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REAL ESTATE  
Broadbeach



## Positive expectations for 2017 despite moderating growth

2016 was certainly another strong year for Australia's housing market but, once again, most of the strength was confined to the eastern seaboard's capital cities.

Following steady housing market sentiment and an increase in foreign buying in the final quarter of 2016, positive expectations for 2017 house prices were offset by slightly weaker rental expectations.

In terms of sentiment amongst property professionals, NSW, ACT and Victoria remain the frontrunners, QLD takes third position, SA/NT were chiefly neutral and WA unfortunately remains in quite negative territory.

National Australia Bank economists suggest house prices could rise an average of 3.4% nationally in 2017, but an oversupply of units will likely see their prices fall 0.8%. Expectations of growth have been scaled back in NSW and Victoria, but both states still lead the country for growth. In Queensland, prices are anticipated to accelerate but it's still bad news for Perth, where a further softening of prices is expected.

### Big contrasts across the country

Overall, NSW and Victoria property professionals are the most optimistic about the outlook for capital growth and rents, albeit with reduced expectations, while Queenslanders are much more positive. South Australians and Northern Territorians have become broadly more positive. NSW and VIC are still the best positioned in terms of rents but faster price growth in Victoria means yields will almost certainly reduce.

West Australian property professionals have hit a new low in sentiment, in terms of the next 12

month's outlook, but there's light at the end of the tunnel with expectations modestly positive in 2 year's time.

### House price forecasts

National house prices are anticipated to lift an average of 3.4% in the next 12 months, but units may fall by 0.8%. Victoria and Queensland are expected to produce the strongest growth over the next 2 years. NAB's hedonic house price forecasts for 2017 are:

Forecasts	Houses % Growth	Units % Growth
Sydney	4.5	1
Melbourne	5.6	-2.7
Brisbane	1.7	-1.8
Adelaide	1.5	0.7
Perth	-2.7	-3.8
Hobart	3.5	0.6
<b>Average</b>	<b>3.4</b>	<b>-0.8</b>

*"2017 forecasts have been revised up but we still expect the housing market to cool noticeably in 2017, especially for apartments"* Alan Oster, NAB Chief Economist

### Slower price growth

The NAB concludes conditions will slow, thereby contributing to gentler price growth than has been seen in recent years. However, it says Australia is unlikely to see a major correction as long as there are no shocks that trigger unemployment growth or sharply higher interest rates.

SOURCE: NAB Residential Property Survey – Q4 2016

## Why 2017 is a great year to buy your first home

According to First National chief executive Ray Ellis, there's no time like the present if you've been waiting to buy your first home because no matter what you're trying to buy, values in Australia and New Zealand are just going up and up.

'The median dwelling value in Australia for the end of 2016 was \$615,000 - an increase of 10.9 per cent through the year, according to a CoreLogic RP Data report from January 3. New Zealand didn't perform too differently, with the median house value in December 2016 sitting at \$627,905, having grown by 12.5%' said Mr Ellis.

'As year-on-year increases show, home values aren't indicating that they're about to slow down. That's why buying your first home right now is a great idea, because you'll be striking before homes shoot beyond your budget even more'.

When you own a home, you can make capital gains. As the median value increases in both Australia and New Zealand through 2016 show, capital gains in the space of 12 months can help you to build wealth. In fact, if you own a home for 10 years, the value of your purchase might increase by as much as half a million dollars! You'd have to buy in a suburb that is on the verge of growing, and is highly desirable in terms of proximity to amenities, public transport, schools and major centres - but it is possible.



When you rent in a suburb like that, you get all of the advantages of being close to those sorts of places, but your payments won't be earned back when you leave the home. You'll pay rent over the time you live in the home, and then when you leave, you don't reap the rewards.

'Of course, renting is a great option for people who can't yet afford a home deposit, but buying one can shore up your financial future' said Mr Ellis.

'First-home buyers have no experience with the buying process, and many find it a daunting task - going to auctions, making bids, competing with others who potentially have a bigger budget. That's where the friendly team at First National Real Estate can help.

'We know what you need to do, and we know how to go about it - particularly for first-time buyers. Don't be afraid of making a great decision for your financial future. Get in touch with us today to start your buying journey on the right foot'.

## Recent office results

### Broadbeach

1507/90 Surf Parade  
1 bed 1 bath 1 car \$435,000

### Broadbeach

2702/24 Queensland Avenue  
1 bed 1 bath 1 car \$345,000

### Broadbeach

7/156 Surf Parade  
2 bed 2 bath 1 car \$450,000

### Broadbeach

14 Rural Lane  
3 bed 2 bath 1 car \$450,000

### Mermaid Beach

4/39 William Street  
2 bed 2 bath 1 car \$395,000

### Broadbeach

2201/90 Surf Parade  
1 bed 1 bath 1 car \$315,000

### Broadbeach

2042/2623-2633 Gold Coast Highway  
2 bed 2 bath 1 car \$505,000

### Burleigh Waters

47 Auk Street  
5 bed 2 bath 2 car \$835,000