

Property Report

Ray White

Cannington

Welcome



Welcome to another edition of our Property Market Report, a publication being released in interesting times.

Not only is it interesting times for our country politically, but it's also interesting times in the property market.

The market has been in a slow-down resulting in the

number of properties on the market reaching 14,500 – that's about 2,500 more than normal.

Despite the market running at a comparatively slow pace it's interesting to note that buyers are still prepared to pay a good price for a property that represents value.

That's the key to selling successfully. Don't be over-ambitious. Be realistic.

Also, be aware that in many ways this market offers far greater opportunity than when it's running gangbusters.

The following articles explain why. We trust you'll find it of interest.

**Michael & Karen Smart,
Principals**

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This market offers a brilliant opportunity to upgrade

For those who are in the happy position of having a reasonable amount of equity in their home, the current property market is offering a brilliant opportunity to upgrade.

The situation is that the Perth market is currently over-stocked. There are currently 14500 properties on the market in the Perth metropolitan area. This represents about 2,500 more than normal to choose from.

The average length of time for a property to sell has drifted out to 66 days, the properties at the top of the market are selling at about 10 -20% below their peak while most mid level property areas are selling at about 5 -10% off peak.

It means that if your home is within the stronger part of the market - you're

likely to get a reasonable price and you'll buy at a substantial discount



because property in the higher levels has had to be discounted to achieve a sale.

If it's something that appeals to you we would advise you to act soon as the market will no longer be distracted by the election and buoyancy usually returns with the arrival of spring weather.

Record prices achieved in East Cannington



Who says you can't achieve record prices in a market downturn?

The sellers of two quality homes were happy to be record makers for East Cannington when we achieved a record high price for a home on a property less than 500 square metres and in the same quarter achieved a record price for a home on a property in excess of 1,000 sq metres.

Both were quality homes, beautifully presented to appeal to buyers wanting something exceptional.

It's pleasing to see higher standard homes are being built in the Cannington region – something that has been sorely overlooked by many developers who have tended to build solely to a price level.

The prices were proof that the current market, though it's operating at a slow pace is one where people are prepared to pay for value.

Though the market is not paying top prices and selling is taking a little longer than normal, negativity in the press has been a little misleading.

There are buyers in the marketplace – mainly investors and home upgraders rather than first home buyers.

Blocks suitable for subdivision are also in very strong demand.

There's an increasing realisation that this is the ideal time to be buying so we expect market tempo to increase in the very near future.

Why it makes sense to go for indigenous plants in your garden



With Australia's cities subject to water restrictions of varying degrees of severity, an increasing number of home owners are turning to planting indigenous plants and in particular, drought resistant varieties.

There are some fallacies when it comes to indigenous garden plants. Perhaps the biggest mistake comes from failing to realise that not all indigenous plants are suited to an area. So be sure to get the right advice before spending up big.

The other thing you should know is that if you go the indigenous route you won't be condemning yourself to a garden bereft of flowers. In most urban areas you will be able to successfully grow indigenous plants with showy flowers.

Many indigenous plants flower during the winter and spring, while others provide a wonderful display in summer and autumn – giving you something to enjoy all year round.

Australian native plants can tell you a lot about themselves from their general appearance. For example pale grey-green and silvery coloured leaves are adapted to tolerate sun and salt, perfect for gardens close to the coast.

Plants with small or fine leaves have evolved to adapt themselves to light exposure. These plants enjoy the sun and their leaves minimise water loss. Large leaves lose more moisture and enjoy the shade.

Pest resistance

Aromatic plants are often pest resistant and those with thorns and prickles are designed to protect themselves from predators.

Plants with smooth, fleshy stems and leaves that are green throughout the summer tend to be less flammable than rough-barked plants with dry, oil-containing leaves.

Among the benefits of establishing an indigenous species garden is their easier adaptation to the rainfall, soils, drainage and wind which means they often require less nurturing than non indigenous species.

There's no doubt that as water becomes more expensive so indigenous gardens are going to become more appealing – and it could be suggested that in time, homes with attractive native plant gardens may have greater buyer appeal than those with gardens requiring a lot of water to survive.

Generally, the best time to plant most native plants is autumn when the soil is still warm. This will allow new plants to grow into their new homes before the next hot summer. Until they are established all plants require extra care, so planting them just before or after the opening rains will give them the best start.

A little humour



"Before we begin, let us take a moment to reflect upon our hidden agenda."

This FREE report will help you

We cannot emphasise too strongly how important home presentation is when it comes to getting the best price that a home can possibly achieve.

There are important touches that can be done easily and without great expense – for instance 'decluttering' can be invaluable in a small place.

We're certainly not suggesting sellers go to a great expense in preparing their home because if you go too far you might not get a worthwhile return on effort and cost but you would be surprised how attention to a number of little things can make a difference.

With this in mind we have a special free report on home presentation you're most welcome to have. Just call us and we can either email or post a copy to you.

You'll find details that you probably wouldn't think of, so do make use of it.



Housing market in for some radical changes in coming decades



A recent survey by the Australian Bureau of Statistics (ABS) has strong implications for the future of housing in Australia.

The survey shows that 'couple only' families are projected to increase the most rapidly of all types of families over the next 25 years.

In fact, if recent trends continue, 'couple only' families will overtake the number of 'couple families' with children, in either 2013 or 2014. This is partly related to the ageing of the population, with baby boomers becoming 'empty nesters'.

The most common living arrangement for people in Australia over the period 1991 to 2006 was a 'couple family' with children. The trend over this period, however, reveals a decline in this type of living arrangement.

In 1991, 59% of all Australians lived in a 'couple family' with children. By 2006, this proportion had decreased to 50%.

According to the ABS, the number of

households in Australia is expected to increase by up to 4 million over the next 25 years. "Family households" are projected to show the largest numeric growth and remain the most common household type in Australia, increasing from 5.6 million in 2006 to 8.0 million in 2031.

Lone person households

Although "family households" will show the greatest numeric increase, "lone person households" are projected to experience the greatest percentage increase over the 25 years. This is related to the ageing of Australia's population and the fact that older women, in particular, are more likely

to live alone than other people.

This trend coupled with affordability issues could offer opportunities to developers. It will certainly impact on the size of a home required, with the traditional '4-bed, 2-bath' becoming less of the norm.

In some cases it may be possible for home owners to retain their existing houses and build one or more single bedroom dwellings, even where lot size would not enable traditional development and sub-division. It certainly seems that in the future, in terms of house size, 'less is going to be more'.

7 things to keep in mind while your home is on the market

Most home owners have some idea of what they need to do before putting their homes up for sale.

Many though are unaware of what to keep in mind when their property is for sale.

Here are some of the things you should keep in mind:

- Don't reject a good early offer out of hand – you may not get a better one later. And if you get a good early offer, don't automatically conclude that your asking price is too low;
- If you're not receiving regular feedback from your agent, you should be asking why;
- Trust your agent. Rely on their advice not on what Uncle Ted heard in the pub;
- If your presentation is great and yet your home is languishing on the market the chances are your price is too high. With the internet, today's buyers are savvy when it comes to pricing. They will not bother to look at a home which they perceive to be over-priced;
- Be patient. In a slower market it takes longer to sell. And don't be too sensitive if your agent gives you negative buyer feedback. It's your agent's duty to be honest with you. See whether you can help in correcting any negative factors;
- Throughout the selling process know what price you're prepared to accept;
- Don't let your guard slip when it comes to ensuring your presentation is up to scratch. It can be a bit of a strain but you'll reap the reward when settlement is achieved.



New technology gives you the best opportunities

How would you like to be kept up to date with the very latest in property market news?

The Ray White Cannington office has been undergoing a series of new developments in technology so that we can offer the very best techniques in marketing our client listings and helping prospective buyers to be kept up to date with developments.

For instance we can now send you suburb based market reviews, your quarterly newsletter sent as a pdf rather than having a printed version, regular buyer alerts and you can also have the Ray White Southside Living Magazine sent online.

If you're interested in property within the Cannington area, the buyer alert facility is a must.

All you have to do is register your interest in receiving property updates and you'll be advised of a property the moment it comes on the market.

It enables you to be kept informed without having to plough through the newspaper or websites to find new properties coming onto the market and to receive the information ahead of others who are not receiving this service.

Free service

The facility is free of charge. All you need do is contact us with your details – and give us an indication of what you're seeking. You'll receive the information either as emails or mobile phone alerts.

We have installed the new Mobileme system enabling our iphones, ipads and computers to all be in sync. It means our team members will be more readily available to take enquiries and for property sale details to be loaded into the system at a faster rate.

Would you like to receive the Southside Living properties for sale book emailed to you?

Subscribe by emailing this office: admin@rwc.com.au



Our vacancy rate puts other areas to shame

At the time of preparing this market report we had just five vacant properties available which meant our vacancy rate in the Cannington region was just 1.5%.

Compare this with the state's current rental property vacancy rate of 4.3% and you can see the outcome of two key aspects:

1. Cannington is an area where tenant demand is strong
2. Our system of property management is vastly more effective than that being used by other property management services.

There's no doubt that Cannington is a popular locality for tenants. It is well situated to shopping facilities, employment areas and easily accessible to areas East, West, South and to the city.

But what is giving us a far lower tenant turnover than most agencies is the attention to detail we adopt when selecting a tenant.

We've found that creating a good deal for the tenant and taking fussiness in accepting a tenant application almost to an extreme pays off handsomely.

This is because tenants realise a good arrangement for them is well worth keeping and of course by choosing the right type of tenant gives a greater likelihood of the property being well looked after and rental payments being kept up to date.

We expect this area to continue being a good area for property investors.

We're seeing the vacancy rate tighten on lower priced property in particular, because of the stricter lending criteria of banks resulting in first home buyers having to rent for longer.

Ray White

Cannington

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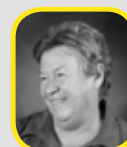
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