



UDIA State of The Land 2021

GCC Residential Greenfield and Multi-Unit Market Study

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UDIA State of The Land 2021

National Residential Greenfield and Apartment Market Study

NATIONAL



Change Total Greenfield Sales ('19 to '20)

SYDNEY

↑ 88%

MELBOURNE

↑ 83%

SEQ

↑ 65%

ADELAIDE

↑ 83%

PERTH

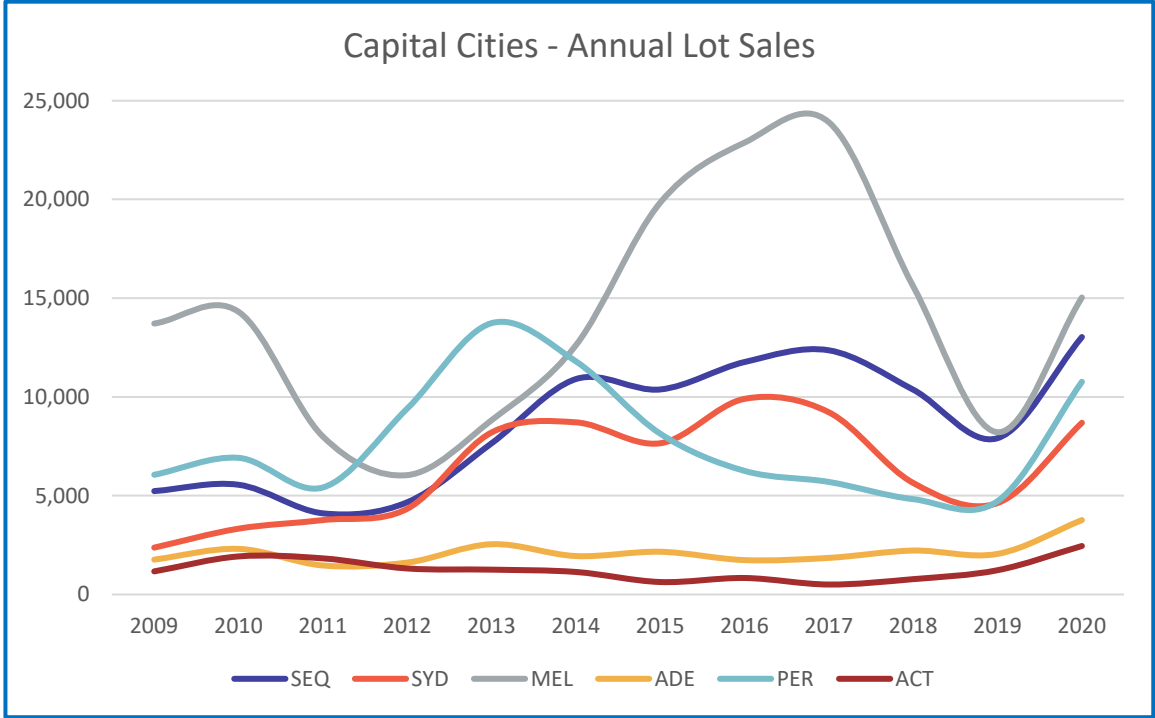
↑ 128%

ACT

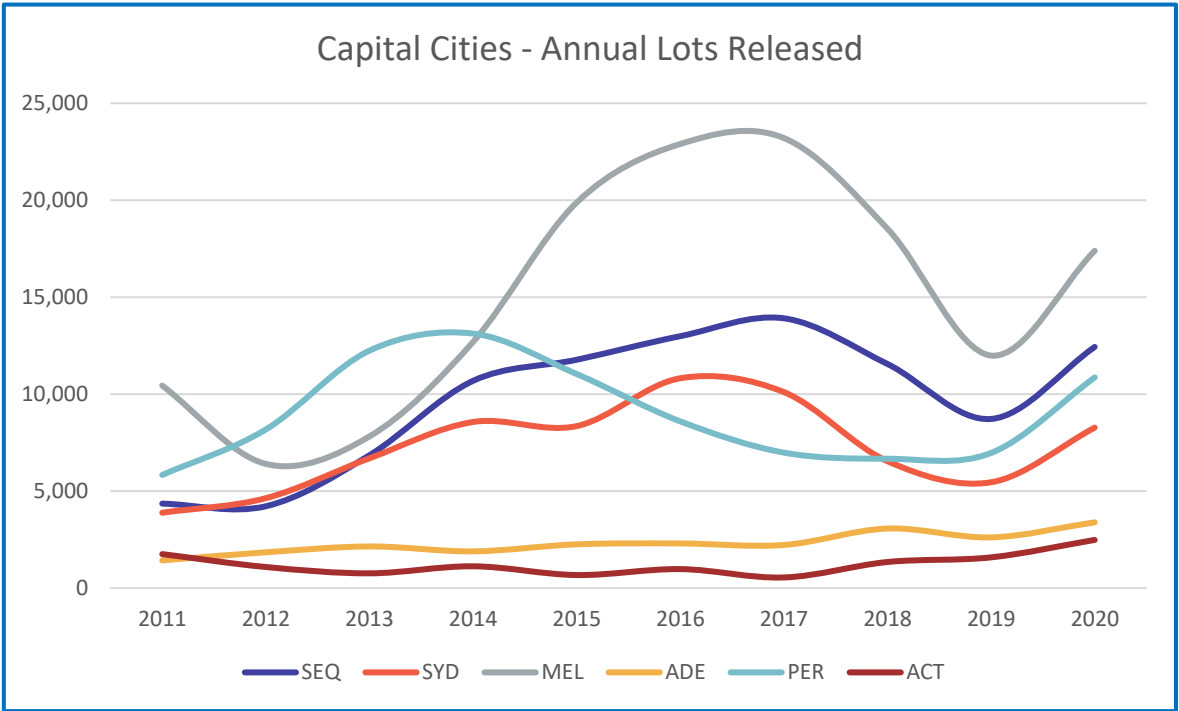
↑ 101%

COMBINED GCC

↑ 87%



Source: UDIA State of the Land (2020); Research4



Source: UDIA State of the Land (2020); Research4

- Greenfield lot sales across all Capital Cities recorded significant & unprecedented annual volume uplift
- Developers responded to surging second half year demand with major uplift on 2019 lot releases


Change in Median Land Price (\$/sqm)

SYDNEY
↑ 6%

MELBOURNE
↓ - 2%

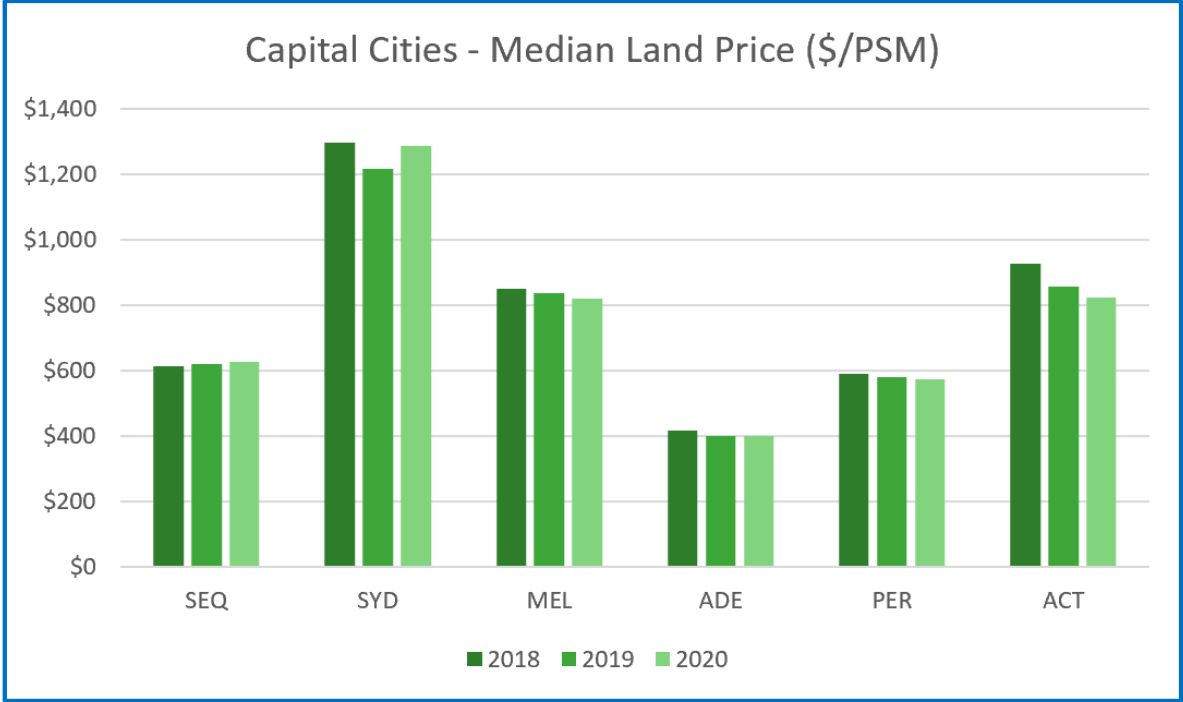
SEQ
↑ 1%

ADELAIDE
↔ 0%

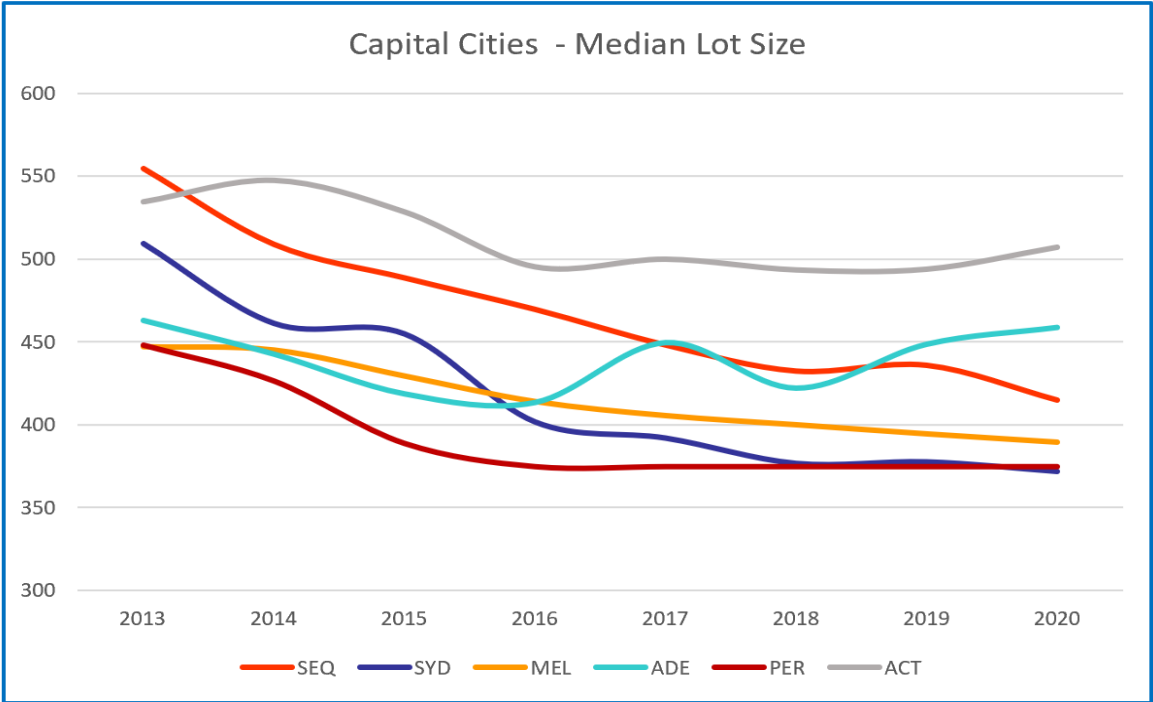
PERTH
↓ -1%

ACT
↓ -4%

COMBINED GCC
↔ 0%



Source: UDIA State of the Land (2020); Research4



Source: UDIA State of the Land (2020); Research4

- Sydney was the only market which saw significant increase in lot pricing and uplift in median land price
- Lot sizes retracted further in large East Coast cities, but held steady/increased in smaller cities.

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Change in New
Unit Sales Volume
(’19 to ’20)

SYDNEY
↓ -2%

MELBOURNE
↓ -20%

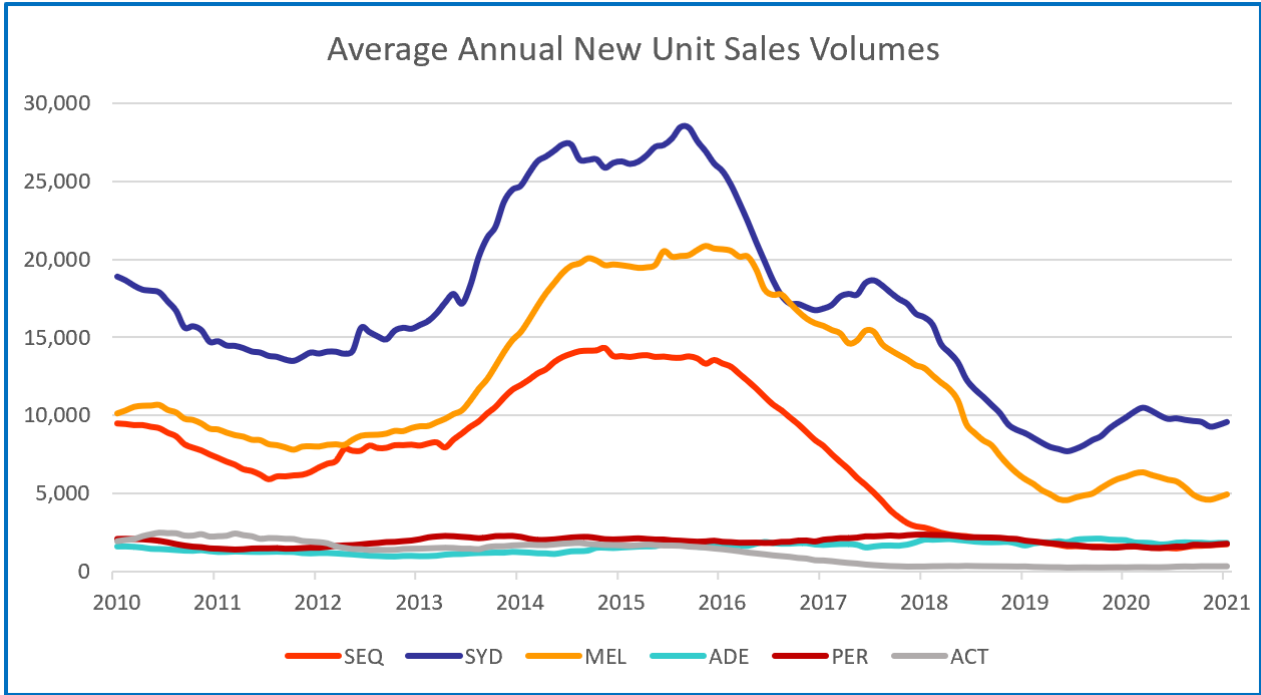
SEQ
↑ 8%

ADELAIDE
↓ -10%

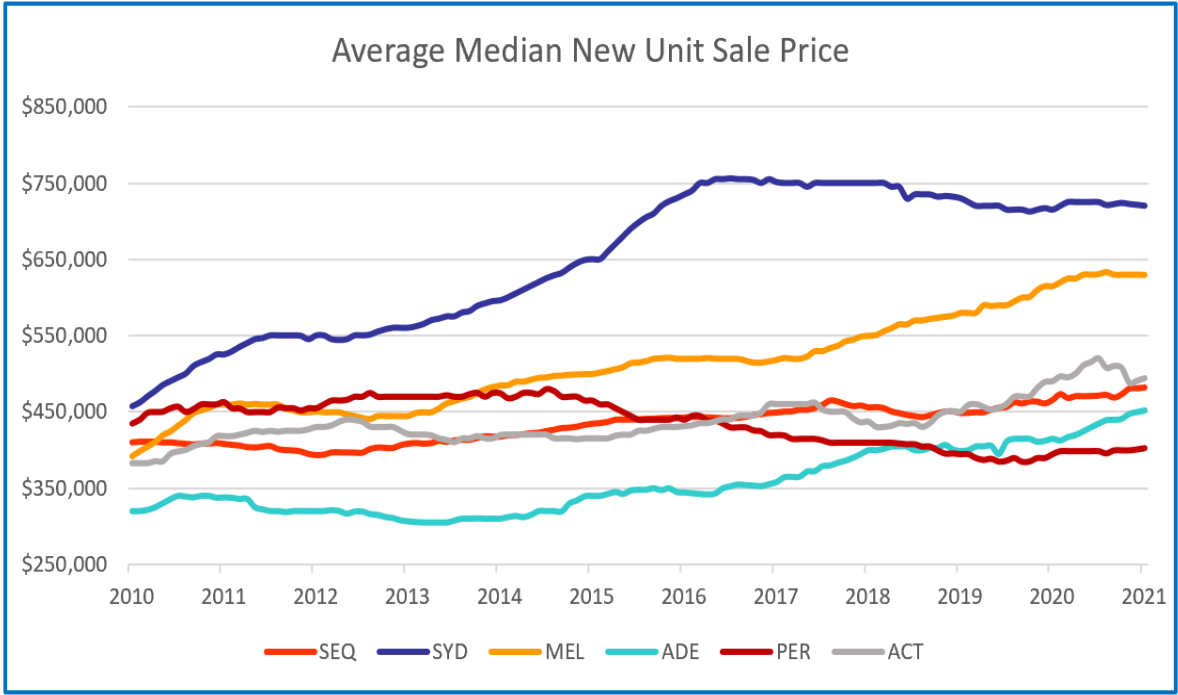
PERTH
↑ 13%

ACT
↑ 21%

COMBINED
GCC
↓ -5%



Source: UDIA State of the Land (2020); CoreLogic



Source: UDIA State of the Land (2020); CoreLogic

- Momentum continued to unwind in new apartment sector, settled sales down 6% for the year & 50% lower than decade average

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Change in Unit Completions ('19 to '20)

SYDNEY

- 15%

MELBOURNE

- 7%

SEQ

- 28%

ADELAIDE

- 38%

PERTH

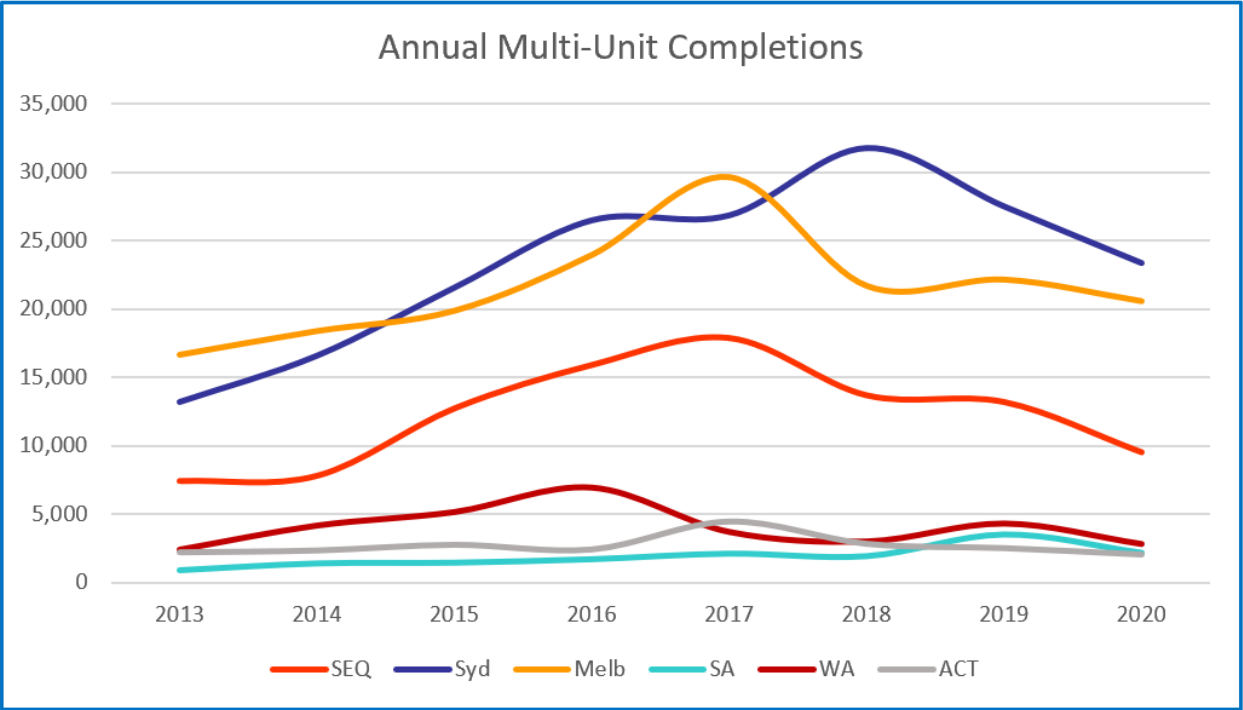
- 35%

ACT

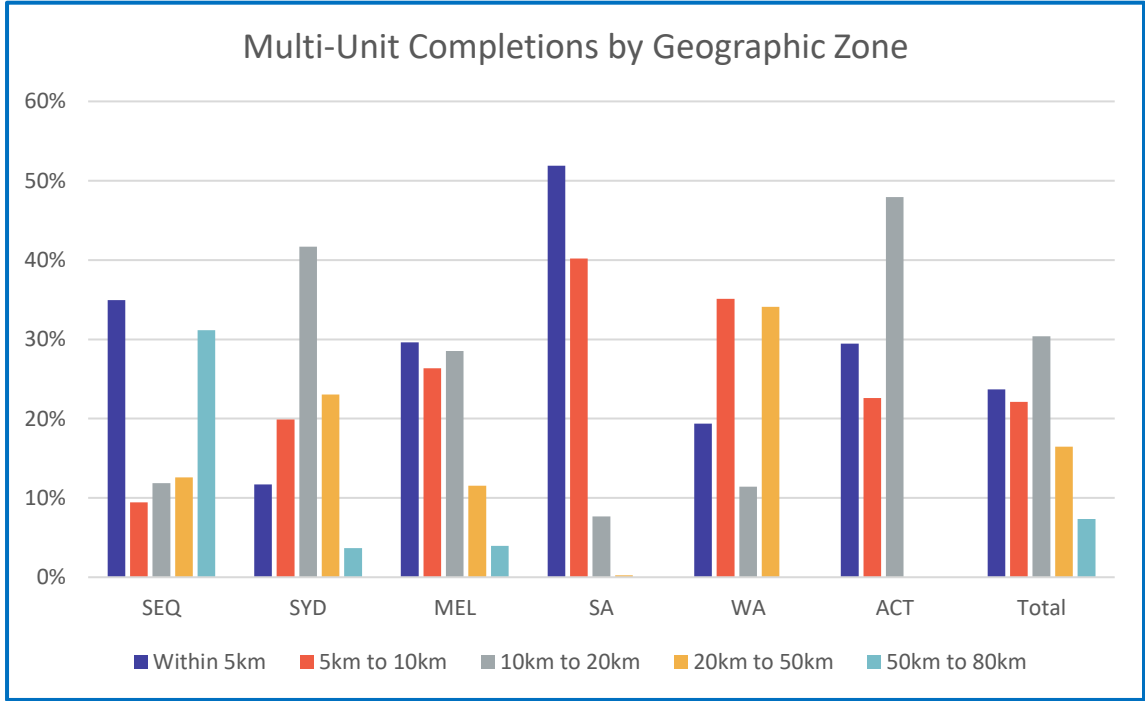
- 19%

COMBINED GCC

- 17%



Source: UDIA State of the Land (2020); CoreLogic



Source: UDIA State of the Land (2020); CoreLogic

- All Cities recorded a retraction in multi-unit completions over the year, with a total Capital City output of 60,500 new units, the lowest output since 2014.
- The geographic distribution of new unit supply continues to decentralize to middle & outer metro areas


Change in Active Supply: U/C, Approved and Early Planning (19' to 20')

SYDNEY
- 7%

MELBOURNE
- 4%

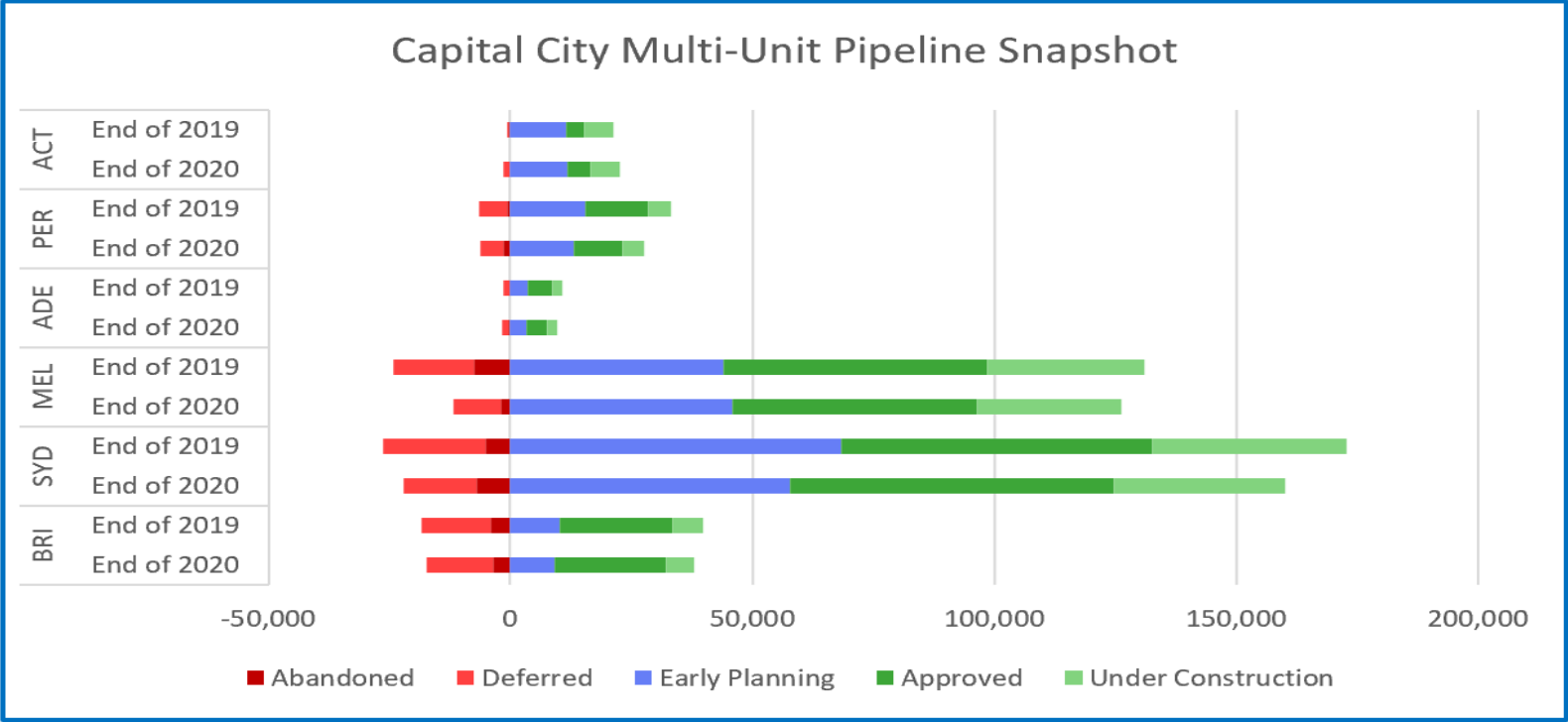
BRISBANE
- 5%

ADELAIDE
- 12%

PERTH
- 17%

ACT
5%

COMBINED
GCC
- 6%

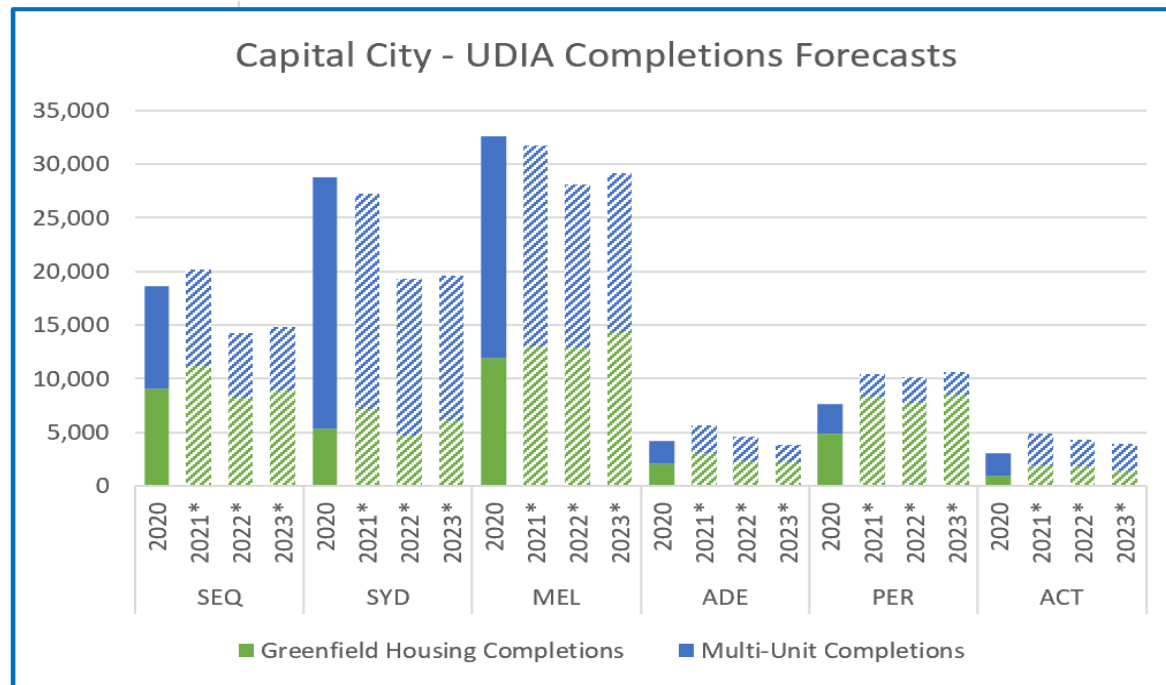
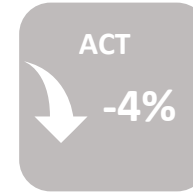
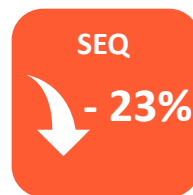


Source: UDIA State of the Land (2020); CoreLogic

- Every Capital City except Canberra recorded retraction in active multi-unit pipeline supply across 2020,
- The quantum of project deferrals and abandoned eased across the year

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Source: UDIA State of the Land (2020); CoreLogic; Research4

*UDIA Estimates

Source: UDIA State of the Land (2020); CoreLogic; Research4

*UDIA Estimates

- National residential supply contraction observed across all Capital Cities.
- 2020 combined new residential supply 12% lower than 8-year average output
- UDIA forecasts on-going subdued new supply output over forward 3-years

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SEQ

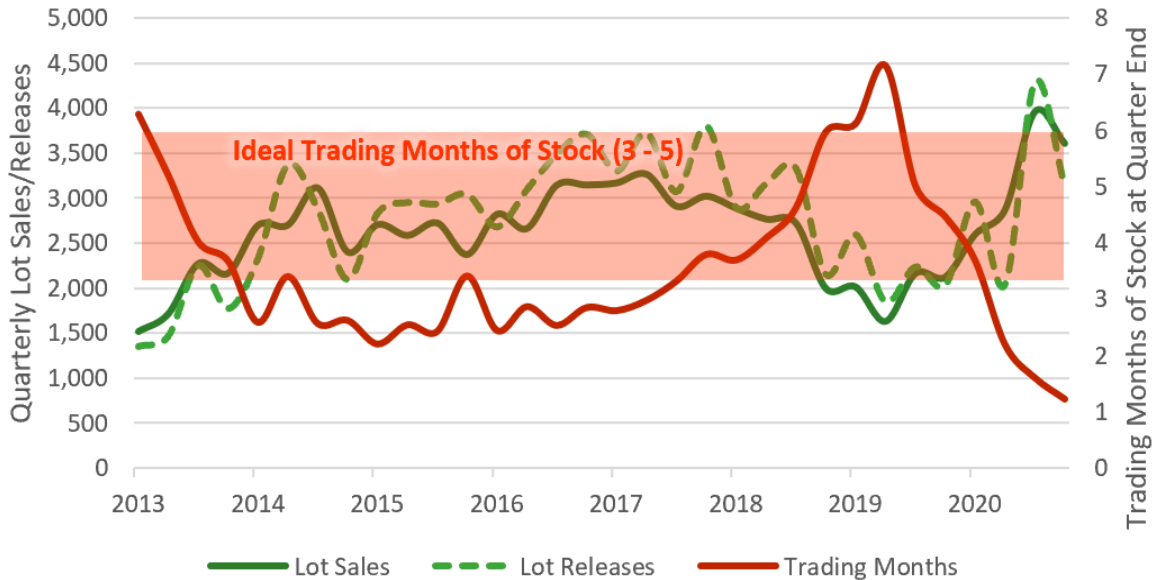


SEQ - New Residential Market Supply



Source: UDIA; CoreLogic; Research4

Greenfield Market Activity

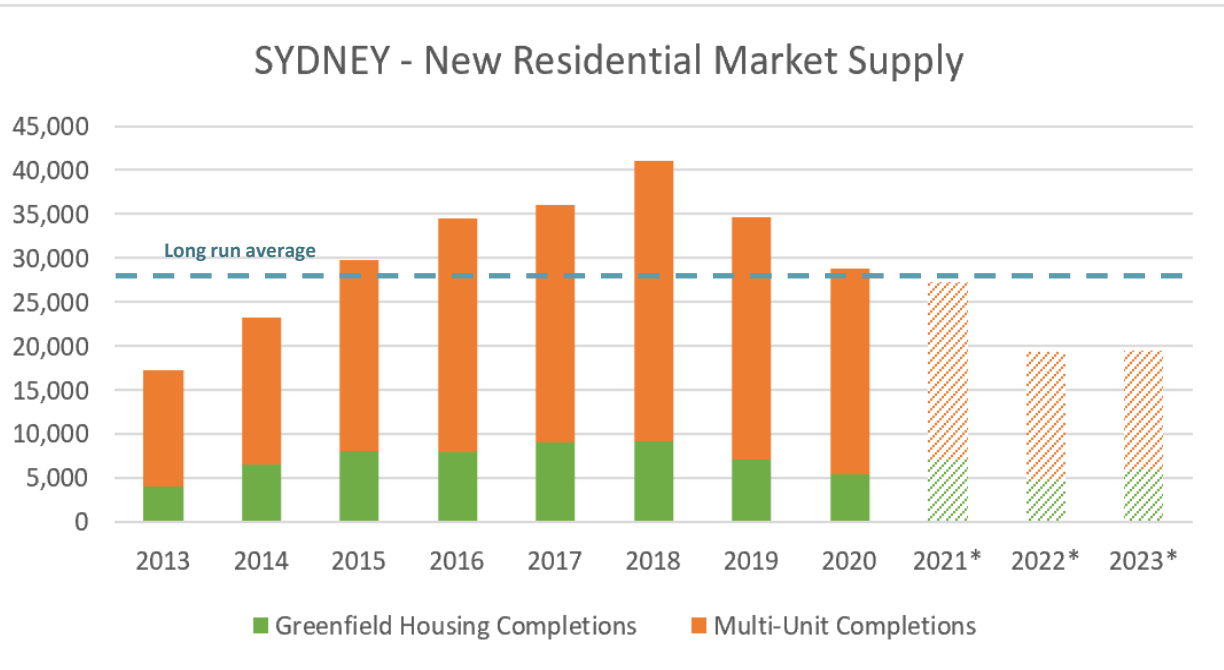


Source: UDIA; Research4

- SEQ had a record 13,040 annual lot sales, along with record volume of releases in the September Quarter
- The multi-unit sector remains weak for third year running, settled sales down 70% on decade average

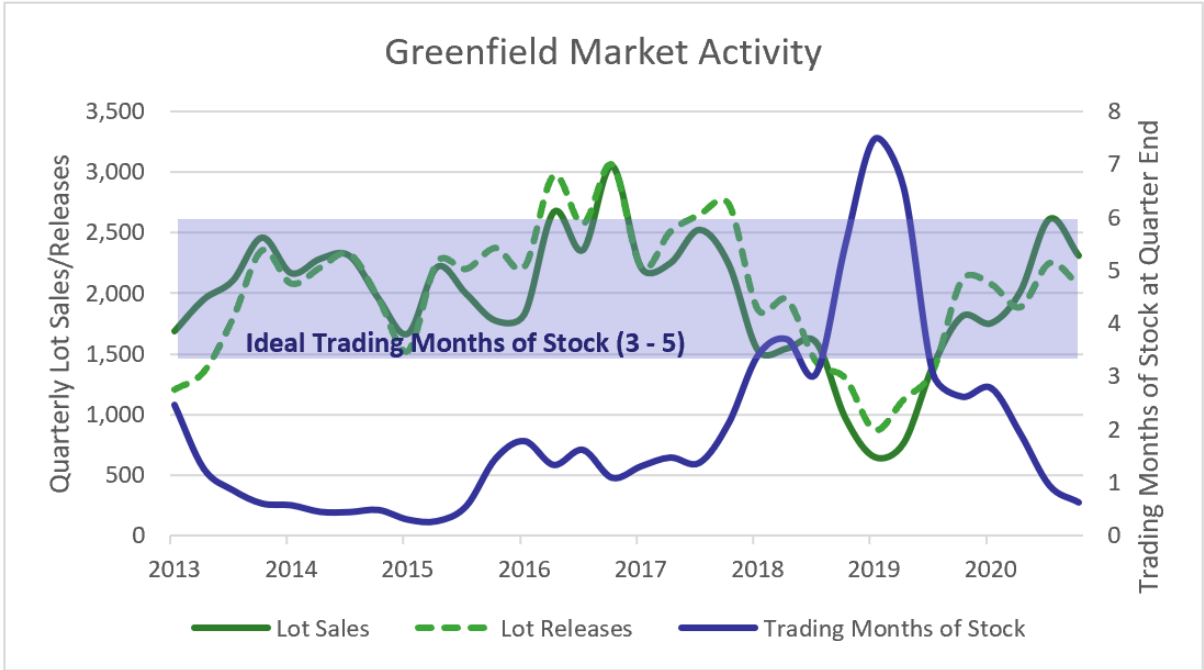
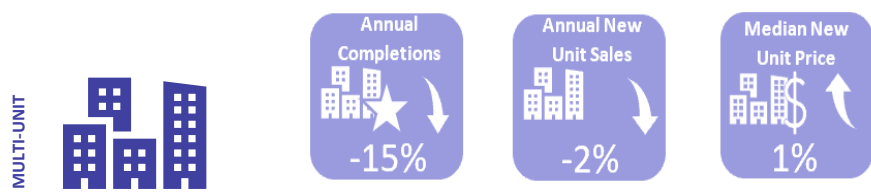
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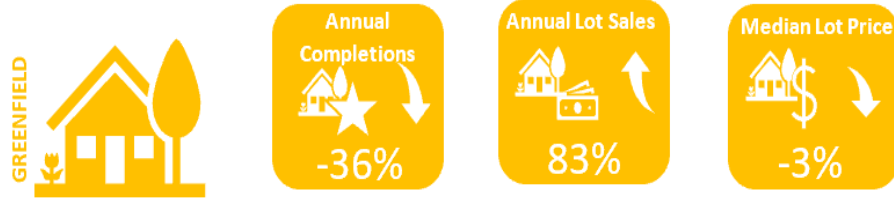
Source: UDIA; CoreLogic; Research4

SYDNEY

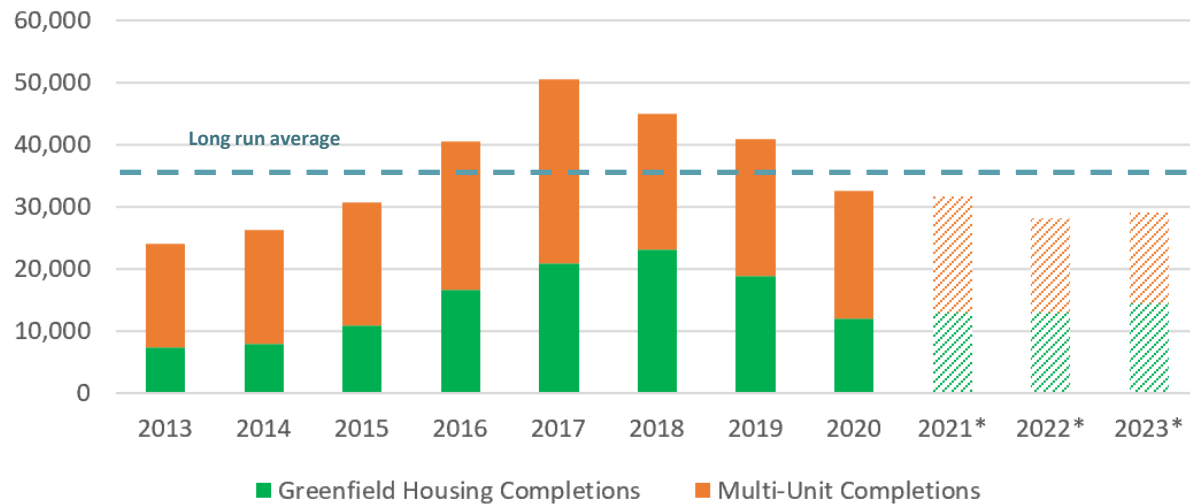


Source: UDIA; Research4

- Surging sales activity across Sydney's red-hot greenfield sector is exposing serious fragility in forward supply availability
- New unit sales transactions across 2020 were down 45% on the decade average and maintains the soft volumes consistently recorded since the September quarter 2018

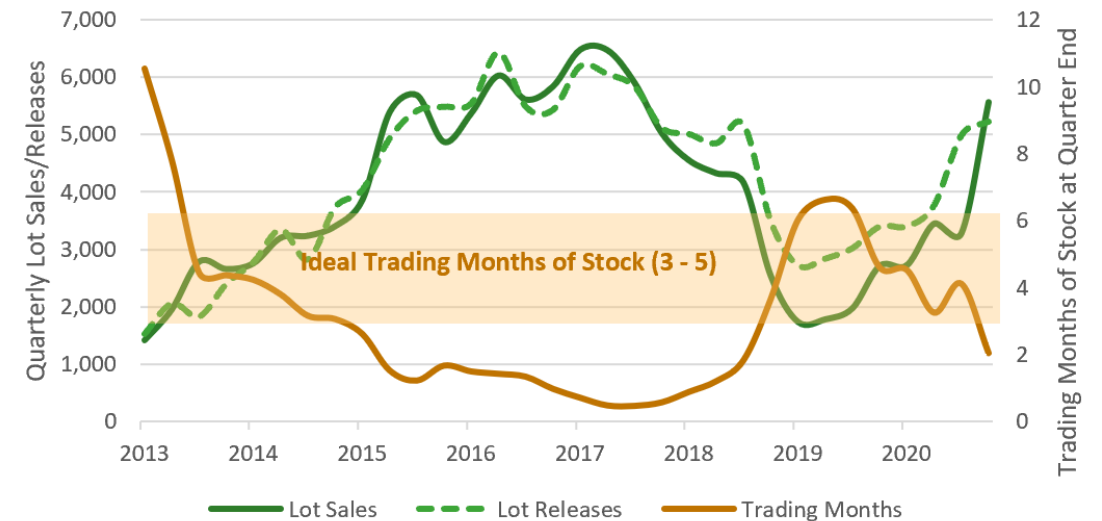


MELBOURNE - New Residential Market Supply



Source: UDIA; CoreLogic; Research4

Greenfield Market Activity

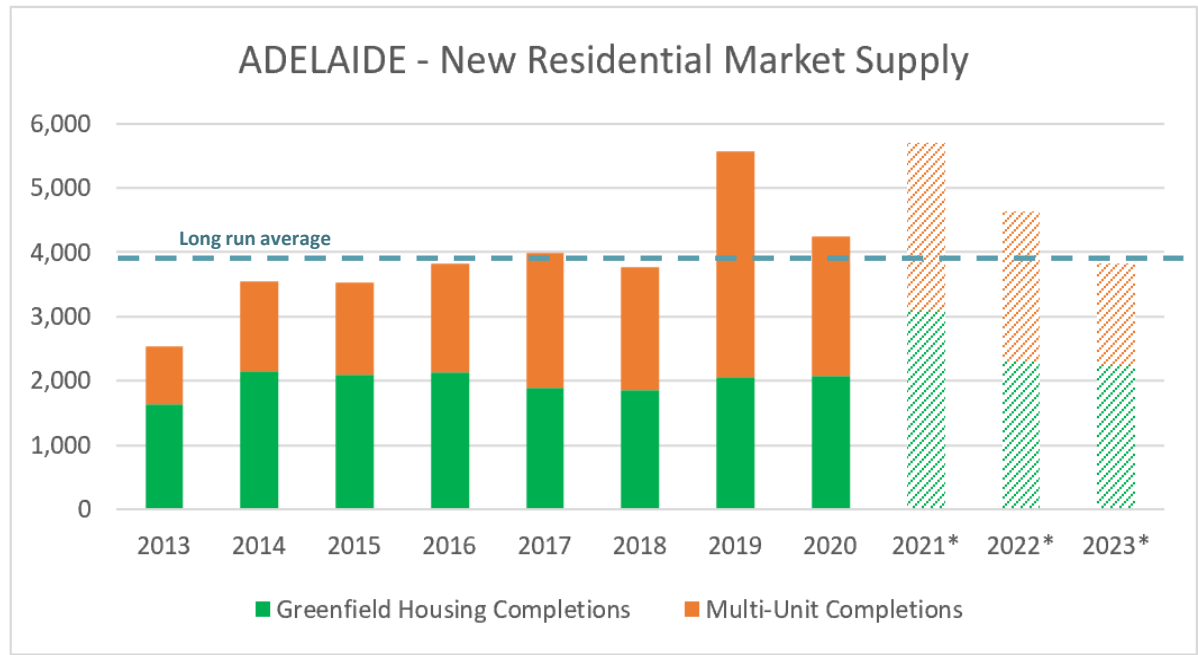


Source: UDIA; Research4

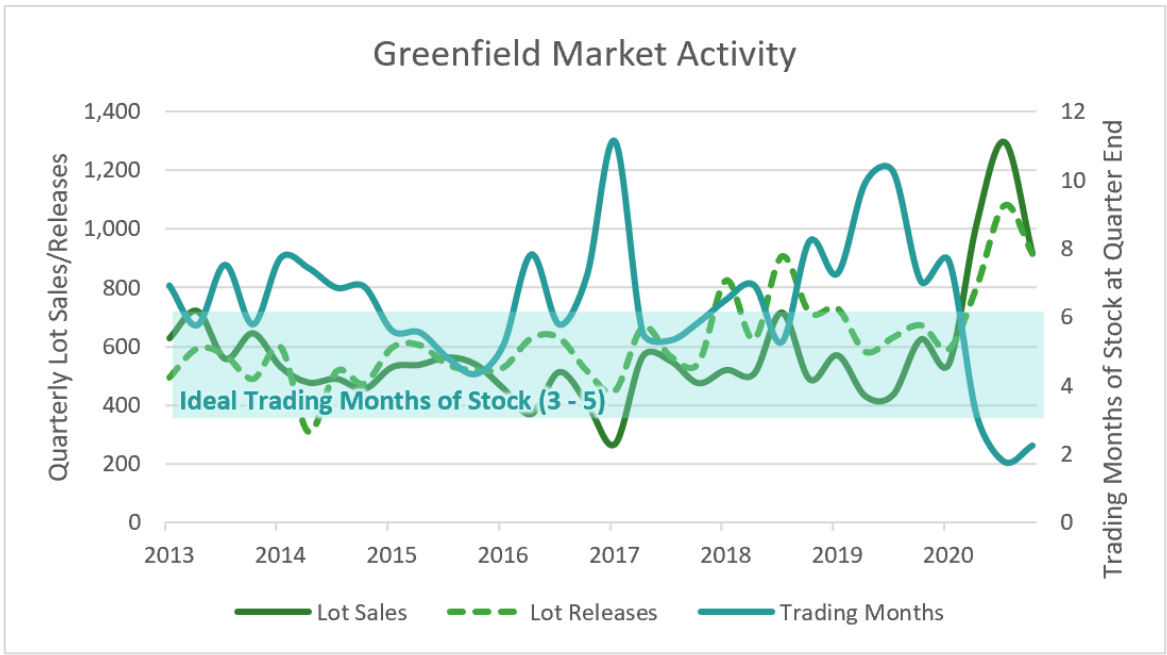
- The Melbourne housing market demonstrated tremendous resilience to register strong momentum across the December quarter once Stage 4 lockdown were eased.
- Ongoing weakness in the multi-unit sector drove down new market supply dwellings to the lowest level delivered since 2014 and was 40% lower than the peak supply delivered in 2017

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Source: UDIA; CoreLogic; Research4



Source: UDIA; Research4

- Adelaide's greenfield market had a stand-out second half of the year for sales activity to net 3,765 sales – a new record
- Despite the uplift in activity, pricing remained in check with Adelaide still comfortably offering the most affordable land across the capital cities, with a median lot price in December quarter of 183,000



Annual Completions
-7%

Annual Lot Sales
128%

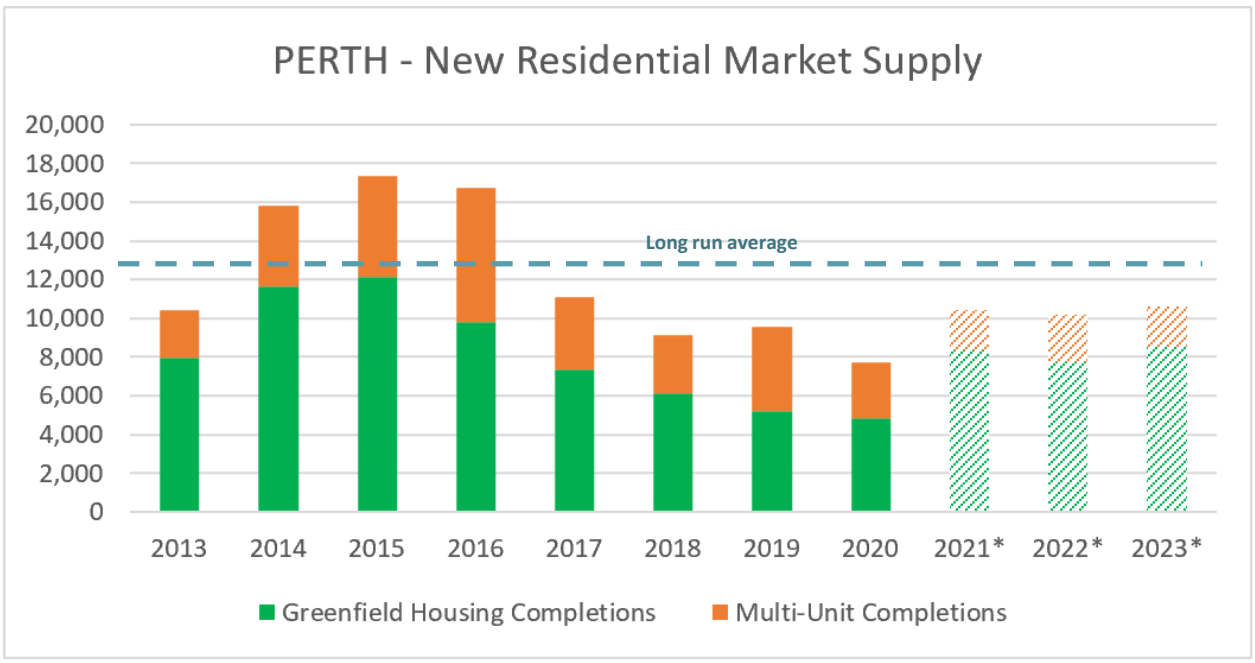
Median Lot Price
-1%



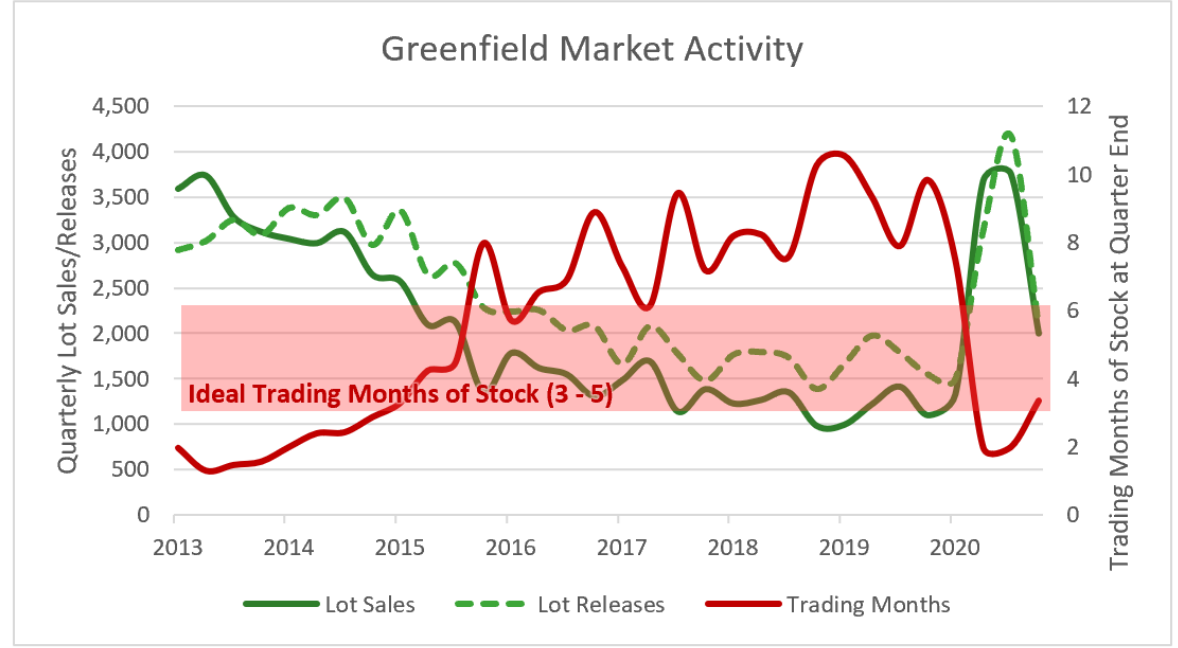
Annual Completions
-35%

Annual New Unit Sales
13%

Median New Unit Price
3%



Source: UDIA; CoreLogic; Research4



Source: UDIA; Research4

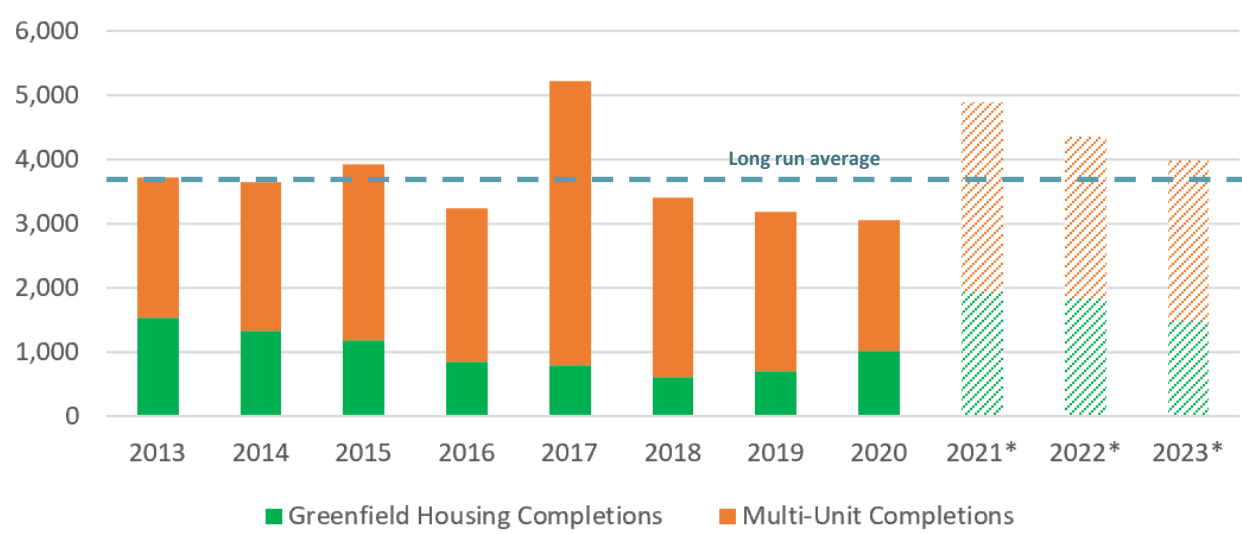
- The Perth greenfield market recorded the strongest rebound performance across 2020 of all the capital cities with sales up 128% from 2019.
- Multi-unit activity remained subdued with across the year with 2020 new unit sales down -8% on decade average and maintains the soft volumes consistently recorded since September 2018.

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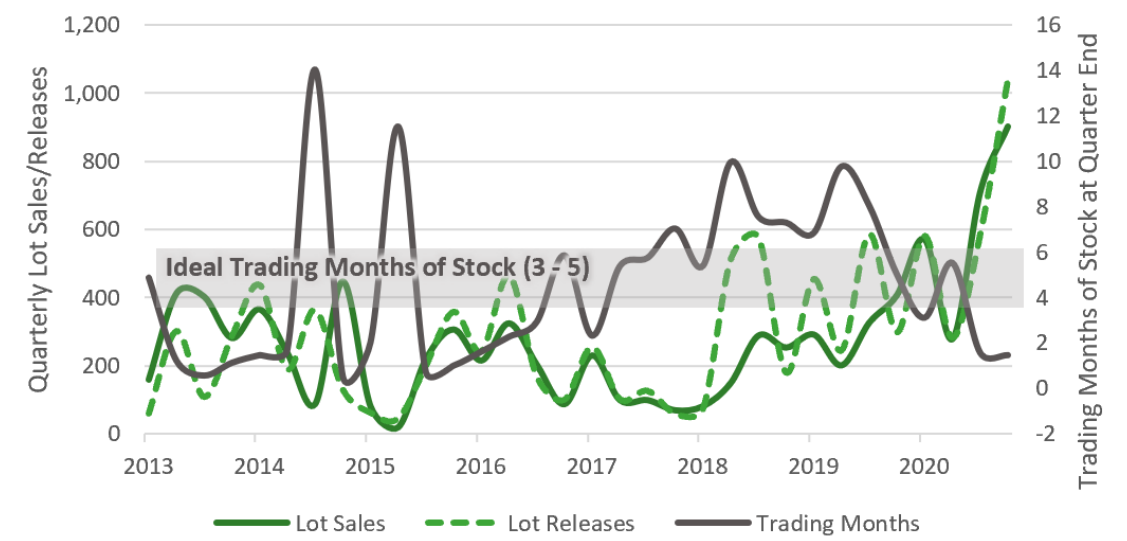


ACT - New Residential Market Supply



Source: UDIA; CoreLogic; Research4

Greenfield Market Activity



Source: UDIA; Research4

- The ACT greenfield land market enjoyed a bumper 2020 with a 57% uplift in lot release activity to register an annual release record.
- Completions of new residential supply remained subdued, but a ramp up in new completed supply is forecast over coming 3 years.