



August 2015

MARYANNE BIRCH

REAL ESTATE

PROPERTY NEWS

From The Sales Desk – The Way We See It!

The MBRE Sales Team has been running at an increasing pace since the beginning of the year.

It has been distinctly evident in the volume of buyer enquiry, multiple offers on virtually every listing, and new price precedents being struck again and again.

The Brisbane market is definitely on the move. While property news headlines have been dominated by high growth in the Sydney and Melbourne markets, it seems that investors from the south have realised that there is better value in Brisbane and they are buying up solidly. Relationships we have built over the past few years with Buyers Agents from NSW and Victoria have resulted in close to 50% of (sub \$1m) sales through our office being bought from interstate.

While this is probably not great news for first home buyers, it is certainly a long awaited shot in the arm for our property market, once again enjoying some capital growth and great results when selling.

So how do we see the market for the rest of 2015?

It's a great time to sell with excellent buyer demand driving property prices up.

For buyers, while interest rates are so low, it's a great time to upgrade or top up the investment portfolio with bright prospects for growth even in the short to medium term.

While world stock markets are showing adjustment, property investments offer a sound alternative and many are answering that call.

To add to this, while rents have not increased strongly over the past couple of years, they

should be able to sustain reasonable growth now, so the horizon looks bright for us for the coming months.

P.S. – Australian dwellings were valued at \$6 trillion after capital city home values surged 2.8% higher in July (according to the Hedonic Home Value Index).

And we have NO Federal Housing Minister !*@!

Maybe if we did, someone could come up with something more original than abolishing Negative Gearing. It has been mentioned by both sides of the house, but hopefully there's someone down there that can remember what happened when the Hawke Government introduced it for a short time in the 80's before having to hurriedly reinstate it to stop a mass exodus of property investors from the market...

MBRE Property Management Team Smash Vacant Days Statistics

Please see below, a typical Weekly PM Report which gives us a 'snapshot' of our performance in comparison with the general market.

Not too much explanation required. Our commitment to reducing vacant days and our clients costs shows in the numbers. We are

constantly reviewing our performance to ensure that the critical letting and re-letting process is as streamlined as possible.

A combination of our priority booking system for prospective tenants and our dedication to prompt processing of applications is paying dividends in ensuring that good tenants are being secured in record time.

Your Rentals

3rd August - 9th August 2015	New Listings	Leased	Currently For Lease	Avg Days on Market	Avg Days Vacant
Maryanne Birch Real Estate	6	5	26 (y/lev)	25.3	8.0

The Market

Brisbane, QLD	July 2015	Annual Change
Median Weekly Rent - House	\$415	1.2%
Median Weekly Rent - Unit/Apartment	\$380	0.0%
Days on Market (Avg)	29.5	3.0
Days Vacant (Avg)	17.3	

Is Red Wine Better For You Than White?

Short Answer: Yes!

Red wine contains much more resveratrol than white wine, an antioxidant found in the skin of grapes that has been shown to fight off diseases associated with aging.



AUCTION RESULTS

1 Aug – 31 Aug SUMMARY

RESULTS REPORT

TOTAL SOLD 87 (39.7%)

TOTAL PASSED IN 132 (60.3%)

TOTAL NO. 219

AUCTIONS



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Are Brisbane auctions going the way of Sydney?

A weekend auction in Brisbane's Dutton Park points to Queensland's capital pushing past reserves in much the same way Sydney and Melbourne have been doing for some time.

There's been much talk – for at least two years now – of the Queensland market taking over the mantle from Victoria and New South Wales, after those markets reach boiling point. While that point has yet to be reached, it does seem as though they're slowing, and the evidence from the weekend would suggest that the market in Brisbane is extremely hot.

The auction for 50 Deighton Road attracted a large amount of interest, not only because of the site's position just 2.5

kilometres from the CBD, but also the tragic state of the building that still stands (just!) at the address.

The house itself is in such a state of disrepair that it's uninhabitable – indeed, it's structurally unsafe to enter – but that didn't stop it realising \$168,000 over its reserve, fetching an impressive \$668,000.

That surprising price, however, is still considerably less than the suburb's median house price, currently \$757,000. The buyer is said to be an investor with intentions of building a dream home on the plot where the dilapidated 1946 Queenslander currently stands.



According to the agent, who managed the sale, there were 25 registered bidders for the auction, though many more people turned up to view the spectacle.

Source: www.apimagazine.com.au

First-timers Choosing Investment Over Ownership

The number of first home buyers turning to investing is on the rise as they're priced out of buying properties they want to live in.

A recent investor survey by Mortgage Choice revealed 36.6 per cent of investors were first-time buyers – significantly higher than the 21.1 per cent recorded this time last year.

Mortgage Choice chief executive John Flavell said the results weren't surprising given that property prices continue to rise across Australia's capital cities where "most people want to live".

"Australians increasingly want to live close to work and where the action is, [but] with prices rising across most capital cities, purchasing property near or close to the city is becoming increasingly difficult for buyers – especially first home buyers," Mr Flavell said.

"As such, we are seeing an increasing number

of first-time buyers purchasing investment properties before an owner occupied property as this allows them to buy where they can afford and still live where they want to."

A quarter of first-time buyers admitted in the survey that they had purchased an investment property before an owner-occupied property because it was more affordable.

New calculations by comparison site Mozo have revealed that first home buyers across Australia are facing a decade of consistent saving to scrape together the average property deposit.

The typical first home buyer on the average wage will have to save 15 per cent of their after-tax salary every month for more than a decade to save a 20 per cent deposit for average-priced property nationwide.

Mozo director Kirsty Lamont said the average Australian needs to save \$735 every month for

10 years and 8 months to save an average 20 per cent deposit of \$113,000.

"First home buyers are having to face the huge hurdle of bridging the 'deposit gap' to buy a property which could take anywhere between six and 14 years, depending on the city," Ms Lamont said.

"These figures are based on an average dwelling in each city, so saving for the Aussie dream of a quarter-acre block would take even longer."

The results have been calculated based on saving 15 per cent of the average after-tax salary in each state towards a 20 per cent deposit for the average priced property in that city. It is also assumed that the buyer already has \$5,000 saved with a 2.32 per cent interest rate savings account.

Source: Smart Property Investment Newsletter July 15

Property Of The Month!

Woohoo – Just Imagine this as your Backyard!

To be released this week!

Wow - an amazing secret field directly outside your back gate! This tidy 3 bedroom highset, with its polished floors, updated kitchen and easy to live in open plan layout is ready to move into, or it's a great low maintenance rental in a high demand area.

The private yard is fully fenced, and the manicured field at the rear is a huge bonus!! Ideal for that neighbourhood cricket game, or doggy heaven.

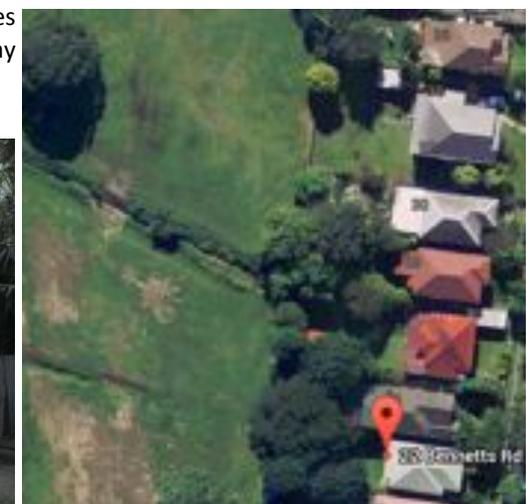
Walk to any number of excellent local cafes, Coorparoo, Carindale and Oxford Street are just a very short drive away, and bus and rail

are an easy walk. With lifestyle conveniences like this at your fingertips, you'd expect to pay more!!!

Call now for further information!



22 Bennetts Road, Camp Hill



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