

HOUSE PRICE REPORT

September 2012

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www.homepriceguide.com.au



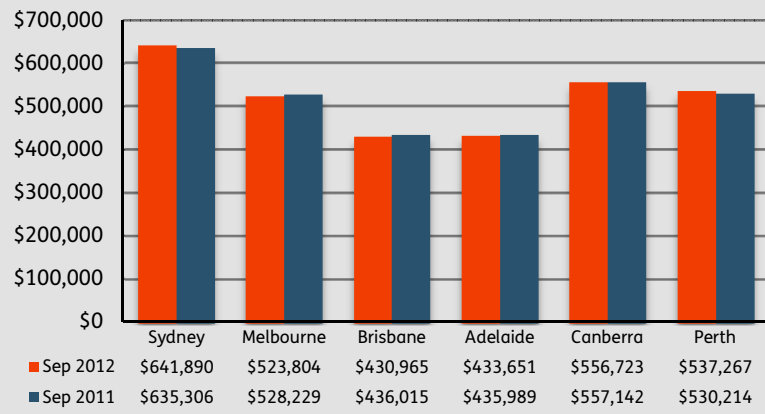
Key Findings:

- National house prices remain steady over the September quarter to consolidate the growth recorded over 2012 so far
- Brisbane house prices stabilise for the first time in two years
- Sydney, Melbourne, Perth and Darwin all recorded house price growth over the first nine months of this year
- Melbourne unit prices fall for the sixth consecutive quarter

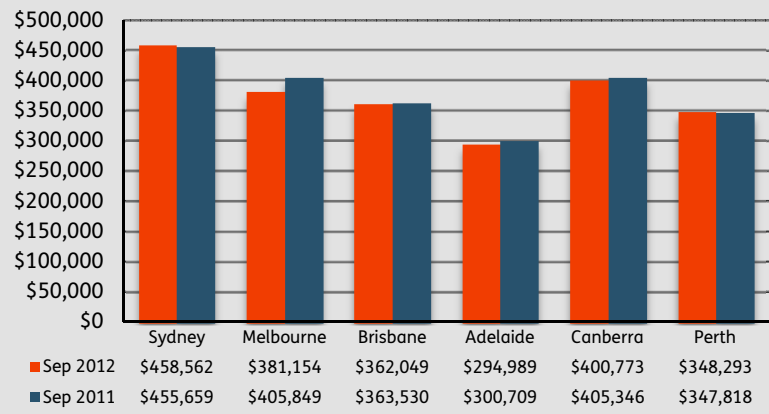
Stratified Median Housing Prices (quarterly)						
Houses	Sep-12	Jun-12	Mar-12	Sep-11	QoQ % Δ	YoY % Δ
Sydney	\$641,890	\$644,191	\$646,012	\$635,306	-0.4%	1.0%
Melbourne	\$523,804	\$519,503	\$520,107	\$528,229	0.8%	-0.8%
Brisbane	\$430,965	\$430,844	\$432,871	\$436,015	0.0%	-1.2%
Adelaide	\$433,651	\$438,037	\$437,782	\$435,889	-1.0%	-0.5%
Canberra	\$556,723	\$553,601	\$565,776	\$557,142	0.6%	-0.1%
Perth	\$537,267	\$539,823	\$535,969	\$530,214	-0.5%	1.3%
Hobart	\$305,889	\$312,007	\$320,085	\$321,127	-2.0%	-4.7%
Darwin	\$610,592	\$600,186	\$617,146	\$592,974	1.7%	3.0%
National	\$533,480	\$533,695	\$534,642	\$533,092	0.0%	0.1%

Stratified Median Unit Prices (quarterly)						
Units	Sep-12	Jun-12	Mar-12	Sep-11	QoQ % Δ	YoY % Δ
Sydney	\$458,562	\$463,484	\$463,484	\$455,659	-1.1%	0.6%
Melbourne	\$381,154	\$386,678	\$393,677	\$405,849	-1.4%	-6.1%
Brisbane	\$362,049	\$363,146	\$363,544	\$363,530	-0.3%	-0.4%
Adelaide	\$294,989	\$294,989	\$288,688	\$300,709	0.0%	-1.9%
Canberra	\$400,773	\$410,316	\$405,545	\$405,346	-2.3%	-1.1%
Perth	\$348,293	\$357,930	\$364,284	\$347,818	-2.7%	0.1%
Hobart	\$244,633	\$257,318	\$263,296	\$247,460	-4.9%	-1.1%
Darwin	\$406,099	\$375,666	\$397,822	\$378,148	8.1%	7.4%
National	\$406,415	\$410,981	\$412,903	\$411,484	-1.1%	-1.2%

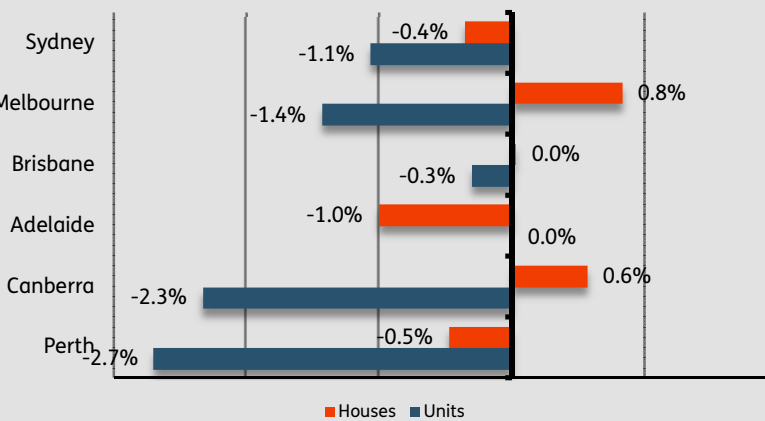
Stratified Median House Prices - Houses



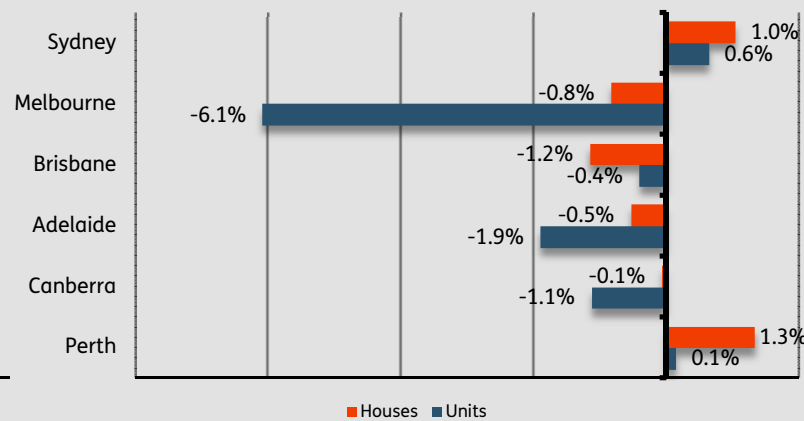
Stratified Median House Prices - Units



Median Price % Change - Quarter on Quarter



Median Price Yearly % Change- Year on Year



Capital City Results

Sydney

- House prices fell over the June quarter by -0.4% while unit prices fell by -1.1%
- Sydney's median house price is now \$641,890 and the median unit price is \$458,562
- Annual house prices have increased by +1.0% with units up by +0.6%

Melbourne

- Melbourne house prices rose by +0.8% over the quarter which was the best result of all the major capitals
- Unit prices in Melbourne fell for the sixth consecutive quarter and down by -1.4% over the quarter
- Melbourne house prices fell by -0.8% for the year ending September 2012
- The median house price for Melbourne is now \$523,804, with the median unit price \$381,154

Brisbane

- Median house prices rose slightly in the September quarter for the first increase since June 2010
- Annual house prices fell by -1.1% with unit prices down by -0.4%
- Brisbane's median house price remains the lowest of all the mainland capitals at \$430,965

Perth

- House prices fell in June by -0.5% but have increased by +1.8% so far this year
- Annual median houses prices for Perth have increased by +1.3% with unit prices up by +0.1%

Canberra

- Median house prices rose by +0.6% but unit prices fell sharply by -2.3% over the quarter
- Median houses prices have now fallen by -1.1% over the nine months of 2012.
- The median house price for Canberra stands at \$556,723

Adelaide

- Adelaide house prices fell by -1% over the September quarter
- The median price for units remained steady at \$294,989 the least expensive of all the mainland capitals
- The Adelaide median house price remained steady over the quarter at \$433,651

Hobart

- Hobart median house price fell for the third consecutive quarter over September, down sharply by -2.0%
- The median house price for Hobart is now \$305,889

Darwin

- Darwin median house price rose by +1.7% with unit prices surging by +8.1%
- Darwin's median house price has risen by +6.7% so far this year and is up +3.0% compared to September 2011

Comments and forecasts

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

"The national median house price remained steady over the September quarter providing encouragement that the increase in buyer activity evident in most capital city markets over 2012 is consolidating.

Although buyer activity and prices growth appears to be generally consolidating, capital city markets and sub-markets continue to operate at different levels.

Sydney and Perth median house prices retreated marginally over the quarter, however house prices for both these capitals remain higher than those recorded at the end of 2011, with Sydney up by +1.2% and Perth up by +1.8% over the first nine months of this year.

Sydney, Perth and Darwin are the only capitals where the median house price is higher than levels recorded for the September quarter 2011 - up by +1.0%, +1.3% and +3.0% respectively. Melbourne house prices also improved, rising by +0.8% over the September quarter with the median house price remaining steady over the year so far.

Brisbane median house prices were steady over the September quarter, which is encouraging as it ends a sequence of eight consecutive quarters of price falls. This is a positive indication the market may have finally bottomed out, though Brisbane prices are still down over the year.

Weakness in the Adelaide and Hobart housing markets continues with median house prices falling over the quarter by -1.0% in Adelaide and -2.0% in Hobart. In contrast, both Canberra and Darwin recorded increases in median house prices over the September quarter rising by +0.6% and +1.7% respectively.

Darwin continues to show strength with house prices rising by a robust +6.7% so far in 2012.

Capital city unit markets also recorded similarly mixed results over the September quarter. Although Sydney and Perth each recorded falls in the median unit price, prices remain well above those recorded at the end of 2011. All capitals except Darwin and Adelaide recorded falls in median unit prices over the September quarter.

Despite increased activity by first homebuyers, a surplus of new supply in the marketplace has influenced Melbourne unit prices to fall by -1.4 per cent over the quarter and -6.1 per cent over the year, the sixth consecutive quarterly fall in unit prices over the last 18 months.

Overall, capital city housing markets continue to edge their way through a tentative recovery following the downward correction of 2011.

Individual market outcomes however remain mixed and patchy, with buyer and seller confidence fragile. Housing market prospects for the remainder of 2012 will be dependant on the performance of local economies. Although falling interest rates have improved housing affordability and buyer confidence, market growth has been driven largely by other local factors, including changes to buyer incentives, population growth, and value-buying momentum in some prestige markets.

Given a reasonable economic performance over the remainder of 2012, housing markets will continue to generally find their feet, albeit at varying levels of activity.

Sydney, Perth, Darwin and Canberra are set to record increasing prices growth with Melbourne prices to remain relatively steady. The Brisbane market is poised for growth, particularly from rising inner-suburban demand, however the recent increase in the unemployment rate could have an impact. In Adelaide, the market will likely track sideways, and there are no clear signals that sustained house prices growth is set to return to Hobart."

About Australian Property Monitors (APM)

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