



Hurstville Market Update

2nd Half 2023



OVERVIEW

In Q2 2023, Hurstville* recorded a median house price of \$2,102,000 and a median unit price of \$685,000. This represents annual (Q2 2022 – Q2 2023) median price growth of 15.8% for houses and 4.1% for units. Hurstville* saw a continuous price growth over the quarter (Q1 2023 – Q2 2023), after seeing a slight dip in late 2022/early 2023. This suggests a market recovery even with cash rate hikes. In the past 12 months to Q2 2023 house sales have declined by -38.1% (to 26 sales), which suggests a market undersupply underpins price growth. Confidence has returned to Hurstville, with properties in high demand.

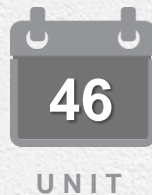
	CHANGE FROM LAST	YEAR	HALF YEAR
 House Sales		↓	↓
House Median Price		↑	↑
House Rental Price		↑	↑
 Unit Sales		↑	↑
Unit Median Price		↑	↑
Unit Rental Price		↑	↑

MARKET CONDITIONS

SALES MEDIAN PRICE Q2 2023



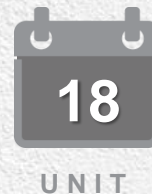
SALES AVERAGE DAYS ON MARKET Q2 2023



RENTAL MEDIAN PRICE Q2 2023

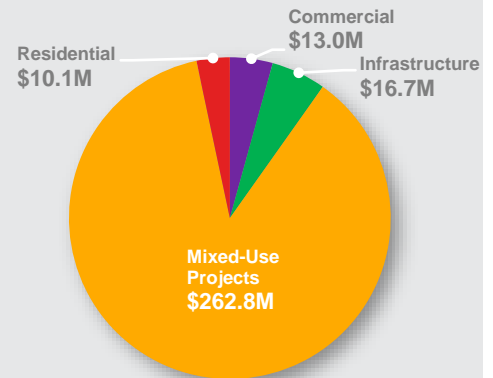


RENTAL AVERAGE DAYS ON MARKET Q2 2023



FUTURE DEVELOPMENTS

Hurstville is set to see approximately **\$302.5M** worth of new projects commencing in the 2nd half of 2023.



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

A main commercial project over the 1st half of 2023 is Woniara Road Boarding House (\$9.1M). This will construct a 5 storey boarding house with 54 boarding room.

There are two significant mixed-use projects planned for the 1st half of 2023: Lotus Hurstville Units (116 units, 10 commercial units) and 61 Forest Road development (retail, 254 apartments, hotel, 3-20 storey).

Key residential projects include:

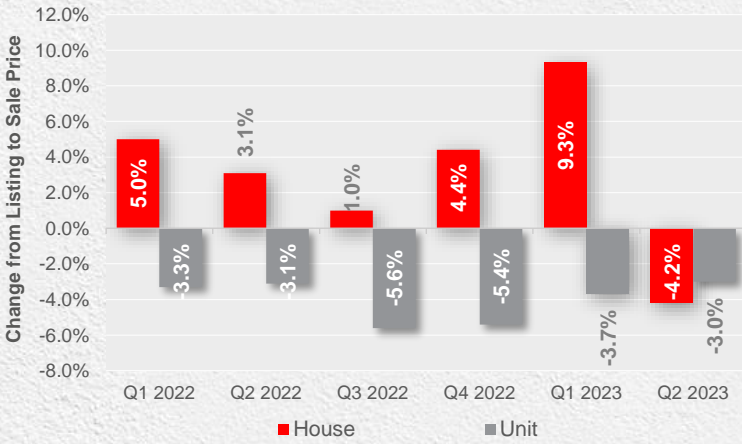
- 546 Railway Parade – 17 apartments
- 17-17a Romani Avenue – 5 dwellings

These projects does add more stock to market, however lacks ready-to-sell houses. This will continue to put pressure on house 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.

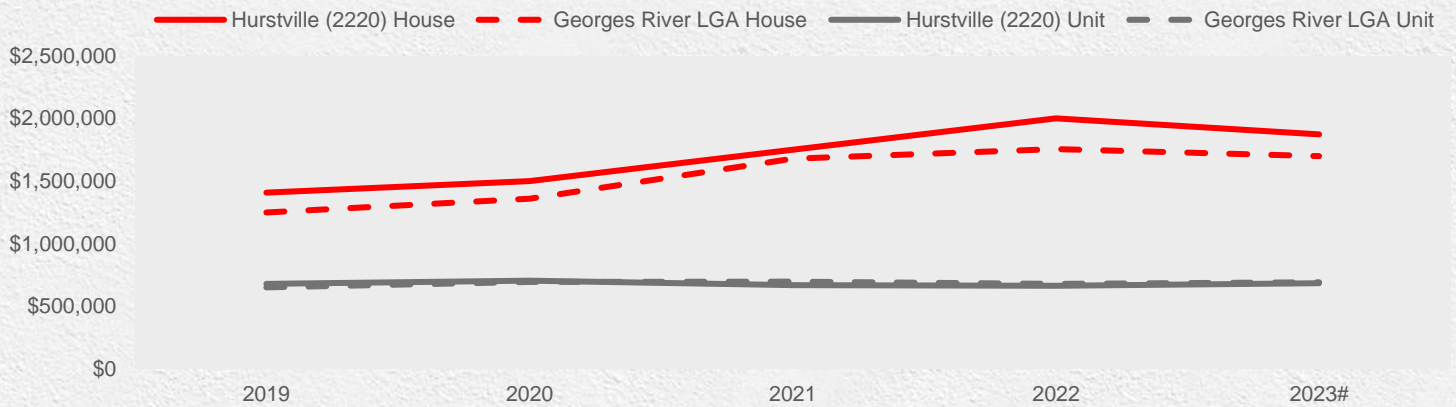


Average house vendor discount between Q2 2022 and Q2 2023 swung from a premium to discount of -4.2%, while for units it remained relatively stable at a discount of -3.0%. House buyers can now benefit, for the first time in the past 18 months, from a final sale price below the first list price. Units 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 Georges River Local Government Area (LGA) in property prices. This continued to be the case throughout the 1st half of 2023 for units, whereas Hurstville houses have become a premium market.

The dominant proportion of homes sold in Hurstville* across 2023# were in the premium bracket of above \$2,200,000 (38.0%). Units on the other hand recorded a dominant mid range price point of between \$600,000-\$699,999 (29.9%). The balance in dominant pricing between houses and units provide buyers with various budgets an option on how best to enter the market.

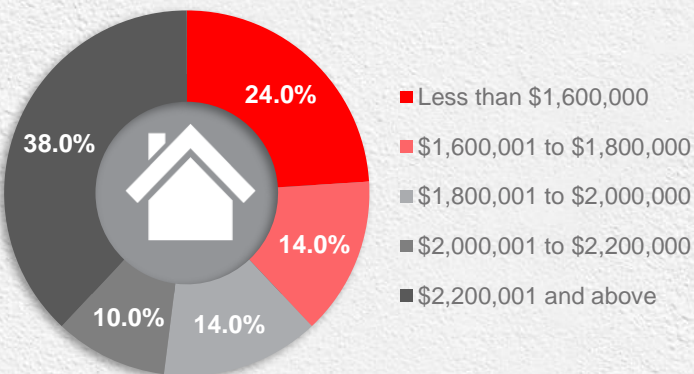
MARKET COMPARISON



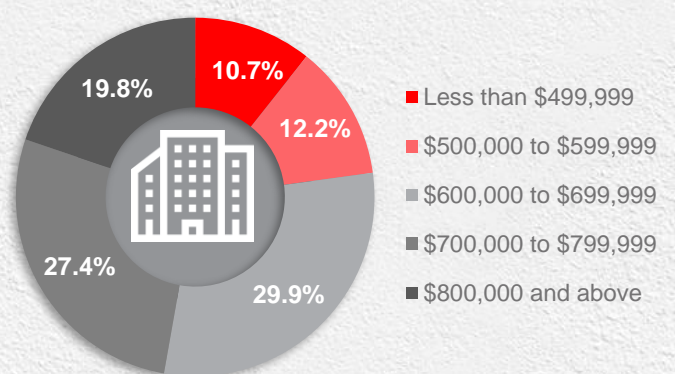
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Hurstville.

PRICE BREAKDOWN 2023#

HOUSES SOLD



UNITS SOLD



RENTAL GROWTH 2023€

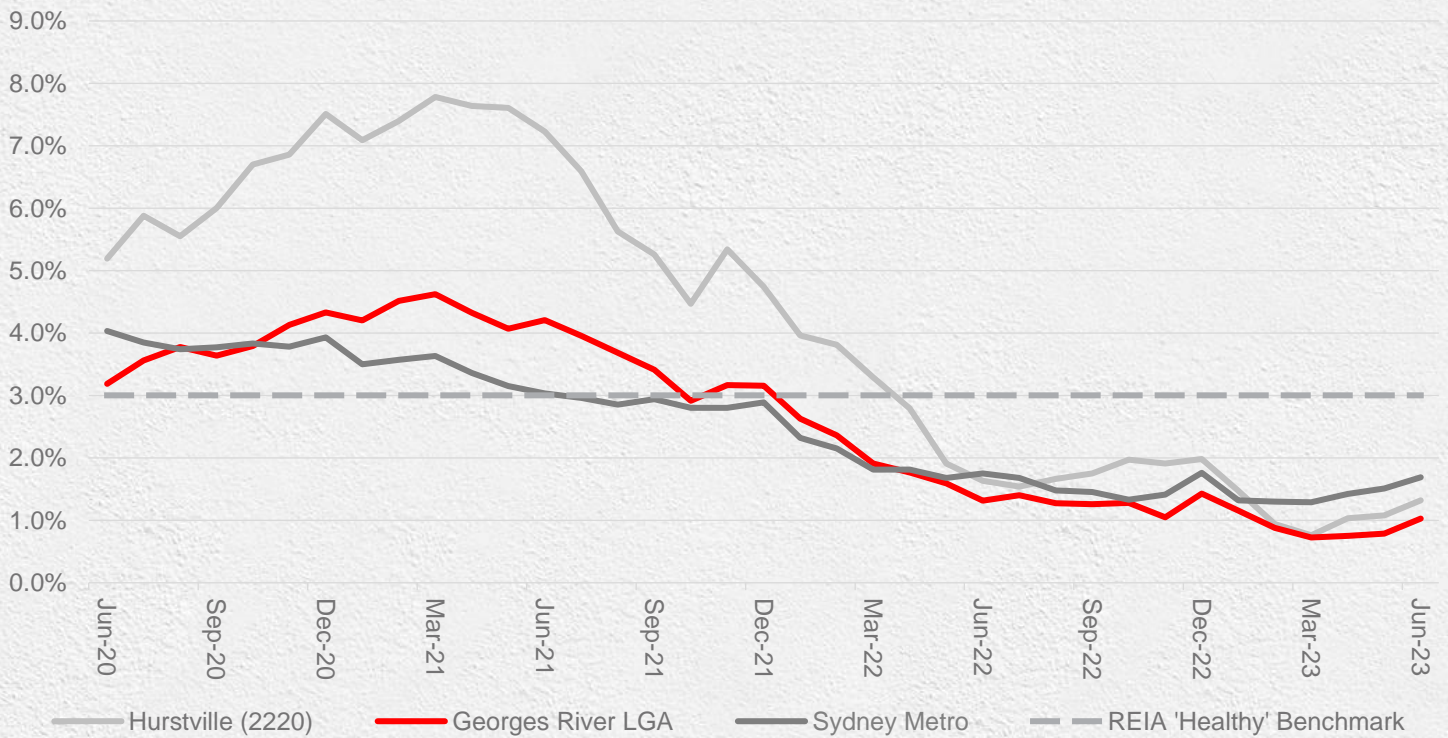
House rental yields in Hurstville[‡] at 2.6% in June 2023, slightly lower than Sydney Metro (2.8%). That said in the 12 months to Q2 2023 median house rental price increased by 23.1% to sit at \$800 per week, alongside a -2.4% decline in the houses rented (to 41 rentals). Average days on the market have increased slightly, but is still at a low 27 days. The same pattern can be seen in the unit market, thus confirming a resilient and continuously undersupplied rental market in Hurstville[‡].

2 bedroom houses have provided investors with +40.0% rental growth annually, achieving a median rent of \$630 per week.

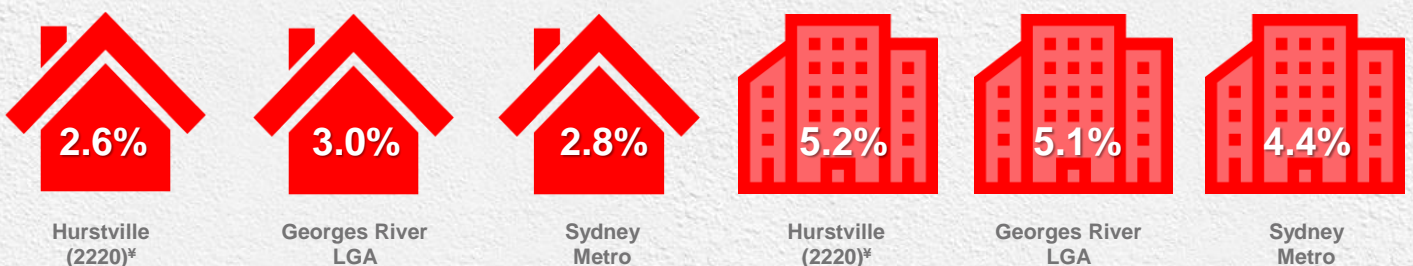
Hurstville[‡] recorded a vacancy rate of 1.3% in June 2023, which is below Sydney Metro's 1.7% average. Vacancy rates in Hurstville have significantly decreased over the past 12 months, indicating an increase in rental demand. Hurstville now has a vacancy rate under the Real Estate Institute of Australia's healthy benchmark (of 3.0%), indicating an undersupplied market and quicker occupancy of rental properties. This suggests a conducive and sustainable environment for investors.



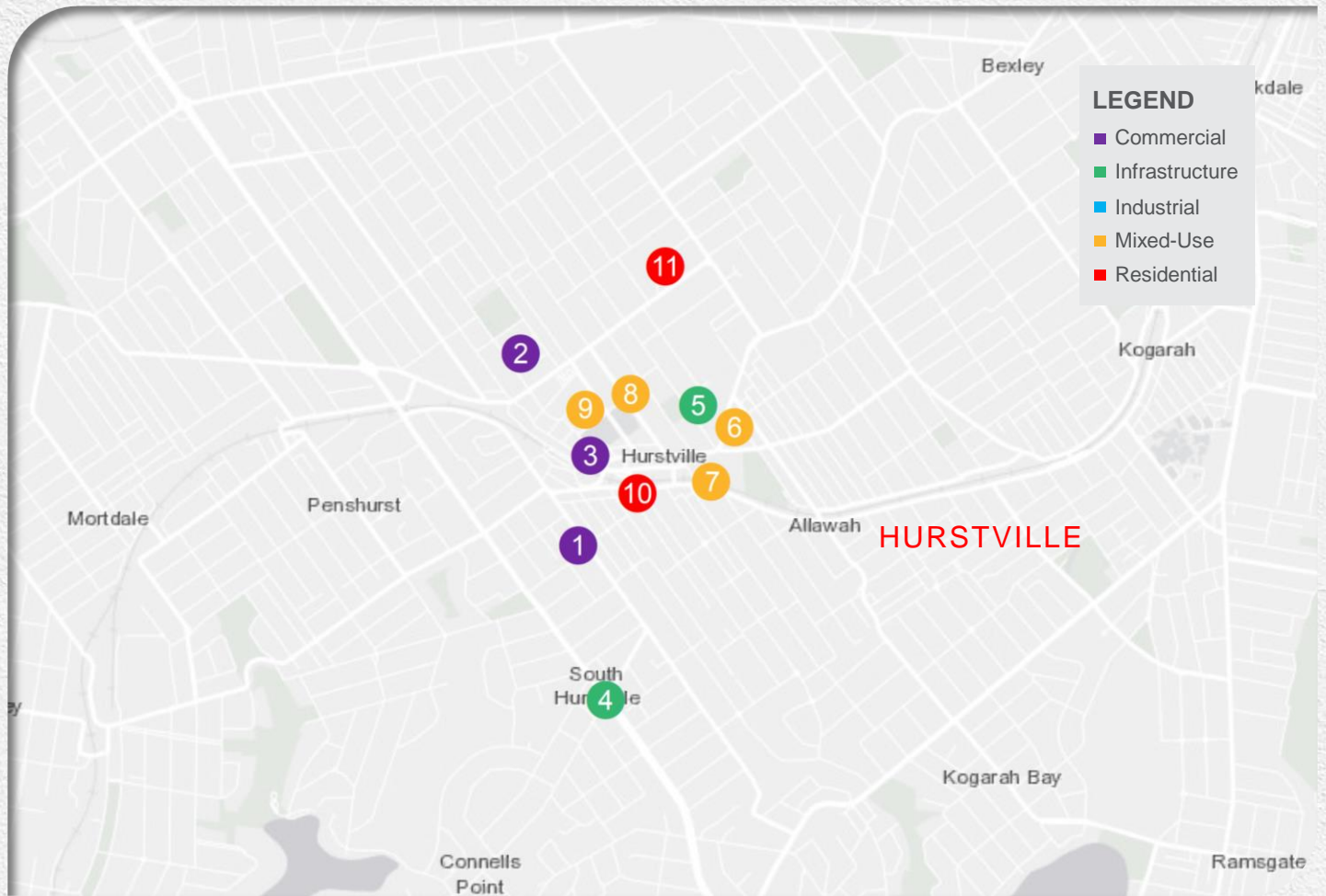
RENTAL VACANCY RATES 2023



RENTAL YIELD 2023\$



TOP DEVELOPMENTS MAP 2nd HALF 2023[Ⓐ]



Location	Project [Ⓔ]	Type	Estimated Value [Ⓝ]	Commence Date [Ⓟ]
1	Woniara Road Boarding House	Commercial	\$9,130,000	06/12/2023
2	Dalcassia Street Boarding House	Commercial	\$2,530,000	04/12/2023
3	Nab Hurstville Bank Fit Out	Commercial	\$1,350,000	24/08/2023
4	King Georges Road And Connells Point Road Intersection, South Hurstville	Infrastructure	\$10,000,000	29/12/2023
5	Lahc - Hurstville	Infrastructure	\$6,655,000	20/10/2023
6	61 Forest Road Mixed Use Development - Mesa Hurstville (254 apartments)	Mixed-use	\$128,390,000	10/11/2023
7	Lotus Hurstville Units (116 units)	Mixed-use	\$120,000,000	15/12/2023
8	30-32 The Avenue Mixed Use Development (23 units)	Mixed-use	\$7,904,000	20/11/2023
9	8 Park Road Apartments & Retail (19 apartments)	Mixed-use	\$6,504,000	06/11/2023
10	546 Railway Parade Hurstville – Apartments (17 apartments)	Residential	\$6,919,000	20/07/2023
11	17-17a Romani Avenue Dwellings (5 dwellings)	Residential	\$3,160,000	09/11/2023



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.



Mele Gong

Principal

M +61 411 506 608

E mele.gong@prd.com.au



PRD Hurstville

PRD Hurstville
P +61 2 9570 3084

10 Ormonde Parade
Hurstville NSW 2220

PRD.com.au/hurstville

REFERENCES

* Hurstville market data and key indicators encapsulates aggregate property market conditions within the suburb 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.

2023 encapsulates sales transactions for 2023 (01/01/2023 – 30/6/2023) only.

€ Annual rental growth is a comparison between Q2 2022 (01/04/2022 – 30/06/2022) and Q2 2023 (01/04/2023 – 30/06/2023) house median rent figures.

¥ Georges River LGA market data encapsulates aggregate property conditions within the postcode of 2208, 2209, 2210, 2217, 2218, 2219, 2220, 2221, 2222, and 2223

§ Rental yields shown are as reported as of June 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 suburb 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.

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 2023.

