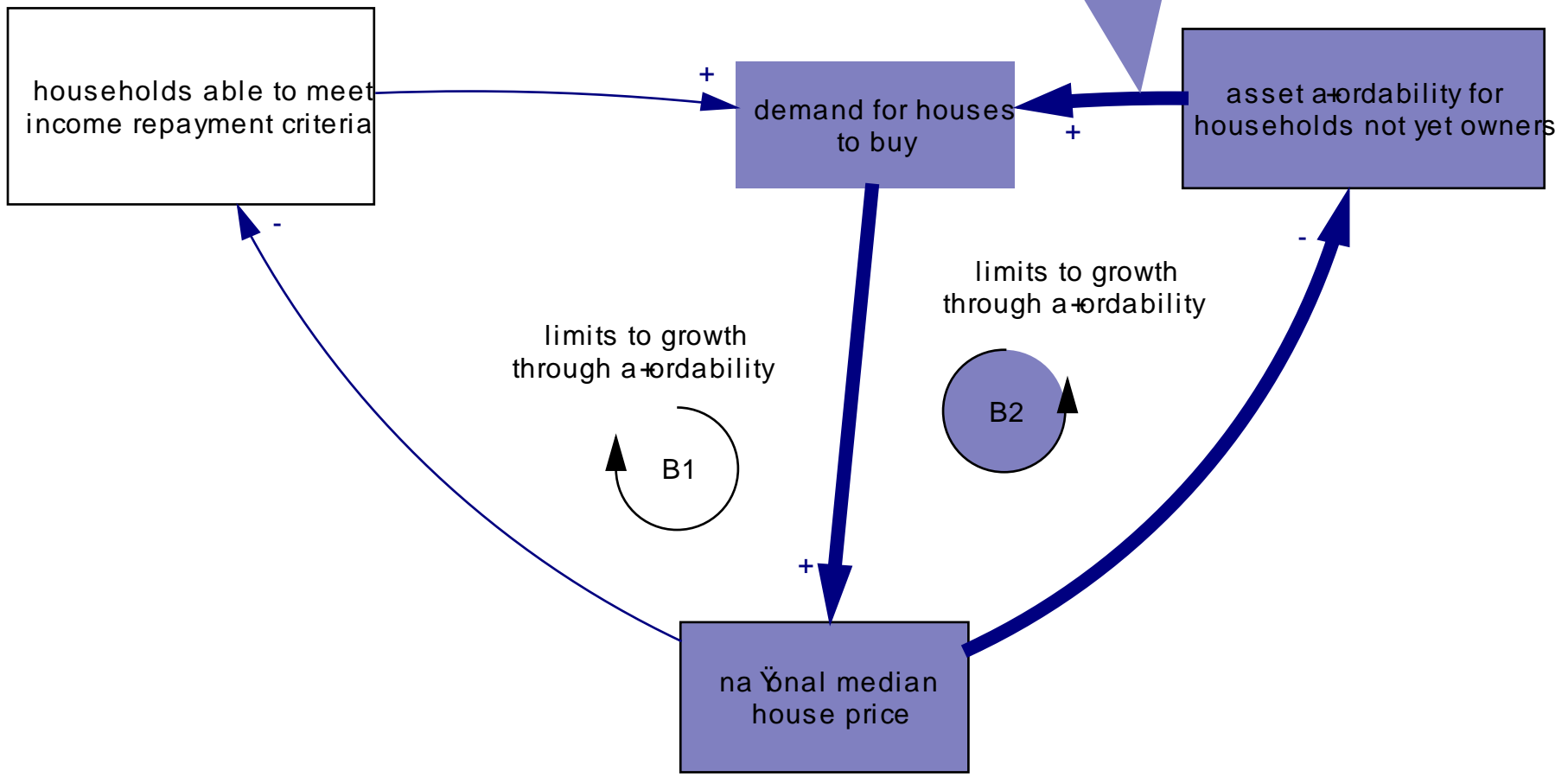
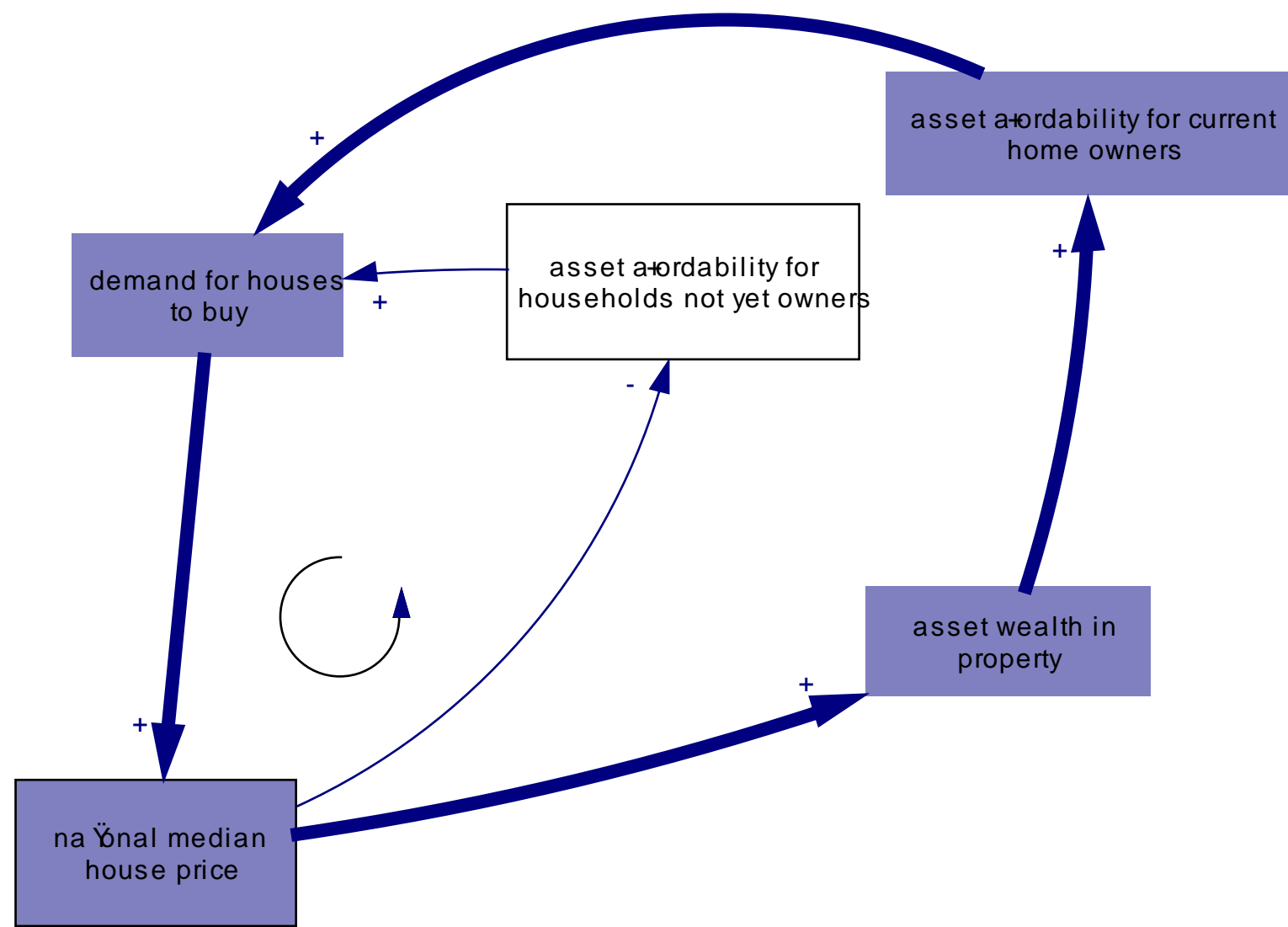
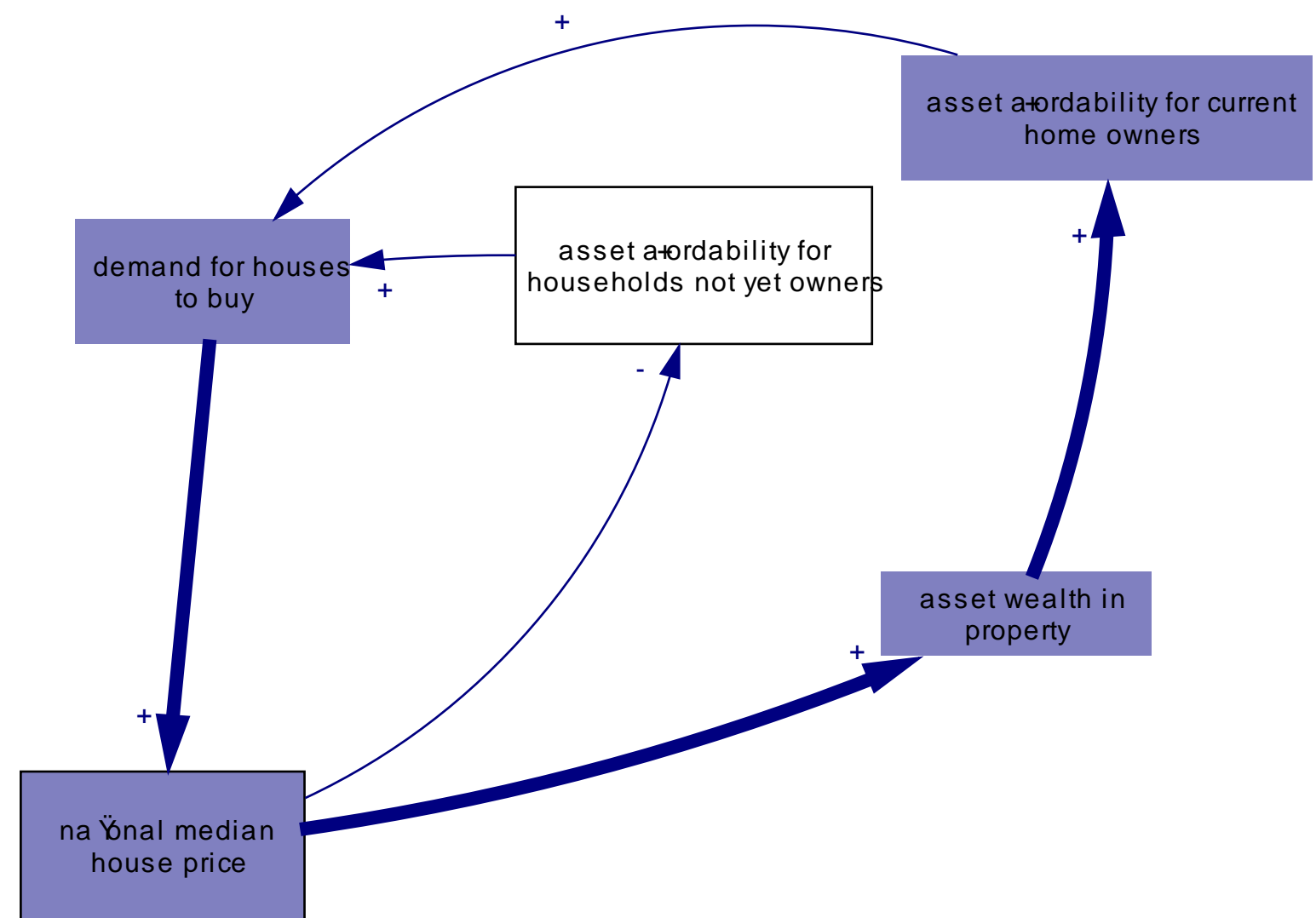


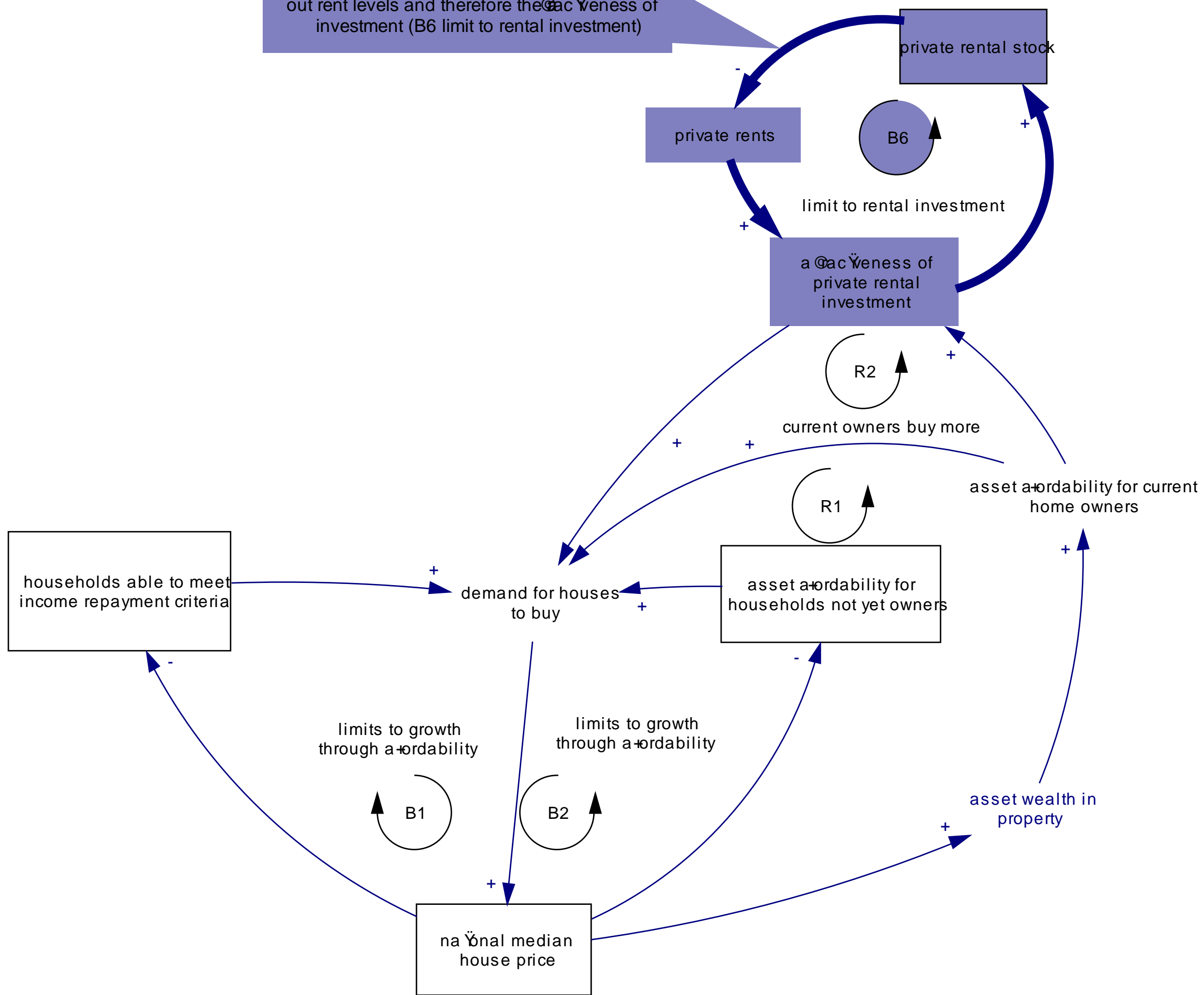
B1 and B2 are creating counterintuitive reinforcement of rising prices over time: If rising prices help banks meet lending targets, followed by tightened lending criteria, this leads to a drop in demand, slowing the growth in prices. However, this in turn will stimulate further demand as asset affordability increases.



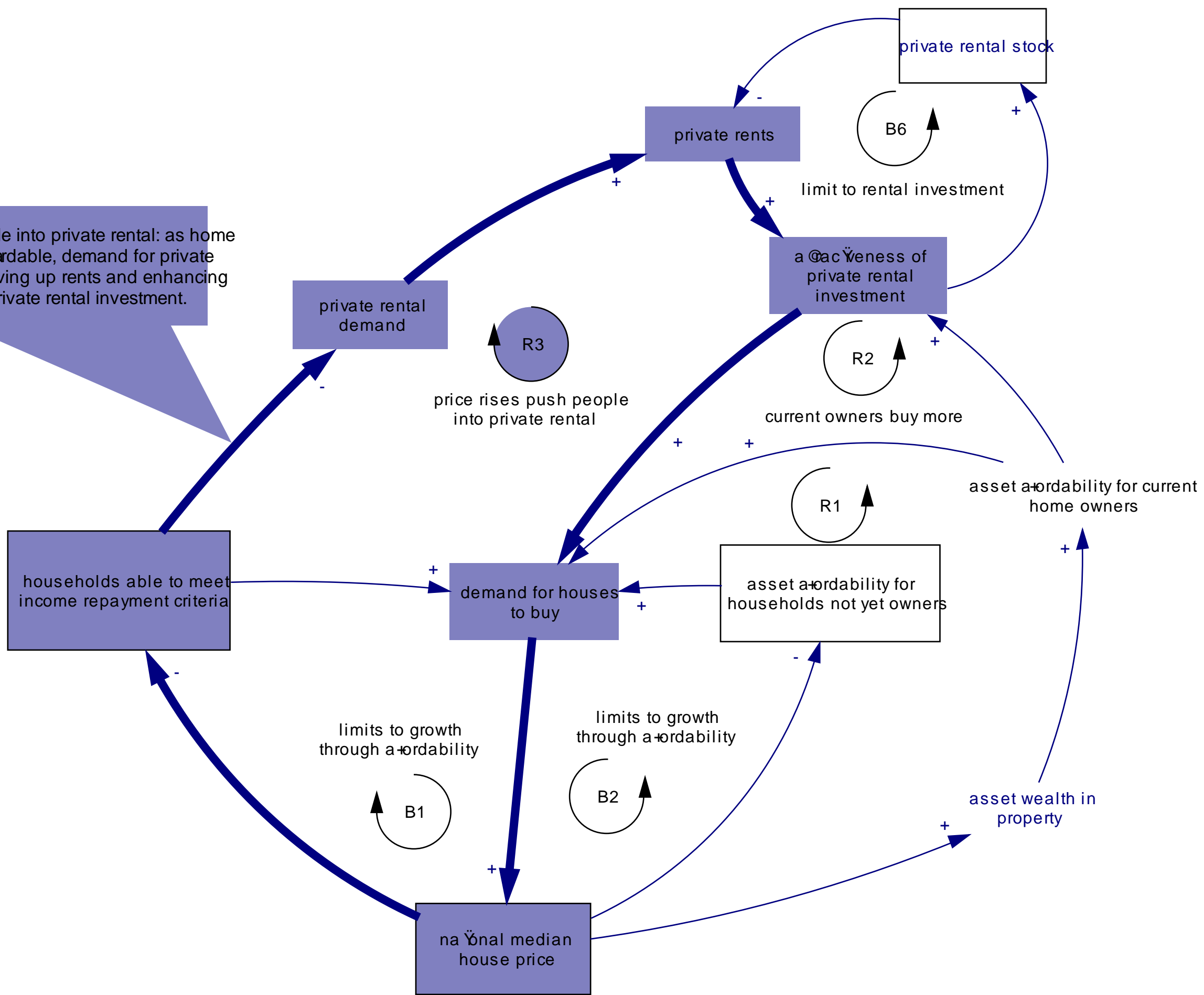


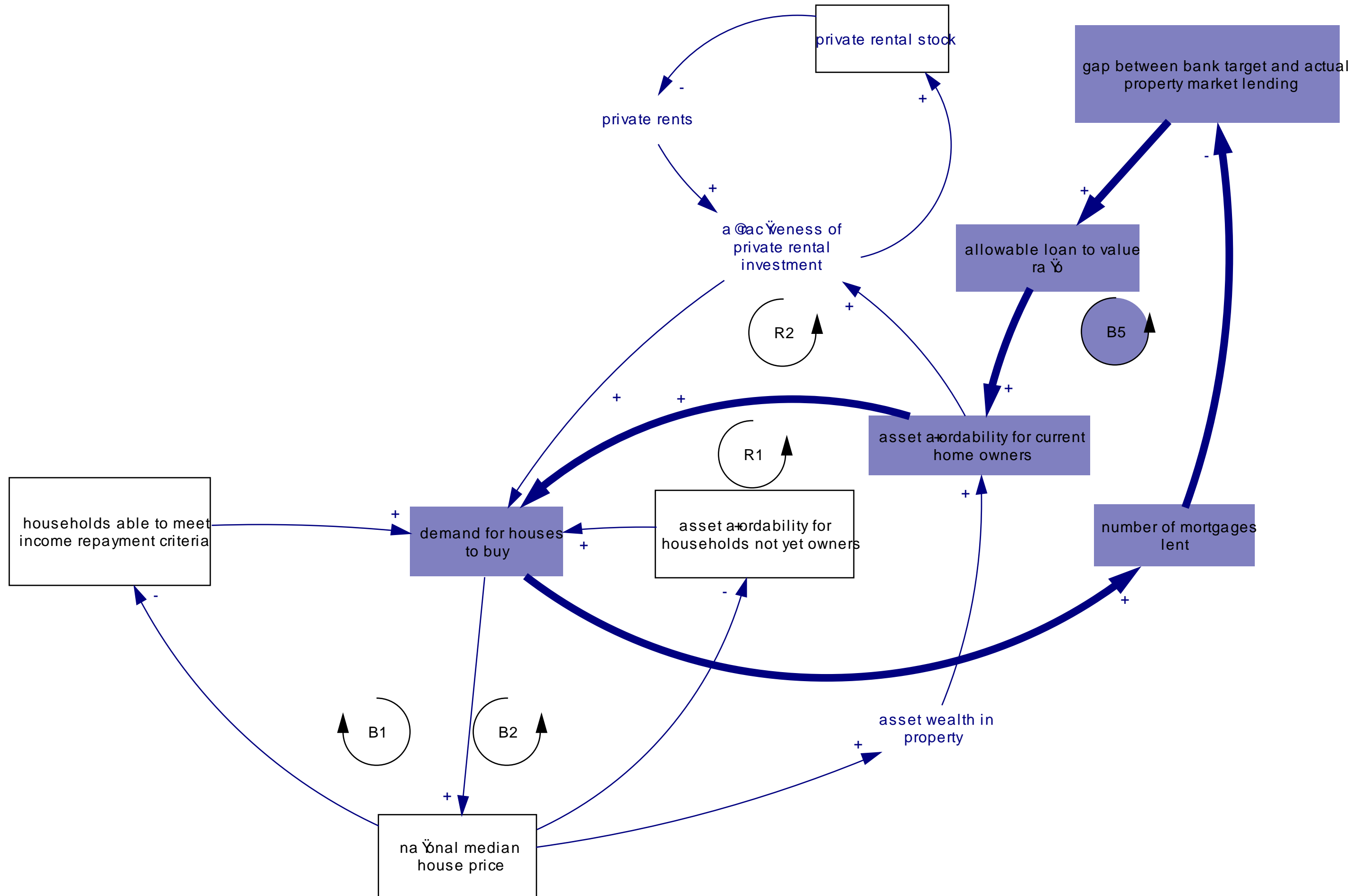


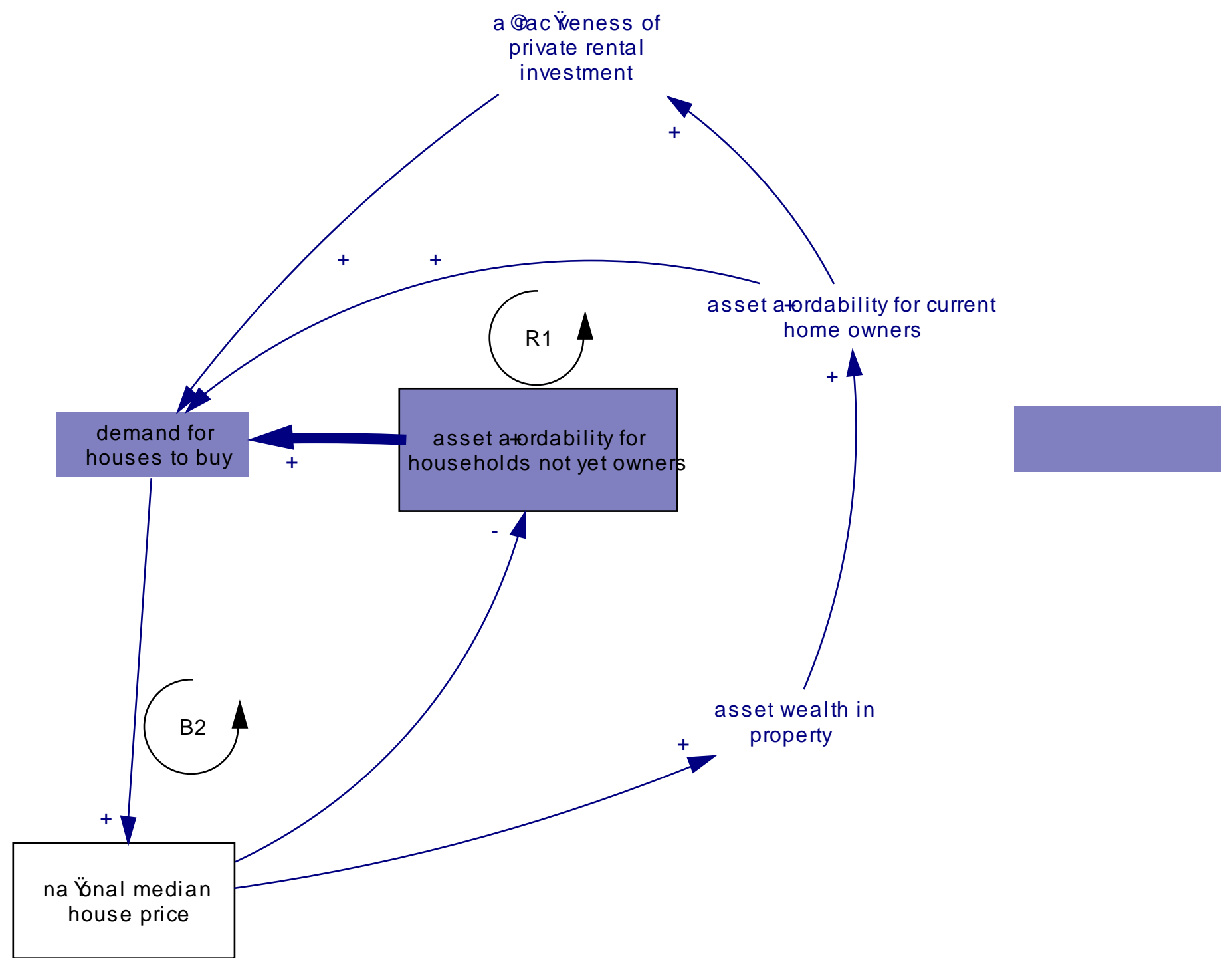
As private rental investment increases, the increasing supply of private rental housing will tend to balance out rent levels and therefore the attractiveness of investment (B6 limit to rental investment)



R3 price rises push people into private rental: as home ownership becomes less affordable, demand for private rental housing grows, driving up rents and enhancing the attractiveness of private rental investment.

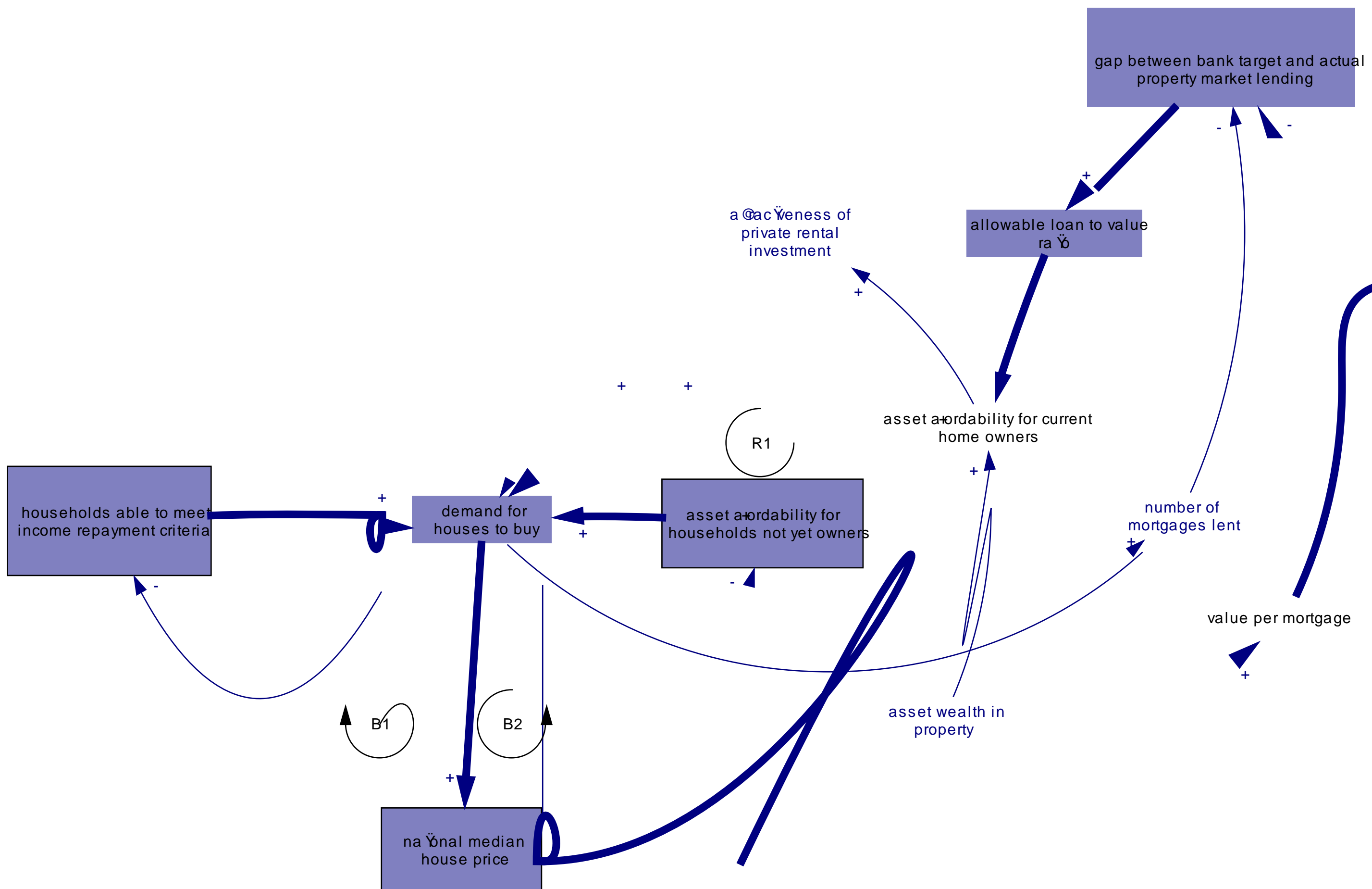






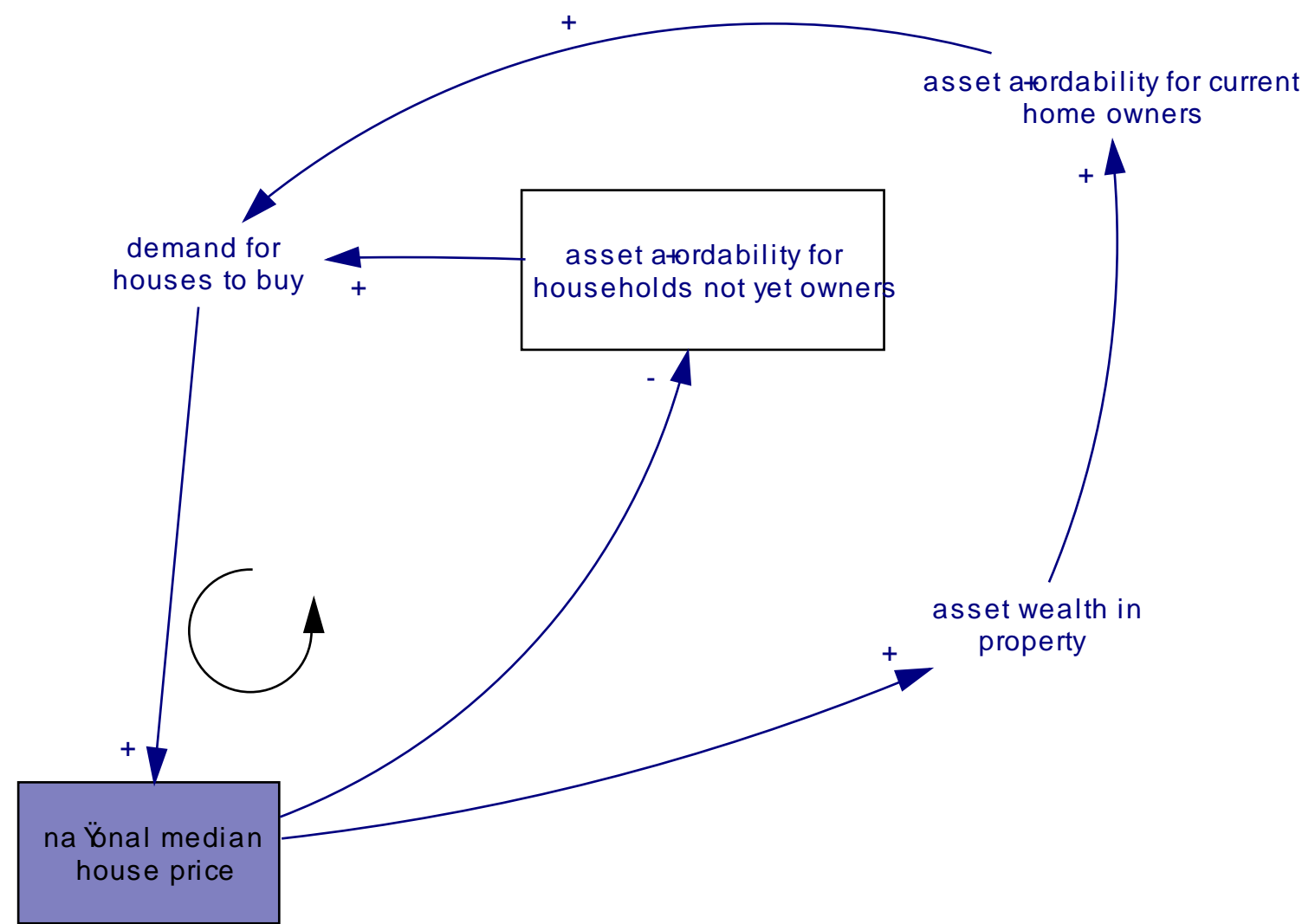


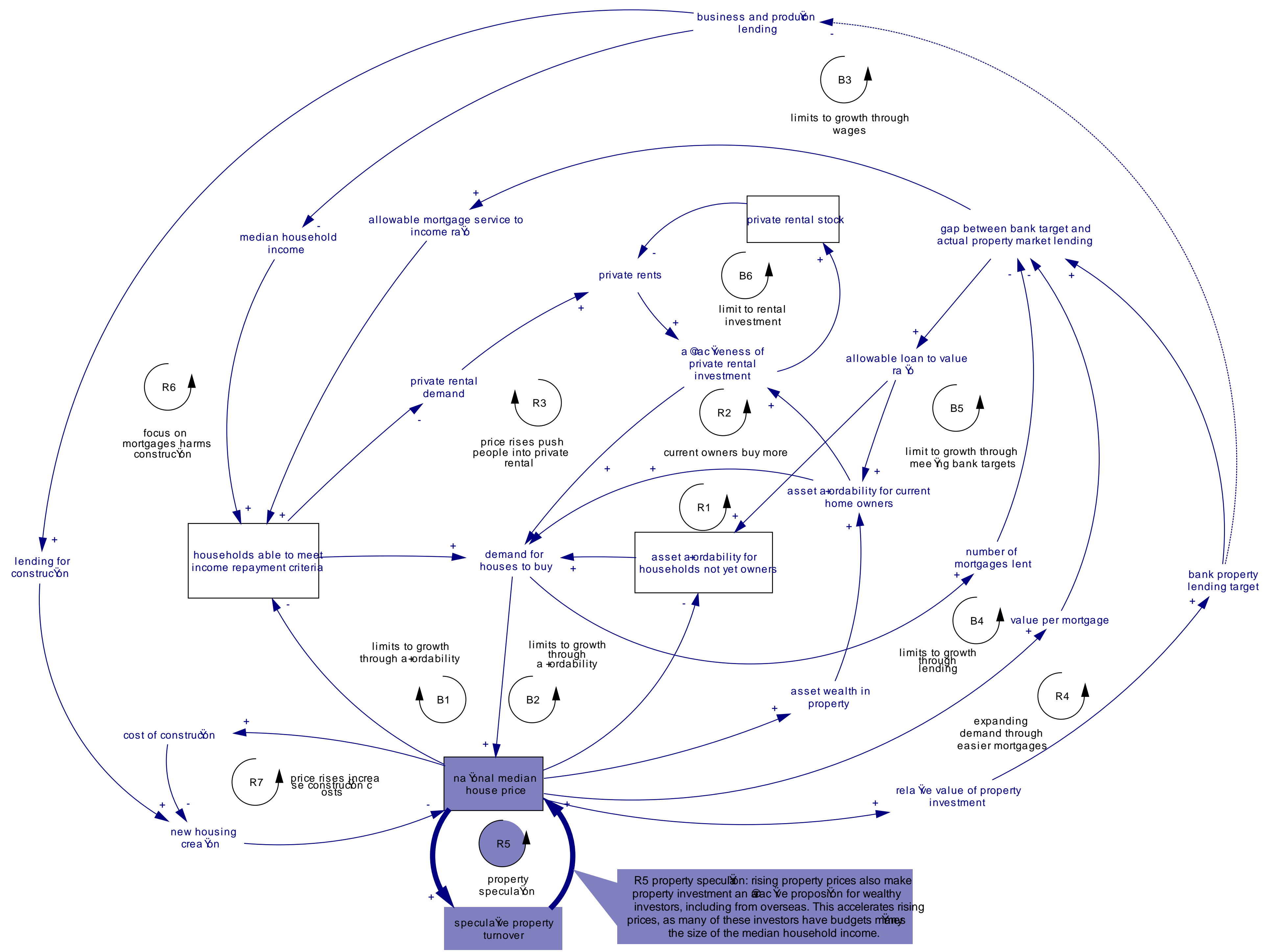
na Ÿnal median





na ůnal median





R5 property speculation: rising property prices also make property investment an attractive proposition for wealthy investors, including from overseas. This accelerates rising prices, as many of these investors have budgets many times the size of the median household income.

