



REAL ESTATE NEWS



2003 SPRING EDITION - PRODUCED BY MEMBERS OF THE AUSNET REAL ESTATE GROUP

WA'S TOP LISTING AND SELLING REAL ESTATE GROUP 1998/1999, 1999/2000, 2001/2002, 2002/2003*



PROTECTING YOUR INVESTMENT



Glen O'Brien

FROM THE principal



One of the most significant trends in the real estate market has been the growing number of investors buying homes. This trend has been largely due to the fact that superannuation funds as well as the stock market have been delivering very poor returns for investors.

The large number of investors has meant there has been high demand for lower priced properties under \$200,000.

This high level of activity by investors has resulted in a growing shortage of lower priced properties and rising prices in this sector of the housing market. The flip side of this trend is that it is becoming more difficult for first home buyers to purchase a home.

Recent home loan figures show that first home buyers now account for less than 14% of all home loans which is the lowest on record.

One tip for anyone wanting to buy a home for the first time is to register their name with a local real estate agent who is willing to help them find a home.

Our company has helped a number of first home buyers secure a home in recent months because they have registered with us and we have advised them of an appropriate home once listed for sale.

Also important is the need for home loan pre-approval. With most homes now selling for the listing price, a home buyer with pre-approved finance is in a stronger position to buy a home.

First homebuyers should also keep an open mind on the location and style of a home. Remember, the most important issue is to get onto the housing market ladder so you can upgrade your home at a later stage.

Glen O'Brien Real Estate specialises in property management and realises that it is more than simply collecting the rent!

Glen O'Brien's 14 years experience in the real estate business and attention to detail will alleviate any concerns that owners may have in regards to handing their property over to a real estate agent.

The Applecross based agency sees tenancing as the most important factor in property management.

To help secure suitable tenants for a property, Glen O'Brien Real Estate has a comprehensive application procedure along with a thorough credit and reference checking system to help guarantee the most appropriate tenants are appointed.

The local agency is responsible for a number of high-end rental properties, such as the recently let five bedroom, four bathroom Doongalla Road home in Attadale. This executive style

property rented at \$900 per week is an example of the high calibre rentals that Glen O'Brien has to offer his clients.

Regular inspections to ensure the property is maintained at a high standard for both clients and tenants are conducted.

Glen O'Brien Real Estate ensures on-going communication with its clients by updating property condition reports to ensure the property is kept in its original condition and a client's investment is protected.

To ensure that clients are continuing to receive unsurpassed service from the Applecross agency, Adam Carew-Reid has joined the team as a sales representative. Adam can be contacted on 0412 961 017.

For further details on managing your property or helping you to find a suitable rental, contact Marilyn Hawkins on 9316 3911 or mobile, 0411 448 524.



How is your suburb performing?

Source: REIWA, October 2003

Suburb	% Change in last 12 months	5 yr Avg Growth (p.a)	Median House Price	Highest Sale Price
Applecross	29.90%	13.50%	\$735,052	\$3,700,000
Ardross	19.20%	12.80%	\$411,555	\$725,000
Mt Pleasant	20.20%	12.60%	\$481,000	\$1,240,000
Booragoon	15.70%	9.50%	\$348,427	\$1,130,000
Attadale	21.10%	11.20%	\$496,796	\$2,000,000



SPRING

is in the air! we are giving away a \$1000 Spring Make-Over to all clients that list and sell with Glen O'Brien Real Estate by December 2003. Call now for details.

For all your real estate needs, excellence in service and great results...

CALL YOUR LOCAL EXPERT

Glen O'Brien Real Estate

Tel: (08) 9316 3911

Glen O'Brien: 0418 923 123



YOUTH FACTOR

to give major boost to WA housing market

The residential housing market in Western Australia will receive a major long term boost by the growing number of young people wanting to buy or rent a home over the next two decades.

This long term trend has been highlighted by the latest ABS population figures which showed that of all the states, Western Australia had the largest proportion of young people aged under 24 years of age. At the end of the last financial year, there were 678,133 young people aged under 24 in Western Australia which represented 35% or over one third of the entire population.

These figures are significant for the future demand for properties in Western Australia as young people account for one in five home buyers.

The figures are also good news for landlords because a large number of young people also rent a home before deciding to purchase their own home. A recent ABS survey found that over half of all young (under 35 years) lone-person households rents privately.

During the next two decades, the demand for rental accommodation should also increase because of affordability issues relating to buying a home. It has been predicted by the State Government (Paper -



young people account for 1 in 5 homebuyers.

Housing 2029 A Housing Strategy for Western Australia) that if the homeownership rate falls to 60% by 2029 then an additional 285,000 rental dwellings will be required over this period.

This is a very significant social trend because it means that there will be a strong underlying demand for rental accommodation and owner occupied homes in Western Australia over the next two decades when these large numbers of young people begin to look for accommodation.

Anyone considering buying property in the current real estate market should take this longer term view of the housing market because property ownership is a long term financial commitment.

Rather than focusing on house price growth rates or rental returns for the coming year, homebuyers in the housing market should take a twenty year perspective to buying a rental property and these figures confirm that the overall outlook for the housing market in Western Australia over the next two decades is very positive.



BOOKLET LAUNCHED FOR FIRST TIME INVESTORS

The latest REIWA figures show that investors made up 25% of the home buying public during the June 2003 quarter, which is the highest level of activity by this sector since the June 1994 quarter.

Many of these investors are buying an investment property for the first time and as such may be more at risk of making a mistake because of a lack of knowledge in this area.

To assist first home investors make a more informed decision about buying an investment property, the Ausnet Group has produced a special advisory booklet on property investment.

First time investors in Western Australia can undertake a personal investment audit with the help of this new booklet.

Selecting the most appropriate investment property based on personal circumstances is a key factor that even the most expensive property investment seminars often fail to properly address.

The property that is best suited to each investor will depend on their objectives and financial capacity and this is the key issue that investors should address before beginning to look for a property.

This comprehensive booklet has been devised to give investors a basic understanding about investing in real estate. The sixteen page booklet only takes about 20 minutes to read and answers many of the basic questions posed by first time investors.

It is a simple A-Z of property investment which covers most of the key issues a first time investor should address in a very simple presentation. Issues such as gearing, finance, depreciation and property values are discussed

in an easy to follow format.

The booklet also encourages every investor to undertake a personal audit which will determine how much money they require for their retirement and examines a number of investment options that investors can consider based upon their financial objectives.

The booklet helps to focus the mind of a first time investor on the type of property they require by highlighting all of the costs involved in owning an investment property, projected income and financing options.

For example, highlighted are a couple of feasibility studies which look at a number of options taking into account issues such as negative or positive gearing and differing levels of borrowing.

Unlike more detailed books which take much more time to read and understand, the strength of this book is its simplicity and the average first time investor will find it a very useful learning tool in their journey to buying an investment property.

The booklet is available from selected Ausnet offices.

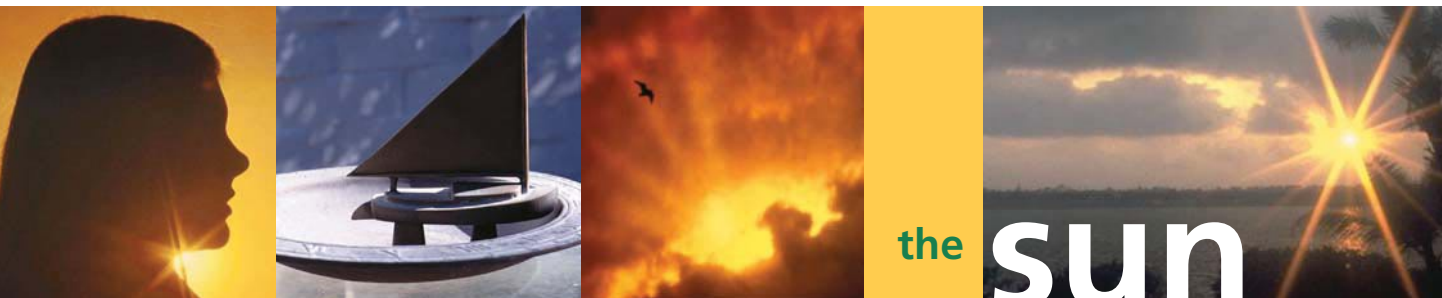


a simple and easy-to-read

"A to Z" of PROPERTY INVESTMENT.

Available now by contacting your local Ausnet Real Estate Agent.





how it can impact on the sale price of your home

The summer months are traditionally the best time to sell a home in Western Australia.

While the warmer weather makes it much easier to sell a home, there is a fundamental shift occurring in the housing market being caused by a growing love affair with the sun.

A major lifestyle change in recent years has been a growing desire amongst homeowners to have homes that are more environmentally friendly and more suited to Australian conditions.

This has been reflected in an increasing number of new home designs that now extensively use gazebo and verandah areas.

Increasingly, homeowners want to spend more time outdoors and have homes that blend the outdoors and indoor areas.

This trend is also reflected in the fact that the specific geographic location of a home in relation to the sun is becoming a growing factor amongst homebuyers in Western Australia.

*when buying a home,
it's important to consider
the geographic location
of the block.*

Homes which have a north facing back garden can now often command a higher selling price compared to a similar home with a southern, western or eastern back garden. People generally prefer blocks that have a north facing garden because the area will receive the sun throughout the year and this will compliment the environmental design of the home.

As part of this general environmental trend, more land developers in Western Australia are taking this issue into account by designing road systems so that the homes will face either North or South.

This environmental factor, where homes and the suburb reflect Australian environmental living conditions, is now becoming a major selling point in the marketing of these newer suburbs.

With this overall trend now gripping the real estate market in Western Australia, anyone who is considering buying a home should also consider the geographic location of their block in relation to the sun because as it may affect the re-sale value of their home in coming years.

Complete Settlement Solutions



Landmark Settlements Australia, (part of the Ausnet Real Estate Group), has just celebrated its 1st birthday, by announcing it had achieved more than \$200 million in property settlements during its first year of operation.

Landmark Settlements is the most recent innovation by the Ausnet Real Estate Group as it strives to bring a new dimension to the experience people have when buying or selling Real Estate. We want to provide a total service, where people dealing with an Ausnet agent can buy or sell property, insure it, finance it, and settle it all under the one roof.

Landmark Settlements specialise in a variety of services including:

- Residential and Commercial Property Settlements
- Land Subdivisions and development
- Strata Titles
- Change of name/particulars on titles
- Title and Company searches
- Related party transfers

Call Delia Attard on 9201 9022 for further information.





Article by Colin Lamb



"LOW-DOC" LOANS IDEAL FOR SMALL BUSINESSES

Thousands of small business operators in Western Australia now have the ability to secure a home loan through a quiet revolution occurring in home loan lending.

In the past, many small business operators throughout Western Australia have found it very difficult to secure a home loan because traditional home loans have required a high level of documentary evidence to prove the person could service the loan.

This is particularly the case for small business operators who may only have been in business for a few years.

While many of these small business operators can demonstrate a good credit rating, many fail to secure a home loan because they were in business for a short period of time or they could not provide the confirmation required by the financial institutions to substantiate income levels.

If you have a small business then you may be interested to know that there is now a new range of home loans called 'Low Doc' loans that make it much easier for small business operators to secure a home loan.

'Low Doc' loans are specially tailored loans for people who can reasonably demonstrate that they can service the loan, have a sound business record and have good equity in the loan security being offered.

People applying for a 'Low Doc' loan therefore do not require the large number of backup financial documents that are usually required for home loan approval.

During the past year, Mortgage Solutions has organised a growing number of home loans for people working in small business through the use of Low Doc loans. Home loan rates for Low Doc loans can be just as competitive for traditional home loans.

The choice of Low Doc loans is also growing and as a result of the introduction of these new Low Doc products, this area of the home loan market is now recording the fastest growth rate in Western Australia.

The introduction of Low Doc loans is an important new development in the home loan market and is giving more people the opportunity to purchase a home or an investment property which, prior to this type of loan, was not possible.

Glen O'Brien Real Estate offers its clients more by being a member of the Ausnet group - an innovative real estate 'one stop shop' that ensures that the local agency is kept up to date with national trends in the property market.

Ausnet has over 30 member offices throughout the state and Glen O'Brien says, "The opportunity to network with these members and share ideas with them has been a great benefit for our office".

Each of the Ausnet agencies brings their own unique set of skills to the group creating an enormous knowledge base for Glen O'Brien Real Estate to tap into.

Ausnet also helps the local Applecross agency stand out from the crowd by enabling it to offer its clients:

- ✓ Access to more buyers
- ✓ Highly trained personnel
- ✓ Proven marketing strategies and techniques
- ✓ Mortgage solutions
- ✓ Settlement services
- ✓ Insurance cover
- ✓ Network strength

Ultimately this leads to a better end result for all!

Four of the past five years, Ausnet has won the annual REIWA award for the top listing and selling real estate group in Western Australia.



You could save thousands on a complete range of property finance solutions! Just call Colin Lamb on 0419 944 497.



www.glenobrien.net

Suite 5, 770 Canning Hwy
APPLECROSS WA 6153

F: (08) 9316 3922
E: go@glenobrien.net

WA's Top Listing & Selling Real Estate Group
1998/1999, 1999/2000, 2001/2002, 2002/2003*



"We're working for you"
Call (08) 9242 4199

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Call us today on (08) 9316 3911