

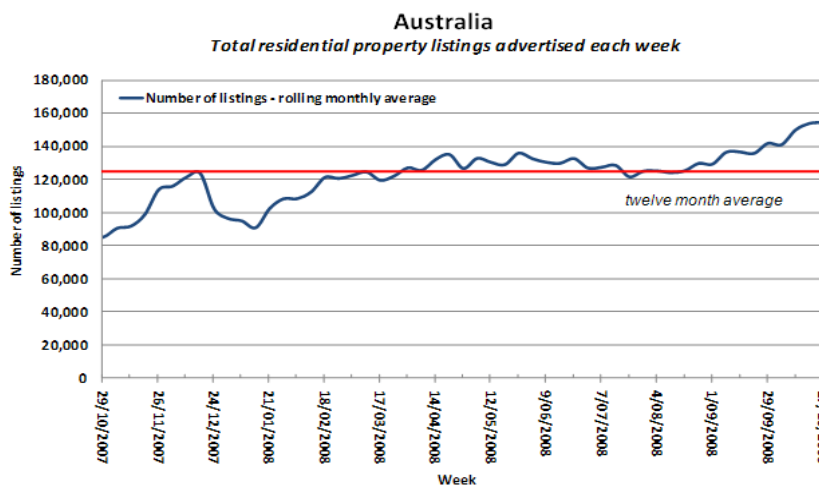
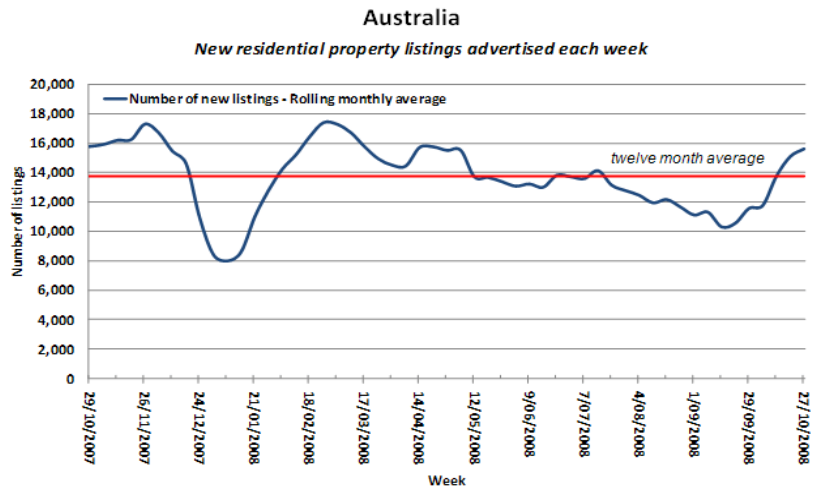
Fairlight's Real Estate Agent Since 1997

Source RP Data Property Pulse 5 November 2008

**Total Advertised Listings:**

The number of new listings advertised across the market nationally during the last week has again increased, cementing the fact that vendor confidence has well and truly improved following six consecutive weeks of new listings increases. Over the last week, 15,610 new properties were advertised for sale, which sees new listings now sit well above the 12 month average.

Evidence of increases in sales volumes are still not apparent however, anecdotal evidence suggests market activity has gathered momentum over recent weeks. Anecdotally, the most noticeable purchaser interest has been found for properties priced below \$500,000 and this lower priced segment of the market remains the most likely to show the first signs of recovery. The total number of properties listed for sale is mounting and this is cause for some caution. Most property professionals will be hoping that over the coming weeks total stock begins to fall, signifying some of the properties, which have been listed for sale have started to sell. A significant increase in market activity remains unlikely until consumer confidence improves markedly, which is not foreseen to occur over the short-term due to continuing volatility in world financial markets.



## Agent's Comment

Over the past two weeks it has become increasingly obvious the local real estate market is heading into rough new waters. The graphs above supplied by RP Data are just another sign the market is now well and truly over supplied.

In October 2007 the 12-month average (the red line on the graph immediately above) was sitting at around 80,000 properties on the market nationally. That line is now above 120,000 and unless the market can quickly clear the latest surge in listings which has been occurring over the past couple of weeks, it will soon move up to over 140,000. As it stand today, nationally we have nearly twice as many properties listed for sale than at this same time last year.

If these graphs are not sufficient evidence, read the Manly Daily this weekend. The editors in their enthusiasm are proclaiming their Real Estate Lift Out is the biggest ever; even bigger than the week before, which had broken all previous records. Far from being cause to celebrate, I heard a collective groan from the industry and all of those vendors who had committed their properties and advertising dollars.

www.domain.com.au is currently recording in the order of 20 new listings or price updates (read price reductions) per week per suburb. This is an almost unheard of level of activity.

It is not surprising the greatest level of sales activity is in the under \$500,000 market. This also corresponds to the threshold level for stamp duty exemption for first home buyers. Above \$500,000 first home buyers can still receive their stamp duty exemptions but the benefits quickly taper out.

Undoubtedly the reduction in interest rates, which has now come down by 2.0%, will eventually take hold of the market and cause buyers to re-enter the market. Historically, however this could take up to 12-months before the full impact is felt in the market place and prices start to rebound. In the meantime, the surge in listings could well dampen prices in the short term resulting in many disappointed vendors who have fired their bullets early. Astute buyers will no doubt be hanging around in the new year looking to pick up the crumbs.

All of this of course does not in the short term address the real crisis in Sydney real estate, which is a total under supply of housing stock. In the mid-term the increased first home buyer grants and interest rate reductions will push prices up, which may encourage developers back into the market. Without new releases of land and complimentary infrastructure however, we will probably just restart another boom bust cycle.

Source: [domain.com.au](#) newsletter 1 September 2008

## Sydney Auction Results

On the weekend of Saturday, 30 August 2008 the Auction Results for the Sydney market were as follows results were as follows:

	11 October	1 November
<b>Total Auctions</b>	<b>248</b>	<b>241</b>
<b>Sold</b>	<b>150</b>	<b>130</b>
<b>Withdrawn from Auction</b>	<b>23</b>	<b>34</b>
<b>Clearance</b>	<b>55%</b>	<b>47%</b>
<b>Median</b>	<b>\$635,000</b>	<b>\$703,250</b>

## Check Out Our New Web Site

I am not a luddite, it has just taken me a long time to get around to it. Having spent so much time thinking about it, planning it, imagining it, tweaking it here and tweaking it there you would expect it to be just about the greatest real estate web site ever launched! Well it ain't too bad even if I do say so myself. Check it out and let me know what you think. Your feedback is always appreciated:

[shanespencerealestate.com.au](http://shanespencerealestate.com.au)

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.

Bower Real Estate Pty Ltd ABN 27 060 889 127  
Trading As Shane Spence Real Estate  
Shop 2 William Street, Fairlight NSW 2094  
shanespence.re@bigpond.com  
www.shanespencerealestate.com.au

9907 9444

0412 226 722

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