

Living Blue Mountains Real Estate

Spring 2023 Update

What's the Local Market Doing?

According to leading industry analyst Michael Yardney, national home prices are now higher than they were a year ago after jumping a further 0.16% in July.

National home prices have reversed the majority of the decline recorded in 2022, climbing 2.79% from their low in December. Prices are now 1.36% above July 2022 levels.

Sydney continues to lead Australia's home price recovery, with prices increasing a further 0.28% in July. Prices in the harbour city are now 5.26% higher than the trough in November 2022.

Maybe it shouldn't be a surprise that according to Michael, home price growth has been stronger in the capital cities than in the regions compared with last year. We feel that a lot of this can be put down to the COVID factor that 12-18 months ago saw a significant increase in regional sales.

Based on feedback from buyers, the advantage of having a hybrid approach to working remotely and not having a daily commute means that for many the appeal of living full-time in the Upper Mountains can be a realistic option. Interestingly, according to a recent buyers' survey from the Real Estate Institute, 43% of buyers are prepared to look at moving more than 10km from their current location.

According to RealEstate.com, the average time a property stays on the market is between 97 to 120 days. However, there are cases where properties sell much faster, and we have recently experienced success with securing offers within the first few weeks of listing. Based on recent sales our opinion is that the 'sweet spot' for property in the Upper Mountains remains in the \$600k to \$900k range.





Pest & Building Inspections Explained

When considering purchasing a property, potential buyers will want to carry out a pest and building inspection. This type of inspection is carried out by a qualified professional, independent of the agency, who physically examines the property to assess the condition of the building and check for any pest infestations.

While the inspection report may seem confusing, the inspector should be able to explain it in detail. However, it's important to note that inspectors cannot advise the purchaser on whether or not to purchase the property. If minor issues are found, the purchaser may choose to address them over time. However, if significant structural issues or a multitude of problems are identified, it's valid for the purchaser to reconsider their decision.

It's also important for vendors to understand that once the inspection results are disclosed to the agent, they are obligated to disclose them to any other potential purchasers. This may result in the agent advising the vendor to reconsider the listing price to reflect the true condition of the property.



Sustainable Property Features – *How going green is starting to make a difference*

As real estate agents, we can sometimes get too caught up in the number of bedrooms, bathrooms, and kitchen layouts of a property. However, buyers are now placing more value on environmentally sustainable features.

According to the latest survey from the Real Estate Institute, 79% of buyers consider sustainable features to be either critical (18%) or important (61%) when making a purchasing decision.

The good news is that 85% of those buyers are willing to pay up to 12% more for a property that has features like solar panels, grey-water recycling, and passive heating design. This trend is no doubt only going to climb in the future.