



## **ME quarterly property sentiment report.**

Quarterly insights into how Australians feel about the residential property market.

NINTH SURVEY, Q2 APRIL 2021

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## About this snapshot.

The *ME Quarterly Property Sentiment Report* provides timely insights into the sentiment of Australians towards the residential property market based on a survey of 1,000 Australian adults in the property market who do not work in the market research or public relations industries.

The survey is designed, developed and produced quarterly by industry super fund-owned bank ME with fieldwork conducted by Pure Profile.

This edition presents the findings from the ninth edition – Q2 of the 2021 calendar year, conducted in April 2021.

The report tracks changes overtime in property sentiment and in doing so, highlights the ongoing – and potentially shifting – differences between ages, locations, property status, intentions and experiences in terms of:

- overall property market sentiment
- price expectations
- impacts on future property plans
- impacts on finances, wealth, and savings behaviour
- opinion on current property trends
- affordability concerns.

For analysis, the sample is broken down into investors, owner occupiers and first home buyers in the following proportions to provide accurate results within each cohort:

570 – Owner occupied property owners

251 – Investment property owners

268 – First home buyers

The data has been weighted to be nationally representative across age, gender, and location.

## For further information.

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## Overall property sentiment.

Positive sentiment has fallen since last quarter, while negative sentiment has increased.

Sentiment varies by property status and property intentions.

Figure 1. **Overall property sentiment**

*Overall, how do you feel about the property market?*

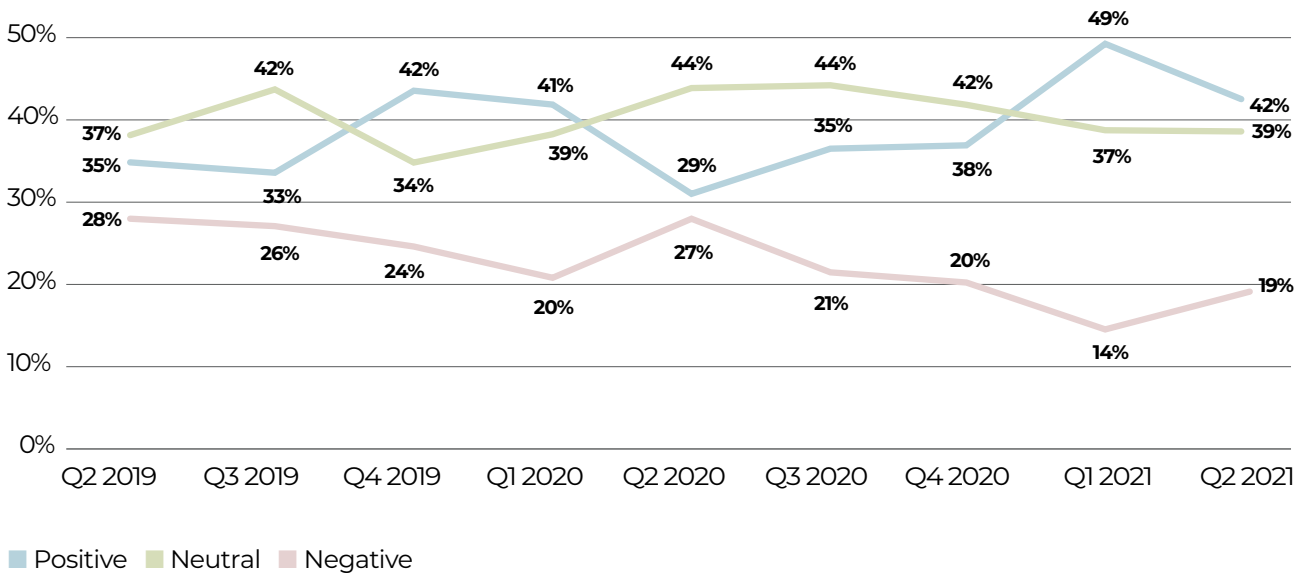


Figure 2. **Property sentiment by property status**  
Overall, how do you feel about the property market?

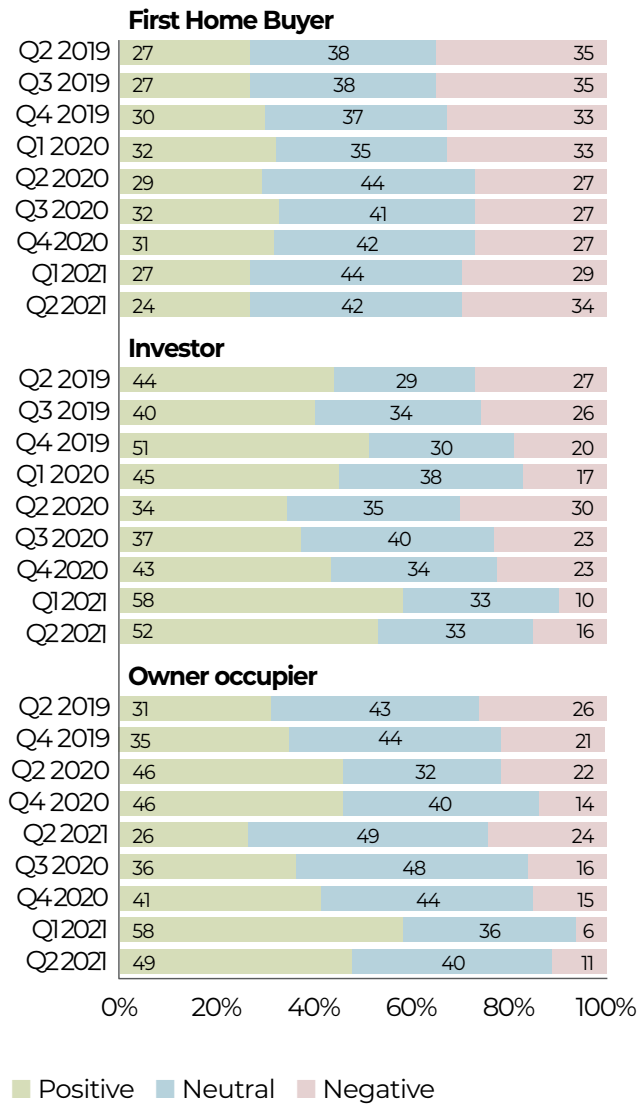
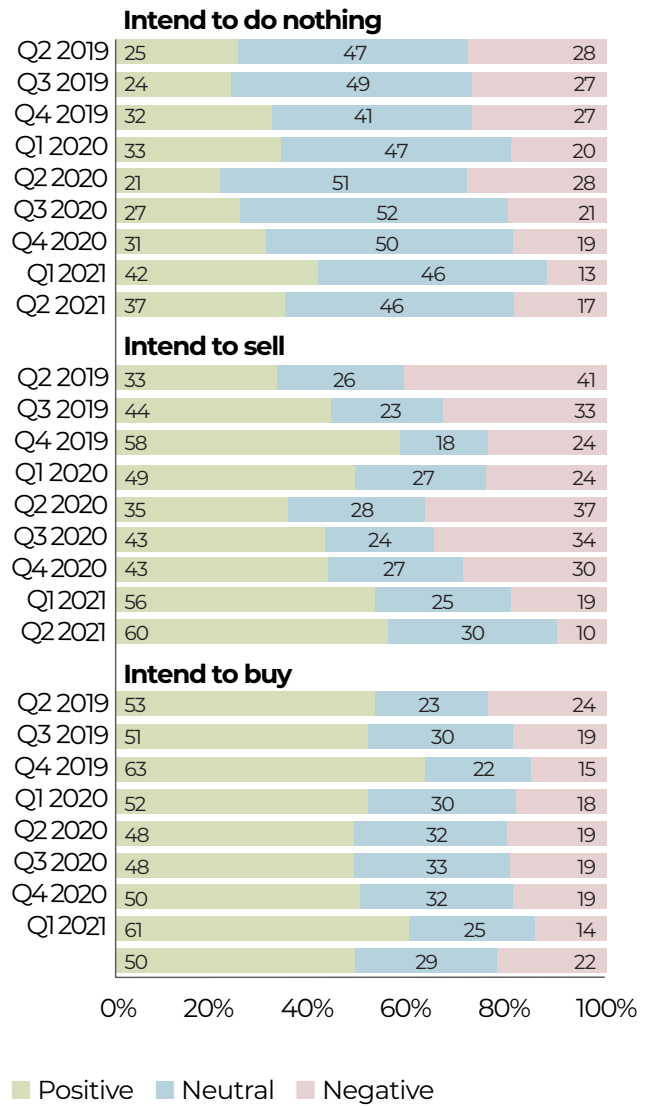


Figure 3. **Property sentiment by property intentions**  
Overall, how do you feel about the property market?



## House price expectations.

Overall, more people are predicting house prices to increase and less are expecting them to decline over the next 12 months; however, expectations vary based on property status and location.

Figure 4. **Overall house price expectations**

*What do you think is likely to happen to the value of your property in the next 12 months?*

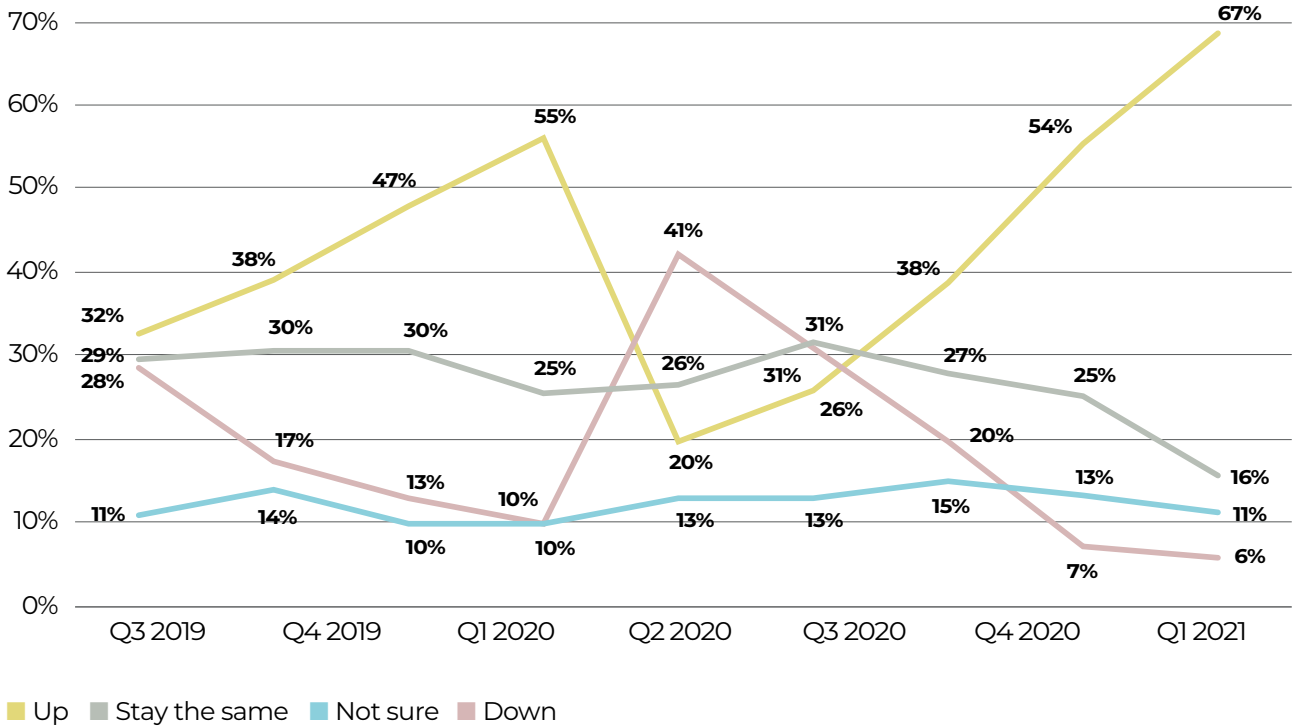


Figure 5. **House price expectations by property status**  
*What do you think is likely to happen to the value of your property in the next 12 months?*

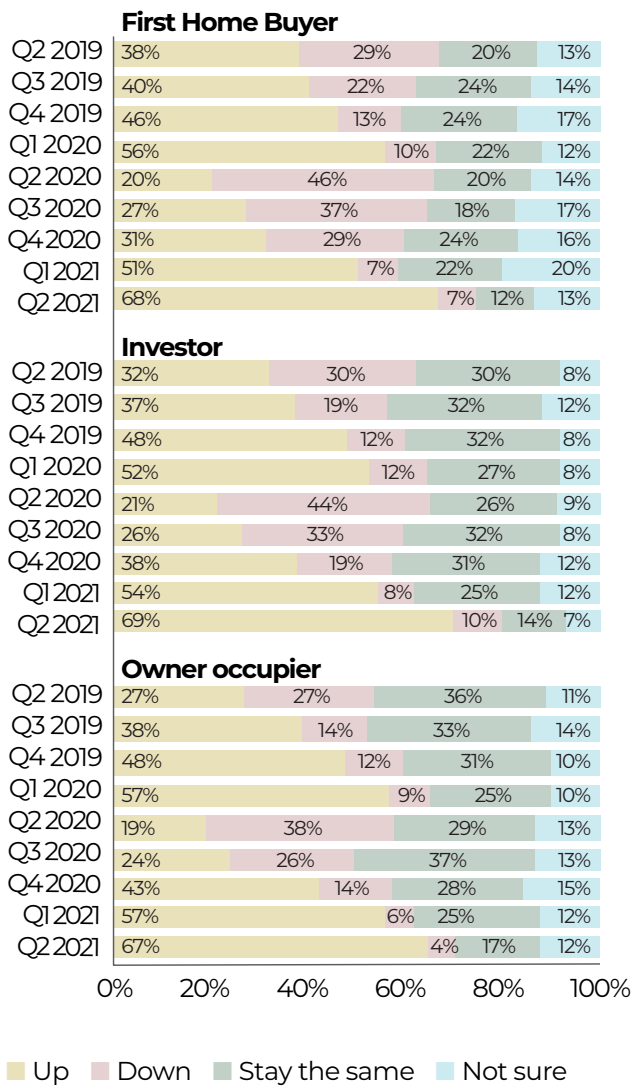
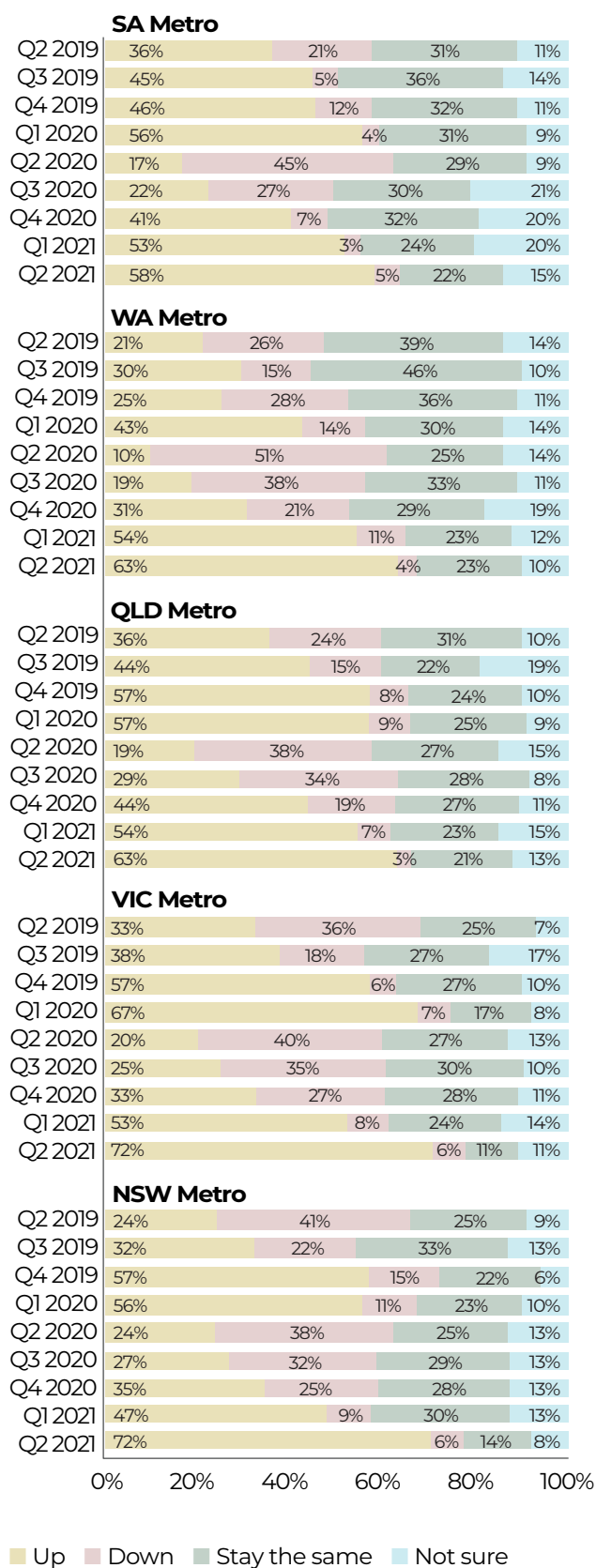


Figure 6. **House price expectations by state\***  
 What do you think is likely to happen to the value of your property in the next 12 months?



\* Please note, survey sample sizes for other metro areas are smaller and are therefore not included.

## Property intentions.

ME asked people in the property market what their property plans are over the next 12 months and found overall most people are planning to hold. Intentions vary by age, income and property status.

Figure 7. **Overall property plans**

*What are your property plans in the next 12 months?*

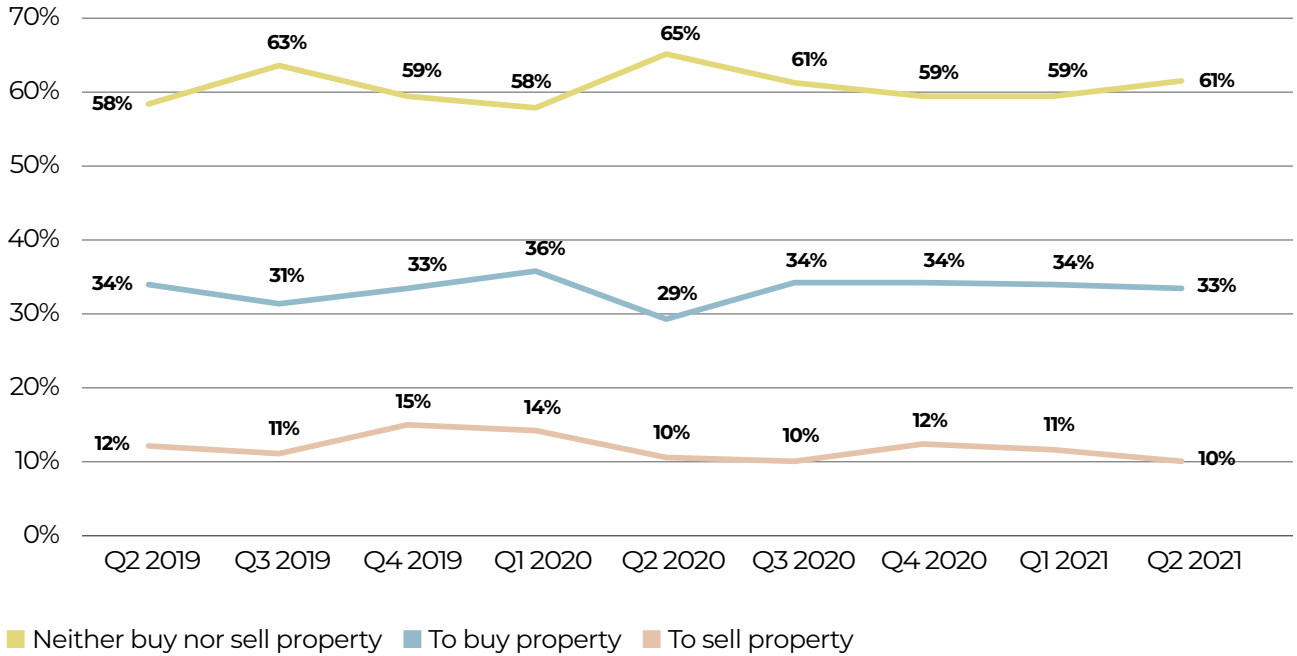
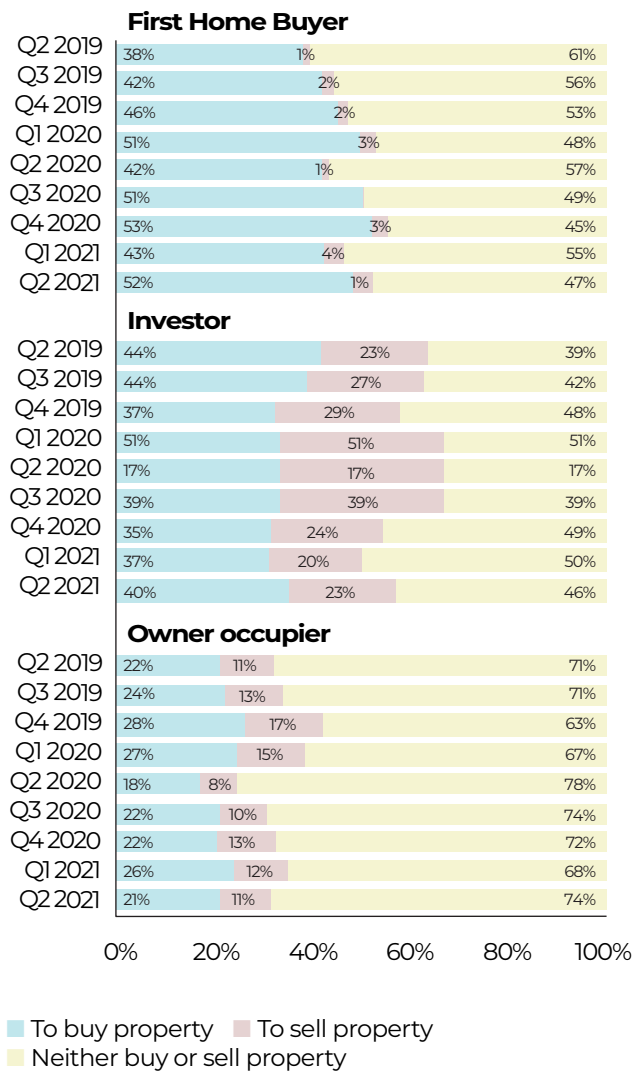




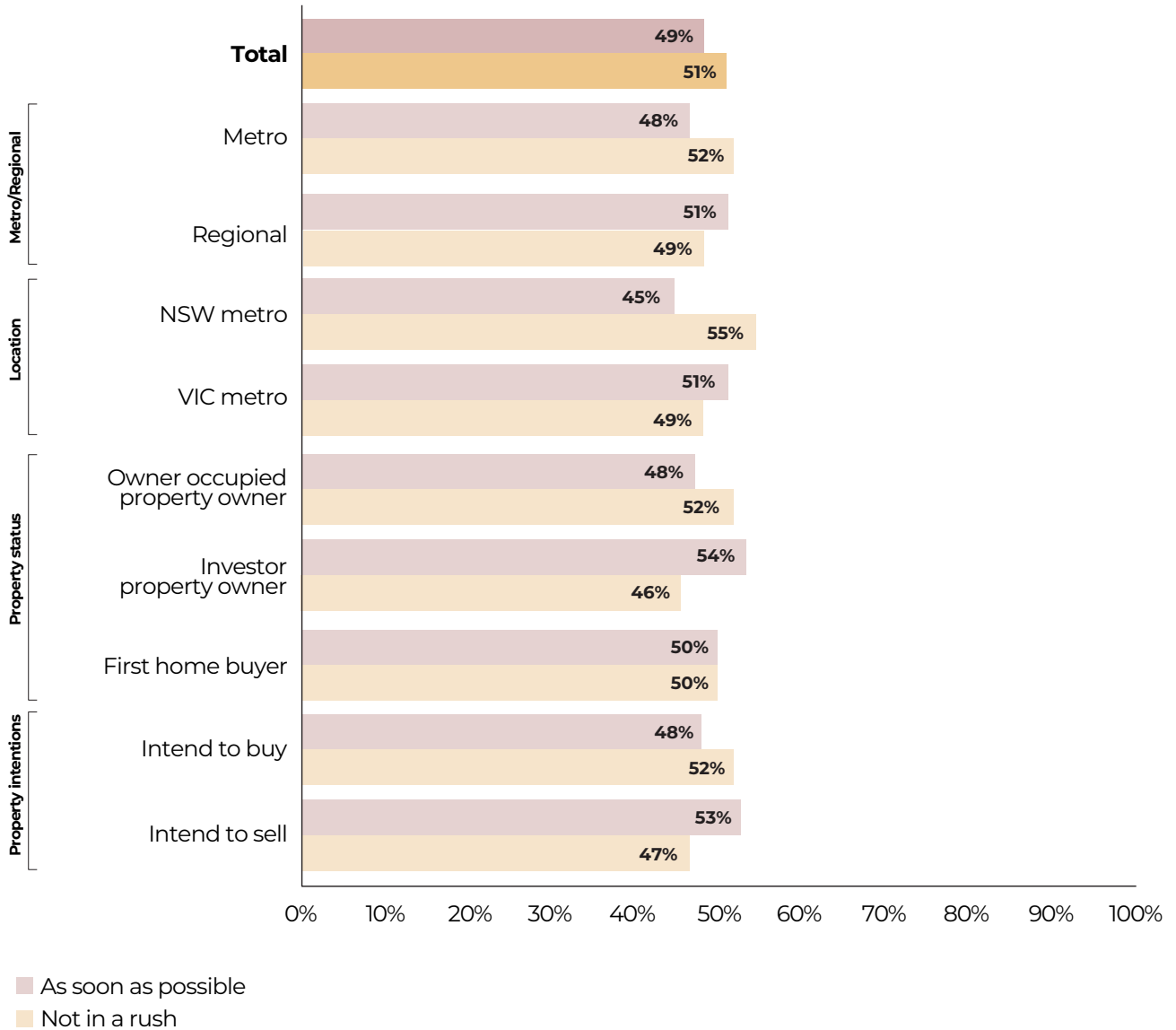
Figure 8. **Property plans by property status**  
*What are your property plans in the next 12 months?*



## Two speed market.

ME asked those who are planning to buy or sell how quickly they would like to action their plans. Slightly more (51%) said they are 'not in a rush' versus 49% who want to buy or sell as 'soon as possible'.

Figure 9. **Timing of property transactions\***  
Timing of property transactions



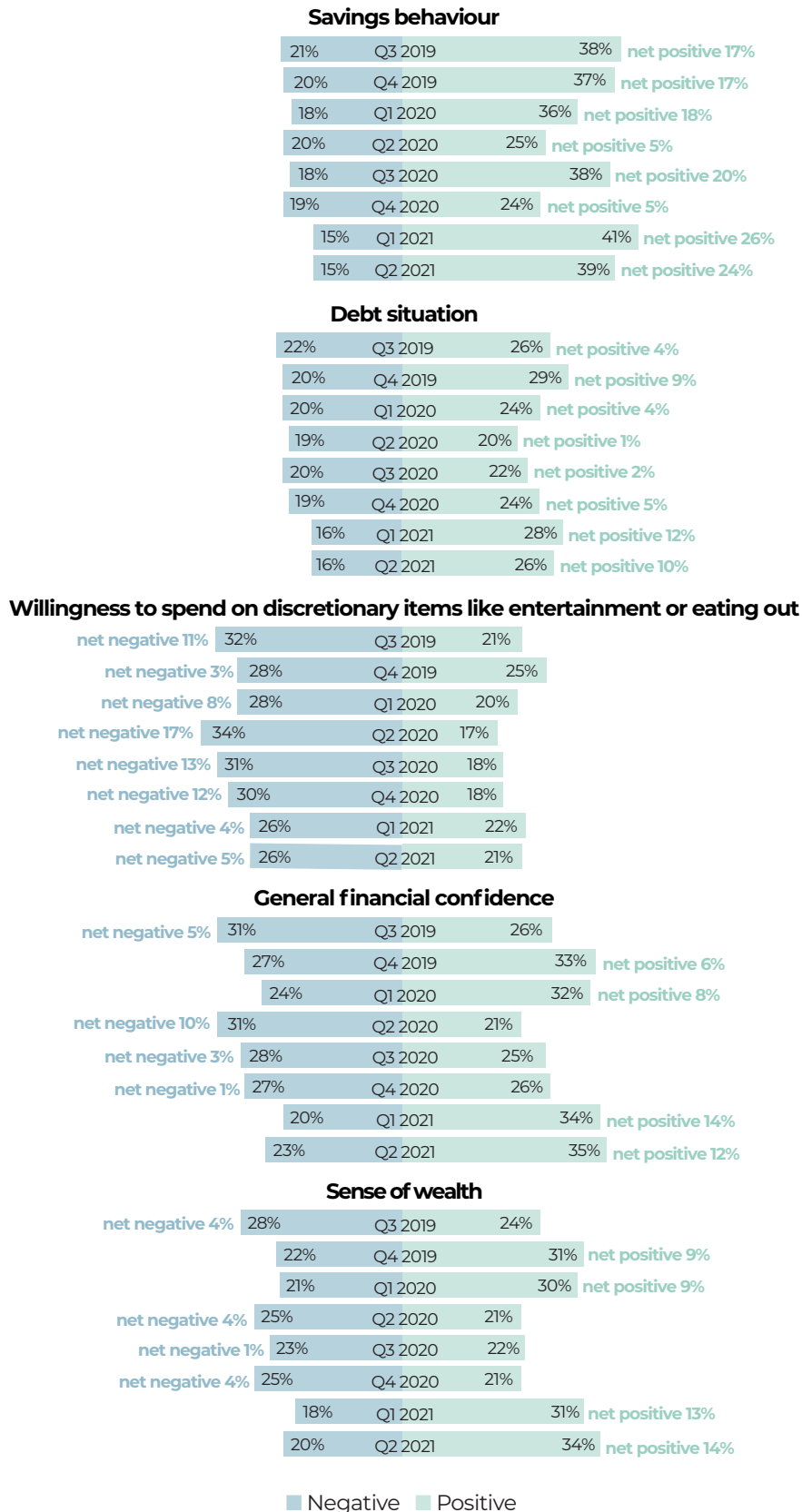
\* Please note, survey sample sizes for other metro areas are smaller and are therefore not included.

## Effect on finances.

Changes in house prices influenced respondents' financial situation in a variety of ways, both positive and negative.

Figure 10. **Overall effect on finances\***

What impact have recent property price movements in your area had on these aspects of your financial situation?



\* Respondents had the choice of answering positive, negative or neutral. We have removed neutral responses from the chart for the sake of simplicity.

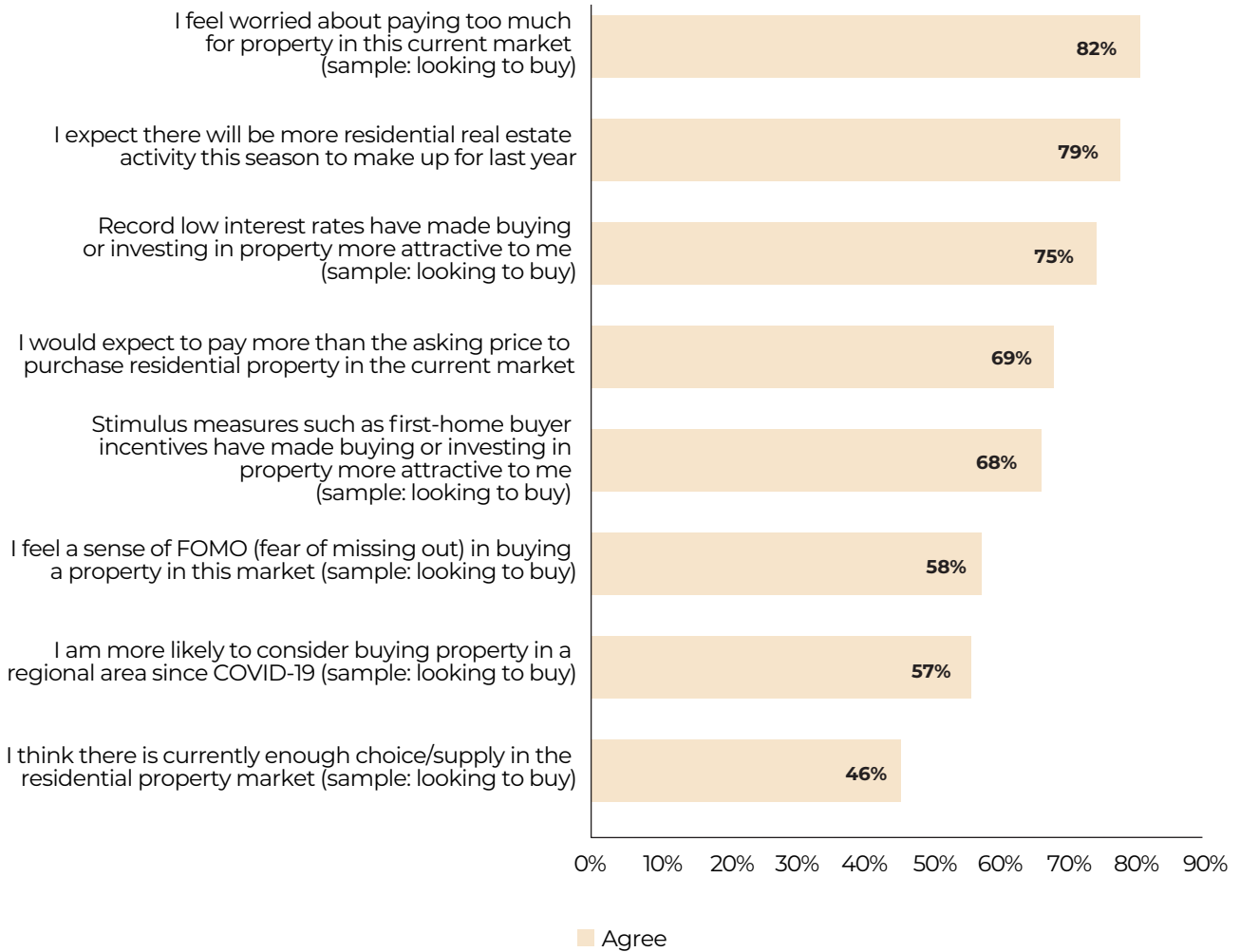
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## Opinion on current property market trends.

Events such as the COVID-19 pandemic and economic downturn together with reduced rates, and higher prices have influenced sentiment in the real estate market.

Figure 11. **Views on market trends**

Do you agree or disagree with the following statements:



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## Affordability.

Housing affordability remains a key concern, likely heightened by recent property prices rises.

Figure 12. **Housing affordability**

*Do you agree or disagree with the following statement: Housing affordability is a big issue in Australia.*

