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COMMON SELLER MISTAKES THAT CAN COST THOUSANDS

Selling your home seems easy... until you get started with the process! If you want the best price for your property without the hassle, here are the biggest mistakes you need to avoid.

1. Not choosing the right real estate agent

Not all property agents are cut from the same cloth. Many are under a great deal of pressure to hit unreasonable targets; they just want to make their commission and move on. This may come at the cost of you achieving the maximum sale price for your home.

Take your time to find an agent who is right for you. The best agents care about their customers. They will work with you to understand your desired outcomes and help you achieve them.

A quality agent will listen to you and won't push you to accept a sale when you're not comfortable or clear about your options.

What's more, it helps to have a local agent. They know the current market and are well-informed about the true value of your property better than someone who operates in a different area.

2. Not dressing and styling your property

You can't underestimate the impact of presenting your property so it looks impressive to your buyers.

Unfortunately, this means stripping most of your personality out. It may feel difficult but, all going well, it won't be your home anymore anyway.

Potential buyers need to walk into your property and see it as a blank canvas. They need to be able to imagine how they can make it their own. If there is too much of your personality on display it can be hard for buyers to see themselves living there so remove items like photos, toys, sports equipment and artwork.

A property stylist is a wise investment but if you aren't able to work with one, spend as much time as you can tidying and decluttering before photos are taken. A fresh coat of paint in a neutral colour will also help.

3. Choosing the wrong sales strategy

From auction to private treaty and off-market listings, there are many options when it comes to selling your home. Different strategies are suitable for different areas and locations. Get your strategy wrong and you could lose a lot of money.

Talk through which strategy is best for your home sale with an experienced agent. They will be able to explain which type of campaign is likely to be most successful for your area and the type of home you own.

4. Having unrealistic expectations

It's only reasonable to want the best price for your property but you still have to stay within the realms of reality. Expecting more than the market will offer will lead to disappointment and can put you at risk of having your listing go 'stale'. When this happens, people start to assume there is something wrong with the property.

The first offer that comes in is often the best one because it will come from someone who has been shopping for a long time but there is always an exception to the rule. When those initial bids come in, speak with your real estate agent about whether they think you can achieve more and what impact holding out for a higher price will have on your future plans.

The biggest mistake sellers make is not using a quality real estate agent who cares about their outcomes. For more advice on how to successfully sell your home for a price you are happy with, contact Professionals Real Estate today.



WHAT ARE YOUR OPTIONS TO GET INTO THE MARKET?

With house prices rising across the country, figuring out how to buy a home if you don't have a full deposit is becoming a serious issue for young buyers.

However, there are alternatives to coming up with the traditional 10 to 20 per cent home deposit that many lenders require. Take a look at some of your options:

The 'Bank of Mum and Dad'

More and more young Aussies are turning to their parents for help in buying property. It's often necessary to have the help of someone established to get the loan you need.

Parents can help in two major ways:

- 1. Providing the funds:** If you're lucky, your parents will be able to give you the deposit you need to buy a home. If your parents have the means and ability to provide you with enough for a deposit, consider yourself lucky and accept the help. It may be your best chance to get your foot in the door.

Be aware that some lenders won't approve a loan if the entire deposit is coming from your parents. They may ask for additional evidence that you are capable of saving money and staying on top of your debts so don't abandon your savings plan just because your parents will be helping you out.

Be clear with your folks about the conditions of this 'donation'. Are they expecting to be part-owners in your home or will they want the money back with interest?

- 2. Guarantor:** If your parents don't have the cash or aren't willing to part with enough to cover a deposit, you can still ask them to be your guarantor. This means that they promise to repay your debt if you can't. This is one of the best ways to get a loan with no cash down and avoids the awkwardness of needing a huge lump sum from your family.

It doesn't have to be mum or dad who act as guarantor. Any friend or family member with the means can do this for you although you should carefully consider the possible ramifications to your relationship before you ask for such a favour.

Team up

Friends and family can buy property together as a way to enter the market and either live in it together, rent it out or come to another arrangement. This means you can collectively reach your deposit goals sooner.

Make sure to work out all the details in advance so you are clear on who is spending what money, how repayments will be handled and what happens if someone wants to sell or pull out of the agreement. Have an agent or lawyer help you get everything down on paper in a formal contract so you know who is paying what for what and when.

Find low or no deposit loans

There are options available from many lenders for no deposit or low deposit loans. Do some research online and see what you can find. Be careful though; these sorts of loans often come with higher interest rates and fees. Make sure to work with a reputable lending specialist who can help you to find a loan that works for you.

Talk to a real estate agent

For more advice on how to buy a home if you don't have a full deposit, find a local agent and have a chat about your options. They can share some ideas and introduce you to an expert who can give you more specific advice.

Confused about your buying options? Your Professionals Real Estate agent can refer you to a lending specialist. Contact us to find out more.



HOW TO BUY A HOME SIGHT-UNSEEN

Are you considering buying a home in an area you can't actually travel to right now? You're not the only one.

These days, with social distancing and border restrictions, getting to see a property first-hand isn't always possible. Despite this, the interest in relocating across the country or to a regional area is high. This means more people are putting offers in without showing up to open homes in person.

Is buying a home without setting foot in it a good idea?

Buying a home sight unseen is a clever option to get around restrictions and make an early offer. However, it's not without its pitfalls. You need to tread carefully so you can avoid buying a money pit or home that doesn't suit your needs.

To get the most out of buying a property sight unseen, there are a few tips you need to follow.

Use a buyer's agent

An experienced buyer's agent will be on your side and will work hard to find the right place for you. They will know all the potential traps and will answer your questions honestly.

Buyer's agents will do a lot of the leg work for you by checking out the property with a very critical eye and knowing what to look for. They often have good relationships with local real estate agents and may be able to get you early access to quality properties.

You can use a buyer's agent near you but try to find someone who is on the ground and has experience in the area where you want to buy.

Do a video walkthrough

With today's digital technology, there is no reason not to request a video walkthrough. Most agents will already have FaceTime or other options to do this.

If you can't rely on a buyer's agent, have the selling agent walk the property slowly and ask lots of questions along the way. Don't hesitate to ask them for closeups and to move furniture around. Ask the agent to run taps, check that the lights work and show you what can be seen from each window as well as the front and back yard.

Check local prices

Make sure to research property sales in the area you are buying. Don't assume prices are the same as where you are now. The price you pay should be reasonable for the location, not just your budget.

Book professional inspections

Have all the relevant inspections done by reliable professionals. This is always a good idea, even when you can see the home but it is even more important when you are buying sight unseen.

The property should be checked for pests and structural problems as well as all the relevant zoning issues. If any problems arise, you can adjust your offer accordingly.

Buying sight unseen is risky but forgoing a building and pest inspection could result in you spending thousands of dollars in repairs.

Check the floor plan

Real estate photography is designed to make spaces look bigger and more liveable than they might be. Even a video walkthrough can be deceiving to an extent and give you an incorrect impression. Look at the floor plan for measurements so you know what size the rooms really are.

Do your homework

To successfully buy a home sight unseen it comes down to doing your research and getting the right professional help. Check out information about the area and the street as well as the home you plan to purchase.

If you're investing and want a tenant to move in, make sure there is enough demand in the area so the property doesn't end up sitting empty. If you're planning to move in, make sure the suburb matches your lifestyle needs.

Want to buy a home in a new area? Talk to a local agent at Professionals Real Estate about what is coming up on the market.



USING LOW INTEREST RATES TO YOUR ADVANTAGE

Australia has seen unprecedented lows in interest rates over the last few years. This has a lot of benefits for property owners, buyers and investors, as well as sellers who are looking to get the maximum sale price for their home.

Take a look at why interest rates are so low, what's going to happen next and how to leverage the current rates to your advantage.

Why are interest rates so low?

Interest rates reflect economic growth and stability.

When they are low, it's because the Reserve Bank of Australia is attempting to help minimise household debt and encourage a steady inflation rate.

Thanks to current unemployment figures, fear caused by COVID and a number of other factors that impact our economy, the Reserve Bank has made the decision not to lift interest rates for some time. It has even gone so far as to say that low interest rates will last until at least 2024.

Anyone who works in property or finance will remind you that anything can happen when it comes to house prices and interest rates but this at least gives people a degree of confidence when planning for the short-term future.

Make low interest rates work for you

The consequence of low interest rates is higher property prices. With money being 'cheaper' to borrow, buyers can extend their budgets and afford to offer more when bidding for a new home.

If you are looking to sell your property, this is great news. So long as you have a presentable, good quality home in a sought after area, you should find the combination of low interest rates and drop in supply works in your favour.

Even if you are not looking to sell, there are other ways to use low rates to your advantage:

- **Refinance:** If you were already considering refinancing your current loan, now is definitely the right time. When you refinance to a lower interest rate you have the potential to reduce your mortgage bills by hundreds of dollars a month or even more.
- **Make extra payments:** The other option with refinancing is to reduce your rate but continue making the same mortgage payments. You can take advantage of low rates to cut years off the length of your home loan and build equity in your home sooner.
- **Fix your interest rate:** A fixed rate means you pay the same amount, even if official interest rates rise. You may wish to look into fixing all or part of your home loan for the next few years.
- **Borrow:** With interest rates so low, it is a good time to take out a loan. If your property could use some upgrades, borrow while money is cheap. You could add significant value to your property with much less to repay than you might have to in a few years time. Be aware that an interest rate rise is inevitable and always try to have room in your budget to accommodate this.
- **Buy an investment property:** It may seem counterproductive with property prices so high, but repayments are low and the demand for rental properties is strong in many areas. Do some research to figure out the best place to purchase an investment so you can take advantage of current low rates.

Take advantage of low rates and purchase your dream home. Contact the Professionals now.



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