

RealEstateNews

INFORMATION TO HELP YOU WHEN BUYING OR SELLING | January 2012 |

PASSED IN

Why failing to sell at auction is bad for your wealth.

PETER O'MALLEY

As a property seller, it is extremely disappointing when the price interest in your home falls short of your hopes & expectations. Failing to achieve your price target will happen in one of two ways – private failure or public failure. Failing privately means the agent submits the current buyer's price interest/offers on your property to you and you decline the offers. You then decide to continue looking for another buyer or you withdraw from the market. Either way, your business remains your business.

When this happens at a public auction, whilst you may be disappointed, the failed campaign has more than likely damaged the value of your property. Your business is now the neighbour's business and when the result is picked up by the newspapers, it basically becomes everyone's business. It becomes common knowledge that you tried to sell at auction and failed. Even more damaging, the price that you declined to sell for becomes the published price in a multitude of publications and media outlets.

When faced with this logic, most agree that failing to sell at auction is not a good look for the seller. But what is often overlooked is that no one has ever paid upfront advertised fees, booked an auctioneer for 5 Saturdays time and expected the auction to fail.

Everyone who has ever embarked on an auction campaign has done so because they expected their property to sell.

So you have a scenario where 100% of people who have signed up to sell by auction, do so in the knowledge a failure to sell will reflect poorly on the property.



If the auction clearance was 50%, then, 50% of all properties that went under the auction hammer failed in front of the interested buyers & the neighbours. As if the auction was not traumatic enough, the homeowners could read about it their failed auction in the Sunday paper.

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An appraisal or a valuation?

PAUL KOUNNAS

What would you do if you wanted to find out what your property is worth in today's market?

Would you ask for an appraisal or do you get a valuation?

They may sound like they are the same but they're not. Do you know the difference?

A valuation can only be conducted by a certified valuer, one who has completed the prescribed educational course and are qualified to perform the task of valuing property.

An appraisal on the other hand is simply an estimate of a property's market value, which is what you'll generally get when you ask a real estate agent to price your home.

Appraisals by real estate agents are just that. It's their estimate of the property's value in the current market. The price the agent quotes you is simply their opinion of the market price of your home and since it's not legally binding it doesn't have to withstand the scrutiny of being accurate.

This explains why homeowners are

often quoted different prices when they call agents in for an appraisal. Vendors are then faced with the dilemma of not knowing which agent's price estimate to believe.

Real Estate agents should have a good knowledge of the sales in their local area and should be in a position of accurately estimating the likely selling price by making comparisons with comparable recent sales.

So why do agents often differ in their price estimate?

In their attempt to please the vendor and in order to increase their chance of winning the listing, agents can often be over-optimistic with their price estimate.

Engaging a qualified valuer for a valuation on the other hand will cost you money but it could be a worthwhile investment as it gives you an independent, unbiased and accurate valuation that you can legally rely upon.

A written independent valuation can be a valuable tool, particularly in the current

market, when negotiating with a buyer who may be trying to buy the property at a lower price.

A valuation can also provide you with peace of mind. Having an independent valuation makes your job of selling your home a little easier, as you are able to compare any offers you receive with the written valuation.



HOME SAFETY TIP

Do you have a fire extinguisher?

PETER LEES

There has been much talk about ensuring that your property is adequately fitted with smoke alarms (and is law in many states) but what would you do if a fire did occur?

Investing in a fire extinguisher can help protect your property in the event of a fire.

Following are some tips to help with the placement of the extinguisher:

1. Do not place the extinguisher in the kitchen area, as a stove fire (one of the most common sources of house fire) can prevent you from accessing it.
2. Secure the extinguisher to a medium height on a wall to ensure that the

elderly or children can reach it.

3. Position the extinguisher near an exit door. This will give you the option to decide which is best - fight the fire or flee the property.
4. Ensure that the extinguisher is regularly checked to ensure that it is in a working order.

Discuss with your family what you would do or what they should do in the event of a fire.

**Don't leave it until
it's too late!**



Properties Sold - Northern Suburbs - November 2011

If you would like to know what has recently sold in your area please email cate@ckrealestate.com.au or call 8942 2283

Unit No.	Street No.	Street	Suburb	Sq. Metres	Sold Price
5	1	ERIC ST	ALAWA	63	330000
6	1	ERIC ST	ALAWA	63	330000
	6	GOVE ST	ALAWA	758	421000
	183	TROWER RD	ALAWA	769	450000
6		LAKESIDE DR	ALAWA	766	529000
	10	MULLEN GDNS	ALAWA	796	540000
	85	BRITOMART GDNS	ALAWA	809	655000
	13	CLAYMORE CCT	BRINKIN	1480	900000
6	105	OLD MCMILLANS RD	COCONUT GROVE	181	400000
5	17	SOVEREIGN CCT	COCONUT GROVE	204	407500
	24	BORELLA CCT	JINGILI	817	490000
	26	SOWDEN ST	JINGILI	1138	520000
	33	BORELLA CCT	JINGILI	811	580000
	71	JINGILI TCE	JINGILI	724	700000
2	62	KALYMNOS DR	KARAMA		327000
	19	LIPPIA CT	KARAMA	1080	407000
	17	KOOJARRA CT	KARAMA	802	440000
	30	EATON PL	KARAMA	826	490000
	15	DULVERTON CT	KARAMA	944	495000
	12	WEARING CRES	KARAMA	851	520000
	20	MISTLETOE CCT	KARAMA	1090	539000
2	22	GRASSLAND CRES	LEANYER	172	335000
	54	V.R.D. DR	LEANYER	800	510000
	14	SANFORD ST	LEANYER	802	570000
	4	LONGWOOD AVE	LEANYER	820	578500
	3	WILBERFORCE CT	LEANYER	992	687000
	4	CASTLEREAGH DR	LEANYER	800	703000
	8	EXMOUTH CT	LEANYER	944	762000
	10	DUNYLA ST	LYONS	626	795000
	7	PAQUALIN RD	MALAK	863	479000
	23	OSBORN RD	MALAK	918	510000
	19	MADDOCK CT	MALAK	1020	516000
	19	HALPIN ST	MALAK	804	600000
6	9	GLENEAGLES CRES	MARRARA	193	300000
9	14	LINKS RD	MARRARA	256	360000
1	27	LAKES CRES	MARRARA		435000
	51	CARNOUSTIE CCT	MARRARA	925	650000
	6	HOYLAKE CL	MARRARA	914	710000
17	54	SABINE RD	MILLNER	115	355000
7	13	HARRIS ST	MILLNER	177	390000
4	2	BELLE PL	MILLNER	144	407000
	75	SABINE RD	MILLNER	151	490000
	21	SOLOMON ST	MILLNER	927	610000
	39	LEE POINT RD	MOIL	817	450000
	8	WILSON CRES	MOIL	1580	688000
	313	TROWER RD	NAKARA	852	485000
	60	ELLENGOWAN DR	NAKARA	817	525000
	5	COPELAND CRES	NAKARA	908	670000
2	6	POINCIANA ST	NIGHTCLIFF	52	250000
8	63	ARALIA ST	NIGHTCLIFF	77	330000
21	152	CASUARINA DR	NIGHTCLIFF	205	395000
11	260	CASUARINA DR	NIGHTCLIFF	127	460000
6	77	NIGHTCLIFF RD	NIGHTCLIFF	208	498000
3	23	CHAPMAN RD	RAPID CREEK	51	248000
2	77	ARALIA ST	RAPID CREEK	65	308200
14	95	ARALIA ST	RAPID CREEK	78	345000
1	117	RYLAND RD	RAPID CREEK	126	735000
2	117	RYLAND RD	RAPID CREEK	138	735000
	20	CALVERT ST	TIWI	809	440000
	59	DORISVALE CRES	TIWI	817	460000
	27	ANNABURROO CRES	TIWI	817	527000
	47	WANGALARA ST	TIWI	817	545000
	4	MARRAKAI ST	TIWI	846	630000
4	41	CARSTENS CRES	WAGAMAN	73	305000
	28	MALAY RD	WAGAMAN	775	455000
	1	MAZLIN ST	WANGURI	894	530000
	20	MARGARITIS ST	WANGURI	817	580000
	6	KATOOPE ST	WANGURI	832	600000
6	27	WULAGI CRES	WULAGI		370000
	38	ROSELLA CRES	WULAGI	1490	475000
	17	SANDERLING ST	WULAGI	817	505000
	49	WULAGI CRES	WULAGI	1370	515000