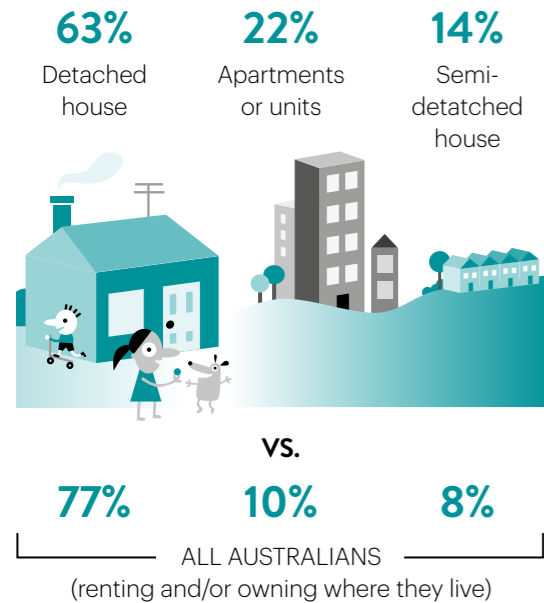


REAL ESTATE TRENDS OF THE FUTURE

“There’s this idea that the great Aussie dream is to own your own home, but with generational change that’s just not true. You’ve got 3 in 10 renters who are renters by choice because they prefer the lifestyle.” – Social researcher Mark McCrindle.

WHERE AUSTRALIAN RENTERS LIVE



AGE

Renters are significantly younger than non-renters.



35 years

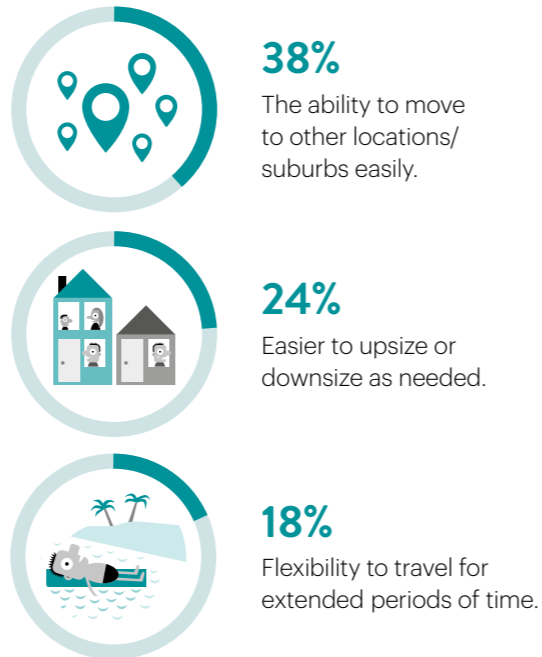
The median age of adults living in a rented home. (Australian renters)



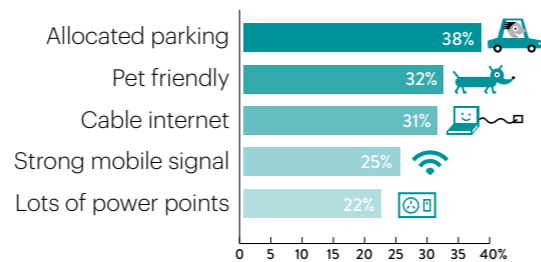
45 years

The median age of adults living in all private dwellings (all Australians)

THE 3 BEST THINGS ABOUT RENTING



TOP 5 FEATURES RENTERS LOOK FOR

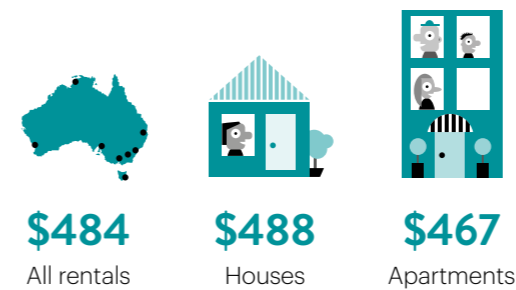


RENTAL PRICES ARE COOLING

Rents are growing at their weakest rate since 1996 – and could even start to go down over the next 12 months. Possible reasons include too many houses and units vying for too few tenants, pressure on wages and lower rates of population growth.

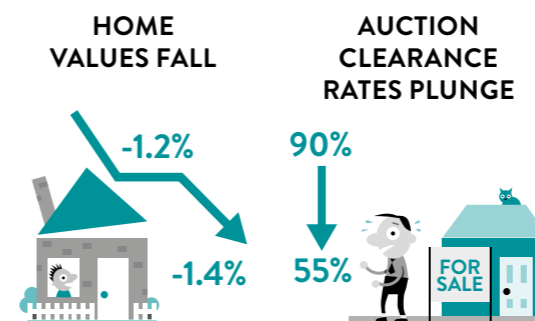
Region	Current	Month	Quarter	YoY
Sydney	\$592	0.0%	-0.4%	2.3%
Melbourne	\$447	-0.3%	0.0%	2.1%
Hobart	\$336	-0.7%	-2.0%	1.5%
Brisbane	\$431	-0.4%	-1.0%	0.9%
Canberra	\$491	-0.6%	-1.8%	0.7%
Adelaide	\$365	-0.6%	-1.0%	-0.2%
Perth	\$462	-1.2%	-3.1%	-5.7%
Darwin	\$539	-1.7%	-5.0%	-10.5%
Combined Capitals	\$484	-0.4%	-0.9%	0.7%

AVERAGE RENT IN CAPITAL CITIES



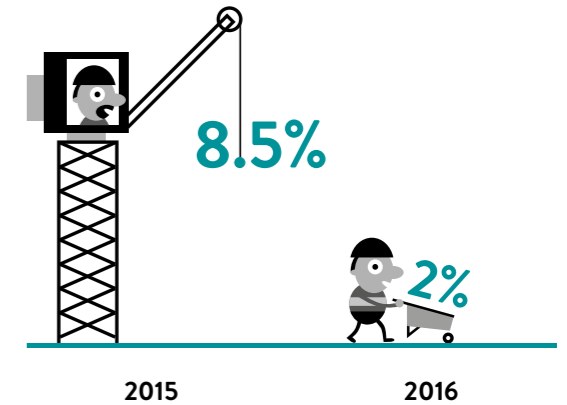
2016 IS A BUYER'S MARKET

For the first time in 4 years it has been declared a “buyer’s market”. As property prices soften and auction clearance rates dip to more modest levels, eager sellers are racing to cash in before prices slide further and mortgage interest rates go up.



FEWER NEW HOMES TO BE BUILT

Treasury estimates that new home building will rise by just 2% in 2016, down from 8.5% in 2015. The fall in new home building will be concentrated on new multi-units.



BABY BOOMERS HAVE OPTIONS

Depending on the state of their finances, Baby Boomers real estate options are to:

- keep living in the family home
- downsize to a one-level home close to amenities, or
- a sea / tree change to satellite metropolises near capital cities.



PROPERTY MARKET TRENDS

