

Media release

Cost of living key concern for Aussie homebuyers

Survey reveals buyers still planning to enter the property market despite concerns

Tuesday, 18 September 2012: Despite having some concerns about the cost of living and rising property prices, 73 per cent of homebuyers think that now is a good time to buy and are planning on entering the market in the next few months, the Domain 2012 Spring Homebuyers Survey* has found.

40 per cent of surveyed homebuyers are somewhat concerned about the state of the economy, with cost of living (47 per cent) and property prices (28 per cent) of particular concern.

However 67 per cent believe they can get a property at a better price now than compared to six months ago, and nearly 59 per cent stated that they're entering the market now before prices rise further.

When looking to the characteristics of the property, 42 per cent would refuse to compromise on the suburb they want to live in, followed by number of bedrooms (32 per cent), and outdoor spaces (16 per cent).

While the majority of buyers had been saving for a deposit for less than two years (55 per cent), 16 per cent have been saving for more than five years to get into the market.

31 per cent of homebuyers have said their budget can go further than what they thought since commencing their property search, though 40 per cent are still planning on making a deposit of more than 20 per cent on their property.

"Interestingly, despite some concerns about the economy, cost of living and property prices in general, homebuyers appear to be well prepared to enter the market, with some having saved for more than five years," said Domain's national property expert Carolyn Boyd.

"A significant number are also planning to make a deposit on their property of more than 20 per cent showing that perhaps the days of 100 per cent mortgages are on the decrease," said Ms Boyd.

"Though some buyers have said that they can get a property at a better price now than six months ago, they should still do their research, attend as many open homes as possible and be cautious about spending outside their budget," said Ms Boyd.

STATS AT A GLANCE

- Cost of living is of most concern to homebuyers (47 per cent), followed by property prices (28 per cent) and job security (25 per cent)
- 67 per cent believe they can get a property at a better price now than compared to six months ago
- 59 per cent have stated they are entering the market now before prices rise further
- 51 per cent don't believe property prices will fall
- 40 per cent are planning on making a deposit of more than 20 per cent
- 42 per cent refuse to compromise on the suburb they want to live in followed by number of bedrooms (32 per cent), and outdoor spaces (16 per cent)

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* Survey of Domain newsletter subscribers intending to buy conducted in August and September 2012 totaling 2751 responses

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About Domain

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