Home Newsletter

December 2018

Customers rate LJ Hooker ahead of the rest

LJ Hooker customers are the most satisfied in Australia, with the real estate group winning the respected, independent Canstar Blue award for Most Satisfied Customers.

Canstar surveyed almost 1,000 customers who had recently used the services of a real estate agent, with LJ Hooker being awarded five-star ratings in four disciplines which are pivotal to the customer experience: Communication and Advice, Contract Handling, Problem Resolution and Marketing.

LJ Hooker topped the ranking ahead of six other national real estate networks.

Graeme Hyde, Network Chief of LJ Hooker, said the independent rating underlined the collective commitment to customer service of LJ Hooker's agents and property managers across Australia.

"Customers engage LJ Hooker because of the 90 years of trust and confidence we've provided to generations of sellers, buyers, landlords and tenants during their property journeys," said Mr Hyde.

"Companies don't get to enjoy such longevity without making their customers their central focus".

The real estate industry is changing through the development of digital innovation, and LJ Hooker has taken the lead in that space.

But LJ Hooker regards digital innovation as an enabler for our customer service, supporting a richer and more beneficial agent / customer or property manager / customer experience.

"The Canstar Blue Customer Satisfaction award proves our sellers, landlords, buyers and tenants appreciate our commitment to making their property journey an enjoyable one."

To experience award-winning customer service, contact your local LJ Hooker agency today or visit ljhooker.com.au to find the one nearest you.

The best of the regions

Mirroring Hobart's record of double digit-price growth over the last year, regional Tasmania accounts for the top three best performing regional property markets across Australia during the last year, according to recent CoreLogic data.

South East Tasmania (11.6%) Launceston / North-East Tasmania (11.4%) and West / North West Tasmania 11.1%) took out the triple honours for regional property growth in the last 12 months.

Victoria had five regions in the Top 10, led by Geelong (10.9%). The Latrobe / East Gippsland area (9.2%) and Ballarat (9%) fell just outside the double-digit marker, while Bendigo (4.8%) and Victoria's North-West (4.7%) also enjoyed solid growth.

In New South Wales, the Hunter Valley (excluding Newcastle) notched 5.1% growth while the Richmond-Tweed area recorded 4.8%.

LJ Hooker boasts an outstanding network of specialists who live and work in their regional communities. Contact your local LJ Hooker agency today.

IT'S THE MOST

Wonderful

TIME OF THE YEAR

LJ Hooker would like to wish you & your family a safe & happy holiday season.

First Home Buyers return to the market

In March 2016, the portion of First Home Buyers (FHBs) amongst all buyers in the market reached a near record low of 12.9% - or one in every eight people trudging around open for inspections on a Saturday in what was, at the time, a very competitive marketplace. Prices were rising - especially in Sydney and Melbourne - investors were out in force, employment levels were healthy, interest rates were low, and owner-occupants were looking to upgrade. Competition in the market was red hot.

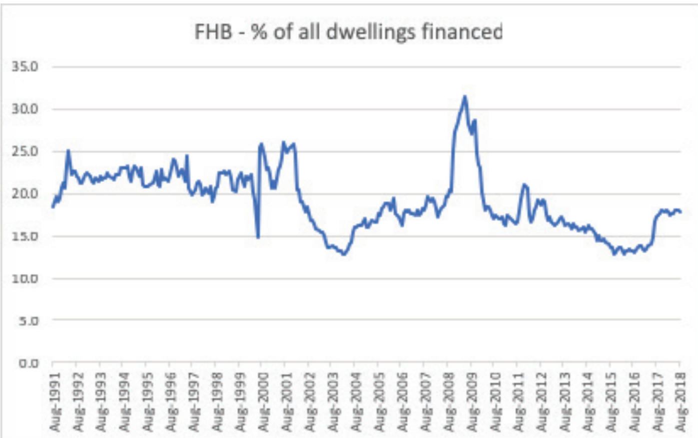
But the casualties of this buoyancy were FHBs. With generally lower spending limits, smaller deposits and less appetite to exceed their budgets, FHBs were left behind, especially when competition from their preferred 'entry-level' property stock was coming from investors.

FHBs were turning up at auctions for properties with price guides of $550,000, only to have the gavel fall in the early $600,000s to investors who had capacity and the backing of their lender.

FHBs would drive off in their cars, despondent, believing tenant-life was the future laid out for them. However, the fog of investors has cleared over the last year, in part because of constraints placed on the buyer group by the Australian Prudential Regulation Authority (APRA) and also because of diminishing yields.

The past 12 months have seen a resurgence of FHB activity across several of the major capital cities. This trend can be attributed to two main causes: competition from investors has softened and higher volumes of stock have come to the market as sellers try to secure a result near the market peak. (The case in Sydney and Melbourne, in particular).

August data on Australian lending showed the number of finance commitments by FHBs had risen by 22% over the previous 12 months.

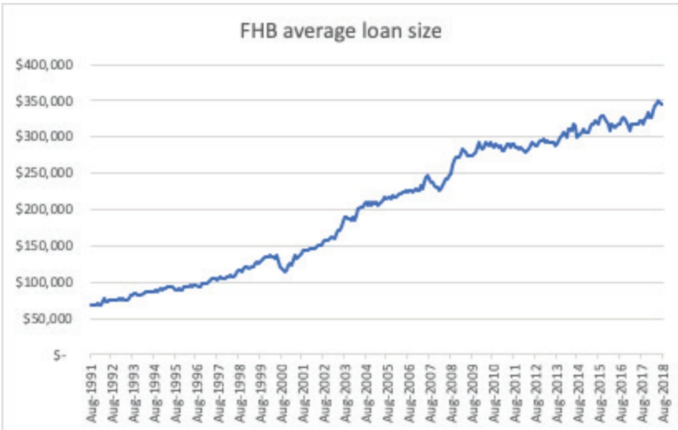


Source: ABS

While some market commentators had decried the activity of investors in recent years, large volumes of investors kept a lid on rents. Over that time, savvy tenants were able to put money toward their deposits and are seizing the opportunity of softer house prices, now.

In addition to softening house growth in the largest property markets, FHBs continue to enjoy state government incentives to get into the marketplace. First home owner grants vary from $7,000 in the ACT for new or 'substantially renovated homes' up to the value of $750,000 along with stamp duty concessions on sliding scales, through to as much as $26,000 in the Northern Territory for new builds.

The Victorian Government, doubled its incentive to get FHBs to build and relocate to regional areas. Since increasing the monetary offer to $20,000, the number of FHBs heading out of the city increased to 2,440 in the last financial year - up from 1,032 the year before.



Source: ABS

Additionally, in some suburban markets around Australia, where sales have been challenged by over-supply, developers are offering to match their state's FHB grants in a bid to move stock.

The good news for FHBs is that they now have time to choose. The Hayne Royal Commission, which is due to hand down its final report into Misconduct in the Banking, Superannuation and Financial Services Industries in February, will continue to play on the confidence of investors.

New supply is still coming into the market and listings are rising in time for the traditional spring and summer selling period. That means they have more time to research their area, plan their budgets and secure finance for the best chance to buy the best property for them.