

# Beverly Hills Market Update

## 1<sup>st</sup> Half 2023



### OVERVIEW

In Q1 2023, Beverly Hills\* recorded a median house price of \$1,277,000, and a median unit price of \$712,000. This represents annual (Q1 2022 – Q1 2023) median price softening of -12.6% for houses and a growth of 10.4% for units. However on a quarterly basis (Q4 2022 – Q1 2023) median house price grew by 0.4% and median unit price grew 23.8%. Thus cash rate hikes did translate into the market, but consumer confidence have returned. Sales did decline for houses in the past 12 months, by -6.8%, thus indicating an undersupply. For those looking for a more affordable house 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

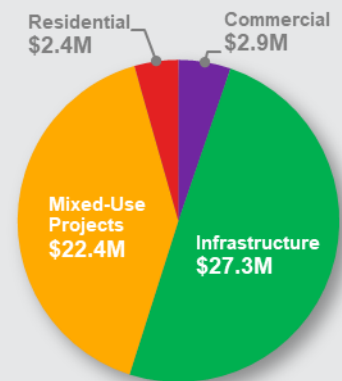


RENTAL AVERAGE DAYS ON  
MARKET Q1 2023



### FUTURE DEVELOPMENTS

Beverly Hills is set to see approximately **\$54.9M** worth of new projects commencing in the 1<sup>st</sup> half of 2023.



These projects will stimulate economic growth and create large employment opportunities in Beverly Hills. This can have a spill-over impact on the real estate market, in the form of more residents and demand for housing.

A main infrastructure project over the 1<sup>st</sup> half of 2023 is the Beverly Hills Railway Station Commuter Car park (\$27.3M). This will improve the liveability and transport of residents.

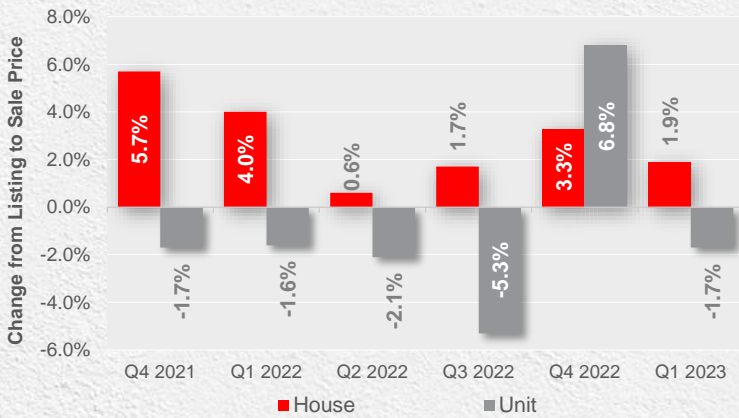
The Stoney Creek Road Mixed Development (\$22.0M) will add 44 units to Beverley Hills. This will comprise of supermarket and retail tenancies on the ground floor, in addition to 44 shop top units.

53 Mountview Avenue Dwellings is the only residential project, adding 6 houses to the area. Combined with 44 units there is more housing stock in the area, however with the current undersupply this will not be enough for future demand. Thus a downturn in property prices will be temporary, due to high demand pressures.



# 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.

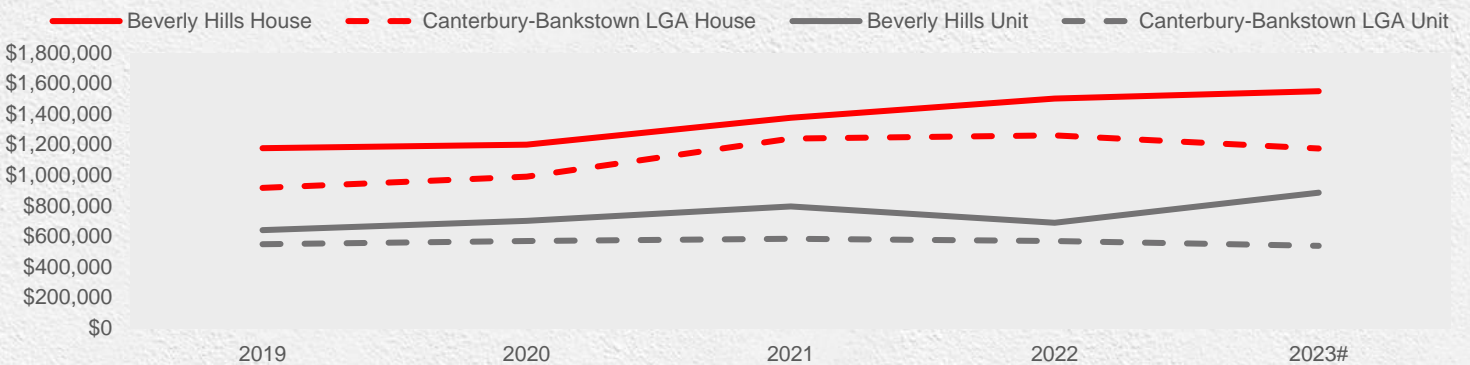


Average vendor discounts between Q1 2022 and Q1 2023 have shifted to a lower premium of 1.9% (from 4.0%) for houses, while it has remained stable for units (-1.7%). House sellers can achieve a final price above the first list price again in Q1 2023, thus a potential return to pre-cash rate hike market conditions. Unit buyers can still access a discount, but time is limited.

The suburb of Beverly Hills has outperformed the wider Canterbury-Bankstown Local Government Area (LGA) in both house and unit median prices over the past five years. Early 2023<sup>#</sup> saw prices follow this trend, more so for units as it trends towards a more premium market.

The dominant proportion of homes sold in Beverly Hills\* across 2022/23<sup>#</sup> were in the premium price bracket of \$1,500,000 and above (32.3%). Units also recorded a dominant premium price bracket, of \$750,000 and above (32.4%). Affordable options have become more available, with 29.4% (house) and 19.4% (units) of sales being in the most affordable price brackets. This is encouraging for first home buyers.

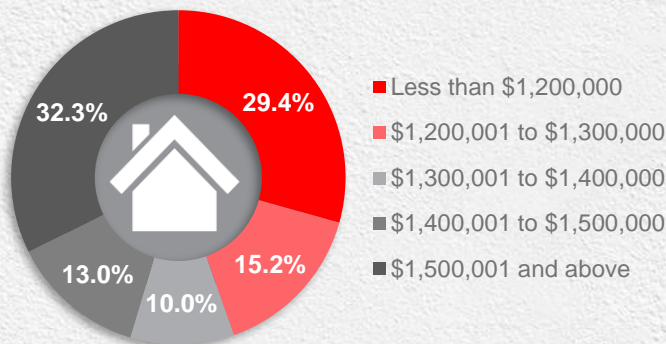
## MARKET COMPARISON



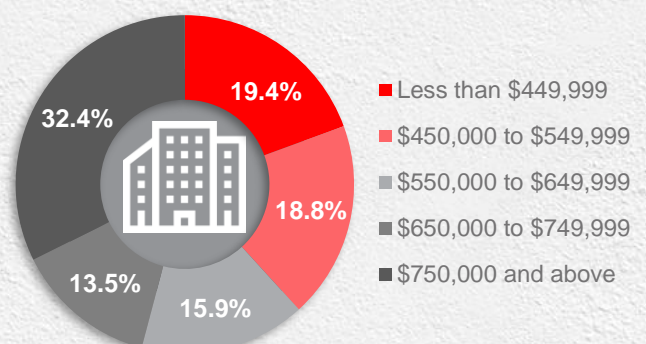
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Beverly Hills.

## PRICE BREAKDOWN 2022/23<sup>#</sup>

### HOUSES SOLD



### UNITS SOLD

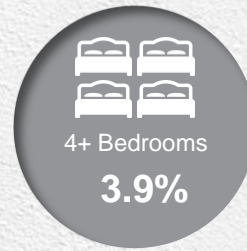


# RENTAL GROWTH 2023€

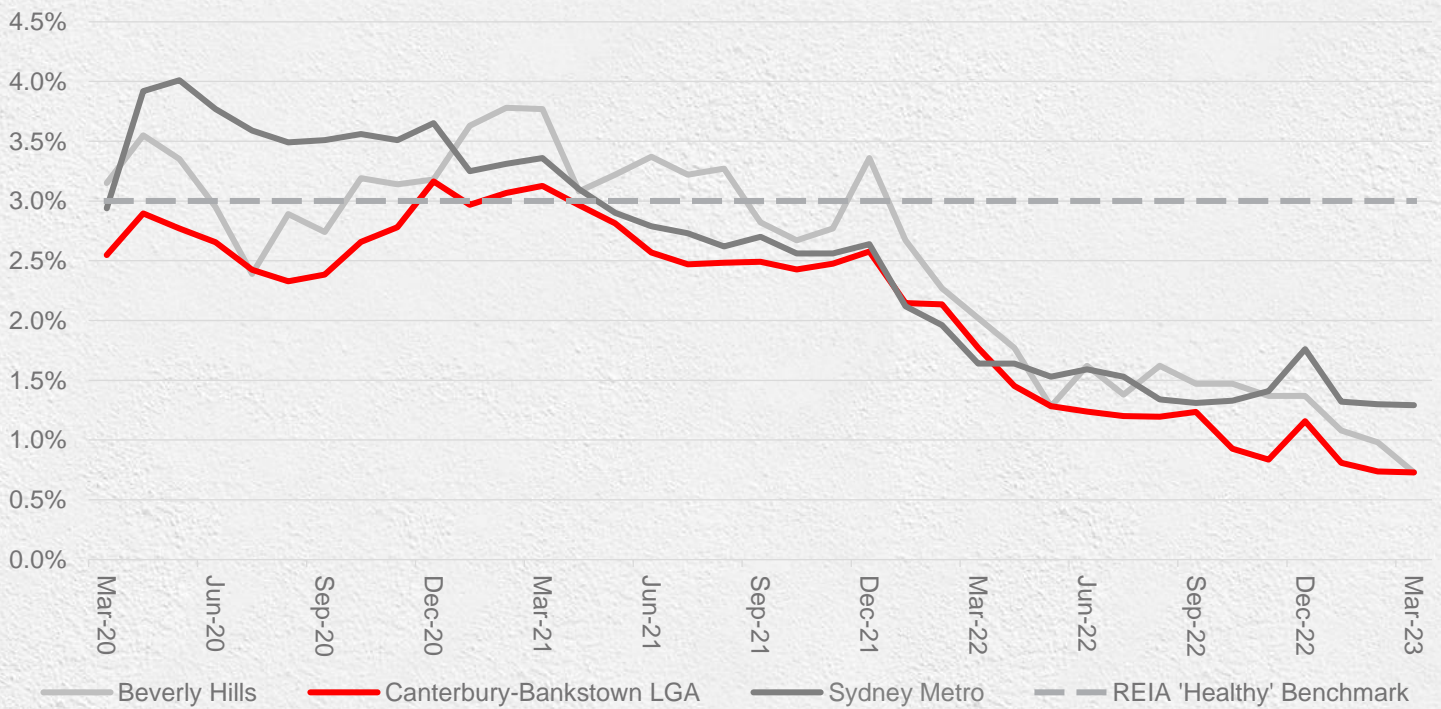
House rental yields in Beverly Hills was 1.9% in March 2023, slightly below Sydney Metro (2.3%). However this was paired with a 24.1% increase in median house rental price in the past 12 months to Q1 2023, and a 11.1% increase in the number of house rented. Average days on the market declined by -20.0%, to 20 days – the lowest recorded in the past 18 months. This same pattern can be seen in the unit rental market, thus confirming a resilient and undersupplied rental market.

3+ bedroom houses have provided investors with +14.2% rental growth annually, achieving a median rent of \$660 per week.

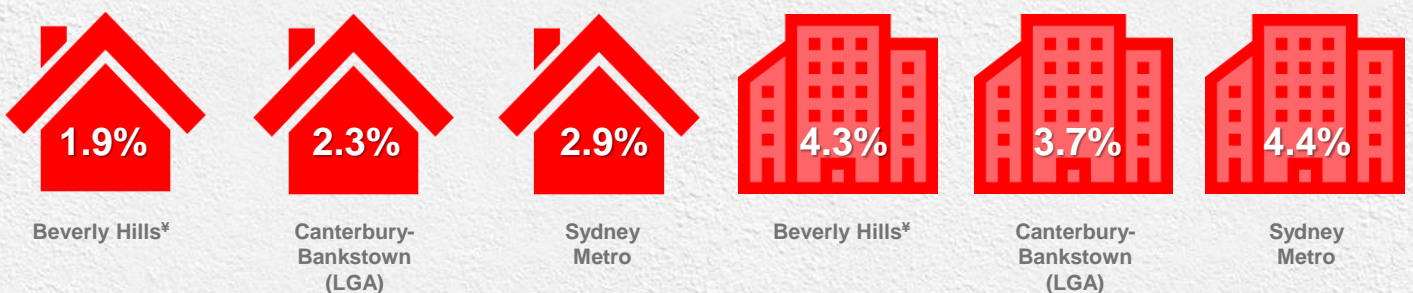
Beverly Hills<sup>‡</sup> recorded a vacancy rate of 0.7% in March 2023, significantly below Sydney Metro's 1.3% average. Vacancy rates in Beverly Hills<sup>‡</sup> have declined for the past 24 months, sitting well below the Real Estate Institute of Australia's healthy benchmark of 3.0% and currently at a historical low. This creates a conducive and sustainable environment for investors, even if median house price has started to normalise in the past quarter (Q4 2022 – Q1 2023).



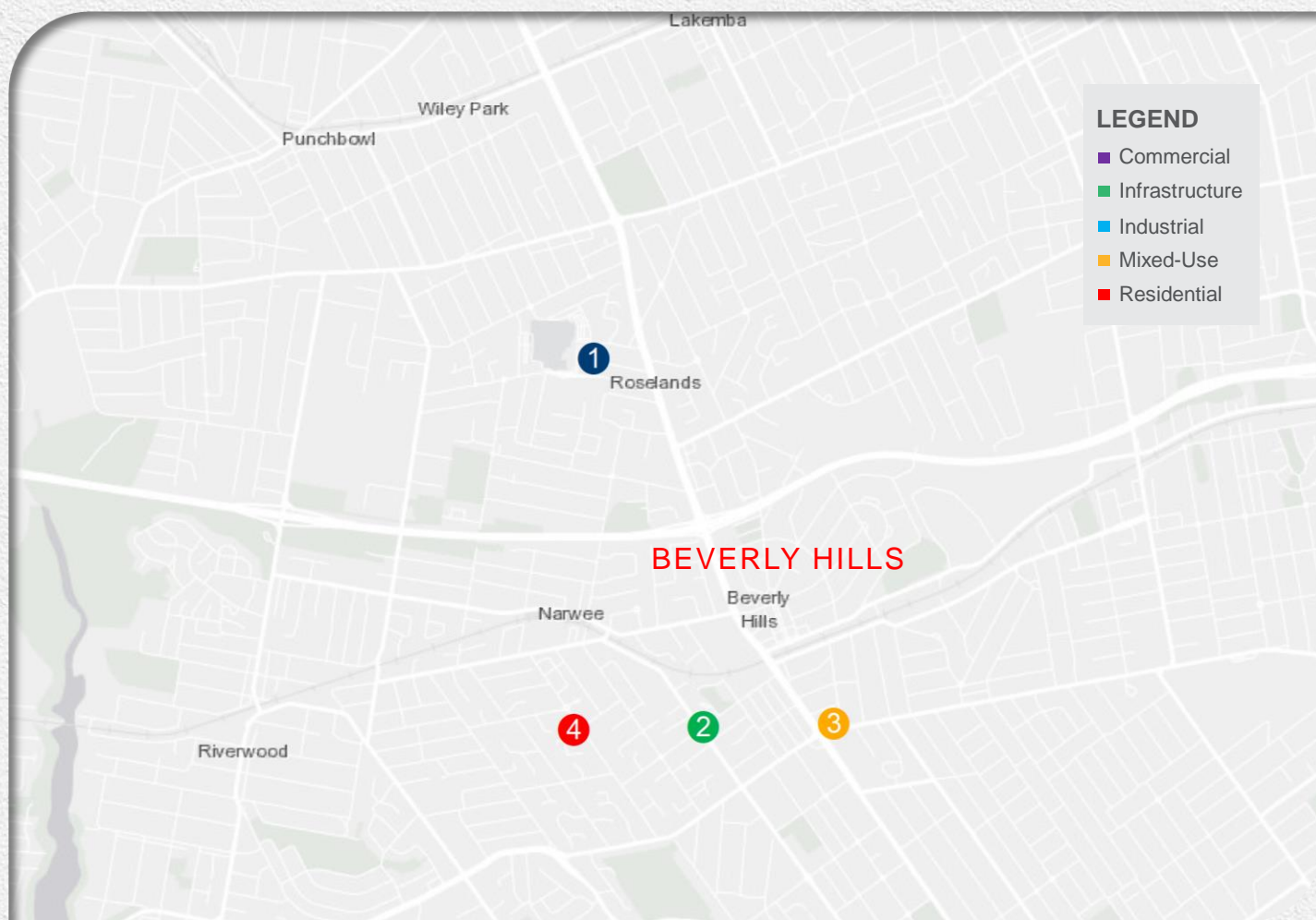
# RENTAL VACANCY RATES 2023



# RENTAL YIELD 2023\$



# TOP DEVELOPMENTS MAP 1<sup>st</sup> HALF 2023<sup>A</sup>



Location	Project <sup>£</sup>	Type	Estimated Value <sup>µ</sup>	Commence Date <sup>ψ</sup>
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1	23 Roseland Avenue Lantern Club Alterations & Additions	Commercial	\$2,885,000	11/06/2023
2	Beverly Hills Railway Station Commuter Car Park	Infrastructure	\$27,304,000	27/06/2023
3	Stoney Creek Road Mixed Development (44 units)	Mixed-use	\$22,357,000	10/05/2023
4	53 Mountview Avenue Dwellings (6 dwellings)	Residential	\$2,424,000	05/06/2023



## 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.



### **Frank Mazzotta**

**Director**

**M** +61 400 804 041

**E** [frank@prdbn.com.au](mailto:frank@prdbn.com.au)



## PRD Beverly Hills

**P** +61 2 9579 6355

[PRD.com.au/beverlyhills](http://PRD.com.au/beverlyhills)

526B King Georges Road  
Beverly Hills NSW 2209

# REFERENCES

\* Beverly Hills market data and key indicators encapsulates aggregate property market conditions within the suburbs of Beverly Hills, Roselands, Narwee.

\*\* 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 2022 (01/01/2022 – 31/12/2022) and 2023 (01/01/2023 – 31/3/2023) median rent figures..

¥ Beverly Hills rental market data encapsulates aggregate property conditions within the postcode of 2209.

§ 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 Beverly Hills, Roselands and Narwee.

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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