

# House price report

## June Quarter 2013

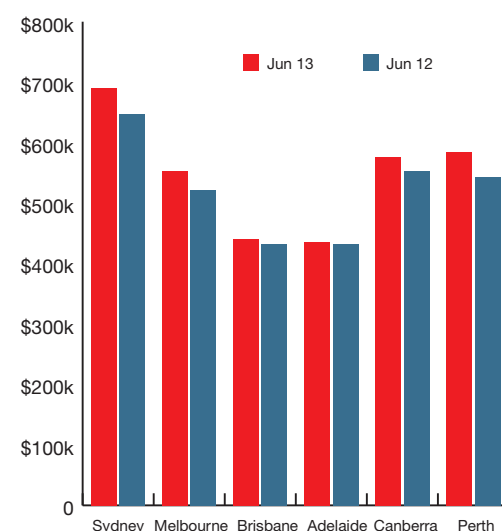
### Key findings

- The national housing market is accelerating with three consecutive quarters of median house price growth - prices are at a record-high following a strong rise of +2.8% over the June quarter
- Sydney, Melbourne and Perth all recorded significant house price growth over the June quarter with prices in those capitals increasing by three times the inflation rate over the 2013 financial year
- All capitals with the exception of volatile Darwin and steady Hobart recorded house price growth over the June quarter
- Sydney, Perth and Canberra all recorded record-high median house prices over June with Melbourne now just -1.4% below its previous price peak

### Stratified median prices (quarterly) (\$)

Houses						
	Jun 2013	Mar 2013	Dec 2012	Jun 2012	QoQ %	YoY %
Sydney	\$690,064	\$672,209	\$662,264	\$646,858	2.7%	6.7%
Melbourne	\$553,447	\$527,245	\$523,629	\$521,410	5.0%	6.1%
Brisbane	\$440,454	\$439,156	\$439,156	\$432,315	0.3%	1.9%
Adelaide	\$435,153	\$431,830	\$433,408	\$431,952	0.8%	0.7%
Canberra	\$576,248	\$565,969	\$570,486	\$553,138	1.8%	4.2%
Perth	\$584,487	\$566,601	\$559,458	\$543,652	3.2%	7.5%
Hobart	\$317,659	\$317,659	\$310,155	\$314,187	0.0%	1.1%
Darwin	\$640,665	\$654,097	\$643,195	\$606,316	-2.1%	5.7%
National	\$564,325	\$548,789	\$544,050	\$535,187	2.8%	5.4%

### Stratified median prices - houses



### Stratified median prices (quarterly) (\$)

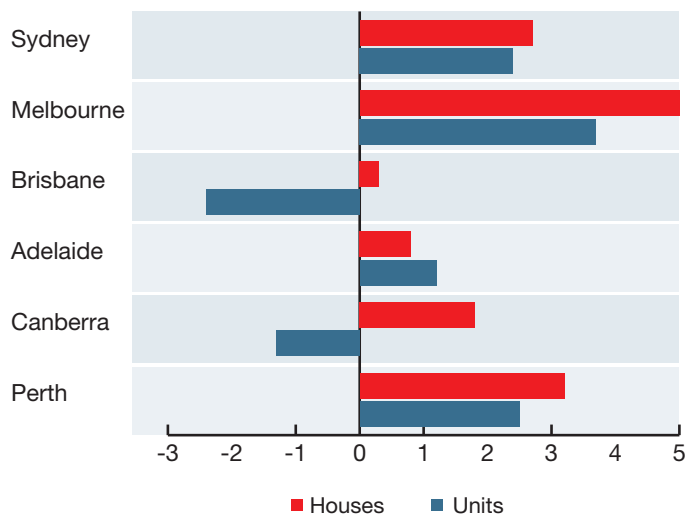
Units						
	Jun 2013	Mar 2013	Dec 2012	Jun 2012	QoQ %	YoY %
Sydney	\$491,845	\$480,539	\$483,719	\$468,706	2.4%	4.9%
Melbourne	\$411,714	\$396,846	\$393,206	\$395,015	3.7%	4.2%
Brisbane	\$346,964	\$355,589	\$356,652	\$362,770	-2.4%	-4.4%
Adelaide	\$280,219	\$276,923	\$282,263	\$280,612	1.2%	-0.1%
Canberra	\$409,831	\$415,105	\$415,003	\$412,559	-1.3%	-0.7%
Perth	\$386,798	\$377,462	\$371,654	\$353,910	2.5%	9.3%
Hobart	\$252,050	\$271,776	\$280,132	\$255,524	-7.3%	-1.4%
Darwin	\$425,959	\$425,959	\$410,993	\$386,308	0.0%	10.3%
National	\$427,573	\$419,090	\$419,582	\$414,324	2.0%	3.2%

### Stratified median prices - units

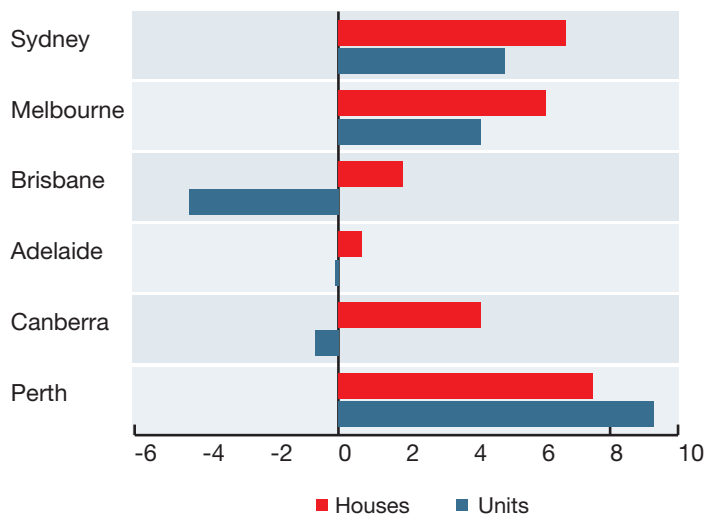


# House price report

Median price % change - quarter on quarter



Median price % change - year on year



## Capital City Results

### Sydney

- House prices rose by +2.7% over the June quarter following a +1.5% rise over the previous quarter
- Unit prices rose by +2.4% over the quarter following a fall of -0.7% in March
- Sydney's median house price is yet another record at \$690,064 with the median unit price also a record at \$491,845
- Annual house prices have increased by +6.7% with units up by +4.9%

### Melbourne

- Melbourne house prices rose strongly by +5.0% over the quarter
- Unit prices in Melbourne rose for the third consecutive quarter also up strongly by +3.7%
- Melbourne house prices have risen by +6.1% over the year ending June with units up by +4.2%
- The median house price for Melbourne is now \$553,447, with the median unit price \$411,714

### Brisbane

- Median house prices have risen gradually over three quarters of the last year with the other quarter recording flat growth - the June quarter was up marginally by +0.3%
- Brisbane unit prices fell for the third consecutive quarter down by -3.3% over the quarter
- Annual house prices are now up by +1.9% with unit prices however down by -4.4%

### Perth

- House prices rose for the sixth consecutive quarter over June up by a strong +3.2% with unit prices also up strongly by +2.5%
- Annual median houses prices for Perth have surged by a nation-leading +7.5% with unit prices also up strongly by +9.3%

### Canberra

- Median house prices increased by +1.8% to a record \$576,248 however unit prices were down by -1.3% over the quarter
- Houses prices are up by +4.2% over the year to June 2013 with units down by just -0.7%

### Adelaide

- Adelaide house prices rose by +0.8% over the June quarter and are up marginally by +0.7% over the year
- The median price for units also rose over the June quarter up by +1.2% over the quarter and fell by just -0.1% over the year
- The Adelaide median house price remains the lowest of all the mainland capitals at \$435,153

### Hobart

- Hobart's median house price was flat over the June quarter at \$317,659 with annual prices now up by +1.1%
- The median unit price for Hobart fell by -7.3% over the quarter and by -1.4% over the year

### Darwin

- Darwin's median house price fell by -2.1% with unit prices flat over the June quarter
- Darwin's annual median house price rose by +5.7% with units up strongly by +10.3%

# House price report

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

“Australian housing markets have recorded significant rises in house prices over the June quarter, propelled by the lowest interest rates in decades, rising confidence and continued generally solid economic performances.

Buyer activity in most capital city housing markets is now charging towards record levels with the fastest prices growth since the government-stimulated house price boom of 2009 and 2010.

The national house price rose strongly by +2.8% over the June quarter to record the best result since March 2010. This was the third consecutive quarterly rise in the national house price, which at \$564,325 is now at an all-time high and has clearly fully recovered from the correction phase of 2011. National unit prices also rose solidly over the June quarter up by +2.0%.

Sydney, Perth and Canberra recorded their highest ever median house prices over the June quarter with Melbourne fast approaching its previous price peak.

Sydney median house prices increased by +2.7% to \$690,064 over the June quarter with unit median prices also rising strongly by +2.4% to \$491,845 – both all-time highs.

Melbourne recorded the strongest result of all the capitals over the June quarter with houses up +5.0% and units up +3.7%. Buyer activity in Melbourne is consistently solid through most price brackets, buyer types and suburban regions.

The results in Sydney and Melbourne are not surprising and are in line with previous forecasts and analysis, particularly with reference to price growth correlation with auction clearance rate data which has proven to be an accurate guide to the general level of house and unit prices growth in those markets. Other indicators including ABS housing loan data also provided solid guides to the June quarter house price outcomes.

The Brisbane market continues to consistently record quarterly house price growth albeit at a slow pace with buyer activity impeded by a still underperforming local economy. A significant fall in the median unit price of -2.4% over June may indicate an emerging oversupply of new inner-city apartments.

The Perth housing market however continues to surge with house prices up by +3.2% and units up +2.5% over the quarter. Perth house prices have increased by +7.5% over the year with units up by a massive +9.3% over the year to June, the best performance by all the capitals. High levels of immigration and a still strong local economy continues to be the local catalyst for house price growth in Perth.

The Canberra housing market has revived over recent months as the impact of an improved local economic performance has filtered into increased buyer activity with house prices up by a solid +1.8% over the quarter and +4.2% over the year to June.

The Adelaide market is finally showing some consistent signs of price growth with house prices up +0.8% and units +1.2% over the quarter. In Hobart, though recording no growth over the June quarter, house prices have risen by +2.4% over the first half of 2013.

The Darwin market continues with its usual seasonally driven volatile housing cycle with prices falling by -2.1% over the June quarter however remaining +5.7% higher than June 2012. Some recent signs of a deteriorating local economy may have an impact on the high-priced Darwin housing market.

Buyer activity is set to accelerate though the remainder of 2013 with market momentum and prices clearly on the rise. The patchiness that has characterised market activity over the past year is diminishing as expected with most capital city markets and market segments at or near record levels and rising. Increased investor activity is a key ingredient of the current prices growth in most markets.

The usually quieter winter market is set to be one of the hottest on record and unlike 2009 and 2010 buyer activity and prices growth will be generated by underlying local drivers and not by unprecedented government stimulus packages.”

## 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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