

# Where to next?



The Australian Property market in 2009 was one of the hottest asset classes in the world. Have you missed the boat or will the growth continue? I asked four property buying experts on their exclusive views for 2010.

WORDS: MARK TAYLOR

## ON OUR EXPERT PANEL WE HAVE:

### CHRIS GRAY

CEO of Empire, a consultancy that builds property portfolio's for time-poor professionals. He's also the host of Your Money Your Call on Sky News Business Channel.

### RICH HARVEY

Managing Director of Property Buyer, of multi award winning Buyers Agency.

### SAM SAGGERS

CEO of Positive Real Estate, a leading buyer's agency and Education Company. Sam has personally brokered over 1,500 property deals in his 15-year career.

### ALEX HENDERSON

Director of Prosper Group, the buyer's agent of choice for property investors, home buyers and businesses.

### Chris Gray

"In the last few months I've interviewed all the heads of the top property research firms in Australia (including BIS Shrapnel, RP Data and Rismark International). Their common belief is that if you want long-term high capital growth then you should stick to median priced properties (\$500-750k) in the blue chip suburbs located 2 to 15 kilometres from the major cities. Sydney prices are the closest they've been to the other cities and so it's thought that Sydney might well grow even more to get back to its previous gap."

### Rich Harvey

"I believe that 2010 will see solid performance in the property market in selected locations. With population growth very strong, we're not building enough new properties to satisfy demand. This situation of undersupply will underpin price growth in most capital cities. I'm expecting capital growth of between 7 per cent and 9 per cent in Sydney and slightly lower rates in Melbourne and Brisbane. Vendors are starting to get more confidence, which will see listings rise. Investors will start to come back in larger numbers as rents continue upward, vacancy rates lower and prices edge forward. I'd be investing in quality locations with long-term demand and essential infrastructure, transport, lifestyle appeal in capital cities or large regional/coastal centres with strong employment."

### Sam Saggars

"The residential property market is very buoyant and optimistic for 2010. Many market growth drivers are apparent and one market in particular stands out for sustained and emerging growth. Many key Macro and key indicators such as strong

population growth, supply, demand, and stronger rental returns combined with lower rates compared to mid-2007 means the Australian market will prosper throughout 2010. Given the likelihood of a market cycle recovery and growth prospects my first choice market would be to invest in Sydney – the market has been dormant since November 2003 and has shown early signs of growth from mid 2009. Investors should migrate their money to Sydney."

### Alex Henderson

"The strong performance of the residential property market in Australian capital cities experienced in 2009 is expected to continue throughout 2010. Within the Sydney market, we are experiencing a severe shortage of properties being listed, however no shortage of buyers, this is causing a supply and demand problem or more simply strong competition for well located and presented properties. This strong demand is expected to diminish in outer Sydney suburbs if the RBA continues its run on increasing interest rates, as is expected. However within the 10-kilometre radius of the CBD most buyers have already factored these increases into their calculations resulting in demand to remain strong."



## FAST FACTS

Mark Taylor, our regular property columnist, is Managing Director of 'Keys To Success Club', a must-have resource for anyone serious about property. [www.keystosuccessclub.com/property](http://www.keystosuccessclub.com/property)