



IAN OLIVIER

PROPERTIES

We're Living it!

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083 650 2913

Hi!

Reading an article on how to afford a home in Reader's Digest, it struck me just how cyclical the property market is. Consider that it starts with the following words: "Today's young couples, desperately searching for homes they can afford, are often envious of their parents' home purchases.... First-time buyers now have to accept that the house they can afford to buy will be considerably smaller than the home they lived in as children...". Things haven't changed much, considering that the article appeared in the October 1995 edition! Among the many truisms in the article is the emphasis on the **GASH** (good address, small home) phenomenon. It still holds true to buy smaller or older in a good area than bigger or fancier in a less popular neighbourhood.

Regarding bonds, the article notes that on conventional loans, one had to put down deposits of between 10% and 20% then. We're back to that scenario again, after a relatively short burst of easily available 100% bonds during the boom days. Full bonds plus expenses were the exception, not deposits. That's why the article advises prospective purchasers to lower their sights—at first. Entry level buyers are probably not going to be able to afford to buy their dream property to begin with. To **get a foot in the door** of home ownership today (just as it was 14 years ago), it's going to take a healthy deposit and in all likelihood, a willingness to live in a flat, townhouse or small house for a good couple of years. The important thing while doing this is to focus on the capital gain of the property that will someday become your stepping stone to your dream home. Which leads me to the next valuable point: **think re-sale**. Nothing's changed since the first time a good agent told a client about the three most important factors in choosing a home: position, position, position. Once you've got this aspect of your search right, try to imagine the various properties after they've been upgraded, even if it's just a coat of paint and a garden overhaul to start with. You can **increase the value** of a property substantially if you're willing to do some work on it, as and when you have the time and money. In closing, buy conservatively so that you can meet your monthly bond installments and still put food on the table if the interest rate suddenly rockets upwards. And find out all costs involved in the home buying process upfront so that there are no unpleasant shocks down the line.

Until next time: **ciao ciao**

See our stand at the Expo!



Featured properties: July '09

Walmer Heights

R1, 750 000



Situated in the centre of popular Wensley Dale, this delightful unit offers four living areas, three bedrooms (main en suite), modern kitchen and bathrooms (including guest loo), double garage and designer pool.

For more info, please call Ian Olivier on **083 650 2913**

Glen Hurd

R850 000



This value-for-money house not only has a good floor plan—it also offers cottage pane windows and large rooms. All it needs is an upgrade to turn it into a dream home. For more info, please call Jenny Butlion on **082 659 9700**

**FOR SALE:
Dracula's Castle**



According to a recent article by Associated Press writer Alexandru Alexe (Yahoo!News), "**Dracula's Castle**" in Transylvania is up for sale. Heir to the medieval castle, formally known as Bran Castle, is New York architect Archduke Dominic Habsburg, who pledged to keep it open as a museum until 2009. When the pledge expired, he reportedly offered it to the local authorities for \$80 million – who turned it down. Now, the cliff-top castle in Romania, which belonged to the warlord Prince Vlad the Impaler aka Count Dracula, is for sale to a special buyer "who will treat the property and its history with appropriate respect". The purchaser is expected to cough up more than \$135 million for the 57-room edifice, which was built in the 14th century. He or she will then probably spend some more money on a central heating system because the place where the inspiration for Bram Stoker's novel stayed gets "quite cold".

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