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**Property for Landlords with Geoff O'Reilly –
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Last week we conducted a seminar for first home buyers in Mittagong. The good attendance of about 50 was certainly indicative of the substantial market activity being generated at the lower end of the market by these buyers.

Lower interest rates, government assistance and the continuing steady falls in prices have certainly improved housing affordability, so it makes sense for first home buyers to be actively looking.

In the last two years sales volumes and prices in this lower price sector have continued to drop. Supply, measured by the number of houses on the market right now, still represents 9 to 12 months worth of demand (measured by the number of sales in 2008). So, on this data the choices and opportunities still appear to favour buyers.

However the early 2009 picture looks like it might be a little different. It is too early to have firm sales volume and price data, but from our reading of the anecdotal evidence, the supply and demand balance feels more even. For the first time in a long time we have active and finance approved buyers finding they don't have quite the same choice (supply) as last year.

Prima facie that might presage a steadying of the now nearly 5 year trend decline in prices. Owners and vendors will hope so, but on the other hand the economic and employment news continues to be pretty grim ... crystal ball anyone???



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