

Southern River

Market Update Report

Wayne Adlem

| Your Local Expert

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Interesting Times but the Future Looks Good...

As I mentioned before, the first 6 months of this year in the real estate landscape will be up and down and/or a bit slower than the end of last year due to the Banking Royal Commission, and the Federal Election likely to happen in May.

This is now ringing true, but thankfully the first is out of the way and in real terms if we get away from the media for a few minutes, not much is going to change. We are already seeing the effects from the restrictions on lending from APRA and tighter regulation enforcements from ASIC.

These were put in place over 12 months ago and have had the desired effect of reducing the loan to value ratios. To put this in context, Investors were previously able to borrow 105% to cover stamp duty and bank fees so that they could claim these costs against their taxable income. As a result, Investor loans were sitting at around 37% of a bank's loan book, but that's now been reduced down to about 26%. **APRA's target was 30%.**

There has also been a lot of tightening on what buyers can borrow, and one of my recent buyers is a great example of this. He was given pre-approval for up to \$800,000 at the beginning of last year, and has taken a year to find a house. The most he could manage to offer on a home three weeks ago was \$638,000 and he's still in the same job and on the same money – in fact, he's on a little bit more. This is how things have changed in the financial world.

So why am I so confident about the market going forward?

Firstly, rents are on the way up for the first time in 7 years. **We have a zero vacancy rate, with people on waiting lists for any new properties that we have coming up.** This will then start to drive First Home Buyers back into the market as it will become cheaper to pay your own loan than it is to pay someone else's mortgage.

As the rent rises it will also bring investors into the market from over East where things have started to cool off a lot. These two groups will compete with each other and start to drive the all important bottom end of the market. **As a rule, when people sell to trade up they spend about \$200,000 more than what their old home sold for.** So a \$300,000 seller will trade up to a \$500,000 home, and so on, and up the chain it goes.

Going forward, finance will become easier to obtain across the board. **On top of all of this is the main driver in the WA economy - the iron ore price has just reached \$100 per tonne for high grade, and we all know what happened last time the prices reached these levels!**



If we can be of any help to you or your family, don't hesitate to contact us! If you're after an update on where your home sits in the market, or simply want some questions answered, **feel free to give me a call anytime on 0406 583 754.**

Recent Southern River Statistics

Number of homes sold in the past six months	32
Number of homes for sale today	81
Average days on market	188
Highest sales price in the past six months	\$940,000
Lowest sales price in the past six months	\$327,000
Median sales price in the past six months	\$527,500
Agency total home sales in the last 12 years	1165 sold
Agency total home sales by value in the last 12 years	\$522 million +

Recent Sales In The Southern River Area

All care is taken to provide accurate data. All information is sourced from Corelogic RPData and PriceFinder.

Address	Sale Price	Sale Date				Land Size
32 Castlewood Parkway	\$940,000	15/12/2018	5	3	2	716m ²
50 Froudist Circle	\$420,000	01/12/2018	4	2	2	632m ²
4 Buvelot Turn	\$650,000	23/11/2018	5	2	2	665m ²
3 Wheaton Street	\$327,000	16/11/2018	3	2	2	200m ²
49 Walkingdale Prom	\$565,000	14/11/2018	4	2	3	600m ²
29 Orpington Drive	\$480,000	12/11/2018	4	2	2	390m ²
308 Balfour Street	\$453,000	24/10/2018	4	2	2	480m ²
20 Renoir Way	\$670,000	15/10/2018	4	2	2	586m ²
16 Eaton Lane	\$520,000	05/10/2018	3	2	2	390m ²
21 Heysen Parade	\$580,000	30/09/2018	4	2	2	680m ²
23 Ancona Street	\$493,000	23/09/2018	4	2	2	486m ²
18 Weebill Way	\$365,000	18/09/2018	3	3	2	240m ²
10 Codrington Street	\$630,000	17/09/2018	4	2	3	686m ²
4 Ruskin Way	\$610,000	05/09/2018	4	2	2	496m ²
20 Strutt Parkway	\$545,000	30/08/2018	4	2	2	615m ²

Have you heard about SELECT DATE SALE®?

Exclusive to Naked Edge Real Estate, our SELECT DATE SALE® strategy is reducing days on market, encouraging multiple offers and achieving some amazing results for our sellers. Call or SMS me today on 0406 583 754 to find out more!



20 Wyandotte Street, Southern River | 4 x 2



37 Tamarind Crescent, Kelmscott | 3 x 1

Thinking of selling?

When experience counts, you can count on Naked Edge Real Estate.
In **12 years**, over **1165** homeowners just like you have trusted us
with the sale of their biggest asset - the family home.
That many people can't be wrong.



"I felt confident working with Wayne on the sale of my house and the purchase of my new home. His calming presence is the sign of a good agent. Nothing was too much trouble. I have recommended him to everyone I have spoken to about my experience."

- Mrs E Dunn

"Number #1 Sales Agent! Wayne Adlems ability to qualify buyers and work tirelessly for the seller is outstanding. His ability to make what can be a difficult and stressful process into a positive and painless process is a credit to his professionalism. I would highly recommend wayne if you are either wanting to buy or sell without any hesitation. Thanks a million Wayne."

- Mrs L Marwick

"We have been very pleased with the service we have got from Wayne in regards to the sale of our home."

- Mr R & Mrs J Kroon

"Wayne was professional and courteous. We loved the house he was selling and as a great agent made us pay more than we wanted too with great negotiation skills. I wish Wayne was my selling agent! I would certainly recommend Wayne to all my friends and family who are thinking of buying or selling."

- Mr C & Mrs M Jardine

"Wayne was super helpful and nothing was too much trouble. He went above and beyond and was very knowledgeable. Highly recommend him."

- Mr B & Mrs E Tander

"Wayne was an excellent agent. Very knowledgeable and honest with his communications and recommendations. He was always calling letting us know the progress with our property. Many thanks to Wayne and his team!!"

- Michael & Janine

"Wayne had a contract on my property in Piara Waters in two weeks. Amazing communication and negotiation skills. I'll use Wayne as my agent again. Very happy client!"

- Mr C & Mrs A Vinfield

"Wayne helped us sell two properties and was great to deal with on both. He was up front and transparent about what was happening and was easy to communicate with."

- Mr D Haines

"Just a quick note to thank your real estate agency and especially Wayne for the great job of selling both of our properties. Wayne certainly went way beyond our expectations. Very hard working, helpful and friendly agent. Couldn't wish for a better agent. Sold two difficult properties in record time."

- Mr L & Mrs D Green

"We are so grateful for all your hard work. Living so far away has put a lot more pressure on all of us. You and your team kept us updated all the time and went over and above to help. Thanks!"

- Ms T Alfonsi

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