

**PRD.**  REAL ESTATE



**Affordable & Liveable Property Guide**  
Adelaide Metro 1<sup>st</sup> Half 2023

## OVERVIEW

Median property prices in Adelaide Metro increased by 3.6% for houses in the past 12 months to Q1 2023\*, currently at \$735,000. Similarly, median unit prices increased by 6.4%, to \$500,000. That said, on a quarterly basis (Q4 2022 – Q1 2023), median house prices grew at a slower pace of 0.8% while units softened by -2.3%. Current market conditions are mostly a reflection of interest rates and lower consumer sentiment starting to fully translate into the market. This suggests a more affordable market for first home buyers. Total sales decreased in the past 12 months to Q1 2023, by -8.1% (to 3,931 sales) for houses and by -11.0% (to 1,935 sales) for units. Approximately \$1.4B of projects are planned across the 1<sup>st</sup> half of 2023, with a large focus on commercial projects. This stimulates economic growth through local jobs. Future housing supply will be delivered by residential and mixed-use projects, with an almost balanced amount of dwellings, units, and land lots. For those wanting to enter the market, now is an ideal time to transact.

## RECENT TOP PERFORMERS

Area	Suburb	Type	Median Price 2021	Median Price 2022/23*	Price Growth	Projects 2022/23***
Inner	Payneham	House	\$748,500	\$1,017,500	35.9%	\$2.0M
	Goodwood	Unit	\$366,000	\$472,500	29.1%	\$5.0M
North	Para Hills	House	\$405,500	\$511,000	26.0%	\$750K
	North Haven	Unit	\$462,000	\$640,000	38.5%	\$800K
South	Mitcham	House	\$935,000	\$1,480,000	58.3%	\$0M
	Cumberland Park	Unit	\$400,000	\$470,000	17.5%	\$0M
East	Warradale	House	\$680,500	\$872,500	28.2%	\$900K
	Burnside	Unit	\$549,500	\$772,500	40.6%	\$450K
West	Cheltenham	House	\$550,000	\$775,000	40.9%	\$1.5M
	Grange	Unit	\$400,000	\$576,000	44.0%	\$1.6M

## METHODOLOGY

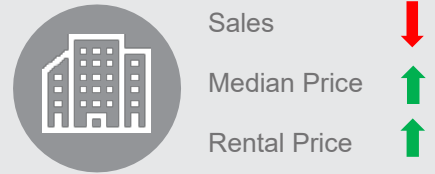
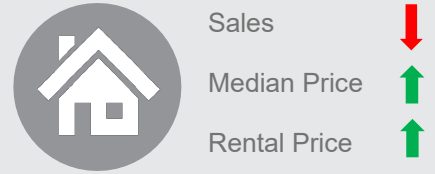
This affordable and liveable property guide for Adelaide Metro analyses all suburbs within a 20km radius of the Adelaide CBD. The following criteria were considered:

- **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 to 2022/23\*.
- **Investment criteria** – as of March 2023, 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 \$480,430\*\* as of December 2022. Premiums of 13% for houses and a discount of -35% for units were added, which were below the premiums/discounts required to reach Adelaide Metro's median prices (53% for houses and 4% for units). This places the chosen suburbs below Adelaide's median prices, thus they are more affordable for buyers.
- **Development criteria** – suburbs identified must have a high total estimated value of future project development for the 1<sup>st</sup> half of 2023, 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, December Quarter 2022 release).

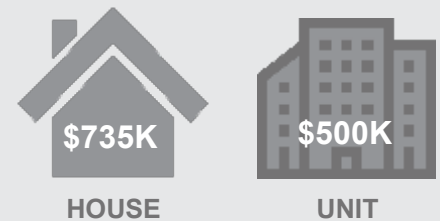
\*Median price quoted captures sale transactions from 1st January 2021 to 31st March 2023, or Q1 2021 – Q1 2023. \*\*Average home loan figure is derived from December Quarter 2022 Housing Affordability Report by the Real Estate Institute of Australia (REIA) and Adelaide Bank. \*\*\*Project development is based on aggregate of estimated construction value for residential, commercial, industrial, mixed-use and infrastructure projects scheduled to commence in the 1<sup>st</sup> half of 2023 as stated by the relevant data authority. ^Annual Change is reflective of median price change from Q1 2022 to Q1 2023. Figures displayed in infographics are for the period Q1 2023. Source: APM Pricefinder, REIA, SQM Research, Cordell Connect, Department of Jobs and Small Business. © PRD 2023.

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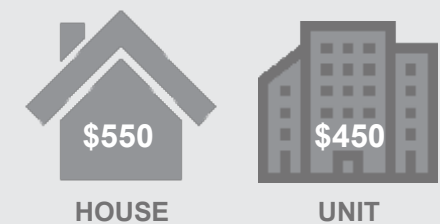
## ADELAIDE METRO



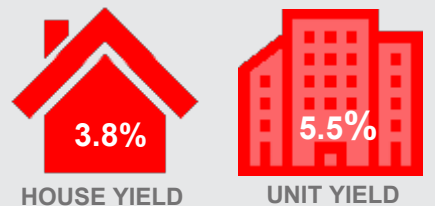
## MEDIAN SALE PRICE



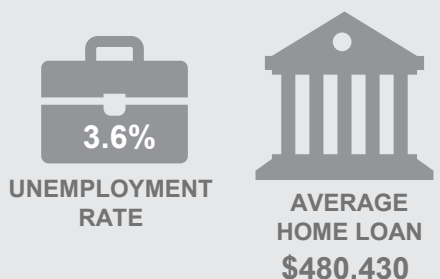
## MEDIAN RENTAL PRICE



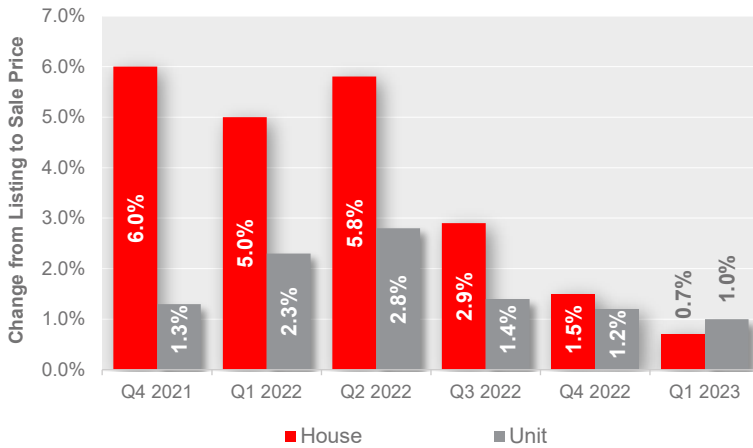
## BENCHMARKS ADELAIDE METRO



## BENCHMARKS SA



## AVERAGE VENDOR DISCOUNT

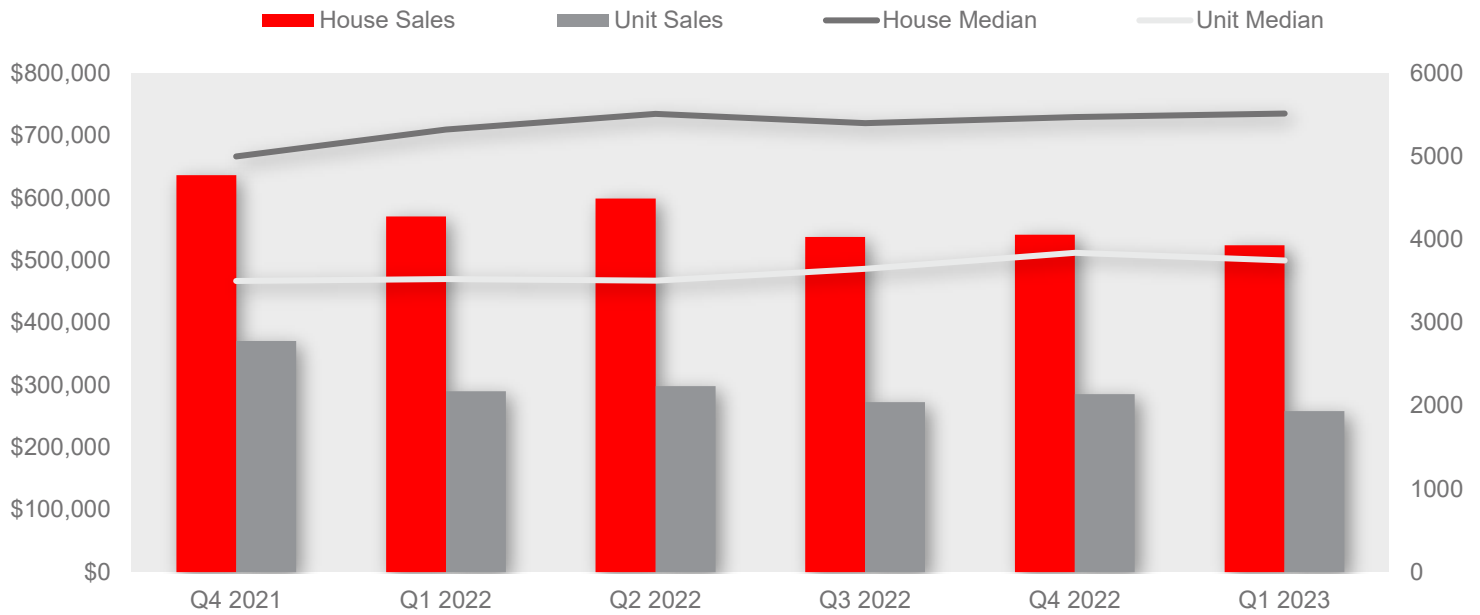


## KEY COMMENTS

Average vendor discounts between Q1 2022 and Q1 2023 have trended to a lower premium of 0.7% for houses and 1.0% for units. Adelaide Metro's market conditions provide unique opportunities. Sellers can still benefit from a final sale price that is above the first list price, thus, return of investment. Buyers still need to offer above the first list price, but not as much as before – in fact the lowest recorded in the past 12 months.

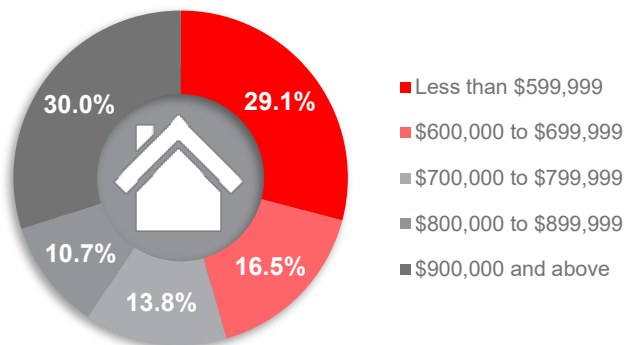
The dominant proportion of homes sold in Adelaide Metro across 2022/23# were in the premium price point of \$900,000 and above (30.0%). In contrast, units had most sales in the more affordable price point \$350,000 to \$549,999 (39.6%). The most affordable price points for houses have widened, creating an almost equal opportunity in the premium and mid-market. This is good news for first home buyers.

## MARKET PERFORMANCE

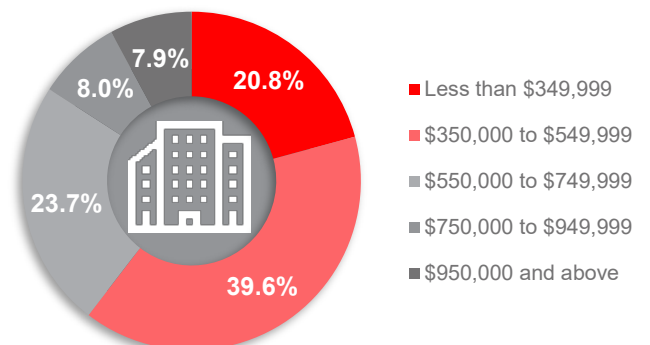


## PRICE BREAKDOWN 2022/23#

### HOUSES SOLD

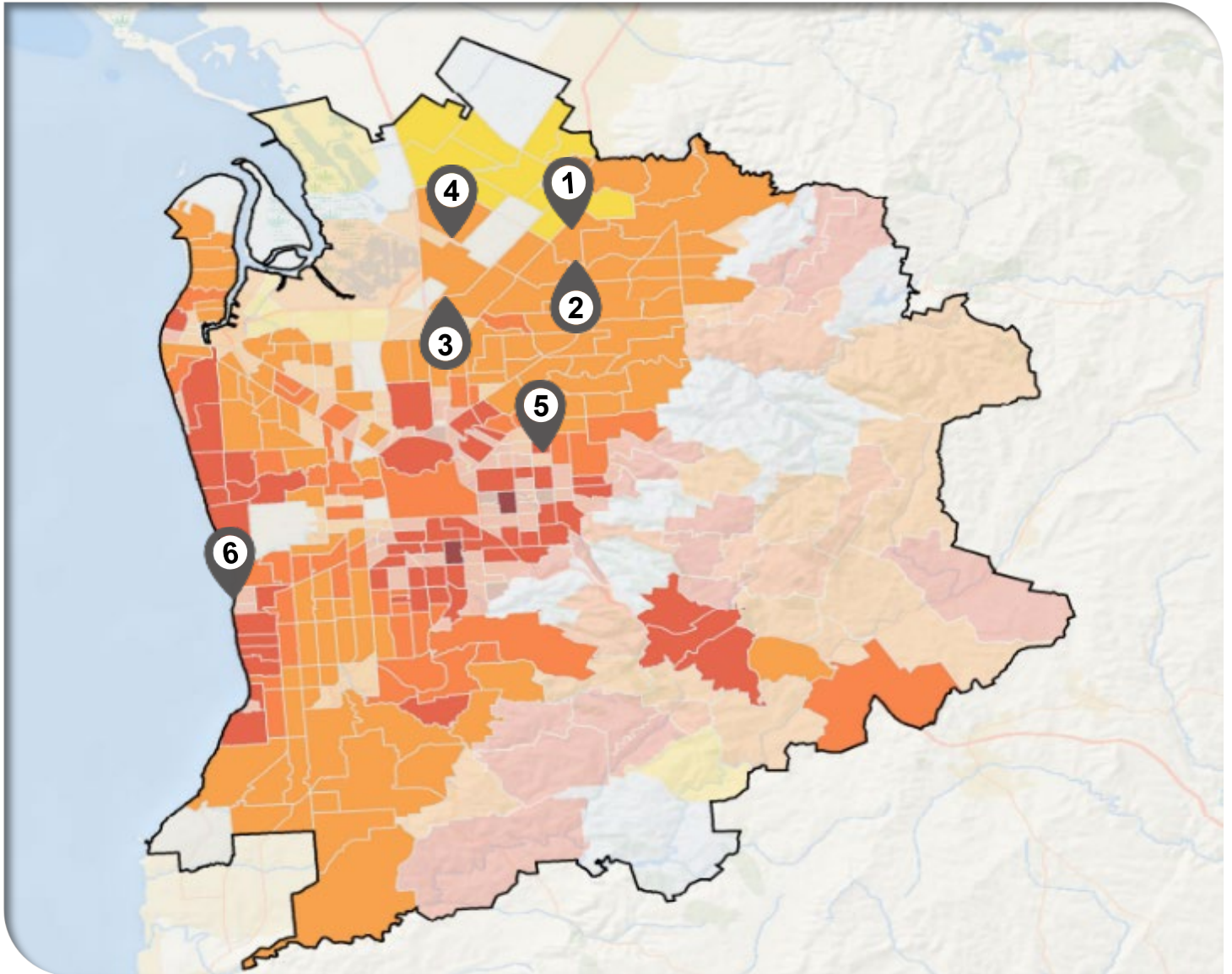


### UNITS SOLD





# ADELAIDE METRO MEDIAN HOUSE PRICE 2022/23\* 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	Salisbury Plain	4.8%	4	Bedford Park	5.5%
2	Old Reynella	4.4%	5	Salisbury	5.8%
3	Modbury	4.7%	6	Mawson Lakes	7.3%

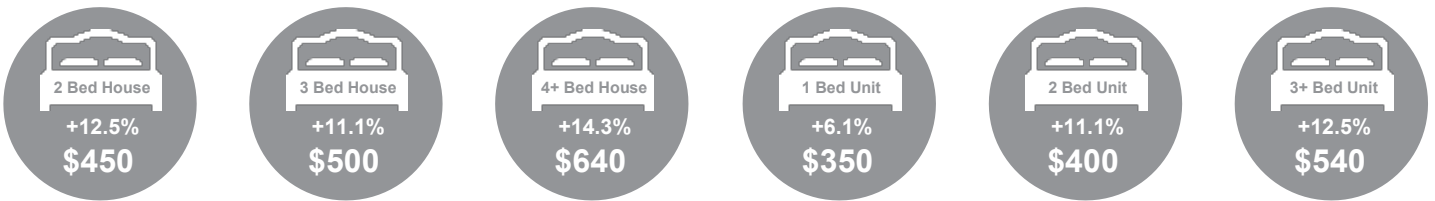
\*House median price reflected in the heat-map captures sale transactions from 1st January 2022 to 31st March 2023.  
Source: APM Pricerfinder, ESRI ArcGIS, SQM Research. © PRD 2023.

## RENTAL GROWTH 2023€

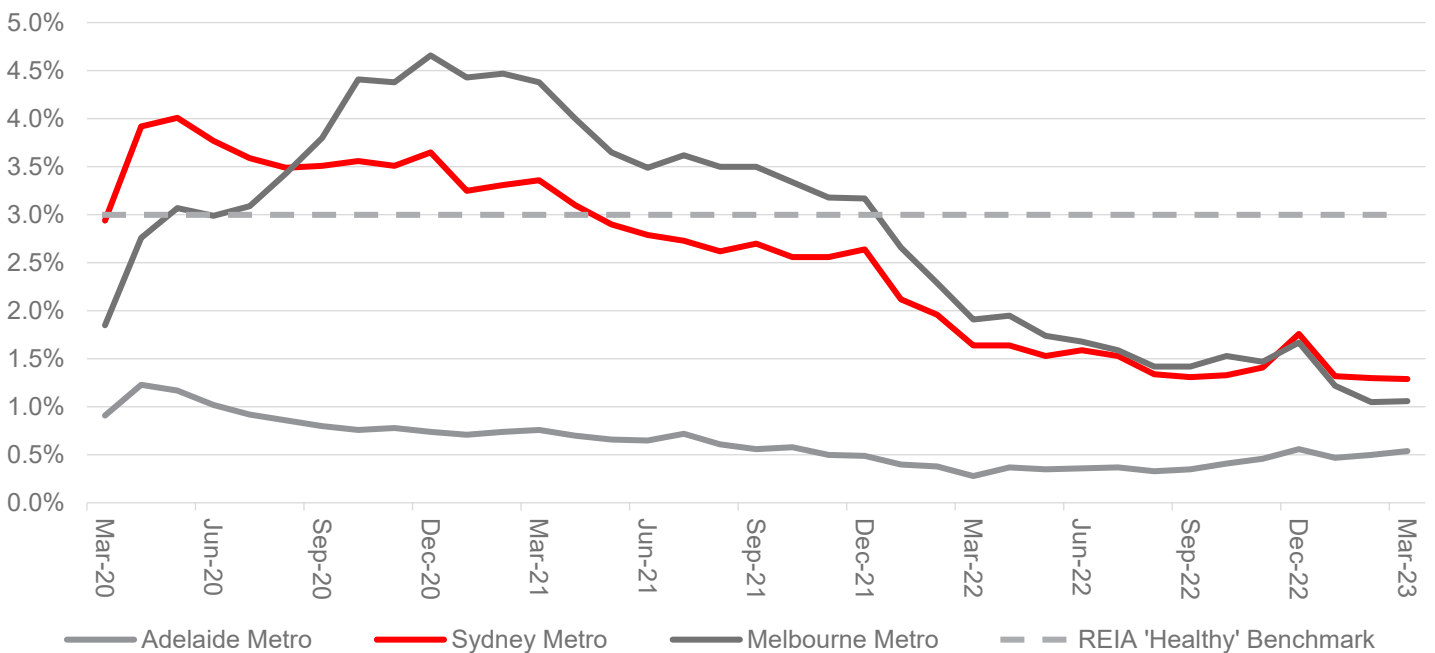
In March 2023, house rental yields in Adelaide Metro were recorded at 3.8%. This is significantly higher when compared to Melbourne and Sydney Metros (2.9% respectively). In the 12 months to Q1 2023, the median house rental price increased by 12.2% to \$550 per week, further complemented with a low average days on the market of 20 days. The house rental market has continued to show strong growth, now more attractive for investment due to a softer median house price.

Four+ bedroom houses recorded the highest annual rental growth (of +14.3%) to reach \$640 per week. All types of properties have recorded positive rental growth in the past 12 months, due to a rental supply shortage.

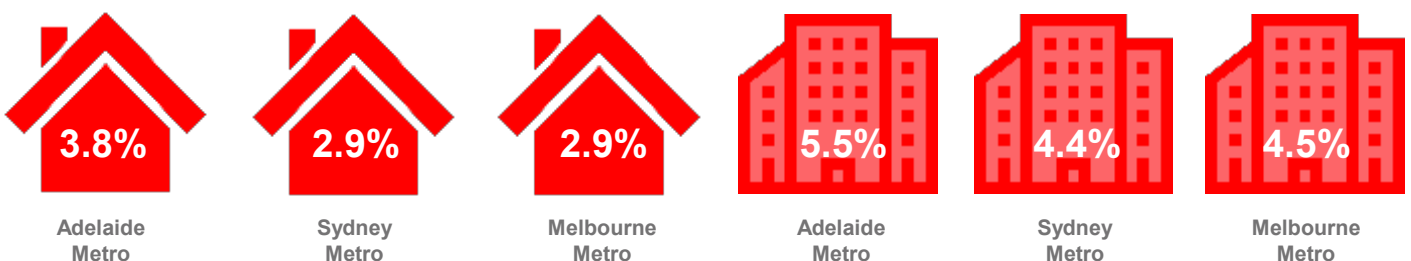
In March 2023, Adelaide Metro recorded a low vacancy rate of 0.5%, which is well below Sydney Metro (1.3%) and Melbourne Metro (1.1%). Vacancy rates in Adelaide Metro remained well below the Real Estate Institute of Australia's healthy benchmark of 3.0% and continue to show a declining trend since April 2020, showcasing historical low trends in the past 12 months. This indicates quicker rental occupancy and security in income cash flow. With a slower median house price and softer median unit price in the past quarter (Q4 2022 – Q1 2023) in Adelaide Metro, now is the time to invest.



## RENTAL VACANCY RATES 2023



## RENTAL YIELD 2023§



€ 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 Pricerfinder, SQM Research. © Copyright PRD 2022.

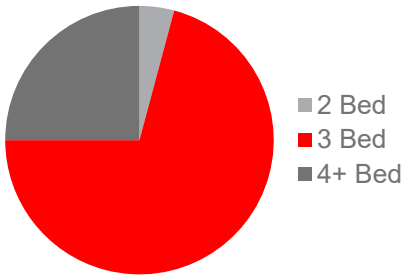
# PROPERTY CLOCK - HOUSES



## AFFORDABLE & LIVEABLE HOUSE SUBURBS

### SALISBURY PLAIN

5109

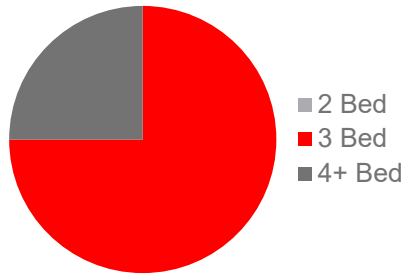


Located about **19.0km** from the Adelaide CBD.

- Median House Price **\$480,000**
- 2 Bed Median Price **\$435,000\***
- 3 Bed Median Price **\$475,000**
- 4+ Bed Median Price **\$535,000\***

### OLD REYNELLA

5161

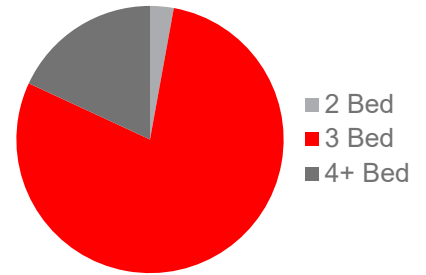


Located about **20.0km** from the Adelaide CBD.

- Median House Price **\$557,000**
- 2 Bed Median Price **N/A**
- 3 Bed Median Price **\$543,500**
- 4+ Bed Median Price **\$600,000**

### MODBURY

5092



Located about **16.0km** from the Adelaide CBD.

- Median House Price **\$590,000**
- 2 Bed Median Price **\$616,000\***
- 3 Bed Median Price **\$580,000**
- 4+ Bed Median Price **\$640,000**

Annual Median Price Growth	26.6%**
Vacancy Rate (Mar-23)	0.2%
Rental Yield (Mar-23)	4.8%
Key Amenity (5km)	Parabanks Shipping Centre
Total Projects (\$)	\$28.0M <sup>^</sup>
Key Project	St Basils Home Care Facility (\$28.0M, 8 Units)
Unemployment Rate	10.7%

Annual Median Price Growth	19.0%**
Vacancy Rate (Mar-23)	0.1%
Rental Yield (Mar-23)	4.4%
Key Amenity (5km)	Foodland Old Reynella
Total Projects (\$)	\$9.9M <sup>^</sup>
Key Project	Panaltinga Residential Subdivision (\$9.9M, 219 Lots)
Unemployment Rate	4.9%

Annual Median Price Growth	23.0%**
Vacancy Rate (Mar-23)	0.4%
Rental Yield (Mar-23)	4.7%
Key Amenity (5km)	Westfield Tea Tree Plaza
Total Projects (\$)	\$11.7M <sup>^</sup>
Key Project	Australia Avenue Residential Development (\$2.0M, 5 Units)
Unemployment Rate	4.0%

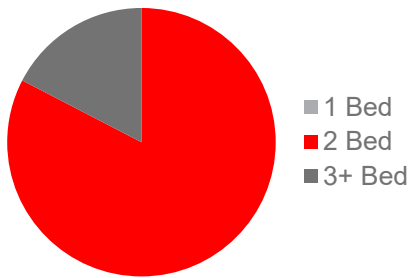
<sup>^</sup>Quoted estimated values of projects are based on reported land/construction values as stated by the relevant data authority and do not signify their commercial/resale value. \*Median price is quoted as an indication only due to having less than 20 sales transactions. †Quoted unemployment rate is an indication of only having a higher rate than the state average  
 \*\*Median price growth quoted captures sale transactions between all of 2021 (i.e 01/01/2021 – 31/03/2021) versus all of 2022 + Q1 2023 (i.e 01/01/2022 – 31/03/2023).  
 Source: APM Pricerfinder, SQM Research, Cordell Connect, Department of Small Jobs and Business, Google Maps. © PRD 2023.

# PROPERTY CLOCK - UNITS



## AFFORDABLE & LIVEABLE UNIT SUBURBS

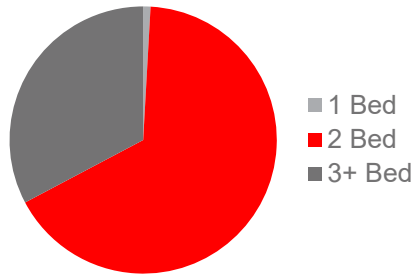
### BEDFORD PARK 5042



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

- Median Unit Price **\$268,250**
- 1 Bed Median Price **N/A**
- 2 Bed Median Price **\$255,000\***
- 3+ Bed Median Price **\$730,000\***

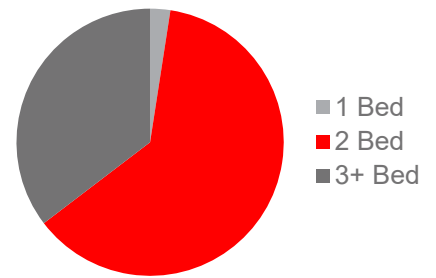
### SALISBURY 5108



Located about **25.0km** from the Adelaide CBD.

- Median Unit Price **\$330,000**
- 1 Bed Median Price **\$1,050,000**
- 2 Bed Median Price **\$362,000**
- 3+ Bed Median Price **\$360,786\***

### MAWSON LAKES 5095



Located about **12.0km** from the Adelaide CBD.

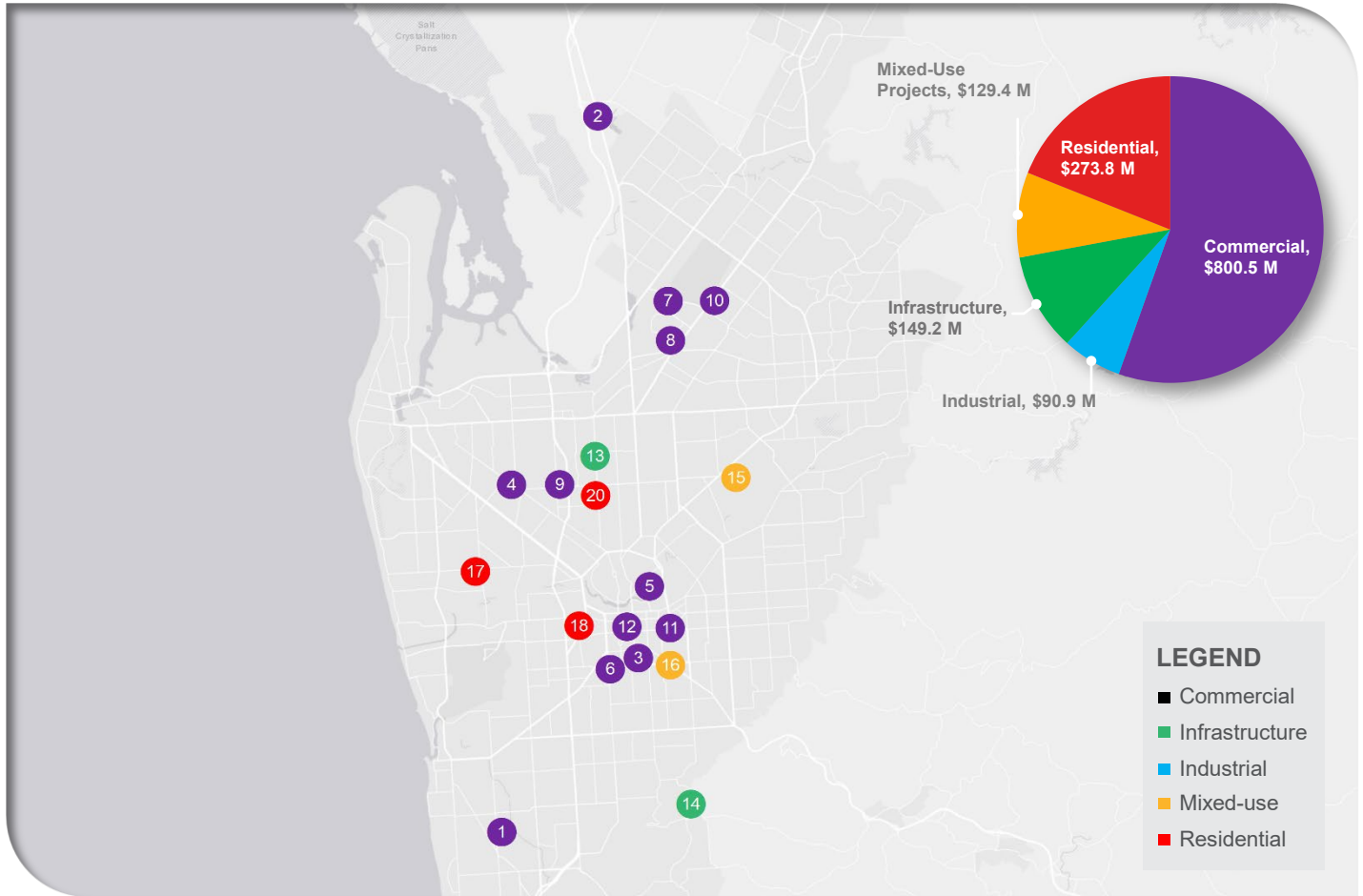
- Median Unit Price **\$344,475**
- 1 Bed Median Price **\$336,250\***
- 2 Bed Median Price **\$319,000**
- 3+ Bed Median Price **\$452,000\***

Annual Median Price Growth	16.6%**	Annual Median Price Growth	24.5%**	Annual Median Price Growth	5.2%**
Vacancy Rate (Mar-23)	0.2%	Vacancy Rate (Mar-23)	0.2%	Vacancy Rate (Mar-23)	0.4%
Rental Yield (Mar-23)	5.5%	Rental Yield (Mar-23)	5.8%	Rental Yield (Mar-23)	7.3%
Key Amenities (5km)	Flinders University	Key Amenities (5km)	Parabanks Shopping Centre	Key Amenities (5km)	Mawson Central Shopping Mall
Total Projects (\$)	\$10.0M <sup>^</sup>	Total Projects (\$)	\$8.1M <sup>^</sup>	Total Projects (\$)	\$152.8M <sup>^</sup>
Key Project	Elders Village (\$10.0M)	Key Project	Nexus North Industrial Estate (\$7.5M)	Key Project	Holidays Inn & Suites (\$60.0M)
Unemployment Rate	5.4%	Unemployment Rate	10.7%	Unemployment Rate	4.7%

<sup>^</sup>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. †Quoted unemployment rate is an indication of only having a higher rate than the state average  
 \*\*Median price growth quoted captures sale transactions between all of 2021 (i.e 01/01/2021 – 31/03/2021) versus all of 2022 + Q1 2023 (i.e 01/01/2022 – 31/03/2023).  
 Source: APM Pricefinder, SQM Research, Cordell Connect, Department of Small Jobs and Business, Google Maps. © PRD 2023.

# PROJECT DEVELOPMENT MAP

## 1st HALF 2023\*



Location	Project <sup>£</sup>	Type	Estimated Value <sup>µ</sup>	Suburb
1	Oaklands Park Residential Redevelopment - Oaklands Green	Commercial	\$135,000,000	07/06/2023
2	Inghams Poultry Farm Bolivar	Commercial	\$18,000,000	09/03/2023
3	Penny Place Commercial	Commercial	\$20,000,000	02/03/2023
4	Bene St Clair Aged Care Facility	Commercial	\$20,350,000	14/03/2023
5	150 Grenfell	Commercial	\$25,000,000	13/01/2023
6	Alto Hotel	Commercial	\$17,500,000	06/05/2023
7	Metro Parade Student Accommodation	Commercial	\$35,000,000	24/06/2023
8	Saab Mawson Lakes	Commercial	\$35,000,000	30/05/2023
9	Coopers Brewery Visitors Centre, Microbrewery & Whisky Distillery	Commercial	\$50,000,000	09/01/2023
10	Holiday Inn & Suites Mawson Lakes	Commercial	\$60,000,000	23/01/2023
11	270, 282 & 300-300 Former Calvary Wakefield Hospital Site Medical Precinct	Commercial	\$70,000,000	18/05/2023
12	50 Franklin Street Office Building	Commercial	\$100,000,000	27/03/2023
13	Former Kaufland Site Residential Development	Infrastructure	\$45,000,000	20/05/2023
14	Mitcham Hills Road Corridor - James Road & Old Belair Road Intersection	Infrastructure	\$20,000,000	16/05/2023
15	Coorong Quays Redevelopment (400 lots)	Mixed-use	\$25,000,000	28/03/2023
16	12-16 Glen Osmond Road Mixed Use Development (70 Units, 8 Townhouses)	Mixed-use	\$37,000,000	13/02/2023
17	308-320 & 322-324 Grange Road Residential Subdivision (61 Lots)	Residential	\$19,500,000	18/04/2023
18	Shannon Place Apartments (56 Units)	Residential	\$16,500,000	25/06/2023
19	Prospect Road Dwellings (43 Dwellings)	Residential	\$4,000,000	19/02/2023
20	Gurr Street Dwellings - Uniting Sa (40 Dwellings)	Residential	\$12,000,000	24/01/2023

\* 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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### INCLUDE

- Advisory and consultancy
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- Primary qualitative and quantitative research
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- Geographic information mapping
- Project Analysis including product and pricing recommendations
- Rental & investment return analysis

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