

Real Estate News

INFORMATION TO HELP YOU WHEN BUYING OR SELLING | August 2010 |

“Ryde’s new urban lifestyle is here”



Snowden Parkes was appointed exclusive sales and marketing agents for the residential component of the \$1.2 billion Top Ryde City shopping centre redevelopment. The result is that Top Ryde City Apartments is marketed by a local agency that understands the area and cares about the result.

There are few locations in all of Sydney that compare to Top Ryde City. The demand for high-quality apartments in Ryde is extremely strong. There are over 13,000 businesses operating in the area and the Macquarie Park Corridor is set to become Australia’s fourth largest urban business centre by 2013.

A major selling point for the 425 apartments to be built atop of the retail centre in five towers, are the spectacular views. Many of the apartments feature views to the east, the amazing city sky line. To the west panoramic views of the Blue Mountains, and to the south the ever expanding Olympic Park Precinct and the Parramatta River.

Location has been a key component to the ongoing interest in the Top Ryde City Apartments. Since the release of stage 1 of the residential development, sales have exceeded our expectations. Of the 183 apartments across buildings Braeburn and Franklin, very few apartments remain available for sale. Stage 2 will be the

release of the Courtland building with a stunning selection of one, two and three bedroom apartments to choose from. Stage 3 will then follow with the release of the final two towers.

Both owner-occupiers and investors have purchased in stage 1 of the development. Among those either buying or registering their interest, have been young professionals, empty-nesters wanting to down size, first home buyers and investors seeking to capitalize on forecast growth of the Top Ryde city area. Top Ryde City Apartments appeal to local buyers as it allows them to stay in the area and enjoy the convenience an apartment lifestyle has to offer. Buyers are

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LETTER FROM EDITOR



Welcome to the August edition of our news letter.

Finally comes what the local community has been waiting for over 5 years: the Top Ryde City shopping centre, complete!

This month of August is the official opening of the whole retail component of Top Ryde City. The final 110 shops, plus the Myer store and the restaurants will open this month. In total the centre will comprise 290 shops as well as Woolworths, Big W, Franklins, Aldi and Dan Murphy's. It will also have 8 cinemas, bowling centre and fitness centre which will open shortly after.

As a result of this development and other major projects proposed for the area, Ryde is being referred to by professionals and economic advisors as one of Australia's real estate hotspots.

After 30 years in real estate in Ryde, I have never seen it this vibrant and active. This is one of the reasons we are seeing unprecedented demand for property in the area.

The greater Ryde area seems the place to be at the moment.

If we can assist you in any way at any time please give us a call.

Tony Abboud
Principal

"Ryde comes alive"

Work on Top Ryde City commenced back in October, 2007. As a community we have watched Top Ryde City progress to what it is today.

In November 2009, Stage 1 opened, welcoming Woolworths, Big W, and 115 specialty stores.

Then February/March 2010, Stage 2 opened with, Franklins, Aldi, New Yen Yen Asian Supermarket, news agencies, pharmacies and many more retailers, completing the fresh food component of the centre. Other stores that also opened included, leading urban fashion retailers Glue Store, G-STAR, Industrie, Lonsdale, Rebel Sport, Springfield and more. Likewise four major banks and Australia Post also opened.

The state of the art shopping centre has been designed such that it provides your everyday fashion and fresh food needs, essential for everyday living.

In mid August the balance of the 290 shops will be fully opened along with the signature

MYER store. Fashion boutiques including Country Road, Esprit, Lin and Barrett, Oxford, Review, Seafolly, Taracash and Witchery will also be opened. Most of these boutiques will be located on the La Strada, which is an open air pedestrian boulevard.

The La Strada will lead you to the La Piazza which houses restaurants, cafes, and bars.

Top Ryde City, upon completion, will comprise 290 brand and boutique stores across all categories and offer the cosmopolitan feel of a European shopping strip, with the convenience of a shopping centre. The centre bursting with fashion, food, 3000 undercover car parking spaces, a childcare centre, a medical centre plus eVents Cinema, a bowling centre, gymnasium and public library.

The greater Ryde community has been waiting for this centre for many years. It has now arrived and it is there for us within the community to use and take advantage of all its facilities.



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coming from other areas also, such as North Shore and Inner West, to take advantage of the benefits of the area.

The apartments are selling off the plan, giving people the opportunity to get in early at a good price and allowing plenty of time for them to sell existing homes, or organize finances in anticipation of completion.

Top Ryde City Apartments provide a point of difference to buyers, offering

an apartment lifestyle in Ryde with amenities literally at their doorstep, this is very attractive to people in today's busy and modern lifestyle. It offers a lively neighborhood that is welcoming, cosmopolitan and filled with colour. A landmark address that connects you with a vibrant retail and entertainment precinct.

As part of the overall marketing for Top Ryde City Apartments, our current Display Suite which was located at 89 Blaxland Rd Ryde has temporarily closed and will

be relocating into Top Ryde City Shopping centre within the next coming weeks. In the interim all sales enquires will be processed through the Snowden Parkes office.

Construction of stage 1 of the apartments is due to begin later this year for completion by early 2012.

Stage 2 Courtland registrations are now open so visit our website www.toprydecityapartments.com.au to register your details.

Investment Property Essentials



A well established practice in Australia is creating wealth through property investment. Historically median house Sydney prices have doubled on average, every seven to ten years. A leading research firm report states that investors now account for 36.8% of all financial housing commitments in Australia.

According to the Australian Taxation office data, there is one in seven tax payers who own at least one investment property. After reading this, you then may ask yourself: How does one choose an investment property and what makes a good investment property?

When choosing to buy property as an investment, you need to take on board the notion that it is an income generating purchase and not an emotional purchase, such as a home that you would choose to buy for yourself to live in. It also should always be viewed as a medium to long term investment.

The two reasons for investing are:

GROWTH - the amount by which a property goes up in value, and

RETURN - amount you receive while you own it.

When starting your search for an investment property you need to ensure that you check the past capital growth of the property against similar properties in the same location, being the same street or building. Looking at how the property has performed over the long term is managing the risk of your investment.

In regards to the return, in an ideal situation you should be seeking the highest possible return on your investment. However, when comparing sums you need to consider the net return, that is from the rent for your investment you have to allow for mortgage

payments, rates, insurance, maintenance costs, agent fees, a vacancy allowance and in some case strata levies.

Capital Growth or Rental Yield?

The most commonly asked question is which is more important, high capital growth or a high rental yield (the rent received as a proportion of the current value of the property)? As an investor you need to focus on the net yield that you will receive.

$$\text{Net Yield}\% = \frac{\text{Annual Income} - \text{All expenses} \times 100}{\text{Purchase Price}}$$

The simple answer to this question is that both are important. What property investors should be looking for is the **total return** achieved over the life of the investment. A balance between growth and income and be prepared to ride out the cycles of the property market. The rental income needs to be high enough to help with your holding costs, however it should not be the main reason for investing.

Let's consider the following hypothetical example:

Two properties in the local area of Ryde have a current value of \$750,000. One has an older house situated on a large block of land; the other is a newly built unit. The unit may rent for \$650-\$700 per week where as the older home on a large block of land may only achieve \$450-\$500 per week. You may ask which is better. At the end of the day different types of property carry different risks and returns and the individual investors' situation will determine which investment is more suitable.

Generally the pattern is that potential investors who have a surplus cash flow are more likely to be in a situation to choose a property that has higher growth prospects

but might attract lower rent. They are more able to afford higher priced/ lower rental yield properties, as they can supplement any rental income shortfalls that may occur. Investors who lean towards high rental yields will more likely be those who have less disposable income that they can use to pay for the properties associated costs. The higher rental yield will in turn minimize any potential shortfalls.

This is based on the assumption that the majority of property investors borrow for their purchase.

Another thing to consider is depreciation benefits on new and older properties. Investors should seek professional financial advice with regards to this area.

Other factors essential to a good investment property are:

- Location- close to amenities such as public transport, proximity to schools and shops
- Proposed infrastructure upgrades
- Proximity to employment zones
- A region with a diverse industry and employment base
- Appropriate to the demographic profile of its location. For example a unit might be an appropriate purchase if it were near a university where there are many students.

If you were to buy an investment property, the decisions you make will depend on the financial situation that you find yourself in at any given point in time. This will define which avenue you take. However, most importantly **Don't Sign Anything** until you get independent advice.



Add Extra Sparkles

And give your property that extra sales appeal

GARY PITTARD

You rarely need to spend thousands of dollars to make your home attractive.

Buyers are attracted by the appearance of your property and, when they inspect it, they are influenced by its atmosphere. The right appearance outside, followed by the right mood inside, gives you the best chance to get the highest price.

You rarely need to spend thousands of dollars in renovations or repairs to make your property attractive. All you have to do is pay attention to some obvious points, all of which can make a big difference to your price.

Falling In Love

Buying a home is emotional. The feeling of a home is more important than the price. If your agent has 'qualified' the buyers, they will not be 'lookers'; they will be genuine people who can afford your asking price.

Their feelings will be the main reason they accept or reject your property. The word 'love' is common with home-buying - and even with land, when buyers report loving the location.

Buyers say, "We loved that home and that's why we bought it." So make sure you present your property at its finest. Remove or fix anything that might 'turn-off' the buyers.

First Impressions

We are attracted to homes the same way we are attracted to people.

The first thing we notice is the outside. If the property is clean and neat and welcoming, we are interested. If it is scruffy or dirty, we are turned off.

Buyers often say they "just want to look from the outside." They want to see if they are attracted by the appearance.

For this reason you need to be careful

how your agent markets the property. Advertising an address, and opening for inspection a property that might not be attractive from the outside, can lose many buyers.

To make your home look its best, attention to detail is crucial. When you live in a property, you can overlook its little faults. It is now time to have a fresh look.

Stand in the street and look at your property as if you were seeing it for the first time. Try hard to pick faults. It is better that you find the faults, while there is time to fix them, than the buyers find the faults.

Try to judge your property by the standards of the buyers, not by your standards - try and see it through strangers' eyes.

The challenge is to make your property as attractive as possible without spending too much.



Real Estate
Careers

Great people.

Satisfying.

Career paths.

Winning agency.

An environment where you can excel

Here at Snowden Parkes we're always keen for aspirational individuals to join our Sales and Property Management teams.

We offer plenty of rewarding career opportunities and a nurturing environment which breeds success. So if you're up for a challenge and are looking for a long-term real estate career, we'd love to hear from you.

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