



# THE HOUSING WE'D CHOOSE:

## a study for Perth and Peel

Report • May 2013



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The document must be attributed as The Housing We'd Choose: A study for Perth and Peel

For enquiries, please contact:

The Housing We'd Choose: A study for Perth and Peel  
Strategic Coordination Unit, Strategy and Policy Division  
Department of Housing  
Level 2, 99 Plain Street  
EAST PERTH WA 6004  
[ask@housing.wa.gov.au](mailto:ask@housing.wa.gov.au)

or

The Housing We'd Choose: A study for Perth and Peel  
Metropolitan Strategy, Directions 2031  
Department of Planning Level  
2, 140 William Street PERTH  
WA 6000  
[corporate@planning.wa.gov.au](mailto:corporate@planning.wa.gov.au)

The report can be accessed via the following websites:

[www.housing.wa.gov.au](http://www.housing.wa.gov.au)  
[www.planning.wa.gov.au](http://www.planning.wa.gov.au)

## ACKNOWLEDGEMENTS

In August 2012 the Department of Housing and Department of Planning jointly commissioned an independent study to help identify the housing preferences of West Australians to inform industry and government policy and the roll out of the State Affordable Housing Strategy 2010 – 2020 and Directions 2031 and Beyond.

Prior discussions were held with staff from the Grattan Institute Cities Program on 'lessons learned' from the original study undertaken in 2011. Special thanks go to Jane-Frances Kelly and Ben Weidmann for their helpful advice and encouragement.

Co-contributions to the project were made by the Housing Industry Association (HIA), the WA Chapter of the Property Council of Australia (PCA) and the Planning Institute of Australia (WA). The partners also provided advice and communications support in the lead up to the online surveys.

Hames Sharley and a research team from the Department of Property Studies, Curtin Business School, conducted focus groups and two online surveys to examine what housing attributes matter most to households and identify the trade-offs people are willing to make in terms of location, house type and number of bedrooms. The research was based on the methodology adopted in the Grattan study *The housing we'd choose* (a survey of people in Melbourne and Sydney) with adaptation to the Perth and Peel context.

The focus groups and first online survey was promoted by the project partners with additional in-kind support for the second online survey from REIWA and The West Australian New Homes Guide.



## EXECUTIVE SUMMARY

Perth is experiencing unprecedented transformational change. Its population increased by 65,400 people (3.6 per cent) in the year between June 2011 and June 2012<sup>1</sup>, largely due to in-migration of more than 1,000 people per week. In addition to rapid growth, the rate of change in our demographic profile is accelerating; by 2031 the number of lone person households across Australia is expected to have increased by 73 per cent since 2006<sup>2</sup>. In the face of dramatic population growth and demographic change, it is critical to examine whether current and planned housing stock meets the present and future needs of the residents of Perth and Peel. Perth's current urban pattern is dominated by residential areas that express the long standing preference of Australians for single, detached 4 x 2 houses in the suburbs. This is increasingly problematic for those who need something small and affordable in which to form a new household or who may want to downsize to a smaller dwelling in the location they have come to know over many years. The urban fringe pattern of development that has served Perth over the last 150 years, is becoming less socially, economically or environmentally viable. Traffic congestion is growing. The weekly cost to households of running a car is increasing. Providing infrastructure such as power, water and sewer to a population spread relatively thinly over such a large area is becoming more expensive. And the negative environmental impacts of clearing native vegetation are becoming more apparent.

In 2010, the State Government released *Directions 2031 and Beyond*, which sets out a strategic direction for consolidated growth of the Perth metropolitan area over the next two decades. A key part of the strategy is a target to accommodate 47 per cent of all new housing built by 2031 within Perth's existing urban area. *Directions 2031* seeks to do this by targeting key areas such as transport hubs, commercial and retail centres, and making them the focus for new housing development. Higher density housing is planned for these areas, which will bring more residents closer to their place of work, daily needs and public transport. It will also help Perth to meet the 47 per cent infill target, whilst preserving the existing character and amenity of most suburbs.

Working with all levels of government and industry to improve the diversity and density of housing is also a key focus of the *State Affordable Housing Strategy 2010 – 2020; opening doors to affordable housing*. The Strategy, which was released in 2011 in response to the shortage of affordable housing across Western Australia, has an overall target of 20,000 new affordable homes by 2020, and has an underlying aim of better aligning housing stock to demand in terms of size and location.

Government can create the planning framework to facilitate the development of higher density housing, and has done so through *State Planning Policy 4.2 for Activity Centres*. It can also use other demand and supply incentives to encourage builders, developers and consumers to build smaller homes and apartments. However, the ultimate test of the industry's appetite will be consumer attitudes and demand. To date, these have not been comprehensively tested in the Perth market.

In 2010-11 the Grattan Institute conducted a study called "The housing we'd choose", which collected the views of more than 700 Sydney and Melbourne residents to understand their housing preferences. They surveyed their preferred tenure, where they wanted to live, the type of housing they preferred and the size and features of a home that they valued the most. Residents were then given a "reality check" by constraining their initial housing choices based on what they could afford with their income. Many could not afford their "dream" home and were forced to make trade-offs; requiring them to strike a balance between the location, features, size and type of dwelling that they would choose in a real life situation.

The result was a picture of the housing stock that Melbourne and Sydney residents wanted. When compared to the stock currently available, significant differences became apparent, suggesting that there was a shortage of some types of housing. For example, the study indicated there was strong demand but insufficient supply of semi-detached housing and apartments in the middle and outer areas of both cities. These questions have not yet been asked for Perth. What type of housing do people prefer? What trade-offs are they most willing to make when constrained by a realistic household budget?

1 ABS Cat 3218.0 Table 5. Shows population of Greater Perth grew from 1,832,114 to 1,897,548 from June 2011 to June 2012

2 Australian Institute of Health and Welfare bulletin 114, March 2013

What is the real demand for different housing types in different locations? Are the land and housing industries delivering products that meet these choices?

This study seeks to explore those questions and provide some of the answers. The methodology is based on that used by the Grattan Institute, with some modifications.

Initially, six focus groups were conducted to determine which housing attributes mattered most to people when selecting a home. This informed the “What Matters Most” online survey of 866 people, which asked Perth residents to prioritise the features of homes that they placed the highest priority on. Was location more important than price? How important was the ‘feel’ of the neighbourhood? How did people feel about separate dwellings compared to apartments or semi-detached houses?

The second part of the study was an on-line “Housing Preferences and Trade-offs,” survey of 1,071 people. This survey presented participants with a set of housing options reflecting the full range of potential house types and locations, with prices and rents for each house set according to the Perth and Peel markets. Similar to the Grattan Institute study for Melbourne and Sydney, respondents’ choices were constrained by what they could afford, requiring them to make trade-offs between location, house type, house size and features.

The findings of the survey indicated that Perth people were prepared to make trade-offs of housing type when constrained by household budget and location factors.

## KEY FINDINGS

- Affordability drives housing decisions for all but the highest income earners. Affordability determines a range of accessible locations and, in turn, the type and size of dwellings affordable in those locations.
- Attributes of location matter most to households. Specifically safety and security; easy access to work and schools; and being located near family and friends and public transport.
- Within the “Housing Preferences and Trade-offs” survey, respondents state a clear preference for the Inner Central region of Perth but only half of those stating this preference could actually afford a dwelling in that location when constrained by their household budget.
- Households are prepared to make housing type and number of bedroom trade-offs, primarily to access a preferred location.
- The separate house is the preferred dwelling type favoured by 78 per cent of respondents but, when constrained by income, only 56 per cent chose such a dwelling, the majority of the balance selecting a more affordable semi-detached option.
- Three is the preferred number of bedrooms. Almost half of households stating a preference for four bedrooms actually chose a three bedroom option, primarily because it allowed them to access a preferred location.
- When comparing current housing stock with the income constrained housing preferences of Perth households, the analysis shows a considerable mismatch. There needs to be an increase in the proportion of semi-detached dwellings being supplied to the market allowing households to make location, house type, bedroom and affordability trade-offs.
- The findings for Perth echo those in the Grattan report for Sydney and Melbourne. Both reports identify a need to shift the balance of new supply away from a focus on separate houses and towards alternative dwelling types; semi-detached options in Perth and semi-detached and apartment options in Melbourne and Sydney.

- Apartments are the least preferred housing type for owner occupiers but the survey indicates some willingness to trade-off a house for an apartment if households are able to make a positive location trade-off and apartments offer an affordable alternative to a house.

The study leads to the conclusion that a dwelling supply of affordable accommodation matching household preferences would result in a much more compact city with a far greater proportion of households living in the Inner Central region.

This report gives the clear signal that the residents of Perth and Peel support a shift in focus from urban fringe development of detached four bedroom homes to a wider range of housing types in the inner and central regions. Now that there is evidence of the demand, governments of all levels, industry and the community must continue to work to reduce the costs, risks and other impediments to delivering the housing people say they would choose, if it were available, in these locations.

The development industry has started to respond to this demand with smaller, semi-detached and apartment products, particularly in the larger master-planned communities. The challenge will be to supply a well located and well designed, medium density product available to purchase under \$300,000 to meet underlying demand from low to moderate income earners. An even bigger challenge is to increase the availability of well designed, sub \$400,000, two bedroom apartment product in inner areas.

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## 1. INTRODUCTION

The Perth and Peel regions face significant housing challenges including a high level of population growth, poor housing affordability and long history of low-density development which has caused the city to expand dramatically north and south. The combination of these factors have led to concerns about Perth's ability to facilitate growth in a sustainable manner while retaining the qualities that the residents most value, such as a good range of quality, affordable housing and a clean and unpolluted environment (The Property Council of Australia, 2013b).

By June 2012, the population of Perth was estimated to be 1,898,000, making it Australia's fourth largest city. In the preceding twelve months, Greater Perth's population had increased by over 65,000 - more than 1,000 people per week (ABS Catalogue 3218.0, Table 5), largely due to in-migration. Added to this is the rapid ageing of the population. In 2011 there were approximately 3 million Australians aged 65 or older. By 2031, it is estimated that there will be almost 6 million, with the number of lone person households set to have increased by 73 per cent from 2006 (Australian Institute of Health and Welfare, bulletin 114). Housing supply, however, has not adapted or increased at the same rate. In order to accommodate population growth, meet the needs of a changing demographic and tackle housing affordability there needs to be a structural shift in the housing market towards a supply that maximises available land and provides a diversity of housing options. However, there is a lack of evidence detailing the housing that Perth and Peel residents actually want and this report attempts to address this gap.

The report focuses on the big decisions made by the majority of residents and understanding what is currently most important to them, for example, price, location or number of bedrooms. While 'liveable homes' will become increasingly important for an ageing population, the public's appetite for homes meeting universal design standards was not fully tested here.

Australia is a country of homeowners, with the popularity of "the Australian dream of living in a detached house in the well-treed suburbs" being evident in the shape of Australian cities today (City of Melbourne, 2010: 7). This type of housing development, characterised by large detached homes, green space and expanding into the urban fringes is even more pronounced in Perth than other capital cities such as Sydney and Melbourne. This practice, many argue, is now becoming increasingly unsustainable, making it essential to understand what residents really want from their housing in order to assess the possibility of providing for those wants in a more sustainable manner.

One of the most comprehensive recent assessments of the housing aspirations and desires of Australians was carried out by the Grattan Institute in 2010-2011 (Kelly et al., 2011). The Grattan Institute report provides the basic methodology adopted in this report. In the Grattan Institute study titled *Housing we'd choose*, the views of more than 700 residents in Sydney and Melbourne were collected regarding their housing preference and the trade-offs they would be willing to make in choosing their future homes considering affordability constraints. Comparing the research findings to data on new and recent construction activity, the final report also looked at the extent to which there is a gap between what people want and what is being built.

The Grattan Institute results suggested that the people in Sydney and Melbourne value both house type and location, with the number of bedrooms and having a detached house with a garage and ample living space as the most influential factors determining their housing choice. In terms of location, the findings implied that people prefer to live in a safe neighbourhood, close to family, friends, shopping, and public transport. Notably, closeness to work did not rank highly.

Having identified housing attributes that people prioritise, the second survey looked at how households trade off these attributes when faced with real-world costs and budget constraints. The findings of the survey suggested that once these trade-offs are taken into account, big differences become evident between the respondents' constrained preferences and current dwelling stock. In particular, significant shortages of semi-detached homes and apartments in the middle and outer areas of both Melbourne and Sydney were identified.

The dwelling choices of Western Australians were last explored in the Australian Bureau of Statistics (ABS) State Supplementary Survey conducted in Western Australia in October 2005. According to this survey, the key factors driving locational choice among recent movers included quietness of the area (43%), close proximity to family or friends (42%), access to facilities and services such as schools or shops (41%) and safe neighbourhoods (40%). The key attributes guiding future housing choice among households planning to move in the near future included dwelling appearance and layout (70%), a separate house (68%), better quality (53%) and familiarity with area (55%).

The ABS survey, however, did not provide any evidence about the decision-making process or the trade-offs that households are willing to make when selecting a home when constrained by affordability.

## THE CURRENT POLICY CONTEXT

As acknowledged in the *State Affordable Housing Strategy 2010 – 2020* (Department of Housing, 2010), a steep rise in the median house price over the past 10 years has seen those earning median incomes priced out of many areas of the region. As a result, young people are finding it increasingly difficult to save for a deposit because of high rental costs; and, those on moderate incomes accessing owner occupation are being pushed further and further to the periphery of the region to access affordable housing options. Many, especially lower income households, are incurring additional transport costs as a result of living at the periphery; and typical dwelling running costs have increased sharply over the last 5 years.

Across Australia, there has been much pressure on governments at all levels to assist in alleviating upward pressure on house prices through supply based policies. Replacing separate houses with higher-density dwellings such as townhouses and units, and building greenfield developments containing a range of house types would contribute to the more efficient use of available land. At present, however, separate houses remain the dominant component of the existing housing stock in Australia's major cities but this is even more pronounced in Perth (The State of Australia's Cities, 2012).

These houses are also large when compared to other countries (Dowling and Power, 2011), which, from a policy perspective, is seen to be problematic because of its multidimensional impacts on environmental and social sustainability: larger houses take up more land, are linked to sedentary, privatised lifestyles, and necessarily consume more energy, water and other non-renewable resources (Gleeson, 2006). When combined with population growth, the result is an expanding city. In fact, Perth's physical size is roughly similar to Los Angeles and Tokyo, but it has only one tenth and one twentieth of their populations respectively (Transforming Perth, 2012).

In Western Australia, the need to 'consolidate growth'; to increase densities in the inner urban areas and to improve the public transportation network feature heavily in future plans for urban development (for example *Directions 2031 and Beyond*). The willingness of residents to reduce their private car use and live in higher density dwellings, however, is less easy to determine. A recent livability survey commissioned and published by the Australian Property Council (2013) found that Perth's citizens were more likely to support, rather than oppose, higher density housing developments. The support was particularly strong for conversion of old industrial sites to housing, increased provision of medium density housing in the middle and outer suburbs and the development of new neighbourhoods of freestanding housing on the outskirts of the city. The evidence presented in this report helps determine the extent to which the housing preferences and aspirations of Perth and Peel residents are evolving and compatible with emerging housing and planning policies.

## METHODOLOGY

The methodology for this research was based on that used by the Grattan Institute, with some modifications. First six focus groups, with a total of 62 participants, were undertaken to determine the attributes to be used in the “What Matters Most?” survey – the first of two online surveys; and, to test the images to be used in the second survey, henceforth referred to as the “Housing Preferences and Trade-offs” survey. The “What Matters Most?” survey explored the housing attributes that matter most to Perth and Peel households when unconstrained by income. The “Housing Preferences and Trade-offs” survey used a set of housing options reflecting a broad range of house types to explore the trade-offs households were prepared to make in terms of location and house type/size, when constrained by income. A full overview of each methodology is located in the appendices including both online surveys.

## STRUCTURE OF THE REPORT

This report is divided into four sections:

- Chapter two provides an overview of the focus group discussions, with emphasis on the most relevant findings and the extent of variations in the priorities and considerations of different demographic groups.
- Chapter three presents the findings from the “What Matters Most?” survey, which collected detailed information from 866 Perth and Peel residents regarding the attributes they consider most important when selecting a home.
- Chapter four focuses on the findings from the ‘Preferences and Trade-offs’ survey, and describes in detail the initial preferences of the 1,071 respondents and how these differ from the housing they chose when selecting from a range of housing options and constrained by real-world considerations, such as income and equity.
- Chapter five compares the research findings to existing supply to determine whether there is a mismatch between what is currently being built and the housing Perth and Peel residents say they want.

## 2. FOCUS GROUPS

### KEY FINDINGS

- Location was the most important factor determining people's housing choice in all demographic groups.
- Affordability frames housing decisions by determining the broad location and the type and size of property affordable in that chosen location. Households accepted the need to trade-off to a smaller house in order to access a more desirable location.
- Apartments were the least preferred housing option as they were perceived to lack privacy due to poor sound proofing and close proximity to neighbours. The position in the building was regarded as important by most focus group participants. Those who had previously lived in an apartment were less critical about this type of housing. The focus group discussions suggested that one bedroom flats are not generally favoured.
- Sustainability was a critical issue for many and dwelling features such as solar panels and rainwater tanks as well as location features such as access to public transport were considered desirable. However, there was little consensus over the cost and benefits of sustainability features, with the minority of focus group participants being willing to pay extra to secure long term benefits.

### 2.1 INTRODUCTION AND METHODOLOGY

Six focus groups with a total of 62 participants were carried out during August and September 2012. Five of the focus groups took place in Perth and one in the Peel region. The purpose of these focus groups was to inform the development of the variables used within the first online survey ("What Matters Most?") and test the quality of the images to be used in the second online survey ("Housing Preferences and Trade-offs"). In addition to providing detailed feedback about the housing images, the participants were also asked to rank different housing options according to their preference to form an understanding of what kind of housing options people in the Perth and Peel regions would choose if not constrained by financial considerations.

The focus group discussions centred on what factors/ features people consider to be the most important when choosing their new home. The key attributes, in order of importance, included location, price, neighbourhood quality and 'feel', dwelling features and design (including type), and size. This chapter provides a brief overview of the key findings from the focus group discussions. More detailed information regarding the recruitment and demographic characteristics of the participants and the methodology are available in Appendix 1.

### LOCATION

Interestingly, location was regarded important in terms of easy access rather than close proximity. The extent to which easy access was required varied somewhat according to household circumstances. Table 1 below lists the key aspects of the importance of location.



**Table 1: The multifaceted importance of location**

Aspect	Important to	Important because
Easy access to work	Couples and families.	Time spent commuting was seen to be time 'wasted'
Easy access to children's school	Families with children.	To save time.
Easy access to restaurants and nightlife	Especially singles and young childless couples.	To reduce the need to drive when going out; to reduce the cost of taking a taxi.
Easy access to amenities	Health care for older people, as well as supermarkets and shops for all.	Convenience.
Easy access to public transportation	Older people and some males wanting to access public transport by foot. mainly women who work in the CBD and want a quick and easy drive to public transport,	Older people wished to reduce dependence on private car, acknowledging that they may not be able to drive in the future.
Broadband service and satellite TV coverage	Especially young singles.	To stay connected.

## PRICE

Price was conceptualised as the proportion of household income that people were willing to spend on housing. Generally people were willing to pay a higher proportion of income on owner-occupied housing than rental housing, although many expressed a reluctance to take on too much debt. Ability to find a pleasant location within one's price range was regarded as an issue. Many younger people acknowledged that apartments may well be the only option they can afford even though a separate house would be preferable.

## NEIGHBOURHOOD QUALITY AND 'FEEL'

The presence of trees, a good atmosphere, reputation of the area, demographic profile (areas that have a lot of families) and the characteristics of the housing stock were regarded as more desirable than newly built areas which were generally perceived to lack character.

## DWELLING FEATURES AND DESIGN

Comments regarding the features of the actual dwelling were made with reference to indoor space and outdoor facilities. The investment value of the dwelling was an important factor to some; older properties in established neighbourhoods were generally regarded as better investments. Older homes were regarded as having more character (desirable) and being of better quality (sustainable, insulated, better designed and oriented to take advantage of sun and breezes). Orientation was seen as important to maximise natural light and reduce the need for heating and cooling. Many said they would appreciate having resource saving features (such as insulation, rain water tanks and solar panels) and may be willing to pay a bit more for properties that already had these features however, few would think about retrofitting and meeting the up-front installation costs. The ongoing maintenance costs were more important to people on fixed incomes (pensioners). Some expressed environmental concerns, but this was a minority.

Dislike of newly built houses and suburbs was widespread but the view was not shared by some younger people and migrants, who were also more willing to live in apartments.

## HOUSE TYPE

Generally detached dwellings were preferred by all household types, especially families with children who wanted them to be able to play outdoors. Perceived disadvantages of apartments, largely from those who had never lived in such a dwelling, centred on noise (poor sound insulation was associated with poor quality, new apartments being built in Perth) although those who had lived in apartments overseas did not regard noise as a major issue. For apartments, the position of the apartment within a building (e.g. ground floor) is an important factor affecting its attractiveness. Apartments were also disliked because strata fees can be excessively high. Some participants indicated they really wanted a pool and a gym and were prepared to pay more for them, while others said they are put off apartments because of the high strata fees associated with features they would not actually use. Apartments were viewed more favourably for renting than owning partly due to a lower exposure to strata fees.

The discussions suggest that one size does not fit all. Not everybody wants a four bedroom two bathroom house. This was especially true of older people and singles who emphasised the importance of low maintenance dwellings. However, one bedroom apartments were not generally regarded as an attractive option. Many singles mentioned that they would want a two bedroom two bathroom option so that if costs got too high they could sub-let to a tenant. Older people with a lot of grandchildren were torn between the desire for low maintenance and a requirement for sufficient space; retirement living villages were not seen to facilitate family visits.

## PREFERENCES

Participants' were asked to select their preferred housing options from a booklet of 18 different dwelling types. The purpose of this exercise was to determine the participants' unconstrained preferences rather than real-life choices, so they were instructed to assume that each option was available within their price range in their most preferred location.

Unsurprisingly, the findings provided evidence of a strong preference for detached dwellings, with 75 per cent of the participants selecting a separate dwelling as their primary housing choice. The size of the most preferred dwelling, however, varied by demographic profile, with one person households preferring smaller separate dwellings. Semi-detached dwellings were regarded the second most preferable housing type by older households, whereas aspiring (mainly young) households, one person households and a cross-section of Peel households preferred apartments to semi-detached dwellings. When participants were asked to make a secondary choice, 60 per cent of respondents simply chose a separate dwelling of a different size.

**Table 2: Summary of Housing Choices**

Housing Option	Primary Choice	Secondary Choice
<b>Separate Dwelling</b>	45 (75%)	36 (60%)
<b>Apartment</b>	10 (17%)	7 (12%)
<b>Semi-Detached Dwelling</b>	5 (8%)	17 (28%)
<b>Total</b>	60	60

The detailed breakdown of unconstrained housing choices in each focus group are available in Appendix 1.

### 3. "WHAT MATTERS MOST?" SURVEY

#### KEY FINDINGS

- 98 per cent of the 866 survey respondents stated their preferred housing tenure was owner occupation.
- When not constrained by income, 79 per cent of survey respondents preferred a separate dwelling and 13 per cent a semi-detached option. Only 7 per cent preferred flats, units or apartments.
- For those participants currently living in a flat, unit or apartment, 64 per cent would prefer a separate house. Given a choice, only 16 per cent would remain in an apartment.
- The top two reasons why people move house were a change of tenure (largely renters wanting to buy) and a desire to move to a better location.
- A safe neighbourhood was regarded as the most important housing attribute.
- Respondents showed a strong preference for housing to be within easy access to the main income earner's place of work.
- Respondents on lower incomes expressed a stronger preference for easy access to public transport than other income groups.
- When deciding whether to rent or buy, housing affordability was the most important factor framing a decision followed very closely by location. Dwelling design and features were considered only around half as important as affordability, except for those in the highest income group where the order was reversed.
- Affordability constrains choice by narrowing the range of accessible locations and then forcing trade-offs on house size and type within affordable locations. The lower the household income the narrower the range of affordable locations. The greater the housing diversity the greater the ability of a household to trade off house size and type to access their preferred location.
- A significant proportion of future housing demand will come from renters seeking to switch tenure, indicating a strong demand for affordable purchase alternatives.
- Location, framed by affordability, is the key driver of the decision process, whereas the dwelling itself is chosen later to satisfy as many of the household requirements as possible, notably the number of bedrooms

#### 3.1 INTRODUCTION AND METHODOLOGY

The purpose of the first online survey was to explore the relative importance of a wide range of housing attributes in order to establish what households want from their housing. Is the number of bedrooms really the most important housing attribute (as identified by the Grattan report) or do elements of location matter most? A total of 76 attributes were established, using the Grattan report as the base, but modifying the list to take into account the findings of the focus groups and Western Australian terminology. These attributes were arranged into five broad categories:

- Convenience and access;
- Local amenities;
- Local environment;
- Dwelling design; and
- Dwelling features.

Respondents were asked to select all the attributes they regarded as important when choosing a house and, from this selection, rank their top four. Key housing and demographic data were also collected from each respondent to allow the identification of trends across demographic groups. A copy of the online survey questionnaire is located in Appendix 2.

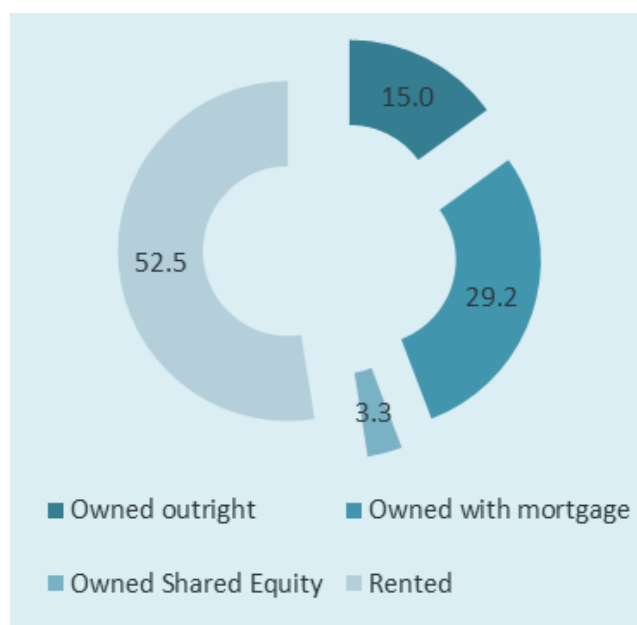
### 3.2 WHAT MATTERS MOST: RESULTS

The survey was completed by 866 respondents, more than the combined 706 respondents for Melbourne and Sydney reported in the “What Matters Most?” part of the Grattan report. A breakdown of respondents is shown in Appendix 2.

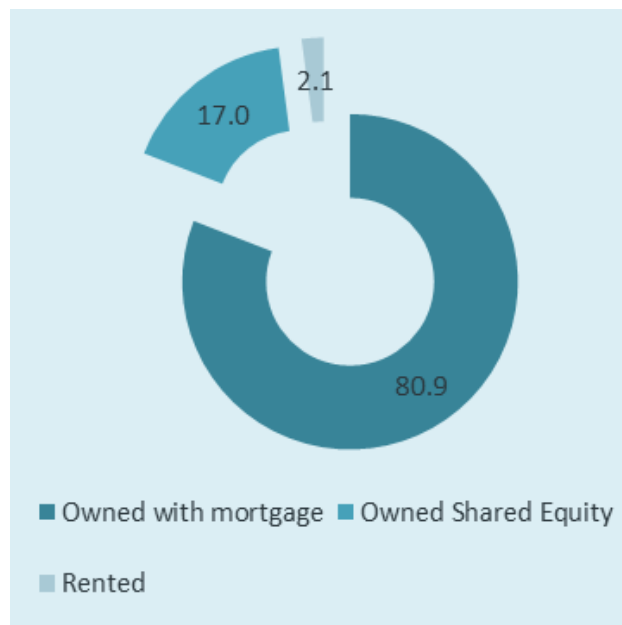
Figures 1 and 2 examine the current and preferred tenure of respondents. Renters were heavily represented in the survey. Only 2 per cent of current renters wanted to remain in the rented sector, with 98 per cent wanting to move into owner occupation.

When asked to select the most likely reason for moving house 24 per cent of the respondents stated a change of tenure, closely followed by 23 per cent of respondents wanting to move to a better location (Table 3). Other reasons driving a move included a desire for more interior space; a change in household circumstances; and a need for more affordable accommodation. The results suggest that a significant proportion of future housing demand will come from renters seeking to switch tenure, indicating a strong demand for affordable purchase alternatives.

**FIGURE 1: Current Tenure (%)**



**FIGURE 2: Preferred Tenure (%)**



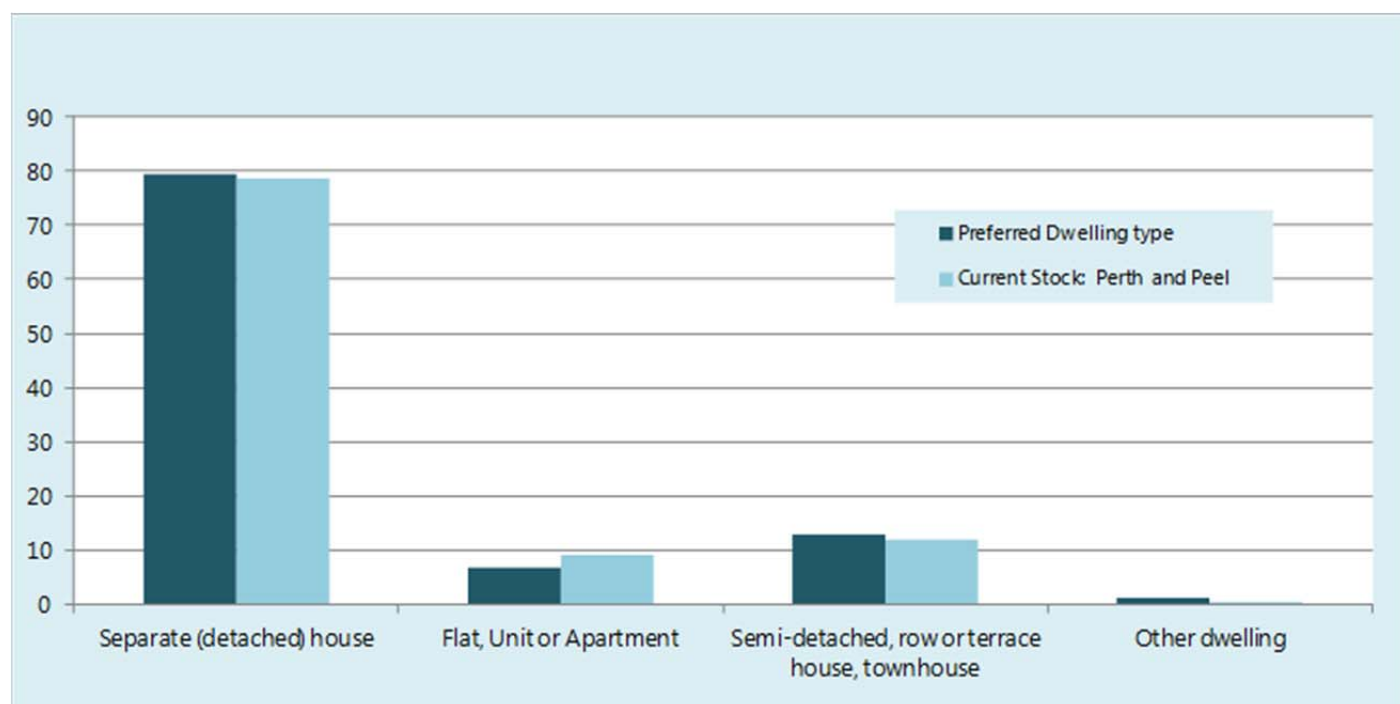
**TABLE 3: Main factors motivating a move**

A smaller dwelling or block (downsizing)	8%
Better location (for example to be closer to transport, family or amenities)	23%
Change in household circumstances (e.g. couple forming or separating)	9%
Change of tenure (e.g. renting to buying)	24%
More affordable accommodation	8%
More space outside the dwelling	5%
More space within the dwelling	11%
Other	12%



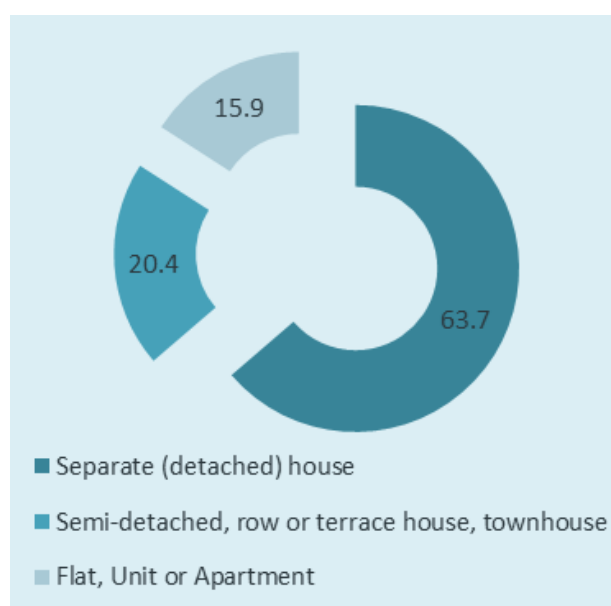
Figure 3 describes the preferred dwelling type of respondents and compares it with the existing stock within the Perth and Peel regions. The survey asked respondents to state their housing preferences unconstrained by income. These preferences match very closely the existing stock within the Perth and Peel region. The main difference is the lower preference for apartments.

**FIGURE 3: Preferred Dwelling Types**

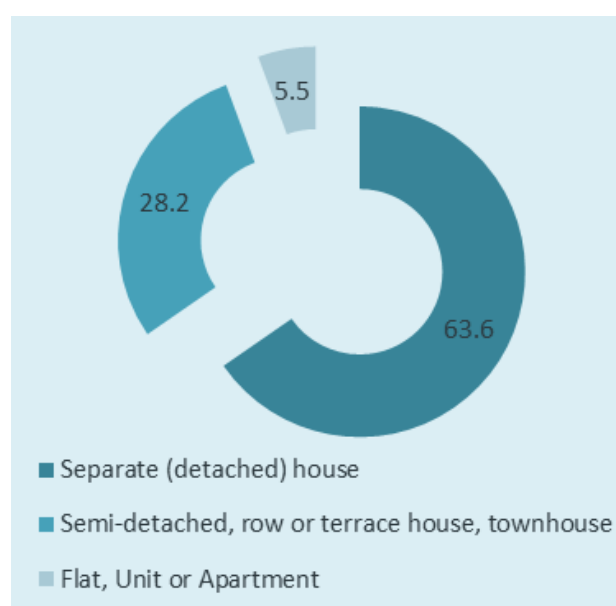


Given a choice, only 16 per cent of those currently living in an apartment would remain in this type of housing, with 20 per cent preferring a semi-detached option and 64 per cent a separate house (figure 4). Satisfaction with semi-detached housing appears to be higher, with 28 per cent of those currently living in semi-detached housing (figure 5) preferring to stay in such a house type.

**FIGURE 4: Preferred house type of those currently living in a flat, unit or apartment (%)**

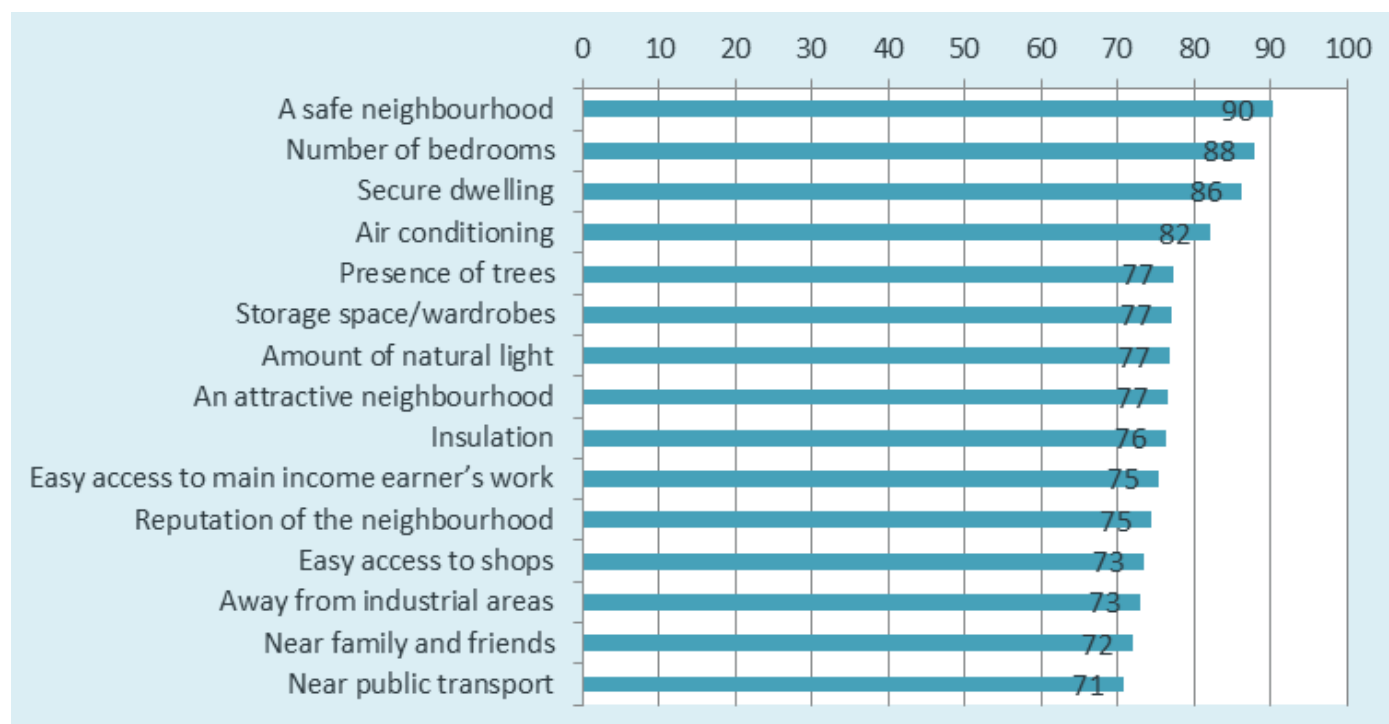


**FIGURE 5: Preferred house type of those currently living in a semi-detached, row or terrace house, townhouse (%)**



The primary purpose of the “What Matters Most?” survey was to establish which housing attributes were regarded as most important in the decision making process. The survey asked respondents to select all the housing attributes they considered as important when choosing a house and then rank their top four (4) in order of importance. Figure 6 shows the 15 most frequently selected attributes, with the full list appearing in Appendix 2. Safety and security was the top priority with a safe neighborhood regarded as important by 90 per cent of respondents and a secure dwelling by 86 per cent. In between came the number of bedrooms (88 per cent). This is broadly consistent with the findings of the Grattan report for Melbourne and Sydney.

**FIGURE 6: Percentage of respondents regarding attribute as important: Top 15**

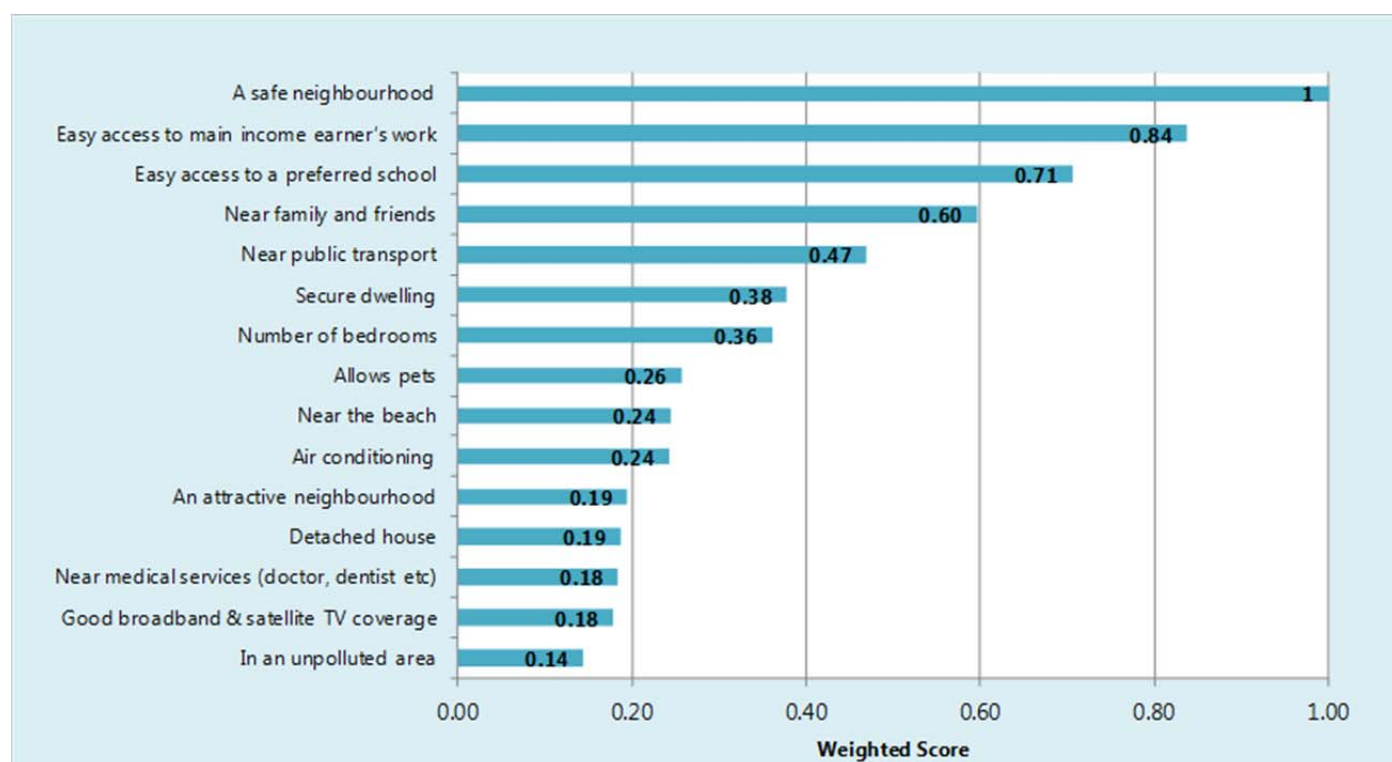


Specific dwelling features such as air conditioning, storage space and insulation were important to over 75 per cent of respondents. The remaining top 15 attributes consisted largely of location attributes including the attractiveness and reputation of the neighborhood; easy access to work; easy access to shops; and being near family and friends. The importance of public transport varied depending on income, being far more important to those on lower incomes. Households with children were far more likely to select easy access to a preferred school as important, for obvious reasons.

With an ageing population demographic the issue of accessible housing may be one that influences the decisions of those looking to age in place. The attribute ‘Designed to meet special physical needs’ addresses this issue to a certain extent. This attribute was regarded by just 12 per cent of respondents as being important suggesting it is really not on the agenda for the vast majority of those making a housing decision. Features of sustainability were ranked quite highly. Good natural light within a dwelling located in a neighbourhood with trees were key considerations, with insulation and solar panels being regarded as important by over 70 per cent of respondents. However, when respondents were asked to rank their most important factors (see figure 7), elements of sustainability did not feature highly.

A separate question was asked about whether building materials were an important consideration when selecting a dwelling. 88 per cent of respondents said they were, with 53 per cent of this group selecting double brick as their preferred building material and 26 per cent desiring alternative sustainable materials. This indicates a strong market for sustainable materials and such a market might be even larger if there was greater awareness of available products.

**FIGURE 7: Important attributes: weighted score**



Respondents were asked to rank their top four most important attributes and the results are shown in Figure 7. These rankings were used to derive a weighted score to determine the relative importance of each attribute. This differs from Figure 6 because respondents had to prioritise attributes.

The attributes with the highest scores were very consistent across a wide range of demographic groups. A safe neighbourhood was regarded as the most important attribute by the sample as a whole as well as the vast majority of demographic groups. This finding reflects the importance of communities and initiatives designed to improve neighbourhood quality. Outright owners and those in the older age groups ranked being near family and friends as the most important attribute, whilst the \$40-\$79,999 income group and one person households ranked easy access to the main income earners work as their top priority.

In contrast to the Grattan report, this survey found that access to work was regarded as very important. The difference may be explained by the alternative terminology employed. While Grattan used the term 'close' (equivalent to the term 'near') this survey used the term 'easy access'. Although as subjective as 'close', 'easy access' better reflected the sentiments expressed in the focus group discussions. They didn't need to be 'near' or 'close' to work or a school but they had to be able to get there quickly and easily via their chosen mode of transport, hence easy access. Clearly easy access and congestion are closely related with an efficient public transport system being closely aligned with easy access.

Easy access to a preferred school was obviously more important for households with children than those without. The high overall ranking of this attribute reflects the frequency with which 44 per cent of the sample (the proportion of survey households containing children) selected it among their top four attributes. Public transport was very important to lower income households and renters (which tend to overlap).

A secure dwelling and number of bedrooms were the most important dwelling-specific attributes. Somewhat surprisingly allowing pets was very important, largely due to the proportion of renters completing the survey. Close proximity to good medical services and good broadband access was more important to the older groups than the younger ones. Somewhat surprisingly older groups regarded broadband access as more important than the younger groups although the younger groups still considered it as a very important attribute.

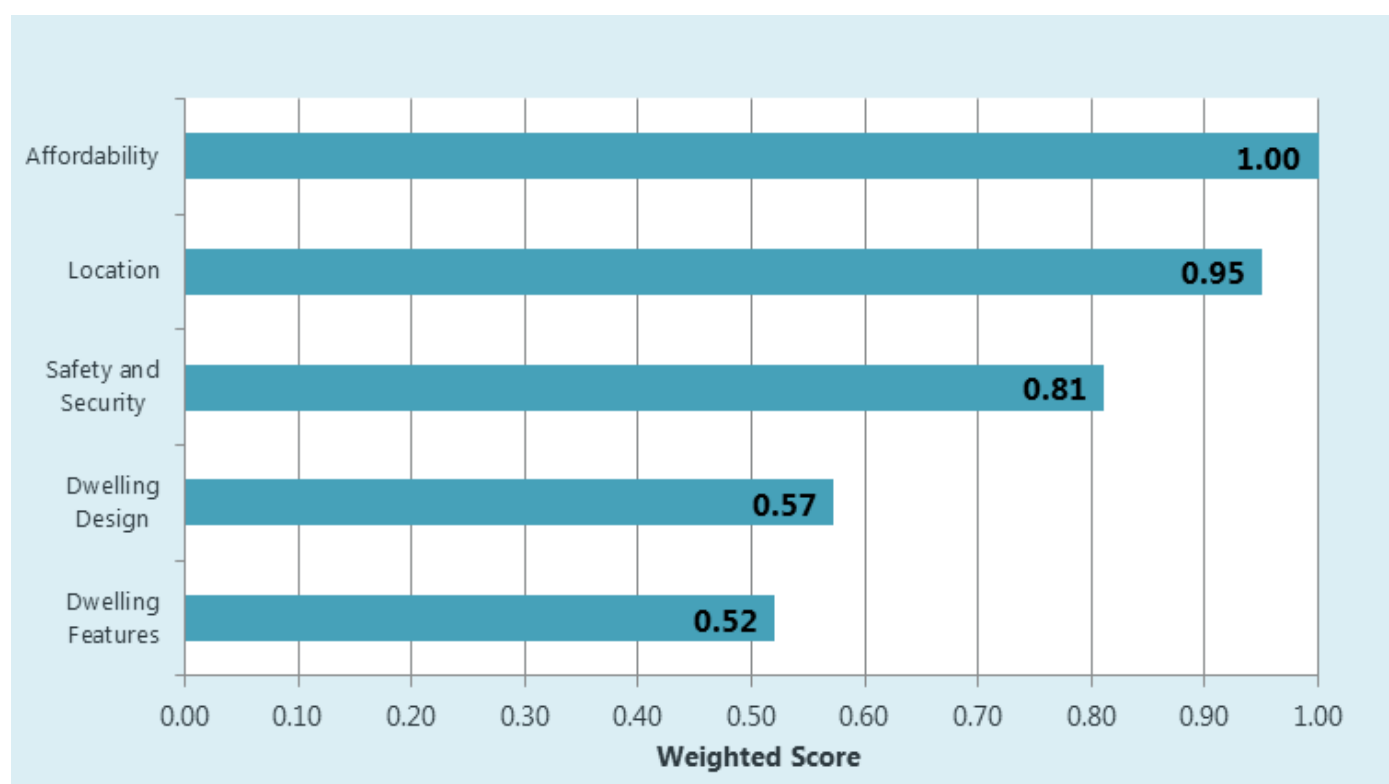
The final part of the survey examined how households make housing decisions. Five broad decision factors were developed from the focus groups:

- Affordability;
- Dwelling Features;
- Safety and Security (dwelling and neighborhood);
- Location (convenience, access, local amenities and environment); and
- Dwelling design.

Respondents were asked to rank these factors in order of importance from 1 to 5. Figure 8 shows the weighted scores. Affordability was the most important decision factor followed very closely by location. The higher the income group, the more likely it was for location to be ranked above affordability. Safety and security was ranked third, well above the design and features of the specific dwelling.

From this evidence a pattern of decision making can be construed. Most households (outside the highest income categories) first determine a budget given their income and equity constraints, and then determine their preferred location. They will then seek what they regard as a safe and secure dwelling within their budget and preferred location that satisfies their accommodation needs.

**FIGURE 8: Main decision factors: All respondents, weighted score**



In summary, different aspects of location are regarded as far more important than the features of the dwelling itself. This reinforces a notion that location, framed by affordability, is the key driver of the decision process, whereas the dwelling itself is chosen later to satisfy as many of the household requirements as possible, notably the number of bedrooms.

## 4. HOUSING PREFERENCES AND TRADE-OFFS SURVEY

### KEY FINDINGS

- One third of respondents were prepared to pay more than 30 per cent of their gross household income on mortgage or rental costs; 23 per cent were prepared to pay 40 per cent or more; and 29 per cent were prepared to pay less than 30 per cent. This suggests that the standard 30 per cent assumption is not a particularly useful generalisation because many households are prepared (and able) to pay more while others are prepared to pay less.
- The three most popular housing options were separate houses, with the most popular being the smallest, and most affordable. Three bedroom semi-detached housing options were also widely selected as viable housing options.
- More than three quarters (78 per cent) of respondents stated their housing preference to be a separate house but only 56 per cent chose that option in the survey once subjected to financial constraints, indicating that households are prepared to make house type trade-offs, primarily to access a preferred location.
- Trade-offs were evident within number of bedrooms chosen with almost half of households that stated four bedrooms as their initial preference then selecting a three bedroom dwelling as their first choice.
- The results show a need to produce more three bedroom options to allow those in older age categories to downsize.
- Apartments were selected as the preferred housing option by less than 10 per cent of respondents. Households that have lived outside Western Australia have the same preference for separate houses as those that have only ever lived in the State but, when subject to affordability constraints, were twice as likely to select an apartment as a viable option.
- Only 0.4 per cent of respondents chose one bedroom as their preferred house size. When constrained by affordability, however, 2 per cent selected a one bedroom option, suggesting an affordability trade-off.
- 40 per cent of respondents selected Inner Central as their preferred purchase location but only a third of these respondents selected a dwelling within that region as their first choice housing option. Just under half of them chose a dwelling in another location with the most popular substitute being the Outer Central region. The remainder could either not afford to purchase a dwelling in the region (12 per cent) or could not find anything meeting their requirements (6 per cent).
- Overall households were willing to make significant location, house type and house size trade-offs and the extent of trade-offs depends upon household wealth and composition.
- A dwelling supply of affordable accommodation matching household preferences would actually result in a much more compact city with a far greater proportion of households living in the Inner Central region.
- Significant proportions within each demographic group surveyed were unable to access their preferred location, even in the outer regions indicating the need for affordable housing options across all of Perth and Peel.
- 56 per cent of all households chose a separate house as their first choice option. This is 21 per cent lower than the 77 per cent selecting a separate house as their preferred dwelling type indicating that the demand for detached housing decreases (but still remains the majority) when affordability factor is applied.
- While only 19 per cent of couples with no children, 21 per cent of single households and 19 per cent of group/retired households stated an initial preference for a semi-detached house, significantly larger proportions (39 per cent of couples with no children, 50 per cent of singles and 46 per cent of group/retired households) ended up selecting a semi-detached option. This indicates an increase of demand for semi-detached housing when affordability factor is applied.
- Respondents are less willing to trade off the number of bedrooms than they are to trade off the house type.
- Respondents were willing to accept semi-detached dwellings as a viable housing choice, and many selected this type as an alternative to a separate house because it allowed them to access a preferred location within their budget.



## 4.1 INTRODUCTION AND METHODOLOGY

The “Housing Preferences and Trade-offs” survey aimed to examine the housing choices made by households when constrained by income. Respondents selected a preferred location, a minimum number of bedrooms and entered income and household composition data allowing calculation of a maximum affordable price/ rent. Respondents were then presented with a range of house types affordable to them across nine regions (Figure 9), and asked to select those they considered as viable purchase/ rental options. After selecting all dwellings they would consider as viable options, they were instructed to rank their top four. Comparison of initial respondent preferences with the dwelling choices made within the survey enabled the identification of location, house type and size (number of bedrooms) trade-offs.

Sixteen house types representing a wide variety of dwelling options were presented in the survey through the use of a set of housing images and floor plans; developed and tested within the focus groups. Each housing option was available in each region and was assigned a house price/rent by a licensed valuer assuming a medium standard of quality. The range of house types with the images and floor plans used in the survey are shown in Appendix 3.

**FIGURE 9: Perth and Peel region map**



## 4.2 HOUSING PREFERENCES AND TRADE-OFFS

1,071 respondents completed the survey; 946 completed the purchase option and 125 the rental option (table 4). The number of responses was almost double the comparable survey by the Grattan Institute and permits a robust analysis of housing preferences and trade-offs. However it is worth noting the following:

- The profile of responses provides a good cross section of housing demand in the Perth region (see Appendix 3). However, there were insufficient responses to draw specific conclusions about the Peel region.
- 88 per cent of respondents chose the purchase option in the survey, reflecting the strong preference for purchase over rental. This leaves insufficient observations to draw conclusions about the rental sector. Consequently the analysis presented below concentrates on preferences and trade-offs for dwelling purchasers.
- Rents started at \$200 per week for dwellings in the South East region. Despite the (relatively) low rents, 36 per cent of those choosing the rental option could not afford any dwelling. This highlights the major affordability barrier for those seeking property at the lower end of the rental market.
- House prices started at \$220,000 for a one bedroom dwelling option, \$260,000 for a two bedroom option and \$295,000 for a three bedroom option. Despite the relative affordability of these dwellings, 15 per cent of respondents could not afford any of the house purchase options even though generous assumptions were made about deposit availability.
- Although the survey included an ancillary dwelling (granny flat) as a housing option within the rental section, the low number of rental observations makes it impossible to draw conclusions about demand for this property type.

**TABLE 4: Survey 2 responses**

	Number	%
Total number of responses	1,071	
Number selecting the purchase option	946	88%
Number selecting the rental option	125	12%

### AFFORDABILITY

In order to calculate the maximum house price/rent used to determine the affordability of different housing options to each household, respondents were asked to state the maximum proportion of their gross household income they would be willing to spend on mortgage costs. Traditional housing affordability has been defined by a 30 per cent benchmark. Households that fall in the bottom 40 per cent of income earners and spend 30 per cent or more of gross income on direct housing costs are considered to be in housing stress. Recent research, however, has highlighted the problems associated with the 30 per cent benchmark (Rowley and Ong 2012).

Therefore, rather than making an across the board assumption about affordability, respondents were asked what proportion of their income they would be prepared to pay in mortgage or rental costs. Figure 10 presents the results. A third of respondents were prepared to pay more than 30 per cent of their income in housing costs, but 29 per cent were prepared to pay less (20 per cent didn't know what they were prepared to pay). This confirms that the standard 30 per cent assumption is a not particularly useful generalisation because many households are prepared (and able) to pay more while others are prepared to pay less.

**FIGURE 10: Proportion of gross household income respondents prepared to pay in direct housing costs**

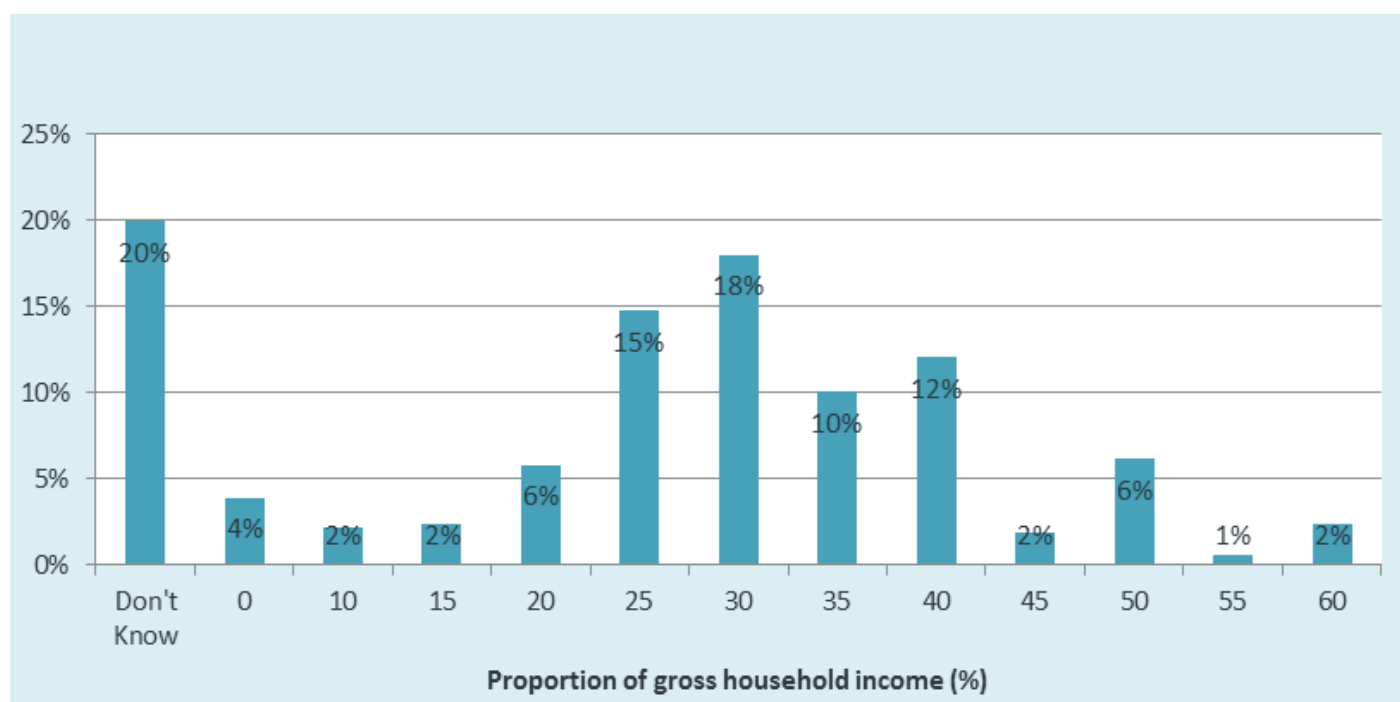


Table 5 shows that the relationship between income and propensity to pay is not clear cut, with many in the lower income groups being prepared to pay above 30 per cent and many in the higher groups prepared to pay less (often due to the amount of equity injected by householders who own their homes outright).

**TABLE 5: Proportion of household income respondents are prepared to pay in direct housing costs by income group**

Income group	Less than 30%	Equal to 30%	More than 30%	Don't know
\$0-39,999	40%	5%	11%	44%
\$40,000-\$79,999	28%	13%	33%	26%
\$80,000-\$129,999	34%	21%	31%	13%
\$130,000-\$179,999	18%	25%	46%	10%
\$180,000+	28%	21%	36%	15%

Respondents were also asked to state the amount of equity they would be willing (and able) to contribute to a purchase. Together with income and willingness to pay, this was used to determine the maximum house price respondents could afford. A minimum deposit of 10 per cent was assumed for those that did not have sufficient equity to cover a 10 per cent deposit. 28 per cent of respondents had less than \$50,000 to contribute, the sum required for a 10 per cent deposit on the current Perth median house price. This figure excludes those that didn't know (45 per cent) which means that this 28 per cent is likely to be an underestimation. The implications of this for housing affordability are severe, with the lack of a deposit forming a significant barrier to home purchase. At the other end of the scale, 21 per cent of respondents had more than \$100,000 to contribute to a house purchase.

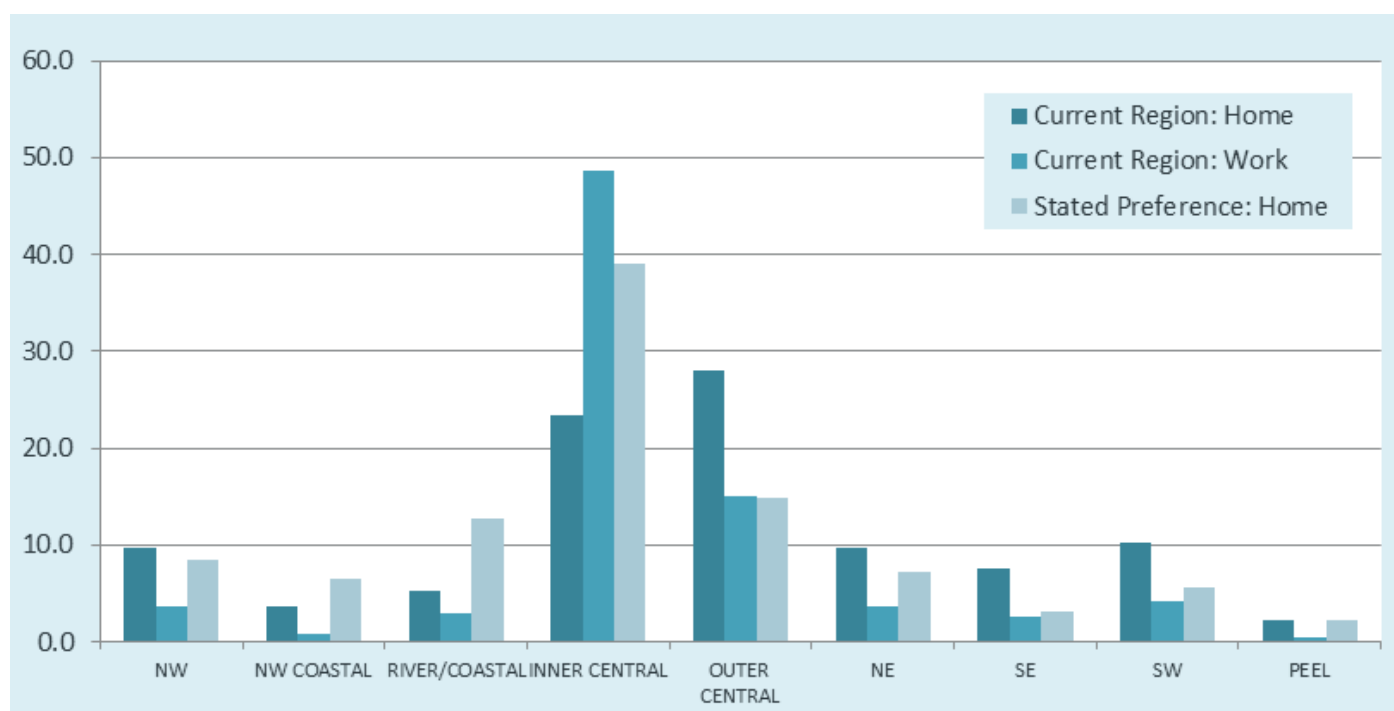
When factoring in the minimum bedroom requirements of each household, 15 per cent of those completing the purchase part of the survey were unable to afford any housing option in any region. Considering the assumption of a minimum 10 per cent deposit when calculating the maximum house price, this is certainly an underestimation of the true affordability picture.

Among the households who chose the rental option, 36 per cent were not able to afford any housing options in any region. This is a more realistic estimate of affordability in the rental sector, largely because fewer assumptions need to be made to calculate the rent households are able to afford. This finding points to a chronic lack of affordable housing within the private rental sector.

## LOCATION

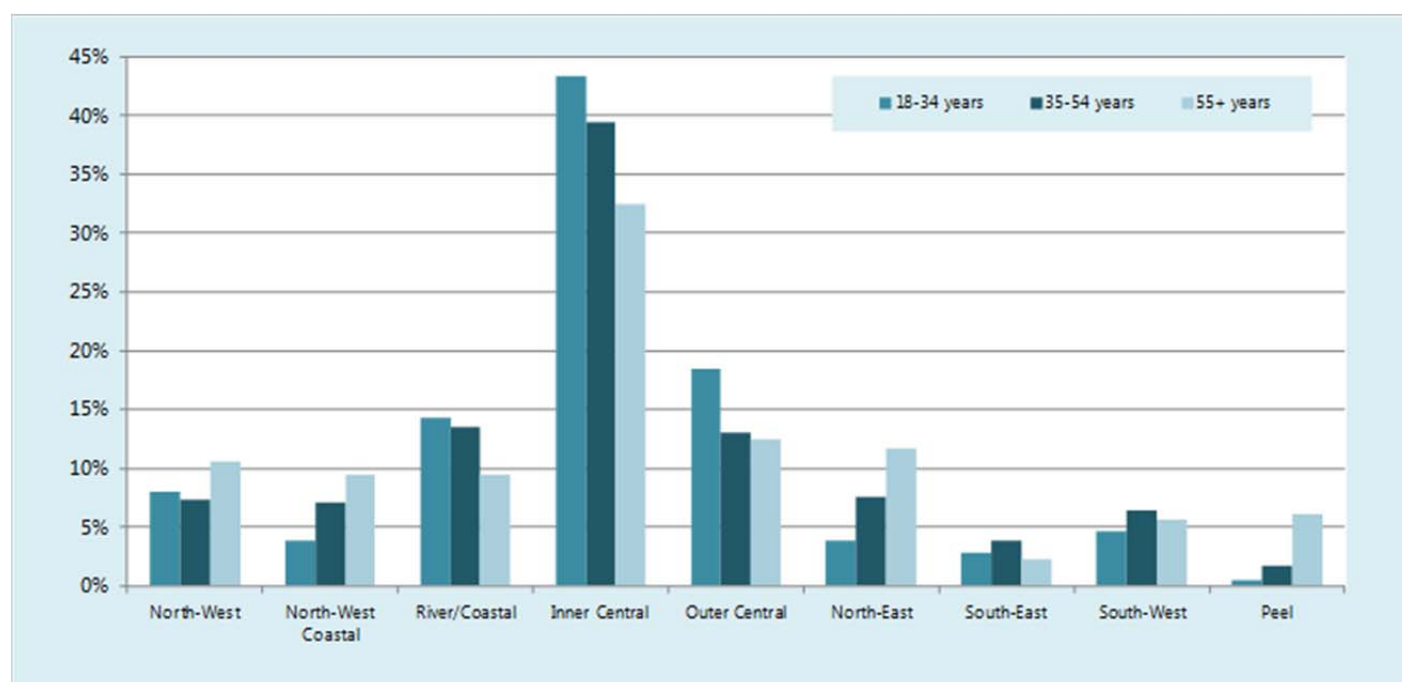
The survey asked each respondent to select their current suburb of residence and the suburb in which the main income earner worked and which were then converted to regions. Respondents were then asked to choose two regions, in order of preference, where they would most like to live, taking into account their current financial circumstances. Figure 11 illustrates the region where respondents currently have a home, and the region in which the main income earner works and their region of first preference.

**FIGURE 11: Comparison of home and work regions with stated region preference**



Almost 50 per cent of respondents work in the Inner Central region, but only around 23 per cent live there. Comparison of respondents' current region of residence to their stated preference reveals that twice as many people would like to live in the Inner Central region. A significant proportion of these households are currently living in Outer Central and some in other outer regions, having already made a trade-off between price and location. Figure 11 provides evidence of a significant unmet need for residential dwellings within the Inner Central region. More supply is needed to accommodate demand and allow those working within the region to live within easy access of their place of employment. Figure 12 breaks down the preferred location by age group and shows how Inner Central is the region of choice for all age groups, though more so for younger people aged 18-34 year olds. The outer regions, however, become more popular as people age.

**FIGURE 12: Preferred region by age group**



Over two thirds of those currently living in the River/ Coastal, Inner Central and the Peel regions were currently living in their preferred location. However, less than 50 per cent of households living in the North West, Outer Central, South East and South West regions were currently living in their primary region of choice. This suggests that significant location trade-offs have already been made, primarily driven by affordability.

Table 6 shows where those who are currently not living in their preferred region would most like to live. A third of those currently living in the South West would prefer to be in the Inner Central region, and this figure rises to almost half 50 per cent among those living in Outer Central. With an appropriate and affordable housing supply within Inner Central they would most likely have made a different housing choice.

**TABLE 6: Proportion of respondents living in their preferred region**

	Proportion living in preferred region	Preferred Region
<b>North West</b>	43%	NW Coastal (28%)
<b>North West Coastal</b>	56%	River/Coastal (15%)
<b>River/Coastal</b>	70%	Inner Central (16%)
<b>Inner Central</b>	72%	River/Coastal (14%)
<b>Outer Central</b>	25%	Inner Central (48%)
<b>North East</b>	58%	Inner Central (15%)
<b>South East</b>	25%	Outer Central (32%)
<b>South West</b>	39%	Inner Central (33%)
<b>Peel</b>	68%	Inner Central (16%)



The report now moves on to examine the trade-offs that respondents expressed in the survey through their housing choices. The analysis focuses on those 946 respondents that selected the purchase option. Of these 946 respondents, 15 per cent could not afford any housing options. A further 11 per cent were provided with affordable options but did not select any of them. The main reason was a refusal to make a trade-off in terms of location or house type. First, if they couldn't afford to live in their preferred region they did not select any alternatives presented in other regions. Second, they were not presented with any options of their preferred house type in their preferred region and were unwilling to make a trade-off. There are two key terms framing the trade-off analysis:

- **Stated preference:** The initial preference of location, house type and bedrooms selected at the beginning of the survey without financial constraints.
- **First choice dwelling:** The dwelling option selected as the respondent's first choice during the survey exercise after being provided with a range of housing options they could afford and meeting their minimum bedroom requirement.

Figure 13 compares respondents' stated region of preference with the location of their first choice dwelling. Imposing income restrictions has a significant impact on location choices. Almost 40 per cent of respondents stated a preference to live in the Inner Central area but only half of them were able to secure an acceptable dwelling within this location. The actual choices made represent a much more even spread of housing than the initial stated region preferences (shown in Figure 13). A dwelling supply of affordable accommodation matching household preferences would actually result in a much more compact city with a far greater proportion of households living in the Inner Central region.

When households make decisions based on affordability, choices are far more widely spread as a result. The analysis is interesting because it shows how asking survey respondents for their preferences alone, even when asking them to take into account their financial circumstances, does not provide a realistic indicator of the housing choices they would actually make. The methodology employed in this survey results in a far more accurate assessment of household demand.

**FIGURE 13: Location trade-offs**

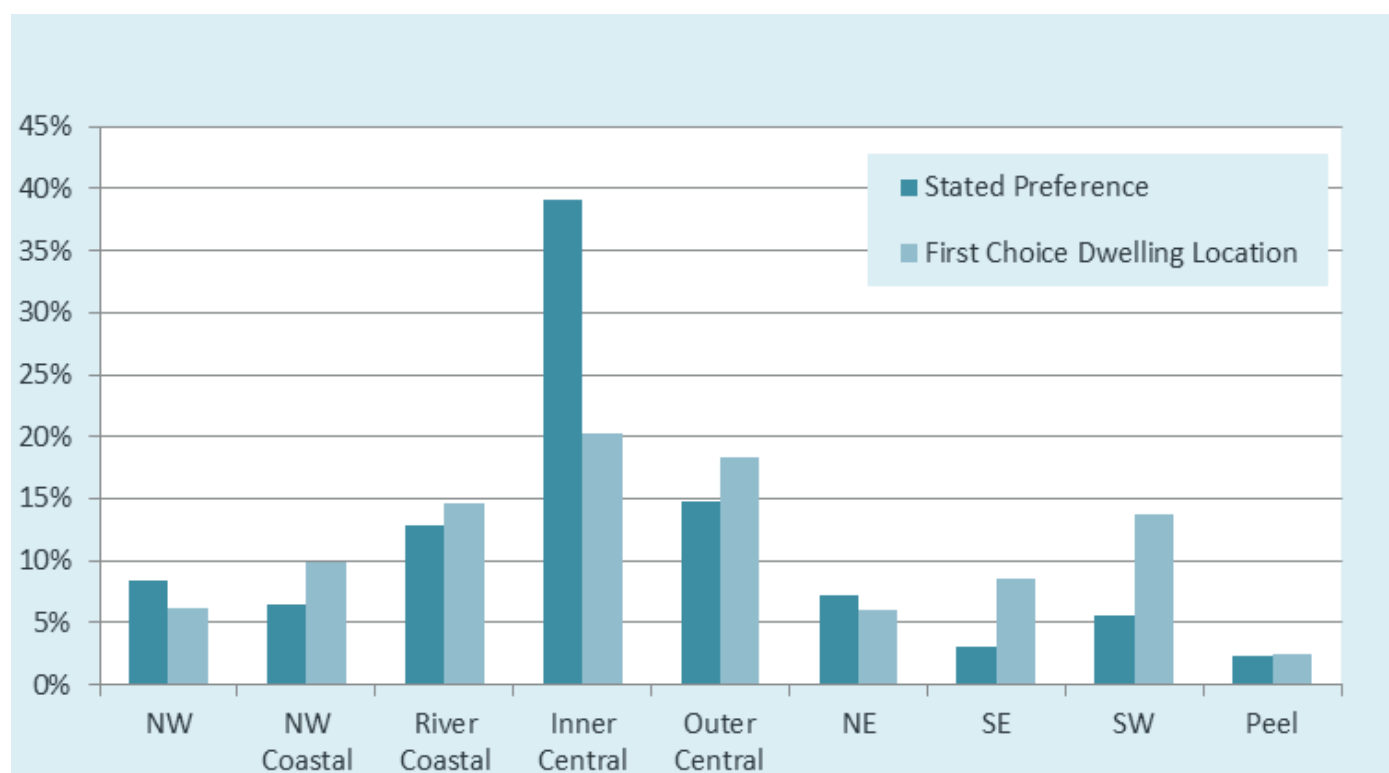


Figure 14 maps the housing choices of those respondents who selected the Inner Central region as their stated preference. Only a third were able to choose a dwelling in their primary location, with almost 19 per cent trading off location to Outer Central and 11 per cent to the South West; the two most popular alternatives. Of those that did not choose an alternative location, 7 per cent were given no affordable options in any region, 5 per cent were provided with no options within the Inner Central region (i.e. none were affordable) and just over 6 per cent were provided options in Inner Central but none were considered suitable.

It appears that respondents are more likely to trade-off from Central areas by choosing an area to the south rather than the north. As shown in figure 13, trade-offs in terms of location to the South East and South West were most common, with both of these regions having much higher numbers of first choice dwellings than initial preferences. This has implications for strategic planning policy.

**FIGURE 14: Inner Central house type trade-offs**

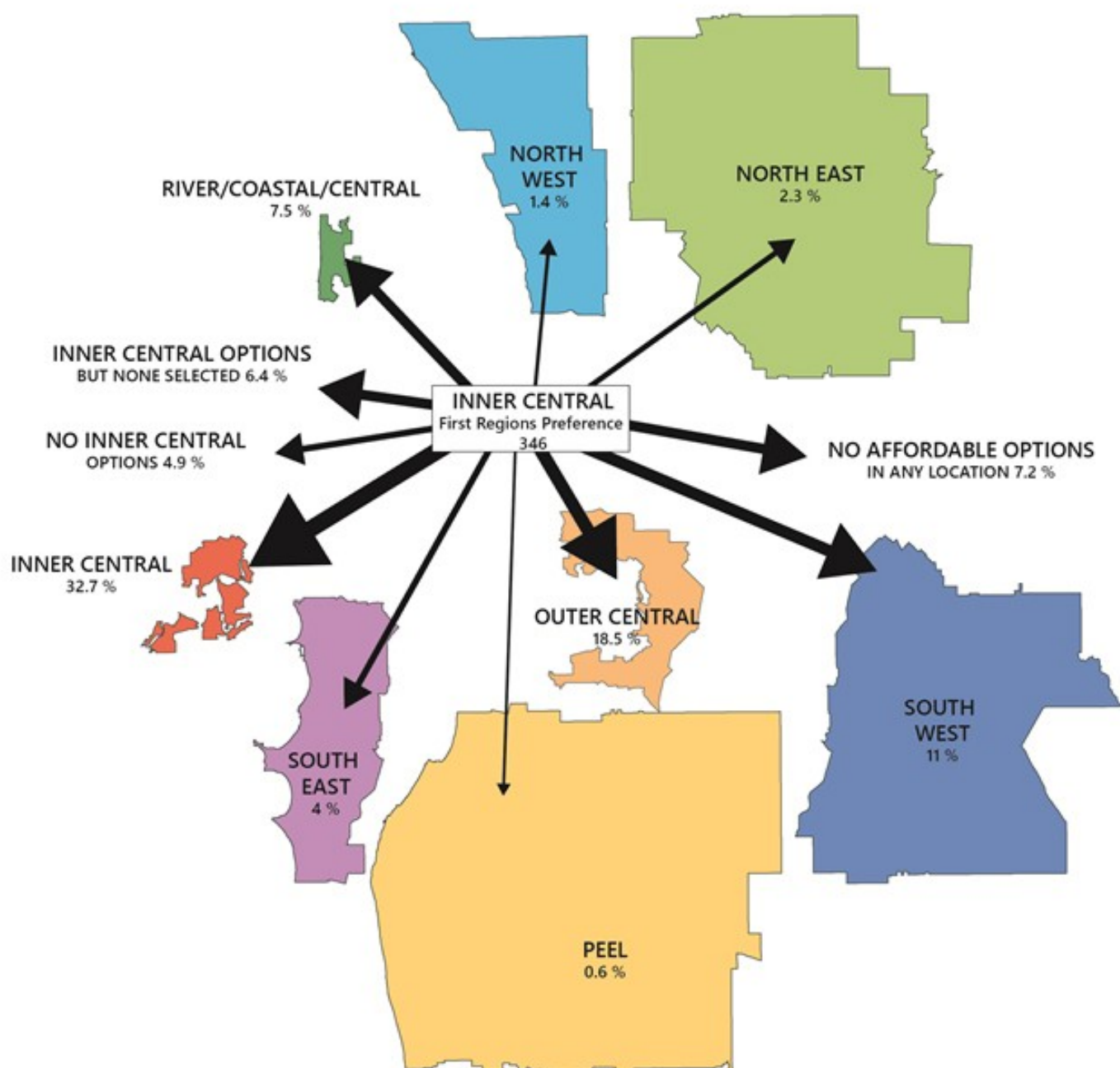


Table 7 details trade-offs for each region. For example, 50 per cent of those that selected River/ Coastal as the region preference were able to select their first choice dwelling option within that region. The table also identifies the preferred locations of those respondents that could not afford any housing options or did not select any of the options presented to them. The pattern in the table shows how respondents' initial preferences were framed by affordability, otherwise a notably higher proportion of respondents who selected the inner regions as their preferred location would have been unable to afford any options at all.

High proportions of those selecting outer regions such as the Peel (31 per cent) and North West (29 per cent) could not afford any housing options. These were respondents who selected the more affordable regions for their initial preference, but still did not have sufficient income to purchase. This illustrates the demand for affordable accommodation in all regions.

Note: There were some households that were able to choose an option within Inner Central that had an initial preference for another region. For example, 9 per cent of households selecting the North West as their preferences actually chose a dwelling in Inner Central. This could be termed a positive location trade-off where the household did not think they would be able to access that region but were presented with an affordable option. The greater the range of affordable dwellings in a region, the more likely such a positive trade-off.

**TABLE 7: Region trade-offs**

Region Preference	First Choice Housing Options								
	NW	NW Coastal	River Coastal	Inner Central	Outer Central	NE	SE	SW	Peel
NW	28%	7%	2%	9%	2%	2%	2%	5%	2%
NW COASTAL	10%	58%	3%	0%	2%	0%	2%	0%	2%
RIVER/COASTAL	3%	6%	50%	3%	10%	2%	2%	8%	0%
INNER CENTRAL	1%	3%	8%	33%	18%	2%	4%	11%	1%
OUTER CENTRAL	5%	2%	3%	2%	29%	4%	13%	14%	1%
NE	4%	4%	2%	2%	0%	36%	0%	0%	2%
SE	0%	0%	0%	0%	0%	0%	48%	4%	4%
SW	0%	0%	0%	2%	2%	0%	14%	40%	7%
PEEL	0%	0%	0%	0%	6%	6%	13%	0%	31%

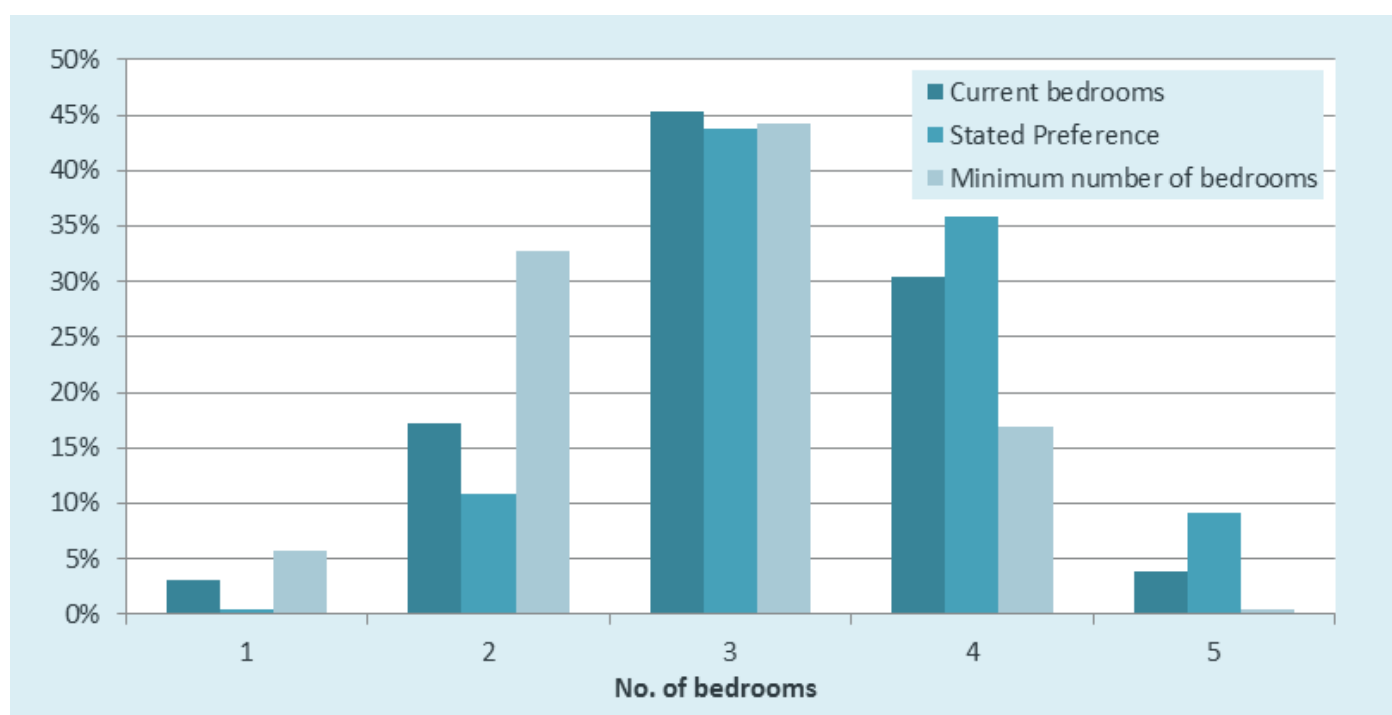
Table 7 continued

Region Preference	Options available but nothing selected	No affordable options available
NW	14%	29%
NW COASTAL	10%	14%
RIVER/COASTAL	9%	9%
INNER CENTRAL	11%	7%
OUTER CENTRAL	9%	18%
NE	22%	29%
SE	17%	26%
SW	7%	28%
PEEL	13%	31%

## NUMBER OF BEDROOMS

Respondents were asked to select their current, preferred and minimum number of bedrooms at the beginning of the survey to identify whether bedroom trade-offs are common. Figure 15 shows three bedrooms was the dominant number of current bedrooms, but additionally the dominant number of preferred and minimum number of bedrooms. This is at odds with the traditional view that households demand four bedrooms. Only around 15 per cent cited four bedrooms as their minimum requirement, 30 per cent lower than the figure for three bedrooms. Only four out of the 1,071 respondents selected one as their preferred number of bedrooms, and only 6 per cent were prepared to accept one bedroom as their minimum.

FIGURE 15: Number of bedrooms



Tables 8 and 9 examine the bedroom patterns by age and region. Table 8 shows the current number of bedrooms by age group and compares it with the first choice housing options selected during the survey. The tables provide some interesting data. First the youngest age group would be prepared to accept smaller dwellings. In most instances this means a shift from four to three bedroom options. The current bedroom profile of 25-34 year olds appears consistent with demand.

The 35-44 year old category, however, would see a small shift from three to four bedrooms. The biggest variations are in the 45-54 and 55-64 categories, where there is a significant shift from four bedrooms in the current dwelling to three bedrooms in the first choice housing option. The results show a need to produce more three bedroom options to allow those in older age categories to downsize.

**TABLE 8: Number of bedroom trade-offs by age group**

		<b>18-24</b>	<b>25-34</b>	<b>35-44</b>	<b>45-54</b>	<b>55-64</b>	<b>65+</b>
<b>Current bedrooms</b>	1	3%	6%	3%	3%	1%	1%
	2	12%	26%	16%	10%	16%	10%
	3	36%	42%	52%	44%	40%	51%
	4	38%	24%	26%	40%	38%	34%
	5	10%	3%	3%	3%	5%	5%
		18-24	25-34	35-44	45-54	55-64	65+
<b>First choice housing option bedrooms</b>	1	0%	3%	2%	0%	3%	0%
	2	18%	22%	9%	15%	13%	13%
	3	48%	46%	39%	50%	52%	50%
	4	27%	25%	38%	23%	25%	30%
	5	6%	4%	13%	12%	7%	7%

Table 9 examines bedroom trade-offs from a regional perspective. Here the patterns are less clear cut with a small overall shift from four to three bedrooms in most outer regions. The first choice housing options in South East and North West and the Peel, however, tended to have a higher number of bedrooms than those currently living in these regions, suggesting that some respondents are willing to move to outer regions in order to be able to afford more bedrooms.

**TABLE 9: Bedroom trade-offs by region**

Current bed-rooms	NW	NW Coastal	River / Coastal	Inner Central	Outer Central	NE	SE	SW	PEEL
1	3%	0%	0%	2%	3%	0%	0%	0%	11%
2	6%	7%	13%	24%	9%	4%	8%	11%	0%
3	52%	31%	45%	46%	52%	33%	62%	43%	56%
4	30%	49%	32%	22%	33%	48%	15%	36%	22%
5	9%	13%	11%	6%	2%	15%	15%	11%	11%
Bedrooms: First choice housing option	NW	NW Coastal	River / Coastal	Inner Central	Outer Central	NE	SE	SW	PEEL
1	6%	0%	2%	4%	3%	1%	3%	3%	0%
2	13%	6%	23%	22%	17%	9%	9%	15%	0%
3	41%	51%	44%	43%	48%	59%	42%	45%	40%
4	38%	43%	26%	29%	30%	26%	42%	22%	52%
5	2%	0%	6%	3%	3%	5%	3%	15%	8%

Table 10 describes the overall picture, this time comparing the number of bedrooms respondents stated they preferred with the first choice housing options they made. There is a clear reduction in the number of bedrooms from what respondents stated they wanted to what they actually chose. 44 per cent of respondents who stated a preference for four bedrooms actually selected a three bedroom house as their first choice. 22 per cent went from three to two bedrooms, with 27 per cent going the other way from two to three bedrooms. The biggest shift was from five to four bedrooms, with over half of those stating they preferred five bedrooms selecting a dwelling with only four bedrooms.

**TABLE 10: Bedroom trade-offs**

	First Housing Choice Option					Total
Preferred number of bedrooms	1	2	3	4	5	
1*	50%	50%	0%	0%	0%	100%
2	14%	53%	27%	6%	0%	100%
3	0%	22%	60%	17%	1%	100%
4	0%	1%	44%	44%	10%	100%
5	0%	0%	9%	52%	39%	100%

\*insufficient responses to draw conclusions

Overall the analysis shows a level of willingness to trade-off the desired number of bedrooms. There is an obvious relationship between affordability and location, and bedroom trade-offs. Smaller dwellings were more affordable, enabling more respondents to access their preferred location. Increased housing diversity across all Perth and Peel regions would allow households to make such trade-offs.



## HOUSE TYPE

Respondents who selected the purchase option were given housing options from a range of fifteen different house types (the ancillary dwelling for rent was excluded). A broad description of these options is provided in Table 11, with more detail and images being available in Appendix 3. Table 11 shows the three most frequently selected first options were all separate houses, with the first two being selected as the first choice by 37 per cent of the respondents. This reinforces the perception that respondents will select a separate dwelling if it meets other demand factors.

The “What Matters Most?” survey reported greater importance is placed on location than the house itself. This is also evident here with semi-detached houses and the largest of the apartments being selected as first choice housing options by a significant number of respondents despite initial preferences being dominated by separate houses. Housing choices with one or two bedrooms, however, were selected by very few respondents, but this was largely expected given the small number of households expressing an initial preference for one and two bedrooms.

**TABLE 11: First choice purchase housing options**

House Type	Percentage choosing option as first choice	Broad Dwelling Type	Number of Bedrooms	Living Area Size (m2)
<b>M</b>	19.4%	Separate house	3	130
<b>E</b>	17.3%	Separate house	4	200
<b>F</b>	11.5%	Separate house	4	250
<b>L</b>	9.4%	Semi-detached	3	130
<b>C</b>	8.1%	Semi-detached	3	160
<b>G</b>	7.9%	Separate house	5	303
<b>P</b>	5.2%	Apartment	3	107
<b>I</b>	4.9%	Semi-detached	2	60
<b>K</b>	4.2%	Semi-detached	2	130
<b>D</b>	3.4%	Semi-detached	3	206
<b>O</b>	2.9%	Apartment	2	85
<b>B</b>	1.9%	Semi-detached	2	110
<b>J</b>	1.8%	Semi-detached	2	75
<b>H</b>	1.5%	Semi-detached	1	60
<b>N</b>	0.5%	Apartment	1	50

As shown in Figure 16, 78 per cent of respondents stated an initial preference for a separate house. However, only 56 per cent chose a separate house as their first choice after being presented with a variety of different housing options. When all four most preferred housing choices are considered for each respondent, the popularity of semi-detached options increases, eventually exceeding that of separate houses.

This shows that many households were willing to trade-off to a semi-detached house from the detached house they expressed a preference for it allowed them access to their preferred location. Apartment options were selected as the first choice by less than 10 per cent of respondents, although this is slightly higher than the proportion expressing a preference for this type of dwelling. Again this demonstrates willingness to trade-off house type in favour of location, although very few respondents (4 per cent, see Figure 18) were willing to trade-off a separate house for an apartment.

**FIGURE 16: Dwelling type trade-offs**

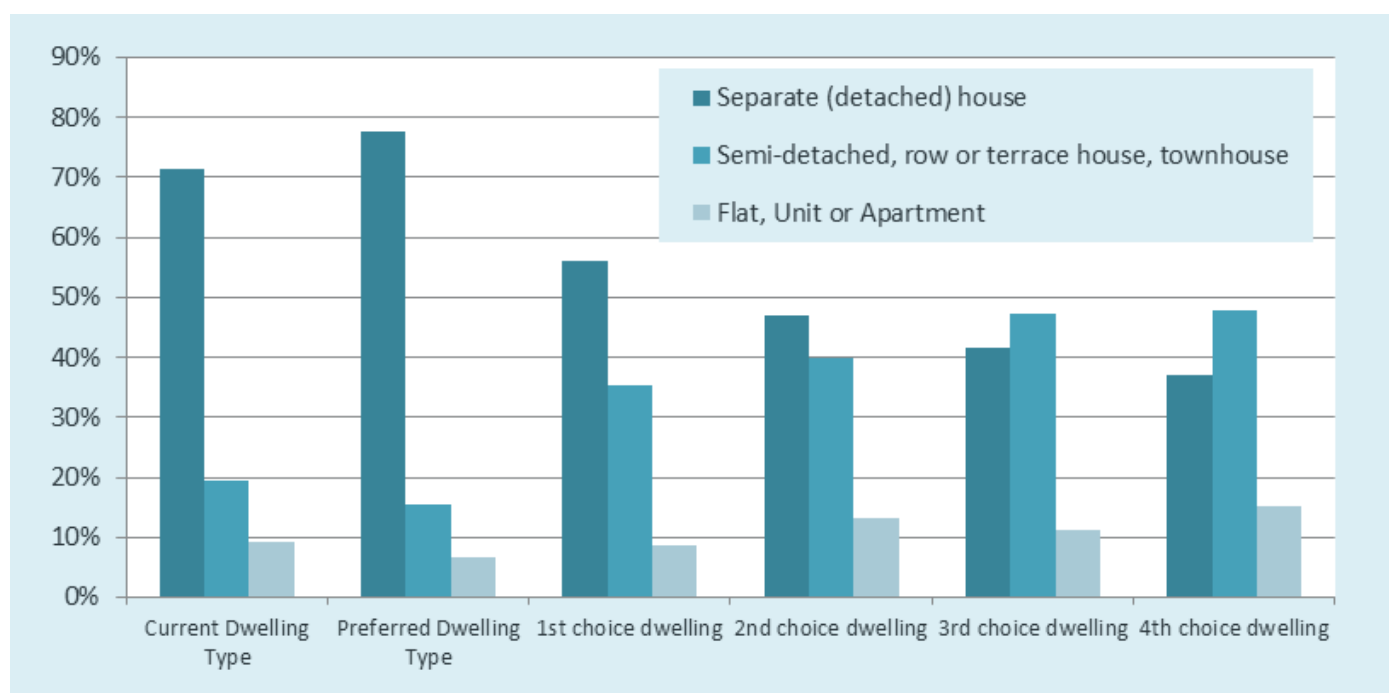


Figure 17 adds a regional dimension to the choice. Separate houses were the dominant first choice housing option in all regions apart from the Inner Central. In most regions, semi-detached houses offered a more affordable housing option than the separate house, and were popular in regions outside the North West, North West Coastal, North East and Peel. Within Inner Central, the semi-detached options were selected as the first choice housing option more frequently than separate houses. This is evidence of households trading off their preferred dwelling type for a more affordable option to allow them to live in a preferred region.

**Figure 17: First choice dwelling options**

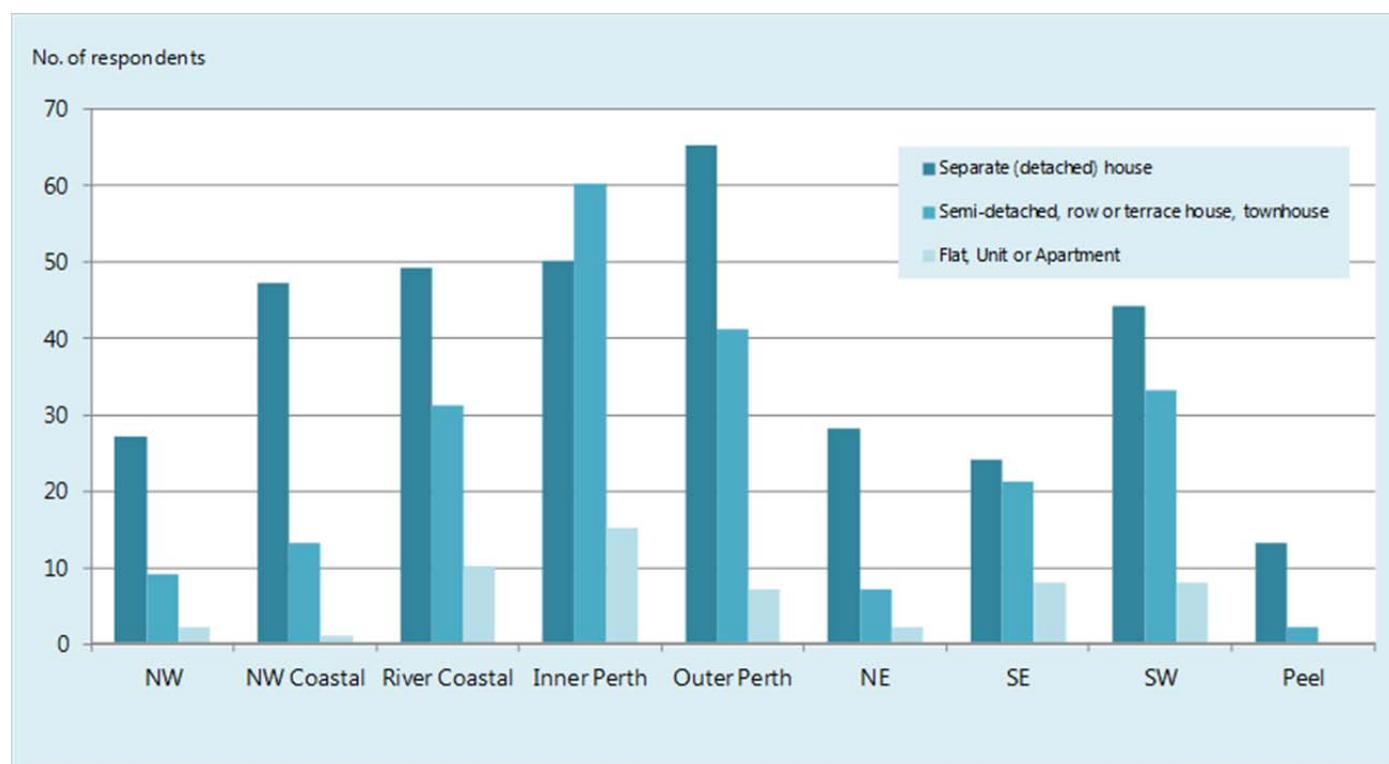
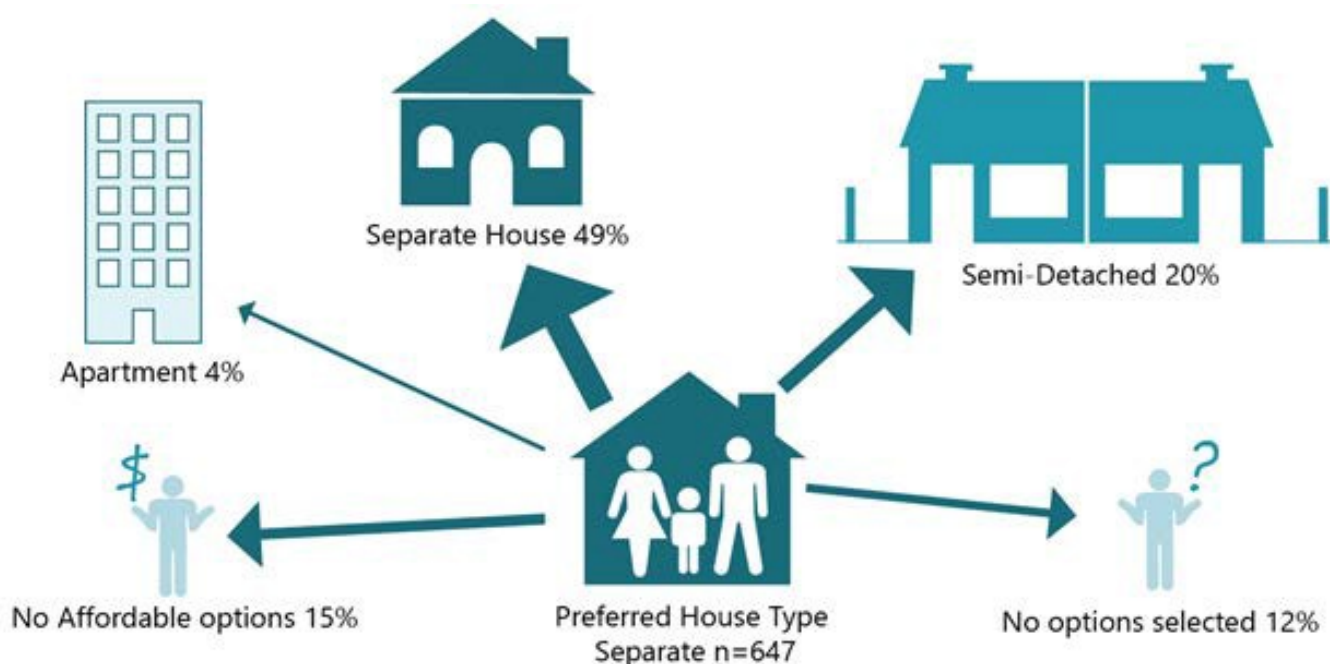


Figure 18 describes the housing choices of the 647 respondents that selected a separate house as their first choice dwelling option.

- 49 per cent were able to choose a separate house as their first choice housing option.
- 20 per cent selected a semi-detached house instead, primarily because it was more affordable allowing them to locate to a preferred region.
- Only 4 per cent traded off a separate house for an apartment.
- 15 per cent could not afford any options in any location.
- 12 per cent were provided with housing options but did not view any of them as viable options.

The 12 per cent that did not choose any housing options were either unable to access their preferred dwelling type and were not willing to trade off that house type for an alternative; or were unable to afford an option in their preferred location and were not willing to make a trade off. There were a small number of cases where respondents were presented with their preferred separate house in their chosen location but did not select that option. In such cases respondents were asked to comment why the housing choices did not reflect their actual preferences. The most common reasons were because the house was “too small” or “too close to neighbours” or they “wanted a larger garden”.

**FIGURE 18: Dwelling type trade-off: separate house**



The characteristics of respondents that selected semi-detached dwellings as their first choice differed slightly from those choosing separate houses in the following ways:

- They were far more likely to be in the 25-34 years category (41 per cent compared to 31 per cent choosing a separate house) and slightly less likely to be in the older age groups;
- They were more likely to be in the low to mid income categories and particularly the \$100,000-\$155,000 range;
- They were far more likely to work in Inner Central (60 per cent compared to 49 per cent choosing a separate house), with their first choice residence region also being Inner Central (59 per cent compared to 39 per cent);
- They were couples with no children and single person households rather than family households with children;
- They were slightly more likely to have lived overseas (55 per cent compared to 49 per cent that chose a separate house);
- They wanted fewer bedrooms, with 62 per cent selecting 3 bedrooms and only 20 per cent 4 bedrooms as their stated preference; and
- 31 per cent selected semi-detached as their preferred dwelling type (original stated preference) compared to 16 per cent of all respondents.

Respondents were asked whether they had previously lived outside WA; either overseas or interstate, in order to identify any differences in housing preferences. Exactly the same proportion of 'overseas' and 'only lived in WA' groups stated an initial preference for a separate house. When asked to select their first choice housing options, 53 per cent of those that had previously lived overseas chose the separate house, compared to 60 per cent of those that had only ever lived in WA. A greater proportion of those who had previously lived overseas wanted to be in the River/Coastal or Inner Central regions (59 per cent compared to 47 per cent). The greatest difference was their willingness to live in an apartment: 8.2 per cent of the 'overseas' group chose an apartment as their first choice compared to 4.6 per cent of 'only lived in WA' respondents. Proportionally this is a significant difference.

## DEMOGRAPHIC GROUPS

This section explores some of the trade-offs made by the demographic groups shown in table 12. Group and retired households were combined to ensure sufficient observations for analysis. Across the demographic groups 11 per cent of all households were provided housing options within the survey but did not choose any. This was because their preferred house type in their preferred region did not meet their requirements and they refused to make any trade-offs. Among these households, single person households were least likely to trade-off and couples without children most likely. Group and retired households were most likely to be unable to afford any of the 144 housing options presented in the survey. Almost one in five households with children could not afford any of the options.

**TABLE 12: Households composition and trade-offs**

	Proportion of demographic group	
	Not willing to trade-off	No affordable options available
<b>All Households</b>	11%	15%
<b>Couple with no children</b>	8%	9%
<b>Households with children</b>	13%	17%
<b>Single person household</b>	14%	15%
<b>Group and retired households</b>	13%	20%

The remaining analysis removes those households identified above and explores just those that chose a housing option within the survey. Table 13 explores the location trade-offs made by households by household composition. The table shows how significant trade-offs were made; most forced by affordability and some made by choice. Couples without children were more likely to be able to live in their preferred region, more likely to make a positive location trade-off and far more likely to select an option in the Inner Central region. Significant proportions within each group were unable to access their preferred location, even in the outer regions. The analysis shows how households are forced to make trade-offs even when presented with a wide range of housing options.

**TABLE 13: Location trade-offs by household composition**

	NW	NW Coastal	River Coastal	Inner Central	Outer Central	NE	SE	SW	Peel
<b>All Households</b>	48%	76%	61%	40%	40%	74%	85%	61%	56%
<b>Couple no children</b>	50%	76%	50%	54%	59%	100%	100%	57%	100%
<b>Households with children</b>	47%	57%	71%	30%	33%	50%	75%	59%	100%
<b>Single person households</b>	75%	100%	62%	25%	24%	67%	75%	67%	0%
<b>Group and retired households</b>	0%	100%	56%	36%	30%	100%	100%	100%	33%

House type trade-offs are examined in table 14. As shown in this table, 56 per cent of all households chose a separate house as their first choice option. This is 21 per cent lower than the 77 per cent selecting a separate house as their preferred dwelling type. Households with children were much more likely to choose a separate house (72 per cent) and less likely to make a house type trade-off (84 per cent stating an initial preference for a separate house).

Single person households were most likely to make a house type trade-off, with 66 per cent stating a preference for a separate house but only 37 per cent choosing one. Single person and group/retired households were most likely to choose apartments (13 per cent and 17 per cent respectively). Couples with no children, single households and group/retired households were most likely to trade off their initial preference for a separate house and accept a semi-detached house instead. While only 19 per cent of couples with no children, 21 per cent of single households and 19 per cent of group/retired households stated an initial preference for a semi-detached house, significantly larger proportions (39 per cent of couples with no children, 50 per cent of singles and 46 per cent of group/retired households) ended up selecting a semi-detached option. In contrast, households with children were least likely to be willing to trade off an initial preference for a separate house.



**TABLE 14: House type trade-offs by household composition**

<b>Preferred Dwelling Type</b>	<b>First choice housing option</b>			
<b>All Households</b>	<b>Separate (detached) house</b>	<b>Semi-detached, row or terrace house, town-house</b>	<b>Flat, Unit or Apartment</b>	<b>Total</b>
<b>Flat/Unit/Apartment</b>	1%	3%	3%	7%
<b>Semi –detached/row/terrace/townhouse</b>	4%	11%	2%	16%
<b>Separate (detached) house</b>	51%	21%	4%	77%
<b>Total</b>	56%	35%	9%	100%
<b>Couple no children</b>				
<b>Apartment</b>	0%	0%	0%	0%
<b>Semi Detached etc.</b>	5%	12%	1%	19%
<b>Separate House</b>	51%	27%	3%	81%
<b>Total</b>	56%	39%	5%	100%
<b>Households with children</b>				
<b>Apartment</b>	1%	2%	0%	4%
<b>Semi Detached etc.</b>	3%	7%	2%	12%
<b>Separate House</b>	68%	13%	4%	84%
<b>Total</b>	72%	22%	6%	100%
<b>Single person house-holds</b>				
<b>Apartment</b>	0%	4%	9%	13%
<b>Semi Detached etc.</b>	3%	16%	1%	21%
<b>Separate House</b>	34%	29%	3%	66%
<b>Total</b>	37%	50%	13%	100%
<b>Group and retired house-holds</b>				
<b>Apartment</b>	0%	6%	4%	10%
<b>Semi Detached etc.</b>	1%	15%	3%	19%
<b>Separate House</b>	36%	25%	10%	71%
<b>Total</b>	38%	46%	17%	100%

Table 15 explores differences in the willingness of households to trade off the number of bedrooms. Bedroom trade-offs follow a similar pattern to house types, with households containing children requiring the largest houses and being least likely to trade-off the number of bedrooms. The data suggest that the respondents are less willing to trade off the number of bedrooms than they are to trade off the house type. For example, 36 per cent of couples with no children selected four bedrooms as their preferred number, and 29 per cent chose that option. Similarly, 12 per cent of couples with no children stated a preference for two bedrooms, and 18 per cent ended up choosing a two-bedroom option. Single person households were most likely to choose a one bedroom option (7 per cent), although only 1 per cent selected one bedroom as their initial preference.

**TABLE 15: Bedroom trade-offs by household composition**

Preferred Bedrooms	First choice housing option					
All Households	1	2	3	4	5	Total
1	0%	0%	0%	0%	0%	0%
2	1%	6%	3%	1%	0%	11%
3	0%	9%	26%	7%	0%	43%
4	0%	0%	16%	16%	4%	37%
5	0%	0%	1%	5%	4%	9%
Total	2%	16%	46%	29%	8%	100%
Couple no children	1	2	3	4	5	Total
1	0%	0%	0%	0%	0%	0%
2	1%	7%	3%	0%	0%	12%
3	0%	10%	28%	9%	0%	48%
4	0%	1%	15%	18%	3%	36%
5	0%	0%	1%	2%	1%	4%
Total	1%	18%	47%	29%	4%	100%
Households with children	1	2	3	4	5	Total
1	0%	0%	0%	0%	0%	0%
2	0%	2%	2%	1%	0%	4%
3	0%	4%	20%	7%	0%	31%
4	0%	0%	16%	22%	7%	45%
5	0%	0%	1%	10%	9%	20%
Total	0%	6%	40%	39%	16%	100%
Single person households	1	2	3	4	5	Total
1	0%	1%	0%	0%	0%	1%
2	7%	9%	7%	1%	0%	23%
3	0%	20%	28%	2%	1%	51%
4	0%	0%	14%	9%	2%	25%
5	0%	0%	0%	0%	0%	0%
Total	7%	29%	49%	12%	3%	100%
Group and retired households	1	2	3	4	5	Total
1	1%	0%	0%	0%	0%	1%
2	1%	8%	1%	0%	0%	11%
3	0%	11%	32%	10%	1%	54%
4	1%	1%	21%	6%	1%	31%
5	0%	0%	0%	3%	0%	3%
Total	4%	21%	54%	18%	3%	100%

The same analysis was undertaken for three income groups; low to moderate (up to \$80,000), moderate to high (\$80,000 to \$208,000) and very high (above \$208,000) to establish variations in trade-off patterns. The findings are summarised below:

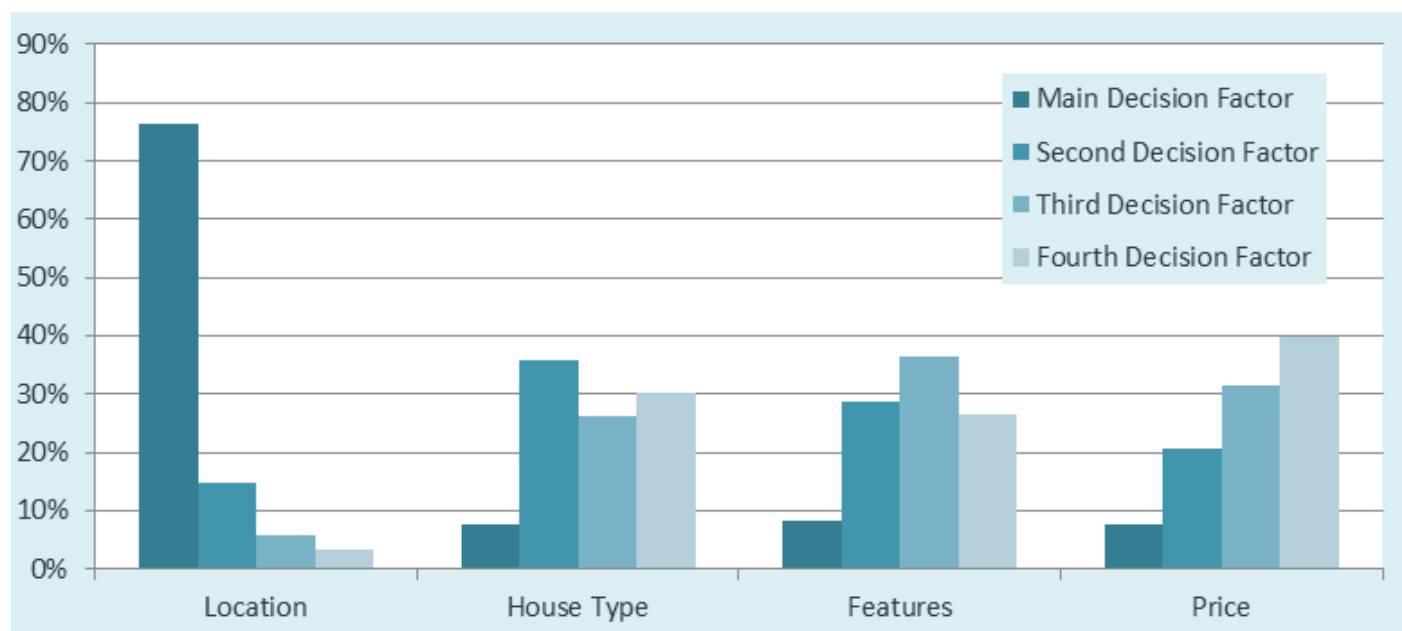
- 31 per cent of those on low to moderate incomes could afford no housing options.
- 57 per cent of very high income earners were able to choose a housing option in their preferred Inner Central location compared to 43 per cent of those on a medium income and 17 per cent on a low income.
- Those in the highest income group were more likely to make a positive trade-off i.e. move from an outer to an inner region.
- Low to moderate and moderate to high income earners were more likely to trade-off from a separate to semi-detached dwelling (18 per cent to 44 per cent and 17 per cent to 35 per cent). Highest income earners were far more likely to choose their preferred separate house (86 per cent preference and 72 per cent choice).
- Low to moderate income earners were more likely to choose apartments (10 per cent compared to 8 per cent for medium and 2 per cent for high income groups).
- Low to moderate income earners were far more likely to trade-off the number of bedrooms. Only 10 per cent chose a four bedroom option compared to the 30 per cent who stated a preference for that dwelling type. 61 per cent in the lowest income category chose a three bedroom house, much higher than the 49 per cent stating a preference for such a dwelling.
- Highest income earners were more inclined to trade up with 40 per cent selecting a four bed house as their preference but 49 per cent choosing one.

In summary, there are differences between households of different compositions and on different incomes and their willingness/ability to trade-off. Generally these are variations which reflect affordability differences but also the needs of households and their requirements for space.

## DECISION FACTORS

The final part of the survey examined how respondents made their decision. They were asked to rank four decision factors in order of importance. Figure 19 illustrates the results. Affordability had already been determined by calculation of maximum house prices, leaving location as by far the most important factor, confirming the findings of the “What Matters Most?” survey. Location was followed by house type and its features. Price, which ranked as the fourth most influential factor, was used by some to choose between comparable options.

**FIGURE 19: Decision Factors**



In summary, respondents were willing to accept semi-detached dwellings as a viable housing choice, and many selected this type as an alternative to a separate house because it allowed them to access a preferred location within their budget. These findings are consistent with those of the Grattan Institute. However, the lower willingness among Perth and Peel residents to trade-off to an apartment is at odds with results for Melbourne and Sydney. Although Inner Central was by far the most favoured location, respondents were willing to select alternatives when they could not afford a preferred housing option in that region. Preferred alternatives were in the southern rather than the northern regions.

## 5. HOUSING STOCK AND PREFERENCES IN THE PERTH & PEEL REGIONS

### KEY FINDINGS

- There has been little change to the pattern of housing supply over the last twenty years with the exception of apartment development in the Inner Central region.
- Comparisons between existing stock and housing choices made in the 'Housing preferences and trade-offs' survey for the Perth and Peel regions match quite closely those reported by the Grattan Institute for Melbourne and Sydney. Both studies found that a shift in the supply balance is required from separate houses to semi-detached dwellings in almost all regions. The big difference between the two studies is the aversion to apartments in the Perth and Peel regions.
- The survey clearly shows there needs to be a shift in the current pattern of supply to ensure a diversity of house types and sizes in all locations; the need being more pressing in inner areas. This would enable households to make house type and size trade-offs to access affordable accommodation in their preferred locations.
- In the Inner Central region there is a significant difference between the current stock of semi-detached housing and the choices of this dwelling type in this location.
- Generally, when compared to housing choices, the analysis identifies a current stock containing a much greater proportion of separate houses, particularly in outer locations, with semi-detached options under-represented in the more central regions.
- Across Perth and Peel the results suggest that the balance needs to shift directly from separate houses to semi-detached options.
- In Perth and Melbourne patterns of new supply have to change considerably to match income constrained housing choices.
- Overall, the survey suggests that the balance of new supply needs to shift from the existing pattern of 80 per cent separate houses to a much more even spread of around 56 per cent separate houses, 35 per cent semi-detached and 9 per cent apartments.
- There has been little change to the pattern of housing supply over the last twenty years with the exception of apartment development in the Inner Central region.
- The supply and demand comparisons for the Perth and Peel match quite closely those reported by the Grattan Institute. Both studies found that a shift in the supply balance is required from separate houses to semi-detached dwellings in almost all regions. The big difference between the two studies is a higher degree of aversion to apartments in the Perth and Peel regions than in Sydney or Melbourne.
- The survey clearly shows a need for a shift in the current pattern of supply to ensure a diversity of house types and sizes in all locations, especially the inner areas. This would enable households to make house type and size trade-offs to access affordable accommodation in their preferred locations.
- In the Inner Central region there is a significant difference between the current stock of semi-detached housing and the choices expressed for this type of this dwelling type in this location.
- Generally, when compared to housing choices, the analysis identifies a current stock containing a much greater proportion of separate houses, particularly in outer locations, with semi-detached options under-represented in the more central regions.
- Across Perth and Peel the results suggest that the balance needs to shift directly from separate houses to semi-detached options.
- In Perth and Melbourne patterns of new supply have to change considerably to match income constrained housing choices.



## 5.1 HOUSING PREFERENCES AND HOUSING STOCK

Using data on current housing stock by region, comparisons were made between stock and the housing choice data collected in the “Housing Preferences and Trade-offs” survey. Figure 20 identifies a mismatch between income constrained housing choice and current stock. For example, in the Inner Central region there is a significant difference between the current stock of semi-detached housing and the choices of this dwelling type in this location. The -6 per cent represents the proportion of total stock that would need to switch from other dwelling types to semi-detached dwelling options to match household choices (income constrained) in the Inner Central region. In the River/Coastal area the current stock falls well short of the choices made in the survey with increases in all dwelling types required. In the South West, a direct switch from separate houses to semi-detached dwellings within the region would result in a much closer match between the current stock and survey choices. Generally, when compared to housing choices, the analysis identifies a current stock containing a much greater proportion of separate houses, particularly in outer locations, with semi-detached options underrepresented in the more central regions. The figure identifies how future supply needs to change in order to address this mismatch and eventually provide a better balance between stock and the type of housing households say they want where they want it.

**FIGURE 20: Difference between current stock and first choice option<sup>1</sup>**

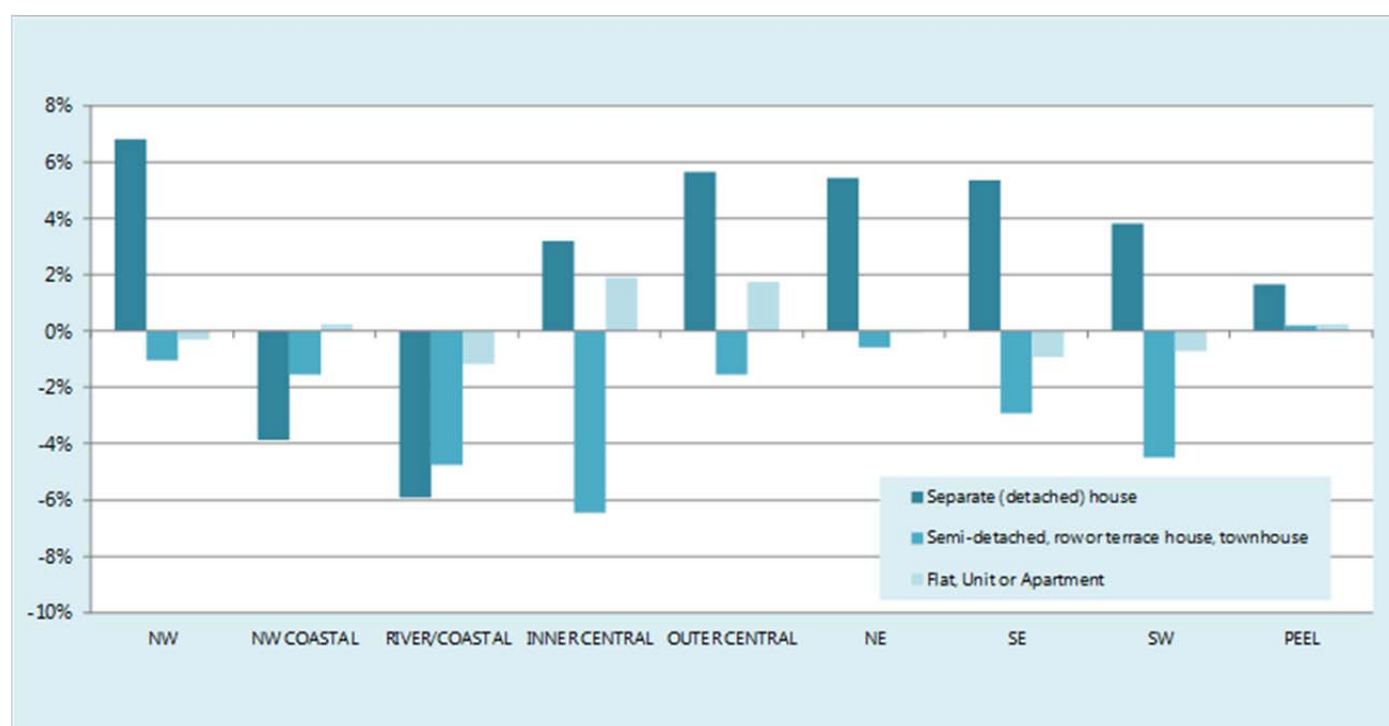


Table 16 permits a direct comparison of the “Housing Preferences and Trade-offs” survey with the results for Sydney and Melbourne provided in Grattan report. In the table a negative figure indicates a current supply of a specific dwelling type BELOW the demand expressed through the survey choices and a positive indicates a current supply of a specific type of dwelling ABOVE the demand expressed through the survey choices. The results for the Perth and Peel are very similar to Melbourne and Sydney with one key difference; the outcome for apartments. Both studies report a mismatch between separate houses stock and choices of over 20 per cent, implying a need for a future shift in supply patterns. In Perth and Peel the results suggest that the balance needs to shift directly from separate houses to semi-detached options; a 23 per cent increase in the proportion of semi-detached dwellings is calculated. Both Melbourne and Sydney, on the other hand, reported a negative mismatch of 11 per cent for apartments. Based on the preferences and choices expressed in this survey, however, such shortage of apartments is not evident in Perth.

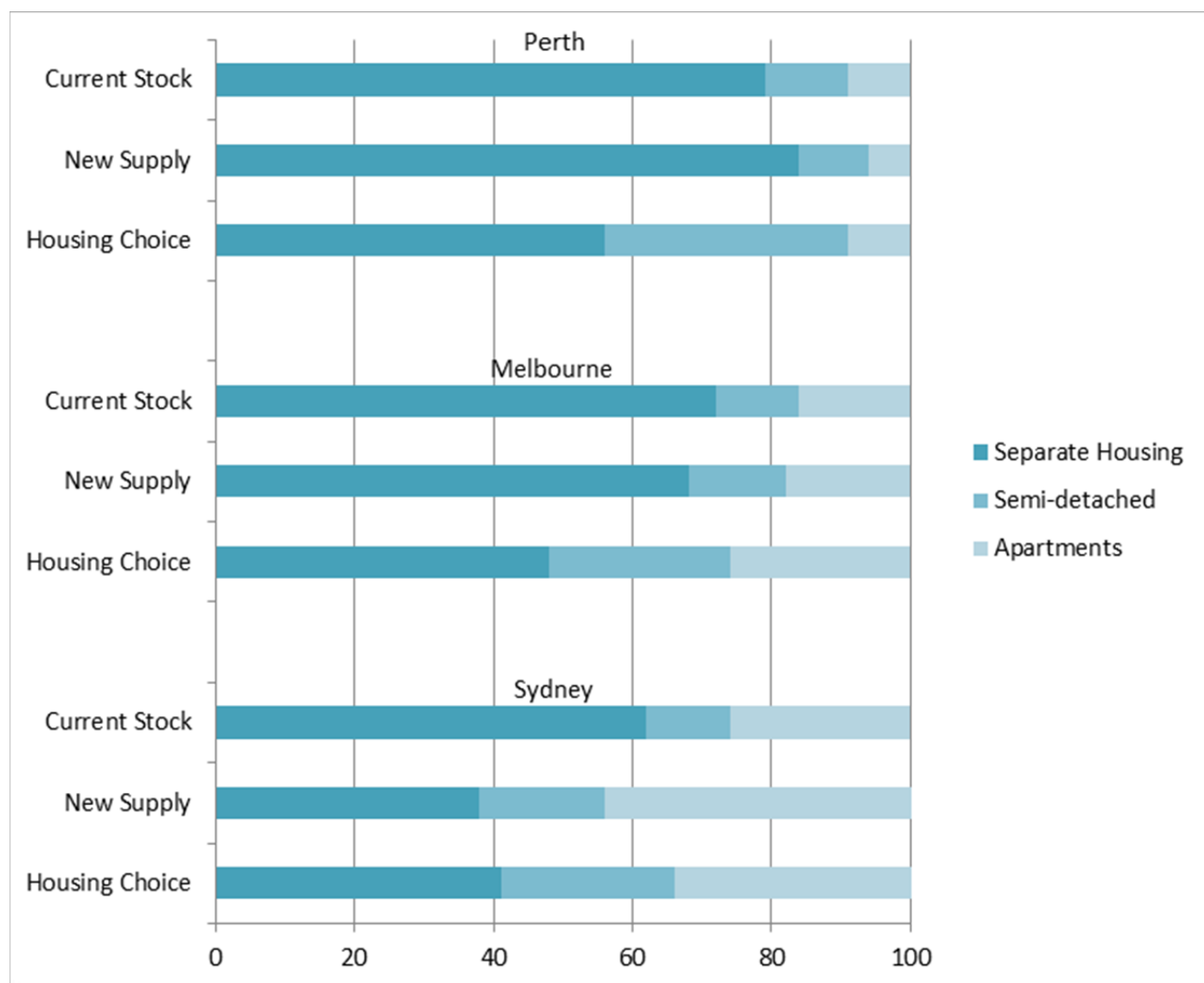
<sup>1</sup> The stock data for this section are taken from ABS Census data Community Profiles, 2006 and 2011. Local government and suburb data were combined to generate data for the nine regions.

**TABLE 16: Current stock compared to first choice housing options**

	<b>Separate (detached) house</b>	<b>Semi-detached, row or terrace house, town-house</b>	<b>Flat, Unit or Apartment</b>
<b>North West</b>	7%	-1%	0%
<b>North West Coastal</b>	-4%	-2%	0%
<b>River/Coastal</b>	-6%	-5%	-1%
<b>Inner Central</b>	3%	-6%	2%
<b>Outer Central</b>	6%	-2%	2%
<b>North East</b>	5%	-1%	0%
<b>South East</b>	5%	-3%	-1%
<b>South West</b>	4%	-5%	-1%
<b>Peel</b>	2%	0%	0%
<b>Perth and Peel</b>	22%	-23%	1%

Figure 21 combines the analysis to compare current stock, patterns of new supply and housing choice across the Perth and Peel regions, Melbourne and Sydney. The housing choice results for Sydney and Melbourne come from the Grattan report and for Perth from the “Housing Preferences and Trade-offs” survey. The figure shows how the current stock in Perth is quite different from Sydney and, to a lesser extent Melbourne, with the latter two cities having a greater proportion of apartments, similar levels of semi-detached housing but less separate housing. In Sydney, new supply is dominated by semi-detached housing and apartments, whereas patterns of new supply in Melbourne and Perth correlate more closely with current stock. Comparing housing choices, the differences are clear with Melbourne and Sydney residents having a much greater preference for apartments. Clearly in Melbourne and Perth patterns of new supply have to change considerably to match income constrained housing choices.

**FIGURE 21: Comparison of current stock, housing choice and new supply: Perth, Melbourne and Sydney**



Note: Perth New Supply is 2006-2011, Perth Actual Stock is 2011. Melbourne and Sydney New Supply is 2001-2010. Melbourne and Sydney Actual Stock is 2006 (Source: Grattan Housing we'd choose and ABS)

Overall, the survey suggests that the balance of new supply needs to shift from the existing pattern of 80 per cent separate houses to a much more even spread of around 56 per cent separate houses, 35 per cent semi-detached and 9 per cent apartments. The actual spread would be determined by location (see table 16). The biggest changes required to current supply patterns would need to occur in Inner Central, River/Coastal and the South West, with supply generally switching from separate houses in outer regions to semi-detached dwellings in inner areas, with some additional separate housing supply in coastal regions. This pattern of supply would deliver a much more diverse product and provide a far greater choice for Perth and Peel households, permitting location and house type/size trade-offs.

## 6. CONCLUSIONS

This final section draws together some of the key findings from the report and makes a number of observations. It is up to government and industry to identify the key policy implications arising from this report and to generate recommendations about how best to tackle the key issues.

Future supply needs to respond to the preferences and choices of households identified in this report. The balance needs to shift from the existing supply pattern breakdown of 80 per cent separate houses, to a much more even spread reflecting the preferences identified in the “Housing Preferences and Trade-offs” survey; 56 per cent separate houses, 35 per cent semi-detached and 9 per cent apartments. This would deliver a much more diverse product and provide a far greater choice for Perth and Peel households permitting location and house type/size trade-offs.

This report is based on the Grattan Institute’s work for Sydney and Melbourne. There are many similarities between the findings of this work and the Grattan report, not least the need to shift the supply balance between separate and semi-detached dwellings and the importance of safety and security. There are, however, some notable differences. For example, Perth and Peel residents place less importance on the number of bedrooms, and greater emphasis on location; in particular easy access to work and schools and being near family and friends. This contradicts the common perception that Perth and Peel residents want the largest possible house on the biggest block. To an extent, the housing development industry is already aware of this, as evidenced by a recent shift in the type of products being developed. However, there is still a long way to go if the industry is to deliver the housing Perth and Peel residents say they want in this survey where they want it.

The entire report is framed by housing affordability issues. Affordability was identified as the primary decision factor for households outside the top income groups, closely followed by location. However, the two are strongly interrelated, especially where there is a lack of housing diversity. Households first identify preferred locations within their affordability range before searching for specific properties. In locations with a variety of product at a range of price points, households are able to make affordability trade-offs within their preferred location. These trade-offs can be by house type, size, or both. A lack of diversity prevents such trade-offs being made because a range of affordable options do not exist, forcing a trade-off by location.

For those households that want to locate in their preferred area but cannot afford to purchase, the trade-off is by tenure, i.e. to rental. However, if there is no affordable rental stock this leaves such households with no options at all in their preferred location, meaning they are forced to trade-off by location until they can find something affordable, which of course may mean additional commuting costs and perhaps a dwelling of an excessive size, increasing running costs. These considerations are key as they refer to concerns around the need to deliver affordable living not just affordable housing.

A partial solution would be to increase housing diversity by supplying dwellings of a range of types and sizes at a variety of price points across all regions, thereby increasing the supply of housing accessible to a broader range of households. The evidence presented in this report illustrates that demand exists for such housing diversity, and this has been illustrated already in the market by the success of smaller housing products across a variety of locations. Households are willing to make trade-offs in terms of house type and number of bedrooms to access a preferred location. The challenge for industry is to effectively market and adequately supply a range of different house types (via a range of lot sizes or turn-key approach) within new greenfield subdivisions as well as infill developments. The development of a greater proportion of subdivisions as built form, particularly in the form of semi-detached product, will aid affordability for those that cannot afford to support concurrent mortgage and rental payments for example. The “Housing Preference and Trade-offs” survey clearly shows that semi-detached products are an acceptable part of the overall housing mix that needs to be supplied to meet the infill targets set out in Directions 2031. There is evidence that the development industry is already responding to this demand with smaller, semi-detached and apartment products, particularly in the larger master-planned communities.

The large scale supply of housing affordable to those on low to moderate incomes needs to be tackled by the private sector. There are a number of ways to achieve this goal through smaller lots sizes and a diversity of housing products. Housing that can improve housing affordability through lower direct housing costs, lower running costs, lower maintenance costs etc. will be positively received by the market. Use of alternative construction methods should be encouraged; particularly those that can lead to a reduction in direct costs, energy consumption and running/maintenance costs in general. Affordable housing needs to be well served by public transport (an important attribute for low to moderate income earners) and other amenities to ensure such housing is sustainable and provides the access households need to work, schools, and other amenities.

Households want to escape private rental housing (highlighted by the “What Matters Most?” survey) and are willing to make significant location trade-offs to achieve this goal. The challenge is supplying a well located and well designed, medium density product available to purchase under \$300,000 to meet underlying demand from low to moderate income earners. An even bigger challenge is increase the availability of an affordable, sub \$400,000, two bedroom apartment product in inner areas.

Perth and Peel residents still have a strong aversion to apartment living. The majority of those currently living in apartments would prefer to live in a separate or a semi-detached house. Quality design can alleviate some of the negative perceptions of apartment living but the product needs to be more affordable than a separate or semi-detached house, allowing households to make an affordability trade-off and be attractive to households on low to medium incomes. The evidence described in the report emphasises the importance of location. A well designed, affordable apartment in a desirable location will be successful.

Design and infrastructure considerations are essential to create safe neighbourhoods integrated with an efficient transport network to allow easy access to places considered important in “What Matters Most?” survey: work, schools, family and friends. There are a range of policies already in place to address such issues but a greater awareness within industry of techniques to address this may be of benefit.

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## 8. GLOSSARY

**Affordable Housing** refers to dwellings which households on low-to-moderate incomes can afford, while meeting other essential living costs. It includes public housing, not-for-profit housing, other subsidised housing under the National Rental Affordability Scheme together with low-cost private rental and home ownership options (such as shared equity) for those immediately outside the subsidised social housing system. The discussion of findings from 'Preferences and Trade-offs' survey presented in this report uses the term 'affordable' to refer to dwellings for which the respondents can afford to pay rent or mortgage, given their income, equity contribution, household structure and the proportion of their income they are willing to spend on housing. The set of affordable options presented to each respondent who chose the purchase option were determined by a mortgage calculator.

**Affordable Living** considers the total cost of living in a home, rather than focusing solely on rent or mortgage payments. Other costs considered include energy and water consumption (which are impacted by building design and life-style), the price of transport to access employment and essential services (such as health and education), and other daily needs impacted by location.

**Ancillary accommodation / 'Granny flat'** - self-contained living accommodation on the same lot as a single house that may be attached or detached from the single house occupied by members of the same family as the occupiers of the main dwelling.

**Battle axe lot** – a single house lot that has a frontage to a public road only through a pedestrian or vehicular access way that is part of the lot. The term excludes a site that has vehicle access from a private or communal street or right-of-way connected to a public road.

**Constrained choice** - decisions made by the respondents when their choices are constrained by financial considerations in the Preferences and Trade-Offs survey.

**Decision Making Factor** – a factor that influences decisions regarding housing choice. In the context of this study these include affordability/price, location, dwelling type and dwelling features.

**First choice dwelling** - the dwelling option selected as the respondent's first choice during the survey exercise after being provided with a range of housing options they could afford and meeting their minimum bedroom requirement.

**Flat, unit or apartment** - this category includes all dwellings in blocks of flats, units or apartments. These dwellings do not have their own private grounds and usually share a common entrance foyer or stairwell. This category also includes flats attached to houses such as ancillary dwellings (also known as granny flats), and houses converted into two or more flats.

**Greenfield development** – construction and development taking place on land that has never been used (e.g. green or new), where there was no need to demolish or rebuild any existing structures.

**High Density housing** – any density of dwellings above R60.

**Housing Aspirations** – a combination of respondent's hopes, desires and ambitions regarding their future housing.

**Housing Attribute** – variables that affect housing choice. In the "What Matters Most?" survey, 76 different attributes were used and grouped under the five categories: Convenience and Access, Local Amenities, Local Environment, Dwelling Design, Dwelling Features.

**Housing Choice** – respondent's choice of dwelling in Preferences and trade-Offs survey when decisions and choices are constrained by financial considerations

**Infill housing** - the addition of new housing stock into an already developed neighbourhood.

**Initial Preference** – see Stated Preference.

**Low Density housing** - considered to be any density of dwellings under R30.

**Low Income Household** - refers to a household with income between 50% and 80% of the median household income.

**Median Income** refers to the middle income in the range of household incomes such that 50% of households have an income less than the median figure and 50% have a higher income.

**Medium Density housing** – any density of dwellings between R30 – R60.

**Moderate Income Household** - refers to a household with income between 80 per cent and 120 per cent of the median household income.

**Semi-detached, row or terrace house, townhouse, etc.** - these dwellings have their own private grounds and no other dwelling above or below them. They are either attached in some structural way to one or more dwellings or are separated from neighbouring dwellings by less than half a metre.

**Separate house** - this is a house which is separated from other dwellings by at least half a metre and stands wholly on its own green title or survey strata lot, together with any easement over adjoining land for support of a wall or for access or services. A separate house may have a flat attached to it, such as a granny flat or converted garage (the flat is categorised under Flat, unit or apartment - see below). The number of stories of separate houses is not recorded. Also included in this category are occupied accommodation units in manufactured home estates which are identified as separate houses.

**Stated preference** - the initial preference of location, house type and bedrooms selected at the beginning of each survey (without financial constraints).

**Trade off** – refers to the process in the Preferences and Trade-Offs survey whereby a respondent compromises on one or several preference(s) (such as location, number of bedrooms or house type) in favor of another.

**Unconstrained choice** – expressed preferences not subject to financial constraints in the What Matters Most? Survey.

**Very Low Income Household** refers to a household with income less than 50 per cent of the median household income.



# APPENDICES

## 1 FOCUS GROUPS

### 1.1 STRUCTURE OF THE FOCUS GROUP DISCUSSIONS

The focus groups discussions were divided into three parts. The first part sought to explore the participants' views of the factors that are of the greatest importance to them when selecting a new home. The data was gathered with the purpose of informing the development of the variables used within the first online survey ('What Matters Most?'). This survey asked people to select the most important housing attributes.

The second and third part of the focus groups sought to test the quality of the images that were to be used in the second online survey ('Housing Preferences and Trade-offs'), where the respondents' choices will be restricted by financial constraints. The participants were presented with a bound set of A3 colour images showing each housing option with a maximum of 8 options for each focus group. Each page of the booklet illustrated an external image representing a design option used to clearly indicate the type of housing i.e. whether it is detached, a large single storey house, an apartment with balcony, three storey townhouse etc. Some of the options presented had both a traditional and contemporary façade to try to alleviate bias based on architectural style. The floor plans were illustrated in the centre of the page and represented the accommodation layout. The floor plans clearly set out the number of bedrooms, bathrooms, parking options, including diagrammatic labels and a key under the housing image. The floor plans were scaled across all of the pages for ease of comparison.

Using a simple pro-forma (table 2), the participants were asked to comment on whether the labels were accurate in terms of describing the option, whether the images provided a realistic representation of different housing options and whether they were able to clearly distinguish between the different housing options.

The images presented were selected to be the most appropriate for the particular demographic (i.e. families were presented more detached dwellings and fewer high rise apartments, although it is important to note that some apartment options were presented to every focus group). Different sets of housing options were presented to different focus group sessions, with the options revised and improved after the comments received from each focus group.

General comments on the images were also sought from the participants during subsequent discussions. These discussions also determined whether there were housing types not presented in the images that participants would prefer.

In the third part of the focus groups, the participants were asked to refer back to the booklet presenting different housing options and rank the options according to their preference. The purpose of this exercise was twofold. First, it provided an understanding of what kind of housing options people in Perth and Peel regions would choose if not constrained by financial considerations. This information provides an indicator of the broad housing type favoured by participants. Second, the data gathered from the discussion at the end of the focus groups enabled us to form a better understanding of why participants preferred certain types of housing and rejected others and how those options rejected can be made more appealing to a broader spectrum of the population. Detailed findings from each focus group are available in table 3.

### **Profile and Recruitment of Participants**

A total of 62 people were involved in the six focus groups held in August and September 2012. Five were held at the central location of Hames Sharley's offices in Subiaco and the Peel region group held at the Education to Community Centre conference facilities on Old Coast Road in Mandurah. Evening sessions were conducted for all demographics with exception of older householders, where an afternoon session was arranged to better suit and attract this group. Table 1 outlines the demographic composition of each of the groups held.

Participants were provided with an incentive of a \$60 Coles and Myer Group voucher for attendance at the 1.5 hour sessions. The groups varied in size from 8 to 12 participants.

Recruitment for the groups came from a variety of sources: a newspaper article about the study in The West Australian, emails to networks of the project team, flyers handed out in Mandurah, posters at the venue in Mandurah and community group newsletters. More volunteers than could be accommodated at each of the groups were gathered to allow for cancellations. People excluded due to oversubscription of a particular demographic were asked to participate in the later online surveys. Employees of the Departments of Planning and Housing were not included in the groups. The demographic composition of the FGs is summarised below.

**Table 1: Demographic composition of Focus Groups**

<b>Group number</b>	<b>Description</b>
<b>1</b>	<b>Couple households</b>
	<ul style="list-style-type: none"> <li>- A mixture of younger (&gt;45 yrs) and older (45-60 yrs) households</li> <li>- A mixture of males and females</li> <li>- A mixture of West Australians, domestic migrants and international migrants</li> <li>- Mostly couples with children.</li> </ul>
<b>2</b>	<b>One person households</b>
	<ul style="list-style-type: none"> <li>- A mixture of younger (&lt;45 yrs) and older (45-60 yrs) households</li> <li>- A mixture of males and females</li> <li>- A mixture of West Australians, domestic migrants and international migrants</li> <li>- A mixture of owners and renters</li> </ul>
<b>3</b>	<b>Aspiring households (i.e. potential households without a home of their own)</b>
	<p>A mixture of</p> <ul style="list-style-type: none"> <li>- people living with their parents/other relatives but hoping to form a household (either alone or with a partner)</li> <li>- People living in shared accommodation but hoping to establish separate households</li> <li>- People staying temporarily with friends or family but hoping to form their own household (either alone or with a partner)</li> <li>- Males and females</li> <li>- All participants fairly young (&lt; 30 yrs)</li> <li>- A mixture of West Australians and international migrants</li> </ul>
<b>4</b>	<b>Older households (65+)</b>
	<ul style="list-style-type: none"> <li>- A mixture of one person households and couples</li> <li>- A mixture of males and females</li> <li>- A mixture of West Australians, domestic migrants and international migrants</li> </ul>
<b>5</b>	<b>All Households Mix</b>
	<ul style="list-style-type: none"> <li>- A mixture of younger (&lt;45 yrs) and older (45-60 yrs) households</li> <li>- A mixture of couples, singles and couples with children</li> <li>- A mixture of males and females</li> <li>- A mixture of West Australians, domestic migrants and international migrants</li> </ul>
<b>6</b>	<b>Mandurah/Peel area</b>
	Representing a mixture of different household types and all ages in the Mandurah area.

**Table 2: Pro-forma used by focus group participants to comment on images**

	<b>Does the label given to each housing option provide an accurate representation of the housing option?</b>		
Housing Option	Yes	No	Not Sure
A			
B			
C			
D			
E			
F			
G			
H			
	<b>Do the images provide a realistic representation of the housing option?</b>		
Housing Option	Yes	No	Not Sure
A			
B			
C			
D			
E			
F			
G			
H			
	<b>Does the floorplan provide a realistic representation of the housing option?</b>		
Housing Option	Yes	No	Not Sure
A			
B			
C			
D			
E			
F			
G			
H			



**Table 3: Focus groups findings on unconstrained housing preferences by focus group**

Focus Group	Focus Group preferences by dwelling type		
	Overall by household type	Primary choice	Secondary choice
<b>Couple households</b>	Detached housing was the only housing type that most of the participants would consider, and many chose not to rank semi-detached dwellings or apartments.	<ul style="list-style-type: none"> <li>• All but one participant chose detached dwellings.</li> <li>• This group's decision making was influenced wanting outdoor space for their children. Participants with children wanted a detached dwelling with a large garden for children to play in.</li> </ul>	<ul style="list-style-type: none"> <li>• Most still chose a detached house.</li> <li>• One participant chose an apartment.</li> <li>• One respondent chose a semi-detached large three storey town house.</li> </ul>
<b>One-person households</b>	This group chose smaller housing options compared to other groups; and most of the group still chose a detached dwelling as their first choice. Approximately half of the participants would consider living in a high rise apartment building, however that choice was either the last or the second to last option they considered. Singles were more open to the attached options in contrast to some of the other groups which didn't rank the higher density options at all.	<ul style="list-style-type: none"> <li>• More than half chose detached dwellings.</li> <li>• Apartments were more popular than semi-detached.</li> </ul>	<ul style="list-style-type: none"> <li>• Detached dwellings were just as popular as a secondary choice.</li> <li>• Semi-detached housing was more popular than apartments.</li> </ul>
<b>Aspiring households</b>	Apartments were given the lowest ranking with semi-detached and battle axe dwellings rated slightly higher. This group favoured semi-detached dwellings more than the other groups. They were also prepared to rank all housing options showing how, given certain constraints, apartments would	<ul style="list-style-type: none"> <li>• Most chose detached dwellings.</li> <li>• Apartments were more popular than semi-detached dwellings.</li> </ul>	<ul style="list-style-type: none"> <li>• Almost half selected detached dwellings as their secondary choice.</li> <li>• Just over half the respondents selected semi-detached dwellings as their second preference, which were more popular than</li> </ul>

	be an option.		apartments.
<b>Older households (65+ yrs )</b>	Some participants ranked villas within retirement villages however these were not primary or secondary choices. The self-contained dwelling to the rear of an existing dwelling (a 'granny flat') was the least favoured house type with many not even rating it as an option.	<ul style="list-style-type: none"> <li>• Most chose detached dwellings.</li> <li>• Semi-detached were more popular than apartments.</li> </ul>	<ul style="list-style-type: none"> <li>• Apartments were a more popular as a second preference, more so than detached dwellings.</li> <li>• Semi-detached dwellings were the most popular second preference</li> </ul>
<b>Mixed households</b>	Out of all of the groups they were least likely to live in apartments or attached dwellings. Most of the participants didn't rank the apartments or townhouses at all therefore excluding them as housing options.	<ul style="list-style-type: none"> <li>• All except one participant chose that chose detached dwellings.</li> <li>• One participant chose an apartment.</li> </ul>	<ul style="list-style-type: none"> <li>• All except one chose detached dwellings; the non-detached selection was for an apartment.</li> </ul>
<b>Mixed households (Peel region only)</b>	This group was the most varied in their demographic profile. There was a spread of house type rankings with the single person household and the aspiring households awarding high rankings to the apartment or townhouse options. The detached dwellings ranked the highest in the secondary choice indicating it was a preference for single person and aspiring households only if other options such as apartments were not available.	<ul style="list-style-type: none"> <li>• Most chose detached dwellings.</li> <li>• Apartments were more popular than semi-detached.</li> </ul>	<ul style="list-style-type: none"> <li>• Detached dwellings more popular than for the primary choice.</li> <li>• No participants selected apartments as secondary choice.</li> </ul>

## 2 'WHAT MATTERS MOST?' SURVEY

### 2.1 INTRODUCTION AND METHODOLOGY

The purpose of the first online survey was to explore the relative importance of a wide range of housing attributes establishing what households want from their housing. Is the number of bedrooms really the most important housing attribute (as identified by the Grattan Institute report) or do elements of location matter most? A total of 76 attributes were established, using the Grattan report as the base, but modifying the list to take into account the findings of the focus groups and WA terminology. These attributes were arranged into five broad categories:

- Convenience and Access;
- Local Amenities;
- Local Environment;
- Dwelling Design; and
- Dwelling Features.

Each broad category contained up to 16 attributes. The full list of attributes by broad category is shown below. The survey was designed to allow respondents to select all the attributes from the 76 they viewed as important when making a housing choice.

The survey was designed as follows. Each broad category was split into two lists of up to eight attributes. Respondents were asked to select all attributes from each list of 8 that they regarded as important when making a housing choice. Once complete, they were asked to repeat the process but this time select the single most important attribute from each list (they could select 'None of these' if they did not consider any of the 8 attributes important).

The survey then carried forward those most important attributes, up to 8, and asked the respondent to rank their top four, with one being the most important attribute overall, down to four being the fourth most important attribute. This methodology allowed us to build a list of those attributes considered important when choosing a house but also quantify exactly which attributes were regarded as the most important.

At the end of the survey respondents were asked to rank five broad decision drivers, aligned with the housing attribute categories, to determine what drives a decision to rent or purchase a dwelling. These five factors were:

- Affordability;
- Dwelling Features;
- Safety and Security (dwelling and neighborhood);

- Location (convenience, access, local amenities and environment); and
- Dwelling design.

Key housing and demographic data were also collected from each respondent to allow the analysis to identify trends across demographic groups. A copy of the online survey questionnaire is also located below.

## 2.2 LIST OF ATTRIBUTES

### ATTRIBUTES LIST used in 'HOUSING: What Matters Most?' Survey

Convenience and Access Set 1	Convenience and Access Set 2
Near family and friends	Easy access to main income earner's work
Easy access to secondary income earner's work	Easy access to a cycle route
Easy access to the City	Easy access to a main road
Easy access to the Freeway	Easy access to the airport
Easy access to shops	Easy access to bars/pubs, nightlife
Easy access to a preferred school	Easy access to TAFE or University
Easy access to a hospital	Good broadband & satellite TV coverage
	Near public transport
Local Amenities Set 1	Local Amenities Set 2
Near cafes and restaurants	Near a park or reserve
Near a public swimming pool	Near the beach
Near a public sports field	Near a community centre (with programs and activities for all ages)
Near medical services (doctor, dentist etc.)	Near a public sports club (bowls, tennis etc)
Near the river	A range of local employment opportunities
Near a golf course	Near a shopping centre
	Near a gym
Local Environment Set 1	Local Environment Set 2
River view	Ocean view
City view	Park view
An attractive neighbourhood	A safe neighbourhood
Secure parking	Away from industrial areas
Away from busy roads	Away from a railway line
In an unpolluted area	Presence of trees
External space (space between houses)	Reputation of the neighbourhood
Characteristics of neighbourhood residents	
Dwelling Design Set 1	Dwelling Design Set 2
No stairs	Number of bedrooms
Number of bathrooms	Detached house
Number of living areas/spaces	Aged person friendly design
Double Brick construction	Single storey
Single garage/parking space	Double storey
Double garage/parking space	Dwelling orientation
Dwelling floorspace	Amount of natural light
Storage space / wardrobes	Designed to meet special physical needs
Dwelling Features Set 1	Dwelling Features Set 2
Secure dwelling	Air conditioning
Ceiling heights	Balcony, courtyard/outdoor dining space
Heating	Large lot size
Large garden	Room for boat/caravan storage
Heritage style	Insulation
Contemporary style	Solar panels
Large garden shed	Rainwater tank(s)
Allows pets (renting)	Swimming pool

## 2.3 BREAKDOWN OF RESPONDENTS

Age	Survey (%)	Perth & Peel (%)
18-24	9.2	9.6
25-34	30.1	19.6
35-44	28.1	19.9
45-54	15.6	18
55-64	10.9	15.4
64+	6.1	16.6

Household Income	Survey (%)	Perth & Peel (%)
\$0-\$19,999	3.6	10.1
\$20,000-\$39,999	11.8	16.7
\$40,000-\$64,999	27.3	15.8
\$65,000-\$79,999	13.3	7.8
\$80,000-\$99,999	11.1	13
\$100,000-\$129,999	10.9	9.7
\$130,000-\$154,999	6.9	11.7
\$155,000-\$179,999	4.4	6.7
\$180,000-\$207,999	3.3	3.2
\$208,000+	7.5	5.1

Household Composition	Survey (%)	Perth & Peel (%)
Couple - No children	23.9	27.9
Family (inc. single parents) containing children	45	44.2
Group household of two or more unrelated people	8.8	4.3
Multi-generational household	3.8	
One person household	15.4	23.6
One or more retired person(s)	2.9	
Other	0.2	

Current Housing Tenure	Survey (%)	Perth & Peel (%)
Owned outright	15	29.3
Owned with mortgage	32.5	39.8
Rented	52.5	27.6

Current Dwelling Type	Survey (%)	Perth & Peel (%)
Separate (detached) house	67	78.6
Flat, Unit or Apartment	18.1	9
Semi-detached, row or terrace house, townhouse	12.7	11.9
Other dwelling	2.2	0.4



## 2.4 HOUSING ATTRIBUTES: PERCENTAGE OF RESPONDENTS REGARDING EACH ATTRIBUTE AS IMPORTANT

WHICH DWELLING ATTRIBUTES ARE THE MOST IMPORTANT?	
Attribute	% regarding attribute as important
Near a shopping centre	69.9
Near a park or reserve	69.3
Balcony, courtyard/outdoor dining space	66.4
Away from busy roads	65.2
Double garage/parking space	65
Solar panels	62.5
Characteristics of neighbourhood residents	61.7
Number of living areas/spaces	61
Secure parking	59.8
In an unpolluted area	59.6
External space (space between houses)	59.5
Near cafes and restaurants	59.1
Dwelling floorspace	58.4
Number of bathrooms	56.9
Heating	56.9
Detached house	55.1
Allows pets	54.7
Good broadband & satellite TV coverage	54.5
Ceiling heights	52.8
Near medical services (doctor, dentist etc)	51.8
Near the beach	51.7
Easy access to the City	49.8
Dwelling orientation	47.8
Rainwater tank(s)	46.1
Double brick construction	44.8
Easy access to a preferred school	42.3
Easy access to a main road	41.7
Easy access to the Freeway	40.8
Easy access to secondary income earner's work	40.6
Away from a railway line	40.4

Near a quality school/kindergarten/Day-care centre	36.1
Large lot size	32.3
Large garden	32.2
Single storey	29.7
A range of local employment opportunities	28.8
Park view	28.8
Ocean view	28.6
Near the river	27.4
Easy access to bars/pubs, nightlife	27.1
Contemporary style	26.4
Easy access to a hospital	26.1
River view	25.1
Near a public sports field	24.5
Large garden shed	24.5
Easy access to a cycle route	24
Near a gym	24
Near a community centre	23.6
Near a public swimming pool	21.8
Easy access to TAFE or University	20.6
No stairs	19.9
Swimming pool	19.7
Near public sports clubs (bowls, tennis etc)	17.2
Heritage style	17.1
Aged person friendly design	17
City view	15.4
Single garage/parking space	13.7
Double storey	13.6
Room for boat/caravan storage	13
Designed to meet special physical needs	12.1
Easy access to the airport	10.4
Near a golf course	5.2

## 2.5 SURVEY 1 – 'WHAT MATTERS MOST?' QUESTIONNAIRE

### HOUSING: What Matters Most? QUESTIONNAIRE

#### Survey Purpose & Background

The Departments of Housing and Planning have jointly commissioned an independent study on housing preferences in the Metropolitan Perth and Peel regions. The study is being carried out by Curtin Business School and Hames Sharley and is supported by industry groups • the Housing Industry Association, Planning Institute of Australia and Property Council of Australia. The results of the study will be used to inform government of the housing preferences of people living within Perth and the Peel and will help shape the future housing stock of these regions.

By completing this survey you will provide vital information telling us what Perth and Peel residents want from their housing. In order to do this you will be presented with a number of simple questions about your household characteristics and your current accommodation. You will then be asked to select the attributes of housing that are most important to you, for example attributes of location such as being near a park or attributes of the dwelling itself such as a garden.

This survey should take no more than 15 minutes to complete. Please try to answer all the questions as truthfully as possible while thinking about your housing preferences. All information provided in the survey is confidential and no personal details will be released at any stage. Aggregated results of the survey will be provided to the client and published in a final report. At the end of the survey you have the chance to enter a draw to win an iPad.

We thank you in advance for your participation.

**Click 'next' to begin the survey.**

#### A: Demographics

##### 1. Select Sex

☐ Male

☐ Female

##### 2. Select age category

☐ 18-24 years

☐ 25-34 years

☐ 35-44 years

☐ 45-54 years

☐ 55-64 years

☐ 65+ years

##### 3. Would you be prepared to live in a lifestyle or retirement village? *(oldest two age groups only asked this question)*

☐ Yes

☐ No

## HOUSING: What Matters Most?

### 4. Select your annual gross household income

- ☐ \$0-\$19,999
- ☐ \$20,000-\$39,999
- ☐ \$40,000-\$64,999
- ☐ \$65,000-\$79,999
- ☐ \$80,000-\$99,999
- ☐ \$100,000-\$129,999
- ☐ \$130,000-\$154,999
- ☐ \$155,000-\$179,999
- ☐ \$180,000-\$207,999

### 5. Please select the local government area that you live in *(drop down menu of all the LGAs in Perth and Peel)*

### 6. Please choose your suburb from the following list *(drop down menu of all the suburbs in Perth and Peel)*

### 36. If you were not constrained by income, which suburb would you choose to live in?

*(drop down menu of all the suburbs in Perth and Peel)*

### 37. Select your current dwelling type

- ☐ Separate (detached) house
- ☐ Semi-detached, row or terrace house, townhouse
- ☐ Flat, Unit or Apartment
- ☐ Caravan, cabin, houseboat
- ☐ Other dwelling

**38. What is your preferred dwelling type?**

- ☐ Separate (detached) house
- ☐ Semi-detached, row or terrace house, townhouse
- ☐ Flat, Unit or Apartment
- ☐ Caravan, cabin, houseboat
- ☐ Other dwelling

**39. What is your current household composition?**

- ☐ Couple • No children
- ☐ Family (inc. single parents) containing children
- ☐ One person household
- ☐ Group household of two or more unrelated people
- ☐ One or more retired person(s)
- ☐ Multi-generational household (e.g. three generations living together)
- ☐ Other (please specify)

**40. Can you please further classify, are you a**

- ☐ Couple- children have left home
- ☐ Couple- future plans to have children
- ☐ Couple- no intention of having children
- ☐ Not prepared to answer

## HOUSING: What Matters Most?

### 41. Please further classify your family

- ☐ One parent family with young child(ren) (at least one child under 15 living at home)
- ☐ One parent family with mature child(ren) (at least one dependent child over 15 living at home)
- ☐ One parent family with non-dependent children living at home
- ☐ Couple family with young child(ren) (at least one child under 15 living at home)
- ☐ Couple family with mature child(ren) (at least one dependent child over 15 living at home)
- ☐ Couple family with non-dependent children living at home

### 42. What is your current housing tenure?

- ☐ Owned outright
- ☐ Owned with mortgage
- ☐ Owned with shared equity (government loan scheme)
- ☐ Rented

### 43. Please further classify

- ☐ Rented through real estate agent
- ☐ Rented through State or Territory Housing Authority
- ☐ Rented from person not in the same household
- ☐ Rented through Housing co-operative/Community/Church Group
- ☐ Other Landlord type

### 44. What is your preferred housing tenure?

- ☐ Owner occupation
- ☐ Ownership through shared equity
- ☐ Rented

## HOUSING: What Matters Most?

### 45. Please further classify *(only renters answered this)*

- ☐ Rented through real estate agent
- ☐ Rented through State or Territory Housing Authority
- ☐ Rented from person not in the same household
- ☐ Rented through Housing co-operative/Community/Church Group
- ☐ Other Landlord type

### 46. How long have you lived in your current dwelling?

- ☐ Less than 1 yr
- ☐ 1-3 yrs
- ☐ 3-5 yrs
- ☐ 5-10 yrs
- ☐ 10 yrs +

### 47. Do you plan on moving in the next 3 years?

- ☐ Yes
- ☐ No

### 48. What is the MAIN FACTOR that would motivate you to move? Please answer this question even if you are not planning to move in the next 3 years.

- ☐ Better location (for example to be closer to transport, family or amenities)
- ☐ School catchment area
- ☐ More space within the dwelling
- ☐ More space outside the dwelling
- ☐ Change of tenure (e.g. renting to buying)
- ☐ A smaller dwelling or block (downsizing)
- ☐ More affordable accommodation
- ☐ Change in household circumstances (e.g. couple forming or separating)
- ☐ Other (please specify)



## HOUSING: What Matters Most?

**49. Have you ever lived outside WA? If so where have you lived? (you can select both options)**

- ☐ In another state of Australia
- ☐ Overseas
- ☐ No - only lived in WA

**50. Have you ever lived in any of the following housing types? (you can select more than one)**

- ☐ Separate (detached) house
- ☐ Semi-detached, row or terrace house, townhouse
- ☐ Flat, unit or apartment
- ☐ Low rise apartment complex (less than 3 stories)
- ☐ Medium rise apartment complex (3 to 10 stories)
- ☐ High rise apartment complex (above 10 storeys)

**51. Would you take into account the materials used in the construction of a house when choosing a housing option, for example timber framed, double brick or brick veneer?**

- ☐ Yes
- ☐ No

**52. Which of the following materials would be your preferred option for the construction of your home? (those that answered yes were asked this question)**

- ☐ Concrete
- ☐ Framed housing with cladding/weatherboard
- ☐ Double brick
- ☐ Alternative sustainable materials
- ☐ Prefabricated homes
- ☐ Brick veneer
- ☐ Don't know

## Part B: Housing Attributes

This section asks you to identify those housing attributes that you consider important. You will be presented with 10 short lists of housing attributes and you will be asked to select ALL ATTRIBUTES that you consider important when choosing a housing option.

The attributes are organised into five broad groups:

## HOUSING: What Matters Most?

1. Convenience and Access
2. Local Amenities
3. Local Environment
4. Dwelling Design
5. Dwelling Features

You can select AS MANY ATTRIBUTES AS YOU WANT in each set. If none of the attributes within a list are important to you simply leave them all unchecked.

### Convenience and Access

#### 53. Select ALL important attributes from the list below

- ☐ Near family and friends
- ☐ Easy access to main income earner's work
- ☐ Easy access to the City
- ☐ Easy access to the Freeway
- ☐ Easy access to shops
- ☐ Easy access to a preferred school
- ☐ Easy access to a hospital

#### 54. Select ALL important attributes from the list below

- ☐ Easy access to secondary income earner's work
- ☐ Easy access to a cycle route
- ☐ Easy access to a main road
- ☐ Easy access to the airport
- ☐ Easy access to bars/pubs, nightlife
- ☐ Easy access to TAFE or University
- ☐ Good broadband & satellite TV coverage
- ☐ Near public transport

## HOUSING: What Matters Most?

### Local Amenities

**55. Please select ALL important attributes from the list below**

- ☐ Near cafes and restaurants
- ☐ Near a public swimming pool
- ☐ Near a public sports field
- ☐ Near medical services (doctor, dentist etc)
- ☐ Near the river
- ☐ Near a golf course
- ☐ Near a quality school/kindergarten/Day-care centre

**56. Please select ALL important attributes from the list below**

- ☐ Near a park or reserve
- ☐ Near the beach
- ☐ Near a community centre (with programs and activities for all ages)
- ☐ Near public sports clubs (bowls, tennis etc)
- ☐ A range of local employment opportunities
- ☐ Near a shopping centre
- ☐ Near a gym

### Local Environment

**57. Please select ALL the important attributes from the list below**

- ☐ River view
- ☐ City view
- ☐ An attractive neighbourhood
- ☐ Secure parking
- ☐ Away from busy roads
- ☐ In an unpolluted area
- ☐ External space (space between houses)
- ☐ Characteristics of neighbourhood residents

## HOUSING: What Matters Most?

**58. Please select ALL the important attributes from the list below**

- ☐ Ocean view
- ☐ Park view
- ☐ A safe neighbourhood
- ☐ Away from industrial areas
- ☐ Away from a railway line
- ☐ Presence of trees
- ☐ Reputation of the neighbourhood

### Dwelling Design

**59. Please select ALL important attributes from the list below**

- ☐ No stairs
- ☐ Number of bathrooms
- ☐ Number of living areas/spaces
- ☐ Double brick construction
- ☐ Single garage/parking space
- ☐ Double garage/parking space
- ☐ Dwelling floorspace
- ☐ Storage space/wardrobes

**60. Please select ALL important attributes from the list below**

- ☐ Number of bedrooms
- ☐ Detached house
- ☐ Aged person friendly design
- ☐ Single storey
- ☐ Double storey
- ☐ Dwelling orientation
- ☐ Amount of natural light
- ☐ Designed to meet special physical needs

## HOUSING: What Matters Most?

### Dwelling Features

**61. Please select ALL important attributes from the list below**

- ☐ Secure dwelling
- ☐ Ceiling heights
- ☐ Heating
- ☐ Large garden
- ☐ Heritage style
- ☐ Contemporary style
- ☐ Large garden shed
- ☐ Allows pets

**62. Please select ALL important attributes from the list below**

- ☐ Air conditioning
- ☐ Balcony, courtyard/outdoor dining space
- ☐ Large lot size
- ☐ Room for boat/caravan storage
- ☐ Insulation
- ☐ Solar panels
- ☐ Rainwater tank(s)
- ☐ Swimming pool

### Most Important Attributes

We now ask you to **NARROW YOUR CHOICE** of housing attributes to the single most important attribute within each of the ten lists. From each list simply select the single **MOST IMPORTANT** attribute. If you do not view any of the attributes in the list as important then please select the **NONE OF THESE** option.

## HOUSING: What Matters Most?

### Convenience and Access

63. Please select your single MOST IMPORTANT attribute from the list below

- ☐ Near family and friends
- ☐ Easy access to main income earner's work
- ☐ Easy access to the City
- ☐ Easy access to the Freeway
- ☐ Easy access to shops
- ☐ Easy access to a preferred school
- ☐ Easy access to a hospital
- ☐ None of these

64. Please select your single MOST IMPORTANT attribute from the list below

- ☐ Easy access to secondary income earner's work
- ☐ Easy access to a cycle route
- ☐ Easy access to a main road
- ☐ Easy access to the airport
- ☐ Easy access to bars/pubs, nightlife
- ☐ Easy access to TAFE or University
- ☐ Good broadband & satellite TV coverage
- ☐ Near public transport
- ☐ None of these

### Local Amenities

65. Please select your single MOST IMPORTANT attribute from the list below

- ☐ Near cafes and restaurants
- ☐ Near a public swimming pool
- ☐ Near a public sports field
- ☐ Near medical services (doctor, dentist etc)
- ☐ Near the river
- ☐ Near a golf course
- ☐ Near a quality school/kindergarten/Day-care centre
- ☐ None of these

## HOUSING: What Matters Most?

**66. Please select your single MOST IMPORTANT attribute from the list below**

- ☐ Near a park or reserve
- ☐ Near the beach
- ☐ Near a community centre (with programs and activities for all ages)
- ☐ Near public sports clubs (bowls, tennis etc)
- ☐ A range of local employment opportunities
- ☐ Near a shopping centre
- ☐ Near a gym
- ☐ None of these

### Local Environment

**67. Please select your single MOST IMPORTANT attribute from the list below**

- ☐ River views
- ☐ City view
- ☐ An attractive neighbourhood
- ☐ Secure parking
- ☐ Away from busy roads
- ☐ In an unpolluted area
- ☐ External space (space between houses)
- ☐ Characteristics of neighbourhood residents
- ☐ None of these

**68. Please select your single MOST IMPORTANT attribute from the list below**

- ☐ Ocean views
- ☐ Park view
- ☐ A safe neighbourhood
- ☐ Away from industrial areas
- ☐ Away from a railway line
- ☐ Presence of trees
- ☐ Reputation of the neighbourhood
- ☐ None of these



## HOUSING: What Matters Most?

### Dwelling Design

**69. Please select your single MOST IMPORTANT attribute from the list below**

- ☐ No stairs
- ☐ Number of bathrooms
- ☐ Number of living areas/spaces
- ☐ Double brick construction
- ☐ Single garage/parking space
- ☐ Double garage/parking space
- ☐ Dwelling floorspace
- ☐ Storage space/wardrobes
- ☐ None of these

**70. Please select your single MOST IMPORTANT attribute from the list below**

- ☐ Number of bedrooms
- ☐ Detached house
- ☐ Aged person friendly design
- ☐ Single storey
- ☐ Double storey
- ☐ Dwelling orientation
- ☐ Amount of natural light
- ☐ Designed to meet special physical needs
- ☐ None of these

### Dwelling Features

When you click 'next' at the end of this page please wait a moment for your top 10 attributes to be compiled.

**71. Please select your single MOST IMPORTANT attribute from the list below**

- ☐ Secure dwelling
- ☐ Ceiling heights
- ☐ Heating
- ☐ Large garden
- ☐ Heritage style
- ☐ Contemporary style
- ☐ Large garden shed
- ☐ Allows pets
- ☐ None of these

## HOUSING: What Matters Most?

**72. Please select your single MOST IMPORTANT attribute from the list below**

- ☐ Air conditioning
- ☐ Courtyard/outdoor dining space
- ☐ Large lot size
- ☐ Room for boat/caravan storage
- ☐ Insulation
- ☐ Solar panels
- ☐ Rainwater tank(s)
- ☐ Swimming pool
- ☐ None of these

### Attribute Comparison

The following table contains the 10 most important attributes selected from the 10 attribute lists on the previous screens. Please use the table below to rank your 4 most important attributes with 1 being the most important and 4 being your fourth most important attribute. If you selected None of these as an option it will appear in this table so please ignore.

**73. Please rank your four most important attributes with 1 being the most important and 4 being your fourth most important attribute.**

	1	2	3	4
[Q63]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
[Q64]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
[Q65]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
[Q66]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
[Q67]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
[Q68]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
[Q69]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
[Q70]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
[Q71]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
[Q72]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**74. If the four attributes selected above do not reflect your most important housing factors please use the boxes below to enter what really matters to you. Please try and provide a short, accurate description.**

2nd	<input type="text"/>
3rd	<input type="text"/>
4th	<input type="text"/>

## HOUSING: What Matters Most?

**75. Assume you are planning to buy or rent a dwelling in the next 12 months. Please rank the importance of each of the following factors in driving your decision to buy or rent a specific dwelling. Rank them from 1 to 5 with 1 being the most important.**

	1	2	3	4	5
Affordability	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Dwelling Features	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Safety and Security (dwelling and neighbourhood)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Location (convenience, access, local amenities and environment)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Dwelling Design	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

### Thank you for completing the survey!

If you would like to go into the draw to win an iPad please type your email address below:

**76. Email address:**

**77. We will soon be undertaking a second housing survey that explores your preferences for specific housing types and locations but constrained by household income. This will involve the use of visual images. If you would like to receive an invitation to participate in the second survey using the email address supplied above, please tick yes below. Participants in the second survey will also go into a draw for a second iPad prize.**

☐ Yes I would like to receive an invitation

☐ No thanks

If you would like to share this survey with a friend, please click on the following link: [Emailthissurveytoafriend](#)

### 3 HOUSING PREFERENCES AND TRADE OFFS SURVEY

#### 3.1 INTRODUCTION AND METHODOLOGY

The third stage in the research was the 'Housing Preferences and Trade-offs' survey which examined the housing choices made by households when constrained by income. Respondents selected preferred location, a minimum number of bedrooms and entered income data allowing calculation of a maximum price/rent affordable to the respondent. Respondents were then presented with a range of house types across nine regions (figure 1) affordable to them and were asked to select those they considered as viable purchase/rental options and then rank their top four. By comparing initial preferences with the choices respondents made within the survey when presented with a range of housing options enabled the identification of trade-offs made in terms of location, house type and size (number of bedrooms).

The methodology followed the basic process set out in the Grattan report but altered the variables to make the survey relevant to Perth and Peel and offered a wider variety of housing options. Perth and Peel was divided into 9 regions shown in the map below. The suburb composition of regions is shown in appendix 3.2. These are the six *Directions 2031 and Beyond* planning regions with the North West split into NW Coastal and the remainder of the region (NW) and the Central region split into three; Inner Central, Outer Central and River/Coastal.

These regions were split because of the very different patterns of house and unit prices. For example, the median price within the Outer Central region is only around half that of the Inner Central region which is, in turn, lower than the median price within the River/Coastal region. Consequently the nine regions represent a collection of substitutable housing markets based on price. Of course there are many housing sub-markets within each region which, due to geographical features and variable amenities, differ greatly in price. Though the use of nine regions introduces five more variables than employed by Grattan and any more variables would result in the responses being spread too thinly for analysis.

A set of housing images was developed and tested within the focus groups to illustrate a variety of different dwelling options, all with a medium standard of quality. The options were developed to provide a range of dwelling types within the survey, some of which currently appear throughout Perth and Peel and some which are found only in specific areas. Images and floorplans are shown later in these appendices and each housing option is summarised in Table 1.

**Figure 1: Perth and Peel region map**



**Table 1: Housing options presented to respondents**

Housing Option (living area)	House Type	Number of Bedrooms/ Bathrooms
<b>Single storey detached (200m<sup>2</sup>)</b>	Separate	4 x 2
<b>Two storey detached (250m<sup>2</sup>)</b>	Separate	4 x 2
<b>Single storey detached (303m<sup>2</sup>)</b>	Separate	5 x 2
<b>Single storey 'battleaxe' (130m<sup>2</sup>)</b>	Separate	3 x 2
<b>Self-contained unit to rear of existing primary dwelling (50m<sup>2</sup>)</b>	Semi-detached*	1 x 1
<b>Single storey semi-detached (110m<sup>2</sup>)</b>	Semi-detached*	2 x 2
<b>Single storey semi-detached (160m<sup>2</sup>)</b>	Semi-detached*	3 x 2
<b>Two storey townhouse (206m<sup>2</sup>)</b>	Semi-detached*	3 x 2
<b>Villa (60m<sup>2</sup>)</b>	Semi-detached*	1 x 1
<b>Two storey townhouse (60m<sup>2</sup>)</b>	Semi-detached*	2 x 2
<b>Single storey attached (75m<sup>2</sup>)</b>	Semi-detached*	2 x 1
<b>Single storey attached (130m<sup>2</sup>)</b>	Semi-detached*	2 x 2
<b>Two storey attached (130m<sup>2</sup>)</b>	Semi-detached*	3 x 2
<b>Single floor apartment within medium rise building (50m<sup>2</sup>)</b>	Apartment	1 x 1
<b>Single floor apartment within high rise building (85m<sup>2</sup>)</b>	Apartment	2 x 2
<b>Single floor apartment within low rise building (107m<sup>2</sup>)</b>	Apartment	3 x 2

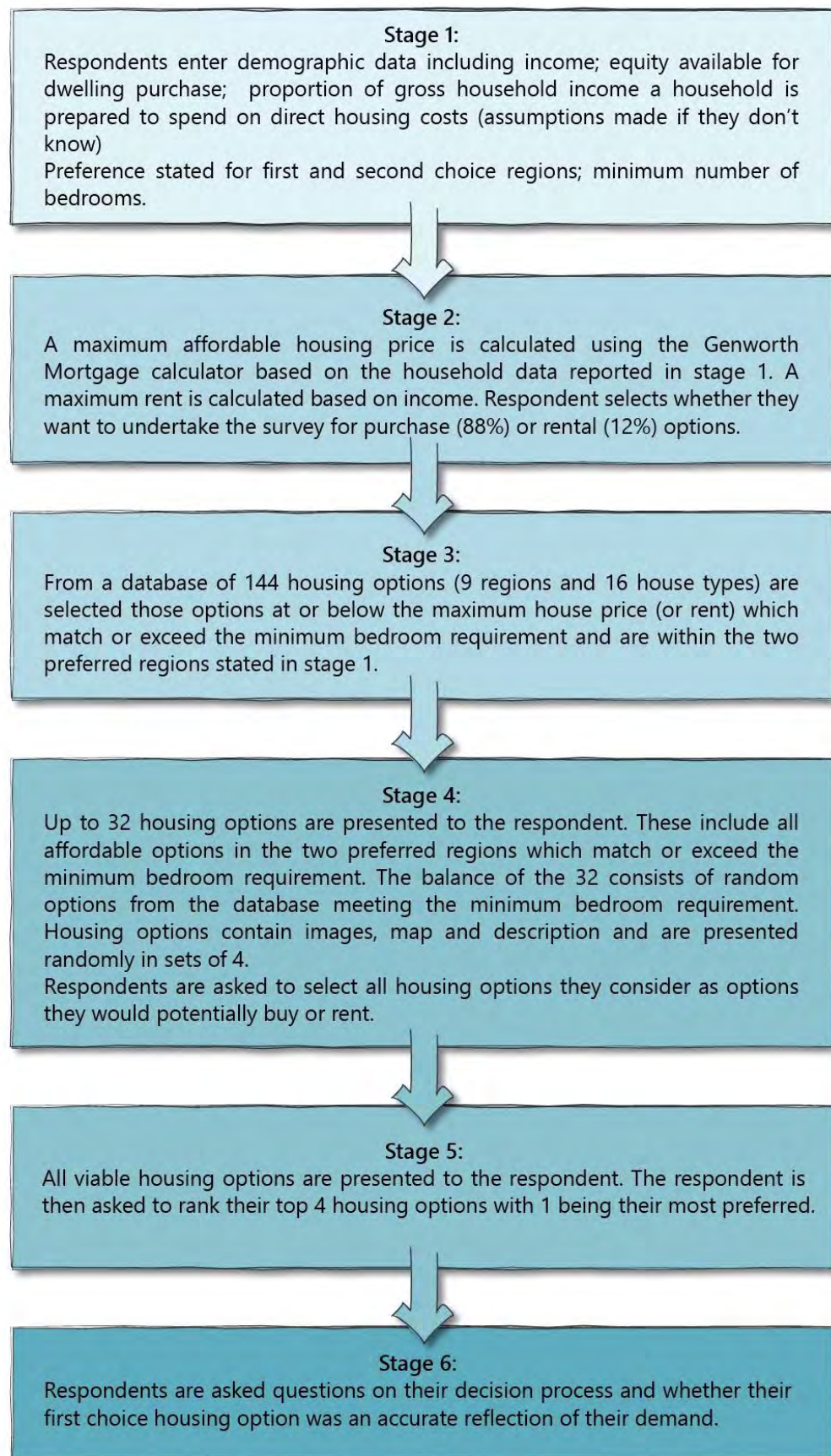
\* Semi-detached term includes the following: semi-detached, row or terrace house, townhouse

The sixteen housing types within each of the nine regions were all assigned a purchase price and a weekly rent. Valuations were undertaken by a licensed valuer using comparable evidence for each of the 144 options, for both purchase and rent. From these valuations we developed a database of housing options and values for use in the survey.

The survey process itself is shown below:



**Figure 2: Housing preferences and trade-offs survey methodology**



## 3.2 SURVEY RESPONSES: DEMOGRAPHICS

Age Category	per cent	Perth and Peel
18-24	5%	11%
25-34	31%	20%
35-44	25%	19%
45-54	14%	18%
55-64	12%	15%
65+	12%	17%
Total		

Household Income	per cent	Perth and Peel (Rough comparisons)
\$0-\$19,999	2.5%	10.2%
\$20,000-\$39,999	7.7%	16.8%
\$40,000-\$64,999	16.1%	15.8%
\$65,000-\$79,999	13.1%	7.8%
\$80,000-\$99,999	10.6%	13.0%
\$100,000-\$129,999	14.4%	9.7%
\$130,000-\$154,999	10.1%	11.8%
\$155,000-\$179,999	7.9%	6.6%
\$180,000-\$207,999	6.7%	3.2%
\$208000+	10.9%	5.1%

Household Composition	Percent	Perth and Peel
Couple with no children	32%	25%
Couple family with non-dependent children living at home	3%	
Couple family with mature child(ren) (at least one dependent child over 15 living at home)	5%	
Total	0%	9%
Couple family with young child(ren) (at least one child under 15 living at home)	22%	21%
One parent family	8%	10%
Single person household	16%	
Retired household	6%	
Group household	7%	
<b>Total</b>	<b>30%</b>	<b>35%</b>



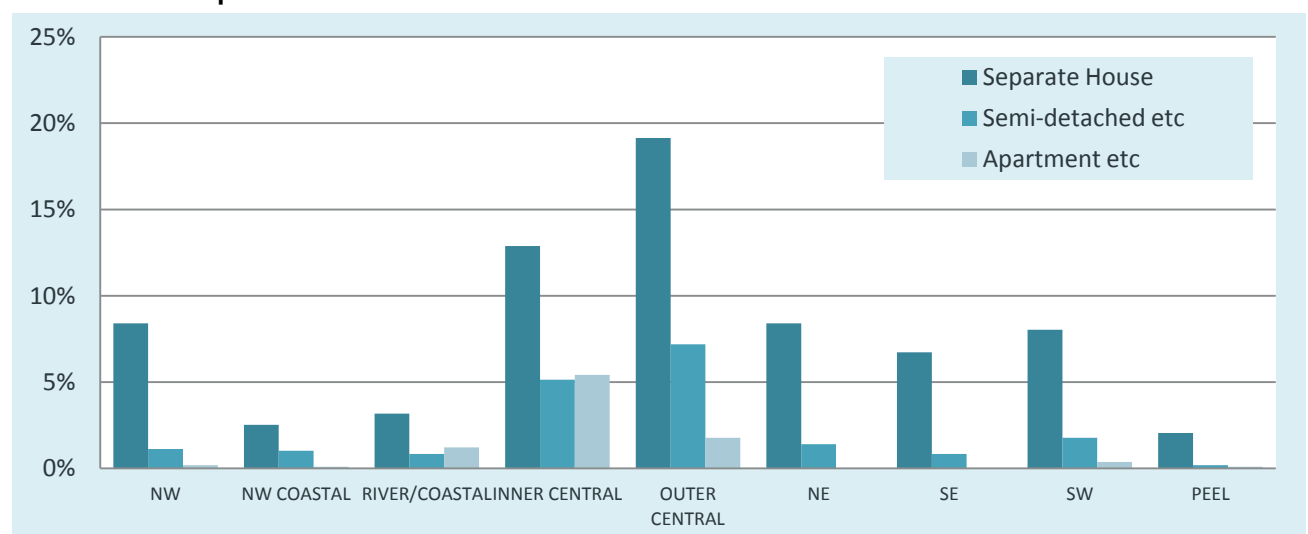
### 3.3 DISTRIBUTION OF RESPONDENTS

The figures below highlight the distribution of respondents in terms of broad house type and region. For much of the analysis the 16 house types have been collapsed into three broad categories:

- Separate (detached) house;
- Semi-detached, row or terrace house, townhouse; and
- Flat, Unit or Apartment

This allows comparison with ABS data but also ensures responses are not too thinly spread across the 16 house types. As would be expected, responses are dominated by households in separate houses in all regions with the alternative house types most prevalent in the Inner and Outer Central regions. Outer Central provided 28% of the responses and Inner Central 23% with the remainder spread across regions.

**Distribution of respondents**

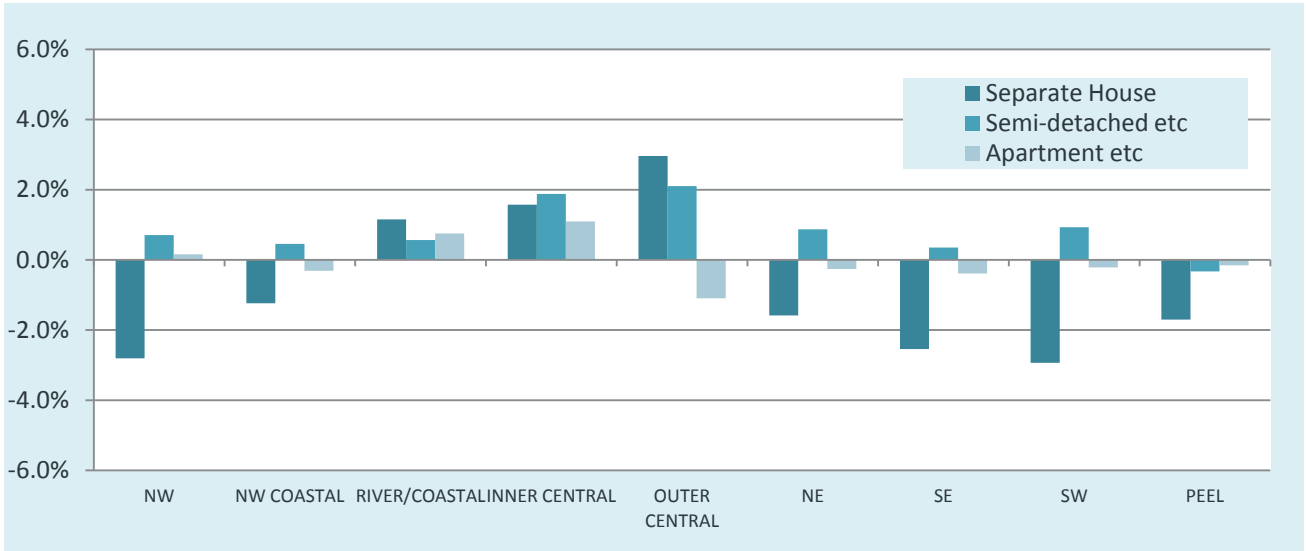


The figure below identifies the difference between survey respondents and existing stock<sup>1</sup> broken down by house type and region. The figure compares the proportion of respondents in each regions by house type and compares them with existing stock. A positive figure indicates the group are overrepresented in the survey and a negative underrepresented. Variations are relatively minor with perhaps the biggest differences being the slight under-representation of respondents within separate houses in the outer regions, over-representation of semi-detached and apartment residents in Inner Central and semi-detached dwellings in Outer Central. Generally the spread of respondents allows us to use the survey to make accurate generalisations about the Perth and Peel population. In terms of

<sup>1</sup> Stock data are taken from the ABS Census Community Profiles. Data at the LGA and suburb levels were combined to generate the data for the nine regions.

demographic groups, the response profile is also generally representative of the Perth and Peel population.

Comparison of respondents with existing stock



### 3.4 SUBURBS BY REGION

AREA 1 - North West	AREA 2 - NW Coastal	AREA 3 - River/Coastal Central
ALEXANDER HEIGHTS	ALKIMOS	CHURCHLANDS
ASHBY	BURNS BEACH	CITY BEACH
BANKSIA GROVE	HILLARYS	CLAREMONT
BELDON	ILUKA	COTTESLOE
BUTLER	JINDALEE	DALKEITH
CARABOODA	KALLAROO	FLOREAT
CARRAMAR	MARMION	MOSMAN PARK
CLARKSON	MINDARIE	MOUNT CLAREMONT
CONNOLLY	MULLALOO	NEDLANDS
CRAIGIE	NORTH BEACH	PEPPERMINT GROVE
CURRAMBINE	OCEAN REEF	SWANBOURNE
DARCH	QUINNS ROCKS	
DUNCRAIG	SCARBOROUGH	
EDGEWATER	SORRENTO	
EGLINTON	TAMALA PARK	
GIRRAWHEEN	TRIGG	
GNANGARA	WATERMANS BAY	
GREENWOOD		
HEATHRIDGE		
HOCKING		
JANDABUP		
JOONDALUP		
KINGSLEY		
KINROSS		
KOONDOOLA		
LANDSDALE		
MADELEY		
MARANGAROO		
MARIGINIUP		
MERRIWA		
NEERABUP		
NOWERGUP		
PADBURY		
PEARSALL		
PINJAR		
RIDGEWOOD		

SINAGRA		
TAPPING		
TWO ROCKS		
WANGARA		
WANNEROO		
WARWICK		
WILBINGA		
WOODVALE		
YANCHEP		
YEAL		

AREA 4 - Inner Central	AREA 5 - Outer Central	AREA 6 - North East
APPLECROSS	ALFRED COVE	AVELEY
ARDROSS	ASCOT	AVON VALLEY NATIONAL PARK
ATTADALE	ASHFIELD	BAILUP
BICTON	BALCATT	BALLAJURA
BOORAGOON	BALGA	BASKERVILLE
BURSWOOD	BASSENDEN	BEECHBORO
COMO	BATEMAN	BEECHINA
COOLBINIA	BAYSWATER	BELHUS
CRAWLEY	BECKENHAM	BELLEVUE
DAGLISH	BEDFORD	BENNETT SPRINGS
EAST FREMANTLE	BELMONT	BICKLEY
EAST PERTH	BENTLEY	BOYA
FREMANTLE	BRENTWOOD	BRABHAM
HIGHGATE	BULL CREEK	BRIGADOON
INGLEWOOD	CANNING VALE	BULLSBROOK
JOLIMONT	CANNINGTON	CANNING MILLS
KARRINYUP	CARINE	CARMEL
KENSINGTON	CARLISLE	CAVERSHAM
KINGS PARK	CLOVERDALE	CHIDLOW
LEEDERVILLE	DIANELLA	CULLACABARDEE
MANNING	DOUBLEVIEW	DARLINGTON
MELVILLE	EAST CANNINGTON	DAYTON
MENORA	EAST VICTORIA PARK	ELLENBROOK
MOUNT HAWTHORN	EDEN HILL	FLYNN
MOUNT LAWLEY	EMBLETON	FORRESTFIELD
MOUNT PLEASANT	FERNDAL	GIDGEGANNUP

NORTH FREMANTLE	GLENDALOUGH	GLEN FORREST
NORTH PERTH	GWELUP	GOOSEBERRY HILL
PERTH	HAMERSLEY	GORRIE
ROSSMOYNE	HERDSMAN	GREENMOUNT
SALTER POINT	HILTON	GUILDFORD
SHELLEY	INNALOO	HACKETTS GULLY
SHENTON PARK	JOONDANNA	HAZELMERE
SOUTH PERTH	KARAWARA	HELENA VALLEY
SUBIACO	KARDINYA	HENLEY BROOK
WATERFORD	KARRAKATTA	HERNE HILL
WEMBLEY DOWNS	KEWDALE	HIGH WYCOMBE
WEMBLEY	LATHLAIN	HOVEA
WEST LEEDERVILLE	LEEMING	JANE BROOK
WEST PERTH	LYNWOOD	KALAMUNDA
WOODLANDS	MAYLANDS	KIARA
	MIRRABOOKA	KOONGAMIA
	MORLEY	LESMURDIE
	MURDOCH	LEXIA
	MYAREE	LOCKRIDGE
	NOLLAMARA	LOWER CHITTERING
	NORANDA	MAHOGANY CREEK
	NORTHBRIDGE	MAIDA VALE
	O'CONNOR	MALAGA
	OSBORNE PARK	MALMALLING
	PALMYRA	MELALEUCA
	PARKWOOD	MIDDLE SWAN
	PERTH AIRPORT	MIDLAND
	QUEENS PARK	MIDVALE
	REDCLIFFE	MILLENDON
	RIVERTON	MOONDYNE
	RIVERVALE	MORANGUP
	SAMSON	MOUNT HELENA
	ST JAMES	MUNDARING
	STIRLING	NORANDA
	TUART HILL	PARKERVILLE
	VICTORIA PARK	PAULLS VALLEY
	WELSHPOOL	PERTH AIRPORT
	WESTMINSTER	PICKERING BROOK
	WHITE GUM VALLEY	PIESSE BROOK

	WILLAGEE	RED HILL
	WILLETTON	RESERVOIR
	WILSON	SAWYERS VALLEY
	WINTHROP	SOUTH GUILDFORD
	YOKINE	STONEVILLE
		STRATTON
		SWAN VIEW
		THE LAKES
		THE VINES
		UPPER SWAN
		VIVEASH
		WALLISTON
		WALYUNGA NATIONAL PARK
		WATTLE GROVE
		WEST SWAN
		WHITEMAN
		WOODBIDGE
		WOOROLOO
		WOOTTATING
		WUNDOWIE

AREA 7 - South East	AREA 8 - South West	AREA 9 - Peel
ARMADALE	ANKETELL	BANKSIADALE
ASHENDON	ATWELL	BARRAGUP
BECKENHAM	AUBIN GROVE	BIRCHMONT
BEDFORDALE	BALDIVIS	BLYTHEWOOD
BROOKDALE	BANJUP	BOUVARD
BYFORD	BEACONSFIELD	CLIFTON
CAMILLO	BEELIAR	COODANUP
CANNING VALE	BERTRAM	COOLUP
CARDUP	BIBRA LAKE	DAWESVILLE
CHAMPION LAKES	CALISTA	DUDLEY PARK
DARLING DOWNS	CASUARINA	DWELLINGUP
FLINT	COCKBURN CENTRAL	ERSKINE
FORRESTDAL	COOGEE	ETMILYN
GOSNELLS	COOLBELLUP	FAIRBRIDGE
HARRISDALE	COOLOONGUP	FALCON
HAYNES	EAST ROCKINGHAM	FURNISSDALE
HILBERT	GOLDEN BAY	GREENFIELDS
HOPELAND	HAMILTON HILL	HALLS HEAD
HUNTINGDALE	HAMMOND PARK	HAMEL
JARRAHDAL	HENDERSON	HERRON
KARRAGULLEN	HILLMAN	HOFFMAN
KARRAKUP	HOPE VALLEY	HOLYOAKE
KELMSCOTT	JANDAKOT	INGLEHOPE
KENWICK	KARNUP	KERALUP
KEYSBROOK	KERALUP	LAKE CLIFTON
LANGFORD	KWINANA BEACH	LAKELANDS
LESLEY	KWINANA TOWN CENTRE	MADORA BAY
MADDINGTON	LEDA	MANDURAH
MARDELLA	LEEMING	MARRINUP
MARTIN	MANDOGALUP	MEADOW SPRINGS
MOUNT COOKE	MEDINA	MEELON
MOUNT NASURA	MUNSTER	MYALUP
MOUNT RICHON	NAVAL BASE	MYARA
MUNDIJONG	NORTH COOGEE	NAMBEELUP
OAKFORD	NORTH LAKE	NANGA BROOK
OLDBURY	ORELIA	NIRIMBA
OLDBURY	PARMELIA	NORTH DANDALUP
ORANGE GROVE	PERON	NORTH YUNDERUP

PIARA WATERS	PORT KENNEDY	OAKLEY
ROLEYSTONE	POSTANS	PARKLANDS
SERPENTINE	ROCKINGHAM	PINJARRA
SEVILLE GROVE	SAFETY BAY	POINT GREY
SOUTHERN RIVER	SECRET HARBOUR	PRESTON BEACH
THORNLIE	SHOALWATER	RAVENSWOOD
WHITBY	SINGLETON	SAN REMO
WUNGONG	SOUTH FREMANTLE	SILVER SANDS
	SOUTH LAKE	SOLUS
	SPEARWOOD	SOUTH YUNDERUP
	SUCCESS	STAKE HILL
	THE SPECTACLES	TEESDALE
	WAIKIKI	WAGERUP
	WANDI	WANNANUP
	WARNBRO	WAROONA
	WATTLEUP	WEST COOLUP
	WELLARD	WEST PINJARRA
	YANGEBUP	WHITTAKER
		YARLOOP



## 3.5 HOUSING OPTIONS

### Summary of range of Housing Types for Survey 2

Type/Description	No. Beds	No. Baths	Vehicles	Living area
------------------	----------	-----------	----------	-------------

Traditional Form					
A	Self contained unit to rear of existing primary dwelling	1	1	1	50m <sup>2</sup>
B	Single storey semi-detached	2	2	1	110m <sup>2</sup>
C	Single storey semi-detached	3	2	2	160m <sup>2</sup>
D	Two storey townhouse	3	2	2	206m <sup>2</sup>
E	Single storey detached	4	2	2	200m <sup>2</sup>
F	Two storey detached	4	2	2	250m <sup>2</sup>
G	Single storey detached	5	2	3	303m <sup>2</sup>

Contemporary Form					
H	Villa	1	1	1	60m <sup>2</sup>
I	Two storey townhouse	2	2	1	60m <sup>2</sup>
J	Single storey attached	2	1	1	75m <sup>2</sup>
K	Single storey attached	2	2	2	130m <sup>2</sup>
L	Two storey attached	3	2	2	130m <sup>2</sup>
M	Single storey 'battleaxe'	3	2	2	130m <sup>2</sup>

Apartments					
N	Single floor apartment within medium rise building	1	1	1	50m <sup>2</sup>
O	Single floor apartment within high rise building	2	2	2	85m <sup>2</sup>
P	Single floor apartment within low rise building	3	2	2	107m <sup>2</sup>



### SELF CONTAINED UNIT TO REAR OF EXISTING PRIMARY DWELLING

general description:  
Living area - 50 m<sup>2</sup>

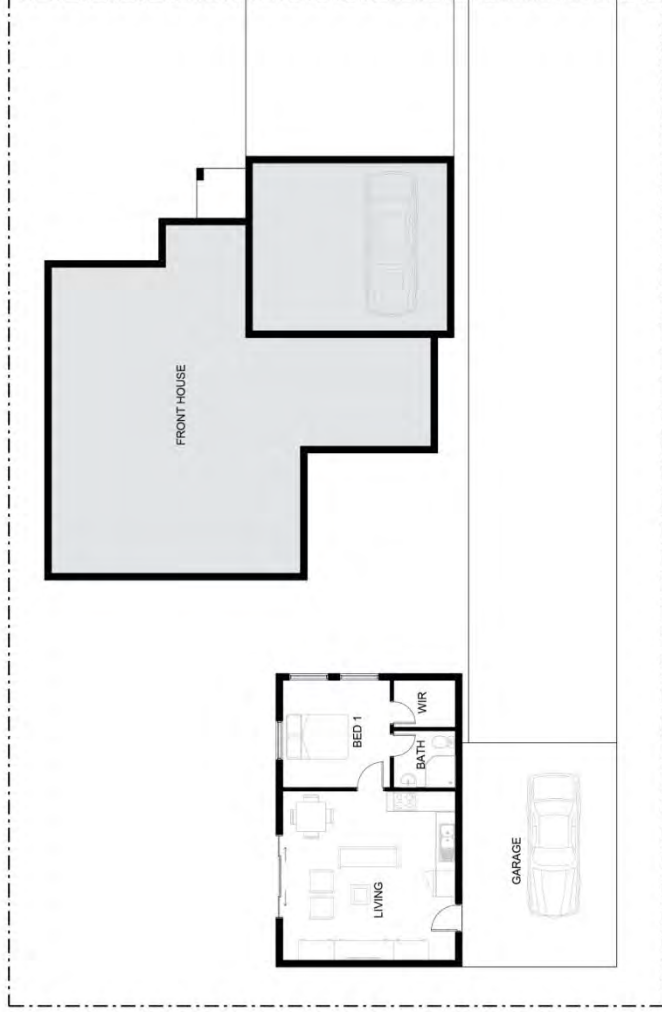
- 1 x bedroom
- 1 x bathroom
- 1 x car spaces
- 1 x living spaces

### LOT SIZE

general description:  
separate unit or same lot as primary dwelling

area: 300 m<sup>2</sup>  
frontage: 16-20 m  
depth: 15-20 m

A







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## SINGLE STOREY SEMI-DETACHED

general description:  
Single storey semi-detached home  
Living area - 110 m<sup>2</sup>

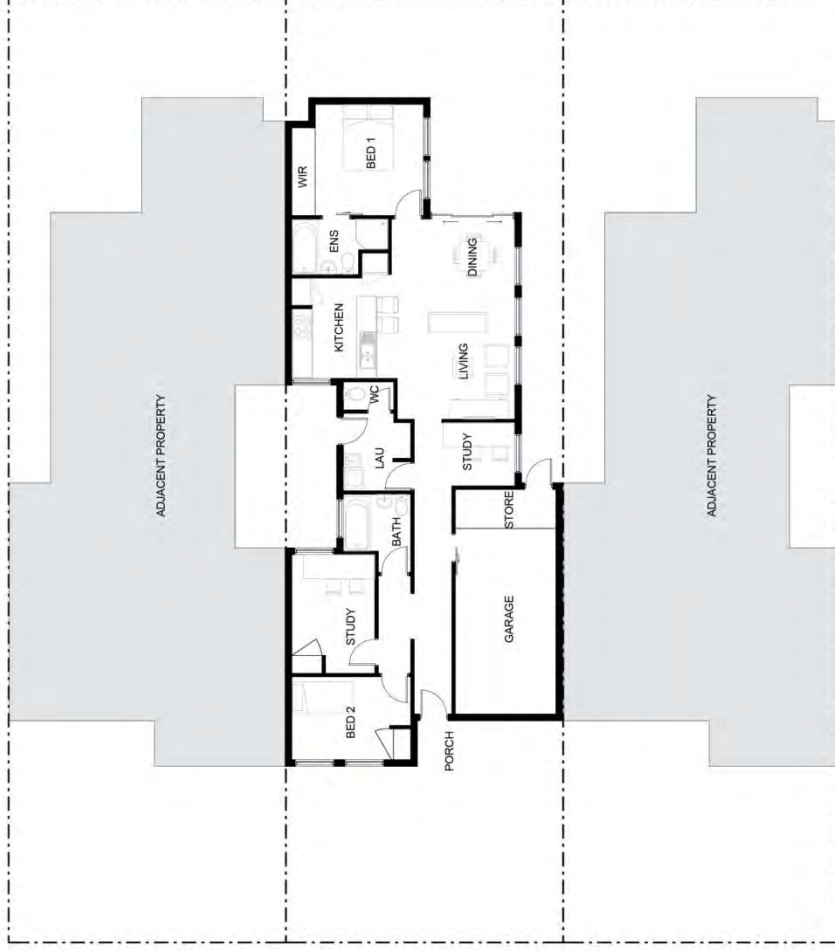
-  2 x bedroom
-  2 x bathroom
-  1 x car spaces
-  1 x living space

## LOT SIZE

general description:  
green title/street frontage

area:	+300 m <sup>2</sup>
frontage:	10 m
depth:	30 m
specifics:	zero setback both sides

B



C



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## SINGLE STOREY SEMI-DETACHED DWELLING

general description:  
Single storey semi-detached home  
Living area - 160 m<sup>2</sup>

- 3 x bedroom
- 2 x bathroom
- 2 x car spaces
- 2 x living spaces

## LOT SIZE





general description:  
green title/street frontage

area: +400 m<sup>2</sup>  
frontage: +14 m  
depth: 29 m  
specifics: zero setback to one side



## TWO STOREY TOWNHOUSE

general description:  
two storey attached townhouse  
Living area - 206 m<sup>2</sup>

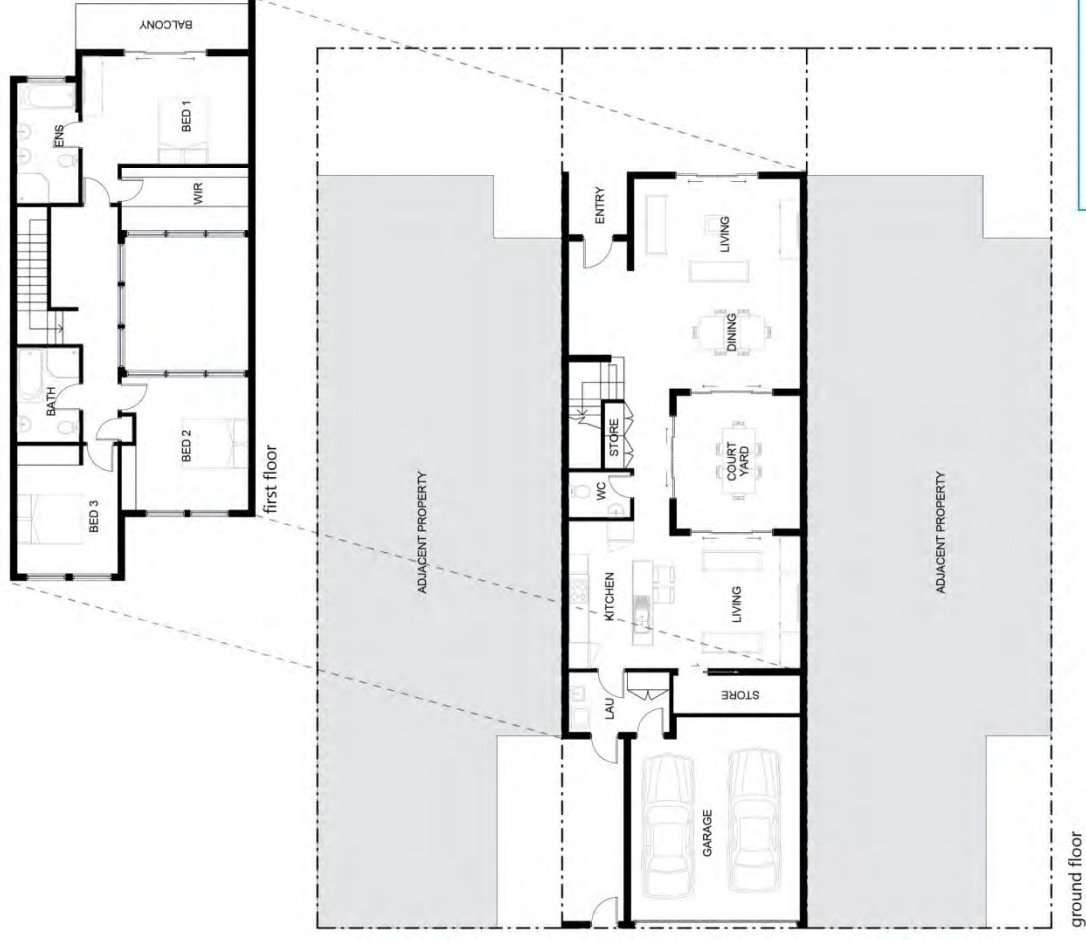
-  3 x bedroom
-  2 x bathroom
-  2 x car spaces
-  2 x living spaces

## LOT SIZE

general description:  
green title/street frontage

- area: +300 m<sup>2</sup>
- frontage: 8 m
- depth: 30 m
- specifics: zero setback both sides  
garage to the rear of  
the block

D



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### SINGLE STOREY DETACHED

general description:  
Single storey detached home  
Living area - 200 m<sup>2</sup>



4 x bedroom  
2 x bathroom  
2 x car spaces  
2 x living spaces

### LOT SIZE

general description:  
green title/street frontage

area: +300 m<sup>2</sup>  
frontage: +11 m  
depth: +23 m  
specifics: garage to the front

E







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## TWO STOREY DETACHED

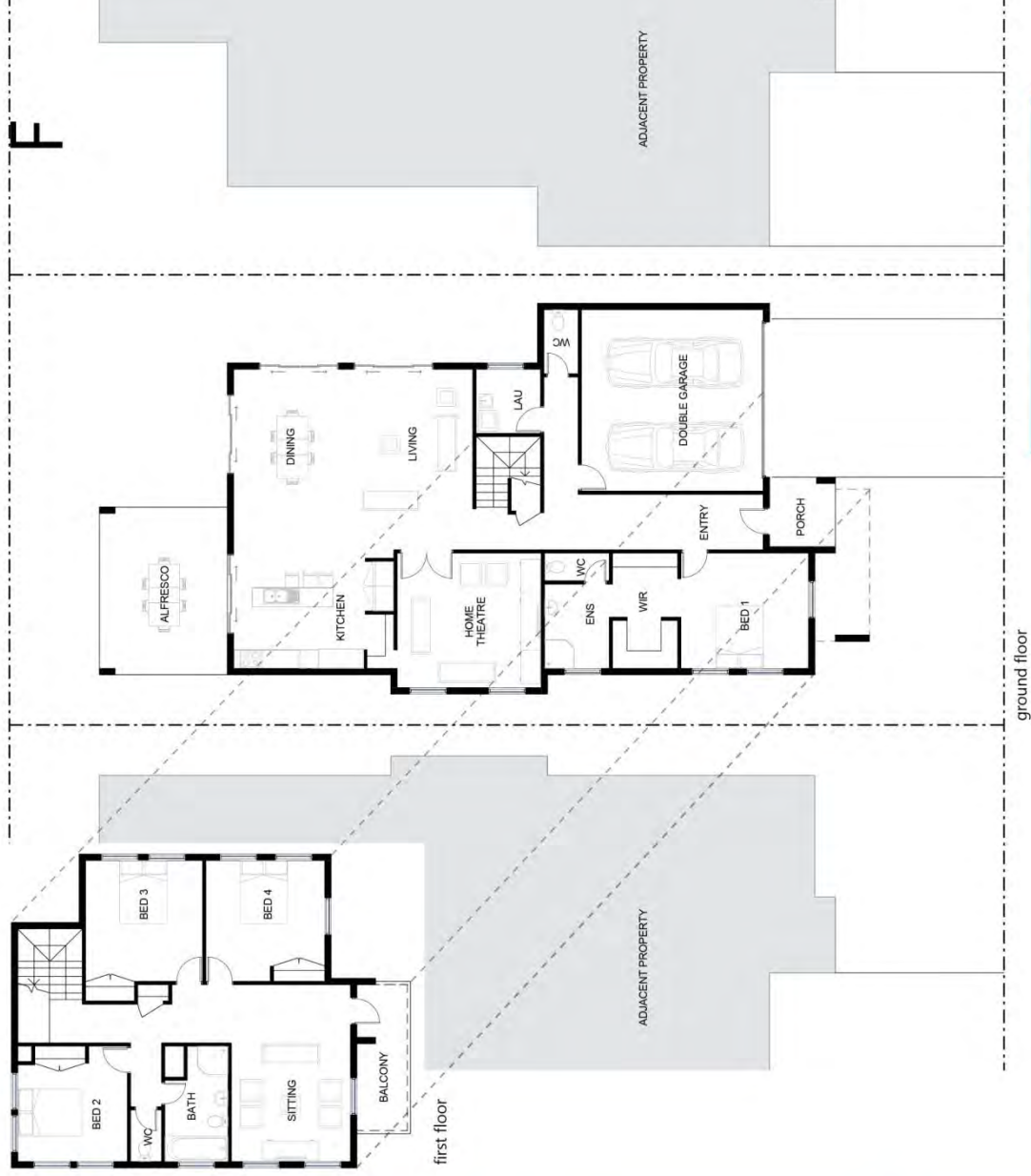
general description:  
two storey detached home  
Living area - 250 m<sup>2</sup>

	4 x	bedroom
	2 x	bathroom
	2 x	car spaces
	2 x	living spaces

## LOT SIZE

general description:  
green title/street frontage

area:	+450 m <sup>2</sup>
frontage:	+15 m
depth:	30 m
specifics:	garage to the front







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## SINGLE STOREY DETACHED

general description:  
single storey detached home  
Living area - 303 m<sup>2</sup>

-  5 x bedroom
-  2 x bathroom
-  3 x car spaces
-  2 x living spaces

## LOT SIZE

general description:  
green title/street frontage

- area: +650 m<sup>2</sup>
- frontage: +20 m
- depth: +32 m
- specifics: garage to the front

G



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# H



## VILLA

general description:  
Single Storey villa  
Living area - 60m<sup>2</sup>

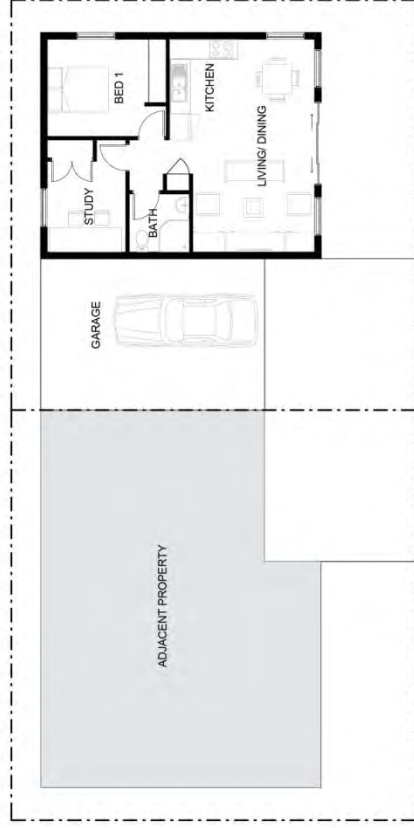
- 1 x bedroom
- 1 x bathroom
- 1 x car spaces
- 1 x living spaces

common facilities - community facilities

## LOT SIZE

general description: Multi- residential / strata





- area: +300 m<sup>2</sup>
- frontage: 10 m (Approx)
- depth: 16 m (Approx)
- specifics: Semi-detached





## TWO STOREY TOWNHOUSE

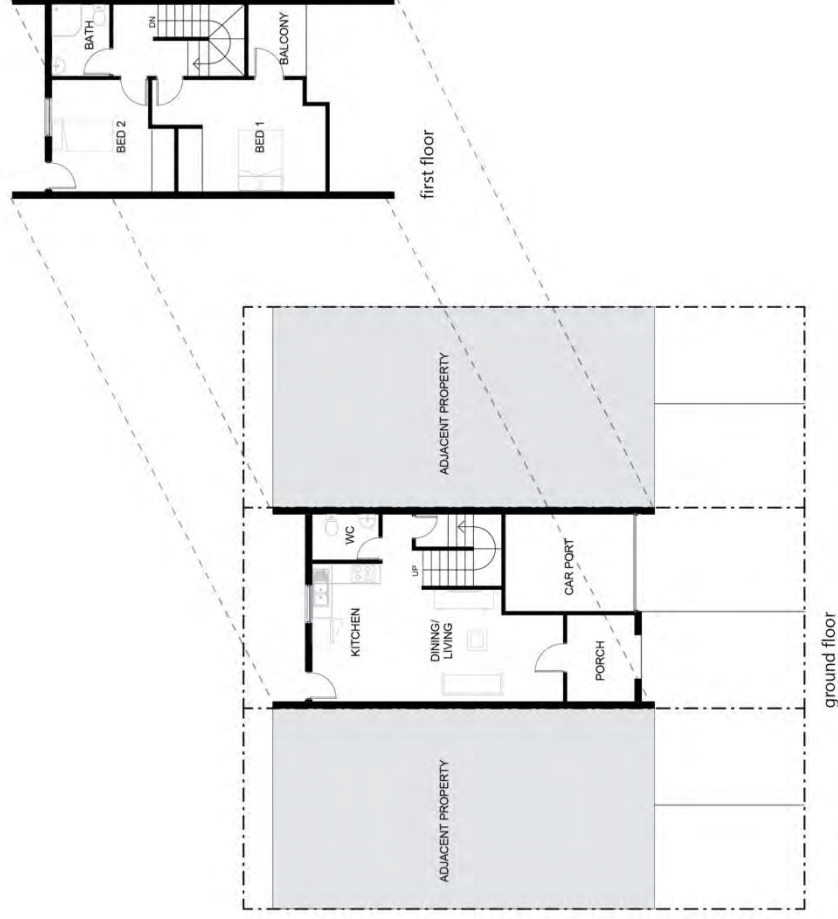
general description:  
two storey attached townhouse  
Living area - 60m<sup>2</sup>

-  2 x bedroom
-  2 x bathroom
-  1 x car spaces
-  1 x living space

## LOT SIZE

general description:  
green title/street frontage





area:	+60 m <sup>2</sup>
frontage:	6 m
depth:	10 m
specifics:	zero setback both sides



J

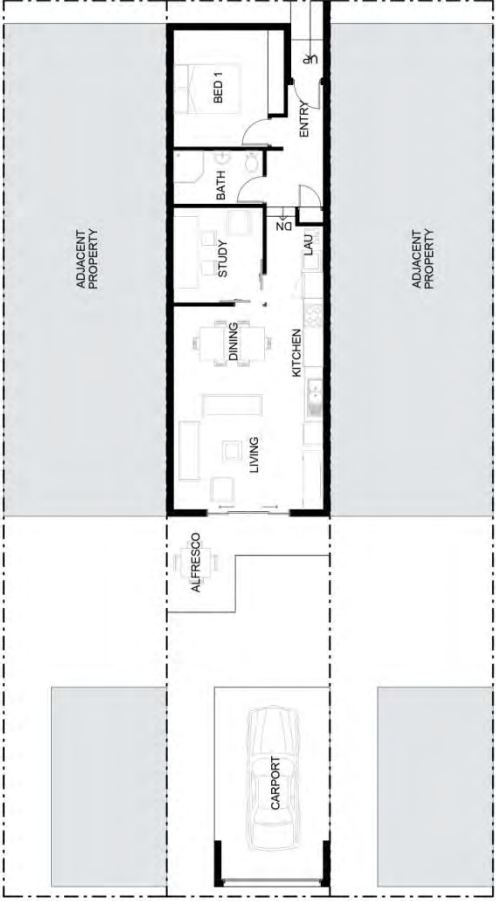


**SINGLE STOREY  
ATTACHED DWELLING**

- general description:  
Single storey attached home  
Living area - 75 m<sup>2</sup>
- |   |     |               |
|---|-----|---------------|
|    | 2 x | bedroom       |
|    | 1 x | bathroom      |
|   | 1 x | car spaces    |
|  | 1 x | living spaces |

**LOT SIZE**

- general description:  
rear loaded
- |            |                             |
|------------|-----------------------------|
| area:      | +130 m <sup>2</sup>         |
| frontage:  | +5 m                        |
| depth:     | +27 m                       |
| specifics: | garage to the rear of block |





**SINGLE STOREY ATTACHED**

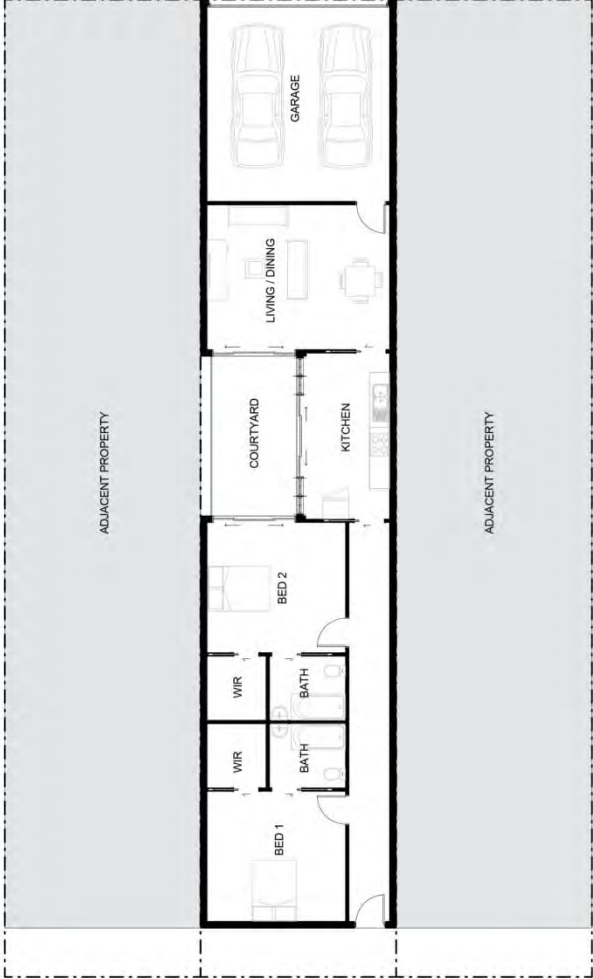
general description:  
single storey attached home  
Living area - 130 m<sup>2</sup>

- 2 x bedroom
- 2 x bathroom
- 2 x car space
- 1 x living space

**LOT SIZE**

general description:  
rear loaded

area: +150 m<sup>2</sup>  
frontage: +6 m  
depth: +27 m  
specifics: garage to the rear of the block











## TWO STOREY ATTACHED

general description:  
two storey attached home  
Living area - 130 m<sup>2</sup>

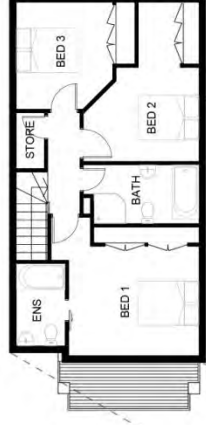
-  3 x bedroom
-  2 x bathroom
-  2 x car space
-  2 x living space

## LOT SIZE

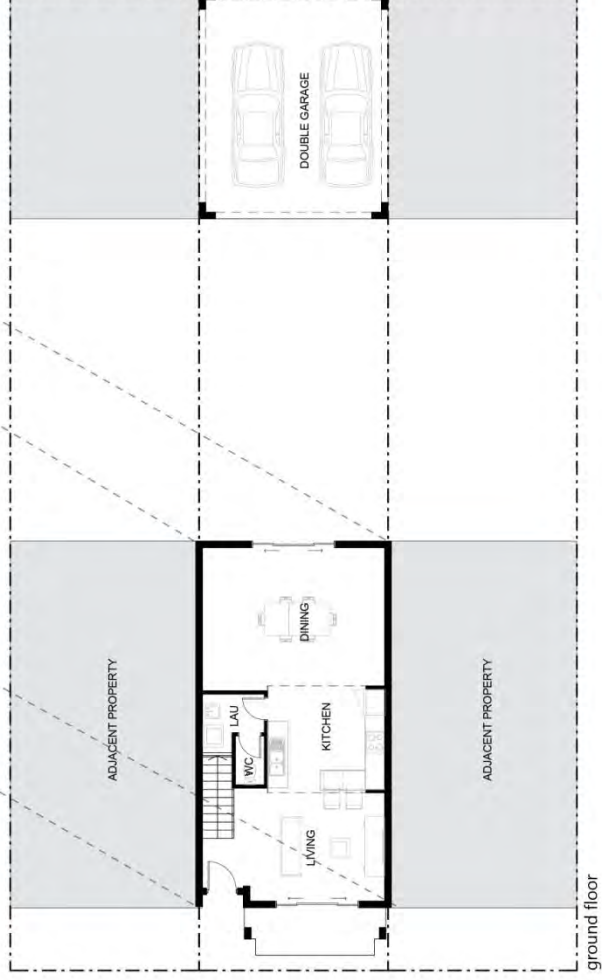
general description:  
green title/street frontage

area: +180m<sup>2</sup>  
frontage: +6m  
depth: +27 m  
specifics: garage to the rear of the block

L



first floor



ground floor

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M



### SINGLE STOREY 'BATTLEAXE'

general description:

single storey 'battleaxe'

Living area - 130 m<sup>2</sup>



- 3 x bedroom
- 2 x bathroom
- 2 x car spaces
- 2 x living spaces

### LOT SIZE

general description:

- area: 300-450 m<sup>2</sup>
- frontage: 16-20 m
- depth: 20-25 m
- specifics: battleaxe/rear lot



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## 1 BEDROOM SINGLE FLOOR APARTMENT

General description:  
Floors between 2-10  
Living area - 50 m<sup>2</sup>



1 x bedroom



1 x bathroom



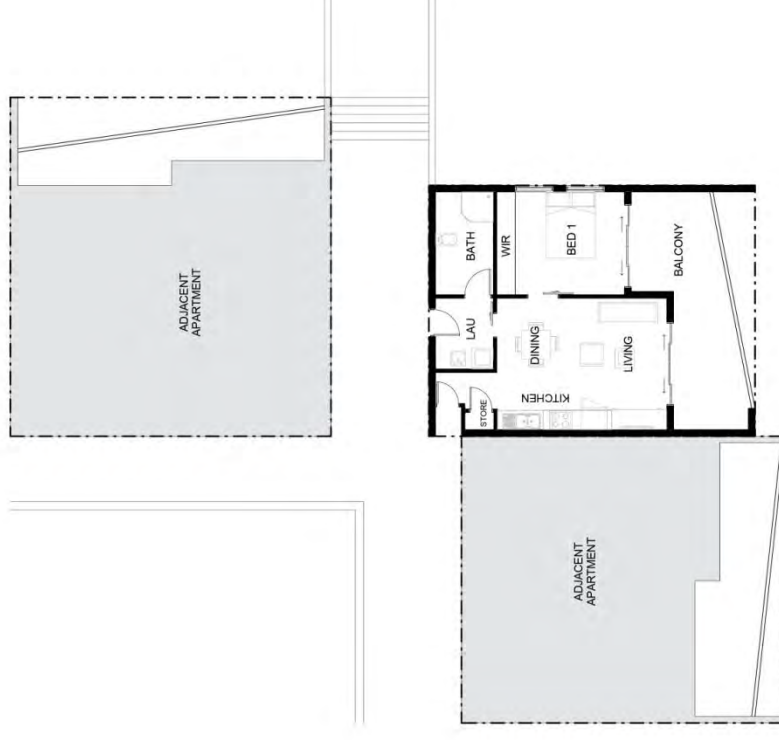
1 x car spaces



1 x living spaces

common facilities - pool+gym

N



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## 2 BEDROOM SINGLE FLOOR APARTMENT

general description:

2 bedroom apartment

Floors +10

Living area - 85 m<sup>2</sup>



2 x bedroom



2 x bathroom



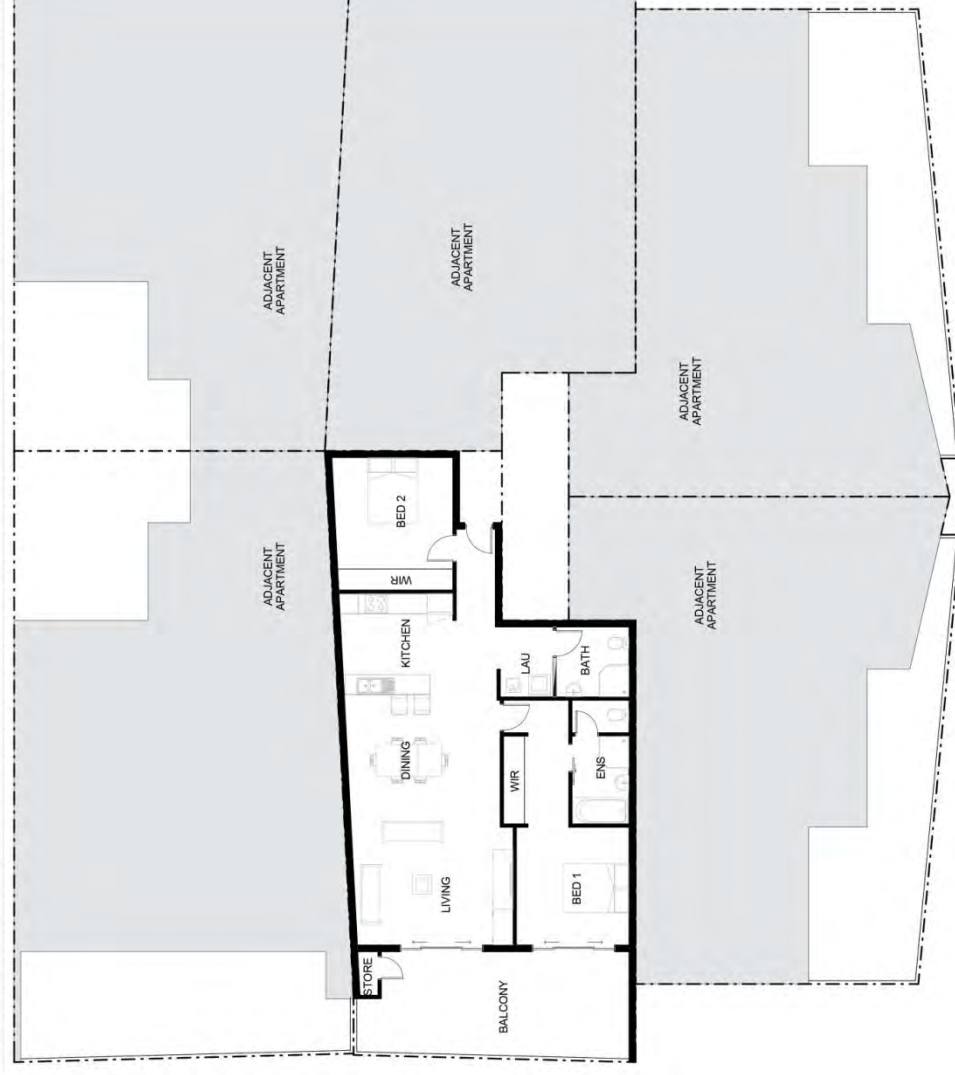
2 x car spaces



1 x living spaces

common facilities - pool+gym

O







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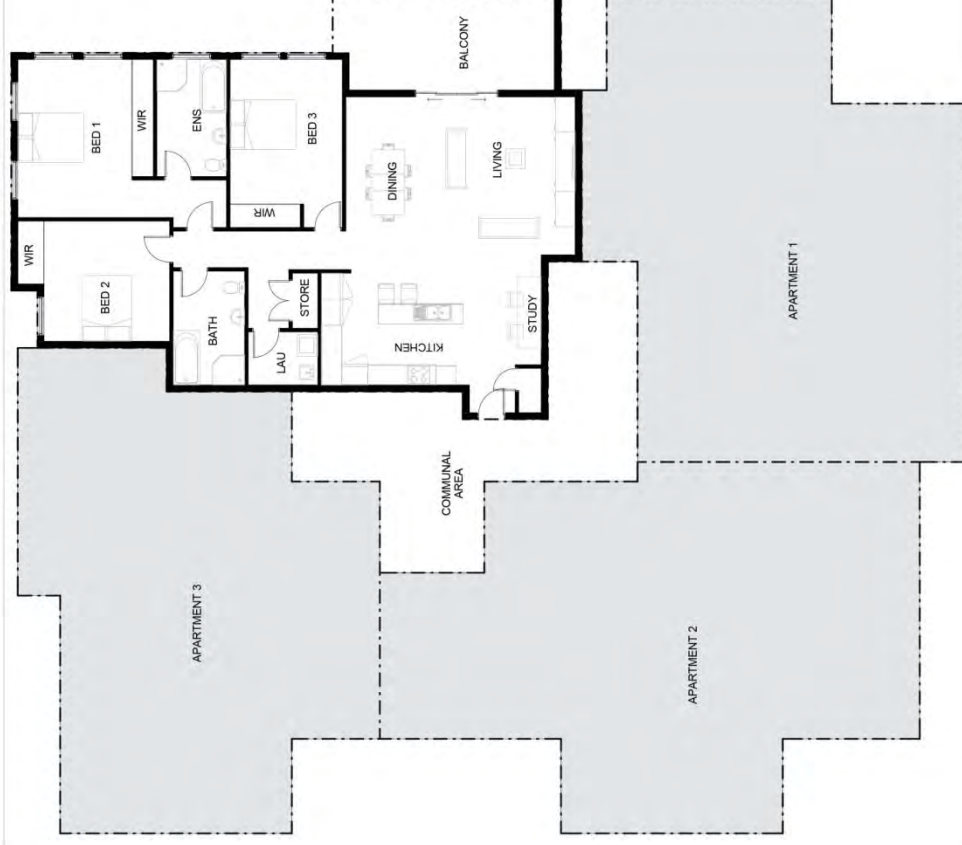




### 3 BEDROOM SINGLE FLOOR APARTMENT

- general description:  
3 bedroom apartment  
Floors 1-3  
Living area - 107 m<sup>2</sup>
-  3 x bedroom
  -  2 x bathroom
  -  2 x car spaces
  -  1 x living spaces
- common facilities - pool+gym

P



## 3.6 HOUSING PREFERENCES AND TRADE OFF SURVEY

(hosted on [www.housingwechoose.com.au](http://www.housingwechoose.com.au) and [www.housingwechoose.com](http://www.housingwechoose.com) during survey period)



Welcome to the **Housing We'd Choose** website, which presents the second of two online surveys exploring the housing preferences of metropolitan Perth and Peel residents.

### *Who's doing the research?*

The Departments of Housing and Planning have jointly commissioned an independent study on housing preferences in the Metropolitan Perth and Peel regions.

A team from Curtin Business School and design firm Hames Sharley are undertaking the work.

### *Why is it important?*

The study will reveal vital information about what matters most in choosing a dwelling, where you would prefer to live and what form of housing you would prefer to live in.

The research is also supported by industry groups - the Housing Industry Association, Planning Institute of Australia and the Property Council of Australia and your **feedback can help shape Perth's housing future!**

[housingwechoose.com.au](http://housingwechoose.com.au)



### *What's involved and where does the information go?*

The survey is designed to determine whether when choosing somewhere to live **households are willing to make trade-offs in terms of location, affordability and dwelling type**. For example will a household accept a smaller dwelling in order to live in their primary location or choose a secondary location to access their preferred dwelling type?

We expect the survey will take you **about 20 minutes to complete**.

Be assured that all information provided is confidential and no personal details will be released at any stage. Aggregated results from the survey will be published in a final report.

### *Get started now!*

At the end of the survey you will have the chance to **enter a draw to win an iPad!**

Thanks in advance for your participation in this landmark housing study.

To begin just click on the **start survey** button below.

**Start Survey**

*Please note that the mortgage/rent estimates and house prices/rents contained in this survey should not, in any way, be used as the basis for financial decisions.*

# HOUSING: Preferences and Trade-Offs Survey

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## Part A: Demographics

1: What is your sex?

- ☐ Male
- ☐ Female

2: What is your age group?

- ☐ 18-24 years
- ☒ 25-34 years
- ☐ 35-44 years
- ☐ 45-54 years
- ☐ 55-64 years
- ☐ 65+ years

3: What is your current housing tenure?

- ☐ Owned outright
- ☐ Owned with a mortgage
- ☐ Owned with shared equity (government loan scheme)
- ☐ Rented
- ☐ Other

4: If you currently rent, select your landlord type below:

- ☐ Rented through a real estate agent
- ☐ Rented through a State or Territory Housing Authority
- ☐ Rented from a person not in the same household
- ☐ Rented through Housing Co-operative/Community/Church Group
- ☐ Other landlord type

5: What is your preferred housing tenure?

- ☐ Owner occupied
- ☐ Owned with shared equity (government loan scheme)
- ☐ Rented
- ☐ Other

6: What is your current dwelling type?

- ☐ Separate (detached) house
- ☐ Semi-detached, row or terrace house, townhouse
- ☐ Low rise apartment complex (3 stories or less)
- ☐ Medium rise apartment complex (4 to 10 stories)
- ☐ High rise apartment complex (above 10 stories)

7: What is your preferred dwelling type?

- ☐ Separate (detached) house
- ☐ Semi-detached, row or terrace house, townhouse
- ☐ Low rise apartment complex (3 stories or less)
- ☐ Medium rise apartment complex (4 to 10 stories)
- ☐ High rise apartment complex (above 10 stories)

8: How many bedrooms does your current dwelling contain?

- ☐ 1
- ☐ 2
- ☐ 3
- ☐ 4
- ☐ 5+

9: If you moved to a new dwelling, what would be the MINIMUM number of bedrooms you would accept?

- ☐ 1
- ☐ 2
- ☐ 3
- ☐ 4
- ☐ 5+

10: If you moved to a new dwelling, how many bedrooms would your IDEAL dwelling contain?

- ☐ 1
- ☐ 2
- ☐ 3
- ☐ 4
- ☐ 5+

11: Have you ever lived in any of the following house types? Tick at least one.

- ☐ Separate (detached) house
- ☐ Semi-detached, row or terrace house, townhouse
- ☐ Low rise apartment complex (3 stories or less)
- ☐ Medium rise apartment complex (4 to 10 stories)
- ☐ High rise apartment complex (above 10 stories)

12: Have you ever lived outside Western Australia? Tick at least one.

- ☐ In another state of Australia
- ☐ Overseas
- ☐ No - only lived in WA

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### Part B: Location

13: Please enter the NAME of the suburb where you currently live:

14: Please enter the NAME of the suburb where the main household income earner works. If you work outside the Perth and Peel region, please type the name of the nearest town to where you work. If there is no main income earner then please type None:

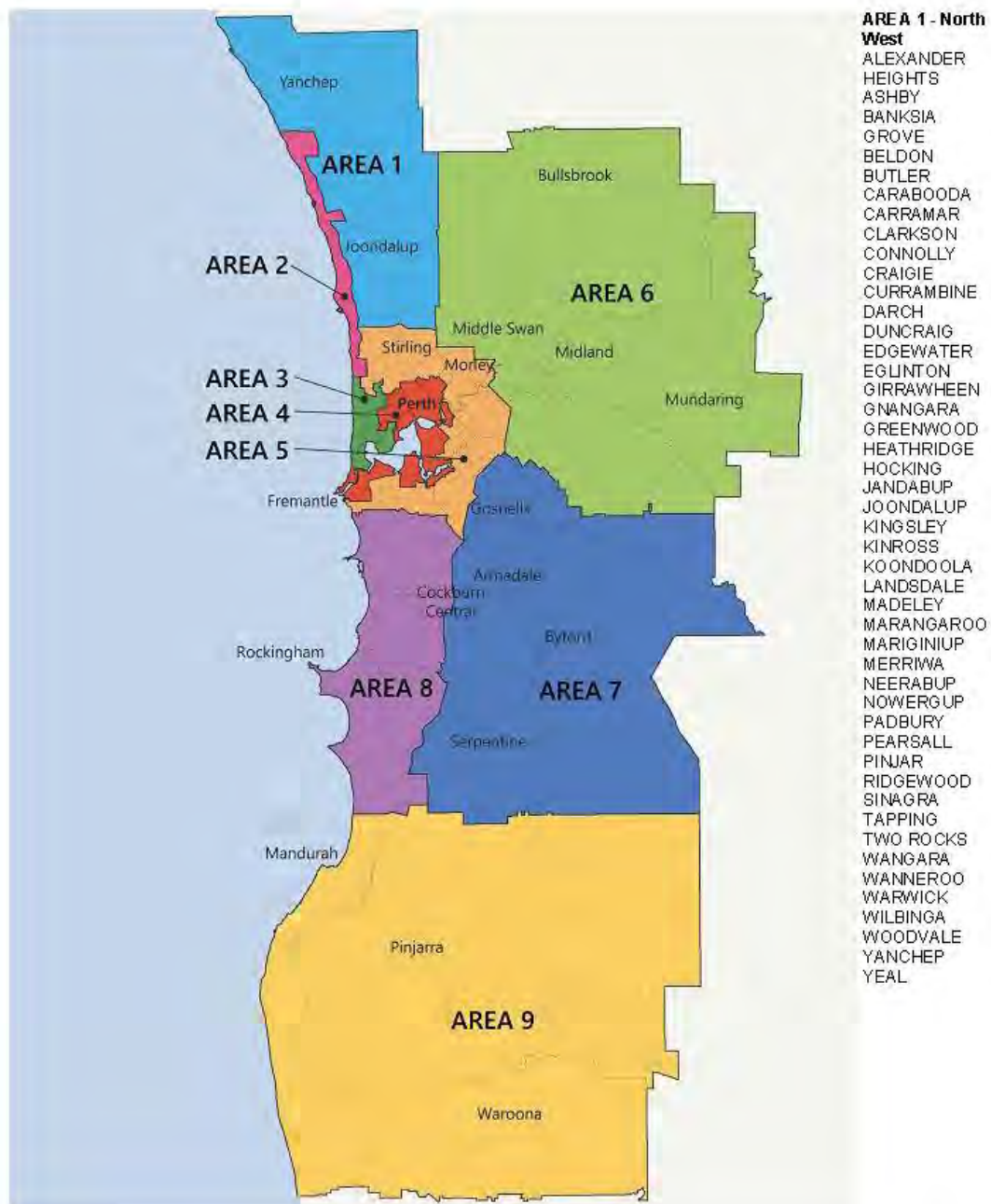
15: Please look at the map presented below. Given your current financial situation and your knowledge of house prices and rents in the Perth and Peel regions, please select the two areas where you would most like to live:

If you wish to identify the specific suburbs within each area please select the area from the first drop down menu below.

First Choice Area:

Second Choice Area:





*Each area was determined with reference to current house and multi-residential dwelling prices and rents. We tried to combine those suburbs with similar median prices and rents into the same area within broad geographical regions. Therefore each area contains suburbs which have similar median prices and rents. However, we were restricted by the number of areas we could accommodate in the survey so there is inevitably some price variation within areas.*

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### Part C: Loan Calculator

The rest of the survey focuses on the housing you would choose given your financial constraints. This will involve calculating, from the information you provide below, the maximum house price or rent you can afford given your current household income and household composition.

If a move would change your household composition, for example if you currently live with parents and wish to move out and become a one person household or join with a friend to purchase or rent a dwelling and become a group household, please answer questions 16, 17, 18 and 19 based on your future rather than current circumstances.

***Please note the figures provided are a guide to what you could afford based on a series of assumptions and should not be relied on as an assessment of your borrowing or payment capacity.***

16: What is your current household composition?

- ☐ Couple - No Children
- ☐ Couple - household containing at least one young child (under 15)
- ☐ Couple - household containing older children (all over 15)
- ☐ Couple - household containing only non-dependent children
- ☐ One parent family
- ☐ One person household
- ☐ Group household of two or more unrelated people
- ☐ One or more retired person(s)

17: Please estimate your gross household income (your total income before tax):

- ☐ \$0-\$19,999
- ☐ \$20,000-\$39,999
- ☐ \$40,000-\$64,999
- ☐ \$65,000-\$79,999
- ☐ \$80,000-\$99,999
- ☐ \$100,000-\$129,999
- ☐ \$130,000-\$154,999
- ☐ \$155,000-\$179,999
- ☐ \$180,000-\$207,999
- ☐ \$208,000-\$299,999
- ☐ \$300,000+



18: How much of your own money (for example from savings, the money left over from the sale of your house after paying off your mortgage etc.) would you be able to contribute to the purchase of a dwelling? If you are unsure please leave blank.

\$ \_\_\_\_\_

19: Please estimate the maximum proportion of your gross household income (total household income before tax) you would be prepared to pay on direct housing costs (mortgage or rent)? Please select from the list below or select don't know if you are unsure and we will make the assumption for you.

Examples:

- if your gross household income (i.e. before tax) per month is \$6,000 and you would be prepared to pay up to \$1,500 per month in mortgage costs then select 25%.
- if you could afford to pay \$2,000 per month on rent and your gross household income is around \$5,000 per month then enter 40%.

- ☐ Don't know - an assumption will be made for you based on traditional housing expenditure
- ☐ 0%
- ☐ 10%
- ☐ 15%
- ☐ 20%
- ☐ 25%
- ☐ 30%
- ☐ 35%
- ☐ 40%
- ☐ 45%
- ☐ 50%
- ☐ 55%
- ☐ 60%

*Clicking the Next button below will calculate the maximum house price or weekly rent you could afford to pay given your answers above and adding further assumptions about interest rates and loan periods. The proportion of your gross income allocated to direct housing costs in Q19 will be capped at a limit acceptable to banks in the current market.*

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## HOUSING: Preferences and Trade-Offs Survey

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The **Maximum House Price** you could afford given the information you provided in Part C is \$700,000

The **Maximum Weekly Rent** you could afford given the information you provided in Part C is \$885

*Please note the figures displayed above are for illustration only and are to be used solely for the purposes of this study. They are not to be used in any way as an indication of your actual borrowing capacity. If you wish to calculate what a specific financial institution would be willing to lend you please refer to the tools and advice made available by that institution.*

You will now be presented with a series of housing options available in the Perth and Peel regions which are affordable to you. These will be presented randomly in up to eight groups of four. You will be asked to select your favourite housing options given the specific housing type, layout and location.

To get started, please select whether you would prefer to **Purchase** or **Rent**. You can repeat the survey if you wish to undertake the exercise for the alternative option.

Back	Purchase	Rent
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# HOUSING: Preferences and Trade-Offs Survey

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## Section D: Comparison

You will now be presented with a series of housing options which are affordable to you based on the price/rent calculation. **All affordable housing options in your two preferred areas containing your minimum number of bedrooms will be presented along with a series of random options from the remaining areas.** Please note it is possible that there will be no affordable options in your two preferred areas.

Each page contains four housing options each with a brief description; two images as an example of the particular dwelling type; floor plans and a map showing the broad location. Please assume that all the housing options presented are of medium standard quality and situated in a typical location within the area shaded on the map. There are 16 different house types in total so you will see duplicates during the survey.

Later in the survey you will be asked to rank your favourite four housing options but for now please select all those you would be prepared to purchase.

Set 1:

Assume you are considering moving from your current dwelling. Look at the four options below and tick the box of any you would seriously consider purchasing (you can select more than one). If you would not consider any of these options then please tick **None of these**

**CLICK to enlarge** images to see more detail. Close pop up windows using the cross in the bottom right corner.

***Two pages showing sets of four housing image to select from are shown in the following pages.***

Home A	Home B	Home C	Home D	
<b>3 BEDROOM SINGLE FLOOR APARTMENT</b> general description: 3 bedroom apartment Floors 1-3 Living area - 107m <sup>2</sup> 3 x bedroom 2 x bathroom 2 x car spaces 1 x living spaces common facilities pool/gym	<b>SINGLE STOREY SEMI-DETACHED DWELLING</b> general description: Single storey semi-detached home Living area - 166m <sup>2</sup> 3 x bedroom 2 x bathroom 2 x car spaces 2 x living spaces LOT SIZE general description: green title/street frontage area: +490m <sup>2</sup> frontage: +14m depth: 29m specifics: zero setback to one side	<b>SINGLE STOREY DETACHED</b> general description: Single storey detached home Living area - 200m <sup>2</sup> 4 x bedroom 2 x bathroom 2 x car spaces 2 x living spaces LOT SIZE general description: green title/street frontage area: +300m <sup>2</sup> frontage: +11m depth: +23m specifics: garage to the front	<b>SINGLE STOREY DETACHED</b> general description: Single storey detached home Living area - 200m <sup>2</sup> 4 x bedroom 2 x bathroom 2 x car spaces 2 x living spaces LOT SIZE general description: green title/street frontage area: +300m <sup>2</sup> frontage: +11m depth: +23m specifics: garage to the front	
\$335,000	\$500,000	\$530,000	\$460,000	
<input type="checkbox"/> Home A	<input checked="" type="checkbox"/> Home B	<input type="checkbox"/> Home C	<input type="checkbox"/> Home D	<input type="checkbox"/> None of these



Home A	Home B	Home C	Home D
<b>3 BEDROOM SINGLE FLOOR APARTMENT</b> general description: 3 bedroom apartment Floors 1-3 Living area - 107m <sup>2</sup> 3 x bedroom 2 x bathroom 2 x car spaces 1 x living spaces common facilities pool/gym	<b>SINGLE STOREY 'BATTLEAXE'</b> general description: Single storey, battleaxe Living area - 130m <sup>2</sup> 3 x bedroom 2 x bathroom 2 x car spaces 2 x living space LOT SIZE general description: strata/rear lot area: 300-450m <sup>2</sup> frontage: 16-20m depth: 20-25m specifics: battleaxe/rear lot	<b>TWO STOREY DETACHED</b> general description: Two storey detached home Living area - 250m <sup>2</sup> 4 x bedroom 2 x bathroom 2 x car spaces 2 x living spaces LOT SIZE general description: green title/street frontage area: ~450m <sup>2</sup> frontage: ~15m depth: 30m specifics: garage to the front	<b>TWO STOREY TOWNHOUSE</b> general description: Two storey attached townhouse Living area - 206m <sup>2</sup> 3 x bedroom 2 x bathroom 2 x car spaces 2 x living spaces LOT SIZE general description: green title/street frontage area: ~300m <sup>2</sup> frontage: 8m depth: 30m specifics: zero setback both sides garage at rear of block
\$435,000	\$400,000	\$610,000	\$545,000
			
			
			
			

☐ Home A

☐ Home B

☐ Home C

☐ Home D

☐ None of these

# HOUSING: Preferences and Trade-Offs Survey

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## Section E: Comparing Your Favourites

Below are presented all the housing options you selected in the previous screens.

Please review these options again and select, from the drop down menus, your 4 favoured housing options.

Use 1 to rank your first choice down to 4 for your fourth choice. If you have less than 4 options then rank all options presented.

**See over for a sample of the selected housing options for ranking.**

Home 1	Home 2	Home 3	Home 4	Home 5	Home 6	Home 7
▼ Rank here	▼ Rank here	▼ Rank here	▼ Rank here	▼ Rank here	▼ Rank here	▼ Rank here
<b>TWO STOREY ATTACHED</b> general description: 2 storey attached home Living area - 130m <sup>2</sup> 3 x bedroom 2 x bathroom 2 x car space 2 x living space	<b>TWO STOREY ATTACHED</b> general description: 2 storey attached home Living area - 136m <sup>2</sup> 3 x bedroom 2 x bathroom 2 x car space 2 x living space	<b>TWO STOREY ATTACHED</b> general description: 2 storey attached home Living area - 130m <sup>2</sup> 3 x bedroom 2 x bathroom 2 x car space 2 x living space	<b>SINGLE STOREY BATTLEAXE</b> general description: Single storey battleaxe Living area - 136m <sup>2</sup> 3 x bedroom 2 x bathroom 2 x car spaces 2 x living space	<b>SINGLE STOREY BATTLEAXE</b> general description: Single storey battleaxe Living area - 130m <sup>2</sup> 3 x bedroom 2 x bathroom 2 x car spaces 2 x living space	<b>3 BEDROOM SINGLE FLOOR APARTMENT</b> general description: 3 bedroom apartment Floor 1-3 Living area - 107m <sup>2</sup> 3 x bedroom 2 x bathroom 2 x car spaces 1 x living space common facilities pool-gym	<b>TWO STOREY ATTACHED</b> general description: 2 storey attached home Living area - 130m <sup>2</sup> 3 x bedroom 2 x bathroom 2 x car space 2 x living space
<b>LOT SIZE</b> general description: green title/street frontage area: ~183m <sup>2</sup> frontage: ~5m depth: ~27m specifics: garage at rear of block	<b>LOT SIZE</b> general description: green title/street frontage area: ~180m <sup>2</sup> frontage: 46m depth: ~27m specifics: garage at rear of block	<b>LOT SIZE</b> general description: green title/street frontage area: ~183m <sup>2</sup> frontage: ~5m depth: ~27m specifics: garage at rear of block	<b>LOT SIZE</b> general description: strata/rear lot area: 365-450m <sup>2</sup> frontage: 16-20m depth: 36-35m specifics: battleaxe/rear lot	<b>LOT SIZE</b> general description: strata/rear lot area: 300-450m <sup>2</sup> frontage: 16-20m depth: 20-25m specifics: battleaxe/rear lot		<b>LOT SIZE</b> general description: green title/street frontage area: ~183m <sup>2</sup> frontage: ~5m depth: ~27m specifics: garage at rear of block
\$440,000	\$580,000	\$350,000	\$350,000	\$580,000	\$385,000	\$345,000

# HOUSING: Preferences and Trade-Offs Survey

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## Part F: Decision Making Factors

20: If you planned to move tomorrow, does the housing option you ranked as your first choice reflect the housing you would choose given your current financial situation?

☐ Yes

☐ No – What would you have preferred?



21: In order to understand how you chose your preferred housing option please tell us the three most important factors in your decision (select using the drop down lists):

### Most Important Factor

LOCATION (the areas you chose)



### Second Important Factor

HOUSE TYPE (whether the dwelling had to be of a specific type e.g. detached, semi-detached or an apartment)



### Third Important Factor

DWELLING FEATURES (size of lot, number of parking spaces, presence of garden, number of bedrooms and living areas)



**Respondents could only Rank their top three, but for information the 4<sup>th</sup> option was**

DWELLING PRICE/RENT (perceived value for money of the housing option)





## HOUSING: Preferences and Trade-Offs Survey

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Thank you for completing the survey, your efforts are greatly appreciated.

If you would like to **share this survey with a friend**, please click on the following link: [Email this survey to a friend](#) or send them to: [www.housingwechoose.com.au](http://www.housingwechoose.com.au)

Feel free to share on Facebook:



If you would like to **go into the draw to win an iPad** please type your email address below. Your email will not be used for any other purpose.

Email: \_\_\_\_\_

If you would like to complete the ranking for renting then please click [here](#)

Enter iPad Draw & Close