



first
national
REAL ESTATE

Peak Central

Property Report

The latest news from First National Real Estate Peak Central



Welcome to our May property report one in which I have to say I'm delighted with the RBA's move of reducing interest rates by 0.25%.

Furthermore, the assurances from the banking sector that the reduction will be passed on, is good news too.

This should give some stimulation to the market and it's worth making the point that it is currently an excellent time to buy.

First home buyers in particular, should not wait for the media to tell them to buy because when that happens there'll be a rush.

It's an excellent time to buy property because reduced prices and low interest rates make it the most affordable for years.

It's worth bearing in mind that the sooner one purchases, the sooner the mortgage is paid off. You need to start some time – and I can't think of a better time than now.

In the meantime if you're thinking of selling I'm pleased to say that though it's a slow market we've been having success in achieving sales.

This market requires strong negotiation skills to make things happen.

Those agents working during the GFC and before that, know how easy it is for inexperienced agents to over-promise and under-deliver. We much prefer to under promise and over-deliver, so if you choose to sell through our team, I can assure you we won't give you unrealistic expectations of what this market will yield.

We tell it as it is, then negotiate strenuously to achieve the best price possible.

Richard Stacey, Principal

Rental market shows slight improvement

Despite WA's rate of population growth having slowed from the heady days of the mining construction boom, there is gradual growth occurring that is starting to be reflected in the property rental market.

We have seen a slight improvement in demand and we're particularly proud of the fact that our property management team is successfully finding tenants for properties under our management.

At the time of writing our property management portfolio had vacancies of 3.72%, well below Perth's vacancy rate of 5.4%..



Just recently we raffled a car in a competition conducted over a year with an entry given to anyone who brought the management of their residential property to Peak Central.

The influx of managements was much needed as our property management division had been having considerable success in being able to find tenants for them.

COMMERCIAL PROPERTY:

Was it Warren Buffet or some other wise investor who said the secret to success in investing is to buy in gloom – sell in glee?

What he was talking about was counter cyclical buying – in other words buying when others aren't and selling when others are buying.

And that is pretty much what some people are starting to do in commercial property because we've recently seen an increase in tempo in sales and rental activity. In fact, in April a listing was sold within four days.

That's not to infer there's a boom market, but with prices down, interest rates at their lowest and the market relatively subdued, it is a good time to buy.

We currently have a need for more listings because of enquiries from overseas buyers looking to invest in medical centres and shopping precincts.

There are also developers looking for joint ventures in high density residential developments.

With this in mind we would welcome enquiries from anyone interested in selling or with premises to lease.

Additionally, our commercial division is undertaking the management of commercial strata properties.

If you're in a commercial strata and would like to see it professionally managed, do feel welcome to call us for a discussion.

