The Art and Science of Property Valuation

Discussion Paper

Foreword

What?
A property valuation is the basis for any commercial transaction involving real property, a fundamental component of the assessment and decision criteria.

While the work of a quantity surveyor is more a precise science, Property Valuation is a combination of:

- art **-** an element of subjective and qualitative judgement and expert opinion gained through personal experience, and
- science **-** the quantitative and objective measurement of the subject property and a precise examination and empirical comparison with the market.

Is too much "science", with the absence of the human element of commercial common sense, detrimental to an accurate and realistic valuation outcome? Is too much "art" tantamount to 'shooting from the hip' that may yield an unrealistic and unfounded result?

How?
The work of a valuer must, by definition (Definitions - Australian Property Institute (api.org.au)), contain an element of the art of qualitative estimate and judgement, and, the science of precise measurement with standardised mathematical calculations and empirical comparison.

Science includes the use of established disciplines of economics, mathematics, and the law. There are standardised complex conventions and methodologies to model and compute a property's market value.

The more complex art of valuation is a combination of market knowledge, intuition, and understanding of the market's emotional/psychological and other drivers, which are gained by personal experience.

Because of this combination of precise measurement & calculation and intuition & personal interpretation, it may reasonably expected that no two valuations of the same property will be the same.

Why?
The information provided in a valuation report is just as important to a small investor as it is to an intending mortgagee or even to a publicly listed property trust.

Properties are not a homogenous asset; each has its own unique attributes and these must be carefully weighed up to determine the correct market value upon which an investment decision is to be made.

A small error in the initial part of the assessment process can extrapolate out to a large variation in value on a listed entity's balance sheet, a family office property portfolio, or an individual's statement of position.

When?
Property valuations are an essential component to any investment decision where not just the numbers but also other information included in a valuation report provides the basis for an investment decision.

Where?
Property valuers and their reports are a vital component of the Australian economy, they have an extensive and vital role in the real property investment decision processes.

Property Valuation

What is Property?
In the context of this discussion, property means *Real Property*; by definition ([Definitions of property | ALRC]); "property" connotes:

- Ownership of a thing (land/building) and therefore an economic value.
- A 'relationship' between the property owner and the property or thing, rather than the thing itself. This relationship is called Dominion, ie; an enforceable right-of-use (and of transfer or disposal, etc), therefore it has economic value.

Property has an economic value, hence is an essential component for any property transaction, which is based on a fundamental economic assessment and a subsequent investment decision.

Valuers take on responsibility and risk in the execution of their profession, which is the determination of market value of an asset; "real property" in the context of this discussion paper. Property valuers have an extensive and vital role within the market and its decision-making processes.

Who are Property Valuers?
A certified property valuer is a qualified and accredited property specialist, university qualified with at least a Bachelor of Property Economics or a Bachelor of Business (Property) or similar and comes with the Australian Property Institute's "CPV" post nominals, which are recognised by major financial institutions.

To qualify, academic entry requirements, completion of the accredited qualification program, the requisite industry experience must be accumulated, and the API's admission module & Practical Valuation Training Program must be completed. Many Property Valuers start out in the industry as real estate agents.

Certified property valuers are bound by the industry's Rules of Professional Conduct and Code of Ethics and is obliged to follow their industry body's published Guidance Papers, which recognise the International Valuation Standards published by the International Valuation Standards Council and as such are considered the authority on valuer conduct and practice, clarifying professional and industry processes, as well as appropriate practices and procedures.

A certified property valuer is responsible for choosing the most appropriate approach in each valuation undertaking based upon the task, property type and use, situation, and on instructions received. Certified valuers must perform their own work pursuant to their own professional expertise and experience and if required, seek additional advice which might include legal advice. Many are often called to prepare and provide Expert Evidence and act as Expert Witness in legal cases in Courts or Tribunals.

Why Two Valuations of the Same Property will likely Differ
A property valuation is the basis for any commercial transaction involving real property, a fundamental component of the assessment and decision criteria, be it a credit advance, a decision to acquire or divest, a litigation, for the calculation of Ad Valorem duty in a transfer, and so on.

While the work of a quantity surveyor is more or less a precise science, Property Valuation is a combination of both:

- science - based on the quantitative and objective measurement of the subject property and a precise examination and empirical comparison with the market
- art – based on an element of subjective and qualitative judgement and expert opinion gained through personal experience.

The proportions of "art" and of "science" that a valuer relies on to prepare a valuation report will depend on the individual valuer:

- too much "science" would be an over-reliance on statistics and ratios and an absence of commercial common sense.
- too much "art" or "gut feel" may yield an unfounded result

The Australian Property Institute (API) definition of valuation ([Definitions - Australian Property Institute (api.org.au)]) confirms there is an element of qualitative art as well as quantitative science.

The disciplines of economics, mathematics, and the law with standardised conventions are used to model and compute a property's market value via several methodologies. Perhaps more complex is personal knowledge, intuition, and understanding of the market's emotion and psychology gained by experience.

It is because of the combination of science (analytics) and art (intuition and personal interpretation) that no two valuations of the same property will be the same.

Factors Affecting a Property's Valuation
The information provided in a valuation report is just as important to a small investor as it is to a mortgagee or even to a listed property trust. A small error in the initial assessment can carry forward to a listed entity's balance sheet, a family office property portfolio, or an individual's statement of position.

Properties are not a homogenous asset; each has its own unique attributes which must be carefully weighed up to determine market value as the basis for an investment decision.

Such attributes include but are not limited to:

Location	Gross Floor Area	Support of the local catchment
Position	Net Lettable Area	Floor:Space Ratio & Height Limit
Aspect	Off-Street Parking	External obsolescence
Visibility	Aesthetic appeal	Gross Rental Income
Exposure to passing trade	State of Repair	Non-Recoverable Outgoings
Floorplan layout & functionality	Fixtures & Fittings	Equivalent Rent
Ingress & Egress / Accessibility	Zoning & Allowable Uses	Supply of competing properties

Some of the above listed attributes require quantitative analysis and others require qualitative assessment.

The Purpose of Property Valuation
Property valuations are an essential component to any investment decision. Critical information that is comprises a valuation report extends well beyond the valuation numbers; a valuer will make qualitative comments throughout which may affect an investment decision.

Property valuations are required for a number of reasons, including:

Financial Reporting	Highest-and-Best Use Determination
Tax Liability Assessment	Project Feasibility Analysis
Family Law Settlement	Invest / Divest
Transfer Duty Calculation	Mortgage Lending

Determination of compensation for easements or for compulsory acquisition

A valuer will review all property and project related documents, including; full copies of leases, managing agents' property statements, statutory payments, Deposited Plans and Strata Plans, boundary surveys, building contracts *(should be fixed-price)*, presales contracts and all terms & conditions including sunset clauses, schedule of the proposed fixtures & finishes, council-approved architectural plans, and council and other consents and approvals, and of course a certified QS's pre-commencement cost confirmation report.

It is essential that a valuer remains at arm's-length, as a third-party professional who must remain independent and impartial to all parties to a property transaction: the valuer must not act in the interest of a borrower, vendor, purchaser, developer, or any other party.

Appointing the right Valuer (and how LINK does it)
Valuers may specialise in a certain field; the larger valuation firms, such as JLL and Colliers for example, are departmentalised into divisions of speciality or sector, for example; residential construction, commercial investment, hospitality, aged care and medical, tourism, etc, and these again may be split by geography.

Hence, it is important that the correct valuer is appointed for the specific purpose and location. Even among these (from firm to firm and to a degree even within each firm), there will be a variance in the valuation outcome, which is why a pre-engagement tender process is important to gain an indication and to avoid adverse surprises as each individual valuer will utilise a different blend of science and art.

Lender panels can vary significantly. Another consideration is to engage a valuer or valuation firm (some panels have individual valuers appointed and not whole firms) that is appointed to the panels of the lending institutions likely to be approached for finance.

Financial institutions issue pro-forma template valuation instructions; at LINK Commercial Mortgages, panel valuers are engaged after a discrete tendering process. This involves preparing a property brief containing a detailed property description, examination of market comparables, calculations and analysis, and in the case of construction valuations a project feasibility and funding cash flow analysis.

The property brief serves as a discussion paper where issues are fleshed out to provide a clear expectation of valuation with little to no surprises in the final valuation report; this process also provides confidence in early discussions with possible financiers as well as the early management of stakeholder expectations.

Types of Property Use

Essentially, there are three different types of property uses. A valuation approach will differ based on the specified purpose or use:

- Owner-occupied Property

  Where the property owner, or non-arm's-length party, occupies the property. The property may be a retail shop or bulky-goods outlet, general commercial, or industrial property. The property is occupied by owner, directly or via a related group entity, who runs its business from within that property – a market rent will be capitalised as the primary method. It may also be a residential property occupied by the owner as primary place of residence.

- Investment Property

  Where the owner assigns the usage rights to the property to a non-related, fully arm's-length third-party tenant in consideration of an agreed rental, for a fixed period, and with other terms specified as secured by a licence or more commonly a lease agreement. This may be for a commercial or residential property.

- Project or Development

  Where a property is to be (re-)developed, any existing improvements to be demolished will have no value assigned to them; it is the approved end product that will be the primary focus of the valuation.

  In current terms, the "as if completed" GRV is assessed as a starting point. The QS certified project costs (including the developer's profit & risk margin) to convert the site to the finished product to achieve the assessed GRV are deducted with the resultant figure representing what a rational developer would duly pay to acquire the site - this is called a Residual Land Value.

The first two types of property, above, are referred to as Passive Property while the third is referred to as a Value-Add Property.

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Property has an economic value, hence is an essential component for any commercial transaction, which is based on a fundamental assessment and an investment decision.

Valuers take on responsibility and risk in the execution of their profession. They have an extensive and vital role within the market and its decision-making processes.

Valuation Methodologies
As there are different types and utilisations of property, so too are there several approaches to a valuation, noting that not even properties within a single category are a homogeneous asset.

The valuation of an owner-occupied commercial property is a different process to the valuation of an owner-occupied residential property. Although there are cross-overs, the relevant factors in one case may have no relevance in the other and the metrics in each case differ.

Depending on the type of and utilisation of a property, a valuation will be undertaken utilising a primary method and, for cross-checking, a secondary method. Some of these valuation methods include:

- Income capitalisation

  Net rental income from the property is capitalised to arrive at a value. The rental income may be actual passing rental or it may be an assessed market rental in the case of a vacant property, in which case letting-up allowances and incentives that are considered necessary to return that property to a fully income generating state would be factored in to the equation.

  In this case, the property may be a single-tenancy or a multi-tenancy. A process of quantitative and qualitative lease analysis is conducted which would including a WALE analysis in the case of a multi-tenancy building.

  Other lease terms are analysed and in some cases tenant risk analysis is also performed for each tenant with different capitalisation rates applicable for each tenant type or risk.

  Determining the capitalisation rate to be used is another topic in itself.

- Replacement Cost

  The cost of demolition, removal of debris, council and professional fees, construction sum, builder's margin, contingency allowance, capitalisation of interest, and other related costs to replace/reinstate a building.

  The cost base may also include a loss-of-rent provision which may in itself contain letting-up allowances and incentives.

- Market Evidence (Comparable Sales & Rents)

  Recent sales evidence of other similar properties that are considered to be "comparable" to the property being valued is sought. From the comparable market sales evidence, information such as $/m^2 of capital value (of land and of Net Lettable Area (NLA)) are extracted and tabled to build a precedent base.

  Rent incomes, on a $/m^2 of NLA, and other leasing details such as tenant contributions to outgoings (outgoings recoveries) are also sought and tabled to establish a base for assessing the appropriateness of the rental income that is being generated by the property being valued – this also helps to build a profile for the determination of an appropriate capitalisation rate.

- Gross Rental Multiplier

  Not commonly included in a valuation report; it provides a *back-of-the-envelope* cross-check method as well as an initial benchmark.

  A simple equation, the estimated value is divided by the property's gross rent to arrive at a multiplier; however, with a standard range multiplier in mind, a valuer can reverse this using simple arithmetic to get a ball-park idea of valuation.

- Alternate Use Valuation

  Undertaken in the case of a specialised property, such as a small purpose-built NDIS certified residential complex, where the property's return and value are well above those of a standard residential property with similar features.

A prudent lender's valuation brief to the valuer will include an instruction to assess the value of the property also on an Alternate Use basis, ie; assuming that in this example the NDIS certification lapsed or was revoked.

In doing so, the lender would want to know what would the property value would be according to the benchmark metrics appropriate to the permitted alternate so that it could measure its exposure to the property, ie; the alternate use basis LVR.

It is common for lender exposures on specialised properties to be limited to a lower Loan to Valuation Ratio (LVR), perhaps at 50%.

In this way, a value buffer is reserved so that if the special use ceased and the value reduced based on an approved alternate use, the resultant lender exposure would still be within lending policy at, say, a maximum of 70% LVR (on the alternate use basis).

- Construction Valuation (valuation for project finance purposes)

  A development site valuation would typically involve two methods:

  i. Market Evidence - comparable sales of similar development sites (improved or unimproved) with similar zoning, location, and potential for redevelopment. Comparable sales are analysed on a $/m² of land basis and on a $/unit site basis.

  ii. Residual-Land-Value

     - Step-1 an "as if completed" valuation is firstly ascertained. For residential units, this may be achieved by a comparable sales analysis; for commercial/retail property by capitalisation of net rental income as primary method. If there are pre-sales and/or pre-lease agreements in place then these are taken into consideration.

     - Step-2 obtain the total development cost of transforming the property from its existing state to a complete, certified for occupation state. These costs include the developer's profit-and-risk margin and the 2% SBBIS bond and are typically certified by a Quantity Surveyor. A small error here would result in an error in the residual land value.

     - Step-3 Subtracting the total development costs from the as-if-completed value results in a Residual Land Value, which in colloquial terms is what a reasonable developer would pay for the site *vis-à-vis* the profit to be derived commensurate with the project risk. This should reconcile with the $/m² comparable sales analysis.

Considerations relating to Commercial Investment Property Valuation
Commercial investment property valuations involve the capitalisation of net rental income. However, there are other qualitative factors that may mean a lower valuation and these include the valuer's judgement call on the need for CapEx (repairs, upgrades, etc that may be required to achieve or to continue to achieve the assessed market rent), letting up allowance and incentives – again, subject to judgement call of the valuer. These costs or provisions are "estimated" by the valuer and subtracted from the initial valuation.

The effects of other qualitative factors that may affect a valuation outcome include the analysis of Lease terms (options, indexing & market reviews, tenant industry risk or tenant risk, WALE, *re-lettability* or market demand), reinstatement or "make good" clauses in the Lease, and so on).

These may affect the valuer choice of capitalisation rate, where as a denominator in the equation the higher the capitalisation rate (indicating higher risk) the lower the property value (value = net rental income / capitalisation rate).

Whether or not commercial leases are registered on title may also effect valuation. In the case of a retail centre or office building for example, the registration of leases on title provides legal comfort and an increased degree of certainty relating to both the Lessor's rights and the perceived security of cash flow generated from those leases, particularly where a property is being sold or purchased.

In the absence of registration of leases on title, a valuer may recognise the cash flow (net rental income) but then complete the valuation on a VP basis, adopting assessed market rents (rather than actual rent) and subtract letting up allowances and incentives – depending on the property type, its location, position, and other qualitative features, this may be yield a higher rental and valuation, or lower (should the property be in a regional location with limited demand, for example).

A further consideration is if a property falls under the Retail Tenants Act 1994 (View - NSW legislation) which sets out the obligations of Lessor and Lessees but essentially protects the rights of the smaller retail tenant. The Act overrides some terms of commercial leases.

Examples of factors that it effects include the Lessor's ability to review the rent, and the Lessor's obligations to provide Lessees with a disclosure statement, (including to provide forewarning of intended expenditure on advertising and promotion (especially relevant where the Lessees contribute to such outgoings), the setting of outgoings contributions, and disruptions to trade from planned capital works to a shopping centre, for example).

Other Considerations

Lending institutions employ quantity surveyors and property valuers: the term; "Property Risk" may be familiar – it is the department within a bank where property valuers are employed and their job is to critique external valuers' reports; this means that a top tier lender will not blindly rely on an external valuer's valuation report, in fact they may reject it.

An appointed valuer ensures that the commercial case stacks up, ie; that all considerations and allowances have been made when completing the valuation report. This is important as it maintains the valuer's professional reputation and standing and credibility with lenders. This in turn instils confidence in the valuer's work and this augurs well for the borrower.

Ensuring that the commercial case stacks up does not necessarily mean being conservative; rather, it means making the appropriate deductions for non-recoverable outgoings, ensuring an appropriate contingency allowance is provided for, and factoring in the assumption that the SBBIS 2% defect bond is incorporated into the project cost when calculating project feasibility and Residual Land Valuation. Omitting these or under provisioning to force a more favourable valuation is an indicator to a lender that the valuation is unreliable.

The Property Market & Affordability

Housing affordability in Australia has become a chronic issue with the ratio of average house prices to average household disposable income more than doubling over the last 30 years from three times to 6.5 times. Property prices have increased while real wages growth has not; at best, wages growth has not kept up with property price growth despite the shortage of skilled migration over the past 2 years.

Housing affordability has deteriorated more in Australia than in other comparable countries, the median multiple of house prices to income for major cities is 7.7 times in Australia compared to 4.8 times in the UK and 4.2 times in the US; in Sydney, it is 11.8 times and 9.7 times in Melbourne making Sydney one of the top 3 least affordable cities in the world, behind Vancouver and Hong Kong (*2021 Demographia Housing Affordability Survey*: Demographia International Housing Affordability 2021 Edition).

According to CoreLogic data, housing values have risen at the fastest annual pace since 1989 with the national home value index rising a 20.3% over the past 12 months.

Drivers of the Covid19 era Property Market

There are two main factors pushing the divergence between house prices relative and income, both driving demand-pull inflation in dwellings:

a. The ready availability of low cost capital (low interest rates and abundant liquidity in lending)

b. Low supply of housing with a disproportionate increase in population vs. new dwellings

Quite differently from the GFC of 14 years ago, there is an abundance of cheap money readily available to borrowers and this is what is fuelling acquisitions, driving the demand, and as a consequence of limited supply of dwellings, driving up the price of housing and property in general.

Auction clearance rates across Australian capital cities has recently been at unprecedented levels, hovered around the 82% mark according to CoreLogic data; and this is in spite of continuing covid19 lockdowns with some auctions conducted on-line and houses selling sight-unseen; many selling prior to scheduled auction dates. An important catalyst in this activity has been the presence of cashed-up ex-pats who are seeking to return to safe-haven Australia.

It's not all negative… the first stage of *the wealth effect* is when total household wealth increases, as it did in the June 2021 quarter (by 5.8% or $735 billion to a total $13.4 trillion: $522,032 per capita), according to the Australian Bureau of Statistics (Record house prices continue to drive household wealth | Australian Bureau of Statistics (abs.gov.au)) with residential property assets contributed 4.5 percentage points of the total 5.8% growth last quarter. Other significant growth assets were superannuation balances and directly share holdings.

On the other side of the ledger, the demand for credit peaked at $78.6 billion, a rise of $25.5 billion over the quarter, of which households borrowed $45.1 billion (57.4% of total debt) 15.7% for investment but 84.3% being consumers purchasing for non-income producing owner-occupation.

This is worrisome considering only a portion of the less than 43% balance of total debt was applied to business investment (compare: a $38 billion rise in owner-occupied housing loans vs. a $8.7 billion increase in business loans). It is worth mentioning also that bank deposits increased by $45 billion to $341.8 billion as the government injected further liquidity into the financial system by way of support packages.

Macro Prudential Measures

Dr Shane Oliver, AMP Capital's chief economist, promotes the introduction of macro prudential controls to slow down the record levels of housing finance and address poor housing affordability while he acknowledges that this would merely be a "cyclical response" with "more fundamental policies are needed", such as an alignment of immigration and population growth with housing supply and the abolition of First Home Buyers' concessions, which only get tacked-on to the prices demanded by developers, for example.

The purpose of macro prudential measures is to reduce risk in the financial system by limiting the amount of credit that lenders can make available to borrowers in order to address the rising debt:income ratio.

The Council of Financial Regulators continue to discuss the state of the housing market; action is expected from two members; Australian Prudential Regulation Authority (APRA) and Reserve Bank of Australia (RBA).

With a growing proportion of new bank and NBFI loans being advanced to borrowers at debt:income ratios above six times, anticipated macro prudential measures are intended to restrict the amount of credit that can be made available; following New Zealand's recent actions, these may involve requiring borrowers to contribute a higher amount of equity (ie; lower LVR loans) while also increasing loan servicing hurdles.

Key Terms

- *Market Value* means the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion" *(International Valuations Standards Council IVSC 2017, as adopted by the Australian Property Institute).*

- *Construction Valuation* (Valuation for Project Finance or Construction Finance purposes) means a valuation report completed on an *"As If Complete"* GRV basis, which provides as a starting point from which the whole valuation may be completed.

  From this starting point, a *Residual Land Valuation* may be calculated together with *GST liability*, as well as an *In-One-Line valuation* and *Net Realisable Value*.

- *"As If Completed"* means the "market value of the proposed improvements assessed on the assumption that all construction has been satisfactorily completed in accordance with the plans and specifications provided and final Council Approval obtained; it assumes that the new improvements has been constructed in accordance with the approved plans, the Building Code of Australia and that all necessary final certificates are issued on completion".

  It is not a predictive valuation of future value; rather, the valuation as at valuation date assuming the project were fully complete.

- *"Residual Land Value"* (RLV) means the implied market value of the unimproved land with the benefit of complying development potential taken into consideration.

  It is calculated as the "as if completed" value less the total development costs, less any GST payable on the sale of the residential component (if any), and less the developer's profit margin (usually 15% to 20%).

  The result is the maximum price a developer should pay for unimproved land on the open market, which, considering the assessed project costs and taxes, should yield an acceptable project profit & risk margin.

- *Gross Realisable Value* (GRV) means the assessed gross value of a property that would be likely realised if it were put to market, typically reflected in the contract price. In the case of a commercial property it generally excludes GST; in the case of newly developed residential property, it would generally include the GST.

- *Net Realisable Value* (NRV) means the GRV less the GST payable and less the sales commission and marketing and legal costs associated with selling the property. This is more important in calculating a development project's return and feasibility.

- *Total Development Costs* means the total of soft-costs and hard-costs incurred to get a project to the stage where it can be put to market for sale or rent. It is the gap between GRV and the land value (RLV) prior to commencement or prior to approval – it includes all professional and council fees and contributions, capitalised interest provision, and contingency allowance. From 1 July 2021, it also includes the 2% SBBIS defect building bond (see Episode 1 of *"In JP's Kitchen"*).

- *In-One-Line Valuation* means the discounted "bulk" or wholesale value of a string of properties, typically strata lots within a strata development, assuming they were to be put to market for sale as a complete package, ie; in-one-line. This valuation would be typically at a discount of between 15% and 25% of GRV.

- *Vacancy in Possession Valuation (VP)* means the value of a property assuming it were vacant, ie; the GRV less the costs associated in bringing it to the state in which it would commence generating a rental return. Such costs could include; capital expenditure (repairs & maintenance or cosmetic or otherwise enhancements to the property), vacancy period or letting-up allowance, tenant incentives, and holding costs until the property were let to effect its assessed GRV.

Closing Notes and Key Takeaways

A Valuer is a property industry specialist who services include property valuations for various purposes but also advisory services relating to highest-and-best use, just compensation for compulsory acquisition, the structuring of leasing terms, market rents, and so on.

The valuer's job is a combination of both Art and Science, where beyond the industry convention quantitative analysis and calculations is an element of qualitative value judgement which will vary from valuer to valuer and depend largely on personal industry experience, outlook, and knowledge. It follows that no two valuations of the same property are likely to be the same.

While there are varying property types and uses, there are appropriate valuation methods in each case comprising a primary method to be cross-checked against a secondary method. In each case, an element of personal judgement is the factor which determines at which end of a range of values a resultant valuation may be concluded.

It is important to choose the right valuer for the particular property valuation. While a bank will issue a pro-forma valuation instruction, the method utilised at LINK Commercial Mortgages over the past 23 years has been to engage valuers via a tendering process based on a property brief prepared by LINK as a discussion paper to gain an insight into the mind of a short-list of valuers in order to provide a higher degree of certainty of outcome and to provide confidence in initial negotiations with prospective financiers.

While the last GFC-era and the current Covid19-era share several similarities, these disruptive events have existed in different market conditions; in the current case, with record low interest rates and an abundance of liquidity in credit markets – these two factors have fuelled a property market boom, particularly in owner-occupied residential property as a result of covid19 lockdowns. While increasing interest rates is one mechanism to dampen the excessive asset value growth, government bodies are in discussion about other macro prudential alternative controls and measures and Australia may follow the lead of New Zealand in the coming months.

Further Reference Material

Definitions - Australian Property Institute (api.org.au)

Australian National Accounts: Finance and Wealth, June 2021 | Australian Bureau of Statistics (abs.gov.au)

Demographia International Housing Affordability 2021 Edition

ANZ CoreLogic housing affordability report 2021-1

NSW retail tenant's guide 2017

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