

Trends in Housing Prices and Finance

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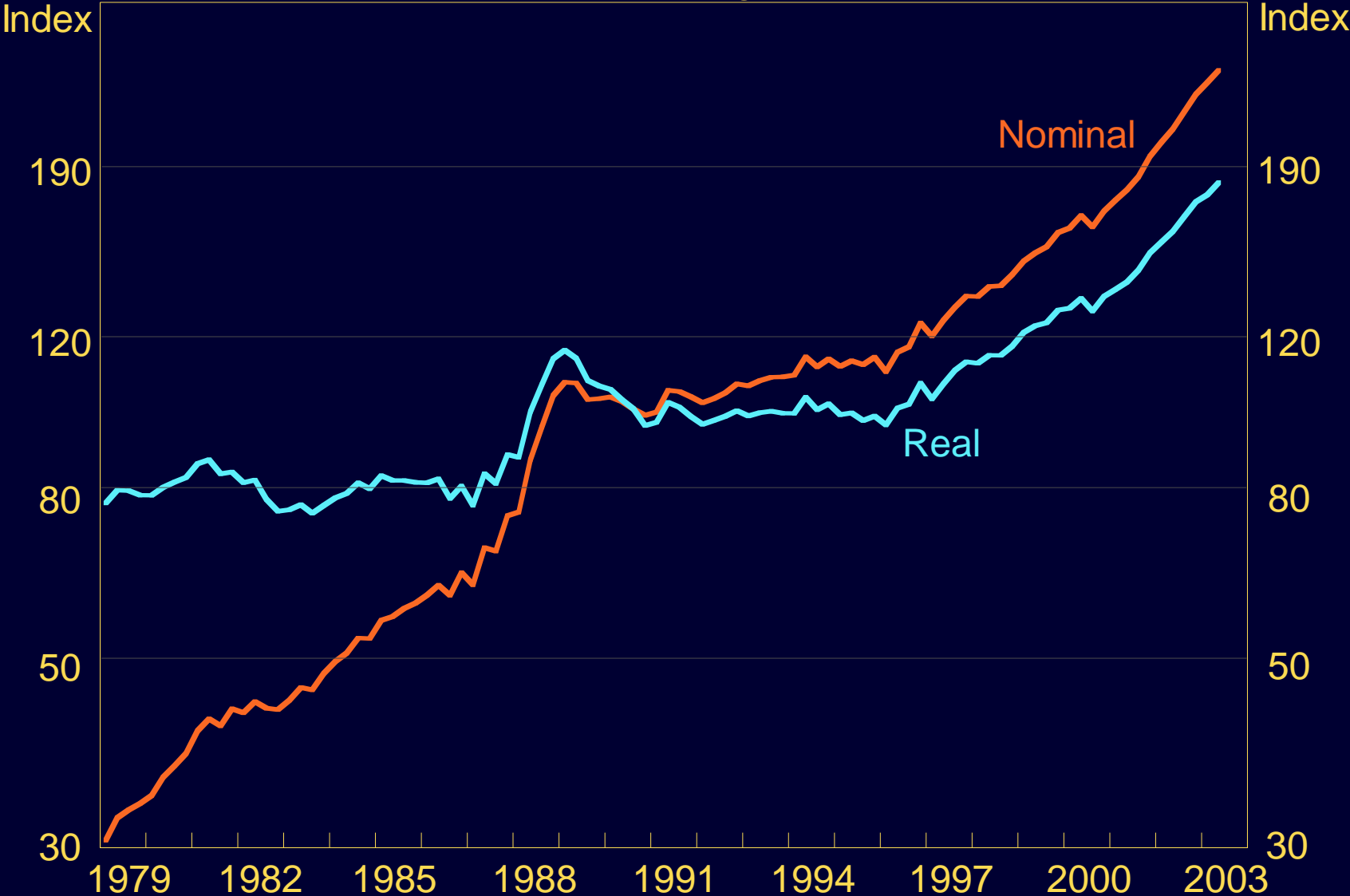
Pursuing Opportunity and Prosperity

Economic and Social Outlook Conference

13-14 November 2003

Established House Prices

1990 = 100, log scale



Sources: ABS, REIA

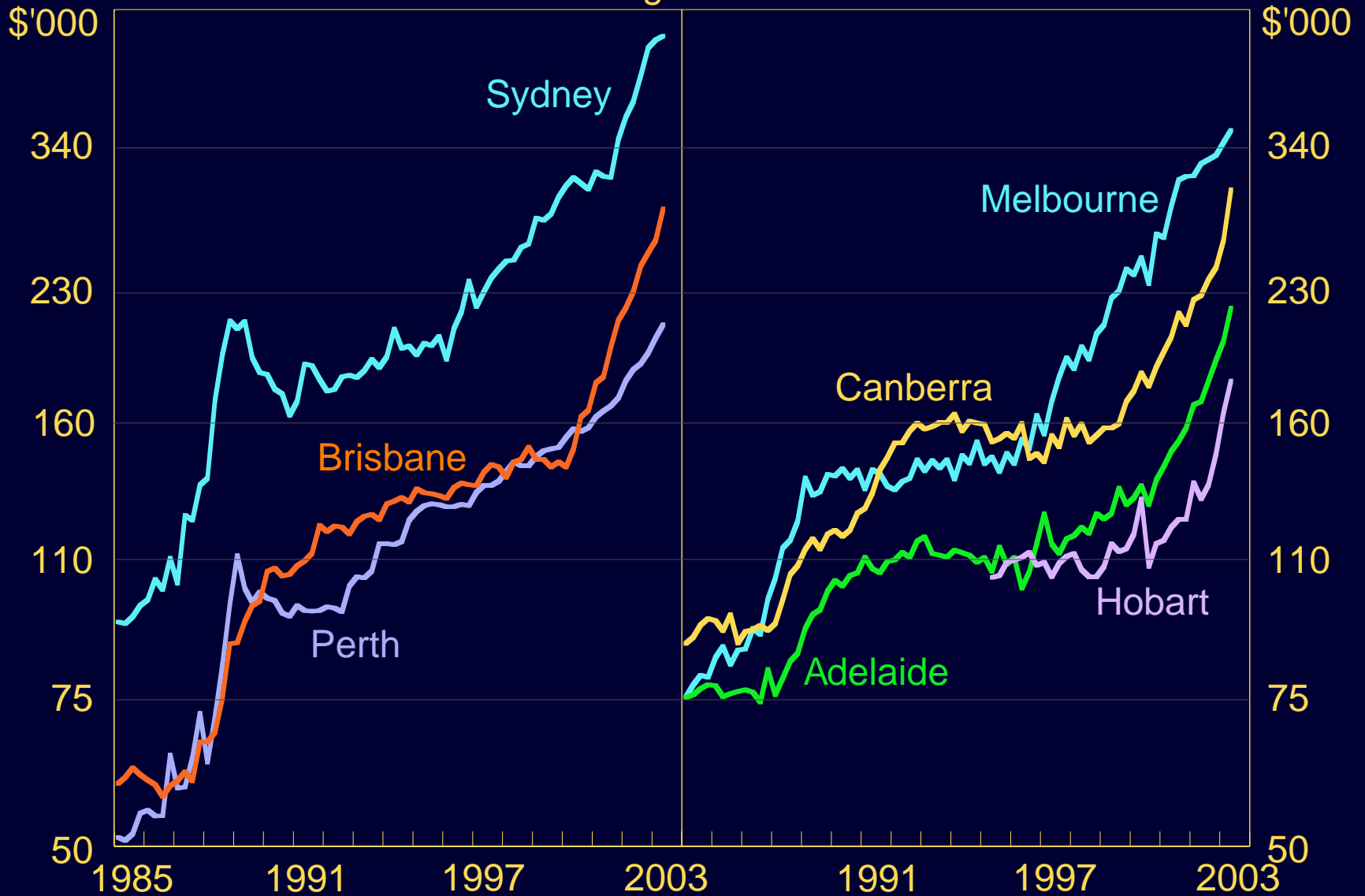
House Prices to Household Income*



* Average annual household disposable income excluding unincorporated enterprises
Sources: ABS; REIA

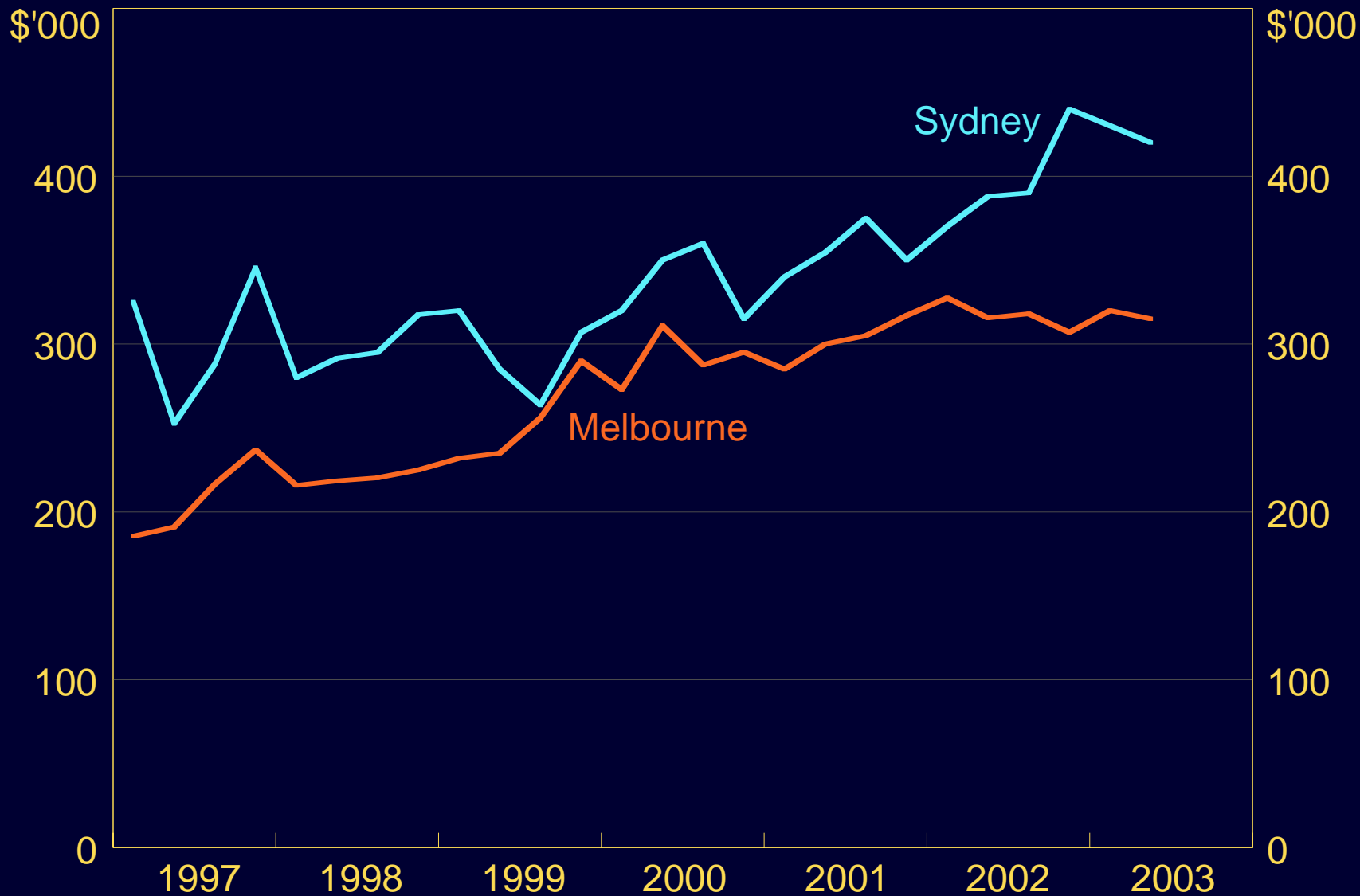
Established House Prices

Log scale



Source: REIA

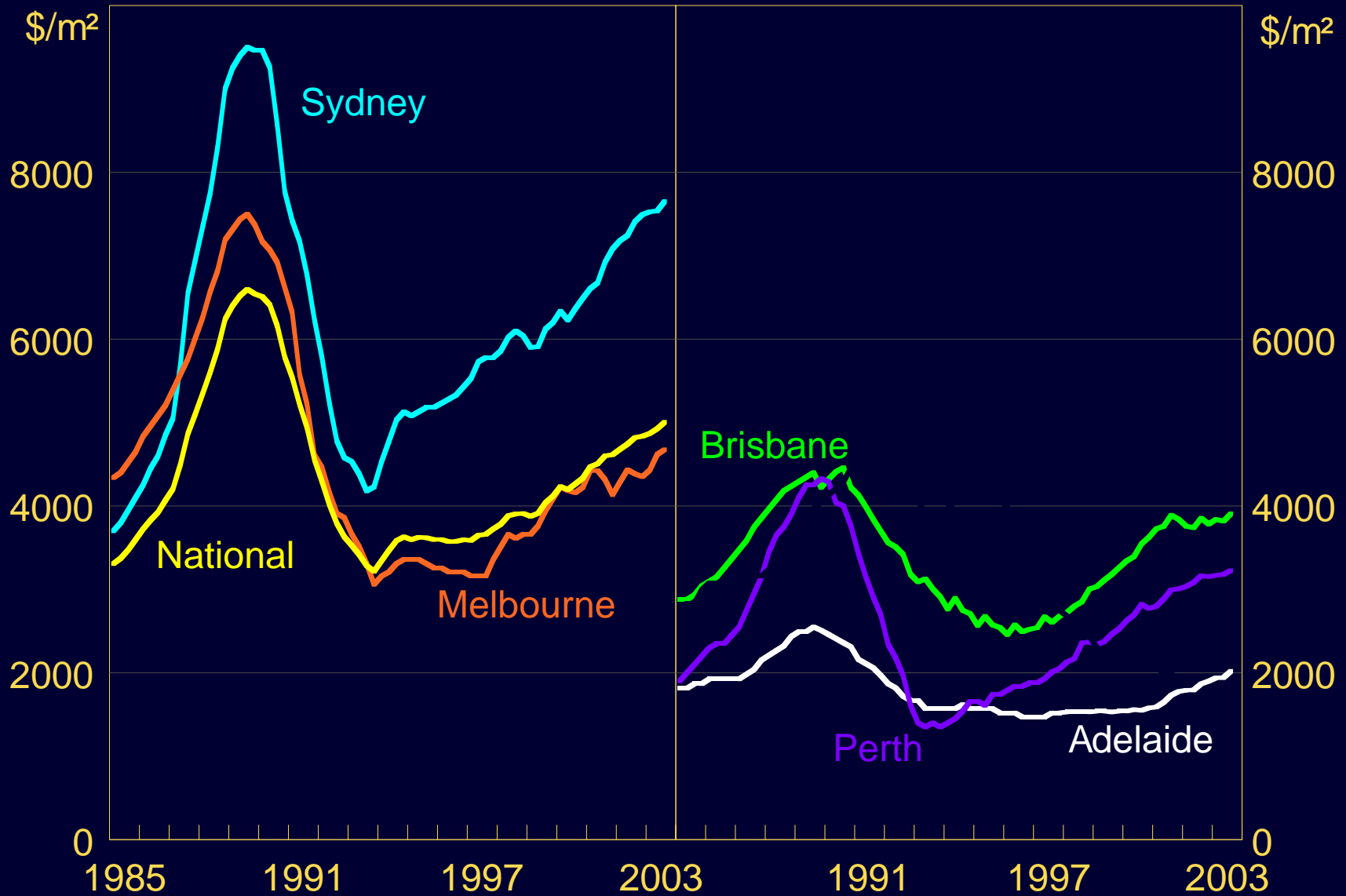
Inner City Apartment Prices



Source: APM

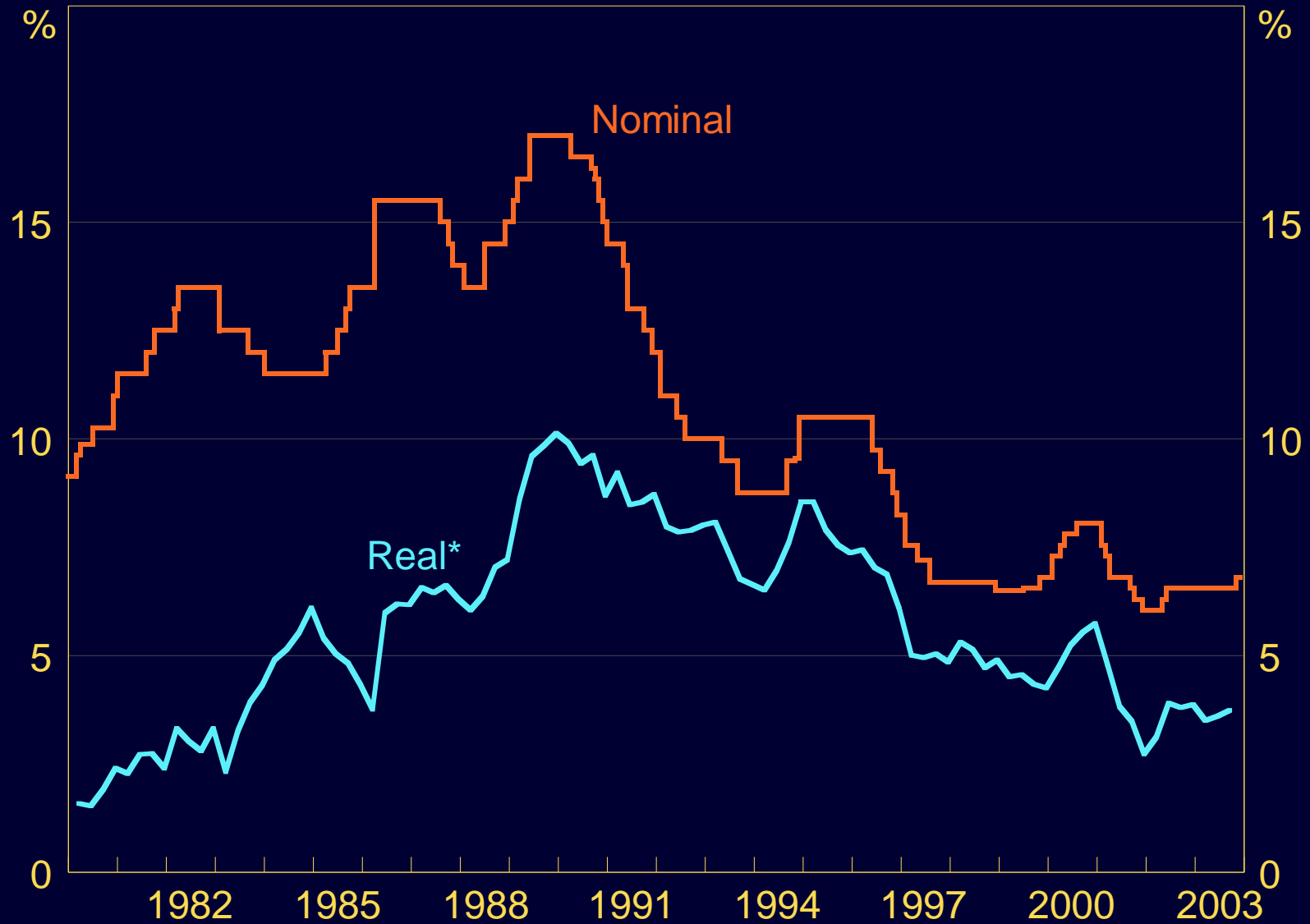
Prime Office Capital Value Indicators

Capital city CBDs



Source: Jones Lang LaSalle

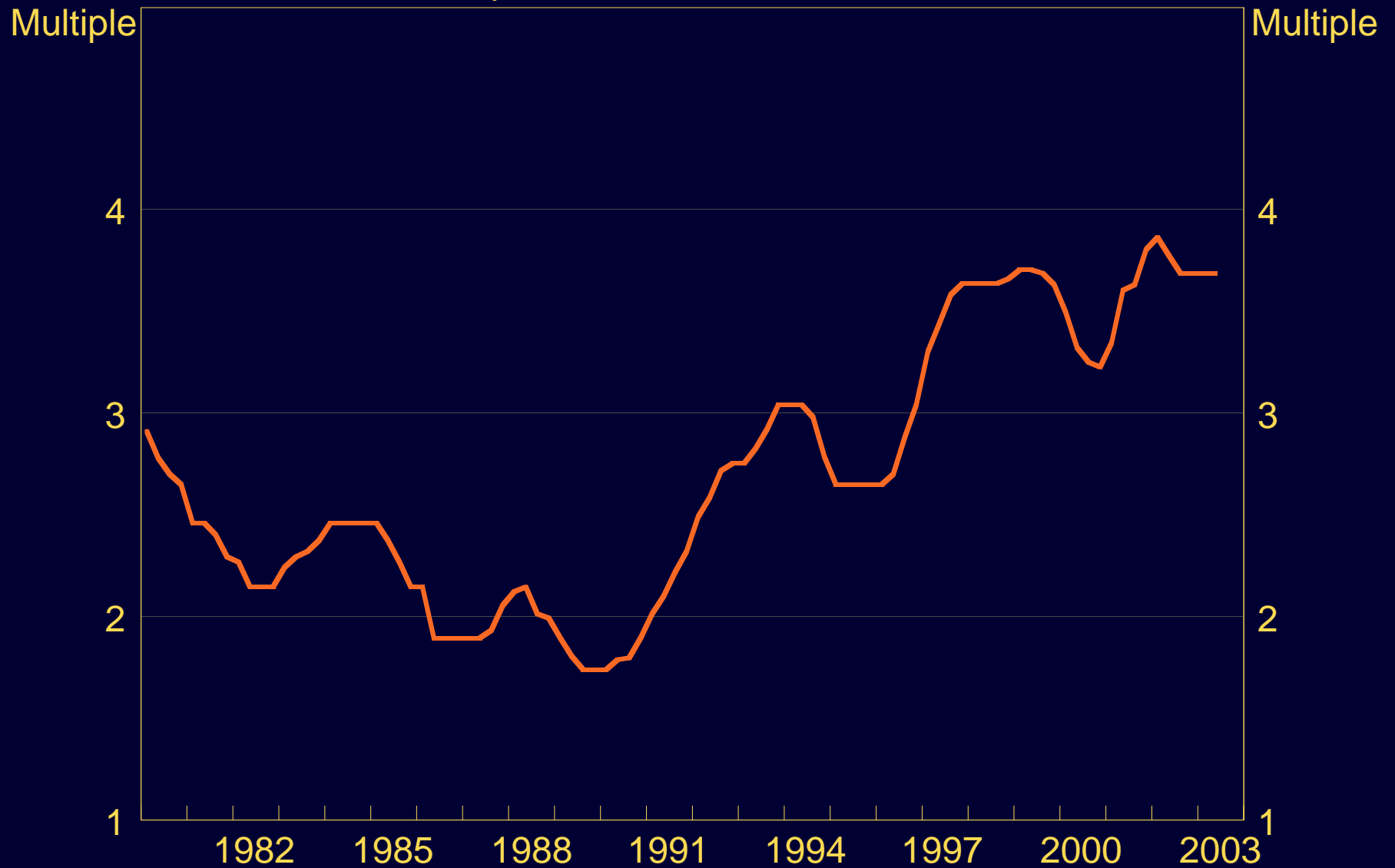
Mortgage Interest Rates



* Calculated using weighted median inflation
Sources: ABS; RBA

Borrowing Capacity

Multiple of annual household income



Sources: ABS; REIA

Household Debt

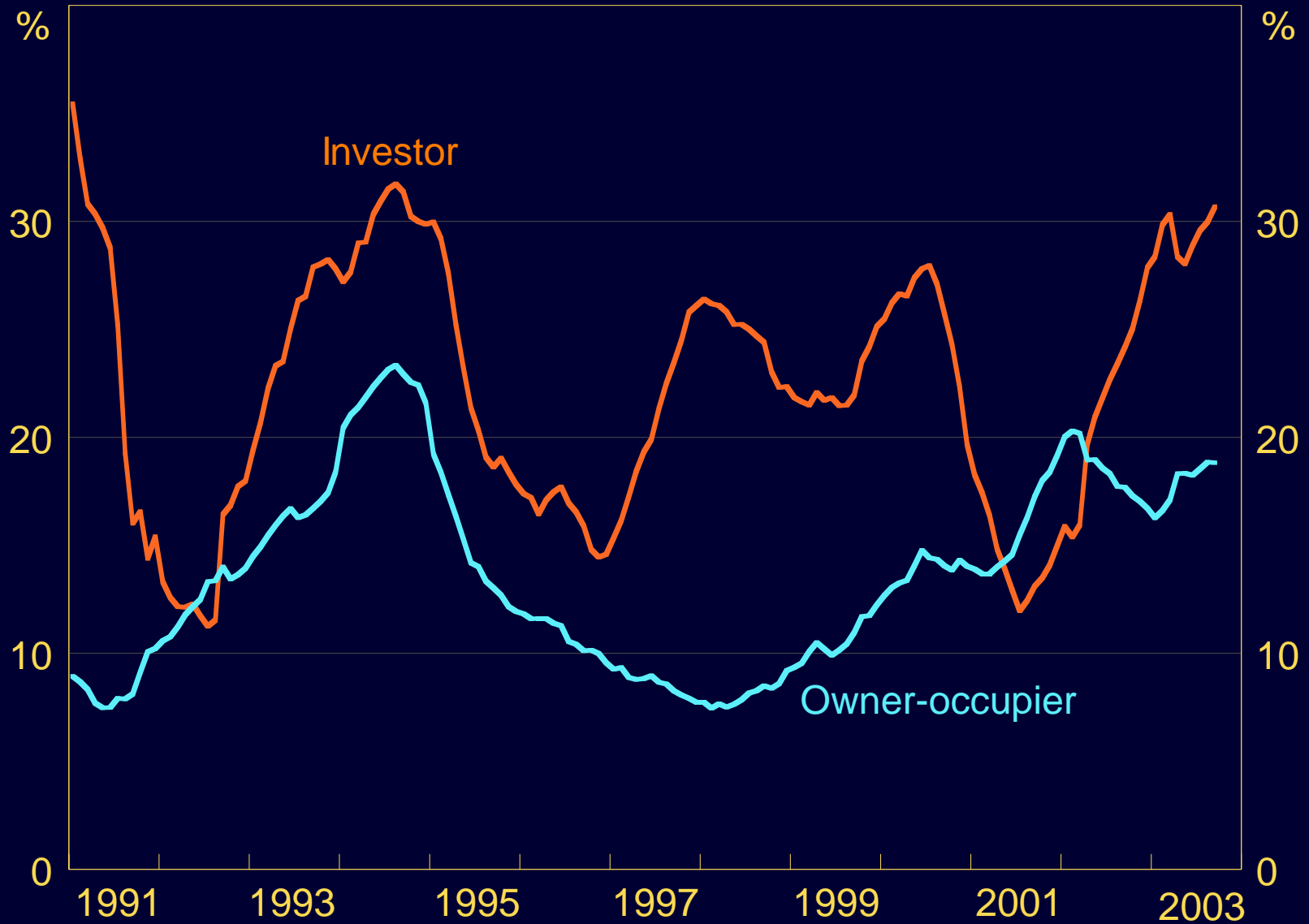
Per cent of household disposable income



Sources: ABS; RBA

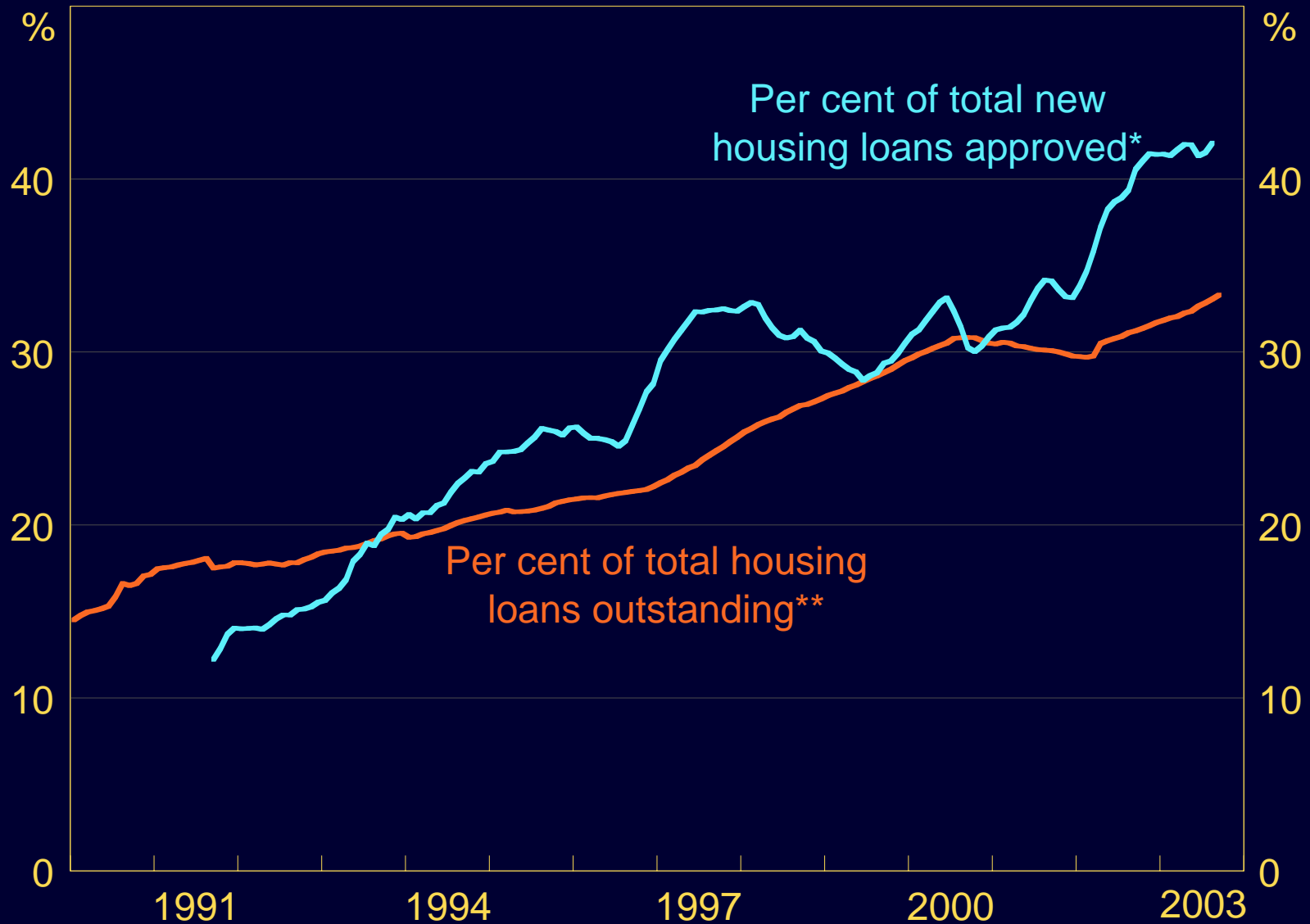
Housing Credit Growth*

Year-ended percentage change



* Based on bank lending
Source: RBA

Investor Housing Loans



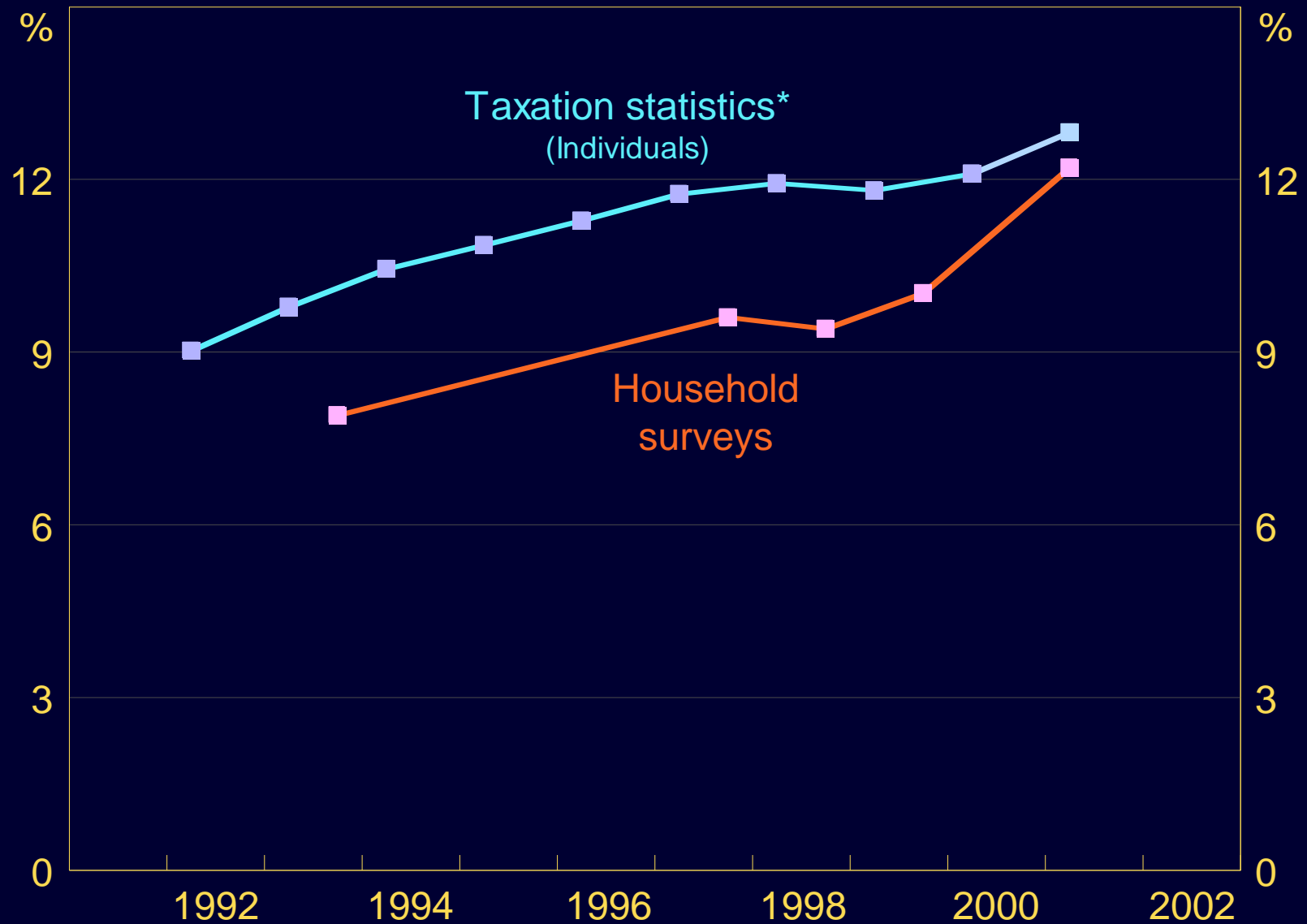
* 3-month-moving-average

** Based on bank lending

Sources: ABS; RBA

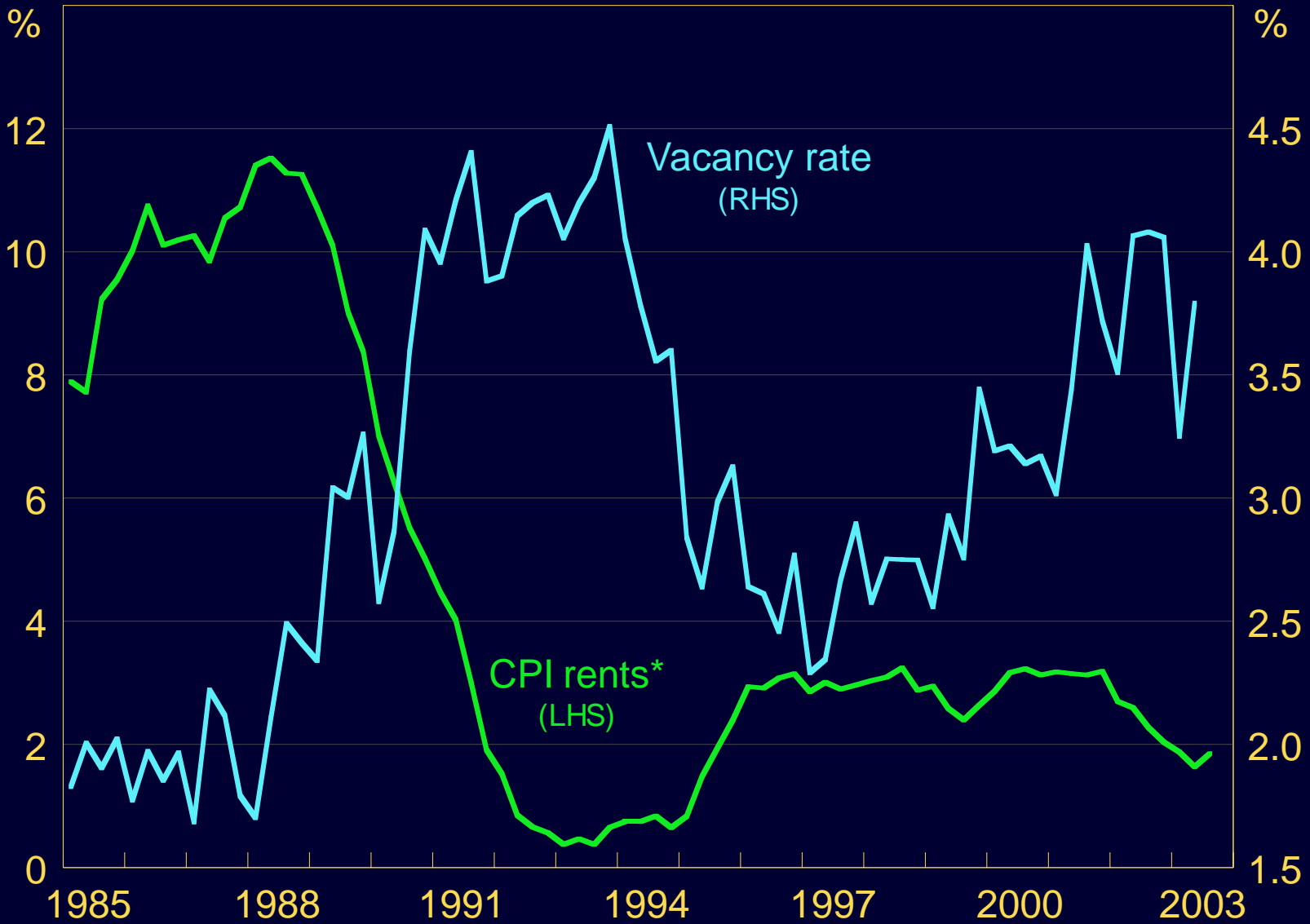
Rental Property Ownership

Per cent of responding units



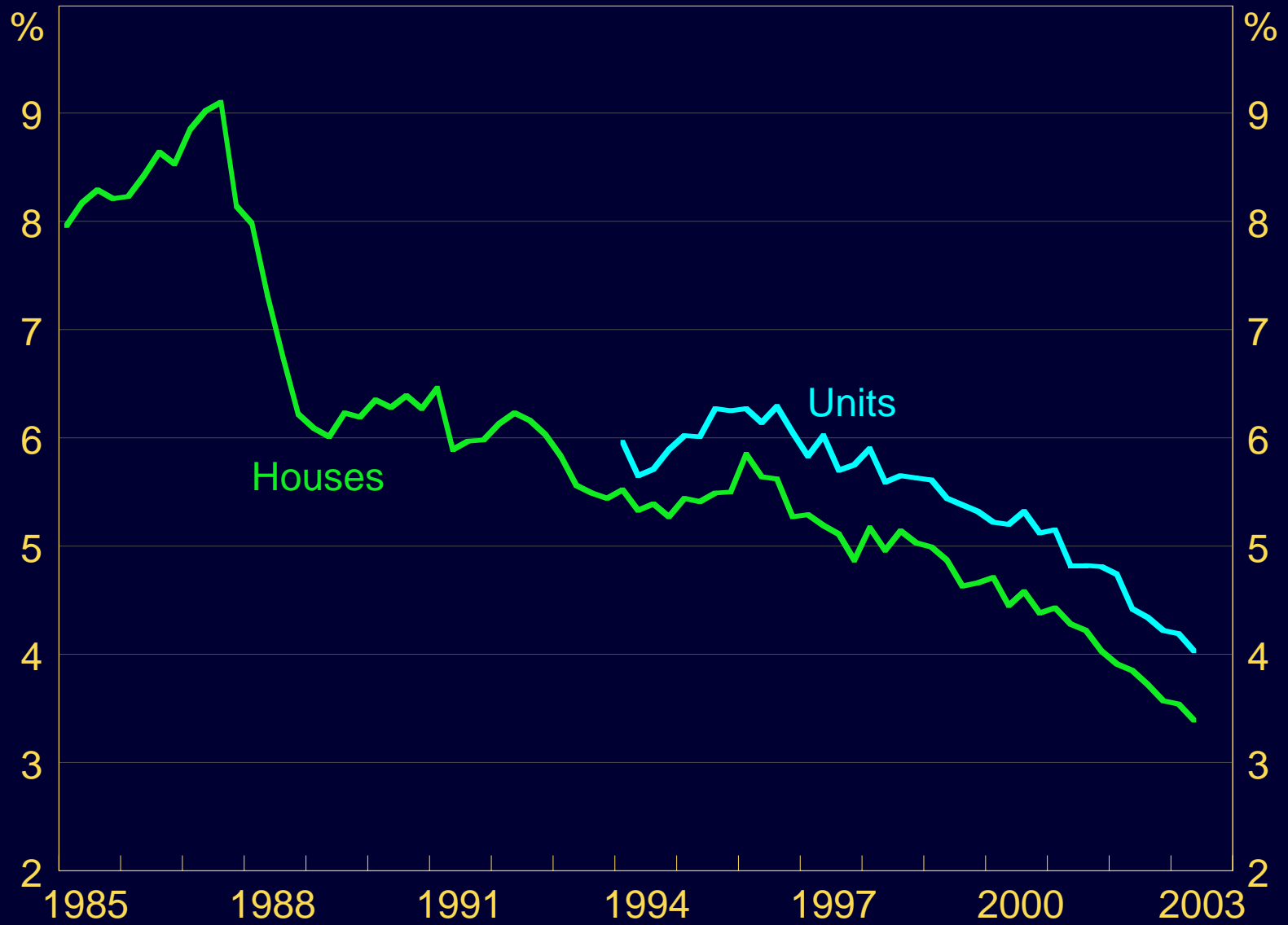
* Includes non-residential property investment, 2000/01 is a preliminary estimate.
Sources: ATO; ABS; HILDA

Rental Growth and Vacancy Rate



* Year-ended percentage change
Sources: ABS; REIA

Residential Property Rental Yields



Source: REIA

Rental Yields

Per cent

Australian Property

Residential Property 3½

Commercial Property

Industrial 9

Office 8

Retail 9

International Property – Residential

United Kingdom 7½

United States 8

Canada 9½

Housing Debt

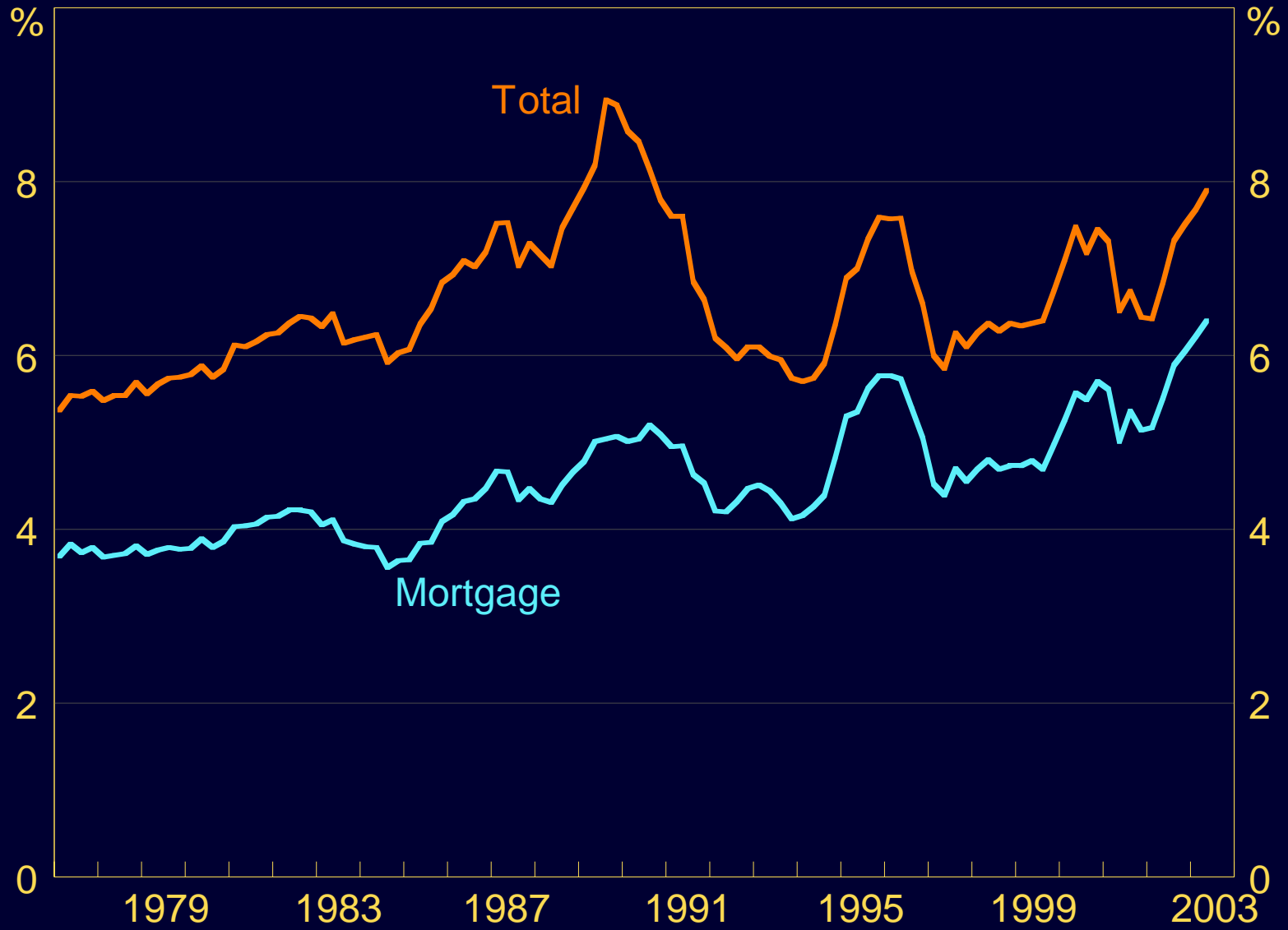
Per cent of housing assets



Sources: ABS; RBA

Debt-servicing Ratio

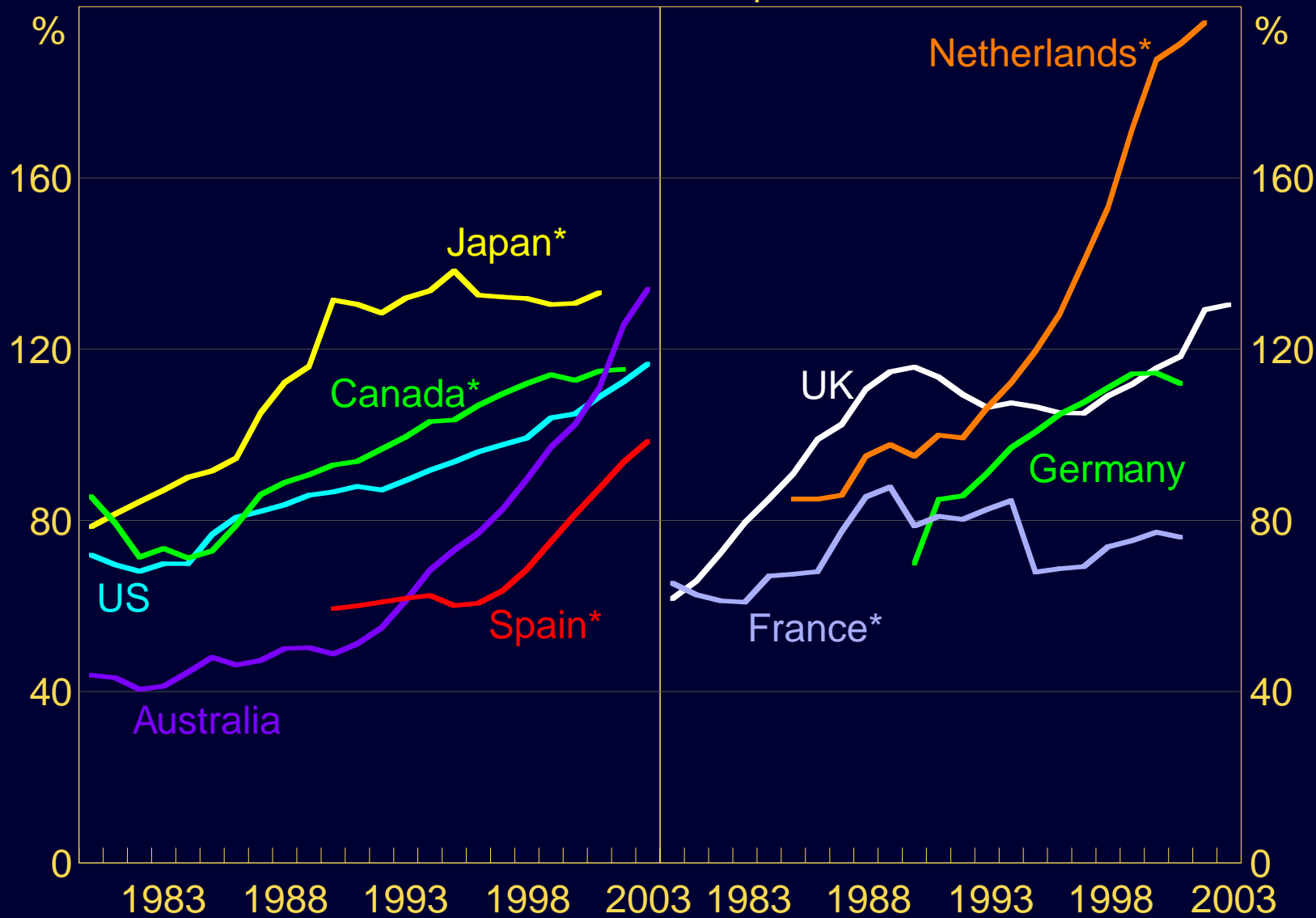
Household interest paid, per cent of household disposable income



Sources: ABS; RBA

Household Debt

Per cent of household disposable income



* Includes unincorporated enterprises
Source: National sources