



Macquarie Park Market Update 2nd Half 2020



OVERVIEW

In Q2 2020, Macquarie Park* recorded a median house price of \$1,610,000, and a median unit price of \$836,000. This represents annual (Q2 2019 – Q2 2020) median price growth of 11.8% for houses and 19.5% for units. Between Q2 2019 - Q2 2020 total sales slowed, by -24.6% for houses (to 86 sales) and by -62.7% for units (to 106 sales). Lower sale numbers are expected amidst COVID-19, but double digit price growth suggest a highly resilient market. With healthy price growth and limited competition in the market, now is the time to sell in Macquarie Park*.

	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 2020



SALES AVERAGE DAYS ON MARKET Q2 2020



RENTAL MEDIAN PRICE Q2 2020

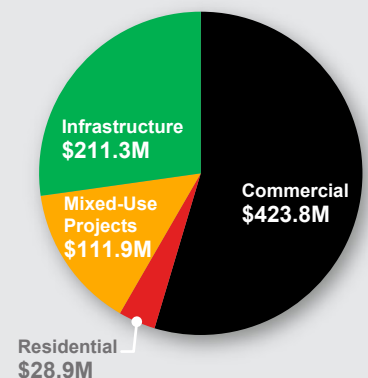


RENTAL AVERAGE DAYS ON MARKET Q2 2020



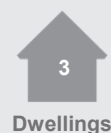
FUTURE DEVELOPMENTS

Macquarie Park* is set to see around **\$776.0M** worth of new projects commence in the 2nd half of 2020.



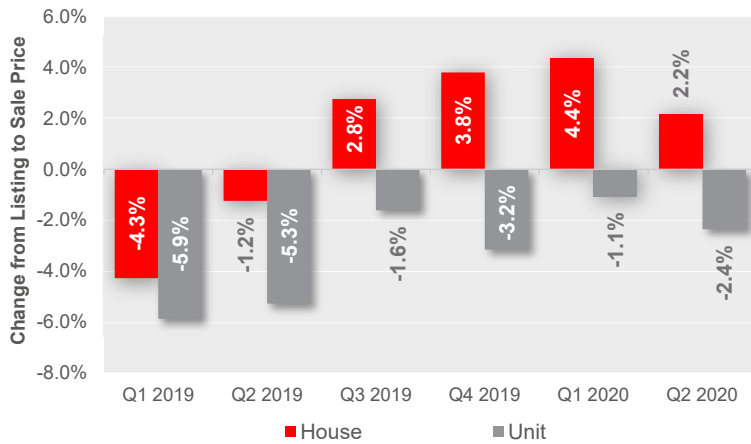
These projects will stimulate economic growth and create large employment opportunities in Macquarie Park*, which should have a positive spill-over impact on the real estate market.

A main commercial project over the 2nd half of 2020 is the Macquarie Park Commerce Centre (\$334.8M), which will see the redevelopment of the Dick Smith site to feature 4 commercial buildings with retail and commercial offerings, each being between 9 storeys and 17 storeys high. Infrastructure such as the new Macquarie University Innovation Hub (\$200.0M) will help create new educational offerings, in turn attract new residents to the local area. Key mixed-use project include Oxford Place (\$66.0M, 178 apartments), and Cambridge Street Shop Top Housing (\$45.9M, 84 apartments).



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.



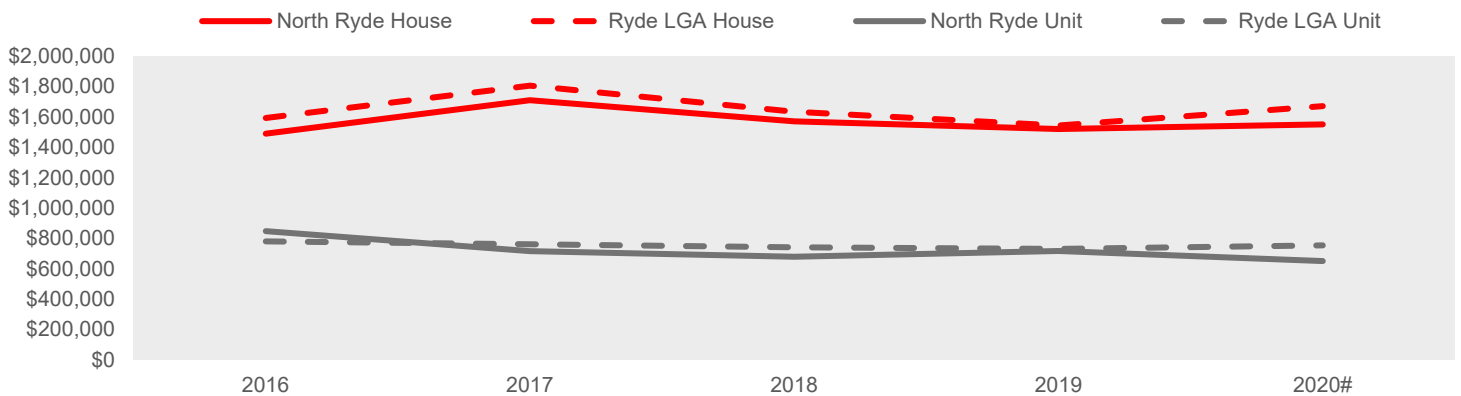
KEY COMMENTS

Average vendor discounts between Q2 2019 and Q2 2020 have swung to a premium of 2.2% for houses and tightened to -2.4% for units. House market conditions in Macquarie Park* have now shifted to favour vendors, as buyers are willing to offer above initial listing prices. Now is the time to transact in the market.

The suburb of North Ryde has historically performed slightly below the wider Ryde Local Government Area (LGA) in its median house price. This continues to be the case throughout 2020#, as well as for units.

The dominant proportion of homes sold in Macquarie Park* across 2020^ were in the premium pricing above \$2,000,000 (26.3%). A similar pattern is seen in the unit market, with a dominant price point of above \$950,000 (28.8%). This reveals there is a strong preference for premium stock in Macquarie Park*.

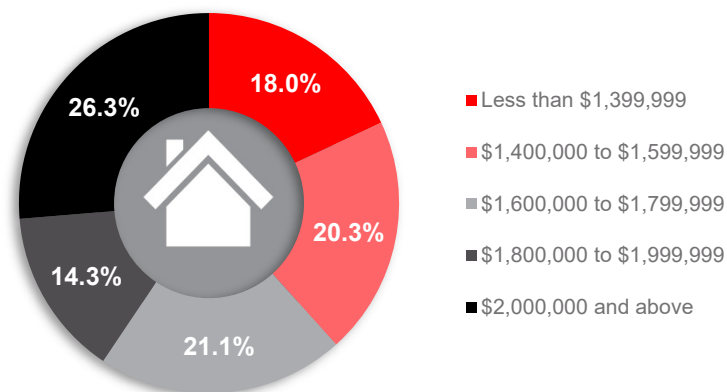
MARKET COMPARISON



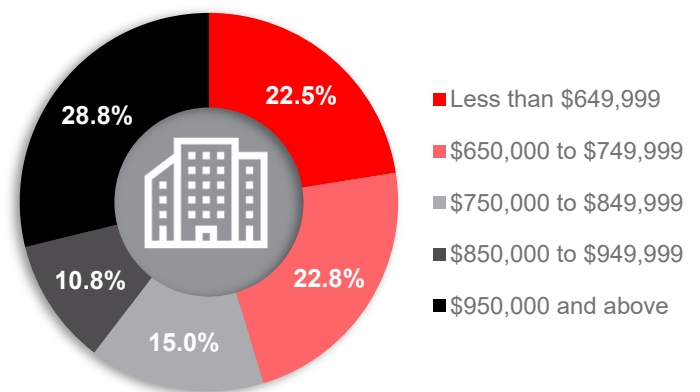
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is North Ryde.

PRICE BREAKDOWN 2020^

HOUSES SOLD



UNITS SOLD

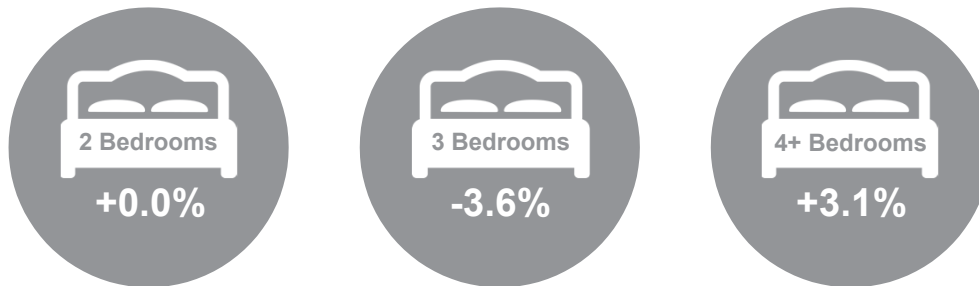


RENTAL GROWTH 2020€

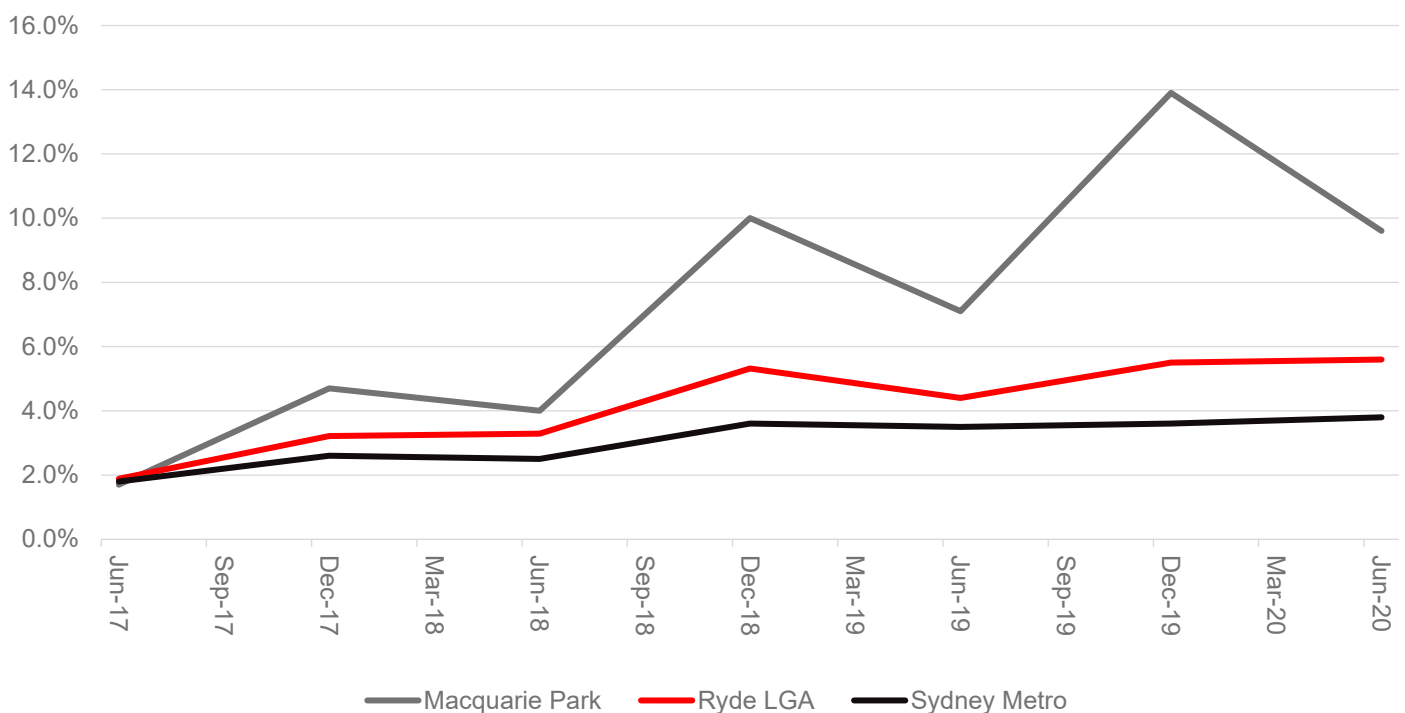
Over the past 12 months, house rental yields in Macquarie Park* tightened to sit at 2.5% in June 2020, slightly above Sydney Metro's 2.4%. This suggests the house rental market is in a relatively healthy position, as does the -10.2% reduction in the average days to let a house, to 32 days in the 12 months to Q2 2020.

4+ bedroom houses have provided investors with +3.1% rental growth annually, achieving a median rent of \$820 per week.

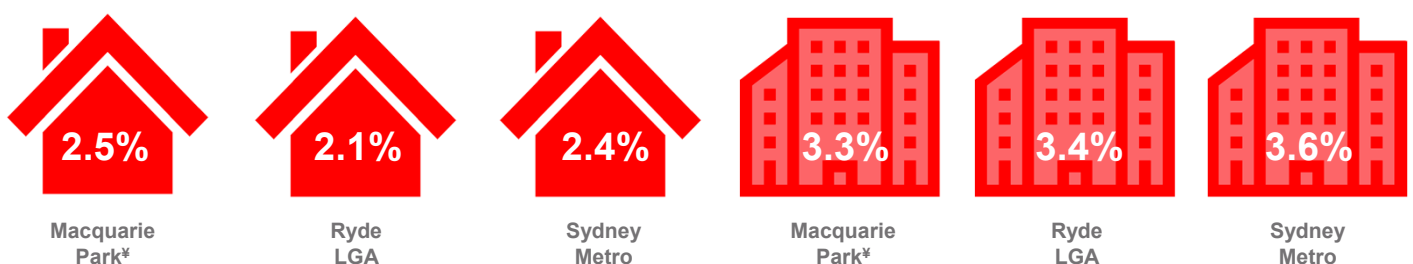
Macquarie Park* recorded a vacancy rate of 9.6% in June 2020, an improvement from December 2019 figure (13.9%). A declining trend in vacancy rates is against general predictions amidst COVID-19 conditions, indicating a healthier rental demand. That said it is above the Sydney Metro average (3.8%), thus landlords may seek for longer term tenants to ensure a more secure cashflow.



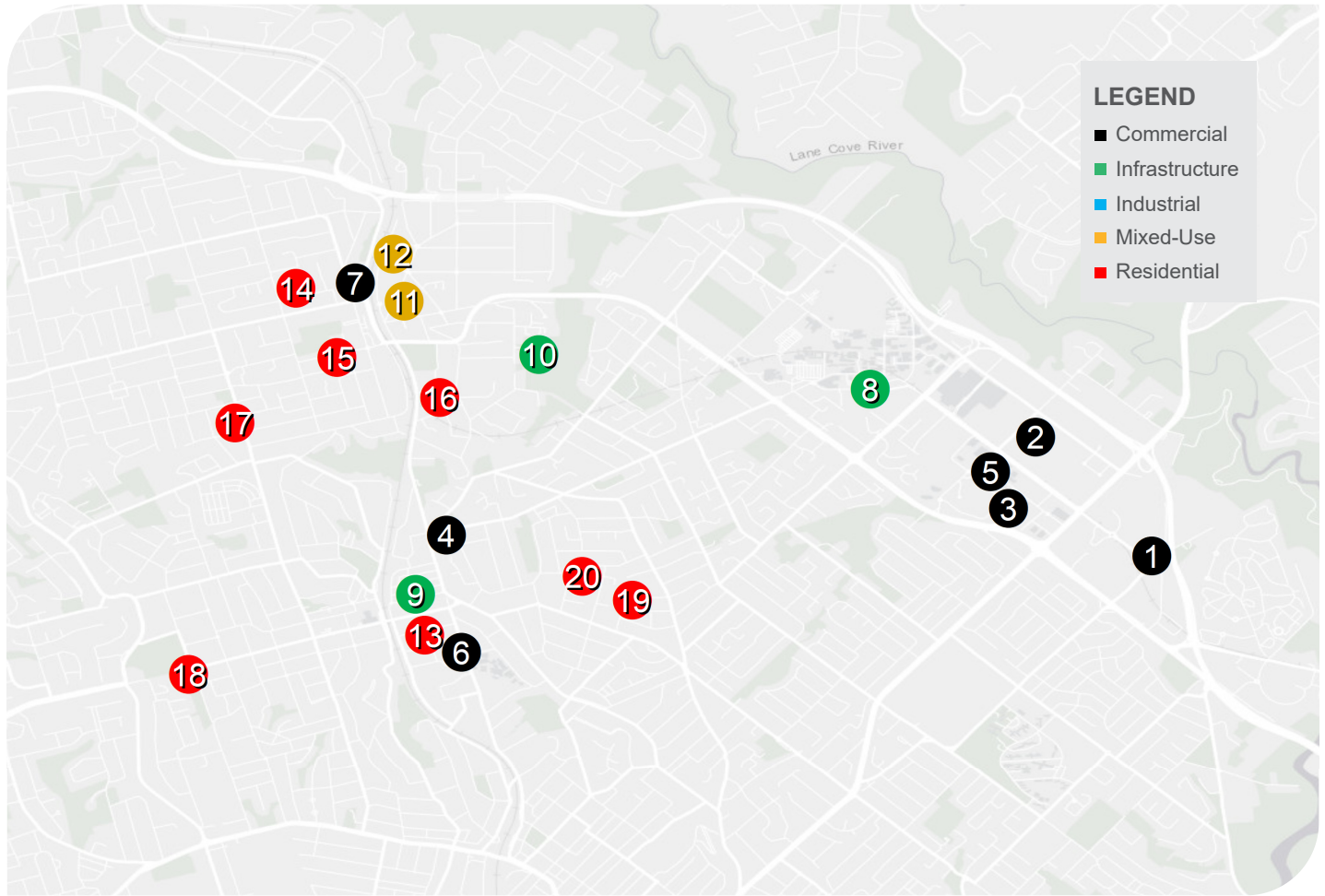
RENTAL VACANCY RATES 2020



RENTAL YIELD 2020\$



PROJECT DEVELOPMENT MAP 2ND HALF 2020[Ⓐ]



Location	Project [£]	Type	Estimated Value [Ⓜ]	Commence Date [Ⓜ]
1	Macquarie Park Commerce Centre	Commercial	\$334,840,000	21/09/2020
2	M_Park At Macquarie Park	Commercial	\$81,271,000	05/10/2020
3	Douglass Hanly Moir Pathology	Commercial	\$2,477,000	29/07/2020
4	Eastwood Garden Maisonettes	Commercial	\$1,737,000	20/07/2020
5	Giffnock Avenue Office Building	Commercial	\$1,250,000	19/11/2020
6	Fourth Avenue Boarding House	Commercial	\$1,223,000	16/10/2020
7	Beecroft Road Demolition	Commercial	\$1,003,000	17/12/2020
8	Macquarie University Innovation Hub	Infrastructure	\$200,000,000	16/11/2020
9	Eastwood Car Park	Infrastructure	\$9,300,000	31/08/2020
10	Dence Park	Infrastructure	\$2,000,000	01/12/2020
11	Oxford Place (178 Apartments)	Mixed-use	\$66,033,000	15/12/2020
12	Cambridge Street Shop Top Housing (84 Apartments)	Mixed-use	\$45,915,000	14/10/2020
13	Second Av Units (31 Units)	Residential	\$14,621,000	02/12/2020
14	Hazlewood Place Units (15 Units)	Residential	\$3,800,000	20/10/2020
15	Bridge Street & Wyralla Avenue Townhouses (6 Townhouses)	Residential	\$2,837,000	12/12/2020
16	Maida Road Units (9 Units)	Residential	\$2,250,000	11/11/2020
17	Midson Road Dual Occupancies (3 Dwellings)	Residential	\$1,787,000	10/12/2020
18	Haven Epping (16 Units)	Residential	\$1,700,000	16/09/2020
19	Waratah Street Units (3 Units)	Residential	\$980,000	12/08/2020
20	Grove Lane Townhouses (3 Townhouses)	Residential	\$955,000	07/12/2020

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.



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REFERENCES

* Macquarie Park market data and key indicators encapsulates aggregate property conditions within the suburbs Macquarie Park, North Ryde, Epping, West Ryde, and Eastwood.

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

2020 encapsulates sales transactions for 1H 2020 (01/01/2020 – 30/06/2020) only.

^ 2020 encapsulates sales transactions for 1H 2020 (01/01/2020 – 30/06/2020) only.

€ Annual rental growth is a comparison between 1H 2019 (01/01/2019 – 30/06/2019) and 1H 2020 (01/01/2020 – 30/06/2020) house median rent figures.

¥ Macquarie Park market data encapsulates aggregate property conditions within the Postcode 2113.

§ Rental yields shown are as reported at June 2020.

⌘ 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 suburbs Macquarie Park, North Ryde, Epping, West Ryde, and Eastwood.

μ Estimated value is the value of construction costs provided by relevant data authority, it does not reflect the project's sale/commercial value.

ψ Commencement date quoted for each project is an approximate only, as provided by the relevant data authority, PRD does not hold any liability to the exact date.

Source: APM Pricerfinder, Cordell Connect database, SQM Research, ESRI ARCGIS.

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