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The Benefits of Up-sizing in a Softening Market

Selling a home during a market downturn may seem like it will have a negative impact, however, smart property owners will see the benefits of selling and buying in a softening market. If you're planning to take a step up the property ladder there may be no better time.

Up-sizing can mean moving to a bigger property or more prestigious area. As long as market conditions have softened equally across the different markets then your budget is likely to stretch a lot further when the market is quiet, as opposed to buying at the height of a boom or strengthening market.

Smaller price gap - While it's true that your property value may suffer if you sell in a slower market, the savings you make from

your subsequent property purchase can make it worthwhile.

Let's consider buying a larger home in the present market at \$720,000 and selling your current home at a cost of \$540,000 - that's a price difference of \$180,000.

If you wait for prices to improve by 10 per cent then you are looking at buying a \$800,000 home and selling a \$600,000 one. This means you end up with a \$200,000 price gap, or paying an extra \$20,000 than if you had sold in the slower market.

Keep in mind that other costs involved with a property transaction will also be scaled up if you purchase in a more expensive or competitive market. If you set your budgets correctly, then you can ultimately save considerably when selling and buying in a softening market.

Less competition - It only takes one other interested buyer to snatch a property away

from under your nose, or push the price up. The fewer buyers there are vying for property, the easier it will be to secure the home you want at a lower price.

Time is on your side - It can be tricky timing a property sale with a purchase. As things are slow in some markets at the moment, selling before you buy can give you confidence about your budget going into your next purchase. That said, if your property isn't priced correctly, then you could be waiting for a buyer in a slower market.

Look at the long term - Of course property is best looked at with a long-term view. It's pivotal to understand what is going on in the present property market, however, the most important deciding factors should be your own goals and readiness to move.

We always recommend getting expert financial and local area property advice before making big decisions such as selling or buying a home.

Is it a Good Idea to Move Far Away from Where You Work?

Whether it's for a tree escape, lifestyle choice or to save on housing costs, many Australians are tempted to move away from where they work (which is often located in the inner-city or town centre) to get the home they want.

Living far away from your place of work can have many benefits and undoubtedly some drawbacks too. Things to consider include:

Commute - Your daily commute will have a big impact on your life so it's well worth figuring out how you will get to work each day before making your home purchase.

Research public transport options, timetables, peak hour traffic conditions, parking availability and compare costs for viable options, both monetary and the time it will take commuting.

Commuting longer distances may require overnight or weekday accommodation away from home too and these may impact your finances, family life and social life.

Workplace flexibility - If you plan on living a considerable distance from your place of work, look into your company's policies for flexible work arrangements.



An increasing number of workplaces are providing flexible start times or work from home options, which can make it much easier to live long distances from work.

Family needs - People with kids will have the added consideration of day care and schooling to think about when making a new home purchase. Most areas have child-minding options around for parents that need to start their days early or finish late.

Pets can often be overlooked when living far away from work, but consider their needs for care, including socialisation, exercise, play and feeding.

While it's not always easy to juggle work and life, living away from the urban rush may offer lifestyle benefits that can't be beaten.

Things move more slowly in rural areas and this can be great for the soul. Having space for children to grow and experience nature is also terrific for family culture and dynamic.

Everybody's work situation is different so only you will know how far away from your work is practical to live, but weigh up the realistic options, and you could find yourself in a whole new world, living in the home of your dreams!



How to Reduce Your Heating Needs this Winter

Tempted to reach for the heater as the temperatures start to drop?

Cooler weather tends to lead to a big spike in most people's home energy bills, not only from the heating systems they use but also from things like extra hot water consumption and cooking.

Here are some valuable tips on keeping costs down this winter:

• Shorten showers - Hot water is a big source of energy usage in the home, so the less you use the more you will save. Some Hot Water Systems have energy saving features that can help keep costs down, but if you're one for lingering, have a soft towel and dressing gown ready so you're more likely to want to get out in a timely manner.

• Know when to open curtains - Open curtains during the day to make the most of the best free heat source around - the sun!

Remember to close curtains at night to keep warmth from escaping.

• Turn down the thermostat - Its recommended that thermostats are kept at a temperature of 18°C to 20°C during winter, with each degree higher increasing energy consumption by about 5% to 10%.

• Keep your feet and head warm - This is where most body heat is lost. Placing rugs over floorboards or tiles can insulate, and wearing warm clothes, socks and slippers can make you that much cosier.

• Seal up gaps - Prevent cold drafts by sealing around windows and doors. Door snakes can be handy for under doors, or rolled towels if you don't want to buy extra goods.

• Use fewer rooms - When using heaters, try to concentrate on just a room or two and close off doors to rooms that aren't in use.

• Get out the blankets - Aim to keep the person warm, not the room. Flanelette sheets, additional bedding, blankets on the couch, whatever it is, it's you that wants the warmth, not the wall clock or kitchen sink!

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