

# Expats pour in to luxury off the plan Sydney apartment market as Merrinda at Kurraba Point nears sell-out

Peter Kerras, who has been selling apartments across Sydney for over three decades, says for some time we have seen overseas purchaser numbers reduce.



Merrinda, the luxury Kurraba Point development. Image supplied

Joel Robinson | May 21, 2021 | 3 min read



Expat buying at the top end of the market are leading the way of the changing market.

That's the view of Colliers Residential director Peter Kerras, who says across Australian media you could say we have a strong fascination with the Australian housing market – however it doesn't seem to be the case when he speaks to expats.

"A lot of expats who are living in Hong Kong, Singapore, Shanghai, and London to a lesser degree, have no issue with apartment living, because they've been doing it for a number of years," Kerras says, adding that it's around 80 per cent of expats now buying at the top level.

Kerras, who has been selling apartments across Sydney for over three decades, says for some time we have seen overseas purchaser numbers reduce.

"Previously across our projects we saw a lot of offshore buyers with many based in China," Kerras says.

"Currently however we are seeing more expats wanting to return to Australia and are actively buying off-the-plan," Kerras noted.

The current strength has been seen far and wide across Sydney's main prestige areas, from the Upper North Shore to the likes of Vaucluse and Double Bay in the east.

There were three expat buyers in the Avance developed Merrinda at [Kurraba Point](#), the boutique development of just 14 apartments.



Merrinda - 85 Kurraba Road, Kurraba Point

85 Kurraba Road, Kurraba NSW 2089

View Listing

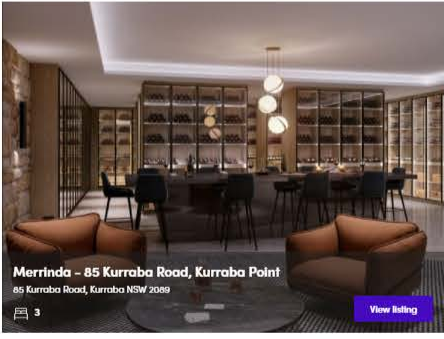
There's only one apartment remaining in the boutique block designed by [PRD Architects](#).

Kerras says developments now have to cater for a different need.

"Larger developments with more investor focused apartments were the norm for a time, however now the pendulum has swung the other way and we are seeing the downsizers buying larger units or amalgamating apartments."

Kerras noted the further driver of the downsizer demographic, who are now getting a lot more for their houses as Sydney house prices continue to reach record highs.

"There aren't too many options for a house-sized apartment at that top end," Kerras said. He's been seeing more amalgamations of apartment in yet to be complete developments.



Merrinda - 85 Kurraba Road, Kurraba Point

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View Listing

Kerras recently sold two amalgamated apartments in The Bond in Bond Junction to an Australian expat doctor living in Hong Kong.

The [Koichi Takada](#)-designed development by Capital Corporation will have 80 apartments and a rooftop cinema by its mid-2023 completion.

The expat had initially been seeking a house in Vaucluse, however the additional cost of land tax in the premium harbourside suburb and a weaker rental yield led the buyer to secure two apartments in The Bond.

There's also been amalgamations at Northview, a boutique project in St Leonards located in [Chandos Street](#) which has nearly sold out.

There were only two one bedders, which were bought together and amalgamated to make a 170 sqm apartment. There was another amalgamation, which saw the total number of apartments downgraded from 12 to 10, well before construction even started.

Prices started from \$2.25 million and went up to \$3.45 million, selling at around \$20,000 per sqm.

Kerras says investors are very different from what they used to be.

"The yield of a property was the number one criteria for investors, however that has now completely changed.

"In the prestige area, it's more about a quality product, from a quality developer with longevity that they can pass on to their children."

"They are happy to get a yield of around 2 to 2.25 per cent a year return and put approximately 30 to 40 per cent deposit down on the apartment as a safer place to spend their money, as banks in some countries are charging you to keep money in the bank."

Joel Robinson

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Price  
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