

2016



January 2016

MARYANNE BIRCH

R E A L E S T A T E

PROPERTY

NEWS

From The Sales Desk...

From the Sales Team, we sincerely wish you all a happy and prosperous New Year and hope all your property dreams for 2016 come true.

After enjoying good steady market demand (with an extra boost from southern state investors) throughout 2015, the last couple of months of 2015 levelled off a little leaving us wondering what to expect in 2016.

If January has been anything to go by we are optimistic that we can run on, with excellent buyer demand across all sectors. We are virtually clearing our stock as it is listed, and have a database of buyers for all categories, from entry level units to executive homes, development sites and commercial stock.

While cries of oversupply are being heard from some sectors, just at present within our area, new stock continues to be taken up steadily, although the level of new stock supply has had some levelling effect on both sale and rental prices.

We proudly settled a luxury 9 unit complex in Hawthorne this month which we sold off the plan during last year, and could have sold more if we had them. Our local precinct of Hawthorne and Bulimba continues to expand its smorgasbord of lifestyle goodies providing a strong attraction from resident owners and tenants alike, and adding to the appeal of not just these suburbs, but those adjacent as well.

The Reserve Bank has continued to leave interest rates on hold which has contributed to ongoing buyer affordability.

We will keep you updated with market happenings throughout the year, including our individual "Sales in your Area" reports which we attach with your statements every 6 months showing general market activity within the actual suburb of your investment property.

If you are considering selling or simply want some market advice we are always happy to help in any way we can. Feel free to contact us anytime on Sales@maryannebirch.com.au

RBA – final interest rate call for the year

The following is an extract from rponline posted in December...

The Reserve Bank of Australia has made its final interest rate decision of the year at its monthly board meeting.

The board confirmed most people's expectations by leaving the official cash rate at a record-low setting of 2 per cent, where it has been since May.

All 33 economists and commentators surveyed by comparison website finder.com.au correctly predicted today's result.

At various times this year, there has been talk that the RBA might either cut rates to stimulate the economy or increase rates to cool the Sydney and

Melbourne property markets.

However, with the economy growing slightly stronger and the nation's two biggest housing markets slowing down, those two concerns appear to have cancelled each other out.

CommSec economist Savanth Sebastian told finder.com.au that the RBA is comfortable with how the economy is evolving and so is in 'wait-and-see' mode.

Domain Group senior economist Andrew Wilson said the RBA wanted to hold off until the next US rate decision, which will occur on 16 December.

After today's decision, speculation will

begin about what the RBA will do at its next board meeting in February.

Most of the 33 survey respondents expect rates to remain on hold again, although five forecast that the board would cut rates.

Market Economics managing director Stephen Koukoulas said rates don't need to be lowered further given that the rate cuts in [February](#) and [May](#) have now helped lift the economy.

"The economy is ending 2015 on a more positive note, and while conditions globally are fragile, the prospects for the Australian economy to register 3 per cent real GDP growth seem strong," he said.



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Great New Year Start For MBRE RENTALS

2016 certainly started out with a bang, with excellent prospective tenant numbers attending most inspections and approximately 20 properties rented.

While this has resulted in a significant take up of our rental listings, there remains a reasonable amount available as new stock is added to the rental pool.

January is seasonally an active month with students securing their digs for the year and transferees settling in for their new postings.

The December Quarter Median Rents have been Released by the RTA with the graph below showing a snapshot of the rental market activity across some of our regular sectors.

No real surprises when viewing the overall year's activity. As you will see, some sectors have shown a reduction, but nothing major, nor have there been any significant gains anywhere.

Where there has been a 'spike', this is easily explained by there being a higher than usual influx of newly developed higher value product into the sector, and any losses have occurred in areas where there has been a lot of new investment properties coming onto the market.

All in all, there has been little change over the year as first home buyers have continued to take advantage of low interest rates.

SAYING OF THE MONTH

CONFORMITY IS THE JAILER OF FREEDOM AND THE ENEMY OF GROWTH

JOHN F KENNEDY

Interest Rates – What are the Experts Saying?

The subject of interest rates is never far from the minds of people in business, and to us in the property sector, interest rate variations have a direct effect on buyer affordability and confidence.

The lower the interest rate, the more a buyer can afford to borrow which helps to drive buyer demand and increase prices.

As a buyer's capacity to repay usually remains constant, when the interest rate increases, this diminishes that amount a buyer can borrow, so the buyer cannot afford to pay as much resulting in prices reducing.

So what is happening with interest rates, and what can we expect in 2016?

MEDIAN RENTS – DECEMBER 2015

Suburb	FLATS				TOWNHOUSE				HOUSES			
	1 Bed		2 Bed		2 Bed		3 Bed		3 Bed		4 Bed	
	14	15	14	15	14	15	14	15	14	15	14	15
Balmoral / Bulimba / Hawthorne	400	370	430	455	495	n/a	585	600	520	510	950	950
Cannon Hill / Norman Park / Morningside	300	265	380	400	420	420	490	490	475	470	690	650
Camp Hill / Carina / Carindale	270	280	380	370	395	390	450	450	440	440	575	590
Coorparoo	280	280	350	355	n/a	n/a	500	475	470	470	720	660
East Brisbane / Kangaroo Point	340	350	460	470	n/a	n/a	630	570	500	500	720	600
Greenslopes / Stones Corner	280	285	350	350	n/a	n/a	485	460	450	450	600	590
Murrarie	n/a	n/a	n/a	n/a	n/a	n/a	520	540	410	420	660	n/a
Woolloongabba / Dutton Park	260	300	450	460	n/a	n/a	n/a	n/a	490	490	650	495
Wynnum	365	370	330	345	330	350	400	400	420	415	520	540

PROPERTY OF THE MONTH! G01/39 Forbes Street, Hawthorne



Retained until completion, this ultra private ground floor residence with its own massive exclusive use courtyard sets the scene for privacy, luxury and the lifestyle unique to exclusive Hawthorne. This boutique complex is coveted for its hilltop position and sleek HAL Architect Design. Secure car parking, elevator access, single level living & quality fit out benchmark its appeal, and the easy stroll to the iconic Hawthorne Garage, Cinema Precinct, Award winning cafes, picturesque Parks and City cat transport are among some of the treats this wonderful location offers. With very reasonable Body Corporate Fees, and an excellent rental yield expected, this is just perfect for your investment portfolio or a fabulous town base for the savvy home occupier.

For further information Call Byron Freeborn on 0416967802



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