



# Property Possibilities: Buyers' Outlook Report

A research report by Aussie and Loneragan Research

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# Foreword



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**CEO Lending, Aussie**



The current Australian property market is strong, driven by a fast recovering economy, record low interest rates, and a range of government incentives. At the same time, this is creating a highly competitive market for property buyers, with supply not meeting the growing demand in some suburbs, which in turn is continuing to drive property prices up.

Our recent research has revealed a disparity amongst aspiring buyers. Many view these current conditions as favourable and are excited about the potential for achieving their property goals in 2021, but 1 in 3 property buyers also say they feel helpless when it comes to achieving their goals in the current market.

This ‘two-tier’ market can largely be explained by buyers’ varying levels of confidence in their understanding of what can be a complex and sometimes confusing process, alongside uncertainty about how to be properly prepared and make progress towards their property goals.

Our research shows almost half of Australian property buyers say they don’t know where to start when it comes to obtaining a pre-approval, despite a pre-approval providing an important head start in the current market; when nationally, homes are taking an average of just 36 days to sell.

We also found that over half of property buyers don’t know what suburbs they can afford to buy in, while 2 in 5 are confused about the current house prices in their desired suburb.

At Aussie, we understand that the property market can be overwhelming, and it often feels like it is geared towards sellers, which is why we are so committed to helping property buyers cut through the confusion and make real progress in realising their property goals.

In the second quarter of 2021, there are significant opportunities for first home buyers, movers, upgraders, downsizers and investors, and Aussie’s new **Suburb Spotter Map** has been created to help buyers quickly and easily spot the suburbs they could buy in, based on the deposit they expect to have in hand.

From there, a mortgage broker can help you understand your financial situation and borrowing power, explain the schemes and grants that may be available to you, and assist you in obtaining pre-approval.

We understand it often feels like a sellers’ market out there, and this report reveals Australians feeling ‘stuck’ in pursuit of their property dreams are not alone, but progress is within reach if you do your homework and get organised in advance, so the next time your dream property comes along, you’ll be ready to make your move.

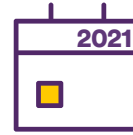


# Property buyers are optimistic

Since June 2020, property buyers are feeling more optimistic about their property plans, with four in five (80%) of property buyers believing that this year will be a good year for their property plans, compared to June 2020 (46%).

Three quarters (77%) of property buyers are confident in Australia's property market, showing that they are still interested in buying property in 2021.

More than half (54%) property buyers feel unsure about how to take the first or next step to achieve their property goal. With two thirds (64%) of Gen Z property buyers feeling unsure (cf. Millennials 56%, Gen X 54%, Baby Boomers 19%).



**80%**

**still believe 2021 will be a good year for their property plans**



**77%**

**are confident in the Australian property market**



**54%**

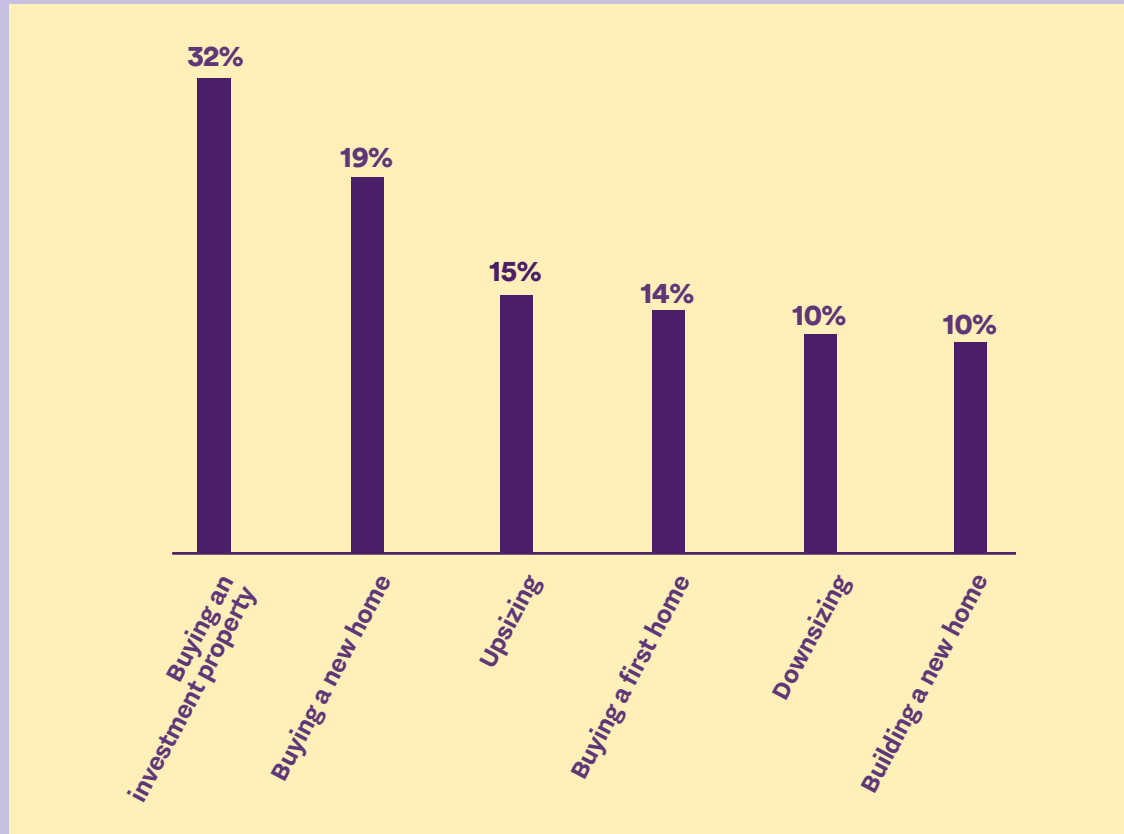
**feel unsure about how to take the next step in their property goal**



# What do Australians want to buy?



The highest priority for property buyers in the next 18 months is buying an **investment property (32%)**, followed by **buying a new home (19%)** and **upsizing (15%)**.



Male property buyers (38%) are more likely than their female (25%) counterparts to prioritise buying an investment property within the next 18 months, whilst Gen X (39%) is the most likely of all the generations to do the same (Gen Z 17%, Millennials 31% and Baby Boomers 34%).

14% of property buyers are prioritising buying a first home within the next 18 months, with government schemes and incentives for first home buyers available to be leveraged.

# Property buyers are confused

Younger Australians are more likely than their older counterparts to be confused about home loan language (Gen Z 56%, Millennials 52%; cf. Gen X 38%, Baby Boomers 19%), how to secure the required finance/home loan (Gen Z 51%, Millennials 46%; cf. Gen X 33%, Baby Boomers 17%) and the pre-approval process (Gen Z 47%, Millennials 49%; cf. Gen X 34%, Baby Boomers 19%).

Those buying their first home are the most likely to be confused about home loan language (57%). Those buying their first home are also more likely to be confused about how to secure the required finance/home loan (54%; cf. property buyer average 40%) and the pre-approval process (57%; cf. property buyer average 41%).



**45%**

**are confused about home loan language**



**40%**

**are confused about how to secure the required home loan**



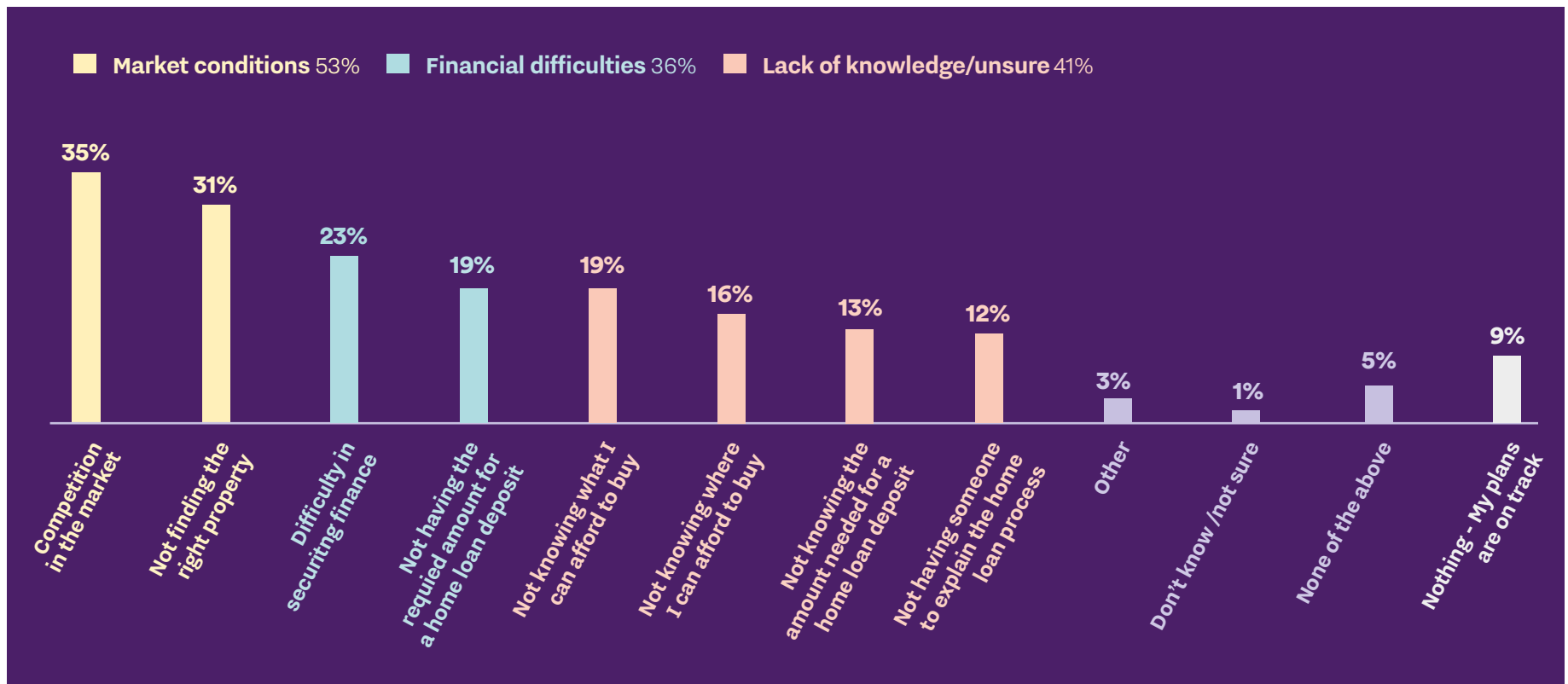
**41%**

**are confused about the pre-approval process**



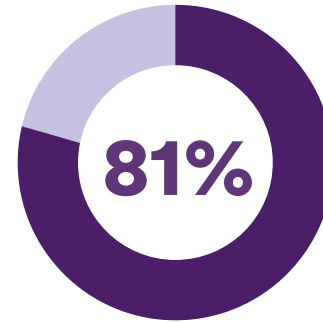
# Market pressure is making property buyers feel stuck

Most property buyers (91%) feel stuck and that is holding them back from their housing goals. Over half (53%) identify market conditions as making them feel stuck, with 35% identifying competition in the market and 31% identifying not finding the right property as the reason for holding them back from achieving their housing goals. Two in five (41%) feel stuck or held back due to lack of knowledge or are unsure about finances and processes, with a third (36%) saying financial difficulties are holding them back.

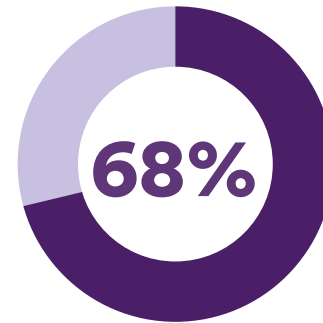


# Property buyers are missing out

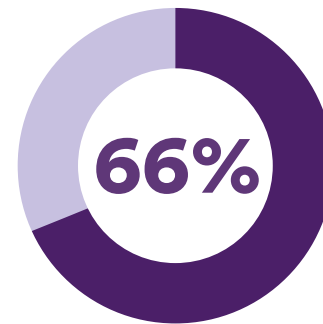
While four in five (81%) property buyers feel there are opportunities for them in the property market, two thirds have missed out on properties because the market is too competitive (68%) or because they were not ready (66%) e.g. did not have pre-approval or finances ready. Those buying an investment property are the most likely to feel optimistic about there being opportunities for them in the market (88%), whereas those buying their first home are the least likely to feel this way (74%; cf. property buyers average 81%).



think there are opportunities in the property market



have missed out on properties because the market is too competitive



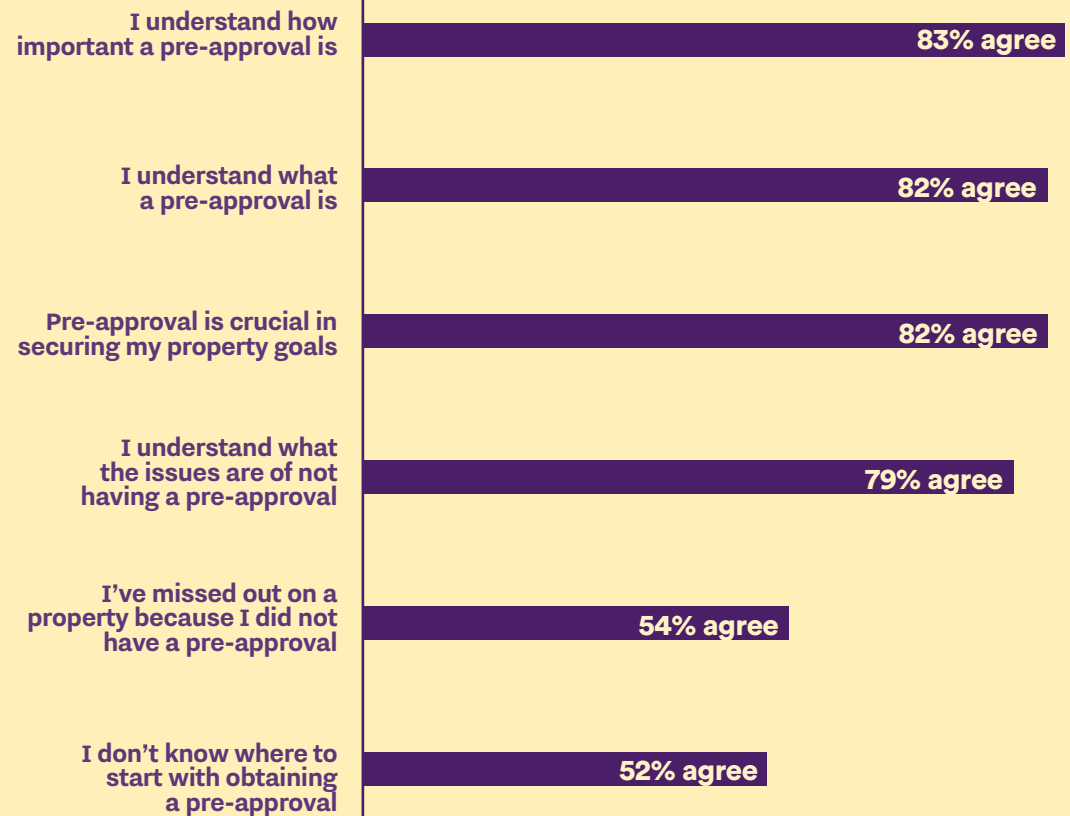
have missed out on opportunities on the property market because they were not ready





# The power of pre-approval

82% of property buyers understand what a pre-approval is, however 17% don't understand the importance of pre-approval and over half of property buyers (52%) don't know where to start in obtaining pre-approval. Over half of property buyers (54%) have missed out on property because they didn't have pre-approval.





# Buyers don't know where or what they can buy



Although three in five (61%) property buyers feel the property market is easy to navigate, just over half (54%) don't know what suburb they can afford to buy in. Male property buyers are more likely than their female counterparts to not know what suburb they can afford to buy in (57% and 49% respectively). Three quarters (75%) of property buyers would like to know specifically what suburbs they can buy in and two in five (39%) are confused about the current prices in their desired suburb. Nearly half of Australians (49%) don't understand the deposit percentage required to buy a property.



**61%**

think the property market is easy to navigate



**54%**

don't know what suburb they can afford to buy in



**75%**

would like to know what suburbs they can buy in specifically to make their search easier



**39%**

are confused about the current prices in their desired suburb



**49%**

don't understand the deposit percentage required to buy a property



**8 in 10**

would like a tool or platform that could help them understand the property market better

Find the suburbs you could buy in using Aussie's Suburb Spotter Map

[Find out more](#)



**7 in 10**

**intend to use a broker  
to help attain their  
property goals**

Book your free  
appointment with  
an Aussie Broker

[Talk with us](#)

## About Aussie

Aussie was founded in 1992 and was widely credited for bringing competition to the Australian home lending industry. For nearly 30 years, Aussie Brokers have put progress within reach of more Australians, helping over 1.5 million customers with their home loan. Today, Aussie is part of the Lendi Group; and has the largest retail brokerage footprint across Australia.

For more information about Aussie, please visit [aussie.com.au](https://aussie.com.au) or call 13 13 33

## Methodology

The research was commissioned by Aussie Home Loans and conducted by Lonergan Research in accordance with the ISO 20252 standard. Lonergan Research surveyed 2019 Australians 18+ who are planning to buy property in the next 18 months. Surveys were distributed throughout Australia including both capital city and non-capital city areas. The survey was conducted online amongst members of a permission-based panel, between 17 February and 10 March, 2021. After interviewing, data was weighted to the latest population estimates sourced from the Australian Bureau of Statistics.

