



POSITIVE SIGNS AHEAD FOR INVESTORS

As interest rates in Australia continue to rise, some people have been quick to assume that this will have a negative impact on property investment.

However, the team at Propertyology - a property investment advisory firm that provides research-driven advice to property investors across Australia - has a more positive outlook on the matter.

Their research reveals that the majority of Australian households have never been stronger financially and are coping with the increased interest rates.

According to Propertyology, the rising interest rates have had more of an impact on confidence than on finances. In most locations, the fundamentals of the property market remain incredibly strong, but buyer activity has reduced due to a lack of good quality, logical information. Many people have been quick to jump to conclusions and assume the worst.

However, the data from the Australian Prudential Regulation Authority (APRA) tells a different story. Despite eight consecutive months of interest rate rises, APRA's analysis shows that the home loan sector in Australia is as healthy as it has ever been.

As of the latest data release, the portion of loans with late repayments is sitting near record lows of 1.01%, with only 0.4% of loans being 30-89 days late on repayments. The overall risk profile of the sector has also improved, with fewer loans in the higher loan-to-value ratio (LVR) brackets.

Contrary to the concerns of some, there have been no signs of so-called 'distressed sales' or a significant increase in the number of people being forced to sell their homes due to financial difficulties. The volume of properties freshly listed for sale each month is very much in line with long-running averages.

Simon Pressley, founder of Propertyology, states *"We believe that the community is gradually gathering their composure and regaining their confidence in the property market. While the early rate hikes caused some concern, there are already signs of improved buyer confidence in the new year, despite further interest rate increases.*

"Auction clearance rates are better this year than in the second half of 2022, and buyer volumes are rising. Despite the fears of some, we believe that the upward pressure on asset values will continue to increase as buyer confidence returns. With the current shortage of housing supply in many parts of Australia, those who have already invested in property are likely to be the biggest winners when the market rebounds."

Other positive factors to consider are the strong household balance sheets of millions of Australians, a tight labour market, the strong upward pressure on wages, and the influx of foreigners expected to add to the country's housing demand.

Therefore, while rising interest rates may have caused some short-term uncertainty, the fundamentals of the market remain strong, and there are many positive factors to consider when making investment decisions.

Out & About...



REIQ Women in Real Estate

Our Admin and Sales teams were treated to a lovely networking lunch celebrating International Women's Day and supporting the charity 'Catherine's House'.



RISE Initiative Conference

David our CFO spent 2 days at a Real Estate Leaders' Conference in Sydney. Pictured with MC John Foong from Domain.

DATES

DISBURSEMENTS

Wed 5th April
Wed 12th April
Wed 19th April
Wed 26th April

STATEMENT

Tues 2nd May

OFFICE CLOSURES

Easter

Fri 7th April -
Mon 10th April

Anzac Day

Tues 25th April

Labour Day

Mon 2nd May



REIQ PM Job Ready Course

Laura was invited to facilitate this two-day intensive course. Her sessions covered marketing, Entry Condition Reports, and maximising your online presence.

REIQ PM Conference

Our Property Management Team soaked up important training on Legislation, Cyber Security, and current market trends. Laura hosted an expert panel session covering topics including mould & the current challenges facing our industry.



In the News...



HOUSING MENTOR PROGRAM

Last month, we brought you the exciting news about our innovative pilot program with inCommunity Connect.

The story was picked up by Channel 7 News which aired on 26th March.

Watch the story here - <https://www.facebook.com/watch/?v=185001684297442>