

George Hanna 0413 484 667 george@ghanna.com.au



Welcome to the Christmas & New Year edition of my newsletter!

Q&A:

Q. What happens if the lender cannot approve my loan application by the date stipulated in the O&A?

A. A buyer can attempt to negotiate with the seller to extend the finance timeframe. If an agreement cannot be reached for an extension, the contract will continue until either the seller terminates the contract whereby the deposit will be refunded to the buyer, or the buyer notifies the seller that the finance has been approved. If the buyer fails to obtain a decline letter from his lender after the automatically extended time, then the buyer may lose their right to claim the refund of their deposit.

Q. Is there a time limit on how long a seller has to respond to an offer?

A. If the buyer is not satisfied with how long a seller is taking to respond to an offer, they can withdraw their offer. Alternatively, they can put in a SUNSET date or clause in their offer, after which time the offer lapses without any need to formally withdraw.

Q. Sale of tenanted properties - can I get vacant possession?

A. Where a property is sold and there is a fixed term lease in place, then provided the tenancy agreement reverts to a periodic agreement prior to the settlement date, the seller can serve a 30 days' notice of termination (i.e. on the day the agreement becomes periodic) provided that the contract of sale has a condition that requires vacant possession.

CENSUS 2021 (PUBLISHED 2022)

- Homes owned outright have dropped by **11%** from **42%** in 1996 to **31%** in 2021. (Affordability issue).
- **1,043,776** homes of nearly **11 million** total dwellings in Australia were recorded on Census night as vacant. (Rental crisis)
- This latest census counted **25,422,788** Australians in its survey. In 1996, this number was **17,892,423**. (Population growth)
- There were also nearly **11 million** private dwellings counted in the 2021 census, an increase of over **950,712** compared to 2016.
- Out of the **11 million**, self-standing houses accounted for **70%**, apartments comprised **16%**, while townhouses were **13%**.

Rental Accommodation Will Never Go Out of fashion, WHY?

In the last SIX decades, between 25-30% of the residential dwelling have been rented to meet the needs of the following categories:

University Students, Lifestyle Change, Relationship Separation, Young Couple starting Their New Life together, Can't Afford to Buy, Employment Instability, Poor Credit History, Good Income Poor Financial Discipline, Job Promotions & Transfers, and Tourism accommodation.



ARE YOU AGED 65+

POPULATION: Total people aged 65+ in Australia 4,328,852 (17% of 25.7 million) and occupying 2,478,900 dwelling.

HOME OWNERSHIP: 15% still living in rented accommodation, 12% still have a mortgage & 73% owned without a mortgage.

INCOME & LIFESTYLE: 12% still working, 65% reliant on aged pension and 23% financially dependent

The Pros and Cons of: Should I sell my house before I buy a house OR Should I buy a house before I sell my house?

Buying first

Pros: Means that you can take your time with purchasing, with no hurry to sell your current residence. You can make offers without rushing (this includes offering settlement terms that may be attractive for the seller. Not being desperate to purchase leaves you in one of the best negotiating positions. If you find the perfect home, you may just be tempted to buy first, not doing so can risk you missing out on an opportunity.

Cons: your home isn't selling as quickly as expected after you bought, then you may face anxiety and financial hardship. This could put you in the "desperate vendor" position you benefited from before, selling at either less than the home is worth or to terms that don't suit you very well. Add to that, holding onto an asset unnecessarily can be a money drain which also means that you cannot invest those funds in other ventures.

Selling first

Pros: gives you plenty of time to consider your selling price, negotiate with buyers and be flexible with when you sell and which of the offers submitted in your property, you accept.

Cons: If you do not find a home soon after agreeing to sale, then you will face the realities of renting, the outlay in rent and storage, the potential inconvenience of not being in your own home and sometimes the difficulties in finding temporary rental accommodation can make the situation unrealistic.

In order to determine the best outcome for yourself, it is worth knowing your personal and financial circumstances well and discussing ahead of time with family. No choice is necessarily wrong, as long as you take into consideration all the available facts. Tread your own path

Do You Know, when you sell by private treaty and when the contract is signed by both parties

There are **NO** mandatory cooling-off periods in **WA & TAS**, while in **NSW, QLD & ACT**, the cooling-off period is **5** business days and the seller can impose a fee of **0.25%** of the purchase price if the contract is terminated during the cooling-off period. The cooling-off period is only **3** days in **VIC** and a fee of **0.2%** of the purchase price can be imposed if the contract is terminated. The cooling-off period in **SA** is only **2** days. If the contract is terminated, any deposit over **\$100** must be refunded. In the **NT**, the cooling-off period is **4** business days, during which time the buyer can cancel the contract without explanation and without incurring a penalty.

Life Lessons

"Success is never final; failure is never fatal.
It's courage that counts."

Have a "I can do that" attitude

"What goes around comes around and if you do the right thing by the client and give them the good and right advice, it comes back in multiples"



As we bid farewell to another challenging 12 months,
G Hanna Real Estate would like to
take this opportunity to
thank all of you for your business and kindness throughout
2022 and wish everyone a very Merry
Christmas and a safe, happy and great Year ahead.
We look forward to continue
providing you with a quality service in **2023**.