

For immediate release – 16<sup>th</sup> March, 2022

## **HOUSE PRICES HIT A 20 YEAR RECORD FOR ANNUAL GROWTH: REIA REAL ESTATE MARKET FACTS**

House prices have increased at the highest rates in two decades with a rise of 25.1% for the twelve months ending December 2021, the latest Real Estate Institute of Australia's (REIA) Real Estate Market Facts has found.

REIA President, Hayden Groves, said the weighted average median house price for the eight capital cities increased to \$1,021,710 for the December quarter.

"Over the quarter, the median house price increased in all capital cities except Darwin. At \$1,601,467, Sydney's quarterly median house price continues to be the highest amongst the capital cities, 56.7% higher than the national average.

"At \$525,000, my home town of Perth remains the most affordable with the lowest median house price across Australian capital cities, 48.6% lower than the national average.

"With Western Australia finally opening the borders it will be interesting to watch how this impacts on property prices," he said.

Mr Groves said it is the first time since June 2002 that the annual increase has been higher than 20.0%.

"The weighted average median price for other dwellings, such as villas and flats, for the eight capital cities increased to \$658,577 a quarterly increase of 1.8%.

"Over the quarter, the median price for other dwellings increased in Sydney, Melbourne, Brisbane, Perth and Hobart but declined in Adelaide, Canberra and Darwin.

"At \$802,255, Sydney's median price for other dwellings continues to be the highest amongst the capital cities, 21.8% higher than the national average. At \$412,500, Adelaide has the lowest median price for other dwellings across Australian capital cities, 38.2% lower than the national average."

According to Mr Groves, over the 12 months to the December quarter, the weighted average capital city median price for other dwellings increased to \$471 per week, a rise of 1.5% over the quarter.

"Over the December quarter, the weighted average median rent for 3 bedroom houses in the eight capital cities increased to \$471 per week, a quarterly increase of 1.5%.

"The median rent for 3 bedroom houses increased in all capital cities except Sydney, where it remained stable and Darwin where it decreased by 3.7%.

# Media Release



“During the quarter, the weighted average median rent for 2 bedroom other dwellings increased to \$435 a week. The median rent increased in all capital cities except in Sydney, where it remained stable and Darwin where it decreased 0.5%,” Mr Groves said.

Mr Groves said investor and regional activity remained strong with property seen to be a ‘go to’ investment destination with growing global uncertainty.

“Regional markets have generally enjoyed a a period of sustained growth with key centers like Wollongong (30.4%), Launceston (49.3%), Sunshine Coast (32.9%) and Mt Gambier (14.9%) recording large annual increases.

“Household investor finance increased by 13.4% in the December quarter with investors continuing to enter the market confidently in this phase of the COVID-19 pandemic.”

## **ENDS**

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