



Ken Premtic

BUYER'S ADVOCATE

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Ken has been in the property industry for close to 5 years, assisting many of Secret Agent's local and interstate clients to purchase around the inner city.

Ken has **saved his clients on average 6.14% off their budget**. His portfolio includes both residential and commercial property, through pre-auction negotiations and auction bidding. Read more about his featured purchases below.

Ken's strengths lie in property selection, cash flow analysis, feasibility studies, planning and development. Through his established relationships with local agents, he is always up to date with the pre-market and off-market properties.

HAPPY CLIENTS

"I recently acquired the services of Ken Premtic and the Secret Agent team to buy my new home. From the outset my requirements and wishlist were thoughtfully considered and I was guided through the process over a six month period. During this time, Ken provided excellent guidance and advice regarding the feasibility of some properties/areas and I ultimately secured a property with the confidence that comes from getting expert help – especially for such a major purchase. Ken's knowledge of market values, potential capital growth and general liveability was evident throughout the process. He was responsive, insightful and a pleasure to work with. I have recommended his services to several friends currently in the market and would definitely engage Ken and the team again."

Chris

"I think Ken has a bright future in the industry. I base this judgement on his excellent communication skills, great attention to detail and negotiation skills. I have no doubt that without his perseverance and tireless efforts to firstly secure the property at the price that was within our comfort zone and secondly to come to the rescue with calmly dealing with last minute dramas with settlement, I would be totally lost. I cannot thank him enough for being a thorough professional and staying in touch with me all the way to guide me through a process which is not very friendly.

Hope to do it again in the near future, it's been great fun."

Shez

FEATURED PURCHASES



32 Bruce St, Coburg

\$1,180,000

Purchased for an upsizing family after it passed in at auction, with a reserve price of \$1.2m. Comparable homes in the area sold for \$1.3m.



67 Rose St, Brunswick

\$985,000

Purchased for a young family after it passed in at auction, due to few similar properties auctioned at the same time in Brunswick.



46 Brighton St, Flemington

\$1,650,000

Purchased for an interstate home buyer at auction against 5 other parties. This house is in a sought-after, tree-lined street in Flemington.





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FEATURED PURCHASES



10/79 Oxford St, Collingwood

\$1,260,000 - Purchased at auction

Client: Overseas entrepreneur with a budget of \$1,500,000.

Brief: An investment property with solid future capital growth and a strong cash flow.

Strategy: Ken identified this unique warehouse apartment in the Oxford Street precinct in Collingwood. Due to its location in a Mixed Use Zone, it presented the opportunity to lease out the property commercially and install a professional tenant inside.



17/248 The Avenue, Parkville

\$750,000 - Purchased prior to auction

Client: Interstate downsizer with a budget of \$1,500,000.

Brief: An inner city home to divide her time between Perth and Melbourne, in a well maintained building with no stairs.

Strategy: Ken advised the client to expand her initial search criteria beyond the CBD, due to the negative impacts on noise and quality of views caused by the upcoming supply of city apartments. A suitable pre-market apartment was identified in a well run 70s block that was predominantly owner-occupied. Due diligence revealed value below \$780k, and that if the property were to go to auction, it risked the possibility of selling above \$800k. An apartment on the lower level of the same building, with no views of the park, sold one year earlier for the same amount. The true 'wow' factor of the property was its unobstructed views to the park, which appealed to our client. Ken submitted an offer prior to auction for \$750,000 with a two week settlement date, and successfully secured the property through this single, best offer.



47 Hudsons Rd, Spotswood

\$1,080,000 - Purchased at auction

Client: First-time developer with a budget of \$1,150,000.

Brief: A development site in the inner North or inner West.

Strategy: It was important to minimise risk and look for a site where four townhouses could be developed, as it was his first project. This site was identified in an emerging market in Spotswood, close to nearby amenities. After engaging various consultants and architects, and carrying out a conservative feasibility study, Ken decided to proceed with pursuing this property. A settlement date of 120 days was negotiated, providing plenty of time to engage with the council and submit preliminary plans. Ken intends to lodge the plans on settlement date. The anticipated conservative development margin is 22%.



20/63-69 Holden St, Fitzroy North

\$750,000 - Purchased prior to auction

Client: Investor with a budget of \$800,000.

Brief: First investment property.

Strategy: Due diligence revealed a market opinion of \$780k-\$810k. The property struggled to gain interest because the agency overquoted on the property, at \$750k-\$800k. Because interest had dropped, Ken leveraged timing and struck at the right moment to negotiate hard on the property before auction. The property was purchased with a 30 day settlement, and was leased out on settlement day to a retired couple who intend to stay at the property for many years to come.



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FEATURED PURCHASES



9 Rupert St, West Footscray

\$1,060,000 - Purchased prior to auction

Client: Home buyer with a budget of \$1,100,000.

Brief: Spacious family home in the inner West.

Strategy: It was a good opportunity to purchase before the AFL Grand Final as many buyers head away for the long weekend. Ken submitted an offer on one property that was below market value, however this was rejected by the vendor. A second offer was placed on 9 Rupert St and strongly negotiated before auction. The owners were under pressure to sell and needed settlement prior to Christmas, giving the buyer the upper hand during negotiations. Recent comparable homes sold in the \$1.15m region.



12 Livingstone Pde, Preston

\$805,000 - Purchased off-market

Client: Investor with a budget of \$850,000.

Brief: First investment property with high capital growth.

Strategy: This was an off-market property in a gentrifying area of Preston with a lot of upside for growth in the future, close to lifestyle and transport amenities. The owners were nervous about using a real estate agent and decided to sell off-market. It was an opportunistic purchase as the owners were very reasonable with their price due to their savings on costly agent fees. The property was purchased with an established tenant in place.



15 Downes St, Strathmore

\$1,335,000 - Purchased after passing in at auction

Client: Overseas investors/home buyers with a budget of \$1,400,000.

Brief: Home in the PEGS and Strathmore Secondary College school zones, to be leased out initially for a few years.

Strategy: Two properties were shortlisted, one which eventually sold well over the client's budget. For 15 Downes Street, the reserve price was high at \$1,400,000. It was passed in to Ken at auction for \$1,305,000, who was the highest bidder. The owners were determined to sell as they had to part ways. With three other interested parties waiting, and only 5-10 minutes to purchase before the agent would re-open the bidding process, Ken managed to negotiate against the reserve to secure the house. There was overwhelming interest in the property from the rental market as homes like this were rarely put up on for lease, as the majority are owner-occupied. The property is currently leased for \$775 per week to a quality tenant.



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IN THE MEDIA

Mystery buyer pays \$360,000 above server for Collingwood apartment

Herald Sun, Sep 2016

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Herald Sun



10/79 Oxford St, Collingwood, sold for \$360,000 more than the reserve.

VIC

Mystery buyer pays \$360,000 above reserve for Collingwood apartment

SCOTT CARBINES, JORDAN MARSHALL, Property reporters, News Corp Australia Network
September 3, 2016 8:30pm

A SLEEK warehouse conversion in Collingwood's popular Foy & Gibson precinct soared \$360,000 above reserve to underline the strength of character in Melbourne's apartment market.

The two-bedroom top floor loft at 10/79 Oxford St sold for \$1.26 million under the hammer yesterday, as five bidders competed to secure the stylish abode.

Jellis Craig, Fitzroy, agent Michael Amarant said prior to auction that "baby boomer money had come to Collingwood," but downsizers and professionals were unable to top a mystery buyer.

Ken Premtic, of Secret Agent buyers' advocates, easily saw off competition on behalf of his client, an unnamed Melbourne entrepreneur, returning fire with quick bids as the price rose.

"They were prepared to do what it took to get this one," he said.

Mr Premtic said the buyer would live at the property and was drawn to the value of the location and rare appeal, including near 7m high ceilings, original timberwork and clerestory windows.

"It's so hard to put a value on what the roof is worth. That was the X factor for it," he said.

Buyer's agent brief

Property Investor Magazine, Jan 2016

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MAI, REPRODUCED WITH PERMISSION. © COPYRIGHT AUSTRALIAN PROPERTY INVESTOR MAGAZINE - WWW.APMAGAZINE.COM.AU. REPRODUCED WITH PERMISSION. Joseph ■ BUYER'S AGENT BRIEF



KEN PREMATIC
Buyer's Agent

Firstly, we'd want to discuss with Joseph the current state of the market and the conditions to expect over the coming years. Growth over the next few years isn't a sure thing. A slowing Chinese economy, a domestic terms of trade decline, US interest rates increases and a slowing Australian economy are global and domestic issues that produce significant headwinds to capital growth over the short-term. We'd want to drive the point home with Joseph that he needs to think about building wealth with a long-term strategy, instead of just a quick short-term profit.

Joseph's budget is restricted and this will limit the available opportunities to him. We have a tough choice to make; while we want to avoid the oversupplied CBD apartment market, we don't want to purchase too far away from the CBD. Our view is that urbanisation is pushing more and more demographics to live as close to the CBD as possible for work and lifestyle reasons.

The \$65,000 deposit will limit Joseph to a purchase price of just under \$400,000. Stamp duty and other costs will be incurred as part of this purchase and we wouldn't want Joseph to

leverage his position to a risky loan-to-value ratio.

In terms of the brief, we'd focus on the inner urban areas of the inner-west, which is one of the last affordable markets within close distance of the CBD. We'd narrow our search to include only 1960s and '70s apartments because of the structural stability of the buildings and the extra-large internal areas, which help differentiate the units from most of the new construction in the locale.

We're looking for a solid rent return and a longstanding tenant without the churn and burn of short tenancies, which eat into precious margins by having to find new tenants regularly and bearing the associated costs.

Joseph would be wise to settle on a market such as Seddon. Only seven kilometres from the city centre and with a train line close by, this suburb has a great village feel with plenty of shopping

and amenities provided by Seddon Village. Universities are also in the vicinity so Joseph will have a substantial pool of possible tenants and future buyers seeking to either rent or buy the property from him in the near future.

Sometimes it's most valuable to have the more abstract things catered for in the purchase. Good views and lots of natural light are proven to increase tenant retention and bolster future resale. These features, combined with a good internal layout and smaller block size, will help Joseph in his quest for the best property matching his deposit conditions. He should seek a tightly-run building and low owners corporation fees, providing the building is well managed.

Joseph should leverage his carpentry skills. By upgrading a daggy kitchen and bathroom, Joseph can add immediate value and increase rent to improve the

investment. It may be possible to be creative around the accommodation, such as turning a large one-bedroom property into a two-bedroom apartment by being smarter around the use of space.

We'd like to see Joseph be in a position to command \$450 per week in rental income from the investment and settle on a five per cent gross yield with a good long-term tenant in place. Getting tenant selection right will ensure that his hard work isn't undone by loose selection criteria. As always, the tenant should be screened for coverage of the asking rent as well as the ability to service future CPI increases.

If Joseph can get the first property right then he'll put himself in a great position to free up equity for the next purchase. A gradual acquisition process of building the portfolio without "risking the farm" should be the priority for Joseph over the coming decades.

“Good views and lots of natural light are proven to increase tenant retention and bolster future resale.”

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