

Market Update: Sales Results

March Quarter 2020 Edition



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Sales Results - Adelaide Metro

The results of the first quarter of 2020 show an amazing resilience to COVID-19 and its effects on the real estate market. While the next set of figures may prove otherwise, we should acknowledge the optimism of the real estate consumer and the real estate profession's innovation in keeping the real estate market moving forward.

Following the release of the Valuer-General's median house price data for the 2020 March quarter, REISA President Mr Brett Roenfeldt said that the latest figures showed a pleasing growth in the median price since the same period last year and only a slight dip from the record high in the last quarter of 2019.

"It is great news that the median price recorded this quarter is still the second highest median price ever. While this quarter only partially captured some of the effects of COVID-19, it is nevertheless, a terrific result. The sustained median price is a clear indicator of the underlying strength and resilience of the Adelaide real estate market. It is very clear that purchasers are still willing to enter the real estate market and pay a premium price for properties that are affordable, realistically priced and which offer great opportunities for life change experiences, investment and development".

"It is too soon to tell what COVID-19 will bring in the next quarter but there will inevitably be an impact. REISA has written to the State Government calling for relief and emphasising the effects that COVID-19 is having and will have on the real estate profession" Mr Roenfeldt said.

In the March quarter, 3,871 houses settled across the Adelaide metropolitan area which is down from the previous quarter (as it always is) but significantly up from the same quarter last year. Sales across the entire State were down from the previous quarter but again, significantly up from the same quarter last year.

"I am thrilled with these sales figures this quarter. There is always a downturn in sales volume from the last quarter of the preceding year, but these figures have held up surprisingly well. It is noteworthy that the sales increased by almost 400 sales from the same period last year." Mr Roenfeldt said.

Suburbs which have seen the largest growth over a 12 month period were North Adelaide, Gawler South and Tea Tree Gully with increases of 39.92%, 39.38% and 34.29% respectively. Other big movers included Golden Grove, Blackwood and Hazelwood Park.

Top selling suburbs in terms of recorded sales over the March quarter were the perennial Number 1 Morphett Vale, Mount Barker and Aldinga Beach. Other top performing suburbs included Parafield Gardens, Andrews Farm and Aberfoyle Park.

More broadly, the March quarter statistics showed that the growth in the South Australian median price was slightly down from the previous quarter and remained the same as the same period last year.

The unit and apartment market showed a sustainable increase of 1.40% in the median price compared to the previous quarter and a decrease in the median price from the same quarter last year. Sales were very slightly down from the previous quarter and down from the same quarter last year.

"I am pleased by these results and encouraged by the real estate profession's determination to weather this crisis through. I am confident that we will survive this crisis and that the real estate market will be stronger than ever" Mr Roenfeldt said.

Sales Statistics 1 st Quarter 2020									
Index	Category	1Q 2019		4Q 2019		1Q 2020		Quarter % change	12 month % change
		Sales	Median	Sales	Median	Sales	Median		
South Australia	Houses	5,044	430,000	5,834	435,000	5,434	430,000	-1.15%	0.00%
Metro Adelaide	Houses	3,631	477,500	4,243	485,000	3,871	480,000	-1.03%	0.52%
Central Metro	Houses	1,779	551,000	2,101	556,000	1,891	560,000	0.72%	1.63%
Inner Metro	Houses	304	870,000	352	845,000	300	877,500	3.85%	0.86%
Metro Adelaide	Home Units	1,344	370,000	1,275	355,000	1,280	365,000	2.82%	-1.35%

Suburb	Sales 1Q 2019	Median 1Q 2019	Sales 1Q 2020	Median 1Q 2020	Median Change %
NORTH ADELAIDE	10	972,000	15	1,360,000	39.92
GAWLER SOUTH	7	320,000	12	446,000	39.38
TEA TREE GULLY	6	379,775	10	510,000	34.29
GOLDEN GROVE	33	442,500	35	575,000	29.94
BLACKWOOD	14	497,500	12	633,000	27.24
HAZELWOOD PK	3	905,000	11	1,150,000	27.07
MUNNO PARA	14	232,500	18	294,500	26.67
WEST LAKES SHORE	11	610,000	13	765,000	25.41
MILE END	9	565,000	10	700,000	23.89
BELAIR	13	640,000	13	775,000	21.09
Adelaide Metro	3,631	477,500	3,871	480,000	0.52

Median House Prices – March Quarter 2020

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 2020 quarter, the regional housing market recorded a median house value of \$270,000. This represents a decrease of 3.57% from the previous quarter and a slight decrease of 0.74% from the same quarter last year.

Sales were only slightly down this quarter with only 10 less houses sold this quarter than the last quarter of 2019. Pleasingly, sales were up almost 10% from the same period last year.

REISA President, Mr Brett Roenfeldt said "It is great news that the median price and sales volume continue to hold their own. We are in uncharted territory with COVID-19 and while these results only partially capture its effects, the results show the underlying resilience and strength of the regional real estate market. I am particularly pleased that the sales were only down by 10 sales this quarter (traditionally sales fall much harder in the first quarter of the year compared to the last quarter of the preceding year)".

Suburbs which have seen the largest growth over a 12 month period are Renmark, Murray Bridge and Millicent with fantastic increases of 14.29%, 12.81% and 10.86% respectively.

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

Sales Statistics									
1 st Quarter 2020									
Index	Category	1Q 2019		4Q 2019		1Q 2020		Quarter %	12 month %
		Sales	Median	Sales	Median	Sales	Median	Change	Change
Major Towns	Houses	485	272,000	535	280,000	525	270,000	-3.57%	-0.74%
Component Towns									
Millicent	Houses	13	175,000	23	172,000	25	194,000	12.79%	10.86%
Mount Gambier	Houses	97	264,750	114	295,000	108	255,000	-13.56%	-3.68%
Murray Bridge	Houses	55	245,100	61	227,500	59	276,500	21.54%	12.81%
Port Augusta	Houses	28	269,000	39	210,000	27	249,500	18.81%	-7.25%
Port Lincoln	Houses	39	302,500	51	290,000	53	300,000	3.45%	-0.83%
Port Pirie	Houses	43	177,500	50	220,000	47	173,500	-21.14%	-2.25%
Victor Harbor	Houses	113	365,000	110	389,000	102	395,000	1.54%	8.22%
Whyalla	Houses	42	230,000	43	243,500	38	240,000	-1.44%	4.35%
Other Towns									
Barmera	Houses	4	226,000	6	211,250	8	227,500	7.69%	0.66%
Berri	Houses	8	173,500	13	265,000	10	184,000	-30.57%	6.05%
Naracoorte	Houses	23	275,000	18	240,000	23	245,000	2.08%	-10.91%
Renmark	Houses	21	227,500	19	180,000	26	260,000	44.44%	14.29%

Median House Prices – March Quarter 2020 - SA's main regional centres

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

Auction Results

Week Ending	Clearance Rates
12 Jan	33%
19 Jan	50%
26 Jan	65%
2 Feb	54%
9 Feb	56%
16 Feb	70%
23 Feb	57%
1 Mar	58%
8 Mar	69%
15 Mar	68%
22 Mar	61%
29 Mar	78%

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 Quarter 2020

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

Top 10 Residential Auction Sales		
7 NETHERBY AVE NETHERBY	Sarah Jaensch TOOP & TOOP REAL ESTATE	\$1,695,000
19 BICKFORD TCE SOMERTON PARK	Michael Balawejder / Simon Noakes HARRIS REAL ESTATE SALES	\$1,690,000
13 DAVENPORT TCE HAZELWOOD PARK	Brandon Pilgrim RAY WHITE NORWOOD	\$1,656,000
1A WILLYAMA AVE MEDINDIE	Andrew Fox FOX REAL ESTATE	\$1,550,000
109 BROUGHAM PLACE NORTH ADELAIDE	Judy Morris KLEMICH REAL ESTATE	\$1,550,000
49 GRANDVIEW GROVE TOORAK GARDENS	Richard Thwaites LJ HOOKER KENSINGTON / UNLEY	\$1,460,000
52 TORRENS ST COLLEGE PARK	Jacob Lanning LJ HOOKER WALKERVILLE	\$1,460,000
6A HAZELWOOD AVE HAZELWOOD PARK	Richard Thwaites LJ HOOKER KENSINGTON / UNLEY	\$1,450,000
43 WILLIAM ST HAWTHORN	Taylor Bishop HARRIS REAL ESTATE SALES	\$1,413,000
23 ESPLANADE SEMAPHORE SOUTH	Kate Smith HARCOURTS SMITH	\$1,400,000