



For the
community
creators

Urban Intelligence

Monthly economic and WA property market analysis
March 2024

UDIA WA Principal Research Partners



CoreLogic

Key Trends

Economy	Current M/Q	Current Figure	M/Q Change	YoY Change
Official Cash Rate Target (RBA)	Mar	4.4%	0%	75 bps
Owner Occupier Variable Mortgage Rate (RBA)	Feb	8.8%	0%	100 bps
Retail Turnover - WA, total industry (ABS, seasonally adjusted)	Jan	\$3.93b	0.7%	1.8%
Unemployment Rate - WA (ABS, seasonally adjusted)	Feb	3.6%	-0.7%	-0.4%
Underemployment Rate - WA* (ABS, seasonally adjusted)	Feb	6.6%	0.3%	0.7%
Estimated Resident Population - WA (ABS)	Sep Qtr	2,905,922	0.9%	3.3%
WA State Final Demand (ABS)	Dec Qtr	\$67.14b	0.8%	5.5%
Consumer Price Index - Greater Perth (ABS)	Dec Qtr	134	2.0	4.7
Consumer Price Index - Greater Perth Housing (ABS)	Dec Qtr	141.2	8.4	7.3
Wage Price Index - WA (ABS)	Dec Qtr	148.4	1.2	6.6

Residential Land Development	Current M	Current Figure	M/Q Change	YoY Change
Average weekly sales for the month (UDIA Land Snapshot)	Mar	209	-4.8%	77.2%

Residential Construction	Current M/Q	Current Figure	M/Q Change	YoY Change
Total Number of Dwelling Unit Approvals - WA (total residential)* (ABS)	Jan	1,262	5.2%	47.6%
Number of House Approvals - WA* (ABS)	Jan	923	-13.8%	20.3%
Number of Semi-detached Approvals - WA* (ABS)	Jan	53	-49.5%	-22.1%
Number of Multi-res. Approvals, all sectors - WA* (ABS)	Jan	286	1091.7%	1330.0%
Dwelling Commencements - WA, New Houses* (ABS)	Sep Qtr	3,060	-17.9%	11.7%
Dwelling Completions - WA, New Houses* (ABS)	Sep Qtr	4,401	20.1%	57.3%

Data is correct as of 26 March 2024

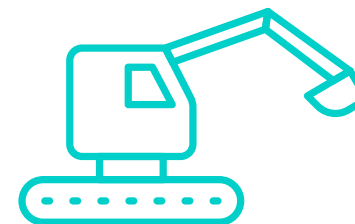
*Original numbers

^ Finance Commitments, excluding refinancing



Monthly house approvals -
Greater Perth

-37% Long Run Average



Quarterly dwelling commencements
New Houses - WA

+7% YoY



Average Weekly Land Sales

-5% MoM

Key Trends

Property Finance	Current M/Q	Current Figure	M/Q Change	YoY Change
Construction of New Owner Occupier Dwellings – WA*^ (ABS)	Jan	596	6.6%	47.9%
Purchase of New Build Owner Occupier Dwellings – WA*^ (ABS)	Jan	118	-32.2%	15.7%
Purchase of Owner Occupier Residential Land – WA*^ (ABS)	Jan	254	3.7%	108.2%
FHOG Applications – WA* (WA Treasury)	Feb	394	12.6%	49.2%
FHOG Paid – WA* (WA Treasury)	Feb	307	25.8%	-5.5%

Residential Property Market	Current M/Q	Current Figure	M/Q Change	YOY Change
Total for Sale Property Listings – Perth: 1 month count (CoreLogic)	Feb	6,398	5.1%	16.5%
Median House Price – Perth (CoreLogic) (\$)	Dec	600,000	0.8%	10.1%
House Sales (last 12 months) Perth (CoreLogic)	Dec	39,130	0.2%	-1.8%
Median Unit Price – Perth (CoreLogic) (\$)	Dec	417,500	0.6%	4.4%
Unit Sales (last 12 months) Perth (CoreLogic)	Dec	12,641	1.6%	16.7%
Median Land Price – Perth (UDIA) (\$)	Dec Qtr	266,195	3.4%	12.4%
Land Sales – Perth (UDIA)	Dec Qtr	2,440	10.8%	91.7%

Residential Rental Market	Current M/Q	Current Figure	M/Q Change	YOY Change
Median House Rent (per week) – Perth (CoreLogic)	Feb	\$658	1.47%	16.48%
Median Unit Rent (per week) – Perth (CoreLogic)	Feb	\$585	2.40%	20.19%
Vacancy Rate – Houses – Perth (CoreLogic)	Feb	0.7%	12.64%	-3.40%
Vacancy Rate – Units – Perth (CoreLogic)	Feb	0.7%	4.38%	-20.65%



Median House Price – Perth

\$600,000



First Home Owner Grant Paid – WA

-6% YoY



Rental vacancy rate – Perth

0.7%

Data is correct as of 26 March 2024

*Original numbers

^ Finance Commitments, excluding refinancing

Optimism for WA Housing Market Prospects in 2024

UDIA's annual State of the Land report was officially launched at the UDIA National Congress in Melbourne last week. A key insight from the State of the Land's forensic 'health check' of capital city new housing markets is that there are serious concerns with the adequacy of the overall supply trajectory. On current evidence there is next to no chance that any State or Territory across the nation will be able to achieve the stretch targets included in the National Housing Accord to deliver 1.2 million new homes over the next five years.

Amongst this less than sanguine national picture of forward dwelling supply dynamics, one bright spot highlighted in the State of the Land was the outstanding performance across 2023 of Greater Perth's greenfield housing market, which was the only capital city market to record positive sales and release activity compared to 2022.

Drawing from exclusive greenfield intelligence from Research4's National Land Survey, the State of the Land highlighted that a total of 9,100 lot sales were recorded in 2023 across Greater Perth which was a 55% uplift on 2022 and was 13% higher than the decade average.

Scanning across key data points featured in this month's Urban Intelligence underscores the basis for positivity in the maintenance of supportive conditions for the new build home market in Western Australia across the balance of the 2024 calendar year.

UDIA's Weekly Land Snapshot reveals that across March and February 2024 there was average of 215 greenfield lot sales across Greater Perth which represents a 43% increase on the weekly average recorded across the previous six months and is elevated by 56% on the decade's weekly average. The strong buyer activity recorded across the final two quarters of 2023 seems to have ratcheted further upwards into the March quarter of 2024.

Investor lending also remains extremely strong with ABS data to January 2024 highlighting a 15% uplift in the rolling 12 month volume of investor loans with January loans being 51% higher than the volumes achieved in January 2023. Anecdotal evidence from UDIA WA's developer members highlights that a significant proportion of current investor activity continues to flow from the East Coast, and is showing little signs of abating. This is especially positive news for Perth's drum-tight rental market.

Greater Perth's new build detached house sale pricing grew 11% across the twelve months to December 2023 to \$590,000 according to CoreLogic. While this reflected the greatest annual growth rate across the capital cities, this current pricing level was still a 30% discount on the combined capital cities (\$842,590) underscoring the considerable affordability advantage that Perth continues to hold against the rest of the national capital city markets.



Read the UDIA State of the Land 2024 Report [here](#)

The volume of new homes under construction has now peaked as the backlog of stock concurrently being developed across the State continues to recede towards longer run averages as supply chain bottlenecks ease and builders clear existing contracts. This is welcome news and is corroborated by recent ABS data that highlighted that the average time for new dwelling completions continues to improve across WA.

And finally the demographic underpinnings to the forward demand profile continues to look especially robust with Western Australia recording the fastest population growth rate in the nation in the twelve months to September 2023 with an additional 93,600 persons added to the base population. While we can expect to see aggregate population growth over the coming quarters moderate, there is considerable optimism that overall population growth levels will remain well above long run averages on the back of WA's extremely strong economic fundamentals and enduring housing affordability advantages to all other capitals.

Whilst engaging with a range of developers and other UDIA members from other States at the recent UDIA Congress in Melbourne last week I encountered a reoccurring sentiment of expectations of on-going muted levels of new market activity across the Eastern Seaboard for the balance of 2024. This is the opposite expectation of most UDIA WA's developer members who anticipate another strong year here in the Golden State.

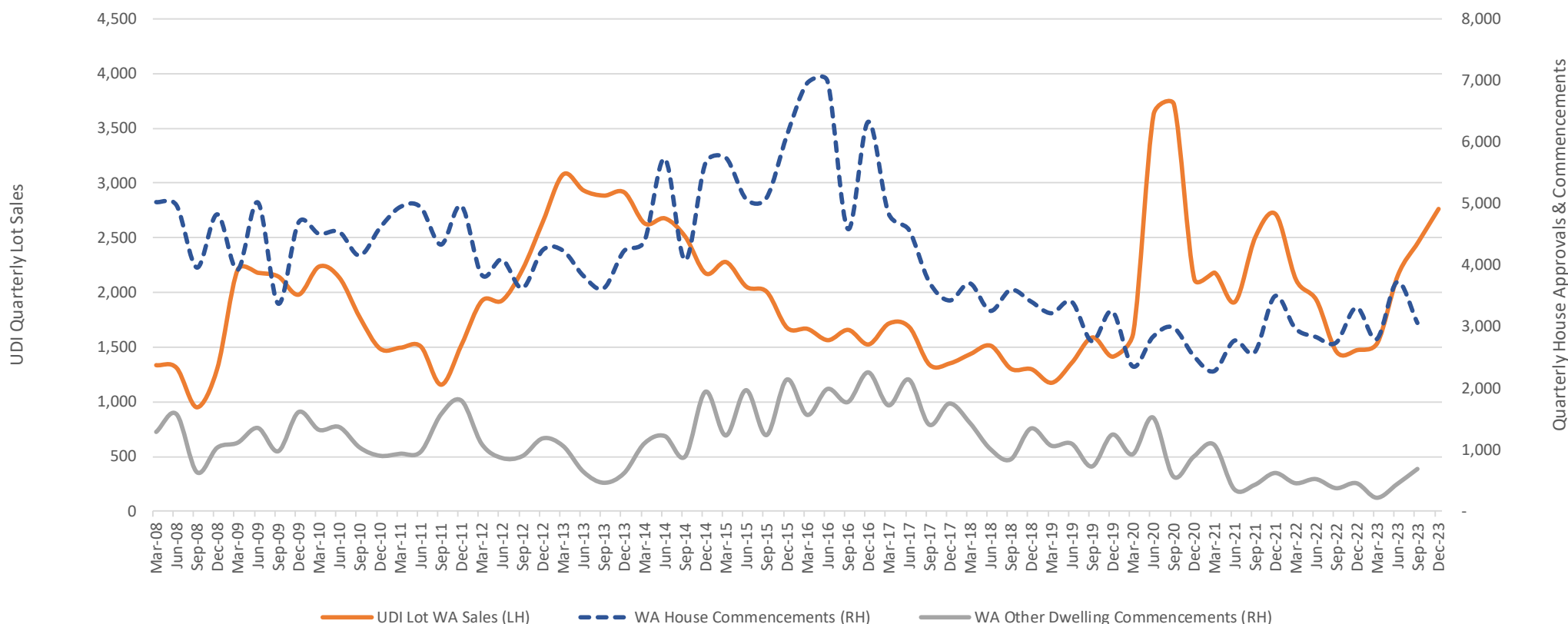
We trust you find this month's edition of Urban Intelligence of interest and value, and are always keen to hear member ideas for additional economic/property market reporting for future inclusion.

Warm regards,

Toby Adams, Executive Manager Research (National & WA)

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**UDIA WA Urban Development Index (UDI) Lot Sales,
New House Commencements & House Approvals (Quarterly): Western Australia**



Source: UDIA WA: ABS

Residential Land Development

UDIA WA Land Snapshot – January 24

209

Average lot sales per week

-4.8% MoM

+77.2% YoY

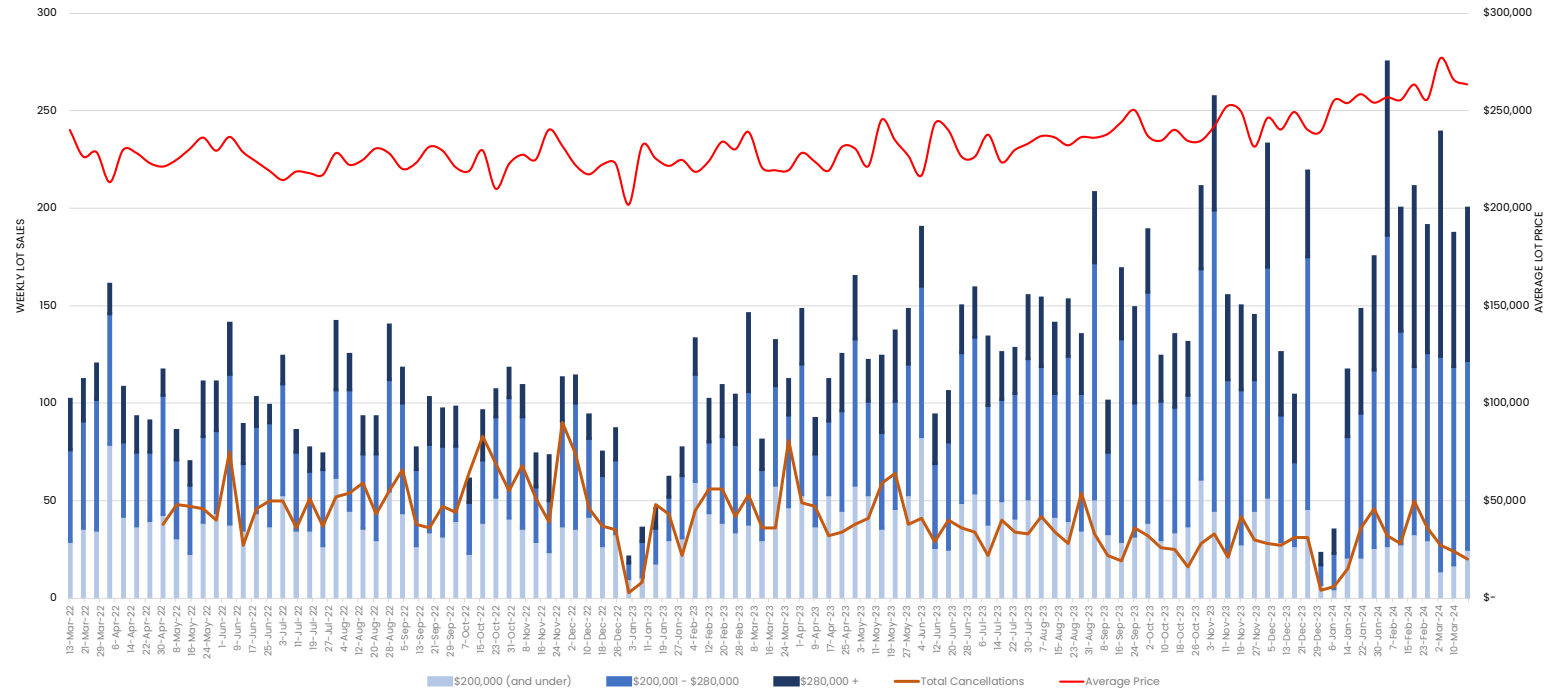
\$268,883

Average lot price

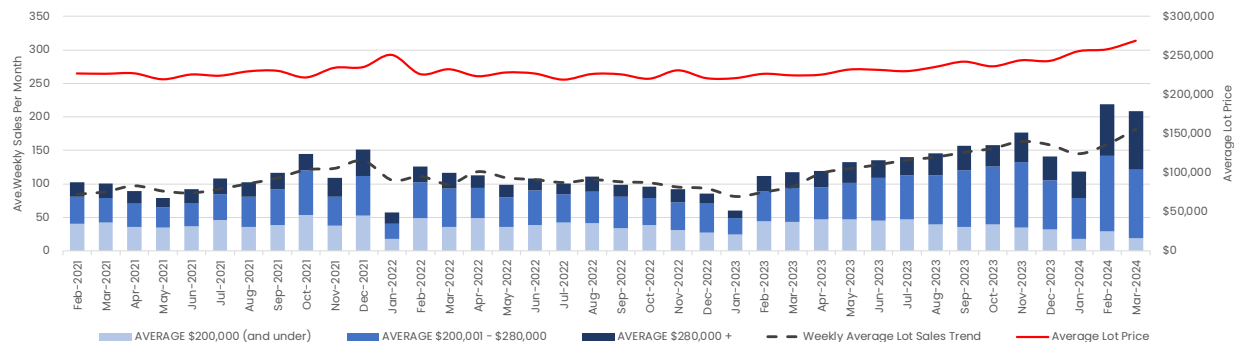
+4.2% MoM

+19.6% YoY

UDIA WA Weekly Land Snapshot Sales Data



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



19

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

-36.7% MoM
-56.8% YoY

87

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

+12.6% MoM
+262.5% YoY

71

Total monthly
cancellations

-51.4% MoM
-65.5% YoY

Residential Property Market

Residential Property Transactions (CoreLogic)

Perth New Build Median
Unit Price (Dec 23)

\$440,000

+1.1% YoY

28.1% lower than combined
Capital City ave

Perth New Build Median
House Price (Dec 23)

\$590,000

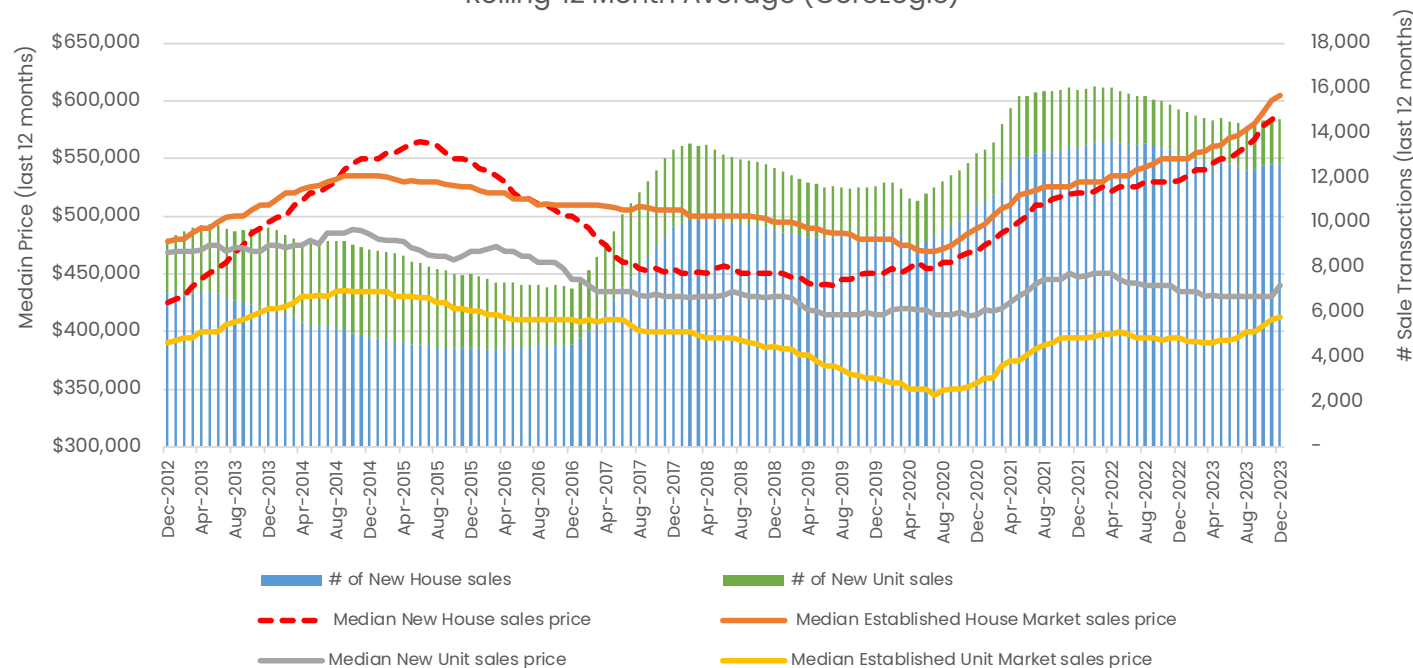
+11.2% YoY

32.4% lower than combined
Capital City ave

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



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



12,611

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

-3.3% YoY

1,985

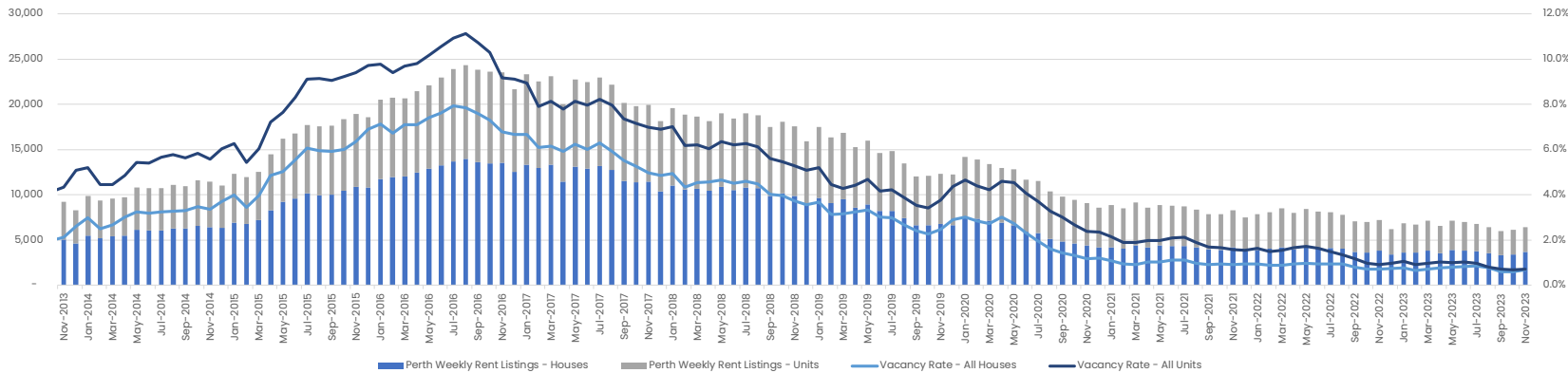
Annual volume of new unit
sales in Perth across 12
months to Dec 23

-1.1% YoY

Residential Property Market

Weekly Rental Listings (CoreLogic)

Perth Weekly Rent Listings & Vacancy Rate



0.7%

Rental vacancy rate
in Perth

3,689

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

+8.6% MoM

-3.0% YoY

2,709

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

+0.7% MoM

-20.3% YoY

\$658 pw

Median weekly rent for
houses in Perth (Feb 24)

+1.5% MoM

+16.5% YoY

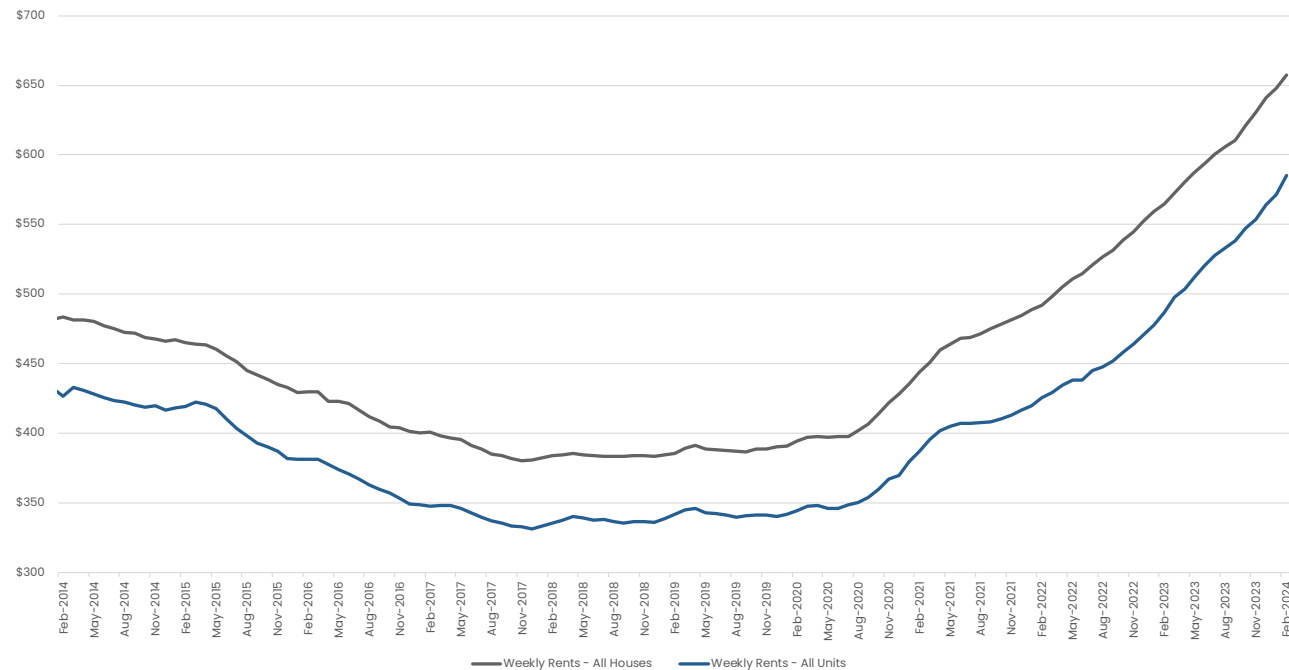
\$585 pw

Median weekly rent for
units in Perth (Feb 24)

+2.4% MoM

+20.2% YoY

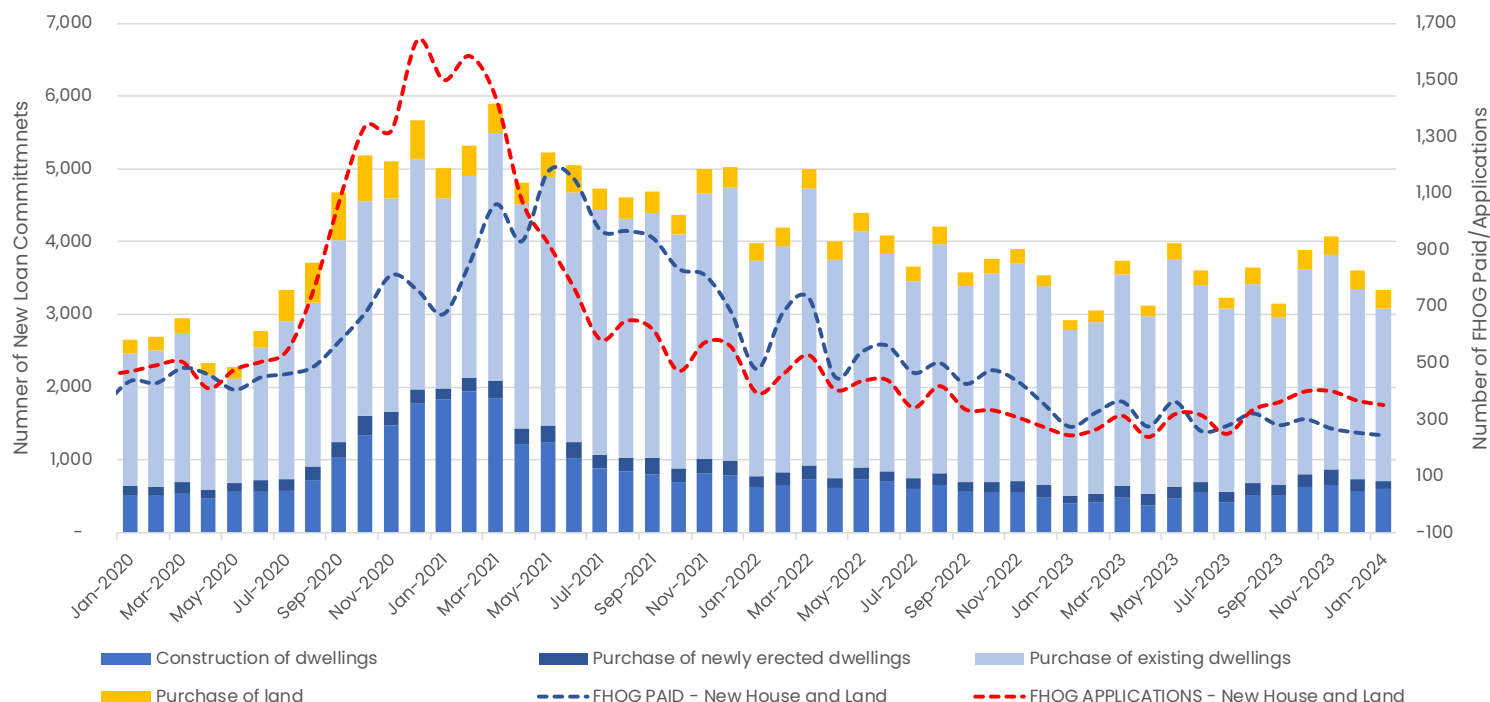
Weekly Asking Rent, Perth



Residential Property Market

Owner Occupier Lending Activity

Number of New WA Owner-Occupier Housing Loan Commitments (ABS & Treasury)



January owner occupier lending volumes for established market properties was

6.9% up

on rolling 12 month average

3,605

Total new housing loan commitments - WA

-6.7% MoM
+15.3% YoY

596

New dwelling construction loan commitments - WA

+6.6% MoM
+47.9% YoY

254

Purchase of residential land loan commitments - WA

+3.7% MoM
+108.2% YoY

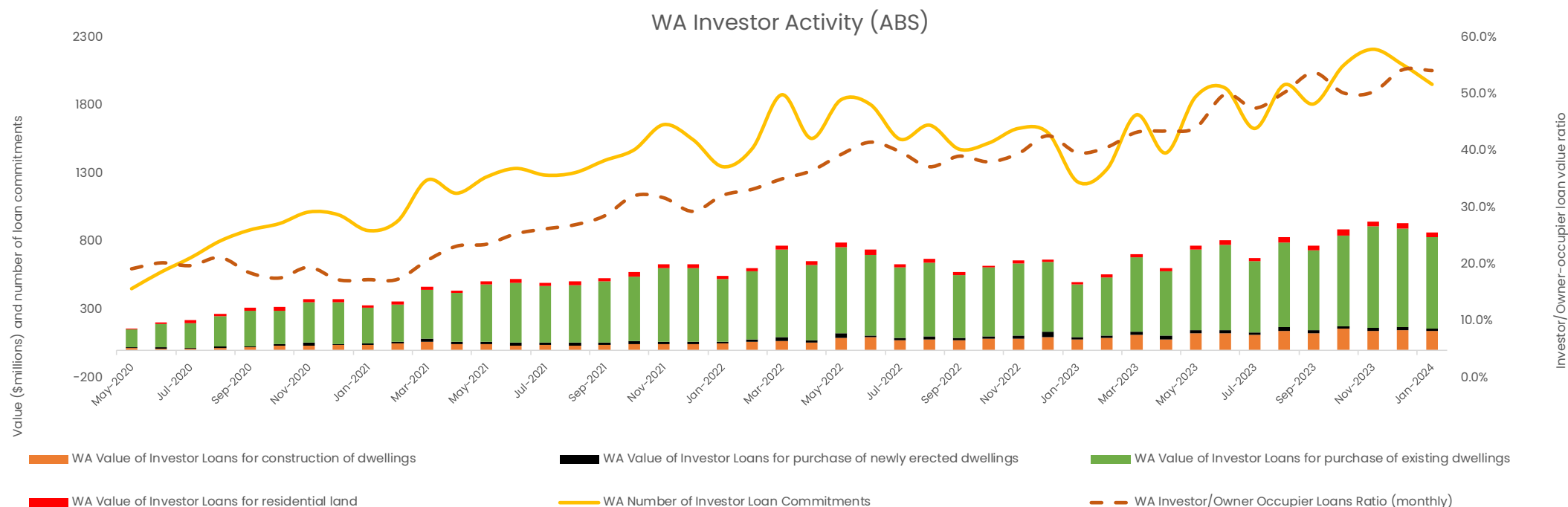
244

First Home Buyer Grants paid for new house and land packages

-3.6% MoM
-10.9% YoY

Residential Property Market

Investor Lending Activity



13,723

Number of investor new
loan commitments -
National

-17.6% MoM
+19.3% YoY

\$8.1b

Value of new investor
loan commitments -
National

-16.0% MoM
+25.2% YoY

1,954

Number of Investor new
loan commitments -
WA

-6.9% MoM
+57.5% YoY

\$877.4m

Value of new investor
loan commitments -
WA

-7.2% MoM
+70.2% YoY

Residential Property Settlements

October 2023: Monthly Settlements by Metropolitan Corridor

	Settlements (#)	Median Land Area (sqm)	Median Price (\$)
North-West Metro	481	479	\$615,000

Detached House	317	612	\$705,000
Medium Density	83	235	\$505,000
Vacant Land	81	375	\$309,000

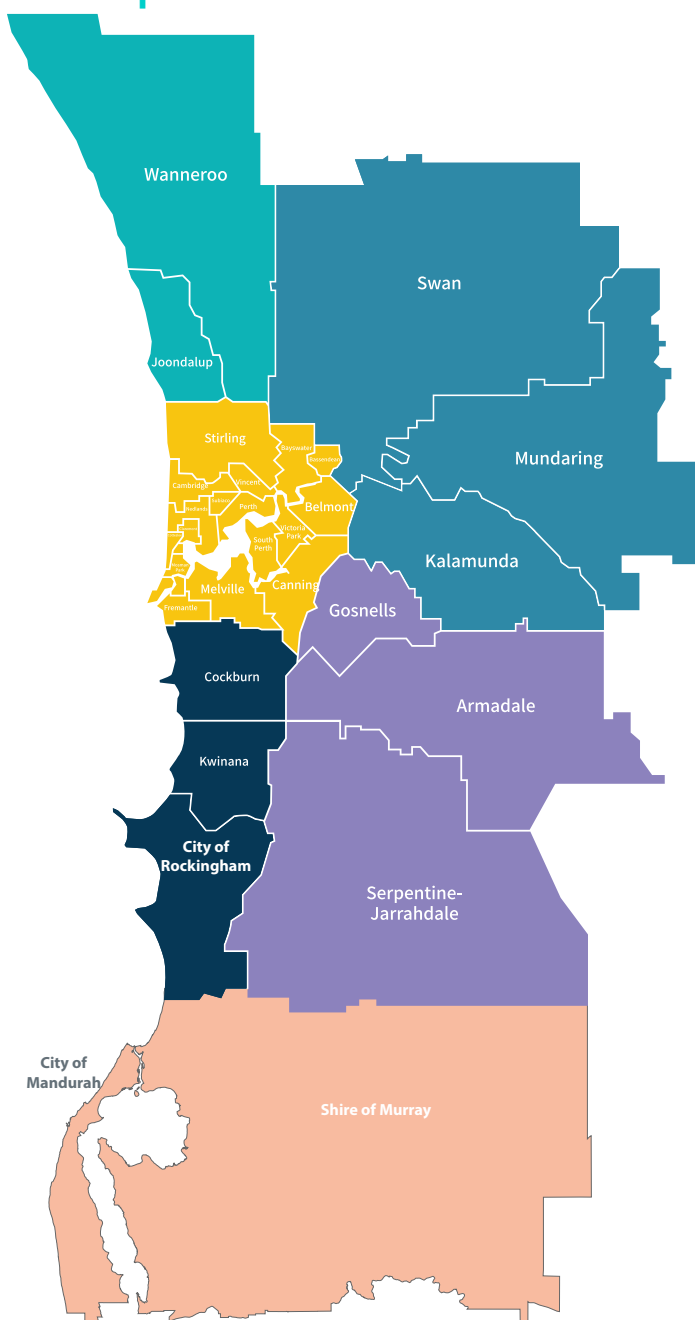
	Settlements (#)	Median Land Area (sqm)	Median Price (\$)
Central Metro	1234	225	\$625,084

Detached House	348	688	\$1,202,500
Medium Density	822	129	\$524,500
Vacant Land	64	323	\$511,000

	Settlements (#)	Median Land Area (sqm)	Median Price (\$)
South-West Metro	494	450	\$540,000

Detached House	305	608	\$600,000
Medium Density	117	134	\$415,000
Vacant Land	72	375	\$275,000

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	295	395	\$500,000

Detached House	165	549	\$605,000
Medium Density	61	180	\$400,000
Vacant Land	69	375	\$279,000

	Settlements (#)	Median Land Area (sqm)	Median Price (\$)
South-East Metro	331	510	\$505,000

Detached House	222	661	\$571,056
Medium Density	66	257	\$420,000
Vacant Land	43	328	\$230,000

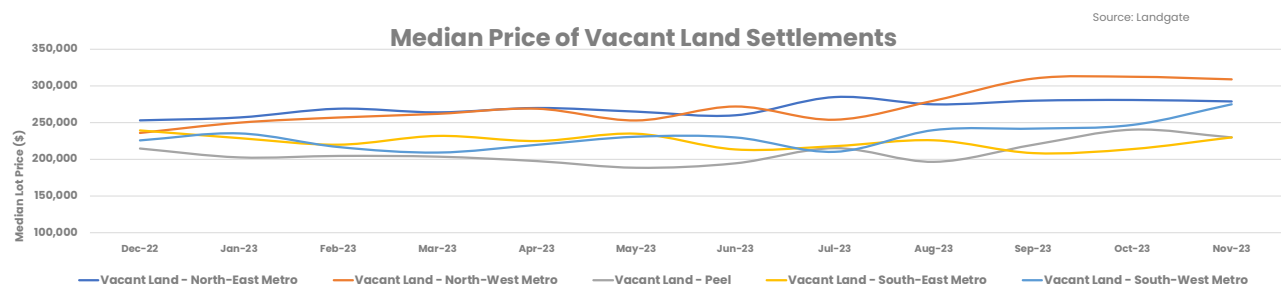
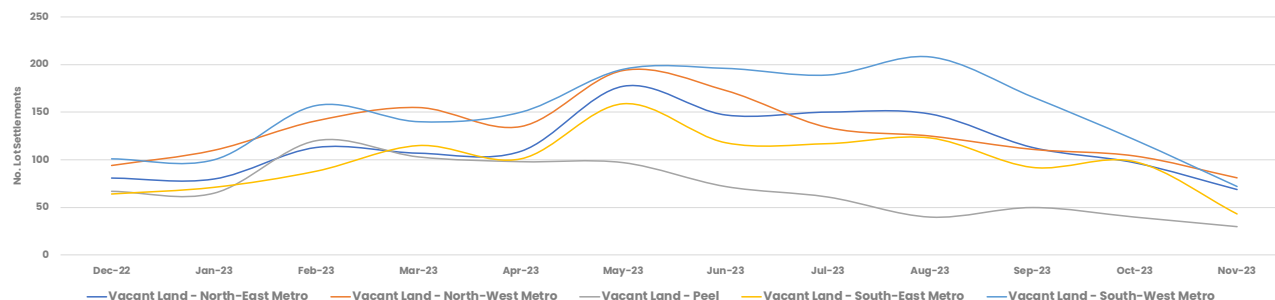
	Settlements (#)	Median Land Area (sqm)	Median Price (\$)
Peel	211	579	\$525,000

Detached House	131	703	\$591,000
Medium Density	50	238	\$415,000
Vacant Land	30	474	\$230,000

Vacant Land Settlements

Source: Landgate

Vacant Land Settlements



6,775

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

**+0.7% 12 month
change**

\$273,000

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

**+18.7% 12 month
change**

**Three Months to September 2023:
WA Regional Property Settlements**

	Settlements (#)	Median Land Area (sqm)	Median Price (\$)
Gascoyne	42	796	\$455,000
Detached House	30	852	\$504,000
Medium Density	5	230	\$485,000
Vacant Land	7	758	\$93,000
Goldfields Esperance	324	788	\$322,500
Detached House	191	868	\$370,000
Medium Density	105	320	\$317,500
Vacant Land	28	1,001	\$23,000
Great Southern	318	728	\$496,000
Detached House	219	778	\$545,000
Medium Density	58	315	\$420,000
Vacant Land	41	789	\$180,000
Kimberley	22	827	\$417,500
Detached House	19	832	\$420,000
Medium Density	3	172	\$260,000
Vacant Land	0	0	\$0
Mid West	385	800	\$328,000
Detached House	269	811	\$365,000
Medium Density	59	328	\$290,000
Vacant Land	57	825	\$75,000
Pilbara	257	552	\$478,000
Detached House	136	701	\$540,000
Medium Density	108	199	\$365,000
Vacant Land	13	503	\$495,442
South West	938	685	\$460,000
Detached House	620	744	\$530,000
Medium Density	173	301	\$415,000
Vacant Land	145	601	\$200,000
Wheatbelt	287	957	\$245,000
Detached House	199	1,001	\$280,000
Medium Density	21	320	\$340,000
Vacant Land	67	804	\$100,000

(Landgate)

Regional Snapshot

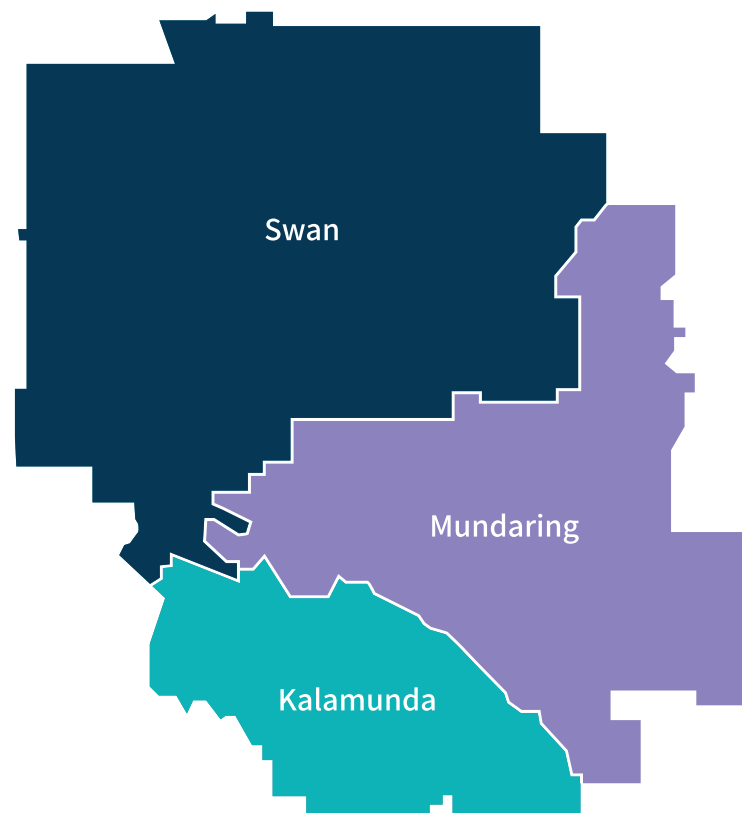
North-East Corridor

12 months to November 2023 & YoY Change						
	Settlements (#)		Median Land Area (sqm)		Median Price (\$)	
North-East Metro	6,635	-1.6%	473	-8.3%	\$480,000	5.3%
Detached House	4,103	-10.8%	644	-2.6%	\$575,000	9.3%
Medium Density	1,071	26.3%	222	-9.8%	\$385,000	6.9%
Vacant Land	1,461	12.8%	375	-1.8%	\$275,000	1.9%

12 months to November 2023 & YoY Change						
	Settlements (#)		Median Land Area (sqm)		Median Price (\$)	
Swan LGA	4,713	1.1%	400	-11.1%	\$430,000	3.6%
Detached House	2,617	-10.7%	510	-1.9%	\$540,000	11.3%
Medium Density	789	26.8%	206	-9.3%	\$365,000	4.4%
Vacant Land	1,307	17.6%	375	0.0%	\$270,000	3.1%

12 months to November 2023 & YoY Change						
	Settlements (#)		Median Land Area (sqm)		Median Price (\$)	
Mundaring LGA	791	-6.9%	2,000	0.0%	\$627,000	3.6%
Detached House	626	-12.2%	2,019	0.5%	\$694,500	6.8%
Medium Density	82	54.7%	240	-7.0%	\$412,500	10.0%
Vacant Land	83	-1.2%	1,949	-2.6%	\$340,000	-7.9%

(Landgate)



6,635

Total settlements recorded for the North-East Metro in 12 months to November 2023

-1.6% YoY

\$275,000

Median price in vacant land settlements across North-East Metro in 12 months to November 2023

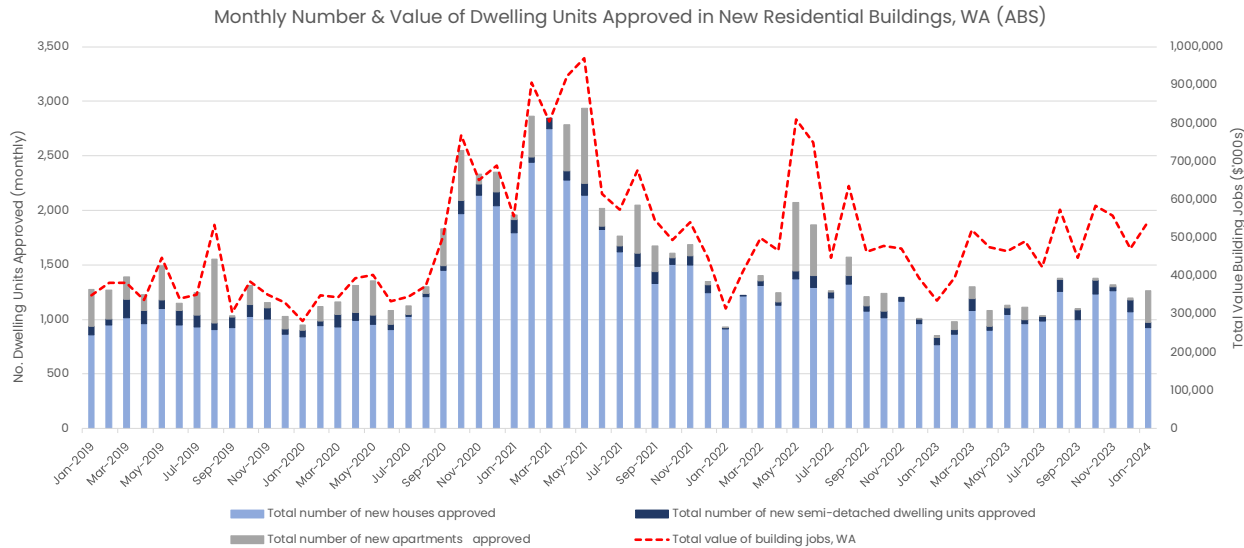
+1.9% YoY

12 months to March 2023 & YoY Change						
	Settlements (#)		Median Land Area (sqm)		Median Price (\$)	
Kalamunda LGA	1,131	-8.1%	700	-0.4%	\$590,000	7.3%
Detached House	860	-10.2%	818	6.2%	\$626,250	8.0%
Medium Density	200	15.6%	307	-4.1%	\$465,000	2.9%
Vacant Land	71	-29.0%	359	-10.9%	\$315,000	-1.3%

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)



10,557

National dwelling approval numbers in January

+8.2% YoY



Houses

5,996

+0.3% YoY

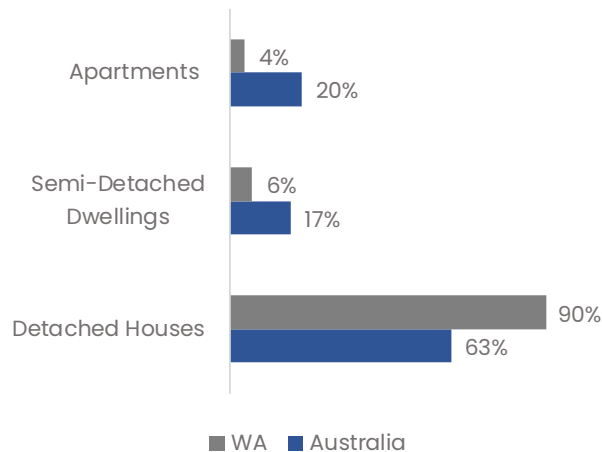


Excluding houses

4,561

+20.6% YoY

Proportion of Dwelling Approvals by Type, Rolling 12 Month Average WA v Australia (to January 2024)



1,262

Total WA dwelling approvals in January

+5.2% MoM

+47.6% YoY



Houses

923

-13.8% MoM

+20.3% YoY

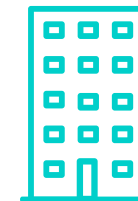


Semi-detached/row or terrace/townhouse

53

-49.5% MoM

-22.1% YoY



Apartments

286

+1,091.7% MoM

+1,330.0% YoY

Residential Construction

Building Activity (ABS)

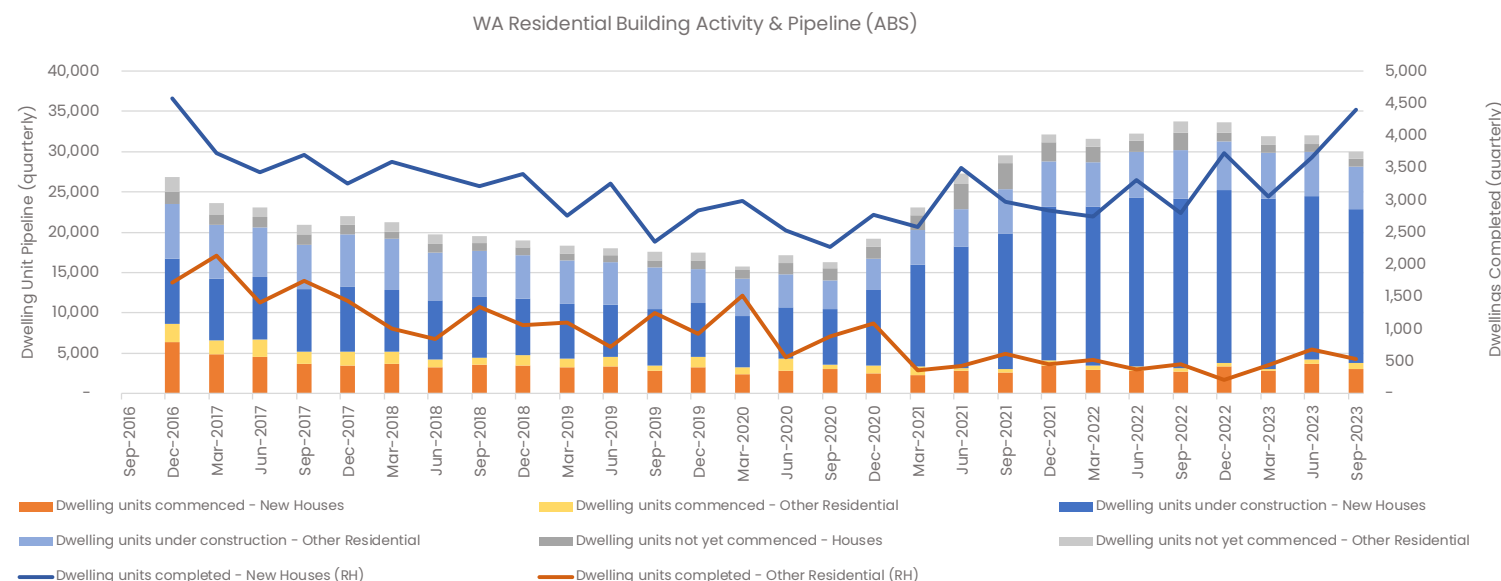
3,761

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

-9.7% QoQ

+20.7% YoY

-27.0% Long run ave



3,060

Separate house commencements in September 2023 quarter

-17.9% QoQ

+11.7% YoY

-25.3% Long run ave

685

Other residential typology commencements in September 2023 quarter

+56.4% QoQ

+84.1% YoY

-32.8% Long run ave

19,117

Detached houses under construction across WA in September 2023 quarter

-6.1% QoQ

-9.4% YoY

+61.1% Long run ave

Economy

Labour Force (ABS)



4.0%

Australia's unemployment rate in February

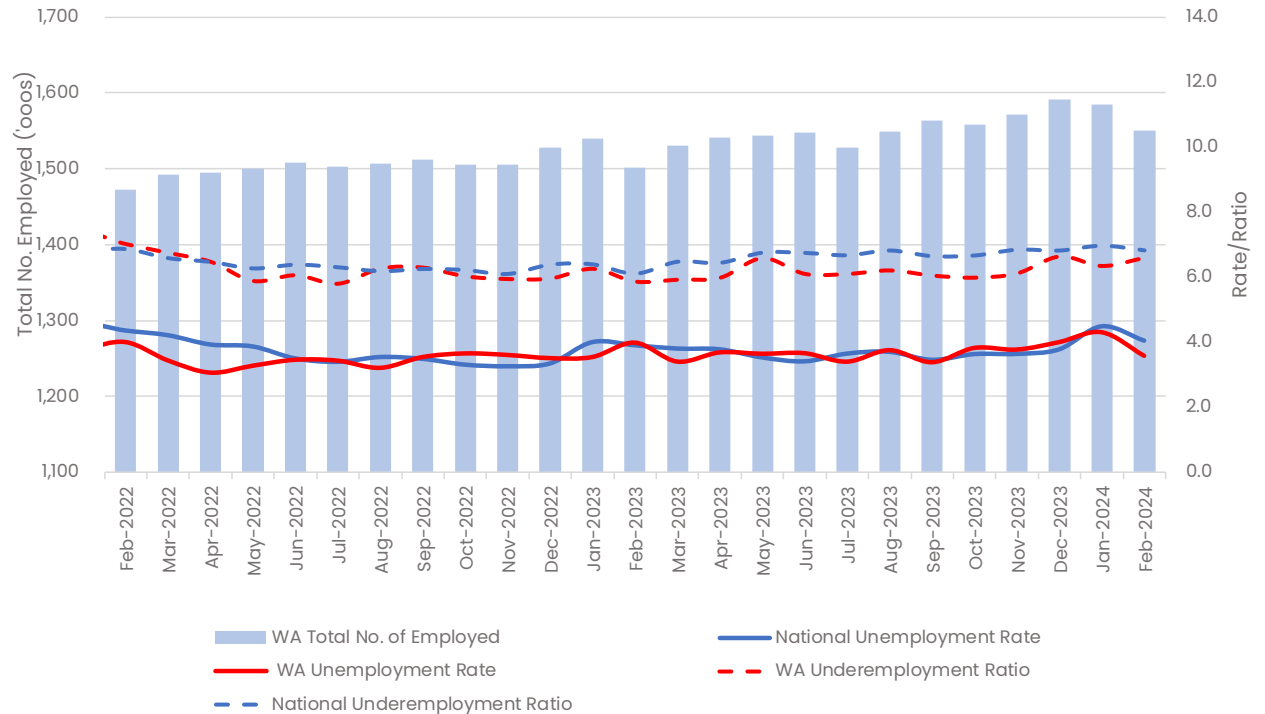


3.6%

WA's unemployment rate in February



WA & National Labour Force Snapshot (ABS)



Participation rate

National

66.7%

+0.17% MoM

WA

69.3%

+0.56% MoM

Underemployment rate

National

6.83%

-2.08% MoM

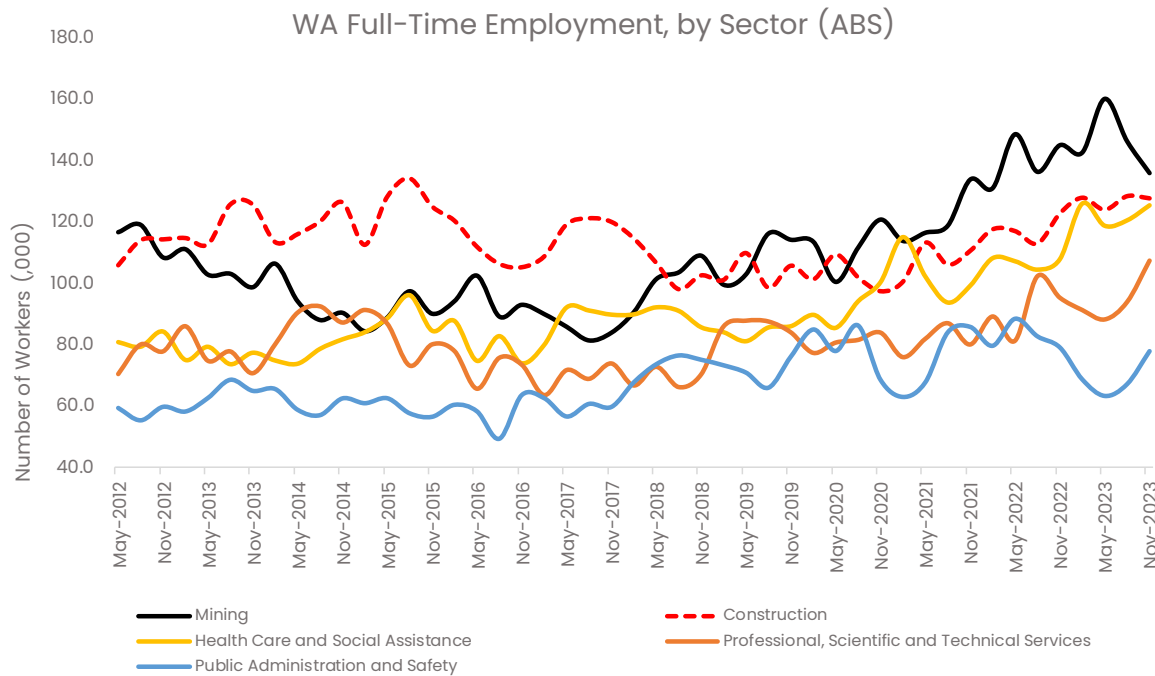
WA

6.61%

+3.94% MoM

Economy

Labour Force Detailed (ABS)



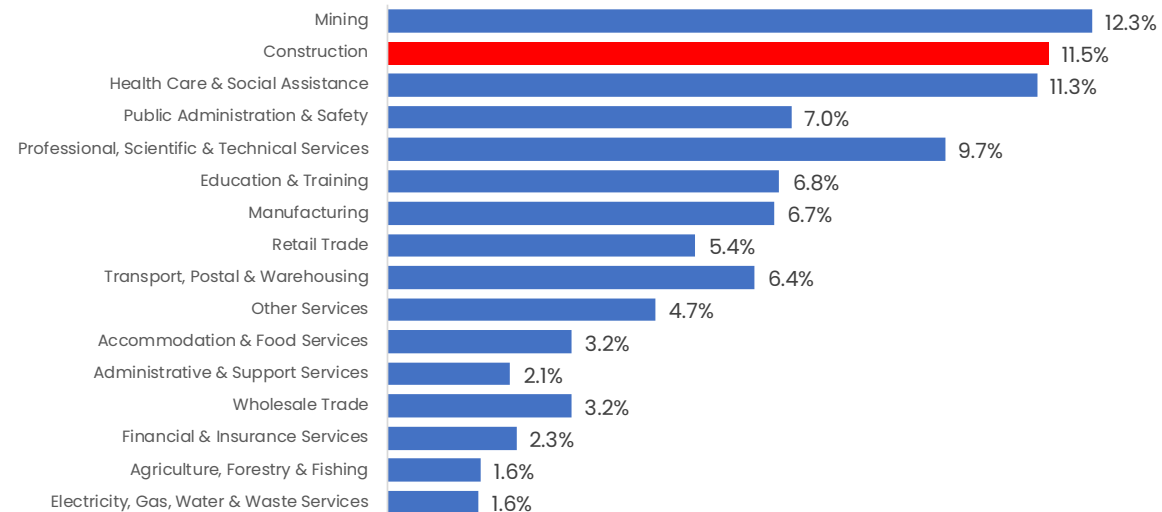
127,606

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

-0.5% QoQ

+4.0% YoY

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



11.5%

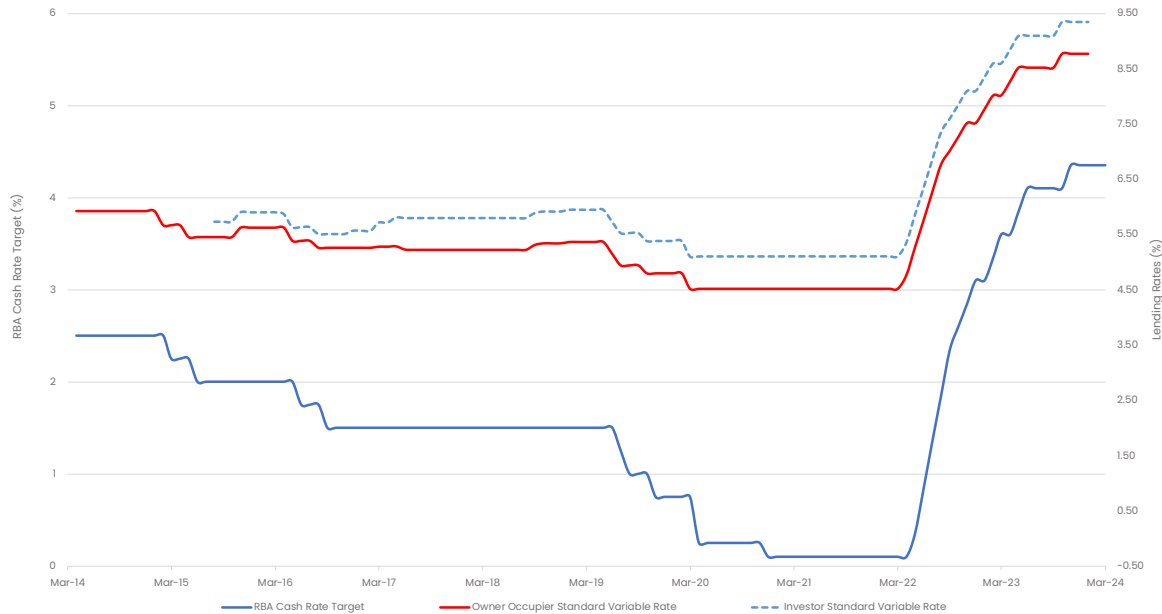
Proportion of full-time employees working in construction, second highest industry for WA

Proportion of Total Labour Force

Economy

Housing Rates & Cash Rate

Cash Rate & Indicator Lending Rates (RBA)



4.35%

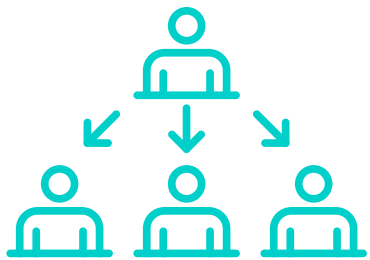
Cash rate target
following RBA March
Monetary Policy
Meeting
+/-0.0% MoM
+0.8% YoY

8.8%

Owner-occupier
variable interest rate
+/-0.0% MoM
**Highest level
since Sep 2008**

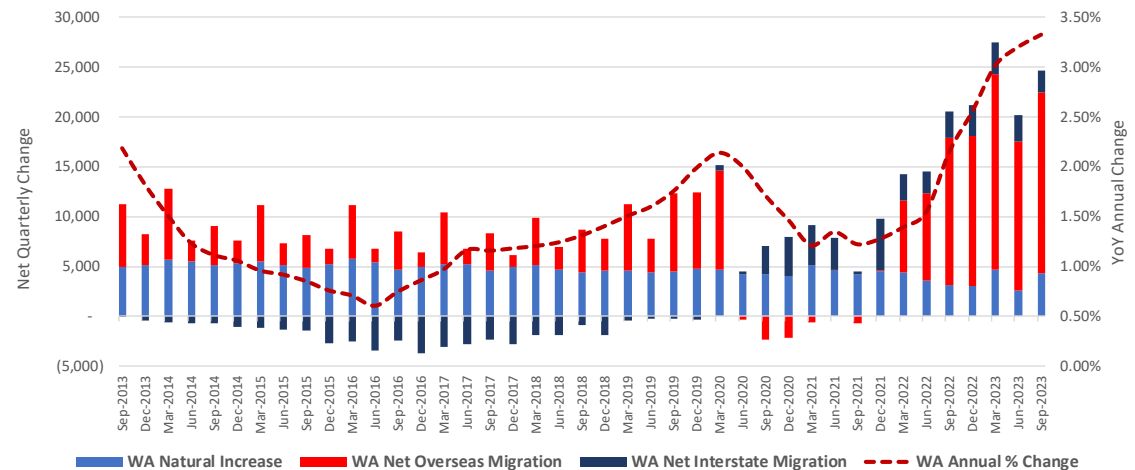
9.4%

Investor standard
variable lending rate
+/-0.0% MoM
**Highest level
since Sep 2008**



24,695
WA net population growth
+22%% QoQ

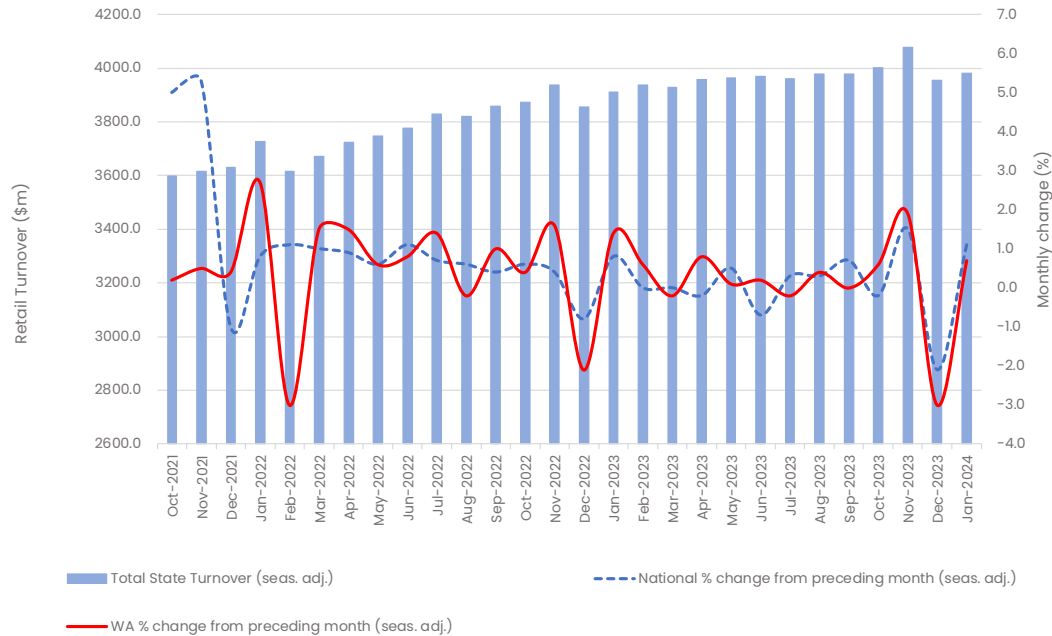
WA Population Quarterly Growth by Component (ABS 3101)



Economy

Retail Trade (ABS 8501)

WA Retail Turnover (ABS)



\$35.72 b

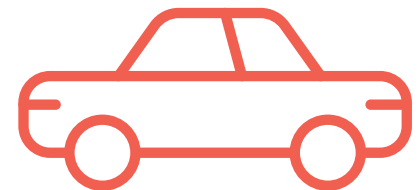
National retail turnover in January

+1.1% MoM
+1.1% YoY

\$3.98 b

WA retail turnover in January

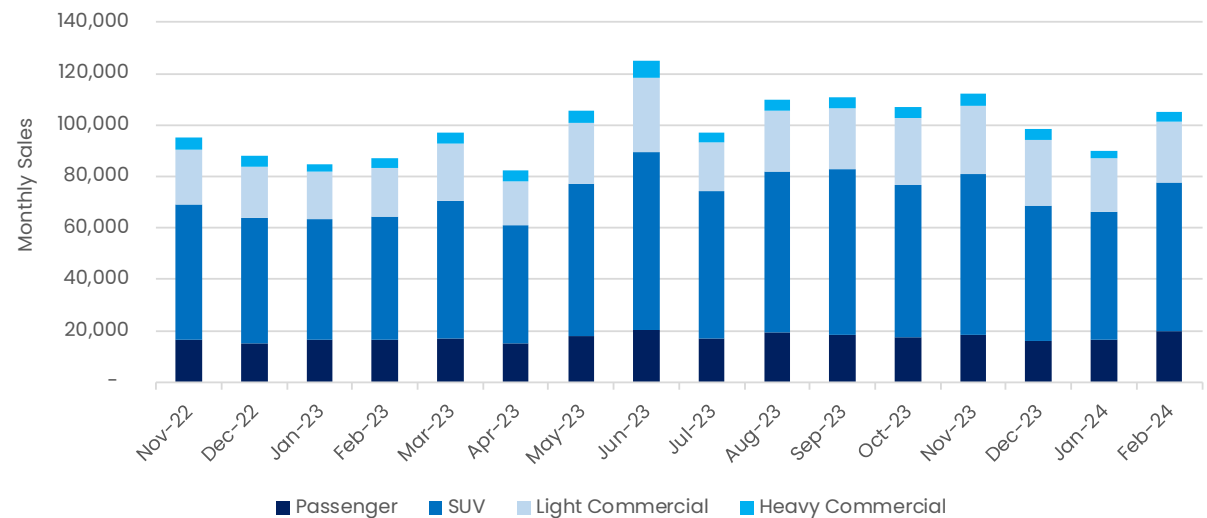
+0.7% MoM
+1.8% YoY



105,023

New Vehicle Sales sold in Australia in February 2024

New Vehicle Sales by Class, Australia (FCAI)





For the
community
creators

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