





# HURSTVILLE MARKET UPDATE 2nd Half 2019



## OVERVIEW

In Q2 2019, Hurstville\* recorded a median house price of \$1,340,000 and a median unit price of \$671,000. This represents an annual (Q2 2018 – Q2 2019) median price softening of -5.0% for houses and -5.5% for units. At the same time (Q2 2018 – Q2 2019), total house sales increased by 9.1% whilst unit sales decreased by -36.3%. Properties in Hurstville\* have become more affordable, thus buyers are encouraged to take this opportunity 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		↓	↓

## MARKET CONDITIONS

### SALES MEDIAN PRICE Q2 2019



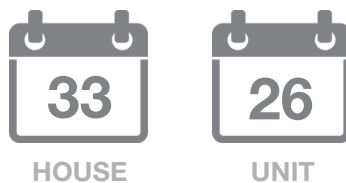
### SALES AVERAGE DAYS ON MARKET Q2 2019



### RENTAL MEDIAN PRICE Q2 2019

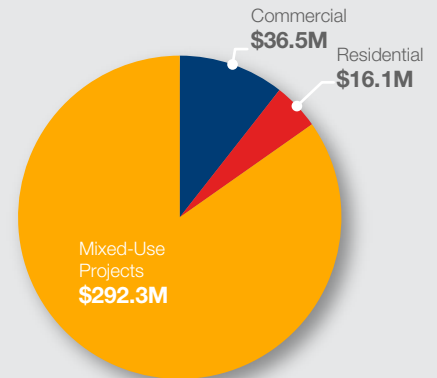


### RENTAL AVERAGE DAYS ON MARKET Q2 2019



## FUTURE DEVELOPMENTS

Hurstville\* is set to see approximately **\$344.9M worth of new projects commencing in the 2<sup>nd</sup> half of 2019.**



A focus on mixed-use projects is a key strategy for Hurstville\*. This allows for new stock to be added to the market, offering innovative design. At the same time this will stimulate commercial activity in the area, which will have a positive spill-over impact on the real estate market.

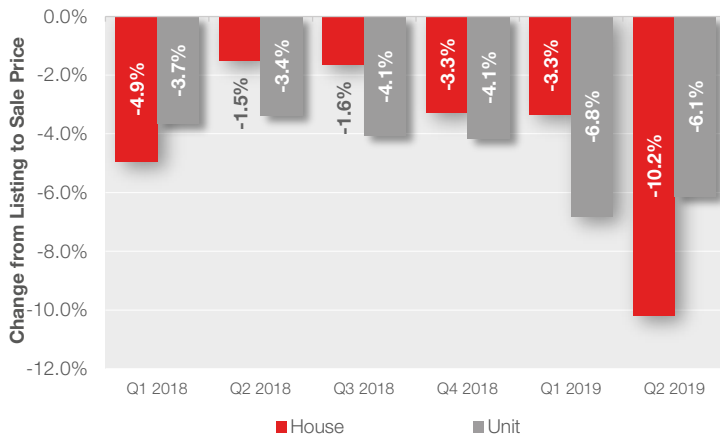
A main mixed-use project over the 2<sup>nd</sup> half of 2019 is Forest Road Mixed Development (\$193.0M). This project is set to construct 556 units as well as 4345sqm of retail space. The Crofts Avenue Commercial Building (\$20.4M) is a significant commercial project that will create employment opportunities. A key residential project is the Empress Street Apartments (\$7.3M), adding 26 units. A total of 919 units/apartments and 7 townhouses will be constructed in the 2<sup>nd</sup> half of 2019. This incoming property stock will assist in catering to current population growth, which was 14.5% over 5 years to 2016.



\*Hurstville market data and key indicators encapsulates aggregate property market conditions in the suburb Hurstville. \*\*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, Cordell Connect database, Australian Bureau of Statistics.  
© Copyright PRDnationwide 2019.

## AVERAGE VENDOR DISCOUNT\*

Average vendor discount reflects the average percentage difference between the first list price and final sold price. A lower percentage difference (closer to 0.0%) suggests that buyers are willing to purchase close to the first asking price of a property.



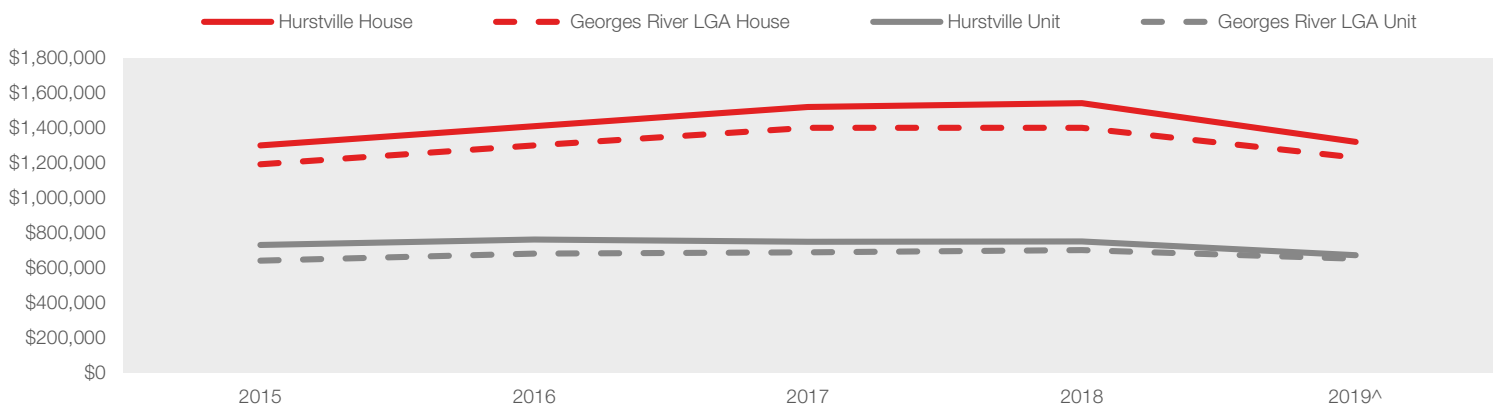
## KEY COMMENTS

Average vendor discount between Q2 2018 and Q2 2019 has widened for houses, now at -10.2%. There is a similar trend for units, widening to -6.1%. Market conditions in Hurstville\* favours buyers, as sellers are willing to negotiate below their initial listing price. This is particularly true for houses, with Q2 2019 recording the highest vendor discount to date.

Hurstville\* has historically outperformed the Georges River Local Government Area (LGA) in both house and unit median prices. 2019^ sees this trend continue, although the price gap for units decreased. This indicates there are now more affordable options in Hurstville\*.

The dominant proportion of homes sold in Hurstville\* across the 1<sup>st</sup> half of 2019 were priced above \$1,300,000 (47.6%). This reveals an appetite for high-end housing. Most of units sold, 25.9%, recorded a dominant mid-range price point of \$550K-\$650K over the same period. This demonstrates high buyer activity for more affordable priced units.

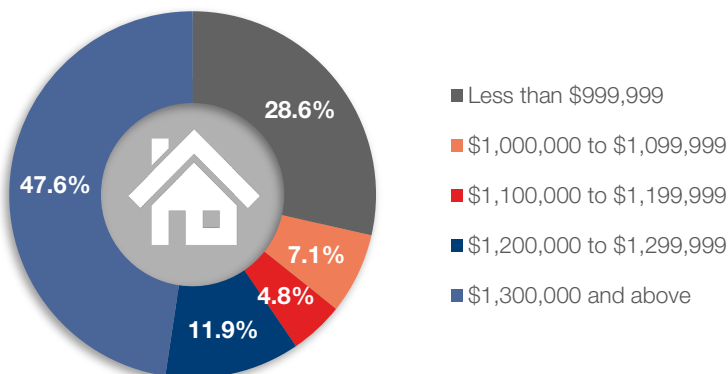
## MARKET COMPARISON



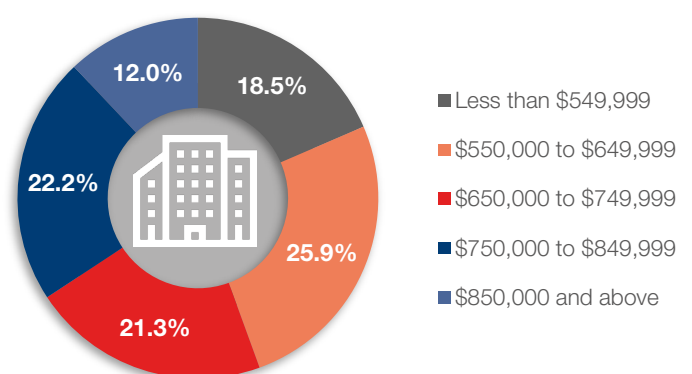
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Hurstville.

## PRICE BREAKDOWN 1ST HALF 2019

### HOUSES SOLD



### UNITS SOLD

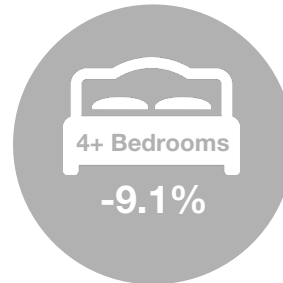
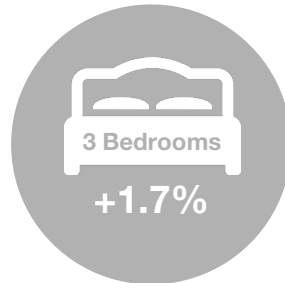


## RENTAL GROWTH 2019\*

In the 12 months to Q2 2019 rental activity increased by 13.6% for houses and 30.2% for units. The median house rental price strengthened by 1.7% to \$590 per week, however the unit median price slightly softened by -3.6% to \$530 per week. There is an increased preference for renting, with the house market providing investors with strong returns.

Hurstville\* houses recorded a yield of 2.7% in June 2019, slightly below Georges River LGA and Sydney Metro. However units in Hurstville\* recorded a yield of 4.1%, above both Georges River LGA and Sydney Metro respectively.

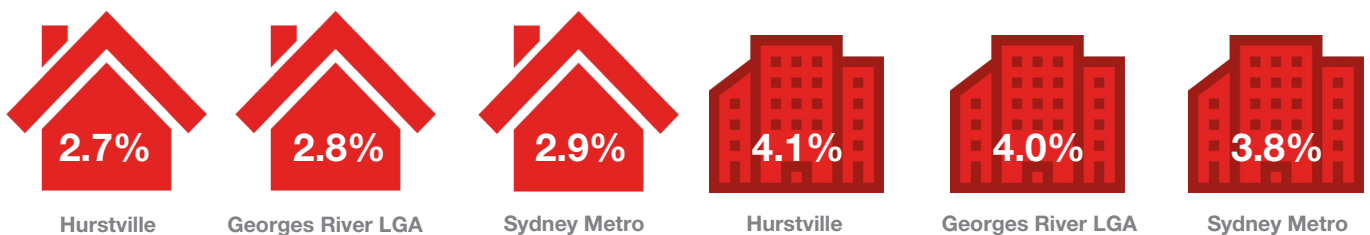
Hurstville\* recorded a vacancy rate of 2.9% in June 2019, representing a slightly declining trend over the past 6 months and sitting below Georges River LGA and Sydney Metro. This confirms a healthier rental demand for properties in Hurstville\*.



## RENTAL VACANCY RATES 2019



## RENTAL YIELD 2019^

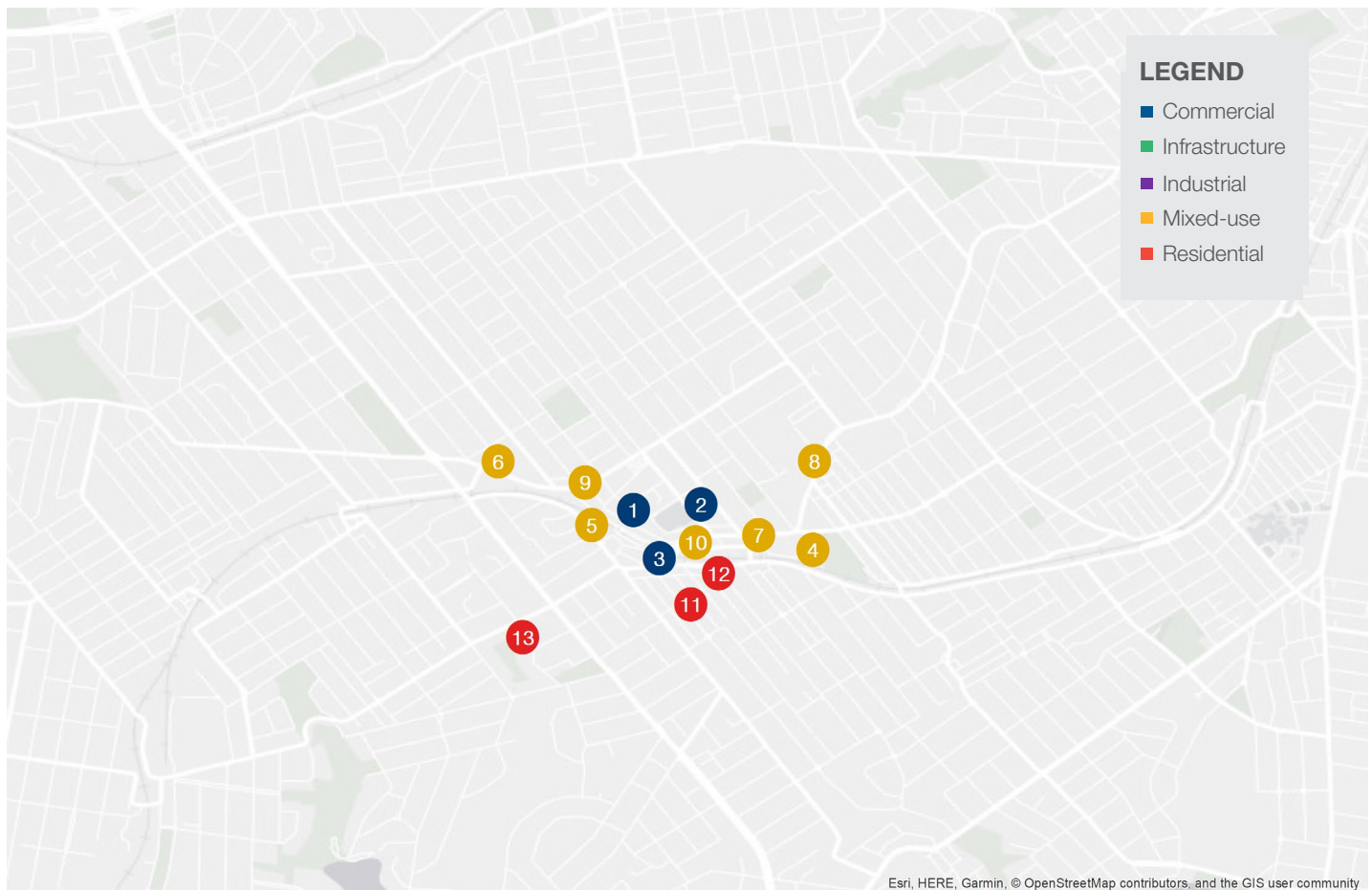


\*Rental performance graph represents aggregate house median rent prices within the suburb Hurstville. Annual rental growth is a comparison between 1<sup>st</sup> half 2018 and 1<sup>st</sup> half 2019 house median rent figures.

^Rental yields shown are as reported at June 2019.

Source: APM Pricerfinder, SQM Research. © Copyright PRDnationwide 2019.

# PROJECT DEVELOPMENT MAP 2ND HALF 2019\*



Esri, HERE, Garmin, © OpenStreetMap contributors, and the GIS user community

Location	Project**	Type	Estimated Value***	Commence Date****
1	Crofts Avenue Commercial Building	Commercial	\$20,447,000	20/09/2019
2	Westfield Hurstville	Commercial	\$15,315,000	26/08/2019
3	Hurstville RSL Club	Commercial	\$715,000	04/09/2019
4	Forest Road Mixed Development (556 Units)	Mixed-use	\$193,030,000	23/10/2019
5	Woniora Road Mixed Development (106 Units)	Mixed-use	\$37,472,000	09/12/2019
6	Forest Road Mixed Development (57 Units)	Mixed-use	\$22,300,000	14/12/2019
7	Forest Road Mixed Development (116 Units)	Mixed-use	\$22,040,000	07/10/2019
8	Forest Road Mixed Development (20 Units)	Mixed-use	\$9,315,000	13/09/2019
9	Carrington Avenue Mixed Development (16 Units)	Mixed-use	\$5,245,000	25/11/2019
10	Treacy Street Mixed Development (5 Apartments)	Mixed-use	\$2,900,000	22/12/2019
11	Empress Street Apartments (26 Apartments)	Residential	\$7,381,000	25/11/2019
12	Railway Parade Apartments (17 Apartments)	Residential	\$6,919,000	27/07/2019
13	Denman Street Townhouses (7 Townhouses)	Residential	\$1,800,000	22/10/2019

## 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

## OUR KNOWLEDGE

Access to accurate and objective research is the foundation of all good property decisions.

## OUR PEOPLE

Our research team is made up of highly qualified researchers who focus solely on property analysis.

## OUR SERVICES

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



**Mele Gong**, Director

**M** +61 411 506 608

**E** [mele.gong@prd.com.au](mailto:mele.gong@prd.com.au)

**PRDnationwide Hurstville**

**P** +61 2 9570 3084

10 Ormonde Parade  
Hurstville NSW 2220

[PRD.com.au/hurstville](http://PRD.com.au/hurstville)