

Market Wrap

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The outlook is good; the indicators are good and pointing in the right direction.

When the Commonwealth Bank of Australia moves ahead of the Reserve Bank and announces that it will increase fixed-lending rates to 6.19 %, while its 2 year fixed rate goes up to 6.84% it's a sign that things are on the move. And now in support of things improving the Reserve bank has officially increased its rate by .25%.

Super low interest rates are nice while they last but we should never get used to them. Nor should we want to; they're unnatural and indicative of a sick economy, which can be worse for us than a couple of interest rate hikes.

There are many reasons attributed to our growth as a city, region and state and make no mistake about it, the mining industry has, and will continue, to have a strong influence on our upward values

First Home buyers will now make way for investors. Investor enquiry is picking up with most of the financial lending institutions supporting the real estate industries claims that enquiry is defiantly on the increase. They are coming back, they are keen to buy BUT they are quite ruthless about wanting "good value for money". They have no hesitation in walking away if they can't get what they want for a price they believe is good.

Serious sellers need to price their properties well and present them well. A property really well presented stands a very good chance of a good sale. This is not the time to for sellers to take the attitude "they can take it as it is – they just have to look past the rubbish".

Aspects considered most important are:

Price

Locality – convenience to amenities and transport

Number and/or size of rooms

Features- such as driveway access, garage, backyard, patio

Aesthetic appeal

Locality – prestige

Age and presentation of property

Green/environmental aspects

If you need advice, assistance or an opinion give your real estate representative a call and they will set you straight.

Rents will go Up

The Rental Markets around the state have shown large increases in rents over the last 3 years; however over the last quarter rental rates have peaked and in some cases fallen.

Demand eased as many renters took advantage of the improvement in housing affordability, the first home buyer grant and record levels of population growth.

However, any reprieve for renters is likely to be short-lived. Rental rates will most likely start to increase again. Historically, Albany always sees demand to rentals properties increase as we move into summer and subsequently rents go up.