



Smart Moves: Capital City Edition
Sydney 1st Half 2025

OVERVIEW

Buying near Sydney doesn't have to mean compromising on lifestyle or future value. This report highlights key suburbs within 20km of the CBD that strike a balance between value, strong rental yields, and access to everyday essentials like schools, transport, parks and shopping precincts.

What the Data is Telling Us

Sydney Metro's property market remains resilient. Over the year to Q1 2025:

- House prices rose moderately by 1.4%, now sitting at \$1,474,750
- Unit prices eased slightly by 0.3% to \$854,968

Quarterly trends (Q4 2024 to Q1 2025) reflect this softness in the unit market, with house prices rising just 0.5% and unit values falling 0.3%; a result of high interest rates and broader economic conditions. Sales volumes also declined:

- House sales dropped 4.4% (4,698 transactions)
- Unit sales fell 11.4% (9,143 transactions)

This drop in activity reflects tightening supply; particularly for detached houses.

The Supply Gap and the Opportunity

Sydney is set to see \$33.0 billion worth of new projects in 2025. Most are mixed-use developments, bringing 21,429 new units to market but only 599 stand-alone houses. This imbalance signals a continued shift toward higher-density living.

For buyers, especially those seeking detached homes, this limited pipeline presents an opportunity to secure property before further price pressures build. Meanwhile, first home buyers may find more accessible options in townhouses (555) and residential land lots (1,034), which still offer entry-level affordability.

Who This Guide Is For

Whether you're a first home buyer looking for a foothold or an investor seeking high-yield opportunities, this report provides data-driven insights to support smart, confident decisions. We combine on-the-ground expertise with in-depth research to help you uncover real value in today's market.

SYDNEY METRO AT A GLANCE

ANNUAL CHANGE ^



SALES



MEDIAN PRICE



RENTAL PRICE



SALES



MEDIAN PRICE



RENTAL PRICE



UNEMPLOYMENT
RATE
4.4%



AVERAGE
HOME LOAN
\$794,831



VACANCY RATE
1.3%

HOUSES



MEDIAN SALE PRICE

\$1.47M

UNITS



MEDIAN RENTAL PRICE

\$995

\$760

YIELDS

2.7%

4.4%

*Median price quoted captures sale transactions from 1st January 2024 to 31st March 2025, or Q1 2024 – Q1 2025 ***Project development is based on aggregate of estimated construction value for residential, commercial, industrial, mixed-use and infrastructure projects scheduled to commence construction in 2025 as stated by the relevant data authority.

PRD. METHODOLOGY

This report analyses all suburbs within a 20km radius of the Sydney CBD. The following criteria were considered:

- **Property trends criteria:** all suburbs have a minimum of 20 sales transactions for statistical reliability purposes. Based on market conditions, suburbs have either positive, or as close as possible to neutral, price growth between 2023 and 2024/25*.
- **Investment criteria:** as of March 2025, suburbs considered will have an on-par or higher rental yield than Sydney Metro and an on-par or lower vacancy rate.
- **Affordability criteria:** featured suburbs have a median price below Sydney Metro. We then calculate the percentage premiums that need to be added to the New South Wales (NSW) average home loan, which was \$794,831** as of the March quarter of 2025. Premiums of 51.8% for houses and -33.9% for units were needed to reach the median price of key suburbs (3 for houses and 3 for units) highlighted in this report. This percentage is below what is required to reach Sydney Metro's median prices (85.5% for houses and 7.6% for units). This ratio makes the key suburbs identified in this report more affordable to buyers, creating an opportunity for first home buyers.
- **Development criteria:** suburbs chosen have new developments commencing construction for 2025, with a high proportion of commercial and infrastructure projects. This ensures the suburbs chosen show signs of sustainable economic growth. Suburbs featured show a reasonable amount of new ready-to-sell stock planned for construction to ensure buyers have access to new housing supply.
- **Liveability criteria:** all identified suburbs have low crime rates, availability of amenities within a 5km radius (i.e., schools, green spaces, public transport, shopping centres, and health care facilities), and an unemployment rate on par or lower in comparison to the NSW average (as determined by the Department of Jobs and Small Business, December Quarter 2024 release).

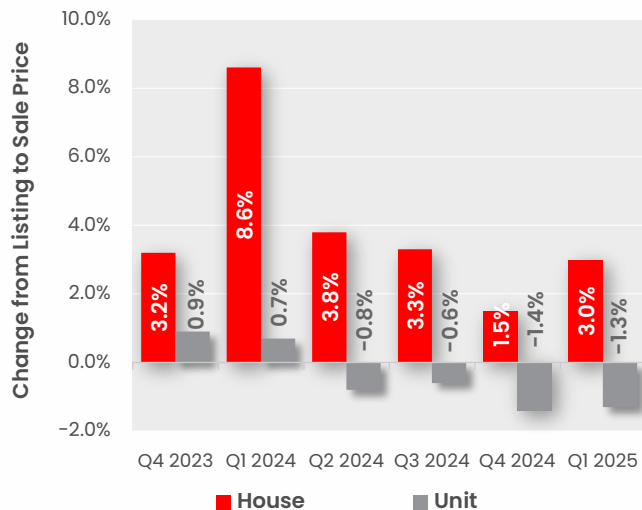
RECENT HIGH PERFORMING SUBURBS WITHIN 20KM FROM THE SYDNEY CBD

Area	Suburb	Property Type	Median Price 2023	Median Price 2024/25*	Price Growth	Projects 2025***
Inner	Darlinghurst	House	\$1,885,000	\$2,690,000	42.7%	\$59.3M
	Kirribilli	Unit	\$830,000	\$1,050,000	27.3%	\$30.5M
North	West Pennant Hills	House	\$2,475,000	\$2,930,000	19.8%	\$38.1M
	Willoughby	Unit	\$1,035,000	\$1,460,000	41.1%	\$2.0M
South	Kogarah Bay	House	\$2,000,000	\$2,500,000	25.0%	\$15.2M
	Turrella	Unit	\$585,000	\$755,000	29.7%	\$7.4M
East	Queens Park	House	\$3,230,000	\$4,350,000	34.7%	\$86.7M
	Tamarama	Unit	\$1,900,000	\$2,550,000	34.2%	\$3.2M
West	Enfield	House	\$1,725,000	\$2,425,000	31.8%	\$313.3M
	Concord West	Unit	\$1,032,500	\$1,530,000	48.2%	\$1.5M

*Median price quoted captures sale transactions from 1st January 2024 to 31st March 2025, or Q1 2024 – Q1 2025. ***Project development is based on aggregate of estimated construction value for residential, commercial, industrial, mixed-use and infrastructure projects scheduled to commence construction in 2025 as stated by the relevant data authority. **Annual Change is reflective of median price change from Q1 2024 to Q1 2025. Figures displayed in infographics are for the period Q1 2025. Source: APM Pricerfinder, REIA, SQM Research, Cordell Connect, Department of Jobs and Small Business. © PRD 2025.

%

AVERAGE VENDOR DISCOUNT



As of Q1 2025, **vendor discounts for houses in Sydney remain present**, though they've **moderated to an average of 3.9%**, indicating sellers are still achieving close to their asking price.

In contrast, **unit vendor discounts have shifted direction**, moving from a premium to **an average discount of -1.3%**. This suggests that buyers in the unit market now have **more room to negotiate**, particularly as mid-2024 marked the start of discounting trends for units and this environment has continued into 2025.

These dynamics **reflect a market that still favours sellers**, particularly in the housing segment, where **buyers are often required to pay above the listed price**. However, **for units, the emerging discount trend presents an entry point for buyers**.



MARKET PERFORMANCE

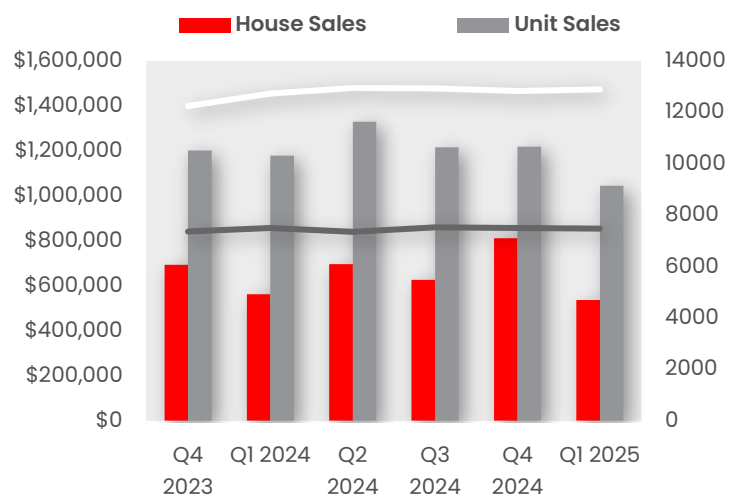
In 2024/25, **most houses sold in Sydney Metro (61.5%) were priced in the premium bracket of \$1.8 million and above**. Options below this threshold remain limited:

- **Only 11.0% of houses sold were under \$1.2 million.**
- The mid-range (\$1.2M-\$1.8M) made up a minor portion of transactions.

For units, the price distribution is more accessible:

- **30.1% of units sold were priced under \$699,999**, offering relative affordability.
- 36.0% were sold at \$1 million and above, aligning more closely with the premium housing segment.

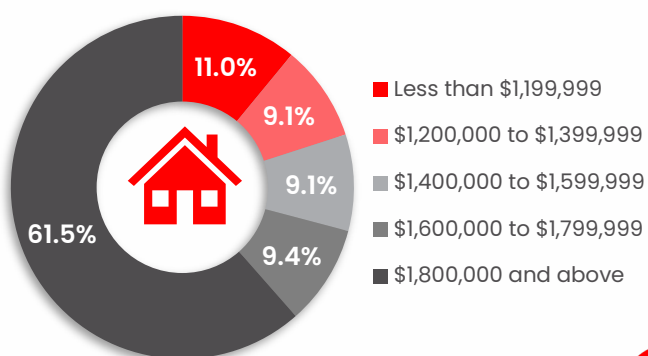
This breakdown signals **that while affordability remains a challenge in the standalone housing market, units present viable opportunities** for first-home buyers and value-seeking investors.



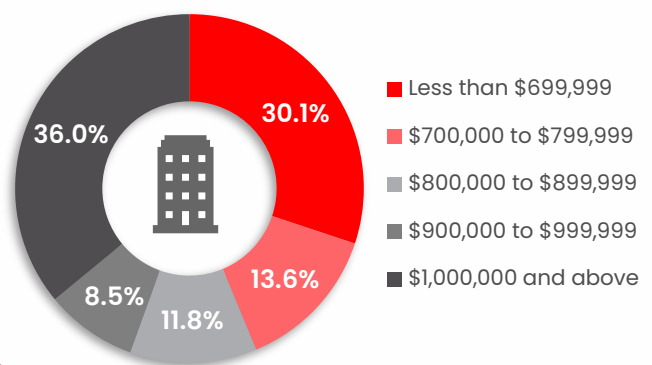
\$

PRICE BREAKDOWN 2024/25

HOUSES SOLD

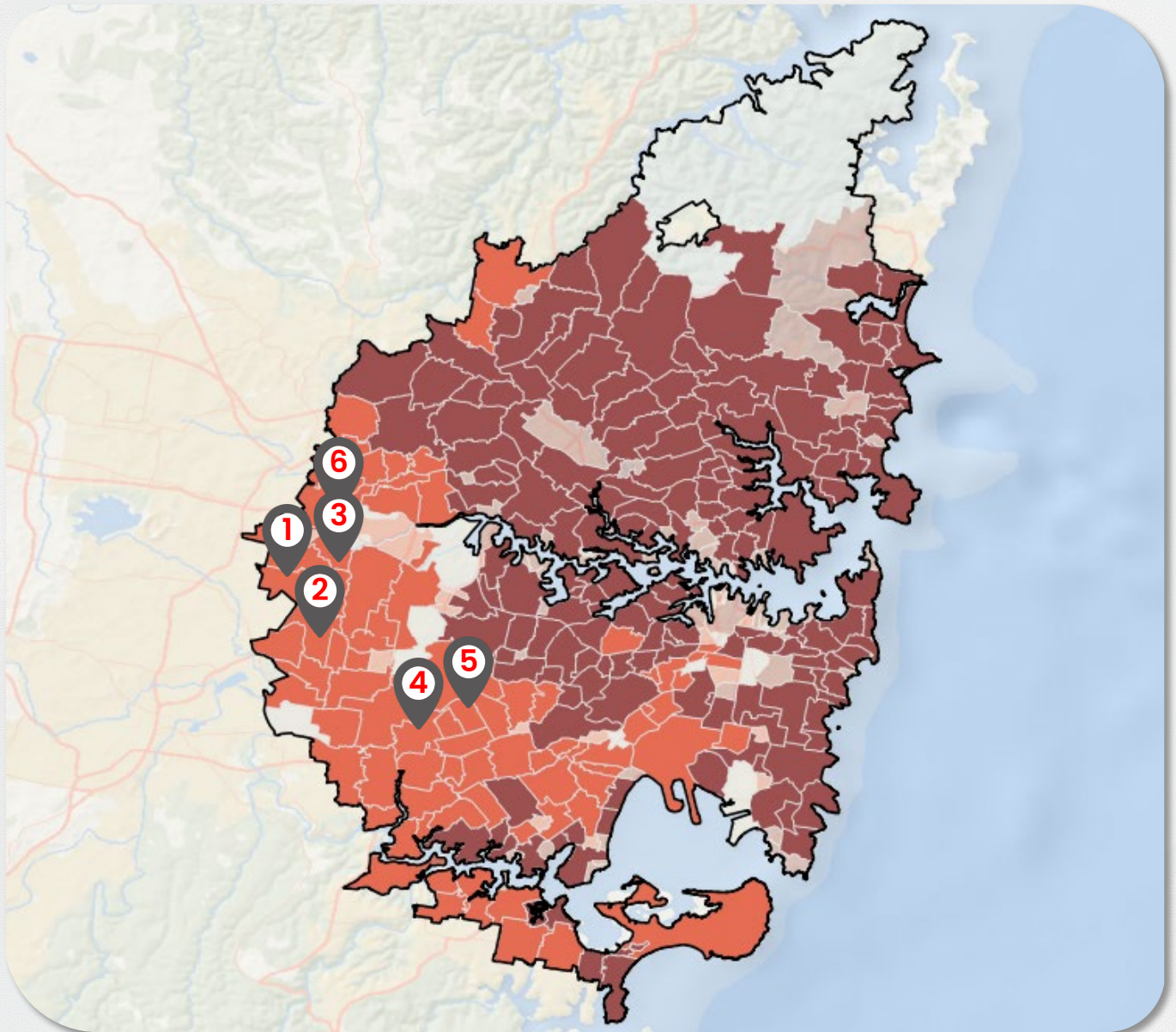


UNITS SOLD

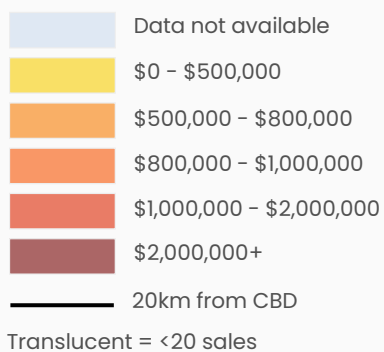


PRD.


SYDNEY METRO MEDIAN HOUSE PRICES 2024/25* | 20KM FROM THE CBD




LEGEND



TOP 6 AFFORDABLE & LIVEABLE SUBURBS RENTAL YIELD



Suburb		House
1	Guildford	3.0%
2	Chester Hill	3.3%
3	Granville	3.4%



Suburb		Unit
4	Punchbowl	5.2%
5	Lakemba	5.9%
6	Harris Park	6.1%

*House median price reflected in the heat-map captures sale transactions from 1st January 2024 to 31st March 2025. Source: APM Pricefinder, ESRI ArcGIS, SQM Research. © PRD 2025.

RENTAL GROWTH 2025 €

As of March 2025, **house rental yields in Sydney Metro stood at 2.7%**, trailing behind Melbourne Metro (3.1%) and Brisbane Metro (3.2%). Despite the comparatively lower yield, **Sydney's median house rent rose by 2.1%** over the past year, **reaching \$955 per week**, alongside **a 26.0% increase in the number of houses rented** (5,712 rentals in Q1 2025). A similar pattern is observed in the unit market, **where the median rent increased by 1.7%**, now sitting at **\$760 per week**. The volume of **units rented also surged by 35.2%**, with 29,290 transactions recorded in Q1 2025. These trends point to **sustained demand for both houses and units**, making Sydney an increasingly appealing option for property investors.

In March 2025, **Sydney Metro recorded a vacancy rate of 1.3%**, slightly lower than Melbourne Metro (1.5%) but above Brisbane Metro (0.9%). Vacancy rates have fluctuated over the past year, influenced by changing investor activity. Still, **Sydney's figure remains below the Real Estate Institute of Australia's 3.0% benchmark**, suggesting **strong rental uptake** and **quicker tenant placement**. This tight vacancy environment, especially in the unit segment, reinforces Sydney's appeal for investors seeking stable returns and steady demand. Among all dwelling types, **2-bedroom houses delivered the highest annual rental growth, rising +25.0% to \$750 per week**. On the unit side, **1-bedroom units offered the strongest rental return, despite a marginal decline of -4.4%, settling at \$650 per week**.



HOUSES

2
BEDROOMS
+25.0%
\$750

3
BEDROOMS
+5.9%
\$900

4+
BEDROOMS
-6.9%
\$1,350



UNITS

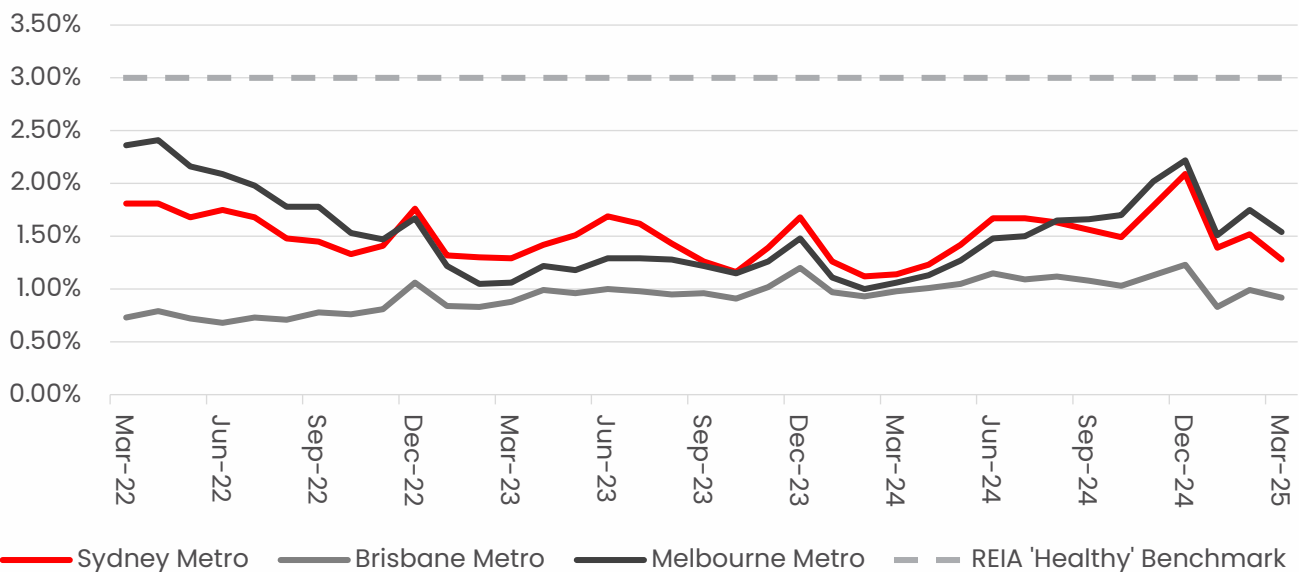
1
BEDROOM
-4.4%
\$650

2
BEDROOMS
-9.7%
\$790

3+
BEDROOMS
-8.3%
\$1,100



RENTAL VACANCY RATES 2025



RENTAL YIELD 2025§

SYDNEY METRO



HOUSES

2.7%



UNITS

4.4%

MELBOURNE METRO



HOUSES

3.1%



UNITS

4.8%

BRISBANE METRO



HOUSES

3.2%

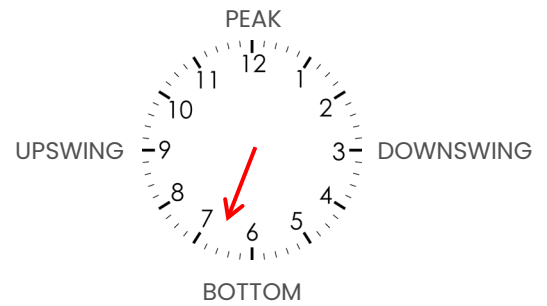


UNITS

4.3%



HOUSES PROPERTY CLOCK

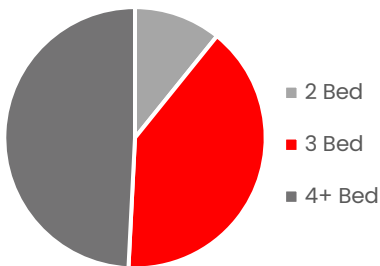


TOP 3 AFFORDABLE & LIVEABLE SUBURBS FOR HOUSES



GUILDFORD 2161

Located approximately **19.0km**
from the Sydney CBD.



Median House Price **\$1,200,000**
2-Bed Median Price **\$980,000**
3-Bed Median Price **\$1,142,500**
4+ Bed Median Price **\$1,210,000**

Annual Median
Price Growth 11.6%**

Vacancy Rate
(Mar-25) 1.0%

Rental Yield
(Mar-25) 3.0%

Key Amenity
(5km) Guildford
Leagues Club

Total Projects
(\$) \$46.7M^

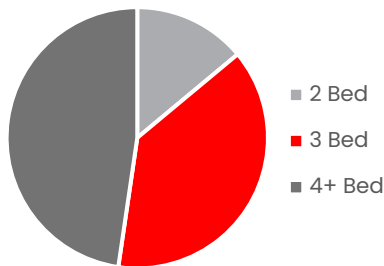
Residential
Supply Planned
2025 10 Units
0 Townhouses
5 Dwellings

Unemployment
Rate 10.6%



CHESTER HILL 2162

Located approximately **19.0km**
from the Sydney CBD.



Median House Price **\$1,206,750**
2-Bed Median Price **\$1,123,000**
3-Bed Median Price **\$1,211,750**
4+ Bed Median Price **\$1,222,500**

Annual Median
Price Growth 18.9%**

Vacancy Rate
(Mar-25) 0.9%

Rental Yield
(Mar-25) 3.3%

Key Amenity
(5km) Chester Square
Shopping Centre

Total Projects
(\$) \$38.4M^

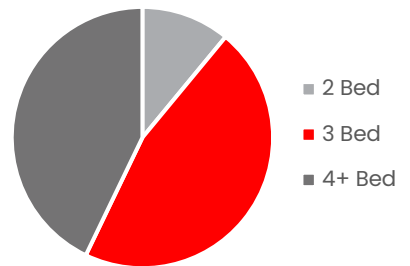
Residential
Supply Planned
2025 50 Units
0 Townhouses
0 Dwellings

Unemployment
Rate 8.5%



GRANVILLE 2142

Located approximately **18.0km**
from the Sydney CBD.



Median House Price **\$1,147,500**
2-Bed Median Price **\$930,000**
3-Bed Median Price **\$1,087,500**
4+ Bed Median Price **\$1,250,000**

Annual Median
Price Growth 12.5%**

Vacancy Rate
(Mar-25) 1.5%

Rental Yield
(Mar-25) 3.4%

Key Amenity
(5km) TAFE NSW
Granville

Total Projects
(\$) \$239.0M^

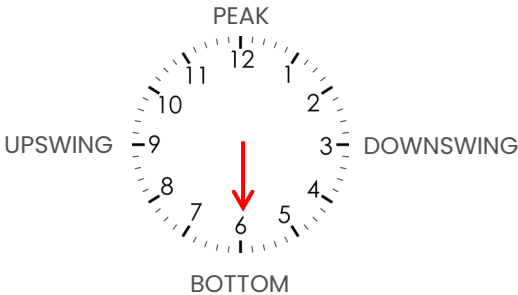
Residential
Supply Planned
2025 130 Units
0 Townhouses
14 Dwellings

Unemployment
Rate 9.2%

^Quoted estimated values of projects are based on reported land/construction values as stated by the relevant data authority and do not signify their commercial/resale value. **Median price growth quoted captures sale transactions between Q1 2024 - Q1 2025, or 01/01/2024-31/03/2024 vs 01/01/2025-31/03/2025. Source: APM Pricefinder, SQM Research, Cordell Connect, Department of Small Jobs and Business, Google Maps. © PRD 2025.



UNITS PROPERTY CLOCK

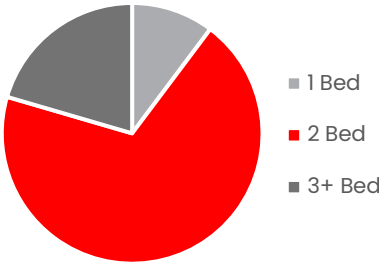


TOP 3 AFFORDABLE & LIVEABLE SUBURBS FOR UNITS



PUNCHBOWL 2196

Located approximately **18.0km**
from the Sydney CBD.



Median Unit Price	\$493,500
1-Bed Median Price	\$382,500
2-Bed Median Price	\$490,000
3+ Bed Median Price	\$835,000

Annual Median Price Growth 17.5%**

Vacancy Rate (Mar-25) 1.4%

Rental Yield (Mar-25) 5.2%

Key Amenities (5km) The Broadway Plaza

Total Projects (\$) \$60.9M^

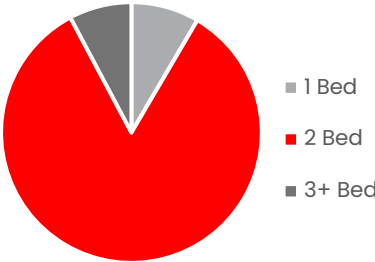
Residential Supply Planned 2025 62 Units
6 Townhouses
10 Dwellings

Unemployment Rate 10.6%



LAKEMBA 2195

Located approximately **13.0km**
from the Sydney CBD.



Median Unit Price	\$453,000
1-Bed Median Price	\$370,000
2-Bed Median Price	\$450,000
3+ Bed Median Price	\$670,000

Annual Median Price Growth 14.7%**

Vacancy Rate (Mar-25) 1.0%

Rental Yield (Mar-25) 5.9%

Key Amenity (5km) The Lakemba Club

Total Projects (\$) \$60.8M^

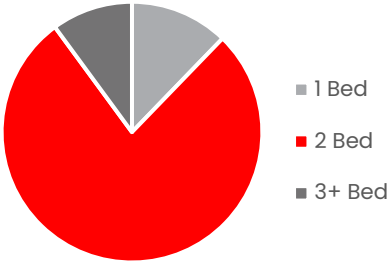
Residential Supply Planned 2025 155 Units
0 Townhouses
4 Dwellings

Unemployment Rate 13.9%



HARRIS PARK 2150

Located approximately **18.0km**
from the Sydney CBD.



Median Unit Price	\$525,000
1-Bed Median Price	\$430,000
2-Bed Median Price	\$489,000
3+ Bed Median Price	\$650,000

Annual Median Price Growth 15.4%**

Vacancy Rate (Mar-25) 1.3%

Rental Yield (Mar-25) 6.1%

Key Amenity (5km) Our Lady of Lebanon Co-Cathedral

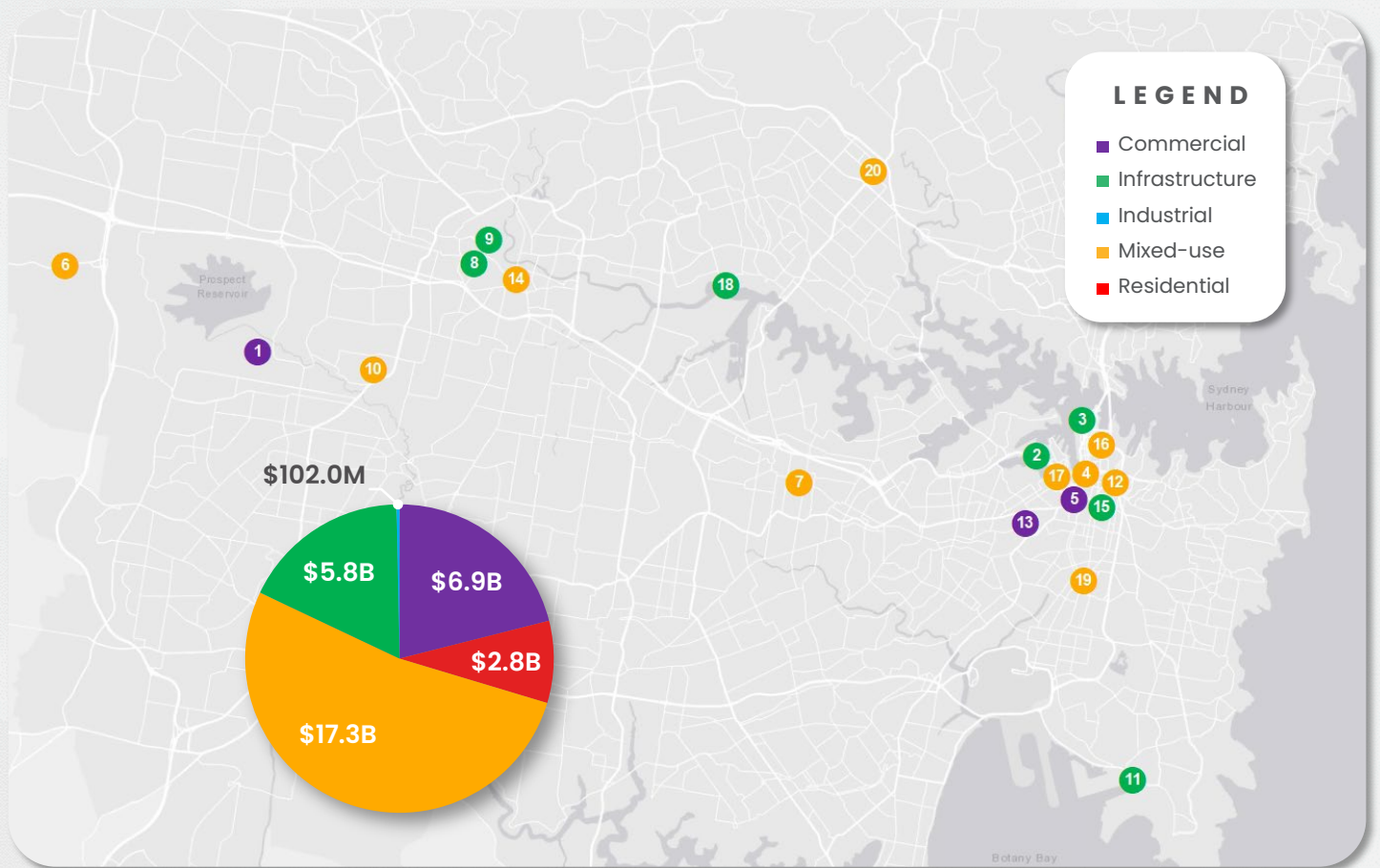
Total Projects (\$) \$147.3M^

Residential Supply Planned 2025 483 Units
0 Townhouses
0 Dwellings

Unemployment Rate 8.3%

^Quoted estimated values of projects are based on reported land/construction values as stated by the relevant data authority and do not signify their commercial/resale value.
**Median price growth quoted captures sale transactions between Q1 2024 – Q1 2025, or 01/01/2024–31/03/2024 vs 01/01/2025–31/03/2025. Source: APM Pricerfinder, SQM Research, Cordell Connect, Department of Small Jobs and Business, Google Maps. © PRD 2025.

PROJECT DEVELOPMENT MAP 2025*



Location	Project [£]	Type	Estimated Value ^µ	Suburb
1	Davis Road Data Centre (Cundall) - Blue Tongue	Commercial	\$1,597,338,256	Wetherill Park
2	Sydney Fish Market Site Redevelopment - Blackwattle Bay (State Government)	Infrastructure	\$1,000,000,000	Glebe
3	Central Barangaroo Development Blocks 5,6 & 7 (State Government)	Infrastructure	\$750,000,000	Millers Point
4	505-523 George Street Mixed Use Development (507 Apartments/Retail/Community/Child Care/Cinema)	Mixed-Use	\$692,185,000	Sydney
5	Sydney Central Precinct	Commercial	\$659,000,000	Surry Hills
6	Oakdale East Industrial Estate Stage 1 (Warehouse/Office/Earthworks)	Mixed-Use	\$656,113,802	Horsley Park
7	Burwood Place Mixed Use Development (1,041 Apartments/Retail/Office/Medical Centre)	Mixed-Use	\$602,019,803	Burwood
8	Sydney Metro West - Rail Infrastructure, Stations, Precincts & Operations Stage 3 (State Government)	Infrastructure	\$500,000,000	Westmead
9	Cumberland West Integrated Mental Health Complex (State Government)	Infrastructure	\$460,000,000	Westmead
10	15-21 Britton Street & 28-54 Percival Road Multi-Level Warehouse	Mixed-Use	\$440,630,000	Smithfield
11	Port Botany Rail Terminal Expansion (State Government)	Infrastructure	\$400,000,000	Port Botany
12	169-183 Liverpool Street Mixed Use Development (289 Apartments/Commercial/Retail)	Mixed-Use	\$380,053,738	Sydney
13	USYD & RPA Sydney Biomedical Accelerator Project	Commercial	\$353,000,000	Camperdown
14	Fitzwilliam & Argyle Streets Build To Rent Apartments (316 Apartments/Office/Shops)	Mixed-Use	\$350,000,000	Parramatta
15	Sydney Terminal Building Revitalisation (State Government)	Infrastructure	\$350,000,000	Haymarket
16	4-6 Bligh Street Mixed Use Development (Hotel/Commercial/Function Rooms/Gymnasium/Restaurant/Bar)	Mixed-Use	\$334,010,495	Sydney
17	12A-26 Wattle Street Mixed Use Development - Fig And Wattle (237 Apartments/Commercial/Recreation Courts/Child Care/Retail Build)	Mixed-Use	\$331,337,277	Pymont
18	Parramatta Light Rail Stage 2 (State Government)	Infrastructure	\$322,000,000	Melrose Park
19	960A Bourke Street Mixed Use Development Stage 3 (260 Apartments/Retail/Commercial/Gymnasiums)	Mixed-Use	\$316,159,951	Zetland
20	35 Waterloo Road, Macquarie Park - BTR (Build-to-Rent) Mixed Use Development (513 Apartments/Retail//Medical Centre/Child Care)	Mixed-Use	\$305,293,776	Macquarie Park

*Project development map showcases a sample of upcoming projects only, due to accuracy of addresses provided by the data provider for geocoding purposes. £ Top Projects are based on suburbs located within a 20km radial distance of the Sydney CBD. µ Estimated value is the value of construction costs provided by relevant data authority it does not reflect the project's sale/commercial value.]Source: Cordell Connect database, ESRI ArcGIS.
© PRD 2025.

ADDITIONAL AFFORDABLE SUBURBS

To provide more options for first home buyers, the following seven additional suburbs for houses and units offer affordable alternatives to Sydney Metro’s median prices. These are in addition to the top 3 affordable and liveable suburbs for houses (**Guildford, Chester Hill** and **Granville**), and units (**Punchbowl, Lakemba** and **Harris Park**) featured earlier in the report. While these suburbs didn’t meet all our criteria to be classified as ‘top suburbs’, they were selected using the same methodology and still represent strong value for buyers seeking more budget-friendly opportunities.

HOUSES

Suburbs	Median House Price 2024/25	1yr Price Growth	10yrs Price Growth	House Sales 2024/25	1yr Sales Growth	Price % to SYD Metro	House Rental Yield	Vacancy Rates	Total \$\$ 2025 Project*	Total Stand-alone New Stock	Total New Land Lots
Condell Park	\$1,380,000	13.1%	90.9%	153	4.8%	-6.4%	3.8%	0.9%	\$8.6M	11	N/A
Sefton	\$1,260,000	9.6%	89.5%	60	-3.2%	-14.5%	3.3%	0.9%	\$14.6M	37	N/A
TOP 3 FOR UNITS Punchbowl	\$1,300,000	21.5%	92.6%	199	24.4%	-11.8%	3.6%	1.4%	\$60.9M	78	N/A
Greenacre	\$1,390,000	15.6%	93.1%	310	18.3%	-5.7%	3.3%	1.1%	\$211.0M	181	N/A
TOP 3 FOR UNITS Lakemba	\$1,425,000	23.1%	96.0%	71	-5.3%	-3.3%	3.0%	1.0%	\$60.8M	159	N/A
Auburn	\$1,343,000	18.9%	77.8%	210	5.0%	-8.9%	3.6%	1.3%	\$204.3M	312	N/A
Merrylands	\$1,275,000	15.9%	84.8%	301	28.1%	-13.5%	3.5%	1.5%	\$163.4M	449	N/A

UNITS

Suburbs	Median House Price 2024/25	1yr Price Growth	10yrs Price Growth	House Sales 2024/25	1yr Sales Growth	Price % to SYD Metro	Unit Rental Yield	Vacancy Rates	Total \$\$ 2025 Project*	Total Stand-alone New Stock	Total New Land Lots
Sefton	\$528,500	10.7%	35.4%	23	4.5%	-31.6%	6.1%	0.9%	\$14.6M	37	N/A
Roselands	\$492,500	17.8%	49.3%	95	53.2%	-32.2%	5.2%	1.4%	\$17.9M	54	N/A
Belmore	\$530,000	15.1%	35.6%	192	35.2%	-28.6%	5.8%	1.5%	\$82.3M	84	N/A
Narwee	\$550,000	5.5%	23.4%	40	-23.1%	-32.2%	4.3%	1.1%	\$16.3M	79	N/A
TOP 3 FOR HOUSES Granville	\$535,000	3.7%	19.4%	522	70.0%	-35.1%	5.9%	1.5%	\$239.0M	144	N/A
Auburn	\$560,000	-1.8%	29.4%	553	31.4%	-35.7%	6.1%	1.3%	\$204.3M	312	N/A
Merrylands	\$547,000	-1.1%	28.3%	709	78.6%	-36.7%	6.5%	1.5%	\$163.4M	449	N/A

*Disclaimer: Estimated value is the value of construction costs as per provided by the relevant data authority, it does not reflect the project's sale/commercial value. It is current as of March 2025. Source: APM Pricefinder, SQM Research, Cordell Database, Australian Bureau of Statistics, Australian Government Department of Jobs and Small Business. © PRD 2025.

ABOUT PRD'S RESEARCH DIVISION

PRD's property research division provides reliable and unbiased data, insights, and consultancy to clients in both metro and regional locations across Australia.

Our extensive research capabilities and specialised approach ensure our clients can make the most informed and financially sound decisions about residential and commercial properties.

KNOWLEDGE

Access to accurate and objective research is the foundation of all good property decisions. PRD shares on-the-ground experience and decades of knowledge to deliver innovative and effective solutions to our clients.

We take a holistic approach and focus on understanding new issues impacting the property industry; such as the environment and sustainability, the economy, demographic and psychographic shifts, commercial and residential design; and forecast future implications around such issues based on historical data and facts.

PEOPLE

Our in-house research team is skilled in deriving macro and micro quantitative information from multiple credible sources, so we can ensure we provide strategic advice and financially sound direction regarding property and market performance.

RESEARCH SERVICES

Our research services span over every suburb, local government area, and state within Australia. We have the ability and systems to monitor market movements, demographic changes, and property trends. We use our knowledge of market sizes, price structure, and buyer profiles to identify opportunities for clients and provide market knowledge that is unbiased, thorough, and reliable.

PRD.

GET IN TOUCH

PRD Research Division



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Our services include:

- Advisory & consultancy
- Market analysis including profiling & trends
- Primary qualitative & quantitative research
- Demographic & target market analysis
- Geographic information mapping
- Project analysis including product & pricing recommendations
- Rental & investment return analysis

PRD.  REAL ESTATE

