

THIS MONTH IN REVIEW

There's a spring in the step of the real estate markets across the country as we head into October. As anticipated, new listings have increased across all capital cities over recent weeks. The largest number of new listings were seen in lockdown capitals Sydney and Melbourne.

CoreLogic reports that we're experiencing the highest level of housing turnover for twelve years. Almost 598,000 house and unit sales were recorded for the year ending August 2021.

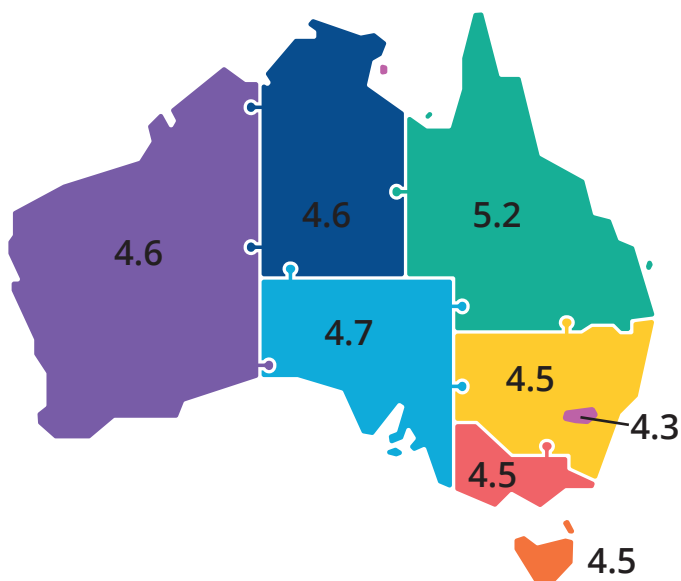
This is the highest number of sales since 2004 and a 42 per cent lift on the annual number of sales over the same period in 2020.

AUCTION CLEARANCE RATE Source: APM PriceFinder

	SEP 4		OCT 2
SYDNEY	86%	▼	84%
MELBOURNE	65%	▲	79%
BRISBANE	73%	▲	85%
ADELAIDE	79%	▲	94%

MONTHLY UNEMPLOYMENT - JULY 2021

Source: ABS (most recent figure at time of publication)



HOUSES

	YRLY GRWTH	YIELD	MEDIAN
SYDNEY	26.0	2.7%	\$1.245M
CANBERRA	25.6	4.0%	\$885K
HOBART	23.9	4.2%	\$632K
DARWIN	21.1	5.0%	\$580K
BRISBANE	20.2	3.8%	\$640K
ADELAIDE	19.7	4.1%	\$541K
MELBOURNE	15.5	2.7%	\$863K
PERTH	-	4.1%	\$540K

The International Monetary Fund has issued a warning to the Australian property market, and want local regulators to step in to slow the market down.

Australian big banks are in agreement, issuing a similar warning only days before. The IMF suggested increased interest rates, tighter lending rules, increased home building and reform to generous housing-related tax benefits.

At this stage though, the Reserve Bank is working with APRA to look at the introduction of macroprudential regulation in the coming quarters, which will more than likely take into account increased assessment rates or a purchasers debt to income ratio.

POPULATION GROWTH % (Yr ended MAR 2021) Source: ABS

QLD	▼	0.9	
WA	▼	0.6	
NT	—	0.5	
ACT	▼	0.4	
TAS	▼	0.4	
SA	▼	0.2	
NSW	▼	0.1	
VIC	▼	-0.6	

VACANCY RATE % (AUG 2021) Source: SQM Research

MELBOURNE	▼	3.5	
SYDNEY	▼	2.6	
BRISBANE	—	1.3	
CANBERRA	▲	0.8	
PERTH	▼	0.7	
DARWIN	▲	0.7	
ADELAIDE	▼	0.6	
HOBART	—	0.5	



UNITS

	YRLY GRWTH	YIELD	MEDIAN
HOBART	27.0	4.7%	\$505K
DARWIN	23.2	5.8%	\$392K
CANBERRA	10.8	5.3%	\$520K
SYDNEY	9.4	3.4%	\$760K
BRISBANE	8.9	4.9%	\$420K
MELBOURNE	7.3	3.4%	\$630K
ADELAIDE	6.4	4.7%	\$382K
PERTH	-	4.9%	\$420K

Source: CoreLogic Hedonic Home Value Index and Market Trends Report

CAPITAL CITY UPDATES

SYDNEY NSW

- An increase in housing supply over the last month in Sydney suggests that the tide may finally be turning for buyers struggling with soaring prices. Lockdown has only marginally impacted listing volumes, with total listings just 3.9 per cent below the five year average for this time of year.
- CoreLogic has named Arncliffe the most affordable suburb within 10 kilometres of the Sydney CBD. The median house price for the area is \$1.455 million. Others suburbs to rate a mention were Waterloo, Sydenham and Tempe.
- Considering an investment? Buying in a sought after school zone might be a smart move. Domain reports that house prices in some school zones have increased by 40 per cent in the last year. Rather than deter buyers, it's had the opposite effect, with demand at an all-time high. Areas to watch include Avalon, Cronulla, Newport, Woy Woy, Kogarah, St Ives and Freshwater.

MELBOURNE VIC

- The 'cheapest' suburb within 10 kilometres of Melbourne's CBD is Maidstone. According to CoreLogic, the median house value is \$922,681. It's the only inner-city suburb median below the \$1 million mark. Suburbs nudging just over the magic million were Footscray, Coburg North and Spotswood.
- With increasing strain on housing affordability in Melbourne, there are some outlying suburbs where a three or four-bedroom home can be snapped up for under \$500,000. RealEstate.com reports that Werribee, Craigieburn, Melton South and Tarneit are all areas to consider.
- On-site auctions are set to resume in Melbourne on October 26. Up to fifty fully vaccinated attendees will be permitted. In addition, in-person inspections will also be allowed.
- There's a fixer-uppers frenzy in Melbourne right now with, in some cases, unliveable houses and units hitting the market with multimillion-dollar price tags attached. Richmond and South Yarra are at the top of the wish list for prospective buyers.

BRISBANE QLD

- Despite significant price growth in the financial year ended 30 June 2021, Brisbane continues to offer great value to buyers. Brisbane's median house price rose by 14.8 per cent while the median unit price increased 5.7 per cent.
- Areas doing well in the Queensland capital and worth watching are Banyo, Nudgee, Woolloowin, Kalinga and Windsor - the latter recently joined the new million-mark median house price club.

PERTH WA

- Four more suburbs joined the million-dollar club in September as median prices grew to seven figures. Suburbs include North Beach, Attadale, Wembley and South Fremantle. Meanwhile, the annual property growth in Floreat, Dalkeith, Salter Point and Cottesloe is more than the yearly household wages, according to an analysis of data from Domain and the ABS.
- Westminster was named as the most affordable suburb in Perth within 10 kilometres of the CBD. The median average price in the suburb is \$404,577. In close second was Nollamara, while Queens Park, Redcliffe and Cloverdale all sit below the half-million median.
- The stamp duty rebate for units sold off the plan has been extended in a bid to increase the supply of apartments and attract investors back to the state. The rebate will be in place until 24 October 2023.

CANBERRA ACT

- House hunters in the capital are spending more on properties in school catchment zones. New data from Domain reveals that homes near sought-after primary and secondary schools have soared in price compared to the rest of the city, up on average 33.8 per cent in the past year. Ten priority areas were named, including Mawson, Kaleen, Gordon and Macquarie.
- Lockdown restrictions will ease this month, with outdoor auctions set to resume on October 15. Real estate services and indoor auctions will be able to operate from October 29. Capacity limits will apply.

ADELAIDE SA

- CoreLogic reports that property sales across South Australia are up almost 40 per cent on the previous year. Although stock volumes remained low, particularly in Adelaide, it seems that long term investors have decided to sell up on the back of a more robust market.
- Median prices are also on the rise, with 104 metropolitan suburbs identified as rising markets. According to realestate.com.au, Port Adelaide Enfield continued to lead the market for price growth, followed by Onkaparinga, Charles Sturt and Marion. Interestingly, in all of the growth areas, the median house price is below \$450,000.

DARWIN NT

- Darwin now has the highest number of first home buyers in the country. Over the last twelve months, 43 per cent of total property sales were to first-time property buyers. However, CoreLogic reports that the affordability of buying into the market may be tested over the coming months as house and unit prices continue to climb. The increases are in part being driven by continued interest in the city from interstate and international buyers.



AUD
72.1c
US

down from 74.2c in Sep

Source: RBA



RBA Cash Rate

0.1%

steady for October

Source: RBA



Cash Rate Forecast

0.1%

12 mths to Oct '22

Source: Westpac



Inflation

3.8%

year to October

Source: RBA



GDP

0.7%

year to Jun qtr

Source: ABS



Wage Growth

1.4%

year to May qtr

Source: ABS



Consumer Confidence

2.0%

Up for September

Source: Westpac-Melbourne Institute



Disposable Income

3.4%

year to Mar qtr

Source: ABS

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