

## **MEDIA RELEASE**

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### **NEW YEAR MAY BRING NEW HOPE FOR PERTH PROPERTY**

The latest housing market figures released by CoreLogic RP Data paint a bleak picture for Perth property values as we enter the festive season, however positive economic signs may provide a boost next year according to QWest Paterson Property Valuers and Consultants Chairman Warwick Hemsley.

“The figures show that Perth house values have fallen 9.7% from their December 2014 peak,” Mr Hemsley said.

“While this confirms what most of us already know; Perth property values are in decline, we may be looking at the bottom of this cycle relatively soon,” Mr Hemsley said.

“Sydney and Melbourne remain in a growth phase having experienced significant growth over the year (Sydney 10.6% and Melbourne 9.1%) while Perth prices have slumped to under \$500,000,” Mr Hemsley said. “Our average number of selling days for a home, at 79 days, is the highest in the country.”

“When you consider these stats, there is just no hiding from the fact that poor economic conditions and slow population growth has really taken its toll on the housing market here in WA,” Mr Hemsley said.

“However, there are positive signs for our economy moving forward that may see our market stabilise in the next 12 months,” Mr Hemsley said.

“The low Australian dollar is providing a boost to several sectors of the economy,” Mr Hemsley said.

“Our exports are benefiting from a more competitive market, while the local tourism industry also benefits as international travellers look to Australia for a cheaper holiday and locals choose to remain at home rather than go abroad,” Mr Hemsley said.

“International education is also booming across Australia as our third biggest earner,” Mr Hemsley said. “Perth is not missing out in this area as our local universities have experienced a significant intake of international students in recent years who not only invest in education, they have day to day living expenses including accommodation.”

“International students are currently being attracted to WA in particular due to low rents, as the report shows median rents have decreased by 9.8% in 12 months,” Mr Hemsley said.

“In terms of the current property market conditions, as with any downturn, this does provide an opportunity for those with a secure income,” Mr Hemsley said.

“Low interest rates and more affordable prices mean that those looking to enter the housing market could make the most of current conditions,” Mr Hemsley said.

“The property market is cyclical by nature and in the medium to longer term, prices will rise again and those able to jump in now are likely to enjoy the reward in a few years’ time,” Mr Hemsley said.

“Particularly if you look within, or near, areas of traditionally high demand such as those well serviced by public transport or close to other amenities such as the beach, river or hospitality and entertainment precincts,” Mr Hemsley said.

“Overall, there are a range of factors that can assist the market to stabilise, including the comparative value that Perth offers over other Australian cities which is a catalyst for investors to take an interest in the market,” Mr Hemsley said.

“That includes international investors who are also attracted by the falling dollar (dropped over 25%) and the realisation that Perth has an important place in the world being a major centre for mining and resources and the only capital city within two thousand kilometres,” Mr Hemsley said.

“Perth has much to offer at a national and global scale given the range of quality infrastructure, having five excellent universities, major hospitals and going forward Perth is securing its place in the hierarchy of Australian cities and globally,” Mr Hemsley said.

“This notion is reinforced by the announcement of non – stop flights from London to Perth which surely underscores the importance of Perth as the western gateway to Australia and the Indian Ocean Ring and reflects the long-term faith that major companies have in Perth and WA,” Mr Hemsley said.

“Major businesses are certainly seeing the long term prospects in Perth as international brands continue to choose Perth for their latest expansions,” Mr Hemsley said.

**Ends.**

**To find out more or arrange an interview with Warwick please contact:**

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