

Market Update: Sales Results

December Quarter 2017 Edition



Contents

Sales Results - Adelaide Metro	2
Sales Results - Regional	4
Auction Results	5

Sales Results - Adelaide Metro

2017 certainly ended on a high note – with a brand new record median price and a surge in sales across the board.

Following the release of the Valuer- General's median house price data for the 2017 December quarter, REISA President, Mr Alex Ouwers said that the latest figures were encouraging for property owners and heralded in a new record median price of \$465, 000 and almost a 10% increase in sales from the previous quarter.

In the December quarter, 4, 395 houses settled across the Adelaide metropolitan area and 5, 821 across the whole State – significant increases from the previous quarter.

REISA President, Mr Alex Ouwers said "What a fantastic way to have closed the year. The median price keeps going from strength to strength and hit an all-time high of \$465, 000 last quarter. Adelaide is a magnificent place to invest due to its consistency. It is also fantastic to see that sales have picked up across all sectors of metropolitan Adelaide as well as the whole State. Traditionally the final quarter of the year is a refreshing boost after a cold long winter. These figures are pleasing and we expect a similar growth path for the rest of 2018 and interstate investor interest is at an all-time high".

"REISA recently sent its 2018 election submission to all political parties in South Australia. We repeated our concerns about the monstrous stamp duty taxation which traps home owners or would-be home owners, land tax and general issues concerning housing affordability. We look forward to some active and robust discussion on these important issues" Mr Ouwers said.

Suburbs which have seen the largest growth over a 12 month period were Colonel Light Gardens, Seacliff Park and Walkley Heights. Other big movers included Beaumont, Port Noarlunga and Blackwood. Top selling suburbs in terms of recorded sales over the December quarter were the unstoppable Number 1 Morphett Vale, Aldinga Beach and Mawson Lakes. Other top performing suburbs included Paralowie, Hallett Cove and Happy Valley.

"It always comes down to affordability. And this is why the State Government must take our submission seriously. When the price is right, when investors can see a great opportunity, when infrastructure is right, the market is also right. More sales ultimately means more revenue for the Government. People are living in their homes for 11+ years now whereas a decade ago the average was 6.5 years. There has to be a system in place that encourages home ownership fluidity – not strangles it. South Australians are trapped in inappropriate housing for their circumstances" Mr Ouwers said.

More broadly, the December quarter statistics showed that South Australia recorded growth of 2.44% compared to the same quarter last year and growth of 1.20% from the previous quarter.

Sales of units and apartments were also up across metropolitan Adelaide – 10% from the previous quarter. Growth in the unit and apartment market was also up - 4.29% from the previous quarter and a fantastic 8.79% from the same quarter last year.

"I am chuffed at these results. A record median price and a significant upswing in sales volumes clearly demonstrate the underlying strength and resilience of the South Australian real estate sector. I am confident that sales will continue to do well and that South Australia will cement its position as one of the best places in the world to live" Mr Ouwers said.

Sales Results - Adelaide Metro

Sales Statistics 4 th Quarter 2017									
		4Q 2016		3Q 2017		4Q 2017		Quarter % change	12 month % change
Index	Category	Sales	Median	Sales	Median	Sales	Median		
South Australia	Houses	5,834	\$410,000	5,393	\$415,000	5,821	\$420,000	1.20%	2.44%
Metro Adelaide	Houses	4,428	\$448,250	4,043	\$455,000	4,395	\$465,000	2.20%	3.74%
Central Metro	Houses	2,146	\$518,000	1,967	\$537,250	2,186	\$540,000	0.51%	4.25%
Inner Metro	Houses	381	\$800,000	324	\$811,500	350	\$807,750	-0.46%	0.97%
Metro Adelaide	Home Units	1,189	\$335,000	1,226	\$350,000	1,313	\$365,000	4.29%	8.96%

Suburb	Sales DEC16	Median DEC16	Sales DEC17	Median DEC17	Median Change %
Colonel Light Gardens	10	\$742,500	10	\$937,500	26.26%
Seacliff Park	13	\$510,000	16	\$630,000	23.53%
Walkley Heights	10	\$460,000	13	\$565,000	22.83%
Beaumont	7	\$825,000	11	\$1,012,250	22.70%
Port Noarlunga	11	\$355,300	17	\$423,750	19.27%
Blackwood	17	\$508,750	14	\$606,000	19.12%
Ridgehaven	15	\$325,000	11	\$380,000	16.92%
Clearview	13	\$396,000	24	\$460,000	16.16%
Kingswood	7	\$857,000	10	\$992,100	15.76%
Salisbury Heights	22	\$363,000	21	\$420,000	15.70%
Adelaide Metro	4,428	\$448,250	5,821	\$420,000	2.44%

Median House Prices – December Quarter 2017

Top 10 growth Suburbs with 10 or more sales in current quarter

Following the release of the Valuer - General's median house prices for the December 2017 quarter, the regional housing market recorded a median house price of \$260,000. Although slightly down from the previous quarter and the same period last year, the result is still a strong result.

Importantly, sales volumes were up more than 10% from the previous quarter and 15% from the same quarter last year.

REISA President, Mr Alex Ouwers said "It is great to see that sales volumes are significantly up in regional South Australia during the last quarter of 2017. The regional market is a resilient market and I am delighted to see it doing well."

Suburbs which have seen the largest growth over a 12 month period are Renmark, Berri and Port Lincoln with increases of 41.16%, 11.76% and 10.80% respectively.

Top selling suburbs in terms of recorded sales over the December quarter were the perennial Top 3 – Mount Gambier, Victor Harbor and Murray Bridge.

Sales Statistics 4 th Quarter 2017									
Index	Category	4Q 2016		3Q 2017		4Q 2017		Quarter %	12 month %
		Sales	Median	Sales	Median	Sales	Median	Change	Change
Major Towns	Houses	474	\$262,000	494	\$265,000	540	\$260,000	-1.89%	-0.76%
Component Towns									
Millicent	Houses	24	\$156,000	17	\$180,000	15	\$145,000	-19.44%	-7.05%
Mount Gambier	Houses	104	\$241,000	121	\$255,000	113	\$260,000	1.96%	7.88%
Murray Bridge	Houses	57	\$250,000	70	\$245,000	72	\$235,000	-4.08%	-6.00%
Port Augusta	Houses	28	\$220,000	33	\$196,250	28	\$230,000	17.20%	4.55%
Port Lincoln	Houses	38	\$305,500	43	\$310,000	34	\$338,500	9.19%	10.80%
Port Pirie	Houses	43	\$190,050	39	\$215,000	60	\$193,250	-10.12%	1.68%
Victor Harbor	Houses	107	\$354,000	82	\$352,000	103	\$340,000	-3.41%	-3.95%
Whyalla	Houses	12	\$252,500	29	\$265,000	36	\$225,000	-15.09%	-10.89%
Other Towns									
Barmera	Houses	11	\$257,500	5	\$175,000	8	\$150,500	-14.00%	-41.55%
Berri	Houses	16	\$170,000	13	\$250,250	16	\$190,000	-24.08%	11.76%
Naracoorte	Houses	19	\$245,000	24	\$211,250	27	\$210,000	-0.59%	-14.29%
Renmark	Houses	21	\$147,000	22	\$220,000	29	\$207,500	-5.68%	41.16%

Median House Prices – December Quarter 2017 - SA's main regional centres

*Please note that low turnover towns are more vulnerable to statistical variation

Auction Results

Week Ending	Clearance Rates
1 October	73%
8 October	65%
15 October	67%
22 October	69%
29 October	69%
5 November	65%
12 November	71%
19 November	75%
26 November	67%
3 December	65%
10 December	70%
17 December	69%

Note: The auction clearance rate is calculated from the number of residential properties auctioned during the period and the number that were sold before, at or immediately after the auction.

Auction Clearance Rates – December 2017

Based on residential properties auctioned in South Australia during the specified period

Top 10 Residential Auction Sales		
471 Esplanade Grange	Penny Riggs/Troy Tyndall Klemich Real Estate	\$1,925,000
15 Second Av St Peters	Sally Cameron/Bronte Manuel Toop & Toop Real Estate	\$1,656,000
22 Trimmer Tce Unley	John Williams Harcourts Williams	\$1,645,000
20 Verdale Av Linden Park	David Cocks/Tobi McFadyen Harris Real Estate	\$1,590,000
59 Marlborough St Malvern	Scott Moon/Lucy Johnson Harcourts Brock Estates	\$1,575,000
8 Sussex Tce Westbourne Park	David Cocks/Tobi McFadyen Harris Real Estate	\$1,473,000
51 Winchester St St Peters	John Riggall First National Real Estate Riggall	\$1,445,000
6 Coreega Av Springfield	Kay Morris Toop & Toop Real Estate	\$1,430,000
24 Seafield Av Kingswood	Steve Alexander Klemich Real Estate	\$1,420,000
116 Third Av Royston Park	David O'Grady Toop & Toop Real Estate	\$1,410,000