

**Fairlight's Real Estate Agent Since 1997**

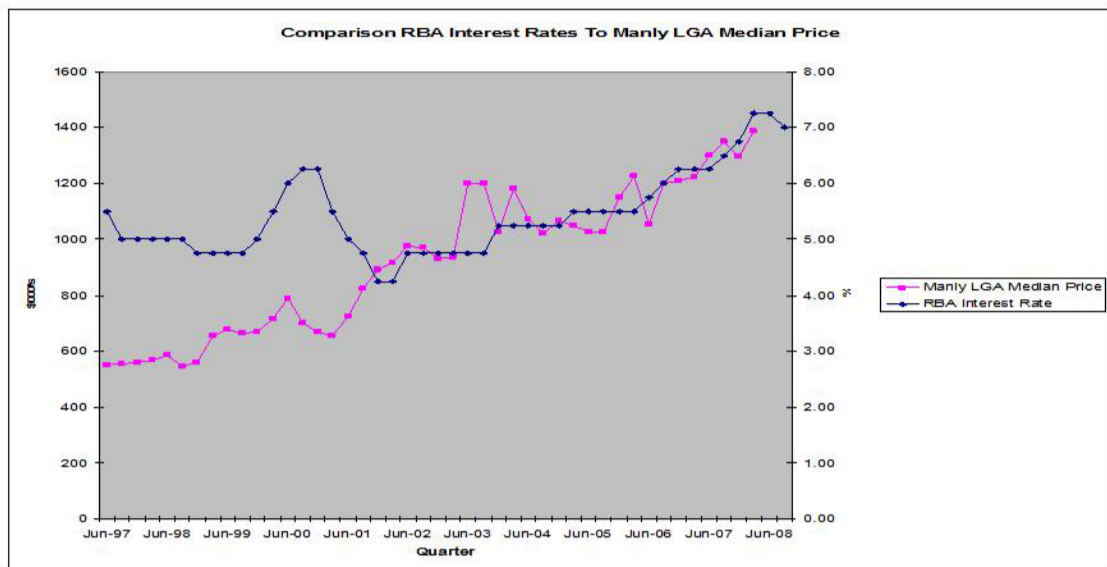
**Interest Rates Fall**

Data source [www.housing.nsw.gov.au](http://www.housing.nsw.gov.au) and [www.rba.gov.au](http://www.rba.gov.au) - compiled by Shane Spence

As you would all be aware, the Reserve Bank of Australia has reduced interest rates by 0.25%; this being the first time interest rates have decreased since December 2001, when interest rates fell to 4.25%. In comparison the most recent cut, reduces interest rates from 7.25% to 7.00%.

At current rates, we are still way above the rates of 2001. At that time, the reduced interest rates resulted in the median price for a property in the Manly LGA surging from \$656,000 in March 2001 to above \$1,000,000 by June 2003. Despite repeated interest rate rises, which have resulted in prices in other parts of Sydney and Australia being hit hard, the local market has continued to grow steadily to the point where we now enjoy a median price of in the order of \$1,350,000.

It will be interesting to see the impact on local prices, if interest rates continue to fall as has been predicted by several pundits in the media.



Source: RP Data Property Pulse 5 September 2008

**Properties Currently Listed For Sale**

The number of new residential listings slumped further last week with new additions to the market now around 17 percent below the 12 month average. The large majority of forced or distressed sales would have been placed on the market or sold by now, with the first interest rate fall in almost seven years providing some respite to those worst affected by mortgage stress. Understandably, vendors are reluctant to sell in the current market conditions and this is reflected in the amount of new stock being listed for sale.

Total stock in the market remains above average, however, as buyers remain inactive. The spring selling season is likely to be a quiet one this year. For those buyers who are financially able, the current market conditions still represent fantastic buying opportunities.

**Show Me The Money**

With very few buyers active in the market, this week RP Data highlights key target markets: those suburbs falling within the top two percent of highest individual incomes throughout the nation.

The median income for an individual Australian aged 15 years and over is \$466 per week. Suburbs that fall within the top two percent recorded a median individual income of at least \$800 per week. There are 201 suburbs around Australia that fit this criteria, ranging from the inner bayside suburbs of Sydney to some of the most remote mining locations in the nation.

On a state by state basis, the large majority of these high worth suburbs are located in New South Wales which accounts for 42% of the most wealthy suburbs. At the other end of the spectrum is Tasmania with only one suburb making the grade (Hobart).

**Top 20 suburbs based on median individual income**

Rank	Suburb	State	Local Gov Area	Median indiv. income (\$/week)
1	Pannawonica	WA	Ashburton	\$1,383
2	Milsons Point	NSW	North Sydney	\$1,311
3	Paraburdoo	WA	Ashburton	\$1,245
4	Barton	ACT	ACT	\$1,245
5	Point Piper	NSW	Woollahra	\$1,203
6	Dampier	WA	Roebourne	\$1,194
7	Marvel Loch	WA	Yilgarn	\$1,190
8	Tom Price	WA	Ashburton	\$1,181
9	Leinster	WA	Leonora	\$1,171
10	Cremorne Point	NSW	North Sydney	\$1,164
11	Darling Point	NSW	Woollahra	\$1,140
12	Birchgrove	NSW	Leichhardt	\$1,138
13	McMahons Point	NSW	North Sydney	\$1,136
14	Naval Base	WA	Kwinana	\$1,136
15	Forrest	ACT	ACT	\$1,131
16	McKinlay	Qld	McKinlay	\$1,122
17	Roxby Downs	SA	Roxby Downs	\$1,116
18	Kingston	ACT	ACT	\$1,116
19	Trunding (Weipa Town)	Qld	Weipa	\$1,108
20	Dawes Point	NSW	Sydney	\$1,096

Source: RP Data, ABS 06 Census

Source [domain.com.au](http://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:

	2 August	30 August
Total Auctions	184	230
Sold	127	129
Withdrawn from Auction	19	24
Clearance	63%	51%
Median	\$580,000	\$597,000

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