

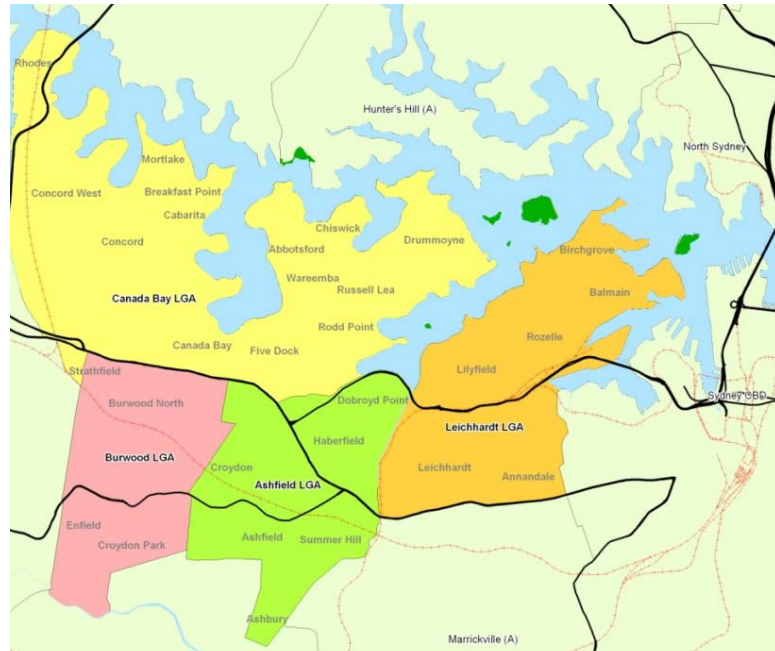
# PROPERTY watch®

November | 2008

## Sydney's Inner West

Demographic Snapshot	Ashfield LGA	Burwood LGA	Canada Bay LGA	Leichhardt LGA
Population 2007	41,833	32,860	70,619	51,855
Population 2006	41,309	32,276	68,883	51,127
Population growth rate 2006 to 2007	1.3%	1.8%	2.5%	1.4%
Proportion of people aged 65 years and over	15%	15%	14%	10%
Proportion of people aged 15 years and younger	15%	15%	16%	14%
Average age	37	36	37	36
Average weekly household income	\$1,101	\$1,071	\$1,510	\$1,733
Average weekly individual income	\$514	\$403	\$664	\$895
Average number of people per household	2.4	2.8	2.5	2.2

Source: ABS 2006 Census



### Scope

This report analyses Sydney's Inner West property market. Highlighting the characteristics, demographics as well as the performance of the house, unit and land markets within the region.

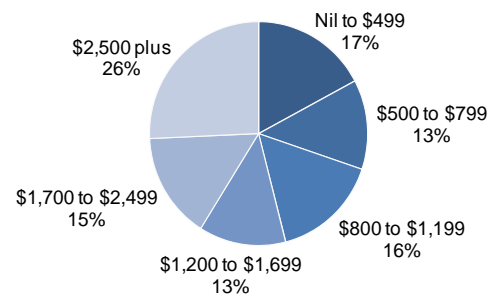
### Area Characteristics

Sydney's Inner West is located approximately 5 Kilometres or a short 5 minute drive west of Sydney's CBD. The region is made up of four Local Government Area's (LGA's) which include Leichhardt LGA, Ashfield LGA, Burwood LGA and Canada Bay LGA. The area is very accessible with many public transport options available for locals and tourists alike to travel to and from the Inner West region. These options include trains, buses, ferries and light rail. City Rail's Inner West Line, Northern Line and Bankstown Line all service the area while there are also various bus routes provided by Sydney Buses. Sydney Ferries also operates services to the region via the harbour and Parramatta river. There is also the Metro Light Rail which runs from Central to Lilyfield via Pyrmont and Glebe. The larger commercial areas within the Inner West are located at Newtown, Balmain, Leichhardt, Glebe, Marrickville, Burwood, Ashfield and Strathfield. One of the main attractions to the region for both residents and visitors is the many high quality, relaxing and world famous cafe's, pubs and restaurants with each suburb having it's own mix of speciality retail outlets. The Inner West region provides residents of the region with many parks, reserves and harbourside beaches.

### Demographics Snapshot

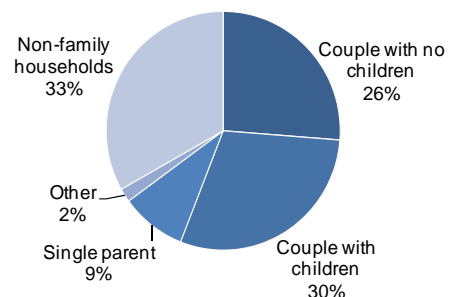
The population of Sydney's Inner West was 197,167 residents as of June 2007, a large increase of 1.85 per cent from the previous year where the population was 193,595 residents as of June 2006. The Canada Bay LGA achieved the highest population growth rate over this period where the population increased from 68,883 residents in June 2007 to 70,619 residents in June 2007, a growth of 2.5 per cent. This is very high as compared to the population growth rate for New South Wales as a whole for the same period was 1.1 per cent. The income distribution pie chart indicates that the Inner West quite an affluent area with 26 per cent of households in the region having a weekly income of \$2,500 or more, a further 29 per cent earn between \$800 and \$1,699 per week. The Inner West is a very family oriented community, with 65 per cent of households being classified as a family household. Of these, 30 per cent of households being classified as a 'nuclear family' or one made up of a 'couple with kids'.

### Income Distribution



### Household Type

Source: ABS 2006 Census



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### Inner West Land Market

Due to the Inner West being a well established region there is little opportunity to purchase vacant urban land for single residential development, due to the lack of supply. However, during the June 2008 half year 8 land sales transacted at a median price of \$477,500

### Inner West House Market

There are a range of housing types within the Inner West region, from older red brick homes to large harbourside mansions. Detached houses making up 45 per cent of total dwellings in the Inner West region. The house sales cycle shows the median house price and sales volumes within the region over the past 10 years. It shows that the major 'boom' in the area occurred between 2000 and 2003 where the median house price increased from \$445,000 in December 2000 to \$750,000 in December 2003, equating to a growth of 19 per cent per annum. During the past year the Inner West house market has seen growth in the median house price but also a large decrease in house sales transactions. The median price over the past year, 2007 to 2008, increased from \$741,000 in June 2007 to \$831,000 in June 2008 recording a growth of 12.1 per cent. The number of house sales that transacted during the June 2008 half year declined to 841 sales. The house price points graph indicates the price bracket within which house sales transacted during the June 2008 half year. It shows that the majority of houses sold for between \$600,000 and \$900,000 making up 45 per cent of house sales. Despite the doom and gloom that has been reported about the Sydney market 19 per cent of houses sold within the Inner West market during the June 2008 half year sold for more than \$1,200,000.

### Inner West Unit Market

Medium and high density residential developments have long been popular within the Inner West region with units making up 35 per cent and townhouses 19 per cent of total dwellings in the region. The unit sales cycle graph shows that the majority of unit price growth was achieved between 2000 and 2003. During this time the median unit price increased from \$304,500 in December 2000 to \$460,000 in December 2003, recording a growth of 14.7 per cent per annum. The December 2001 half year saw the most unit sales transactions where 1,873 units sold during the six months period. During the last year, 2007 to 2008, the median unit price has remained relatively steady moving only slightly from \$470,000 in June 2007 to \$474,500 in June 2008, a growth of 1 per cent. Much like to house market the Inner West unit market saw a drop in the number of units sales over the last year with 956 units being sold during the June 2008 half year. The unit price points graph indicates the price bracket within which unit sales transacted during the June 2008 half year. It shows that the majority, 46 per cent, of units sold for between \$300,000 and \$500,000 while the top end of the market saw 9 per cent of units sell for more than \$800,000 during the six month period.

### Inner West Land Market

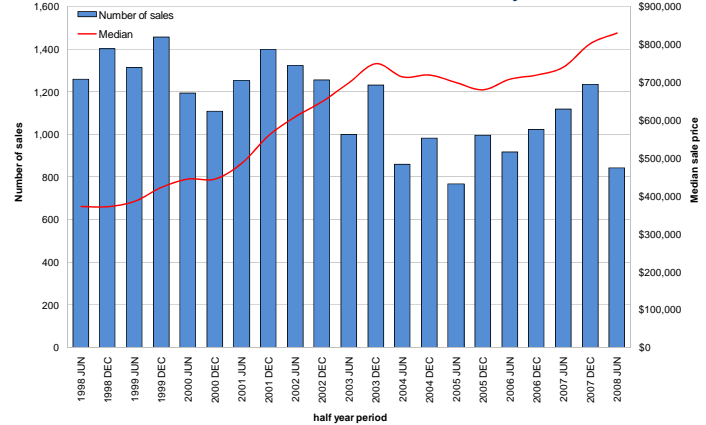
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### Inner West Rents – June 2008

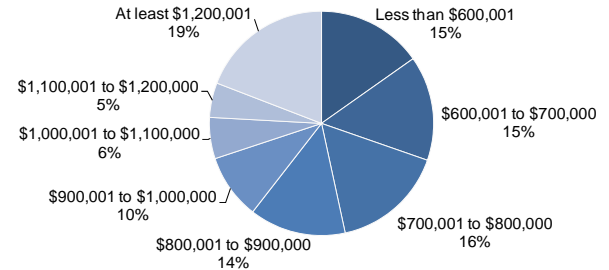
LGA	3 Bedroom House	2 Bedroom Unit
Ashfield LGA	\$540	\$350
Burwood LGA	\$450	\$380
Canada Bay LGA	\$500	\$485
Leichhardt LGA	\$650	\$530

Source: NSW Dept. Of Housing

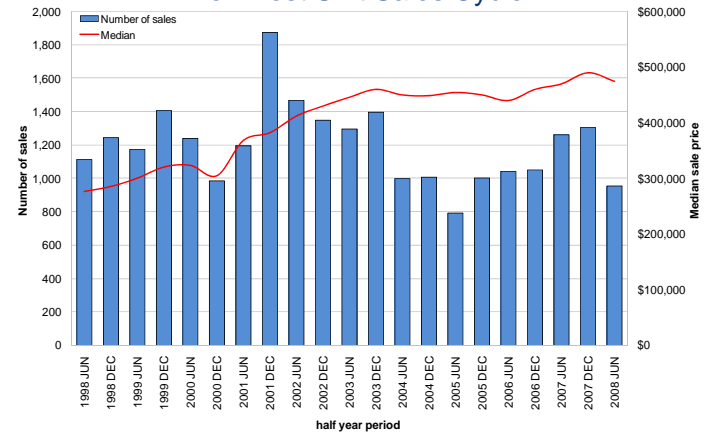
### Inner West House Sales Cycle



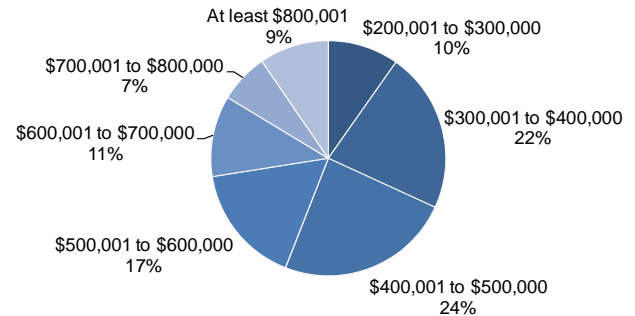
### House Price Points – June 2008



### Inner West Unit Sales Cycle



### Unit Price Points – June 2008



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