

Market Update: Sales Results

December Quarter 2012 Edition



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Sales Results - Adelaide Metro

Spring in the step of the property market

The release of the December quarter housing sale statistics show a spring in the step in the market indicating that the market may be stronger in 2013, according to the Real Estate Institute of SA (REISA).

Commenting on the official Government settlements for the last quarter of 2012, REISA President, Mr Greg Moulton, said that the metropolitan median house price rose to \$395,000, up 1.28% on the previous 12 month median house price.

"It's encouraging to see that prices are now starting to move a little and importantly, volume is starting to pick up as well," he said.

"The rise in transactions points appears to mirror the recent interest rate cuts and there is no doubt that more people have been out and about at open inspections in the past few months."

"There is still a high level of stock on the market, but this activity bounce is a small indicator that we may be moving into a recovery period which is a welcome sign for the 2013 real estate market."

"REISA members are saying that the past two years have been very tough, but as a result of falling interest rates and increased confidence, people are starting to come back to open inspections in stronger numbers and we hope these patterns further strengthen in coming months."

Suburbs which recorded a sharp rise in the median house price, compared to the December 2011 median, included Munno Para (39%), Tranmere (23%) and St Peters (16%).

Suburb	Sales Dec 11	Median Dec11	Sales Dec12	Median Dec12	Median Change %
Munno Para	38	\$222,500	20	\$310,000	39.33%
Tranmere	18	\$450,000	10	\$552,500	22.78%
ST.Peters	10	\$972,500	15	\$113,2500	16.45%
Largs Bay	12	\$488,000	11	\$560,000	14.75%
West Beach	12	\$535,000	19	\$606,000	13.27%
Athelstone	20	\$410,000	22	\$461,000	12.44%
Glengowrie	12	\$490,000	20	\$550,000	12.24%
South Plympton	17	\$403,750	12	\$450,000	11.46%
Stirling	12	\$550,000	10	\$610,000	10.91%
Sellicks Beach	12	\$248,820	19	\$275,000	10.52%
Adelaide Metro	3,601	\$390,000	3,667	\$395,000	1.28%

Median House Prices – December Quarter 2012
Top 10 growth Suburbs with 10 or more sales in each quarter

Sales Results - Regional

Regional housing market steady moving into 2013

The regional housing market has recorded the same median house price in December 2012, as the same period in 2011, finishing both years with a median of \$250,000.

Commenting on the release of the official Government settlement data for the December 2012 quarter, the Real Estate Institute of SA (REISA) said that the regional market has been through a tough 12 months, but with little change in the median, and a small increase in the volume, there are positive signs for 2013.

REISA President, Mr Greg Moulton, said interest rate rises have started to buoy purchaser interest in the local markets and this will hopefully carry through to 2013.

“Regional markets often follow the metropolitan buying patterns and we are starting to see slightly increased activity which is important as there is a high level of stock on the market in all areas,” he said.

“Now that interest rates have moved a little further down, there should start to be more momentum to buy which will prompt local markets to recover in 2013.”

“The past few years have been really tough in the regional real estate market and whilst the recovery may be slow, it should start to pick up as people return to the stability of bricks and mortar investment.”

Analysing local towns shows a high degree of volatility due to relatively small volumes in most towns.

“The median house price must always be used with caution as it’s simply an indicator of what has sold in the local area, rather than an assessment of housing values,” Mr Moulton said.

“Particularly in markets like this, buyers and sellers need to trust their local REISA member to be a source of credible information on the local market.”

Regional Town	Sales Dec 11	Median Dec 11	Sales Dec 12	Median Dec 12	Median change %
Millicent	17	\$180,000	17	\$170,250	-5.42%
Mount Gambier	85	\$245,000	82	\$230,000	-6.12%
Murray Bridge	45	\$221,500	65	\$218,500	-1.35%
Port Augusta	31	\$172,500	21	\$215,000	24.64%
Port Lincoln	40	\$295,000	45	\$318,500	7.97%
Port Pirie	25	\$180,000	31	\$182,000	-1.11%
Victor Harbor	61	\$351,250	67	\$310,000	-11.74%
Whyalla	50	\$287,500	45	\$277,500	-3.48%
Barmera	7	\$202,500	10	\$159,000	-21.48%
Berri	5	\$299,000	16	\$167,000	-44.15%
Naracoorte	17	\$174,500	24	\$195,500	12.03%
Renmark	14	\$180,000	15	\$173,250	-3.75%
Regional SA	354	\$250,000	373	\$250,000	0.00%
South Australia	4,828	\$360,000	4,883	\$365,000	1.39%

Median House Prices – December Quarter 2012

SA's main regional centres

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

Auction Results

Spring heats up the auction market

The last few months of 2012 proved to be strong for the auction market with an average of 100 properties being offered to the market weekly.

Lifting the clearance rate into the 50% range, also kicked started the auction gavel, indicating buyers are turning back to property as a solid investment.

The top end of the market showed particularly strong results for auction.

"Spring saw more auctions and from February in the new year, we'd expect to see a flurry of auction activity again for the market," Mr Moulton said.

Auction Results

Week Ending	Clearance Rates
7 October	59%
14 October	46%
21 October	54%
28 October	58%
4 November	43%
11 November	51%
18 November	52%
25 November	51%
2 December	53%
9 December	36%
16 December	44%

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.

Top 10 Residential Auction Sales

23 Harrow Rd, St Peters	Peter Veitch – Toop & Toop Real Estate Norwood	\$2,150,000
24 Avenel Gardens Rd, Medindie	Richard Hayward – Bernard H Booth Adelaide	\$1,920,000
93A Esplanade, Hove	Grant Wills – Toop & Toop Hyde Park	\$1,900,000
49 Dutton Tce, Medindie	Richard Haywood – Bernard H Booth Adelaide	\$1,880,000
10 Wilkinson Av, Somerton Park	Karen Dorman – Harris Real Estate	\$1,800,000
35 Devonshire St, Walkerville	Tim Thredgold – Toop & Toop Norwood	\$1,775,000
3 Rentoul Av, Netherby	Peter McMillan – Toop & Toop Norwood	\$1,750,000
11 Glenburnie Av, Torrens Park	Leith Friebe – Smallacombe Mitcham	\$1,680,000
30 Marlborough St, Malvern	David Cocks – Cocks Auld Real Estate Unley	\$1,425,000
52 Dutton Tce, Medindie	Michael Brock – Harcourts Brock Williams	\$1,410,000

Auction Clearance Rates – December Quarter 2012

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