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News



What's happening in the property market right now?

By David Evans, Principal

Driven by the Government's increased grant, first home buyers are well and truly back in the real estate market.

Their re-entry into the property market is one of the reasons why the overwhelming majority of sales are taking place in areas priced up to \$450,000.

According to the Australian Bureau of Statistics (ABS) first home buyers took up some 25.4% of the home loans issued in Australia in December 2008 - the highest since 2001.

But it's not just first home buyers who were responsible for loans jumping by 6.4% in December when compared to the previous month.

Big interest rate cuts are also seen as responsible for bringing others back into the market, including a small but growing number of investors.

While there is some action in lower priced areas, homes in the +\$700,000 range, including the coastal strip, are moving very slowly. There is a lot of interest but it's not translating into sales.

With many homes for sale, this market is typified by picky buyers who will only buy the best. They will not go for homes that are overpriced or require some work.

In this sector it is more important than ever to work hard at getting the presentation right and then putting in motion a comprehensive marketing program that will reach every potential buyer out there in the market.

Above all else, in today's market you need an experienced agent with the drive to explore every possible way of getting you property sold at a price acceptable to you.



Just 48 hours after listing, this attractive home in Lopez Crescent, Ashby was under offer to the first buyer taken through the property, for \$475,000. Ashby is a popular suburb with a mix of properties suited to first home buyers and those wishing to upgrade.

Median House Prices

Source: REIWA

	Yr to Mar 08	Yr to Jun 08	Yr to Sep 08	Yr to Dec 08	% change 5 years
Clarkson	\$395,000	\$395,000	\$385,000	\$375,000	17.1%
Hillarys	\$780,000	\$760,000	\$720,000	\$720,000	12.2%
Joondalup	\$485,000	\$469,500	\$472,500	\$462,500	12.5%
Wanneroo	\$395,000	\$390,000	\$385,000	\$381,250	16.9%
Warwick	\$457,500	\$460,000	\$455,000	\$445,000	14.1%

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INSIDE

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Investors - don't risk it



Alison Thomson, Property Manager

As a landlord, you have a lot at stake. In today's unsettled economic climate there's an increased possibility of your tenant losing his/her job. And of course, despite careful vetting, there is always a chance of ending up with a problem tenant.

As an investor, you have a lot at stake. This is why you need the peace of mind of knowing that should there be problems with your tenant, you will be covered against damage and loss of rent through a landlord's insurance policy.

Equally important is to ensure that your insurance policy incorporates suitable liability cover and that you are protected against loss as a result of factors such as rent default, vandalism or malicious damage by tenants, theft and loss or damage to buildings and contents.

Having the right landlord's policy is one thing. Implementing its provisions correctly in the event of a claim is another.

Did you know that you will miss out on full compensation for lost rental if you fail to act strictly in accordance with the procedures and deadlines set out in your landlord's protection policy?

Experience shows that landlords who manage their own properties often fail to meet the required insurance policy procedures when a tenant defaults on rental payments.



Matters often drag on and on and in the end the landlord finds that he/she is not fully compensated for lost rental income.

By ensuring that all insurance policy requirements are adhered to, we as property managers will ensure that this will not happen to you.

Of course, it is best if, at the outset, you can find a tenant who won't default. Experience has shown that landlords who find their own tenants are more likely to land a bad egg. Why?

Because property managers can access information on the past performance of applicants and in addition have personal experience when it comes to filtering out risky characters.

Alison Thomson has returned to David Evans Real Estate as a Property Manager, following a period of gaining further asset management experience at another agency.

Married with two children, Alison started out in real estate with David Evans about five years ago, initially as a part timer and then as a receptionist before taking up a property management role.

Having owned her own rental properties, she understands client and tenant needs from a personal as well as a professional viewpoint. This is why she is committed to offering clients the same level of service as she would expect from anyone managing her own rentals.

December Quarter Rents (Source: REIWA)

Metro vacancy rate: 2.7%.

Median house rental: \$370/week (6% increase over Sept quarter).

Median unit/apartment rental: \$350/week (3% up on Sept quarter).

Overall Perth rental: \$360/week (11% up in past year).

How to stand out from the rest!



Len Dymock, Ocean Keys Branch Manager

If ever there was a need for planned innovative marketing, that time is now.

Why? Because right now you have to use every possible marketing device to ensure your home sticks out from a very competitive pack.

In recent months sellers have shown increasing awareness of the need to mount a concerted selling campaign, which is why there is now a clear trend for sellers to make an upfront contribution to marketing costs. There is a realisation that contributing to a strong marketing program is in fact an investment.

So what are the things you can do to ensure that your home is noticed once we've settled on an asking price and got the presentation right? To

answer that question, let me tell you of just some of the things we can now do for you as a seller.

Most importantly in today's world, with David Evans your property will appear on eight of Perth's major websites as well as be linked through to many other websites which display properties for sale. Your property will literally be exposed to millions locally and overseas.

This web presence is supported by window displays, sign boards, newspaper adverts, home opens, REIWA photo adverts and fliers.

Additionally, we place strong focus on the qualified buyers on our database. Whenever a new property is listed we will circulate it by email to database buyers who are interested in properties of that particular type.

Get your copy of this **FREE** Property Marketing guide

Marketing of your property is so critical today that we have developed a booklet showing you how we can structure a package designed to do the job for you. Give us a call or pop in and we will ensure you get a FREE copy.



Your views are important to us

If you have any topics you would like to see covered in this newsletter, or any area you would like to see improved, we would like to hear from you.

Your feedback will help us ensure that we give you the information you need to make a sound real estate decision.

So just call Craig Kennedy and let him know your views or email him at craigk@daveevans.com.au

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