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| **Press release****For immediate release****July 27, 2015** | Michelle HutchisonHead of PR & Money Expertfinder.com.au+61403 192 994+61 2 9299 7602Michelle@finder.com.au |

**Tough outlook for property buyers despite supply exceeding demand**

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| * [finder.com.au](http://www.finder.com.au/) housing market study of the past 15 years shows supply will exceed demand this year
* However, it won’t necessarily slow down property price growth
* Property buyers in for a tough market and need to expect greater competition over next few years.
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**JULY 27, 2015, SYDNEY, AUSTRALIA –** Property buyers hitting the market this mortgage season can expect tough competition, despite new research by one of Australia’s biggest comparison websites, [finder.com.au](http://www.finder.com.au/)[[1]](#footnote-1) revealing housing supply will exceed demand.

According to the [finder.com.au](http://www.finder.com.au/) study of population growth and the housing market over the past 15 years, 72 percent more properties are expected to be built this year than population growth would consume. However, this is unlikely to affect property prices as we expect property prices could continue to rise.

By the end of this year, a total of 207,970 new properties is projected to be approved for construction, based on the average growth of 3 percent for the past 15 years. Australia’s population is forecast to increase by 314,952 to 23.94 million people, which means 121,135 households needed[[2]](#footnote-2).

In 2014 there were 71 percent more properties approved than population growth required and property prices increased by 7.90 percent across capital cities according to CoreLogic RP Data.

Michelle Hutchison, Money Expert at [finder.com.au](http://www.finder.com.au/), said property buyers can expect a continued level of competition and hotter house prices moving into mortgage season.

“With mortgage season around the corner (starting September 1), competition will remain just as tough as we’ve seen over the past year. Despite more new properties being built, house hunters can expect no relief with properties being snapped up fast and prices rising across many areas of Australia.

“And it’s only expected to get worse. If a 3 percent growth trend for new properties continues, along with the projected population growth, this oversupply will decrease to 32 percent next year, and will stay below 40 percent through to 2018, according to [finder.com.au](http://finder.com.au/).

“With less oversupply for new properties expected to be built over the next few years, it could lead to a more difficult climate for property buyers as buyers will face a reduced availability of housing stock, meaning more competition and possibly higher prices.

“So if you’re in the market for a property, it could be better to jump in now rather than waiting for next year as it looks set to be even tougher.”

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**For further information:**

**Michelle Hutchison Bessie Hassan**

Head of PR & Money Expert PR Manager

finder.com.au finder.com.au

+61403 192 994 +61402 567 568

#### +61 2 9299 7602 +2 9299 7602

Michelle@finder.com.au Bessie.Hassan@finder.com.au

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1. Experian Hitwise since 2013 [↑](#footnote-ref-1)
2. Based on average number of people per household of 2.3, source: Australian Bureau of Statistics [↑](#footnote-ref-2)