

## **Landgate Residential Value Watch**

Landgate's annual Residential Value Watch survey has found 98 suburbs across the Perth metropolitan area showed a reduction in value of up to nearly 16 per cent in the 12 months up to June 2008.

In the same period, a further 42 suburbs recorded zero growth.

Acting Value-General Kevin Di Prinzio said the survey reflected the fact that the housing market had already peaked in 2008 and in many cases either slowed down or begun to fall by July 2008.

"Landgate Residential Value Watch is a particularly powerful method of gauging the market performance of a suburb over time," Mr Di Prinzio said.

"The June 2008 figures see the establishment of a new base level of values for residential properties for the 'post international financial crisis'.

"As a result, Value Watch will be a very important benchmark to monitor future house price movements in the local market."

Landgate's Acting Chief Executive Paul Whyte said the survey was widely regarded as an accurate, reliable and independent indicator of movements in value of the real estate market in Western Australia.

"This is because Landgate Residential Value Watch is based on actual valuations carried out by the Valuer-General," Mr Whyte said.

Mr Whyte said the survey's strength was that it tracked house prices over time through a constant sample of properties, all at a common date of valuation.

"This reduces the potential for distortions that might occur when using statistical measures such as median house prices," Mr Whyte said.

"In every instance a formal valuation is undertaken for each subject property and this involves analysing all comparable sales within the suburb on or around the date of valuation.

"In many instances it can take months for sales transactions to reach settlement and this is why the Value Watch valuations are delayed until all relevant sales transactions are concluded and can be analysed."

The Value Watch survey has been undertaken since 1988 and as such is a very important reference source for property professionals, analysts and investors to track value growth in the short, mid and long term.

“Unlike median house prices which can be affected by a variety of factors that often require adjustment and further interpretation, Value Watch is a stable and very accurate measure of house price performance over time.

Landgate’s Residential Value Watch covers 246 properties in 232 suburbs in the Perth metropolitan area and 77 properties in 70 suburbs in 19 country cities and towns.

The exercise involves the revaluation of a subject property considered to be typical of the suburb.

Landgate Value Watch includes an assessment of the land value, market value and the rental value of each property in the sample.

Tracking movements in land values over time, for instance, can assist in determining when an area or property is suitable for redevelopment, while analysis of rental values can help assess the potential return of an investment.

The entire Value Watch sample or individual analyses of each suburb are available over the internet by visiting [www.landgate.wa.gov.au](http://www.landgate.wa.gov.au) or visiting Landgate Cloisters office at 200 St Georges Terrace or on Level 6, Bunbury Tower (61 Victoria St, Bunbury).

Orders and purchases can be made using a credit card by calling 08 9429 8566. The cost is only \$9.15 per suburb or town report and the entire sample can also be purchased in hard copy or digital form.

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