



NEWS - AUGUST 2013

Adding Value to Your Home

Whether you're selling real estate, a car or a toaster, there's a general rule of thumb when it comes to adding value. It probably goes without saying but the better something is, the easier it will be to sell and the more attractive the eventual sale price will be.

When relating this rule to the sale of real estate, there are two rooms that when finished off well will typically add the biggest impact on buyers - the kitchen and bathroom. A kitchen or bathroom in need of repairs or modernising will generally be perceived as requiring costly renovations. When an owner has left an area unloved buyers will often think the renovation must have been too much of a hassle or too expensive for the seller to take on. It also doesn't give a great impression if the owner has 'let things go'. Buyers viewing a property that's exuding neglect will likely assume there are more issues than simple cosmetic ones and put it in the too hard basket.

Buyers will often make ultra conservative guess-timations about the cost of repairs and renovations before making their offer on a home, and their offer is adjusted down according to what they believe they may need to spend. Whether you're considering large renovations or updating

a room or two, it can be worthwhile doing the job yourself. If you've ever seen an episode of Selling Houses Australia you would no doubt have been blown away by how little it can actually cost owners to revamp and style their homes to great affect, and how dramatically this can influence what buyers are willing to pay.

At the end of the day, a house with a well presented kitchen and bathroom has the ability to create the impression of luxury and 'WOW' potential buyers. So the equation is fairly simple; if you're looking for ways to improve the value and saleability of your home, and your finances permit, consider a bathroom and kitchen renovation. This will be beneficial whether it be for the possible future sale of your property, or to simply improve the bank's view of the value of your home to help with financing the purchase of an investment property.

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BREAST CANCER RESEARCH

How do you respond to interest rate cuts?

It seems that home owners looking to pay off their mortgages sooner are taking advantage of current low interest rates. With 100 basis points being slashed by the RBA since June last year, and Australian's now finding themselves the beneficiaries of record low interest rates, it's little wonder people are finding new ways to save, reduce their debts, and ultimately get ahead in the mortgage game.

So just what are your financial options in the current economic conditions?

- Reduce your debts - By reducing your mortgage to the minimum monthly payment required you will free up a little extra cash every month that can be used to pay off credit card debts and other bills getting in the way of your growing savings.
- Pay off your mortgage sooner - Many home owners (reportedly as many as 8 out of 10) are continuing to pay more than the required mortgage repayment each month, and in turn are reducing the term of their home loan. It seems the average household paying extra each month have already lopped one and a half years of the life of their loan.

If you're not sure of the best option to take considering your own financial situation, we urge you to seek expert financial advice and make your real estate work better for you. The stress you'll avoid by keeping yourself 'in the black' will be well worth the effort.



What can't you live without?

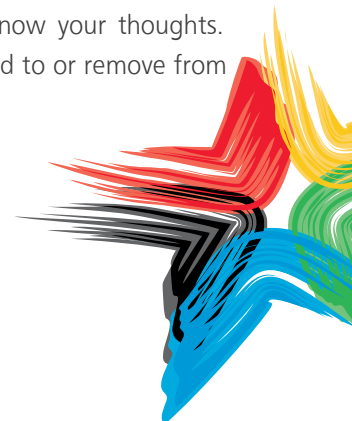
When you think about what does/would make you happy, what do you come up with? What you believe are the three most essential ingredients to happiness? Well according to 12 years of university research and 29 survey studies, a Deakin University psychologist has discovered the golden triangle of happiness – the three key elements... and they might just surprise you.

You may find it surprising, but according to their research happiness has very little to do with how healthy you are, and despite the countless new years resolutions suggesting otherwise, it's not reliant on what you weigh. Children were shown to neither increase nor decrease overall happiness, and it has nothing to do with how beautiful, intelligent or well liked you are. So what is it then?

Apparently the three things we need to improve our overall happiness are:

- A loving partner; someone to share your life with in an intimate way.
- A gross household income of \$100,000; this number may vary depending on how many children you have and where you live, but it basically means you have enough to live comfortably.
- A social activity that provides a sense of purpose; people are apparently happiest when they're active and involved in an activity with a social element.

Whether you're sitting at 1, 2 or all 3 of these items on the happiness wishlist, we'd love to know your thoughts. Do you agree? What would you add to or remove from the list?



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