

McGRATH MARKET REPORT

Naremburn | 2065



McGrath

IMPORTANT INFORMATION

UPDATED INFORMATION

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Date compiled 11 April 2016.

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MARKET OVERVIEW

ASHTON ROWE IS ONE OF AUSTRALIA'S LEADING PROPERTY RESEARCH AND INVESTMENT FIRMS, SPECIALISING IN RESIDENTIAL PROPERTY.

GUIDE:
Read these snippets to interpret the report.

STEP 1: Choose your property market (houses or units).

STEP 2: The top table shows how many properties are changing hands.

STEP 3: The graph shows the median listing price trends and property on the market historically (supply).

STEP 4: The table next to the graph shows the price groups of properties actually sold in the last quarter.

STEP 5: The bottom table next to the graph shows what the current supply trend is for the market. Less supply when demand is good typically places upward pressure on prices.

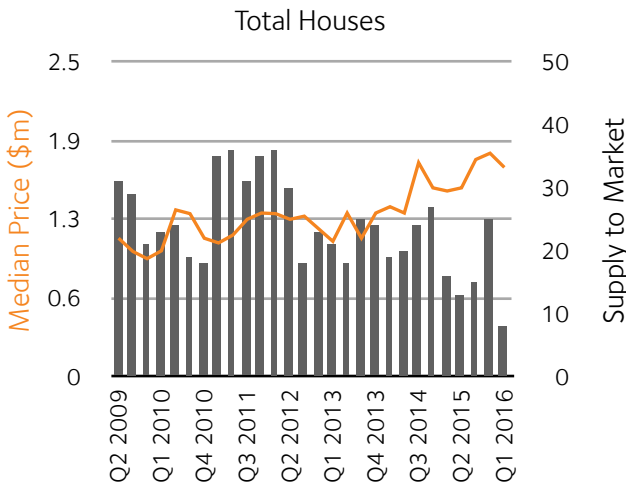
TOTAL MARKET	HOUSES	UNITS
PROPERTIES IN SUBURB	1,199	1,766
MARCH QUARTER SALES*	3	10
TURNOVER	0.25%	0.57%

Source: Australian Bureau of Statistics, Census 2011 and local council dwelling approvals
* 5% margin for error in this figure due to market information being withheld.

LEARNING:
Turnover is the number of quarterly sales divided by total properties in that market.

Median price is the middle price of all properties after they have been arranged from smallest to highest. It best represents trends and buying patterns NOT capital growth.

Quartiles divide recent sales into four equal groups. 25% of sales are more than the upper quartile. 50% of sales are more than the median and 75% are more than the lower quartile. Finally, 50% of sales are between the upper and lower quartiles. Properties that are priced above the upper quartile are typically more volatile than those priced close to the median.

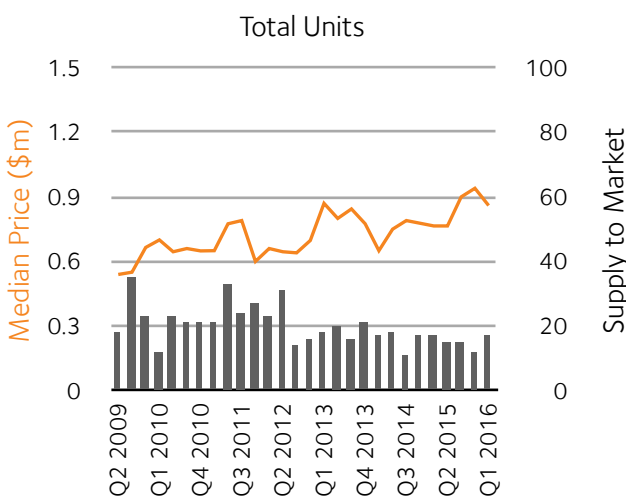


Source: Ashton Rowe Investments, RP Data and Price Finder

QUARTILE	SOLD PRICES
UPPER	\$1,878,000
MEDIAN	\$1,707,000
LOWER	\$1,595,000

SNR = Statistically Not Reliable

Supply to market decreased 68% taking it 66% below the 7 year average.



Source: Ashton Rowe Investments, RP Data and Price Finder

QUARTILE	SOLD PRICES
UPPER	\$927,500
MEDIAN	\$840,250
LOWER	\$538,875

SNR = Statistically Not Reliable

Supply to market increased 42% taking it 14% below the 7 year average.

MARKET HEALTH

AUCTIONS	HOUSES	UNITS
	MARCH QUARTER	MARCH QUARTER
CLEARANCE RATE	87%	75%
DAYS ON MARKET	28	33
% OF SUPPLY	75%	24%

Source: Ashton Rowe Investments, RP Data and Home price guide
SNR - Statistically Not Reliable

LEARNING:
Auction Clearance Rate is the percentage of houses sold under the hammer or prior to auction. This figure excludes property passed in at auction.

HOUSES: HIGHEST SALES PRICES IN QUARTER*

ADDRESS	BEDS	BATH	PRICE
24 MITCHELL ST, NAREMBURN	3	2	\$2,115,000
69B PARK RD, NAREMBURN	4	2	\$1,800,000
23 RHODES AV, NAREMBURN	2	1	\$1,615,000
50 SLADE ST, NAREMBURN	3	1	\$1,535,000

Source: Ashton Rowe Investments, RP Data and Home price guide
* Excludes undisclosed sales, Quarter to March 2016

% of Supply is the percentage of property on the market being sold using the auction method and lets you know the relevance of the auction clearance rate. During a period of high demand the number of auctions typically increase.

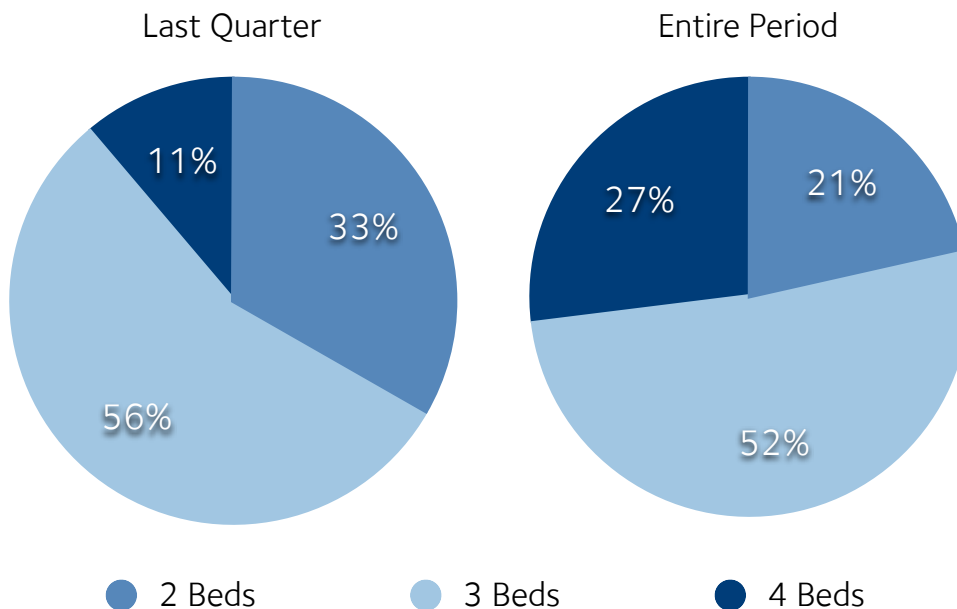
UNITS: HIGHEST SALES PRICES IN QUARTER*

ADDRESS	BEDS	BATH	PRICE
16/2A PALMER ST, NAREMBURN	3	2	\$1,250,000
2/48A NORTHCOTE ST, NAREMBURN	3	1	\$1,000,000
15/3 TALUS ST, NAREMBURN	2	2	\$950,000
23/25A MARKS ST, NAREMBURN	2	1	\$860,000
13/2A PALMER ST, NAREMBURN	2	2	\$820,500

Source: Ashton Rowe Investments, RP Data and Home price guide
* Excludes undisclosed sales, Quarter to March 2016

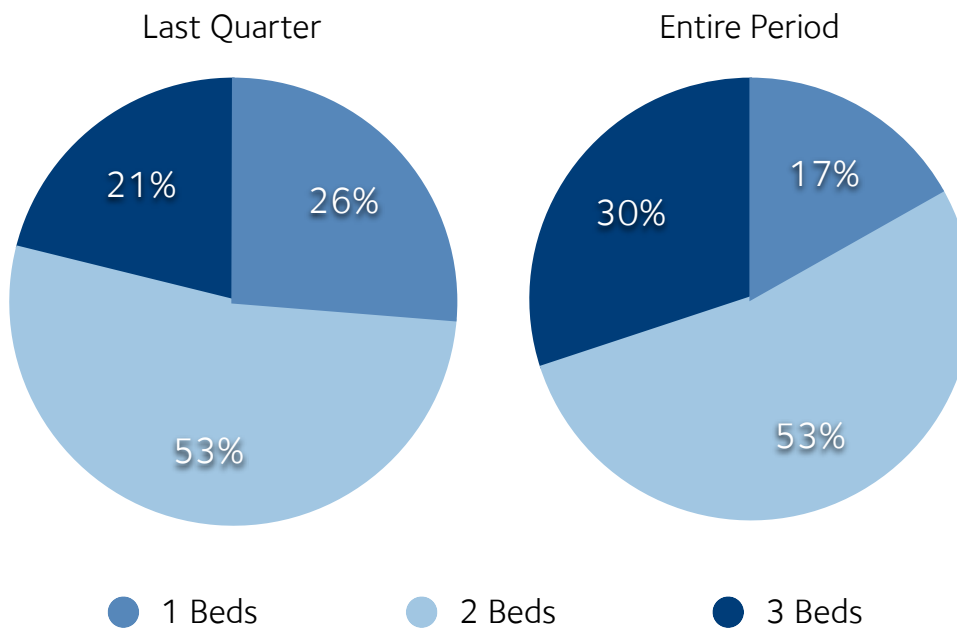
MARKET COMPOSITION

WHICH TYPE OF HOUSES ARE SELLING



Source: Ashton Rowe Investments, RP Data and Price Finder
 Note: Segments under 5% are not labelled. Entire Period includes the last 7 years to the current quarter.

WHICH TYPE OF UNITS ARE SELLING



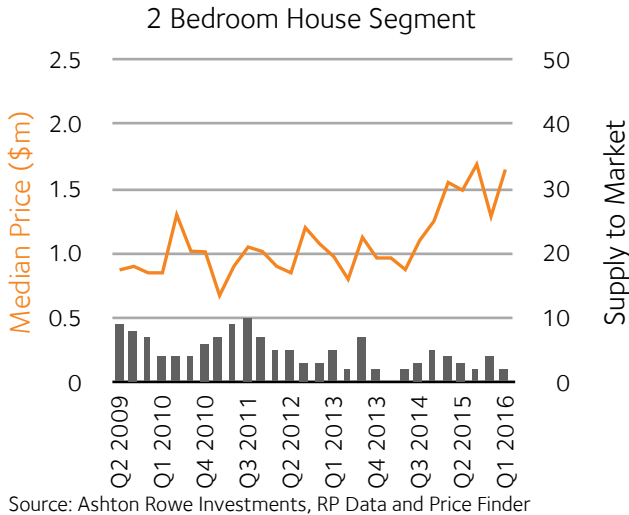
Source: Ashton Rowe Investments, RP Data and Price Finder
 Note: Segments under 5% are not labelled. Entire Period includes the last 7 years to the current quarter.

BUYING PATTERNS

NOTE:
Properties in the house market are divided into segments based on the number of bedrooms.

To interpret this page correctly please view instructions in the 'Market Overview' section.

TIP:
When buying to renovate, aim to purchase in the lowest quartile when supply to market is above the long term average.

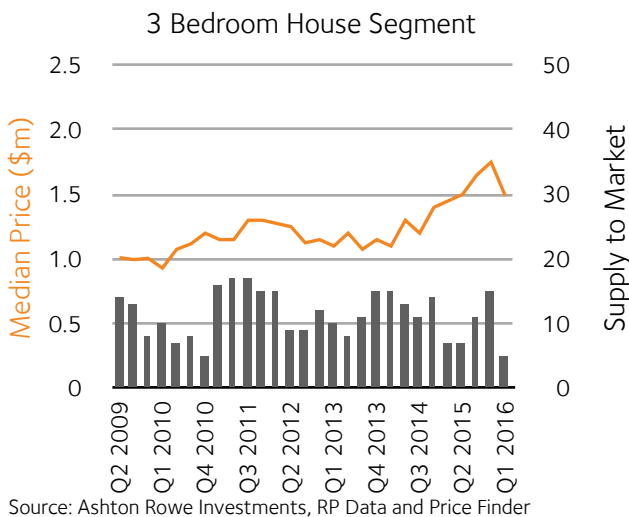


QUARTILE	SOLD PRICES
UPPER	SNR
MEDIAN	SNR
LOWER	SNR

SNR = Statistically Not Reliable

Supply to market decreased 50% taking it 59% below the 7 year average.

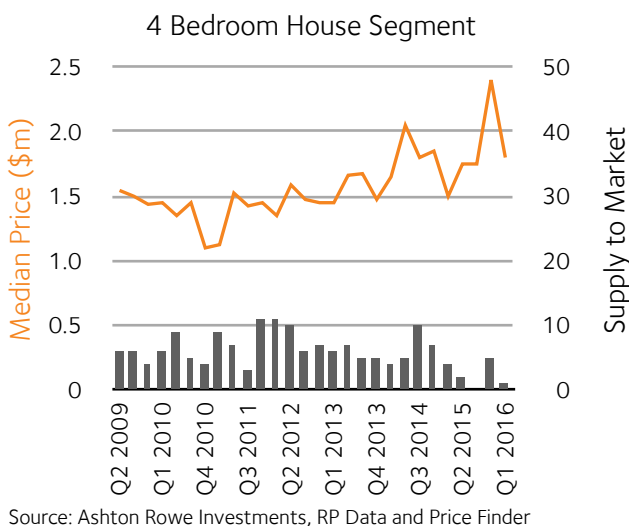
LEARNING:
Statistically Not Reliable is usually a result of not enough sales occurring to produce meaningful analysis.



QUARTILE	SOLD PRICES
UPPER	\$1,970,000
MEDIAN	\$1,825,000
LOWER	\$1,680,000

SNR = Statistically Not Reliable

Supply to market decreased 67% taking it 56% below the 7 year average.



QUARTILE	SOLD PRICES
UPPER	SNR
MEDIAN	SNR
LOWER	SNR

SNR = Statistically Not Reliable

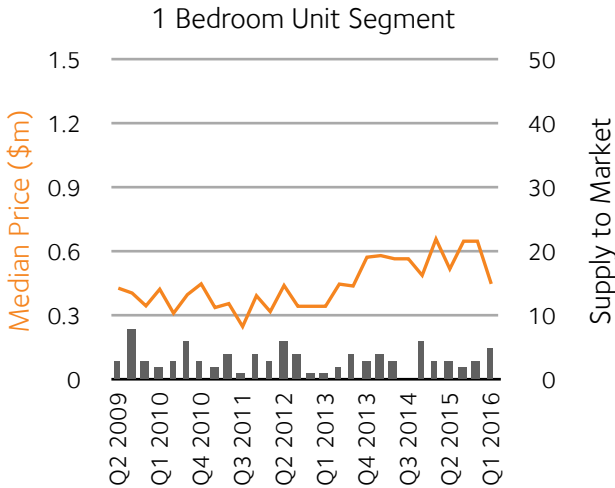
Supply to market decreased 80% taking it 84% below the 7 year average.

BUYING PATTERNS

NOTE:
Properties in the house market are divided into segments based on the number of bedrooms.

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TIP:
When buying to renovate, aim to purchase in the lowest quartile when supply to market is above the long term average.

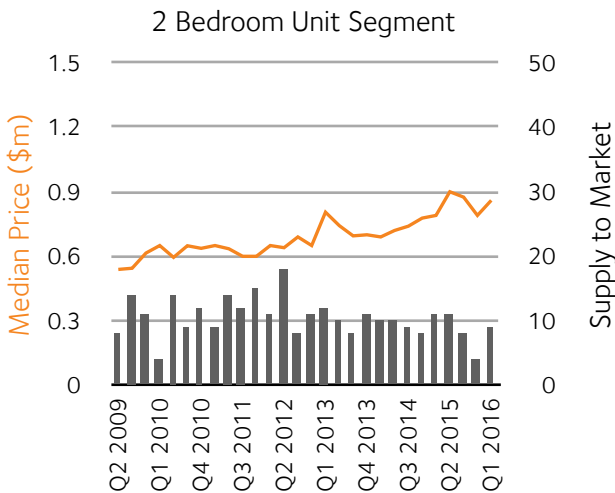


Source: Ashton Rowe Investments, RP Data and Price Finder

QUARTILE	SOLD PRICES
UPPER	\$436,500
MEDIAN	\$428,000
LOWER	\$419,500

SNR = Statistically Not Reliable

Supply to market increased 67% taking it 47% above the 7 year average.

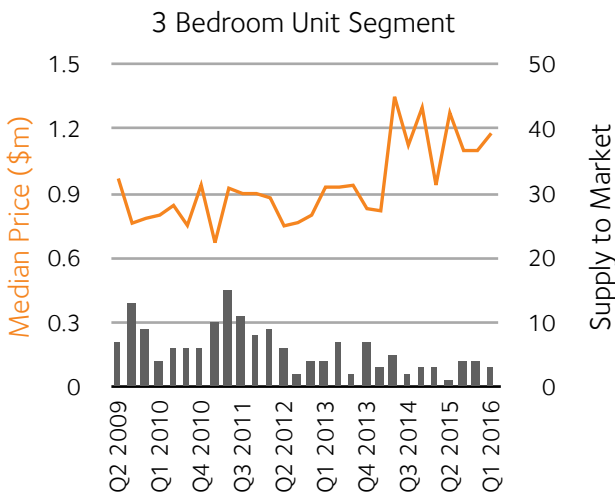


Source: Ashton Rowe Investments, RP Data and Price Finder

QUARTILE	SOLD PRICES
UPPER	\$905,000
MEDIAN	\$860,000
LOWER	\$840,250

SNR = Statistically Not Reliable

Supply to market increased 125% taking it 13% below the 7 year average.



Source: Ashton Rowe Investments, RP Data and Price Finder

QUARTILE	SOLD PRICES
UPPER	\$1,187,000
MEDIAN	\$1,125,000
LOWER	\$1,062,000

SNR = Statistically Not Reliable

Supply to market decreased 25% taking it 49% below the 7 year average.

CAPITAL GROWTH

STEP 1:
Choose your property market.

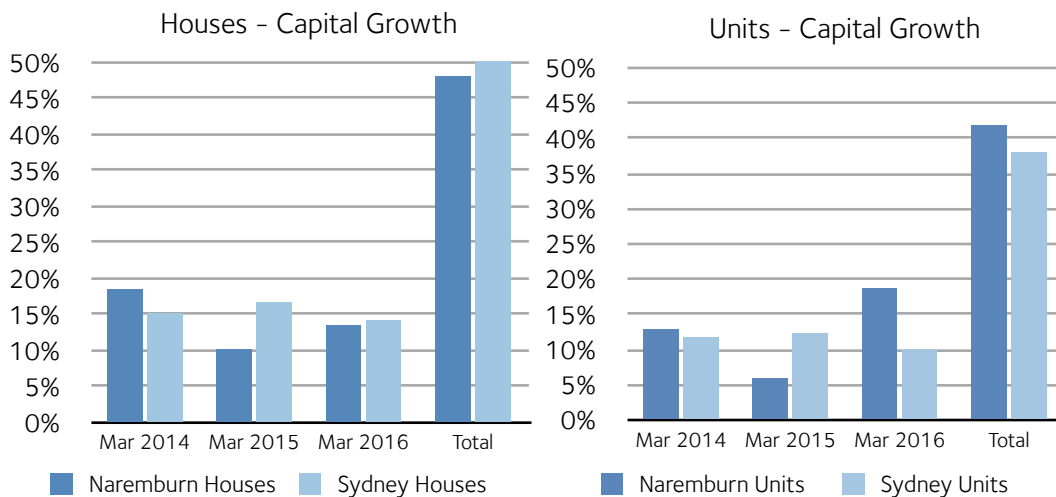
STEP 2:
View the top table to see the medium to long term capital growth of the suburb.

STEP 3:
View the graph to see how the suburb has performed against the wider Sydney region.

SUBURB GROWTH	HOUSES	UNITS
10 YEAR AVERAGE*	7.8%	6.6%
3 YEAR AVERAGE*	14.0%	12.3%
12 MONTHS**	13.5%	18.6%

Source: Ashton Rowe Investments and Residex - Suburb Report March 2016
*Annualised capital growth **Capital growth over the last 12 months

LEARNING: Previously, the only way to measure a suburb's capital growth was to compare the median sale price of properties sold in one period with the median sale price of properties sold in the next period. This however is plagued with problems. To explain, if in one quarter there were many property sales at the lower end of the market and in the next quarter, there were more sales at the high end, this would show a large increase in median price, but would not reflect actual capital growth. Therefore, median price best represents buying patterns.



Source: Ashton Rowe Investments and Residex Suburb Report March 2016
*Rolling 12 month periods to quarter end

The Naremburn residential market has underperformed the Sydney metropolitan market by an average of 1.3% each year over the last three years for houses and outperformed by 1.0% per year for units.

Capital Growth Calculation: In short, the calculation methodology takes "sale pairs" for every property that has at least two sales recorded. These individual property growth rates are then combined into a complete growth rate for the chosen suburb. The development of this methodology won an international actuarial award in 1992. More recently, a paper issued by the Reserve Bank of Australia (Australian House Prices: A Comparison of Hedonic and Repeat-sales Measures, James Hansen, 2006) confirmed this methodology to be superior to those based on simple movements in median price. For more visit www.ashtonrowe.com.au

Source: Ashton Rowe Investments and Residex



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