

## Outback is in front for investors

RP Data's Best of the Best 2009 report showed Tamarama with the highest median rent (\$1850 per week), followed by Clontarf (\$1625) and East Perth (\$1500). The best rental yields were Ultimo (9.1%) and Carlton in Melbourne (8.9%), both with affordable student accommodation (AFR 23-8/12)

## First home sales hit record levels

Victoria is set to distribute more than 50,000 first home grants in 2009, with figures for the end of November at 49,374, 46% above last year and 29% above November 07. The previous record was in 2001 with 46,399. In NSW to November 66,306 grants were distributed, a 67% increase on 2008. While seen as effective the grants had not solved helped with the key dwelling supply issue (AFR 23-8/12)

## Buyers want to be beside the seaside, again

Things are looking up for beachside property, with one Noosa agent reporting \$43.5m of property sales in November and December compared to \$4.3m in August. BIS Shrapnel property forecasters said turnover in the high-end began to pick up strongly in September, in Palm Beach APM report median prices up 30% over the last 12 months (AFR 23-8/12)

## Prestige market is back in the money

A combination of renewed confidence and that prices will be higher in 2010 has brought prestige buyers back to the market, and with close to \$1b of financial market bonuses to be paid out in January this is expected to turbo-charge the market (AFR 23-8/12)

## More first home buyers rely on parents help

Almost 24% of prospective first home buyers would live at home to save money for their first home, compared to 14.6% 12 months ago. Many first home buyers believe that grants had inflated prices which now made it harder for them to get into the market (SMH 26/12)

## Housing tipped to rise 5%?

There are two schools of thought regarding property prices for 2010. BIS Shrapnel and the HIA think that prices will rise between 5-6% next year; as business and consumer confidence, steady employment, strong demand, short supply and small interest rate rises would continue to push prices upwards. However an Associate Professor at the Uni of Western Sydney says low rates and first home buyer's grants had fuelled the price boom in 2009; and that this could not be sustained so that a 5% drop in prices was more likely in 2010 (SMH 26-7/12)

## Cuts in stamp duty on new homes extended

NSW 50% Stamp Duty cuts on new property have been extended till mid 2010. The Federal Government first home buyers grant ends at 31 December, the State Governments first home buyers grant of \$10,000 for new homes and \$7,000 for established homes (for dwelling up to \$500k) remains unchanged (SMH 29/12)

## At last here comes the housing upswing

Commencements this year of 136,000 are well below the 180,000 underlying demand. Developers will only build more stock if they can cover costs and the key is the cost of land which is largely driven by Government. Experts say we need higher density rather than urban sprawls as the latter create isolated communities that require more infrastructure; whereas higher density solutions locates people where the transport and jobs are already (SMH 30/12)

## Why house prices are tipped to slow

Experts predict house prices to rise albeit below the +10% gains of 2009. More than 200,000 first home buyers bought in 2009, with 140,000 the estimate for 2010, so unless the shortfall can be met by investors then prices are expected to taper and rise between 5-7% in 2010. The unknown factor is interest rate increases (AFR 29/12-3/1)

## Sydney house prices surge a record 12%

Sydney's 12% 2009 price rise more than doubled the 5% decline in 2008; but this was eclipsed by Melbourne (17%), Darwin (15%) and Hobart (14%). Perth and Brisbane prices both grew 6%. \$665k was the median Sydney house price in November; units increased 11% over the year to \$435k (SMH 1/1)