



RAY WHITE NOW

PROUDLY PRESENTING PROPERTY MARKET INSIGHTS IN REAL TIME

DECEMBER 2023 | AUSTRALIA



COVER IMAGE:
451 TALLEBUDGERA CREEK ROAD, TALLEBUDGERA VALLEY, QLD
REBECCA MOFFREY | RAY WHITE BURLEIGH GROUP

Australian house prices continued to increase in November and are now well above the previous peak in 2021. While surprising given rapid interest rate increases, the growth reflects strong population growth and a housing shortage. The median for units has also exceeded the previous peak.

Housing supply is expected to remain limited in 2024 and this, combined with interest rates that are at or close to peak, are likely to continue to lead to price growth.

Prices continue to rise amid continued shortage of housing

Median sale price (\$) - Index - Australia

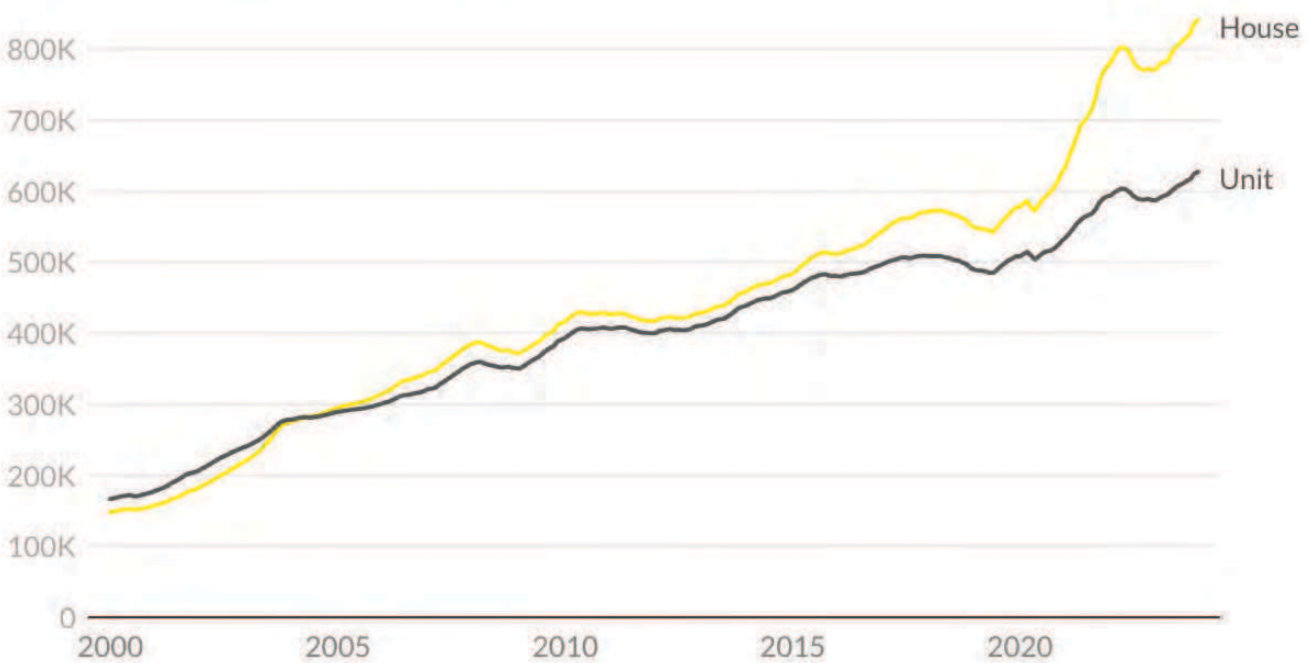


Chart: Ray White • Source: Neoval

Capital city price growth

Median price by capital city - Houses - November

Location	Nov-23	Month-on-month	Year-on-year
PERTH	\$698,541	0.7%	12.9%
ADELAIDE	\$750,103	0.5%	10.0%
BRISBANE	\$862,884	0.5%	9.5%
SYDNEY	\$1,519,026	0.4%	8.7%
DARWIN	\$610,412	0.5%	8.5%
CANBERRA	\$1,103,417	0.5%	8.3%
HOBART	\$776,565	0.6%	7.3%
MELBOURNE	\$1,048,035	0.5%	6.6%
CAPITAL CITY AVERAGE	\$1,000,974	0.5%	9.0%
AUSTRALIA	\$840,315	0.6%	9.1%

Source: Neoval

Perth continues to see the strongest house price growth in Australia. While this city is seeing similar trends to other capital cities, it appears that rising wealth from strong mining conditions is also playing a role. Adelaide is also a top performer, seeing similar drivers to Perth. Melbourne continues to see the weakest growth, however, is still up 6.6 per cent compared to last year.

Capital city price growth

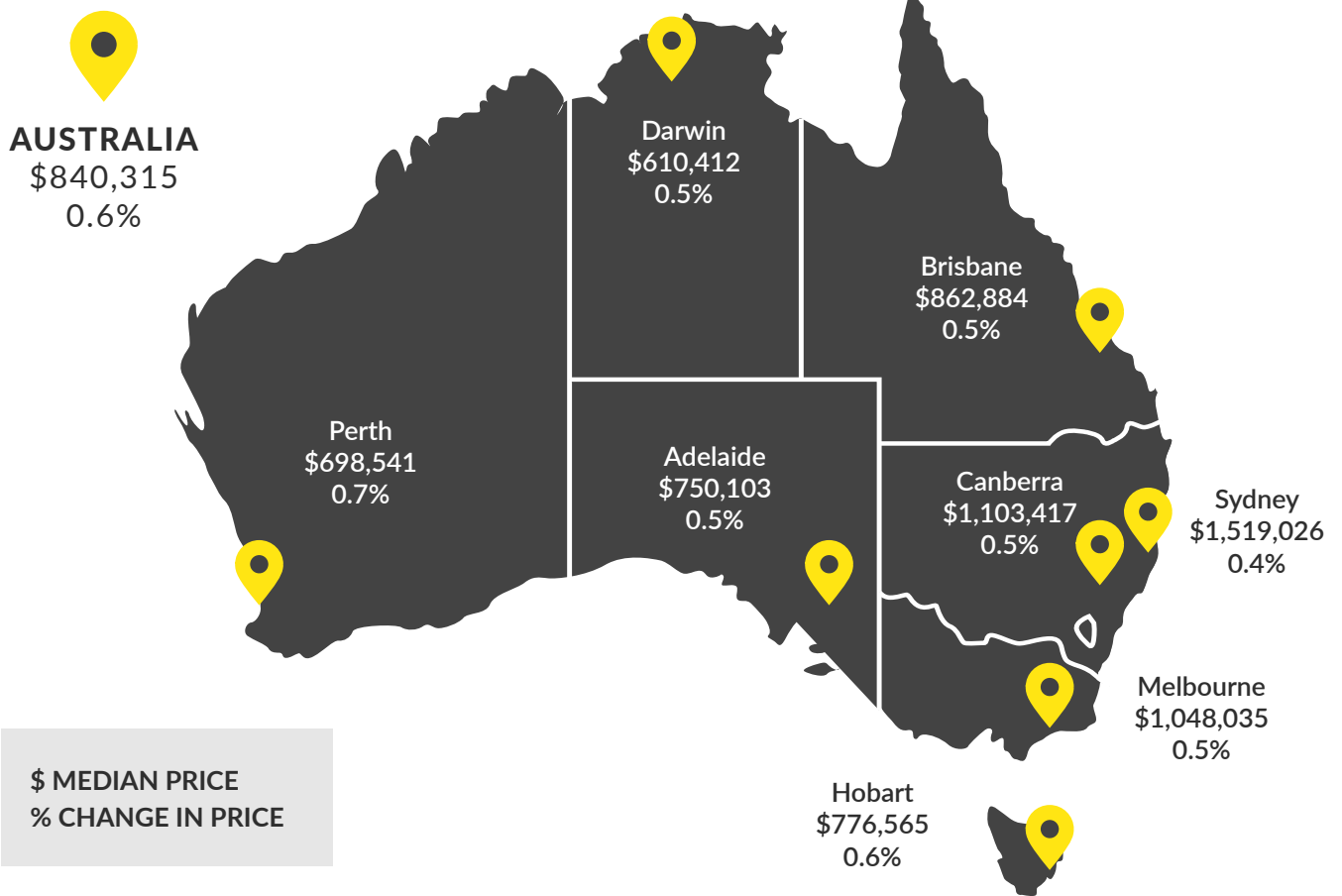
Median price by capital city - Units - November

Location	Nov-23	Month-on-month	Year-on-year
ADELAIDE	\$492,657	0.4%	9.8%
BRISBANE	\$557,030	0.4%	9.1%
PERTH	\$461,820	0.5%	8.4%
DARWIN	\$396,536	0.3%	7.0%
CANBERRA	\$633,780	0.4%	7.0%
SYDNEY	\$855,598	0.4%	6.2%
HOBART	\$578,694	0.3%	6.2%
MELBOURNE	\$630,361	0.5%	5.0%
CAPITAL CITY AVERAGE	\$660,492	0.4%	6.6%
AUSTRALIA	\$626,932	0.4%	6.8%

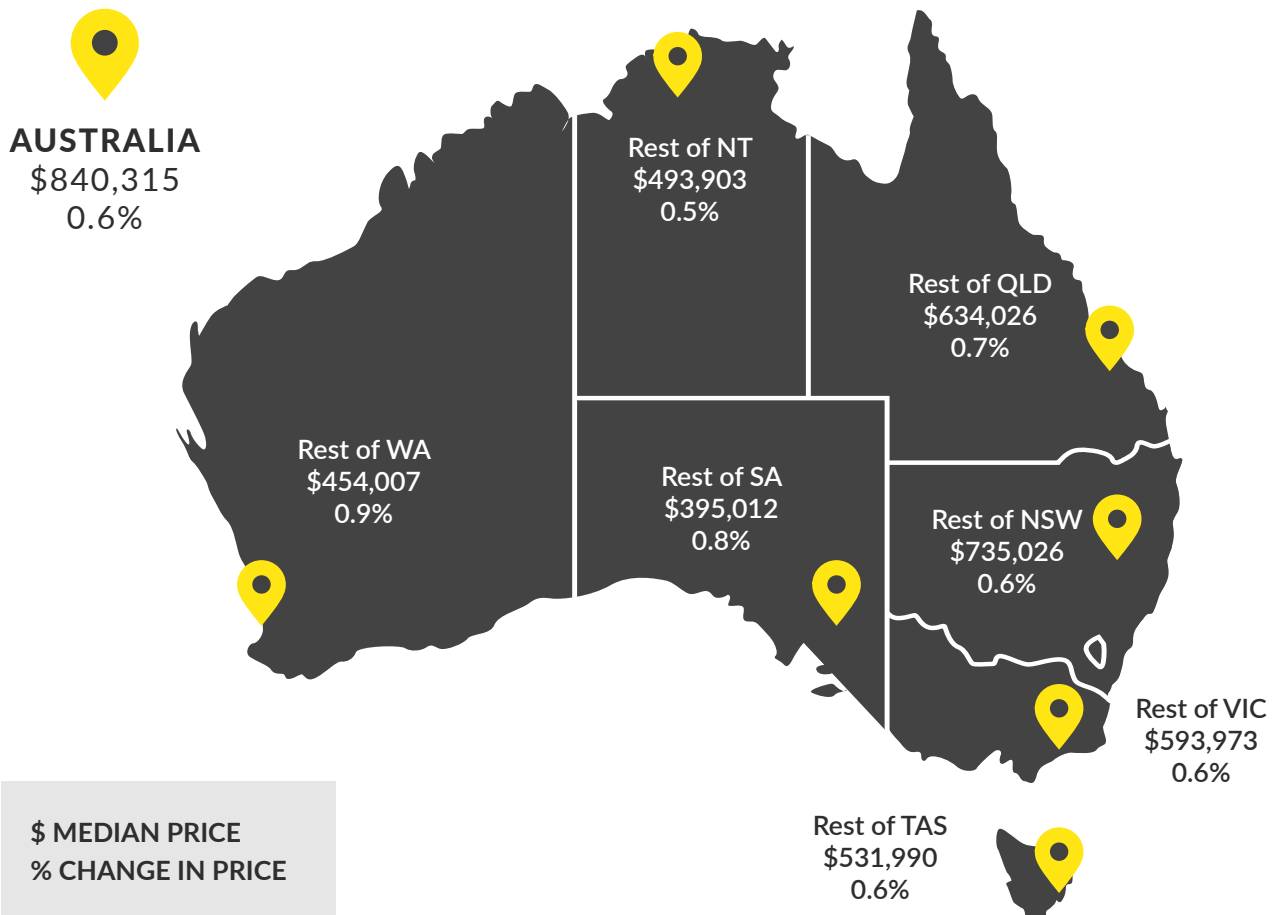
Source: Neoval

While Perth tops the country for house price growth, Adelaide units are the strongest, with prices up almost 10 per cent since last year. While growth is problematic for affordability, it will ensure more homes are built. The cost of construction increased dramatically last year. Although it has stabilised now, building a home is still a lot more expensive than it was two years ago. Prices of existing homes needed to rise to match the higher costs of building a new home.

CAPITAL CITY HOUSE PRICES (%CHANGE) | SINCE LAST MONTH



REGIONAL HOUSE PRICES (%CHANGE) | SINCE LAST MONTH



Regional price growth

Median price by capital city - Houses - November

Location	Nov-23	Month-on-month	Year-on-year
REGIONAL SA	\$395,012	0.8%	12.3%
REGIONAL WA	\$454,007	0.9%	12.2%
REGIONAL QLD	\$634,026	0.7%	10.9%
REGIONAL NT	\$493,903	0.5%	8.8%
REGIONAL NSW	\$735,026	0.6%	8.3%
REGIONAL TAS	\$531,990	0.6%	8.2%
REGIONAL VIC	\$593,973	0.6%	6.8%
AUSTRALIA	\$840,315	0.6%	9.1%

Source: Neoval

Strong mining conditions are the main driver of house price growth in regional South Australia and Western Australia. While iron ore remains the largest driver of growth for Western Australia, lithium production continues to increase. In South Australia, copper production was a major contributor to economic growth for the state.

While on aggregate, house prices are up in regional Australia, we are continuing to see large increases in properties coming to market in many beachside holiday destinations. This is impacting pricing in many of these areas.

Regional price growth

Median price by capital city - Units - November

Location	Nov-23	Month-on-month	Year-on-year
REGIONAL SA	\$245,833	0.5%	11.1%
REGIONAL WA	\$339,847	0.5%	10.1%
REGIONAL QLD	\$526,510	0.4%	9.1%
REGIONAL NT	\$353,690	0.2%	7.7%
REGIONAL TAS	\$426,752	0.3%	7.2%
REGIONAL NSW	\$599,415	0.4%	6.5%
REGIONAL VIC	\$442,590	0.4%	6.1%
AUSTRALIA	\$626,932	0.4%	6.8%

Source: Neoval

Regional South Australia and Western Australia are also seeing the strongest price growth for units. Both regions are seeing more than 10 per cent growth over the past 12 months.



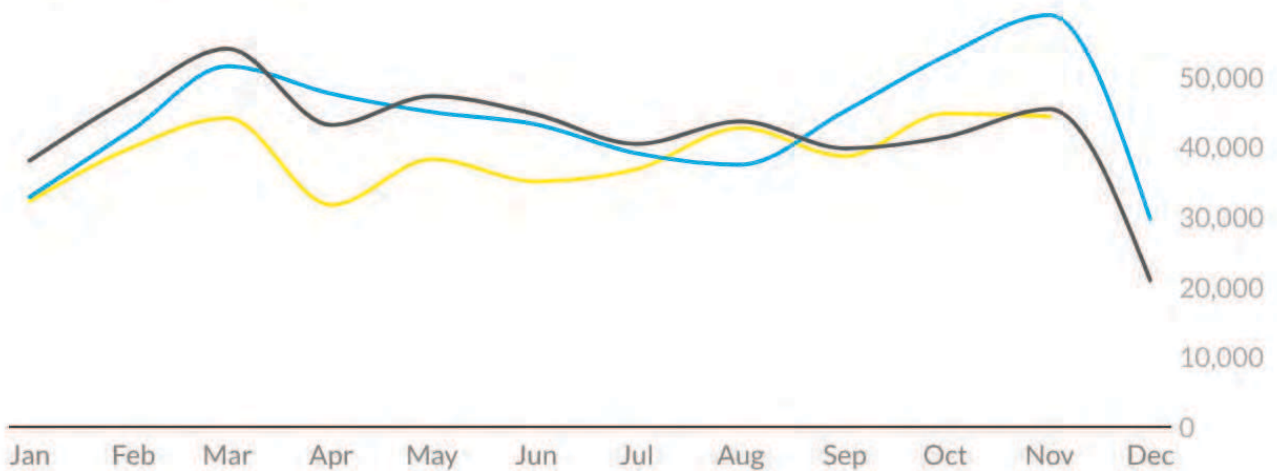
LISTINGS ACTIVITY

Listing volumes were up in early spring however, since then, the number of properties coming to market has been more subdued. The volume is on par with what we saw at the end of 2022. While price growth would normally lead to more properties coming to market, it appears that a lack of stock may be inhibiting sellers. Most sellers are subsequent buyers. More positively, although anecdotally, we're hearing that more investors are selling because of high interest rates; this has had minimal impact on listing volumes.

November new listings were relatively flat this year

New Listings - Australia - Market

— 2021 — 2022 — 2023



New listings from all of market + Ray White

Source: Ray White

New listings movements for capital cities

November

GCCSA	November new listings	Month-on-month (%)	Year-on-year (%)
Melbourne	10,115	1.3%	13.5%
Sydney	7,951	-7.1%	11.0%
Canberra	845	-6.5%	9.7%
Brisbane	3,881	-2.7%	-11.6%
Perth	4,092	1.7%	-12.5%
Adelaide	2,011	-3.5%	-12.9%
Hobart	372	-4.6%	-18.8%
Darwin	132	-9.6%	-38.3%
Australia - Capital Cities	29,399	-1.6%	1.8%

Listings figures include industry-wide listings and Ray White listings

Source: Ray White

At a capital city level, the most expensive markets of Melbourne, Sydney and Canberra have seen the biggest increase in new listings compared to last year. However, this has been largely offset by declines in other markets.

New listings movements for Regional Australia

November

GCCSA	November new listings	Month-on-month (%)	Year-on-year (%)
VIC - Regional	3,275	-3.3%	2.8%
TAS - Regional	652	3.7%	2.7%
NSW - Regional	5,053	1.7%	-1.0%
SA - Regional	612	7.7%	-3.0%
NT - Regional	53	-7.0%	-5.4%
QLD - Regional	4,379	1.3%	-22.6%
WA - Regional	928	-3.0%	-24.9%
Australia - Regional	14,952	0.4%	-9.4%
Australia Total	44,351	-0.9%	-2.3%

Listings figures include industry-wide listings and Ray White listings

Source: Ray White

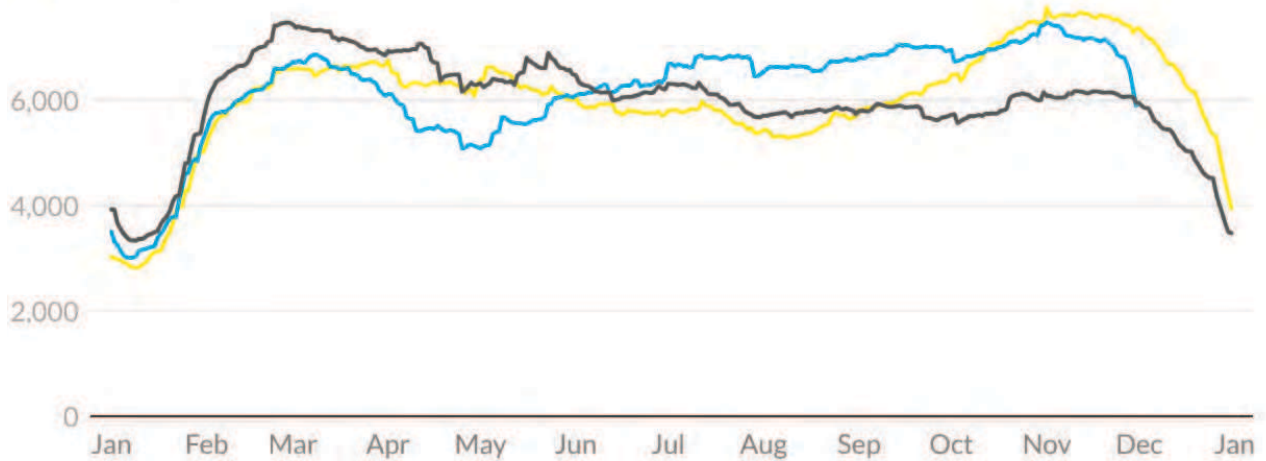
While listings have increased in some beachside holiday destinations, on aggregate, this is making a minimal impact on total listings in regional areas. Regional Queensland, which includes Gold Coast and Sunshine Coast, currently has almost 23 per cent fewer homes listed compared to last year.



Listing authorities

28 day rolling average - Australia - Ray White

— 2021 — 2022 — 2023



Listing authorities from Ray White only, representing ~ 13% of the market

Source: Ray White

Listing authorities are a lead measure of listings. They measure the point at which a vendor has signed to Ray White but the listing is not yet advertised. From this, we can see that the downturn in listings typically experienced at the start of December started a lot earlier this year.



AUCTION INSIGHTS

Clearance rates remain higher than last year but lower than the particularly strong conditions experienced in 2021.

Higher clearance rates shows more competition at auctions

Auction day clearance rate (%) - Australia

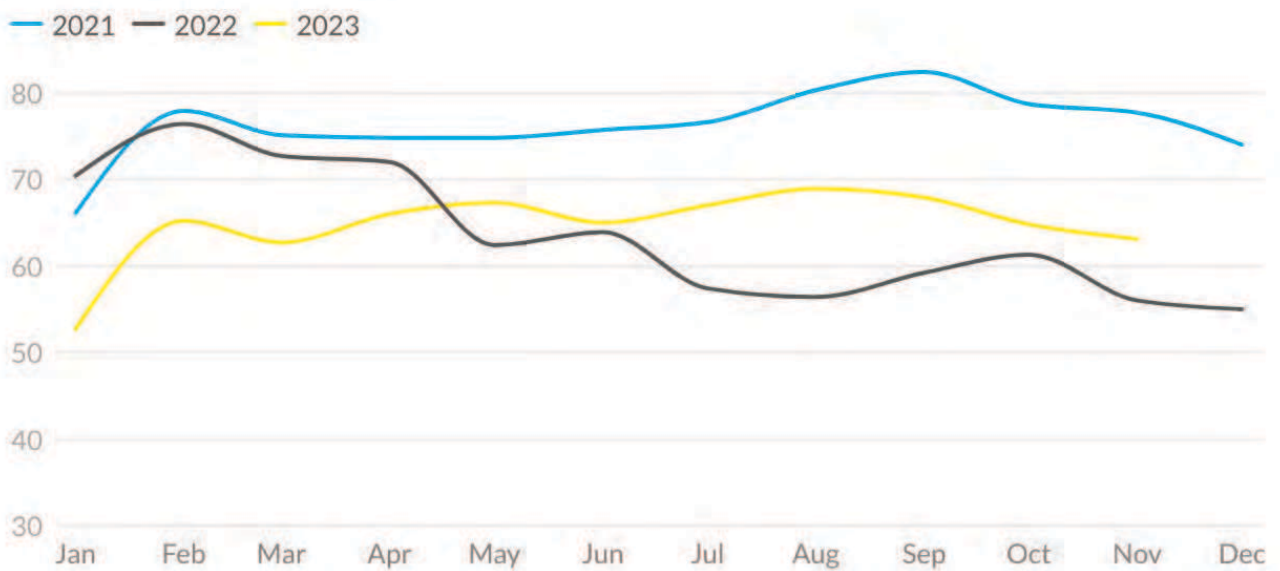


Chart: Ray White • Source: Ray White



Bidder activity fell slightly in November

Registered and active bidders at auction - Australia

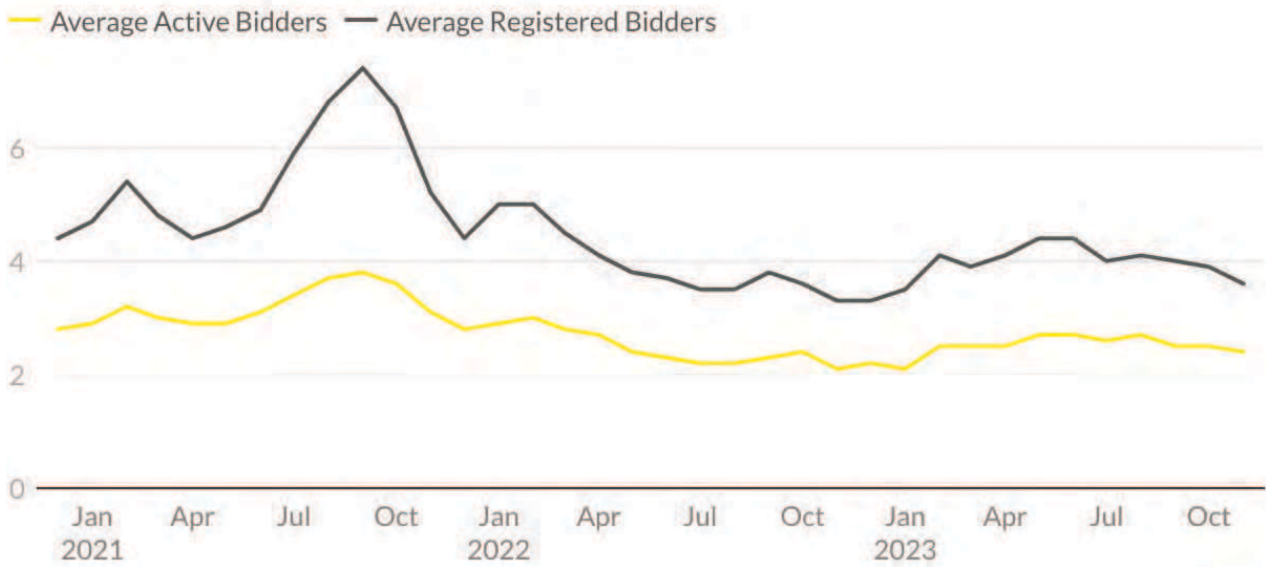
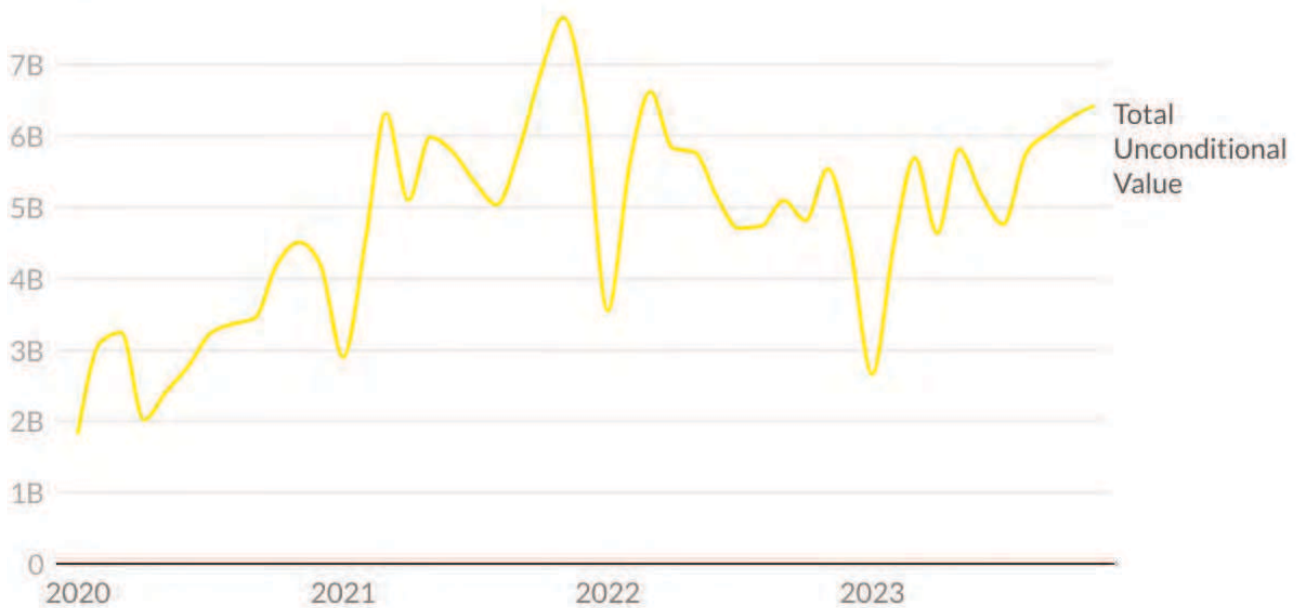


Chart: Ray White • Source: Ray White

Average active bidders at auction declined slightly in November but remained above the rate experienced at the same time last year.

Unconditional sales are rising

Total unconditional sales (\$) - Australia



Made up of Ray White sales only, representing ~13% market share

Chart: Ray White • Source: Ray White

In November, the Ray White Group saw particularly strong market conditions with the highest volume of sales since March 2021 at \$8.4 billion. Record results were experienced by businesses in Western Australia and South Australia. Total sales were more than 20 per cent up on last year. Despite challenging conditions for commercial property, record revenue was also experienced by this part of the business.



ABOUT RAY WHITE

Ray White is a fourth generation family owned and led business. It was established in 1902 in the small Queensland country town of Crows Nest, and has grown into Australasia's most successful real estate business, with more than 930 franchised offices across Australia, New Zealand, Indonesia and Hong Kong.

Ray White today spans residential, commercial and rural property as well as marine and other specialist businesses. Now more than ever, the depth of experience and the breadth of Australasia's largest real estate group brings unrivalled value to our customers. A group that has thrived through many periods of volatility, and one that will provide the strongest level of support to enable its customers make the best real estate decisions.



Ray White's first auction house, 'The Shed' Crows Nest, Queensland.



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