



Oatley Market Update 1st Half 2021



OVERVIEW

In Q1 2021, Oatley* recorded a median house price of \$1,481,500, and a median unit price of \$650,000. This represents annual (Q1 2020 – Q1 2021) median price growth of 14.0% for houses and 2.4% for units. Between Q1 2020 – Q1 2021 total sales in both markets increased, by 11.5% for houses (to 87 sales) and by 13.6% for units (to 67 sales). Median price growth alongside increased sales suggests real returns on capital investment in Oatley*. Now is the time to transact, particularly for owner-occupiers looking to benefit from a highly demanded market.

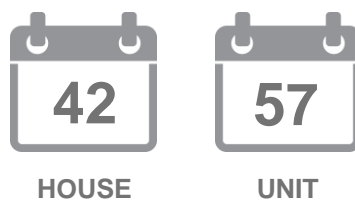
	CHANGE FROM LAST	YEAR	HALF YEAR
	House Sales	↑	↑
	House Median Price	↑	↑
	House Rental Price	↓	↑
	Unit Sales	↑	↓
	Unit Median Price	↑	↑
	Unit Rental Price	↓	↓

MARKET CONDITIONS

SALES MEDIAN PRICE Q1 2021



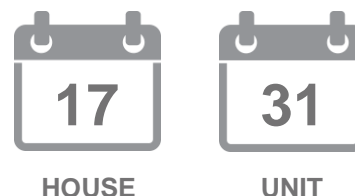
SALES AVERAGE DAYS ON MARKET Q1 2021



RENTAL MEDIAN PRICE Q1 2021

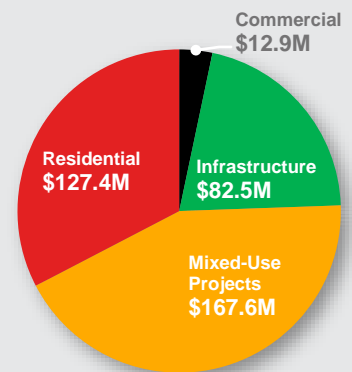


RENTAL AVERAGE DAYS ON MARKET Q1 2021



FUTURE DEVELOPMENTS

Oatley* is set to see approximately **\$390.4M** worth of new projects commencing in the 1st half of 2021.



A blend of residential and mixed-use projects will add new housing stock to the market, which is needed to answer demand, as well as create jobs in the construction industry. These projects will stimulate economic growth in the area, which will have a positive spill-over impact on the real estate market.

A main commercial project over the 1st half of 2021 is the \$3.8M re-fit of Woolworths Hurstville, which will reconfigure the store to include new shelving and refrigeration, serveries, staff amenities, BWS, and more. Residential projects like Regent Street Units (\$29.1M, 94 units) and Wyuna Street Units – The Park (\$21.4M, 64 units) are vital to ensure population growth is well-met by new dwelling stock.

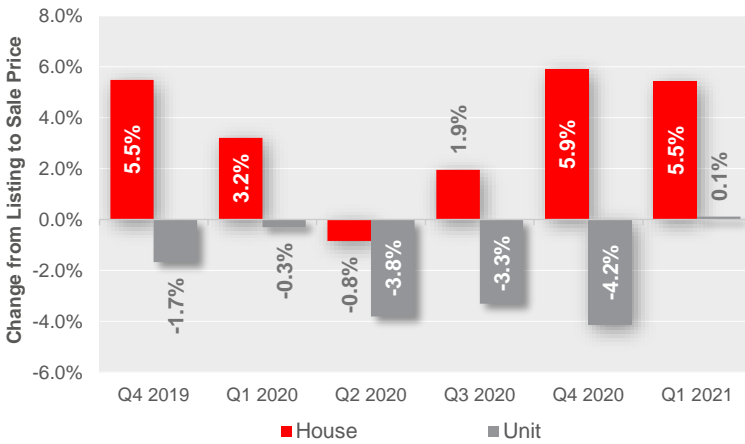
Key mixed-use projects include: Princess Highway (\$15.9M, 37 units, 8 commercial), and Stellar Hurstville (\$37.4M, 106 units, 2 commercial)



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.

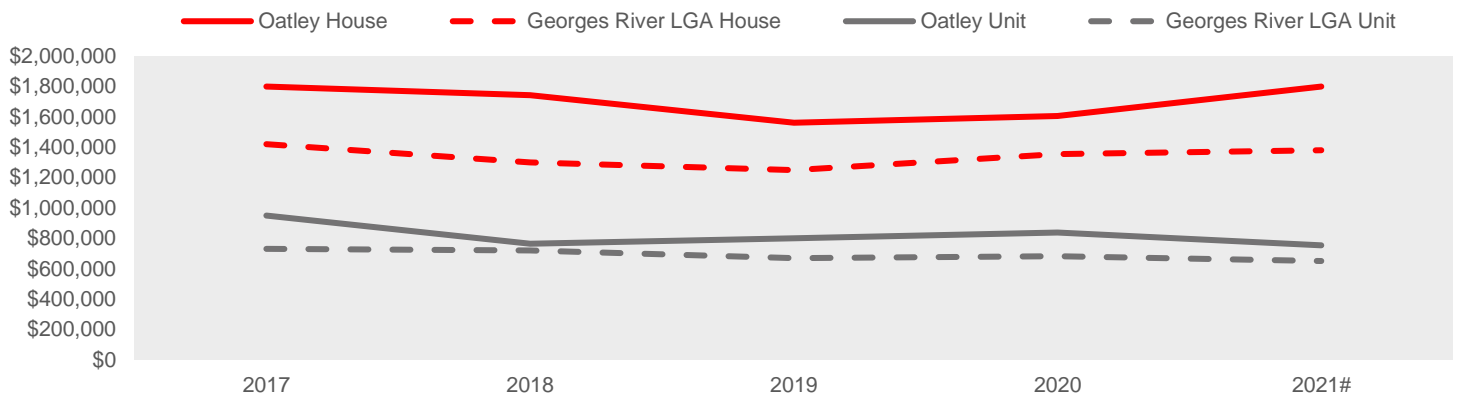
Average vendor discounts between Q1 2020 and Q1 2021 have further widened in premium for houses, to 5.5%, and have swing to a premium of 0.1% for units. Market conditions in Oatley* have now shifted to favour vendors, as buyers are willing to offer above first listed prices, particularly for houses. 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 into 2021#, and more so for houses.

The dominant proportion of homes sold in Oatley* across 2020/21^ were in the middle-price point of \$1.2M-\$1.4M (28.6%), while units recorded a dominant lower-middle price point of \$500K-\$600K (34.5%). This reveals that despite a strong presence in the premium market there is variously priced stock available, in good news for buyers considering affordable options.

MARKET COMPARISON

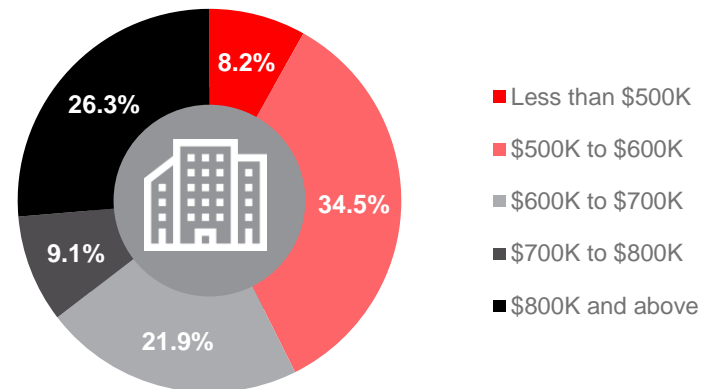
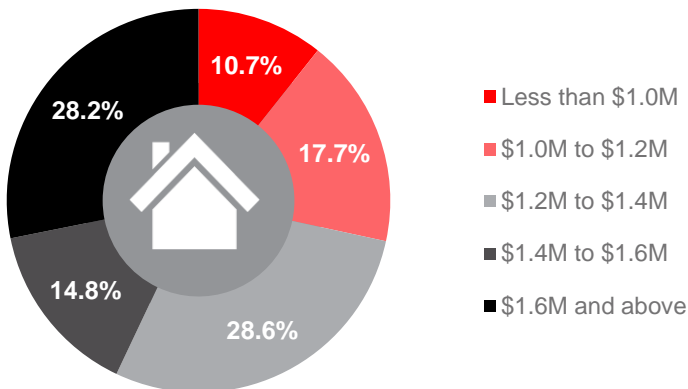


The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Oatley.

PRICE BREAKDOWN 2020/21^

HOUSES SOLD

UNITS SOLD

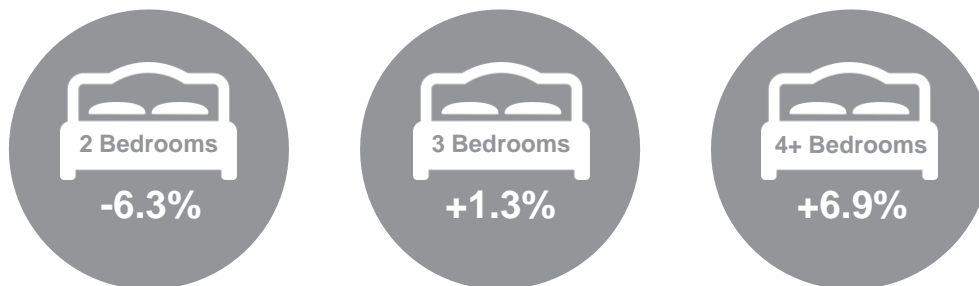


RENTAL GROWTH 2020/21€

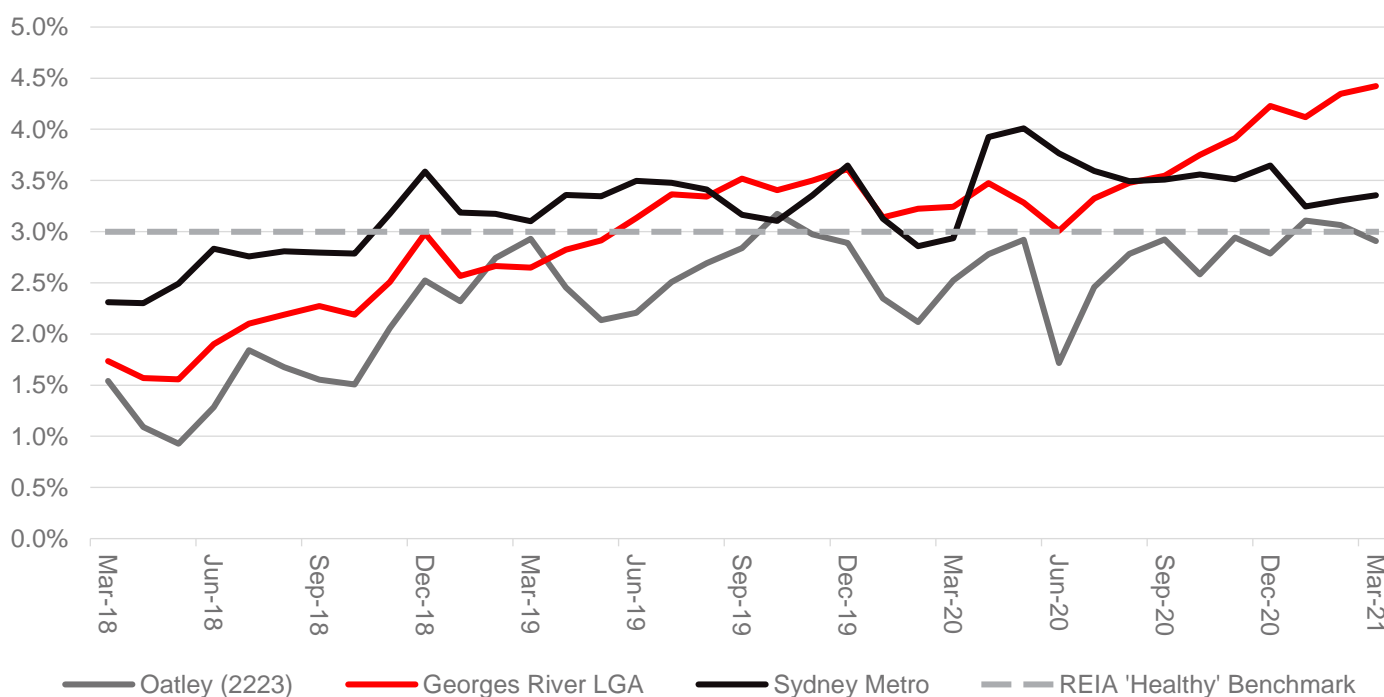
In March 2021, house rental yields in Oatley* were recorded at 2.0%. In the 12 months to Q1 2021, the median house rental price has softened by -9.2% to sit at \$590 per week, however average days on the market declined by -42.3% (to 17 days). Overall this is not an unexpected result given COVID-19's impacts, yet encouraging that properties are rented quicker.

4+ bedroom houses have provided investors with +6.9% rental growth annually, achieving a median rent of \$770 per week.

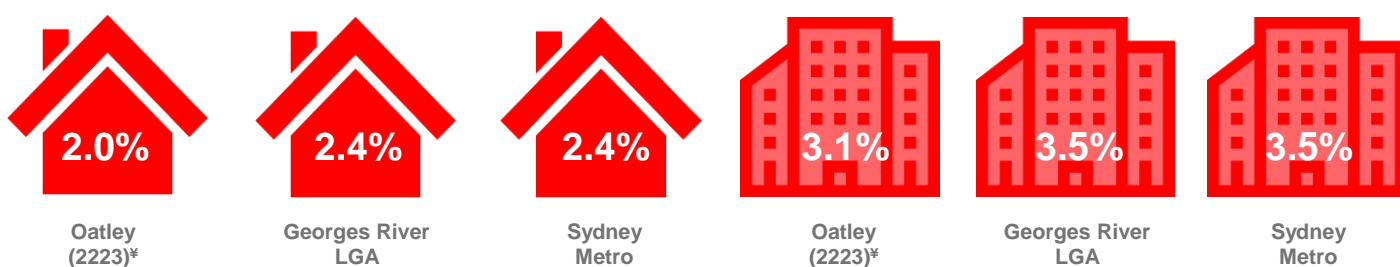
Also in March 2021, Oatley* recorded a vacancy rate of 2.9%, well below Georges River LGA (4.4%) and Sydney Metro (3.4%). Despite an upward trend in vacancy rates in Oatley* in the past 12 months there has been a recent decline, since January 2021. This puts the vacancy rate just below the Real Estate Institute of Australia's healthy benchmark of 3.0%. This suggest a rental market recovery, with rental demand improving, amidst COVID-19 conditions.



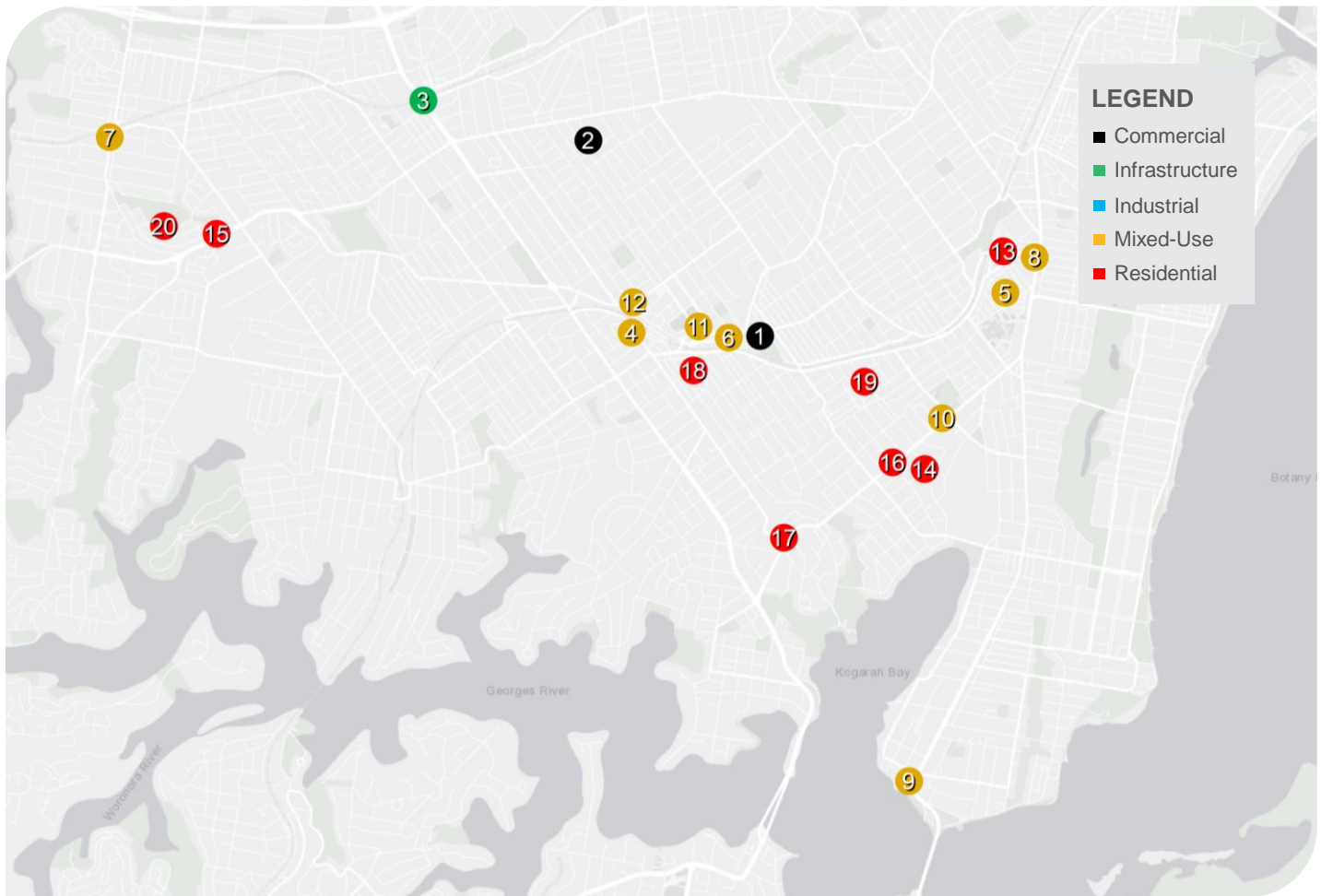
RENTAL VACANCY RATES 2021



RENTAL YIELD 2021§



TOP DEVELOPMENTS MAP 1ST HALF 2021[Ⓐ]



Location	Project [£]	Type	Estimated Value [Ⓜ]	Commence Date [Ⓜ]
1	Woolworths	Commercial	\$3,769,000	20/06/2021
2	LAHC Hurstville	Commercial	\$3,500,000	11/02/2021
3	King Georges Road Widening	Infrastructure	\$80,000,000	05/04/2021
4	Stellar Hurstville (106 Units)	Mixed-use	\$37,472,000	10/03/2021
5	Montgomery Street Mixed Use Building (61 Apartments)	Mixed-use	\$30,268,000	25/01/2021
6	Forest Rd Mixed Development (116 Units)	Mixed-use	\$22,040,000	01/03/2021
7	Belmore Road Mixed Use Development (33 Units)	Mixed-use	\$17,205,000	05/03/2021
8	Princes Highway Mixed Use Development (52 Apartments)	Mixed-use	\$16,709,000	14/06/2021
9	Rocky Point Road Mixed Use Development (38 Apartments)	Mixed-use	\$16,216,000	17/06/2021
10	Princes Highway Mixed Use Development (37 Units)	Mixed-use	\$15,920,000	12/04/2021
11	Park Road Mixed Use Development (19 Apartments)	Mixed-use	\$6,504,000	06/04/2021
12	International Community Fellowship Carrington Av Mixed Development (16 Units)	Mixed-use	\$5,245,000	25/06/2021
13	Regent Street Units (94 Units)	Residential	\$29,120,000	11/05/2021
14	Wyuna Street Units - The Park (64 Units)	Residential	\$21,404,000	12/04/2021
15	Forest Road Units - The Postmark (72 Units)	Residential	\$17,384,000	26/04/2021
16	Wyuna Street Units (64 Units)	Residential	\$16,421,000	19/03/2021
17	Princes Highway Units (43 Units)	Residential	\$12,990,000	05/06/2021
18	Empress Street Apartments (28 Apartments)	Residential	\$7,933,000	05/05/2021
19	Bembridge Street Apartments (23 Apartments)	Residential	\$5,795,000	05/06/2021
20	Trafalgar Street Apartments (14 Apartments)	Residential	\$3,863,000	12/04/2021

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

REFERENCES

* Oatley market data and key indicators encapsulates aggregate property market conditions within the suburbs of 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.

2021 encapsulates sales transactions for Q1 2021 (01/01/2021 – 31/03/2021).

^ 2020/21 encapsulates sales transactions for 2020 & Q1 2021 (01/01/2020 – 31/03/2021).

€ Annual rental growth is a comparison between 2019 (01/01/2019 – 31/12/2019) and 2020/21 (01/01/2020 – 31/03/2021) house median rent figures.

¥ Oatley market data encapsulates aggregate property conditions within the postcode of 2223.

§ Rental yields shown are as reported as of March 2021.

⌘ 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 Mortdale, Oatley, Hurstville Grove, Penshurst, Lugarno, and Peakhurst Heights.

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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