



Real Home Shift

May 2021



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About the report

The *Real Home Shift* report explores the impact the last 12 months has had on the average Australian family home. From how the traditional concept of the home is changing, the shift in where people want to live, what they are looking for in a property, and how the perception of the ideal lifestyle has changed.

The report is compiled based on research commissioned by Real Insurance and conducted by CoreData between 18 February and 5 March 2021. The research was conducted via a quantitative online survey, gathering 5,019 responses from Australians aged between 18 and 65 years. The report also compares some results to those gathered previously in the [2018 Real Home Reality report](#).

The sample is representative of the general population of Australians in terms of age, gender, wealth, and state/territory.

There are four major scenarios that are referenced throughout the report, these are:

- Owners – respondents who have bought a home and have either paid it off, or still paying it off
- Prospects – respondents who are currently committed to saving for a home deposit
- Non-prospects – respondents who are currently not looking to be a homeowner
- Owner prospects - respondents who are owners and considering to buy a residential property in the next 1-2 years

Important things to observe about the charts

- ! Charts without a specific note represent questions that were asked to all respondents.
- ! The types of questions asked are also noted. For instance, '*Multiple answers allowed' appears when the question called for more than one answer from the respondent.



Key findings

Key findings

City-siders are looking for a change

- There has been an exodus from metropolitan locations, with more than 2 in 5 (43.8%) considering a move, or having moved to a regional or rural area in the last 1-2 years.
- More than a quarter (27.5%) have relocated interstate, with Queensland (32.0%) being the most popular destination, followed by New South Wales (26.9%) and Victoria (17.1%).
- Living waterside is highly desirable, with two thirds (64.8%) relocating to areas within 30 minutes of a coastline.

Regional areas are the most appealing for those looking to relocate

- More than half (55.2%) of those looking to relocate to regional areas are based in metropolitan areas.
- These are typically older Australians who are looking to escape the hustle-bustle of a city lifestyle (29.9% vs. 23.3% overall), over crowding (32.0% vs. 26.1% overall) as well as the traffic and commuting (32.3% vs. 27.6%).

Interstate moves are typically driven by younger individuals moving to other metropolitan areas

- Almost two thirds (63.2%) of those moving interstate have considered metropolitan areas.
- This cohort tends to skew younger with a mean age of 41, compared to those moving within their state (43). 7 in 10 (70.7%) of those moving interstate are between the ages of 18 and 49.
- The biggest difference in motivations for those moving interstate include access to work opportunities (13.0%), re-evaluating things after the pandemic (16.1%) and facilitating working from home (10.3%).

The majority of those who have relocated do not have any regrets and have found local communities to be welcoming

- Of those who have relocated in the last 1-2 years, the large majority have no regrets (71.3%).
- More than half (55.4%) have found, or expect the locals of their new area to be welcoming.

Key findings

The majority are looking for a change in lifestyle and hope to integrate with the local communities

- For those contemplating a move, lifestyle is the most common (51.0%) desirable difference between their current location and the area they are moving/considering moving to.
- Other common motivators include affordability of property (37.6%), space or access to nature (35.8%) and the cost of living (33.3%).
- Almost 3 in 5 (57.8%) have reasonable, or strong intentions to integrate with the local community that they have moved to, or are moving to.
- Those moving out of the city are looking to escape the traffic and commute (27.6%), expensive property (26.8%) and over crowding (26.1%).

The youngest of family members are another key motivator in the decision to move

- 66.4% have chosen their relocation location based around their children.
- Just over half (51.8%) of the respondents children are/were keen on making the move.
- Those with younger children under 18, were more likely (50.7%) than those with adult children at home to relocate (35.3%).

The reviews from regional residents on the influx of city-siders is mixed

- Around half of regional Australians (51.3%) believe that migration or investment property purchases from non-locals is changing the community with half (55.3%) rating this as both good and bad.
- Gen Z seem to have a different perspective from the rest, 83.2% see both the good and the bad. Baby Boomers are slightly more likely to see this issue negatively (32.1% compared to 28.3% overall).

There have been both positive and negative impacts

- The majority of regional Australians (52.3%) feel that they have benefitted from property value increasing, while 41.8% have also experienced an increased diversity in the community.
- Another positive impact has been from the improvement of amenities and local services (27.2%).
- However, 2 in 3 (65.5%) believe property is becoming harder to afford.
- 2 in 5 (45.1%) find that the cost of living is increasing, and over a third (35.8%) believe the amenities and local services have become overburdened.

Key findings

The 'Great Australian Dream' has been reinvented and is now centred on the simple things in life

- Australians believe the 'Great Australian Dream' consists of staying healthy and enjoying life (23.7% ranked first), feeling financially secure (14.0% ranked first), having a happy/healthy family (10.4% ranked first), having the experiences they want in life (8.7% ranked first) and being the best version of themselves (8.1% ranked first).
- Wellbeing has taken over the traditional Australian dream of home ownership, with owning a home ranked as a first priority by only 8.3%.

Prospects are feeling locked out of the property market

- Almost three quarters (73.2%) of prospects feel they have been locked out of the property market, compared to 66.8% in 2018.
- 9 in 10 prospects (90.6%) think it is hard to get on the property ladder.

Prospects are determined to overcome the challenges by making sacrifices in their lifestyle and spending

- 7 in 10 (68.5%) have already started cutting down spending on clothing, footwear and accessories.
- Similarly, 66.0% have been cutting down spending on travelling and 64.0% have been cutting down on eating out/socialising.
- Almost two thirds (63.3%) feel they will have to make compromises to purchase a home.

The sacrifice will be worth it to prospects

- More than 4 in 5 (82.0%) prospects feel that being able to own their own home will have been worth sacrificing their lifestyle for.
- More than three quarters (78.1%) believe that sacrificing lifestyle will be difficult, but admit it's necessary to achieve their goal of owning their own home.

The life of a 'green nomad' is found to be attractive with younger, and wealthier individuals

- Over 4 in 10 (42.3%) are happy to travel for an extended period of time, often in rural, remote or regional areas, in order to appreciate the natural environment.
- Gen Z (57.5%) and Gen Y (50.3%) respondents are more likely than Gen X (43.3%) and Baby Boomers (30.9%) to find the life of a 'green nomad' attractive.
- Those in higher wealth segments are more likely to find this lifestyle attractive. Over half (54.2%) of the wealthiest group of Australians prefer the life of a 'green nomad' compared to 39.2% of those who fall within the average wealth segment.

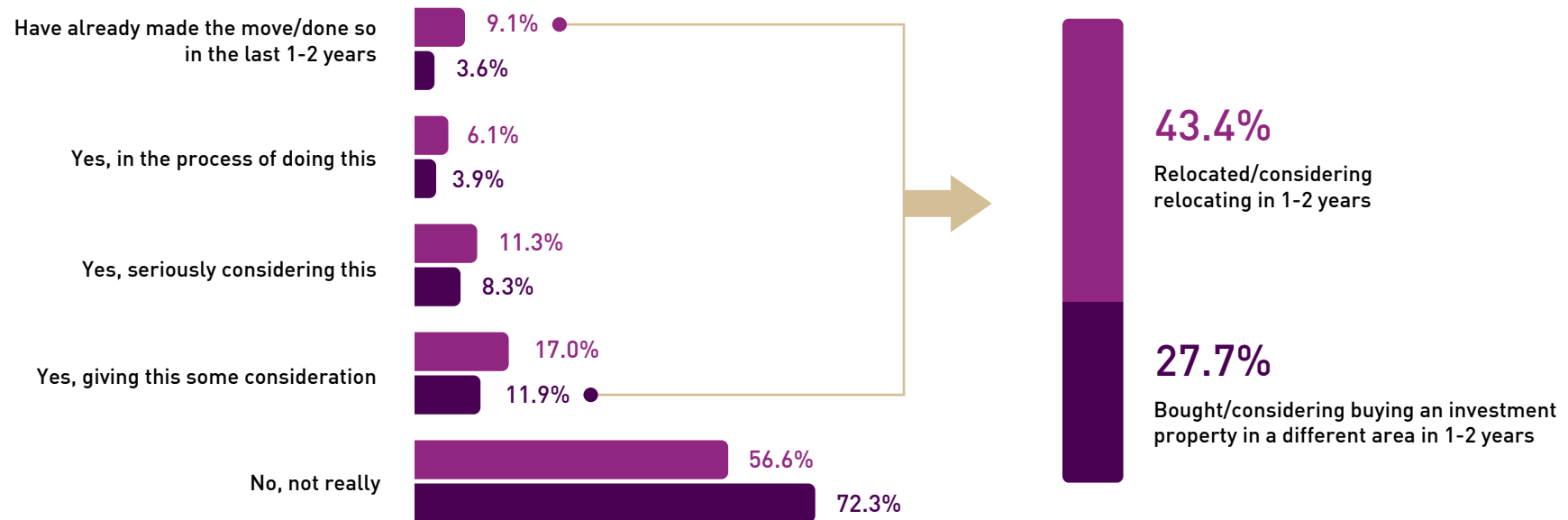


The great exodus

Australians are moving

Have you been considering relocating where you live to a different area (i.e. different city or region) in the short-term (i.e. 1-2 years)?

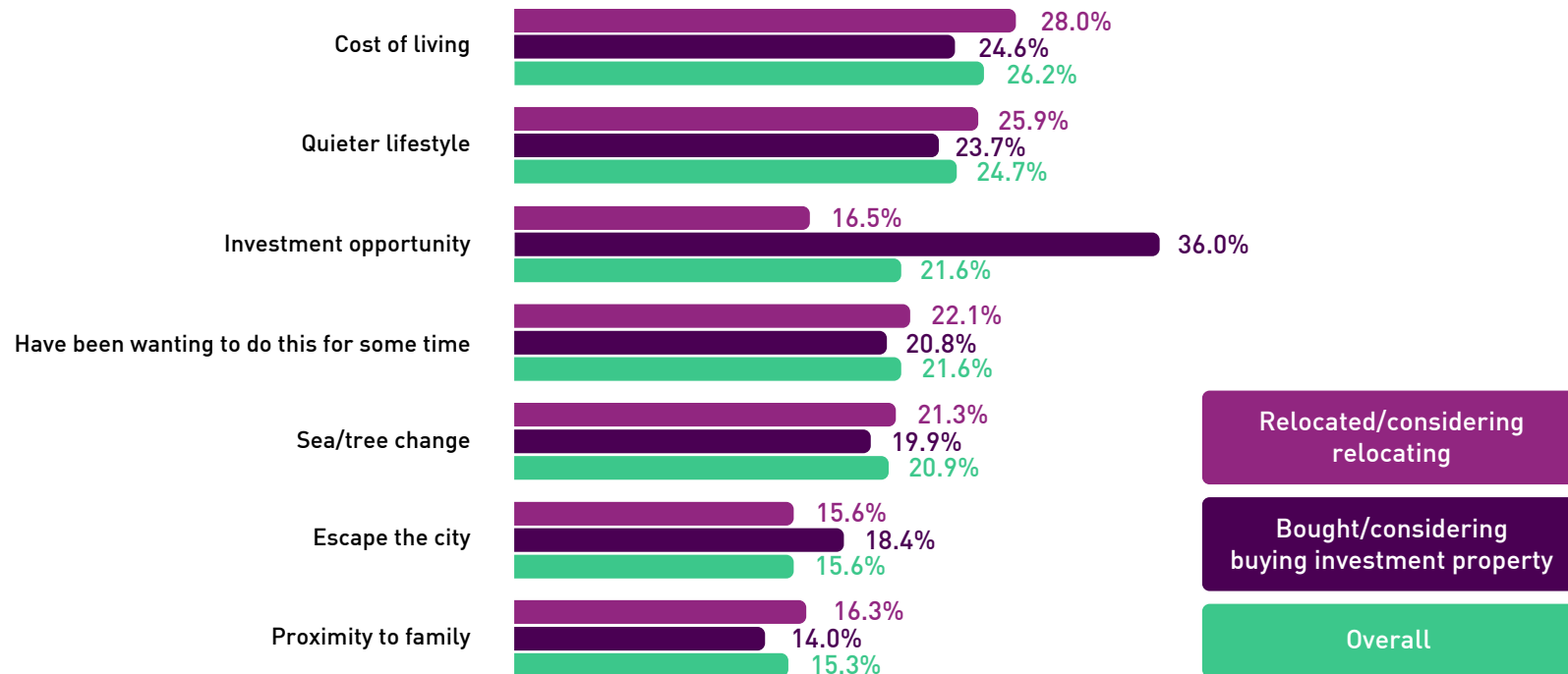
Have you been considering buying an investment property in the short-term (i.e. 1-2 years) in a different area that you would spend at least some time every year? (i.e. a get away)



More than 2 in 5 (43.4%) Australians have already relocated or are considering relocating to a different area in the next 1-2 years, while around 3 in 10 (27.7%) have either already bought, or are considering buying an investment property in the next 1-2 years.

Motivations for relocating

What are your strongest motivations for this?



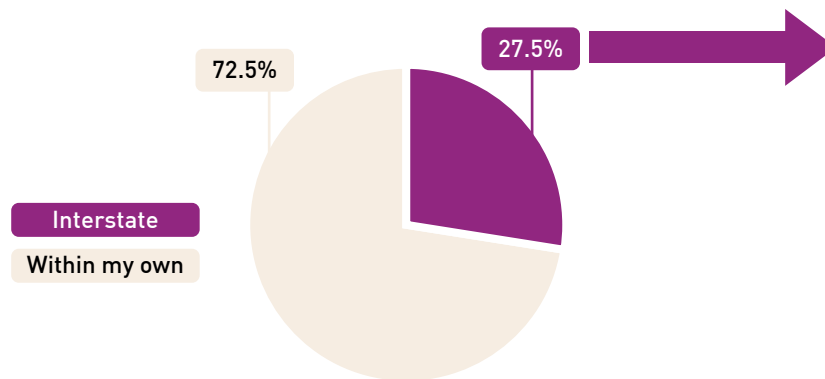
Multiple answers allowed
Top 7 answers only

n = 2,441, overall (relocated/bought an investment property or considering to relocate/buy an investment property); 2,106, relocated/considering to relocate; 1,383, bought/considering to buy an investment property

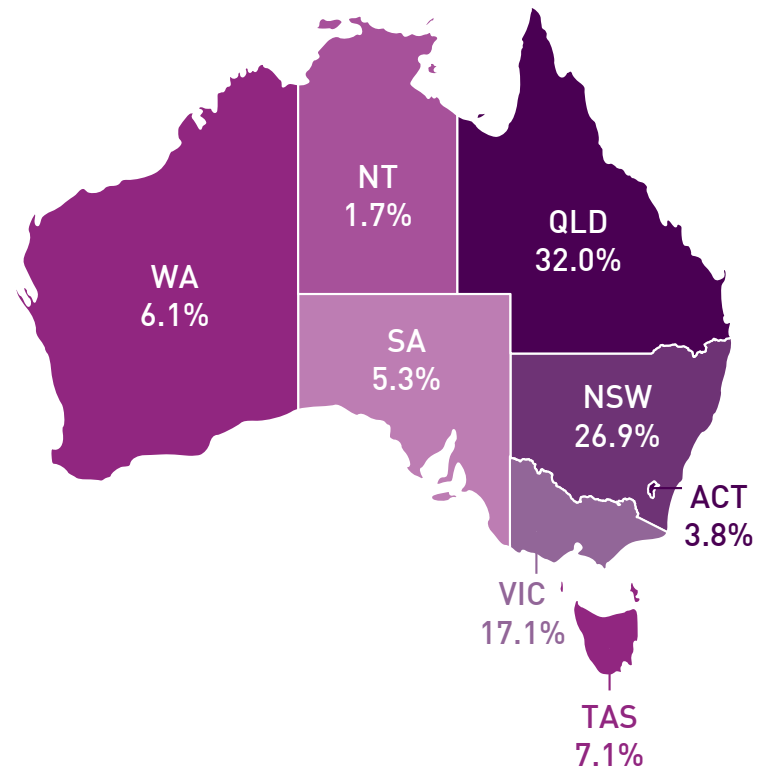
Overall, the cost of living (26.2%) is the strongest motivator for relocating to a different area.

The Sunshine State is the top destination for interstate relocation

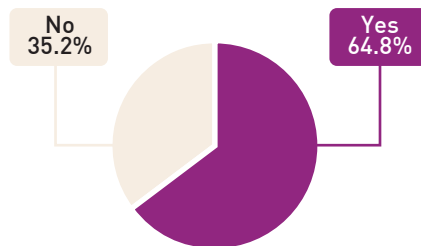
If considering a move, is this interstate or within your own state?



Which state have you been considering relocating to (or have already moved to in the last 1-2 years)?



Is this close to the coast? (i.e. within 30 mins drive)



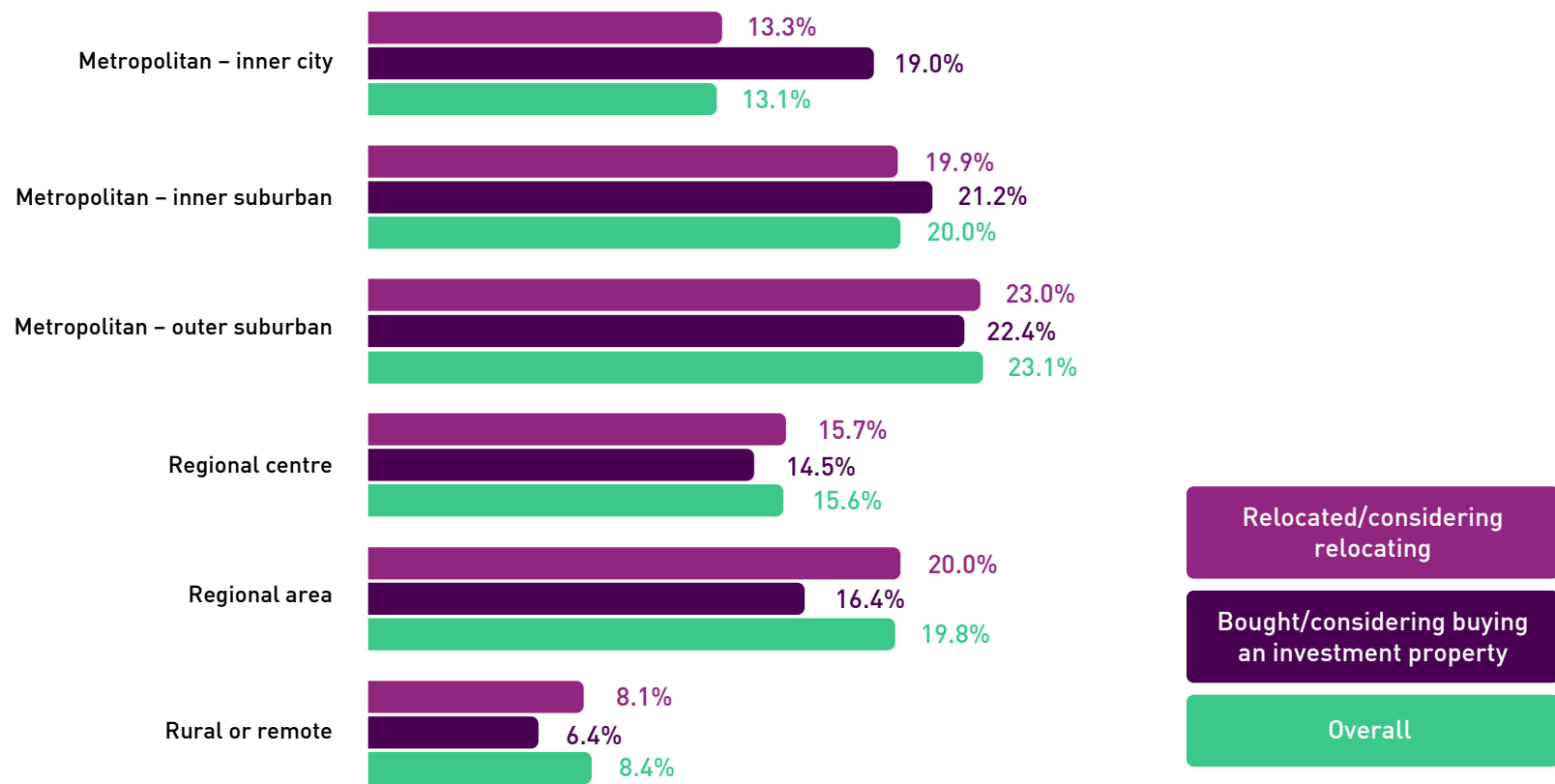
n=2,441, relocated/bought an investment property or considering to relocate/buy an investment property

n=654, relocated/bought an investment property or considering to relocate or buy an investment property to/in another state

Being close to the water is highly desired with 2 in 3 (64.8%) relocating to areas within 30 minutes of a coastline.

Key regions considered for relocation

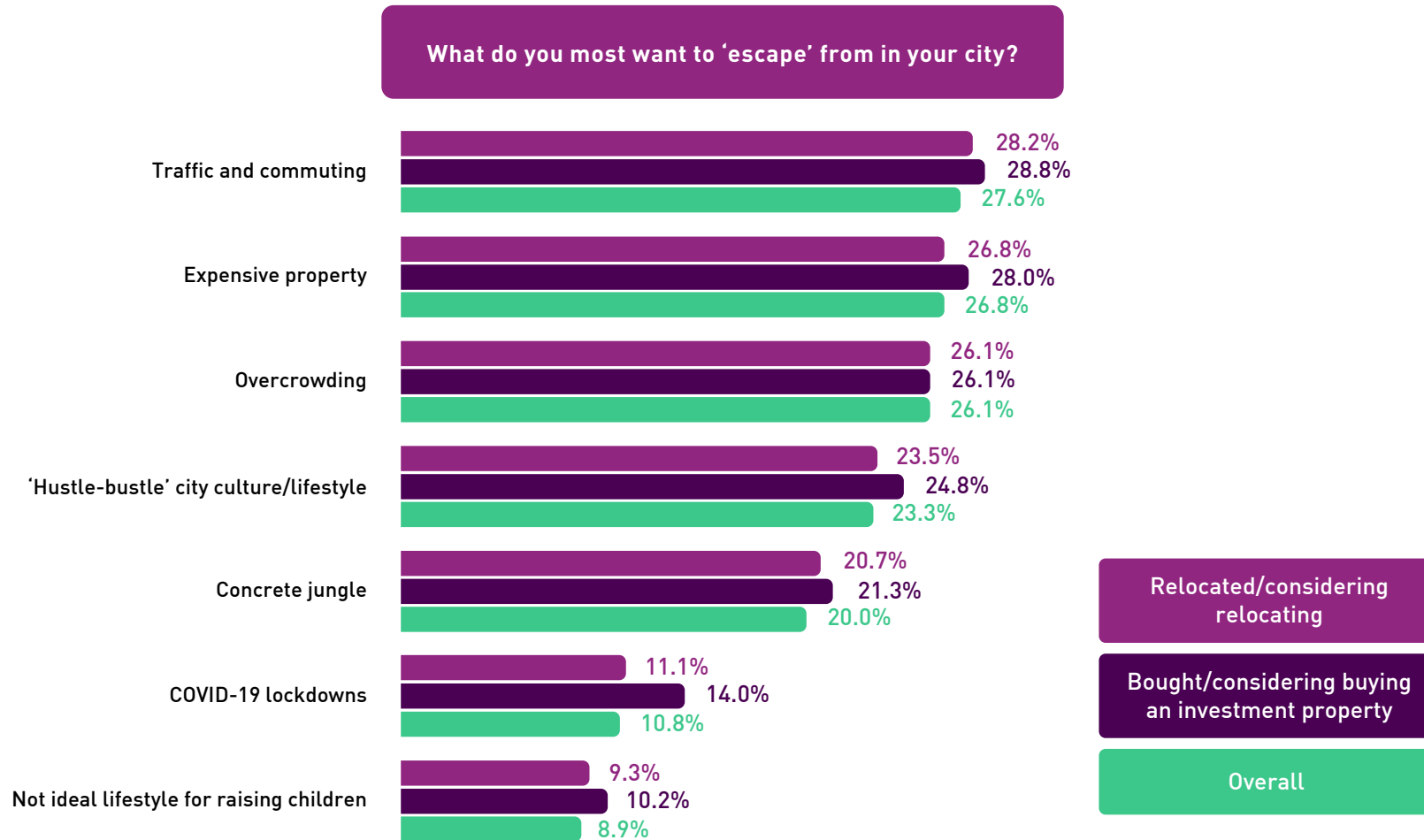
In what area have you been considering relocating to (or have already moved to in the last 1-2 years)?



n = 2,441, overall (relocated/bought an investment property or considering to relocate/buy an investment property); 2,106, relocated/considering to relocate; 1,383, bought/considering to buy an investment property

Overall, 43.8% have been considering relocating to a regional centre/area, rural or remote place.

What Australians won't miss about their current city



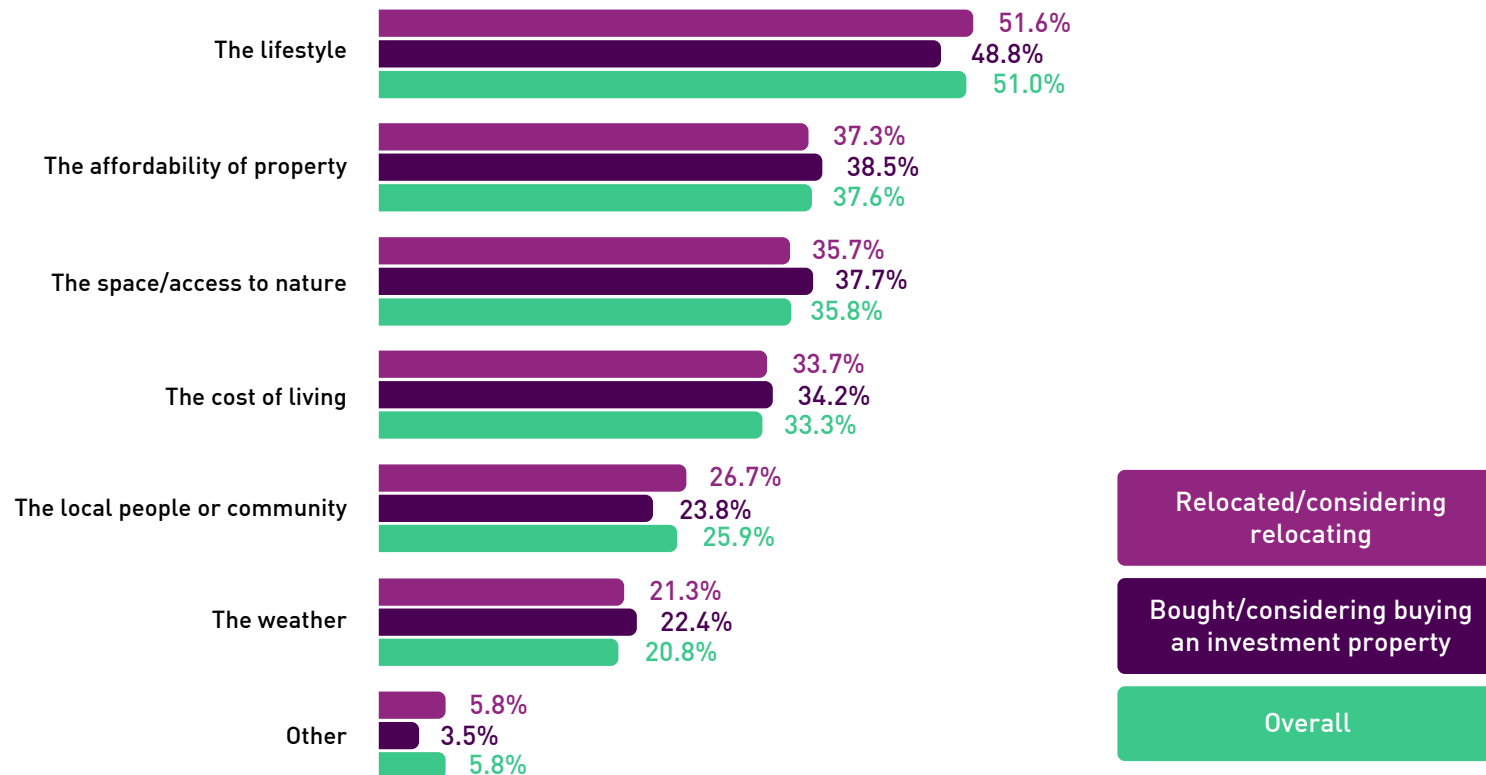
Multiple answers allowed
Top 7 answers only

n= 2,441, overall (relocated/bought an investment property or considering to relocate/buy an investment property); 2,106, relocated/considering to relocate; 1,383, bought/considering to buy an investment property

Overall, the top reasons for moving to regional Australia include the traffic (27.6%), expensive property (26.8%) and overcrowding (26.1%).

Biggest differences from before and after relocating

What are the biggest differences between where you are now and where you will/have moved to (or purchased an investment property) that makes it most desirable?



Multiple answers allowed

n= 2,441, overall (relocated/bought an investment property or considering to relocate/buy an investment property); 2,106, relocated/considering to relocate; 1,383, bought/considering to buy an investment property

More than half (51.0%) of those who have relocated see the lifestyle change as one of the biggest differences between their current location and their relocation area.

Locals are welcoming

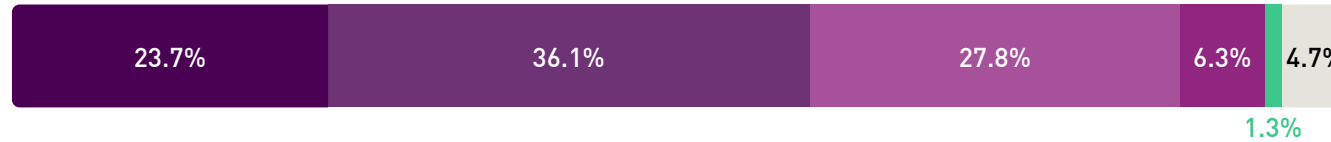
How welcoming did you actually find/do you expect the locals to be?



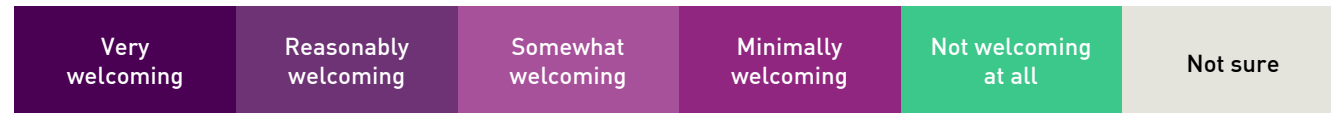
Relocated/considering relocating



Bought/considering buying investment property



Overall

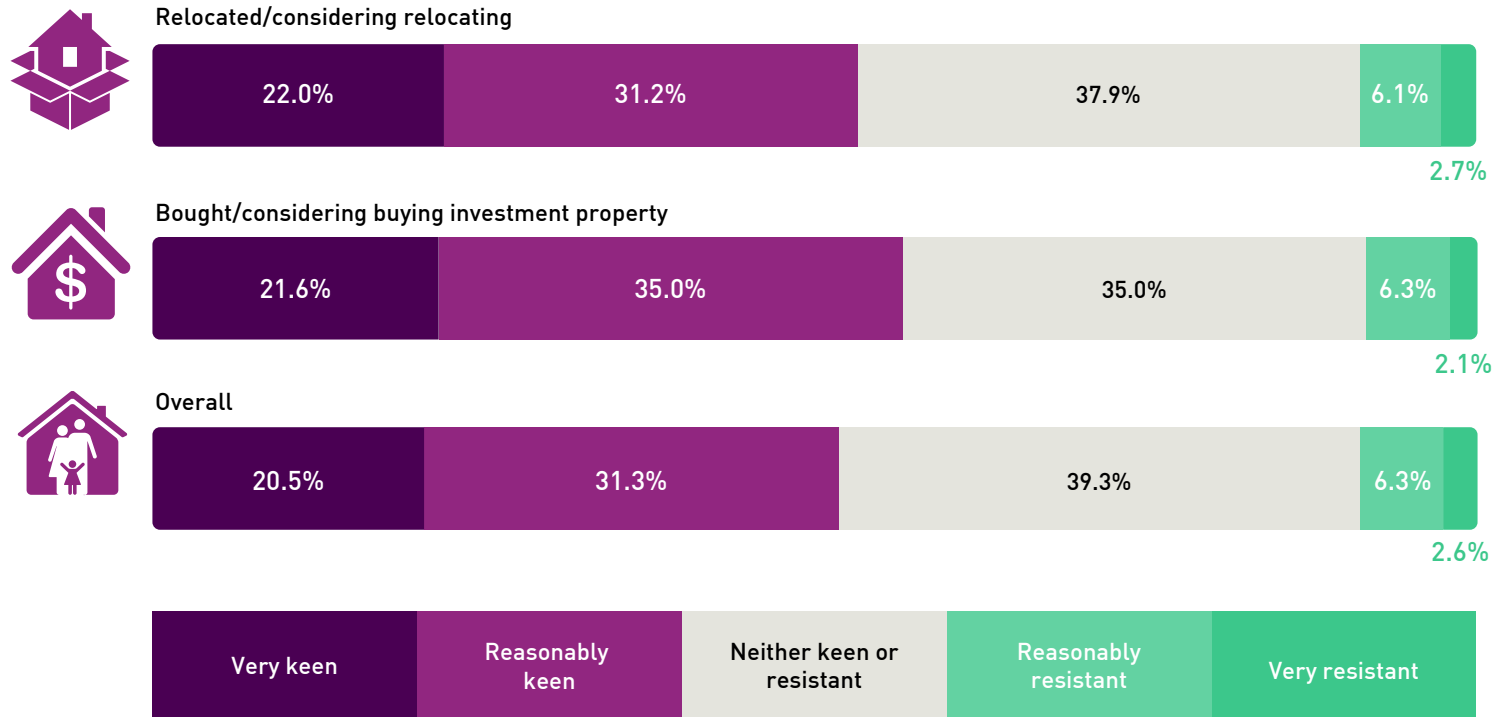


n = 2,441, overall (relocated/bought an investment property or considering to relocate/buy an investment property); 2,106, relocated/considering to relocate; 1,383, bought/considering to buy an investment property

Overall more than half (55.4%) of those who have moved, or are considering moving, have found the locals to be very or reasonably welcoming.

Kids are keen on a move

Were/are your children keen on making this move?

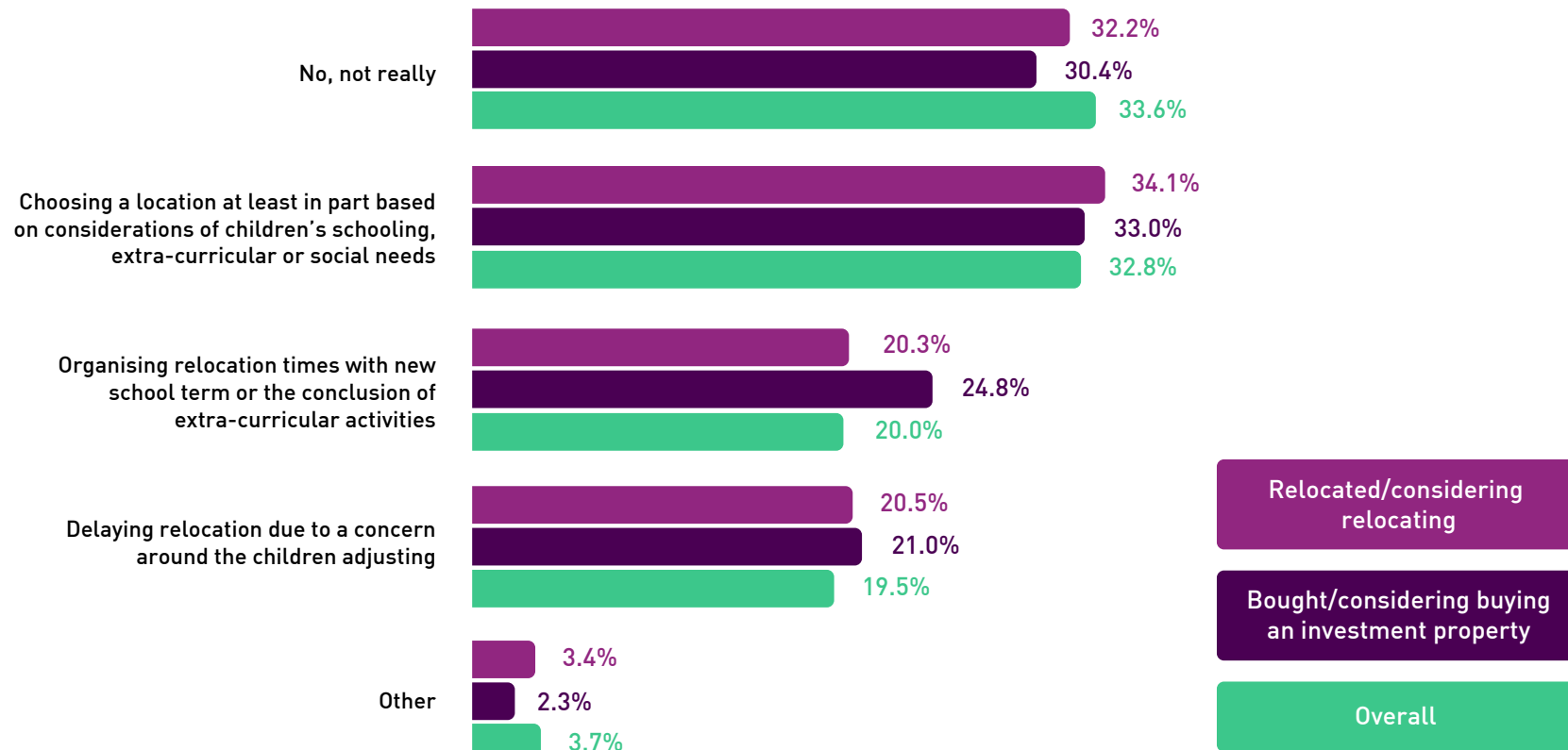


n = 1,055, overall (relocated/bought an investment property or considering to relocate/buy an investment property who have children living at home); 884, relocated/considering to relocate; 695, bought/considering to buy an investment property

1 in 2 (51.8%) of those families with children making a move/considering a move, say their children are very or reasonably keen on the idea.

Relocation plans accommodating children

Have you worked your relocation plans around accommodating any of your children's needs?



Multiple answers allowed

n= 1,055, overall (relocated/bought an investment property or considering to relocate/buy an investment property who have children living at home); 884, relocated/considering to relocate; 695, bought/considering to buy an investment property

The majority of those who have moved or are considering a move have had to, or expect to work their plans around their children.

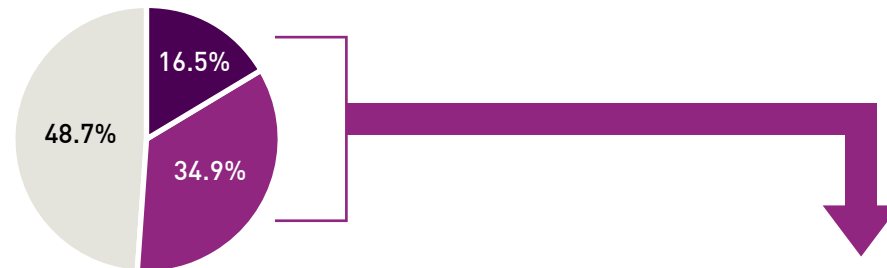


Local perspectives on the great exodus

Changing local communities seen as good and bad

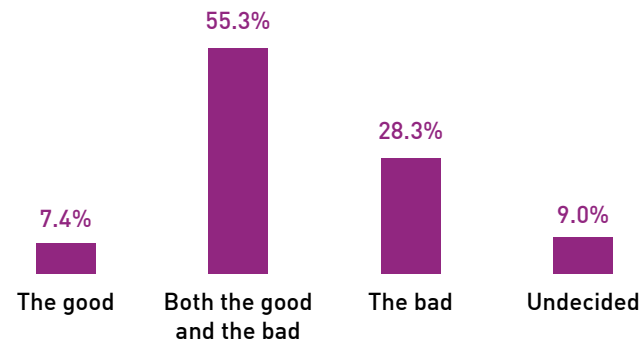
Is migration or investment property purchases from non-locals changing the community at all?

- Yes, to a great extent
- Yes, to some extent
- No, not really



n= 1,469, currently living in regional or rural areas

Would you say this is for the good or the bad of your local community?

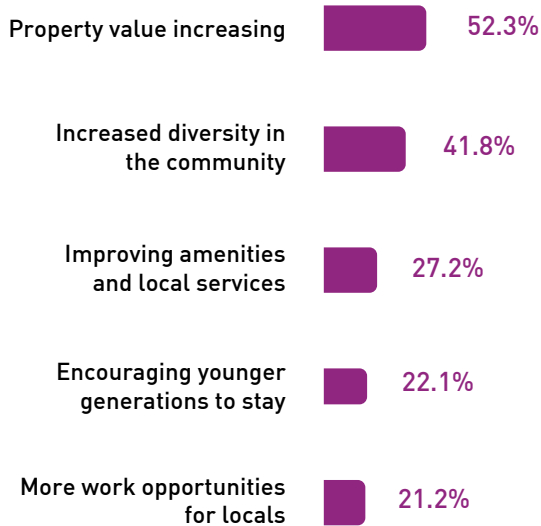


n=771, currently living in regional or rural areas who think that migration or investment property purchases from non-locals are changing the community at all

More than half (51.4%) of regional Australians feel that migration or investment property purchases are changing their community. Around half see the good and the bad (55.3%) of the situation, while more than a quarter (28.3%) feel it is bad for their local community.

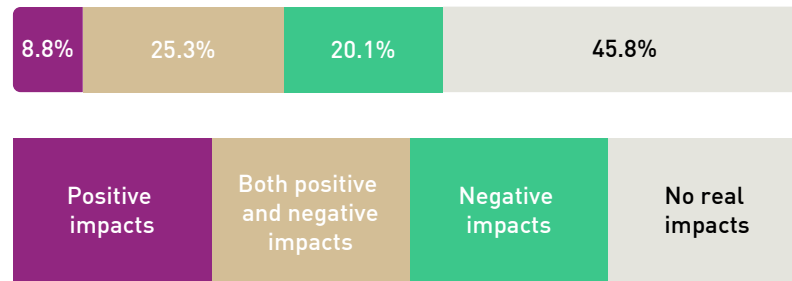
The pros and cons

What positive impacts have you seen?



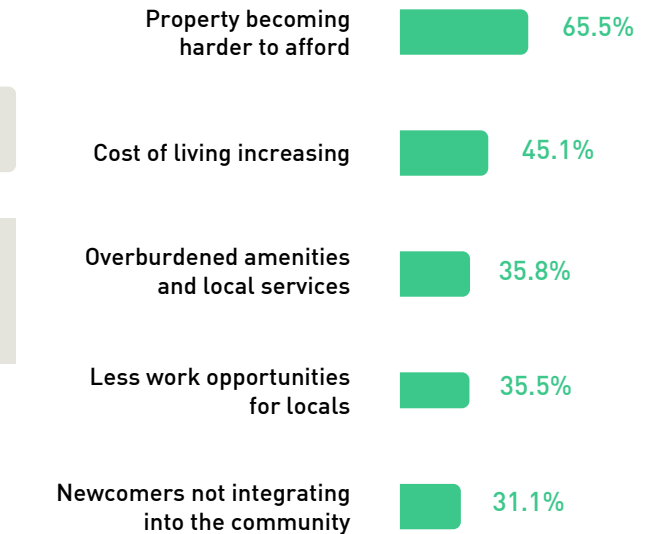
Multiple answers allowed
Top 5 answers only
n=510, currently living in regional or rural areas who have seen positive impacts on the community from migration or investment property purchases

Have you seen any impacts on your local community as a result of migration/investment property purchases?



n= 1,469, currently living in regional or rural areas

What negative impacts have you seen?



Multiple answers allowed
Top 5 answers only
n=670, currently living in regional or rural areas who have seen negative impacts on the community from migration or investment property purchases

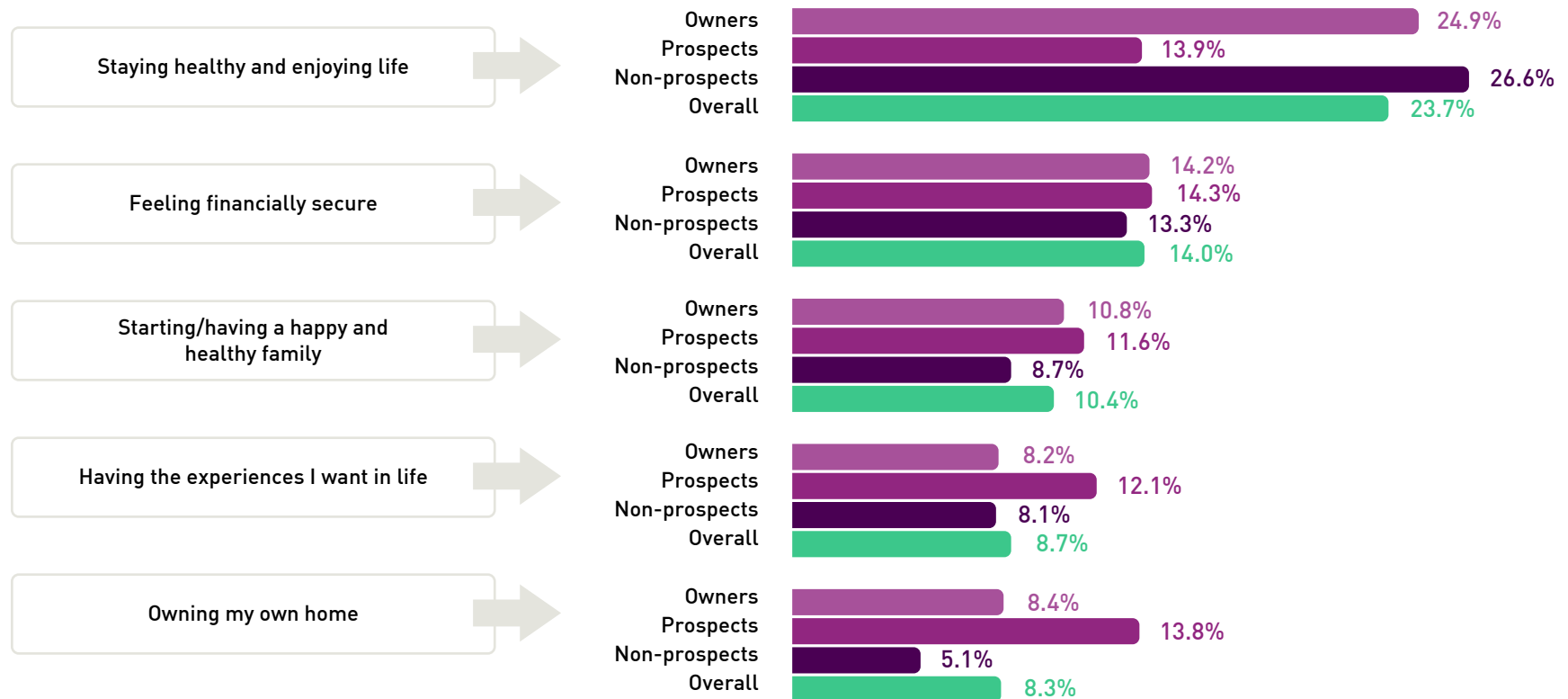
More than half (54.2%) have seen positive and negative impacts from migration and the uptake of investment property purchases by non-locals. Of those who have seen positive impacts, the most cited is an increase in property value (52.3%). Those seeing the negative impacts, say property has become harder to afford (65.5%).



A new Australian dream

Greatest dreams are about personal wellbeing

What are your greatest dreams in life?



Top 5 answers only

In revisiting the 'Great Australian Dream', home ownership has dropped to fifth place (8.4% ranked first) in favour of wellbeing.



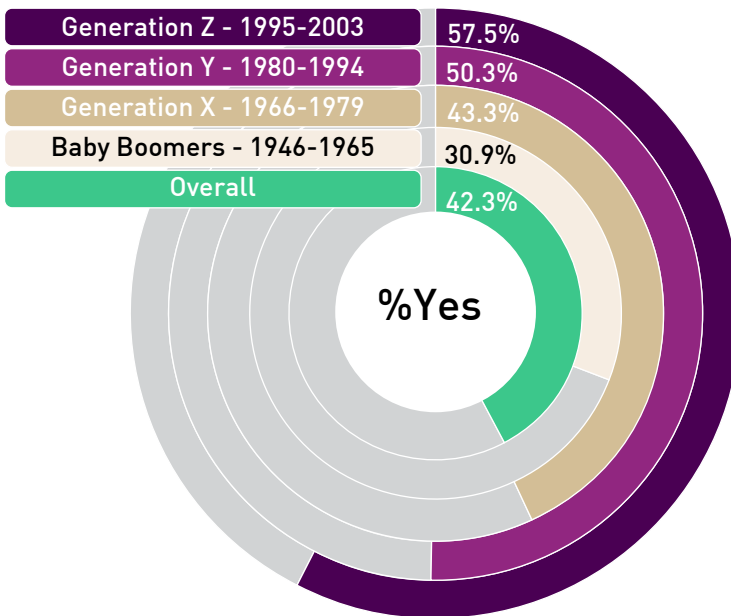
The rise of the 'green nomad'

Green nomad – the new younger Australian



A **'green nomad'** is a trending lifestyle adopted by younger Australians aged under 50 - travelling for an extended time (weeks, months or indefinitely), often staying in wilderness or regional areas to escape the city and appreciate the natural environment.

Does the life of a 'green nomad' appeal to you?



Why does the life of a 'green nomad' appeal to you?



Top 5 answers only

n = 2,118, those who find the life of a 'green nomad' appealing

Recoded from free text verbatim question

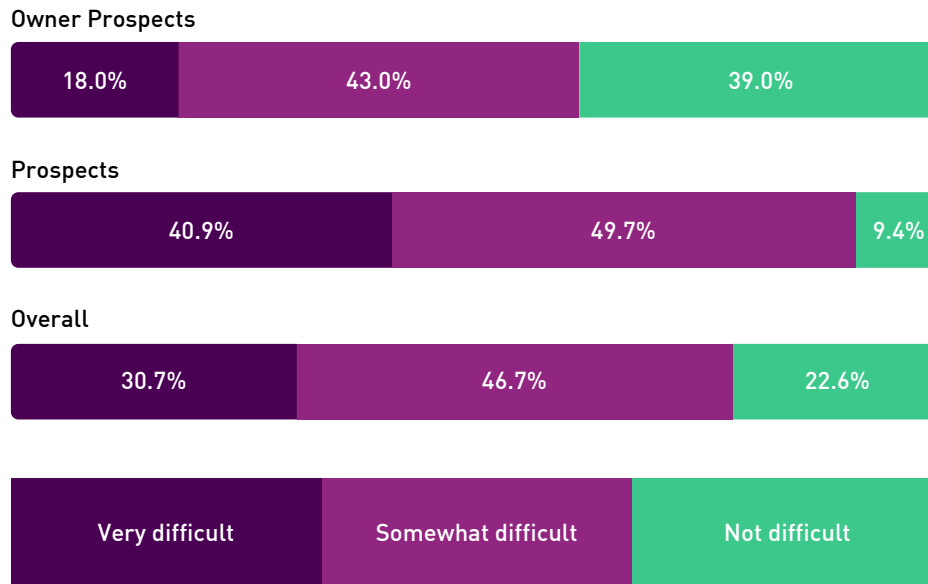
More than 2 in 5 (42.3%) find the life of a 'green nomad' appealing. Key drivers are age and wealth, with those who are younger and wealthier more likely to find this lifestyle appealing. The top reasons that make it appealing include having the chance to see and explore Australia, the nature and freedom.



Home sweet home

Difficulty getting on the property ladder

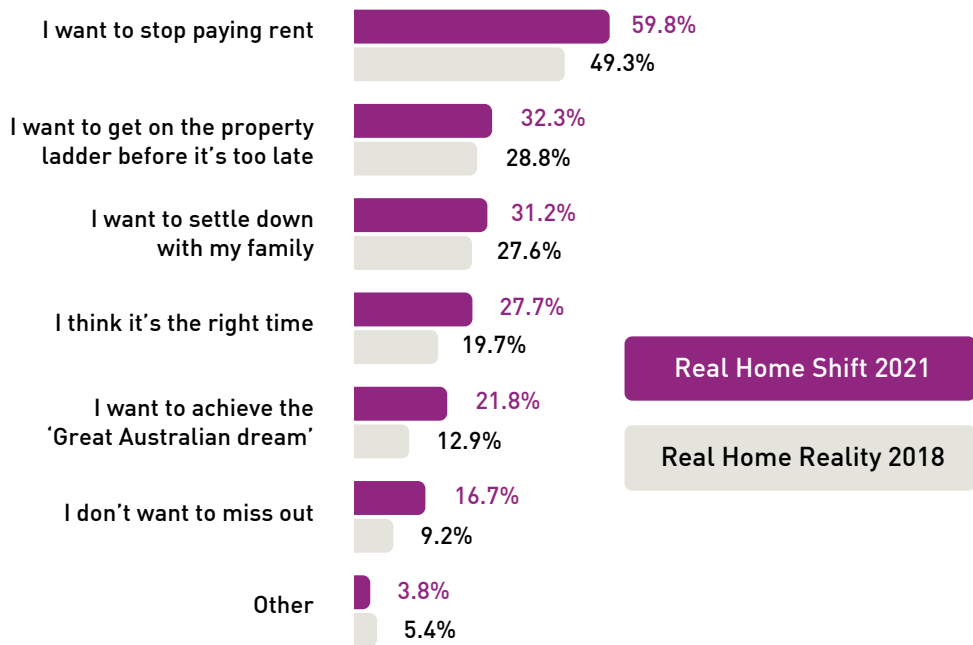
Overall, how difficult has getting on the property ladder been for you?



n = 1,288, overall; 670, owner prospects, 618, prospects

Timeline for purchasing a home

Why are you currently committed to purchasing your own home?

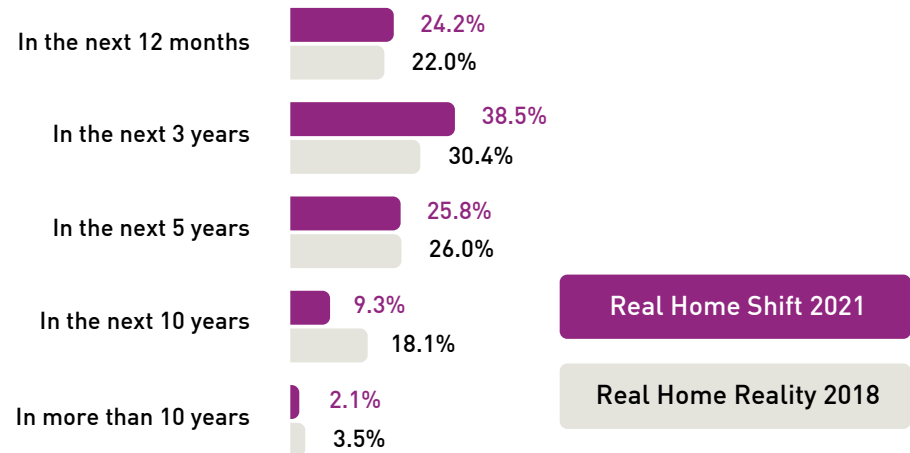


Multiple answers allowed

n = 618, prospects from Home Survey

n = 302, prospects from The New Australian Dream Survey

Realistically, what sort of timeframe are you looking at in terms of being able to purchase your own home?



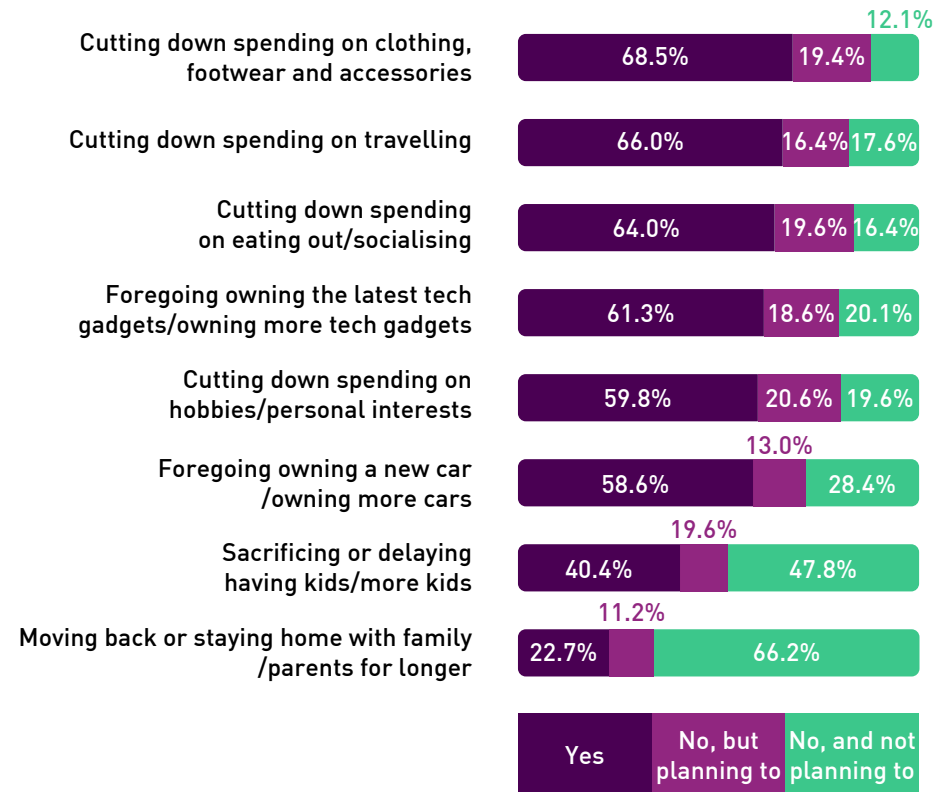
n = 618, prospects from Home Survey

n = 302, prospects from The New Australian Dream Survey

Only a quarter (24.2%) of prospects expect to purchase a home in the next 12 months, with the majority planning on doing so within the next 5 years (64.4%).

The sacrifices of saving for a home

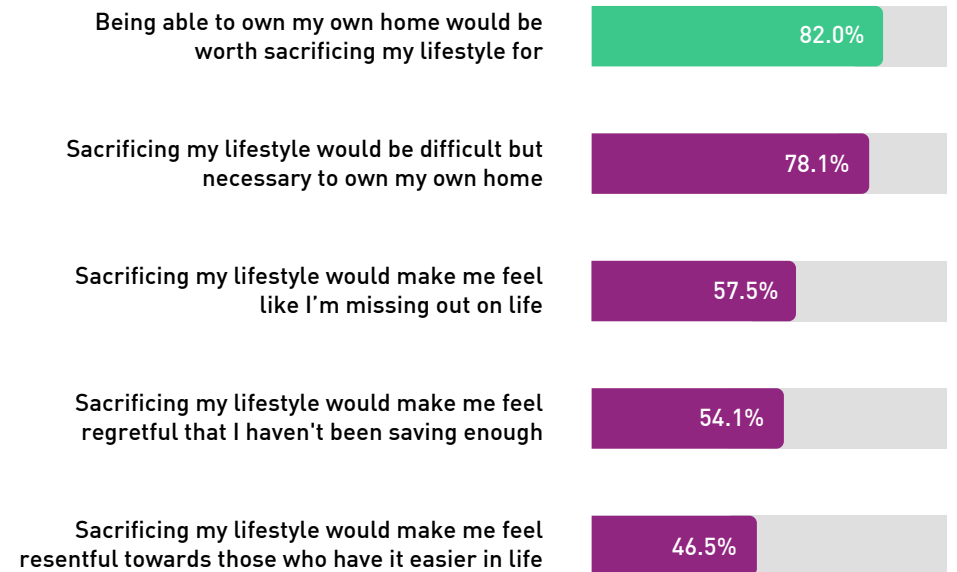
In saving up to purchase a home, are you currently...?



n= 618, prospects

% Agree

Do you agree with the following statements about sacrificing your lifestyle in saving up to purchase a home?



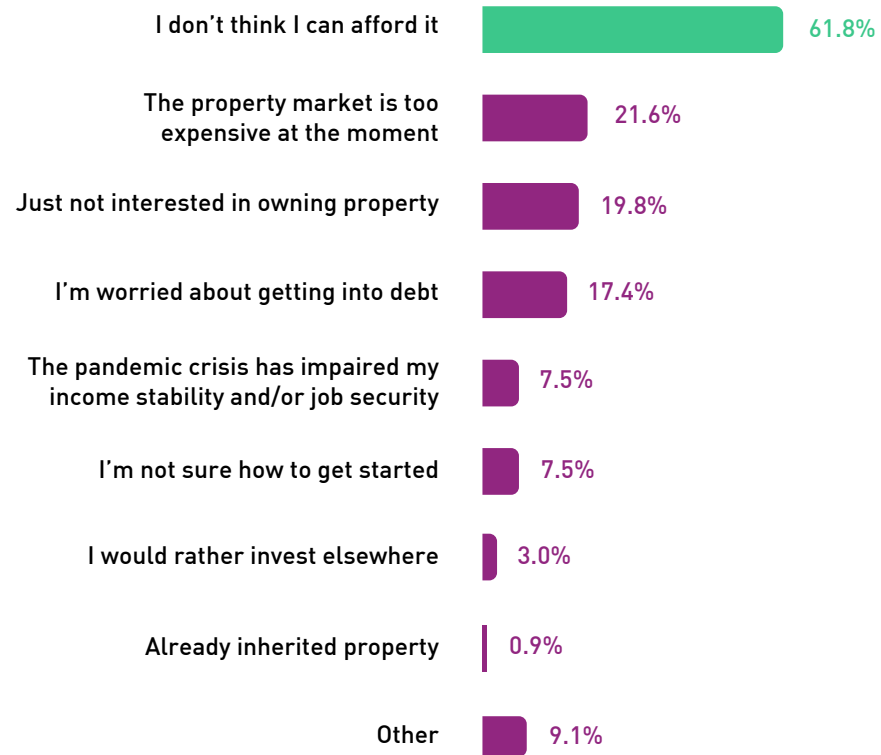
n= 618, prospects

% Agree

The majority of prospects are cutting down their spending on clothing, footwear and accessories (68.5%), travelling (66.0%), and on eating out/socialising (64.0%) in order save enough to purchase a home. They are determined, with 4 in 5 saying that being able to own their own home would be worth sacrificing their lifestyle for (82.0%), and that this sacrifice would be difficult, but necessary (78.1%).

Reasons for not entering the property market

Why are you not currently looking to get into the property market?

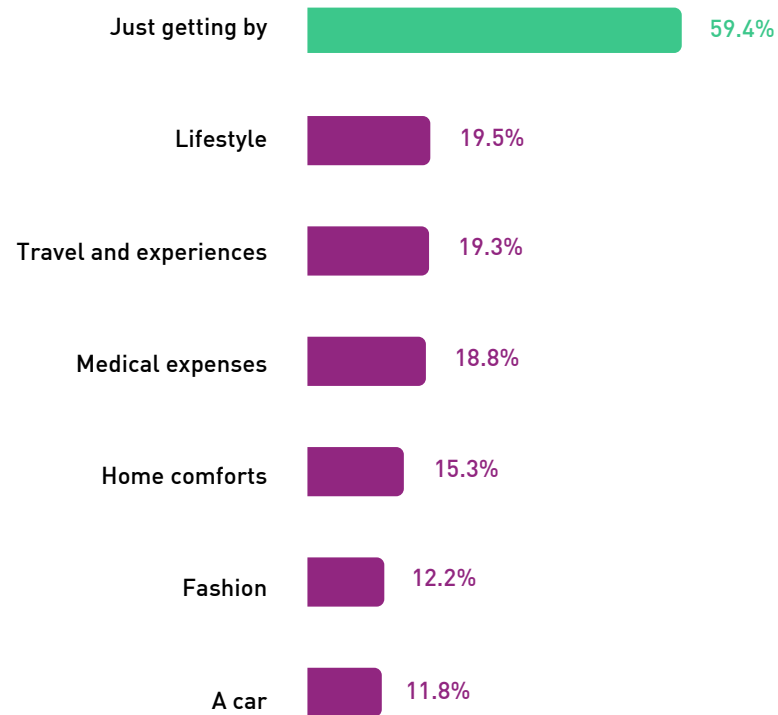


Multiple answers allowed

n= 1,168, non-prospects

Other areas where money is being spent

If not saving money for a home deposit, what are you spending your money on instead?



Multiple answers allowed
Top 7 answers only

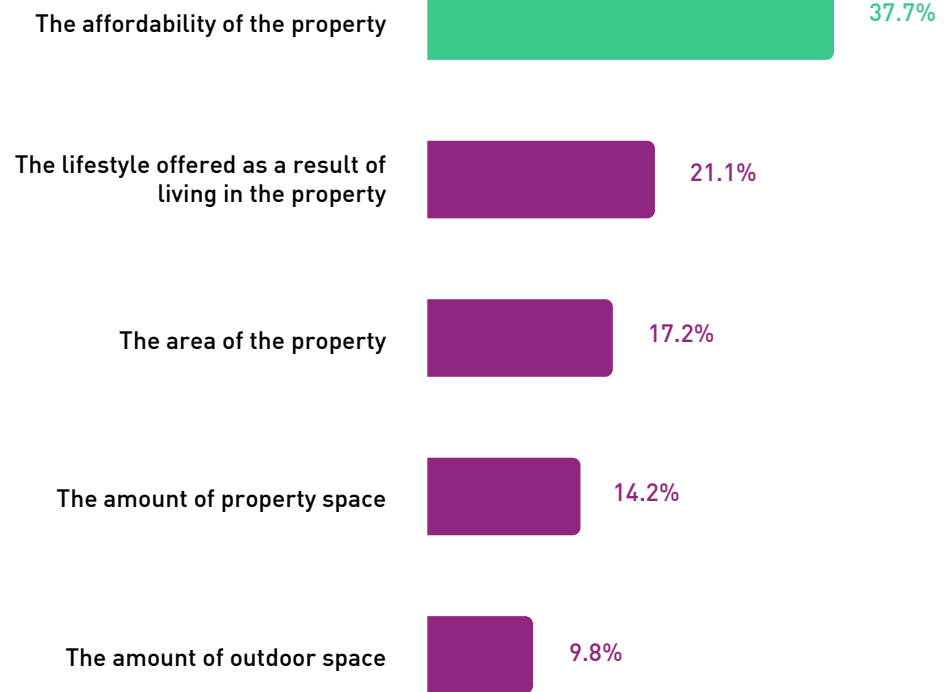
n= 1,168, non-prospects



For non-prospects, the majority are spending their money on just getting by (59.4%).

Factors most important for property buying

Overall, in purchasing a property, how would you rank the following factors in terms of importance?



Rank 1 (%)

n = 1,288, prospects and owner prospects

Almost 2 in 5 prospects and owner prospects rank affordability first with 1 in 5 ranking the potential lifestyle first. A similar amount (17.2%) ranked the area as first, with a lesser amount ranking space as first.

More insights from Real Insurance coming soon...

About Real Insurance

Real Insurance is an award-winning Australian brand specialising in life, funeral, pet, car, home, landlords, travel and bike insurance. In the market since 2005, Real Insurance has protected the quality of life of many Australians, through the delivery of innovative and affordable products. Real Insurance has been the recipient of the Feefo Trusted Service Award 2021, the Feefo Gold Trusted Service Award 2019 and 2020, and the Readers Digest Quality Service Award in the life and funeral insurance categories for 2019. Real Insurance is a trading name of Greenstone Financial Services Pty Ltd and The Hollard Insurance Company Pty Ltd.

