

Domain House Price Report

We've pulled together the latest property market movements for the September 2022 quarter

Key
insights

ADELAIDE KEY FINDINGS

Prices are at new records but growth slows

Adelaide is the only capital city market in Australia to record positive growth in house and unit prices over the September quarter and reach new record highs. This continuous stretch of rising prices means homeowners have witnessed a new record house price every quarter for more than two years and one year for units. That being said, the upswing continues to lose steam as quarterly house price growth is the slowest since prices declined in mid-2020 and it's the weakest outcome in a year for units. The shifting trend towards units from buyers who had previously been focused on houses throughout the upswing continues. Unit prices have outperformed houses for two consecutive quarters. It's a trend that could continue as affordability constraints, reduced borrowing capacity, an extremely tight rental market and migration flows returning are expected to continue to support unit prices.

Adelaide Median Property Price September QoQ change



Houses

\$795,093

+0.6%



Units

\$416,410

+2.5%



Dr Nicola Powell

Chief of Research & Economics, Domain

"We're going through housing market conditions that many buyers and sellers have never experienced in their lifetime. The mix of interest rate hikes, strong inflation levels and high household debt has understandably had a significant impact on consumer sentiment.

While prices are expected to continue to fall further, our data married with the current economic indicators show it is likely that the September quarter could be a peak quarterly decline. We've started to see the RBA ease the pace of interest rate hikes which has helped to shift the tone of what we can expect for the rest of the year, along with rising auction clearance rates and consumer sentiment improving from its low. With rising overseas migration and short-term visa holders returning, we should start to see an improvement in investment activity which, in time, will provide more rental opportunities. However, prospective buyers will continue to stick to a more conservative approach by forward planning for any further rate hikes and being mindful of their lower borrowing capacity."

Greater Adelaide by SA4



SA4 (Houses)	Median	QoQ	YoY
Adelaide - Central & Hills	\$900,000	-0.4%	13.9%
Adelaide - North	\$530,000	1.9%	20.2%
Adelaide - South	\$680,000	-0.3%	14.3%
Adelaide - West	\$750,000	0.0%	13.6%

Greater Adelaide by SA4



SA4 (Units)	Median	QoQ	YoY
Adelaide - Central & Hills	\$456,500	1.4%	6.4%
Adelaide - North	\$330,000	3.1%	18.5%
Adelaide - South	\$444,000	6.2%	21.1%
Adelaide - West	\$410,000	0.0%	15.5%

Source: Domain, powered by APM

Median: Capital cities are calculated by using a stratified median price. All other geographies use a middle sale price.
QoQ: The quarterly change in the median house or unit price.
YoY: The annual change in the median house or unit price.