Surprising Falls in Property Listings  
New Rise in Distressed Sales Activity

1 November 2022

Key Points

• National residential property listings fell in October by 2.5% to 236,056 from 242,159 in September.
• Nationally, new listings (Less than 30 days) rose 1.6% over October, with 74,652 new properties added onto the market.
• Listings greater than 180 days old fell by 0.9% to over 54,749 dwellings.
• National combined dwelling asking prices rose 0.6% over the month.
• Distressed property listings rose 5.7% over the month of October.

Figures released today by SQM Research reveal national residential property listings fell over October by 2.5% to 236,056 properties, from 242,159 recorded in September.

The largest monthly decreases in property listings were in Sydney, Darwin, Melbourne and Brisbane of 4.6%, 4%, 3.9% and 3.6%. However, Hobart and Canberra property listings rose by 59.7% and 10.7% for the year.

Total Listings

<table>
<thead>
<tr>
<th>City</th>
<th>October 2022 Total</th>
<th>September 2022 Total</th>
<th>October 2021 Total</th>
<th>Monthly change</th>
<th>Yearly change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sydney</td>
<td>30,228</td>
<td>31,674</td>
<td>29,183</td>
<td>-4.6%</td>
<td>3.5%</td>
</tr>
<tr>
<td>Melbourne</td>
<td>36,314</td>
<td>37,785</td>
<td>41,265</td>
<td>-3.9%</td>
<td>-12.0%</td>
</tr>
<tr>
<td>Brisbane</td>
<td>20,815</td>
<td>21,595</td>
<td>20,506</td>
<td>-3.6%</td>
<td>1.5%</td>
</tr>
<tr>
<td>Perth</td>
<td>21,374</td>
<td>21,814</td>
<td>22,623</td>
<td>-2.0%</td>
<td>-5.5%</td>
</tr>
<tr>
<td>Adelaide</td>
<td>9,834</td>
<td>9,963</td>
<td>10,921</td>
<td>-1.3%</td>
<td>-10.3%</td>
</tr>
<tr>
<td>Canberra</td>
<td>3,169</td>
<td>3,195</td>
<td>2,962</td>
<td>-0.8%</td>
<td>10.7%</td>
</tr>
<tr>
<td>Darwin</td>
<td>1,690</td>
<td>1,761</td>
<td>1,666</td>
<td>-4.0%</td>
<td>1.4%</td>
</tr>
<tr>
<td>Hobart</td>
<td>2,090</td>
<td>2,027</td>
<td>1,309</td>
<td>3.1%</td>
<td>59.7%</td>
</tr>
<tr>
<td>National</td>
<td>236,056</td>
<td>242,159</td>
<td>239,866</td>
<td>-2.5%</td>
<td>-1.6%</td>
</tr>
</tbody>
</table>

Source: SQM Research

Nationally, new listings (Less than 30 days) rose 1.6% over October 2022 to 74,652 properties on the market. Hobart and Perth recorded the largest increase in new listings for the month, up by 9.7% and 4.4%. Over the year, new listings fell the most in Melbourne and Sydney by 32.7% and 32.4%.

Property listings over 180 days fell by 0.9% in October 2022 and fell by 8.2% over the year. However, Hobart and Sydney recorded a significant increase of 68.5% and 20.2% for the past 12 months, while Adelaide recorded a significant decrease of 30.4% for the year.
Louis Christopher, Managing Director of SQM Research said:

“There was a modest rise in new listings activity over October. This is abnormal given October is a month where the annual spring selling season reaches a peak in activity. Older listings fell for the month driven by higher absorption rates in regional Australia. However, it should be noted there were rises recorded in older stock for most of the capital cities, indicating city vendors struggled to move their property over the month. And we note the new rise in distressed sales activity, which may indicate the rising interest rate environment is starting to bite.

Overall, it was a disappointing month for sellers and their respective agents in the capital cities. Sellers would be wise to meet the market in this environment if they want to sell. I note our asking prices index was actually up a little, which is only going to hurt sellers in this current downturn.”

Distressed Listings stabilise

As part of today’s release SQM Research notes that as of 1 November 2022, there were 6,658 residential properties nationwide selling under distressed conditions. This has risen from 6,299 distressed listings recorded in September 2022. The rise in distressed selling activity was driven largely by NSW (up 7.8%) and QLD (up 7.5%).
Asking Prices

Over the month to 1 November 2022, national asking prices rose by 0.6% for combined dwellings. Capital city asking prices rose by 1.1% over the month to 1 November 2022 for combined dwellings. The data suggests vendors were reluctant to reduce their asking prices further than initially listed during the month.
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 - info@sqmresearch.com.au

- ENDS -