

THE LAND

SE EARLY GENERAL NEWS
HD **Buyers biting at the bit for southern grazing properties**
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STUNNING autumn conditions in the State's south have contributed to a bullish **property** market with agents citing boosted inquiries and inspections and buyers are hungry for more.

Property agents across the Southern Tablelands have reported increased confidence from buyers and a good run of sales.

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In many cases they are unable to provide enough properties to meet demand.

Large grazing properties are in demand after with interest coming from local landholders, Sydney **property** hunters, and overseas buyers, most notably the **Chinese**.

Recently a 7519-hectare **property** south of Bungendore, "Foxlow", was **sold** for \$15 million through Ray White Rural Sydney to an Australian buyer a notable **sale** and supported by a good run of other positive sales.

Landmark Harcourts real **estate** agent Col Medway, Yass, recently **sold** local 300ha **property** "Bahloo **Park**" at auction for \$1.75m.

Mr Medway said **property** values were high on larger, **commercial** properties, which came down to a few factors.

"We've had a good run of seasons (in the area) since Christmas 2009, and the lamb and wool markets have been fair to good," Mr Medway said.

"As far as the larger-scale **commercial** grazing operations go, by far the biggest inquiry has to be from the established graziers looking to expand their landholdings."

He said there was a lot of positivity from those in the sheep industry.

There had also been a lot of international demand, and from **China** specifically; this was partly the result of promoting Australian **property** to **Chinese** buyers and building relationships.

Mr Medway believed the market was bullish at the moment, with strong interest expected to continue into spring, but the biggest restraint at the moment was the lack of larger properties, more than 5000 dry sheep equivalent (DSE), to meet demand.

He said many prospective vendors would wait until spring to list their **property**, but given the current season "there was no reason to wait"; and an advantage of listing a **property** in the winter was avoid ing competition from other vendors seen in the spring months.

In other words, the buyers are there now.

"I think the **property** market is very positive there is plenty of inquiry; what we need is more properties to sell."

At Goulburn, Elders **property** agent David Medina said confidence was "certainly up", with strong interest from Sydney buyers.

"Buyer inquiry for the larger properties has been very good; there's been a lot of solid demand," Mr Medina said.

"We've had a couple of terrific neighbour-to-neighbour sales in the past year or so where premium prices have been paid.

"I think there's more confidence on the back of a good autumn and low interest rates."

Mr Medina said during the past six months there had been massive growth in the rural **property** side of the business.

"Based on the back of some excellent sales, people are realising the value of their land is heading in a northerly direction," he said.

"We've seen an upward trend in dollars per acre, and we would expect that to continue.

He said, however, larger parcels of land upward of about 600ha were not coming on to the market as frequently as needed.

Recent positive sales have included \$1.1 million for "Reedy Creek" at Golspie, and \$1.9m for "Old Bolong" at Laggan.

"We are pretty set rolling into winter; it should be a very solid start to the new financial year."

Simon Southwell, Ray White Rural Corporate, said the best autumn break he had seen had fired up a lot of confidence in the market, although the origins of this positivity began, he felt, about 18 months ago.

"When irrigation properties start to move again, that's indicative of a positive trend across the **board**," he said.

"Two years ago we were seeing a lot of properties passed in, with only one or maybe two registered bidders."

That has changed now, he said, with more sales under the hammer and a greater number of registered bidders.

As an example of some of the good interest seen recently, he said Gundagai-district **property** "Snow-ball" heading to auction on June 20, had received more than 30 inquiries and about 23 inspections.

"With interest rates as low as they are, there's a lot of confidence in the market; there's also a lot of local interest too, and a lot of inquiry out of Sydney.

"Overall, I'd like to think there is a lot of confidence in the agriculture sector."

In the State's north, agent John Collier, Collier **Property** Sales, Tamworth, said while confidence had been limited given very little summer rain, and a lot of winter crops not going in, he had noticed increased interest in **property** in the past four to five weeks.

He had noticed, however, more vendors were actively seeking to sell and "meeting the market".

Some solid sales so far this year have included \$4.2m for Goulburn **property** "Kippilaw", while "Bud- dah Lake" at Narromine **sold** for an undisclosed price, thought to be in the vicinity of \$6.5m.

More recently "Heaton Lodge" at Mudgee **sold** for an undisclosed amount, thought to be about \$2m, while nearby "Warrangunyah" at Ilford **sold** for an undisclosed figure thought to be about \$3m.

n See p61 for the Bahloo Poll Hereford stud dispersal preview.

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