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WA'S POPULATION GROWTH YOY

↑ 0.8%

$515k
MEDIAN HOUSE PRICE

$226k
UDI MEDIAN LOT PRICE

$2.73 BILLION
WA SEPT RETAIL TURNOVER

6.0%
WA'S UNEMPLOYMENT RATE

UDI LOTS SALES YOY

↓ 6.6%

DWELLING COMMENCEMENTS YOY

↓ -15.4%
## KEY TRENDS

### ECONOMY

<table>
<thead>
<tr>
<th>Metric</th>
<th>Current Figure</th>
<th>M/Q Change</th>
<th>3 M/Q Rolling Av.</th>
<th>YOY Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Official Cash Rate Target (RBA)</td>
<td>1.5% (Nov)</td>
<td>0% (M)</td>
<td>1.5% (M)</td>
<td>0</td>
</tr>
<tr>
<td>Discounted Variable Mortgage Rate (RBA)</td>
<td>4.65% (Oct)</td>
<td>10 bps (M)</td>
<td>4.57% (M)</td>
<td>20 bps</td>
</tr>
<tr>
<td>Estimated Resident Population - WA</td>
<td>2,591,887m (Mar)</td>
<td>0.3% (Q)</td>
<td>2,585,685m (Q)</td>
<td>0.8%</td>
</tr>
<tr>
<td>Unemployment Rate - WA (Seasonally Adj.)</td>
<td>6.0 (Sep)</td>
<td>-37 bps (M)</td>
<td>6.1 (M)</td>
<td>30 bps</td>
</tr>
<tr>
<td>Retail Turnover - WA (Original)</td>
<td>$2.73 b (Sep)</td>
<td>-1.5% (M)</td>
<td>$2.74b (M)</td>
<td>-0.9%</td>
</tr>
<tr>
<td>Consumer Price Index - Greater Perth</td>
<td>110.8 (Sep)</td>
<td>0.5% (Q)</td>
<td>110.3 (Q)</td>
<td>1.2%</td>
</tr>
<tr>
<td>Wage Price Index - WA</td>
<td>128.9 (Jun)</td>
<td>0.3% (Q)</td>
<td>128.5 (Q)</td>
<td>1.5%</td>
</tr>
</tbody>
</table>

### RESIDENTIAL LAND DEVELOPMENT SECTOR

<table>
<thead>
<tr>
<th>Metric</th>
<th>Current Figure</th>
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<th>3 M/Q Rolling Av.</th>
<th>YOY Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lot Sales (UDIA Land Snapshot)</td>
<td>242 (Oct 18)</td>
<td>-5.1% (M)</td>
<td>281 (M)</td>
<td>-22.7%</td>
</tr>
</tbody>
</table>

### RESIDENTIAL CONSTRUCTION SECTOR

<table>
<thead>
<tr>
<th>Metric</th>
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<th>M/Q Change</th>
<th>3 M/Q Rolling Av.</th>
<th>YOY Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dwelling Approvals - WA (Original)</td>
<td>1,165 (Sep)</td>
<td>-34.0% (M)</td>
<td>1,439 (M)</td>
<td>-41.0%</td>
</tr>
<tr>
<td>Private Sector House Approvals - WA (Original)</td>
<td>848 (Sep)</td>
<td>-29.7% (M)</td>
<td>1,080 (M)</td>
<td>-26.7%</td>
</tr>
<tr>
<td>New Dwelling Loans Owner-Occupation - WA (Original)</td>
<td>4,927 (Aug)</td>
<td>0.9% (M)</td>
<td>4,823 (M)</td>
<td>-18.9%</td>
</tr>
<tr>
<td>Dwelling Construction Starts - WA (Original)</td>
<td>3,929 (Jun)</td>
<td>-2.8% (Q)</td>
<td>4,476 (Q)</td>
<td>-15.4%</td>
</tr>
<tr>
<td>House Approvals - Greater Perth (Original)</td>
<td>748 (Sep)</td>
<td>-29.7% (M)</td>
<td>941 (M)</td>
<td>-23.2%</td>
</tr>
<tr>
<td>Multi-Unit Approvals - Greater Perth (Original)</td>
<td>259 (Sep)</td>
<td>-47.5% (M)</td>
<td>311 (M)</td>
<td>-67.0%</td>
</tr>
</tbody>
</table>

### RESIDENTIAL PROPERTY MARKET

<table>
<thead>
<tr>
<th>Metric</th>
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<th>M/Q Change</th>
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<th>YOY Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Median House Price - Perth (Landgate/REIWA)</td>
<td>$515,000 (Jun)</td>
<td>0.0% (Q)</td>
<td>$516,667 (Q)</td>
<td>1.0%</td>
</tr>
<tr>
<td>House Sales - Perth (Landgate/REIWA)</td>
<td>4,671 (Jun)</td>
<td>-14.7% (Q)</td>
<td>5,259 (Q)</td>
<td>-18.8%</td>
</tr>
<tr>
<td>Unit Sales - Perth (Landgate/REIWA)</td>
<td>1,060 (Jun)</td>
<td>-23.9% (Q)</td>
<td>1,234 (Q)</td>
<td>-20.7%</td>
</tr>
<tr>
<td>House and Unit Listings - Perth (REIWA)</td>
<td>13,671 (Sep)</td>
<td>-3.9% (Q)</td>
<td>14,101 (Q)</td>
<td>4.9%</td>
</tr>
<tr>
<td>Dwelling Loans Owner-Occupation - WA (Original)</td>
<td>4,927 (Aug)</td>
<td>0.9% (M)</td>
<td>4,823 (M)</td>
<td>-18.9%</td>
</tr>
<tr>
<td>Established Dwelling Loans Owner-Occupation - WA (Original)</td>
<td>3,891 (Aug)</td>
<td>1.2% (M)</td>
<td>3,791 (M)</td>
<td>-17.3%</td>
</tr>
<tr>
<td>FHOG Applications - WA (Original)</td>
<td>439 (Sep)</td>
<td>-14.9% (M)</td>
<td>469 (M)</td>
<td>-25.3%</td>
</tr>
<tr>
<td>Investment Housing Loans - WA (Original)</td>
<td>$516.7m (Aug)</td>
<td>-6.1% (M)</td>
<td>$576.4m (M)</td>
<td>-33.2%</td>
</tr>
<tr>
<td>REIWA Average Selling Days - Perth</td>
<td>69 (Jun)</td>
<td>-1.4% (Q)</td>
<td>67.3 (Q)</td>
<td>-2.8%</td>
</tr>
</tbody>
</table>

### Residential Rental Market

<table>
<thead>
<tr>
<th>Metric</th>
<th>Current Figure</th>
<th>M/Q Change</th>
<th>3 M/Q Rolling Av.</th>
<th>YOY Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>REIWA Median Rent - Perth</td>
<td>360 (Sep)</td>
<td>2.9% (Q)</td>
<td>357 (Q)</td>
<td>2.9%</td>
</tr>
<tr>
<td>REIWA Vacancy Rate - Perth</td>
<td>3.9% (Sep)</td>
<td>-90 bps (Q)</td>
<td>4.6% (Q)</td>
<td>-300 bps</td>
</tr>
</tbody>
</table>
The figures provide further evidence of the sustained market downturn that the industry has been experiencing for several years with the number of lot sales falling by 14.9% for the September quarter in 2018.

The average price of new land is also down 2.3% for the quarter and down 3.9% over the year.

While the new land market remains sluggish, UDIA is confident that a recovery is imminent given our recent analysis of Landgate settlement data which shows positive activity in the top and middle sectors of the market. This provides a good indication that the new land market will soon follow in a positive trajectory.

Our research indicates that premium housing areas in Perth such as Mosman Park and Cottesloe have started to perform well with strong housing demand and limited supply driving price increases.

Central metropolitan property settlements with land areas between 750sqm-2000sqm exhibited the first signs of annual growth in June 2018, lifting 5.2% to sit at 545 for the quarter. The median price for settlements of this size remained steady in June 2018 at $850,000, following two consecutive quarters of solid annual growth, up 2.2% in Dec 2017 and up 4.2% in March 2018.

Looking at some specific areas as an example, Fremantle settlements sized between 751-2000sqm had three consecutive quarters of solid growth, with a significant 31.3% increase in the June 2018 quarter.

Belmont settlements of this size reached a peak of 42 in the March 2018 quarter following two consecutive quarters of relatively steady figures, a level which was returned to in the June 2018 quarter.

Strong quarterly price growth was experienced in Belmont throughout the 2017/18 financial year, coupled with three consecutive quarters of annual price growth to sit at $547,500 for the June quarter (up 10.6%).

Turning to Victoria Park, the number of settlements of this size recorded positive quarterly growth over the last three quarters to June 2018, with a 16.7% quarterly settlement increase in the June quarter.

What these figures show is that, where there are opportunities to purchase a decent size parcel of land with small scale development potential, interest is certainly piqued.

The majority of the central local government areas examined exhibited positive growth rates in median price for the 2017/18 financial year for this size range.

Given the cyclical nature of the Perth property market, the established housing market is a good forward indicator of what to expect 12 to 18 months later in the new land market.

Furthermore, there are green shoots emerging that are reflected in mining activity, retail turnover and growing full-time employment as demonstrated in this edition of Urban Intelligence.
Key Points of Interest

- Western Australia’s unemployment rate fell 42 basis points (bps) over September to sit at 6.0%, 30bps above the rate at the same time last year and 109bps above the National rate of 4.87%.
- The number of employed persons in the State lifted 0.5% month-on-month in September to 1.428 million, 1.2% higher than in September 2017.
- WA’s state participation rate remained steady at 68.2%, 49bps above levels at the same time last year and 296.3bps higher than the national rate of 65.3%.
- In the September quarter, WA’s retail turnover lifted 0.9% quarter-on-quarter (QoQ) to sit at $8.22 billion, 1.1% lower than the corresponding quarter in 2017 and remaining steady at 10.5% of national retail turnover ($78.34 billion).
- Lending rates for owner-occupier housing loans lifted in October, with standard variable rates increasing to 5.35% (+5bps MoM; +15bps YoY) and discounted variable rates rising to 4.65% (+10bps MoM; +20 YoY). 3-year fixed rates remained steady at 4.10% from last month and from the same time last year.
- In the September quarter, the consumer price index for Perth lifted 1.2% from the same time last year to 110.8, up from 1.1% in June.
RESIDENTIAL LAND DEVELOPMENT SECTOR

Key Points of Interest

- In UDIA’s Land Snapshot results for October, total lot sales slowed 5.1% from the previous month and were 22.7% lower than at the same time in 2017.

- Category sales figures for October were variable, ranging from a 3.4% monthly uplift for combined sales between $200,001-$280,000; to combined sales $200,000 (and below) & above $280,000 falling 12.0% and 3.9% respectively. All combined categories remained lower than in October 2017.

- The median lot price for October remained steady at $222,934, 0.9% higher than at the same time last year.
### Residential Property Settlements

#### Perth and Peel Region

**Central Metro Region: Detached and Medium Density Settlements**

- **Detached House**
  - Number of Settlements: 485
  - Median Land Area Size: 350
  - Median Price: 725,000

- **Medium Density**
  - Number of Settlements: 166
  - Median Land Area Size: 270
  - Median Price: 315,000

- **Vacant Land**
  - Number of Settlements: 41
  - Median Land Area Size: 291
  - Median Price: 257,000

**North-East Metro**

- **Detached House**
  - Number of Settlements: 321
  - Median Land Area Size: 681
  - Median Price: 480,000

- **Medium Density**
  - Number of Settlements: 41
  - Median Land Area Size: 176
  - Median Price: 330,000

- **Vacant Land**
  - Number of Settlements: 44
  - Median Land Area Size: 396
  - Median Price: 291,000

**North-West Metro**

- **Detached House**
  - Number of Settlements: 321
  - Median Land Area Size: 681
  - Median Price: 480,000

- **Medium Density**
  - Number of Settlements: 41
  - Median Land Area Size: 176
  - Median Price: 330,000

- **Vacant Land**
  - Number of Settlements: 44
  - Median Land Area Size: 396
  - Median Price: 291,000

**Peel**

- **Detached House**
  - Number of Settlements: 103
  - Median Land Area Size: 683
  - Median Price: 370,000

- **Medium Density**
  - Number of Settlements: 22
  - Median Land Area Size: 301
  - Median Price: 239,000

- **Vacant Land**
  - Number of Settlements: 28
  - Median Land Area Size: 586
  - Median Price: 187,000

**South-East Metro**

- **Detached House**
  - Number of Settlements: 168
  - Median Land Area Size: 680
  - Median Price: 372,000

- **Medium Density**
  - Number of Settlements: 27
  - Median Land Area Size: 239
  - Median Price: 297,000

- **Vacant Land**
  - Number of Settlements: 28
  - Median Land Area Size: 450
  - Median Price: 221,750

**South-West Metro**

- **Detached House**
  - Number of Settlements: 260
  - Median Land Area Size: 668
  - Median Price: 400,000

- **Medium Density**
  - Number of Settlements: 60
  - Median Land Area Size: 122
  - Median Price: 300,000

- **Vacant Land**
  - Number of Settlements: 45
  - Median Land Area Size: 375
  - Median Price: 255,000

**South-West Corridor: Detached and Medium Density Settlements**

- **Detached House**
  - Number of Settlements: 485
  - Median Land Area Size: 350
  - Median Price: 725,000

- **Medium Density**
  - Number of Settlements: 166
  - Median Land Area Size: 270
  - Median Price: 315,000

- **Vacant Land**
  - Number of Settlements: 41
  - Median Land Area Size: 291
  - Median Price: 257,000

**North-West Corridor: Detached and Medium Density Settlements**

- **Detached House**
  - Number of Settlements: 321
  - Median Land Area Size: 681
  - Median Price: 480,000

- **Medium Density**
  - Number of Settlements: 41
  - Median Land Area Size: 176
  - Median Price: 330,000

- **Vacant Land**
  - Number of Settlements: 44
  - Median Land Area Size: 396
  - Median Price: 291,000

Note: Settlement figures on this page are based on Landgate data available at the time of publication and may not represent all settlements during the period. Data is based on settlements with a land area of 2,000sqm and under.
Key Points of Interest

- The South-West metropolitan corridor made up 14.8% of residential property settlements in the Greater Perth (GP) region over the twelve months to July 2018. The corridor also accounted for 15.7% of GP detached house settlements; 8.1% of GP medium density settlements; and 23.3% of vacant land settlements in GP.

- Of the 5,436 property settlements in the corridor over this period, 3,159 (58.1%) were for detached housing; 856 (15.75%) were for medium density; and 1,421 (26.2%) for vacant land settlements.

- In July 2018 the median price for detached housing fell 4.8% year-on-year (YoY) to $400,000. For medium density settlements the median price fell 8.0% YoY to $300,000; and for vacant land settlements the median price increased 15.9% YoY to $255,000.

- The median land size for the corridor as at July 2018 included a 9.4% YoY increase to 668sqm for detached housing; a 16.8% decrease to 122sqm for medium density settlements; and the median size of vacant land settlements remained steady at 375sqm.

- The median price for vacant land settlements in the City of Rockingham lifted 5.0% YoY to $188,000; while for the Cities of Cockburn and Kwinana the median vacant land price fell to $281,000 (-1.4% YoY) and $182,500 (-12.3% YoY) respectively.
**CORRIDOR SNAPSHOT**

**A YEAR IN THE LIFE OF THE SOUTH-WEST METROPOLITAN CORRIDOR**

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### Median Land Area Size (sqm)

![Graph showing median land area size over time for different property types in the South-West Metropolitan Corridor.](image)

**Source:** Landgate

### Median Price of Property Type

![Graph showing median price of property type over time for different property types in the South-West Metropolitan Corridor.](image)

**Source:** Landgate

### Number of Property Settlements

![Graph showing number of property settlements over time for different property types in the South-West Metropolitan Corridor.](image)

**Source:** Landgate

### Average Number of Bedrooms and Bathrooms

![Graph showing average number of bedrooms and bathrooms over time for different property types in the South-West Metropolitan Corridor.](image)

**Source:** Landgate

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**Note:** Settlement figures on this page are based on Landgate data available at the time of publication and may not represent all settlements during the period. Data is based on settlements with a land area of 2,000sqm and under.
Key Points of Interest

- The total number of WA owner-occupier finance commitments increased 0.9% month-on-month (MoM) in August to sit at 4,927, but fell 18.9% from the same time last year.

- Total owner-occupier finance commitments consisted of: those for the construction of dwellings slowed 1.8% MoM to 867, 22.7% lower than in August 2017; commitments for the purchase of new dwellings lifted 10.5% to 169, but were 32.4% lower year-on-year (YoY); and commitments for the purchase of established housing increased 1.2% MoM to 3,891, 17.3% lower YoY.

- First home buyers (FHB) financed 1,205 dwellings in August, 0.4% up from July’s figure and 24.2% lower than the same time in 2017. The FHB average loan size fell 1.9% MoM in August to sit at $305,200, and remained a similar levels to the same time last year.

- August saw dwelling finance commitments by non-FHB lift 1.1% MoM to 3,722, a decrease 17.0% from August 2017. The average loan size dipped 4.7% over the month to $341,600, but increased 3.0% YoY.

- Dwelling finance for investment housing fell 6.1% on a monthly basis in August to total $516.7 million, and also fell 33.2% from Aug-17, the largest YoY percentage decrease since July 2016.
RESIDENTIAL CONSTRUCTION SECTOR

Key Points of Interest

- In June dwelling commencements for houses fell 7.9% for the quarter to 2,878, 13.0% down from the same time the year before. Total commencements for dwellings also dipped 3.5% to 3,784, which was 15.2% lower year-on-year (YoY).

- Total dwelling completions for the June quarter lifted 7.7% to sit at 4,652, but fell 3.8% from the June 2017 quarter. Included within this total, completions for houses fell 4.9% from the previous quarter to 3,307, but increased 3.1% YoY.

- Building approvals for houses in WA lifted 1.1% in the September quarter to sit at 3,366, 12.4% lower than the same quarter in 2017. Approvals for houses in Greater Perth (84% of the WA total) also increased 3.7% to 2,824, 9.3% lower year-on-year (YoY).

- In the September quarter, building approvals for WA dwellings (excluding houses) slowed 27.0% from the previous quarter to 952, a decrease of 29.9% YoY. Approvals located in Greater Perth (98% of the WA total) similarly fell 25.6% over the quarter and 29.1% YoY. (Note: smaller numbers of these approvals make this category highly variable).

- The total value of new WA residential building jobs fell 4.2% in the September quarter to $1.495 billion, 1.3% lower than levels at the same time last year. Of this total: $1.353 billion was for new residential construction jobs (-4.7% QoQ; -1.4% YoY); and $142.17 million was for alterations and additions (including conversions) (+0.5% QoQ; -0.5% YoY).

- In the September quarter, the value of building jobs for WA houses increased 3.2% QoQ and fell 5.7% YoY to sit at $960.1 million; while the value of building jobs for other residential dwellings (excluding houses) fell 20.5% over the quarter to $347.7 million, but lifted 9.1% from the same quarter in 2017.
Disclaimer

While the data has been collected with due care for the purpose of reporting property market and general economic trends, no responsibility can be taken regarding its accuracy and individuals should conduct their own specific research before making any decisions. Information provided in this publication should not be taken as a guarantee of specific future movements in the market, but rather as an indication of historical market trends. All or part of this document may not be reproduced, published or included in any report without the approval of the UDIA (WA Division) as to the form and context in which it will appear.