



**Kingsgrove**  
Property Factsheet  
2<sup>nd</sup> Half 2018





## MARKET CONDITIONS

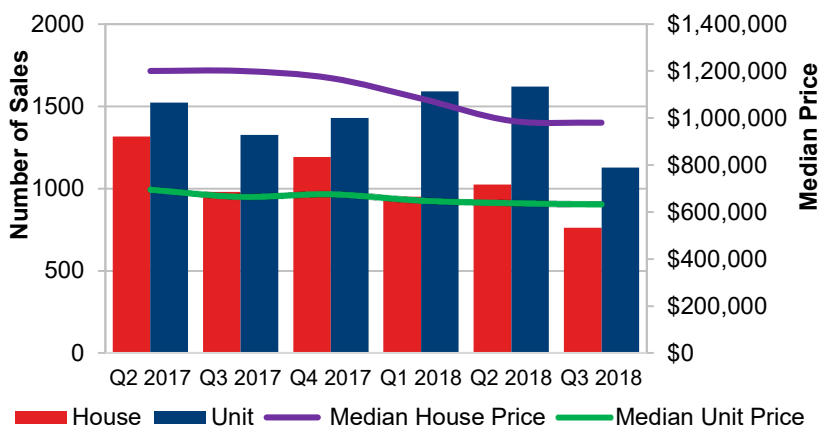
In the 12 months prior to Q3 2018, the Kingsgrove\* property market saw median house prices soften by -12.1% to \$1,195,500 and unit prices strengthen by 4.7% to \$672,500. By comparison, annual (Q1 2017-Q1 2018) median price growth of 3.2% (house) and -3.9% (units) was reported in the *Kingsgrove 1st Half 2018 Research Factsheet*. This suggests that houses in Kingsgrove\* have recently increased in affordability while units have increased in value.

By comparison, the combined Georges River, Canterbury – Bankstown, and Bayside Local Government Area (LGA)\*\* experienced a softening in median house price, by -18.3% to \$980,000 over the 12 months to Q3 2018. The unit market also experienced a softening, of -4.5% to \$635,000. Compared to the LGA both house and unit in Kingsgrove\* are premium markets based on entry price and are more resilient markets based on capital price growth.

Average vendor discounting have widened for houses and units in Kingsgrove\*, at -5.3% and -6.2% respectively in Q3 2018. This indicates the continued shift towards the buyer's market in Kingsgrove\*, as discounts achieved by purchasers are now greater than those realised 12 months ago.

The median house rent was \$625 per week and the median unit rent was \$450 per week in Kingsgrove\* during Q3 2018. This equates to an annual average growth of -3.1% and -4.3% respectively, indicating a slight softening in the rental market. Rental activity over the 12 months to Q3 2018 increased, with the number of properties rented increasing by 50.0% (house) and 41.9% (units). Vacancy rates in Kingsgrove\* were at a healthy 2.6% in June 2018, remaining slightly below the Sydney Metro average of 2.7%. This indicates a healthy rental demand and ensure positive investment opportunities in Kingsgrove\*.

## COMBINED COUNCILS LGA GROWTH\*\*\*



## OVERVIEW

Kingsgrove is located approximately 13km from Sydney CBD. It uniquely lies across 3 local government areas: Georges River, Canterbury-Bankstown, and Bayside. According to ABS Census 2016 only 6.5% of private dwellings are unoccupied, lower than the New South Wales average of 9.9%. This is good news for investors looking to enter the market.

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

## FUTURE DEVELOPMENTS\*\*

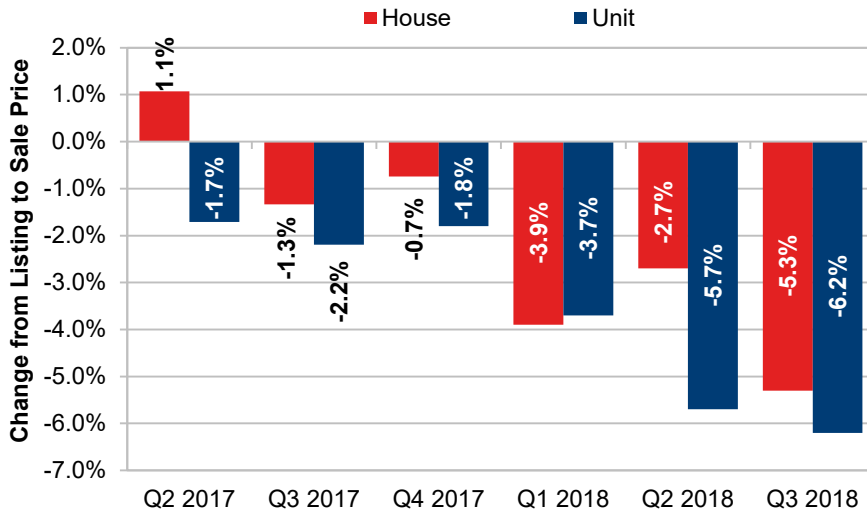
Kingsgrove\* is set to invest approximately \$69.2M in future development in the 2<sup>nd</sup> half of 2018, 85.7% of which is dedicated to commercial projects. A commercial focus is important for Kingsgrove\*, as all planned additional property stock are pure residential projects. Commercial projects will increase economic activity in the area and support local job growth, providing sustainability in the future economic growth of Kingsgrove\*.

A total of 6 units, 4 townhouses, and 12 dwellings are planned for Kingsgrove\* in the 2<sup>nd</sup> half of 2018; to be delivered by 3 residential projects. These include: Karne St North Dwellings (\$3.4M, 12 dwellings), William Street Townhouses (\$1.2M, 4 townhouses), and Melvin Street Units (\$750K, 6 units).

A key commercial project planned for the 2<sup>nd</sup> half of 2018 is Roselands Shopping Centre (\$50.0M), which will introduce a new Woolworths, ALDI, and 50 specialty shops. Others include Canterbury Rd Boarding House (\$3.9M), The Crescent Resource Recovery Facility (\$1.0M), and Hampden Street Boarding House (\$866K).

\*Kingsgrove market data and key indicators encapsulates aggregate property market conditions in the following suburbs: Kingsgrove, Roselands, Earwood, 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.  
\*\*\*Combined Councils LGA growth is based on amalgamated data of the Georges River, Bayside and Canterbury-Bankstown Councils.  
Source: APM Pricefinder, realestate.com.au. © Copyright PRDnationwide 2018.

## AVERAGE VENDOR DISCOUNT\*\*



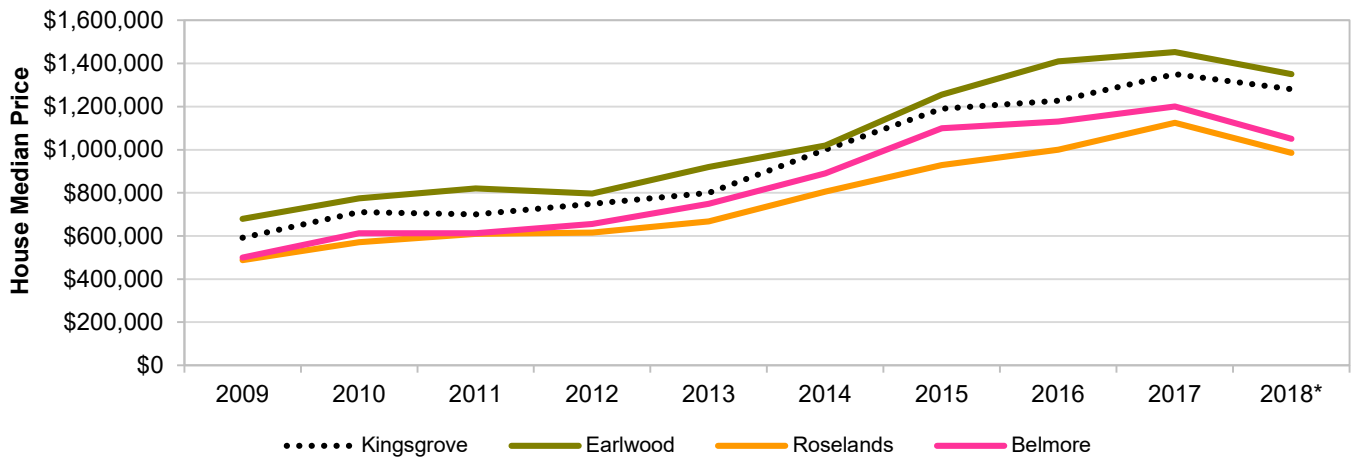
### AVERAGE VENDOR DISCOUNT

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.

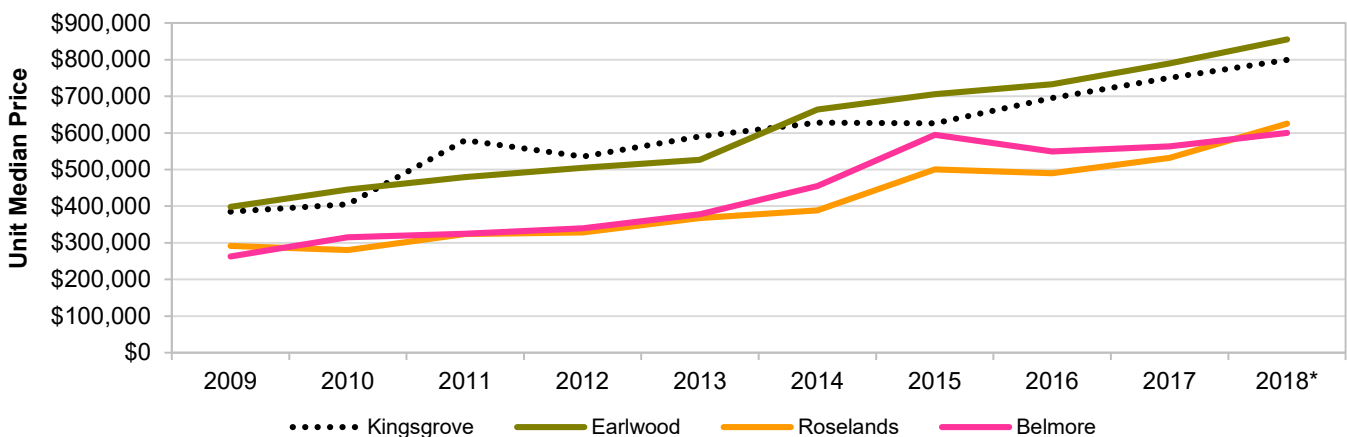
### MARKET COMPARISON GRAPH

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

## HOUSE MARKET COMPARISON



## UNIT MARKET COMPARISON

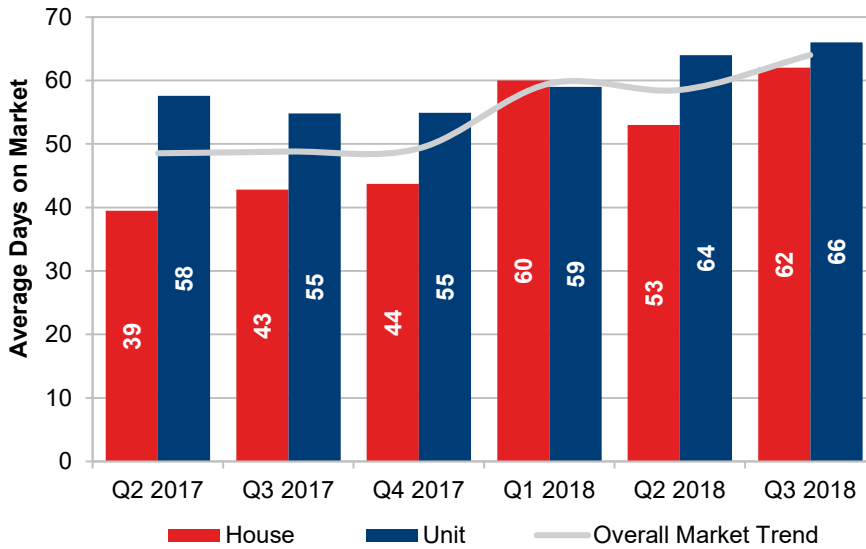


\*Disclaimer: 2018 market date represents sales from 01/01/2018 to 30/09/2018

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

Source: APM Pricerfinder. © Copyright PRDnationwide 2018.

## AVERAGE DAYS ON MARKET\*\*



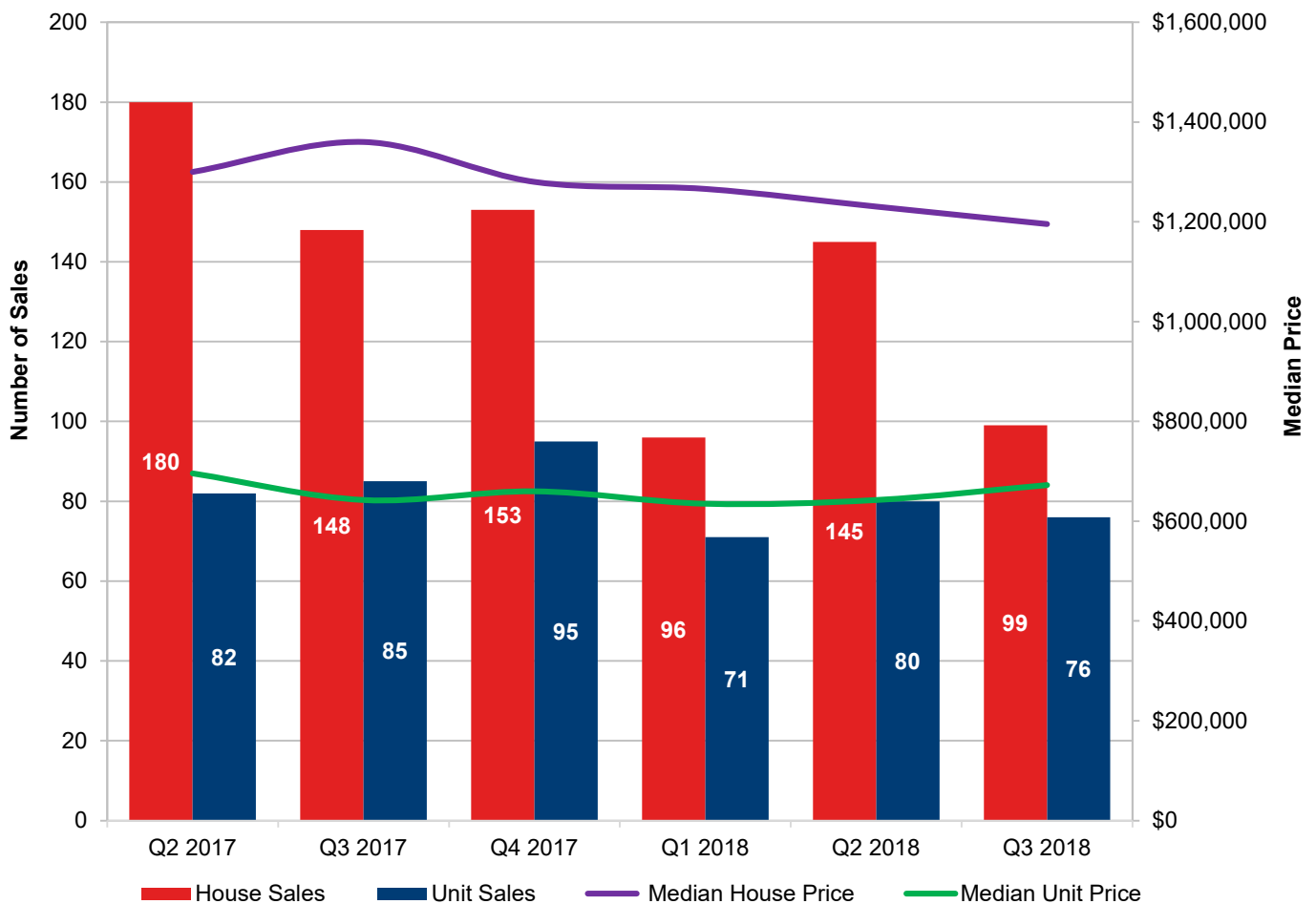
### HOUSE KEY FACTS Q3 2018

Median Sale Price: \$1,195,500  
 Annual Growth: -12.1%\*  
 Average Days on Market: 62  
 % Change between First Listed Price and Sold Price: -5.3%

### UNIT KEY FACTS Q3 2018

Median Sale Price: \$672,500  
 Annual Growth: 4.7%\*  
 Average Days on Market: 66  
 % Change between First Listed Price and Sold Price: -6.2%

## SALES AND MEDIAN PRICE\*\*



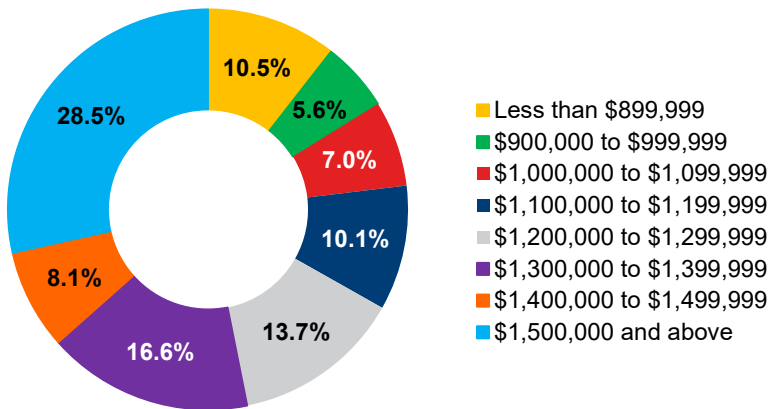
\*Annual growth represents price growth for property transactions between Q3 2017 to Q3 2018 (inclusive).

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

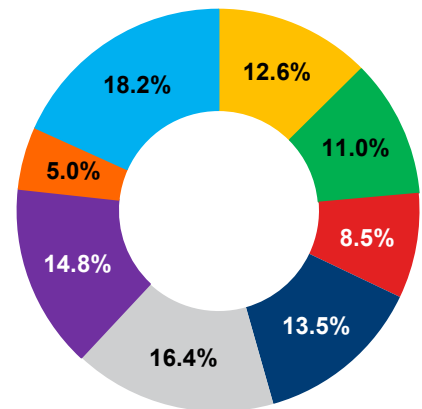
Source: APM Pricefinder, realestate.com.au, SQM Research. © Copyright PRDnationwide 2018.

## SALES PRICE POINT COMPARATIVE ANALYSIS\*

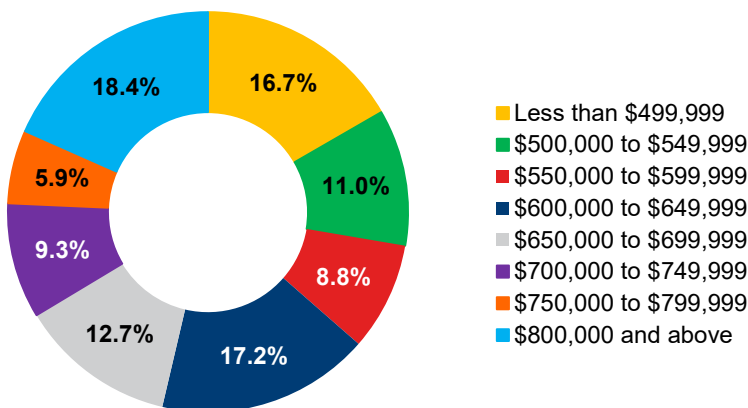
### HOUSE PRICE POINT 2017



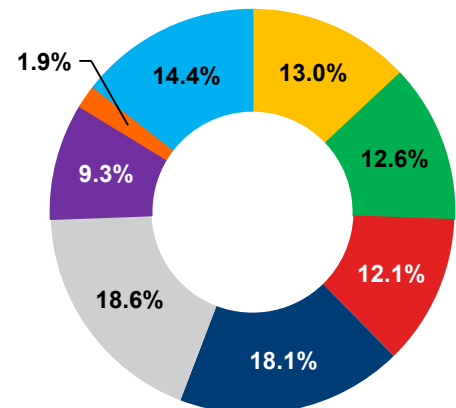
### HOUSE PRICE POINT 2018



### UNIT PRICE POINT 2017



### UNIT PRICE POINT 2018



#### KEY IMPLICATIONS - HOUSE

The greatest proportion of sales occurring in Kingsgrove\* in 2018\* fell in the \$1.5M+ category, totalling 18.2% of sales. This was also the dominant price range in 2017, however its share fell from 28.5% in 2017, the largest swing in any single price bracket. In contrast, in 2017 the smallest price bracket was \$900K - \$1.0M at 5.6%, which grew to 11.0% of sales in 2018\*. This suggests there has been a swing away from higher priced options towards more affordable housing solutions in the market.

This is further confirmed by considering the change in the total proportion of sales above \$1.2M, which fell from 53.2% in 2017 to 33.6% in 2018\*. This presents a good opportunity for purchasers to enter a cooling market.

#### KEY IMPLICATIONS - UNIT

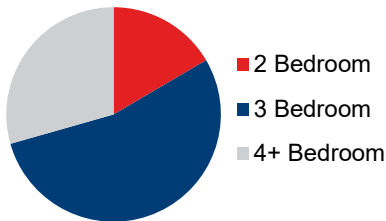
The dominant proportion of unit sales in Kingsgrove\* in 2018\* fell in the \$650K - \$700K price range, recording 18.6% of all sales. Interestingly, both the most and least affordable price brackets shrunk in 2018\*, with sales in the \$750K+ price bracket declining to 16.3% and sales below \$550K price bracket declining to 25.6%.

The middle segments of the unit market strengthened, with sales in the \$650K - \$750K range growing to 27.9% and sales in the \$550K - \$650K range increasing to 30.2%. This suggests that there is now a more equal opportunity for buyers to enter the market, with less stock selling for premium price. That said affordable options are declining, thus first home buyers need to act fast.

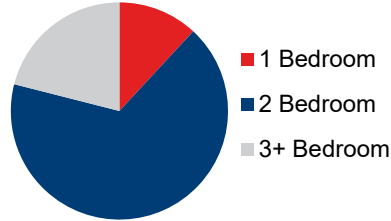
\*Kingsgrove market data and key indicators encapsulates aggregate property market conditions in the following suburbs: Kingsgrove, Roselands, Earlwood, Beverly Hills, Belmore & Clemon Park. Each pie chart encapsulates sales data from Q1-Q3 of the relevant year, to allow for fair comparison in price point changes. Source: APM Pricerfinder. © Copyright PRDnationwide 2018.

## INVESTMENT ANALYSIS

### HOUSE



### UNIT



### HOUSE KEY FACTS Q3 2018

**Median Rent Price:** \$625 per week  
**Rental Yield:** 2.6%  
**Average Days on Market:** 27  
**Bedroom Breakdown:**  
 2 Bed: 17%, 3 Bed: 54%, 4+ Bed: 29%

### UNIT KEY FACTS Q3 2018

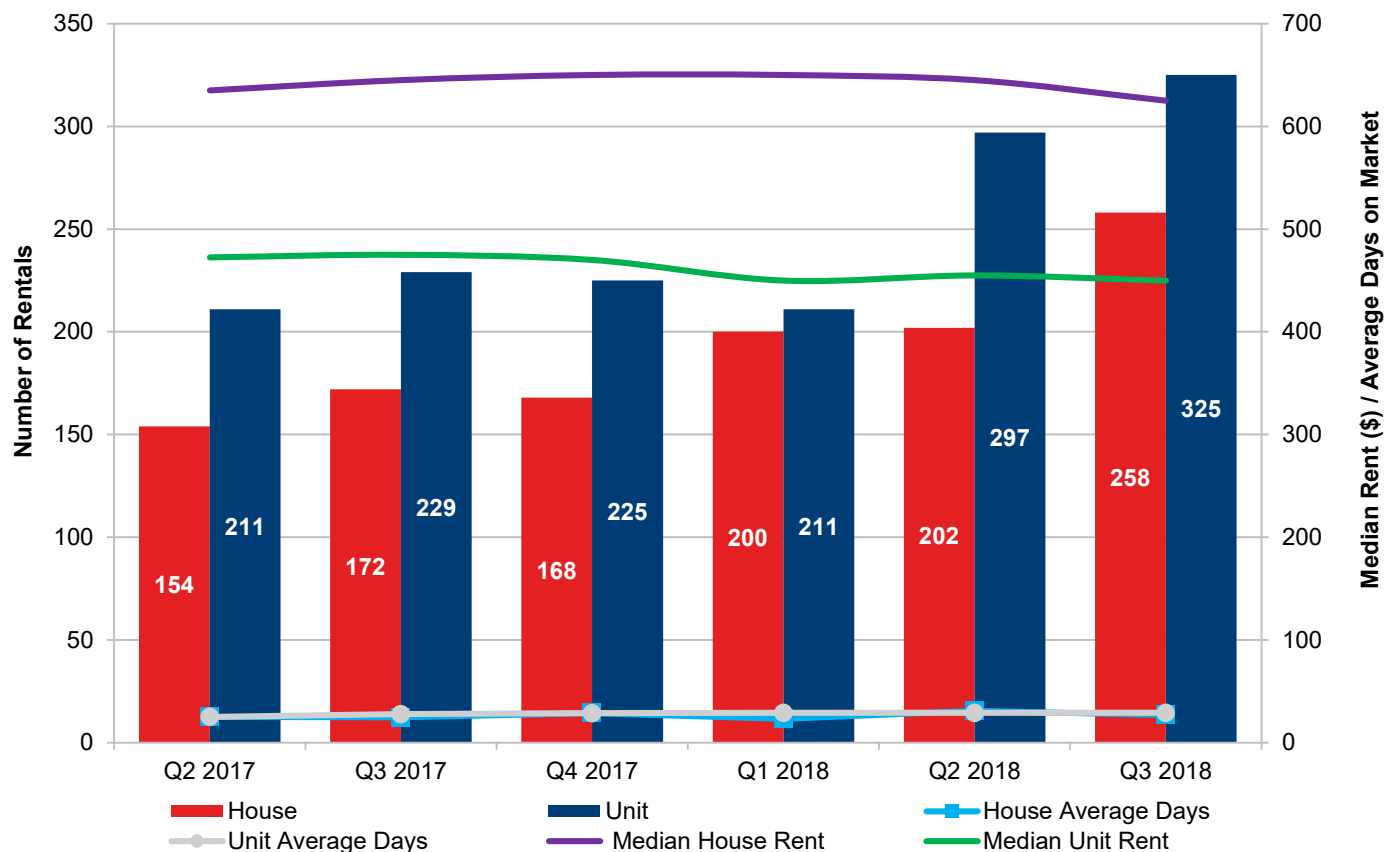
**Median Rent Price:** \$450 per week  
**Rental Yield:** 3.5%  
**Average Days on Market:** 29  
**Bedroom Breakdown:**  
 1 Bed: 12%, 2 Bed: 67%, 3+ Bed: 21%

### KEY COMMENTS

Interest in Kingsgrove\* was recorded at an average of 845 online visits per property, higher than the NSW average of 832. Despite median rental prices softening over the past 12 months to Q3 2018 there has been a major increase in the number of properties rented during this time (50.0% for houses and 41.9% for units. This suggests that there are still an overall positive rental market. Further, houses and units continue to have low average days on the market (27 and 29 days respectively). This confirms that rental properties are in demand and can be occupied relatively quickly, which is good news for investors.

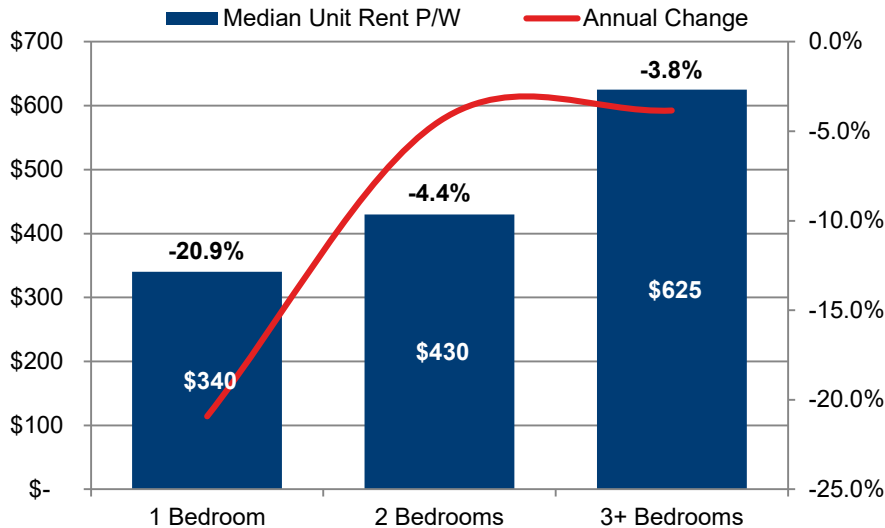


## MEDIAN RENT AND AVERAGE DAYS ON MARKET\*



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

## RENTAL PERFORMANCE 2018\*

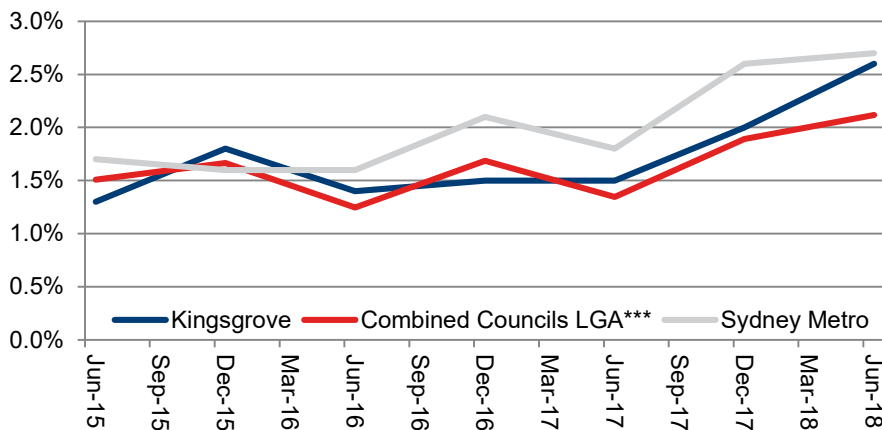


### KEY COMMENTS

Average rental yields in Kingsgrove\* is on par to the wider Sydney Metro area, however the three combined LGAs\*\* outperformed Sydney Metro and should provide some rental uplift. Vacancy rates in Kingsgrove\* were 2.6% in June 2018, lower than Sydney Metro. This suggests a healthier rental demand in Kingsgrove\*.

3+ bedroom units provide the best annual rental performance in 2018, at -3.8%. Such softening should be expected as part of the current changes in the wider Sydney property market, particularly with the increase in the amount of rental properties absorbed in the Kingsgrove\* area.

## VACANCY RATES 2018



## RENTAL YIELD 2018

Suburb/Postcode/LGA	House Rental Yield	Unit Rental Yield
Kingsgrove*	2.6%	3.5%
Roselands	2.8%	3.9%
Combined Councils LGA**	2.9%	3.8%
Sydney Metro	2.7%	3.7%

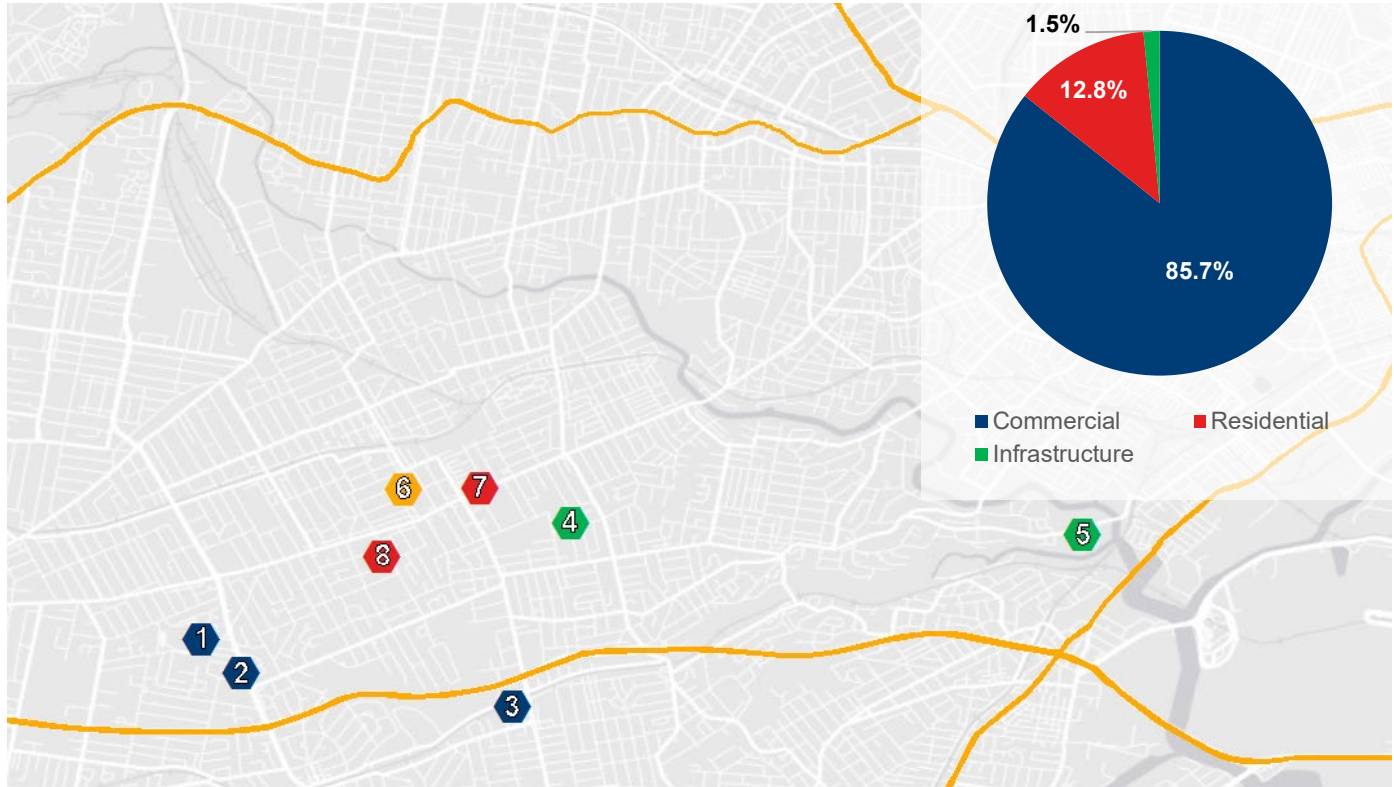
## KEY HOUSING DEMOGRAPHICS

	Kingsgrove	Canterbury-Bankstown LGA	Georges River LGA	Rockdale LGA (Bayside)	New South Wales
Median weekly rent	\$480	\$380	\$450	\$460	\$380
Family Households	3,311	83,008	37,151	27,005	1,874,524
Single or lone person households	724	21,273	9,325	8,719	620,778
Worked full time	3,478	85,599	43,243	33,532	2,134,521
Worked part time	1,746	44,841	22,916	16,522	1,071,151
Occupied private dwellings	4,142	107,776	48,681	37,952	2,604,320
Unoccupied private dwellings	290	7,736	3,306	3,079	284,741

\*Rental performance graph represents aggregate house median rent prices in the following suburbs: Kingsgrove, Roselands, Earlwood, Beverly Hills, Belmore & Clemon Park. Annual change is a comparison between 2017 and 2018 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 Pricer, SQM Research, ABS Census 2016. © Copyright PRDnationwide 2018.

## PROJECT DEVELOPMENT MAP 2<sup>nd</sup> HALF 2018\*



Location	Project**	Type	Estimated Value***	Commence Date****
1	Roselands Shopping Centre	Commercial	\$50,000,000	17/09/2018
2	Canterbury Road Boarding House	Commercial	\$3,922,000	18/12/2018
3	The Crescent Resource Recovery Facility	Commercial	\$1,000,000	23/07/2018
4	Hampden Street Boarding House	Commercial	\$866,000	22/12/2018
5	Kingsgrove Hotel	Commercial	\$250,000	28/10/2018
6	Coles Earwood	Commercial	\$250,000	08/10/2018
7	Deverall Park, Punchbowl Park & Earwood Oval	Infrastructure	\$559,000	23/07/2018
8	Waterworth Park Seawall	Infrastructure	\$499,000	15/07/2018
9	Karne St Nth Dwellings (12 Dwellings)	Residential	\$3,438,000	13/10/2018
10	William Street Townhouses (4 Townhouses)	Residential	\$1,227,000	17/12/2018
11	Melvin Street Units (6 Units)	Residential	\$750,000	01/08/2018

\*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, Earwood and Clemon 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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Principal

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