

MARKET UPDATE – MARCH 2011

The residential real estate market has started with some excellent results. The first two weekends of major auctions (one a 'Super Saturday' with over a 1000 auctions) has seen clearance rates sitting at around 65%. More importantly the \$1 million plus price range has seen clearance rates in the inner South Eastern suburbs in the 75%-80% range. This is a market that is 'hotting up'.

The Reserve Bank held rates at their recent Board meeting. Overall stock levels will increase substantially between now and Easter (late April). This increase in activity will give us a much clearer picture however we do believe that well located, well presented and realistically priced properties will sell, and sell well under competition.

With continued strong population growth, the residential property market will continue to be underpinned, irrespective of future interest rate increases or negative press.