

ISSUE
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THE INVESTOR

5 THINGS THAT COULD AFFECT YOUR PROPERTY VALUE

Do you know the factors that have the most significant impact on property prices? Many will say 'location', which rates in the top three. However, many other factors are often out of your control, and some may surprise you.

Traffic – major busy roads with high traffic noise. Do your homework and research any future infrastructure projects.

School Zones – parents want the best for their children, and suburbs near well-known schools will attract a higher sale price.

Neighbourhood – no one wants rowdy or nuisance neighbours, loud parties, dogs barking, or out-of-hours maintenance work by people in the street. Take the time to sit outside the property in the evening. Knock on the door of a well-maintained house and ask them about the street.

Close to amenities – research has shown that walking to nice local cafes, pubs, farmers' markets, supermarkets, parks, or shopping centres can positively impact the sale price.

House numbers, street types and names – It may sound strange; however, the details of a property address can impact the value of a property, especially within multicultural areas. We suggest you research this before buying your next property as you may be surprised.

BONUS, properties with the potential for renovations, close to transport, tree-lined streets or well-landscaped suburbs, land size, sociodemographic, the age and condition of the property will all affect price values.



TENANT SELECTION WE WANT AN ELDERLY COUPLE OR NO KIDS

It is a popular request by investors (landlords) during the tenant selection process that they only want an elderly couple, professional couple, or a couple with no kids to rent their property. However, under federal and state anti-discrimination laws, a real estate agent cannot accept discriminatory directions from a landlord regarding colour, race, employment status, children, sexuality, religion or any overall specific or general status. Otherwise, both parties will be legally liable and fined if a complaint is made.

During the tenant selection process, the only legal requirements that can be taken into consideration are:

1. The number of people suitable to reside at the property
2. The tenant's ability to prove that they have or can maintain the weekly rent
3. The tenant's ability to prove that they have or can maintain the property in a clean and tidy condition

As a managing agent, you can be assured that we have your best interests at the forefront of our actions during the tenant selection process. However, we must be careful about why we decline tenant applications.

It is important to understand that it is not the status of a person that will determine if they will be a quality tenant, but their financial ability to pay the rent and the references they supply.

We have had many single mothers and large families with children who have been exceptional tenants. They have paid their rent on time and received a full bond refund at the end of the tenancy. We have also had elderly and professional working tenants who have left properties in a poor state with rent owing.

We are very hard to please when selecting tenants and will only choose tenants that we feel will care for your property & maintain the rent.

WHY HAS THE RESERVE BANK INCREASED INTEREST RATES AT SUCH CHALLENGING TIMES?

It has been a long time coming... with interest rates continually decreasing with minor fluctuations or on hold since 1990. Many investors reading this article may not be aware of or remember the late 1980s when home loan interest rates peaked at over 18%. This is more than 30 years since we had such high-interest rates. *

The Reserve Bank, in essence, is the government body that oversees and regulates the economy and inflation to ensure a balanced society.

To keep it simple... if there is a lot of money and spending in circulation or greater demand for products and services that cannot be fulfilled, this will impact the nation. Resulting in a shift or change to bring the economy back into balance.

Like it or not! *Richer or poorer*, the Reserve Bank needs to create an economy to balance the overspending and inability to supply goods and services and reduce the increased debt that cannot be sustained.

Due to many economic circumstances and the impact of Covid (such as the current difficulties in sourcing employees and the challenges of buying products and obtaining services), governing bodies are regulating the economic balance by curbing spending to keep up with demand by increasing costs and interest rates.

If interest rates and living expenses rise without wage increases... then spending must come down, reducing the need for services and products. It may not seem fair or right, but it is how our economy is controlled and managed.

How does this affect your property market? It doesn't. If you do your research, know the why, what, and when and are educated to understand the property cycle.

Property investors can prosper during these financially challenging times. Next month, we will explore how you can grow your property portfolio during fluctuating and uncertain property markets.

* Source: Reserve Bank of Australia <https://www.rba.gov.au/statistics/cash-rate/>

THINKING ABOUT SELLING | BE ONE STEP AHEAD

You have decided to sell your property. You have received an offer and are about to go to contract. You are excited to have found a buyer so you can move on to the next step of your journey. The buyer has agreed to your selling price, and all parties have signed the contract with a finance and building inspection clause. You are one step closer to selling your property; that has been a stressful process.

Everything is going well. You have invested time in preparing the property's presentation and money into marketing and advertising the property to showcase its best features.

And then...The agent telephones you to state that the building inspection report (requested from the buyer) has highlighted many unknown and unforeseen defects with the property.

You want the property sold and go into a reactive mode of just wanting to do what it takes to sell the property. At this stage, many sellers reduce the price by thousands or ultimately lose the buyer/sale.

WE SAY... BE ONE STEP AHEAD

As a real estate agent, we don't want you to feel additional stress during the selling process. That is why we think a little differently outside of the box.

If you want to sell your property with us, we want you to take the smart process of being one step ahead. Many agents during the pre-sale focus on marketing and advertising spending to attract the buyer (which is important); however, we like to focus on the extra little things that some may not think about that lead to significant and unexpected outcomes.

As a seller, have you ever thought about being one step ahead and investing approximately \$400 to obtain a building inspection to know the hidden flaws within the property that you may not even be aware of?

For such a minimal expense, you can be one step ahead and in the know before finding out from the seller.

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PROPERTY MARKET

Keeping you updated.

FOR RENT

4/18 Tristania Dve, Marcus Beach - \$550 pw

RENTED

21 Sleepy Hollow Dve, Noosa Heads
1/138 Noosa Parade, Noosaville
35 Poinciana Ave, Tewantin

FOR SALE

8 Donnella St, Tewantin (3 premises for sale) - \$2,895,000

4 Silkwood Dve, Tewantin – offers over \$889,000

8 Comet Dve, Sunrise Beach

NOOSA NEWS UPDATE

DRAFT NOOSA HOUSING STRATEGY 2022

Noosa Council have released the Draft Housing Strategy (see link below) with comments open until midnight 7/8/22.

This is definitely worth a read and please post your comments to Council by the 7/8/22.

<https://www.noosa.qld.gov.au/downloads/file/3678/draft-noosa-housing-strategy-2022>

SUDOKU COFFEE BREAK

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