



**> Affordable & Liveable Property Guide**  
Sydney Metro 2nd Half 2021

## OVERVIEW

Median property prices in Sydney Metro increased by 21.2% for houses to \$2,000,000 from Q3 2020 to Q3 2021\* and by 9.8% for units to \$867,500. Between Q3 2020 – Q3 2021, total sales increased by 9.6% (to 5,359 sales) for houses and by 21.1% (to 9,081 sales) for units. Sydney Metro's median price growth has occurred amidst increased sales activity, indicating real returns in capital investment and high demand. Property owners can be highly confident in their asset's ongoing value. An estimated \$9.0B of development is set to commence across the 2nd half of 2021. A focus on infrastructure projects will improve liveability for residents and create jobs in the construction phase, while commercial projects are also a positive indicator of future long-term employment. These factors combined with the end of COVID-19 lockdowns and opening of interstate borders will have a positive spill-over effect on the property market.

## RECENT TOP PERFORMERS

| Area  | Suburb         | Type  | Median Price 2020 | Median Price 2021* | Price Growth | Projects 2021*** |
|-------|----------------|-------|-------------------|--------------------|--------------|------------------|
| Inner | North Sydney   | House | \$2,200,000       | \$2,775,000        | 26.1%        | \$434.0M         |
|       | Barangaroo     | Unit  | \$1,950,000       | \$12,850,000       | 559.0%       | \$227.0M         |
| North | Frenchs Forest | House | \$1,617,500       | \$2,102,500        | 30.0%        | \$79.5M          |
|       | Macquarie Park | Unit  | \$855,500         | \$958,000          | 12.0%        | \$1.0B           |
| South | Arncliffe      | House | \$1,228,750       | \$1,527,500        | 24.3%        | \$42.2M          |
|       | Banksmeadow    | Unit  | \$840,000         | \$1,080,000        | 28.6%        | \$16.0M          |
| East  | Double Bay     | House | \$4,267,500       | \$5,900,000        | 38.3%        | \$25.4M          |
|       | Bondi Beach    | Unit  | \$1,170,000       | \$1,310,000        | 12.0%        | \$36.7M          |
| West  | St Peters      | House | \$1,354,500       | \$1,680,000        | 24.0%        | \$136.6M         |
|       | Roselands      | Unit  | \$485,000         | \$662,500          | 36.6%        | \$30.9M          |

## METHODOLOGY

This affordable and liveable property guide for Sydney Metro 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 2020 to 2021\*.
- Investment criteria** – as of September 2021, suburbs considered will have an on-par or higher rental yield than Sydney Metro, and an on-par or lower vacancy rate.
- Affordability criteria** – identified affordable and liveable suburbs have a median price below a set threshold. This was determined by adding percentage premiums to the New South Wales (NSW) average home loan, which was \$705,658\*\* as of Q2 2021. Premiums of 105% for houses and 15% for units were added, which were below those required to reach Sydney Metro's median prices (183% for houses and 23% for units). This places the chosen suburbs below Sydney's median prices, meaning that the suburbs identified within this report are more affordable for buyers.
- Development criteria** – suburbs identified must have a high total estimated value of future project development for the 2<sup>nd</sup> half of 2021, as well as a higher proportion of commercial and infrastructure projects. This ensures the suburbs show signs of sustainable economic growth in turn, positively affecting the property market.
- 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, June Quarter 2021 release).

\*Median price quoted captures sale transactions from 1st January 2021 to 30<sup>th</sup> September 2021, or Q1 2020 – Q3 2021. \*\*Average home loan figure is derived from June Quarter 2021 Housing Affordability Report by the Real Estate Institute of Australia (REIA) and Adelaide Bank. \*\*\*Project development is based on aggregate of estimated construction value for residential, commercial, industrial, mixed-use and infrastructure projects scheduled to commence in the 2<sup>nd</sup> half of 2021 as stated by the relevant data authority. ^Annual Change is reflective of median price change from Q3 2020 to Q3 2021. Figures displayed in infographics are for the period Q3 2020. Source: APM Pricerfinder, REIA, SQM Research, Cordell Connect, Department of Jobs and Small Business. © PRD 2021.

## SYDNEY METRO

Annual Change<sup>^</sup>



Sales ↑

Median Price ↑

Rental Price ↑



Sales ↑

Median Price ↑

Rental Price ↔

## MEDIAN SALE PRICE



HOUSE



UNIT

## MEDIAN RENTAL PRICE



HOUSE



UNIT

## BENCHMARKS SYDNEY METRO



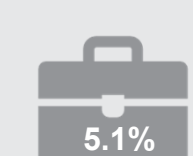
HOUSE YIELD



UNIT YIELD



## BENCHMARKS NEW SOUTH WALES

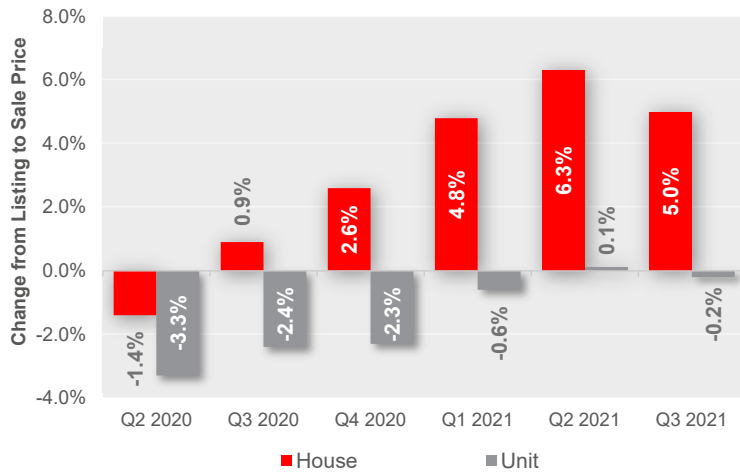


UNEMPLOYMENT RATE



AVERAGE HOME LOAN  
\$705,658

## AVERAGE VENDOR DISCOUNT

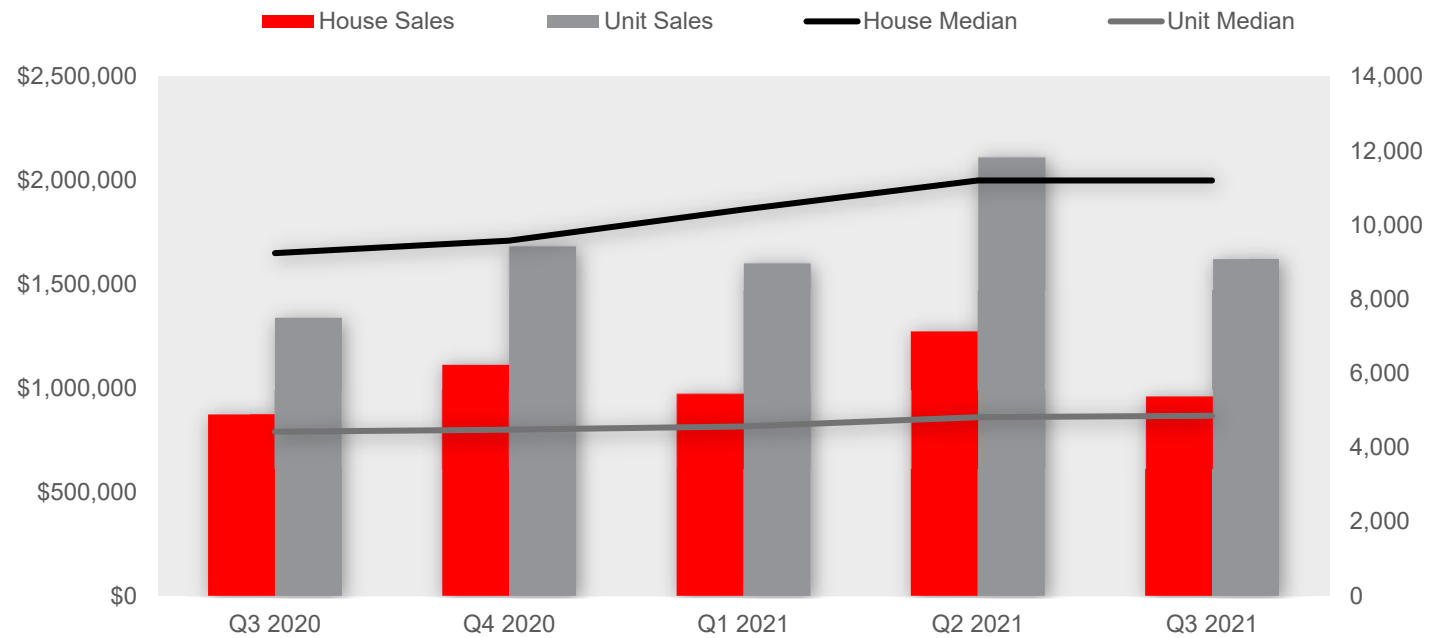


## KEY COMMENTS

Average vendor discounts between Q3 2020 and Q3 2021 for houses have further swung towards a higher premium, of +5.0%. Units, meanwhile, have tightened to a discount of -0.2%. Sydney Metro's house market conditions have further shifted to favour vendors, as buyers must offer above initial list prices. Unit buyers can still benefit from a discount, however time is limited.

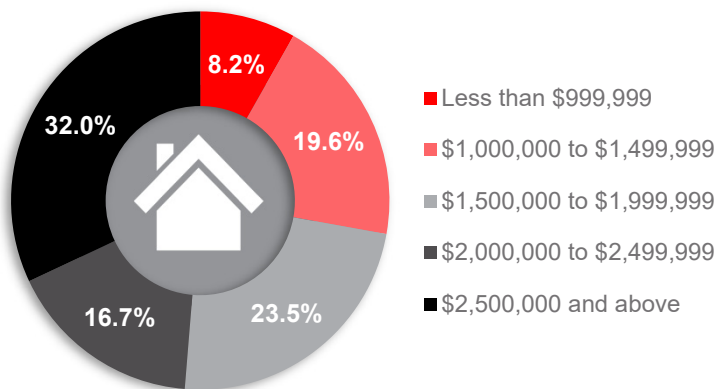
The dominant proportion of homes sold in Sydney Metro across 2021# were in the premium price bracket of above \$2,500,000 (32.0%). On the other hand, units recorded a dominant lower-middle price bracket of \$600,000-\$800,000 (28.5%). Despite Sydney Metro being known as a premium market, the unit price-point sale breakdown suggests a more balanced opportunity for first home buyers.

## MARKET PERFORMANCE

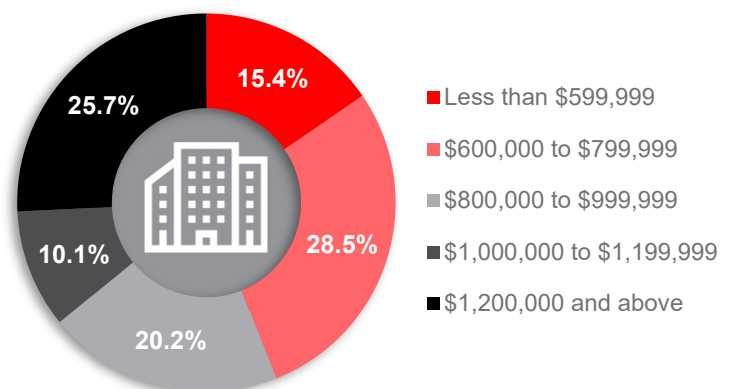


## PRICE BREAKDOWN 2021#

### HOUSES SOLD

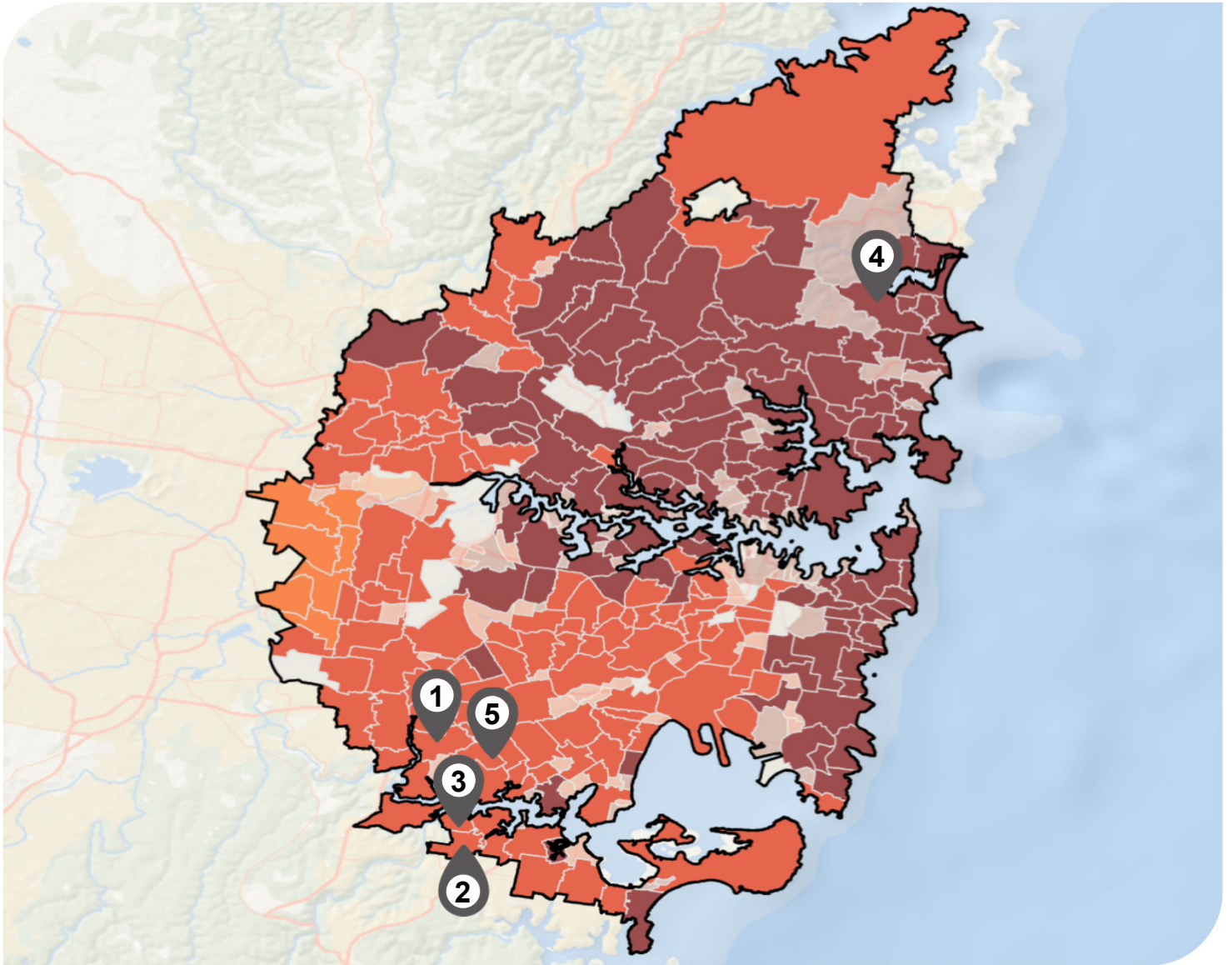


### UNITS SOLD





# SYDNEY METRO MEDIAN HOUSE PRICE 2021\* 20KM FROM CBD



## LEGEND

- Data not available
- \$800,000 - \$1,000,000
- \$1,000,000 - \$2,000,000
- \$2,000,000+
- 20km from CBD

Translucent colours for <20 sales

## SYDNEY AFFORDABLE & LIVEABLE SUBURBS RENTAL YIELD

|   | Suburb    | House |   | Suburb    | Unit |
|---|-----------|-------|---|-----------|------|
| 1 | Peakhurst | 2.8%  | 4 | Cromer    | 4.3% |
| 2 | Jannali   | 2.7%  | 1 | Peakhurst | 3.9% |
| 3 | Como      | 2.7%  | 5 | Mortdale  | 3.4% |

\*House median price reflected in the heat-map captures sale transactions from 1st January 2021 to 30<sup>th</sup> September 2021.  
Source: APM Pricefinder, ESRI ArcGIS, SQM Research. © PRD 2021.

## RENTAL GROWTH 2021€

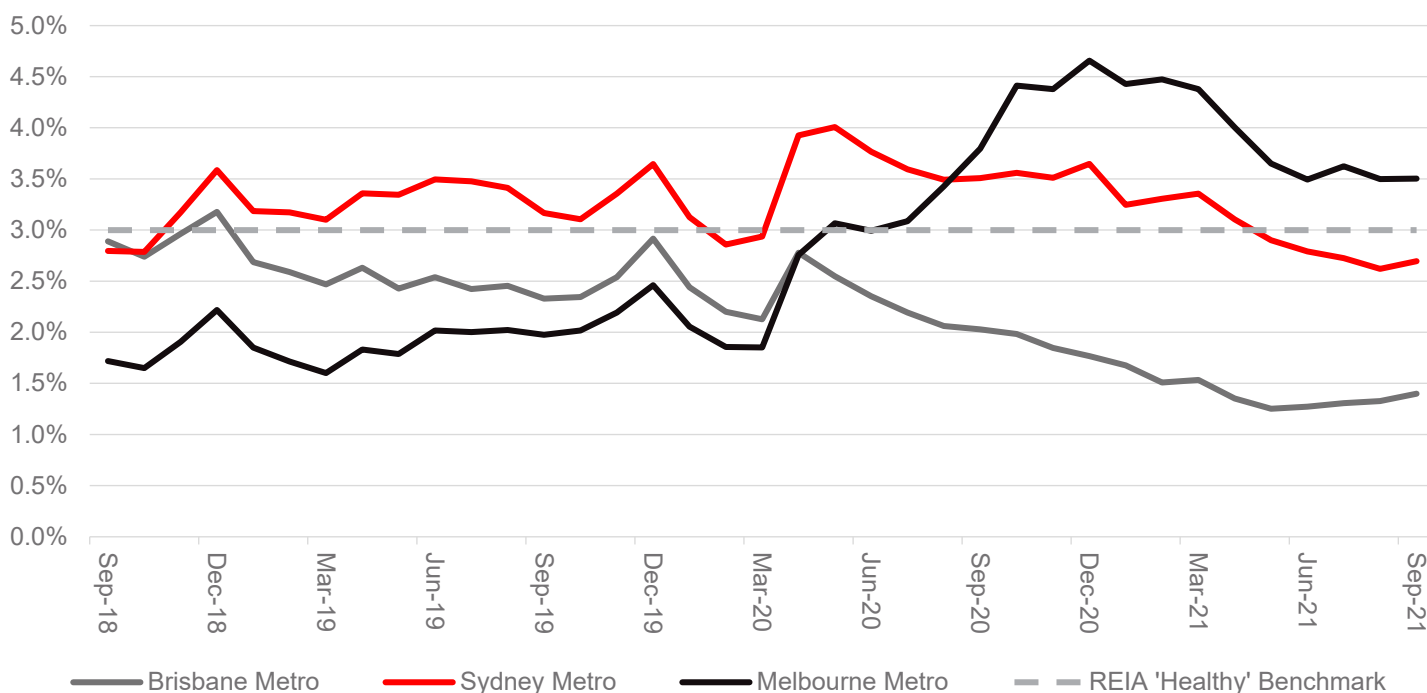
In September 2021, house rental yields in Sydney Metro were recorded at 2.2%. In the 12 months to Q3 2021, the median house rental price increased by 5.1% to \$620 per week, further complemented with a decline in average days on the market, of -3.8% (to 25 days). Overall, the house rental market has remained resilient throughout lockdowns and COVID-19.

Three bedroom houses recorded the highest annual rental growth (of +3.4%) to reach \$600 per week, whilst three + bedroom houses for units recorded +2.2% annual growth to reach \$695. In positive news, no bedroom configuration for houses and units recorded negative rental growth. However, this is the first occasion in which median price growth for both property types have outstripped rental growth. This suggests tighter rental yields, which may prove less beneficial to investors.

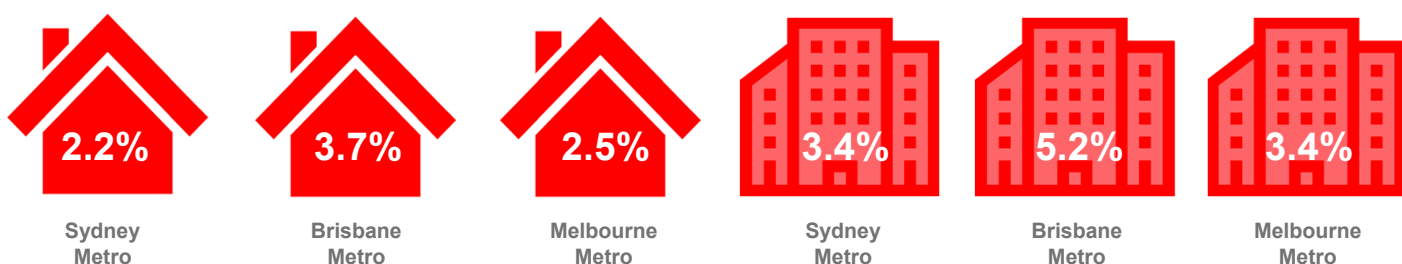
In September 2021, Sydney Metro recorded a vacancy rate of 2.7%, below that of Melbourne Metro (3.5%), but above Brisbane Metro (1.4%). Vacancy rates in Sydney Metro now sit below the Real Estate Institute of Australia's healthy benchmark of 3.0%, which is a first in the past three years. Sydney Metro's vacancy rate has shown a declining trend since peaking in May 2020 due to COVID-19, indicating higher rental demand and quicker occupancy for investors.



## RENTAL VACANCY RATES 2021



## RENTAL YIELD 2021§



€ Annual rental growth is a comparison between Q3 2020 – Q3 2021 (01/07/2020 – 30/09/2021) house median rent figures.

§ Rental yields shown are as reported at September 2021.

Source: APM Pricerfinder, SQM Research. © Copyright PRD 2021.



## PROPERTY CLOCK - HOUSES

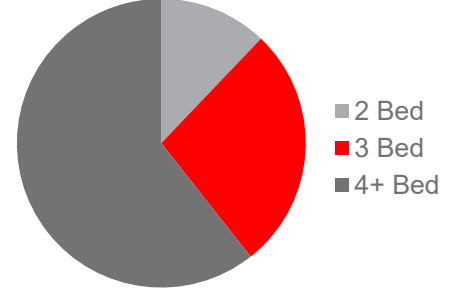
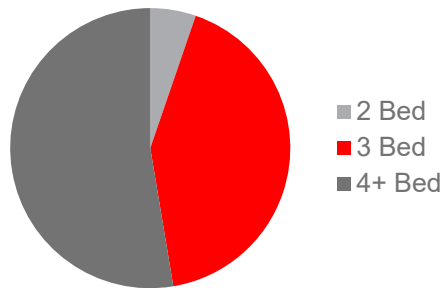
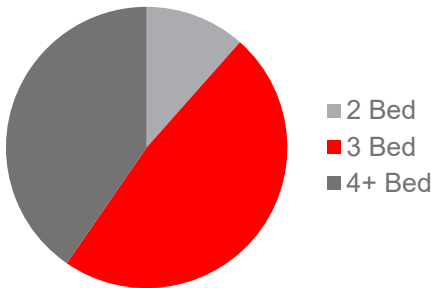


## AFFORDABLE & LIVEABLE HOUSE SUBURBS

### JANNALI 2226

### PEAKHURST 2210

### COMO 2226



Located about **20.0km** from the Sydney CBD.

Median House Price **\$1,353,500**  
 • 2 Bed Median Price **\$1,285,000\***  
 • 3 Bed Median Price **\$1,361,000**  
 • 4+ Bed Median Price **\$1,515,000**

Located about **16.0km** from the Sydney CBD.

Median House Price **\$1,426,500**  
 • 2 Bed Median Price **\$1,065,000\***  
 • 3 Bed Median Price **\$1,260,000**  
 • 4+ Bed Median Price **\$1,450,000**

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

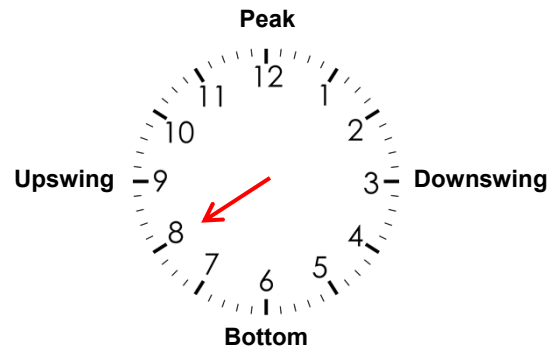
Median House Price **\$1,450,000**  
 • 2 Bed Median Price **\$1,267,500\***  
 • 3 Bed Median Price **\$1,557,500\***  
 • 4+ Bed Median Price **\$1,625,000**

|                            |   |                            |                                       |                            |   |
|----------------------------|---|----------------------------|---------------------------------------|----------------------------|---|
| Annual Median Price Growth | 17.7%**                                       | Annual Median Price Growth | 23.8%**                               | Annual Median Price Growth | 11.2%**   |
| Vacancy Rate (Sep-21)      | 0.4%  | Vacancy Rate (Sep-21)      | 1.3%                                  | Vacancy Rate (Sep-21)      | 0.4%  |
| Rental Yield (Sep-21)      | 2.7%  | Rental Yield (Sep-21)      | 2.8%                                  | Rental Yield (Sep-21)      | 2.7%  |
| Key Amenities (5km)        | The Sutherland Hospital                       | Key Amenities (5km)        | Westfield Hurstville Shopping Centre  | Key Amenities (5km)        | Como Station                                    |
| Total Projects (\$)        | \$11.5M <sup>^</sup>                          | Total Projects (\$)        | \$31.5M <sup>^</sup>                  | Total Projects (\$)        | \$11.5M <sup>^</sup>                            |
| Key Project                | Bindea Street Dwellings (\$1.5M, 5 Dwellings) | Key Project                | Forest Road Units (\$17.4M, 72 Units) | Key Project                | Novara Crescent Mixed Use Development (\$10.0M) |
| Unemployment Rate          | 3.0%  | Unemployment Rate          | 4.5%                                  | Unemployment Rate          | 3.0%  |

<sup>^</sup>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 is quoted as an indication only due to having less than 20 sales transactions. \*\*Median price growth quoted captures sale transactions from 1st January 2021 to 30th September 2021, or Q1 2021 – Q3 2021. Source: APM Pricer, SQM Research, Cordell Connect, Department of Small Jobs and Business, Google Maps. © PRD 2021.

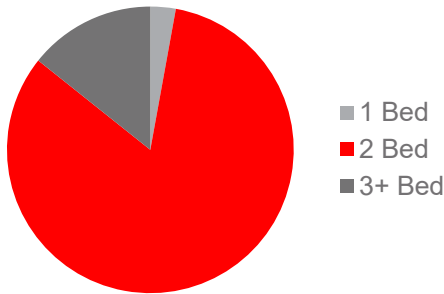


## PROPERTY CLOCK - UNITS

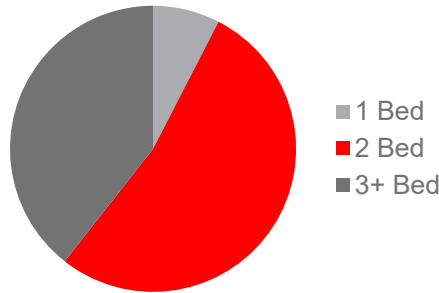


## AFFORDABLE & LIVEABLE UNIT SUBURBS

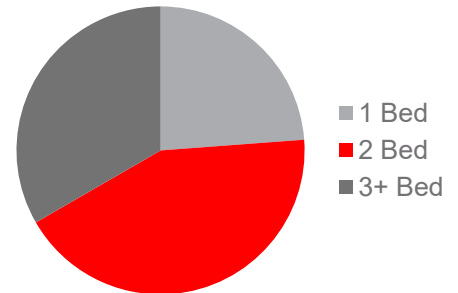
### MORTDALE 2223



### PEAKHURST 2210



### CROMER 2099



Located about **16.0km** from the Sydney CBD.

- Median Unit Price **\$657,250**
- 1 Bed Median Price **\$471,500\***
- 2 Bed Median Price **\$616,500**
- 3+ Bed Median Price **\$947,000\***

Located about **16.0km** from the Sydney CBD.

- Median Unit Price **\$751,000**
- 1 Bed Median Price **\$540,000\***
- 2 Bed Median Price **\$715,000**
- 3+ Bed Median Price **\$1,000,000**

Located about **15.0km** from the Sydney CBD.

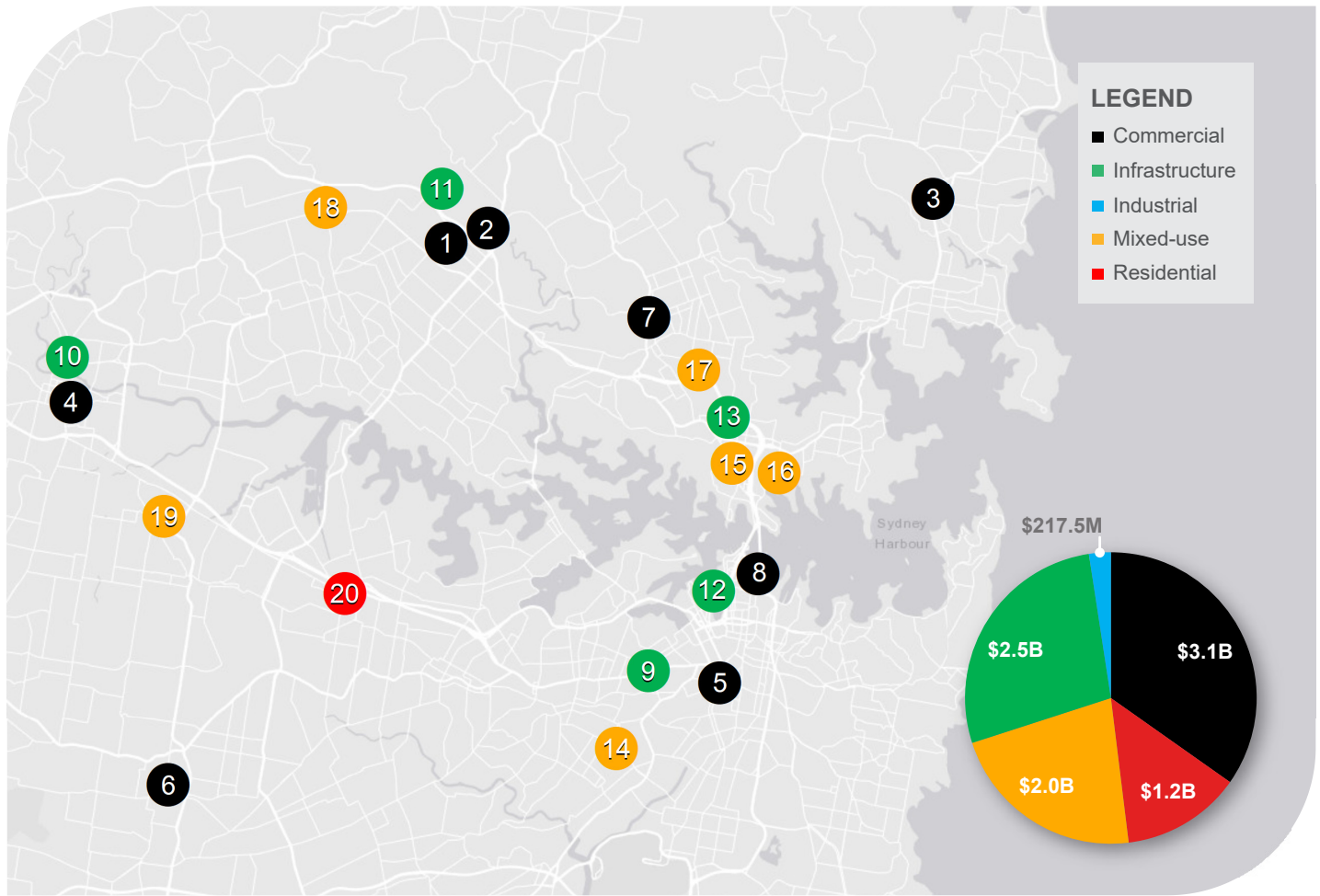
- Median Unit Price **\$812,500**
- 1 Bed Median Price **\$730,000\***
- 2 Bed Median Price **\$880,250\***
- 3+ Bed Median Price **\$1,886,000\***

|                            |  |                            |                                       |                            |  |
|----------------------------|--|----------------------------|---------------------------------------|----------------------------|--|
| Annual Median Price Growth | 7.7%**                                   | Annual Median Price Growth | 10.4%**                               | Annual Median Price Growth | 37.7%**                                |
| Vacancy Rate (Sep-21)      | 1.7%                                     | Vacancy Rate (Sep-21)      | 1.3%                                  | Vacancy Rate (Sep-21)      | 0.6%                                   |
| Rental Yield (Sep-21)      | 3.4%                                     | Rental Yield (Sep-21)      | 3.9%                                  | Rental Yield (Sep-21)      | 4.3%                                   |
| Key Amenities (5km)        | Westfield Hurstville Shopping Centre     | Key Amenities (5km)        | Westfield Hurstville Shopping Centre  | Key Amenities (5km)        | Long Reef Headland                     |
| Total Projects (\$)        | \$4.5M <sup>^</sup>                      | Total Projects (\$)        | \$31.5M <sup>^</sup>                  | Total Projects (\$)        | \$3.0M <sup>^</sup>                    |
| Key Project                | Macquarie Place Units (\$3.2M, 16 Units) | Key Project                | Forest Road Units (\$17.4M, 72 Units) | Key Project                | Willandra Road Boarding House (\$2.0M) |
| Unemployment Rate          | 3.9%                                     | Unemployment Rate          | 4.5%                                  | Unemployment Rate          | 4.2%                                   |

\*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 is quoted as an indication only due to having less than 20 sales transactions. \*\*Median price growth quoted captures sale transactions from 1st January 2021 to 30th September 2021, or Q1 2021 – Q3 2021. Source: APM Pricefinder, SQM Research, Cordell Connect, Department of Small Jobs and Business, Google Maps. © PRD 2021.



# PROJECT DEVELOPMENT MAP 2ND HALF 2021\*



| Location | Project <sup>£</sup>  | Type           | Estimated Value <sup>µ</sup> | Suburb         |
|----------|---|----------------|------------------------------|----------------|
| 1        | 45-61 Waterloo - Overall Masterplan Stages 1-6                                | Commercial     | \$327,565,000                | Macquarie Park |
| 2        | Macquarie Park Data Centre - M_park   | Commercial     | \$263,626,000                | Macquarie Park |
| 3        | Warringah Mall  | Commercial     | \$226,459,000                | Brookvale      |
| 4        | Valentine Avenue Commercial Development                                       | Commercial     | \$138,500,000                | Parramatta     |
| 5        | Surry Hills Shopping Village Site   | Commercial     | \$147,877,000                | Redfern        |
| 6        | Western Sydney University Bankstown City Campus                               | Commercial     | \$183,867,000                | Bankstown      |
| 7        | Chatswood Rsl Club - Double Project Please Refer To Project Id7515451         | Commercial     | \$158,578,000                | Chatswood      |
| 8        | Amp Building  | Commercial     | \$155,980,000                | Sydney         |
| 9        | Parramatta Road Corridor Urban Transformation Strategy                        | Infrastructure | \$850,000,000                | Camperdown     |
| 10       | Powerhouse Parramatta   | Infrastructure | \$400,000,000                | Parramatta     |
| 11       | Ivanhoe Estate Stage 1 - Midtown Macpark                                      | Infrastructure | \$260,000,000                | Macquarie Park |
| 12       | Sydney Metro City & Southwest - Barangaroo Station                            | Infrastructure | \$217,000,000                | Barangaroo     |
| 13       | Hume Street Park  | Infrastructure | \$190,000,000                | Crows Nest     |
| 14       | Victoria Road Mixed Use Development - Wicks Place (272 Units)                 | Mixed-use      | \$129,148,000                | Marrickville   |
| 15       | Walker St Mixed Development (415 Units)                                       | Mixed-use      | \$207,000,000                | North Sydney   |
| 16       | Walker St Mixed Development (415 Units)                                       | Mixed-use      | \$207,000,000                | North Sydney   |
| 17       | Former Channel 9 Studios Development Site - Overall Masterplan (461 Units)    | Mixed-use      | \$233,300,000                | Willoughby     |
| 18       | Oxford Street Shop Top Housing  | Mixed-use      | \$126,752,000                | Epping         |
| 19       | Northumberland Road Mixed Use Development - The Gardens Of Auburn (530 Units) | Mixed-use      | \$123,285,000                | Auburn         |
| 20       | Columbia Lane Apartments (360 Units)  | Residential    | \$132,220,000                | Homebush       |



## ABOUT PRD RESEARCH

PRD Research Division provides reliable, unbiased, and authoritative property research and consultancy to clients in metro and regional locations across Australia

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

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Access to accurate and objective research is the foundation of all good property decisions.

As the first and only truly knowledge based property services company, PRD shares experience and knowledge to deliver innovative and effective solutions to our clients.

We have a unique approach that integrates people, experience, systems and technology to create meaningful business connections. We 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 fact.

## OUR PEOPLE

Our research team is made up of highly qualified researchers who focus solely on property analysis.

Skilled in deriving macro and micro quantitative information from multiple credible sources, we partner with clients to provide strategic advice and direction regarding property and market performance. We have the added advantage of sourcing valuable and factual qualitative market research in order to ensure our solutions are the most well considered and financially viable.

Our experts are highly sought after consultants for both corporate and government bodies and their advice has helped steer the direction of a number of property developments and secured successful outcomes for our clients.

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**Our research services span over every suburb, LGA, and state within Australia; captured in a variety of standard and customised products.**

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.

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- Demographic and target market Analysis
- Geographic information mapping
- Project Analysis including product and pricing recommendations
- Rental and investment return analysis

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