



Hurstville Market Update

1st Half 2023



OVERVIEW

In Q4 2022, Hurstville* recorded a median house price of \$1,848,000 and a median unit price of \$660,000. This represents annual (Q4 2021 – Q4 2022) median price softening of -1.4% for houses and -3.6% for units. Total sales decline between Q4 2021 – Q4 2022, by -35.9% (to 25 sales) for houses, while total sales for units declined -17.0% over the 12 month period (to 88 sales). These trends suggest cash rate hikes have translated into the market, as median price downturn is evident alongside an undersupplied market. New opportunities now exist for buyers.

	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
Q4 2022



SALES AVERAGE DAYS ON
MARKET Q4 2022



RENTAL MEDIAN PRICE
Q4 2022

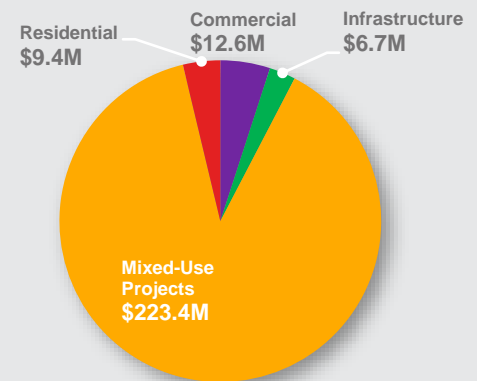


RENTAL AVERAGE DAYS ON
MARKET Q4 2022



FUTURE DEVELOPMENTS

Hurstville is set to see approximately **\$252.1M** worth of new projects commencing in the 1st half of 2023.



A strong focus in mixed-use projects stimulate employment opportunities in Hurstville. This can have a positive spill-over impact on the real estate market, in the form of higher demand.

A key commercial project over the 1st half of 2023 is the Woniara Road Boarding House (\$9.1M).

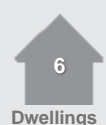
Key mixed-use projects planned for the 1st half of 2023 include:

- 61 Forest Road Mixed-Use Development (254 apartments)
- Forest Road Shop Top Housing (219 apartments)

Key residential projects planned for the 1st half of 2023 include:

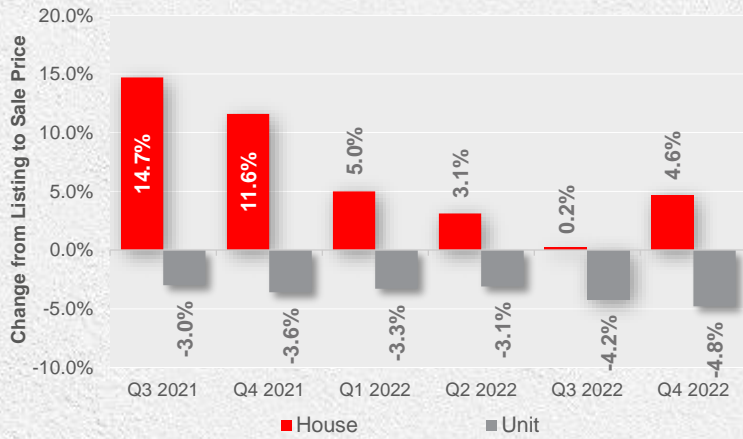
- 564 Railway Parade - Apartments (29 units)
- 48 Greenacre Road Dwellings (6 dwellings)

The combination of these projects will assist in answering demand and can potentially keep price growth at a sustainable level for buyers.



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.

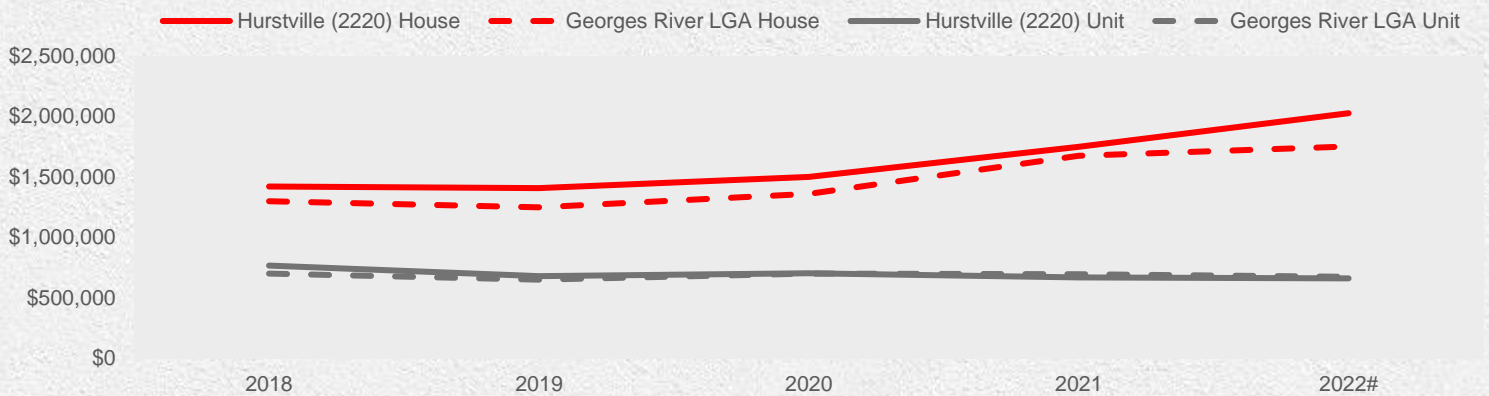


Average vendor discounts between Q4 2021 and Q4 2022 have shifted to a smaller premium of 4.6% for houses and widened to a higher discount (-4.8%) for units. House sellers can still benefit from a final sale price above the first list price, however at a lower premium for buyers. Units continue to favour buyers, as vendors are willing to accept below the first listing price.

The suburb of Hurstville has historically performed on par with the wider George River Local Government Area (LGA) in both house and unit median prices. This continued to be the case throughout 2022[#], even with slower growth on a quarter to quarter basis.

The dominant proportion of homes sold in Hurstville* across 2022[#] were in the premium bracket of above \$2,200,000 (40.0%). Interestingly the main proportion of units recorded a dominant most affordable price point of less than \$650,000 (41.2%). The balance in dominant pricing provide buyers with various budgets an option on how best to enter the market.

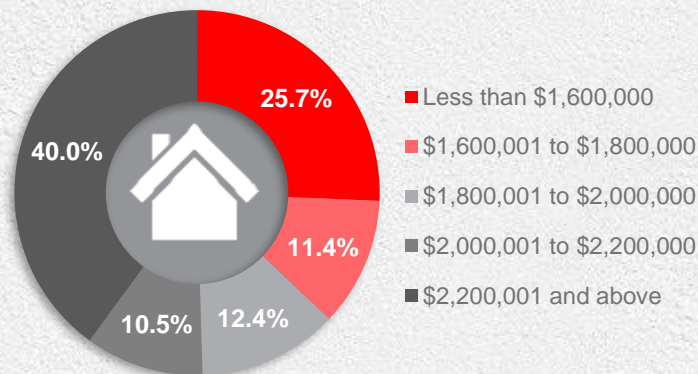
MARKET COMPARISON



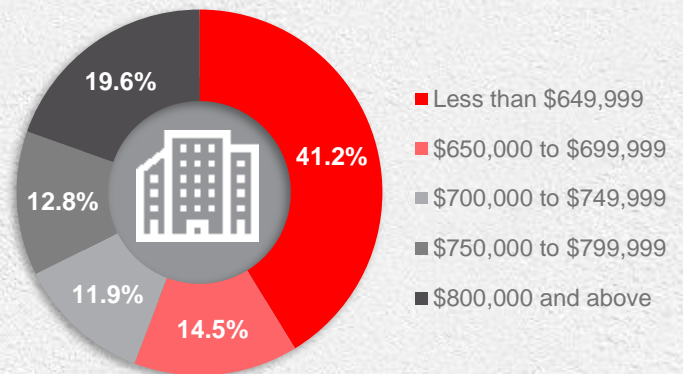
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Hurstville.

PRICE BREAKDOWN 2022[#]

HOUSES SOLD



UNITS SOLD

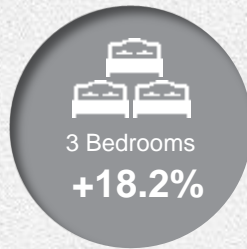
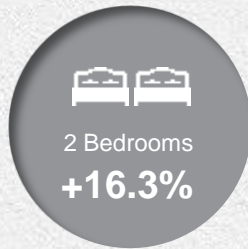


RENTAL GROWTH 2022€

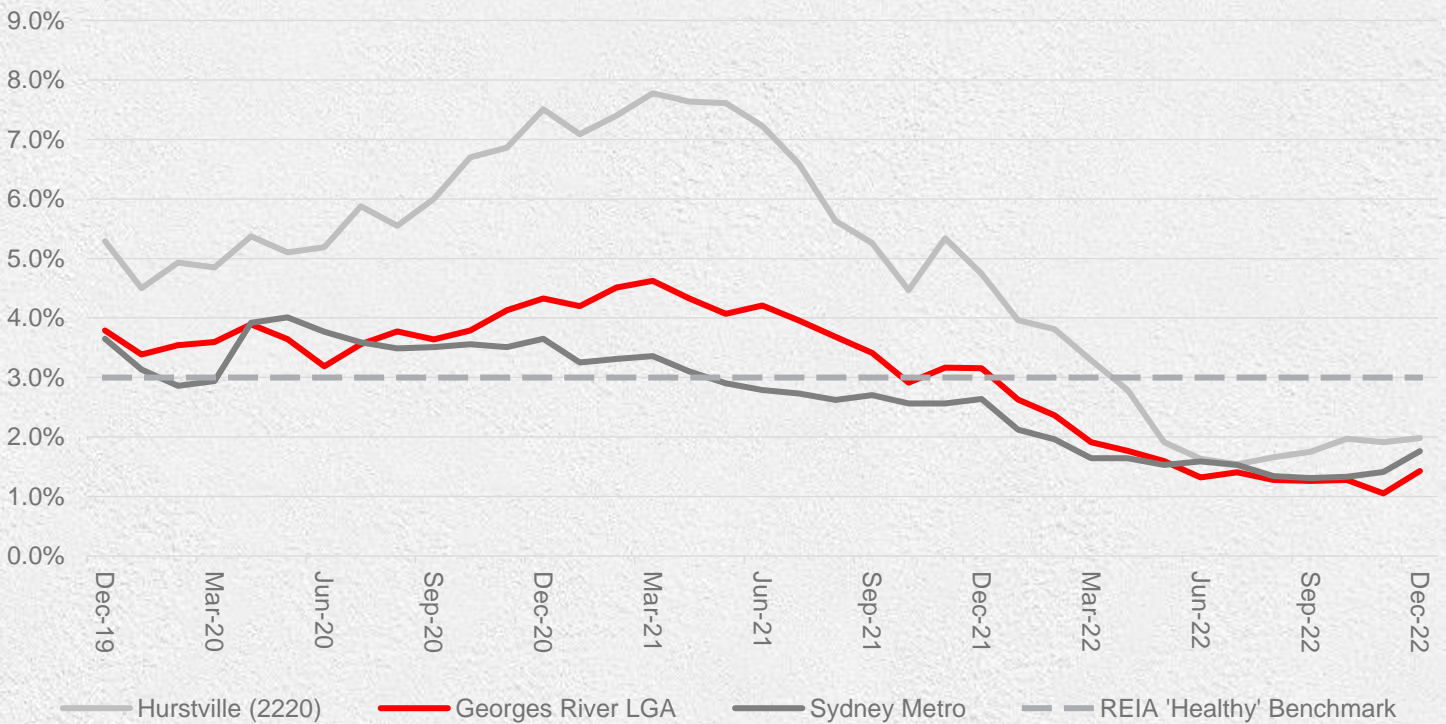
House rental yields in Hurstville were recorded at 2.5% in December 2022, slightly lower than Sydney Metro (2.7%). That said in the 12 months to Q4 2022 median house rental price increased by 11.9% to sit at \$660 per week, alongside a -3.4% decline in the houses rented (to 57 rentals). Average days on the market have increased slightly but is still at a low 31 days. The same pattern can be seen in the unit rental market, which confirms Hurstville as an attractive investment option.

4+ bedroom houses have provided investors with +24.3% rental growth annually, achieving a median rent of \$870 per week

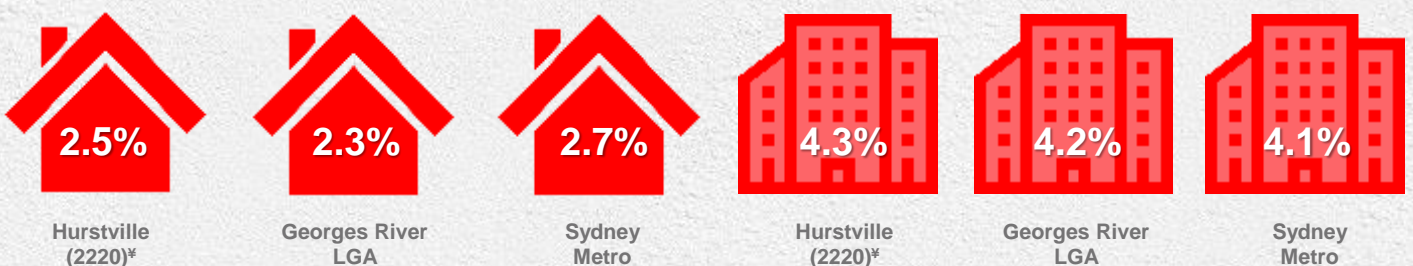
Hurstville[‡] recorded a vacancy rate of 2.0% in December 2022, above Sydney Metro's 1.8% average. Vacancy rates in Hurstville[‡] remain well below the Real Estate Institute of Australia's healthy benchmark of 3.0% and remained steady in late 2022, indicating higher rental demand. These key indicators suggest a conducive and sustainable environment for investors, especially with a softer median sale price between Q4 2021 – Q4 2022. Now is the time to enter the market.



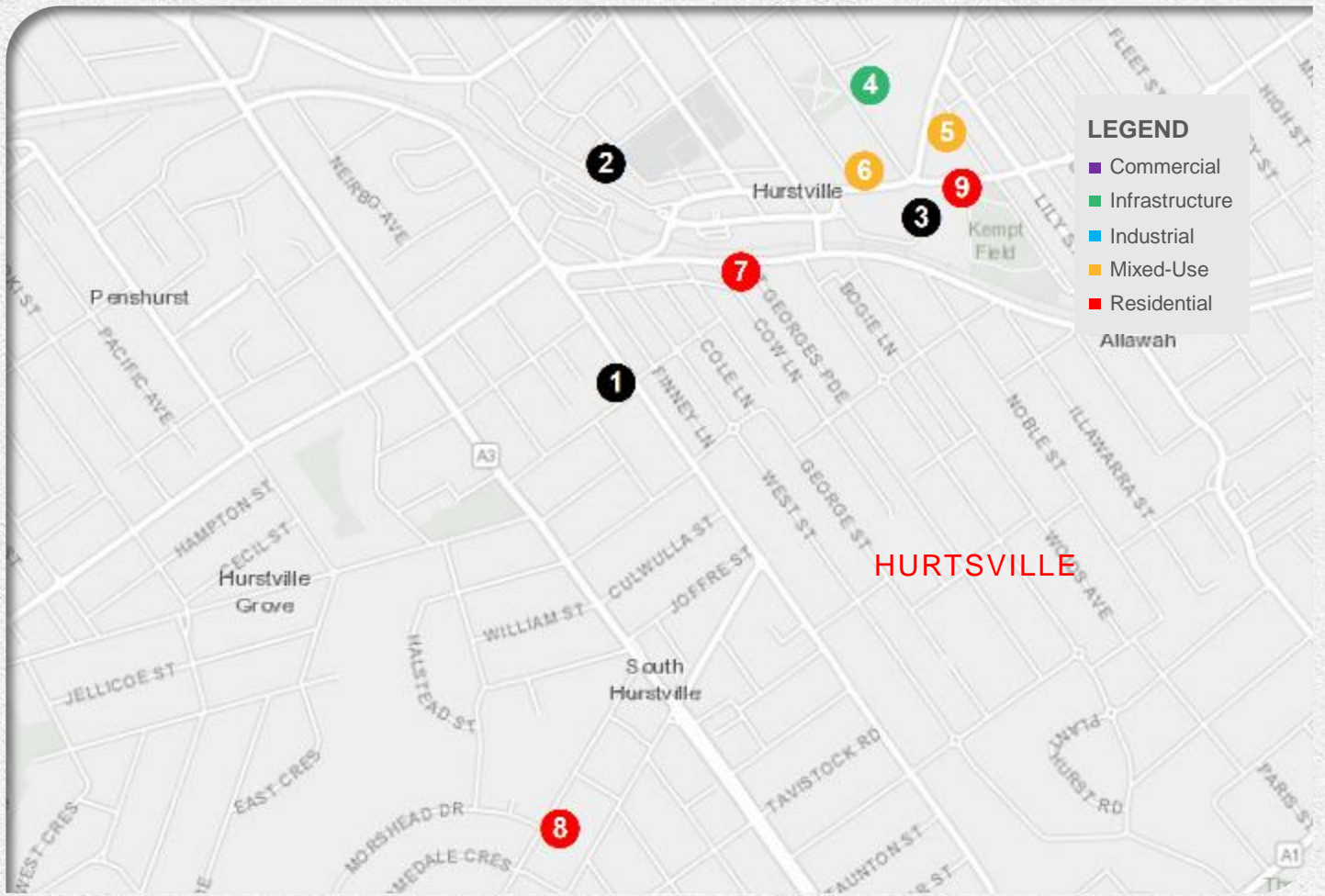
RENTAL VACANCY RATES 2022



RENTAL YIELD 2022\$



TOP DEVELOPMENTS MAP 1st HALF 2023^A



Location	Project [£]	Type	Estimated Value ^µ	Commence Date ^ψ
1	Woniara Road Boarding House	Commercial	\$9,130,000	14/06/2023
2	One Hurstville Plaza	Commercial	\$3,234,000	05/06/2023
3	99a Forest Road Shop Conversion	Commercial	\$241,000	03/04/2023
4	New South Wales Land and Housing Corporation – Hurstville	Infrastructure	\$6,655,000	20/03/2023
5	61 Forest Road Mixed Use Development - Mesa Hurstville (254 units)	Mixed-use	\$128,390,000	12/05/2023
6	Forest Road Shop Top Housing (219 apartments)	Mixed-use	\$95,030,000	18/02/2023
7	546 Railway Parade – Apartments (17 apartments)	Residential	\$6,919,000	12/06/2023
8	48 Greenacre Road Dwellings (6 dwellings)	Residential	\$1,806,000	18/05/2023
9	99 Forest Road Apartments Conversion (7 apartments)	Residential	\$700,000	18/04/2023



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 suburbs 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 2022 (01/01/2022 – 31/12/2022) only.

€ Annual rental growth is a comparison between 2021 (01/01/2021 – 31/12/2022) and 2022 (01/01/2022 – 31/12/2022) house median rent figures.

¥ Hurstville market data encapsulates aggregate property conditions within the postcodes of 2220.

§ Rental yields shown are as reported as of December 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 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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