

South West Sydney Subregion – What’s Happening in the Housing Market?

Housing Market - Rental

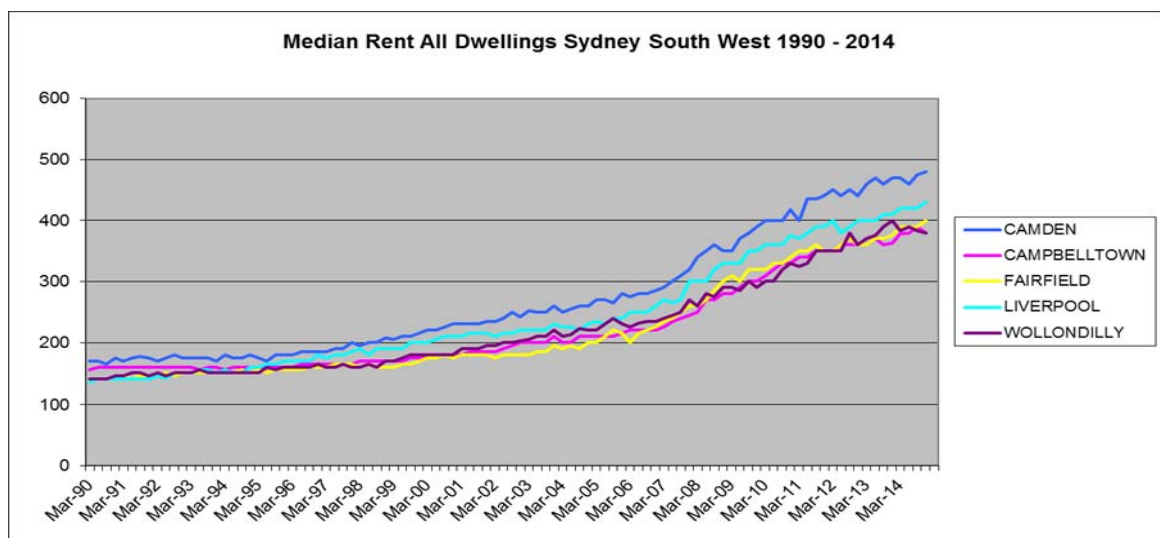
Rents

- There have been strong increases in median rents in all bedroom categories over the last six years in the Sydney South West subregion, with the highest rent increases being for one bedroom properties in Liverpool (67.7) and Fairfield (66.7%), followed by two bedroom properties in Fairfield (65.0%) and one bedroom properties in Campbelltown (58.4%).
- The table below shows the percentage change in median rents for studio (0), one, two, three and four or more bedroom dwellings in all the South West Sydney subregion local government areas between 2008 and 2014.

% change 2008 - 2013	0 Bed	1 bed	2 bed	3 bed	4 bed
Camden			38.5	43.3	30.0
Campbelltown		58.7	57.1	50.0	40.1
Fairfield		66.7	65.0	52.6	40.3
Liverpool		67.7	47.8	45.2	41.0
Wollondilly			51.2	42.3	48.6

Note there were insufficient studio dwellings to ascertain the median rent in any of the South West Subregion LGAs.

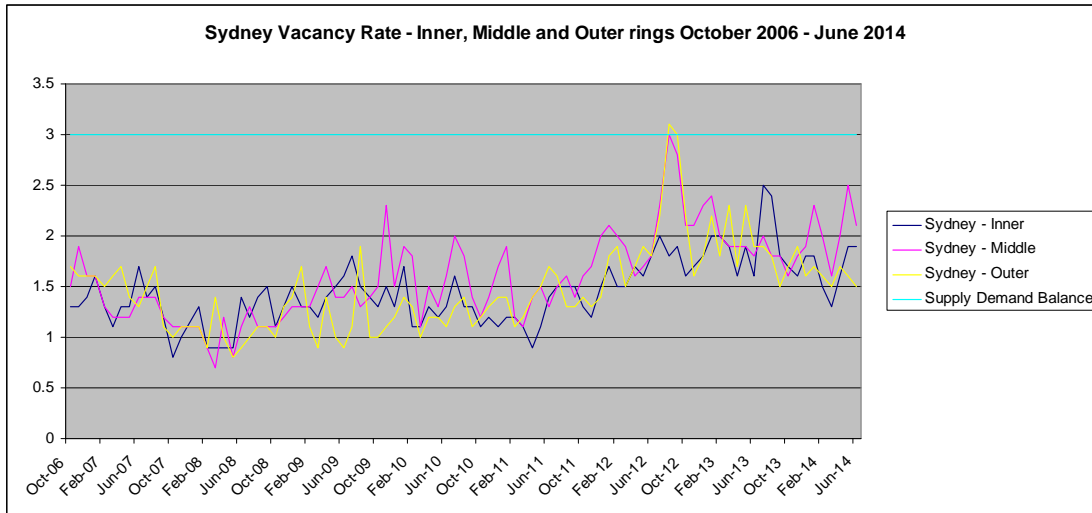
- The graph below shows the long term trend for median rent for all dwellings (houses and units) in South West Sydney, over the period from 1990 to 2014. Rents increased very slowly to the late '90's, and very strongly from around 2006.



Vacancy Rate

- For most of the period since 2006, the vacancy rate has been below 2% - indicating a long term severe shortage of private rental accommodation. At August 2014, the vacancy rate

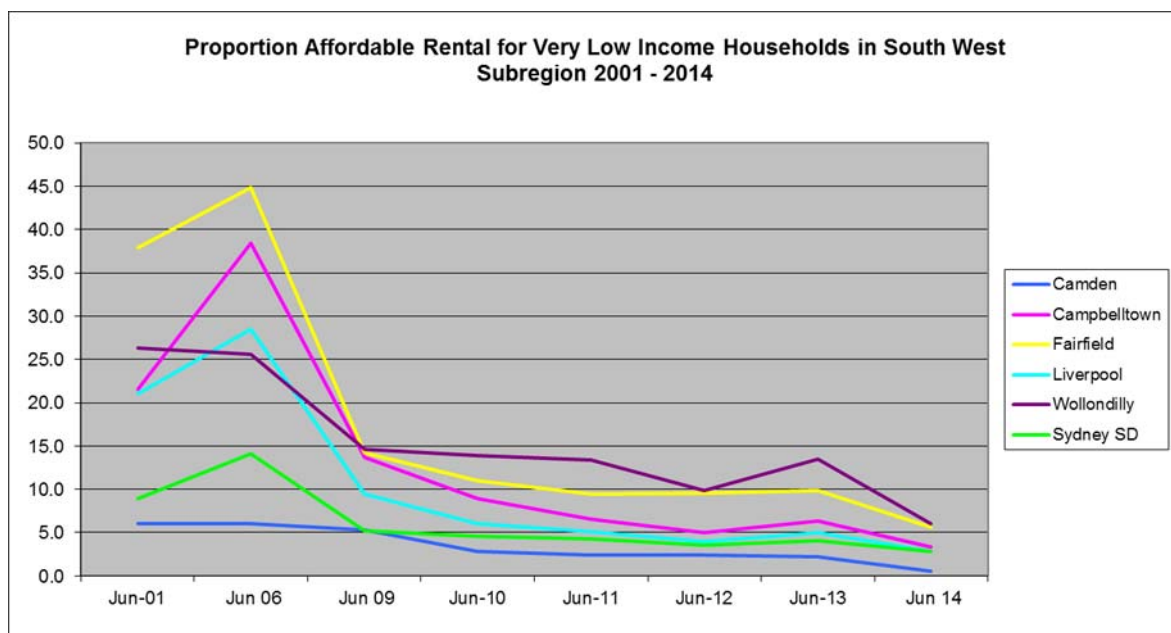
for Sydney (and for the outer ring) was 1.7%. A vacancy rate of 3% is regarded as representing a balance between demand and supply. The graph below shows the vacancy rate in the Inner, Middle and Outer rings of Sydney between 2006 and 2014, using data from the Real Estate Institute of NSW.



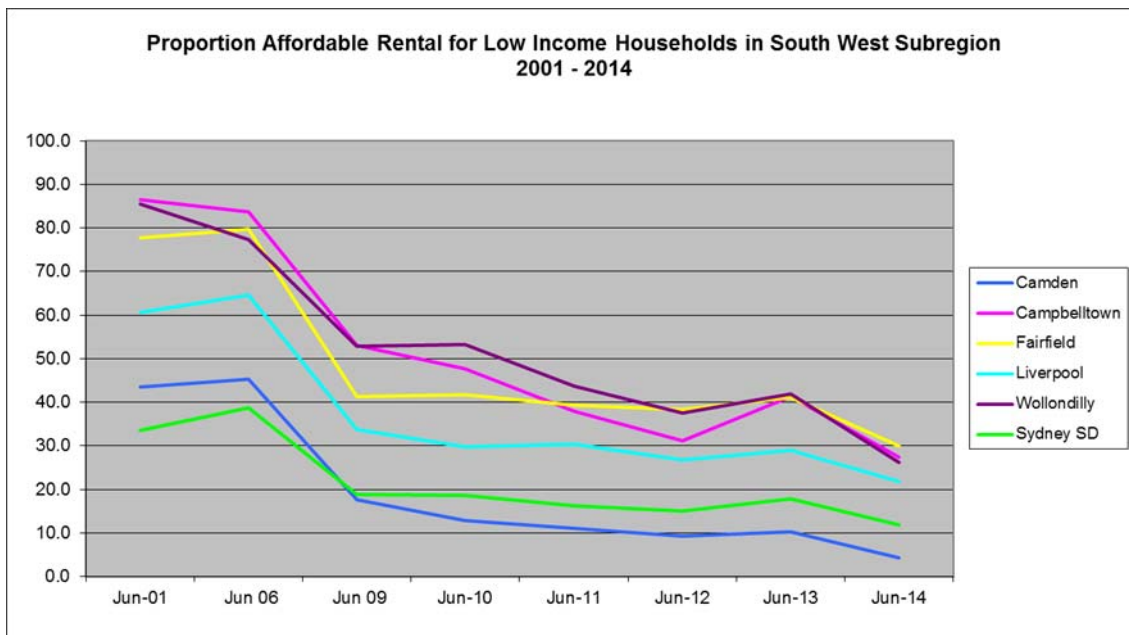
- Note that in relation to the vacancy rate graph above, Fairfield, Liverpool, Campbelltown, Camden and Wollondilly are included in the outer ring.

Affordable Rental

- The reduction in the proportion of rental housing that is affordable has been significant, with a very low proportion of stock now being affordable for very low income earners in the South West Sydney subregion. Camden is the only South West Sydney subregion LGA to have a lower proportion of rental affordable for very low income households (at just 0.6%) than the average for Sydney (2.8%) – although Liverpool has exactly on the average of 2.8%. The other South West LGAs range from 3.3% in Campbelltown to 6.0% in Wollondilly. Nevertheless, these are very low proportions of affordable housing.
- The graph below shows the proportion of affordable rental for very low income households in all the South West subregion local government areas between 2001 and 2014.

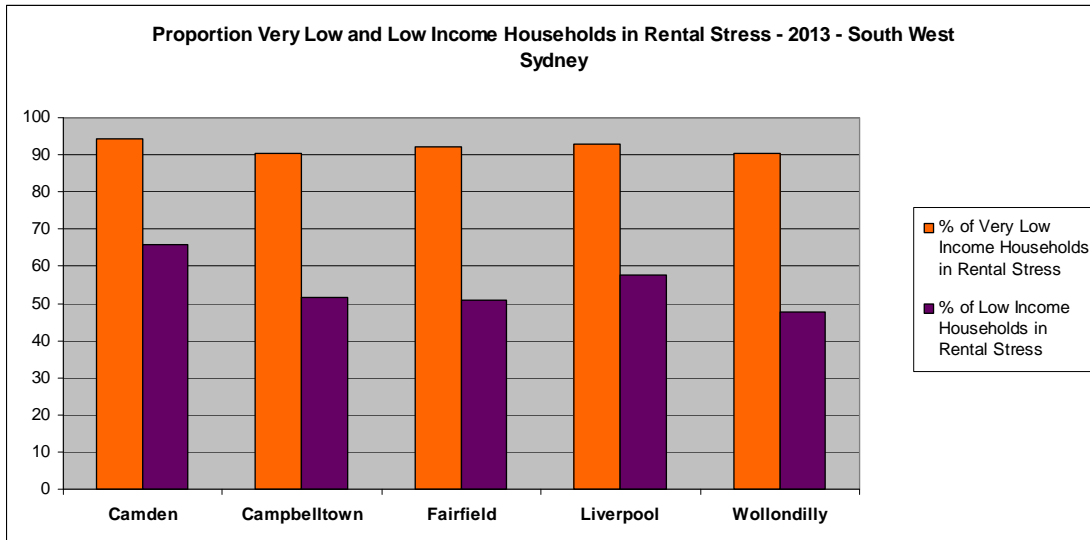


- The proportion of rental affordable for low income households has also declined in the South West subregion, although with the exception of Camden, it currently is above the average for Sydney of 11.9%. It ranges from just 4.3% in Camden to 30.0% in Fairfield. Given the high proportion of low income earners and in particular, the increasing number of low income renters in the Sydney South West subregion, the fact that this is historically a more affordable location for rental, the decreasing proportions of private rental accommodation that are affordable for lower income earners is of concern.
- The graph below shows the proportion of affordable rental for low income households in the South West subregion local government areas between 2001 and 2014.



Rental Stress

- Despite the view that this subregion is comparatively affordable, there are very high proportions of lower income renters in housing stress in South West Sydney. These households will struggle to pay for other essential household items, such as medical or educational expenses, food, transport and energy costs.
- The graph below shows the proportion of both very low and low income households in rental stress in the South West subregion local government areas at 2013.



- The proportion of households in the private rental market paying more than 30% of their income in rent in South West Sydney ranges between 94% of very low income earners in Camden LGA and 90% in Campbelltown in housing stress, with a range from 66% of low income earners in Camden to 48% in Wollondilly being in rental stress.
- The table below shows the number and proportion of tenants in the South West Sydney Subregion who are in the private rental market, are in receipt of Commonwealth Rent Assistance (CRA), and even with this additional income support, are in housing stress. While this subregion is generally a little more affordable for rental than the average for Sydney, there are still very high numbers and proportions of lower income private rental households in housing stress. In fact 21% of all CRA recipients in housing stress in Sydney SD live in the South West subregion.

Area	Total CRA recipients 2012	CRA recipients in Housing Stress 2012	% in Stress
Camden	1,945	778	40.0
Campbelltown	7,910	2,982	37.7
Fairfield	16,102	7,240	45.0
Liverpool	10,955	4,923	44.9
Wollondilly	1,604	553	34.5
Sydney SD	215,820	103,393	47.9

Loss of Affordable Housing Stock

- All five Sydney South West subregion local government areas experienced a significant loss of affordable housing between 2006 and 2013 – ranging between 47% fewer affordable rental bonds lodged in Fairfield over that period to 81% in Camden. A total of 6,157 affordable private rental properties lost in just a seven year period in the Sydney South West.

- The table below shows the number of new bonds lodged that were affordable for low income households in 2006, 2010 and 2013. The decline in affordable rental is clear.

No. of affordable rental properties for low income households			
LGA	2006	2010	2013
Camden	536	125	101
Campbelltown	3,096	1,261	1,138
Fairfield	3,096	1,418	1,627
Liverpool	3,011	1,157	1,097
Wollondilly	596	321	217

- Note that Fairfield experienced an increase in the number of affordable rental properties between 2010 and 2013 – this is likely due to development approvals under the Affordable Rental Housing State Environmental Planning Policy.

Housing Market - Purchase

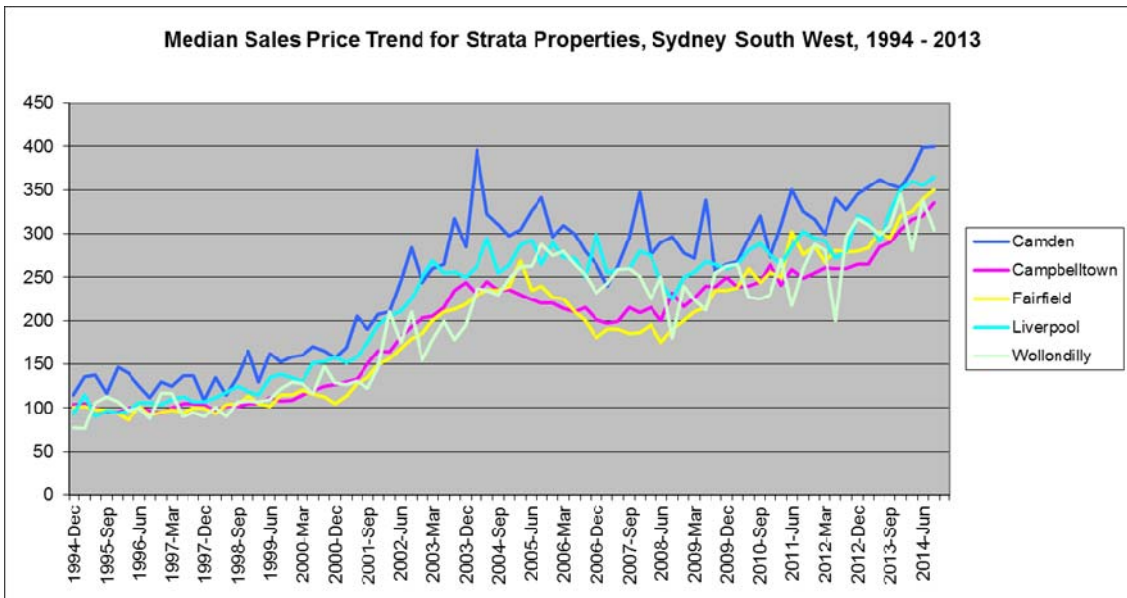
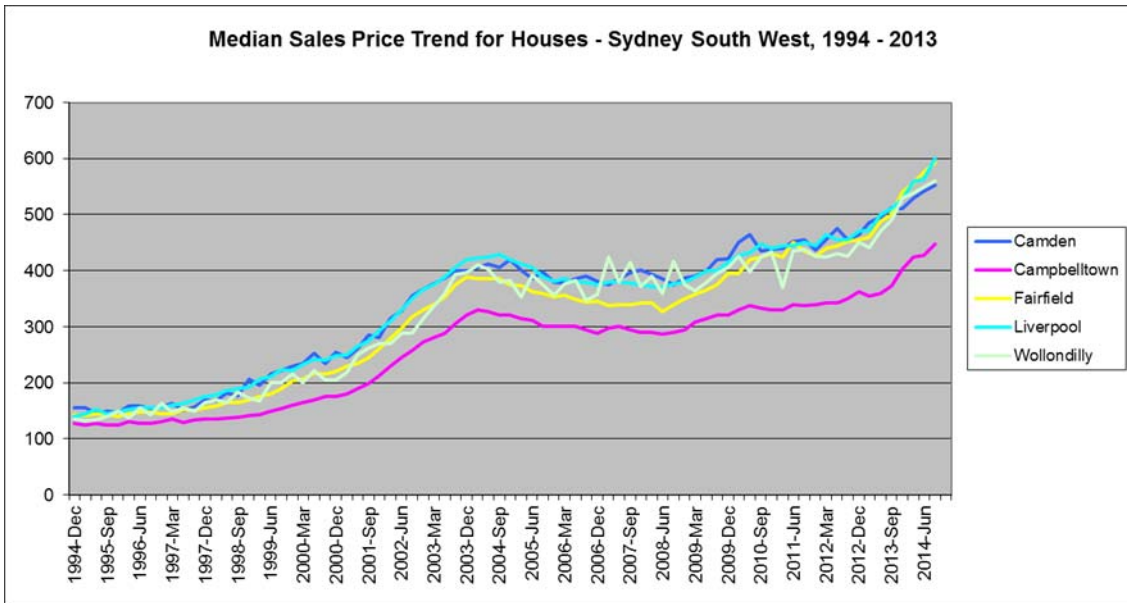
Sales Price

- Over the last six years, changes in median sales price have been upward with the strongest increase being for flats in Fairfield (203.6%), followed by flats in Wollondilly (148.9%). There were less significant changes in median sales prices over the same period, with the strongest median house price growth being in Fairfield (72.9%), followed by Liverpool (61.3%).
- The table below shows the change in median rents between 2008 and 2014 for both flats and houses in both dollar and percentage terms, for all the South West Sydney subregion local government areas.

lga	Flats				Houses			
	2008-Mar	2014-Sep	Change	%	2008-Mar	2014-Sep	Change	%
Camden	\$275	\$ 400	\$278	101.1	\$393	\$ 553	\$160	40.8
Campbelltown	\$215	\$ 335	\$232	107.9	\$290	\$ 447	\$157	54.1
Fairfield	\$195	\$ 350	\$397	203.6	\$342	\$ 592	\$250	72.9
Liverpool	\$275	\$ 365	\$325	118.2	\$372	\$ 600	\$228	61.3
Wollondilly	\$225	\$ 305	\$335	148.9	\$390	\$ 560	\$170	43.6

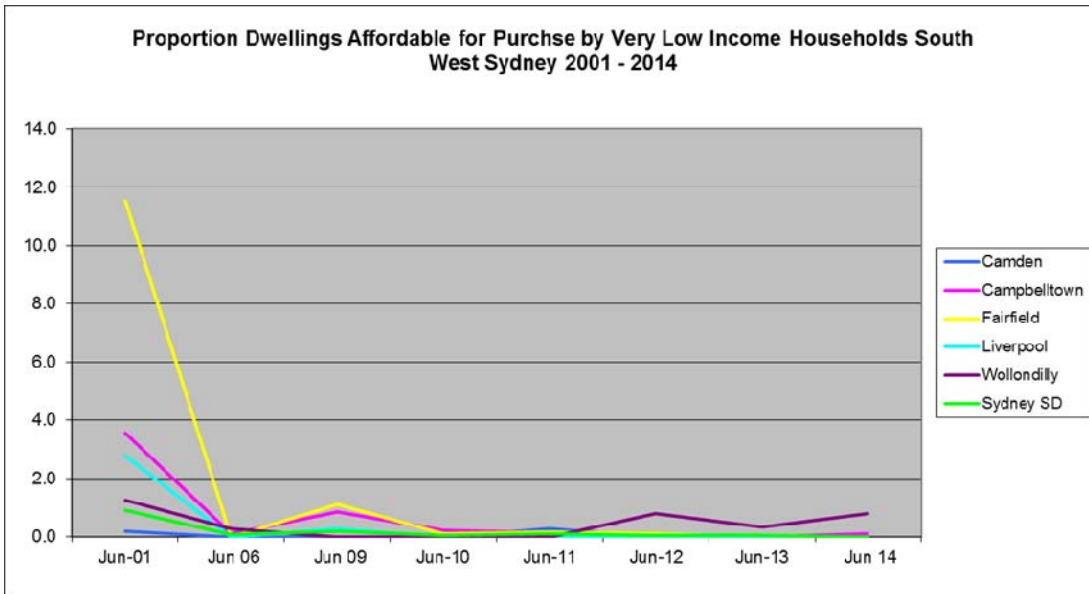
Note \$ figures are in thousands.

- The two graphs below show the long term trend (1994 to 2014) for median sales price of houses and of strata properties, for each of the South West Sydney subregion local government areas. There were strong increases in the median sales price of both houses and strata properties between the late '90's and 2003 in this subregion. More recently the median sales price has increased again, from around 2009 for houses and 2012 for strata properties.

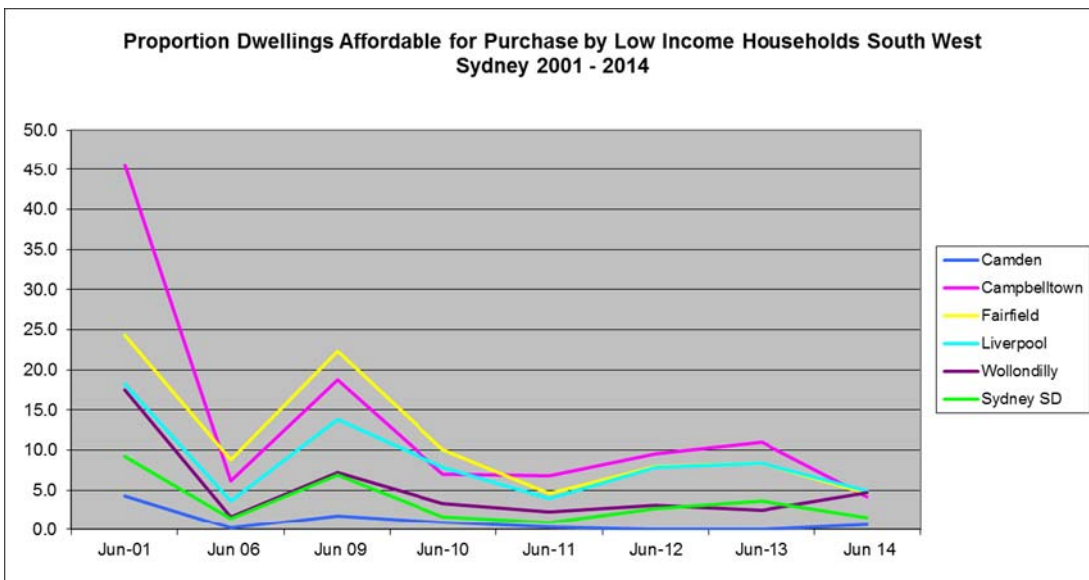


Purchase Affordability

- Purchase affordability for very low income earners in the Sydney South West subregion has been at close to 0% for the last eight years in all six LGAs.
- The situation for low income purchasers in the Sydney South West subregion is only marginally better. At September 2014, 0.6% of properties in Camden were affordable for purchase by low income households, with a range from 4.2% in Campbelltown to 4.9% in Liverpool in the remainder of South West. While this is above the Sydney average of 1.6%, it is still a tiny proportion of housing affordable for purchase.
- The graph below shows the proportion of dwellings that are affordable for purchase by very low income households in the South West Sydney local government areas between 2001 and 2014.



- The graph below shows the proportion of dwellings which are affordable for purchase by low income households between 2001 and 2014 in the South West Sydney subregion local government areas. Again, a very low proportion of properties are affordable for low income households.



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/>