

Identity Property Buyers

NEWSLETTER #057



Local Insight Is Key

Welcome back to the next instalment in the Identity Property Buyers Newsletter series. Today we will have a look at the importance of local insight when choosing a place to live or an area to invest in.

With a highly competitive property market it is extremely important to act quickly in order to secure a quality property ahead of other buyers. We have spoken before about speed to action but at the same time not skipping due diligence. So when it comes to purchasing a home or investment property in an area you're not familiar with it's unfortunately going to take time.

Time needs to be spent understanding the local market conditions and what is really driving house prices.

It is important to take a step back...





Bigger Picture - Firstly take a look at the bigger picture by performing the appropriate research to determine if the area fundamentals are solid.

In the future are you confident that people who aspire to live in the area will have the ability to pay more for a property? Is the local industry multi pronged, meaning are there lots of different industries that contribute to the local economy. If for example one of those sectors experienced a major down turn, will it decimate the town and its economy?

You need to consider if there are seasonal influences that see the community thrive in the warmer months yet struggle in the winter.

Once you are confident with the macro fundamentals, you need to get out there on the ground and hone in at a micro level.



On the Ground - In order to get the insight at a micro level you need to get out in the field and speak with the locals who are living it every day. Go to the local cafes, shopping centres, parks, community centres, retail outlets etc and experience it all yourself.

It is important to spend a significant amount of time in the field so that you can confirm the research results that lead you there, are in fact reality.

Next it will be about determining which are the better areas and streets within the suburb. What are all those things that locals are aware of that may catch you out. Housing commission, garbage dumps, smells, sounds and the list goes on.

As you can see all this will take significant amounts of time to understand and therefore be confident with your purchase decision. I believe that is why I constantly meet people at auctions & inspections who have been looking for 12 months or more.



They are doing the hard yards and gathering all that vital information themselves so that they can make a well informed decision. This is a safe option which reduces the risk of doing something wrong by purchasing a property full of issues, or even paying way too much for a home.

If you are doing all the work yourself then you would have to think that it doesn't really cost much besides time. Perhaps you are directly paying for a few tanks of petrol and a whole host of coffee to keep you awake while online late at night or out in the field.

But what about the cost of time?

If the house you were looking to buy in January cost 800K and by December that year it had grown by 10% to be 880K then that's \$80,000 you have spent on research and risk reduction. And don't forget to add in the coffee, petrol and time spent.

If you don't have that local insight and don't want to spend \$80,000 developing it, then get in touch as we can help.



Let our professionals at IDentity Property Buyers help you avoid all those costly mistakes and provide you with a fantastic experience and an exceptional end result....



Make contact today and schedule in a **Free, No Obligation** chat with one of our Buyers Agents & Property Strategists.

Don't get left behind when the market is moving, take control with your very next steps in a professional way today!

MAKE CONTACT

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