



## property market place news

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# Renovations that add the most value to your home prior to a sale



If you're considering shifting to a new home in the near future, it's possible a renovation could help you attract more buyer interest and ultimately a higher selling price for an existing house or unit.

So, if you feel your home is looking tired and in need of a facelift, the chances are buyers will too.

But before taking a hammer to a wall or firing up the circular saw, it is worth considering the renovations that will deliver the best bang for your buck.

Some experts suggest a kitchen or bathroom renovation add the greatest value to a property, while an entertaining deck and open-plan living spaces are also big winners when it comes to attracting the interest of potential buyers.

However renovating a kitchen or bathroom doesn't come cheap. Property website

realestate.com.au estimates that a kitchen renovation can cost anywhere from a few thousand dollars, right up to \$30,000 plus. No matter the size of the job, a brand new kitchen usually requires re-tiling, new cabinetry, and replacement sinks and tap ware, for starters.

If money is tight, a kitchen renovation might be out of the question. But don't despair! There are other steps that can spruce up a home, such as removing the ageing Axminster carpet or the flord wallpaper. New door handles and ceiling

lights can also help achieve a more contemporary look, while a lick of paint never goes astray.

If the removal of the shagpile leaves behind floorboards, this is a bonus – if not, a floating wood floor, which starts around \$20 per square metre, is a popular way to modernise an older home. Brave souls might even try installing the floating floor to save on professional labour costs.

Street appeal is also important, because first impressions count. Indeed, many buyers make up their mind about a property the first time they see it. So, if the budget allows it, improving a home's exterior is a worthwhile step.

Prospective buyers will look for a healthy lawn, attractive landscaping, trimmed trees and freshly painted walls and gutters.

No matter what the size of your renovation budget, there are always ways to freshen your home for sale. If you are uncertain about the best options, speak to us as soon as possible.

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## Maximizing the advantages of falling interest rates

With the falling home loan interest rates in Australia it is an opportunity to be proactive about managing the mortgage as well as looking at debt reduction.

### Mortgage services available to home owners

Most home owners fail to take action not because they do not want to save the money but because they either do not have the time nor the inclination to do the research. A simple solution to this is to consult your professional mortgage broker to do the sums.

In addition, in most instances, the services of a mortgage broker is free of charge to the borrower. So it makes sense to get free professional help to see if the borrower can save money on the home mortgage.

### Factors to take into account when considering a home mortgage refinance

Although the major factor in looking at the mortgage repayment is the interest rate, it is not the only factor to take into consideration when changing loan products.

- In Australia, when it comes to home loans, the choice of lenders is not restricted to the big banks.
- The upfront costs, on-going monthly fees and the exit fees should be taken into the mix when analysing a product.
- The suitability of the loan product to the needs of the borrower has to be considered.

After all the research has been done, it may well work out that the best home loan is the product the borrower currently has. However, it would be worth spending a few minutes with a professional mortgage broker to know for sure.

## Renting vs purchasing real estate

Living in a rental property or in a house being purchased both have advantages and disadvantages. Whilst renting may be a short-term decision, purchasing a property is more long-term and needs careful consideration and, if necessary, professional help...

### Advantages of Renting a Property

- If single, renting a house with friends or other young people can be cheaper.
- Renting an apartment in a big complex can provide additional facilities such as a gym and/or a swimming pool which is fully maintained.
- Weekly rentals are usually cheaper than a weekly mortgage for a comparable property.
- No additional fixed outgoings such as council rates or water rates need to be paid.
- Repairs to the property is carried out by the landlord (unless the damage is caused by the tenant).
- Ability to vacate a property at short notice, usually one or two months.

### Disadvantages of Living in a Rental Property

- Landlord's approval required to keep pets and/or have additional people live in the house.
- Having to give access to a representative of the property managing agent every three months for an inspection of the premises.
- No choice of decor in terms of colour or furnishings.
- The landlord may require the premises to be vacated at a time that is not convenient to the tenant.
- There is no 'return on investment' on the rent paid.

Notwithstanding, living in a rental property will suit some people at a certain stage of their life. However, the decision to rent or purchase should be based on individual circumstances.



Another year over and the beginning of another..... hoping you all had a great Christmas!

In summary, 2011 was a successful year for our office and those Vendor's who had listed and sold their properties with us – with most being sold and more importantly our Property Investors with a strong rental market.

We'd like to begin our New Year with a quick glance at two of our top investment properties currently on the Market. Both of these properties are currently occupied with great tenants in place and both have proven rental history.

Our advice – BE QUICK they won't last long!!



1/99 Petra Avenue,  
South Tamworth  
Returning \$190pw  
Asking \$160,000



175 Manilla Road, Tamworth  
Returning \$260pw  
Asking \$210,000

If you are wanting to add to your Property Portfolio do yourself a favour and take a peek at the properties virtual tours on-line at [www.tamworthcityrealestate.com.au](http://www.tamworthcityrealestate.com.au) or contact our office direct on 67 666 122.