



National Property Listings Rise, House Prices Up

April 4, 2017

Figures released today by SQM Research reveal national residential listings increased 4.4% to 351,509 over the month of March 2017. The data reveals Sydney and Melbourne posted the biggest monthly rises in listings, up 11.0% and 9.1%, respectively, as vendors seek to take advantage of big price gains in those two cities.

In all other cities, listings rose over the month. In Brisbane, listings were up a healthy 6%, and in Perth they rose 4.9%, followed by Canberra, where stock levels rose 4.8%. Over the year, listings were up in most capital cities, led by gains of 12.6% in Perth, followed by Canberra and Sydney, where stock levels were up by almost 12% from a year earlier.

Louis Christopher, the Managing Director of SQM Research, said the big rise in listings in Sydney and Melbourne reflects the fact that many property owners are attempting to cash in on rapid price growth in recent times.

“House asking prices are still rising quickly in the nation’s two biggest cities. Despite new measures by Australian Prudential Regulation Authority (APRA) to restrict interest-only mortgage lending, these measures are weak in the face of the strong price momentum in Sydney and Melbourne, fed by low interest rates and robust population growth,” said Louis Christopher, the Managing Director of SQM Research.

City	March 2016 total	February 2017 total	March 2017 total	Monthly change %	Yearly change %
Adelaide	17004	16186	16890	4.3%	-0.7%
Brisbane	28552	29347	31108	6.0%	9.0%
Canberra	3407	3636	3812	4.8%	11.9%
Darwin	2079	2022	2105	4.1%	1.3%
Hobart	3840	3373	3472	2.9%	-9.6%
Melbourne	36271	32892	35897	9.1%	-1.0%
Perth	24872	26699	27996	4.9%	12.6%
Sydney	25372	25524	28336	11.0%	11.7%
National	351888	336604	351509	4.4%	-0.1%

Source: www.sqmresearch.com.au

APRA has asked banks to limit interest-only mortgage lending to 30% of all home loans written. As part of this, the regulator has demanded banks strictly limit the volume of interest-only lending at loan-to-value ratios (LVRs) above 80% and also ensure there is strong scrutiny and justification of any instances of interest-only lending at LVRs above 90%.

“However, these measures are weak and are not going to be enough to slow down the Sydney and Melbourne housing booms, where both owner occupiers and investors are feeding demand,” Mr Christopher said.

SQM Research data for house asking prices over the three months to April 4 shows that asking house prices grew the most in Melbourne, Canberra and Hobart, with prices up 7.2%, 6.8% and 6.4% respectively. In Sydney, asking house prices rose 4.5%. That compares to a 2% rise in Adelaide, 1.1% rise in Brisbane and a fall of 2.4% in Darwin and 2.2% in Perth.

SQM Research is predicting Sydney prices will rise between 11% and 16% in 2017, while Melbourne gains will be between 10% to 15%. While those forecasts were made in



November 2016, they had taken into account a potential tightening by APRA.

“APRA's move is not aggressive enough for SQM to revise its predictions. We still expect strong price growth,” Mr Christopher said.

Key Points

- Total online national residential listings rose to 351,509 in March 2017, up 4.4% from February, and down just 0.1% over the year.
- Sydney recorded the largest monthly rise in stock levels, up 11.0% to 28,336 to be up 11.7% from a year earlier.
- Melbourne recorded a big monthly rise in stock levels of 9.1% to 35,897, down 1.0% over the year.
- Listing rose in Darwin in March 2017 by 4.1% to 2,105, to be up 1.3% over the year.
- In Hobart, listings rose 2.9% to 3,472 in March, to be down 9.6% over the year.
- In Perth, listings also rise by 4.9% over the month, to be up 12.6% over the year.

About [SQM Research](#)

SQM Research is an independent investment research house which specialises in providing accurate property related research and data to financial institutions, property professional, real estate investors and the media.

It is owned and operated by one of the country's leading property analysts, Louis Christopher.

For six years Louis was Head of Research and then General Manager of Australian Property Monitors before leaving the firm to launch SQM Research, a leading residential property data researcher fund manager ratings house specialising in ratings for property related funds.

For further information please contact Louis Christopher - Louis@sqmresearch.com.au

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