

Ramsgate Beach Market Update 2nd Half 2020



OVERVIEW

In Q3 2020, Ramsgate Beach* recorded a median house price of \$1,500,000, and a median unit price of \$712,000. This represents annual (Q3 2019 – Q3 2020) median price growth of 18.7% for houses and 7.5% for units. Between Q3 2019 – Q3 2020 total unit sales increased by 20.2% (to 131 sales), while houses remained steady with 46 sales. Median price growth and increased sales activity suggest real capital growth in the area, in contrast to general COVID-19 predictions. This indicates high market resilience in Ramsgate Beach*, thus creating an ideal market for real estate transactions.

	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 2020



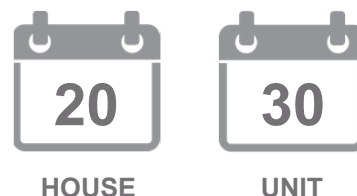
SALES AVERAGE DAYS ON MARKET Q3 2020



RENTAL MEDIAN PRICE Q3 2020

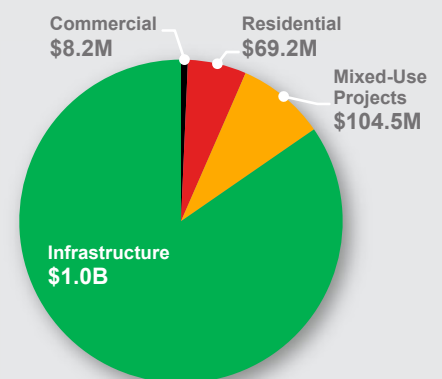


RENTAL AVERAGE DAYS ON MARKET Q3 2020



FUTURE DEVELOPMENTS

Ramsgate Beach* is set to see an estimated **\$1.2B of new projects commence in the 2nd half of 2020.**



Infrastructure projects will improve liveability for residents whilst creating local employment opportunities in the construction phase. This will have a positive effect on economic growth, with a spill-over on the real estate market.

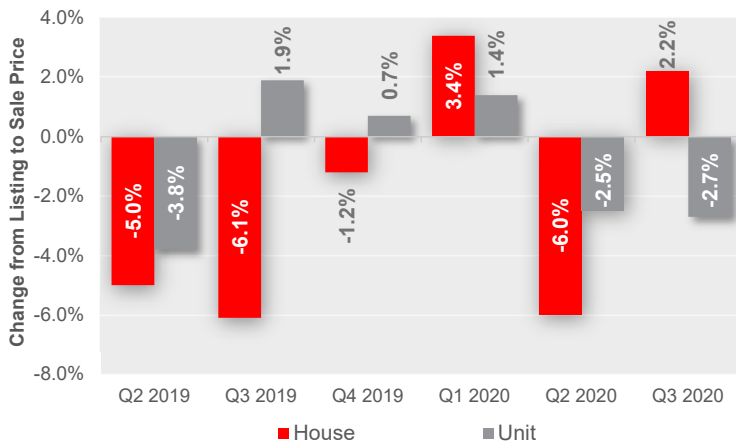
A main infrastructure project over the 2nd half of 2020 is the \$1.0B M6 Stage 1, which will create great improvements to the area's amenity and accessibility, making it easier for residents to travel. The \$30.3M Montgomery Street Mixed Use Building will see 61 apartments set over 13 storeys and a ground floor retail tenancy, injecting employment as well as more diverse housing stock into the area. Key residential projects include: Regent Street Apartments – Kogarah Grand (\$38.2M, 127 apartments), Stanley Street Residential Site (\$25.0M, 100 apartments), President Avenue Units Monterey (\$4.4M, 16 units), and Green Street Dwelling (\$1.5M, 6 dwellings).



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.

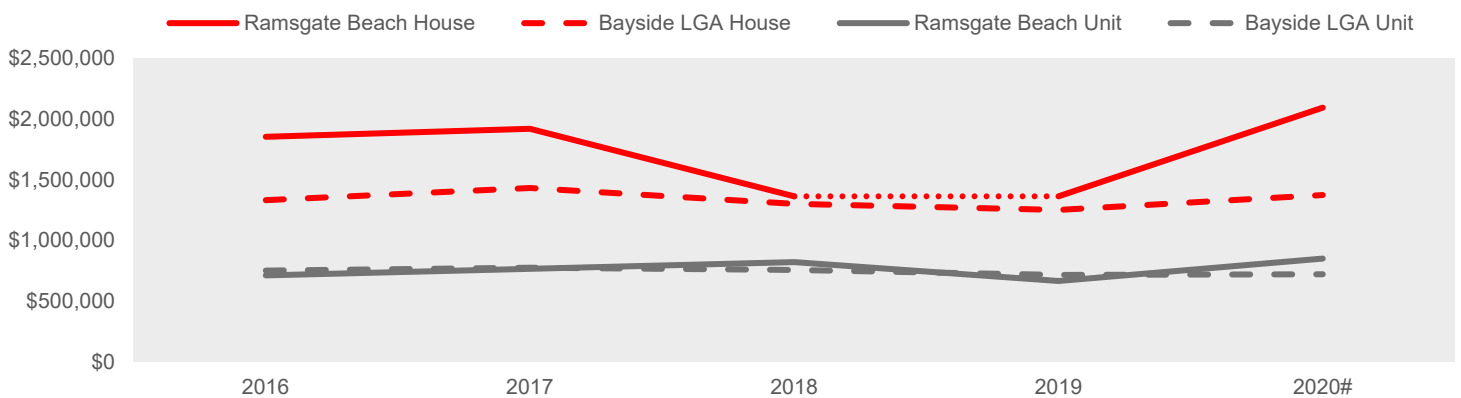
Average vendor discounts between Q3 2019 and Q3 2020 have swung to a premium of 2.2% for houses, while units have swung to a discount to sit at -2.7%. House market conditions in Ramsgate Beach* have shifted to favour sellers, as buyers are willing to offer above the initial listing price. Now is the time to sell.



The suburb of Ramsgate Beach has historically outperformed the wider Bayside Local Government Area (LGA) in its median house price, and remained close in median unit price. This continues to be the case throughout 2020#.

The dominant proportion of homes sold in Ramsgate Beach* across 2020^ were in the premium priced bracket of \$2,000,000 (29.0%), while units recorded a dominant lower-middle range price point of \$600,000-\$700,000 (31.2%). There is a range of price points accessible, which is good news for buyers.

MARKET COMPARISON

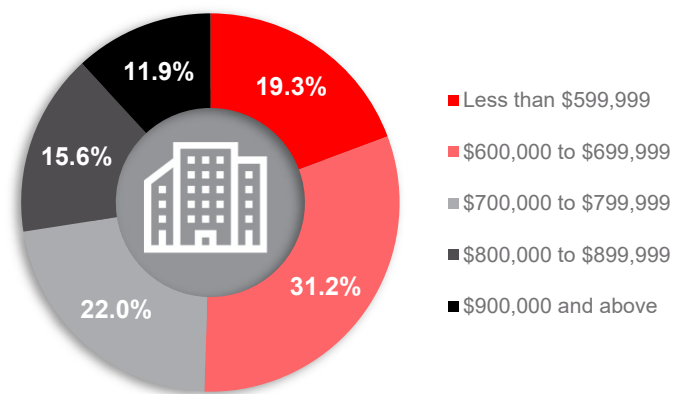
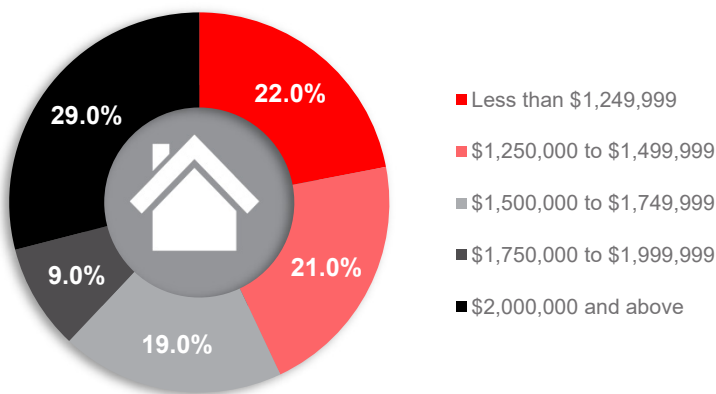


The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on its proximity to the main suburb analysed, which is Ramsgate Beach.

PRICE BREAKDOWN 2020^

HOUSES SOLD

UNITS SOLD



RENTAL GROWTH 2020€

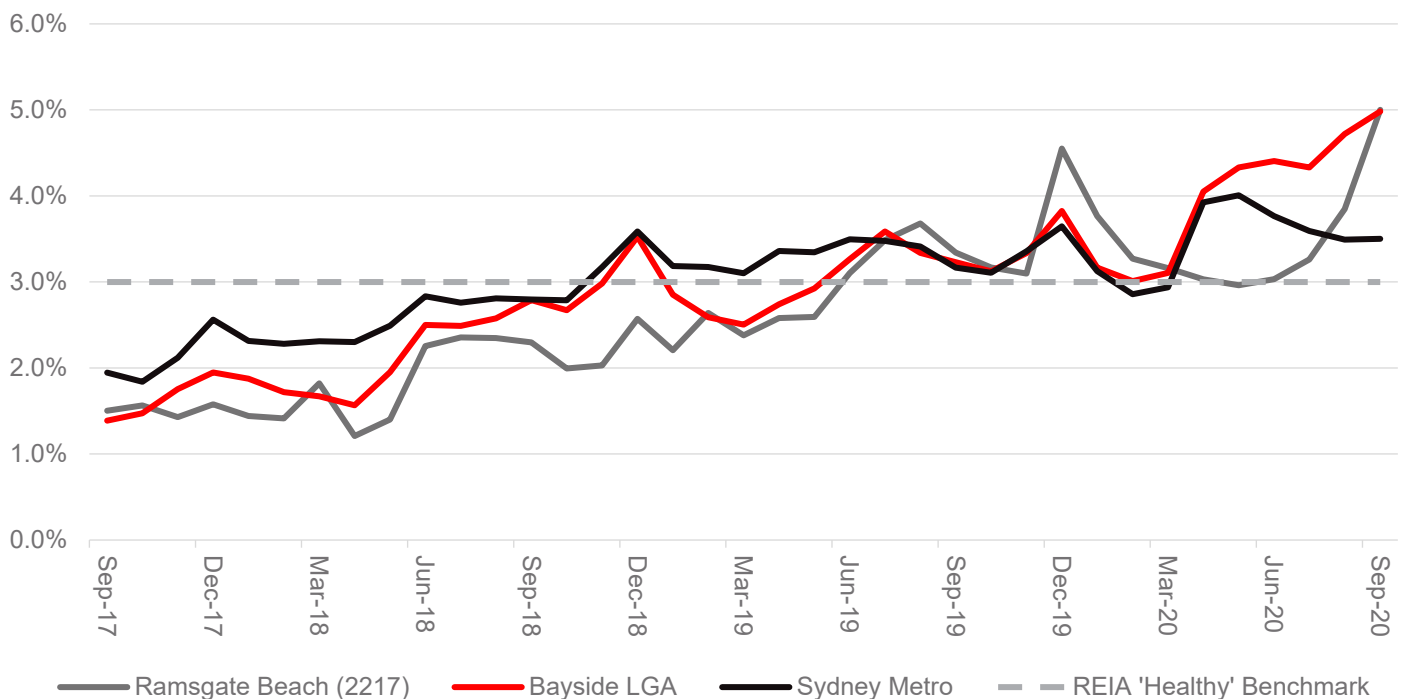
In September 2020, house rental yields in Ramsgate Beach* were recorded at 2.8%. In the 12 months to Q3 2020, the median house rental price softened slightly to sit at \$600 per week, however average days on the market declined by a notable -23.1% (to 20 days). Overall this suggests a relatively resilient rental market despite COVID-19.

4+ bedroom houses have provided investors with +6.3% rental growth annually, with a median rent of \$850 per week.

Also in September 2020, Ramsgate Beach* recorded a vacancy rate of 5.0%, on-par with Bayside LGA (5.0%), but above Sydney Metro (3.5%). Vacancy rates in Ramsgate Beach* are above the Real Estate Institute of Australia's (REIA) healthy benchmark of 3.0%, due to COVID-19 conditions. Pre-COVID-19 vacancy rates sat at 4.5% and recovered to 3.0% in May 2020, thus there is proof of market recovery. That said landlords may wish to sign tenants to longer leases for security.



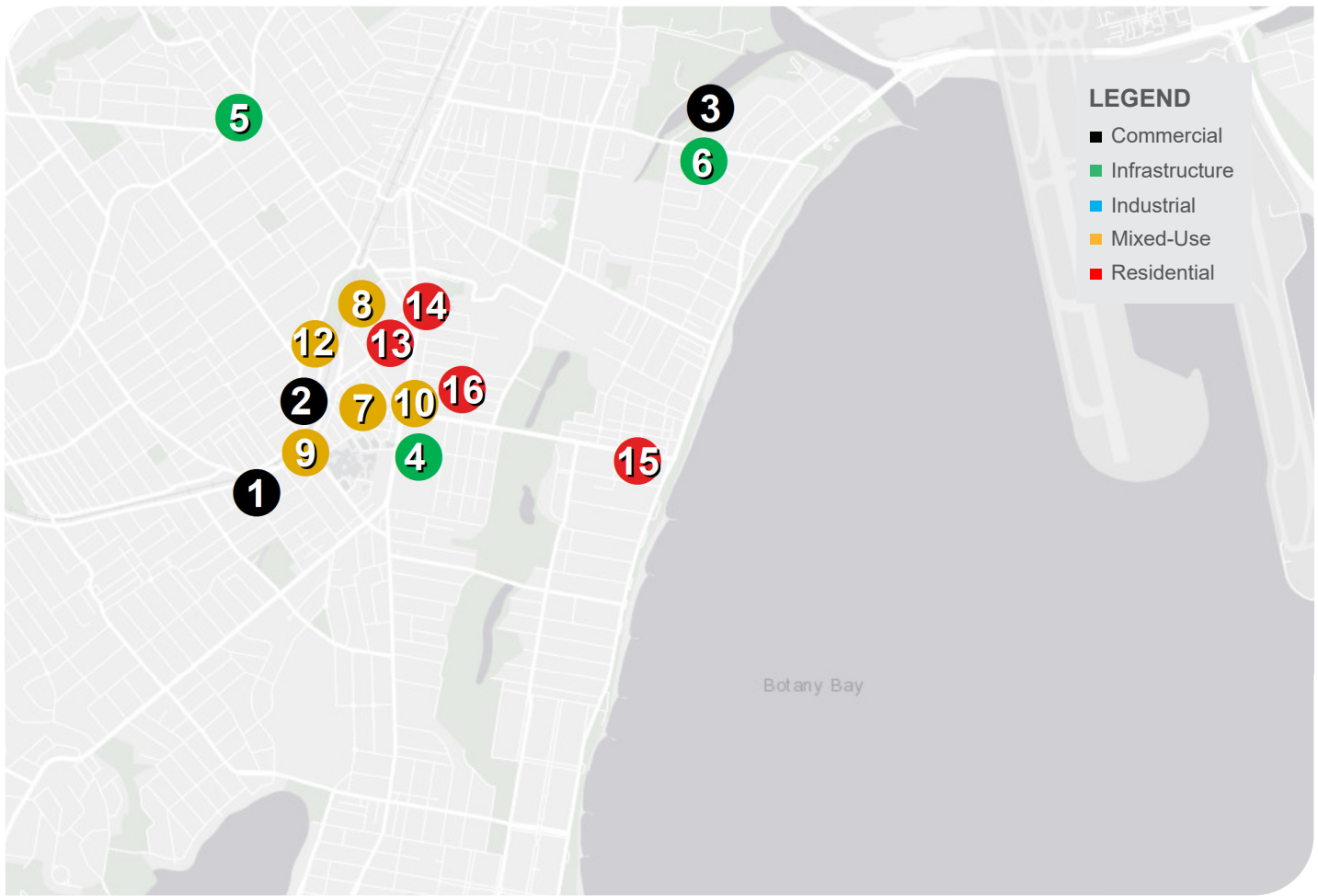
RENTAL VACANCY RATES 2020



RENTAL YIELD 2020\$



PROJECT DEVELOPMENT MAP 2ND HALF 2020*



Location	Project [€]	Type	Estimated Value [¥]	Commence Date [▼]
1	English Street Boarding House	Commercial	\$5,045,000	14/12/2020
2	Kogarah Community Dental Clinic	Commercial	\$1,914,000	07/09/2020
3	Muddy Creek Boating & Amateur Fishing Association	Commercial	\$1,200,000	12/10/2020
4	M6 Extension Stage 1	Infrastructure	\$1,000,000,000	20/12/2020
5	Bayside Council Residential Houses	Infrastructure	\$500,000	30/10/2020
6	Bestic Street Fishermans Club	Infrastructure	\$400,000	01/12/2020
7	Montgomery Street Mixed Use Building (61 Apartments)	Mixed-Use	\$30,268,000	19/07/2020
8	The Palms Kogarah (51 Apartments)	Mixed-Use	\$19,780,000	18/08/2020
9	Railway Parade Mixed Use Development (52 Apartments)	Mixed-Use	\$18,300,000	09/10/2020
10	Princes Highway Mixed Use Development (52 Apartments)	Mixed-Use	\$16,709,000	16/11/2020
Not mapped	Rocky Point Road Mixed Use Development (38 Apartments)	Mixed-Use	\$16,216,000	01/12/2020
12	Regent Street Mixed Use Development	Mixed-Use	\$3,271,000	11/07/2020
13	Regent Street Apartments - Kogarah Grand (127 Apartments)	Residential	\$38,200,000	14/11/2020
14	Stanley Street Residential Site (100 Apartments)	Residential	\$25,000,000	26/10/2020
15	President Avenue Units Monterey (16 Units)	Residential	\$4,439,000	14/08/2020
16	Green Street Dwellings (6 Dwellings)	Residential	\$1,581,000	14/12/2020

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.



Frank Mazotta, Principal
M +61 400 804 041
E frank@prdbn.com.au

PRD Ramsgate Beach
P +61 2 9529 4666
F +61 2 9529 4044

207 Ramsgate Road
Ramsgate Beach NSW 2217

PRD.com.au/ramsgatebeach

REFERENCES

* Ramsgate Beach market data and key indicators encapsulates aggregate property market conditions within the suburbs of Ramsgate Beach, Kyeemagh, Kogarah, Sandringham, Monterey, Sans Souci.

** 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 2020 (01/01/2020 – 30/09/2020) only.

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€ Annual rental growth is a comparison between 2019 (01/01/2019 – 30/06/2019) and 2020 (01/01/2020 – 30/09/2020) house median rent figures.

¥ Ramsgate Beach market data encapsulates aggregate property conditions within the postcode of 2217.

§ Rental yields shown are as reported at September 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 of Ramsgate Beach, Kyeemagh, Kogarah, Sandringham, Monterey, Sans Souci.

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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