

your investment

# property

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STRATEGY

# PACKAGING YOUR PROPERTY FOR SALE

**How to make the biggest splash... and cash**

Whether you're selling a family home or an inner-city unit, a penthouse or a studio apartment, selling for maximum profit is all about making your investment property irresistible to buyers. **Pauline Hatch** reports



**YOU DON'T** need to be a market mogul to nail a successful sale for your investment property. It's all about showcasing your property in a way that brings buyers through the door and has the offers rolling in.

Regardless of the reason for putting up the 'for sale' sign, a successful sale comes down to three key factors:

- A property that pops
- A sure-fire selling strategy
- A motivating advertising campaign

Selling your asset for the biggest profit may mean spending a little time and money on it before listing, but if it's done right, you will enjoy returns worth several times more than your outlay.

### 1. A PROPERTY THAT POPS

In an age in which the first thing buyers do is jump on internet listing sites to trawl through pages of properties, yours needs to stand out from its competitors, otherwise potential buyers will move on to the next listing without a second glance.

So, before you list it, get that property ready to wow your buyers. Your goal is love at first sight!

Give the property a once-over with fresh eyes. Basic repairs should be carried out, including oiling squeaky doors, patching holes, fixing leaky taps and replacing chipped tiles. You don't want minor blemishes to turn buyers away.

When it comes to big changes, you'll need to carefully consider how far to go before you start overcapitalising, says Amanda Segers, buyer's agent and founder of AmandaOnMySide in Sydney.

For instance, replacing the old patio

roof might set you back thousands, while some oversized pots with palms might be enough to give the area a lush tropical feel without the financial sting.

"Remember that while you are renovating you may be losing rent, and you'll be dependent on trades and their schedules," says Segers.

"In most cases, a blitz is the best idea for resale, including new paint, carpets, light fittings, and door handles. And make sure it smells great during inspections!"

A local property expert may be able to look at the house in terms of its location and target market, and tell you exactly which areas of the house you could improve to get the most bang for your buck.

Kitchens are also always worth investing a little time, energy and money in, as they're a focal point for house-hunters.

"It's appealing to buyers if the kitchen is fresh on purchase, as this is the most expensive room to renovate," Segers explains.

"To bring it up to date quickly and inexpensively, try adding light, replacing the kitchen counter and installing new door handles. Adding a coat of fresh paint will also do wonders."

### Staging helps buyers see the potential

Not just for renovation shows, staging properties for sale is a concept that is rapidly gaining popularity in Australia. While it does require an outlay of money for a professional stylist to kit out a property with furniture, art and even appliances, research is showing the returns far outweigh the costs.

In the US, the National Association of Realtors' *2015 Profile of Home Staging* report revealed that 81% of buyers were

more easily able to visualise themselves in a home with staging, and 28% were willing to overlook other faults in the property.

“Home staging is a proven marketing strategy that will sell a property faster and for a higher price than similar properties in the same area and price range,” says Jillinda Perry Haines, owner and senior stylist at Living Synergy Property Styling in Brisbane.

“Property buyers these days want to have an emotional connection with the home. It just has to ‘feel right’, and that is what home staging achieves.”

Staging is not just for high-end homes, says Perry Haines. Sellers can still make an impressive splash on a tight budget if they can provide the big furniture items.

“Add a few new pieces such as fresh flowers or new cushions for the sofa, new bed linen for the bedrooms or art for the walls.”

Whether you decide to stage or not, having a clean, fresh property is vital to a successful advertising campaign and a dazzling first impression.

### Property upgrades that could derail your sale

Despite all your good intentions, there are some home improvements that could actually cost you big money.

- **Adding illegal construction.** Throwing on a new deck or carport

## “Home staging is a proven marketing strategy that will sell a property faster and for a higher price”

without the proper approval will be picked up in pre-purchase inspections and will likely deter potential buyers, as approval or repair could cost them big dollars.

- **Putting too much of yourself into the house.** You want to appeal to the widest audience, so steer clear of styles and features that you might love but are polarising to your market. Think clean white walls, neutral flooring colours and simple but modern handles and light fittings.

- **Installing fixtures that are too expensive.** Unless the property is in a high-value bracket, adding \$150 door handles or a \$4,000 oven is unnecessary and won't increase the final sale price. Stick to quality brands in the mid-range price point.

- **Removing everything from yard spaces.** Tidy up and trim down, prune weeds and add mulch, but don't let zeal

take over. Removing every shady tree and wild shrub can reduce curbside appeal and send buyers away, especially families.

- **Adding big-ticket lifestyle features** Pools, ducted air conditioning and solar panels are expensive add-ons that you likely won't recoup in your sale. In fact, some features can be a turn-off because they will mean ongoing expenses for the purchaser, or cause safety concerns for families, in the case of pools or water features.

### 2. SET UP A SURE-FIRE SELLING STRATEGY

With so many advertising options available to vendors, including social media, blogs, internet listings and old-fashioned print campaigns, finding a good real estate agent to guide you through the process is a vital step.

“Your agent should have a track record and presence in the immediate local area,” says Charl Louw, sales

## DURING THE SALES CAMPAIGN: TENANTS IN OR TENANTS OUT?

**A vacant property** is far easier to prepare for sale than one that is tenanted, and opens up the market to include owner-occupiers, who might otherwise overlook a tenanted home.

However, deciding whether to sell the home with a tenancy in place is dependent on several factors: the length of tenancy, the quality of the tenant, the time constraints around the sale, and your financial position.

Buyer's agent Amanda Segers suggests that you should wait until the lease is up and tenants are out before you begin your selling campaign, if possible.

“In my experience, the large majority of tenants can make a property look pretty bad – food sitting in the kitchen, rubbish lying around, curtains closed up – so in most cases it makes more sense to finish up the tenancy, do the blitz update, furnish it for sale and maximise the sale price,” Segers advises.

If you need to sell immediately, however, you should consider paying for a cleaner to spruce up the house before open inspections, and make sure tenants aren't home when buyers walk through.



## 5 THINGS TO DO BEFORE YOUR OPEN HOME

- **Make sure it shines.** Buyers will scrutinise every corner, so scrub everything from the shower grout to the bathroom drawers. Dust off ceiling fans, cornices and the tops of cupboards.
- **Make it modern.** Replace handles, toilets, countertops and cupboards to give a tired home an inexpensive update. A coat of paint adds instant freshness.
- **Make it light and bright.** Add lamps, turn on all lighting, and open curtains and windows to add brightness and a sense of space to the home.
- **Make a good first impression.** Smarten up outdoor areas by trimming hedges, using a pressure washer to clean pathways, and raking up leaves. Add some welcoming colour with bright flowers in the garden bed.
- **Make it feel like home.** A bowl of fresh fruit in the kitchen, a vase of flowers in the family room, and a collection of scented candles in the bathroom helps deepen the connection between buyers and their potential new home.

associate at RE/MAX Regency on the Gold Coast. “That way the experience they have is in properties like yours, with proven results. And the agent has to be able to attend to your needs, so make sure you feel comfortable.”

By being well grounded in the local market, an attuned agent will be able to propose a strong advertising campaign targeted at the right audience for your property. The agent’s approach should factor in your budget, the market value of the home, its location, and the proven success of advertising media in the area.

They will also be able to advise which would be more suitable for your property, an auction or a private treaty sale. An auction is an excellent sales method when multiple buyers are in competition to drive the price up, says Josh Hart, director of OneAgency Launceston, whereas selling for an asking price means you can sell quickly and with flexible conditions, which entices a larger pool of buyers.

Hart, who represented Tasmania at the Australasian Auctioneering Championships, says that if you choose

to auction the home, it’s important to watch your auctioneer in action before signing up.

“A good auctioneer is engaging and welcoming to buyers, making them feel comfortable in a sometimes daunting situation,” Hart says.

“How do they work the crowd? Are they confronting or entertaining? When there are no bids, how do they handle the situation to encourage bidders?”

When deciding between an auction and a private treaty sale, your real estate agent is the best person to advise you. Hart says research is key.

“Is there competition between buyers? Are there multiple bidders at other auctions similar to your property? Make sure your agent recommends a multi-level approach to selling your most valuable asset. Auction is all about exposure, and creating momentum and competition amongst buyers. You want every buyer to know you’re on the market.”

### 3. AWARD-WINNING ADVERTISING

Advertising campaigns can include everything from an agency’s window

listing to social media and even Gumtree. However, major internet listing sites have definitely taken the cake in recent years.

Statistics from the *2015 Residential Property Seeker Report* reveal that 78% of buyers use websites and 22% use apps to browse the market – which goes to show how important it is to make a splash online to entice your buyers.

The best click-through listings are those that feature:

- Plenty of photos that showcase the property’s strengths
- Light, bright professional images
- Tantalising copy that avoids clichés
- A listed sale price

Real estate agent Charl Louw says different strategies are effective in different markets, and to achieve maximum buyer awareness vendors should “leave no stone unturned”.

“The effectiveness of print campaigns often depends on the location,” says Louw.

“For example, cosmopolitan, water and beachside areas still see great results with print.”

Agents have an arsenal of advertising media at their fingertips, and will be able to pinpoint the strategy that works best for your property. If a campaign is lagging, throw something new into the mix, says Louw. Options are vast, incorporating letterbox drops, email direct marketing, magazine ads, street signboards, and forums and blogs.

“If the agent is proactive, and sellers are motivated, new strategies should be implemented fortnightly.”

Lastly, Louw reiterates that a property that looks good makes a profitable sale a straightforward process.

“Presentation is everything,” says Louw. “In the end, if the house sparkles, it will attract.” 🏡