



FOCUS ON SYDNEY

RESIDENTIAL GUIDE Q4 2018

SYDNEY— THE GLOBAL CITY

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Sydney continues to mature as a global city with strong investment in infrastructure, a push to increase density close to the city and is now ranked high of the cities that matter to the ultra-wealthy population.

A thriving global city is one that delivers an outstanding lifestyle and attracts many visitors from around the world. Sydney continues to mature as a global city with strong investment in infrastructure and a push to increase density close to the city. Sydney is now counted as a city that matters to the ultra-wealthy. This guide focuses on living, studying and buying residential property in Sydney.

Liveability

Sydney ranked in 5th place of the World's Most Liveable Cities in 2018. This was up from 11th place in 2017, according to the Economist Intelligence Unit, as shown in Table 1.

The index is based on 30 factors spread across five areas: stability, infrastructure, education, health care and environment.

TABLE 1

Most Liveable Cities 2018

Index of 140 global cities based on Stability, Infrastructure, Education, Health Care & Environment

1. Vienna, Austria
2. Melbourne, Australia
3. Osaka, Japan
4. Calgary, Canada
5. Sydney, Australia
6. Vancouver, Canada
=7. Toronto, Canada
=7. Tokyo, Japan
9. Copenhagen, Denmark
10. Adelaide, Australia

Source: Knight Frank Research, Economist Intelligence Unit

City Wealth Index

In the Knight Frank City Wealth Index 2018, Sydney ranked 11th of the cities that matter to the ultra-wealthy. Across the four categories, Sydney performed best in the 'investment' category (7th) based on the annual average private investment into property over the two-year period of 2016 and 2017.

TABLE 2

Knight Frank City Wealth Index 2018, Sydney

314 international cities ranked in each category

	Ranking
Wealth	=20
Investment	7
Lifestyle	14
Future	17
OVERALL	11

Source: Knight Frank Research

The 'lifestyle' category also scored well (at 14th), taking in the elements of cities with the most top 100 universities, number of five-star hotels and the highest average spend—where Sydney was recorded in the top 3 with US\$1,829 per overnight visitor.

In the 'future' category, Sydney ranked 17th for the future economic performance (GDP) measured in constant prices.

Sydney came in equal 20th, with Atlanta, in the final category 'wealth', based on the number of households earning more than US\$250,000 in 2017. The other factor—the likelihood of the city's growth in this price bracket by 2022.

International Visitors

The harbour is home to some of Australia’s most iconic landmarks – the Sydney Harbour Bridge, the Sydney Opera House and the Royal Botanic Gardens. International cruise ships are regularly docked including the Queen Mary II and Ovation of the Seas; boosting tourists in and around The Rocks and Darling Harbour. Sydney’s famous beaches are within close proximity to the city including Bondi and Coogee whilst Manly is a short ferry ride north.

Sydney accommodates a vast array of world renowned restaurants, art galleries, independent fashion houses and vibrant retail strips. Prominent shopping centres, such as Westfield Sydney and Westfield Bondi Junction act more as destinations than simply retail outlets—providing entertainment and restaurants in addition to the plethora of shops. Many arcades, often hidden in historic buildings, are scattered throughout Sydney. Both the Queen Victoria Building and The Strand Arcade offer a mix of boutique shops for locals and tourists.

Many international and luxury clothing brands and jewellery stores are well-established along Pitt Street Mall, George Street, King Street and Castlereagh Streets. Sydney also hosts a variety of markets throughout the year with a wide variety of fresh food, clothing, gift wares with individual traders and established retail stores setting up pop-up shops. The Rocks markets are iconic with the cobblestone streets with great access to the City and Harbour. Manly markets are hosted amongst historic buildings with seaside backdrop.

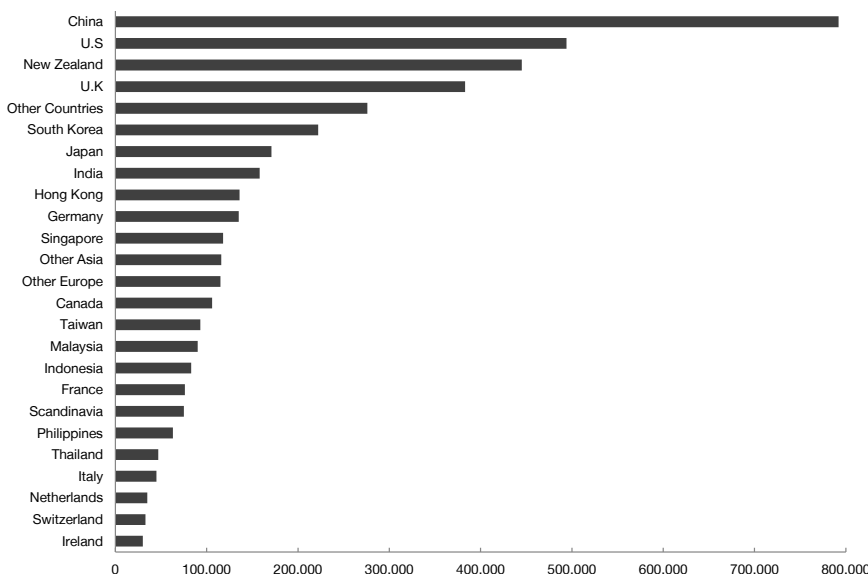
The number of international visitors to New South Wales (NSW) grew 8.7%, to total 4.3 million, in the year ending March 2018. The most number of international tourists came from China (792,000), United States (494,000), New Zealand (445,000), United Kingdom (383,000) and South Korea (222,000) as shown in Figure 1.

Compared to a year earlier, in NSW, international visitors from China grew by 12.5% in the year ending March 2018. The United States and New Zealand increased by 11% and 0.9% respectively.

FAST FACTS SYDNEY

- Sydney is the state capital of New South Wales (NSW).
- Australia’s largest capital city, with approximately 5.1 million residents estimated living in the Greater Sydney region in 2017.
- Located on the East Coast, and covers a geographic area of 12,350 sqm.
- Slightly humid, hot summers (mean maximum 26°C) and cool winters (mean average 8°C).
- Most daily sunshine is nine (9) hours in the month of December.
- Sydney operates under the Australian Eastern Standard Time (AEST) time zone from early April to early October each year and Australian Eastern Daylight Time (AEDT) at other times of the year.
- From Sydney, current average flying travel time is approximately eight (8) hours to Singapore and Jakarta, nine (9) hours to Hong Kong and Kuala Lumpur, 10 hours to Shanghai and 12 hours to Beijing.
- Sydney is regarded as Australia’s financial hub, attracting professionals from Asia Pacific and around the globe.

FIGURE 1
International Visitors to New South Wales, by Country of Residence
 Total number, year ending March 2018



Source: Knight Frank Research, Destination NSW

LIVING IN SYDNEY

SYDNEY ANNUAL EVENT CALENDAR

JANUARY

- Sydney Chinese New Year Festival
- Sydney Festival
- New Year's Day Cricket Test
- Australia Day Sydney Celebrations

FEBRUARY

- Tropfest Short Film Festival
- Sydney Gay and Lesbian Mardi Gras

MARCH

- Sydney Royal Easter Show
- Sydney Harbour Regatta

APRIL

- Mercedes-Benz Fashion Week Australia
- Sydney Comedy Festival

MAY

- Vivid Sydney Light Festival
- Sydney Writer's Festival

JUNE

- Sydney Film Festival

JULY

- Sydney International Boat Show
- Bondi Winter Magic
- Parramatta Winterlight

AUGUST

- City2Surf
- Sydney Design Week
- Oxfam Trailwalker

SEPTEMBER

- Art and About Sydney

OCTOBER

- Invictus Games Sydney (*to be held 20-27 October 2018*)
- Sydney Good Food Month
- Sydney Night Noodle Markets
- Fiesta—Darling Harbour Latin Festival
- Manly Jazz Festival

NOVEMBER

- Sculptures by the Sea

DECEMBER

- Carols in the Domain
- Sydney to Hobart Yacht Race
- Sydney New Year's Eve Fireworks

Sydney's Demographic Profile

Population

Population has been steadily rising in Sydney with strong overseas migration into the city. Over the year to 30 June 2017, an increase in the estimated resident population was recorded at 2.0% to 5.1 million. This is ahead of the overall Australian population growth of 1.6%. According to the Australian Bureau of Statistics (ABS), the Sydney population is projected to grow annually by a minimum of 1.4%, to total 6.6 million persons by 2036.

Age Distribution

Residents are primarily in the younger age groups—with 37.6% of Sydney's population aged between 20 and 44 years old, compared to the national average of 34.6% for this age group.

Multiculturalism

Sydney is a true multicultural city, with 42.9% of residents born outside of Australia. The most prominent countries include China (4.7%), England (3.1%), India (2.7%), New Zealand (1.8%) and Vietnam (1.7%).

In addition, approximately 49.4% of Sydney's resident's parents were born overseas—compared to the national average of 34.3%. This wide diversity has encouraged many international restaurants, schools and cultural activities established within communities.

Religion

The most common religion affiliation in Sydney is Catholic with 25.1%, followed closely by 24.6% with no religion stated. The Anglican religion was practiced by 12% of the Sydney population followed by Islam with 5.3%.

Language

Other than English, Mandarin (4.7%) was the most common language spoken in Sydney at the time of the Census 2016. Other typical languages included Arabic (4.0%), Cantonese (2.9%), Vietnamese (2.1%) and Greek (1.6%).

Education

Sydney is a skilled city. A higher proportion of people are educated at university level (28.3%) compared to the Australian average (22.0%). In Sydney, 19.2% of the local student population were studying at university in the 2016 Census, compared to the national average of 16.1%.

Work

The most common occupation of Sydney's residents are in professional services—at 26.3% compared to the 22.2% national average. Clerical and administrative workers (14.6%), managers (13.7%) and technicians and trades workers (11.7%) were the next most common occupations.

Of all the employed people in Sydney, 3.4% worked in hospitals. Other major industries of employment included computer system design and related services (2.5%), cafés and restaurants (2.5%), banking (2.5%) and supermarket and grocery stores (2.0%).

Travel to Work

In Sydney at the time of the Census 2016, the most common methods of travel to work for employed people were by car, as a driver (52.7%), train (10.9%) and bus (5.5%). Other common responses were worked at home (4.4%) and walked only (4.0%).

On the day, 22.8% of employed people used public transport (train, bus, ferry, tram/light rail) as at least one of their methods of travel to work and 59.8%

used a car (either as driver or as passenger).

Key Employment Hubs

The distribution of employment opportunities are wide across Sydney, although there are key concentrated areas for office and industrial workers.

Commercial

Sydney CBD is the largest office market in Sydney. It extends from Central Station to Circular Quay, and across from Barangaroo to Hyde Park. Accessible by: train, light rail, ferry, bus and car.

North Shore accommodates the next largest office market comprising the main suburbs of North Sydney, Crows Nest/St

Leonards and Chatswood. Accessible by: train, ferry, bus and car.

Macquarie Park includes the suburbs of Macquarie Park and North Ryde. Workers are within close proximity of Macquarie University, the Macquarie University Hospital and the Macquarie shopping centre. Accessible by: train, bus and car.

Parramatta represents Sydney's second CBD with a high concentration of government tenants including the NSW Law Courts. Accessible by: train, ferry, bus and car.

Suburban locations include Surry Hills, Ultimo, Sydney Olympic Park, Burwood, Rhodes, Norwest, Mascot, Liverpool, Bankstown, Penrith are accessible by train, bus and car. Whilst those better serviced by bus and car include Pymont, Lane Cove and Alexandria.

Industrial

Industrial areas are more spread across the metropolitan area varying from distribution centres, to warehouses, and industrial estates. Mostly they are accessible via bus, truck and car.

South: Banksmeadow, Port Botany, Rosebery, Enfield, Marrickville, Kingsgrove, Airport.

North: Artarmon, Mount Ku-Ring-Gai.

Inner West: Chullora, Silverwater, Rydalmere, Lidcombe, Regents Park.

Outer West: Yennora, Smithfield, Wetherill Park, Greystanes, Eastern Creek, Erskine Park, Arndell Park, Huntingwood, Marsden Park.

South West: Moorebank, Prestons, Ingleburn, Minto and Smeaton Grange.

MAP 1
Sydney
Major infrastructure network



Source: Knight Frank Research



STUDYING IN SYDNEY

Schools

Schools in Australia generally comprise a mix of local and international students. The education system is broadly divided into **primary (aged 5-12)** and **secondary (aged 13-18)**. There are two main types of public and private schools:

Public Schools

Public schools are financially and administratively operated by the State Government and provide free education to domestic students. First preference is normally given to those living within a particular catchment area from the school. Student visa holders must pay a fixed fee for each year of education, dependent on the type of visa held.

Selective public schools are financially and administratively operated by the State Government. Selective public schools are regarded as more prestigious due to the academic selective nature. Students must sit academic examination and excel in order to be offered a position from the respective school.

Additionally, these selective public schools do not usually limit their intake to catchment areas. Due to their public nature, student visa holders must pay a fee for each year of education.

Private Schools

Independent schools are financially and administratively privately operated. Independent schools therefore hold more control over the quantity and quality of teachers, classroom sizes, amenities and co-curricular activities. Fees for independent schools are usually high, but can be considered to provide an investment for superior education and amenities to students.

Religion-based schools hold faith at the core of their education—however they continue to follow the state government education curriculum. These religion-based schools are usually non-government, and thus often have higher fees than government subsidised schools.

Universities

Most universities have a main campus with several smaller campuses located across multiple states and territories; in CBD, metropolitan and regional areas. This provides a wide range of options when studying in Australia with many universities also setting up campuses based in major international cities.

International Students

Reflecting the strong reputation internationally, universities in NSW accommodate a large international student base. International student enrolments in NSW increased 13.6%, to 304,550, in 2017. Higher Education had the most demand in student enrolments with 125,400, while international enrolments in Schools represented a total 5,400 students.

Across all education sectors, the largest group of international students have enrolled in NSW are from China (87,050), Nepal (23,000), India (21,700), Brazil (18,500) and Thailand (18,300).

The application process for international students applying to Australian universities is similar to local students. The length of the application process can often be longer than local students, as more information is required before acceptance.

Most universities will require an IELTS (International English Language Testing System) examination conducted, an internationally recognised education qualification and a portfolio of previous work experience where applicable.

The Simplified Student Visa Framework (SSVF)

The Simplified Student Visa Framework (SSVF) is designed to make the process of applying for a student visa in Australia simpler to navigate via two subclasses:

Student Visa—Subclass 500 where international students can apply for a

single student visa regardless of their chosen course of study and the **Student Guardian Visa—Subclass 590** where student guardians can apply for the new Student Guardian Visa.

All students and student guardians will generally be required to lodge their visa application online by creating an [ImmiAccount](#).

APPLICATION PROCESS FOR INTERNATIONAL STUDENTS

TO SCHOOL

Expression of interest form: must be completed prior to the school year in order to guarantee a position for the student.

Wait for offer: If all requirements are met, the school will offer a formal placement in writing.

Apply for a Student Visa: With the formal school offer, students can then apply for the SSVF online.

TO UNIVERSITY

Apply directly online: through the university website and provide all required evidence. In most instances this is prior education, financial and English language competence.

Wait for Offer: If all requirements are met, the university will offer a formal placement in writing.

Apply for a Student Visa: With the formal university offer, students can then apply for SSVF online.

TABLE 3

Private Schools for International Students, Sydney

Sample of private schools registered to accept international students, 2018

Suburb	School	Religion	Gender	Year Levels
Auburn	Sule College	Non-denominational	Co-ed	K-6
Bellevue Hill	Cranbrook School	Anglican	Boys	pre-K-12
Bellevue Hill	The Scots College & Prep School	Presbyterian	Boys	pre-K-12
Belrose	Covenant Christian School	Christian	Co-ed	pre-K-12
Burwood	MLC School	Uniting	Girls	pre-K-12
Chippendale	Uniworld	Non-denominational	Co-ed	10-12
Collaroy	Pittwater House School	Non-denominational	Co-ed	pre-K-12
Cremorne	Redlands	Church of England	Co-ed	pre-K-12
Croydon	Presbyterian Ladies College	Presbyterian	Girls	pre-K-12
Dee Why	St Luke's Grammar School	Anglican	Co-ed	pre-K-12
Dulwich Hill	St Maroun's College	Catholic	Co-ed	pre-K-12
Edgecliff	Ascham School	Non-denominational	Girls	pre-K-12
Forestville	Forestville Montessori School	Montessori	Co-ed	pre-K-9
Glebe Point	St Scholastica's College	Catholic	Girls	7-12
Gordon	Ravenswood	Uniting	Girls	K-12
Hurstville	St George Christian School	Christian	Co-ed	K-12
Hurstville	Danebank School	Anglican	Girls	pre-K-12
Kingsford	St Spyridon College	Greek Orthodox	Co-ed	pre-K-12
Manly	Stella Maris College	Catholic	Girls	7-12
Maroubra	The French School	Non-denominational	Co-ed	pre-K-12
Middle Cove	Glenaeon Rudolf Steiner School	Non-denominational	Co-ed	pre-K-12
Mosman	Church of England Preparatory	Anglican	Boys	pre-K-6
Mosman	Queenwood School For Girls	Non-denominational	Girls	K-12
Neutral Bay	SCECGS Redlands	Church of England	Co-ed	pre-K-12
Newtown	The Athena School	Non-denominational	Co-ed	pre-K-10
North Bondi	Reddam House, North Bondi	Non-denominational	Co-ed	pre-K-12
North Strathfield	The McDonald College	Non-denominational	Co-ed	3-12
North Sydney	Wenona School	Non-denominational	Girls	K-12
North Sydney	Shore, Sydney Church of England Grammar	Anglican	Boys	pre-K-12
Pymble	Pymble Ladies' College	Uniting	Girls	K-12
Rose Bay	Kambala	Anglican	Girls	pre-K-12
Rose Bay	Kincoppal	Catholic	Co-ed	pre-K-12
Roseville	Roseville College	Anglican	Girls	K-12
Sans Souci	St George Christian School	Christian	Co-ed	K-2
South Belmore	All Saints Grammar	Greek Orthodox	Co-ed	pre-K-12
St Ives	Masada College	Jewish	Co-ed	pre-K-12
Stanmore	Newington College	Uniting	Boys	pre-K-12
Strathfield	Meriden School	Anglican	Girls	pre-K-12
Summer Hill	Trinity Grammar School	Anglican	Boys	pre-K-12
Sydney	St Andrew's Cathedral School	Anglican	Co-ed	K-12
Sydney	Macquarie Grammar School	Secular	Co-ed	7-12
Terrey Hills	Northern Beaches Christian School	Christian	Co-ed	pre-K-12
Terrey Hills	German International School	Non-denominational	Co-ed	pre-K-12
Ultimo	International Grammar School	Non-denominational	Co-ed	pre-K-12
Wahroonga	Knox Grammar School	Uniting	Boys	K-12
Wahroonga	Abbotsleigh	Anglican	Girls	pre-K-12
Waterloo	Taylor's College	Non-denominational	Co-ed	10-12
Waverley	St Catherine's School	Anglican	Girls	K-12
Woollahra	Reddam House, Woollahra	Non-denominational	Co-ed	pre-K-12

Source: Private Schools Guide 2018

TABLE 4

Universities, New South Wales

Universities accepting international students

University Name	World Ranking 2017	Australian Ranking 2017	Adjusted Graduate Salary	Number of International Students	International Students % of Total Students	Annual Average International Student Fees
University of Sydney	78	12	\$50,046	13,000	24%	\$38,000
University of New South Wales	89	15	\$50,424	12,283	24%	\$37,000
University of Technology, Sydney	292	11	\$47,548	9,722	26%	\$29,000
Macquarie University	273	19	\$45,797	8,790	23%	\$33,000
University of Wollongong	306	3	\$52,120	12,429	41%	\$26,000
University of Newcastle	341	9	\$49,629	5,338	16%	\$25,000
Western Sydney University	510	35	\$47,035	4,537	11%	\$24,000
University of New England	732	14	\$48,958	933	5%	\$20,000
Charles Sturt University	779	30	\$51,022	6,847	18%	\$22,000
Southern Cross University	1,054	40	\$47,728	1,921	14%	\$21,000

Definitions

World Ranking is calculated by averaging the ranking produced by QS World University Ranking, the Shanghai Academic Ranking of World Universities and Webometrics web publishing rankings.

Australian Ranking is calculated from the combined score for World Ranking (reputation), Graduate Satisfaction (ratings) and Adjusted Graduate Salary (results).

Adjusted Graduate Salary is a measure of how well students are doing in the job market some months after graduating based on graduate salaries, rates of unemployment and the proportion of students who go onto further study.

Annual International Student Fees are an estimate only. It is highly recommended to engage directly with the Australian university for information on the course and fees applicable. Further information is available at universityreviews.com.au

Source: Knight Frank Research, University Reviews (2015 & 2017)



HOUSING IN SYDNEY

Many believe Australians still aspire to one day own the 'Great Australian Dream' - a house standing on a 'quarter acre block'. Although times are changing.

With our fast-paced lives many are now opting for low maintenance living, with a high standard of amenity, as more people become accustomed to the level of service delivered when travelling, and living in, high-density global cities around the world.

Dwelling Types

Standalone houses (also known as landed) do continue to be the most dominant dwelling type in Sydney, representing 57% of all dwellings. This trends lower than the national average of 73% given the greater volume of higher density properties. While semi-detached, row or terrace houses and townhouses, with a compact backyard, comprised a 14% share.

A little over 28% of dwellings are flats or apartments – compared to the national average of 13%. This reflects Sydney's ongoing urban consolidation over the past decade, as well as, the increasing use across the metropolitan area for public parklands and shared facilities.

Ownership

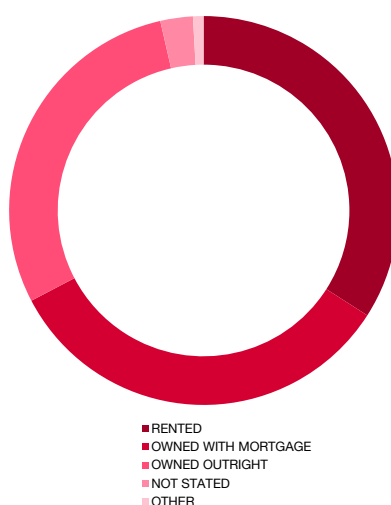
In Australia, most residential dwellings are purchased as freehold property, that is, the land and building are owned outright, in perpetuity, under the Torrens Title system.

The same exists for Strata Title, although ownership allows individual ownership of part of a property (or 'lot'), combined with shared ownership in the remainder, or common property, through a legal entity called the owners corporation (see further information on page 19).

Across Sydney, on the night of the Census 2016, 29% of residential private properties being lived in were owned outright, whilst 33% were owned with a

mortgage. The remainder (34%) were being rented from a landlord.

FIGURE 2
Distribution of Tenure, Sydney
% of private dwellings



Source: Knight Frank Research, ABS (2016)

Growth precincts

The NSW government has identified key locations across Sydney suitable for rejuvenation with new homes and jobs.

Precincts with good access to existing public transport connections include:

- Bardwell Park
- Bayside West Precincts
- Burwood, Strathfield and Homebush
- Camellia
- Epping and Macquarie Park Urban Renewal Area
- Glenfield
- Greater Macarthur Growth Area
- Leppington Town Centre
- Riverwood
- Seven Hills
- St Leonards and Crows Nest

- Sydenham to Bankstown Urban Renewal Corridor
- Turrella
- Wentworthville

Precincts with planned public transport connections include:

- Cherrybrook Station Precinct
- Greater Parramatta Growth Area
- Sydney Metro Northwest Urban Renewal Corridor
- Telopea Precinct

Precincts to provide businesses in the region with land for industry and employment include:

- Carter Street
- Frenchs Forest
- Western Sydney Employment Area
- Western Sydney Aerotropolis
- Westmead

Precincts to unlock land for future residential homes include:

- Ingleside
- Marsden Park North
- North West Growth Area
- North Wilton & Wilton
- Rhodes East
- Schofields Town Centre
- South West Growth Area
- Vineyard
- West Schofields

Prime properties

Prime properties, considered the top 5% of the residential market by value, are mostly located close to, or dotted around, Sydney Harbour. Well-respected private schools in these suburbs attract many local and international families alike.

Suburbs in the Eastern Suburbs can command some of the most picturesque harbour views with the opportunity to capture both the Sydney Harbour Bridge and Opera House in the one frame. Prestige properties on the leafy Lower North Shore and trendy Inner West are also positioned with many vantage points for water views, and the city skyline.

RENTING IN SYDNEY

The process of renting (also known as leasing or letting) a residential property can vary in each state, but generally the main factors for a tenant to consider are outlined below.

Tenancy Agreement

A tenancy agreement (property lease) is a contract where one party conveys property to another for a specified period of time, in return for a regular payment. When leasing out a property, the owner receives an income, but there are maintenance costs and responsibilities for the landlord.

Before signing a tenancy agreement, a tenancy application must be submitted to the real estate agency (property manager) with proof of identity, ability to meet rental payments and good references.

Rent

As stipulated in the tenancy agreement, the tenant agrees to regularly pay rent to the landlord. Most times this is conducted via a property manager and rent can be paid weekly, fortnightly or monthly. Any future increases will be stated within the tenancy agreement as the landlord cannot increase the rent until the end of the fixed term, unless otherwise stated.

Term

The length of a tenancy agreement can vary, however the standard term is six (6) months for the initial agreement although alternate periods may be negotiable dependant on the requirements of the landlord and/or tenant.

Once a tenancy agreement expires, the tenant can request a new fixed term, or alternatively the tenant can stay in the premises at the same rent and conditions until advised.

Bond

A bond is a lump sum payment paid upfront by the tenants as security before moving into the property. This lump

sum—usually four (4) weeks rent—is held in trust. At the termination of the tenancy agreement, if the property is vacated and left in a suitable condition, the bond will be repaid in full to the tenant.

Utility & Service Charges

Responsibility for utility charges will be stipulated within the tenancy agreement—this is not always covered by the landlord. Although, the landlord must pay for the actual installation and initial connection costs for electricity, gas, oil and water supply. If these need replacing, then the landlord must replace them to the minimum efficiency standards.

Inspections & Repairs

Throughout the tenancy, the property will be periodically inspected by the landlord or property manager. A minimum of seven (7) days notice will be given with the purpose of these inspections being to check the maintenance of the property.

Repairs to the property that are due to the normal wear and tear of the property must be paid for by the landlord. Repairs classified as 'urgent' must be completed as soon as possible, while 'non-urgent' repairs must be taken care of before the 14 days of notification.

Furniture

Generally, residential properties do not come furnished, although this becomes more common for a rental property closer to the CBD. This will be clarified in the tenancy agreement.

Terminating the Tenancy

A tenancy can be terminated at the conclusion of the tenancy agreement. However, both landlord and tenant can request to end the tenancy for a variety of reasons. Certain conditions must be met before it can be terminated, including days of notice, number of notices and reason for termination.

For further information, contact [NSW Fair Trading](#).



BUYING IN SYDNEY

The Process

The process to purchase a residential property can vary widely but the most common steps are outlined below. For further information and clarity, consult with your legal representative.

Finance Representation

Before starting the journey to purchase a residential property, carry out due diligence of the subject property and surrounding area to ensure the price expectation can be achieved with the allocated budget.

The lending environment has become challenging in recent years, when seeking a loan from a financial institution. Many local banks will only lend if 20% of the purchase price has been saved and there is good evidence the property loan can be repaid regularly with the property loan based on market value. Shop around as mortgages and deposits can vary significantly between providers.

Legal Representation

Engaging a solicitor or conveyancer prior to purchasing the property is highly recommended so they can review the contract before signing, and then stay engaged throughout the process until the property settles (when the property officially changes ownership).

Buying Established Property

Search for a property priced to match requirements for location, proximity to transport, work and education and the quality, size and age of the dwelling. Staying abreast of comparable sales will assist in the negotiation process.

Inspect the property at an open house or by private appointment. Request a copy of the **contract** and have solicitor (or conveyancer) read over the document.

Gain **pre-approval** for loan from lender and confirm qualification from FIRB if required. Arrange a **pest and building**

inspection to guarantee the quality of the building and be aware of maintenance required.

Negotiate by private treaty the highest price willing to be paid for the property with the vendors (via the selling agent) or alternatively **bid at public auction**.

Holding deposit is recommended for a private treaty until cooling off ends (say, \$1,000) until formal finance is approved; at this time the full deposit (say, 10%) is paid. If bid was accepted at auction, the **full deposit** is payable at this time (say, 10%) with any cooling off period now void. The deposit is generally paid by cheque or electronic transfer (private treaty only).

Contracts are signed and exchanged by both parties and it's time the solicitor (or conveyancer) finalises the formal paperwork with the lender. Loan documents are signed.

Settlement occurs when the property officially changes ownership, following one final inspection on the day and the locks are changed.

Buying Off-The-Plan

In most cases, buying off-the-plan (OTP) is the commitment to buy a property that's not yet built.

An OTP property can be better priced than established stock as developers are keen to secure sales in the project so lenders will provide funding and construction can commence. There is also the potential flexibility at this time to make design changes to an apartment or house prior to turning sod.

In most cases a deposit, typically 10%, is paid to the developer and the remaining is paid on settlement of the property, allowing more time to save throughout the construction period. Through this time, market forces may push market values up, at an advantage to the buyer, at the same time consideration must be

made should the market slow over this time. It's wise for this type of investment, especially with smaller and unknown developers, that contracts are reviewed by legal representation and the 'sunset clause' explained, which places a deadline for the construction timeline. Should a development not proceed, deposits will be returned, but could be at the expense of missed interest and capital gains through other investments.

There can also be more tax depreciation available on new properties, meaning maximising benefits and improving after-tax cash flow for investment properties.

General Costs

When buying property in Australia, there are both federal and state taxes and a range of fees that are implemented.

Transfer Duty

Transfer duty (also known as Stamp Duty) is levied by the state government on the purchase of property.

Legal Fees

Legal fees will vary between legal firms and may be dependent on property value. Generally fees range from \$1,000 to \$3,000 plus GST.

Land Transfer Fee

When a property changes ownership, a document known as a Land Transfer is lodged and registered with the NSW Office of State Revenue, and a fee is charged. It is this document that records the change of ownership. The cost to register the title varies in each state of Australia. A solicitor or conveyancer will perform this task on your behalf.

Mortgage Application Fee

A fee charged by the state government for the registration of a mortgage. A lender will perform this task on your behalf.

BUYING AS A FIRST HOME BUYER IN SYDNEY

Both the Australian and state governments provide incentives for Australian first home buyers.

Incentives for First Home Buyers in Australia

First Home Super Scheme

The Australian Government, from 1 July 2017, has allowed individuals to make voluntary concessional (before-tax) and non-concessional (after-tax) contributions into superannuation funds to fast-track the time taken to purchase a new home under the First Home Super Scheme (FHSS).

TABLE 5
First Home Super Scheme Eligibility Criteria, Australia
First Home Super Scheme (FHSS)

Conditions
First home buyer – never owned property in Australia – this includes an investment property, vacant land, commercial property, a lease of land in Australia or a company title interest in land in Australia;
Must live in the premises you are buying, or intend to as soon as practicable;
Must intend to live in the property for at least six months of the first 12 months you own it, after it is practical to move in;
Superannuation contributions can be from any age but persons must be a minimum age of 18 years to request for funds to be released;
Not previously requested the Commissioner to issue a FHSS release authority;
Eligibility is assessed on an individual basis – so multiple persons can access their own FHSS contributions to purchase the same property;
If any persons have previously owned a home, it will not stop any other persons being eligible to apply;
Don't sign contract to purchase or construct the home until money is released or there may be FHSS tax liability; this may take up to 25 days.

Source: Australian Taxation Office

Since 1 July 2018, individuals can apply to release these voluntary contributions, along with associated earnings, to assist in purchasing their first home. The scheme allows Australians to make voluntary contributions of up to \$15,000 in any one financial year, to a maximum \$30,000 across all years. This includes undeducted (non-concessional) personal contributions, deducted (concessional) personal contributions and salary sacrifice contributions. These contributions, which are taxed at 15%, along with deemed earnings, can then be withdrawn for a deposit if the eligibility criteria is met.

Concessional contributions and earnings that are withdrawn will be taxed at marginal rates less a 30% offset. Contributions made under this scheme are not a new type of contribution. They are voluntary contributions made to your superannuation fund. As a result, a separate special account doesn't need to be established nor does the fund need to be notified.

For further information, contact the [Australian Taxation Office](#).

Incentives for First Home Buyers in New South Wales

First Home Owner Grant

The First Home Owner Grant (FHOG) New Homes is currently available in NSW. An eligibility criteria must be met before the grant is issued.

TABLE 6
First Home Owner Grant Available
First Home Owner Grant (FHOG)
New Homes

New South Wales; including Sydney	
Grant	
One-off	\$10,000

Source: NSW Office of State Revenue

TABLE 7
First Home Owner Grant Eligibility Criteria

First Home Owner Grant (FHOG) New Homes	
New South Wales; including Sydney	
Threshold (the property must valued less than)	
Buyer of new property	\$600,000
Builder of new property	\$750,000
Conditions	
Dwelling must be new, unless specified;	
Persons must be a minimum age of 18 years;	
At least one applicant is a natural person;	
At least one applicant is an Australian permanent resident or citizen;	
The contract date must be on or after 1 July 2017;	
No persons to have held a relevant interest in any residential property in Australia prior to 1 July 2000;	
Must reside in the home for a continuous period of at least six (6) months.	

Source: NSW Office of State Revenue

Stamp Duty Concessions

First Home Buyers Assistance scheme can provide a concession on state-based stamp duty for dwellings or land.

If the new or established first home is valued at less than \$650,000, stamp duty is exempt, while purchasers may be eligible for a stamp duty reduction if valued under \$800,000.

Stamp duty on lenders mortgage insurance is exempt.

If land is valued under \$400,000, stamp duty concessions are available and exempt if valued under \$350,000.

For further information, contact the [NSW Office of State Revenue](#).

Current regulations for foreign investors purchasing residential property in Sydney

For further information:

Foreign Investment Review Board [FIRB]

firb.gov.au

Department of Immigration and Border Protection

border.gov.au

- Must apply and gain approval from the FIRB prior to purchasing property in Australia.
- Applications are generally approved if the property purchased adds to the housing stock, including new dwellings that are yet to be occupied or sold, off-the-plan properties under construction or yet to be built. This includes vacant land for residential development where ongoing construction begins within 24 months.
- Non-permanent residents are forbidden to purchase established dwellings as investment properties or as homes. Although there could be an exception if the established dwelling is being redeveloped into multiple dwellings, and as a result, there is an increase in the dwelling count. Over the development period, the house must remain unoccupied.
- Foreign buyers can purchase an off-the-plan dwelling, when another buyer has failed to reach settlement—reverting to its previous status as a new dwelling. An apartment or house that has just been built, or is still under construction and for which the title has never changed hands, is not considered an established dwelling.

Non-Permanent Resident (Foreign Investor)

- A temporary resident is a person who is residing in Australia and holds a temporary residency visa which permits them to stay in Australia for a continuous period of more than 12 months (regardless of how long remains on the visa); or has submitted an application for permanent residency and holds a bridging visa which permits them to stay in Australia until that application has been finalised.
- Are required to notify FIRB prior to purchasing property in Australia, including an established dwelling, a new dwelling that has been purchased directly from the developer and has not been previously occupied for more than 12 months in total and vacant land for residential development where ongoing construction begins with 24 months. Temporary residents are not permitted to buy established dwellings as investment properties.
- May acquire one established dwelling only and it must be used as their main residence (home) in Australia. Such proposals normally meet with no foreign investment objections subject to conditions; such as, that the temporary resident sells the property when it ceases to be their main residence.

Temporary Resident (Temporary Residency Visa)

BUYING A SYDNEY RESIDENTIAL PROPERTY AS A FOREIGN INVESTOR

The Australian Government welcomes foreign investment into Australia's residential property market. The current rules around foreign investment in residential property aim to direct investment into new housing, increasing the housing supply and support local economic activity.

- Acquiring second-hand dwellings for the purpose of providing housing for their Australian-based staff normally meet with no objections subject to the conditions set by FIRB.
- The company must sell the property if it is expected to remain vacant for six months or more. In remote and rural locations foreign companies may rent out dwellings acquired under this category only where they are unable to sell the property.
- Whether a company is eligible, and the number of properties it may acquire under this category, will depend upon the scope of the foreign company's operations and assets in Australia.
- Foreign companies would not be eligible under this category where the property would represent a significant proportion of its Australian assets.

Foreign Company with Australian Business

- Investment migrants under this scheme are required to invest at least AUD\$5 million into complying investments in Australia for a minimum of four years before becoming eligible for permanent residency.
- The SIV scheme is intended to target the migration of high net-worth individuals to Australia with the longer-term aim of transferring wealth of international businesses and individuals to benefit Australian businesses and the broader economy.
- The SIV scheme was introduced on 24 November 2012 and is operated by the Department of Immigration and Border Protection.

Significant Investor Visa (SIV)

- Investment migrants under this scheme are required to invest at least AUD\$15 million into complying investments in Australia for a minimum of 12 months before becoming eligible for permanent residency; a more expeditious pathway than the SIV.
- The PIV scheme is aimed at attracting applicants with business and entrepreneurial skills and capital to enhance investment into innovative Australian businesses and the commercialisation of Australian ideas, research and development.
- The PIV scheme was introduced on 1 July 2015 and is operated by the Department of Immigration and Border Protection.

Premium Investor Visa (PIV)

Investment Migrants (High Net Worth Individuals)

“Before purchasing a residential property in Australia, all foreign investors must apply to the Foreign Investment Review Board (FIRB).”

“A fee is payable before their foreign investment application will be processed.”

“Seeking approval from the FIRB is property-specific; therefore one application per property.”

“The fee on application does not provide any assurance of securing the property.”

Additional Costs for Foreign Buyers

All foreign persons — that is, temporary residents and non-residents — can apply to purchase vacant residential land for development and newly constructed dwellings in Australia.

Non-resident foreign persons are generally prohibited from purchasing established dwellings in Australia. However, temporary residents can apply to purchase one established dwelling to use as their residence while they live in Australia, although on the condition the property is sold when it ceases to be their principal place of residence.

Once a property has been identified to purchase, an application must be made to the Australian Foreign Investment Review Board (FIRB).

It is highly recommended that an application is submitted prior to the advance of any transaction—to ensure complete legality of the purchase. Additionally, approval from FIRB is property-specific—one application per property.

When the application is submitted, the government investigates to ensure that the purchase of the property will be in the country’s best interest.

A decision on the application is made within 30 days—unless complications or alterations occur, in which it may take up to 90 days.

Foreign Investor Application Fee

All foreign investors must pay a fee before their foreign investment application will be processed.

Foreign investors are required to pay \$5,600 to purchase a new property if valued under \$1 million, with additional fees payable per million in the value of the property.

This fee does not provide any assurance of securing the property and strict penalties are applied for those who breach the rules.

TABLE 8

Fees payable by Foreign Investors, Residential property

Based on Property Value, AUD

\$0 - \$1,000,000	\$5,600
\$1,000,001 - \$1,999,999	\$11,300
\$2,000,000 - \$2,999,999	\$22,700
\$3,000,000 - \$3,999,999	\$34,000
\$4,000,000 - \$4,999,999	\$45,400
\$5,000,000 - \$5,999,999	\$56,700
\$6,000,000 - \$6,999,999	\$68,100
\$7,000,000 - \$7,999,999	\$79,500
\$8,000,000 - \$8,999,999	\$90,900
\$9,000,000 - \$9,999,999	\$102,300
\$10,000,000 or more	tiered per million

An interactive on-line fee estimator is available at firb.gov.au

Source: FIRB

The FIRB provides an interactive [fee estimator](#).

Duty Surcharge

The NSW state government imposes a duty surcharge for foreign investors, payable in addition to general state-based transfer duties.

Since 1 July 2017, foreign purchasers are required to pay an additional 8% of the sale price.

Other states with foreign investor duties include Victoria (7%) as of 1 July 2016, Queensland (7%) as of 1 July 2018 and Western Australia (7%) effective 1 January 2019.

TABLE 9

Duties payable by Foreign Investors, Residential property

Based on Property Value, AUD, Payable in addition to general state-based transfer duties

New South Wales; including Sydney

Duty Surcharge on Purchase Price; from 1 July 2017	8%
--	----

Source: NSW Office of State Revenue

CASE STUDY: COST TO BUY A NEW RESIDENTIAL PROPERTY IN SYDNEY

TABLE 10

Estimated Property Purchase Costs, Sydney

All costs represented in AUD, As at 1 October 2018

Purchase Price	350,000	500,000	750,000	1,000,000	1,250,000	1,500,000
Transfer Duty	11,240	17,990	29,240	40,490	54,240	67,990
Land Transfer Fee	150	150	150	150	150	150
Legal Fee (includes GST payable)	1,500	1,500	1,500	2,000	2,000	2,000
Mortgage Application Fee	150	150	150	150	150	150
General: Estimated Total Costs	13,040	19,790	31,040	42,790	56,540	70,290
Foreign Investor Application Fee*	5,600	5,600	5,600	5,600	11,300	11,300
Foreign Investor Duty Surcharge @8%	28,000	40,000	60,000	80,000	100,000	120,000
Foreign Investor: Estimated Total Costs	46,640	65,390	96,640	128,390	167,840	201,590

*The FIRB application must be made prior to the advance of any transaction to ensure complete legality of the purchase. Seeking approval from the FIRB is property-specific; therefore one application per property. The fee on application does not provide any assurance of securing the property. An interactive on-line fee estimator available at www.firb.gov.au

Important Notice: The above worked examples are an estimate only based on the NAB stamp duty calculator. It is highly recommended to engage a solicitor or conveyancer during the entire process of a property purchase.

Source: NSW Office of State Revenue, Foreign Investment Review Board

TABLE 11

Estimated Property Purchase Costs, Sydney

All costs represented in AUD, As at 1 October 2018

Purchase Price	1,750,000	2,000,000	2,250,000	2,500,000	5,000,000	7,500,000
Transfer Duty	81,740	95,490	109,240	122,990	290,490	465,490
Land Transfer Fee	150	150	150	150	150	150
Legal Fee (includes GST payable)	3,000	3,000	3,000	3,000	3,000	3,000
Mortgage Application Fee	150	150	150	150	150	150
General: Estimated Total Costs	85,040	98,790	112,540	126,290	293,790	468,790
Foreign Investor Application Fee*	11,300	22,700	22,700	22,700	56,700	79,500
Foreign Investor Duty Surcharge @8%	140,000	160,000	180,000	200,000	400,000	600,000
Foreign Investor: Estimated Total Costs	236,340	281,490	315,240	348,990	750,490	1,148,290

*The FIRB application must be made prior to the advance of any transaction to ensure complete legality of the purchase. Seeking approval from the FIRB is property-specific; therefore one application per property. The fee on application does not provide any assurance of securing the property. An interactive on-line fee estimator available at www.firb.gov.au

Important Notice: The above worked examples are an estimate only based on the NAB stamp duty calculator. It is highly recommended to engage a solicitor or conveyancer during the entire process of a property purchase.

Source: NSW Office of State Revenue, Foreign Investment Review Board



OWNING IN SYDNEY

In Sydney, costs and taxes associated with the ownership of a property can vary dependent on the services the building provides.

General Costs

Land Tax

Land tax is an annual state tax that is calculated based on the aggregated taxable value of all land owned (or jointly owned) by an individual. Land Tax is not applied if the property is your principal residence.

Council Rates

This varies across states and local government areas. This is the tax the council charges owners for the services to the property—generally paid quarterly or annually.

Income Tax

Income tax is payable on gross rental income, less any allowable deductions incurred in earning that income. As there are a number of potential allowable deductions, it is recommended that an Australian Tax advisor is consulted.

Owners Corporation

If the purchased property is Strata Titled (a building with common areas and facilities for the use of all occupants of the building), an owners corporation will be established for the building.

A regular fee must be paid to the Owners Corporation to maintain these common areas. This can include elevators, foyers, swimming pools and spa, gymnasiums, plants and foliage, lighting, staircases, fences, visitor car parks and security.

A group of elected people manage the operations and decision-making of the common area of the property.

In most states, the owners corporation comprises of an executive committee (generally individual owners of the apartments) who make decisions on the behalf of their owners.

Additional Costs as a Landlord

Property Management Fees

Letting Fees are usually equivalent to two (2) weeks rent paid to the agent as a fee for finding and securing a tenant.

Management Fees cover any costs associated with managing the property and range from 7% to 8.5% plus GST.

Utility and Service Charges

The owner must pay for the use of utilities (electricity, gas, oil and water supply). Although if the owner leases the property to a tenant, some of these can be passed on but this must be stipulated within the tenancy agreement. However, the owner must pay for the actual installation and initial connection costs.

Landlord Insurance

Landlord insurance is designed specifically to cover rental properties. Depending on the insurance provider, it protects the home from damage, theft, severe weather or rent default in some cases. To decrease risk, landlord insurance is highly recommended.

Additional Costs for Foreign Owners

Foreign-Owned Vacant Residential Property Levy

The Australian government charges an annual levy for foreign-owned vacant residential property (ghost tax). The levy is equivalent to the FIRB application fee imposed at the time the property was purchased if they fail to occupy or lease for at least six (6) months of the year.

Land Tax Surcharge for Foreign Investors

The NSW state government has imposed a 2% land tax surcharge for foreign investors since 1 July 2017. This is payable in addition to general land tax and is based on the taxable value.

WHAT IS THE ROLE OF AN OWNERS CORPORATION?

The rights and responsibilities of both the owners corporation and its members is different in each state but generally comprise:

- Maintain and repair the common property of the strata scheme;
- Manage the finances of the strata scheme;
- Maintain required insurances including public liability and building insurance where applicable;
- Keep records of all details of notices given under the relevant state strata management legislation;
- A strata register must be established and maintained, detailing the owner's name or agent's name and address for each lot within the strata scheme;
- Administration of any by-laws for the strata scheme;
- To provide a grievance register.

SELLING IN SYDNEY

There are costs and taxes to consider when selling residential property in Australia.

General Costs

Legal Fees

Legal fees include, but are not limited to, the costs for preparing a contract for sale. The solicitor or conveyancer fee could be dependent on value of property, and may vary between state and territory as well as the particular solicitor chosen. The cost may range between \$2,000 and \$4,000, plus GST.

Real Estate Agent Fees

An agent fee is the commission paid by the owner, to the agent, for selling the property—either tiered rate or a fixed rate. Do ensure you understand the breakdown of the fee structure as commissions will vary between states, and price point. Fees often range between 2% and 3% of the value of the property sold.

Marketing Costs

When an agent is selected to sell the property, the fee breakdown will often stipulate the budget associated to the marketing and advertising of the property. Additionally, there may be a period allocated to marketing with multiple open house inspections over several weeks. Budgets for marketing, media, as well as length of advertising should all be discussed with the agent to ensure maximum advertising potential.

Capital Gains Tax

Capital gains tax (CGT) is a federal tax levied on the gain or loss upon the sale of an investment property.

The tax is implemented on the difference between the cost of acquiring the property, and the value when sold. The difference is then added to the income tax for the individual or company for that financial year, and taxed accordingly with those rates.

Additional Costs for Foreign Owners

Capital Gains Tax Clearance Certificate

Foreign and temporary tax residents are no longer entitled to access the CGT main residence exemption from 7.30PM (AEST) on 9 May 2017.

Although, existing properties held prior to this date will be grandfathered until 30 June 2019.

A CGT withholding rate for foreign investors is applicable for all contracts with a market value over \$750,000 when signed on or after the 1st July 2017.

This requires 12.5% of the purchase price to be withheld by the purchaser and remitted to the Australian Taxation Office (ATO) unless a clearance certificate has been provided by the vendor. The money withheld is a portion (not in addition to) from the agreed sale price.

If a purchase price negotiated between a purchaser and vendor is on an 'arm's length basis', then the purchase price may be used as a proxy for market value.

The ATO can only grant a clearance certificate to a vendor who is considered to be an Australian resident.

Do note a residency status for tax purposes is not necessarily the same as that for immigration purposes; or for the FIRB. It is recommended to seek professional legal advice to further clarify the residency definition for this legislation.

The foreign resident CGT regime for withholding tax applies to taxable Australian property including vacant land, buildings, residential and commercial property, leaseholds and strata title schemes.

For further information, contact the [Australian Taxation Office](#).

DOWNSIZER INCENTIVE

Downsizers (aged 65+ years) can make a non-concessional (after-tax) contribution into their Superannuation fund of up to \$300,000 from the sale of their family home.

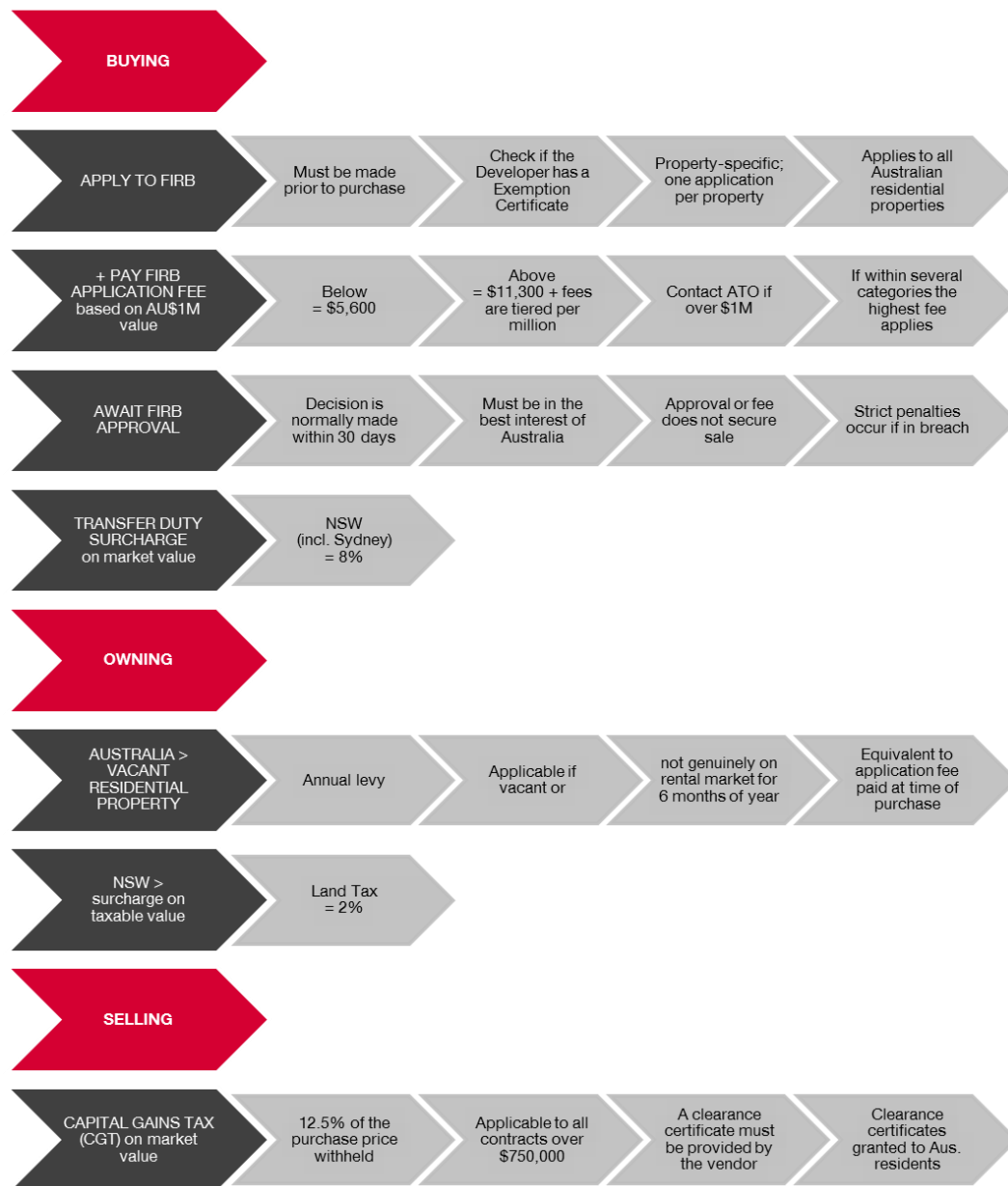
Introduced from 1 July 2018, the legislation states the property sold must be the person's home (main residence and be eligible for the main residence exemption for capital gains tax) and held for at least the past 10 years.

This will increase their tax-free fund limits. Couples will be able to contribute up to \$300,000 each, giving a total contribution per couple of up to \$600,000.

SUMMARY: INVESTING IN A SYDNEY RESIDENTIAL PROPERTY AS A FOREIGN INVESTOR

In recent years, the federal and state governments have introduced foreign investor fees, tax surcharges and levies. Below is a summary of the current process for foreign buyers when purchasing, owning and selling Australian residential property.

FIGURE 3
The Process for Foreign Buyers when Purchasing, Owning and Selling Residential Property, Sydney
 As at 1 October 2018



Source: Knight Frank Research, Commonwealth Government, NSW Office of State Revenue

FEATURE: 10 REASONS TO INVEST IN SYDNEY



FINANCE HUB OF AUSTRALIA.

Sydney is the financial and business services hub for Australia, attracting many professionals from around the globe. According to the Global Financial Centres Index compiled by think-tank Z/Yen, Sydney ranked 9th on the index of global financial centres in 2018. Sydney scored 724, up by 17 points. Sydney is home to branches of the Reserve Bank of Australia (RBA), Australian Prudential Regulation Authority (APRA) and the Australian Securities Exchange (ASX).



ROBUST ECONOMIC OUTLOOK.

The NSW economy has been remarkably strong over the past three years, with the outlook for growth to remain above trend for the next three years according to projections in the NSW State Budget. NSW has been the fastest growing state economy over these past three years, on the back of elevated household consumption, dwelling construction and public investment. Construction activity and expanding health services have contributed to more than 500,000 new jobs created since April 2011. Momentum in the labour market remains strong, with employment growth forecast of 3% in 2018-19.



GOVERNMENT INVESTMENT.

The NSW Government has committed to spending \$87b over the next four years on health, education and transport infrastructure projects to ease cost of living pressures. Major transport projects to receive funding include the new Metro West (new underground rail line between CBD and Parramatta), the new Parramatta light rail, Metro NorthWest (underway), the new Sydney Western Harbour Tunnel and Beaches Link, the first phase of underground F6 motorway between Sydney and Wollongong and road upgrades around the Western Sydney Airport.



RISE IN INTERNATIONAL VISITORS.

International departure capacity at Sydney Airport expanded by 23.4% between 2012 and 2017 as reported by OAG Schedules Analyser. The increase has been driven by Oneworld member Qatar Airways adding Sydney to its network map over the past two years and six new routes to China following a deal to end passenger capacity restrictions. The top three Sydney to China two-way routes by capacity, in 2017, was with Shanghai, Guangzhou and Beijing. Each year since 2012, Tourism Australia has calculated international visitors to Sydney has grown on average 7.6%.



GROWTH IN INTERNATIONAL STUDENTS.

The number of international students enrolled to study in NSW education facilities rose 11.8%, in the year ending June 2018, according to the Department of Education and Training. Higher education facilities saw growth of 16.8%, while international school-aged students grew 3.7%. The SSVF has made the process of applying for a student visa in Australia easier to navigate for both students and guardians.

FEATURE: 10 REASONS TO INVEST IN SYDNEY



HIGH RANKING LIVEABILITY.

Sydney is placed well for liveability when measured against other cities around the world. In 2018, the Economist's Intelligence Unit ranked Sydney in 5th position from 140 global cities based on stability, infrastructure, education, health care and environment. Mercer placed Sydney in equal 10th position, with Basel, from 233 cities in their Quality of Life index. At the last Census, the ABS ranked Sydney's Ku-ring-gai, Mosman and Woollahra in the top five Australian advantaged local government areas according to relative socio-economic conditions of people and households.



RISING POPULATION GROWTH.

Sydney's population growth trajectory has continued to rise each year since 2011. At this time annual growth was 1.2%, to now record 2.0% in June 2017. This equates to 101,600 more people living in Sydney this last year, to total 5.1 million. The ABS has projected the Sydney population to grow by a further 1.5% per annum to 2036.



CONSTRUCTION STARTS SLOWED.

Construction starts have slowed in Sydney. This means much of the recently added new rental stock has the opportunity to be absorbed while developers seek finance and pre-sales before construction can begin. At the current rate of population growth, the NSW state government has projected that an additional 725,000 new homes will be required by 2036, so this lull in construction can only be short-lived in order to meet this demand.



WEALTH FLOWS.

The total wealth of Sydney High-Net-Worth individuals (HNWIs) continues to rise. According to New World Wealth, Sydney outstripped the benchmark of 1,000 net inflow of HNWIs in 2017; taking up a significant portion of the Australian 10,000 new HNWIs each year. This is someone with net worth of US\$1 million, excluding their primary residence. Australia remains the top country ranked by HNWI net inflow for the third consecutive year.



RELATIVE VALUE TO OTHER GLOBAL CITIES.

As the number of HNWIs rise, Sydney prime property prices continue to show strength growing 5.7% in the year ending June 2018. Knight Frank considers prime property to be the most desirable and most expensive property in a given location, generally defined as the top 5% of each market by value. The other factor to consider is the global value proposition. In Sydney, US\$1m can buy 50 sqm of prime property in June 2018, while by comparison in Monaco, only 16 sqm can be purchased, 22 sqm in Hong Kong, 29 sqm in London and 30 sqm in New York.



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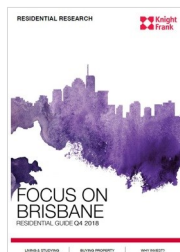
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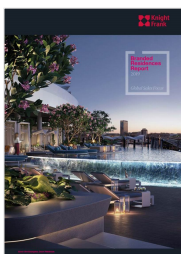
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