

Interest rate drop ... No surprise

2012 will present great opportunities for sellers

WEDNESDAY 7 DECEMBER 2011 - Off the back of yesterday's Reserve Bank of Australia decision to reduce interest rates, David Gray Director of Sales at Mint360 property believes there are more to come. The Eastern suburbs-based independent real estate agent is predicting a further 25 basis point (0.25%) drop in the cash rate for each February and March of 2012 and that 2012 will present great opportunities for New South Wales property vendors. In relation to 2011, Mint360 property commented as follows: "The global economy Australian real estate has been mostly isolated from a massive global downturn. It has only been the top end market that we have seen a major correction. Mint360property believes that the currently economy situation is not a new crisis. It the final clean up of the original GFC," said Mint360property's General Manager Diane Goncalves. "At this stage the banks have not passed this on, due to the costs of borrowing increasing. We believe with public and media pressure we will see this reviewed in the coming weeks." In 2011 the Stamp Duty concession for purchasers for brand new property under \$600,000 really drove the market, in the month of November alone Mint360property's office sold out 95% of two projects, The Kensington (30 apartments) and the Elizabeth (41 Apartments) all the properties sold were under the \$600,000 price range As to next year, David Gray added, "Interest rate drops will help spark buyer interest in early 2012 however we feel the interest rate discussion will not be the only major influence on the real estate market in 2012 "The strongest segment in the market in 2011 and especially for the last three months has been the first home buyer market. With the first home buyer grant ceasing as of the 31st of December 2011, we feel this is going to have a massive effect on the property market in early 2012," Gray said. Mint360property is advising investors and property owners of its expectation that stock levels in the beginning of 2012 will be lower than in past years. It is forecasting that this will be a great opportunity for sellers as they will be competing against less properties for sale and for the astute buyer they believe there will be some great opportunities for purchasers leading up to Christmas with anxious vendors looking for a successful sale before the end of the year.

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About Mint360property:

Mint360property is one of the largest independent property groups in the Eastern Suburbs. It covers property needs from every angle: leasing, commercial, property management, development and financing. It prides itself on staying fresh and forward thinking and being experts at 'making difficult decisions easier' and 'seeing opportunities where others can't'. www.mint360property.com.au

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