



Oatley Market Update 1st Half 2020



OVERVIEW

In Q1 2020, Oatley* recorded a median house price of \$1,315,000, and a median unit price of \$655,100. This represents annual (Q1 2019 – Q1 2020) median price growth of 8.5% for houses and of 7.4% for units. Between Q1 2019 – Q1 2020 total house sales marginally slowed, by -1.6% to 63 sales, whilst units increased by 4.1% to 51 sales. With sales remaining fairly steady in the house market and increasing demand for units, yet property prices showing positive growth, now is the time to transact in the Oatley* 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 Q1 2020



SALES AVERAGE DAYS ON MARKET Q1 2020



RENTAL MEDIAN PRICE Q1 2020

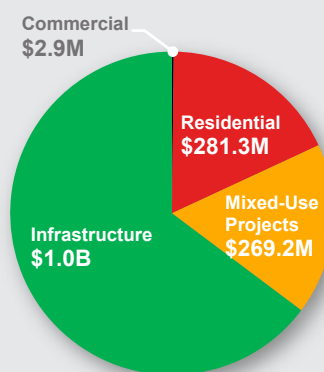


RENTAL AVERAGE DAYS ON MARKET Q1 2020



FUTURE DEVELOPMENTS

The Georges River LGA is set to see around **\$1.6B worth of new projects commencing in the 1st half of 2020.**



A focus on infrastructure projects will provide improved services and liveability to current residents, which may attract new residents into the area and push up property demand.

The major project over the 1st half 2020 period is the infrastructure development M6 Stage 1 (\$1.0B), which will see the construction of twin tunnels, along with many other projects including bridges and local road upgrades. Mixed-use projects such as Forest Road's 'Beyond' (\$193.0M) will see 1,286 new units added to the market and answer current high demand.



1,286 Units/
Apartments



8
Townhouses

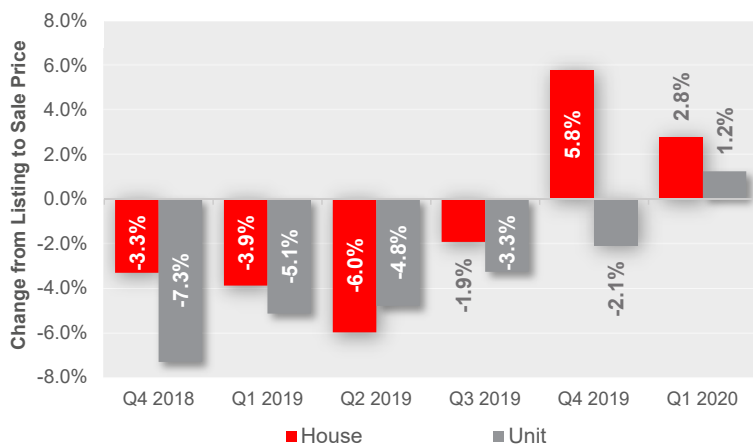


15
Dwellings

*Oatley market data and key indicators encapsulates aggregate property market conditions within the 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.
Source: APM Pricefinder, Cordell Connect database. © Copyright PRD 2020.

AVERAGE VENDOR DISCOUNT* KEY COMMENTS

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.

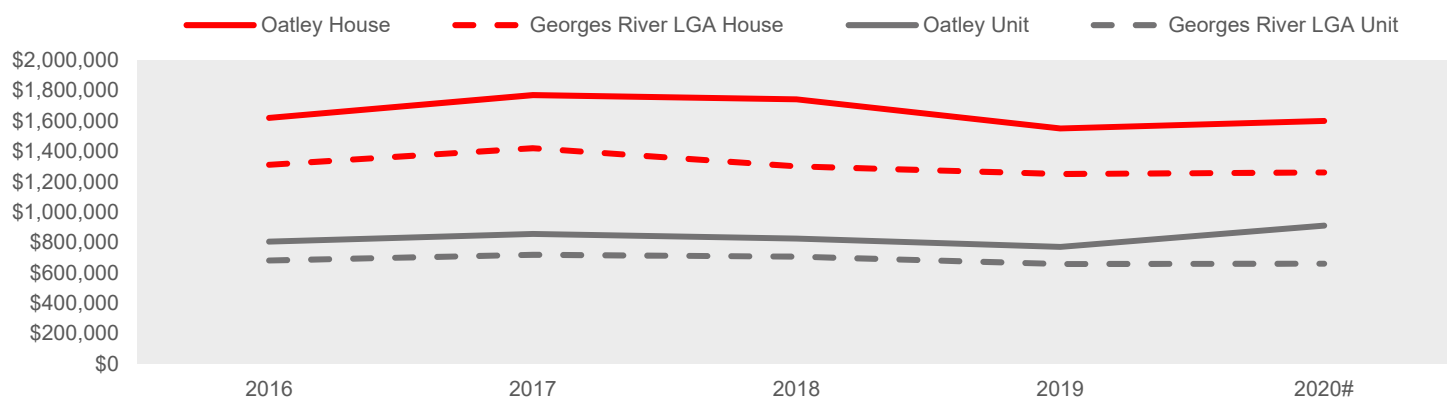


Average vendor discounts between Q1 2019 and Q1 2020 have swung to a premium for both property types, of 2.8% for houses and 1.2% for units. The market conditions in Oatley* have now shifted to favour vendors, as buyers are willing to submit offers above the initial list price. Now is the time to sell.

The suburb of Oatley has historically outperformed the wider Georges River Local Government Area (LGA) in both house and unit median prices. This has continued to be the case in 2020#.

The dominant proportion of homes sold in Oatley* across 2019^ were in the lower mid and middle price range of \$1,000,000-\$1,400,000 (a total of 47.1%). Units recorded a dominant lower-mid price point of \$500,000-\$600,000 (31.6%). This confirms that buyers with varying budgets are able to access portions of the Oatley* property market.

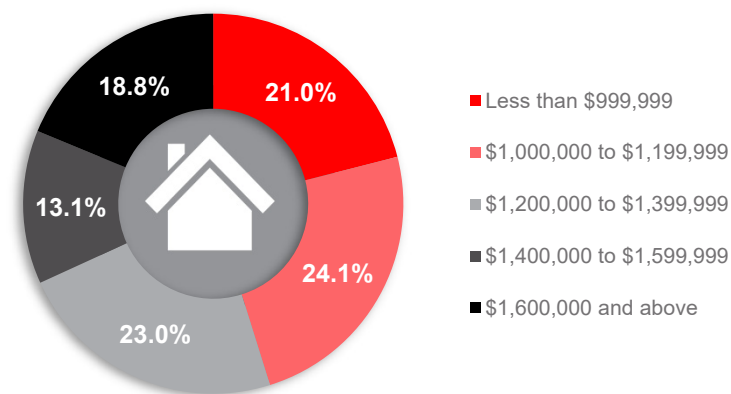
MARKET COMPARISON



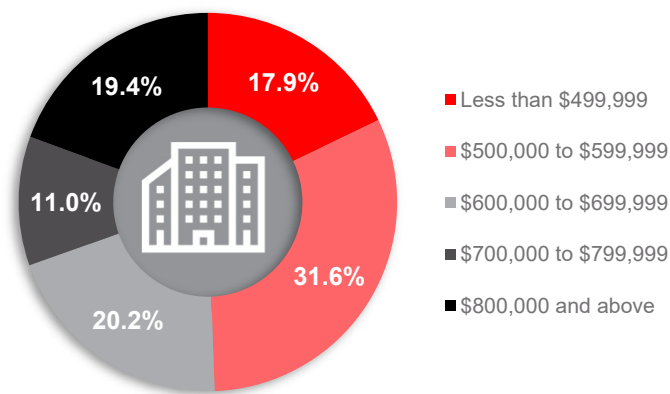
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Oatley.

PRICE BREAKDOWN 2019^

HOUSES SOLD



UNITS SOLD

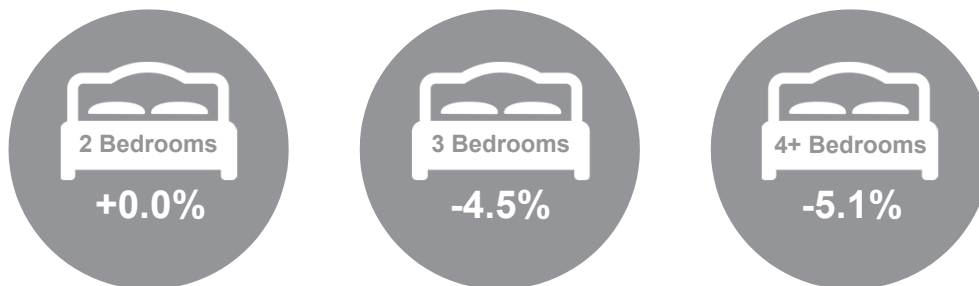


RENTAL GROWTH 2019*

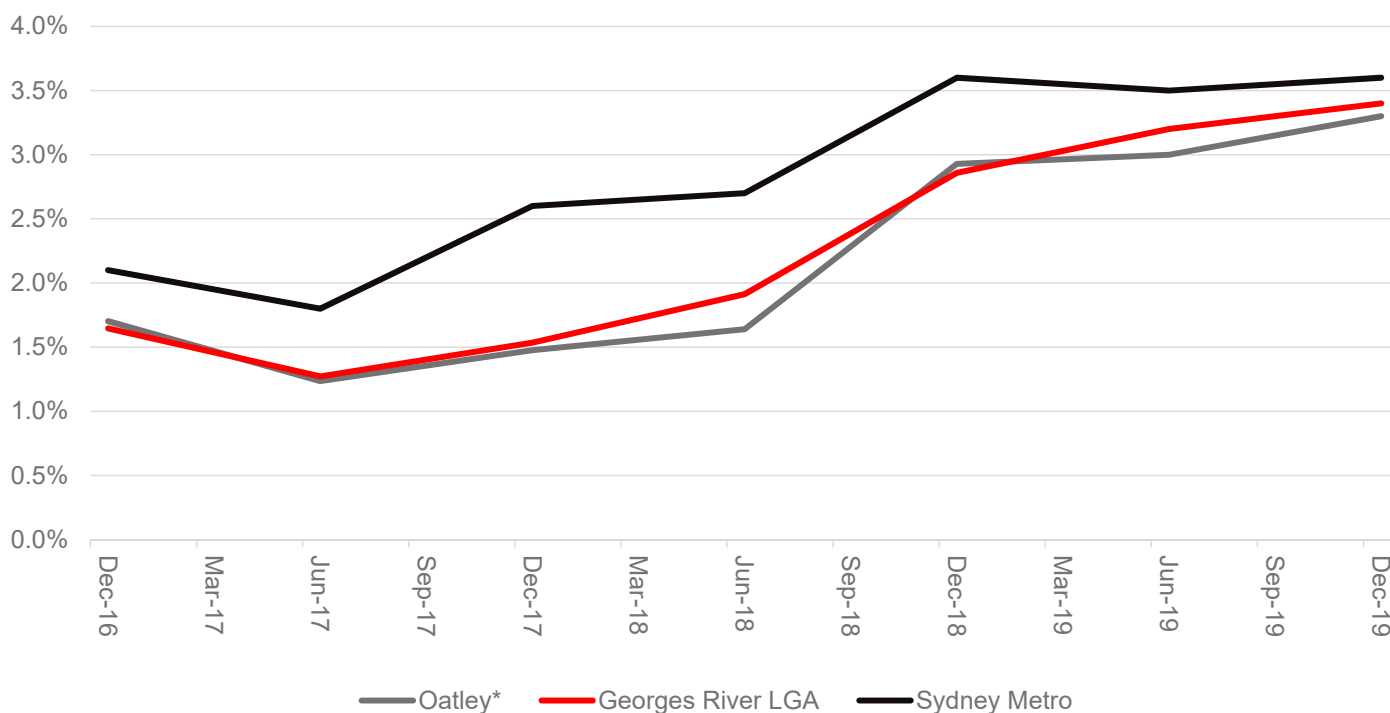
Over the past 12 months, house rental yields in Oatley slightly to reach 2.6% in December 2019. This suggests the house rental market is in a relatively healthy position, despite a -30.3% softening in house rentals (to 85 house rentals) in the 12 months to Q1 2020.

2 bedroom houses have provided investors with stable rental returns annually, achieving a median rent of \$480 per week.

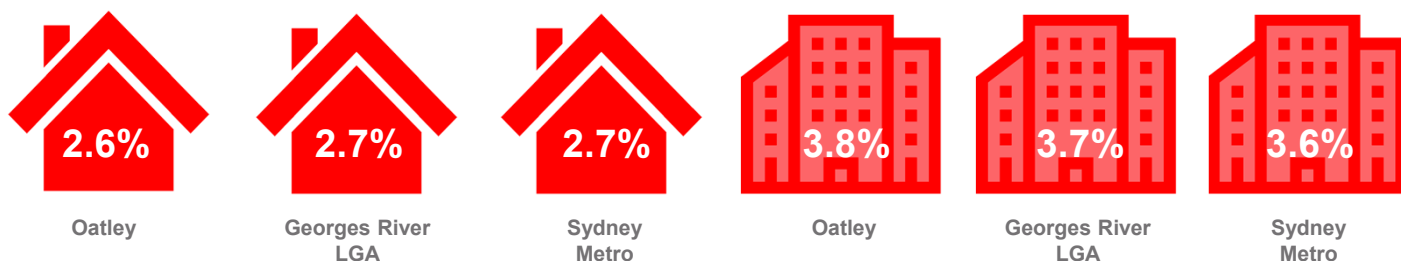
Oatley recorded a vacancy rate of 3.3% in December 2019. Despite representing an increasing trend over the past 12 months, Oatley's vacancy rate still sits below Sydney Metro's vacancy rate 3.6% for the same time period. This confirms there is a fairly healthy rental demand for properties in Oatley, however investors who are able to secure longer leases may wish to do so, to ensure a security of cashflow.



RENTAL VACANCY RATES 2019



RENTAL YIELD 2019^

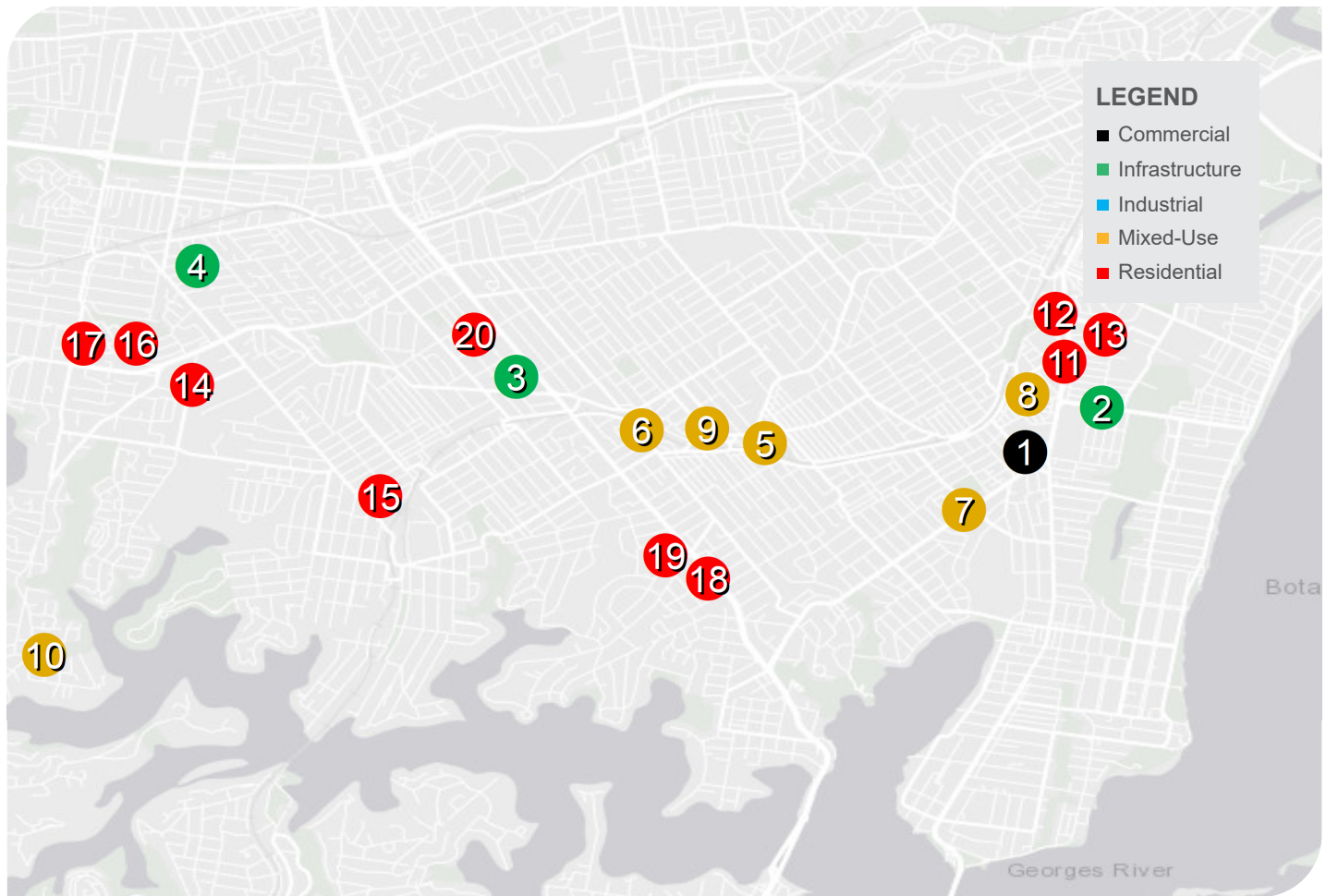


*Rental performance graph represents aggregate house median rent prices within the suburbs Mordale, Oatley, Hurstville Grove, Penshurst, Lugarno, and Peakhurst Heights. Annual rental growth is a comparison between 2018 and 2019 house median rent figures.

^Rental yields shown are as reported at December 2019.

Source: APM Pricer, SQM Research. © Copyright PRD 2020.

PROJECT DEVELOPMENT MAP 1ST HALF 2020*



Location	Project**	Type	Estimated Value***	Commence Date****
1	Gray Street Boarding House	Commercial	\$2,860,000	31/01/2020
2	F6 Extension Stage 1	Infrastructure	\$1,000,000,000	20/06/2020
3	Penshurst Park Sporting Hub	Infrastructure	\$12,000,000	10/02/2020
4	Lahc Peakhurst	Infrastructure	\$5,330,000	27/04/2020
5	Forest Rd Mixed Development – Beyond (556 Units)	Mixed-use	\$193,030,000	04/05/2020
6	Stellar Hurstville (106 Units)	Mixed-use	\$37,472,000	04/05/2020
7	Princes Highway Mixed Use Development (40 Units)	Mixed-use	\$15,920,000	01/01/2020
8	Montgomery Street Mixed Use Building (27 Apartments)	Mixed-use	\$10,657,000	12/02/2020
9	Park Road Mixed Use Development (19 Apartments)	Mixed-use	\$6,504,000	06/04/2020
10	Lime Kiln & Forest Roads Mixed Use Development (14 Apartments)	Mixed-use	\$5,663,000	09/05/2020
11	Kogarah Central (233 Apartments)	Residential	\$175,000,000	22/01/2020
12	Stanley Street Apartments (116 Apartments)	Residential	\$43,967,000	10/02/2020
13	Stanley Street Apartments (87 Apartments)	Residential	\$30,200,000	16/06/2020
14	Stanley St Units (41 Units)	Residential	\$11,659,000	11/05/2020
15	Pitt Street Units (19 Units)	Residential	\$5,161,000	02/03/2020
16	Gover Street Apartments (15 Apartments)	Residential	\$3,993,000	04/06/2020
17	Church & Arnold Streets Dwellings (8 Dwellings)	Residential	\$3,098,000	28/06/2020
18	King Georges Road Units (13 Units)	Residential	\$3,090,000	12/02/2020
19	Greenacre Road Townhouses (8 Townhouses)	Residential	\$2,580,000	13/01/2020
20	Cambridge Street Dwellings (7 Dwellings)	Residential	\$2,577,000	13/04/2020

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.



James Walters, Principal

M +61 417 455 875

E james.walters@prdoatley.com.au

PRD Oatley

P +61 2 9579 6522

F +61 2 9579 3147

24 Oatley Avenue
Oatley NSW 2223

PRD.com.au/oatley