



50 years  
For the  
community  
creators

# Urban Intelligence

Monthly economic and WA property market analysis  
September 2023

UDIA WA Principal Research Partners



# Key Trends

Economy	Current M/Q	Current Figure	M/Q Change	YoY Change
Official Cash Rate Target (RBA)	Sep	4.10	0%	0.3 bps
Owner Occupier Variable Mortgage Rate (RBA)	Aug	8.52	0%	0 bps
Retail Turnover - WA, total industry (ABS, seasonally adjusted)	Jul	\$3.61b	-0.4%	3.6%
Unemployment Rate - WA (ABS, seasonally adjusted)	Aug	3.8%	0.3%	0.7%
Underemployment Rate - WA* (ABS, seasonally adjusted)	Aug	6.1%	0.1%	0.0%
Estimated Resident Population - WA (ABS)	Mar	2,829,589	0.7%	2.4%
WA State Final Demand (ABS)	Jun	\$59.3b	0.4%	3.7%
Consumer Price Index - Greater Perth (ABS)	Jun	131.5	1.1	6.1
Consumer Price Index - Greater Perth Housing (ABS)	Jun	136.1	0.6	6.5
Wage Price Index - WA (ABS)	Jun	144.5	1.2	5.8

Residential Land Development	Current M	Current Figure	M/Q Change	YoY Change
Average weekly sales for the month (UDIA Land Snapshot)	Sep	159	9.3%	61.4%

Residential Construction	Current M/Q	Current Figure	M/Q Change	YoY Change
Total Number of Dwelling Unit Approvals - WA (total residential)* (ABS)	Jul	1,014	-9.3%	-15.5%
Number of House Approvals - WA* (ABS)	Jul	972	1.3%	-14.6%
Number of Semi-detached Approvals - WA* (ABS)	Jul	32	-30.4%	-40.7%
Number of Multi-res. Approvals, all sectors - WA* (ABS)	Jul	10	-91.1%	25.0%
Dwelling Commencements - WA, New Houses* (ABS)	Mar	2,789	-32.9%	-23.4%
Dwelling Completions - WA, New Houses* (ABS)	Mar	3,004	-19.4%	9.7%

Data is correct as of 26 September 2023

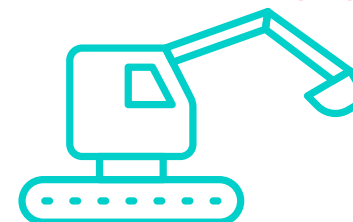
\*Original numbers

^ Finance Commitments, excluding refinancing



Monthly house approvals -  
Greater Perth

**-33%** Long Run Average



Quarterly dwelling commencements  
New Houses - WA

**-23.4% YoY**



Average Weekly Land Sales

**+9.3% MoM**

# Key Trends

Property Finance	Current M/Q	Current Figure	M/Q Change	YoY Change
Construction of New Owner Occupier Dwellings – WA*^ (ABS)	Jul	406	-25.0%	-32.2%
Purchase of New Build Owner Occupier Dwellings – WA*^ (ABS)	Jul	158	5.3%	5.3%
Purchase of Owner Occupier Residential Land – WA*^ (ABS)	Jul	154	-27.0%	-20.6%
FHOG Applications – WA* (WA Treasury)	Aug	333	34.3%	-20.1%
FHOG Paid – WA* (WA Treasury)	Aug	321	15.9%	-35.8%

Residential Property Market	Current M/Q	Current Figure	M/Q Change	YoY Change
Total for Sale Property Listings – Perth: 4 week count (CoreLogic)	May	11,116	-11.9%	-23.3%
Median House Price – Perth (CoreLogic) (\$)	Jun	565,000	0.9%	5.6%
House Sales (last 12 months) Perth (CoreLogic)	Jun	39,041	-0.9%	-5.5%
Median Unit Price – Perth (CoreLogic) (\$)	Jun	400,000	0.0%	-1.5%
Unit Sales (last 12 months) Perth (CoreLogic)	Jun	11,200	1.1%	0.0%
Median Land Price – Perth (UDIA) (\$)	Jun	243,651	0.6%	0.2%
Land Sales – Perth (UDIA)	Jun	1,931	46.1%	16.7%

Residential Rental Market	Current M/Q	Current Figure	M/Q Change	YoY Change
Median House Rent (per week) – Perth (CoreLogic)	Aug	\$620	1.17%	16.07%
Median Unit Rent (per week) – Perth (CoreLogic)	Aug	\$546	1.20%	19.55%
Vacancy Rate – Houses – Perth (CoreLogic)	Aug	0.6%	-14.94%	-32.18%
Vacancy Rate – Units – Perth (CoreLogic)	Aug	0.6%	-24.87%	-52.34%

Data is correct as of 26 September 2023

\*Original numbers

^ Finance Commitments, excluding refinancing



Median House Price – Perth

**\$565,000**



First Home Owner Grant Paid – WA

**-35.8% YoY**



Rental vacancy rate – Perth

**0.6%**



# UDIA WA Feature Article

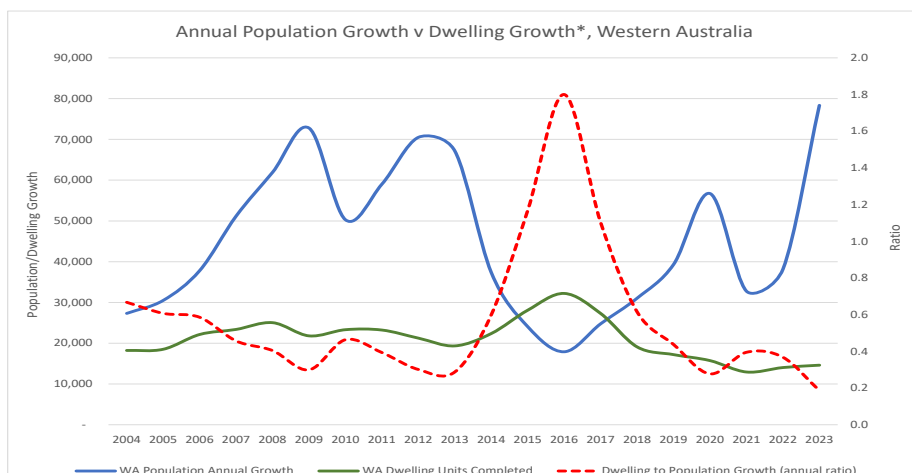
## WA's Record Population Growth to Place Further Pressure on Dwelling Supply Pipeline

The Australian Bureau of Statistics latest demographic data release on September 14 highlighted that Western Australia recorded a nation-leading annual population growth rate of 2.8% in the 12 months to March 2023 – easily eclipsing the national growth rate of 2.2%.

With a net addition of 78,300 people for the four quarters to March 2023, this was almost double the growth achieved in the preceding 12 months and is 72% higher than the long run average of circa 45,500 persons a year.

Underpinned by a upswell in overseas migration, the wicked problem facing WA is where will all these newly arrived people live? In recent months this Urban Intelligence column has regularly highlighted various indicators pointing toward an ongoing and severe retraction in forward dwelling supply; in an environment with record low levels of rental stock availability.

Western Australia's two-decade average annual dwelling completion volume is 21,000 new homes (inclusive of detached and attached residential stock). However, in the year ending March 2023 the State recorded 30% fewer homes than the long run average, with just 14,600 completions which follows five years of below average dwelling completion performance.



Source: Source: UDIA; ABS

\*Four Quarter Annuals to March

UDIA WA Urban Intelligence

While certain commentators have opined that the recent population surge may be short lived (reflecting a catch-up effect after the pandemic's border closures) it appears likely that WA will continue to attract above average population growth over the coming year or two (at least). This is related to the State's strong economic fundamentals as well our ongoing relative housing affordability, compared to the more populous East Coast states.

Comparison of WA's annual dwelling completions to population growth over the last twenty years highlights that an average dwelling to population ratio of 0.57 has been achieved. For the 12 months to March 2023, high population growth combined with low dwelling growth has driven the ratio down to just 0.19 which is the lowest dwelling/population growth annual ratio ever recorded in Western Australia.

While there are a variety of policy reforms and initiatives underway both in WA and nationally, given the long lead times to deliver supply on the ground, further urgent action is required now to respond to the growing housing crisis. It is expected that the pressures on our existing supply will continue to increase and that WA's current and growing population will remain under serviced by new dwelling supply for the foreseeable future. This will continue to place inevitable upward pressure on rents and for-sale pricing which will undermine WA's highly prized housing affordability credentials.

We trust you find this month's edition of Urban Intelligence of interest and value, and we are always keen to hear Member ideas for additional economic/property market reporting for future inclusion.

**Toby Adams**

**Executive Manager – Research (National & WA)**

For publication queries and feedback please email [tadams@udiawa.com.au](mailto:tadams@udiawa.com.au)

# Residential Land Development

UDIA WA Land Snapshot – September 23

159

Average lot sales per week

+9.3% MoM

+61.4% YoY

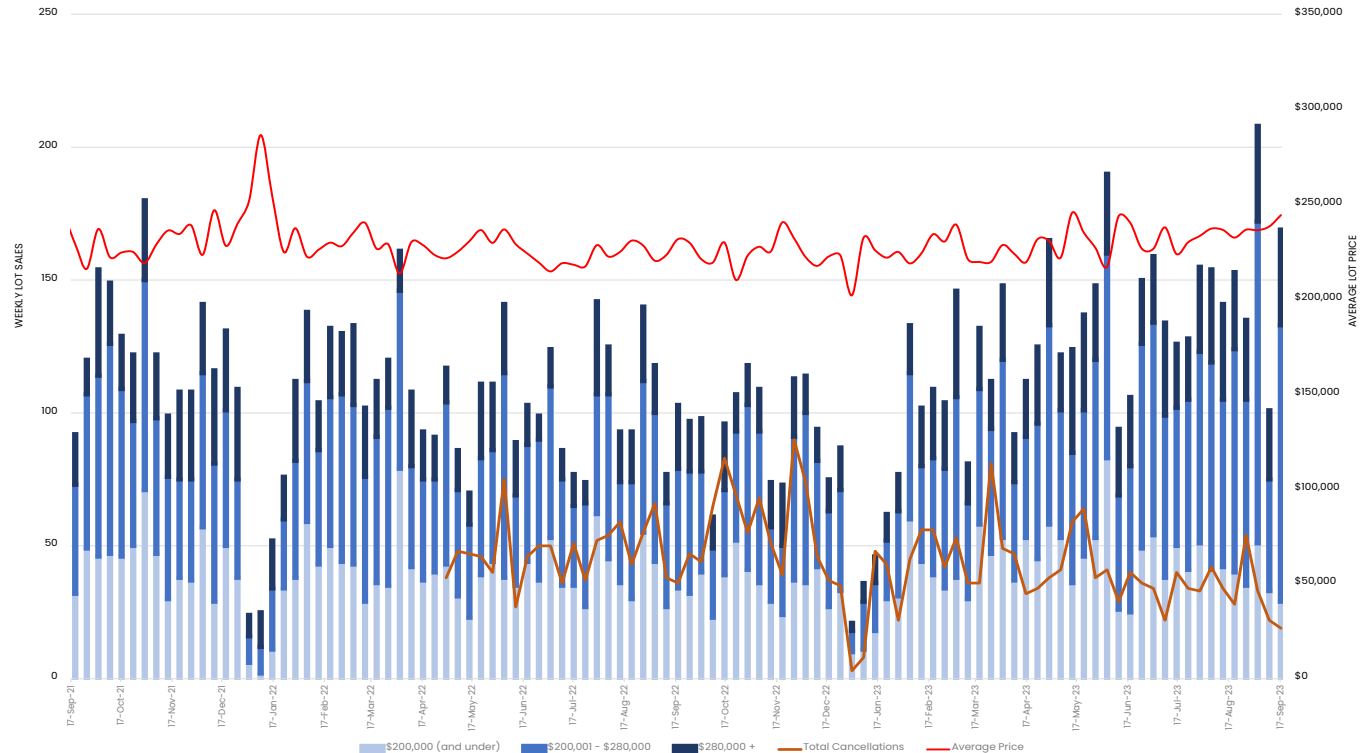
\$239,556

Average lot price

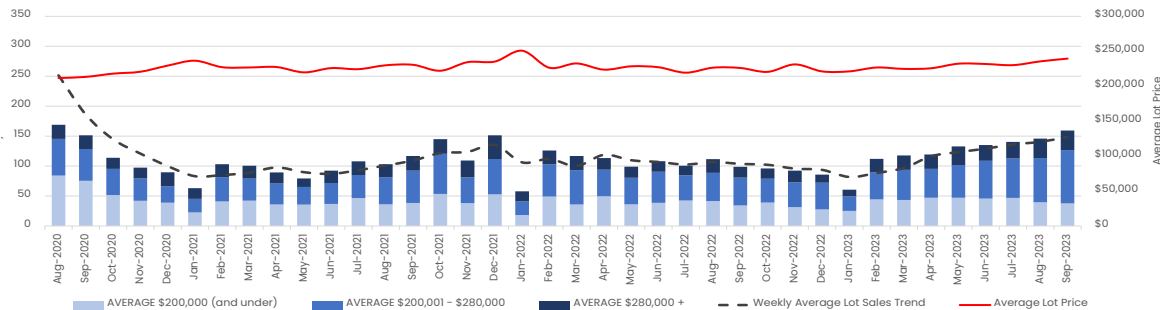
+1.7% MoM

+5.9% YoY

UDIA WA Weekly Land Snapshot Sales Data



UDIA WA Monthly Land Snapshot Sales Data - Average Weekly Sales Per Month



38

Average weekly  
lot sales priced  
\$200,000 & under

-4.6% MoM  
+10% YoY

31

Average weekly  
lot sales priced  
\$280,000 & over

+0.5% MoM  
+81.5% YoY

74

Total monthly  
cancellations

-53.2% MoM  
-60.4% YoY

# Residential Property Market

## Residential Property Transactions (CoreLogic)

Perth New Build Median  
Unit Price (May 23)

**\$430,000**

**-2% YoY**

25% lower than combined  
Capital City ave

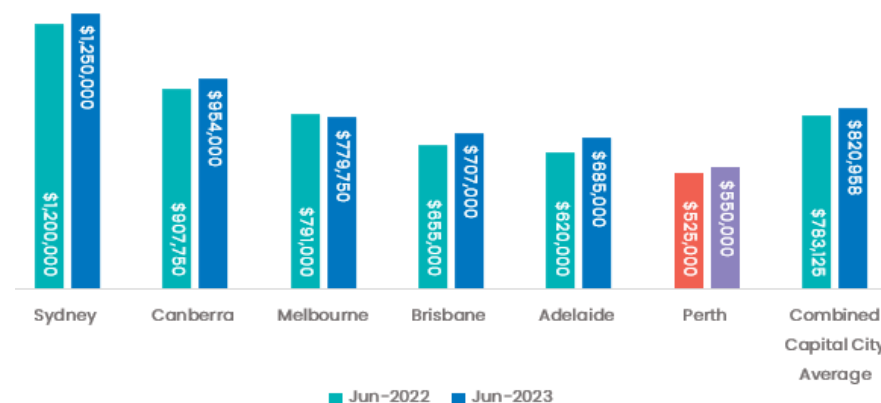
Perth New Build Median  
House Price (May 23)

**\$550,000**

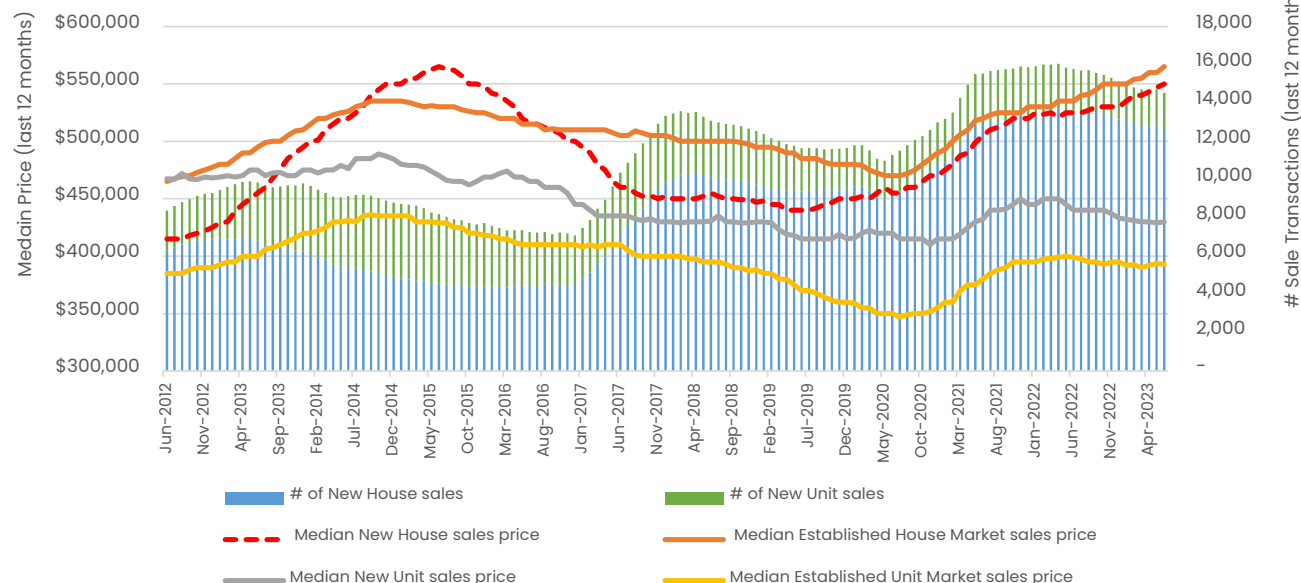
**+6% YoY**

33% lower than combined  
Capital City ave

Median New Build House Price, June '22 & June '23 (CoreLogic)



Greater Perth, New & Established Market House & Unit Sale Volumes & Median Pricing - Rolling 12 Month Average (CoreLogic)



**12,649**

Annual volume of new  
house sales in Perth across  
12 months to May 23

**-7% YoY**

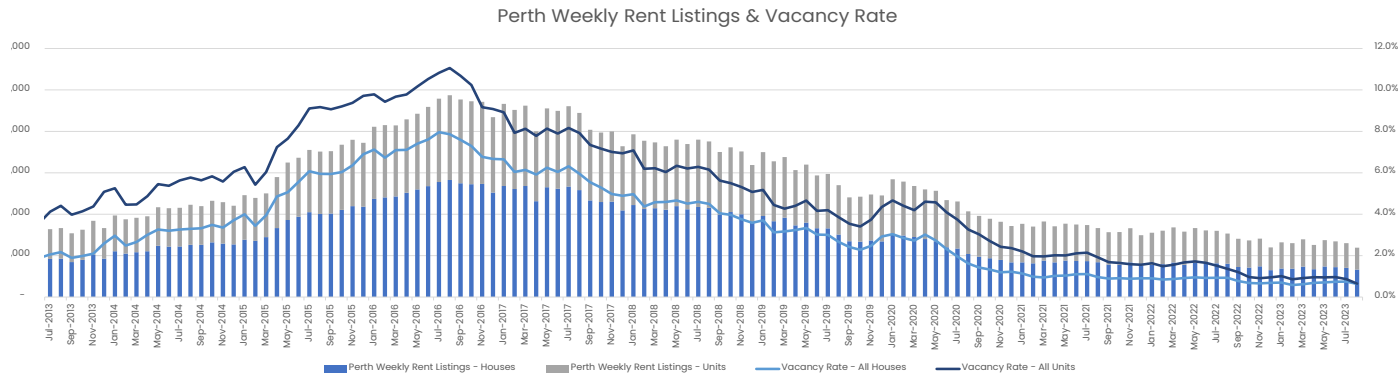
**1,882**

Annual volume of new unit  
sales in Perth across 12  
months to May 23

**-16% YoY**

# Residential Property Market

## Weekly Rental Listings (CoreLogic)



**0.6%**  
Rental vacancy rate in Perth

**3,304**

Average monthly rental listings for houses in Perth (Jul 23)

-6.2% MoM  
-17.7% YoY

**2,659**

Average monthly rental listings for units in Perth (Jul 23)

-10.6% MoM  
-17.7% YoY

**\$620 pw**

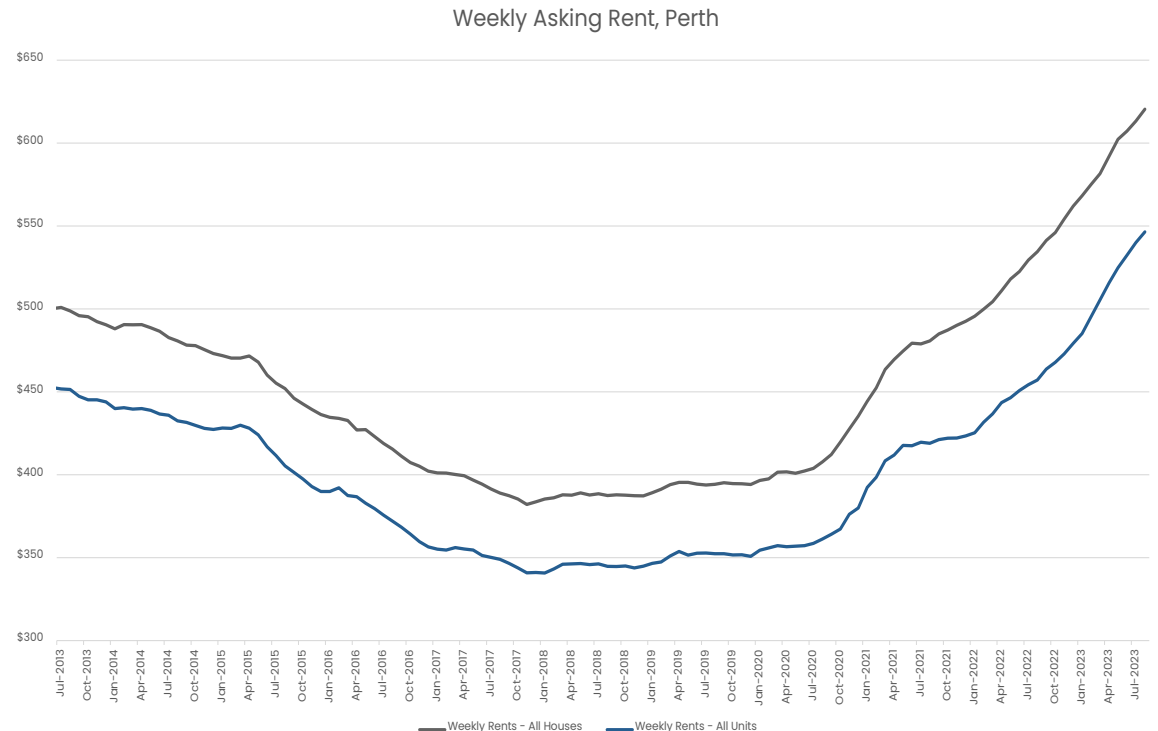
Median weekly rent for houses in Perth (Jul 23)

+1.2% MoM  
+16.1% YoY

**\$546 pw**

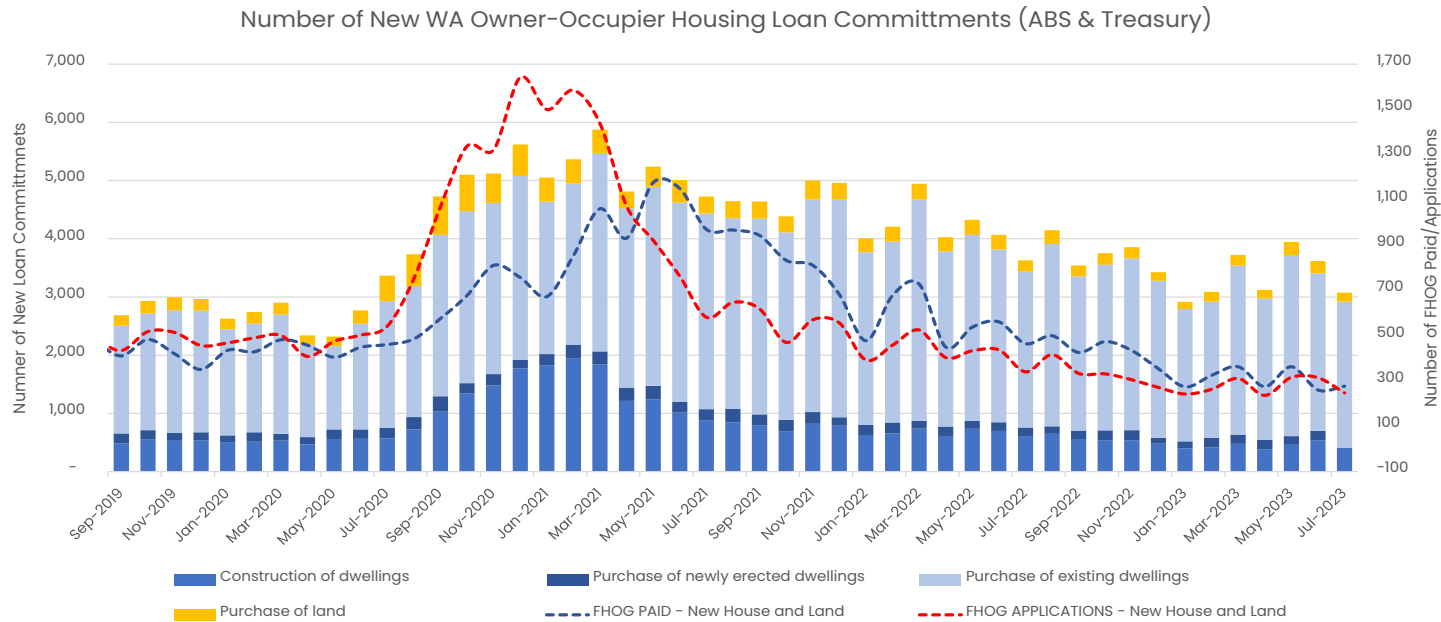
Median weekly rent for units in Perth (Jul 23)

+1.2% MoM  
+19.5% YoY



# Residential Property Market

## Owner Occupier Lending Activity



May owner occupier lending volumes for established market properties was

**-13% down**

on rolling 12 month average

**3,429**

Total new housing loan commitments - WA

-11% MoM  
-11% YoY

**406**

New dwelling construction loan commitments - WA

-25% MoM  
-32% YoY

**154**

Purchase of residential land loan commitments - WA

-27% MoM  
-21% YoY

**277**

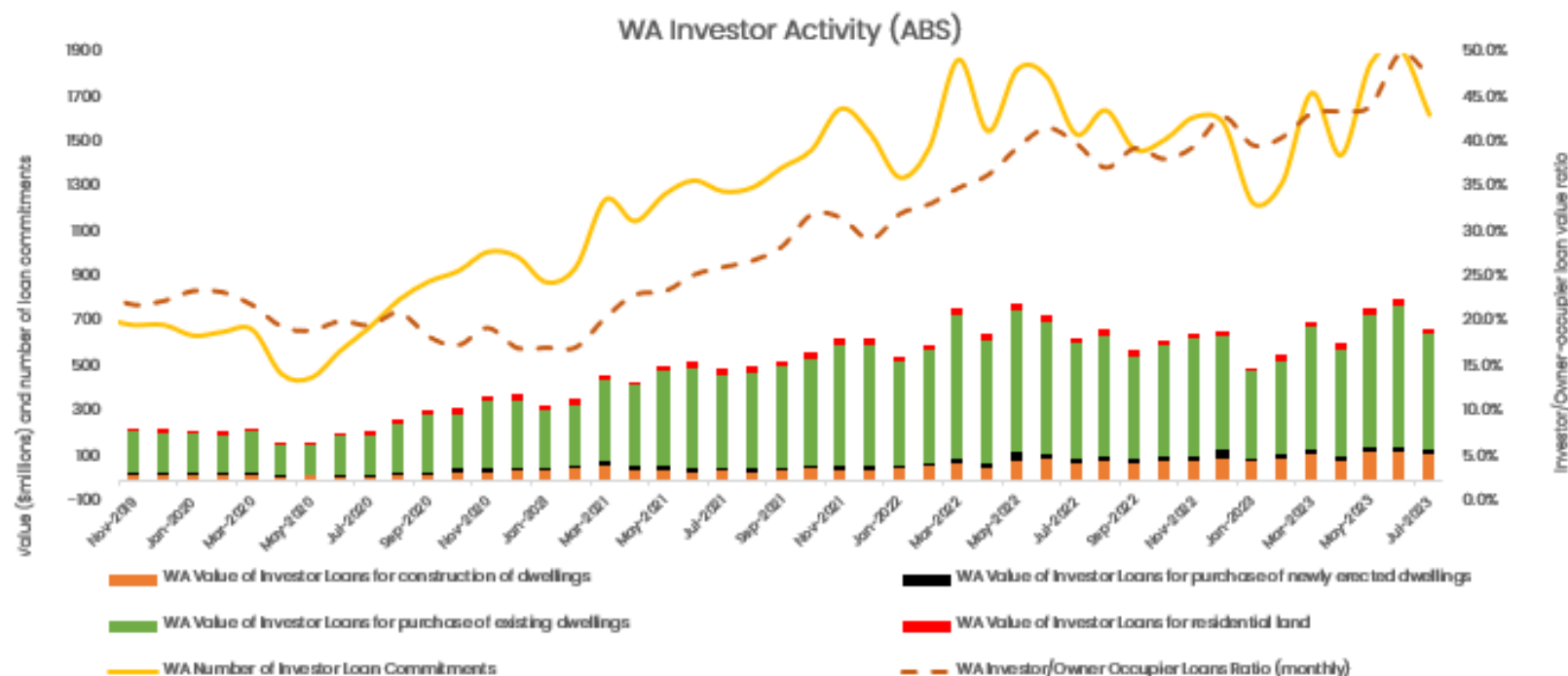
First Home Buyer Grants paid for new house and land packages

+6.5% MoM  
-40% YoY



# Residential Property Market

## Investor Lending Activity



**15,059**

Number of investor new  
loan commitments –  
National

**-13.9% MoM**  
**-10.8% YoY**

**\$8.6 b**

Value of new investor  
loan commitments –  
National

**-11.1% MoM**  
**-6.8% YoY**

**1,631**

Number of Investor new  
loan commitments –  
WA

**-15.4% MoM**  
**+5.6% YoY**

**\$687.4 m**

Value of new investor  
loan commitments –  
WA

**-16.8% MoM**  
**+6.7% YoY**

# Residential Property Settlements

## May 2023: Monthly Settlements by Metropolitan Corridor

	Settlements (#)	Median Land Area (sqm)	Median Price (\$)
North-West Metro	604	501	\$560,000

Detached House	466	601	\$620,000
Medium Density	150	223	\$475,000
Vacant Land	101	374	\$250,000

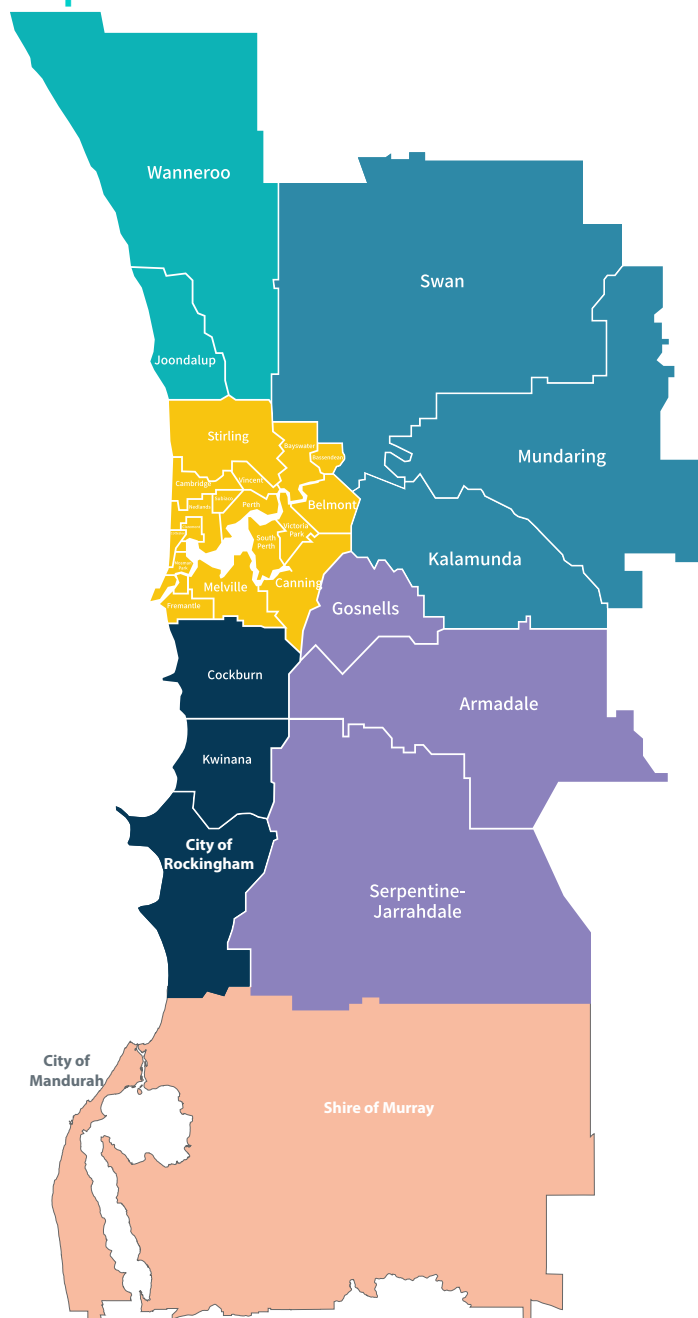
	Settlements (#)	Median Land Area (sqm)	Median Price (\$)
Central Metro	1632	246	\$600,000

Detached House	565	688	\$969,000
Medium Density	1219	164	\$500,000
Vacant Land	89	406	\$475,000

	Settlements (#)	Median Land Area (sqm)	Median Price (\$)
South-West Metro	629	493	\$488,000

Detached House	514	610	\$535,000
Medium Density	174	181	\$418,750
Vacant Land	71	375	\$253,000

Note: Settlement figures are based on Landgate data available at the time of publication and may not represent all settlements during the period. Data is based on settlements with a land area of 2,000sqm and under.



	Settlements (#)	Median Land Area (sqm)	Median Price (\$)
North-East Metro	374	477	\$485,000

Detached House	287	570	\$550,000
Medium Density	85	201	\$370,000
Vacant Land	78	375	\$277,000

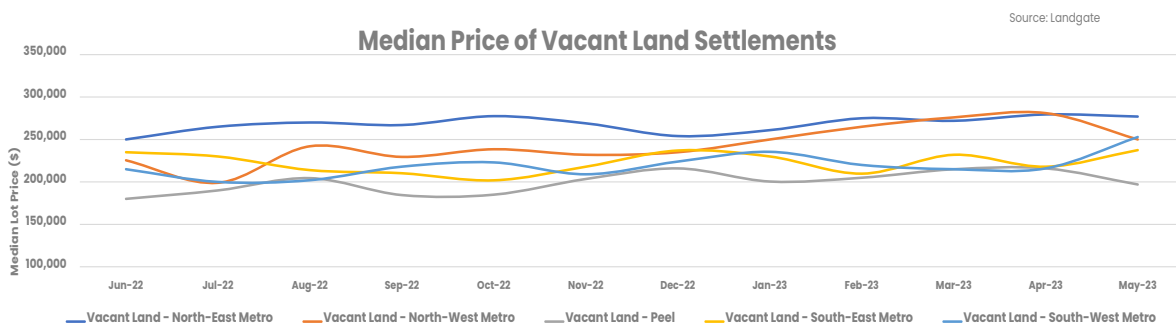
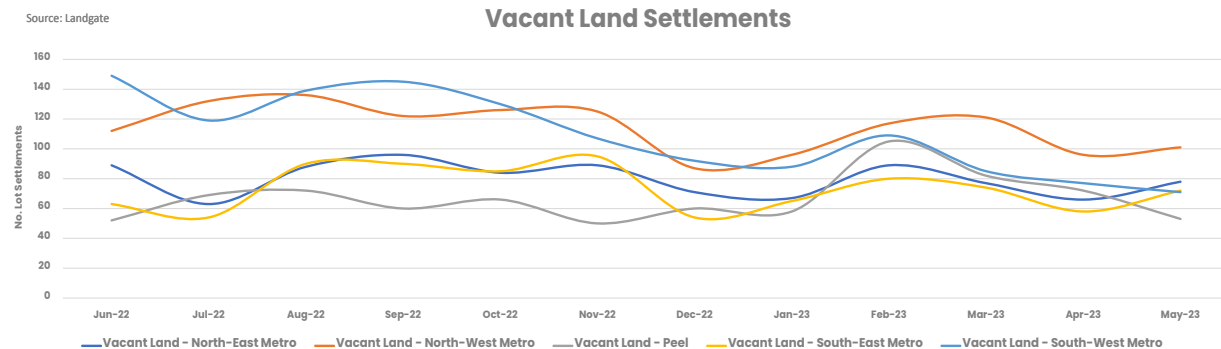
	Settlements (#)	Median Land Area (sqm)	Median Price (\$)
South-East Metro	418	480	\$436,500

Detached House	335	680	\$491,000
Medium Density	138	230	\$335,000
Vacant Land	72	399	\$237,500

	Settlements (#)	Median Land Area (sqm)	Median Price (\$)
Peel	312	554	\$449,800

Detached House	210	664	\$510,000
Medium Density	89	233	\$382,000
Vacant Land	53	510	\$197,000

# Vacant Land Settlements



**5,318**

Vacant land settlements  
across Greater Perth and  
Peel in 12 months to May  
2023

**-36% 12 month  
change**

**\$232,000**

Median price in vacant  
land settlements across  
Greater Perth and Peel in  
May 2023

**-1.6% 12 month  
change**

## Three Months to May 2023: WA Regional Property Settlements"

	Settlements (#)	Median Land Area (sqm)	Median Price (\$)
Gascoyne	50	783	\$330,000
Detached House	27	873	\$400,000
Medium Density	6	245	\$268,500
Vacant Land	17	726	\$200,000
Goldfields Esperance	358	759	\$312,500
Detached House	218	849	\$370,000
Medium Density	124	416	\$274,000
Vacant Land	16	800	\$179,500
Great Southern	348	736	\$432,500
Detached House	244	806	\$475,000
Medium Density	68	301	\$377,500
Vacant Land	36	830	\$146,500
Kimberley	45	609	\$380,000
Detached House	24	785	\$452,500
Medium Density	19	320	\$335,000
Vacant Land	2	832	\$80,000
Mid West	408	802	\$300,000
Detached House	289	813	\$350,000
Medium Density	65	311	\$255,000
Vacant Land	54	850	\$79,000
Pilbara	267	656	\$500,000
Detached House	171	720	\$560,000
Medium Density	75	253	\$399,000
Vacant Land	21	609	\$125,000
South West	1098	685	\$450,000
Detached House	752	744	\$495,000
Medium Density	218	301	\$402,500
Vacant Land	128	649	\$232,500
Wheatbelt	256	1,012	\$203,400
Detached House	186	1,012	\$250,000
Medium Density	18	507	\$345,000
Vacant Land	52	1,012	\$98,000

(Landgate)

# Corridor Snapshot

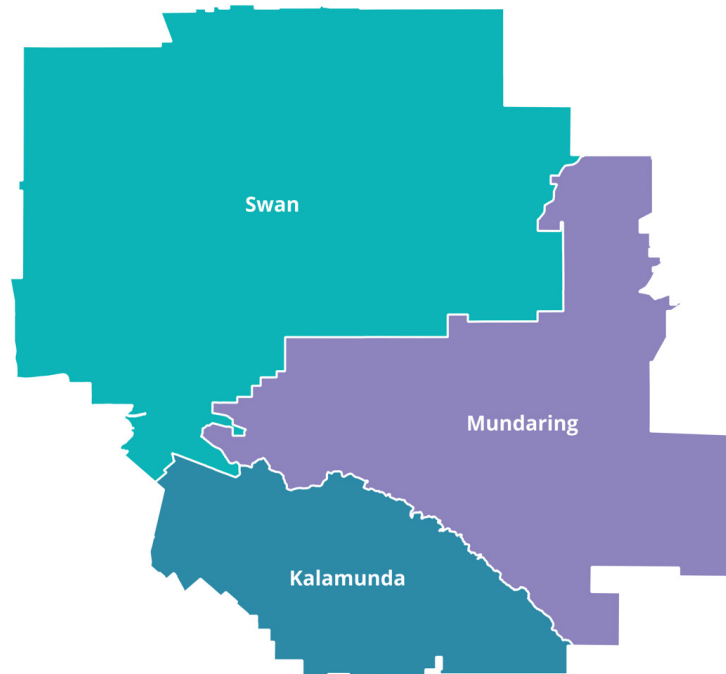
## North East Corridor, WA

12 months to May 2023 & YoY Change						
	Settlements (#)		Median Land Area (sqm)		Median Price (\$)	
Total North East	6,080	-18.8%	513	0.1%	475,000	10.5%
Detached House	4,984	1.2%	672	-0.4%	550,000	7.8%
Medium Density	1,759	122.7%	239	1.3%	370,000	5.7%
Vacant Land	1,366	-22.8%	375	-5.3%	272,000	7.3%

12 months to May 2023 & YoY Change						
	Settlements (#)		Median Land Area (sqm)		Median Price (\$)	
Kalamunda LGA	1,122	-16.2%	704	0.3%	564,000	7.4%
Detached House	1,752	70.9%	601	-23.6%	480,000	-14.3%
Medium Density	986	524.1%	188	-37.5%	355,000	-16.0%
Vacant Land	413	164.7%	375	0.0%	196,000	-31.2%

12 months to May 2023 & YoY Change						
	Settlements (#)		Median Land Area (sqm)		Median Price (\$)	
Mundaring LGA	791	-12.9%	2,000	-0.1%	630,000	8.4%
Detached House	651	-14.7%	2,021	0.1%	680,000	7.9%
Medium Density	68	28.3%	245	-22.4%	412,500	87.5%
Vacant Land	72	-21.7%	2,009	8.7%	362,500	6.6%

(Landgate)



# 6,080

Total settlements recorded for the North East Corridor in 12 months to May 2023

## -18.8% YoY

# \$475,000

Median vacant land price for the North East Corridor

## +10% YoY

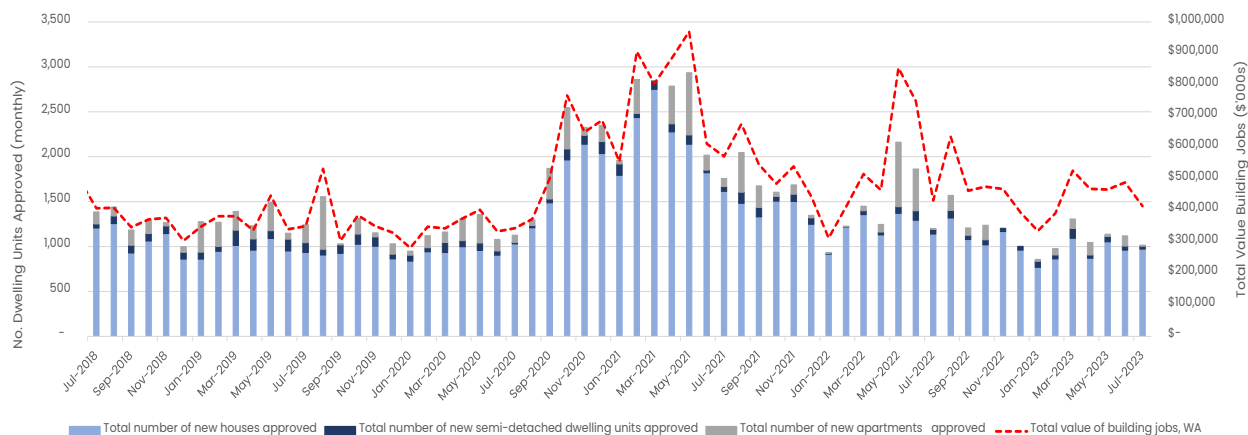
12 months to May 2023 & YoY Change						
	Settlements (#)		Median Land Area (sqm)		Median Price (\$)	
Swan LGA	4,167	-20.4%	443	-1.6%	430,000	11.7%
Detached House	2,581	-17.7%	521	-1.9%	507,000	9.0%
Medium Density	705	21.8%	221	-0.5%	350,000	4.5%
Vacant Land	881	-42.1%	375	-3.4%	269,000	9.8%

Note: Settlement figures are based on Landgate data available at the time of publication and may not represent all settlements during the period. Data is based on settlements with a land area of 2,000sqm and under.

# Residential Construction

## Building Approvals (ABS)

Monthly Number & Value of Dwelling Units Approved in New Residential Buildings, WA (ABS)



# 1,014

Total WA dwelling approvals in June

-9% MoM

-16% YoY



Houses

972

1% MoM

-15% YoY

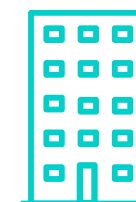


Semi-detached/row or terrace/townhouse

32

-30% MoM

-41% YoY



Apartments

112

10% MoM

25% YoY

# 12,513

National dwelling approval numbers in June

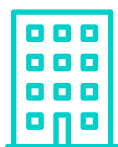
-12% YoY



Houses

8,214

-17% YoY

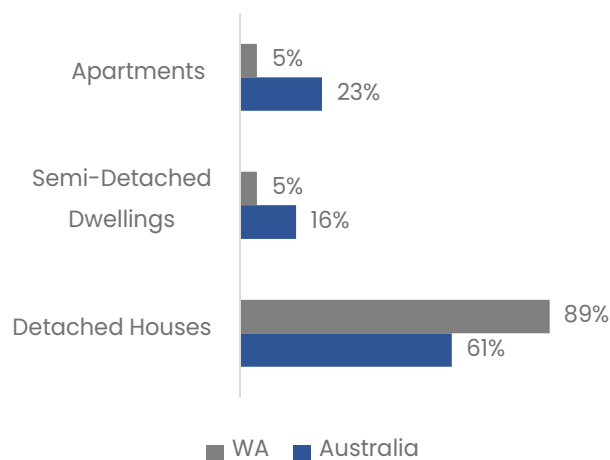


Excluding houses

4,299

1% YoY

Proportion of Dwelling Approvals by Type, Rolling 12 Month Average WA v Australia (to July 2023)





# Residential Construction

## Building Activity (ABS)

**3,107**

Volume of WA's new dwelling commencements in March 2023 quarter

-34% QoQ

-20% YoY

-42% Long run ave

**2,789**

Separate house commencements in March 2023 quarter

-33% QoQ

-24% YoY

-35% Long run ave

**314**

Other residential typology commencements in March 2023 quarter

-45% QoQ

+34% YoY

-71% Long run ave

**21,188**

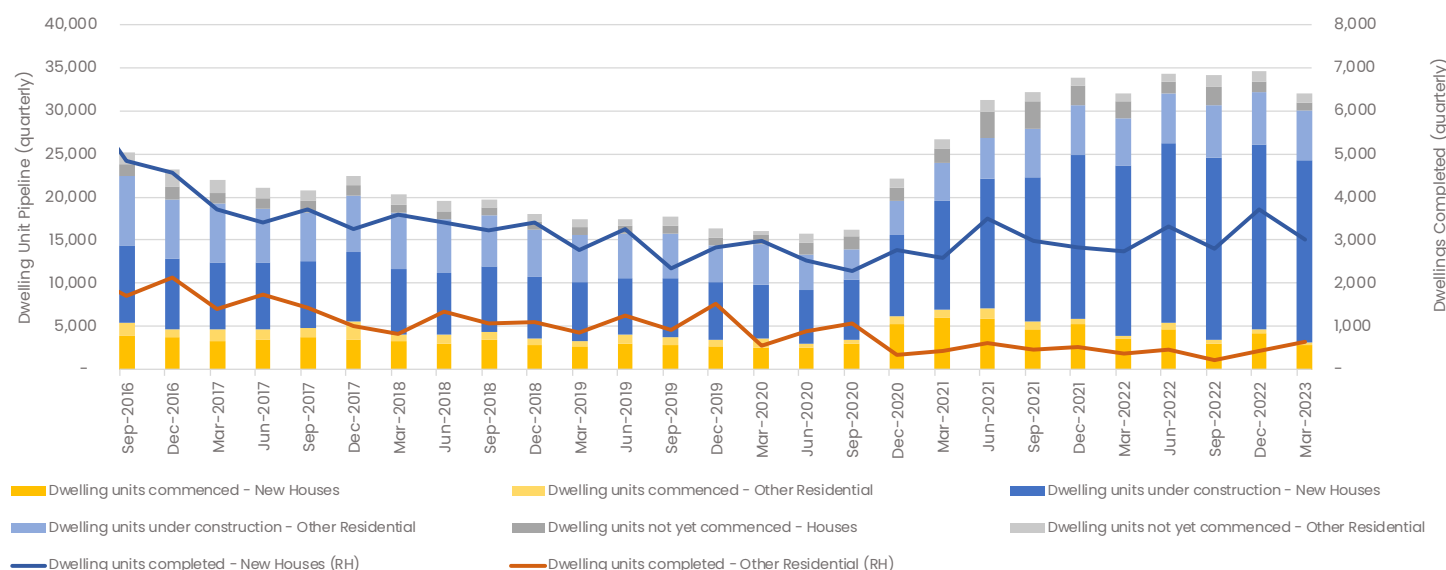
Detached houses under construction across WA in March 2023 quarter

-1% QoQ

+7% YoY

+83% Long run ave

WA Residential Building Activity & Pipeline (ABS)



# Economy

## Labour Force (ABS)



3.7%

Australia's unemployment rate in August

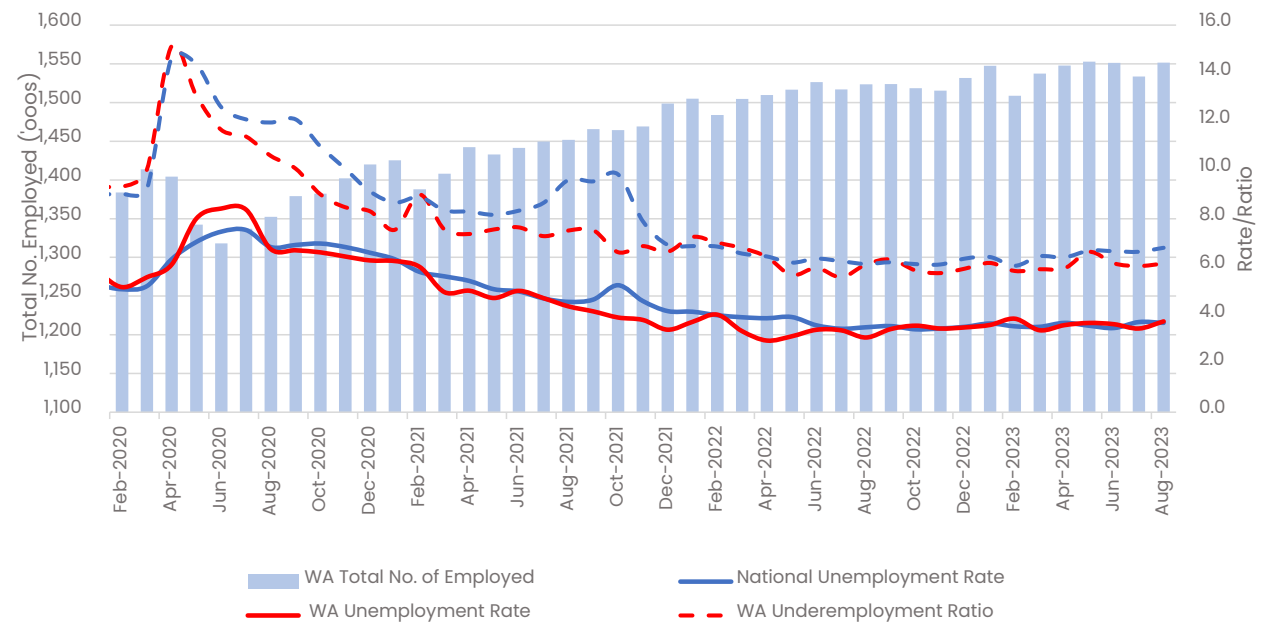


3.8%

WA's unemployment rate in August



WA & National Labour Force Snapshot (ABS)



Participation rate

National  
67%  
0.17% MoM

WA  
69.3%  
0.95% MoM

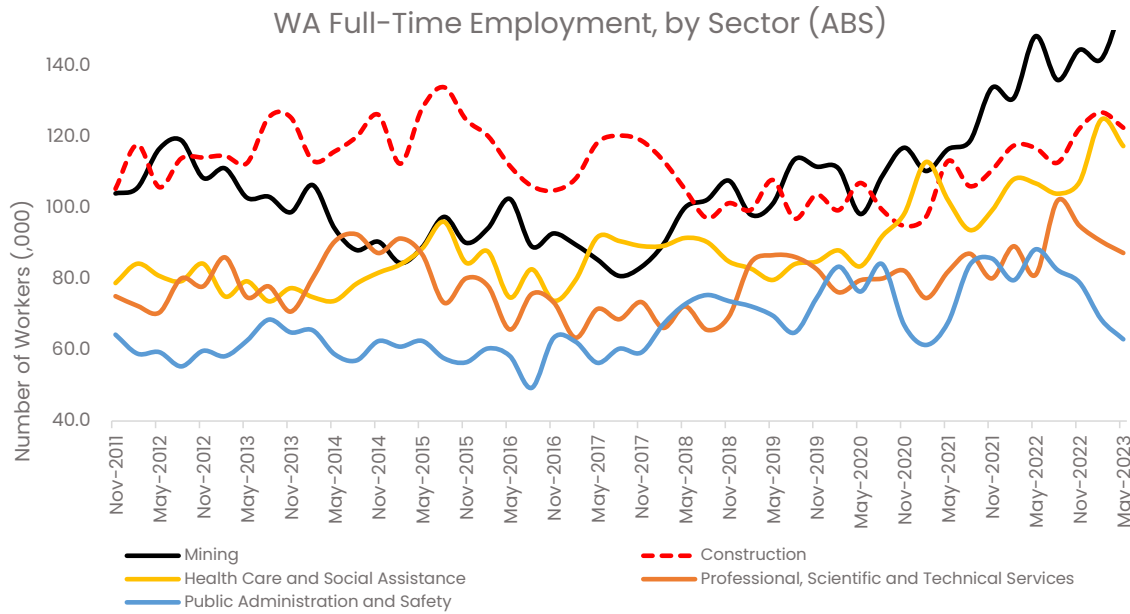
Underemployment rate

National  
6.8%  
2.49% MoM

WA  
6.1%  
1.7% MoM

# Economy

## Labour Force Detailed (ABS)



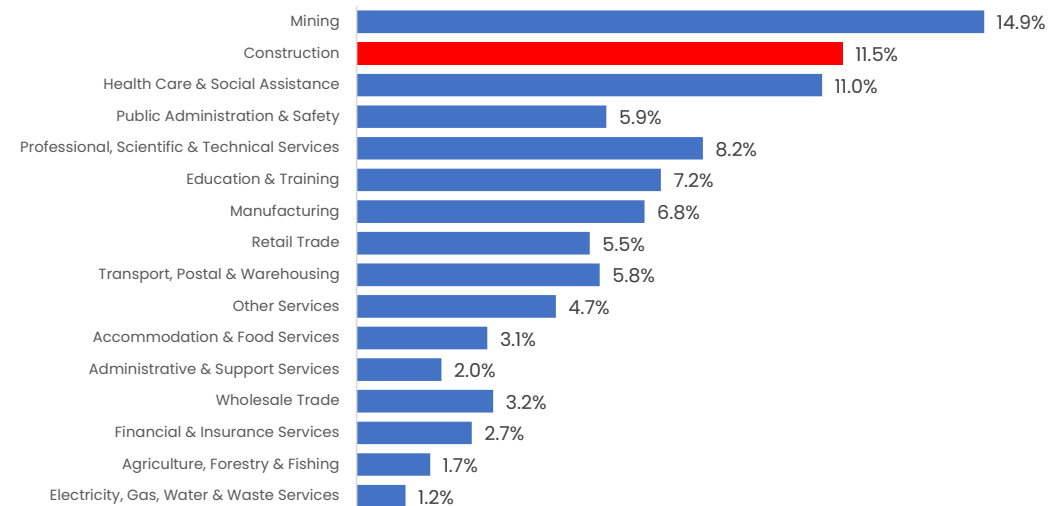
# 142,000

Total number of workers in the WA construction industry in the three months as at May 2023

-1.7% QoQ

+6.7% YoY

WA Full-Time Employment Industry Composition (May 2023) (ABS)



Proportion of Total Labour Force

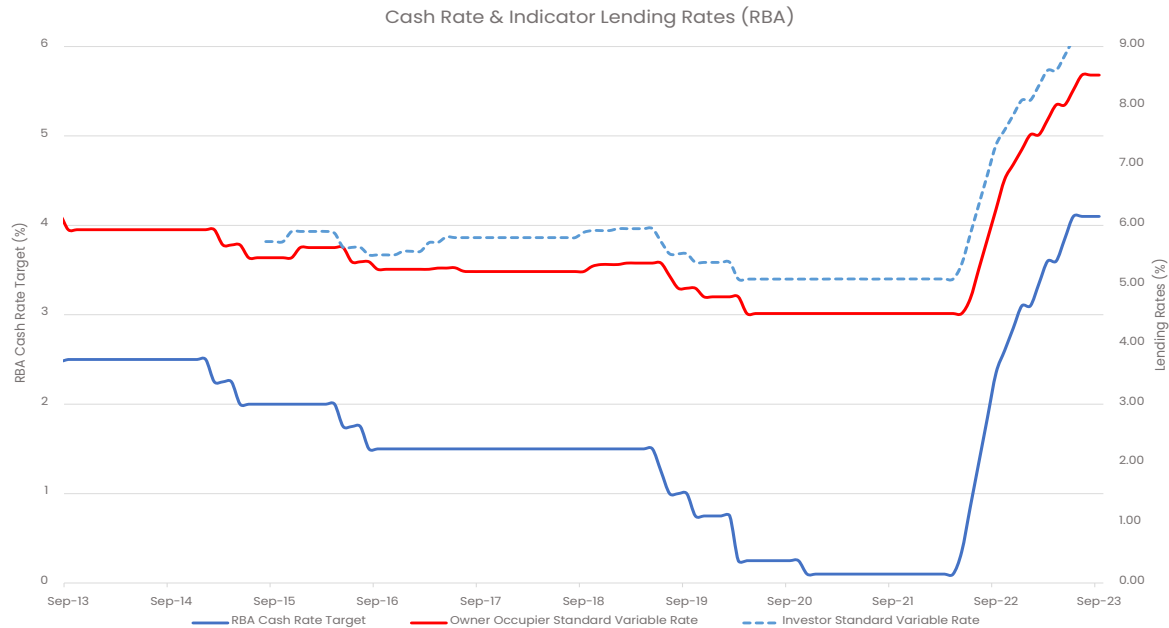


# 11.5%

Proportion of WA full employees working in construction, second highest industry for WA

# Economy

## Housing Rates & Cash Rate



**4.1%**

Cash rate target  
following RBA July  
Monetary Policy  
Meeting  
+/-0% MoM  
**+1.8% YoY**

**8.52%**

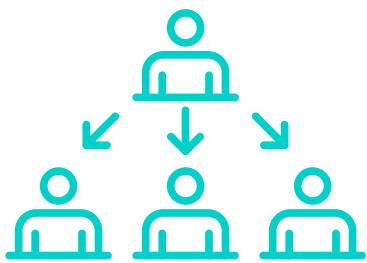
Owner-occupier  
variable interest rate  
+/-0% MoM

**Highest level  
since Sep 2008**

**9.10%**

Investor standard  
variable lending rate  
+/-0% MoM

**Highest level  
since Sep 2008**



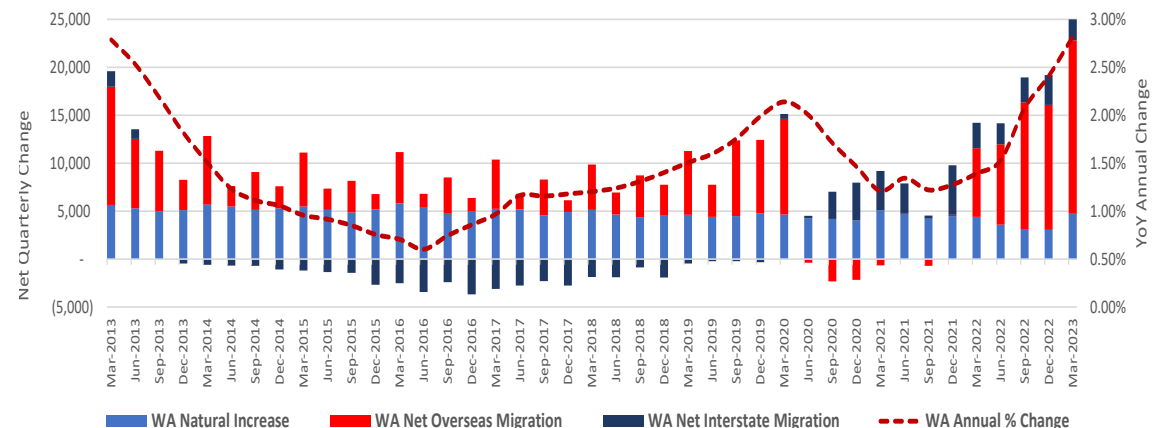
**26,005**

WA net population growth

**+35.46% QoQ**

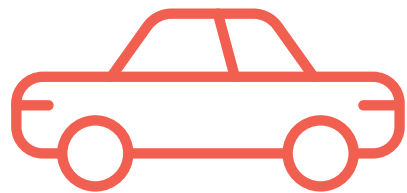
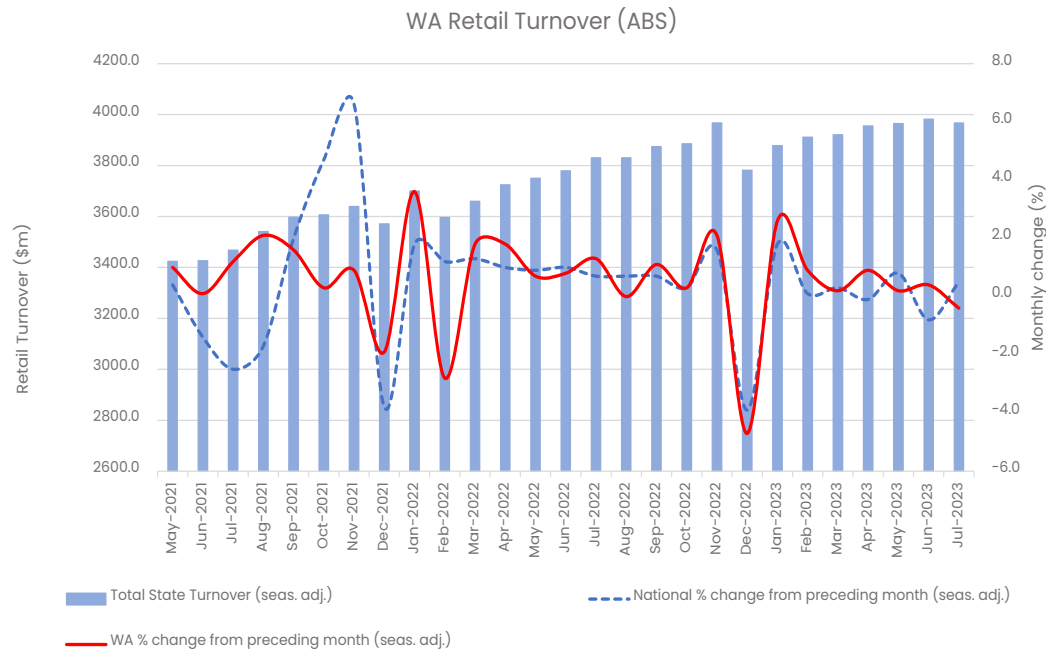
**Largest quantity  
growth in  
40 years**

WA Population Quarterly Growth by Component (ABS 3101)



# Economy

## Retail Trade (ABS 8501)



# 109,966

New Vehicle Sales sold in  
Australia in August 2023

## \$34 b

National retail turnover in June

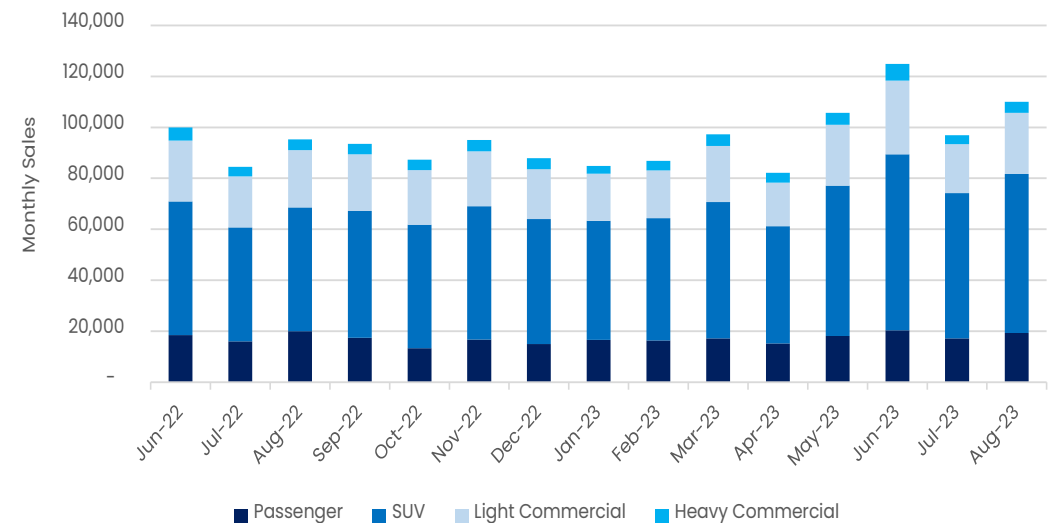
+0.6% MoM  
+1.4% YoY

## \$3.8 b

WA retail turnover in June

+1.4% MoM  
+3.4% YoY

New Vehicle Sales by Class, Australia (FCAI)







50 years  
For the  
community  
creators

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