



Oatley Market Update 1st Half 2022



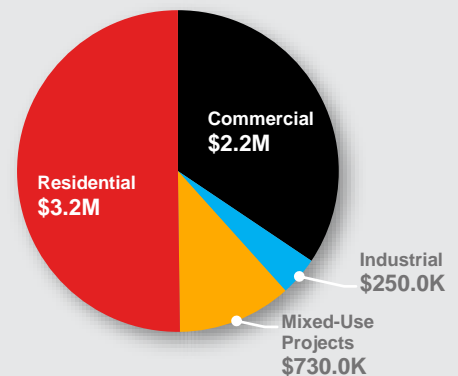
OVERVIEW

In Q1 2022, Oatley* recorded a median house price of \$1,833,250, and a median unit price of \$764,000. This represents annual (Q1 2021 – Q1 2022) median price growth of 18.5% for houses and 3.9% for units. Total sales decreased between Q1 2021 – Q1 2022, by -23.7% (to 74 sales) for houses and by -10.9% for units (to 41 sales). The Oatley* market is undersupplied, as median price growth is alongside lower sales. Now is the time for owner-occupiers and downsizers to capitalise on their investments. There is also a growing opportunity for developers able to offer ready-to-sell stock.

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

FUTURE DEVELOPMENTS

Oatley is set to see approximately **\$6.4M** worth of new projects commencing in the 1st half of 2022.



These projects will stimulate economic growth and create large employment opportunities in Oatley, which should have a positive spill-over impact on the real estate market, in the form of demand. A strong focus in residential projects is key for the area, due to an undersupply.

MARKET CONDITIONS

SALES MEDIAN PRICE Q1 2022



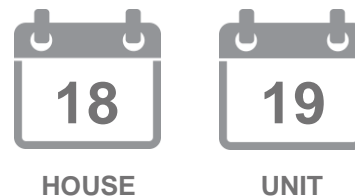
SALES AVERAGE DAYS ON MARKET Q1 2022



RENTAL MEDIAN PRICE Q1 2022



RENTAL AVERAGE DAYS ON MARKET Q1 2022



A main residential project over the 1st half of 2022 is the Macquarie Units (\$3.2M). The project is set to add 16 apartments Oatley*. This will provide much needed ready-to-sell stock to the Oatley market. That said this will just be scratching the surface of the undersupply, as there is a high need for new ready-to-sell houses. Without this buyers must rely on owners to sell, potentially pushing up prices even further.

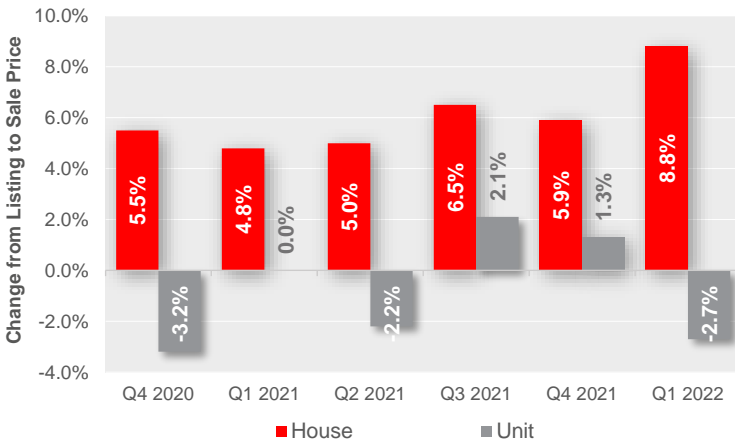
The Greg Walsh and Co Lawyers project (\$730K) is a key mixed use project that will create local jobs and attract more people to the area. The project promises to deliver improved amenities, with one commercial dwelling added, as well as café and office renovation and construction.



16 Units/
Apartments

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.

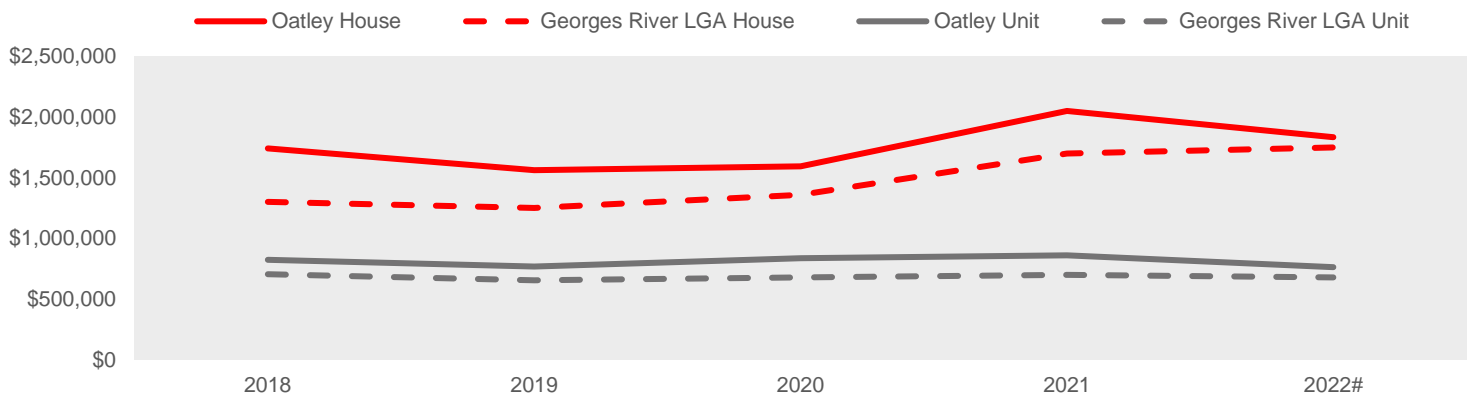


Average vendor discounts between Q1 2021 and Q1 2022 have swung to an even higher premium for houses, rapidly shifting from 4.8% to 8.8%. Units have experienced a swing to a discount, of -2.7%, which does create an opportunity for buyers. That said the average vendor discount trend for units show that any discount is temporary, with most quarters recording a premium.

The suburb of Oatley has historically outperformed the wider George River (LGA) in both house and unit median prices. 2022# saw a return to parity with house and unit prices trending toward the median LGA prices.

The dominant proportion of homes sold in Oatley* across 2021^ were in the premium price point of above \$1,259,001 (68.7%). Units also recorded a dominant premium price point of above \$900,000 (25.8%). Affordable housing options are sparse, especially for house buyers. There is a more evenly spread market, and thus choices, for unit buyers.

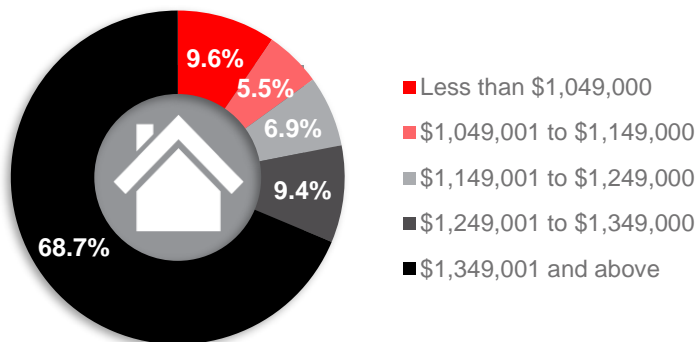
MARKET COMPARISON



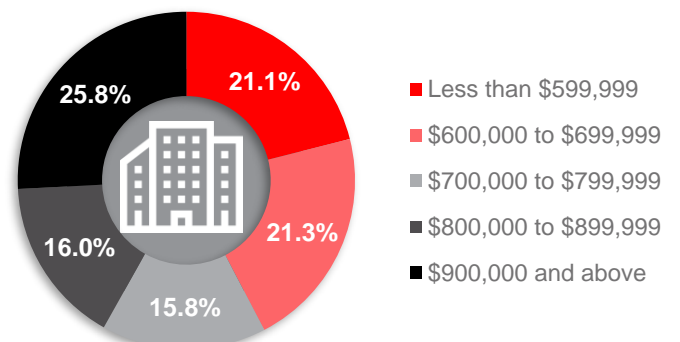
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Oatley.

PRICE BREAKDOWN 2021/22^

HOUSES SOLD



UNITS SOLD



RENTAL GROWTH 2022€

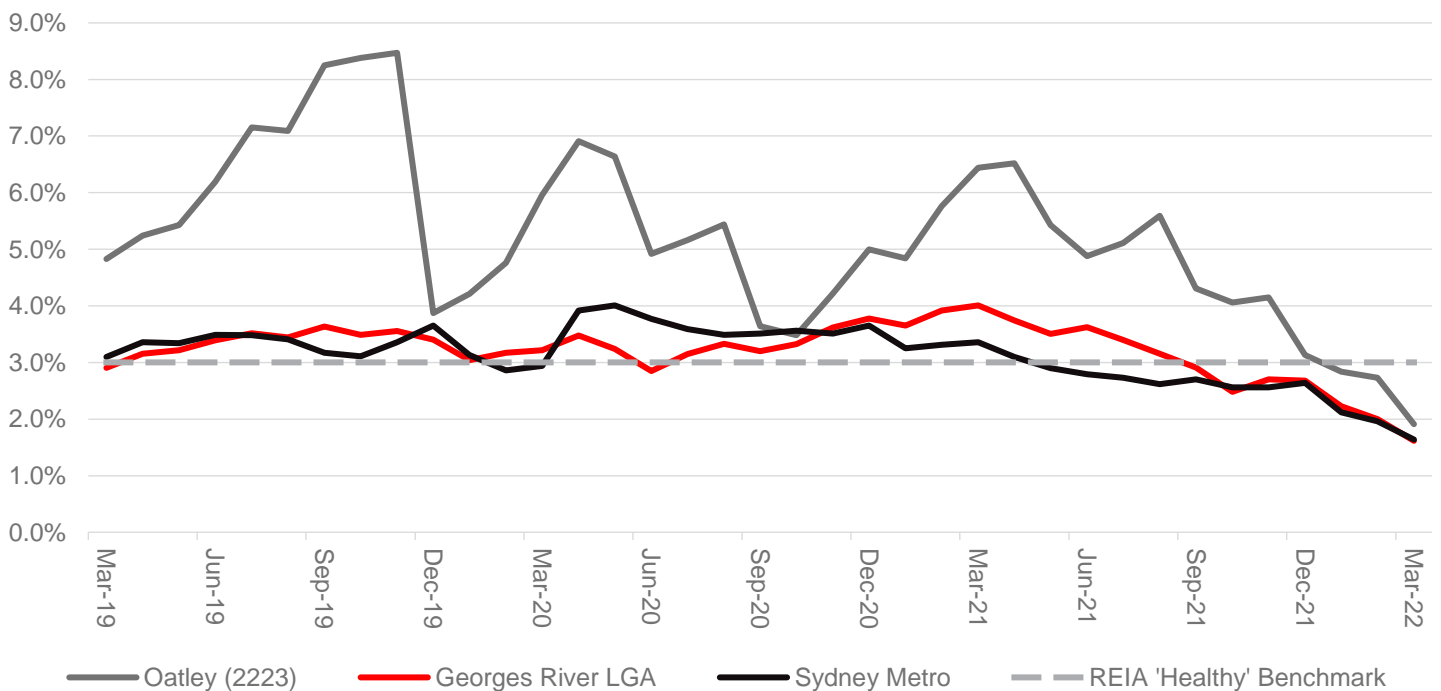
House rental yields in Oatley* was recorded at 1.8% in March 2022. This might be slightly lower than Sydney Metro (2.3%), however investors can still benefit from an annual (Q1 2021 – Q1 2022) median house rental price growth of 17.1%, now at \$700 per week. The number of houses rented has declined by -2.5% during this time period, indicating an undersupply of rental houses. This suggests that even if investors have to pay a slightly higher price for their property, rental demand will assist in off-setting the acquisition cost.

3 bedroom houses have provided investors with +10.9% rental growth annually, achieving a median rent of \$630 per week.

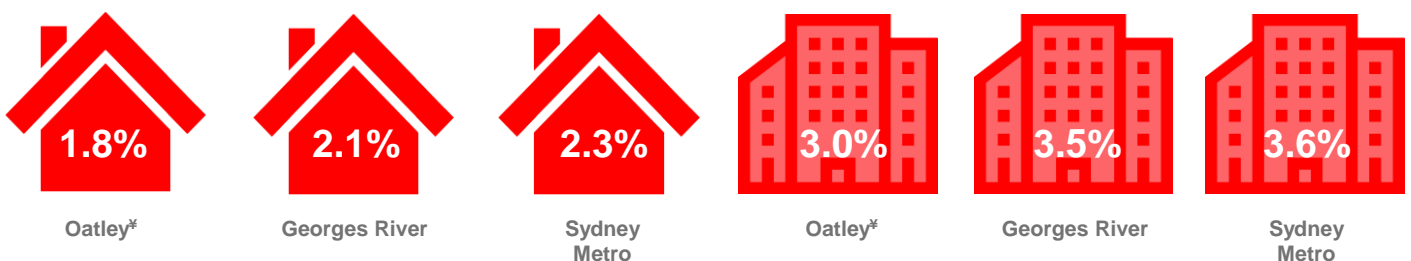
Oatley* recorded a vacancy rate of 1.9% in March 2022, Vacancy rates in Oatley* have declined significantly over the past 12 months, crossing underneath the Real Estate Institute of Australia's healthy benchmark of 3.0%. This confirms there is still a healthy rental demand and investors can be confident of a conducive investment environment in Oatley*.



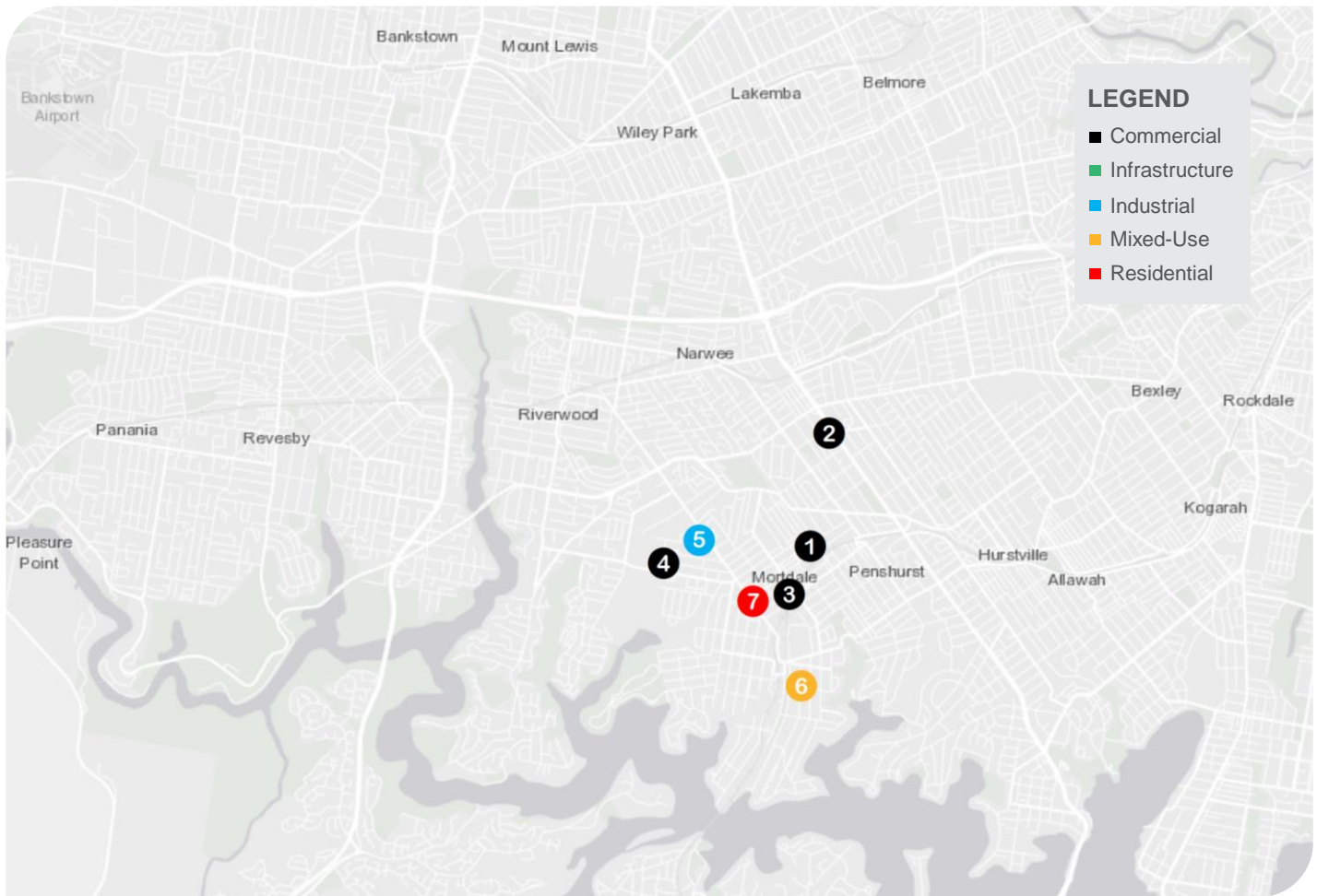
RENTAL VACANCY RATES 2022



RENTAL YIELD 2022§



TOP DEVELOPMENTS MAP 1st HALF 2022[Ⓐ]



Location	Project [£]	Type	Estimated Value [Ⓜ]	Commence Date [Ⓜ]
1	Ewman Street Boarding House	Commercial	\$737,000	22/05/2022
2	King Georges Road Boarding House	Commercial	\$580,000	18/05/2022
3	Mortdale Hotel	Commercial	\$525,000	06/04/2022
4	Mortdale Plaza Car Wash Facility	Commercial	\$352,000	06/04/2022
5	Blackshaw Avenue Warehouse	Industrial	\$250,000	07/03/2022
6	Greg Walsh & Co Lawyers	Mixed-use	\$730,000	06/06/2022
7	Macquarie PI Units (16 units)	Residential	\$3,200,000	18/05/2022

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.

2022 encapsulates sales transactions for Q1 2022 (01/01/2022 – 31/03/2022) only.

^ 2021/22 encapsulates sales transactions for 2021 & Q1 2022 (01/01/2021 – 31/03/2022).

€ Annual rental growth is a comparison between 2021 (01/01/2021 – 31/03/2021) and 2022 (01/01/2022 – 31/03/2022) 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 2022.

⌘ 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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