



Bexley North Market Update 2nd Half 2022



OVERVIEW

In Q3 2022, Bexley North* recorded a median house price of \$1,445,000 and a median unit price of \$771,000. This represents annual (Q3 2021 – Q3 2022) median price softening of -11.9% for houses. Total house sales increased by 42.5% (to 57 sales) annually but softened by -9.5% over the 6 month period to Q3 2022, recording 57 sales. Despite this median house price growth slowed, reflecting interest rate hikes translating into the market. Slower growth is also evident for units, with an annual (Q3 2021 – Q3 2022) median price growth of 25.4% but a quarter-by-quarter (Q2 2022 – Q3 2022) growth of 16.8%.

	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 2022



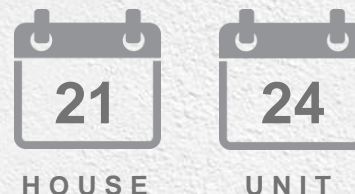
SALES AVERAGE DAYS ON MARKET Q3 2022



RENTAL MEDIAN PRICE Q3 2022

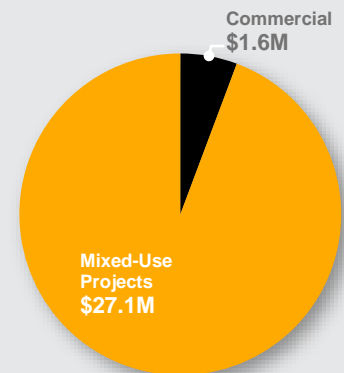


RENTAL AVERAGE DAYS ON MARKET Q3 2022



FUTURE DEVELOPMENTS

Bexley* is set to see approximately **\$28.8M** worth of new projects commencing in the 2nd half of 2022.



These projects will stimulate economic growth and create local employment opportunities in Bexley North. An absence in residential plans will allow for the current stock to be absorbed, given the interest rate environment.

A main mixed-use project over the 2nd half of 2022 is the Forest Road Development (\$12.9M). The project is set to demolish existing structures in favour for a 6-storey mixed used building, to comprise of 13 apartments, boarding houses with 43 boarding rooms, 2 ground floor retail spaces, and 160sq of communal space.

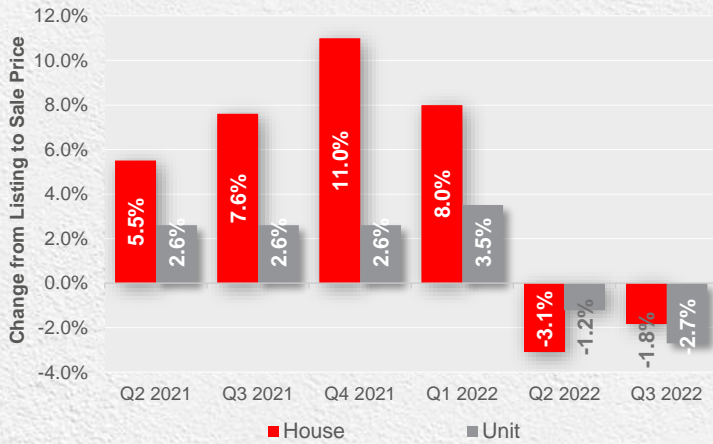
Shaw Street and Kingsland Road South Mixed-Use Developments are other projects that will deliver units / apartments into the area.

New ready-to-sell units will assist with the current undersupply, thus ensuring a more sustainable rate of price growth. At present a deficit in ready-to-sell new houses allow for listed stock to be absorbed by the market. However in the future there is still a reliance on owners selling.



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.

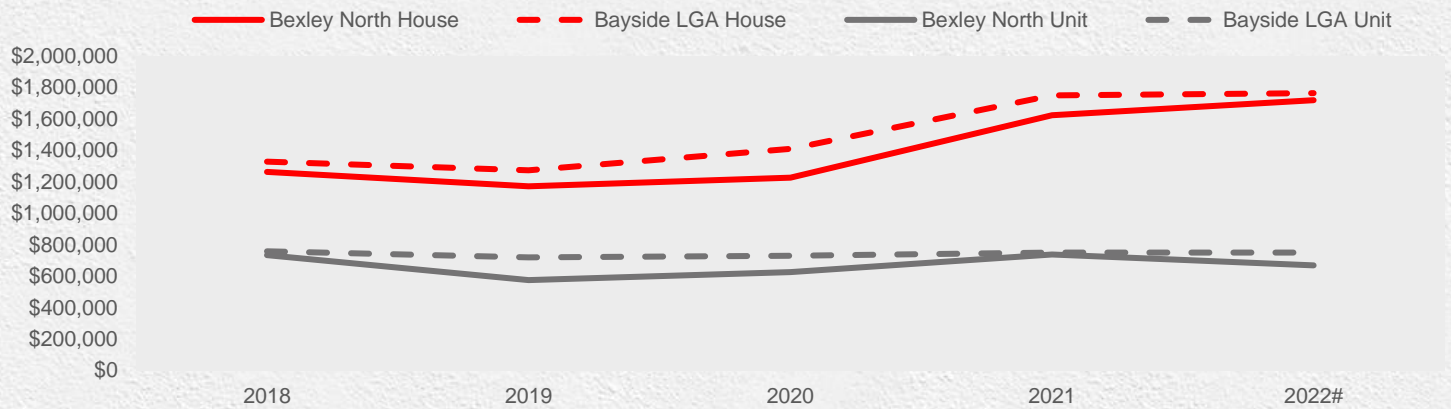


Average vendor discounts between Q3 2021 and Q3 2022 have rapidly swung to a discount for both property types, of -1.8% for houses and -2.7% for units. This is a contrast compared to 6 and 12 months prior, when a premium was the market norm. Market conditions in Bexley North* have now shifted to favour buyers, as vendors are willing to accept below the first listing price.

The suburb of Bexley North* has historically performed closely to the wider Bayside Local Government Area (LGA) in both house and unit median prices. This continues to be the case in 2022#.

The dominant proportion of homes sold in Bexley North* across 2022# were in the premium market of \$1,700,000 and above (37.3%). Conversely, units have recorded a dominant most affordable price point of less than \$600,000 (27.7%). Overall there is a range of price points readily available in both house and unit markets, giving first home buyers greater access to the market.

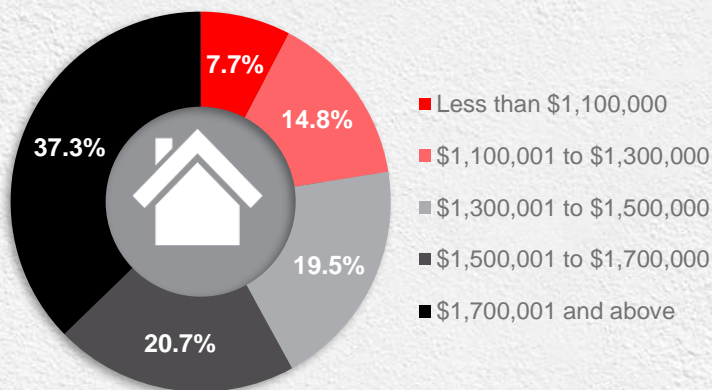
MARKET COMPARISON



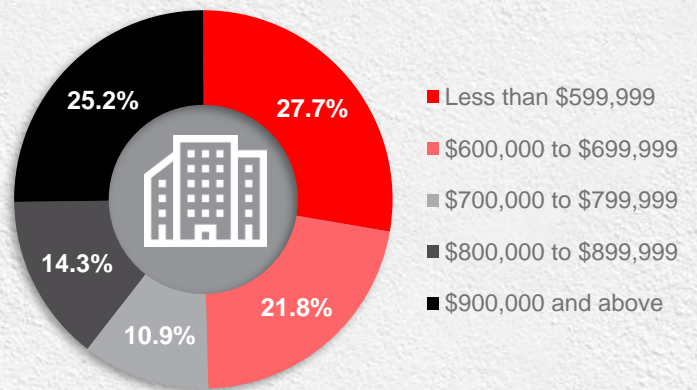
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Bexley North.

PRICE BREAKDOWN 2022#

HOUSES SOLD



UNITS SOLD



RENTAL GROWTH 2022€

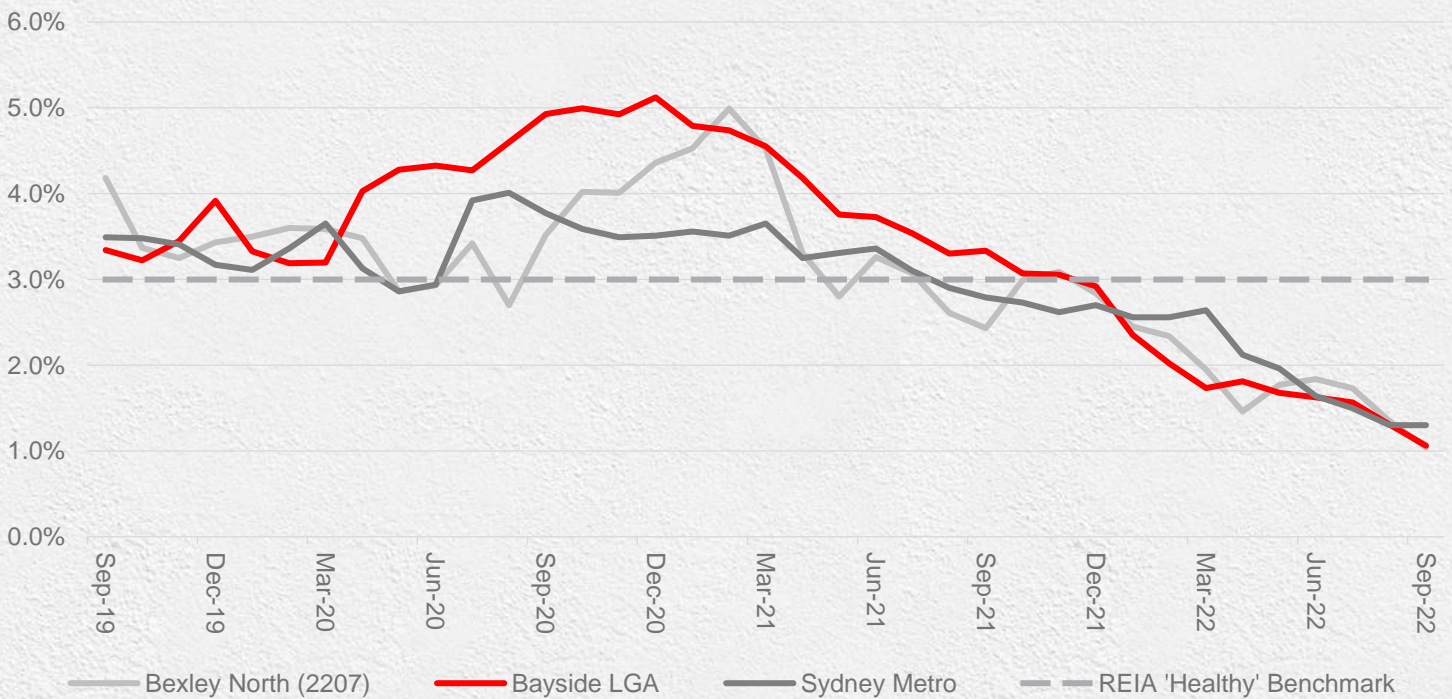
In September 2022, house rental yields in Bexley North were recorded at 2.3%. In the 12 months to Q3 2022, median house rental price grew significantly, by 22.5% to reach \$735 per week. In this time the number of houses rented grew by 36.5% and average days to let declined -19.2%. The same pattern is evident in the unit rental market, indicating high demand.

.4+ bedroom houses provided investors with +14.9% rental growth annually, recording a median rent of \$862 per week.

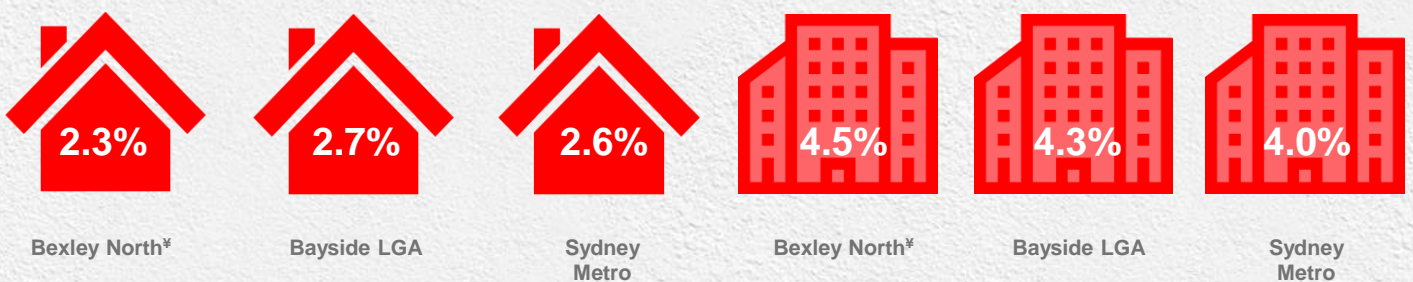
Bexley North* recorded a vacancy rate of 1.0% in September 2022, which is slightly below Sydney Metro's 1.3% average. Vacancy rates in Bexley North* is currently at the lowest point since 2017, after being on a declining trajectory since early 2022. This indicates quicker occupancy of rental properties. Further, vacancy rates in Bexley North* have remained well below the Real Estate Institute of Australia's healthy benchmark of 3.0% for the past 14 months. Investors can be confident of a conducive investment environment in the area, particularly with the median house price downturn in the past quarter.



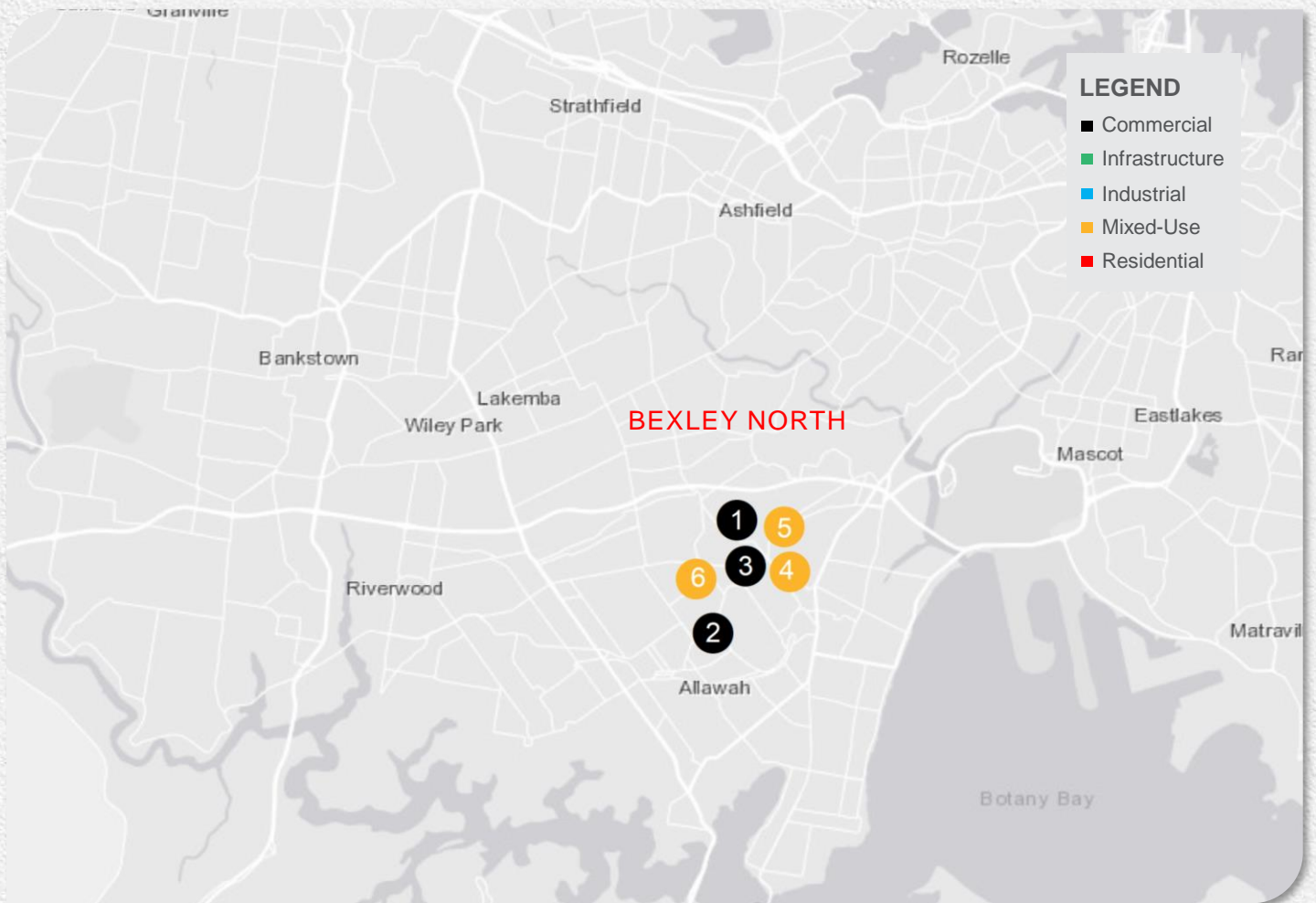
RENTAL VACANCY RATES 2022



RENTAL YIELD 2022\$



TOP DEVELOPMENTS MAP 2nd HALF 2022[Ⓐ]



Location	Project [£]	Type	Estimated Value [Ⓜ]	Commence Date [Ⓜ]
1	Sarsfield Circuit Commercial Building	Commercial	\$12,879,000	22/11/2022
2	662 Forest Road - Boarding House	Commercial	\$744,000	14/09/2022
3	Medway Street & Stoney Creek Road Boarding House	Commercial	\$550,000	07/09/2022
4	410 Forest Road Mixed Use Development (13 apartments)	Mixed-use	\$350,000	07/12/2022
5	Kingsland Road South Mixed Use Development (20 units)	Mixed-use	\$7,390,000	11/07/2022
6	Shaw Street Mixed Use Building (11 apartments)	Mixed-use	\$6,856,000	08/08/2022



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.



Frank Mazzotta

Director

M +61 400 804 041

E frank@prdbn.com.au



PRD Bexley North

P +61 2 6262 5232

PRD.com.au/bexleynorth

Shop 6, 215-231 Kingsgrove Road
Kingsgrove NSW 2208

REFERENCES

* Bexley North market data and key indicators encapsulates aggregate property market conditions within the suburbs of Bexley North, Bexley, Bardwell Park, and Bardwell Valley.

** 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 2022 (01/01/2022 – 30/09/2022) only.

€ Annual rental growth is a comparison between 2021 (01/01/2021 – 30/09/2021) and 2022 (01/01/2022 – 30/09/2022) house median rent figures.

¥ Bexley North market data encapsulates aggregate property conditions within the postcode of 2207.

§ Rental yields shown are as reported as of September 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 Bexley North, Bexley, Bardwell Park and Bardwell Valley.

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.

Disclaimer: PRD does not give any warranty in relation to the accuracy of the information contained in this report. If you intend to rely upon the information contained herein, you must take note that the information, figures and projections have been provided by various sources and have not been verified by us. We have no belief one way or the other in relation to the accuracy of such information, figures and projections. PRD will not be liable for any loss or damage resulting from any statement, figure, calculation or any other information that you rely upon that is contained in the material.

Prepared by PRD Research. © All medians and volumes are calculated by PRD Research. Use with written permission only. All other responsibilities disclaimed. © Copyright PRD 2022.

