



PRESS RELEASE

SAVILLS RELEASES SYDNEY RESIDENTIAL PRICE STUDY

The average re-sale price for a luxury three-bedroom apartment in the Sydney CBD is \$3.75 million, equating to an average rate per sq m of \$25,000, according to a new Savills research report.

Savills has launched its first analysis of premium Sydney residential property, focusing on luxury CBD apartments during the second quarter of 2009.

Belinda Nowland, Savills NSW Divisional Director of Research, said the new report will help fill a void of specific research on Australia's luxury residential market.

"Australia has a lot of information on the mass residential market, but there is very little detailed information on the luxury end. This report is designed to assist potential interstate and overseas investors compare our luxury residential market parameters with other major Asian cities," she said

Peter Coulton, Savills NSW Divisional Director of Project Marketing, said there is particularly strong interest in premium Sydney residential property coming from Asian countries such as Hong Kong, China, Malaysia and Singapore.

"The feedback we are currently receiving from prospective purchasers throughout Savills' Asian office network is that they see value and certainty in the Sydney luxury market," he said.

The Savills report analyses one, two and three bedroom luxury apartments located within the Sydney CBD, with an approximate area of 75 sq m, 110 sq m and 150 sq m respectively.

The average three bedroom re-sale price is \$3.75 million (\$25,000 per sq m); two bedroom \$1.787 million (\$16,250 per sq m); and one bedroom \$837,500 (\$11,250 per sq m).

Average prices for new off-the-plan apartments are: three bedroom \$3.25 million (\$21,750 per sq m); two bedroom \$1.6 million (\$14,500 per sq m); and one bedroom \$770,000 (\$10,250 per sq m).

Typically, the higher luxury end of the market suffers in a downturn. However, apartments in prime locations in the Sydney CBD are holding value, said Savills' Mr Coulton.

"We are still seeing reasonably strong demand in the prestige projects in the CBD and values are holding up," he said.

The Savills research report also includes asking rents for luxury CBD apartments, with typical three bedroom rents at \$2,350 per week; two bedroom at \$1,125 per week; and one bedroom \$625 per week.

The Savills report identifies nine new luxury residential apartment projects, with 10 or more apartments, currently under construction in the Sydney CBD.

These new projects feature a total of 983 apartments, with a combined end value of \$857.4 million.

“While the global economic conditions have affected new developments, the residential projects already under construction in the Sydney CBD continue to work towards current completion dates,” said Savills’ Mr Coulton.

The Savills Sydney Residential Quarter Times research report also tracks luxury homes in the Hunters Hill/Woolwich Peninsula and Pymble markets.

Waterfront homes in Hunters Hill/Woolwich Peninsula have an average re-sale price of \$6.25 million, while the average for non-waterfront homes is \$2.85 million.

The average sale price for luxury homes in Pymble is \$2.55 million.

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