

# Your Domain

a newsletter dedicated to where you live



CLIVE ELLIOTT JENNINGS

AUTUMN ISSUE 2010

A: 1 Aldous Place, Booragoon 6154 T: 9330 5000 F: 9330 5111 E: info@cej.com.au www.cej.com.au



## How much advertising is needed to sell a property?

By Clive Elliott, Principal

**It's interesting to note that over 70% of enquiries from West Australian buyers for property in the City of Melville region is now coming via the internet.**

Furthermore, approximately 95% of the enquiries we're receiving from prospective eastern states and overseas buyers is coming via the internet.

This raises the question: How much advertising is really necessary to sell a property?

We sometimes find that property sellers become disconcerted if we have not developed a big flash full colour advertisement for their property.

Based on the fact that most buyer enquiries are coming via the internet, it is questionable whether these lavish advertisements are worth running anymore.

We frequently hear of people selling through some agencies having to pay several thousand dollars – up front for advertising!

Our feeling is that agencies running these advertisements are the ones gaining from them, rather than the client.

I think that very often, people are not really aware of the purpose of using a real estate agent. Finding a buyer is just a small portion of the role.



The principle reason for employing a real estate agent is to have an expert on the local property market use his knowledge and negotiation skills to negotiate the best price possible for you.

Anyone can get an offer on a property but it takes expertise in negotiation and an extensive knowledge of the locality to be able to negotiate the maximum. We believe that's the real strength of our company. We've been specialists in this area for 35 years plus all our team members undergo specialised training in the art of price negotiation..

And that brings us to one further point: Are you aware there's no up-front advertising costs when you sell a property through us?

While we do of course run some advertising, unlike many real estate agencies we do not charge any upfront advertising fees.

One of the great benefits to you is that if the property is not successfully sold – you do not face any charges whatsoever. We only charge a selling fee if the property sells successfully.

And that's just one of the differences you can gain in our better, more seller friendly system!

## Inner southern suburb prices firm – lost ground recovered

**Those residents who bought at the top of the property market boom in 2007 can breathe their sighs of relief now because property prices in this area are generally back at those levels.**

Most of the ground lost on property prices has been recovered thanks to a flurry of buyer activity in the summer quarter.

It's interesting to note that many of the strong buyers have been people associated with the mining industry which

is undoubtedly attracting cashed up buyers from interstate and overseas.

While this is good news for sellers it is certainly making it tough for the average wage earning West Australian to buy into the inner suburbs.

No only are they having to compete in a market that is being pushed up by very high wage earners but we've noticed that they're receiving remarkably little support from the

big four banks.

Since their market dominance resulting from the Government's support for them during the global financial crisis, the banks have become remarkably difficult to deal with.

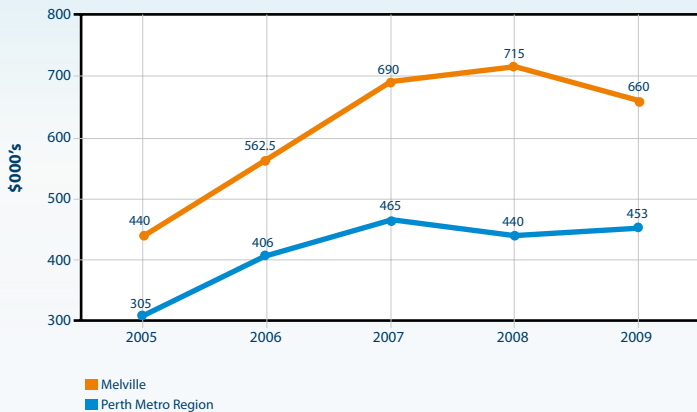
We've seen good purchasing offers from people in a sound financial position being rejected whereas just a year or so ago they would have been regarded as high quality customers.

OPEN 6 DAYS A WEEK



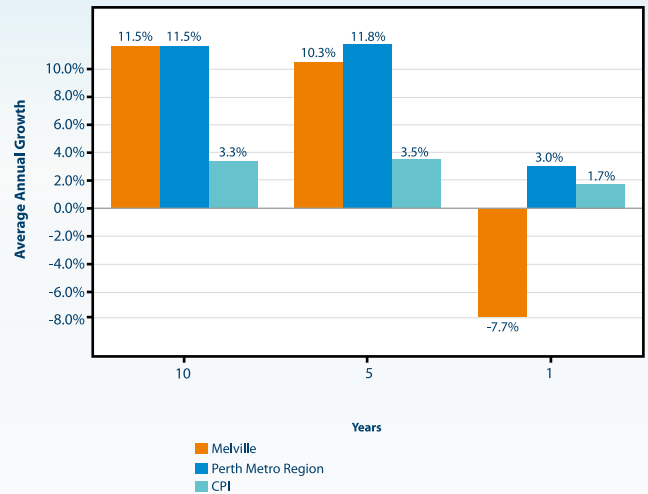
## Suburb focus - Melville

Melville vs. Perth Metro Region Annual Median House Sale Price \*



\* Median sale price covers 12 months to reference quarter.

Average Annual Growth (Over 10 Years) Melville



**The Melville area within the City of Melville is undoubtedly coming into its own, being an inner southern suburb that in recent years has attracted plenty of buyer attention.**

The period 2004 to 2007 saw a marked increase in the median price of the locality – that took it from being an “average suburb” priced just above the Perth median to where it is today – well above the average and with expectations of growth that is likely to see the gap widen.

Like many suburbs the median price went through a period of adjustment in 2009 to retreat by about 7.7%.

The last quarter, however saw a rise of 3.5% and it is likely that the current quarter will show a similar trend.

While prices have undoubtedly returned

to their peak levels, it's likely that some of the growth is simply a reflection of the type of properties selling at the moment.

The market is seeing a change in demand with a much higher proportion of higher priced properties selling whereas this part of the market was virtually stagnant through most of 2009.

The predominant trend for much of Melville will be one of redevelopment as people buy relatively expensive land with older houses. Many of these homes are destined to be knocked down for more modern structures as is already happening in much of the City of Melville.

The Melville area has been a locality with considerable variation in property values. This is likely to continue with the gap between lower value properties and those at the top level widening.

Melville has some sought after higher

areas with views and localities with interesting, well shaded quiet streets with good streetscape

These areas in particular, are a certainty to attract considerable interest whereas other areas on busy roads are unlikely to experience the same pace.

### Subdivisible blocks

Being an older suburb, Melville still has a number of traditional, large size blocks suitable for subdivision.

The demand for these is huge from people interested in carrying out subdivisions so if you happen to own one, you can be assured of a ready market.

We have keen buyers on our books for property in Melville so if you're interested in selling, call us for an indication of the likely price your property will fetch.



**Clive Elliott**  
Principal



**Murray Elliott**  
Property Consultant



**Hilary Elliott**  
Property Consultant



**Sandy Wormald**  
Property Manager



**Gosia McGill**  
Administrator



**Michelle McKeon**  
Receptionist

**OPEN 6 DAYS A WEEK**

A: 1 Aldous Place, Booragoon 6154 T: 9330 5000 F: 9330 5111 E: [info@cej.com.au](mailto:info@cej.com.au) [www.cej.com.au](http://www.cej.com.au)

The material contained in this publication is in the nature of a general comment only, and neither purports, nor is intended to be advice on any particular matter. Readers should not act or rely upon any matter or information contained in or implied by this to their particular circumstances. The publishers and authors expressly disclaim all and any liability to any person, whether a client of Clive Elliott Jennings Real Estate or not, who acts or fails to act as a consequence of reliance upon the whole or part of this publication. Clive Elliott Jennings Co Pty Ltd trading as Clive Elliott Jennings ACN 008 731 566.