



SYDNEY MARKET SNAPSHOT

Home Value Index March 2024

The change in house and unit values to end of March 2024 is recorded at:



	HOUSES	UNITS
Quarter	0.9%	1.0%
Annual	10.7%	6.9%

Annual Dwelling Sales March 2024

104,540

-2.8% lower than one year ago.
+9.6% above the five-year average for the region.

	HOUSE SALES	UNIT SALES
	-1.5%	-4.3%

Source: CoreLogic

The Sydney property market continues to reflect steady growth over the month and last quarter starting the year with renewed momentum following the subtle easing in rate of growth in November and December. Sydney experienced +0.3% growth in March following February's result of +0.5%. After strong growth during 2023, Sydney saw a re-acceleration of value gains at +0.9% over the quarter (up compared to +0.6% the previous quarter) now evidencing dwelling price growth of +9.6% on March last year. Sydney dwelling values are only sitting down -1.4% below their record highs in January 2022 and are up 25.4% in pre-Covid onset.

Nationally the housing price index (HVI) posted a broad-based rise with a gain of +0.6% for March and on par with February's increase. The current upswing in housing values signals the fourteenth consecutive month of growth. Capital city housing market conditions remain diverse however all capital cities and rest-of-state regions recorded gains in dwelling values over the month with the exception of Darwin where the market eased -

0.2%, regional Victoria which eased -0.2% and Melbourne which remained unchanged.

Strong demand-side pressure attributed to surging immigration with 142,600 new arrivals in Sydney (according to the ABS figures to September) supports price growth in the Sydney market. The imbalance between strong levels of demand and insufficient supply levels continues to impact property markets, however some improvement in stock levels is evident in recent months. Despite the headwinds of a higher interest rate environment and worsening affordability the Sydney market is anticipated to trend higher, with interest rates the main driver, indicating the potential for market conditions to re-accelerate as rates come down.

The outlook for Sydney indicates a steady outcome for housing values assisted by easing cost-of-living pressures, improving confidence, ongoing population growth and low levels of new building supply coming to market. Moderating inflation and improving consumer confidence are providing tailwinds and heightening expectations of a cut in interest rates for late-2024.



MARKET CONDITIONS



HOUSE



UNITS

LISTINGS – ANNUAL INCREASE

3.1%

-0.4%

DAYS ON MARKET

29 days

33 days

VENDOR DISCOUNT

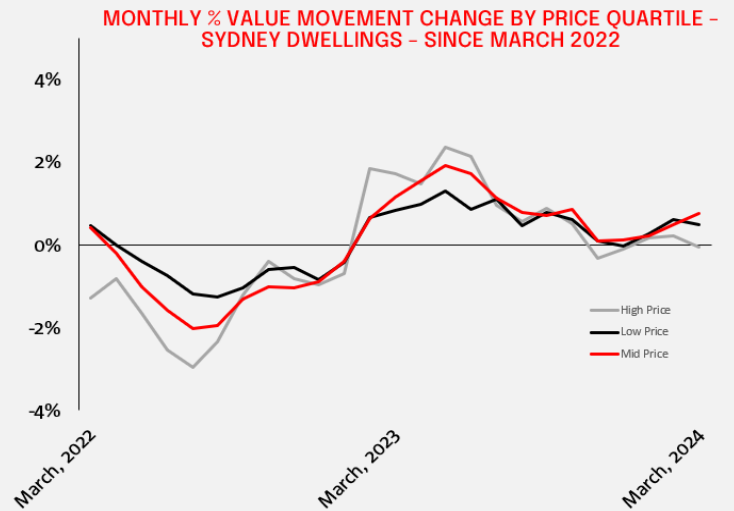
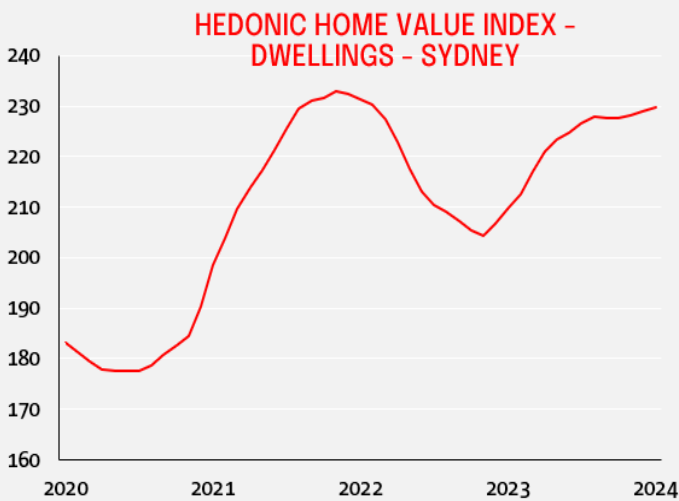
-3.8%

-3.2%

MEDIAN VALUE

\$1,414,229

\$839,344



Source: CoreLogic

Market movements are displaying a steady growth trend across quartiles in the Sydney market, with two out of three market segments posting moderate monthly gains. The trend on a quarterly basis is also a positive one, led by the middle price segment recording a gain over the March quarter of +1.5% followed by slightly less pronounced result within the lower-price and upper-price quartiles of +1.3% and +0.3% respectively over the same time period.

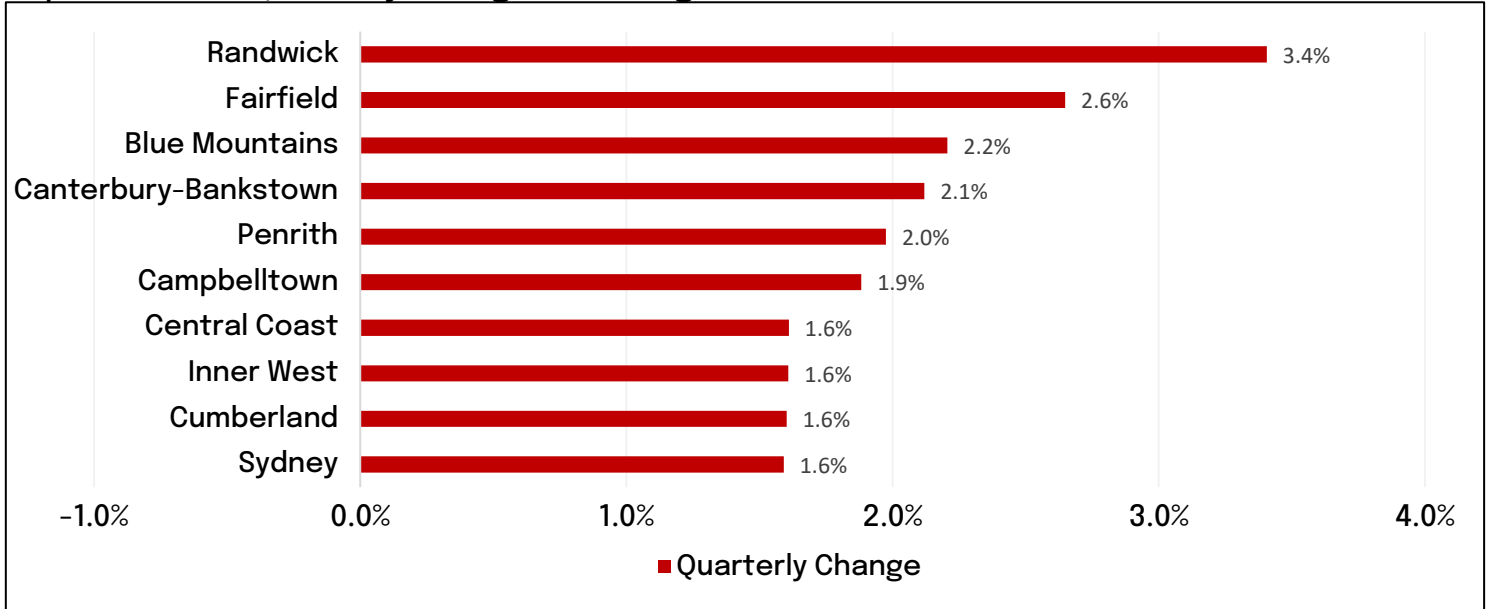
The main drivers for dwelling values in the Sydney property market remain primarily the future direction of interest rates, rising stock levels and concerns surrounding affordability of

property which may potentially deflect some prospective purchasers into lower price points and to apartments or townhouses.

Positive tailwinds for the Sydney market however include continued rising rental yields, increasing rental market strength and strong migration. Australia's population reached 2.5% for the year ending September 2023, the fastest rate of growth since the ABS commenced the national population series in 1981. Given the fundamentals of housing demand and supply remain out of balance, upward pressure on the cost of housing is set to continue to influence housing markets in Sydney and nationally.



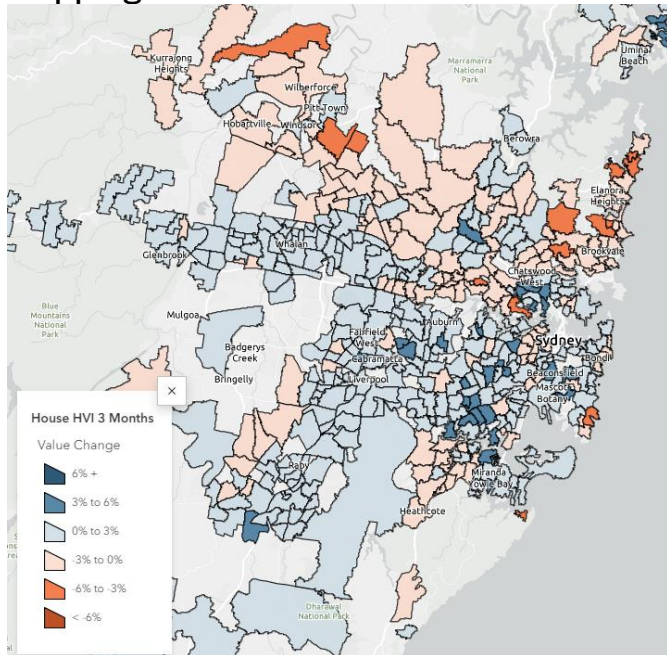
Top 10 Suburbs Quarterly Change - Dwellings



Source: CoreLogic

Key highlights and trends surrounding each of the Housing, Unit and Rental Markets being seen include:

Mapping the Market - March 2024



- The median house value in Sydney again recorded a marginal gain for the month of +0.3% and sitting up +0.9% for the quarter. House values on an annual basis have now moved higher gaining +10.7% with the median house value now sitting at \$1,414,229.
- On the unit side, the market continues to gain momentum recording a solid gain up +0.4% for the month. The unit market in Sydney gained +1.0% for the quarter and sits up +6.9% for the year. Despite making up a smaller portion of the market overall, the median unit value now sits at \$839,344.
- Vacancy rates are tight at near record lows, now at 1.1% across Sydney. House rents have now risen by +9.1% on a year-on-year basis, with unit rents sitting +9.4% higher.
- Top 5 Sydney Suburbs annual dwelling change:

- Randwick	+14.8%
- Canterbury-Bankstown	+12.8%
- Cumberland	+12.7%
- Blacktown	+12.4%
- Canada Bay	+12.2%

Source: CoreLogic





RECENT SALES ACTIVITY

Entry-level Market

32 Second Avenue, Kingswood



The sale property comprises a partially renovated, neat and tidy, 1960's-built, three-bedroom, one-bathroom single-level brick home of 94 square metres on a standard 651 square metre lot. Ancillary improvements include, paved pathways, shed, landscaped yard and undercover parking for one vehicle. The property was recently offered for private sale through a local agency in early-March with no listed price guide provided. After 19 days on the market, the property was sold for \$875,000 on the 20th March.

Middle Market

89 Monash Road, Gladesville



The sale property comprises a well-presented, fully renovated single-storey 1955-built, three-bedroom, one-bathroom dwelling of 120 square metres on a standard 500 square metre lot. Ancillary improvements include rear alfresco deck area, landscaped yard and undercover parking for two vehicles. The property was recently offered for private sale through a local agency in early-February with no list price provided. After 26 days on the market, the property was sold for \$2,135,000 on the 2nd March.

Premium Market

64 Lansdowne Parade, Oatley



The sale property comprises a well-presented, fully renovated, split-level, 1960's-built, five-bedroom, five-bathroom dwelling of 973 square metres on a sloping 652 square metre parcel. Ancillary improvements include balconies, alfresco area, inground pool, terrace, water views and parking available for six vehicles. The property was recently offered for private sale through a local prestige agency in early-February with no list price guide provided. After 37 days on the market, the property sold for \$7,800,000, on 19th March.

Disclaimer – The information contained in this publication is gathered from multiple sources believed to be reliable as at the end of March 2024 and is intended to be of general nature only.

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