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Peak Central

Property Report

The latest news from First National Real Estate Peak Central

September 2016

Sales start to move



Welcome to another monthly property market report. Last issue I moaned about Perth's miserable winter – and that property sales were far from exciting.

Perhaps I should moan more often, because August's property sales were the strongest for some time. What's more, property rentals were excellent.

The market seems to have realised its level -15% to 20% below 2014 prices. More sellers are accepting this and have realised that if they sell and buy in the same market, they'll come out of it okay.

All of the properties we sold, with the exception of one, were above \$500,000 with most between \$600,000 and \$700,000.

The buyers are tending to be people moving to their second or third home which is great to see because as we have said many times now - this market is outstanding for upgrading.

The combination of reduced prices, along with exceptionally low interest rates is fabulous for those who have built up equity in their home, have job security and want to purchase either a larger home or move to a more expensive locality.

Expectations for Spring

With better weather ahead I suspect we will see an improved market tempo.

Perth's property market traditionally steps up a notch or two after winter and it would not surprise me to see a lot of pent up demand translate itself into property sales.

So, if you've been wondering if your property is ever going to move, I'm pretty sure that if it is priced correctly, you should see a buyer fairly soon.

If you're thinking of buying, now is a good time because the indications are that the levels are now firmly set

Richard Stacey, Principal



Perth's rental market disaster and why it's not happening with us!

You would have heard the news – the Perth rental market reached an all-time record: 6% vacancy rate.

We can report one further item of important news: It hasn't happened with us – and in fact, as a result of some great strategies put in place by our property management team, we achieved 23 new leases in August.

And what's more, in contrast to how other agencies are faring we have added an extra person to the property management team.

So what is making the difference?

First up when we hold an inspection, if tenants feel that the property being shown is not suited to their needs we make a point of discovering exactly what they're seeking and we're taking them to other properties that we have on our books.

Though the properties tend to be managed by particular members of the property Management Department, the team is working together to ensure prospective tenants see properties that may not be managed by the particular person showing the first property.

Secondly, the team have really built up their negotiation skills so there's no hesitation in negotiating with tenants on what they're wanting and on the rent they're prepared to pay.

Seeking more rental properties

As a consequence of the successes we have had, we're actively seeking more rental properties to manage.

A cautionary note we should add is



that the rental market continues to not be easy which is why we're working at everything we can think of to achieve these leases.

It is a tenant's market at the moment which means rental properties must offer good value for money.

However, letting is achievable, so if you have a property that you would like to have in the hands of a highly professional management team, may we invite you to call us for a chat about your property – without obligation.

We're happy to tell you what we believe is an achievable rent and make recommendations if needed, to improve its appeal to prospective tenants

A difference in the market

One aspect of the rental market somewhat different to times past is that tenants are more than prepared to pick up their furniture and move to a property that they consider to be better value.

This is despite warnings that when the market changes, the rental level will increase – possibly by quite a bit. It's interesting to note that they're not phased by the prospect of having to move again, if and when this occurs.

While it may be short term thinking that hasn't been as prevalent before, it is an aspect of today's market not nearly as prevalent as before.