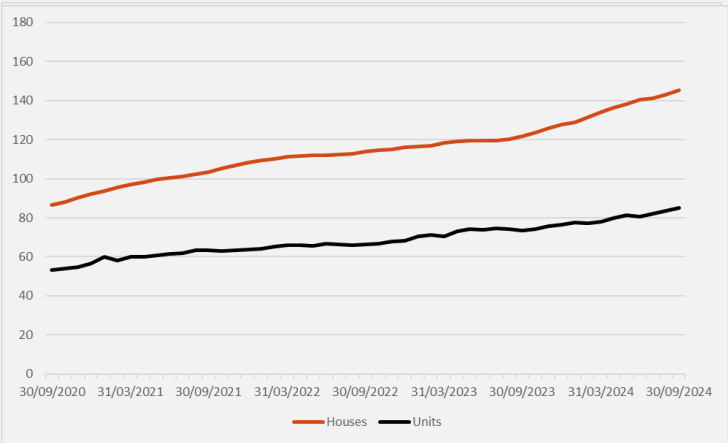


REGIONAL WA SNAPSHOT

Home Value Index September 2024

The change in house and unit values to end of September 2024 is recorded at:



HOUSES



UNITS

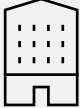
Quarter	3.5%	5.5%
Annual	19.4%	15.5%

Annual Dwelling Sales September 2024

13,387 +11.6% higher than one year ago.
+8.4% above the five-year average.



12.6%
HOUSE SALES



2.6%
UNIT SALES

Source: CoreLogic

Regional WA property market posted a strong +3.6% increase in dwelling values over the September quarter, the highest quarterly gain of all state regional areas.

House values rose by +3.5% over the September quarter and were outperformed by the unit sector, which rose +5.5% over the same period. On an annual basis, regional WA is the strongest performing regional market nationally, with dwelling values up +19.3%, followed by regional QLD at +11.9%. Regional WA sits +71.0% higher than at the commencement of COVID-19 and currently at peak.

National dwelling values rose +1.0% over the September quarter, with the current upswing in housing values heralding the twentieth consecutive month of growth.

Nationally, regional markets are now broadly in line with the combined capital cities, with a quarterly rise of 1.0% and capital dwelling growth rate of +1.1% over the September quarter. Annually, combined capital dwelling values and combined regional market both are up +6.7%.

The rate of growth across regional housing markets have eased, with the quarterly trend in the combined regionals index reducing from +1.7% in the June quarter to +1.0% over the September quarter. Like the capital city trends, growth across the regional parts of WA (+3.6% Sep quarter), SA (+2.3%) and Queensland (+2.0%) are leading the regional housing trends.

Regional WA strong quarterly dwelling value gains at +3.6% was more moderate in comparison with Perth's +4.7% gain. Similarly, annual dwelling growth is also trailing behind, at +19.3% for Regional WA and +24.1% annual dwelling growth for Perth.

The regional WA market continues its steady growth phase indicating an improving outlook for housing values aided primarily by low (but increasingly improving) stock levels. The timing of interest rate cuts remains a key factor influencing the regional WA market with further demand-side pressure expected until the demand vs. supply equation rebalances.



PROPERTY MARKET UPDATE REGIONAL WESTERN AUSTRALIA SEPTEMBER 2024

more
than
money

MARKET CONDITIONS



HOUSE



UNITS

LISTINGS – ANNUAL INCREASE

11.4%

3.9%

DAYS ON MARKET

26 days

23 days

VENDOR DISCOUNT

-3.8%

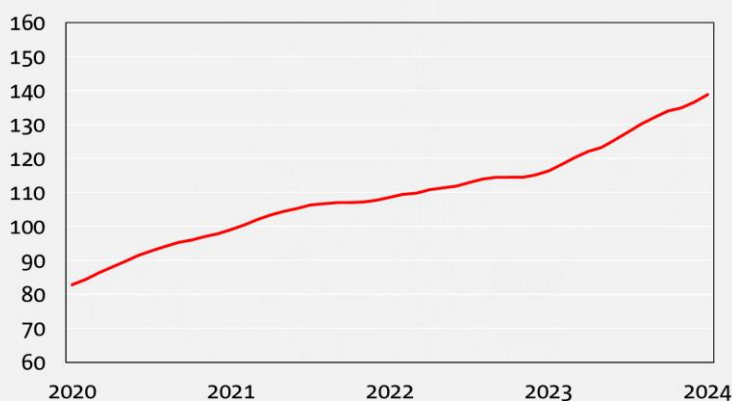
-2.7%

MEDIAN VALUE

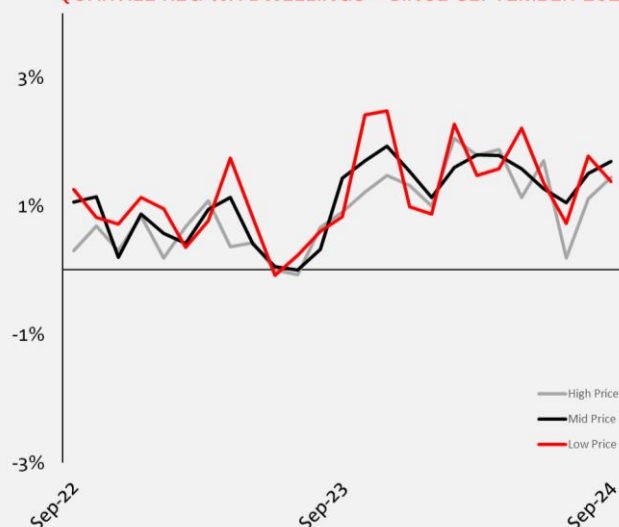
\$547,602

\$354,055

HEDONIC HOME VALUE INDEX –
REGIONAL WA – DWELLINGS



MONTHLY % VALUE MOVEMENT CHANGE BY PRICE
QUARTILE REG WA DWELLINGS – SINCE SEPTEMBER 2022



Source: CoreLogic

Market movements remain strong across all quartiles in the regional WA market, led predominantly by a +4.2% rise in dwelling value within the mid-price quartile for the quarter, followed +3.9% in the lower quartile and +2.7% for the higher quartile over the same period.

The main drivers for dwelling values in the regional WA property market remain primarily the well-publicised housing undersupply, the future timing of interest rates cuts, inflation levels and concerns surrounding affordability. Positive tailwinds for the regional WA market include steady interstate migration,

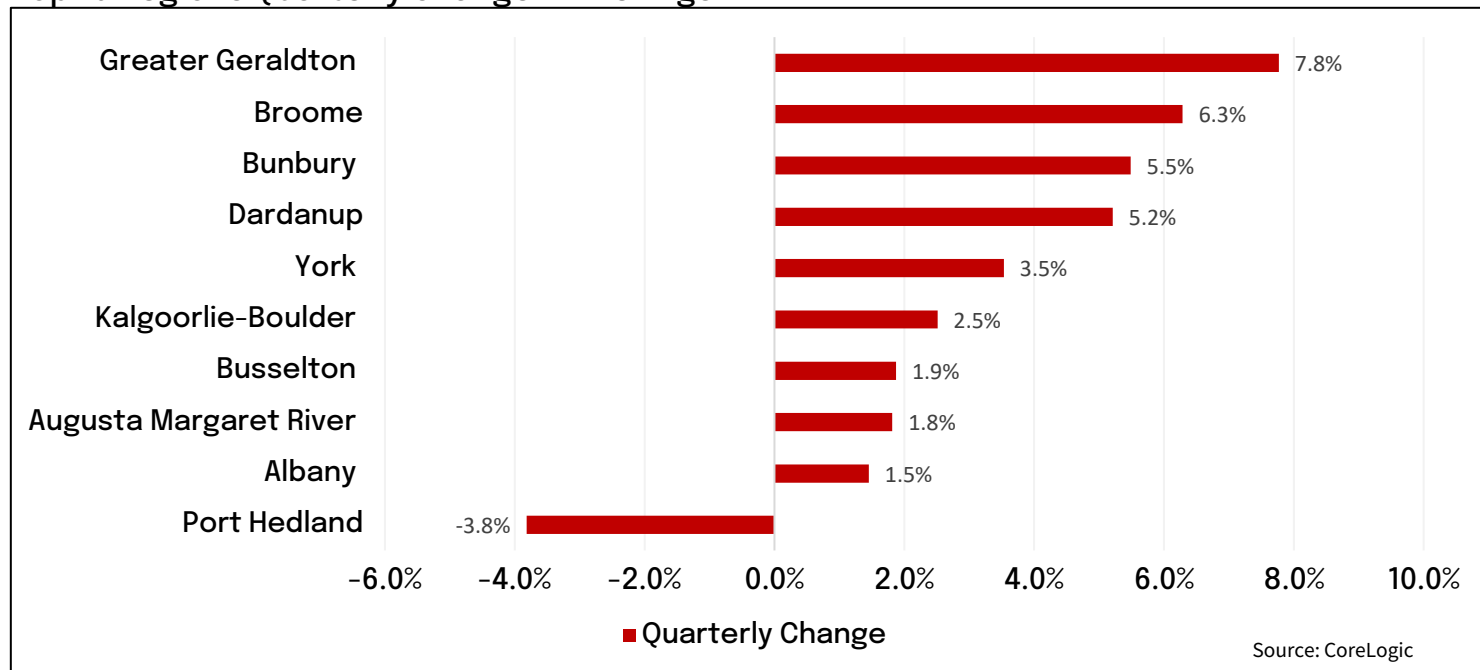
rental market growth through a rise in median rents and rental yields and record low vacancy levels. The housing market will continue to display resilience supported primarily by the low (but improving) levels of supply, but the rate of growth is expected to moderate as a result.

Support for the regional WA market includes cost-of-living relief measures in the form of energy bill rebates and Stage 3 tax cuts which came into effect on 1st July as well as interest rate cuts expected by early next year.

PROPERTY MARKET UPDATE REGIONAL WESTERN AUSTRALIA SEPTEMBER 2024



Top 10 Regions Quarterly Change – Dwellings



Key highlights and trends surrounding each of the Housing, Unit and Rental Markets being seen include:

- The continued steady improvement seen in September saw regional WA house values increase by +3.5% for the quarter. On an annual basis, house values surged up +19.4% higher, one of five regions together with regional New South Wales, regional South Australia, regional Queensland and regional Tasmania to record gains. The median house value remains just under the \$550,000 benchmark at \$547,602.
- In comparison, the unit market has reflected a similar trend recording a gain of +5.5% in September quarter, however, was slightly outperformed by the housing market on an annual basis. The unit market benefits from greater affordability, incentives for first home buyers, as well the uptick in local and international migration. Despite making up a smaller portion of sales activity overall, the median unit value in regional WA has surpassed the \$350,000 benchmark at \$354,055 and recording a gain of +5.5% for the quarter and sits up +15.5% on an annual basis.
- Median house rents in regional WA have increased by +13.9% annually (median rental of \$582/per week) whilst unit rents have grown +14.6% over the same period (median rental of \$557/per week). With regional WA recording a gross annual rental yield of 6.0% and rents for regional WA (all dwellings) having also increased by +14.1% over the last twelve months, the outlook for investors is a positive one.



PROPERTY MARKET UPDATE REGIONAL WESTERN AUSTRALIA SEPTEMBER 2024



RECENT SALES ACTIVITY

Bunbury Region

24 Falabella Crescent, Eaton



The sale property comprises a well presented, four-bedroom, two-bathroom, circa 2004, single level, brick dwelling of 153 sqm on an irregular 703 sqm parcel. Ancillary improvements include established landscaping, workshop, timber deck patio and double car garage. The property was recently offered for sale via Elders Southern Districts Estate Agency with no price guide listed. After a marketing campaign and 15 days on the market the property was sold for \$653,020 on 30th September.

Albany Region

14 McNeal Loop, McKail



The sale property comprises a semi-modern, good condition, three-bedroom, two-bathroom, circa 2009, single level rendered brick/cladding dwelling of 148 sqm on a compact 398 sqm parcel. Ancillary improvements include basic landscaping, timber deck alfresco and double car garage. The property was recently offered for sale via Ray White Albany with a listed price of \$510,000. After a marketing campaign and 4 days on the market the property was sold for \$530,000 on 30th September.

Margaret River Region

65 Mitchell Drive, Prevelly



The sale property comprises an unrenovated, average condition, three-bedroom, two-bathroom, circa 1980's, double storey weatherboard dwelling of 160 sqm on a 907 sqm parcel. Ancillary improvements include basic landscaping, shed and double carport. The property was recently offered for sale via The Agency Perth with an undisclosed listing price. After a marketing campaign and 54 days on the market the property was sold for \$1,570,000 on 24th September.

Disclaimer – The information contained in this publication is gathered from multiple sources believed to be reliable as at the end of September 2024 and is intended to be of general nature only. It has been prepared without taking into account any person's objectives, financial situation or needs. Before acting on this information, NAB recommends that you consider whether it is appropriate for your circumstances. NAB recommends that you seek independent legal, property, financial, and taxation advice before acting on any information in this publication.

