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The key to making Sydney homes more affordable lies squarely in the governments' hands.

The key to making Sydney homes more affordable lies squarely in the governments' hands, says Aussie Home Loans boss John Symond.

Part of the problem is that the cost of connecting utilities to new blocks of land has long been borne by developers, who then pass the cost on to home buyers, forcing prices up by as much as \$100,000, he said.

A recent RP Data study also found 62 per cent of suburbs within a 10km radius of the city had a median house price of \$1 million for properties Mr Symond said are often small or need a lot of work. "Governments have just allowed this to happen because of inaction and negligence," he said.

"We'll look back in 10 or 20 years and wonder 'how in the world was this allowed to happen'."

Mr Symond said governments could ensure that more land is released by cutting bureaucracy, ensuring local councils are more efficient in releasing land and making sure infrastructure is in place to serve residential areas.

The huge cost of subdivisions also needed to be reviewed, he said.

"We need collaboration between government, industry bodies and the private sector to come up with a long-term sustainable solution that unfortunately is going to take decades to implement because the shortage is so acute."

Premier Barry O'Farrell has yet to announce who will be housing minister, but he made a campaign promise to release 10,000 blocks of land over four years, with profits going into a trust to fund water, sewerage and roads.

The federal government has programs aimed at easing the problem, including the Housing Affordability Fund that invests \$450 million over five years to reduce the cost of new homes and improve the supply.

"The Gillard Government is committed to addressing housing affordability," Population and Communities Minister Tony Burke said in a statement.

"Our programs work to address supply of both affordable housing and rental accommodation."

Lobbyists are trying to take matters into their own hands, with tax reform group Prosper Australia calling on prospective home buyers to sign their online pledge to stop bidding on homes until prices moderate.

Prosper director Karl Fitzgerald said that actually represents two thirds of this weekend's Melbourne auction market, sending a clear message that governments need to act.

Mr Symond said if nothing changes, some young people may have to give up the dream of owning a home.

"They will be forced to and it will only be those young people who are fortunate enough to have their parents who can help them with a deposit who will have any hope of being able to get into home ownership.

"And that really rules out most people."

Sydneysider Michelle Ho, 30, and her boyfriend bought a home in the inner-west last year.

Ms Ho said Sydney is definitely an expensive city, but she doesn't consider herself to be struggling.

"We got a two bedroom/two bathroom place in Petersham, and the only way we could afford the place we have - which, in all honesty, is pretty awesome - is because my parents lent us money, plus we have two incomes combined," she said.

"Were I to buy on my own and in the inner-west I wouldn't be able to afford more than a studio."

Mr Symond said owning a home provides far more than just some sense of security, he said.

"There's a meaning in owning your own home, it helps keep families together."

Stephanie Gardiner – Domain.com.au



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Reserve Bank Interest Announcement

Mortgage holders were given a boost today when the Reserve Bank decided to keep interest rates on hold.

While the move is hardly a surprise, it will still be welcome news for people paying off a mortgage.

"There's always that element of doubt about whether rates will go up or not, so it's nice to have a hold confirmed," says Domain.com.au blogger Carolyn Boyd.

Each 0.25 per cent interest rate rise adds another \$60 to the monthly cost of an average Australian mortgage.

The official interest rate is now 4.75 per cent. Mortgage holders on variable interest rates are being charged a standard variable rate of about 7.83 per cent by their lenders.

Mortgage holders wanting to pay down their debt faster should take the opportunity to pay a little more off their loan now. On a new 25-year \$370,000 mortgage, if you paid an extra \$60 per month, or about the equivalent of a 0.25 per cent rate rise, you could clear your mortgage 17 months sooner and save \$30,085 in interest.

For details on what the decision to keep interest rates on hold at 4.75 per cent means for the market, visit the [Domain.com.au news section](http://Domain.com.au/news-section) for further analysis.

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House Cleaner: Luxury or Necessity?

You don't have to be a "desperate housewife" to enjoy the benefits of a house cleaner. If the idea of a regular cleaner seems a little too extravagant for your simple life, think again - everyone is doing it.

A quick survey just on your street will reveal that house cleaners have become pretty commonplace. Chances are your neighbours aren't wasting their weekends scrubbing the bathroom but are out enjoying their time away from housework.

Get in on the action

Before you dismiss the idea of a house cleaner as an unnecessary splurge of the rich and famous and let the green eyed monster gets the better of you, it's worth considering the amount of time it could save.

It doesn't have to be all about luxury. While you may want to use your free hours lapping up some sun, you also have the option of spending the time more wisely.

Just think: you could get on top of all those pesky life chores like banking, paying bills and dentist appointments - or you can use those extra hours for quality family time.

Size matters

A regular house cleaner is more affordable than you might think. If you've ever entertained the thought, even for a split second, it's worth finding out the expense involved.

Know your rights

Before committing to a domestic cleaning service you should agree on a cleaning schedule. This typically includes the cleaner visiting your home for a thorough assessment and completing a checklist of everything you need done on a regular basis.

Too often cleaners put on a great show for the first few cleans and then slacken off after that. It's important that you are getting the service you're paying for so speak up if you're not happy with the job that's being done.

A professional cleaner should respond well to any constructive feedback, you can even pinpoint areas that you'd like your cleaner to concentrate on – such as mouldy tile grout. Just don't settle for anything less than perfection!

With a regular cleaner you won't ever be caught out when unexpected guests drop by. Instead of being mortified by your home's bomb-like state you can show off your sparkling clean home with pride.

Article by Karina May - Domain

Recent Sales



113 Warwick Road, Merrylands
\$441,000



48 Dawn Street, Greystanes
\$415,000



18 Laura Street, Merrylands
\$391,500



29 Eldridge Rd, Greystanes
\$467,000