

## Rapid fire interest rate rises unlikely

According to a recent report in the **Australian Financial Review**: financial markets have lowered their expectations for interest rates rises, amid renewed concerns about the sustainability of the global economic recovery.

The report said the market was factoring in 1.63% of rate increases over the next 12 months, down from earlier predictions of 1.87%.

"The RBA said in the minutes of its August policy meeting that it would adopt a less expansionary stance if the economy continued to recover.

"However, it also warned that there was a risk of an early tightening choking off confidence - signaling to most economists that it was in no rush to raise rates.

"This is not the environment you would be expecting rapid-fire rate rises given some of the concerns the Reserve Bank has about the outlook for household spending in the second half," CBA chief economist Michael Blythe said.

## Interest rate rise draws mixed views

As predicted in a last-minute flurry of speculation by economists and traders, the Reserve Bank raised interest rates for the first time in 19 months.

The .25% rise took the cash rate to 3.25% - still 4% lower than the 7.25% of 2008.

In a statement, Reserve Bank governor Glenn Stevens cited lower unemployment and solid housing credit growth as among the reasons for the increase. He said the "risk of serious economic contraction in Australia had now passed".

It's interesting to note that following the rise two theories have become prominent:

- The interest rate rise, a 'mere blip', signals to investors the strength of the economy and would bring more buyers to the property market.
- It has put a healthy housing market in jeopardy. It will create an expectation that rates will rise again rapidly and could deter people from upgrading their home, purchasing an investment property or renovating, and in the lead up to Christmas this impact could flow on to general spending.

We wait with abated breath to see which point of view is correct!

# Investors are making their move **now**

**W**elcome to this edition of 'City-Life Property News' that comes with reports of a remarkable transformation in the property market.

There's no doubt, the market spotlight has returned to property investment.

We're seeing a steady increase in clients being armed with equity in their homes, taking the opportunity to purchase an investment property while those who have existing investment properties are making the move to add more to their property portfolios.

High profile mortgage broker, John Symond recently made the comment that his organisation had seen a 32% increase in investor activity.

He's not alone, a study by PRD Nationwide taking in 764 investors found that 90% of them plan to purchase investment properties within the next two years.

### Investment performance

Their target was to buy property priced between \$300,000 and \$450,000 giving a rental yield between 4-5%.

Approximately 36% were looking to purchase in the middle suburban ring, 33.7% in the inner city, 14.9% in coastal areas, 7.9% outer suburbs and 4.8% in the CBD.

The move by investors is exactly what was predicted as likely to happen by BIS Shrapnel in their report 'Residential Property Prospects 2009 to 2012'; when they said the easing of first-home buyer demand was likely to be taken up by home upgraders and investors.

Data released has shown that the proportion of loans to investors in June had risen to 29% - and heading back to the long term norm of 30%- 35% of all mortgages.

It appears to us that investors have been "patiently waiting on the sidelines to see what happens after the First Home Owner's



Grant is reduced" and are now making their move.

One further item we strongly recommend is to obtain a quantity surveyors report that itemises what you can claim as depreciable items for tax deduction purposes.

### Tips to consider re investing...

- Property investment should be regarded as a long term investment with the aim of taking the opportunity to attain capital growth.
- It shouldn't be bought simply because of negative gearing, rather the attribute of negative gearing should be seen as a bonus.
- Success in investing comes as a result of doing a number of things well.

Buying at the right price is just one key point with other factors such as the right finance package, good rental yield, good property management, good tenant relationship and having the right type of landlord insurance equally as important.

Our team are specialists in helping with property investment so if it's something you could be interested in - call us, we'd be delighted to help.

**Richard Pappas, MD**



# Exmouth Marina Village



**T**itles have been issued for the majority of the Exmouth Marina Village (Precinct B) with a large number of the 61 lots sold now settled.

The remaining titles located in Cobia Close are expected in early November.

Following the release of titles, City-Life, as the lead sales agent for Exmouth Marina Village, launched a new campaign with the first release of 'built form' available in Exmouth.

Until now purchasers' interested in the Marina Village were limited to the option of land only. However, the built form release offers buyers a complete house and land package with a lease back option as well as a boutique site of affordable townhouse and villa creations.

The response to this campaign has been fantastic with all five of the first release of house and land packages now sold. Further, of the 10 villas and townhouses available as

part of the strata development, five already have registrations of interest!

It is not surprising that activity in Exmouth is hotting up following the good news stories recently published in the media, particularly surrounding the Gorgon project. Land subdivisions, including Snapper Loop, Market Street and Sunrise Beach have sold out in the last three months.

There is a lot of opportunity in the town and for anyone who has ever considered investing in Exmouth – you should act now!

If you are a regional client of City-Life we have Property Consultants undertaking regular visits to most North-West regional locations over the next 6-8 weeks. Call us to find out if there is going to be someone in your area soon!

## What's available now...



### DISPLAY HOMES

#### FIRST 5 RELEASED – SOLD OUT

Due to popular demand an additional three House & Land Packages have been released. These include canal front lots with private jetty; lease back option and complete turn-key package.

#### FINAL RELEASE OF CANAL LOTS FOR 2009

A range of hand selected canal lots - the final release by the developer for 2009. These include some of the best canal lots in the Marina - with your own private jetty!



### VILLAS AND TOWNHOUSES

Offering exceptional value without compromise on quality, complete home and land packages include an exclusive group of six 3x2 Loft Townhouses and four 2x2 villas as complete turnkey packages. **Five of these 10 have already been reserved so contact us today!**

# Properties For Sale



## 5/51 Tidewater Way, Ascot

**\$1,379,000**

This stunning 3 bedroom, 2 bathroom tri-level townhouse right on the marina has spectacular expansive water views from almost every room! The design offers open plan living/dining/entertaining on a grand scale, with a delightful chef's kitchen, appointed with European stainless steel appliances.

Timber flooring, air conditioning and direct access from your remote double garage are but a few of the many features.

The main bedroom is resort style with incredible unobstructed water views, a massive walk in robe, ensuite shower and spa bath and a private balcony for that quiet early morning coffee or a late nightcap. An inspection is a must so **call Rose to arrange a private viewing.**



## 1502/2 Oldfield Street, Burswood

**EOI**

Looking for something special? Wake up to inspiring panoramic river and city views every morning, or fall asleep to Perth's gorgeous city night lights. Perched high in the sky, this 15th floor AQUA Towers penthouse won't disappoint you.

Featuring: • 3 large bedrooms with 2 bathrooms • plus a study/office room • 3 car parking bays • large balconies for entertaining • breathtaking river, city and hills views forever • the finest quality fixtures and fittings throughout • pool and gym facilities available • chef's kitchen with Caesar Stone bench tops and Smeg appliances including an integrated dishwasher • reverse cycle air-conditioning, video intercom system, separate laundry with a dryer included. This is an opportunity not to be missed. Viewing by appointment. **For more details contact Rose.**



## 2/37 State Street, Victoria Park

**\$599,000**

This beautiful double storey 3 bedroom, 2 bathroom townhouse offers luxury living combined with quality workmanship and elegance. Its prime elevated position and central location provides exceptional appeal.

Magnificent tiled floors, high ceilings and strategic down-lights in the living areas enhance the formal and informal living zones. The ground floor includes an open plan formal lounge/living room, and a large meals/family room with sliding doors opening to a paved landing, entertaining area and a generous private courtyard.

Upstairs consists of the master suite complete with large walk-in-ropes & en-suite, floor to ceiling porcelain tiles, 2 larger bedrooms with robes and shared bathroom and separate water closet. **For a Feature Pack or to book your look, contact David.**



## 2/2A Janet Street, West Perth

**\$689,000**

You will fall in love with this trendy townhouse in West Perth conveniently located walking distance from Perth CBD, Beatty Park and the Leederville cafe strip.

Featuring a Japanese themed front courtyard; spacious open plan living area on lower floor with wooden floorboards; and 3 bedrooms and 2 bathrooms on second level.

The third level provides a perfect retreat or second living area boasting loads of space. Perfect for the kids/musician/artist or home-based business operator. **For more information call David.**



## 208/29 Melville Parade, South Perth

**\$410,000**

You won't find a better priced, renovated 2 bedroom apartment with river views for this price – perfect for investors! Mark this one down for a **MUST VIEW!**

A rare buying opportunity exists for this apartment situated in a fantastic location, close to public transport, PERTH CBD, river, cafes, restaurants and amenities.

This waterside apartment includes many features such as: • prestige suburb location • river views • 2 bedrooms, 1 bathroom, 1 car bay • secured complex • renovated apartment • low maintenance. A rare opportunity not to be missed. **For further information, please contact David.**

# Introducing “KUBE”

We are delighted to advise that City-Life Developments has completed “Park 954” located in East Victoria Park.

This development comprises 22 residential apartments all of which have been sold.

Following on from this success we’re working on our next project, “Kube” which is centrally located at 966 Albany Highway, East Victoria Park.

“Kube” will be a mixed use development consisting of 180 square meters of commercial office space and 12 residential apartments.

The complex offers a choice of configurations: including one bedroom/one bathroom; two bedroom/ one bathroom and two bedroom/two bathroom apartments.

Built over three levels, the development has commercial office space and associated car parking on the ground floor with residential apartments on the upper two floors.

The commercial space will have absolute street frontage onto Albany Highway.

The residential apartments will be accessed internally from a secure car



Artists Impression of the new Kube Apartments

parking area or from Albany Highway via a secure resident’s entry.

A large landscaped concourse is to be located on the north side of the development.

We’re currently taking registration of interest so if you’re interested in the finer details of this exciting development, call Tim or Dave on 9333 1788.

## Feature Property

14/151 Grindleford Drive, Stirling \$750,000



**Welcome to our stunning feature property for this month, an exclusive three bedroom, two bathroom + study home situated in the prestigious Freshwater Lakes private estate.**

Enjoy the tranquil lifestyle this complex has to offer while you relax from your balcony overlooking the breath taking views of the nearby lake.

This home features a large kitchen with spacious dining and living areas that will be sure to impress your guests.

Quality appointments, fittings and features, intercom system and remote control gate access are just a few of the many features of this property.

The complex also includes a well maintained below ground pool, with deck chairs and shade awning.

This property is currently listed at \$750,000 and has been priced to sell.

**For more information or to arrange a private viewing please contact Tim Grose on (08) 9333 1788.**

## Presentation is important

**Presentation of a home when you’re selling is far more important than many people realise.**

It’s especially important in a slow market, whereas in a boom when buyers are desperate, there’s less need to attend to deficiencies.

In most instances minor repairs, a paint job where needed, de-cluttering a home and tidying the garden are definitely worthwhile as are a series of little things that should be attended to prior to an inspection such as ensuring the kids bedrooms are tidy, the beds are made, the bathroom is ship-shape, animal odours have been eradicated and so on.

There’s a whole host of things you can do to improve the presentation of a home that don’t cost an arm and a leg.

If you’re thinking of moving, our agents can give you advice on home presentation techniques.

