

The Real Estate Wrap

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Mercury rising, steadily

As consumers, when it comes to selling property, we're told that spring is the season to be jolly. Historically, it's a reputation that's warranted, though from a transactional perspective, it's not as if the power is suddenly turned on. (More on energy policy – and the lack of it - later).

Activity has been gently humming along in recent weeks and the weekend just past was no different.

In Sydney, CoreLogic reports 717 auctions were held in Sydney showing a preliminary clearance rate of 59.1 per cent. This was a noticeable pick up from the week prior, which recorded 572 auctions with a final clearance rate of 51.9%.

Buyers who missed out over the weekend don't just throw in their hand when the seasons change. Demand remains robust for well-presented, well-priced properties and the recent trend of homes selling prior to auction has played out again over the past seven days.

Nevertheless, the mercury is rising, the days are lengthening, vendors are listing and buyer enquiries are firming. Bring on spring.

Canberra watch...if you can believe your eyes

This time last week, Malcolm Turnbull had just stared down the Peter Dutton challenge. A few days later, Scott Morrison was being sworn in as Australia's 30th Prime Minister. When politicians are so pre-occupied with playing politics, it begs the question as to when they find time to focus on their core promise of developing and implementing real policy.

Adding insult to injury, Parliament voted to give itself an early mark amid the turmoil, though we expect Fair Work Australia won't look too hard into this. As a nation, we can only hope ScoMo can deliver a modicum of stability to the Government in the weeks and months ahead so that issues like housing affordability and energy policy can be progressed.

Of course, the spectre of the next Federal election now looms large, which typically brings out more promises – and more politicking - but not necessarily more action. It will be up to the real estate industry at large to impress upon Labor and the Coalition, as well as the minor parties, the importance of the housing market to the national economy and the need to get housing policy right.

Final thought

Next week the Reserve Bank will deliver its September monetary policy update and will most likely decide to leave official interest rates on hold. More and more, the big four banks are showing a willingness to adjust their lending terms outside the guidance of the Reserve Bank, be it in lowering (rarely) or raising (greedily) the rates they offer their customers.

We're often told to shop around. We're equally likely to decide it's too time consuming, too complicated and ultimately, might not be worth the effort.

So start simple. Ten minutes of research and one email. Go online, check your current rate, then check the rate your financial institution advertises to new customers. Notice a discrepancy?

Then, in the words of Pauline Hanson, ask them to "please explain".

