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## PROPERTY PRICE FORECAST FOR 2024

After a few years of skyrocketing prices, Australians can expect things to be a little more slow and steady during the coming year. This is good news if you're preparing to buy or sell.

We have rounded up some of the final home price statistics for 2023 and investigated some expert forecasts for the year to come.

### The year that was

2023 began with experts forecasting a drop in house prices caused by continued interest rate hikes and the 'fixed rate cliff'.

However, initial predictions were proven wrong, with the market following up an early drop with a rise in national average values. By the end of the year, every capital city except for Hobart and Darwin had shown positive growth, with Perth's 12.3 per cent increase leading the charge.

The reason for prices defying forecasts comes down to supply and demand. Even though interest rates remained high, stock levels and new building approvals were low, which is pushing prices up. Perth, Adelaide and regional areas saw interest from interstate and capital city investors, while cash buyers in east coast cities helped to keep prices buoyant as well.

There was also an increase in net migration, putting further pressure on housing availability and prices. Meanwhile, the fixed rate cliff never really happened, with [major banks saying](#) that late mortgage payments have been tracking below average.

### 2024 property forecast

After the success of 2023, most property professionals are predicting a steady to strong market in 2024.

Interest rates are still playing a role in forecasts, with [some commentators saying](#) that the rise to a 12-year high of 4.35 per cent in November 2023 has put a dampener on buyer demand.

Overall, an average rise of around [4 per cent](#) across the nation is expected.

### Capital city property forecasts

This is what experts are predicting for Australia's capital cities in 2024:

- **Sydney:** After a strong growth of 8.3 per cent in 2023, Sydney is expected to see a 2 to 5 per cent rise in home values this year.

- **Melbourne:** Melbourne's slight increase of 1.9 per cent last year will be matched or slightly increased in 2024 with predictions of a 1 to 4 per cent rise.
- **Brisbane:** Brisbane was one of the big performers last year with 8.9 per cent growth and looks set to remain a top performer in 2024, with predictions sitting at around a 3 to 6 per cent rise. As [Corelogic recently reported](#), values have risen by more than 50 per cent since the start of the pandemic and the city is now outperforming Melbourne.
- **Adelaide:** Another big hitter in 2023 with 9.2 per cent growth, Adelaide is expected to be one of the top performers again this year with a rise of 4 to 7 per cent.
- **Perth:** Perth was the stand-out capital of 2023, with a whopping rise of 12.3 per cent. While not predicted to reach such giddy heights this year, Perth will still be a leader with predictions of a 5 to 8 per cent rise. Investors are particularly interested in areas south of the metropolitan areas, which are tipped for big growth.
- **Hobart:** Hobart experienced an 18 per cent fall in prices during 2023, with home values settling after the pandemic. Hobart property owners may or may not break even this year, with predictions sitting at -2 to 1 per cent growth.
- **Canberra:** Canberra is another capital that may or may not see prices climb in 2024. After a slight growth of 1.8 per cent last year, this year's prediction is a change of between -1 and 2 per cent.
- **Darwin:** Darwin saw a 2 per cent drop in 2023, and predictions say the market will either stay still or drop by around 3 per cent.

### A positive outlook for buyers and sellers

The good news for sellers is that you are unlikely to see the value of your home decrease while you are preparing to sell in 2024. Buyers, on the other hand, will have the benefit of more predictable sale outcomes.

When it comes to property values, it all comes down to your local area results, your location and the home itself. If you'd like an accurate valuation of your existing home and an idea of what it will be worth by the end of the year, reach out to your local Professionals representative today.



## FIRST HOME BUYERS: IS INTERGENERATIONAL LIVING AN OPTION FOR YOU?

With housing affordability being a continued challenge in Australia, many couples and individuals are thinking outside the square.

If you're a first-home buyer and you're struggling to come up with a deposit or take on the cost of a full home loan, the answer may lie with your parents or extended family. If you get along well and everyone is looking to reduce living costs, combining funds to purchase a property can be a solution.

### Is intergenerational living the new black?

Living independently as an adult is the societal norm in Australia but when the grandchildren come along or it's time to settle down and there isn't a budget-friendly option for housing, solving accommodation problems as an extended family can make sense.

Intergenerational living can see two or three generations living in one home, or in two properties on the same block. Your options are to:

- Buy a large home that has room for everyone
- Buy a block with a house and existing granny flat or apartment
- Purchase a vacant block and build a duplex
- Upgrade the family property by adding a granny flat

The solution works for a multitude of reasons:

- If the older parents sell their existing property and have a lot of equity, younger buyers have the option to buy without as much need for a deposit, and parents can potentially free up cash while remaining mortgage free
- Reduced purchasing costs for both parties
- Shared expenses such as council rates, cleaning, water, food etc
- The ability to build equity and move on from the arrangement after a few years

With the pandemic resulting in divorce and separation, intergenerational living is also a good option for single parents who want secure housing and need a hand with the kids.

### Other options for joint purchases

Extended family living can also include siblings. For example, the [First Home Buyer's Guarantee](#) was recently extended to allow Australians to buy their first home with family members instead of with a partner.

You may still be eligible for this grant if you buy with your parents, as long as they have not bought a new home in the last ten years.

Speak to a mortgage broker about what's possible and which lenders are likely to accommodate loan applications from joint parties.

### What to look for in an intergenerational home

When you're shopping with family for a home to live in together, look for places with separate living areas and bedrooms at opposite ends of the house. Older parents may want to have a room that is off-limits for small children so they can have some peace and privacy.

Multiple bathrooms are ideal and you can also look for a home that offers the opportunity to add a small kitchenette so everyone isn't bumping into each other in the kitchen.

The other option is to find a small home on a larger block and build an additional dwelling in the garden. Check that the local council will allow this before you make a commitment, and get quotes from builders so you know how much the endeavour will cost.

### Tips for intergenerational purchases

If you buy a property with a granny flat, check to make sure it has council approval as there may be expenses involved with bringing it up to code.

It's also a good idea to speak with a lawyer and agree in writing who owns which percentage of the house and what will happen if someone wants to move out. If you can decide how to overcome conflict before it happens, you'll have a framework to follow and less likelihood of disputes.

**Finally, have a chat with your local Professionals real estate agent about what you have in mind. They may have a property coming up that suits your needs.**



## RENTING: WHO SHOULD BE NAMED ON A LEASE?

One of the options when you're renting is to share a place with friends or housemates. This is common practice for young Australians but it raises the question of who should be named on the lease.

Here is what to keep in mind when you are signing a lease and how many people should have their names on the agreement.

### Understanding lease agreements

First, a lease agreement is a legally binding document that delineates the terms and conditions of the tenancy of a rental property.

This contract outlines the rights and responsibilities of the landlord and tenants. When you sign the lease agreement as a tenant, you are legally promising to follow the conditions laid out in the document and maintain the property appropriately. Failing to do so can lead to refusal of bond release at the end of your rental period or, at worst, legal proceedings. It can also result in you being asked to vacate the premises.

Whoever has their name on the lease has equal responsibility for any damages or other issues, and is equally responsible for paying the rent on time and in full. So even if you and your housemate split the rent 25/75, you're both equally responsible for making sure it is paid in full.

### Who is on the lease?

The common practice in Australia is to list all adult occupants of the premises on the lease.

This includes every individual who is contributing to the rent and residing in the property. This will ensure that should any disputes arise, there is a legal framework to protect all parties.

If you choose to be the only person on the lease in a share house, you will be solely responsible for the actions of everyone in the house. As a consequence, you might find yourself with damage to pay for that was not caused by you.

On the other hand, if you are not on the lease, you have less legal protections. Because you are not an official tenant, you may not be covered by the landlord's liability insurance.

### Dynamic Living Arrangements: Managing Changes

For many younger Australians who rent shared properties, there is frequent change, and housemates come and go.

Technically, you are required to notify the landlord or property manager of any incoming and outgoing in the household so that the lease can be updated and everyone is protected.

If you are leaving a share house, make sure you reach out to your property manager to update the lease so you're not responsible for anything that happens to the place after you go.

### What about the bond?

Where things can get complicated is in reclaiming the bond.

If someone who leaves early paid their share of the bond initially, then they will be likely to want that money back. Consider these issues from the start and discuss your action plans early so that you know what to do in this situation.

Often, the best choice is to ask the new tenant to pay their share of the bond and use that money to reimburse the housemate who is leaving.

### Subletting

Some Aussie tenants sublet rooms in a rented property without the knowledge or consent of the landlord or property manager. However, if you do this, you must be aware that you are responsible for the actions of any other tenants you allow in the home. If they damage the property, they are not on the lease, so they have no legal obligation to repair the damages. This can leave you with considerable fees to deal with.

Some tenants have been in trouble in the past for subletting to Airbnb guests, so vet this with your landlord or property manager before you put a room up for short term rentals as it may be a breach of contract.

To sum up, if you live in a share house or are planning to, make sure everyone is listed on the lease. It will make life much easier for everyone.

Leasing a home with the help of a quality property manager will make transitioning between housemates less stressful. You can reach out for help to update the rental agreement as the need arises.

**Need advice about renting? Talk to one of our property management specialists today.**



## FIVE REASONS TO USE A PROFESSIONALS AGENT IN 2024

At Professionals, our focus is on delivering service that makes our customers say 'wow'. By trying that little bit harder, we can constantly surprise and delight with better experiences and solutions.

Here are the top five reasons why Australians choose us to help with their property transactions.

### 1. Professionals know the local market

Local knowledge is everything when it comes to property. Our experienced real estate agents know their 'footprint' areas like the back of their hands. This means they have a deep knowledge of property values and sale timelines, as well as a contact book full of local builders, cleaners and suppliers.

Contact your local office for the most up-to-date data about property prices, and to work with an agent who is connected with active local buyers who are looking for homes like yours.

### 2. Professionals are focused on customer experience as well as results

While achieving an outstanding outcome is a priority, Professionals have a mandate of putting people first.

We understand that it can be stressful to buy or sell a home and take all the right steps to ensure a smoother experience. You can expect calm guidance and personalised advice so you feel as happy with our service as you do with our results.

### 3. Award-winning brand

Our people don't set out to win awards, but it's nice to be recognised for our efforts by industry bodies.

To share an example, Professionals were the only Real Estate brand to win five stars across all categories in [Canstar Blue's Customer Service Award](#). This was achieved because we consistently go out of our way to understand our customers' motivations and goals – and support them in every way possible. By empathising and collaborating, we demonstrate that we genuinely care.

### 4. Professionals are the best of both worlds

The Professionals is a national brand that has a long history in Australia. You will find a Professionals agency in almost any city around the country, including regional Australia, where we are proud to have a presence.

Our business model means our real estate agents have the right balance of being able to operate independently while having the support of a national office. With a whole country of contacts, they are able to achieve more on behalf of their clients.

### 5. A consistent experience, regardless of your needs

Whether you are buying, selling, leasing or renting, your local Professionals office has you covered.

We put the same level of dedication into selling your home as we do into helping you buy a new place. We will help you find the best rental property to move into, or we will manage your investment property so it takes up as little of your time as possible.

When you have a good relationship with your local Professionals agent, you'll always have someone to reach out to with your property-related questions.

### Contact your local Professionals agent in 2024

Ready to buy, sell, invest or lease a home? Reach out to our team.

We offer a unique level of support, expert advice and outstanding customer service that all result in a smooth and successful real estate experience.

What are your next property moves in 2024? Reach out to your local Professionals office for help today.

**Ready to invest in 2024? Get in touch with your local Professionals office today.**



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