



first  
national  
REAL ESTATE

Peak Central

# Property Report

The latest news from First National Real Estate Peak Central



**W**elcome to the first of our property market reports for spring, a time of things 'bursting forth'.

Speaking of 'bursting forth', these are interesting times

what with the WA Libs suggesting 'WAXIT' – the possibility of separating WA's finances from the rest of the nation's and the ANZ Bank's Stateometer (analysis of state economies) revealing that WA exported one third of the nation's total exports last financial year – a figure, they say, will grow.

Furthermore, the Bank believes WA's tumultuous economic ride is showing positive momentum what with labour market improvement and recent commodity price increases.

So with that sort of news, how is property faring, you might ask.

REIWA reported that at the end of August, 13,304 properties were for sale in the Perth metropolitan area of which 7,814 were houses, 2,912 home units and 2,578 blocks of land - roughly 700 fewer than the 14,073 properties on sale at the same time last year.

It is interesting to note that we have recently been approached by two buyer's agents representing Eastern States investors wanting to buy property here to take advantage of the price disparity across the country. It indicates that Eastern States investors see Perth as a good investment opportunity. We expect to soon see WA investors coming out of the woodwork as well.

Investors have been quiet of late with most buyers being owner occupiers taking the opportunity of this market to upgrade.

The last time the market was almost as good as this to buy was in 1991 when the cycle reached bottom point after the 1987 interest rates boom era. That was when the rates reached 17% to cause the market to plummet. Interest rates in 1991 receded to what was considered a staggeringly low 7%, so you can see what a great time it is to buy today.

**Richard Stacey, Principal**

## You're invited to a real estate info evening...

**W**e have had so many people asking us how we envisage the real estate market trending, we've decided to hold a special Real Estate Info Seminar evening.

We should stress that this is not an evening being staged to pressure you to become a buyer or a seller, but to simply provide the following:

- An analysis of current market conditions with respect to sales and rentals
- How we see the sales and rental markets trending over the next few years
- Potential pitfalls of real estate investing that investors need to be wary of
- A warning about the level of scamming taking place at present

If you would like to attend what we promise will be an informative evening,



please feel welcome to join us:

**Date & Time:** 6.30pm - October 11

**Venue:** Swan Yacht Club, Riverside Rd, East Fremantle.

RSVP essential as numbers are limited:

Please email [admin@peakcentral.com.au](mailto:admin@peakcentral.com.au) or

call 9414 9055 to register your interest.

## What's happening in the rental market?

**A**s we produce this report, our vacancy rate stands at 3.8%, pleasing when it is considered that according to REIWA, the industry average is sitting at 7.6%.

There are still a lot of rental properties available which means the market remains extremely competitive, giving tenants considerable scope to look for best value.

One item of encouragement, however, is that according to REIWA, property vacancies declined during the last week of August to 10,187 - 4% lower than a month earlier and 8% lower than the same time last year.

All up, we managed to achieve 21 leaseings during August, of which eight were new properties added to our management portfolio. Once again, our thanks to those people who referred others to us.

With respect to new clients, we have recently discovered a key reason for many

people to feel unhappy with their property management services. It seems that some are experiencing a major turn-over of property management personnel resulting in some owners having as many as four different people manage their property in a year.

This lack of continuity is a problem because it is important for a property management division to have a good handle on what is happening with each property they manage.

We recently received a note from a new client saying: "Thanks for keeping us so well informed. We are really very happy that we have moved management companies".

While gratifying, this type of notification does come as a surprise as communicating with clients is an obvious part of one's service - essential for staying in business.

We really feel that whilst we cannot control the market place, we can at least offer our clients the best service we can.