

CUMBERLAND

Property Watch®

PRD nationwide



A house on Lombard Street,
Northmead

MARKET INDICATORS

Change from Last	Year	Half Year
HOUSE SALES	↓	↓
HOUSE MEDIAN	↑	↑
HOUSE RENTS	↑	↔
UNIT SALES	↓	↑
UNIT MEDIAN	↑	↑
UNIT RENTS	↓	↔

The indicators depicted above are based on the year ending April 2013. Rental indicators are based on 12 months to March 2013.

KEY HIGHLIGHTS

- The region recorded a record median house and unit price in April 2013.
- The median price of a house increase by 6.3 per cent in the 12 months to April 2013, while that of a unit climbed by 4.5 per cent to \$392,000.
- The house rental market strengthened in the 12 months to July 2013, while rents for units eased.

MARKET OVERVIEW

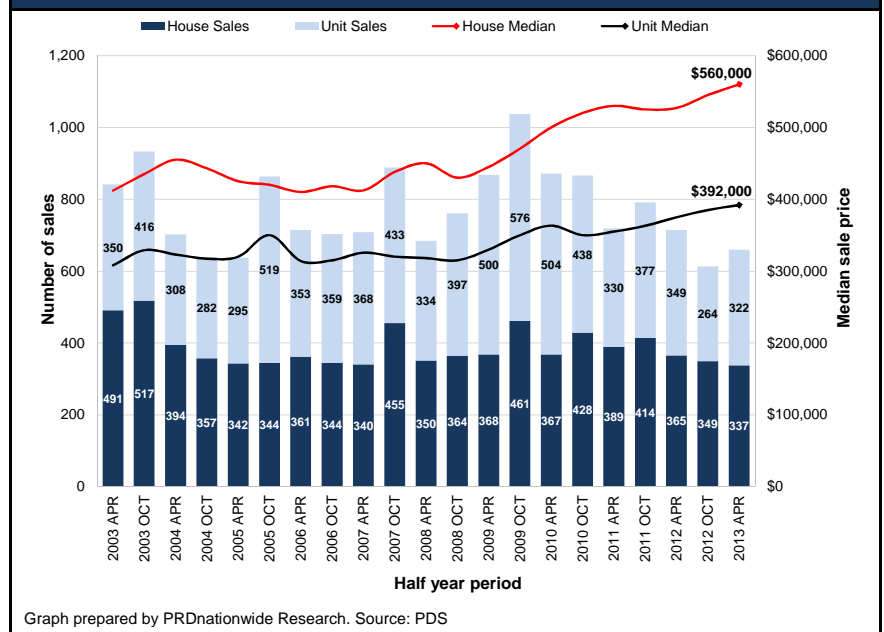
The following Property Watch report is the result of an investigation into the Cumberland real estate market. The market is located in Sydney's North Western region and comprises the suburbs of Constitution Hill, Girraween, Northmead, Old Toongabbie, Pendle Hill, Toongabbie, Wentworthville, Winston Hills and North Parramatta.

The suburb of Northmead provides a case in point for the changes that the area has experienced in the past decade, with the share of detached houses declining significantly between 2001 and 2011. In the 2001 census detached houses accounted for 80 per cent of the housing stock, while units made up four per cent. In contrast, the 2011 Census revealed that non-attached dwellings accounted for just over half (53 per cent) of dwellings, while apartments and units grew to represent 30 per cent of the stock.

New developments led to a very strong unit sales growth in the beginning of the century, and in the four years between October 2005 and October 2009. However, activity has declined from 576 transactions in October 2009 to 322 in the April 2013 period, signalling a decline in developments over the period.

Observing the house and unit sales cycle over the April six month period pointed to a new record for attached and detached dwellings. Closing the April period at \$560,000, the median price of a house increase by 6.3 per cent in the 12 months to April 2013, while that of a unit climbed by 4.5 per cent to \$392,000.

CUMBERLAND REGION HOUSE AND UNIT SALES CYCLE



HOUSE PRICE POINTS
6 MONTHS TO APRIL 2013

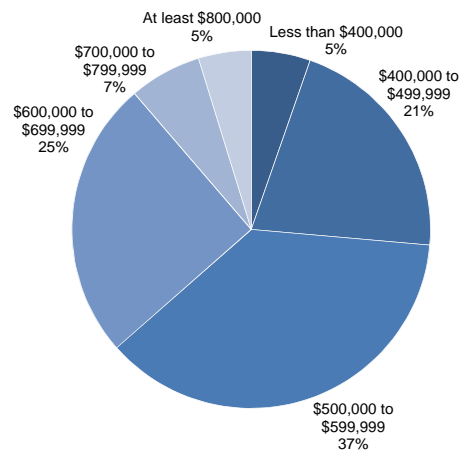


Chart prepared by PRDnationwide Research. Source: PDS

A diversity of buyers including **first home buyers, investors** and **upgraders** boosted demand for both attached and detached dwellings

Further analysis into the house price points highlighted a large concentration of sales in the \$500,000 to \$599,999 price point. Northmead accounted for most transactions in this price range, with a total of 30 sales. However the highest sale for the period was recorded in 37 Caprera Road, where a property sold for \$1,050,000 in November 2012.

The unit price point chart identified the \$400,000 to \$449,999 as the largest in the Cumberland market, while toward the top end 11 per cent of units transacted for \$500,000 plus. Northmead accounted for the highest number of properties in this price bracket, followed by North Parramatta.

A diversity of buyers including first home buyers, investors and upgraders boosted demand for both attached and detached dwellings; first time buyers targeted units in low and mid-range price points, with several purchasing houses as investments as they decide whether to move in or keep as a rental property in the long term.

The house rental market strengthened in the 12 months to July 2013, while rents for units eased. Investors sought units offering a minimum of five per cent gross yield. Data pointed to a decline in advertised rent for a two-bedroom unit (down one per cent to \$422 per week) and an increase in the weekly rent of a three bedroom house (up 7.9 per cent for \$478 per week). The vacancy rate across the region averaged two per cent, indicating of a tight rental market. That said, signs that rental activity was moderating have been noted in recent months in response to the increase in sales activity.

UNIT PRICE POINTS
6 MONTHS TO APRIL 2013

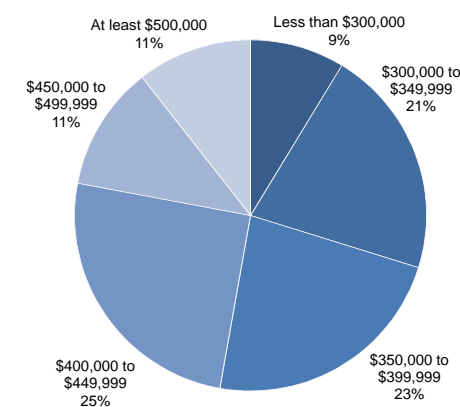
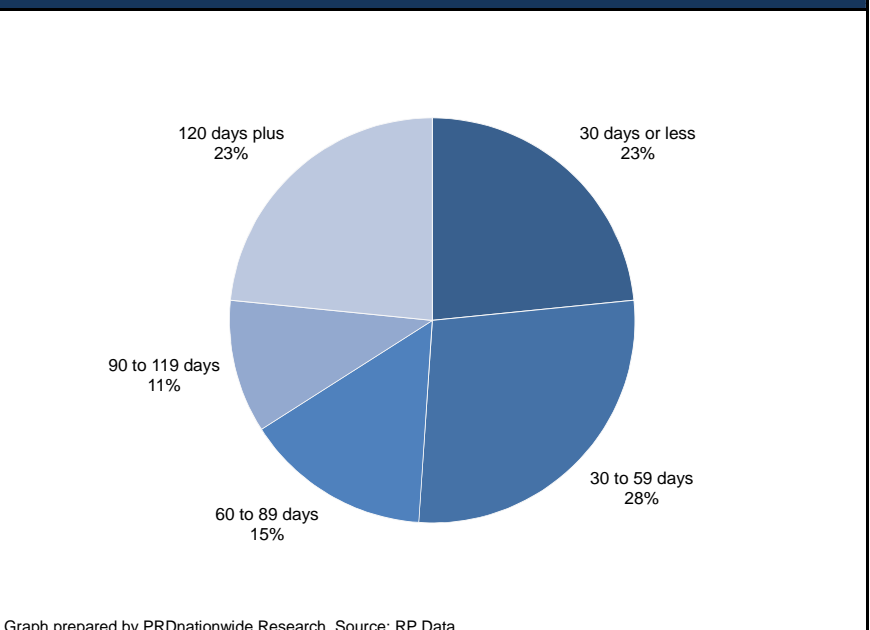


Chart prepared by PRDnationwide Research. Source: PDS

CUMBARLAND REGION HOUSE DAYS ON MARKET



Graph prepared by PRDnationwide Research. Source: RP Data

PRDnationwide Research conducted a Days on Market analysis to ascertain the time required to sell a house in the Cumberland Region. The analysis revealed that almost one quarter (23 per cent) of houses remained on the market for a period of 30 days or less, while more than half were sold in a period of 60 days or less. That said, 23 per cent of houses in the first half of 2013 remained on the market for a period of 120 days plus, pointing to price-sensitive buyers and to vendors who were reluctant to meet the market.

There were a limited number of houses on the market, with ten houses in Pendle Hill and nine each in Toongabbie and Wentworthville.