

Changes to housing density regulations will increase values of some properties

By David Evans, Principal



A change to Western Australia's Residential Design Codes has come into effect that will increase the value of some home owners' properties by making them subdivisible propositions.

The first is the alteration to land subdivision R Codes which came into effect from August 2, 2013.

R Codes are the guidelines for minimum lot sizes thereby regulating housing density.

The new minimum size for a block in an R20 zoned location for single residential development is now 350sqms with an average being aimed for of 450sqms. The previous minimum size was 500 sqms with a minimum of 450sqms.

The change means property owners with a required sized block can subdivide by developing a separate lot at the rear or through dividing a wide lot down its centre.



Granny flats – a new source of income

Another change made by the State Government to affect property owners, is the decision to allow home owners with a granny flat on their property to lease them to tenants.

The use of granny flats, often built in backyards or above garages, was previously restricted to only being used by a relative of the main householder.

Planning Minister, Mr John Day, said in announcing the changes that the new regulations would allow people who have granny flats to gain an additional source of income and provide a new source of low cost

accommodation.

They could ideally suit students, single people and retirees. The addition of a granny flat to a rental property could be a means of increasing returns from an investment property.

The concept of allowing them to be built and tenanted without a separate land title has been in operation for some time in New South Wales, Victoria and Queensland.

The minimum allowable property size for the development of a granny flat is 450sqms and the minimum floor space area for new granny flats is 70sqms.

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Your lights could be a danger!

This is an important warning for home owners and property investors.

Our property managers have reported several incidents of down-lights fixed within ceilings coming close to creating fires. If you have a property that has older style down-lights it could be worth having them checked.

Our personnel have encountered occasions when smouldering has been found to occur around them within rental properties, which could have presented a real danger to the property tenants.



Meet Robyn Rankine

Robyn is the newest member of the Property Management Team, though a familiar face to us at David Evans Real Estate.

Robyn began with David Evans in 2003 by taking a sales / administration role.

She left in 2008 to run a successful cleaning franchise with her husband, and is now back with us to manage properties in very sought after locations such as Hillarys, Kallaroo and Mullaloo.

Robyn reports that even though the current rental market has slowed down in the recent months we still have good quality tenants seeking good quality homes.

With a head for figures and an eye for detail, coupled with a great sense of professionalism and strong work ethic, Robyn's clients can be assured of their valuable investment properties being in good hands.



SUBURB WATCH

Median House Prices	Median to June '13	Qtly change to Median	Annual change 1 yr	Ave annual change for 5 yrs	Ave annual change for 10 yrs
Clarkson	\$410,000	2.0%	7.9%	1.0%	10.1%
Hillarys	\$805,000	0.0%	6.8%	1.2%	7.7%
Joondalup	\$510,000	1.2%	5.7%	1.6%	8.4%
Ocean Reef	\$750,000	3.4%	7.1%	0.8%	8.2%
Rockingham	\$390,000	0.0%	3.7%	1.1%	9.7%
Wanneroo	\$440,00	2.6%	8.6%	2.7%	10.6%
Warwick	\$530,000	4.9%	8.4%	2.9%	9.7%
Safety Bay	\$397,500	2.7%	8.3%	0.0%	8.3%

Meet Vern Patience

Branch Manager Warwick

Vern is the new Branch Manager of David Evans Real Estate Warwick.

He has been responsible for bringing on a new team of 10 sales representatives as well as introducing a Customer Service Manager to the operation.

The Customer Service Manager's role is to support the sales team by handling the paper work and to ensure that every step of the sales process is managed as smoothly as possible.

Vern has a wealth of experience in real estate, particularly in the Northern suburbs. He is keen to ensure his team is the stand-out agency in the Warwick region giving the best service possible.

He reports that the warmer weather has brought a considerable number of buyers into the market in the Warwick region – with a hot demand for property in the \$375,000 to \$500,000.



MARKET REPORT

Spring selling season showing signs of buoyancy



Thanks to some great sales, a shortage of properties on the market and the amazingly low interest rates, we're expecting a bumper Spring selling season, particularly for properties priced up to about \$550,000.

Demand for property has been patchy over the last few months with some areas running hot while others are finding the market a little softer.

Nevertheless, we're very confident that if you're selling a property priced up to about \$750,000 you will receive buyer interest and you will achieve a strong price.

The demand for properties above that price is somewhat inconsistent. Some of the inner suburbs have had a real surge in demand for property priced around \$1.5 million, while properties well above that figure have also been selling well in the western and inner northern suburbs.

We're expecting the demand for property in outer suburbs priced up to about \$750,000 to increase strongly in the near future as people who have sold their entry level homes move upwards.

The prices being achieved are definitely better than they were three years ago, though it has to be said, it is important for sellers to be realistic with prices. Buyers are definitely prepared to pay strong market value, but they're shying away from anything seen as excessive.

They seem to be well informed on value.

Now is a great time to get an up to date market appraisal on your property. You're welcome to call our office, even if you're just wondering how much your property could be worth in today's market.

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



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