

7 reasons why the Australian property market is not going to crash

Leading property expert explains what's ahead for home buyers and property investors.

There is a property debate raging at present - is the future for property bright or is the bubble about to burst?

Obviously if you are considering of investing in property, or about to buy a home, it would be good to know who's right.

In his latest market update, leading property expert Michael Yardney, CEO of Metropole Property Strategists gives 7 reasons why Australia's property markets are not going to crash.

You can read it here:

<http://propertyupdate.com.au/7-reasons-australian-property-wont-crash.html>

He explains the 11 that there are a number of reasons why we won't see major falls in home prices in our capital cities any time soon. We have:

1. Robust population growth fuelled by immigration and to a lesser extent strong natural population growth. While immigration levels have dropped, we're still growing at a fast rate than any other country in the developed world.
2. A healthy economy that will continue to perform at a level that is the envy of much of the Western world and will create jobs for anyone who wants one.
3. A sound banking system with reasonable interest rates, tight lending practices and low default rate.
4. A shortage of properties in some locations, which means rents will rise.
5. Difficulty getting finance for new developments and rising construction costs, which means new developments will be more expensive and underpin the value of established homes.
6. A healthy level of household debt. Sure we are borrowing more, but the debt tends to be in the hands of those who can afford it. Many Australians are saving more, taking on less credit card debt and paying off their mortgages faster than they need to which improves the state of their personal finances. This in turn reduces the risk of house prices collapsing if interest rates rise or the economy hits a speed bump.
7. A culture of home ownership - seventy per cent of us own or are paying off our homes. In contrast to some overseas markets Australians have high equity in their properties and a conservative debt position. In fact half of all homes have no debt against them.

You can view Michael Yardney's latest video blog, where he explains what's ahead for property here:

<http://www.propertyupdate.com.au/video-market-update.html>

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