

Maroubra Market Update

1st Half 2023



OVERVIEW

In Q1 2023, Maroubra* recorded a median house price of \$2,510,000, and a median unit price of \$837,000. This represents annual (Q1 2022 – Q1 2023) median price softening of -1.6% for houses and -20.3% for units. That said, on a quarterly basis (Q4 2022 – Q1 2023) median house price grew by 2.7% and median unit price declined at only -4.6%. Thus cash rate hikes did translate into the market, but consumer confidence have returned. In the past 12 months sales declined by -27.9% (house) and -40.6% (units), thus an undersupply is evident. For those looking for a more affordable market, time is of the essence.

| | 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
Q1 2023



SALES AVERAGE DAYS ON
MARKET Q1 2023



RENTAL MEDIAN PRICE
Q1 2023

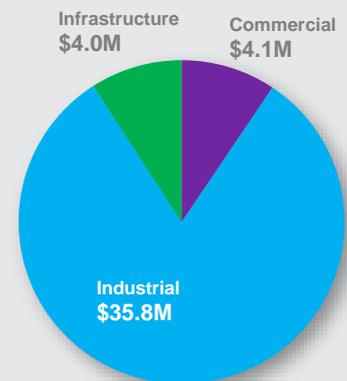


RENTAL AVERAGE DAYS ON
MARKET Q1 2023



FUTURE DEVELOPMENTS

Maroubra is set to see approximately **\$33.7M** worth of new projects commencing in the 1st half of 2023.



These projects will stimulate economic growth and create large employment opportunities in Maroubra, which should have a positive spill-over impact on the real estate market.

The Wentworth Avenue Industrial Development is a key development planned in the 1st half of 2023, which will see the addition of a 2 storey industrial development to comprise 234 self storage units and 52 warehouses with office space at the mezzanine level.

A notable commercial development planned is the Smith Street – Commercial building. This project will see the demolition of existing buildings on site and construction of a commercial building.

An undersupply is particularly of concern in both the house and unit markets, as the number of sales have declined significantly in the past 12 months to Q1 2023 and there is an absence in new stock. Thus there is a reliance on people selling or downsizing.

This puts pressure on prices, and with consumer confidence returning there is a possibility of higher prices.

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.

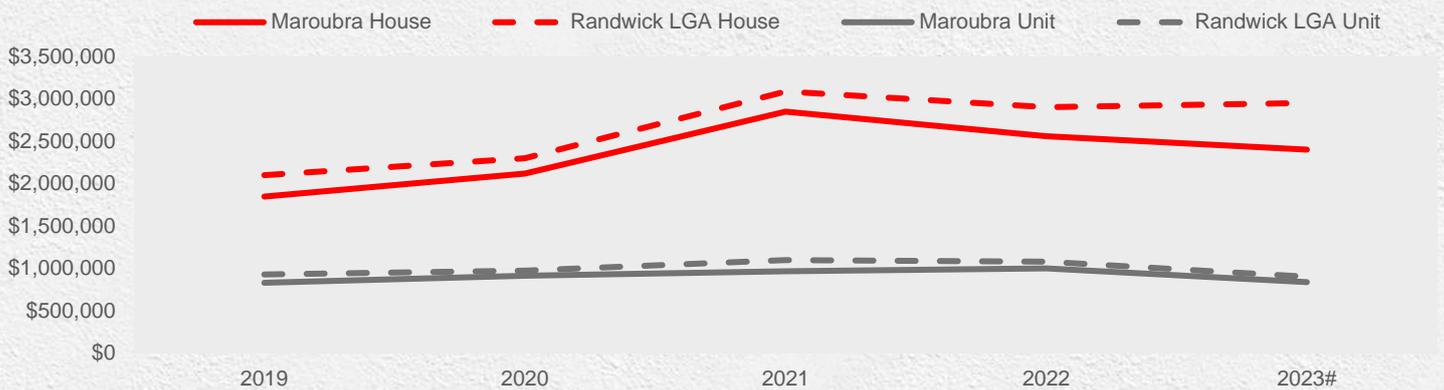


Average vendor discounts between Q1 2022 and Q1 2023 have shifted for houses, to a higher premium of 3.8% (from 3.3%). Units have swung from a neutral position to a discount of -2.0% in Q1 2023. House sellers can achieve a final price above the first list price again in Q1 2023, thus a potential return to pre-cash rate hike market conditions.

The suburb of Maroubra has historically offered greater value when compared to the wider Randwick Local Government Area (LGA) in house and unit median prices. This is still the case for houses in 2023#.

The dominant proportion of homes sold in Maroubra* across 2022/23# were in the premium price bracket of \$2,750,000 and above (31.6%). Units also recorded a dominant premium price point, of \$1,000,000 and above (32.1%). The premium market continues to dominate in Maroubra*. That said the most affordable price bracket have also increased, to 21.8% for houses and 25.0% for units, creating an opportunity for first home buyers.

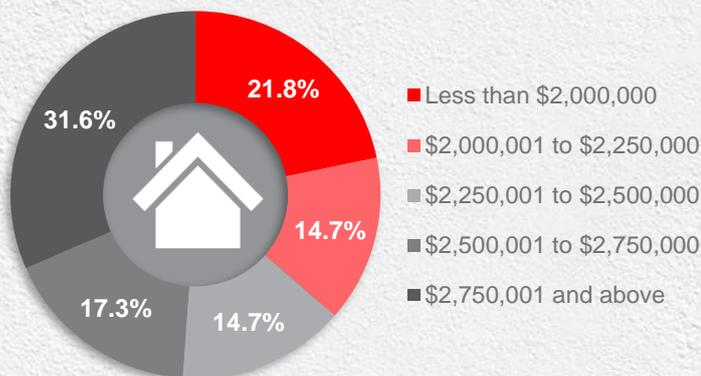
MARKET COMPARISON



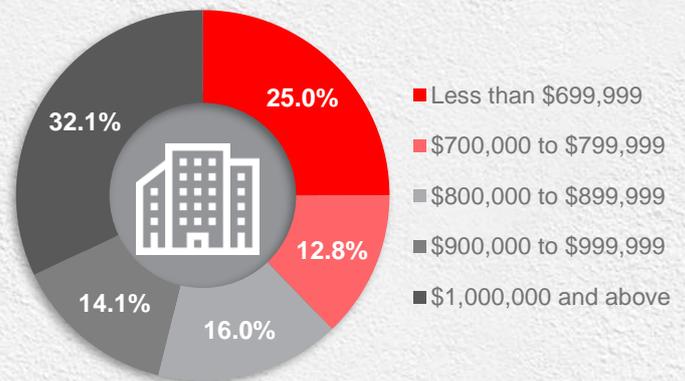
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Maroubra.

PRICE BREAKDOWN 2022/23#

HOUSES SOLD



UNITS SOLD



RENTAL GROWTH 2023€

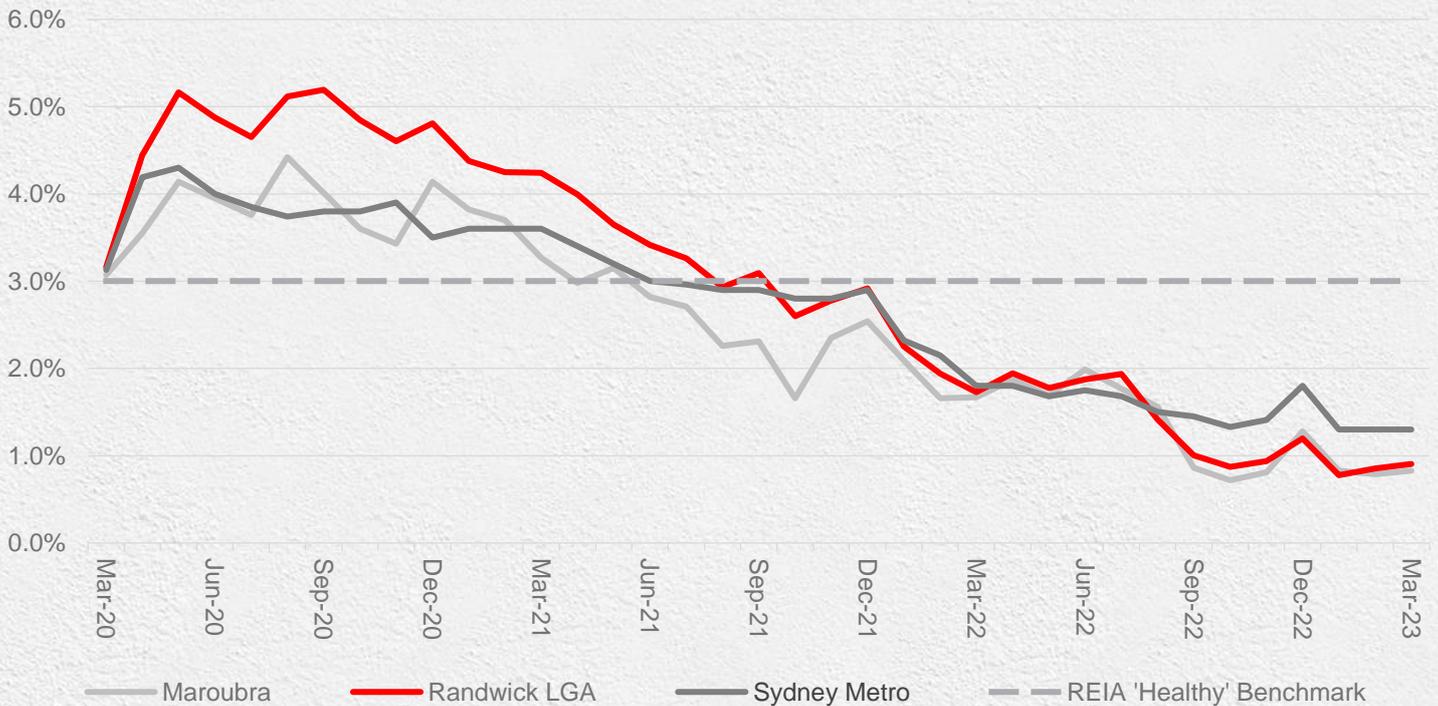
House rental yields in Maroubra* were recorded at 3.0% in March 2023, slightly above Sydney Metro (2.9%). This was paired with a 24.5% increase in median house rental price in the past 12 months to Q1 2023, and a -7.5% decrease in the number houses rented. Average days on the market declined by, -9.5% to a low 19 days – the lowest recorded in the past 18 months. This confirms there is an undersupplied rental market in Maroubra.

3 bedroom houses have provided investors with +29.4% rental growth annually, with a median rent of \$1,100 per week.

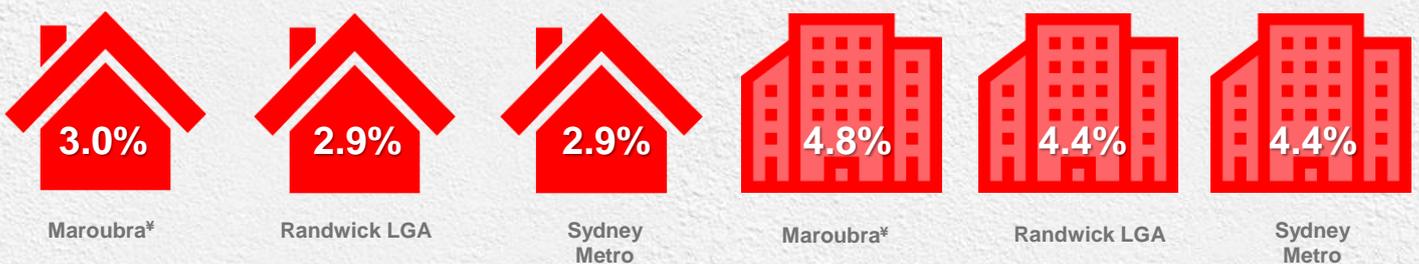
Maroubra (Postcode 2035)* recorded a vacancy rate of 0.8% in March 2023, which is below Sydney Metro's 1.3% average. Thus properties are rented quicker in Maroubra*. Further, vacancy rates in Maroubra* have held steady over the past 12 months, indicating stability in its rental demand. These key indicators create a conducive and sustainable environment for investors, even if the house market has started to gain price growth in the past quarter.



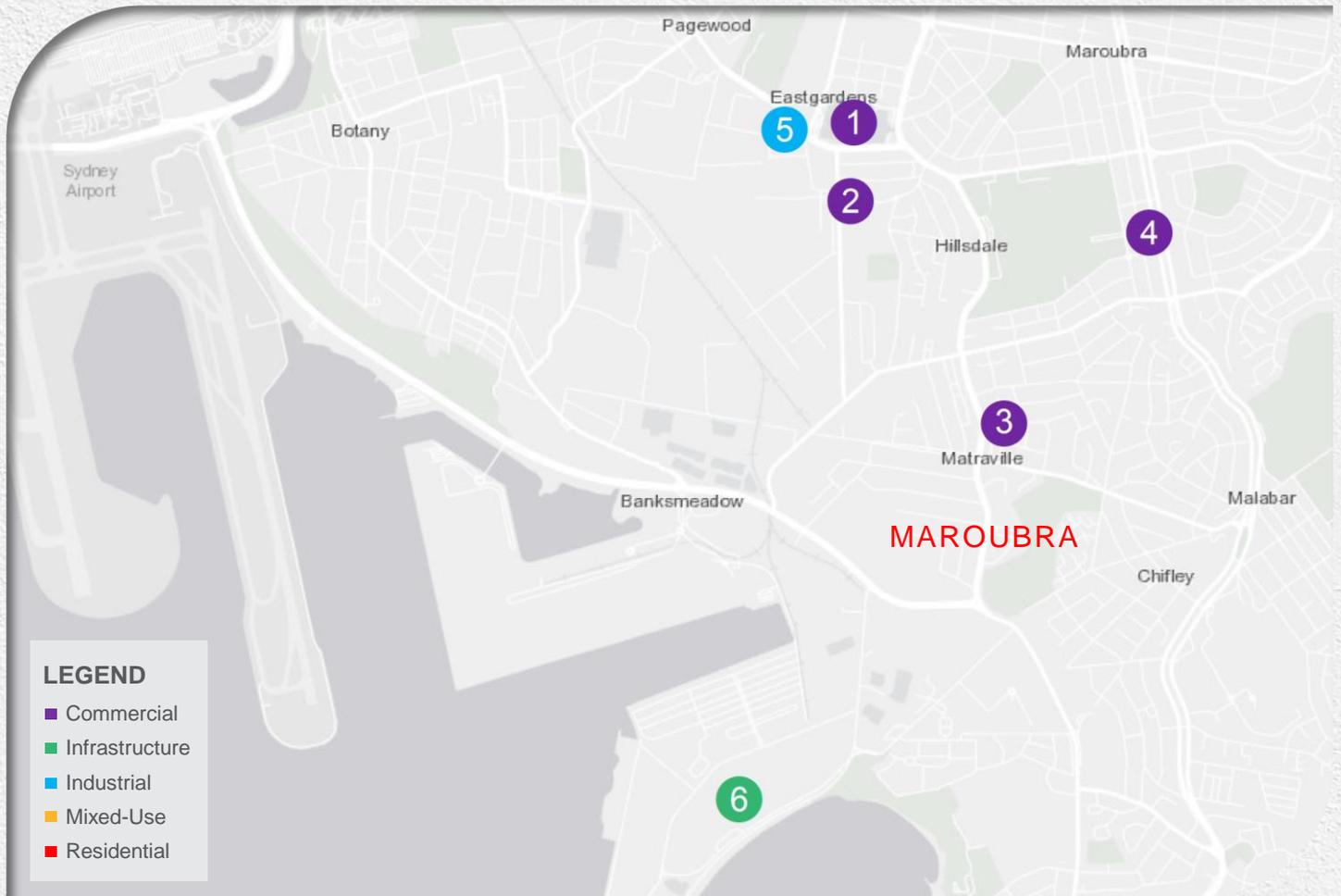
RENTAL VACANCY RATES 2023



RENTAL YIELD 2023\$



TOP DEVELOPMENTS MAP 1st HALF 2023[▲]



| Location | Project [£] | Type | Estimated Value ^µ | Commence Date ^ψ |
|----------|--|----------------|------------------------------|----------------------------|
| 1 | 152 Bunnerong Road Commercial Building Alterations & Additions | Commercial | \$2,190,000 | 09/04/2023 |
| 2 | 53 Smith Street - Commercial Building | Commercial | \$1,254,000 | 13/03/2023 |
| 3 | Matraville Hotel Alterationss & Additions | Commercial | \$485,000 | 03/04/2023 |
| 4 | 959-963 Anzac Parade Service Station | Commercial | \$200,000 | 03/02/2023 |
| 5 | Wentworth Avenue Industrial Development | Industrial | \$35,775,000 | 20/06/2023 |
| 6 | Port Botany Replacement Lead Light Towers | Infrastructure | \$4,000,000 | 06/02/2023 |

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

* 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.

2023 encapsulates sales transactions for 2023 (01/01/2023 – 31/3/2023) only.

€ Rental growth is a comparison between 2022 (01/01/2022 – 31/12/2022) and 2023 (01/01/2023 – 31/3/2023) house median rent figures.

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

§ Rental yields shown are as reported as of March 2023.

⌘ 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 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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