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WHAT'S IN STORE FOR 2025?

If you're thinking about selling your home in the new year, you have probably been reading the headlines and wondering what your final result is going to look like.

Your local Professionals agent is the best port of call for an accurate valuation and prediction of your sale timeline but here are some factors that may influence it.

What will influence the 2025 property market?

Interest rates

After a series of rate hikes, the Reserve Bank of Australia's (RBA) cash rate sits at 4.35%, where it has remained since late 2023. These increases were aimed at controlling inflation and they have impacted borrowing power for some people.

The 'sting' of higher rates is starting to be felt, with [CoreLogic reporting](#) that the national upswing in home values was just 0.1% in November.

However, you shouldn't see this as reason not to sell your home. In a buyer's market, you'll become the buyer as soon as you sell and be able to take advantage of steady prices yourself. What's more, if you purchased prior to the pandemic, it's likely you still have achieved fantastic capital gains as growth across Australia jumped significantly in the early part of the 2020s.

Finally, economists are predicting that interest rates will drop in 2025. If you start preparing for a home sale at the start of the year, by the time you are ready, there may be a drop in rates.

Most major banks predict rate cuts in 2025, with forecasts of a 0.25% reduction as early as February. Some analysts anticipate more cautious timing, suggesting April for the first cut, followed by additional reductions throughout the year.

If these predictions hold true, borrowing capacity will increase, potentially boosting buyer demand. This could create more competition for properties, giving you the advantage again as the seller.

Lending buffers

Another factor to watch is the lending buffers mandated by the Australian Prudential Regulation Authority (APRA). These require banks to assess borrowers' ability to repay loans at an interest rate 3% higher than their offered rate.

While this safeguard is aimed at preventing borrowers from defaulting on their mortgages, it has limited buyers' borrowing capacity. While the [latest update saw APRA stand by its buffer](#), there is growing pressure for it to be reduced. If this does happen, it will add to people's borrowing power.

This is a watch for this space situation at the moment, but it could have an impact on your property sale if things change.

Your home, your market

While economic conditions and buying trends are worth keeping an eye on, the outcome of your home sale will come down to the way your home is presented and the people in the market.

To achieve a great result, you need to present a place buyers fall in love with that is clean, well-maintained and nicely styled. It will be worth investing in a deep clean, declutter and some key upgrades so yours is the house or apartment that people want to fight for.

You also need as many buyers through the door as possible. Your real estate agent will help with this, reaching out to their network to maximise interest and negotiate with interested parties.

There are always buyers out there, they just need to see why your home is right for them. If you're thinking of selling in the new year, enlisting the help of a dedicated local operator will help you achieve a strong price that you're happy with.

Is now the time to sell? Reach out to your local [Professionals](#) agency today.



INVESTORS: WHY YOUR JOURNEY DOESN'T STOP WHEN YOU PURCHASE

Investing in property is a significant achievement, but the journey doesn't stop once you sign on the dotted line and receive the keys to the front door.

Owning an investment property requires ongoing care and strategy to ensure it performs well, retains its value and delivers the income you need to cover your holding costs.

Many investors spend a great deal of time researching where and how they are going to buy, but they forget the final piece of the successful investor puzzle.

Why Quality Property Management Matters

When you invest in a property, chances are you will need someone to live in it. And unless you have all the time in the world, you'll need help to make sure they have a positive experience so they occupy the home for longer and pay their rent in a reliable way.

Good property management involves maintaining the property, ensuring compliance with legal requirements and fostering positive relationships with tenants. You can try to do all this yourself, but it's better to enlist the help of a skilled property manager who will be the bridge between you and your tenant.

Savvy investors invest in an experienced property manager so they can:

- **Maintain value:** Regular inspections, timely repairs and preventative maintenance preserve your property's condition and protect its long-term value.
- **Maximise rental income:** Property managers monitor market trends and will show you how to adjust rent accordingly, ensuring your property remains competitively priced while maximising returns.
- **Ensure legal compliance:** From tenancy agreements to safety standards, staying compliant with changing regulations can be challenging. A property manager ensures your property meets all legal requirements and saves you from a costly visit to the Tribunal.
- **Minimise vacancy:** An empty investment property can cost you thousands in lost income. Experienced property managers use targeted marketing and thorough tenant screening to move reliable tenants in quickly.

Hands-On vs Hands-Off Investment

Many first-time investors try to handle property management themselves to save costs. However, managing a property requires time, expertise and a clear understanding of tenancy laws.

Without professional management, you risk:

- Missed maintenance issues that could cost you a lot to fix at once.
- Gaps in your knowledge of landlord obligations, leading to potential legal issues and big expenses.
- Losing hours of your time trying to find tenants, and dealing with frequent and frustrating turnover if you don't choose the right people.
- Failing to lease your property for the right price.
- Spending hours responding to phone calls and enquiries from your tenants, including having to liaise with tradespeople, review quotes for repairs and arrange for works to be carried out.

By partnering with a professional property manager, you'll be free to focus on work and family while knowing your investment is in capable hands.

How to choose the right property manager

Selecting the right property manager can make a big difference to your experience and profits as an investor. Look for someone who offers:

- **Experience:** Choose a manager who has a strong track record managing properties similar to yours.
- **Clear communication:** A good property manager keeps you informed, responds promptly to concerns, and provides transparent reporting.
- **Local market knowledge:** Understanding the local market helps your property manager set appropriate rent, attract quality tenants and meet the regulations in your area.
- **Problem-solving skills:** From handling repairs to mediating disputes, an effective property manager makes sure issues are resolved quickly and professionally.

Invest in the success of your property

Owning an investment property is a long-term commitment and this means challenges can arise. If you have the support of a professional property manager you'll be better equipped to deal with these situations and maximise your returns.

Contact your local [Professionals](#) team to find out how quality property management can support your journey.



THE ESSENTIAL GUIDE FOR FIRST HOME BUYERS IN 2025

Buying your first home is a big step, and 2025 presents opportunities and challenges if you are thinking of entering the property market for the first time.

With stabilising interest rates, supportive government incentives and evolving market conditions, understanding the landscape and knowing which steps to take can make all the difference in your home-buying journey.

What's new for first home buyers in 2025?

The Australian property market has shifted over recent years, with high interest rates in 2024 giving way to anticipated cuts in 2025. This change could bring renewed competition, but it also offers an opening for savvy buyers who prepare early.

Key trends to watch in 2025:

- **Interest rates:** The Reserve Bank of Australia is expected to lower rates at some stage in 2025, potentially boosting borrowing power for first-time buyers. When you calculate your repayments and research your borrowing power, remember that lenders have to factor in a buffer that would see you still able to afford your mortgage if rates happen to increase.
- **Stabilising prices:** Property prices have reportedly flattened in many areas, creating a more balanced market with opportunities for negotiation.
- **Government Incentives:** Schemes like the [First Home Owner Grant \(FHOG\)](#) and the [First Home Guarantee](#) continue to support new buyers, particularly if you have a smaller deposit. Speak to your broker about how these incentives could work for you.

Steps to Take Before You Buy

Being prepared is the key to success as a first home buyer. Follow these steps to streamline your path to homeownership:

1. Define your budget

Understand your financial position, including your savings, potential borrowing capacity, debt and ongoing expenses. Tools like mortgage calculators can help, but consult with a mortgage broker for personalised advice.

Create a budget and stick to it so you have a clear idea of your living expenses, and take as many steps as you can to reduce your debt (this improves your borrowing power).

2. Save for your deposit

Most lenders require a deposit of at least 5-20% of the property price. The more you save, the less you'll need to borrow, reducing your repayments. You can potentially take advantage of schemes like the [First Home Super Saver Scheme \(FHSSS\)](#) to boost your deposit savings through tax benefits.

3. Secure loan pre-approval

Getting pre-approved for a home loan helps you understand how much you can borrow and makes you a more attractive buyer. This process can take some time and require different documentation so it's good to start a few months before you plan to buy. If you can have evidence of your savings, income and debts ready, all the better.

4. Research the market

Investigate areas that align with your budget and lifestyle. Consider factors like proximity to work, schools, amenities and potential growth.

If you can't afford to buy where you want to live, think outside the box. It may make sense to buy a place and lease it out, and rent in a suburb you love. This will take some planning and conditions may apply if you receive a first home owner grant or stamp duty exemption, so speak to your broker to work out a strategy.

5. Plan for additional costs

Buying a home involves more than just the deposit. You'll need to account for costs like stamp duty, legal fees, conveyancing and building inspections. Some first-home buyer incentives can help reduce these expenses.

Navigating the buying process

Once you've done your homework, it's time to start searching for your first home. Here's how to navigate the buying process:

- **Work with Professionals:** Engage a trusted real estate agent to help you find properties that meet your needs. A solicitor or conveyancer will also be necessary to guide you through contracts and legal requirements.
- **Attend inspections:** Visit properties in person to assess their condition and suitability. Don't be afraid to ask questions about the home's history and features. When you find a home you love, book a property inspection so you can be forewarned about any issues such as structural problems, pests or non-compliance decks, etc.
- **Make an offer:** Once you find the right property, submit an offer within your budget. Be prepared to negotiate, but set a firm limit to avoid overcommitting.
- **Finalise your loan:** After your offer is accepted, your lender will complete the loan process, including a property valuation. Then you'll be on your way to settlement, which is the day when contracts are finalised and you receive the keys to your new place.

Common Mistakes to Avoid

As a first-time buyer, it's easy to feel overwhelmed. Avoid these pitfalls to keep your journey on track:

- **Overextending your budget:** Stick to what you can afford, even if you qualify for a higher loan amount.
- **Skipping inspections:** Always get a professional inspection to uncover any hidden issues.
- **Failing to factor in long-term costs:** Think about ongoing expenses like maintenance, rates and insurance. Make sure these fit within your budget.

Is 2025 the right time to buy?

With interest rates likely to drop and property prices relatively flat for the time being, the start of 2025 offers a positive environment for first-home buyers. Acting early in the year may give you an advantage before competition intensifies.

Best of luck! Your home is an asset that has the power to set you up for a positive financial future. Stay focused on your goals, leverage the support of industry experts and you'll get there.

Need help to find your first home? Contact your local [Professionals](#) agent today.



WHY THIS SUMMER IS AN EXCELLENT TIME TO BUY A HOME IN AUSTRALIA

The Australian property market has faced a challenging few years with fluctuating demand, rising interest rates and shifting economic conditions. Now we have reached summer 2024/25, as a buyer you could finally find yourself in a 'sweet spot' moment which will have you congratulating yourself on taking action.

What's happening in the market now?

After years of rapid growth, the Australian property market has levelled off, with [prices stabilising](#) in most regions. This is largely due to ongoing high interest rates and the cost of living putting pressure on people's spending limits.

The national average house price steady, but you need to take a look at what's happening in your area. Some parts of the country are pushing against the trend, so speak to your local [Professionals](#) agent about what's going on with property prices where you live. Let them know you are interested and they will keep you in the loop about what's coming up on the market.

Why summer 2024/25 is the right time to buy

If you've been waiting for the right moment to enter the market, this summer could be your chance. Here's why:

- **A flatter market:** With prices finally levelling off instead of jumping by several thousand on an almost weekly basis, buyers have more negotiating power and less urgency to compete against other offers.
- **Future rate cuts:** Once interest rates drop, more buyers will enter the market, pushing prices up. Buying now lets you lock in your property before the rush. The good thing is that while you may have to stretch yourself when you take on a loan, if you choose a variable rate your mortgage could potentially cost less by the end of the year (seek professional advice when choosing a loan).
- **More choice:** A quieter market means a wider selection of properties to choose from, giving you the chance to find a place that fits your needs.
- **Seasonal opportunity:** Other buyers are often away holidaying in summer, which can give you another advantage. What's more, sellers are usually keen to close a deal before the start of the school year.

Is it a good time to buy for investors?

For investors, summer 2024/25 presents an attractive opportunity. With rental demand remaining high and vacancy rates low, securing a property now means benefiting from strong rental yields. Furthermore, buying before rates drop positions you to enjoy capital gains as property values rise in response to renewed demand.

Strike while the market is cool!

Summer 2024/25 offers some of the most favourable conditions for buyers in a long time. Make sure you still do your due diligence and purchase with a strategy in mind, and take the time to speak with the agents you meet to let them know what you're looking for. Talk to them about your budget and your wishlist so they can support your journey as a buyer.

Looking for your next home or investment this summer?
Get in touch with your local [Professionals](#) office.



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