

# Imi housing outlook

Half Yearly Update  
April 2009



# Imi welcome home

I am delighted to introduce you to our half yearly update for the Australian Residential Property Market. The forecasts in the report represent an independent and expert view of the residential housing market in Australia by BIS Shrapnel.

The forecast for the Australian residential property market is more optimistic compared to the United States and the United Kingdom and is not expected to see the same level of price declines that have occurred in these overseas markets. The report highlights that the Australian housing market is undersupplied (in contrast to many overseas markets particularly the US) and that affordability has dramatically improved with falling interest rates.

First home buyer activity has been strong with all states experiencing solid increases in the number of loans to first home buyers between August 2008 and January 2009. The First Home Owner's Grant Boost will support this pick up in the first half of 2009.

As economic conditions begin to stabilise, confidence in the residential market is expected to improve throughout 2009, before gaining momentum in 2011.

The report highlights the narrowing of the cost differential between renting and owner occupation. The impact of rising rents and significantly lower interest rates are bringing rental payments much closer to mortgage repayments. As economic conditions stabilise through 2009 and uncertainty over employment prospects moderate, it is expected that there will be a continuation of renters moving into owner occupation in 2009/10.

QBE LMI has been operating in the Australian residential mortgage market for over 40 years and has protected mortgage lenders from loss throughout many cycles over that time. A positive in the current cycle for the Australian housing market is that while we are experiencing a significant slowdown, the increase in defaults and losses while trending up are in line with our long term experience.

Our mission, particularly in these uncertain times, continues to be to facilitate home ownership for all Australian families. We do this by giving mortgage lenders the security and confidence to continue to lend, whatever the cycle.

I trust you will find this report insightful and informative and that it provides you with a clearer picture of what we can expect from the Australian economy and housing market in 2009 and beyond.



Ian Graham  
Chief Executive Officer

“The forecast for the Australian residential property market is more optimistic compared to the United States and the United Kingdom ... ”



Ian Graham  
Chief Executive Officer

# Imi housing outlook

“A key driver in improving the residential market in 2009 will be the tightness in rental activity in all capital cities.”

## Housing

In calendar 2008, residential price growth slowed across all Australian capital cities. This was initially influenced by a total rise of 140 basis points in the standard variable rate (stemming from increases in the cash rate by the Reserve Bank and the banks seeking to recover margins) which constrained affordability.

Subsequently, tightening global credit markets impacted the Australian economy in the second half of the year. The weakening in residential markets accelerated with median house prices across all capital cities declining. The hardest hit were Perth, Melbourne, Brisbane and Darwin. Meanwhile, Sydney (which has experienced limited price growth over the last five years) experienced the smallest impact, reflecting a bottoming of its market.

Unlike the residential markets in the United States and United Kingdom, Australia experienced a significant deficiency of dwelling stock in many cities. The Australian banking system was also better placed during the credit crisis with banks able to fund lending from their deposit base without substantial constraints on loan-to-value ratios. Australia is therefore not expected to see the same level of price declines that have occurred in overseas markets.

Furthermore, the interest rate cut by 400 basis points from September 2008 to February 2009 (with potential for further falls) has improved housing affordability in most cities to levels similar to that of 2000. Simultaneously, the Federal Government has increased its First Home Owner's Grant to \$14,000 (\$21,000 for new dwellings) and this, coupled with additional State Government incentives, will stimulate first home buyer demand and assist first home buyers to enter the market, significantly improving the environment for purchasers.

A key driver in improving the residential market in 2009 will be the tightness in rental activity in all capital cities. Rental growth has been substantial over the past two to three years and, with additional incentives and recent declines in interest rates, many first home buyers who are currently renting will find owner occupation more attractive. Investors will also be encouraged to re-enter the market as a result of rising yields. However, this will be felt at the more affordable end of the market, rather than the top end, which has weakened considerably as the decline in equities markets curtail the additional non-salary income (from company profits and bonuses, options etc.) that has previously been used to fund premium properties.



# Imi housing outlook

## **Economic Outlook, inflation and interest rates**

Australia's economic growth decelerated in calendar 2008 despite strong growth in 2007/08 (GDP grew by 3.7%), culminating in a 0.5% decline in the December quarter 2008. The Global Financial Crisis has slowed credit growth, consumer spending has been curtailed and employment data indicated that employment growth has slowed, although the labour market remains tight.

Current mining and infrastructure projects will continue to support investment through 2009, however; commodity prices are likely to fall further as a result of the expected recession in the United States, United Kingdom and parts of Europe. This in turn is expected to severely impact the next round of infrastructure spending.

Dwelling approvals have eased as a result of increasing interest rates in 2007/08. However, the Federal Government's stimulus package coupled with the successive interest rate cuts (totalling four percentage points, with a further half a percentage point decline forecasted over the next three months) are expected to stimulate demand in the short-term. Restoring confidence is therefore critical; businesses and consumers need to be encouraged to ease excessive belt tightening.

On balance, economic growth is forecasted to slow considerably to 1% over 2008/09. For the duration of calendar 2009, growth is expected to weaken further as a result of a gap in building activity. This gap is expected to be increasingly filled through 2010 by an upswing in dwelling building as confidence returns and Federal Government Grants and lower interest rates encourage significant demand for new dwellings. Another key driver of investment activity from 2009/10 will therefore be new dwelling investment, with GDP growth expected to increase to 1.6%.

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# Imi housing outlook

## Owner Occupiers

Table 1: Number of home loans approved for owner occupation excluding refinancing, % change on same month of previous year

Source: Australian Bureau of Statistics

Month	NSW	VIC	QLD	SA	WA	TAS	NT	ACT	Australia
<b>New Dwellings</b>									
6 mths to Dec-07*	4	-1	17	8	-15	7	-9	4	3
6 mths to Jun-08*	-16	-7	-19	-16	-16	-7	-17	-25	-14
Jul-08	-25	-9	-31	-19	-9	-2	-49	-30	-20
Aug-08	-33	-32	-47	-35	-24	-29	-28	-1	-35
Sep-08	-21	-14	-34	-24	-12	-6	-36	6	-21
Oct-08	-28	-15	-36	-29	-16	-2	-16	32	-24
Nov-08	-26	-19	-35	-29	-20	-11	-24	-19	-26
Dec-08	14	10	-20	5	1	22	71	113	2
Jan-09	-6	3	-18	-8	-9	37	9	40	-6
<b>Existing Dwellings</b>									
6 mths to Dec-07*	8	10	8	0	-2	9	-8	9	6
6 mths to Jun-08*	-12	-10	-23	-15	-17	-5	-15	-11	-15
Jul-08	-19	-16	-35	-21	-32	-26	-19	-15	-24
Aug-08	-33	-30	-47	-28	-38	-34	-34	-22	-36
Sep-08	-17	-20	-30	-17	-25	-31	-22	-8	-22
Oct-08	-29	-24	-33	-25	-25	-31	-16	-6	-27
Nov-08	-30	-33	-37	-27	-37	-29	-23	-31	-33
Dec-08	-5	-14	-20	-5	-16	-3	-8	6	-11
Jan-09	-13	-19	-20	-5	-28	-10	10	-4	-17
<b>Total Dwellings</b>									
6 mths to Dec-07*	8	8	10	1	-5	8	-9	8	6
6 mths to Jun-08*	-12	-9	-23	-15	-17	-5	-15	-13	-15
Jul-08	-19	-15	-34	-20	-27	-22	-24	-17	-23
Aug-08	-33	-31	-47	-29	-35	-33	-33	-20	-35
Sep-08	-17	-19	-31	-19	-22	-28	-24	-6	-22
Oct-08	-29	-23	-33	-25	-23	-27	-16	-1	-27
Nov-08	-29	-31	-37	-28	-34	-27	-23	-29	-32
Dec-08	-3	-10	-20	-4	-13	-1	-1	17	-9
Jan-09	-12	-15	-20	-6	-25	-5	10	1	-15

\* = % change on same 6 months of previous year



**Table 1** shows the change in the number of loans for owner occupation dwellings, both new and existing, for the six months to December 2007, at June 2008, for the six months between July to December 2008 and at January 2009.

The Table highlights the strength of the residential markets up until the end of 2007, before a weakening of the market in 2008. Compared to the same six-month period a year earlier, the number of loans to owner occupiers (excluding refinancing) continued to grow over the six months to December 2007. Nationally, there was 6% growth except in Western Australia and the Northern Territory, with Victoria experiencing a slight decline in new dwelling financing over this period.

Over calendar 2008, loans for both new and existing dwellings declined considerably. Total loans for owner occupation in the six months to June 2008 were 15% down on the total for the same six-month period a year earlier - reflecting the impact of rising interest rates from the latter half of 2007. This trend became more acute as the year progressed and economic conditions deteriorated. In each of the five months to November 2008, loans were more than 20% down on their corresponding month for the previous year. In particular, loans for new and existing dwellings in August 2008 were 35% below August 2007.

The downward trend began to stabilise in December 2008 and January 2009 in response to the fall in interest rates and increase to the First Home Owner Grant, with loans to owner occupiers being only 9% and 15% down on the number of loans in December 2007 and January 2008 respectively. The effect was greater for new

dwellings, which showed a year-on-year increase of 2% in December 2008 and a more modest 6% decline in January 2009, emphasising the impact of the First Home Owner Boost.

All states experienced a year-on-year increase in loans for new dwellings in December 2008 with the exception of Queensland (-20%). However, in January 2009, New South Wales (-6%), Western Australia (-9%) and South Australia (-8%) joined Queensland (-18%) to underpin a 6% year-on-year decline nationally. Nationally, loans for existing dwellings in December 2008 and January 2009 continued to remain below the previous year (-11% and -17% respectively).

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**Table 2: Number of home loans approved to first homebuyers and % change on same month of previous year**

Source: Australian Bureau of Statistics

Month	NSW	VIC	QLD	SA	WA	TAS	NT	ACT	Australia	Australia
6 mths to Dec-07*	6.4	10.5	3.4	0.1	23.9	3.5	-11.9	-20.9	7.6	11,752
6 mths to Jun-08*	-9.0	-4.4	-28.3	-3.3	14.4	3.1	-22.3	-23.9	-9.9	9,773
Jul-08	-8.9	-7.4	-34.4	8.5	-8.1	38.7	19.2	-23.3	-12.6	9,879
Aug-08	-19.5	-24.1	-46.4	-7.4	-20.6	6.5	-5.1	-16.7	-25.7	8,818
Sept-08	0.7	-14.1	-27.4	-3.9	-3.5	-10.2	-31.6	0.0	-11.1	9,372
Oct-08	-18.2	-18.6	-34.1	-11.5	-12.6	-12.5	-6.0	21.9	-20.4	9,910
Nov-08	-0.2	-19.4	-16.2	10.8	-6.4	12.5	12.8	-15.2	-8.7	11,775
Dec-08	39.8	7.0	12.4	60.8	29.9	50.5	58.3	78.8	25.7	14,413
Jan-09	31.8	3.2	15.8	44.9	13.8	69.7	35.6	67.3	19.7	12,499

\* = % change on same 6 months of previous year



“All the states experienced solid increases in the number of loans to first home buyers between August 2008 and January 2009.”

**Table 2** shows the recovery in the number of loans to first home buyers since the trough of August 2008 and, in particular, the impact of the First Home Owner's Grant Boost Scheme in October 2008.

At the national level, loans to first home buyers increased from 8,800 in August 2008 to 9,900 in October 2008, before a substantial rise to 11,700 in November 2008, 14,150 in December 2008 (+25.7% in year-on-year terms) and 12,500 in January 2009 (+19.7%). Loans to first home buyers in December 2008 were the highest in any one month since August 2001; not long after the initial First Home Buyers Grant was expanded to combat the decline in new dwelling construction after the introduction of the GST.

All the states experienced solid increases in the number of loans to first home buyers between August 2008 and January 2009, with Queensland and Tasmania showing the largest increases (80% and 76% respectively), while the Northern Territory experienced the smallest increase (7%).

The recent strong recovery in loans to first home buyers, compared to continued decline in total loans to owner occupiers, indicates that the non-first home buyer market remains weak and that any uplift in the market is being created almost entirely by first home buyers. However, unless this flows through so that non-first home buyer demand gains momentum during the first half of 2009, it is likely that any improvement in the market will stall in the second half of 2009 upon the expiry of the Boost Scheme (unless the Scheme is extended for a further period).

# Imi housing outlook

## Rent vs. Owner Occupation

**Chart 1** shows the ratio between the average weekly rent of a three bedroom house in Sydney, Melbourne, Brisbane, Adelaide, Perth and Canberra compared to the average payment required to service a loan for 75% of a median priced house in each of those cities. Where the proportion approaches 100%, rents are approaching the same level as mortgage repayments; making purchasing the more attractive option compared to renting.

During the late 1990s when median prices had undergone a period of little growth, median rents were at or above 80% of the weekly cost of purchasing in Brisbane, Adelaide, Perth and Canberra and above 60% in Melbourne and Sydney. This created an environment that encouraged those renting into owner occupation, with the introduction of the original First Home Owners Grant in 2000 acting as a catalyst. Together with increased investor demand, house prices increased significantly, outpacing the modest increases in rent. The combination of rising prices and rising interest rates saw rents relative to mortgage payments fall to almost 50% in all capital cities by 2008, with Melbourne and Sydney at close to 40%. This made renting a preferred option for those priced out of the housing market.

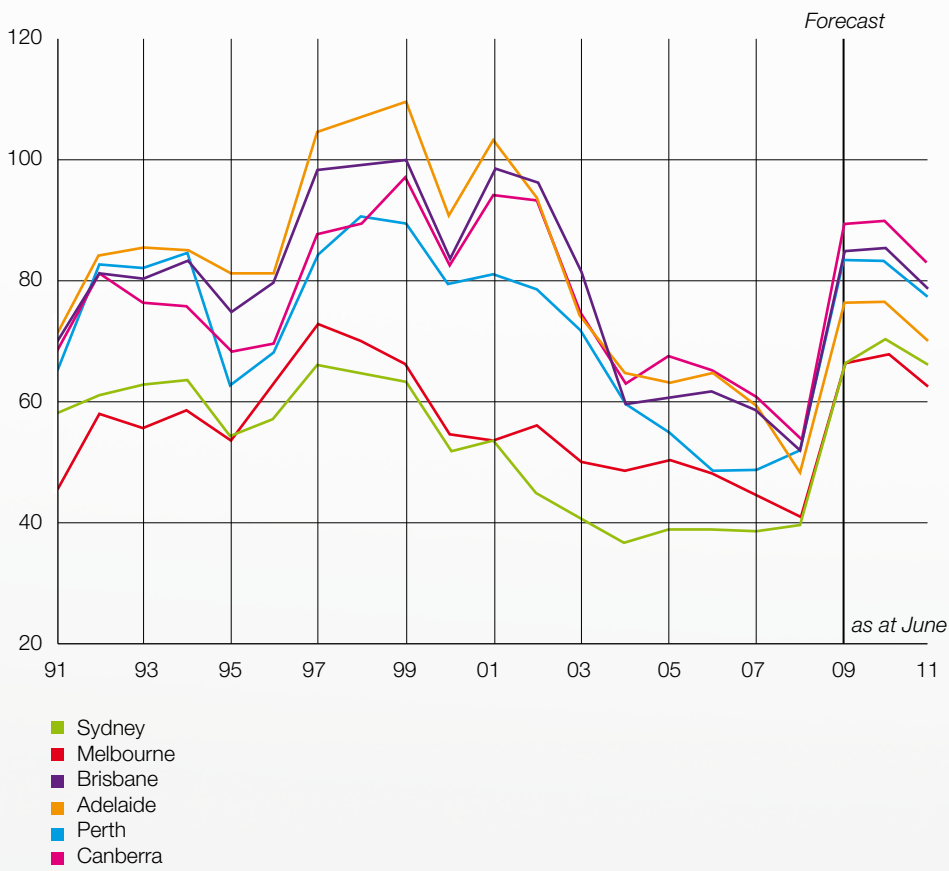
However, the significantly lower interest rates in 2008/09 have meant that the cost to service a loan is much lower. In addition, rising rents since 2006 are bringing rental levels closer to mortgage repayments. By June 2009, median rents in Canberra, Brisbane and Perth are expected to represent 80% of the cost of paying off a median priced house, and just over 75% in Adelaide. In Sydney, the cost of renting will be closer to the cost of paying off a median priced house than at any other time during this decade and this compares favourably with Melbourne with the proportion over 66% in both cities.

The First Home Owner's Grant Boost Scheme has assisted buyers to overcome the deposit hurdle and its expiration on 30 June 2009 places some urgency on renters to purchase for owner occupation in the short-term. While some buyers will still be unable to afford an equivalent dwelling in the same area, they are likely to move to a smaller dwelling or to a different location where potential mortgage repayments are on par with the rent they are paying. Moreover, as economic conditions stabilise through 2009 and uncertainty over employment prospects moderate; it is expected that there will be a continuation of renters moving into owner occupation into 2009/10.

“...rising rents since 2006 are bringing rental levels closer to mortgage repayments.”

**Chart 1: Median weekly rents as a proportion of median weekly loan repayments (%)**

Source: Australian Bureau of Statistics, R.E.I.A, BIS Shrapnel



# Imi housing outlook

**Table 3: Value of loans approved to investors and % change on same month of previous year**

Source: Australian Bureau of Statistics

Month	NSW	VIC	QLD	SA	WA	TAS	NT	ACT	Australia
6 mths to Dec-07*	7.5	38.2	34.2	43.1	2.4	24.7	3.3	41.8	20.8
6 mths to Jun-08*	-23.4	5.8	-15.9	-0.8	-19.7	-3.5	-16.9	-5.8	-13.7
6 mths to Dec-08*	-21.6	-13.2	-35.4	-25.9	-27.7	-20.0	1.5	-20.0	-23.8
Jul-08	-25.2	-8.4	-24.6	-18.6	-23.4	-19.1	-29.7	-29.7	-21.2
Aug-08	-34.3	-13.6	-43.7	-36.8	-30.7	-39.5	-26.4	-33.2	-31.7
Sept-08	-12.7	-6.3	-22.5	-32.1	-19.3	-2.9	10.6	-18.9	-15.6
Oct-08	-13.8	-14.2	-38.2	-16.2	-25.1	-7.9	19.2	-17.3	-21.2
Nov-08	-28.0	-22.6	-47.7	-35.6	-42.6	-24.7	16.2	-11.3	-33.2
Dec-08	-11.0	-12.5	-32.5	-13.5	-22.8	-22.9	29.9	-8.0	-17.7
Jan-09	-18.8	-22.1	-48.6	-16.9	-34.4	-20.3	-18.3	-14.2	-28.9

\* = % change on same 6 months of previous year



### Home Loan Activity – Investors

In Australia, investor activity was strong in the last 6 months of 2007, before weakening into calendar 2008 (Table 3). The total value of loans to investors in the second half of 2007 was up by 20.8% in year-on-year terms with Victoria, Queensland, South Australia and the Australian Capital Territory experiencing the greatest gains. However, this was reversed over the following 6 months to June 2008 with activity down by 13.7% compared to the same period in the previous year.

Investor activity reduced further over the 6 months to December 2008 with the impact of the Global Financial Crisis and high interest rates to July 2008. All states, except the Northern Territory, experienced further weakening in lending to investors in the second half of 2008, with Queensland (-35%), Western Australia (-28%) and South Australia (-26%) experiencing the greatest declines.

Although the decline in investor activity moderated in December 2008 (-18% in year-on-year terms), there was a significant 29% decline in January 2009. Nevertheless, it is expected that investor demand will improve through 2009 in response to interest rate cuts. The gap between rental income and mortgage repayments on properties has narrowed in response to rising rents and falling interest rates, and this is likely to encourage investor demand.

“...it is expected that investor demand will improve through 2009 in response to interest rate cuts.”

# Imi housing outlook

## Investor returns

**Chart 2** shows an indicative initial yield based on the weighted median three bedroom rent and weighted median house price across Australia's six capital cities compared to the standard variable housing rate between June 1982 and December 2008.

The early 1980s was characterised by high yields at or above 8%, peaking in June 1987 at 10.1%, which coincided with a period of higher interest rates (at or above 12%). The narrowed gap between yields and interest rates in 1988 precipitated the upturn in prices at the end of the decade. Consequently, lower yields and rising interest rates contributed to the property price slump over the 1990s.

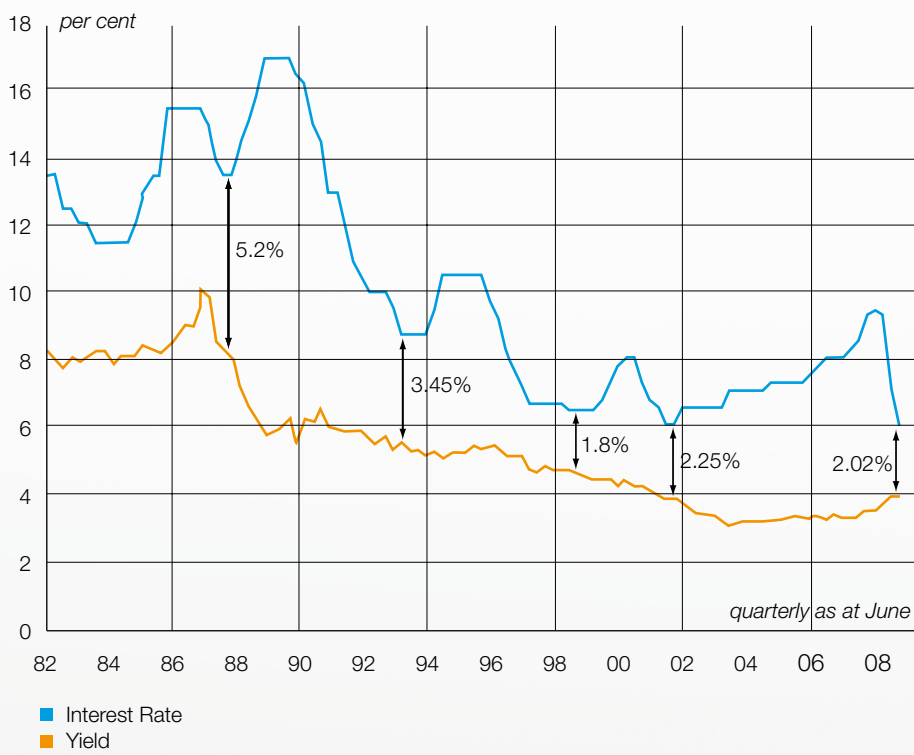
The lower interest rate environment through the 1990s narrowed the gap between residential yields and interest rates, which was at its lowest level (averaging less than 2 percentage points) between June 1997 and September 1999. This precipitated the upturn in the Sydney and Melbourne markets (where a deficiency of dwellings had emerged), and subsequently in the other capital cities from 2001.

More recently, the acceleration in rental growth has outpaced price growth and yields have begun to improve since their lowest point in December 2003. However, interest rates also increased during this period meaning that the amount investors had to dedicate to mortgage repayments was over and above rent increase. Consequently, investor demand generally has remained subdued nationally.

With the sharp declines in interest rates in 2008/09, the differential between yields and rates is estimated at 2% in March quarter 2009. Given the potential for further declines in rates and increases in rent, conditions for investors are at their best since the late 1990s. In the short term, it is expected investor demand will remain subdued until the outlook for the economy becomes more positive. However, through 2009 and into 2010, investor sentiment towards residential property is expected to increase significantly—particularly given the poor recent returns in the equities market—and underpinned by the increases in rental yields.

“With the sharp declines in interest rates in 2008/09, the differential between yields and rates is estimated at 2% in March quarter 2009.”

**Chart 2: Indicative initial rental yield weighted average of 6 capital cities and the standard housing interest rate**  
 Source: Australian Bureau of Statistics, R.E.I.A, BIS Shrapnel



# Imi housing outlook

## Prices

The residential market over the next three years will be characterised by two main trends:

- The upper-priced end of the market will show continued weakness, as rising unemployment and reductions in non-salaried income (such as from bonuses, incentive, equities options, etc) reduce the ability to pay premiums for properties.
- Prices in the more affordable end of the market (i.e. generally below the median) will stay steady in the face of rising unemployment as lower interest rates, additional first home buyer incentives, and rising rents will encourage both renters into owner occupation, and investors back into the market.

The overriding influence on residential property prices in 2009 will nevertheless be weak sentiment due to uncertainty in the economic outlook and the prospect of further rises in unemployment. Confidence is expected to improve throughout 2009, as economic conditions begin to stabilise, although continued weakness will also prevent any significant upswing in 2010, before momentum begins to gather from 2011.

By city:

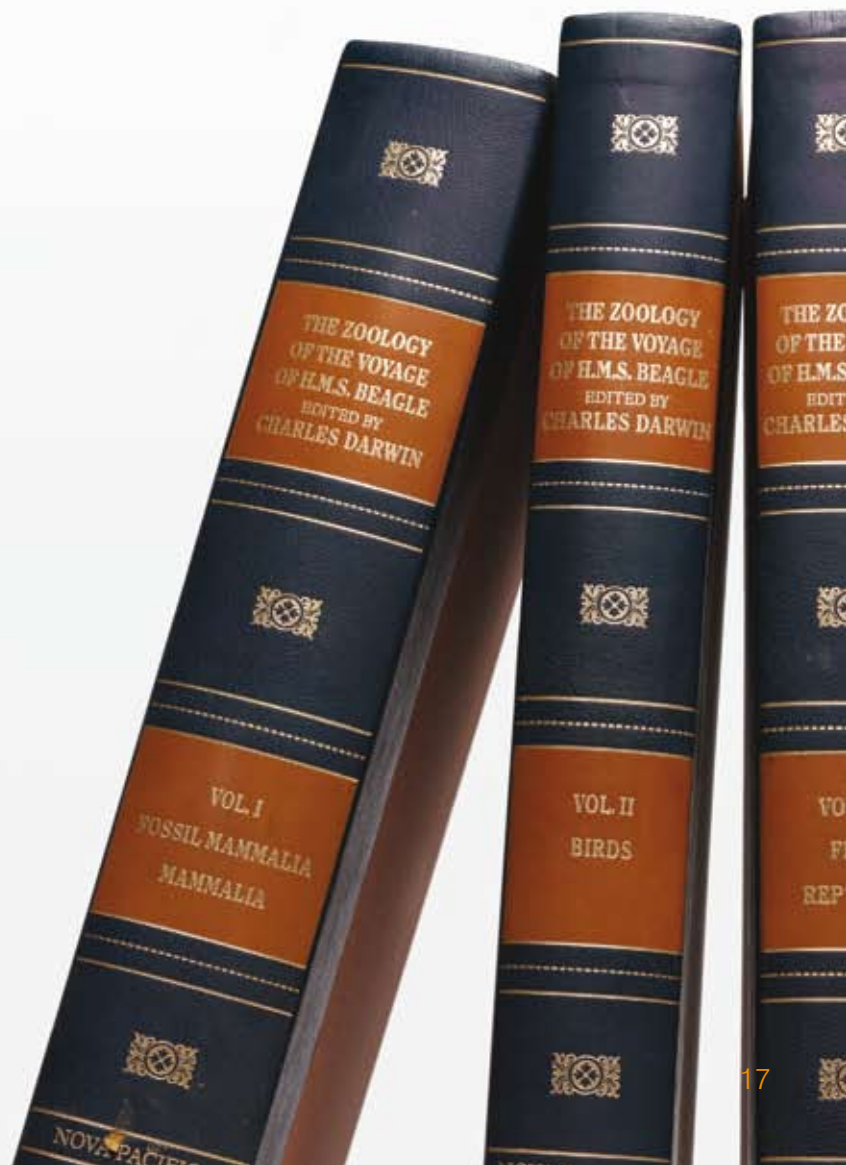
The **Sydney** market has been weak since 2004. After declining over 2005–2006, the median house price stabilised in 2007–2008, before falling by 2.1% over the six months to December 2008 to \$536,000. It is anticipated that there will be a further 2.1% fall in the median in the first half of 2009 (partly as a result of a greater volume of sales at the bottom end of the market). An underperforming New South Wales economy will see limited growth forecast for 2009/10 (1.9%), before accelerating in 2010/11 (+7.5%), as the economic recovery is underway.

**Melbourne's** median house price experienced solid increases in 2006/07 and 2007/08, despite the decline by 5.3% in the six months to December 2008. With a lower median house price compared to Sydney and better affordability, declining interest rates and the First Home Owners Boost will have a greater impact on the Melbourne market, with some growth expected in the first half of 2009 (2.6%), before accelerating over the following two years.

Median house price growth in **Brisbane** was particularly strong over 2006/07 and 2007/08 (totalling 29%) supported by booming local economic conditions. Prices relative to Sydney and Melbourne arguably became too high, and with economic growth slowing considerably, house price growth declined an estimated 3.6% in the six months to December 2008, and is forecast to fall a further 3.5% in the first half of 2009 (reflecting a total 7% decline in 2008/09). Price growth is forecast to return after this correction in 2009/10, as economic growth also returns, although will subsequently be more moderate.

“Confidence is expected to improve throughout 2009, as economic conditions begin to stabilise, although continued weakness will also prevent any significant upswing in 2010, before momentum begins to gather from 2011.”

The median house price in **Adelaide** increased by 18.3% in 2007/08—the strongest of the state capitals. Lower prices in Adelaide (median of \$370,000 in June 2008) relative to the other mainland capitals suggest rising interest rates over the year only had a moderate impact. Nevertheless, decreased confidence from the Global Financial Crisis saw the median decline by 2.7% in the December 2008, with investor demand decreasing. Expanded first home buyer incentives and lower interest rates are likely to have a greater impact in Adelaide, with prices stabilising over the remainder of 2008/09, and price growth expected to return in 2009/10.



# Imi housing outlook



The impact of rising interest rates was first experienced in the **Perth** market, as the median house price declined by 2.2% over 2007/08 to \$445,000. This followed a period of growth whereby rises totalled 116% over the previous five years causing Perth to hit an affordability limit. The median house price continued to fall a further 6.1% in the six months to December 2008. The impact of the Global Financial Crisis was hardest felt in Perth on the resource sector. It is expected that increased first home buyer incentives and lower interest rates will see prices stabilise in the first half of 2009. However, with employment heavily reliant on the resources sector, there is likely to be little upside to prices in 2009-2011.

**Hobart's** median house price of \$325,000 for June quarter 2008 was the most affordable of the Australian capital cities and represented growth of 4.8% in the 12 months. As was the case with the rest of the nation, prices declined in the six months to December 2008 (-2.2%), although we expect lower interest rates and the First Home Owners Boost Scheme to support a modest increase (+1%) in the median house price by June 2009. Modest growth is expected in 2009/10 and 2010/11, with the Tasmanian economy expected to underperform in the medium term.

The median house price in **Canberra** grew by 9.6% in 2007/08, to \$467,500 at June 2008. Solid growth from 2005 to 2008 in a rising interest rate environment resulted in a significant deterioration of affordability. This has combined with the reduction in public spending (associated with the change in Federal Government at the end of 2007) to drive a 6% decline in the median in the second half of 2008. These influences will remain in the short-term and underpin a forecast 2% decline in the median house price in the first half of 2009, before some recovery over the following two years as economic growth and confidence returns.

Median house price growth in **Darwin** slowed to 7.2% in 2007/08, rising to \$423,300 at June 2008. Strong employment growth in the mining sector (which represents a significant proportion of the Northern Territory economy) has supported property prices in previous years. However, with the turnaround in the direction of the global economy and falls in commodity prices, the median house price increased by only 2.2% over the 6 months to December 2008. A decline of 1% is forecasted in the first half of 2009, before stabilisation of the economic outlook sees modest price growth return in 2009/10 and 2010/11.

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**Table 4: Median house prices by capital city**

Source: R.E.I.A, BIS Shrapnel, Australian Bureau of Statistics

Quarter ended June	Sydney		Melbourne		Brisbane**		Adelaide	
	\$'000	% Var	\$'000	% Var	\$'000	% Var	\$'000	% Var
1996	220.0	3.3	155.0	3.3	130.0	0.0	111.5	-1.1
1997	241.0	9.5	179.0	15.5	134.0	3.1	114.9	3.0
1998	272.0	12.9	208.0	16.2	139.0	3.7	120.3	4.7
1999	296.0	8.8	232.0	11.5	145.0	4.3	125.0	3.9
2000	337.0	13.9	264.0	13.8	155.0	6.9	135.0	8.0
2001	364.0	8.0	302.0	14.4	160.0	3.2	148.4	9.9
2002	452.0	24.2	330.5	9.4	185.0	15.6	170.0	14.6
2003	519.0	14.8	355.0	7.4	235.0	27.0	220.0	29.4
2004	552.0	6.4	365.0	2.8	307.3	30.7	250.0	13.6
2005	528.0	-4.3	360.0	-1.4	315.0	2.5	275.0	10.0
2006	526.8	-0.2	371.1	3.1	326.0	3.5	287.0	4.4
2007	532.6	1.1	415.0	11.8	366.3	12.4	312.8	9.0
2008	547.6	2.8	450.0	8.4	420.0	14.7	370.0	18.3
Dec-08*	536.0	-2.1	426.0	-5.3	405.1	-3.6	360.0	-2.7
<b>Quarterly</b>								
Jun-09*	525.0	-2.1	437.0	2.6	391.0	-3.5	360.0	0.0
2010	535.0	1.9	454.0	3.9	400.0	2.3	370.0	2.8
2011	575.0	7.5	491.0	8.1	425.0	6.3	395.0	6.8

\*: var in December 2008 and 2009 data represents a six month increase

\*\* median price in some capitals based on growth in ABS price index as all data has not yet been published.

Perth		Hobart**		Canberra**		Darwin**	
\$'000	% Var	\$'000	% Var	\$'000	% Var	\$'000	% Var
127.0	-0.8	112.0	6.7	168.0	-6.7	158.0	3.9
135.0	6.3	105.0	-6.3	178.0	6.0	155.0	-1.9
143.3	6.1	107.0	1.9	180.0	1.1	160.0	3.2
148.5	3.6	115.0	7.5	176.0	-2.2	158.0	-1.3
157.8	6.3	130.0	13.0	190.4	8.2	184.0	16.5
165.7	5.0	120.3	-7.5	187.0	-1.8	203.0	10.3
185.7	12.1	130.0	8.1	200.0	7.0	227.6	12.1
210.2	13.2	180.0	38.5	206.0	3.0	320.0	40.6
255.0	21.3	252.0	40.0	255.0	23.8	372.4	16.4
295.0	15.7	260.0	3.2	279.8	9.7	352.5	-5.3
400.0	35.6	277.0	6.5	350.0	25.1	380.1	7.8
455.0	13.8	310.0	11.9	426.5	12.2	395.0	12.9
445.0	-2.2	325.0	4.8	467.5	9.6	423.3	7.2
418.0	-6.1	317.7	-2.2	438.0	-6.3	432.8	2.2
420.0	0.5	320.0	0.7	430.0	-1.8	430.0	-0.7
425.0	1.2	330.0	3.1	445.0	3.5	440.0	2.3
440.0	3.5	345.0	4.5	475.0	6.7	460.0	4.5



Imi talk

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