



> Affordable and Liveable Property Guide
Adelaide Metro 2nd Half 2022

OVERVIEW

Median property prices in Adelaide Metro increased by 17.4% for houses to \$727,774 from Q3 2021 to Q3 2022*, and by 8.9% for units at \$486,500. That said, on a quarter-to-quarter basis (Q2 2022 – Q3 2022), the median house price softened by -1.3% while units grew by a lower percentage of 3.5%. Current market conditions are mostly a reflection of interest rates and lower consumer sentiment starting to fully translate into the market. Total house sales increased annually by 8.6% (4742 sales) while unit sales softened by -8.6%. Overall, this suggests an undersupplied market, which creates a unique opportunity for sellers and buyers. Approximately \$3.0B of projects are planned across the 2nd half of 2022, with a large focus on infrastructure and mixed-use projects. Future housing supply will be delivered by mixed-use and residential developments, most of it being units/apartments. This assists in answering demand, however stand-alone houses continues to be undersupplied.

RECENT TOP PERFORMERS

Area	Suburb	Type	Median Price 2021	Median Price 2022*	Price Growth	Projects 2022***
Inner	Campbelltown	House	\$634,250	\$785,000	23.8%	\$13.8M
	Marden	Unit	\$405,500	\$450,000	11.0%	\$4.0M
North	Elizabeth Vale	House	\$312,500	\$410,000	31.2%	\$26.3M
	Windsor Gardens	Unit	\$275,000	\$336,500	22.4%	\$14.6M
South	Panorama	House	\$707,000	\$855,000	20.9%	\$4.0M
	Cumberland Park	Unit	\$400,000	\$418,250	4.6%	\$4.0M
East	Clovelly Park	House	\$550,000	\$700,000	27.3%	\$350.5M
	Newton	Unit	\$511,500	\$566,100	10.7%	\$13.3M
West	Hendon	House	\$500,000	\$652,500	30.5%	\$1.6M
	West Beach	Unit	\$325,500	\$472,000	45.0%	\$8.4M

METHODOLOGY

This Affordable and Liveable Property Guide for Sydney Metro analyses all suburbs within a 20km radius of the Adelaide CBD. The following criteria were considered:

- **Property trends criteria** – all suburbs have a minimum of 20 sales transactions for statistical reliability purposes. Based on market conditions, suburbs have either positive, or as close as possible to neutral price growth between 2021 and 2022*.
- **Investment criteria** – as of September 2022, suburbs considered will have an on-par or higher rental yield than Adelaide Metro, and an on-par or lower vacancy rate.
- **Affordability criteria** – identified affordable and liveable suburbs have a median price below a set threshold. This was determined by adding percentage premiums to the South Australia (SA) average home loan, which was \$464,054** as of Q2 2022. Premiums of 3% for houses and -21% for units were added, which were below those required to reach Adelaide Metro's median prices (57% for houses and 5% for units). This places the chosen suburbs below Adelaide's median prices, meaning that the suburbs identified within this report are more affordable for buyers.
- **Development criteria** – suburbs identified must have a high total estimated value of future project development for the 2nd half of 2022, as well as a higher proportion of mixed-use and infrastructure projects. This ensures the suburbs show signs of sustainable economic growth, in turn positively affecting the property market.
- **Liveability criteria** – all identified suburbs have low crime rates, availability of amenities within a 5km radius (i.e. schools, green spaces, public transport, shopping centres and health care facilities), and an unemployment rate on-par or lower in comparison to the SA average (as determined by the Department of Jobs and Small Business, June Quarter 2022 release).

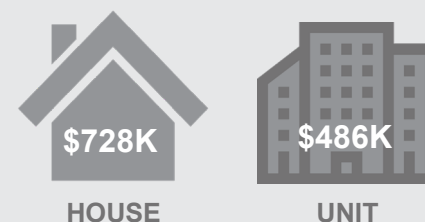
*Median price quoted captures sale transactions from 1st July 2022 to 30th September 2022, or Q3 2021 – Q3 2022. **Average home loan figure is derived from June Quarter 2022 Housing Affordability Report by the Real Estate Institute of Australia (REIA) and Adelaide Bank. ***Project development is based on aggregate of estimated construction value for residential, commercial, industrial, mixed-use and infrastructure projects scheduled to commence in the 2nd half of 2022 as stated by the relevant data authority. *Annual Change is reflective of median price change from Q3 2021 to Q3 2022. Figures displayed in infographics are for the period Q3 2022. Source: APM Pricerfinder, REIA, SQM Research, Cordell Connect, Department of Jobs and Small Business. © PRD 2022.

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ADELAIDE METRO



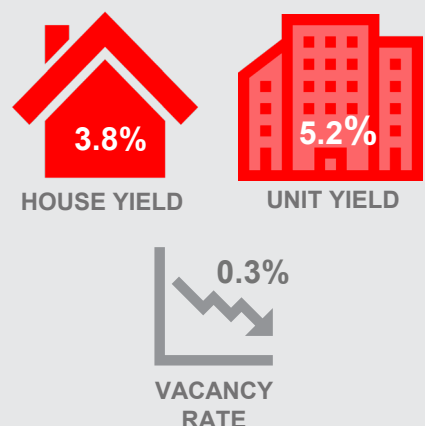
MEDIAN SALE PRICE



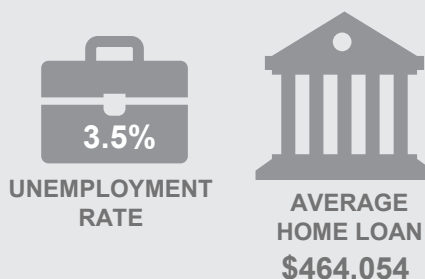
MEDIAN RENTAL PRICE



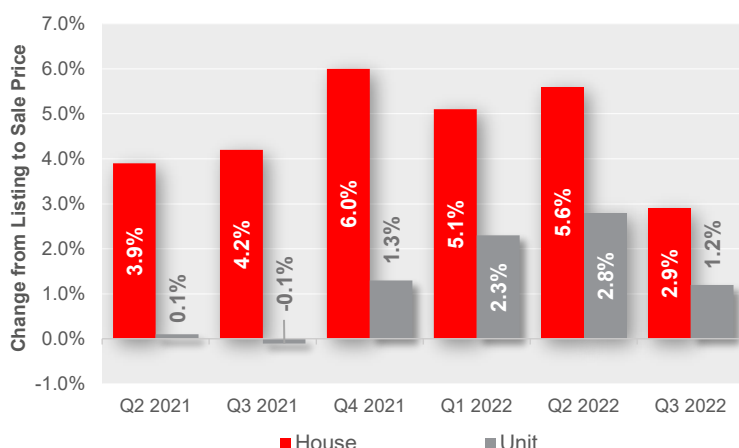
BENCHMARKS ADELAIDE METRO



BENCHMARKS - ADELAIDE



AVERAGE VENDOR DISCOUNT

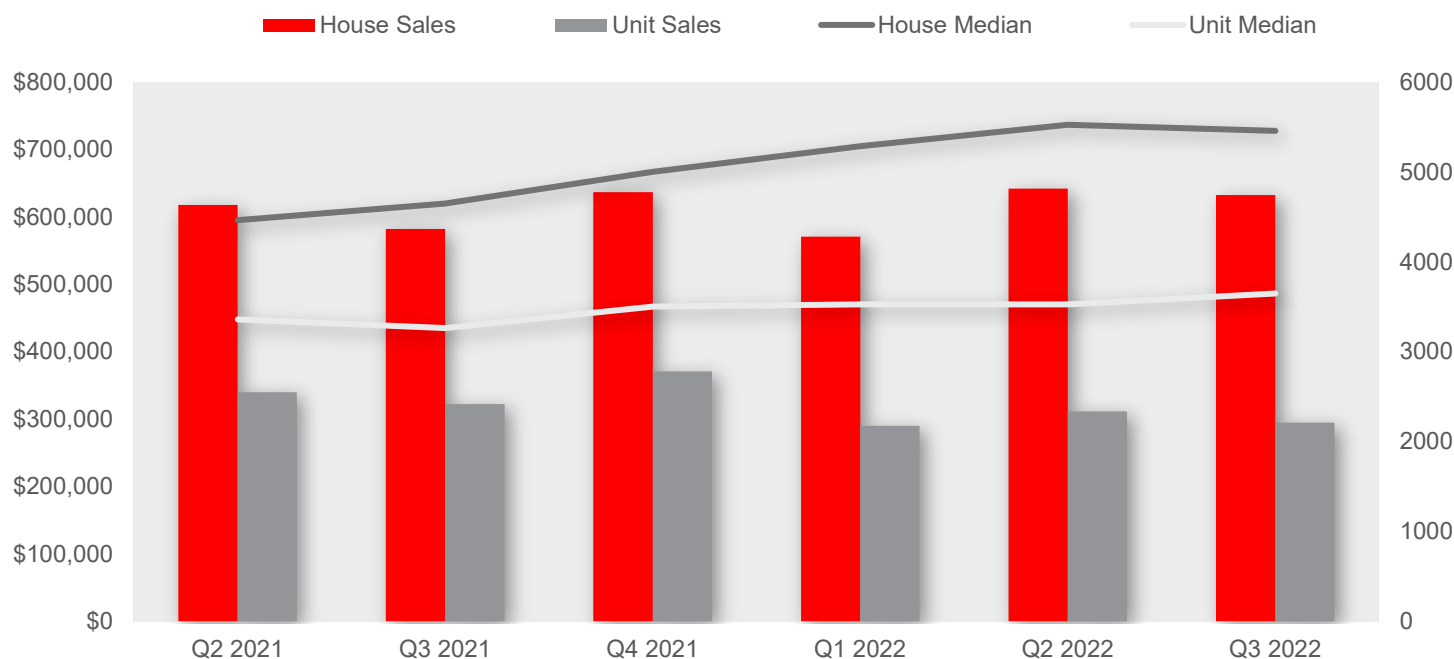


KEY COMMENTS

Average vendor discounts between Q3 2021 and Q3 2022 have trended to a lower premium of 2.9% for houses and swung to a premium of 1.2% for units. The Adelaide market provides unique opportunities. House sellers can benefit from a final sale price that is above the first list price, but at a lower premium for buyers. Unit sellers benefit from an undersupplied market as buyers are willing to offer above the initial listing price.

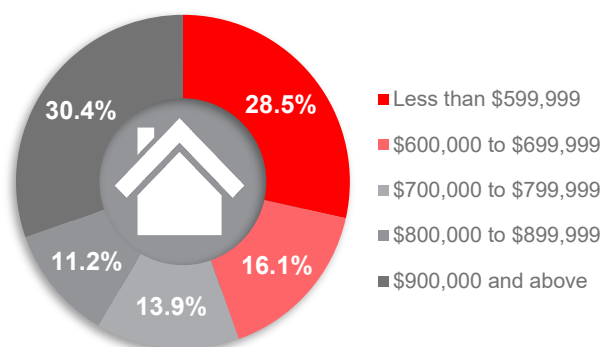
The dominant proportion of homes sold in Adelaide Metro across 2022[#] were in the premium price bracket of above \$900,000 (30.4%). In contrast, units recorded a dominant more affordable price bracket of \$350,000 to \$549,999 (39.4%). Interestingly, there is almost equal opportunity in the premium and most affordable pricing for houses, creating a wider net for first home buyers.

MARKET PERFORMANCE

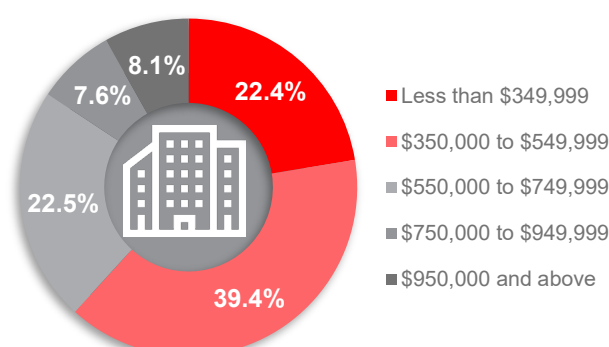


PRICE BREAKDOWN 2022[#]

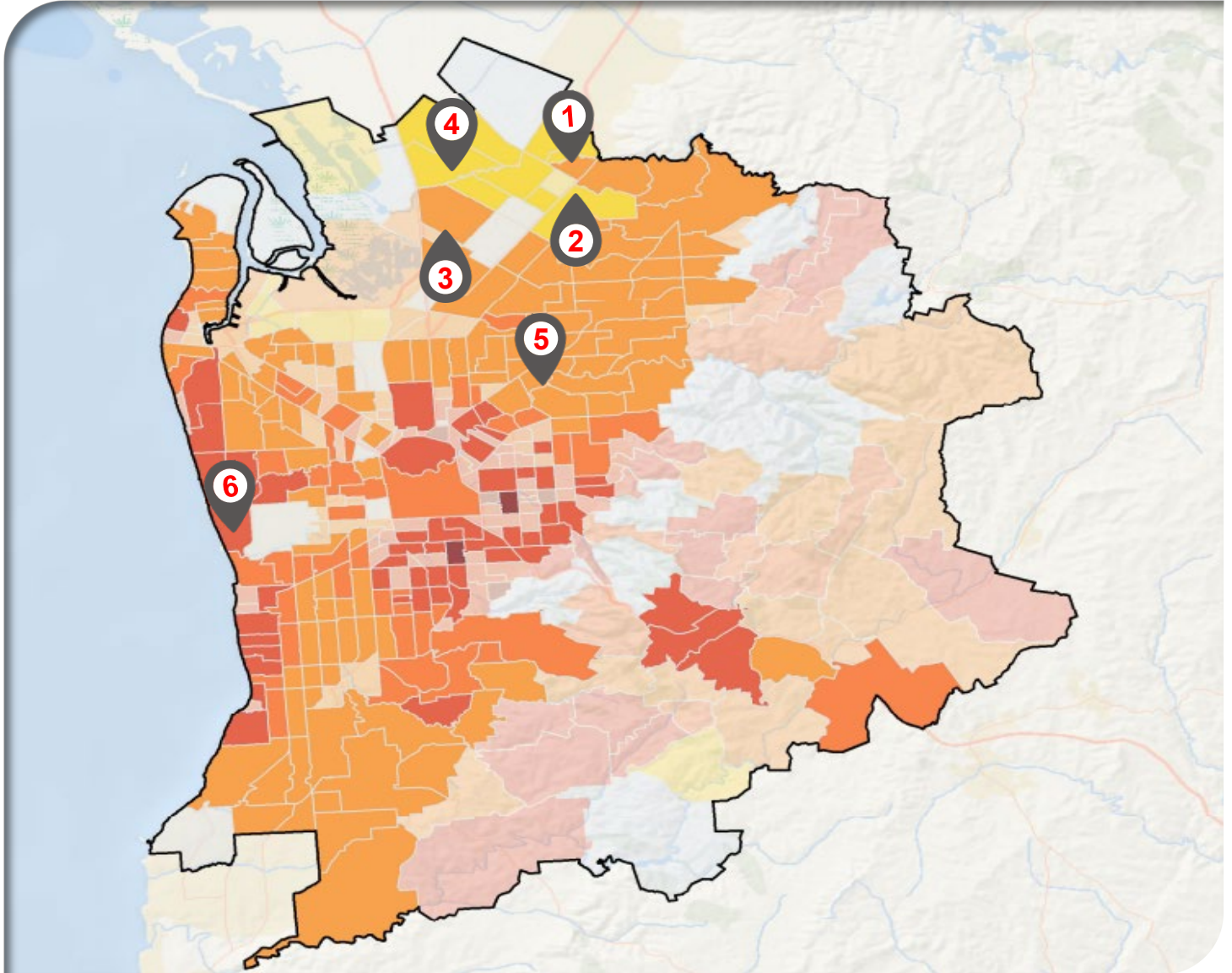
HOUSES SOLD



UNITS SOLD



ADELAIDE METRO MEDIAN HOUSE PRICE 2022* 20KM FROM CBD



LEGEND

	Data not available
	\$0 - \$500,000
	\$500,000 - \$800,000
	\$800,000 - \$1,000,000
	\$1,000,000 - \$2,000,000
	\$2,000,000+

Translucent colours for <20 sales

ADELAIDE AFFORDABLE & LIVEABLE SUBURBS RENTAL YIELD

Suburb		House	Suburb		Unit
1	Elizabeth Vale	4.8%	4	Paralowie	6.0%
2	Salisbury	5.0%	5	Windsor Gardens	5.4%
3	Parafield Gardens	4.8%	6	West Beach	5.9%

RENTAL GROWTH 2022€

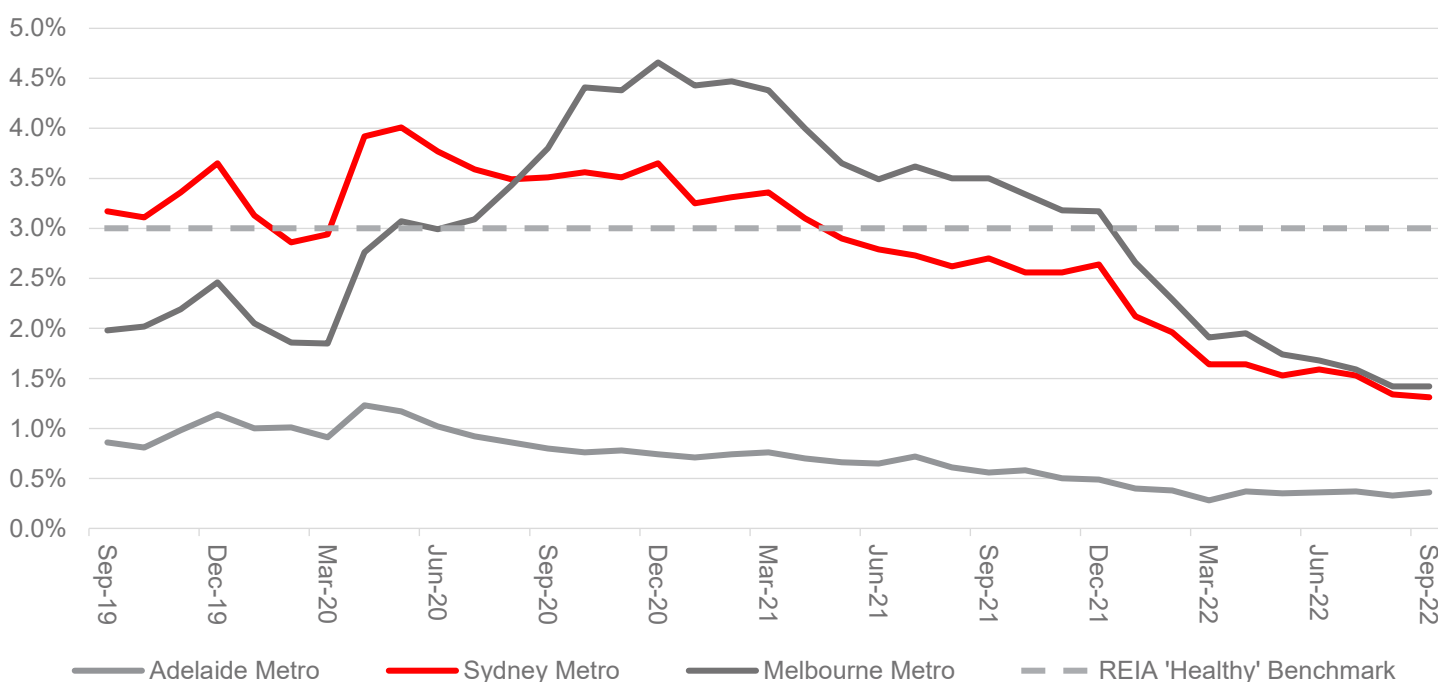
In September 2022, house rental yields in Adelaide Metro were recorded at 3.8%, significantly higher than Sydney (2.6%) and Melbourne (2.6%) Metros. In the 12 months to Q3 2022, the median house rental price increased by 15.6% to \$520 per week. This is complemented with a low average days on the market of 20 days. The house rental market shows strong growth, which is now more attractive for investment due to the median house price downturn on a quarter-by-quarter basis.

Four+ bedroom houses recorded the highest annual rental growth (of +10.9%) to reach \$610 per week. All types of properties have recorded positive rental growth in the past 12 months due to a supply shortage.

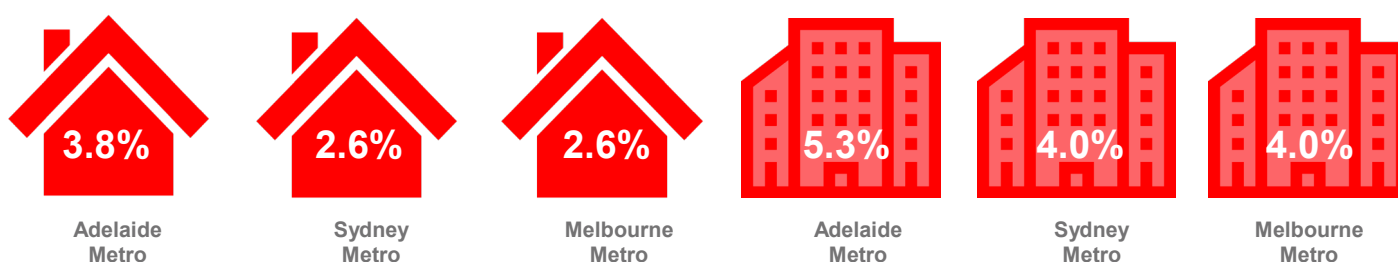
In September 2022, Adelaide Metro recorded a low vacancy rate of 0.4%, which is well below Sydney Metro (1.3%) and Melbourne Metro (1.4%). Vacancy rates in Adelaide Metro remained well below the Real Estate Institute of Australia's healthy benchmark of 3.0%. Adelaide Metro's vacancy rate has continued to show a declining trend since April 2020, trending under 0.5% in the past 12 months and currently at a historical low. This indicates quicker rental occupancy and security in income cash flow. With a more affordable entry price compared to Sydney and Melbourne Metros, now is the time to invest.



RENTAL VACANCY RATES 2022



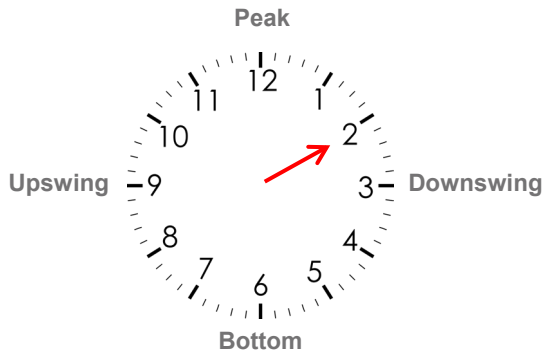
RENTAL YIELD 2022§



€ Annual rental growth is a comparison between Q3 2021 – Q3 2022 (01/07/2021 – 30/09/2022) house median rent figures.

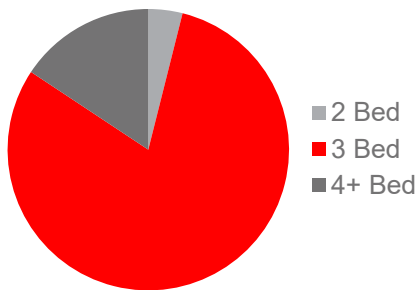
§ Rental yields shown are as reported at September 2022.

Source: APM Pricefinder, SQM Research. © Copyright PRD 2022.



AFFORDABLE & LIVEABLE HOUSE SUBURBS

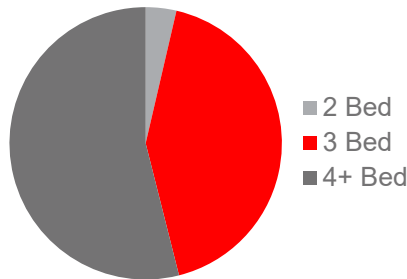
ELIZABETH VALE 5112



Located about **20.0km** from the Adelaide CBD.

Median House Price **\$410,000**
 • 2 Bed Median Price **\$330,000***
 • 3 Bed Median Price **\$410,000**
 • 4+ Bed Median Price **\$420,000***

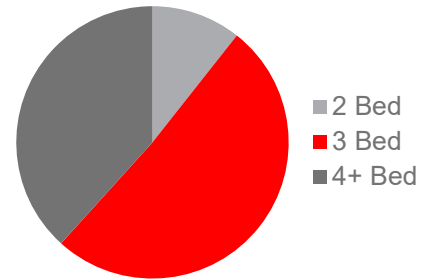
SALISBURY 5108



Located about **20.0km** from the Adelaide CBD.

Median House Price **\$480,000**
 • 2 Bed Median Price **\$350,000***
 • 3 Bed Median Price **\$465,250**
 • 4+ Bed Median Price **\$550,000**

PARAFIELD GARDENS 5107

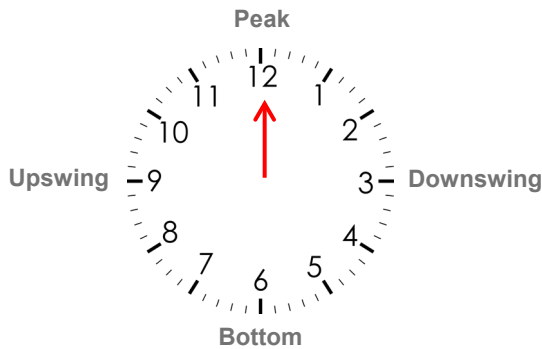


Located about **20.0km** from the Adelaide CBD.

Median House Price **\$545,000**
 • 2 Bed Median Price **\$378,000***
 • 3 Bed Median Price **\$510,000**
 • 4+ Bed Median Price **\$587,500**

Annual Median Price Growth	31.2%**	Annual Median Price Growth	25.4%**	Annual Median Price Growth	23.9%**
Vacancy Rate (Sep-22)	0.2%	Vacancy Rate (Sep-22)	0.3%	Vacancy Rate (Sep-22)	0.3%
Rental Yield (Sep-22)	4.8%	Rental Yield (Sep-22)	5.0%	Rental Yield (Sep-22)	4.8%
Key Amenity (5km)	Lyell McEwin Hospital	Key Amenity (5km)	TAFE SA	Key Amenity (5km)	Parafield Plaza
Total Projects (\$)	\$26.3M^	Total Projects (\$)	\$114.2M^	Total Projects (\$)	\$15.8M^
Key Project	Playford Health Hub Specialist (\$25.0M)	Key Project	Waterloo Station Hotel (\$3.0M)	Key Project	Edenfield Family Care Parafield Gardens (\$15.0M)
Unemployment Rate	N/A	Unemployment Rate	3.6%	Unemployment Rate	N/A

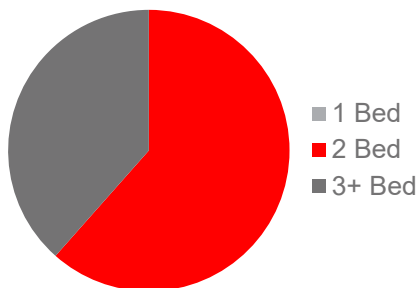
^Quoted estimated values of projects are based on reported land/construction values as stated by the relevant data authority and do not signify their commercial/resale value. *Median price is quoted as an indication only due to having less than 20 sales transactions. **Median price growth quoted captures sale transactions from 1st July 2021* to 30* September 2022, or Q3 2021 – Q3 2022. Source: APM Pricefinder, SQM Research, Cordell Connect, Department of Small Jobs and Business, Google Maps. © PRD 2022.



AFFORDABLE & LIVEABLE UNIT SUBURBS

PARALOWIE

5108

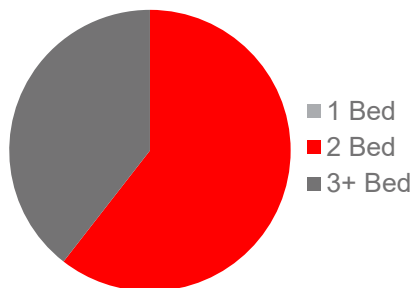


Located about **20.0km** from the Adelaide CBD.

Median Unit Price **\$297,500**
 • 1 Bed Median Price **N/A**
 • 2 Bed Median Price **\$285,000***
 • 3+ Bed Median Price **\$388,250***

WINDSOR GARDENS

5087

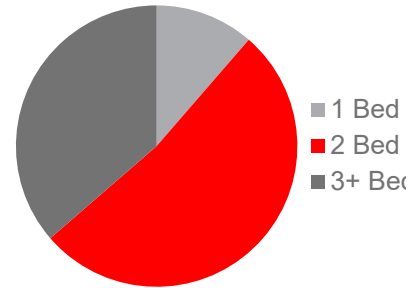


Located about **11.0km** from the Adelaide CBD.

Median Unit Price **\$336,500**
 • 1 Bed Median Price **N/A**
 • 2 Bed Median Price **\$302,500**
 • 3+ Bed Median Price **\$600,000***

WEST BEACH

5024



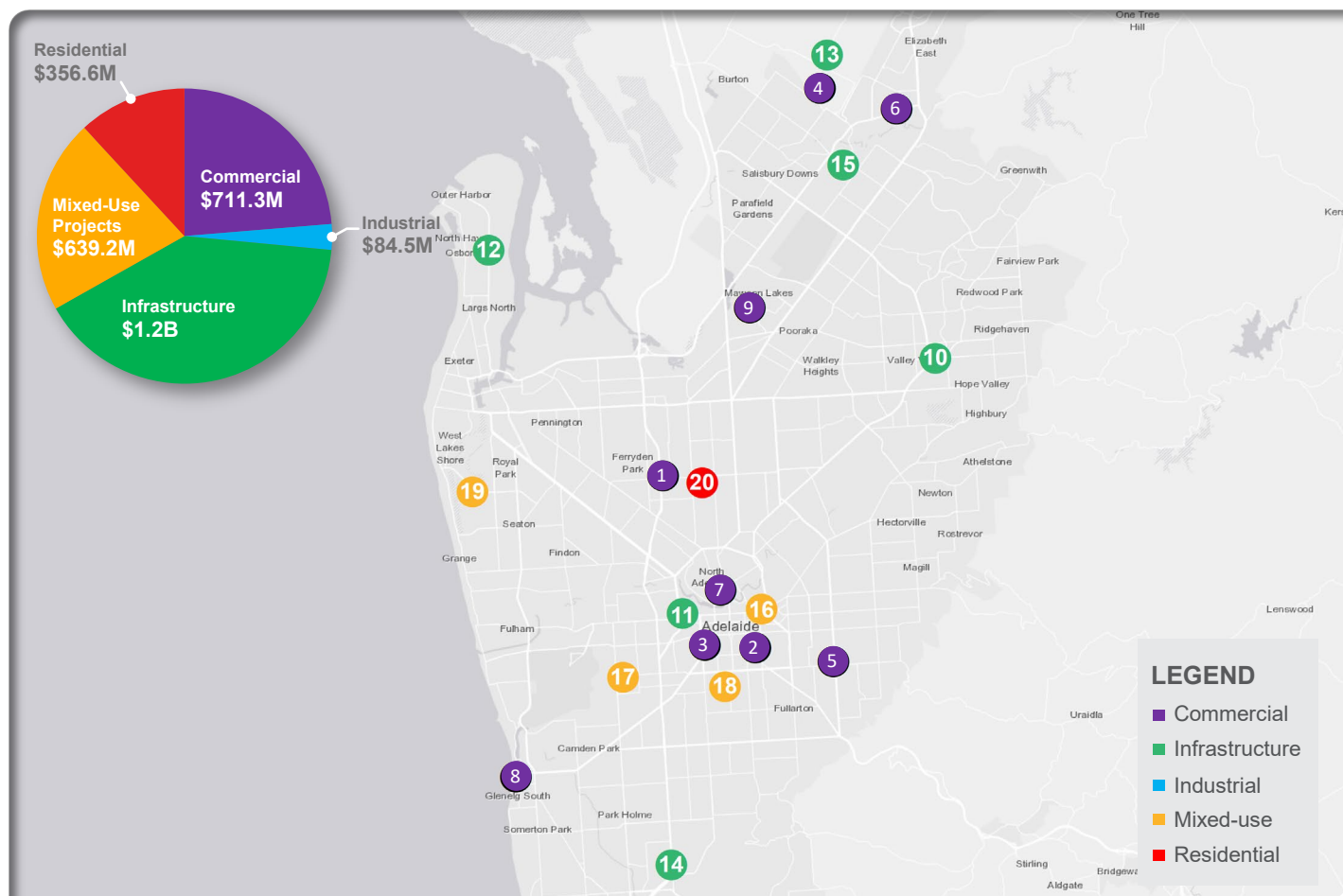
Located about **10.0km** from the Adelaide CBD.

Median Unit Price **\$472,000**
 • 1 Bed Median Price **\$250,000***
 • 2 Bed Median Price **\$400,000**
 • 3+ Bed Median Price **\$1,226,110***

Annual Median Price Growth	21.1%**	Annual Median Price Growth	22.4%**	Annual Median Price Growth	45.0%**
Vacancy Rate (Sep-22)	0.3%	Vacancy Rate (Sep-22)	0.2%	Vacancy Rate (Sep-22)	0.4%
Rental Yield (Sep-22)	6.0%	Rental Yield (Sep-22)	5.4%	Rental Yield (Sep-22)	5.9%
Key Amenities (5km)	Hollywood Plaza	Key Amenities (5km)	Bunnings Windsor Gardens	Key Amenities (5km)	Harbour Town Adelaide
Total Projects (\$)	\$114.2M^	Total Projects (\$)	\$14.6M^	Total Projects (\$)	\$8.5M^
Key Project	Salisbury Oval Masterplan (\$100M)	Key Project	Boucat Avenue Development (\$10.0M, 31 dwellings)	Key Project	West Beach Surf life Saving Club (\$5.0M)
Unemployment Rate	8.0%	Unemployment Rate	5.6%	Unemployment Rate	3.4%

PROJECT DEVELOPMENT MAP

1st HALF 2022*



Location	Project [£]	Type	Estimated Value ^µ	Suburb
1	Coopers Brewery Visitors Centre, Microbrewery & Whisky Distillery	Commercial	\$50,000,000	Regency Park
2	King William Street Mixed Use Development	Commercial	\$25,000,000	Adelaide
3	Elizabeth Street Student Accommodation	Commercial	\$26,000,000	Adelaide
4	Edinburgh Parks Bioenergy Facility	Commercial	\$33,000,000	Edinburgh
5	Estia Health Toorak Gardens Aged Care Facility	Commercial	\$40,000,000	Toorak Gardens
6	Playford Health Hub Specialist Medical Centre	Commercial	\$25,000,000	Elizabeth Vale
7	Little National Hotel 98-100 North Terrace	Commercial	\$62,000,000	Adelaide
8	Colley Terrace & Jetty Road Mixed Use Development	Commercial	\$25,000,000	Glenelg
9	Dci Data Centre Mawson Lakes - Adl03	Commercial	\$100,000,000	Mawson Lakes
10	Tea Tree Plaza Park 'N' Ride Duplicate Project Please Refer To Project Id 7139366	Infrastructure	\$48,500,000	Modbury
11	Marion Road & Sir Donald Bradman Drive Intersection Upgrade	Infrastructure	\$45,000,000	Adelaide
12	Navy Establishment - Osborne	Infrastructure	\$100,000,000	Osborne
13	Air7000 Ph2b Facilities For Maritime Patrol Aircraft Replacement Main Apron	Infrastructure	\$30,000,000	Edinburgh
14	Tonsley Park Redevelopment Residential Precinct Parcel A	Infrastructure	\$350,000,000	Clovelly Park
15	Salisbury Oval Masterplan Only	Infrastructure	\$100,000,000	Salisbury
16	Central Market Arcade Redevelopment - Market Square (210 units)	Mixed-use	\$400,000,000	Adelaide
17	Marleston Tafe Campus Redevelopment (250 dwellings)	Mixed-use	\$60,000,000	Marleston
18	New Mayfield & Aloft Hotel Mixed Use Residential Retail & Commercial Development (588 apartments)	Mixed-use	\$100,000,000	Adelaide
19	West (Aami Stadium Precinct) Remaining Stages	Mixed-use	\$400,000,000	West Lakes
20	Former Kaufland Site Residential Development (180 dwellings)	Residential	\$45,000,000	Prospect

* Project development map showcases a sample of upcoming projects only, due to accuracy of addresses provided by the data provider for geocoding purposes.

£ Top Projects are based on suburbs located within a 20km radial distance of the Adelaide CBD.

µ Estimated value is the value of construction costs provided by relevant data authority, it does not reflect the project's sale/commercial value.

Source: Cordell Connect database, ESRI ArcGIS.

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ABOUT PRD RESEARCH

PRD Research Division provides reliable, unbiased, and authoritative property research and consultancy to clients in metro and regional locations across Australia

Our extensive research capability and specialised approach ensures our clients can make the most informed and financially sound decisions about residential and commercial properties.

OUR KNOWLEDGE

Access to accurate and objective research is the foundation of all good property decisions.

As the first and only truly knowledge based property services company, PRD shares experience and knowledge to deliver innovative and effective solutions to our clients.

We have a unique approach that integrates people, experience, systems and technology to create meaningful business connections. We focus on understanding new issues impacting the property industry; such as the environment and sustainability, the economy, demographic and psychographic shifts, commercial and residential design; and forecast future implications around such issues based on historical data and fact.

OUR PEOPLE

Our research team is made up of highly qualified researchers who focus solely on property analysis.

Skilled in deriving macro and micro quantitative information from multiple credible sources, we partner with clients to provide strategic advice and direction regarding property and market performance. We have the added advantage of sourcing valuable and factual qualitative market research in order to ensure our solutions are the most well considered and financially viable.

Our experts are highly sought after consultants for both corporate and government bodies and their advice has helped steer the direction of a number of property developments and secured successful outcomes for our clients.

OUR RESEARCH SERVICES

Our research services span over every suburb, LGA, and state within Australia; captured in a variety of standard and customised products.

We have the ability and systems to monitor market movements, demographic changes and property trends. We use our knowledge of market sizes, price structure and buyer profiles to identify opportunities for clients and provide market knowledge that is unbiased, thorough and reliable.

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- Geographic information mapping
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