

NEW DATA

reiwa.com Facts

Week ending January 12 2016

Ronak Bhimjiani

Reiwa members reported an increase in weekly sales to 482. The 73 per cent increase in sales over the week is made up of a 67 per cent increase in sales for houses, 76 per cent for units and 124 per cent for land. Even though weekly sales have been softer over the past six weeks, it is timely to remember the seasonal impact of Christmas during this period. Listings for sale have increased 2 per cent this week, from 14,291 to 14,578. Listings for houses, units and land have all experienced an increase of 2 per cent this week.

Turning to the rental market, Reiwa members reported an increase of 3 per cent in total properties available for rent over the week from 9,806 last week to 10,096 this week. This is 5 per cent higher than figures seen four weeks ago. Compared with the same time last year, rental listings were 6,490.

Source: reiwa.com

Property sales for Perth

| | | | |
|--|---|--|--|
|  Houses 368 |  Units 67 |  Land 47 |  Total 482 |
| 4 weeks ago ² 518 | Same week last year ² 524 | | |

Properties listed for sale

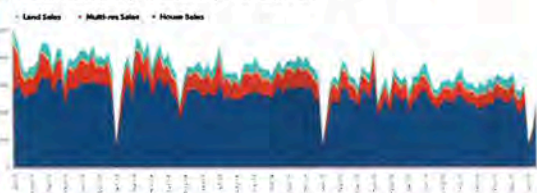
| | | | |
|--|--|---|---|
|  Houses 9,233 |  Units 3,147 |  Land 2,198 |  Total 14,578 |
| 4 weeks ago 15,983 | Same week last year 12,313 | | |

Properties listed for rent

| | |
|----------------------------------|--------|
| Total properties listed for rent | 10,096 |
| 4 weeks ago | 9,603 |
| Same week last year | 6,490 |

Perth metropolitan sales

(week ending January 12 2016)



Reiwa.com property sales data for the overall market for the week ending January 12 2016 totalled 482, which represents a 73 per cent increase in total sales over the week. This is following a decrease in total sales activity leading up to the Christmas and New Year holiday period, as is the case at around the same time in previous years. It is timely to remember the seasonal impact on sales volume during this period.

Looking at the individual sectors, reiwa.com data shows that total sales for houses sit at 482 from 279, an increase of 73 per cent in comparison to last week. Unit sales had a similar change from 220 to 368 this week, an increase of 67 per cent. Likewise, land sales recorded an increase of 124 per cent from 21 to 47 over the week. The increase in sales across the board reflects that the overall market is adjusting itself back to more normal levels post the holiday season.

See online for weekly data

www.businessnews.com.au/property

Top-selling suburbs

North of River

| | |
|-------------|---|
| Dianella | 9 |
| Ellenbrook | 7 |
| Scarborough | 7 |
| Butler | 6 |
| Balcatta | 5 |

South of River

| | |
|--------------|----|
| Baldivis | 16 |
| Canning Vale | 10 |
| Como | 7 |
| Rockingham | 7 |
| Shoalwater | 7 |

Notes:
1 Contract sales reported by REWA members
2 May have changed due to sales falling through
3 Dwelling sales only
4 Listed on reiwa.com and other sources



BOUNCE BACK: Widespread doom and gloom over residential property could disappear in 2016, according to predictions. Photo: Attila Csaszar

Pundits positive on residential

Dan Wilkie

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PROPERTY experts have flagged the possibility of a market revival in 2016, warning buyers not to be passive and wait until prices bottom out.

The call is in contrast to predictions released earlier this month by CoreLogic RP Data, which said the prospects of a return to capital growth in Perth were likely at least 12 months away.

Over the past year, RP Data reported a 3.7 per cent fall in Perth median home values, while apartment values also decreased, by 3.4 per cent.

The Real Estate Institute of Western Australia's median house price measure also recorded a fall in 2015, by 3.5 per cent.

Notwithstanding the 2015 falls, a range of experts have predicted better times in 2016 and beyond.

Suburbs located near new infrastructure, including transport, hospitals or even shopping centres, are the most likely areas for capital growth, according to research from analytics firm PropertyESP.

PropertyESP examined 12 years' worth of sales in suburbs around Fiona Stanley Hospital, with the area exhibiting stronger price growth than the overall Perth area.

The research showed that, in

2005, the Perth median price was \$307,500, compared with between \$380,000 and \$530,000 in the suburbs of North Lake, Winthrop, Bateman, Murdoch and Bull Creek.

In 2008, the wider metropolitan median price was \$440,000, while in the suburbs near the hospital the medians ranged between \$540,000 and \$832,000.

PropertyESP director Samantha Reece said the near-hospital

upshots outside of the norm," she said.

Prominent property expert Gavin Hegney said he expected consumer confidence to rebound in 2016, which would flow on into house price growth.

"The number one question I'm asked lately is 'when will we see the bottom of the market?'" Mr Hegney said.

"That suggests there is already considerable pent-up demand,

“The risk for many prospective buyers is that by the time consumer confidence rebounds, prices will be on the way up

– Gavin Hegney

suburbs had not experienced the widespread price drop that occurred in 2008 across Perth.

Ms Reece said projects such as Perth Stadium, the new Perth Children's Hospital, and Elizabeth Quay would all likely have a marked effect on property values in surrounding suburbs.

"When you consider the value of these projects, these are the areas where investors should be focusing because as can be seen by the results from our recent research, these areas will generate

and the risk for many prospective buyers is that by the time consumer confidence rebounds, prices will be on the way up and the level of affordability may not be as high as it is now."

Psaros managing director Mike Enslin shared Mr Hegney's view, urging buyers to act now rather than wait for prices to bounce back.

"We know that when prices rebound they do so very quickly, and that often catches many people by surprise," Mr Enslin said.