Shelter NSW submission on *the draft Edgecliff-Woollahra Precinct State-led Rezoning Proposal*

A secure home for all

06 November 2026

Shelter NSW welcomes the opportunity to provide feedback to the NSW Department of Planning, Housing and Infrastructure on the draft Edgecliff-Woollahra Precinct State-led Rezoning Proposal.

The draft Edgecliff-Woollahra Precinct State-led Rezoning Proposal (the draft proposal) seeks to amend the planning controls in the *Woollahra Local Environmental Plan 2021 (WLEP)* to enable the delivery of more homes close to public transport, jobs, services and open space. The rezoning is linked to delivering a new train station in Woollahra. The rezoning includes a commitment to delivering a percentage of the homes as affordable rentals in perpetuity.

Who we are

Shelter NSW is a state-based organisation and NSW's peak housing body. We are a not-for-profit organisation that conducts housing research and advocacy on behalf of households on ordinary incomes (low to moderate). We provide systemic advocacy and advice on policy and legislative matters for the whole NSW housing system.
Shelter was founded in 1975 as a member-based organisation, and today we represent a diverse network of individuals and other organisations who share the vision of a sustainable housing system and a secure home for all. To advance our vision, we engage our members, experts, and partners and advocate for housing reforms aimed at reducing housing inequality. We are also part of a nationwide housing advocacy network across Australian states and territories represented by National Shelter.

Development Proposal Overview

The draft Edgecliff-Woollahra Precinct State-led Rezoning Proposal seeks to amend the planning controls in the *Woollahra Local Environmental Plan 2021 (WLEP)* to enable the delivery of more homes close to public transport, jobs, services and open space. The key features of the draft proposal are:

- approximately 9,400 new homes,
- an affordable housing contribution base rate from 3% in perpetuity, increasing up to 15% for certain sites,
- higher-density housing and commercial spaces of up to 34 storeys around Edgecliff Station and 32 storeys around the new Woollahra Station precinct,
- a larger retail centre at Edgecliff and a new Woollahra local centre, creating up to 1,000 jobs and additional community facilities and services,
- approximately 3.5 hectares of new and upgraded public open space across 13 parks (7 new parks, 6 existing parks) and a plaza,
- improved connections throughout the Precinct with up to 9km of new walking and cycling paths, and
- planning controls that promote retention of tree canopy and provision for more landscape features.

Unmet Housing Need in Woollahra Local Government Area (LGA) and Council Commitment

Woollahra Council Affordable Housing Policy (2021) highlighted the ongoing unmet affordable housing needs across the LGA, noting that Woollahra LGA is a premium residential market, with median prices above the Sydney average and that buying or renting in Woollahra is increasingly unaffordable for essential workers.

Research by SGS Economics and Planning (2020), as part of the Council Affordable Housing Policy (2021), estimates a shortfall of 1,900 affordable homes in the Woollahra LGA. The report points out that the supply of affordable housing options will be essential to delivering a longer-term sustainable economy.

Council's Affordable Housing Policy (2021) committed to protecting and supporting the supply of affordable housing stock for low to moderate-income households. This includes groups with particular household needs such as;

- Key workers, including shift workers,
- Those working in creative industries,
- Asset-poor older people, including long-term residents of the LGA,
- Young people, including those with a social or economic connection within the LGA,
- Lower income families, including sole parent families and those totally priced out of the housing market,
- Aboriginal and Torres Strait Islander people,
- People with special housing or access needs, including people with a disability, the frail aged and those at risk of homelessness.

Affordable housing – it should be a foundational component of infrastructure

Shelter NSW takes the position that essential infrastructure should include affordable housing. Just like roads, schools, parks and medical facilities, access to affordable housing is a key requirement for a society to function efficiently and equitably. This is even more significant, especially in highly unaffordable housing markets like Sydney.

Treating affordable housing as infrastructure rather than a commodity shifts the focus from short-term financial profit towards long-term public benefits. Viewed through this lens, housing becomes a foundational community asset—much like roads, public schools, and hospitals.

When lower-income households spend less than 30% of their household income on rent or a mortgage, they have money to spend on local businesses, goods, and services. It also supports workforce retention; by providing affordable homes, it helps to reduce staff shortages, as essential workers can live near the communities they work in.

By placing access to affordable housing as a key component of infrastructure provision, it helps create a structural shift in the following way:

Transportation is usually the second-largest expense for households after housing; so, delivering affordable housing near major transport hubs provides significant social and economic benefits,

along with the opportunity to deliver much-needed housing in proximity to transport nodes, jobs and services. Access to safe, affordable housing lowers commute times, reducing traffic congestion, and helps to stabilise the local workforce.

New Transport Infrastructure - an Opportunity to Deliver much-needed Affordable Housing

The NSW Government Transport Oriented Development Program (December 2023) committed to ensuring the delivery of affordable housing close to new transport infrastructure, including a percentage of affordable housing.

The draft rezoning around the Edgecliff Station and the proposed new Woollahra Station provides a clear opportunity to deliver much-needed affordable rental homes linked with land use planning benefits related to upzoning sites and transport infrastructure.

Shelter NSW commends the Government's commitment towards the provision of affordable housing in perpetuity as a mandatory requirement as part of the proposed draft Edgecliff-Woollahra Precinct State-led Rezoning Proposal. Conversely, given the exceptional uplift and potential profit generated through the proposed rezoning and related new transport infrastructure, Shelter believes there is scope for a more ambitious approach to value capture. In our view, a minimum affordable housing contribution rate should be 5 per cent as opposed to 3 per cent and that the contribution should be in cash. We explain some of the reasons behind this position in the following section.

Why Views Matter - Beyond Height and FSR

Shelter notes that most development feasibility studies are generally on the conservative side and, in general, any financial feasibility will adopt cautious assumptions regarding developer profit and risk margins. The point being they are often 'undercooked' in terms of the actual values of the planning benefits.

Shelter NSW takes the position that the proposed Edgecliff-Woollahra rezoning, which benefits from increased access to transport infrastructure, height, and floor space, also has additional values associated with view corridors across parklands and Sydney Harbour. This is because many of the high-rise rezonings are associated with ridgelines that will also deliver views. Shelter's review of the Atlas Economics report (September 2026), Edgecliff-Woollahra Affordable Housing Strategy, seems to inadequately address the financial benefits delivered through these highly valued view locations, which will be delivered as a component of the proposed building heights.

The Atlas Economics report (September 2026) itself acknowledges on page 9 that many developers are using the low-to-mid-rise provision in the Housing SEPP to leverage the additional height benefits on elevated ridge locations that benefit from sweeping harbour and city views. However, financial values from the financial feasibility do not, from Shelter's perspective, adequately address the value associated with views.

The issue is that the Atlas report uses sales values that do not reflect the likely sales prices connected with harbour and parkland views associated with many of the upzoned sites. The area

being rezoned slopes down to the harbour and provides an excellent view corridor through a relatively low-rise Double Bay up the harbour towards Manly. An appreciation of this opportunity is obvious from examining a topographic map of the rezoning area, which is shown below (see Figure 4.1 in Mott Macdonald (2025). It looks like the landscape was created by a real estate developer exclusively for sales purposes!

The table below is reproduced from the Atlas report.

Table S2-5: End Sale Values

UNIT TYPE	END SALE VALUES	
1-BEDROOM	$22,000 to $24,000	per sqm NSA
2-BEDROOM	$24,000 to $28,000	per sqm NSA
3-BEDROOM	$24,000 to $34,000	per sqm NSA
NON-RESIDENTIAL	$10,000 to $15,000	per sqm lettable area

Source: Atlas

In response to the obvious negative impact associated with the loss of lower-cost rental accommodation, and how we might better mitigate against this loss, Shelter NSW commissioned research by Professor Emeritus Peter Phibbs and Dr Cameron Murray on the value of views (2026) (see Appendix 1). The aim of the research was to work out what the real value is between units with a harbour view and those without. It highlights that view value is the missing equation in the affordable housing target rates for the Edgecliff Woollahra precincts. What is evident from their research is that sales values shown in the above table do not seem to match the sales values realised from properties in the LGA with harbour views, which are shown in the Table below.

Table 1. Recent harbour view luxury sales in Woollahra LGA.

		Area used	Approx $/m²	Product/View
8/39 Sutherland Cr, Darling Point	$13.65m resale, 2025	293 m² internal	**$46,600/m²**	Large, renovated apartment with moderate harbour views
14/2a Wunulla Rd, Point Piper	16.25 m, new May 2025	236 sq m² internal	**68,710/ m²**	Large new apartment, sharing Level 3 with 2 other apts. Moderate harbour views
Verano, 10 Ian St, Rose Bay	$24m off-plan, 2026	335 m² internal	**$71,600/m²**	Full-floor penthouse; project has protected north-facing harbour views
Ode, Double Bay—penthouse	$24.95m off-plan	290 m² internal	**$86,034/m²**	Harbour-view penthouse with private roof terrace with spa

Ode, Double Bay—2nd penthouse	$21.5 m off-plan	234 m^2 internal	**$91,880 /m²**	Harbour-view penthouse with large roof terrace
Ruby House, 294-298 New South Head Rd Double Bay	approximately $50m off-plan, 2026	550 m^2 internal	**$90,900/m2**	Ultra-luxury penthouse with large north-facing terraces

Source: Media reports for off the plan and NSW VG for Sutherland Cr Darling Point

One of the factors that leads to the high prices in this area is the fact that the harbour views correspond to a favoured northerly aspect, which is different than say property on the northern shore of the harbour or in Barangaroo where many of the harbour view properties are facing south or west.

The value of harbour views is evident from developments being undertaken along the ridge lines in Potts Point, Paddington, Mosman, and North Sydney. These developments are linked with the infill provisions and are mostly being assessed through the State Significant Development (SSD) process. The Statements of Environmental Effects (SEE) for these developments highlight the benefits of views, including how views are impacted, clearly indicating that views are valued. These infill developments are highlighted on the 'Affordable Forever' website (http://affordableforever.au). The site includes a detailed map, illustrating the preference by developers for ridge line locations. It also clearly illustrates how older, cheaper multi-storey units are being replaced in locations along the ridge, the primary value benefit being access to views.

Large-scale upzoning/rezoning in high-value areas can lead to the 'net loss' of affordable housing. It is important to acknowledge that rezoning and redevelopment does result in the demolition of existing market-based affordable dwellings, including older apartment buildings that provide relatively affordable rental housing for essential workers.

If you convert the 3% affordable housing target from the 9400 to actual dwelling numbers, you can technically deliver 282 AH properties. These might rent for $600 as opposed to $800. In this scenario, the 282 capital A AH units will replace some of the existing affordable stock lost through the redevelopment process. In other words, when adjusted, the gross increase in AH for lower-income households will be, at best, nominal for lower-income households.

The Low to Mid Rise (LMR) provisions and the delivery of affordable housing

The Atlas Economics report (September 2026) states that the draft Edgecliff-Woollahra Precinct State-led Rezoning proposals will deliver about 9,400 homes, and a 3% baseline AH contribution rising to 15% on certain sites in perpetuity. The report says that LMR AH bonuses under the Housing SEPP would be switched off within the precinct for 5 years. The Woollahra Council Affordable Housing Contributions Scheme (2026) says the opposite: that the LMR should continue to be applied in nominated areas within 800m of transport infrastructure, including land subject to rezoning.

If we understand the proposal AH contribution correctly, there are only two locations that would have a 15% AH contribution rate, and these are located near Edgecliff Railway Station. The Atlas (2026) report also states that these two sites (ED 1.2) will either deliver community facilities with a 10% affordable housing provision or remain at the 15% affordable housing provision. In this situation, only two locations will be impacted by the 15% or 10% requirement, which in turn places a

higher obligation on the other AH locations. There are seven locations that have a 6% affordable housing contribution requirement, four that require 5% and 10 locations that are affected by a 4% contribution requirement. The remaining identified sites, coloured in light blue on the map, have a 3% affordable housing contribution rate. However, a large proportion of these sites will still be zoned R2 or R3 according to the land use zoning map.

Based on this situation, Shelter argues that the infill LMR provisions should not be turned off on the R2 or R3-zoned land. This is because the majority of areas impacted by the 3% AH contribution rate are the lower density zones and therefore with out the infill provisions many of these sites will not be redeveloped, and no AH contribution will be delivered. Additionally, because these zones will not deliver large scale development, we recommend that any AH contribution be made in cash as opposed to a unit contribution to ensure that affordable housing is generated on sites affected by AH contribution rate.

Affordable Housing Target

Based on the additional values being generated from views, the loss of market-based affordable dwellings (older apartment buildings) as part of the rezoning redevelopment process, and Woollahra Council's own affordable housing target, which recognises the need for affordable houses across the LGA. The Department should adopt a minimal target of 5%. Because the 3% provision relates primarily to R2 and R3 zones as indicated in the Atlas Economics report (September 2026), Affordable Housing Strategy and as such the AH contribution will be small, a cash contribution should be favoured over in-kind.

Recommendations

- That the Government, at the very minimum, adopt a 5% affordable housing requirement for the area known as the Edgecliff-Woollahra Precinct State-led Rezoning Proposal.
- That any variation from the 5% minimum requirement be backed up by independent economic modelling regarding the affordable housing contribution rates.
- Any affordable housing rentals should be provided in perpetuity.
- That cash contributions be favoured at the lower AH contribution rate.
- The Government acknowledge affordable housing as essential social infrastructure.
- That any LEP amendments include Council-proposed clauses for an affordable housing contributions scheme to the DPHI.

Thank you for reviewing our submission

Thanks to the Department for its commitment to developing and implementing an affordable housing contributions scheme in one of the least affordable housing markets. We look forward to continuing to work with you to support the long-term supply of genuinely affordable housing. Should you wish to discuss this submission and our commissioned research further, please contact admin@shelternsw.org.au.

References

NSW State Government. Transport Oriented Development Program. December 2023.

Department of Planning, Housing and Infrastructure and Office of Local Government (2026). Council-led Affordable Housing on Operational Land in NSW. February 2026.

Woollahra Council (2026). Broad-based affordable housing contributions scheme to DPHI.

Woollahra Municipal Council (December 2025). Evidence Base and Feasibility for Broad- Based Affordable Housing Contribution Scheme

Draft Woollahra Affordable Housing Policy 2026

Woollahra Affordable Housing Policy 2021

Atlas Economics report (September 2026), Edgecliff-Woollahra, State-led Rezoning, Affordable Housing Strategy

Phibbs and Murray. (October 2026). The impact of harbour views on property values and its implications for affordable housing strategies. A report for Shelter NSW.

APPENDIX 1.

Report on the value of views

The impact of harbour views on property values and its implications for affordable housing strategies

A report for Shelter NSW

Peter Phibbs and Cameron Murray

October 2026

1. Introduction

Views have long been recognised as an important influence on residential property values. Buyers generally pay more for dwellings with attractive outlooks, particularly where those views are extensive, unobstructed and available from the principal living areas. The premium reflects several related benefits, including visual amenity, greater access to light and a sense of openness, as well as the prestige and scarcity associated with a desirable outlook.

Water views are especially valuable. Property markets distinguish between apartments with no water view, limited glimpses, partial or obstructed views, broad water views and panoramic waterfront outlooks. The size of the premium therefore depends not simply on whether water can be seen, but on the quality of the view: its width and depth, the amount of water visible, the presence of foreground obstructions, the orientation of the apartment and whether the view is likely to be protected over time. Floor level can also be important, although topography and the location of surrounding buildings may allow some relatively low-level apartments to enjoy excellent views. A particular sought-after view is the Sydney Harbour view.[1] The sales records for Sydney residential real estate are all held by properties with Sydney harbour views.

2. Research on the Price Impact of Views, especially harbour views

The empirical literature confirms that views affect residential property prices, although estimated premiums vary with the type and quality of the view and the method used to measure it. Genesove and Hansen's (2019) hedonic analysis of Sydney housing sales separately identified several types of outlooks. The coefficient attached to a harbour view was 0.30 in their log-price regression, equivalent to an estimated price difference of approximately 35%, with the other characteristics included in the model held constant. The corresponding estimated differences were approximately 26% for a water view, 21% for an ocean view and 15% for a bay view.

An important limitation is that the data identify the presence of a harbour view but do not rate its quality. A relatively narrow or broken view is therefore treated in the same way as an extensive, unobstructed harbour panorama. In practice, a full view across a substantial area of water with a long and open horizon is likely to be more valuable than a view interrupted by buildings, vegetation or other structures, or one in which a narrow area of visible water is backed or enclosed by further development. The Genesove and Hansen estimate should consequently be interpreted as an average association across harbour views of varying quality, rather than as the premium applying to the best harbour views.

Jayasekare et al. (2019), using more than 5,000 transactions in the Illawarra region, similarly found that aesthetic views significantly influenced house prices, with beach views producing the strongest effect and sea and inland-water views also making positive contributions. Shellard, Lombardo and Flaherty's (2006) analysis of Melbourne Docklands apartments also demonstrated the importance of separating the value of a view from floor height, orientation, and other apartment characteristics. These findings support the use of within-building comparisons, such as the analysis of sales in the Blue building at Milsons presented below, to obtain a more credible estimate of the value attached to harbour views. In this analysis a series of units in the same building with and without harbour views were examined (see Box 1).

[1] This issue was well captured in the David Williamson play., Emerald City, where a character says that nobody questions the meaning of life in Sydney: it's getting yourself a harbour view.

Box 1. Harbour views at BLUE Lavender Bay

Sales at BLUE, 61 Lavender Street, Milsons Point, show a substantial price difference between harbour-facing and district-facing apartments. Our initial comparison finds an average price per square metre approximately 95% higher on the harbour side. This is a descriptive comparison of different apartment types; it does not establish a 95% premium attributable solely to the view.



Harbour-facing outlook



District-facing outlook

Data and approach

We analysed 45 sales records transcribed from NSW Valuer General sales data supplied for the development. The main comparison uses 26 transactions on levels 9 to 17, where the repeated floor layout provides a more consistent basis for comparing outlooks. Twelve transactions are provisionally classified as district or north-facing and 14 as harbour-facing. Repeat sales remain in the sample, so these are transaction counts rather than counts of distinct apartments.

Prices per square metre are calculated using the area recorded in the VG extract. This area has not been verified as internal living area. Outlook and apartment characteristics were coded from plans and selected listings; some characteristics are inferred from the repeated floor layout and remain subject to verification.

Levels 9 to 17	District / north	Harbour
Sale records	12	14
Mean sale price per VG m²	$20,868	$40,676

Interpretation

The harbour-side group averages about $19,808 more per VG square metre. However, it also comprises larger apartments with three bedrooms, three bathrooms and two parking spaces, compared with two bedrooms, two bathrooms and one space in the district group. Parking and outlook move together in this sample, preventing a separate estimate of their effects from these observations alone. Sale dates also vary, and this comparison has not been adjusted for market movements.

BLUE therefore provides evidence of a large price difference associated with the harbour-facing apartment offering. Estimating the contribution of views, as distinct from other factors, requires further checks of internal areas and outlooks, adjustment for sale timing, and evidence that separates views from apartment configuration and parking. The appendix provides the 26 comparison transactions and all 45 extracted records so the calculations and sample selection can be reviewed.

An analysis of recent sales at the lend lease development in Barangaroo, One Sydney Harbour, also highlights the impact of views as the aspect and height in the building increases (see Box 2). It should be noted that One Sydney Harbour is an exceptional prestige development and arguably one of Australia's most expensive apartment projects. These absolute $/m^2 prices should not be treated as repeatable in other Sydney developments.

Our analysis now turns to look at three smaller apartment buildings within the Woollahra local government area: The Lincoln at 18A Albert Street, Oceanpoint at 170 Ocean Street and Edgecliff Towers at 365A Edgecliff Road, all in Edgecliff. For each building, we compare pairs of apartment sales with and without harbour views. By examining sales within the same building, this approach helps control for differences in location, building quality, common facilities and market positioning, providing a clearer indication of the value attributable to harbour views alone. These case studies provide the most relevant empirical support for our review of the revenue assumptions underpinning the Edgecliff–Woollahra Affordable Housing Strategy.

Table 1. The impact of views on apartment sales prices in Woollahra Council

Building	Apartment and outlook	Sale date	Area used	Sale price	Comparison price	Adjusted $/m²
18A Albert St	Apt 4 - garden, no harbour view	29 Jun 2015	416 m²	$3.750m	$4.069m at Nov 2016	$9,782
	Apt 5 - partial harbour view	28 Nov 2016	254 m²	$4.825m	$4.825m	$18,996
Oceanpoint	Apt 1003 - city and Bridge glimpse	6 Apr 2023	201 m²	$2.500m	$2.500m	$12,438
	Apt 1004 - stronger harbour view	8 Mar 2023	188 m²	$2.975m	$3.005m at Apr 2023	$15,983
Arlington 351 Edgecliff Rd	Apt 3 - obstructed garden, no harbour view	Dec 2025	130.1 m²	$1.815m	$1.815m	$13,951
	Apt 28 - good harbour views	Oct 2025	127.3 m²	$3.125m	$3.125m	$24,548

Data source: NSW Valuer General Property Sales Enquiry tool.

Adjustment notes. *Albert Street prices use strata area and an 8.5% time adjustment to November 2016. Oceanpoint prices use strata area and a 1.0% adjustment of the March sale to April 2023. Arlington uses internal area; its sales were about five weeks apart, so no time adjustment was applied. No separate adjustment for parking has been made in any of the three comparisons.*

Across the three buildings, the apartment with the better harbour outlook achieved a materially higher price per square metre. At 18A Albert Street, Apartment 5 achieved approximately $9,214/m^2 more than the indexed garden apartment, a premium of 94%. At Oceanpoint, Apartment 1004 achieved approximately $3,545/m^2 more than Apartment 1003, a premium of 28.5%; without the small time adjustment, the premium remains 27.2%. At Arlington, Apartment 28 achieved approximately $10,598/m^2 more than Apartment 3, a premium of 76%.

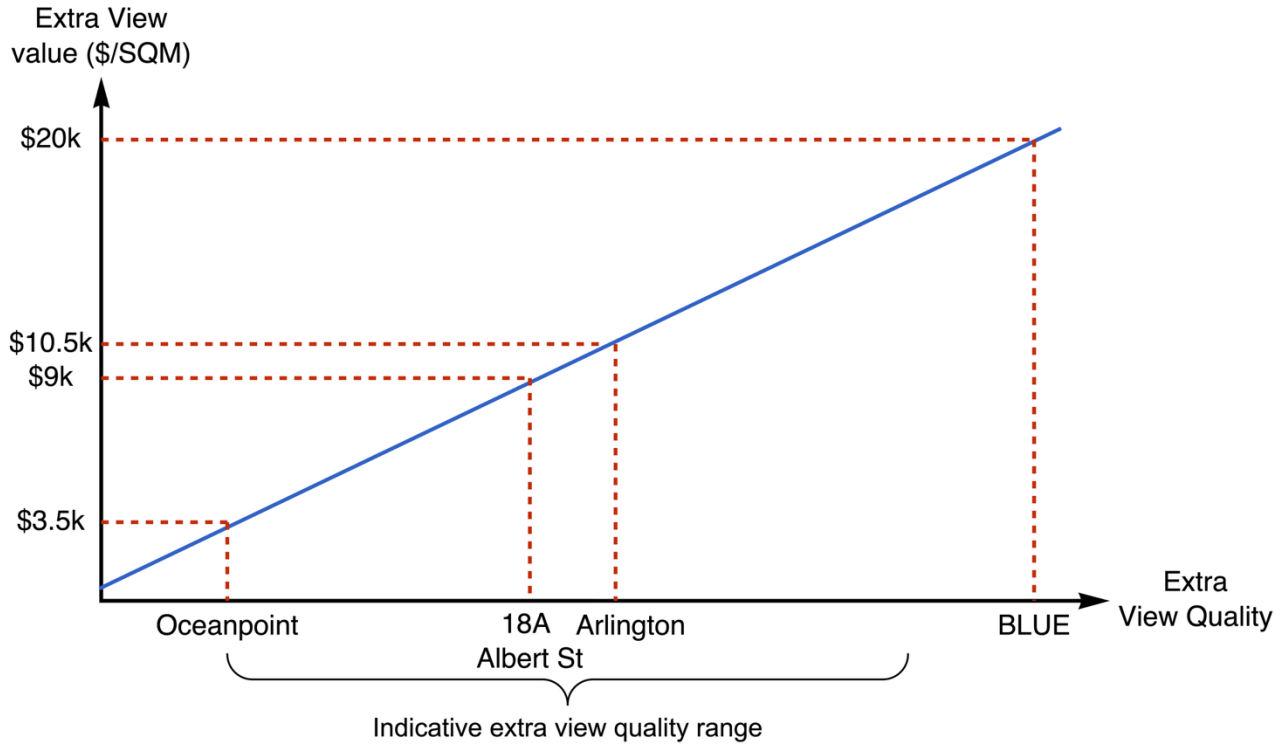
Taken together, the comparisons suggest that the nature and extent of the view or outlook matter, not simply whether an apartment is elevated.

The Oceanpoint pair is particularly useful because both apartments have elevated outlooks, but the apartment with the stronger view of harbour water achieved about 28% more per square metre than the apartment oriented principally towards the city and Harbour Bridge.

The Albert Street and Arlington pairs show larger differences between harbour views and garden or obstructed outlooks. The consistency of the direction of the result across buildings of different ages and configurations supports the conclusion that visible harbour water attracts a distinct market

premium. The size of the premium should nevertheless be interpreted cautiously. Apartment 4 at Albert Street has a 416 m^2 strata area that probably includes substantial garden or terrace space, which cannot be valued at the same rate as internal living area. Arlington is an older, Harry Seidler-designed building dating from the 1960s, and differences in renovation quality or condition may explain part of the gap; its absolute dollar-per-square-metre rates are not directly transferable to a new luxury development.

What each of these cases show is that the adding view quality adds substantial value to the whole apartment. Indeed, the extra view quality can be measured by the extra value it generates. The diagram below summarises these cases, and the BLUE case, shows the typical effect of extra view quality on the price per square metre of Sydney apartments. We can see that minor gains in view quality, such as at Oceanpoint, add about $3,500/sqm in value on a like-for-like basis, while large gains like Arlington, add over $10,000/sqm of value. Even without accounting for the other value-adding luxury fit out and design features that are typically built to accompany views, this is a large revenue effect when the incremental apartment added to a building design from the density bonus will likely be one with the best views.

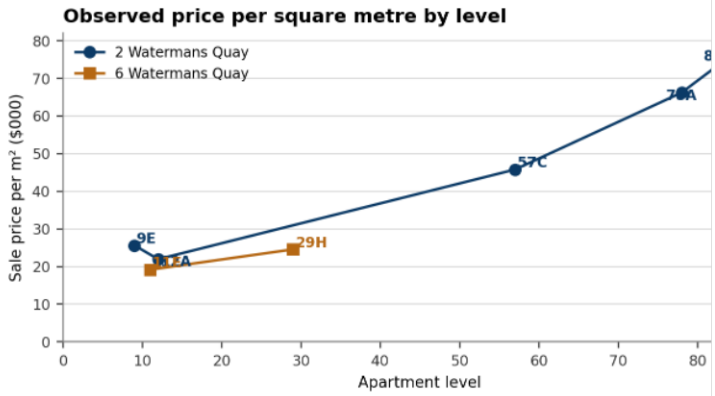


Summary

Taken together, the literature and case studies suggest that an indicative harbour-view premium of about 35–50% is reasonable for feasibility testing, with the Reserve Bank of Australia (RBA) estimate of approximately 35% providing the lower end of the range. Because the RBA measure does not distinguish view quality, the premium is likely to be higher for upper-floor apartments with broad, unobstructed and protected harbour outlooks, while partial or interrupted views may attract less; exceptional panoramic views may exceed this range. The next section considers what this evidence implies for the revenue assumptions and affordable housing contribution proposed in the Edgecliff–Woollahra Affordable Housing Strategy.

Box 2- One Sydney Harbour Barangaroo

One Sydney Harbour provides an unusually clear illustration of how apartment height, aspect and view quality can be associated with sharply different sale prices within the same prestige development. The seven recent transactions below range from obstructed urban outlooks to protected water views, iconic harbour panoramas and upper-level sky homes.



Building context

2 Watermans Quay
Residences Two — 68 storeys.

6 Watermans Quay
Watermans Residences — 29 storeys.

83B is one of two top skyhomes in Residences Two. It spans apartment levels 83–84 and includes a private pool.



9E Low-level water outlook



12A Obstructed city outlook



57C High iconic harbour outlook

Unit	Address	Date	View and position	Area m²	Price	$/m²
9E	2 Watermans Qy	13 Feb 2026	Low-level water view	78	$2.00m	$25,629
12A	2 Watermans Qy	07 Aug 2026	Obstructed city outlook	139	$3.05m	$21,942
57C	2 Watermans Qy	25 May 2026	High iconic harbour view	201	$9.20m	$45,771
78A	2 Watermans Qy	22 Apr 2026	Multi-horizon sky view	491	$32.50m	$66,191
83B	2 Watermans Qy	17 Oct 2025	Two-level penthouse	730	$54.10m	$74,110
11E	6 Watermans Qy	08 May 2026	Urban outlook	72	$1.38m	$19,167
29H	6 Watermans Qy	01 May 2026	Elevated water view	114	$2.80m	$24,561

Note: *The number in each apartment identifier denotes its building level, so higher numbers indicate higher floors. These level numbers are not the same as the published physical-storey count because podium and plant levels, as well as omitted level numbers, affect the numbering.*

Interpretation. Within 2 Watermans Quay, the observed rate rises from about $21,942/m² for 12A's obstructed outlook to $45,771/m² for 57C, $66,191/m² for 78A and $74,110/m² for the two-level 83B penthouse. At 6 Watermans Quay, 29H's elevated water view achieved about 28% more per square metre than 11E's urban outlook. The pattern is consistent with a substantial premium for height and harbour outlook, although it cannot isolate a pure view effect.

Important qualification. One Sydney Harbour is an exceptional prestige development and arguably one of Australia's most expensive apartment projects. These absolute $/m² prices should not be treated as readily repeatable in ordinary apartment developments. The useful evidence is the difference between apartments within the project. Even then, the comparisons are descriptive rather than causal: the sample is small and sale prices also reflect apartment size, layout, floor, aspect, parking, finishes, scarcity and penthouse status. Sales occurred between October 2025 and August 2026 and have not been time-adjusted.

Sources: supplied NSW Valuer General sales extract and listing photographs; Lendlease One Sydney Harbour project information (tower level counts); published sales reporting for 83B. Calculations use the area field supplied in the sales spreadsheet.

3. Harbour Views and the Edgecliff- Woollahra Rezoning Affordable Housing Strategy.

The Edgecliff-Woollahra rezoning is probably going to deliver more properties with a harbour view than any rezoning in Sydney's recent history. Firstly, this is for the obvious reason that the rezoning covers a large area near Sydney harbour. But the larger issue is that the area being rezoned slopes down to the harbour and provides an excellent view corridor through a relatively low-rise Double Bay up the harbour towards Manly. An appreciation of this opportunity is obvious from examining a topographic map of the rezoning area which is shown below (see Figure 1 below). It looks like the landscape was created by a real estate developer! You have an amphitheatre effect running down from the south of the rezoning precinct down to Double Bay with the harbour framed by Darling Point to the west and Point Piper to the east.

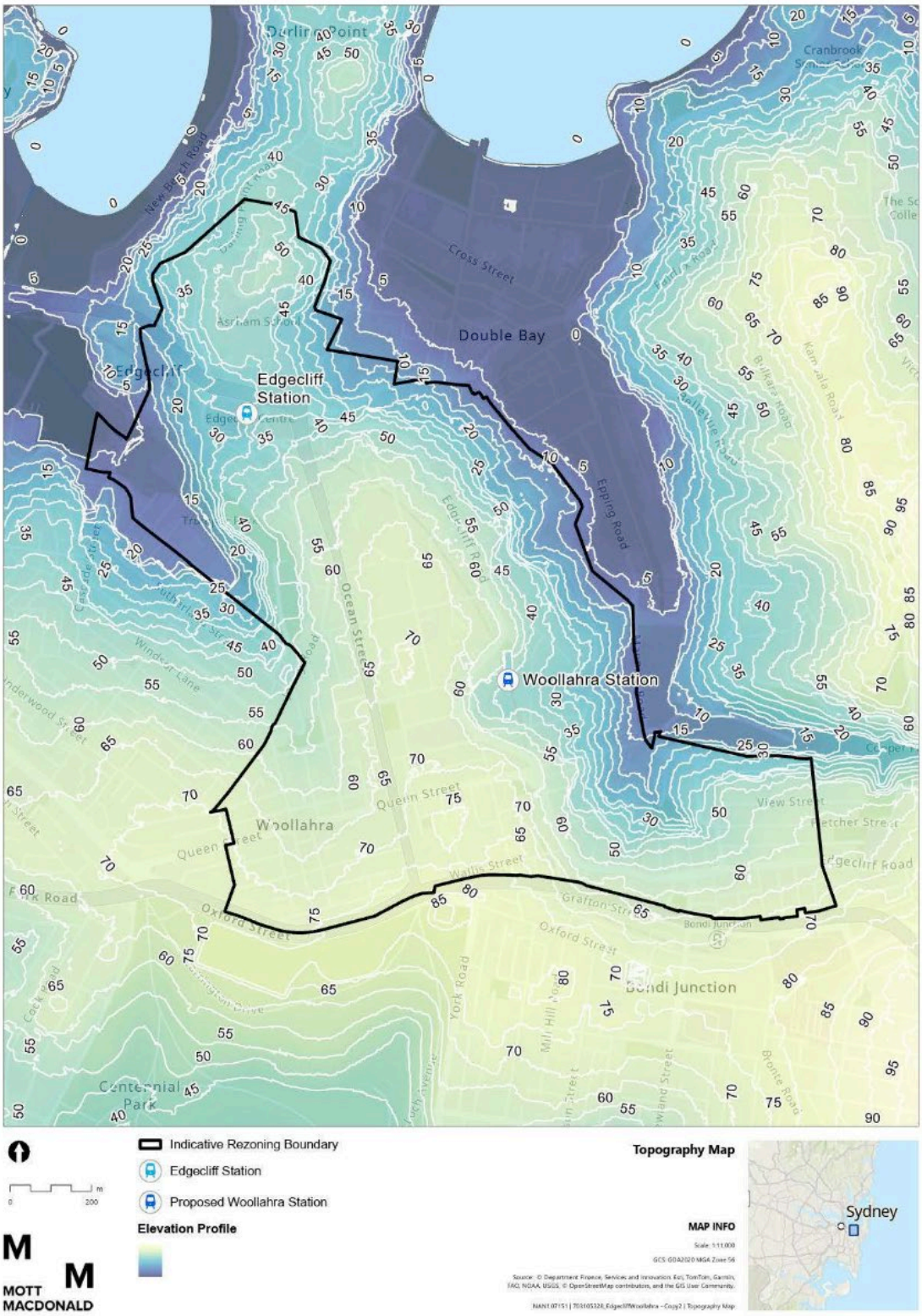
This would suggest that if any affordable housing strategy was going to investigate the impact of view premiums on affordable housing rates than the study for this rezoning would be it! However, looking at Table S1-2 – Sales of New and Off the Plan apartments (Atlas, 2026 p45-46) and the subsequent end sales values shown in Table S2-5: End Sale Value (Atlas, 2026 p52) it is clear that the view premiums are not reflected in the either the assumed end sale values or the affordable housing contribution rates.

For example, the table in the report that lists the Residential end sale values only includes one example of a property with similar harbour views to the rezoned precinct (440 Edgecliff Road) with a sales rate of $83,781 per sq metre. Two other properties which are listed as having harbour views – 501/34 Cross St Double Bay and 9/319 New South Head Rd, have only partial harbour views, with smaller per sq metre values of $62,500 and $27,613 respectively. Figure 2 below compares the view from these properties. It is obvious that the more unobstructed harbour view at 440 Edgecliff Road is at least part of the reason why its sale value per sq metre is more than 3 times the value of the property at 9/319 New South Head Road with more obstructed views.

3.1 Focussing on properties with unobstructed harbour views

If we focus on properties with unobstructed harbour views in the Woollahra LGA, we can gain a better sense of the likely sales revenue from many of the properties impacted by the rezoning with potential harbour views. This is undertaken in the Table below.

Figure 1 – Topographic map of rezoning precinct



Source: Mott Macdonald (2026). Figure 4.1

Figure 2 – Different Harbour views from properties listed in the Atlas Affordable Housing Strategy End Sales Table (Table S1-2)



501/34 Cross St, Double Bay



440 Edgecliff Road, Penthouse



9/319 New South Head Rd

Table 2. Recent harbour view luxury sales in Woollahra LGA.

		Area used	Approx $/m²	Product/View
8/39 Sutherland Cr, Darling Point	$13.65m resale, 2025	293 m² internal	**$46,600/m²**	Large, renovated apartment with moderate harbour views
14/2a Wunulla Rd, Point Piper	16.25 m, new May 2025	236 sq m² internal	**68,710/ m²**	Large new apartment, sharing Level 3 with 2 other apts. Moderate harbour views
Verano, 10 Ian St, Rose Bay	$24m off-plan, 2026	335 m² internal	**$71,600/m²**	Full-floor penthouse; project has protected north-facing harbour views
Ode, Double Bay—penthouse	$24.95m off-plan	290 m² internal	**$86,034/m²**	Harbour-view penthouse with private roof terrace with spa
Ode, Double Bay—2nd penthouse	$21.5 m off-plan	234 m² internal	**$91,880 /m²**	Harbour-view penthouse with large roof terrace
Ruby House, 294-298 New South Head Rd Double Bay	approximately $50m off-plan, 2026	550 m² internal	**$90,900/m2**	Ultra-luxury penthouse with large north-facing terraces

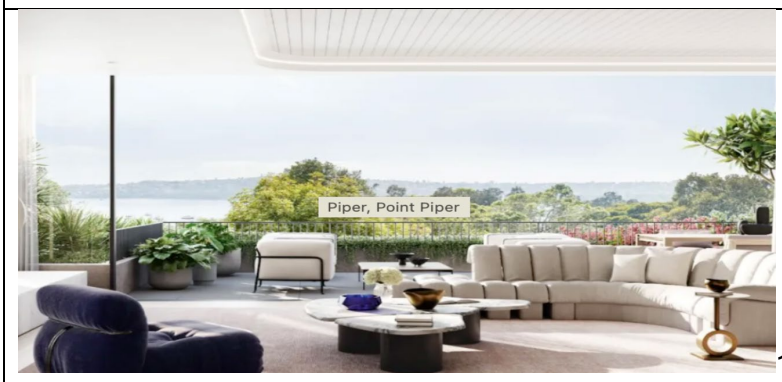
Source: Media reports for off the plan and NSW VG for Sutherland Cr Darling Point

The table shows the super luxury market for a very large property at Double Bay is approaching the value of Barangaroo sales shown earlier in the report. The views attached to each of these buildings are shown in Figure 3[2]. One of the factors that leads to the high prices in this area is the fact that the harbour views correspond to a favoured northerly aspect which is different than say property on the northern shore of the harbour or in Barangaroo where many of the harbour view properties are facing south or west.

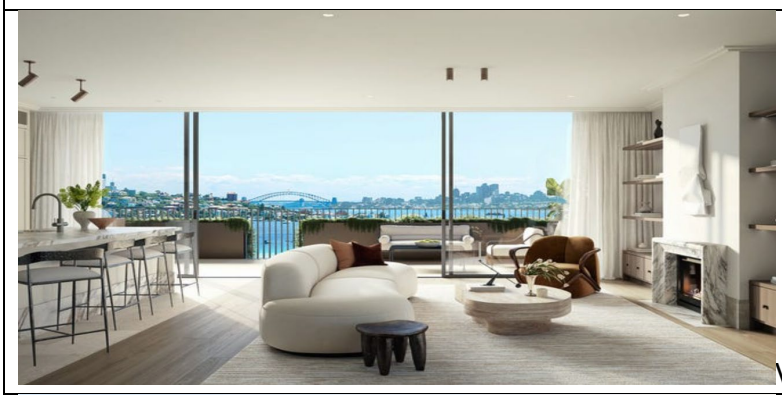
[2] Note that for the four off-the-plan apartments they are developers simulated views and not actual views.

Figure 3 – Photos of Woollahra LGA harbour view properties featured in Table 2.

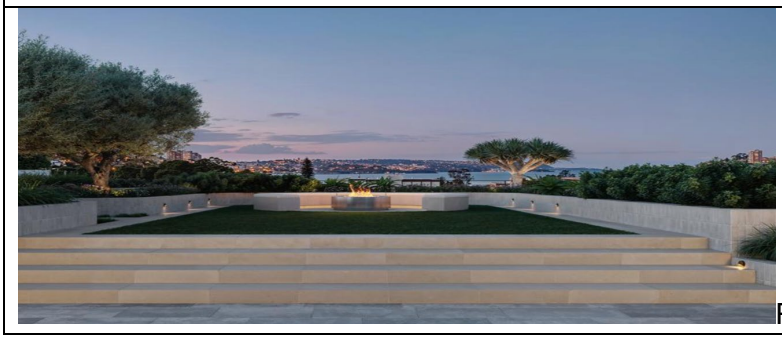

8/39 Sutherland Cr



14/2a Wunulla Point Piper


Verano, Rose Bay with SHB


The Ode, Double Bay


Ruby House, Double Bay.

Source: Property listing for Sutherland Crescent, remaining from developer photos.

4. Discussion

The estimated sales values for the analysis used to estimate the affordable housing contribution rates by Atlas (2026) are shown below.

Table S2-5: End Sale Values

UNIT TYPE	END SALE VALUES	
1-BEDROOM	$22,000 to $24,000	per sqm NSA
2-BEDROOM	$24,000 to $28,000	per sqm NSA
3-BEDROOM	$24,000 to $34,000	per sqm NSA
NON-RESIDENTIAL	$10,000 to $15,000	per sqm lettable area

Source: Atlas

The gap between these rates and the harbour view rates shown in Table S1-2 and Table 2 above suggests that, where upzoned properties in the Edgecliff-Woollahra precinct will have substantial views, the current revenue estimates in the Atlas feasibility calculations underestimate the revenue available from some lots in the precinct. It would be possible to increase the affordable housing contribution rates on lots with access to good harbour views without reducing the viability of development projects.

It is suggested that on the harbour view lots the following adjustments should be made to the end sales values:

- Apartments on lower floors with no harbour views, including Affordable Housing Units (adjustment 0%);
- Middle floor units with harbour views (adjustment 25%)
- Units on top 2 storeys in the building (adjustment 45%)

Whilst developers may argue that apartments on upper floors cost more to construct, these basic construction costs are the same for apartments with and without views. Some additional costs are likely, particularly where penthouses incorporate premium finishes, extensive glazing, larger terraces, private lift access or non-standard structural elements. However, configuring an upper floor as one large apartment can also reduce costs by eliminating party walls, duplicate kitchens and laundries, multiple service connections and common corridors. Accordingly, the construction-cost premium associated with a whole-floor apartment with luxury finishes is unlikely to absorb the full difference between the Atlas Table S2-5 and the sales revenues shown in Table 2. A 45% increase in sales revenue takes the values of 3-bedroom penthouse and sub penthouse apartments to $35,000 to $49,000, which are still well short of the values shown by the properties in Table 2 with premium harbour views[3]. It is suggested that for lower floors a smaller premium should be added to the Atlas values – 25% of the

[3] Indeed, the construction costs listed in the Atlas report could triple and the rezoning precinct apartment projects would still be viable with a substantial increase in the affordable housing rate

values shown in S2-5 – since it is not evident that lower floors with a view enjoy the same premium.

4.1 Examples of revenue adjustment.

Examples of the potential revenue increases for a range of apartment buildings with views are shown in Table 3 below. In these examples, the view premiums (45% and 25%) are applied across the building. The total revenue gain is theoretically the total increase in the affordable housing rate that could be sustained without impacting the viability of any project. The examples are for a 15 and 30 storey building, with different examples having a larger or smaller percentage of the apartments having no views because of local obstructions (trees, another building etc).

The increase in revenue over the Atlas base case ranges from 24% in buildings with relatively unobstructed views to 14% with buildings with relatively obstructed views (e.g. because of another building.)

					Revenue Increase 30 storey building - no view 15 storeys			
	%of NSA	Revenue Loading	Calcs			%of NSA	Revenue Loading	Calcs
First 10 storeys	67%	0%	0	No Harbour view	First 15 storeys	50%	0%	0.00
3 storeys	20%	25%	0.05	Remaining view floors	13 storeys	43%	25%	0.11
Top 2 storeys	13%	45%	0.06	Top 2 storeys	Top 2 storeys	7%	45%	0.03
	100%		11%	Total revenue gain		100%		14%
					Revenue Increase 30 storey building - no view 8 storeys			
	%of NSA	Revenue Loading	Calcs			%of NSA	Revenue Loading	Calcs
First 8 storeys	53%	0%	0	No Harbour view	First 8 storeys	27%	0%	0.00
5 storeys	33%	25%	0.08	Remaining view floors	20 storeys	67%	25%	0.17
Top 2 storeys	13%	45%	0.06	Top 2 storeys	Top 2 storeys	7%	45%	0.03
	100%		14%	Total revenue gain		100%		20%
					Revenue Increase 30 storey building - no view 3 strys			
	%of NSA	Revenue Loading	Calcs			%of NSA	Revenue Loading	Calcs
First 3 storeys	20%	0%	0	No Harbour view	First 3 storeys	10%	0%	0.00
10 storeys	67%	25%	0.17	Remaining view floors	25 storeys	83%	25%	0.21
Top 2 storeys	13%	45%	0.06	Top 2 storeys	Top 2 storeys	7%	45%	0.03
	100%		23%	Total revenue gain		100%		24%

Table 3. Estimating the revenue increase for the Harbour view premium for various apartments (source: authors)

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