

# PROPERTY NEWS

*Ideas to help you when you're Buying or Selling*

# A PROUD SALE

from the team at Oz



**FULL REPORT PAGE 3**

**In this Issue of Property News:**

- Avoiding a mortgagee's auction
- How to get the selling edge
- Investing? What's in it for you?

**HUSKISSON & SANCTUARY POINT**



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## Letter from the Editor

Dear Readers,

The inner workings of the real estate industry can be extremely confusing for most people - there is so much information to absorb and it can be extremely overwhelming.

This is why in each edition of Property News, we endeavour to clear up the confusion involved in buying or selling property and also managing your investment property.

When you decide to buy or sell, learning as much as you can about the industry can assist you with the process.

We would be only too happy to answer your questions and assist you with your enquiries, so feel free to contact us on 4441 6033.

Yours faithfully,

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Saving you from a stressful experience...

# How to avoid a MORTGAGEE'S AUCTION



**In this report, we reveal how to sell your property and hopefully make your trip back from financial disaster a little easier.**

situation; they should contact a reliable real estate agent to put the property on the market well before the bank can get their hands on it.

**A good agent will always work with the owners to obtain the best possible price for the property**, while the main aim of the repossession agent appointed by the bank is to sell the mortgaged property as quickly as possible to recover the bank's loan.

Everyone knows a mortgagee auction property is going to be a bargain and while that may be great for the buyer it certainly isn't good for the distressed vendor, who will not only be losing their home but may still end up owing the bank a lot of money when it's all over.

The less the bank appointed auctioneer gets for the property under the hammer, the more the former owner ends up owing the bank after the sale.

The bank will use its local repossession agent to handle the sale and if the agent is half an hour's drive from the house he's selling, and he knows he's going to sell it under the hammer anyway then there's no pressure on him to perform to his best ability. All he's interested in doing is getting the property sold on the day.

If you're experiencing difficulties meeting your repayments, and you want honest advice from a reliable and trustworthy real estate agent, please contact our office.

We can put you in touch with finance experts who may be able to help you avoid having to sell in the first place.

**Or we will work with you to ensure you get the best possible price for your house with the least possible expense and concern, well before the bank can take it away and sell it at a bargain price.**

**There have been a number of reports in the media lately about an increase in the number of mortgagee auctions of residential real estate.**

The global financial crisis has resulted in an increase in the number of such sales and the trend is expected to continue as unemployment numbers increase. A mortgagee sale occurs when a bank forecloses on a mortgage and forces the property to be sold.

The combination of rising unemployment and the backwash from several years of banks being too keen to lend money to people who were often on the edge of their financial ability to meet repayments, has meant some people are now falling by the wayside.

Add to this situation, the trauma of relationships breaking down because of financial stress and increased living expenses and you have the core reasons for this tragic increase in the number of people losing their homes.

The moment property owners find themselves in an impossible financial



# Seller thrilled after property finally sold

**Selling a property for the right results can only be achieved with the expert help and effective marketing skills of a team of qualified agents.**

In this report we speak to Oz Combined agent Greg Walsh about how selling agent Marty Stanfield and the team sold an Old Erowal Bay property that had been on the market for 3 years with other agents, and still managed to achieve excellent results.

**What did the home at 2 Macgibbon Parade, Old Erowal Bay have to offer potential buyers?**

This home offered buyers the chance to move in straight away and make this country style house their new home.

Filled with character, this home exuded charm by combining natural light and fresh interiors. It offered 3 bedrooms, a 3-way bathroom and a lock up garage and it was surrounded by a large yard with low maintenance gardens.

This property offered a fantastic lifestyle close to Jervis Bay and St Georges Basin.

**The house itself had plenty of great features but it had been through many different agents since 2007.**

"This scenario is every sellers' worst nightmare and when the owners of 2 Macgibbon Parade, Old Erowal Bay brought the sale of their property to us at Oz Combined we were determined to achieve the best results for them as soon as possible," Greg said.

"The challenge that faced us is that the property had been on the market for three years and it appeared slightly stale to many of the buyers in the market. It was our job to refresh the selling and marketing



approach to reignite buyer interest and ensure a quick sale."

The Oz Combined team received the listing on February 17 this year and immediately got to work on the marketing campaign, which included refreshed photography, new signage and a re-listing on popular real estate websites.

"We advertised the property with refreshed descriptions using new methods and plenty of enthusiasm resulted in a new wave of buyer interest for the property," Greg said.

After only a few months an offer was presented and the owners were happy to accept.

"The sellers were relived and really appreciative of the outcome that we achieved for their property sale," Greg said. "They were especially impressed with our positive approach to the sale of their home and the way in which we kept them informed at every step of the way, from marketing moves right through to

buyer feedback. We take great pride in keeping our sellers involved in the process and communicating with them as often as we can."

Throughout the sale process, the team continued to carry out tasks and deal with all parties in a professional and efficient manner.

"We take great pride in our selling achievements and are

passionate about working with both our sellers and buyers to achieve their goals. This is just one of the reasons why we have earned such a great reputation in the local community," he said.

**If you are thinking about selling and would like to employ a team of experts, contact the team from Oz Combined Realty today.**



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## 2 LOCATIONS OPEN 7 DAYS



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# PROPERTY INVESTING

## What's in it for you?

Investing in property is still considered one of the most solid forms of investment. While there are always dips and plateaus in real estate, history shows that property usually increases in value.

Shrewd investment in property has many advantages. Property can be less volatile than investing in shares, although this is not always the case. However, overall real estate seems to be regarded as a sure thing when other assets are declining in value.

Some of the biggest benefits of investing in property, besides the fact that it is an investment you can actually see and touch, include the potential capital growth, the ongoing rental return and the tax benefits.

A property's capital growth can deliver big rewards in the long term. In some cases, property investors have been able to double their money after just a few years.

However, it is important for investors not to over-extend themselves and be forced to sell at a loss.

As with any type of investment, there are no guarantees. Real estate values fluctuate and sometimes finding the right tenants, who pay on time and take care of the property, can be difficult.

**So when you decide to invest in property, it is important to do the math carefully and check and re-check the figures to make sure you are making the right moves.**

**LOAN REPAYMENTS** If you have high loan repayments, you may not see much return or even record a loss during the first few years. But for savvy investors this is not a problem as they can rely on the short term losses being exceeded by the long term gains or they can depend on the tax relief associated with negative gearing.

**NEGATIVE GEARING** Negative gearing is when the annual cost of your investment is more than your return and the government will offer you tax breaks. For more information on negative gearing, seek professional advice.

**INTEREST REPAYMENTS** Investors need to be switched on when it comes to the interest rate environment and how higher rates might affect their expected net return and the market for their property, if they decided to sell. If you get a variable loan, you need to factor in the possibility of higher repayments if rates go up.

**COUNCIL RATES AND STRATA FEES** It is important to know what these fees are and factor them into your budget. These fees are usually charged per quarter but if you are investing in an apartment, you may need to do a strata search to find out if there are any additional levies that you need to allow for.

**PROPERTY REPAIRS** If your investment property is a house, you will have to foot the bill for building repairs but if it's a unit in a strata block you will be responsible for repairing everything from fixtures to appliances included within the flat.

**MANAGEMENT FEES** It is important to employ an experienced property management team to handle the tenancy of your investment property. You will be required to pay this agent around 9% of the rent, so add this to the budget. You may be tempted to cut costs and manage the property yourself, but in the long run employing a professional property manager is worth the extra expense.

**INSURANCE COSTS** When you buy a house as a rental property you will need to pay building insurance and it is also a good idea to get landlords insurance to cover damage caused by the tenant, your legal liability if your tenant injures themselves and loss of rental income if your property becomes vacant.

**Although there are plenty of things to plan out and think about when you decide to invest in property, mapping out your strategy will ensure it continues to blossom into a profitable venture.**

**Oz Combined  
Realty look after  
your property as if  
it were their own!**



If you would like to rent your property without the fuss then call our property management team of experts and rest easy!

*We Get Results!*



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