

HOUSE PRICE REPORT

March 2012

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www.homepriceguide.com.au



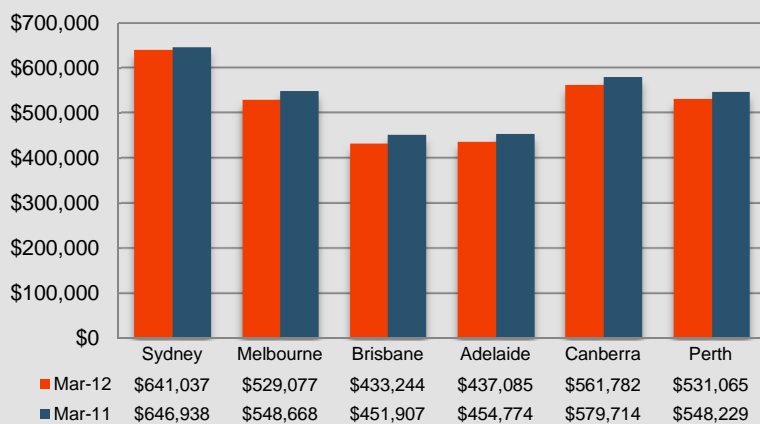
Key Findings:

- All capitals recorded increases in house prices over March with the exception of Adelaide and Brisbane
- Sydney's resilience continues despite Australia's highest medians with both house (+1.4%) and unit (+2.5%) prices rising
- Melbourne recorded the best result for house prices growth of the major capitals up by +1.6% over the quarter

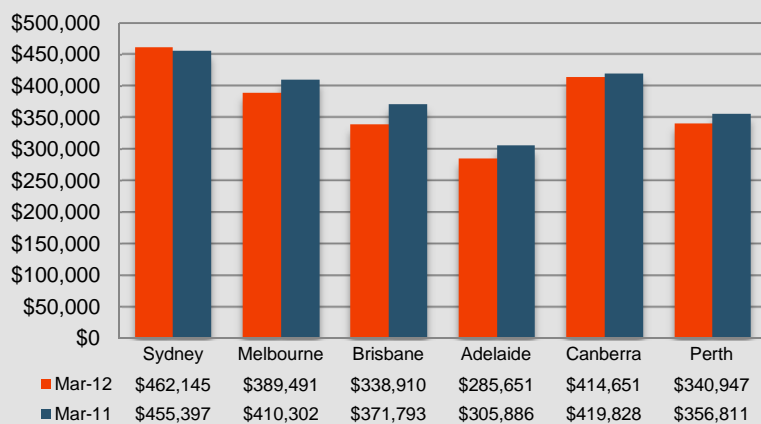
Stratified Median House Prices (quarterly)						
Units	Mar-12	Dec-11	Sep-11	Mar-11	QoQ % Δ	YoY % Δ
Sydney	\$641,037	\$632,302	\$635,173	\$646,938	1.4%	-0.9%
Melbourne	\$529,077	\$520,917	\$527,278	\$548,668	1.6%	-3.6%
Brisbane	\$433,244	\$434,406	\$435,732	\$451,907	-0.3%	-4.1%
Adelaide	\$437,085	\$438,486	\$435,597	\$454,774	-0.3%	-3.9%
Canberra	\$561,782	\$556,536	\$559,810	\$579,714	0.9%	-3.1%
Perth	\$531,065	\$530,534	\$529,555	\$548,229	0.1%	-3.1%
Hobart	\$325,282	\$322,061	\$321,287	\$327,566	1.0%	-0.7%
Darwin	\$628,552	\$592,974	\$592,974	\$638,150	6.0%	-1.5%
National	\$535,080	\$530,231	\$532,680	\$549,700	0.9%	-2.7%

Stratified Median Unit Prices (quarterly)						
Units	Mar-12	Dec-11	Sep-11	Mar-11	QoQ % Δ	YoY % Δ
Sydney	\$462,145	\$450,897	\$454,809	\$455,397	2.5%	1.5%
Melbourne	\$389,491	\$397,666	\$404,522	\$410,302	-2.1%	-5.1%
Brisbane	\$338,910	\$358,167	\$362,700	\$371,793	-5.4%	-8.8%
Adelaide	\$285,651	\$300,685	\$300,685	\$305,886	-5.0%	-6.6%
Canberra	\$414,651	\$414,396	\$402,885	\$419,828	0.1%	-1.2%
Perth	\$340,947	\$341,291	\$347,227	\$356,811	-0.1%	-4.4%
Hobart	\$274,782	\$246,814	\$246,814	\$263,021	11.3%	4.5%
Darwin	\$394,602	\$382,996	\$378,148	\$407,698	3.0%	-3.2%
National	\$406,653	\$406,435	\$410,555	\$415,151	0.1%	-2.0%

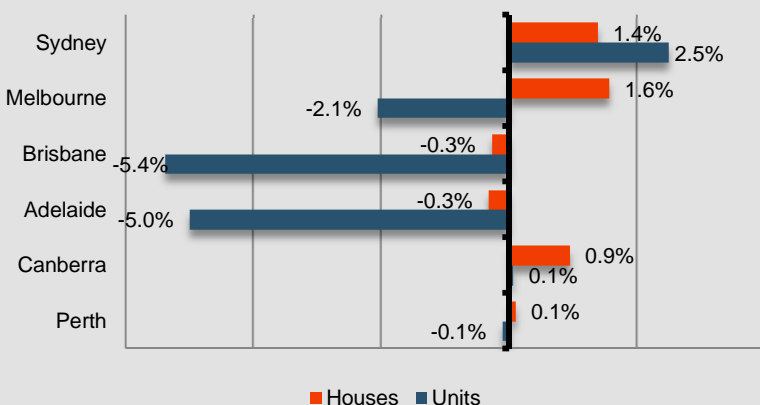
Stratified Median House Prices - Houses



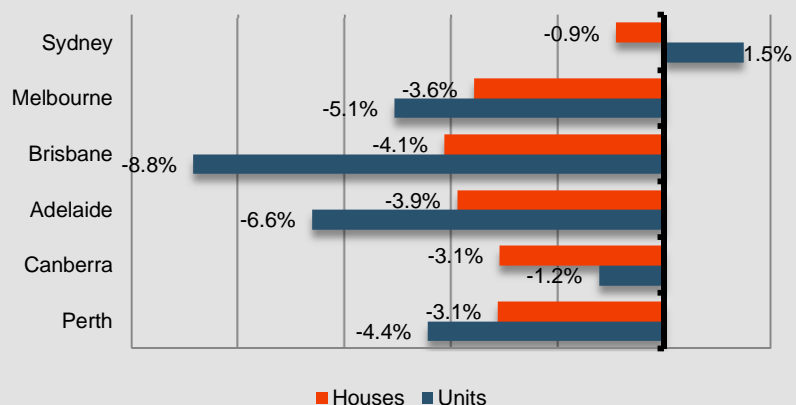
Stratified Median House Prices - Units



Median Price % Change - Quarter on Quarter



Median Price Yearly % Change- Year on Year



Capital City Results

Sydney

- House prices rose over the March quarter by +1.4% after recording a fall of -0.4% in the previous quarter
- Unit prices rose strongly by +2.5% over the quarter following a fall of -0.9% in December
- Sydney's median house price is now \$641,037 and the median unit price is \$462,145
- Annual house prices have declined by -0.9% with units up by +1.5%

Melbourne

- Melbourne house prices rose by +1.6% over the quarter which was the best result of all the major capitals
- Unit prices in Melbourne fell by -2.1%
- Melbourne house prices fell by -3.6% for the year ending March 2012
- The median house price for Melbourne is now \$529,077, with the median unit price \$389,491

Brisbane

- Median house prices fell by -0.3% in the March quarter which was the best result since December 2010
- Annual house prices fell by -4.1% with unit prices down by -8.8% over the year - the worst performance of the capitals
- Unit prices fell by -5.4% in Brisbane over March the biggest fall of all the capitals

Perth

- House prices rose in March by +0.1% - the second consecutive quarterly increase in growth
- Annual median houses prices for Perth have fallen by -3.1%, with unit prices down by -4.4%

Canberra

- Median house prices rose by +0.9% with unit prices rising by +0.1%
- Annual median houses prices have fallen by -3.1%
- The median house price for Canberra stands at \$561,782

Adelaide

- Adelaide house prices fell by -0.3% over the March quarter
- The median price for units fell significantly down by -5.0%
- The Adelaide median house price over the quarter was \$437,085

Hobart

- Hobart median house prices rose by +1.0% over the March quarter
- The median house price for Hobart is now \$325,282

Darwin

- Darwin median house prices rose strongly by +6.0% with unit prices rising by +3.0%
- Darwin remains the second most expensive capital with a median house price of \$628,552

Comments and forecasts

Commenting on the APM House Price Report: Dr Andrew Wilson, Senior Economist - Australian Property Monitors

"Median house prices rose in most Australian capital cities over the first three months of 2012.

The national median house price rose by +0.9% with the median unit price rising by +0.1%, which is the first quarterly rise recorded since June 2010 - 20 months ago.

All capitals recorded rise in median house prices with the exception of Brisbane and Adelaide that each recorded marginal falls of -0.3% over the quarter.

The leading performer was the volatile Darwin housing market where median house prices rose by +6.0% over the quarter.

Importantly the next best performers were the major markets of Melbourne and Sydney where median house prices rose strongly by +1.4% and +1.6% respectively over the first three months of 2012.

Hobart houses prices increased by +1.0% with Canberra rising by +0.9%.

Although Perth recorded a small rise of +0.1% this was nonetheless the second consecutive quarterly rise in the median house price and signals a solid outcome considering the significant declines experienced by that market through 2010 and into 2011.

Capital city unit markets recorded more mixed outcomes with Brisbane, Adelaide and Melbourne recording significant falls in median prices over the March quarter of -5.4%, -5.0% and -2.1% respectively.

Perth unit prices also fell - down however by just -0.1%.

Sydney was the standout performer in the unit market over the quarter with median unit prices rising by +2.5%. Combined with a +1.4% increase in median house prices, the continued resilience of the Sydney market is clearly evident.

Hobart, Darwin and Canberra also recorded rises in median unit prices over the quarter up by +11.3%, +3.0% and +0.1% respectively.

Sydney remains Australia's most expensive capital with a median house price of \$641,037 and Brisbane is the most affordable of the mainland capitals with a median house price of \$433,244 - over \$200,000 lower than Sydney's.

Increased buyer activity as indicated by rises in both owner-occupied and investor home loans (according to ABS data), together with rising auction clearance rates has translated into improvements in median price outcomes in most centres.

The future path of house price growth will be dependent on the performances of the national and local economies.

The Perth, Brisbane and Sydney markets remain the best prospects for growth over 2012, and although the Melbourne market has been encouraging so far this year, this may prove to be short-lived if the Victorian economic performance continues to deteriorate.

However early signs are certainly positive for most Australian housing markets in 2012 with the likelihood that buyer and seller confidence will continue to rise in 2012 after a subdued 2011."

About Australian Property Monitors (APM)

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APM monitors residential property activity from a variety of sources including auctions, government and semi-government agencies, real estate advertising, real estate agents and APM's own researchers. This vast pool of information ensures APM's databases contain the latest and most detailed house price information available.

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