



Professionals

Armidale

LANDLORDS NEWSLETTER



JAMIE
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With current supply levels at a decade low and demand at an extreme high, will we see a second wave property boom once we are free of lockdown?

Jamie Williams

PROPERTY MANAGEMENT WRAP UP

As we say goodbye to winter and hello to spring, we can only hope that the new season has us all return to some form of normality. I cannot tell you whether normal will prevail, but one thing I can tell you as an investor, is now more than ever, the time to have an experienced and proactive property management team on your side has never been more important. Since going into a strict lockdown in early August, Professionals Armidale has leased 22 properties via one-on-one inspections and has a vacancy rate across our entire portfolio of 1%. According to SQM research, the national vacancy rate for July 2021 was 1.7%, the lowest level in more than a decade.

Louis Christopher from SQM research has stated that APRA is unlikely to step into the market this year, meaning that stable interest rates are here to stay. The Melbourne Institute's Consumer Inflationary and Wage Expectations Report reveals consumers are expecting weak wage growth over the coming year with an increase of less than 1%. If this prevails, I believe it could lead to negative interest rates. However, cheap money is not all that cheap for anyone who is building a new dwelling. Holding costs are increasing as construction times during the pandemic doubles. Build prices have increased due to material shortages, and the time it takes to construct a property has blown out by an extra 3 – 5 months on average.

According to CoreLogic, the number of new properties coming to market has fallen to 120,000 the lowest ratio of listings to sales for over a decade. Several elements cause house prices to rise from low-interest rates and buyer incentives such as the first homeowner grant to migration levels, FOMO, wage growth and low unemployment. The most impactful element however is simple, supply and demand. With current supply levels at a decade low and demand at an extreme high, will we see a second wave property boom once we are free of lockdown?

AUGUST 2021

INVESTMENT PROPERTY OF THE MONTH



MODERN FIRST HOME OR INVESTMENT | \$290,000 TO \$319,000 | CURRENTLY RENTED FOR 320 P/W

A 2 bedroom, 1 bathroom home that offers modern living, you can't go past this cosy abode.

Freshly painted inside with reverse cycle air-conditioning in the light-filled lounge room, dining and kitchen. The kitchen has elegant modern charm, newly renovated with electric cooking and dishwasher. Each of the oversized bedrooms is fitted with robes and big north-facing windows.

Outside features a fully fenced yard, paved entertaining area and a garden shed.

Currently rented with a long term tenant for \$320 per week.

Put this at the top of your must-see list and contact Brad Ramage on 0437 267 480 to arrange an inspection today.

Our property management philosophy is simple – to minimise arrears, vacancies, and expenses and to maximise your return



HAVE YOU MET JONATHON?

Our Property Manager Administrator, Jonathon McAteer is quick with a joke and always smiling.

Jonathon is not only extremely approachable, but highly efficient, and ready to creatively tackle any problem that might arise.

Get to know Jonathon in our Spotlight Series: professionalsarmidale.com.au/2020/12/jonathon-mcateer-jono/

LOCAL HANDS YOU CAN TRUST