



Winter 2017
Issue 062

GET REAL-estate



What's Up Scott?

Howdy gang!

Long time no write. Firstly, let me apologize for not getting this out more often. I wish I had a good excuse but to be honest I've been a tad busy selling properties. Well welcome to the Winter edition of "Get Real-estate" everyone's favorite real estate newsletter (haha).

I've been keeping well...

Ok, so I haven't been fantastic. I've had a few bingles on my deadly (literally) treadle and have come up a tad worse for wear. The first crash (yes, there were more than one) happened in a group of riders. I was the first to go down and then my cycling mates kindly ran into (and over) me> I have a great video of this if anyone is interested. That wasn't too bad. Apart from some bruising and the usual gravel rash I pulled up ok. The second one happened only two weeks later and was really stupid of me. I hadn't eaten enough on a long 130km ride and hit the sidewalk with only 200m to go to my house. I didn't do too much damage as I fell on sand however later that night I realized I couldn't lift my arm above shoulder height and tooted off to the emergency department (again). There I was told I had a broken collarbone and would be off my bike for 6-8 weeks. So now I'm 4 weeks into a hellish abstinence from cycling. Not to mention a bloody nuisance every time I need to use my left arm. I have been consoling myself by running up and down Jacob's Ladder 20 times every afternoon.

Since I last did a newsletter I have also had a beautiful (but way too short) trip to Victoria to celebrate a good friend's wedding. We were near Lorne and enjoyed glamping in beautiful surrounds. Unfortunately, I managed to get shingles which is the most painful thing I have experienced in my life. Thankfully it went but left me with a bit of nerve pain over my left eye. Thanks to good medicine (AKA drugs, heaps of em) it didn't affect me at all. All good now however.

Scooby (the scooter) is still going well but showing her age. I must admit it's not always so much fun scooting in this wet and cold weather but with enough insulation (jackets) and some extra heating (my trusty hot water bottle) I manage. My life has truly been changed for the better however. I was given a iPhone 6E by a good friend which replaced my old (but trustworthy) iPhone 4. It meant I could finally upgrade to 4G. Wow!!! I now believe life begins at 4G (see what I did there with the 40 and 4G... yea, I get it, I'm no Jerry Seinfeld). I no longer have to wait 5 minutes for the internet or an app to open. Amazing!!!

I've had some successes with my weight and my battle with anorexia. So far, since February 2016 I have put on 11kg. Unfortunately with all the accidents I've been having lately there has been a bit of a slow down in the weight gain but I'm still committed to putting it on (it's also good insulation from the cold). It may seem weird but I put on more weight when I exercise and lose it when I can't. Anorexia is very good at isolating people and I'm not immune from this. I have distanced myself from many people and socializing is tough because it normally involves food or drink. Both of which I'm not particularly good with. I'm doing my best to change this however and have even signed up to Tinder (if you haven't heard of it it's a dating app). I'm not that fond of it but it seems that is how people meet these days.

I tried to volunteer with the State Emergency Service (SES) earlier this year however unfortunately because their regular training sessions clashed with volunteering I was already doing I couldn't sign up. Hopefully next year.

Well that's about it from me. I hope you enjoy the newsletter and remember if you don't you can always send me abusive emails (or just unsubscribe).

Changes to foreign investment to affect WA sellers

29 June 2017 REIWA

The Federal Government has announced a shake up to the foreign resident capital gains withholding regime, which will impact WA sellers.

The changes apply to Offer and Acceptance contracts entered into on or after 1 July 2017, with a purchase price of \$750,000 or more. All sellers will now be required to apply for a Clearance Certificate from the Australian Taxation Office (ATO) when the purchase price of their property is \$750,000 or more, and provide this to the buyer.

Further, the rate at which the amount is withheld for foreign tax residents will increase from 10 per cent to 12.5 per cent.

If the buyer has not received a Clearance Certificate from the seller at settlement, they are required to withhold 12.5 per cent of the purchase price and send that amount to the ATO.

Applications for clearance can be made online through the ATO website. Affected sellers should not delay in making an application.

Perth Real Estate

So what's been happening?

It's a mixed bag of results at the moment with houses outshining apartments by a long run. The apartment market has been quiet for some time now. There are green shoots beginning to pop up however as we have recently had a pick up in the number of rentals being taken up. In fact, leasing activity rose a significant 32% in May compared to the month prior. Many investors are being attracted back to property as they see the market bottoming out and good value properties are available.



Houses have already started their rebound in price as many try and get in before prices rise. Now I know you will take this with a pinch of salt but I'm not trying to sell you anything here. It's just what I'm seeing in the market. The Western suburbs in particular have been doing well as have inner city houses and townhouses.

A study by CoreLogic found that in the first three months of the year 76.8% of properties sold were for a profit. The average profit was \$200,000 and the average time the property had been held was 10-13 years. That's not a bad return of approximately \$15,000-\$20,000 increase in value per year and that doesn't even include rental return during the period. It's not all good news however as some suburbs were not so rosy. Perth (city) had 50.7% of properties selling at a loss with a median fall of \$67,000. This shows how the apartment market in the city has been hardest hit by the slowdown.

Recent data shows signs that the Pilbara property market is rebounding after slumping post-boom; in the year to January, property sales in Port Hedland increased from 103 to 204 sales. Similarly, a 50 per cent jump in property sales was recorded in Karratha. (Source: CoreLogic)

SELLING THE DECEASED'S HOME PRIOR TO PROBATE BEING GRANTED

Section 10 of the *Administration Act 1903* (WA) states that an executor is entitled to, amongst other powers, sell real estate in the estate of the deceased person after probate has been granted in the course of the administration of the estate.

It can take weeks and even months for a grant of probate by the Supreme Court of Western Australia and for various reasons the executor appointed in the will of the deceased may need to sell the property in the estate of the deceased including real estate for the payment of debts or distribution to beneficiaries.

The law is clear that an Executor gets their title and authority to act from the will and not from the Grant of Probate. Any act of an executor prior to the Grant of Probate, in the due course of administering the estate, will be validated retrospectively upon the Grant of Probate.

An Executor may therefore enter into a contract for the sale of estate real property. The actual transfer of land, however, can only be signed by the Executor after the Grant of Probate. For this reason, a special condition should be incorporated into the contract for the sale and purchase of the land disclosing the requirement for Probate and making the contract subject to the Grant of Probate.

The settlement date should be specified by period measured by reference to date of the Grant of Probate.



FIND ME A PROPERTY!!!

I have a number of clients who have all asked me to keep a look out for a property for them. Here is a short list of a few of those clients' requests and their budget.

Western suburbs single level properties that can be renovated.	Budget \$2,000,000
1st HOME BUYERS mainly looking for new apartments	Budget \$550,000
Large commercial/residential property close to the CBD	Budget \$2,000,000+
Well located, easy care house in a quiet area Claremont/Nedlands.	Budget \$2,000,000
Apartments: CBD location 2 or 3 bed, good rental return	Budget \$850,000
CBD location 1 bed with car bay	Budget \$400,000
Claremont/Nedlands 1 or 2 beds with car bays	Budget \$600,000
CBD bedsit/1 bed first home and rental	Budget \$300,000
"Renovators special" Claremont and surrounds	Budget \$1,100,000
Easy care downsizer in city and surrounds. Well located.	Budget \$1,000,000
Renovated townhouse, Subiaco to Fremantle 2/3 bed.	Budget \$1,000,000
Development blocks. With or without houses	Budget any
Large family house 3 bed + study or 4 beds. Mt Lawley, North Perth and surrounds.	Budget \$1,900,000
Modern townhouse or apartment, 2 or 3 bed, within 10km of CBD	Budget \$1,000,000
Highgate, Leederville and West Perth area. House/townhouse.	Budget \$850,000

Don't hesitate to make an offer on a property you're genuinely interested in

Author: REIWA President Hayden Groves

It's quite common for potential buyers, upon learning their "dream home" has sold, to lament not submitting an offer because either, "we thought the owner wouldn't have accepted it" or "we didn't have our pre-approval for finance yet."

Moreover, despite their interest in a property, many buyers don't convey this to the representing agent. Often, the reason for this is they mistakenly believe they will lose the ability to manage their own destiny if the seller and agent know they are interested.

Time and time again, buyers will say that if they'd known the house would sell for 'that price' they would have made an offer for the same amount or more.

While for some these statements are just throwaway comments, they also frequently represent genuine disappointment from interested buyers because they feel they've missed out on securing the property.

Buyer competition

A common remark from buyers is that "if someone else makes an offer please let us know." Delaying a buying decision on this basis is almost always a bad move.

Buyer competition drives up prices, so it's smarter to buy when there is less transactional activity. If you're buying in competition with other purchasers, you are negotiating blind, unaware of the quality of the competing offers.

And if your offer is successful, you will likely have been cornered into paying more than you would have if negotiating alone.

With all this considered, it actually defies logic to wait for another buyer to be interested in the property before submitting your own offer.

Current market conditions

One of the benefits of buying in Perth's current real estate market is that there is less competition, so you are in a much better bargaining position when negotiating the sale price. When market conditions improve and there are more buyers in the market, well priced properties will be snapped up as soon as they are marketed and listed for sale.

The outlook for real estate in WA in 2017 is that the market will continue to present good value for home buyers and investors. If you're thinking about buying, now is definitely the time to take advantage of the softer market conditions to secure yourself your first home or to take the next step and trade-up to a new home.

Don't hesitate to buy

If you find a home you're genuinely interested in, there is really no point in waiting to see if someone else makes an offer first. You will be destined to either pay more than you hoped or miss out altogether.

Similarly, there is no point waiting for the illusive 'bottom of the market' as it's always uncertain as to precisely where the bottom is until the market turns again.

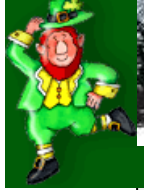
Irish Joke of the month

(Sorry if you're Irish, you know I love you all)

An Irishman is struggling to find a parking space.

"Lord," he prayed. "I can't stand this. If you open a space up for me, I swear I'll give up the Guinness and go to mass every Sunday."

Suddenly, the clouds part and the sun shines on an empty parking spot. Without hesitation, the Irishman says: "Never mind, I found one!"



Questions to ask your agent

- How will you advertise my property? How much will it cost?
- Where will you advertise my property?
- What internet sites do you use?
- Do we need a for sale sign?
- Are home opens worthwhile?
- Do you work 24/7? If not, when are you available?
- Will you personally handle the inspections and negotiations or will I be dealing with someone else? If so, who?
- If you fail to meet any of your commitments what can I expect in return?
- How often do you report progress to me?
- How long do you expect me to sign up for?
- Can I cancel my contract if I'm not happy?
- If I cancel the contract or you don't sell my property in the time specified. How much will I owe you?
- Do you let other agents introduce buyers?
- Will that cost more if they sell it?
- What if I find a buyer?
- Are you a member of the Real Estate Institute? Is it recommended to deal with REI members?

Suburb of the month: SHENTON PARK

This suburb name honours one of Western Australia's most notable nineteenth century citizens, Sir George Shenton. Shenton was from a prominent colonial family, and was an astute businessman and politician. He served three terms as Mayor of Perth, and his home "Crawley Park" is now part of the University of Western Australia. He died in 1909.

Shenton Park is an established suburb that spans two square kilometres within the municipality of the City of Subiaco.

Characterised by renovated heritage homes and modern architecture, more than 4,200 residents call the affluent western-suburb home.

Shenton Park's leafy suburban lifestyle benefits from its proximity to major urban environment like Perth City and Subiaco. The Shenton Park Railway Station keeps residents easily and conveniently connected to these areas, while the many parks and reserves provide a serene escape. Features of the suburb include the Shenton Park Dogs' Refuge Home and Shenton Park College.

Median House Price: \$1,260,000

Growth Rates	1 Year	5 Years	10 Years
Shenton Park	7.2%	2.8%	5.0%
Perth Metro Region	-3.6%	2.0%	3.2%

2011 CENSUS SUMMARY	SHENTON PARK	PERTH
Population - Usually Resident	4,350	1,645,573
Median Age of Residents (Years)	39	35
Average Household Size (persons)	2.00	2.55
Total Households	1,701	604,425
Number of Occupied Dwellings *	1,890	595,499
Number of Unoccupied Dwellings	193	57,529
Median Weekly Household Income	\$1,869	\$1,481
Median Monthly Mortgage Repayment	\$2,690	\$2,008
Median Weekly Rent	\$373	\$327

Scott's Spots

SOLD OUT!

More properties needed for clients looking to buy.

35/40 Pollard Street, Glendalough
\$249,000
Secure, renovated 2 bedroom apartment



6/6 Shipley Place, Westminster
From \$270,000
2 bedder with big balcony, prime location and stunning complex.



64 Etwell Street, East Victoria Park
EOI
Fantastic development site with great ongoing returns



17/15-19 Carr Street, West Perth
\$420,000
Modern and spacious. 2 bed, 2 bath, 1 car.



208/112 Mounts Bay Road, Perth
SOLD
Great rental apartment in the heart of Perth.

35/308 Stirling Street, Perth
SOLD
Inner city investment or hip city base.



55/98 Terrace Road, East Perth
From \$840,000
A location and apartment to die for.
SOLD

3/69 Malcolm Street, West Perth
SOLD
Top quality, top of the hill, top location, top views. 4 BEDS!



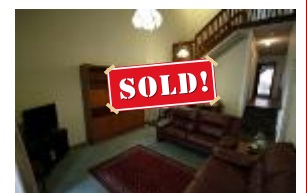
24/34 Davies Road, Claremont
SOLD
A home amongst the gum trees, with lots of plum trees



3/1 Sekem St, North Perth
SOLD CASH
The old Sekem factory.



4/1 Chatsworth Terrace, Claremont
SOLD
A screaming bargain.



35 Windsor Street, Perth
SOLD



(Scott Enjoying a recent coffee)