



PRESS RELEASE

PROPERTY PRICE MOMENTUM EXPECTED TO CONTINUE IN SPRING AFTER A YEAR OF ASKING PRICE PREMIUMS AND SOLID GROWTH

- A new Aussie/RP Data report shows more than two in five houses and units sell over the advertised price in capital cities
- Capital city properties are selling quickly, with an average 39 days on market in June 2014 down from 47 days in June 2013
- Only 3.8 per cent of houses and 4.7 per cent of units sold at the advertised price last financial year

15 September 2014: The Spring property season is expected to show continued growth off the back of a strong year of premiums over advertised prices for many properties across Australia, according to an exclusive RP Data report for leading mortgage broker, Aussie.

The Aussie/RP Data report found that in the 12 months to June 30, 2014, in capital cities 43.6 per cent of houses and 46 per cent of apartments sold for more than their initial list prices.

For city and country areas the national average of properties selling above list price was a lower 32.8 per cent for houses and 37.2 per cent for units.

The hottest city was Sydney, where 59.4 per cent of houses and 63.6 per cent of apartments sold above their list price, followed by Melbourne at 50.4 per cent and 45.4 per cent. The two cities are head and shoulders above the rest of Australia's capitals with both also showing strong population growth, leading to greater demand for dwellings.

Executive Chairman of Aussie, Mr John Symond AM, says "The report shows strong momentum in capital city markets which bodes well for home sellers in Spring – traditionally the most active property season of the year. Although value growth has been relatively weak to date in Brisbane, Adelaide and Hobart, these three cities have recorded the largest year-on-year jump in sales, which could be a pre-cursor to a greater pick-up in value growth as demand for housing rises.

"The new report also shows that city markets are much stronger than regional areas. For those looking for capital growth, the theme clearly indicates that capital cities are the places to invest, while regional areas are more about lifestyle than returns", Mr Symond added.

Top Ten Suburbs selling above list price Houses							Top Ten Suburbs selling above list price Units						
Suburb	State	Total sales	Below list price	At list price	Above list price	Average time on market	Suburb	State	Total sales	Below list price	At list price	Above list price	Average time on market
Middle Cove	NSW	10			100.0%	n/a	Forest Hill	VIC	12			100.0%	24
Winston Hills	NSW	174	3.4%		96.6%	25	Croydon South	VIC	11			100.0%	n/a
Alexandria	NSW	24	4.2%		95.8%	35	North Willoughby	NSW	10			100.0%	n/a
Kilsyth South	VIC	36	5.6%		94.4%	16	Knoxfield	VIC	25	4.0%		96.0%	26
Knoxfield	VIC	68	5.9%		94.1%	29	Cherrybrook	NSW	46	4.3%		95.7%	18
Cherrybrook	NSW	210	5.7%	1.4%	92.9%	24	Wantirna South	VIC	22		4.5%	95.5%	33
Carlton	NSW	25	8.0%		92.0%	52	Donvale	VIC	20	5.0%		95.0%	38
Wantirna	VIC	99	6.1%	2.0%	91.9%	37	Engadine	NSW	87	4.6%	2.3%	93.1%	25
Flemington	VIC	23	4.3%	4.3%	91.3%	35	West Pennant Hills	NSW	14	7.1%		92.9%	n/a
Rodd Point	NSW	11	9.1%		90.9%	76	North Manly	NSW	14	7.1%		92.9%	n/a

Despite many properties selling above the advertised price, in city and country areas the majority are selling for less with 63.4 per cent of houses and 58.1 per cent of units selling below the initial list price.

The report also showed only 3.8 per cent of houses and 4.7 per cent of apartments sold at the list price.

Mr Symond continued "It's very surprising to note how few homes sell at list price, but it's positive that there's still an opportunity for savvy home buyers to negotiate down in some areas. Sellers and buyers should take list prices with a grain of salt as the results are working out to be quite different from original expectations."

Regions	HOUSES			UNITS		
	Below list price	At list price	Above list price	Below list price	At list price	Above list price
Sydney	37.0%	3.5%	59.5%	32.0%	4.4%	63.6%
NSW	55.9%	4.0%	40.1%	41.6%	4.9%	53.5%
Melbourne	46.2%	3.4%	50.4%	49.8%	4.8%	45.4%
Vic	56.8%	3.8%	39.4%	54.1%	4.8%	41.1%
Brisbane	64.3%	3.2%	32.5%	67.4%	4.3%	28.3%
Qld	72.0%	3.0%	25.0%	75.7%	3.7%	20.6%
Adelaide	69.1%	4.5%	26.4%	72.4%	6.5%	21.1%
SA	73.7%	4.6%	21.7%	73.8%	6.5%	19.7%
Perth	54.6%	4.5%	40.9%	57.5%	4.7%	37.8%
WA	61.5%	4.2%	34.3%	61.0%	4.7%	34.3%
Hobart	70.6%	4.6%	24.8%	67.7%	6.7%	25.6%
Tas	79.4%	4.2%	16.4%	75.0%	6.2%	18.8%
Darwin	78.4%	5.1%	16.5%	79.6%	4.9%	15.5%
NT	79.5%	5.3%	15.2%	80.7%	5.4%	13.9%
ACT	59.5%	6.3%	34.2%	67.9%	5.8%	26.3%
Combined capitals	52.6%	3.8%	43.6%	49.3%	4.7%	46.0%
National	63.4%	3.8%	32.8%	58.1%	4.7%	37.2%

Homes are selling faster

Properties selling above list price are being snapped up quickly. Looking at the Top Ten Suburbs, the average time on market for homes selling below was 147 days (houses) and 132 days (units), compared with just 38 and 27 days respectively for homes selling above list price.

"Properties in high demand suburbs are selling high and selling fast, and the heavy competition is expected to continue into Spring. Buyers should be prepared to think quickly and act smart, and go into their property search with their mortgage pre-approval sorted. Knowledge of the market and a strong will not to stretch themselves beyond their means is also critical, especially if interest rates rise as they're tipped to do in 2015," Mr Symond concluded.

Aussie's mobile mortgage brokers and 160 stores offer free loan advice and pre-approvals for home loans sourced from its panel of up to 19 lenders, including the big banks. To book a free appointment, call 13 13 33 or visit www.aussie.com.au.

Download the full Aussie/RP Data Property Discounting report from www.aussie.com.au/property-discounting.

Notes to Editors:**For further information:**

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About the Aussie/RP Data Property Discounting Report

All data is calculated based on settled sales held by RP Data over the 12 months to June 2014. The analysis included within this report does not include properties sold by auction or tender. Properties that are advertised without a price have been excluded from this analysis.

When a home is listed as 'offers over' (or other permutations) RP Data has assumed that the offers over figure is the list price. A result has only been calculated when there have been at least 10 observations over the 12 month period to June 2014.

Top Ten Suburbs selling below list price Houses					Top Ten Suburbs selling below list price Units				
Suburb	State	Total sales	Below list price	Average time on market	Suburb	State	Total sales	Below list price	Average time on market
Emu Park	QLD	42	100.0%	117	Ulverstone	TAS	32	100.0%	162
Port Pirie West	SA	41	100.0%	92	Bundaberg West	QLD	26	100.0%	172
Whyalla Playford	SA	36	100.0%	163	Benalla	VIC	22	100.0%	146
Granville	QLD	34	100.0%	91	Gympie	QLD	21	100.0%	102
Scotts Head	NSW	29	100.0%	n/a	Malua Bay	NSW	20	100.0%	n/a
Moruya Heads	NSW	29	100.0%	174	Warwick	QLD	19	100.0%	135
Harden	NSW	29	100.0%	156	Mooroopna	VIC	19	100.0%	88
Wooli	NSW	26	100.0%	n/a	Mira Mar	WA	19	100.0%	120
Diamond Beach	NSW	26	100.0%	216	Tea Gardens	NSW	17	100.0%	n/a
Derby	WA	26	100.0%	170	Mollymook	NSW	17	100.0%	n/a