

# PROPERTY NEWS

Ideas to help you when you're Buying or Selling

# Grants boost helps first home owners

**'Take advantage of government incentives to buy in your area,' agents urge buyers**



So, you want to buy your first home but you're not too sure just what's involved. Doubtless there are many questions that spring to mind so Tim Altass Real Estate has decided to try to answer some of them to smooth the way.

The First Home Owner Grant (FHOG) scheme, which was introduced by the Federal Government on 1 July 2000, initially paid a one-off grant of up to \$7,000 to eligible first homeowners.

Principal Tim Altass told Property News the Federal Government had now announced a First Home Owner Boost, which supplemented the Queensland Government funded First Home Owner Grant Scheme.

Tim said as a result first homebuyers who purchased established homes would now receive an additional \$7,000, doubling the grant to \$14,000.

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## A letter from the Editor



Dear Readers,

Welcome to our first edition of Property News.

Our aim will be to provide some interesting information about buying and selling real estate and making it relevant to your area.

As the market has certainly changed from the boom times last year, now more than ever it is important to be well informed of your options when deciding to sell and what to look out for when buying.

Finally I would like to take this opportunity to thank all our clients and friends for their kind words and constant referrals throughout the year.

From everyone here at Tim Altass Real Estate (both at Morningside and Bulimba offices) we wish you all a safe and happy Christmas and New Year.

Kind regards,

**Tim Altass**  
Principal



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# The truth about auctions

## 'The highest price myth'

**Many real estate agents claim an auction is the best way to get the best price for a property but according to a book called *The Insiders Guide to Saving Thousands at Auction* this is simply not true.**

Author Patrick Bright, an investor and best selling property writer, wrote: "Many people believe, and many selling agents will tell you, an auction is the best way to get the best price for your property. It simply isn't true. The Sunday papers are full of stories about homes that sold well above reserve. This just perpetuates the myth of auctions achieving the best prices.

"Just because a home is sold above reserve doesn't mean it was at the buyer's maximum price. They may have been willing to pay more. But they don't have to because they only have to bid a little more than the under bidder.

"Forexample you might have a property with three interested parties. One will pay \$800,000, one will pay \$815,000 and the other will pay \$840,000. The selling agent recommends a conservative reserve of \$800,000. At auction the property sells for \$816,000 which is only \$1,000 more than the under bidder was willing to pay.

"It is then written up in the papers as a great success because it sold for \$16,000 above reserve. The vendor is



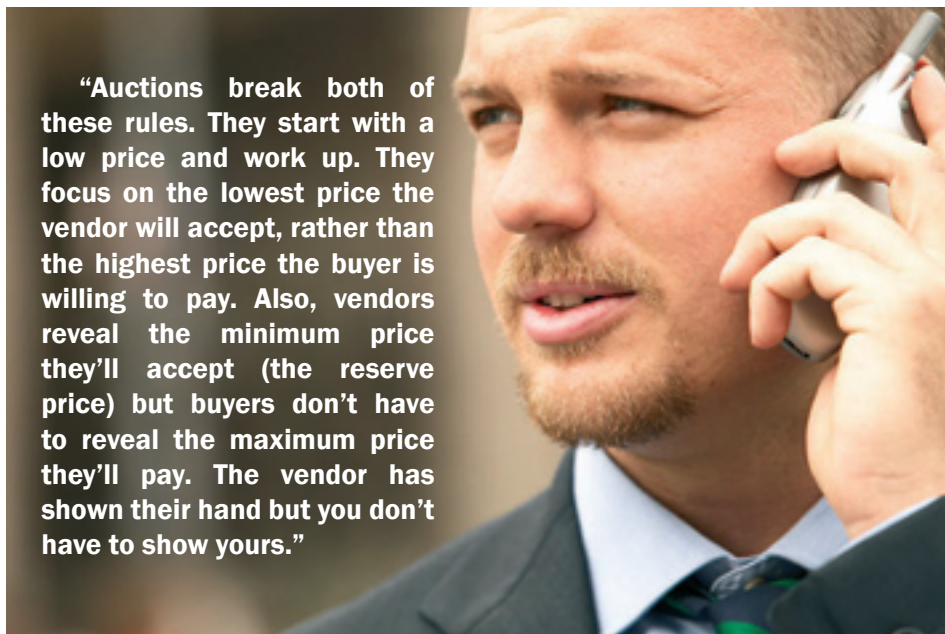
'thrilled' with the results – only because they don't know that the highest bidder was willing to pay \$24,000 more."

Mr Bright wrote that auctions broke two fundamental rules of negotiating.

". . . two of the fundamental rules of negotiating to achieve the best price if you're a seller are:

1. Start high.
2. Never show your hand first.

**"Auctions break both of these rules. They start with a low price and work up. They focus on the lowest price the vendor will accept, rather than the highest price the buyer is willing to pay. Also, vendors reveal the minimum price they'll accept (the reserve price) but buyers don't have to reveal the maximum price they'll pay. The vendor has shown their hand but you don't have to show yours."**



# Tips and traps for first home buyers

## Incentives give eligible buyers edge in market



"First homebuyers who build a new home or purchase a newly constructed home will now receive an extra \$14,000 to take their grant to \$21,000, provided the home meets their relevant state or territory energy efficiency and sustainability standards," Tim said.

First homebuyers will be eligible for the First Home Owner Boost on contracts entered into from 14 October 2008 to 30 June 2009. The Queensland Office of State Revenue administers the grant. Full details can be viewed on its website [www.osr.qld.gov.au](http://www.osr.qld.gov.au). However, here is a

summary of the criteria that applicants must meet to be eligible:

Firstly, applicants must be at least 18 years of age on the date of entering into the eligible transaction.

Only one application will be accepted for each eligible transaction, regardless of the number of applicants, and only one grant is payable for each application.

All persons who have a relevant interest in the home on completion of the eligible transaction must complete the application form for the grant. Applicants must lodge their application within one year after the transaction has been completed or it will be refused.

If you are a first homebuyer contact Tim Altass Real Estate. The firm's expert team of consultants will be only too happy to guide you not only about how to maximise your entitlements but the best way to buy in the area.

**And finally one last very important bit of advice - be careful of properties for sale with no price mentioned in the advertisement. Quite often if you enter a price range in your search criteria on the internet, the properties found advertised with no price are way under what the sellers are looking for. Buyers constantly tell us how frustrating it is to buy with no price mentioned.**

View properties for sale at [www.timaltass.com.au](http://www.timaltass.com.au)



# Are you selling for the right price?



If you would like to sell your property please call our sales team on 07 3395 5955 and rest easy in the knowledge that our team of experts will look after you!

[www.timaltass.com.au](http://www.timaltass.com.au)

# Agents seek quality rental properties

## Tim Altass Real Estate has qualified tenants seeking homes

**The lack of investment properties has created a crisis in the rental market, with vacancy rates at an all time low.**

Until the recent rate cuts many investors were wary of investing in property. The high interest rates also precluded many first homebuyers from purchasing and they continued to rent. As a result a serious shortage of rental properties has arisen with vacancy rates as low as one per cent being reported in some parts of the country.

Even though the Reserve Bank of Australia has cut interest rates and incentives for first homebuyers have now been boosted, the lead-time before the situation will be corrected could be years – not months.

Because of the shortage, Tim Altass Real Estate is urgently seeking more investment properties to meet the demand from qualified renters anxious to lease a home.

A highly professional agency, Tim Altass Real Estate commands an

impressive rent roll with over 1000 landlords on its books. Over the years it has attracted many landlords, some with extensive property portfolios, because they are renowned for their high standard of property management.

Nathan Brett of Tim Altass Real Estate told Property News that their agency was experiencing a very low vacancy rate of under 1%, some weeks as low as .2% or .4%.

“We have qualified renters on our books who simply cannot find a home. The moment we have a vacancy we notify them and invite them to view the property. The problem is we just don’t have the stock to meet demand. “We have a professional, highly experienced team who will appreciate the value of their asset and how important it is to ensure it is properly maintained and they get a good return.

“However, as any experienced investor will tell you, it isn’t enough just to be seeking a good return. Agents

must act fairly in their dealings not just with vendors but also the tenants. When we are evaluating tenants we try to find renters who will remain long-term at the property and will also act responsibly.

“Good tenants are worth keeping so we strive to ensure there is balance and fairness all round,” Nathan said.

**If you are seeking a Property Manager to look after your investment, contact Tim Altass Real Estate on 3899 1033. The firm’s professional property management team will be only too pleased to assist you.**

**Investment homes needed to beat rental crisis!**



# Buyers on the books

## Advertising is luck, Marketing is skill

The best buyers make themselves known to agents. Motivated buyers are usually known to a number of agents. There are **two main** ways or **methods** of communicating your property to these buyers -

- 1) Advertise your property and hope the buyers notice the ad
- 2) Direct market your property to the buyer through phone, email and agent follow up.

One **method** relies on luck and the other relies on skill. One **method** involves the property seller buying advertising and one involves the agent using their own money, efforts and resources in order to produce an acceptable result for the seller.

**Direct marketing ensures the best buyers know about your property.**