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The Week In Real Estate



Most Expect Prices To Rise

Despite economists' forecasts that house prices could fall as much as 20%, most Australians expect dwelling values to rise or stay steady in the next two years, according to Canstar.

In its Consumer Pulse Report, 60% of respondents said they expected house prices to remain stable, grow or possibly even skyrocket in the next two years. Almost 30% expect prices to grow at a steady pace and 16% expect prices to "skyrocket at some point", while 15% think prices will remain stable. Only 9% tip prices to crash.

Canstar's Steve Mickenbecker says the confidence Australians have in property prices is "surprising", given that media has reported many forecasts of prices dropping. But buyers' advocate Cate Bakos isn't surprised by respondents' stance compared to economists' negative forecasts, as she believes consumers are less likely to buy into the media hype. "I don't believe those negative predictions because they consistently get it wrong," she says. "We saw predictions about an impending crash after Covid, and we had the opposite."

Quote of the Week

"It's been a year of two halves in the housing market. The first half was pretty good and the second part not so much. This looks set to be repeated in 2023, just in reverse. A housing speed bump if you ask me, not a cliff. If we have learnt anything over recent years, it is to ignore the talking heads. Things, housing wise, aren't anywhere near as bad as most gasbags say they are."

Veteran real estate analyst Michael Matusik, Matusik Property Insights





23% Of Renters Make Changes

New research shows a large portion of renters are taking matters into their own hands and making changes to their rental properties without approval from their landlord.

A study by Finder shows 23% have made changes to their rental homes, including repair work, without permission from a landlord or managing agent.

Most tenancy agreements require tenants to seek written approval before making changes to a property.

In NSW, a landlord cannot unreasonably withhold consent if the change is minor. In Queensland, if a tenant makes a change to the property without the landlord's consent they may be asked to pay for the property to be reinstated to its original condition.

Victoria is the only state where, in most cases, prior landlord approval is not required for the installation of furniture anchors or picture frames so long as the property can be restored to its original condition when the tenancy ends.

Finder's Sarah Megginson says making changes without approval is a risky strategy.

Unit Popularity Rising With FHBs

Apartment living is becoming more desirable as buyers make trade-offs to get into the market.

More than half of wannabe first-home buyers hope to own a house in their desired location in the next five years, despite affordability constraints, new research shows.

The Great Southern Bank survey of 1,500 people revealed 72% of respondents would consider buying a unit as an alternative form of housing. But just 24% would be willing to move to a less desirable suburb to buy their ideal home.

Great Southern Bank chief customer officer Megan Keleher said trade-offs such as buying a townhouse or apartment, or moving "slightly further afield" could help buyers break in.

She said first-timers could also consider the Federal Government's Home Guarantee Scheme and Regional First Home Buyer Guarantee, where they can buy with as little as a 5% deposit.

LongView head of advisory Warwick Brookes said it was important to discuss options with experts, which could include home loan specialists and buyers' advocates.