



Month in Review

Residential - October 2023

The Month in Review identifies the latest movements and trends for property markets across Australia.

Executive address

Since our last report, confronting events that have unfolded in Israel and the Gaza Strip could result in a protracted conflict in the Middle East. The human toll has been devastating and like so many others, we hope that a peaceful resolution can be found quickly.

Australia is geographically removed from the conflict, but the ramifications of what's occurring will be felt by the people of our country in myriad ways, and that includes economically. A run on the price of oil has already seen a spike at the petrol pump which could be a precursor to protracted high energy prices, with relief unlikely until a resolution to the battle is found.

This has all occurred as we had arguably been entering a period of relative stability around interest rates. I suspect the RBA was feeling quietly confident that it had found the right settings for easing inflation back towards desirable levels, with many commentators even suggesting we could be in for rate cuts come 2024. After the events of this past month however, there is a case to be made that we could well see another increase or two, with some speculating it could be as soon as November.

This leads me to this month's edition of Month in Review, in which our residential teams discuss first home buyer markets. The overarching opinion is that this purchaser cohort is eager to buy but continues to face challenges. While a swathe of investors has looked to offload their assets, listing numbers are still relatively tight. This is somewhat unexpected. In August it appeared we were in for a bumper uptick in listings, but the rate of increase

Welcome to our October edition of Month in Review

We may well discover that the total volume of listings between August and December will track closer to long-term averages than first thought.

has eased. In hindsight, it appears the certainty around interest rates coupled with a more general trepidation about future economic conditions simply brought forward many vendors' decisions to sell. We may well discover that the total volume of listings between August and December will track closer to long-term averages than first thought.

The other challenge for first home buyers is construction costs. Most first homeowner grants are maximised for those building or buying new property. Unfortunately, elevated construction costs along with building delays have reduced the power of those subsidies. As such, many first home buyers are choosing more reasonably priced established housing. There's also increased demand for attached housing given it's generally a more affordable option.

Our commercial valuers discuss office property this month. Investment in this sector has struggled in the pandemic's wake. A look across our submissions reveals many office markets have reached a new price equilibrium. While there remain challenges, both tenants and property owners are adapting to employee needs. As such, rental agreements are being negotiated with certainty and assets are being priced more consistently.

Turning to rural and we discuss what economic drivers are impacting the industry and how that's

manifesting in property prices. The consensus is that good quality rural assets are still in demand, however "price boom" momentum has slowed.

There are fewer places in the world right now that you'd rather be living and investing in than Australia. That said, proceeding without expert advice is fraught with risk. Uncertainty will continue to play a huge part in the national and international conversation. Having experienced, independent, professional guidance will be essential to navigating what lies ahead.

Drew Hendrey
Executive Director
of Valuation & Advisory





Residential

October 2023

National Residential Overview

First home buyers have always faced challenges in getting onto the first rung of the property ownership ladder. Saving a deposit can take years in some instances. If you are borrowing more than 80 per cent of the value of the property, then you will almost certainly need to pay for lenders mortgage insurance, the premium for which can be thousands of dollars. Stamp duty is also a significant financial impost in most states and territories.

Current market and economic conditions have conspired to make that first home purchase even more challenging. Saving for the deposit has been made much harder as more household income is required simply to meet the increase in the cost of living. In particular, the cost of renting has increased significantly. Higher interest rates have

slowed the increase in residential property values, but in many locations there has still been growth. This has led to the bank of Mum and Dad becoming an increasingly important source of funds for first time purchasers.

In March 2022, The Australian Dream was published (the Parliamentary inquiry into housing affordability and supply in Australia) which made 18 recommendations to improve the supply and availability of affordable housing and gave specific consideration to first home buyers. There are many initiatives, exemptions and grants aimed at helping people to join the ranks of homeowners. State and territory governments offer a range of stamp duty concessions and grants for eligible applicants. Some governments offer shared equity schemes to reduce the up-front cost to the first home buyer and affordable housing schemes exist where a government entity sells homes to first buyers at a reduced price.

The supply of housing is coming under close scrutiny as construction costs and delays have reduced the number of new homes being built. The use of prefabricated (factory built) homes is being suggested in Australia and overseas as a mechanism to quickly increase the supply of affordable housing (there are efficiency and cost benefits, although an alternative borrowing or

funding method for their construction will need to be developed).

Buying your first home has never been easy, but after an extended period of even tougher conditions, there are some hopeful signs for first time buyers. As we progress through the spring residential property selling season, there has been an increase in the number of properties listed for sale which should act to soften continued price growth. The Reserve Bank decided at its October meeting to keep the cash rate on hold again (albeit with a warning about continued inflation), which may bring a little confidence to first home buyers that mortgage repayments are not going to continue to increase.

The Australian Bureau of Statistics has temporarily suspended publication of first home buyer data (the number and value of loan commitments) and has advised caution with regard to the previous 12 months of first home buyer data. When publication of this data resumes, it will be keenly observed to identify trends and the effectiveness of policy settings to encourage first home buyer activity.

Buying your first home has never been easy, but after an extended period of even tougher conditions, there are some hopeful signs for first time buyers.

Kevin Brogan,
National Director,
Group Risk and Compliance



National Property Clock: Houses

Entries coloured orange indicate positional change from last month.



Month in Review
October 2023



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National Property Clock: Units

Entries coloured blue indicate positional change from last month.



Month in Review
October 2023



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New South Wales - Residential 2023

Sydney

With New South Wales state government stamp duty concessions up to \$1 million and federal government backed deposit initiatives allowing for smaller deposits of two to five per cent and waiving of lenders mortgage insurance (known as the Family Home Guarantee and First Home Guarantee), first home buyers have options to assist them in the often seemingly impossible milestone of making it onto the property ladder.

That being said, significant difficulties still face first home buyers including the highest interest rates in a generation and the increasing cost of living. This has driven many millennials and Gen-Zs to shun home ownership, with a post-COVID rise in the "memories not mortgages" attitude, at least for now.

Options for first home buyers vary across the regions of Sydney, however most tend to be units and townhouses, with houses in many locations out of their price range unless they get assistance from parents or look to co-purchase a property with a sibling or friend.

North Western Sydney

Western Sydney offers a wide variety of property for first home buyers as property is generally more affordable than its eastern neighbours. Over the past decade, the explosion of urban sprawl has transformed former cow paddocks into modern suburbs with many of these dwellings being occupied by first home buyers given the ongoing government grants for new property.



The significant difficulties facing first home buyers have driven many millennials and Gen-Zs to shun home ownership, with a post-COVID rise in the "memories not mortgages" attitude, at least for now.

Currently if you're buying a new house and land package under \$750,000, you can receive \$10,000 towards the purchase price in addition to the first home buyer assistance scheme which can provide a full or partial exemption of stamp duty.

If you are buying an existing dwelling up to \$1 million, you will only qualify for the stamp duty exemption.

An affordable option for a dwelling can be found at 5 Georgina Crescent, Marsden Park which recently sold for \$720,000 through Hometown Property Partners. This property is a circa 2022 attached terrace style dwelling with two bedrooms, two bathrooms and a single garage. It is improved on 125 square metres of land.



For similar money, you can buy an older dwelling on a much larger block of land in St Marys. 43 Thompson Avenue, St Marys recently sold for \$750,000 through A Dot Realty. This property is a weatherboard clad three-bedroom, one-bathroom dwelling with older updates. It is improved upon a 486 square metre block zoned R3 Medium Density. It is a short walk to the shops and station and has a lot of upside to renovate and add value. In addition, the future rail link from Badgerys Creek airport will be running through St Marys and our experience is that major infrastructure projects are typically followed with solid price growth from the suburbs that benefit from it.



These days, first home buyers have it tough. The first home buyer market is heavily impacted by





interest rate rises, rental increases and general cost of living pressures. Many of these individuals and couples are currently renting and have to absorb higher rents as well as rising general living expenses, further reducing the ability to save for a deposit. In addition their borrowing power has been reduced given the increases in interest rates. Let's not forget that Sydney real estate is not cheap; even after a period of decline and a recent recovery, you still need a large deposit and mortgage to enter the market.

South Western Sydney

South-west Sydney is appealing to the first home buyer market. With most of Sydney already out of reach for the majority of first home buyers, south-west Sydney provides affordability, variety and value for money.

With affordability comes competition. Whilst first home buyers are continuing to be prominent in the market, they are often competing with investors who are chasing similar sub-\$800,000 properties with strong rental returns.

There was a time when first home buyers would only be looking at secondary locations or older style houses to get their foot in the door, but times have changed. More and more first home buyers don't want a fixer upper - shiny and new and also being in a central location is the overwhelming expectation of this generation of young property hopefuls.

The south-west has delivered with an array of opportunities for the first home buyer that meets these criteria.

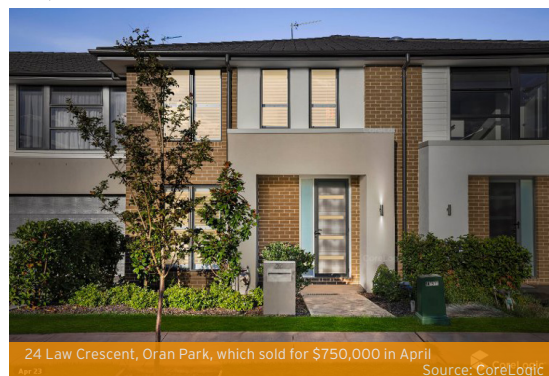
In Edmondson Park, \$625,000 to \$725,000 will put you in the running for a modern two-bedroom unit within walking distance of the popular Ed Square entertainment precinct and train line,

while in Liverpool, a more affordable \$550,000 to \$600,000 is enough for a modern three-bedroom unit within minutes of the Liverpool CBD and walking distance to the Paper Mill Food and riverside walking trails.



203/17 Shepherd Street Liverpool, which sold for \$600,000 in April
Source: CoreLogic

In Oran Park, \$700,000 to \$800,000 will put you in the ballpark for a modern two-bedroom townhouse or villa within close proximity to Oran Park town centre, while in Glenfield, \$750,000 to \$800,000 will put you in the running for a modern duplex or townhouse with three to four bedrooms within close proximity of schools, transport and shops.



24 Law Crescent, Oran Park, which sold for \$750,000 in April
Source: CoreLogic

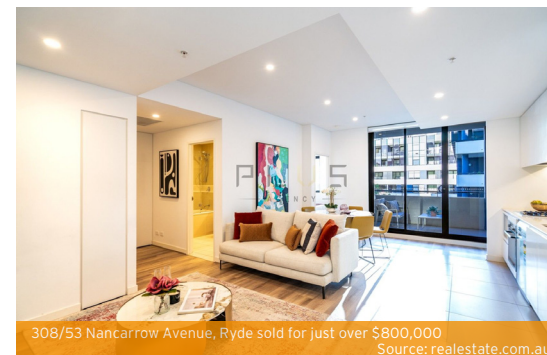
Parramatta/Ryde

As discussed, commencing on 1 July 2023, a complete exemption from transfer duty is accessible for first home buyers purchasing either a new or existing home valued at up to \$800,000. Homes valued over \$800,000 but less than \$1 million are eligible for a discounted rate. Consequently, there has been a noticeable surge in interest in properties in this bracket in this region.

For instance, in Ryde, a fortunate buyer recently saved around \$27,000 on the purchase of a brand new two-bedroom, two-bathroom unit in the \$800,000 to \$1 million price range.

Discussions with local real estate agents have revealed that a significant number of renters who have a healthy deposit are now contemplating their debut as first-time home buyers. They have been motivated to enter the property market and capitalise on the potential savings offered through reduced stamp duty rates.

Another contributing factor to this trend has been the return of international university students with financial assistance from their families. This recent influx of funds has further heightened interest in properties in the Ryde and Lower North Shore area, particularly those falling within this specific price range.



308/53 Nancarrow Avenue, Ryde sold for just over \$800,000
Source: realestate.com.au

If proximity to major services and a CBD is desired, then Parramatta is the place to be. A recent sale at 805/330 Church Street, Parramatta for \$718,000 by One Agency Parramatta is a modern two-bedroom, two-bathroom unit with a single car space in a quality highrise riverfront development.



805/330 Church Street, Parramatta Source: realestate.com.au

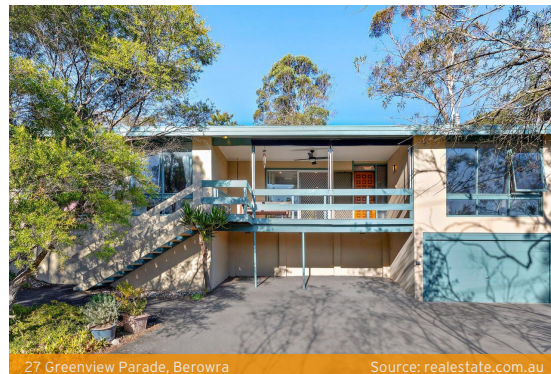
North Shore

The Lower and Upper North Shore of the Sydney property market is synonymous with multi-million dollar prestige homes, not properties that would usually be associated with first time home buyers. As discussed in previous editions, there are many options available on the Lower and Upper North Shore in the unit market sector, however detached housing is significantly out of reach for most first time home buyers.

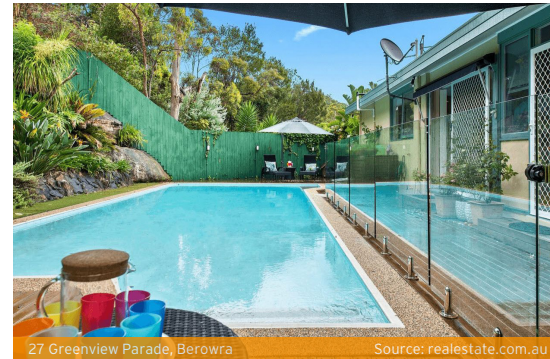
Those looking at entry level detached housing somewhere north of Sydney don't need to go too much further, with unheralded suburbs such as Mount Colah, Mount Kuring-gai, Berowra and Berowra Heights all offering options.

Mount Colah (24 kilometres north of Sydney CBD), Mount Kuring-gai (31 kilometres north of Sydney CBD) and Berowra (36 kilometres north of Sydney CBD) are all serviced by a main rail line and all have good access to the M1 and Pacific Motorway. These suburbs are also within close driving distance of Hornsby, a major transport hub with a Westfield shopping centre and well-regarded Hornsby Hospital.

In Berowra, the furthest north of these suburbs, first home buyers would be looking at around the \$1.3 million price point for an entry level detached home. A recent example is a sale on Greenview Parade, Berowra, for \$1.35 million in June 2023. This property is a basic, single level home, previously updated and in well-maintained condition, comprising four-bedroom and two-bathroom accommodation with a built-in tandem garage. Positioned on just over 750 square metres of land, this property appreciates appealing views over Berowra Valley National Park and also features a basic in-ground swimming pool at the rear.



27 Greenview Parade, Berowra Source: realestate.com.au



27 Greenview Parade, Berowra Source: realestate.com.au

Further enticing first time home buyers into these northern Sydney suburbs is the current decline in median prices. According to realestate.com.au, the median price in Berowra peaked in May 2022 at \$1.572 million, with the current median price sitting at \$1.4 million, representing a decline of approximately 11 per cent since the peak and down 7.3 per cent in the past 12 months. Also according to realestate.com.au, Mount Colah's median price has declined 11.6 per cent in the past 12 months and Mount Kuring-gai is down by seven per cent. With interest rates expected to be at, or very near, their peak, more options may present themselves in these northern suburbs in coming months.

Northern Beaches

The Northern Beaches is a popular destination that can unfortunately be difficult to enter as a first home buyer. The LGA has a very small proportion of properties available in the price bracket that government incentives or concessions are offered.

The median unit and house price as at July 2023 on the Northern Beaches is \$990,000 and \$2.3

Time-poor families prefer low-maintenance living options that reduce the amount of time required for upkeep and maintenance.



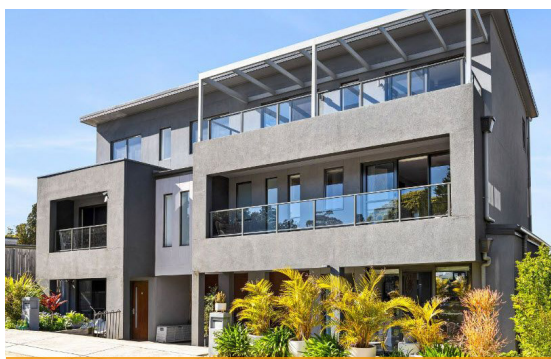


Given the significant increase in rental prices in the past 12 months, rentvesting is becoming more challenging for those seeking to still reside in the area, as the increase in rents in the inner west outstrips rental increases in other parts of Australia.

million, respectively (pricefinder.com.au). First home buyers will typically gravitate towards areas offering affordability and therefore a greater influx of first home buyers present in suburbs such as Dee Why (\$850,000) and Manly Vale (\$958,000). These areas offer a greater proportion of units and sit below the average median price for the LGA.

For housing, suburbs including Narrabeena (\$2.25 million), Warriewood (\$2.17 million) and Belrose (\$2.23 million) offer entry level products at a reasonable price point relative to the Northern Beaches median house price and other more exclusive suburbs such as Manly (\$5.15 million) or Avalon Beach (\$2.56 million).

Additionally, we've seen a shift away from the great Australian dream of owning a large slice of land. Time-poor families prefer low-maintenance living options that reduce the amount of time required for upkeep and maintenance. A recent property ideally suited to a first home buyer is 10



10 Pheasant Place, Warriewood

Source: realestate.com.au

Pheasant Place, Warriewood. This four-bedroom, two-bathroom Torrens title townhouse situated on 149 square metres of land sold in September 2023 for \$1.85 million. The property provides an ideal family-centric floor plan and low maintenance design at an entry level price point for the wider local region.

Inner West

The majority of first home buyers seeking to make a purchase within the inner west region of Sydney are generally limited to sub \$1 million properties. Given this, they make up a relatively small portion of the overall market in the region. The majority of younger first home buyers able to afford to buy in this area do so via inheritance, help from family members, or remaining in their family homes until they have enough money for a deposit.

Many also rentvest, where they rent in areas of the inner west and purchase investment properties elsewhere in the hope they earn enough capital gain on their investment property to be able to purchase a house in the inner west. However, given the significant increase in rental prices in the past 12 months, rentvesting is becoming more challenging for those seeking to still reside in the area, as the increase in rents in the inner west outstrips rental increases in other parts of Australia.

Expectations for first home buyers have lowered significantly over the past decade or so. Properties that fall within the sub \$1 million price range are predominantly limited to studios and one- and two-

bedroom apartments. Areas on the border of the inner west including Homebush, Homebush West, Croydon Park, Strathfield South, Enfield, Rhodes, Concord West and North Strathfield, have three-bedroom apartments which sell sub \$1 million. As such it is very difficult for young families who are first home buyers to enter the market, with many seeking to purchase larger homes further west of Sydney.



20/564 Liverpool Road, Strathfield South

Source: realestate.com.au

An example of a sale which could attract a young first home buyer family is a modern three-bedroom apartment at 20/564 Liverpool Road, Strathfield South which sold in August 2023 for \$799,000. Although the property is situated along a major thoroughfare and the prospects of capital growth are not significant given the previous sale occurred in April 2016 for \$750,000, first home buyers with families in the inner west have slashed their expectations.

Alternatively, first home buyers who are professionals without kids and are comfortable in

a one-bedroom apartment can purchase modern apartments in closer proximity to the Sydney CBD in areas such as Newtown, Balmain, Forest Lodge, Glebe, Annandale, Stanmore, Petersham and Marrickville.

An example of this is 3/33 New Canterbury Road, Petersham, which comprises a circa 2018-built, one-bedroom apartment with a single car space and sold for \$905,000 in August 2023. This reflects an approximate 28 per cent increase from its previous off-the-plan sale of \$705,000 in May 2015.

We note that many first home buyers in this market are competing with investors and this competition has increased significantly in the past 12 months given the historically high current rents. For example, the property at 3/33 New Canterbury Road, Petersham would achieve a rental return of approximately \$725 per week, reflecting a 4.2 per cent gross yield.

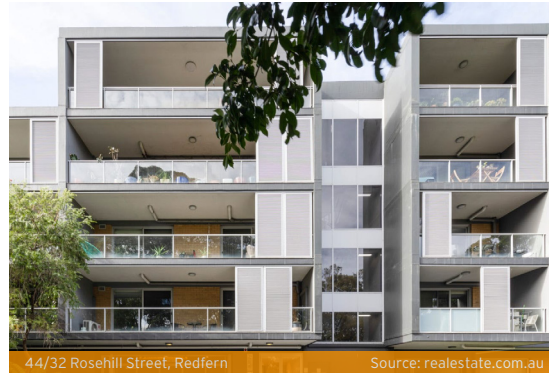


3/33 New Canterbury Road, Petersham Source: realestate.com.au

Inner Sydney

In Sydney's inner city, there are plenty of first home options under the \$1 million mark, although most of these will involve apartment living. One of the inner city's popular first homebuyer spots is Redfern, offering good work-life balance

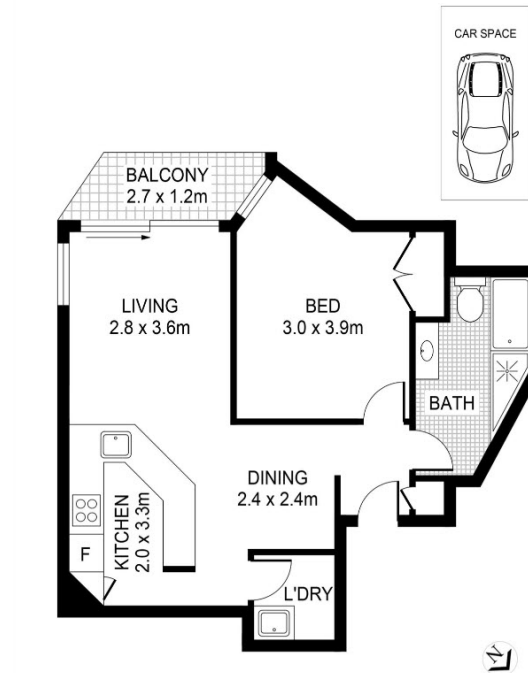
options being located close to the CBD with good transport amenities and a vibrant foodie scene. Here \$930,000 buys you 44/32 Rosehill Street, a two-bedroom, one-bathroom, 79 square metre unit with one car space which sold on 30 August. The unit being in original condition provides scope to add value.



44/32 Rosehill Street, Redfern Source: realestate.com.au

However, being over \$800,000, this property is only applicable for a concessional rate on stamp duty rather than the full discount offered to those buying under \$800,000. At this price level there are fewer options, however many one-bedroom, one-bathroom properties fit into this price bracket and with many investors offloading due to higher interest rates, there is good buying available.

One such example is 909/156 Goulburn Street in Surry Hills. This one-bedroom, one-bathroom unit with one car space sold on 5 August for \$785,000. It is adjacent to a popular dog park and within a short walk of the CBD and Central Station. The property captures an elevated local outlook and presents in original 1980s condition, therefore also providing scope to add equity through improvement.



909/156-160 Goulburn Street, Surry Hills Source: realestate.com.au

Eastern Suburbs

With the recent pausing of further interest rate increases, we have noticed steadily increasing market activity in recent months, along with auction clearance results holding between 65 and 70 per cent on a weekly basis, which is an indication of a strengthening in both buyer and vendor confidence.

Rental markets being inflated due to previous rate rises has placed pressure on Sydney's first home buyer market, as tenants are increasingly considering an exit from the rental market to obtain their first property. It is worth noting that rents tend to move along with interest rates and rate pauses may slow growth in the rental market.



This would be a much-needed win for tenants, as CoreLogic states that high growth in rent values has seen an increase in the share of income required to service new rents, which was estimated to be 30.8 per cent nationally at March 2023 (the highest level since June 2014). CoreLogic's measure indicates rents have increased 29.3 per cent since a low in August 2020, or the equivalent of a rise in the median weekly rent of \$134.

In order to obtain at least a partial stamp duty exemption as a first home buyer, the subject property must be valued less than \$1 million. It is worth noting though that there are very few properties or markets that fall within this category, mainly studio to two-bedroom units, and given price points across the eastern suburbs, these properties are situated in high density and high supply areas across the region.

A recent example in the eastern suburbs which falls into this range includes 10/40 Meeks Street, Kingsford, which sold in September for \$760,000, and comprises a one-bedroom, one-bathroom unit in a 1960s complex with single car space. The unit is situated close to the University of New South Wales which would also make it attractive to the investor market. There is strong demand for all property types in these areas which generally allows these areas to uphold values at all price points.



Other September sales include: a one-bedroom, one-bathroom unit with no parking at 42/4 Ward Avenue, Elizabeth Bay for \$905,000; a 1990s one-bedroom, one-bathroom, one-car unit in a thoroughfare position at 20/172-180 Clovelly Road, Randwick; and a 2002 built two-bedroom, two-bathroom, two-car unit in Maroubra on a busy road and with previous building issues, which sold for \$852,000.

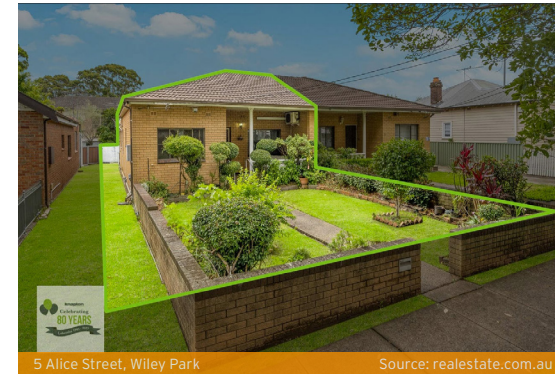
Southern Sydney

The first homeowner grants available in Sydney don't allow many options to buyers in the southern suburbs. Some government assistance is available on properties up to \$1 million, although properties under \$800,000 provide the most opportunity, particularly for off the plan units. In the south that is likely going to limit you to a new one-bedroom unit, such as in the recently completed Dwell development in Sutherland.



Houses are generally not an option in the south for first home buyers looking to take advantage of government grants, although there are some pockets in the Canterbury-Bankstown region which may allow for a discount in stamp duty at the bottom end of the housing market. A single level three-bedroom clad home at 218 Marco Avenue, Panania sold in September for \$920,000, while a single level, semi-detached, three-bedroom brick

home on 416 square metres in Wiley Park sold in September for \$900,000.



First home buyers have struggled to get finance as interest rates have increased and the three per cent serviceability buffer means many new home loans require a borrower to be able to service the loan at nine per cent plus. As a result we have noticed an increasing number of first time borrowers relying on the bank of mum and dad or getting a guarantor loan using a family member's property. This allows the borrower (the first home owner) to have little or no deposit and not have to pay lenders mortgage insurance. The Family Home Guarantee and First Home Guarantee schemes also help in this regard.

Over the past 10 years, it appears that the first home owner market in the southern suburbs has dropped off, either from the current mentality of choosing to rent over buying or the option to move to a more affordable location. However we are still seeing a small percentage of first home owners buying over the threshold of the government grants to secure a property in their desired location.



Shaun Thomas
Director



Lismore / Casino / Kyogle

Cooper: "Hey TARS, what's your honesty parameters?"

TARS (A.I. Robot): 90%

Cooper: 90%?


TARS: "Absolute honesty isn't always the most diplomatic nor the safest form of communication with emotional beings".
(*Interstellar 2014*)

We are emotional beings..... and buying a first home can be a roller-coaster experience of the senses. And let's be brutally honest (unlike "TARS"), the ability of a first home buyer to acquire their first humble abode in light of higher interest rates, elevated sales prices and stricter lending criteria is becoming increasingly awkward.

To be sure, the market has softened. That being said, the main difference to the recent past is that instead of selling property within a week or two, it is now closer to a month or two and the tolerance between the asking price level and expected sale price has sharpened. In other words, don't get too greedy in setting the initial asking price.

However, one of the benefits of locating within the regional areas of the Northern Rivers, i.e. Lismore, Casino, Kyogle and surrounding districts, the first homeowner has a prime opportunity to secure full exemption from paying stamp or transfer duty and applying for the First Home Buyer Assistance Scheme.

The primary reason for this is that the price thresholds for these options are generally higher than the sale prices achieved for most of the applicable or suitable residential dwellings for the first homeowner within the region.

 *In light of the softening sales activity within the region and improved supply of available stock over the past six months, the first homeowner has more options available to them than over the past two years.*

As it stands, the New South Wales government has expanded the First Home Buyer Assistance Scheme. From 1 July 2023, the transfer duty exemption threshold for new and existing home purchases by eligible first home buyers has increased from \$650,000 to \$800,000 and the concessional rate has increased from \$800,000 to \$1 million.

This easily covers the full gamut of available residential zoned dwellings throughout Lismore, Casino and Kyogle... so happy days!

A \$10,000 First Home Owner Grant is also available when you buy or build your first new home. The first new home can be a house, townhouse, apartment, unit or similar that is newly built, purchased off the plan or substantially renovated. The grant is not available for older established homes.

In light of the softening sales activity within the region and improved supply of available stock over the past six months, the first homeowner has more options available to them than over the past two years.

Some out of the box thinking is also being explored by first home buyers.

Option 1: Consider the potential acquisition of an existing dual occupancy property comprising two x two-bedroom, one-bathroom attached units by two siblings. Find a willing lender (yes...a big ask) to provide funding to the two siblings who share in the loan (with a bit of parental help I suspect) and ownership of the property. Then, further down

the track, carry out a strata subdivision to create two separately saleable units and - huzzah! - each sibling has their own first home in the form of a two-bedroom, one-bathroom duplex unit.

Option 2: Buy a four- or five-bedroom home (that needs work), throw in some willing friends who want some independence and want to leave home (are there any?) as tenants who pay a weekly rent for a room and then we can see a very easy way to start paying down the debt quickly without much contribution from yourself as the property owner.

The typical purchase price point for first home buyers in the Lismore region generally hovers around \$350,000 to \$500,000 for two- to three-bedroom average quality units and \$500,000 to \$650,000 for average homes in non-flood areas. The expected sales price levels are generally slightly lower for Casino and Kyogle.

However, the upper end of the range is continually being challenged as the first home buyer can see the benefit of buying land and building new for a package price on selected lots in the Eastwood Residential Estate, Goonellabah and Hidden Valley Residential Estate and Chilcotts Grass for below \$700,000 and still reap the benefits of a \$10,000 grant, full exemption from stamp duty and they may even secure additional incentives from developer grants in some of the new residential estates. Why not? Especially when other first homeowners living in established metro areas such as Brisbane, Sydney and Melbourne would be staring down the barrel of \$1 million plus for a similar new build home!



In summary, the Lismore, Casino and Kyogle areas are still relatively affordable for eligible first home owners compared to other towns and villages in the Northern Rivers under the current interest rate environment and, subject to some thinking outside of the box strategies, first home owners here could find themselves in a very much improved financial position for the long term future if they take full advantage of attacking the loan principal whilst in the present.



Vaughan Bell
Property Valuer

Coffs Harbour

First home buyers have the advantage of various forms of assistance and innovative strategies to enter the property market. It is important to understand what these incentive packages offer to establish the potential value levels for first home buyers.

The First Home Owner Grant in New South Wales provides a grant of up to \$10,000 for newly constructed homes with a value of up to \$600,000 or for a house and land package with a comprehensive building contract of no more than \$750,000. This grant can make a significant difference in reducing upfront costs.

Stamp duty concessions are also available. For example, first home buyers may be eligible for a full exemption from stamp duty for homes valued up to \$800,000 and partial concessions for homes valued between \$800,000 and \$1 million.

These levels of value are not excessive, however can help to make property purchase attainable in the Coffs Harbour market. Realestate.com.au shows the median house price in Coffs Harbour is

sitting around \$765,000 whilst units are \$525,000 which is within the budgets of many first home buyers.

The thought of building a new home in Coffs Harbour under \$750,000 has, like Elvis, probably left the building. Given the associated high building costs and land values, it would be difficult to find a new build under this mark unless you moved to the smaller rural or coastal towns such as Dorrigo, Macksville or Nambucca Heads where you can find land under \$300,000.

The other critical factor in the first home buyer's thoughts is the high interest rates which have effectively reduced the ability to borrow money. I have heard several anecdotes from local brokers who have reported the borrowing power of first home buyers 12 months ago in the order of \$750,000 is now \$650,000 which makes a big difference in what can be purchased.

If we use that example of a \$750,000 purchase with a \$150,000 (20 per cent) deposit, a loan of \$600,000 at 6.25 per cent would cost you \$3958 per month which is close enough to \$1000 per week. Now for anyone let alone a first home buyer, this will be a stretch and effectively lowers the ambitions of the first homeowner to more affordable levels of sub \$600,000.

This level of value would practically see you out of the house market, although there are still some sub-\$600,000 homes out there which are typically found in older housing community locations and are modest 30 to 50 year old three-bedroom, one-bathroom homes of 80 to 110 square metres and in varying degrees of condition.

That leaves the unit market which is varied in product and value, however is affordable and you can still buy in good lifestyle locations. They will generally be older style buildings (20 to 50 years of age) close to the beach and services comprising mostly two bedrooms with the odd three-bedroom unit around within the \$400,000 to \$600,000 price range in locations such as Park Beach, The Jetty precinct and Sawtell.

If you move more into the suburbs you will find duplex and villa style units which are also a good alternative to a freestanding home. Again it will be a 20 to 40 year old product with two to three bedrooms and single garage but you can get more land associated with this type of product and prices are in the \$500,000 to \$600,000 range.

As can be seen, Coffs Harbour still has options for the first home buyer, however this is dependent on interest rates and wages which are not rising at the same rate.

In recent years, the property landscape has seen a shift in the way first home buyers approach their purchases. Many are exploring alternative ownership models such as fractional ownership and co-buying with friends or family members. This trend reflects the increasing difficulty of entering the market independently due to rising property prices. I am not aware of too many examples of this shift in Coffs Harbour, however as property prices increase this will have to become a viable alternative for property ownership.

The driving force behind first home buyer decisions in Coffs Harbour is a combination of factors. The desire for stability, investment potential and the

 *The thought of building a new home in Coffs Harbour under \$750,000 has, like Elvis, probably left the building.*



appeal of home ownership often outweigh the challenges of entering the market. This demand has contributed to a healthy supply of properties at various price points, though most competition exists in the lower to mid-range segments.



Grant Oxenford
Director

Newcastle

The Newcastle and Lake Macquarie property market has seen substantial growth over the past five years with entry level price points rising from circa \$500,000 to nearer \$700,000. This rapid increase in property values has presented many challenges to first time buyers.

As lenders try to adjust deposit percentages, the entry level price ranges still make saving for the deposit difficult and alternative methods of financing the first home are constantly being sought. The number of parental mortgages is on the increase as a means of funding the deposit and shortfalls and becomes the most effective way of making that first purchase.

Alternatives can include buying poorer quality property for future renovations and shared purchase.

The lower end of the market remains active due to the variations in the type of purchaser. The first-time buyer faces stiff competition for the most competitively priced property from investors, those using superannuation money and renovators. There

has been some relief during 2023 with the rising interest rates and building cost increases scaring off investors and renovators over the course of the year, leaving the first-time buyer some room for positivity.

With the ever-changing economic conditions in the local market, there is always going to be a price hurdle to overcome and first-time buyers need to show flexibility in their expectations. This is primarily focused on location. As the city suburbs become expensive and the outer city suburbs move towards the expensive category, moving away from the city becomes a more productive way of purchasing that first house.

The key decision whether to buy is focused on affordability, with location, schools, childcare and leisure interests coming a close second. This is genuinely compared to the pros and cons of renting and the unrealistic hope that property prices may drop. As property prices rarely drop significantly, playing the waiting game usually only results in costing more in the medium term.

As the search starts, it's very easy to see why buying is so difficult for the first-time buyer. Newcastle City dwellings will rarely sell below \$800,000 for an average condition property with outer Newcastle lower value suburbs such as West Wallsend, Barnsley and Edgeworth rarely selling below \$600,000. The unit market can be appealing regarding location close to the city, nightlife and beaches, however a two-bedroom unit has moved above \$700,000 in most locations and one-bedroom units are above \$550,000. The downside

with a unit is floor area and the risk of outgrowing the property within a short period.

As with any decision making, buying property is about criteria. Is the first home a short term stopover and therefore condition and location may not be that important or is it for the medium term such as the duration of school life, employment life or leisure interests? Whichever criteria is the most important, buying property is likely to be one of the most serious decisions to make and time, research and patience is usually a good starting point for making the right choice.



Darren Sims
Property Valuer

Central Coast

It wasn't long ago that first home buyers were being squeezed out of the local market after a surging residential housing market, post the emergence of the COVID-19 pandemic. It was particularly tough on the local first home buyers at this time as saving and borrowing capacities were stretched. However, what ensued was an influx of out of area first home buyers, mostly relocating from Sydney, who were looking for value for money and with that, a change in lifestyle.

The Central Coast region is an attractive region to live in. Magnificent beaches meet the Pacific Ocean along the eastern coastline, lake and estuary systems are intertwined amongst national parks and integrated into all this beauty is a local population that calls this region home.

Residential housing is an affordable option and is the main driver of motivation to move to the Central Coast. The region is easily accessible via the M1 Motorway that stretches from Sydney to



The key decision whether to buy is focused on affordability, with location, schools, childcare and leisure interests coming a close second.

Newcastle and a railway line. Suburbs along this major infrastructure have always been at the lower price point of the residential market and in demand by first home buyers. These suburbs include Woy Woy, Narara, Niagara Park and Ourimbah.

The Gosford skyline has many cranes with a hive of residential unit development construction. For first home buyers taking advantage of government schemes such as the First Home Owner New Home Grant and First Home Loan Deposit Scheme, purchasing a new unit off the plan isn't out of the budget. Some of the new unit developments are currently selling their units off the plan at an entry price of sub \$550,000 such as:

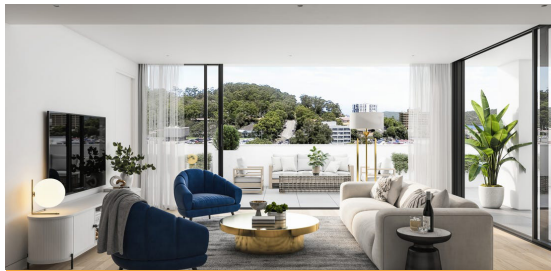
The Grand, 35 Mann Street, Gosford, NSW 2250 with units from \$502,250



The Grand

Source: realestate.com.au

Vue Mer, 142 Henry Parry Drive, Gosford with units from \$495,000



Vue Mer

Source: realestate.com.au

If you are a first home buyer looking for an old school bricks and mortar investment, then the freestanding dwelling market in the northern areas of the region is where you'll find the best value for money. Suburbs such as Gorokan, Toukley and Buff Point generally have an entry price point of \$550,000 to \$650,000.

If you are drawn towards the sea breezes that roll in off the Tasman Sea, then suburbs along the beaches such as Umina Beach have an entry level for units around \$500,000 and freestanding dwellings around \$750,000.

As construction costs remain high, the demand for vacant land amongst the first home buyers brigade has weakened. Generally, if you are looking for land then the northern end of the Central Coast is where you'll find it at a price that is manageable for first home buyers. Warnervale, Hamlyn Terrace and Wye have new land available at around \$450,000 and increasing depending on the location, land area, views and lot shape. House and land packages are being advertised for sale with Lot 24, 27-61 Nikko Road, Warnervale, NSW 2259 selling for \$868,000 for a four-bed, three-bath, two-car floor plan on a 251 square metre lot.



Lot 24, 27-61 Nikko Road, Warnervale render

Source: realestate.com.au

In conclusion, the region will always be a place that welcomes first home buyers, whether they be locals looking to buy in areas they've called home throughout their lives or from afar. There are opportunities in the current market for those who do their research and due diligence.



Todd Beckman
Associate Director

Illawarra

First home buyers can cover a broad demographic but are typically younger singles or couples looking at the lower price points in the residential market. To maximise New South Wales government assistance, they'll be looking for a property valued under \$800,000 so they can receive a full stamp duty exemption. So what type of property is available for up to \$800,000?

In Helensburgh, there are two-bedroom villas and units. From there south however, first home buyers looking to try to take advantage of full concessions can generally only buy from Bulli south as popular areas such as Thirroul, Austinmer and other northern Illawarra locations are priced above \$800,000. Bulli and Woonona are suburbs where two- or three-bedroom units and townhouses are available and Corrimall is typically the most northern suburb that includes standard houses for under \$800,000. In the Wollongong CBD, new and older units are popular with first home buyers looking for independence and all the perks that city living brings. If it's a new home in our growth areas that a first home buyer likes the look of, it is possible, but they'll need to compromise on space with three-bedroom homes available on blocks under 400 square metres in Horsley, Calderwood and Tullimbar. Older homes can be



bought in Berkeley, Warrawong, Warilla and Barrack Heights, and again it's back to villas and units in Shellharbour and Kiama.

One thing to note is who first home buyers compete with in the market. It's not just investors looking to compete with local first home buyers. There has been a rise in out-of-town rentvestors, mainly Sydney based, who look to buy their first home in the Illawarra and get more bang for their buck than they can in Sydney. They'll keep living and renting in Sydney but get into the property market by purchasing a property in the Illawarra. If a first home buyer is priced out of the Illawarra market, they can do the same by going to nearby regions such as Nowra or Goulburn and buying a rental property as their first home. However, while this can be a good opportunity to get into the market, it may come at a cost such as losing their first home buyer assistance.



Chris McKenna
Region Director

Shoalhaven / Nowra

As we enjoy the spring weather and with the prospect that interest rates have now peaked, there seems to be some renewed confidence in the Shoalhaven residential property market. The market appears to have begun to stabilise after a turbulent 2023 thus far. The 2023 Shoalhaven residential property market has been largely influenced to date by rising interest rates combined with the increasing cost of living, resulting in

In 2023 there are opportunities for first home buyers in the Shoalhaven and Nowra region to enter the market for between \$500,000 and \$600,000.

downward pressure on property prices. Now with the warmer weather and even the possibility that the next move by the Reserve Bank of Australia will be to lower rates, the market seems to have, at the very least, stabilised. Let's take a look at what options are available for first home buyers in the region.

Much of 2023 has seen property prices soften compared to the booming trend in 2022 and 2021. In 2023 there are opportunities for first home buyers in the region to enter the market for between \$500,000 and \$600,000. As some of the popular coastal suburbs such as Vincentia, Huskisson, Currarong and Hyams Beach are still attracting good market prices, first home buyers seem to have a better chance of entering the market in other coastal suburbs such as St Georges Basin, Sanctuary Point, Culburra Beach, Callala Bay and Callala Beach. A property on Wren Street, Culburra Beach with a land area of 651 square metres sold for \$590,000 in July 2023 while a property on Walmer Avenue, Sanctuary Point sold for \$545,000 in April 2023. Closer to the Nowra CBD, first home buyers could be looking at Bomaderry, Worrigeer, South Nowra, North Nowra or in Nowra itself in order to purchase a freestanding home. A three-bedroom and one-bathroom brick dwelling on a 677 square metre allotment in Seccombe Street, Nowra recently sold for \$500,000.

Due to continuing high construction costs, first home buyers are still finding it difficult to purchase land in the new subdivisions in the region and then

build. Once a first home buyer factors in the price of the land and then the cost to build, this amount would likely exceed \$750,000.

Let's hope that interest rates have now reached their peak and this will allow first home buyers to gain more confidence as they enter the market.



Joshua Devitt
Associate Director

Southern Highlands

The Southern Highlands of New South Wales has long been a popular location for real estate due to its excellent proximity to Sydney, good schooling and picturesque setting. As a result, the dynamics of the first home buyers' market are intriguing, offering a unique blend of challenges and opportunities.

In the main townships of Bowral, Moss Vale and Mittagong, the sub-\$800,000 real estate market is experiencing a robust and resilient phase. Unlike other segments which are facing softer market conditions, this entry-level market is proving to be a beacon of hope for local agents, who are reporting good interest and quick results at this price point.

The strength of the sub-\$800,000 market can be attributed in part to the various government incentives designed to assist first home buyers. One of the most notable schemes is the equity share scheme, which allows eligible buyers to purchase a property with a lower deposit, making home ownership more accessible. Under this scheme, the government takes a share in the property, which is repaid when the property is sold.

Stamp duty exemption is another significant factor driving demand in the Southern Highlands. This exemption, available for homes under a certain



price threshold, provides first home buyers with substantial savings, further incentivizing them to enter the market. These government initiatives have been instrumental in making home ownership a reality for many who might have otherwise struggled to get their foot on the property ladder.

One of the key reasons behind the buoyancy of the sub \$800,000 market is the limited supply of affordable homes within the main villages of Bowral, Moss Vale and Mittagong. These charming locales have long been popular choices for first home buyers due to their tranquil ambience, excellent amenities and proximity to Sydney. However, the limited availability of affordable properties has created a competitive environment, driving up demand.

With urban sprawl being carefully managed to preserve the natural beauty of the Southern Highlands, developers face restrictions on new builds. This scarcity of supply, especially in the sub \$800,000 range, has created an atmosphere where buyers are eagerly snapping up available properties. As a result, prices have remained relatively stable and, in some cases, have seen modest growth.

While the sub-\$800,000 market within the Southern Highlands is showing resilience, challenges persist for first home buyers. Competition remains and securing a property can still be a daunting task. Furthermore, the long-term sustainability of the market in the face of increasing demand and limited supply remains uncertain.

To address these challenges, it's imperative that local authorities, developers and the government continue to collaborate. Initiatives aimed at increasing the supply of affordable housing while maintaining the region's unique character should be prioritized. Additionally, ongoing support in the

form of grants and incentives for first home buyers will be essential to sustain the momentum in this segment.

In conclusion, the Southern Highlands of New South Wales presents an interesting case of a resilient first home buyers' market in a region where natural beauty meets economic opportunity. The sub \$800,000 market is thriving due to government incentives, limited supply and good demand. However, it's crucial for all stakeholders to work together to ensure that the dream of home ownership remains attainable for future generations in this enchanting part of Australia.

Kurt Bismire
Valuer



Victoria - Residential 2023

Melbourne

Owning your own home has long been the Australian dream and when it comes to purchasing property, your first is often the most difficult. For first time buyers, there are currently a number of grants and concessions on offer, including a \$10,000 deposit boost when purchasing a property for under \$750,000, as well as various stamp duty concessions.

The First Home Buyer Grant remains a vital tool in promoting housing affordability and encouraging property ownership in Australia. The First Home Buyer's Grant is a government initiative designed to assist Australians in purchasing their first home.

The Victorian Homebuyer Fund's shared equity scheme, known as the First Home Guarantee, allows eligible homebuyers to acquire a modest home with a down payment as low as five per cent. The Victorian government will contribute up to 25 per cent of the purchase price in exchange for an equivalent share in the property, helping to reduce the mortgage burden. Additionally, this program eliminates the need for lenders mortgage insurance.

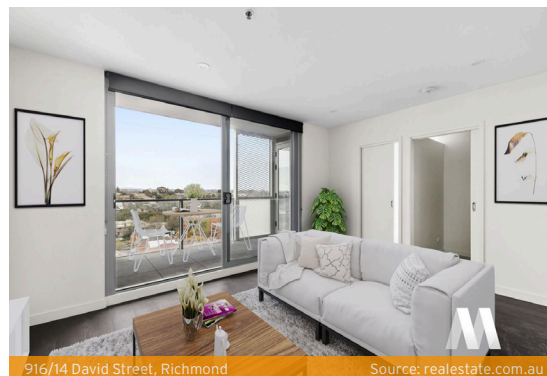
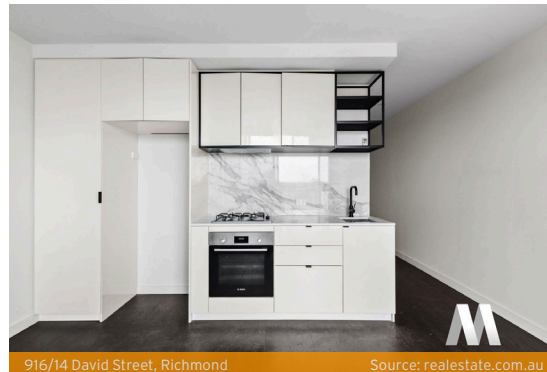
Our focus this month is on which areas in Melbourne have had a rise in first home buyer activity and what factors are influencing purchasing decisions.

Inner City

In Melbourne's CBD there is a mixture of single residential and multi-dwelling developments available for a first home buyer's budget. In the

inner CBD, a range of amenities are serviced by public transport with a combination of trains, trams and buses making the area appealing for young individuals and couples. Many prospective first home buyers in the area are typically young professionals seeking apartment style living for the lifestyle and proximity to work.

In Richmond first home buyers looking for units have a great opportunity to get into the market. With

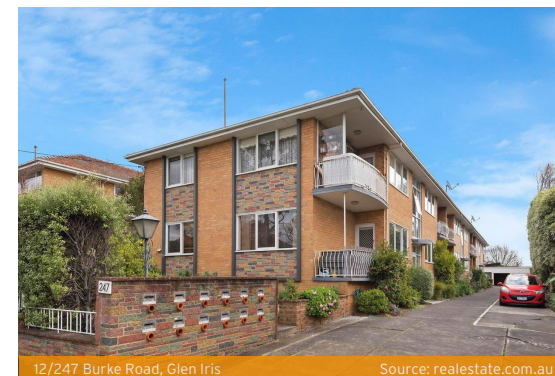


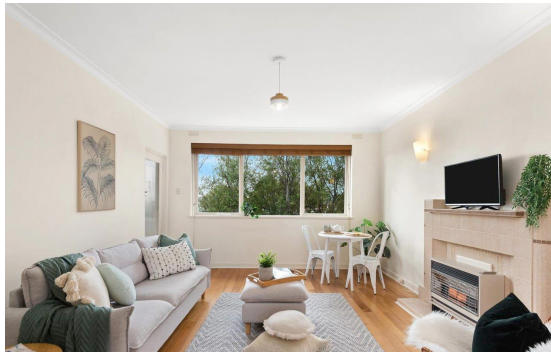
the median unit price at \$560,000, down 12.8 per cent from last year, buyers can use the First Home Buyer's Grant to get into the market. Currently listed is a two-bedroom, one-bathroom unit with a garage space going for \$500,000 to \$550,000.

East

Throughout Melbourne's east, apartments and units are very popular amongst first home buyers looking to get their foot in the door of the property market. Given the often large price point difference between strata dwellings and houses, apartments and units are a far more attainable option for new purchasers, particularly those looking to buy in more inner-city locations.

Apartment 12/247 Burke Road, Glen Iris sold in August for \$585,000 and with two bedrooms, a car parking space and abundant urban convenience, it ticks a number of boxes for first home buyers. At this price point, a first-time buyer would be eligible for the \$10,000 grant and a full exemption from stamp duty.





12/247 Burke Road, Glen Iris Source: realestate.com.au



12/247 Burke Road, Glen Iris Source: realestate.com.au



17 Flemington Way, Clyde North Source: realestate.com.au



17 Flemington Way, Clyde North Source: realestate.com.au



1 Parkland Avenue, Hampton Park Source: realestate.com.au



1 Parkland Avenue, Hampton Park Source: realestate.com.au

For those looking for a little more space, the outer-eastern regions have a number of greenfield housing estates with vacant land on offer in suburbs such as Lilydale, Coldstream and Rowville. A vacant allotment in the Bankside Estate sells for approximately \$500 per square metre, however with increasing building costs and insecurity, established dwellings are becoming a more feasible option for first home buyers.

South East

Melbourne's outer south-eastern suburbs have been a popular destination for first home buyers as a result of affordability. Many estates in the outer south-east promote a family friendly lifestyle and are

usually located close to childcare centres, schools and parks. The availability of the First Home Buyer's Grant is another factor that draws first home buyers to these areas. In Clyde North, there are fixed price house and land packages for just over \$603,100 offered by builders such as Carlisle Homes.

Estates in the outer south-east are also promoting the First Home Loan Deposit Scheme which is a federal initiative that allows eligible first home buyers to purchase with a deposit as low as five per cent without the need for lenders mortgage insurance. The appeal of a brand-new house has been prevalent in suburbs such as Clyde North where buyers are compromising on large land parcels and location for a new house.

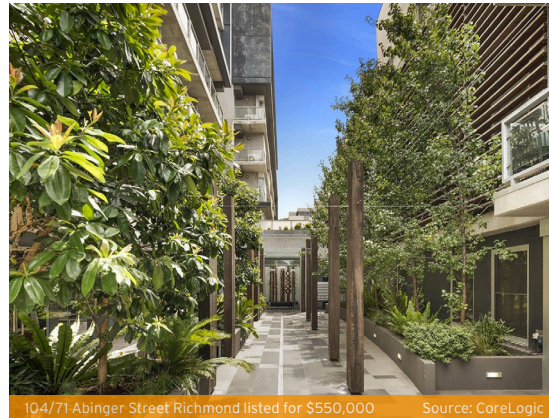
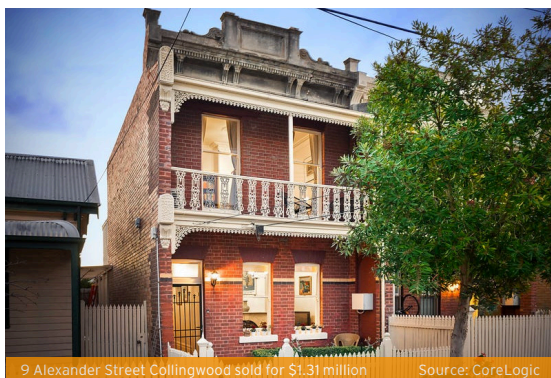
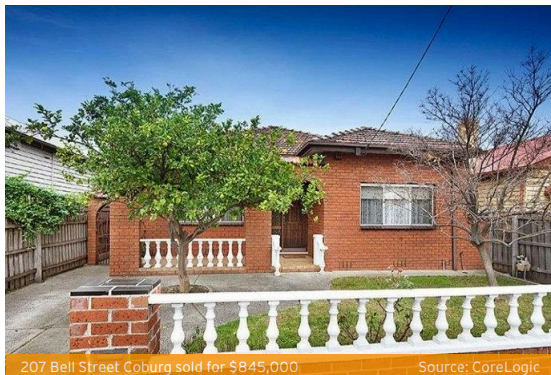
Currently on the market is a four-bedroom, two-bathroom house located in Clyde North. It is listed for \$650,000 to \$715,000. The house was built in 2013 and occupies 350 square metres.

First home buyers looking for more land in the south-east can purchase older established homes in a lower price range. In the suburb of Hampton Park, families are attracted to affordable housing options. Currently on the market for \$590,000 to \$620,000 is a three-bedroom, one-bathroom house on 625 square metres of land. This price range is perfect for a first home buyer budget and allows space for a renovation opportunity.



Northern Suburbs

The northern suburbs can be divided into three categories. The inner north includes the suburbs of Brunswick, Collingwood and Abbotsford, which typically attract singles or couples without children. These areas have a high cost of entry, primarily offering apartments. Northcote, Coburg, Thornbury, Preston and Bundoora represent established suburbs where townhouses and units are in high demand, but there's limited stock available. For those seeking more affordable options, the outer greenfield areas, including Wollert, Mickleham, Donnybrook and Beveridge, offer better prospects and a variety of recently built homes or off the plan sales.



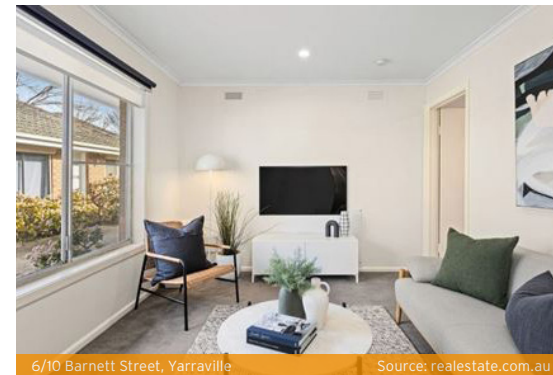
These three properties each belong to distinct market sectors: greenfield area, established suburbs and apartments near the CBD.

First-time home buyers should understand their preferences and target areas in the property market. Without prior real estate knowledge, the process can be daunting. To make informed decisions, explore all properties in your preferred locations.

Western Suburbs

Price points vary across Melbourne's western suburbs for first home buyers and the proximity to the city will influence the type of property they are able to afford. In inner ring suburbs such as Footscray and Yarraville, first home buyers will often target entry level apartments and townhouses. Yarraville's median price for apartments is \$600,000 making buyers eligible for the full stamp duty exemption.

Price points vary across Melbourne's western suburbs for first home buyers and the proximity to the city will influence the type of property they are able to afford.



This property at 6/10 Barnett Street is a two-bedroom, one-bathroom unit appealing to first home buyers looking to get into the market while remaining in Melbourne's inner west.

Further west is appealing to first homeowners who are looking to take advantage of the \$10,000 First Home Owner's Grant.



Below is an example of a four-bedroom, two-bathroom house which sold for \$640,000, making buyers eligible for the First Home Owner's Grant.



8 Smethurst Road, Tarnet Source: realestate.com.au



8 Smethurst Road, Tarnet Source: realestate.com.au

Geelong

In the ever-evolving Geelong property market, first-time home buyers are exploring various avenues to realise their dreams of owning a home. Government assistance programs including grants, stamp duty exemptions and the First Home Guarantee Scheme have played a pivotal role in facilitating their entry into the market.

Additionally, many are adopting strategies such as co-buying with friends or family to overcome affordability challenges.



36 Jacana Way, Armstrong Creek Source: realestate.com.au



36 Jacana Way, Armstrong Creek Source: realestate.com.au

In our service area, the first-time home buyer segment is particularly strong in locations such as Armstrong Creek, Charlemont and Mount Duneed, which offer numerous new developments with affordable options for prospective buyers.

Take, for instance, a property in Armstrong Creek located at 36 Jacana Way, which is a prime example of what can be acquired for \$600,000 or less. Buyers meeting this threshold qualify for stamp duty exemption, resulting in potential savings of up to \$31,000.

This property features four bedrooms and two bathrooms and its convenient location ensures easy access to both the Geelong CBD and the surf coast, catering to a variety of lifestyles.



53 Braund Avenue, Bell Post Hill Source: realestate.com.au



53 Braund Avenue, Bell Post Hill Source: realestate.com.au

To the north of Geelong, buyers are still able to pick up properties using the exemptions and grants in areas such as Bell Park, Bell Post Hill and Corio. Below is an example of what first home buyers are able to purchase in Bell Post Hill while still qualifying for the stamp duty exemption.

The property pictured above is a three-bedroom, one-bathroom property that's a great entry to the market with buyers able to add their own personal touch. Geelong is still offering a number of options for first home buyers to get their foot in the door.



Perron King
Director

Month in Review
October 2023



RESIDENTIAL



Warrnambool

Through our conversations with local estate agents as well as would-be first-time buyers, there has been a striking change in both the mindset and practical planning and approach to entering the property market.

The mindset, driven by negative experiences of the heated rental market and the still elevated building costs and wait time has resulted in a loosening of the previously strict criteria of wants in their first property.

Entry level property within Warrnambool's central and popular south-east areas operates in price points up to as much as \$650,000. We feel it would be out of touch to suggest this group of buyers will have, or require, this level of outlay.

A more reasonable price point to approach this exercise would be topping out at approximately \$530,000. This top-end price point gives buyers the means to search out renovated brick dwellings featuring three bedrooms on allotment sizes typically in the mid-to-high 600 square metre range within the lesser, secondary locations of the city's north-west and north-east.

An example is 54 Garden Street, Warrnambool which sold for \$530,000 and features three



54 Garden Street Warrnambool

Source: CoreLogic

bedrooms and a semi-modern interior within a reasonable and established location.

At the lower end of entry level three-bedroom properties, buyers will have to be content with properties with original, dated interiors located in non-sought-after locations which will likely be impacted noise, industry or negative social (possibly perceived) factors.

The example below demonstrates the price achieved for the lower end entry three-bedroom dwellings. 978 Raglan Parade, Warrnambool sold for \$358,000.



978 Raglan Parade, Warrnambool

Source: CoreLogic

This dwelling is impacted by its frontage to the busy arterial road Raglan Parade which is the name given to the section of the Princes Highway which intersects Warrnambool.

Jordan Mowbray
Valuer

Mildura

First home buyers in the Sunraysia region experienced some challenges throughout late 2021 through to early 2022 with the market experiencing high growth and strong competition. Confidence and borrowing capacity subsequently declined during the latter half of 2022, as interest rates rose. While this resulted in an inevitable levelling of house prices within the region, the result is that first home buyers

are facing the difficulties of higher overall prices in comparison to previous times, as well as having a higher interest rate on their mortgage creating difficulty servicing their loan going forward.

The Victorian government does have some incentives in place for eligible first home buyers including a \$10,000 grant, stamp duty removed or reduced in certain cases, and also the First Homebuyer Fund shared equity scheme which stipulates that for eligible first home buyers with a five per cent deposit, the Victorian Government will contribute up to 25 per cent of the purchase price in exchange for an equivalent share in the property.

One of the tactics used by some first home buyers to make purchasing a home more accessible is to have a guarantor, usually a family member, offer equity in their own home as additional loan security. This can be very beneficial if it avoids needing to use expensive lenders mortgage insurance.

In the past it was often common for a first home buyer to be able to afford to build a new home in the Mildura region, with land relatively affordable and building costs much lower than they are currently.

With the recent rise in both construction costs and land values, this option is now likely to be beyond many first home buyers' capacities. The reality is that it is now hard to buy land and construct a new home for less than \$450,000. This has pushed many first home buyers to look instead at older established dwellings ranging from \$300,000 to \$400,000.



Jake Garraway
Associate Director

Queensland - Residential 2023

Brisbane

As capital cities go, Brisbane is often an excellent option for first homeowners wanting big-city convenience at a reasonable buy in price.

We have plenty to offer from established homes on large allotments on the local authority's fringe through to affordable (but often small) apartments in the heart of the city.

As at the time of writing, CoreLogic's data says Brisbane's median house price is approximately \$760,000, while its median rent is \$640 per week. If a first homeowner were to purchase at the median price and had a 20 per cent deposit, given standard loan variables around interest and terms, they could expect to pay around \$860 per week servicing the loan. That's a fair bit more than renting, and it would suggest many first-time buyers will seek something a bit cheaper - probably around the \$550,000 mark.

That is entirely achievable in our city depending on what compromises they're willing to make.

There's also the First Home Guarantee (FHBG) which is part of the Home Guarantee Scheme, an Australian government initiative to support eligible home buyers to buy a home sooner. It is administered by the National Housing Finance and Investment Corporation (NHFIC) on behalf

of the Australian government. Under the FHBG, part of an eligible home buyer's home loan from a participating lender is guaranteed by the NHFIC. This enables an eligible home buyer to purchase a home with as little as five per cent deposit without paying lenders mortgage insurance.

For the FHBG, any guarantee of a home loan is for up to a maximum amount of 15 per cent of the value of the property (as assessed by the participating lender). This guarantee is not a cash payment or a deposit for a home loan, and eligibility criteria applies.

Of course, in addition to all else there are other first home buyer assistances on hand such as discounted stamp duty charges and reduced council rates. New property buyers (houses and units) can benefit from a \$15,000 grant too. This can be enticing, particularly for those deliberating on a new unit in a great location.

The other thing first home buyers must do is get creative with their purchasing strategy. While owning outright might be desirable, there's no doubting the rise in popularity of co-ownership, be it with a partner, family or friends. This can be an excellent option because pooled resources will improve buying power, meaning you can all benefit from a better class of home.

There's also the ever-popular assistance from parents, be it going guarantor on a loan or helping with the deposit. Either way, most first home buyers will be able to own Brisbane property, even though some will find it a challenge.

Let's look at some options in locations around Greater Brisbane.

Inner city

It is near impossible for first home buyers with a budget to acquire a detached home in this market without making some serious compromises. Secondary locations and dwelling in poor condition are likely to be part of the mix... and you still probably won't get anything close to the CBD for under \$1 million.

To demonstrate, this two-bed, two-bath, two-car home at 99 Sylvan Road, Toowong fronts a busy connecting road and is in very modest condition. It's on a 706 square metre lot and is close to comprehensive services and facilities. The home sold for \$950,000 in July.

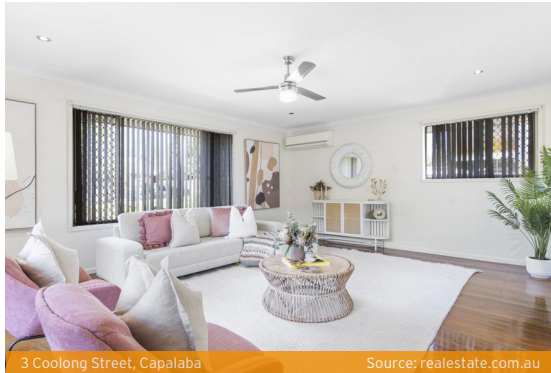
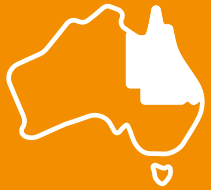


99 Sylvan Road, Toowong

Source: realestate.com.au

It is near impossible for first home buyers with a budget to acquire a detached home in Brisbane's inner city suburbs without making some serious compromises.





3 Coolong Street, Capalaba

Source: realestate.com.au

A townhouse example is this one at 4/49 Gannon Avenue, Manly which sold in October for \$612,000. It's of typical three-bed, two-bath, two-car layout. The townhouse is in fair condition but may also benefit from some minor upgrades.



4/49 Gannon Avenue, Manly

Source: realestate.com.au

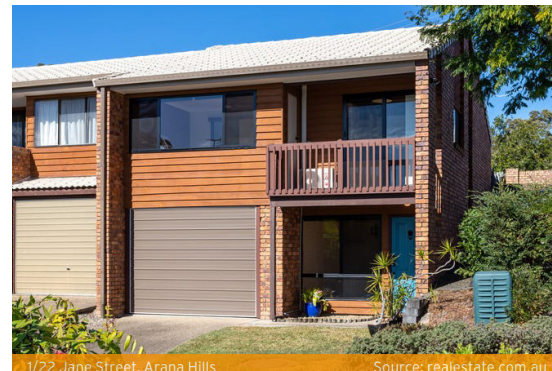
Northside

In the family-friendly inner-to-mid-ring there remains good demand from first home buyers. That said, rising interest rates and competing demand from investors and downgraders have resulted in many first-time buyers needing to exercise some caution about how much to spend. This is reflective of the mid-ring more generally. Family buyers looking for homes in well serviced suburbs are

plentiful. Also, mid-ring Brisbane is still within easy distance of the CBD, along with a quick trip up the highway to the Sunshine Coast. As such, the supply of listings across all property types is also a little tight which is bolstering prices, and that's not ideal for first-time buyers.

Some examples of price points include Nundah detached housing which is sub-\$1 million, while units and townhouses will range from \$500,000 to \$850,000. For those seeking something a bit more affordable, in Boondall you'll find detached housing priced below \$800,000, while attached housing will sit between \$500,000 and \$700,000.

Units and townhouses remain primary targets for first home buyers in the inner to mid-ring, especially those described as Gen Z. A great example is this property at 1/22 Jane Street, Arana Hills which sold for \$550,000 in August. This two-level, two-bed, one-bath townhouse appears in reasonable condition throughout. It's also in close proximity to retail and there are plenty of transport options available as well.



1/22 Jane Street, Arana Hills

Source: realestate.com.au

Of course, detached dwellings are popular with all buyers, including first timers. Detached housing in poor locations or in poor condition attracts first home buyers. The inherent risks make these

houses a more desirable buy-in proposition for first timers. We note the challenges around completing a renovation of sub-standard homes due to cost. As such, we are seeing many of these poor-quality homes bought by young buyers with trade skills. The plan is often to live in them as is and progressively complete upgrades to the property.

A good example of an affordable home is 58 Glen Holm Street, Mitchelton which traded in August for \$705,000. This is a 405 square metre site improved with a lowset brick home of modest finish. The property offers three-bedroom, one-bathroom, one-car accommodation. The home will require some work, but the location is great.



58 Glen Holm Street, Mitchelton

Source: realestate.com.au



58 Glen Holm Street, Mitchelton

Source: realestate.com.au

First home buyers in the outer north like to buy in new subdivisions and developments. These deliver an attractive proposition for those looking to move away from more expensive markets closer to the city.

We have noted that in recent years, first home buyers here have been transitioning away from traditional detached housing and towards townhouses and other attached product. This move is being prompted mostly by relative affordability.

Our teams have seen strong demand from first homeowners for townhouses in Albany Creek, Brendale and Strathpine. These first-time buyers have probably also been renting in the area and given how rents have increased in recent years, it now makes financial sense to buy instead.

Southside

Outer southside suburbs are popular with first-time buyers primarily because of their relative affordability, comprehensive services and reasonable quality housing. Suburbs such as Marsden and Crestmead - where local buyers can pick up a three-bedroom, one-bathroom home for \$500,000 to \$550,000 - are great examples. Then there are locations such as Logan Reserve and Park Ridge which, while not as popular, can deliver modern dwellings for around \$620,000.

Another locality here which seems to be gaining interest is Woodridge. This suburb has been shunned by most Brisbane homeowners in the past. It has always appealed more to renters and has a reputation for being one of the city's less desirable addresses. However, it could prove to be something of a rough diamond as the years progress - particularly as Brisbane continues to see increasing rents, tighter vacancies and rising population. A highset dwelling in good condition here will only set you back around \$570,000.

A great example is 29 Minoa Street, Woodridge which sold for \$560,000 in September.



29 Minoa Street, Woodridge

Source: realestate.com.au



29 Minoa Street, Woodridge

Source: realestate.com.au

The property is a highset Hardiplank home on 607 square metres of land. It delivers reasonable quality three-bedroom, one-bathroom, two-car accommodation.

Ipswich

Ipswich and the western corridor deliver some excellent options to first home buyers who are looking to step into the property sphere on a budget.

Affordability drives demand in Ipswich, but there are also comprehensive facilities on offer and

access to Brisbane's CBD is good via both roads and rail.

Over the past 18 months to two years, due to interest rates increasing and sale prices rising, many first home buyers are choosing units and townhouses as their way into the markets. That said, detached housing is also an option with entry-level homes priced around \$550,000.

Some examples of first homeowner property include townhouses in the \$370,000 to \$450,000 range. This townhouse sale at 40/23 Earl Street, Dinmore demonstrates what's on offer. The property sold for \$399,000 in September and provides three-bedroom, two-bathroom, one-car accommodation. At just five years old, it is in good condition as well.



40/23 Earl Street, Dinmore

Source: realestate.com.au

For anyone seeking detached housing and wonder what their dollars can secure, this sale at 40 Pencarrow Crescent, Raceview provides four-bedroom, two-bathroom, two-car accommodation on a 602 square metre site. It appears to be in reasonable condition throughout and its Raceview position puts it close to schools and within proximity of shopping. The home sold for \$555,000 in October.

Month in Review
October 2023



RESIDENTIAL



40 Pencarrow Crescent, Raceview Source: realestate.com.au

All-in-all, Brisbane delivers options for first time buyers that our larger capital-city cousins down south can't. Also, the long-term prospects for price growth remain strong. It will be interesting to see how the market progresses as interest rates stabilise, building costs plateau and rental prices continue to rise.



David Notley
Director

Gold Coast

Far Northern NSW

First home buyers receive a transfer duty exemption or pay a reduced rate when buying an existing home, new home or vacant land to build a home on worth up to \$1 million in New South Wales. First home buyers who are building or buying a newly built home may be eligible for a \$10,000 grant to put towards the purchase price.

Generally, for established housing, first home buyers are purchasing properties that had flood water go through them in February and March 2022 and have since been renovated. They are able to pick up a dwelling in South Murwillumbah, Condong or Tumbulgum around the \$600,000 mark, which is the most affordable freestanding

housing in the Tweed Shire with good access to services.

15 Stafford Street, South Murwillumbah is currently listed for sale for \$625,000. It was purchased in August 2022 as a flood damaged property. It is situated on a 464 square metre allotment and has been substantially renovated to a good standard.



165 Stafford Street, South Murwillumbah Source: realestate.com.au

Otherwise, first home buyers have to look into entry point duplex units, townhouses or unit complexes to get into the market, which can be found in Banora Point and Tweed Heads. A townhouse in Banora Point with three bedrooms and one bathroom has a starting point in the high \$500,000s, and once you go to three bedrooms and two bathrooms, these are well and truly into the \$600,000 range.

There are limited options along the Tweed Coast under \$700,000 (Kingscliff, Casuarina and Pottsville), however you are looking at either one-bedroom units or small and very dated two-bedroom, one-bathroom villas.

The main push for first home buyers in the Tweed Shire is to rent due to the high entry price point and the limited stock available of affordable properties. Rentals under \$700 a week for a freestanding

house are hard to come by, however \$550 per week is an option for two-bedroom, one-bathroom duplexes or units. First home buyers are being pushed into buying to keep a roof over their heads - otherwise the only option is to stay or move back in with family.

Although there is a grant to build, there isn't much confidence in the construction industry at the moment, with countless stories of people who have had difficult builds during COVID, delays, increasing construction costs and builders collapsing. To rent and build in the current climate is difficult, and not something first home buyers are willing to do with the cost of living being so high. Buying a brand new dwelling in the Tweed Shire is usually out of reach of first home buyer budgets.

First home buyers are definitely not getting as much bang for their buck as they used to in the Tweed Shire pre-COVID and there is definitely a change in what type of properties first home buyers are purchasing. In complexes where the typical owners were older generations downsizing, you are now seeing more families.

First home buyers have definitely played their part in keeping the entry level of the market strong and even performing better than it did at the peak of the market at the end of 2021. It's not an easy road to be on in the current climate.

Central to Southern Gold Coast

Based on the very strong increases in property values since the start of COVID, there are limited opportunities for first homebuyers (ie under \$750,000) in the Gold Coast's southern region. Even with the increases in interest rates since May 2022, properties in this price range have remained sought after and now seem to be increasing even more.

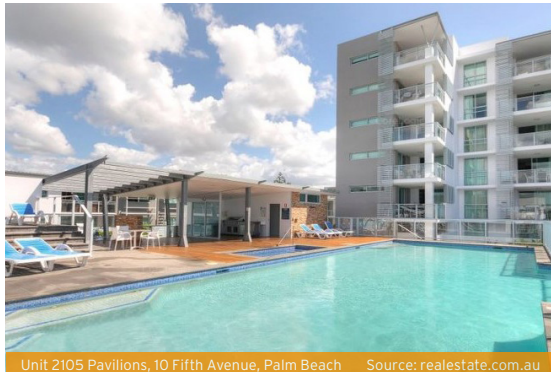


In the current market, properties in this lower price range are selling quickly with limited stock available. This generally means that first home buyers now have to look at property further from the coastal areas. These suburbs include Robina, Varsity Lakes, Reedy Creek, Elanora and Currumbin Waters.

There are still some opportunities for first home buyers to purchase in coastal areas. Generally these are smaller units in medium to large complexes, however, these options are highly sought-after by both first home buyers and investors.

Examples of recent sales of properties in coastal areas that may appeal to first home buyers include the following:

Unit 2105 Pavilions, 10 Fifth Avenue, Palm Beach is currently under contract for \$600,000. The unit has an area of 69 square metres and comprises two bedrooms, two bathrooms and a single basement car space. The Pavilions development is a large, medium rise complex with a central position in Palm Beach.



Unit 8 Burleigh on the Beach, 5 Fourth Avenue, Burleigh Heads sold in July 2023 for \$595,000. It comprises one bedroom, one bathroom and a single

basement car space. It is located within a walk-up complex and is close to the beach.



The non-coastal suburbs offer a greater variety of properties including larger units or townhouses. One of the main considerations for first home buyers for these types of properties is to know and understand the weekly body corporate fees and determine how a higher body corporate fee will impact their cash flow. It's also prudent to research body corporate records, including the sinking fund balance and whether there are any outstanding major works required or scheduled.

Examples of recent sales of properties in non-coastal areas that may appeal to first home buyers include the following:

42/15-35 Killarney Avenue, Robina is under contract for \$650,000 and comprises a three-bedroom, one bathroom townhouse with single garage in a medium size complex. It previously sold in February 2021 for \$425,000.



Unit 13 Clearwood, 15 Simpsons Road, Elanora is under contract for \$720,000 and comprises a three-bedroom, two-bathroom townhouse with a single garage and is situated within a large complex. It previously sold in November 2022 for \$530,000 with renovation works completed since its original purchase.



In conclusion, it is evident that smaller units are still available for first home buyers in coastal areas, and

It is evident that smaller units are still available for first home buyers in coastal areas, and larger units and townhouses are available in non-coastal areas.



larger units and townhouses are available in non-coastal areas.

Central to Northern Gold Coast

Two common avenues for first home owners to purchase properties within this locality are: co-ownership with their partner; and parents going guarantor for their child to help secure their finance.

The low end or affordable price range within this locality (under \$800,000) is performing quite strongly with local agents reporting low stock levels and short selling periods (two to three weeks) when priced appropriately and presented well. This is typically where we see the most activity from first home buyers trying to enter the market. Their largest competitors in this market are investors as these properties also typically rent well and offer good returns.

Over the past few years, this market segment has become quite competitive with large numbers of groups showing up to open homes and multiple offers being placed on properties. More recently, this activity has begun to return. Subsequently, first home buyers have become more informed in terms of what is available in their desired price range and location. It has also made first home buyers prepared in terms of their financial position and borrowing capacity with pre-approval a must if they wish to make an offer on a property.

With the increasing demand and shortening supply, first home buyers have also had to manage expectations of what their budget can afford them. Typically compromises tend to be made in either location or size and condition.

For example, if a first home buyer with a budget of under \$650,000 would prefer a newer product, they might have to look at circa 2014 or later townhouses or units in Helensvale or Coombabah.

If they prefer location and wish to be closer to the Broadwater, Biggera Waters, Runaway Bay and Paradise Point offer smaller, older units within that same price range.

The price of the property is the main driver in first home buyer decision making. This has led to a supply shortage of low-end affordable product. Many local agents report low stock and multiple back-up offers on properties already under contract. Agents have begun focusing on prospecting to try to increase their listings as they know that buyer activity and market sentiment for this segment particularly has grown stronger in recent months.

A first home buyer with a budget of under \$600,000 looking for a two-bedroom property close to the Broadwater currently has the following to choose from:

6/47 Brighton Street, Biggera Waters offers a smaller townhouse in mostly original condition. It comprises two bedrooms and one bathroom and is currently listed for sale at offers over \$499,000.



2/18 Madang Crescent, Runaway Bay is an attached two-bedroom, one-bathroom unit that has fair presentation and is currently listed for \$529,000.



Further removed from Runaway Bay (west of Oxley Drive) provides properties where your money goes further. These might be a three-bedroom townhouse or duplex in partly updated condition and typically with good common facilities. Here are a few options.

Unit 63 Casa Bella, 590 Pine Ridge Road, Coombabah provides a single level attached villa with three bedrooms, two bathrooms and single lock up garage. It has been partly updated and is currently listed for sale at \$590,000.



Unit 38 Country Lane, 400 Pine Ridge Road, Coombabah is currently listed for sale at offers over \$595,000 and comprises a part two level



attached townhouse with three bedrooms, one bathroom and single lock up garage.



Unit 38 Country Lane, 400 Pine Ridge Road, Coombabah Source: realestate.com.au

Northern Gold Coast

Whilst the market has slowed considerably in terms of both price and enquiry level since mid to late 2022, the first home buyers' market has persevered in this area, albeit at a steady pace. This can be mainly attributed to the affordability and new land releases for those seeking to buy or build new homes who can also take advantage of the government grants and incentives being offered depending on income level and purchase or build price.

First home buyers can opt for the \$15,000 First Home Owner's Grant incentive to build or buy a brand new home under \$750,000 or the First Home Guarantee Scheme which allows them the choice of purchasing a new or established home up to \$700,000 (in Queensland capital city or regional centre), with a lower deposit (as little as five per cent) and no lenders mortgage insurance.

Brand new homes are hard to come by, with very few listed on the market at the same time. At present, a brand new four-bedroom, 226 square metre Metricon home is currently listed on the market in Belivah in the high \$600,000s. This property is walking distance to parks, a relatively new shopping centre featuring Woolworths and a number of specialty stores. It is also a short drive to multiple private and public primary and high schools.

Land in smaller, sought after and predominantly owner-occupier style developments such as Brookhaven, Bahrs Scrub and the surrounds (Belivah and Holmview) range from \$265,000 to \$350,000 for 300 to 600 square metre blocks. A number of larger land parcels, whilst scarce, can still be purchased in these areas with a 3,376 square metre, flat, cleared block in Bahrs Scrub currently listed on the market for \$685,000. Further west in master planned growth corridors Yarrabilba and Flagstone, cheaper options for small to average sized land parcels are available with 640 square metre blocks typically priced between \$300,000 (Flagstone) and \$325,000 (Yarrabilba). If seeking a larger land parcel, an 8838 square metre, cleared, gently sloping block in the Jimboomba Woods estate is currently listed on the market for buyers from \$699,000. A two hectare block with selective trees at the street front and bushland at the rear is currently listed on the market in North Maclean in the high \$500,000s. Build prices typically range between \$290,000 and \$400,000 for a single level, four-bedroom home depending on size and quality

(excluding larger ancillary items such as pools and sheds).

With new land releases still cheaper in this area compared to the likes of the Gold Coast and Brisbane inner fringe areas, buyers can get more for their money but still be situated in an ideal location between the Gold Coast and Brisbane. As a result, buyers have become slightly more picky about what they like and dislike in properties and the conditions of the sale.

Western Gold Coast

A strategy frequently utilized by first home buyers is having their parents act as guarantors. In this arrangement, parents leverage their own assets or equity to assist their child in obtaining a mortgage. From speaking to first home buyers, the main advantage of having a guarantee is a far lower deposit. Whilst not everyone has the benefit of having their parents guarantee their home loan, this approach has been increasingly common due to the challenges of affordability in the Gold Coast and Scenic Rim property markets.

The affordable price range, encompassing properties under \$750,000, is experiencing high demand from first-time home buyers. One notable trend is the scarcity of available properties in this range, with local agents reporting very low stock levels within this bracket. Selling periods for this price bracket are still within three weeks when they are appropriately priced and well-presented.

The first home buyer segment has become highly competitive within the newer developments of the



With new land releases still cheaper in this area compared to the likes of the Gold Coast and Brisbane inner fringe areas, buyers can get more for their money but still be situated in an ideal location between the Gold Coast and Brisbane.



Properties within close proximity to the township of Beaudesert are still relatively affordable and therefore are an attractive option for first home buyers.

Scenic Rim region, with a large influx of first home buyers and investors attending open houses and multiple offers being placed on properties if priced appropriately.

With increasing demand and limited supply, first home buyers often need to manage their expectations. They may need to compromise in terms of location, property size or condition to fit within their budget. Typically, compromises are made in either the location or the size and condition of the property.

Properties within close proximity to the township of Beaudesert are still relatively affordable and therefore are an attractive option for first home buyers. An example property is 4 Tequesta Drive, Beaudesert. It comprises a circa 2011 low set brick and tile dwelling with four bedrooms, two bathrooms and double lock up garage. It is situated on a 630 square metre allotment and is currently listed for sale at offers over \$569,000.



4 Tequesta Drive, Beaudesert

Source: realestate.com.au

Properties within close proximity to the township of Beaudesert are still relatively affordable and therefore are an attractive option for first home buyers. An example property is 4 Tequesta Drive, Beaudesert. It comprises a circa 2011 low set brick and tile dwelling with four bedrooms, two bathrooms and double lock up garage. It is situated on a 630 square metre allotment and is currently listed for sale at offers over \$569,000.



Jerusha King
Associate Director

Sunshine Coast

The residential market on the Sunshine Coast over the past few years has performed really well. We have seen improvements in sales volumes and values in all areas of the coast as well as the hinterland and Gympie region. The push to more flexible work environments brought about by the COVID-19 pandemic has enabled areas such as the Sunshine Coast and Gympie to capture purchasers who would otherwise be restricted to capital city and metropolitan markets. This regional lifestyle migration pattern along with government stimulus throughout the pandemic and record low interest rates has led to a significant increase in demand for properties in these locations.

The increase in values for many in the property market is seen as a positive, however for one group trying to enter the market, these recent increases have made it much harder and that group is the first home buyers. Not only have first

home buyers had to deal with values increasing significantly over the past two years, therefore needing a larger deposit, they have also had to deal with 12 consecutive interest rate rises placing significant pressure on their repayment capacities and their ability to borrow. The past three months have seen a pause by the Reserve Bank which has given these purchasers somewhat of a break to reassess their positions.

The median home price for a dwelling on the Sunshine Coast is now around \$1 million and just over \$700,000 for a unit. It's often hard for first home buyers to get themselves into a new dwelling at these prices. Often they will have to look at other options to get a foot in the door.

Generally when we talk about first home buyers we tend to think of the lower end of the property market. The first home buyer market on the Sunshine Coast is predominantly the \$550,000 to \$750,000 value range and \$350,000 to \$550,000 in the Gympie region, however as a result of recent increases in values across these areas, opportunities in this price range are becoming harder to secure. We do however see some first home buyers who have been in the rental market for many years and have saved up large deposits entering the market closer to the median home price.

Over recent years developers and builders have had to get more creative to provide more affordable housing options with lot sizes and the design of new homes becoming smaller. Developers and builders have a variety of different lot sizes and house designs targeting first home buyers from small lot terrace style housing on sub 250 square metre lots that provide small two- to three-bedroom, two-bathroom accommodation with a single lock up garage. These product types have become more

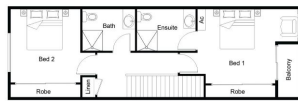
common in the two master planned estates of Aura and Harmony.



3 Potts Street, Palmview - three bedrooms, two bathrooms, one car on a 250 square metre lot listed for offers over \$659,000. Source: realestate.com.au



17 Dellilah Lane, Nirimba - two bedrooms, two bathrooms, one car on a 100 square metre terrace lot listed for offers over \$539,000. Source: realestate.com.au



FIRST FLOOR PLAN



GROUND FLOOR PLAN

17 Dellilah Lane, Nirimba Source: realestate.com.au

The traditional 600 square metre lot with a four-bedroom, two-bathroom dwelling and double lock up garage is becoming a lot harder for first homeowners to obtain, especially in coastal areas. However, if you move further from the coast to the hinterland towns to the west and north or up into the Gympie region, your options can open up significantly. Older post war dwellings, townhouses and duplexes all come into play. For instance in Nambour you can still buy an older original home on a 600 square metre allotment in the high \$500,000s range.



15 Shearers Street, Nambour - listed for sale as buyer interest in high \$500,000s. Source: realestate.com.au

A late 1990s two-bedroom, one-bathroom townhouse in that same area is in the low \$400,000 range. Sure, it is not shiny and new but



5/70 Carter Road, Nambour Source: realestate.com.au

it does provide an option for first home buyers to enter the market.

In the coastal locations, clearly the values tick up so it is harder. The unit market has been the main focus here with older townhouses and smaller walk-up units providing options.

The big issue for first homeowners is the level of competition in the market which is magnified at these lower price points. On the back of the tight rental markets, investors are looking for opportunities.

There are a number of strategies being used by first homeowners to enter the market. These range from utilising the First Home Owner's Grants on offer to using their parent's equity as guarantor for a home loan and avoiding having to pay mortgage insurance. Developers are now also offering rebates on some blocks of land to get first home buyers into the market.



Bryden Lang
Director

Gladstone

The market for first home buyers in the Gladstone region makes up a relatively small sector of our market, however there are a number of different options available. Of course, at the end of the day, it will all come down to buyer preference and budget.

An option that we see fairly regularly is buyers going down the path of building their first home. Floor plates are typically smaller and the quality of finish is basic to average, however entry price points can range anywhere between \$350,000 to \$450,000 depending on the location and size of the allotment as well as the building features.



There are not too many other regional locations where you can get this bang for your buck!

If your budget calls for property in a lower price range then your price points and property types tend to expand. The median house price in the established suburbs of Clinton and New Auckland is around \$380,000. At this price point you could expect a semi-modern three- or four-bedroom home with one to two bathrooms and a double carport or garage.

The median house price drops to around \$330,000 in the central suburbs of South Gladstone and West Gladstone. While this would tick the box of a lower budget it would likely come with more significant maintenance costs and possibly renovations required as most of the homes in these suburbs were built in the 1960s and 1970s.

Another option is units or townhouses. Sales of units above \$300,000 are few and far between. In most suburbs you could buy a modern, two-storey townhouse with three bedrooms, two to three bathrooms and a single car space for between \$250,000 and \$300,000. Entry level for this sector would be a 1980s two-bedroom, one-bathroom townhouse or unit generally in a central location for between \$150,000 and \$180,000.

At the end of the day, the median house and unit prices for Gladstone are still significantly cheaper than several of our regional neighbours. Despite the significant growth our market has seen over the past couple of years, we remain one of the

most affordable regional cities on the east coast of Queensland and therefore there are multiple options for first home buyers.



Regan Aprile
Director

Mackay

The market for first home buyers in the Mackay region makes up a relatively small sector of our market, however there are a number of different options available. Of course, at the end of the day, it will all come down to buyer preference and budget.

First home buyers have various options when looking to build around Mackay including The Waters at Ooralea, Beaconsfield and Rural View for town size allotments, Andergrove for smaller allotments, and Richmond Hills and Erakala for larger residential and rural residential allotments. The Dunes at Mackay Harbour, particularly the beachfront reserve allotments, is more of a prestige residential price bracket.

Price ranges for house and land packages in the Mackay region with basic floor plans and specifications and limited ancillary improvements and depending on land size are:

- ▶ Andergrove: \$550,000 to \$650,000
- ▶ Beaconsfield: \$550,000 to \$750,000
- ▶ Rural View: \$600,000 to \$750,000
- ▶ Shoal Point: \$600,000 to \$800,000

- ▶ Richmond: \$700,000 to \$800,000
- ▶ Mackay Harbour: \$700,000 to \$950,000

First home buyers in Queensland are eligible for a \$15,000 grant for the construction of a new home or purchase of a newly built home that has never been lived in. The grant is available for a purchase or total package up to \$750,000. The current climate of increased interest rates, increased cost of living, increased building costs and lack of builder availability in the Mackay area is seeing mixed interest from first home buyers looking to take advantage of the First Home Buyers Grant.



Kym Cook
Valuer

Emerald

Poor housing security resulting from high rental demand and prices versus low rental supply is driving first home buyers in Emerald into their first homes.

In 2023, Queensland first home buyers are able to apply for:

- ▶ The First Home Buyer Grant of \$15,000 depending on their eligibility. It is worth pointing out that this applies to new homes or substantially renovated homes that are \$750,000 or less which have never been lived in. The first home buyer must be an Australian citizen or permanent resident to be eligible.

Despite the significant growth the Gladstone market has seen over the past couple of years, we remain one of the most affordable regional cities on the east coast of Queensland and therefore there are multiple options for first home buyers.





- ▶ First Home Guarantee offered by the National Housing Finance Investment Corporation on behalf of the Australian government which allows eligible homebuyers to buy a home with as little as a five per cent deposit without paying lenders mortgage insurance. The home buyer must be over 18 years old, an Australian citizen or permanent resident and earning at least \$125,000 per year for individuals or \$200,000 for dual applicants. It is not necessary for the home to be brand new to qualify for this guarantee.
- ▶ First home concession for transfer duty for purchases under \$550,000 which restricts stamp duty and can save up to \$15,925.

First home buyers in Emerald in 2023 are not necessarily obvious however the number of people purchasing on fractional ownership or co-buying outside of relationships is minimal, suggesting that market participants don't need to find clever ways to purchase a property in Emerald.

In order for first home buyers to access the first home buyer grant of \$15,000 in Emerald, they would need to be buying a brand new home, or to build a new home, or to purchase a recently renovated dwelling. It is required in all situations that the properties have not been lived in since they have been built or renovated. Given the ongoing high cost of construction, brand new homes available to purchase are limited and the cost of building a new home is outside the ability of many participants. This is in stark contrast to a few years ago during a different economic climate when it

Poor housing security resulting from high rental demand and prices versus low rental supply is driving first home buyers in Emerald into their first homes.

wasn't uncommon for a first home buyer to build a new home in Emerald.

Moving away from the difficulty of buying or building a brand-new home in Emerald, there are many older, more affordable homes to choose from.

A first home buyer earning \$125,000 per year as an individual or \$200,000 per year as a couple wouldn't be unusual in Emerald and so the First Home Guarantee and First Home Concession would be attainable by many.

Michael Denlay
Valuer

Townsville

The first home buyer market in Townsville has been a highly competitive sector for the past couple of years and is becoming increasingly so with anecdotal evidence from agents indicating that stock in this sector is hard to come by and when it does become available it is snapped up quickly.

There are a number of factors driving competition within this market, the primary one being the strong rental market and increasing rents. First home buyers are trying to secure their first home in order to escape the rental market and investors are trying to purchase those very same properties to capitalise on the strong rental market.

A recent conversation with a young couple who had just placed their first home under contract illustrated the competition in the market. They

had been trying to purchase a home for the past 12 months and had made offers on approximately 15 properties, missing out each time with the properties all selling above asking price.

Generally speaking the price point for first home buyers in the Townsville region is the range between \$300,000 and \$400,000. This price point comprises older homes within the middle ring localities and more modern homes in the outer ring suburbs, so there is a trade off as to the purchaser's preference for an older home closer to the city or a newer home further out.

There are very few homes in the inner-city area at this price point and any that fall in this price range require significant work and money spent on them and are not suitable for most first home buyers. The fringe areas comprise rural residential suburbs which have seen a significant increase in values in recent years with entry into these markets starting at \$500,000, pricing them out of the average first home buyer market.

Jamie Martin
Valuer

Cairns

Far North Queensland offers first home buyers a range of options. By accessing one of the various schemes where a deposit in the range of two to five per cent is required and combining this with the First Home Buyers Grant of \$15,000, a number of options open up for first home buyers.

Properties at a more affordable price point are generally located in the Cairns southern corridor or in regional areas such as the Atherton Tablelands or the Cassowary Coast. Central and western Cairns suburbs and the Cairns northern beaches are probably more difficult areas for first home buyers to get into due to price.

The Cairns south corridor is the growth centre of Cairns with the western suburbs and the Cairns northern beaches rapidly approaching the “No Vacancy” sign in terms of land supply.

The Atherton Tablelands’ two main towns of Mareeba and Atherton and numerous smaller villages such as Yungaburra and Tolga are attractive places offering a good standard of living, good employment demand, growing populations, diversified economies and fairly good levels of services and amenities and within one hour to 90 minutes’ drive of the Cairns international airport. House and land packages are available in the \$400,000 to \$500,000 bracket and older established homes needing renovation are available from the mid \$200,000s.

The Cairns south corridor is the growth centre of Cairns with the western suburbs and the Cairns northern beaches rapidly approaching the “No Vacancy” sign in terms of land supply. Edmonton, Bentley Park, Mount Sheridan and White Rock are easily accessible from the Cairns CBD (within about 20 minutes). House and land packages typically range from high \$400,000s with older homes starting in the mid to high \$300,000s. The amazing Edmonton to Gordonvale Highway upgrade (which is almost complete) has improved the drive to Gordonvale immeasurably. Gordonvale has an older section with timber cottages and Queenslanders that respond well to renovation and a new section with modern homes. Gordonvale should be on the shopping list of first home buyers.

All of the locations noted above have very strong rental markets with rents typically in the \$1 to \$1.25 per thousand dollars of capital value (if you can find a vacant rental at all). This means mortgage payments would not be significantly higher than

rent and purchasing comes with all the benefits of home ownership as opposed to the lack of security as a renter.



Craig Myers
Director

Rockhampton

First home buyers in Queensland are eligible for a \$15,000 grant for the construction of a new home or purchase of a newly built home that has never been lived in. The grant is available for a purchase or total package up to \$750,000. The current climate of increased interest rates, increased cost of living, increased building costs and lack of builder availability in the Rockhampton area is seeing mixed interest from first home buyers looking to take advantage of the First Home Buyers Grant.

First home buyers have various options when looking to build around Rockhampton, including Norman Gardens and Parkhurst for town size allotments and Parkhurst and Rockyview for rural residential allotments. Gracemere is also popular and the price of land is much cheaper there. Capricorn Coast has numerous estates to choose from and a number starting to be finalised for those looking for a coastal lifestyle.

Whilst a grant is not available for established older houses, they provide further options for first home owners particularly at the lower price points. With the market improvement over the past couple of years, the entry point for houses has

also increased. Older established areas depending upon size, quality and age are good places to purchase your first home. Areas such as Wandal and Allenstown on the south side of Rockhampton and Frenchville, Park Avenue, older areas of Norman Gardens and Berserker on the north side of Rockhampton are popular.

Steve McDonald
Valuer

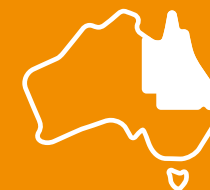
Toowoomba / Darling Downs

The coverage area of the Darling Downs entity is vast, being bound by the Scenic Rim and Brisbane Valley to the east, the south Burnett to the north, the Queensland and Northern Territory border to the west and northern New South Wales and Moree Plains to the south, with many localities, like the rest of the nation, now feeling the pressure of inflation, the higher interest rate environment and cost of living demands that has continued to place stress on household budgets.

Focusing primarily on the Toowoomba area, the median house price across Toowoomba has firmly risen over the previous two to three years and is continuing to increase, which has primarily been driven by the reduced supply of new stock entering the market (in comparison to the peak), which has continued to support home prices and has mitigated some of the downward pressure on current market values in various other markets across the country. Given this increase, first homebuyers are now either looking further afield and purchasing in satellite suburbs further from the CBD or are generally considering purchasing a unit in the inner, middle or outer rings of Toowoomba.

Entry level suburbs include:

- ▶ Harlaxton - median house price \$390,000; median unit price \$285,000.



- ▶ South Toowoomba - median house price \$445,000; median unit price \$285,000.
- ▶ Glenvale - median house price \$465,000; median unit price \$390,000.
- ▶ Centenary Heights - median house price \$495,000; median unit price \$385,000.

Recent sales within these suburbs include:

5 Griffiths Street, Harlaxton

Sale Price: \$390,000

Land Area: 665 sqm

Accommodation: 3/1/0



5 Griffiths Street, Harlaxton

Source: CoreLogic

28/6 O'Brien Street, Harlaxton

Sale Price: \$200,000

Living Area: 72 sqm

Accommodation: 2/1/1



28/6 O'Brien Street, Harlaxton

Source: CoreLogic

12a Cooper Street, South Toowoomba

Sale Price: \$440,000

Land Area: 708 sqm

Accommodation: 2/1/1



12a Cooper Street, South Toowoomba

Source: CoreLogic

8/59 Kitchener Street, South Toowoomba

Sale Price: \$279,500

Advised Living Area: 70 sqm

Accommodation: 2/1/1



8/59 Kitchener Street, South Toowoomba

Source: CoreLogic

1 Gains Place, Glenvale

Sale Price: \$465,000

Land Area: 461 sqm

Accommodation: 3/2/2



1 Gains Place, Glenvale

Source: CoreLogic

2/2 Taragon Street, Glenvale

Sale Price: \$391,500

Advised Living Area: 111 sqm

Accommodation: 3/2/1



2/2 Taragon Street, Glenvale

Source: CoreLogic

First home buyers are now either looking further afield and purchasing in satellite suburbs further from the CBD or are generally considering purchasing a unit in the inner, middle or outer rings of Toowoomba.

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11 Nellie Street, Centenary Heights

Sale Price: \$495,000

Land Area: 600 sqm

Accommodation: 3/1/2



11 Nellie Street, Centenary Heights

Source: CoreLogic

3/328 Hume Street, Centenary Heights

Sale Price: \$330,000

Advised Living Area: 96 sqm

Accommodation: 2/1/1



3/328 Hume Street, Centenary Heights

Source: CoreLogic

First home buyers continue to face challenges entering the property market given the higher entry points in some localities and suburbs, even with the support of government grants available to them. Current first home buyer government incentives available in our coverage area include:

- ▶ **First Home Owner's Grant** provides first-time home buyers with a one-time payment of \$15,000 to help with the costs of buying or building a new home. It is for people who are building their first home or buying a brand-new home that has never been lived in before. It can be used for houses, units, apartments or townhouses.
- ▶ **Queensland Stamp Duty Rebate**
 - **Established home** - stamp duty is not payable as long as the dwelling is less than \$500,000. That's a saving of \$15,925. For properties between \$500,000 and \$550,000, there is a sliding scale up to \$8750.
 - **Vacant land** - the rebate is a maximum of \$7175 for land valued under \$400,000. If the block is less than \$250,000 stamp duty is not payable.
- ▶ **Regional First Home Guarantee** has 10,000 spots available each year to regional first home buyers. This allows you to buy with a five per cent deposit (plus buying costs) and the government will guarantee the other 15 per cent. A requirement is to spend below \$550,000 on a house and land in regional areas (such as the Darling Downs). There is no lender's mortgage insurance.

▶ **Regional Home Building Boost** provides assistance to regional Queensland homeowners with a \$5000 bonus paid at the completion of the purchase or the construction of a brand new home that is less than \$750,000.

▶ **First Home Loan Deposit Scheme** on an established home is a maximum benefit of \$16,179 and on building or a brand-new home is up to a maximum of \$29,500.

▶ **Family Home Guarantee** available for single parents who pay a two per cent deposit and the government guarantees the other 18 per cent. There is no lender's mortgage insurance.

▶ **The First Home Super Saver Scheme** can help first home buyers save for a home quicker by making voluntary contributions to their super which they can then withdraw to buy a property. The benefit of this scheme lies with the superannuation tax rate, which at 15 per cent is lower than normal income tax.

It is recognised that first home buyers have a number of diverse options for purchasing their first property, such as rent-vesting, fractional ownership or co-buying. However, according to a local financial broker, many first home buyers are instead taking advantage of the grants mentioned above, particularly the Regional First Home Guarantee and the First Home Loan Deposit Scheme. Another popular option is the family guarantee, in which relatives or other related parties utilise their assets as collateral for the first home buyer to avoid paying lenders mortgage insurance and, with some lenders, the buyer is able to borrow the whole purchase price plus any associated fees.

▶ *First home buyers continue to face challenges entering the property market given the higher entry points in some localities and suburbs, even with the support of government grants available to them.*

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We consider the first home buyer market for Toowoomba and surrounds will continue to be relatively stable, driven by the region's current record low vacancy rates, relative affordability in comparison to our coastal and capital city cousins, a sound local job market and considerable infrastructure development, both existing and proposed for the region.



Marissa Griffin
Director



South Australia - Residential 2023



Adelaide and regions

The most recent Australian Bureau of Statistics data has indicated that national first home buyer loan commitments have dropped 12.2 per cent in the 12 months to June 2023. The South Australian metropolitan market continues an upward trajectory with state government data indicating the median house price reached a record \$700,000 in the second quarter of 2023. This upward cycle has continued into the third quarter with CoreLogic data indicating that metropolitan dwelling values have increased 3.4 per cent in the three months to August 2023. The rising market and current interest rate environment continue to pressure first home buyers who are historically price sensitive.

First home buyers in South Australia may be eligible for the \$15,000 First Home Owner Grant

Adelaide first home buyers are typically priced out of their family home's suburb and seek comfort by purchasing in adjacent suburbs which have more affordable price points.

which is state government funded. A number of eligibility requirements must be met for this grant, particularly that the property must be a new home which has not been previously occupied or has been substantially renovated and the property's value mustn't be greater than \$650,000. First home buyers may also be eligible for stamp duty relief which was announced by the state government in June 2023. Eligible first home buyers who entered into contracts for new homes after 15 June 2023 will pay no stamp duty for dwellings purchased below \$650,000 or vacant allotments purchased below \$400,000, whilst partial stamp duty concessions

will be applied for dwellings purchased between \$650,001 and \$700,000 and vacant allotments purchased between \$400,001 and \$450,000. In addition to the available grants and concessions, the state government launched the HomeSeeker SA web platform in March 2021. The HomeSeeker SA platform has been specifically designed to cater towards first home buyers with an aim to reduce both housing and rental stress.

The typical first home buyer seeks out comfort in both location and condition of a property. These buyers are typically priced out of their family home's suburb and seek comfort by purchasing in adjacent suburbs which have more affordable price points. In addition, these purchasers have a needs and not wants attitude to housing. These buyers need a roof over their heads with creature comforts and not the wants of a high specification fit-out or an architectural design.

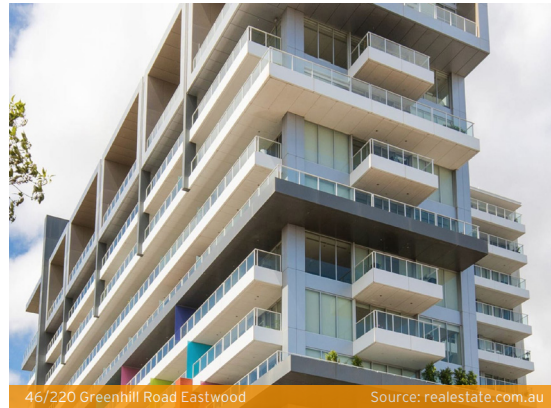
First home buyer stock varies throughout metropolitan Adelaide. Given the increased price point of the inner ring, strata units, small scale dwellings and infill development characterise the stock available for first home buyers. Circa 1960s to 1980s strata units typically range in price from the mid \$200,000s to the mid \$600,000s whilst small scale dwellings range from the upper \$600,000s to \$1.5 million. Infill development

	Jun-2023 (No.)	Month percent change (%)	Year percent change (%)
Owner occupier			
Total housing (a)			
Construction of dwellings	2 755	6.1	-35.8
Purchase of newly erected dwellings	1 680	-1.9	-11.2
Purchase of existing dwellings	20 977	-4.2	-13.3
First home buyers	8 239	-0.8	-12.2
Investor			

comprises both high density townhouses and low-rise apartment complexes which are typically located along arterial routes. This stock typically ranges in price from the high \$200,000s for single bed apartments to \$800,000 for townhouse accommodation. An example of a recent sale is 3/57 Park Road, Kensington Park, a partially renovated two-bedroom, one-bathroom single level strata unit. This home achieved \$578,000.



There's also 2 Parnta Avenue, Prospect, a modern three-bedroom, three-bathroom townhouse and 46/220 Greenhill Road, Eastwood, a circa 2005, one-bedroom, one-bathroom apartment located in the Air Apartment complex with achieved sale prices of \$711,000 and \$380,000 respectively.



The middle ring has a more affordable price point with a closer correlation to the broader metropolitan median house price. In this market segment, first home buyers begin to see greater bang for buck as a broader range of detached dwellings become available in the \$450,000 to \$1 million price bracket.

12 Brolga Avenue, Ingle Farm is a partially updated circa 1970s single level detached dwelling disposed as three bedrooms and one bathroom which sold for \$661,000.



10 Neptune Terrace, Rosewater is a circa 1930s single level detached dwelling described as three

bedrooms and one bathroom which sold for \$700,000.



17a Walsh Avenue, St Marys, a circa 2021 single level detached dwelling is a four-bedrooms, two-bathroom property which achieved a sale price of \$880,000.



The outer ring provides a broad variance of first home buyer stock ranging from circa 1960s former housing trust dwellings to high density infill development. Maisonettes within the outer northern suburbs represent the lowest entry price point for a dwelling in the metropolitan area. First home buyers can purchase a maisonette for



between \$250,000 and \$300,000. Depending on the quality of improvements and accommodation, mid-century detached dwellings can be purchased for between \$300,000 and \$600,000. Newer infill development can be purchased from \$300,000 in the older established suburbs to \$700,000 in the more recently established developments such as those within Blakeview and Angle Vale north of the city and Seaford Rise and Moana south of the city.

With the benefit of the First Home Buyer's Grant and stamp duty concessions, land and build packages have been popular with first home buyers. Land and build packages can be found within inner suburban developments and at the metropolitan boundaries in larger master planned estates. House and land packages typically begin at \$350,000 for higher density style accommodation and rise to as high as \$900,000 for lower density stock. An example of stock available in this market is Allotment 3 Slates Road, Onkaparinga Hills. This property is proposed to comprise a single level brick veneer dwelling disposed as three bedrooms and two bathrooms constructed on a 360 square metre allotment. This property has an asking price of \$520,000.

The current economic climate has created challenges for first home buyers to enter the market. The state government's First Home Owner's Grant and stamp duty concessions will hopefully provide a vehicle for these buyers to come back to the market in the latter stages of 2023.



Nick Smerdon
Valuer

Mount Gambier

The Mount Gambier housing market is popular when it comes to first home buyers as it is still a relatively affordable market compared to other larger regional cities. The South Australian government has recently announced the First Home Owner Grant and a stamp duty relief grant. These grants are up to \$15,000 each for first home buyers who are buying or building a new home that has not been previously occupied or sold as a place of residence. To qualify for these grants, the home needs to be your principal place of residence for 12 months.

We are yet to see an increase in first home buyers electing to build in the Mount Gambier market in

the past 12 months due to the increased building costs and timeframes.

The popular first home buyer price bracket in the market is currently \$320,000 to \$400,000. This price range has a high demand with not only first home buyers but also investors and properties listed in this range have less days on market. In this entry level housing, we are seeing first home buyers compromise on location, size and condition of the property.

An example of a property listed within this popular price bracket is 1 Webb Street, Mount Gambier. This property was listed with a price range of \$299,000 to \$319,000 and consists of two bedrooms, one



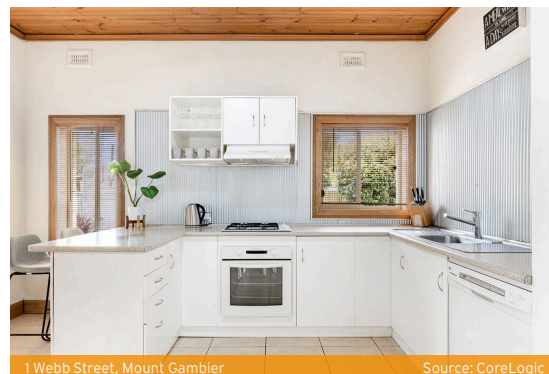
1 Webb Street, Mount Gambier

Source: CoreLogic



46 Acacia Street, Mount Gambier

Source: CoreLogic



1 Webb Street, Mount Gambier

Source: CoreLogic



46 Acacia Street, Mount Gambier

Source: CoreLogic



D *In this entry level housing, we are seeing first home buyers compromise on location, size and condition of the property.*

bathroom and one car detached garage on a 566 square metre allotment close to the CBD. After only two weeks on the market, the property was under contract and sold over the asking price for \$340,000.

A second example of a property in this price bracket seeing high demand is 46 Acacia Street, Mount Gambier. This property has four bedrooms, one bathroom and a two-car garage and was listed for \$369,000 to \$399,000. The property sold for \$416,000, \$17,000 over the upper end of the asking price.

Overall, given the affordability of the Mount Gambier market we will continue to see first home buyers active in this price range.

Lauren Kain
Property Valuer



Western Australia - Residential 2023

Perth and regions

As October ushers in warmer weather, it also heralds significant transformations within our local real estate markets. In the spotlight this month are first-time home buyers, whose journey we will delve into extensively. Our exploration will encompass an in-depth look at the assistance packages tailored to this demographic and shed light on innovative and unconventional strategies that first-time buyers are employing to make their foray into the housing market. Our coverage will span both the bustling metropolitan areas and the charming regions nestled across our vast state, ensuring a comprehensive perspective on the evolving real estate landscape and the opportunities available.

The Western Australian state government offers a one off First Home Owner Grant, which is a \$10,000 grant per transaction for first home owners who buy or build a new home, as well as stamp duty relief for properties under \$430,000 and a discounted duty rate of \$19.19 per \$100 which exceeds the \$430,000 but is less than \$530,000.

In addition to conventional approaches, there are several innovative schemes accessible to first-time home buyers. These include fractional ownership, rentvesting and co-buying arrangements. Furthermore, both Keystart and the federal

government provide shared equity opportunities tailored specifically for first home buyers. There are also various rebates being offered for some products in the marketplace, although buyers should use caution and assess how each lender assesses the impact of such rebates.

Let's begin our journey in the inner suburbs of Perth. Naturally with property prices more expensive the closer you are to the CBD, first home buyers are typically professional couples who have accumulated a healthy deposit to put towards their starting pad, be that a small green titled home or a strata apartment or townhouse, however there are some surprisingly affordable options available as well.

In addition to picking up the typically cheaper, older apartments in the \$200,000 to \$400,000 range which are also eyed off by astute investors, recently we have seen a number of first home buyers purchasing off the plan apartments in complexes offering additional communal benefits and stamp duty rebates if purchased prior to the commencement of construction. For first time buyers who have the security of somewhere to stay in the meantime, this can be a very appealing option if you are brave enough to assume that construction start.

As at the time of writing, a couple of options within the inner metro area include Stage 1 of Chapel Hill, 469-471 Canning Highway, Como where one-bed, one-bath apartments start from \$430,000 with up to 100 per cent stamp duty rebates (up to \$50,000) when signing on the dotted line prior to construction commencement next year. This complex will comprise 224 apartments over two stages and offer communal amenities centred around wellness, including a community garden, coffee deck with library, rooftop space and outdoor meditation and workout sanctuary. Definitely an attractive option compared to the suburb median rental figure according to REIWA of \$620 per week for substantially older products, not to mention the \$1.05 million median sales price for the suburb.



Another option can be found in the prestigious western suburbs of Perth. The Terraces at 3 Shenton Road, Claremont is offering one-bed, one-bath apartments with a single car bay starting from \$570,000, which is far more palatable than





the \$1075 per week median rental in the area. The Terraces also offered a 50 per cent stamp duty rebate prior to construction commencement.



The Terraces, 3 Shenton Road, Claremont Source: realestate.com.au

Moving out of the inner ring, average prices start decreasing but this does not mean that first home buyers are only chasing the dirt-cheap options.

While a solid number of first home buyers are still securing house and land packages in the \$400,000 to \$600,000 vicinity in suburbs such as Brabham, there is a hive of activity in the suburbs of Craigie, Pearsall and Hocking with median selling prices ranging in the high \$500,000s and median rents averaging between \$550 and \$650 per week.

With the rental market extremely tight and the pressure of properties selling quickly (REIWA stats currently show the average days on market for the greater Perth region is only nine days - which you can expect to be even lower for more affordable but desirable homes) there are also first home buyers pushing their budgets even higher to the \$600,000 to \$700,000 bracket to secure quality, move-in ready products, battling it out with investors and older generation downsizers.

Last year, first home buyers could pick up a four-bedroom, two-bathroom home in the lakeside

suburb of Edgewater for under \$700,000, however now they need to ease their expectations, with the same price only buying them a three-bedroom, one-bathroom home instead.

Take for example, 36 Tallow Ramble, Edgewater. This renovated three-bedroom, one-bathroom 1983 built brick and tile home was hotly contested between downsizers, first home buyers and investors. It was sold to an interstate investor through a buyer's agent for \$695,000 within a week of it being advertised, setting the suburb record for a three-bed, one-bath home. The property was then advertised for rent for \$590 per week. The property, sitting on 771 square metres, is zoned R20/40 which also provides potential to subdivide and develop in due course.



36 Tallow Ramble, Edgewater Source: CoreLogic

In a similar fashion to the outer northern suburbs, the southern city of Rockingham has also seen strong first home buyer activity in the house and land package market, particularly in the sprawling but long-battling suburb of Baldivis which has now come into its own due to significant levels of supply and housing estates that were already approved and under development during the COVID era.

As we head to the coastal suburbs of Waikiki, Warnbro and Port Kennedy, older established

homes typically on larger blocks of land are hotly contested between first home buyers and interstate investors who are capitalising on the far cheaper options compared to their local real estate markets, strong returns and the potential for capital growth with median prices in the high \$400,000s and rental returns in the \$500s per week.

One lucky first home buyer was able to secure 15 Manta Court, Warnbro for \$490,000 in June. This 1995 built three-bedroom, two-bathroom home even includes a pool out the back, right in time for these warmer months!



15 Manta Court, Warnbro Source: CoreLogic

Recently granted the award for being the "Top Tourism Town" of Australia, Mandurah is not only popular with tourists, but is a sought-after place to live permanently as well. In pre-COVID times, Mandurah was already popular with first home buyers due to its good amenity and affordability and a surge in values closer to Perth has resulted in perceived better value opportunities to purchase a first home being abundant in the Mandurah region.

Though more attainable, it's not uncommon for properties to not even be presented to the local home buyer market, with many properties being offered to eastern states-based buyers' agencies



With the rise in both house prices and repayments from interest rates, plus significant rental pressure throughout the market, we would estimate that the cost of buying such a property is not too dissimilar to the cost of renting it.

off market, having formed good relationships with real estate agencies by offering clean, above market prices. This makes it difficult to compete, but we would encourage you to stay close with your local agents and ensure that they understand that you are ready to buy.

When considering price points, local first home buyers are generally seeking properties under \$400,000 which presents a plethora of options from older three-bedroom, one-bathroom homes on larger blocks of land, to near new but small three-bedroom, two-bathroom homes on sub 300 square metre blocks, to apartments and villas. However, these are also the property options chased by interstate investors and for the latter options, by downsizers looking for lock and leave homes.

Budgets can be pushed far higher than these levels, which ties in with the higher median prices as you head north to the city, but with potentially more bang for buck in this area. Above \$500,000 provides opportunities for the house and land packages being offered in the suburbs of Madora Bay and Lakelands, with the latter benefiting from the addition of the Lakelands train station.

Let's take a look at 52 Cassowary Crescent, Coodanup. This three-bedroom, two-bathroom, two-car 2015 built home sold in July for \$399,000 and is a perfect example of a neat and tidy smaller home on a 329 square metre lot, located within four kilometres of the Mandurah train station and Mandurah Forum shopping centre.



52 Cassowary Crescent, Coodanup Source: CoreLogic

If this property were to be offered for rent, we expect it would achieve circa \$480 per week. With the rise in both house prices and repayments from interest rates, plus significant rental pressure throughout the market, we would estimate that the cost of buying such a property is not too dissimilar to the cost of renting it. The stress in the rental market has resulted in some buyer sentiment being to pay more than market value in desperation for stability and with the view of playing the long term game, banking on capital growth, but there are also risks associated with such a strategy in that the lender will generally only lend funds based on a market value assessment and we all know from past experience that markets can change unexpectedly.

An interesting point to note in the current market is that some agents have not seen as many buyers with guarantors to aid in purchasing at the lower end, as the federal government guarantee scheme works quite well, however family guarantors are still a popular choice for first home buyers buying

above the limits of the federal government scheme (which varies between states and regions).

Pre-pandemic, first home buyers in the Mandurah area were spoiled for choice, had very specific buying criteria and a lack of urgency, ultimately procrastinating then negotiating aggressively and would walk away from a negotiation without a second thought. How the tables have turned! With new infrastructure and a thriving foreshore precinct, Mandurah should certainly be kept on the radar.

On the periphery of the metro area, there are some interesting examples in smaller townsites for first home buyers.

Northam is located at the edge of the wheatbelt region of Western Australia, approximately 100 kilometres east of Perth. Individuals typically move to Northam due to the relaxed lifestyle it offers whilst maintaining a connection with the Perth metro area.

Bullsbrook is now almost part of the outer metropolitan area, being located 30 kilometres north of Perth. Individuals typically move to Bullsbrook due to the rural lifestyle it offers while still being within commuting distance of the city.

First home buyers in both of these areas are made up of young professionals, fly-in-fly-out workers who are enticed by the rural lifestyle and affordability of each area or families who prefer larger properties and may want to pursue hobby farming.

This 1930 built three-bedroom, one-bathroom fully renovated dwelling at 22 Hampton Street, Northam sold for \$285,000 in June, and is located on a 1012 square metre lot. This property is highly attractive to first home buyers as it is a more affordable option compared to the metro area and allows individuals to enter the market with ease. The property provides the benefit of having a larger sized lot providing a backyard perfect for families with kids, is a fully renovated home in good condition and located in walking distance from town amenities.



22 Hampton Street, Northam

Source: CoreLogic

In Bullsbrook by comparison, this 1960 built three-bedroom, one-bathroom partly renovated property at 41 Capron Street sold for \$395,000 in June, and is located on a 728 square metre lot. The dwelling has been renovated and is within close proximity of a school precinct. Whilst more expensive than the Northam option, it is closer to the amenities offered by the metro area.



41 Capron Street, Bullsbrook

Source: CoreLogic

In this instance, first home buyers may be better off purchasing a property in Northam for \$110,000 less which is in closer proximity to amenities in the town centre and is on a larger lot if they are willing to sacrifice being further away from metropolitan Perth, however the trade-off that needs to be considered is the capital growth prospects of each location.

Within our south-west region, best known for its wine and surf, first home buyers might find their search for the perfect first abode a struggle. Stemming from already low stock levels across the region, additional factors such as affordability and competition, especially when competing with cash offer downsizers, are contributing to the gatekeeping.

Looking at established property, first home buyers hoping to take advantage of stamp duty waivers for properties under \$430,000 and concessions for those between \$430,000 and \$530,000 will notice slim pickings out there, but not impossible if they're quick!

For example, looking at the Bunbury suburb of Carey Park, 49 Sweeny Street, a four-bedroom, two-bathroom, two-car 1990 built brick home sold in June for \$430,000 after only 16 days on the market with an initial price guide of offers over \$400,000.



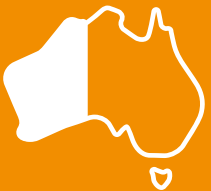
49 Sweeny Street, Carey Park

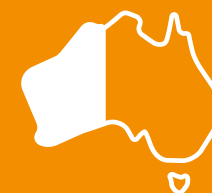
Source: CoreLogic

After a period of record low interest rates, the current potential mortgage repayments may be a disincentive for first home buyers to enter the market, especially if we look at the average selling price of the major towns:

- ▶ Bunbury - \$653,000
- ▶ South Bunbury - \$420,000
- ▶ Australind - \$475,000
- ▶ Margaret River - \$680,000
- ▶ Dunsborough - \$850,000
- ▶ Vasse - \$595,000
- ▶ Busselton - \$630,000

Stemming from already low stock levels across the region, additional factors such as affordability and competition, especially when competing with cash offer downsizers, are contributing to the gatekeeping.





► West Busselton - \$625,000

► Augusta - \$693,000

Affordability is a little better in some of the inland towns where median house prices are as follows:

► Donnybrook - \$443,000

► Manjimup - \$300,000

► Bridgetown - \$480,000

► Nannup - \$415,000

Moving on to the new builds, the first hurdle for buyers is the extremely low level of supply which is well below average, with only a little over 300 listings currently available according to REIWA. This is a huge drop from the 1000 reported in the same period last year. The lack of supply has created tougher competition due to sky high demand. Then we also need to consider the high land values and building costs, becoming more likely that the total cost will exceed the new home threshold of \$750,000 to qualify for the First Home Owner's Grant.

Suffice to say that there is currently limited activity in the first home buyer sector of the market in the south-west and those who wish to enter this market need to be prepared to act quickly.

Heading into the Great Southern region, Albany and the surrounding area is known for glorious beaches, forests, wineries and nature walks. It's a fantastic tourist destination and a popular choice among first home buyers. The area has become more popular with fly-in-fly-out workers in recent years due to its affordability and the sheer plethora of things to do throughout the region. If you're looking for a sea change, Albany is a very appealing option.

As there is quite a shortage in the sub \$400,000 market in general and most first home buyers

prefer brick and mortar homes, they are realigning their expectations to consider fibro construction, however this does not mean that there are not well-maintained, well-presented options available.

An example of this is the sale of 10 Leslie Street in the northern suburb of Yakamia. This three-bedroom, one-bathroom neat and tidy home sold in June for \$330,000 after approximately one month on the market and may be a far more attractive option than paying the median rental for the suburb of \$500 per week. Most of the brick builds, especially those under \$400,000, are being snapped up very quickly by cash offer downsizers.



What has started to improve and assist first home buyers is the bounce back in the new home build sector in this region. Over the past few years, build time expectations have reduced from 18 months to under a year and new estates such as Clydesdale in McKail and Oyster Harbour in Bayonet Head have been quite successful with buyers who have managed to save a healthy deposit.

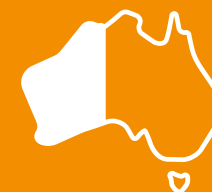
Albany is definitely picking up with far more first home buyer activity now compared with earlier this year. It's an affordable option with great lifestyle opportunities.

Located some 700 kilometres south-east of Perth, Esperance is best known for its stunning white beaches and aqua-coloured waters. Esperance could be described as a micro economy within Western Australia, being a relatively self-contained regional centre with a highly resilient community, underpinned by the agricultural industry, but also hosting a significant multi-user export port.

There is a fair level of first home buyer activity currently in the Esperance market, due in large part to the extremely tight rental market. As expected, typically these buyers are seeking properties in the lower to middle markets, that is the two- to three-bedroom, one-bathroom and the four-bedroom, two-bathroom homes in the \$200,000 to high \$400,000 bracket which are in high demand and do not last long, with local and interstate investors being the main source of competition.

In the suburb of Sinclair, 102 Pink Lake Road is a prime example of a value for money property. This three-bedroom, one-bathroom renovated 1972 home on 788 square metres sold for \$355,000 in June. The current median selling price in Sinclair is \$360,000 and median rent is \$350 per week, so it's a clear choice that if you are in a position to purchase, it may be more attractive than renting. This is pretty similar across the various Esperance suburbs, with some flex in each category.





Heading north from Esperance to Kalgoorlie-Boulder, the world-renowned city located in the Goldfields region, first home buyers in this region include both locals who have grown up in the town along with those attracted to the area for its higher-than-average wages and outback lifestyle.

First home buyers in Kalgoorlie are currently challenged by a lack of supply and rising rental prices, with investors being very active in the town, so it's essential to have your finances in line if you are going to be able to compete for a property.

This 1994 built four-bedroom, one-bathroom dwelling at 11 Rainsford Loop, Boulder sold for \$320,000 in July this year, and is situated on a 765 square metre lot. The property is in original condition and features a swimming pool, powered shed with drive through access and a large patio. The property would appeal to all first home buyers due to its affordability aspect. Some investors avoid properties with swimming pools, so this may give first home buyers a bit of an edge.



11 Rainsford Loop, Boulder

Source: CoreLogic

Bringing us back to the coast, Jurien Bay is a coastal town north of Perth, approximately halfway to the regional centre of Geraldton. The region has experienced strong capital growth in the past couple of years, initially as a holiday

location but also now as an idyllic location for those who work remotely. This charming coastal town has experienced a rise in first home buyers in the area since 2020, with lower priced stock in good condition selling first, followed by an increase in house and land packages. For those who prefer to purchase established dwellings, high demand and lack of supply in the region is evident which creates a challenging market for first home purchasers.

This 2014 built three-bedroom, three-bathroom property at 11 Grevillea Way, Jurien Bay sold for \$560,000 in June this year. The property is located on an 800 square metre lot and features an architecturally designed dwelling separated into two pods with an outdoor area, BBQ area, timber decking, verandahs and patios. The property is conveniently located within 500 metres of the beach and in close proximity to local amenities. This property was on the market for just five days, reflecting the high demand and low supply of properties in Jurien Bay, particularly decent quality established dwellings of this nature.



11 Grevillea Way, Jurien Bay

Source: CoreLogic

Travelling further up the coast, the Geraldton region is known for its stunning natural landscapes and sunsets.

First home buyer participation increased during the COVID period, largely due to a tightening of the rental market resulting in buying a property becoming a viable and more importantly, a more stable option, however higher interest rates and inflationary pressures are making it more difficult to balance the equation. The presence of eastern state buyer agents targeting the lower end of the market has further increased competition for first home buyers in the market.

This 1994 built five-bedroom, two-bathroom home at 44 Dorothy Street, Geraldton sold for \$260,000 in June this year. The property is located on an 814 square metre lot and is in largely original condition and features solar panels, a rainwater tank, large patio and shed. This property is in close proximity to the town centre, making it an attractive property for first home buyers such as young families who are chasing a larger home whilst still being within the city centre area. The property sold after just four days on the market.



44 Dorothy Street, Geraldton

Source: CoreLogic

Carnarvon is a coastal town located in the Gascoyne region of Western Australia and is well known for its warm climate, horticultural production and fishing as well as its coastal beauty

and the Fascine. The first home buyer segment in this town mainly comprises local residents.

Investor presence in Carnarvon is minimal in comparison to other regional towns in the state which is an advantage for first home buyers. The annual volume of sales in Carnarvon is relatively low, but there are plenty of options available.

This 1950 built four-bedroom, two-bathroom home at 9 James Street, Carnarvon sold for \$350,000 in July. The property is located on a 680 square metre lot and features fully renovated bathrooms, a renovated kitchen, shed and new air conditioning. The property is located a short distance from the local shopping centre and close to the airport and reflects a relatively modest price for a property in this condition.



9 James Street, Carnarvon

Source: CoreLogic

A touch further up the coast (by Western Australian standards at least), Exmouth is a coastal town renowned for the Ningaloo Reef and Turquoise Bay, one of the best beaches in Australia. First home buyers in this town are generally younger couples and families, being either locals or those who planned on passing through the town but never left.

First home buyers are generally active between the \$400,000 and \$600,000 price range. This price

range of the Exmouth market generally contains unit or townhouse style properties, as conventional housing generally sits above this bracket. This 2010 built three-bedroom, two-bathroom dwelling at 5/1 Coral Way, Exmouth sold for \$590,000 in April this year. The villa is located on a 267 square metre lot in close proximity to the marina and features an undercover patio and courtyard.



5/1 Coral Way, Exmouth

Source: CoreLogic

In many instances, it can be cheaper to buy than rent in Exmouth, although costs such as shire rates and insurance need to be factored in.

Travelling up into the Pilbara region of Western Australia, Karratha is a town that is largely dependent on resource activity, hosting significant gas processing and iron ore exporting facilities. The first home buyer demographic in Karratha is largely younger couples who do not receive company provided or subsidised housing and are seeking to escape the cost and fluctuations of the rental market.

The percentage of first home buyer activity in Karratha has increased over the past few years largely due to the cost of rental properties and lack of new supply of housing resulting in it being potentially more affordable to purchase a home rather than pay rent. First home buyers are

competing with investors looking for entry level three-bedroom, one-bathroom homes for under \$500,000. First home buyers in this town are usually on above average wages and can typically afford most sections of the market, however the lending restrictions in some regional locations result in the challenge of saving a sufficient deposit.

This 1985 three-bedroom, one-bathroom dwelling at 7 Gunsberg Court, Pegs Creek sold for \$490,000 in June this year, presenting in original condition. The property is located on a 710 square metre lot and includes a pool and patio. This property would be a great home for a first home buyer in Karratha as it has a pool for the warmer days and is within walking distance of schools and the town centre.



7 Gunsberg Court, Pegs Creek

Source: CoreLogic

The median rent in Pegs Creek is currently \$880 per week and has increased 35 per cent since last year. This is an indication that owning a home in such an area can be a better option for a first home buyer, assuming they can raise the deposit whilst paying rent!

Heading further up the coast, Port Hedland's economy is heavily influenced by the resource sector, hosting the world's largest bulk export port, predominantly for iron ore, but also for lithium and salt. The first home buyer segment typically





consists of young local residents or professionals avoiding the local rental market plus resource workers avoiding the fly-in-fly-out life, where the appeal of a strong local community beats living in shared accommodation on a temporary basis.

This 1975 built three-bedroom, one-bathroom dwelling at 124 Paton Road, South Hedland sold for \$400,000 in July this year. The property is located on a 736 square metre lot and features a fully renovated bathroom, laundry and shed with multiple access points providing access to the rear of the property. Multiple offers were presented, and the property sold above the original asking price, reflecting the level of demand that currently exists. Whilst this property would be perfect for a first home buyer, the property sold with a short lease in place at \$895 per week, resulting in competition from investors as well.



Travelling inland, Newman is known primarily for its mining sector but equally important is its rich indigenous culture plus the stunning Karijini National Park which is situated about a two-hour drive from town. The landscape is what dreams are made of and individuals generally move to this remote town for employment opportunities and fall in love with its remote, outdoor lifestyle. First

home buyers in this town are typically made up of younger people enticed by the high income salary offered by mining companies and local residents who have strong connections with those in the community.

Traditionally, the residential market in Newman is heavily investor driven and investors are currently making up approximately 90 per cent of buyer enquiry, so there is plenty of competition for first home buyers, however what would appeal to each of these market segments is not always the same.

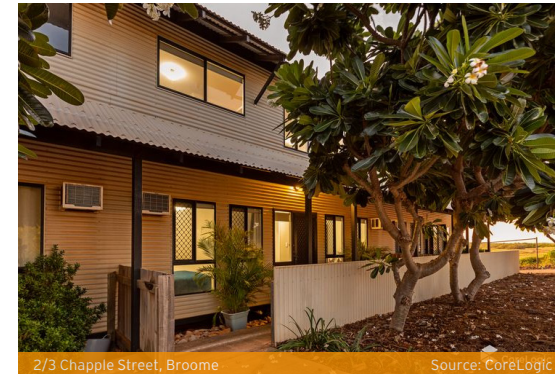
This 1970 built three-bedroom, one-bathroom dwelling at 9 Barton Way, Newman sold for \$280,000 in March this year. The property is located on a 701 square metre lot and features a renovated kitchen, a shed and patio. It can be cheaper to buy than it is to rent in remote towns like Newman and this property is no different, being expected to return in the order of \$600 per week.



Travelling further north to Broome and its famous Cable Beach, first home buyers in this region consist of younger families who are either locals or young professionals attracted to the tourism hotspot for its unique lifestyle and career opportunities, along with those who intended to pass through but decided to stay for a few years.

First home buyers in Broome are generally looking to buy within the \$350,000 to \$500,000 price range, targeting properties such as two- and three-bedroom units or houses that either need a bit of work or may not be in the most sought-after parts of town. Rents are sky high in Broome at present due to high demand and lack of any significant supply since 2014, which poses a challenge for first home buyers to enter the market as they have to compete with more cashed up buyers.

This 2000 built three-bedroom, two-bathroom property at 2/3 Chapple Street, Broome sold for \$433,000 in July this year. The two-storey townhouse is located on a 196 square metre lot and features a single carport, courtyard and balcony. The property is located in a small pocket on the north end of China Town, but is in the flight path of the airport. Properties like this are perfect for first home buyers and investors.



Kununurra is located in the Kimberley region, just 45 kilometres from the border of the Northern Territory. Kununurra is known for its natural beauty, outdoor activities and agriculture and is a tourism hotspot with the famous Lake Argyle located approximately a 40-minute drive from town. First home buyers in this town generally

consist of locals who have grown up in the region or young professionals who fall in love with the town during stints in the area for work.

First home buyers are essentially looking to purchase established dwellings due to the high costs of construction in the area, but there are plenty of properties to choose from, from small older units to renovated older dwellings with swimming pools.

This 1987 built three-bedroom, one-bathroom property at 29 Casuarina Way, Kununurra sold for \$259,000 in March this year. The property is located on a 983 square metre lot and features a patio and two-bay carport. The property is in poor condition and will require upgrades but sold well below its replacement cost.



29 Casuarina Way, Kununurra

Source: CoreLogic

In summary, there is decent activity throughout Western Australia among first home buyers and for those who have managed to save up a decent deposit, more often than not it is cheaper to buy than to rent. Rental pressure has increased with low vacancy rates and lack of supply, particularly in the regional centres and there is little sign of this pressure easing in the short term. There are a number of financial aids available to first home buyers including stamp duty relief and first home

owner grants, though there are quite a few who are opting to purchase properties outside of the concession eligibility just to get into the market.

As always, our team continues to be readily available to address any enquiries you may have and is always happy to impart our detailed knowledge to assist your decision making process.



Chris Hinchliffe
Director



Northern Territory - Residential 2023

Darwin

Currently there are no major incentives for first homebuyers in the Northern Territory. There is however a \$10,000 first homeowner's grant which can be applied for through the Northern Territory government. Previously we have seen build bonuses and stamp duty concessions for established homes which encouraged and assisted first home buyers to enter the market, but these are not on offer currently.

Interest rates were at their historical low during 2020 and 2022 and we saw dwelling values increase steadily as many started to work from home and additional space became a requirement. Asset prices increased as people upsized and took advantage of the low interest rates.

With the interest rate rises over the previous 12 months, demand has fallen as the ability for first home buyers to enter the market has decreased, coinciding with the capacity of first home buyers to service new loans becoming more difficult. Prices have started to stabilise and in some locations have shown signs of decline.

Palmerston is relatively affordable with newer three- to four-bedroom dwellings in developing suburbs such as Zuccoli available for under \$600,000 and being attractive to many first home buyers. Affordability is always top of the agenda for first home buyers and homes on smaller allotments that are newer and low maintenance are often the preference.



39 Sundew Circuit, Zuccoli

Source: realestate.com.au

Zuccoli has been popular for this reason and has been developed since 2014. The vast majority of the allotments are between 400 and 500 square metres which is suitable to build a three- to four-bedroom home and enough room to install a pool if the site envelope and budget allow. The recent sale of 39 Sundew Circuit, Zuccoli for \$560,000 represents a good example of the type of home first home buyers are looking for in Palmerston - a recently constructed four-bedroom, two-bathroom dwelling with a modern appointment and in-ground pool on a 420 square metre allotment. The property is low maintenance and is relatively affordable in comparison to other capital cities.

In the northern suburbs of Darwin, first home buyers will often look towards some of the well-established suburbs and a home that has been renovated on a larger allotment of typically 800 square metres. Buyers looking in this location are typically searching for dwellings within a price



39 Sundew Circuit, Zuccoli

Source: realestate.com.au



39 Sundew Circuit, Zuccoli

Source: realestate.com.au

range of between \$550,000 and \$700,000. A good example of this is a home in Moil which recently sold for \$660,000. 31 Parer Drive, Moil is an elevated home built in the late 1970s which has a renovated kitchen and bathroom along with an added rear balcony, established gardens and a large in-ground pool.





31 Parer Drive, Moil Source: realestate.com.au



31 Parer Drive, Moil Source: realestate.com.au



31 Parer Drive, Moil Source: realestate.com.au

Often a weekly mortgage repayment over a 30-year period will be equal to weekly rent and in some cases the mortgage repayment can be less.



31 Parer Drive, Moil Source: realestate.com.au

The greater Darwin region is still affordable for first home buyers; often a weekly mortgage repayment over a 30-year period will be equal to weekly rent and in some cases the mortgage repayment can be less. This is attractive to any Territorian considering becoming a property owner and escaping the rental merry-go-round. If further first home buyer incentives are enacted and further land delivered, first home buyers will likely enter the market at higher rates.



Cameron McDonnell
Valuer

Alice Springs

Our focus this month is on first home buyers. We'll firstly look briefly at the various assistance schemes available to them and then take a look at first home buyer traits and the property types and locations that are proving popular for people entering the market for the first time.

Federal, state and territory governments have acknowledged the difficulty for young people wanting to enter the property market for the first time, due mainly to soaring property prices, cost of living pressures, interest rate increases and bank lending eligibility requirements. Various schemes have been put in place in attempts to help overcome these hurdles and assist people to purchase their first home.

There are currently two main schemes active in the Northern Territory that have been initiated by the NT Government. They are the First Home Owners Grant (FHOG) and the House and Land Package Exemption. The former applies only to those buying a new home that has never been lived in before and provides \$10,000 assistance and the latter provides an exemption from stamp duty to first home buyers looking to purchase a house and land package, with no cap on the value of the package.

The federal government has introduced a Home Guarantee Scheme for first home buyers. In short, it provides a government guarantee to participating lenders that enables first home buyers to purchase a home with a reduced deposit, whilst not having to pay for lender's mortgage insurance. The guarantee works effectively to bring the deposit up to 20 per cent of the purchase price.

All of these schemes are subject to eligibility criteria, so it's best to do your own research to find out the details of each scheme.

First home buyers form an important part of any real estate market as very often, they are the

people buying properties so that the owners of those properties can upgrade to bigger and better homes, and so on it goes up the property ladder. Alice Springs is no exception as without first home buyers, the market would stagnate. They form a large percentage of all property buyers and ensure that there is always demand for entry level housing.

First home buyers typically have a maximum price point that quite often is determined by the size of their deposit as opposed to their overall borrowing power. Young couples for example may have sizeable incomes that would qualify them for much higher debt levels but their deposit amount dictates how high they can go. In general, first home buyers in Alice Springs would be looking for anything from a one- or two-bedroom unit starting at \$180,000 right up to a three-bedroom home of up to \$450,000, depending on their budget and circumstances. Suburbs such as Gillen, Sadadeen, Larapinta and Braitling are generally popular with first home buyers as the prices are reasonable, being more affordable than Desert Springs, Mount Johns, East Side and Araluen. First home buyers in these more desirable locations would in most cases be restricted to one- or two-bedroom units which may be within their budgets.



Peter Nichols
Valuer



Australian Capital Territory - Residential 2023

Canberra

The latest Domain House Price Report revealed Canberra's median house price stands at \$1,034,057 - unchanged from the previous quarter. Despite that, house prices are now down by about \$140,000, or 11.9 per cent, from their June 2022 peak. In percentage terms, Canberra has fallen the furthest from its price peak of all the capitals.

Buyers' mindsets have changed slightly and they're a bit more cautious now when it comes to their financial positions. First home buyers have been the hardest hit. They're looking for houses between \$600,000 and \$800,000 now, but previously, they were looking at spending about \$1 million.

First home buyers are mainly able to find units, duplexes and townhouses within their budget of between \$600,000 and \$800,000 in the current Canberra market. However, a stand-alone dwelling in Gordon sold at \$600,000 two weeks ago, indicating that first home buyers may be able to find older stand-alone dwellings with dated improvements for sale in the Canberra southern suburbs.

The ACT government has recently released district strategies, the Territory Plan and design guides that will support Canberra's growth while retaining the elements that have made Canberra one of the world's most liveable cities. The new Territory Plan makes changes to RZ1 zoning that allow more dual-occupancy developments. Any Canberra block over 800 square metres in an RZ1 zone will be able to have a second dwelling of up to 120 square metres.

This will increase housing supply in existing suburbs to meet ever-growing demand.

It's going to take apartments, single houses, dual occupancies, large and small and a range of different price points to meet future housing needs. That's why it's important for the ACT government to continue its commitment to affordable housing, to speed up land releases and to target some of its subsidies towards community housing providers.

Michael Qu
Assistant Valuer



Tasmania - Residential 2023

Hobart

Tasmanian first homeowners have a pretty sweet deal at the moment with a \$30,000 contribution to all eligible applicants. The cherry on top is the 50 per cent discount on stamp duty for properties transacted up to \$600,000. Of course, there are eligibility conditions including not owning a home previously, being an Australian resident or citizen and the applicant must reside in the property for a period of no less than six months.

Several builders in the south of the state are offering grants of up to \$40,000 for first homeowners, however given current construction costs and land prices it is very unlikely that a first home owner could stay under the \$600,000 cap for the 50 per cent stamp duty discount.

In saying that, properties under \$600,000 appear to be selling readily with numerous offers being submitted.

Eastern Shore suburbs such as Oakdowns, Howrah and Rokeby, and northern suburbs around the Claremont and West Moonah areas are also ones to look out for if on the hunt for your first house.

A quick check on the home loan calculator indicates that if someone applied for a \$500,000 home loan (assuming there is no mortgage insurance), the weekly repayments come in at around \$750 per



18 Clarence Crescent, Rokeby sold for \$527,260 in Oct Source: realestate.com.au

week. That's big bickies for a young couple. Rental vacancy rates are increasing in the better half of the state with for rent signs popping up all over the place. Rental prices appear to have stagnated and in some areas are decreasing. \$750 per week will get you some pretty nice digs. This is an option as opposed to being married to a mortgage with all of the associated costs for the honour of owning your own home.

Properties on the watch list for first home owners are freestanding dwellings on a standard block of land, units and townhouses. With the current interest rate environment, there is plenty to choose from as we are in a buyer's market at this point in time.

Mark Davies
Valuer

Tasmanian first homeowners have a pretty sweet deal at the moment with a \$30,000 contribution to all eligible applicants. The cherry on top is the 50 per cent discount on stamp duty for properties transacted up to \$600,000.





Property Market Indicators

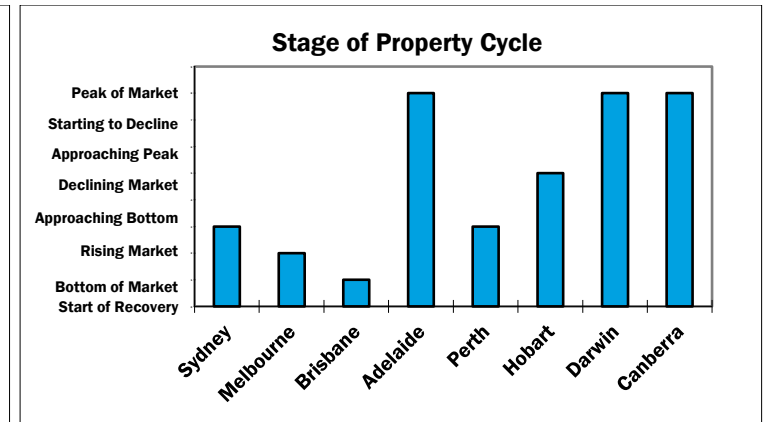
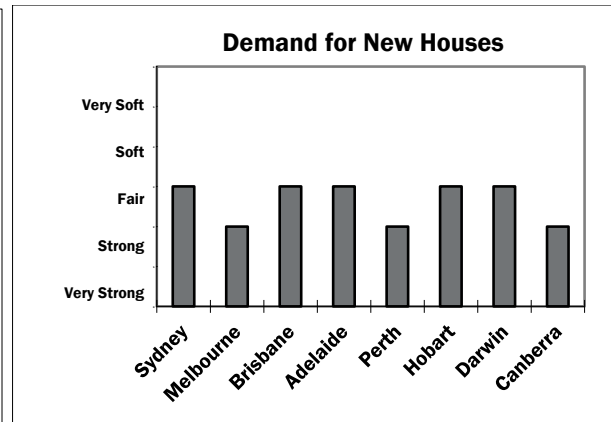
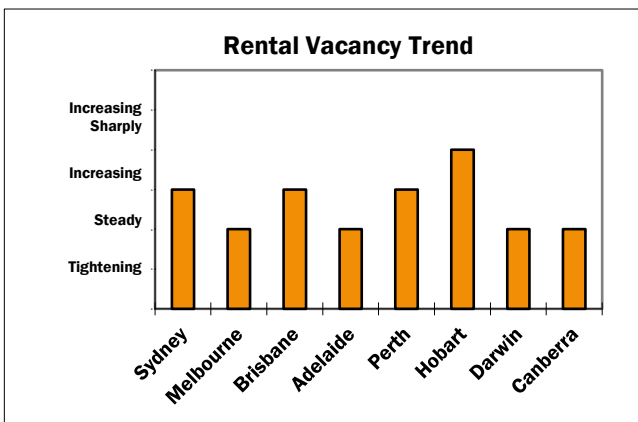
October 2023

Capital City Property Market Indicators – Houses

Factor	Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart	Darwin	Canberra
Rental Vacancy Situation	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Balanced market	Shortage of available property relative to demand	Shortage of available property relative to demand
Rental Vacancy Trend	Steady	Tightening	Steady	Tightening	Steady	Increasing	Tightening	Tightening
Demand for New Houses	Fair	Strong	Fair	Fair	Strong	Fair	Fair	Strong
Trend in New House Construction	Steady	Increasing	Increasing	Increasing	Steady	Increasing	Declining	Declining
Volume of House Sales	Increasing	Steady	Steady	Declining	Steady	Declining	Steady	Increasing
Stage of Property Cycle	Rising market	Bottom of market	Start of recovery	Peak of market	Rising market	Declining market	Peak of market	Peak of market
Are New Properties Sold at Prices Exceeding Their Potential Resale Value	Occasionally	Occasionally	Occasionally	Frequently	Occasionally	Almost never	Occasionally	Occasionally

Red entries indicate change from previous month to a higher risk-rating

Blue entries indicate change from previous month to a lower risk-rating

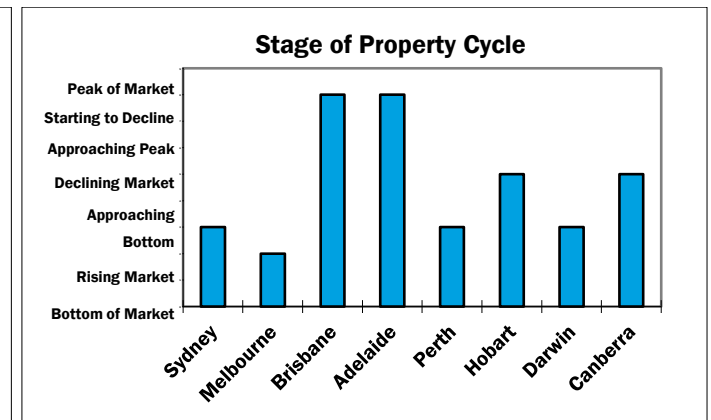
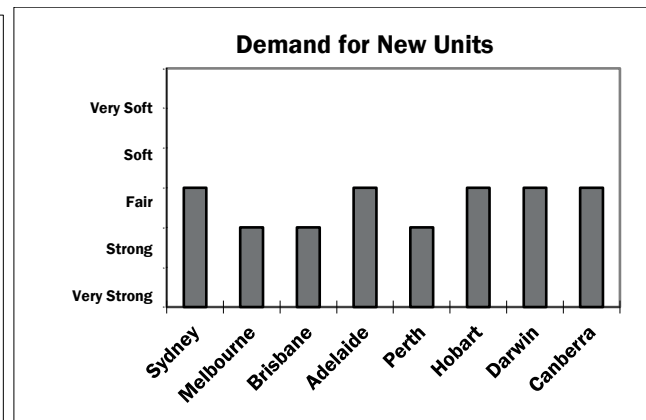
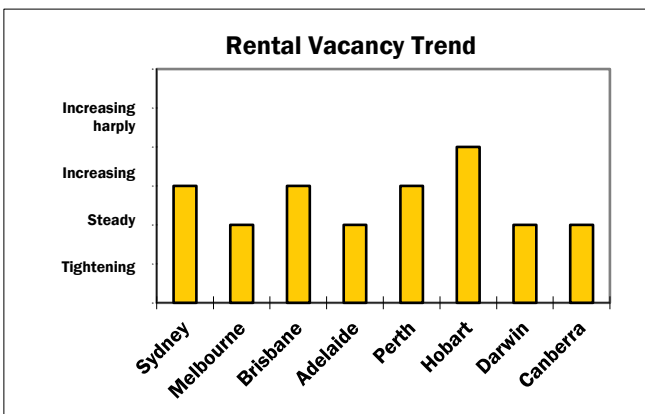


Capital City Property Market Indicators – Units

Factor	Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart	Darwin	Canberra
Rental Vacancy Situation	Severe shortage of available property relative to demand	Shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Balanced market	Shortage of available property relative to demand	Shortage of available property relative to demand
Rental Vacancy Trend	Steady	Tightening	Steady	Tightening	Steady	Increasing	Tightening	Tightening
Demand for New Units	Fair	Strong	Strong	Fair	Strong	Fair	Fair	Fair
Trend in New Unit Construction	Steady	Steady	Increasing	Increasing	Increasing	Increasing	Declining	Declining
Volume of Unit Sales	Increasing	Steady	Steady	Declining	Steady	Declining	Increasing	Steady
Stage of Property Cycle	Rising market	Bottom of market	Peak of market	Peak of market	Rising market	Declining market	Rising market	Declining market
Are New Properties Sold at Prices Exceeding Their Potential Resale Value	Frequently	Occasionally	Occasionally	Frequently	Occasionally	Almost never	Almost never	Occasionally

Red entries indicate change from previous month to a higher risk-rating

Blue entries indicate change from previous month to a lower risk-rating

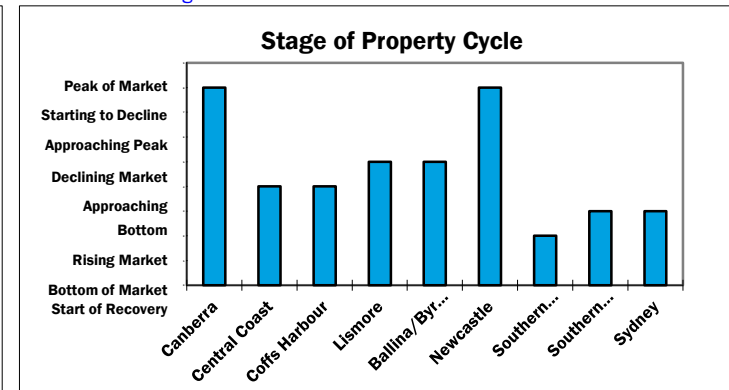
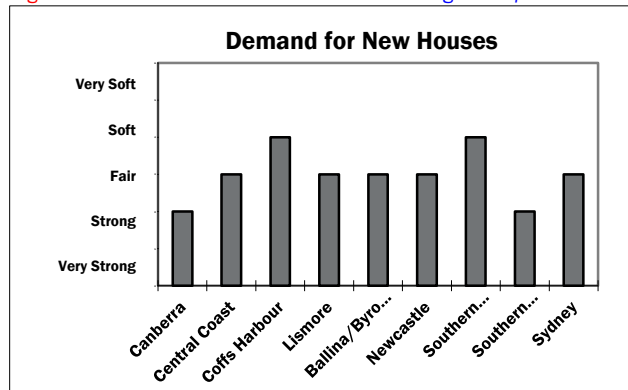
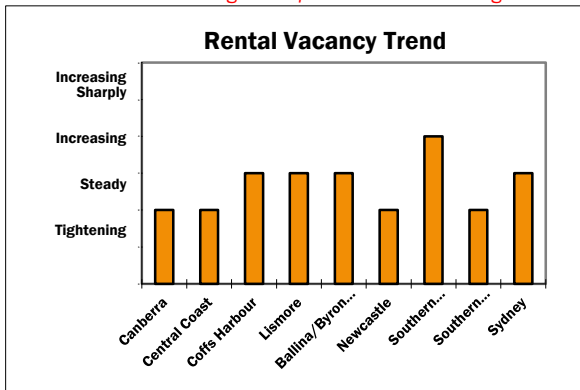


East Coast New South Wales Property Market Indicators – Houses

Factor	Canberra	Central Coast	Coffs Harbour	Lismore	Byron Bay/Ballina	Newcastle	Southern Highlands	Southern Tablelands	Sydney
Rental Vacancy Situation	Shortage of available property relative to demand	Shortage of available property relative to demand	Balanced market	Shortage of available property relative to demand	Balanced market	Shortage of available property relative to demand	Balanced market	Shortage of available property relative to demand	Severe shortage of available property relative to demand
Rental Vacancy Trend	Tightening	Tightening	Steady	Steady	Steady	Tightening	Increasing	Tightening	Steady
Demand for New Houses	Strong	Fair	Soft	Fair	Fair	Fair	Soft	Strong	Fair
Trend in New House Construction	Declining	Increasing	Increasing	Increasing	Increasing	Steady	Increasing	Declining	Steady
Volume of House Sales	Increasing	Declining	Steady	Steady	Declining	Increasing	Declining	Increasing strongly	Increasing
Stage of Property Cycle	Peak of market	Approaching bottom of market	Approaching bottom of market	Declining market	Declining market	Peak of market	Bottom of market	Rising market	Rising market
Are New Properties Sold at Prices Exceeding Their Potential Resale Value	Occasionally	Occasionally	Almost never	Almost never	Almost never	Occasionally	Occasionally	Frequently	Occasionally

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Blue entries indicate change from previous month to a lower risk-rating

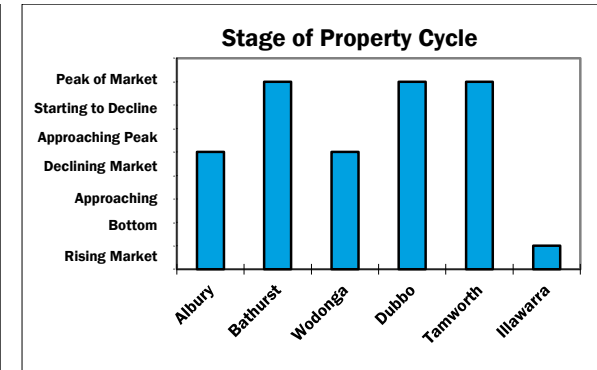
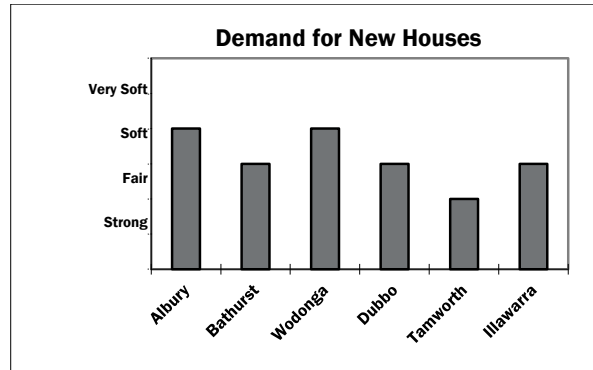
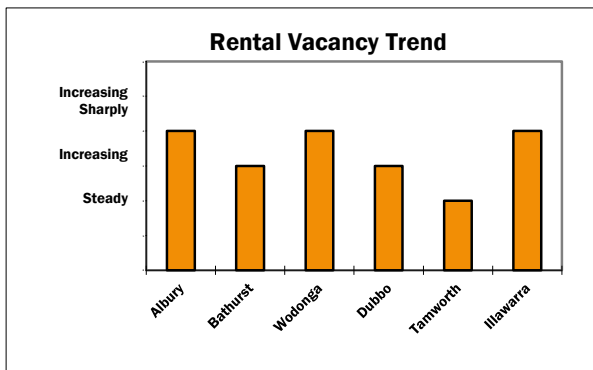


Country New South Wales Property Market Indicators – Houses

Factor	Albury	Bathurst	Wodonga	Dubbo	Tamworth	Illawarra
Rental Vacancy Situation	Over-supply of available property relative to demand	Balanced market	Over-supply of available property relative to demand	Balanced market	Shortage of available property relative to demand	Balanced market
Rental Vacancy Trend	Increasing	Steady	Increasing	Steady	Tightening	Increasing
Demand for New Houses	Fair	Fair	Fair	Fair	Strong	Fair
Trend in New House Construction	Steady	Steady	Steady	Steady	Steady	Steady
Volume of House Sales	Declining	Increasing	Declining	Increasing	Steady	Steady
Stage of Property Cycle	Declining market	Peak of market	Declining market	Peak of market	Peak of market	Start of recovery
Are New Properties Sold at Prices Exceeding Their Potential Resale Value	Occasionally	Almost never	Occasionally	Very frequently	Occasionally	Frequently

Red entries indicate change from previous month to a higher risk-rating

Blue entries indicate change from previous month to a lower risk-rating

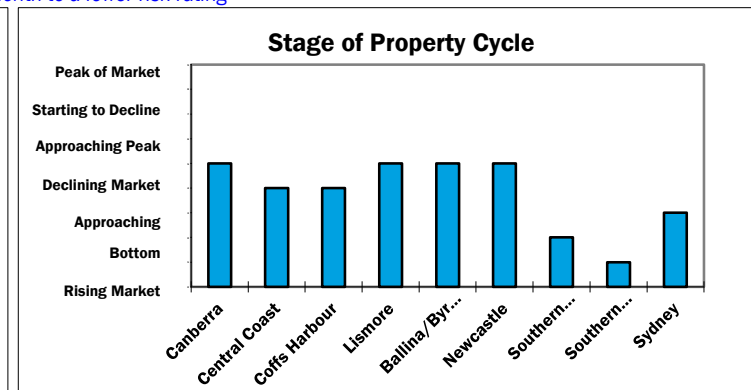
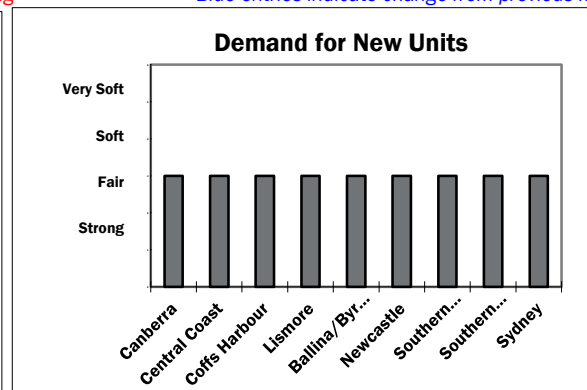
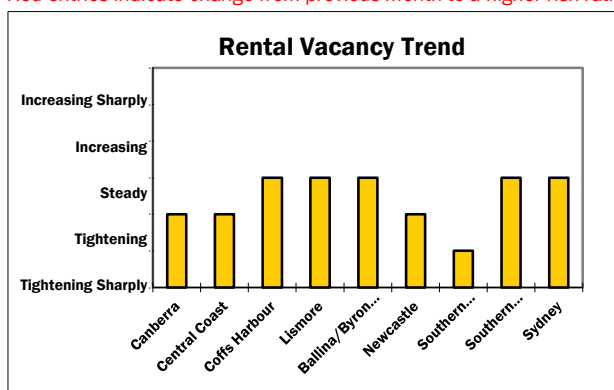


East Coast New South Wales Property Market Indicators - Units

Factor	Canberra	Central Coast	Coffs Harbour	Lismore	Byron Bay/Ballina	Newcastle	Southern Highlands	Southern Tablelands	Sydney
Rental Vacancy Situation	Shortage of available property relative to demand	Severe shortage of available property relative to demand	Balanced market	Shortage of available property relative to demand	Balanced market	Shortage of available property relative to demand	Severe shortage of available property relative to demand	Balanced market	Severe shortage of available property relative to demand
Rental Vacancy Trend	Tightening	Tightening	Steady	Steady	Steady	Tightening	Tightening sharply	Steady	Steady
Demand for New Units	Fair	Strong	Fair	Fair	Strong	Fair	Fair	Fair	Fair
Trend in New Unit Construction	Declining	Declining	Declining	Steady	Declining	Steady	Declining	Steady	Steady
Volume of Unit Sales	Steady	Increasing	Steady	Steady	Steady	Increasing	Declining	Steady	Increasing
Stage of Property Cycle	Declining market	Approaching bottom of market	Approaching bottom of market	Declining market	Declining market	Declining market	Bottom of market	Start of recovery	Rising market
Are New Properties Sold at Prices Exceeding Their Potential Resale Value	Occasionally	Occasionally	Almost never	Almost never	Almost never	Occasionally	Frequently	Occasionally	Frequently

Red entries indicate change from previous month to a higher risk-rating

Blue entries indicate change from previous month to a lower risk-rating

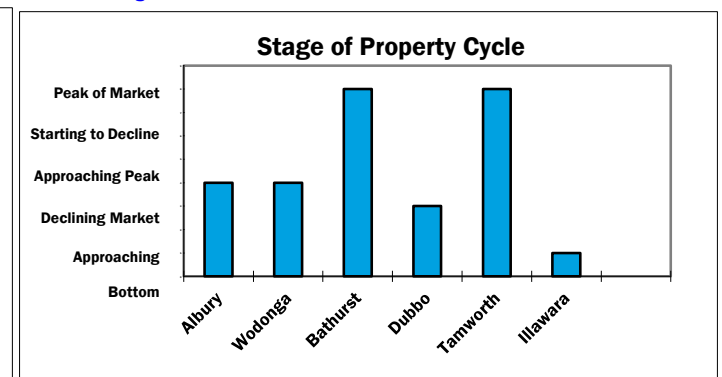
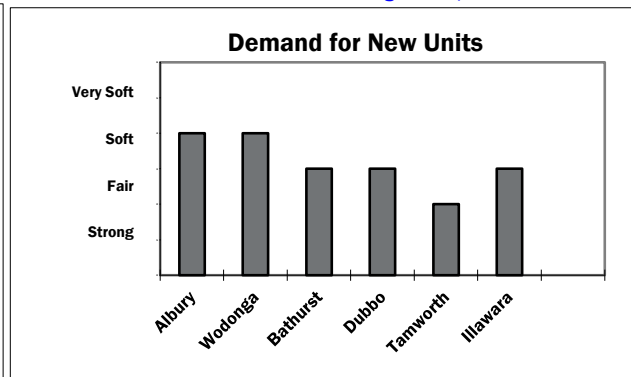
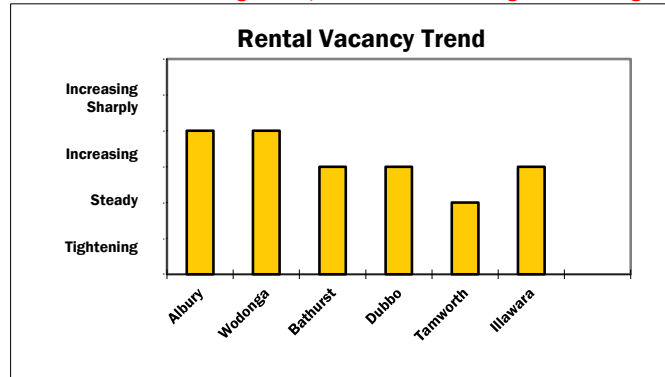


Country New South Wales Property Market Indicators - Units

Factor	Albury	Wodonga	Bathurst	Dubbo	Tamworth	Illawarra
Rental Vacancy Situation	Over-supply of available property relative to demand	Over-supply of available property relative to demand	Balanced market	Balanced market	Shortage of available property relative to demand	Over-supply of available property relative to demand
Rental Vacancy Trend	Increasing	Increasing	Steady	Steady	Tightening	Increasing
Demand for New Units	Fair	Fair	Fair	Fair	Strong	Fair
Trend in New Unit Construction	Steady	Steady	Declining	Declining	Steady	Steady
Volume of Unit Sales	Declining	Declining	Increasing	Steady	Steady	Steady
Stage of Property Cycle	Declining market	Declining market	Peak of market	Rising market	Peak of market	Start of recovery
Are New Properties Sold at Prices Exceeding Their Potential Resale Value	Occasionally	Occasionally	Almost never	Occasionally	Occasionally	Frequently

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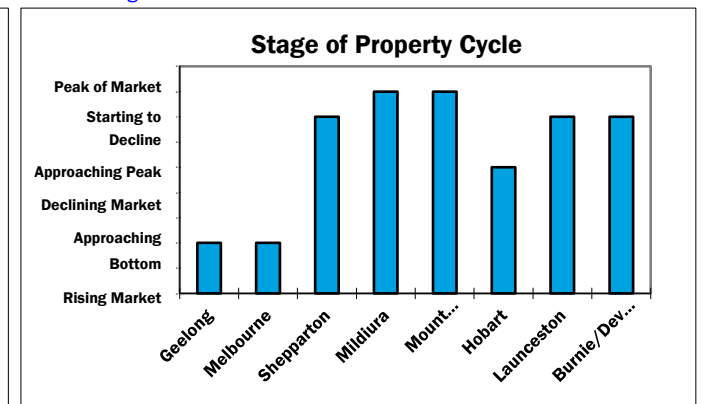
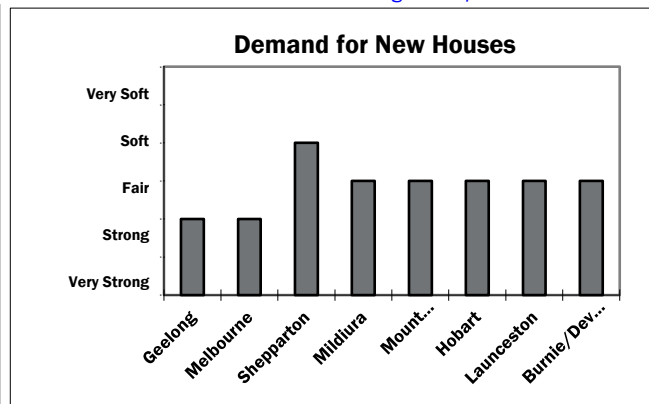
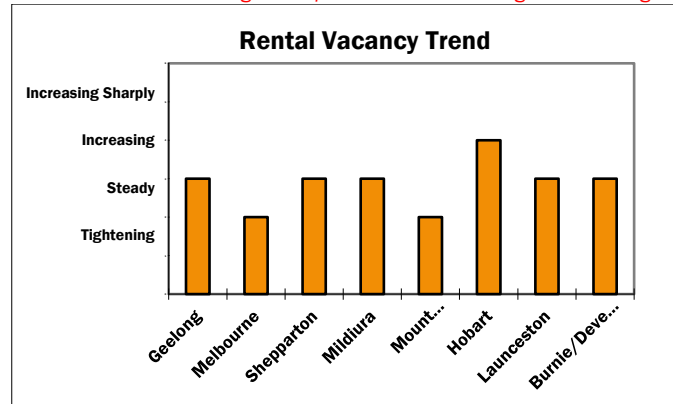


Victorian and Tasmanian Property Market Indicators – Houses

Factor	Geelong	Melbourne	Shepparton	Mildura	Mount Gambier	Hobart	Burnie/Devenport	Launceston
Rental Vacancy Situation	Shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Balanced market	Shortage of available property relative to demand	Shortage of available property relative to demand
Rental Vacancy Trend	Tightening	Tightening	Steady	Steady	Tightening	Increasing	Steady	Steady
Demand for New Houses	Fair	Strong	Soft	Fair	Fair	Fair	Fair	Fair
Trend in New House Construction	Increasing	Increasing	Increasing	Increasing	Increasing	Increasing	Increasing	Increasing
Volume of House Sales	Steady	Steady	Declining	Declining	Declining	Declining	Steady	Steady
Stage of Property Cycle	Bottom of market	Bottom of market	Starting to decline	Peak of market	Peak of market	Declining market	Starting to decline	Starting to decline
Are New Properties Sold at Prices Exceeding Their Potential Resale Value	Occasionally	Occasionally	Almost never	Occasionally	Occasionally	Almost never	Occasionally	Occasionally

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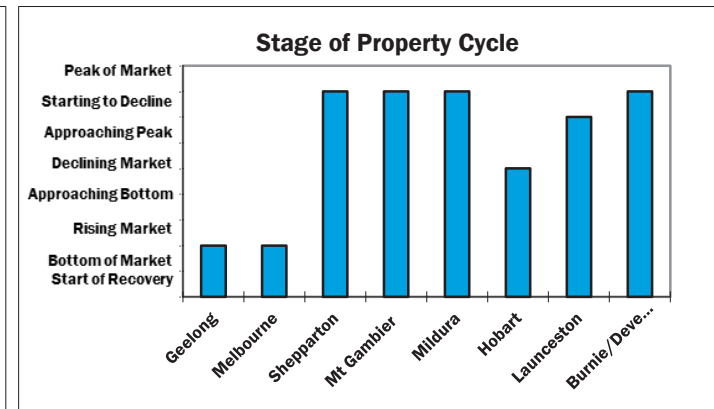
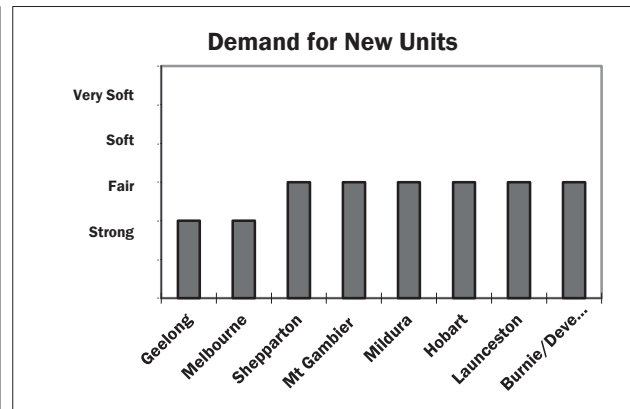
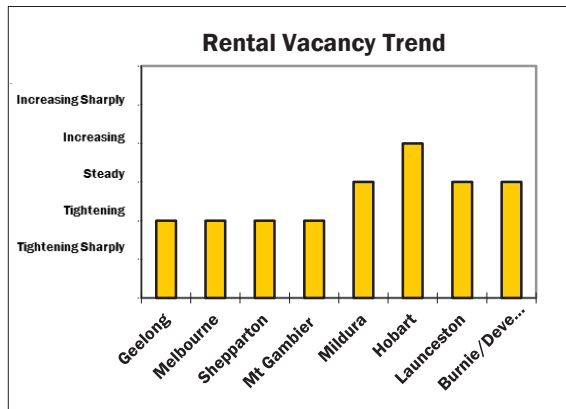


Victorian and Tasmanian Property Market Indicators – Units

Factor	Geelong	Melbourne	Shepparton	Mount Gambier	Mildura	Hobart	Launceston	Burnie/Deveport
Rental Vacancy Situation	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Balanced market	Shortage of available property relative to demand	Shortage of available property relative to demand
Rental Vacancy Trend	Tightening	Tightening	Tightening	Tightening	Steady	Increasing	Steady	Steady
Demand for New Units	Fair	Strong	Fair	Fair	Fair	Fair	Fair	Fair
Trend in New Unit Construction	Increasing	Steady	Declining	Steady	Steady	Increasing	Increasing	Increasing
Volume of Unit Sales	Steady	Steady	Increasing	Steady	Steady	Declining	Steady	Steady
Stage of Property Cycle	Bottom of market	Bottom of market	Peak of market	Peak of market	Peak of market	Declining market	Starting to decline	Peak of market
Are New Properties Sold at Prices Exceeding Their Potential Resale Value	Occasionally	Occasionally	Almost never	Occasionally	Occasionally	Almost never	Occasionally	Occasionally

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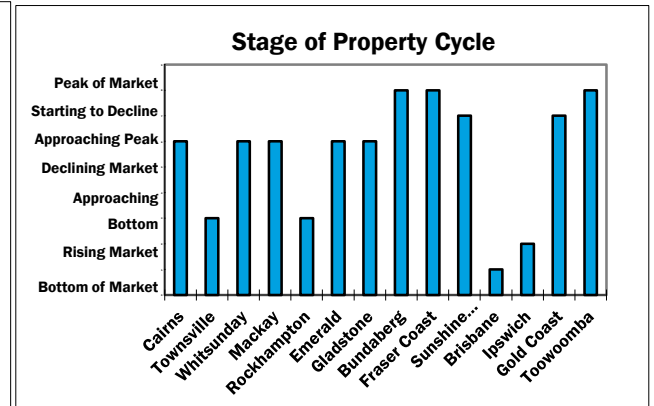
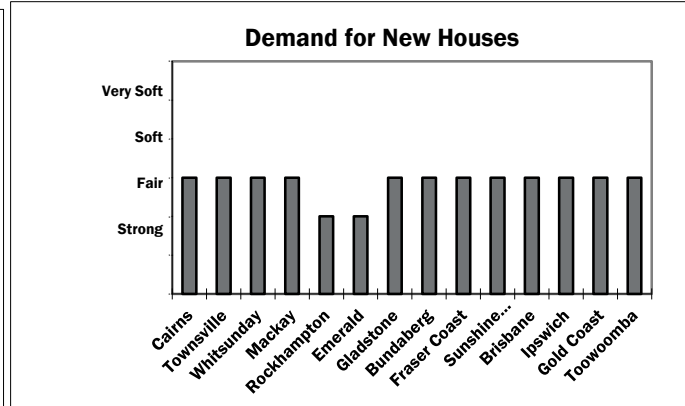
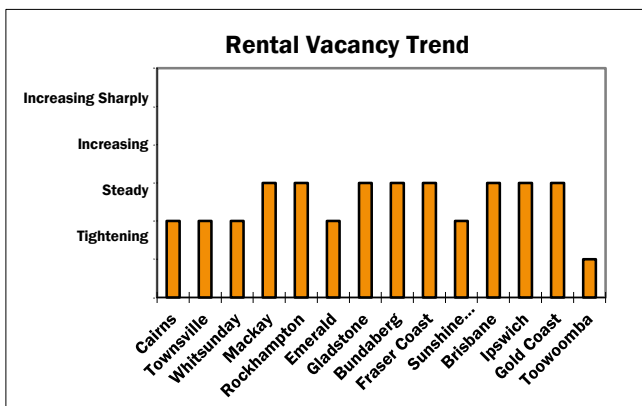


Queensland Property Market Indicators – Houses

Factor	Cairns	Townsville	Whitsunday	Mackay	Rockhampton	Emerald	Gladstone	Bundaberg	Fraser Bay	Sunshine Coast	Brisbane	Ipswich	Gold Coast	Toowoomba
Rental Vacancy Situation	Shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Shortage of available property relative to demand	Severe shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Severe shortage of available property relative to demand	Shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Shortage of available property relative to demand	Severe shortage of available property relative to demand
Rental Vacancy Trend	Tightening	Tightening	Tightening	Steady	Steady	Tightening	Steady	Steady	Steady	Tightening	Steady	Steady	Steady	Tightening sharply
Demand for New Houses	Fair	Fair	Fair	Fair	Strong	Strong	Fair	Fair	Fair	Fair	Fair	Fair	Fair	Fair
Trend in New House Construction	Steady	Steady	Steady	Steady	Declining	Increasing	Steady	Steady	Steady	Steady	Increasing	Increasing	Steady	Steady
Volume of House Sales	Declining	Increasing	Steady	Steady	Increasing strongly	Steady	Increasing	Steady	Declining	Declining	Steady	Steady	Steady	Increasing
Stage of Property Cycle	Approaching peak of market	Rising market	Approaching peak of market	Approaching peak of market	Rising market	Approaching peak of market	Approaching peak of market	Peak of market	Peak of market	Starting to decline	Start of recovery	Bottom of market	Starting to decline	Peak of market
Are New Properties Sold at Prices Exceeding Their Potential Resale Value	Occasionally	Almost never	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally

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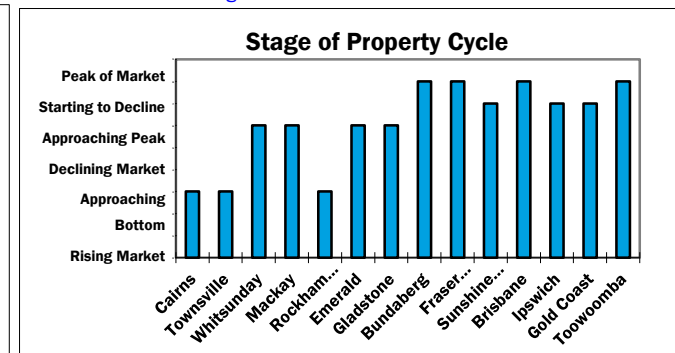
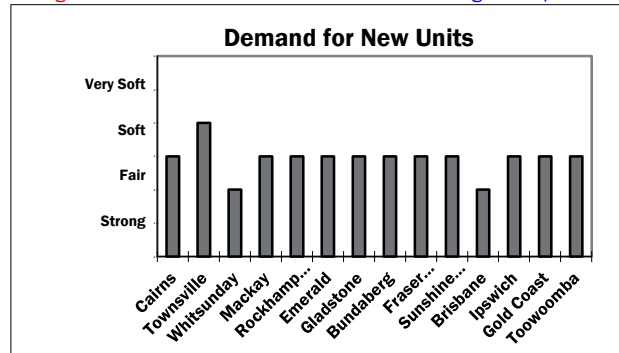
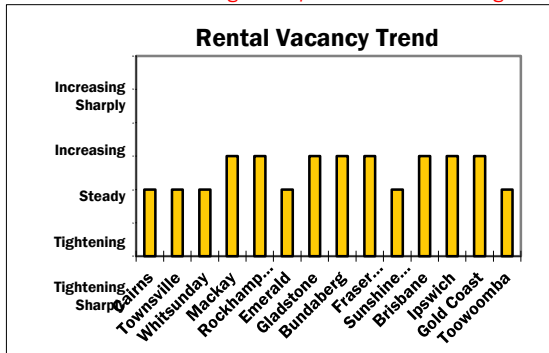


Queensland Property Market Indicators – Units

Factor	Cairns	Townsville	Whitsunday	Mackay	Rockhampton	Emerald	Gladstone	Bundaberg	Fraser Coast	Sunshine Coast	Brisbane	Ipswich	Gold Coast	Toowoomba
Rental Vacancy Situation	Shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Shortage of available property relative to demand	Severe shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Severe shortage of available property relative to demand	Shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand
Rental Vacancy Trend	Tightening	Tightening	Tightening	Steady	Steady	Tightening	Steady	Steady	Steady	Tightening	Steady	Steady	Steady	Tightening
Demand for New Units	Fair	Soft	Strong	Fair	Fair	Fair	Fair	Fair	Fair	Fair	Strong	Fair	Fair	Fair
Trend in New Unit Construction	Steady	Increasing	Steady	Steady	Steady	Increasing strongly	Steady	Steady	Steady	Steady	Increasing	Increasing	Increasing	Steady
Volume of Unit Sales	Increasing	Increasing	Increasing	Increasing	Increasing	Steady	Steady	Steady	Declining	Declining	Steady	Steady	Declining	Increasing
Stage of Property Cycle	Rising market	Rising market	Approaching peak of market	Approaching peak of market	Rising market	Approaching peak of market	Approaching peak of market	Peak of market	Peak of market	Starting to decline	Peak of market	Starting to decline	Starting to decline	Peak of market
Are New Properties Sold at Prices Exceeding Their Potential Resale Value	Occasionally	Almost never	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally

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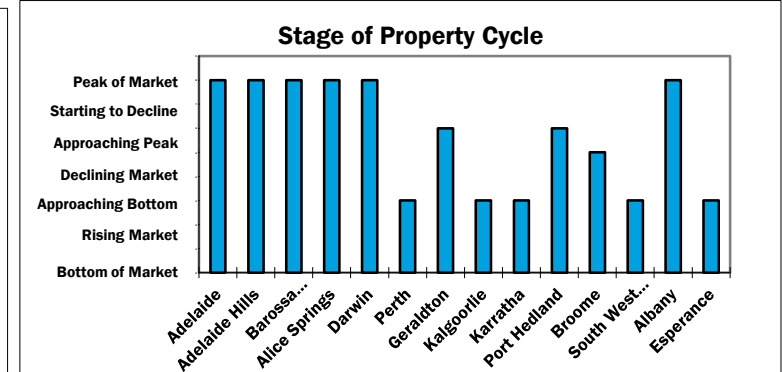
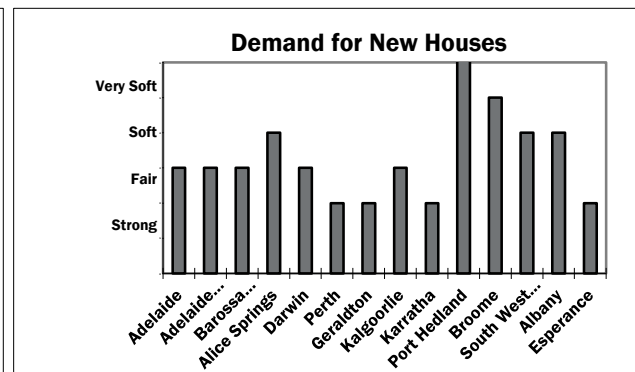
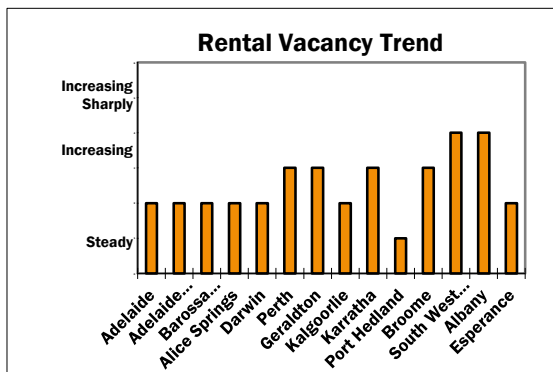


SA, NT and WA Property Market Indicators - Houses

Factor	Adelaide	Adelaide Hills	Barossa Valley	Alice Springs	Darwin	Perth	Geraldton	Kalgoorlie	Karratha	Port Hedland	Broome	South West WA	Albany	Esperance
Rental Vacancy Situation	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Severe shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand
Rental Vacancy Trend	Tightening	Tightening	Tightening	Tightening	Tightening	Steady	Steady	Tightening	Steady	Steady	Tightening	Increasing	Increasing	Steady
Demand for New Houses	Fair	Fair	Fair	Soft	Fair	Strong	Fair	Fair	Strong	Strong	Strong	Soft	Soft	Fair
Trend in New House Construction	Increasing	Increasing	Increasing	Increasing	Declining	Steady	Declining	Declining	Declining	Declining	Declining	Increasing	Increasing	Declining
Volume of House Sales	Declining	Declining	Declining	Declining	Steady	Steady	Steady	Steady	Steady	Steady	Steady	Declining	Declining	Increasing
Stage of Property Cycle	Peak of market	Peak of market	Peak of market	Peak of market	Peak of market	Rising market	Approaching peak of market	Rising market	Rising market	Approaching peak of market	Declining market	Rising market	Peak of market	Rising market
Are New Properties Sold at Prices Exceeding Their Potential Resale Value	Frequently	Frequently	Frequently	Almost never	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally	Almost never	Occasionally	Occasionally	Occasionally	Almost never

Red entries indicate change from 3 months ago to a higher risk-rating

Blue entries indicate change from 3 months ago to a lower risk-rating

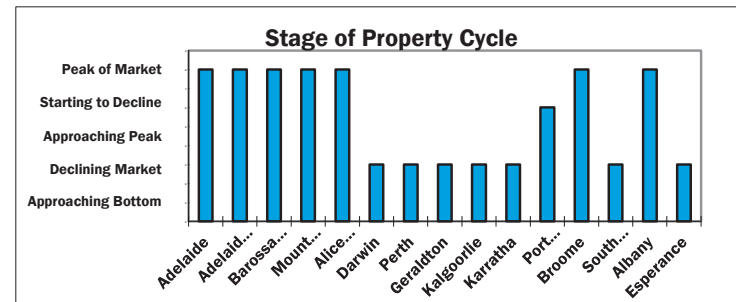
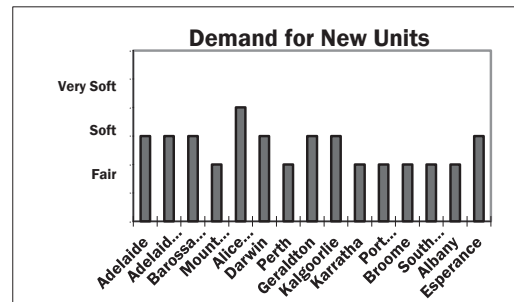
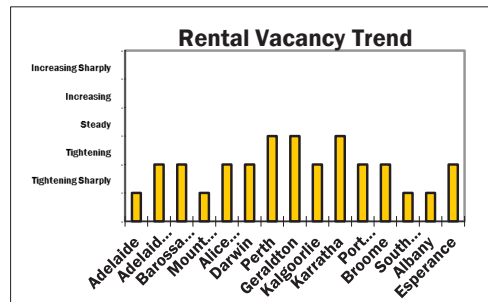


SA, NT and WA Property Market Indicators – Units

Factor	Adelaide	Adelaide Hills	Barossa Valley	Mount Gambier	Alice Springs	Darwin	Perth	Geraldton	Kalgoorlie	Karratha	Port Hedland	Broome	South West WA	Albany	Esperance
Rental Vacancy Situation	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Severe shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Shortage of available property relative to demand
Rental Vacancy Trend	Tightening	Tightening	Tightening	Tightening	Tightening	Tightening	Steady	Steady	Tightening	Steady	Tightening	Tightening	Tightening sharply	Tightening sharply	Steady
Demand for New Units	Fair	Fair	Fair	Fair	Soft	Fair	Strong	Fair	Fair	Strong	Strong	Strong	Strong	Strong	Fair
Trend in New Unit Construction	Increasing	Increasing	Increasing	Steady	Increasing	Declining	Increasing	Steady	Steady	Steady	Steady	Steady	Declining significantly	Declining significantly	Steady
Volume of Unit Sales	Declining	Declining	Declining	Steady	Declining	Increasing	Steady	Steady	Steady	Steady	Steady	Steady	Increasing	Increasing	Steady
Stage of Property Cycle	Peak of market	Peak of market	Peak of market	Peak of market	Peak of market	Rising market	Rising market	Rising market	Rising market	Rising market	Approaching peak of market	Peak of market	Rising market	Peak of market	Rising market
Are New Properties Sold at Prices Exceeding Their Potential Resale Value	Frequently	Frequently	Frequently	Occasionally	Almost never	Almost never	Occasionally	Occasionally	Occasionally	Occasionally	Almost never	Almost never	Occasionally	Occasionally	Almost never

Red entries indicate change from 3 months ago to a higher risk-rating

Blue entries indicate change from 3 months ago to a lower risk-rating



TALK TO YOUR LOCAL EXPERT

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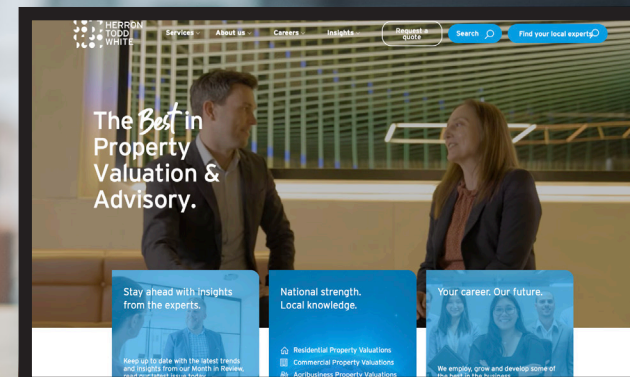
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