

## In my view



Trying to work out what's happening with property prices in today's market can be extremely confusing. Often figures in the press seem to contradict each other.

When studying quarterly figures in the newspaper, it's important to remember that these statistics may already be well out of date when published.

The other problem is that if there are strong sales in the lower price bracket and few sales of pricier properties, the median price may be dragged down.

This does not necessarily mean that the price of any particular property in that suburb has dropped. In fact it may have increased.

The only way in which you can easily determine what your home is worth right now is to get an appraisal done by a local real estate agent who is up to date with what's happening in your area.

Call us urgently if you'd like to take advantage of the peak January/February selling period.

Finally, thanks for your support in 2009 and we would like to wish you all the best for 2010.

**Rick Lombardo, Principal**  
rick@realtyone.com.au

## FOR SALE Luxury Penthouse or great investment!



### Who needs city views - though you'll have that too!

Enviably positioned on the Applecross foreshore, this superb waterfront Raffles property boasts a spectacular panorama of the Swan and Canning Rivers.

Breathtaking views from all living areas, balconies, master bedroom and ensuite. Open plan living and entertainment areas. Fantastic outdoor areas, ideal for alfresco dining. Occupying 277sqm, the accommodation comprises of 3 bathrooms, 3 bedrooms. Includes pool, gym, steam room and 2 secure car bays.

Contact Lynette Gardner on 0412 988 077.

## The future of the local market

# It's steady as she goes

By Rick Lombardo, Principal

**I**n the September Quarter edition of our newsletter, *Your Property Matters*, we flagged a noticeable turnaround in the demand for properties, particularly those in the middle price range - between \$500,000 and \$1 million.

It's fair to say that this demand has been felt generally throughout the Perth metro area, resulting in a recovery from the falling 2007/8 market.

Two of the major push factors behind this recovery were strong activity in the first home owners' market and low interest rates, which dropped from a peak of about 9.6% in 2008 (standard variable rate) to a low of about 5.8% in early 2009.

Since September interest rates have climbed back up to about 6.7%. What does this mean for the 2010 market and if further rate hikes are imposed as predicted, will we see the recovery in demand stalling?

Any further rapid rate rises will not be good news particularly for the bottom end of the market. General consensus is that an increase in excess of 1.25% in 2010 could pull the market back.

However, notwithstanding the uncertainty over interest rates, most other indicators for positive growth in the WA economy are in place. We are of the view that demand for property should be underpinned by continuing population growth as our economy moves forward.

As a result a stable market for 2010 appears likely with overall moderate growth in property values for the year in the 5% to 8% range.

## Property Price Trends

	Median Price Yr to Sept 09	Quarterly change in annual median	Annual change 1 yr	Ave annual % change 5 years	Ave annual % change 10 years
Alfred Cove	\$660,000	-3.3%	-16.9%	9.2%	11.4%
Applecross	\$1,176,000	2.3%	-30.6%	8.0%	9.3%
Ardross	\$815,000	2.5%	-3.6%	10.7%	11.1%
Attadale	\$950,000	0.0%	-24.0%	10.1%	10.0%
Booragoon	\$740,000	0.3%	3.5%	13.0%	12.5%
Brentwood	\$557,500	0.0%	-1.3%	12.8%	11.6%
Melville	\$635,000	-1.2%	-13.0%	9.7%	11.4%
Mt Pleasant	\$955,000	3.9%	2.4%	10.9%	11.7%
Myaree	\$560,000	0.0%	0.6%	11.8%	12.1%



## What will happen to rentals over the next few years?

The renewed interest in investing in property in recent months has been driven by favourable interest rates, lower property prices, relatively low unemployment, continued strong population growth and more obviously good rental returns and continued low vacancy rates.

But what are the prospects for property investment over the next few years?

According to leading industry analyst and economic forecaster, BIS Shrapnel the average annual growth in rentals was 6.5 per cent from 2002 to 2008, well above the national average of 4.4 per cent.

The company says high rental growth has continued in 2009, with an estimated rise of 6.6 per cent but is

forecasting more moderate rental growth of 3.2 per cent per annum over the next three years to 2012.

BIS Shrapnel says much of the rental growth has occurred due to very large increases in average wages. It expects average wages growth will be more moderate over the next three years.

Looking at Australia as a whole, BIS Shrapnel's Senior Economist Jason Anderson says, "Higher interest rates would dampen the construction of new dwellings, exacerbate the housing shortage, and thereby place upward pressure on rentals."

If you have been considering investing in property, come in and see us and let's discuss the options.

## In-depth study to further improve property management services



While Realty One Property Management has in the past strived to provide a level of service based on best practice principles, we feel that we can do even better by implementing a series of new systems and procedures that will not only benefit owners but also tenants.

Adriana Mann is currently assessing all management and rental operations with a view to upgrading Realty One's profile in this important aspect of the Real Estate business.

Be assured that all your property management and rental requirements will be in the hands of the friendly and professional force at Realty One.

## Don't miss out on this!

Did you know that you can now insulate your 3 bedroom, 1 bathroom home or investment property free of charge or for a very small amount of money if your property's bigger?

To find out how, contact Rick Lombardo at [rick@realtyone.com.au](mailto:rick@realtyone.com.au)

## How a strong dose of teamwork helped get this problem settlement across the line

During the course of a recent property transaction, a problem arose because the property sold still had 6 registered proprietors on the title even though a previous deed effectively paid out 2 of the registered proprietors.

Documents were prepared to transfer the ownership from 6 people to 4 people and delivered by Shari of Haybrad Conveyancing (acting for the seller) to the registered proprietors for execution.

The Transfer was returned by the clients directly to John Hender of Realty One. Unfortunately, none of the signatures were witnessed.

John faxed a copy of the signing page through to Shari and then rang her explaining that one of the owners was still with him. Shari immediately emailed the new transfer documents to John. He got the owner to sign, while acting as a witness.

In the meantime, the transfer from the 4 sellers to the buyer was delivered to Shari by Warren at Hartfield Conveyancing (acting for the buyer) and again John Hender offered to have that document executed under his supervision.

Settlement date was closing in at this stage and without John's intervention a penalty interest situation was inevitable. Once the documents had been correctly signed John delivered them to Shari's home letterbox.

Hartfield Conveyancing, Haybrad Conveyancing and Realty One all worked together on this transaction to bring about the best possible outcome in the shortest time frame.

## Jacaranda Festival



*These shopping bags were much sought after at the Jacaranda Festival. We still have some available, so why not pop in to our office in the Applecross Village and pick one up.*

## Realty One gives Rachel wheels

**This year's Jacaranda Festival held in the Applecross Village reached new highs in crowd attendance and the number of stall holders.**

Whereas last year 73 traders took up stalls at this Rotary Club of Applecross event, this year saw 96 stallholders participating. Once again this family orientated event offered much in the way of entertainment for kids and adults.

The spirit of the fair was trumpeted by a brass band and given added momentum by swing and belly dancers and wine tasting. For the kids there was a bouncy castle, McDonald's Farm, a clown on stilts, face painting and a number of other attractions.

At Realty One's office in the Village, there was a constant stream of visitors looking to get a free balloon or the company's highly popular shopping bags. The more ambitious could be seen pondering how many jelly beans there were in the jar. The prize - a brand new bicycle.

The winner was Rachel Hall from Como who obviously knows her beans. The Jacaranda Festival was launched by the Rotary Club of Applecross nine years ago as a community event designed to put something back into the community.



*Rachel Hall receives her prize of a bike from Rick Lombardo, Principal of Realty One in Applecross while Marlene Drummond-Smith of Realty One looks on.*

## Strata management

# How far would your strata manager have gone to solve this difficult conflict?

**Sometimes it takes a lot more than traditional property management skills to be a successful strata property manager.**

In the case of one of the strata properties which we manage it took a direct personal approach to address a problem which arose when parents let their Eastern Suburbs villa to their kids, who had previously rented an old house in Balga

The problem was that when they moved into their parents villa, the kids did what they

often do - cause havoc with loud music, late parties, revving cars etc.

As a result elderly people next door became very upset and concerned. They asked Realty One to help them.

When letters and emails to the parents did not achieve any response, Hazel from Realty One's strata management team decided to take a direct approach.

She visited the youthful tenants after hours (played mum) sat with them and explained

the Strata By Laws and the difference between communal living and occupying an old house in the suburbs. She explained how their behaviour had worried the neighbours and caused them stress.

They accepted what they were told. Hazel then took them to the elderly neighbours next door and they apologised for the upset. Now they are model neighbours. The neighbours sent a thank you card to Realty One for the way they handled the situation and for achieving an excellent outcome.

*"Realty One's Property Management Team has worked together with me to finish yet another great successful year. It is wonderful to have experienced property management staff to make sure our properties work and our tenants have a positive point of contact." Anna Ward, Worelee Group*



# FOR SALE



## Kintail Road, Applecross

Character two storey home on a 761m<sup>2</sup> lot in prime location. High ceilings and jarrah floors throughout this 6 bedroom, 2 bathroom family home. Renovate or demolish and build your dream home. Close to the river, Applecross Village and school.

Call Paul Menezes on 0413 817 857



## Central Avenue, Mt Pleasant

Beautifully renovated 3 bedroom, 1 bathroom, double garage home with Miele gourmet kitchen, blackbutt wooden flooring. Daiken ducted reverse cycle air conditioner.

Call Paul Hedley on 0418 905 603



## Tain Street, Applecross

Charming villa in a superbly maintained complex in a highly sought after location in the centre of Applecross. 3 bedrooms with huge lounge/dining room, cathedral ceilings and modern kitchen. 2 private courtyards, a store and double carport.

Call Anita Wilson on 0409 374 134.



## Raffles Apartment, Applecross

Incredible north facing views of the South of Perth Yacht Club and City. 3 spacious bedrooms, 2 bathrooms, formal and informal areas, two car bays and superb Raffles facilities.

Call Paul Menezes 0413 811 857



## FOR SALE: Gigantic Home! Wethered Street, Leeming

Big enough for the Royal Family! This mansion has 7 bedrooms, including guest suites, or 6 plus a super-sized office! There are 4 bathrooms, 2 lounges, family room, big upstairs deck, 3 meal areas, a big kitchen and refreshment salon or mini-kitchen, glamorous pool, lock-up garage plus double carport and a host of extras! Call Clyde Bant on 0418 225 226.

## Huge response from our last newsletter

There was a huge response to the property on the front page of our last newsletter.

We received multiple offers and the property sold at a record price in less than 30 days. If you are thinking of selling your property then be on the front page of our next edition. With 15,000 copied delivered to our registered buyers and the local community, success is guaranteed.



## Now - Realty One expands specialist commercial property services

Driven by the increased demand for its commercial property services, Realty One has further expanded its commercial property services, becoming one of few real estate offices to establish a department specialising in the sale, leasing and management of commercial property.

In an indication of the importance of this area to Realty One, Licensee, John Hender will himself head up the new department, working with sales consultant, Grahame Files and property management and leasing specialist Lisa De Mamiel.

John, a licensed valuer, with some 35 years of experience, will be on hand to

give you advice on commercial property investment opportunities, sales and leasing. John or Grahame can be contacted on 9313 9100 or 0418 927 046 / 0406 420 139.

Realty One already manages a significant commercial property portfolio under the professional eye of Lisa.

We specialise in the management of commercial and industrial properties south of the river and offer a personal service.

For more information on our commercial property management services call Lisa De Mamiel on 9313 9111.

*"Adriana was my agent in the sale of my strata unit in Shelley. I found her to be very knowledgeable on the market and property values. She has a customer focused approach, which leaves the client without any doubt that their interests come first. Realty One sold the property within 2 weeks."*  
John Radalj

