



# Maroubra Market Update 2nd Half 2021



## OVERVIEW

In Q3 2021, Maroubra\* recorded a median house price of \$2,528,000, and a median unit price of \$950,000. This represents annual (Q3 2020 – Q3 2021) median price growth of 30.1% for houses and 14.4% for units. Between Q3 2020 – Q3 2021 total sales in both markets increased, by 11.2% for houses (to 129 sales) and by 34.1% for units (to 228 sales). Increased sales activity coupled with price growth indicates real returns on capital investment in Maroubra\*, currently evident in both house and unit markets. This makes now an ideal time for owners looking to benefit from a highly demanded market.

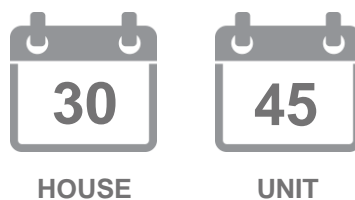
	CHANGE FROM LAST	YEAR	HALF YEAR
	House Sales	↑	↑
	House Median Price	↑	↑
	House Rental Price	↑	↓
	Unit Sales	↑	↑
	Unit Median Price	↑	↑
	Unit Rental Price	↑	↑

## MARKET CONDITIONS

### SALES MEDIAN PRICE Q3 2021



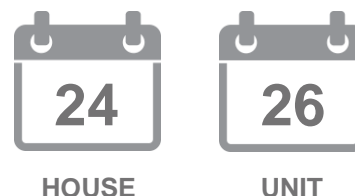
### SALES AVERAGE DAYS ON MARKET Q3 2021



### RENTAL MEDIAN PRICE Q3 2021

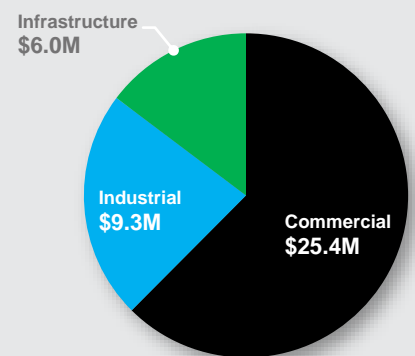


### RENTAL AVERAGE DAYS ON MARKET Q3 2021



## FUTURE DEVELOPMENTS

Maroubra\* is set to see approximately **\$40.7M worth of new projects commencing in the 2nd half of 2021.**



A blend of spending types across the period will contribute to creating jobs and amenities which will benefit residents. This will have a positive spill-over benefit to the local real estate market, in the form of higher demand.

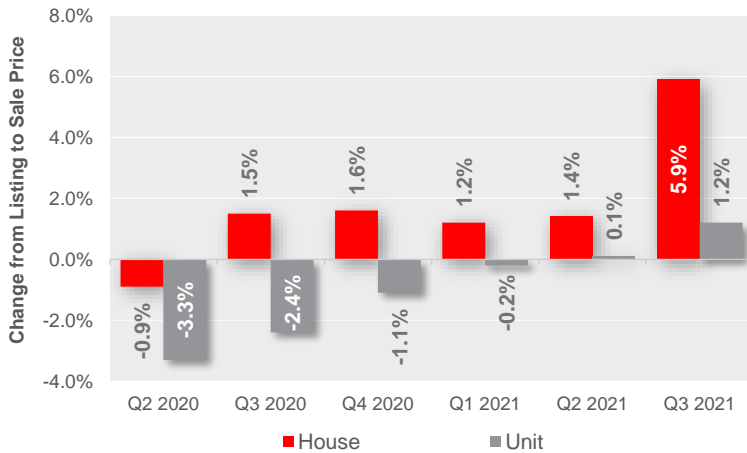
A main commercial project over the 2nd half of 2021 is the Pagewood Commercial & Community Development (\$19.5M). This will construct a 3 storey building that comprises of 13 tenancies; ranging from child care, food and drink, and office space. The Bunnerong Road Excavation Works (\$5.2M) will see excavation, shoring and piling to facilitate future development.

The Denison Street Industrial & Commercial Development (\$9.3M) will see the construction of two warehouses, as the only industrial projects over the back half of the year. For infrastructure projects, the Intersection at Wentworth Avenue and Baker Street (\$6.0M) will see an upgrade to traffic signalling and kerb alignments.

Despite new commercial, industrial and infrastructure projects planned in the back half of 2021 there is an absence of residential projects that can answer current high demand. This creates opportunities for many developers in Maroubra\*.

# 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.

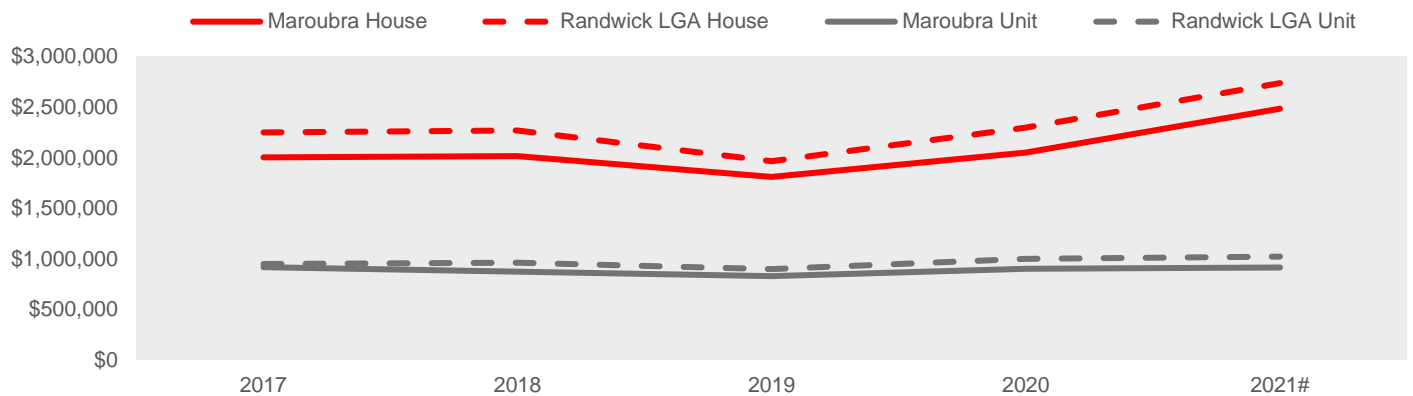


Average vendor house discount between Q3 2020 and Q3 2021 have swung to higher premium of 5.9%, and swung to a premium of 1.2% for units. Maroubra\* market conditions have now shifted to favour vendors, where buyers are willing to negotiate above the initial listing price. Now is the time to for sellers to sell.

The suburb of Maroubra has historically offered greater value when compared to the wider Randwick Local Government Area (LGA) in both house and unit median prices. This continues to be the case in 2021#.

The dominant proportion of homes sold in Maroubra\* across 2021^ were in the premium price bracket of \$2,750,000 and above (34.2%). Units also recorded a dominant premium price point of \$1,050,000 and above (36.8%). Despite offering more affordable stock than the wider Randwick LGA, Maroubra has become a premium market. That said affordable options continue to exist, however have shrunk in the past 12 months.

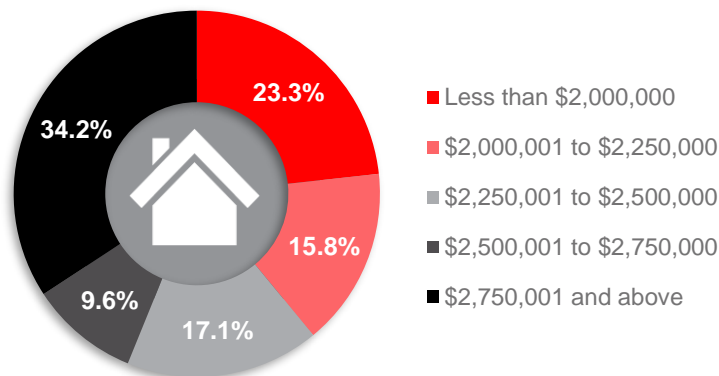
## MARKET COMPARISON



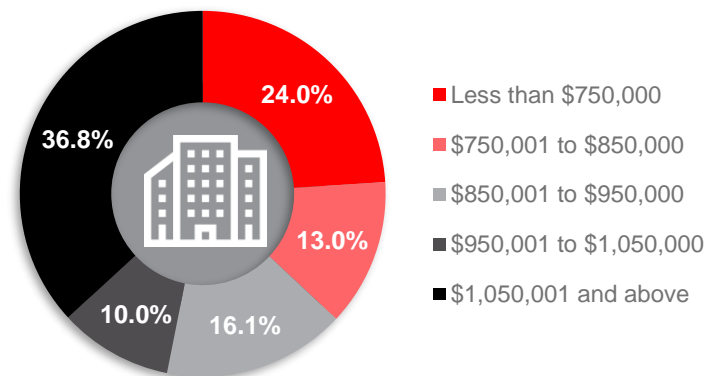
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Maroubra.

## PRICE BREAKDOWN 2021^

### HOUSES SOLD



### UNITS SOLD

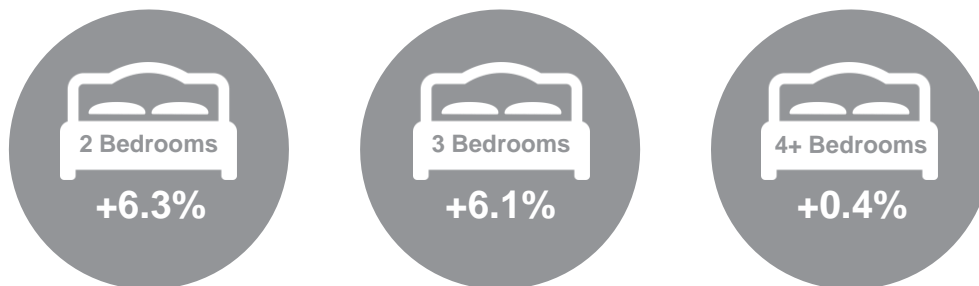


## RENTAL GROWTH 2021€

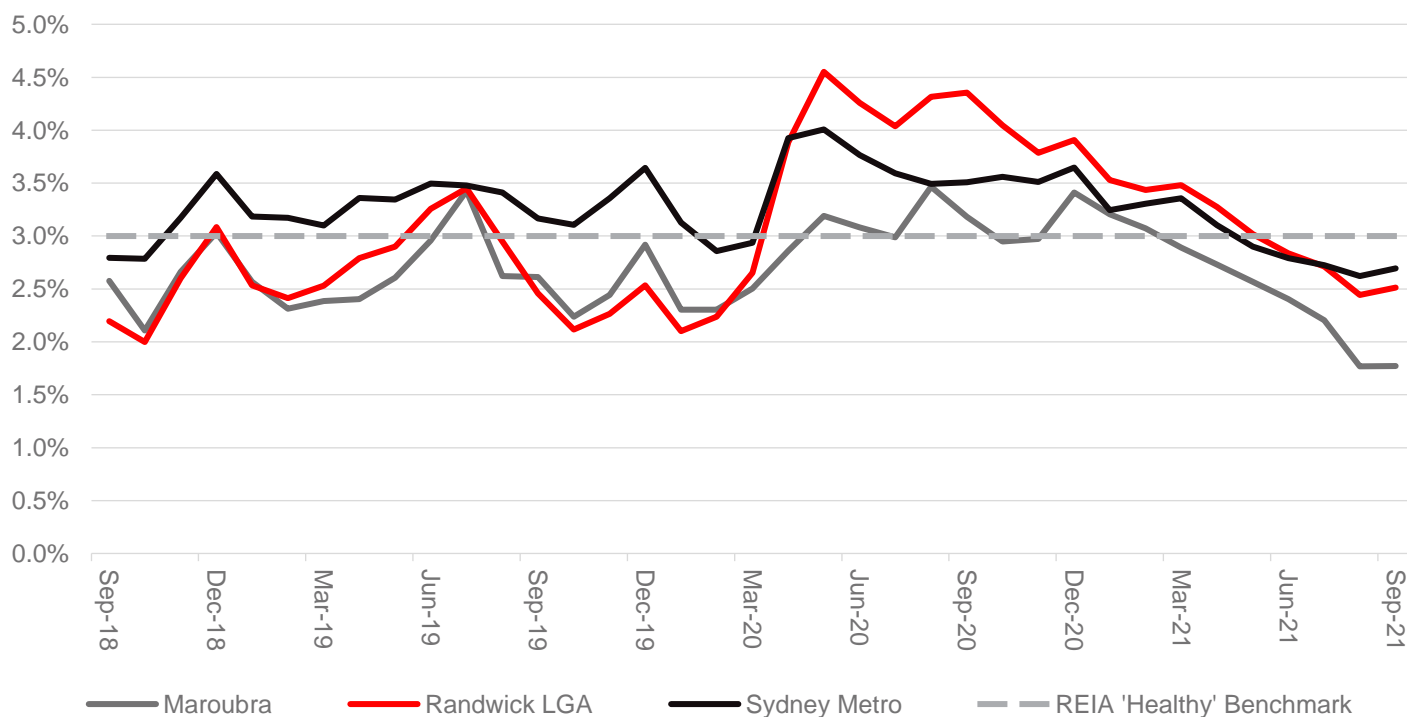
In September 2021, house rental yields in Maroubra<sup>‡</sup> were recorded at 2.7%. In the 12 months to Q3 2021, the median house rental price increased by 2.9% to reach \$900 per week, while average days on the market slightly increased by 4.3% (to 24 days). Overall this represents a resilient rental market throughout lockdowns and COVID-19.

2 bedroom houses have provided investors with +6.3% rental growth annually<sup>€</sup>, with a median rent of \$680 per week.

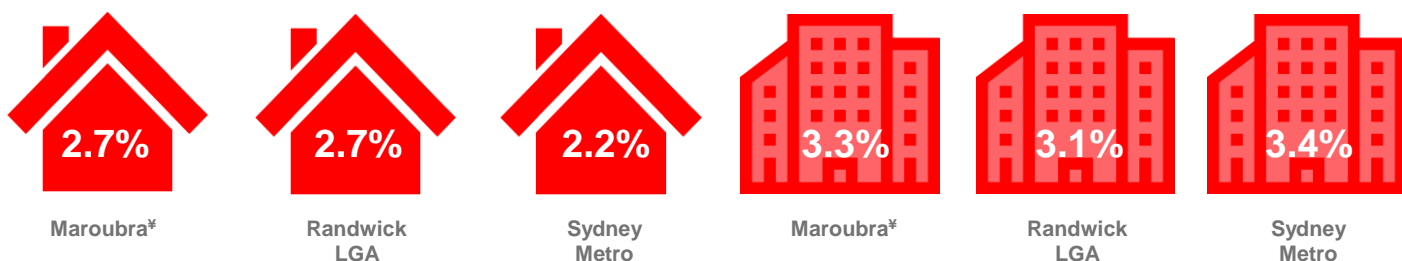
Also in September 2021, Maroubra<sup>‡</sup> recorded a vacancy rate of 1.8%, below that of Randwick LGA (2.5%) as well as Sydney Metro (2.7%). Vacancy rates in Maroubra<sup>‡</sup> are currently at a 3 years historical low, and remain well below the Real Estate Institute of Australia's healthy benchmark of 3.0%, even amidst COVID-19 conditions. This confirms there is still a healthy rental demand and investors can be confident of a conducive investment environment in Maroubra<sup>‡</sup>.



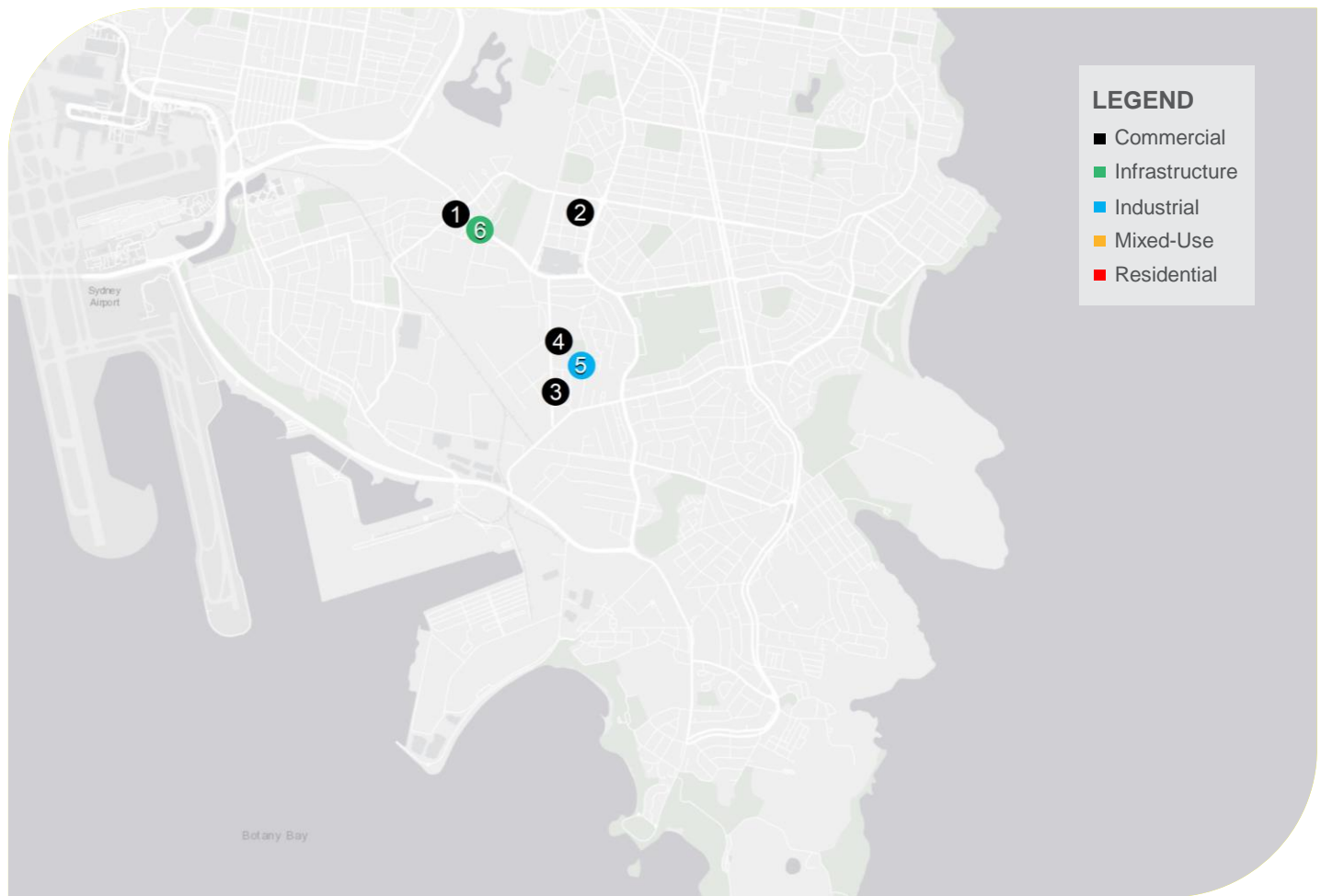
## RENTAL VACANCY RATES 2021



## RENTAL YIELD 2021§



# TOP DEVELOPMENTS MAP 2ND HALF 2021<sup>▲</sup>



Location	Project <sup>£</sup>	Type	Estimated Value <sup>¤</sup>	Commence Date <sup>¥</sup>
1	Page Street Pagewood Commercial & Community Development	Commercial	\$19,550,000	16/11/2021
2	Bunnerong Road Excavation Works	Commercial	\$5,183,000	01/06/2021
3	Denison Street Commercial Tenancies	Commercial	\$490,000	02/08/2021
4	Denison Street Truck Depot	Commercial	\$220,000	16/09/2021
5	Denison Street Industrial & Commercial Development	Industrial	\$9,292,000	14/10/2021
6	Wentworth Avenue & Baker Street Intersection	Infrastructure	\$6,000,000	26/10/2021

## 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

\* Maroubra market data and key indicators encapsulates aggregate property market conditions within the postcodes of 2035 and 2036.

\*\* 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.

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€ 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.

¥ Maroubra market data encapsulates aggregate property conditions within the the postcodes of 2035 and 2036.

§ 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 postcodes of 2035 and 2036.

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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