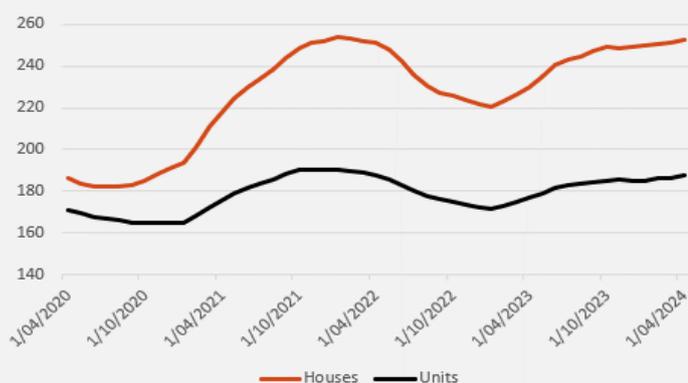




SYDNEY MARKET SNAPSHOT

Home Value Index April 2024

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



HOUSES



UNITS

Quarter

1.0%

1.4%

Annual

9.6%

6.2%

Annual Dwelling Sales April 2024

95,830

+16.0% higher than one year ago.
+0.8% above the five-year average.



11.0%
HOUSE SALES



21.9%
UNIT SALES

Source: CoreLogic

Sydney values rose again at a steady rate of growth with a +0.4% increase in April following March's result of +0.3%. The Sydney property market recorded solid growth in April and over the quarter, continuing the renewed momentum through the early months of 2024 following the subtle easing in rate of growth in November and December.

After strong growth during 2023, Sydney saw a re-acceleration of value gains at +1.1% over the quarter (an uptick on the +0.9% in the previous quarter) now evidencing dwelling price growth of +8.7% on April last year.

Sydney dwelling values are only sitting down -0.8% below their record highs in January 2022 and are up 26.1% in pre-Covid onset. Nationally the housing price index (HVI) posted a broad-based rise with a gain of +0.6% for April and on par with both February and March increases. The current upswing in housing values signals the fifteenth consecutive month of growth.

Beyond the headline numbers, multi-speed conditions remain with the mid-sized capitals of Perth, Adelaide and Brisbane

continuing to lead the pace of growth. Market conditions continue to exhibit diversity with each of the capital cities and rest-of-state regions recording a lift in values over the month with the exception of Melbourne (where the market subtly eased - 0.1%) and Regional Victoria which recorded no change in value (0.0%).

Despite the headwinds of a higher interest rate environment, sticky inflation, low consumer sentiment and worsening affordability, the median term forecast for the Sydney property market is anticipated to see growth continue as interest rates stabilise. Uncertainty around the future direction of interest rates remain a key metric as result of last month's higher-than-expected inflation outcome which may force the hand of the RBA to keep interest rates higher for longer in order to contain persistent inflationary pressures.

The outlook for Sydney indicates a steady outcome for housing values aided by impending stage 3 tax cuts set down for 1st July, easing cost-of-living pressures, improving confidence, ongoing population growth and continued lack of supply.





MARKET CONDITIONS



HOUSE



UNITS

LISTINGS – ANNUAL VARIANCE

1.9%

11.8%

DAYS ON MARKET

29 days

33 days

VENDOR DISCOUNT

-3.8%

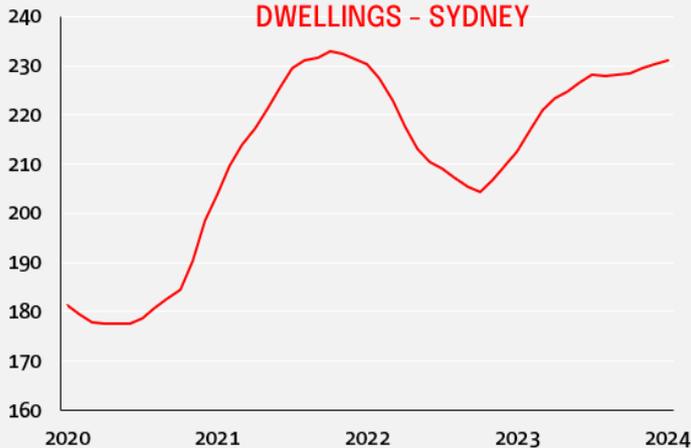
-3.2%

MEDIAN VALUE

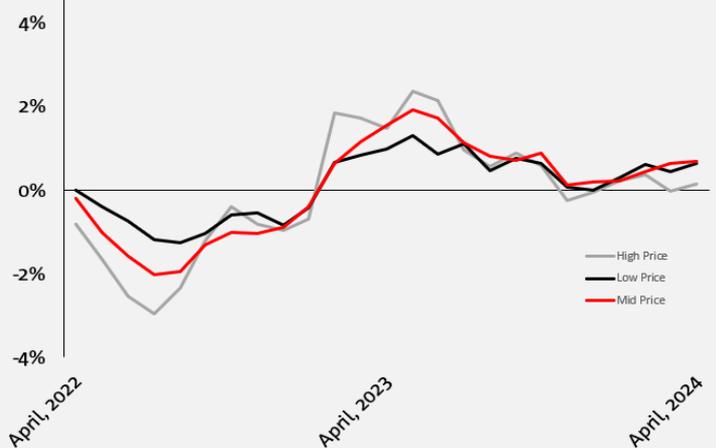
\$1,421,413

\$844,659

HEDONIC HOME VALUE INDEX - DWELLINGS - SYDNEY



MONTHLY % VALUE MOVEMENT CHANGE BY PRICE QUARTILE - SYDNEY DWELLINGS - SINCE APRIL 2022



Source: CoreLogic

Market movements are displaying a steady growth trend across quartiles in the Sydney market, with all three market segments posting moderate monthly gains. The trend on a quarterly basis is also a positive one, led by the lower and middle price segments both recording gains over the April quarter of +1.7% followed by slightly less pronounced result within the upper-price quartile of +0.5% over the same time period.

The main drivers for dwelling values in the Sydney property market remain primarily the future direction of interest rates and concerns surrounding affordability. Following the updated inflation outlook, an element of marketplace uncertainty has re-

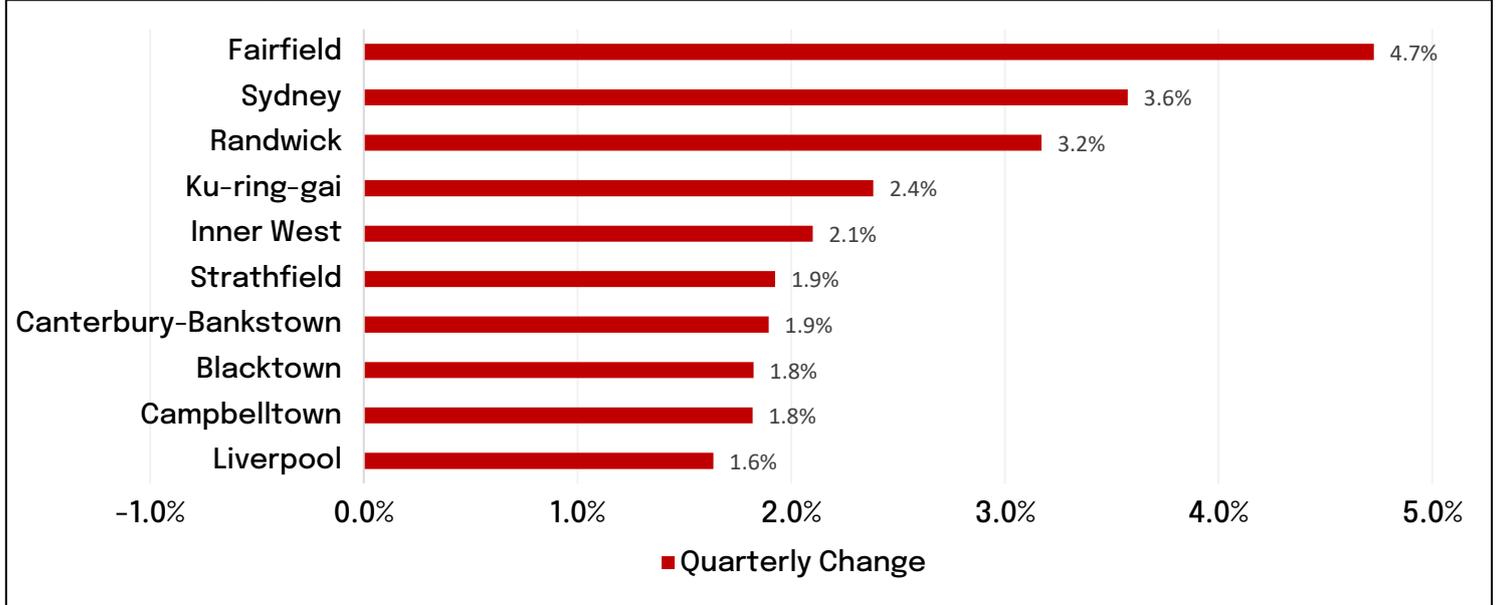
emerged with many economists and financial markets pushing back their timing for rate cuts and re-ignited some speculation of the need for a further interest rate increase, which is not NAB's view believing the next change to be a reduction in late 2024.

Housing values will continue to be supported by the mismatch between housing demand and very low levels of supply. Given the current low levels of existing supply and persistently low levels of dwelling approvals, the timeline for any substantial increase to supply may be some time away. Positive tailwinds for the Sydney market however include continued rising rental yields, increasing rental market strength and historically high levels of migration.





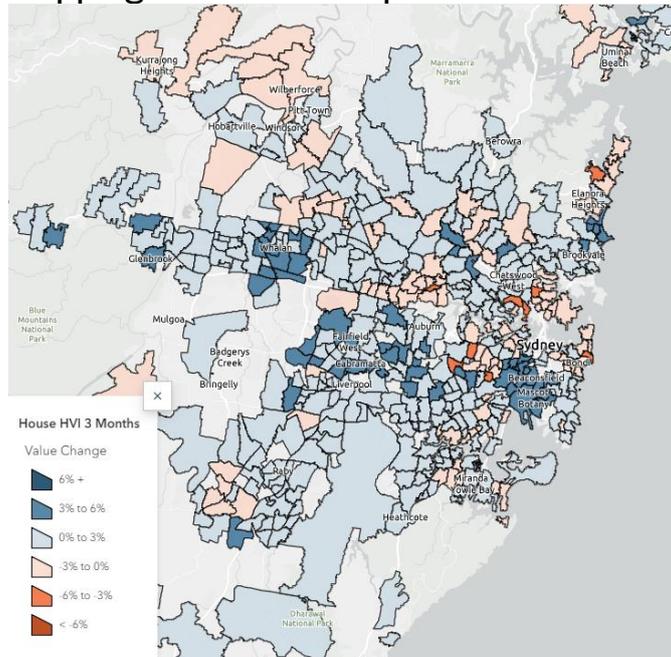
Top 10 Suburbs Quarterly Change - Dwellings



Source: CoreLogic

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

Mapping the Market - April 2024



- The median house value in Sydney again recorded a steady gain for the month of +0.3% and sitting up +1.0% for the quarter. House values on an annual basis have now moved higher gaining +9.6% with the median house value now sitting at \$1,421,413.
- On the unit side, the market continues to gain momentum recording a solid gain up +0.6% for the month. The unit market in Sydney gained +1.4% for the quarter and sits up +6.2% for the year. Despite making up a smaller portion of the market overall, the median unit value now sits at \$844,659.
- Vacancy rates are tight at near record lows, now at 1.1% across Sydney. House rents have now risen by +9.2% on a year-on-year basis, with unit rents sitting +8.7% higher.
- Top 5 Sydney Suburbs annual dwelling change:
 - Randwick +13.3%
 - Canada Bay +12.4%
 - Fairfield +12.2%
 - Blacktown +12.1%
 - Cumberland +11.6%

Source: CoreLogic





RECENT SALES ACTIVITY

Entry-level Market

2 Clissold Street, Cambridge Park



The sale property comprises a partially renovated, neat and tidy, 1970's-built, three-bedroom, one-bathroom single-level brick home of 89 square metres on a standard 607 square metre lot. Ancillary improvements include, shed, alfresco area, landscaped yard but no undercover parking provided on-site. The property was recently offered for private sale through a local agency in late-February with no listed price guide provided. After 44 days on the market, the property was sold for \$835,000 on 10thApril.

Middle Market

499 Blaxland Road, Denistone East



The sale property comprises an original single-storey 1960's-built, four-bedroom, one-bathroom brick and tile dwelling of 277 square metres on a standard 816 square metre lot. Ancillary improvements include rear alfresco area, landscaped yard, shed, concrete driveway and undercover parking for one vehicle. The property was recently offered for sale via auction through a local agency in late-March with no list price provided. After an advertising campaign and 25 days on the market, the property was sold at auction for \$2,300,000 on 20thApril.

Premium Market

18 Bradley Avenue, Bellevue Hill



The sale property comprises a well-presented, fully renovated, single-level, 1910's-built, four-bedroom, one-bathroom dwelling of 154 square metres on a regular-shaped 462 square metre parcel. Ancillary improvements include concrete driveway, shed, alfresco area and parking available for one vehicle. The property was recently offered for sale via auction through a local prestige agency in late-March with no list price guide provided. After an advertising campaign and 23 days on the market, the property sold for \$7,950,000, on 17thApril.

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

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