

Oatley Market Update

2nd Half 2024



OVERVIEW

In Q3 2024, Oatley* recorded a median house price of \$1,857,500, and a median unit price of \$730,000. This represents annual (Q3 2023 – Q3 2024) price growth of 12.6% for houses and 9.7% for units. Comparing Q3 2023 – Q3 2024, house sales declined by -13.6%, to 89 sales in Q3 2024, whilst unit sales increased by 8.4%, to 103 sales in Q3 2024. This suggests houses are highly demanded, creating a buffer against higher interest rates. With less house stock available this has diverted many buyers to units. This caused an undersupply of units, prompting price growth. Now is in ideal time for owners to capitalise on their investments and sell.

CHANGE FROM LAST YEAR HALF YEAR



| | YEAR | HALF YEAR |
|--------------------|------|-----------|
| HOUSE SALES | ↓ | ↓ |
| HOUSE MEDIAN PRICE | ↑ | ↓ |
| HOUSE RENTAL PRICE | ↑ | ↓ |

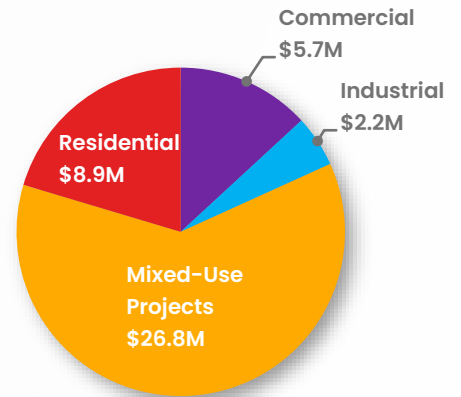


| | | |
|-------------------|---|---|
| UNIT SALES | ↑ | ↑ |
| UNIT MEDIAN PRICE | ↑ | ↑ |
| UNIT RENTAL PRICE | ↑ | ↑ |



FUTURE DEVELOPMENTS

Oatley is set to see approximately **\$43.6M of new projects commencing construction in 2024.**



These projects will stimulate economic growth and create new job opportunities in Oatley. This should have a spill-over impact on the real estate market, in the form of higher demand for housing.

Most of the projects planned for 2024 – 2025 are of commercial or mixed-use nature. There is some incoming supply of ready-to-go residential projects, which include:

- Railway Parade Units & Commercial Tenancies (28 Units)
- Rosa Street (5 Townhouses)
- 26 Martin Place Units (5 units)

Although there is incoming supply in Oatley*, this is not enough to answer current demand. An undersupply will remain for stand-alone houses, thus further price growth is expected.

33 Units/
Apartments

10
Townhouses

2
Dwellings



MARKET CONDITIONS

MEDIAN PRICE
Q3 2024

\$1.86M

SALES

\$730K

AVERAGE DAYS
ON MARKET Q3 2024

41
HOUSE

34
UNIT

MEDIAN PRICE
Q3 2024

\$812

RENTALS

\$600

AVERAGE DAYS
ON MARKET Q3 2024

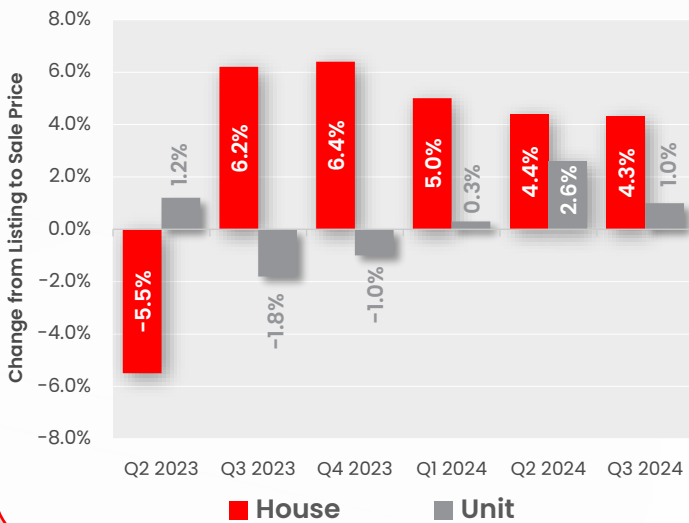
22
HOUSE

20
UNIT



AVERAGE VENDOR DISCOUNT*

Average vendor discount reflects the average percentage difference between the first list price and final sold price. A lower percentage difference (closer to 0.0%) suggests that buyers are willing to purchase close to the first asking price of a property.



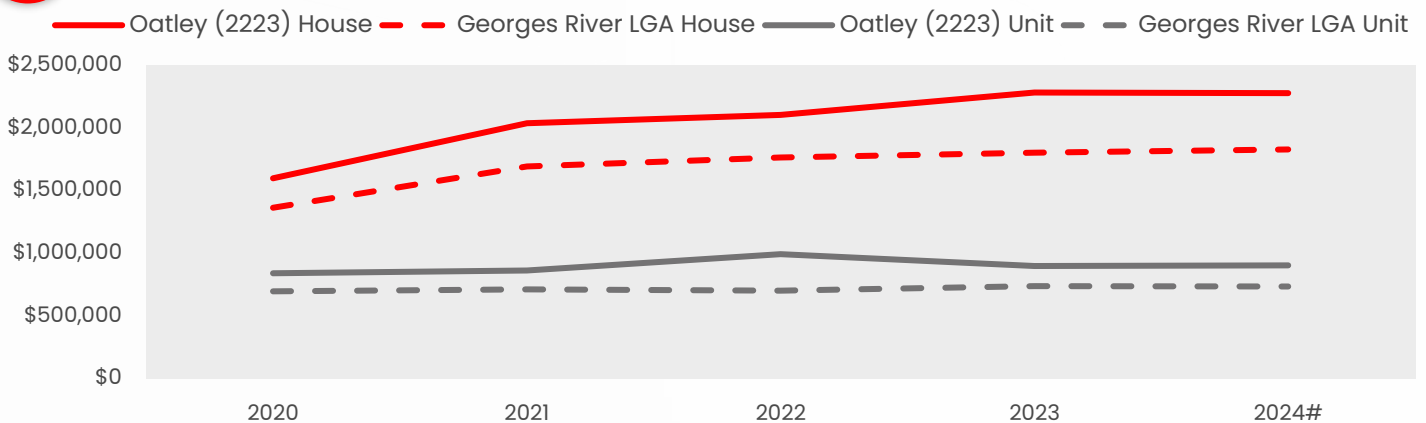
In the past 12 months to Q3 2024 average house vendor discounts have remained in the premium, but at a lower rate of 4.3%. Average unit vendor discount has swung from a discount to a premium, of 1.0%. Property market conditions in Oatley* favour sellers, where buyers must offer above the initial listing price. That said, the premium for houses is less in Q3 2024, which creates an opportunity for buyers. Now is the time to enter the market.

The suburb of Oatley has historically outperformed the wider Georges River Local Government Area (LGA) in both house and unit median prices. 2024# has seen a slight return to parity for unit prices, with Oatley being more in line with Georges River LGA. Meanwhile houses in Oatley continue to present a premium market.

The dominant proportion of homes sold in Oatley* across 2024# were in the premium price point of \$2,000,000 and above (50.2%). Most of the units sold were split almost equally between the premium price point of \$800,000 and above (35.3%) and the most affordable price point of less than \$649,999 (28.5%). Overall this suggests there is a home for every budget in Oatley*.



MARKET COMPARISON

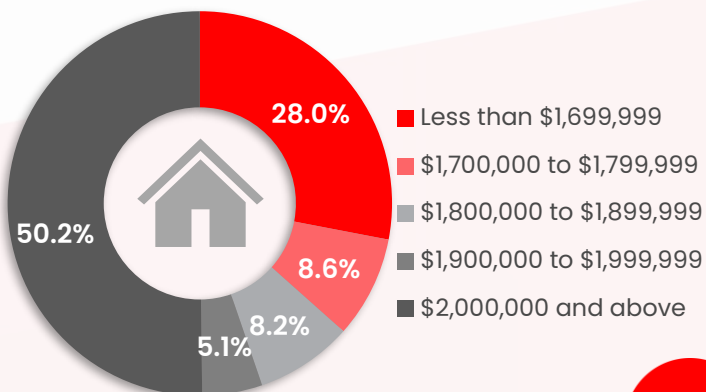


The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Oatley.

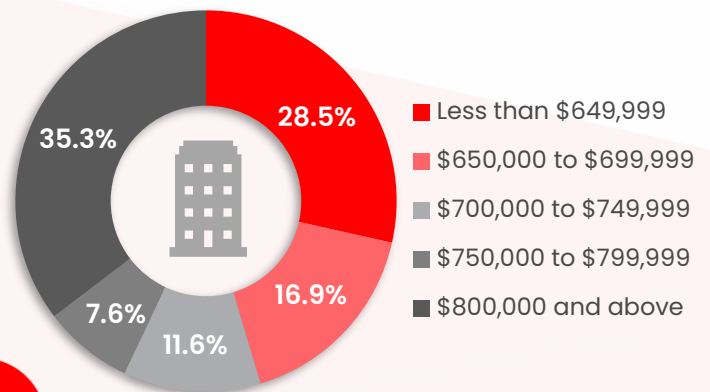


PRICE BREAKDOWN 2024#

HOUSES SOLD



UNITS SOLD





RENTAL GROWTH 2024€

House rental yields in Oatley[‡] was 2.9% in September 2024, slightly higher than the Georges River LGA (2.6%) and Sydney Metro (2.8%). This was paired with a 6.8% increase in median house price in the past 12 months to Q3 2024, at \$812 per week. The number of houses rented also increased, by 10.7% in the past 12 months, to 93 rentals in Q3 2024. A similar pattern can be seen in the unit rental market, suggesting both property types are highly demanded. This is good news for investors, even if the entry price has increased in the past 12 months.

2-bedroom houses have provided investors with +8.3% rental growth annually, achieving a median rent of \$650 per week.

Oatley[‡] recorded a vacancy rate of 0.9% in September 2024, below the Georges River LGA's 1.5% average and Sydney Metro's 1.6% average. Vacancy rates in Oatley[‡] have fluctuated in the past 12 months, alongside investor activity entering/exiting the market. A 0.9% vacancy rate is significantly below the Real Estate Institution of Australia's healthy benchmark of 3.0%, suggesting quick occupancy of rental homes. This is a conducive environment for investors.

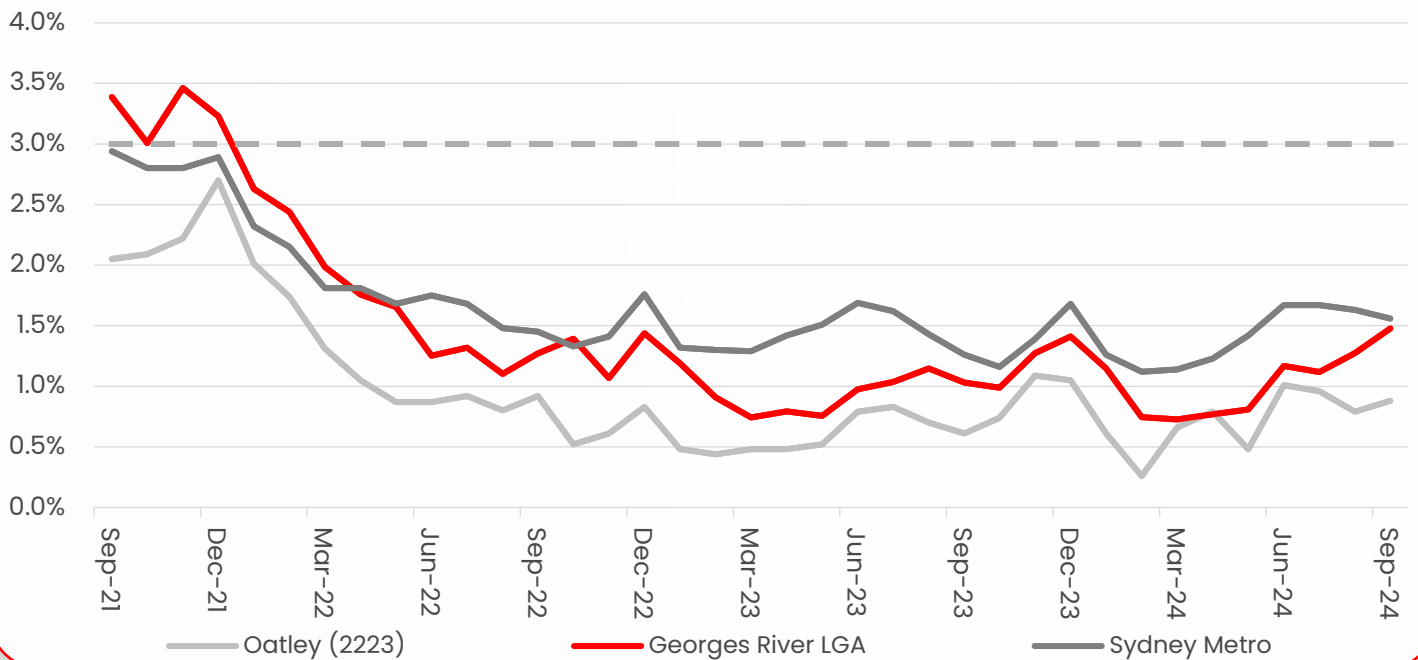
 2 BEDROOMS
+8.3%

 3 BEDROOMS
+0.6%

 4 BEDROOMS
0.0%



RENTAL VACANCY RATES 2024



RENTAL YIELD 2024§



2.9%

Oatley (2023)[‡]



2.6%

Georges River LGA



2.8%

Sydney Metro



4.8%

Oatley (2023)[‡]



5.1%

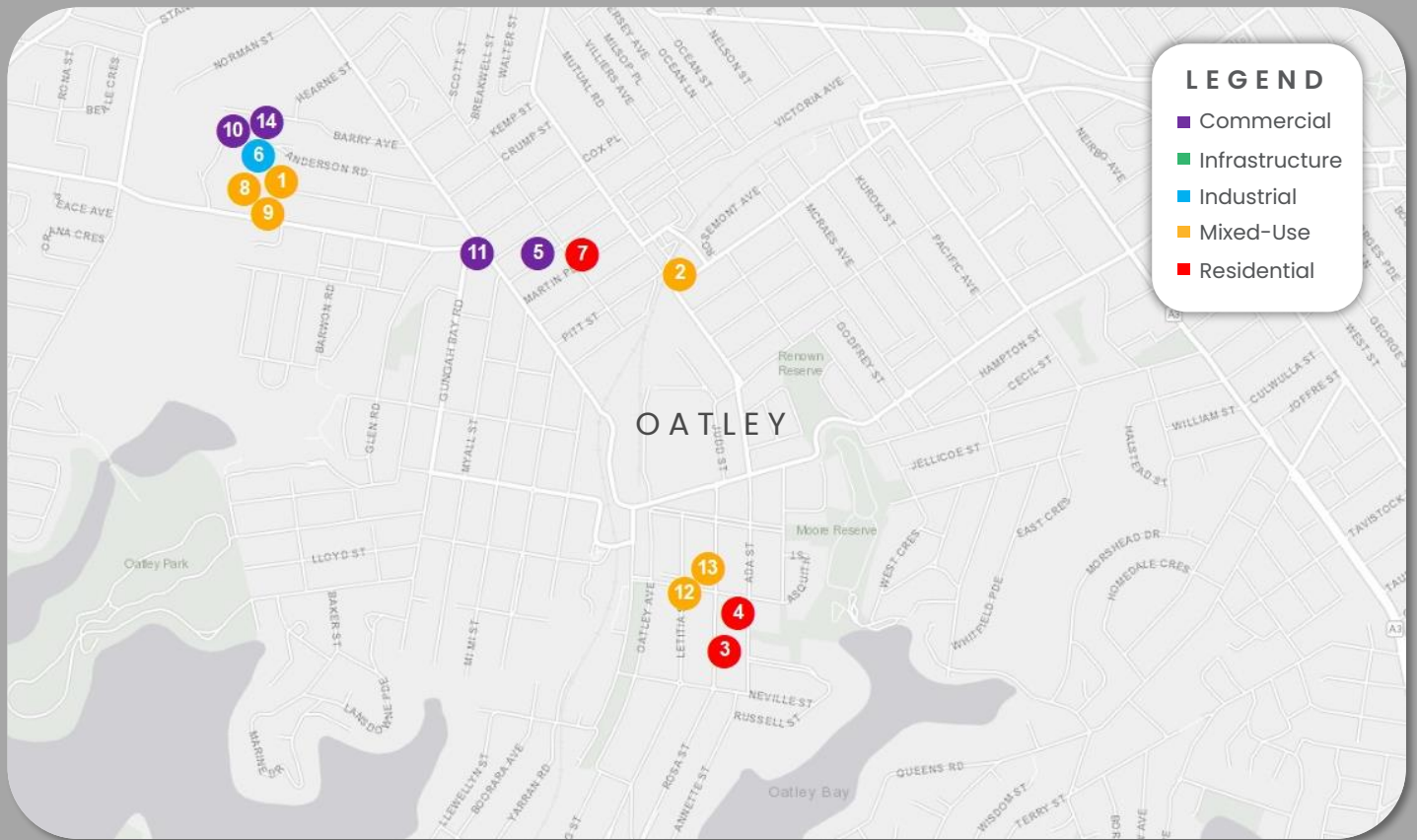
Georges River LGA



4.4%

Sydney Metro

PROJECT DEVELOPMENT MAP 2024 - 2025^A



| # | Project [£] | Type | Estimated Value [¥] | Commence Date [¶] |
|----|--|-------------|------------------------------|----------------------------|
| 1 | 62 Blackshaw Avenue Warehouse & Self Storage Units (Warehouse/Self Storage/Office) | Mixed Use | \$12,373,037 | 10/06/2024 |
| 2 | 95-99 Railway Parade Units & Commercial Tenancies (28 Units/Commercial Tenancies) | Mixed Use | \$10,125,544 | 15/08/2025 |
| 3 | 50 Rosa Street Townhouses (5 Townhouses) | Residential | \$3,668,439 | 18/07/2025 |
| 4 | 29 Ada Street Townhouses (5 Townhouses) | Residential | \$3,539,540 | 23/07/2025 |
| 5 | 48 Oxford Street Boarding House | Commercial | \$3,439,800 | 14/10/2025 |
| 6 | 67 Anderson Road Warehouse Units | Industrial | \$2,216,000 | 12/09/2025 |
| 7 | 26 Martin Place Units (5 Units) | Residential | \$1,684,787 | 16/10/2025 |
| 8 | 84d Roberts Avenue Warehouse (Warehouse/Office) | Mixed Use | \$1,419,000 | 5/09/2025 |
| 9 | 69 Anderson Road Factory | Commercial | \$965,000 | 18/06/2025 |
| 10 | BP Australia Service Station | Commercial | \$780,000 | 24/12/2025 |
| 11 | Greg Walsh & Co Lawyers (Dwellings/Office/Café) | Mixed Use | \$730,000 | 16/07/2024 |
| 12 | 18a Letitia Street Shop Top Housing (2 Dwellings/Bottle shop) | Mixed Use | \$730,000 | 5/07/2024 |
| 13 | 57 Barry Avenue Factory Alterations & Additions | Commercial | \$550,000 | 21/10/2025 |

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REFERENCES

* Oatley sales market data and key indicators encapsulates aggregate property market conditions within the suburbs of Mortdale, Oatley, Hurstville Grove, and Penhurst, Lugarno, Peakhurst Heights.

** Estimated values are based on construction value provided by the relevant data authority and does not reflect commercial and/or re-sale value.

2024 encapsulates sales transactions for Q1 - Q3 (01/01/2024 - 30/09/2024) only, other years encapsulates sales transactions for the full year (i.e 01/01 to 31/12 of the relevant year).

€ Annual rental growth is a comparison between Q3 2023 (01/07/2023 - 30/09/2023) and Q3 2024 (01/07/2024 - 30/09/2024) house median rent figures.

¥ Oatley rental market data encapsulates aggregate property conditions within the postcode of 2223.

§ Rental yields shown are as reported as of September 2024.

A Project development map showcases a sample of upcoming projects only, due to accuracy of addresses provided by the data provider for geocoding purposes.

£ Projects refers to the top developments within the suburbs of Mortdale, Oatley, Hurstville Grove, and Penhurst, Lugarno, Peakhurst Heights.

µ Estimated value is the value of construction costs provided by relevant data authority, it does not reflect the project's sale/commercial value.

ψ Commencement date quoted for each project is an approximate only, as provided by the relevant data authority, PRD does not hold any liability to the exact date.

Source: APM Pricerfinder, Cordell Connect database, SQM Research, Esri ArcGIS.

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