



05 AUG, 2024

'Buyer beware' goes out the door in rush to buy home

Newcastle Herald, Newcastle

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MEDIA

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Rachel Ward

PROPERTY buyers are rushing into the market and foregoing important checks such as pest and building inspections, fresh research shows.

About three quarters of buyers and sellers say they encountered challenges in the market, InfoTrack's State of Real Estate report states.

Prices were the biggest concern for 21 per cent of people, while 14 per cent struggled to find a property, according to the survey conducted for the conveyancing and legal services provider's report, between May 2023 and April.

Australia's property shortage had an impact on purchasing behaviour with 30 per cent of those surveyed using a buyer's agent to secure a house or unit, InfoTrack's head of property Australia Lee Bailie said.

"In the rush to snap up available homes, more buyers seem to be compromising on important property checks in favour of putting in a speedy offer," Mr Bailie said. "Not even

half of all respondents had a pest inspection carried out, for example."

The range of choice in property has consistently been a challenge, Real Estate Institute of Australia president Leanne Pilkington said.

"Buyers are not spoilt for choice in any markets as supply remains low in all major cities," she said.

"Certainly, this is what is driving the trends that bear out in the report.

"Generally speaking, we would expect a boost of properties to market in spring and recommend that any active buyers get ready for that."

Some mortgage holders would be sweating on the outcome of the Reserve Bank's meeting tomorrow, with interest rates widely expected to remain on hold for now.

National home prices posted their 18th consecutive gain in July, up 0.5 per cent, CoreLogic data revealed on Thursday.

Yet values in Melbourne, Hobart and Darwin had

dropped in the last three months and the pace of growth has slowed elsewhere in cities including Sydney.

While 62 per cent of InfoTrack survey respondents said rising interest rates were a "major influence" on them, 38 per cent said it had no effect.

Families with children were the group most likely to be affected by affordability, and couples without children aged 30-49 were the biggest demographic of buyers

Total dwelling approvals in June dropped 6.5 per cent to 13,237 in first decrease since January, Australian Bureau of Statistics figures revealed.

That was attributed to a sharp fall in approvals for apartments and townhouses, although approvals for detached houses trended higher to about 10 per cent above mid-2023 levels.

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Leanne Pilkington