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**New house price records could be set this year**

Property prices in most of Australia's capital cities are rising, meaning it may not be long before we see new record prices being set.

CoreLogic's January national home value index saw prices go up by 0.9% for the first month of the year, which took the annual growth rate to 4.1% – the highest yearly growth seen since December 2017.

Sydney (1.1%) and Melbourne (1.2%) led the charge for the month, with other capital's Hobart (0.9%) and Brisbane (0.5%) also seeing strong results.

Small increases of 0.1% were even seen in Perth and Darwin, where there have been long periods of price declines.

Believe it or not the growth seen in January was actually slower than we've seen in previous months, but the start of the year is generally a slow time for the property market.

Looking ahead low interest rates will continue to fuel price growth, as will the federal government's First Home Loan Deposit Scheme, which has been popular with first time buyers.

How much growth can we expect?

Domain's Property Price Forecasts for February 2020 has predicted that the combined capital city median house price will rise by 8%.

Sydney is tipped to grow the most with an increase of 10%, bringing its median price tag to a whopping \$1.25 million.

Melbourne can also expect a sharp increase of 8% to a record new price of \$970,000.

It's not just Melbourne and Sydney that will get all the glory. Brisbane (8%) Perth (5%), Canberra (4%), Adelaide (3%) and Hobart (3%) are all predicted to have price increases this year.

So should you buy now?

The best time to buy is when you're confident and ready to do so, but with interest rates low and prices still below their 2017 peak, it's a good time to enter the market if you can.

5 things to avoid if you're going to buy a home this year

Thinking about breaking into the property market this year?

With low interest rates and relatively affordable property prices there's possibly no better time to buy.

If you want to increase your chances of securing a home loan then you're going to need to get your finances sorted as soon as you can.



Here are some things you're going to need to avoid in the lead up to buying a home:

1. Job changes

Lenders will look at your employment history when assessing your application to see whether you'll have a steady income coming in to pay off your mortgage.

While not all job changes will be looked at unfavourably, regular job changes or long periods of unemployment can be a cause of concern.

So if you're on the job hunt before applying for a home loan it could be worth holding off until after you've bought a home. That is unless you know you're changing into a secure job or will be getting a higher pay, which could then help your application.

2. New credit cards

If you want to increase your borrowing capacity then it might be worth cancelling any credit cards in your name, or at least reducing their limits.

That's because the limit on your credit cards will be considered as a debt by lenders, regardless of whether you have anything owing on them.

3. Subscription services

Before buying a home you're going to want to have as much money in the bank as possible, so it's a good time to take ask yourself where you might be able to cut back.

Multiple subscription services, such as streaming services or gym memberships, can eat up a large chunk of your pay each month and make it harder for you to save.

Plus, lenders like to see evidence of responsible spending habits when they look at your bank statements and may question any ongoing expenses they come across.

4. Bad credit history

It's a good idea to check your credit file before applying for a home loan. This is so you can ensure it's accurate and make steps to improve any negative marks.

You may have a lower credit score if you have things such as unpaid bills or a history of making late payments.

You can refute anything on your credit file if you think it has been added as a mistake, otherwise you may need to wait for the negative marks to be removed, which can take as long as 5 years.

5. Applying for multiple loans

While it might be tempting to get pre-approvals from multiple lenders so you know where you stand with each one, this can actually hurt your credit score.

Any home loan application you make will be marked as a credit enquiry on your file, and a lender won't know whether or not you took out a loan, or it was declined.

To ensure you don't have to explain yourself when you make an application, carry out your home loan research before making an application so you only need to apply once.

Tips for your next rental inspection

There are a lot of great things about renting, but many would argue that getting ready for a regular property inspection isn't one of them.

A lot of tenants worry unnecessarily about their rental inspections, even though it's simply a chance for your landlord and/or property manager to check that everything at the property is okay and that it's being well looked after.

A simple clean and de-clutter might be all that's needed to get the property ready for an inspection – the same that you might do if you were having guests come over for a visit.

Here are some tips to help you get ready for your next inspection:

Make sure everything looks clean and tidy

The place doesn't need to look perfect, but your property manager will want to see that you're taking care of the place and not letting maintenance issues build up.

It's a good idea to mop and vacuum floors and to wipe down countertops and any dusty or dirty surfaces.



Pay attention to kitchens and bathrooms

Kitchens and bathrooms can get grubby very quickly if they're not cleaned regularly.

Try to make these areas shine as best you can and tend to any issues such as mould or soap scum.

Don't forget the garden

If there's a garden at your rental then don't forget that this requires maintenance too.

You'll be in good stead with your landlord if you keep your garden neat and tidy and keep on top of mowing, trimming and pulling out weeds.

Bring up any issues

A property inspection is a good opportunity for tenants to discuss any issues that they might be having with the property.

Make a list of any problems, such as a running toilet or a faulty electrical point, and point them out to your property manager. It might be worth being present at the inspection so you can demonstrate the issues in person.

Overall a property inspection is for the tenant's and the landlord's benefit. It's likely only going to take a few minutes and then you can relax and enjoy a clean and tidy home afterwards.

It's time to make your home green

Climate change concerns aren't going anywhere anytime soon, which means we all need to start looking at what we can do to reduce our environmental impact.

Making the change to living a more sustainable lifestyle can seem overwhelming, but an easy place to start is in the home.

A few simple changes can set you on the path to making a big difference to the future of the environment.

So where do you begin?

Use energy efficient appliances - If you're looking to replace any appliances in your home then try to find ones that have a high energy rating – this will not only be better for the environment but it will save you money on your power bill too.

Cut back on water use – There's a number of ways you can reduce water usage in the home. You can simply be mindful of your water use by taking shorter showers or only turning the dishwasher on when it's full, or you can install water saving showerheads and taps too.

Go solar - A solar system can be expensive to install, but it will help reduce your reliance on the energy grid, and the power savings over time may help make up for the initial cost.

Plant more trees – One easy way we can all do our bit to help the planet is to plant more trees. Plant away at your property and use tree placement to your advantage. Trees and other plants can have a myriad of benefits such as providing shade and insulation, and they look great too!

Choose products that will last – Try not to get too caught up in trends and the need to replace items in your home constantly. It's better to opt for high quality products that are built to last and in a classic style that won't date too quickly.

Upcycle – When you do need to buy something new, shop around in your own home before you hit the stores. You might find an old piece of furniture that could be reused with a bit of mending or a new coat of paint.

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