

Council response to applicant's memos

Response to Memo – Market Economic Review – 110 George Street, Parramatta (dated 10 June 2025) prepared by Colliers Ethos Urban	
Applicant Comment	Council Response
<i>Average household size is declining: The average household size in Parramatta is 2.4 persons per household (as at the 2021 Census), having decreased from 2.6 persons per household as at the 2016 Census. [Page 1]</i>	The declining average household size reflects the shift in dominant dwelling type from separate houses to high density, and the under provision of three-bedroom units in high density developments.
<i>High proportion of the population rent: 70.2% of occupied private dwellings in Parramatta are rented (an increase from 68.4% in 2016), with the rate currently double the Greater Sydney benchmark at 35.9% of all occupied private dwellings. [Page 1]</i>	In 2021, 63% of households in Parramatta (suburb) rented privately, which is significantly higher than the Greater Sydney average (30.4%). ¹ This reflects demand for rental properties but does not indicate demand for smaller units specifically.
<i>High levels of households in rental stress: Defined as more than 30% of household income paid in rent, some 24.3% of all households are experiencing rental stress in Parramatta (as at the 2021 Census). [Page 2]</i>	<p>In the City of Parramatta, 9,859 (25.7%) households are experiencing rental stress.²</p> <p>However, rental stress does not indicate a lack of need/demand for larger apartment sizes and build-to-rent does not offer an affordable housing product. Instead, build-to-rent is typically a “premium product”, providing significant amenities and targeting moderate to high income earners.</p> <p>Research on rental demand by CoreLogic (July 2024)³ found that rental affordability continues to deteriorate in Australia, however new data from CoreLogic shows renters are starting to favour larger dwellings. CoreLogic’s newly launched bedroom count metric - which analyses housing market performance segmented by the number of bedrooms - reveals a slowdown in rental growth for dwellings with fewer bedrooms. In addition, larger rental properties are showing more resilient rent growth, despite being more expensive.</p> <p>Large rental properties may actually be more feasible for renters in share situations, including reforming group households and multi-generational</p>

¹ <https://profile.id.com.au/parramatta/tenure?WebID=270&BMID=20>

² <https://housing.id.com.au/parramatta/housing-stress/#rental-stress>

³ CoreLogic (2024) Renters opt for properties with more bedrooms amid cost of living squeeze, https://www.corelogic.com.au/_data/assets/pdf_file/0015/23622/202407-CoreLogic-Pulse-Bedroom-Count-Rents-Final.pdf

	households. Share-houses are a well-known strategy for lowering housing costs, particularly for younger adults. In Parramatta suburb, 9.6% of households are 'Group households'.
<p><i>Average number of bedrooms per dwelling is low:</i> <i>The average number of bedrooms per dwelling is 2.1 (as at the 2021 Census), having remained stable since the 2016 Census. This compares to the Greater Sydney average of 3.0 bedrooms per dwelling. Furthermore, around 12.8% of existing private dwellings remain unoccupied in Parramatta, having increased from 7.5% in 2016.</i></p> <p><i>Within Parramatta, the average number of persons per bedroom is 1.2 (as at the 2021 Census).</i></p> <p><i>As such, a typical household would require 2-bedrooms (based on the average household size of 2.4 persons per household and average number of persons per bedroom of 1.2). [Page 2]</i></p>	<p>In City of Parramatta, the proportion of three- and four-bedroom dwellings declined between 2011 and 2021. As a result, there is an emerging gap in the availability of three-bedroom dwellings, falling from 36.5% of total dwellings in 2011 to 26.8% in 2021.⁴</p> <p>The average number of bedrooms per dwellings being low reflects the shift in dominant dwelling type from separate houses to high density, and the under provision of three-bedroom units in high density developments.</p> <p>Thus, to address this gap in larger dwelling sizes, Council's DCP establishes that at least 10% of units should be provided as 3+ bedroom units.</p>
Response to Memo – 110 George Street, Parramatta – Dwelling Mix (dated 6 June 2025) prepared by Colliers Ethos Urban	
Applicant Comment	Council Response
<p><i>In Parramatta, the largest emerging household sizes between the 2016 and 2021 censuses were 2 persons (+6,503 households) and 1 person (+5,526 households), far outpacing 3 persons (+2,600 households) and 4 persons (+1,725 households). The proposed dwelling mix meets this growing demand, whilst still allowing both growth within the development for changing household composition, as well as opportunities for larger families. [Page 2]</i></p>	<p>With City of Parramatta shifting towards high density living, the proportion of 3+ bedroom dwellings is declining. Therefore, it is unsurprising to see lower rates of growth in larger households, as suitable housing stock for larger households is not growing at the rate of smaller dwellings.</p>
<p><i>Although 32.7% of families in the Parramatta LGA may live in high density development, a sizeable portion of these families would have only one child, meaning a 2-bedroom apartment would be sufficient to meet their needs. [Page 2]</i></p>	<p>In City of Parramatta, 32.7% of families live in high density dwellings, which is significantly higher than Greater Sydney (14.2%).⁵</p> <p>The applicant's assumption that "a sizeable portion of these families would have only one child, meaning a 2-bedroom apartment would be sufficient to meet their needs" is vague and not supported by evidence of the needs of families with children.</p>

⁴ <https://profile.id.com.au/parramatta/bedrooms?WebID=10&BMID=20&EndYear=2011&DataType=EN>

⁵ <https://housing.id.com.au/parramatta/housing-consumption/>

	With limited access to private open space in apartment living, having access to an additional room provides extra space for supervised play and storage, even in a one child household. It can also provide space for other uses such as a home office or room for extended family to stay.
<i>In the Parramatta CBD, the highest demand is for smaller apartments. High-density developments are predominantly occupied by lone-person and couple households. Although families are present, they tend to prefer low- and mid-rise typologies in outer locations.</i> [Page 2]	<p>Traditional assumptions about housing preferences for families with children are changing. Recent research found that there is a fundamental shift in housing demands in Greater Sydney.⁶</p> <p>The article identified that “in market societies, the supply of apartments is shaped by a range of market predictions, including developer perceptions of demand, market research, cost constraints and profit margins. It is often observed that these factors produce a misalignment between supply and demand in apartment markets. Key areas of misalignment include the limited availability of larger apartments (three bedroom); and or apartments that through design, attributes or size, accommodate couples, singles, families, or share households throughout the life course.”</p> <p>The article identified that families living in Liverpool, located within Western Sydney, reported many benefits to apartment living. In particular, these family households valued being close to work, schools, and leisure facilities, with easy walking access to diverse shops and services.⁷</p> <p>The claim that families prefer low- and mid-rise typologies in outer locations lacks nuance within an urban context and not supported by evidence.</p>

⁶ Cook, N., Herath, S., & Kerr, S. M. (2023). Suburban densification: unpacking the misalignment between resident demand and investor-driven supply of multi-unit housing in Sydney, Australia. *Australian Planner*, 59(1), 26–38. <https://doi.org/10.1080/07293682.2023.2197604>

⁷ Cook, N., S. Herath & S. Kerr (2023) ‘Wanted: family-friendly apartments. But what do families want from apartments?’, *The Conversation*. <https://theconversation.com/wanted-family-friendly-apartments-but-what-do-families-want-from-apartments-203921#:~:text=Good%20family%2Dfriendly%20design%20includes,reduce%20tensions%20over%20children%27s%20noise.>