



## a word from warwick

PRINCIPAL, WARWICK WILLIAMS REAL ESTATE



Well February proved to be an interesting start to the year for us!

The RBA chose to keep interest rates on hold, with many financial institutions breaking ranks and increasing their rates amidst much crying poor that their profits are going to be affected by substantial increases to the cost of funding their loan books.

The national political landscape is entertaining to say the least. Rudd challenging Gillard's leadership in late February turned out to be a great deal of hype without success. Meanwhile as the Labor government and all of their laundry are aired in the media, Abbot must be sitting back rubbing his hands together.

We have been witness to the real estate industry landscape changing in the Inner West. In the past 6 months, there has been quite a number of mergers, acquisitions, relocations and closures of agencies who are feeling the pressure of consecutive years in a tough market place.

This makes choosing an agent in this market to sell or manage your property all the more important.

All of these changes create uncertainty and plays havoc in our market place as consumer confidence takes one hit after another.

February saw the volume of stock coming on to the market steadily increase and looking at the number of auctions we have booked in for March I am excited by the selection of property we will be offering. Currently the NSW auction clearance rates are hovering around 50% but we will report on this in the next newsletter as the March rates will be more meaningful with greater volume of auction campaigns. Interestingly we are seeing that unless a property is priced correctly it is not selling. We are experiencing positive foot traffic through our open homes but buyers are hesitant to offer unless they see value in an asking price or in a

price guide for an auction. There continues to be some disparity between the figures vendors will accept versus what the buyers are prepared to pay.

With more property coming on to the market in a rush to have property sold before Easter (early April) there will be more choice for buyers. More and more buyers are doing their research on the internet before coming to see a property, so standing out at first glance is of paramount importance in a marketing campaign.

Presentation and pricing go hand in hand and need to be spot on to maximise the volume of and competition between buyers on a property. You could have the most expensive and comprehensive marketing campaign, but if the pricing is too high you can have no one come to inspect. Conversely you could have a very affordable home on the market but if no one knows about it you will not achieve the price you deserve.

In this market selecting a skilled, reputable agent with experience is fundamental. It is also vital that the agent works for a company with a proven track record in the market place – solid foundations and support provided to an agent results in them being able to focus on the task at hand which is negotiating the best price possible for a vendor.



## staff updates

### Welcome Isla Kate

Warwick Williams Real Estate would like to welcome our newest and youngest member of the team, Miss Isla Kate McLachlan.

Arriving at 11.46pm 14th February 2012 (yes just scraping in for Valentine's Day!) and weighing in at 3.5kgs (7pds 8) and 51cms in length. We, along with beaming parents Adrienne Williams and Stuart McLachlan, may be biased but she is simply gorgeous.

For both our offices this is exciting news as many of you know Isla's mum, Adrienne Williams, has been one of our property consultants for over 6 years in Drummoyne and Adrienne's mother, Suzanne Thompson, has been with us as sales assistant at our Wentworth Point Office for 5 years and is a very proud first time grandmother and can't wipe the smile off her face.

Congratulations from all of us xx



Courtesy XSIGHT PHOTOGRAPHY DRUMMOYNE

## Top tips for buying a new investment property in a slower market

Uncertain economic forecasts can often create great opportunities for investors to enter the market and pick up new investment properties for reasonable prices. Right now there are great bargains to be had for the astute property investor. A slowing of the economy and a faltering in consumer confidence has created a once in a lifetime opportunity for buying solid investments in areas with strong growth drivers.

There are fewer first home buyers in the market place since government incentives have been disbanded and properties available for sale, which means that properties are taking longer to sell and vendors are dropping their prices in an attempt to move them on.

**Locate the demand:** Research ABS data to locate suburbs/ areas with a minimum of 2% population growth forecast, jobs growth, and infrastructure projects to match. You want to make sure your property is always in demand from renters.

**Locate short supply:** Check with the local council to find out if there are more housing developments proposed for the area. Is there a restriction on supply coming through? You want short supply.

**Rental opportunities:** Check with your property manager – what type of property is in the most demand from that suburb? Is it housing or units? Is it 3-4 bed house or 1-2 bedroom unit?

**Vacancy periods:** Ask agents how many days properties are vacant before tenants are found? Get information in writing to ensure veracity. Lower vacancy indicates short supply and potential for rental growth

**Quality construction:** Look for solid, long lasting, low maintenance materials for better capital growth.

**Use a cash flow analysis calculator:** Make sure you can afford to hold the property if the rate goes up by 2%-3%.

**Pay the right price:** Which property (if all other points are equal) gives the highest rent return? *Source PPM Group.*

## local events



**Hop on down to the St Mark's Easter Fete and enjoy some good old fashioned fete fun.** There will be heaps of amusement rides, kids craft, entertainment, lots of stalls, yummy food, cafe and cake stall, games, petting zoo, face painting, crazy hair and much, much more.

You might even meet the Easter Bunny! Warwick Williams are proud to be the Entertainment sponsor at St Mark's Easter Fete this year – supporting our community and being a part of this fantastic event that has been happening for over 50 years.



### 35 Murralong Ave, Five Dock

**For Sale - Offers over \$960,000**

With a peaceful garden setting surrounded by quality family homes, this classic Californian bungalow has been beautifully maintained while offering plentiful scope to add your own stamp of style. Positioned on a 493 sqm block with a large child-friendly garden. WebID wwd2250.



### 113 Henley Marine Drive, Drummoyne

**Auction - Saturday 10th March**

Breathtaking unobstructed water views over Iron Cove Bay and Rodd Island create a stunning backdrop to this freestanding bayside home. A rare opportunity to buy within an exclusive waterfront reserve setting. WebID wwd2234.



### 3 Leige Street, Russell Lea

**Auction - Saturday 17th March**

Impeccably refurbished and extended in keeping with its 1920s heritage, this grand home is perfectly configured for family living. Beautifully proportioned interiors feature a choice of living spaces. WebID wwd2240.



### 19 Seabrook Ave, Russell Lea

**Pre auction**

Just moments from the Bay Run and Nield Park along the shores of Iron Cove, this classic Californian bungalow has been tastefully refurbished to create an ideal two-storey family home. WebID wwd2239.



### 11 / 24 Marlborough St, Drummoyne

**For Sale - Offers around \$500,000**

Spacious one bedroom apartment situated on the first floor towards the rear in a well maintained block of 11. With everything at your fingertips only 300 metres to Drummoyne shops along with buses to the City and Burwood. WebID wwd2248.



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