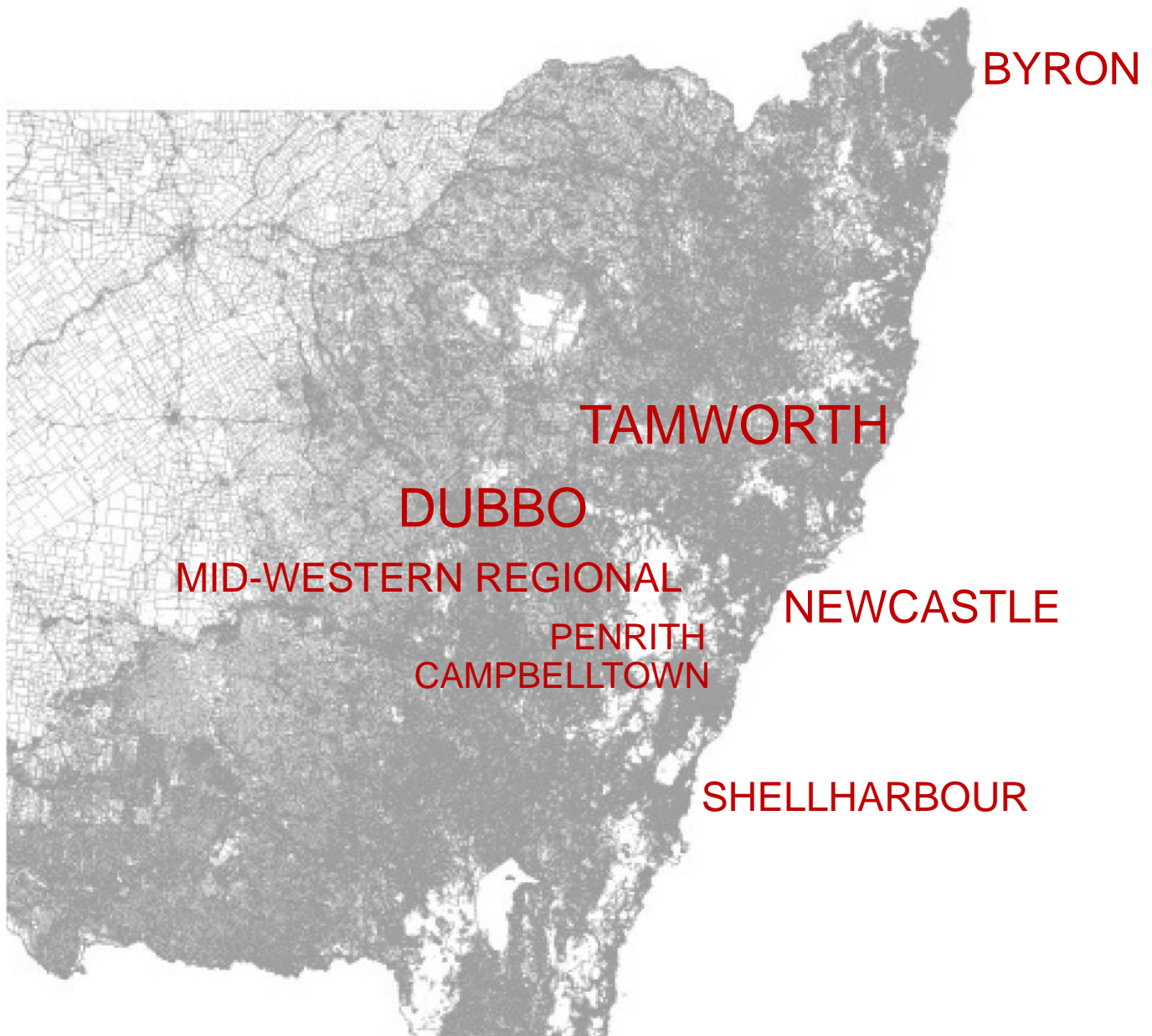


QUARTER 3 | 2013

NEW SOUTH WALES

QUARTERLY RENTAL REPORT

PRD nationwide



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1 BRM UNITS

Local Government Area	Median Rental Prices			Avg. Annual Growth 2011-13	
	2011 JUN	2012 JUN	2013 JUN	Rental Price	New Bonds
Botany Bay	\$370	\$485	\$490	15%	22%
Blacktown	\$200	\$220	\$260	14%	3%
Newcastle	\$215	\$240	\$276	13%	12%
Gosford	\$198	\$220	\$240	10%	2%
Rockdale	\$350	\$360	\$420	10%	-3%
Wyong	\$180	\$195	\$210	8%	4%
Lake Macquarie	\$185	\$200	\$213	7%	15%
Sutherland	\$300	\$320	\$340	6%	5%
Wollongong	\$200	\$210	\$225	6%	4%
Waverley	\$450	\$490	\$500	5%	3%

Single-bedroom units recorded a strong median rent increase in the local government areas surrounding the Sydney Metropolitan Region

Prepared by PRDnationwide Research. Source: Housing NSW

* Minimum 30 new bonds per quarter

Single-bedroom units recorded a strong median rent increase in the local government areas (LGAs) surrounding the Sydney Metropolitan Region, with the Newcastle, Lake Macquarie and Wollongong LGAs featuring in the top ten list for the third consecutive quarter. Recently-completed units in several large-scale developments Within the Sydney LGA are still being let, leading to a strong increase in the median rent price. The council areas of Botany Bay, Blacktown and Rockdale continued to record growth above 10 per cent per annum in the 24 months to June 2013.

An inspection of new bonds lodged over the June quarter confirms the strong results for Botany Bay, Newcastle and Lake Macquarie, while demand for rental accommodation in Rockdale eased over the past two years.

2 BRM UNITS

The Botany Bay and Shellharbour council areas have experienced strong investment in the past three years, with several completed projects

Local Government Area	Median Rental Prices			Avg. Annual Growth 2011-13	
	2011 JUN	2012 JUN	2013 JUN	Rental Price	New Bonds
Botany Bay	\$420	\$430	\$580	18%	22%
Shellharbour	\$200	\$250	\$265	15%	-1%
Rockdale	\$390	\$420	\$450	7%	-3%
Campbelltown	\$260	\$300	\$300	7%	16%
Penrith	\$268	\$290	\$300	6%	7%
Leichhardt	\$530	\$600	\$593	6%	4%
Wyong	\$260	\$285	\$290	6%	4%
Burwood	\$450	\$450	\$500	5%	6%
Auburn	\$388	\$430	\$428	5%	8%
Kogarah	\$400	\$420	\$440	5%	-10%

Prepared by PRDnationwide Research. Source: Housing NSW

* Minimum 30 new bonds per quarter

Two bedroom apartments recorded lower overall rent growth compared with that of one-bedroom units. Average growth over the past two years closed below 10 per cent per annum in all but two local government areas. The Botany Bay and Shellharbour council areas have experienced strong investment in the past three years, with several completed projects. Located in Sydney's west and southwest regions, the municipalities of Campbelltown and Penrith offered affordability, growth in employment and an increase in the supply for new medium-density stock, leading to a strong rise in the median rent price.

Against an overall stable take-up of stock across the Sydney Greater Metropolitan Region the Botany Bay and Campbelltown council areas recorded very strong registration of new rental bonds for two-bedroom units, while demand for rental stock in Kogarah eased by 10 per cent despite a firm rise in median rent price over the past two years.

3 BRM HOUSES

Local Government Area	Median Rental Prices			Avg. Annual Growth 2011-13	
	2011 JUN	2012 JUN	2013 JUN	Rental Price	New Bonds
Auburn	\$430	\$440	\$480	6%	5%
Hornsby	\$520	\$540	\$580	6%	5%
Canada Bay	\$650	\$670	\$723	5%	5%
Marrickville	\$650	\$680	\$720	5%	10%
Wyong	\$320	\$340	\$350	5%	3%
Randwick	\$750	\$778	\$820	5%	0%
Camden	\$395	\$408	\$430	4%	16%
Shellharbour	\$350	\$375	\$380	4%	10%
Gosford	\$360	\$380	\$390	4%	-1%
Hurstville	\$480	\$515	\$520	4%	-3%

Persistent demand for detached inner city accommodation came from professionals willing to meet the market to secure a family-friendly dwelling close to their workplace

Prepared by PRDnationwide Research. Source: Housing NSW

* Minimum 30 new bonds per quarter

Three-bedroom houses recorded modest increases in median rent price, led by the Auburn council area. New development in Auburn consisted of the Botanica estate, where new detached houses were renting from \$650 per week.

The representation of three Inner city municipalities in the top ten list indicated persistent demand for detached accommodation within 10 kilometres of the Sydney CBD, with professionals willing to meet the market to secure a family-friendly dwelling close to their workplace.

The Cessnock and Maitland LGAs were noticeably absent from the list as demand for rental accommodation softened.

SYDNEY'S RENT HIGHS & LOWS

MEDIAN WEEKLY RENT - 3-BEDROOM HOUSE			
	Local Government Area	Weekly Rent 2013 JUN	12-Month growth
HIGHEST	Randwick	\$820	5%
	Willoughby	\$810	4%
	Leichhardt	\$770	-1%
	Ku-Ring-Gai	\$750	0%
	Warringah	\$750	0%
LOWEST	Blue Mountains	\$360	3%
	Wyong	\$350	3%
	Maitland	\$350	3%
	Port Stephens	\$345	1%
	Cessnock	\$320	0%

Prepared by PRDnationwide Research. Source: Housing NSW

* Minimum 30 new bonds per quarter

The Randwick council area recorded the highest rent price for a 3-bedroom house, with a median weekly rent of \$820. The Lower North Shore municipality of Willoughby and the Inner West council of Leichhardt were also among the top five, with scarcity of detached rental accommodation putting notable pressure on house rent prices.

The most affordable rent prices were in the Hunter Region, where the Cessnock and Maitland LGAs closed the June quarter at a respective median rent of \$320 and \$350 per week. All regions in the lowest rent list were outside the Sydney Metropolitan Region.

The Sydney council area again recorded the highest rent price for a 2-bedroom unit, with a median rent of \$700 per week. Despite the high rent prices demand for rental accommodation in the top five LGAs led to a price increase of three per cent or more over the 12 months to June 2013.

The top five most affordable prices were found in the Hunter, Central Coast and the South Coast. While most municipalities in these areas recorded above-average growth in the 12 months to June, Cessnock and Maitland's median price remained unchanged as a decline in employment led to increasing vacancy.

MEDIAN WEEKLY RENT - 2-BEDROOM UNIT			
	Local Government Area	Weekly Rent 2013 JUN	12-Month growth
HIGHEST	Sydney	\$700	3%
	Waverley	\$650	5%
	Woollahra	\$650	5%
	North Sydney	\$620	3%
	Ku-Ring-Gai	\$600	9%
LOWEST	Wyong	\$290	2%
	Cessnock	\$280	0%
	Port Stephens	\$275	5%
	Maitland	\$270	0%
	Shellharbour	\$265	6%

Prepared by PRDnationwide Research. Source: Housing NSW

* Minimum 30 new bonds per quarter

Regional New South Wales

2 BRM UNITS

Local Government Area	Median Rental Prices			Avg. Annual Growth 2011-13 Rental Price
	2011 JUN	2012 JUN	2013 JUN	
Mid-Western Regional	\$200	\$300	\$260	14%
Dubbo	\$170	\$175	\$205	10%
Albury	\$158	\$170	\$185	8%
Wingecarribee	\$233	\$250	\$270	8%
Tamworth Regional	\$200	\$208	\$230	7%
Bathurst Regional	\$220	\$225	\$250	7%
Eurobodalla	\$200	\$220	\$225	6%
Byron	\$310	\$345	\$340	5%
Hastings	\$230	\$245	\$250	4%
Ballina	\$270	\$270	\$290	4%

The Wingecarribee and Bathurst Regional municipalities recorded above average results over the 24-month period to June 2013

Prepared by PRDnationwide Research. Source: Housing NSW

* Minimum 30 new bonds per quarter

Mining activity continued to generate demand for two-bedroom apartments in the Mid-Western Regional and Dubbo council areas, resulting in strong growth in the median rent price. That said, the decline in mining activity over the past 12 months resulted in a 13 per cent decline in median unit rent for the Mid-Western Regional municipality. Closer to Sydney the municipalities of Wingecarribee and Bathurst Regional recorded above average results over the 24-month period to June 2013.

An influx of students to Port Macquarie increased the competition for one and two bedroom apartments in the Hastings council area, keeping vacancy rates below two per cent and supporting rent prices. Further north the Byron and Ballina LGAs closed the top ten list with a respective growth of four and five per cent per annum.

3 BRM HOUSES

The New England Region of New South Wales was well represented in the second quarter's results with three council areas recording strong gains in the 24-month period to June.

Local Government Area	Median Rental Prices			Avg. Annual Growth 2011-13 Rental Price
	2011 JUN	2012 JUN	2013 JUN	
Glen Innes Severn	\$195	\$210	\$230	9%
Mid-Western Regional	\$290	\$340	\$340	8%
Gunnedah	\$270	\$280	\$313	8%
Dubbo	\$260	\$280	\$300	7%
Bathurst Regional	\$280	\$300	\$320	7%
Goulburn Mulwaree	\$280	\$290	\$315	6%
Tamworth Regional	\$270	\$280	\$300	5%
Bega Valley	\$280	\$300	\$310	5%
Leeton	\$200	\$213	\$220	5%
Broken Hill	\$200	\$220	\$220	5%

Prepared by PRDnationwide Research. Source: Housing NSW

* Minimum 30 new bonds per quarter

The New England Region of New South Wales was well represented in the second quarter's results with the Glen Innes, Tamworth Regional and Gunnedah LGAs recording strong gains in the 24-month period to June. The Goulburn council area benefitted from its affordability and proximity to Canberra, while further west the council areas of Leeton (Riverina) and Broken Hill (Outback NSW) closed the top ten list, with an average increase of five per cent per annum.

REGIONAL RENT HIGHS & LOWS

MEDIAN WEEKLY RENT - 3-BEDROOM HOUSE			
	Local Government Area	Weekly Rent 2013 JUN	12-Month growth
HIGHEST	Byron	\$450	0%
	Ballina	\$390	8%
	Tw eed	\$390	10%
	Coffs Harbour	\$365	4%
	Wingecarribee	\$365	4%
LOWEST	Young	\$240	4%
	Corow a Shire	\$235	0%
	Leeton	\$200	4%
	Broken Hill	\$200	0%
	Glen Innes Severn	\$195	10%

MEDIAN WEEKLY RENT - 2-BEDROOM UNIT			
	Local Government Area	Weekly Rent 2013 JUN	12-Month growth
HIGHEST	Snowy River	\$535	0%
	Byron	\$340	5%
	Queanbeyan	\$310	1%
	Ballina	\$290	4%
	Tw eed	\$290	0%
LOWEST	Goulburn Mulw aree	\$200	0%
	Greater Taree	\$190	1%
	Richmond Valley	\$190	-3%
	Albury	\$185	8%
	Griffith	\$180	0%

Prepared by PRDnationwide Research. Source: Housing NSW
* Minimum 30 new bonds per quarter

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Three-bedroom houses represented most of the rental stock across regional New South Wales, accounting for 45 per cent of residences outside of the Sydney Metropolitan Region.

Local government areas in the state's North Coast dominated to regional top five rent list for three bedroom houses, while the Wingecarribee shire in the Southern Highlands Region closed the list with a median weekly rent of \$365.

The lowest rent price was recorded in the inland LGA of Glen Innes despite recording a 10 per cent increase over the 12 months to June 2013. The median rent remained stable in the Corowa and Broken Hill Shires, while the median rent in the Leeton and Young LGAs increased by four per cent from June 2012. Not surprisingly, the most affordable rent prices were found in non-coastal regions.

Three-bedroom houses accounted for 45 per cent of residences outside of the Sydney Metropolitan Region

Two bedroom units, which included villas and townhouses, remained scarce in many parts of regional New South Wales. The table above highlights areas where 30 bonds or more were lodged over the quarter. The Snowy River council area overtook the Byron LGA in the June quarter, recording the highest median rent price for a two bedroom unit. However, the figure is considered seasonal, with the March 2013 rent closing at a median of \$240 per week. The top five list was again populated by three North Coast Municipalities.

Queanbeyan remained a standout performer within the New South Wales market, showing strong growth on the outskirts of Canberra. More about the Queanbeyan rental market can be found in PRDnationwide Research's [Queanbeyan Rental Market Property Watch](#).

The lowest median rent was found in the south-western municipality of Griffith, recording a middle value of \$180 per week, representing a \$5 easing from the March 2013 figure. South of Griffith the City of Albury was the second most affordable region to rent a two-bedroom unit. Further north the median rent price softened in Richmond Valley and remained steady in the Greater Taree region.

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