

News

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First-homebuyers switch to building

KIM MACDONALD

Cheap established homes are being overlooked by first-homebuyers in favour of house and land packages, leaving a swag of older properties on the market.

Homes in the metropolitan area are selling for as little as \$220,000 for a three-bedroom home in Westfield, near Kelmscott. The Housing Industry Association says there has been a massive shift in first-homebuyer behaviour, with 43 per cent now opting to build rather than buy an established home.

This compares with only 10 per cent of all first-homebuyers who built homes in late 2000.

HIA WA executive director John Dastlik said the trend had released some price pressure on entry-level established homes.

Mr Dastlik said buyers were increasingly factoring the cost of repairs to cheaper established homes into their buying decisions.

Real Estate Institute of WA president Alan Bourke agreed there had been a shift in first-homebuyer preferences. "The passion for sweat equity, for getting an old home and doing it up, has actually gone," Mr Bourke said. "And that may be changing people's buying decisions somewhat."



Patience: Kylie, Clare and Anthony Murphy say their Fremantle cottage has been on the market for six weeks.

Picture: Lee Griffin