

My Humble Update X

Hi All

"This is an article to be published soon - thought you might like to read it."

WHAT THE MARKET HAS BEEN UP TO?

Gold & Tweed Coast Freelance Auctioneer, REIQ Trainer & Industry Consultant Colin Banks of Colin Banks & Associates Pty Ltd has an excellent grasp on the present market. Auctioning for 71 different real estate companies and constantly receiving up to date information from the Office of Fair Trading and the REIQ he is able to give this run down on the past 15 years.

"The market place went through a flat period for most of the 90's with some minor up's & down's then August 2001 saw the beginning of an upward change; that terrible date September 11 happened - all went quiet for a week or so and then the real estate market started to climb, most people thought it would stop at Christmas - it flew pass, come Feb 2002 we probably experienced the most hype in the market with properties selling in less than a day. Agencies experienced a lack of listings (homes on the market) and a major shortage began resulting in climbing prices. Again people predicted it would stop, this time in winter/end of Financial Year and it did slow for a couple of weeks, then on it came again - not as frantic but still climbing in price.

Christmas 2002 came and went and the market continued with same highs and lows but mostly still climbing the price ladder. It slowed again around winter 2003 then August surged again. The Gold & Tweed Coasts seemed immune to Melbourne and Sydney Markets, which started to turn down in Sept/Oct 2003.

Strangely Christmas came and went again with still a solid market place - slowing slightly but still very active yet doom and gloom was being predicted in Sydney and Melbourne. I believe our market had already changed early 2004 but nobody told us. April 2004 came and the media predictions started to tell on our market too and by May 2004 with much negativity in the market place the market swung.

The talk of higher interest rates and record loses slowed people buying until finally over the past 2 years we have experienced an equaling of supply and demand to an over supply of homes in some areas.

Whenever there is a high there is a low or flattening of the market. Towards the end of last year the market was at its lowest, however, this calendar year has started with quite an up turn and agents are again experiencing difficulty obtaining good saleable listings - this is not to say the market will rise rapidly but its all part of a cycle and we are now in a slightly upward trend again.

What agents are experiencing are owners not wanting to sell because they cannot obtain prices from 2 years ago which simply means a lack of good saleable listings - what's going to happen - who has a crystal ball - one things for sure if you want to buy - now's the time; if you want to update to a higher price range in real estate - its closer in price now; or if you simply wish to buy, sell, or invest, you are in a really good solid market. Interest rates have not gone up for 13 months, prices have leveled, sales are happening and in some areas at record prices.

This market is more predictable, things probably won't change quickly, and you do have time to buy or sell without being too anxious about the market place - you are able to think - but don't think too long. Whatever you pay today will go up on value in the next upturn of the cycle - its history repeating itself. In the last cycle real estate virtually doubled in price - can you afford not to be in the market place?"

Thank You Again

Colin Banks

Licensed Auctioneer & Real Estate Agent

N.B. Easter - I am competing in the Nationals for Dragon Boat Paddling held in Victoria over 3 days; 144 racing events; approx 2000 competitors and several thousand spectators. I will let you know how we go - expect GOLD in the Masters Events - Happy Easter.