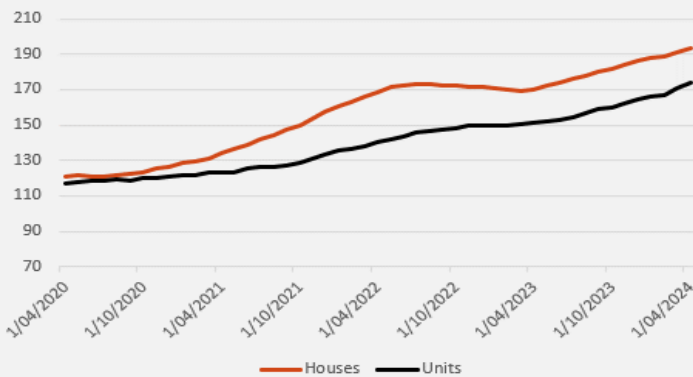


ADELAIDE MARKET SNAPSHOT

Home Value Index April 2024

The change in house and unit values to end of April 2024 is recorded at:



HOUSES



UNITS

Quarter

3.2%

4.5%

Annual

13.9%

14.5%

Annual Dwelling Sales April 2024

24,368 -1.9% lower than one year ago. -
4.7% below the five-year average.



-1.1%
HOUSE SALES



-4.6%
UNIT SALES

Source: Core Logic

Adelaide is reaching new record levels with dwelling price up a further +1.3% in April.

The Adelaide property market continues to be one of the best performing markets nationally (along with Perth and Brisbane). The April increase follows a +1.4% rise in the previous month, +3.3% over the last quarter and +14.0% of annual dwelling growth.

The Adelaide property market is one of the standout markets nationally (along with Perth and Brisbane) achieving +58.7% above the levels at the onset of Covid whilst continuing to reach new levels. The annual price growth in Greater Adelaide has reached a capital city high exceeded only by Perth (+21.1%) and Brisbane (+16.1%).

Nationally the housing price index (HVI) posted a broad-based rise with a gain of +0.6% for April which was on par with both February and March increases. The current upswing in housing values signals the fifteenth consecutive month of growth.

Beyond the headline numbers, multi-speed conditions remain with the mid-sized capitals of Adelaide, Perth and Brisbane continuing to lead the pace of growth. Market conditions continue to exhibit diversity with each of the capital cities and rest-of-state regions recording a lift in values over the month with the exception of Melbourne (where the market subtly eased -0.1%) and Regional Victoria which recorded no change in value (0.0%).

Uncertainty around the future direction of interest rates remain a key metric influencer as a result of last month's higher-than-expected inflation results which may force the hand of the RBA to keep interest rates higher for longer.

The outlook for Adelaide indicates a continued strong outcome for housing values aided by impending Stage 3 tax cuts set down for 1st July, easing cost-of-living pressures, improving confidence, Adelaide's relative affordability, ongoing population growth (international and interstate) and continued lack of supply.



MARKET CONDITIONS



HOUSE



UNITS

LISTINGS – ANNUAL INCREASE

-11.3%

7.8%

DAYS ON MARKET

31 days

27 days

VENDOR DISCOUNT

-3.8%

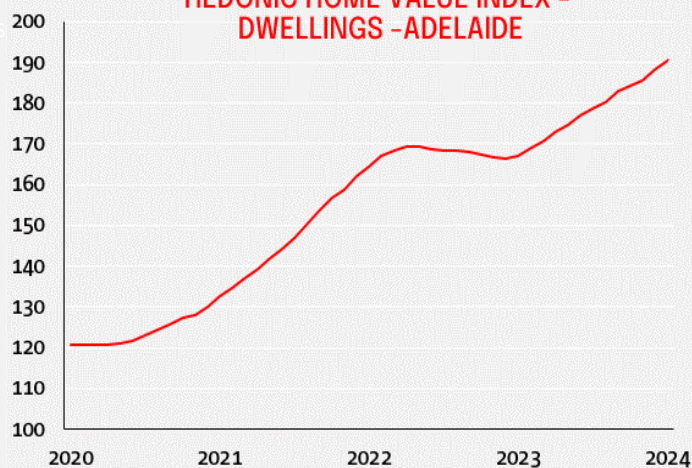
-3.1%

MEDIAN VALUE

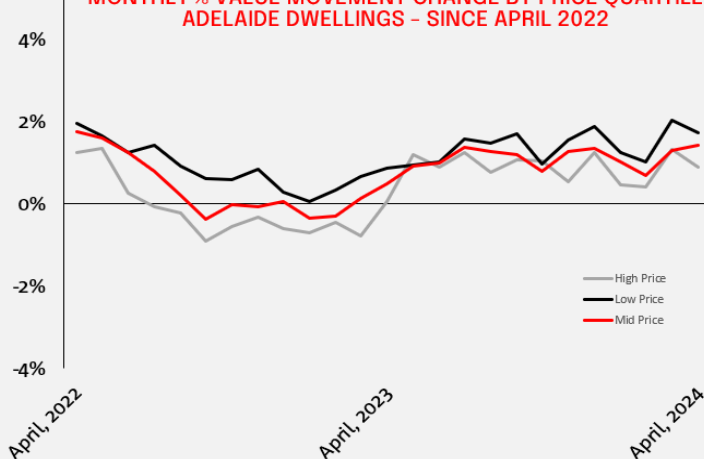
\$800,648

\$514,369

HEDONIC HOME VALUE INDEX - DWELLINGS - ADELAIDE



MONTHLY % VALUE MOVEMENT CHANGE BY PRICE QUARTILE ADELAIDE DWELLINGS - SINCE APRIL 2022



Source: Core Logic

Market movements remain strong across all quartiles in the Adelaide market, with all segments continuing to post solid monthly gains. The trend on a quarterly basis is a positive one, led by the lower price segment which recorded a gain over the April quarter of +4.8% followed by slightly less-pronounced increases within the mid and high-price quadrants of +3.4% and +2.6% respectively over the same time period.

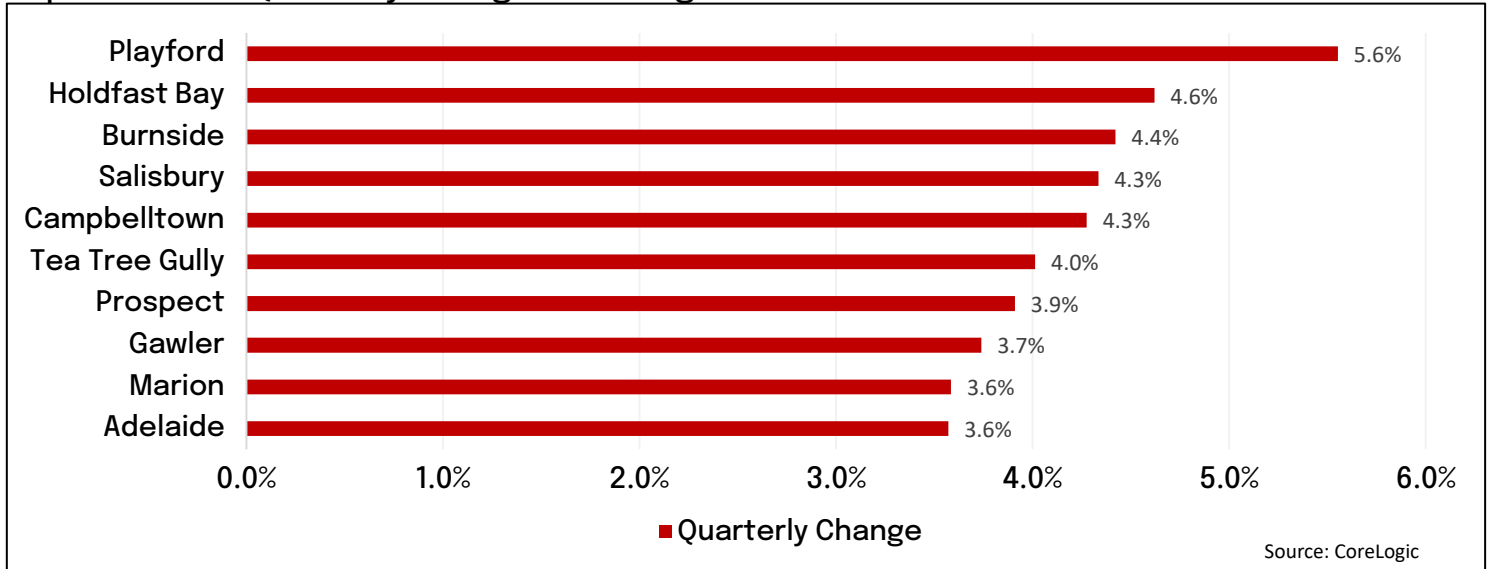
The main drivers for dwelling values in the Adelaide property market remain primarily the future direction of interest rates, low supply and concerns surrounding affordability. Following the updated inflation outlook, an element of marketplace uncertainty has re-emerged with many economists and financial markets

pushing back their timing for rate cuts and re-ignited some speculation of the need for a further interest rate increase, which is not NAB's view who maintain the next change to be a reduction in late 2024. Adelaide's housing values will continue to be supported by the mismatch between housing demand and very low levels of supply.

Given the current low levels of existing supply and persistently low levels of dwelling approvals, the timeline for any substantial increase to supply may be some time away. Positive tailwinds for the Adelaide market however include continued rising rental yields, increasing rental market strength and historically high levels of migration.

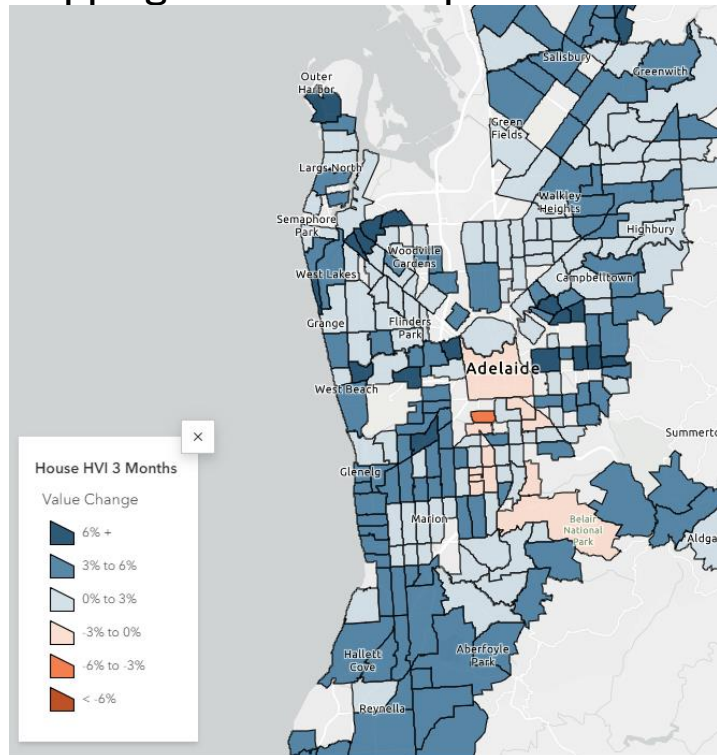


Top 10 Suburbs Quarterly Change - Dwellings



Key highlights and trends surrounding each of the Housing, Unit and Rental Markets being seen include:

Mapping the Market - April 2024



Source: CoreLogic

- The median house value in Adelaide has pushed through the \$800,000 benchmark and now sits at \$800,648, having gained +1.2% and +3.2% for the quarter and is now sitting up +13.9% over the last twelve months.
- On the unit side, while making up a smaller portion, the median value increased marginally to \$514,369 having increased by +1.7% in April, up +4.5% for the quarter and +14.5% over the last twelve months. Adelaide, once again, is one of the clear standouts in the unit market heading the list behind only Perth and Brisbane.
- Vacancy rate across Adelaide now sits at record lows at 0.5% which has seen house rents jump by +9.1% and unit rents up +9.3% over the past 12 months.
- Top 5 Adelaide Suburbs annual change:
 - Walkerville +20.7%
 - Playford +20.4%
 - Prospect +17.8%
 - Salisbury +17.4%
 - Campbelltown +16.6%



RECENT SALES ACTIVITY

Lower Market

85 Gerald Boulevard, Davoren Park



The sale property comprises an original 2011-built, four-bedroom, two-bathroom single-level brick and metal roof home of 149 square metres on a standard 400 square metre lot. Ancillary improvements include landscaped yard, concrete driveway, steel fencing and undercover parking for two vehicles. The property was recently offered to the market for private sale through a local agency in early-April with no list price guide provided. After a marketing campaign and 11 days on the market, the property was sold for \$530,000 on 12thApril.

Mid-Market

3 Vivian Street, Henley Beach



The sale property comprises an original well-presented 2003-built, three-bedroom, two-bathroom single-level rendered brick and tile home of 136 square metres on a standard 357 square metre lot. Ancillary improvements include paved driveway, patio, alfresco area, landscaped yard and undercover parking for two vehicles. The property was recently offered for private sale through a local agency in early-March with no vendor price guide provided. After a marketing campaign and 29 days on the market, the property was sold for \$1,150,000 on the 2ndApril.

Premium Market

14 Liston Street, Parkside



The sale property comprises a fully renovated, well-presented, modern-style 2002-built, four-bedroom, two-bathroom single level home of 239 square metres on a 662 square metre lot. Ancillary improvements include alfresco areas, landscaped yard, inground pool, pergola and undercover parking for four vehicles. The property was offered for private sale through a local agency in mid-March with no list price guide provided. After 23 days on market, the property sold for \$2,620,000 on 18thApril.

Disclaimer – The information contained in this publication is gathered from multiple sources believed to be reliable as at the end of April 2024 and is intended to be of general nature only.

It has been prepared without taking into account any person's objectives, financial situation or needs. Before acting on this information, NAB recommends that you consider whether it is appropriate for your circumstances. NAB recommends that you seek independent legal, property, financial, and taxation advice before acting on any information in this publication.