

Fairlight's Real Estate Agent Since 1997

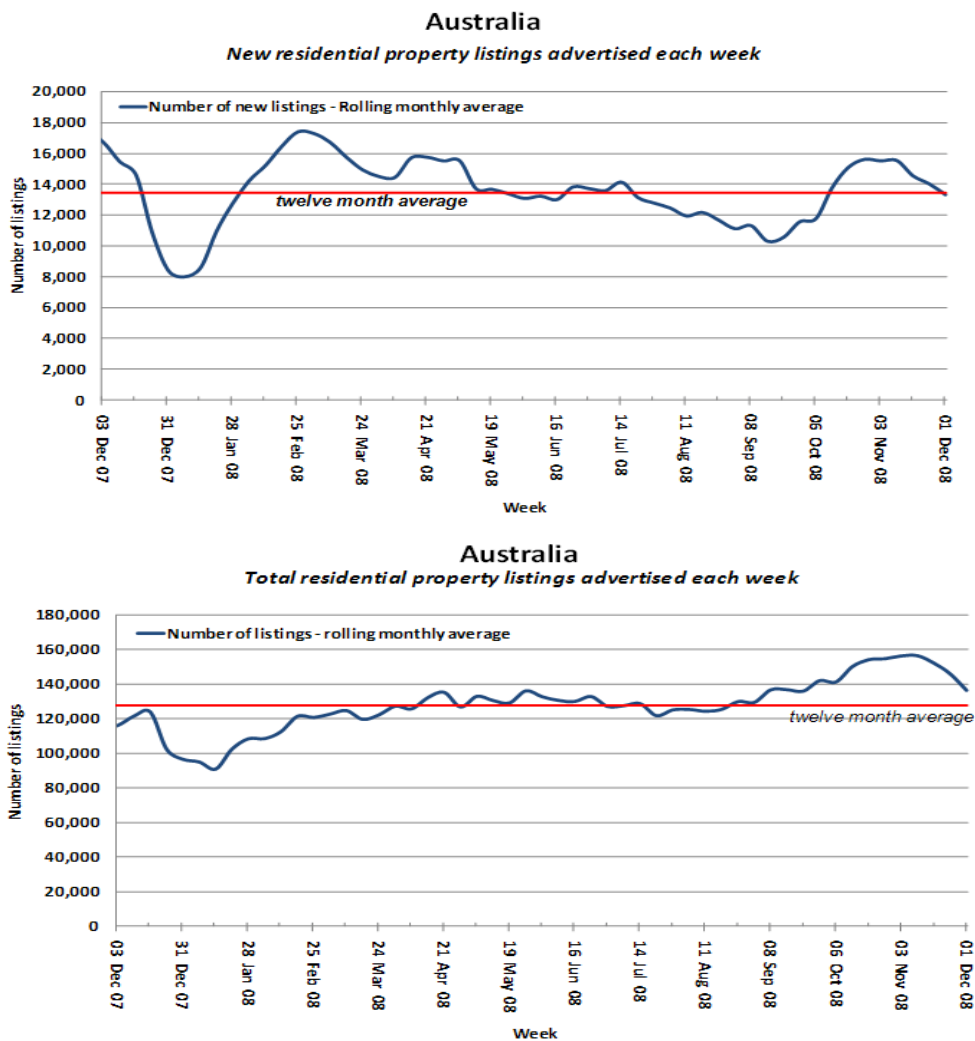
Source RP Data Property Pulse 5 December 2008

TOTAL ADVERTISED LISTINGS:

The number of residential properties being advertised for sale has started the end-of-year slide, with the number of new listings and the total number of listings now both trending down. This is a normal part of the market cycle, where fewer properties are advertised for sale over the Christmas and New Year period. The number of new property advertisements is down 10% nationally over the last month and the total number of properties being advertised is down 5% over the last month.

Buyers are generally less active during the festive season, and considering national sales volumes are already down by around 40% compared to the same time last year, December and January is likely to be a very slow time for the property market.

For buyers who are active, market conditions could not be better: little competition, falling interest rates, improving affordability and a great deal of stock to choose from.



Agent's Comment

This is our final email newsletter for 2008. I trust you have found our newsletters informative and of assist you in keeping up to date with developments in the real estate market.

I know just compiling the newsletter helps me to focus my mind on rapidly changing market conditions.

Here are a few of my thoughts and predictions for 2009:

- ▲ Interest rates can only go so low, so don't expect them to keep falling for ever
- ▲ The impact of interest rate reductions will take between 6 and 12 months to be fully felt in the market; depending on the depth of the crisis it might take longer, so don't wait around for prices to rise in the short term. Hopefully this time next year we might be able to say prices have started to rebound.
- ▲ If it isn't a great time to sell, it is certainly a great time to buy. Looking at the internet there are a number of properties out there, which are just begging to be bought. If you have the cash and can arrange the finance, buy and hold.
- ▲ If you have to sell take heart in the old adage, "Buy and sell in the same market", then it doesn't matter if it is up or down. I might add to this the costs of buying and selling are lower in a down market.
- ▲ The rental market went up when the cost of buying a real estate rose. Now that interest rates are on their way down, rents will start to slow.
- ▲ The top end of the rental market i.e. house above \$1,200 pw and units above \$750 pw will be the first to slid as overseas executives go home and the demand for "executive accommodation" dries up. This will put a ceiling on the market, which will be felt all the way down. Rents may not go down (immediately) but do not expect 10 to 15% pa rent increases in the second half of 2009.
- ▲ The real estate market does not behave the same across all markets, there will be pockets of the market which will perform well whilst others will flounder.
- ▲ My last prediction is that we will all survive the WFC and in time to come, will look back and wonder why we didn't listen to Shane.

Have A Safe and Happy Holiday Season And A Prosperous 2009

Source: www.domain.com.au 13 December 2008

Sydney Auction Results

On the weekend of Saturday, 13 December 2008 the Auction Results for the Sydney market were as follows results were as follows:

	14 December	1 November
Total Auctions	227	241
Sold	145	130
Withdrawn from Auction	47	34
Clearance	53%	47%
Median	\$543,250	\$703,250

Back Issues

If you would to read some of our earlier newsletters, back issues can be found on our website at:

shanespencerealestate.com.au

Please feel welcome to pass on our newsletters to anyone you might feel they would be of interest.

We trust you found this newsletter informative. Our business grows with your referral. If you have friends or relatives who are looking to buy, sell, or lease real estate in the Manly, Fairlight area you may like to forward this newsletter. If you do not wish to receive future newsletters, please let us know by replying to this email and we will happily remove your details from our email list.

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If you have any queries regarding this newsletter, please contact Shane Spence on 0412 226 722.