

# Sharp Property Buyers

Guide To Buying Property



# Introduction

Finding your dream home or making an investment in the property market can be an exhilarating journey and we understand the significance of this decision in your life. At Sharp Property Buyers we understand that it's not just a purchase; it's an emotional investment in your future.

With a deep understanding of the local real estate landscape and an unwavering commitment to our client's satisfaction, we can be your trusted partner throughout this exciting endeavour. We believe in empowering our clients with the knowledge and tools necessary for a successful property purchase. That's why we've crafted this comprehensive guide to lead you through the journey of buying a property. This brochure is designed to be your ultimate tool for real estate success. Inside, you will find a wealth of practical insights, expert tips, and invaluable advice to navigate the path to a successful purchase. Whether you are a first-time homebuyer or a seasoned investor, we are here to ensure that our clients make well-informed decisions every step of the way.

What sets us apart from the rest is our dedication to making this process as smooth and stress-free as possible. We handle the complexities of the real estate market on our client's behalf, saving valuable time and effort. Our team of experienced professionals works tirelessly to negotiate the best offers and bids, ensuring our clients get the most out of their investment or home purchase.

Let Sharp Property Buyers be your advocates in the world of real estate. We are committed to achieving your property goals and helping you secure the home or investment that perfectly aligns with your aspirations. This brochure and our team are here to empower you, so you can embark on this adventure with confidence and excitement.



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# 1. Researching The Property Market



The first crucial step in your property journey is ensuring you are up to date with what is happening with the property market. Without this understanding you will not know what price you should expect to offer for a property or bid at auction.

To make informed decisions, tapping into reliable property and market data is essential. Websites like CoreLogic and [www.realestate.com.au](http://www.realestate.com.au) reveal crucial insights into supply and demand, pricing trends, historical data and forecasts. Government websites are also valuable resources as they provide reports and community profiles that disclose information about council plans, development projects, and building regulations. This information can greatly influence a buying strategy and decision.

Your local sales agent in particular is often in a good position to share insights into the local market conditions and current buyer activity. They are aware of properties that are coming on the market, properties that are being sold off-market' and the general profile of the suburb.

Finally, conveyancers, local tradespersons and building inspectors can often assist in providing an understanding of the local property market.

At Sharp Property Buyers, we live and breathe real estate. Our team is uniquely positioned to share up-to-date information into local market conditions and current buyer activity. With our finger on the pulse, we are well aware of properties coming onto the market, "off-market" opportunities, and the overall profile of suburbs. Our dedicated team is here to support you by providing valuable insights and education, which will enable you to make informed decisions every step of the way. With our expertise and your determination, we'll navigate the property market together, ensuring a successful and rewarding purchase.



## 2. A Buyer's Market Vs A Seller's Market

You may have heard of a 'Buyer's Market' and 'Seller's Market', but what exactly are they and how do they impact you as a buyer?

### **A Seller's Market**

A seller's market is a real estate term that describes a market that has more real estate buyers than sellers. To put it simply, there are not enough properties on the market for all the buyers, or in other words, demand outweighs supply.

As a buyer, this can mean that there are fewer properties for sale and the ones that are available are often selling for a higher price and quickly. This is where market research becomes important. Knowing what you should be paying for the property based on market data and discussions with local sales agents is key to having an offer accepted.

### **Tips for A Seller's Market:**

#### **1. Competitive Pricing:**

Avoid offering less than the listing price to demonstrate your seriousness and commitment.

#### **2. Enhanced Deposit:**

Consider offering a more substantial deposit to instill confidence in the seller about your financial capability.

#### **3. Streamlined Conditions:**

Minimise the number of conditions in your offer to make it more appealing to sellers. Keep it simple and straightforward.

#### **4. Flexibility in Timing:**

Extend the courtesy of a few extra days for the seller to move out after the settlement, showing your understanding and flexibility.

#### **5. Financial Preparedness:**

Boost your offer's credibility by providing pre-approval for your loan and furnishing proof of funds documentation.

By following these expert tips, you can position yourself as a strong and desirable buyer, increasing your chances of success in a competitive seller's market.



## **A Buyer's Market**

A buyer's market occurs when there are more properties on the market than there are active buyers. In this type of market, buyers have more choice.

As a buyer, this can mean properties stay on the market for longer than the average and often sell for less than expected. Again, market research is important here to ensure you are not overpaying for a property, based on current conditions. In a buyer's market whilst you may have more choice and therefore feel like you have more time to make a decision on what to buy and how much to offer, if you have found your dream property, do not wait to put an offer in.

### **Tips For A Buyer's Market:**

#### **1. Informed Decision-Making:**

Begin by familiarising yourself with recent comparable sales. Understanding the market's current trends will empower you to make well-informed decisions.

#### **2. Effective Communication:**

Engage in open dialogue with the sales agent to gauge what the property owner may be willing to accept. This can provide valuable insights for crafting your offer.

#### **3. Competitive Offer:**

Create a compelling offer that reflects the prevailing market conditions. Going in with a strong and market-savvy offer can set you apart from other buyers.

#### **4. Financial Preparedness:**

Bolster the credibility of your offer by presenting pre-approval for your loan and providing documentation verifying your available funds.

#### **5. Skilled Negotiation:**

Be prepared for negotiations and ensure you're ready for a positive response. A willingness to work with the seller can help seal the deal in your favor.

With these expert strategies at your disposal, you'll be well-equipped to navigate and thrive in a buyer's market, ultimately securing the property you desire on favourable terms.



## 3. Due Diligence

Buying property is a major investment, so you want to ensure you are purchasing a property that has passed a thorough due diligence check. Here are a few things you should consider:

- AMENITIES

Are you near the amenities you need such as public transport, schools, shops, medical centre, cafes etc?

- UPGRADES IN THE AREA

Are there any planned upgrades? Are these beneficial or not?

- SAFETY

Does the suburb have a low crime rate?

- NEIGHBOURHOOD

Are the homes in the area well maintained? Is there social housing nearby? Are there main roads or thoroughfares?

- LOGISTICS

How long will it take to get to work, school etc. ?

- HOME LOAN

Do you have your pre-approval and finance sorted and ready to go?

- REPAIRS AND MAINTENANCE

Does the property require immediate repair or maintenance? Does your budget allow for this?

- PRICE

What is the best price based on market research?

- FLOOD OR FIRE

Is the property in a flood or fire zone?

- COUNCIL RESTRICTIONS

Are there zoning/area restrictions?

- FLOORPLAN

Does it have the right configuration?

- ASPECT

What are the aspect, views and outlook like?

- RENOVATIONS

Have any renovations been approved by local council?

- OWNERSHIP

If it is an apartment is it strata or company title?

- ACCESS

Are there any shared driveways, entry ways? Is the street or driveway steep or difficult?

- DEMAND

How much demand is there for the area? Will you be able to sell or rent the property out quickly if you need to?

- EXPERT REVIEW

Was the building and pest inspection report satisfactory?



## 4. Working Out How Much To Offer

One of the key aspects before submitting an offer is knowing your financial limits. Your offer should align with what you can comfortably afford and it should not exceed the amount conditionally approved by your lender. Additionally, remember to factor in other expenses such as legal fees and building reports. Prioritise thorough budget planning, by considering all upfront and ongoing costs associated with the property. Several elements, including the proficiency of the agent and the influence of emotions, can often lead to prices significantly surpassing the market's true value. However, establishing the property's actual market worth is a key first step to working out how much you should be prepared to offer. This comprehensive approach ensures you are well-prepared and financially equipped for your new investment.

As your dedicated buyers agent, we will proactively engage with the sales agent on your behalf. By inquiring about any offers received, their timing, and reasons for rejection, we can quickly assess the level of interest in the property and gain insight into the price point the seller declined and, more importantly, what they might be willing to accept. Armed with this information, we can craft a competitive and compelling offer for you. Having a deep understanding of the local property market is one of our core strengths. We can provide you with precise knowledge about the property's true worth by analysing recent sales of similar properties and current market listings along with their respective prices. With our expertise and dedication, you can be assured that your offer will be strategic, informed, and reflective of the property's true value.





## 5. Buying Property Via Private Treaty / Private Sale

In Australia, purchasing a property via private treaty or private sale is the most common method. In this approach, the property is listed with a set price, but it's important to note that the final sale price is often negotiated between the seller and the buyer. The process typically involves a period of negotiation, where offers and counteroffers are exchanged until both parties reach a mutually agreeable price. Once a price is settled, the Contracts of Sale are drawn up, and a deposit of approximately 10% is usually made by the buyer.

During this process, there may be a cooling off period, giving the buyer a window of time to conduct final legal, building, and financial checks on the property. However, it's worth mentioning that some sellers may request the buyer to waive the cooling off period as a condition of signing the contract. If there is a cooling off period, the buyer has the opportunity to ensure all aspects of the property align with their expectations and requirements. This includes confirming the property's legal status, assessing its structural integrity through a building inspection, and ensuring the buyer's finances are in order.

It's crucial for prospective buyers to consult with their lawyer or conveyancer before signing anything. This ensures a clear understanding of the contract's terms and conditions, including the implications of withdrawing from the agreement during the cooling off period. In some cases, pulling out of the contract during this time may result in the loss of a percentage of the deposit.

Navigating the private treaty process can be both exciting and daunting. At Sharp Property Buyers, our dedicated team of professionals is here to guide you through every step of the journey. From negotiating the best price to conducting due diligence, we ensure that your interests are protected, and your property purchase is a smooth and successful one. With our expertise and unwavering commitment to your satisfaction, we are here to help you find your dream home or make a sound investment with confidence.

### Advantages Of Buying Property This Way:

**1. More Time and Less Emotion:** Private treaty sales provide buyers with more time to consider their options and make informed decisions. Unlike auctions, where the pressure to bid quickly can be emotionally charged, private treaty negotiations allow for a more measured approach.



**2. Price Certainty:** With a set listing price in private treaty sales, there is more price certainty compared to auctions, where bidding can escalate rapidly and lead to uncertainty about the final purchase price.

**3. Flexibility for Negotiation:** Private treaty sales offer greater flexibility for negotiation. Buyers can submit offers with conditions, such as subject to building inspections, finance approval, or repairs to the property. This flexibility allows buyers to address concerns and ensure the property meets their requirements before finalising the purchase.

**4. Cooling Off Period:** As mentioned above, in many private treaty transactions, buyers are provided with a cooling off period after signing the contract. During this time, buyers can conduct final legal, building, and financial checks. If any issues arise or the buyer has second thoughts, they may have the option to withdraw from the contract, although they may lose a percentage of the deposit.

**6. Financial Comfort Zone:** As the auction pressure is removed, buyers often find it easier to stay within their financial comfort zone during private treaty negotiations. This helps ensure that they make a well-considered purchase aligned with their budget and long-term financial goals.

Overall, buying property via private treaty offers several advantages, making it a preferred method for many homebuyers and investors. The process allows for a more relaxed and deliberate decision-making process, provides price transparency, and offers room for negotiation and due diligence, ultimately leading to a more satisfactory and informed property purchase.



## 6. Buying Property Via Tender / EOI

In an expression of interest or tender sales campaign, buyers are invited to submit their best and final offer to purchase a property by a specific closing date and time.

Following this, the seller, normally in consultation with their agent, will review the offers. If an acceptable offer is not received, the property may be sold via another method or an expression of interest may be called again.

### Advantages Of Buying Property This Way:

**1. Sense of Urgency:** The specified closing date and time in an expression of interest or tender sales campaign create a sense of urgency among potential buyers. This urgency can motivate buyers to submit their best and final offers promptly, leading to a more efficient sales process.

**2. Discreet Offer Submission:** Buyers have the advantage of discreetly submitting their offers. This confidentiality can be particularly appealing to high-profile buyers or those who prefer to keep their interest in the property private.

**3. Private Sale Process:** The private nature of expression of interest or tender campaigns allows the selling price to be kept discreet. This can be advantageous for sellers who want to maintain confidentiality regarding their property's market value or their motivation for selling.

**4. Competitive Nature of Offers:** The competitive nature of this sales method often results in buyers submitting their best and final offers, leading to a more transparent indication of the true value of the property. This competitive environment encourages buyers to offer the highest price they are willing to pay to secure the property.

**5. Suitable for Expensive or Unique Properties:** Expression of interest or tender sales campaigns are particularly suitable for very expensive or unique properties. These types of properties may not fit within the traditional pricing models, and this method allows buyers to place a value on the property based on its uniqueness and perceived worth.

Overall, expression of interest or tender sales campaigns offer a strategic and efficient way to sell properties, especially those that are high-end or distinctive. The sense of urgency, discretion, and competitive nature of offers can lead to successful sales and provide both sellers and buyers with a transparent and fair transaction process.



## 7. Buying Property Via Auction

An auction is an exhilarating public sale, orchestrated by a licensed auctioneer, where properties are sold to the highest bidder. The vendor sets a reserve price in consultation with their agent confirming the minimum amount they are willing to accept for the property. If the bidding reaches or exceeds the reserve price, the property is sold to the highest bidder. Contracts are signed, and a 10% deposit is expected on the spot. It's important to note that there is no cooling off period when buying via auction, necessitating thorough due diligence prior to the auction day.

### Advantages Of Buying Property This Way:

**1. Transparent Sales Process:** Unlike private sales, auctions offer a transparent sales process. There are no negotiations behind closed doors, providing a level playing field for all participants.

**2. Benchmarking with Other Buyers:** Auctions allow buyers to benchmark their offers with those of other interested parties. The public nature of the bidding provides insight into the market's assessment of the property's value.

**3. Assessing Competition:** On auction day, buyers have the opportunity to assess the competition firsthand. Observing other bidders allows potential buyers to gauge the level of interest and make informed decisions during the bidding process.

**4. Immediate Result:** Auctions offer immediate results. If the bidding reaches the reserve price, the highest bidder becomes the successful buyer, finalising the transaction on the spot.

**5. Confidence in Purchase:** When you win the auction, you secure the property. There is no second-guessing or lengthy negotiation process; your successful bid ensures your purchase.

At Sharp Property Buyers, we understand the dynamics of auction sales, and our expert team is here to guide you through the process. From conducting thorough due diligence to providing strategic bidding advice, we ensure that your auction experience is both exciting and rewarding.



# Making A Pre Auction Offer

In the dynamic world of real estate, timing and strategy play pivotal roles in securing your dream property. Depending on the market conditions, making a pre-auction offer can be a savvy move, providing you with a competitive edge.

Whether you are in a buyer's market or a seller's market, here are eight key considerations to keep in mind when putting forward a pre-auction offer.

**1. Present a Signed Contract:** When making the offer, provide a signed contract. This demonstrates your serious intent and readiness to proceed with the purchase.

**2. Offer a Fair Price:** Avoid making lowball offers. Instead, go in with a price that aligns with your market research and the property's value. Offering a price you would be prepared to pay at auction can position you as a serious contender.

**3. Put it in Writing:** Ensure your pre-auction offer is in writing and sent to both the selling agent and the vendor's solicitor. This formalises the offer and adds credibility to your proposal.

**4. Act Early:** Make a strong offer early in the campaign. If the vendor is keen for a quick sale at a good price, your early initiative may capture their attention and interest.

**5. Keep Conditions Simple:** Avoid burdening the offer with numerous conditions. A straightforward offer can be more appealing to the vendor, simplifying the decision-making process.

**6. Set a Time Limit:** Provide the vendor with a reasonable time limit to respond to your offer. This demonstrates your decisiveness and commitment to moving forward with the purchase.

**7. Show Financial Approval:** Assure the vendor that you have secured financial approval for the offered amount. This reassures them of your ability to proceed with the transaction.

**8. Consider a Larger Deposit:** Offering a larger deposit can be enticing to the vendor, as it demonstrates your serious intent and financial capability.

At Sharp Property Buyers, we understand the intricacies of navigating the pre-auction offer process. Our experienced team will guide you in crafting a compelling offer and positioning yourself for success. By utilising a strategic approach, you can increase your chances of securing your desired property before it goes to auction.



# Preparing For Auction

Buying a property at auction can be an exhilarating experience, but it requires careful preparation and diligence. Unlike private treaty sales, auction purchases are legally binding, with no cooling off period. To position yourself for auction success, here are six essential considerations to ensure you are auction ready:

**1. Pest & Building Inspections:** Prior to the auction, conduct all necessary inspections, including building and pest inspections. This due diligence is crucial, as there is no opportunity to back out after the auction.

**2. Budget:** Secure financial pre-approval for your maximum spending limit. Stress-test your finances to ensure you can comfortably handle potential interest rate increases. Set a clear budget limit for the property and resist the temptation to exceed it during the excitement of the auction. Discipline is key to making a well-considered and financially sound decision.

**3. Legal Advice:** Seek legal advice and have your lawyer or conveyancer review the auction contract. Address any concerns or negotiate variations before auction day, as there is no flexibility to make changes afterward.

**4. Understand the Property Demand:** Gain insights into the expected demand for the property. We will consult with the sales agent to learn about the number of inquiries, inspections, and requests for contracts. This information can assist with a bidding strategy.

**5. Know the Likely Selling Price:** We will conduct a comparable market analysis to determine the likely selling price of the property.

**6. Be Prepared for Competitive Bidding:** Auctions can be competitive, and emotions may run high. Stay focused on your financial limit and bidding strategy to avoid being carried away by the atmosphere.

Our team of experts are available to help you navigate the process, conduct thorough due diligence, and develop a winning strategy. With our support, you can approach the auction with confidence and secure the property of your dreams.



# Final Word

At Sharp Property Buyers, we are committed to guiding our clients through a successful real estate journey. Regardless of the method you use to buy property, our experienced team is here to ensure you make informed decisions and achieve your property goals.

With an unwavering dedication to our client's satisfaction, we hope to empower you with expert knowledge, strategic insights, and a transparent approach to your property purchase. From conducting thorough due diligence to crafting compelling offers, we are your trusted partner at every step. Let us navigate the complexities of the real estate market on your behalf, saving you time, effort, and stress.

Experience the confidence and excitement of embarking on a rewarding property adventure with Sharp Property Buyers. Your dream home or lucrative investment is within reach – together, we will make it a reality.



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