

# MARKET REPORT

sanders.



End of year 2021

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### Statistics

Vacancy rates from realestateinvestar.com.au  
Rental yield & days from yourinvestmentproperty.com.au  
Days on market from yourinvestmentproperty.com.au & internal sources  
Average rents & median prices from realestate.com.au



# Welcome to our 2021 end of year Sutherland Shire market report

What a year it has been...COVID-19 and lockdown unexpectedly saw prices skyrocket over the last 18 months. House prices in Sydney jumped a whopping 29.1% over the first eleven months of 2021, setting a new median price record of \$1,311,641. Units equally saw gains with a 13.6% rise in median values. Strong price growth has been fuelled by lower-than-average stock levels, low interest rates and increased buyer demand.

Locally we witnessed a record low number of properties for sale and a near record high demand from 'cashed up' buyers, who had redirected funds normally allocated to holiday getaways, to upgrade the family home or enter the market.

With a move toward a work from home lifestyle and more people searching for larger dwellings, there has been a notable shift and decentralisation as people look to outer suburbs for the ideal lifestyle. We expect this to continue in 2022 as buyers continue to look for a place to call home that offers lifestyle, space and privacy. We have also seen a trend emerge with some people choosing to relocate to regional areas and escape city living.

The Sutherland Shire has been one of the top growth areas in Sydney with more people favouring larger homes to accommodate work and leisure activities. Sylvania Waters was listed as one of the highest growth suburbs with an increase of 64.8% to sit at a new median level of \$2,800,000. Locally all suburbs recorded an increase in median house/units values with only negative growth reported for units in Heathcote.

As we move into 2022, while we expect to still see a relatively strong market, predictions indicate a slower more stable single digit growth trajectory in the new year. It is expected more people will place their homes on the market to take advantage of one of the fastest real estate price growths Sydney has seen since 1984. As the number of properties on market continues to rise, we expect to see the buyer versus seller market dynamic equalise and a fairer playing field for both sellers and buyers alike.

This sentiment is echoed by the big 4 banks which have also revised their pricing forecasts for Sydney for 2022 off the back of the unexpected gains that unfolded in 2021, growing unaffordability, negative population growth and the expectation of more available homes. Recent changes to lending rules and regulations has seen a reduction in the maximum amount people can borrow and new eligibility requirements in an effort to slow the buoyant property market. APRA has estimated the increase in the serviceability buffer will reduce the maximum borrowing capacity for the typical borrower by about 5%.

The next twelve months will be interesting as restrictions ease further, borders open and more people opt to buy and sell. Whilst the property market is expected to slow slightly, it appears strong demand and prices will remain for the foreseeable future. If you are looking to make a change in 2022, contact our team today to discuss your future property plans.







In the Sutherland Shire, median house prices rose 28.52% over the course of 2021 with units recording a 14.4% gain.







# BUY SELL

Find out the latest when it comes to buying and selling. From buying off market properties to market statistics, auction results and more.

LING/

LING



# Buying new or off the plan properties

When buying off the plan, often it is the uncertainty that creates hesitancy, but if you are well informed and do your due diligence, buying off the plan can be a great option.

With all the new developments around the Shire and further afield, buying property off the plan has grown in popularity as it often presents a more affordable way to upgrade, downsize or enter the market.

But as with any property purchase it is important to do your research and ensure you are fully informed.

Before buying off the plan it is advisable to:-

## 1. Research the developer

When purchasing a property off the plan it is vital to research the builder. Look into their reputation and building history. Speak to other people and find out their experiences and recommendations. Also spend time researching and reading about their past building history and visiting finished projects.

It is also recommended to check they have a Development Approval (DA) in place. If they don't, the risk of the development not proceeding can be increased.

## 2. Ensure you check the contract

Checking the contract of sale is extremely important. Make sure you read the fine print and understand all the costs and key dates and terms associated with the property. Look at the plans, finishes and appliances and also check the sunset clause. The sunset clause defines the maximum time frame the developer has to complete the project. In the event your property is not finished within this time, legally you are able to walk away from the contract and receive any payments made back in full. If the property is within a strata title, make sure you get a copy of the registered-by laws and educate yourself on the associated fees.

## 3. Consider the property's attributes

When looking to buy off the plan, it is also advantageous to consider a property's attributes and the associated desirability for resale. In the last couple of years with the change in the way we live, what buyers are looking for has changed accordingly.

### Space and size

There has been a definite rise in the trend toward larger dwellings that offer a second living area, a home office and outdoor areas to enjoy.

### Lifestyle

People are favouring properties that offer other lifestyle benefits. Whether it's a stand-alone dwelling or a property within a complex, things such as swimming pools, entertaining areas, outdoor gardens and BBQ areas can add value to your property.

### Location

When purchasing property, location is always something to consider. Properties located close to public transport, schools, shops, parks and beaches have an added desirability.

## 4. Floorplans and finishes

One downside to buying off the plan is not being able to see the property physically. There will be floorplans and rendered sketches available, so it is wise to spend time ensuring you like the layout and there is ample storage and space to meet your needs.

Most developments also offer a choice of finishes and colours to choose from to meet your personal tastes. Also check the parking and accessibility available; are there lifts or stairs?

## 5. Ask questions

As with any property purchase enlisting the help of a conveyancer or solicitor to look after the paperwork is a good idea. In terms of properties bought off the plan it is also recommended to seek legal advice to review the contract. Doing this at the start will avoid missing any costs involved. It is also a good idea to consult with your mortgage broker prior to purchasing off the plan to be sure you have finance approval and to confirm your pre-approval limit.

## Buying off the plan with success

Buying off the plan can often mean you to get a new property that is more affordable. With new developments, pre-sale targets need to be met before finance is approved to begin construction. Getting in early allows the possibility of negotiating a lower price and also gives you the pick of the lot. It also allows you more time to save while the development is being built.

If buying off the plan is something you have been considering, as with any property purchase it is important to research the market and ensure you are well informed before proceeding.





In a lot of cases, buying off the plan gives the buyer the option to select finishes and colours to match their personal tastes.



51 Langer Avenue



175B Acacia Road

Larger, open plan floor plans that offer a second living area or home office will continue to be sought after and should put owners in a good position when it comes time to resell.





# Sutherland Shire property by price point

## Under \$500,000

Entry level one bedroom apartment.



### Caringbah

**1/3-5 Curtis Street**

1 bed | 1 bath | 1 car

\$480,000



### Miranda

**19D/5 Wandella Road**

1 bed | 1 bath | 1 car

\$495,000

## \$500,000 - \$1,000,000

One or two bedroom units through to three bedroom townhouse/villas; suburb dependant.



### Kirrawee

**2/4 Clements Parade**

2 bed | 1 bath | 1 car

\$890,000



### Como

**3/68 Wolger Street**

2 bed | 1 bath | 1 car

\$765,000

## \$1,000,000 - \$1,500,000

Two or three bedroom townhouse/villas close to public transport through to entry level three bedroom homes.



### Kirrawee

**42 Johnston Avenue**

3 bed | 2 bath | 1 car

\$1,675,000



### Sutherland

**12/15 Belmont Street**

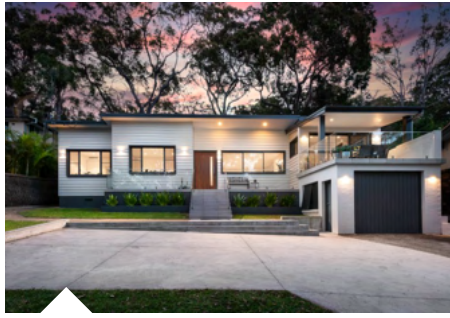
3 bed | 2 bath | 2 car

\$1,482,000



## \$1,500,000 - \$2,000,000

Four and five bedroom family homes and larger townhouses/villas or duplex properties.



### Oyster Bay

**45 Como Road**

4 bed | 1 bath | 2 car

\$1,935,000



### Caringbah

**14B Taronga Parade**

3 bed | 3 bath | 2 car

\$1,795,000

## \$2,000,000 - \$3,500,000

Large freestanding homes and entry level waterfront properties.



### Oyster Bay

**2 Oyster Bay Road**

5 bed | 4 bath | 4 car

\$2,990,100



### Sylvania

**6 Kelly Street**

5 bed | 4 bath | 2 car

Contact agent

## \$3,500,000+

Prestige houses, waterfront properties and new three bedroom units in Cronulla.



### Caringbah South

**16 Turtle Road**

3 bed | 3 bath | 2 car

\$6,400,000



### Cronulla

**401/45 Parramatta Street**

2 bed | 2 bath | 2 car

\$4,000,000

### Important information

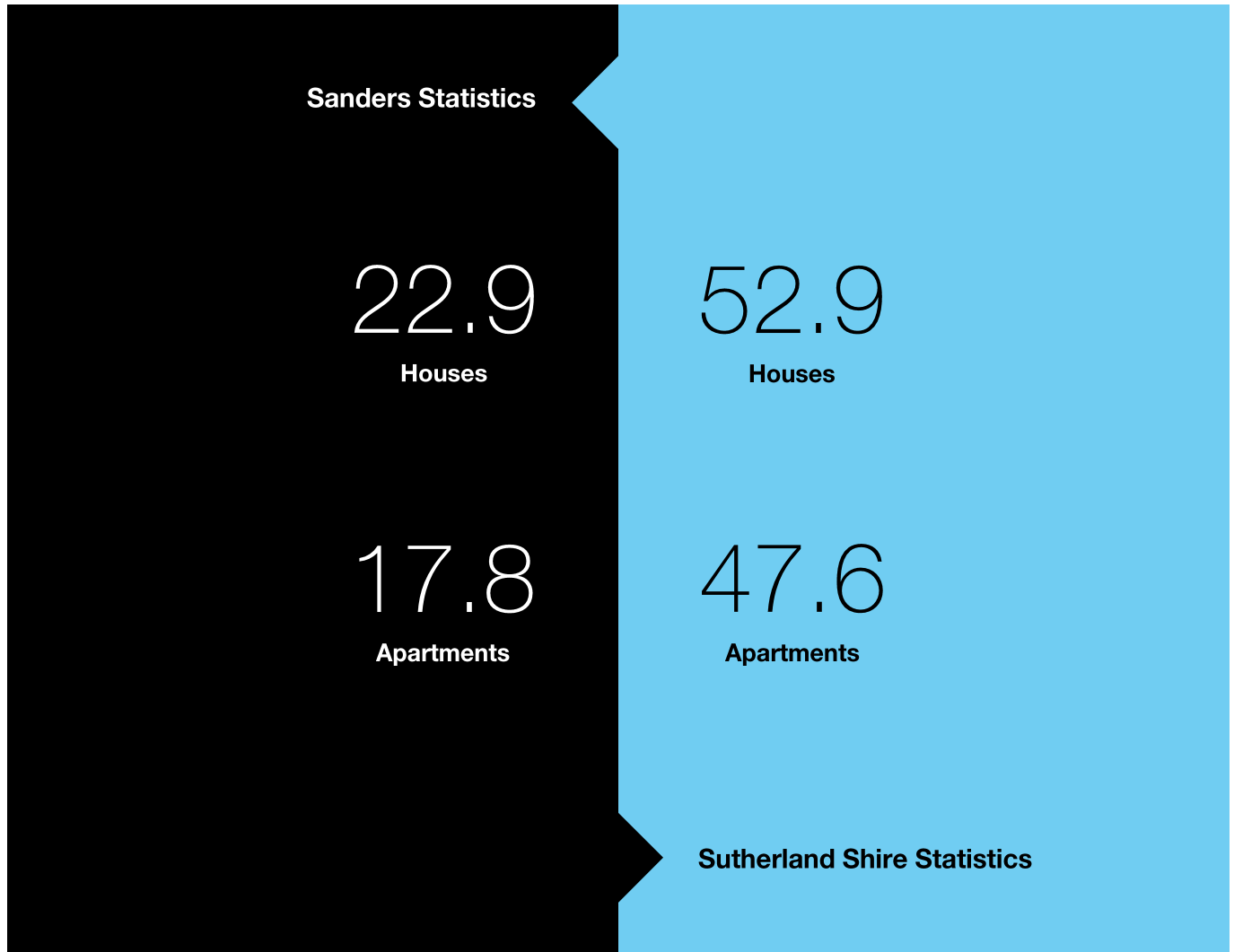
The listed properties are examples of the type of property available for purchase across different price brackets. Sanders Property Agents, its directors, employees and agents were not associated with all of the sales listed.





# Market statistics

## Days on market & average prices



## Auction results

### Sanders Statistics

77%

Clearance rate

6.8

Average number of  
registered bidders

22

Average number  
of bids

4%

Average above  
reserve

77%

Clearance rate

6.7

Average number of  
registered bidders

22

Average number  
of bids

5%

Average above  
reserve

### Sydney South Statistics





## Price growth by suburb

### Houses

Suburb	Median Price	12 Month change
Alfords Point	\$1,383,500	2.10%
Bangor	\$1,250,000	13.64%
Barden Ridge	\$1,218,000	1.08%
Bonnet Bay	\$1,526,500	13.71%
Bundeena	\$1,275,000	10.90%
Burraneer	\$2,800,000	29.63%
Caringbah	\$1,450,000	15.08%
Caringbah South	\$1,700,000	6.25%
Como	\$1,352,000	3.69%
Cronulla	\$2,450,000	4.25%
Dolans Bay	\$2,610,000	-
Engadine	\$1,051,000	6.70%
Grays Point	\$1,570,100	16.74%
Greenhills Beach	\$2,550,000	13.33%
Gymea	\$1,342,500	9.59%
Gymea Bay	\$1,600,000	17.22%
Heathcote	\$1,107,500	13.88%
Illawong	\$1,400,000	16.67%
Jannali	\$1,286,500	20.52%
Kangaroo Point	-	-
Kareela	\$1,375,000	10.89%

Suburb	Median Price	12 Month change
Kirrawee	\$1,233,500	47.26%
Kurnell	\$1,200,000	9.34%
Lilli Pilli	\$2,055,000	6.34%
Loftus	\$1,140,500	13.71%
Lucas Heights	-	-
Maianbar	\$1,150,000	-
Menai	\$1,121,250	6.79%
Miranda	\$1,360,000	8.80%
Oyster Bay	\$1,375,000	8.48%
Port Hacking	\$2,075,000	23.14%
Sandy Point	\$1,050,000	-
Sutherland	\$1,170,000	9.04%
Sylvania	\$1,555,000	13.10%
Sylvania Waters	\$2,800,000	64.8%
Taren Point	\$2,100,000	29.03%
Waterfall	\$1,695,000	-
Woolooware	\$1,950,000	17.47%
Woronora	\$1,230,000	5.13%
Woronora Heights	\$1,350,000	12.50%
Yarrawarrah	\$1,100,000	10.00%
Yowie Bay	\$2,137,500	18.92%



## Price growth by suburb

### Apartments

Suburb	Median Price	12 Month change
Caringbah	\$718,000	5.59%
Como	-	-
Cronulla	\$900,000	11.11%
Engadine	\$727,500	15.47%
Gymea	\$796,900	6.54%
Heathcote	\$705,000	-7.84%
Illawong	\$917,500	4.26%
Jannali	\$770,000	22.91%

Suburb	Median Price	12 Month change
Kirrawee	\$722,500	5.71%
Menai	\$789,000	5.20%
Miranda	\$741,500	8.24%
Sutherland	\$660,000	1.93%
Sylvania	\$1,010,000	24.38%
Sylvania Waters	\$650,000	-
Woollooware	\$820,000	17.14%







# INVEST

What to look for when buying an investment property in 2022. Average local rental returns, median rental prices per suburb, vacancy rates and rental yields.

# STING







Investment properties that offer tenants work from home opportunities will continue to perform well in 2022 and beyond. Look for properties with existing 'WFH' spaces or that have a floor plan that can be reconfigured to create such a space.





# A guide to investing in local real estate in 2022

The property market has been booming with prices skyrocketing and demand outstripping supply. Sydney's rental market equally reached new highs in 2021 with the average asking price for a house exceeding \$580 per week across the Spring quarter, marking a 5.5% rise. Weekly rents overall have risen 7.2% comparative to this time last year.

The demand for larger homes, and lifestyle living along with a reduced number of rental properties, has driven the increase in median rental prices. The low number of rental properties available has also resulted in the lowest vacancy rates we have seen since 2018. Currently the vacancy rate locally is sitting at a mere 0.56% across units and houses.

Investors in the Sutherland Shire have had a strong 12 months with the average weekly rent for houses increasing by 10.3% over 2021, to sit at \$760 per week. Whilst investment units struggled earlier in the year, prices started to pick up post July due to increased demand, with a 2.3% gain recorded over the September quarter to sit at \$525 per week.

Rental competition could increase further in 2022 as record prices make it exceedingly difficult for first home buyers to enter the market despite, government incentives on offer. This along with increased demand from international students, new migrants & returning expats now the borders are reopening could mean a tough 12 months ahead for renters and opportunity for new or existing investors.

Time will tell if the most recent move by APRA to increase the interest rate buffer on new loans will have any impact on new investor activity. Whilst senior analysts believe investors aren't likely to be impacted the question remains to be answered.

If you are looking to invest next year look for properties that offer space, working from home and lifestyle opportunities. Larger dwellings, particularly houses with home offices, a second living area and lots of outdoor space will be in hot demand. As will those properties located within close proximity to the beach, parks, shops and schools.

In terms of units look for properties that have either the potential to add value or are in newer blocks that offer greater depreciation and in a lot of cases have block facilities such as outdoor gardens, rooftop BBQ areas and swimming pools. Smaller blocks located close to shopping centres, public transport, parks, beaches and other lifestyle amenities will always do well.

When looking to invest it is important to consider your budget, location and property size. For more in depth information on investment strategies, assessment of rental returns and future investment opportunities, contact our Business Development Manager Rachel Fowler.

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0404 668 415



# Investing in the Sutherland Shire

## Highest return on investment (house)

Lilli Pilli	4.90%
Barden Ridge	4.01%
Kurnell	3.69%
Loftus	3.42%

## Highest return on investment (unit)

Kirrawee	3.79%
Menai	3.72%
Heathcote	3.71%
Sutherland	3.61%

## Sutherland Shire Investment Statistics

\$760

Average Rent  
(House per week)

3.31%

Average Gross Yield  
(Apartment)

\$525

Average Rent  
(Apartment per week)

0.56%

Average  
Vacancy Rate

18

Average  
Days on Market

2.84%

Average Gross Yield  
(House)





## Median rents per suburb

### Houses

Suburb	4 bed	3 bed	2 bed
Alfords Point	-	-	-
Bangor	\$750	\$695	-
Barden Ridge	\$850	-	-
Bonnet Bay	\$850	\$770	-
Bundeena	\$773	\$650	\$550
Burraneer	\$1,800	\$933	
Caringbah	\$900	\$700	\$520
Caringbah South	\$1,200	\$855	\$575
Como	\$800	\$650	\$600
Cronulla	\$1,300	\$900	\$550
Dolans Bay	-	-	-
Engadine	\$780	\$685	\$480
Grays Point	\$850	\$775	-
Greenhills Beach	\$1,700	-	-
Gymea	\$900	\$725	\$510
Gymea Bay	\$980	\$795	-
Heathcote	\$720	\$650	-
Illawong	\$800	\$680	
Jannali	\$840	\$680	\$550
Kangaroo Point	-	-	-
Kareela	\$850	\$650	-

Suburb	4 bed	3 bed	2 bed
Kirrawee	\$800	\$650	\$550
Kurnell	-	\$700	-
Lilli Pilli	\$1,100	\$880	-
Loftus	\$750	\$670	-
Lucas Heights	-	-	-
Maianbar	\$750	\$550	-
Menai	\$860	\$650	-
Miranda	\$910	\$700	\$510
Oyster Bay	\$745	\$650	\$503
Port Hacking	-	-	-
Sandy Point	-	\$500	-
Sutherland	\$810	\$650	\$450
Sylvania	\$930	\$750	\$550
Sylvania Waters	\$1,050	\$875	\$480
Taren Point	\$990	\$950	-
Waterfall	-	\$525	-
Woolooware	\$1,075	\$860	-
Woronora	-	\$665	-
Woronora Heights	\$750	-	-
Yarrawarrah	\$650	-	-
Yowie Bay	\$880	\$740	-



## Median rents per suburb

### Apartments

Suburb	3 bed	2 bed	1 bed
Caringbah	\$698	\$500	\$420
Como	\$600	\$495	-
Cronulla	\$780	\$535	\$390
Engadine	\$650	\$450	\$355
Gymea	\$700	\$500	\$435
Heathcote	\$585	\$520	\$373
Illawong	\$660	\$515	-
Jannali	\$650	\$485	\$370

Suburb	3 bed	2 bed	1 bed
Kirrawee	\$700	\$530	\$460
Menai	\$600	\$500	-
Miranda	\$650	\$500	\$445
Sutherland	\$630	\$460	\$440
Sylvania	\$745	\$450	\$345
Sylvania Waters	\$520	\$455	-
Woollooware	\$810	\$640	\$500



## Vacancy rates & rental yields

Houses (H) & Apartments (A)

Suburb	Vacancy Rate	Rental Yield (H)	Rental Yield (A)
Alfords Point	0.20%	-	-
Bangor	0.11%	3.18%	-
Barden Ridge	0.07%	4.01%	-
Bonnet Bay	0.51%	3.01%	-
Bundeena	0.53%	2.50%	-
Burraneer	0.15%	2.08%	-
Caringbah	1.73%	2.54%	3.49%
Caringbah South	0.48%	2.66%	2.64%
Como	0.21%	2.49%	-
Cronulla	1.61%	1.73%	2.78%
Dolans Bay	1.28%	-	-
Engadine	0.48%	3.19%	3.22%
Grays Point	0.19%	3.00%	-
Greenhills Beach	-	-	-
Gymea	0.98%	2.91%	3.25%
Gymea Bay	0.04%	2.82%	-
Heathcote	0.26%	3.05%	3.71%
Illawong	0.24%	2.94%	3.53%
Jannali	0.74%	2.47%	3.22%
Kangaroo Point	-	-	-
Kareela	0.24	2.97%	-

Suburb	Vacancy Rate	Rental Yield (H)	Rental Yield (A)
Kirrawee	0.62%	2.89%	3.79%
Kurnell	0.34%	3.69%	-
Lilli Pilli	-	4.90%	-
Loftus	0.20%	3.42%	-
Lucas Heights	-	-	-
Maianbar	-	-	-
Menai	0.22%	2.93%	3.72%
Miranda	1.42%	2.82%	3.51%
Oyster Bay	0.16%	2.33%	-
Port Hacking	0.50%	2.42%	-
Sandy Point	0.46%	-	-
Sutherland	1.23%	3.08%	3.61%
Sylvania	0.85%	2.70%	2.54%
Sylvania Waters	0.93%	2.60%	-
Taren Point	0.34%	2.91%	-
Waterfall	-	-	-
Woolooware	1.78%	2.80%	3.32%
Woronora	0.26%	2.62%	-
Woronora Heights	0.11%	-	-
Yarrawarrah	0.21%	-	-
Yowie Bay	0.45%	2.07%	-





