Family & Community Services
NSW GOVERNMENT

Central Coast Region – What's Happening in the Housing Market?

Housing Market - Rental

Rents
- There have been strong increases in median rents in all bedroom categories over the last five years in the Central Coast region, with the highest rent increases being for one bedroom properties in Gosford (46.0%), followed by 2 bedroom dwellings in Wyong (38.1%) and studios in Gosford (37.9%).
- The table below shows the proportional change in median rents for studio (0), one, two, three and four or more bedrooms between 2008 and 2013 for both Gosford and Wyong.

| % change 2008 - 2013	0 Bed	1 bed	2 bed	3 bed	4 bed
Gosford	37.9	46.0	37.5	32.2	32.5
Wyong		35.1	38.1	34.6	29.4

Note there were insufficient studio dwellings in Wyong to ascertain the median rent.

- The graph below shows changes in median rents for all dwellings (houses and strata) from 1990 to 2013 in Gosford and Wyong. Rents increased relatively gently to 2006, after which they began to increase strongly.

Central Coast - Median Rent - All Dwellings - 1990 - 2014
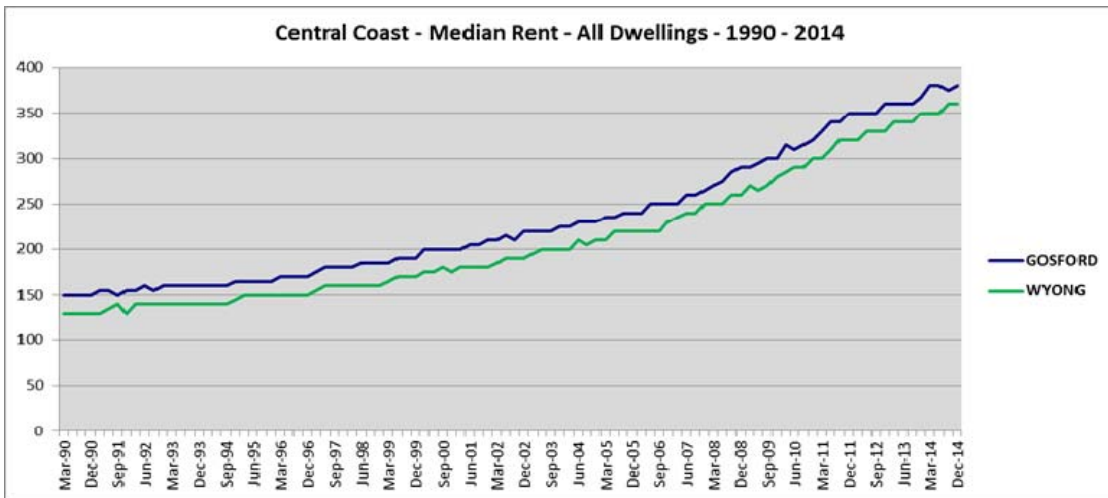
Vacancy Rate
- A vacancy rate of 3% is understood to represent a balance between supply and demand. The graph below shows the vacancy rate in the Central Coast from 2006 to 2014. It clearly demonstrates that for virtually this entire period, there has been an undersupply of private rental accommodation. According to REI NSW data, at August 2014, the vacancy rate in the Central Coast was just 2.0%. If sustained at this low level, it represents a chronic undersupply.
- The graph below shows the vacancy rate in the Central Coast for the period from 2006 to 2014, using Real Estate Institute of NSW data.

**Central Coast Vacancy Rate October 2006 to August 2014**
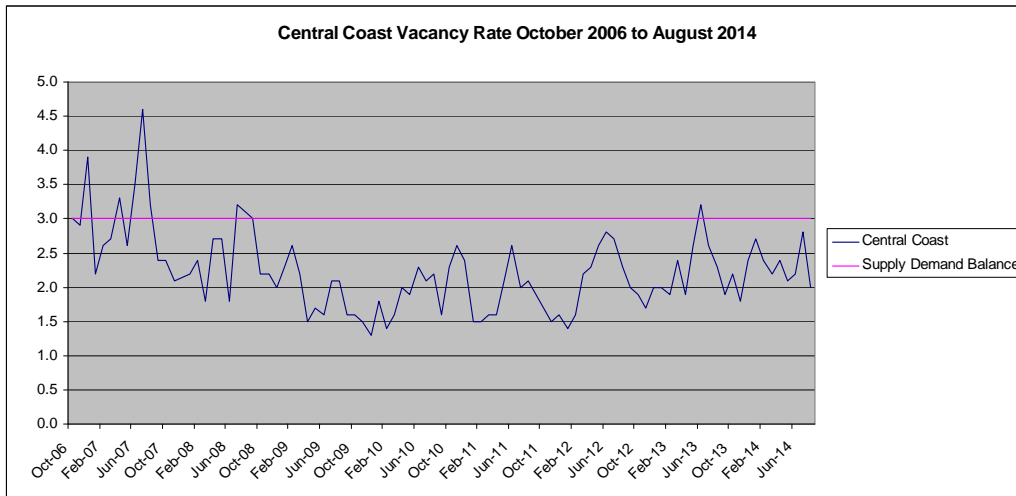
Affordable Rental

- The trend to decline in the proportion of rental housing that is affordable for lower income households to rent is evident in the Central Coast. While the Central Coast LGAs have a higher proportion of rental stock affordable to very low income households than the Sydney average of 3.4%, they have a significantly lower proportion than the Rest of NSW average of 20.7%, with Gosford having 9.0%, and Wyong 9.9%.
- The graph below shows the change in the proportion of private rental accommodation that is affordable to very low income households in Gosford, Wyong and the Rest of NSW (that is excluding Sydney) between 2001 and 2013.


Central Coast - Proportion of Rental Accommodation Affordable to Very Low Income Households 2001 - 2014
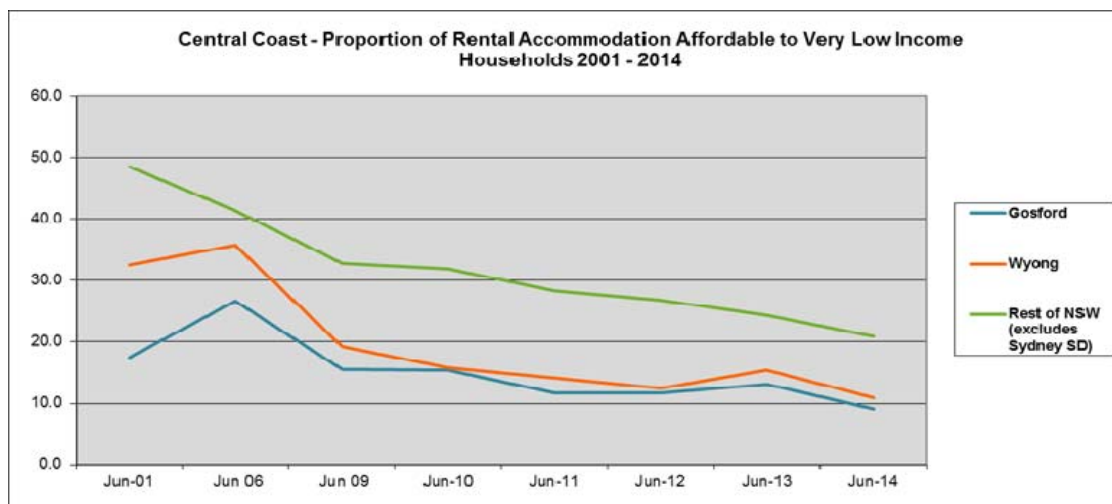
- The proportion of rental properties affordable for low income households has also declined in the Central Coast region Although again above the average for Sydney of 12.8%, both Gosford and Wyong are below the average for the Rest of NSW (49.9%) with 33.8% and 43.2% respectively (at September 2014).
- Given the income information above, showing the high proportion of low income households and the increasing number of low income rental households in the Central Coast region, the decreasing proportions of private rental accommodation that are affordable for lower income earners is of concern.
- The graph below shows the change in the proportion of private rental accommodation that is affordable to low income households over the period from 2001 to 2013 in Gosford, Wyong and the Rest of NSW.

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Central Coast - Proportion of Rental Accommodation Affordable to Low Income Households - 2001 - 2014
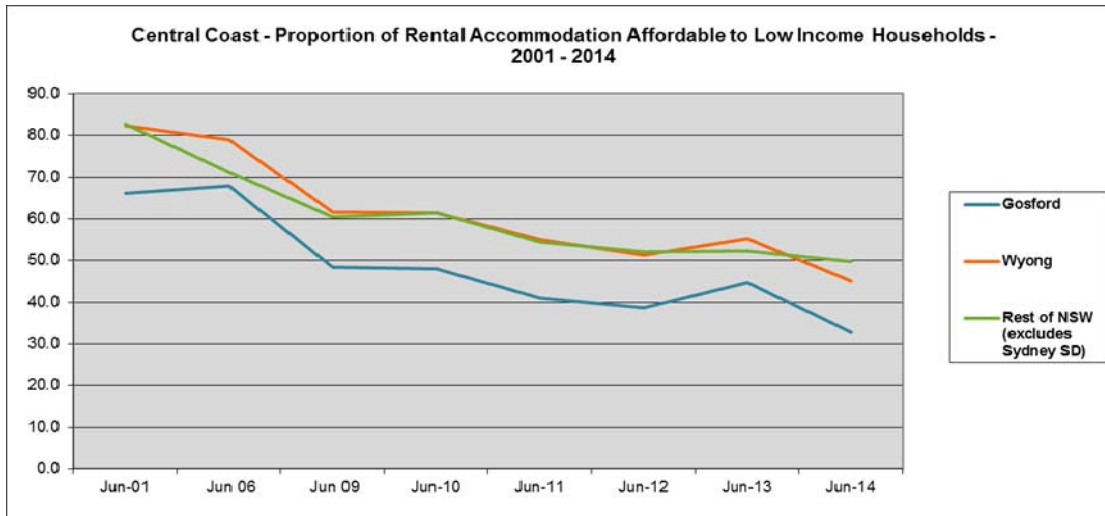
Rental Stress

- While this region is generally a little more affordable for rental than the average for Sydney, it clearly has a higher proportion of lower income rental households in stress than is the case for non-metropolitan NSW.
- The graph below shows the proportion of both very low and low income rental households in housing stress (that is, paying more than 30% of their income in rent) in Gosford, Wyong and the Rest of NSW in 2013.

Proportion of Very Low and Low Income Households in Rental Stress - Central Coast - 2013
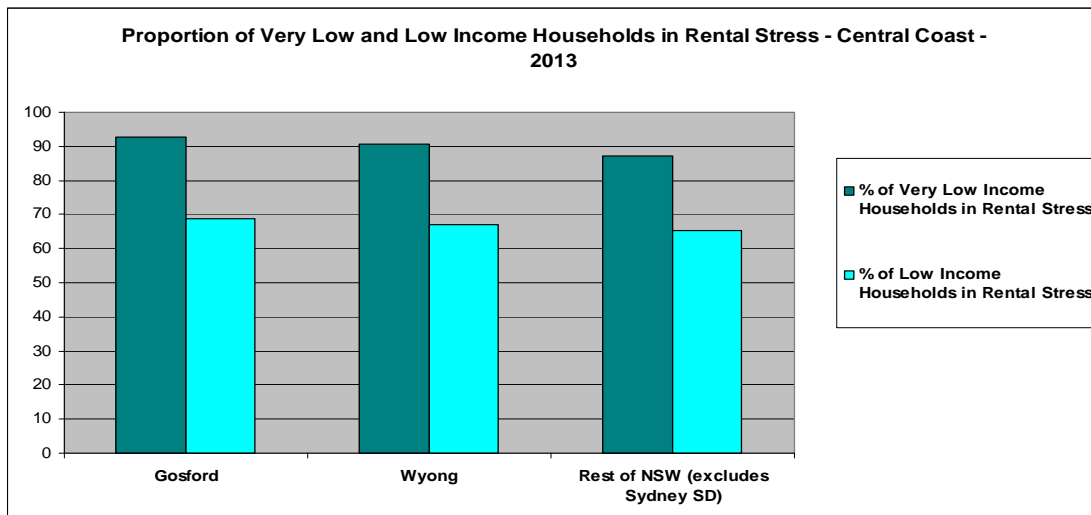
- Gosford has 93% of very low income households and 69% of low income households in rental stress, Wyong has 91% of very low income households and 67% of low income households in rental stress, above the 87% for very low and 65% for low income households which is the average for the Rest of NSW.

The table below shows the number and proportion of tenants in the Central Coast region who are in the private rental market, are in receipt of Commonwealth Rent Assistance, and even with this additional income support, are in housing stress. Both Gosford and Wyong have a higher proportion of CRA recipients in housing stress than the average for the Rest of NSW. The Central Coast accounts for 16% of all CRA recipients in housing stress in the Rest of NSW.

Area	Total CRA recipients 2012	CRA recipients in Housing Stress 2012	% in Stress
Gosford	11,281	4,361	38.7
Wyong	14,536	5,026	34.6
Rest of NSW (excludes Sydney SD)	181,401	58,843	32.4

Loss of Affordable Housing Stock

- FACS has calculated the number of rental bonds lodged that were affordable to low income households in 2006, 2010 and 2013 in both Gosford and Wyong. There has been a substantial reduction in the number of affordable bonds lodged over that period – showing a decline in availability of affordable private rental.
- Both Central Coast region local government areas experienced a significant loss of affordable housing between 2006 and 2013 – with Wyong having a 50% reduction and Gosford 51% fewer affordable bonds lodged. Wyong lost 2,385 and Gosford 2,206 between 2006 and 2013.
- The table below shows the number of new bonds lodged that were affordable to low income households in 2006, 2010 and 2013, and the significant decline in those number in both Gosford and Wyong.

| No. of affordable rental properties for low income households			
LGA	2006	2010	2013
GOSFORD	4,286	2,712	2,080
WYONG	4,795	2,916	2,410

Housing Market - Purchase

Sales Price

- Over the last five years changes in the median price of both houses and flats have been upward (with the exception of flats in Wyong, where the median sales price actually declined between 2008 and 2013) with the strongest increase being for flats in Gosford (30.7%).
- The table below shows the numerical and proportional change in median sales price for both flats and houses in Gosford and Wyong between 2008 and 2013.

Iga	Flats				Houses			
	2008-Mar	2013-Sep	Change	%	2008-Mar	2013-Sep	Change	%
Gosford	176	230	$54	30.7	410	450	$40	9.8
Wyong	137	109	-$28	-20.4	315	366	$51	16.0

- The following graphs for the median sales price trend for houses and for strata properties from 1994 to 2013 show that there has been a significant increase in the sales price of houses. Despite plenty of variation in median sales price during this time frame, overall there has not been a significant increase for units since 1994 in Gosford and Wyong.
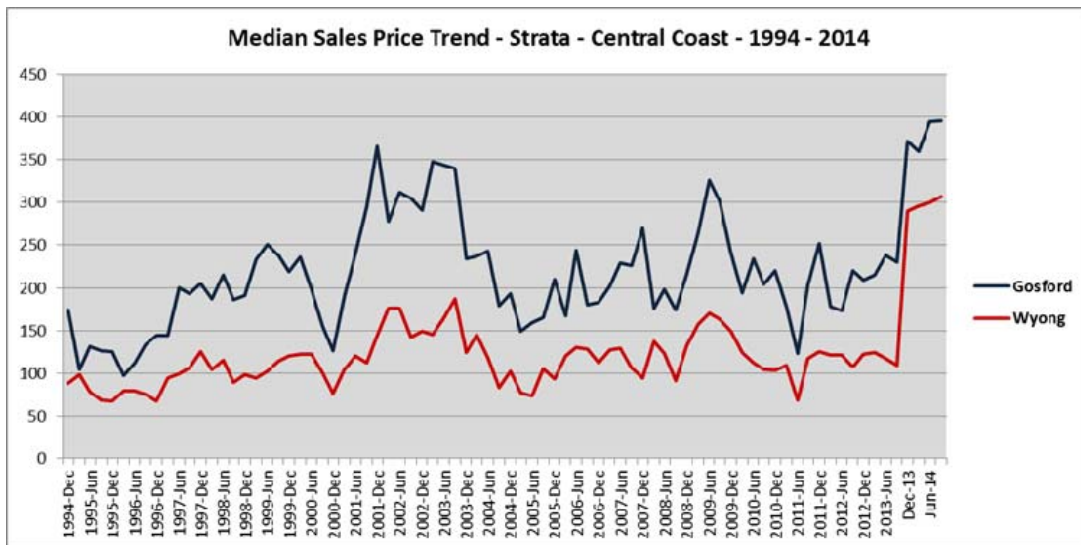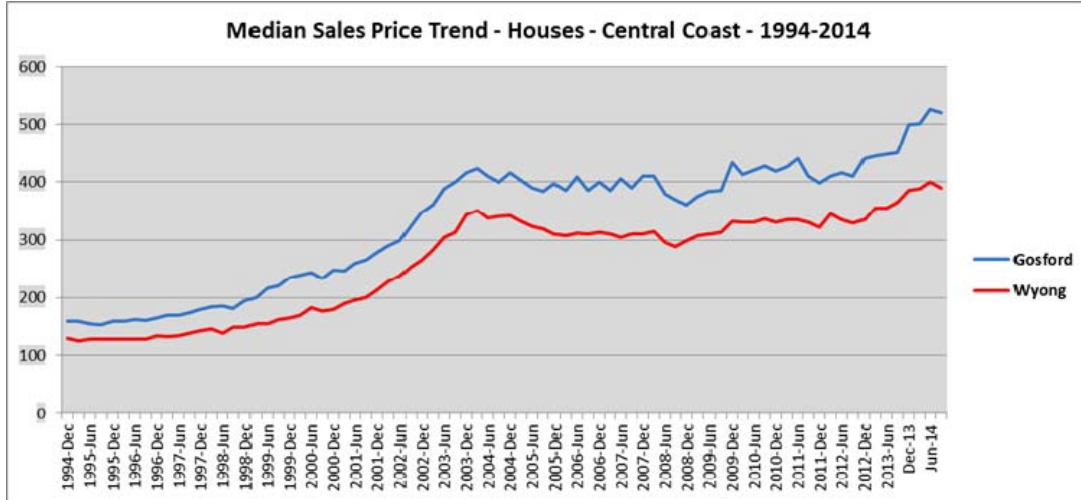

Purchase Affordability

- Purchase affordability for very low income earners in the Central Coast region has been at close to 0% for the last 7 years, well below the level for the Rest of NSW, as the graph below demonstrates.
- The graph below shows the change in the proportion of properties that are affordable for purchase by very low income households in the Central Coast local government areas compared with the Rest of NSW, for the period from 2001 to 2013.

Proportion of Properties Affordable for Purchase by Very Low Income Households – Central Coast – 2001 to 2014
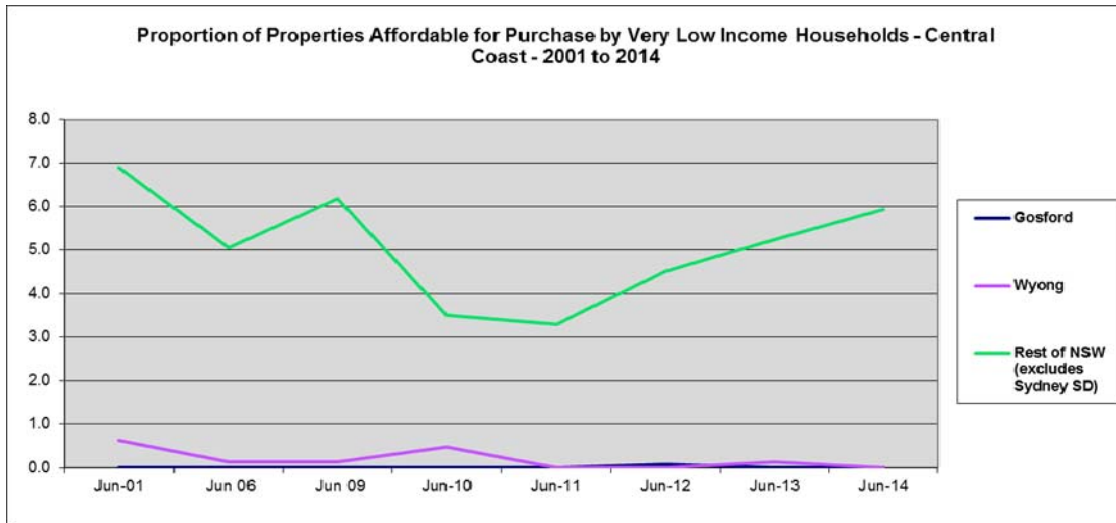
- The situation for low income purchasers in the Central Coast region is somewhat better. At September 2013, 2.1% of properties were affordable for purchase by low income households in Gosford and 11.1% in Wyong – both well below the Rest of NSW average of 18.0%.
- The graph below shows the change in the proportion of properties that are affordable for purchase by low income households in the Central Coast and Rest of NSW between 2001 and 2013.

Proportion of Properties Affordable for Purchase by Low Income Households – Central Coast – 2001 to 2014
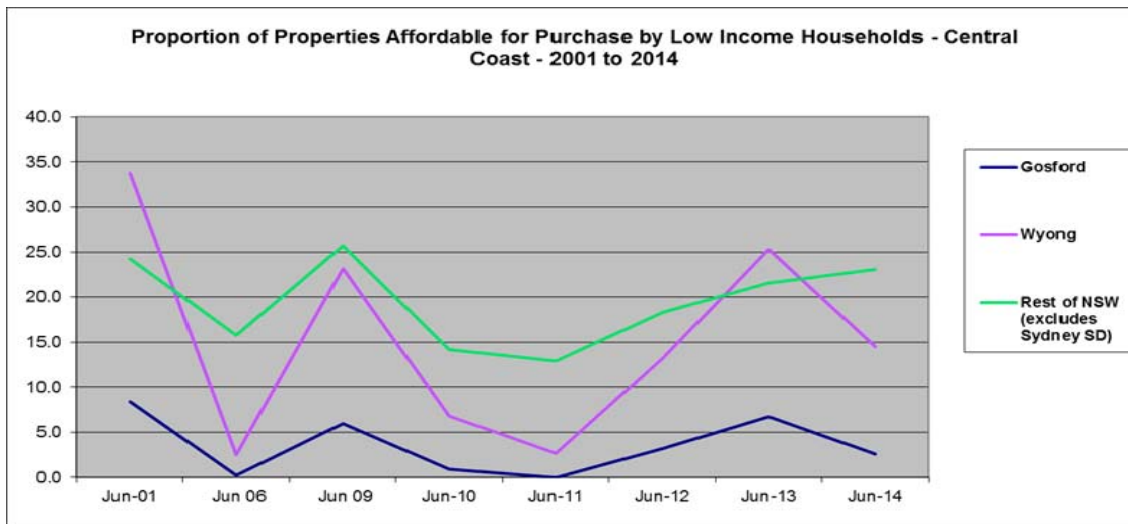
Additional Data

Additional data on rents and sale prices, including both current and historical data, is available from the Rent and Sales Report on the Housing NSW website at:
http://www.housing.nsw.gov.au/About+Us/Reports+Plans+and+Papers/Rent+and+Sales+Reports/

More detailed housing data and tables used in this Snapshot are available from the Local Government Housing Kit Database on the Housing NSW website at:
http://www.housing.nsw.gov.au/Centre+For+Affordable+Housing/NSW+Local+Government+Housing+Kit/Local+Government+Housing+Kit+Database/

Information on vacancy rates is available from the Real Estate Institute of NSW:
http://www.reinsw.com.au/imis15_Prod/web