Preston Rowe Paterson

International Property Consultants

Sydney *Impact* Report

Residential Development Market

September Quarter 2016

Middle and Outer Sydney Outperforms

Residential development in Sydney for the year to September has increased, albeit at a slower rate than last year's, with numbers still being driven by the market in Middle and Outer Sydney suburbs. Residential developments in Sydney remain the largest in terms of the usage of hectares of land, despite being behind Melbourne in terms of future potential development projects. As of September, the LGA in each respective region of Sydney with the most development transactions are Sydney City in Inner Sydney, Ryde in Middle Sydney and The Hills in Outer Sydney.

Figures from the Real Estate Institute of Australia indicate that the median house price in Sydney increased by 2.1% over the three months to June. Furthermore, Middle and Outer suburbs of Sydney increased by 3.0% and 4.4% respectively. Median prices for Inner, Middle and Outer Sydney as of June 2016 are at $1,740,000, $1,215,000 and $710,000 respectively. When we look at housing affordability for the June quarter, New South Wales saw no change overall, with the proportion of income required to meet loan repayments sitting at 35.4%. Rental affordability improved by 0.1% over the same period, to 28.9%. Over the month to September, vacancy rate for Middle Sydney increased to 2.1%, whilst Outer Sydney's rate declined to 1.7% and Inner Sydney remained unchanged at 1.9%. According to the Real Estate Institute of NSW, vacancy rate jumped in Middle Sydney because of the increase in supply flowing onto the market. Whilst the most recently available quarterly statistics are from June 2016, these trends may correct given the increase in interest rates at the date of drafting (December 2016).

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RESIDENTIAL LGA ZONES

According to the Real Estate Institute of Australia, the local government areas (LGAs) in the Sydney's Statistical Division will be divided up into three geographical rings being inner, middle and outer. The LGAs included in each geographical ring are listed below.

Inner Sydney

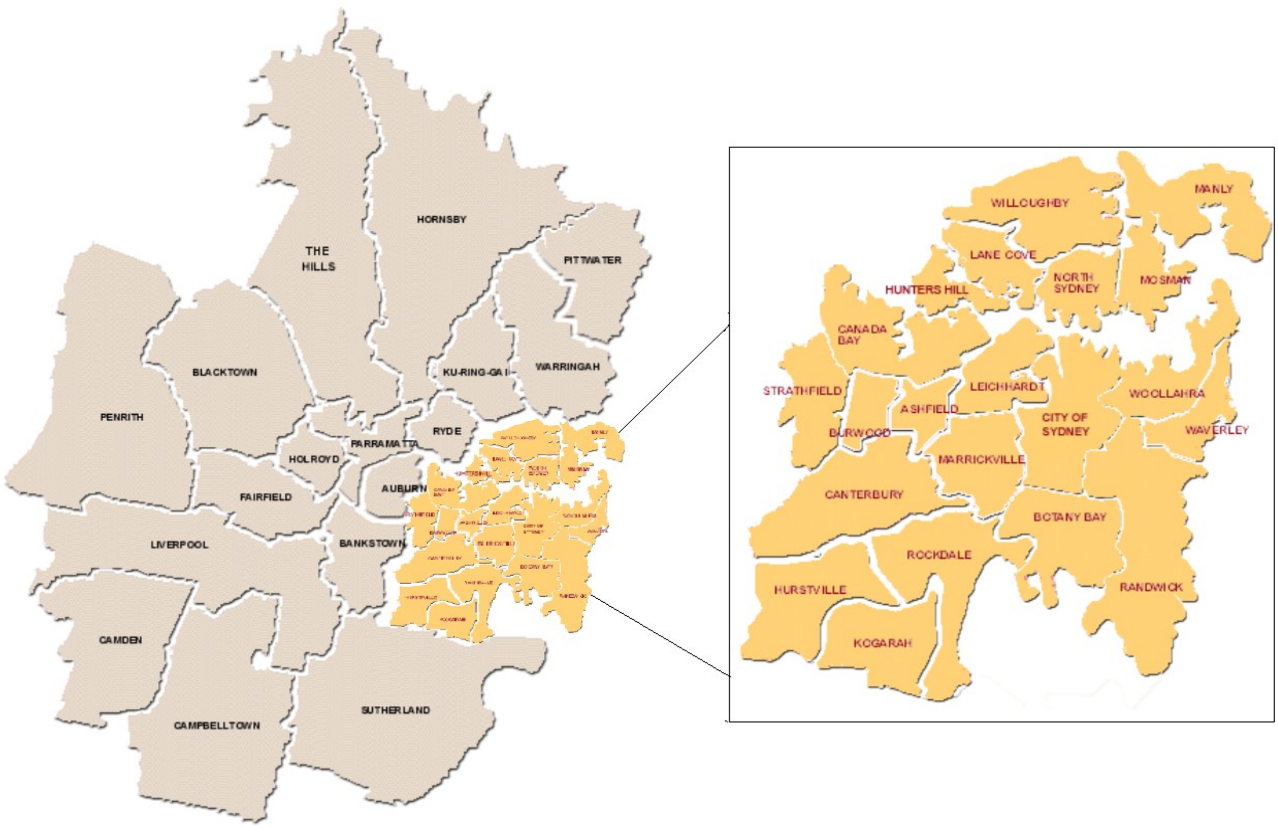
- Ashfield, Botany Bay, Lane Cove, Leichhardt, Marrickville, Mosman, North Sydney, Randwick, Sydney City [South Sydney merged since 2004], Waverly, Willoughby and Woollahra.
- According to the Australian Bureau of Statistics (ABS), the Inner Sydney total population in 2015 is estimated to be 932,747, whereby the Sydney City LGA assumes the largest population at 205,339 persons.

Middle Sydney

- Auburn, Bankstown, Burwood, Canada Bay, Canterbury, Hunters Hill, Hurstville, Kogarah, Ku-ring-gai, Manly, Parramatta, Rockdale, Ryde and Strathfield.
- According to the ABS, the Middle Sydney total population in 2015 is estimated to be 1,360,442. The Bankstown LGA assumes the total population at 203,202 persons.

Outer Sydney

- Blacktown, Camden, Campbelltown, Fairfield, Hawkesbury, The Hills, Holroyd, Hornsby, Liverpool, Penrith, Pittwater, Southerland and Warringah.
- According to the ABS, the Outer Sydney total population in 2015 is estimated to be 2,166,806. The Blacktown LGA has the highest recorded population over all other Sydney LGAs with 339,328 persons.



Sydney metropolitan LGA boundaries – Source - Division of Local Government

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RESIDENTIAL MARKET

Statistics from the Australian Bureau of Statistics' Building Approvals category for September indicate that building approvals decreased by 16.4% over the month, from 5918 approvals in August to 4950 in September. However, when we compare September's figure on a quarter-on-quarter basis, there is actually a 23.50% increase. Furthermore, this figure also reflects a 42.9% increase from September of 2015.

When we look at building approvals for houses, September brought along 1,518 approvals- a decline of 5.95% from August's figure of 1,614. Quarter-on-quarter analysis sees an increase of 7.58%, whilst year-on-year analysis sees an annual increase of 9.84%.

Building approvals for apartments in Greater Sydney declined by 20.3% over the month, from 4,304 in August to 3,432 in September. This monthly decline is Sydney's largest in twelve months, pointing to the possibility that the record high approvals of apartments is nearing its peak and is due to start slowing down in the near future. Despite the large monthly dip, figures from Greater Sydney indicate that there has been a 32.2% increase from the previous quarter, and a 65% increased from September 2015 figures.

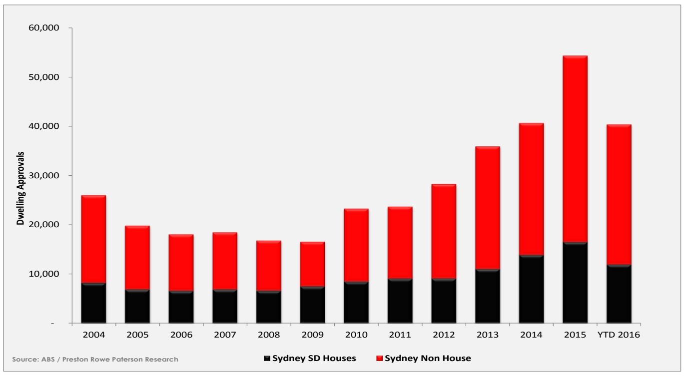

Chart 1 – Sydney SD Dwelling Approvals—Source ABS

Market Affordability

Housing market figures from the Real Estate Institute of Australia (REIA) for September 2016 are currently not available, so we will use their latest figures from the June report for our analysis below. According to the REIA, the median house price in Sydney for the June quarter sits at $1,023,000, reflecting an increase of 2.1% over the quarter and 1.3% over the year. When we look at different zones in Sydney, Outer Sydney and Middle Sydney experienced positive growths over the quarter of 4.4% and 3.0% respectively. Their respective median prices as at June are $710,000 and $1,215,000. On the other hand, Inner Sydney experienced a decline of 0.6% in median prices for the quarter, dropping down to $1,740,000.

Over the twelve months to June, Outer Sydney experienced the largest annual growth of 6.0%, followed by Inner Sydney with 2.4%. On the other hand, Middle Sydney experienced a decline of 0.2% over the year.

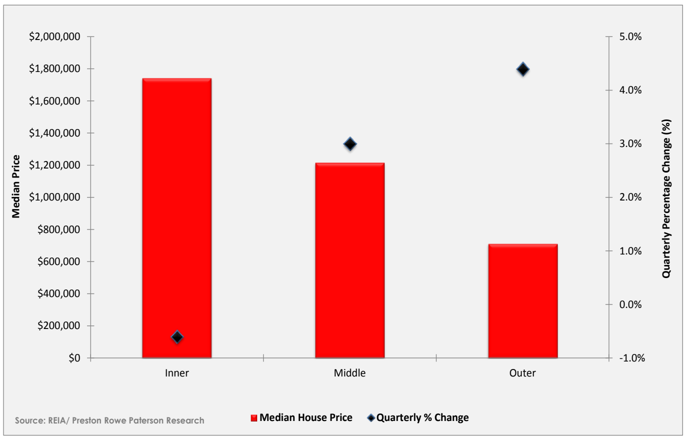

Chart 2 – Median House Price by Zone – Source REIA

When we look at median prices for other dwellings in Sydney, a more modest increase of 0.4% over the quarter and 0.8% over the year were recorded, with median prices jumping up to $672,000. Both Inner and Middle Sydney experienced growths over the quarter, of 1.9% and 2.3% respectively. Their median prices as at June are $835,500 and $665,000 respectively. Outer Sydney experienced a modest decline of 0.9% over the quarter, with its median other dwelling prices decreasing to $580,000.

Over the year to June, median prices have increased in Inner and Outer Sydney by 2.4% and 3.6% respectively. Over the same period, Middle Sydney experienced a slight annual decline of 0.7%.

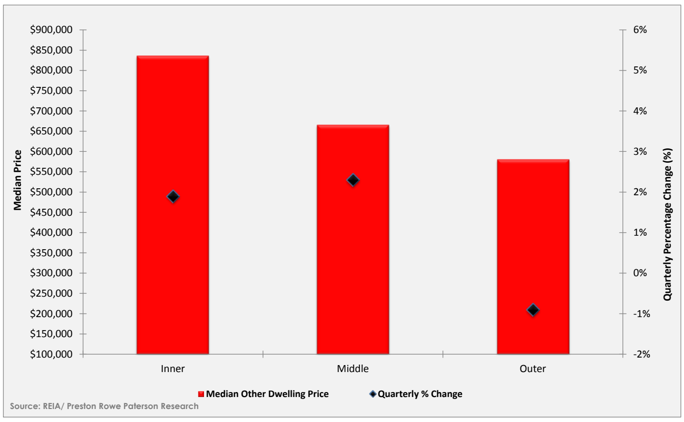

Chart 3 – Median Price for Other Dwellings by Zone – Source REIA

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Rental Market

The June quarter has brought along steady increases in rents across all of Sydney. 2-bedroom houses in Middle Sydney experienced the quarterly increase of 4.2% to a median weekly price of $500. Inner Sydney's 3 –bedroom houses experienced the second highest quarterly rise of 2.9%, to $900 per week. Inner Sydney's 2-bedroom and Middle Sydney's 3-bedroom houses experienced a more modest increase in their weekly rents of 1.4% and 1.8%, respectively, to bring the weekly rental prices to $700 and $580 per week. Outer Sydney's 2 bedroom house rents remained stagnant for the quarter, at $375 per week. 3-bedroom houses in this zone experienced a decline of 2.2% in weekly rent, to $440 for the quarter. Over the year, the largest annual increase in rental prices stemmed from Middle Sydney's 2 bedroom houses, which increased by 8.7%. The smallest increase in rental prices stemmed from Outer Sydney's 3-bedroom houses, which had a modest annual increase of 2.3%.

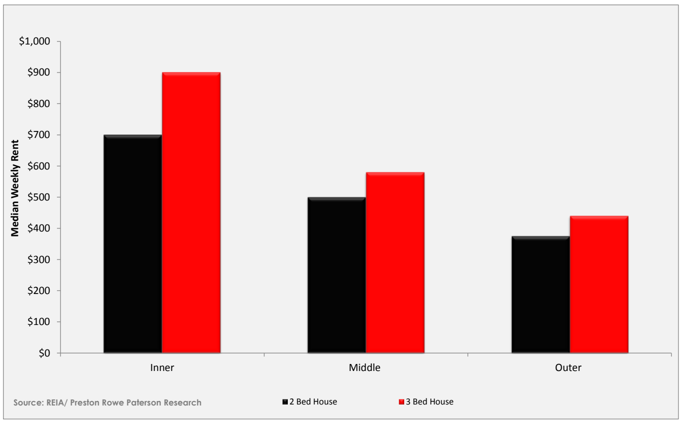

Chart 4 – Sydney Median Weekly Rents for House by Zone – Source REIA

There were modest growths in weekly rental prices for Sydney's other dwellings. The largest quarterly rise stemmed from Middle Sydney's 1-bedroom units, which increased by 2.2% to $470 per week. This is followed by Middle Sydney's 2-bedroom and Inner Sydney's 1-bedroom dwellings, which increased by 2.0% and 1.9% respectively. Their respective weekly rental prices for the June quarter are at $500 and $530. There was no growth over the quarter for weekly rents of Inner Sydney's 2-bedroom and Outer Sydney's 1-bedroom dwellings, with prices remaining at $660 and $350 per week, respectively. Outer Sydney's 2-bedroom dwellings were the only places to experience a decline in median weekly rent, decreasing by 2.4% to $410 per week. The year to June brought along positive growth for all of Sydney's other dwelling's median weekly rents. The highest annual increase stemmed from Middle Sydney's 2 bedroom houses with 4.2%. The lowest is from Middle Sydney's 1-bedroom rental prices, with an annual growth of 2.2%.

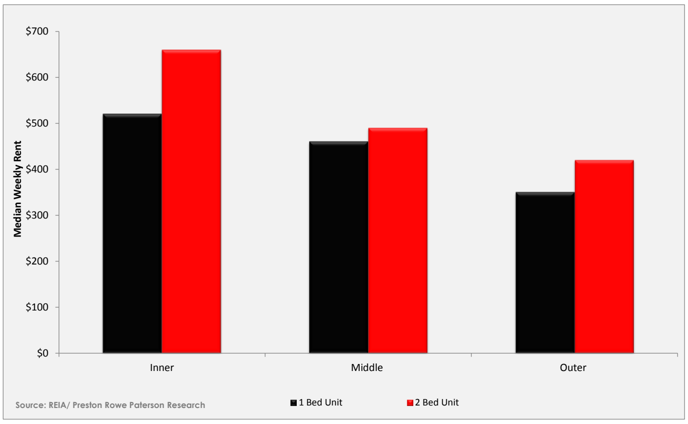

Chart 5 – Sydney Median Weekly Rents for Other Dwellings by Zone – Source REIA

Housing Affordability

Latest figures from a joint report by Adelaide Bank and REIA indicate that housing affordability in New South Wales remain unchanged over the June quarter, with the proportion of income required to meet loan requirements remaining at 35.4%. NSW's proportion of income required to meet loan requirements remains at 0.6% higher than the nation's average, making it the least affordable state in Australian to purchase a residential property. Furthermore, NSW recorded a 15.2% jump over the quarter in the number of loans offered, to 31,866. This figure translates to an annual increase of 11.5%.

Vacancy Rates

Vacancy rate for the Sydney metropolitan as at September 2016 is 1.9%. On a quarter by quarter basis, vacancy rate had increased by 0.1%, though when compared to the previous year, overall vacancy rate has not changed.

Over the month to September, vacancy rate for Middle Sydney increased by 0.5% to 2.1%, whilst Outer Sydney's rate declined by 0.2% to 1.7% and Inner Sydney remained unchanged at 1.9%. According to the Real Estate Institute of NSW, vacancy rate jumped in Middle Sydney because of the increase in supply flowing onto the market.

Over the quarter, modest changes occurred amongst Inner, Middle and Outer zones of Sydney. Outer Sydney vacancy rate declined by 0.1% over the quarter, whilst Inner Sydney's rate remained unchanged and Middle Sydney's increased by 0.2%.

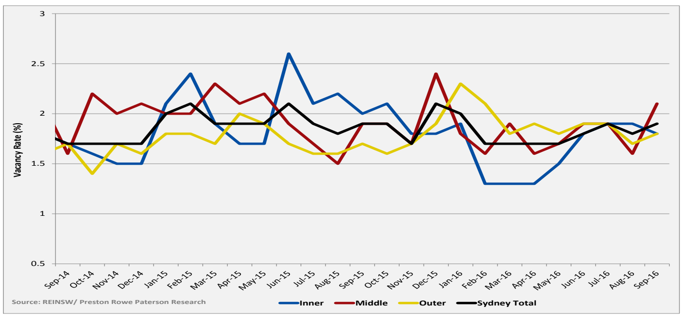

Chart 6 – Sydney Vacancy Rates – Source REINSW

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RESIDENTIAL DEVELOPMENT SUPPLY

The nine months to September has documented more than 33,300 new apartments entering the Sydney market by the beginning of 2018. Supply is mainly concentrated in Middle and Outer Sydney, taking up a respective 43% and 33% of total supply whilst Inner Sydney is projected to supply the rest of the 24%.

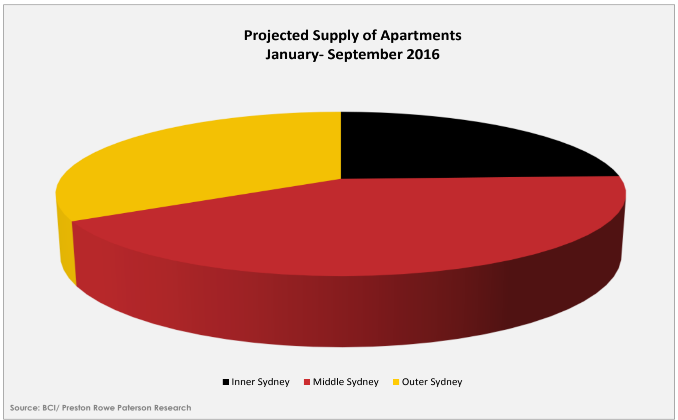


Chart 7 — Projected Supply of Apartment Units in Metropolitan Sydney in March Quarter 2016 — Source — Preston Rowe Paterson Research

According to Building Construction Information Australia, the September quarter revealed there were 150 major development and approvals for residential developments (i.e. apartments, townhouses, estates and town centres). This figure, when compared to the September of 2015, indicates a rise of 4.2% in development applications.

Inner Sydney

The Inner Sydney region recorded approximately 57 development applications at various stages of approval in the nine months to September. The Inner Sydney area was forecasted to introduce more than 8,000 new units over 800,000 square metres of residential development. The development values in the region is estimated to be approximately $3.2 billion.

The Sydney LGA recorded the highest number of proposed units and total estimated development value in the Inner Sydney region. The area recorded close to $1.5 billion worth of developments across 22 developments. Notable developments includes '**The Finery Waterloo**', '**Sugarcube Apartments**', '**ONE30 Hyde Park**' and '**Glebe Affordable Housing Project**'.

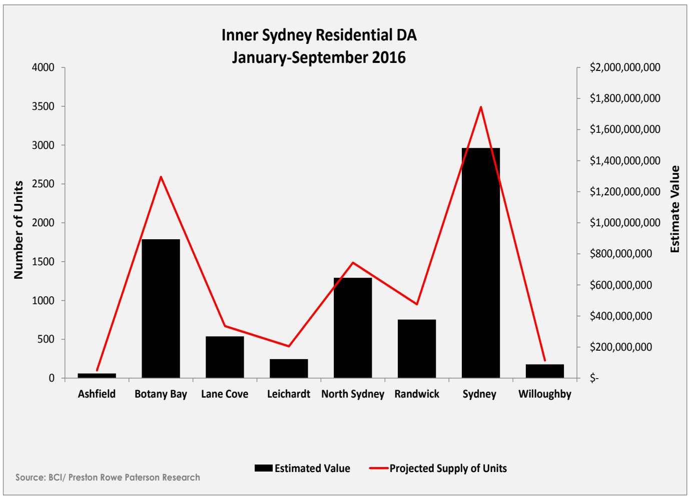
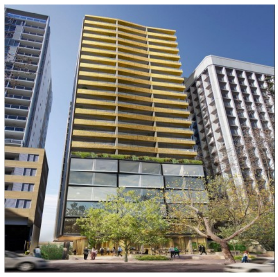


Chart 8 – Inner Sydney Residential Development Approvals -- Source— Preston Rowe Paterson Research

One of the developments in the southern precinct of the Sydney CBD is '**One30 Hyde Park**', located on **130-134 Elizabeth Street**. The development site is located on the corner of Elizabeth and Liverpool Street opposite the south end of Hyde Park. The residential tower will be developed by *Ecove*. The 38 storey tower will house 140 luxury apartments, 4 ground floor retail spaces and have underground parking for 92 car spaces. Construction is expected to begin in the July 2016 and will be completed in the first quarter of 2018.

'One30 Hyde Park' —130-134 Elizabeth Street - Source - www.ecove.com.au

Other suburbs also recorded a number of new development applications. The North Sydney LGA was especially active during the September Quarter. One of its projects, nicknamed '**The Miller**', is expected to add 283 new apartments to Inner Sydney's apartment market. The property is located on 221 Miller Street, and will comprise of 27 floors of studio, 1-bed, 2-bed and 3-bed apartments. Construction is due to start during the fourth quarter of 2016, and is expected to be completed by the fourth quarter of 2018.



'The Miller'— 221 Miller Street, North Sydney - Source– www.themiller.com.au

Other significant developments in the Inner Sydney suburbia include the '**Ashfield Central**' on Liverpool Street at Ashfield, '**Leichardt Green**' on George Street at Leichardt and 'Newmarket Green' on Young Street at Randwick.

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Middle Sydney

According to the BCI, there were over 64 development applications listed during the nine months to September. The Canterbury LGA, Parramatta LGA and Ryde LGA were the most active during the period, recording 10, 12 and 12 development applications respectively.

A much anticipated development in the Canterbury LGA is the '**Charles Bank**' development, which offers an 88-apartment structure that is situated less than 300 metres from Canterbury train station. Construction has commenced at **10B Charles Street, Canterbury,** and is expected to be completed by the first quarter of 2018. The new building will consist of 10 floors, 6,315 sqm in floor area and boosts a combination of 1,2 and 3 bedroom apartments. The area itself benefits from being in close proximity to Canterbury Olympic Ice Rink and the Canterbury Aquatic and Fitness Centre, as well asto to popular hubs like Newtown, Dulwich Hill, Marrickville and Ashfield.

'Charles Bank' – 10B Charles Street, Canterbury
Source - www.domain.com.au

In the Ku-Ring-Gai LGA, construction has commenced the 'Lindfield Village' project, located at **23-41 Lindfield Avenue, Lindfield**. The building, upon finishing, will provide 141 new apartments over 11 storeys and 15,540 of floor space. There will be mainly 1 and 2-bedroom apartments up for offer, as well as limited studios and 3-bedroom apartments. The development is expected to be completed by the fourth quarter of 2017.

Other major developments in the Middle Sydney region include the '**V by Crown'** at Parramatta in the Parramatta LGA, the 'Uptown' in the Ku-Ring-Gai LGA, 'Eden Greenacre' in the Bankstown LGA and 'Macquarie Green' in the Ryde LGA.

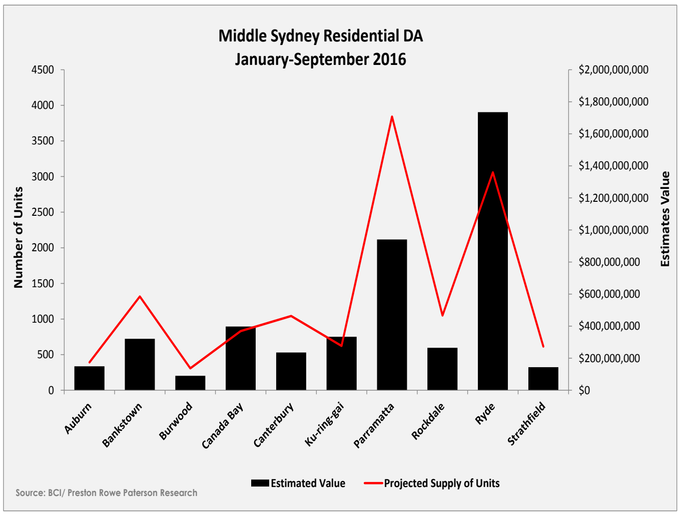

Chart 9 – Middle Sydney Residential Development Approvals -- Source—Preston Rowe Paterson Research

Outer Sydney

The Outer Sydney region has again recorded the highest number of development applications in the Sydney metropolitan region. There were 73 development applications in the nine months to September. The majority of the forecasted supply were focussed in The Hills and Hornsby LGAs with 16 and 19 development applications respectively.

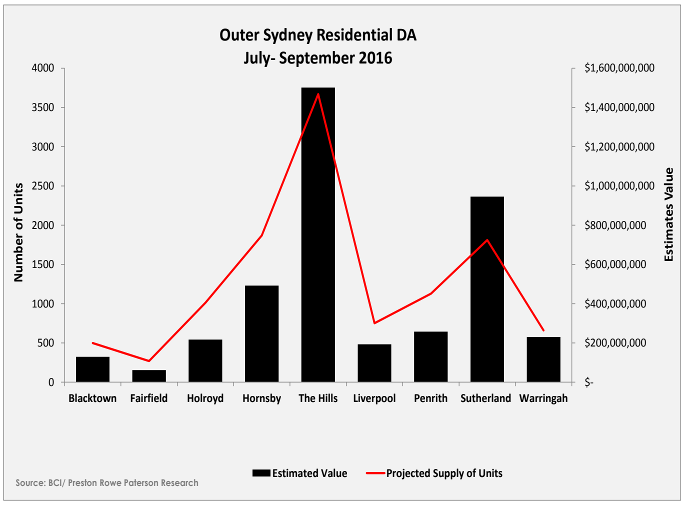

Chart 10 – Outer Sydney Residential Development Approvals -- Source—Preston Rowe Paterson Research

An anticipated development in Penrith is that of '**Harts Landing**' project, located in the **corner of Lord Sheffield Circuit and Combewood Avenue, Penrith**. 268 units will be available within 3 buildings upon completion (48 units in each unit). Construction has commenced in the third quarter of 2016, and is expected to be completed by the fourth quarter of 2017.

'**Evolve Brookvale'** is another development, located in the LGA of Warringah which will provide 79 new apartments, over seven storeys and 2,040 of floor space upon completion. Located at **511 -513 Pittwater Road, Brookvale,** the two buildings will provide buyers with a choice of studio, 1 and 2 bedroom apartments.

'Evolve Brookvale - 511-513 Pittwater Road, Brookvale - Source - www.evolvebrookvale.com.au

Other major developments in the Outer Sydney region include the '**Affinity Caringbah'** in the Sutherland LGA, '**Sienna Apartments'** at Kellyville in The Hills LGA, '**Maple Village'** at Villawood in the Fairfield LGA and 'The Mills' in Holroyd in the Holroyd LGA.

Development Site Sales

Address	LGA	Vendor	Buyer	Date	Sale	Site Area (Ha)	Proposed Dwellings	Rate/Unit
Caddens, Penrith NSW 2747	Penrith	Private owners	Chiwayland	Jul-16	$ 40,000,000	11	400	$ 52,356.02
17-37 Wollongong Road, Arncliffe, NSW 2205	Bayside	CityState Property	Private developer	Jul-16	$ 26,500,000	0.579	164	$ 161,585.37
61 Lavender Street, Milsons Point, NSW 2061	North Sydney	Barana Group	Aqualand	Jul-16	$ 140,000,000	0.1391	135	$ 1,037,037.04
2C Gladstone Street, Newtown, NSW 2042	Inner West	Private owner	Ceerose	Jul-16	$ 6,500,000	0.132	23	$ 282,608.70
80 Waterloo Road, Macquarie Park, NSW 2113	North Sydney	Centuria Property Funds	Golden Age	Jul-16	$ 101,000,000	0.7638	408	$ 247,549.02
70 & 72 Amy Street, Campsie, NSW 2194	Canterbury	Private investor	Aranda	Jul-16	$ 7,500,000	0.2023	30	$ 250,000.00
577-579 Gardeners Road, Mascot, NSW 2020	South Sydney	Private owner	Private developer	Aug-16	$ 12,350,000	0.1628	43	$ 287,209.00
15 Fisher Road, Dee Why, NSW 2099	North Shore	Salvation Army	Private investor	Aug-16	$ 25,000,000	1	100+	$2,500 (per sqm)
548-568 Canterbury Road, Campsie, NSW 2194	Canterbury	Abacus Group	Private investor	Sep-16	$ 49,500,000	0.8308	353	$ 140,227.00
101 Waterloo Road, Macquarie Park, NSW 2113	North Sydney	Goodman Group	JQZ and Redco Properties Group	Sep-16	$ 200,000,000	1.715	700	$ 285,714.00
Cnr George & Harris Streets, Parramatta, NSW 2150	Parramatta	Solotel	Foreign developer	Sep-16	$ 60,000,000	0.3135	400	$ 150,000.00
333 Kent Street, Sydney, NSW 2000	Sydney	Maville Bay Pty Ltd	Bridge Capital and iProsperity Group	Sep-16	$ 88,888,888	0.9076	248	$ 358,423.00
152-206 Rocky Point Road, Kogarah, NSW 2217	Bayside	Darrell Lea	JQZ	Sep-16	$ 80,000,000	3.3	568	$ 140,845.00

Table 1 — Residential Development Site Sales - Source - Preston Rowe Paterson Research
N/A = not currently available

ECONOMIC FUNDAMENTALS

GDP

GDP figures for the September quarter will not be available until the 7th of December, and hence we will use June's figure for the following analysis of growth in the Australian economy. A seasonally adjusted chain volume growth of 0.5% was recorded for the second quarter, and 3.3% for the twelve months to June. The quarterly figure signifies 21 consecutive quarters of growth for Australia, with our last recession occurring 25 years ago in 1991. In trend terms, annual growth stood at 3.1%,with the main sources of growth being Mining (0.8%), Financial and insurance services (0.5%), Public administration and safety (0.3%), Construction (0.2%) and Wholesale trade (0.2%) industries. In contrast, the largest detractor to growth was manufacturing (-0.2%).

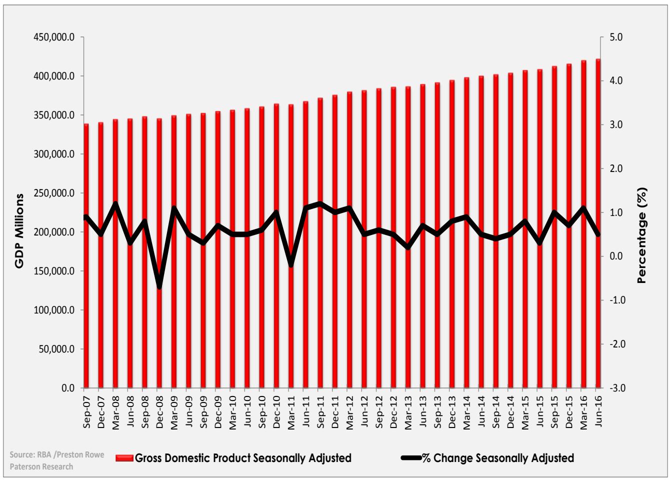

Chart 19 – Gross Domestic Product (GDP) – Source ABS

Interest Rate Movements

Following the Reserve Bank of Australia's monthly meeting, the Board kept interest rates unchanged at 1.50% for October 2016. This comes at the back of the RBA's decision to cut interest rates to historic lows in August, as a result of inflation declining to its lowest level since 1999, in conjunction with slower than average growth in the world economy. The decision to have rates unchanged for the second month in a row is backed by modest improvements in Australia's economy, with declines in the mining industry being offset by growths in residential construction, public demand and imports. Furthermore, the RBA reiterated that commodity prices had been rising over the past few months, coming off the reduction in demand from China from the previous few years.

In relations to the housing market, the Central bank noted that growth in lending for housing has been on a downward trajectory throughout the year as lenders take more precautions with their lending practice.

Furthermore, house prices are still increasing, albeit at a slower pace than the past year, with the exception of the persistently strong housing markets in Sydney and Melbourne. The RBA is sure to be monitoring the housing market closely in the near future, especially for signs of increases in capital gains or an increase in speculatively purchases in the future.

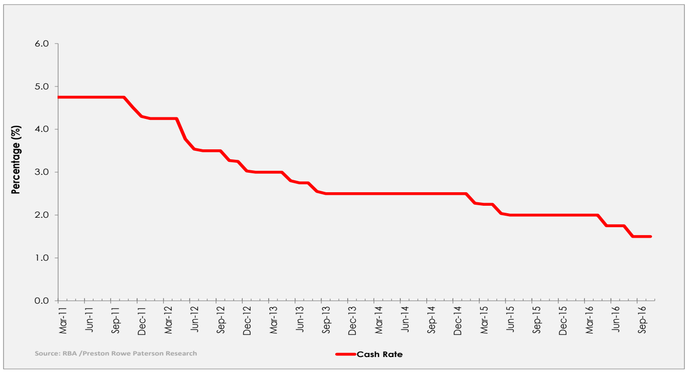

Chart 20 – Cash Rate – Source RBA

CPI

Figures from the Australian Bureau of Statistics indicate that headline inflation in the third quarter of 2016 grew by 0.7%, during the September quarter, with year-on-year growth increasing to 1.3%. These figures show strong improvements in inflation from the last quarter, which only increased by 0.4% over the quarter and 1.0% over the year to June. When we look at underlying inflation for September, which measure inflationary pressures from only changes in market forces, a quarterly rise of 0.35% and yearly change of 1.5% were recorded.

The largest contributors to the hike in prices stemmed from Fruit (19.5%), Vegetables (5.9%), Electricity (5.4%) and Property rates (4.0%). In contrast to this, Index figures for Fuel and Telecommunications both declined over the quarter, by –2.9% and –2.5% respectively.

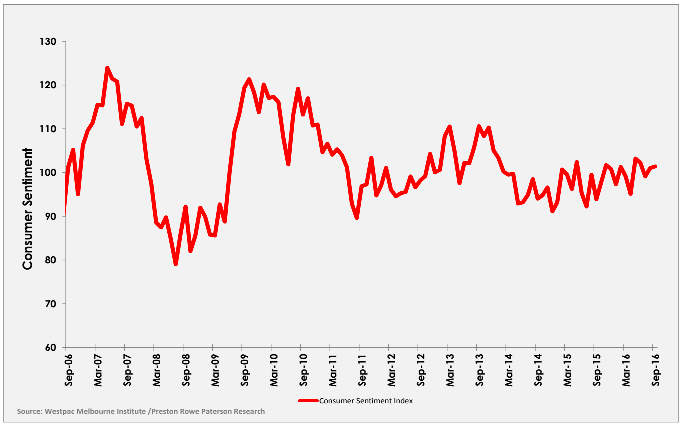

Chart 21 – Consumer Price Index – Source ABS

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10 Year Bond & 90 Day Bill Rate

Over the month to September, Australia's 10-Year Government Bonds rate had increased by 11 basis points to 1.99%. This rate however, reflects a 0.14% (0.71%) decrease from three (twelve) months prior. The 90-Day Bill rate decreased by 0.02% over the month to 1.73%. This rate also reflects a decrease of 0.26% (0.44%) from the previous three (twelve) months. The monthly changes in the 10-Year bonds rate and the 90-Day bill rate reflect a yield spread of 2 basis points.

The 10-Year government bond rate reached an all-time low of 1.82% at the start of August, following drops in yields in the US and major European countries like Britain and Germany during that time. However, upward movements have been recorded ever since as the Australian bond market continue to mirror changes occurring in the US's bond market, reaching 34 basis points higher than its lowest, to a high 2.17% at one stage.

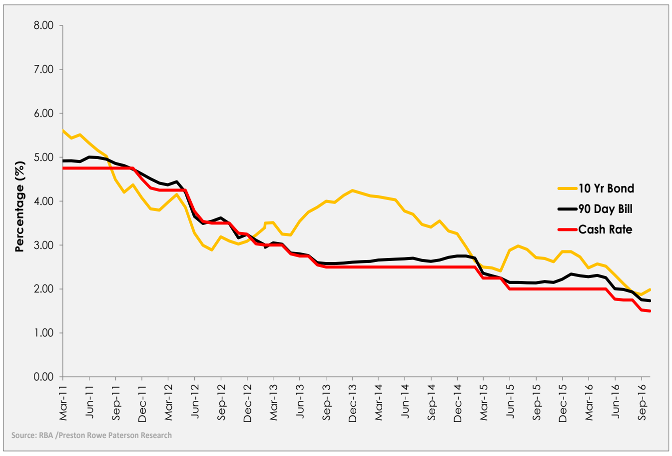

Chart 22 –90 Day Bill, 10 year bond and cash rate - MONTHLY – Source RBA

Consumer Sentiment

September of 2016 brings in positive gains in consumer sentiment, in which the Westpac Melbourne Institute of Consumer Sentiment increased by 0.4% to 101.4 over the month. However, when compared to three months prior, consumer sentiment had decreased by 0.8%, from June's index of 102.2.

Westpac's Chief Economist, Bill Evans, did state that the index has remained relatively stable over the half year to September, despite the many economic events occurring during that time. Notably, two interest rate cuts (May and August), the Federal Election and Federal Budget, as well as major political changes occurring overseas (Brexit, US Elections) have all occurred during this time-though when combined, have not led to any major changes in overall consumer sentiment.

Consumers are showing more confidence in the housing market, with the 'time to buy a dwelling' index falling 2.5 basis points to 109.3 from August's 112.1. Furthermore, the Consumer House Price Expectation Index improved by 3% over the month and 6% over the year to September.

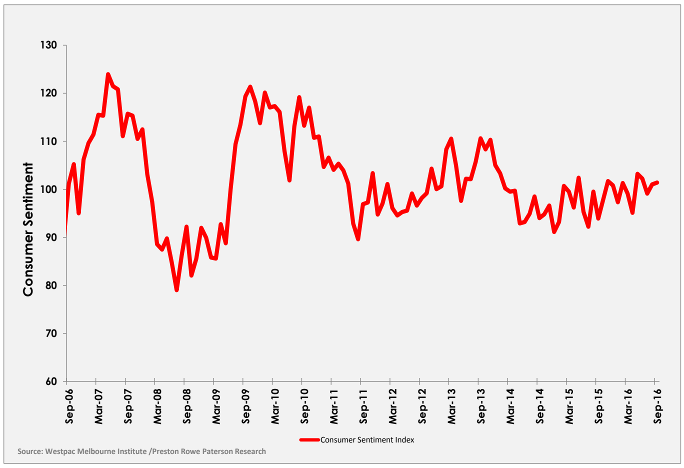

Chart 24 – Consumer Sentiment Index – Source - Westpac—Melbourne Institute Survey

Labour force

Unemployment rate fell 0.1 percentage point to 5.6% in September, with total number of people with jobs falling by 9, 800 (seasonally adjusted) in the month. Furthermore, full time employment reduced by 53,000 persons, and notably, part-time employment increased by 43,200 persons. When we look seasonally adjusted figures for states and territories, New South Wales and Tasmania were the only states to record an increase in employment over the month.

Employment in New South Wales improved throughout the month to September 2016, with 6,666 persons entering the workforce. Seasonally adjusted total number of employed persons currently stands at 3.814million in New South Wales for September 2016. NSW's seasonally adjusted unemployment rate decreased by 0.1 percent, to 4.9% for the month.

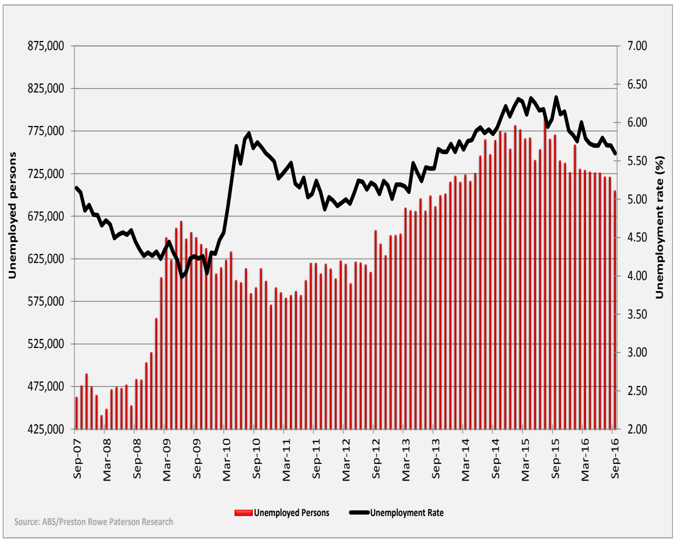

Chart 25– Unemployment—Source—ABS

Our Research

At Preston Rowe Paterson, we pride ourselves on the research which we prepare in the market sectors within which we operate. These include Commercial, Retail, Industrial, Hotel & Leisure and Residential property markets as well as infrastructure, capital and plant and machinery markets

We have *property* covered

- Investment
- Development
- Asset
- Corporate Real Estate
- Mortgage
- Government
- Insurance
- Occupancy
- Sustainability
- Research
- Real Estate Investment Valuation
- Real Estate Development Valuation
- Property Consultancy and Advisory
- Transaction Advisory
- Property and Asset Management
- Listed Fund, Property Trust, Super Fund and Syndicate Advisors
- Plant & Machinery Valuation
- General and Insurance Valuation
- Economic and Property Market Research

We have all *real estate* types covered

We regularly provide valuation, property and asset management, consultancy and leasing services for all types of Real Estate including:

- CBD and Metropolitan commercial office buildings
- Retail shopping centres and shops
- Industrial, office/warehouses and factories
- Business parks
- Hotels (accommodation) and resorts
- Hotels (pubs), motels and caravan parks
- Residential development projects
- Residential dwellings (individual houses and apartments/ units)
- Rural properties
- Special purpose properties such as: nursing homes; private hospitals, service stations, oil terminals and refineries, theatre complexes; etc.
- Infrastructure

We have all types of *plant & machinery* covered

We regularly undertake valuations of all forms of plant, machinery, furniture, fittings and equipment including:

- Mining & earth moving equipment/road plant
- Office fit outs, equipment & furniture
- Agricultural machinery & equipment
- Heavy, light commercial & passenger vehicles
- Industrial manufacturing equipment
- Wineries and processing plants
- Special purpose plant, machinery & equipment
- Extractive industries, land fills and resource based enterprises
- Hotel furniture, fittings & equipment

We have all *client profiles* covered

Preston Rowe Paterson acts for an array of clients with all types of real estate, plant, machinery and equipment interests such as:

- Accountants
- Banks, finance companies and lending institutions
- Commercial and Residential non bank lenders
- Co-operatives
- Developers
- Finance and mortgage brokers
- Hotel owners and operators
- Institutional investors
- Insurance brokers and companies
- Investment advisors
- Lessors and lessees
- Listed and private companies corporations
- Listed Property Trusts
- Local, State and Federal Government Departments and Agencies
- Mining companies
- Mortgage trusts
- Overseas clients
- Private investors
- Property Syndication Managers
- Rural landholders
- Self managed super funds
- Solicitors and barristers
- Sovereign wealth funds
- Stock brokers
- Trustee and Custodial companies

We have all *locations* covered

From our capital city and regional office locations we serve our client's needs throughout Australia. Globally, we operate directly or via our relationship offices for special purpose real estate asset classes, infrastructure and plant & machinery.

We have *your needs* covered

Our clients seek our property (real estate, infrastructure, plant and machinery) services for a multitude of reasons including:

- Acquisitions & Disposals
- Alternative use & highest and best use analysis
- Asset Management
- Asset Valuations for financial reporting to meet ASIC, AASB, IFRS & IVSC guidelines
- Compulsory acquisition and resumption
- Corporate merger & acquisition real estate due diligence
- Due Diligence management for acquisitions and sales
- Facilities management
- Feasibility studies
- Funds management advice & portfolio analysis
- Income and outgoings projections and analysis
- Insurance valuations (replacement & reinstatement costs)
- Leasing vacant space within managed properties
- Listed property trust & investment fund valuations & revaluations
- Litigation support
- Marketing & development strategies
- Mortgage valuations
- Property Management
- Property syndicate valuations and re-valuations
- Rating and taxing objections
- Receivership, Insolvency and liquidation valuations and support/advice
- Relocation advice, strategies and consultancy
- Rental assessments and determinations
- Sensitivity analysis
- Strategic property planning

About This Report

Preston Rowe Paterson prepare standard research reports covering the main markets within which we operate in each of our capital cities and major regional locations. This Residential Development Market research report provides analysis and detail of economic factors which impact the Residential Development Market within the Sydney region.

Within this report we have analysed the three geographical regions of residential properties in the Sydney metropolitan areas; Inner Sydney, Middle Sydney and Outer Sydney. We have also compiled a few major reported developments and development site sales, along with economic statistics and commentary on the residential development sector.

To compile the research report we have considered the most recently available statistics from known sources. Given the manner in which statistics are complied and published they are usually 3-6 months out of date at the time we analyse them. Where possible we consider short term movement in the statistics by looking at daily published data in the financial press. Where this shows notable fluctuation, when compared to the formal published numbers we have commented accordingly.

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