



Ray White Unlimited

Making Sense - March 2014



Sales...

Signs of calm? Signs of continuing hype? Signs of the upper end starting to move? The answer is yes, yes and yes.

As was heavily reported, the largest number of properties (this year) were being Auctioned over the last weekend in March. Initially, this has given buyers a little more choice and therefore has a cooling effect overall. Added to this were a few cases of overly-ambitious sellers not achieving what they hoped and therefore a few more properties passing in. With new properties hitting the market still ahead of Easter and competing with these leftovers, this too will have a calming effect on prices. But it could simply be a slower moment, not a sign of the market flat-lining by any means. There were certainly enough examples of boil-overs to keep fueling the hype and post-Easter, there are traditionally less properties which may see prices surge again.

Now to the upper-end. This has seen little or perhaps only modest gains in these times while the say sub-\$2m market has been really jumping. Finally some signs of life in this arena as well. A house in North Bondi on apx 300 square metres of land achieved a smidge under \$3.8m. A significant result by any measure. A home in Dover Heights, previously unsold, achieved apx \$250,000 more than they hoped for mid-last year. There have been perhaps 1/2 a dozen similar examples in the last 4-6 weeks which has given hope to those who have been holding on and waiting for positive signs. There is every chance that this will evolve into a more reliable wave of solid results come June/July/August this year.

Some recent sales:



Open Invitation

Would you like to get a 'feel' for the market?
Please come along to our next Auction being held on:

Wednesday 2 & 16 April
Commencing at 6:30pm

Venue: Club Rose Bay, Cnr Vickery Ave & New South Head Rd, Rose Bay
"The only quality Eastern Suburbs venue with lift access and easy parking"
For an order of sale 1 day prior, please email lisa@rwunlimited.com.au or call the office

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Investment news...

We have experienced a fairly solid 3 years of rental growth now. In the early stages, the sale market was fairly quiet and so the returns (relative to prices) were on the improve. There was even a point where we saw that old - and in recent years rarified air – of the 5% gross return. Whereby a \$600,000 apartment could expect a \$600per week rental. Not to say that we should give up hope but the recent jump in the sales market has restored a gap and probably anything over 4% is acceptable.

As we reported last month, the most unusual aspect of this however is that the rental and sales market traditionally travel in opposite directions. We are now enjoying a sustained period of both rising in concert and neither showing signs of that changing anytime soon. Bottom line? Well probably just to enjoy it while we can. There can be times that test investment property ownership with higher vacancy levels, drops in rents, high interest rates etc – but for now, happy days. Nudge up the rents every so often with little risk of vacancy, watch your asset grow, leverage further into another property if you are in a position to do so.

We welcome an opportunity of discussing what this market may mean for **you** anytime.

Some recent lettings:



SOLD above the reserve on behalf of our
Management Client!



2/157 Glenayr Ave, Bondi Beach
SOLD for \$740,000 which was \$100,000
above reserve!
Mr M is a VERY happy client

We are pleased to present our...

'INVESTMENT PROPERTY OF THE MONTH'

1 & 2/107 WELLINGTON ST, BONDI BEACH



Buy one or both!

- #1: Generous 4 bdm over 2 lvls, 2 bthms, dble carport, large terrace & balcony for entertainment
- #2: 2 bdm garden apt, generous living, c/space
- Tremendous lifestyle/investment opportunity

View: Sat/Thur 12-12.45

Auction: Wed 16 April

Expected Price Range: \$2,000,000+

Opinion of Market Rent: 4 bedroom \$1,350 - \$1400pw

2 bedroom \$750 - \$775pw = total \$2,100 – \$2,175pw. An excellent return!

Special Features: Terrific overall investment or Home & income opportunity. Ready to rent out as is. Rare offering



Are you considering selling your investment property??

We take great care and employ every resource to ensure that sales on behalf of our management clients achieve the very best in service and price. If you require any advice or assistance in regards to buying or selling, please contact me directly anytime. Confidentiality and experienced advice assured.

Thank you for your continued support and please call me personally anytime if we can be of further assistance in any way.

Yours Faithfully

RAY WHITE UNLIMITED

RON BAUER
Director/Principal

Your Team:

Principal: Ron Bauer

Sales: Monica Shor, Melanie Burns, Karen Davies, Lisa Dwyer, Stephanie Zerial, Hamish McMaster

Property Mgt: David Germane, Amoula Kemeny, Joanne Saffer, Allie Ward, Daisy Stuckey, Rachel Sindler, Belle Howard

Admin: Karen Gosbell, Karen Bauer, Susie Kemeny, Sheila Benjamin, Lisa Henderson

Reception: Tia Tansell

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