certain before you place a deposit on your chosen home. Have a discussion with the selling agent about how the cooling off period works so you don't make an assumption that winds up costing you your deposit.

How do home deposits work when you buy at an auction?

When you buy a home at an auction, you also need to pay a deposit.

After you bid at auction, the deposit works much the same way; the money goes into a holding account until settlement. In some instances, the buyer will float a portion of the deposit on auction day and the rest at a later date. Most often, however, the deposit is expected to be paid in full on the day of the auction.

There is no cooling off period with an auction so make sure you are able to pay the deposit when you show up on the day.

How to avoid losing your deposit

Because deposits are non-refundable in most cases, you need to be very certain before you put down a 10% deposit on a home.

The first thing to do is to get pre-approval for your home loan. That way, you can be far more certain that you won't have to pull out at the last moment because your loan fell through.

Some buyers also take out insurance to cover themselves for any issue that might arise with the property between settlement and moving in.

Make sure to read the contract of sale before you pay a deposit; it may make sense to work with a conveyancer/solicitor who can help you understand the fine print so you are not caught out by any hidden clauses after you have put money down.

Keen to buy a home? Contact your local Professionals agent today.



BUY OR BUILD?

When the time comes, many first-time homeowners are faced with the question of whether to buy or build a house.

There are pros and cons to each but a few factors in 2022 make the home building landscape different from other years.

Buy new or build?

Building your own home means either buying an off-the-plan home and land package (or unit) that will be built while you wait, or designing and building your home with the help of an architect, builder and other contractors.

- **Benefits of building a new home**

Bespoke: When you build your own home from scratch, you get to make all the decisions about style, fixtures, layout and the rest. With an off-the-plan home, you may have choices about the layout and features e.g. carpet vs floorboards or benchtop colours.

Brand new: A newly built home is ready to move into and should be in good condition because it has no previous owners.

Government grants: You may be able to access a first homeowners grant if you buy a newly built place. However, you should do your sums to check if you will actually be saving money.

- **Drawbacks of building a new home in 2022 and 2023**

Time: Building a home is a lengthy and complicated process. Building can mean you have to find other accommodation in the meantime.

Building industry challenges: Pressures caused by COVID and Australia's low migrant numbers mean both materials and manpower are in short supply at the moment. Some building companies are unfortunately going under, while others have been forced to raise their prices and deal with delays caused by labour shortages.

There have also been a lot of delays caused by bad weather, particularly on the east coast. Many families are finding themselves stuck in limbo because the home build process is taking far longer than expected.

Cost: You may feel like you can have everything you want when you build, but costs have a way of blowing out. Ask a few people who have built their home whether they stayed within budget... the answer is usually a great big "no".

Unpredictable: When you build a home, you can never be quite certain how it will turn out. Even the best-planned projects will encounter hiccups along the way and some unlucky people end up with a lot less than they paid for. If you do decide to build, always use a fully licensed builder and sign a contract so you are protected. Don't sign off and move in without an inspection from an independent contractor who can check the property has been completed to the right standards.

Why buy an existing property?

An existing home is any property that is fully built and ready for you to move into.

- **Benefits**

You know what you're getting: Unlike building a home, you can see and touch exactly what you are getting right from the start.

Move right in: Other than a few weeks for settlement, there is no waiting for a pre-existing house. Once the settlement is done, you can move straight in.

Have a building inspection: With a pre-existing home, you can have a building inspection so that you know if there are any issues like leaks and can get an estimate of costs.

Character: Older homes often have a lot of style and charm that you won't find with a brand new home (unless you have a very large budget).

- **Drawbacks of buying an existing home**

Not bespoke: When you buy an existing home, you have to settle for the existing layout and many of the existing features. However, you can always renovate and change the property over time to suit your needs and taste.

Existing issues: A pre-existing house may have structural issues or other problems when you move in but if you take the time to have a building inspection you should at least be aware of what they are and how much they will cost to fix.

Given the challenges of the building industry at this point in time, buying an existing home may be a safer bet, but of course the decision is up to you. If you're unsure about what to do, have a chat with your local real estate agent about the properties that are available in your area and whether or not they may be suitable for you.

Ready to buy your first home? Contact your local Professionals representative today.



IS AUSTRALIA IN A PROPERTY DOWNTURN?

The headlines are saying 'property downturn,' and yes, things are changing, but a nationwide newspaper story isn't necessarily relevant to the suburb where you live.

Take a more detailed look at what is happening with house prices around Australia in 2022:

Capital city house prices

The media talks about property prices going backwards and the numbers change constantly. However, if you look at figures for the June quarter of 2022, only Sydney and Melbourne went backwards.

In every other capital city, average prices were still on the rise in April, May and June.

Check out these statistics from domain.com.au:

- **Sydney:** down 2.7%
- **Melbourne:** down 0.9%
- **Brisbane:** up 0.2%
- **Adelaide:** up 3.6%
- **Canberra:** up 1.8%
- **Perth:** up 1.4%
- **Hobart:** up 0.8%
- **Darwin:** up 0.3%

These statistics are based on quarter-on-quarter (QOQ) figures. QOQ compares property values to recent quarters (three-month cycles). Next quarter's figures may be very different but we are now heading into the spring selling season, when there will be plenty of activity from buyers.

If you look at the year-on-year (YOY) figures, every state has gone up, some by more than 20%.

Local property prices

Instead of reading the general headlines, take a look at what is happening in your area. You can do some basic research online and speak to a local real estate agent for more detailed information.

If you're in a sought-after area, you could find prices are holding strong.

The natural property cycle

The property cycle is in perpetual fluctuation. If you find yourself worried by the headlines, it helps to take a step back and look at the bigger picture.

Yes, there is a slight property 'glitch' at the moment in some parts of Australia, but this is not significant when you look at the unprecedented growth of the past few years.

All the statistics point to the fact that property always goes up when you look at the Year on Year statistics. Core Logic numbers have shown that in the 25 years between 1992 and 2018, house prices rose 412%. That's why property is one of the safest bets when it comes to long-term investing.

Should you sell right now?

Sometimes you simply need to make a move and selling your home is the only way to do so.

Selling when prices are 'settling' is not necessarily a bad thing. You may get lower than you ask for but if you are also making a purchase, you could potentially save money as well.

Consider that property prices work in percentages. If you lose 10% when selling a \$500,000 apartment but upgrade to a house worth more than a million, you're still the one who is getting the better deal.

The other thing to remember is that prices will always rise eventually. If you have a plan and sit tight, your investment will increase in value.

Need to sell? A quality real estate agent will always help you to get the best price for the current market.

Contact your local Professionals representative for property advice today.



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