



## In this issue:

- How do you find your first rental property?
- First home buyers: find your perfect fit
- Grown out of your home? Five steps to upsize
- 2024 guide to property investing

## HOW DO YOU FIND YOUR FIRST RENTAL PROPERTY?

If you are leaving home or need to rent a place to live for the first time, you may be wondering how you will win the approval of a property manager without having a history as a tenant.

This guide will help you overcome the roadblocks and prepare for your first rental property, no matter where you are in Australia.

Follow these steps to get your foot in the door:

### #1 Save for your deposit

Your landlord or rental agency will want one month's worth of rental payments upfront as a bond deposit.

They take this money as security to pay for any repairs or cleaning required after you leave. You will get this money back when you vacate the premises, as long as the property manager can see that you have left the property in reasonable condition.

Note that your bond is held in a secure place (usually within your state's Fair Trading or Rental Bond Board); a landlord or property manager does not have the right to spend it while you're renting the property.

Do some research into rental prices and how much you can afford to pay in rent, then save up a month's worth of funds and a little extra as backup. It will also help if you have the first month's rent ready to pay in advance; most landlords and property management agencies don't take payments in arrears.

If you plan to share with housemates, you will have to agree about how someone's bond is returned to them if they leave and others want to stay. Aim to get things in writing so you don't end up arguing.

### #2 Start gathering the things you will need

If you have been living with your parents, start work on your own collection of household items to take with you when you move.

You might be surprised at how many things you need in your new place, including:

- Towels
- Bed linen
- Cooking equipment like pots and pans
- Plates, cutlery and glasses
- A microwave, toaster and kettle
- Cleaning implements like a broom and mop

Don't put yourself under the financial pressure of buying new; see what your parents are happy for you to take and visit your local second-hand stores.

### #3 Have some budget to buy furniture and white goods

Unless you are moving into a fully furnished property, you will also need to buy furniture and large appliances.

Make a list of all the items you will need that might include:

- Couches and chairs
- Beds
- A fridge
- A washing machine and clothes dryer
- Bookshelves
- Tables and chairs
- Desks
- Cabinets
- A television

If you're shopping second-hand on sites like Gumtree and Facebook Marketplace, check things work properly before you pay for them.

### #4 Gather references from teachers and bosses

When you rent, the landlord or leasing agent will want confirmation that you are reliable and trustworthy. They will usually reach out to the people you have leased from previously, and check to make sure you are not blacklisted on a tenancy database.

If you have never rented before, you will need to share another form of reference to ensure you will be a good tenant. Your lecturers at uni, former teacher or current boss may be able to provide this for you.

It's also a good idea to let the receptionist at your work know that a property management agency may call to confirm you work there; if the receptionist don't know who you are, they can inadvertently cause you to miss out on a place.

### #5 Visit properties for inspections

With all the above prepared, it's time to start your hunt for a place to rent. Take a look at listings in the area where you want to live and prepare to spend a few Saturday mornings going from place to place.

When you arrive, try to take a few minutes to speak with the leasing agent at the property. They might have some tips about what the owner is looking for in a tenant, or they might know of another property that is soon to hit the market.

#### **#6 Be application-ready**

If you're in an area where competition is strong, be prepared to fill out and submit an application almost on the spot. Make sure you answer every question on the form correctly so you don't get overlooked. In a tight rental market, waiting a few days to submit an application may mean you miss out so take action to submit yours quickly and ask the leasing agent when you can expect a response from them.

#### **#7 Be flexible**

When applying for your first home, you may find it easier if you don't have a pet and if you can move in almost immediately.

#### **#8 Rent from a property management agency**

It can be tempting to rent a place privately and only liaise with the owner directly but this can lead to problems, particularly if the owner doesn't have a clear understanding of tenancy legislation in your state.

When you go through an agency, you will get professional-level advice and support from the leasing agent, and can be assured problems will be resolved in a timely manner. You can also trust that your bond is being stored safely where you can access it if you need to, and any disputes will be resolved according to existing tenancy laws.

**Looking for your first rental property? Contact your local Professionals agency today.**

---



## FIRST HOME BUYERS: FIND YOUR PERFECT FIT

Is 2024 the year you buy your first home? Congratulations on deciding to take this step; it's exciting and has the potential to set you up for a financially prosperous future.

In our current economic climate, the biggest challenge is finding a property that fits your needs and suits your budget. Unless you are earning a multi-six-figure income or you have a lot of help from family, you will need to start off with a place that is simple and small. However, this is still very exciting because once you have your foot on the property ladder, the only way is up.

Getting through the first home buyer process is worth it, so let's make 2024 your year. The following steps will help you find and secure a place:

### Buy your first home in 2024

- **Assess your needs**

One of the best pieces of advice you will ever get when hunting for your first home is to break things down into three categories: non-negotiables, negotiables and bonuses.

Non-negotiables are requirements that you can not do without. It might be imperative, for example, that you have at least two bedrooms or are located close to public transport so you can get to and from work without using your car.

Negotiables are things you prefer to have in the home but can live without. This might be a second bedroom or undercover parking. These are the elements where you will need to compromise the most. Most likely, you won't find a home that comes with all your non-negotiables and all your negotiables. You may need to sacrifice some of the negotiables to get all your must-haves.

The bonuses are things that you would love to have but aren't necessary. The most obvious of these would be a swimming pool or an ocean view.

If your non-negotiables aren't obtainable in terms of budget, you will have to find a way to build a bigger deposit. Otherwise, be aware that compromise will be necessary. Remind yourself you won't be in the place forever.

- **Consider rentvesting as a flexible solution**

Still can't find a solution in the suburb where you want to live? One option many Aussies are choosing these days is to rentvest.

Rentvesting is a clever solution where you buy a property and lease it out while renting another property to live in yourself. This way, the property you rent out can help pay for where you are living. It also means you can rent in an area where you might not be able to afford to buy.

Many Australians rentvest by buying homes in regional areas; just be careful to buy where there is demand from tenants and future infrastructure growth so your property increases in value and you can recoup the mortgage costs.

- **Think about buying with a friend or family member**

Another option is to buy with others. Chipping in with someone else will increase your budget and the bigger your budget, the easier it is to tick all your boxes.

The government has recently expanded the First Home Guarantee to include people buying with family members or friends as well as couples, so you may be able to make the most of a government grant when purchasing your first home.

Buying with a friend or family member is an excellent way to get your foot in the door of the real estate market. It is a stepping stone that can help you purchase a home of your own in the future.

- **Talk to a mortgage broker about government incentives**

There are other grants and schemes you may be eligible for, depending on the type of home you wish to purchase, your income and your job.

Ask your mortgage broker if you qualify for a lower-cost deposit, a grant or exemption from stamp duty.

- **Find a solicitor/conveyancer**

These days, the early bird gets the worm when it comes to making an offer. You need to have a property law professional on your side to help you submit a signed contract so everything is locked in. If you enlist this person's support early, you'll be able to keep things moving.

Real estate agents usually have trusted conveyancers they are happy to refer you to.

- **Get to know your local Professionals agent**

Once you have figured out what you can afford, where you want to buy and the type of place you want, your local agent can give you advice and let you know what's coming up on the market so you have a chance to put in an early offer.

It can take a little bit of time to get used to the process of buying a house so don't be afraid to talk to agents and ask a lot of questions.

- **Make an offer**

When you find a place that ticks as many boxes as possible, you can submit your offer. The selling agent will help you suggest a figure that is reasonable and negotiate with the seller so you can reach a price everyone is happy with.

From there, it's a matter of packing up and getting ready to move in!

**Getting ready to buy your first home? Contact the Professionals today.**



## GROWN OUT OF YOUR HOME? FIVE STEPS TO UPSIZE

Once you have outgrown your first home, upsizing to your next and ‘forever’ home, where you can accommodate your growing family and make amazing memories is an exciting next move.

Here are the five steps to getting started when it’s time to upsize:

### 1. Figure out your finance

Instead of scraping and saving for a deposit, you should be able to put the proceeds of the sale of your existing place towards your next purchase (in addition to savings you already have).

Figure out how much this amount is likely to be (a real estate agent can give you a valuation) and talk to your broker about your next loan.

### 2. Select your strategy

While it might seem like a given that you should sell your first home before buying a new one, this doesn’t always have to be the case.

You may find the perfect place before you have time to sell. In this case, bridging loans are available that will tide you over while you technically own two properties, and save you from paying the full cost of a two-home mortgage.

If you need extra time to find your next place, you can try requesting a three-month settlement instead of six weeks.

The other option is to put your place on the market, sell it and then use the time you have to find something more suitable. It helps to have already looked around in the area where you want to live as you will have an idea of prices and what’s on offer.

### 3. Talk to your conveyancer

Buying and selling means you will need to exchange contracts twice so having a good conveyancer to help you is essential. Give them a heads up about what’s happening so they expect your call.

### 4. Sell your place

Selling is exciting and stressful at the same time. A quality agent will set your price expectations based on the current market and will work day and night to bring interested buyers through the door while also helping you make sure the place looks its best.

Your first few home opens will be crucial to secure a buyer and more often than not it is the early offers that are the best ones. Your agent can help you decide if the offers you receive are worth taking or if you need to put a pause on things and make some upgrades to the property so it is more appealing and can fetch a higher price.

In 2024, properties are generally selling within a three-four week period but it depends on where you live and how many buyers are active in the market. Quality homes are still selling well, particularly if there is a modern kitchen and bathroom.

### 5. Start your search

Now you’re ready for the fun part.

Set your criteria for your forever home but be open to suggestions. Sometimes agents will see that a property suits you even though you have overlooked the online listing.

Don’t be afraid to talk to agents and share your budget. They can give you a heads-up about what’s coming up on the market and can invite you to preview properties before the listing officially goes online. This can be a game-changer as you’ll have the chance to put in an early offer.

The selling agent will guide you through the process to make an offer and liaise with the vendor for you so you find a price everyone is happy with and get those exchange contracts signed.

### 6. Get excited!

Upsizing means you can buy some new furniture and set the kids up in their own rooms. You’ll finally be in your forever home and be able to fix it up the way you like.

**Ready to upsize? Contact your local Professionals office today.**



## 2024 GUIDE TO PROPERTY INVESTING

The Australian property market stayed strong in 2023 across most regional areas and capital cities, leaving investors wondering what their next best move will be.

If you're thinking about buying your first investment property or adding to your portfolio in 2024, keep the following figures and expert opinions in mind.

### What are the forecasters saying?

The Australian housing market proved to be more robust than expected in 2023, and the national average house price reached [\\$753,654, according to CoreLogic](#). Experts say the upwards trend is expected to continue, with prices estimated to rise by around [5 to 7 per cent](#) nationwide and by as much as 9 per cent in some cities during 2024.

House prices have been rising due to a lack of stock caused by building industry shortages and an influx of post-pandemic migration. Rental yields have been incredibly positive as well, with some real estate agents reporting that vacant apartments are being re-tenanted within a single day. [Reports say rents rose](#) by 13.2% for houses and 23.7% for units in between September 2022 - 2023. This is great news if you are an investor because it means you are unlikely to find your property standing empty and can charge a premium to offset the cost of the mortgage.

With this being said, the factors which may come into play to prevent major price rises in 2024 are the following:

- The potential for additional interest rate rises has not been ruled out by the RBA. High interest rates makes purchasing and holding properties more expensive.
- The state premiers are actively working on new housing initiatives, to increase development in key areas so there is increased availability.

### News for overseas investors

It was [announced in early December](#) that overseas investors may have to pay even higher fees when they buy in Australia.

Under the measures the Labor Government has proposed, a foreign investor would pay \$84,600 in application fees when buying an existing property worth \$1.1 million and will face an annual vacancy fee of \$169,200 if the property is unoccupied for more than six months throughout the year. If you're a keen investor it's worth keeping an eye on this policy as it may reduce competition from overseas buyers.

To counter this, fees for [Build-to-Rent projects will be reduced](#). This is hoped to encourage foreign investment in the creation of new homes, which will create jobs and increase rental property availability.

### Where to invest in 2024

With property prices forecast to rise in most parts of Australia, experts predict it will be difficult to go wrong with an investment property in 2024.

Experts are still pointing to regional areas as a savvy strategy, especially for beginner investors. Destinations like Rockhampton in Qld and Rockingham in Perth have good investment potential thanks to infrastructure projects and demand from tenants.

As for metropolitan areas, after very strong growth in Adelaide and Perth in 2023, Sydney is back on the map in 2024, with prices in the harbour city expected to rise by up to 9 per cent this year.

For more specific investment opportunities, [Australian Property Investment Magazine](#) has pointed to the following:

- Sydney:
  - Engadine
  - Northmead
  - Mortdale
- Melbourne:
  - Yallambie
  - Croydon South
  - Heathmont
- Brisbane:
  - Alexandra Hills
  - Capalaba
  - Carseldine
- Adelaide:
  - Meadows
  - Nairne
  - Woodside
- Perth:
  - Eden Hill
  - Edgewater
  - Greenmount

- Hobart:
  - Lauderdale
  - Lindisfarne
  - Risdon Vale
- ACT:
  - Banks
  - Chifley
  - Gowrie
- Darwin:
  - Howard Springs
  - Humpty Doo
  - Wanguri

### **How to choose the right investment property in 2024**

No matter where you invest, there are factors to keep in mind:

- Look for a place in a growth area, with incoming infrastructure like schools, shops and transport interchanges.
- Check upcoming developments; a brand new multi-storey development may impact the value of your investment.
- Aim to purchase an investment property close to shops and public transport.
- Find cost-effective ways to make the property appealing to tenants; for example by refreshing the kitchen and bathroom.
- Think about who would like to rent the property and how you can make it suitable for them, for example a family home with a home office or an apartment for students that is close to the university campus and has good security.
- Buy in a place where you are highly likely to have your choice of renter applications so you can put someone trustworthy in the home.

### **Get advice from a Professional**

Key advice for property investors is to gather a team to support you. Work with your accountant and mortgage broker, and connect with a local real estate agent who can guide you towards an investment property that has the potential to attract high-quality tenants and experience strong capital growth.

**Ready to invest in 2024? Get in touch with your local Professionals office today.**

---



**Visit [professionals.com.au](https://professionals.com.au)**