

Good times for investors

Property investors can expect good returns as Australia's housing stock shortage continues to worsen.

That's the conclusion of a January 17 Australian Financial Review story that also included a comment some rents could increase by up to \$100 a week.

This came from John Edwards, chief executive of Residex, who said it was a possibility because of the gap between demand and supply.

The article by Michelle Singer said average weekly rentals in Australia increased \$35 or 12.3% in the year to December 31, while typical home loan repayments increased \$7.

The Australian median house price went up 11% to \$391,000 as the share market grew 11.8%.

Tim Lawless, property research director at RP Data, was quoted as saying property was 'like a poor cousin' to the share market six months ago, however, in the long term, it outperformed shares because it was less volatile with fewer large peaks and troughs, and rarely went back in value