

QUESTION2 "Please write down your opinions as a real estate appraisal expert on the trends of the real property market in your country/region. It should be noted that you are basically requested to assume the cities and districts, which are set by our association, in answering the questions."

Category 2: Residential property market

No.	Organization	Nation / Region	City	Area	Main usage	Current market condition	COMMENT	Is it changed the current market condition from the previous term?	What exactly is changed the current market condition from the previous term? If yes, please give details.	Future outlook of market in next 12 months	COMMENT
1	Australian Property Institute	Australia	Sydney, Melbourne, Brisbane, Adelaide, Perth	Metropolitan Areas	Residential Houses and Units	Fair	The residential market has bottomed out in most capital cities after the Reserve Bank reduced the Official Interests rate by 25 basis points twice to the new record low of 1%. Mortgage rates have now reached sub 3%. Bank funding costs in Australia have declined with money market spreads fully reversed the increases that took place last year. Apartment commencements further fell in the March quarter of 2019, and have now fallen by 41% in 12 months, while there has been an increase in starts of detached houses by 3.5%. Australia saw a total of \$486 million in realised gross losses from resales over the March quarter 2019, biggest losses in Sydney 19.9% and Perth 24.3%. Investment properties sold at a loss of 16.7% and owner occupiers 10.5%. Investors, because of taxation rules, were prepared to incur losses as they can offset those losses against future capital gains, unlike owner occupiers. Other cities showed losses in resales: Brisbane 11.5%, Canberra 10.2%, Adelaide 8.4%, Melbourne 6.4%, 20% of resold apartments incurred a loss compared to houses of 9%. The market has now turned with the first price increases seen in Sydney and Melbourne in June since the Federal Election. This was also assisted by interest rate cuts and APRA pulling back on serviceability guidance, giving good prospect to further improvements in the Residential market through 2019 and into 2020. Although volumes of residential sales remain low, clearance rates at auctions have dramatically improved. Sydney auction clearance rates for July 7th, were 69%, Melbourne 68%, Canberra and Brisbane still very slow with 41% and 33% respectively, with Adelaide at 58%. These are great improvements on last year and look like continuing firmly into spring.	Yes	More optimistic outlook with full employment, historically lowest interest rates in history, buoyant economy and new stable government.	Improving	Confidence has returned to the consumers, housing is more affordable with low interest rates, employment is strong and economic future good.
2	Japan Association of Real Estate Appraisers	Japan	Tokyo	Ichibancho	Condominium	Fair	As a whole, sales of newly built condominiums were somewhat sluggish, but demand for development materials remained firm, as evidenced by the trend toward bipolar properties. As major condominium developers continue to sell condominiums in the future, trends in the sale of these condominiums are attracting attention. Given the recent demand for land for development, land prices are expected to be on a moderate increasing trend.	Same as before		Stable	We anticipate the land market value would slightly increase in the near future.
3	Federation of Colleges, Institutes and Societies of Valuation, Mexico	Mexico	Tijuana	Cacho (Madero Sur)	Condominiums	Good	As previously stated the recent boom in condominium and high rise buildings (not more than 30 story high) are being retaking this area of the city, once one or two story high houses on big lots are now converting in vertical condominiums for the upper income residents, considerable incrementing the cost of living in the area, all of this has been backed by a recent increase of immigration from US residents seeking more yield from their income (earning in US dollar and spending in Mexican peso), and high income Mexicans that find in Tijuana an answer for their shopping trips (because of the closeness with California), and their party trips to the wine region of Guadalupe Valley in Ensenada.	Yes	In recent months the immigration has taken a rise, not so in the last term; most of the building started on the last term but it's now when the real estate market is reaping the benefits of this investment opportunity.	Stable	Being not a stable subject the immigration and the market stability in this economy, we can safely say that for the next 12 months, on the most part will maintain the stability of the market value, condominium demand, and immigration.
4	Philippine Association of Realty Appraiser	Philippines	Makati City	CBD	Condominium	Excellent	As in commercial land, market values are at the top of the market	Same as before		Stable	Hopefully the market values will sustain in the next 12 months
5	The Chinese Institute of Land Appraisal	Taiwan	Taipei City	Central Taipei	Retail, Residential and tertiary industry	Good	central Taipei is full aspects of political, economic, culture, art, etc. These features and resources built strong foundation to local Real Estate Market.	Yes	compare with downturn economic growth, Central Taipei Real Estate Market still grow stable.	Stable	Wiyhin 12 Months, The future outlook of Taiwan Market is stable.