

FIRST-HOME BUYERS SPECIAL Susan Wellings

Grab yourself a bargain

There are good buys to be found if you are prepared to do your homework and ask for help.

WHAT IT COSTS

A \$250,000 mortgage over 30 years at 7.59 per cent interest costs \$882 a fortnight.

A \$350,000 mortgage costs \$1234

A \$450,000 mortgage costs \$1587

A \$550,000 mortgage costs \$1939.

Source: Virgin Home Loans

Longing to be a first-time home buyer but despairing of ever being able to afford your own apartment? Worried about high interest rates, the credit squeeze, a lack of product on the market and high prices?

Don't give up. Despite rents continuing to soar and the median price of a Sydney apartment sitting at \$390,000, it still is possible to snaffle a bargain.

All it takes is determination, homework and a little help from the professionals.

WHERE TO BUY?

There are still seven Sydney suburbs where you can buy an apartment for less than \$200,000, says Mathew Tiller, the NSW research analyst with PRDnationwide. The cheapest are Warwick Farm at a median price of \$160,000, Cabramatta at \$175,000, and Lakemba at \$178,000 (see table, left).

"It's definitely a good time to buy at the moment and these are among the best-priced places for the first-time unit buyer," he says. "These are very affordable."

If you have a little more cash available, you could live closer to the city, says Tim Lawless, RP Data's research director. Within a five- to six-kilometre radius of the inner city, there are 11 suburbs where median unit prices are less than \$400,000. The least expensive is Greenwich, where the median unit price is \$335,500. Others include Darlington, Newtown, Ultimo, Chippendale, Enmore, Stanmore, Potts Point, Alexandria and Redfern.

"It's wise to buy on the basis of location rather than on the quality of the product," Lawless says. "For a first-home buyer especially, it's always good to buy near a transport hub because then you don't have to rely on your own vehicle and have the expense of parking and fuel."

Desiree Hough, sales executive with Ray White Lane Cove, says Greenwich offers more than cheap prices. "It has fabulous infrastructure, with access to rail, ferries and buses. Generally, first-home buyers are priced out of the Neutral Bay-Cremorne markets and find Greenwich, with its



49/20 Fitzgerald Street, Newtown **\$335,000**

One-bedroom 50 sq m unit on second floor of a low-rise 2000 building. Built-ins, balcony, dishwasher, dryer. Leased at \$330 a week. Strata levy \$556pq. Inspect by appointment. Century 21 Marrickville 0418602626



4/11 Greenwich Road, Greenwich **About \$550,000**

Elevated ground-floor three-bedroom flat. Wraparound balcony, car space. Walk to Royal North Shore Hospital and St Leonards station. Strata levy \$680pq. Inspect Sat, 10.45-11.15am. Ray White Lane Cove 0404 860 898

community feel and village atmosphere, a fabulous option."

One first-time unit buyer who found that to be true was Rebecca Cargill, 29, who bought a three-bedroom apartment there two years ago. "It's just so central," says Cargill, a project manager with a pharmaceutical company. "We looked around for seven months before we settled on this area and found it very good value."

HOW TO BUY?

Buying with friends or with members of the family is becoming much more common, says Justin Doobov, managing director of mortgage brokers Intelligent Finance.

It means you can buy a nicer place, for less of an outlay. Being able to use mum and dad's property as security is also handy.

"But you need to start saving six months before you apply for a mortgage, so you'll be able to show you have the discipline to save, which will affect your mortgage insurance," he says.

THE CHEAPEST SUBURBS*

Warwick Farm	160,000
Cabramatta	175,000
Lakemba	178,000
Canley Vale	187,500
Fairfield	192,500
Campbelltown	193,750
Macquarie Fields	196,500
Wiley Park	203,000
Liverpool	208,500
Punchbowl	209,500

*March 2008 median unit prices from PRDnationwide Research