

Special feature: Buyers Agent spills the beans on Brisbane

Brisbane - state of play - July 2009

It is simply amazing how quickly the weeks are rolling by; we are over half way through the year and on the down hill run to Christmas. We have had an extremely busy time over the past few months and it does not look like letting up in the near future. So where are all the buyers coming from? Well like everywhere in Australia, there are a lot of first home buyers and this has kept the more affordable entry level sector of the market buoyant, even over inflated as some pundits say.

The Government grant extension has ostensibly been absorbed into the price of property under \$500,000. While this may be the case, we still think that activity will continue in this market post September and December as the grant extension is wound back due to low interest rates and no stamp duty under \$500,000.

The market between \$500,000 and \$800,000 is steady and even increasing in some key locations. This is also the case for some areas of the inner west of Brisbane where housing commands a price tag between \$800,000 and \$1.2 million. These price ranges have recently seen a real drop off in stock levels and this has kept things buoyant with many properties experiencing multiple offers.

Generally speaking, properties that were purchased 12 or 18 months ago above these price ranges are currently selling for less than what they were purchased for, sometimes 10 to 15% below. This top end market segment is definitely a part of the market that is doing it tough at present and we think will continue to do so for some time to come, even with a limited amount of quality property on the market. As mentioned, in certain key locations there is certainly a shortage of quality residential stock in the \$600,000 to \$800,000 price bracket. Those that are listed are either average quality, or were bought a short time ago and cannot achieve what the owner paid for the property in the heat of the market in 2007.

Having said that though, if a property is priced correctly it will sell quickly, attracting good buyer interest from day one on the market. If it is over priced however, there is a tendency to see genuine interest from prospective purchasers in the first few weeks that will dissipate after that. The property will then languish on the market for 8 weeks or more, and if the vendor has to sell they will more than likely take less than what they could have originally achieved in the first place!

Like any market, if you know where to look and do your due diligence and research properly, you will find good opportunities all the time. This applies to properties in every price range, including those at the lower end of the market which is the most competitive at present. If more stock does not list on the market in the next few months it could again be dire straights for many real estate agents who have been screaming for listings over the last few months. One agent I spoke to the other day said that if he could not get more properties to sell in the next month he may as well pack up and go fishing. Sounds good to me...the fishing part that is!

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