


Housing and Economic Market Update


April 2015

Housing overview

Residential real estate underpins Australia's wealth

 **Residential Real Estate**
\$5.8 Trillion

 **Australian Superannuation**
\$1.9 Trillion

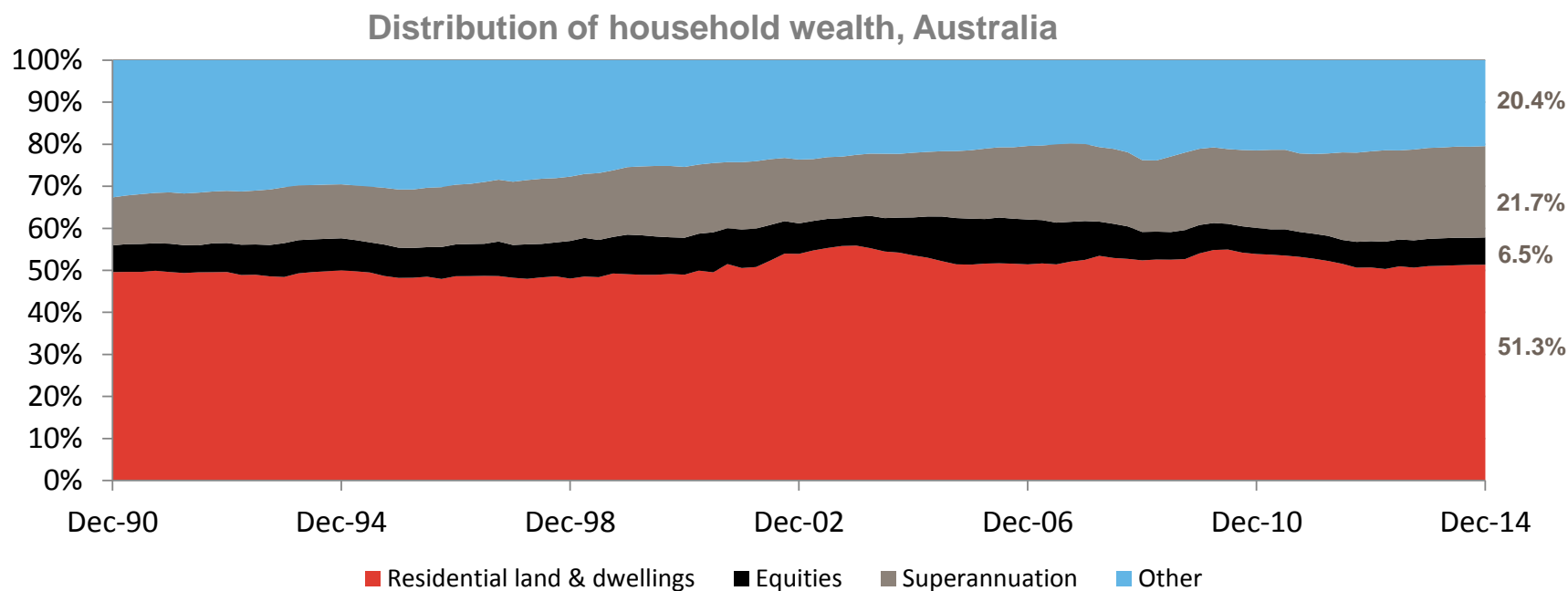
 **Australian Listed Stocks**
\$1.6 Trillion

 **Commercial Real Estate**
\$0.7 Trillion

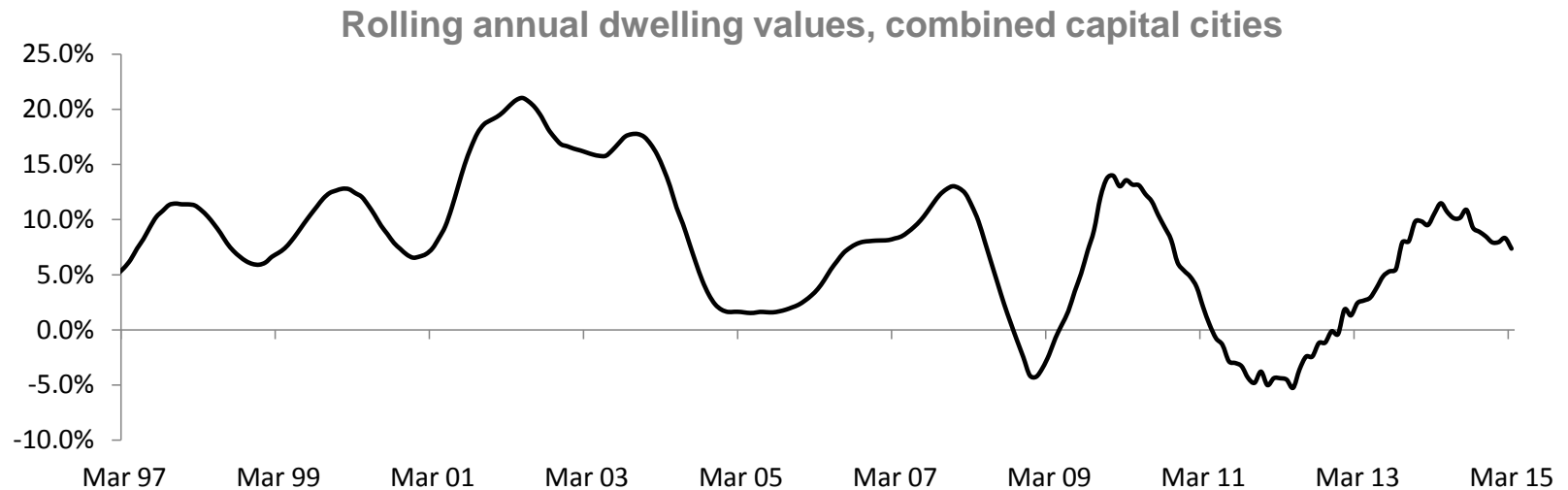


As at April 2015

Residential real estate underpins Australia's wealth



Annual growth in home values reaches its lowest level since September 2013



Median Prices



\$559,000



\$470,500

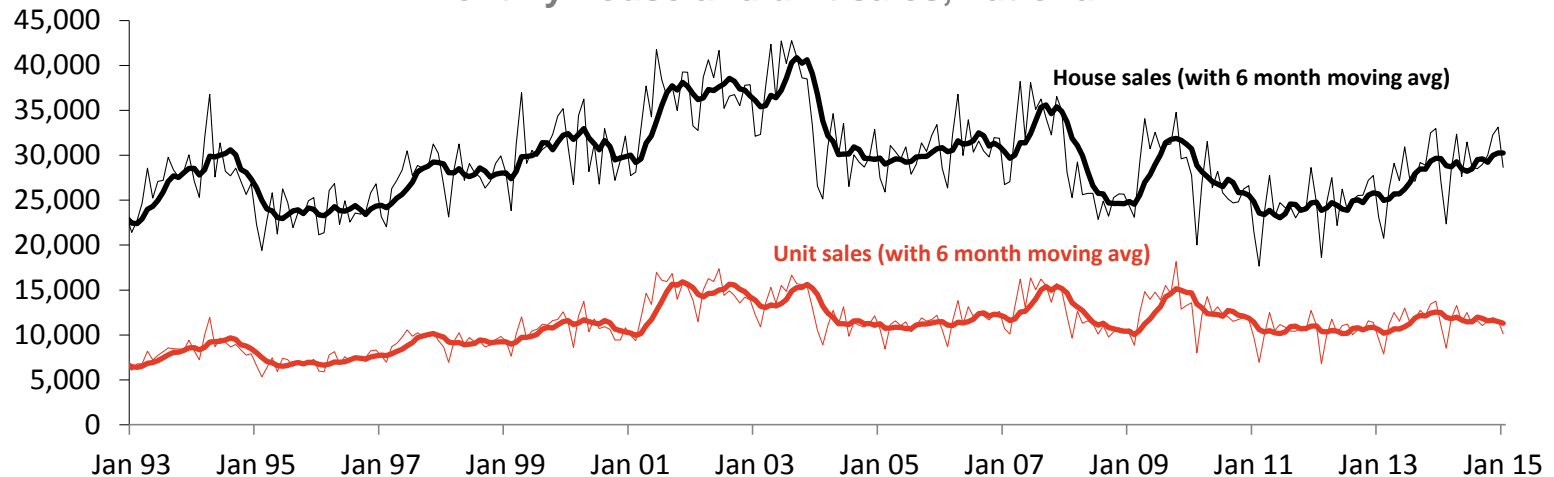
Capital Gain

	Houses	Units	Dwellings
Past 12 months	7.6%	5.9%	7.4%
Annual over five years	3.5%	3.6%	3.5%
Annual over ten years	5.2%	4.5%	5.1%

CoreLogic's suite of hedonic indices are available across broad housing types and across geographical areas including statistical divisions, statistical subdivisions and postcodes nationally. For further information on our hedonic method, please visit www.corelogic.com.au/indices

Turnover: transaction volumes are slightly higher than they were a year ago

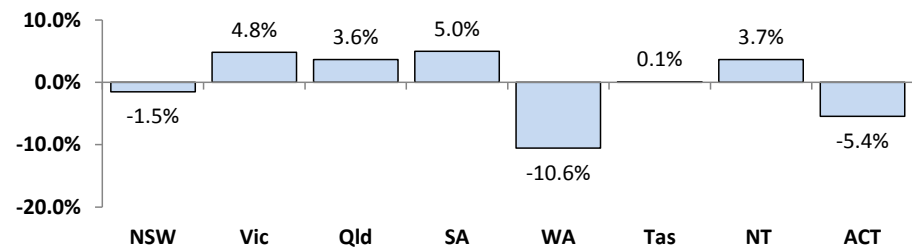
Monthly house and unit sales, national



Annual Sales

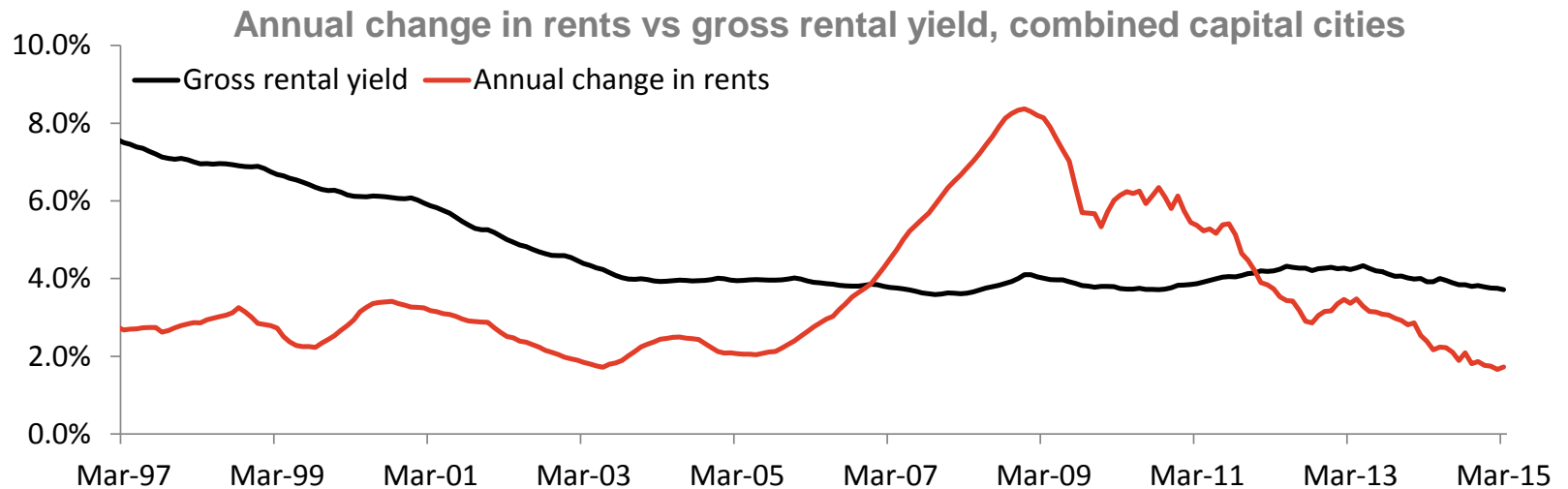
	Year to Jan 2015	Year to Jan 2014	% change
Houses	351,187	340,995	3.0%
Units	135,540	143,117	-5.3%
Dwellings	486,727	484,112	0.5%

YoY % change in sales, states and territories

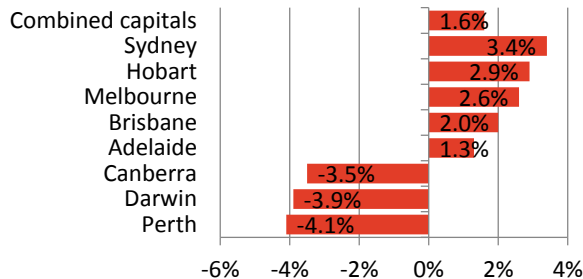


Note the most recent 8 months worth of sales is modelled based on historical sales levels due to the lag associated with collecting sales records.

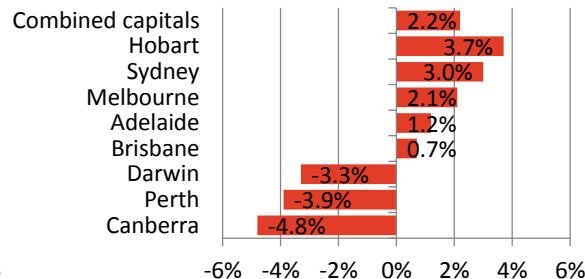
Rental rates continue to rise at their slowest pace in more than a decade



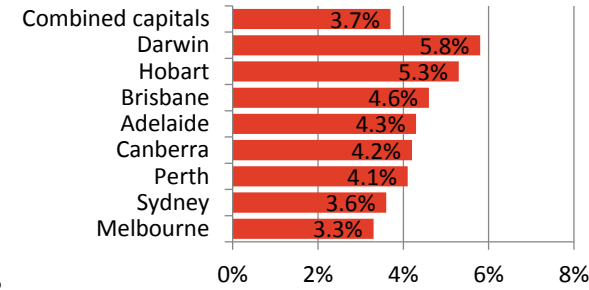
Annual change in house rents



Annual change in unit rents

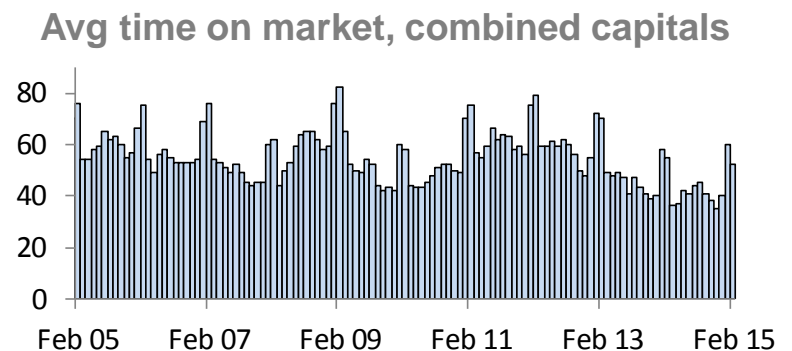
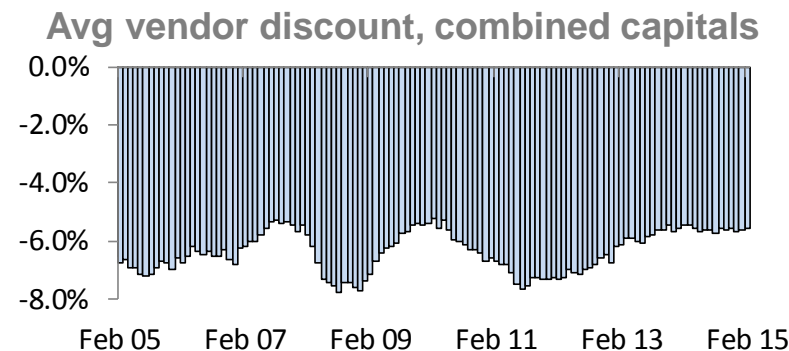
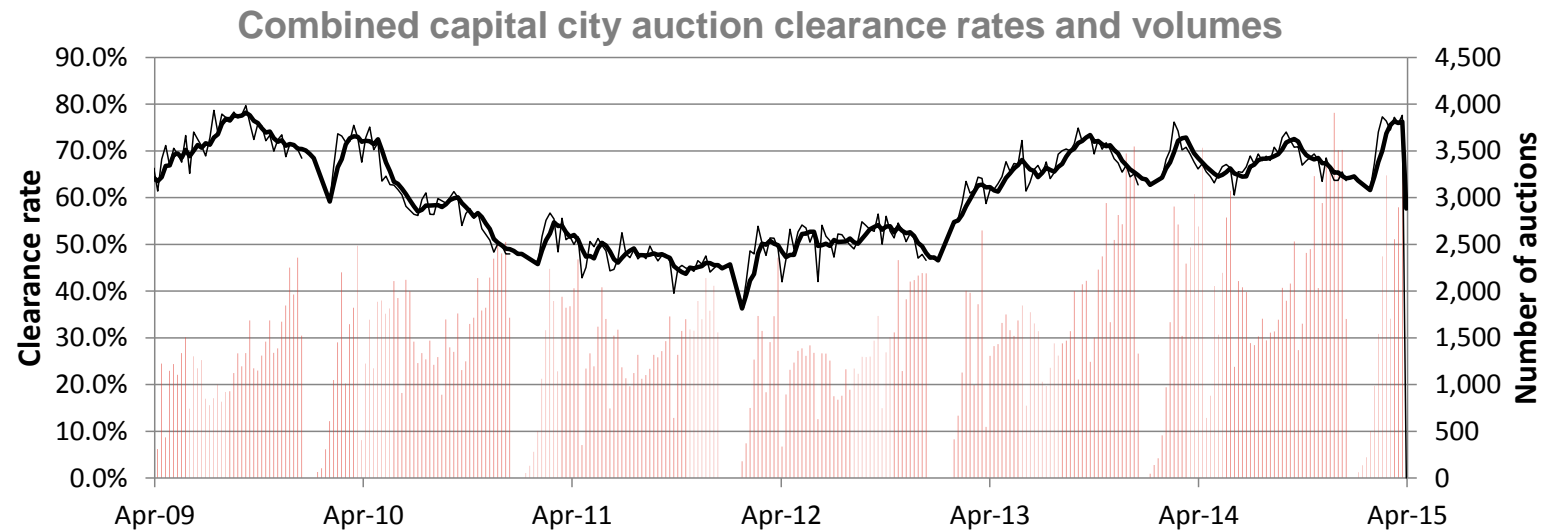


Gross rental yields



CoreLogic's suite of rental statistics are available across broad housing types and across geographical areas including statistical divisions, statistical subdivisions and postcodes nationally.

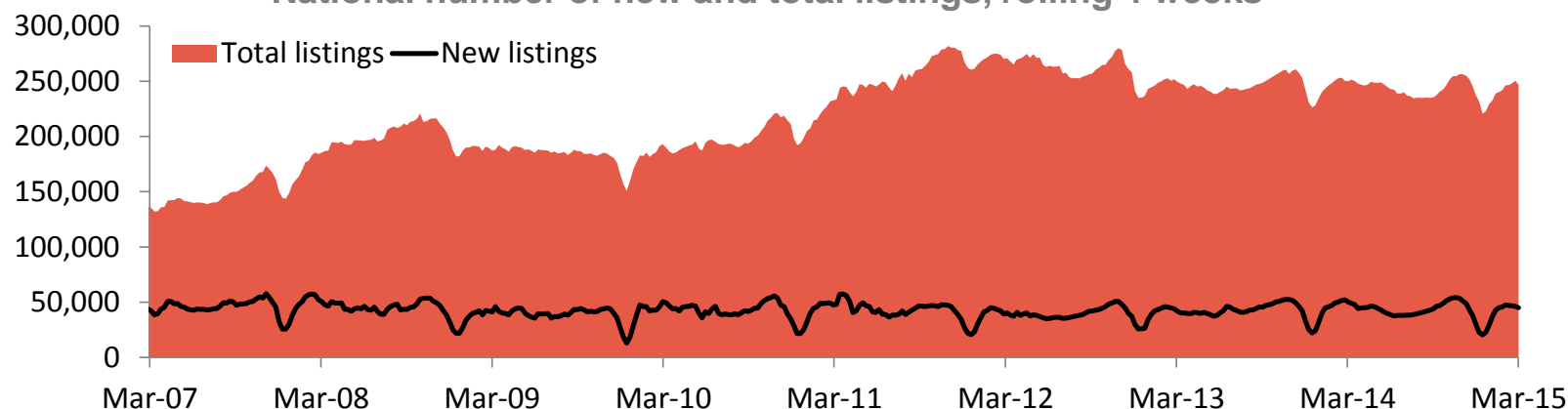
Vendor metrics: auction clearance rates sit at near-record high levels



CoreLogic's suite of vendor metrics are available across broad housing types and across geographical areas including statistical divisions, statistical subdivisions and postcodes nationally. Note that we typically see a seasonal peak in average time on market each year in January and February.

Listings: new and total listings are trending lower and both are lower than they were a year ago

National number of new and total listings, rolling 4 weeks



State property listings

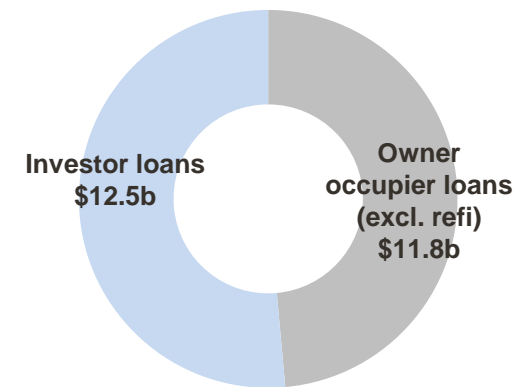
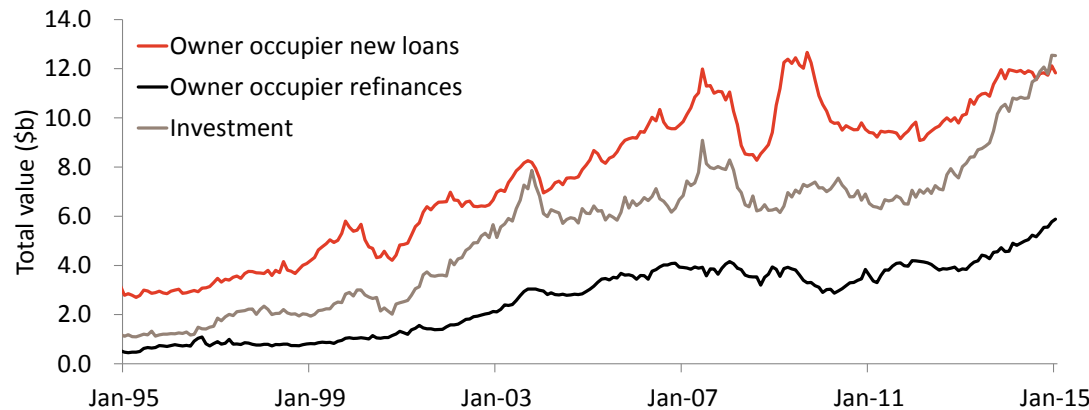
State	No of new listings	12 mth change (%)	No of total listings	12 mth change (%)
NSW	12,718	-14.7%	56,549	-5.3%
Vic	10,978	-12.5%	57,240	-5.1%
Qld	10,207	-5.9%	65,055	0.1%
SA	2,995	-8.2%	17,149	-1.4%
WA	6,092	-7.1%	35,333	5.9%
Tas	1,149	-4.5%	11,072	1.1%
NT	309	-5.8%	1,918	29.1%
ACT	591	-2.8%	2,392	23.2%
National	45,039	-10.4%	246,708	-1.4%

Capital city property listings

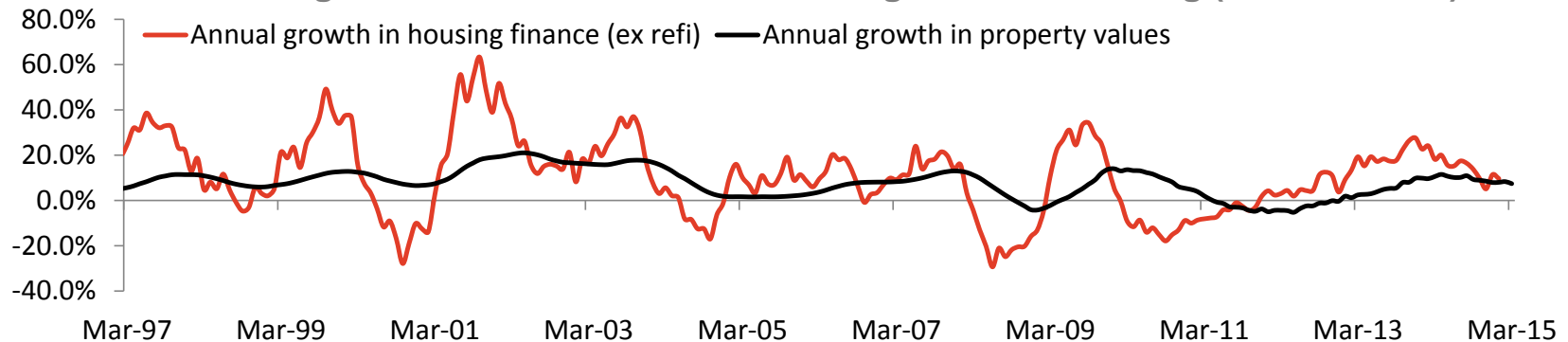
Capital city	No of new listings	12 mth change (%)	No of total listings	12 mth change (%)
Sydney	7,495	-20.9%	19,047	-16.2%
Melbourne	7,604	-16.5%	29,951	-10.4%
Brisbane	4,198	-5.6%	18,736	-1.5%
Adelaide	2,157	-6.7%	8,005	-4.2%
Perth	4,497	-4.0%	20,409	17.3%
Hobart	470	-13.0%	3,078	-6.0%
Darwin	237	-4.0%	1,452	33.1%
Canberra	580	-3.3%	2,344	22.7%
Combined capitals	27,238	-13.3%	103,022	-3.9%

More new home loan lending to investors rather than owner occupiers for 6 straight months

Value of housing finance commitments – monthly, national

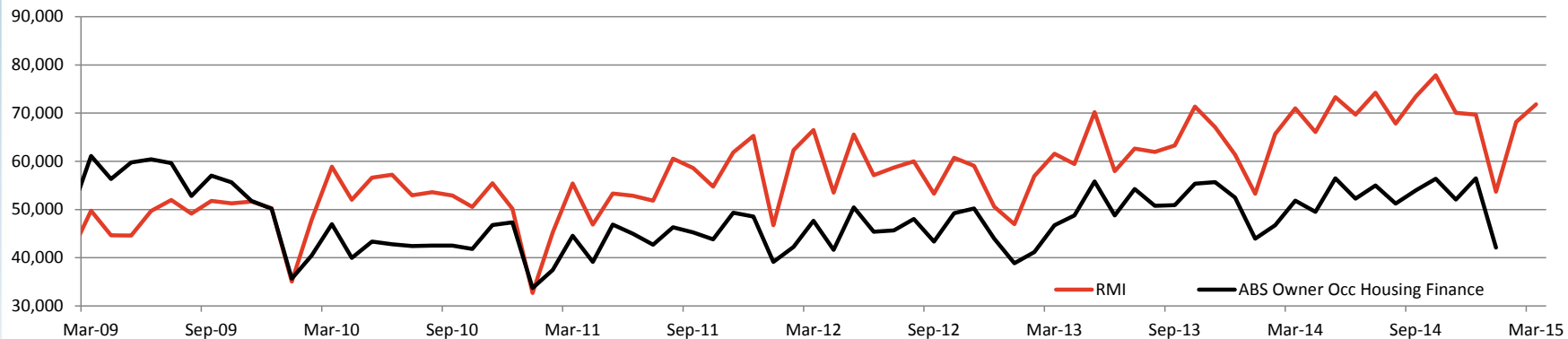


Annual change in home values vs annual change in home lending (ex refinances)

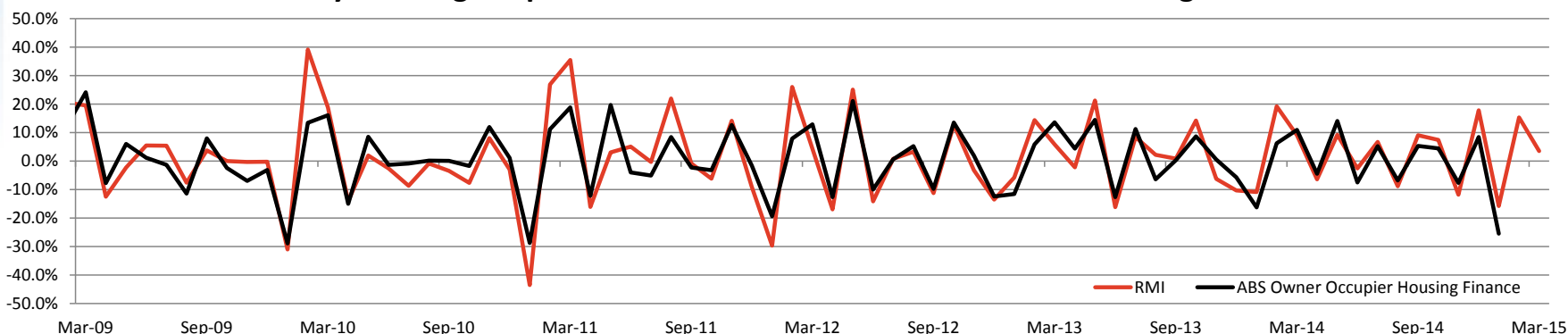


Mortgage Index indicates that demand for home loans will likely surge over the coming months

Number of platform events v Number of owner occ housing finance commitments



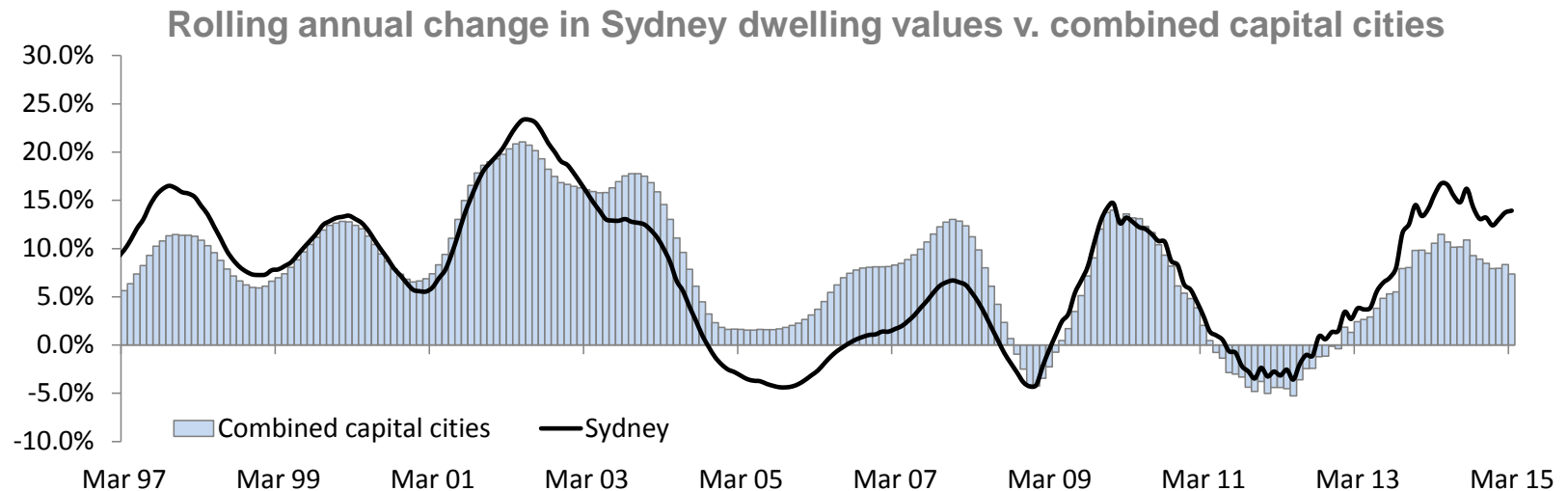
Monthly % change in platform events v Number of owner occ housing finance commitments



CoreLogic's Mortgage Index measures valuation activity across RP Data platforms, which more than 90% of ADI valuation requests nationally use, providing an almost real time indicator for how much mortgage activity is taking place. For more information, contact RP Data via email: ask@corelogic.com.au

Capital city housing market indicators

Sydney: value growth is rebounding after slowing in late 2014



Median Prices



\$781,600

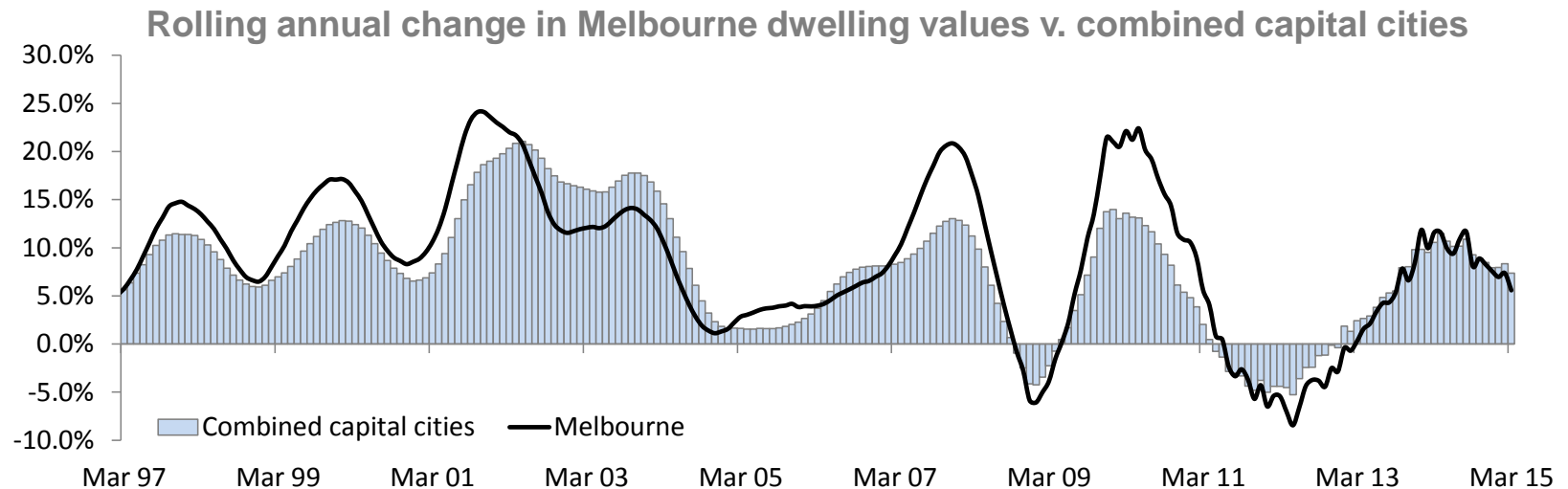
\$600,000

Capital Gain

	Houses	Units	Dwellings
Past 12 months	14.9%	9.7%	13.9%
Annual over five years	6.6%	5.7%	6.4%
Annual over ten years	4.9%	4.4%	4.8%

RP Data's suite of hedonic indices are available across broad housing types and across geographical areas including statistical divisions, statistical subdivisions and postcodes nationally. For further information on our hedonic method, please visit www.corelogic.com.au/indices

Melbourne: second strongest city for dwelling value growth but annual growth is moderating



Median Prices



\$560,000

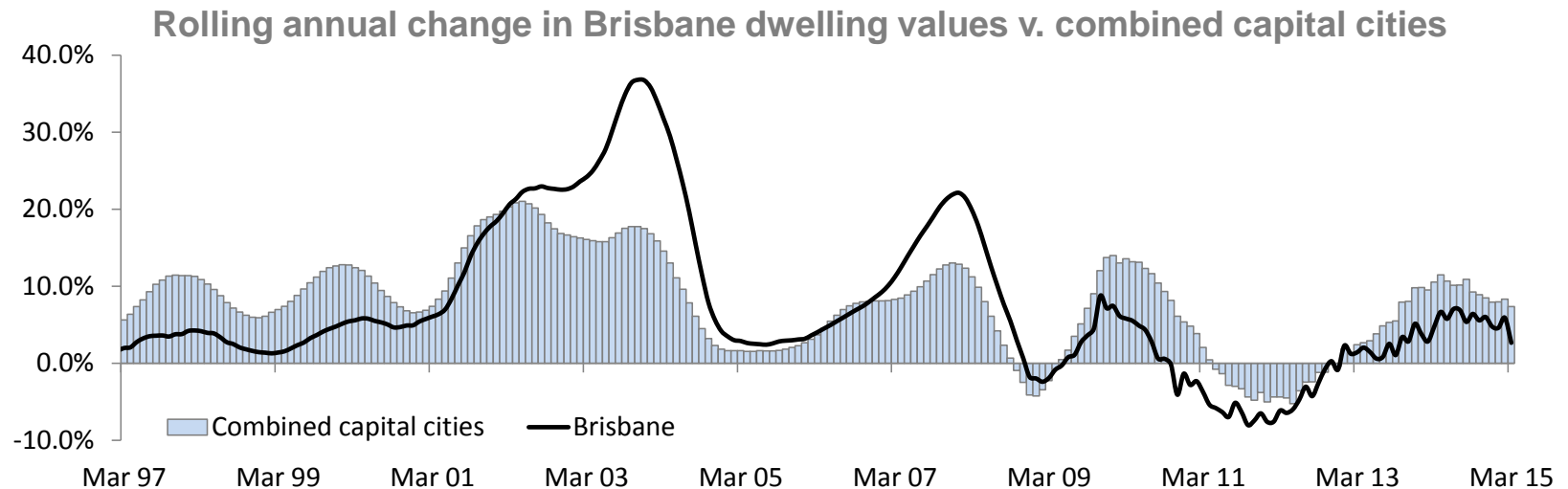
\$445,000

Capital Gain

	Houses	Units	Dwellings
Past 12 months	6.0%	2.4%	5.6%
Annual over five years	3.5%	2.4%	3.4%
Annual over ten years	6.5%	5.1%	6.3%

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Brisbane: growth in the market continues to underperform the capital city benchmark



Median Prices



\$476,000



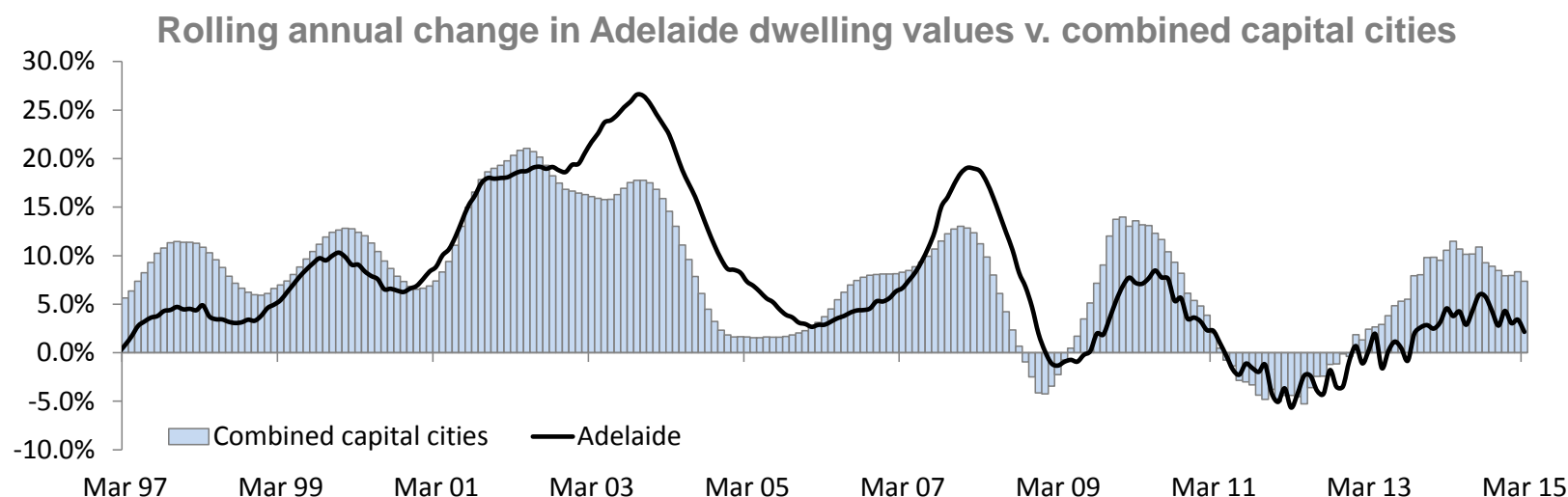
\$380,000

Capital Gain

	Houses	Units	Dwellings
Past 12 months	2.6%	3.0%	2.7%
Annual over five years	-0.3%	0.0%	-0.3%
Annual over ten years	3.5%	3.7%	3.6%

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Adelaide: moderate growth over recent years and the rate of growth is currently slowing



Median Prices



\$427,200

\$340,000

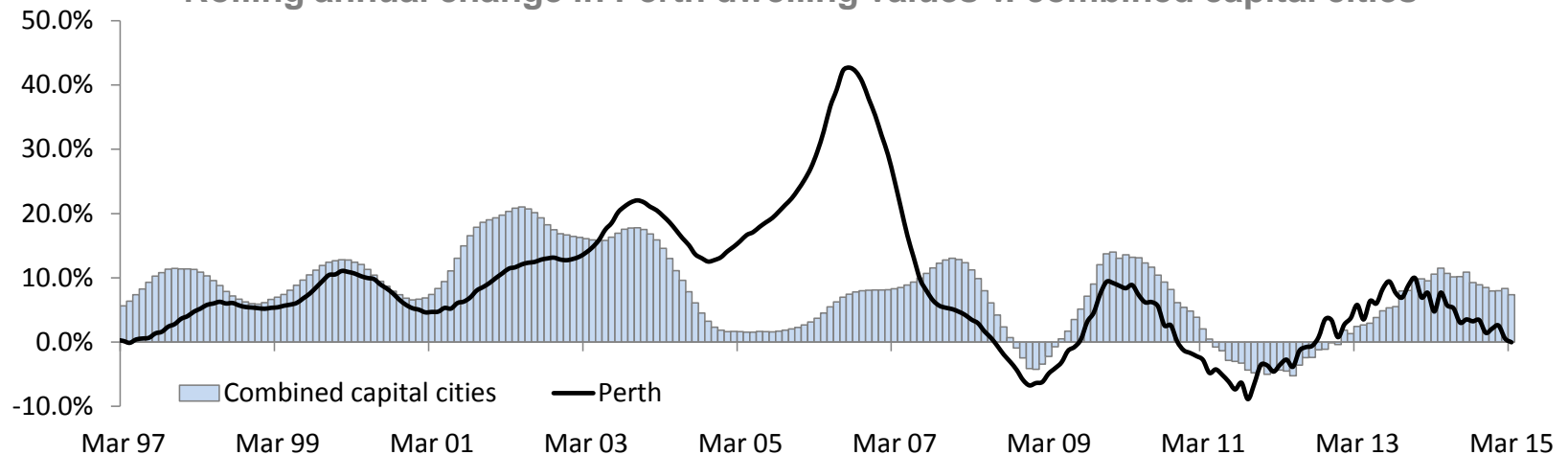
Capital Gain

	Houses	Units	Dwellings
Past 12 months	2.1%	2.6%	2.2%
Annual over five years	0.7%	-0.2%	0.7%
Annual over ten years	3.6%	3.8%	3.6%

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Perth: annual trend in value change has slipped into negative growth

Rolling annual change in Perth dwelling values v. combined capital cities



Median Prices



\$530,000

\$435,000

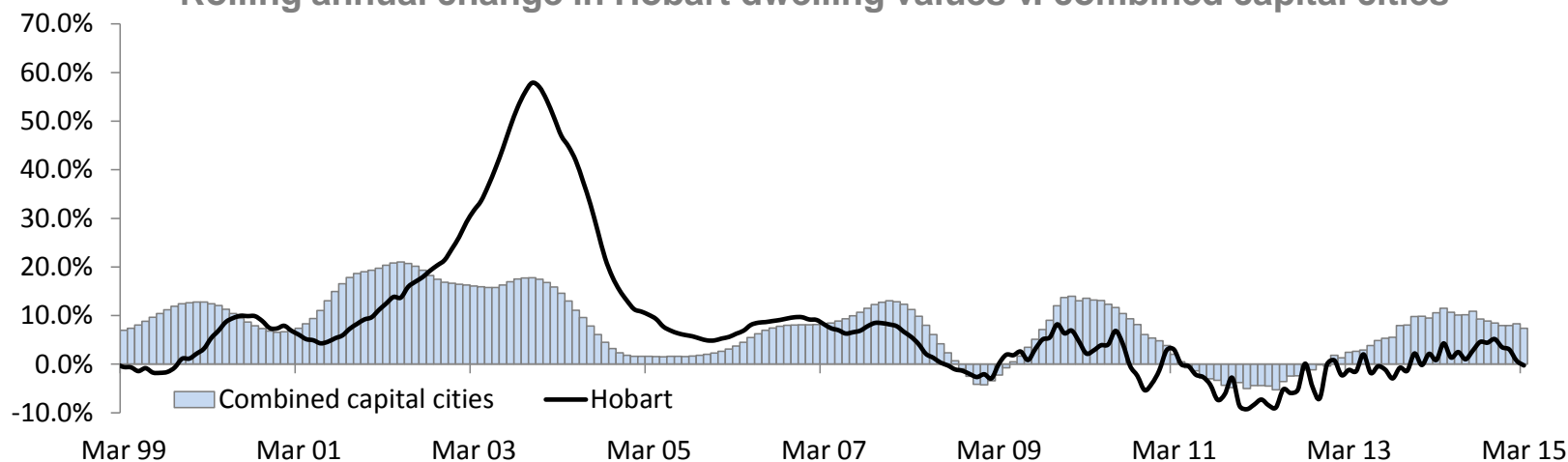
Capital Gain

	Houses	Units	Dwellings
Past 12 months	0.2%	-2.8%	-0.1%
Annual over five years	0.8%	0.6%	0.8%
Annual over ten years	6.1%	5.6%	6.0%

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Hobart: annual recovery trend has lost momentum

Rolling annual change in Hobart dwelling values v. combined capital cities



Median Prices



\$340,000



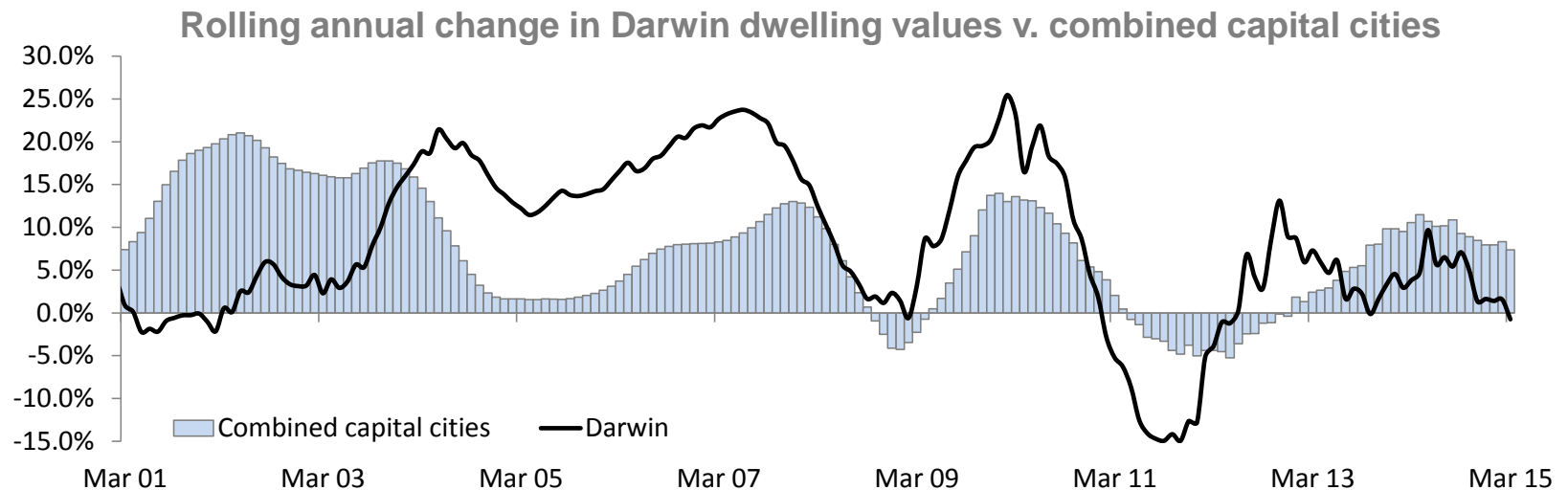
\$260,200

Capital Gain

	Houses	Units	Dwellings
Past 12 months	0.3%	-5.7%	-0.3%
Annual over five years	-1.0%	-1.1%	-1.0%
Annual over ten years	1.7%	1.7%	1.7%

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Darwin: dwelling values have fallen by almost 1% over the past year



Median Prices



\$580,000



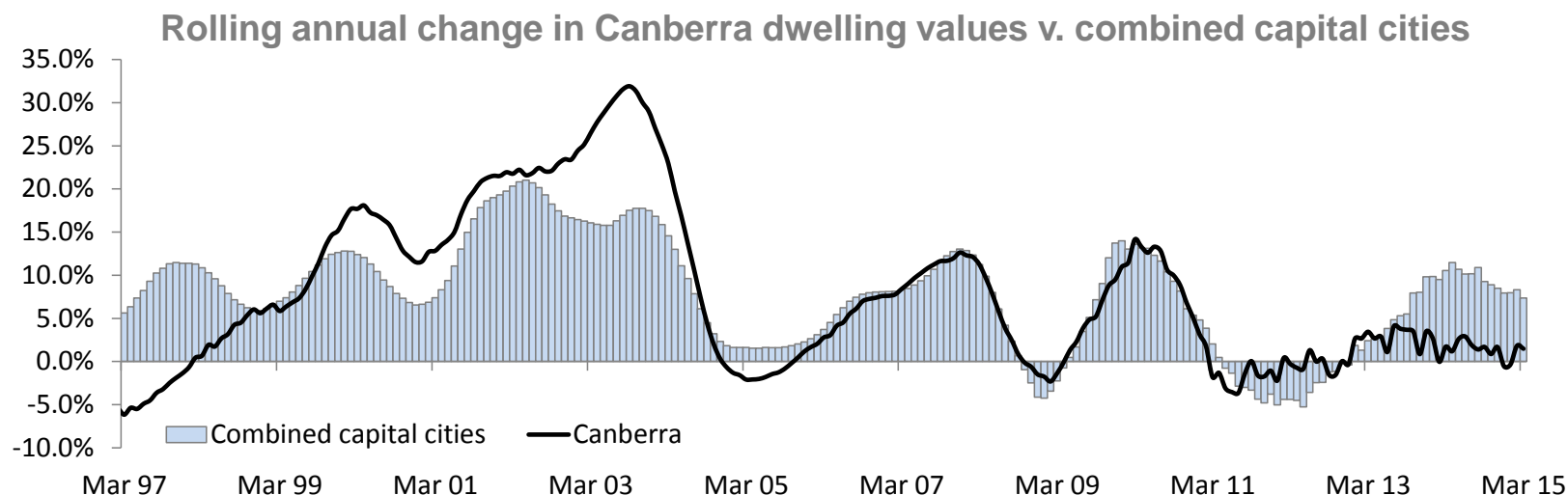
\$470,000

Capital Gain

	Houses	Units	Dwellings
Past 12 months	-1.5%	2.7%	-0.8%
Annual over five years	0.2%	0.1%	0.1%
Annual over ten years	7.6%	6.8%	7.5%

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Canberra: capital gains have flattened since the federal election



Median Prices



\$590,000



\$412,500

Capital Gain

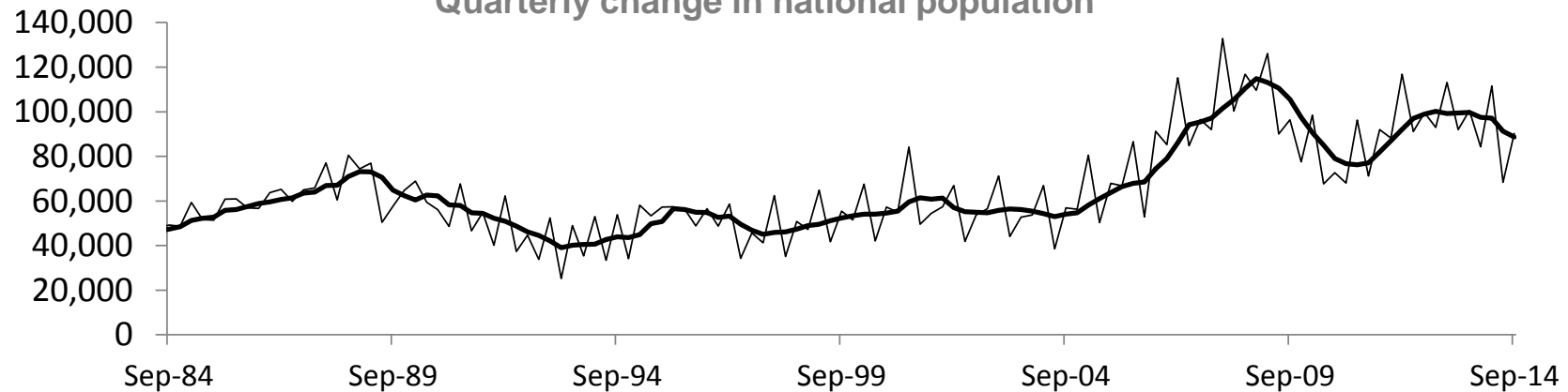
	Houses	Units	Dwellings
Past 12 months	1.6%	0.2%	1.5%
Annual over five years	0.9%	0.3%	0.9%
Annual over ten years	3.9%	2.9%	3.9%

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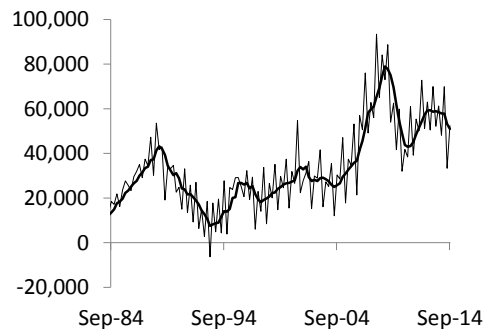
Macro economic and demographic indicators

Housing demand: population growth bounces in September but is trending lower

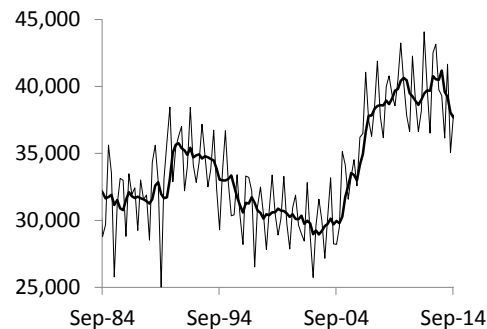
Quarterly change in national population



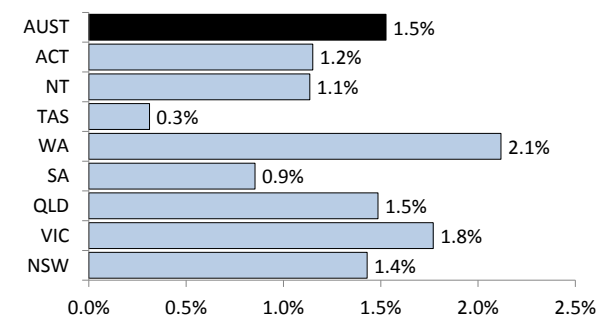
Net overseas migration



Natural increase

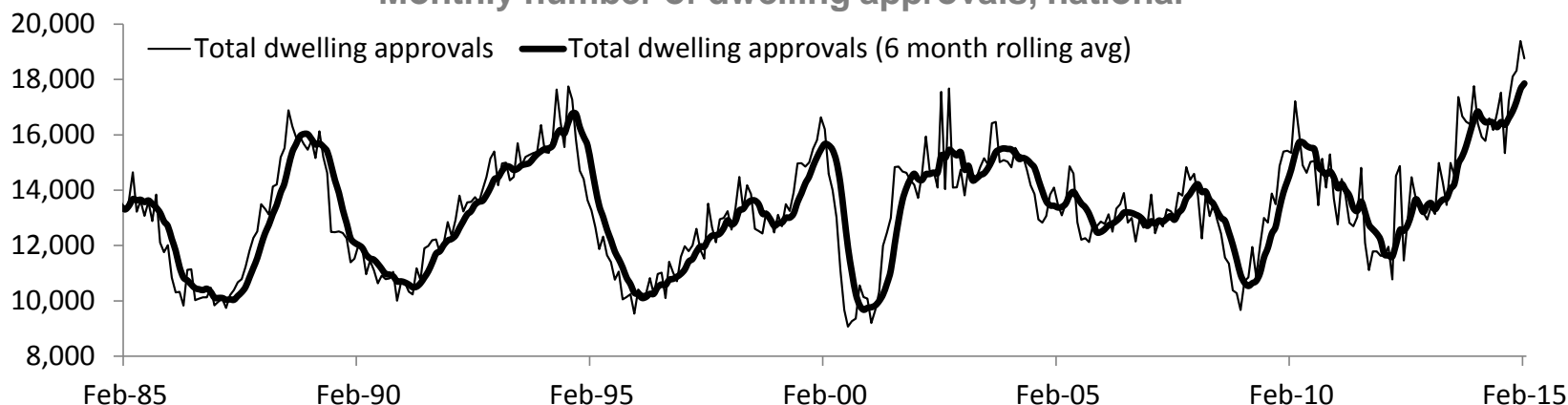


Annual change in population

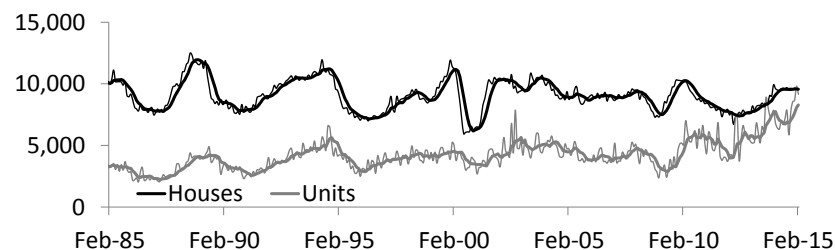


Housing supply: approvals fell over the month but remain at unprecedented levels

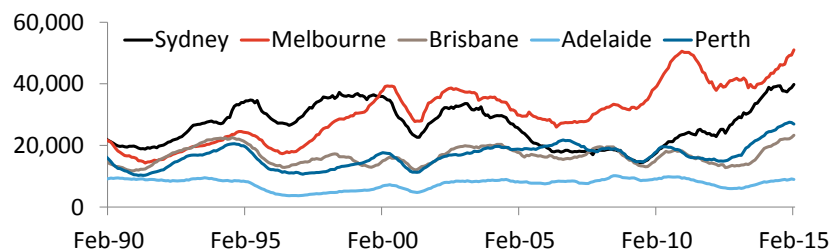
Monthly number of dwelling approvals, national



National dwelling approvals, houses v units

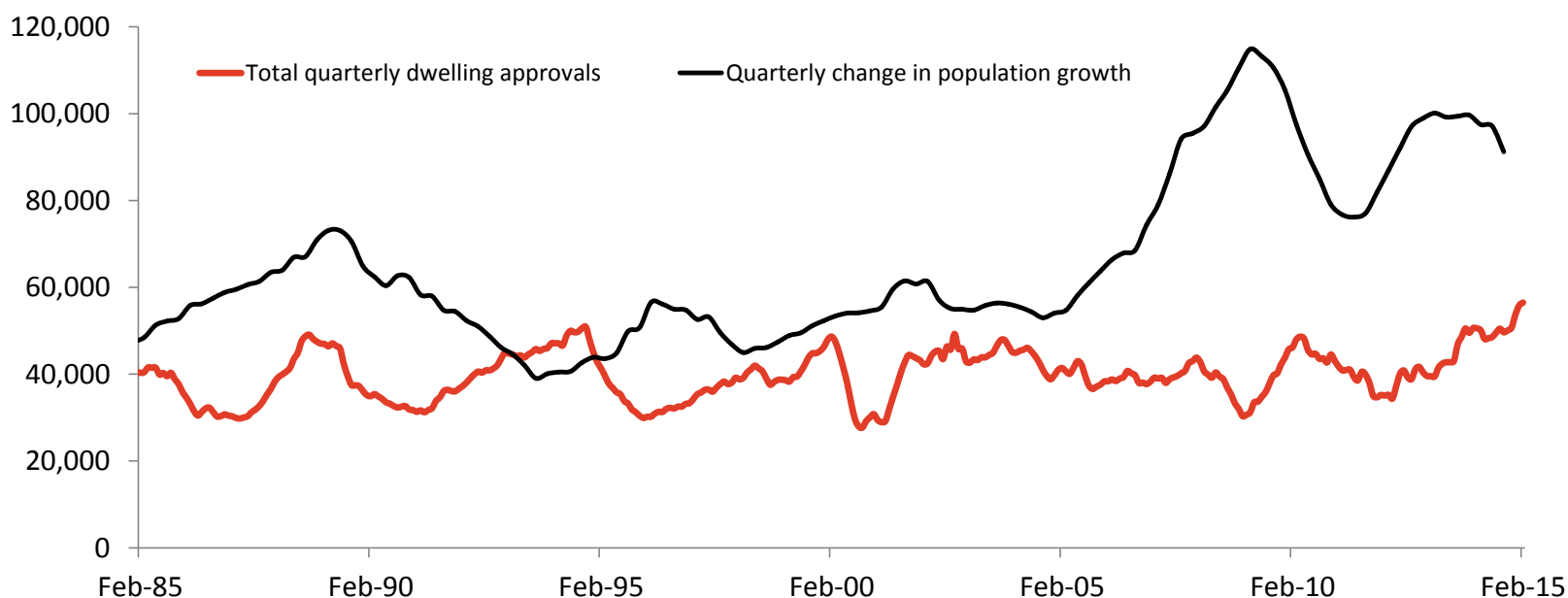


Annual dwelling approvals by major capital



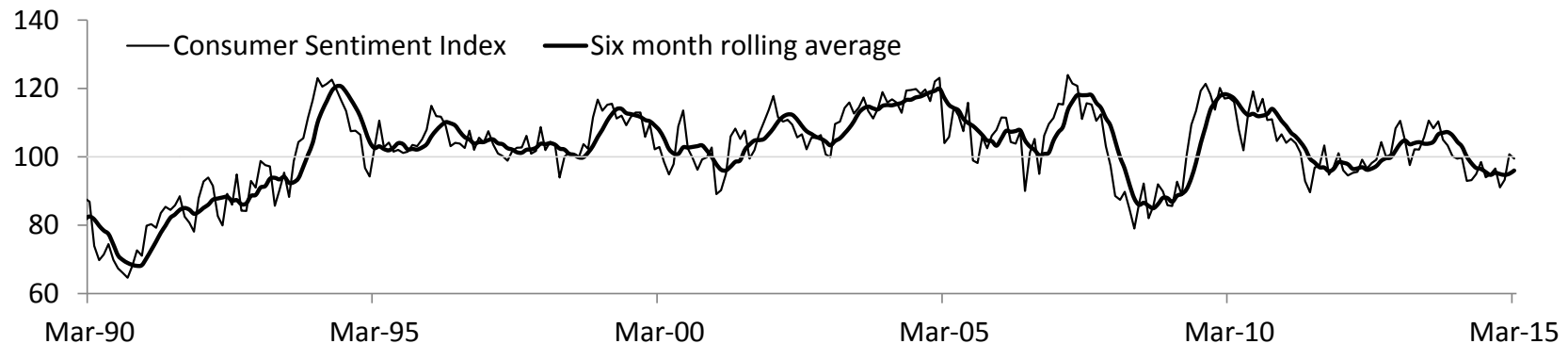
Housing supply: the gap between housing demand and supply is narrowing

Quarterly dwellings approved for construction v quarterly change in population, national

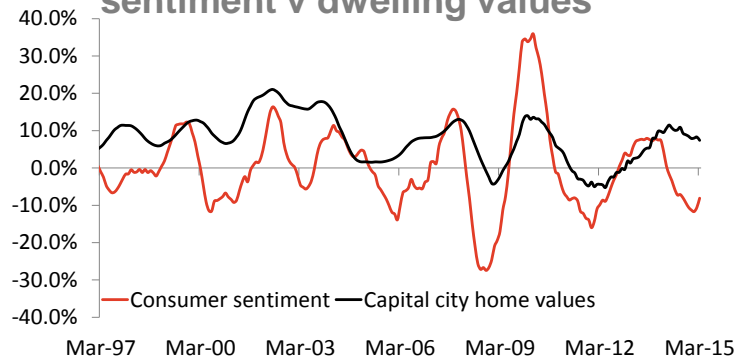


Consumer sentiment dropped in March with pessimism now slightly outweighing optimism

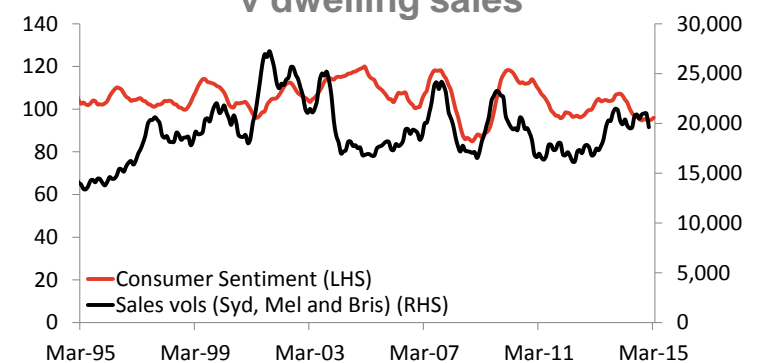
Consumer sentiment index



Annual change in consumer sentiment v dwelling values

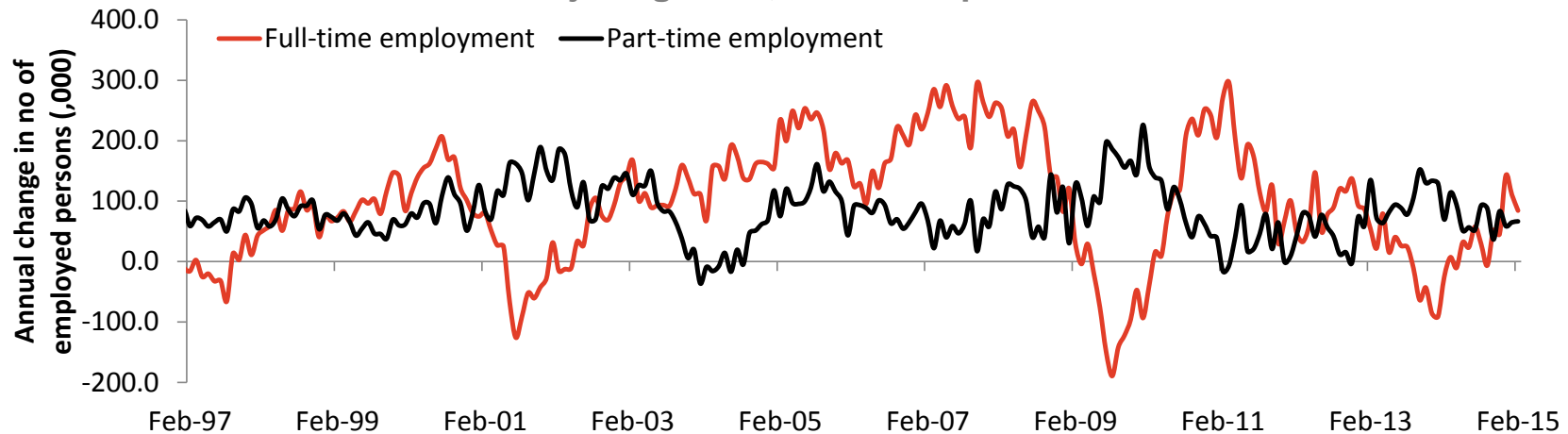


Consumer sentiment v dwelling sales



Labour force: the unemployment rate improves in February 2015 as full-time jobs growth ramps up

Annual jobs growth, full time v part time



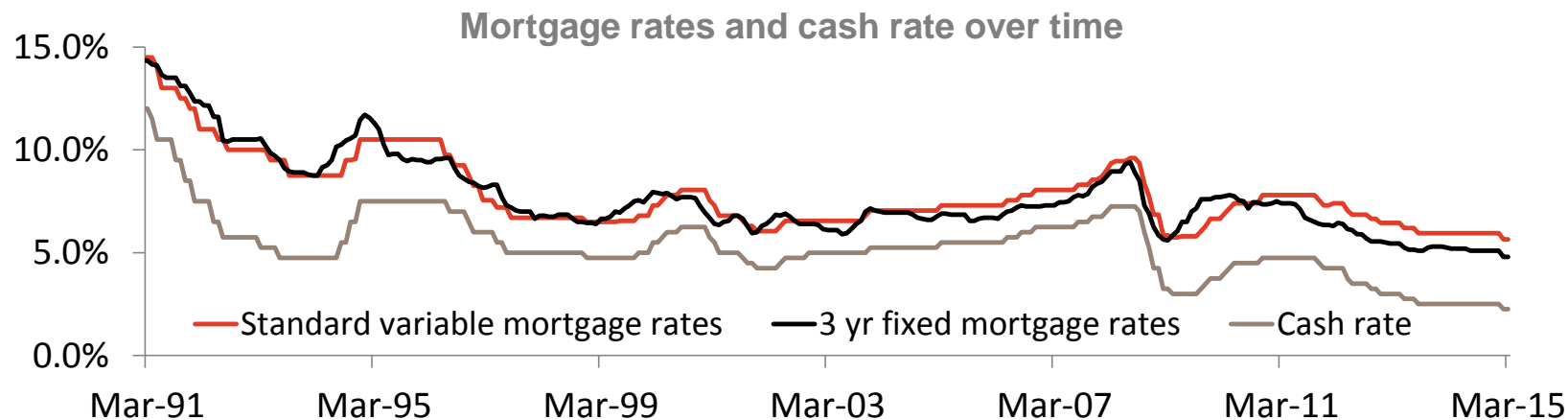
National unemployment rate



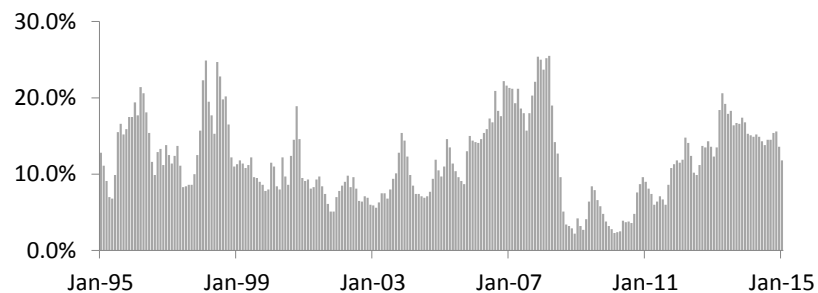
National participation rate



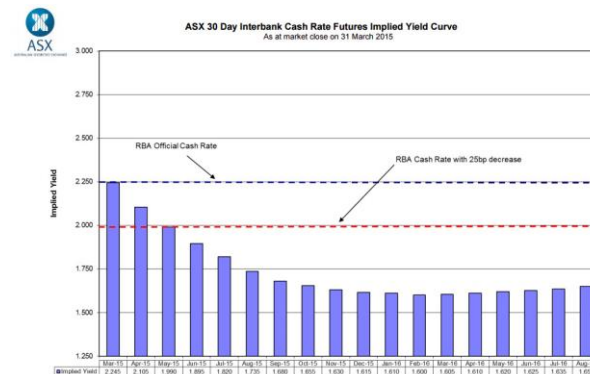
Mortgage rates: The RBA held interest rates at 2.25% in March 2015 but markets expect a fall



% of owner occupier loan commitments on fixed rate



ASX cash rate futures implied yield curve



About Us

CoreLogic RP Data is a wholly owned subsidiary of CoreLogic (NYSE: CLGX), which is the largest data and analytics company in the world with revenues of \$1.3Bn USD from 50,000 business and government customers and over 1 million end users. CoreLogic RP Data provides property information, analytics and services across Australia and New Zealand and is currently developing and growing partnerships throughout Asia.

With Australia's most comprehensive property databases, the company's combined data offering is derived from public, contributory and proprietary sources and includes over 500 million decision points spanning over three decades of collection, providing detailed coverage of property and other encumbrances such as tenancy, location, hazard risk and related performance information. With over 11,000 customers and 120,000 end users, CoreLogic RP Data is the leading provider of property data, analytics and related services to consumers, investors, real estate, mortgage, finance, banking, insurance, developers, wealth management and government.

CoreLogic RP Data delivers value to clients through unique data, analytics, workflow technology, advisory and geo spatial services. Clients rely on CoreLogic RP Data to help identify and manage growth opportunities, improve performance and mitigate risk. CoreLogic RP Data employs over 480 people at nine locations across Australia and in New Zealand. For more information call 1300 734 318 or visit www.corelogic.com.au

CoreLogic RP Data produces an advanced suite of housing market analytics that provides key insights for understanding housing market conditions at a granular geographic level. Granular data is often used for portfolio analysis and benchmarking, risk assessments and understanding development feasibility and market sizing. It gives industry professionals valuable modules which provide essential analytics and insights for decision making and strategy formation within the residential property asset class. We can tailor reports to suit your business requirements.

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Granular Data and Analytics

Market Scorecard: Monitor and measure market share and performance of real estate agents at an individual office or a Franchise brand level across Australia. Identify the competing brands and independents at a suburb, postcode, user defined territory and State level. Easily locate growth opportunities and market hotspots, and view the performance of the established offices in these new areas of interest.

Market Trends: Detailed housing market indicators down to the suburb level, with data in time series or snapshot and segmented across houses, units and land. The Market Trends data includes key housing market metrics such as median prices, median values, transaction volumes, rental statistics, vendor metrics such as average selling time and vendor discounting rates.

CoreLogic RP Data Indices: The suite of CoreLogic RP Data Indices range from simple market measurements such as median prices through to repeat sales indices and our flagship hedonic home value indices. The CoreLogic RP Data Hedonic index has been specifically designed to track the value of a portfolio of properties over time and is relied upon by Australian regulators and industry as the most up to date and accurate measurement of housing market performance.

Economist Pack: A suite of indices and indicators designed specifically for Australian economic commentators who require the most up to date and detailed view of housing market conditions. The economist pack includes the CoreLogic RP Data Hedonic indices for capital cities and 'rest of state' indices, the stratified hedonic index, hedonic total return index, auction clearance rates and median prices.

Investor Concentration Report: Understanding ownership concentrations is an important part of assessing risk. Areas with high investor concentrations are typically allocated higher risk ratings due to the over-representation of a particular segment of the market. Through a series of rules and logic, CoreLogic RP Data has flagged the likely ownership type of every residential property nationally as either owner occupied, investor owned or government owned.

Mortgage Market Trend Report: CoreLogic RP Data is in a unique position to monitor mortgage related housing market activity. Transaction volumes, dwelling values and mortgage related valuation events all comprise our Mortgage market trend report which provides an invaluable tool for mortgage industry benchmarking and strategy.

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**Better data
+ Better analytics
= Better decisions**

