

# The White Paper

*News and views from a real estate agent*  
**January 2015**

## What happened to the markets in December?

There's no more fitting way to sign off a remarkable real estate year than to have a record-breaking December! The Ray White Group's result of \$3.37billion would be an outstanding month at any other time of the year let alone one dominated by vacation and family time as is our December.

It's one of the great ironies of property. The market can be lacklustre for years with the anguished thought that perhaps we will never experience another vibrant market ever again! Well 2014 certainly filled that hope. At year's end, the question turns to the prospects for 2015. We ask this each year.

Shortly New Zealand will be celebrating the completion of its third year of sustained property activity. Australia is at least one year behind – still short of its second anniversary of market revitalisation. In fact Ray White in New Zealand set an all time record of \$704million last month. We've never set an all time record for any of our markets in December!

So, with all the negativity being expressed in many professional circles, the romance of property in our communities is as strong as it ever has been. One of the features continues to be the extraordinary strength of the inner city suburbs of our major cities. In Australia, the inner areas of Sydney continue at a blistering pace.

It's been a big social shift – the previous generation was all about moving to the suburbs. How quickly that has reversed.

In 2014, a milestone was reached for the mortgage broking industry. Brokers were responsible for 51.5 per cent of all residential loans in the September quarter. The trend toward customers engaging with brokers has been growing consistently over the past 12 months, and shows positive indicators for 2015. In December, Loan Market recorded its highest settled loans in all states bar one, with 15 per cent growth on average results for this financial year. Strength in NSW with continued uplift in performance over the last year.

Chinese investment in rural land is ongoing. Bruce Gunning, principal of Ray White Rural Sydney has secured two large deals in South West Queensland. With a total value of over \$40million, these properties have been purchased by Chinese investors, showing the continuing foreign interest in Australian rural real estate. The properties have had contracts exchanged in late December 2014 and are expected to settle in the first quarter of 2015.

The remarkable activity in our residential markets was matched by the commercial real estate sector. Our commercial business wrote 65 percent more transactions in 2014 than 2015, with investment sales, development site activity, and leasing all contributing.

Our regional markets were a long way behind the capital markets and did not get the traditional flow-on effect from capital city activity – will be interesting to watch whether this happens in 2015.

## What's new at Ray White

The early bird special for our once-in-a-decade group conference ends on 28 February 2015. It's exciting to see that many of our members from Ray White, Loan Market, Concierge, Living Here and White and Partners have bought their tickets. Aptly named Connect, we're bringing together our entire company and it's the most ambitious event in our history. Members need only search 'Connect' on their respective intranets to register.

A Little Ray of Giving proved to be our most successful in 2014 with 250 offices around Australia and New Zealand participating. Throughout the campaign, 15,000 gifts were donated to disadvantaged children.

Arguably the most significant occasion for the Gold Coast property market: The Event. Ray White Surfers Paradise Group host this exclusive property showcase and it's become a permanent fixture on the Gold Coast calendar. Always innovating, this year we see not only a plethora of properties going to auction, the team at Ray White Surfers Paradise are hosting the inaugural Gold Coast Home & Living Expo in the same facility as The Event – a one-stop-shop for all things property!

There's a lot of confidence within the Ray White Group, perhaps the key need for every major property group is being able to constantly attract exciting young talent. It keeps a focus on creativity and energy. Ray White has been blessed with the commitment of a large number of new young principals. What excitement they bring.

Some such stories include Cameron Crouch who has opened Ray White Sherwood, Billy Couldwell at Ray White Green Square Botany and Ray White members, James Price and David Eastway starting our Leichhardt office. In the ACT, Doug O'Mara continues to grow with the opening of Ray White Weston Creek, to be headed up by Karen Coe.



**Brian White**  
Joint Chairman  
Ray White Group



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5 - 8 AUGUST 2015  
GOLD COAST CONVENTION CENTRE  
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