

# PROPERTY NEWS

Ideas to help you when you're Buying or Selling

**Three good reasons to buy an investment property**

# Time to invest!



Excellent value at \$315,000

Now is a **GREAT** time to buy your first investment property or to add to your current portfolio.

**Three good reasons for this include:**

- Rent prices are increasing
- Demand for rental accommodation is also increasing
- The decision to cut Stamp Duty concessions for first home buyers from January 1, 2012 will push rents up again and put even more pressure on the already critically low vacancy factor.

However, **Glenn Barnier, Property Manager for Professionals Fred Andriessen, recommends that investors seek the assistance of a highly experienced property manager to ensure that they not only get the maximum return but that they decrease the risks associated with owning investment properties.**

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**In this Issue of Property News:**

- Christmas is on us!
- Rental prices on the rise
- Why should you change your mortgage loan?

 **Professionals**  
fred andriessen

**4954 8833** 24 HOURS

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

## Letter from the Editor

Hi Everyone,

I have taken it upon myself to say a few words on interest borrowing rates and lending bodies, lending monies for Real Estate purchasers. The reason I think it is important to visit this area of the Real Estate Industry, is because there are some interesting situations appearing with the writer being fairly certain of the causes of these situations.

So please read the following pages to pursue the details of this subject.

Until next time,

**Fred Andriessen**  
**Principal**



*P.S: Don't forget that it is okay to refer your friends to us. We are never too busy to help a friend of a friend. So please feel free to tell your friends to call us for any real estate matters and we will make sure they are looked after - guaranteed.*



292-294 Main Road  
CARDIFF NSW 2285

**sales:** 02 4954 8833

**rentals:** 02 4956 9777

**commercial:** 02 4954 8833

**fax:** 02 4954 6311

**email:** mail@profa.com.au

**web:** www.profa.com.au

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# Christmas is on us!

**Here's your chance to make it the merriest Christmas ever, with a fabulous hamper that the whole family can enjoy.**

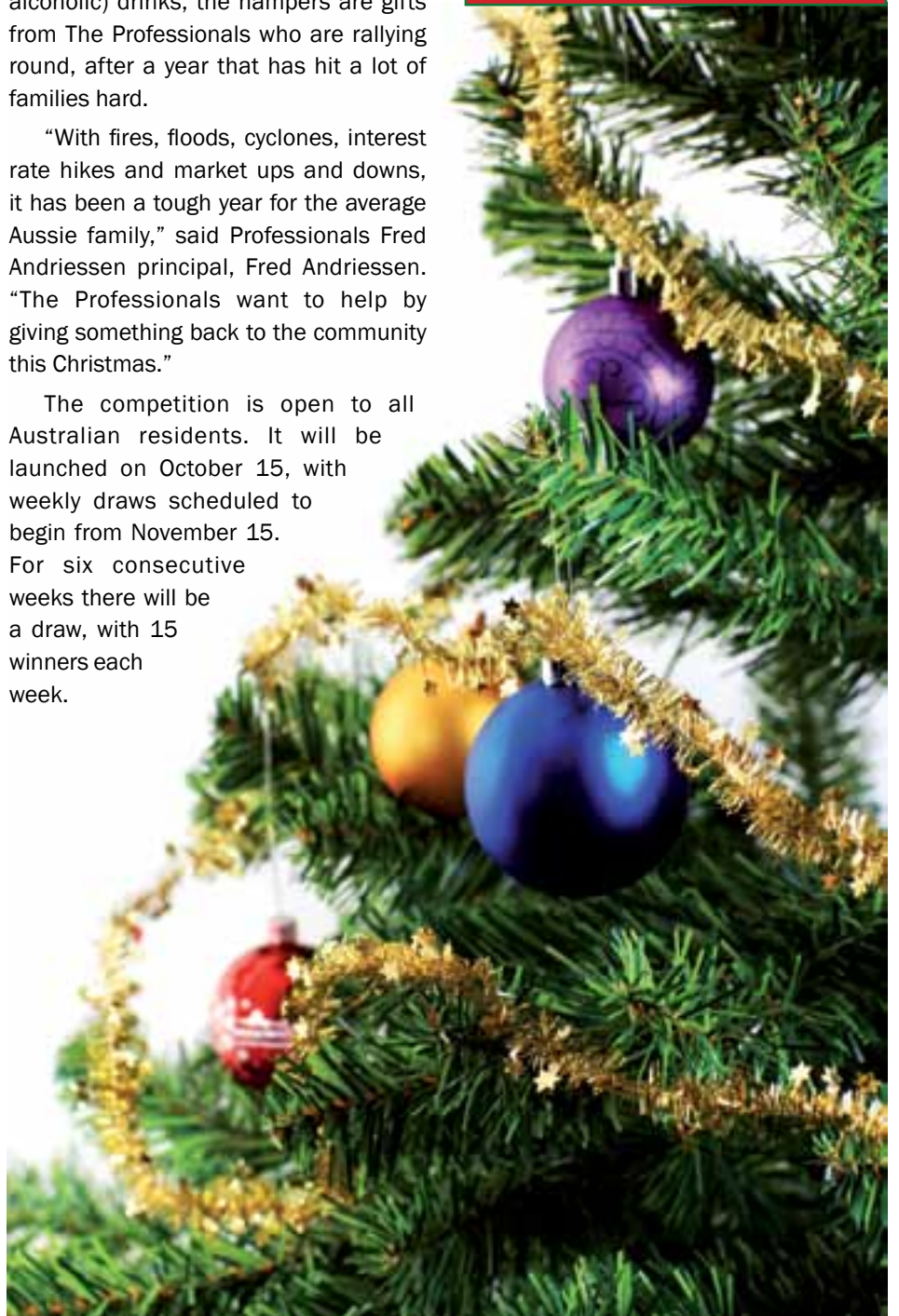
There are 90 chances to win, with 90 hampers valued at \$200 each to be given away between now and Christmas.

Jam-packed with food and (non-alcoholic) drinks, the hampers are gifts from The Professionals who are rallying round, after a year that has hit a lot of families hard.

"With fires, floods, cyclones, interest rate hikes and market ups and downs, it has been a tough year for the average Aussie family," said Professionals Fred Andriessen principal, Fred Andriessen. "The Professionals want to help by giving something back to the community this Christmas."

The competition is open to all Australian residents. It will be launched on October 15, with weekly draws scheduled to begin from November 15. For six consecutive weeks there will be a draw, with 15 winners each week.

Visit [www.bestvaluebrand.com.au](http://www.bestvaluebrand.com.au) to enter the competition and to give yourself a chance to add even more sparkle than usual to your Christmas by winning one of these outstanding hampers from The Professionals.



For the past three years the average rents for properties managed by Professionals Fred Andriessen have shown a 10% per annum increase. In 2009 the average rent was \$303, rising to \$334 in 2010 and \$368 in 2011.

Glenn pointed out that these increases are out pacing the increases in property value.

“It was quite normal not so long ago to pay rent of around \$200 per week, but this has quickly become a thing of the past,” Glenn said.

“Rent is now much more likely to be around \$350 - \$450 per week. This week we leased a residence for \$475 per week, an effort of which we are quite proud.

“The return on investment is now very similar to that which you would receive from a bank deposit. Added to this, you receive the capital gain on the value of your investment property.”

And, with the right property manager looking after your interests, you should have no worries about the safety of your valuable asset.

“Providing your property is professionally managed and looked after, the risk of a bad tenant is extremely minimal,” Glenn said.

**For help with property management and all aspects of real estate, contact the expert team at Professionals Fred Andriessen on 02 4954 8833.**

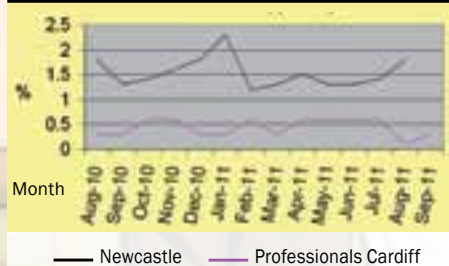
**Property investors are reaping the rewards**

# Rental prices on the rise



## Vacancy Factor

Newcastle Statistics supplied by NSW REI



## THE RIGHT PROPERTY MANAGER CAN MAKE A HUGE DIFFERENCE

Getting the right tenants means a lot. When we look after your rental property we make sure you only get 'A' grade tenants. After all, we've got a reputation to uphold too.

*Call me today and let's discuss your options.*

**Glenn Barnier 0402 045 467**



 **Professionals**  
fred andriessen

292-294 Main Road CARDIFF NSW 2285  
**Phone: 02 4956 9777**  
**Fax: 02 4954 6311**  
**Web: www.profa.com.au**

**Changing circumstances on the financial front mean that your mortgage arrangements are no longer set in stone.**

In fact, you may even gain financial benefits from making changes to such arrangements.

This has developed from a situation that began some years ago when the major banks decided that it was more profitable for them to decrease their smaller lending portfolios – “Mum and Dad” house mortgages – and to focus on doing business lending with the ‘big end of town’. This involved lending large amounts of money for various projects and industries.

The smaller mortgages were subsequently directed to brokers who, in turn, directed these loans to the lenders that were the most generous in their commission payments, with major lenders missing out.



# Why should you change your mortgage loan?

## How changing banks can work to your financial advantage

Bank branches were no longer of high priority, with many being closed or sold off. But here comes the twist!

As a result of the global financial crisis, the ‘big end of town’ has suffered the greatest exposure to defaults because of valuations plummeting on major projects. These major borrowers were required to “top up their equity, “with many being unable to do so.

In other words, due to decreasing valuations, the major banks were facing the risk of being over exposed financially themselves on these particular projects.

So what are some of these lenders doing currently? They are offering rewards to entice home owners to change back to them!

Some lenders, for example, are offering \$1,000 cash back to such borrowers.

Another advantage for the mums and dads is that if a borrower changes lender, the Office of State Revenue will not seek additional stamp duty unless this borrower is a company.

In view of this, borrowers who prefer not to change lenders may feel inclined to seek some reward for staying with their present lender, such as a reduction in interest rate or a reduction in mortgage balance.

**The bottom line is that there are some real opportunities out there for people to do some deals with their current mortgagee (lender) or another mortgagee. It’s worth investigating the possibilities.**

# HELP!

**With the recent increase in enquiries and subsequent sales, we are running very low on houses in the \$280,00 to \$420,000 price range.**

**NOW may be an excellent time to consider relocating.**

Call our highly experienced team for a confidential discussion  
phone (02) 4954 8833 [www.profa.com.au](http://www.profa.com.au)

 **Professional's**  
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