



## SOLO BUYERS TIPPED TO SOAR

**A rapid rise in the number of people living solo is shaking up the Perth real estate market. The speedy growth is driving up the number of one bedroom apartments and smaller housing lots, experts say.**

New Australian Bureau of Statistics forecasts show there will be a dramatic rise in the number of sole occupant house holds in the next 25 years, surging 65 per cent to hit 3.4 million by 2040. WA is already ahead of the trend, with the highest rate of solo first homebuyers in the country.

According to data from Mortgage Choice, last year more than one in three WA first homebuyers purchased alone. A 37 per cent increase from the year before. Mark Hay Realty Group director, Mark Hay, said he was now selling to as many solo buyers as he was couples.

"Young people might be putting off marriage and children for later, but that doesn't mean they necessarily want to put off property purchasing," Mr Hay said.

"Today's youth are becoming more investment focused and are purchasing not only to have a place of their own, but because they want to be engaged in the market." Mr Hay said the jump in single occupants was also being caused by a rise in divorcees and widowers buying property.

Apartment developer Paul Blackburne said he had also seen an increase in the number of solo buyers and was adjusting developments to meet the demand. He said in Subiaco's seven-level Encore project, about a third of buyers had been sole occupants.

"In some of our city projects we are now doing up to 50 per cent single bedroom apartments to accommodate the demand," Mr Blackburne said.

"We're also thinking about ways to create a community feel within the complexes. We're now often putting \$1 - 2 million into common areas and creating websites and blogs (buyers) can communicate on.

"While more people are living alone, we still think they want a sense of community or the opportunity to get to know their neighbours living in an apartment."

Willing Property Group director Tim Willing believed the depiction of "modern apartment living" in film and TV was influencing more people to live alone. He said the rise of solo occupancy would lead the percentage of apartments in the new build market to grow from its current 15 per cent to the 30 - 50 per cent found in Sydney and Melbourne.



Property Council executive director Joe Lenzo said while WA typically had a lower rate of one bedroom apartments than interstate, this would shift in coming years.

"There has been some conservatism in WA with one bedroom apartments, but I think we're slowly moving away from that," Mr Lenzo said.

"The one bedrooms being created aren't cramped bedsits of the past, but high quality designs."

Builder Dale Alcock said WA was no longer dominated by a 4 x 2 market. He said that in the past 12 months, 53 per cent of buyers for his most popular three bedroom, two bathroom design had been single purchasers.

"There are young people who are more career focused and perhaps aren't ready to commit to buy with a partner, but still want to get in the market early. The days of just the 4 x 2 are gone" Mr Alcock said.

Land developer Nigel Satterley said cottage lots at his estates were becoming increasingly popular. Blocks from 225sqm - 320sqm had become popular in the past five years among solo buyers looking for affordability, he said.

*relax . celebrate . enjoy*



## WA BUYERS LOOK TO PROPERTIES WITH POTENTIAL

New data has revealed more WA homeowners are purchasing with renovation in mind. Statistics from realestate.com.au reveal about a third of homebuyers are browsing properties for sale with the intention to renovate.

The data also showed 43 per cent of people browsed the buy section of the site looking for inspiration to renovate their current or planned homes. REA general manager Arthur Charlaftis said three in five potential renovators intend to spend more than \$10,000.

Young couples are buying property with the vision of renovating. "With people looking to decorate or renovate their home, kitchens and bathrooms are top of their list compared to other parts of their home," Mr Charlaftis said.



"When it comes to extensions, the most popular place is the living space, followed by bedrooms." Agent Max Comben said homes with renovation potential, particularly those on big development blocks, were among the most popular.

"In the Morley area we're seeing a really quick turnover of 1960s homes with renovation potential on large blocks," he said.

"Young couples are buying them with the vision of renovating the home to live in and then subdividing the block. We had one home on a triplex block go for \$860,000. A buyer saw the potential and swooped in."

Real estate agent Ben Keevers said homes that had been recently renovated were also selling quicker. "Given the high amounts of stock on the market, buyers can afford to be picky, so homes that have been recently renovated are attracting more demand," Mr Keevers, who works in the Hillarys area, said.

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