



Oatley
Property Factsheet
1st Half 2019





MARKET CONDITIONS

In Q1 2019, Oatley* recorded a median house price of \$1,150,000 and a median unit price of \$649,999. This resulted in annual (Q1 2018 – Q1 2019) price changes of -16.2% for houses and -0.1% for units. By comparison, the *2nd Half 2018 Oatley Research Factsheet* reported annual (Q3 2017 – Q3 2018) growth of 4.2% (house) and 1.6% (unit), meaning that property in Oatley* has become more affordable.

The Georges River Local Government Area (LGA) saw a median house price of \$1,230,000 and a median unit price of \$658,000 in Q1 2019. This represented annual (Q1 2018 – Q1 2019) price softening of -11.8% and -6.0% for houses and units respectively. Oatley* is thus viewed as a more affordable market within the wider Georges River LGA, which also features a particularly resilient unit market.

Average vendor discounting has widened marginally for houses (by 0.1%) to -2.8%, while units saw a much larger swing (of 4.0%) to -6.6% in the 12 months to Q1 2019. This suggests that house vendors have moved their pricing to be more in-line with market expectations, whilst units have offered more room to negotiate. Buyers should consider acting soon whilst discounts below initial list prices of properties are possible, though particularly in the unit market.

Rental values in Oatley* have performed relatively well over the past 12 months, with the median house rental price recorded at \$640 per week for Q1 2019 and at \$440 per week for units in this same period. This represented annual (Q1 2018 – Q1 2019) price growth of 3.2% for houses, whilst unit values remained stable. Over this same period, there was a particularly large uptake in rental activity, with the number of house rentals up 65.6% and units also up by 100.0%. Further evidence of healthy rental demand is seen in the average days to let in Q1 2019, at 24 days for houses and 28 days for units. A vacancy rate of 2.9%, while increased, still remains below the Sydney Metro level of 3.6%. Investors can thus take confidence from the current performance of Oatley's* rental market.

MEDIAN HOUSE PRICE COMPARISON

Individual Suburbs	2017	2018	2019***	2017 - 2019 % Growth
Oatley	\$1,690,000	\$1,746,000	\$1,395,000	-17.5%
Mortdale	\$1,225,000	\$1,170,000	\$1,035,000	-15.5%
Hurstville Grove	\$1,630,000	\$1,435,000	\$1,226,000	-24.8%
Penshurst	\$1,350,000	\$1,235,000	\$1,120,000	-17.0%

OVERVIEW

Located 18km south of Sydney's CBD, Oatley is situated on the Georges River. While many agents and sellers in Oatley* exclusively use private treaty to sell, PRD Research has shown even if properties do not sell immediately under the hammer at auction, their time to sell is still lower than sales done solely through private treaty. Vendors are thus encouraged to seriously consider selling at auction.

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 benefit from \$340.0M of project development which is scheduled to commence across the Georges River LGA in the 1st half of 2019. Projects vary across a range of commercial (\$133.7M, 39.3%), residential (\$119.7M, 35.2%) and mixed-use (\$86.6M, 25.5%) types.

Such a balanced ratio of spending is ideal as it will provide economic stimulus to Oatley* through employment growth, as well as the creation of new dwellings to support a growing population.

A key commercial project for the 1st half of 2019 is the \$50.9M One Astra Square, a 14-storey tower with 3 podium levels of retail and 11 levels of office space.

The \$22.3M Forest Road mixed-use development will see the creation of 57 units & 2 commercial tenancies, seeing it stand as another key project for the area.

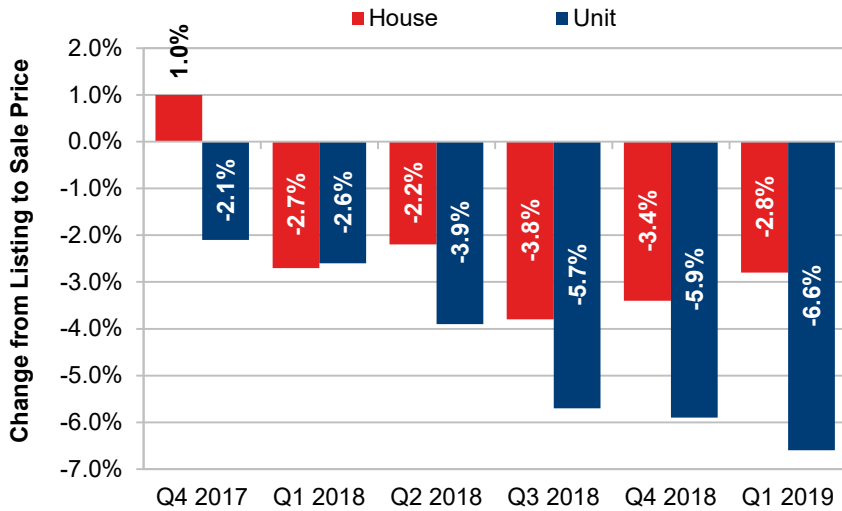
Across the 1st half of 2019, a total of 429 apartments and units are scheduled to commence construction across the wider Georges River LGA.

*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. Quoted construction and completion dates are estimates only, as per relevant data authority.

***2019 data is representative of sales between 01/01/2019 to 31/03/2019 only. Source: APM Pricefinder, Cordell Connect. © Copyright PRDnationwide 2019.

AVERAGE VENDOR DISCOUNT



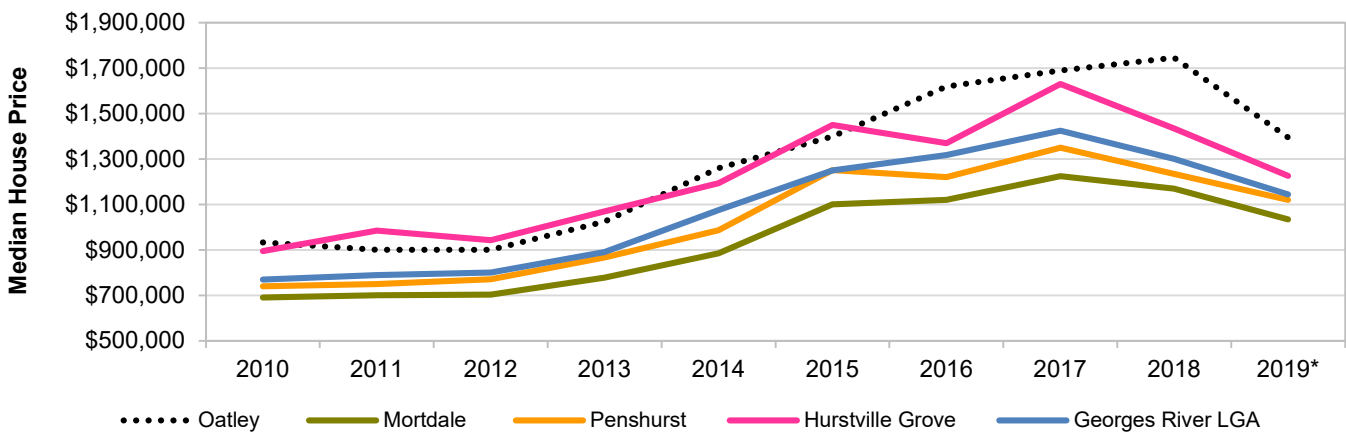
AVERAGE VENDOR DISCOUNT

The average vendor discount reflects the average percentage difference between the first list price and the 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.

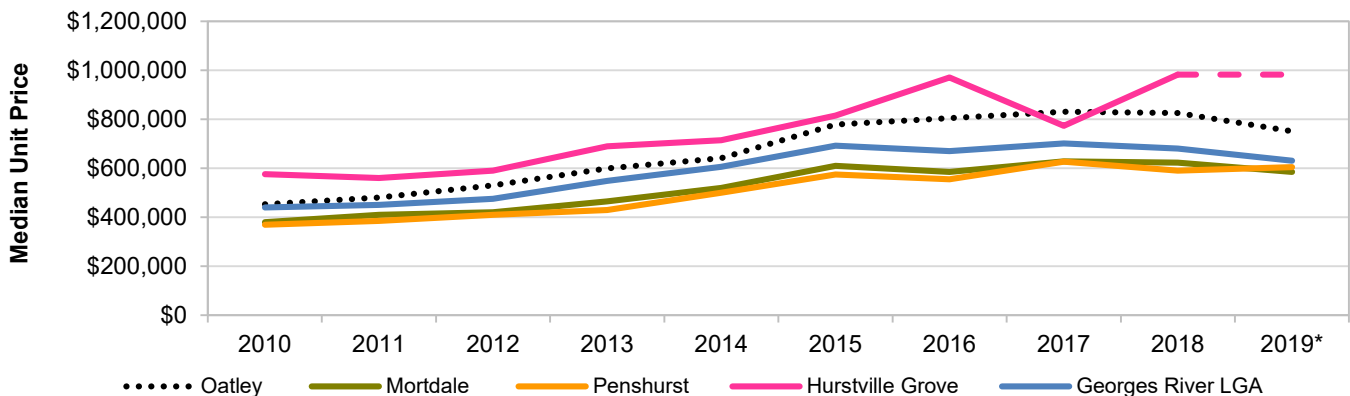
MARKET COMPARISON GRAPH

The market comparison graph provides a comparative trend for the median price of houses and units over the past 10 years. Suburbs profiled are chosen based on their proximity to the main suburb analysed in this Factsheet, which is Oatley. The main suburb is shown as a dotted black line in the graphs below.

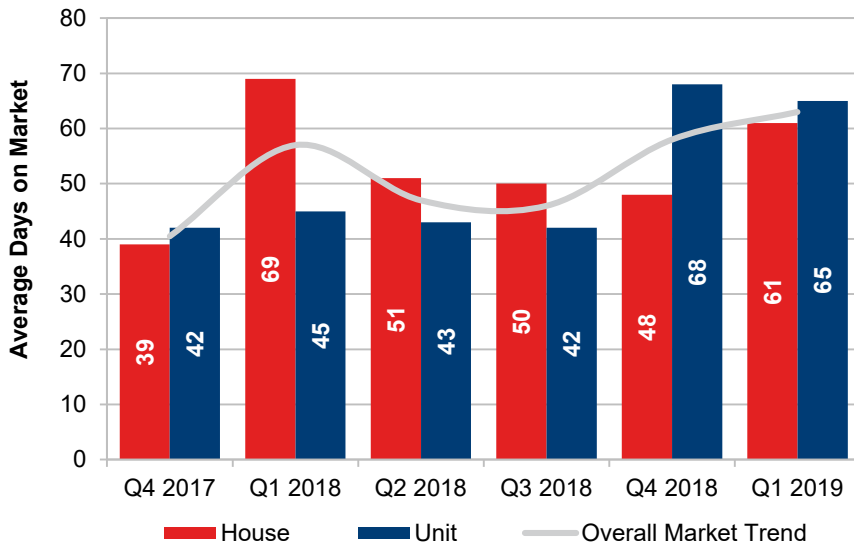
HOUSE MARKET COMPARISON



UNIT MARKET COMPARISON



AVERAGE NUMBER OF DAYS ON THE MARKET**



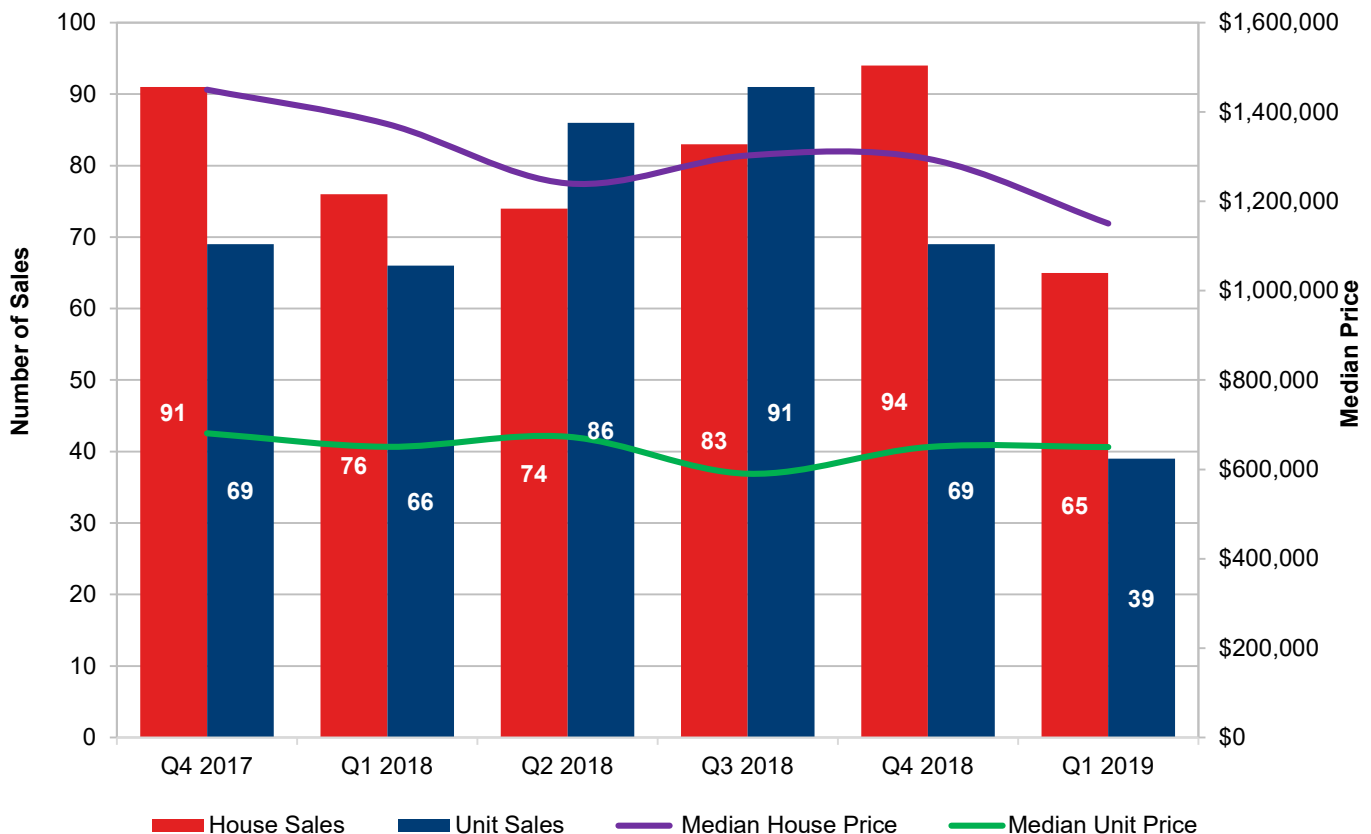
KEY HOUSE FACTS Q1 2019

Median Sale Price: \$1,150,000
 Annual Growth: -16.2%*
 Average Days on Market: 61
 % Change Between First Listed Price and Sold Price: -2.8%

KEY UNIT FACTS Q1 2019

Median Sale Price: \$649,999
 Annual Growth: -0.1%*
 Average Days on Market: 65
 % Change Between First Listed Price and Sold Price: -6.6%

SALES AND MEDIAN PRICES**



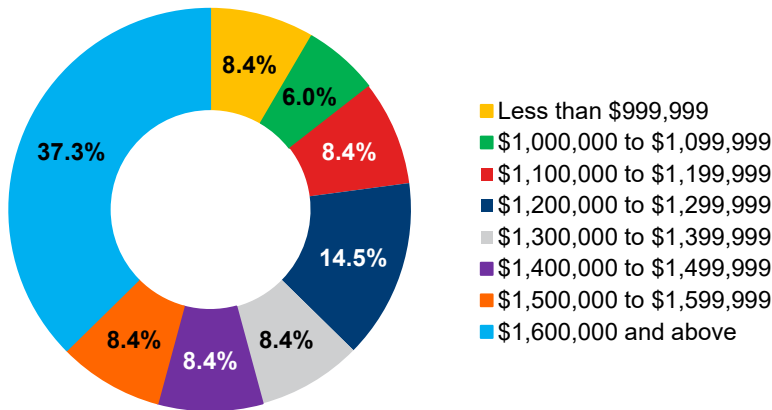
*Annual growth represents price growth for property transactions between Q1 2018 to Q1 2019 (inclusive).

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

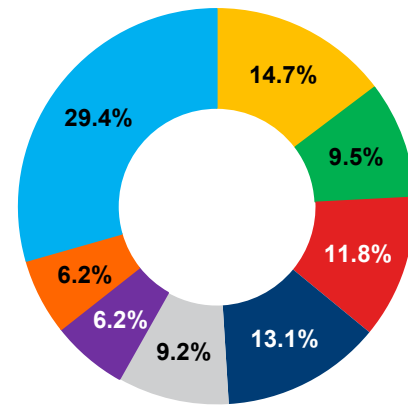
Source: APM Pricefinder, realestate.com.au, SQM Research. © Copyright PRDnationwide 2019.

SALES PRICE POINT COMPARATIVE ANALYSIS

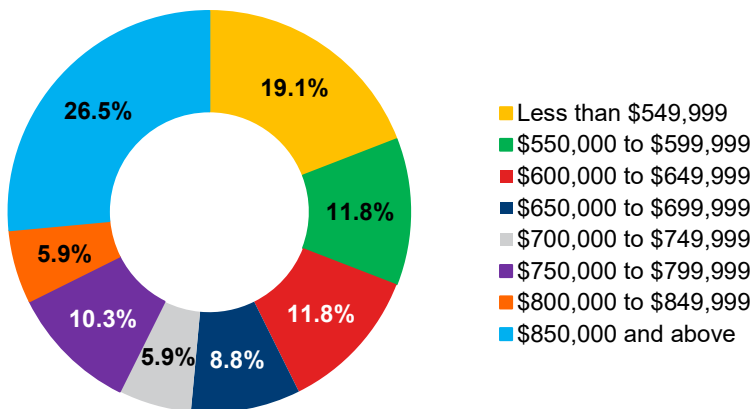
HOUSE PRICE POINT 2017



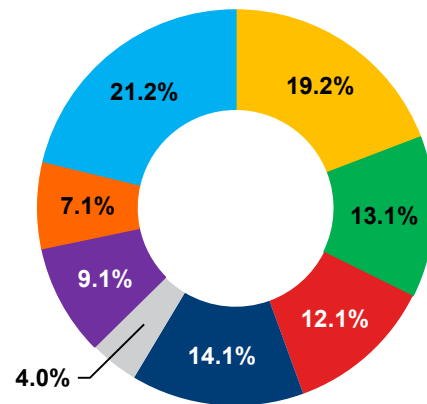
HOUSE PRICE POINT 2018



UNIT PRICE POINT 2017



UNIT PRICE POINT 2018



KEY IMPLICATIONS - HOUSES

2018 saw the dominant price point for house sales in Oatley* at \$1.6M+, a trend which carried over from 2017. This said, the bracket contracted by -7.9% to sit at 29.4% in 2018. The next most significant shift occurred in the cheapest price point of sub-\$1.0M, which increased by +6.3% to 14.7% of all sales in 2018. This is in line with the cooling in median price felt across the Oatley area.

The top 3 price brackets of above \$1.4M all contracted year-on-year, while the bottom 3 brackets of below \$1.2M each saw growth. This more widely confirms the trend that the market has shifted to favour more affordable stock. This said, a large portion remains in the top price point also, meaning buyers can still act across the range.

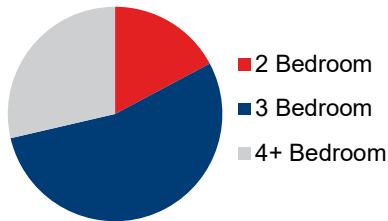
KEY IMPLICATIONS - UNITS

The dominant price points for units in Oatley* throughout 2018 was again the top bracket, of \$850K+, at 21.2%. However it recorded a notable decline of -5.3% on 2017. The next most significant price bracket in 2018 was the sub-\$550K range, which recorded a marginal increase of +0.1% on 2017 levels to reach 19.2%. Together, this indicates a move to prefer premium units less in Oatley*.

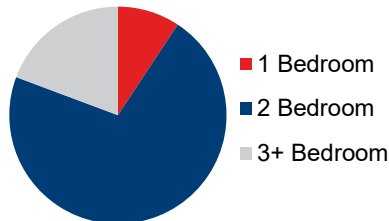
Another notable movement in price brackets from 2017 to 2018 is evident in the \$650K-700K segment, which gained +5.3% to reach 14.1% in 2018. This indicates that overall, there has been a slight shift away from the top of the market to favour mid-range stock. Despite this, stock is fairly spread overall, so purchasers can still buy well.

INVESTMENT ANALYSIS

HOUSE



UNIT



KEY HOUSE FACTS Q1 2019

Median Rent Price: \$640 per week
Rental Yield: 2.5%
Average Days on Market: 24
Bedroom Breakdown:
 2 Bed: 17%, 3 Bed: 54%, 4+ Bed: 29%

KEY UNIT FACTS Q1 2019

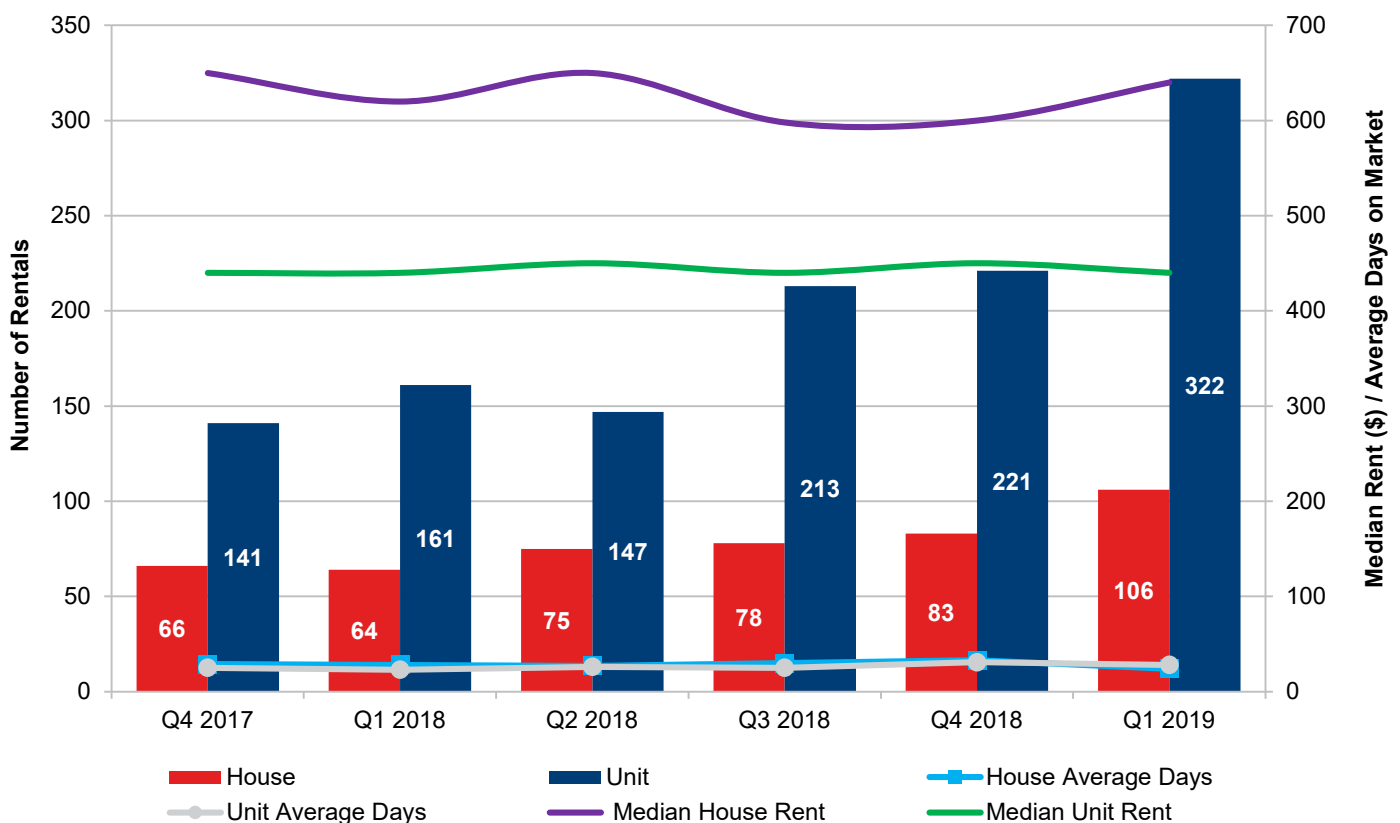
Median Rent Price: \$440 per week
Rental Yield: 4.1%
Average Days on Market: 28
Bedroom Breakdown:
 1 Bed: 9%, 2 Bed: 71%, 3+ Bed: 19%

KEY COMMENTS

Oatley* recorded a median rental price of \$640 per week for houses and \$440 per week for units in Q1 2019, providing annual (Q1 2018 – Q1 2019) growth of 3.2% for house rentals and stability in unit rentals. Significant increases in rental market activity of 65.6% (house) and 100.0% (unit) indicate a strong uptick in demand for rental stock. This is further evidenced in the low average days to let of 24 days for houses and 28 days for units in Q1 2019. Average yields in Oatley* remained largely on par with the wider Georges River LGA, at 2.5% (house) and 4.1% (unit). Investors should thus consider Oatley* as a viable option.

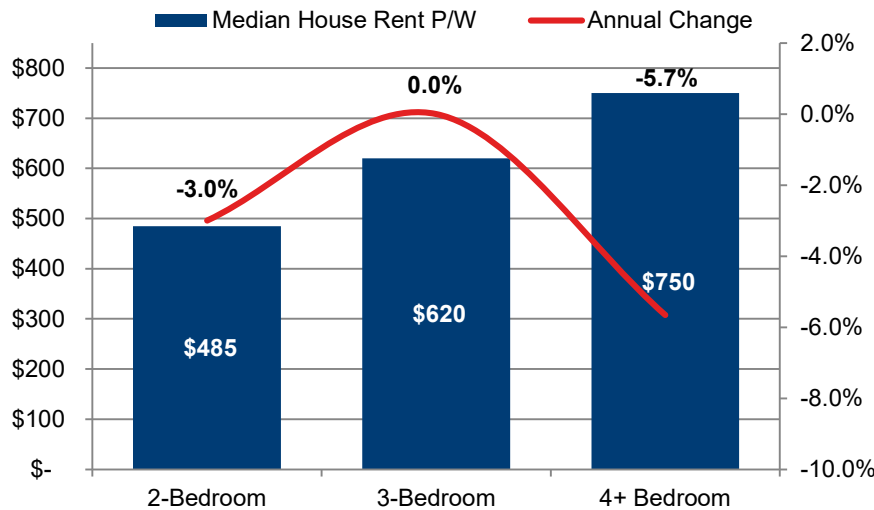


MEDIAN RENT AND AVERAGE DAYS ON THE MARKET*



*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 2019.

RENTAL PERFORMANCE 2018*



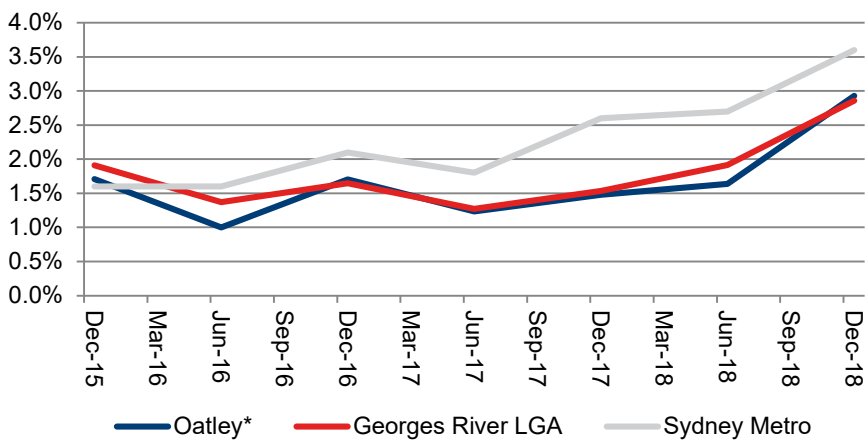
KEY COMMENTS

Oatley* saw average yields of 2.5% (house) and 4.1% (unit) in December 2018. Both figures were largely in line with the wider LGA's 2.6% and 3.9%. By comparison, Sydney Metro saw yields of 2.9% (house) and 3.8% (unit), indicating that Oatley* offered superior returns in the unit market.

3-bedroom houses provided the most resilient rental prices annually, staying stable at \$620 per week.

Vacancies of 2.9% in Oatley* were on-par with the Georges River LGA, but below than Sydney Metro's 3.6%. This sees Oatley* as an attractive investment area within Sydney Metro.

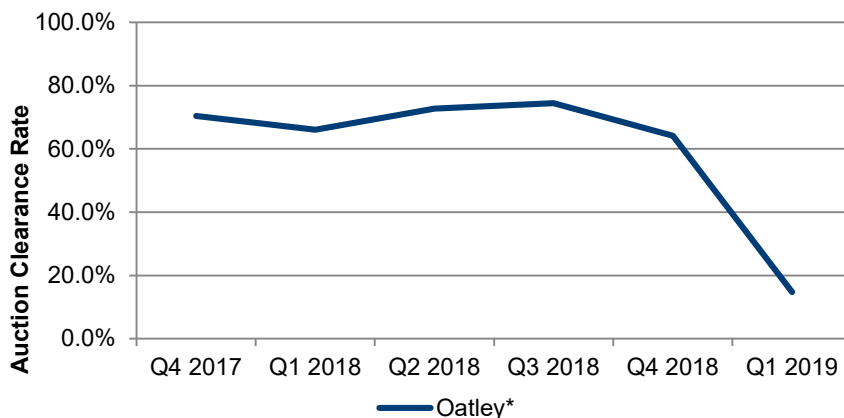
VACANCY RATES 2018



RENTAL YIELD 2018

Suburb/Postcode/LGA	House Rental Yield	Unit Rental Yield
Oatley*	2.5%	4.1%
Mortdale (2223)	2.2%	4.1%
Georges River LGA	2.6%	3.9%
Sydney Metro	2.9%	3.8%

AUCTION CLEARANCE RATES 2019**



Q1 19 COMPARISON

Suburb/Postcode/LGA	Auction Clearance Rate
Oatley**	14.7%
Georges River LGA	52.2%
Sydney Metro^	58.7%

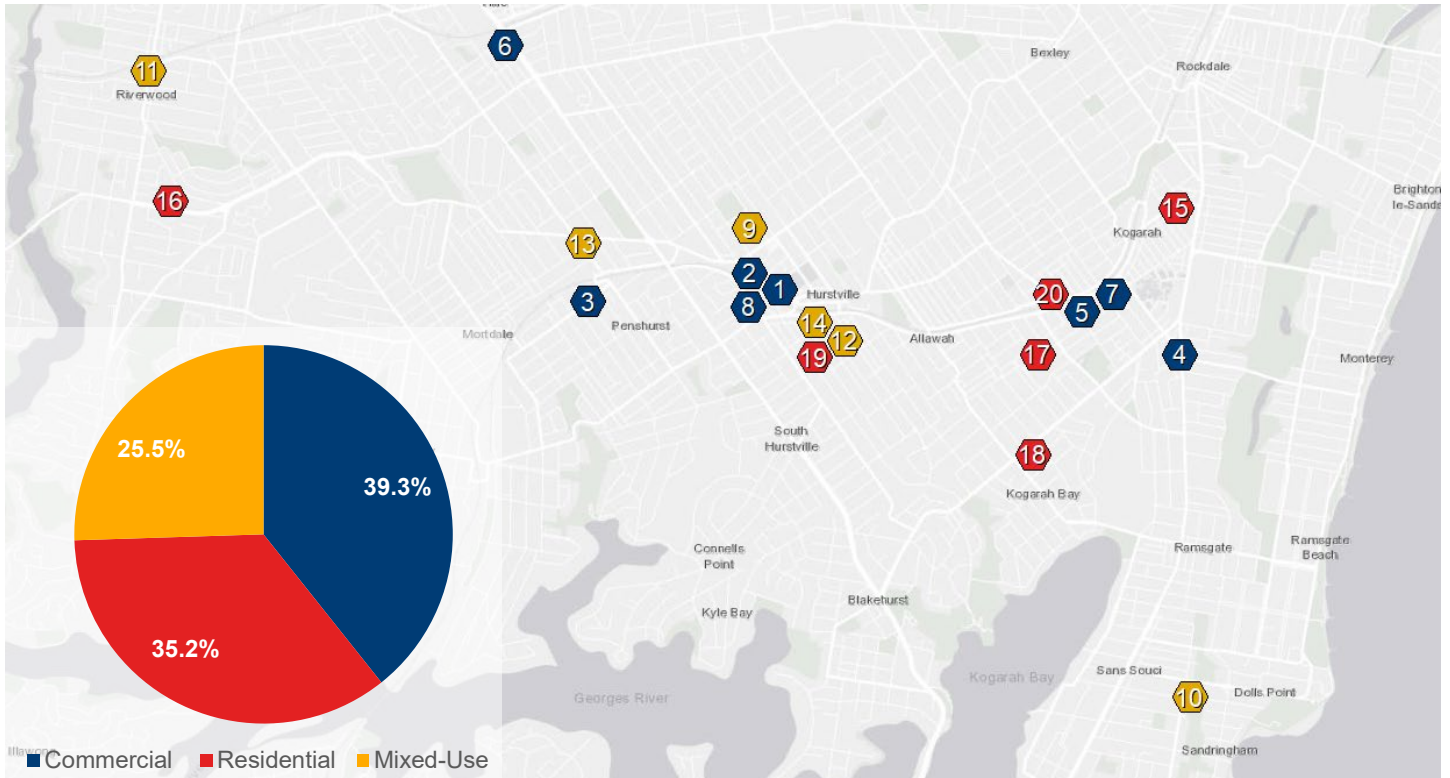
*Rental performance graph represents aggregate house median rent prices in the following suburbs: Mortdale, Oatley, Hurstville Grove, Penshurst, Lugarno, and Peakhurst Heights. Annual change is a comparison between 2017 and 2018 median rent figures.

**Auction Clearance rates for Xxx are for all residential auctions held in the suburbs Mortdale, Oatley, Hurstville Grove, Penshurst, Lugarno, and Peakhurst Heights.

^Capital city data obtained by accumulating Domain's weekly auction clearance results.

Source: APM Pricer, Domain, SQM Research. © Copyright PRDnationwide 2019.

PROJECT DEVELOPMENT MAP 1st HALF 2019*



Location	Project**	Type	Estimated Value***	Commence Date****
1	Forest Road Commercial Complex - One Astra Square	Commercial	\$50,922,000	27/02/2019
2	Travelodge & Club Central Hurstville	Commercial	\$35,687,000	22/05/2019
3	Fresh Fields Aged Care Facility	Commercial	\$22,000,000	12/06/2019
4	St George House Westpac	Commercial	\$8,000,000	04/03/2019
5	English Street Boarding House	Commercial	\$5,045,000	30/05/2019
6	Beverly Hills Hotel	Commercial	\$5,000,000	21/04/2019
7	Kogarah RSL Club	Commercial	\$4,513,000	10/06/2019
8	Colin Mcfadyen Village	Commercial	\$2,579,000	06/05/2019
9	Forest Rd Mixed Development (57 Units)	Mixed-Use	\$22,300,000	08/02/2019
10	Rocky Point Rd Mixed Development - Palais Sans Souci (95 Apartments)	Mixed-Use	\$22,168,000	14/02/2019
11	Belmore Road Mixed Use Development (60 Units)	Mixed-Use	\$17,205,000	21/06/2019
12	Treacy St Mixed Development - Imperial Hurstville (42 Apartments)	Mixed-Use	\$11,352,000	18/03/2019
13	Penshurst Street Mixed Use Development – Essence (19 Units)	Mixed-Use	\$7,065,000	04/01/2019
14	Park Road Mixed Use Development (19 Apartments)	Mixed-Use	\$6,504,000	18/06/2019
15	Regent Street Apartments (15 storey)	Residential	\$83,797,000	27/05/2019
16	Stanley St Units (41 Units)	Residential	\$11,659,000	12/06/2019
17	Neilsen Avenue Units (42 Units)	Residential	\$10,778,000	22/04/2019
18	John Street Apartments (25 Apartments)	Residential	\$6,000,000	27/05/2019
19	Empress Street Apartments (14 Apartments)	Residential	\$3,868,000	28/02/2019
20	Bembridge Apartments (15 Units)	Residential	\$3,600,000	15/04/2019

*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 Local Government 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 Council. © Copyright PRDnationwide 2019.

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

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