



Housing market update

National

April 2018



The value of Australian housing sits at \$7.5 trillion



Number of dwellings
10.0 million



Outstanding mortgage debt
\$1.74 trillion



Household wealth held in housing
52.1%



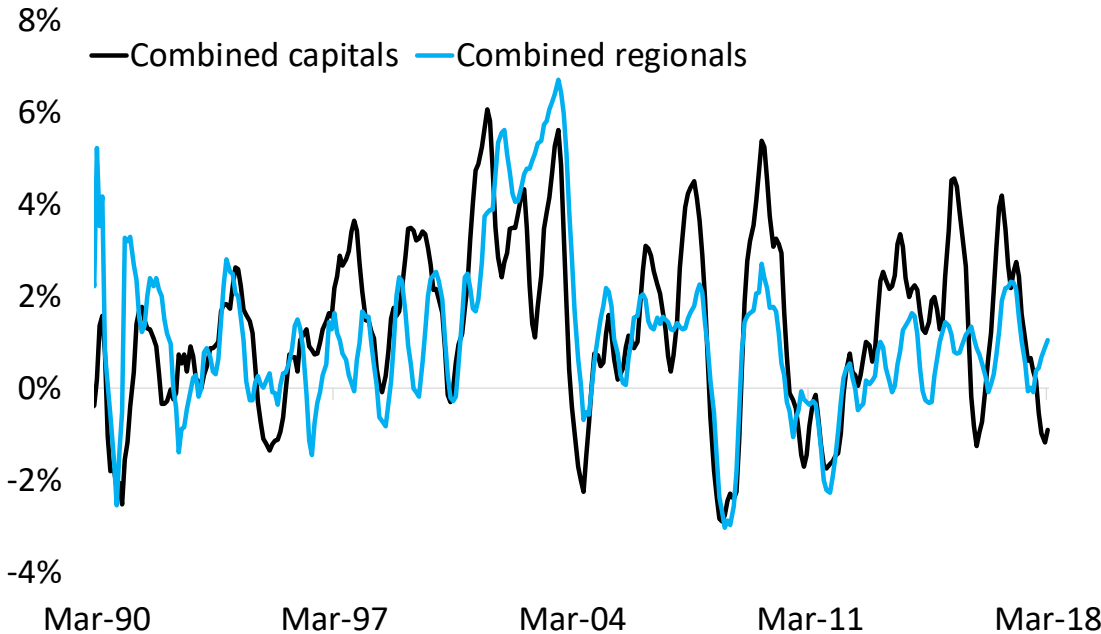
Total sales p.a.
472,123



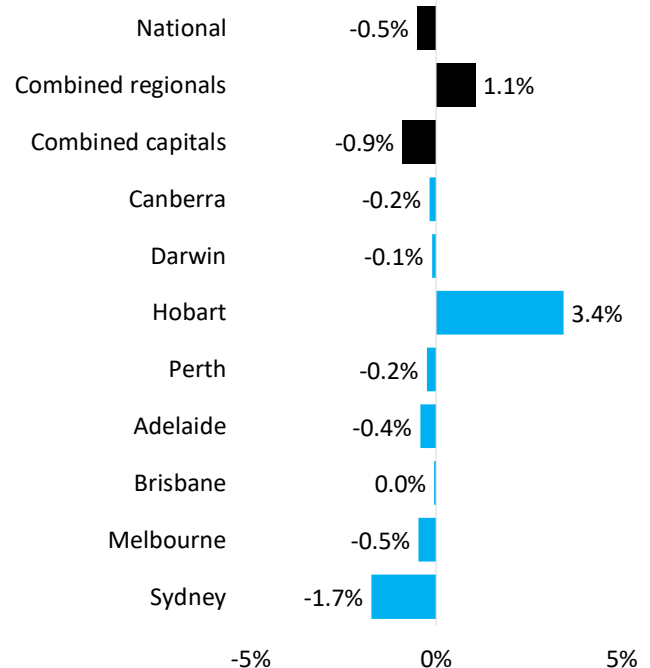
Gross value of sales p.a.
\$302.7 billion

Capital city dwelling values fell over the first quarter of 2018 while regional values recorded an acceleration in growth

Quarterly change in dwelling values

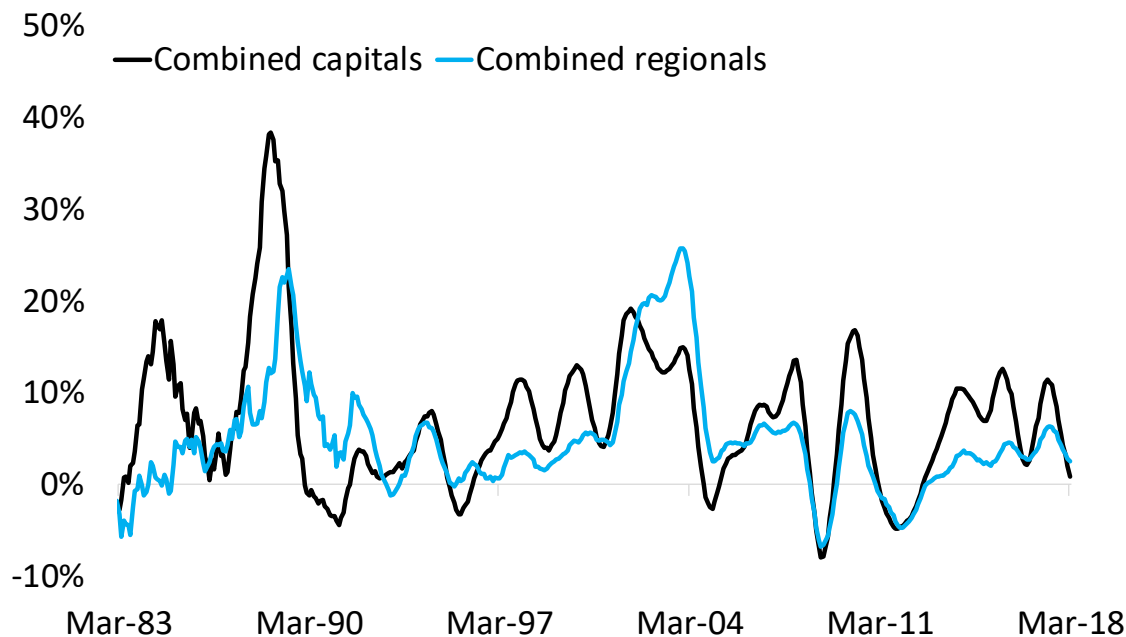


Quarterly change in dwelling values to Mar-18

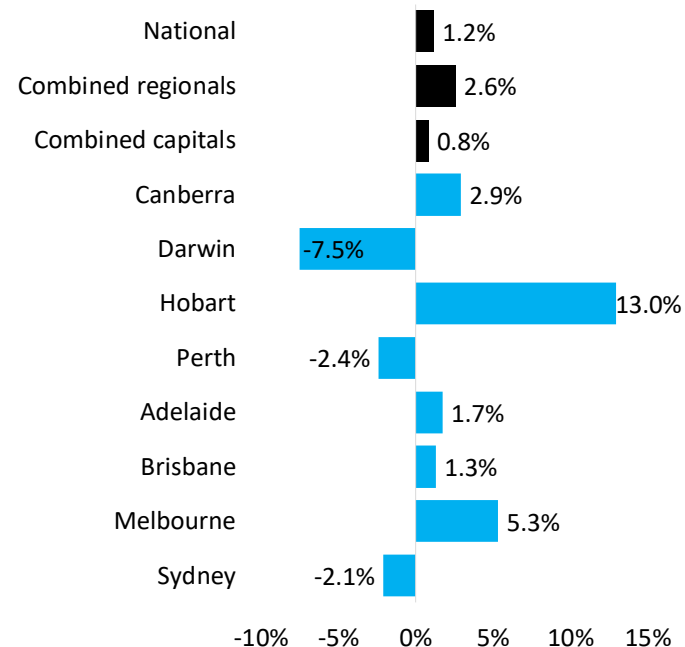


The annual trend rate of growth has decelerated across both the combined capital city and regional markets

Annual change in dwelling values

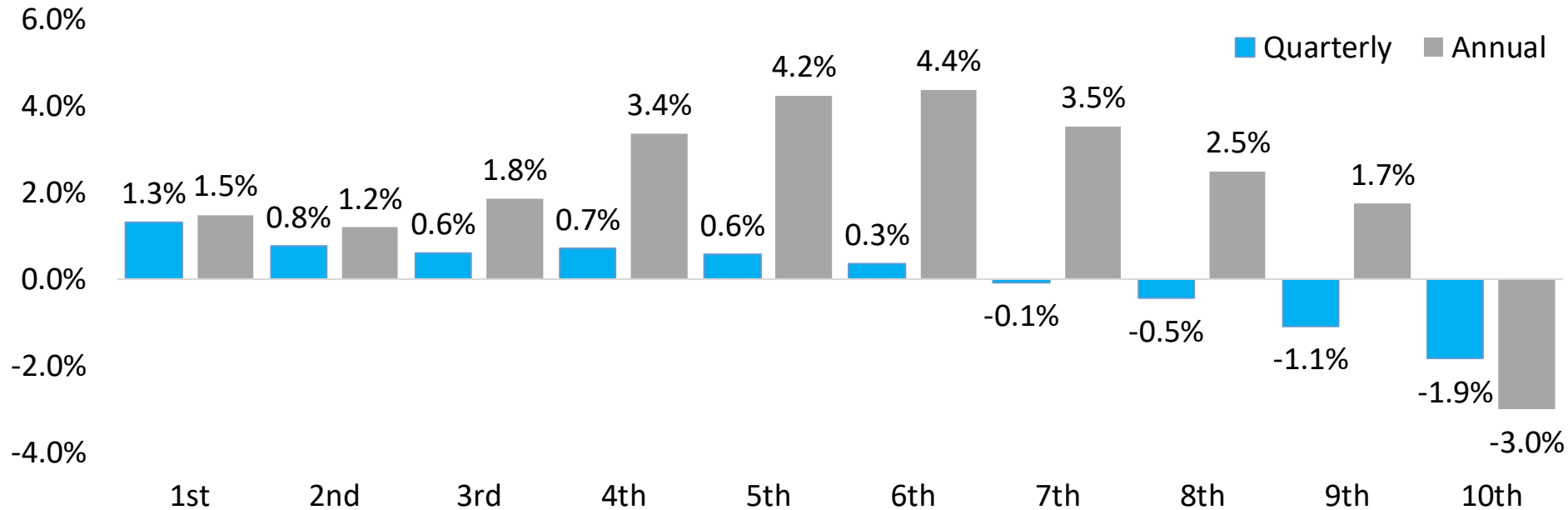


Annual change in dwelling values to Mar-18

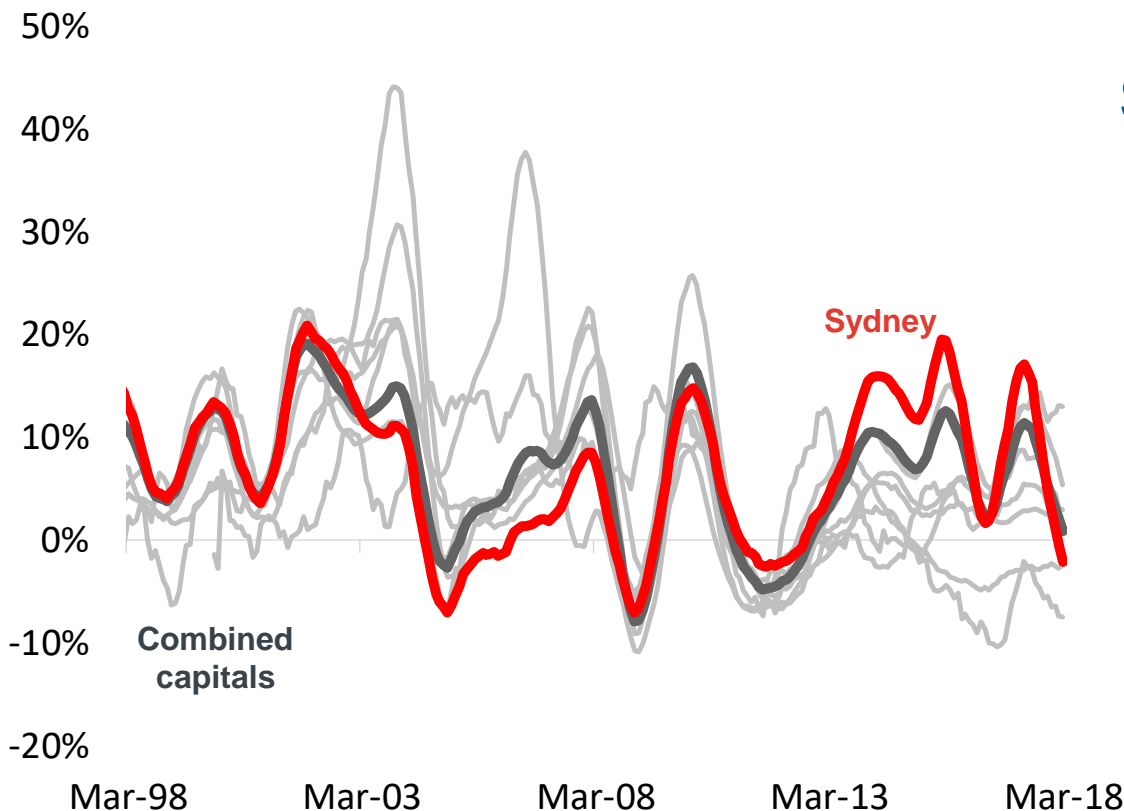


Premium dwelling values are showing more substantial falls in value than properties at the more affordable end of the spectrum

Quarterly and annual change in dwelling values by deciles, National as at March 2018

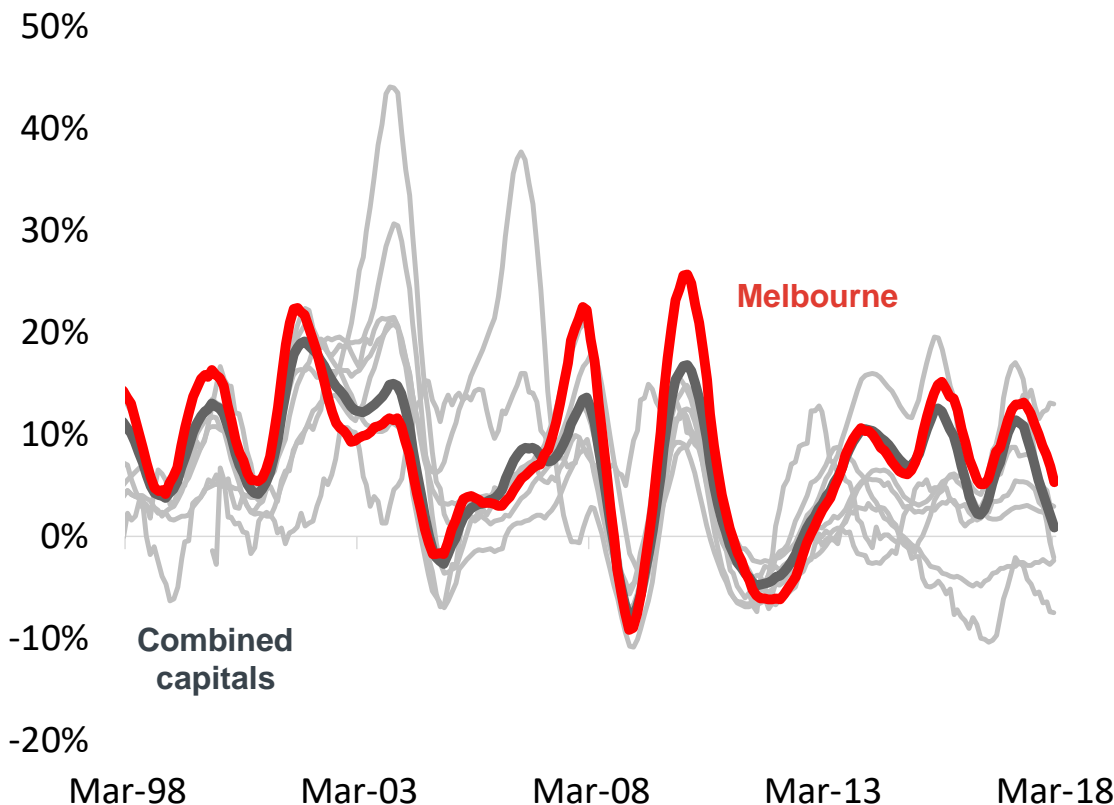


Annual change in dwelling values



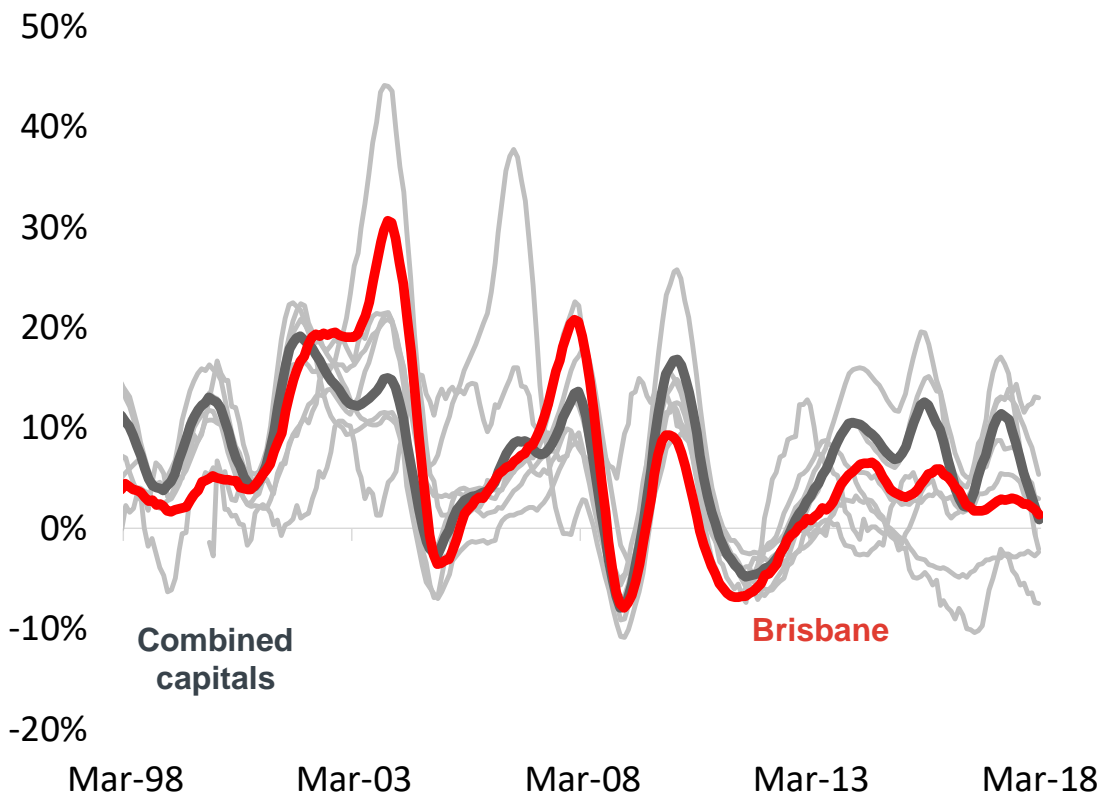
Sydney dwelling values have fallen by **-1.7% over the first quarter of 2018 and they are **-2.1%** lower over the past year. Dwelling values across Sydney are now **-3.9%** lower than their July 2017 peak.**

Annual change in dwelling values



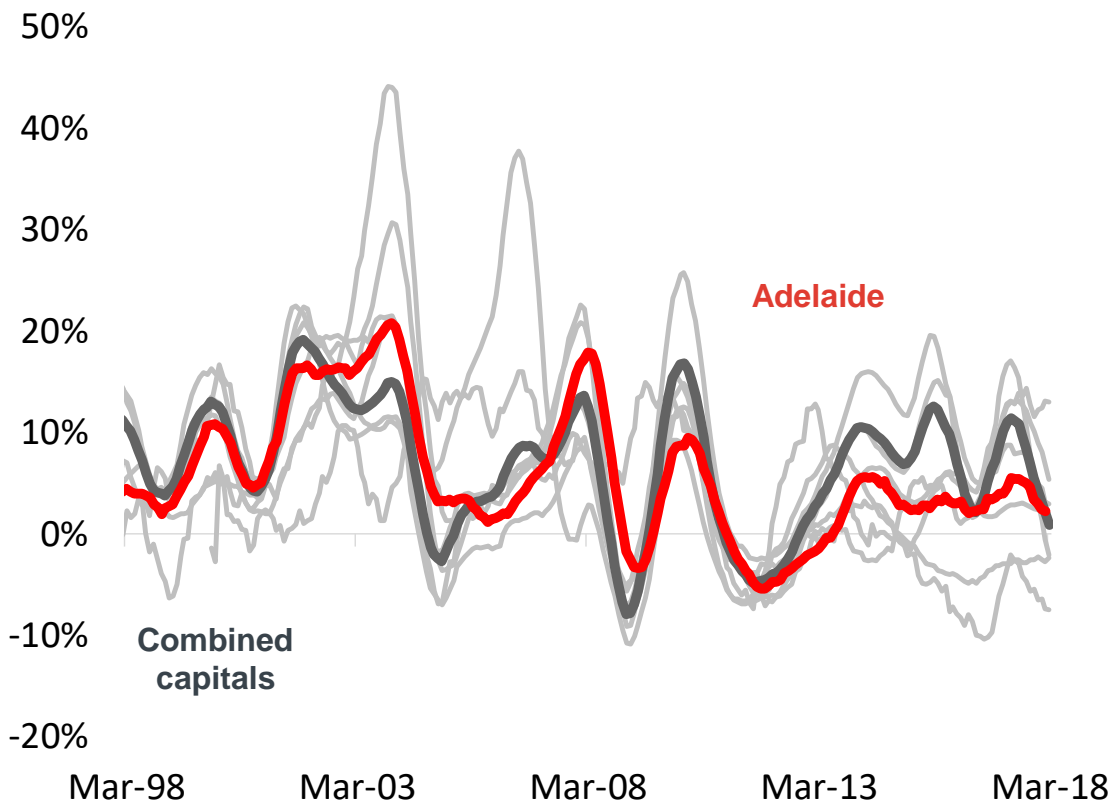
Dwelling values have fallen by **-0.5% over the three months to March 2018 in Melbourne. Over the past year, dwelling values are **5.3%** higher although they are now **-0.7%** lower than they were at their peak in November 2017.**

Annual change in dwelling values



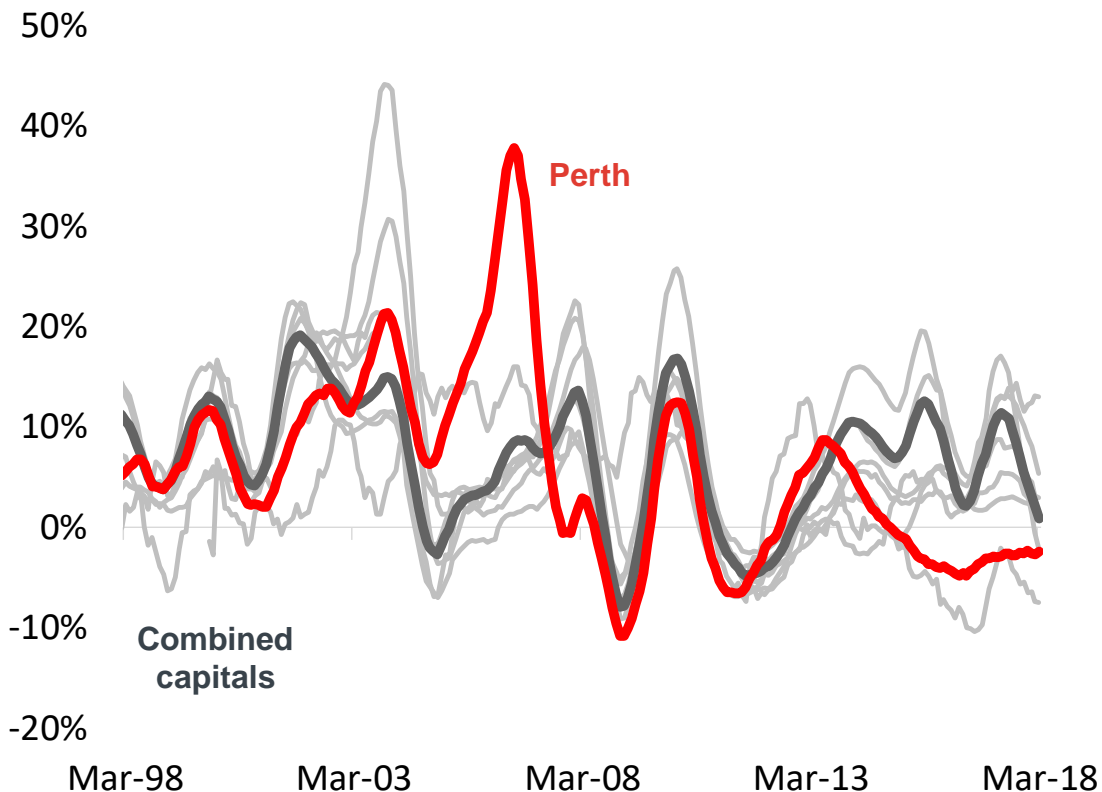
Brisbane home values were unchanged over the first quarter of 2018 and they were **1.3% higher over the past year. Over the past year, house values have increased by **1.8%** while unit values have fallen **-1.4%.****

Annual change in dwelling values



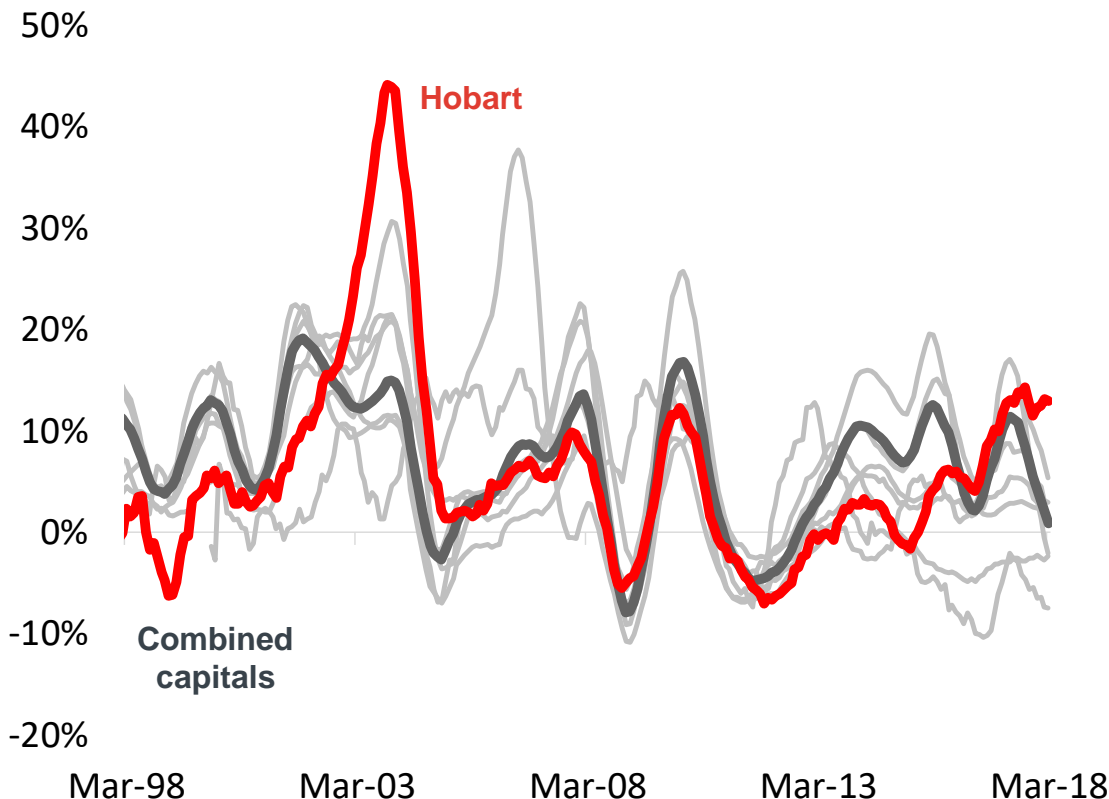
Dwelling values in Adelaide fell by **-0.4% over the three months to March 2018 however, they are **1.7%** higher over the past year. Dwelling values in Adelaide are now **-0.4%** lower than their December 2017 peak.**

Annual change in dwelling values



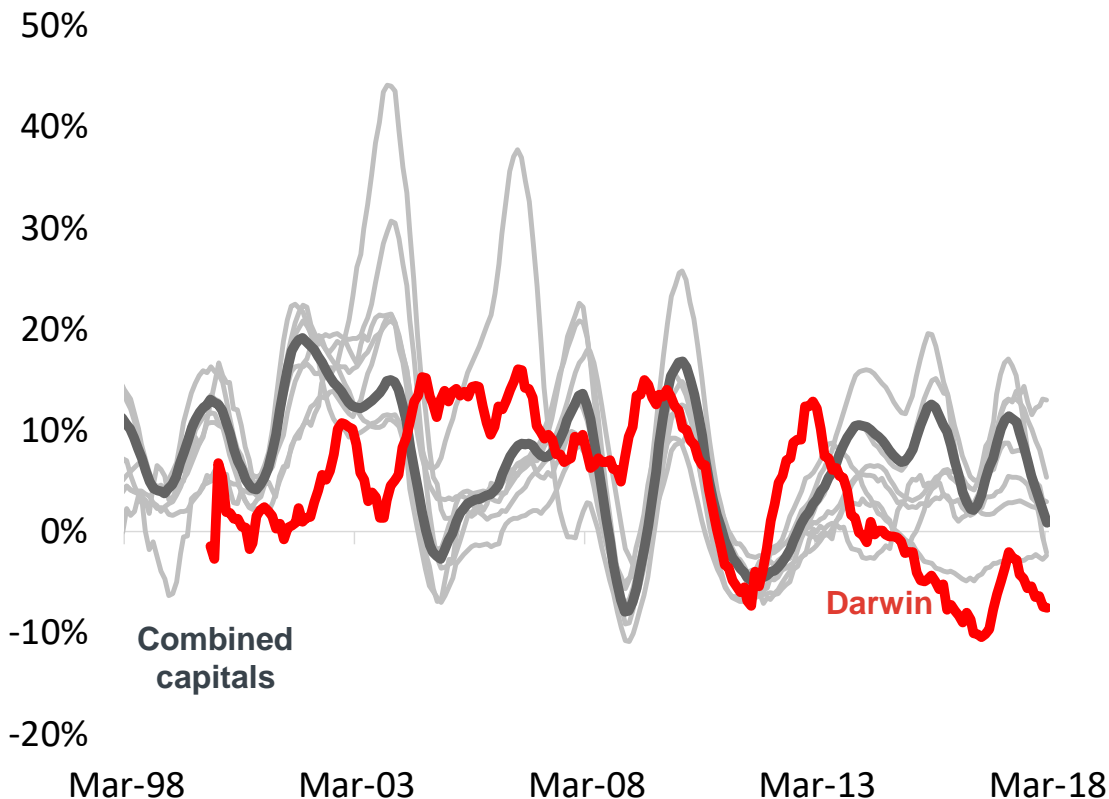
Perth dwelling values fell by **-0.2%** over the three months to March 2018 and they are **-2.4%** lower over the past year. Dwelling values in Perth are now **-10.8%** lower than they were at their peak in June 2014.

Annual change in dwelling values



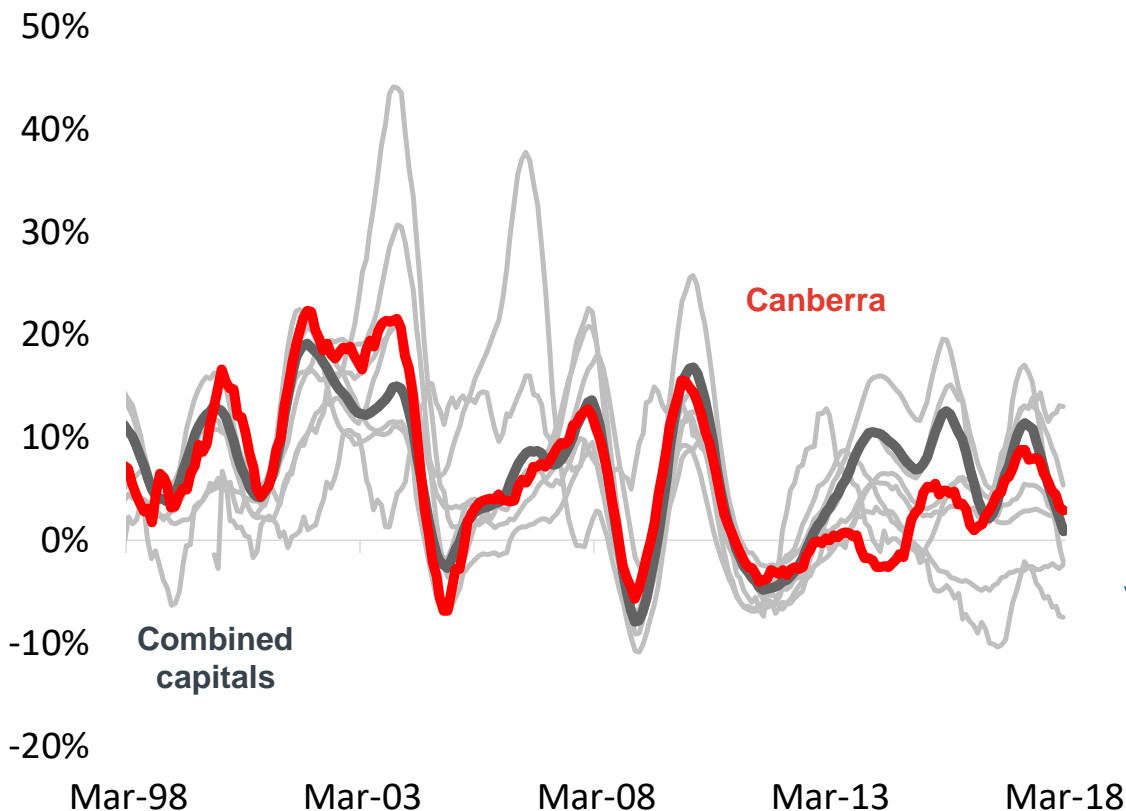
Dwelling values in Hobart rose 3.6% over the three months to March 2018 and are 13.0% higher over the past year. House values have increased by 13.4% over the past 12 months and unit values have increased by 10.8%.

Annual change in dwelling values



Darwin dwelling values fell by **-0.1% over the three months to March 2018 and are **-7.5%** lower over the past year. At the end of March 2018, dwelling values in Darwin were **-21.6%** lower than their historic peak.**

Annual change in dwelling values

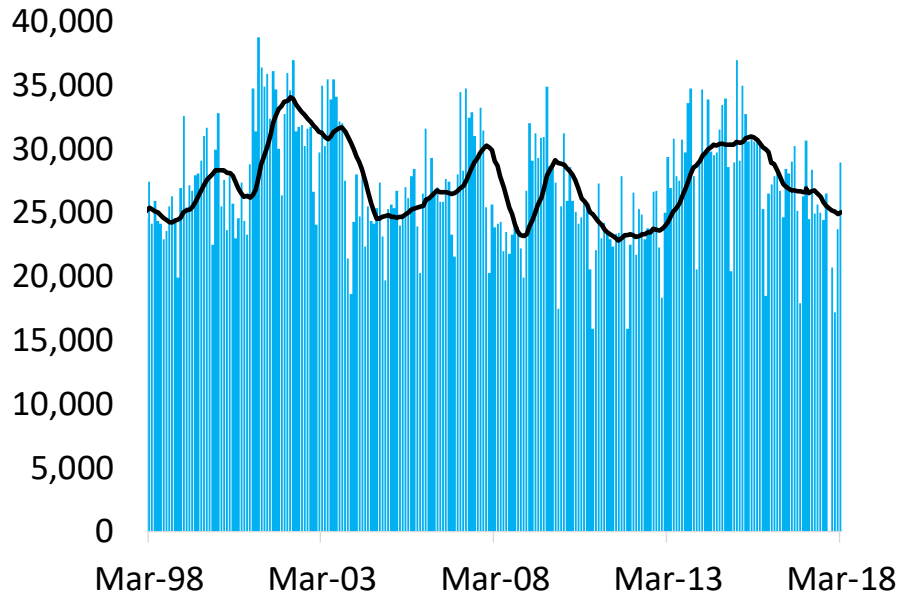


Dwelling values in Canberra fell by **-0.2% over the three months to March 2018**

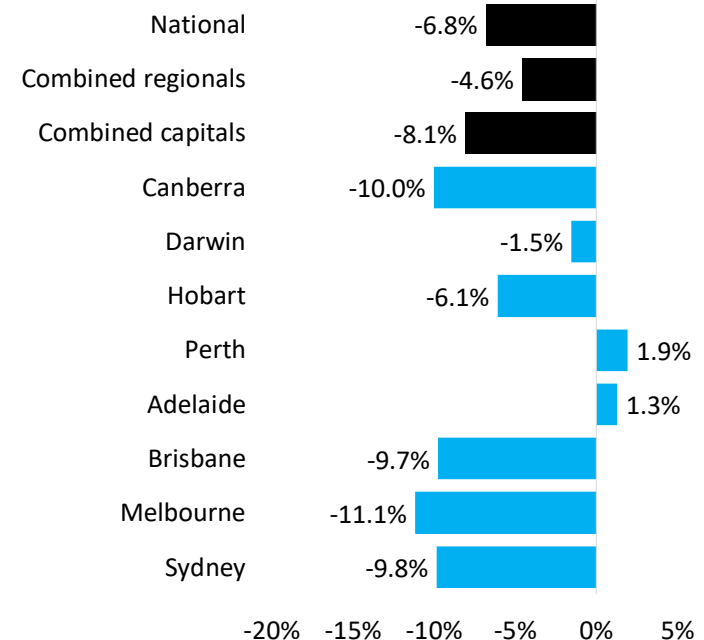
however, they are **2.9% higher over the past year. House values have increased by **3.7%** over the year while unit values are **0.4%** higher.**

Transaction numbers remain lower than a year ago due to fewer settled sales in the largest capital cities

Number of settled sales, combined capitals

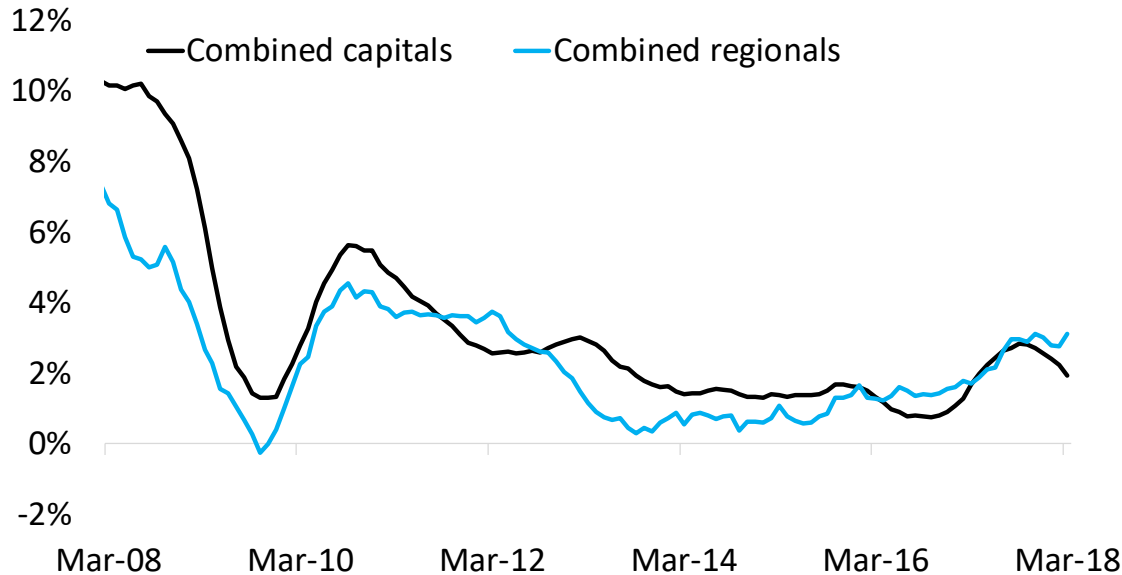


Year on year change in annual sales

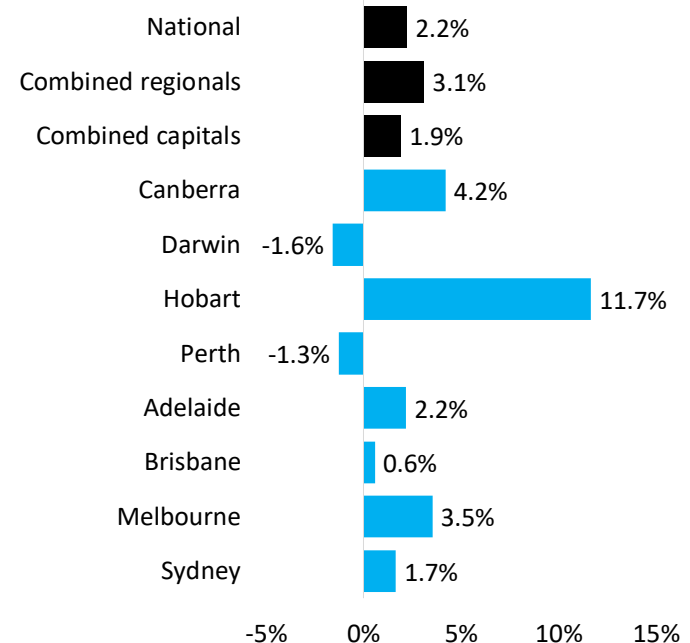


Annual rental growth in regional markets is accelerating while it decelerates across the combined capital cities

Annual change in dwelling rents

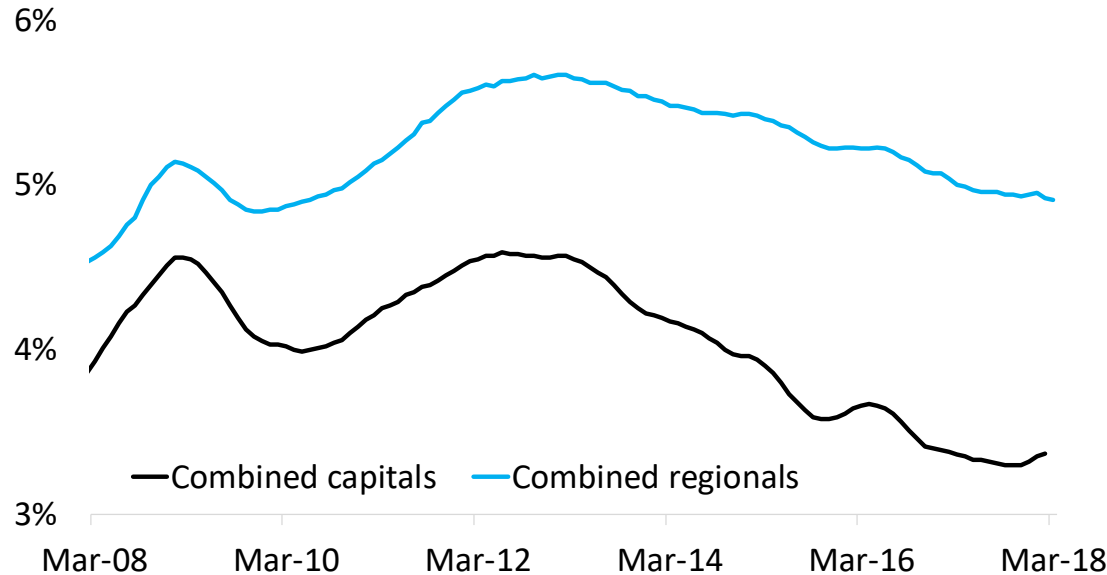


Annual change in dwelling rents to Mar-18

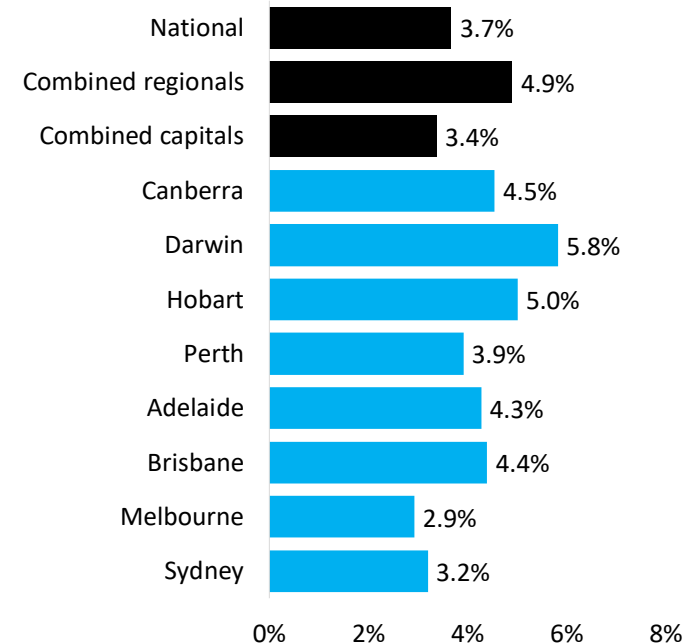


Annual rental growth has eased across the capital cities, while regional rents rise by 3.1% over the past twelve months

Gross rental yields

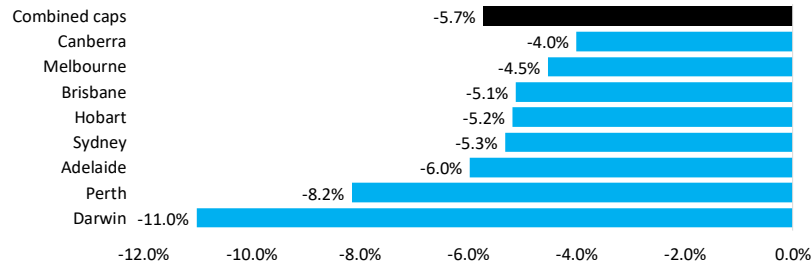
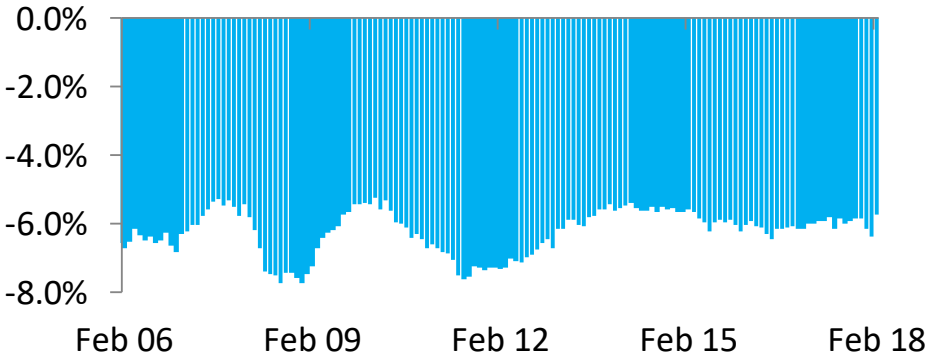


Gross rental yields as at Mar-18

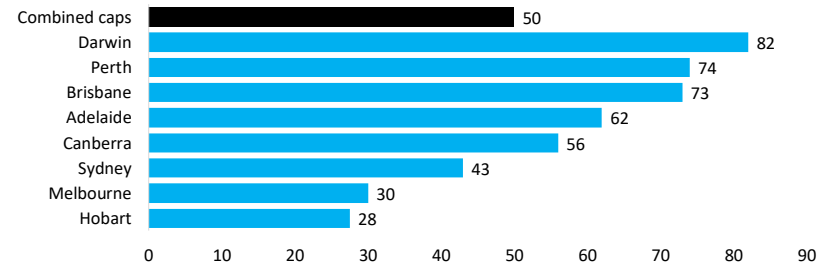
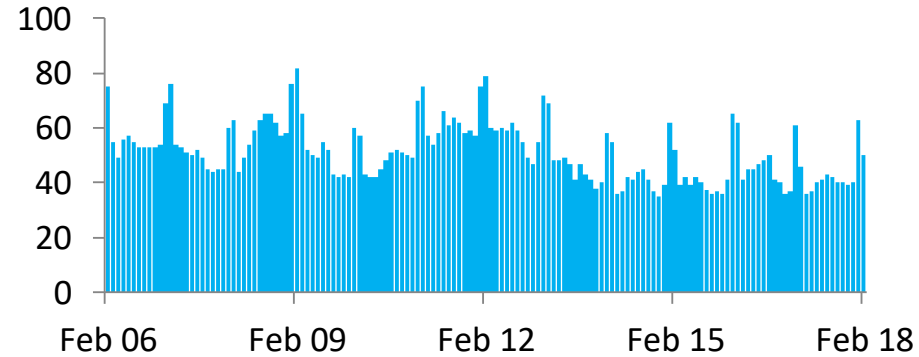


Despite the seasonal spike, dwellings are generally taking longer to sell than they were a year ago

Average rate of vendor discounting, Combined capitals



Average days on market, Combined capitals



Nationally there are fewer properties advertised for sale than a year ago but across individual capital cities the trends vary substantially

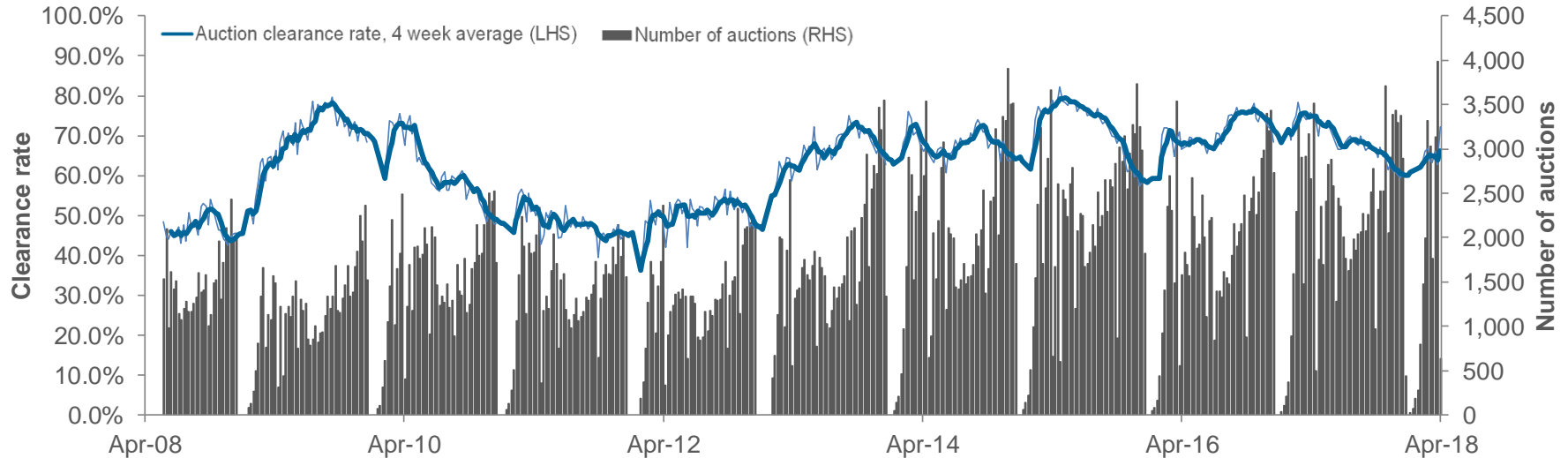
Number of new and total properties advertised for sale, 28 days to 1 April 2018

Capital city	No of new listings	12 mth change (%)	No of total listings	12 mth change (%)
Sydney	6,763	-7.7%	26,586	25.3%
Melbourne	7,273	-10.1%	29,955	2.8%
Brisbane	3,873	-4.5%	19,531	-1.6%
Adelaide	1,941	-11.6%	8,178	-4.5%
Perth	3,786	-2.8%	21,288	-4.2%
Hobart	426	-7.8%	1,067	-36.0%
Darwin	132	-26.3%	1,408	-9.5%
Canberra	550	-13.7%	2,010	-5.2%
Combined capitals	24,744	-7.8%	110,023	3.5%

State	No of new listings	12 mth change (%)	No of total listings	12 mth change (%)
NSW	11,716	-4.0%	49,623	8.5%
Vic	10,519	-7.8%	48,426	-8.9%
Qld	9,473	1.4%	62,144	-3.4%
SA	2,774	-6.8%	17,427	-6.9%
WA	5,250	-0.2%	35,031	-4.4%
Tas	1,050	-12.2%	5,348	-29.2%
NT	183	-21.5%	1,967	-7.8%
ACT	558	-13.9%	2,088	-4.7%
National	41,523	-4.0%	222,054	-3.6%

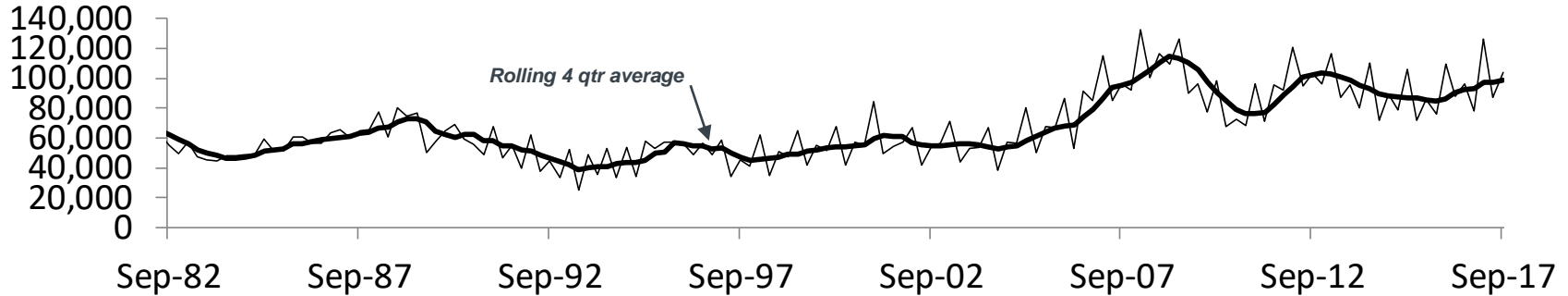
Auction clearance rates are higher than they were late last year but are lower than they were 12 months ago

Combined capital city auction clearance rates and volumes

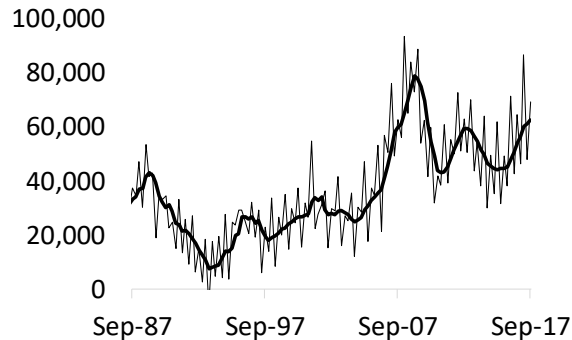


Housing demand: overseas migration continues to trend higher

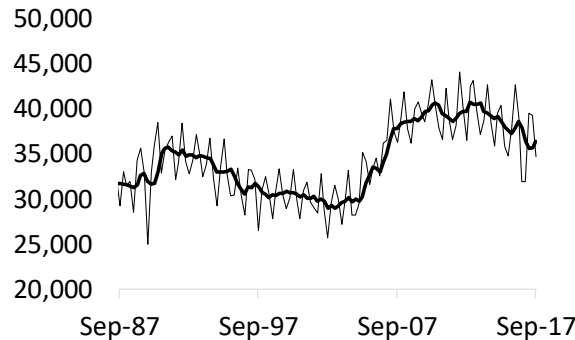
Quarterly change in national population



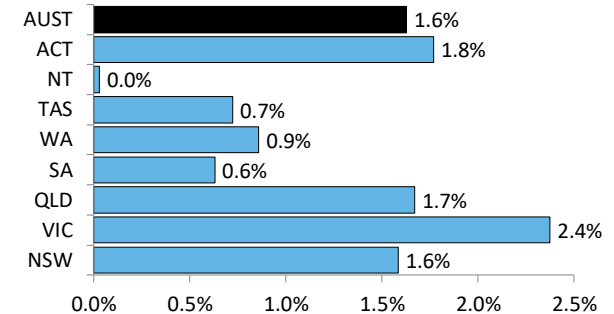
Net overseas migration



Natural increase

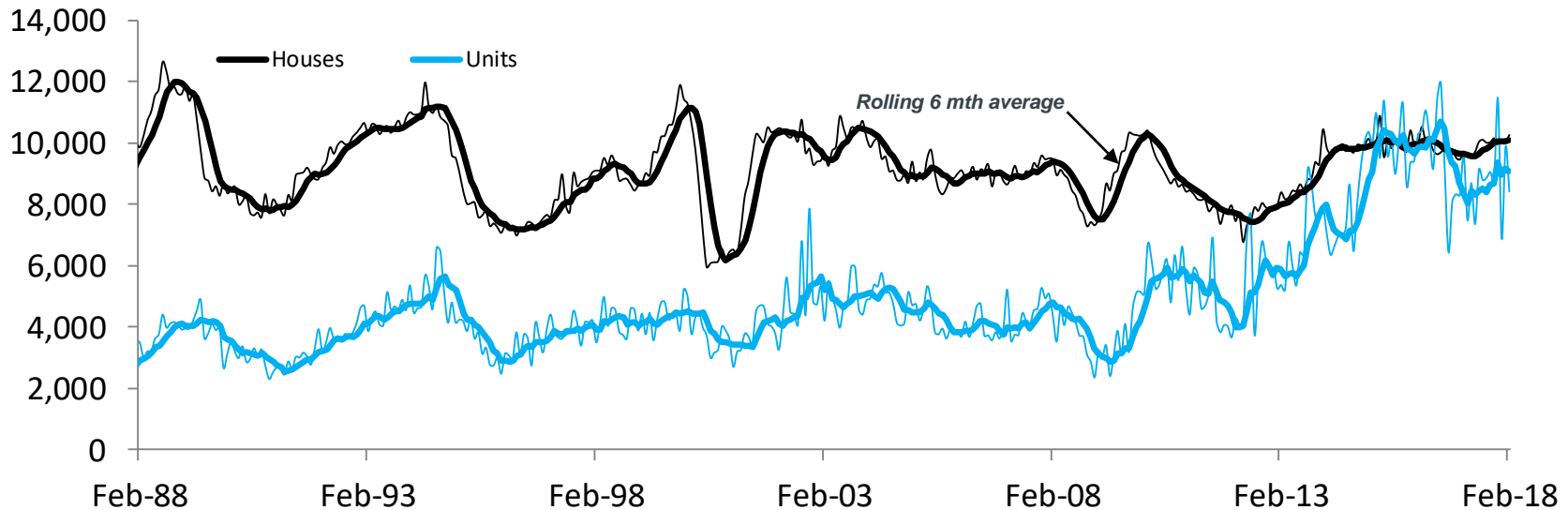


Annual change in population



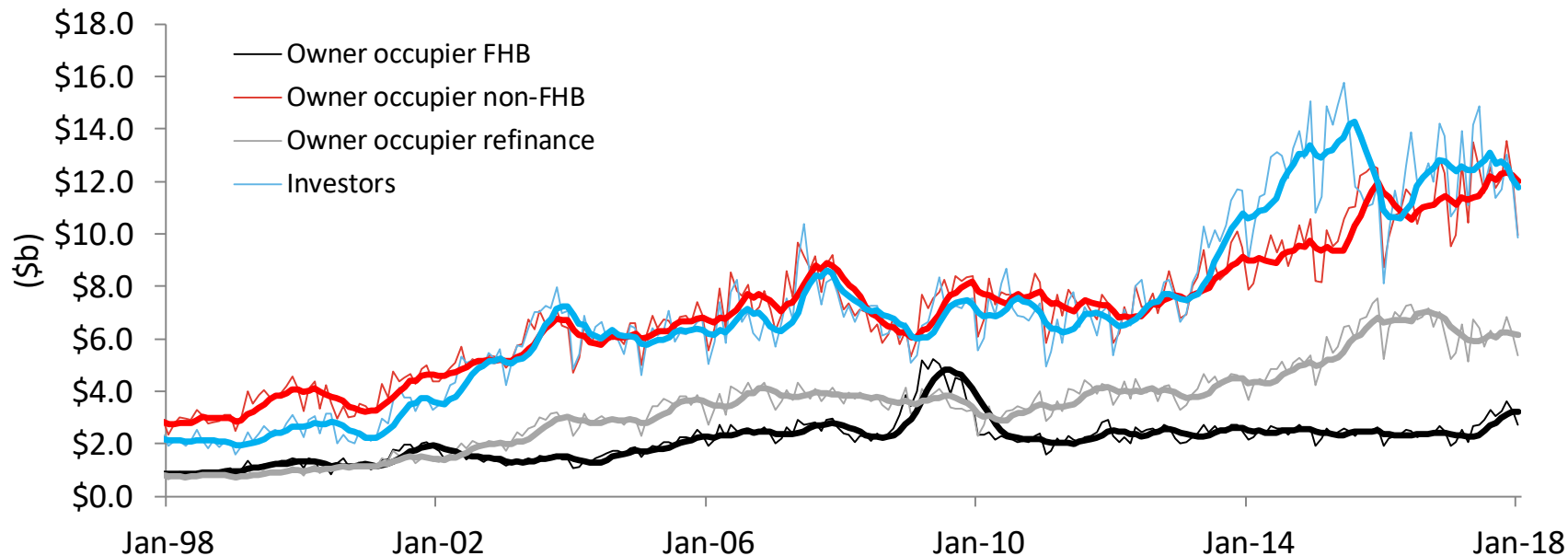
Although dwelling approvals are down from their record high levels they remain well above long-term average levels

Number of dwellings approved for construction, National



Housing finance commitments have eased, especially for investors, due to tighter credit policies

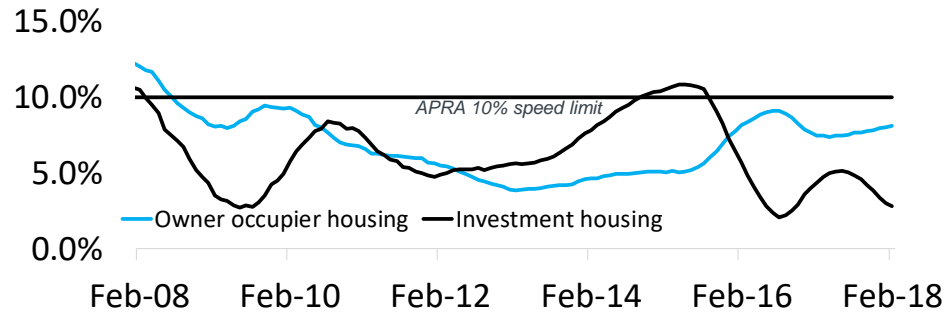
Value of housing finance commitments by borrower type



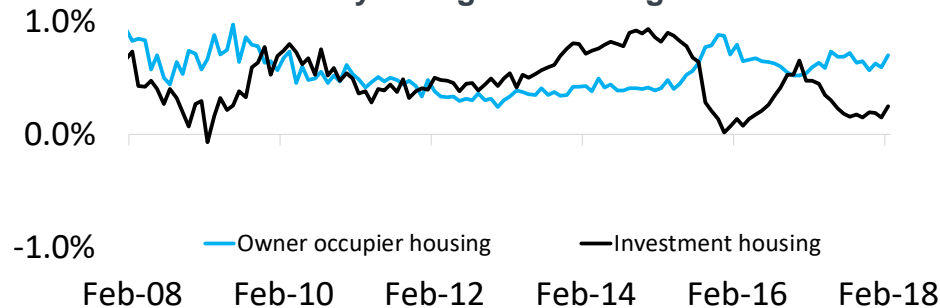
Regulatory changes and higher mortgage rates, have impacted on investment demand and interest-only demand has shrunk significantly



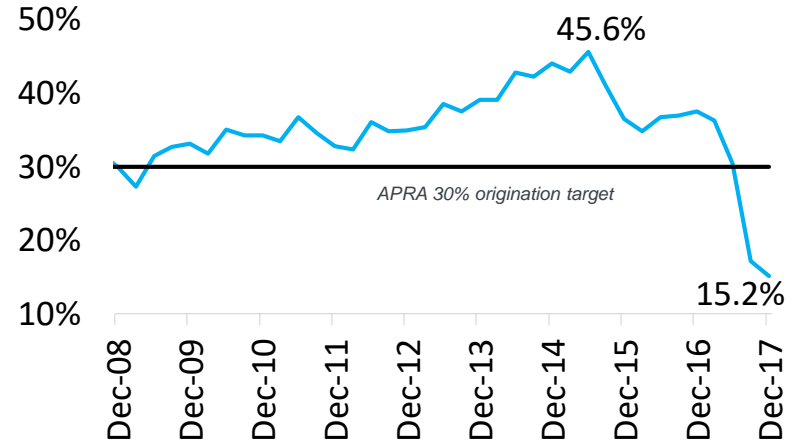
Annual change in housing credit



Monthly change in housing credit

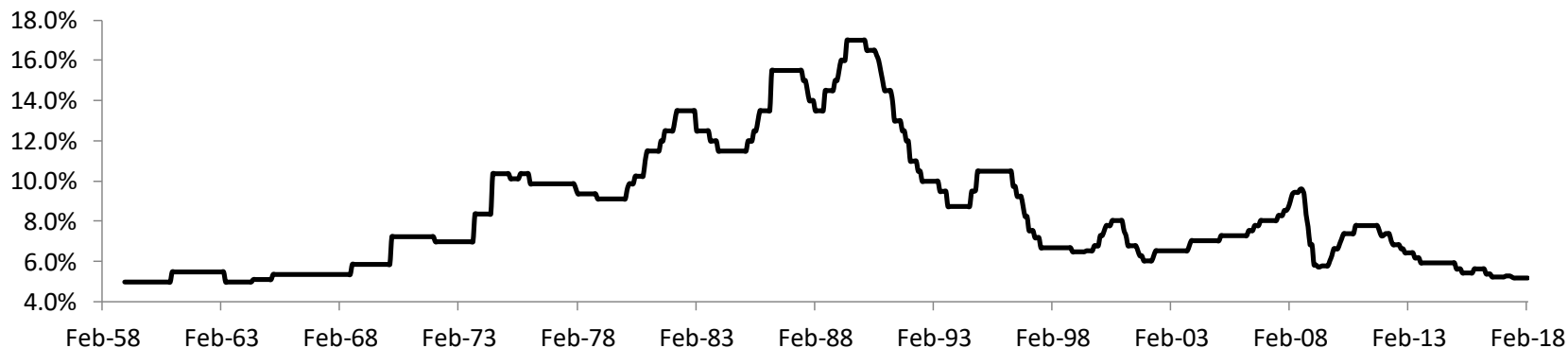


% of mortgages originated on interest only terms



Mortgage rates remain around historic lows for owner occupiers but have edged higher for investors

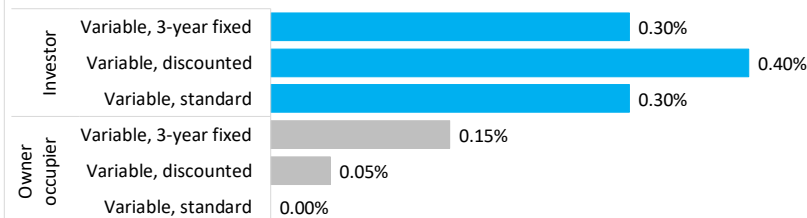
Standard variable mortgage rates over time



Avg mortgage rate by product type, Feb 2018



Change in avg mortgage rate since low point, Feb 2018

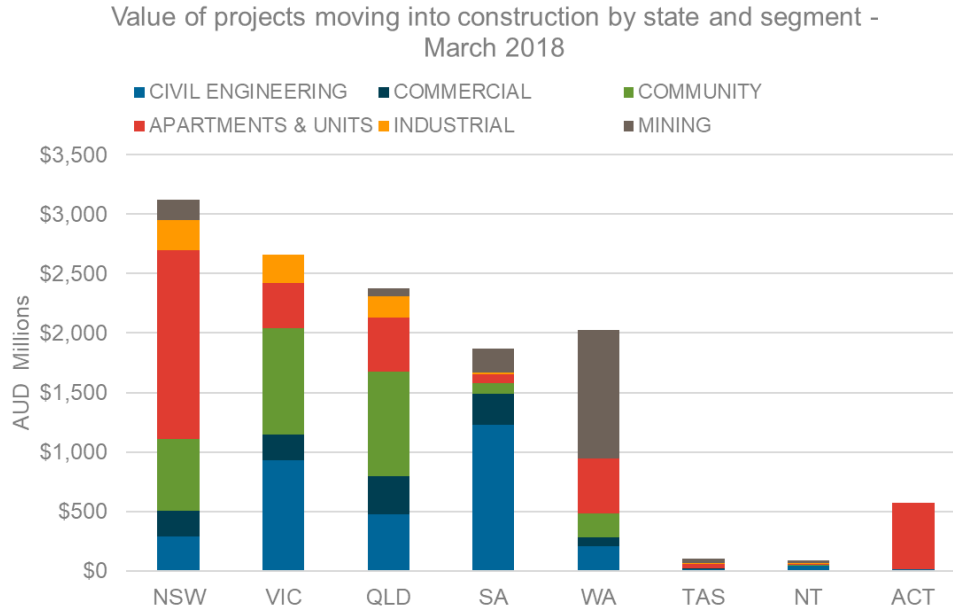


Commercial Research Update

April 2018



The construction pipeline saw 1,707 new proposals across Australia, worth a combined \$12.8 billion in March



Number of Projects

QoQ
Change:
-4.0%

YoY
Change:
-3.2%

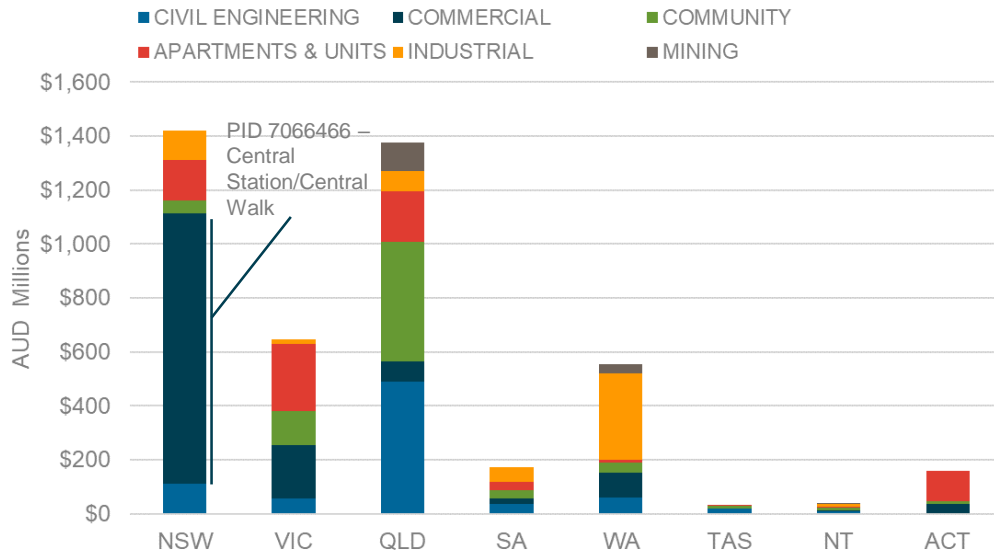
Value of Projects

QoQ
Change:
-1.3%

YoY
Change:
+24.2%

Across Australia, there were 597 projects that moved into construction stages, worth a combined \$4.4 billion in March

Value of projects moving into construction by state and segment - March 2018



Number of Projects

QoQ
Change:
-19.7%

YoY
Change:
-3%

Value of Projects

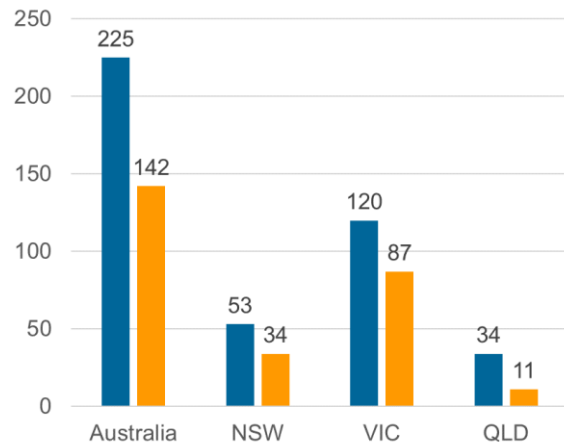
QoQ
Change:
+4.7%

YoY
Change:
+25%

CoreLogic preliminary results suggest an average commercial auction clearance rate of 61.3% over March

Commercial Auction Summary - March

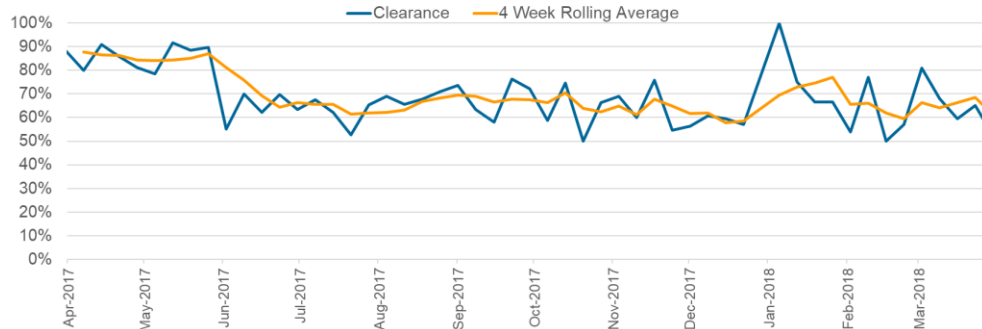
■ Number of Auctions ■ Number Sold



Share of Commercial Auction Sale by Type, Australia Wide – March



Commercial Auction Clearance Rate



Source: CoreLogic

About Us



CoreLogic Australia is a wholly owned subsidiary of CoreLogic (NYSE: CLGX), which is the largest property data and analytics company in the world. CoreLogic provides property information, analytics and services across Australia, New Zealand and Asia, and recently expanded its service offering through the purchase of project activity and building cost information provider Cordell. With Australia's most comprehensive property databases, the company's combined data offering is derived from public, contributory and proprietary sources and includes over 500 million decision points spanning over three decades of collection, providing detailed coverage of property and other encumbrances such as tenancy, location, hazard risk and related performance information.

With over 20,000 customers and 150,000 end users, CoreLogic is the leading provider of property data, analytics and related services to consumers, investors, real estate, mortgage, finance, banking, building services, insurance, developers, wealth management and government. CoreLogic delivers value to clients through unique data, analytics, workflow technology, advisory and geo spatial services. Clients rely on CoreLogic to help identify and manage growth opportunities, improve performance and mitigate risk. CoreLogic employs over 650 people across Australia and in New Zealand. For more information call 1300 734 318 or visit www.corelogic.com.au

CoreLogic produces an advanced suite of housing market analytics that provides key insights for understanding housing market conditions at a granular geographic level. Granular data is often used for portfolio analysis and benchmarking, risk assessments and understanding development feasibility and market sizing. It gives industry professionals valuable modules which provide essential analytics and insights for decision making and strategy formation within the residential property asset class. We can tailor reports to suit your business requirements.

Call us on 1300 734 318 or email us at ask@corelogic.com.au or visit us at www.corelogic.com.au

Granular Data and Analytics



Market Scorecard: Monitor and measure market share and performance of real estate agents at an individual office or a Franchise brand level across Australia. Identify the competing brands and independents at a suburb, postcode, user defined territory and State level. Easily locate growth opportunities and market hotspots, and view the performance of the established offices in these new areas of interest.

Market Trends: Detailed housing market indicators down to the suburb level, with data in time series or snapshot and segmented across houses, units and land. The Market Trends data includes key housing market metrics such as median prices, median values, transaction volumes, rental statistics, vendor metrics such as average selling time and vendor discounting rates.

CoreLogic Indices: The suite of CoreLogic Indices range from simple market measurements such as median prices through to repeat sales indices and our flagship hedonic home value indices. The CoreLogic Hedonic index has been specifically designed to track the value of a portfolio of properties over time and is relied upon by Australian regulators and industry as the most up to date and accurate measurement of housing market performance.

Economist Pack: A suite of indices and indicators designed specifically for Australian economic commentators who require the most up to date and detailed view of housing market conditions. The economist pack includes the CoreLogic Hedonic indices for capital cities and 'rest of state' indices, the stratified hedonic index, hedonic total return index, auction clearance rates and median prices.

Investor Concentration Report: Understanding ownership concentrations is an important part of assessing risk. Areas with high investor concentrations are typically allocated higher risk ratings due to the over-representation of a particular segment of the market. Through a series of rules and logic, CoreLogic RP Data has flagged the likely ownership type of every residential property nationally as either owner occupied, investor owned or government owned.

Mortgage Market Trend Report: CoreLogic RP Data is in a unique position to monitor mortgage related housing market activity. Transaction volumes, dwelling values and mortgage related valuation events all comprise our Mortgage market trend report which provides an invaluable tool for mortgage industry benchmarking and strategy.

Disclaimer

Disclaimer

In compiling this publication, RP Data Pty Ltd trading as CoreLogic has relied upon information supplied by a number of external sources. CoreLogic does not warrant its accuracy or completeness and to the full extent allowed by law excludes liability in contract, tort or otherwise, for any loss or damage sustained by subscribers, or by any other person or body corporate arising from or in connection with the supply or use of the whole or any part of the information in this publication through any cause whatsoever and limits any liability it may have to the amount paid to CoreLogic for the supply of such information.

Queensland Data

Based on or contains data provided by the State of Queensland (Department of Natural Resources and Mines)2017. In consideration of the State permitting use of this data you acknowledge and agree that the State gives no warranty in relation to the data (including accuracy, reliability, completeness, currency or suitability) and accepts no liability (including without limitation, liability in negligence) for any loss, damage or costs (including consequential damage) relating to any use of the data. Data must not be used for direct marketing or be used in breach of the privacy laws.

South Australian Data

This information is based on data supplied by the South Australian Government and is published by permission. Copyright in that data belongs to the South Australian Government. The South Australian Government does not accept any responsibility for the accuracy or completeness of the published information or suitability for any purpose of the published information or the underlying data.

New South Wales Data

Contains property sales information provided under licence from the Land and Property Information ("LPI"). CoreLogic is authorised as a Property Sales Information provider by the LPI.

Victorian Data

The State of Victoria owns the copyright in the Property Sales Data which constitutes the basis of this report and reproduction of that data in any way without the consent of the State of Victoria will constitute a breach of the Copyright Act 1968 (Cth). The State of Victoria does not warrant the accuracy or completeness of the information contained in this report and any person using or relying upon such information does so on the basis that the State of Victoria accepts no responsibility or liability whatsoever for any errors, faults, defects or omissions in the information supplied.

Western Australian Data

Based on information provided by and with the permission of the Western Australian Land Information Authority (2017) trading as Landgate.

Australian Capital Territory Data

The Territory Data is the property of the Australian Capital Territory. No part of it may in any form or by any means (electronic, mechanical, microcopying, photocopying, recording or otherwise) be reproduced, stored in a retrieval system or transmitted without prior written permission. Enquiries should be directed to: Director, Customer Services ACT Planning and Land Authority GPO Box 1908 Canberra ACT 2601.

Tasmanian Data

This product incorporates data that is copyright owned by the Crown in Right of Tasmania. The data has been used in the product with the permission of the Crown in Right of Tasmania. The Crown in Right of Tasmania and its employees and agents:

- a) give no warranty regarding the data's accuracy, completeness, currency or suitability for any particular purpose; and
- b) do not accept liability howsoever arising, including but not limited to negligence for any loss resulting from the use of or reliance upon the data. Base data from the LIST © State of Tasmania <http://www.thelist.tas.gov.au>

Thank You



CoreLogic®

