

## Property buyers value lifestyle over value-growth prospects

Location, price and security are generally the "big three" for homebuyers, and that will no doubt continue to be the case, but the definition of what makes a great location appears to be changing, says Shaun Rademeyer of BetterLife Home Loans.

"The focus used to be on potential investment returns, and buyers would scramble to buy in areas which had proved themselves to deliver above-average property value growth, or where prices had continued to rise even when the economy was not doing so well.

"Now, however, lifestyle factors are coming to the fore. Buyers will, for example, target a certain school they wish their children to attend and then buy a home close to that school. Or they will choose to buy in an area close to work so they don't have to spend hours commuting, or perhaps in an area that is close to the beach or has a lively nightlife and so offers them great leisure facilities," he notes.

"In short, the way they envisage actually living in their new home and community has in many instances become more important to them than the returns they stand to make when they sell that property.

"And this is of great relevance to home sellers and their agents because it presents an opportunity to target buyers based on their interests and preferences."

Rademeyer says the shift in priorities may well have something to do with the fact that first-time buyers are currently much older, on average, than their parents were when they bought their first homes, and so do not expect - or want - to move as often as their parents did.

"Many first-time buyers now are already in their mid-30s, and in many instances they are buying a 'forever' home in which they intend to raise their family and bequeath or sell to their children when they retire. So it's no surprise that they are looking for locations they feel will offer them all the facilities they need in the long-term, as well as a community they can relate to."

What is more, SA is not the only country where this is happening, he says. A recent survey by Better Homes & Gardens and the Meredith Corporation in the US, for example, showed that the level of purchase satisfaction for home owners depends significantly on the surrounding community and lifestyle priorities including:

- Ease of commuting by car - 38%
- Access to health and safety services - 34%
- Family-friendly neighbourhood - 33%
- Proximity to shopping centres - 32%
- Access to cultural activities - 21%
- Public transportation access - 19%
- Nightlife and restaurant access - 18%
- Golf-friendly area or easy access to golf courses - 6%

"And from the point of view of home sellers, it helps to know that the above priorities can influence buyers so that they and their agents can make the most of those that apply to their properties when compiling their advertisements."

Rademeyer says sellers usually focus on the specific details and features of their homes, and forget to paint a bigger picture for prospective buyers.

"But factors like easy freeway access, great local schools, friendly neighbours, a local nature reserve, a beach nearby or lots of trendy shops and restaurants within walking distance of home can make all the difference now to whether a buyer chooses your home over a similar property in another area."

BetterBond Press Release.