

Panania
Property Factsheet
1st Half 2018





MARKET CONDITIONS

The Panania* property market has continued to show positive capital growth over the past 12 months (Q1 2017-Q1 2018), however at a more sustainable rate when compared to the 2nd half 2017 data.

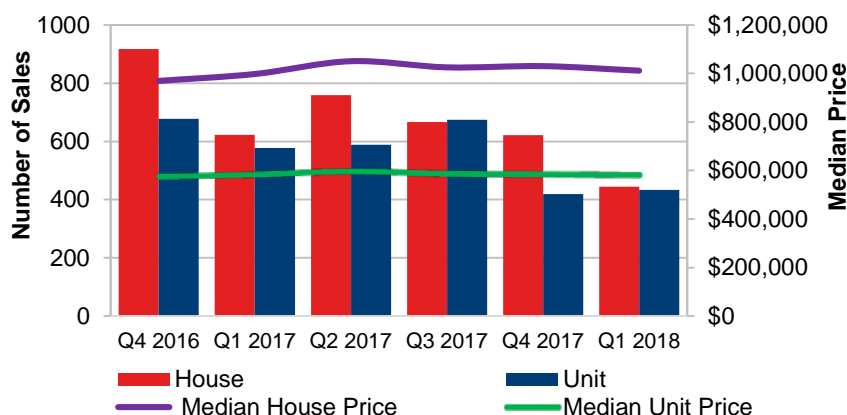
Panania's* median house price in Q1 2018 was recorded at \$1,094,000, representing an annual price growth of 3.8%. The unit market recorded a median house price of \$778,550, representative of a 2.1% annual price change. In comparison, Panania* recorded a median price growth of 13.2% (houses) and 6.7% (units) in the 2nd half of 2017. Furthermore, for the first time in 6 quarters Panania's* average vendor discount in Q1 2018 is within the negative zone, suggesting a swing towards a buyers' market.

The return to a more sustainable level of price growth in Panania* is similar to the Canterbury-Bankstown LGA. Between Q1 2017-Q1 2018 the median house price grew by 1.4% to \$1,011,500 and the median unit price softened by -0.3% to \$585,000. This shows a more moderate growth when compared to the 2nd half of 2017 (11.3% for house and 9.1% unit).

This is good news for those wanting to enter the market as there is increased affordability. This also gives owners a crucial signal that now is the time sell to ensure they are still benefitting from positive capital growth.

Panania* continues to be an investment hotbed with the median rental price for both houses and units growing over the past 12 months to Q1 2018 both by 7.5%. Panania's* vacancy rate was recorded at 1.4% in December 2017, lower than Sydney Metro (2.6%), indicating a healthier rental demand.

CANTERBURY-BANKSTOWN COUNCIL GROWTH



OVERVIEW

Panania is mostly a residential suburb, located approximately 23km inner south-west of the Sydney CBD. In the 2016 ABS Census its population was 12,419 people signifying an 8.1% growth over the past 5 years. Today many of the original freestanding bungalows have been rebuilt as larger residences or 2-storey duplex houses.

| CHANGE FROM LAST | YEAR | HALF YEAR |
|--------------------|------|-----------|
| House Sales | ↓ | ↓ |
| House Median Price | ↑ | ↑ |
| House Rental Price | ↑ | ↑ |
| Unit Sales | ↑ | ↓ |
| Unit Median Price | ↑ | ↓ |
| Unit Rental Price | ↑ | ↑ |

FUTURE DEVELOPMENTS**

\$33.7M of projects between the 2nd half of 2017 and the 1st half of 2018 are planned for Panania*, with the majority (37.0% or \$12.5M) being residential developments. This shows a focus in increasing housing stock, which is needed to further answer demand. 34.4% (or \$11.6M) of future development will be dedicated to commercial projects, further stimulating the local economy and providing a balance to the increase in new residential stock.

Panania* will see 48 units, 6 townhouses, 9 dwellings, and 490 subdivision lots added to the market between the 2nd half of 2017 and the 1st half of 2018, spread over 5 residential projects and 1 mixed-use development. MacLaurin Avenue Mixed Development, estimated at \$6.6M, will add 26 units and ground floor commercial space of 133.14sq^m.

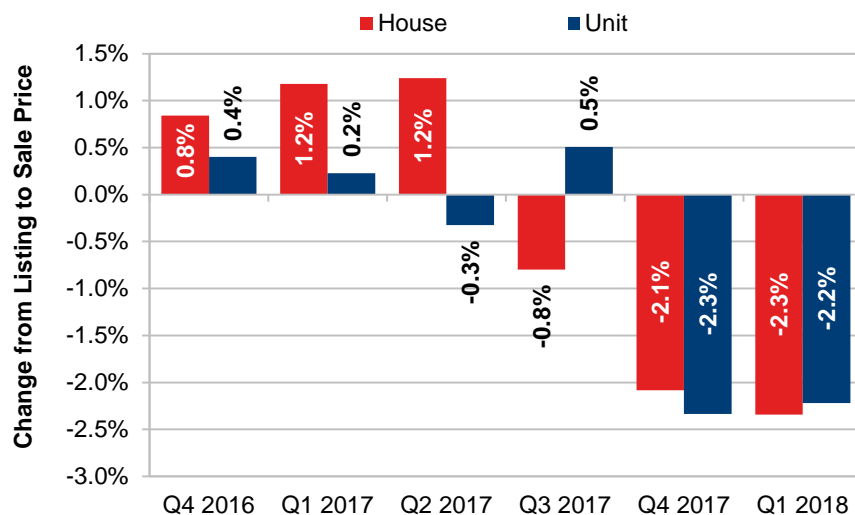
LAHC Panania is a key residential project, estimated at \$6.9M, adding 22 units and 6 townhouses into the market. The Riverland Site in Milperra will add 490 subdivision lots to the market, estimated at \$3.0M. This will allow for more dwellings to be built in the near future.

*Panania market data and key indicators encapsulates aggregate property market conditions in the following suburbs: Panania, East Hill, Padstow, Picnic Point, Revesby, & Milperra.

**Estimated values are based on construction value provided by the relevant data authority and does not reflect commercial and/or re-sale value. Quoted construction and completion dates are estimate only, as per relevant data authority.

Source: APM Pricefinder, realestate.com.au. © Copyright PRDnationwide 2018.

AVERAGE VENDOR DISCOUNT



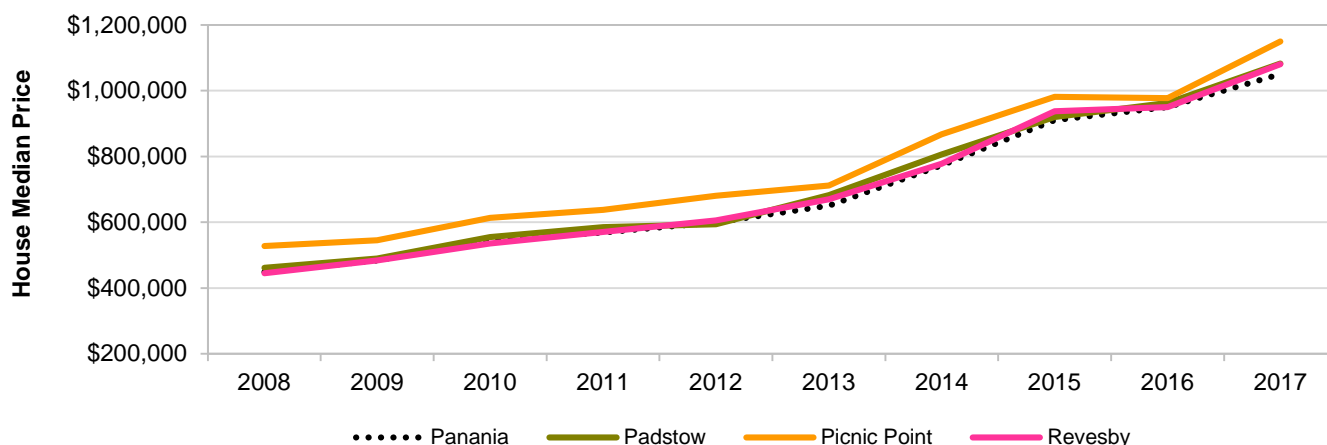
AVERAGE VENDOR DISCOUNT

Average vendor discount reflects the average percentage difference between first list price and final sold price. A lower percentage difference (closer to 0) suggests buyers are willing to purchase close to the first asking price of a property.

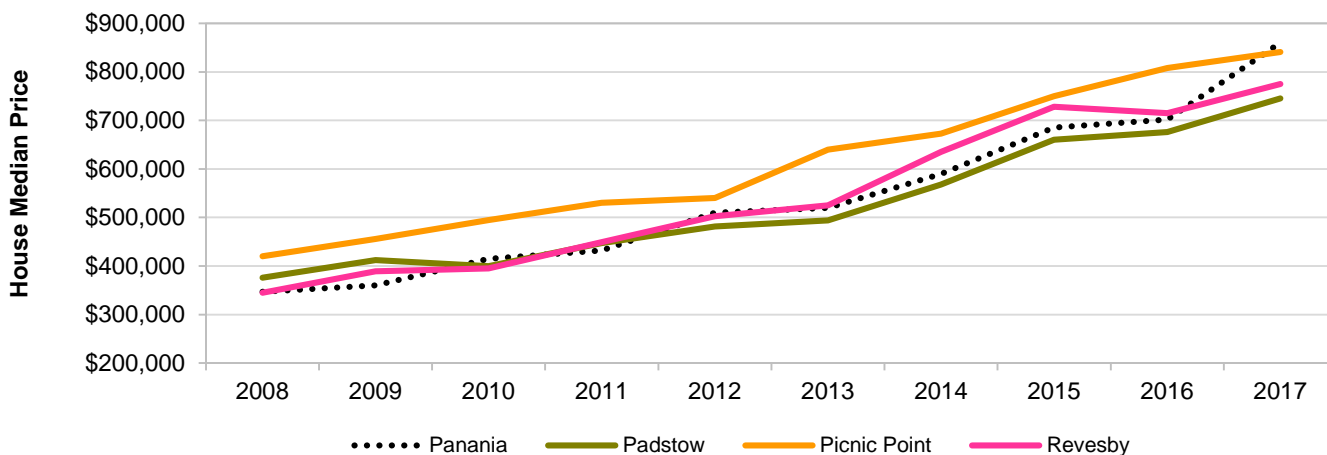
MARKET COMPARISON GRAPH

The market comparison graph provides comparative trend for median price of house and units over the past 10 years. Suburbs profiled are chosen based on proximity to the main suburb analysed in the factsheet, which is Panania. The main suburb is highlighted through a dotted black line graph.

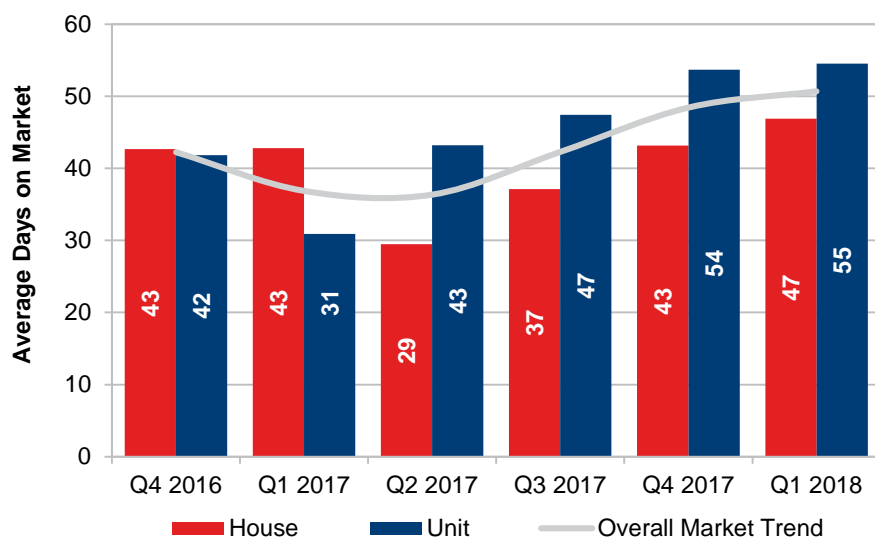
HOUSE MARKET COMPARISON



UNIT MARKET COMPARISON



AVERAGE DAYS ON MARKET**



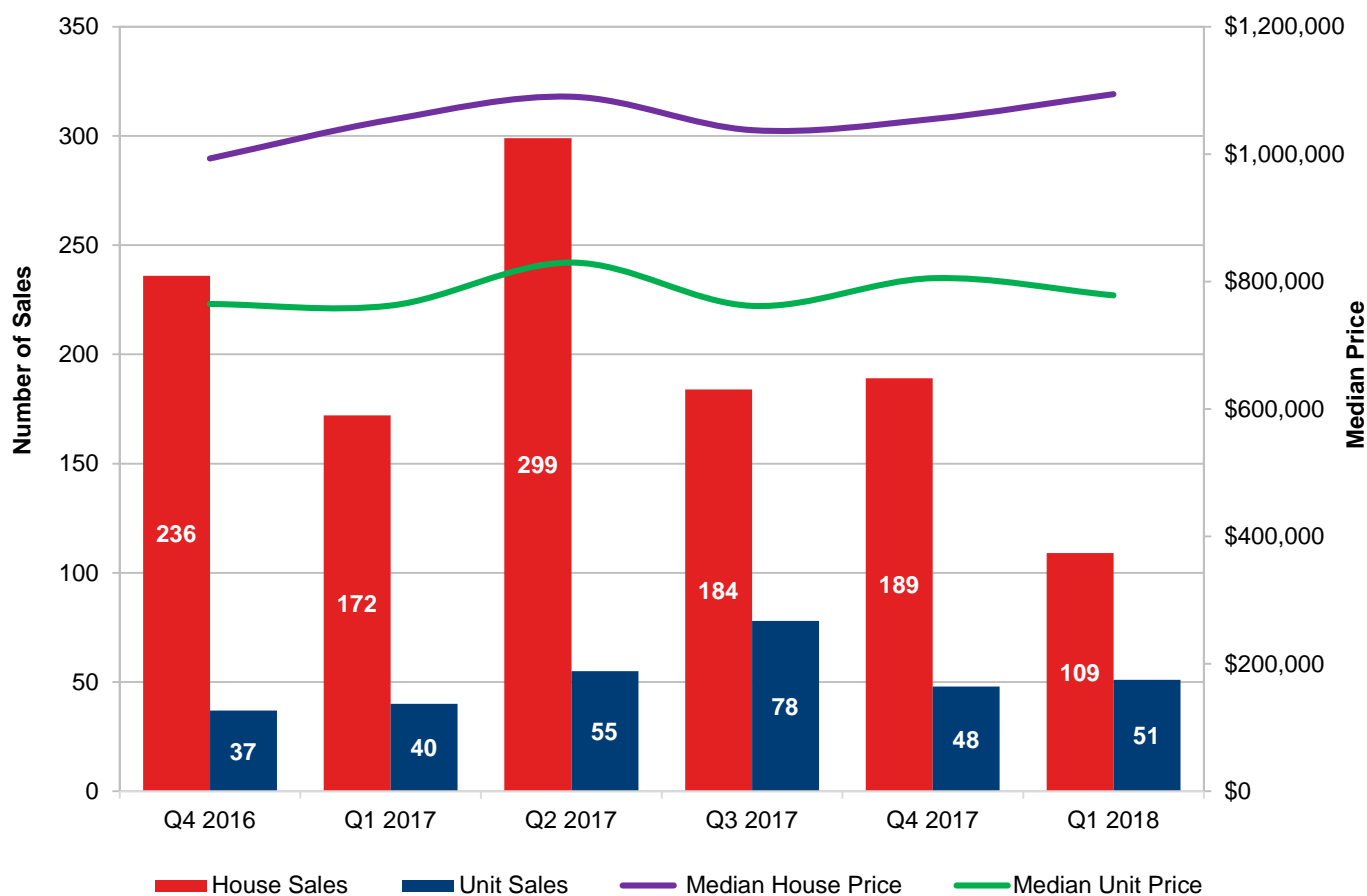
HOUSE KEY FACTS Q1 2018

Median Sale Price: \$1,094,000
Annual Growth: 3.8%*
Average Days on Market: 47
% Change between First Listed Price and Sold Price: -2.3%

UNIT KEY FACTS Q1 2018

Median Sale Price: \$778,550
Annual Growth: 2.1%*
Average Days on Market: 55
% Change between First Listed Price and Sold Price: -2.2%

SALES AND MEDIAN PRICE**

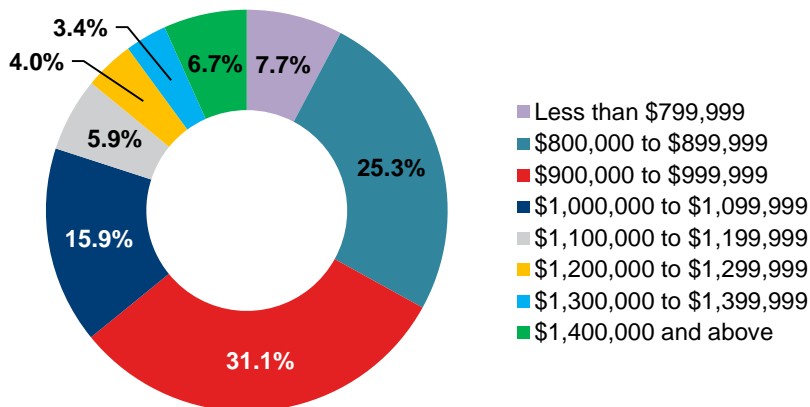


*Annual growth represents price growth for property transactions between Q1 2017 to Q1 2018 (inclusive).

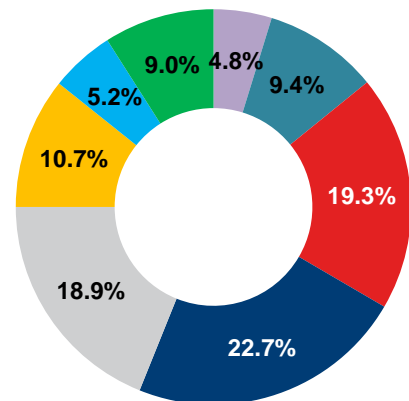
**Paniamarket data and key indicators encapsulates aggregate property market conditions in the following suburbs: Panania, East Hill, Padstow, Picnic Point, Revesby, & Milperra.
Source: APM Pricerfinder, realestate.com.au, SQM Research. © Copyright PRDnationwide 2018.

SALES PRICE POINT COMPARATIVE ANALYSIS

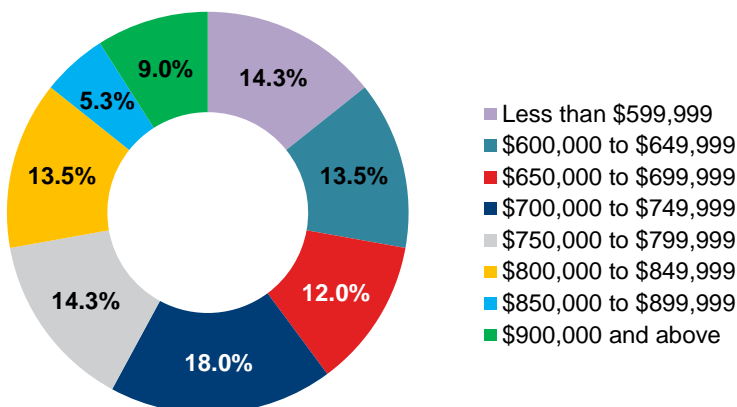
HOUSE PRICE POINT 2016



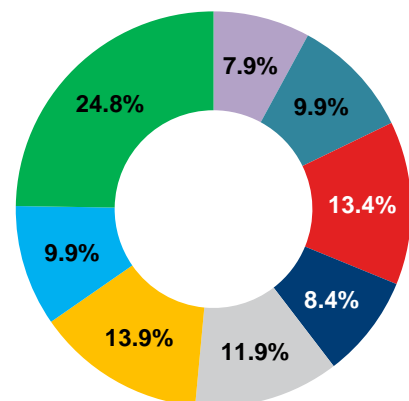
HOUSE PRICE POINT 2017



UNIT PRICE POINT 2016



UNIT PRICE POINT 2017



KEY IMPLICATIONS - HOUSE

The Panania* house market price structure has shifted towards a higher price bracket, from \$900K-\$1M in 2016 to \$1-\$1.1M in 2017. 22.7% of sales in 2017 were within this higher price bracket which is in line with the reported 3.8% increase in median prices over the past 12 months.

All price brackets above \$1.1M saw more activity in 2017. The \$1.1-\$1.2M price bracket has tripled in house sales between 2016-2017, whereas the \$1.2-\$1.3M bracket has doubled. For those with a budget of under \$900K now is the time to act, as the proportion of houses sold in this price bracket has significantly diminished from 25.3% in 2016 to 9.4% in 2017.

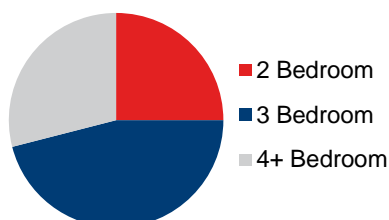
KEY IMPLICATIONS - UNIT

The Panania* unit market has shown a significant change over the past 12 months, with the most dominant price bracket shifting from \$700-\$750K in 2016 to \$900K and above in 2017. This is quite a jump and shows that there is an increasing appetite for higher end stock.

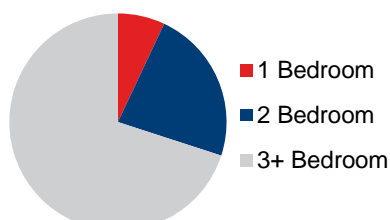
Those with a budget of under \$800K will need to act fast, as options for units within this price bracket, and its subsequent lower price brackets, are diminishing. Those looking for more affordable options and have a budget of less than \$600K need to secure their property immediately, as the number of sales in this price bracket have halved from 14.3% in 2016 to 7.9% in 2017.

INVESTMENT ANALYSIS

HOUSE



UNIT



HOUSE KEY FACTS Q1 2018

Median Rent Price: \$570 per week
Rental Yield: 2.8%
Average Days on Market: 21
Bedroom Breakdown:
 2 Bed: 25%, 3 Bed: 46%, 4+ Bed: 29%

UNIT KEY FACTS Q1 2018

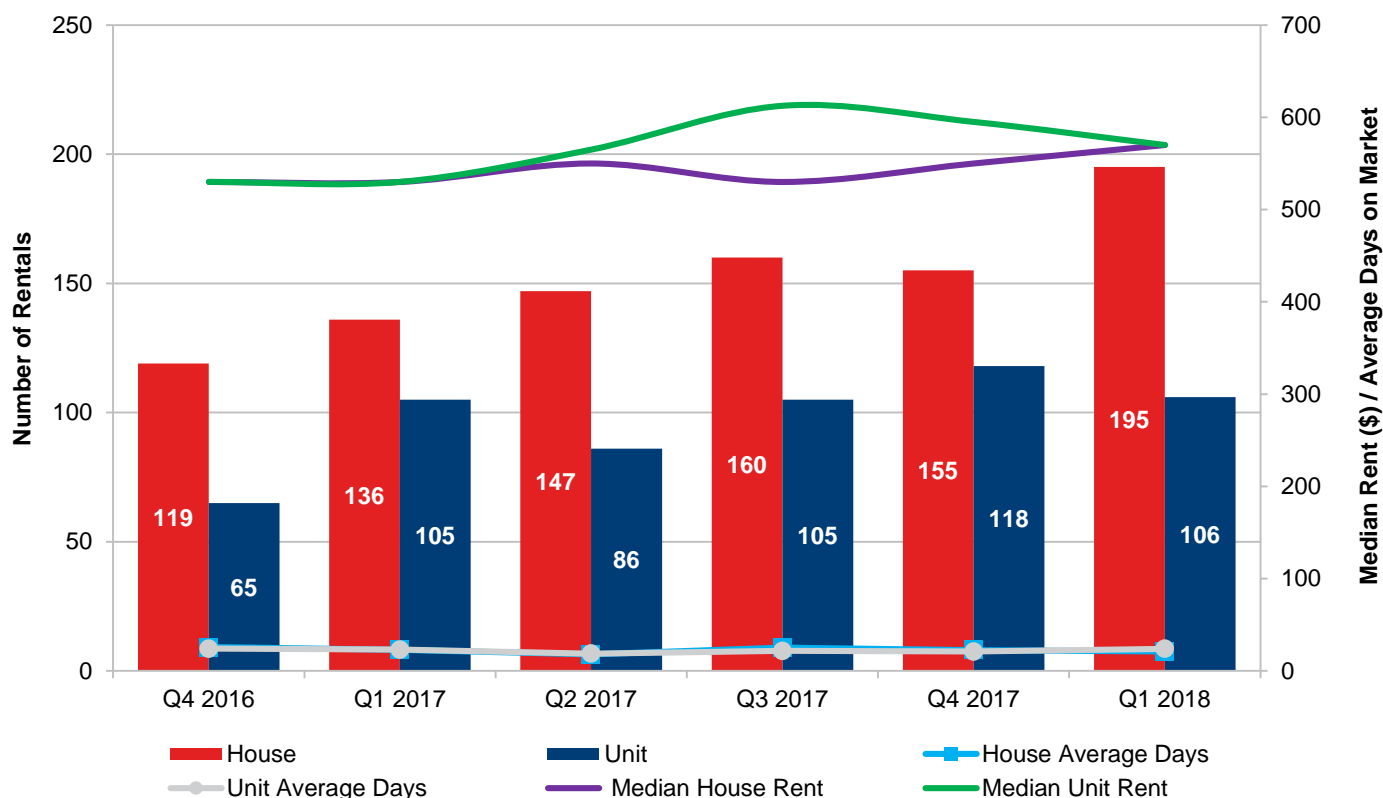
Median Rent Price: \$570 per week
Rental Yield: 4.0%
Average Days on Market: 24
Bedroom Breakdown:
 1 Bed: 7%, 2 Bed: 23%, 3+ Bed: 70%

KEY COMMENTS

Interest in Panania* has been recorded an average of 1,178 online visits per property, which suggest a high demand market. The median house rental price grew by 7.5% over the past 12 months to Q1 2018, currently at \$570 per week. During the same time frame there has been a 43.4% annual growth in the number of houses rented, suggesting there is real growth in rental demand. This is good news for investors wanting to expand their portfolio, especially those looking for more affordable investment options outside of the Sydney Metro area.

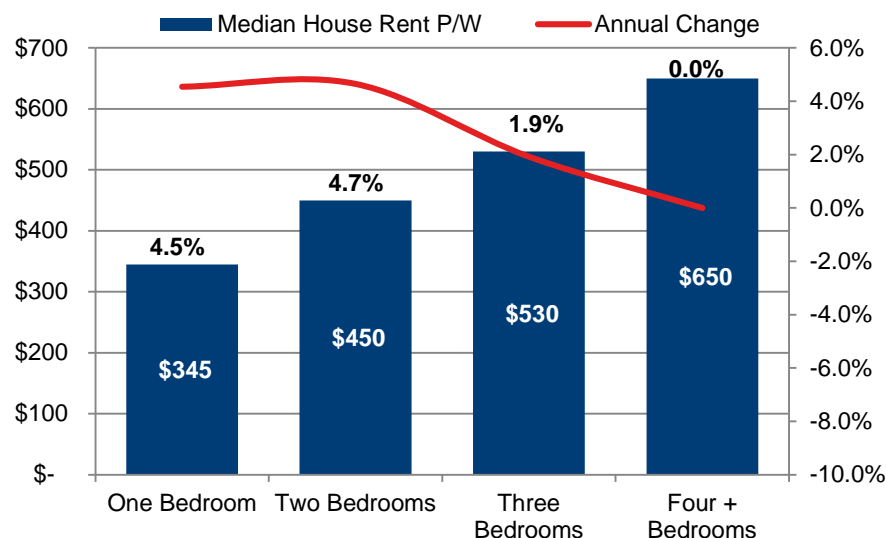


MEDIAN RENT AND AVERAGE DAYS ON MARKET*



*Disclaimer: Panania market data and key indicators encapsulates aggregate property market conditions in the following suburbs: Panania, East Hill, Padstow, Picnic Point, Revesby, & Milperra. Source: APM Pricerfinder, realestate.com.au, SQM Research. © Copyright PRDnationwide 2018.

RENTAL PERFORMANCE 2017*



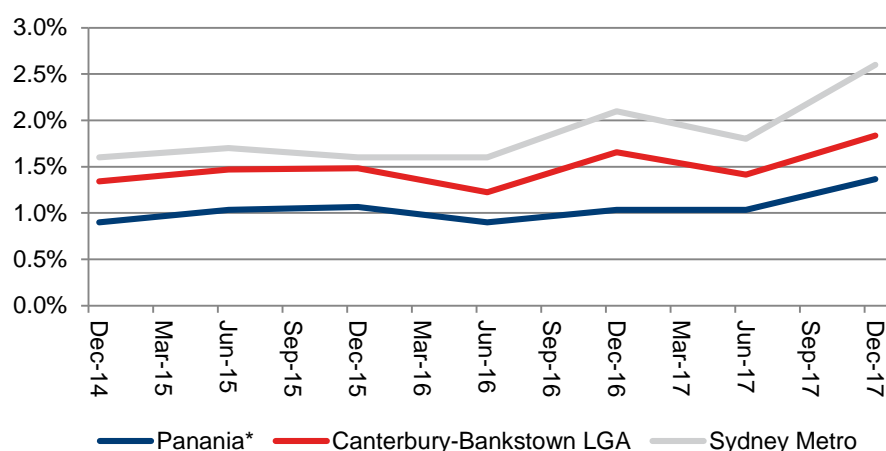
KEY COMMENTS

Rental returns for houses in Panania* (2.8%) is on par with Sydney Metro (2.9%), whereas rental returns for units is slightly higher.

Two+ bedroom houses provide the highest annual rental growth at 4.7%.

Vacancy rates in Panania* were recorded at 1.4% in December 2017. This is lower than both the Canterbury Bankstown LGA (1.8%) and Sydney Metro (2.6%). Although there is an upward trend in Panania's* vacancy rate, it is at a lower pace than Sydney Metro. This suggests there is a healthier rental demand in Panania and is ideal for investment opportunities.

VACANCY RATES 2017



RENTAL YIELD 2017

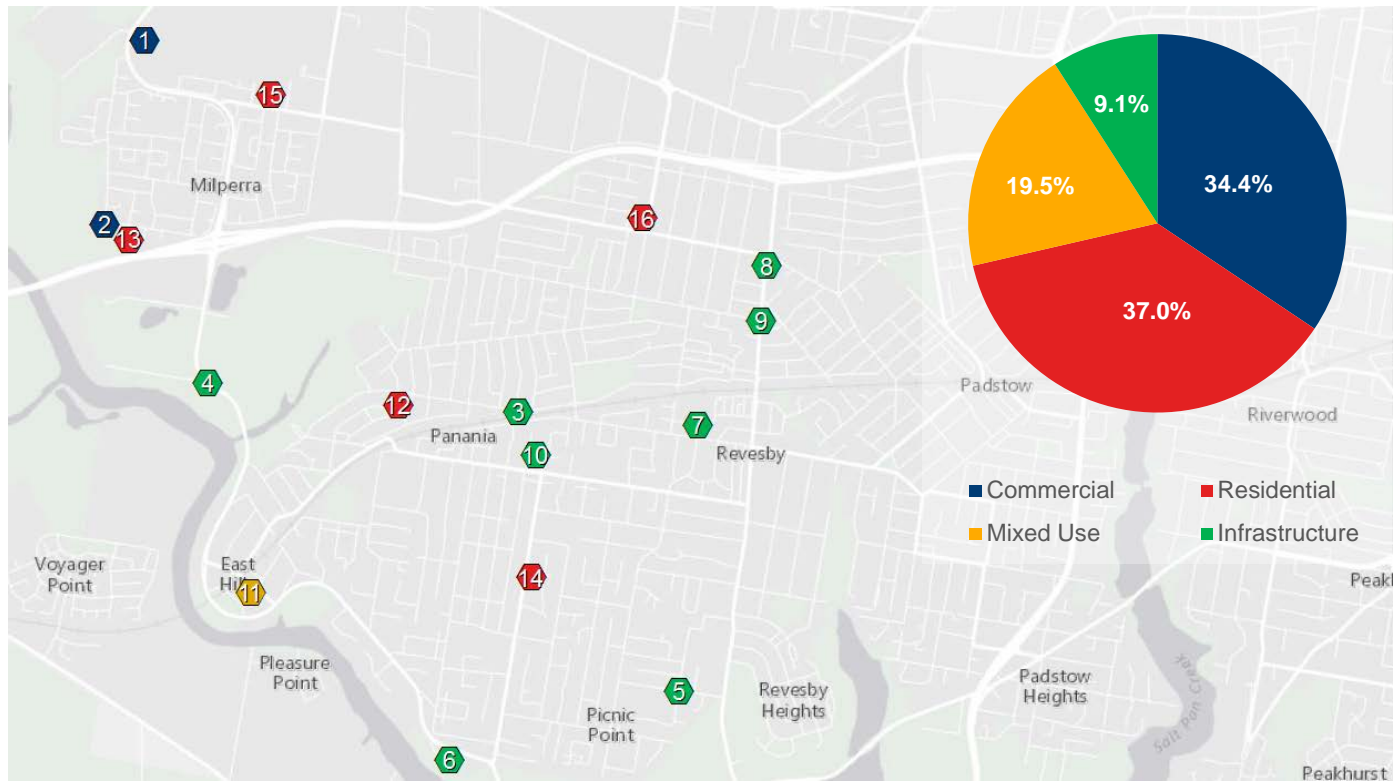
| Suburb/ Postcode/ LGA | House Rental Yield | Unit Rental Yield |
|---------------------------------|--------------------------|-------------------------|
| Panania* | 2.8% | 4.0% |
| Canterbury- Bankstown LGA | 2.9% | 3.7% |
| Sydney Metro | 2.9% | 3.8% |

KEY HOUSING DEMOGRAPHICS

| | Panania | Canterbury- Bankstown LGA | New South Wales |
|------------------------------------|---------|------------------------------|-----------------|
| Median weekly household income | \$1,642 | \$1,298 | \$1,486 |
| Median monthly mortgage repayments | \$2,300 | \$2,000 | \$1,986 |
| Unemployed | 5.6% | 8.2% | 6.3% |
| Professionals | 21.0% | 18.9% | 23.6% |
| Owned outright | 34.0% | 30.2% | 32.2% |
| Owned with mortgage | 35.7% | 29.6% | 32.3% |
| Rented | 27.6% | 36.4% | 31.8% |

*Rental performance graph represents aggregate house median rent prices in the following suburbs Panania, East Hill, Padstow, Picnic Point, Revesby, & Milperra. Annual change is a comparison between 2016 and 2017 median rent figures. Rental yield data also represents aggregate rental yield of all six suburbs.
Source: APM Pricerfinder, SQM Research, ABS Census 2016. © Copyright PRDnationwide 2018.

PROJECT DEVELOPMENT MAP 2nd HALF 2017-1st HALF 2018*



| Location | Project** | Type | Estimated Value*** | Commence Date**** |
|----------|--|----------------|--------------------|-------------------|
| 1 | Flower Power Nursery | Commercial | \$10,800,000 | 13/11/2017 |
| 2 | Prescott Road Civil Works | Commercial | \$800,000 | 04/06/2018 |
| 3 | Panania Town Centre | Infrastructure | \$500,000 | 04/06/2018 |
| 4 | Kelso North Building Facility | Infrastructure | \$500,000 | 04/06/2018 |
| 5 | Morgans Creek | Infrastructure | \$479,000 | 30/11/2017 |
| 6 | Lambeth Reserve | Infrastructure | \$400,000 | 21/05/2018 |
| 7 | Brett Street Roadworks | Infrastructure | \$393,000 | 16/08/2017 |
| 8 | Canterbury-Bankstown Council Roadworks | Infrastructure | \$331,000 | 31/10/2017 |
| 9 | The River & Bransgrove Roads Intersection | Infrastructure | \$263,000 | 30/10/2017 |
| 10 | Panorama Parade | Infrastructure | \$203,000 | 01/08/2017 |
| 11 | Maclaurin Ave Mixed Development (26 units) | Mixed Use | \$6,558,000 | 02/11/2017 |
| 12 | LAHC Panania (22 units & 6 townhouses) | Residential | \$6,856,000 | 03/07/2017 |
| 13 | Riverlands Site (490 lots) | Residential | \$3,000,000 | 16/04/2018 |
| 14 | Picnic Point Road Dwellings (7 dwellings) | Residential | \$900,000 | 24/01/2018 |
| 15 | Bankstown Golf Course Subdivision | Residential | \$890,000 | 30/04/2018 |
| 16 | Queen Street Dwellings (2 dwellings) | Residential | \$822,000 | 13/11/2017 |

*Disclaimer: Project development map showcases a sample of upcoming projects only, due to accuracy of addresses provided by the data provider for geocoding purposes.

**Projects refers to the top developments within the suburbs of the Canterbury-Bankstown Local Government Authority.

***Estimated value is the value of construction costs provided by relevant data authority, it does not reflect the project's sale/commercial value.

****Commencement date quoted for each project is an approximate only, as provided by the relevant data authority, PRDNationwide does not hold any liability to the exact date.

Source: Cordell Database, ESRI ArcGIS, Department of Planning and Environment NSW, Canterbury-Bankstown Council. © Copyright PRDNationwide 2018.

ABOUT PRDnationwide RESEARCH

PRDnationwide's research division provides reliable, unbiased, and authoritative property research and consultancy to clients in metro and regional locations across Australia

Our extensive research capability and specialised approach ensures our clients can make the most informed and financially sound decisions about residential and commercial properties.

OUR KNOWLEDGE

Access to accurate and objective research is the foundation of all good property decisions

As the first and only truly knowledge based property services company, PRDnationwide shares experience and knowledge to deliver innovative and effective solutions to our clients.

We have a unique approach that integrates people, experience, systems and technology to create meaningful business connections. We focus on understanding new issues impacting the property industry; such as the environment and sustainability, the economy, demographic and psychographic shifts, commercial and residential design; and forecast future implications around such issues based on historical data and fact.

OUR PEOPLE

Our research team is made up of highly qualified researchers who focus solely on property analysis

Skilled in deriving macro and micro quantitative information from multiple credible sources, we partner with clients to provide strategic advice and direction regarding property and market performance. We have the added advantage of sourcing valuable and factual qualitative market research in order to ensure our solutions are the most well considered and financially viable.

Our experts are highly sought after consultants for both corporate and government bodies and their advice has helped steer the direction of a number of property developments and secured successful outcomes for our clients.

OUR SERVICES

Our research services span over every suburb, LGA, and state within Australia; captured in a variety of standard and customized products

We have the ability and systems to monitor market movements, demographic changes and property trends. We use our knowledge of market sizes, price structure and buyer profiles to identify opportunities for clients and provide market knowledge that is unbiased, thorough and reliable.



OUR SERVICES INCLUDE:

- Advisory and consultancy
- Market Analysis including profiling and trends
- Primary qualitative and quantitative research
- Demographic and target market Analysis
- Geographic information mapping
- Project Analysis including product and pricing recommendations
- Rental and investment return analysis

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