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Welcome to the monthly Property Profile Group newsletter!

As Australia's strongest and most dynamic collection of independent real estate agencies, we publish this newsletter to inform and excite readers about the property market. Included are articles, facts and figures on industry news and helpful property-related hints and tips. As always, we value your feedback, so please be in touch with any ideas and suggestions.



Buyers checklist

Two bathrooms? Check. Lock-up garage? Check. Garden shed? If you're shopping for a home and feel overwhelmed by the lists of features that may or may not suit your needs, you may do well to devise a checklist to have at hand next time you're poring over Saturday's paper or surfing the net.

While most times a property cannot be reduced to the sum of its features, ensure your next shortlist contains appropriate properties. There are criteria you can use to determine whether a property is worth checking out.

First, create a simple spreadsheet with your shortlisted properties along the top. Then, list one criterion per row down the left side, from features that are crucial (think walking distance to public transport or schools, or off street parking) to those you'd like, but don't absolutely need, such as a verandah. Also include the asking price, or estimated price range, and the sale method.

When working through your list, it's a good idea to start with location, as this can often rule a property in or out. Once you know you could live in the location, you need to know if you could live in the home itself – which will probably be determined in part by the bedrooms and living spaces. Does it have enough? Is there a study that could serve as a guest room? Also in this vein is the layout: does it have open-plan living, or traditional spaces? Is there a courtyard?

Other checklist items, which will vary in importance depending on whether you're buying an investment or residence, are whether the home has been renovated, the land size, and aspect. Finally, the price. While it's difficult to compare advertised prices, particularly between estimated price ranges for auctions and private sale asking sums, it doesn't make sense to pretend the \$1 million home you love is magically going to fall into your \$600,000 budget!



Re-duce, Re-use, Re-cycle

When recycling furniture or reusing old timber to create a new piece you are not only helping the environment you are also saving the hip pocket. Second hand furniture stores, opportunity shops and garage sales in your neighborhood are all excellent places to browse for pre-loved items.

Usually inexpensive and often unique in style, garage sale pieces are also lots of fun to find. Always turn up early though as other like-minded scavengers regularly flock to these events, trailer in tow. Be prepared for other impulse purchases too, best sellers and interesting crockery are just as likely to jump out at you. [To page 2](#)

From page 1 If you are looking for larger quantities of timber, old floor boards for example, search online for companies who will source them for you. Hey presto, old timber fence palings turn into your kitchen table! If you are not willing to build the table yourself, you'll find plenty of furniture makers in your area willing to create a new little piece of history for you.

Fixed versus Variable Home Loans

Financial experts suggest mortgage holders check their current home loan contract every five years or so. With economic conditions regularly changing, there's always the possibility of renegotiating a 'better deal'. A money lending professional or mortgage broker can assess your current situation and provide you with practical advice. One of the big questions borrowers tend to ask is: should I choose a fixed home loan rate or do I ride the wave of change with a variable rate? It's not an easy question to answer and there are pros and cons for each type of loan.

A variable loan changes its interest rate depending on the economic index and interest rates set by the Reserve Bank of Australia. While borrowers will typically get a lower opening interest rate, they're subject to fluctuations in the market.

A fixed rate mortgage retains the same interest rate throughout the duration of the term. Homeowners benefit because they're given a fixed monthly payment that they can effectively budget for and it won't change with the market. Many people find comfort in this and prefer the stability of this loan over a variable one. However, because the interest rate risk is placed on the lender, fixed rate mortgages tend to have a slightly higher interest rate.

Split loans are a combination of variable and fixed rate loans. You can have a percentage of the loan as variable while the other percentage fixed. You can have



half fixed and half variable, 75% variable and 25% fixed or any combination you prefer. Split loans are for borrowers who want to hedge their bets. They give the borrower the flexibility of a variable loan and the security of a fixed loan.

Whilst variable rates versus fixed rates is a key consideration when taking out a new loan or refinancing an existing one, bear in mind that other loan features can be just as important. For example, some fixed loans don't allow for extra loan repayments or redraw facilities which may be a significant disadvantage for some. Thorough research and professional advice are a must when it comes to navigating mortgage deals.



Preparing for rental success!

Finding your ideal rental property isn't impossible, but it does take time and effort. You can increase your chances of success by implementing a few "common sense" tactics and being prepared in advance for the necessary documentation.

Research and preparation

When starting your search, it goes without saying that you will want to know about the area you are looking to live in. Does it have good access to public transport? Are there schools nearby? Is there a shopping or café strip? Your local agent should be able to help familiarise you with a new location.

Prepare your paperwork

Some areas can be competitive for tenants so it pays to be one step ahead and have all your paperwork ready for a tenancy application, preferably at the time of the open for inspection or "walk through". This would normally include 100 points of identification, past references and proof of income. Add good presentation and a friendly smile and you are already in front!

Tenancy Agreement

It is important to understand that when signing a tenancy agreement you are entering into a legally binding agreement. Take the time to carefully read and understand all conditions of the tenancy agreement before you sign. If you do not understand any of the conditions don't be afraid to ask questions.

Condition Reports

The condition report is an important document. This report notes the general condition of the premises, including fittings and fixtures. The landlord or agent must give two copies of the signed condition report to the tenant before the tenant occupies the premises.

The tenant must fill out and return the condition report to the landlord or agent within three business days of moving in. It is important that you take the time to accurately complete this report to minimise disputes at the end of the tenancy. To further reduce disputes at the end of the tenancy you may wish to take photos of the property.