

The White Paper

News and views from a real estate agent
February 2014



What happened to the markets in January?

We had such a fantastic December that we naturally anticipated having a bumper January. But, in the end, we just matched our January budget. Many of our offices reported that they had such a rush of sale completions in December that they just didn't have the stock in January!

Even markets such as the Gold Coast didn't escape from this trend. Such is the perception of an improving market - vendor expectations become enhanced! Now we need more confidence from our buyers to bring sales together!

So, January came in at just over \$2billion, up slightly on January last year.

It's such a good time for ambitious, enthusiastic real estate practitioners to open their own business. We feature our new office in Kensington below. But there are so many more to come.

The maintenance of interest rates at their current levels remains such a positive factor in Australia and New Zealand markets. Let's hope it all remains as balanced as it currently is - as a contrast, Indonesia has seen its rates increase in an attempt to contain an overheated market.

On the Loan Market front, January saw \$1billion in receipted mortgage settlements across Australia and New Zealand, with the Australian network experiencing 28 per cent growth on last year.

What's new at Ray White

I visited our new office in the USA, now up and running in Atlanta. I was really proud of the way our new business has been organised and, in particular, its ability to manage properties for clients in so many different countries. Invariably, properties

have been acquired by Australian and Asian investors of distressed repossessed housing in the Atlanta region.

It is a shock to all of us in our traditional markets to find that you can buy high quality residential homes in a strong city such as Atlanta for prices in the order of \$100,000 - \$110,000 and achieve a net return of 9 per cent. The extent of the repossessions in America is sobering. And it's still happening. We are increasingly now offering a broader array of credible investment products to our clients. It's very exciting.

The White family is ready to open its own offices in Beijing and Singapore. This is becoming a transforming process for our company and already is leading to some dramatic business property transactions. More about that in the next few months.

Ray White will be taking five major projects from across Australia, New Zealand and Indonesia to the 2014 Melbourne Property Expo supported by the Chinese Age and Property Weekly. It will be on the 8-9 March in Melbourne Town Hall and is expected to attract 5,000 visitors including investors from mainland China, Hong Kong and Singapore.

In terms of exciting properties this month, a brand new architect-designed home with a unique copper-clad exterior and its own private beach at 1B Clifton Road, Takapuna, Auckland has recently come onto the market. It's the most luxurious property in the town, according to our Ray White Remuera agency.



In Sydney, we're about to see the release of "Rovello" at 12 Ginahgulla Road in Bellevue

Hill; a 1930s Italian-style home being offered for the first time in 25 years. And in one of the most exclusive real estate locations in Sydney. Its heritage is rich and price expectations are over \$20 million.

We're delighted to announce our new office at Kensington (NSW) has opened with four directors George Faris, Peter Delimitrou, Sam Zouroudis and Peter Fotopoulos, all previously key practitioners within the McGrath group. They've opened with heaps of activity. Altogether, more than a dozen new offices are set to open across our networks this coming month.



This month I met with Roy Saker, Ray White CEO for the Middle East region. Here, there is more evidence of how property markets and cycles happen. From the depths of despair three to four years ago, there are now new projects underway. It is the intention of the Ray White Group to expand upon our three office network in Lebanon.

This month we also announced our partnership with the NSW Waratahs in the Super Rugby competition.



Brian White
Joint Chairman