

**THIS MONTH IN REVIEW**

Despite the US rate drop and political pressure, the RBA has held the rate at 4.35% last month. While attracting some scrutiny, many experts, including CoreLogic's Tim Lawless, have justified RBA's decision due to several factors, including high underlying inflation.

On the whole, the property market is continuing to climb, albeit at a slower pace, with CoreLogic's 5 capital cities aggregate showing a rise of 0.5% in September; however, most of that growth is driven by the nation's three frontrunners: Perth, Adelaide and Brisbane.

Consequently, it seems the slowing pace has triggered a negative sentiment among investors, confirmed by the latest PIPA Annual Investor Sentiment Survey revealing a rise in investors offloading their properties, with 14% deciding to sell over the last 12 months.

Some of that sentiment is reflected in the latest SQM Research figures that show an increase in new listings, rising by 5.4% in September. However, total listings fell by 2.3% as a result of a decline in old listings – by 2.2%.

According to PIPA Chair Nicola McDougall, 65% of the investor-sold properties were purchased by first homebuyers, depleting the rental pool, which explains why national asking weekly rents keep on climbing – by 0.6% last month – as per SQM Research data.

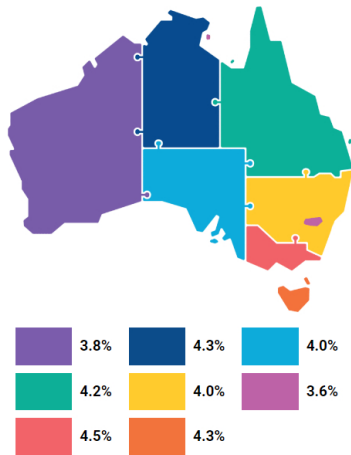
**AUCTION CLEARANCE RATE**

Source: APM PriceFinder

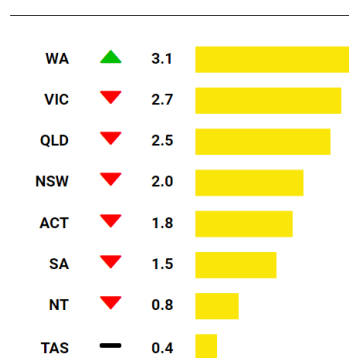
	Aug 31st		Sept 28th
SYDNEY	65%	▼	61%
MELBOURNE	60%	▼	56%
BRISBANE	41%	▼	39%
ADELAIDE	69%	▼	66%

**MONTHLY UNEMPLOYMENT - August 2024**

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

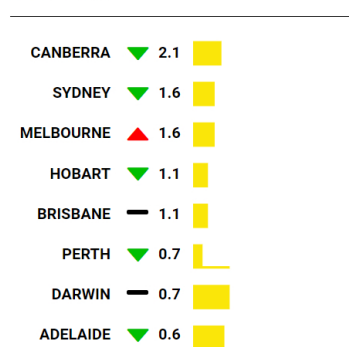


**POPULATION GROWTH % (Yr to Mar 2024)** Source: ABS



**VACANCY RATE % - August 2024**

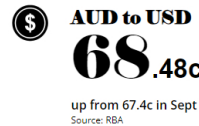
Source: SQM Research



**CAPITAL CITY UPDATES**

**SYDNEY NSW**

- According to a recent PIPA Annual Investor Sentiment Survey, Sydney registered the biggest year-on-year increase in the percentage of investors selling at least one property, which this year totalled 14.9%, compared with 8.9% last year.
- Meanwhile, SQM Research data shows Sydney CBD has experienced the nation's biggest spike in rental vacancy rates, which have increased from 4.6% to 5.1% over the last 12 months.
- The NSW government has announced a release of surplus land across the state, including 9 sites across Sydney – in Woolloomooloo, Sydney Olympic Park, Hurstville and others – which, in all, will deliver almost 1,100 new homes.
- In addition, the state will introduce a policy that will require landlords and agents to offer free options for tenants to make rental payments, including bank transfers or the Commonwealth Government's Centrepay.



**MELBOURNE VIC**

- Dropping by another 0.1% last month, Melbourne is the only mainland capital to experience negative year-on-year price change in combined dwelling values, with CoreLogic's figures showing a 1.4% decline.
- While the city's housing values have plummeted over the last 3 months, that decline is losing momentum, which is reflected in last month's total listings falling by 3.5%, according to SQM Research.
- The Victorian government has granted planning approval for 365 new homes to be built in Hawthorn, on the former University of Melbourne site. The development will include 6 apartment buildings, including 37 affordable



housing units.

### BRISBANE QLD

- According to the recent PIPA Annual Investor Sentiment Survey, Brisbane registered the nation's highest percentage of investors selling their properties, with 26% deciding to part with their investments over the last 12 months.
- Research by Place Advisory has identified 26 Brisbane suburbs with links to Olympic sites that could almost double their values ahead of 2032, with some of that uplift already in progress in key suburbs such as Brisbane South, up by 14.9%.
- In an effort to build more homes, the Queensland government has announced \$350 million in funding for 33 projects; it will also fast-track approvals for almost 4,000 new homes across Brisbane and the Gold Coast, including the suburbs of Wakerley and Robina.

### PERTH WA

- While still leading the nation, Perth's soaring combined dwelling values have slowed down for the first time in 6 months, increasing by 1.6% in September, according to CoreLogic's indices.
- Some of that growth can be attributed to a tight market, with Perth registering the nation's largest year-on-year decrease of 31% in total listings, according to the latest SQM Research data.
- Having said that, the spring selling season seems to have affected that sentiment, with an 8.4% rise in Perth's active listings in September, according to REIWA.

### CANBERRA ACT

- The capital has registered the mainland's biggest drop in combined dwelling values, declining by 0.3% in September, according to CoreLogic's latest figures.
- At the same time, the latest SQM Research data shows the capital is continuing to experience the nation's highest vacancy rate of 2.1% (in August), down by 0.1% on the previous month.
- The same research shows Canberra's vacancy rate, at almost double the nation's average, is having a cooling effect on house asking rents – now at \$762 per week – equalling a drop of 2.2% last month, the biggest decline among the capitals.

### ADELAIDE SA

- While Adelaide's combined dwelling values continue to climb – up by 1.3% in September – the tight rental vacancy rate of 0.6%, remains the lowest among the capitals, according to the latest report from SQM Research.
- And despite its property prices overtaking Melbourne's last month, SQM Research shows that the capital's asking weekly rents are still the lowest among the mainland capitals for both houses and units, listed at \$661 and \$505, respectively.
- Starting 1 October, all applications for building consent – including new buildings and other building work classified as Class 1A – lodged with the PlanSA e-planning system will require a Certificate of Occupancy.

### DARWIN NT

- According to SQM Research, Darwin was a city of polar opposites last month, registering both the biggest rise and drop in asking rents; while houses rose by 9.6%, units declined by 6.4%.
- In a bid to hit a target population of 300K by 2030, NT's Home Grown Territory and Fresh Start New Home grants – the most generous in the country – are now open for applications from both eligible first homebuyers and existing homeowners.
- PropTrack senior economist Eleanor Creagh says that while Darwin's market has not been as fast to rise as other investor-friendly capitals, the city's housing prices have increased by a healthy 26.5% since March 2020, with demand driven by "strong population growth and a tight rental market".

