

HENDERSON.



SUBURB
REPORT

THE HILL (Newcastle) UNITS

KNOW THE SUBURB.

THE HILL

The Hill is an inner city residential suburb of Newcastle, in the Hunter Region of NSW located immediately south (approx 1.1kms) of Newcastle's CBD.

According to the 2016 census of population, there were 1,943 people in The Hill.

The Hill borders Newcastle, Bar Beach and Cooks Hill.



KNOW THE NUMBERS.

THE HILL - SNAPSHOT

Distance to Sydney CBD

161km



Household Income

\$1,602

per week

(\$83K per annum)



Household Structure

Couples (58%)

Families (30%)

One-parent Families (11%)

Other (1%)



Occupations

Professionals (43%)

Community & Personal Service (13%)

Clerical & Admin (11%)



Property Types

61%

of properties are Units.



Rental Ratio

53%

of properties are occupied by renters.



In comparison to other suburbs throughout the Newcastle Region, The Hill's:

- Household Income of \$1,602 p/week is well above the average of \$1,355 p/week.
- Percentage of Units at 61% is well above the average of 12%.
- Proportion of Rental properties at 31% is below the average of 35%.

KNOW THE MARKET CONDITIONS.

THE HILL - UNITS (INVENTORY LEVELS)

"Market Conditions" are best measured based on Inventory (stock) levels.

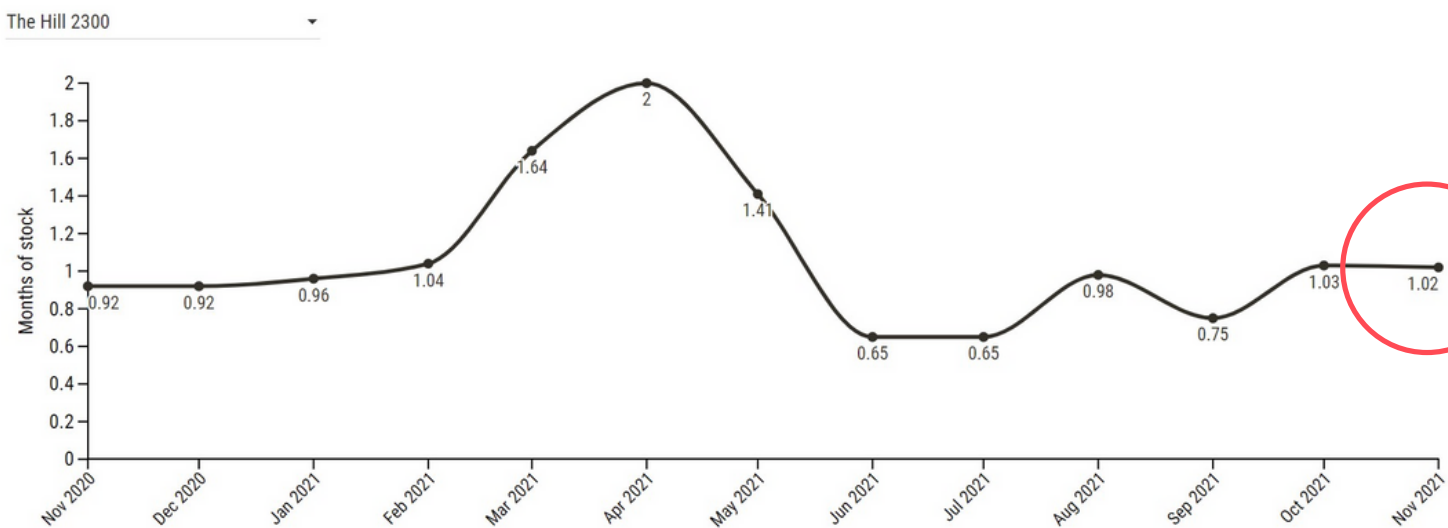
By using the average number of monthly listings (supply), and the average number of monthly sales (demand), we can determine how many "months" of Inventory a suburb has in the market.

E.g., Average listings of 10, divided by Average sales of 5 = 2 months of Inventory in the market.

A level of below 3 months of Inventory is considered a strong sellers market.

The longer the market stays below 3 months the greater the upward pressure on property prices.

The Hill - Units Inventory 12 months to November 2021



1.02 MONTHS

(LEVEL = LOW)

CURRENTLY THERE IS JUST OVER 1 MONTH OF INVENTORY IN THE HILL UNIT MARKET.

KNOW THE SALES DATA

THE HILL - UNITS

The sales data for The Hill Units shows that currently there is an average of 4 Unit listings for sale, with each listing typically taking 43 days to sell.

Note: Property prices for any suburb can vary significantly based not just on size (E.g., bedroom count) but on other aspects such as block size, position, views.

Sale Listings



Currently has on average

4

houses listed for sale.

Days on Market

(Rolling 12 month Median*)

The days on market for Units is currently:

43



which has increased from 29 days 12 months ago.

House Sale Prices

(Rolling 12 month Median*)

1 Bedroom: \$329K

2 Bedroom: \$552K

3 Bedroom: \$1.025M



MEDIAN
\$670K

Most Popular Size

(Rolling 12 month Median*)

Bedroom: 2

Bathrooms: 1

Car spaces: 1



*Median: For a data set, it may be thought of as "the middle" value. The basic feature of the median in describing data compared to the mean (the "average") is that it is not skewed by a small proportion of extremely large or small values, and therefore provides a better representation of a "typical" value.

KNOW THE PRICE GROWTH,

THE HILL - UNITS

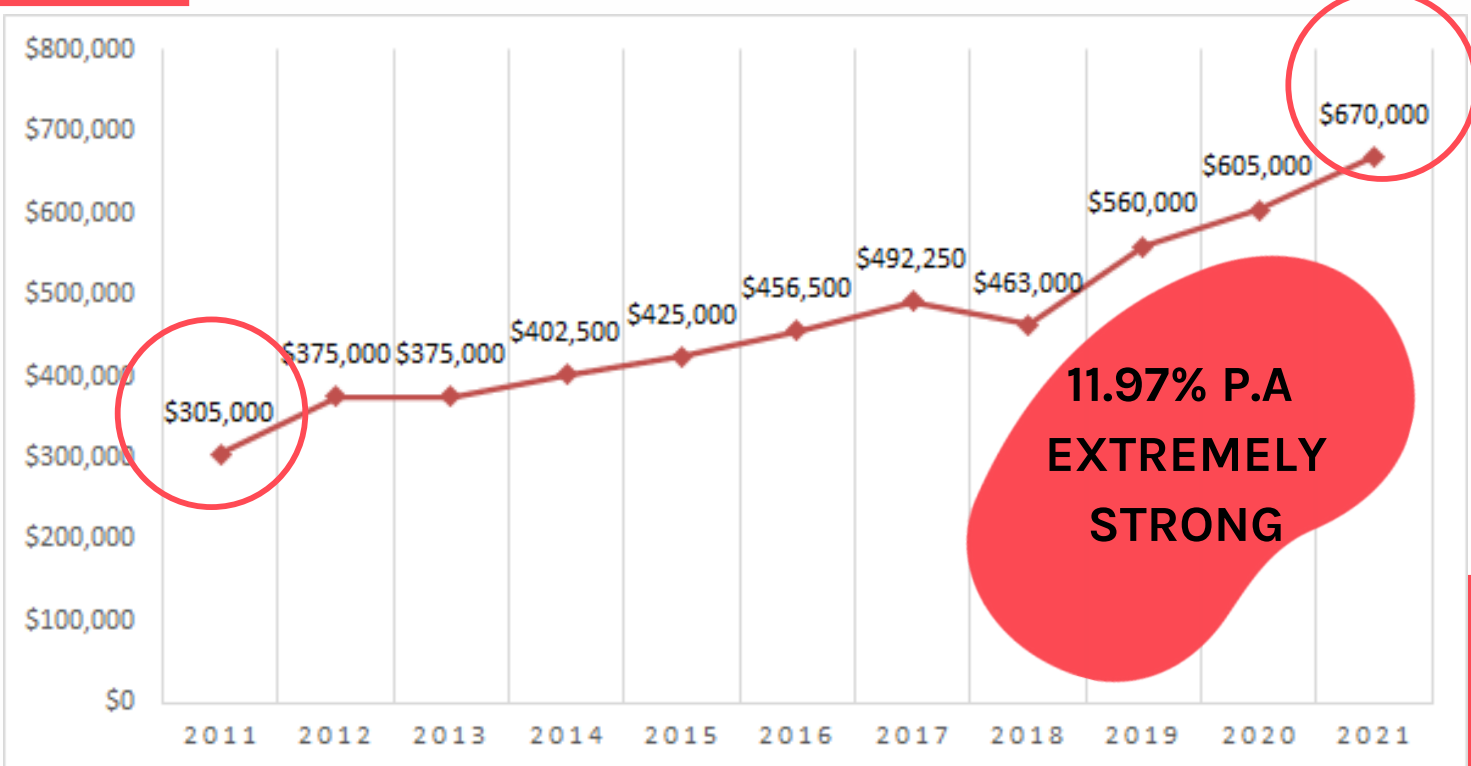
LAST 10 YEARS (LONG-TERM)

Over the last 10 years we have seen the median sale price for The Hill Units increase from \$305K in 2011 to \$670K in 2021.

This represents an extremely strong 11.97% average annual increase* over the long-term.

10 YEAR SUBURB GROWTH

The Hill Units - Median Sale Price



*Average Annual Increase (%): is the average percentage change in the median price over the last 10 years, expressed as a per-annum figure. This statistic irons out the shorter-term peaks and troughs in the market to give a good measure of long-term market performance. Anything over 7.5% would indicate exceptionally strong growth.

KNOW THE PRICE SEGMENTS

THE HILL - UNITS

A number of distinct price segments exist for The Hill Units.

Over the last 12 months the most significant sales price range (44% of sales) was between \$200K and \$400K.

A further 22% of sales were between \$400K to \$600K, and a further 22% of sales were between \$600K to \$1M.

The current 12 month median for Units in The Hill is \$670K.

The Hill Units - Price Segments
12 months to November 2021

The Hill 2300



KNOW THE RENTAL DATA.

THE HILL - UNITS

Gross Yield:

(Median)*

The current gross yield for Units in The Hill, based on the current median rent of \$440 per week and the current median sale price of \$670K, is:

3.41%



Vacancy Rate:

The vacancy rate currently sits at a very low:

0.56%

This is the same as the also very low 0.56% at the same time a year ago.



Days on Market

(Rolling 12 month Median*)

The current days on market for Rental Units is:

14



House Rent Prices

(Rolling 12 weekly Median*)

1 Bedroom: \$340

2 Bedroom: \$440

3 Bedroom: \$590

**MEDIAN
\$440**

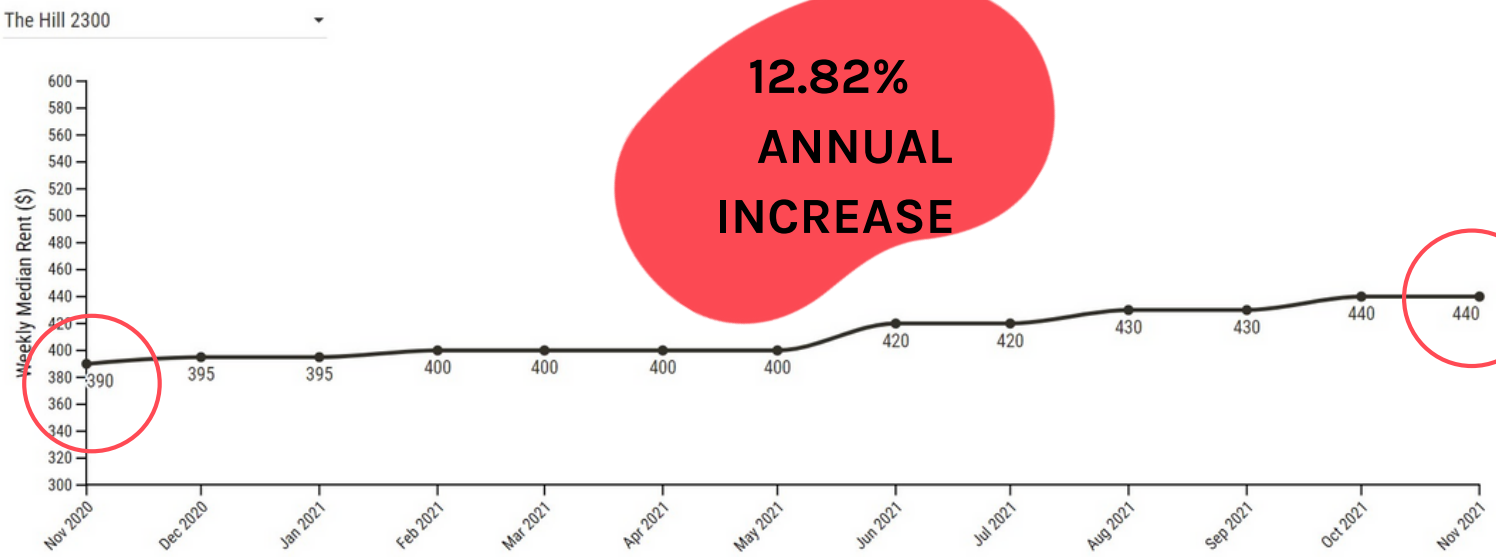


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KNOW THE RENTAL PRICE TREND, THE HILL - UNITS (LAST 12 MONTHS)

Unit market median rents in The Hill have increased \$50 per week (12.82%), from \$390 in November 2020, up to \$440 in November 2021.

The Hill Units - Rent Prices - 12 months to November 2021



KNOW THE RENTAL VACANCY RATE

THE HILL - UNITS (LAST 12 MONTHS)

The vacancy rate in The Hill currently sits at a very low 0.56%.

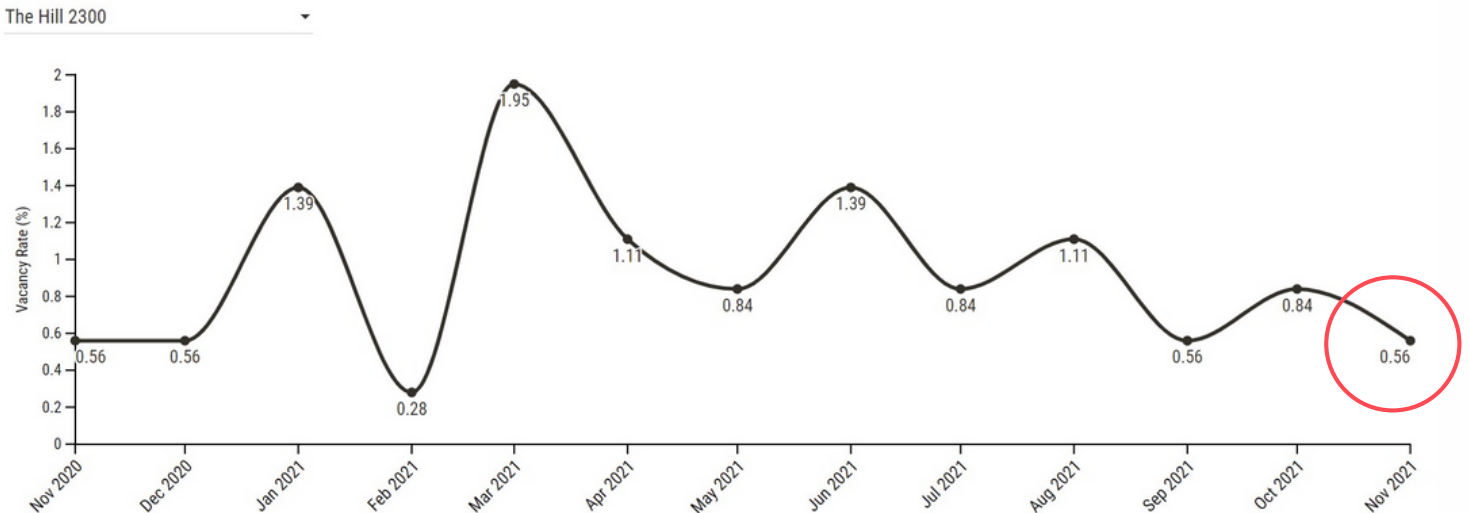
This is the same from what was also a very low vacancy rate of 0.56% the same time a year ago.

As a general guide, a vacancy rate under 3% is considered average to very low.

- 0% - 0.99% = Very Low
- 1% - 1.99% = Low
- 2% - 2.99% = Average
- 3% - 3.99% = Moderate to High
- 4% >: = High

0.56%
VERY LOW

The Hill (All Properties) - Rental Vacancy Rates
12 months to November 2021



KNOW THE RENTAL AFFORDABILITY.

THE HILL - UNITS (RENT TO INCOME RATIO)

The lower the Rent to Income Ratio (%)* the easier or more affordable it is for tenants to afford a rental increase.

(It should be noted however, that the higher the current rental yield, the more likely that the rent to income ratio will be higher than neutral).

THE HILL UNITS (Median):

Weekly Rent: \$440 / Weekly Household Income: \$1,602
= Rent to Income Ratio: 27.5%

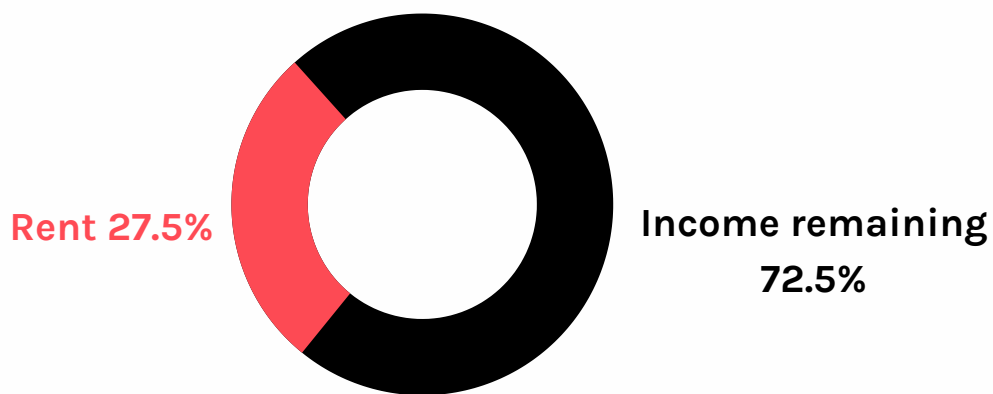
As a general guide, a Rent to Income Ratio of under 30% is desired.

It would indicate it would be moderate to very easy for tenants to afford a rental increase.

Ratio	Rating	Rent Increase Affordability
○ Under 20%	= Very Low	= Very Easy
○ 20% - 24.99%	= Low	= Easy
○ 25% - 32.99%	= Neutral	= Moderate
○ 33% - 34.99%	= High	= Difficult
○ 35% >	= Very High	= Very Difficult



The Hill Units - Rental Affordability Ratio Data to November 2021



*The Rent to Income Ratio (%) is calculated by taking the weekly median rent & dividing it by the weekly median household income of the suburb (expressed as a percentage).

KNOW THE SUMMARY.

THE HILL (Newcastle) - UNITS

SALES DATA:

Median Sale Price: \$670K

Days on Market: 43

Average Annual Growth Rate (10 years):
11.97% (Extremely Strong)

Most significant Price Segment:
\$200K to \$400K (44% of Sales)

RENTAL DATA:

Median Weekly Rent: \$440

Days on Market: 14

Gross Yield: 3.41%

Vacancy Rate: 0.56% (Very Low)



NOW YOU KNOW THE SUBURB

THE HILL (Newcastle) UNITS



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