

# Brisbane set for 'double digit' growth: report

Bridie Jabour December 15, 2011 - 3:01AM



The Brisbane property market has been the worst performer of the capital cities in the nation with the median house price taking a tumble of 7 per cent.

Australian Property Monitors released its annual State of the Market report this morning, which took stock of the performance of property markets in capital cities across the nation.

The report found Brisbane house prices took the biggest fall, though next year is looking very rosy with the potential of double digit growth.

There was a national 4.2 per cent fall in median house prices, but Brisbane house prices fell 7 per cent to \$427,148.

The report pointed the finger at the January floods for the dismal performance of property prices, but said things were going to pick up in 2012. "A significant contributing factor however has been the devastating floods experienced by [Brisbane] in January," the report said.

"The Brisbane housing market is set to revive in 2012 off the back of the Queensland resources boom that will gather strength through the year – weather conditions notwithstanding.

"Dwelling shortages, population increases, rising incomes and the improvement in confidence as a consequence of the reconstruction program should contribute to a recovery in buyer activity. "Brisbane has the clear potential of double digit growth in median house prices over 2012."

The Brisbane property market is forecast to grow between 5 and 10 per cent next year, on par with Darwin and Perth. Sydney and Canberra's property markets are forecast to grow between 3 and 5 per cent while Melbourne, Hobart and Adelaide have forecast growth of between 0 and 3 per cent.

APM senior economist Andrew Wilson said 2011 had been a pessimistic year in most housing markets but there should be national growth next year.

"Demand for housing will intensify in 2012, particularly in Sydney, Canberra and Perth, which will see housing markets reenergised albeit at different levels," Dr Wilson said.

"Australia's economic fundamentals are strong, and are well positioned to weather any downturn in international markets. "This, coupled with renewed buyer confidence, will be the key to driving prices growth in the new year.

"Nationally, median house prices should recover to rise by 3 to 5 per cent through 2012."

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Read more: <http://www.brisbanetimes.com.au/business/property/brisbane-set-for-double-digit-growth-report-20111214-1ouma.html#ixzz1gZBJJkm4>