

Market Update: Sales Results

June Quarter 2020 Edition



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Sales Results - Adelaide Metro

The results of the second quarter of 2020 show the truly amazing resilience of the real estate market towards the effects of COVID-19. We must acknowledge and celebrate the optimism and confidence of vendors and purchasers in driving the real estate market forward during these challenging times.

Following the release of the Valuer-General's median house price data for the 2020 June quarter, REISA President Mr Brett Roenfeldt said that while the volume of sales had dipped slightly from the last quarter, the median price remained at historically high levels.

"It is sensational news that the median price in this quarter is only just down from the record high set in the last quarter of 2019. This quarter captures the full effects of COVID-19 and so the sustained high median price is a clear indicator of the underlying strength and resilience of the South Australian real estate market"

"While the volume of sales is down from the previous quarter, this reflects the lack of stock on the market currently and is an indication of the hesitance of the market to commit to real estate transaction in these uncertain times. However, the median price is also clearly showing that purchasers are still willing to pay premium prices for properties that are realistically and transparently priced" Me Roenfeldt said.

In the June quarter, 3,526 houses settled across the Adelaide metropolitan area which is down from the previous quarter and the same quarter last year.

Suburbs which have seen the largest growth over a 12 month period were Glenelg East, Somerton Park and West Beach. Other big movers included Blackwood, McLaren Vale and Salisbury Heights.

Top selling suburbs in terms of recorded sales over the June quarter were Mount Gambier, Morphett Vale and Andrews Farm.

"Location and affordability will always be the key drivers of a purchaser's decision to either buy or invest in property. Affordability particularly when coupled with existing or exciting new infrastructure will always deliver suburbs that do well for first home buyers. Likewise, these suburbs will be seen as very attractive opportunities for investment."

More broadly, the June quarter statistics showed that the overall South Australian median price was up 0.47% from the previous quarter and 0.47% from the same quarter last year.

The unit and apartment market showed a significant increase of 5.49% in the median price compared to the previous quarter and a massive 10% increase from the same quarter last year. The number of sales were slightly down for the same periods.

**Sales Statistics
2nd Quarter 2020**

Index	Category	2Q 2019		1Q 2020		2Q 2020		Quarter % change	12 month % change
		Sales	Median	Sales	Median	Sales	Median		
South Australia	Houses	1,436	430,000	5,508	430,000	4,814	432,000	0.47%	0.47%
Metro Adelaide	Houses	4,016	480,000	3,919	480,000	3,526	477,500	-0.52%	-0.52%
Central Metro	Houses	1,961	552,500	1,914	560,000	1,688	561,000	0.18%	1.54%
Inner Metro	Houses	350	830,000	305	877,500	315	891,500	4.38%	8.84%
Metro Adelaide	Home Units	1,286	350,049	1,299	365,000	1,071	381,000	2.97%	3.16%

Suburb	Sales 2Q 2019	Median 2Q 2019	Sales 2Q 2020	Median 2Q 2020	Median Change %
GLENELG EAST	10	613,000	10	940,000	53.34
SOMERTON PARK	14	730,000	13	090,500	35.55
WEST BEACH	12	706,250	10	932,500	32.04
BLACKWOOD	17	583,500	10	750,000	28.53
MCLAREN VALE	11	415,000	15	530,000	27.71
SALIBSURY HEIGHTS	9	385,000	11	490,000	27.27
ADELAIDE	4	677,500	11	850,000	25.46
PORT NOARLUNGA SOUTH	8	345,000	10	430,000	24.64
BELAIR	17	541,250	12	672,500	24.25
STIRLING	16	705,000	14	872,500	23.76
Adelaide Metro	4,016	480,000	3,526	477,500	-0.52

Median House Prices – June 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 June 2020 quarter, the regional housing market recorded a median house value of \$277,500. This represents a significant increase of 2.97% from the previous quarter and an increase of 3.16% from the same quarter last year.

Sales were significantly down from the previous quarter and also from the same quarter last year.

REISA President, Mr Brett Roenfeldt said "This is the first quarter that we are able to measure the full effects of COVID-19. The volume of sales is significantly down but that is to be expected with these uncertain times. I am delighted that the median price has actually increased from the previous quarter – this clearly demonstrates the underlying strength and resilience of the regional real estate market and the fact that purchasers are willing to pay premium prices for properties that are realistically and transparently priced".

Suburbs which have seen the largest growth over a 12 month period are Renmark, Berri and Barmera with increases of 28.16%, 12.27% and 11.47% respectively.

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

Sales Statistics									
2 nd Quarter 2020									
Index	Category	2Q 2019		1Q 2020		2Q 2020		Quarter % Change	12 month % Change
		Sales	Median	Sales	Median	Sales	Median		
Major Towns	Houses	499	269,000	539	269,500	419	277,500	2.97	3.16
Component Towns									
Millicent	Houses	25	190,000	28	188,000	17	182,500	-2.93	-3.85
Mount Gambier	Houses	113	267,525	110	255,000	91	259,500	1.76	-3.00
Murray Bridge	Houses	59	236,000	61	267,500	39	262,000	-2.06	11.02
Port Augusta	Houses	28	220,500	28	249,500	21	232,500	-6.81	5.44
Port Lincoln	Houses	38	327,500	55	300,000	31	300,000	0.00	-8.40
Port Pirie	Houses	42	188,750	49	175,000	40	190,000	8.57	0.66
Victor Harbor	Houses	90	360,000	104	395,000	91	372,500	-5.70	3.47
Whyalla	Houses	39	267,500	38	237,750	33	252,500	6.20	-5.61
Other Towns									
Barmera	Houses	6	175,000	8	227,500	10	195,000	-14.29	11.43
Berri	Houses	13	220,000	10	184,000	10	247,000	34.24	12.27
Naracoorte	Houses	34	260,000	23	245,000	24	260,000	6.12	0.00
Renmark	Houses	15	257,500	26	260,000	22	330,000	26.92	28.16

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

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

Auction Results

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.

Week Ending	Clearance Rates
5 Apr	83%
12 Apr	75%
19 Apr	45%
26 Apr	50%
3 May	56%
10 May	67%
17 May	62%
24 May	42%
31 May	57%
7 June	60%
14 June	63%
21 June	61%
28 June	61%

Auction Clearance Rates – June Quarter 2020

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

Top 10 Residential Auction Sales		
30 PATAWALONGA GLENELG NORTH	Scott Robinson RAY WHITE BRIGHTON	\$1,710,000
23 ERSKINE ST GOODWOOD	Brandon O'Connell / John McRostie BELLE PROPERTY UNLEY	\$1,512,000
3 BUCHAN AVE BEAUMONT	Joel Albrechtsen HARRIS REAL ESTATE SALES	\$1,393,000
283 MILITARY RD SEMPAHORE	Petra Mells RAY WHITE PORT ADELAIDE	\$1,335,000
86 AYERS AVE DAW PARK	Simon Tanner / Bec Tanner TANNER REAL ESTATE	\$1,160,000
6 MERION CRT WEST LAKES	Stephanie Thorpe HARCOURTS BROCK ESTATES	\$1,103,000
18 & 19 SOUTH PARADE SEATON	Kate Smith RAY WHITE PORT ADELAIDE	\$1,100,000
5 MELVEEN ST MODBURY	Mohit Gupta LJ HOOKER WALKERVILLE / MODBURY	\$1,080,500
46 HUGHES ST UNLEY	John McRostie BELLE PROPERTY UNLEY	\$1,050,000
4 CLOSE ST ROSE PARK	Joe Hibeljic RAY WHITE NORWOOD	\$925,100