



DECISION TIME: Australian voters head to the polls today.

Election nerves

Federal poll impacts property market

Andrea Lunt

BRISBANE real estate agents are expecting soft property market conditions to improve following the results of today's Federal election.

While the Real Estate Institute of Queensland (REIQ) attributes the quiet environment to interest rate rises earlier this year, local agencies have pointed to Canberra to explain recent caution among buyers and sellers.

Prestige agent and managing director of Premium Residential Mikki Finlay, said some vendors had even delayed listing their properties until after the election.

"Certainly buyers and sellers who have been talking to us have expressed serious concern over the events that have transpired within the government over the past couple of months," Ms Finlay said.

"This has resulted in both buyers and sellers exercising some caution as they want stability from the Federal Government. I am hopeful that after the election more confidence may return to the market."

Bees Nees City Realty managing director Rob Honeycombe said while the past two weeks had seen a lift in

market interest, property listings were still below average.

"It's well and truly under where it needs to be," he said.

"In Highgate Hill there's about 1000 homes and only about 15 for sale at the moment."

Mr Honeycombe said election proposals from both parties to cut international student migration were also causing concerns among investors.

"Talking to property managers and on-site managers in residential towers in the CBD there's no doubt that in the past five years students have made up two thirds of the residents in these buildings," he said.

"And this does flow into South Bank and Spring Hill. There's a concern there that if you take away a big part of the demand, rents have the potential to drop."

Research from Matusik Insights shows there were 52,500 overseas university students in Queensland as of June last year, an increase of 29 per cent on 2008 figures.

According to statistics from Access Economics, for every \$1 international students spend on education they spend \$1.91 elsewhere.

Mr Honeycombe said any significant

cuts to student visas is expected to affect not only local businesses.

Despite hopes of a market upturn post election, director Dan Molly said the market would depend on confidence and rate stability.

"While there is a concern about residential property market conditions during election campaigns, REIQ research found a case with the number of listings to reflect the market during those periods in time.

"For the past three months, REIQ research found a case with the number of listings to reflect the market during those periods in time.

Loan Market chief Dean Rushton with the Reserve Bank rate remaining at 4.75 per cent in May this year, conditions for buyers.

"The RBA is expected to hold the cash rate on hold for a year which will benefit mortgage holders and those applying for a home