

# NSW

The New South Wales property market turned a report card showing a better-than-expected performance over the first half of 2023.

**PROPERTY CURATOR PRINCIPAL BUYER'S AGENT BRENDAN CLARK** said some areas in the state, particularly the inner-ring and premium suburbs have seen substantial increases in competition for properties, with higher auction clearance rates and less vendor discounting.

"The \$1m to \$1.5m entry-level home market in Sydney has performed well in recent months," he told *Your Investment Property Magazine*.

"This is partly driven by the new NSW First Home Buyer choice policy, which allows first home buyers to choose between an annual property tax or an upfront stamp duty."

It is crucial to note that the First Home Buyer choice, which took effect at the beginning of the year, will be scrapped by July. The new leadership in the state government will be reintroducing a stamp duty exemption instead.

"It's natural to conclude that some heat will come out of that market — however, with investors returning to the market and with a lack of stock in many areas, I don't expect this will necessarily lead to a noticeable drop in prices across the board."

Overall, Mr Clark said the Sydney market as a whole would likely post modest growth for the rest of 2023.

HALO Technologies' economic advisor Warren Hogan said Sydney was able to support the overall price growth over the first few months of the year.

"The Sydney market recovery is largely being driven by top-end property and apartments," he told *Your Investment Property Magazine*.

The recovery in the apartment segment is expected to be sustained, given that prices are close to long-term fair-value levels and the immigration surge will have an outsized impact.

"We are not seeing an increase in the supply of apartments to accommodate the rise in population so this will be a position for apartments in Sydney," Mr Hogan added.



For Mr Clark, investors who will be trying to explore the opportunities in Sydney must focus on fundamentals by checking areas they believe are best positioned for capital growth

"For house buyers, I look at accessibility to lifestyle and jobs infrastructure located in suburbs with strong local communities," Mr Clark said.

"For unit buyers, that's focusing on properties that have amenities which support long-term owner-occupier appeal."

"To mitigate the risk of oversupply in the future, I'm purchasing units in boutique, older style blocks, and avoiding areas with higher density zoning."

When looking at regional markets, Mr Clark said the best places to check are the Central Coast, Newcastle, and Wollongong.

"The suburbs I'm targeting stand to benefit from the revival of the Sydney market and provide a cheaper entry point into the market for investors."

## NSW PRICE PERFORMANCE

AREA	TYPE	MEDIAN VALUE	QUARTERLY GROWTH	12 MONTH GROWTH	WEEKLY MEDIAN ADVERTISED RENT	GROSS RENTAL YIELD
Sydney	H	\$1,220,000	-1.60%	2.40%	\$650	2.60%
Sydney	U	\$730,000	-0.90%	-3.00%	\$550	3.80%
NSW Country	H	\$695,000	0.00%	10.20%	\$520	3.90%
NSW Country	U	\$580,000	0.40%	7.70%	\$440	3.90%

Source: CoreLogic. Data reported to the period ending February 2023. Median values account for sales transactions over three months.

## NSW'S HIGHEST YIELD SUBURBS

SUBURB	TYPE	MEDIAN PRICE	QUARTERLY GROWTH	12 MONTH GROWTH	WEEKLY MEDIAN ADVERTISED RENT	GROSS RENTAL YIELD
Broken Hill	H	\$170,000	-1%	10%	\$320	10%
Deniliquin	U	\$155,000	0%	22%	\$260	9%
Warren	H	\$200,000	5%	26%	\$330	9%
Moree	U	\$145,000	-9%	-17%	\$220	8%
Sussex Inlet	H	\$735,000	-9%	14%	\$1,100	8%
North Lismore	H	\$305,000	-19%	-29%	\$460	8%
Woodburn	H	\$365,000	1%	-34%	\$550	8%
Lismore	U	\$250,000	0%	NA	\$370	8%
Cobar	H	\$189,500	0%	-5%	\$280	8%
Narrabri	U	\$183,000	-1%	-41%	\$270	8%

Source: CoreLogic. Data reported to the period ending February 2023. Median values account for sales transactions over 12 months.

"With investors returning to the market and with a lack of stock in many areas, I don't expect this will necessarily lead to a noticeable drop in prices across the board."



**Brendan Clark**  
Property Curator  
principal buyer's agent

### SUBURB SPOTLIGHT

## Randwick

Prices humming along despite downturn

**RANDWICK IS A CHARMING SUBURB** located in the Eastern Suburbs of Sydney. The suburb is home to several prestigious educational institutions, including the University of New South Wales and the Sydney Children's Hospital. The suburb is well-connected to the rest of Sydney with several bus routes and a light rail station. Residents also enjoy easy access to the world-famous Coogee Beach and the coastal walk, which offers breathtaking views of the ocean.



source: realestate.com.au

### RANDWICK HOUSES

MEDIAN PRICE	12 MONTH GROWTH	3 YEAR GROWTH	5 YEAR GROWTH	INDICATIVE GROSS RENTAL YIELD
\$3,262,500	-7%	30%	28%	2%

Source: CoreLogic. Data reported to the period ending February 2023. Median values account for sales transactions over 12 months.

### RANDWICK UNITS

MEDIAN PRICE	12 MONTH GROWTH	3 YEAR GROWTH	5 YEAR GROWTH	INDICATIVE GROSS RENTAL YIELD
\$1,100,000	-6%	13%	9%	3%

Source: CoreLogic. Data reported to the period ending February 2023. Median values account for sales transactions over 12 months.



#### Education

Randwick is known for its excellent schools, including the Randwick Public School and the Randwick Boys High School.



#### Tourism

The suburb is known for its beautiful beaches, including Coogee Beach, which is a popular destination for swimming, surfing, and sunbathing.