



WELCOME TO OUR

Monthly Newsletter



Thank you for being a part of our community!

Another month down, and the Aussie property market keeps us on our toes! While regional areas hit new record highs, Sydney cooled off for the fourth month in a row. Plus, with the RBA's recent rate cut, we could see more buyers jumping back in, and with greater borrowing power moving forward.

On our end, it's been a active month! We've been on the move, traveling to Melbourne, and meeting with some fantastic professionals in this space!

Plenty happening, and we're here to help you make the most of it!

In this newsletter you will find:



News and market insights from the last month, a wonderful story from some of our clients and another edition of 'Connect Corner'.

NEWS

UPDATE



- **First interest rate cut in four years** - Following February's RBA meeting, the cash rate has been cut to 4.10%, a 25 basis point cut. This will likely lead to an increase in buyer's borrowing capacity and buyer activity. (source: ABC)
- **HECS considerations for borrowing** - APRA has begun consulting on proposed changes which would see banks be able to exclude HECS-HELP debt when undergoing serviceability assessments. (source: APRA)
- **Homebuyers borrowing increasing** - New ABS data shows that the average loan size for owner-occupiers has reached a new high of \$666,000. Investor loans also reached a new record high of \$674,000. (source: Hotspotting)

Market Insights



- **Increased options for buyers** - According to SQM research, national listings were up 4.5% for the month of January, and 10.3% higher than this time last year. (source: SQM)
- **Shift in price growth pecking order** - Perth is no longer the top growth location in the nation, with Adelaide (1.7%) and Darwin (0.6%) leading for the month of January, with Perth/Brisbane (0.3%) coming in third. (CoreLogic)
- **Vacancy rates continue to tighten** - After a busy rental month, the national vacancy rate fell 0.5% to just 1%, however the average weekly rent remained stable, sitting at \$718. (source: SQM)

Feel Good Investor Story

In October 2023, we helped J & C secure this beautiful 4 bed, 2 bath investment property on 725sqm in regional Queensland, confident in its potential for growth. They've recently got in touch less than two years later with some amazing news! Due to the incredible appreciation of their investment property, they're now in a position to sell and take the next big step—purchasing their very own home.

These are the stories that make us love what we do. It's not just about buying property; it's about helping people make decisions that positively impact their lives, and their future. Seeing J & C's investment journey unfold and to help them be able to buy their dream home sooner, is why we're so passionate about our work. We couldn't be happier for them and can't wait to see them settle into this exciting new chapter!



PURCHASED OCTOBER 2023 ~ \$370,000

SALE APPRAISAL ~ \$500,000-\$550,000



Connect Corner

Providing valuable education from other industry professionals each month, helping you make informed investment decisions and stay ahead in the market.

For this month's Connect Corner, we've leant on the expertise of **Cara Julian** of **Brava Financial**.



1. A bit about yourself, your business, where you're based & who do you help?

Hi, I'm Cara Julian, founder of Brava Finance, a mortgage brokerage based in Bayside, Melbourne. I specialise in helping single women—whether they're buying their first home, purchasing post-divorce, or refinancing, to help secure their financial future. Many women I work with feel overwhelmed by the mortgage process, so I focus on simplifying finance, increasing financial confidence, and making sure they get the right loan advice. At Brava Finance, we don't just secure loans—we educate, support, and advocate for women to take control of their financial future.

2. What are some ways buyers can improve their borrowing capacity without necessarily increasing their income?

Increasing your borrowing power isn't just about earning more—it's about being strategic with your finances. Here are a few ways buyers can improve their capacity:

- Reduce your existing debts – Lenders look at your overall financial commitments, so paying down personal loans, credit cards, or HECS/HELP debt can free up borrowing power.
- Minimise credit card limits – Even if you don't use your full credit limit, lenders assess your total available credit as a potential liability. Reducing unused limits can improve your position.
- Refine your spending habits – Lenders assess your discretionary spending. Reducing unnecessary expenses (e.g. subscriptions, takeaway, impulse buys) in the three to six months before applying can make a big difference.
- Consider different lenders – Not all lenders calculate borrowing capacity the same way. Some assess living expenses differently or use higher or lower interest rate buffers.
- Increase your deposit – A larger deposit reduces the loan amount needed, making you a more attractive borrower and possibly avoiding Lender's Mortgage Insurance (LMI).
- Look into offset accounts & loan structures – The right loan structure can make a difference, and pairing an offset account with your loan can also help manage repayments.



Connect Corner

3. For those looking to refinance, what are the main benefits of refinancing, and when is the right time to consider it?

Refinancing isn't just about getting a more competitive rate—it's about making sure your loan still works for you. The main benefits of refinancing include:

- Lowering your interest rate – A small rate reduction can reduce the amount of interest you pay over the life of the loan, which may help you to pay your loan off more quickly.
- Reducing monthly repayments – Freeing up cash flow can help manage rising costs of living.
- Consolidating debt – Rolling high-interest debts (like credit cards or personal loans) into your mortgage can lower overall repayments and make debt more manageable.
- Unlocking equity – Homeowners can use their property equity to invest, renovate, or fund major expenses.
- Getting more favourable loan features – Switching to a loan with an offset account, redraw facility, or flexible repayment options has many benefits including reducing the amount of interest paid over the life of the loan and improving financial control.

4. What motivated you to write your book *Why You Should Date Your Bank, Not Marry Them* and what's the most surprising thing you learned?

I wrote *Why You Should Date Your Bank, Not Marry Them* after going through my own financial wake-up call post-divorce. I realised how little financial education many women receive, especially when it comes to mortgages. My goal was to create a fun, easy-to-understand 'survival guide' resource that helps women improve their financial knowledge & confidence & take control of their financial future.

Most surprising thing I learned? The biggest lesson? The power of financial confidence. Once women start asking questions and understanding their options, they make much stronger financial decisions.

If you'd like to know more, you can get in touch with Cara at hello@bravafinance.com.au or via their website bravafinance.com.au

And for a free e-copy of Cara's book, visit <https://bravafinance.com.au/why-you-should-date-your-bank-mortgage-book/>



CONNECT

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