

# Property Listings Record soft start to New Year

### **Distressed Sales Activity Falls Again**

7 February 2023

#### **Key Points**

- National residential property listings fell in January by 5.8% to 215,144 dwellings from 228,415 recorded in December
- Nationally, <u>new listings</u> (Less than 30 days) fell by over 19.6% in January, with 42,409 new property listings added onto the market.
- Listings greater than 180 days old rose by 1.3% to over 58,899 dwellings.
- National combined dwelling asking prices fell 0.1% over the month.
- Distressed property listings fell by 3.0%.

Figures released today by SQM Research reveal national residential property listings fell again over January by 5.8% to 215,155 properties, from 228,415 recorded in December, 2022.

<u>Sydney</u>, recorded a decline in listings of 7.9%. <u>Canberra</u> and <u>Melbourne</u> also recorded sharp declines of 7.1% and 8.3% respectively. Only <u>Hobart</u> recorded a rise for the month of 0.3%.

#### **Total Listings**

	Total Property Listings						
City	January 2023 Total	December 2022 Total	January 2022 Total	Monthly change %	Yearly change %		
Sydney	23,683	25,703	23,136	-7.9%	2.4%		
Melbourne	30,786	33,579	30,770	-8.3%	0.1%		
Brisbane	18,244	19,335	16,057	-5.6%	13.6%		
Perth	19,025	20,259	21,004	-6.1%	-9.4%		
Adelaide	8,828	9,674	8,815	-8.7%	0.1%		
Canberra	2,648	2,849	2,178	-7.1%	21.6%		
Darwin	1,421	1,555	1,479	-8.6%	-3.9%		
Hobart	2,299	2,293	1,175	0.3%	95.7%		
National	215,144	228,415	200,865	-5.8%	7.1%		

Source: www.sqmresearch.com.au

On a 12 month basis, residential property listings rose by 7.1%, driven by a 13.6% rise in Brisbane. Sydney and Melbourne rises were more muted – a surprising result given the current housing downturn which commenced in the March Quarter of 2022.



#### **New Listings**

Nationally, **new listings** (Less than 30 days) fell a further 19.6% over January 2023 to 42,409 properties on the market. This count represents the fifth lowest count of new listings for any month since SQM commenced monitoring the national listings market in 2009.

#### **Old Listings Continue to Rise**

Property listings over 180 days rose by 1.3% in January 2023 and rose by 23.1% over the year. <u>Hobart, Sydney</u> and <u>Melbourne</u> continue to record significant increases of 180.7%, 57% and 31% respectively. **Old listings (over 180 days) now represent 28% of total market listings;** whereas new listings represent 20% of the total stock for sale.

New Listings (less than 30 days)						
	Jan-23	Dec-22	Jan-22	Monthly % change	Yearly % change	
Sydney	6,651	6,345	8,371	4.8%	-20.5%	
Melbourne	6,781	8,608	9,398	-21.2%	-27.8%	
Brisbane	4,480	4,388	5,137	2.1%	-12.8%	
Perth	4,162	4,800	5,143	-13.3%	-19.1%	
Adelaide	2,939	3,629	2,933	-19.0%	0.2%	
Canberra	840	880	864	-4.5%	-2.8%	
Darwin	132	150	157	-12.0%	-15.9%	
Hobart	536	491	400	9.2%	34.0%	
National	42,409	52,763	49,215	-19.6%	-13.8%	

Old Listings (greater than 180 days)						
	Jan-23	Dec-22	Jan-22	Monthly % change	Yearly % change	
Sydney	5,738	5,614	3,655	2.2%	57.0%	
Melbourne	8,444	8,026	6,446	5.2%	31.0%	
Brisbane	2,885	2,788	2,262	3.5%	27.5%	
Perth	4,427	4,362	3,717	1.5%	19.1%	
Adelaide	1,348	1,350	1,370	-0.1%	-1.6%	
Canberra	354	394	378	-10.2%	-6.3%	
Darwin	673	692	677	-2.7%	-0.6%	
Hobart	612	594	218	3.0%	180.7%	
National	59,665	58,899	48,477	1.3%	23.1%	

Source: www.sqmresearch.com.au

#### Louis Christopher, Managing Director of SQM Research said:

"The January holiday period is traditionally a quiet time for listings so it is no surprise we recorded a fall in activity over this month. However, attention should be given to the new listing counts, whereby there has been a 13.8% fall in new listing activity compared to this time, last year. Most property owners believe it is a bad time mot sell right now and so are holding back, waiting for a housing market recovery. There are very few forced sellers out there as our distressed listings index reveals, which indicates, thus far, a market under no great stress.

This is one of the reasons why I am a little more optimistic than my peers that, provided the cash rate does peak below 4%, the market will bottom and start to recover from middle of this year."



#### **Distressed Listings stabilise**

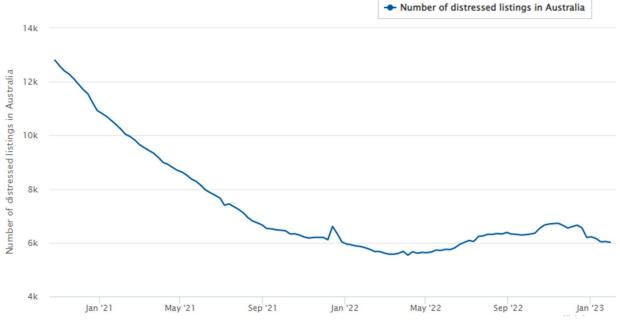
As part of today's release SQM Research notes that as of 1 February 2023, there were 6,018 residential properties nationwide selling <u>under distressed conditions</u>. This has fallen from 6,201 distressed listings recorded in December 2022. The fall in distressed selling activity was driven largely by falls recorded in Queensland and Western Australia. NSW recorded a minor fall of 0.4%, however distressed listings activity has surged in NSW (up by 49.6%) compared to the same period last year.

	Distressed Listings						
Sate	Jan 2023 Total Listings	Dec 2022 Total Listings	Jan 2022 Total Listings	Monthly Change (%)	Yearly Change (%)		
NSW	1,131	1,135	756	-0.4%	49.6%		
VIC	769	788	665	-2.4%	15.6%		
QLD	2,389	2,500	2,285	-4.4%	4.6%		
WA	1,262	1,325	1,573	-4.8%	-19.8%		
SA	265	269	381	-1.5%	-30.4%		
ACT	26	18	15	44.4%	73.3%		
NT	94	85	103	10.6%	-8.7%		
TAS	82	81	32	1.2%	156.3%		
National	6,018	6,201	5,810	-3.0%	3.6%		

Source: SQM Research

## Number of distressed listings in Australia Source: SQM Research







#### **Asking Prices Fall Marginally**

Over the month to 31 January 2023, <u>national asking prices</u> fell by 0.1% for combined dwellings. <u>Capital city asking prices</u> fell by 1.2% over the same period. This far in this downturn, asking prices have moved very little compared with actual prices. This would explain the large fall in volumes and clearance rates given the lower levels of agreement between buyers and sellers.

Week ending 31 Jan 2023		Asking Price (\$)	Chg on prev wk(\$)	Rolling month % chg	12 mth % chg
Sydney	All Houses	1,726.066	-7.762 ▼	-1.3% ▼	-1.7% ▼
	All Units	744.379	-10.784 ▼	0.2% 🛦	4.4%
	Combined	1,256.294	-9.208 ▼	-0.9% ▼	-2.1% ▼
Melbourne	All Houses	1,179.904	-4.604 ▼	-0.5% ▼	1.5% 🛦
	All Units	589.837	1.413 🛦	1.0% 🛦	3.4%
	Combined	946.971	-2.229 ▼	-0.3% ▼	-1.3% ▼
Brisbane	All Houses	941.700	0.645 ▲	0.4% 🛦	11.0% 🛦
	All Units	506.688	-1.438 ▼	0.3% 🛦	20.7% 🛦
	Combined	799.499	-0.036 ▼	0.4% 🛦	11.5% 🗚
Perth	All Houses	810.691	1.042 ▲	0.6%	14.2%
	All Units	424.981	4.019 ▲	0.6% 🛦	7.3% 🛦
	Combined	713.429	1.793 ▲	0.6% 🛦	12.5%
Adelaide	All Houses	780.369	6.021 ▲	2.7% ▲	14.7% 🛦
	All Units	366.414	2.386 ▲	1.9% 🛦	10.9% 🛦
	Combined	687.724	5.208 ▲	2.7% 🛦	14.3% 🗚
Canberra	All Houses	1,069.566	-2.329 ▼	-1.5% ▼	4.7%
	All Units	591.253	-4.003 ▼	-0.7% ▼	16.0% 🛦
	Combined	876.473	-3.005 ▼	-1.2% ▼	6.4%
Darwin	All Houses	674.233	-0.633 ▼	1.2% 🛦	3.8% 🗚
	All Units	370.251	-0.251 ▼	0.0% ▼	1.4%
	Combined	565.177	-0.496 ▼	0.9% 🛦	2.3% 🗚
Hobart	All Houses	787.606	-5.606 ▼	-0.6% ▼	6.3% 🗚
	All Units	492.151	0.649 ▲	4.2% ▲	7.3%
	Combined	731.216	-4.412 ▼	0.0% ▼	6.0% 🛦
National	All Houses	828.223	-0.320 ▼	-0.4% ▼	7.1% 🛦
	All Units	505.172	2.780 ▲	1.7% 🛦	11.2%
	Combined	741.256	0.515 🛦	-0.1% ▼	6.7% 🛦
Cap City Average	All Houses	1,227.667	-1.157 ▼	-1.4% ▼	2.1% 🛦
	All Units	619.336	-8.757 ▼	-0.3% ▼	4.7%
	Combined	1,008.820	-3.891 ▼	-1.2% ▼	0.8% 🛦



#### **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.

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