



Seasonal Buyer's Guide.

Special Edition I - NSW

The essential reference guide for home buyers and investors.

Released May 2017



CoreLogic®

200



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Strong headline
results hide
the diversity in
housing market
conditions across
the regions.



The Australian housing market has seen a reacceleration in value growth over the second half of 2016 and the first quarter of 2017, at least from a macro perspective. CoreLogic data shows dwelling values surged 11.2% higher over the twelve months ending April 2017, however the strong headline rate of growth has masked a diverse performance across the regions of Australia and across different product types.

At one end of the growth spectrum there is Sydney and Melbourne where dwelling values have increase by 16.0% and 15.3% respectively over the past twelve months. At the other end are the Perth and Darwin markets where dwelling values have been slipping lower since 2014. The past twelve months has seen Perth dwelling values fall by 6.0% and Darwin values are 2.3% lower.

The remaining capital cities are recording more sustainable rates of capital gain, however market conditions in Hobart and Canberra have picked up over the past year as home buyer and investor demand spreads outside Sydney and Melbourne. Dwelling values have recorded substantially lower rates of growth in Adelaide and Brisbane where

conditions have been positive but modest over the cycle to date.

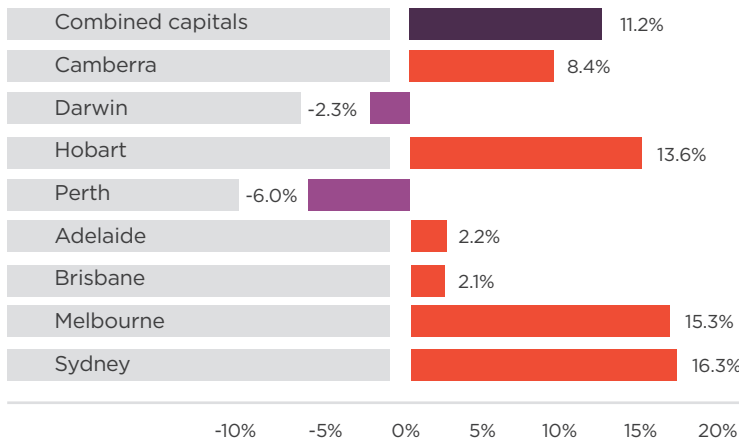
The regional areas of Australia are even more diverse. Coastal and lifestyle markets have generally shown a solid rebound in buyer demand which is pushing prices higher, particularly in those lifestyle markets within easy driving distance of the capital cities and major airports. As tourism improves and more baby boomers move into retirement, we are likely to see housing demand rise further in these locations.

“At one end of the growth spectrum there is Sydney and Melbourne where dwelling values have increase by 16.0% and 15.3%...”

Rolling annual and quarterly change in dwelling values, combined capital cities.



Change in dwelling values, 12 months ending April 2017.



11.2%
the increase in capital city dwelling values over the past twelve months.

Regional areas dependent on the mining and minerals sector generally remain soft, however transactions have started to rise from a low base in many of these locations which may be signalling that conditions are moving through the bottom of the cycle in these areas.

More recently there have been some signs that the strong growth rates evident in Sydney and Melbourne may be approaching a peak. CoreLogic reported softer housing market growth conditions for Sydney and Melbourne in April. The softer capital gain results are based on only one month of data so far, and we will need to see several months

of slower conditions before we can confidently say the housing market has moved through its peak rate of growth.

Factors that may be contributing to an easing in housing market conditions include affordability constraints, slightly higher mortgage rates and a new round of regulatory changes announced by the prudential regulator, APRA in late March.

Sales activity
has slowed due
to a combination
of affordability
constraints and
low stock levels.

Nationally, CoreLogic estimates there were just over 475,000 settled house and unit sales over the twelve months ending April 2017. Despite mortgage rates being around the lowest level since the 1960's, transactional activity has eased compared with a year ago, with the number of settled sales falling 5.8% year on year. Not all regions are seeing less buyer activity, with year on year sales rising in South Australia, Western Australia, Tasmania and Northern Territory.

The lower number of settlements in markets like Sydney and Melbourne can be attributed to several factors, including affordability constraints acting as a barrier to entry for some buyers as well as tighter lending policies for some segments of the market.

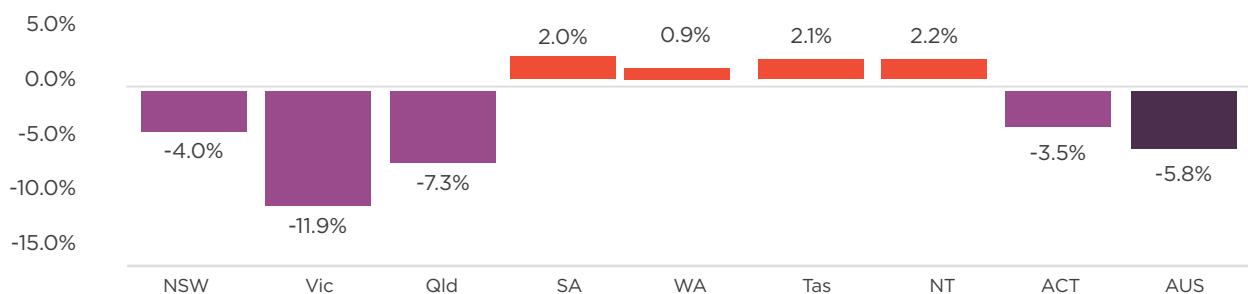
Another reason is simply that advertised stock levels have remained low in these markets. CoreLogic data tracking the number of properties being advertised for sale shows that at the end of April 2017, Sydney listings remain approximately 9% lower than the five year average and Melbourne stock levels were 11% lower than the five year average.

The low number of properties available for sale has created a sense of urgency amongst buyers which is another reason for the upwards pressure on dwelling prices in these markets.

Number of house and unit sales, national



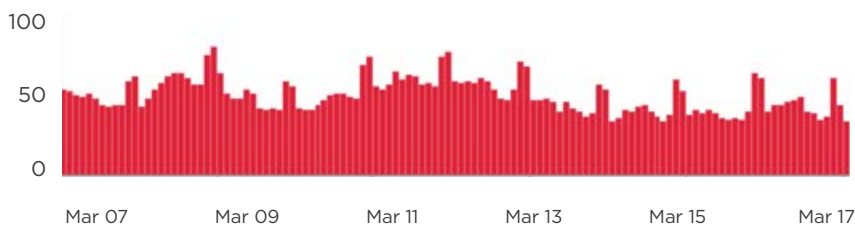
Annual change in number of house and unit sales



The housing markets showing stronger growth can broadly describe as sellers markets. Apart from low stock levels, Sydney, Melbourne, Hobart and Canberra are also showing relatively short selling average selling times, vendors are discounting their prices by only small amounts and auctions clearance rates remain high.

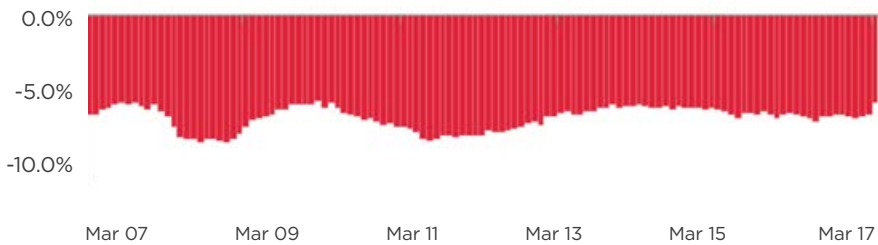
The softer capital city housing markets (Perth/Darwin and to a lesser extent Adelaide/Brisbane), are showing the opposite trend, with advertised listing numbers remaining around average or above average levels, providing buyers with wider array of choice and more opportunity to negotiate. These markets are more aligned to buyers over sellers.

Average selling time (days), combined capital cities.



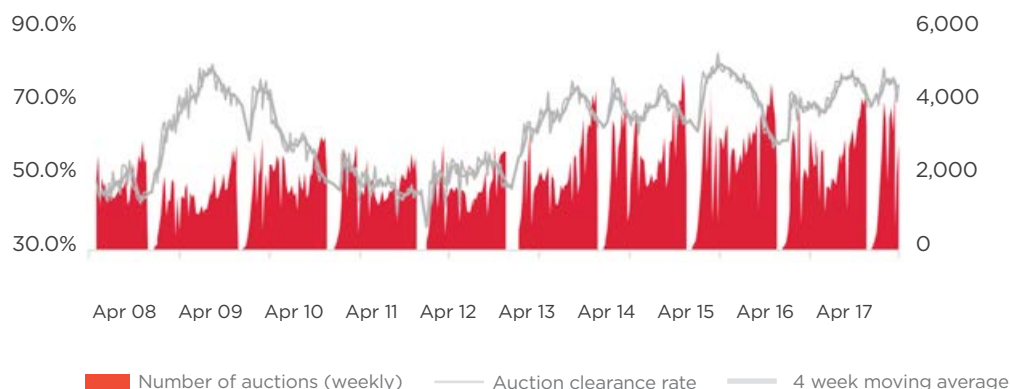
-5.8%
Decrease in number of home sales over past year.

Average vendor discount, combined capital cities.



-2.4%
Decrease in number of capital city homes advertised for sale over past year.

Auction clearance rates, combined capital cities.



The background is a solid red color with several overlapping, semi-transparent shapes in various shades of red and white. These shapes create a dynamic, layered effect, with some appearing as large, soft-edged curves and others as more angular, overlapping planes. The overall composition is modern and abstract.

Frequently asked questions and answers.



What's a median value?

CoreLogic estimates the value of virtually every residential property each week. The median value is simply the median, or middle estimated value of houses or units within the specified region.

Before calculating the median value we filter out value estimates that we aren't confident about and haven't reported a median statistic where there were fewer than fifty valid valuation estimates within the suburb and ten sales over the year. A median value measure tends to provide a much more reliable and stable reading about the typical value of a house or unit within a region compared with a median sale price which is based on only those homes that have sold within the specified region over a given period.

What is the vendor discount?

Monitoring property advertisements is a core part of CoreLogic's business. We gather listings data from online and print media, match the listings against our property ownership database, de-duplicate the listings and count them for our stock on market measurements. Apart from tracking the advertising history of any home that has been listed for sale, a useful bi-product of this data is to work out what the difference is between the original asking price on a property compared with the ultimate selling price (ie the contract price). The vendor discount is simply this difference expressed as a percentage. For example, if a house was originally advertised for sale at \$500,000 and eventually it sold for \$480,000, the vendor discount would be 4 per cent.

Note that we don't calculate a vendor discount figure if there is fewer than ten observations of a listing and sale pair over the period and auction sales are excluded from the calculation

What about time on market?

Our time on market statistics are calculated in a similar way to the vendor discount. Time on market, or the median selling time of a house or unit, provides an indication about how long a property takes to sell within the specified region.

A faster selling time implies a fairly hot market while a longer days on market figure would normally indicate sedate market conditions. Note that we don't calculate a time on market figure if there is fewer than ten observations of a listing and sale pair over the period and auction sales are excluded from the calculation.

What is the median asking rent?

This figure provides an indication about the typical weekly rents being offered within the region. Asking rents are derived from rental listings. Where there are fewer than ten observed rental advertisements over the period, a rental statistic has not been calculated.

What's the gross rental yield?

The gross rental yield is calculated by dividing the annualised advertised rental price of a property by its estimated value. The yield is 'gross' as it does not take into account any expenses associated with the rental income such as the commission to the property manager, interest costs on the mortgage or maintenance on the property. A net yield can be calculated on individual properties by subtracting any costs from the annualised rental estimate on the property then dividing the net rent by the total purchase price.

New South Wales housing market.

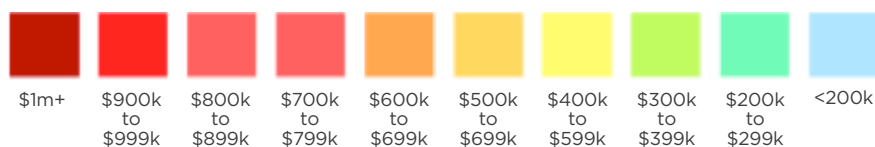
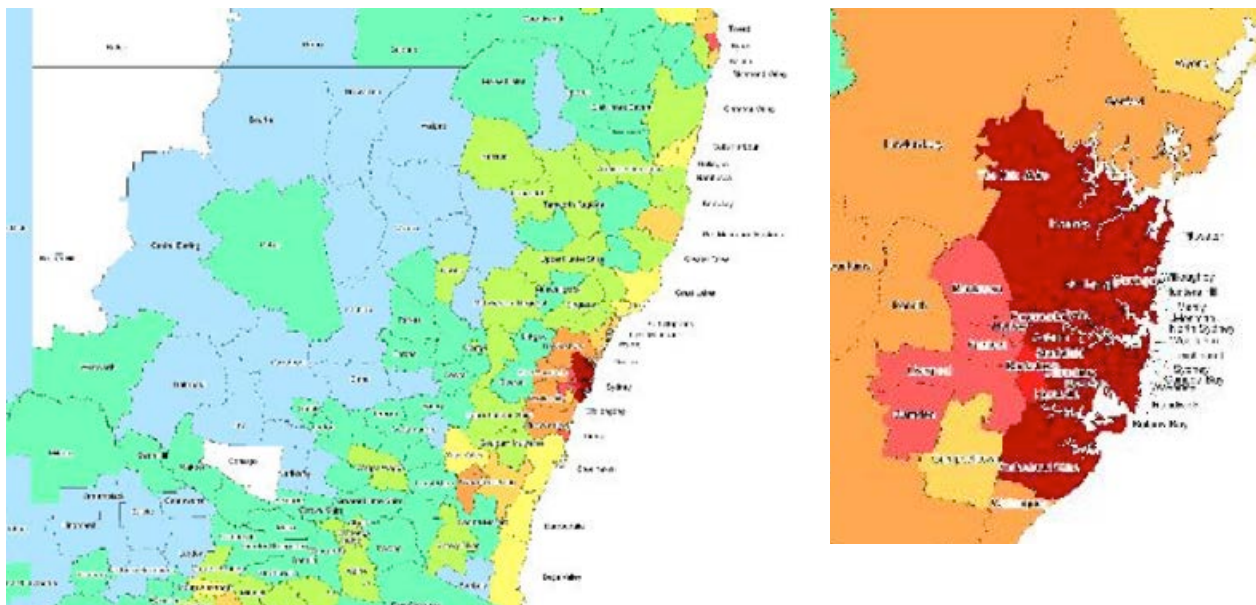
New South Wales, council regions - Houses.

Top 20 most active council regions

(based on number of house sales over past 12 months)

COUNCIL REGION	NUM SALES (PAST 12 MONTHS)	MEDIAN VALUE	VENDOR DISCOUNT	DAYS ON MARKET	MEDIAN ASKING RENT	GROSS RENTAL YIELD
Blacktown	4,348	\$703,642	-4.0%	32	\$440	3.6%
Lake Macquarie	3,671	\$516,670	-4.0%	39	\$400	4.5%
Wyong	3,483	\$524,120	-3.9%	32	\$400	4.5%
Gosford	3,054	\$681,014	-4.0%	29	\$465	4.1%
Newcastle	2,804	\$553,109	-3.9%	31	\$410	4.3%
Penrith	2,793	\$661,808	-3.8%	24	\$440	3.7%
Shoalhaven	2,779	\$488,777	-3.2%	57	\$380	4.8%
Wollongong	2,398	\$697,920	-3.0%	29	\$480	4.1%
The Hills Shire	2,350	\$1,304,618	-5.1%	36	\$650	2.9%
Campbelltown	2,338	\$595,604	-4.0%	25	\$420	3.9%
Sutherland Shire	2,199	\$1,196,263	-4.0%	30	\$680	3.1%
Bankstown	2,154	\$937,047	-4.5%	44	\$530	3.1%
Liverpool	2,153	\$777,001	-4.7%	43	\$490	3.6%
Tweed	1,653	\$545,031	-3.6%	62	\$495	4.9%
Ku-ring-gai	1,649	\$2,055,831	-5.9%	36	\$1,000	2.8%
Maitland	1,609	\$398,517	-3.5%	54	\$370	5.0%
Blue Mountains	1,594	\$623,927	-3.5%	28	\$440	4.2%
Port Macquarie-Hastings	1,570	\$514,984	-2.3%	45	\$420	4.7%
Camdenw	1,557	\$720,119	-3.5%	29	\$500	3.9%
Port Stephens	1,548	\$476,120	-3.1%	55	\$398	4.9%

Thematic value guide, New South Wales council regions



Sydney suburbs - Houses.

Top 10 most affordable and most expensive suburbs (based on median value).

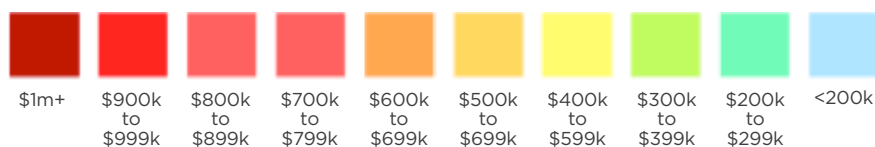
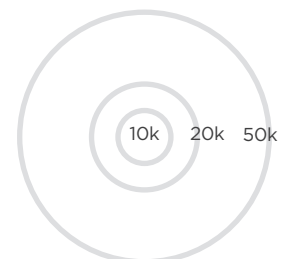
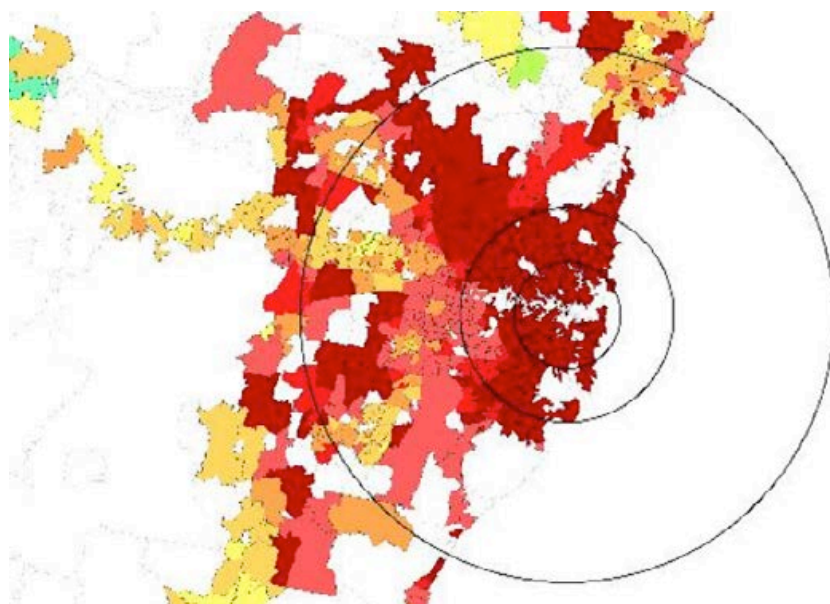
SUBURB	Median value
Point Piper	\$9,371,011
Darling Point	\$5,986,420
Woolwich	\$5,821,635
Vaucluse	\$4,916,941
Bellevue Hill	\$4,687,788
Cremorne Point	\$4,228,136
Dover Heights	\$3,992,068
Tamarama	\$3,842,367
Whale Beach	\$3,674,067
Longueville	\$3,534,762
Halekulani	\$455,410
Lethbridge Park	\$452,349
Lake Munmorah	\$449,647
Budgewoi	\$449,560
Charmhaven	\$443,433
Watanobbi	\$443,126
Gorokan	\$441,603
Gunderman	\$440,138
Mannering Park	\$437,116
San Remo	\$404,649

Top 10 highest and lowest gross rental yields.

SUBURB	Gross rental yield
Mannering Park	5.2%
Blue Haven	4.9%
Mount Victoria	4.9%
San Remo	4.9%
Gwandalan	4.8%
Wadalba	4.8%
Summerland Point	4.8%
Watanobbi	4.7%
Ebenezer	4.7%
Berkeley Vale	4.7%
Kenthurst	1.8%
Strathfield	1.8%
Maraylya	1.8%
Ramsgate Beach	1.7%
Leppington	1.7%
Kemps Creek	1.5%
Box Hill	1.5%
Harris Park	1.4%
Rossmore	1.4%
Austral	1.4%

Top 10 highest and lowest change in median dwelling value over 5 years.

SUBURB	Change in median value over 5 years
Homebush	146.5%
Homebush West	137.6%
Pitt Town	122.9%
Mulgoa	121.2%
Tennyson Point	118.1%
Austral	115.0%
North Strathfield	114.5%
Airds	111.5%
Bringelly	110.9%
Canada Bay	110.3%
Chiswick	23.1%
Double Bay	22.3%
Rocky Point	21.2%
Daleys Point	21.1%
Somersby	14.3%
Palm Beach	14.1%
Dangar Island	13.2%
Erina Heights	8.7%
Ingleside	1.4%
Box Hill	-2.7%



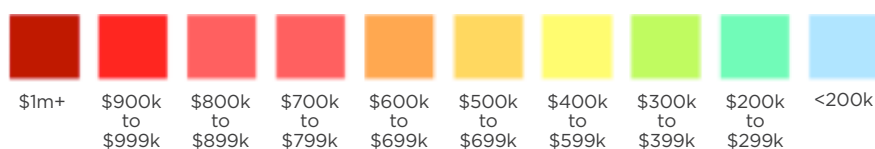
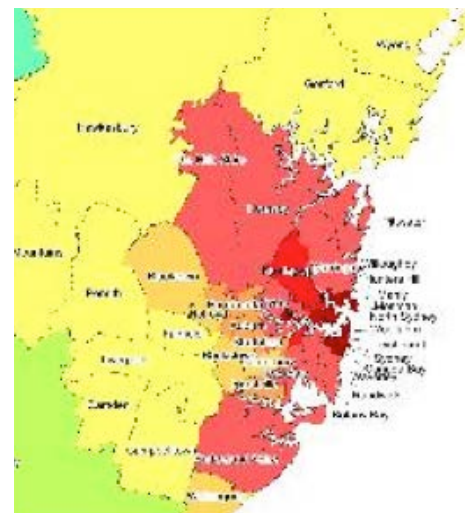
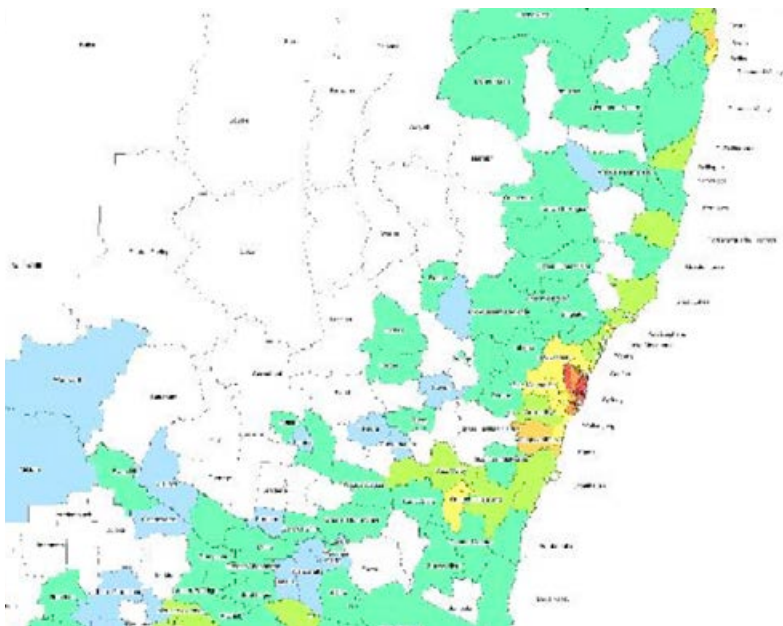
New South Wales, council regions - Units.

Top 20 most active council regions

(based on number of house sales over past 12 months)

COUNCIL REGION	NUM SALES (PAST 12 MONTHS)	MEDIAN VALUE	VENDOR DISCOUNT	DAYS ON MARKET	MEDIAN ASKING RENT	GROSS RENTAL YIELD
Sydney	4,414	\$860,673	-3.5%	34	\$620	4.2%
Sutherland Shire	2,092	\$724,139	-3.3%	23	\$480	3.9%
Parramatta	1,868	\$605,629	-4.4%	35	\$450	4.1%
Randwick	1,503	\$893,957	-2.6%	25	\$600	3.9%
North Sydney	1,470	\$1,055,739	-3.0%	26	\$620	3.7%
Canterbury	1,389	\$568,522	-4.8%	43	\$420	4.2%
Warringah	1,344	\$799,866	-2.9%	18	\$560	4.1%
Rockdale	1,326	\$718,140	-3.3%	37	\$525	4.1%
Ryde	1,267	\$742,157	-4.1%	31	\$490	3.8%
Wollongong	1,264	\$513,976	-2.6%	26	\$400	4.6%
Tweed	1,257	\$373,585	-3.2%	43	\$380	5.7%
Gosford	1,092	\$489,588	-3.4%	31	\$400	4.8%
Newcastle	1,057	\$451,945	-2.6%	38	\$380	4.7%
Holroyd	1,046	\$562,533	-4.1%	31	\$440	4.3%
Blacktown	1,042	\$516,246	-4.0%	33	\$400	4.5%
Canada Bay	1,034	\$891,611	-4.1%	39	\$620	3.8%
Auburn	1,030	\$647,451	-4.4%	49	\$495	4.3%
Woollahra	915	\$1,123,102	-2.5%	26	\$695	3.9%
Penrith	897	\$461,729	-3.8%	23	\$370	4.5%
Bankstown	882	\$580,151	-4.6%	36	\$435	4.3%

Thematic value guide, New South Wales council regions



Sydney suburbs - Units.

Top 10 most affordable and most expensive suburbs (based on median value).

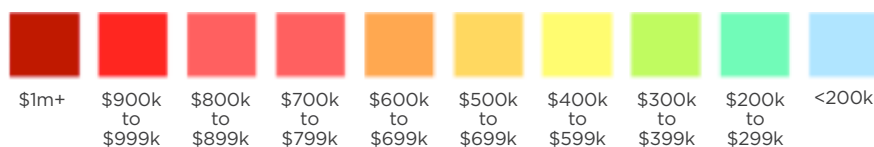
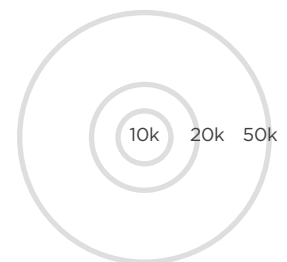
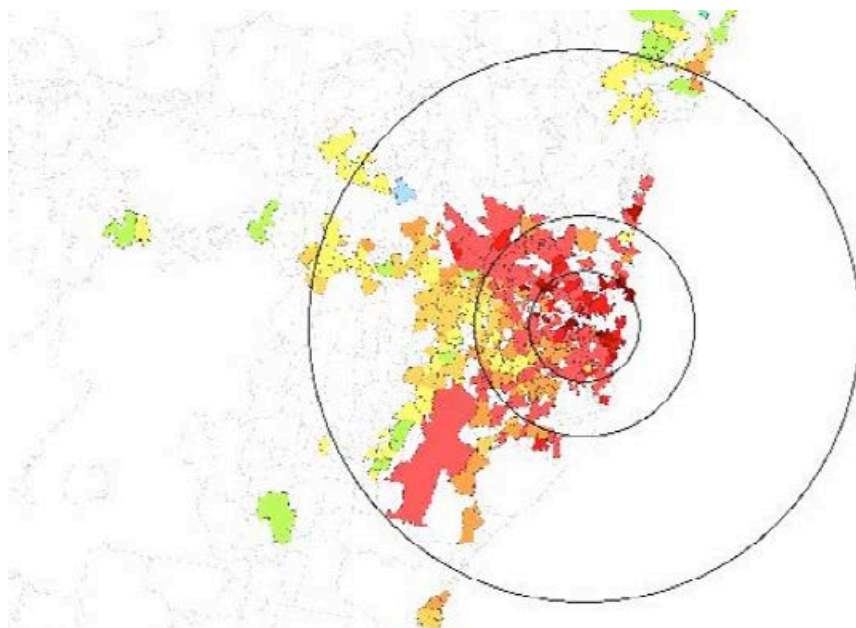
SUBURB	Median value
Dawes Point	\$3,514,640
Barangaroo	\$2,831,507
Point Piper	\$2,657,003
Darling Point	\$2,015,160
Millers Point	\$1,714,656
Milsons Point	\$1,588,622
Yowie Bay	\$1,530,278
Tamarama	\$1,507,240
Cabarita	\$1,503,604
Balmain East	\$1,465,310
Mardi	\$384,728
Carramar	\$377,807
Ambarvale	\$375,657
Toukley	\$360,115
Katoomba	\$344,127
Gorokan	\$343,413
Berkeley Vale	\$340,399
Wyong	\$325,546
Winston Hills	\$223,854
Vineyard	\$182,770

Top 10 highest and lowest gross rental yields.

SUBURB	Gross rental yield
Watanobbi	5.4%
Gorokan	5.3%
Niagara Park	5.3%
Mardi	5.2%
Wyong	5.2%
Narara	5.2%
Picton	5.2%
Katoomba	5.2%
Tuggerah	5.1%
Ourimbah	5.1%
Cremorne Point	3.2%
Waverton	3.2%
Denistone	3.2%
Ermington	3.2%
Kurraba Point	3.2%
Connells Point	3.2%
Point Piper	3.2%
Cabarita	3.1%
Balmain East	3.1%
Barangaroo	3.1%

Top 10 highest and lowest change in median dwelling value over 5 years.

SUBURB	Change in median value over 5 years
Waverley	139.5%
Belrose	131.5%
Hunters Hill	121.5%
Balmain East	121.1%
Dural	112.0%
Yowie Bay	102.8%
Bossley Park	101.5%
Blakehurst	101.0%
Kirribilli	94.8%
Waverton	93.8%
Tahmoor	34.3%
Wareemba	34.3%
Edgecliff	28.0%
Holroyd	27.5%
Mays Hill	27.0%
Winston Hills	25.7%
Vineyard	21.8%
Avoca Beach	20.5%
Beecroft	8.2%
Magenta	5.1%



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CoreLogic Australia is a wholly owned subsidiary of CoreLogic (NYSE: CLGX), which is the largest property data and analytics company in the world.

CoreLogic provides property information, analytics and services across Australia, New Zealand and Asia, and recently expanded its service offering through the purchase of project activity and building cost information provider Cordell.

With Australia's most comprehensive property databases, the company's combined data offering is derived from public, contributory and proprietary sources and includes over 500 million decision points spanning over three decades of collection, providing detailed coverage of property and other encumbrances such as tenancy, location, hazard risk and related performance information.

With over 20,000 customers and 150,000 end users, CoreLogic is the leading provider of property data, analytics and related services to consumers, investors, real estate, mortgage, finance, banking, building services, insurance, developers, wealth management and government.

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