



## Is the housing market finally about to reach rock bottom?

Posted on: 16/06/2019

'Are we there yet?'

This is the million dollar question on everyone's lips. Today we'll take a look at whether or not the property market is finally starting to stabilise, as well as when we might start seeing some positive changes in the market.

It's the sound of optimism breathing its way through the Australian property landscape once more. Let's run through what some of the property market's leading experts and reports have said recently.

Pace of declining in property values has slowed, Yes or No?

#### CoreLogic

[CoreLogic says](#) the housing downturn is losing steam as the pace of declining values continued to reduce in May.

With Australia's average housing affordability the best it has been since 2016, CoreLogic's Head of Research for Australia, Cameron Kusher predicts "that price falls will settle later this year, followed by modest price growth starting from 2020".

#### Westpac

Consumers think now's a pretty good time to buy a house, according to the [Westpac sentiment survey's](#) 'time to buy a dwelling' index.

"Housing-related sentiment showed a clear response to the lowering in interest rates, although again some of the gains were more muted than seen in past rate cuts," Westpac senior economist Matthew Hassan said.

#### AMP Capital

Since peaking in October 2017, house prices in capital cities have fallen about 10%. Forecasts had suggested they'd fall as far as 15%, but [AMP Capital believes](#) they'll now only bottom out at 12% later this year.

"The combination of the removal of the threat to property tax concessions, earlier interest rate cuts, financial help for first home buyers and APRA relaxing its 7% interest rate test points to house prices bottoming earlier and higher than we have been expecting," said Dr Shane Oliver, Head of Investment Strategy and Economics and Chief Economist, AMP Capital.

#### ANZ

ANZ's Home Owners Lead, Kate Gibson, says they're seeing suburbs and towns in every state where it is more affordable to buy than rent. [Here's the list if you're interested.](#)

"This shift, combined with record low-interest rates, is driving more first home buyers to look at entering the market," Ms Gibson said.

#### The Australian Bureau of Statistics (ABS)

According to the latest ABS data, the value of lending commitments to households rose 0.6% in April 2019.

"The steep decline in owner-occupier lending commitments seen since late 2017 appears to be slowing," said ABS Chief Economist, Bruce Hockman.

#### Greville Pabst WBP Property Group

Property commentator and advocate, Greville Pabst, Executive Chairman of WBP Property Group believes the inner-east and south areas of Melbourne had been the hardest hit over the past 18 months. Valuers reported price weakening in the range of 15-20 per cent, particularly for properties in the \$2 million-plus price range, with off-the-plan also hit.

Whilst the greatest falls have been experienced in inner-Melbourne, this is where the recovery has begun and prices within this inner circle are expected to outperform the general market over the next three to five years.

"There are also opportunities in the western suburbs benefiting from better infrastructure and region as Geelong, Ballarat and Bendigo. These are expected to outperform many Melbourne suburbs during period"

#### Next Address

CEO of Next Address Julie O'Donohue commented today that vendors now have the opportunity to use new marketing methods and selling systems to maximise their returns. Platforms such as hers which use smart match and search functionality and virtual tours to market homes are reducing transactional costs and helps the vendors bottom line.

#### Want to know more?

Sure, the nationwide property market might still be trending down. But optimism seems to be well on the way up.

If you'd like to know how this shifting landscape might affect your selling situation, then please get in touch - we'd love to run through it with you. [Click here to discuss your property needs](#)

<https://nextaddress.com.au/blog/is-the-housing-market-finally-about-to-reach-rock-bottom>