

Real Estate News

INFORMATION TO HELP YOU WHEN BUYING OR SELLING

What to watch for in 2017



The Newcastle and Lake Macquarie property market enjoyed a solid year of growth in 2016. Will that continue in 2017? Nobody knows for sure but we thought we'd start the year by informing you of some factors to consider that we hope help in your selling and/or buying decisions. To keep abreast of the property market this year savvy property sellers and buyers will be best served in focusing on some key indicators such as interest rates, unemployment and government policy.

Similar to this time last year, we have seen an extremely buoyant market place and this appears set to continue into 2017.

The release of the federal budget is one to watch. With national debt extremely high, the government appear to have little choice but to unleash some tough measures this year. There has been incremental hints coming from Canberra about raising the GST and adjustments to superannuation. Real estate markets may feel the pinch from these changes.

Interest rates remain at historically low levels after the Reserve Bank of Australia (RBA) unexpectedly continued to cut rates in May and August of last year. While there is popular belief that interest rates may follow the U.S. Federal Reserve and rise this year, this may not necessarily have a major effect on the Newcastle property market.

Major projects such as the Lake Macquarie Transport Interchange (LMTI) connection between Glendale and Cardiff, the new Light Rail system in Newcastle's CBD and the construction of the very impressive 'NeW Space' for the University of Newcastle are examples of infrastructure investment that create an influx of activity in the property market. Additionally, the acquirement of the V8 Supercars coming in November of this year, has and will continue to raise the profile of our town.

This has gained the attention of investors and developers alike with enormous price rises and low rental yields in Sydney driving investors towards Newcastle seeking much more affordable investment opportunities with attractive capital growth potential.

In summary, we are expecting continued solid growth in our local market this year, with low stock on the market for sale leading to strong competition from buyers.

Rising house prices coupled with an influx of investors entering the rental market has resulted in the rental market remaining quite flat. Investors entering the market have found it more difficult finding attractive yields in the Newcastle and Lake Macquarie property market and we are seeing more investors looking at longer term growth options and capitalising their return with the development of granny flats and second dwellings.

Noel McFarlane Real Estate will keep you informed of anything we feel will impact your local property market for the coming year via our newsletters, buyer's club email alerts and our Facebook page.

How can I PROTECT myself when buying off the plan?

There are many things you should think about when buying off the plan, whether you're a first home buyer or building your property portfolio you must consider all aspects of your purchase.

Buying off the plan is almost always more attractive in the current market because of the lower maintenance cost, rewarding investment opportunities that they create and allows for a longer time frame to save for your mortgage. Things you should consider when purchasing off the plan are:

Ensure the finish product is what you expected.

Size, dimensions, layout and inclusions can change from the original plans. Ensure your agent and the developer keeps you up to date on any changes that may occur, and the progress of the site.

Employ a good Conveyancer that is familiar with development site sales.

It is important that your contract contains all of your negotiated clauses, including your schedule of finishes, inclusions and also brand of appliances in the inclusions list, Gas points, internet and satellite TV access.

Sunset Dates/Clause.

The sunset clause you will find in your contract of sale and it refers to the maximum time in which the developer has to complete the project. New provisions set under the Conveyancing Amendment (Sunset Clauses) Act 2015 ensure the developer gives reason for delay with the project.

A developer that is the vendor under a contract is now required to give notice to each purchaser under the contract, before ending the contract. If your property is not finished by this time, you are legally entitled to walk away from your contract and receive your deposit back in full. Delays occur in construction for a wide range of reasons from Council approvals to weather. We also aim to keep our buyers informed of all expected delays.

Strata VS Torrens Title

As a buyer you must know the details of what your strata manager provides and your solicitor should order a strata report before you sign into your contract. It is important for you to be aware of your responsibilities and obligations. Generally the strata covers most common property boundaries and the maintenance of common areas shared with all owners in the complex.

As the demand for homes increases there are more and more development opportunities opening up in Newcastle. It is important be able to trust your agent and developer. Noel McFarlane Project Development works with a number of reputable developers from The Hunter region & Sydney such as CPL Property and Oakes Building Company.

If you would like to find out more information on upcoming packages
please feel free to contact

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