



Hurstville Market Update

2nd Half 2022



OVERVIEW

In Q2 2022, Hurstville* recorded a median house price of \$2,055,000, and a median unit price of \$662,500. This represents annual (Q2 2021 – Q2 2022) median price growth of 22.5% for houses and a 0.9% for units. Total sales decreased between Q2 2021 – Q2 2022, by -26.4% (to 39 sales) for houses and by -4.7% (to 101 sales) for units. Hurstville* market is undersupplied, as a lower transaction volume is alongside higher sales prices. Houses in particular suggest real returns on investment. An imbalance in supply and demand can provide a buffer against a rising cash rate environment.

	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 2022



SALES AVERAGE DAYS ON
MARKET Q2 2022



RENTAL MEDIAN PRICE
Q2 2022

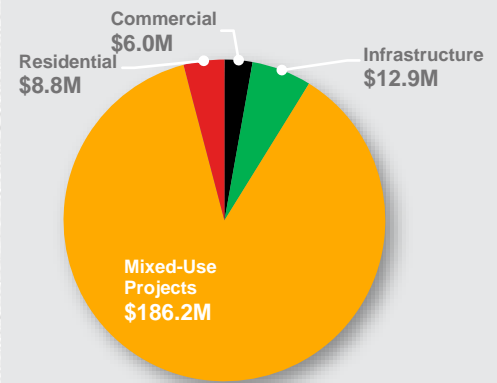


RENTAL AVERAGE DAYS ON
MARKET Q2 2022



FUTURE DEVELOPMENTS

Hurstville is set to see approximately **\$213.8M** worth of new projects commencing in the 2nd half of 2022.



These projects will stimulate economic growth and create large employment opportunities in Hurstville. This will have spill-over impact on the real estate market, in the form of higher demand for properties.

A main mixed use project in the 2nd half of 2022 is Forest Road Mixed Use Development (\$128.39M). The project is set to add 254 units, as well as hotel, retail and commercial spaces across 4 towers.

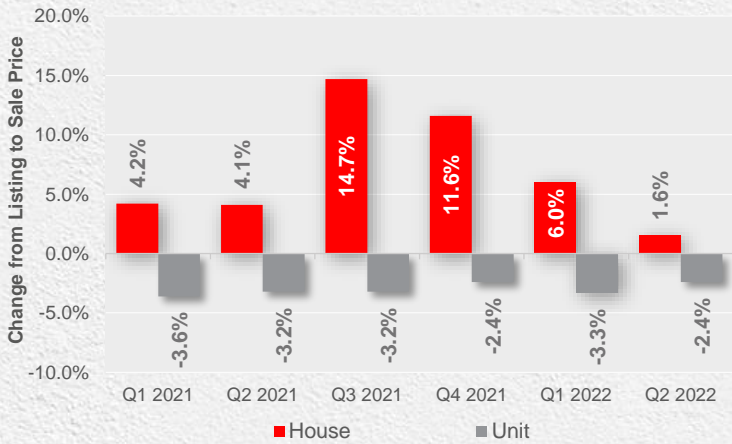
The LAHC – Hurstville (\$6.6M) is a significant infrastructure project that will cater for senior living.

An undersupply is particularly of concern in the house market, as the number of sales have declined in Q2 2022 and there is very little new stock planned. Thus there is a reliance on owners selling, which can push prices up further.



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.

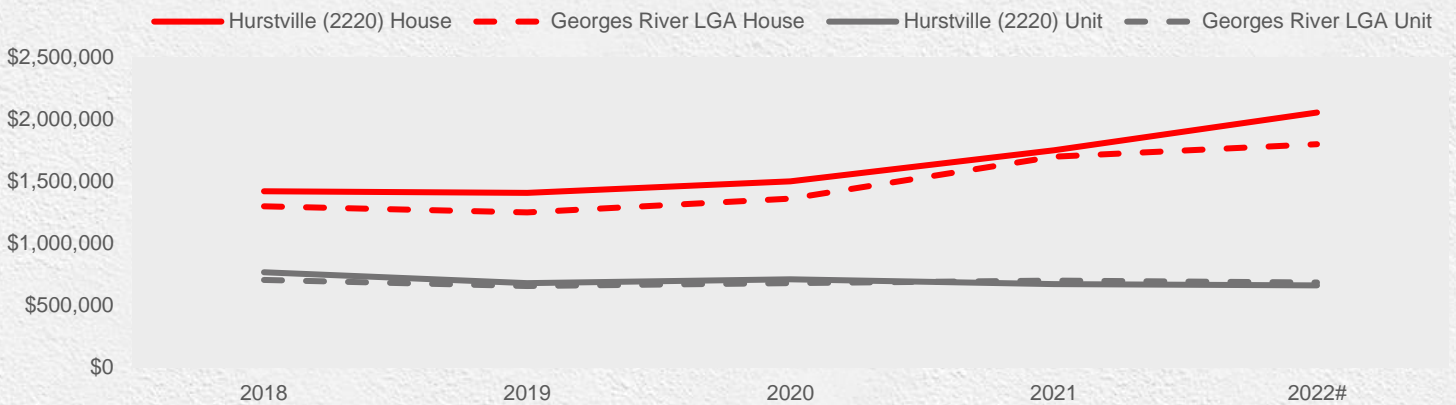


Average vendor house discount between Q2 2021 and Q2 2022 remained at a premium level, however a lower rate of 1.6% for houses. There is a unique opportunity. House buyers can benefit from a lower premium, but owners can still achieve a final sale price above their first list. Average vendor unit discount have tightened, to -2.4%. Unit buyers need to offer closer to first list price.

The suburb of Hurstville has historically outperformed the wider Georges River Local Government Area (LGA) in both house and unit median prices. This continued to be the case in 2022# for houses, however units have become more on par with the LGA.

The dominant proportion of homes sold in Hurstville* across 2022# were in the premium price bracket of above \$1,200,00 (86.2%). Units recorded a dominant lower-mid price point between \$550,000 and \$649,999 (27.0%). Affordable options are available, however more so evident in the unit market.

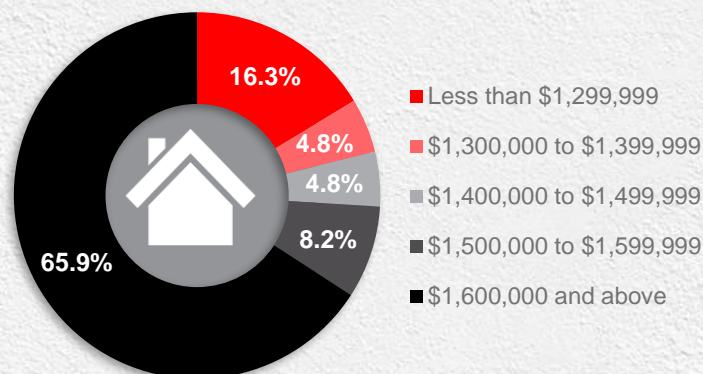
MARKET COMPARISON



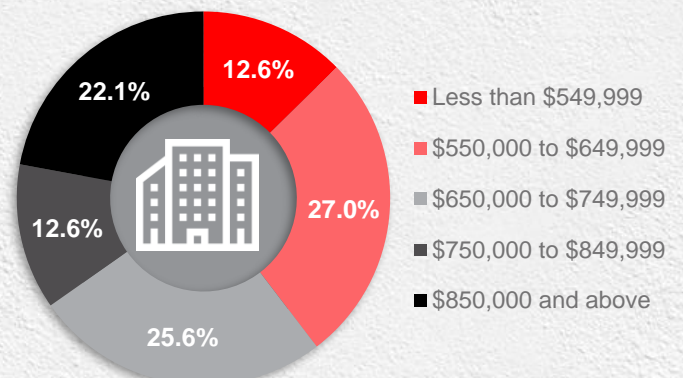
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Hurstville.

PRICE BREAKDOWN 2022#

HOUSES SOLD



UNITS SOLD

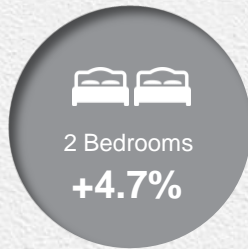


RENTAL GROWTH 2022€

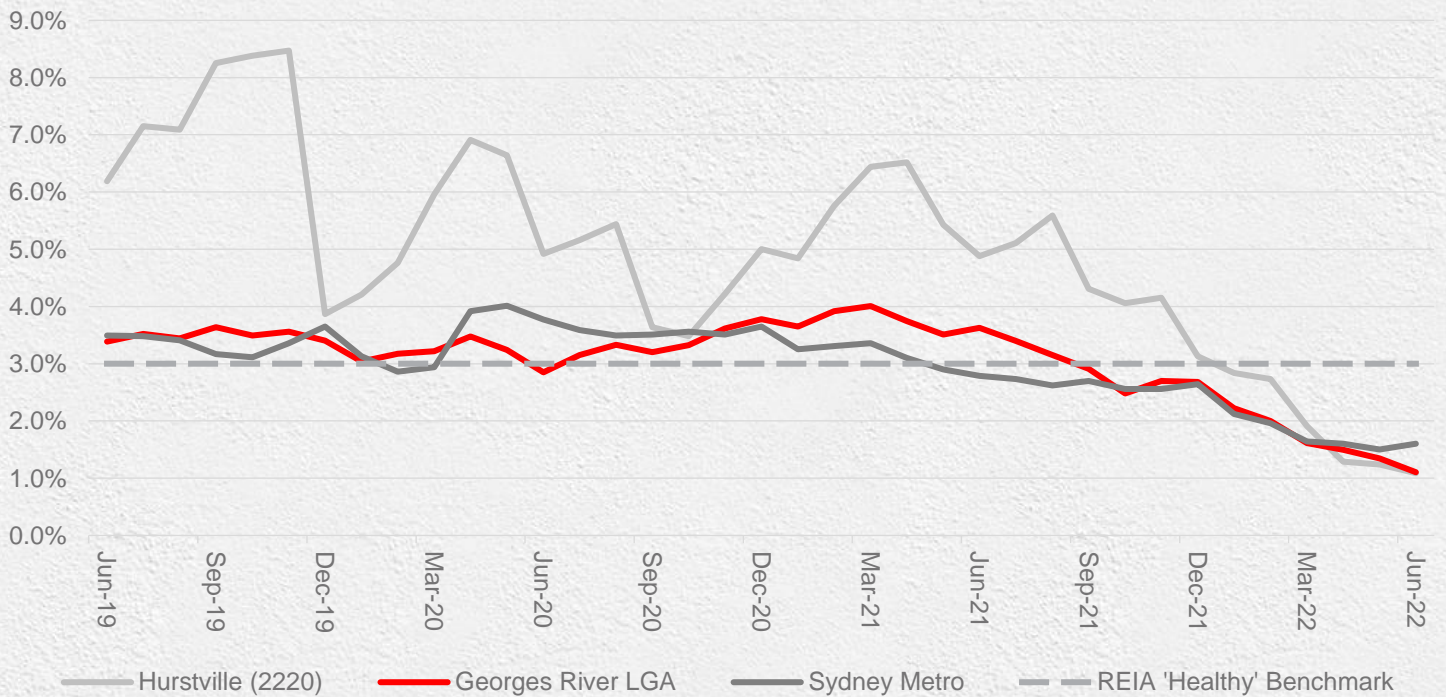
Over the past 12 months, house rental yields in Hurstville* softened to sit at 2.1% in June 2022. That said median house rental price increased by 14.5% in the 12 months to Q2 2022, and average days on the market declined by -33.3% (to 20 days). Overall this indicates a resilient rental market.

4+ bedroom houses have provided investors with +20.3% rental growth annually, achieving a median rent of \$830 per week.

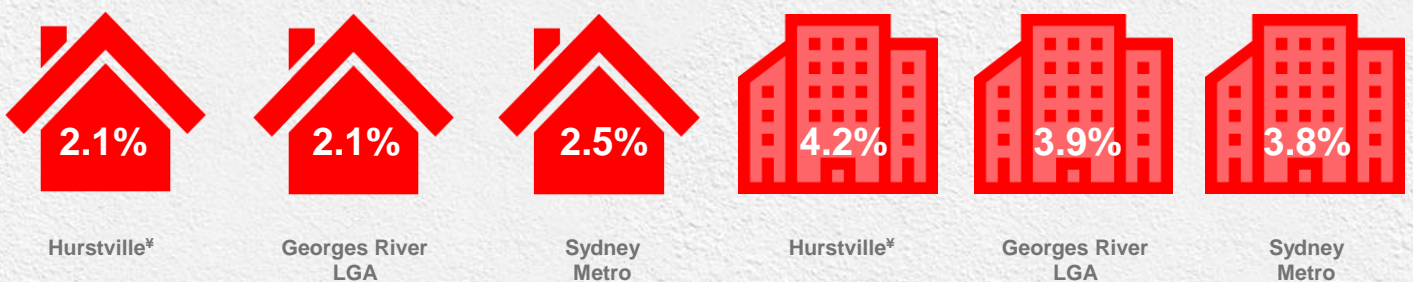
Hurstville* recorded a vacancy rate of 1.1% in June 2022, which is below Sydney Metro's 1.6% average and on par with Georges River LGA. Vacancy rates in Hurstville* have significantly decreased over the past 12 months, indicating an increase in its rental demand. Hurstville* now has a vacancy rate under the Real Estate Institute of Australia's healthy band of 3.0%, indicating an undersupplied market and quicker occupancy of rental properties. This suggests a conducive and sustainable environment for investors, despite the increase in median sale prices of property over the past 12 months.



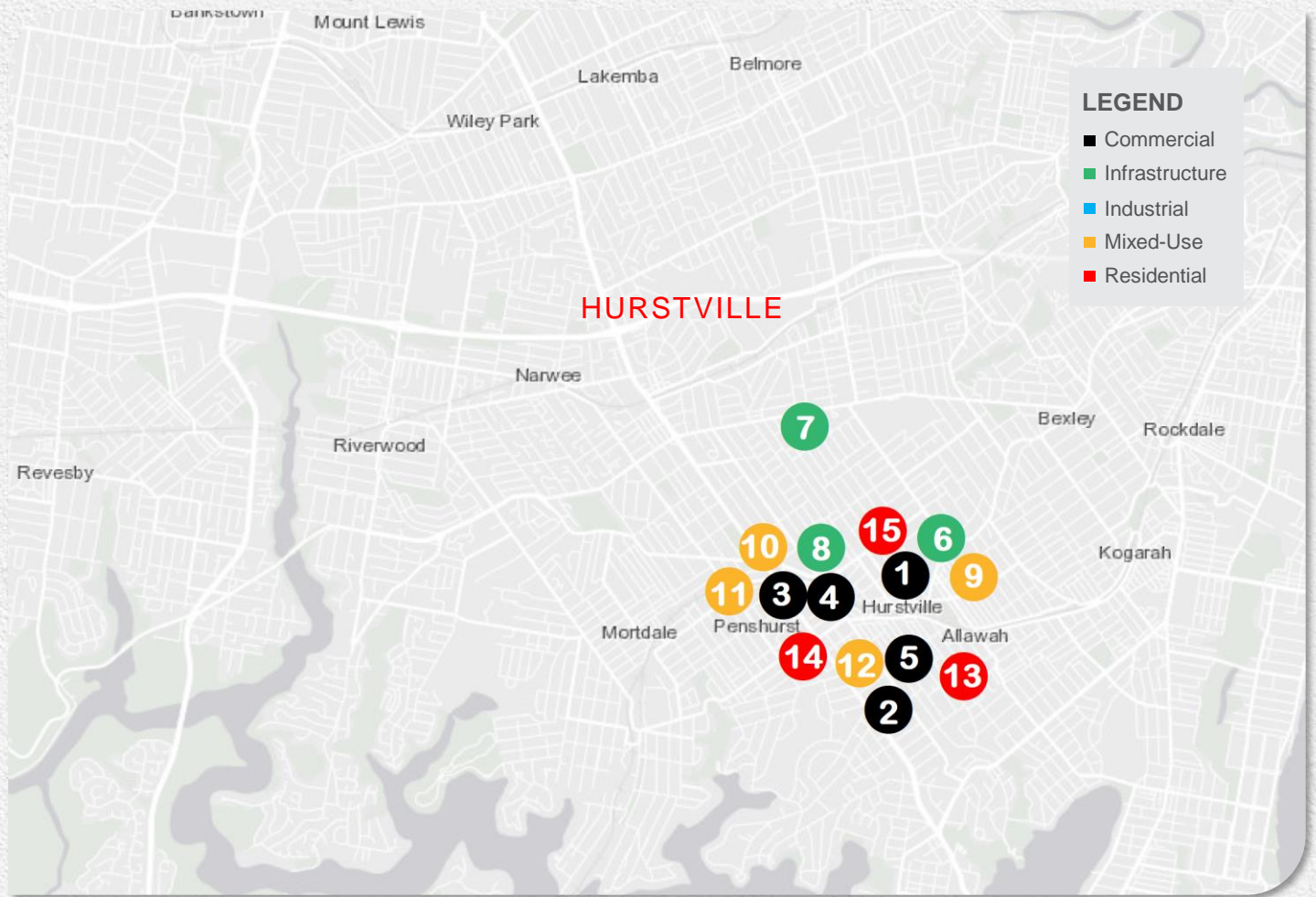
RENTAL VACANCY RATES 2022



RENTAL YIELD 2022\$



TOP DEVELOPMENTS MAP 2nd HALF 2022^A



Location	Project [£]	Type	Estimated Value ^µ	Commence Date ^ψ
1	One Hurstville Plaza	Commercial	\$3,234,000	10/08/2022
2	Woniora Road Boarding House	Commercial	\$1,652,000	07/12/2022
3	Forest Road Business Premises	Commercial	\$437,000	14/09/2022
4	Hurstville Plaza	Commercial	\$345,000	03/10/2022
5	The Avenue Cafe Pavilion	Commercial	\$337,000	16/11/2022
6	LAHC - Hurstville	Infrastructure	\$6,655,000	20/08/2022
7	Macpherson Street Seniors Housing Development	Infrastructure	\$5,795,000	10/11/2022
8	Hurstville Oval Electrical Works	Infrastructure	\$400,000	31/08/2022
9	Forest Road Mixed Use Development - Mesa Hurstville (254 Units)	Mixed-use	\$128,390,000	12/10/2022
10	Stellar Hurstville – Paramount (106 Units)	Mixed-use	\$37,472,000	22/08/2022
11	Butler Road Mixed Use Development (24 Units)	Mixed-use	\$13,805,000	23/11/2022
12	Park Road Mixed Use Development (19 Units)	Mixed-use	\$6,504,000	07/11/2022
13	Railway Parade Apartments (19 Units)	Residential	\$5,464,000	16/11/2022
14	Denman St Townhouses (7 Townhouses)	Residential	\$1,800,000	07/11/2022
15	Wright St Townhouses & Villas (2 Townhouses, 6 Dwellings)	Residential	\$1,500,000	07/11/2022

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

* 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.

2022 encapsulates sales transactions for 1H 2022 (01/01/2022 – 30/06/2022) only.

€ Annual rental growth is a comparison between 1H 2021 (01/01/2021 – 30/06/2021) and 1H 2022 (01/01/2022 – 30/06/2022) 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 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 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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