

# Market Report

sanders.



End Year 2024

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#### Statistics

Vacancy rates from realestateinvestar.com.au  
 Rental yield & days from yourinvestmentpropertymag.com.au  
 Days on market from yourinvestmentpropertymag.com.au & internal sources  
 Average rents & median prices from realestate.com.au



# Will 2025 be a tale of two halves?

If you have been reading real estate news over the past six months, it wouldn't be surprising if you were left feeling more confused than before you started. Neither banks, economists, research agencies, nor industry experts can agree on what the market has in store for the year ahead. Read one article, and you will be excited that prices are expected to increase across Sydney by 3-5%; however, read another stating that they may fall by up to 5%, and you'll likely feel the opposite. If you are considering buying or selling in 2025, the opposing viewpoints do little to help you make an informed decision.

Whilst no one can predict exactly what will happen, here is our take on how 2025 will unfold and key events that will likely affect property prices in the Sutherland Shire. Rather than predict the precise timing of when things will happen, it is safer and more accurate to outline what we know will likely unfold.

By simply looking at the RBA's stance on interest rates and the level of inflation within the economy, we can see that the current economic uncertainty will likely remain to some degree throughout the year. It is also likely that, at some point, interest rates will more than likely come down; the banks, economists and most experts seem to agree that more than one rate cut will occur; they can't agree on when. We also know that there will be a federal election sometime between February and June and that housing policies around the increasing cost of living may influence the overall performance of the Sydney property market.

## Interest rate cuts

There is no denying that affordability is still an issue, with property price-to-income ratios at all-time highs. When the rate cuts arrive, we know they won't return to the previous low of (0.10%), which also means that any upswing in prices will be more constrained than we saw between 2020 and 2023.

However, we anticipate that the cuts will create additional buyer confidence, which will see modest price growth coming through the market, notably in the middle to lower price brackets, as lending capacities increase, encouraging buyers to spend more once again.

## Politics and property

The upcoming federal election will likely highlight the deepening relationship between property and politics, with changes to housing policies impacting everyone from owners to renters, investors, and new buyers. In November, the government passed the Help to Buy Scheme, providing buyers with an 'equity contribution' of up to 40% of the cost of a new home or 30% of an existing property. This is in addition to the 10 billion dollar Housing Australia Future Fund designed to provide funding to build 30,000 affordable homes within the first five years.

The coalition government has a similar view on housing, with plans to invest funds into infrastructure for housing development sites, limiting migration and allowing first-time home buyers to access up to 40% of their super to put toward a property. The Super Home Buyer Scheme requires the amount borrowed to be returned to super when the home is sold.

Whilst these policies aim to alleviate immediate housing concerns, the long-term effects on the housing market and the broader economy will require close monitoring and potentially further adjustments to maintain a balanced approach.

**‘Following on from 2024, we expect the Sutherland Shire market to show plenty of activity from buyers & sellers with a more consistent trajectory rather than the peaks and troughs usually associated with the different times of the year. We expect year-round activity with natural fluctuations around significant events such as the first interest rate cut.’**

**- Greg Calderwood**



## Other trends expected to underpin the 2025 market

### Multi-generational money

Record high property prices and living costs have created a barrier to entry for many aspiring home buyers. Whilst it isn't uncommon for parents to help their children buy their first home, it is expected that property will become more of a family affair in 2025 with increased financial gifts or loans from parents, grandparents and extended family members. The influx in the transfer of intergenerational wealth will likely impact the lower price brackets and is one of the underlying aspects that will fuel the price growth of apartments and townhouses, which look set to outpace houses over the coming twelve months.

### Return of investors

We anticipate that investors, mainly "mum and dad" investors, will re-emerge in line with the expected interest rate reductions to expand existing investment portfolios further or make a first step into the market. Coupled with high rental prices, low vacancy rates and the potential for long-term capital growth, 2025 could be the year of the investor.

### Apartments to outperform houses

In 2024, apartments in The Shire experienced an average capital gain of 5.46% versus 3.78% for houses. This year, we expect this trend to continue, with apartments again outperforming houses. Rising house prices and interest rates have meant many buyers are unable to enter the market, which in turn has seen a percentage change their approach and opt for townhouses or apartments for affordability. Others may look to relocate to more price-friendly suburbs, which will likely drive up prices in those areas. It is forecast that over 2025, the median apartment price could rise by as much as 6%.

### Fluctuating stock levels

Lower-than-average stock levels have been a primary driver behind price rises across the Sutherland Shire. Whilst we did see an increase in the number of properties for sale over 2024, with levels peaking during Spring, we have since seen a drop back to historic lows over the Christmas and New Year break.

We expect this to rebound quickly with a return to previous levels over the first quarter. What happens after that will largely depend on the Federal election and any reductions in interest rates, which may bring some sellers sitting on the sidelines back to the market as they look to upgrade, downsize, or relocate.

## The year ahead

2025 is shaping to be another interesting year in real estate, with the aforementioned trends set to create change. Following on from 2024, we expect the Sutherland Shire market to show plenty of activity from buyers and sellers with a more consistent trajectory rather than the peaks and troughs usually associated with the different times of the year. This will be off the back of more buyers and sellers returning to the market with improved financial positioning. We expect year-round activity with natural fluctuations around significant events such as the first interest rate cut.

If you are considering buying, selling, or investing, it is important to receive individual advice based on your circumstances. Reach out to one of our team to chat in more detail.





# BUY SELL

Find out the latest when it comes to buying and selling. From market trends and statistics to auction results and more.

# ING/ LING



# The rise of multigenerational living

Both locally and across Greater Sydney, there has been a notable shift in the housing landscape with a rise in multigenerational living. This trend reflects broader societal changes, economic pressures, and a shift favouring familial bonds and collective living arrangements. Multigenerational living offers both practical and emotional benefits but is not without its challenges. As Sydney continues to evolve and grow, the move toward multigenerational homes may represent a sustainable and supportive solution for families navigating the complexities of modern life.

Many homeowners are looking to future-proof their investments by adapting their existing homes to support multigenerational living, increasing the property's appeal whilst attracting a new buyer segment. Below are key features to consider if you want to adapt your home to support collective living across generations.

## Designing a multigenerational home: Key features to consider

There are some crucial considerations when adapting a home to cater for multigenerational living, both for comfort and function.

### Separate living spaces

Creating distinct and separate living areas for different generations allows privacy and independence. Depending on the property's layout, this could include separate entrances or house wings, allowing each family unit to have its own space. If less space is available, adding a kitchenette and bathroom to an existing larger space, such as a rumpus room, can provide autonomy while keeping families under one roof.



**‘A flexible layout can adapt to the changing needs of the families over time. Versatile spaces will also appeal to a broader range of buyers, potentially increasing buyer competition if or when you choose to sell.’**

### Flexible floorplans

A flexible layout can adapt to the changing needs of the families over time. Multi-purpose spaces, such as a home office that can transform into an extra bedroom or living space, can accommodate different lifestyles and the addition of new family members. Versatile spaces will also appeal to a broader range of buyers, potentially increasing buyer competition if or when you choose to sell.

### Communal living areas

Spacious communal living areas where families can come together for meals, gatherings, and relaxation can be another way to expand the capacity of the home. An open-plan kitchen and living area or outdoor entertaining space encourages interaction and bonding, whilst large dining areas can allow for family dinners and special occasions.

### Quality soundproofing

Soundproofing materials can be an invaluable addition to maintaining harmony under one roof. Insulated walls and soundproof doors can minimise noise transfer between different living and bedroom areas, allowing each generation to enjoy privacy without being disturbed.



### Efficient storage solutions

With multiple generations living together, the need for effective storage solutions has become even more paramount. Built-in cabinets, multi-purpose furniture, and designated storage areas can help organise belongings and reduce clutter throughout the home.

### Smart home features

Integrating smart home technology can enhance convenience and security for all generations. Features such as smart and zoned thermostats (heating and cooling), lighting and security systems that can be controlled remotely can make it easier for family members to manage the home according to their preferences. These types of 'lifestyle features' are another great way to add value to your home for resale.

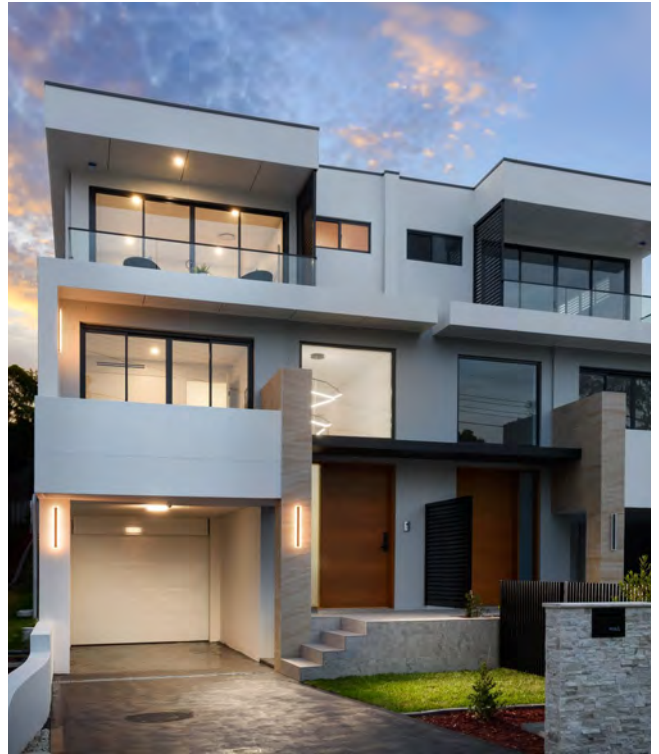
### Eco-friendly design

With sustainability & environmental impact becoming more important, opting for sustainable building materials and energy-efficient appliances can add value and reduce the home's carbon footprint. Not only are they beneficial for the environment, but they also help reduce utility costs. Solar panels, energy-efficient windows and coverings and green roofing can all contribute to a healthier living environment for the whole family.

### Turn one property into two

Adding a granny flat to your property, or opting to knock down and rebuild a duplex can significantly enhance the value of your investment whilst also maximising land use. A granny flat provides a self-contained, flexible living arrangement perfect for accommodating multigenerational living and/or guests with the added benefit of generating rental income if you no longer need the space for family purposes.

Knocking down an existing property to build a duplex allows for two distinct properties and living spaces, making it an excellent option for separate multigenerational living whilst allowing families to pool funds together to live in an area they prefer. It also adds significant resale value down the track with two individual properties. Both options contribute to the functionality and value of the property and land. When turning one property into two, ensuring developments are sustainably built and energy-efficient will further benefit the environment and the property's value.



▲  
**Turning one property into two can be a smart way to significantly enhance the value of your investment whilst maximising lands use and getting all the benefits of multigenerational living.**

### Takeaway

Designing and transforming a home to cater for multigenerational living requires thoughtful consideration of the diverse needs of all family members. Whilst this trend is not without its challenges due to different lifestyles, parenting styles, personalities or privacy concerns, focusing on flexible design that caters for separate and communal living areas can successfully create a harmonious environment that accommodates and benefits all generations, whilst also adding features that a wide range of buyers will value.





# Sutherland Shire property by price point

## Under \$500,000

Entry level one bedroom apartments and over 55's living.



### Jannali

**2/2 Oxley Avenue**

1 bed | 1 bath

\$440,000

### Caringbah

**13/2-6 Jacaranda Road**

1 bed | 1 bath

\$462,000

## \$500,000 - \$1,000,000

One or two bedroom units through to two & three bedroom townhouse/villas; suburb dependant.



### Kirrawee

**41/131-139 Oak Road**

2 bed | 1 bath | 1 car

\$755,000

### Miranda

**3/204 The Boulevarde**

2 bed | 1 bath | 1 car

\$940,000

## \$1,000,000 - \$1,500,000

Two or three bedroom townhouse/villas close to public transport through to entry level three bedroom homes.



### Como

**99 Woronora Crescent**

3 bed | 2 bath | 2 car

\$1,500,000

### Sutherland

**141B Jannali Avenue**

4 bed | 3 bath | 1 car

\$1,432,000



## \$1,500,000 - \$2,000,000

Three, four and five bedroom family homes and larger townhouses/villas/ duplexes.



### Jannali

**9A Wybalena Place**

4 bed | 3 bath | 1 car

\$1,655,000



### Kareela

**36 Christina Place**

5 bed | 3 bath | 2 car

\$1,910,000

## \$2,000,000 - \$3,500,000

Large freestanding homes, homes with water views and entry level waterfront properties.



### Oyster Bay

**36 Carina Road**

4 bed | 2 bath | 2 car

\$2,420,000



### Como

**105 Woronora Crescent**

4 bed | 3 bath | 2 car

\$2,010,000

## \$3,500,000+

Prestige houses, waterfront properties and new three bedroom units in Cronulla.



### Cronulla

**22 Robinson Street**

5 bed | 3 bath | 2 car

\$3,510,000



### Sylvania Waters

**14 Hawkesbury Esplanade**

5 bed | 5 bath | 2 car

\$3,780,000

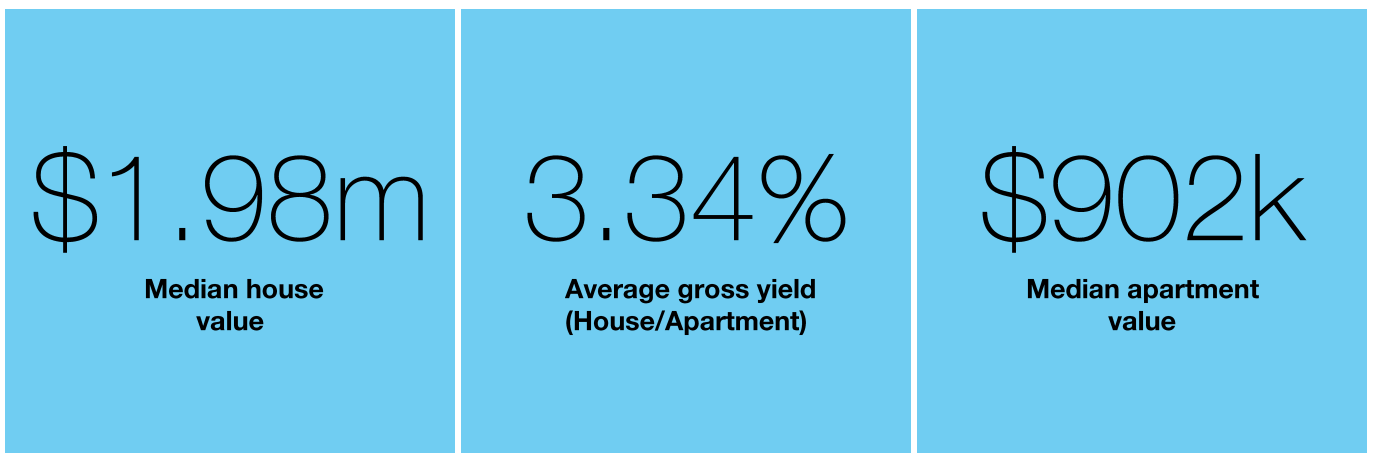
#### Important information

The listed properties are examples of the type of property available for purchase across different price brackets. Sanders Property Agents, its directors, employees and agents were not associated with all of the sales listed.



# Market statistics

## Days on market & average prices



# Auction results

## Sanders Statistics

67%

Clearance rate

5.38

Average number of registered bidders

17

Average number of bids

2%

Average above reserve

60%

Clearance rate

4.7

Average number of registered bidders

14.6

Average number of bids

1.8%

Average above reserve

## Sydney South Statistics



## Price growth by suburb

### Houses

Suburb	Median price	Qtr. change %
Alfords Point	\$1,875,000	-2.39%
Bangor	\$1,605,000	2.23%
Barden Ridge	\$1,720,000	1.18%
Bonnet Bay	\$1,690,000	5.63%
Bundeena	\$1,350,000	0.00%
Burraneer	\$3,275,000	5.14%
Caringbah	\$1,757,500	-1.54%
Caringbah South	\$2,250,000	0.00%
Como	\$1,700,000	-5.19%
Cronulla	\$3,000,000	3.45%
Dolans Bay	\$2,575,000	-3.74%
Engadine	\$1,390,000	2.43%
Grays Point	\$1,800,000	0.00%
Greenhills Beach	\$3,500,000	4.17%
GyMEA	\$1,755,000	2.51%
GyMEA Bay	\$1,870,000	-1.58%
Heathcote	\$1,415,000	0.71%
Illawong	\$1,725,000	-1.43%
Jannali	\$1,600,500	-2.11%
Kangaroo Point	\$2,880,000	8.31%
Kareela	\$1,632,500	-0.76%

Suburb	Median price	Qtr. change %
Kirrawee	\$1,600,000	0.95%
Kurnell	\$1,820,000	0.55%
Lilli Pilli	\$2,705,000	0.19%
Loftus	\$1,535,000	4.07%
Lucas Heights	-	-
Maianbar	-	-
Menai	\$1,567,500	1.46%
Miranda	\$1,777,500	4.33%
Oyster Bay	\$1,867,500	0.95%
Port Hacking	\$2,575,000	-3.65%
Sandy Point	\$1,540,000	0.00%
Sutherland	\$1,560,000	-1.89%
Sylvania	\$1,802,500	0.23%
Sylvania Waters	\$2,538,000	-1.09%
Taren Point	\$2,027,500	9.30%
Waterfall	-	-
Woolooware	\$2,462,500	4.79%
Woronora	\$1,595,000	-8.07%
Woronora Heights	\$1,727,000	7.27%
Yarrawarra	-	-
Yowie Bay	\$2,465,000	-1.00%



## Price growth by suburb

### Apartments

Suburb	Median price	Qtr. change %
Caringbah	\$830,000	3.75%
Como	-	-
Cronulla	\$965,000	-0.52%
Engadine	\$805,000	-6.40%
Gymea	\$922,500	1.93%
Heathcote	\$882,500	15.55%
Illawong	-	-
Jannali	\$766,543	-3.28%

Suburb	Median price	Qtr. change %
Kirrawee	\$845,400	3.10%
Menai	\$952,500	-2.81%
Miranda	\$806,000	1.07%
Sutherland	\$740,750	2.17%
Sylvania	\$1,130,000	2.73%
Sylvania Waters	\$780,000	4.00%
Woolooware	\$987,500	-1.00%





# INVEST

A close look at the Sutherland Shire investment market. Average local rental returns, median rental prices per suburb, vacancy rates and rental yields.

# STING





# Sutherland Shire 2024 Rental Market Review

2024 was another strong year for local investors, with the ongoing rental crisis across Sydney driving up rental prices. The Shire's average rents increased from \$813 per week to \$844 for houses and from \$599 to \$649 for apartments. Days on market also remained low with most rentals leasing in under 20 days. This time last year, we suggested that over the back half of 2024, the market may have hit a tipping point, causing price growth to plateau or taper down. We did notice a slight cooling in the market during the last quarter, with average vacancy rates across The Shire increasing slightly from 0.56% to 0.66%.

The marginal increase didn't substantially impact the market or prices, but it was the first sign that the market may be starting to slow and balance out after years of impressive gains. It also highlighted that with the increase in choice, tenants quickly became more selective, favouring new or renovated properties.

This was particularly evident in suburbs such as Cronulla, which experienced a more significant increase in apartment supply. The slight shift suggests pricing will become more crucial as we work through 2025 if landlords want to attract new tenants quickly. Anything that tenants felt to be 'slightly overpriced' with landlords unwilling to budge on pricing experienced longer days on market.

**'We expect to see a number of investors return to the market due to expected interest rate cuts and continued capital and rental growth. This will play a crucial role in bringing further balance to the local rental market. Landlords will also need to pay more attention to pricing'**

- Emma Bull

## What lies ahead 2025?

We anticipate the rental market will face ongoing challenges over the year, mainly due to continuing affordability pressures and legislative hurdles. For tenants, whilst there may be a slight increase in supply, there is still a shortage of available rentals across the local market, which will continue to navigate prices.

Landlords can expect price growth to be stable to moderate. We have likely hit the tipping point and are now moving into a period of readjustment. Changes to interest rates will also impact the rental market. When they do reduce, some renters will likely seek to purchase their first home or re-enter the market as lending amounts increase.

Investors wanting to improve their weekly rental figures should use the time between tenancies to carry out small renovations that can add value and make their property stand out. Simple changes such as new blinds, light fittings, floor coverings, and fresh paint will increase the appeal of the property and can lead to an increase in rent. Equally, properties that offer a sought-after lifestyle and easy access to transport and amenities will continue to be in high demand, as will larger units and 3-4 bed townhouses, villas and houses.

If you are an investor looking to get back into the market, or enter the market for the first time, check out our recent article on returns across The Sutherland Shire for more information on what tenants are looking for. Scan the QR code below to view.

To learn more about investing, learn about weekly rental figures, or request a rental review, contact our Business Portfolio Manager, Emma Bull.

### Emma Bull

0414 798 435

emma.bull@sanders.com.au





Contemporary and upgraded properties are expected to excel in 2025, as renters opt for more modern living spaces in a competitive market. Additionally, properties that provide a desirable lifestyle, such as easy access to public transport, amenities and local attractions, will also stand out. For landlords, creating a space that offers both modern features and a great lifestyle will likely attract more tenants and result in better performance.



# Investing in the Sutherland Shire

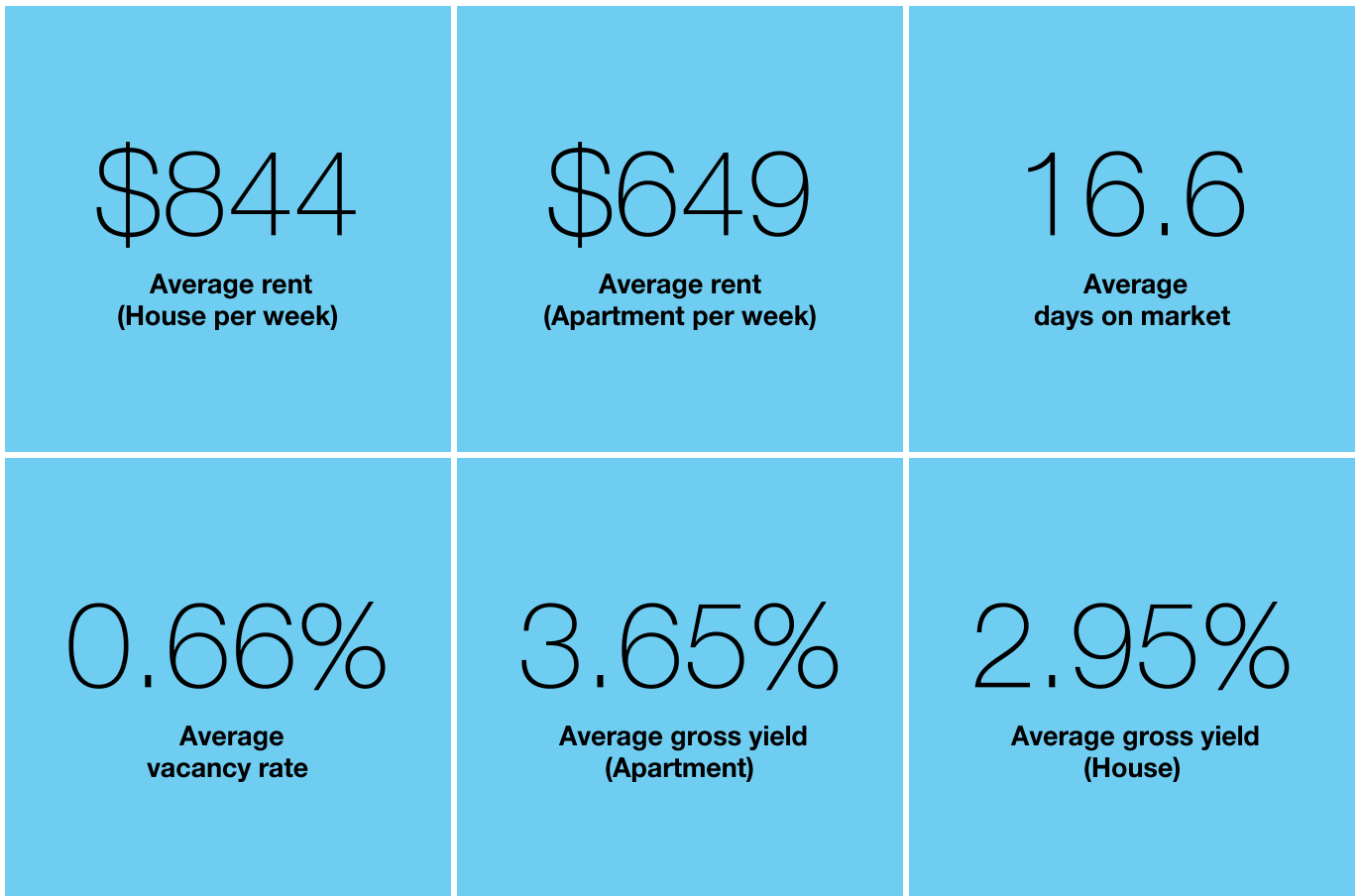
## Highest return on investment (house)

Waterfall	3.84%
Woronora Heights	3.56%
Woronora	3.48%
Bangor	3.43%

## Highest return on investment (unit)

Sutherland	4.54%
Kirrawee	4.38%
Sylvania Waters	4.35%
Miranda	4.18%

## Sutherland Shire investment statistics



## Median rents per suburb

### Houses

Suburb	4 bed	3 bed	2 bed
Alfords Point	-	-	-
Bangor	\$1,075	\$750	-
Barden Ridge	\$1,100	-	-
Bonnet Bay	\$912	\$770	-
Bundeena	\$900	\$800	\$550
Burraneer	\$1,925	\$1,250	-
Caringbah	\$1,125	\$800	\$650
Caringbah South	\$1,350	\$980	\$580
Como	\$1,000	\$780	\$600
Cronulla	\$1,672	\$1,175	\$500
Dolans Bay	\$1,600	\$995	-
Engadine	\$900	\$805	\$550
Grays Point	\$1,025	\$875	-
Greenhills Beach	\$1,700	-	-
GyMEA	\$1,100	\$800	\$640
GyMEA Bay	\$1,150	\$950	-
Heathcote	\$890	\$770	-
Illawong	\$1,175	\$800	-
Jannali	\$935	\$800	\$650
Kangaroo Point	-	\$630	\$520
Kareela	\$1,050	\$925	-

Suburb	4 bed	3 bed	2 bed
Kirrawee	\$1,050	\$900	\$680
Kurnell	-	\$890	-
Lilli Pilli	\$1,300	\$880	-
Loftus	\$1,125	\$800	-
Lucas Heights	-	-	-
Maianbar	\$750	\$550	-
Menai	\$1,050	\$800	\$600
Miranda	\$1,160	\$850	\$600
Oyster Bay	\$1,200	\$800	\$503
Port Hacking	-	-	-
Sandy Point	-	\$500	-
Sutherland	\$950	\$820	\$600
Sylvania	\$1,200	\$900	\$650
Sylvania Waters	\$1,500	\$900	\$480
Taren Point	\$990	\$950	-
Waterfall	-	\$525	-
Woolooware	\$1,525	\$1,150	-
Woronora	-	\$665	-
Woronora Heights	\$750	-	-
YarrawarraH	\$765	\$782	-
Yowie Bay	\$1,200	\$740	-



## Median rents per suburb

### Apartments

Suburb	3 bed	2 bed	1 bed
Caringbah	\$860	\$620	\$497
Como	\$600	\$495	-
Cronulla	\$1,100	\$670	\$490
Engadine	\$800	\$600	\$360
GyMEA	\$890	\$650	\$570
Heathcote	\$585	\$610	\$373
Illawong	\$660	\$515	-
Jannali	\$780	\$600	\$530

Suburb	3 bed	2 bed	1 bed
Kirrawee	\$950	\$750	\$620
Menai	\$750	\$630	\$460
Miranda	\$850	\$650	\$570
Sutherland	\$850	\$600	\$560
Sylvania	\$900	\$595	\$365
Sylvania Waters	\$675	\$485	-
Woolooware	\$1,100	\$850	\$645



## Vacancy rates & rental yields

Houses (H) & Apartments (A)

Suburb	Vacancy Rate	Rental Yield (H)	Rental Yield (A)
Alfords Point	0.10%	3.26%	-
Bangor	0.26%	3.43%	-
Barden Ridge	0.21%	3.28%	-
Bonnet Bay	0.13%	3.03%	3.51%
Bundeena	0.31%	3.07%	-
Burraneer	0.51%	2.24%	2.65%
Caringbah	1.31%	2.24%	2.65%
Caringbah South	0.51%	2.70%	3.24%
Como	0.36%	2.85%	3.52%
Cronulla	1.70%	2.32%	3.10%
Dolans Bay	1.69%	2.39%	-
Engadine	0.41%	3.39%	4.12%
Grays Point	0.19%	2.89%	-
Greenhills Beach	0.26%	2.39%	-
GyMEA	0.98%	3.28%	3.93%
GyMEA Bay	0.29%	2.98%	3.10%
Heathcote	0.63%	3.40%	4.04%
Illawong	0.44%	3.41%	3.52%
Jannali	0.98%	3.13%	4.06%
Kangaroo Point	-	2.24%	-
Kareela	0.16%	3.22%	-

Suburb	Vacancy Rate	Rental Yield (H)	Rental Yield (A)
Kirrawee	1.16%	3.13%	4.38%
Kurnell	0.22%	2.94%	3.57%
Lilli Pilli	-	2.48%	-
Loftus	0.58%	3.25%	-
Lucas Heights	-	-	-
Maianbar	1.79%	2.79%	-
Menai	0.38%	3.29%	3.95%
Miranda	1.12%	3.04%	4.18%
Oyster Bay	0.52%	2.81%	3.29%
Port Hacking	0.74%	2.36%	-
Sandy Point	0.91%	2.84%	-
Sutherland	1.33%	3.07%	4.54%
Sylvania	0.95%	2.86%	3.44%
Sylvania Waters	0.84%	2.74%	4.35%
Taren Point	0.54%	2.66%	3.41%
Waterfall	0.53%	3.84%	-
Woolooware	1.78%	2.57%	3.73%
Woronora	0.13%	3.48%	-
Woronora Heights	0.34%	3.56%	-
Yarrawarrah	0.11%	3.33%	-
Yowie Bay	0.27%	2.67%	-



