



Oatley Market Update 2nd Half 2021



OVERVIEW

In Q3 2021, Oatley* recorded a median house price of \$1,846,000, and a median unit price of \$630,000. This represents annual (Q3 2020 – Q3 2021) median price growth of 41.7% for houses and neutral growth for units (0.0%). Between Q3 2020 – Q3 2021 total sales in both markets increased, by 16.5% for houses (to 99 sales) and by 21.6% for units (to 90 sales). Strong price growth coupled with increased sales volume indicates real returns on capital investment, more so prevalent in the Oatley* housing market. Now is an ideal time for owners and down-sizers to transact in Oatley*.

	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 2021



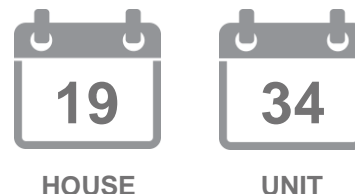
SALES AVERAGE DAYS ON MARKET Q3 2021



RENTAL MEDIAN PRICE Q3 2021

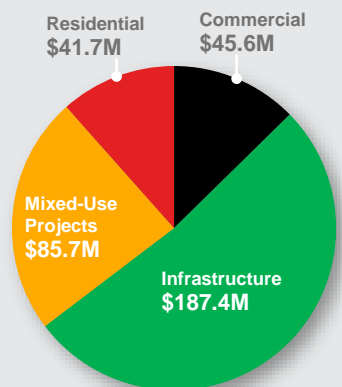


RENTAL AVERAGE DAYS ON MARKET Q3 2021



FUTURE DEVELOPMENTS

Oatley* is set to see approximately **\$360.4M** worth of new projects commencing in the 2nd half of 2021.



A strong focus on infrastructure projects will stimulate economic growth, creating employment opportunities along the way. Mixed-use and residential projects will stimulate supply in Oatley*, which should help to create sustainable price growth in the area.

Major infrastructure projects occurring in the 2nd half of 2021 include the widening and upgrade of King Georges Road (\$100.0M), which will see extensive works take place that includes the installation of retaining walls for 39 properties along the corridor.

A main commercial project over the 2nd half of 2021 is the Leigh Place Aged Care facility (\$11.1M) which will see the demolition of existing structures and construction of a residential aged care facility comprising 34 beds.

Residential projects such as The Karne Street South & Graham Road Dwellings (\$5.9M, 46 Dwellings) and Princess Highway apartments (\$6.3M, 22 units) will add essential housing supply.



346 Units/
Apartments

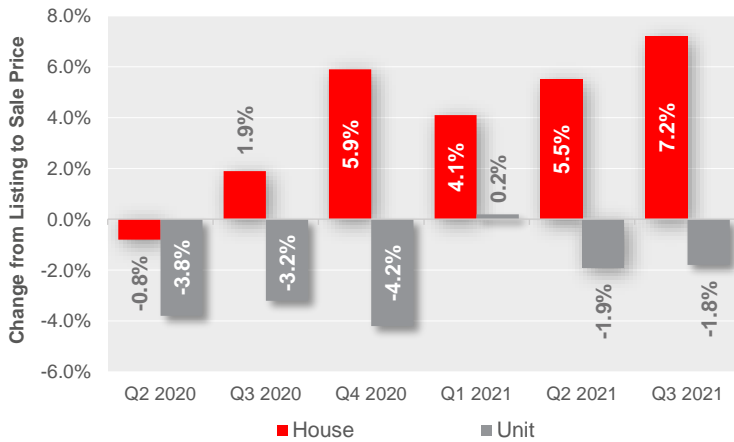


55
Dwellings

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.

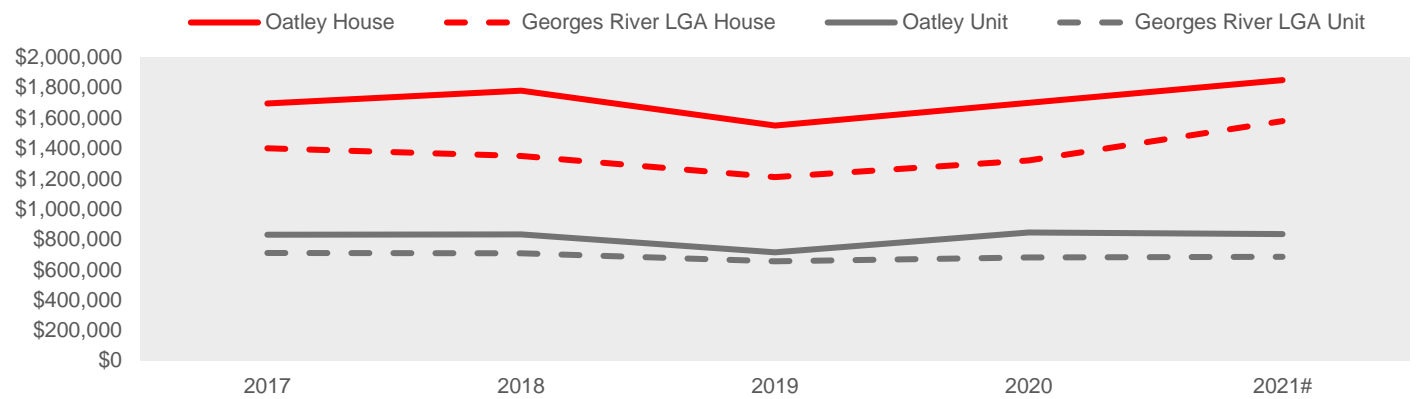
Average vendor discounts between Q3 2020 and Q3 2021 continued to swing towards a higher premium for houses, to 7.2%. Unit average vendor discount have tightened to 1.8%. Buyers in Oatley* must now either offer higher than the first list price (houses) or closer to first list price (units).



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#.

The dominant proportion of homes sold in Oatley* across 2021^ were split between the premium and affordable brackets of above \$2.0M (25.8%) and below \$1.4M (25.2%). Units recorded a dominant lower-middle price point of between \$550K - \$650K (28.4%). Despite there being relatively large percentages of more affordable stock available, these lower price rings have shrunk in the past 12 months.

MARKET COMPARISON

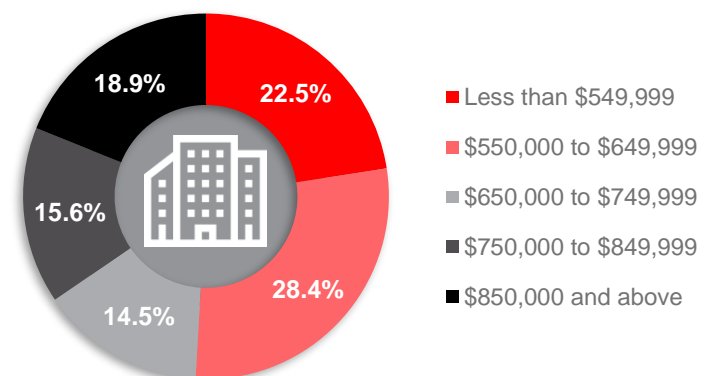
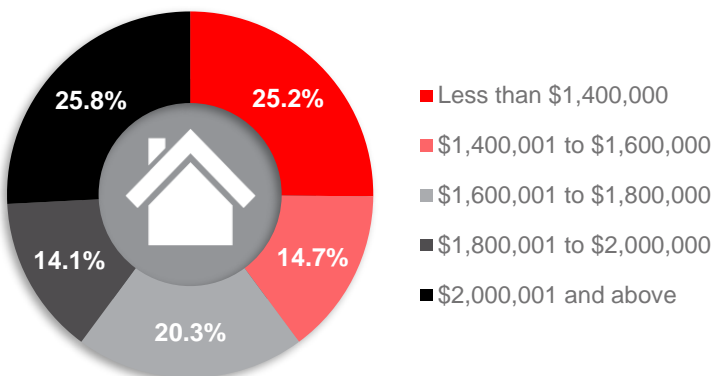


The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Oatley.

PRICE BREAKDOWN 2021^

HOUSES SOLD

UNITS SOLD

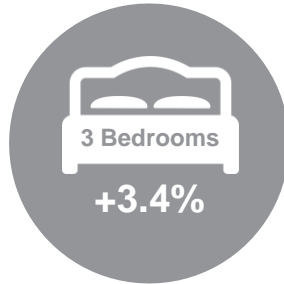


RENTAL GROWTH 2021€

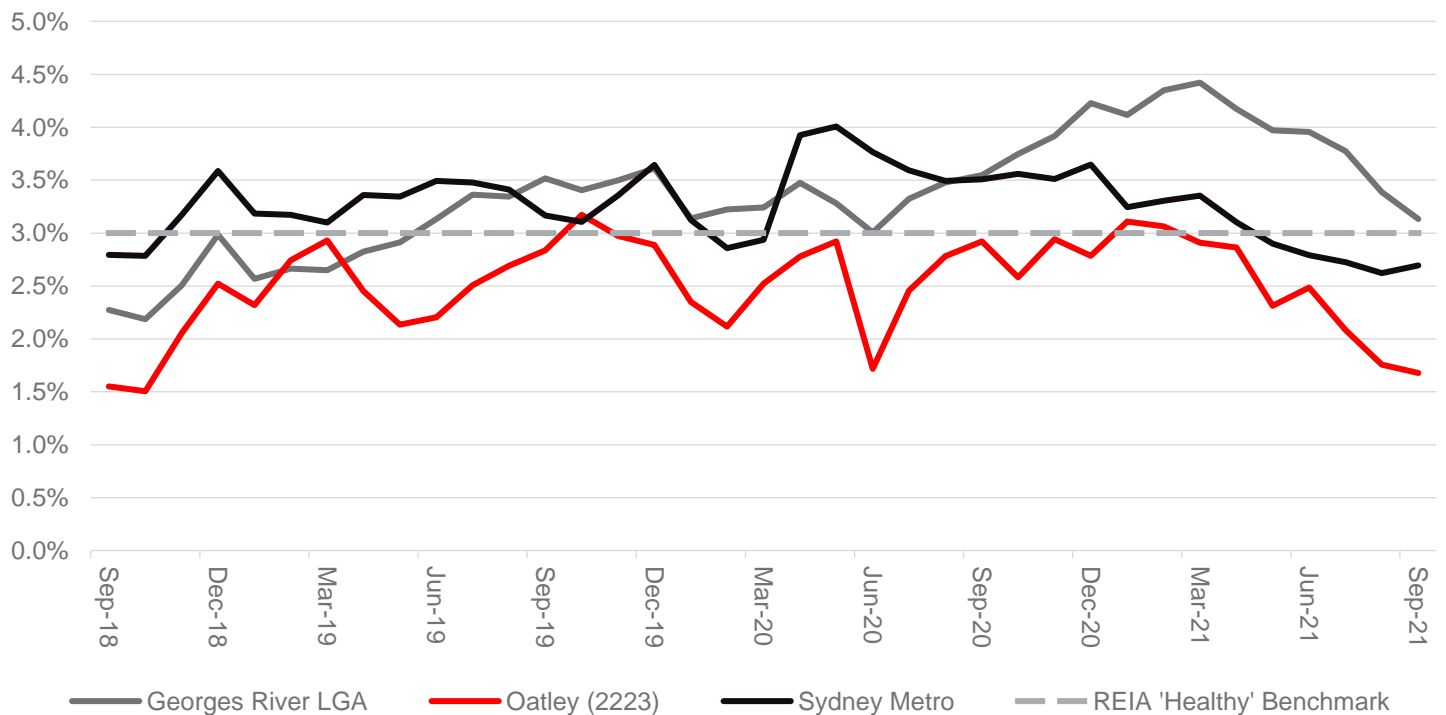
In September 2021, house rental yields in Oatley* were recorded at 2.5%. In the 12 months to Q3 2021, the median house rental price increased by 2.6% to reach \$600 per week, further complemented by a decline in average days on the market, of -9.5% (to 19 days). Overall this represents a resilient rental market throughout COVID-19 lockdowns in 2021.

2 bedroom houses have provided investors with +6.7% rental growth annually€, with a median rent of \$480 per week.

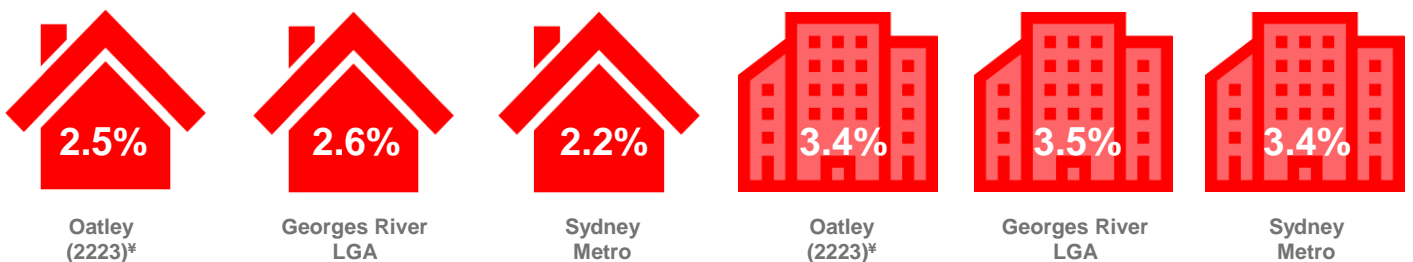
Also in September 2021, Oatley* recorded a vacancy rate of 1.7%, below that of Georges River LGA (3.1%) but slightly above Sydney Metro (2.7%). Vacancy rates in Oatley* is currently at one of the lowest points in the past 3 years, and have remained well below the Real Estate Institute of Australia's healthy benchmark of 3.0%, even amidst COVID-19 conditions. There is a healthy rental demand and investors can be confident of a conducive investment environment in Oatley*.



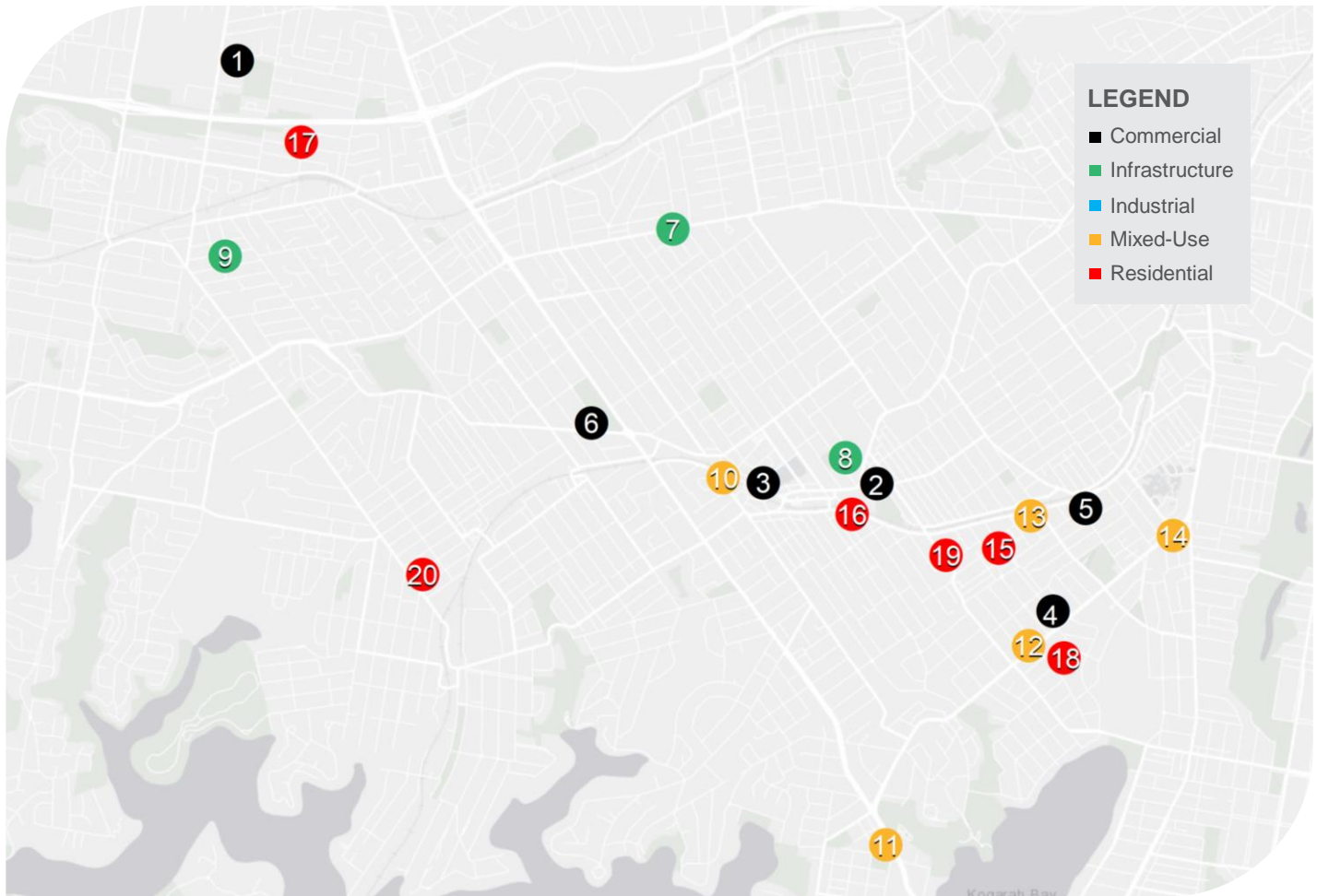
RENTAL VACANCY RATES 2021



RENTAL YIELD 2021\$



TOP DEVELOPMENTS MAP 2ND HALF 2021^A



Location	Project [£]	Type	Estimated Value ^µ	Commence Date ^ψ
1	Leigh Place Aged Care	Commercial	\$11,091,000	10/11/2021
2	Woolworths	Commercial	\$3,769,000	11/11/2021
3	One Hurstville Plaza	Commercial	\$3,234,000	31/12/2021
4	Aldi Carlton Fitout	Commercial	\$4,500,000	13/07/2021
5	English Street Boarding House	Commercial	\$5,045,000	02/10/2021
6	Cambridge Street Boarding House	Commercial	\$4,897,000	24/11/2021
7	King Georges Road Upgrade	Infrastructure	\$100,000,000	02/12/2021
8	Ing Georges Road Widening - Refer To 7496847	Infrastructure	\$80,000,000	10/08/2021
9	Lahc Peakhurst	Infrastructure	\$5,330,000	27/12/2021
10	Stellar Hurstville – Paramount (106 Units)	Mixed-use	\$37,472,000	28/09/2021
11	Princes Highway Mixed Use Development (44 Units)	Mixed-use	\$20,511,000	14/10/2021
12	Princes Highway Mixed Development (45 Units)	Mixed-use	\$14,911,000	18/10/2021
13	Railway Parade Mixed Use Development (23 Units)	Mixed-use	\$8,460,000	16/12/2021
14	Princes Highway Mixed Use Development (12 Units)	Mixed-use	\$4,375,000	13/11/2021
15	Bembridge Street Apartments (23 Units)	Residential	\$5,795,000	10/09/2021
16	Railway Parade Apartments (19 Units)	Residential	\$5,464,000	22/09/2021
17	Karne Street South & Graham Road Dwellings (46 Dwellings)	Residential	\$5,876,000	08/11/2021
18	Princes Highway Apartments (22 Units)	Residential	\$6,334,000	22/10/2021
19	Elizabeth Street Apartments (12 Units)	Residential	\$4,522,000	05/10/2021
20	Macquarie PI Units (16 Units)	Residential	\$3,200,000	14/11/2021

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

* 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 2021 (01/01/2021 – 30/09/2021) only.

^ 2021 encapsulates sales transactions for 2021 (01/01/2021 – 30/09/2021) only.

€ Annual rental growth is a comparison between 2020 (01/01/2020 – 30/09/2020) and 2021 (01/01/2021 – 30/09/2021) house median rent figures.

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

§ Rental yields shown are as reported as of September 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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