

## North Sydney Subregion – What’s Happening in the Housing Market?

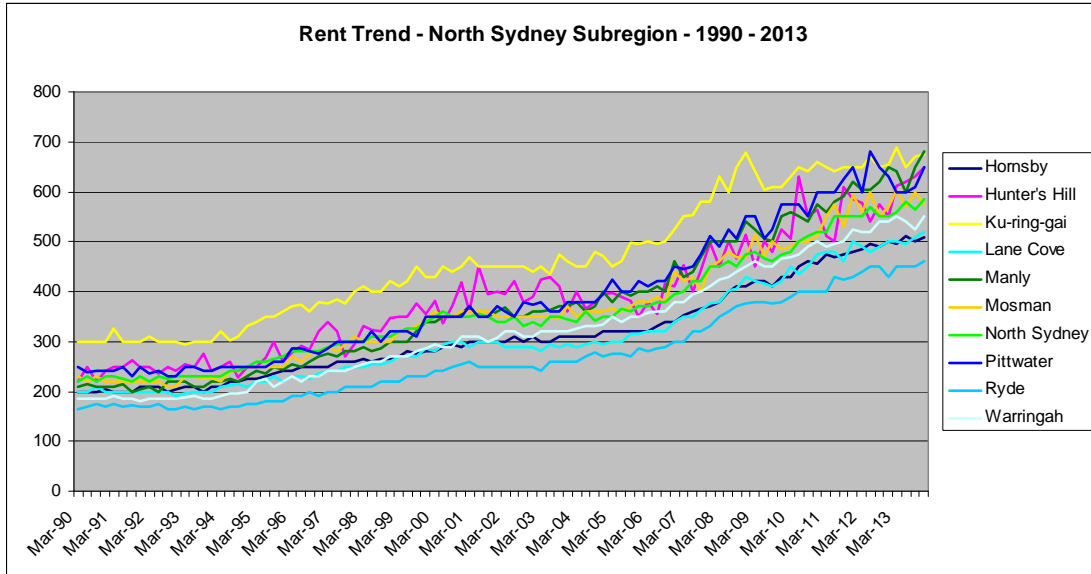
### Housing Market Rental

#### Rents

- There have been moderate increases in median rents for all dwellings (houses and flats combined) in all bedroom categories (except 4 bedroom dwellings in Mosman, which declined) over the last five years in the North Sydney subregion, with the strongest increase being for one bedroom dwellings in Ku-ring-gai (64.3%). North Sydney is the only LGA with sufficient studio dwellings to calculate a median rent. Median rents for one and two bedroom dwellings are highest in Manly, for three and four bedrooms they are highest in Mosman. Hunters Hill has insufficient one bedroom properties to calculate a median. Median rents for one bedroom dwellings are lowest in Hornsby and Ryde, for two bedrooms in Ryde, for three and four bedrooms in Hornsby.
- It is worth noting that increases in median rents in the five year period to 2013 have been lower in this subregion than any other subregion in Sydney – but that rental levels in this subregion were already very high.
- The table below shows the percentage change in median rents by bedroom category (studio, one, two, three and four or more bedroom dwellings) between 2008 and 2013.

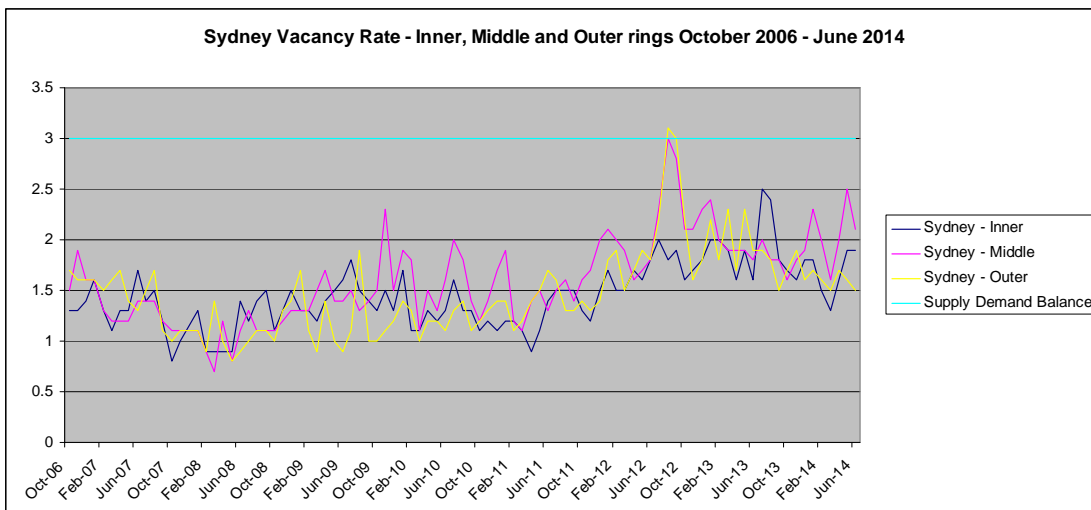
% change 2008 - 2013	0 Bed	1 bed	2 bed	3 bed	4 bed
Hornsby		24.1	34.3	33.3	30.9
Hunter's Hill			22.2	43.5	
Ku-ring-gai		64.3	39.3	25.0	21.0
Lane Cove		24.2	38.2	36.4	5.3
Manly		33.3	35.0	45.9	33.3
Mosman		25.7	26.4	35.2	-2.9
North Sydney	36.2	25.3	30.2	31.6	47.5
Pittwater		35.0	22.4	32.9	25.0
Ryde		38.5	37.5	34.8	39.6
Warringah		26.2	35.8	33.6	31.6
Willoughby	16.1	22.0	25.0	16.5	33.3

- The graph below shows change in the median rental level for all dwelling types in the North Sydney Subregion from 1990 – 2013. Rents were stable over the period from 1990 to 1995, with a period of increase to 2001, steadying to 2006, after which they began to increase strongly until the present.



## Vacancy Rate

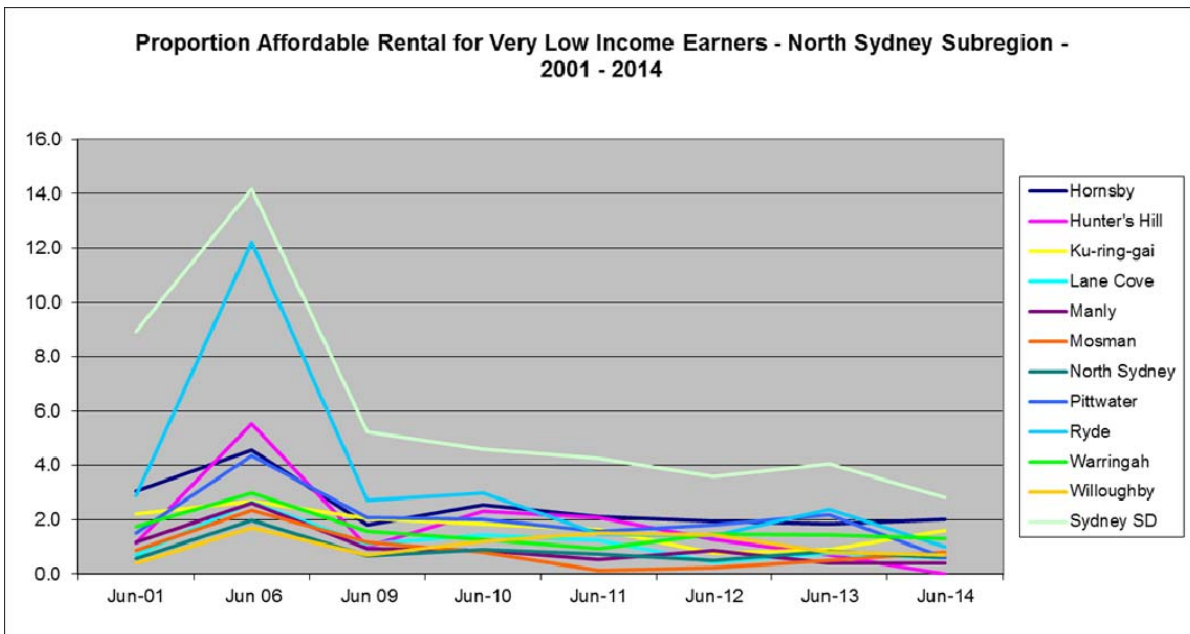
- A vacancy rate of 3% is regarded as representing a balance between supply and demand. For most of the period since 2006, the vacancy rate has been below 2% - indicating a long term severe shortage of private rental accommodation. At June 2014, the average vacancy rate for Sydney is 1.8%.
- The graph below shows the vacancy rate for the Inner, Middle and Outer rings of Sydney for the period from 2006 to 2014, using data from the Real Estate Institute of NSW. Note that Lane Cove, Mosman and North Sydney are in the Inner Ring, Hunters Hill, Manly, Ryde and Willoughby are in the Middle Ring and Hornsby, Ku-ring-gai, Pittwater and Warringah are in the Outer Ring.



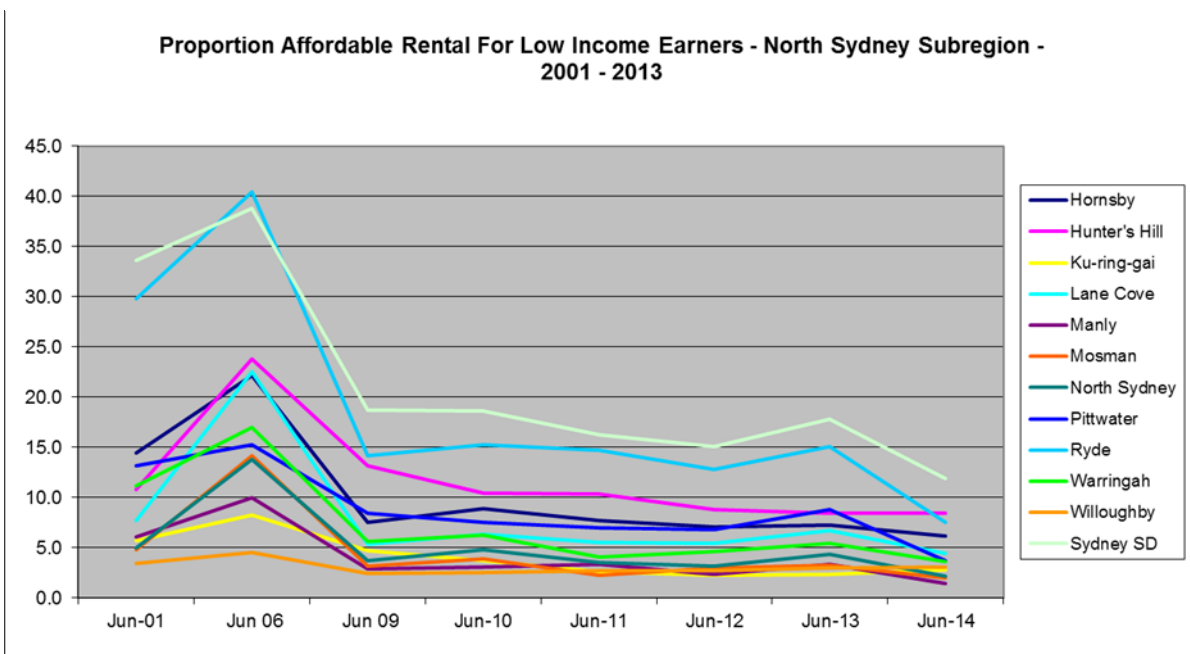
## Affordable Rental

- 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. At June 2014 the proportion of private rental stock that is affordable for very low income earners in the North Sydney subregion ranges from 0.0% in Hunter's Hill to just 2.0% in Hornsby – all North Sydney subregion LGAs are below the very low average of 2.8% across Sydney.

- The proportion affordable for low income earners ranges from just 1.4% in Manly to 8.4% in Hunter's Hill – with all the North Sydney Subregion LGAs being below the Sydney average of 11.9%. Ryde is the only LGA in the North Subregion with a higher proportion of affordable rental stock for moderate income households than the Sydney average of 52.7%, with Ku-ring-gai having the lowest proportion with just 18.4%.
- The graph below shows the proportion of affordable rental for very low income households in each of the local government areas in the North Sydney subregion, compared to Sydney Statistical Division, for the period from 2001 to 2013.



- The graph below shows the proportion of affordable rental for low income households in each of the local government areas in the North Sydney subregion in comparison to the Sydney Statistical Division for the period from 2001 to 2013.

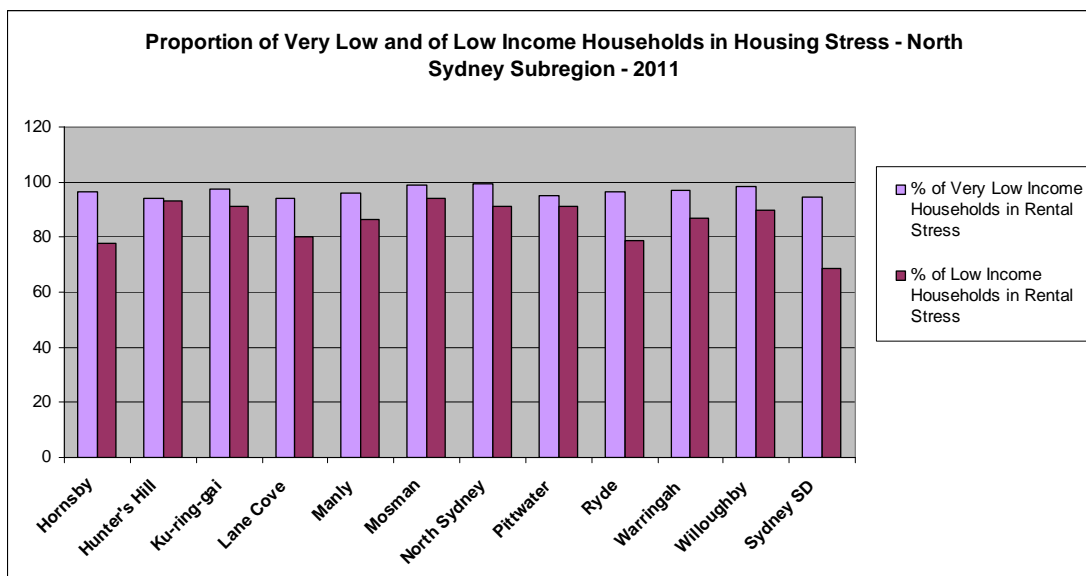


- The table below shows the proportion of affordable rental stock for very low, low and moderate income households in each of the North Sydney subregion local government areas at June 2014.

Area	% of affordable Rental stock for Very Low Incomes June 20 14	% of affordable Rental stock for Low Incomes June 2014	% of affordable Rental stock for Moderate Incomes June 2014
Hornsby	2.0	6.2	49.1
Hunter's Hill	0.0	8.4	25.1
Ku-ring-gai	1.6	2.8	18.4
Lane Cove	0.6	4.4	46.3
Manly	0.4	1.4	21.0
Mosman	0.8	2.0	26.5
North Sydney	0.6	2.2	29.6
Pittwater	0.6	3.7	25.7
Ryde	1.0	7.5	56.7
Warringah	1.3	3.6	38.6
Willoughby	0.7	3.1	24.1
Sydney SD	2.8	11.9	52.7

## Rental Stress

- With the exception of Hunters Hill and Lane Cove, all the North Sydney subregion LGAs have an equivalent or higher proportion of very low income households in rental stress than the Sydney average (95%). All of the North Sydney subregion LGAs have higher than Sydney average proportions of low income households in rental stress ranging between 94% in Mosman to 78% in Hornsby, with the Sydney average being 69%.
- These are extremely high proportions of lower income renters in housing stress. This again suggests that lower income earners are choosing to live here despite the lack of affordability. This indicates the need for more affordable housing targeted to lower income earners in the North Sydney subregion.
- The graph below shows the proportion of both very low and low income households in housing stress in each of the local government areas in the North Sydney subregion at the 2011 Census.



- The table below shows the number and proportion of tenants in the North 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. All the North Sydney subregion LGAs have a higher proportion of CRA recipients in housing stress than the average for Sydney.

Area	Total CRA recipients 2012	CRA recipients in Housing Stress 2012	% in Stress
Hornsby	4,137	2,092	50.6
Hunter's Hill	235	116	49.4
Ku-ring-gai	1,512	887	58.7
Lane Cove	770	412	53.5
Manly	869	562	64.7
Mosman	535	356	66.5
North Sydney	1,598	1,121	70.2
Pittwater	1,265	801	63.3
Ryde	4,068	2,042	50.2
Warringah	3,858	2,150	55.7
Willoughby	1,642	1,061	64.6
Sydney SD	215,820	103,393	47.9

## Loss of Affordable Housing Stock

- FACS has calculated the number of new private rental bonds lodged that were affordable to low income households in 2006, 2010 and 2013.
- All ten North Sydney subregion LGAs have experienced a significant loss of affordable housing between 2006 and 2013 – ranging from 52% fewer affordable rental bonds lodged in Willoughby over that period to 85% in Mosman. A total of 4,405 affordable private rental properties have been lost in just a seven year period in the North Sydney subregion, with most of that occurring in the four year period between 2006 and 2010.
- The vast majority of these LGAs already had very low levels of affordable housing by 2006. This underlines just how little affordable accommodation remains in the North Sydney subregion – in 2013 in Hunters Hill, there were just 53 properties that theoretically were

affordable to households earning 80% of the Sydney median income, in Ku-ring-gai just 79, in Willoughby 95. Even those LGAs within North Sydney that have traditionally provided more affordable private rental accommodation, have had significant losses – Ryde has lost 73%, North Sydney 82%, Hornsby 70%.

- The table below shows the number of new bonds lodged that are affordable to low income households at 2006, 2010 and 2013.

LGA	No. of affordable rental properties for low income households		
	2006	2010	2013
Hornsby	859	280	255
Hunters Hill	72	38	19
Ku-ring-gai	135	94	56
Lane Cove	319	84	62
Manly	299	88	61
Mosman	246	62	37
North Sydney	925	271	169
Pittwater	247	119	96
Ryde	1,764	594	475
Warringah	829	256	155
Willoughby	181	92	86

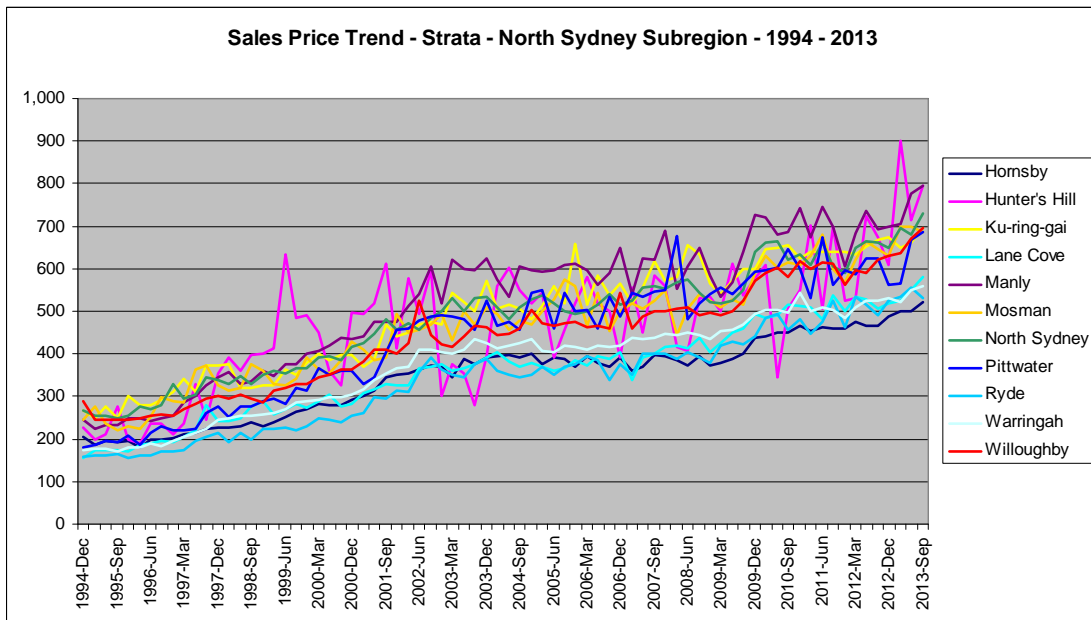
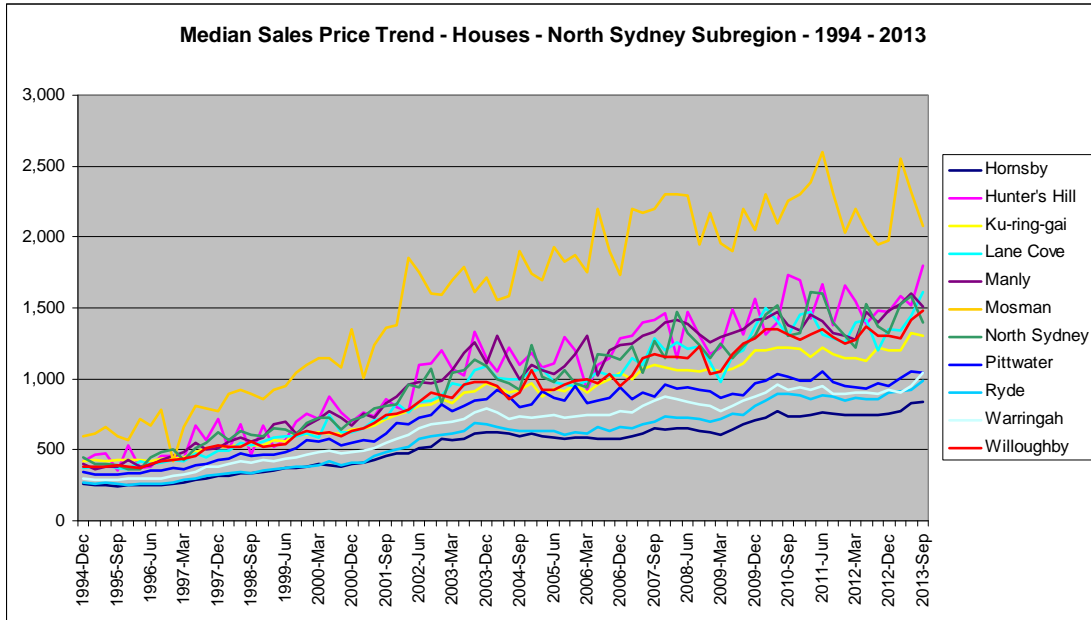
## Housing Market - Purchase

### Sales Price

- Changes in median sales price between 2008 and 2013 have been mostly been upward with the strongest increase being for houses (56.5%) and units in Hunters Hill (91.4%). However, median house prices in Mosman and North Sydney actually declined over this period. Generally increases in median sales price are on a par with changes in median rents over the same period.
- The table below gives the change in both dollar and percentage terms in median rents for both flats and houses by local government area in the North Sydney subregion between 2008 and 2013.

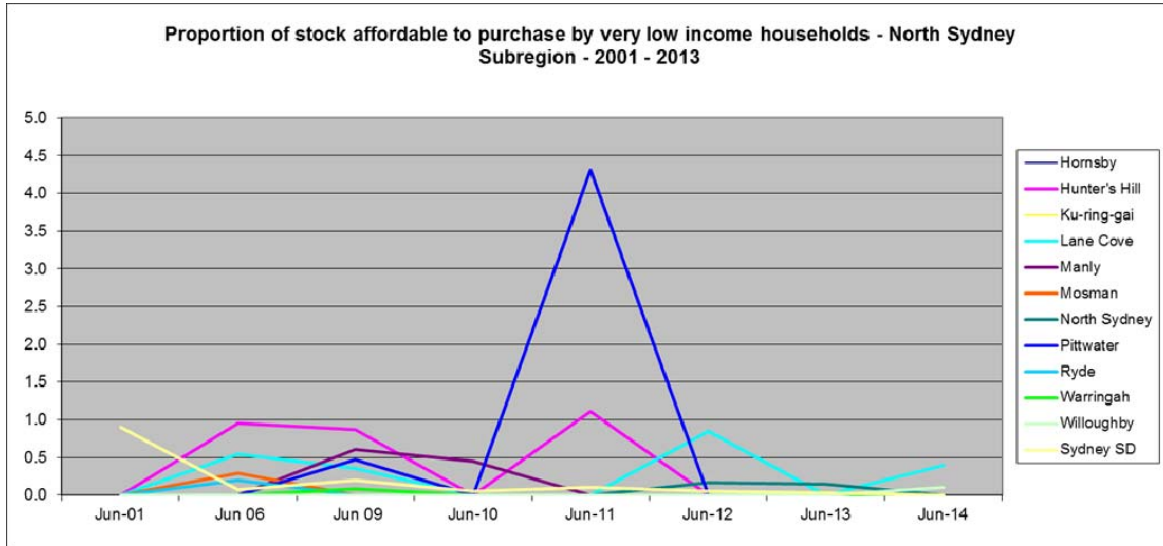
LGA	Flats				Houses			
	2008-March	2013-Sept	Change	%	2008-March	2013-Sept	Change	%
Hornsby	385	522	\$137	35.5	655	835	\$180	27.5
Hunter's Hill	415	795	\$380	91.4	1,150	1,800	\$650	56.5
Ku-ring-gai	581	697	\$116	19.9	1,061	1,300	\$239	22.5
Lane Cove	420	582	\$162	38.5	1,260	1,614	\$354	28.1
Manly	553	795	\$243	43.9	1,418	1,510	\$92	6.5
Mosman	445	688	\$243	54.5	2,300	2,075	-\$225	-9.8
North Sydney	567	730	\$163	28.7	1,475	1,400	-\$75	-5.1
Pittwater	678	685	\$8	1.1	935	1,045	\$110	11.7
Ryde	389	530	\$141	36.2	729	985	\$257	35.2
Warringah	445	560	\$115	25.8	855	1,041	\$186	21.8
Willoughby	507	695	\$188	37.1	1,158	1,481	\$324	27.9

The two graphs below show the long term trend in median sales price for houses and for strata properties.

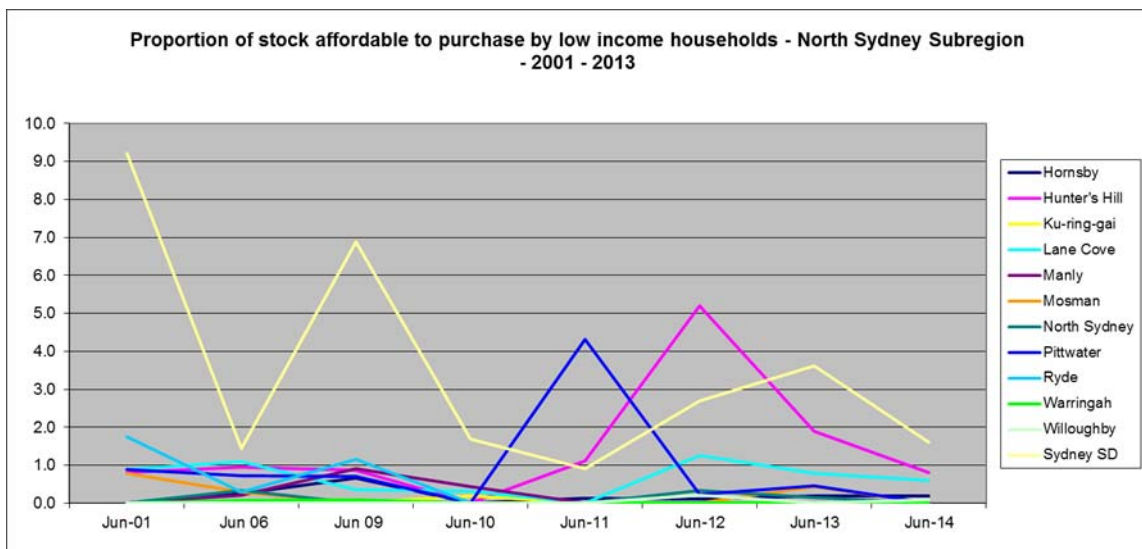


## Purchase Affordability

- Purchase affordability for very low income earners in the North Sydney subregion has been at close to 0% in most LGAs for the last 12 years. It is virtually impossible for very low income earners to purchase in any of the ten local government areas in this subregion.
- The graph below shows the proportion of stock affordable for purchase by very low income households in each of the local government areas in the North Sydney subregion for the period from 2001 to 2014.



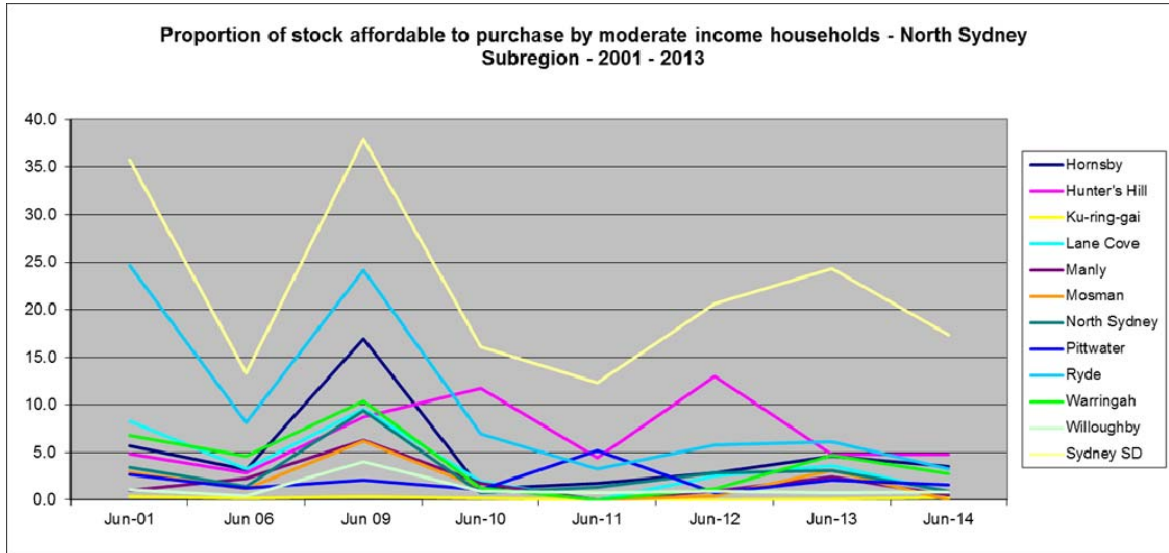
- At June 2014 in Central Sydney the proportion of stock affordable for purchase by very low income households was 0.0% in every LGA excepting Willoughby (0.1%) and Lane Cove (0.4%)
- The situation for low income purchasers in the North Sydney subregion is only marginally better. Currently, low income earners can not afford to purchase in Ku-ring-gai, Manly, Mosman, Pittwater, Ryde and Warringah, with 0.1% affordable in Willoughby, 0.2% in Hornsby, 0.6% in Lane Cove and 0.8% in Hunter's Hill..
- The graph below shows the proportion of stock affordable for purchase by low income households in each of the local government areas in the North Sydney subregion and Sydney Statistical Division for the period from 2001 to 2014.



- The opportunities for moderate income households to purchase in the North Sydney subregion are very limited – currently Hunter's Hill provides the most scope with a mere 4.8% affordable for purchase, with Hornsby 3.5%, Ryde 3.3%, Warringah 2.8% and all remaining North Sydney subregion LGAs having even less affordable purchase – all well below the average for Sydney Statistical Division of 17.4% at June 2014.



- The graph below shows the proportion of stock affordable for purchase by moderate income households for each of the local government areas in the North Sydney subregion from 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/>