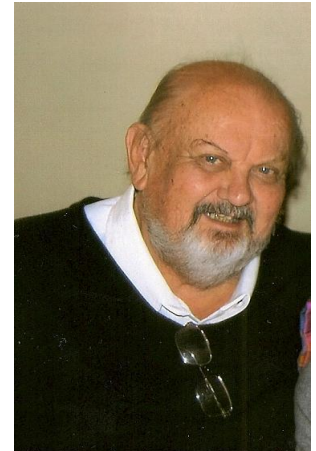


SELL THROUGH Terry McMiles - an absolutely independent Realtor *who will listen to what you are hoping to achieve*. For no charge, & no exclusivity, have your property (home, unit, Management Rights or Hospitality) on the internet **attracting enquiry**. Phone **5594 0016** and check out Terry's website www.terrycmiles.com

"talk to someone who will be paying attention"



JULY – AUGUST 2011

What has happened to Gold Coast Real Estate values?

The answers are in a practical analysis of what has happened here over the past few years since the *Global Financial Crisis* rocked the World.

International Tourism (inward to Australia) has hit new lows, Internal *interstate tourism* to the Coast has followed suit as a rising Australian dollar has made overseas travel cheaper than ever before and thus more attractive.

Development funding for building projects has dried up and *no new projects* are imminent.

Mortgagee sales of developers stock are now common as Banks slowly release unsold properties to the marketplace.

Unemployment on the Gold Coast is *higher* than any other region in Australia as a result of the "flow through effect" from lack of activity in Tourism & Development.

Newspaper headlines report drop in values as a result of *Mortgagee sales* and lack of confidence in the local market has seen number of sales also at all time low levels.

This has resulted in a drop in values nowhere near what alarmist newspaper headlines report, but *never the less, a drop or pullback in value of all Gold Coast properties*.

How does this affect you?

In different ways. If you wish to sell your current home to buy another, *you will sell for less* than you could have sold for a couple of years back, but you will also *buy your next home for less*, so, if your next home is an upgrade at a higher price, the effect on you is negligible or you could be slightly better off (assuming percentage value drop is constant).

If you are renting now and poised to enter the Real Estate market, you can be confident that *you will buy very competitively*. The market in the mid to low price ranges is unlikely to fall any further. It is therefore a good time for investors to re-enter the market.

If you are an owner of a luxury home or top end of market property, unless you are going to buy another similarly valued property, this is not the time for you to sell. The reality for you is that for top end property values to return to levels of (say) 3 years ago, the local economy must first recover. You may have to wait for several years. If you are a potential buyer for top end property, now, and continuing into the next 12 -18 months will be a great time to buy.

Sometimes, we don't have the luxury of getting our buy or sell timing absolutely right. So if you have a compelling reason to sell (or to buy for that matter) the best thing to do is try to understand the marketplace and position yourself as best you can to maximise your personal result. Terry will be happy to help.

Imagine if someone else paid your mortgage!

One of my specialist areas is *Management Rights* sales. Management Rights is where you buy a Unit or Townhouse in a building or complex together with the rights to caretake and manage the Complex. It can be a small Complex of just a dozen or so townhouses up to a large development of 100 or more. Many people who buy into the smaller Complexes, still retain their regular employment and the income received from their caretaking and management duties becomes *an additional 2nd or 3rd income* that covers their mortgage. In return for that the Complex manager upkeepes lawns and gardens (or organises someone else to do it), looks after the swimming pool, and manages (collects rent) for any investor owned properties in the Complex.

This type of business is ideal for a young family where one partner can be at home with the kids, and is equally suitable for an older person looking for just part time employment.

With opportunities from around \$500,000 (sometimes less) , this maybe something worth your consideration. It is one of the few *recession proof businesses* and you are guaranteed your mortgage will be covered for what is sometimes just 6-10 hours of yard work and a bit of book-keeping and communication.

Check my website for information on Management Rights and current listings for sale.

Would you like a different approach to marketing your property?

If you are selling, or thinking of selling or renting your local property, please consider calling Terry. *Talk to someone who's paying attention . . .* Terry will listen to what you want to achieve and target the generic buying or renting group to allow you to achieve the best possible result.

An important signal for Real Estate recovery . . .

In a break from what has been their (and every other commentator's) prediction, Westpac have now stated that they believe that the next official interest rate moves will be down rather than the previously predicted rises. Chief Economist Bill Evans cited continuing weakness in European economies, US insolvency concerns, the slowdowns in all (but mining) sections of the Australian Economy and anticipated growth in unemployment.

With world and Australian stock market index's weakening again, if our Reserve Bank does move interest rates down, we will find Investors will start to again enter the Real Estate market.

It won't happen overnight, but a lowering of interest rates and the trend seen as downwards will be the first "light at the end of the tunnel" that our local Real Estate market will have seen for years.

If you're thinking of selling, be prepared.

The *first impression things* are very much worth paying attention to. Landscape upgrading doesn't need to be expensive to be effective and create an initial "good vibe". There are inexpensive "tricks" that can make a tired kitchen and bathroom fresh again. Get rid of old taps, towel rails, door handles etc and upgrade to *shiny and new*. Re-grout as needed, replace anything faulty or cracked. *Paint is always worth its expense*, and on the Gold Coast, tiling or the better quality Vinyl plank flooring are the preferred flooring for living areas.

Without "going overboard" minimal money spent on *the smart upgrades*, will bring a better price and a quicker sale. Many buyers are buying to their absolute maximum, and will lean towards homes and investments where no immediate upgrades are necessary.

Call Terry if you'd like further input on any thoughts you may have for your property.