



Sell with  
**Reece Realty**  
Newcastle



**Spring 2018**  
**Review**

## TAKE 5 with Allen

Spring has finally arrived and this will mean something different to each of us. From a real estate point of view you may have spent winter getting your property ready to sell. If you're buying a home spring is traditionally a popular time to be looking as the weather is much more pleasant and homes present their best.

If spring for you has nothing to do with real estate there is still that renewed optimism that comes with the longer, warmer days. It can be the best time to catch up with family and friends, organise that weekend away or just get out and enjoy the spring sunshine.

How things can quickly change! When I wrote my winter newsletter we had a different prime minister. Interesting times for politics in Canberra with the change in 'leadership' plus numerous portfolios. They're also under fire for the lack of representation by women. That's certainly not the case in our office. I couldn't survive without the support & expertise of my entire team, the majority of which are women! Somehow I don't think the leadership deposition will alter much in real time (the faces may change but unfortunately some of the more dubious policies stay the same).

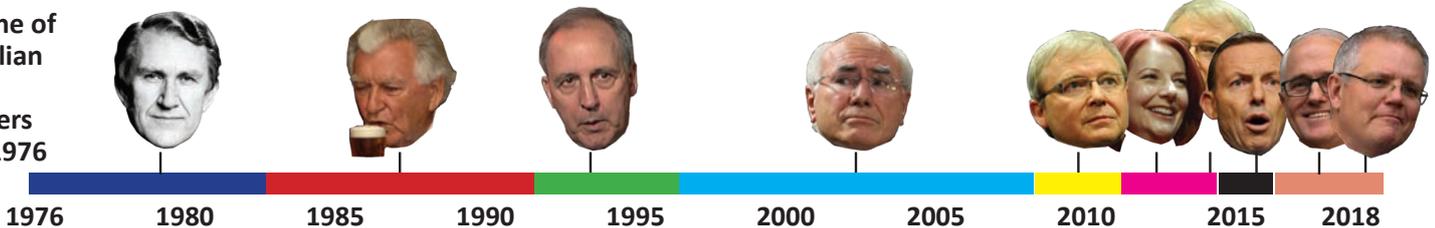
Of greater concern is the drought which also wasn't in the media when the last newsletter went to print. With no rain over winter and regular frosts we now have a dire situation west of the great divide. Unfortunately it will take longer to recover from this. To add to it all we now have the 'needle in the fruit' crisis. Stupidity, social media and sensationalism can be a reckless and dangerous combination in some hands. Our farmers sustain us and deserve our support.

Property management has seen new activity, being approached by new landlords wanting the team at Reece Realty to manage their properties. With our large data base of tenants looking for quality homes it will be good to have some new properties to offer to the market.



Recently Irena and I purchased an historic bank building dating back to 1913 in a small town in Queensland. With the assistance of Irena's daughter we will be taking on the challenge of restoring the building back to as original as practicable. If you're interested you can read up on the history of the property and follow our progress on [www.oldnab.com](http://www.oldnab.com).

### Timeline of Australian Prime Ministers since 1976



## Sales Update

There have been a lot of comments about what is happening to values within the property market. There are also many generalisations based on statistics from global or highly specific markets such as Sydney or Melbourne. Being so close to Sydney, yes there will probably be some degree of 'ripple' affect however every region has it's own dynamic based on local forces. As a Real Estate agent who is constantly talking to buyers and sellers I can get a real sense of the property values in our own unique market as it is happening.

### First I will give a view point on sellers.

When considering selling your home we tend to have an emotional and ambitious idea of what our home will sell for. Researching properties on the market can give a false value as all homes are different and sell for different reasons. One 3 bedroom/1 bathroom home can be VERY different from another in the same suburb. Looking at the value of the homes that have already been sold is the best way to gauge the current value of your home. It is advisable to limit your search to sales in the last three months (On your real estate websites select 'Newest to Oldest' in your search options. The initial default option will start with 'feature'



properties that have been paid for to list higher). Also look at how long the properties took to sell and what price reductions were made before the sale. Your local agent should be open to assisting you with understanding how to price correctly.

### Buying a home is different.

Buyers tend to look at the cheapest recent sales as their guide. The research done by a buyer is extensive and it is in their best interest to know what the correct price of a home is today and tomorrow. Our current market is so changeable that past prices have little value within a very short period of time.

### Important! Your property is only worth what a willing but not over anxious buyer is willing to pay.

It's worthwhile noting that according to recent reports it's not all doom and gloom. Regional markets seem to be fairing better than the capital cities. Newcastle & sections of Lake Macquarie have a vigorous economy and are becoming recognised as an emerging foodie & cultural destinations.

In general, local properties are selling with smaller price movement than that of the capital cities. Most of the current buyers are securing their first home and very few investors are buying due to tough lending conditions. Over the past three months our sales department has been very busy with healthy activity from both sellers and buyers.



## SOLD - SOLD - SOLD

Just a few of the properties recently sold by Allen Reece & Kathleen Matinlassi.  
**STILL #1 agency for number of properties sold in the last 12 months**  
**in Shortland, Jesmond, Birmingham Gardens & connecting with surrounding suburbs**  
 Contact Allen or Kathleen to talk about your home and find out  
 how to get the best price for your property.



**SOLD - SHORTLAND**  
 59 Marsden Street



**SOLD - SHORTLAND**  
 21 Mort Street



**SOLD - NORTH LAMBTON**  
 13 Chinchin Street



**SOLD - BROADMEADOW**  
 3 Belford Street

## Spring into action, but be careful!

Spring is the time for racing carnivals, school fetes, sustainable spring activities throughout Newcastle (go to [www.visitnewcastle.com.au/whats-on](http://www.visitnewcastle.com.au/whats-on)) and many more local events.

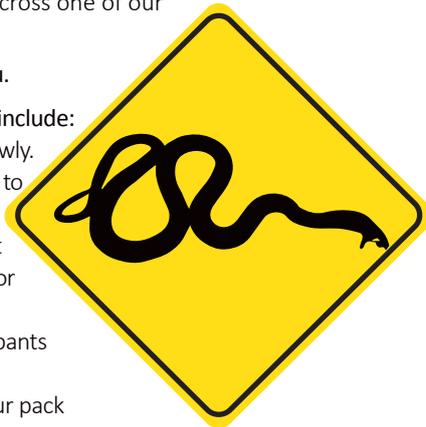
It is also mating season for snakes and they're at their most active! If you're starting your spring clean in preparation for a social summer please be careful when reaching under houses, into gardens and even walking along a warm driveway or path.

The Australian Geographic website has easy to access information on the do's and don'ts if you come across one of our many species of snake.

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

Some pointers from their website include:

- 1/ If you see a snake, back away slowly. They're skittish and generally prefer to avoid confrontation if given a path to escape. If bitten DO NOT attempt to catch it. Anti-venom is available for all venomous Australian snakes.
- 2/ Wear closed in shoes and long pants when bush walking.
- 3/ Carry a pressure bandage in your pack
- 4/ If bitten call 000



## Pre Purchase Pest & Build Report

The current expectation upon listing a property is for a pre purchase pest and building report be made available by vendors for prospective purchasers. At the request of financial brokers, this has been the practice in Sydney for a while and has recently crept into our Newcastle/Hunter market. While this is not mandatory, it is advisable in the interest of facilitating the sale.

## NBN - National Botched Network?

Well we hope you've all had a better experience than we have during the 'cross over' to NBN, and unfortunately it's not quite over. Our office has been extensively affected and we've had to work exceptionally hard to maintain systems. To all of our clients who have been affected by this, whether paying rent, waiting on property reports, return emails, we want to thank you **very much** for your ongoing patience and understanding. We are expecting to be running at 100% soon.

## Property Management

### Focus Area - Electricity Usage in Share Houses

We don't need to tell you that electricity prices aren't cheap and they're rising. While at home we can put measures in place to reduce our usage, in our Student Houses this can be quite difficult to manage and to put measures into place to reduce usage can become costly.

As a landlord, the concern is how to offset these extra costs on an investment property when rents don't appear to be increasing at a sufficient rate to accommodate them. This is in addition to other rising costs including rates, insurances and general maintenance. Reece Realty property managers are keenly aware of this and are constantly researching ways to best address these issues, all while carrying out the legally required duties of property manager in managing our investment properties.

At times we will make recommendations to our landlords to have improvements made to the property that we feel will assist in reducing these costs in the long run. This may include the installation of timer switches, changes to lighting, replacing old or non-energy efficient appliances, the removal of a heating or cooling device after a tenant vacates or, where able, the installation of separate metering devices.



Our property managers are also very aware of their legal responsibilities to both tenants and landlords and often have to work within strict parameters. For example, if your property has working air conditioning when the tenants move in you cannot simply remove it during the tenancy to save costs. And, as much as we would like to, we cannot regulate for how long or how hot tenants can have showers. We are also not authorised to make any changes to your electricity account such as asking for discounts or researching alternate providers.



Landlords of shared accommodation properties usually enjoy higher than average rental returns but, on the flipside, outgoings too can be much higher. A group of individuals in one property will consume more than a family of the same number living together. It is a balancing act for our property managers to ensure our landlords achieve their best return and work within the legislation and at Reece Realty we pride ourselves that we quite often go above and beyond the standard duties associated with a property manager.