



# Elders Guide to Buying, Selling, Renting & Investing

A modern, white, rounded armchair with a curved metal base is positioned in a room with a bright red wall. To the right of the chair are three tall, thin floor lamps with white, teardrop-shaped shades. The floor is dark wood.

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## Introduction **buying**

### **Buying with confidence**

Few, if any, purchases in life will ever compare with buying a home, either in terms of sheer magnitude or excitement. That's why it's crucial you do your 'homework' and research everything to the nth degree before making such a life-changing decision.

Our guide has been formulated to make the process of Buying, Selling, Renting and Investing easier for you to make that important decision.

## Buying - finding the right property

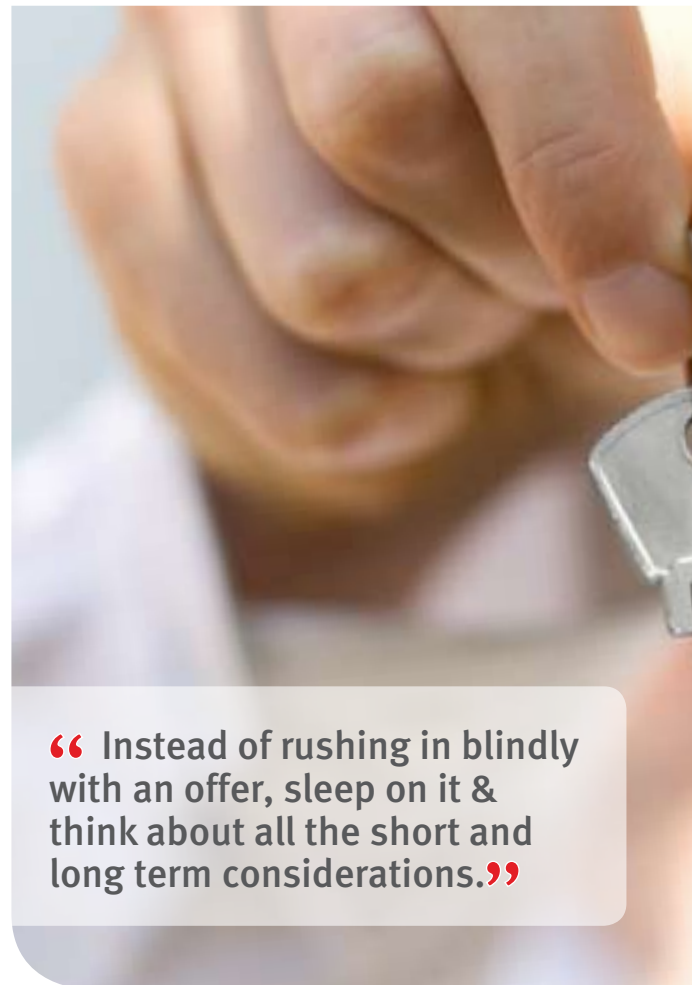
### The RIGHT place, not just any old place

If you're buying a house to live in, you'll want it to have great street appeal and be in a good area. If it's an investment, you'll want it to attract the right tenants, and when you sell; you'll want to get top dollar for it. As for the house itself, create a mental picture of the home you would ideally like to live in. How many bedrooms? What size yard? New home or 'renovator's dream'? (Not such a bad idea if you're handy).

Try to find a house with a 'unique selling feature' – a view, a designer kitchen, something that sets it apart when it comes time to sell. At [eldersre.com.au](http://eldersre.com.au) you can search easily online, either by house type, price, location, or by number of bedrooms/bathrooms. You can even download a PDF brochure. You can register and key in your preferences and we'll email you as soon as a property fitting your description comes on line. There's even a convenient loan calculator to assist you in calculating monthly loan repayments.

### Location, location, location

Of course you and you alone decide where you want to live, however if you want to capitalise on your investment, there are a few factors to consider. In our experience, we've found that near city locations and coastal areas work well, however spacious new homes by reputable builders in desirable, up-and coming locations close to modern amenities (schools, shops, services, transport, employment hubs, etc.) do well also. It's all very logical really - no one wants to spend hours driving their kids to school or battling huge traffic jams on the way to and from work.



“ Instead of rushing in blindly with an offer, sleep on it & think about all the short and long term considerations.”

Similarly, try to avoid noisy, busy areas and towns with only one main industry. If there's an economic downturn or that industry folds, property prices in the area might fall. If you are buying into a new estate, find out as much as you can about the developer's credentials and their past projects.

### Buying tips and traps

Once you've found the home of your dreams, the next thing we suggest you do is think about it carefully. Instead of rushing in blindly with an offer, take a little time to think about all the short and long term considerations.



#### **In the short term:**

- Have you had a second inspection? It is recommended that you view the property again at a different time of the day to check on issues like traffic, noise, glare, etc.
- Is the kitchen as good as you thought it was?
- Is the house the right size for your needs - does it have enough bedrooms, bathrooms, garages, storage space, etc?
- Does it fit your stage of life? For instance, is the garden too big to maintain, are there too many stairs to climb, etc?
- Is it pet friendly?
- Is it childproof?
- Is it safe and secure?
- Is it suitable for the climate i.e. insulated, air-conditioned, etc.?

- Is your finance approved?
- Have you had a professional building/termite inspection?
- Have you checked what development (e.g. roads, subdivisions, industries, etc.) is happening or planned for the area?
- Will you be close enough to friends, family, schools, work, etc?

#### **In the long term:**

- Are there long-term costs like body corporate fees?
- Will the area hold its resale value and provide capital growth?

## The bottom line

Unless you've just won Lotto or received an inheritance, you may need to secure finance. Generally speaking, mortgage lenders will come to the party with around 3.5 times your annual income, but this will vary depending upon your circumstances (your deposit, outstanding debts, etc.). It's wise to confirm a 'safe limit' pre-approval with your broker before you hit the property pages and remember you will need to factor in costs such as legal costs, stamp duty, removals' costs, and more. You may also need around 20% of the property's value as many lenders will only let you borrow 80% unless you take out mortgage insurance.

Elders have made it easier for our customers by setting up Elders Home Loans. With an independent panel of over 30 leading lenders to 'pitch' your business to, you can feel confident in being able to identify a loan that is right for you. Elders Home Loans can also help with such things as refinancing and consolidation loans, low doc loans for the self employed, and investment loans.

For more information visit [www.eldershomeloans.com.au](http://www.eldershomeloans.com.au).

## Finding your new home

There are around 7.9 million homes in Australia, so how can you tell which one is right for you?

Once you know where you want to buy and you've done your sums, it's simply a matter of finding the right property. Most people look in the local paper, followed by internet sites like [eldersre.com.au](http://eldersre.com.au), [domain.com.au](http://domain.com.au), [realestate.com.au](http://realestate.com.au) and in the window of local estate agents. By doing so, you'll quickly work out what's available and at what price.

Of course you may have to look at a lot of different properties before you find one you want. Once you do, go back at a different time of the day or night (see Tips & Traps), arrange a building/ pest inspection and have your solicitor look at the contracts. *Note: State legislation may vary.*



## Going once...going twice...

Auctions can be a trap for young players. The secret is to first attend other auctions. Most are held on site. Upon registering, you'll be given an official bidding number on a card that you or your representative must show while bidding. You can easily get 'caught up in the moment' at an auction and prices can shoot up fast, so have a realistic top price in mind and don't go over it. Take someone along for support who won't let your



heart rule your head. Bid confidently and unemotionally. If you are the highest bidder, you'll be asked to pay a non-refundable 10% deposit. However, if the reserve price isn't reached, and if you are the highest bidder, you can be the first to make the vendor an offer. Regardless of whether you are buying at auction or by private treaty, Elders can assist in making the process as streamlined as possible for you.

## Introduction **selling**

### **Selling with success**

Selling a property, especially the family home, can be an emotional rollercoaster fraught with problems. However with so much money at stake, you must not let emotions stand in the way of making \$\$\$.

This section will guide you through the art of successful selling.





## Selling with success

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### **It's not what you know, it's who you know**

The secret of successful selling is no biggie: simply select the right agent, one who'll help you get the best price, quickly and stress-free. And that's where Elders Real Estate excels. We are one of Australia's most experienced agencies and we understand the property market like no one else. We'll not only help you set a realistic price, but we'll also offer a tailor made solution that covers everything from presentation and marketing to effective sales strategies.

At every step of the way, you'll have a thoroughly committed partner offering you contemporary thinking with good old fashioned advice and service.

Take our advice and get the best price. The million dollar question is how much is your home worth? It's all very subjective – ask 12 different people and you'll get 12 different answers – however Elders are invariably on the money.

We take a systematic approach to establishing realistic asking prices which involves a lot of homework. We study the prices of comparable homes in the area that have sold recently, together with ones that are currently on the market. We then factor in the present state of the market (interest rates, market confidence, etc.) and add the 'X-factor' - our own local knowledge of the area and buyers' expectations. It's not until we take all these things into consideration, that we frame the best and fairest price. Others may quote you a higher selling price, but beware. If it is overpriced, it will sit unsold for a long time and buyers will begin to suspect something is wrong with it.

## Have a plan, Stan

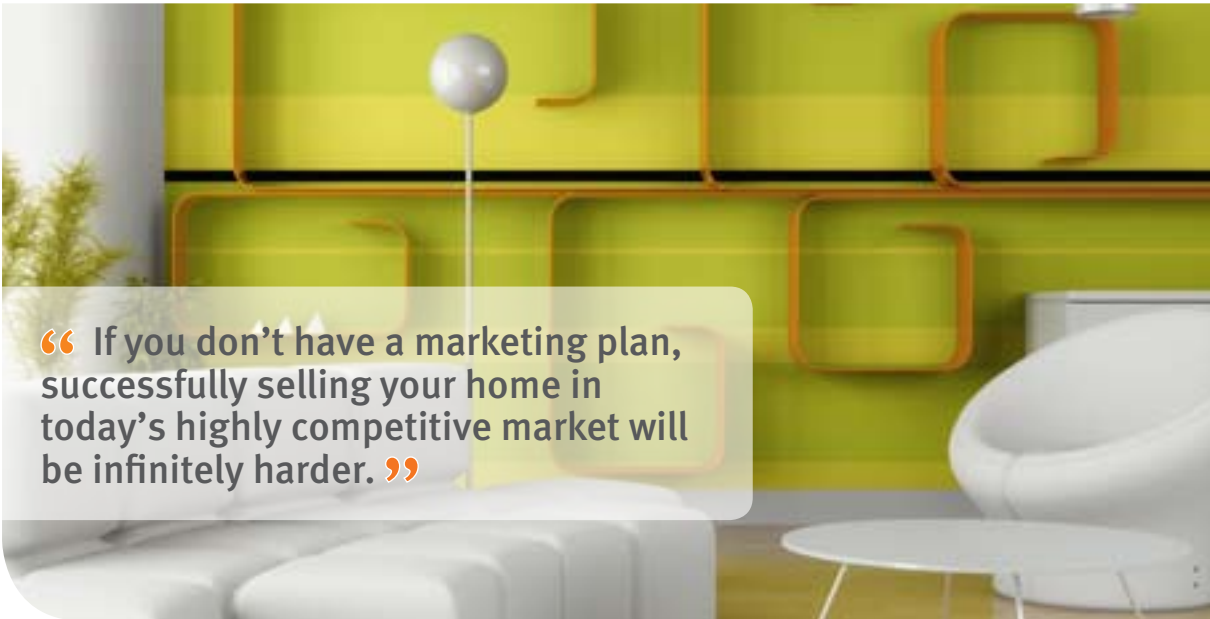
Whoever said “those who fail to plan, plan to fail” clearly knew someone selling a house. If you don’t have a marketing plan, successfully selling your home in today’s highly competitive market will be infinitely harder. Again, that’s where Elders shines. We’ll do more than just put a “For Sale” sign out the front and a picture in our window, we’ll create a fully integrated and personalised marketing plan. We’ll use every tool available including signage, press and print ads, direct response mailings, window displays, internet listings, emails and more, to ensure the right buyers are found. We will formulate a multi-media campaign that captures the target market’s attention, piques their interest, fans their desire and spurs them into action, regardless of whether they’re across the road or on the other side of the globe.

## First impressions last

You only get one chance to make a good first impression, and Elders will help you give it a great shot. When it comes to presentation, the little things can make a big difference to the price. We’ll suggest improvements and help you see your home through a potential buyer’s eyes.

### Our checklist includes:

- Ensuring your home is scrupulously clean and tidy, inside and out, top to bottom especially for open house days.
- Making sure the two crucial rooms - the kitchen and bathroom - always look their absolute best.
- De-cluttering your home to create the impression of more space.
- Mowing lawns, weeding gardens, etc.
- Opening curtains/drapes to let in natural light and garden views.
- Ensuring there’s neither hide nor hair of pets during inspections.
- Ensuring everything works as it should, kitchen cabinets, light bulbs, etc.



“ If you don’t have a marketing plan, successfully selling your home in today’s highly competitive market will be infinitely harder. ”

### How to sell well

There are two ways to sell a home: the traditional method which is called Private Treaty and at Auction. Both have their advantages and both can achieve results. While auctions may be faster, there is nothing like a little one-on-one negotiation. The important thing with both is to have a good marketing plan in place, especially for the first three weeks.

### To market, to market

Promotion is one of the most important aspects of marketing your home and Elders have got it down to a fine art. We'll first work out who and where the potential buyer is, then set out the best ways to target them

regardless of whether they live on the other side of the street or the other side of the world.

We can organise stunning shots showing your home in the best possible light and use these photos on a wide range of promotional material that includes signage, newspaper/magazine ads, direct mail (both traditional and electronic) and of course, online at **eldersre.com.au**.

In the case of auctions, promotional activity commences several weeks before the actual auction date to entice the most number of potential buyers. With all of our professional promotions in place, you can expect to attain the best possible price for your property.





## Introduction **renting**

### **Taking renting seriously**

Need your own space, but don't as yet have the deposit for your first home? Renting can be the answer. Not only does it give you time to get your deposit together, but it also helps you become au fait with the local area and your local real estate agent.





## Renting - finding the right rental property

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### Rent and rave

There are many reasons for renting, from affordability issues to getting the feel of an unfamiliar area without actually making the commitment to buy a home.

For many young people renting is their first foray away from the family home. For established home owners, it can take the pressure off finding a new home if they have sold one place and haven't yet decided on a replacement. Or it can give you a 'try before you buy' insight into a new area. Whatever your reason for renting, Elders Real Estate can help you find a house, townhouse or apartment that has ticks in all the right boxes: location, lifestyle, quality, availability and affordability.

In fact our rental service is so friendly and professional... you'll rent and rave about it to all your friends, Elders believe in "Creating Clients for Life".

### Finding the place

Renting a property is very similar to buying it in terms of what you should look for, so you should make the same checks and set yourself the same criteria. The big difference is that you are governed by someone else's rules, so check on things such as whether pets are allowed or not. When it comes to actually looking, remember what they say about the early bird, visit [eldersre.com.au](http://eldersre.com.au), get the paper early and call your agent frequently.

### What to look for, and where to look

First you must decide on what type of dwelling you're looking for, be it the spaciousness of a home, the affordability of shared accommodation, the style of a modern townhouse or the convenience of a unit. Then you have to decide where you'd like to live, close to family, friends, work or school, etc. It's always

good to go for a drive or, better still, walk around the area and chat with a cross-section of locals. Take note of things like car parking, public amenities, and transport services, etc.

### Getting your money's worth

Just like buying a house, you must decide on how much you can afford and set yourself a reasonable budget. The more salubrious a suburb, the higher the rent, so you may have to lower your sights a little, or choose 'sleepers' – places with potential. When setting your budget, don't forget additional costs like water rates and power bills, and check to see if you'll be up for things like phone and cable connections.

Never assume you know how much the bond will be - always ask.

### Forewarned is forearmed

Never rush into a rental agreement until you know exactly where you stand. As a renter, you have tenant entitlements, but always read the fine print on your lease. For example, who pays water rates? Is the landlord obliged to repairs things like electrical appliances, plumbing problems, and so forth? If unsure, check the Department of Fair Trading website for full details of your entitlements and what is and is not permitted. Finally trust no one. Always make sure your bond is lodged with the relevant rental board and that you have an official receipt.



“ It can give you a ‘try before you buy’ insight into a new area. ”



## It's up to you

As a tenant, the onus is on you to

- Sign a lease.
- Give the agent or landlord written details of any damage that existed before you moved in (otherwise you will be held liable).
- Pay an agreed bond.
- Pay the rent on time.
- Pay for agreed costs such as water rates, etc.
- Keep the property in good order.
- Allow the agent or landlord agreed access for inspections.
- Conform to local laws and obligations (including noise levels, putting bins in and out, etc).

## Problems? It isn't a problem

A lot of things come down to common sense and both the tenant and landlord being upfront with each other, however if there is an issue, Elders Property Managers are committed to resolving it speedily with a mutually acceptable outcome. If and when a problem arises, contact your manager immediately, and/or call for emergency assistance and repairs or ask for a neighbour's help.



## Introduction investing

### Investing with intelligence

While stocks and shares can often be a calculated risk, over time, investing in property has traditionally been an income earner offering investors capital gains. Hence the term, “safe as houses”. It all comes down to choosing the right property in the first place.





## Investing the wise way

### Choose wisely

Many people think they have to wait for “the right time” to invest in property; however if you purchase in the right place it is often the right time regardless. Elders Real Estate can help you find the right place, however there’s a lot you can do yourself: watch the market, see what it’s doing and where the hotspots are. Remember location is the key to choosing wisely. Attractive new homes close to schools, shops, the city and of course the beach and water are generally more desirable and can attract higher rents.

Put yourself in the renter’s shoes. If you were he / she, would you like to be in a popular area in a quality house with things like air-conditioning, a pool or BBQ area, heaps of off-street parking, and so forth? If you find a property that answers relevant criteria, chances are that you will maximize your investment.

Does it have to be a residential house? Why not look into alternatives such as a commercial or industrial development. It’s slightly left field, but worth some thought and research.

### Money matters

Once you’ve found the property, then you must find the finance. As always there are a lot of options open to you – negative gearing, reverse mortgages, consolidation loans and more, so our advice is to shop around. Better still, let Elders Home Loans shop around on your behalf. As well as our own proprietary home loans, we can also ask up to 30 leading banks and financial institutions to quote on your loan until we find the one with the sharpest pencil!

You then have a further choice of fixed or variable interest rates, interest only or principal + interest, line of credit, tax minimization plans, and more.

## Property managers: worth their weight in gold

A few investors begrudge paying property managers a percentage of their income until they see exactly what an experienced manager does. Our property managers are all trained real estate agents who are up to speed with laws regarding rental properties. More than just someone who collects the rent, they do everything from interviewing and screening potential tenants, liaising between you and the tenant, minimizing vacancies, undertaking rental reviews, maintaining the property, carrying out regular inspections and much more.

## Covering your asset

It is important to always have adequate property insurance and even more crucial when it's an investment property. Make sure your policy is as comprehensive as possible and that it covers everything from contents, public liability, loss of rental income and tenant damage (wilful or accidental).

For full details of all your investment property insurance needs, we suggest you speak to an Elders Insurance Agent or visit [eldersinsurance.com.au](http://eldersinsurance.com.au).

### Disclaimer:

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“ The facts are that if you purchase the right place it is always the right time. ”

[eldersre.com.au](http://eldersre.com.au)

