

MEDIA RELEASE

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RATES HOLD AS PROPERTY MARKET CONTINUES TO STRUGGLE

The news that rates are on hold for another month is a worrying outcome for the WA property market QWest Paterson Chairman Warwick Hemsley says.

“We said last month that we require some bold decision making from the RBA and the government in order to put some life back into the economy,” Mr Hemsley says.

“With failing consumer and business confidence and a stagnated property market, we need some spark to get things moving again in WA,” Mr Hemsley said.

“Perth experienced the biggest property price drop of any capital city during the March 2015 quarter with a 2.7% decline in average house prices,” Mr Hemsley said.

“The two speed property market in Australia is becoming even more defined as Sydney and Melbourne continue to experience positive growth while Perth, Brisbane and Adelaide are all flagging,” Mr Hemsley said.

“We are seeing an increase in the number of properties on the market in Perth, an increase in selling days and an increase in vendor discounting,” Mr Hemsley said.

“A cut to rates would have gone some way to offering support to a struggling market sector,” Mr Hemsley said.

“With Australia’s growth continuing at below trend pace, RBA Governor Glenn Stevens did note that ‘further easing of policy may be appropriate over the period ahead.’”

“Let’s hope that the RBA is ready to make a decision to cut rates next month or we may be in for even tougher times ahead.”

End.

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

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