





# HAMLYN TERRACE MARKET UPDATE 2nd Half 2019



## OVERVIEW

In Q3 2019, Hamlyn Terrace\* recorded a median house price of \$587,000, and a median unit price of \$430,000. This represents annual (Q3 2018 – Q3 2019) median price softening of -3.1% for houses and -5.5% for units. At the same time total house sales slowed, by -2.8% for houses (to 451 sales), while units increased by 21.3% (to 97 sales). A more affordable and slower house market suggests now is a good time to transact, benefitting both buyers and sellers.

|   | 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 Q3 2019



### SALES AVERAGE DAYS ON MARKET Q3 2019



### RENTAL MEDIAN PRICE Q3 2019

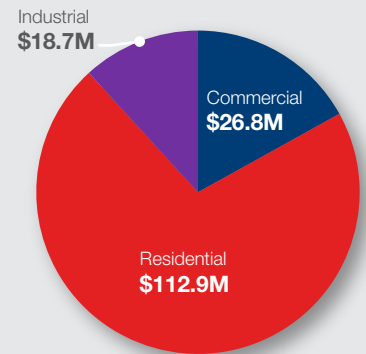


### RENTAL AVERAGE DAYS ON MARKET Q3 2019



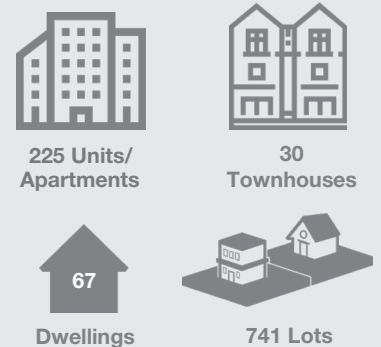
## FUTURE DEVELOPMENTS

Hamlyn Terrace\* is set to see approx. **\$158.4M worth of new projects commencing in the 2<sup>nd</sup> half of 2019.**



A focus on residential Hamlyn Terrace\* projects suggests the area will be well-positioned to cater for additional population growth. Further investment into commercial activity in the future will also help create local employment, which is vital to ensure current and incoming property stock is absorbed, mitigating an oversupply.

A main commercial project is Oak Tree Retirement Village (\$17.1M), to construct 59 services self-care villas. This will attract a new demographic into the area and create jobs. The residential development Bushells Ridge Subdivision (\$20.8M) will see 519 lots added to the Hamlyn Terrace\* property market, with 174 of these to be zoned as rural.



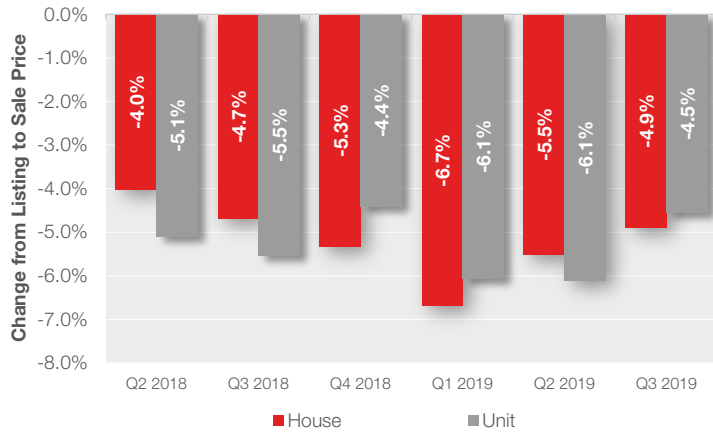
\*Hamlyn Terrace market data and key indicators encapsulates aggregate property market conditions within the postcodes 2259 and 2261.

\*\*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 Pricer, Cordell Connect database. © 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.



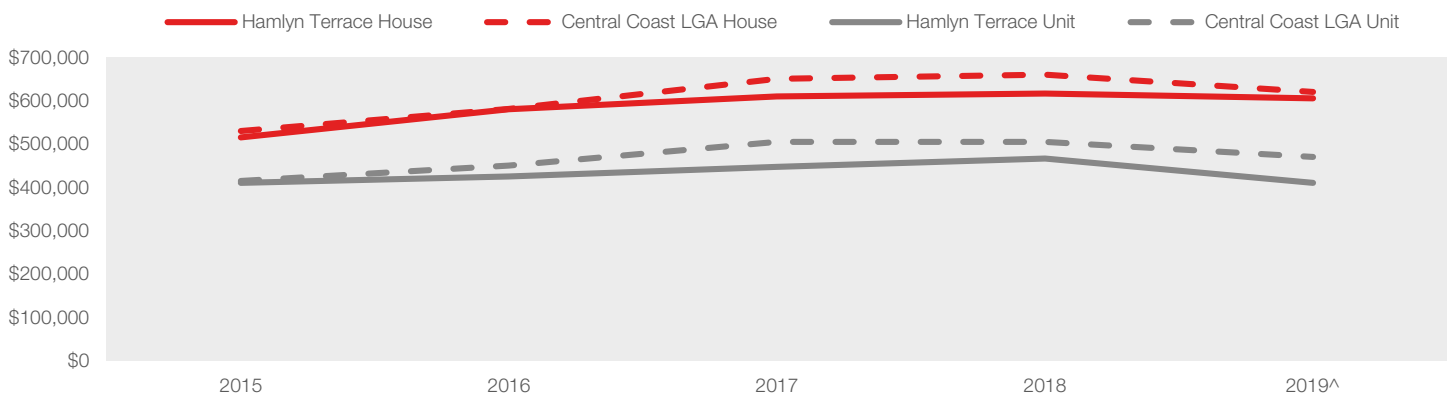
## KEY COMMENTS

Average vendor discount between Q3 2018 and Q3 2019 slightly widened for houses, to -4.9%, while units tightened to -4.5%. Market conditions in Hamlyn Terrace\* continue to favour buyers, with sellers willing to negotiate below their initial listing price. Now is the time to enter the market.

The suburb of Hamlyn Terrace has historically been a more affordable area within the Central Coast Local Government Area (LGA) in both house and unit median prices. This has continued to be the case in 2019<sup>^</sup>, highlighting the value offered within Hamlyn Terrace as part of the wider LGA.

The dominant proportion of houses sold in Hamlyn Terrace\* across 2019<sup>^</sup> were in the upper price range of \$600,000-\$700,000 (24.1%). Units saw a dominant mid-range price point of \$400,000-\$500,000 (31.6%). There is an appetite for housing stock at various price points in Hamlyn Terrace\*, though the most affordable options are quickly disappearing.

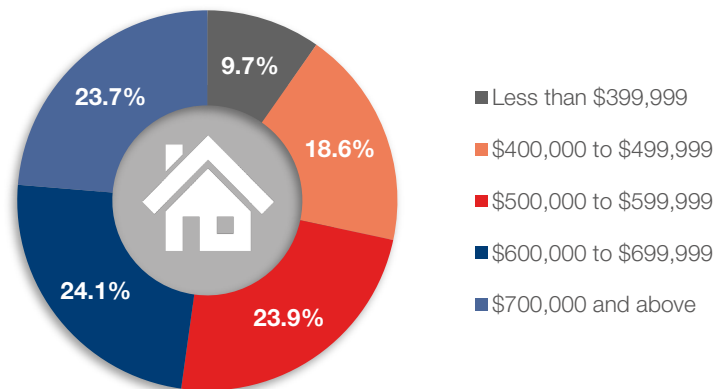
## MARKET COMPARISON



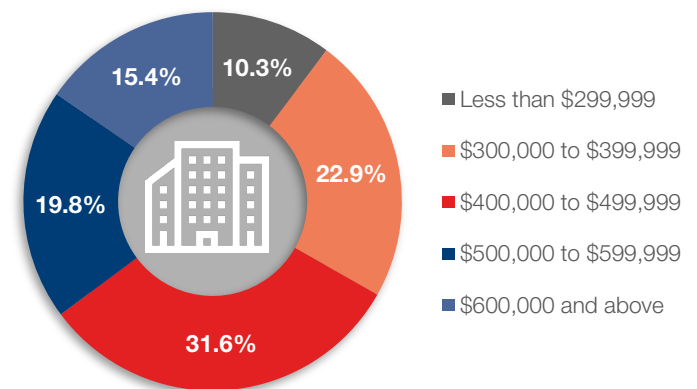
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled were chosen based on their proximity to the main suburb analysed, which is Hamlyn Terrace.

## PRICE BREAKDOWN 2019<sup>^</sup>

### HOUSES SOLD



### UNITS SOLD

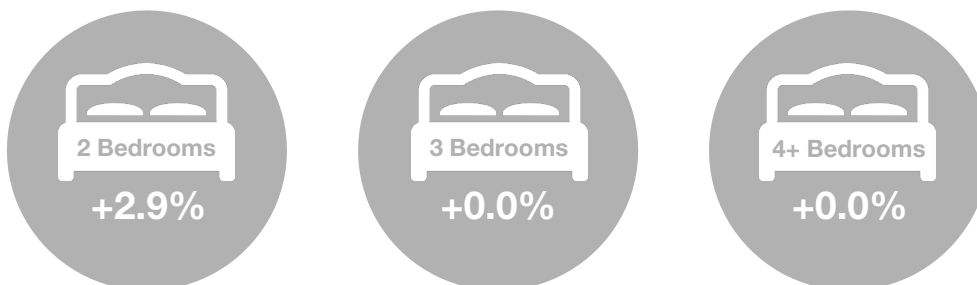


## RENTAL GROWTH 2019\*

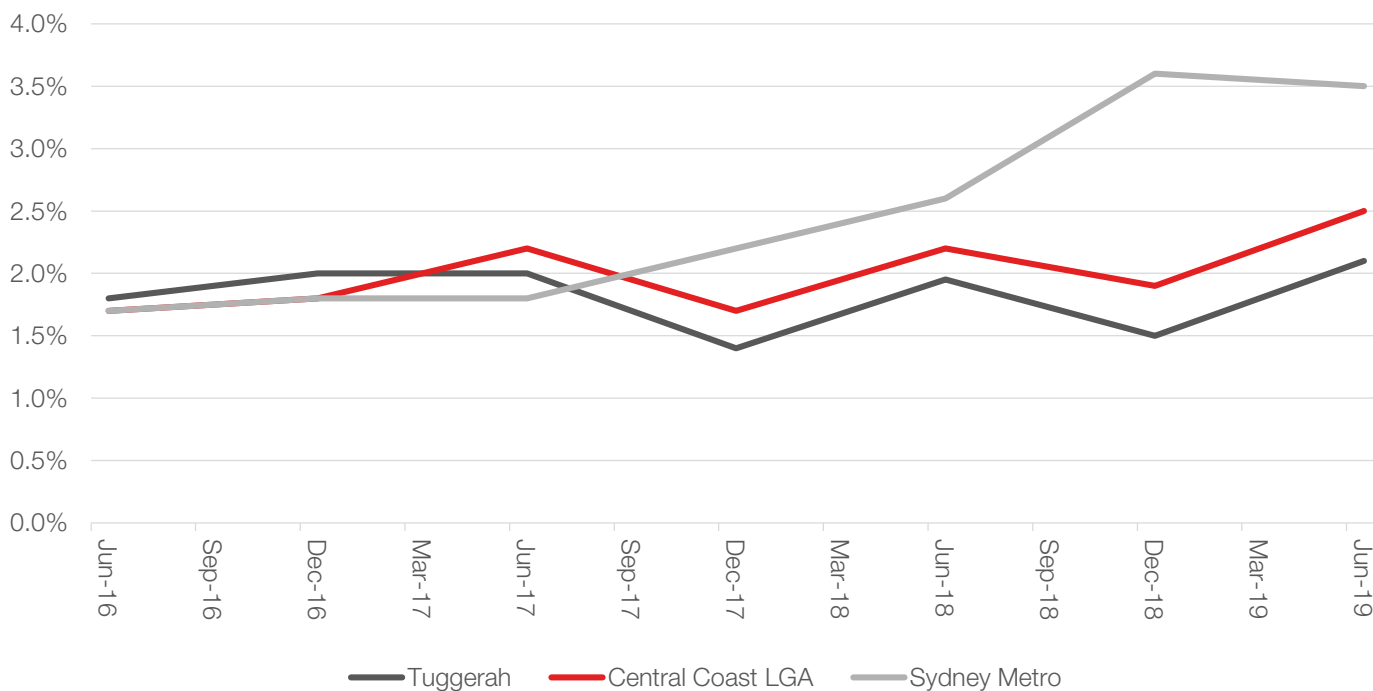
Over the past 12 months house rental yields in Hamlyn Terrace\* have remained stable, sitting at 3.9% as of June 2019. There has also been a slight increase in demand for house rentals, up by 1.3% to 451 rentals in the 6 months to Q3 2019.

2 bedroom houses have provided investors with +2.9% rental growth annually, achieving a median rent of \$360 per week.

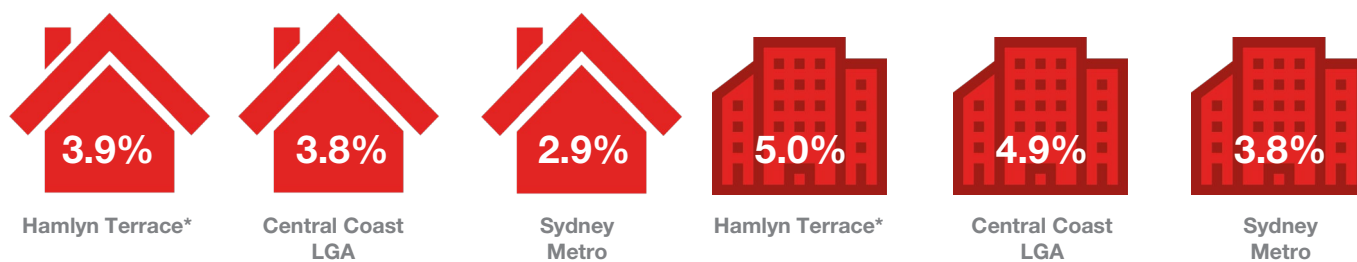
Hamlyn Terrace\* recorded a vacancy rate of 2.1% in June 2019, which is lower than Central Coast LGA's 2.5% average. Although there is a healthier rental demand compared to the LGA, an increasing vacancy rate over the past 12 months suggest landlords need to secure longer leases to mitigate vacancy risks.



## RENTAL VACANCY RATES 2019



## RENTAL YIELD 2019^

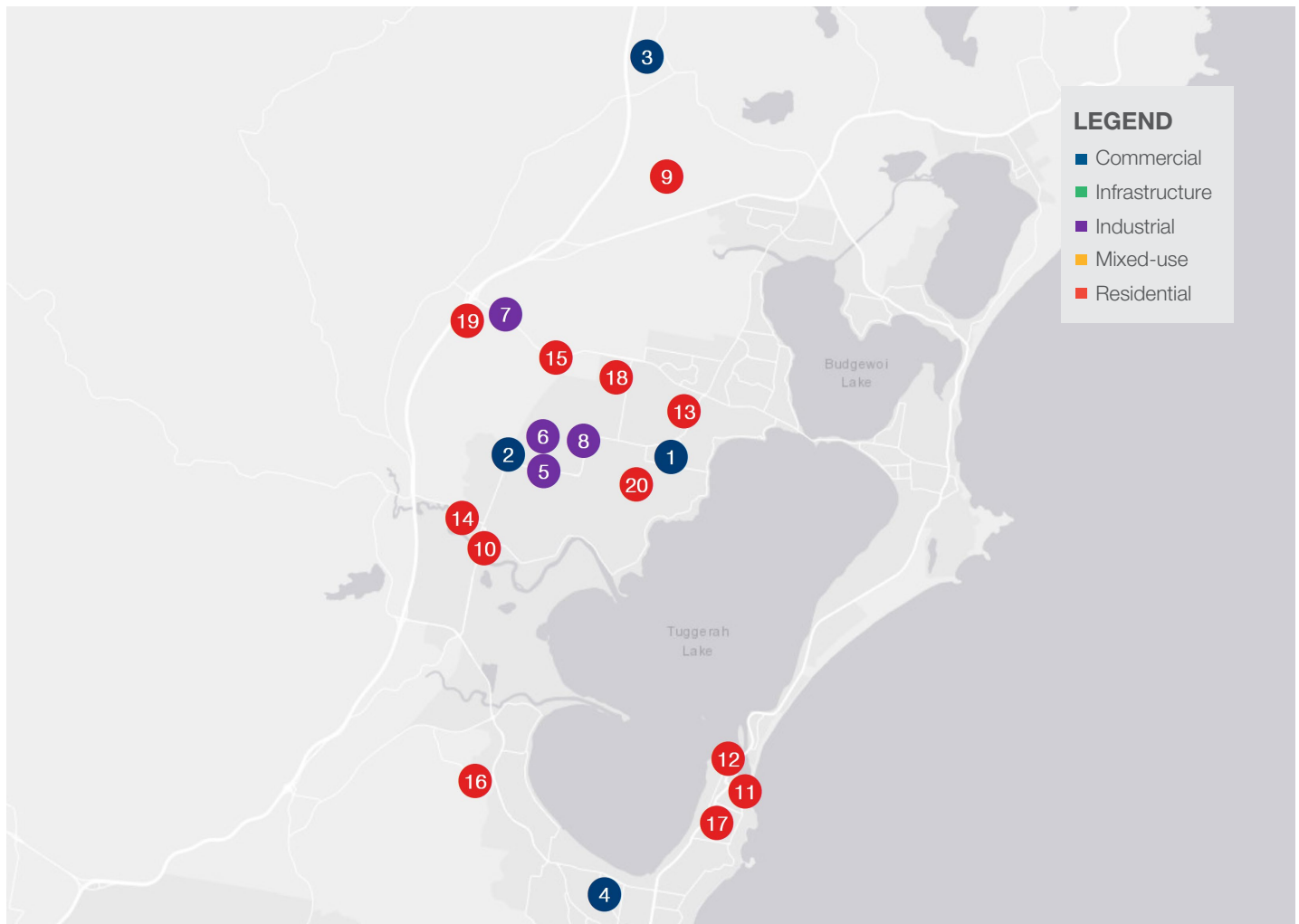


\*Rental performance graph represents aggregate house median rent prices within the postcodes 2259 and 2261. Annual rental growth is a comparison between 2018 and 2019 (Q1 – Q3) house median rent figures.

^Rental yields shown are as reported at June 2019.

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

# PROJECT DEVELOPMENT MAP 2ND HALF 2019\*



| Location | Project**  | Type        | Estimated Value*** | Commence Date**** |
|----------|--|-------------|--------------------|-------------------|
| 1        | Oak Tree Retirement Village                                    | Commercial  | \$17,071,000       | 10/12/2019        |
| 2        | Amy Close Commercial Building                                  | Commercial  | \$6,000,000        | 09/12/2019        |
| 3        | Greyhound Racing NSW   | Commercial  | \$2,000,000        | 07/10/2019        |
| 4        | Robertson Road Seniors Living Units                            | Commercial  | \$1,777,000        | 18/11/2019        |
| 5        | Donaldson Filter Warehouse                                     | Industrial  | \$10,000,000       | 01/07/2019        |
| 6        | Cheminova  | Industrial  | \$3,590,000        | 21/12/2019        |
| 7        | Hogans Heavy Haulage   | Industrial  | \$2,600,000        | 03/08/2019        |
| 8        | Amsterdam Circuit Light Industrial Units                       | Industrial  | \$2,480,000        | 14/10/2019        |
| 9        | Bushells Ridge Subdivision (519 Lots)                          | Residential | \$20,760,000       | 21/08/2019        |
| 10       | Church Street & River Road Units (75 Units)                    | Residential | \$19,468,000       | 12/08/2019        |
| 11       | Fairport Ave & Ocean Pde Units (45 Units)                      | Residential | \$15,000,000       | 14/12/2019        |
| 12       | Bent Street Units (50 Units)                                   | Residential | \$14,035,000       | 04/11/2019        |
| 13       | Pacific Hwy Subdivision & Dwellings (67 Villas, 24 Townhouses) | Residential | \$13,960,000       | 12/12/2019        |
| 14       | Jennings Road Units (35 Units)                                 | Residential | \$9,850,000        | 13/08/2019        |
| 15       | Albert Warner Drive Residential Subdivision (52 Lots)          | Residential | \$6,908,000        | 18/11/2019        |
| 16       | Berkeley Road Residential Subdivision (79 Lots)                | Residential | \$3,950,000        | 26/08/2019        |
| 17       | Anzac Road Affordable Housing Units (20 Units)                 | Residential | \$2,584,000        | 05/12/2019        |
| 18       | Warnervale Road Residential Subdivision Stages 1-2 (51 Lots)   | Residential | \$2,300,000        | 22/12/2019        |
| 19       | Honey Myrtle Road & Mitchell Terrace Townhouses (6 Townhouses) | Residential | \$2,115,000        | 21/12/2019        |
| 20       | Johns Rd Wadalba Subdivision (40 Lots)                         | Residential | \$2,000,000        | 17/10/2019        |

## 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.



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