



Ray White®

The White Paper

News and Views from a Real Estate Agent
January 2012

What happened to the markets in December?

December - who cares?

Do December figures really matter? How do you adjust holidays and all of that to have confidence in one's expectations?

Surely, you just hang in and do as much business as you can before the silly season starts and everything closes down. Correct?

Actually, December is a pretty important real estate month. Ray White's figures in December were right up with the results from the previous three to four months of \$2.4 billion.

On sales per available selling day, it's a pretty strong selling month. That assumes that there is no activity on Christmas Day! Realistic assumption?

This year, we saw a strong momentum to successfully finalise the sale of properties that were all part of the Spring campaign. We enter January with less 'carry over' of unsold stock. People are making decisions. Particularly those who are relocating to different jobs and locations in 2013. There is a need to get things squared away. This is what happened within Ray White this year, once again.

Results were strong in all the Australian markets. But New Zealand was a knock out where Ray White's figures were 57 percent above the same period just one year earlier! We've talked a lot about New Zealand in recent White Papers. The power of Central Auckland. The important approach and encouragement by New Zealand to international buyers is all part of it, reflected by the lack of capital gains tax, stamp duty and a competitive currency.

Ray White's figures in Sydney were impacted by the strong selling season in Spring resulting in fewer properties available in December. The rest of Australia reported a stronger activity level reflected in attendance at opens and the sheer number of offers that were being negotiated.

Publicity has been given to data which shows that average house prices in Australia have fallen in 2012. It's so dangerous talking averages. We believe the Australian market has definitely firmed for the mid range. By significant, we mean something about five per cent. It's just that the numbers of sales of expensive properties did not increase. Thus, in our view its impact on averages becomes misleading.

This is why Ray White believes personalised advice is so important to new sellers. Taking averages is not necessarily the best way for sellers to judge what their expectations should be.

Also of significance in December was the strengthening investment market. It appears that the long predicted move of people coming back into investment property, as the difference between property yields and interest rates continues to widen, is starting to gather momentum.

Home loan approvals for the month of December were 4 per cent down on last year but the results for the year to date reflect 11 per cent growth for our Loan Market.

What's New at Ray White?

It's all happening on the Gold and Sunshine Coast! Over 250 properties will be auctioned by Ray White on the Gold Coast alone. Big sales are now happening in these resort areas. Mike Willems and Robert Graham, two of our first class operators in Surfers Paradise, sold \$13 million between them in December.

The Gold Coast is strong with the Ray White Surfers Paradise Group leading the attack with "The Event" set to occur on Sunday 27 - Thursday 31 January 2013. Over 130 properties will be offered for sale in the best professional production we believe this industry has seen.

Tied in to the action in 2013 is the escalation of activity for our Projects team. So many projects are being marketed throughout the Ray White Group that a whole new division has been set up to support our specialist Projects operators. A number of announcements reflecting our expansion within Asia will occur.

Five new Ray White offices will open in the next few weeks. We welcome Sam Kelso and Emily Sim who are now ready to open Ray White Balmain. They have been such marvellous resources in Ray White's corporate team. A thrill to see them with the confidence to open their own Ray White office.



Emily Sim and Sam Kelso

Brian White
Joint Chairman
Ray White Group