



Kogarah Market Update

1st Half 2023



OVERVIEW

In Q1 2023, Kogarah* recorded a median house price of \$1,530,000, and a median unit price of \$646,000. This represents annual (Q1 2022 – Q1 2023) median price softening of -7.3% for houses and -1.4% for units. That said, on a quarterly basis (Q4 2022 – Q2 2023) median house and unit price both grew by 1.0%. Thus cash rate hikes did translate into the market, but consumer confidence have returned. In the past 12 months to Q1 2023 sales declined by -43.1% (house) and -17.1% (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



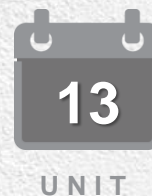
SALES AVERAGE DAYS ON
MARKET Q1 2023



RENTAL MEDIAN PRICE
Q1 2023

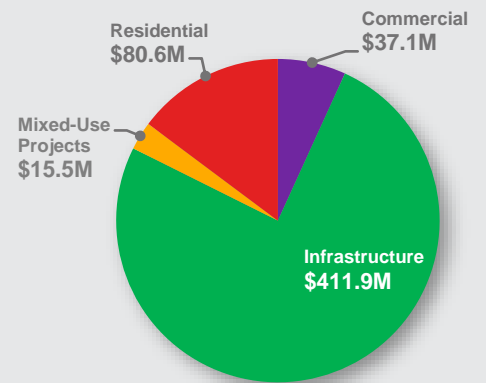


RENTAL AVERAGE DAYS ON
MARKET Q1 2023



FUTURE DEVELOPMENTS

Kogarah is set to see approximately **\$545.1M** worth of new projects commencing in the 1st half of 2023.



A focus on infrastructure projects will improve liveability for residents of Kogarah and create job opportunities in the construction phase. This can attract more people to the area and increase demand for housing stock.

Key commercial and infrastructure projects planned for the 1st half of 2023 are the St Basils Bexley Aged Care Facility and St George Hospital Integrated Ambulant Care Building

A number of residential projects are set to begin in the 1st half of 2023. These include:

- Palmerson Street Prosper Apartments (51 apartments)
- Victoria Street Apartments (50 apartments)
- Bryant Street Apartments (60 apartments)

These projects do add to supply and assist with some demand. That said there is an absence of new ready to sell stand alone dwellings, which will create more price pressures for this type of stock in the near future.



234 Units/
Apartments

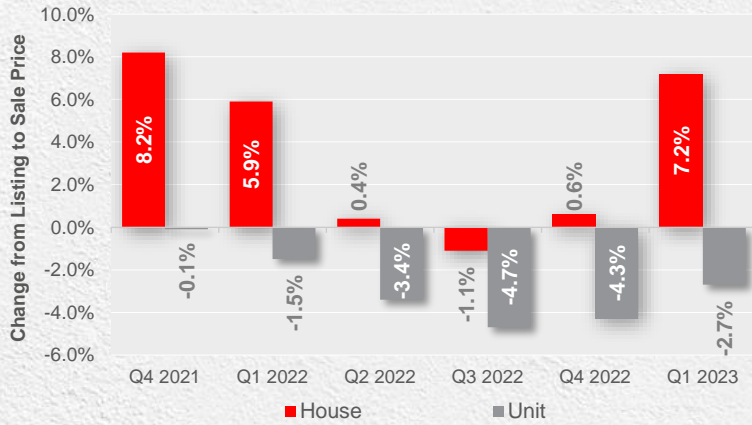
AVERAGE VENDOR DISCOUNT* KEY COMMENTS

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.

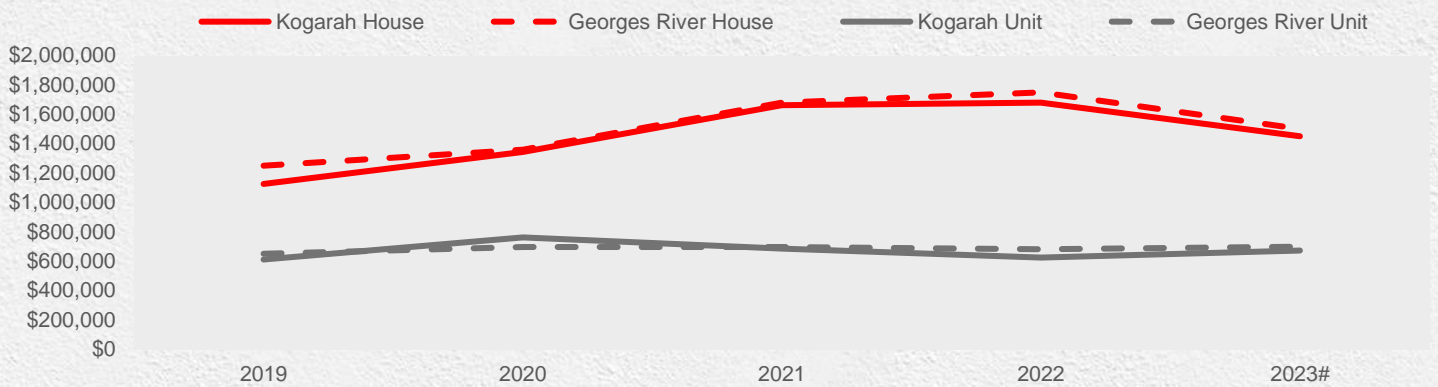
Average vendor discounts between Q1 2022 and Q1 2023 have shifted for houses, to a higher premium of 7.2% (from 5.9%). Units by contrast have recorded a larger discount of -2.7% (from -1.5%). House sellers can achieve a final price above the first list price again in Q1 2023, thus the market has returned to pre-cash rate hike market conditions. Unit buyers can still benefit from a discount, however time is limited.

The suburb of Kogarah has historically been on par with the wider Georges River Local Government Area (LGA) for property prices, which has continued in early 2023#.

The dominant proportion of homes sold in Kogarah* across 2022/23# were in the premium price bracket of \$1,700,000 and above (42.5%). Units recorded a dominant middle price bracket between \$600,000 to \$700,000 (26.3%). The premium house market still dominate in Kogarah, although the most affordable price bracket of less than \$1,399,999 have expanded to 27.1%. Units have a range of price points available, in good news for first home buyers.



MARKET COMPARISON

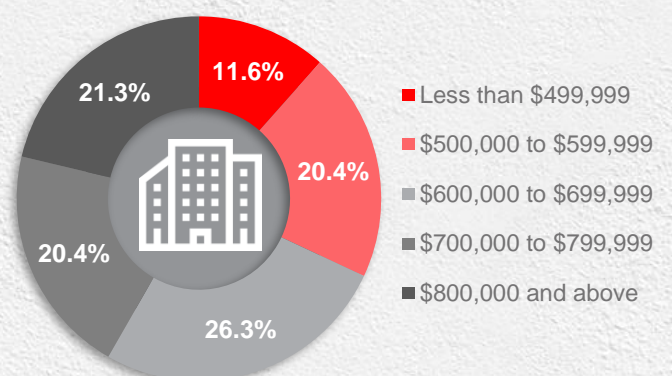
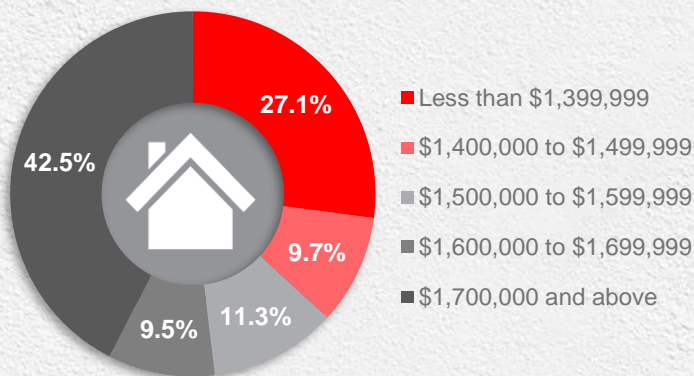


The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Kogarah.

PRICE BREAKDOWN 2022/23#

HOUSES SOLD

UNITS SOLD



RENTAL GROWTH 2023€

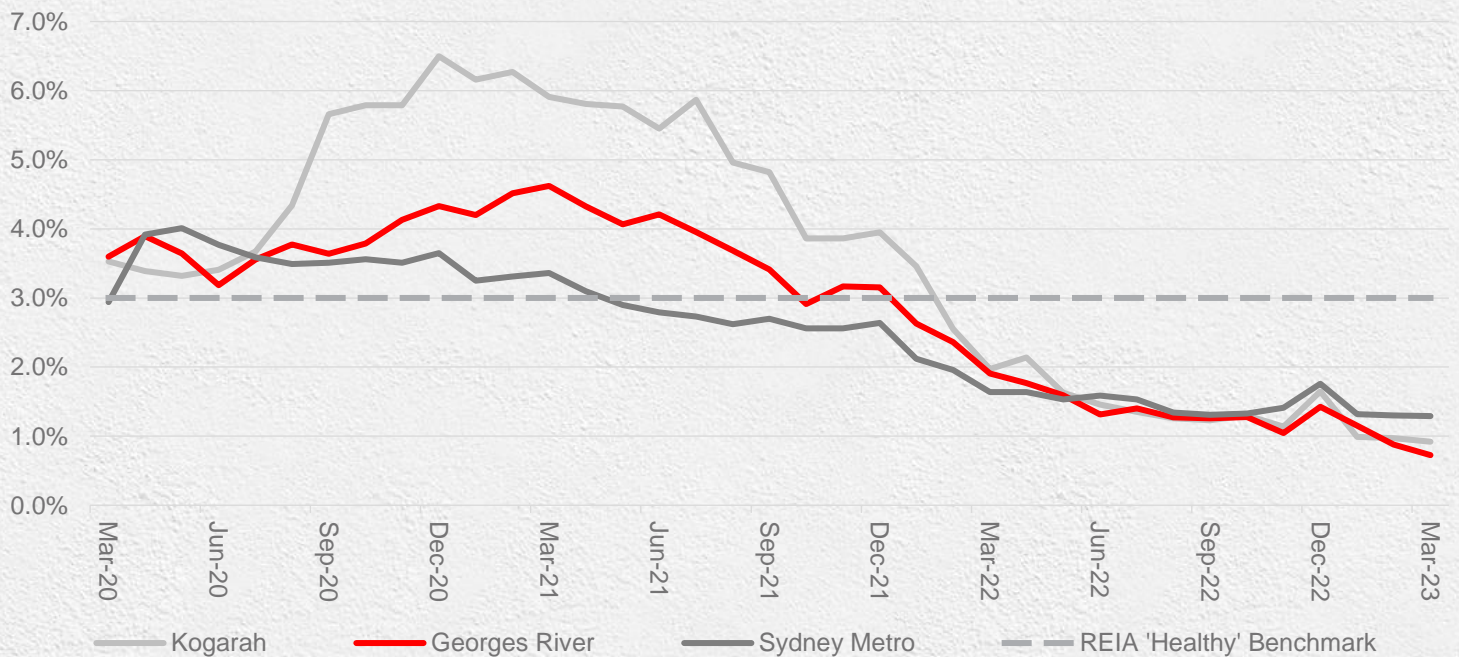
House rental yields in Kogarah* were recorded at 4.0% in March 2023, above Sydney Metro (2.9%). This was paired with a 15.4% increase in median house rental price in the past 12 months to Q1 2023 (to \$750 per week), and a -3.8% decrease in the number houses rented (to 102 houses). Average days on market remained at a low 20 days. This is an undersupplied house rental market and the same pattern can be seen for units; thus confirming a resilient rental market in Kogarah*

4+ bedroom houses have provided investors with +22.0% rental growth annually, with a median rent of \$1,000 per week.

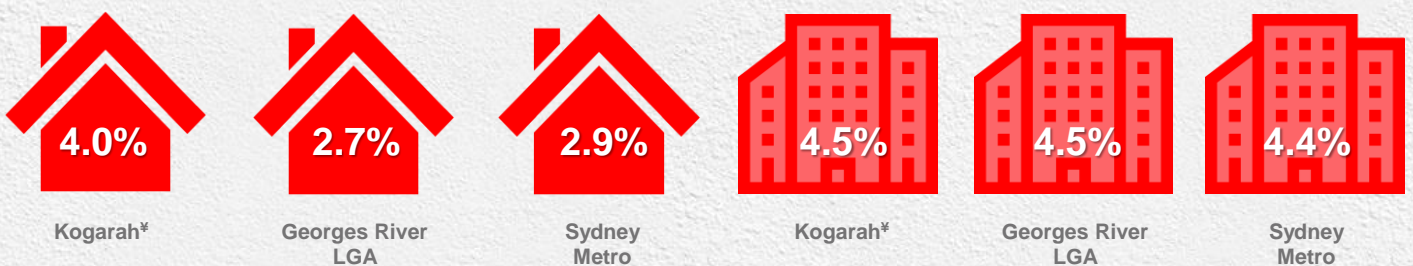
Kogarah* recorded a vacancy rate of 0.9% in March 2023, which is below Sydney Metro's 1.6% average. Thus properties are rented quicker in Kogarah. Further, vacancy rates in Kogarah have continued to decline in the past 12 months, indicating higher rental demand. These key indicators create a conducive and sustainable environment for investors, even if the house median price growth have started to normalise in the past quarter (Q4 2022 – Q1 2023).



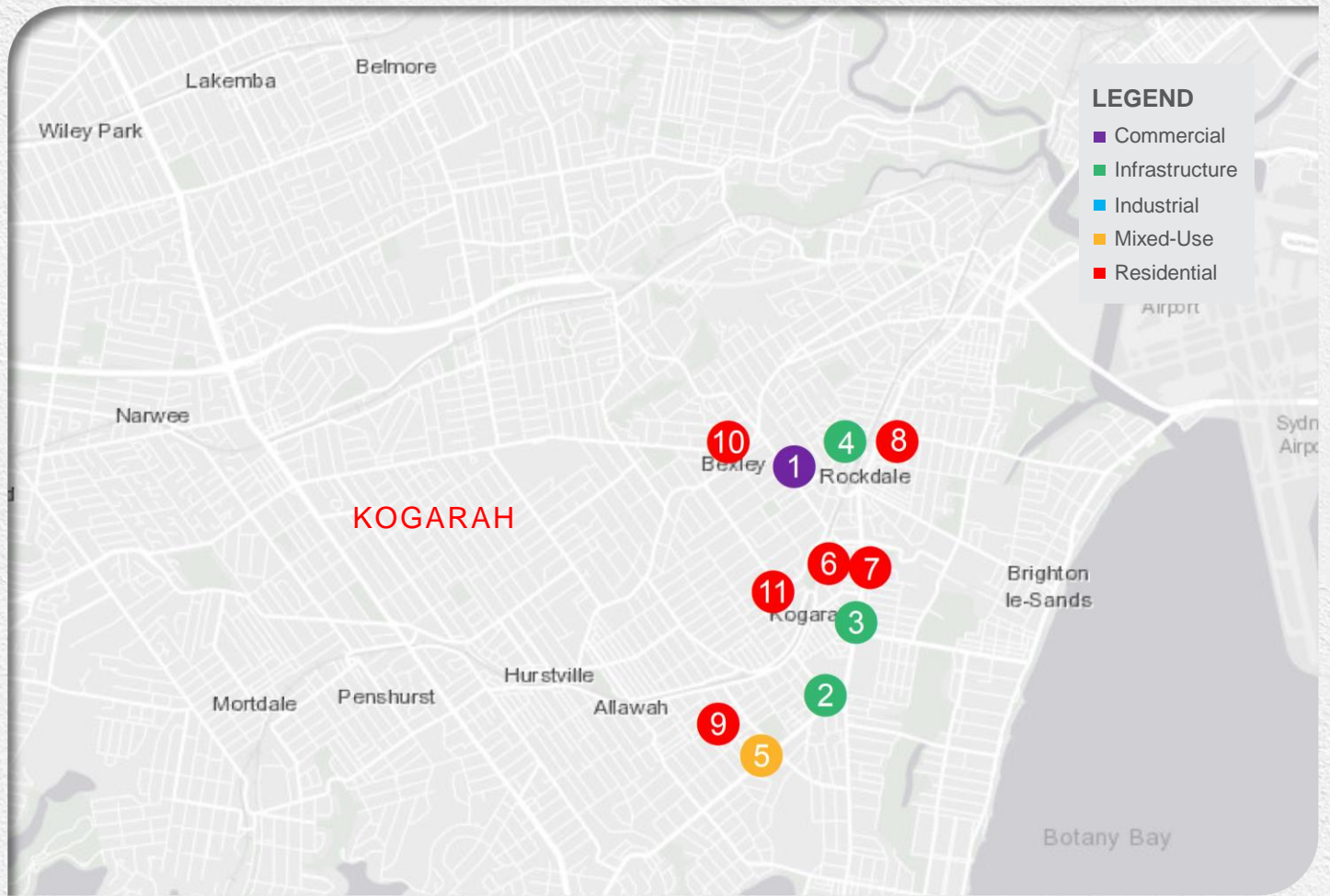
RENTAL VACANCY RATES 2023



RENTAL YIELD 2023\$



TOP DEVELOPMENTS MAP 1st HALF 2023^A



Location	Project [£]	Type	Estimated Value ^µ	Commence Date ^ψ
1	St Basils Bexley Residential Aged Care Facility	Commercial	\$37,120,000	13/04/2023
2	St George Hospital Integrated Ambulatory Care Precinct - Stage 3	Infrastructure	\$411,000,000	05/06/2023
3	Moorefield Girls High School Sports Court & Fencing	Infrastructure	\$435,000	30/01/2023
4	Rockdale Station Platform Tactile	Infrastructure	\$432,000	17/02/2023
5	Princes Highway Shop Top Housing (34 apartments)	Mixed-use	\$15,472,000	06/03/2023
6	2-10 Palmerston Street Prosper Apartments (51 apartments)	Residential	\$19,780,000	14/03/2023
7	18-24a Victoria Street Apartments (50 apartments)	Residential	\$21,482,000	06/06/2023
8	27-31 Bryant Street Apartments - The Scenic (60 apartments)	Residential	\$17,660,000	03/04/2023
9	Nielsen Avenue Apartments (42 apartments)	Residential	\$10,779,000	08/02/2023
10	Abercorn Street Units (25 apartments)	Residential	\$8,918,000	28/02/2023
11	70 Warialda Street Apartments (6 apartments)	Residential	\$2,002,000	24/01/2023



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

* Kogarah market data and key indicators encapsulates aggregate property market conditions within the suburbs of Bexley, Carlton, and Kogarah, Kogarah Bay, Rockdale.

** 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 Quarter 1 (01/01/2023 – 31/3/2023) only.

€ Annual rental growth is a comparison between Quarter 1 2022 (01/01/2022 – 31/3/2022) and Quarter 1 2023 (01/01/2023 – 31/3/2023) house median rent figures.

¥ Kogarah rental market data encapsulates aggregate property conditions within the postcode of 2217.

§ 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 Beverley Park, Bexley, Carlton, Kogarah, Kogarah Bay and Rockdale.

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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