

shirevalues

EDITION 85

**5 TIPS FOR
BUYERS**
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**HOW'S THE
MARKET**
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Stock levels always tighten over winter

Meaning buyer competition outstrips seller supply for certain segments of the property market. Buyer demand seems stronger for housing than apartments.

Being overly cautious and/or risk averse rarely plays well when buyer demand is high and stock levels are low. Low stock and high demand could see prices exceed market pricing for the best listings.

Equally, come spring, as happens most years, excess stock levels see clearance rates and prices ease a bit.

Relish the public auction

Don't fear the possibility of a bidding war erupting on the day. Bidding wars that go beyond fair value only occur in a minority of sales.

Many auction sales in the current market are often about the vendor's price expectations coming down to meet market reality, as opposed to buyers being willing and able to pay a premium for the subject property.

The chances of a property achieving a premium seems to be occurring most often between \$5 million and \$10 million. In other price categories, the market price is fairly stable.

Buyers often fear the public auction process. They would be better off relishing the process. You get to see the others buyer's unconditional bids when bidding under the hammer, a privilege you won't have if you try to buy pre auction.

Agents often overstate the level of buyer competition to create the illusion of a frenzy that wouldn't otherwise exist.

On auction day, it all plays out in front of you. If the agent is keen to sell pre-auction, it could represent an opportunity for you as the buyer. During May and June 2024, 10% to 15% of all properties scheduled for auction were withdrawn prior to the big day, due to insufficient demand.

Underquoting is rampant

The rules that were meant to protect consumers have essentially created a road map for agents on how to 'underquote compliantly'. Until the Department of Fair Trade make another attempt at stamping out the practice, underquoting will reign havoc over the market.

Do your own research before you commit too heavily on any property to ensure you are not being played.

Interest rates could rise... and/or fall

Normally the anticipated direction of interest rates is fairly clear and well telegraphed so as not to shock the market.

Central bankers love to repeat ad nauseum – 'all decisions are data dependent'.

The only problem is the data and the messaging are highly contradictory at present.

Buyers should prepare for both hikes and hope for rate cuts later in the cycle.

Some buyers whom bought earlier in the year prepared for rate cuts and may now be dealing with an unexpected rate hike.

Buyer aversion to unrenovated properties is thawing

As costs moderate, buyers looking at projects and unrenovated properties has increased.

During the beginning of the inflationary outbreak, buyers shunned properties requiring renovation works.

Recent results suggest buyers are preparing to put the tool belt back on and get the paint brush out.

The strong manner in which fully renovated properties have performed no doubt offers renovation buyers the confidence they can invest in an unrenovated property and not overcapitalise.

why not sell in winter

- less competition
- welcoming warm homes
- record buyer activity

Overall Performance

OUR CORE AREA



Suburb	Median Price	% Quarter Change
Kirrawee	\$1,540,000	+3.01%
GyMEA	\$1,706,000	+5.47%
GyMEA Bay	\$1,950,000	+1.30%
Grays Point	\$1,810,000	+2.49%

Suburb	Median Price	% Quarter Change
Kirrawee	\$800,000	+3.90%
GyMEA	\$900,000	0%
GyMEA Bay	-	-
Grays Point	-	-



OUR CORE AREA

Address	Bed	Bath	Car	Sold Price
2/4 Warburton Street	3	2	-	Not Disclosed
401/9 Village Place	2	1	1	\$799,000
8/68 Cambrai Avenue	2	2	2	Not Disclosed
1/59-65 Gerrale Street	3	2	1	\$1,306,000
22/37-39 The Esplanade	3	1	1	Not Disclosed
4/3-5 Chipilly Avenue	4	3	2	\$2,350,000
13/240 Kingsway	3	1	1	\$1,152,500
4/5 Wallumatta Road	2	1	1	Not Disclosed
12/2 Anzac Avenue	5	3	2	Not Disclosed
5/29-35 Preston Avenue	2	1	1	\$683,000
5/6-8 Bataan Close	3	1	2	\$1,570,000
26/52-54 Kingsway	2	1	1	\$820,000
601/26A Belmont Street	3	2	2	\$985,000
30/2-4 Central Road	2	2	2	Not Disclosed
23/4-6 Vista Street	4	2	2	\$1,855,000
Lot 1/200B Caringbah Road	2	2	1	\$1,370,000
27 Chapman Street	1	1	1	\$690,000
26 North West Arm Road	3	1	2	Not Disclosed
1/365 President Avenue	4	2	2	\$1,425,000
5/46-48 Talara Road	2	1	1	Not Disclosed
22/16-24 Chapman Street	2	1	1	\$815,000
2 Foch Avenue	4	2	1	Not Disclosed
11/43 Talara Road	2	1	1	\$785,000
6 Bathurst Street	-	-	-	Not Disclosed
3/1-9 Warburton Street	2	1	1	\$640,000
19/37-41 Premier Street	3	2	2	\$1,090,000
5/84 View Street	3	2	-	\$1,400,000
4A Walker Avenue	3	2	2	\$1,950,000
4/39-45 Manchester Road	3	2	3	\$1,320,000
6/69-73 Manchester Road	3	2	2	\$1,325,000
15/16-24 Chapman Street	2	1	2	\$860,000
17/78A Hotham Road	3	1	1	\$1,250,000
387 The Boulevard	3	1	1	\$1,500,000
6 Bonnie View Street	3	2	3	\$2,520,000
57 North West Arm Road	4	2	2	\$1,525,000
4/736-738 Kingsway	-	-	1	\$980,000

Address	Bed	Bath	Car	Sold Price
10 Redfern Place	3	2	4	\$1,900,000
4/37-41 Premier Street	2	1	-	\$888,000
11 Karda Place	3	1	2	Not Disclosed
36B Premier Street	4	3	1	\$1,818,000



Kirrawee

OUR CORE AREA

Address	Bed	Bath	Car	Sold Price
41/4-8 Wallumatta Road	4	3	2	\$1,780,000
23/93 Willarong Road	2	1	2	\$820,000
15/346 Port Hacking Road	1	1	-	\$656,000
60B Crammond Boulevard	4	3	1	\$2,115,000
9/156 Willarong Road	2	2	-	\$971,000
Lot 1/66 Georges River Crescent	4	2	-	\$1,790,000
3/55 Kurnell Road	3	2	-	Not Disclosed
110/68 Eton Street	3	2	2	\$1,385,888
11/38-42 Kurnell Road	2	2	-	\$880,000
37A/168-172 Willarong Road	1	1	1	\$673,000
7/289 Port Hacking Road	2	2	2	\$955,000
Lot 1/26 Moona Road	4	3	1	Not Disclosed
404/5 Village Place	2	2	1	\$932,888
9/72-74 Parramatta Street	-	-	-	\$1,695,000
3/92 Toronto Parade	-	-	2	Not Disclosed
29/17-21 Melrose Avenue	2	1	1	\$669,000
21/7-9 Railway Parade	2	1	-	Not Disclosed
26/398 The Boulevarde	3	2	2	\$1,205,000
402/51 Merton Street	-	-	-	\$387,500
1/23-27 Hobart Place	-	-	-	\$1,525,000
19A Como Road	-	-	-	\$1,410,000
23/52-58 Linden Street	4	3	2	Not Disclosed
4/44-48 The Grand Parade	2	1	1	\$780,000
57B Johnston Avenue	4	2	1	\$1,500,000
14B Kenneth Avenue	5	3	2	\$1,875,000
Lot 1/26 Moona Road	-	1	-	\$1,560,000
404/5 Village Place	2	2	1	\$865,000
18 Dameeli Avenue	-	-	-	Not Disclosed
12 Wanganui Road	3	1	1	\$1,585,000
712/10 Village Place	2	2	1	\$890,000
805/10 Village Place	1	1	1	\$675,000

Address	Bed	Bath	Car	Sold Price
74 Acacia Road	-	-	1	\$1,200,000
4/6 Durbar Avenue	2	1	-	\$1,080,000
10 Gilmore Avenue	6	3	2	Not Disclosed
3/131-139 Oak Road	2	1	1	\$675,000
36 Mundakal Avenue	-	-	-	Not Disclosed
487 The Boulevarde	4	2	2	\$1,500,000
508/3 Village Place	2	1	1	\$770,000
411 President Avenue	3	1	1	Not Disclosed
7 Clements Parade	3	1	1	\$1,600,000
144 Garnet Road	5	3	2	\$1,600,000
211/4 Kiln Road	1	1	1	\$632,000
18 Bligh Street	-	-	-	Not Disclosed
65/131-139 Oak Road	2	1	1	\$608,000
27/125-129 Oak Road	2	1	1	\$645,000
86 Acacia Road	3	2	1	\$1,695,000
23/27-33 Corella Road	1	1	-	\$386,500
1003/35 Flora Street	2	2	1	\$895,000
4 Stirling Avenue	3	2	2	\$1,500,000
22/91-93 Acacia Road	2	1	1	\$820,000
49/131-139 Oak Road	2	1	1	\$710,000
384 President Avenue	3	1	2	\$1,251,000
2/183 Oak Road	3	2	1	Not Disclosed
26/398 The Boulevarde	-	-	-	\$1,182,500
4 Kirrawee Avenue	4	2	1	\$1,997,500
158 Oak Road	2	1	1	\$3,000,000
1002/1 Village Place	3	2	2	\$1,200,000

CORE AREA RESULTS



QUARTERLY RESULTS



Grays Point

OUR CORE AREA

Address	Bed	Bath	Car	Sold Price
23/162-164 Port Hacking Road	4	2	2	\$1,530,000
13/61 Parramatta Street	4	2	2	Not Disclosed
50/94-100 Flora Street	4	2	4	Not Disclosed
12/30 Clio Street	3	2	-	\$1,600,000
169 North West Arm Road	3	1	4	\$1,450,000
14 Kyogle Place	4	2	1	Not Disclosed
3 Hovea Place	5	2	2	\$1,800,000
29 Seabrook Avenue	5	3	2	Not Disclosed
74-76 Mansion Point Road	5	2	2	\$1,850,000

Gymea Bay

OUR CORE AREA

Address	Bed	Bath	Car	Sold Price
5/106 Kingsway	4	2	4	Not Disclosed
3/36 Nicholson Parade	2	2	2	Not Disclosed
2/206-208 Willarong Road	1	1	1	\$1,470,000
12/153-157 Wattle Road	-	-	2	Not Disclosed
3/4-6 Bligh Street	4	1	2	\$2,180,000
202/30 Pinnacle Street	3	2	2	Not Disclosed
122B Woolooware Road	4	2	2	Not Disclosed
13/194-198 Willarong Road	4	2	2	Not Disclosed
2/6-8 First Avenue	4	1	1	Not Disclosed
81/8-12 Wandella Road	4	2	2	Not Disclosed
31/27-29 The Esplanade	4	3	2	Not Disclosed
3/20 Seaforth Avenue	3	2	2	\$1,475,000
40 Marina Crescent	-	-	2	Not Disclosed
10/212 Gymea Bay Road	3	2	2	\$1,150,000
28 Cudjee Road	3	1	2	\$1,795,000
297 Gymea Bay Road	4	2	2	\$1,700,000
30 Marina Crescent	5	3	2	Not Disclosed
27 Bunarba Road	-	-	2	Not Disclosed



SUDOKU



QUARTERLY RESULTS

SUDOKU

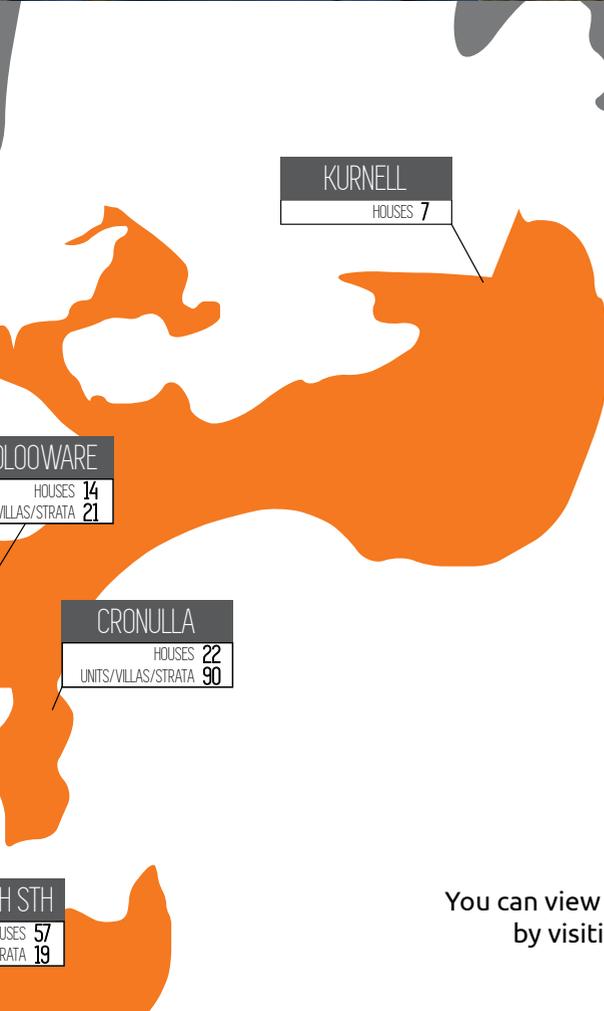
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Dino Salvatore
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Sales Map

Sutherland Shire Q2/2024

Number of Sales

You can view all the individual results in these suburbs by visiting our website www.shirevalues.com.au

HOW'S THE MARKET

Expectations on where interest rates are headed have swung 180 degrees in a matter of months.

In February/March the market was fully expecting rate cuts based on the narrative at the time. Now, money markets, economists and pundits are all expecting the RBA to hike rates at its next meeting in August 2024.

Unsurprisingly, buyer sentiment has been impacted by the shift in expectations.

The overall market has not suffered a fall or a correction, the shift in buyer sentiment has been somewhat subtle to date.

Auction clearance rates have edged down from 65% in February/March 2024 to 50% during winter.

The auction clearance rate usually climbs during winter as tighter stock levels create greater competition amongst buyers.

When the current auction results are examined in detail, its apparent there is real weakness in the suburbs as mortgage pressure bites.

Bidding wars that drive the sales price up beyond market expectations are the exception rather than the norm at present.

Until recently, the middle to lower half of the market seemed to be wearing the full brunt of the 13 interest rate hikes the RBA have delivered since May 2022.

Now there is increasing evidence that the middle to upper segment of the market is beginning to slow too, with an increasing number of properties above \$3 million taking longer to sell.

Home buyers and the RBA will both be delighted if the property market stops rising. Affordability is at a low for home buyers.

Rising property prices have helped fuel domestic inflation in Australia, much to the chagrin of the RBA.

Quality housing between \$1.8 million and \$2.6 million close to the CBD is one of the best performing segments in the market at present.

These family homes seem to attract more buyer competition than any other segment of the market.

Whilst the competition is deep, there is not the feverish bidding we saw earlier in the market cycle.

Many buyers are governed by mortgage approvals, and they have set their budgets accordingly. Vendors need to ensure they don't over play their hand on price.

Older style apartments with lower strata levies are also enjoying strong buyer demand from downsizers, first home buyers and the few active investors that there are in the market.

Interestingly, the rental market has recorded modest falls for the first time in 4 years.

This is not to suggest there is any fundamental issue in the rental market, it's more a seasonal downturn.

Therefore, tenants should not overplay their hand given the relief will be short lived and landlords who find themselves looking for a tenant this winter should note the rental market is not running on the same energy it was earlier in the year.

Based on an article by Peter O'Malley of Harris Partners Real Estate



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