

**MEDIA RELEASE**

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## **HOUSE PRICE DATA SHOWS RECOVERY LONG WAY OFF**

The latest house price data, detailing a fall across capital cities, shows any potential recovery in housing markets is yet to gather real momentum, according to the Urban Development Institute of Australia (UDIA).

The Australian Bureau of Statistics quarterly house price data released today showed the weighted average house price fell 0.7 percent in the June quarter.

“The pricing data can be a lagging indicator but shows we still have a long way to go before any sustained recovery is achieved,” said UDIA National Executive Director Connie Kirk.

“At best, they paint the picture of a stabilising market in our major capital cities and suggest the worst of the decline is behind us.

“What we do know is that any hint of a recovery in pricing will take time to gain traction and there is no evidence at all yet of a lift off in pricing for new housing products.

“Until any increase in prices for established housing is replicated in the new home market there is unlikely to be a pick up in construction activity needed to boost the economy.

“Recent moves to cut the official cash rate and ease loan serviceability assessments will take time to flow through the system, particularly if banks keep a tight leash on lending regardless.

“No one wants to see rocketing increases again, but a sensible and sustainable trajectory on house prices is needed to drive activity, construction, jobs and affordability.”

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