

Liverpool Market Update 1st Half 2022



OVERVIEW

In Q1 2022, Liverpool* recorded a median house price of \$990,000, and a median unit price of \$515,000. This represents annual (Q1 2021 – Q1 2022) median price growth of 28.6% for houses and a slight softening of -1.0% for units. Between Q1 2021 – Q1 2022 total sales decreased, by -28.6.0% (to 543 sales) for houses and by -33.2% (to 215 sales) for units. Q1 2022 recorded the lowest house sales volumes since 2020, indicating an undersupply. This has resulted in double digit median price growth, thus an ideal time for owners to transact. The unit market has slightly softened, thus an opportunity for buyers.

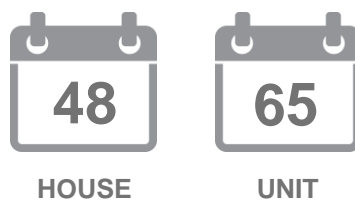
	CHANGE FROM LAST	YEAR	HALF YEAR
	House Sales	↓	↓
	House Median Price	↑	↑
	House Rental Price	↑	↑
	Unit Sales	↓	↓
	Unit Median Price	↓	↓
	Unit Rental Price	↑	↔

MARKET CONDITIONS

SALES MEDIAN PRICE Q1 2022



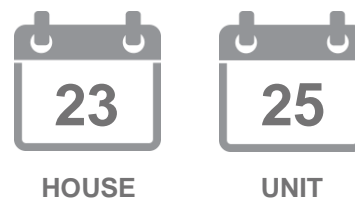
SALES AVERAGE DAYS ON MARKET Q1 2022



RENTAL MEDIAN PRICE Q1 2022

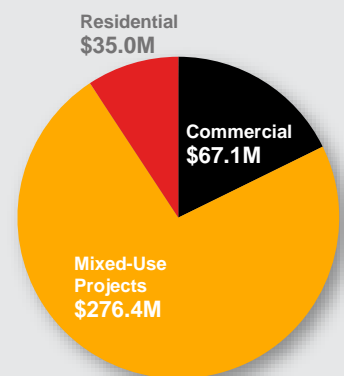


RENTAL AVERAGE DAYS ON MARKET Q1 2022



FUTURE DEVELOPMENTS

Liverpool* is set to see approximately **\$378.5M** worth of new projects commencing in the 1st half of 2022.



A focus on mixed-use projects will stimulate economic growth and create employment opportunities in Liverpool*, which has a spill-over impact on the real estate market.

A key mixed-use project in the 1st half of 2022 is Elizabeth Street Mixed Use Development (\$104.9M). A 34 storey development is planned, with 179 apartments, 113 hotel rooms, and various commercial spaces. The Castlereagh Street Development (\$75.8M) is another, constructing an 8 storey building comprising of 28 residential apartments, communal terrace, and 2 commercial tenancies.

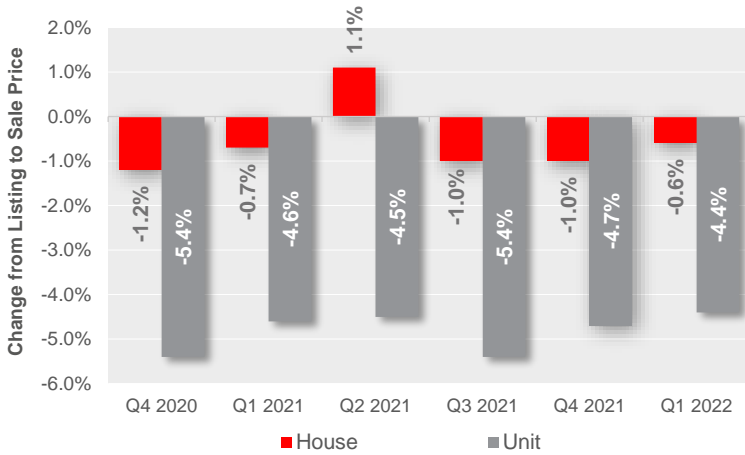
Key residential projects include: George St Units (\$10.9M, 36 units), Passefield st Townhouses (\$2.5M, 10 townhouses, and the Anderson & El Alamein Avenues Apartments (\$21.4M, 63 apartments). This will answer current demand and could result in more sustainable unit price growth in the future.

That said there is an absence of new ready-to-sell stand-alone houses, which is highly undersupplied.



AVERAGE VENDOR DISCOUNT* KEY COMMENTS

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.

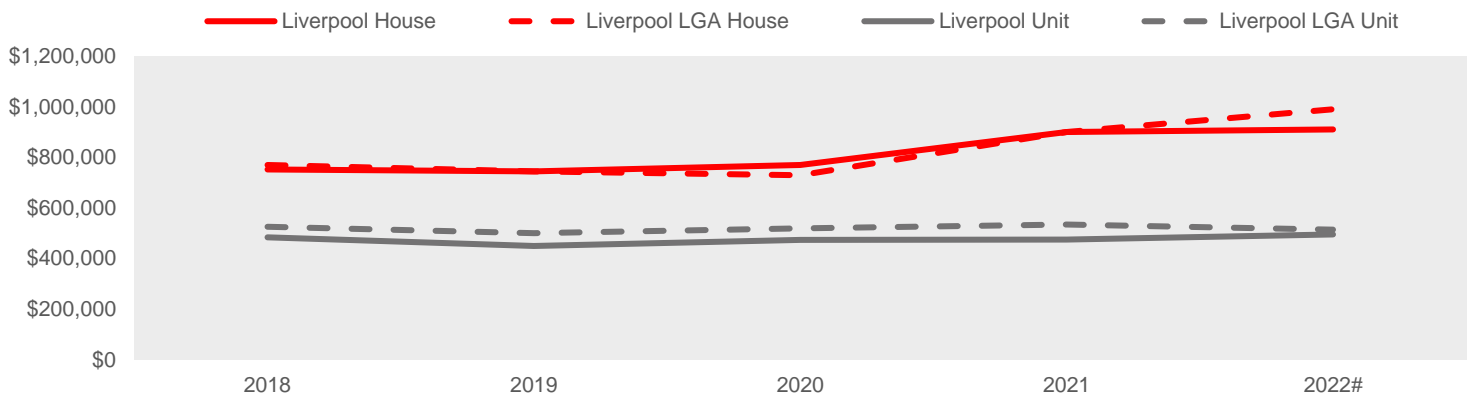


Average vendor discounts between Q1 2021 – Q1 2022 have remained relatively stable for both property types, at -0.6% for houses and -4.4% for units. Despite a brief swing to premium pricing for houses in Q2 2021, to 1.1% above the first list price, the past 6 months saw a return to a more sustainable dynamic of negotiations between sellers and buyers.

The suburb of Liverpool has historically performed very closely to the wider Liverpool Local Government Area (LGA) in both house and unit median prices. This continues throughout 2022[#] for units, however houses have become more affordable when compared to the LGA, creating an opportunity for buyers.

The dominant proportion of homes sold in Liverpool* across 2021/22[^] were in the premium price point above \$1.0M (26.7%), while units recorded a dominant middle price point of \$500K-\$600K (29.5%). Overall there is a range of price points readily available in both the house and unit markets, which is good news for buyers.

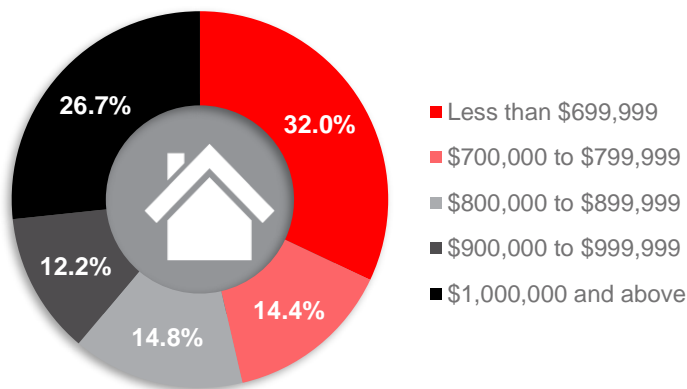
MARKET COMPARISON



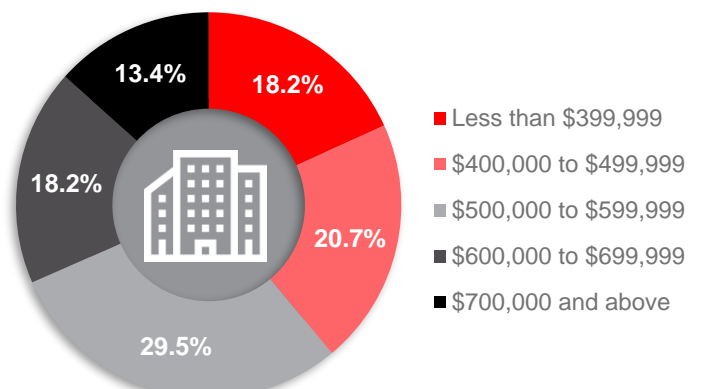
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Liverpool.

PRICE BREAKDOWN 2021/22[^]

HOUSES SOLD



UNITS SOLD



RENTAL GROWTH 2022€

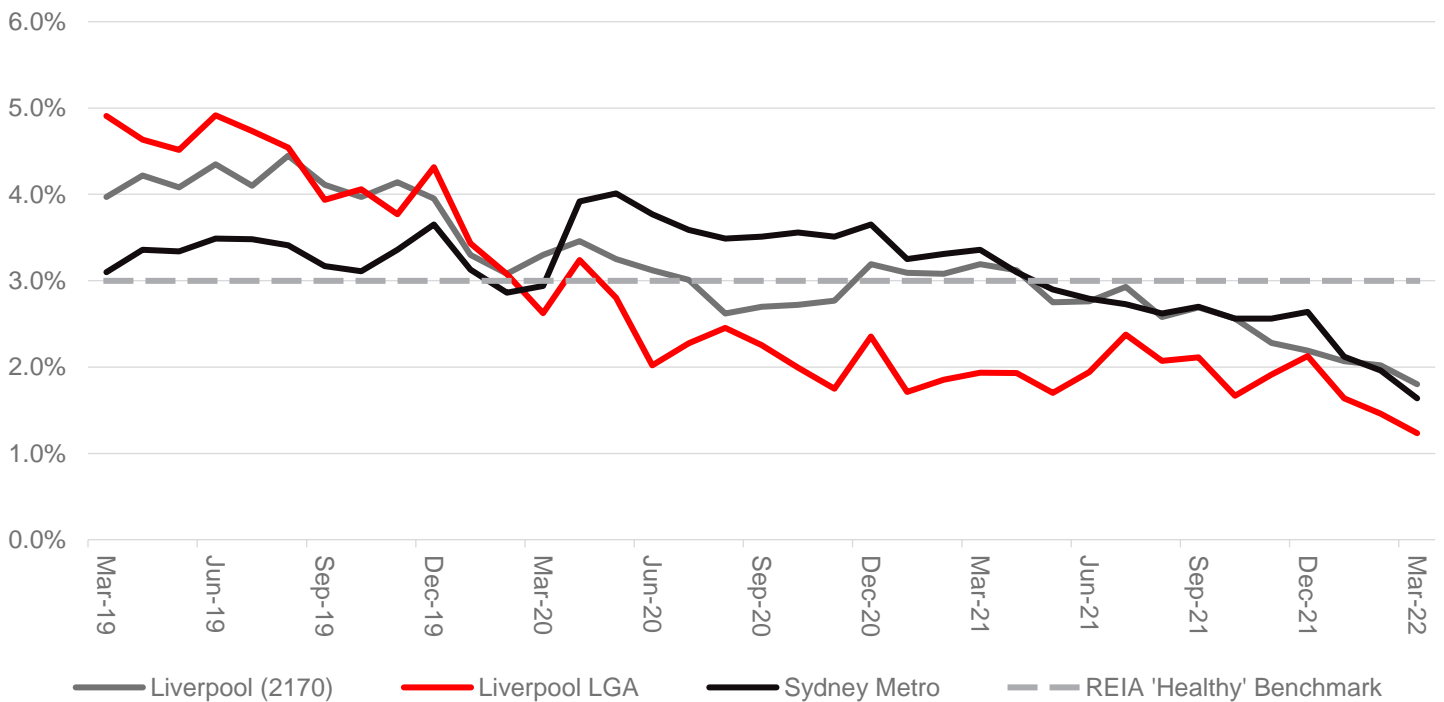
In March 2022, house rental yields in Liverpool* were recorded at 2.5%. In the 12 months to Q1 2022, median house rental price increased significantly by 11.5% to reach \$580 per week, despite a 3.0% increase (to 861) in the number of houses rented. Average days on the market declined by -4.2% to 23 days during this time, indicating a demanded rental market.

4+ bedroom houses have provided investors with +5.0% rental growth annually€, with a median rent of \$630 per week.

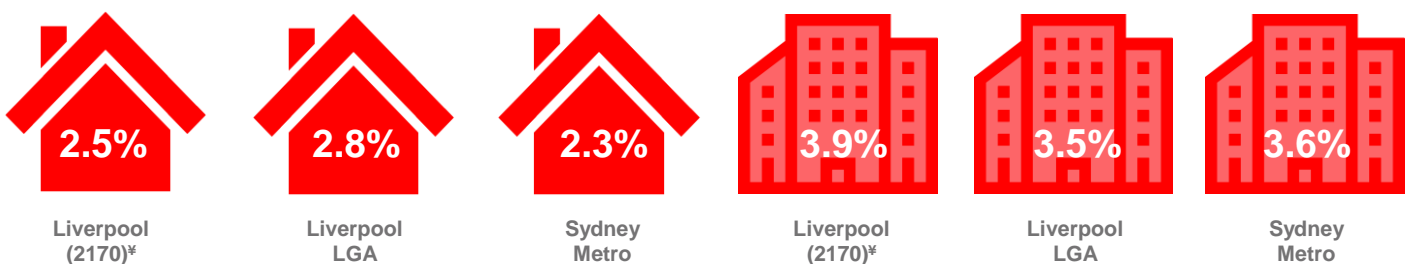
Also in March 2022, Liverpool* recorded a vacancy rate of 1.8%, above that of Liverpool LGA (1.2%) and Sydney Metro (1.6%); potentially due to the number of properties that finished construction in the past 12 months. That said vacancy rates in Liverpool* remained below the Real Estate Institute of Australia's healthy benchmark of 3.0% since the past 6 months. There is an increasing rental demand and investors can be confident of a conducive investment environment in Liverpool*.



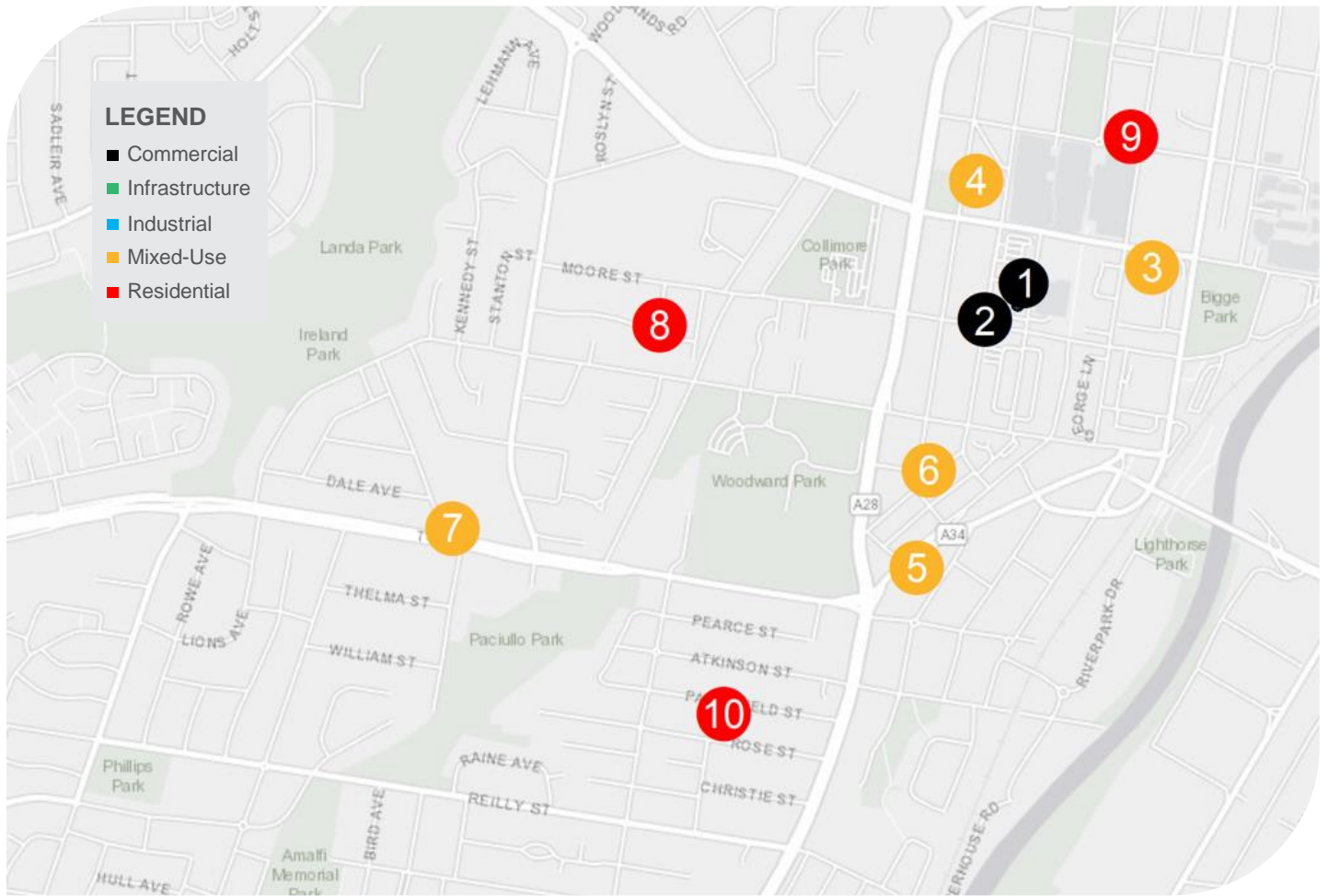
RENTAL VACANCY RATES 2022



RENTAL YIELD 2022\$



TOP DEVELOPMENTS MAP 1st HALF 2022[Ⓐ]



Location	Project [Ⓔ]	Type	Estimated Value [Ⓝ]	Commence Date [Ⓞ]
1	Northumberland Street Commercial Development	Commercial	\$66,314,000	16/06/2022
2	103 Moore Street Commercial Building Gandangara Local Aboriginal Land Council	Commercial	\$800,000	12/05/2022
3	Elizabeth Street Mixed Use Development	Mixed-use	\$104,901,000	10/05/2022
4	Castlereagh Street Mixed Development	Mixed-use	\$75,822,000	10/01/2022
5	The Macquarie	Mixed-use	\$52,043,000	15/06/2022
6	Norfolk Street Mixed Development	Mixed-use	\$40,170,000	04/06/2022
7	Hoxton Park Rd Mixed Development	Mixed-use	\$3,450,000	12/03/2022
8	Anderson & El Alamein Avenues Apartments	Residential	\$21,488,000	01/04/2022
9	George Street Units	Residential	\$10,979,000	06/06/2022
10	Passefield Street Townhouses	Residential	\$2,575,000	24/05/2022

OUR SERVICES INCLUDE

- Advisory and consultancy
- Market analysis including profiling and trends
- Primary qualitative and quantitative research
- Demographic and target market analysis
- Geographic information mapping
- Project analysis including product and pricing recommendations
- Rental and investment return analysis

OUR KNOWLEDGE

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

OUR PEOPLE

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

OUR SERVICES

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



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1962

Antonio Pascale, Principal
M +61 418 244 555
E apascale@prd.com.au

PRD Real Estate Liverpool
P +61 2 9732 4444

71-73 Scott Street
Liverpool NSW 2170

prdliverpool.com.au

REFERENCES

* Liverpool market data and key indicators encapsulates aggregate property market conditions within the Liverpool LGA.

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

2022 encapsulates sales transactions for Q1 2022 (01/01/2022 – 31/03/2022) only.

^ 2021/22 encapsulates sales transactions for 2021 & Q1 2022 (01/01/2021 – 31/03/2022).

€ Annual rental growth is a comparison between 2021 (01/01/2021 – 31/03/2021) and 2022 (01/01/2022 – 31/03/2022) house median rent figures.

¥ Liverpool market data encapsulates aggregate property conditions within the postcode of 2170.

§ Rental yields shown are as reported as of March 2022.

⌘ 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 Liverpool LGA.

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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