

# Property listings up year on year in Melbourne, Sydney, Canberra: SQM Research

By Ingrid Fuary-Wagner

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Property stock levels are soaring in several capital cities across Australia as homeowners struggle to sell leaving homes to languish on the market.

The number of listings in Melbourne, Canberra and Sydney surged 25.4 per cent, 19.3 per cent and 16.5 per cent respectively year-on-year in December, according to SQM research.

In December there were 36,221 [properties on the market in Melbourne](#) compared to 28,895 in December 2017.

Homes lingering on market in Melbourne, Sydney, Canberra. **Erin Jonasson**

[Listings in Sydney blew out](#) to 32,738 compared to 28,103 a year earlier, while in Canberra, they grew from 3,527 in 2017 to 4,208.

[House prices have fallen at their fastest rate in 35 years](#) after the fall out from the banking royal commission and tighter lending restrictions imposed by the banks caused a credit crunch for borrowers across the country.

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Sydney and Melbourne have been worst hit by the downturn, while [Canberra has so far weathered the storm](#) with prices still growing 3.3 per cent in 2018.

"It is definitely old stock not moving at all ... the number of days on market have blown out quite significantly so it's clear the downturn has been occurring across several cities," Louis Christopher, managing director of SQM Research, said.

Hobart, Darwin and Adelaide each recorded a fall in listing numbers in December of 5.8 per cent, 2.9 per cent and 4.1 per cent respectively compared to 2017.

"Hobart used to record a 20 per cent decline (year-on-year) of listings and now we are only down about 5 per cent so it's still the strongest performing market," Mr Christopher said.

"Perhaps the tempo has come off a touch, which is not overly surprising because if you consider what has been driving the downturn it's been about buyers struggling to get the credit from the banks and that's a macro phenomenon," he said.

## **Sharp seasonal fall**

While there tends to be a seasonal drop in listings between November and December, Mr Christopher said there was a sharper fall in 2018 than normal, with homeowners holding onto their properties.

Stock levels fell 17.2 per cent in Melbourne, followed by 17.7 per cent in Sydney, 15.5 per cent in Canberra and 10.7 per cent in Brisbane.

"There are a very few forced sellers out there at the moment," Mr Christopher said. "Default rates are still very low as are arrears rates and I suspect that's going to remain the case as long as the economy does okay in 2019.

"Of course if we were to go into a recession in 2019 or 2020 all hands are off the table, but at the moment there's not the situation of desperate vendors en masse".

Canberra was the only capital city where asking prices increased for both houses at 3.4 per cent and units at 7.9 per cent over the year.

Between November and December, the asking price for Sydney units rose slightly by 0.7 per cent, while house asking prices in Melbourne grew slightly by 0.3 per cent.

"Asking prices held up a bit better than expected in Melbourne, so perhaps vendors are trying to hold out again ... whether they can hold out for more than just a month remains to be seen," Mr Christopher said.



Canberra was the only capital city where asking prices increased for both houses at 3.4 per cent and units at 7.9 per cent over the year. **Supplied**

"It's been a constant tussle between sellers and buyers and it's sellers who are have had to give ground in 2018, but there are periods where they will hold out en masse."