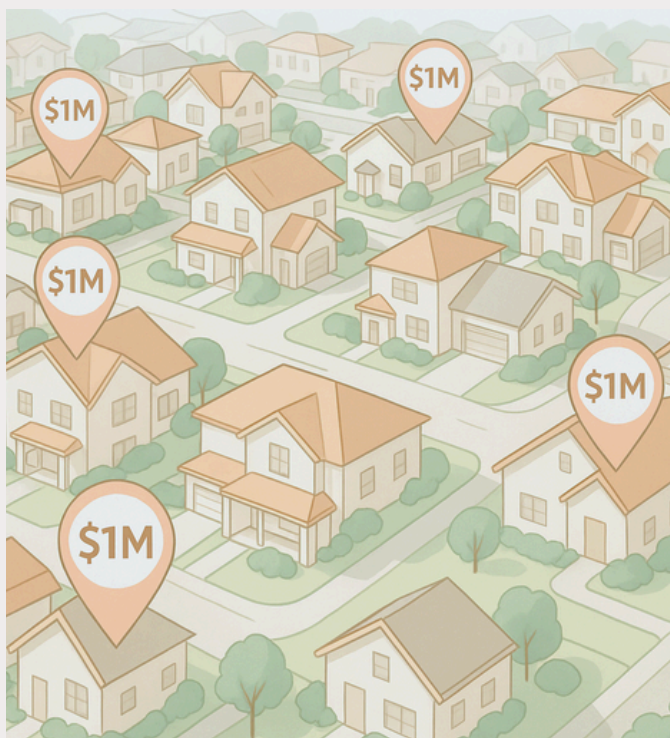


WELCOME TO OUR

# Monthly Newsletter



Thank you for being a part of our community!

We're seeing more buyers re-enter the market—especially those who had been waiting for price stability and clearer economic signals.

Nationally, the property market continues to evolve. For the first time ever, the average Australian home has surpassed the \$1 million mark. First-home buyer activity is also ramping up, with lending to this group jumping 16% since February—most notably in Victoria. Meanwhile, capital city price growth is converging, with the gap between the fastest- and slowest-growing markets now at its narrowest in over four years.

This month we also take a look at how property compares to the stock market—and why both can play a valuable role in a diversified investment strategy, offering a balance of stability, growth potential, and income over the long term.

As always, we're here to guide you through every step—connecting you to smarter property decisions.

## In this newsletter you will find:



News and market insights from the last month, a comparison of investing in stocks vs property, and June's edition of 'Connect Corner'.



## Market Insights

- **Housing Approvals Fall as Population Grows** - In April 2025, total dwelling approvals fell 5.7%, mainly due to a 19% drop in apartment approvals, while house approvals rose slightly. With 1.3 million more people expected by mid-2025 compared to three years earlier, housing supply shortages are worsening. Approvals remain 27% below government targets, driving up prices and rents, and making homeownership more difficult. (source: news.com.au)
- **HELP Debt Change Coming 30 Sept** - It's been announced from 30 September 2025, banks will be allowed to exclude HELP (student) debt from mortgage assessments—but only if the debt will be fully repaid within 12 months. Lenders will apply this on a case-by-case basis, based on their own policies and the borrower's financial situation. (source: The Adviser)
- **NSW Launches Nation-First Housing Guarantee** - NSW will be the first state in Australia to guarantee up to 50% of approved housing projects through a new \$1bn scheme to speed up construction. Developers must start within six months, and if homes remain unsold, the state can buy them for resale or social housing. The program aims to unlock 5,000–15,000 new homes. (source: news.com.au)
- **Average Australian Property Has Passed \$1M Mark** - For the first time ever, the average dwelling price in Australia has passed the \$1 million mark. Further analysis from PropTrack also shows there are now 1,073 suburbs with a median price of \$1 million or higher. (source: ABS)
- **FHB Activity Surges** - First-home buyers are making a strong return, with NAB reporting a 16% jump in lending to this group since February, a 6.2% increase on the previous year. VIC has seen the strongest growth, up 28% since February. (source: NAB)
- **Price growth across Australia's capital cities has converged to its narrowest range in over four years** - In August 2024, the gap between the highest and lowest annual growth rates was 26.1%. As of May, that difference has shrunk to just 9.8%, driven by a slowdown in growth across Perth, Adelaide, and Brisbane, alongside a return to positive growth in markets like Melbourne and Hobart. (Cotality)



## Property vs Stocks: The Age-Old Aussie Investment Debate



When it comes to building wealth in Australia, two assets dominate the conversation: real estate and shares. Each has its loyal supporters—and each comes with its own strengths, risks, and roles to play in a well-rounded portfolio. So, how do they compare?



### Property: The Aussie Favourite

#### Pros:

- **Tangible & familiar:** Most Australians understand property and feel confident investing in it.
- **Leverage power:** Banks will typically lend up to 80–90% for property, allowing investors to control a large asset with a smaller upfront outlay.
- **Tax perks:** Negative gearing and capital gains tax discounts can enhance returns.
- **Stable returns:** While not immune to downturns, property tends to be less volatile than shares in the short term.

#### Cons:

- **High entry costs:** Stamp duty, legal fees, and ongoing maintenance mean a high barrier to entry.
- **Lack of liquidity:** It can take weeks or months to sell a property.
- **Concentration risk:** Most investors own one or two properties—limiting diversification.
- **Market cycles:** Local supply/demand dynamics can swing dramatically from suburb to suburb.



### Shares: Flexible, Fast & Scalable

#### Pros:

- **Low cost to start:** You can begin investing with as little as \$500 using ETFs or micro-investing apps.
- **Diversification:** A single ETF can expose you to hundreds of companies, industries, or even entire global markets.
- **Liquidity:** Shares can be bought and sold quickly, offering flexibility and easier access to capital.
- **Passive income:** Franked dividends can offer a strong (and tax-effective) income stream.

#### Cons:

- **Volatility:** Market fluctuations can spook less experienced investors.
- **Temptation to Time the Market:** The ease of trading makes it tempting to try buying high and selling low.
- **No physical utility:** Unlike property, you can't "live in" a stock portfolio, or make capital improvements like you can through home renovations.

There's no one-size-fits-all answer. Property may suit those wanting a hands-on, leveraged long-term hold—while shares can offer flexibility, diversification, and accessibility.

In reality, many successful investors **use both**. Rather than picking sides, ask: "What role should each play in my strategy?"



# Connect Corner

Providing valuable education from other industry professionals each month, helping you make informed investment decisions and stay ahead in the market.

For this month's Connect Corner, we've leant on the expertise of **Kelly Carter** of **Mortgage Choice - Kelly Carter**.



## **1. A bit about yourself, your business, where you're based & who do you help?**

I am a mortgage broker and owner of a Mortgage Choice Franchise based in Port Macquarie. I'm also a mother, step mum, wife, grandmother, property owner and investor.

My most favourite clients are first home buyers and mum & dad investors because I can see myself in their journey. My children are young adults starting off their life, also wondering how to make things work financially and I am able to offer them my support, guidance and education. For myself, I'm concentrating on investing and creating wealth to create the retirement that we dream of. Many of my customers are just like me. I use my experiences, but also my expertise and knowledge, to help them along their own path.

## **2. What's one thing you wish more people knew about managing their mortgage or property goals during big life changes?**

Big purchases or big changes do require planning and strategy for success. The big challenge that I see are buyers wanting to borrow as much as possible on their first or next property. Their dream of bigger and better is a personal goal, however they may not have considered their next 5 -10 years or even their retirement. What other goals would they like to achieve? What changes are they expecting? How would this purchase affect their ability to grow wealth for retirement? I wish more people knew that making an educated decision that considers your future, can help you manage your current situation, but also puts you in a great position to overcome any obstacles or changes along the way.



# Connect Corner

### **3. If you could give parents one piece of advice to help set their kids up financially, what would it be?**

Oh if I could go back and do things all over again financially, with the knowledge I now have, I would do things so very differently.

My one piece of advice is, teach your children about compound interest and help them create a plan for when they want to achieve a goal or buy an asset.

\$10 per week in pocket money, could be given to a child and spent on whatever they want, or they could be encouraged to save and invest it. That weekly contribution and small sacrifice to not spend, could be half of their house deposit needed by the time they are 20 years old.

### **4. What's been the most rewarding part of your work lately?**

I love that within my work, I can help people achieve their goals. Purchasing a home is one of the biggest assets you will ever buy and when clients say "I couldn't have done it without you" brings so much joy.

My clients could organise their own finance online or call into their own bank, however it's the support and guidance that I offer that is different. I love brainstorming ideas with clients, helping them create a plan with a realistic timeframe. What they once thought impossible is now achievable. I love this.

*If you'd like to know more, you can get in touch with Kelly at [kelly.carter@mortgagechoice.com.au](mailto:kelly.carter@mortgagechoice.com.au) or via their website [mortgagechoice.com.au/kelly.carter](http://mortgagechoice.com.au/kelly.carter)*





# CONNECT

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