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# HOW'S THE MARKET STOCK LEVELS TIGHTEN

The Sydney property market post Easter has experienced lower on market stock levels and lower sales volumes than the trend reflected in Q1 2024.

April was always shaping up as an awkward month for the property market with Easter, then the school holidays, followed by an ANZAC Day Long weekend all converging to make planning and campaign momentum a challenge.

These distractions have been minimised in May, compared with April, providing some clear air for buyers and sellers to transact.

Many agents and vendors anticipated the disruption in April and pushed their listings to market in February and March, causing a temporary spike in stock levels.

April also had notable Geo-Political events and poor finance data, to add to the cautionary tone hovering over consumer sentiment.

Israel and Iran engaged in direct combat, the US passed a mammoth \$60 Billion aid package to continue supporting Ukraine in their war against Russia, inflation continued to be frustratingly resilient, money markets went from pricing in interest rate cuts to pricing in interest rate hikes and Australia's unemployment rate edged up to 3.9%.

As a result, many vendors found themselves negotiating in a finely balanced market. The clear advantage vendors enjoyed last year is more tempered in the lower to middle price sections of the market.

The prestige end of the market is impervious to the interest rate concerns of the broader market. Overall, Corelogic reported Sydney house prices rose 1.3% YTD in 2024 and 9.6% over

the past 12 months. Apartments have risen 1.4% YTD and enjoyed annual growth of 6.2%.

Given the sharp rise in house prices, many commentators expect that apartment prices could outperform in the next 12 months. The differential between house prices and apartment prices is now making apartments compelling value in some markets.

Particularly given the dwelling shortage, excess immigration into Sydney and the lack of new dwelling approvals.

The auction clearance rate has softened from 60%, down to 50% in recent times. This slide in clearance rates at a time of falling stock levels is unusual.

A market undersupplied for sales listings usually causes a more discernible advantage for vendors. Due to the cost of works and the shortage of skilled construction workers, buyers have demonstrated a clear preference toward renovated properties and/or those that don't require immediate works.

The rental market has settled down from its New Year demand surge. Inspection numbers have moderated for the time being, so has the rapid growth in weekly rents.

However, this is seasonal and the rental crisis will become more acute later in 2024 due to immigration numbers and supply constraints.



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**Dino Salvatore**  
*Award Winning Agent & Local Resident*



**7/30 TALARA ROAD  
GYMEA**



**5/29 BANKSIA AVENUE  
CARINGBAH**



**18 FLETCHER AVENUE  
MIRANDA**



**14 KYOGLE PLACE  
GRAYS POINT**



**3/1-9 WARBURTON STREET  
GYMEA**



**384 PRESIDENT AVENUE  
KIRRAWEE**



# HOW WILL AI IMPACT THE PROPERTY MARKET

AI is predicted to change the world, including the way in which the property market operates.

We asked ChatGPT – How will AI impact the property market? The article below is the response delivered by ChatGPT, in only 3 seconds!!

Whether one likes or dislikes AI, the reality is it is here and will continue to become part of our daily lives.

Robots doing the work of humans is about to become the norm in many facets of the property transaction.

The amount of products and services already being delivered by AI, on behalf of agents in the property market, would surprise most people.

We will have more to say on AI at a later time. In the meantime, we will leave it up to ChatGPT to outline the future of AI in the property market...

AI is poised to significantly impact the property market in various ways:

## 1. Data Analysis and Predictive Modelling

AI algorithms can analyse vast amounts of data from various sources like property listings, demographics, economic indicators, and historical sales to provide insights into market trends and predict future property values.

This helps investors, developers, and real estate agents make more informed decisions.

## 2. Property Valuation

AI-powered valuation models can accurately assess the value of properties by considering factors such as location, amenities, market demand, and recent sales data.

This streamlines the valuation process and reduces the reliance on manual appraisals.

This enhances the customer experience and increases the likelihood of matching clients with properties that meet their specific needs.

## 3. Personalised Recommendations

AI can leverage data on individual preferences, budgets, and lifestyle factors to offer personalized property recommendations to buyers and renters.

## 4. Streamlined Property Management

AI-driven tools can automate routine property management tasks such as maintenance scheduling, rent collection, and tenant communication.

This improves efficiency, reduces costs, and frees up time for property managers to focus on more strategic activities.

## 5. Enhanced Marketing and Sales





**Based on an article by Peter O'Malley of Harris Partners Real Estate**

AI algorithms can analyse consumer behaviour and preferences to optimize marketing campaigns and target potential buyers or renters more effectively. This includes personalized advertising, virtual property tours, and chatbots for customer inquiries.

## **6. Risk Assessment and Fraud Detection**

AI can assess the risk associated with property investments by analysing factors such as market volatility, economic indicators, and regulatory changes.

Additionally, AI-powered algorithms can detect anomalies and patterns indicative of fraudulent activities in real estate transactions, helping to mitigate risks for buyers and sellers.

## **7. Urban Planning and Development**

AI can assist urban planners and developers in optimizing land use, infrastructure planning, and urban design. By analysing demographic trends, traffic patterns, and environmental factors, AI can contribute to the creation of more sustainable and liveable cities.

Overall, AI has the potential to revolutionise the property market by improving efficiency, accuracy, and decision making processes across various aspects of real estate transactions and management.

However, it also raises concerns regarding privacy, data security, and the potential for exacerbating inequalities in access to housing.

# why not sell in winter



- less competition
- welcoming warm homes
- record buyer activity