

PRONNEWS

ISSUE 97 – JULY 2021

In this issue:

- Why the Aussie property market won't be cooling off this winter
- How to find a rental in a tight market
- What you need to know about making a pre-auction offer
- 5 things you can do to help your home sell faster

WHY THE AUSSIE PROPERTY MARKET WON'T BE COOLING OFF THIS WINTER

Australians certainly don't look like they'll be giving up on their dreams of home ownership this winter, with buyer demand expected to remain strong through the cooler months.

The Australian real estate market usually experiences a slowdown over winter. That's because some sellers choose to hold off until spring to list in the belief that their properties will present better when the flowers are blooming and that there are more active buyers at this time of year also.

But considering there are a lot of strong fundamentals in place for the property market right now, there's little chance that it will be taking a break.

In fact, it may be one of the most active winter markets that the country has seen for a long time, especially considering interest rates are still crazy low and there is a strong feeling of FOMO (fear of missing out) out there.

While there are some sellers who will still choose to hold off on putting their property up for sale until the weather warms up, solid buyer demand will remain and that might actually increase pressure in the market.

There might be some very quick sales with strong results simply because there will be a lot of buyers out there vying for the limited number of properties available.

This of course means that if you have been thinking of selling but were going to hold off until spring then you might actually do better by selling over July/August, rather than waiting until September when buyers will have fewer properties to choose from.

But unless there's a drastic change in market conditions, such as a change in lending conditions or a major national or international event, the property market doesn't look like it will be slowing down anytime soon.

Most economists are in agreement that property prices will continue to rise for the rest of this year and into the next, with ANZ predicting that national house prices will rise by 17% in 2021, before slowing to 6% in 2022.

Tips for buyers hoping to get into the property market over winter:

1. Check property listings everyday, or you might miss out
2. Get on the databases of local agents
3. Arrange pre-approval so you know how much you have to spend
4. Attend as many open homes as you can to get on the ground knowledge of the market
5. Be ready to pounce



HOW TO FIND A RENTAL IN A TIGHT MARKET

The property market has been booming of late, and not just for those looking to buy a home. The rental market has been extremely competitive too, making it harder for some renters to be able to find somewhere suitable to live.

Trying to find a new rental can be stressful, particularly if you live in an area where vacancy rates are low, but there are things you can do to help you on your search and give yourself a bit of an edge.

Search within your budget

Research what is available where you want to rent and ask yourself if your budget will get you the type of property you're after. Don't forget to also factor in other costs of living such as utilities, transport costs, and any other incidentals.

If you think you'll only be able to just scrape into the area that you want, then it might be worth looking at more affordable suburbs nearby where you will have a bit more weekly cash to spare.

Don't delay inspections

If it's possible, make sure you attend the first advertised inspection for the rental in question. If it's mid-week then you might need to take some time off work, because if you miss it then somebody else might get accepted for the property before you get another chance.

Sometimes a rental won't have an inspection time listed. In this case it's worth being proactive and getting in touch with the property manager to arrange for an inspection when it's convenient for you both.

Be ready for the paperwork

Once you've inspected a property and you're happy with it then you'll want to apply promptly.

It can help to have all of your rental application forms filled out and ready to hand in on the same day (these can often be found online or you can ask the property manager before the inspection). You'll also want any references and copies of your identification on hand.

By having all of your paperwork filled in and ready to go you're not only more likely to beat out other applicants, but you'll be able to demonstrate that you're organised and serious about the property.

Reach out to your contact list

You might be surprised at the leads you can find by simply putting it out there that you're looking for a rental. Ask family and friends, and perhaps even post your interest on local community Facebook pages.

It's also worth getting in touch with any rental agencies you've rented with previously to see if they have anything available (or about to come up) that would be suitable.

Put your best foot forward

It's always worth trying to make a good impression when you get in touch with property managers. So be friendly and polite and remember that even if you miss out on the first property you inspect with them, they will likely keep you in mind for any future rentals that come up.



WHAT YOU NEED TO KNOW ABOUT MAKING A PRE-AUCTION OFFER

Fallen in love with a property but don't want the stress of having to bid at auction for it?

You're not alone. There are a lot of buyers out there who simply don't like the stress and competition that can come with bidding for a property at auction and so they may try to skip the auction process altogether and make a pre-auction offer.

Will the seller accept?

If you're going to go in with an offer for a property prior to its auction date then you're going to need to make it one they can't refuse.

Some sellers will be keen to hear pre-auction offers because it can save them the stress and hassle of having to auction their property, and it means they can lock in a sale quickly - which may be important to them if they have already purchased another property elsewhere.

But, for a seller to accept a pre-auction offer it's going to need to be an enticing one, particularly in the current market where there's strong demand.

A lot of properties are achieving very good results at auction at present, and sellers are hoping that this will apply to their home too.

If you want a seller to walk away from their auction you're going to want to make it a worthwhile offer – that means that both the price and the conditions need to be favourable.

Do your research

If you want your offer to be seriously considered then you're going to need to do your research and find out what you think the property might sell for if it did go to auction.

A good way to get a rough estimate of a property's price is to not only check out online property reports, but also to look up the prices of similar properties in the area that have recently sold.

Try to find property sales that are as recent as possible, as prices have climbed considerably over the past few months. Also don't forget to take into account property variables such as renovations, proximity to amenities, as well as the general look and feel of the property and the street it's on. Even the tiniest of things can make a big difference in the amount of appeal a property has.

Make yourself aware of the pros and cons

Keep in mind that making a pre-auction offer isn't always going to be the best strategy for purchasing a property.

If you make a pre-auction offer there is a chance that you'll end up paying more for a property than you might have if you went to auction, however many buyers are happy to risk this for the opportunity to secure a property quickly.

There is also the chance though that a pre-auction offer won't be accepted and then you have given away your game plan. This can sometimes work against you as it may increase a seller's price expectations, which may make bidding harder for you on auction day.

Overall, a pre-auction offer can be a good option for a buyer looking to skip the intimidating auction process but it's crucial to do your research first. Find out if it's the right strategy for the property in question and don't hesitate to chat to the selling agent if you have any questions or concerns.



5 THINGS YOU CAN DO TO HELP YOUR HOME SELL FASTER

There's no denying that we're currently in a seller's market, meaning that many properties are currently being snapped up quickly and for good prices.

This is undoubtedly great news for those looking to sell their homes, but it doesn't mean that sellers shouldn't still make the extra effort to help their sale along.

In fact, those looking to sell their homes quickly may actually find that if they don't prepare their property before sale time, the sale itself actually takes longer because buyers are more hesitant to make the purchase.

So, what should sellers do to help attract buyers to their door?

Work on first impressions

First impressions are everything when selling a home. Would-be buyers will often do drive-bys of a property before they even consider stepping inside, and if they don't like what they see then they might not consider coming back.

Luckily, it's fairly easy to spruce up the front of a house by doing things like fixing fences, tidying up gardens and clearing footpaths and driveways.

If budget allows, a fresh exterior paint or pressure wash can do wonders too.

Tackle obvious issues

If there's something unsightly at the property, such as carpet stains or marks on the walls, then these should be assessed and fixed as a priority.

Anything that makes a property look like it hasn't been well maintained will be a major turnoff for a buyer, and even if they are still interested in the property it may see them severely undervalue its worth.

If there's any repairs or maintenance to be done then get to it before sale time, particularly if it's inexpensive to do so.

Consider hiring a stylist

The presentation of a property can be easily improved with some clever furniture arrangement, but not everybody has the eye to get it right.

This is where a stylist can be used to seriously unlock a property's potential. It can often be hard for a homeowner to see past the furniture they already own, but a stylist can see beyond this and recommend furniture layouts or updated items that can bring new life to a room.

Often through styling a property can feel bigger and more modern, which are two features that are important to buyers.

Price it right

While there's little doubt that property prices have increased recently, that doesn't mean that your property will necessarily sell for the same price as the house down the street.

It's important to be realistic with property price expectations because while it's understandable that sellers want a premium price for their property, a property marketed too high could scare buyers away and make a property harder to sell.

Find a good agent

Every sale is different so it's important to find a good agent who will give you the best advice for your particular home and situation.

It's important you find somebody that is easy to communicate with so you can have honest discussions around budgets, sales methods and the best improvements for adding value. If you can work well together then you'll have the best chance of selling your home quickly and for top dollar.

If you're looking for a quality real estate professional near you then visit www.professionals.com.au.



Visit professionals.com.au