

Spotlight Residential Property Oran Park

2017

WHAT NEXT?

A spotlight on the residential market

SUMMARY

Earmarked as a growth hotspot, Oran Park offers an affordable, new community

28%

Cheaper houses in Oran Park
versus the Sydney average

67%

Increase in the median price of
a house and land package

4.0%

Average gross yield of a house
in Oran Park

1,600

Homes constructed in Oran
Park to date

7,500

Forecast number of homes in
Oran Park by 2026

5 million

Passengers estimated to
use Badgerys Creek airport
annually

→ Oran Park was one of the first areas developed as part of the Government's South West Growth Centre plan. The aim of the plan is to release more land for development to provide new homes in the south west of Sydney, giving buyers access to a range of homes that suit different needs, budgets and lifestyle choices.

Until the noughties, the suburb of Oran Park consisted of farmland and was famed for being the home of motor racing in Australia. In 2004, the racing circuit was rezoned for housing and a partnership was announced between Greenfields Development Corporation and Landcom for the development of the Oran Park raceway for housing.

Following the release of the first Oran Park homes in 2010, the area has quickly transformed. In 2011, the suburb of Oran Park contained just 56 dwellings with a population of 169 people. Five years on, the area has multiplied by a factor of 28 with nearly 1,600 homes constructed, housing a population of 4,750.

Property Prices & Investment

Across Oran Park, the median house and land price is currently \$766k, offering a 28.3% discount compared to the average across Sydney. The median price for a vacant land site is \$400k.

Prices have increased significantly since the first homes were sold in 2010. Over the past five years, the median price has increased by 67% and 71% for a house and land package and a vacant land site respectively.

As well as appealing to purchasers as their primary residence, Oran Park attracts a number of investors. This provides rental accommodation for families looking for more space as

well as residents currently building their home in the area.

The median weekly rent for a house in Oran Park is \$570 resulting in an average yield of 4.0%. This is higher than the Sydney average of 3.2% and as such, attracts property investors looking for higher income returns.

Demand

Across the Local Government Area of Camden, families with children account for nearly 60% of the residents. Growing families are attracted to the area due to the space and value on offer in comparison to other areas in Sydney as well as the community environment, which Oran Park is creating.

Camden residents work in a range of locations. One third of residents are employed locally and a further third commute to neighbouring Campbelltown and Liverpool. Sydney CBD is the next largest employment region with 6.4% of Camden residents making the commute.

Outlook

The development activity in Oran Park is forecast to continue as the new town is formed and a community is created. Over the next ten years, the population is expected to more than quadruple in size to 21,500 people living in 7,500 homes.

In addition to the ongoing residential development, the plans for Oran Park consist of 18 hectares of employment land, including a town centre, new schools and open space. Collectively, this is likely to increase the desirability of the area for existing and new residents as well as creating local jobs.

As a suburb within the Government's South West Priority Growth Area, Oran Park is part of a wider plan to improve housing availability, infrastructure and employment opportunities across the area.

INFRASTRUCTURE

Badgerys Creek

Announced in 2014, Badgerys Creek will be the location for Sydney's much anticipated second airport. The final sign off for the airport was given by the prime minister in December 2016, signalling the last approval needed before construction can begin.

When it opens in the mid 2020's, the airport will initially support an estimated five million passengers annually. During the construction period, over 11,000 jobs are expected to be created, generating an additional \$1.9 billion in value add to the economy.

Bus Priority Program

Shortly after the Badgerys Creek Airport was announced, the Australian and state government launched the \$3.6 billion Western Sydney infrastructure programme. Through the construction of over 61km of new and upgraded roads, the plan will significantly increase connectivity between Badgerys Creek and the neighbouring areas in the south west.

South West Rail Link

Completed in February 2015, the South West Rail Link consists of 11km of new track and the creation of two new stations; Leppington and Edmondson Park. The new line connects with Glenfield station, allowing passengers access to the rest of the Sydney rail network. As a result, residents in the South West Growth Corridor can travel to both Parramatta and Sydney CBD's in less than an hour.

Extension proposals to Badgerys Creek Airport have been discussed, and although nothing has been confirmed, a provision for a train line has been included in the development plan. Proposals include a train line running from the airport to Oran Park.

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