



Talking Real Estate with Steve Slicker

Hi Folks, this week I would like to discuss the plight of first time buyers and ask “Is it really so hard for them?” Open a newspaper or turn on a radio these days and you will find media commentators talking about how expensive property has become and how hard it is for young people to buy their first home. Is this much-discussed phenomenon just another urban myth?

While many young people complain that once they've paid rent, car payments, phone bill, credit card and so on there never seems to be much left out of the pay packet for saving for a deposit, there are a few that realise that they have chosen lifestyle options that benefit them in the present rather than making sacrifices for the sake of security in the future.

Holidays, credits cards, designer clothes and flash electronic gear may be fun but they don't put money in the bank for saving home deposits, or leave spare income for paying off a mortgage.

Credit cards need to be approached with caution. They are useful for people who re-pay them on time but for many people they are a disaster because of the penalties for not paying on the due date. It's not hard to work out that if you need credit to cover your expenses one month, you will be even further behind the eight ball when another sixteen percent is taken out simply for the dubious privilege of getting into debt.

Saving requires planning and self-discipline – an ability to defer gratification on the basis that sacrifices now will mean financial security and flexibility later in life. Of course it is not easy for first home buyers, and some property is simply out of reach but the reasons for this lie not simply in the cost of the property: they also lie in the budgeting choices individuals make in their everyday life. There are those who decry the cost of real estate and criticise the lifestyle of Baby Boomers who seem to 'have it all'. But perhaps they should compare their own lifestyles with those of the Baby Boomers when they were young and starting out. Would the old-fashioned thrift and deferred gratification that many Baby Boomers (and *their* parents for that matter) practised seem too uncool and too much like hard work when there is so much fun stuff out there available to have right now?

If you have any questions or enquiries regarding property or wish to know the value of your home, please contact me on the numbers below.

Best wishes,

Steve Slicker

“People not Property”

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