



Kingsgrove
Property Factsheet
1st Half 2018





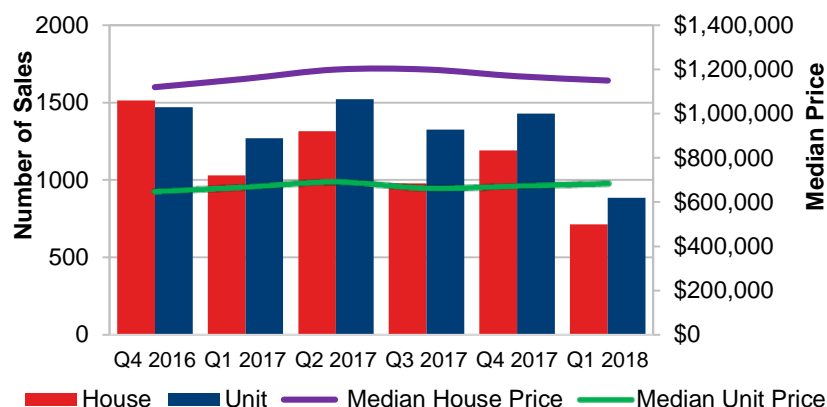
MARKET CONDITIONS

The Kingsgrove* property market recorded a median house price of \$1,300,000 and \$614,500 for units in Q1 2018, which represents an annual price change of 3.2% and -3.9% respectively. Over the same period of time (Q1 2017 – Q1 2018), house prices in the combined Local Government Area (LGA)*** changed by -0.7% to \$1,150,000 and unit prices grew by 2.4% to \$686,000. Compared to the combined LGA*** units can be secured at a more affordable price in the Kingsgrove* property market, however houses offer a more premium price. The softening of unit prices is reflective of Sydney's cooling market, suggesting a return towards a more sustainable market. Now is the time for unit buyers to capitalise on increased affordability.

Average vendor discounting for houses has swung towards a buyer's market, to -1.2% over the past 12 months to Q1 2018. That said, this has been balanced with positive annual growth in median house prices, making now a perfect time to transact as sellers will capitalise from price growth and buyers will benefit from increased affordability. The unit market is showing signs of becoming a seller's market with the average vendor discounting entering positive figures (0.5% in Q1 2018). Despite a softening in median price growth, sellers are still benefitting from a high demanding market.

Median rent in Kingsgrove* has experienced a positive growth of 3.2% over the past 12 months to Q1 2018, currently at \$640 per week. Over the same period of time rent for units softened by -4.3, currently sitting at \$450 per week. A low vacancy rate of 2.2% has been recorded in Kingsgrove*, which is lower than Sydney's vacancy rate of 2.6%. This indicates a strong rental demand and investors need to consider Kingsgrove* when evaluating their portfolio.

COMBINED COUNCILS LGA GROWTH***



OVERVIEW

Kingsgrove is a popular family suburb in southern Sydney, where couples with children account for 50.4% of residents. Connectivity of roads and public transport allow for convenient access to the CBD. According to the ABS Census 2016, 12,446 live in Kingsgrove which is an 8.1% increase over the past 5 years.

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

FUTURE DEVELOPMENTS**

Kingsgrove* is set to see approximately \$91.1M of new projects commencing in the 1st half of 2018, the majority of which are commercial projects (\$55.8M or 61.2%). This is followed by residential (\$23.8M or 26.2%), mixed-use (\$6.9M or 7.5%), and infrastructure (\$4.6M). Commercial and mixed-use projects will provide a good balance for sustainable growth. Future residential development will continue to cater for population demand with 70 units, 25 apartments and 18 townhouses being added to the market.

A significant project commencing in the 1st half of 2018 is the Roselands Shopping Centre. This project has an estimated value of \$50.0M which will deliver a new Woolworths, Aldi and approximately 50 specialty shops.

Another important residential project is the Canterbury Rd Units, which will involve the construction of a 6-storey residential development. With an approximate value of \$16.7M it will deliver 70 new units to the Kingsgrove* area.

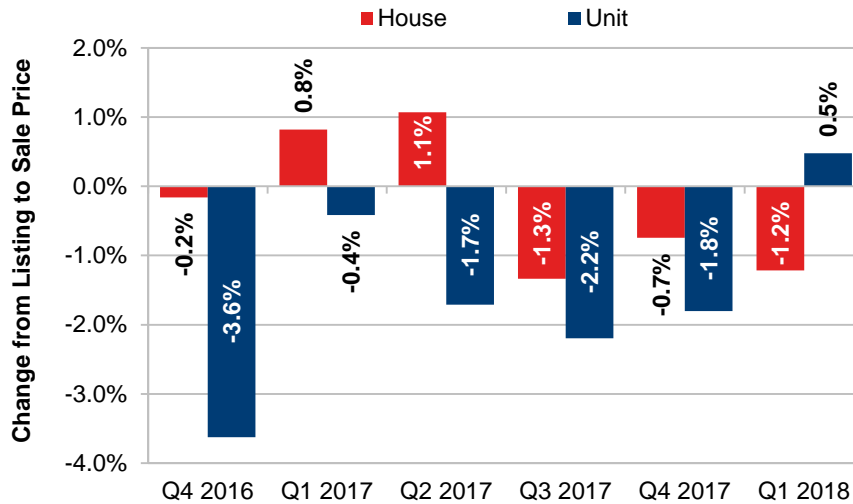
*Kingsgrove market data and key indicators encapsulates aggregate property market conditions in the following suburbs: Kingsgrove, Roselands, Earlwood, Beverly Hills, Belmore & Clemton Park.

**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.

***Combined Councils LGA growth is based on amalgamated data of the Georges River, Bayside and Canterbury-Bankstown Councils.

Source: APM Pricerfinder, realestate.com.au. © Copyright PRDNationwide 2018.

AVERAGE VENDOR DISCOUNT*



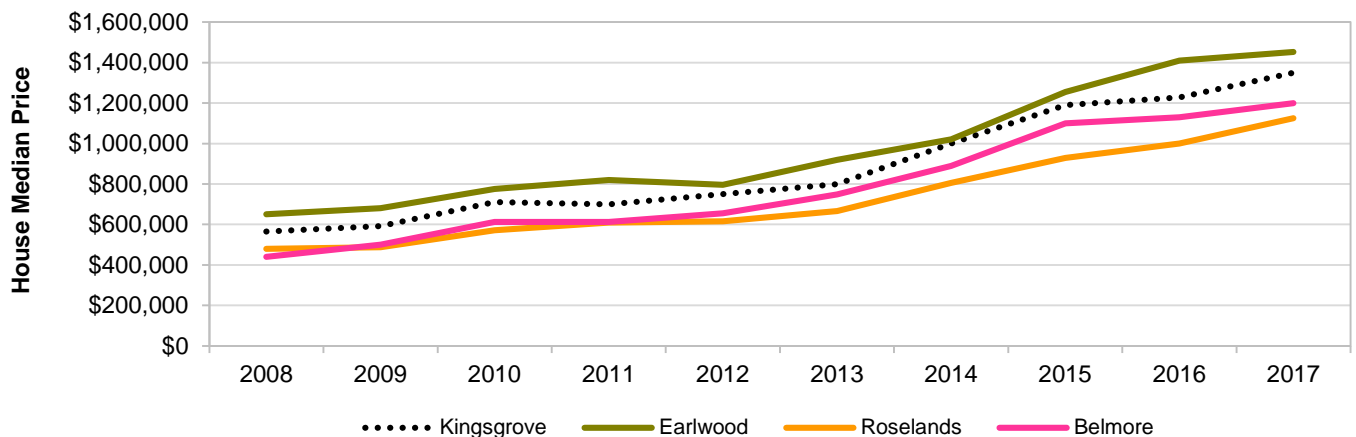
AVERAGE VENDOR DISCOUNT

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.

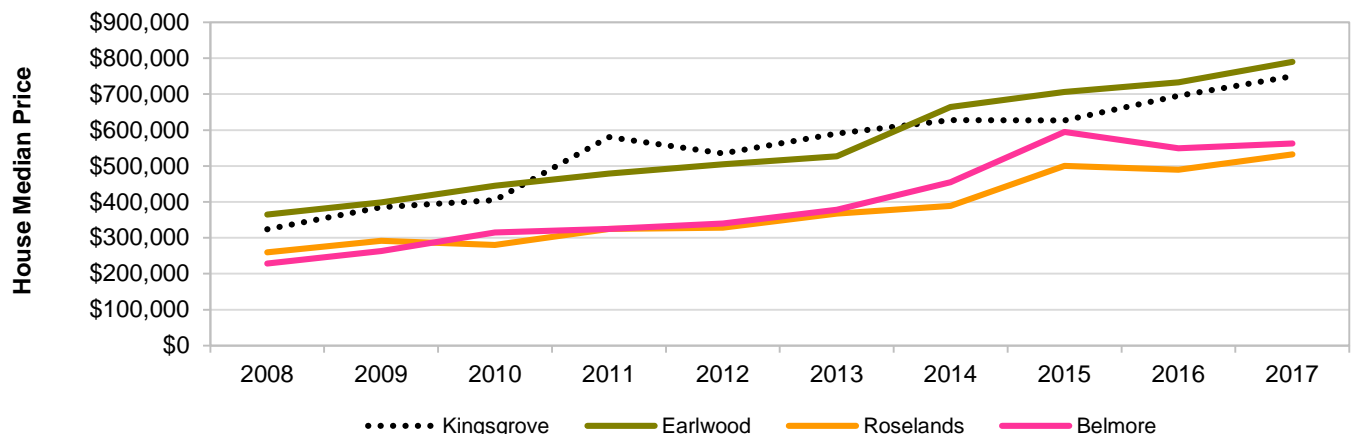
MARKET COMPARISON GRAPH

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 Kingsgrove. The main suburb is highlighted through a dotted black line graph.

HOUSE MARKET COMPARISON

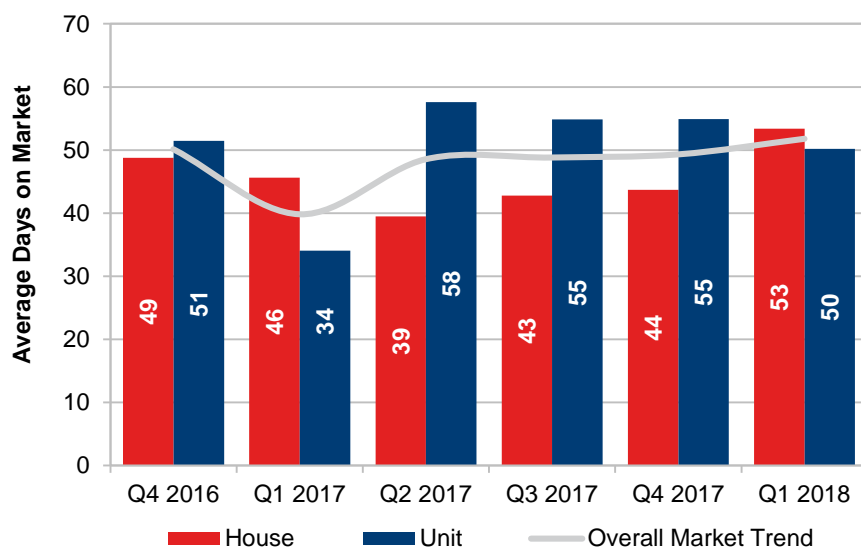


UNIT MARKET COMPARISON



*Kingsgrove market data and key indicators encapsulates aggregate property market conditions in the following suburbs: Kingsgrove, Roselands, Earwood, Beverly Hills, Belmore & Clemton Park.
Source: APM Pricerfinder. © Copyright PRDNationwide 2018.

AVERAGE DAYS ON MARKET**



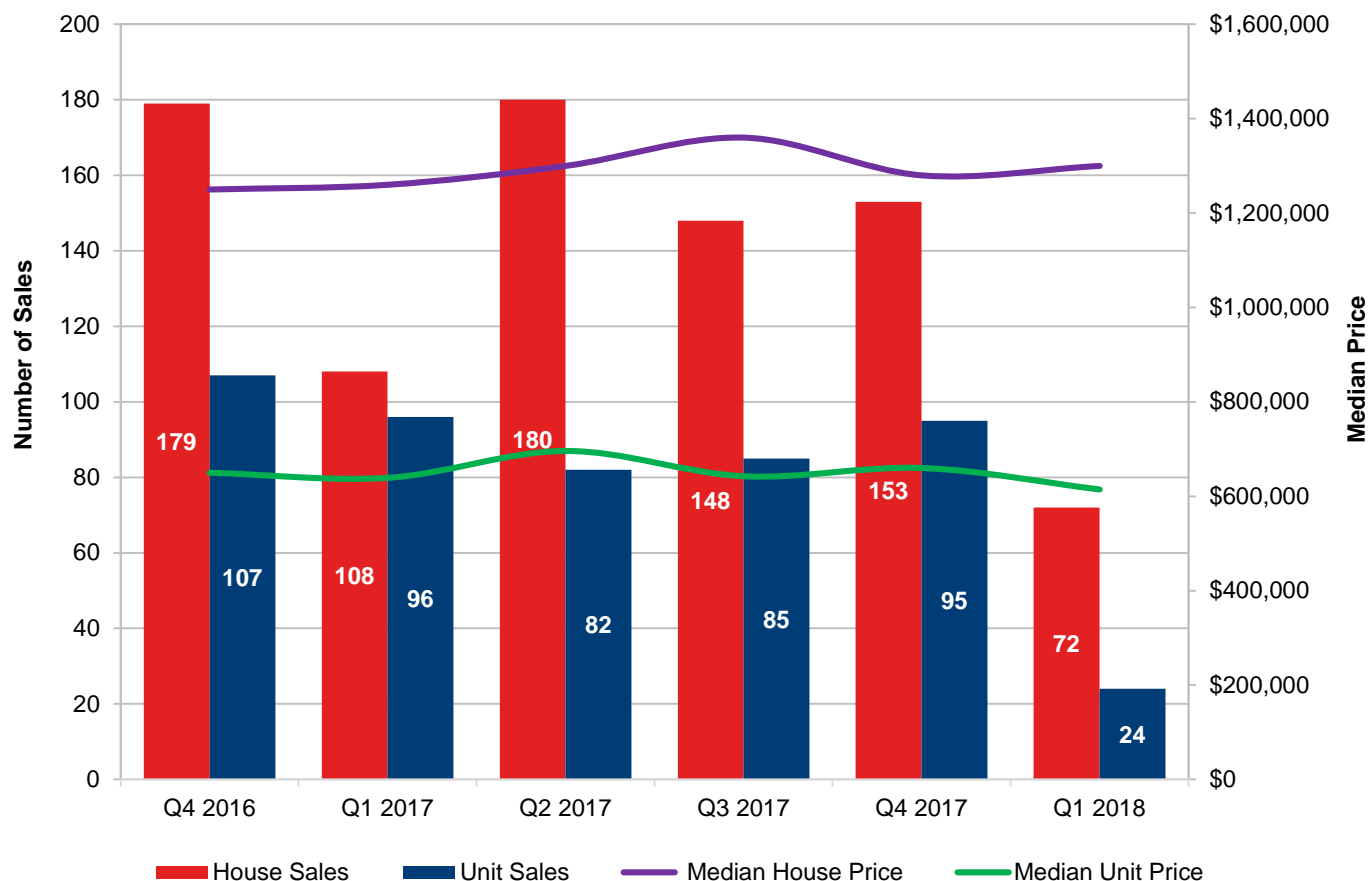
HOUSE KEY FACTS Q1 2018

Median Sale Price: \$1,300,000
Annual Growth: 3.2%*
Average Days on Market: 53
% Change between First Listed Price and Sold Price: -1.2%

UNIT KEY FACTS Q1 2018

Median Sale Price: \$614,500
Annual Growth: -3.9%*
Average Days on Market: 50
% Change between First Listed Price and Sold Price: 0.5%

SALES AND MEDIAN PRICE**



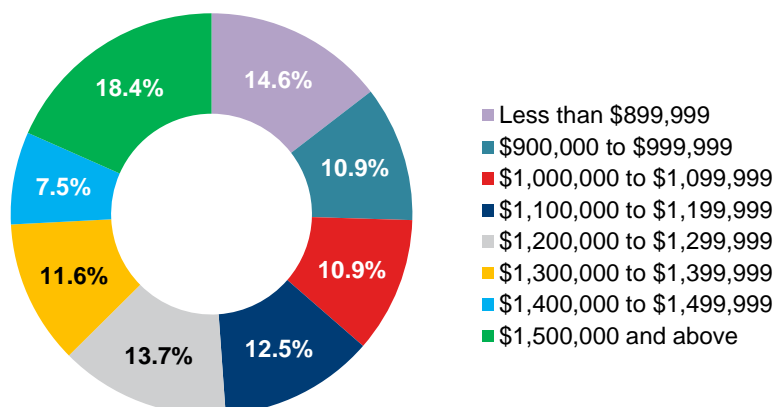
*Annual growth represents price growth for property transactions between Q1 2017 to Q1 2018 (inclusive).

**Kingsgrove market data and key indicators encapsulates aggregate property market conditions in the following suburbs: Kingsgrove, Roselands, Earlwood, Beverly Hills, Belmore & Clemton Park.

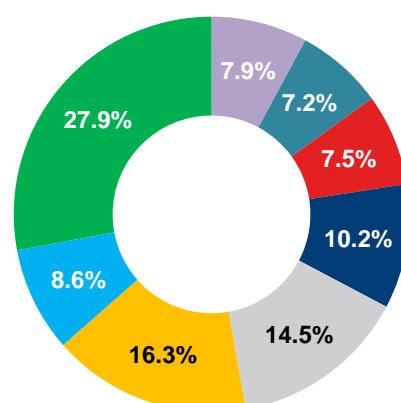
Source: APM Pricerfinder, realestate.com.au, SQM Research. © Copyright PRDNationwide 2018.

SALES PRICE POINT COMPARATIVE ANALYSIS*

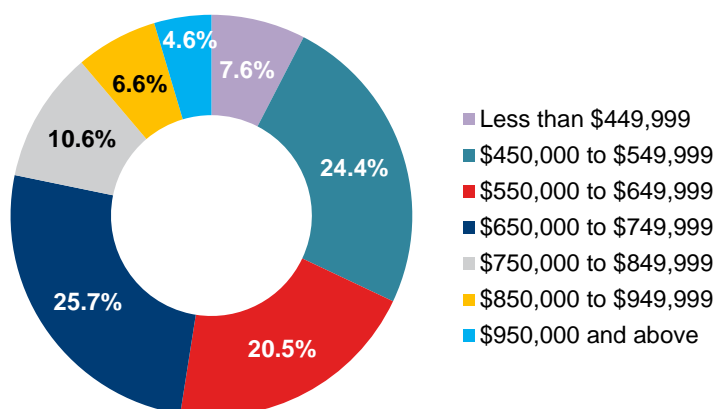
HOUSE PRICE POINT 2016



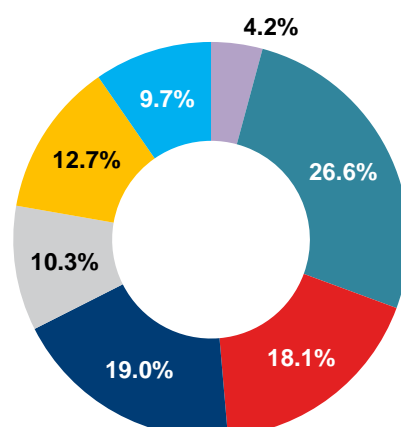
HOUSE PRICE POINT 2017



UNIT PRICE POINT 2016



UNIT PRICE POINT 2017



KEY IMPLICATIONS - HOUSE

The proportion of houses sold in Kingsgrove* during 2017 was primarily in the \$1.5M+ price segment, which has widened substantially from 18.4% to 27.9%. During 2017 sales between \$1.3M and \$1.4M widened from 11.6% to 16.3%. These figures indicate a growing demand for higher quality stock and is consistent with the reported 3.2% price growth over the past 12 months.

During 2017 house sales in price brackets below \$1.2M have decreased, in particular the less than \$900K price bracket reduced from 14.6% to 7.9% of sales. This indicates a shift away from the lower end of the market. Those looking for affordable options need to act fast, as they are becoming a rare commodity in Kingsgrove*.

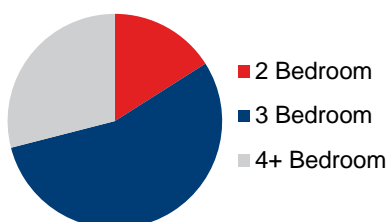
KEY IMPLICATIONS - UNIT

During 2017, the dominant proportion of units being sold in Kingsgrove* occurred in the price segment of \$450K-\$550K, increasing partially from 24.4% to 26.6%. This a major shift in the Kingsgrove* unit market as in 2016 the dominant price bracket was \$650-\$750K. This is reflective of the annual median price softening of -3.9% (to Q1 2018) and suggests an increase in affordability measures. Buyers that are looking for affordability are urged to act now and secure a unit in Kingsgrove*.

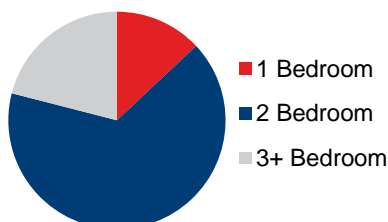
Interestingly, sales in price segments above \$850K have doubled. Despite a softening in median prices there is an increasing demand for a higher quality unit stock. This calls upon further development of premium unit stock.

INVESTMENT ANALYSIS

HOUSE



UNIT



HOUSE KEY FACTS Q1 2018

Median Rent Price: \$640 per week
Rental Yield: 2.5%
Average Days on Market: 22
Bedroom Breakdown:
 2 Bed: 16%, 3 Bed: 55%, 4+ Bed: 29%

UNIT KEY FACTS Q1 2018

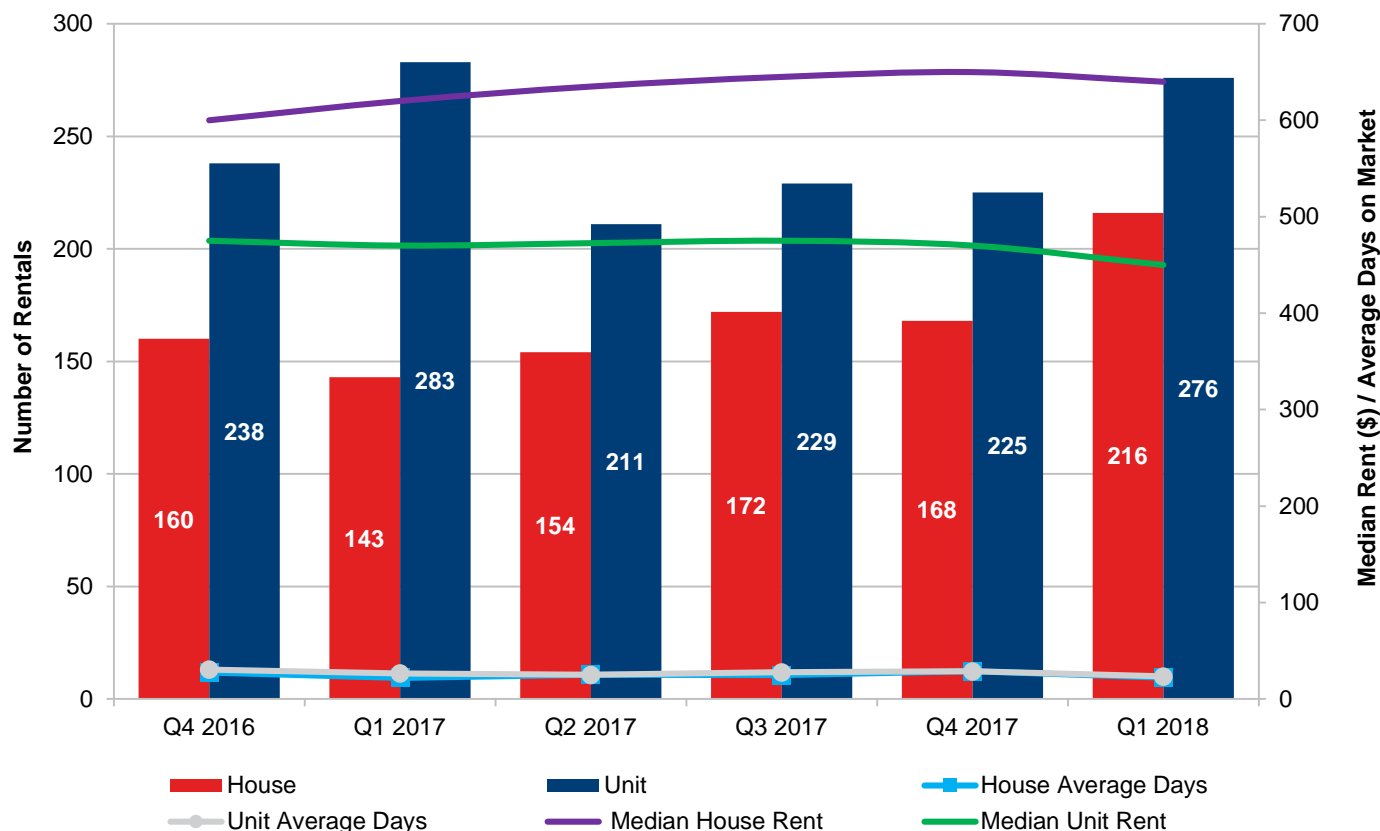
Median Rent Price: \$450 per week
Rental Yield: 3.6%
Average Days on Market: 23
Bedroom Breakdown:
 1 Bed: 13%, 2 Bed: 66%, 3+ Bed: 21%

KEY COMMENTS

Interest in Kingsgrove* has been recorded at an average of 879 online visits per property, which is higher than the NSW average of 861. The number of house rentals experienced a 51.0% increase over the past 12 months to Q1 2018, indicating a significant increase in rental demand. This is accompanied by a 3.2% growth in weekly median rent price, suggesting real rental growth and points to a sustainable return for investors. With vacancy rates currently lower than Sydney Metro investors will do well in this highly demanded market.

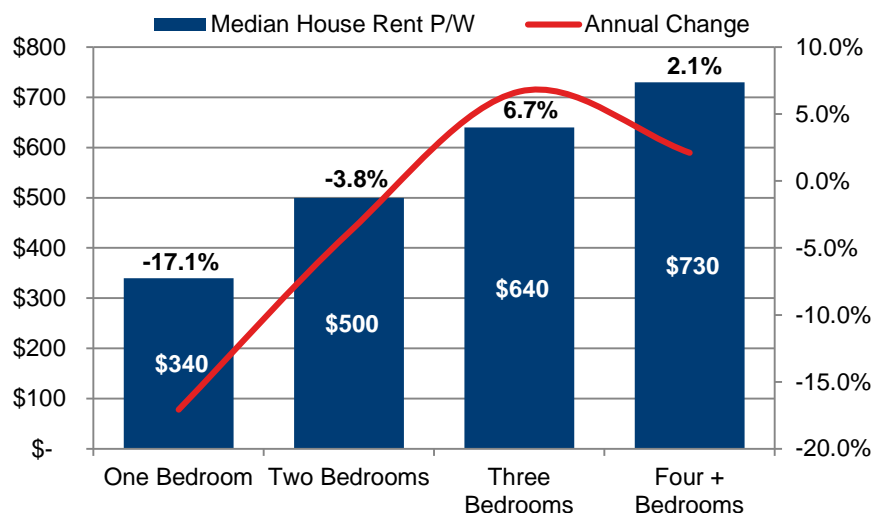


MEDIAN RENT AND AVERAGE DAYS ON MARKET*



*Kingsgrove market data and key indicators encapsulates aggregate property market conditions in the following suburbs: Kingsgrove, Roselands, Earlwood, Beverly Hills, Belmore & Clemton Park.
 Source: APM Pricefinder, realestate.com.au, SQM Research. © Copyright PRDnationwide 2018.

RENTAL PERFORMANCE 2017*



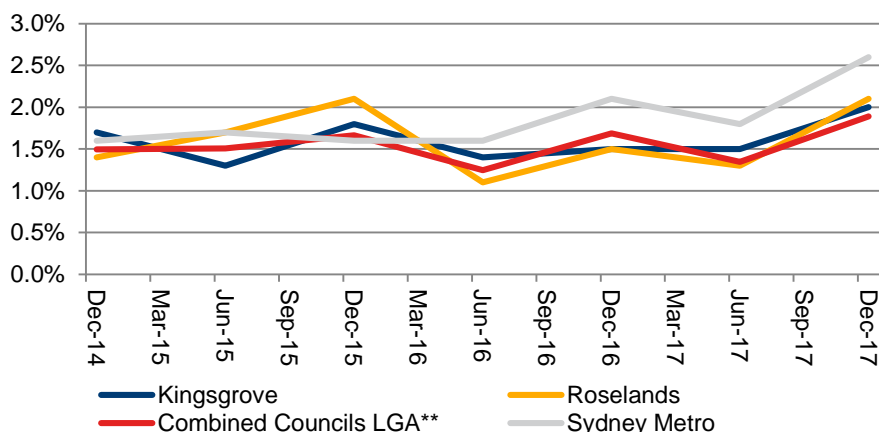
KEY COMMENTS

Rental yield in Kingsgrove* is relatively on par with Sydney Metro, however a lower vacancy rate of 2.0% (compared to Sydney Metro's 2.6%) suggests a healthier rental demand for investors.

Three+ bedroom houses provide the highest annual rental growth at 6.7%.

Opportunity for employment growth is evident in the Kingsgrove* area as unemployment rates are lower than NSW and the wider LGA's. With a strong weekly household income and high level of professionals occupying the area (22.4%), Kingsgrove* is an ideal area for those wanting to expand their investment portfolio.

VACANCY RATES 2017



RENTAL YIELD 2017

Suburb/ Postcode/ LGA	House Rental Yield	Unit Rental Yield
Kingsgrove	2.5%	3.6%
Roselands	2.6%	4.1%
Combined Councils LGA**	2.8%	3.8%
Sydney Metro	2.9%	3.8%

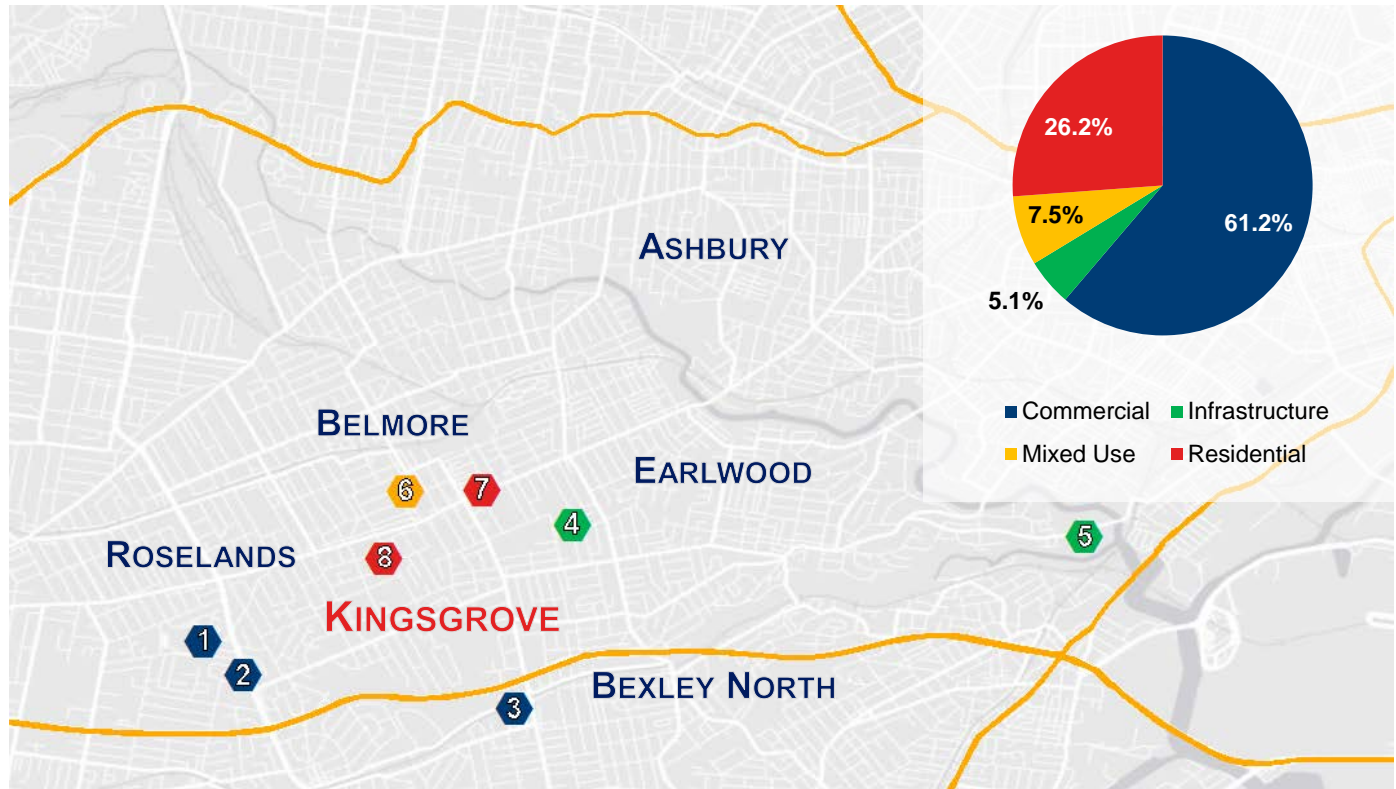
KEY HOUSING DEMOGRAPHICS

	Kingsgrove	Canterbury-Bankstown LGA	Georges River LGA	Rockdale LGA (Bayside)	New South Wales
Median weekly household income	\$1,564	\$1,298	\$1,654	\$1,575	\$1,486
Median monthly mortgage repayments	\$2,350	\$2,000	\$2,167	\$2,167	\$1,986
Unemployed	6.0%	8.2%	6.5%	6.2%	6.3%
Professionals	22.4%	18.9%	25.4%	22.6%	23.6%
Owned outright	42.4%	30.2%	34.3%	30.7%	32.2%
Owned with mortgage	29.4%	29.6%	30.8%	28.9%	32.3%
Rented	24.9%	36.4%	31.7%	36.7%	31.8%

*Rental performance graph represents aggregate house median rent prices in the following suburbs: Kingsgrove, Roselands, Earlwood, Beverly Hills, Belmore & Clemton Park. Annual change is a comparison between 2016 and 2017 median rent figures.

**Combined Councils LGA vacancy rates and rental yield is based on data obtained under the combined postcodes of the Georges River, Bayside and Canterbury-Bankstown Councils. Source: APM Pricerfinder, SQM Research, ABS Census 2016. © Copyright PRDnationwide 2018.

PROJECT DEVELOPMENT MAP 1st HALF 2018*



Location	Project**	Type	Estimated Value***	Commence Date****
1	Roselands Shopping Centre	Commercial	\$50,000,000	02/04/2018
2	King Georges Rd Boarding House	Commercial	\$5,282,000	05/02/2018
3	Mashman Avenue Boarding House	Commercial	\$495,000	07/05/2018
4	Lahc - Clemton Park	Infrastructure	\$3,570,000	12/03/2018
Various Locations	Deverall Park, Punchbowl Park & Earlwood Oval	Infrastructure	\$600,000	21/05/2018
5	Waterworth Park Seawall	Infrastructure	\$450,000	25/06/2018
6	Burwood Road Mixed Development (25 Apartments)	Mixed Use	\$6,856,000	16/02/2018
7	Canterbury Rd Units (70 Units)	Residential	\$16,710,000	07/02/2018
8	Chapel St Townhouses (18 Townhouses)	Residential	\$7,122,000	16/01/2018

*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 Kingsgrove, Roselands, Belmore, Beverly Hills, Earlwood and Clemton Park.

***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, Georges River Council, City of 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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