



Home Newsletter

February 2014

Request an appraisal from LJ Hooker for your chance to **WIN BIG!**



LJ Hooker is offering home owners and property investors the chance to **WIN \$30,000** this year, simply by finding out how much their dwelling is worth.

Investors and owners who seek an appraisal from an LJ Hooker office by March 31 2014 have the chance to **WIN \$25,000** in cash. The winner will have the option to spend the cash as they see fit – a holiday, new appliances, or financial gifts for the children – but a chance to remodel their house or investment may be on the list.

Added to the prize is a consultation with design guru Darren Palmer – one of the judges on hit show *The Block* – worth **\$5,000**. Darren, who is the face of the revamped myLJHooker, will provide you with expert tips on how to make the most out of your space.

As well as judging on *The Block*, Darren also provides a critical eye and taste for GQ Magazine, Luxury Home Design, Grand Designs magazine and other titles.



The competition is open to investors and home owners who have their property appraised by an LJ Hooker office.

Most people have an understanding of how much money they have in their superannuation or in their shares portfolio. However, rarely do investors or home owners have an accurate understanding of their property's worth. It is not until people choose to sell their property that they engage a real estate agent for an appraisal, which is surprising when acknowledging that, for many of us, our property represents our most important possession.

To find out what your property is worth, and to go into the draw to win this unique prize, visit ljhooker.com.au

myLJHooker sheds light on due diligence



In this extract from his first feature for LJ Hooker's revamped myLJHooker, design specialist and *The Block* judge Darren Palmer emphasises the need for buyers to avoid 'falling in love blindly' with a property.

"With so many properties on the market and higher auction clearance rates than we've seen in years, it's easy to panic and jump into the first property you fall in love with, but the love part is the issue," he wrote. "Falling in love blindly with a property without understanding what it is you're loving is a dangerous guessing game."

Darren recommends that buyers undertake their due diligence before buying, including:

- Researching the market to avoid over-capitalising
- Comparing the amenities of the property to other properties in the area
- Considering whether you want to add value to the property
- The ultimate price that should be paid

To read Darren's article in full, visit myljhooker.com.au



LJ Hooker

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new The ^ Australian Dream

The shift towards city life has had a significant impact on the stereotypical Aussie home with a white picket fence and Hills Hoist in the backyard.

According to the Australian Bureau of Statistics, in the 1990s, there were three houses approved for every apartment. However, two decades later, the gap has halved with 1.5 homes being approved for every unit.

Research undertaken by LJ Hooker has identified five key trends which represent how the living preferences of Australians have changed.

Rise of the rentvestor®

Young people in their 20s and 30s rent in inner city areas to enjoy the lifestyle offered by cafes, restaurants, shops and nightlife. But often buying into that lifestyle is unattainable. Alternatively, they purchase in more affordable, suburban areas, identified for future growth. We call these purchasers the rentvesters.

Rise of the home developer

Home owners have more confidence to redevelop their own lots to create duplexes or a small apartment block, and sell the surplus dwellings. It is particularly popular amongst downsizers or investors wanting to make good returns.

Baby boomers migrating back to the city

The children have left, so there's no need for such a large home, leading Baby Boomers to head back to the convenience of an apartment on the city fringe and the activities that this lifestyle offers.

Families living in apartments

Affordability and proximity to work is leading many couples to raise their children in apartments. Parents can't afford to spend too much time travelling and want their children to be near the best educational and medical facilities. Many apartment buildings incorporate open space or amenities for exercising.

Migration influences on the (New) Australian Dream

Net overseas migration continues to be the biggest driver of population growth in Australia.

Australia is a country of immigrants with a long history of attracting new residents from other shores who seek out Down Under for the dream life. Part of the dream involves owning their own home and building a life around that to support their family. New immigrants will look long and hard to realise this dream.

Property values make ground in 2013

Home owners and property investors have reason to cheer as recently released figures from RP Data display healthy gains in property values across Australia throughout 2013.

Dwelling values made a 9.8% increase across Australia's capital city markets for the full calendar year. It was a steady accumulation in values, with the final quarter of 2013 accounting for a 2.8% gain in values.

According to RP Data, the full year represented the strongest 12 month performance since August 2010, which represented slightly more than a 5% increase.

In encouraging news for owners and investors, each capital city housing market recorded positive home value growth in 2013. However, the cities which recorded the highest capital growth were Sydney (14.5%), Perth (9.9%) Melbourne (8.5%) and Brisbane (5.1%).

Sydney's house market performed strongly, recording a 15.2% increase in values,

with the unit market recording an 11.6% increase.

Within the Melbourne market, price growth was more equitable between houses (8.5% increase) and units (8.7%).

In Perth, growth in annual house values (10.2%) was stronger than units (6.3%).

City	Change in Values (12 Months)		Median Price	
	Houses	Units	Houses	Units
Sydney	15.2%	11.6%	\$775,000	\$557,000
Melbourne	8.5%	8.7%	\$625,000	\$481,000
Brisbane	5.3%	3.5%	\$470,000	\$383,000
Adelaide	3.0%	0.6%	\$405,000	\$325,000
Perth	10.2%	6.3%	\$537,250	\$439,000
Hobart	2.9%	-5.1%	\$350,000	\$255,000
Darwin	5.1%	-3.9%	\$595,000	\$449,500
Canberra	3.7%	1.5%	\$570,000	\$432,000

Table 1 - RP Data-Rismark, December 2013 Index

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