

# In The Know...

November 2009 Newsletter

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## Property Comment "NETTELS" Grow Property Values

Intrigued by the headline? - What are NETTELS? Well it is the new demographic term used for higher income earners with kids yet no time, as termed in a recent article I read written by Bernard Salt.

So what does the abbreviation NETTELS stand for? Not Enough Time to Enjoy Life. They are aged between 30 & 49 years of age and both work full time and usually have dependant kids aged under 15 years.

The household is flat out with parents work, family, kids development and social activities dominating their worlds, making their down time virtually non-existent.

Yet, given both parents are professional their household incomes start around

\$110,000 but are usually over \$150,000, so they have the disposable income to pay for 'things' and its a lifestyle they engage into.

In Barnard's article he makes mention of a 39% increase in this type of demographic between the 2001 and 2006 census, with 130,000 of these types of households around Australia and growing.

He mentions locations like Albert Park in Melbourne, Paddington in Sydney, Balmoral in Brisbane and Curtin in Canberra as cluster stops for this type.

I've long talked about affordability mixing in with property value increases and the reasons behind this being location to life's needs, such as quick access to work, school-

ing and after work activities, such as beaches, parks, cafe, recreation area.

Inner ring suburbs offering these options are in very short supply of suitable housing, given the family need at least three bedrooms to accommodate the family.

Yet numbers in this type are continuing to grow as more couples are choosing to have careers mixed in with raising a family. This puts 'demand' pressure on the limited supply of available homes that suit these demographic in these locations, so price growth follows as they compete for this housing stock.

The flow on effect occurs as these buyers look for alternative options. (Ben Kingsley)

### Values

## Melbourne Price Record

The REIV reported a record jump in Median House Prices in the Month of September.

Figures released showed a 6.4% increase for the month. This resulted in the median house price showing the highest ever recording of \$520,000.

REIV CEO, Enzo Raimondo highlighted the factors driving this market increase are:

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- Historically low Interest Rates.
  - Growing Population
  - Shortage of available housing
  - First Home Owners Scheme
  - Overall economic condition of Melbourne and Victoria
  - Better employment conditions
- Most activity occurred in the inner city suburbs he reported.

## Market

### Measures:

#### Price Growth over first 8 Months of 2009:-

##### Melbourne:

Houses: 11.3%  
Units: 12.6%

##### Sydney:

Houses: 8.8%  
Units: 8.1%

##### Brisbane:

Houses: 5.4%  
Units: 4.0%

##### Perth:

Houses: 3.7%  
Units: 5.9%

##### Canberra

Houses: 6.1%  
Units: 9.1%

Source: PR Data / Rismark

# Empower Wealth becomes PIPA Member

Empower Wealth has joined the Peak industry body—Property Investment Professionals of Australia (PIPA).

“As property investing comes back into vogue for the masses, we needed to position ourselves as a business that prides itself on professionalism, given we are in an industry that is full of operators making quick bucks and big commissions from unsuspecting investors” said Ben Kingsley, the founder of Empower Wealth.

PIPA is a not for profit industry association which has been developed to support and educate property investing professionals.

They also aim to protect consumers by providing standards and a code of conduct by which property professionals can operate.

The code fosters best practice by raising standards and facilitating professional development and market integrity. The PIPA will continue to monitor the Property Investment Industry, ensure our members are committed to disclosure, education and honest practice and seek to bring education and information to consumers and property professionals alike.

To ensure a high standard is maintained this Code of Conduct (the

Code) has been developed for all persons acting on behalf of PIPA, including

**PIPA is a not for profit industry association which has been developed to support and educate property investing professionals.**

but not limited to Board Members, Regional Councils and Committees, Employees, Consultants and Contractors.

The purpose of the Code is to provide a framework for applying the five core values underpinning PIPA's commitment to excellence:

- Professional Development
- Leadership
- Disclosure
- Respect
- Integrity

While there is no current regulation in place to provide standards for property investment advisers, anyone who offers advice in this area should be educated to a suitable level.

All full PIPA members must have, the qualification of Qualified Property Investment Adviser (QPIA®) which is available by completing the PIPA Accreditation Program offered through

our education partners Deakin Prime.

This course has undergone intense scrutiny and ongoing development to ensure its relevance in the workplace and to provide a high standard of best practice for all of our members.

Property Investors can go a long way toward self protection by ensuring that anyone who assists them with property investing has undertaken the course and is a member of PIPA.

“We are passionate about building wealth for our clients through residential property, and our clients are successful then we will benefit as a business from their success.

Just last week I got another email from a property ‘promoter’ and it read like this ....Tremendous Investment Opportunities for Your Clients: And of course a healthy commission for you!

Empower Wealth is keen to ensure our clients are aware of our new membership and also in the fact that we don't receive commission or kick backs from any third party. Our incentive to be in business is your wealth not ours, that why as the founder of Empower Wealth I completed my QPIA accreditation over the past couple of years.”

**Empower**  
**WEALTH**  
A WEALTH OF KNOWLEDGE

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Mortgage Broking Services  
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Property Acquisition Education

**Quote of the Month:**

“Properties that present well in terms of natural light and freshness will always rent well”

Simone Bullen  
Founder Simone Bullen Real Estate

**Upcoming Educational Workshops:**

**eSearch Superior Property**  
**Wednesday 18th November**

**Money, Investing and Finance**  
**Wednesday 25th November**

**A B C of Property Investing**  
**Wednesday 2nd December**

For more information and to Book—Visit:

[www.empowerwealth.com.au](http://www.empowerwealth.com.au)