

Market Update: Sales Results

March Quarter 2018 Edition



Contents

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

Sales Results - Adelaide Metro

The median price record has once again been beaten. The March quarter has heralded in a new all time high median price in South Australia.

Following the release of the Valuer-General's median house price data for the 2018 March quarter, REISA President Mr Alex Ouwers, said that the latest figures showed notable growth in the median price to \$470,000 – a 1.08% increase from the previous quarter and a sustainable 2.84% increase from the same period last year.

"It is good news that the all time median price record continues to be beaten from quarter to quarter. Yet again has the South Australian real estate market upped the ante to post a sustainable and healthy median price. We are by far the most affordable and liveable city in Australia so there are still great opportunities for first home buyers. It is great to see that the real estate market has flourished throughout the summer months and that purchasers are entering the market to pay premium prices for properties that are both realistically priced and offer great opportunity for investment and development"

"We are delighted with these quarterly results especially given that in the lead up to an election we traditionally see a slow down in all things property related. On that note, we would like to congratulate the new Premier of South Australia, Mr Steven Marshall and his Liberal team for their election victory and thank Steven personally for his speed of communication with REISA. We look forward to our meeting with the new South Australian Government in the near future to discuss how we can, together, make the real estate sector more professional than ever before. South Australia is one of the last States that does not have compulsory ongoing professional development. We are striving to provide the SA real estate consumer with the most professional real estate sector in the nation and we look forward to engaging with the Government to improve standards and implement a program that includes education in best agency practice and business ethics"

"We will also continue our quest for a more equitable spread of taxation across sectors, especially relating to stamp duty which is a monster tax that blocks our first home buyers out of the market and traps people in inappropriate accommodation for their circumstances" Mr Ouwers said.

In the March quarter, 3,968 houses settled across the Adelaide metropolitan area which is down from the previous quarter (as it always is) and only slightly down from the same quarter last year. Sales across the entire State were down from the previous quarter and the same quarter last year.

"The first quarter always sees a downturn in sales figures from the last quarter of the preceding year. While of course, we always want sales to be growing every quarter, there is always seasonal variability in the results. Despite this, the sales figures are solid and represent the continuing underlying strength of the real estate market" Mr Ouwers said.

Suburbs which have seen the largest growth over a 12 month period were Norwood, North Haven and Paradise. Other big movers included Tea Tree Gully, Melrose Park and Port Willunga.

Top selling suburbs in terms of recorded sales over the March quarter were the perennial Number 1 Morphett Vale, Craigmore and Aldinga Beach. Other top performing suburbs included Hallett Cove, Mawson Lakes and Parafield Gardens.

"The top performers in sales and growth throughout this quarter illustrate the two key fundamentals of a purchaser's decision – affordability and location. These will always be the two dominant drivers in a real estate transaction and this is clearly shown by the suburbs that are always on these lists. Affordability coupled with infrastructure and investment opportunities will always deliver suburbs that do well for first home owners and investors. Location, in particular, proximity to the beach will always prove popular in

Sales Results - Adelaide Metro

offering lifestyle changes, recreational opportunities and the desire to downsize once the kids have all left home”

More broadly, the March quarter statistics showed that the growth in the South Australian median price was 1.19% up from the previous quarter and an amazing 3.41% up from the same quarter last year.

The unit and apartment market showed a slight decrease in the median price compared to the previous quarter but a spectacular 6.41% increase from the same quarter last year. Sales were slightly down from the previous quarter but significantly up from the same quarter last year.

Sales Statistics 1 st Quarter 2018									
		1Q 2017		4Q 2017		1Q 2018		Quarter % change	12 month % change
Index	Category	Sales	Median	Sales	Median	Sales	Median		
South Australia	Houses	5,680	411,000	5,901	420,000	5,397	425,000	1.19%	3.41%
Metro Adelaide	Houses	4,148	457,000	4,446	465,000	3,968	470,000	1.08%	2.84%
Central Metro	Houses	1,936	540,000	2,198	540,000	1,901	552,500	2.31%	2.31%
Inner Metro	Houses	381	800,000	355	810,000	341	825,000	1.85%	3.13%
Metro Adelaide	Home Units	1,100	340,000	1,375	370,000	1,250	364,900	-1.38%	7.32%

Suburb	Sales MAR17	Median MAR17	Sales MAR18	Median MAR18	Median Change %
Norwood	14	\$746,750	10	\$1,102,500	47.64%
North Haven	13	\$470,000	10	\$622,500	32.45%
Parkside	7	\$721,000	12	\$954,700	32.41%
Tea Tree Gully	8	\$366,500	15	\$470,000	28.24%
Melrose Park	12	\$546,000	10	\$700,000	28.21%
Port Willunga	13	\$320,000	12	\$392,500	22.66%
Brooklyn Park	4	\$472,500	10	\$577,000	22.12%
Bellevue Heights	9	\$500,000	15	\$610,000	22.00%
Tranmere	12	\$670,000	19	\$817,400	22.00%
Rosewater	13	\$345,000	11	\$414,000	20.00%
Adelaide Metro	4,148	\$457,000	4,446	\$465,000	3,968

Median House Prices – March Quarter 2018

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

Sales Results - Regional

Following the release of the Valuer-General's median house prices for the March 2018 quarter, the regional housing market recorded a median house value of \$270,000. This represents a fantastic increase of 3.85% from the previous quarter and a significant increase of 0.75% from the same quarter last year.

Sales were down this quarter and mirrored the result throughout metropolitan Adelaide.

REISA President, Mr Alex Ouwers said "It is fantastic to see the median result continue its upward trajectory and the increase from the last quarter is just brilliant. Traditionally, the numbers of sales are less in the first quarter of a year than in the last quarter, but these figures are still solid and show the underlying strength of the regional real estate market"

Suburbs which have seen the largest growth over a 12 month period are Barmera, Millicent and Whyalla with fantastic increases of 25.67%, 20.57% and 20.51% respectively.

Top selling suburbs in terms of recorded sales over the March quarter were Victor Harbor, Mount Gambier and Port Lincoln.

Sales Statistics									
1 st Quarter 2018									
Index	Category	1Q 2017		4Q 2017		1Q 2018		Quarter %	12 month %
		Sales	Median	Sales	Median	Sales	Median	Change	Change
Major Towns	Houses	518	\$268,000	548	\$260,000	449	\$270,000	3.85%	0.75%
Component Towns									
Millicent	Houses	19	\$141,000	15	\$145,000	16	\$170,000	17.24%	20.57%
Mount Gambier	Houses	107	\$256,000	115	\$262,500	87	\$266,000	1.33%	3.91%
Murray Bridge	Houses	79	\$240,000	72	\$237,500	35	\$245,000	3.16%	2.08%
Port Augusta	Houses	30	\$210,000	28	\$230,000	27	\$205,000	-10.87%	-2.38%
Port Lincoln	Houses	40	\$340,000	35	\$337,000	43	\$328,000	-2.67%	-3.53%
Port Pirie	Houses	49	\$185,000	61	\$191,500	33	\$170,000	-11.23%	-8.11%
Victor Harbor	Houses	114	\$376,500	104	\$340,000	106	\$365,000	7.35%	-3.05%
Whyalla	Houses	20	\$195,000	38	\$220,000	40	\$235,000	6.82%	20.51%
Other Towns									
Barmera	Houses	5	\$187,000	8	\$150,500	10	\$235,000	56.15%	25.67%
Berri	Houses	9	\$199,950	16	\$190,000	12	\$215,000	13.16%	7.53%
Naracoorte	Houses	19	\$226,000	27	\$220,250	25	\$225,000	2.16%	-0.44%
Renmark	Houses	27	\$202,000	30	\$210,000	18	\$237,250	12.98%	17.45%

Median House Prices – March Quarter 2018 - SA's main regional centres

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

Auction Results

Week Ending	Clearance Rates
14 January	80%
21 January	67%
28 January	64%
4 February	71%
11 February	68%
18 February	67%
25 February	70%
4 March	67%
11 March	80%
18 March	66%
25 March	71%

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 – March 2018

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

Top 10 Residential Auction Sales		
25 Hart St Campbelltown	Marina Ormsby/Richard Hayward Klemich Real Estate	\$1,750,000
18 Watson Av Rose Park	Oren Klemich Klemich Real Estate	\$1,680,000
105 George St Norwood	David O'Grady Toop&Toop Real Estate	\$1,620,000
2 Martin Av Fitzroy	Tim Thredgold/Megan Thredgold Toop&Toop Real Estate	\$1,600,000
50 Craighill Rd St Georges	Nick Baranikow Harris Real Estate	\$1,565,000
102 Osmond Tce Norwood	Judy Morris Klemich Real Estate	\$1,490,000
44 Dunbar Tce Glenelg East	James Packham/Stephanie Callaghan Harcourts Packham Mitchell Park	\$1,450,000
3 Albany St Grange	Laz Ouslinis/Brad Henderson Ous Property Henley Beach South	\$1,425,000
22 Chester St Henley Beach	Linda Van Hoof Ouwens Casserly Real Estate	\$1,420,000
74 Rose Tce Wayville	Michael Brock Harcourts Brock Estates	\$1,420,000