

Living Blue Mountains Real Estate

Autumn 2023 Update

What's the Local Market Doing?

What seemed to be a constant rise in interest rates mixed with an uncertain economic outlook has certainly unsettled the local property market over the last six months or so.

However, this didn't stop people from selling or buying over the summer and with interest rates now on hold there seems to be a sense that the market is now levelling out.

A local agent we spoke to recently, described the market as no longer being a buyers' or sellers' market but rather a self-determining one where the market is determining the eventual sale price.


We tend to agree with this. Recent sales of ours in Mistral Street and Lurline Street Katoomba would be strong evidence of this. Like always it's therefore critical that the agent's appraisal is realistic, is based on current sales and that there is good synergy between vendor and agent as well as prospective buyers.

Important changes to building codes come into effect next month (May):

Changes to the Australian building code as well as NSW state requirements will apply to all new DAs and focus on improved accessibility requirements (such as minimal door widths) as well as key changes to energy efficiency requirements as part of the NSW government's environmental commitments.

The new livable house, energy efficiency and condensation mitigation requirements commence on 1 October 2023. If you are looking to renovate or new build, we recommend you educate yourself on these upcoming changes and importantly talk to your builder now if you haven't done so already.

<https://www.planning.nsw.gov.au/policy-and-legislation/buildings/national-construction-code>



Rent or Buy? – Hear From Our Rental Team

We have had a busy few months in the rentals office. With the recent rises in interest rates, we did see an initial reaction from owners issuing rent increases however this seems to have levelled out now.

The 2022 tenant rush to compete for every listing has also calmed down – properties are taking longer to fill, which is likely due to tenants having a bit more choice with more properties on the market, so now is a good time to consider moving if you want a bigger home or want to live in a different area.

Well-maintained homes with three or more bedrooms are always in high demand in the rental market, so if you are an investor looking to add to your portfolio, this is something to consider.



Vendor Paid Advertising – *Now is Not the Time to Skip Marketing:*

The one thing we have seen in this shift in the market is the added importance of having good quality marketing to promote your property.

As we said in our last market update the reality now is that 98% of buyers use the internet to view a potential property and most of this is via their mobile device. Your marketing service needs to align with this.

For example, a great-looking photo on a desktop screen doesn't always translate onto a seven or nine-inch phone. As buyers, we also know that we like to consume

information in different ways so paying for video, drone work, 3D virtual tours as well as high-definition photos will help entice buyers to view the property.

Talk to your agent about their marketing services and ensure that any marketing is tailored to your property and relevant to your target buyers. If the home is family-focused, ensure that any photos or videos align with that. Ultimately this means that you may need to pay a bit more for the marketing but if it's tailored to your specific requirements then we believe it's well worth it.

Knowing Your Rights & Knowing the Law; It's Important to be Informed

The purchase or sale of a property is undoubtedly one of the most financially important decisions any individual will make. In the process of buying or selling, it's a point that can sadly get forgotten. We asked local conveyancer, Paula Anthony from Paula Anthony Conveyancing to explain the legislation and offer some basic advice. Paula explains:

"If you are selling a property in NSW you are required by legislation to have the Contract for Sale prepared before the property goes on the market.

If you are purchasing a property in NSW, it is strongly recommended that you also engage a Conveyancer to review the Contract before you sign it or if you plan to attend the auction (if that is the method of sale).

Conveyancing and the various laws and regulations that buying and selling properties are subject to can be confusing and the legalities of these procedures can be difficult to understand. Therefore, it's vital that your Conveyancer provides you with the information that you need in an easily accessible way, and importantly, in a timely manner to make sure that, as a seller, your property goes on the market quickly and effortlessly and, as a purchaser, you don't miss out on that perfect property. An effective Conveyancer will take the stress out of the sales/buying process by providing you with expert advice every step of the way.

One of the most important elements of conveyancing is investigating the title of the property for covenants, caveats and easements. Whether you are the buyer or seller, your Conveyancer should make you aware of these and any other factors affecting the property such as illegal building work, outstanding council rates or government department proposals.

It's worth noting too, that typically, properties in the Blue Mountains are exchanged by Conveyancers however in Sydney it is commonplace that the Real Estate Agent will exchange with a cooling-off period. You should discuss this with your Conveyancer or Real Estate Agent when the time comes to avoid any confusion.

As agents, we would add that buyers and sellers should also know that Real Estate Agents are strictly governed by the Property and Stock Agents Act as well as NSW Fair Trading. Fair Trading undertakes regular audits and fines agents for failure to meet legislation. These aspects of legislation determine the rules around how agents work, including areas such as the appraisal process and importantly how agents engage with vendors. An ethical code of practice is central to the legislation as well as protecting your consumer rights under Fair Trading. Don't be afraid to challenge the agent if you are selling if you feel the appraisal has been rushed or that the agent failed to provide a comparative market analysis. Agencies that fail to return phone calls or communicate poorly are probably best avoided.