

# 47 Reasons Why Australian Property Prices Will Keep Going Up

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- 1. Population Growth:** Continuous increase in population fuels housing demand.
- 2. Liveability of Australia:** Desirable climate and environmental factors enhance attractiveness.
- 3. University Quality:** High-quality education institutions attract international students and professionals.
- 4. Knowledge Economy:** Growing sectors that require skilled workers increase housing demand.
- 5. Lifestyle Preference:** Cultural preference for lifestyle over minimalism.
- 6. Lack of Family Apartments:** Historical lack of planning for family-sized apartments.
- 7. Rental Crisis:** Build-to-rent developments are limited, reducing rental capacity.
- 8. Wealth Building:** Property as a primary method for Australians to build wealth.
- 9. Aged Care Crisis:** Preference for aging in place increases housing demand.
- 10. Car Dependency:** Poor infrastructure and lack of fast trains limit residential capacity.
- 11. Living Preferences:** Desire to live alone rather than in multi-generational households.
- 12. Outdoor Lifestyle:** Preference for space and outdoor living over dense city living.
- 13. Economic Future:** Strength in resources, tourism, and other sectors.
- 14. Global Comparison:** Australia's stability becomes more attractive as other countries face challenges.
- 15. Good Demographics:** Favorable age distribution and population trends.
- 16. Living Longer:** Longer lifespans increase the need for housing, even in older age.
- 17. Lower Turnover Rate:** Reduced property turnover leads to less supply.
- 18. Building Capacity Restraints:** Persistent challenges in increasing building capacity.
- 19. Mega Cities:** Urban expansion limits available land.
- 20. NIMBYs/Council Votes:** Local opposition and restrictive council regulations limit new developments.

- 21. Growing Wealth and Income Inequality:** Technology and other factors widen the wealth gap.
- 22. Short Term Governments:** Frequent policy changes create uncertainty.
- 23. Property Industry Profits:** Significant revenue generated by the property sector.
- 24. Tax Policies:** Favorable tax conditions for property investment.
- 25. No Inheritance Tax:** Wealth is passed down without significant taxation.
- 26. No Capital Gains Tax (CGT):** Absence of CGT on sales boosts investment appeal.
- 27. CGT on Sale, Not Gains Along the Way:** Capital gains are taxed at sale, encouraging long-term holding.
- 28. Redraw Ability on Equity:** Ability to access home equity increases investment.
- 29. Borrowing Capacity:** High borrowing capacity supports higher prices.
- 30. Personal Debt Levels:** High personal debt pressures policymakers to keep interest rates low.
- 31. Banking System:** Stable and supportive banking system.
- 32. Australian Dream:** Strong cultural desire for homeownership and a better life.
- 33. Wealth Flows Back to Property:** Majority of wealth is reinvested in property.
- 34. Past Success:** Overconfidence bias from historical property market success.
- 35. Australian Obsession:** Cultural fixation on property investment.
- 36. Media Interests:** Media coverage and promotion of property investment.
- 37. Not an Entrepreneurial Society:** Preference for property investment over entrepreneurship.
- 38. Driven by Owner Occupiers:** Strong demand from those buying homes to live in.
- 39. Rental System Issues:** Short leases and lack of security in rental housing.
- 40. Wealth Redistribution:** Wealth built through property is slowly passed down and re-leveraged.
- 41. Wealth Effect:** High property prices boost economic confidence and spending.
- 42. Attack on Investors:** Policies favoring owner-occupiers over investors.
- 43. Limited Big Cities for Work:** Fewer large cities create concentrated demand in urban areas.
- 44. Natural Constraints:** Coastal locations and environmental protections limit available land.
- 45. Aussies Returning Home:** Australians returning with wealth, reversing brain drain.
- 46. Government Intervention:** Property market seen as too big to fail, leading to supportive policies.

**47. Pent-Up Demand:** High demand from owner-occupiers seeking more space.