

Hurstville Market Update 2nd Half 2021



OVERVIEW

In Q2 2021, Hurstville* recorded a median house price of \$1,686,000, and a median unit price of \$645,000. This represents annual (Q2 2020 – Q2 2021) median price growth of 2.2% for houses and a price softening of -11.9% for units. Between Q2 2020 – Q2 2021 total sales in both markets increased, by 188.2% for houses (to 49 sales) and by 39.7% for units (to 88 sales). This makes now an ideal to sell stand alone dwellings, as price growth combined with an increase in sales suggest real returns in investment. The unit market is suggesting an oversupply, thus an opportunity for first home buyers.

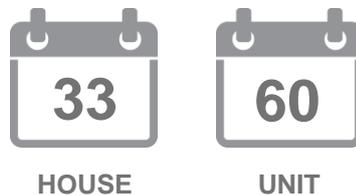
	CHANGE FROM LAST	YEAR	HALF YEAR
			
House Sales		↑	↑
House Median Price		↑	↑
House Rental Price		↓	↓
			
Unit Sales		↑	↑
Unit Median Price		↓	↓
Unit Rental Price		↓	↓

MARKET CONDITIONS

SALES MEDIAN PRICE Q2 2021



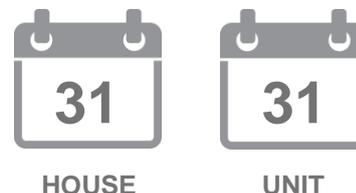
SALES AVERAGE DAYS ON MARKET Q2 2021



RENTAL MEDIAN PRICE Q2 2021

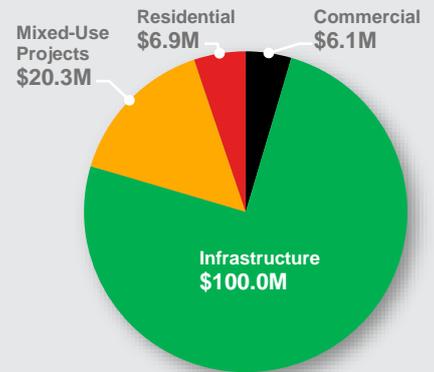


RENTAL AVERAGE DAYS ON MARKET Q2 2021



FUTURE DEVELOPMENTS

Hurstville* is set to see approximately **\$133.3M** worth of new projects commencing in the 2nd half of 2021.



A focus on infrastructure and mixed-use projects will drive an upgrade and creation of amenities, additional housing stock, and jobs, which altogether are drivers that will positively impact the local property market.

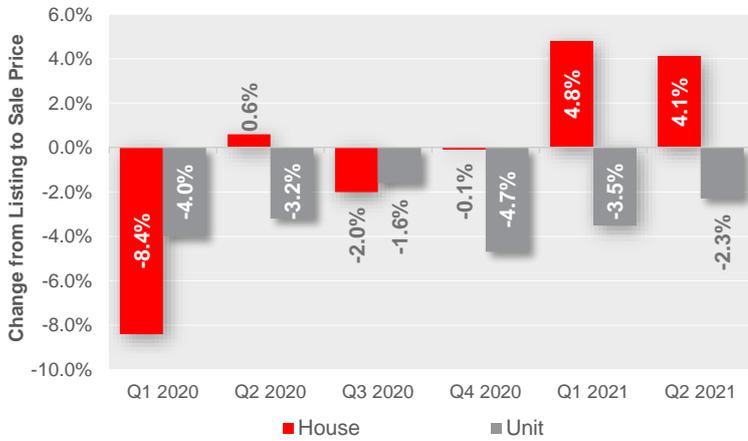
A key infrastructure over the period is the \$100.0M King Georges Road widening, which will widen the road between Stoney Creek Road and Forest Road, creating an improved, safer driving experience for locals. Mixed-use projects (\$20.3M, 43 units) will create new housing supply and bring further amenities and upgrades to Hurstville.

Key residential projects include: Railway Parade Apartments (\$5.4M, 19 apartments) and Derwent Street Dwellings (\$1.4M, 6 dwellings). There is a current undersupply for stand-alone houses / dwellings, and with limited new stock planned house prices will continue to increase. There is a moderate supply of units, which fits the oversupplied market. This is an opportunity for ready-to-sell house specific developers in the area.



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.

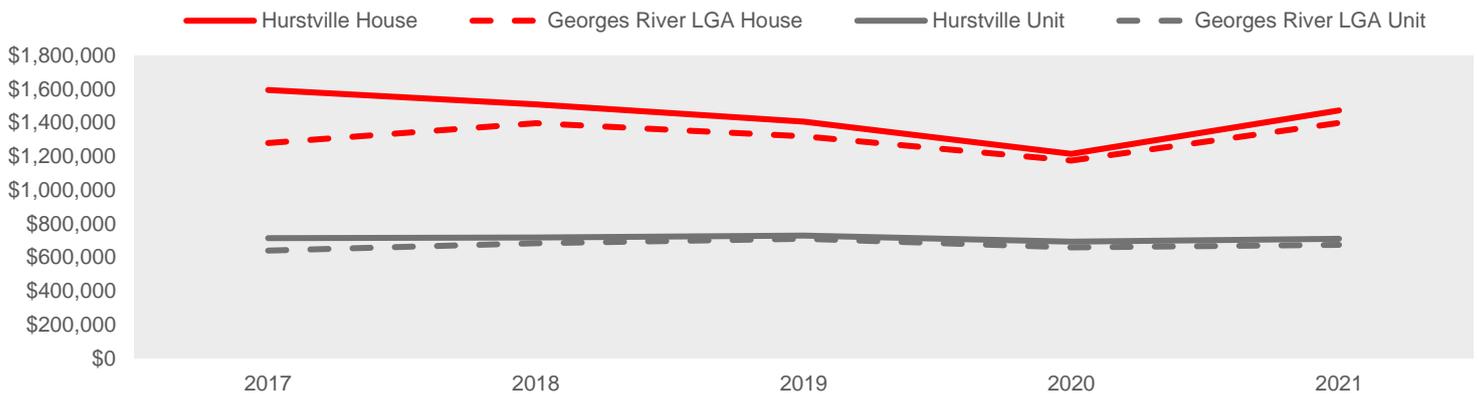


Average vendor discounts between Q2 2020 and Q2 2021 have swung to a premium of 4.1% for houses and tightened to -2.3% for units. Market conditions in Hurstville* is split, with houses selling at premiums favouring sellers, while units still favour buyers overall. This creates multiple opportunities for those wanting to transact in the market.

The suburb of Hurstville has historically outperformed the wider Georges River Local Government Area (LGA), particularly in its median house price. This continued to the case throughout 2021#.

The dominant proportion of homes sold in Hurstville* across 2021^ were in the premium price bracket of \$1,750,000 (32.0%). Units recorded a dominant middle ring price point of \$650,000-\$750,000 (29.6%). There is an appetite for more premium stock in the market. Thus, buyers looking for more affordably priced options must act quickly due to limited stock choices.

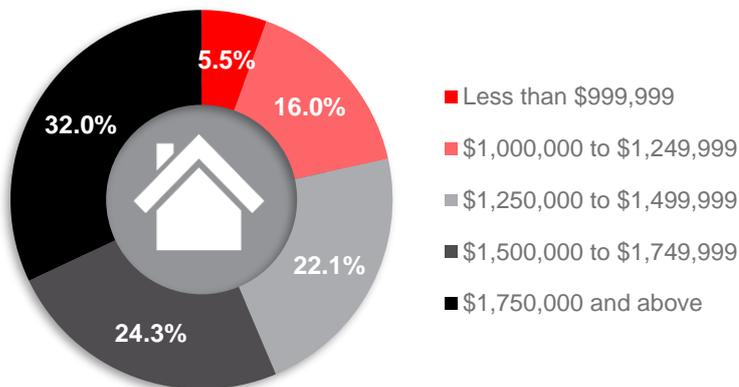
MARKET COMPARISON



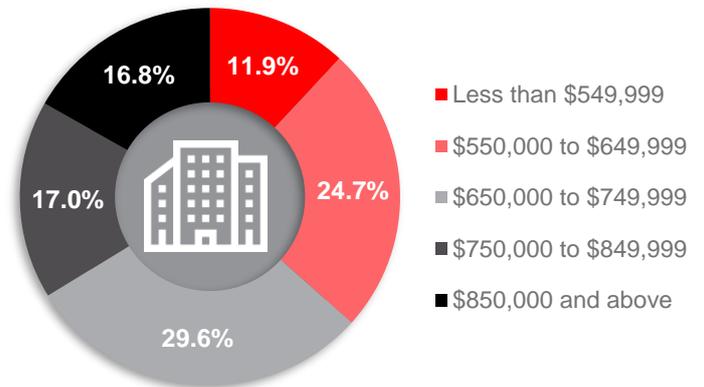
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Hurstville.

PRICE BREAKDOWN 2021^

HOUSES SOLD



UNITS SOLD



RENTAL GROWTH 2021€

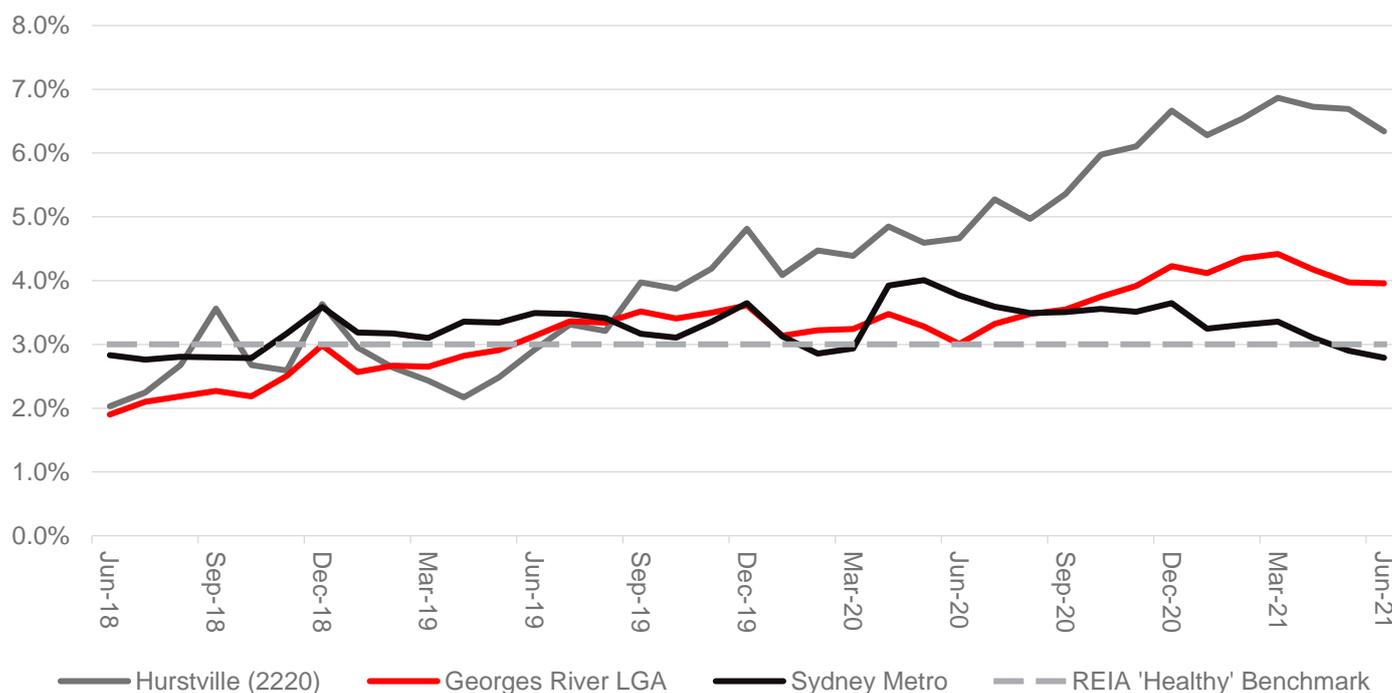
In June 2021, house rental yields in Hurstville* were recorded at 2.4%. In the 12 months to Q2 2021, the median house rental price softened slightly (by -4.5%) to \$525 per week, while average days on the market increased by 24.0% (to 31 days). This is reflective of COVID-19's impact on the property market.

3 bedroom houses were the least impacted rentals for investors with -3.8% rental decline, and median rent of \$550 per week.

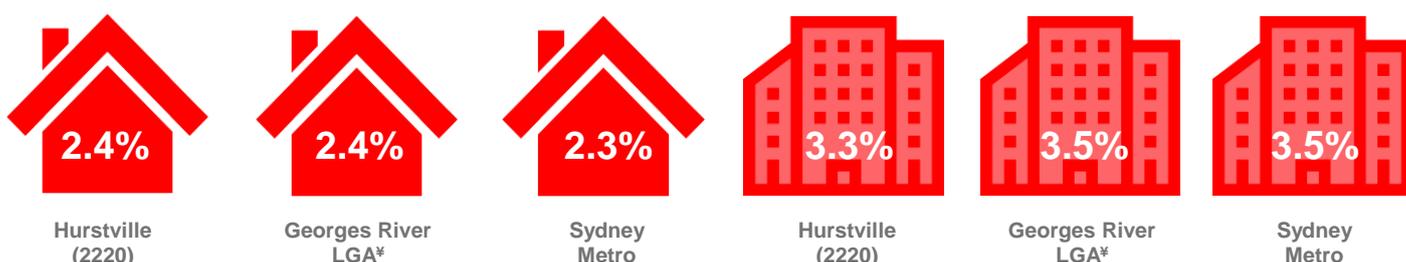
Also in June 2021, Hurstville* recorded a vacancy rate of 6.3%, above that of Georges River LGA (4.0%) and Sydney Metro (2.8%). Vacancy rates in Hurstville* continue to sit above the Real Estate Institute of Australia's healthy benchmark of 3.0%, largely due to COVID-19. The increase in vacancy rates over time is also attributed to the large number of new unit stock entering the market. Thus, unit investors in Hurstville* may wish to sign tenants to longer leases for security of cashflow.



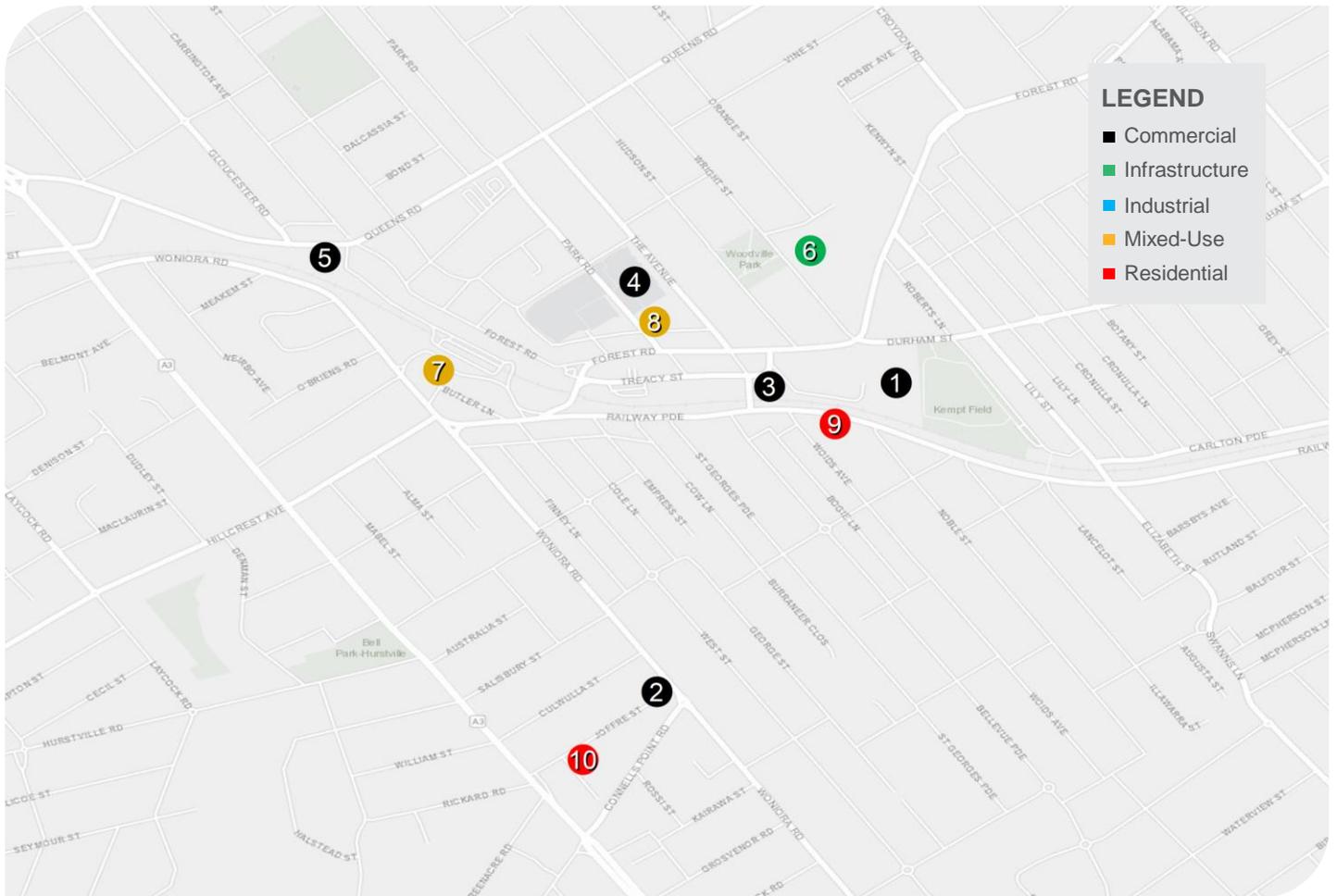
RENTAL VACANCY RATES 2021



RENTAL YIELD 2021§



TOP DEVELOPMENTS MAP 2ND HALF 2021[▲]



Location	Project [£]	Type	Estimated Value ^µ	Commence Date ^ψ
1	Woolworths	Commercial	\$3,769,000	11/11/2021
2	Woniara Road Boarding House	Commercial	\$1,652,000	14/10/2021
3	Treacy Street Restaurant	Commercial	\$250,000	01/10/2021
4	Westfield Hurstville Shopping Centre	Commercial	\$250,000	21/12/2021
5	Nara Carwash	Commercial	\$150,000	07/10/2021
6	King Georges Road Upgrade	Infrastructure	\$100,000,000	06/10/2021
7	Butler Road Mixed Use Development (24 Apartments)	Mixed-use	\$13,805,000	20/10/2021
8	Park Road Mixed Use Development (19 Apartments)	Mixed-use	\$6,504,000	18/11/2021
9	Railway Parade Apartments (19 Apartments)	Residential	\$5,464,000	22/09/2021
10	Derwent Street Dwellings (6 Dwellings)	Residential	\$1,422,000	28/11/2021

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

* Hurstville market data and key indicators encapsulates aggregate property market conditions within the suburb of Hurstville.

** 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.

¥ Georges River LGA market data encapsulates aggregate property conditions within the postcodes of 2208, 2209, 2210, 2217, 2218, 2219, 2220, 2221, 2222, and 2223.

§ 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 suburb of Hurstville.

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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