





OVERVIEW

In Q2 2023, Perth*, which in this report captures Claremont, Swanbourne, Cottesloe, Peppermint Grove, Mosman Park, North Fremantle; recorded a median house price of \$2,262,500, and a median unit price of \$785,500. This is an annual (Q2 2022 – Q2 2023) growth of 5.7% for houses and a softening of -4.1% for units. On a quarterly basis (Q1 – Q2 2023) median price softened by -3.3% (house) and -9.1% (units). This is a reflection of increasing cash rates and market uncertainty, as prices have declined even with lower sales. There are new opportunities for buyers, thus an ideal time to enter the market.

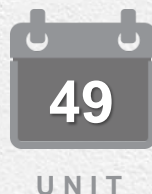
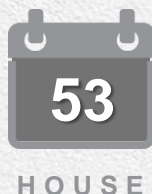
	CHANGE FROM LAST	YEAR	HALF YEAR
	House Sales	↑	↑
	House Median Price	↑	↑
	House Rental Price	↑	↔
	Unit Sales	↓	↑
	Unit Median Price	↓	↓
	Unit Rental Price	↑	↑

MARKET CONDITIONS

SALES MEDIAN PRICE Q2 2023



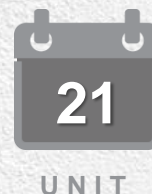
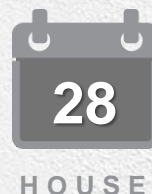
SALES AVERAGE DAYS ON MARKET Q2 2023



RENTAL MEDIAN PRICE Q2 2023

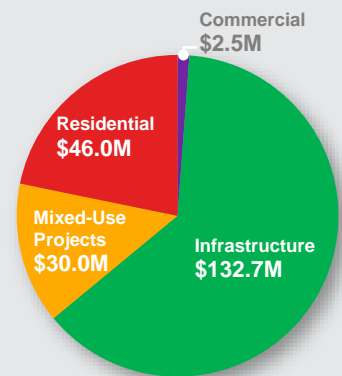


RENTAL AVERAGE DAYS ON MARKET Q2 2023



FUTURE DEVELOPMENTS

Perth is set to see approximately **\$211.2M** worth of new projects commencing in the 2nd half of 2023.



A focus on infrastructure projects will stimulate economic growth and create employment opportunities in Perth*. These projects will also improve liveability for residents. This can result in more people wanting to live in the area, thus increasing demand for housing

A main infrastructure project over the 2nd half of 2023 is Swanbourne Station Precinct (\$90.0M). The project will develop the surrounding land around the existing station with development approval for a Mixed-Use 300 unit building.

Key mixed-use projects in include:

- 8-10 Glyde Street Apartments & Commercial (\$20.0M, 48 Units)
- 11 Freeman Loop Units & Commercial (\$10.0M, 50 Units)

15 McCabe Street Apartments (\$46.0M) is the sole residential project in Perth*. The project is set to add 42 units. That said ready-to-sell stand alone houses remain absent from the project pipeline.

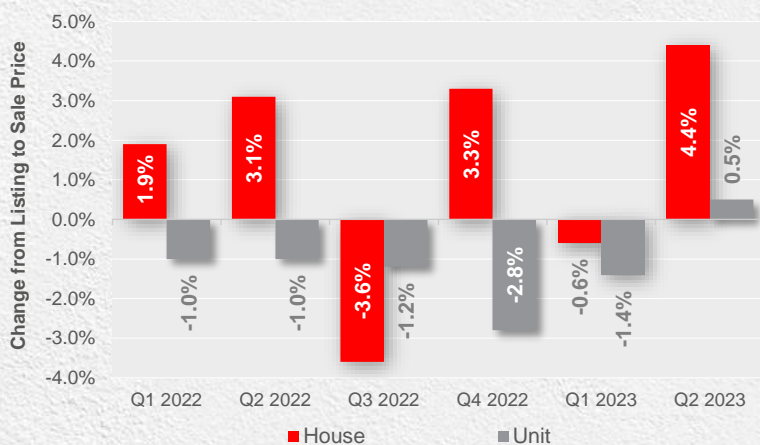


130 Units/
Apartments

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 Q2 2022 and Q2 2023 have shifted to a higher premium of 4.4% for houses and swung from a discount to a premium of 0.5% for units. Market conditions in Perth* have now shifted to favour sellers, as buyers must be willing to offer above the first listing price. Now is the time to sell.

Peppermint Grove is the most expensive suburb, also with the highest price growth in between 2021-2023#. This is good news for owners wishing to benefit from their investment. Mosman Park is the most affordable suburb, and have shown a significant softening in median price. This is good news for first home buyers.

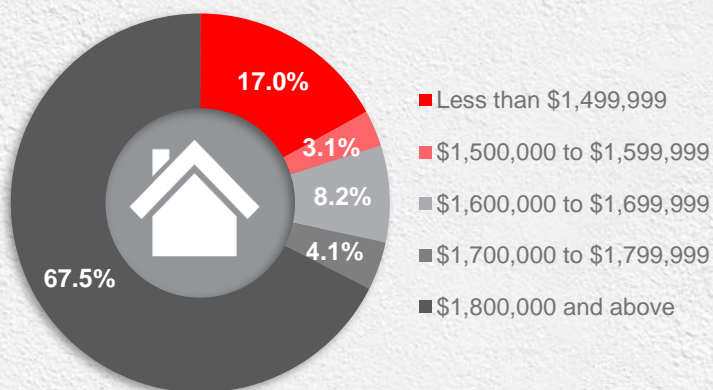
The dominant proportion of homes sold in Perth* across 2023# were in the premium price point of \$1,800,000 and above (67.5%). Units also recorded a dominant premium price point, of \$700,000 and above (49.3%). Affordable options are available, with 17.0% of houses sales and 22.8% of unit sales in the most affordable price points, which provide hope for buyers.

MARKET COMPARISON

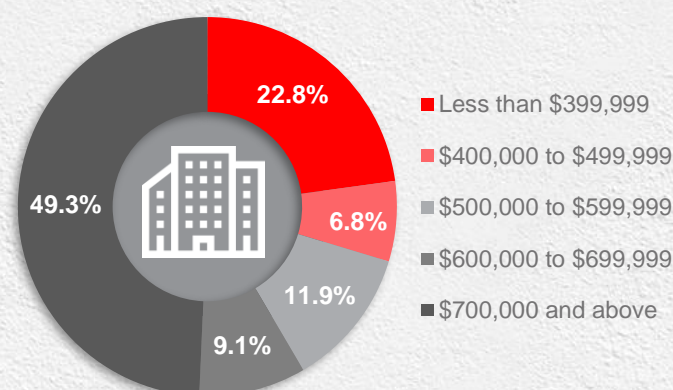
Individual Suburbs	2021	2022	2023#	2021 – 2023# % Growth	2022 – 2023# % Growth
Claremont	\$1,045,000	\$1,050,000	\$1,025,000	-1.91%	-2.38%
Cottesloe	\$2,000,000	\$2,040,000	\$2,150,000	7.50%	5.39%
Mosman Park	\$1,405,000	\$1,140,000	\$985,000	-29.89%	-13.60%
Peppermint Grove	\$2,925,000	\$3,112,500	\$3,650,000	24.79%	17.27%
Swanbourne	\$1,732,500	\$2,000,000	\$1,875,000	8.23%	-6.25%

PRICE BREAKDOWN 2023#

HOUSES SOLD



UNITS SOLD

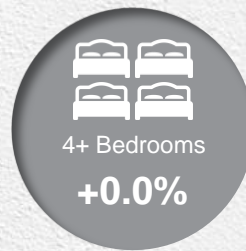


RENTAL GROWTH 2023€

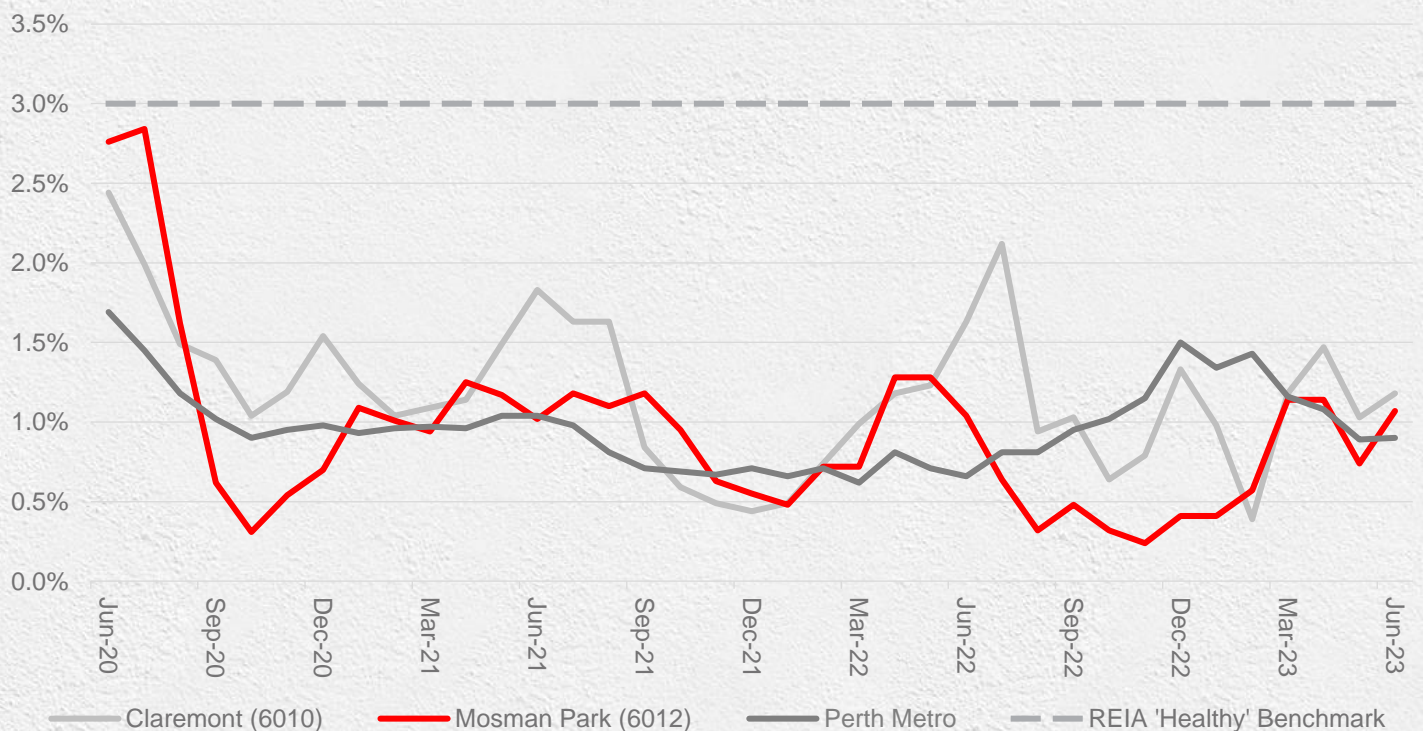
Claremont[‡] recorded a house rental yield of 3.8% in June 2023, higher than neighbouring suburb Mosman Park (2.7%) but lower than Perth Metro area (4.2%). Median house rental priced increased by 6.4% in the past 12 months to Q2 2023, while the number of houses rented decreased by -2.6% decrease. Average days to let remain at a low 28 days, which confirms an undersupplied and highly demanded house rental market.

2 bedroom houses have provided investors with +8.3% rental growth annually, achieving a median rent of \$650 per week.

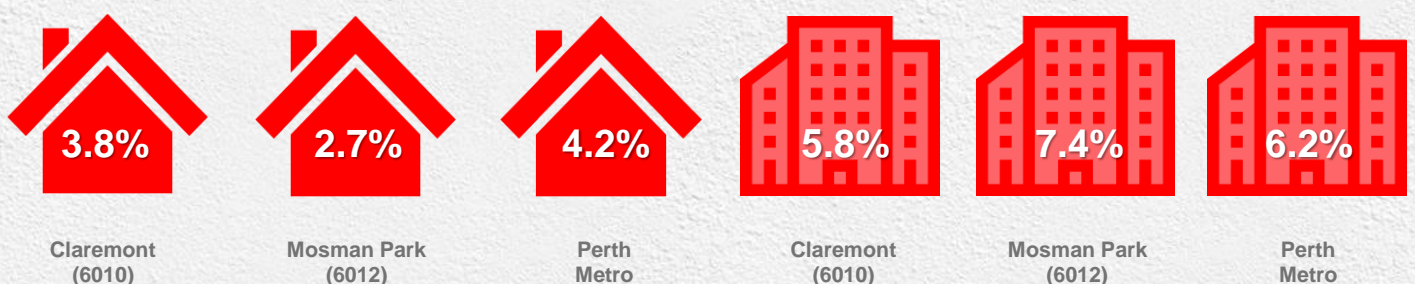
Claremont[‡] recorded a vacancy rate of 1.2% in June 2023, which is slightly above Perth Metro's 0.9% average. That said, vacancy rates in Claremont[‡] are still below the Real Estate Institute of Australia's (REIA) healthy benchmark of 3.0%. This suggests the area still has high rental demand and quick occupancy levels, which is beneficial for investors. The current market downturn, especially for houses, further emphasises an opportunity for investors to enter the market.



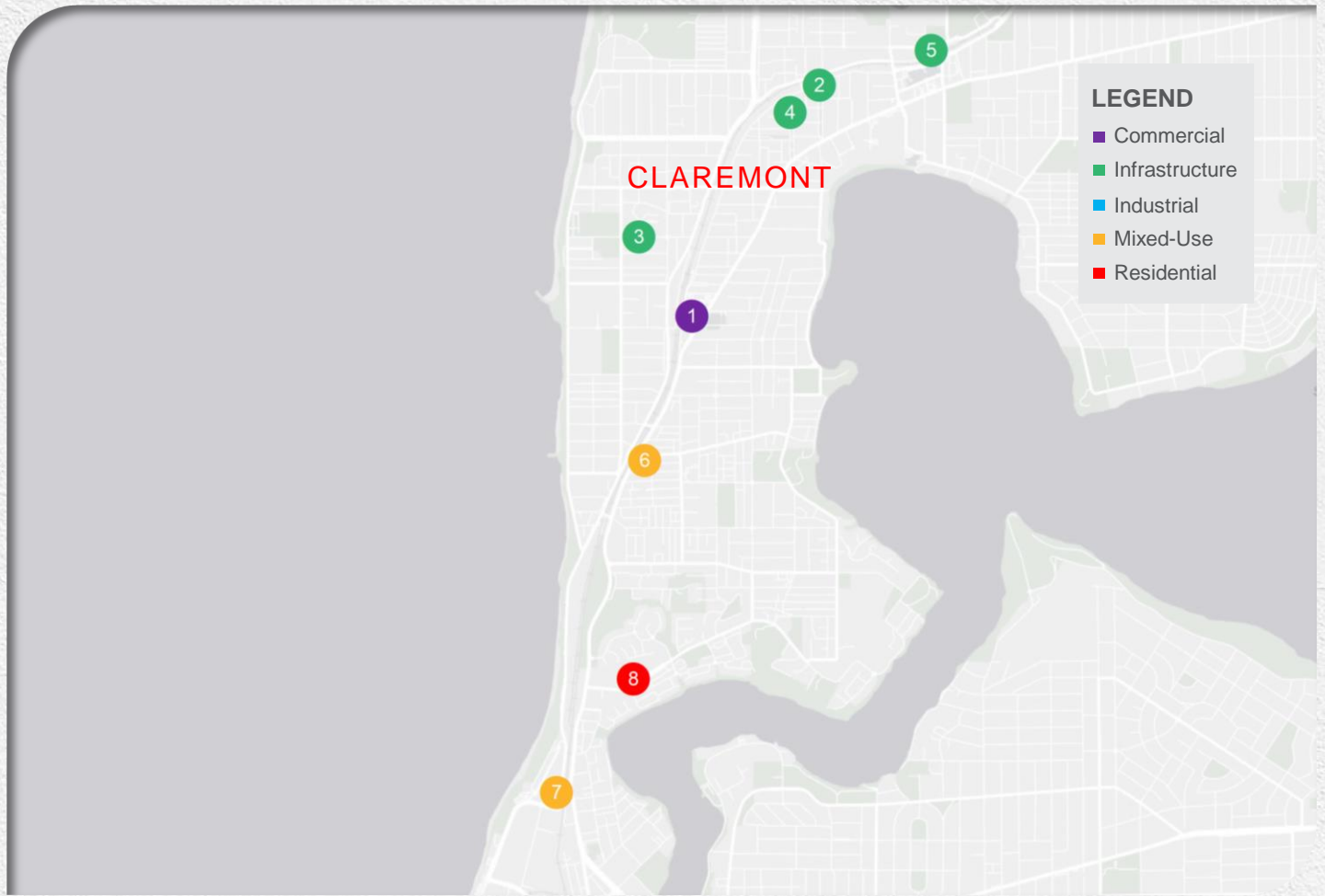
RENTAL VACANCY RATES 2023



RENTAL YIELD 2023\$



TOP DEVELOPMENTS MAP 2nd HALF 2023^A



Location	Project [£]	Type	Estimated Value ^µ	Commence Date ^ψ
1	19 Napoleon Street Mixed Use Commercial Development	Commercial	\$2,500,000	26/07/2023
2	Swanbourne Station Precinct	Infrastructure	\$90,000,000	17/11/2023
3	Cottesloe Foreshore	Infrastructure	\$22,000,000	15/11/2023
4	Congdon Street Bridge Replacement	Infrastructure	\$20,000,000	15/12/2023
5	Claremont Community Recreation Centre Refurbishment	Infrastructure	\$654,000	31/07/2023
6	8-10 Glyde Street Apartments & Commercial (48 Units)	Mixed-use	\$20,000,000	18/10/2023
7	11 Freeman Loop Units & Commercial (50 Units)	Mixed-use	\$10,000,000	10/10/2023
8	15 Mccabe Street Apartments (42 Units)	Residential	\$46,000,000	01/12/2023



OUR SERVICES INCLUDE

- Sales 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

*Perth market data and key indicators encapsulates aggregate property market conditions within the suburbs of Claremont, Swanbourne, Cottesloe, Peppermint Grove, Mosman Park, North Fremantle

** 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 Q1 and Q2 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.

¥ Claremont rental market data encapsulates aggregate property conditions within the suburb of Claremont only.

§ 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 suburbs of Claremont, Swanbourne, Cottesloe, Peppermint Grove, Mosman Park, North Fremantle

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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