



URBIS

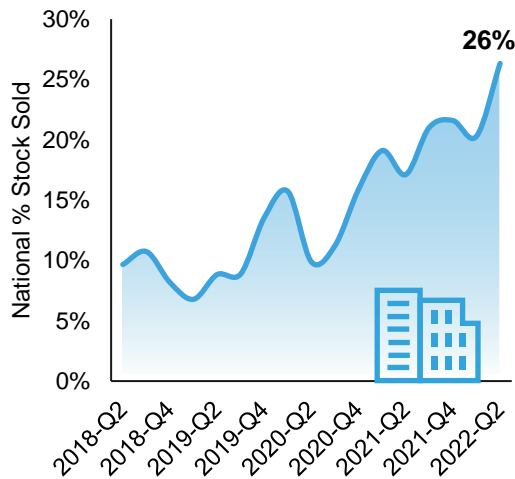
**APARTMENT
ESSENTIALS
NATIONAL
SNAPSHOT
SECOND QUARTER 2022**

**SYDNEY
MELBOURNE
BRISBANE
PERTH
GOLD COAST**

Urbis apartment essentials is a quarterly report that measures and examines off-the-plan apartment sales, supply and rents across our cities.

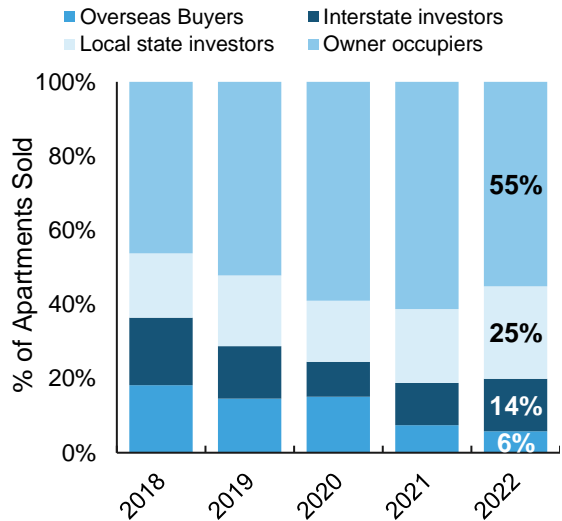
NATIONAL APARTMENT MARKET INSIGHTS

Clearance Rate of Available Stock



Supply and demand factors have been pushing the clearance rate higher over the past year. Encouraging signs for the market as we come out from under the Covid cloud. This will be important to monitor as we progress to manage inflationary and interest rate pressures.

Buyer Profile



Buyer profile trends across Australia highlight the declining share of sales to foreign purchasers, primarily a result of disincentives for these purchasers. It will be interesting to see how the Owner Occupier market fairs as monetary policy tightens.

Sales as % of Available Stock

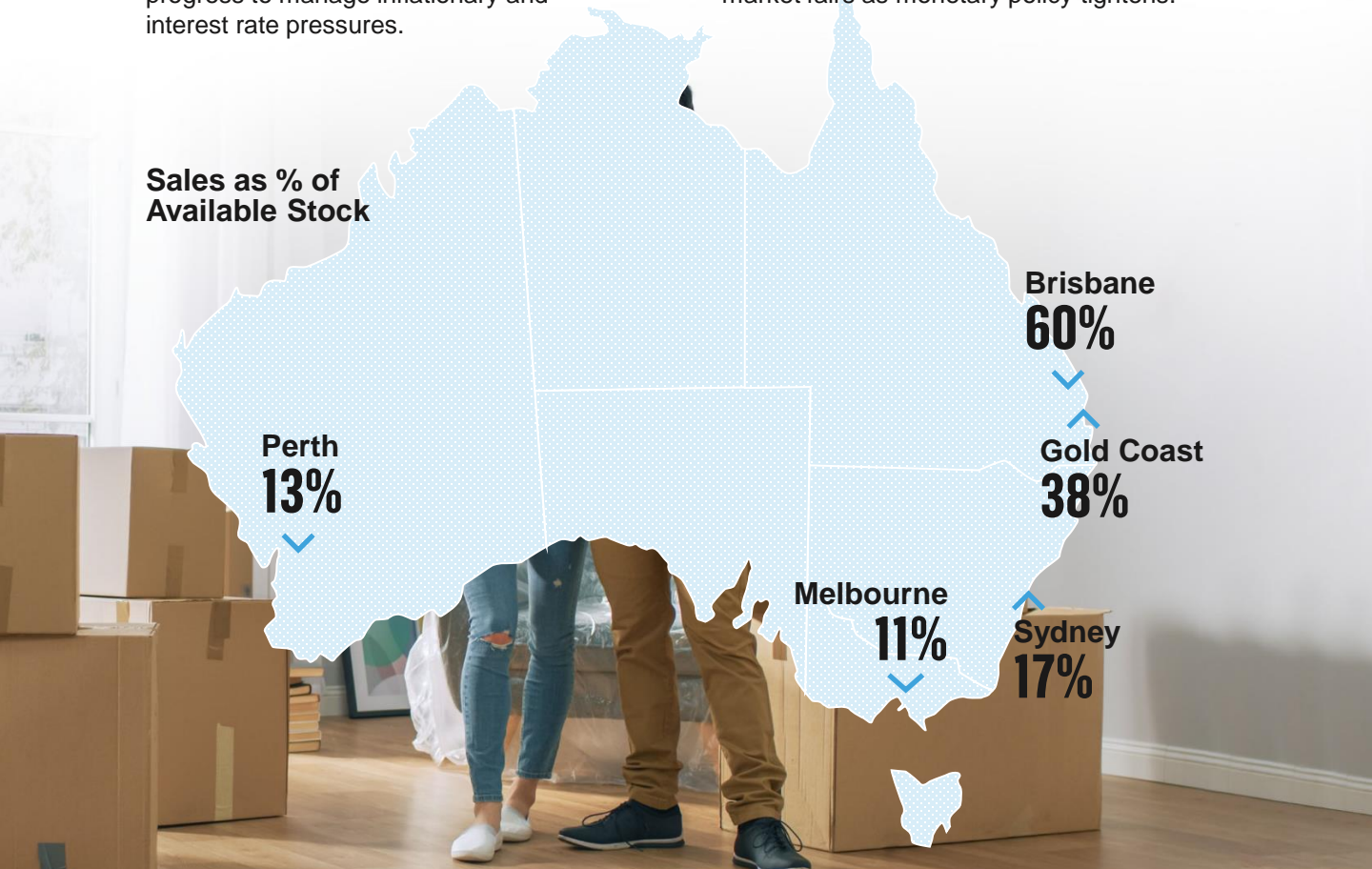
Perth
13%

Brisbane
60%

Gold Coast
38%

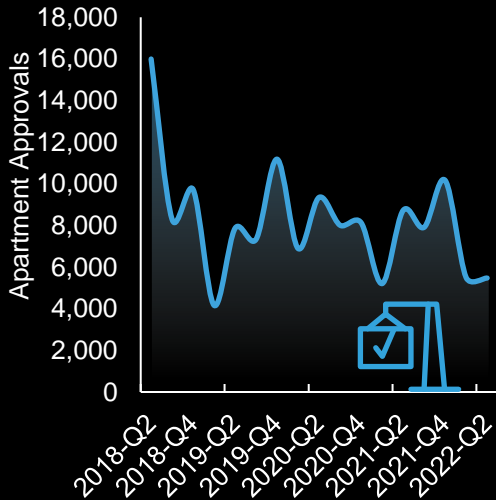
Melbourne
11%

Sydney
17%



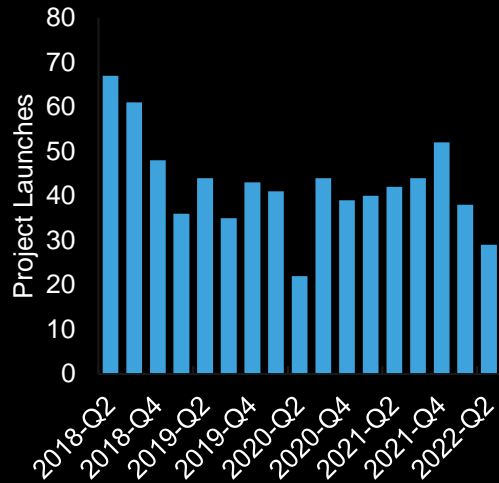
NATIONAL APARTMENT MARKET INSIGHTS

Apartment Approvals



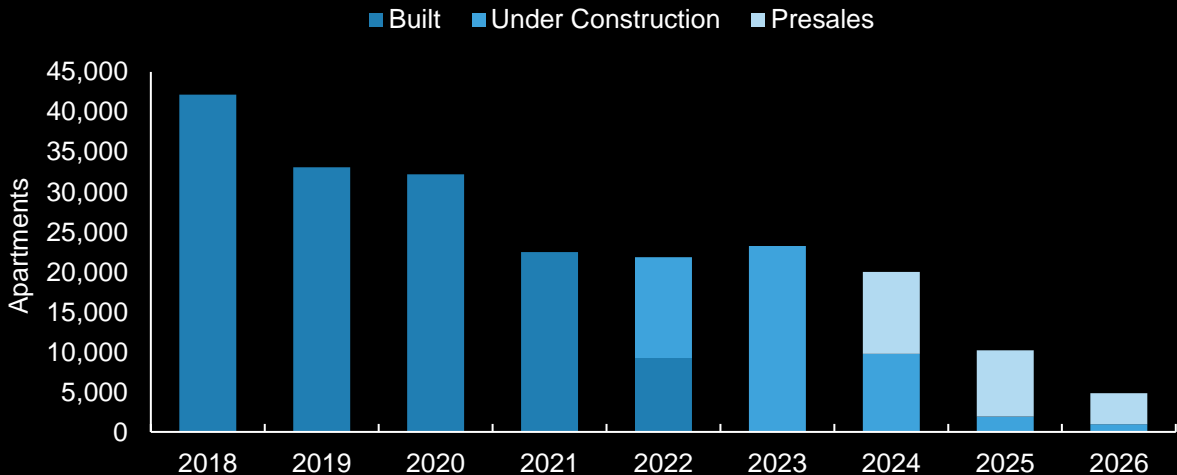
Rising construction costs and market uncertainty have held developer activity back and therefore the volume of approvals. Q1 & Q2 combined make up the lowest level of approvals over the previous four years.

Project Launches



Recovery out of Covid-19 saw project launches peak at 52 in Q4 2021. Inflationary pressures and contractionary monetary policy are holding back this recovery with launches lower in 2022.

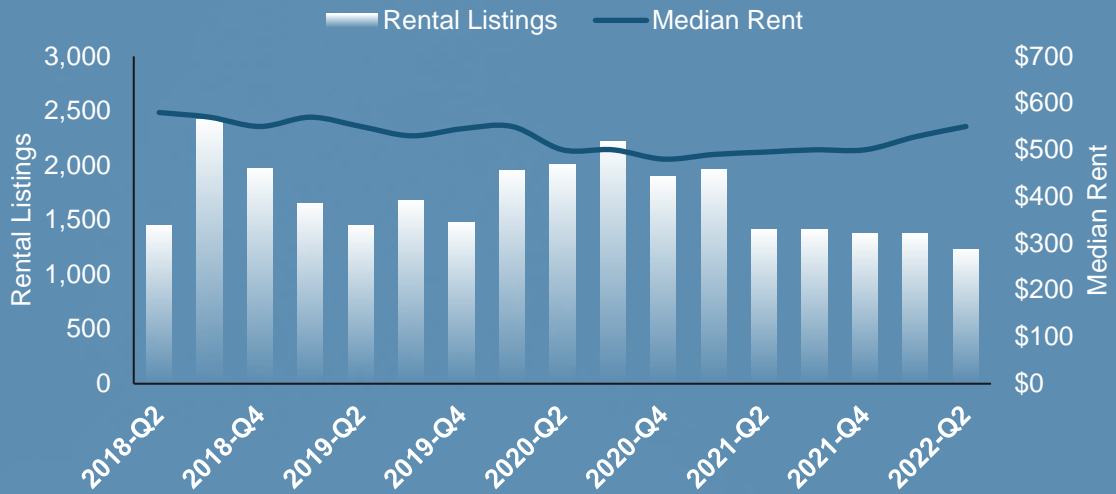
Future Apartment Pipeline (Active Projects)



The economic impacts reflected in projects at earlier stages in the development lifecycle are flowing through to lower anticipated total completions in the next few years. The market is anticipated to be in considerable need of more apartments in 2024 / 25 / 26.

NATIONAL APARTMENT MARKET INSIGHTS

Rents In New Builds

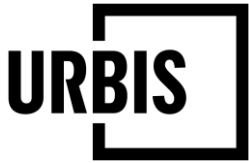


New buildings experienced a considerable drop in rents in some markets, while others were relatively unscathed over the Covid period. This is reflected in the national statistics that show an impact, which has all but recovered as at Q2 2022. This increase in rents aligns with the volume of activity in the market, which as a marker of vacancy shows that the market is relatively tight compared with historic volumes.

Build-to-Rent Pipeline



Build-to-Rent (BTR) in Australia has reached a turning point, one which will see at the number of constructed units double each year to 2025. Victoria is expected to develop almost two-thirds of the national stock within the next decade. That said, BTR stock comprises around 11% of the total apartment stock being delivered to the market in 2022.



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OUR SERVICES – PROPERTY ECONOMICS



Primary research

Understanding what customers are thinking and the push buttons to maximise their interests



Market assessment

Determining the best product and price mix



Expert Witness

Identifying and mitigating potential impacts



Urban strategy

Understanding the economic factors to support the best planning outcomes



Data analytics

Knowing the current state of the market and industry benchmarks



Network & location strategy

Identifying growth hotspots and location opportunities



Economic impact assessment

Evidence based research into size rezoning



Highest & best use assessment

Determining the best land use mix for your site