



# Maroubra Market Update

## 2<sup>nd</sup> Half 2023



### OVERVIEW

In Q3 2023, Maroubra\* recorded a median house price of \$2,623,000, and a median unit price of \$890,000. This represents annual (Q3 2022 – Q3 2023) growth of 8.2% for houses and stability for units. Total sales between Q3 2022 – Q3 2023 increased, by 17.5% (to 114 sales) for houses and by 45.5% for units (to 211 sales). Confidence has returned to Maroubra\*, with properties in high demand. The undersupply in property stock has created a buffer against cash rate hikes, creating a resilient market. Houses in particular suggest real returns on investment, in good news for owners who are looking to sell.

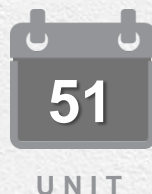
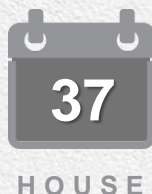
	CHANGE FROM LAST	YEAR	HALF YEAR
	House Sales	↑	↑
	House Median Price	↑	↑
	House Rental Price	↑	↑
	Unit Sales	↑	↑
	Unit Median Price	↔	↑
	Unit Rental Price	↑	↑

### MARKET CONDITIONS

#### SALES MEDIAN PRICE Q2 2023



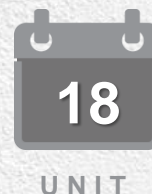
#### SALES AVERAGE DAYS ON MARKET Q2 2023



#### RENTAL MEDIAN PRICE Q2 2023

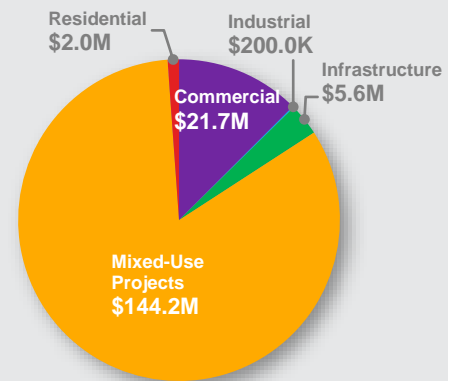


#### RENTAL AVERAGE DAYS ON MARKET Q2 2023



### FUTURE DEVELOPMENTS

Maroubra is set to see approximately **\$173.7M** worth of new projects commencing in the 2<sup>nd</sup> half of 2023.



These projects will stimulate economic growth and create large employment opportunities in Maroubra. This will have a spill-over impact on the real estate market, in the form of higher demand for housing stock.

A significant commercial project planned for the 2<sup>nd</sup> half of 2023 is 32 Page Street Pagewood Mixed Use Development (\$19.5M).

There are two projects that are now planned to add housing stock:

- 128 Bunnerong Road – Uccello (421 units)
- 68 Yorktown Parade Dwellings (4 dwellings)

Further, the New South Wales Land and Housing Corporation plans to add 10 units in Matraville, which will aid those in need. This will address some of the current high demand.

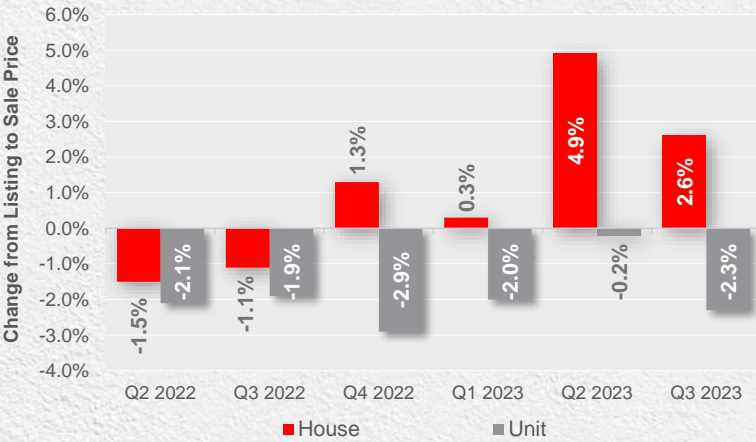
That said there is very little ready-to-sell houses planned, thus the price pressures on houses will continue, even with higher cash rates.





# 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.

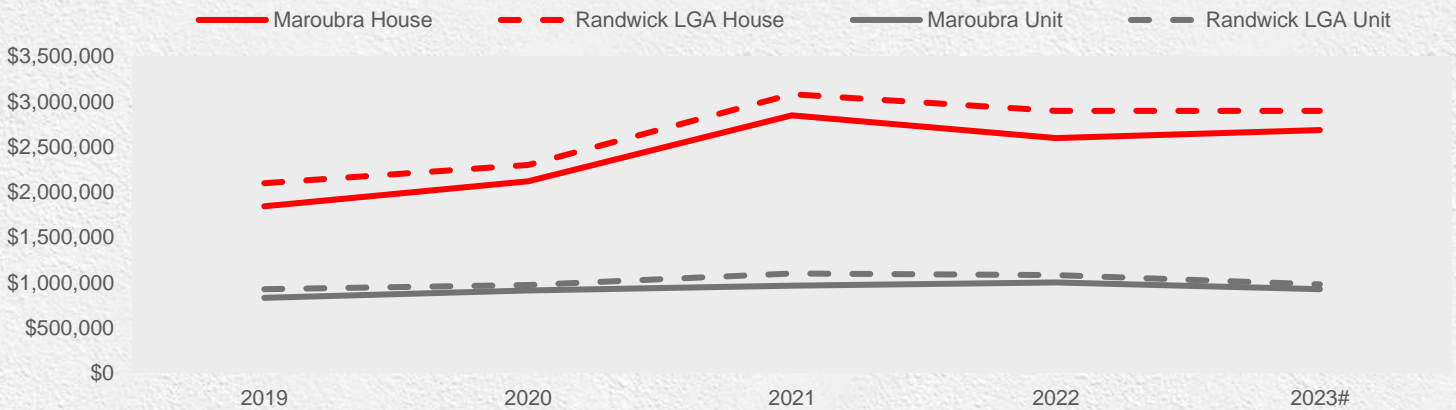


Average vendor discounts between Q3 2022 and Q3 2023 have rapidly swung from a discount to a premium of 2.6% for houses, whilst remaining relatively stable at a discount of -2.3% for units. Maroubra\* house market has now shifted to favour sellers, as buyers must offer higher than the first list price. The unit market still favour buyers, with a final selling price below the first list price.

The suburb of Maroubra has historically performed relatively on par with Randwick Local Government Area (LGA) in both house and unit median prices, offering a slightly more affordable market. 2023# saw this trend continue for both houses and units.

The dominant proportion of homes sold in Maroubra\* across 2023# were in the premium market of above \$2,400,000 (65.7%). Units also recorded a dominant premium price point, of \$950,000 (43.1%) and above. Affordable options are available, making up for 24.8% (houses) and 30.7% (units) of sales. This is good news for buyers who are waiting to enter the market.

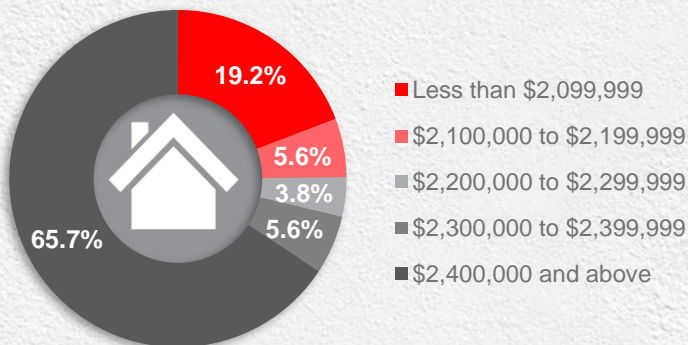
## MARKET COMPARISON



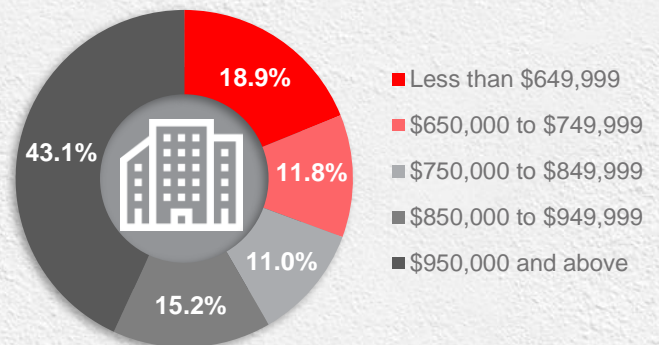
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Maroubra.

## PRICE BREAKDOWN 2023#

### HOUSES SOLD



### UNITS SOLD



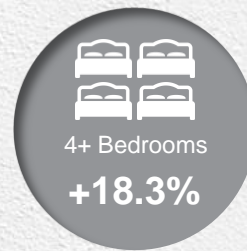


# RENTAL GROWTH 2023€

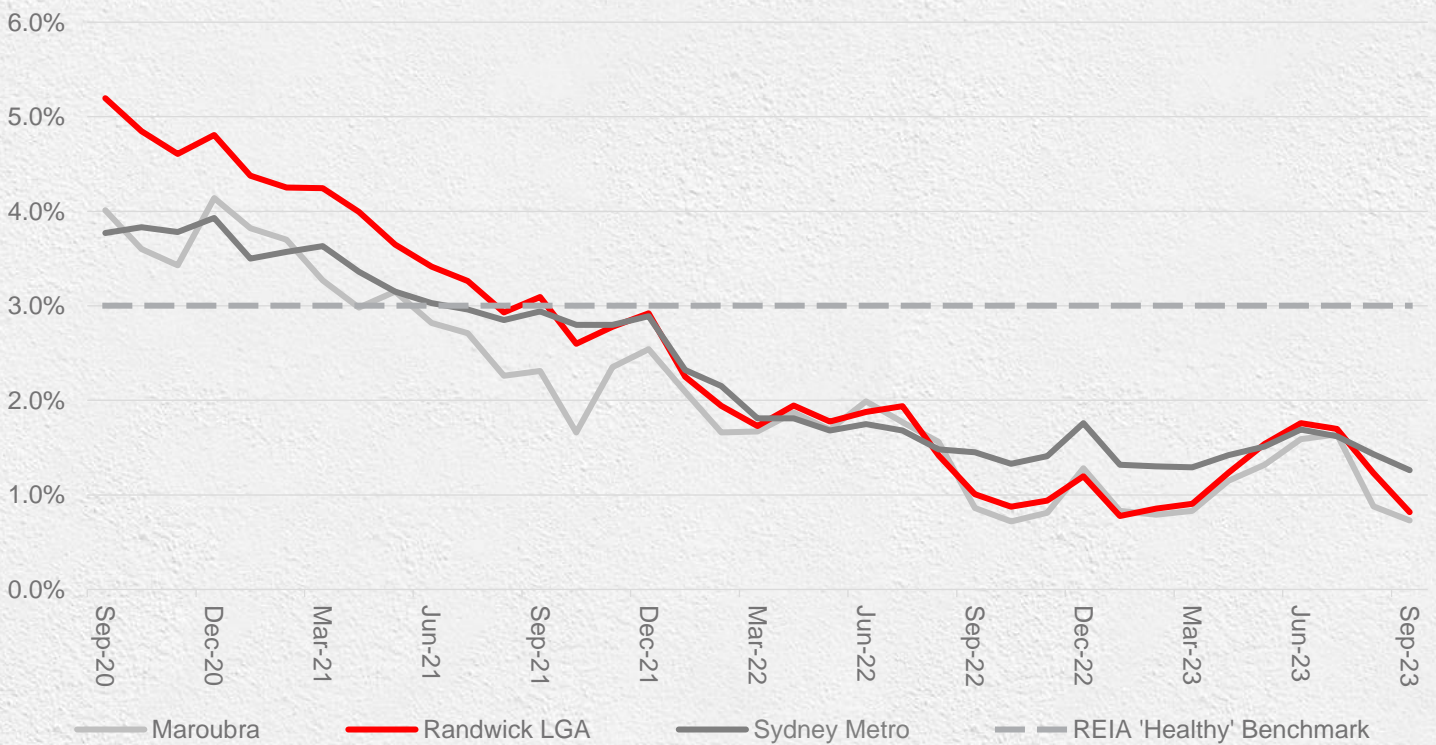
House rental yields in Maroubra<sup>‡</sup> was 2.3% in September 2023, slightly lower than Sydney Metro (2.7%). This was paired with a 27.3% increase in median house rental price in the past 12 months to Q3 2023, to \$1,400 per week, and a 22.9% increase in the number of houses rented (to 145 houses). The same can be seen in the unit rental market. Thus although there is a slightly lower rental yield, Maroubra<sup>‡</sup> proves to still be a highly demanded rental market.

4+ bedroom houses have provided investors with +18.3% rental growth annually, at a median rent of \$1,650 per week.

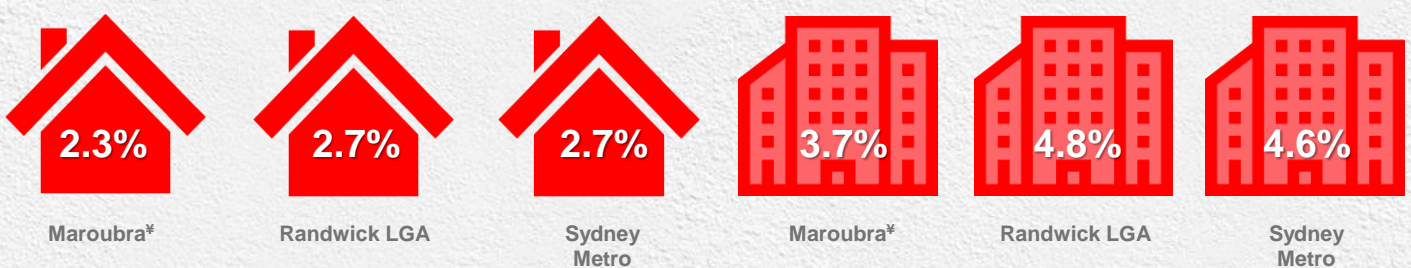
Maroubra<sup>‡</sup> recorded a vacancy rate of 0.7% in September 2023, well below Sydney Metro's 1.3% average. Vacancy rates in Maroubra<sup>‡</sup> have remained overall stable in the past 12 months, with fluctuations on a monthly basis due to investors reacting to cash rate hikes. A 0.7% vacancy rate is still very low, thus there is quicker rental occupancy in Maroubra<sup>‡</sup>. This suggests a conducive and sustainable environment for investors, even with a higher entry price in the past 12 months to Q3 2023.



# RENTAL VACANCY RATES 2023

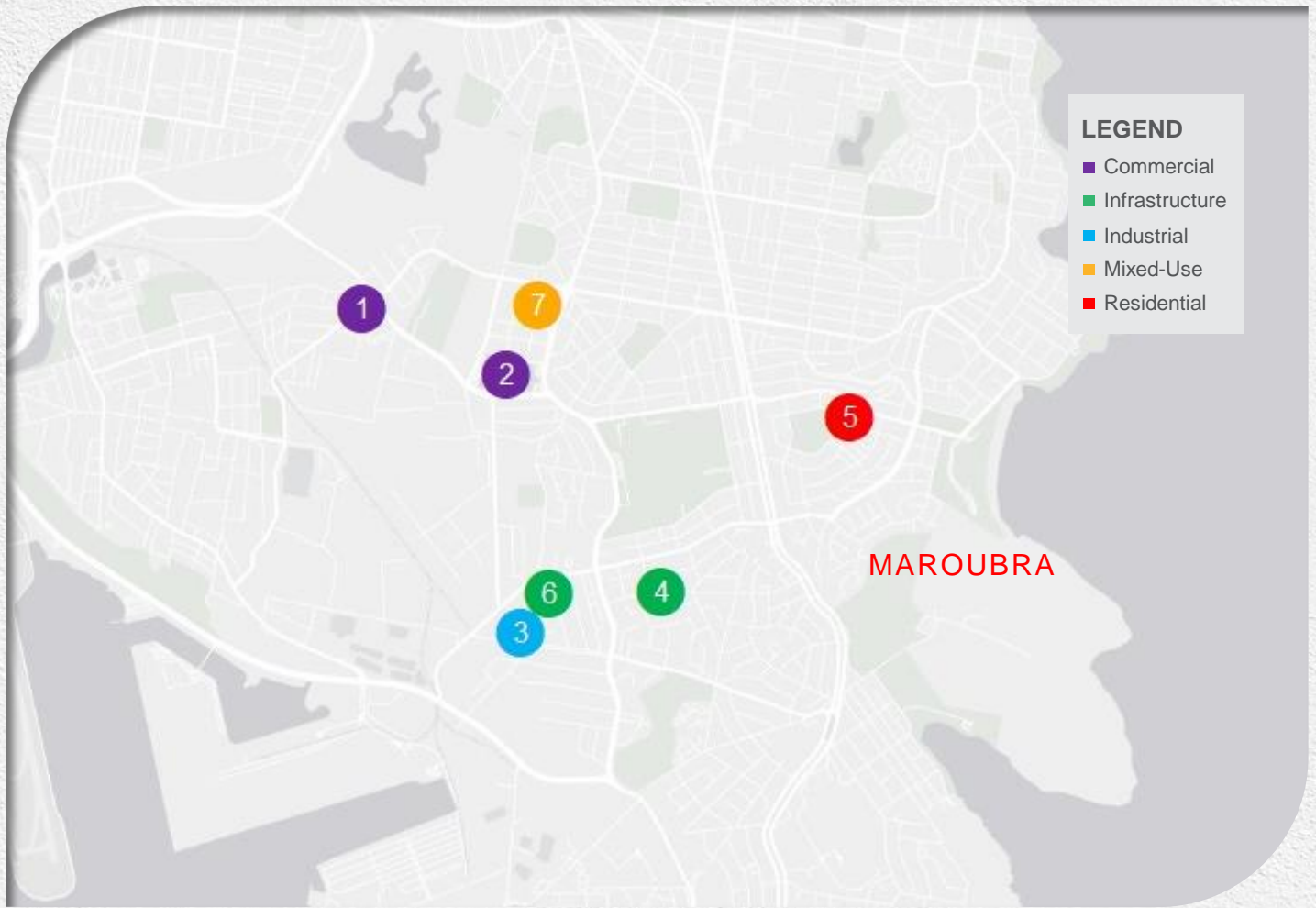


# RENTAL YIELD 2023\$





# TOP DEVELOPMENTS MAP 2<sup>nd</sup> HALF 2023<sup>A</sup>



Location	Project <sup>E</sup>	Type	Estimated Value <sup>H</sup>	Commence Date <sup>V</sup>
1	32 Page Street Pagewood Mixed Use Development	Commercial	\$19,550,000	10/08/2023
2	128 Bunnerong Road Mixed Use Development – Uccello (421 Units)	Mixed-use	\$144,173,000	01/08/2023
3	152 Bunnerong Road Commercial Building Alterations & Additions	Commercial	\$2,190,000	09/12/2023
4	The Lighting Outlet Matraville Warehouse Alterations & Additions	Infrastructure	\$230,000	07/11/2023
5	68 Yorktown Parade Dwellings – 4 Dwellings	Residential	\$1,983,000	22/11/2023
6	30 Perry Street Metals Processing Facility Conversion	Industrial	\$200,000	04/12/2023
7	NSW Land and House Corporation Matraville – 10 Units	Infrastructure	\$5,335,000	18/12/2023



## 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 sales 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 Q1 to Q3 2023 (01/01/2023 – 30/09/2023) only.

€ Annual rental growth is a comparison between Q3 2022 (01/07/2022 – 30/09/2022) and Q3 2023 (01/07/2023 – 30/09/2023) median house 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 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 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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