



**Kogarah**  
Property Factsheet  
2<sup>nd</sup> Half 2018





## MARKET CONDITIONS

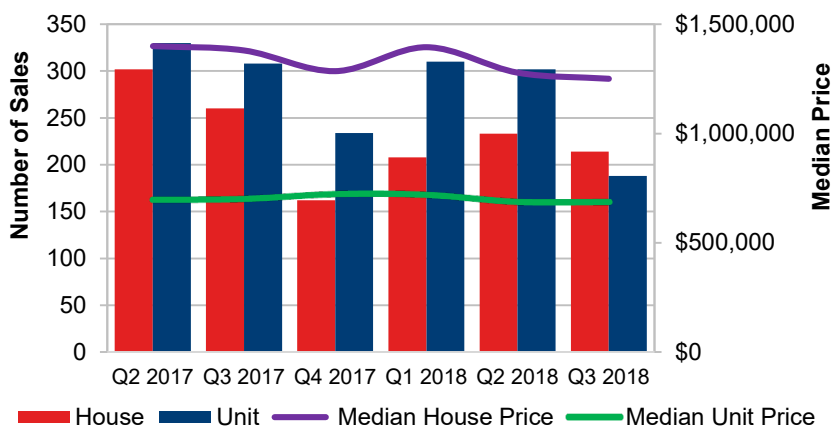
Kogarah\* recorded a median house price of \$1,323,000 and \$635,000 for units in Q3 2018, representing an annual (Q3 2017-Q3 2018) price change of -3.5% and -5.9% respectively. Compared to the *Kogarah 1<sup>st</sup> Half 2018 Research Factsheet*, which reported an annual (Q1 2017 – Q1 2018) price change of -11.2% (houses) and -0.7% (units), houses in Kogarah\* have strengthened in value whereas units have become more affordable.

Annual (Q3 2017-Q3 2018) median prices also softened in the Georges River Local Government Area (LGA) by -9.4% to \$1,250,000 for houses and by -1.8% to \$723,000 for units. Kogarah\* house market attracts a higher price compared to the LGA, however its unit market is more affordable.

Average vendor discounting for houses have pivoted towards a buyer's market in the 2<sup>nd</sup> half of 2018, from 0.3% in Q3 2017 to -1.5% in Q3 2018. This suggests that now is an ideal time for first time house hunters to enter the market, as sellers are willing to negotiate below the first list asking price. Average vendor discount for units have remained relatively stable over the past 5 quarters, which indicates there is a balance between supply and demand in the unit market.

Median rental prices softened over the past 12 months to Q3 2018 in Kogarah\*, by -3.3% to \$595 per week for houses and by -2.0% to \$485 per week for units. However vacancy rates, at 1.8% in June 2018, is below that of Sydney Metro (2.7%), indicating a higher occupancy level in Kogarah\*. Further, investors are benefiting from rental yields of 2.5% (house) and 3.8% (units), similar to that of Sydney Metro. This further confirms Kogarah\* as an ideal alternate location to invest outside the Sydney Metro area.

## GEORGES RIVER COUNCIL GROWTH



## OVERVIEW

Kogarah is located approximately 14kms south of the Sydney CBD and considered to be the centre of the St George area. According to ABS Census 2016 48.1% of occupied private dwellings in Kogarah are rented, higher than the New South Wales average of 31.8%. This is good news for investors looking to enter the market.

CHANGE FROM LAST	YEAR	HALF YEAR
House Sales	↓	↓
House Median Price	↓	↑
House Rental Price	↓	↓
Unit Sales	↓	↓
Unit Median Price	↓	↓
Unit Rental Price	↓	↓

## FUTURE DEVELOPMENTS\*\*

Kogarah and its surrounding areas will see approximately \$239.5M of project development in 2<sup>nd</sup> half 2018, with 71.4% allocated to mixed-use projects. This is a mutually beneficial strategy for adding property stock whilst attracting increased levels of commercial activity in the area.

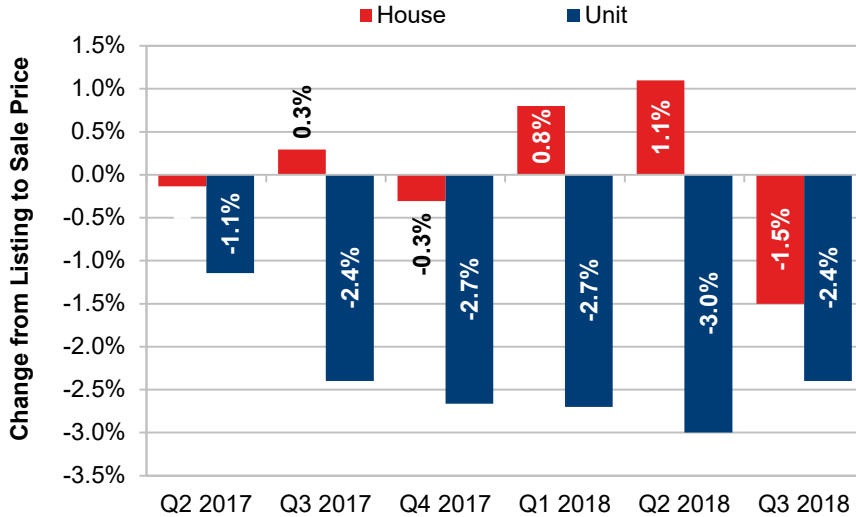
A total of 7 townhouses, 5 dwellings, and 677 units/apartments are planned for Kogarah in 2<sup>nd</sup> half 2018; split between 3 mixed-use and 8 residential projects.

Key mixed-use projects include The Banks Development on Chapel St, Bay St, and Lister Ave (\$129.9M); adding 365 units into the area. The Princess Highway Mixed-use Development (\$39.2M) will add 140 units and Keats Avenue Top Housing Development (\$2.9M) will add 13 units. All three developments will also include significant retail and office space, which will stimulate local job growth.

A total of \$18.2M of commercial projects are planned in 2<sup>nd</sup> half 2018. A main project is the Rockdale Nursing Home (\$4.7M). This attracts a new demographic into the area and create local jobs, which will result in positive spill-over benefits to the property market in the future.

\*Market data and key indicators for Kogarah encapsulates aggregate property market conditions in the following suburbs: Beverley Park, Bexley, Carlton, Kogarah, Kogarah Bay, and Rockdale.  
\*\*Estimated values are based on construction value provided by the relevant data authority and does not reflect commercial and/or re-sale value.  
Source: APM Pricerfinder, realestate.com.au. © Copyright PRDnationwide 2018.

## AVERAGE VENDOR DISCOUNT



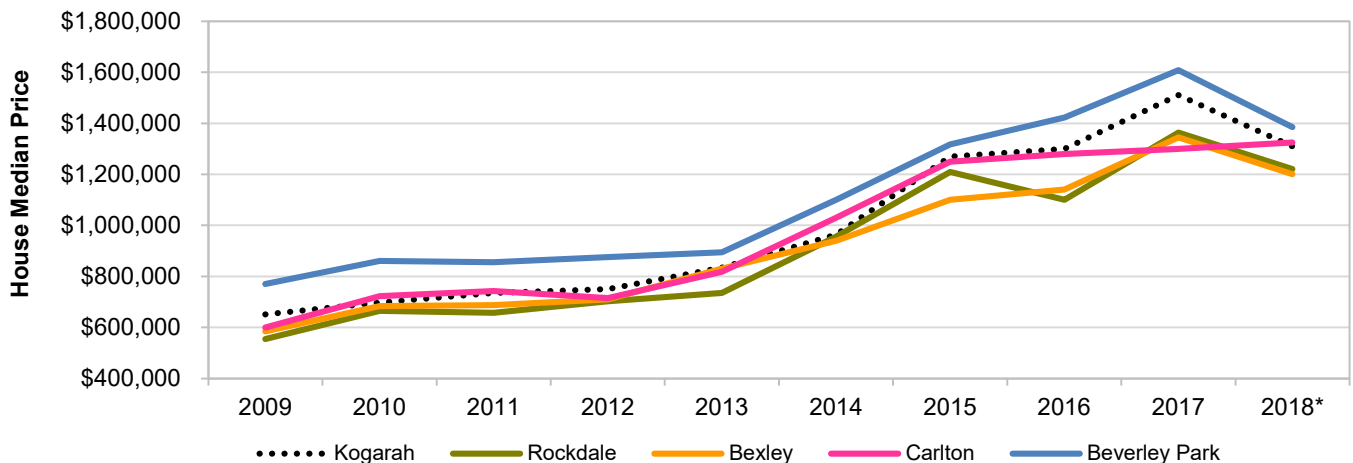
### AVERAGE VENDOR DISCOUNT

Average vendor discount reflects the average percentage difference between first list price and final sold price. A lower percentage difference (closer to 0) suggests buyers are willing to purchase close to the first asking price of a property.

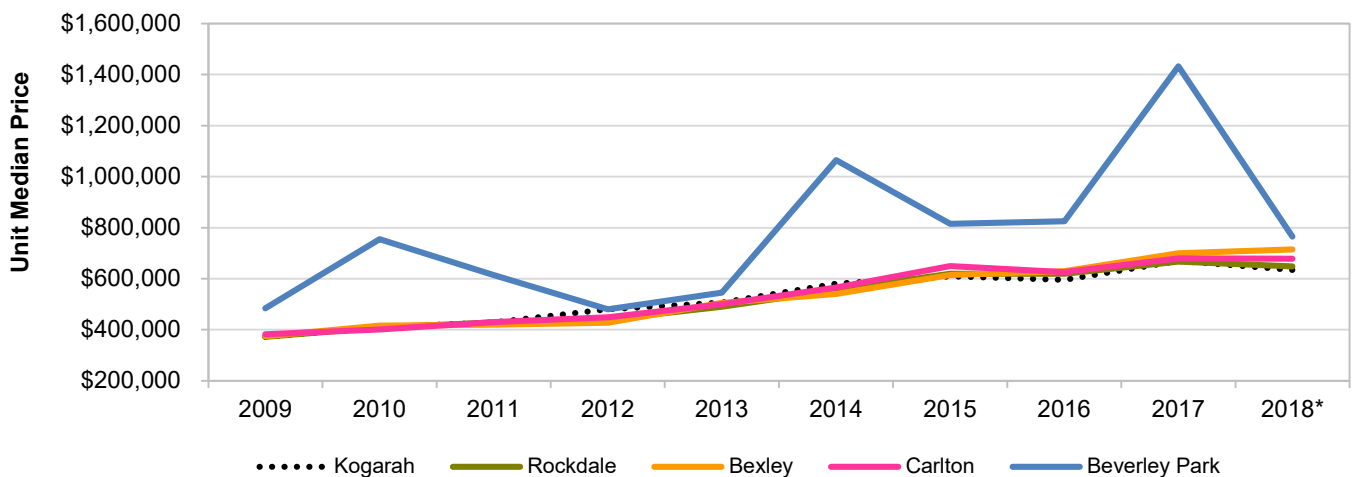
### MARKET COMPARISON GRAPH

The market comparison graph provides comparative trend for median price of house and units over the past 10 years. Suburbs profiled are chosen based on proximity to the main suburb analysed in the factsheet, which is Kogarah. The main suburb is highlighted through a dotted black line graph.

## HOUSE MARKET COMPARISON

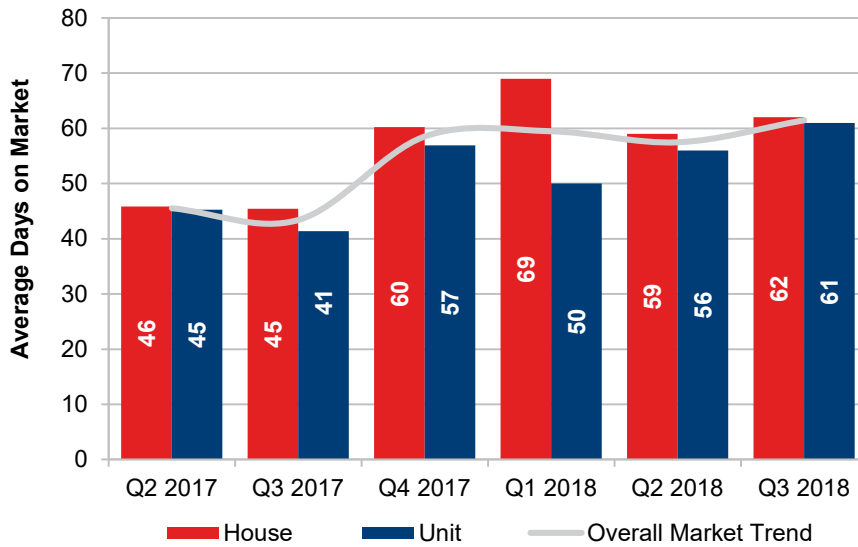


## UNIT MARKET COMPARISON



\*2018 data is representative of sales up to and inclusive of 30<sup>th</sup> September 2018, or end of Q3 2018.  
Source: APM Pricefinder. © Copyright PRDnationwide 2018.

## AVERAGE DAYS ON MARKET\*\*



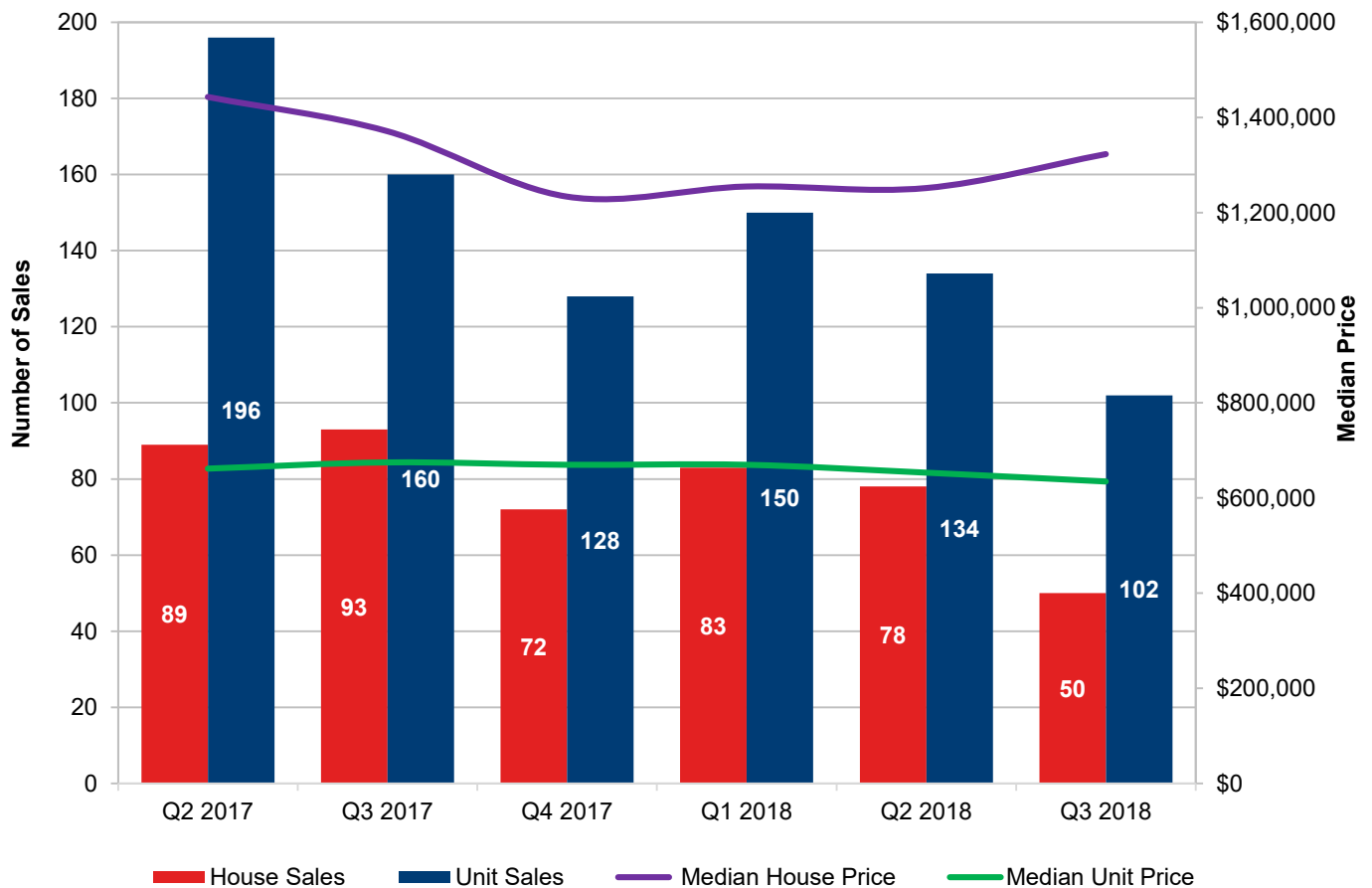
### HOUSE KEY FACTS Q3 2018

Median Sale Price: \$1,323,000  
 Annual Growth: -3.5%\*\*\*  
 Average Days on Market: 62  
 % Change between First Listed Price and Sold Price: -1.5%

### UNIT KEY FACTS Q3 2018

Median Sale Price: \$635,000  
 Annual Growth: -5.9%\*\*\*  
 Average Days on Market: 61  
 % Change between First Listed Price and Sold Price: -2.4%

## SALES AND MEDIAN PRICE\*\*



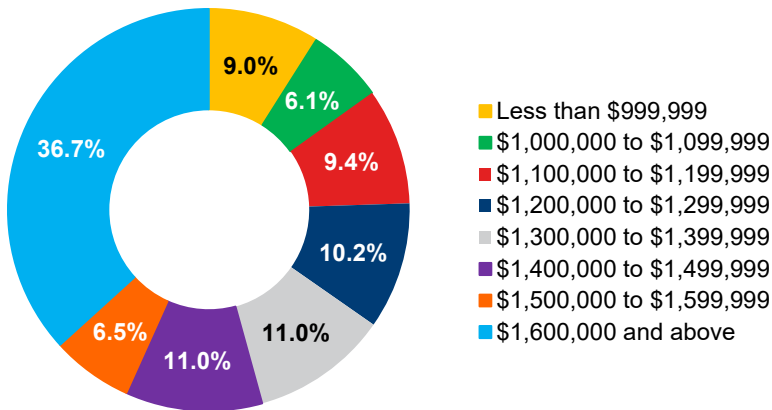
\*Annual growth represents price growth for property transactions between Q3 2017 to Q3 2018 (inclusive).

\*\*Market data and key indicators for Kogarah encapsulates aggregate property market conditions in the following suburbs: Beverley Park, Bexley, Carlton, Kogarah, Kogarah Bay, and Rockdale.

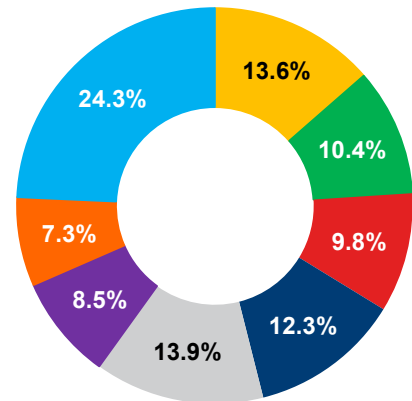
Source: APM Pricefinder, realestate.com.au, SQM Research. © Copyright PRDnationwide 2018.

## SALES PRICE POINT COMPARATIVE ANALYSIS\*

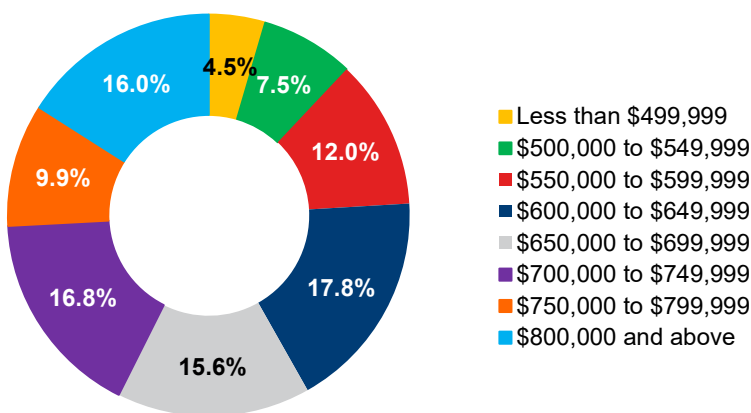
### HOUSE PRICE POINT 2017



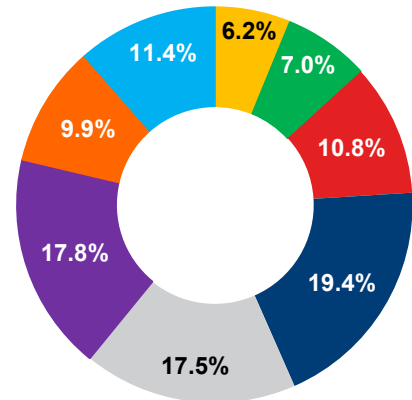
### HOUSE PRICE POINT 2018



### UNIT PRICE POINT 2017



### UNIT PRICE POINT 2018



#### KEY IMPLICATIONS - HOUSE

The highest proportion of houses being sold in Kogarah\* in 2018 has remained within the \$1.6M and above price segment, however this has decreased quite significantly from 36.7% in 2017 to 24.3% in 2018. There seems to be a movement from higher priced house sales towards the mid and lower end of the market, which is reflective of the -3.5% softening in median house price over the past 12 months to Q3 2018.

Price brackets \$1.2-\$1.4M has strengthened, from 21.2% in 2017 to 26.2% in 2018. Affordable options, houses less than \$1.1M, has grown from 15.1% in 2017 to 24.0% in 2018; further confirming that now is an ideal time for first time home buyers to enter the market.

#### KEY IMPLICATIONS - UNIT

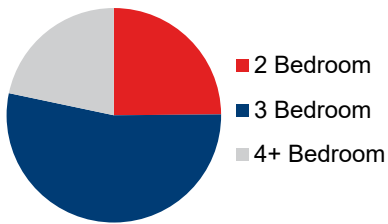
The Kogarah\* unit price point has remained relatively stable between 2017 – 2018, with small movements in each price bracket. The dominant price point remains within the \$600-\$650K bracket, which has grown slightly from 17.8% in 2017 to 19.4% in 2018. This is reflective of the -0.1% softening in median unit price over the past 12 months to Q3 2018.

Interestingly there is a decline in the premium priced units market (\$800K and above), from 16.0% in 2017 to 11.4% in 2018. This is inline with the price cooling in Sydney Metro. Those looking for affordable options will rejoice, as 2018 sales saw an increase to 5.2%, from 4.5% in 2017. Now is the time to enter the market.

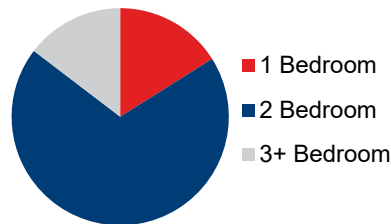
\*Disclaimer: Market data and key indicators for Kogarah encapsulates aggregate property market conditions in the following suburbs: Beverley Park, Bexley, Carlton, Kogarah, Kogarah Bay, and Rockdale. Each pie chart encapsulates sales data from Q1-Q3 of the relevant year, to allow for fair comparison in price point changes.  
Source: APM Pricefinder. © Copyright PRDnationwide 2018.

## INVESTMENT ANALYSIS

### HOUSE



### UNIT



### HOUSE KEY FACTS Q3 2018

**Median Rent Price:** \$595 per week  
**Rental Yield:** 2.5%  
**Average Days on Market:** 22  
**Bedroom Breakdown:**  
 2 Bed: 25%, 3 Bed: 53%, 4+ Bed: 22%

### UNIT KEY FACTS Q3 2018

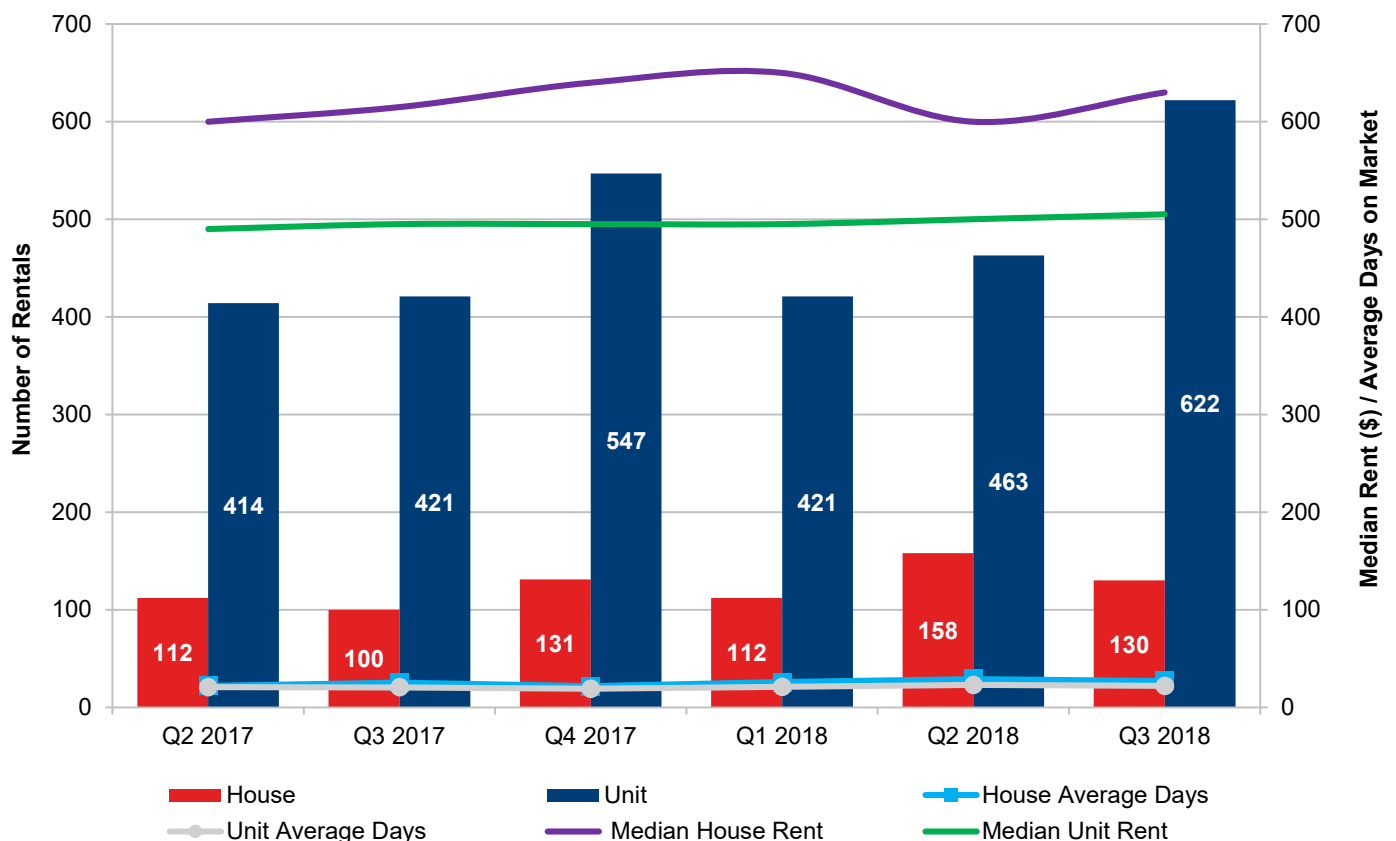
**Median Rent Price:** \$485 per week  
**Rental Yield:** 3.8%  
**Average Days on Market:** 27  
**Bedroom Breakdown:**  
 1 Bed: 16%, 2 Bed: 69%, 3+ Bed: 15%

### KEY COMMENTS

The Kogarah\* median rental prices has softened slightly, by -3.3% for houses and -2.0% for units over the past 12 months to Q3 2018. That said it remains a prime location for those looking to invest outside of the Sydney Metro area. The number of properties rented increased by 30.0% (house) and 47.7% (units) during this time, suggesting median rental price softening may be due to an oversupply in the market. That said average days on the market remained low, at 22 (house) and 27 (units) days, suggesting quick uptake of rental properties in Kogarah. This is good news for investors looking for quicker returns on their investment.

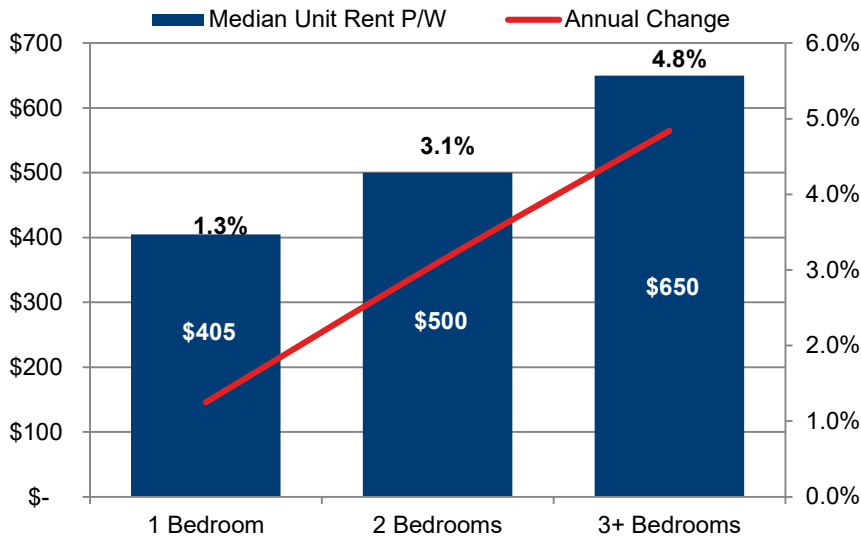


## MEDIAN RENT AND AVERAGE DAYS ON MARKET\*



\*Disclaimer: Market data and key indicators for Kogarah encapsulates aggregate property market conditions in the following suburbs: Beverley Park, Bexley, Carlton, Kogarah, Kogarah Bay, and Rockdale.  
 Source: APM Pricerfinder, realestate.com.au, SQM Research. © Copyright PRDnationwide 2018.

## RENTAL PERFORMANCE 2018\*



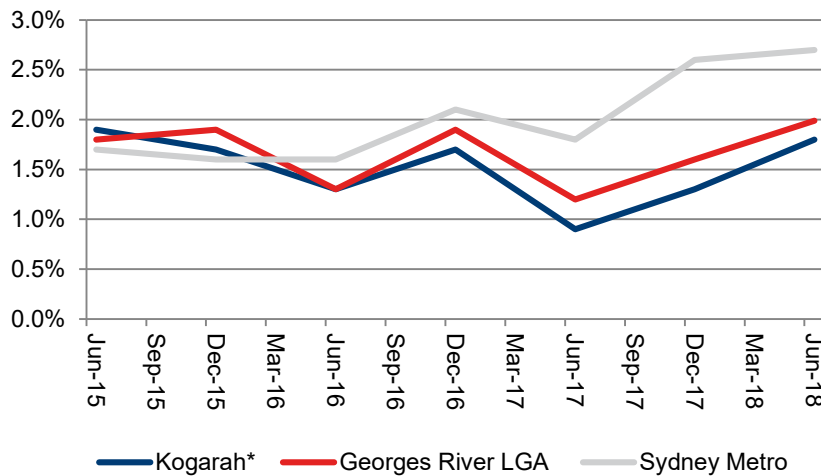
### KEY COMMENTS

Astute investors in Kogarah\* are currently benefitting from rental yields of 2.5% (house) and 3.8% (unit), on par with that of Sydney Metro at 2.7% (houses) and 3.7% (units).

3+ bedroom units provide the highest annual rental growth at 4.8%, which currently sits at \$650 per week.

Vacancy rates in Kogarah\* has shown an increasing trend over the past 12 months to June 2018, currently at 1.8%. However this the same pattern observed in the wider St Georges area and is still significantly lower than Sydney Metro's (2.7%). This confirms Kogarah\* as having a healthier rental market, good news for investors.

## VACANCY RATES 2018



## RENTAL YIELD 2018

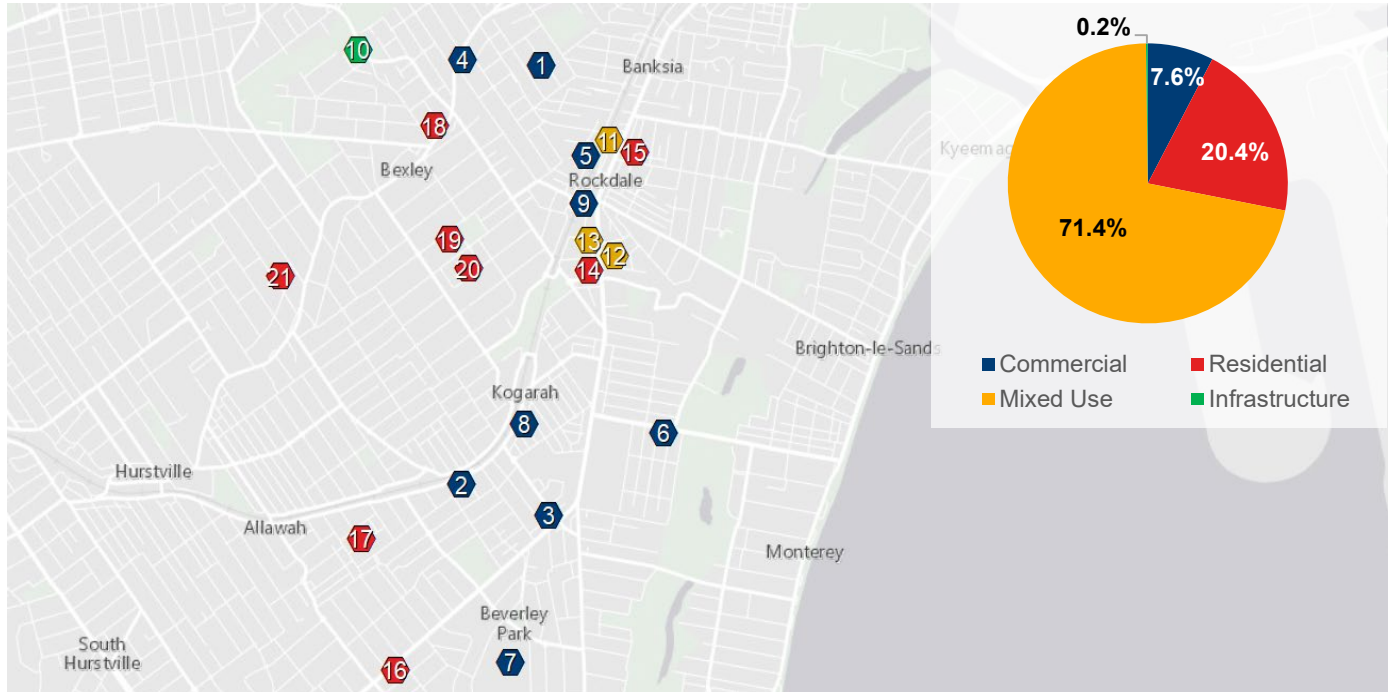
Suburb/Postcode/LGA	House Rental Yield	Unit Rental Yield
Kogarah*	2.5%	3.8%
St Georges River	2.5%	3.5%
Sydney Metro	2.7%	3.7%

## KEY HOUSING DEMOGRAPHICS

	Kogarah	Rockdale LGA	Georges River LGA	New South Wales
Median weekly rent	\$440	\$460	\$450	\$380
Family Households	3,795	27,005	37,151	1,874,524
Single or lone person households	1,129	8,719	9,325	620,778
Worked full time	4,833	33,532	43,243	2,134,521
Worked part time	2,629	16,522	22,916	1,071,151
Occupied private dwellings	5,283	37,952	48,681	2,604,320
Unoccupied private dwellings	330	3,079	3,306	284,741

\*Rental performance graph represents aggregate house median rent prices in the following suburbs: Beverley Park, Bexley, Carlton, Kogarah, Kogarah Bay, and Rockdale. Annual change is a comparison between Q1-Q3 2017 and Q1-Q3 2018 median rent figures.  
Source: APM Pricefinder, SQM Research, ABS Census 2016. © Copyright PRDnationwide 2018.

## PROJECT DEVELOPMENT MAP 2<sup>nd</sup> HALF 2018\*



Location	Project**	Type	Estimated Value***	Commence Date****
1	Rockdale Nursing Home	Commercial	\$4,675,000	17/11/2018
2	Kogarah RSL Club	Commercial	\$4,513,000	19/12/2018
3	Gray Street Boarding House	Commercial	\$4,342,000	19/12/2018
4	Forest Rd Boarding House	Commercial	\$2,509,000	20/11/2018
5	Railway Street Boarding House	Commercial	\$833,000	22/11/2018
6	President Avenue Commercial Building	Commercial	\$454,000	03/11/2018
7	Beverly Park Golf Course	Commercial	\$435,000	09/10/2018
8	Railway Parade Commercial Building	Commercial	\$220,000	21/11/2018
9	The Seven Ways Brothel	Commercial	\$200,000	30/07/2018
10	Bexley Rd Soccer Fields	Infrastructure	\$400,000	06/08/2018
11	Chapel St, Bay St & Lister Av Development - The Banks (365 Units)	Mixed-Use	\$129,928,000	23/07/2018
12	Princes Hwy Mixed Development (140 Units)	Mixed-Use	\$39,243,000	09/08/2018
13	Keats Av Shop Top Housing Development (13 Units)	Mixed-Use	\$2,987,000	05/09/2018
14	Princes Highway Units (48 Units)	Residential	\$13,397,000	10/12/2018
15	George St Units - 35george Apartments (47 Apartments)	Residential	\$12,553,000	30/07/2018
16	Princes Highway Apartments (22 Apartments)	Residential	\$6,334,000	22/12/2018
17	Bembridge Street Apartments (23 Apartments)	Residential	\$5,795,000	19/12/2018
18	Oriental Street Units (15 Units)	Residential	\$4,711,000	19/12/2018
19	Caledonian Street Townhouses (7 Townhouses)	Residential	\$2,952,000	16/07/2018
20	Connemarra Street Multiple Dwellings (5 Dwellings)	Residential	\$2,250,000	03/12/2018
21	Albert Street Units (4 Units)	Residential	\$800,000	29/12/2018

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

\*\*Projects refers to the top developments within the suburbs of Beverley Park, Bexley, Carlton, Kogarah, Kogarah Bay, and Rockdale

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

\*\*\*\*Commencement date quoted for each project is an approximate only, as provided by the relevant data authority, PRDnationwide does not hold any liability to the exact date.

Source: Cordell Database, ESRI ArcGIS, Department of Planning and Environment NSW, Georges River Council. © Copyright PRDnationwide 2018.



## ABOUT PRDnationwide RESEARCH

**PRDnationwide's 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, PRDnationwide 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**

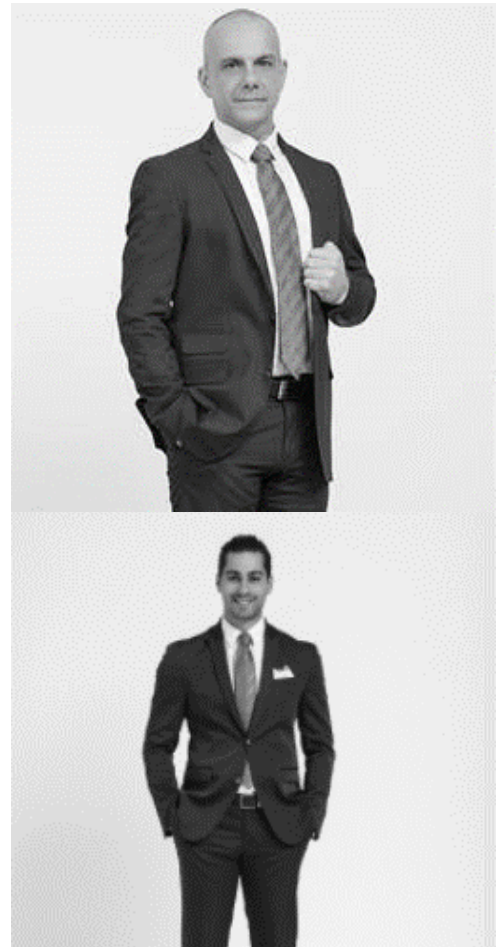
Skilled in deriving macro and micro quantitative information from multiple credible sources, we partner with clients to provide strategic advice and direction regarding property and market performance. We have the added advantage of sourcing valuable and factual qualitative market research in order to 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 SERVICES

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