



Oatley
Property Factsheet
2nd Half 2018





MARKET CONDITIONS

Oatley* recorded a median house price of \$1,407,250 and \$686,000 for units in Q3 2018, which represented an annual (Q3 2017-Q3 2018) price change of 4.2% and 1.6% respectively. Compared to *Oatley 1st half 2018 Research Factsheet*, which reported an annual (Q1 2017 – Q1 2018) median price change of 4.4% (house) and 13.9% (units), properties in Oatley* have become more affordable.

Annual (Q3 2017-Q3 2018) median prices have 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. Compared to the LGA, the Oatley* market have proven to be more resilient in terms of median prices, offering owners and investors higher capital growth. The Oatley* house market attracted a higher price compared to the LGA, however its unit market is more affordable. Median house price growth in individual suburbs have shown immense growth between 2016-2018, with Hurstville Grove (35.0%) and Mortdale (11.6%) leading in capital growth.

Average vendor discounting for houses have pivoted towards a buyer's market in the 2nd half of 2018, from 0.6% in Q3 2017 to -3.0% in Q3 2018. This suggests 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 is also in the buyer's favor, widening from -2.7% in Q3 2017 to -5.0% in Q3 2018. This confirms that the Oatley* market have become more affordable.

Median rental prices have increased over the past 12 months to Q3 2018 in Oatley*, by 5.2% to \$642 per week for houses and by 1.8% to \$448 per week for units. Investors are benefiting from rental yields of 2.5% (house) and 3.4% (units), similar to that of Sydney Metro. This further confirms Oatley* as an ideal alternate location to invest outside the Sydney Metro area

MEDIAN HOUSE PRICE COMPARISON

Individual Suburbs	2016	2017	2018***	2016 - 2018 % Growth
Oatley	\$1,620,000	\$1,690,000	\$1,790,000	10.5%
Mortdale	\$1,120,000	\$1,225,000	\$1,250,000	11.6%
Hurstville Grove	\$1,370,000	\$1,630,000	\$1,850,000	35.0%
Penshursts	\$1,220,500	\$1,350,000	\$1,237,500	1.4%

OVERVIEW

Oatley is a suburb in Southern Sydney, approx. 18kms from the Sydney CBD and is part of the St George area. According to ABS Census 2016 only 7.6% of private dwellings are unoccupied, which is lower than the New South Wales average of 9.9%. 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**

Oatley* is set to invest approximately \$358.7M in future developments in the 2nd half of 2018, with 64.5% dedicated to mixed-use projects. This is a mutually beneficial strategy for adding property stock whilst increasing economic activity.

A total of 776 units/apartments and 12 dwellings are planned for Oatley* in the 2nd half of 2018, delivered by 4 mixed-use and 6 residential projects. A key mixed-use project is the Beyond Development at Forest Road (\$193.0M). This project will deliver 556 units as well as 3,445sqm of supermarket floor space including a liquor store and 900sqm of specialty retail use.

Examples of residential projects include: Princess Highway Apartments \$6.3M, 22 apartments), Thurlow Street Dwellings (\$4.7M, 12 dwellings), Bernbridge Street Apartments (\$5.8M, 23 apartments), and George Street Units (\$2.9M, 9 units).

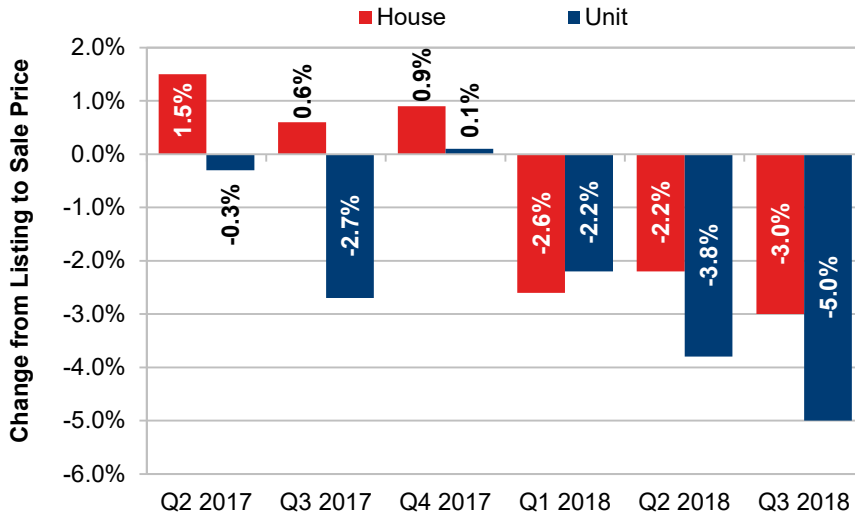
Key commercial projects include Forest Road Complex (\$50.9M), Westfield Hurstville (\$15.3M), and Marist Catholic College Penshurst (\$22.9M); stimulating the local economy and creating positive spill-over benefits to the property market.

*Oatley market data and key indicators encapsulates aggregate property market conditions in the following suburbs: Mortdale, Oatley, Hurstville Grove, Penshurst, Lugarno, and Peakhurst Heights.

**Estimated values are based on construction value provided by the relevant data authority and does not reflect commercial and/or re-sale value.

***2018 data is representative of sales between 01/01/2018 to 30/09/2018
Source: APM Pricerfinder, realestate.com.au. © Copyright PRDnationwide 2018.

AVERAGE VENDOR DISCOUNT*



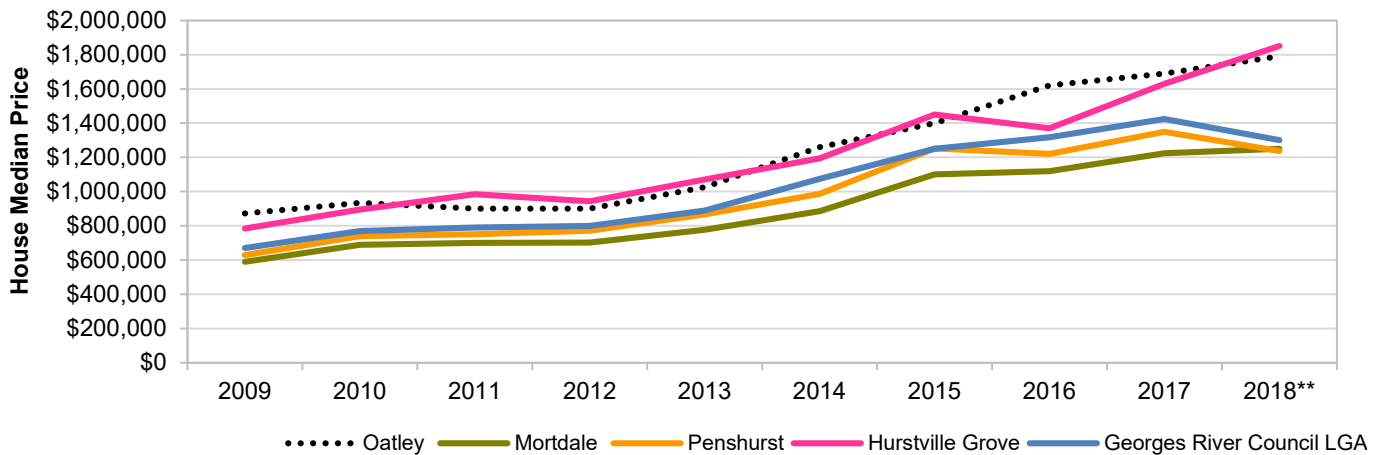
AVERAGE VENDOR DISCOUNT

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.

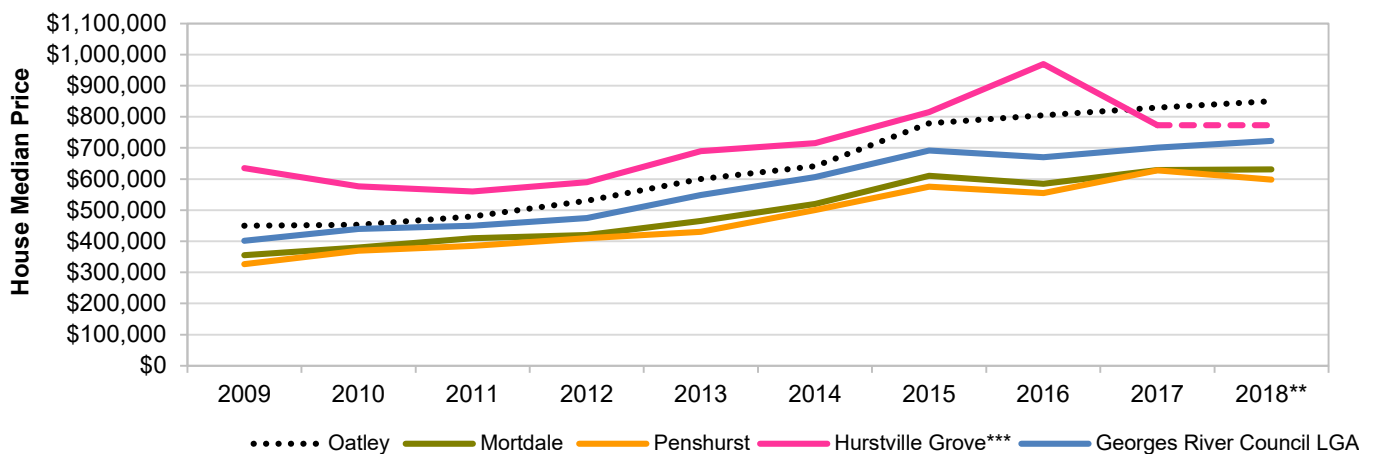
MARKET COMPARISON GRAPH

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 Oatley. The main suburb is highlighted through a dotted black line graph.

HOUSE MARKET COMPARISON



UNIT MARKET COMPARISON



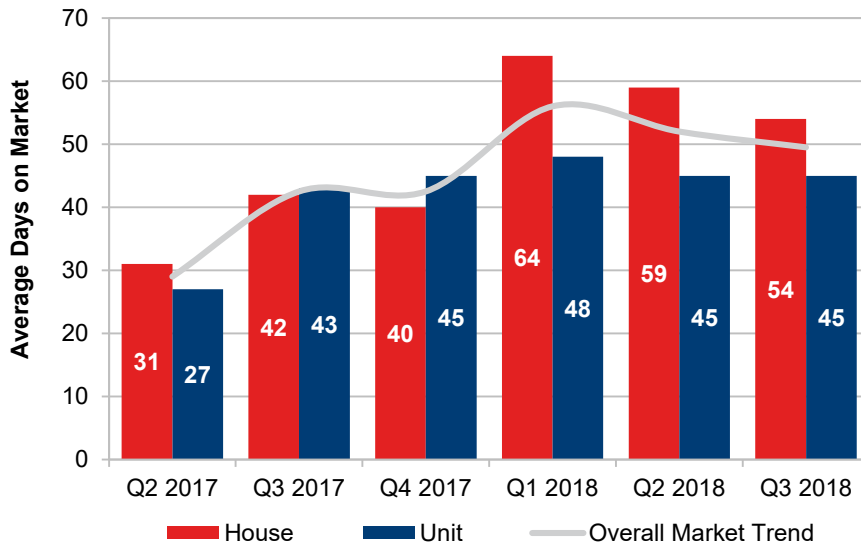
*Oatley market data and key indicators encapsulates aggregate property market conditions in the following suburbs: Mortdale, Oatley, Hurstville Grove, Penshurst, Lugarno, and Peakhurst Heights.

**2018 data is representative of sales up to and inclusive of 30th September 2018, or end of Q3 2018.

***Hurstville Grove 2018 unit market price is indicative only and is based on the previous year, due to no unit sales in 2018.

Source: APM Pricefinder. © Copyright PRDnationwide 2018.

AVERAGE DAYS ON MARKET**



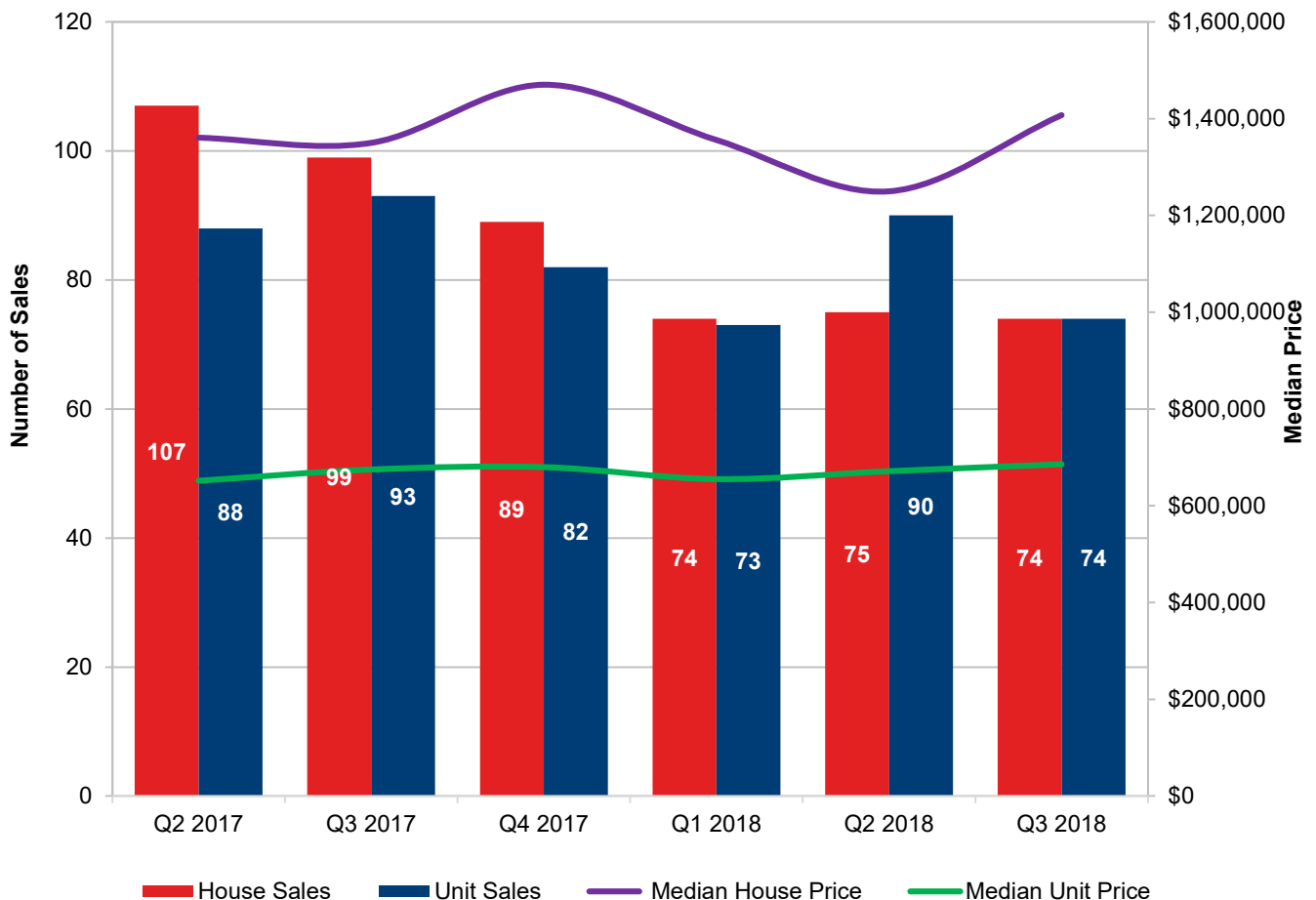
HOUSE KEY FACTS Q3 2018

Median Sale Price: \$1,407,250
 Annual Growth: 4.2%*
 Average Days on Market: 54
 % Change between First Listed Price and Sold Price: -3.0%

UNIT KEY FACTS Q3 2018

Median Sale Price: \$686,000
 Annual Growth: 1.6%*
 Average Days on Market: 45
 % Change between First Listed Price and Sold Price: -5.0%

SALES AND MEDIAN PRICE**



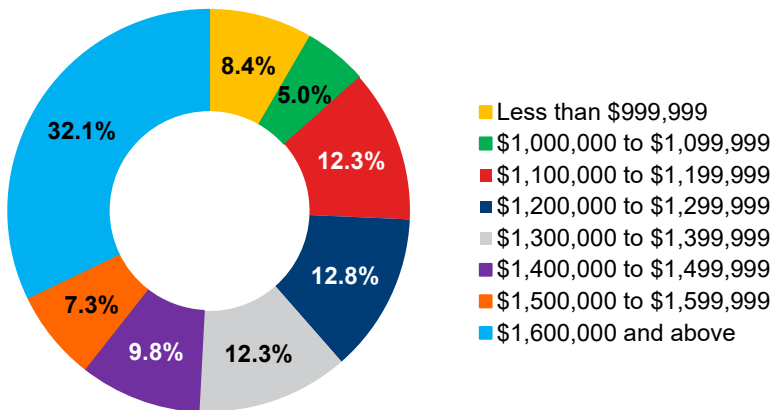
*Annual growth represents price growth for property transactions between Q3 2017 to Q3 2018 (inclusive).

**Oatley market data and key indicators encapsulates aggregate property market conditions in the following suburbs: Mortdale, Oatley, Hurstville Grove, Penshurst, Lugarno, and Peakhurst Heights.

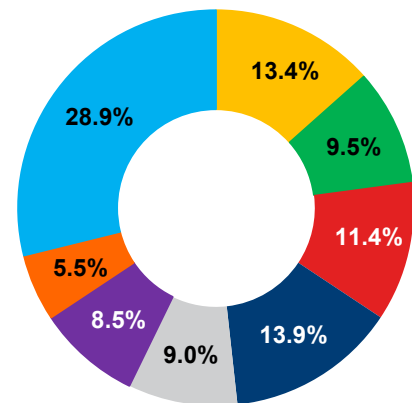
Source: APM Pricefinder, realestate.com.au, SQM Research. © Copyright PRDnationwide 2018.

SALES PRICE POINT COMPARATIVE ANALYSIS*

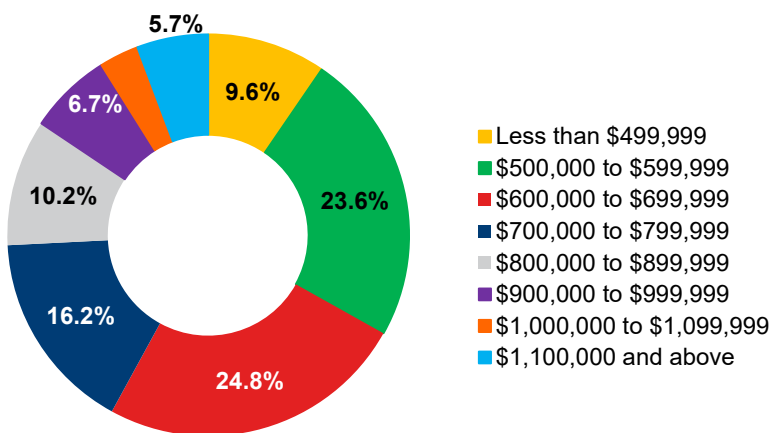
HOUSE PRICE POINT 2017



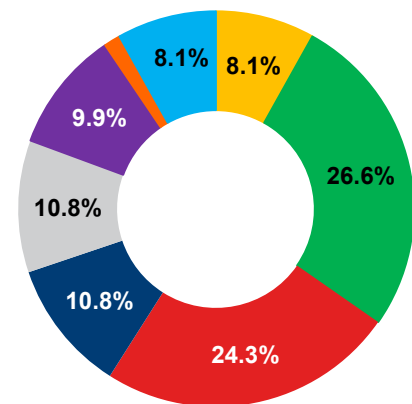
HOUSE PRICE POINT 2018



UNIT PRICE POINT 2017



UNIT PRICE POINT 2018



KEY IMPLICATIONS - HOUSE

The proportion of houses sold in 2018* have remained within the upper price bracket of \$1.6M and above. That said this has declined from 32.1% in 2017 to 28.9% in 2018. Combined with increasing number of sales in the mid and lower end of the market this further confirms that houses in Oatley* have become more affordable.

The mid-price \$1.2-\$1.3M market have increased slightly over the past 12 months to Q3 2018, from 12.8% to 13.9%. The lower end of the market, with a price bracket under \$1.1M, have significantly strengthened, increasing from 13.4% in 2017 to 22.9% in Q3 2018. Now is the time for first home buyers to enter the market.

KEY IMPLICATIONS - UNIT

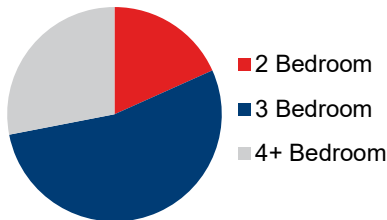
The dominant price point for units in Oatley* have slightly shifted in 2018*, from \$600-700K to \$500K-\$600K. That said this shift was quite marginal, suggesting that the bulk of unit sales were still within these two price ranges. Buyers looking for affordable options, priced below \$500K, will need to act fast as this price bracket have shrunk from 9.6% in 2017 to 8.1% in 2018.

There is an interesting trend at the top-end of the market, whereby units priced over \$900K have increased in sales over the past 12 months to Q3 2018. This suggests that there is a market for premium units in Oatley*, however these would need to be well designed to attract buyers.

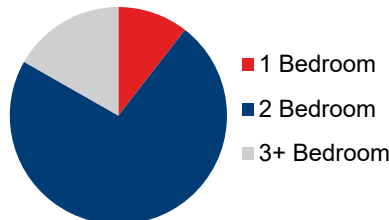
*Disclaimer: Oatley market data and key indicators encapsulates aggregate property market conditions in the following suburbs: Mortdale, Oatley, Hurstville Grove, Penshurst, Lugarno, and Peakhurst Heights. Each pie chart encapsulates sales data from Q1-Q3 of the relevant year, to allow for fair comparison in price point changes.
Source: APM Pricefinder. © Copyright PRDnationwide 2018.

INVESTMENT ANALYSIS

HOUSE



UNIT



HOUSE KEY FACTS Q3 2018

Median Rent Price: \$642 per week
Rental Yield: 2.5%
Average Days on Market: 27
Bedroom Breakdown:
 2 Bed: 18%, 3 Bed: 54%, 4+ Bed: 28%

UNIT KEY FACTS Q3 2018

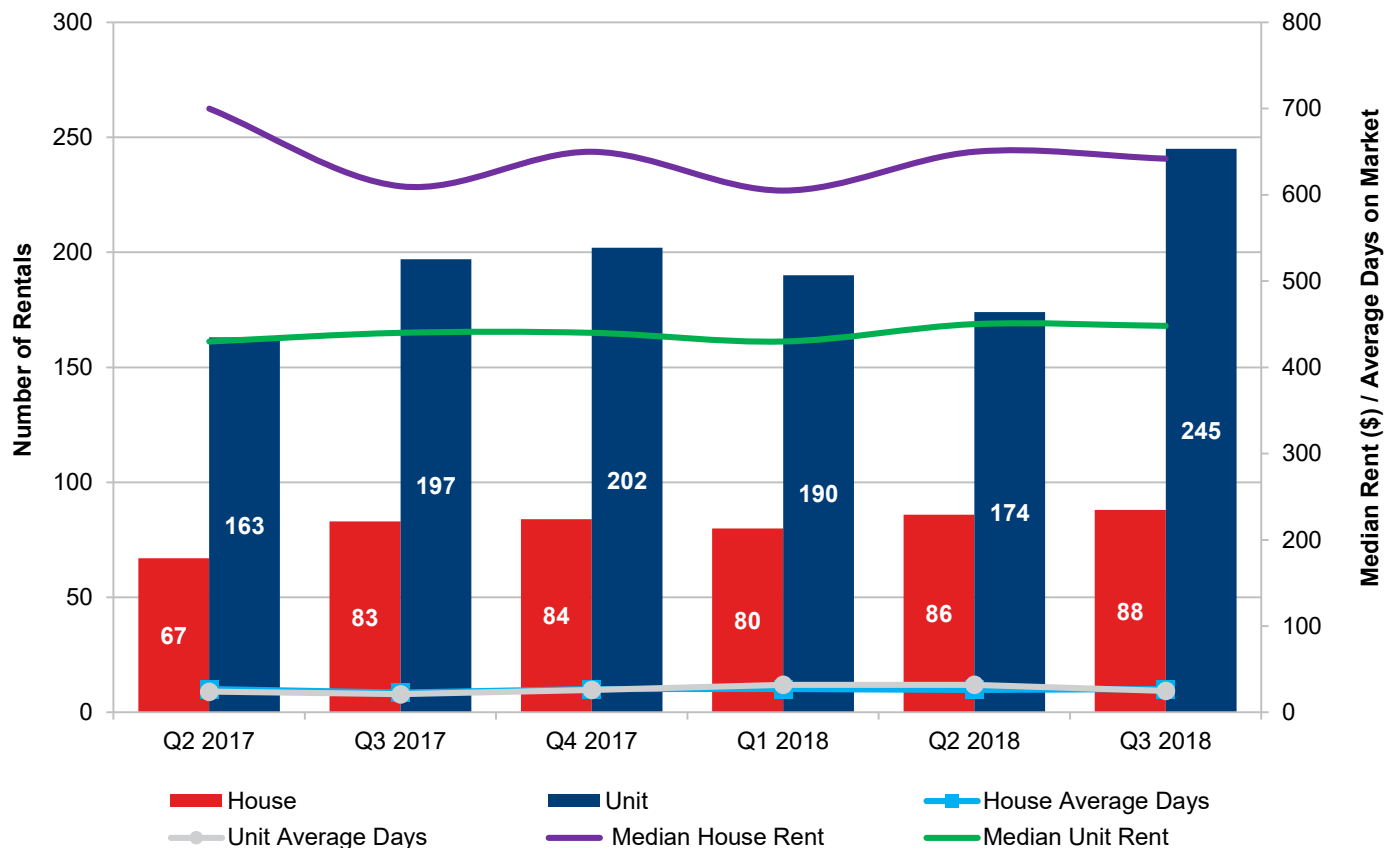
Median Rent Price: \$448 per week
Rental Yield: 3.4%
Average Days on Market: 25
Bedroom Breakdown:
 1 Bed: 11%, 2 Bed: 73%, 3+ Bed: 17%

KEY COMMENTS

Interest in Oatley* has been recorded an average of 1209 online visits per property, signifying a high demand market when compared to the New South Wales average of 833 online visits. Rental demand has increased for both house and units over the past 12 months to Q3 2018, by 6.0% (houses) and 24.4% (units). During this time frame median rent prices have also increased, by 5.2% for houses and 1.8% for units. This suggests that rental price increases were not due to supply scarcity in the market, which is good news for investors.

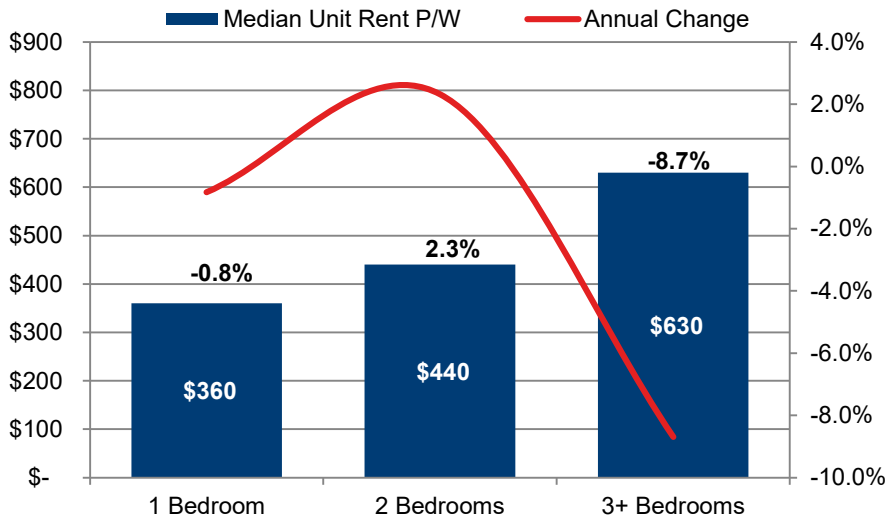


MEDIAN RENT AND AVERAGE DAYS ON MARKET*



*Disclaimer: Oatley market data and key indicators encapsulates aggregate property market conditions in the following suburbs: Mortdale, Oatley, Hurstville Grove, Penshurst, Lugarno, and Peakhurst Heights.
 Source: APM Pricerfinder, realestate.com.au, SQM Research. © Copyright PRDnationwide 2018.

RENTAL PERFORMANCE 2018*



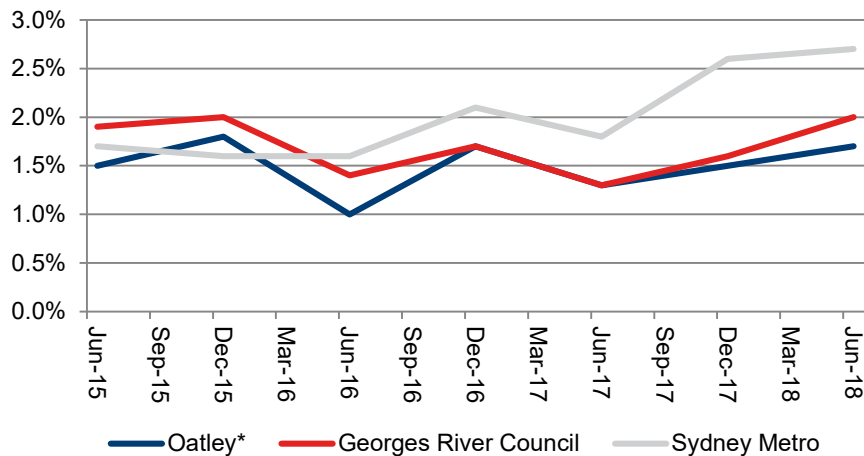
KEY COMMENTS

Rental returns in Oatley is currently at 2.5% (house) and 3.4% (units), which is on par with the wider Georges River Council (2.5% and 3.5% respectively).

2+ bedroom units provide the highest annual rental growth, at 2.3%.

Oatley's* vacancy rate was recorded at 1.7% in June 2018, lower than the Georges River Council (2.0%) and significantly lower than Sydney Metro (2.7%). Although Oatley's vacancy rates have slightly increased over the past 12 months to June 2018 this is at a slower speed than Sydney Metro, which suggests a healthier rental demand in Oatley*.

VACANCY RATES 2018



RENTAL YIELD 2018

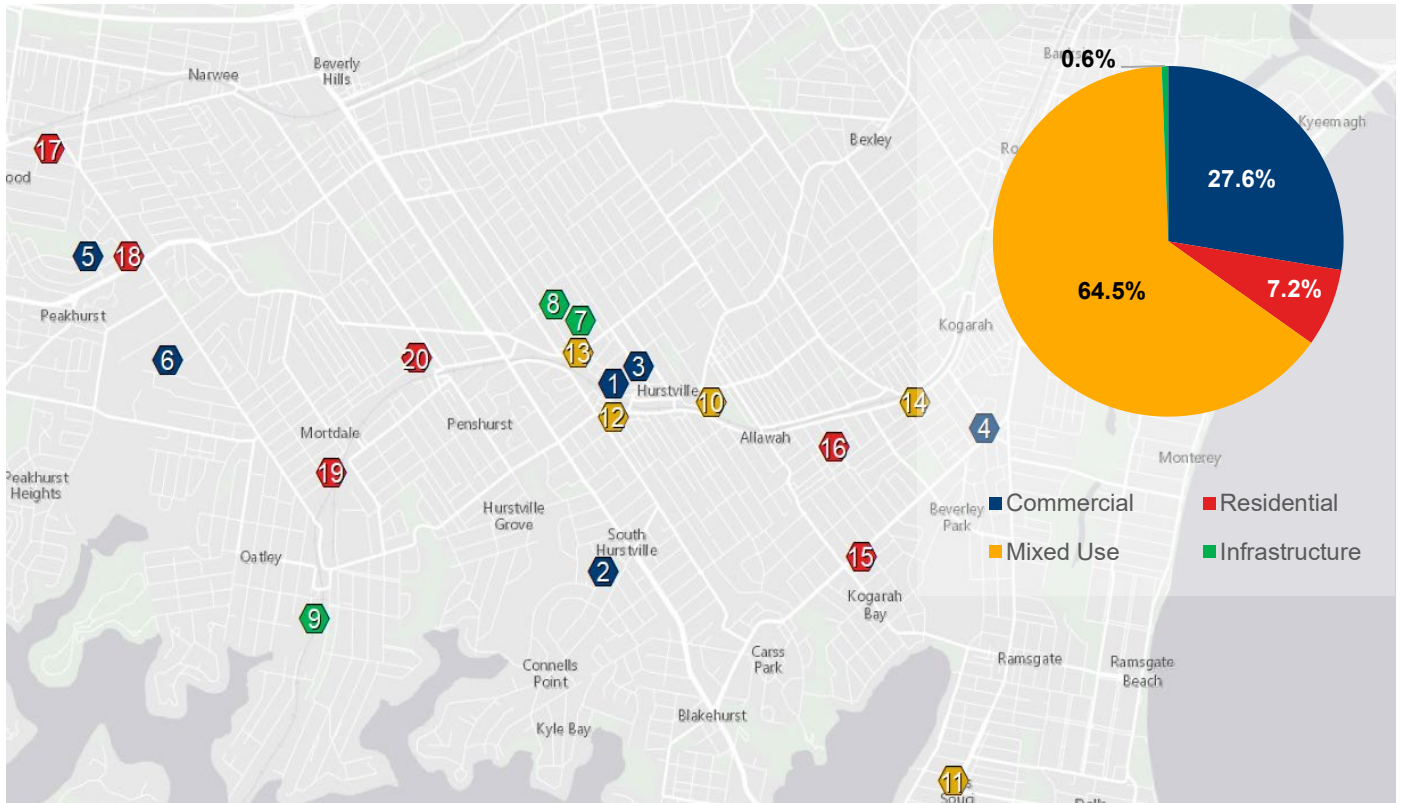
Suburb/Postcode/LGA	House Rental Yield	Unit Rental Yield
Oatley*	2.5%	3.4%
Mortdale	2.4%	4.0%
Georges River Council	2.5%	3.5%
Sydney Metro	2.7%	3.7%

KEY HOUSING DEMOGRAPHICS

	Oatley	Georges River LGA	New South Wales
Median weekly rent	\$460	\$450	\$380
Family Households	2,839	37,151	1,874,524
Single or lone person households	680	9,325	620,778
Worked full time	3,160	43,243	2,134,521
Worked part time	1,759	22,916	1,071,151
Occupied private dwellings	3,569	48,681	2,604,320
Unoccupied private dwellings	295	3,306	284,741

*Rental performance graph represents aggregate house median rent prices in the following suburbs: Mortdale, Oatley, Hurstville Grove, Penshurst, Lugarno, and Peakhurst Heights. Annual change is a comparison between Q1-Q3 2017 and Q1-Q3 2018 median rent figures. Source: APM Pricer, SQM Research, ABS Census 2016. © Copyright PRDnationwide 2018.

PROJECT DEVELOPMENT MAP 2nd HALF 2018*



Location	Project**	Type	Estimated Value***	Commence Date****
1	Forest Road Commercial Complex	Commercial	\$50,922,000	17/12/2018
2	Marist Catholic College Penshurst	Commercial	\$22,955,000	20/11/2018
3	Westfield Hurstville	Commercial	\$15,315,000	06/12/2018
4	Gray Street Boarding House	Commercial	\$4,342,000	19/12/2018
5	Pearce Avenue Boarding House	Commercial	\$2,908,000	01/12/2018
6	Mortdale Resource Recovery Facility	Commercial	\$2,712,000	05/11/2018
7	Georges River Council	Infrastructure	\$1,000,000	26/08/2018
8	Georges River Council Customer Service Centres	Infrastructure	\$789,000	01/10/2018
9	Myles Dunphy Reserve	Infrastructure	\$426,000	05/11/2018
10	Forest Rd Mixed Development – Beyond (556 Units)	Mixed-Use	\$193,030,000	26/12/2018
11	Rocky Point Rd Mixed Development - Palais Sans Souci (95 Apartments)	Mixed-Use	\$22,168,000	19/11/2018
12	Park Road Mixed Use Building (19 Apartments)	Mixed-Use	\$6,504,000	22/12/2018
13	Carrington Av Mixed Development (16 Units)	Mixed-Use	\$5,245,000	22/12/2018
14	Kogarah RSL Club Mixed Development	Mixed-Use	\$4,513,000	19/12/2018
15	Princes Highway Apartments (22 Apartments)	Residential	\$6,334,000	22/12/2018
16	Bembridge Street Apartments (23 Apartments)	Residential	\$5,795,000	19/12/2018
17	Thurlow Street Dwellings (12 Dwellings)	Residential	\$4,721,000	30/12/2018
18	Serene Apartments Peakhurst (20 Units)	Residential	\$3,400,000	29/11/2018
19	George Street Units (9 Units)	Residential	\$2,887,000	20/11/2018
20	Victoria Av Apartments (16 Apartments)	Residential	\$2,730,000	23/08/2018

*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 Georges River Council area.

***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 City 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.



OUR SERVICES INCLUDE:

- Advisory and consultancy
- Market Analysis including profiling and trends
- Primary qualitative and quantitative research
- Demographic and target market Analysis
- Geographic information mapping
- Project Analysis including product and pricing recommendations
- Rental and investment return analysis

James Walters

Principal

PRDnationwide Oatley

24 Oatley Avenue
Oatley NSW 2223
Australia

T +61 2 9579 6522

M +61 417 455 875

E jwalters@prdnationwide.com.au

PRD.com.au/oatley

Sell Smarter!

Over 40 Years of Leading
Property Industry Research



YOUR HOME OF
**PROPERTY
KNOWLEDGE**