

Team Maloney's - Property Update

Issue No 40

Wheel spins again for House buyers

Australia's residential property market is turning upside down: the states that have had stellar growth for the past few years are slowing down, while those that have been laggards are having a resurgence.

If the property cycle were a clock with the top of the market at 12 o'clock and the bottom at 6 o'clock, Perth would now be at 5 o'clock and Darwin at 5:30, according to research by Colliers PRD.

But Melbourne and Brisbane are at 9 o'clock and Adelaide is at 8.

And it's difficult to tell the time in Sydney. Colliers PRD's national research director Tim Lawless believes Sydney has finally started to move up from the depths - although he concedes this is a point of contention; some pundits still treat the nation's largest real-estate market with some uncertainty.

Not only is each major market marching to the beat of its own drum, but within those markets there is disparity between values at the premium end and those at the lower end.

Higher interest rates and affordability have dampened the Perth and Darwin markets, while stronger rental yields and prospects of capital growth have been credited with luring some investors back into the eastern seaboard.

Affordability issues have dogged Sydney's market for the past three years but there is growing confidence house prices have turned after falling by 7 to 8 per cent over that time.

Sydney has the most pronounced "two-speed" market in the country, with seemingly no limit to what buyers are prepared to pay for prestige properties, but high rates of bank foreclosures and mortgagee sales in struggling suburbs.

Colliers PRD's Tim Lawless says the pace of Brisbane house-price growth is picking up, with a booming population driving the market.

Prices in Adelaide, Canberra and Hobart are also in an upward cycle for different reasons.

In Canberra, a combination of strong affordability, population growth, the nation's lowest unemployment rate and a burgeoning prestige unit market have all contributed to prices growing by 15 per cent over the past three years, which should continue at a slightly slower pace over the next few years, according to most forecasters.

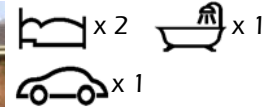
Extract from *The Australian Financial Review*, Wednesday 20 June 2007

New listings

7/42 Dexter Street, Cook

Easy Living

Comprising of open plan living areas, a functional kitchen, private entertaining patio and established garden, a single lock-up garage and a convenient location surrounded by shops, Canberra University and public transport. EER 0

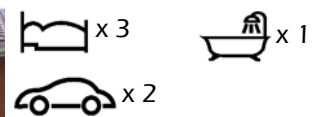


Auction: 11 August 2007
11:00am On Site

16 Gallagher Street, Kambah

The unpolished gem

With a little work this could be the gem of the street. This three bedroom home is conveniently located near shops and major access routes. Nestled in a quiet street, this property is great value for first homebuyers and families. EER 0.5

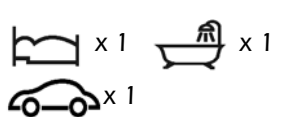


Offers invited:
\$360,000 - \$390,000

21/58 Bennelong Crescent, Macquarie

Investors delight

Take advantage of this fabulous investment opportunity with the security of a tenant in place until 29/04/2008. This beautifully presented one bedroom apartment has recently been renovated featuring a new kitchen and bathroom. EER 3

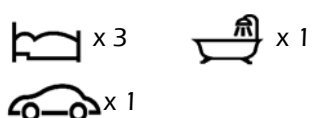


Offers invited:
\$190,000 - \$240,000

21 Duggan Street, Calwell

First family home

Now is your opportunity to acquire a fabulous 3 bedroom brick home in Calwell - ideal for families. Set on a substantial rectangular block, this property comprises spacious living areas and a delightful pergola, perfect for entertaining. EER 0



Offers invited:
\$330,000 - \$390,000

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