QUARTER 2 | 2013

# NEW SOUTH WALES QUARTERLY RENTAL REPORT


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# 1 BRM UNITS

| Local Government Area | Median Rental Prices | | | Avg. Annual Growth 2011-13 | |
|---|---|---|---|---|---|
| | 2011 MAR | 2012 MAR | 2013 MAR | Rental Price | New Bonds |
| Canada Bay | $260 | $480 | $470 | 34% | 11% |
| Rockdale | $320 | $370 | $420 | 15% | -3% |
| Blacktow n | $188 | $220 | $245 | 14% | 7% |
| Burw ood | $320 | $370 | $375 | 8% | -9% |
| New castle | $220 | $245 | $255 | 8% | 2% |
| Marrickville | $335 | $350 | $385 | 7% | 14% |
| Lake Macquarie | $180 | $190 | $205 | 7% | -1% |
| Ku-Ring-Gai | $415 | $470 | $465 | 6% | 14% |
| Botany Bay | $430 | $420 | $480 | 6% | 10% |
| Leichhardt | $360 | $418 | $400 | 5% | 5% |

An increase in the number of residential tenancies in Canada Bay, Marrickville and Ku-Ring-Gai highlighted the changing building density in middle-ring council areas

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 surrounding the Sydney Metropolitan Region, with Newcastle and Lake Macquarie featuring in the top ten list for the second consecutive quarter. Within Sydney recently-completed units in several large-scale developments were let, leading to a strong increase in the median rent price. The council areas of Canada Bay (Rhodes, Strathfield), Rockdale (Wolli Creek, Rockdale) and Blacktown recorded above 10 per cent per annum growth between March 2011 and the corresponding period in 2013.

A sharp increase in the number of residential tenancies in Canada Bay, Marrickville and Ku-Ring-Gai highlighted the significant changing building density in middle-ring council areas over the past decade.

# 2 BRM UNITS

While the Hunter Region continued to experience strong economic activity, recent evidence points to softer conditions led by a contraction in the coal industry

| Local Government Area | Median Rental Prices | | | Avg. Annual Growth 2011-13 | |
|---|---|---|---|---|---|
| | 2011 MAR | 2012 MAR | 2013 MAR | Rental Price | New Bonds |
| The Hills Shire | $410 | $420 | $485 | 9% | 2% |
| New castle | $318 | $340 | $370 | 8% | 2% |
| Lake Macquarie | $260 | $280 | $295 | 7% | -1% |
| Shellharbour | $225 | $250 | $255 | 6% | 3% |
| Marrickville | $410 | $420 | $460 | 6% | 14% |
| Maitland | $250 | $258 | $280 | 6% | 5% |
| Gosford | $280 | $300 | $310 | 5% | 2% |
| Ryde | $380 | $400 | $420 | 5% | -2% |
| Manly | $590 | $613 | $650 | 5% | -3% |
| Botany Bay | $500 | $430 | $550 | 5% | 10% |

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

Lower growth in median rent was recorded for a two-bedroom apartments and townhouses compared with one-bedroom units, with council areas in the Lower Hunter region populating the second and third entries on the list. While the region continued to experience strong economic activity, recent evidence points to softer conditions led by a contraction in the coal industry. In The Hills Shire medium density units in the suburbs bordering the Parramatta LGA and in the Baulkham Hills and Castle Hill town centres attracted higher rent prices older units, leading to a rise in median price.

Small increases (and declines) in the number of new bonds signalled an overall stable take-up of stock, with the exception of the Botany Bay and Marrickville council areas. Interestingly, The Hills Shire's 817 rental bonds lodged in the year to March 2013 represented a lower level of rental activity when compared with 953 bonds ten years earlier.

# 3 BRM HOUSES

| Local Government Area | Median Rental Prices 2011 MAR | 2012 MAR | 2013 MAR | Avg. Annual Growth 2011-13 Rental Price | New Bonds |
|---|---|---|---|---|---|
| Wyong | $310 | $330 | $350 | 6% | 5% |
| Port Stephens | $310 | $330 | $350 | 6% | 14% |
| Wollondilly | $340 | $350 | $380 | 6% | 2% |
| New castle | $361 | $383 | $400 | 5% | 0% |
| Shellharbour | $350 | $370 | $385 | 5% | 8% |
| Randw ick | $750 | $785 | $825 | 5% | 1% |
| Canada Bay | $620 | $650 | $680 | 5% | 6% |
| Liverpool | $393 | $420 | $430 | 5% | 3% |
| Bankstow n | $420 | $450 | $460 | 5% | 2% |
| Canterbury | $500 | $500 | $545 | 4% | 7% |

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

Family homes in the Sydney Metropolitan Area were unaffordable for many, leading to a move to council areas north and south of the city

The highest increases in median rent price for a three-bedroom house were recorded in council areas outside the Sydney Metropolitan Area, led by Wyong (Central Coast) and Port Stephens (Hunter). Family homes in the Sydney Metropolitan Area were unaffordable for many, leading to a move to council areas north and south of the city. As with the apartment market, tenants moving into recently-completed dwellings paid higher rent prices than those paid for older dwellings. In the Wyong council area the increase in rent prices concentrated in the 2259 and 2263 postcodes. In Port Stephens, growth stemmed from higher rent prices in the 2315 (Nelson Bay area) and 2318 (Medowie area) postcodes.

# SYDNEY'S RENT HIGHS & LOWS

**MEDIAN WEEKLY RENT - 3-BEDROOM HOUSE**

| | Local Government Area | Weekly Rent 2013 MAR | 12-Month growth |
|---|---|---|---|
| HIGHEST | Randw ick | $825 | 5% |
| | Willoughby | $795 | 0% |
| | Pittw ater | $770 | 10% |
| | Warringah | $760 | 9% |
| | Leichhardt | $758 | 0% |
| LOWEST | Fairfield | $400 | 0% |
| | Haw kesbury | $380 | 3% |
| | Penrith | $380 | 3% |
| | Blacktow n | $380 | 1% |
| | Campbelltow n | $370 | 3% |

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 $825. A strong increase in rent price was noted in Northern Beaches council areas, with the Warringah and Pittwater LGAs recording an increase in the median rent equating to nine and ten per cent respectively over the 12 months to March 2013.

The lowest median rent for a house was found in Campbelltown, closing the March quarter at $370 per week. The median price at the affordable end recorded only moderate growth from March 2012, as supply of 3-bedroom houses met demand.

The highest rent price for a 2-bedroom unit was recorded in the Sydney council area, with a median rent of $685 per week. Despite the high rent prices demand for rental accommodation in the top five LGAs led to an increase in price over the 12 months to March 2013.

The top five most affordable median unit prices were found in Western Sydney council areas. Rent prices continued to rise in the year to March, although the median rent in the Penrith and Fairfield LGAs remained unchanged over the period after recording strong growth in the past three years.

**MEDIAN WEEKLY RENT - 2-BEDROOM UNIT**

| | Local Government Area | Weekly Rent 2013 MAR | 12-Month growth |
|---|---|---|---|
| HIGHEST | Sydney | $685 | 1% |
| | Manly | $650 | 6% |
| | Waverley | $650 | 4% |
| | Woollahra | $645 | 3% |
| | North Sydney | $600 | 3% |
| LOWEST | Canterbury | $350 | 6% |
| | Blacktow n | $350 | 3% |
| | Liverpool | $318 | 3% |
| | Fairfield | $300 | 0% |
| | Penrith | $280 | 0% |

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 2011 MAR | 2012 MAR | 2013 MAR | Avg. Annual Growth 2011-13 Rental Price |
|---|---|---|---|---|
| Singleton | $250 | $320 | $330 | 15% |
| Dubbo | $170 | $175 | $220 | 14% |
| Tamworth Regional | $200 | $220 | $240 | 10% |
| Shoalhaven | $200 | $225 | $235 | 8% |
| Richmond Valley | $180 | $190 | $210 | 8% |
| Orange | $220 | $280 | $255 | 8% |
| Bathurst Regional | $208 | $230 | $240 | 8% |
| Armidale Dumaresq | $200 | $220 | $230 | 7% |
| Greater Taree | $177 | $190 | $200 | 6% |
| Hastings | $230 | $245 | $260 | 6% |

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

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

Strong increase in rent was related to mining activity in Singleton, Orange and Dubbo. In the New England area the Tamworth Regional LGA and Armidale Dumaresq council areas recorded a rise of ten and eight per cent per annum respectively between 2011 and 2013. despite an overall increase in the past two years, rent prices in Orange recorded a 12-month decline, signalling that demand from mining-related industries has softened.

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.

## 3 BRM HOUSES

Mining activity around Mudgee kept demand for the Mid-Western town's limited rental stock high

| Local Government Area | Median Rental Prices 2011 MAR | 2012 MAR | 2013 MAR | Avg. Annual Growth 2011-13 Rental Price |
|---|---|---|---|---|
| Mid-Western Regional | $275 | $350 | $350 | 13% |
| Goulburn Mulwaree | $260 | $290 | $300 | 7% |
| Dubbo | $260 | $280 | $300 | 7% |
| Broken Hill | $200 | $200 | $230 | 7% |
| Bathurst Regional | $290 | $320 | $330 | 7% |
| Young | $230 | $240 | $260 | 6% |
| Moree Plains | $245 | $240 | $275 | 6% |
| Gunnedah | $250 | $275 | $280 | 6% |
| Eurobodalla | $280 | $300 | $310 | 5% |
| Great Lakes | $290 | $320 | $320 | 5% |

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

The Mid-Western Regional and Goulburn Mulwaree local government areas recorded the highest increases in median rent price for a three-bedroom house in regional New South Wales. While the Mid-Western Regional council continued to provide rental accommodation to mining employees around Mudgee, Goulburn benefitted from a flow of residents from the ACT. New to the list were the South Coast's council area of Eurobodalla and the Mid-North Coast's Great Lakes council area.

# REGIONAL RENT HIGHS & LOWS

## MEDIAN WEEKLY RENT - 3-BEDROOM HOUSE

| | Local Government Area | Weekly Rent 2013 MAR | 12-Month growth |
|---|---|---|---|
| HIGHEST | Queanbeyan | $435 | -5% |
| | Byron | $420 | -3% |
| | Singleton | $390 | -3% |
| | Tweed | $383 | 6% |
| | Ballina | $373 | 1% |
| LOWEST | Inverell | $250 | 4% |
| | Broken Hill | $230 | 15% |
| | Corowa Shire | $230 | n |
| | Deniliquin | $230 | n |
| | Wellington | $180 | 0% |

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

Local government areas in the state's North Coast dominated to regional top five rent list for three bedroom houses, although Queanbeyan continued to record the highest median rent. decline in median values were noted in the top three council areas, signalling consolidation after a long period of price growth.

The lowest rent price was recorded in the inland LGA of Wellington, where the median rent for a house closed the March 2013 period at $180 per week. In the Deniliquin and Corowa Shire the median rent was stable, while the Broken Hill LGA recorded a 15 per cent increase from March 2012, on the back of mining activity.

Rent in Broken Hill was unaffordable to single individuals or single parent families on Newstart or Youth Allowance according to Anglicare's annual national rental affordability snapshot. The report also found that only five per cent of properties advertised for rent were affordable to single people earning the minimum wage.

## MEDIAN WEEKLY RENT - 2-BEDROOM UNIT

| | Local Government Area | Weekly Rent 2013 MAR | 12-Month growth |
|---|---|---|---|
| HIGHEST | Byron | $350 | -3% |
| | Singleton | $330 | n |
| | Queanbeyan | $300 | -3% |
| | Tweed | $290 | 2% |
| | Mid-Western Regional | $280 | 1% |
| LOWEST | Bega Valley | $200 | -5% |
| | Greater Taree | $200 | 5% |
| | Nambucca | $190 | n |
| | Albury | $185 | 3% |
| | Griffith | $185 | -3% |

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

Two bedroom units, which include villas and townhouses, remained scarce in many parts of regional New South Wales. The table above highlight areas where 30 bonds or more were lodged over the quarter. The Byron LGA recorded the highest median rent price for a two bedroom unit in March, followed by Singleton and Queanbeyan. It is no surprise that the same top regions feature in both the three bedroom house and two bedroom unit lists.

The lowest median rent was found in the south-western city of Griffith, recording a middle value of $185 per week. Albury, located south of Griffith shared the same rent price for the March quarter. On the Mid-North Coast, the Nambucca council area's rent remained stable, while a two bedroom unit in Bega fell by five per cent in the 12-months to March.

Research Analyst | Oded Reuveni-Etzioni
**P** (02) 9947 9160 **E** odedetzioni@prd.com.au

Prepared by PRDnationwide Research. Source: Housing NSW.