



Astute buyers are picking up good properties

By David Evans, Principal

We are currently seeing a small but definite uptick in the demand for residential properties particularly from investors and first home buyers.

It would seem that some buyers have decided that today's property market is offering real value and that it's time to get off the fence. Right now, astute buyers are picking up good properties and at extremely favourable prices.

However, there are still a number of buyers who are sitting on their hands waiting for the market to bottom out. Among them are those who patiently wait in the hope of snapping up fire sale bargains when prices fall dramatically.

The problem is there is no evidence of dramatic price falls. Price adjustments vary from suburb to suburb, but almost all price reductions over the past year have been

modest. In Wanneroo, for example, the median price hasn't changed in a year. The situation is similar in Warwick

Experienced investors will tell you it's almost impossible to precisely predict the top and bottom of any property

price cycle. You'll only know the market has bottomed when prices are on their way up and by then you will have squandered part of the growth dividend that you could have enjoyed.

If the past is to act as a guide, it's likely that when the price does resume an upward course the supply of properties will decrease dramatically.



This superbly presented home in Currumbine was snapped up within a fortnight of being listed by David Evans Real Estate

Median House Prices

Source: REIWA

	Yr to Sep 10	Yr to Dec 10	Yr to Mar 11	Yr to Jun 11	% change 5 years
Clarkson	\$405,000	\$405,000	\$400,000	\$390,000	6.5%
Hillarys	\$770,000	\$770,000	\$790,000	\$760,000	3.8%
Joondalup	\$485,000	\$507,000	\$482,500	\$479,500	4.5%
Rockingham	\$389,000	\$400,000	\$401,000	\$385,000	3.1%
Wanneroo	\$395,000	\$397,000	\$395,000	\$395,000	5.9%
Warwick	\$523,500	\$520,000	\$520,000	\$522,000	8.3%



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INSIDE

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Read this if you don't want your property to look like most rental properties

By Sherree Tollarzo, Property Manager, Rockingham



There are a number of reasons why investors choose David Evans Real Estate to manage their properties, but the most compelling is its commitment to ensuring your property doesn't end up looking like a rental property.

Letting a property's appearance slide not only affects rentability but can also reduce the weekly rental. As importantly, such a property is less attractive to quality tenants. And of course it can cost a lot to restore a neglected property to its original condition when the time comes to sell.

As a Quality Endorsed Company, we are uncompromising in insisting on the achievement of the highest standards when it comes to protecting the value of each client's property. Investors know exactly what to expect of us. When the time comes to sell you will get your property back in the same condition as when you entrusted it to us.

At David Evans Property Management, we have in place the systems to ensure that you are regularly informed of all matters relating to your investment; that you can expect to have your calls returned and that you have a seamless continuity of service should there be a change in personnel.

In just two years since it was established, Sherree Tollarzo has played a key role in the rapid growth of David Evans Property Management in Rockingham, with more than 100 properties now being managed on behalf of investors.

She reports that vacancies remain at low levels and that there is no shortage of tenants in urgent need of properties to rent.



Sherree Tollarzo

Don't risk lives... or a \$15,000 fine!

State legislation requires RCDs to be installed by August 8, 2011 and mains powered Smoke Alarms to be fitted by October 1, 2011 in all residential property rented or sold.

A person failing to fit RCDs

or smoke alarms in accordance with the regulations may incur heavy penalties as high as \$15,000.

It is also a requirement that the RCDs and Smoke Alarms are regularly maintained to ensure they remain in working order.

Should your property not

comply with legislation you are at risk of not being covered by your insurance company at the time of a claim relating to an electricity fault and, or, fire.

Should you have any questions regarding RCD's or smoke alarms contact one of our property managers.



What's happening in the Rockingham property market?



Kevin Brincat

While sales are slower in today's more subdued market, Rockingham continues to out-perform most other suburbs when it comes to residential property sales.

One of only 15 Perth Metro suburbs to record more than 200 sales in the year to June 2011, the suburb benefits from having a broad range of properties attractive to first home buyers, investors, resources workers and military employees.

According to Rockingham Principal, Kevin Brincat, some 40% of properties listed with the agency are worth less than \$350,000, with 20% below \$330, 000. And it's still possible to pick up the occasional property priced at below \$300,000.

Currently first home owners represent about 20%

of buyers in the Rockingham area. More and more investors are being attracted by the good value in the market, the low vacancy rates, the prospect of improved yields and the fact that interest rates have been on hold for some time. However, the majority of buyers are upgraders who see this as an ideal time to step up to a bigger or pricier property. Typically, these upgraders are selling a home worth less than \$350,000 and buying a replacement home in the \$400,000 to \$500,000 range.

Rental properties are being quickly snapped up. "We are experiencing a shortage of properties to meet the demand. The vacancy rate in Rockingham/Kwinana is down to 2.9%. Give us a call to find out what a quality endorsed property management service can do for you."

With some 20 sales consultants and between 100 and 150 listings, David Evans Rockingham has become a major player in Rockingham in just two years. In the last financial year it won the award for being the top office in the David Evans group.

Joondalup a finalist in UN awards

Three WA cities have been shortlisted in a United Nations-backed competition to find the most liveable community.

Joondalup, Mandurah and Geraldton beat hundreds of cities from more than 50 countries to be named finalists in their respective population categories of the Livcom Awards. Joondalup's beach management plan is also in the running for a project award. Only one other Australian city - Port Philip Bay in Victoria - made the finals

The Livcom Awards, initiated in 1997 and endorsed by the United Nations Environment Program, is the only international competition judged on international best practice for managing the environment while improving residents' quality of life by creating "liveable communities".

June 2011 vacancy rates – rental properties

- Perth Overall – 3.4%
- North Coastal – 3.0%
- Western Suburbs – 3.8%
- Fremantle – 2.0%
- Rockingham/Kwinana – 2.9%
- Melville-Cockburn – 4.1%

Source: REIWA

We do it better because we've been doing it longer!



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