

# Market Update: Sales Results

June Quarter 2018 Edition



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# Sales Results - Adelaide Metro

The median price has remained stable at the record breaking median posted last quarter. The June quarter has been nothing short of spectacular with capital growth registering an impressive 3.87% increase over the last year across metropolitan Adelaide.

Following the release of the Valuer-General's median house price data for the 2018 June quarter, REISA President Mr Alex Ouwens, said that the latest figures showed a significant growth in median price over the last 12 months, a fantastic increase in sales since the last quarter and a surefire sign that confidence was well and truly back in the real estate market.

"It is fantastic news that this quarter matched the record breaking median posted last quarter and shows no signs of going anywhere but upward. When we hear that the eastern States have come off the boil and into cool water, Adelaide is defying the trend. We are by far the most affordable and liveable city in Australia and these results clearly attest to that. Now is a great time for first home buyers and investors to enter the real estate market and the results clearly show that they are on board. Business sentiment is at its highest in many years too."

I am also delighted that we recorded a significant increase in sales over the last quarter. Record medians are great but when they are combined with upswings in sales, the news is even better. While it is time to celebrate these results, I once again iterate the need for the State Government to continue its discussions with REISA on the important issues of compulsory professional development and making SA the most competitive State to buy property. On one hand we are welcoming foreign investment with the submarines and space exploration but on the other hand we are closed for business with the hefty 11% foreigners tax on new property purchases. What is very clear is that the resolution of these issues would only enhance the real estate experience and growth of opportunities for young people in SA even more" Mr Ouwens said.

In the June quarter, 4, 223 houses settled across the Adelaide metropolitan area which is significantly up from the previous quarter and only slightly down from the same quarter last year. Sales across the entire State were also significantly up from the last quarter.

"It is absolutely fantastic that sales have significantly increased in the June quarter. The sales figures are solid and represent the continuing resilience of the South Australian real estate market" Mr Ouwens said.

Suburbs which have seen the largest growth over a 12 month period were Henley Beach South, Smithfield and Henley Beach. Other big movers included Athelstone, Norwood and Craighburn Farm.

Top selling suburbs in terms of recorded sales over the March quarter were the perennial Number 1 Morphett Vale, Mawson Lakes and Parafield Gardens.

"Never before have the top performers in sales and growth throughout this quarter exemplified the key drivers of any purchaser's decision – location and affordability. 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 offering lifestyle changes, recreational opportunities and the desire to downsize once the kids have all left home"

More broadly, the June quarter statistics showed that the growth in the South Australian median price was 1.19% up from the previous quarter and a robust and sustainable 2.41% 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 and the same quarter last year. Sales were slightly down from the previous quarter and the same quarter last year.

Sales Statistics 2 <sup>nd</sup> Quarter 2018									
Index	Category	2Q 2017		1Q 2018		2Q 2018		Quarter % change	12 month % change
		Sales	Median	Sales	Median	Sales	Median		
South Australia	Houses	5,927	\$415,000	5,516	\$420,000	5,725	\$425,000	1.19%	2.41%
Metro Adelaide	Houses	4,457	\$452,500	4,033	\$468,000	4,223	\$470,000	0.43%	3.87%
Central Metro	Houses	2,194	\$530,000	1,920	\$550,000	2,054	\$551,750	0.32%	4.10%
Inner Metro	Houses	359	\$789,000	350	\$810,000	331	\$819,000	1.11%	3.80%
Metro Adelaide	Home Units	1,393	\$358,000	1,295	\$365,000	1,280	\$354,167	-2.97%	-1.07%

Suburb	Sales JUN17	Median JUN17	Sales JUN18	Median JUN18	Median Change %
Henley Beach South	4	\$697,500	15	\$1,065,000	52.69%
Smithfield	8	\$221,950	12	\$276,000	24.35%
Henley Beach	15	\$780,000	18	\$963,000	23.46%
Athelstone	30	\$461,750	43	\$567,000	22.79%
Norwood	17	\$925,000	16	\$1,133,500	22.54%
Craigburn Farm	4	\$582,500	13	\$710,000	21.89%
Goodwood	9	\$825,000	14	\$1,000,000	21.21%
Semaphore Park	12	\$483,500	11	\$583,000	20.58%
St Georges	10	\$975,000	11	\$1,175,000	20.51%
Modbury Heights	32	\$380,000	38	\$452,000	18.95%
Adelaide Metro	4,457	\$452,500	4,033	\$468,000	4,223

Median House Prices – June 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 June 2018 quarter, the regional housing market recorded a median house value of \$265,000. This represents a slight decrease from the previous quarter and the same quarter last year.

However, sales were significantly up from the last quarter and the same quarter last year.

REISA President, Mr Alex Ouwens said "It is fantastic to see such an increase in sales in the June quarter – almost an 8% increase. These figures show the continuing resilience of the regional real estate market and I am optimistic that this trend will continue over the coming months"

Suburbs which have seen the largest growth over a 12 month period are Barmera, Port Pirie and Berri with increases of 22.52%, 9.08% and 8.64% respectively.

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

Sales Statistics									
2 <sup>nd</sup> Quarter 2018									
Index	Category	2Q 2017		1Q 2018		2Q 2018		Quarter	12
		Sales	Median	Sales	Median	Sales	Median	%	month
								Change	Change
								%	%
Major Towns	Houses	483	\$264,500	468	270,000	504	<b>265,000</b>	-1.85%	0.19%
Component Towns									
Millicent	Houses	12	\$160,000	16	\$168,000	21	<b>\$150,000</b>	-10.71%	-6.25%
Mount Gambier	Houses	103	\$262,328	96	\$265,750	117	<b>\$249,500</b>	-6.11%	-4.89%
Murray Bridge	Houses	66	\$242,500	36	\$245,000	62	<b>\$235,000</b>	-4.08%	-3.09%
Port Augusta	Houses	32	\$230,000	27	\$200,000	37	<b>\$222,500</b>	11.25%	-3.26%
Port Lincoln	Houses	46	\$300,000	46	\$326,500	44	<b>\$324,500</b>	-0.61%	8.17%
Port Pirie	Houses	41	\$190,000	34	\$168,500	38	<b>\$207,250</b>	23.00%	9.08%
Victor Harbor	Houses	98	\$350,000	108	\$370,000	93	<b>\$356,000</b>	-3.78%	1.71%
Whyalla	Houses	15	\$202,500	41	\$220,000	29	<b>\$200,000</b>	-9.09%	-1.23%
Other Towns									
Barmera	Houses	8	\$151,000	15	\$235,000	5	<b>\$185,000</b>	-21.28%	22.52%
Berri	Houses	11	\$162,000	18	\$212,500	9	<b>\$176,000</b>	-17.18%	8.64%
Naracoorte	Houses	26	\$228,000	27	\$220,000	18	<b>\$229,000</b>	4.09%	0.44%
Renmark	Houses	15	\$245,000	26	\$238,250	27	<b>\$210,000</b>	-11.86%	-14.29%

Median House Prices – June 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
1 April	60%
8 April	59%
15 April	70%
22 April	64%
29 April	65%
6 May	64%
13 May	67%
20 May	52%
27 May	67%
3 June	69%
10 June	62%

**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 – June 2018

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

Top 10 Residential Auction Sales		
5 Davenport Tce Hazelwood Park	Phil McMahon/Lynette McMahon Phil McMahon Real Estate Glenelg	\$2,165,000
26 Charlbury Rd Medindie Gardens	Fadi Oudih/Lidija Kies LJ Hooker Walkerville Modbury	\$1,870,000
133 Swaine Av Toorak Gardens	Steve Alexander Klemich Real Estate	\$1,650,000
18 Warwick St Walkerville	Richard Hayward Klemich Real Estate	\$1,545,000
24 Childers St North Adelaide	Tim Vine/Sarah Stewart Harris Real Estate	\$1,510,000
3 Redounau Crescent Wattle Park	Hamish Mill Harcourts Williams	\$1,425,000
73 Wattle St Fullarton	Peter McMillan/Eloise McMillan Toop & Toop Real Estate	\$1,340,000
36 Cheltenham St Highgate	Bernie Altschwager/James Robertson Ouwens Casserly Real Estate	\$1,320,000
17 Arnold Street Underdale	Brett Pilgrim/Jed Redden Ray White Adelaide Group	\$1,315,000
221 Military Rd Henley Beach South	John Muscat Phil McMahon Real Estate Glenelg	\$1,300,000