



Macquarie Park and Surrounds Market Update 2nd Half 2021



OVERVIEW

In Q2 2021, Macquarie Park* (which throughout this report includes Macquarie Park, North Ryde, Epping, West Ryde, and Eastwood) recorded a median house price of \$2,100,000 and a median unit price of \$876,500. This is an annual (Q2 2020 – Q2 2021) median price growth of 23.5% for houses and 6.4% for units. Between Q2 2020 – Q2 2021 total sales increased, by 103.1% for houses (to 197 sales) and by 83.3% for units (to 363 sales). With median price growth and an increase in the number of sales there is real returns in investment. Macquarie Park* presents an opportunity for owner-occupiers.

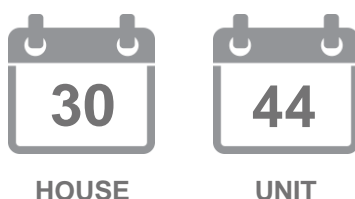
	CHANGE FROM LAST	YEAR	HALF YEAR
	House Sales	↑	↑
	House Median Price	↑	↑
	House Rental Price	↓	↓
	Unit Sales	↑	↑
	Unit Median Price	↑	↑
	Unit Rental Price	↓	↔

MARKET CONDITIONS

SALES MEDIAN PRICE Q2 2021



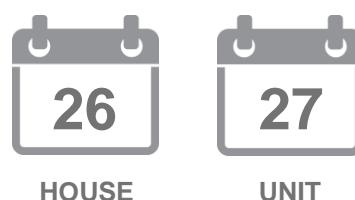
SALES AVERAGE DAYS ON MARKET Q2 2021



RENTAL MEDIAN PRICE Q2 2021

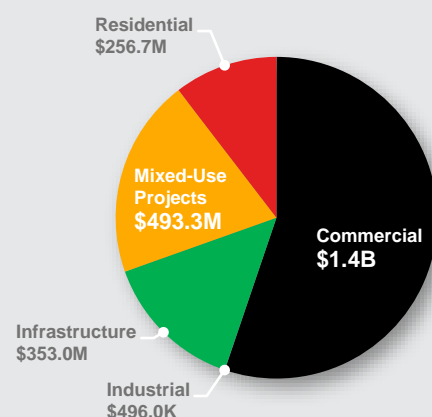


RENTAL AVERAGE DAYS ON MARKET Q2 2021



FUTURE DEVELOPMENTS

Macquarie Park* is set to see approximately **\$2.50B worth of new projects commencing in the 2nd half of 2021.**



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

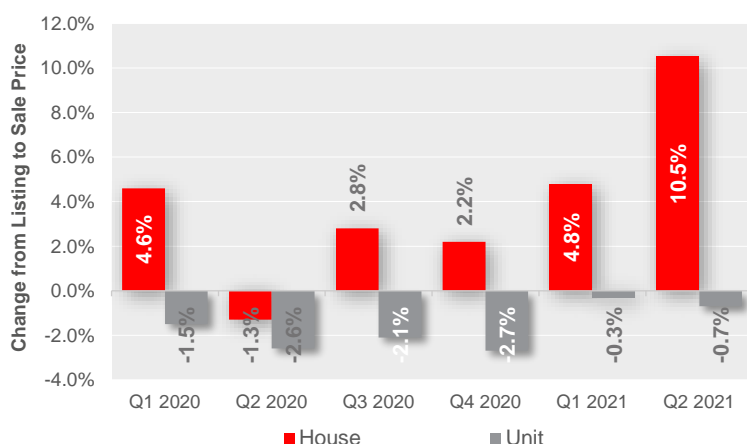
A main commercial project over the 2nd half of 2021 is the Macquarie Park Commerce Centre (\$334.8M), which will redevelop the former Dick Smith site into four buildings with commercial offerings, ranging from 9 to 17 storeys. The 45-61 Waterloo Overall Masterplan Stages 1-6 project (\$327.5M) will construct and redevelop roads to accommodate for new commercial complexes.

The Morling College mixed-use development (\$239.4M) will add 416 apartments and multiple retail tenancies across two precincts. Combined with the Epping Road Apartments residential project (\$146.3M, 317 units) this will add key ready-to-sell housing stock, to answer the current high demand in Macquarie Park.



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.

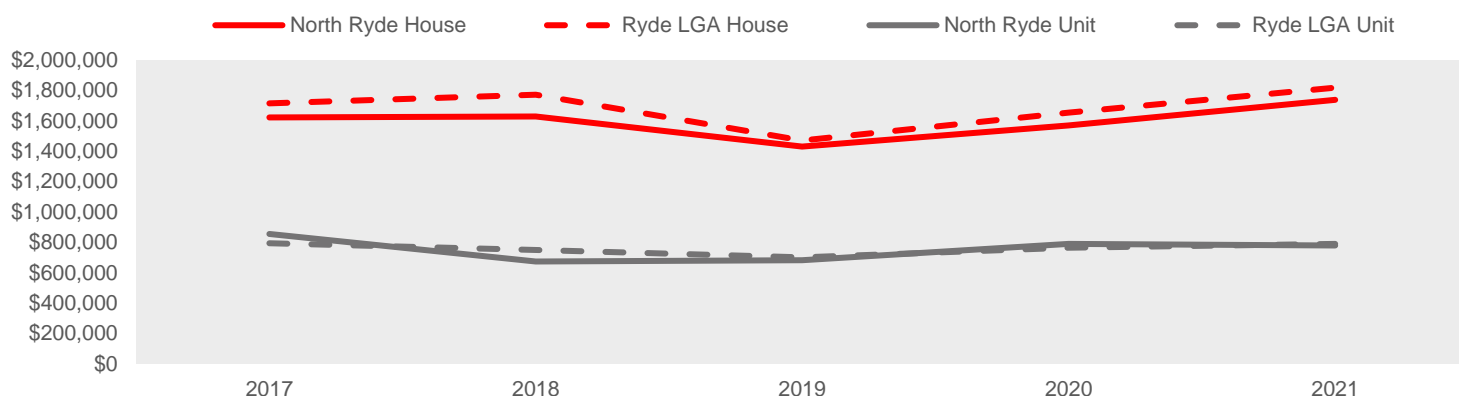


Average vendor discounts between Q2 2020 and Q2 2021 have extraordinarily swung to a premium of 10.5% for houses and tightened to -0.7% for units. Market conditions in Macquarie Park* have shifted to favour vendors, where buyers must offer large premiums above the initial listed prices for houses. Yet there is still opportunity in the unit market for a slight discount.

The suburb of North Ryde has historically performed very closely to the wider Ryde Local Government Area (LGA) in both house and unit median prices. This has continued to be the case throughout 2021#.

The dominant proportion of homes sold in Macquarie Park* across 2021^ were in the premium price bracket of \$2,000,000 and above (35.8%). Units also recorded a dominant premium price points of above \$900,000 (37.6%). There is a preference for premium stock in the market with limited supply of affordable options, with more availability in the unit market.

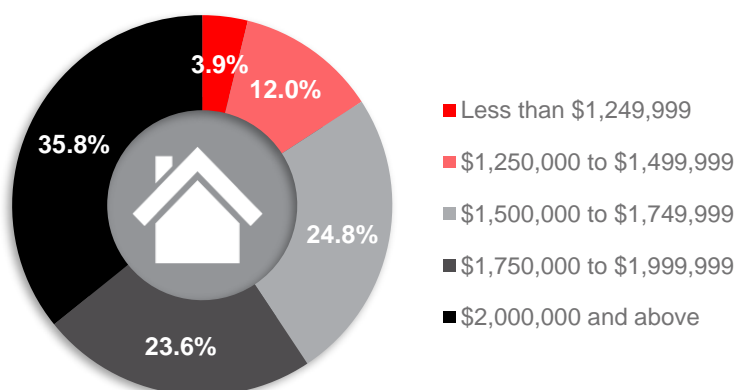
MARKET COMPARISON



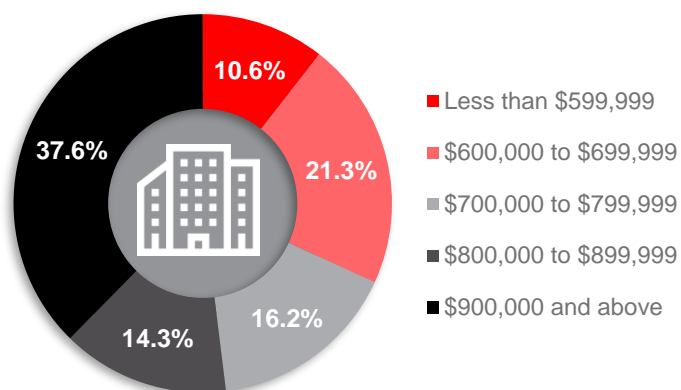
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Macquarie Park.

PRICE BREAKDOWN 2021^

HOUSES SOLD



UNITS SOLD

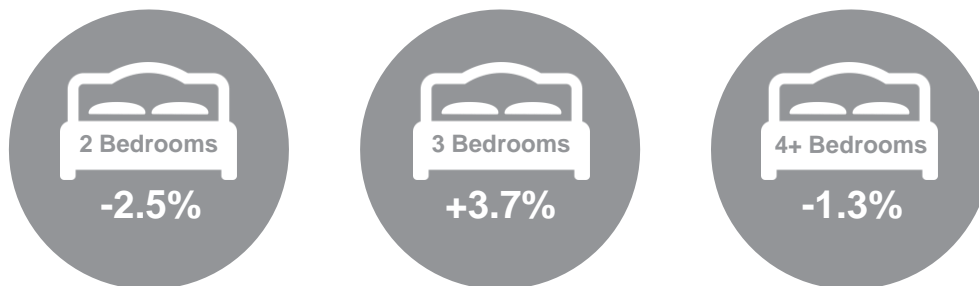


RENTAL GROWTH 2021€

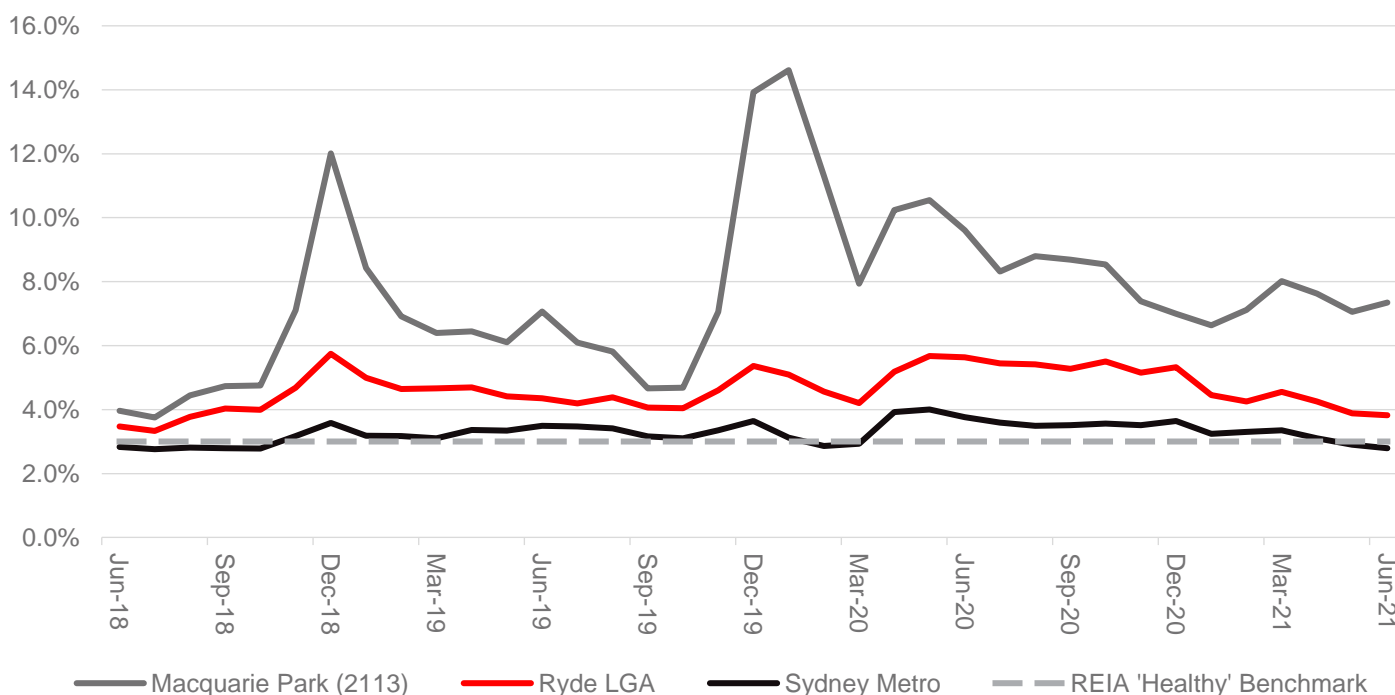
In June 2021, house rental yields in Macquarie Park* were recorded at 2.2%. In the 12 months to Q2 2021, the median house rental price has slightly softened to sit at \$630 per week, however average days on the market declined by -16.1% (to 26 days). This is reflective of COVID-19's impact on the property market.

3 bedroom houses have provided investors with +3.7% rental growth annually€, with a median rent of \$620 per week.

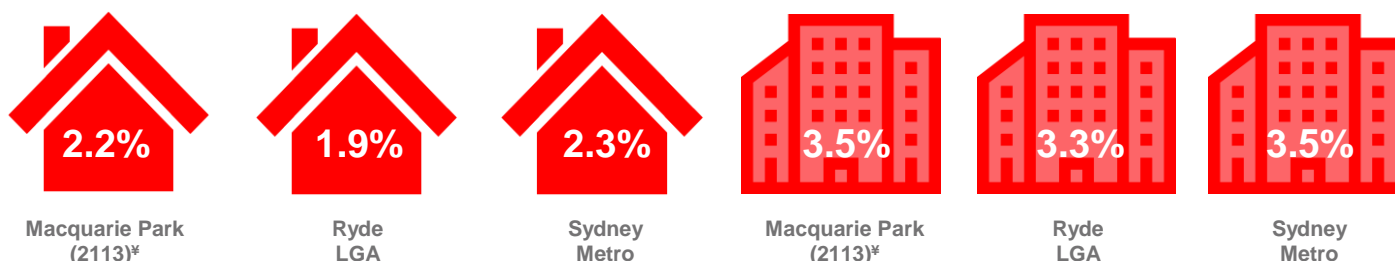
Also in June 2021, Macquarie Park* recorded a vacancy rate of 7.3%, above that of Ryde LGA (3.8%) and Sydney Metro (2.8%). Vacancy rates in Macquarie Park* also sit above the Real Estate Institute of Australia's healthy benchmark of 3.0%, though the market has been recovering since its peak in January 2020. This downward trend highlights the future potential of Macquarie Park*, while also prompting current investors to have tenants sign longer-term leases for security of cashflow.



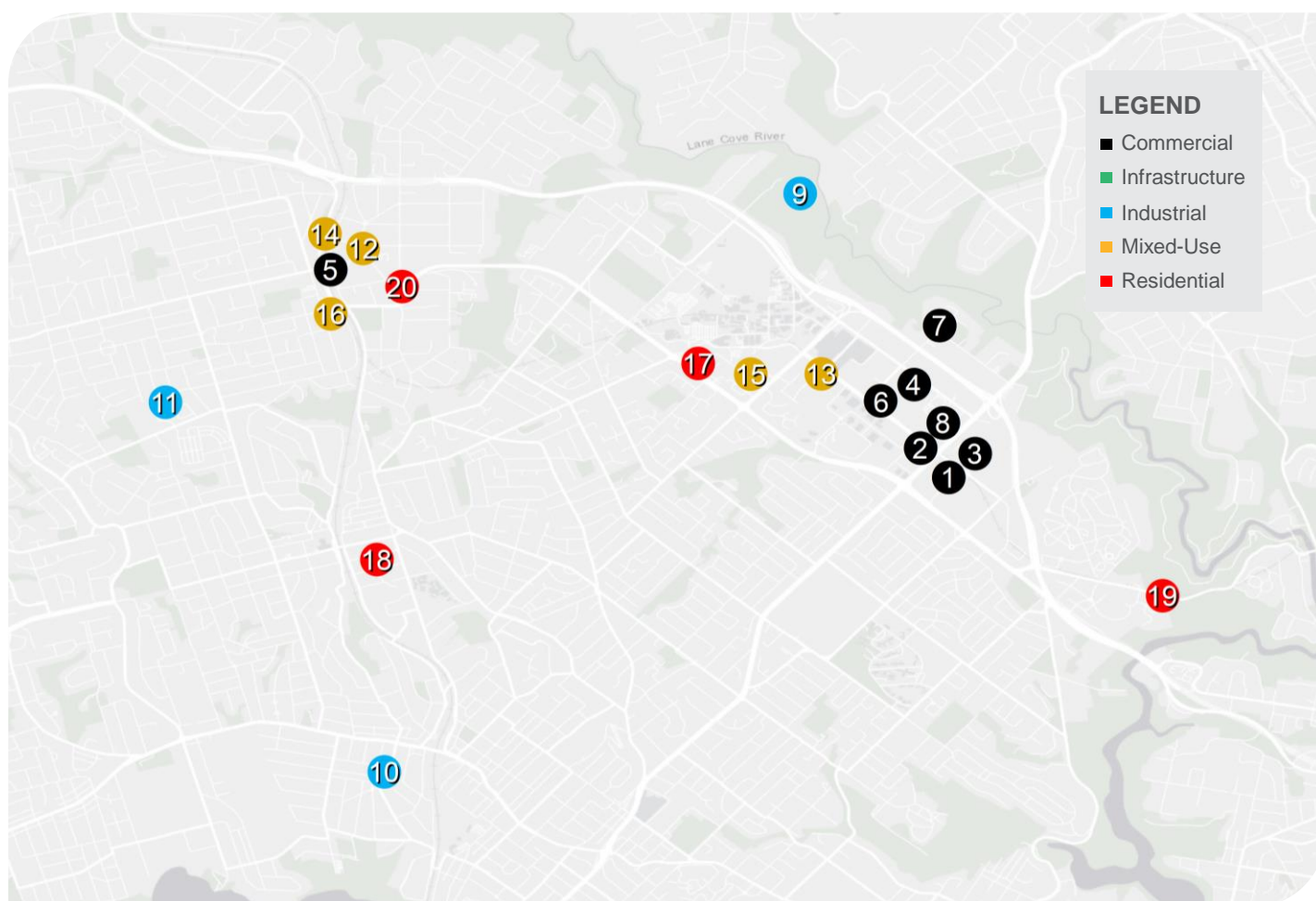
RENTAL VACANCY RATES 2021



RENTAL YIELD 2021\$



TOP DEVELOPMENTS MAP 2ND HALF 2021[▲]



Location	Project [£]	Type	Estimated Value [¤]	Commence Date [¥]
1	Macquarie Park Commerce Centre - MQX4	Commercial	\$334,840,000	06/09/2021
2	Macquarie Park Commerce Centre - Macquarie Exchange	Commercial	\$19,140,000	26/06/2021
3	Eden Park Drive Commercial Building	Commercial	\$52,652,000	23/08/2021
4	M_park At Macquarie Park	Commercial	\$81,271,000	04/12/2021
5	Oxford & Cambridge Streets Aged Care Facility	Commercial	\$181,000,000	01/11/2021
6	M_park At Macquarie Park - Stage 1	Commercial	\$75,000,000	22/11/2021
7	Macquarie Park Data Centre - M_park	Commercial	\$263,626,000	10/06/2021
8	45-61 Waterloo - Overall Masterplan Stages 1-6	Commercial	\$327,565,000	06/12/2021
9	Ivanhoe Estate Stage 1 - Midtown Macpark	Infrastructure	\$260,000,000	11/10/2021
10	Transport For NSW Commuter Car Parks	Infrastructure	\$49,708,000	06/04/2021
11	Epping Schools (South & West)	Infrastructure	\$40,000,000	09/11/2021
12	Oxford Street Shop Top Housing	Mixed-use	\$126,752,000	20/11/2021
13	Cottonwood Crescent & Waterloo Road Mixed Use Building (132 Apartments)	Mixed-use	\$67,561,000	11/11/2021
14	Cambridge Street Shop Top Housing (84 Apartments)	Mixed-use	\$45,915,000	14/06/2021
15	Morling College (416 Apartments)	Mixed-use	\$239,461,000	02/07/2021
16	Bridge St Mixed Use Development (39 Units)	Mixed-use	\$13,575,000	03/12/2021
17	Epping Road Apartments (317 Apartments)	Residential	\$146,333,000	15/04/2021
18	Second Av Units (31 Units)	Residential	\$14,621,000	26/08/2021
19	Lachlans Line Stages 2 & 3	Residential	\$50,000,000	25/10/2021
20	Crandon Rd Units - Origin Apartments (63 Units)	Residential	\$15,805,000	07/01/2021

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.



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REFERENCES

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

2021 encapsulates sales transactions for 1H 2021 (01/01/2021 – 30/06/2021).

^ 2021 encapsulates sales transactions for 1H 2021 (01/01/2021 – 30/06/2021).

€ Annual rental growth is a comparison between 1H 2020 (01/01/2020 – 30/06/2020) and 1H 2021 (01/01/2021 – 30/06/2021) house median rent figures.

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

§ Rental yields shown are as reported as of June 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 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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