

# PEXA Property Insights Report

SEPTEMBER 2022 QUARTER

 **PEXA** Insights

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# Double digit declines for the residential sector

All states registered significant drops in residential settlements in the Sep-22 qtr, compared to the previous quarter. NSW led the decline, down 13.0% on the Jun-22 qtr pointing to the fact that the state was further advanced in the current market slowdown than the rest of the country. Continued interest rate rises and high inflation weighed on buyers, who were cautious not to overextend themselves, resulting in fewer transactions.

This trepidation was not seen to the same extent in commercial property. Although commercial settlement volumes were down from the peak of Dec-21, they steadied in 2022 with VIC actually up 1.2% in the most recent quarter. This suggests a lesser impact of rising interest rates on the commercial property market, and highlights ongoing confidence in the sector.



**Mike Gill, Head of Research PEXA**

## SETTLEMENT HIGHLIGHTS

- > **QLD once again topped the nation with 46,621 residential sale settlements in the Sep-22 qtr.** NSW (41,357) and VIC (44,255) trailed the sunshine state, which continued its dominance in a softening market.
- > **NSW recorded the highest aggregate value of sale settlements during the Sep-22 qtr.** \$58.0B was spent on property in Australian's most populous state, driven by spend on residential property (\$47.7B).
- > **Postcode 3029 (Truganina) in VIC topped the eastern states, recording over 1,228 residential sale settlements in the Sep-22 qtr.** Postcode 2000 (Sydney) topped for commercial with 149 transactions completed during the period.



This report aims to provide a comprehensive view of property settlement trends in Australia, covering the key states of NSW, VIC, QLD, and WA (our analysis excludes SA, TAS, ACT & NT). Settlement figures quoted are total settlements, they include all digital and paper-based settlements for residential and commercial property unless otherwise stated. Non-monetary settlements such as family transfers or gifts have been excluded. It should be noted that PEXA's Australian volumes are not directly correlated to residential settlement volumes, due to the impact of commercial transactions, refinances and other transaction types and changes in PEXA market penetration

We trust you will find the unique data and insights in this report valuable and we hope it delivers a new perspective on the health of the Australian property market. We always welcome your feedback – if you have any comments or ideas to contribute, please contact us at [research@pexa.com.au](mailto:research@pexa.com.au).

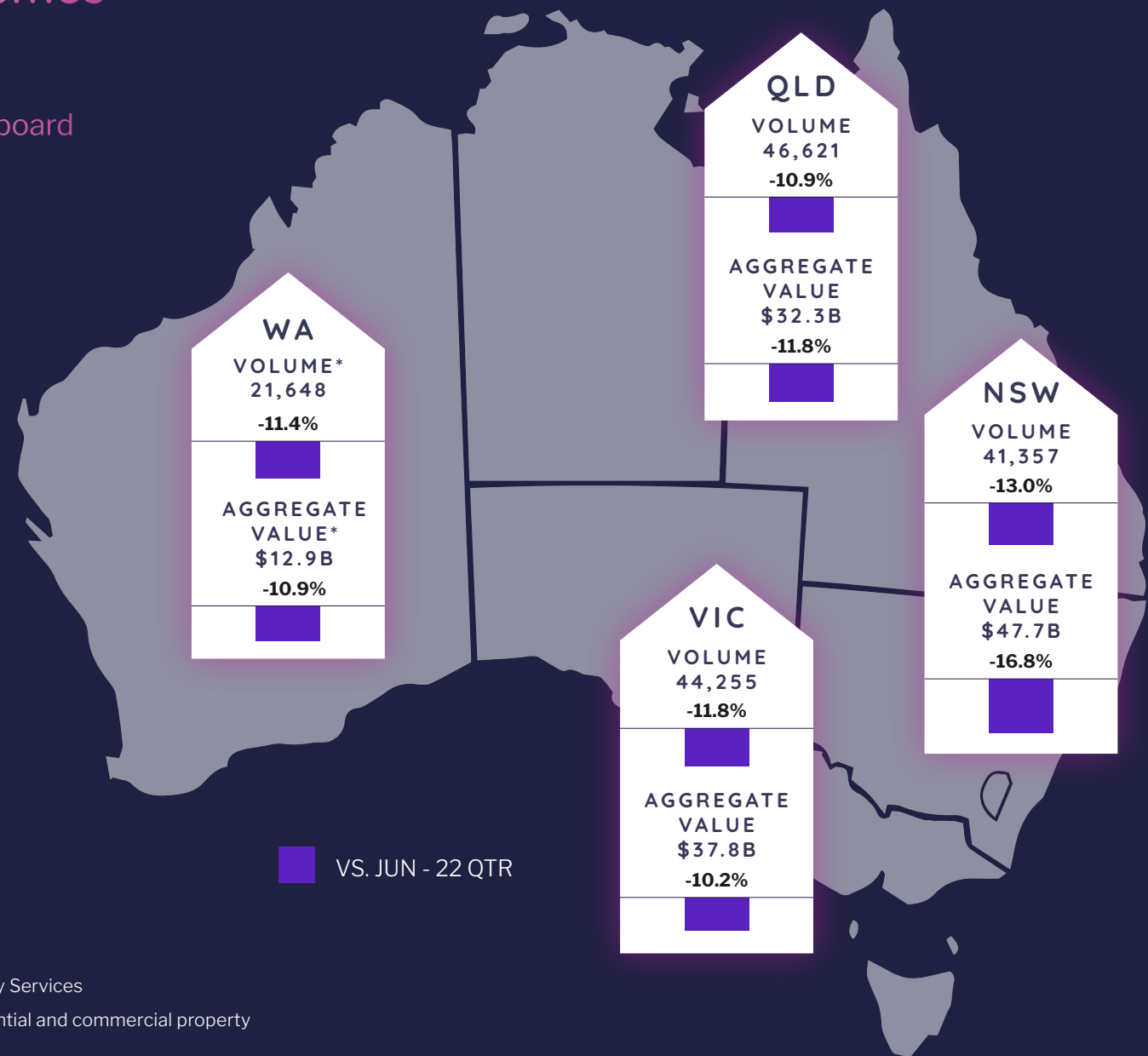
# All states saw declines in residential settlement volumes in the Sep-22 quarter

Aggregate value was also lower across the board

## NSW

NSW saw the largest declines in both volume and aggregate value. This references the market slowdown being more advanced in that state.

RESIDENTIAL SALE SETTLEMENTS BY STATE, SEP 22 QTR  
TOTAL VOLUME AND AGGREGATE VALUE (\$B)



Source: PEXA, QLD Government, WA Government, NSW Land Registry Services

\* Note: Overall sale settlements reported for WA, includes both residential and commercial property

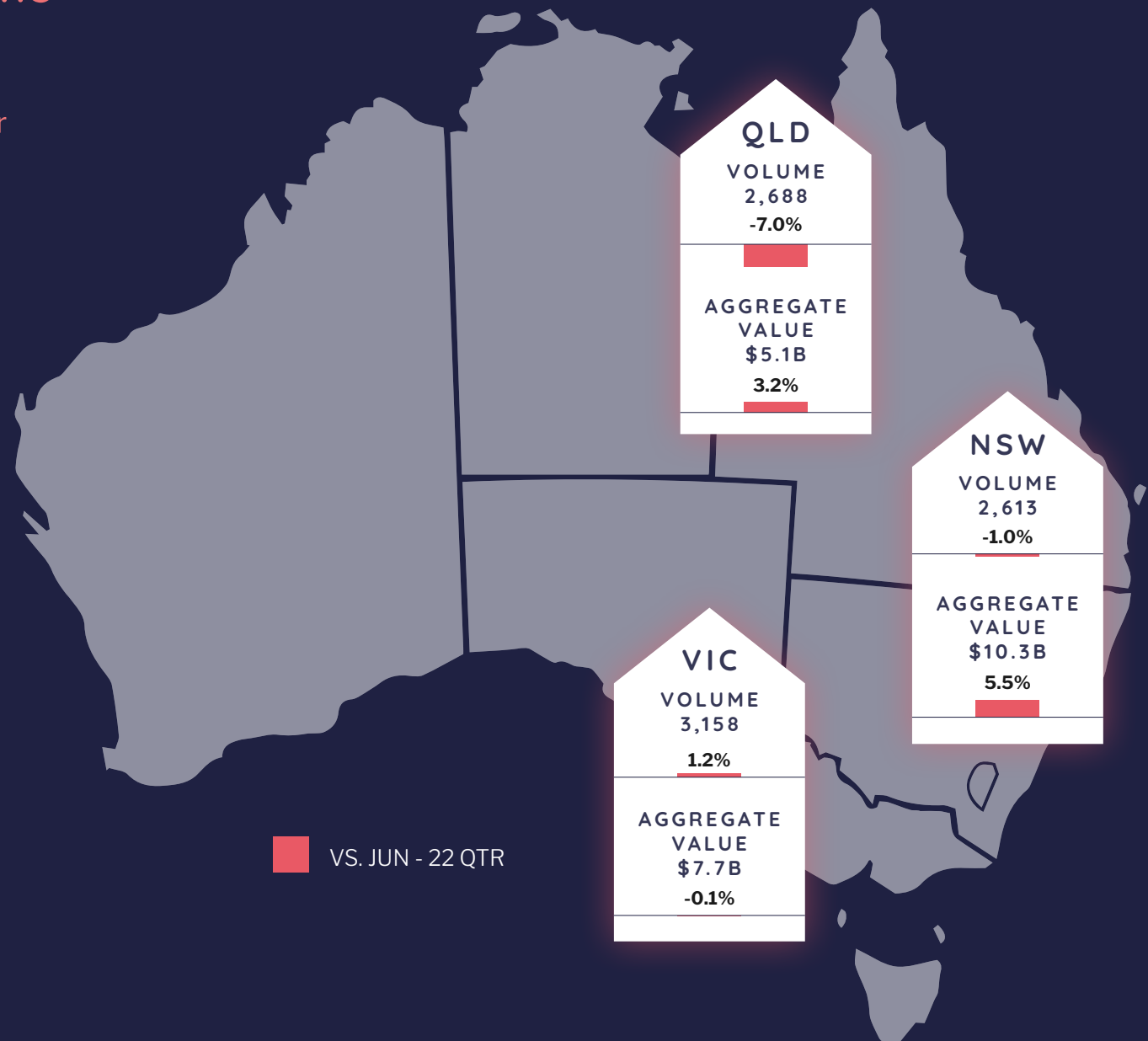
# Commercial settlement volumes grew marginally in VIC in the Sep-22 quarter

VIC was up 1.2% compared to the Jun-22 qtr

The substantial declines observed in the residential market were not as apparent in the commercial market. Although commercial settlement volumes were down in some states, overall the commercial market performed relatively strongly in the Sep-22 qtr.

VIC recorded the highest commercial settlement volume at 3,158 for the Sep-22 qtr. Whilst the most money was invested in NSW commercial property with \$10.3B spent during the quarter.

## COMMERCIAL SALE SETTLEMENTS BY STATE, SEP-22 QTR TOTAL VOLUME AND AGGREGATE VALUE (\$B)



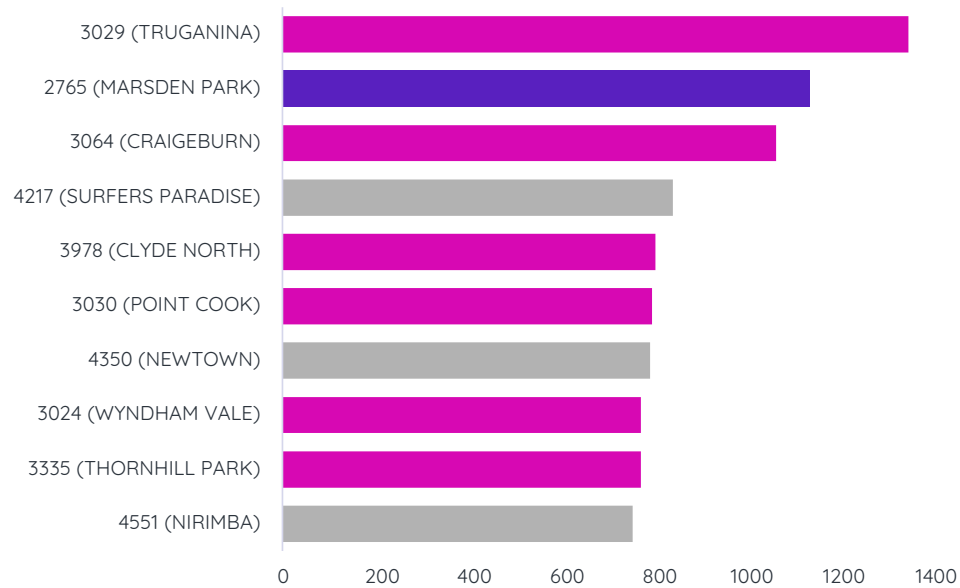
Source: PEXA, QLD Government, NSW Land Registry Services

\* Note: Commercial sale settlements not available for WA

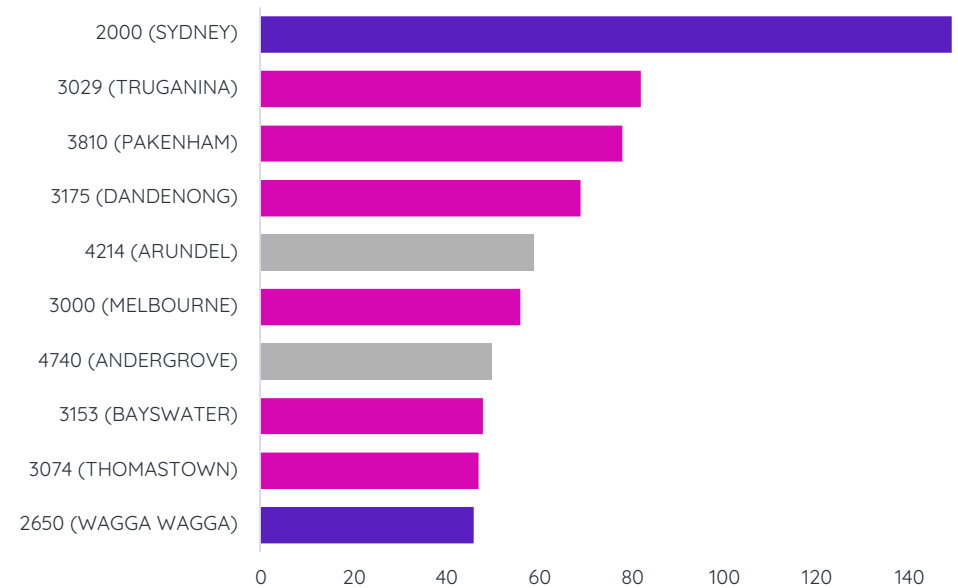
# Postcode 3029 (Truganina) in VIC recorded over 1,200 residential settlements in the Sep-22 qtr, topping the rankings

2000 (Sydney) recorded the highest volume of commercial transactions for the same period

**TOP 10 POSTCODES FOR RESIDENTIAL SALE SETTLEMENTS, TOTAL VOLUME, SEP-22 QTR**



**TOP 10 POSTCODES FOR COMMERCIAL SALE SETTLEMENTS, TOTAL VOLUME, SEP-22 QTR**



■ NSW
 ■ QLD
 ■ VIC

Analysis only includes properties settled digitally through PEXA. Data analysed at postcode level with the prominent suburb in that postcode shown for convenience.

Analysis includes NSW, VIC & QLD only.

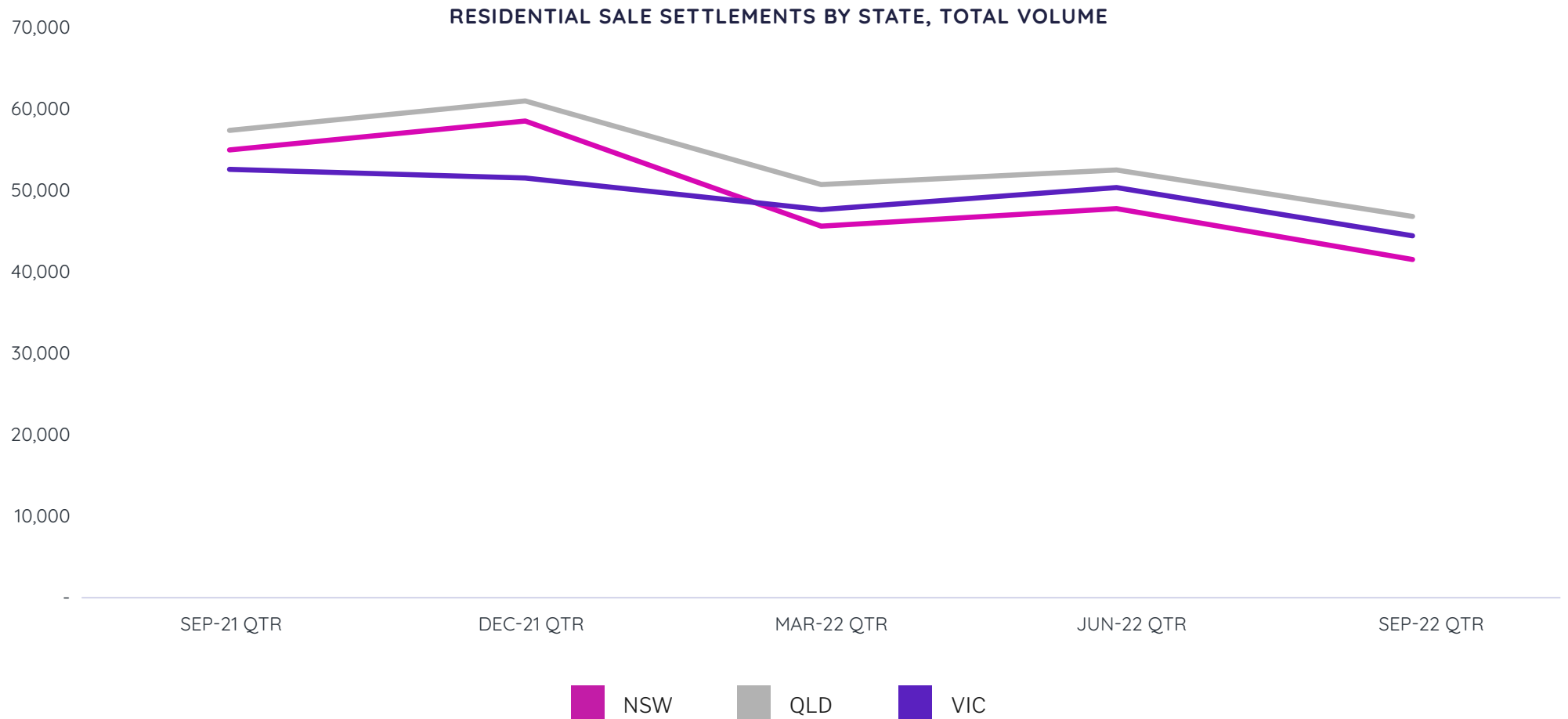
Source: PEXA



# Residential Property Insights

# Since the property market peaked at the end of 2021, residential settlements have trended downwards

Although all states have observed a reduction in volume, VIC has seen a more gradual decline compared to its northern neighbours, hovering around 50K residential settlements per quarter.



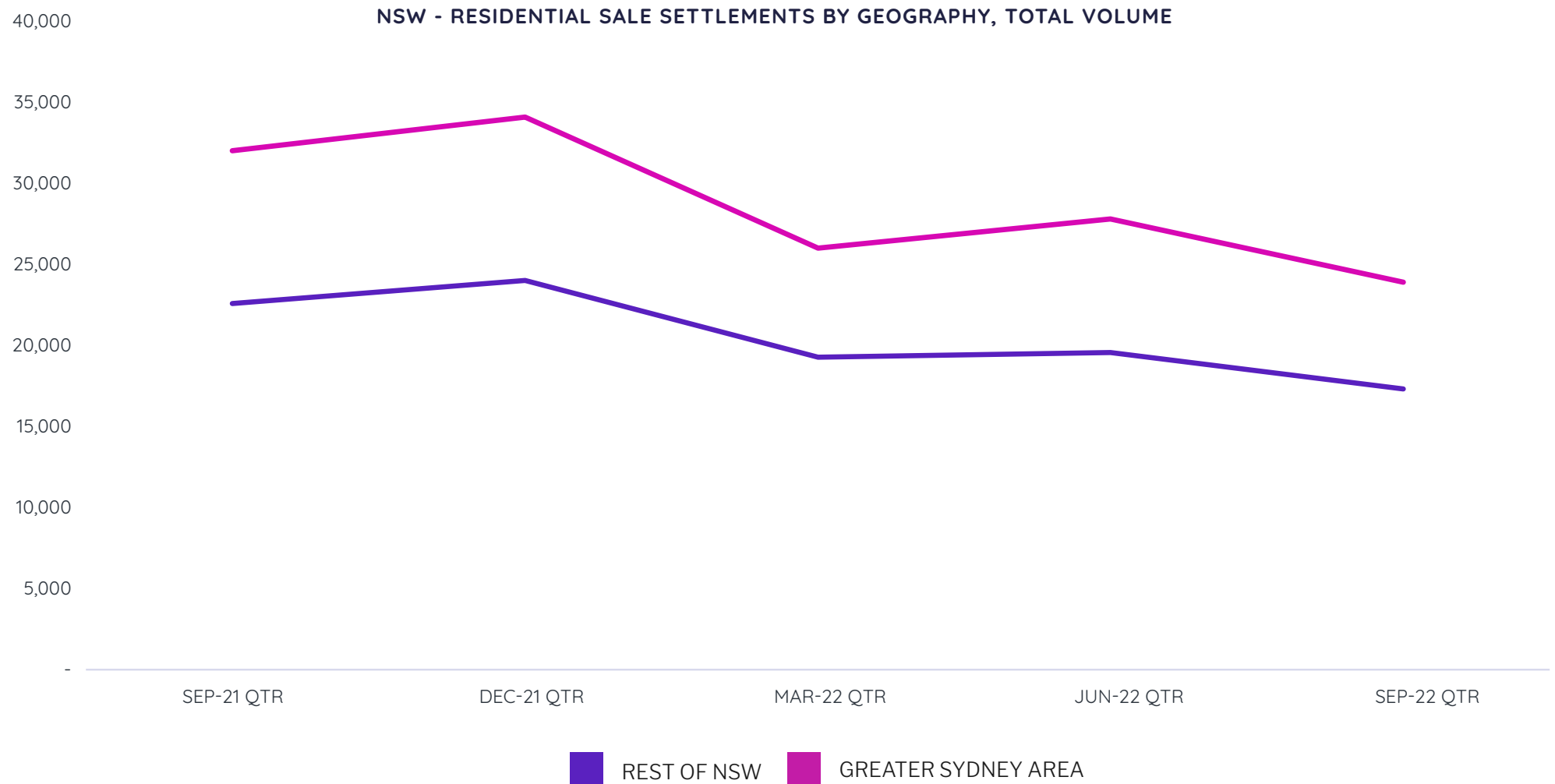
Source: PEXA, QLD Government, NSW Land Registry Services

Note: Residential sale settlements not available for WA



# Both Sydney and regional NSW were impacted by the market slowdown

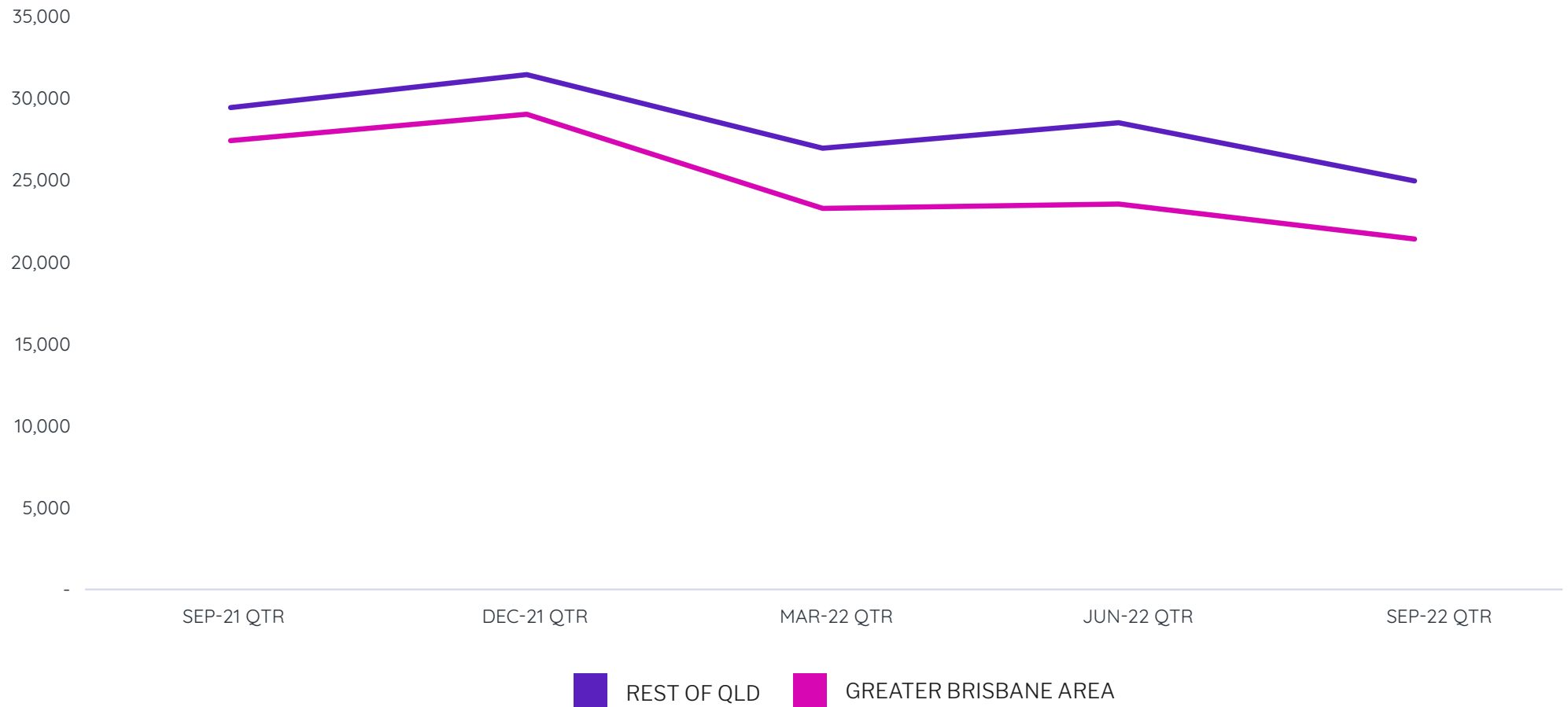
Metro and regional areas experienced a similar reduction in residential settlement volumes



Source: PEXA

# Residential settlement volumes eased in both metro and regional areas of QLD

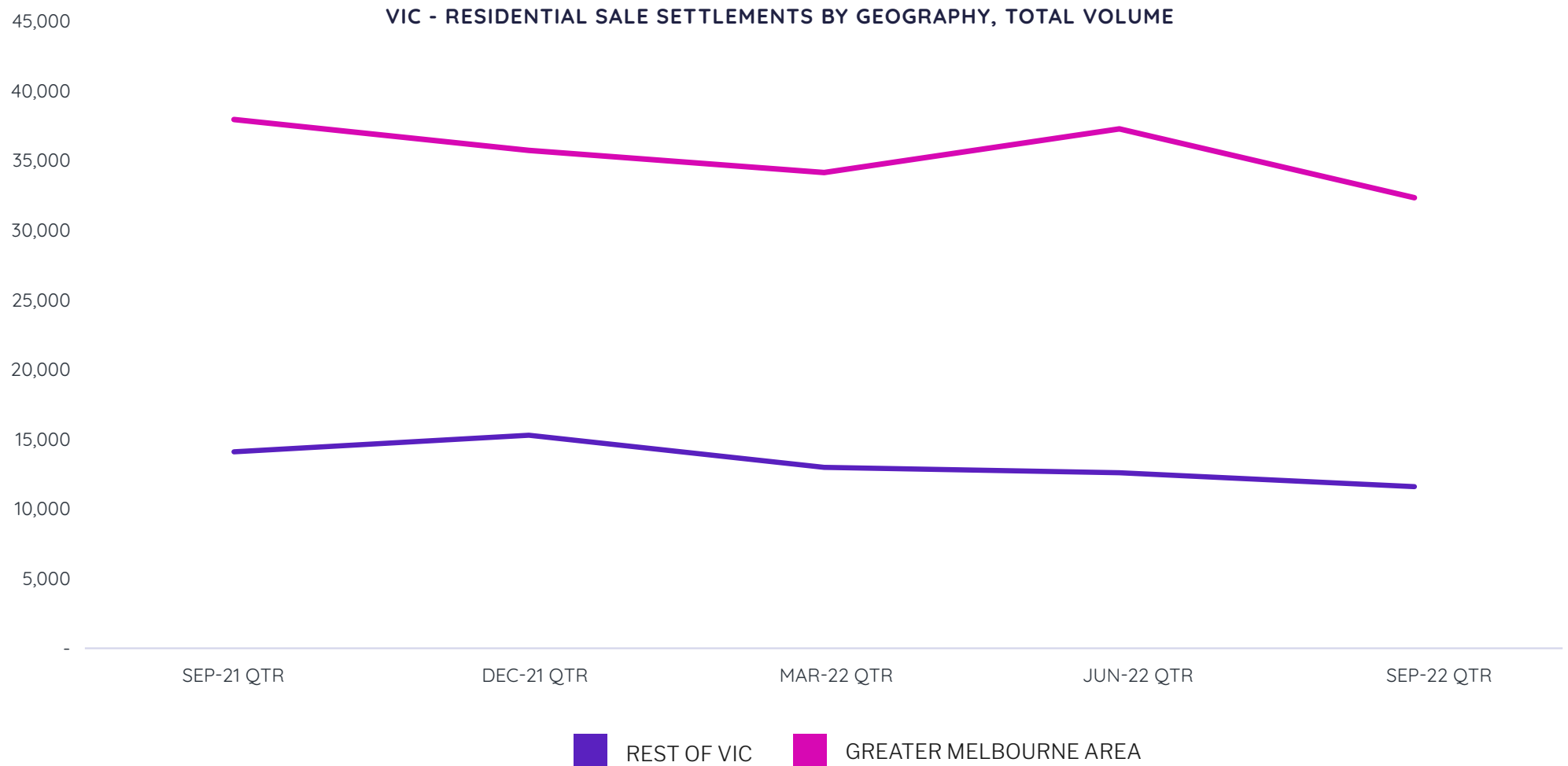
QLD - RESIDENTIAL SALE SETTLEMENTS BY GEOGRAPHY, TOTAL VOLUME



Source: PEXA

# Melbourne finished FY22 with a strong Jun-22 qtr, although residential settlements have dropped since then

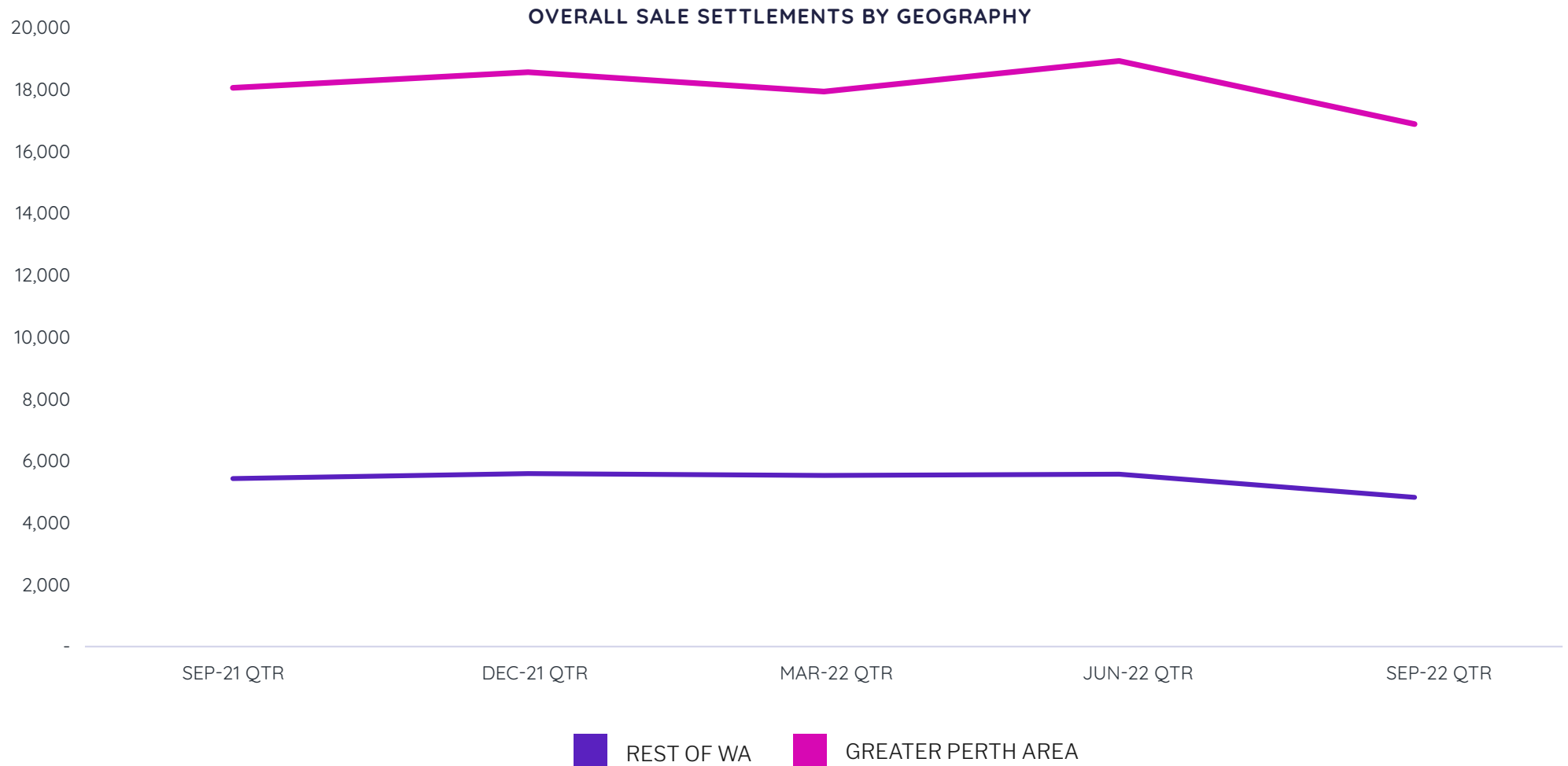
Residential settlement volumes in regional VIC have seen a gradual decline since the Dec-21 qtr



Source: PEXA

# The WA market has remained more resilient than other states, with volumes peaking in the Jun-22 qtr

However the Sep-22 qtr was down 11.4% suggesting that the market was beginning to soften



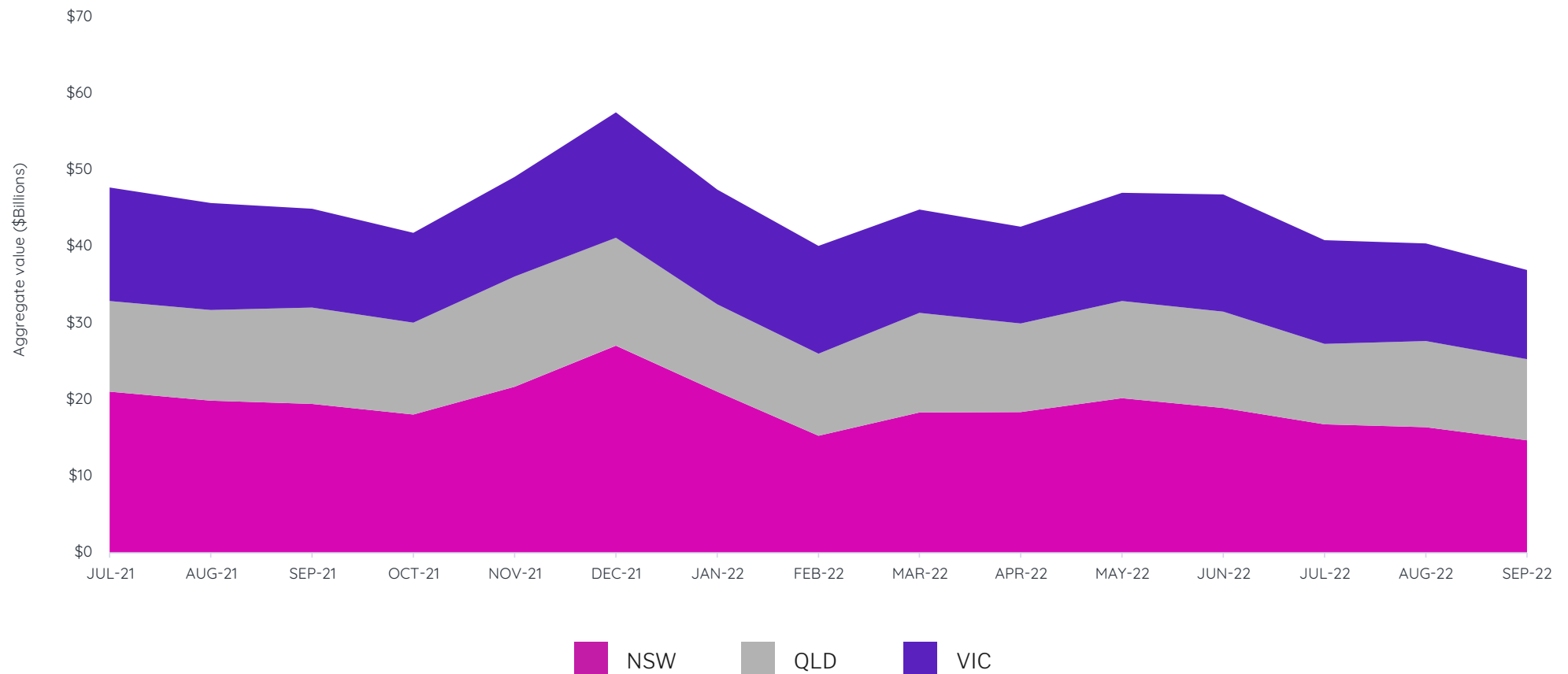
Source: PEXA

Note: Overall sale settlements reported for WA, including both residential and commercial property

# The aggregate value of residential settlements continued to trend downwards since peaking in Dec-21

The combined spend on residential property in the eastern states dropped below \$40B in Sep-22

AGGREGATE VALUE OF RESIDENTIAL SALE SETTLEMENTS BY STATE (\$B)

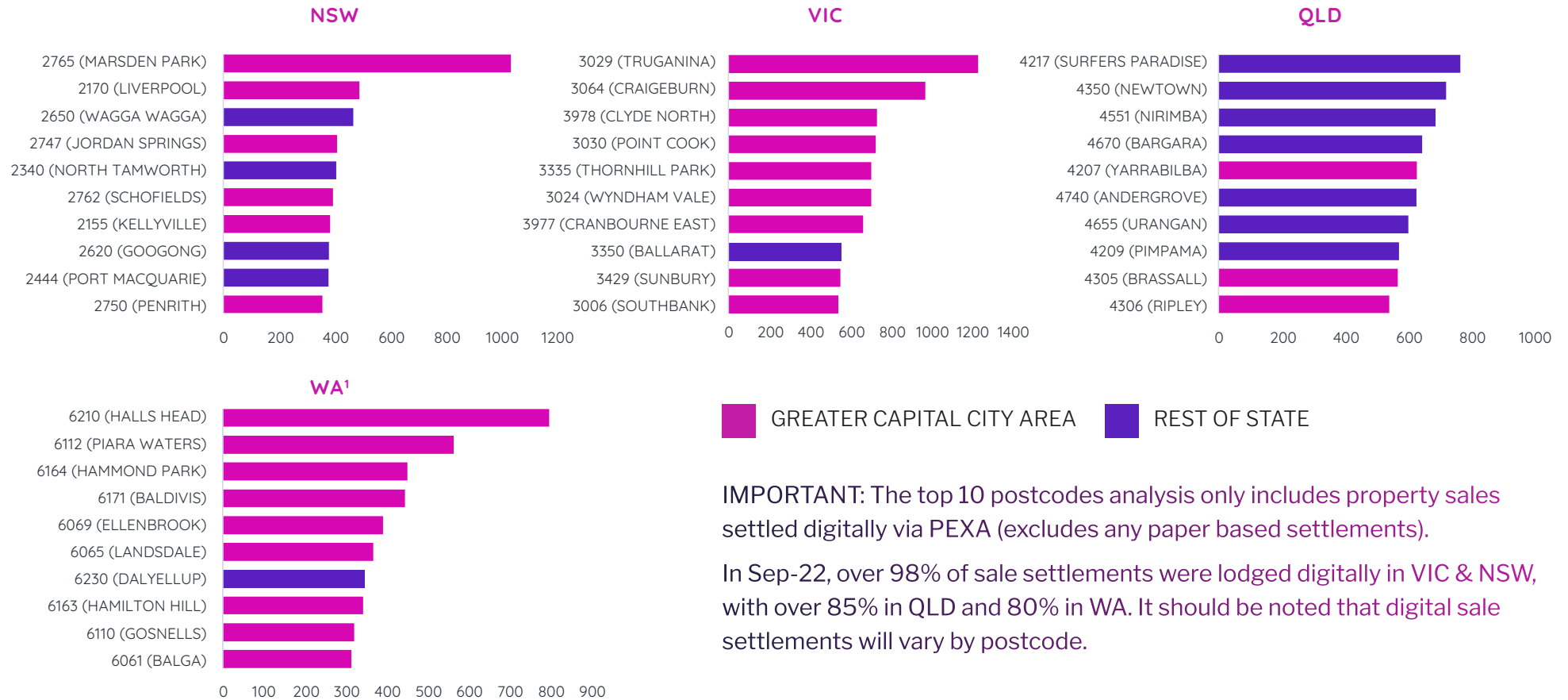


Source: Source: PEXA, QLD Government, NSW Land Registry Services

Note: Residential sale settlements not available for WA

# 2765 (Marsden Park), 4217 (Surfers Paradise) & 6210 (Halls Head) topped their respective states in the Sep-22 qtr

TOP 10 POSTCODES FOR RESIDENTIAL SALE SETTLEMENTS BY STATE, SEP-22 QTR



Source: PEXA

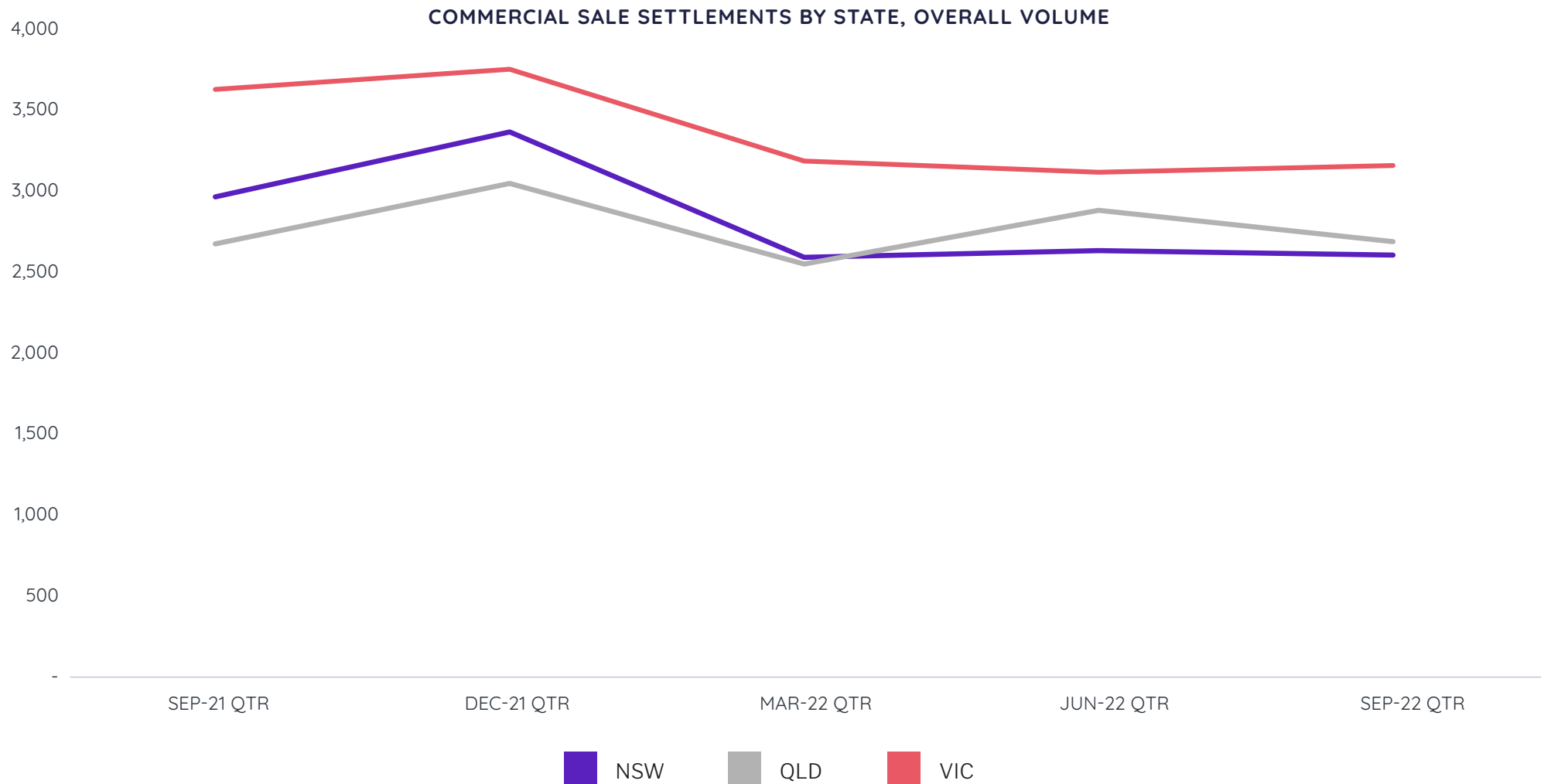
1 Overall sale settlements reported for WA, includes both residential and commercial property



# Commercial Property Insights

# Commercial property volumes stabilised in the most recent three quarters

Although down from 2021 volumes, commercial property appeared less impacted than residential by rising interest rates

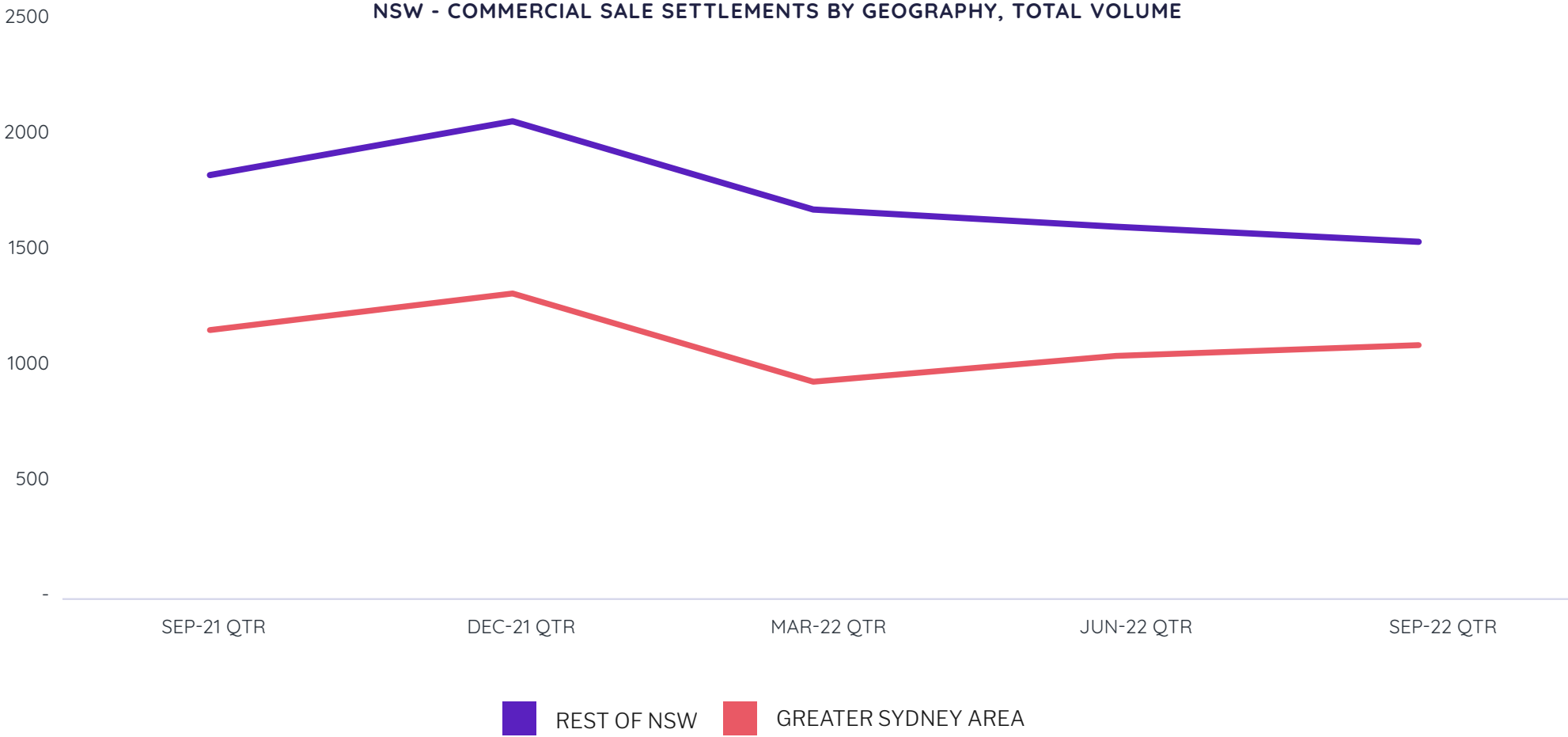


Source: PEXA, QLD Government, NSW Land Registry Services

Note: Commercial sale settlements not available for WA



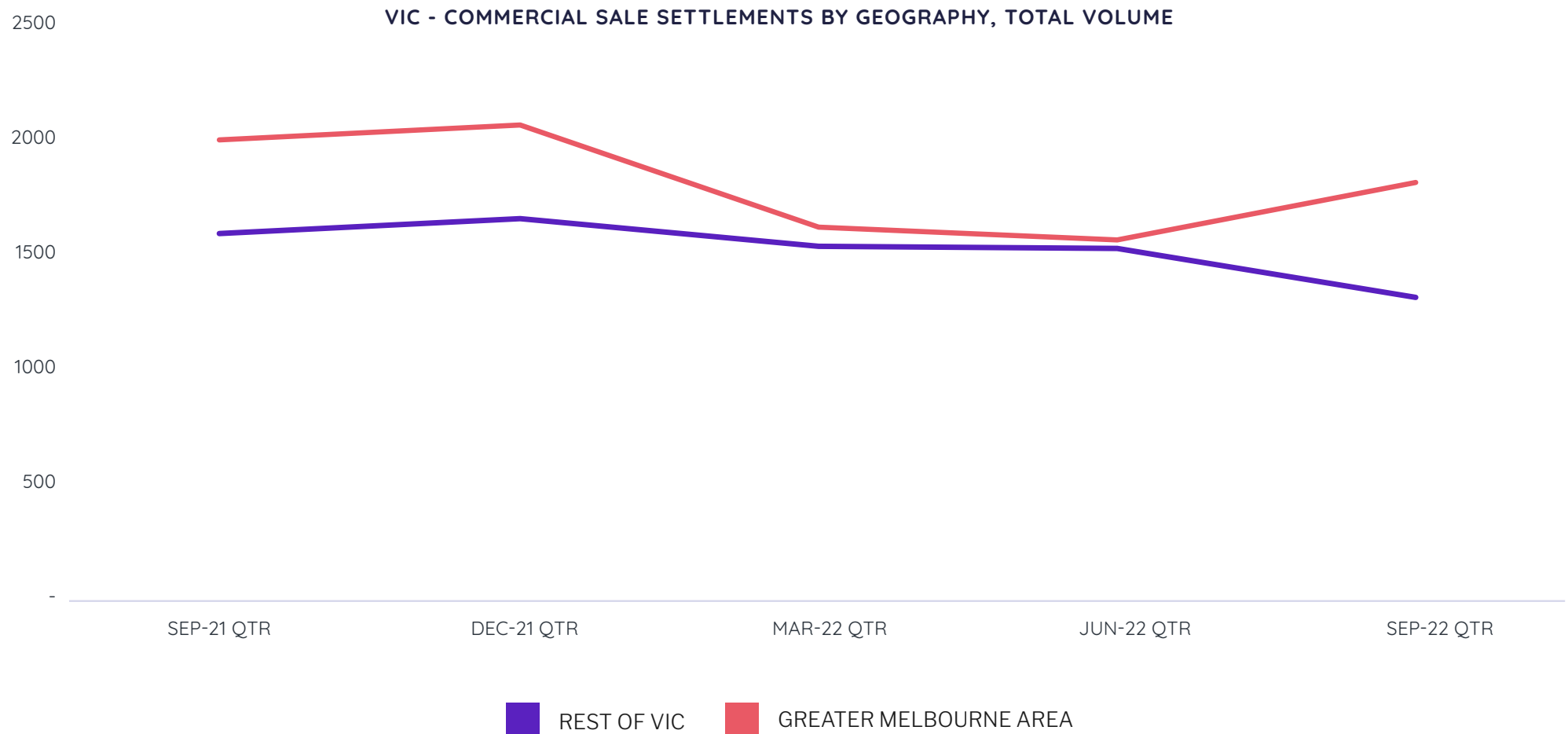
# Commercial settlement volumes in Sydney rose in the Sep-22 qtr, although they remained lower than in 2021



Source: PEXA

# Commercial settlements grew in Melbourne in the Sep-22 qtr

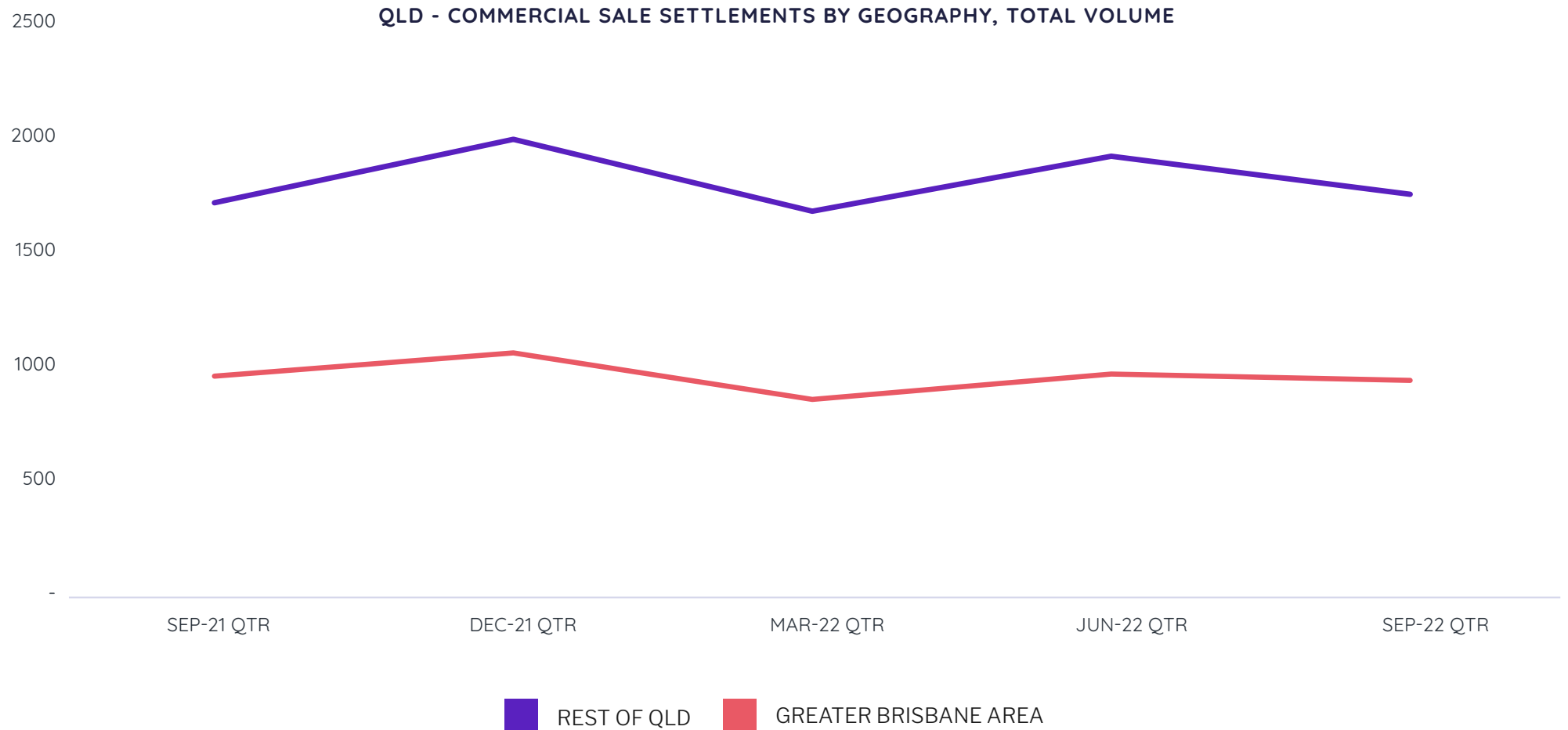
This hints at greater confidence in the commercial market moving into spring



Source: PEXA

# Commercial settlement volumes in QLD were mostly steady

This was the case for Brisbane and regional QLD

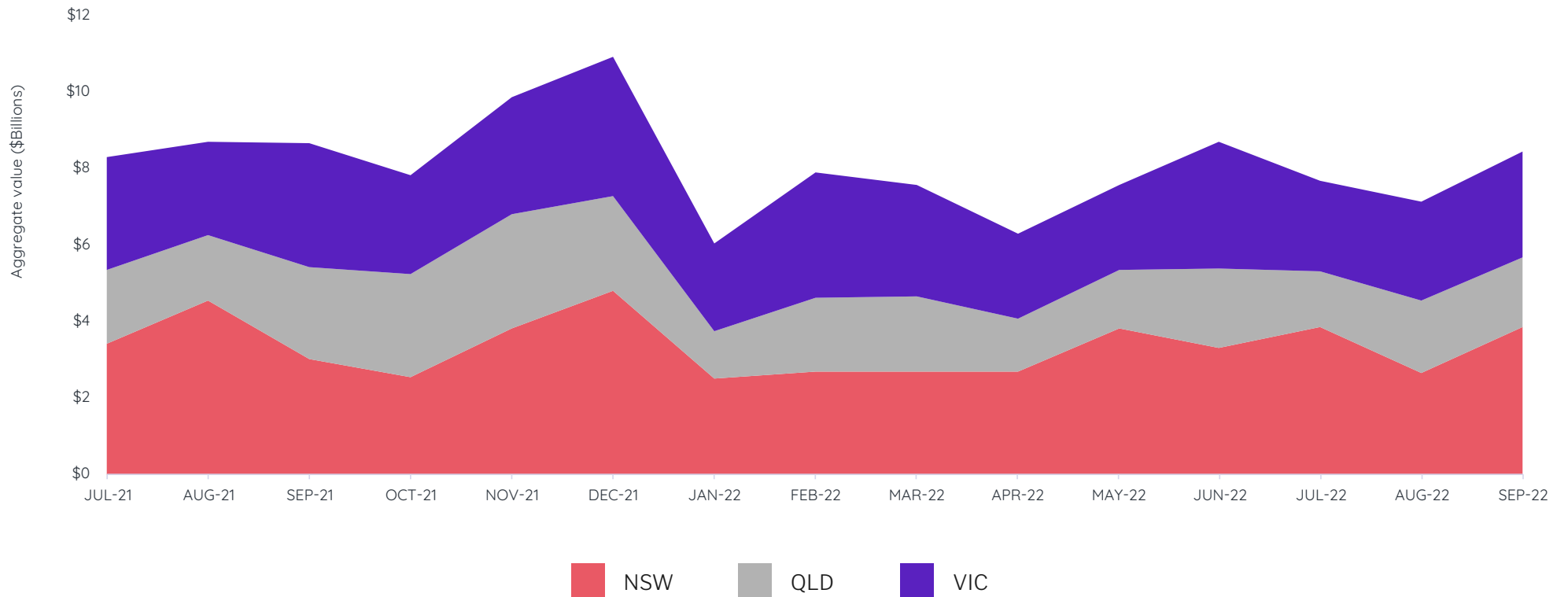


Source: PEXA

# Although down on the Dec-21 peak, commercial aggregate values have remained relatively steady in 2022

In Sep-22, the combined spend across the eastern states was over \$8B, driven by NSW contributing almost \$4B

AGGREGATE VALUE OF COMMERCIAL SALE SETTLEMENTS BY STATE (\$B)

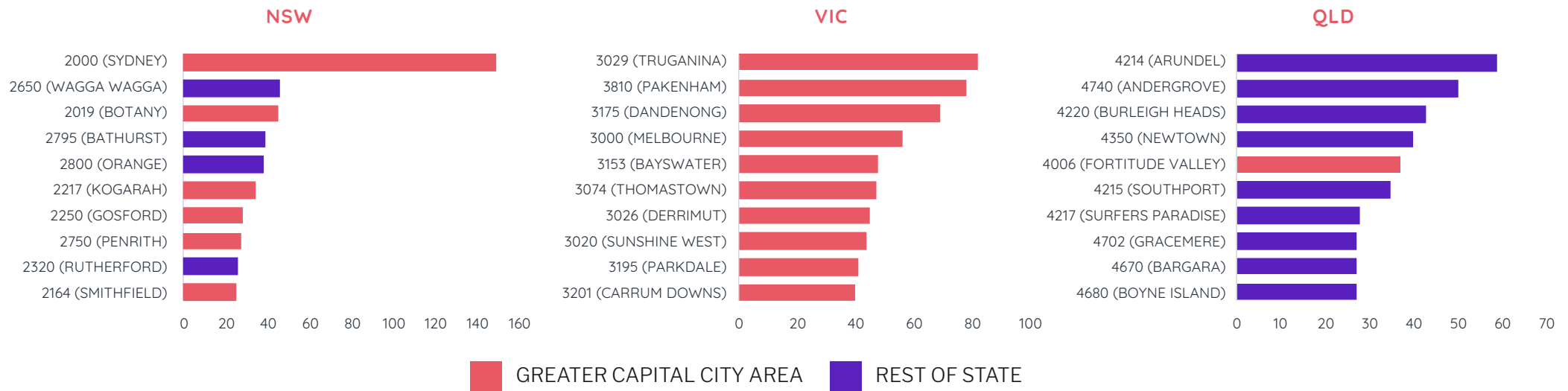


Source: Source: PEXA, QLD Government, NSW Land Registry Services

Note: Commercial sale settlements not available for WA

# Postcodes 2000 (Sydney), 3029 (Truganina) & 4214 (Arundel) topped for commercial settlement volumes in the Sep-22 qtr

TOP 10 POSTCODES FOR COMMERCIAL SALE SETTLEMENTS, BY STATE, SEP-22 QTR



**IMPORTANT:** The top 10 postcodes analysis only includes property sales settled digitally via PEXA (excludes any paper based settlements).

In Sep-22, over 98% of sale settlements were lodged digitally in VIC & NSW, with over 85% in QLD and 80% in WA. It should be noted that digital sale settlements will vary by postcode.

Source: PEXA

1 Overall sale settlements reported for WA, includes both residential and commercial property

For further enquiries and details about this report,  
our insights offering or PEXA Data, please contact:



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