

# THE NEW AUSTRALIAN DREAM.

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JULY 2019

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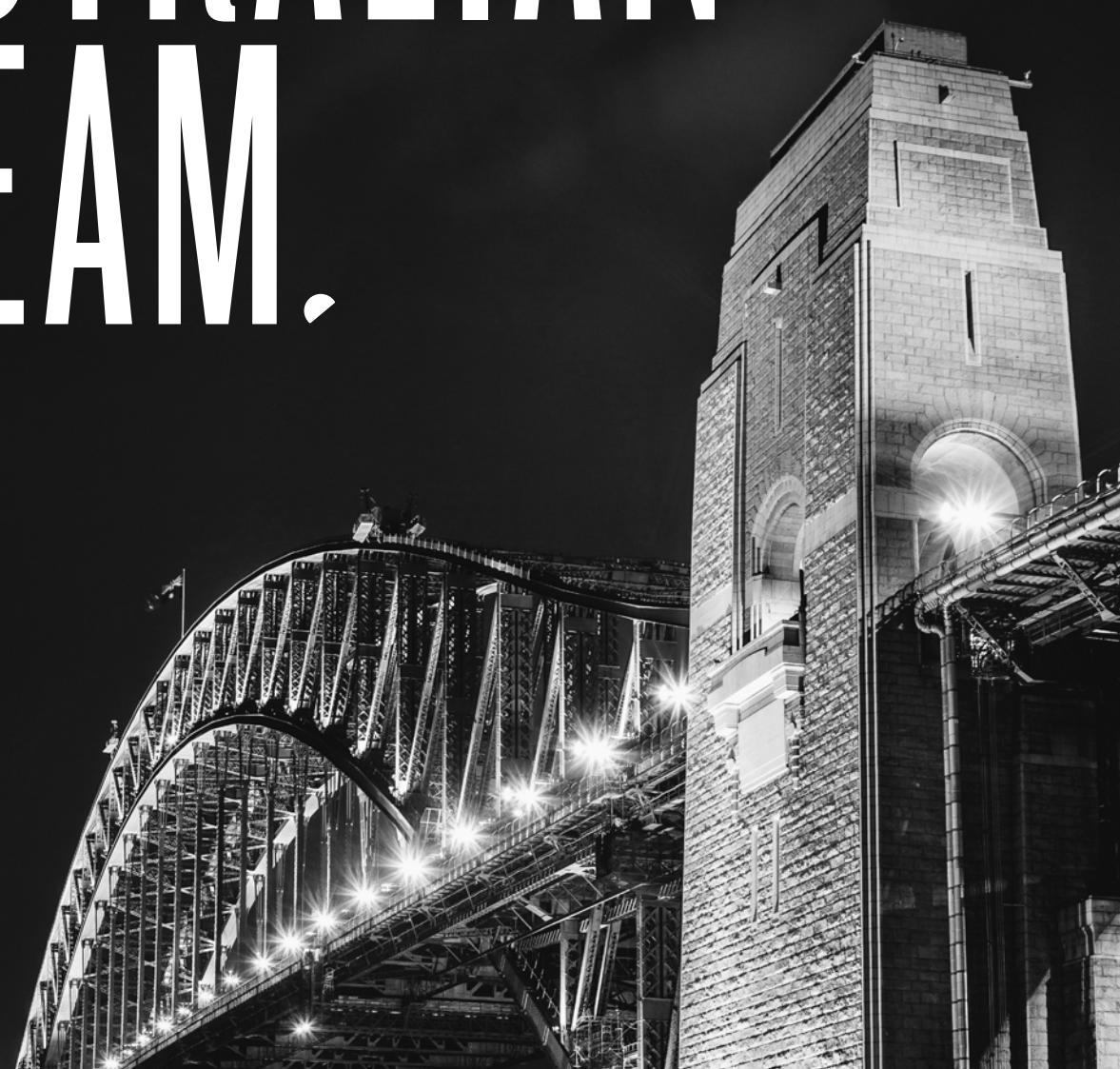
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# SYDNEYSIDERS AND THE NEW AUSTRALIAN DREAM.



SYDNEYSIDERS DREAM OF BEING FINANCIALLY FREE, AS WELL AS FREEING UP THEIR TIME TO BE WITH LOVED ONES AND FRIENDS. FOR MANY, APARTMENTS ARE THE PATHWAY TO THIS DREAM OF FREEING UP BOTH MONEY AND TIME.

## SYDNEYSIDERS DREAM OF FREEDOM

According to Sydneysiders, the Australian dream is all about being free. For residents of Australia's biggest city, living the Australian dream means achieving financial freedom and independence (52%), as well as spending quality time with loved ones and friends (44%).

## THE NEW AUSTRALIAN DREAM IS CLOSELY LINKED TO HOME OWNERSHIP

The dream of financial freedom and independence, as well as increased free time, is closely linked to home ownership. An effective way to increase financial freedom and independence in Sydney is to reduce the cost of housing which represents more than half of average household expenditure (52%).

For Sydney residents, apartment living is an attractive way of increasing financial freedom and lifestyle benefits. Apartments in Sydney are attractive as they reduce costs and save time having fewer maintenance requirements. They also provide increased security and greater accessibility. These core benefits of apartment living also happen to be the greatest challenges of living in a detached house (maintenance 55%, price 50% and high running costs 44%).

## LIVING IN APARTMENTS SAVES MONEY AND TIME

Home maintenance is a major difference between apartment style living and living in a detached house.

People living in apartments save an average of \$3,713 a year alone on home maintenance, or \$71 per week, compared to those in detached houses, which is a saving of 71%.

Sydneysiders don't just save money on home maintenance, they also save time. Apartment owners save an average of 270 hours a year on home maintenance compared to owners of detached houses.

Apartment owners are saving five hours per week because they've chosen to live in a 'low maintenance' home. Low maintenance dwellings contribute to high quality living, the key to living the new Australian dream.

### AVERAGE ANNUAL EXPENDITURE ON HOME MAINTENANCE

Detached house	\$5,240
Apartment	\$1,527
<b>Saving</b>	<b>\$3,713</b>

### DAYS SPENT ON HOME MAINTENANCE\*

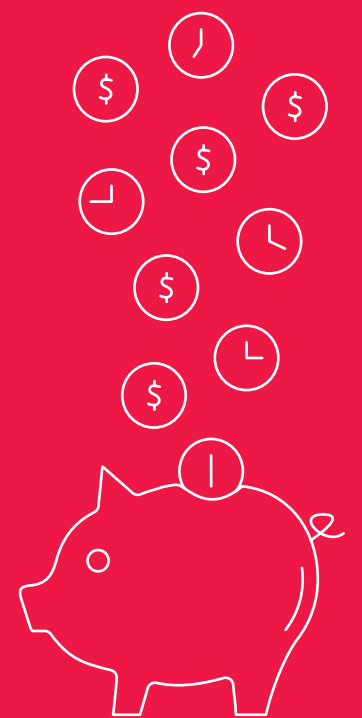
Detached home owners	27
Apartment owners	10
<b>Days saved</b>	<b>17</b>

\* Based on 16 waking hours per day

## APARTMENTS AND LIVING THE DREAM

To successfully live the new Australian dream, Sydneysiders must uncover new ways to increase their financial freedom and increase their free time. For many, apartments, which save money and time, provide an achievable pathway to achieving the new Australian dream.

FOR MANY, APARTMENTS, WHICH SAVE MONEY AND TIME, PROVIDE AN ACHIEVABLE PATHWAY TO ACHIEVING THE NEW AUSTRALIAN DREAM.



# THE FUTURE OF SYDNEY.

## Redefining the Australian dream

### LIFE IN AUSTRALIA'S BIGGEST CITY

Sydney is undoubtedly one of the most beautiful cities in the world. Abounding in natural beauty, with its world-famous harbour, spectacular beaches and expansive national parks, residents agree that Sydney's natural environment (44%) and climate (33%) are some of the city's greatest strengths. Residents also love Sydney's dynamic lifestyle with more than a quarter (26%) agreeing this is one of the city's greatest strengths. It is no surprise therefore that Sydney's population has continued to grow and diversify as people from all around the world seek to call such a beautiful city home.

As Sydney's vibrant population has continued to grow and change, so too have residents' dreams and aspirations. According to Sydneysiders, the modern Australian dream is all about freedom. Sydneysiders dream of being free to spend what they want and have time with those they love.



THE 3 GREATEST THINGS ABOUT SYDNEY



### DREAMING OF FREEDOM

When asked to define what it means to 'live the Australian dream', Sydneysiders are most likely to agree that the modern Australian dream is linked to freedom and independence. The most common definition of the Australian dream, according to Sydneysiders, is having financial freedom and independence (52%). The second most popular definition is being free to spend quality time with loved ones (44%).

Sydneysiders are actively embracing the pursuit of freedom with two thirds (65%) describing themselves as successfully living the Australian dream.

#### THE AUSTRALIAN DREAM



### GENERATIONAL INSIGHTS — "LIVING THE DREAM"

Sydney's older residents are more likely than younger residents to already be living the dream. More than four in five Builder's (aged 73+) describe themselves as living the dream (82%) followed by nearly seven in ten Baby Boomers (69%). Meanwhile, Sydney's younger residents are less likely to have achieved the Australian dream. Just under two thirds (63%) of Gen Xs are currently living the dream followed by a slightly smaller proportion of Gen Ys (56%).

82% BUILDERS

69% BOOMERS

63% GEN X

56% GEN Y

## Supporting Sydney's skyline

### THE FUTURE OF SYDNEY IS LOOKING UP

Sydneysiders dream of being financially free, as well as freeing up their time to spend with loved ones and friends. For people living in Sydney, the path to financial freedom is closely linked to home ownership. Today, two in five Sydneysiders (40%) dream of owning any type of home, irrespective of size or shape. The redefinition of the modern Australian dream, coupled with 28% growth in the number of apartments over the past decade, highlights the changing preferences towards housing in Sydney. Sydneysiders increasingly believe 'homes' come in all different shapes and sizes.



TWO IN FIVE SYDNEYSIDERS (40%) DREAM OF OWNING ANY TYPE OF HOME

### WHY SYDNEYSIDERS ARE ATTRACTED TO APARTMENT LIVING

Two thirds of Sydneysiders (67%) have lived in one of the city's half a million apartments (501,793) at some point in their life and nearly three in five (57%) would actively consider moving into an apartment in the future. According to Sydneysiders there are four main benefits to apartment style living:

#### 1. FINANCIAL BENEFITS

Price is the most attractive feature of a new apartment (40%). People in Sydney are also attracted to the fact that apartments have lower running costs with one in five people (19%) saying cheaper gas and electricity is a key benefit of living in an apartment.

#### 2. LOW MAINTENANCE

Sydneysiders are drawn to the low maintenance of apartment style living. Nearly one in three (31%) state that low maintenance attracts them to moving to a new apartment.

#### 3. STRONG SENSE OF SECURITY

The sense of security offered by apartments is also a core benefit. One in five Sydneysiders (21%) are attracted to the enhanced safety and security of apartment living, while a similar proportion (18%) are drawn to related benefits such as secure parking.

#### 4. ACCESSIBILITY

The fourth major benefit of apartment living is access to services. One in five Sydneysiders (20%) value proximity to public transport. Sydneysiders also view the access to social amenities such as shops and cafes (12%), building accessibility (11%) and access to additional apartment facilities such as a gym or pool (10%) as key benefits of apartment living.







## Unlocking the new Australian dream

### APARTMENT LIVING LINKED TO FINANCIAL FREEDOM

As this study shows, apartments reduce the cost of living, a streamlined pathway to living the new Australian dream by freeing up both money and time.

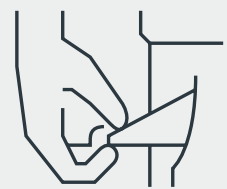
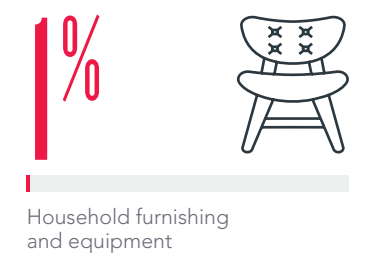
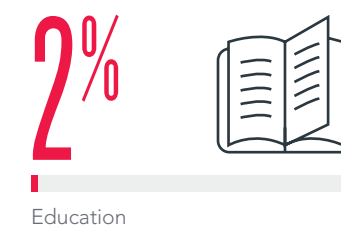
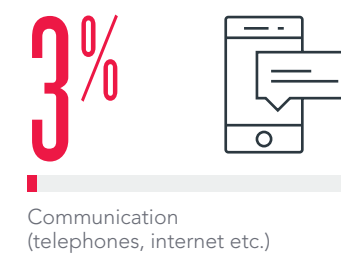
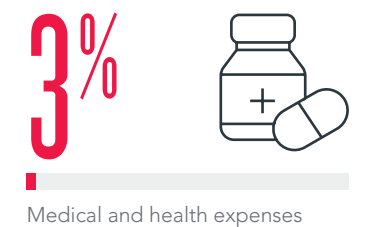
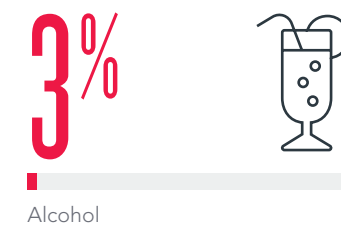
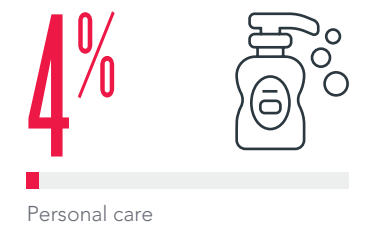
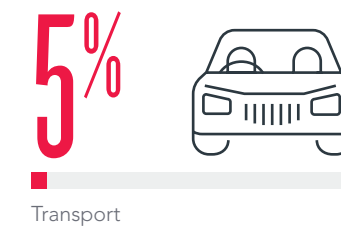
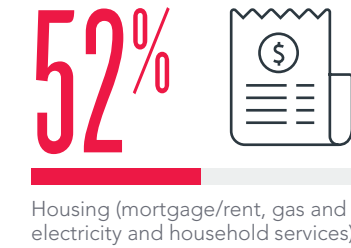
Living in an apartment is proven to reduce the cost of living, which is currently the biggest personal challenge for people living in Sydney (60%). Effectively reducing housing costs, which currently represent 52% of average weekly expenditure, is a critical way to increase financial freedom and unlock the new Australian dream.

### REDUCING RUNNING COSTS

Reducing home maintenance and running costs is an effective way of reducing the overall cost of living. This challenge of reducing such costs is particularly felt by those in Sydney who live in a detached house. More than half (55%) consider home maintenance to be the biggest challenge of living in detached housing and more than two in five (44%) consider the high running costs of detached housing to be challenging.

## SYDNEY AVERAGE WEEKLY HOUSEHOLD EXPENDITURE

(ALL HOUSING TYPES)



THE COST OF LIVING IS THE BIGGEST PERSONAL CHALLENGE FOR PEOPLE LIVING IN SYDNEY



# REIMAGINING HOUSING IN SYDNEY.

## Sydney's housing supply

### DIVERSIFYING SYDNEY'S DWELLING MIX

Despite Sydney's international desirability and exceptional natural amenity, some challenges remain for residents in Australia's biggest city. Nearly three in five Sydneysiders (57%) find housing affordability in Sydney to be extremely/very challenging. Without significant changes to the market, sentiment is likely to remain pessimistic. Almost three in four (74%) expect housing affordability to continue to be extremely/very challenging in the future.

As a result, it is vital that Sydney continues to assess its supply of future housing stock. An increasingly diverse population, with changing values and opinions, requires an increasingly diverse range of housing options to ensure the best possible quality of life for everyone.



NEARLY THREE IN FIVE (57%) FIND HOUSING AFFORDABILITY IN SYDNEY TO BE EXTREMELY/VERY CHALLENGING



60% AGREE APARTMENTS ARE AN AFFORDABLE ALTERNATIVE TO DETACHED HOUSES

### APARTMENTS OFFER A POSITIVE SOLUTION

Sydneysiders agree that apartments are an integral component of Sydney's diverse housing supply and present a viable solution to some of the city's current challenges. More than three quarters of Sydneysiders agree (76%) that apartments are necessary to accommodate the city's growing population.

People in Sydney also agree that apartments play an important part in alleviating the strain of housing affordability. Three in five Sydneysiders (60%) agree that apartments are an affordable alternative to traditional detached houses.

## Designing Sydney's dream home

### HOME IS WHERE THE SECURITY IS

When it comes to describing their dream home, Sydneysiders are focused on the elements of safety and location. According to Sydneysiders, the most important quality of a dream home is safety and security (37%). This is followed by a desirable location (36%) and an abundance of natural light (25%). Each of these essential qualities outrank more traditional aspirations such as a big backyard (23%), lots of storage (16%), a large garage (11%) or a pool room to display life's trophies (2%).

#### SYDNEY'S DREAM HOME



### IS SYDNEY'S DREAM HOME AN APARTMENT?

According to Sydney's apartment dwellers, safety and security (the most important aspect of the modern dream home) are amongst the top benefits of apartment living. One in three apartment dwellers (33%) believe the enhanced safety and security provided by an apartment is a key benefit of high density living.

The second most important requirement of Sydney's dream home is being in a desirable location (36%). Apartments give people access to premium locations all over Sydney. Seven in ten Sydneysiders (71%) agree that apartments are important as they provide greater choice in where to live.



71% AGREE APARTMENTS PROVIDE GREATER CHOICE IN WHERE TO LIVE

SYDNEYSIDERS ARE OPTIMISTIC THAT THEY WILL ACHIEVE THEIR DREAMS AS MORE THAN HALF (56%) BELIEVE THEY WILL ONE DAY LIVE IN THEIR DREAM HOME.





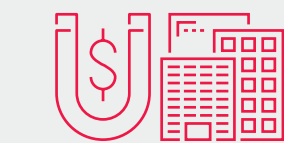
# APARTMENTS V DETACHED HOUSES.



## Achieving the new Australian dream

### EMBRACING APARTMENT LIVING

Not only do apartments present a viable option for increasing the diversity of housing supply in Sydney, they also empower occupants and owners to live the new Australian dream, while simultaneously accessing the benefits of a designer dream home.



TWO IN FIVE (40%) ARE ATTRACTED TO THE PRICE OF NEW APARTMENTS IN SYDNEY

### WHAT DO SYDNEYSIDERS LOVE ABOUT APARTMENTS?

Sydneysiders are attracted to the financial benefits of apartment style living as well as the many lifestyle benefits it provides.

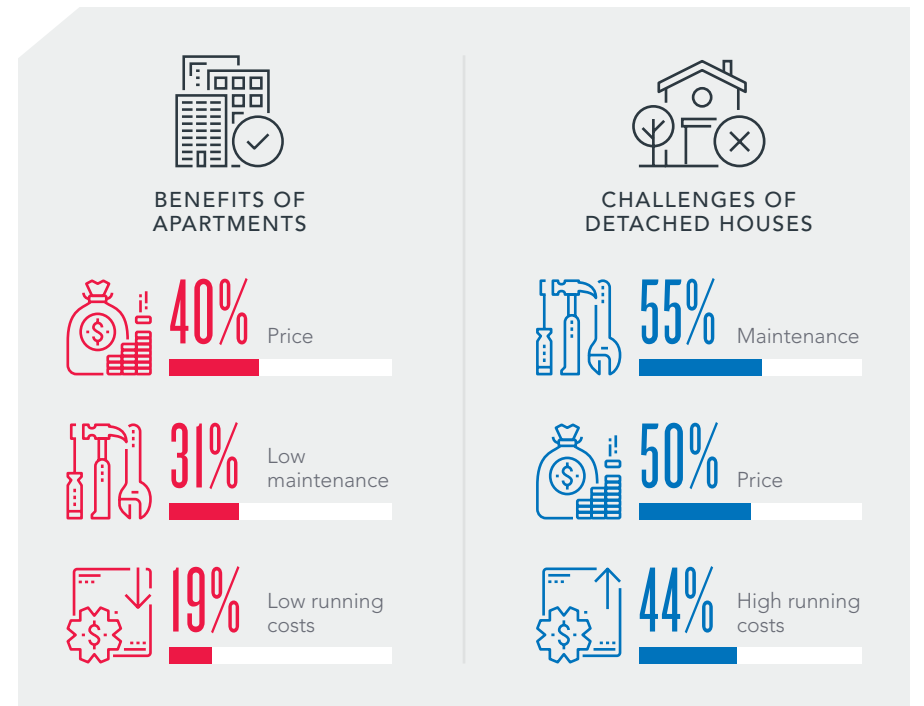
People in Sydney are attracted to the financial benefits associated with apartment living, with 40% attracted to the price of new apartments in Sydney. Meanwhile, one in five (19%) are attracted to the lower running costs of living in an apartment. This additional financial benefit of densified living comes as a result of shared costs in the form of strata, the economic use of space and reduced home maintenance.

### APARTMENTS INCREASE FINANCIAL FREEDOM

Sydneysiders agree that the price of apartments (40%), the low maintenance (31%) and lower running costs (19%) are all financial benefits of living in an apartment. These three financial benefits also happen to be the three biggest challenges of living in a detached house.

According to Sydneysiders who live in one of the city's 924,225 detached houses, the three biggest challenges of living in a separate house are the amount of maintenance required (55%), the price (50%) and high running costs (44%).

It is no surprise that three in five Sydneysiders (60%) believe apartments are an affordable alternative to detached housing.



## Financial benefits of apartment living

### SAVING MONEY ON MAINTENANCE

The average person living in an apartment saves \$3,713 a year on home maintenance alone compared to people who live in a detached house.

Apartment dwellers spend an average of just \$1,527 per year on all home maintenance. This compares to \$5,240 for those living in detached houses (who spend more than three times as much as apartment dwellers). This 71% saving is based on average home maintenance only. When additional lifestyle choices are included, such as a pool, the cost of

maintaining a detached house can escalate quickly. The table below highlights some of the average maintenance costs experienced by people living in detached homes.

Apartments, meanwhile, offer a viable alternative as the cost of maintaining additional services is shared corporately by contributions to strata.

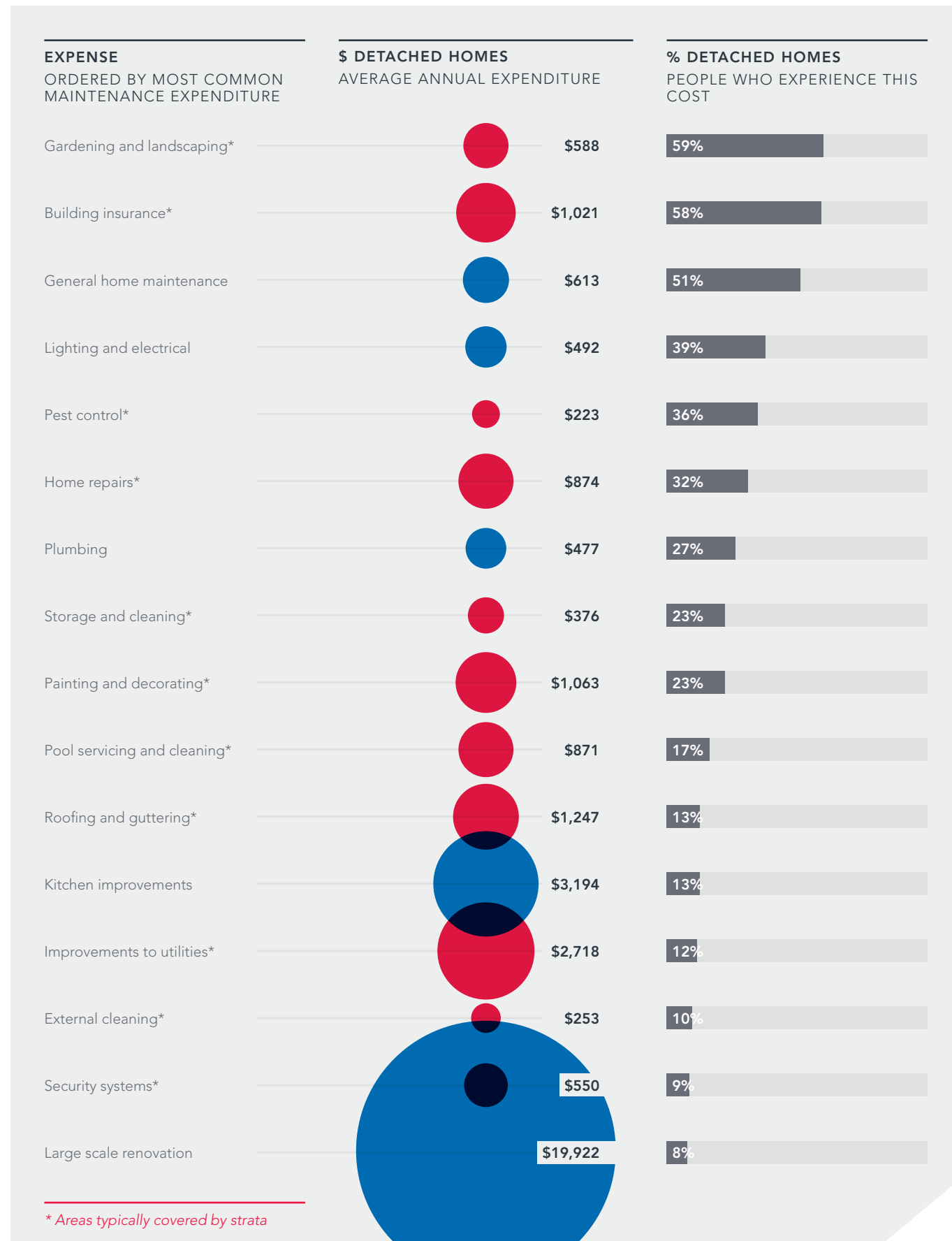


APARTMENT DWELLERS SAVE \$3,713 A YEAR ON HOME MAINTENANCE

APARTMENT \$1,527  
V  
DETACHED HOUSE \$5,240



## THE COST OF MAINTAINING A DETACHED HOME AND THE BENEFITS OF STRATA



## Taking back the weekend

### APARTMENT OWNERS SAVE TIME

Apartment owners not only save money on reduced home maintenance, they also save time. Apartment owners save an average of 270 hours a year on home maintenance compared to owners of detached houses. That's the equivalent of nearly eight extra weekends\*, or an extra five hours per week freed up from home maintenance!

Sydneysiders that own a detached house (outright or with a mortgage) spend an average of 431 hours a year on home maintenance. Apartment owners, meanwhile, spend only 161 hours which equates to 10 days\*. This means Sydney's detached home owners spend 168% more time on home maintenance than apartment owners. For apartment owners, that's an average saving of 270 hours a year on home maintenance, the equivalent of 17 days\*.

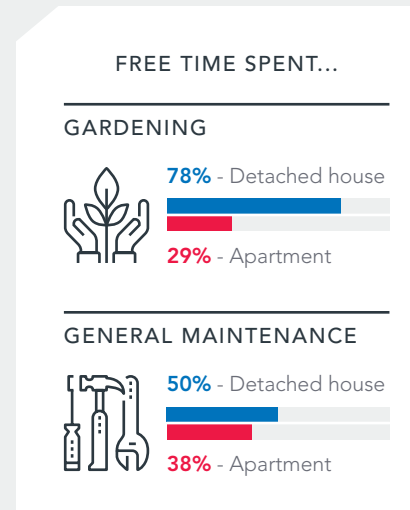
# APARTMENT OWNERS SAVE 270 HOURS PER YEAR ON HOME MAINTENANCE

#### DAYS PER YEAR SPENT ON HOME MAINTENANCE



\* Based on 16 waking hours per day

### PEOPLE IN DETACHED HOUSES SPEND MORE TIME ON HOME MAINTENANCE



People living in a detached house are more likely to spend their time working around the house than those in apartments. This additional time is most commonly spent on gardening and landscaping (78%) or on storage and cleaning (51%).

People who live in a detached house are nearly three times as likely to spend their free-time gardening (78%) than those that live in an apartment (29%). They are also 1.3-times as likely to have to spend their personal time doing general maintenance jobs around their house (50%) compared to less than two in five people in apartments (38%).

Not only are people living in a detached house more likely to spend their time on maintenance and upkeep compared to those living in apartments, the time they spend doing so is also longer. When looking at home repairs for example, detached home dwellers are 61% more likely to spend time on home repairs than those who live in an apartment (34% cf. 21%). Detached home dwellers that do undertake repairs spend 19 extra hours a year completing repairs compared to those in apartments (65hrs cf. 46hrs).



Endless possibilities

THE PATH TO LIVING THE NEW AUSTRALIAN DREAM

To successfully live the new Australian dream, Sydneysiders must uncover new ways to increase their financial freedom and increase their free time. Reducing the cost of living, specifically in relation to housing costs, is a key way to increase financial freedom. For Sydneysiders, apartments solve this problem in multiple ways.

IMAGINE WHAT YOU COULD DO WITH ALL THAT SPARE TIME...

Sydney's apartment dwellers enjoy a low maintenance lifestyle saving both money (\$3,713 per year) and time (227 hours per year). Apartment owners (not including renters), meanwhile, save even more time compared to owners of detached houses, saving an average of 270 hours per year on home maintenance alone. That's time and money that can be spent doing more of the things they love.

The money saved on apartment maintenance alone is almost the equivalent of four return flights from Sydney to Tokyo each year (\$3,764)<sup>1</sup> or an eight day luxury cruise for two along the River Rhine (\$3,849)<sup>2</sup>. Meanwhile, the extra time saved could be converted into more than five hours of extra sleep every weekend, 45 minutes of exercise each day or time spent watching Marvel's Avengers movie 113 times back-to-back.

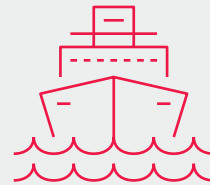
It is evident that apartments provide an achievable pathway to unlocking the new Australian dream by saving both time and money and providing greater freedom.

APARTMENT DWELLERS SAVE MONEY (\$3,713 P.A.) AND TIME (227 HOURS P.A.) ON HOME MAINTENANCE

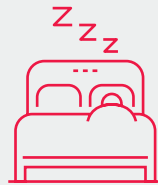
THIS IS THE EQUIVALENT OF...



4X RETURN FLIGHTS FROM SYDNEY TO TOKYO



8 DAY LUXURY CRUISE FOR 2 ALONG THE RIVER RHINE



5 HOURS SLEEP EVERY WEEKEND



45 MINUTES EXERCISE EACH DAY



1. Based on Qantas economy return flights in August 2019. [Accessed April 2019]  
 2. Based on Flight Centre Uniworld Cruise in August 2019. [Accessed April 2019]

# METHODOLOGY.

## THE NEW AUSTRALIAN DREAM

The *New Australian Dream* study is a collation of quantitative data collected through an online survey of Sydney residents. For this study, the Australian Bureau of Statistics' Greater Sydney Capital City Statistical Area (GCCSA) has been used to define the city's geographical boundaries. The survey is representative according to age (by generation), gender and housing type (low, medium and high density).

The survey was deployed through an online panel to people living within the boundaries of Sydney (GCCSA) in two phases. The survey was in field from 17 December 2018 to 16 January 2019.

**Phase one:** The survey was completed by 1,006 people aged 24 and above who live in Sydney (representative by gender, age and housing type). Data from this first phase has been used to represent the attitudes and opinions of people living in Sydney, including comparisons made between the different generations and income levels.

**Phase two:** Following the completion of phase one, the survey was re-launched to gather a larger sample of residents living in low and high-density housing (excluding medium density). This sample included 998 residents. The results of phase two have been used to compare the attitudes of people living in Sydney's different housing types, specifically the differences between those living in high density apartments and those in low density detached dwellings.

Responses were collected according to representative quotas based on demographic and geographic factors. The representation of these segments was achieved via specific quota targeting as well as natural distribution.

## TERMINOLOGY

Throughout this report, phase one responses (representative by age, gender and dwelling type) are referred to as 'Sydney residents', 'residents' or 'Sydneyiders'.

Responses in this report have been further delineated into representative segments according to various demographic and psychographic factors. The definitions of each of these segments is outlined below:

### Age

- Generation Y: aged 24 to 38
- Generation X: aged 39 to 53
- Baby Boomers: aged 54 to 72
- Builders: aged 73+

### Dwelling type

- High density: persons who live in a unit or apartment. In this report these persons have often been referred to as 'apartment dwellers'.
- Low density: persons who live in a detached or stand-alone house. In this report these persons have often been referred to as living in 'traditional detached homes' or 'detached home dwellers'.

## INTERPRETING THE GRAPHS

Unless otherwise specified, the graphs in this report refer to Sydney residents that were captured in phase one of the Sydney Cost of Living survey.

Data labels on the graphs in this report have been rounded and may, therefore, sum to 99% or 101%. Any calculations where two data points have been added are based on raw data (not the rounded data labels on the graph) which have then been rounded once combined.



Ground floor  
68 Waterloo Rd  
Macquarie Park  
NSW 2113

+61 2 8817 1400  
[sekisuihouse.com.au](http://sekisuihouse.com.au)  
[info@sekisuihouse.com.au](mailto:info@sekisuihouse.com.au)

Research and report by

**mccrindle**

Suite 105  
29 Solent Circuit  
Norwest  
NSW 2153

+61 2 8824 3422  
[mccrindle.com.au](http://mccrindle.com.au)  
[info@mccrindle.com.au](mailto:info@mccrindle.com.au)