TRILOGY news
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10 TIPS TO GET MORE OUT OF YOUR TIME EVERY DAY

In the last Trilogy Report, we talked about the concept of time as money in property investment. But how do you derive the most value from your time, in order to ensure you're gaining the best possible outcomes from your investment endeavours?

Here are ten ways you can make the most of your valuable time, in our increasingly hectic, fast paced world...

1. Schedule and diarise.

Much like budgeting, creating a schedule is difficult if you don't first take stock of how you currently use your time.

Start out by carrying a diary with you to record your experiences throughout a normal week so you can reflect on how and where you spend your time. Then you can start consciously planning your days more efficiently.

2. Prioritise how you'll spend your time.

When you complete the first step above, it will soon become apparent whether you're making good use of your time, or whether you're inadvertently flittering large chunks of your life away (that you'll never get back)!

Most people would be alarmed to know how much time things like social media can steal from you on a daily basis. But what value is derived from spending hours scrawling through inane Facebook memes? Unless of course you eek a living from social media management.

Work out what type of value you want to gain from your time, according to your life's goals and circumstances. Then prioritise different activities, according to what you'll derive most satisfaction from doing with your time.

3. Avoid distractions.

Whether you work from home and can't resist putting on a load of washing, or harbour a social media obsession that's hard to suppress, don't allow yourself to be veered off course once you start planning and prioritising your days.

By applying some structure to your time, there's less chance you'll be distracted by bright shiny things...or videos of cats.

4. Allocate time for electronic communications.

We're all guilty of it. You subscribe to some mailing list, and then another, and then another, and then...before you know it, your Inbox is overflowing with thousands of unread messages that suddenly become really engrossing when you have something else that's far more important to be doing.

Work in time allotments over the course of your days to respond to communications as required. More importantly, ditch any email subscriptions that won't advance your cause in life (obviously not this one!), keeping only those relevant to your journey.

5. Be prepared to go with the flow.

Plan time to be pulled away from whatever it is you're doing.

If you have no flexibility built into your schedule, or allow yourself freedom of choice to do something different in any given moment, you actually risk missing out on potential opportunities. Not to mention getting down on yourself if you feel you've failed in executing better time management.

Scheduling is important, but so is recognising those priorities that trump good intention, such as looking after your health or important family commitments.

6. Acknowledge the need for help.

Don't be afraid to admit to yourself and those around you that you simply don't have enough hours in the day to keep up with the demands placed on your time. If you run yourself into the ground trying to fit more than what's humanly possible into every waking moment, you risk burning out.

7. Keep track of your time management.

Check in with your schedule every so often to make sure it's working for you, making adjustments as your circumstances (or demands on your time) change.

Remember, you can't expect the world to stop for you, so there'll be more than one occasion where you need to change things up unexpectedly.

8. Take time to plan.

You might be itching to get on with things as soon as you bound out of bed in the morning, but by taking the first half an hour at the beginning of each day, and half a day at the beginning of each month to plan, you'll use your time a lot more wisely.

9. Know when to say 'no'.

Practice not answering the phone just because it's ringing, or emails just because they appear. Don't instantly give people your attention unless it's absolutely critical to your business and be prepared to say 'no' to any invitations or commitments you can't possibly fit in to your existing schedule.

10. Eliminate any unproductive drains on your time.

Let's face it; we all have plenty of fluff and nonsense that we tend to get lost in, as a way of avoiding more important things that we should be giving our time to.

Acknowledge anything that's not adding value to your world, and then get rid of it.

Some folk seem to have perfected the talent of filling their days with relatively useless, go nowhere type moments. And admittedly, many variables will prevent you from ever perfecting the art of time management.

But ultimately, whether you end up full of regret at the end of your time over moments lost, or full of wonderful memories over moments that really mattered...is entirely up to you.

9 KEY CONSIDERATIONS FOR SELLING YOUR PROPERTY

There's no denying that current market conditions in many parts of Australia are proving quite favourable for property vendors right now.

Sydney home owners in particular have been delighting in frenzied bidding wars at weekend auctions, while listings have been consistently snapped up for well above guide prices right across the Harbour City for some time.

But as with everything, all good things will eventually come to an end. And if you believe the housing bubble hype, 'the end' in this instance might be a major price correction in some of today's particularly heated housing sectors.

Aside from all that 'doom and gloom', even when conditions obviously support the seller, you still need to put your best foot forward in order to optimise your asset's value to the market.

And in some instances, you'll need to make your property stand out among a bubbling, noisy crowd of contenders.

In good times or bad, selling property can be a daunting prospect. Here are 9 key considerations that, when approached carefully, can make the process of selling your property a little less scary.

1. Appointing an agent

It's advisable to interview at least three real estate agents, before making a final decision as to whom you'll engage to manage the listing.

Narrow down your search by attending auctions and inspections in the local area and assessing the agents' performance, much as a purchaser might interact with them.

It's important that you're comfortable with the agent, as they're essentially representing you and your property within the marketplace. Obviously, you want them to make a very good first impression.

Once you choose an agent, you'll be required to sign a Sales Authority, which will be bound by different terms and conditions, depending on whether you agree to a private treaty sale or auction

2. Understanding the costs

Generally the selling agent will only take their fees once your property is sold. The agency will cover all marketing costs until settlement occurs, at which time advertising expenses are recovered from the transaction, along with an agreed percentage of the sale charged as commission.

Commissions structures can vary between agents, but generally will be quite similar within any given area, particularly where a lot of them are competing for your business.

Usually commissions will be around 2 to 3% of the sale price, or on higher end listings, may be staggered so that the agent receives an incremental bonus commission for achieving anything above list price. Some think this latter approach can encourage an agent to work harder for you.

You also need to consider things like legal and relocation costs, if you happen to be a homeowner selling your PPOR, or things like stamp duty and CGT as a property investor.

Then of course there's the possible early discharge penalties charged by lenders if the property is still mortgaged.

If you account for selling costs in the vicinity of 5% or so of the sales price, you should be in fairly safe territory with the numbers.

3. Presentation perfect

You want your house to stand out from the crowd. Make it so inviting that people won't want to leave on first inspection. Neat and tidy is the priority, along with organised, clutter free and welcoming.

Remember, the space needs to fit buyers' expectations and needs, so try to cater for your market demographic in the soft furnishings and colours you use. This is one time where it can pay to read a Home Beautiful and try to be 'on trend' when it comes to your interior design skills.

And never neglect the interior for the exterior, or the other way around. Both the inside and outside of your property has to sell a way of life to potential buyers.

Added touches, like glossy photos of the suburb's highlights on display at open houses, can really give people a sense of the experience the home promises.

4. Preparing for the campaign

A campaign typically commences about a week to ten days after the property is listed. This gives the agent time to prepare for marketing, with photography, copy and 'For Sale' board graphics arranged prior to the official launch.

At this point, you should appoint a solicitor to prepare the necessary legal documentation. In some states for instance, you can't sell a property without a Vendor Statement or Section 32.

5. Launching the campaign

This is 'go time', where your property is all over the internet and local papers.

Auction campaigns are generally quite short and intense, with a lot of saturation advertising and multiple inspections within about a month, from start to auction day. While private sales campaigns will last for as long as the house remains on the market, or until the vendor withdraws it.

6. The early weeks

Real estate agents will tell you that the first ten days are generally the most telling when it comes to the question of whether or not a campaign will prove successful.

A new listing will usually generate immediate interest amongst others that have been around for a while. If that doesn't happen, then something might be amiss with your strategy. Generally the first place you should look is the price.

At this stage, the agent should be communicating with you almost daily, or at least every second day, to report market interest, either by phone, email or in person.

Interested parties might request several inspections before putting in an offer, and agents should be pro-actively maintaining contact with prospective purchasers to encourage a mutually beneficial negotiation process.

7. The pointy en

Agents use the second half of the auction campaign to identify potential buyers and formulate a picture of what the ultimate outcome might look like.

At this time, you'll also be required to advise the agent of your ideal reserve price, which should sit within their estimated price range as quoted throughout the campaign.

8. The auction

An increasing number of properties across Australia's major cities are sold at weekend auctions. That's because it's generally held that auctions present the market with the most fair and reasonable opportunity to come up with a price it would be willing to pay.

Auction day can be an incredibly stressful time for not just nervous bidders hoping to secure your property, but also for you as the vendor. Vendors often rely on a good outcome because they've already bought elsewhere, or need to release equity for some other reason.

There'll be one final inspection before the auction commences, at which time bidding can either kick off with gusto, or stall for some time as the auctioneer warms up his audience.

Either way, if competition pushes the price of the property up to reserve, bidding will pick up pace, as punters know the property is "on the market" and set to sell.

9. The deal is done

Or at least that's the eternal hope of every anxious vendor waiting on an outcome, be it at auction or via private negotiations.

If you're fortunate enough to sell your property and achieve your optimal outcome, then it's time to prepare to move onwards and upwards, leaving your property in the loving hands of its new owners.

LOW INTEREST RATES & THE BIGGER PICTURE PROBLEM

Developed economies across the globe have been clinging to their property markets like a buoy, relying on the fact that housing is an essential commodity of trade and therefore, the most likely to stay afloat when all else is threatening to sink the proverbial financial fleet.

As much of the world continues to teeter on the brink of deflation, central banks right across Europe, Canada and the American Fed, have been forced into what's essentially a state of ongoing inertia over interest rate policy.

The Reserve Bank of Australia has been banging on about its inability to do anything but leave rates at all time lows for what's going on years now.

Sitting on the sidelines, Governor Stevens and his pals have been waiting for another 'ref' to come barrelling in and take control of what some are insisting is a runaway property sector.

Sure enough, as concerns continue to mount over escalating investor based borrowing, APRA came charging in on their macroprudential steed recently, in a bid to apply the brakes and prevent a local 'housing bubble' scenario.

Bigger than the Beatles!

Like most other modern societies, Australia is smack bang in a state of 'housing bubble' hysteria that would have to trump the infamous throngs of fainting teenagers who followed The Beatles everywhere.

But what do you do when you're faced with a dichotomous dilemma? Where one aspect of the economy is going gangbusters, while everything else sort of sits around like the tired, grumpy uncle at a family BBQ griping about how expensive new dentures are these days?

Well, popular opinion has it that perhaps you're best off dealing with the perceived problems that low interest rates bring, rather than trying to recover from the mistake of raising rates too soon and tipping an economy into deflation.

We're not alone

This seems to be the thinking across the UK, where the Bank of England hasn't increased rates since way back in July 2007. Yep! It's been eight years since our mother country made an upward move on official interest rates.

It's expected that China's recent decision to devalue its currency will only cement the Bank of England's resolve to leave rates at a low 0.50%, with some analysts suggesting a rate rise won't be forthcoming in the UK until toward the end of 2016.

Elsewhere in Europe, different central banks have attempted to raise rates (particularly across Scandinavia), only to lower them again virtually straight away.

Finally facing its Waterloo?

You might be surprised to know that in Sweden, the official interest rate is into negative territory at -0.35% and now, the housing market in ABBA's homeland is facing its own Waterloo in the form of a growing property bubble.

But as with most other nations, Sweden's official monetary policymakers recognise that not only will higher interest rates potentially deflate overall economies, they'll also create even greater consumer price stress.

Homeowners with mortgages would suddenly face increasing costs, as would consumers with personal debt and big business.

It's all relative

While most financial boffins believe things will have to look a lot rosier before rates start to rise again, others say we could see a bit of upward movement sooner rather than later.

But what would the Central Banks achieve with a slight increase that made very little difference to mortgage holders anyway? It's unlikely that a 0.25% or even a 0.50% escalation would deter too many homebuyers and property investors.

Increasing rates would, at this stage, really only be intended to prevent a nasty deflation of different, so-called housing bubbles.

But because rates would have to be increased dramatically to move beyond current historic lows, a few basis points here and there is unlikely to change current perceptions of debt as relatively cheap and therefore, appealing to those who can no longer rely on cash savings to secure their financial future.

The bigger picture problem

So what might the long-term implications be if interest rates continue flatlining indefinitely across the developed world?

Well, there are a couple of big concerns currently being voiced by various factions of the financial services food chain around low interest rates, and they go something like this…

1. They force savers to become speculators.

In fairness, there are a lot of savvy investors out there who are using the current climate to their financial advantage. They're certainly not speculating, but thriving in favourable economic circumstances.

Many punters however, those who would normally be content depositing their money in the bank, have started dabbling in higher risk activities, including bond and equity funds, peer-to-peer lending and crowd funding and of course, real estate.

Experts say this is all well and good while most asset prices keep rising (driven by investors chasing higher returns than they can get on their savings), but a lot of the investments being marketed to unknowing yield chasers can carry significant liquidity risk.

It's a lot harder to pull your money out of a declining property market for instance, than it is to withdraw it from a bank.

Of course this won't necessarily be an issue for educated investors who've undertaken a thorough asset acquisition process and secured investment grade property, but unfortunately, many have received misguided advice and essentially entered the markets blind.

2. It establishes a dangerous status quo

When you look back throughout your own adult life, chances are you remember a time when interest rates weren't so wonderfully low. Unless you're a Gen Y or 'Millennial'.

Some analysts have cautioned that we could see a future generation of complacent, credit loving consumers, overly reliant on what's considered 'cheap debt'. They say this is a 'moral hazard' that could wreak wider social and economic havoc when rates do eventually rise.

No doubt when the world's economic cogs start to spin that little bit faster and the financial tidings of various market sectors turn in a new direction, the accompanying change we can anticipate in what's become a long standing status quo will have a profound ripple effect.

Exactly what the implications might be are unclear. The truth is, living in such unprecedented times of rapid market evolution has made us all, to some degree, into speculators. No one can genuinely state with any certainty what might be around the corner. We all just have to sit tight and see.

WATCHING THE PROPERTY CLOCK FOR BUYING OPPORTUNITIES

To achieve optimal results in property investment requires more than just 'dumb luck'…quite the contrary in fact.

To succeed in achieving your financial objectives with real estate, it takes persistence, perseverance and to some degree, really good timing.

Can you pick a winner?

While every smart investment approach requires the backing of a smart investment strategy, there's always some degree of necessary speculation involved in purchasing a property asset..

That's because in life, there are no guarantees. Ask the hundreds of investors who bought into resource driven, real estate boomtowns; small, nowhere places now at risk of dying a slow death.

But in today's data and information driven markets, there's really no need to take unnecessary risks with your money.

Vast reams of quality educational material are available to investors online, while dozens of research houses are dedicated to reporting various property market stats.

Not to mention the hundreds of professional, property and financial service based providers emerging across Australia, to assist a growing number of investors. (And of course, make hay while the sun shines!)

Now, more than ever, there are lots of ways to conduct thorough due diligence around any investment you might be considering...as well you should. Property investing is a serious business that requires serious market research.

Get it right, and you can walk away with a winning asset that adds optimal cashflow and long-term gains to your portfolio, with minimal risk.

Timing the market, or time in the market?

Some property advisors will tell you that 'time in the market' is more important than 'timing' the market.

In other words, you're better to buy whenever you can in a good location and own a high growth asset for a longer period, than wait for the 'best point in the cycle' to purchase and risk paying a higher price when the market moves on.

But if you could indeed approach property investing with that added foresight of knowing when a market was most likely to peak, and when it was close to or at the bottom of the cycle, why wouldn't you?

The National Property Clock – Houses

As noted earlier, we live in an information rich age, with so many valuable resources that can make our real estate investment journey that much more effective.

Make no mistake; the next phase of the property cycle will sort the mice from the men. Those investors who were pro-active and wise in their asset selection will continue to prosper when things start to slow down.

Whereas those who just jumped on the property buying bandwagon without much thought as to what they were doing (or where, when or why for that matter) will be caught with their proverbial pants down.

It's of course a good idea to be one of the investors who either did your own due diligence, or at the very least, engaged a credible and appropriately experienced property professional to do it on your behalf.

Or...at the very, very least, check out Herron Todd White's August 2015 Property Clocks for housing and apartments...

The key is to look for opportunities in proven areas that provide above average long-term capital growth, alongside strong rental yields. This will make your portfolio far more sustainable, and able to endure any changing market conditions over the ten, twenty or thirty plus years you hold it.

By opportunities, we mean the chance to acquire strong performing assets that are demonstrably better than the averages, at an optimal point on the property clock.

This is logically, at the bottom of the market or during that very initial upswing in the recovery phase, between the 6 and 9 mark.

According to the HTW clock, a number of locations warrant a mention for their favourably transitioning housing markets right now. Notably Melbourne, Brisbane, Cairns, the Gold and Sunshine Coasts and Canberra, all represent rising markets.

While Hobart, Launceston and Alice Springs are just starting to find their feet again.

The National Property Clock – Units

Interestingly, when you examine the corresponding HTW Property Clock for units/apartments, it's the same major city markets that are currently on an upward trajectory.

According to the HTW analysis, the opportunity for investors to execute valuable timing in getting into apartment markets that have nowhere to go but up is currently available in the likes of Canberra, Adelaide and Rockhampton.

While property cycles are never an exact science, years of evaluation around various fundamentals that we know influence accommodation supply and demand and therefore, property prices over the long term, means investors can apply some very valuable hindsight, when trying to plan ahead.

The potential to secure a high growth, high yield asset at the prime point on the property clock – that is during a rising market – has always represented the ultimate challenge for property punters.

In this new age, however, it's becoming that little bit easier to tick all the investment right boxes, at the best possible time.

If you'd like more information regarding the best investment strategies and assets for your requirements, keep an eye on your Inbox for information about our upcoming workshops, where the Trilogy team will be joined by expert property advisors to take a closer look at the Canberra housing market in depth.

This is your chance to learn more about timing your property investment purchase to get the best equity return possible.