



## PERTH DWELLING SALES HIGHEST IN TWO YEARS

New data from the Real Estate Institute of Western Australia show that overall sales in the March quarter reached its highest level since March 2010, just after the Rudd government's FHOG Boost ended.

REIWA President, David Airey, also said the latest WA data on First Home Owner Grants (FHOG) from the Office of State Revenue show that first time buyers have been a key part of this recent market recovery.

"The latest FHOG data on grants paid for established dwellings surged in the March quarter reaching 2,933, just short of the quarterly average since the grant was first introduced 12 years ago. The number of grants paid for new dwellings in the March quarter turned down marginally to 938."

Mr Airey said 8 out of 10 first time buyers purchased an existing dwelling, which was good news for trade-up buyers who needed the opportunity to sell their existing home before being able to move on.

"The strong activity from first home buyers has been a tonic to the market and we can see from current figures that as a result of this activity, trade-up purchases also improved during the March quarter for properties above the current median of \$465,000.

"Despite the surge in grants paid, REIWA expects the proportion of first home buyers to the overall market to decline over time because the increased level of trade-up activity was contributing to higher turnover and the market was becoming more balanced," Mr Airey said.

"This return to a more balanced market has seen the overall median house price remain stable between the quarters," Mr Airey said.

Current FHOG application data indicate that the level of first home buyer activity may have reached its peak, with applications for established property levelling out at 3,054 in the March quarter, just above the 2,968 recorded in the December quarter.



At the same time, applications for new dwelling grants have risen for the second quarter to 1,045 as the influence of recent house and land package marketing campaigns flow into the data.

According to the OSR, in March the median purchase price for a first home was \$420,000 in the city and \$327,000 in the regions.

 **REIWA**  
REAL ESTATE INSTITUTE  
OF WESTERN AUSTRALIA

**David Airey**  
REIWA President



*relax . celebrate . enjoy*



## AVERAGE PERTH RENTAL CLIMBS TO \$425 PER WEEK



**PERTH renters are paying 10 per cent more than this time last year, according to the latest housing data, as the rental market is tipped to balance out for the remainder of this year.**

The price hike comes as the state's metropolitan vacancy rate hit 1.6 per cent during February and March but ended at 1.9 per cent for the March quarter, according to preliminary data by the Real Estate Institute of WA.

In the first quarter of 2012 the median rent for a house was up by \$5 a week to \$425, while a unit, villa or townhouse had jumped by \$20 a week to \$400.

The new data comes amid claims by Stockland managing director Matthew Quinn that Perth was set to be hit by a national rental crisis as rents went "through the roof".

But, REIWA president David Airey said the vacancy rate didn't appear to be dropping further and stock levels had improved 12 per cent since the start of March.

"As the market slowly improves more people are deciding to buy a place of their own and investors are now contributing more to the housing stock as well," he said.

"I think it's safe to say that the rental market should balance out for the remainder of the year."

Data released yesterday by the Australian Bureau of Statistics supported that claim with the number of WA home loans approved in February hitting its highest level since November 2009.

### Disclaimer

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