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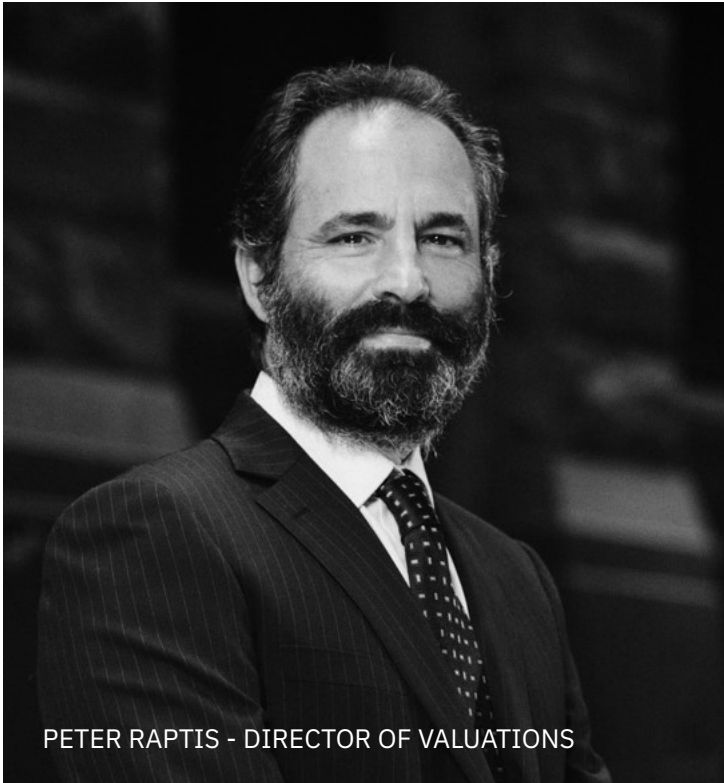
DECISION CERTAINTY

2019 Sydney Prestige Property Market Report

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Sydney Prestige Property Market

A.



PETER RAPTIS - DIRECTOR OF VALUATIONS

A long time ago when I was in high school, I spent 3 years studying French. I have no idea why, but I still remember the expression *comme ci, comme ça*. It translates to, 'like this, like that' and means "so so" i.e. not really good and not really bad.

That's how I would summarise the Sydney luxury property market in 2019.

Peter is Acumentis' Director for New South Wales Prestige.

A Fellow of the Australian Property Institute, he has over 30 years of valuation experience.

The market never really did anything overly spectacular nor did it retract in any significant way.

Some of the transactions were record prices for a suburb whilst others were way off any record.

There were some interesting resales.

A property at Burran Avenue, Mosman sold for \$20,000,000 after selling the previous year for \$23,733,800, a drop of 15.7%. A vacant waterfront allotment at Wolseley Road, Point Piper sold for \$22,000,000 and previously sold for \$22,500,000 only a year earlier. However, at Birchgrove a property sold for \$14,250,000 in early 2019 after having previously traded for \$11,750,000 in 2017.

In this report you will find the top 25 House Sales for 2019, a 2018-2019 comparison, top 25 House Prices as of January 1 2020, and the luxury apartment market and my conclusions.

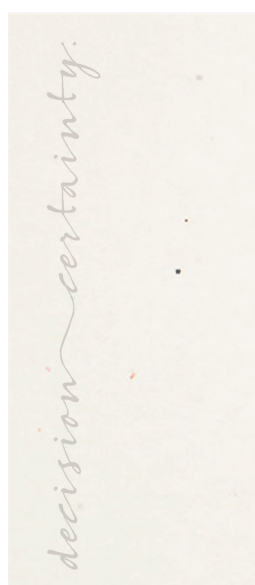
Top 25 House Sales for Sydney in 2019

Below are the Top 25 House sales for 2019. The record price for 2019 is a long way off the 2018 record of \$100,000,000. The Top 25 is made up of 18 from the Eastern Suburbs, 4 from the Lower North Shore and 3 from the Northern Beaches.

Rank	Street Address	Suburb	Sale Price	Sale Date
1	Wolseley Road	Point Piper	\$40,000,000	Sep-19
2	Fisher Avenue	Vaucluse	\$36,500,000	Sep-19
3	Wylde Street	Potts Point	\$34,000,000	Oct-19
*4	The Crescent	Vaucluse	\$32,500,000	Nov-19
5	Tivoli Avenue	Rose Bay	\$23,560,000	Feb-19
6	Tivoli Avenue	Rose Bay	\$22,600,000	May-19
7	Wolseley Road	Point Piper	\$22,000,000	Nov-19
*8	Wunulla Road	Point Piper	\$21,800,000	Jun-19
9	Barrenjoey Road	Palm Beach	\$20,500,000	Jun-19
10	Burrans Avenue	Mosman	\$20,000,000	Oct-19
*11	Shellbank Parade	Cremorne	\$19,000,000	Dec-19
*12	Greenoaks Avenue	Darling Point	\$18,000,000	Oct-19
*13	Eastbourne Road	Darling Point	\$18,000,000	Oct-19
14	Collins Avenue	Rose Bay	\$18,000,000	Sep-19
15	Bower Street	Manly	\$17,500,000	Sep-19
16	Cranbrook Lane	Bellevue Hill	\$17,250,000	Jun-19
18	Waiwera Street	Lavender Bay	\$16,988,000	Jul-19
17	Tipper Avenue	Bronte	\$16,800,000	Jun-19
19	Pacific Street	Watsons Bay	\$16,800,000	Jun-19
*20	Walaroi Crescent	Tamarama	\$16,500,000	Nov-19
21	Bradleys Head Road	Mosman	\$15,875,000	Oct-19
22	Drumalbyn Road	Bellevue Hill	\$15,750,000	Jun-19
23	Tivoli Avenue	Rose Bay	\$15,500,000	Mar-19
24	Stuart Street	Manly	\$15,250,000	May-19
25	The Crescent	Vaucluse	\$15,100,000	Apr-19

* Subject to settlement. Unconfirmed sale.

Source: Corelogic, Property Observer, Domain



2018 / 2019 Comparison

Below is a comparison of 2019 against 2018. 2018 reflected a wide price range of \$18,000,000 - \$100,000,000 whilst 2019 had a much tighter range of \$15,100,000 - \$40,000,000. Also interesting was the shift in the Median House Price from \$21,000,000 down to \$18,000,000 for the Top 25.

TOP 25 HOUSE SALES 2019			TOP 25 HOUSE SALES 2018		
Rank	Suburb	Sale Price	Sale Price	Suburb	Rank
1	Point Piper	\$40,000,000	\$100,000,000	Point Piper	1
2	Vaucluse	\$36,500,000	\$58,000,000	Bellevue Hill	2
3	Potts Point	\$34,000,000	\$44,000,000	Rose Bay	*3
*4	Vaucluse	\$32,500,000	\$38,800,000	Vaucluse	4
5	Rose Bay	\$23,560,000	\$31,000,000	Vaucluse	5
6	Rose Bay	\$22,600,000	\$30,500,000	Bellevue Hill	6
7	Point Piper	\$22,000,000	\$30,000,000	Rose Bay	7
*8	Point Piper	\$21,800,000	\$29,500,000	Vaucluse	8
9	Palm Beach	\$20,500,000	\$28,520,000	Vaucluse	9
10	Mosman	\$20,000,000	\$25,000,000	Mosman	10
*11	Cremorne	\$19,000,000	\$23,733,800	Mosman	11
*12	Darling Point	\$18,000,000	\$21,250,000	Bellevue Hill	12
*13	Darling Point	\$18,000,000	\$21,000,000	Vaucluse	13
14	Rose Bay	\$18,000,000	\$20,320,000	Bellevue Hill	14
15	Manly	\$17,500,000	\$20,000,000	Vaucluse	15
16	Bellevue Hill	\$17,250,000	\$20,000,000	Bellevue Hill	16
17	Lavender Bay	\$16,988,000	\$19,600,000	Vaucluse	17
18	Bronte	\$16,800,000	\$19,525,000	Vaucluse	18
19	Watsons Bay	\$16,800,000	\$19,250,000	Point Piper	19
*20	Tamarama	\$16,500,000	\$18,800,000	Cremorne	20
21	Mosman	\$15,875,000	\$18,600,000	Bellevue Hill	21
22	Bellevue Hill	\$15,750,000	\$18,500,000	Mosman	22
23	Rose Bay	\$15,500,000	\$18,300,000	Double Bay	23
24	Manly	\$15,250,000	\$18,000,000	Palm Beach	24
25	Vaucluse	\$15,100,000	\$18,000,000	Cremorne	25
Total Price		\$525,773,000	\$710,198,800		
Median Price		\$18,000,000	\$21,000,000		

* Subject to settlement.
Unconfirmed sale.

Prices in Gold are Suburb Record
Prices

Source: Corelogic, Property
Observer, Domain



A number of suburbs enjoyed new record house prices during 2019. Some of these include:

Potts Point	\$34,000,000
Manly	\$17,500,000
Lavender Bay	\$16,988,000
Bronte	\$16,800,000
Tamarama	\$16,500,000
Birchgrove	\$14,250,000
Gordon	\$14,000,000
Abbotsford	\$10,000,000



Top 25 House Prices Sydney

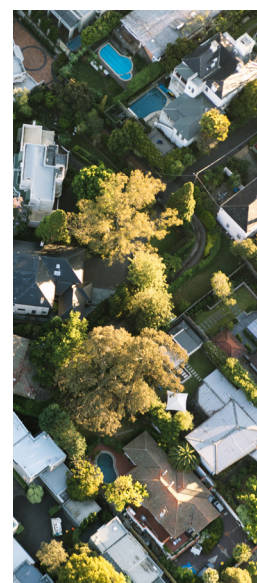
In 2019 only 3 new sales cracked the Top 25 highest house sales in Sydney. The top 13 places remained unchanged from the previous year. Of the Top 25 sales, Point Piper leads the way 13 (52%), followed by Vaucluse with 8 (32%) and 1 (4%) each at Rose Bay, Bellevue Hill, Double Bay and Potts Point.

Top 25 House Prices for Sydney as at 1 January 2020				
Rank	Street Address	Suburb	Sale Price	Sale Date
1	560 New South Head Road	Point Piper	\$100,000,000	26-Sep-18
2	550-550A New South Head Road	Point Piper	\$71,000,000	28-Apr-17
*3	40 Wentworth Road	Vaucluse	\$70,000,000	1-Jun-15
4	40 The Crescent	Vaucluse	\$65,250,000	15-Dec-17
5	54-46 Wunulla Road	Point Piper	\$61,800,000	16-Nov-16
6	3 Wingadal Place	Point Piper	\$60,660,000	22-Nov-16
7	13-13A Coolong Road	Vaucluse	\$60,000,000	19-Apr-16
8	2 Ginahgulla Road	Bellevue Hill	\$58,000,000	27-Aug-18
9	54-46 Wunulla Road	Point Piper	\$52,000,000	28-Mar-13
10	6-8 Queens Avenue	Vaucluse	\$52,000,000	30-Dec-15
11	6-8 Carrara Road	Vaucluse	\$47,800,000	23-Sep-16
*12	19 Bayview Hill Road	Rose Bay	\$45,000,000	4-Apr-18
13	98-100 Wolseley Road	Point Piper	\$44,000,000	23-Dec-10
*14	50 Wolseley Road	Point Piper	\$40,000,000	1-Sep-19
15	1 Wentworth Place	Point Piper	\$39,900,000	20-May-15
16	16 Longworth Avenue	Point Piper	\$39,000,000	8-Dec-17
17	63-67 Wolseley Road	Point Piper	\$39,000,000	8-May-15
18	9 Coolong Road	Vaucluse	\$38,800,000	23-Nov-18
19	11A Gladswood Gardens	Double Bay	\$38,000,000	8-Apr-15
20	112 Wolseley Road	Point Piper	\$37,000,000	10-Jun-14
21	2 Fisher Avenue	Vaucluse	\$36,500,000	20-Sep-19
22	110 Wolseley Road	Point Piper	\$36,000,000	13-Oct-17
23	9 Coolong Road	Vaucluse	\$36,000,000	20-Dec-15
24	1 Wylde Street	Potts Point	\$34,000,000	14-Oct-19
25	110 Wolseley Road	Point Piper	\$33,000,000	13-Oct-17

* Subject to settlement. Unconfirmed sale.

Prices in Gold are 2019 Sales

Source: Corelogic, Property Observer, Domain



Local Government Area Breakdown

LGA Analysis: 2019 Highest Price V LGA Record Price				
LGA	2019 Highest Price	Suburb	LGA Record Price	Suburb
Woollahra	\$40,000,000	Point Piper	\$100,000,000	Point Piper
Sydney	\$34,000,000	Potts Point	\$34,000,000	Potts Point
Northern Beaches	\$20,500,000	Palm Beach	\$22,000,000	Palm Beach
Mosman	\$20,000,000	Mosman	\$25,000,000	Mosman
North Sydney	\$19,000,000	Cremorne	\$19,000,000	Cremorne
Waverley	\$16,800,000	Bronte	\$16,800,000	Bronte
Willoughby	\$14,300,000	Northbridge	\$21,000,000	Northbridge
Inner West	\$14,250,000	Birchgrove	\$14,250,000	Birchgrove
Ku RingGai	\$14,000,000	Gordon	\$14,000,000	Gordon
Hunters Hill	\$13,000,000	Woolwich	\$21,180,000	Woolwich
Canada Bay	\$10,000,000	Abbotsford	\$12,200,000	Drummoyne
Lane Cove	\$9,750,000	Longueville	\$11,880,000	Longueville
Sutherland	\$8,000,000	Burraneer	\$10,860,000	Kangaroo Point
Strathfield	\$7,100,000	Strathfield	\$8,800,000	Strathfield
Randwick	\$6,900,000	Clovelly	\$10,500,000	Maroubra

Prices in Gold are record prices.

Source: Corelogic, Domain

The Table above is an overview of the Local Government Areas (LGA's) that predominate the luxury house market across Sydney. Of the 15 LGA's, only 5 recorded a record price in 2019, those are highlighted in gold.



Luxury Apartment Market

Whilst the House market didn't set too many records, the Apartment market was something else.

In November 2019 Lendlease announced the sale of a \$140M luxury apartment at their One Sydney Harbour Development at Barangaroo.

The reported off the plan sale will span the top three levels of the tallest of One Sydney Harbour's three residential towers.

The 2-level penthouse apartment has been designed as a single residence, allowing the additional 3rd level – which forms part of the overall apartment – to be utilised as a separate residence.

The total accommodation will comprise 9 bedrooms, with more than 1,600m² living space and with 8-metre-high ceilings. In addition, it will feature a private roof-top pool, spa and gymnasium.

Lendlease confirmed the purchaser is a local buyer.

Lendlease further confirmed they have sold seven whole floor apartments, highlighting the depth of demand for luxury apartments.

In stark contrast the apartment above the ANZ office building in Pitt Street, Sydney still remains unsold with an asking price of \$66M.

The luxury apartment of about 2,400m² has been on the market since early 2018. By comparison to the above noted Barangaroo sale, it appears very good value; so, what's the problem? One reason is that it doesn't qualify as a new apartment and therefore foreign buyers are pretty much excluded.

That said, properties in such an extreme price bracket often require extended selling periods. These are not properties sold after a 4-5-week auction campaign. They require the right buyer to be finally sourced; often it's a waiting game.



Luxury Apartment Market

Over at Potts Point, a sale of a penthouse apartment in the Omnia building sold for \$13,720,000 which cracked the \$50,000/m² rate. Mosman, on Sydney's Lower North Shore also reflected two strong sales of luxury apartments. A suburb record price of \$11,100,000 at The Grove surpassed 2018's record of \$10,200,000. Another sale in Mosman of \$9,200,000 surpassed its previous sale price in 2014 by nearly 40%.

Interestingly, these prices compete with high quality houses in Mosman; illustrating the demand by local downsizers for luxury apartments.



decision certainty.

Conclusion



‘The luxury property market in Sydney remains stable to strong with good demand still abundant.’

The luxury property market in recent times has seen a lot of new wealth from the sale of business enterprises, sale of newly created development sites and developments that boomed between the years 2013 – 2017.

Usually the borrowing levels, if any, at the high end tend to be very low. Therefore, changes to economic conditions or interest rate movements generally have a negligible impact on

this market. Whilst there will be examples of some businessperson having gone into receivership and shutting down their retail chain, such examples are in the minority.

So, for now, the luxury property market in Sydney remains stable to strong with good demand still abundant. Only significant unforeseen circumstances or a seismic change in the economy would alter the status quo.

For more information on Prestige Property, visit acumentis.com.au

For more information relating to Sydney’s Prestige Property market, please contact:

Peter Raptis - Director of Valuations

Ph: 0407 217 033

Email: peter.raptis@acumentis.com.au

Peter is available on request for commentary, guest speaking, and attendance at seminars.