

Major Concurrent 3: State of the Cities

David O'Loughlin



State of the Cities

AHURI National Housing Conference

David O'Loughlin, 10 October 2023












Kyiv aside, here are the top ten best cities in the world, according to Resonance.

Best cities in the world 2023









1. **London, UK**
2. **Paris, [France](#)**
3. **New York, [USA](#)**
4. **[Tokyo](#), [Japan](#)**
5. **[Dubai](#), UAE**
6. **[Barcelona](#), [Spain](#)**
7. **[Rome](#), [Italy](#)**
8. **[Madrid](#), Spain**
9. **[Singapore](#)**
10. **[Amsterdam](#), [Netherlands](#)**

Numbeo is a crowd-sourced global database of reported consumer prices, perceived crime rates, quality of health care, among other statistics.^[16]

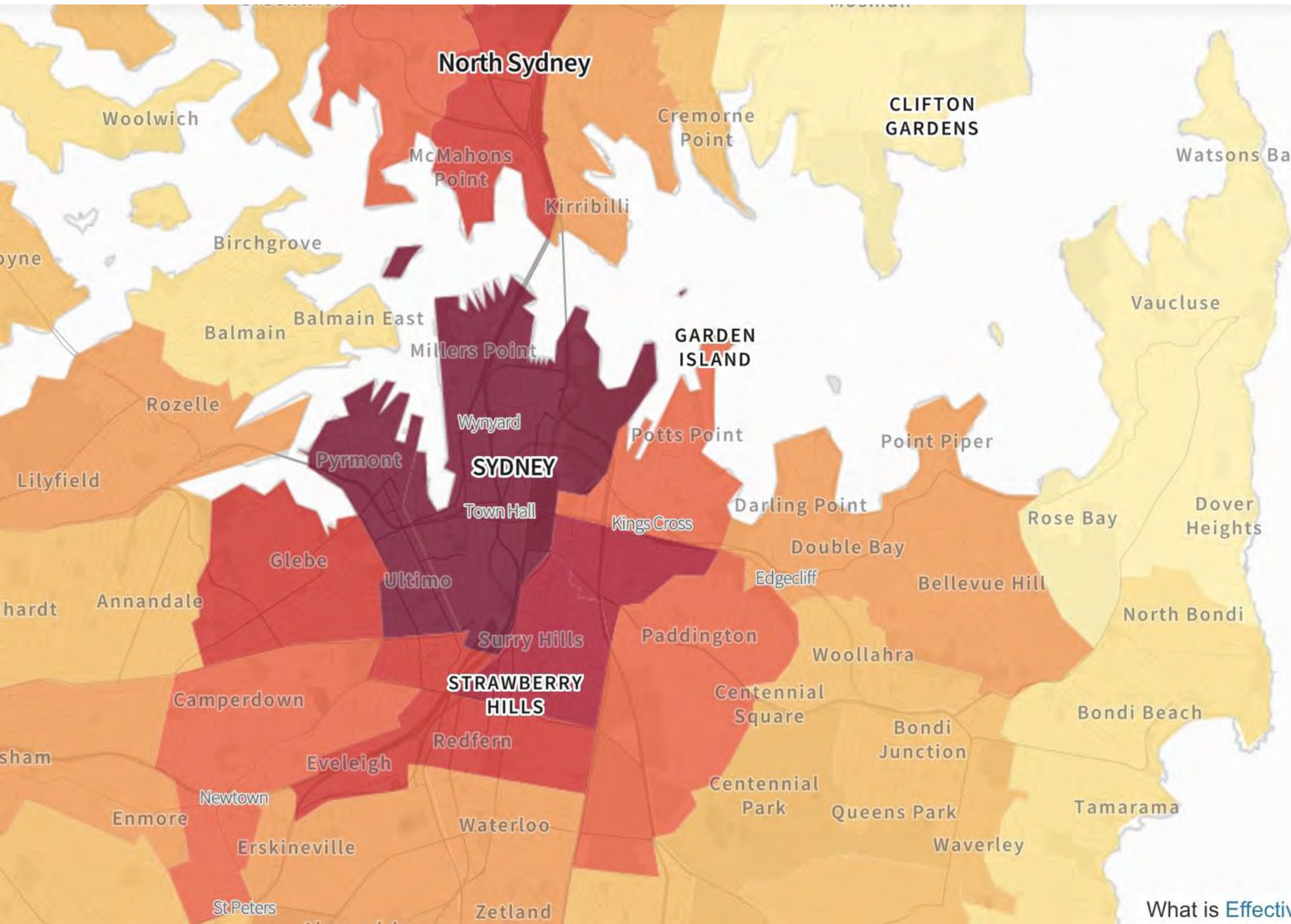
Numbeo's Quality of Life Index In 2021 ^[17]		
	City	Country/Region
1	Adelaide	 Australia
2	Canberra	 Australia
3	Wellington	 New Zealand
4	Raleigh, North Carolina	 United States
5	Zürich	 Switzerland
6	The Hague	 Netherlands
7	Madison, Wisconsin	 United States
8	Columbus, Ohio	 United States
9	Austin, Texas	 United States
10	Brisbane	 Australia
11	Eindhoven	 Netherlands
12	Victoria, British Columbia	 Canada
13	Charlotte, North Carolina	 United States
14	Vienna	 Austria
15	Geneva	 Switzerland

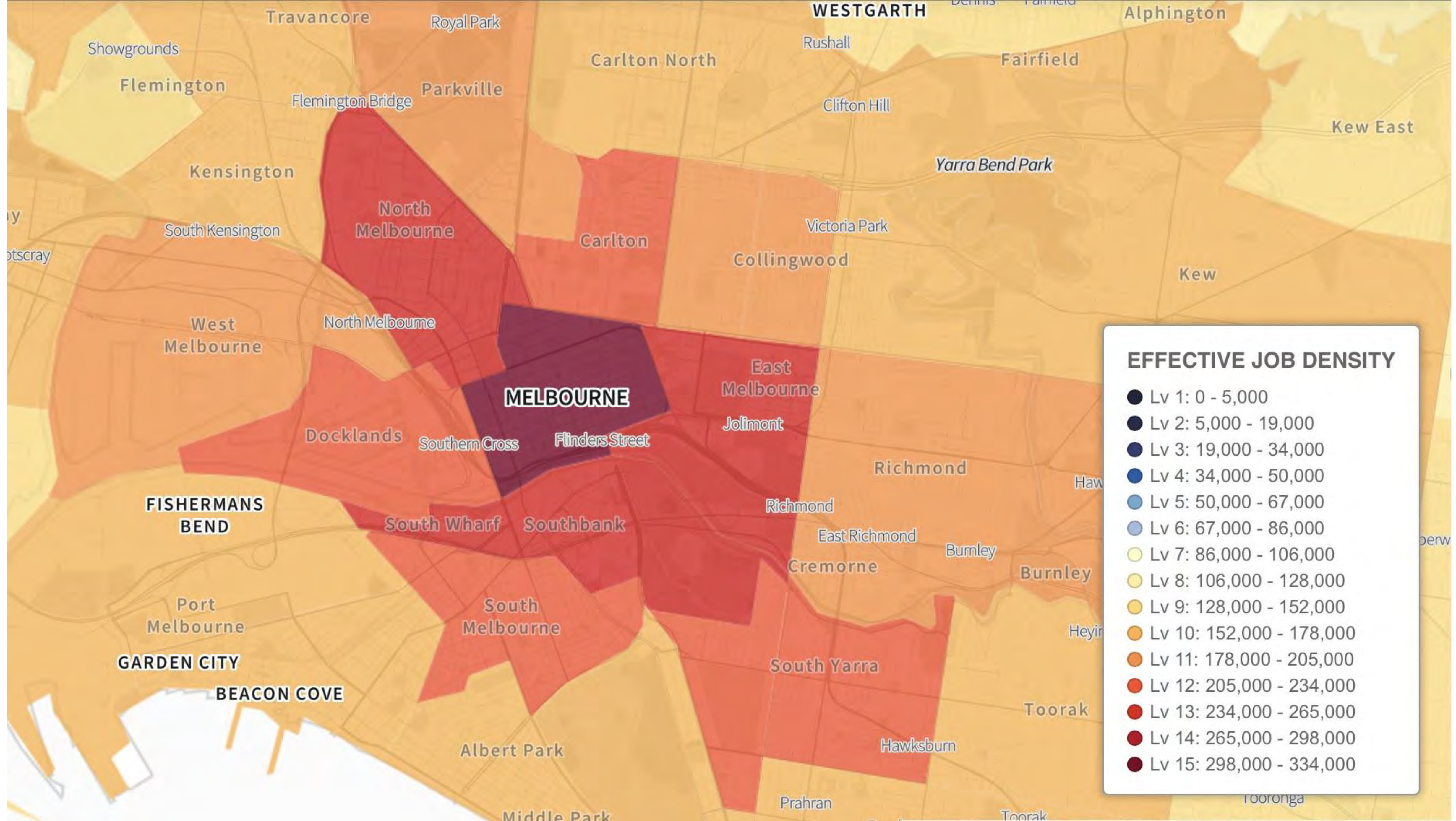
	City	Country/Region
16	Richmond, Virginia	 United States
17	San Diego, California	 United States
18	Perth	 Australia
19	Bergen	 Norway
20	Copenhagen	 Denmark
21	Luxembourg City	 Luxembourg
22	Buffalo, New York	 United States
23	Dallas, Texas	 United States
24	Seattle, Washington	 United States
25	Reykjavik	 Iceland
26	Quebec City	 Canada
27	Kansas City, Missouri	 United States
28	Calgary	 Canada
29	Sydney	 Australia
30	Helsinki	 Finland

Top 10 positions

City	Location		Rank	Index	Stability	Healthcare	Culture & environment	Education	Infrastructure
Vienna	Austria		1	98.4	100.0	100.0	93.5	100.0	100.0
Copenhagen	Denmark		2	98.0	100.0	95.8	95.4	100.0	100.0
Melbourne	Australia		3	97.7	95.0	100.0	95.8	100.0	100.0
Sydney	Australia		4	97.4	95.0	100.0	94.4	100.0	100.0
Vancouver	Canada		5	97.3	95.0	100.0	97.2	100.0	96.4
Zurich	Switzerland		6	97.1	95.0	100.0	96.3	100.0	96.4
Calgary	Canada		7	96.8	100.0	100.0	87.3	100.0	100.0
Geneva	Switzerland		7	96.8	95.0	100.0	94.9	100.0	96.4
Toronto	Canada		9	96.5	100.0	100.0	94.4	100.0	89.3
Osaka	Japan		10	96.0	100.0	100.0	86.8	100.0	96.4
Auckland	New Zealand		10	96.0	95.0	95.8	97.9	100.0	92.9

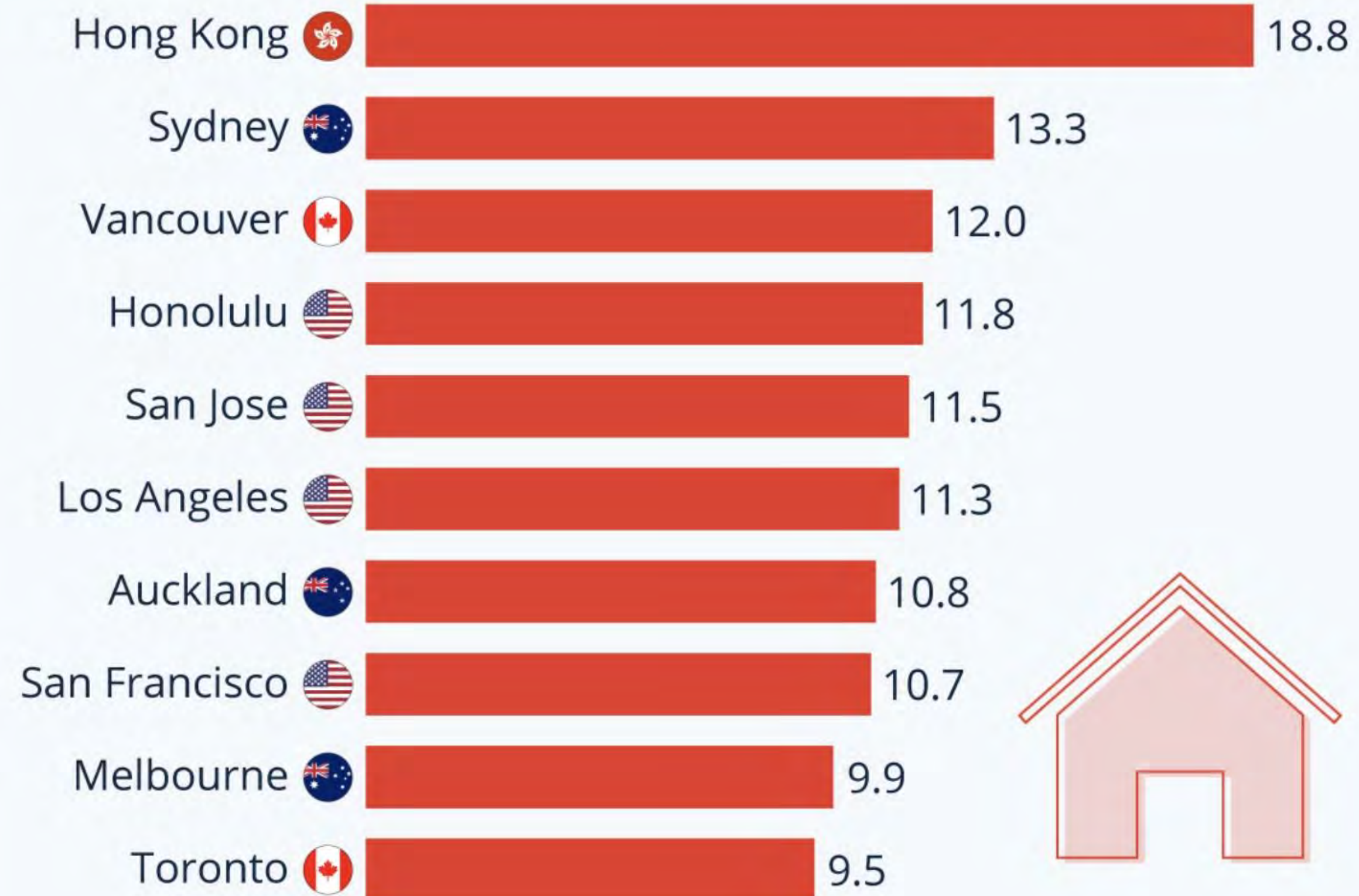
Source: EIU.





Where It Is Hardest to Afford a Home

Least affordable international housing markets ranked by house price to annual income ratio (2023)*



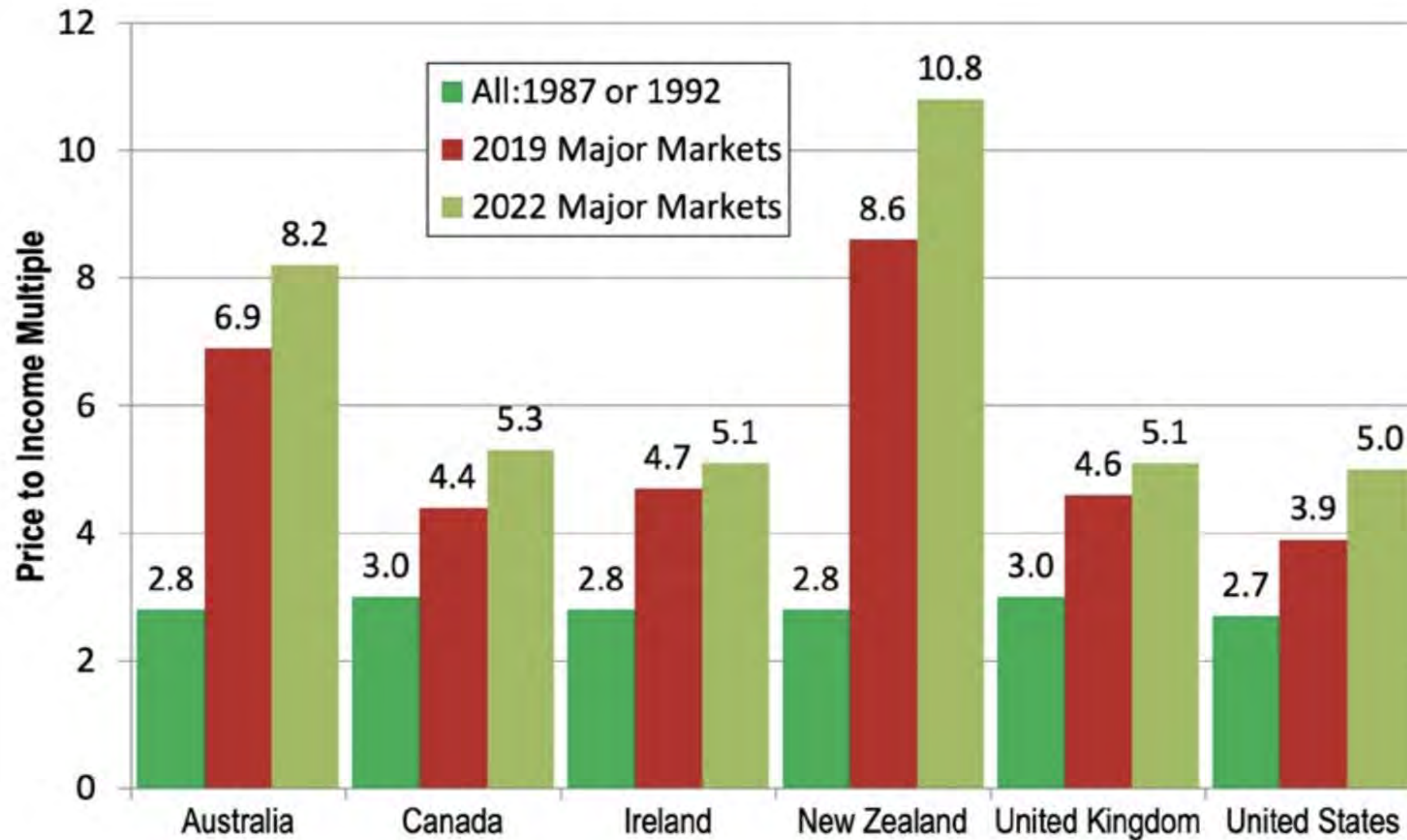
* median house price divided by median annual gross income
Source: Demographia International Housing Affordability Survey



Rank	Nation	Metropolitan Market	Median Multiple
81	Australia	Adelaide, SA	8.2
78	Australia	Brisbane, QLD	7.4
86	Australia	Melbourne, VIC	9.9
50	Australia	Perth, WA	5.4
93	Australia	Sydney, NSW	13.3

International House Price-to-Income Ratios

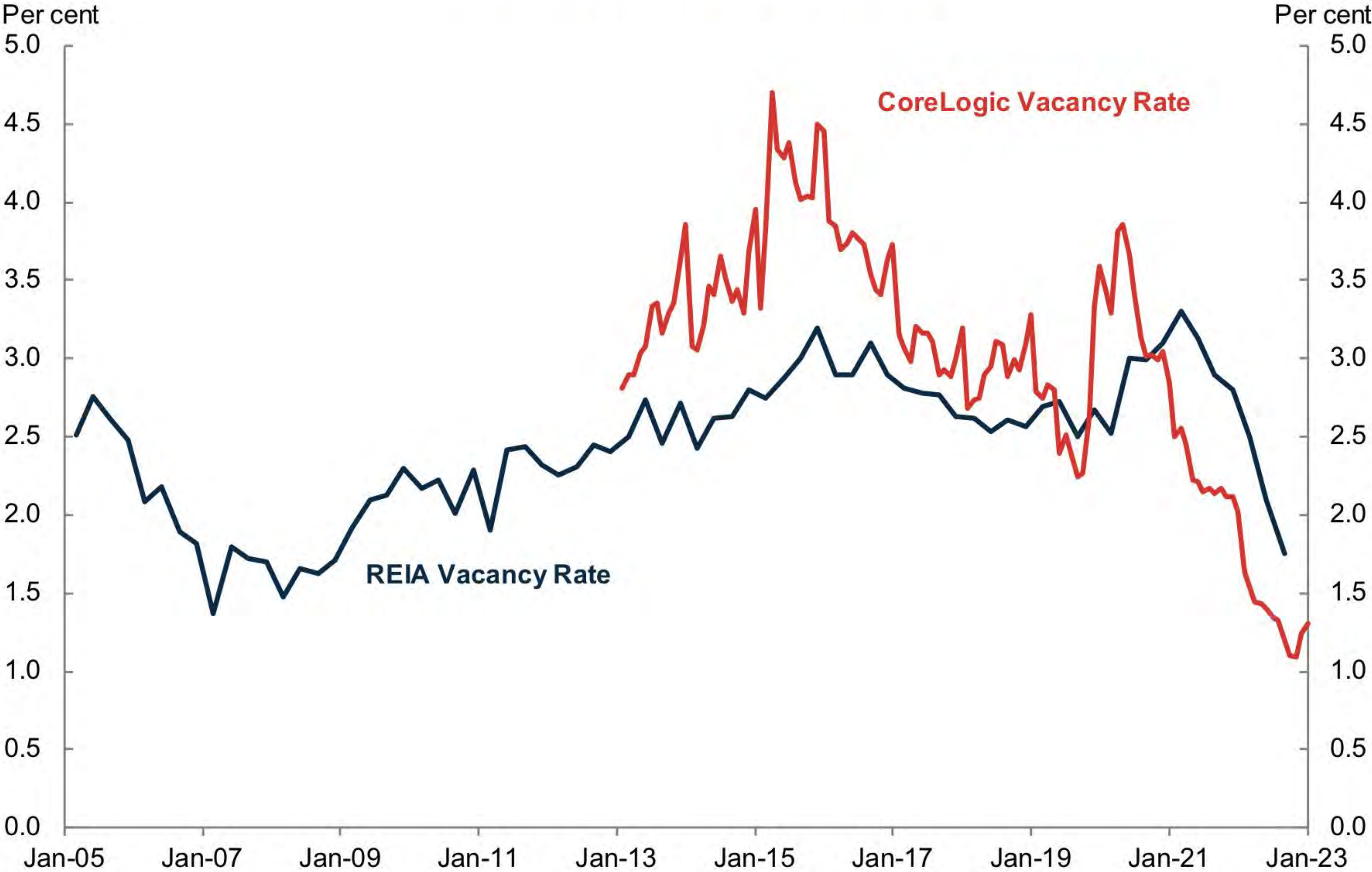
1987/1992 TO 2022



Derived from Reserve Bank of Australia and *Demographia*

Figure 2

Vacancy rates



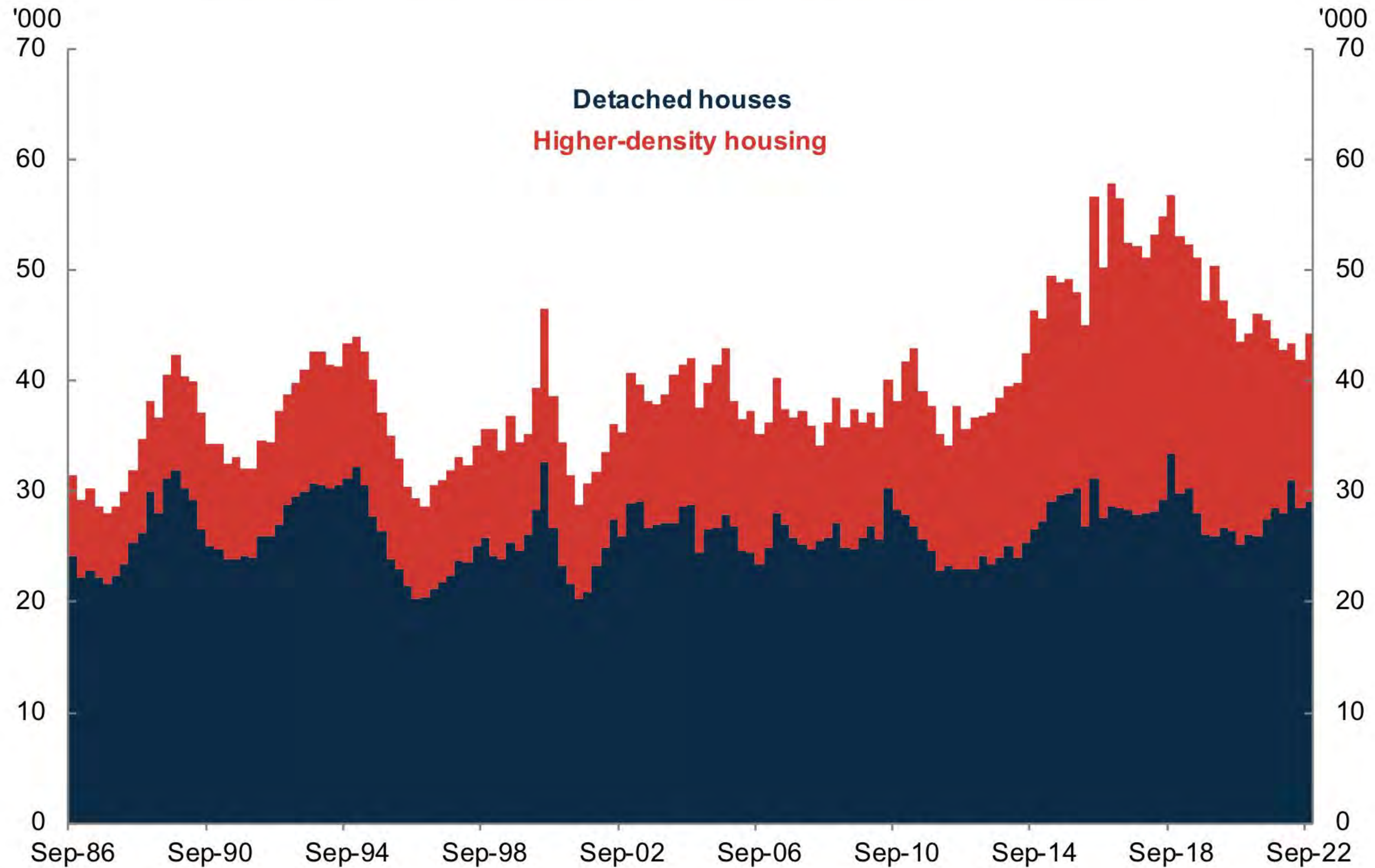
Source: CoreLogic; REIA. Note: REIA data at a combined capital city level; CoreLogic data is at a national level.

History – Prices and rents

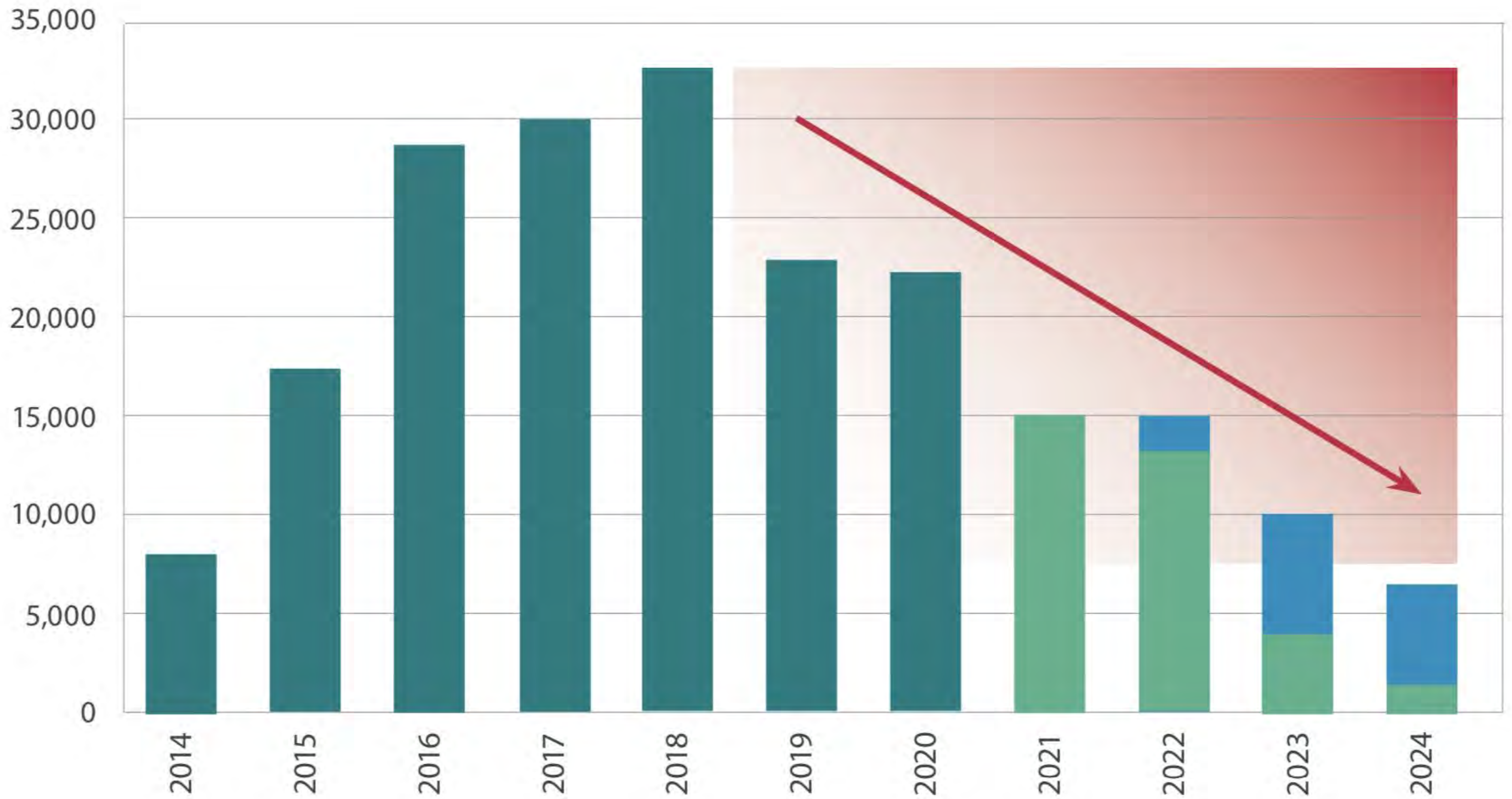


Sources: CoreLogic; ABS Consumer Price Index.
Note: Index (Dec 2000 = 100). Data are in real terms.

New housing completions



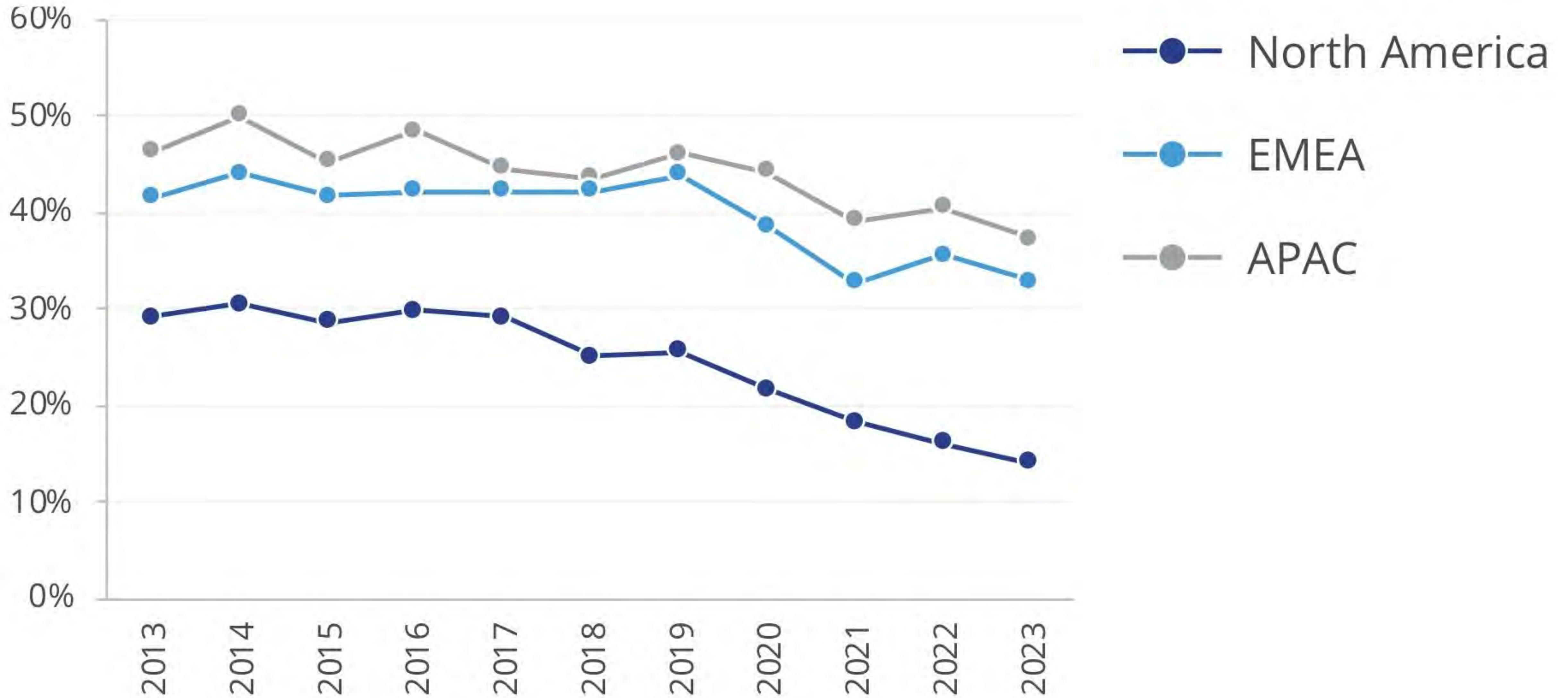
Source: ABS Building Activity.



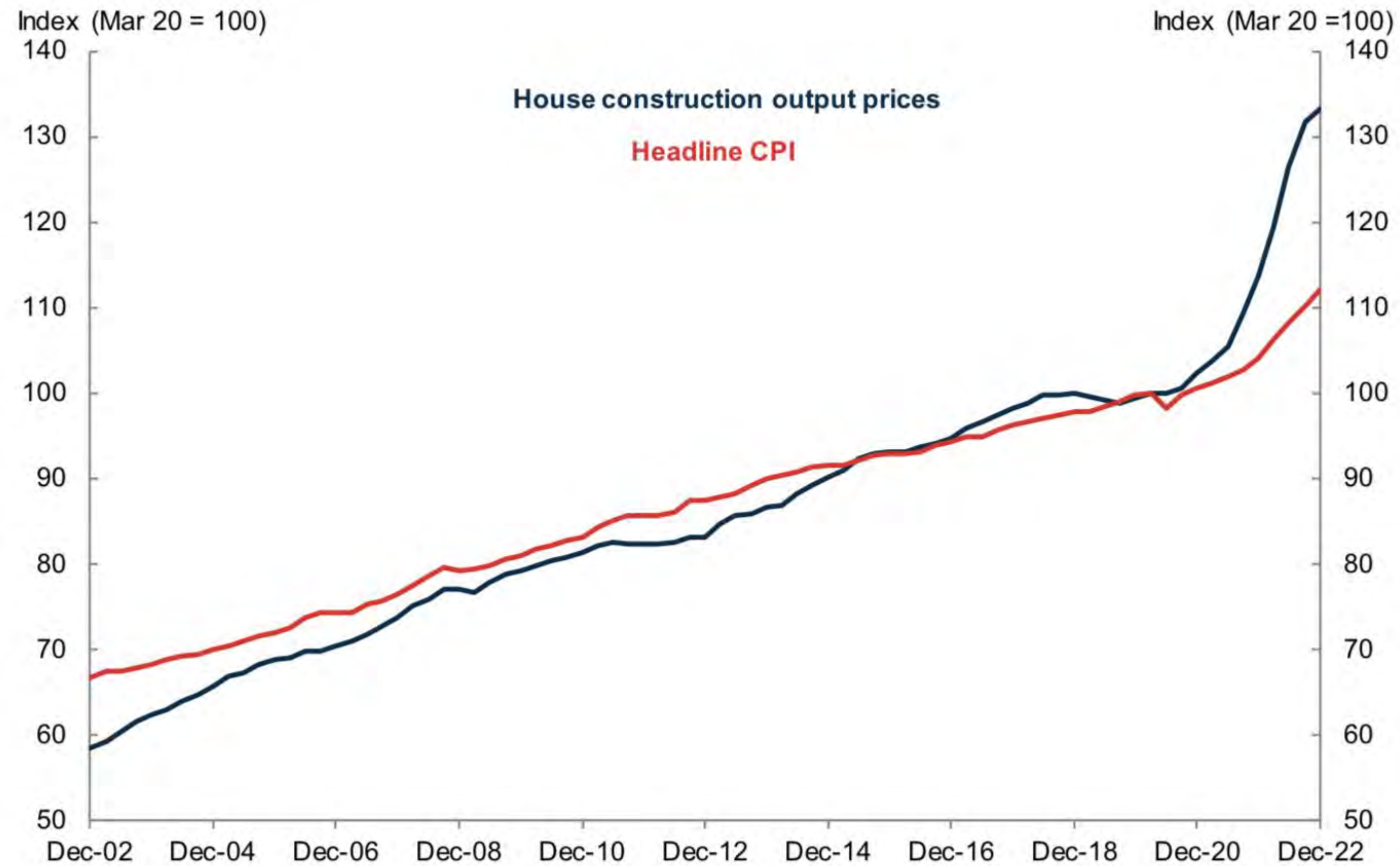
Current Status of Projects by Estimated Completion Date.
 Data is from projects with 25 units or more within Urbis' study area.

■ Built
 ■ Under Construction
 ■ Presales

Figure 2. Global Office Investment Volumes



Construction costs were rising faster than inflation even before the recent surge in the price of building materials

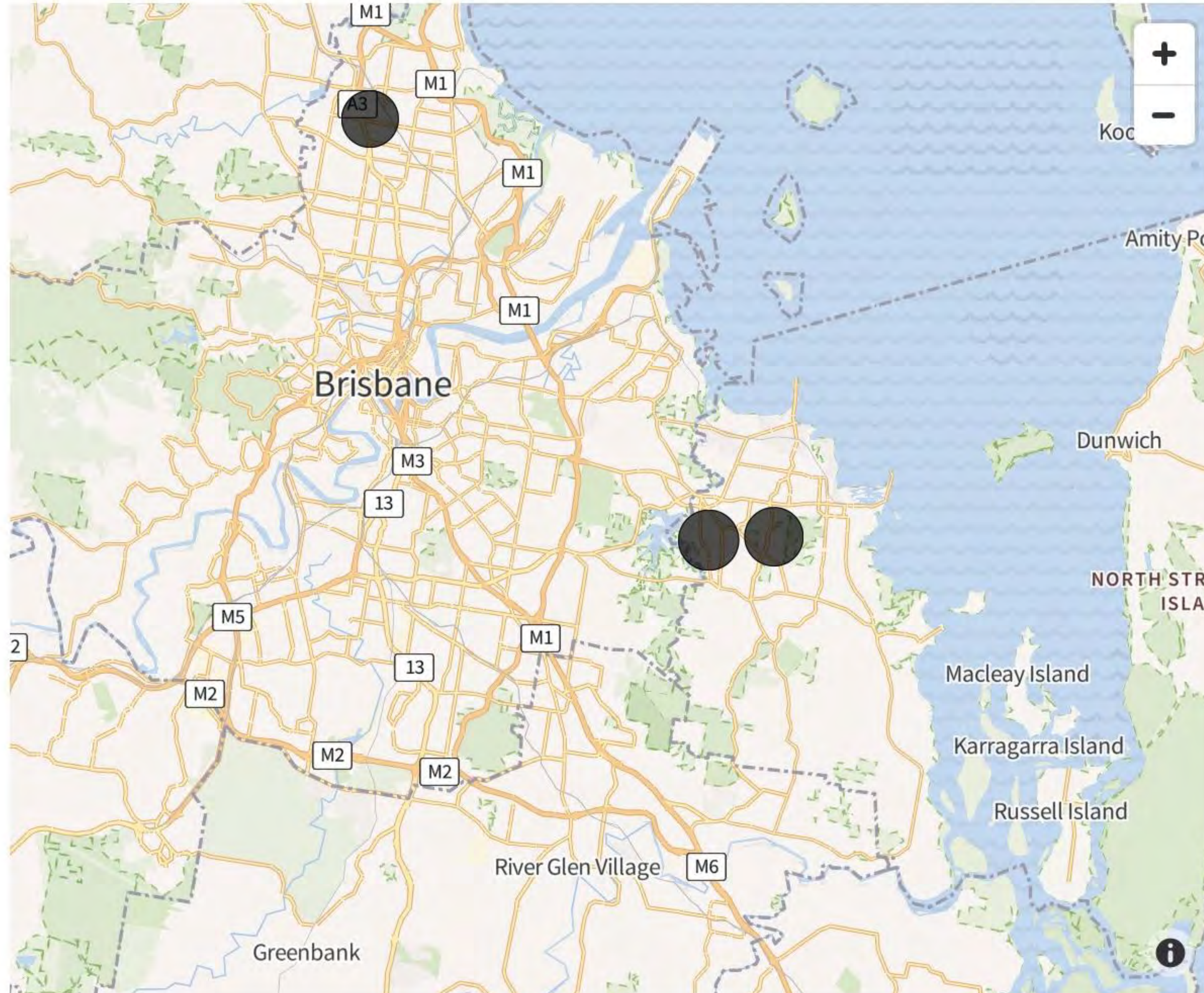


Source: ABS Consumer Price Index; ABS Producer Price Indexes.

So....Let's Invest?

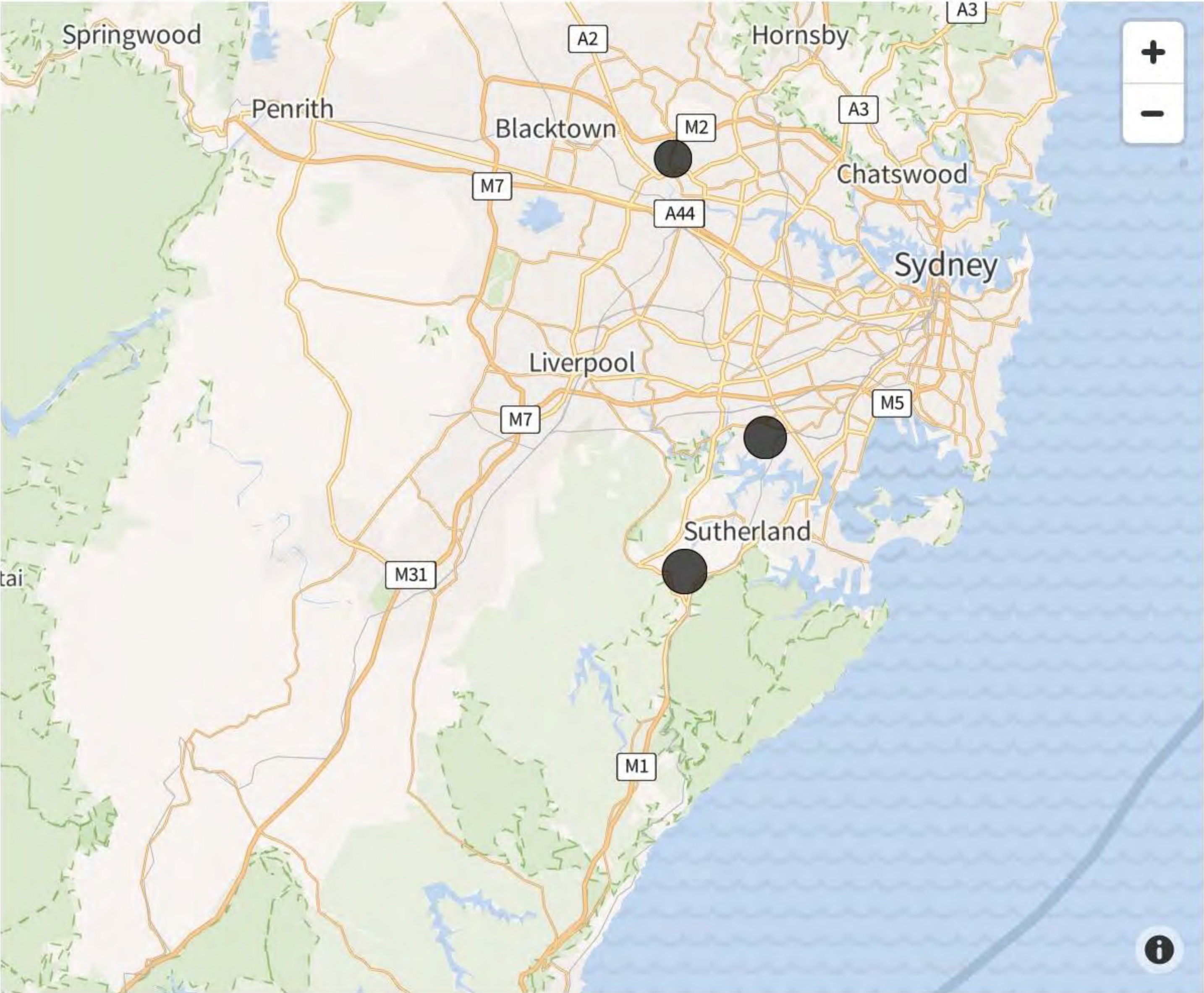
Investor Score

3 suburbs per city | October | API Magazine



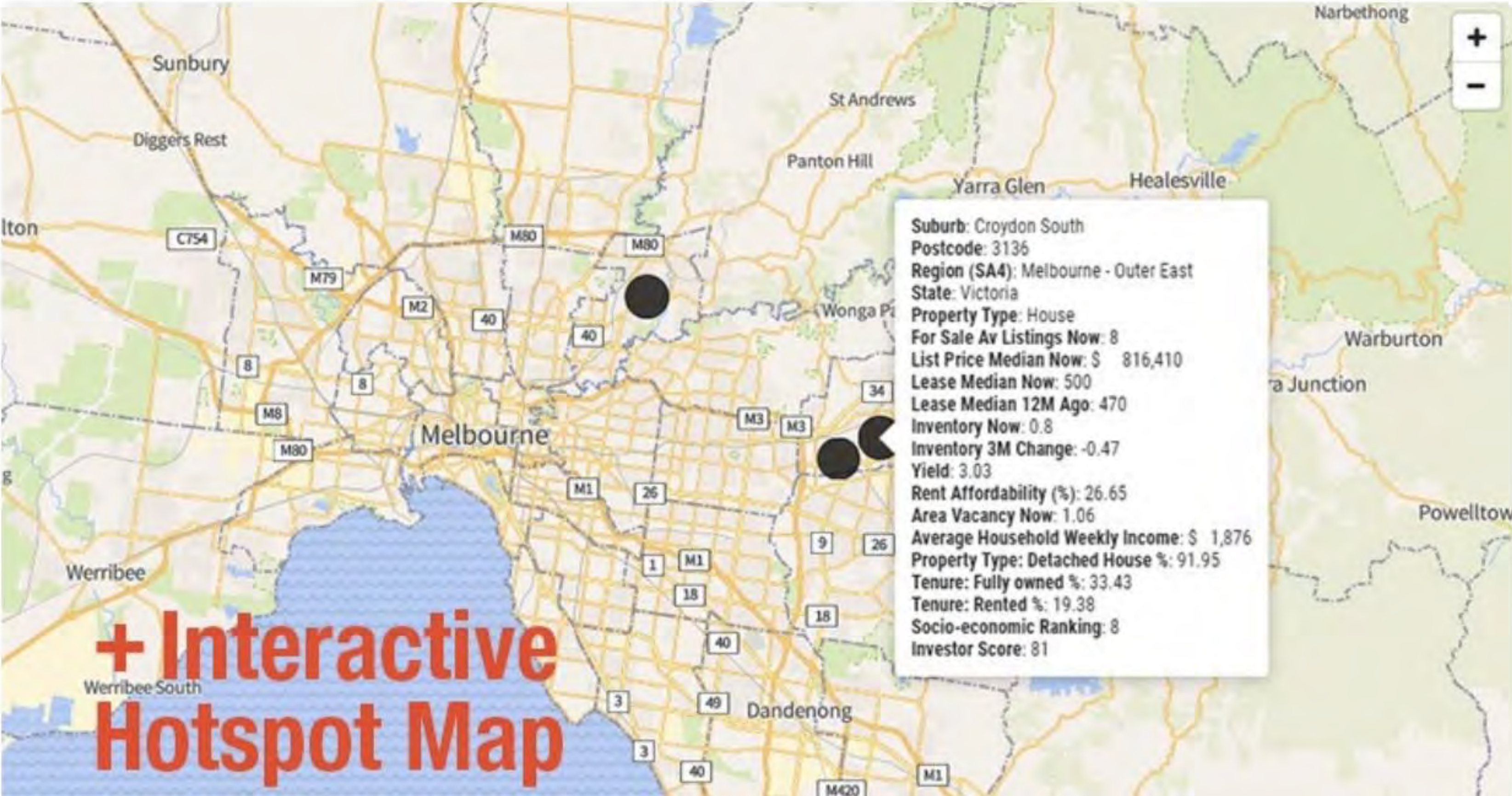
Investor Score

3 suburbs per city | October | API Magazine



Exclusive to API Magazine, our interactive map complements comprehensive analysis and editorial highlighting the best three property investment suburbs in each national capital city.

By **Kent Lardner**, Founder and Managing Director, Suburbtrends | 6-10-2023 | [Investment](#) | 17 min read



Median price ⓘ

\$1,100,000

October 2022 - September 2023

Past 12 month growth ⓘ

Down -3.5% ↓

5 year median price trend



Property market insights for units

Supply, demand and performance data for units in Pymont.

68 units

available in the past month



220 sold

in the past 12 months



45 days

median time on market



2324 buyers

interested



4.0%

rental yield



Units for sale in Pymont

[Search units](#) >

Median price ⓘ

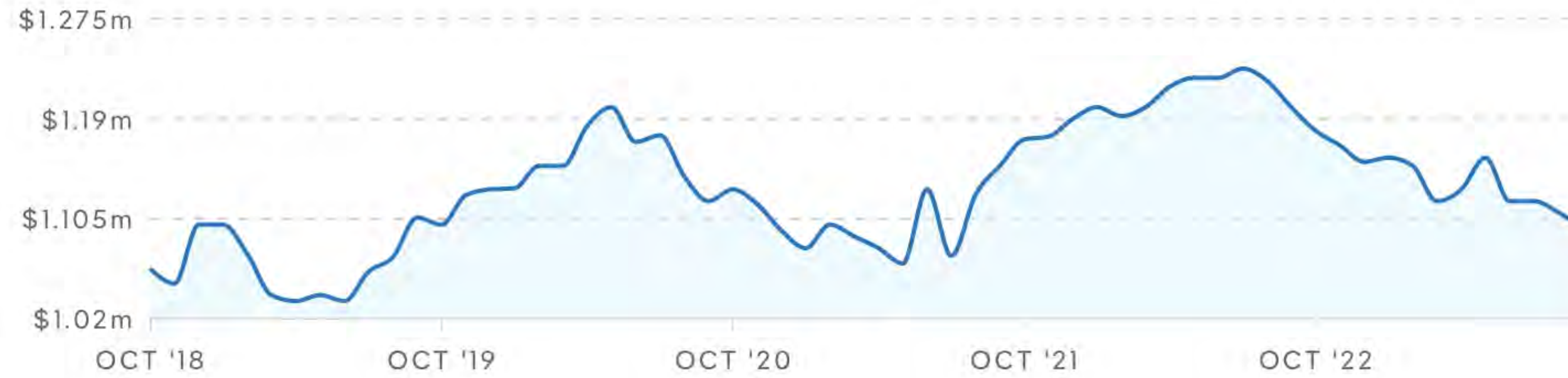
\$1,097,500

October 2022 - September 2023

Past 12 month growth ⓘ

Down -8.5% ↓

5 year median price trend



Property market insights for units

Supply, demand and performance data for units in Sydney.

282 units

available in the past month



316 sold

in the past 12 months



71 days

median time on market



3256 buyers

interested



4.3%

rental yield



Units for sale in Sydney

[Search units](#) >

Median price ⓘ

\$505,100

October 2022 - September 2023

Past 12 month growth ⓘ

Down -8.2% ↓

5 year median price trend



Property market insights for units

Supply, demand and performance data for units in Melbourne.

986 units

available in the past month



1786 sold

in the past 12 months



47 days

median time on market



12430 buyers

interested



6.5%

rental yield



Units for sale in Melbourne

[Search units](#) >

- City centres have huge potential, but are underperforming.
- If desirability increases, capital growth will follow.
- City of Prospect addressed a similar challenge through rezoning, public realm investment, and investment attraction.





WILLCOX AVE
PROSPECT COMMUNITY GARDEN
PROSPECT AIR RAID SHELTER
PROSPECT OVAL
PAYINTI YARTA
PROSPECT TENNIS CLUB

08 8420 0254
ADELAIDE FOOT AND ANKLE
Keeping you active



BARKER RD

BIKE
LANE
7:30-9 AM
MON-FRI















Meanwhile, in the CBD...











City cores are critical

But need help

- Capital growth is low, relative to other investment options
- Construction costs are high, but flattening
- Apartment starts are faltering
- Office vacancies remain high
- Retailing is multi-channel, and no longer city-centric
- “Living in the City” has lost its shine.

On the positive

It's time to pivot

- Residential rental demand is historically strong
- City cores have the best infrastructure
- Institutional investors are looking for opportunities
- Councils are actively pursuing co-investment and policy reform
- The public realm matters
- Cars, kids, dogs and coffee: make it easy to take it easy.

Make it a home, more than a place.

Thank you