



**Kingsgrove**  
**Property Factsheet**  
**1st Half 2019**





## MARKET CONDITIONS

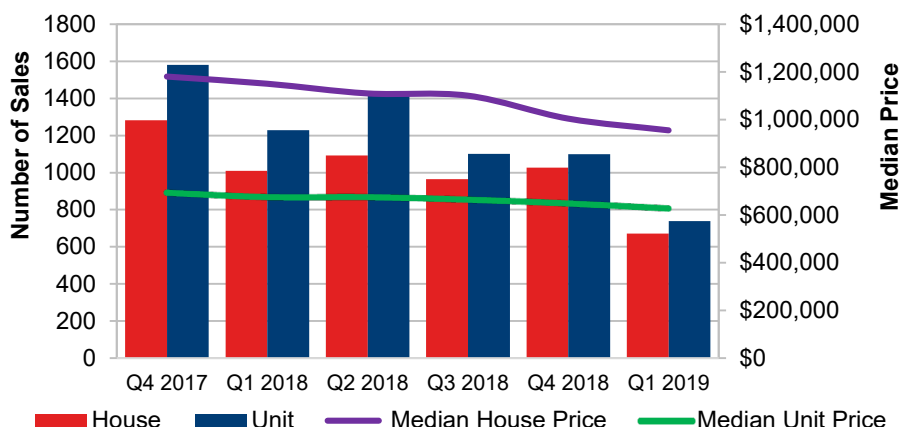
Kingsgrove\* recorded a median house price of \$1,126,500 in Q1 2019, representing an annual (Q1 2018-Q1 2019) softening of -12.0%. Median unit price was \$628,500; which represented a relatively stable growth. Compared to the *Kingsgrove\* Research Factsheet 2<sup>nd</sup> half 2018*, which reported an annual (Q3 2017-Q3 2018) price growth of -12.1% (house) and 4.7% (units), houses have maintained its value whereas units have become more affordable. This is a comfort to house owners and an opportunity for those wanting to enter the unit market.

Georges River, Canterbury-Bankstown, and Bayside Local Government Area (LGA) recorded a combined median house price of \$955,000 and median unit price of \$630,000 in Q1 2019, an annual (Q1 2018-Q1 2019) softening of -17.0% (houses) and -6.7% (units). Compared to the LGA Kingsgrove\* provides higher capital growth to owners, with on-par price entry point for units and a premium price for houses.

The average vendor discount for both property types have widened between Q1 2018 – Q1 2019, from -5.0% to -5.9% for houses and from -4.4% to -5.7% for units. Average days on market have increased during this time, by 32.4% (houses) and 57.0% (units), suggesting low market competition. Now is an ideal time for buyers to capitalize on this opportunity, whereas sellers should modify their expectation of the final sale price to ensure a lower average days on the market.

The Kingsgrove\* rental market has grown in volume, with the number of properties rented increasing by 34.9% (house) and 84.3% (units) between Q1 2018 – Q1 2019. However the market is showing signs of saturation, with median rental price declining by -6.1% (to \$620 per week) for house and -6.3% (to \$450 per week) for units. That said, given the softening in sales price, rental yield in Kingsgrove\* has increased over the past 5 months to December 2018, from 2.6% to 2.9% (houses) and from 3.5% to 4.1% (units), confirming Kingsgrove\* as a viable investment opportunity.

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



## OVERVIEW

Kingsgrove is approx 13kms south of the Sydney CBD, making it an ideal place for professionals and young families. Auction clearance rate for Q1 2019 was 35.3%, the lowest over the past 6 quarters. This is lower than combined council LGA\*\*\* (44.3%) and Sydney Metro (57.8%), thus signalling a slowing down in the market and a change in preferred method of sale to that of private treaty.

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 \$118.1M in the 1<sup>st</sup> half of 2019, with the majority dedicated to mixed-use projects (85.8%) and the rest in residential (8.2%) and commercial (6.0%). This is an ideal strategy for Kingsgrove\*, as not only does mixed-use projects add property stock but it also adds retail and/or commercial opportunities. This stimulates local economic growth as there is an increase in commercial activity and local job growth.

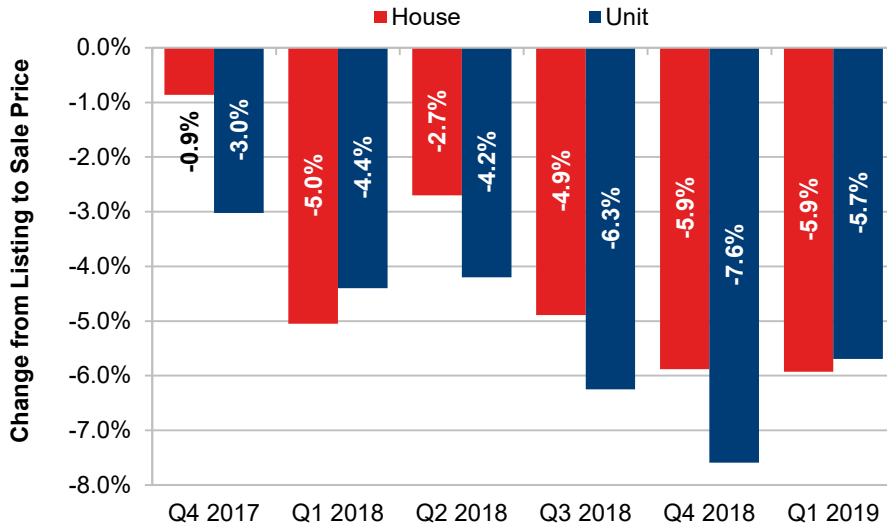
Kingsgrove\* is scheduled to have 305 apartments / units, 25 townhouses, and 4 dwellings added in the 1<sup>st</sup> half of 2019. A key mixed-use project is the Canterbury Road Mixed Development – Cornerstone (\$55.3M), which is scheduled to add 141 apartments, 2 retail and 7 commercial tenancies, and 1960sgm of communal space. Other mixed-use projects include: Canterbury Rd Mixed-Use Development (\$19.3M, 75 units, 2 commercial), and the Drummond St Mixed-Use Development (\$14.5M, 41 units, 6 commercial).

A key residential project is Karne Street Townhouses (\$3.4M, 12 townhouses).

\*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.  
\*\*\* Combined Councils LGA growth is based on the amalgamated data of the Georges River, Bayside and Canterbury-Bankstown Councils.  
Source: APM Pricerfinder, realestate.com.au. © Copyright PRDNationwide 2019.



## AVERAGE VENDOR DISCOUNT



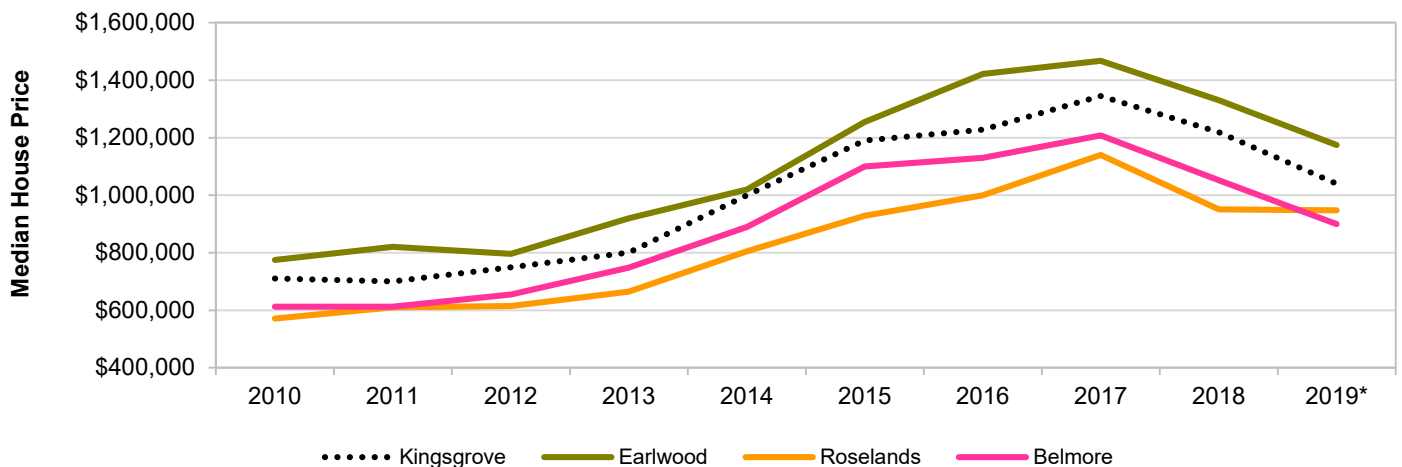
### AVERAGE VENDOR DISCOUNT

The average vendor discount reflects the average percentage difference between the first list price and the 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.

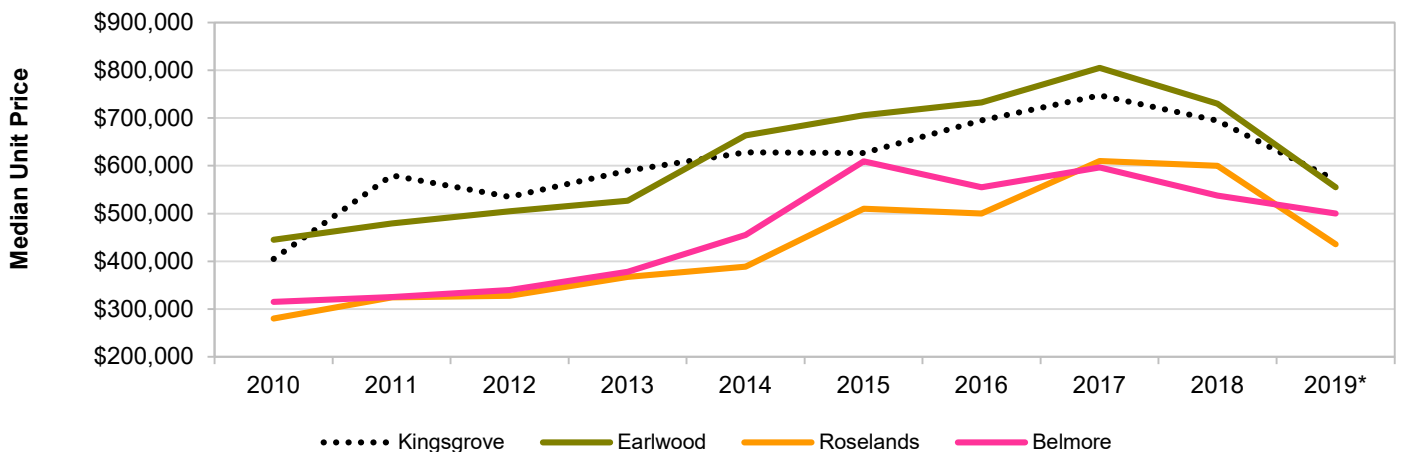
### MARKET COMPARISON GRAPH

The market comparison graph provides a comparative trend for the median price of houses and units over the past 10 years. Suburbs profiled are chosen based on their proximity to the main suburb analysed in this Factsheet, which is Kingsgrove. The main suburb is shown as a dotted black line in the graphs below.

## HOUSE MARKET COMPARISON



## UNIT MARKET COMPARISON

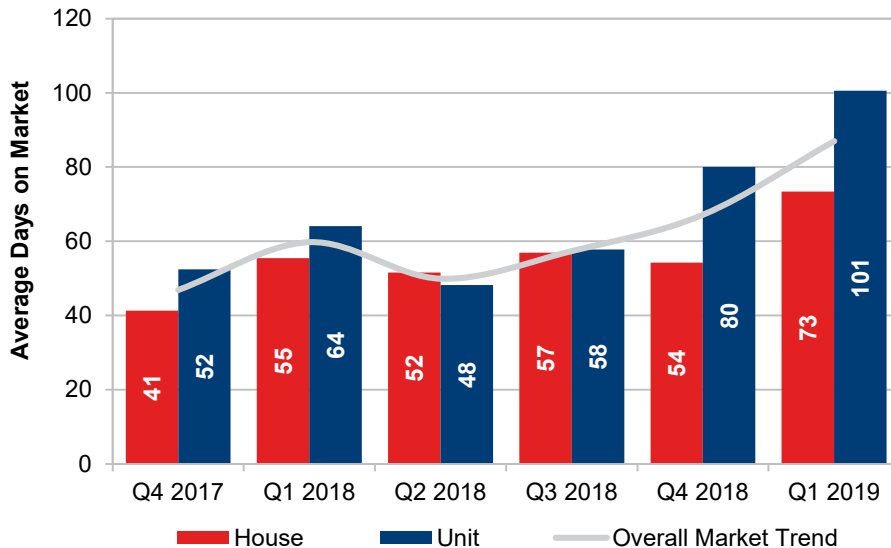


\*2019 sales data is inclusive of the period Q1 2019 only.

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

Source: APM Pricefinder. © Copyright PRDnationwide 2019.

## AVERAGE NUMBER OF DAYS ON THE MARKET\*\*



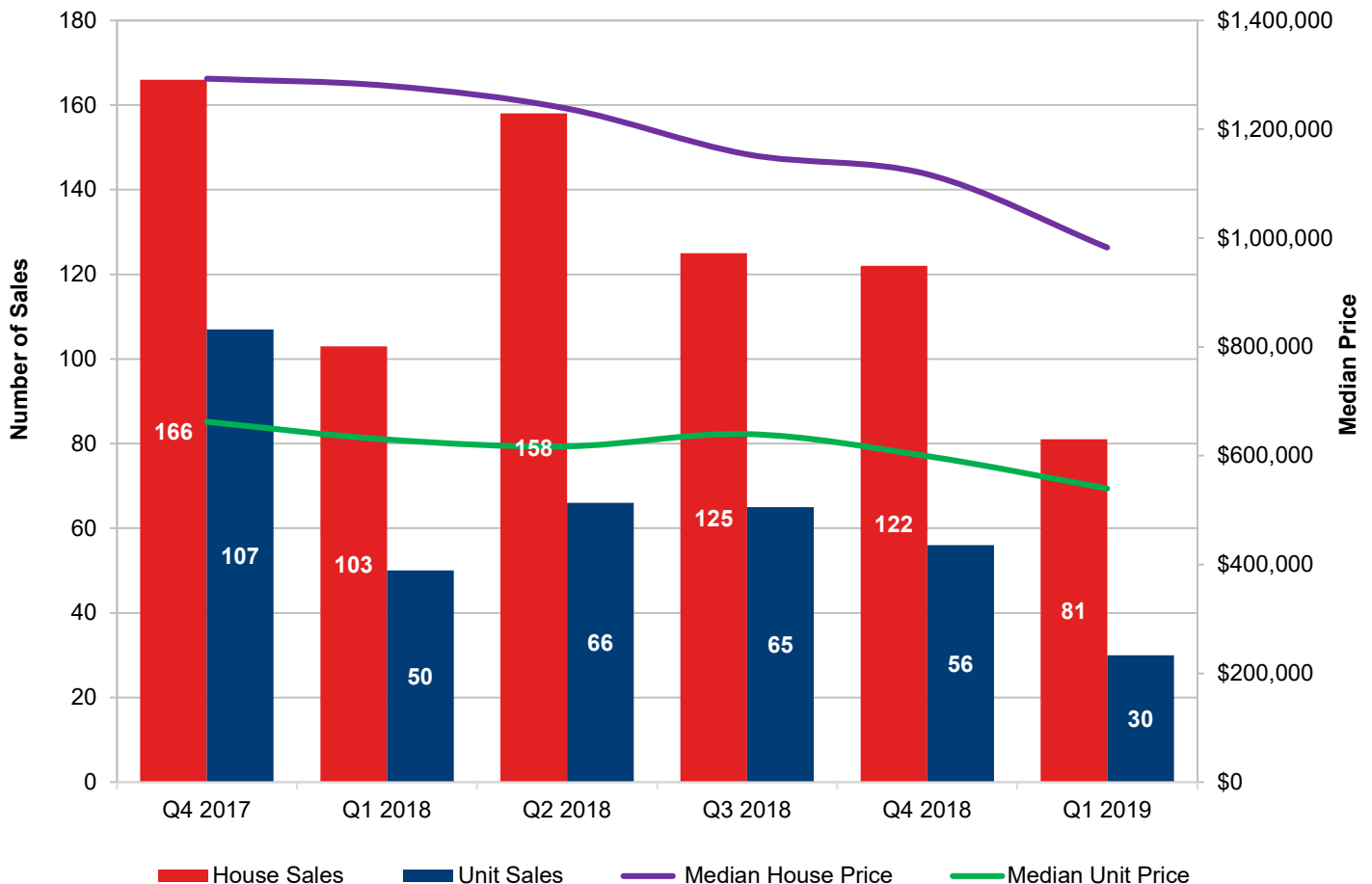
### KEY HOUSE FACTS Q1 2019

Median Sale Price: \$1,126,500  
Annual Growth: -12.0%\*  
Average Days on Market: 73  
% Change Between First Listed Price and Sold Price: -5.9%

### KEY UNIT FACTS Q1 2019

Median Sale Price: \$628,500  
Annual Growth: -0.2%\*  
Average Days on Market: 101  
% Change Between First Listed Price and Sold Price: -5.7%

## SALES AND MEDIAN PRICES\*\*



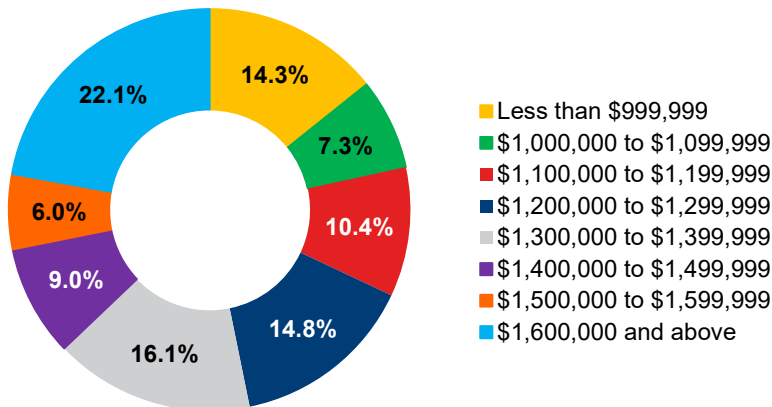
\*Annual growth represents price growth for property transactions between Q1 2018 to Q1 2019 (inclusive).

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

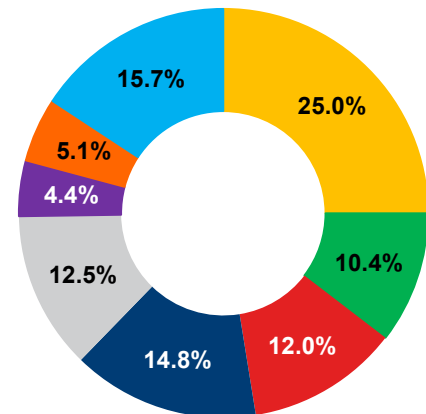
Source: APM Pricefinder, realestate.com.au, SQM Research. © Copyright PRDnationwide 2019.

## SALES PRICE POINT COMPARATIVE ANALYSIS

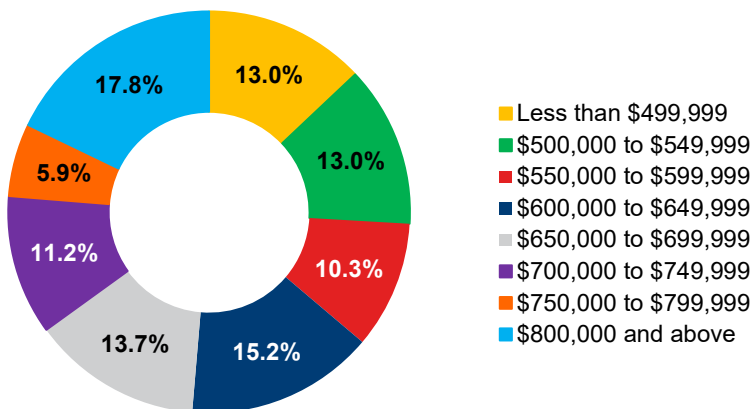
### HOUSE PRICE POINT 2017



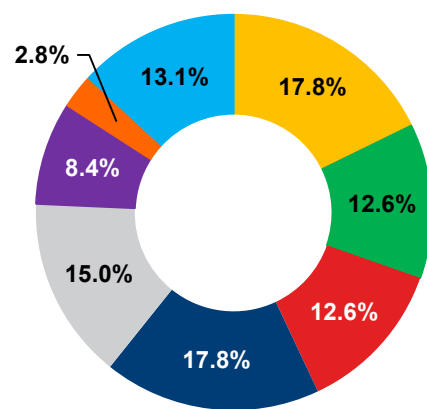
### HOUSE PRICE POINT 2018



### UNIT PRICE POINT 2017



### UNIT PRICE POINT 2018



#### KEY IMPLICATIONS - HOUSES

Sales price point for the Kingsgrove\* housing market has experienced a definite swing towards more affordable options between 2017-2018, with the dominant price point shifting from the premium price of \$1.6M (22.1% in 2017) to less than \$1.0M (25.0% in 2018).

This is not surprising, considering the -12.0% softening in median house price between Q1 2018-Q1 2019. The mid-range pricing of \$1.2M-\$1.3M has held stable, making up 14.8% of total sales in 2017 and 2018. Those seeking affordable options now has more opportunities, as price point \$1.0-\$1.1M has increased, from 7.3% in 2017 to 10.4% in 2018. Overall this has created a more even playing field for first home buyers.

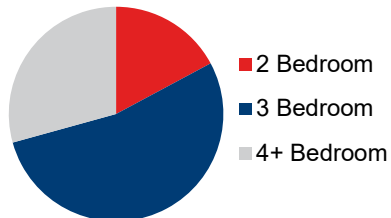
#### KEY IMPLICATIONS - UNITS

Sales price point trends for the Kingsgrove\* unit market mirrors the housing market, in the sense that there is a swing towards more affordable options. That said the shift in the unit market is not as high as the house market, with many price points remaining stable. This brings comfort to those wanting to enter the market, as there is a unit to suit every budget.

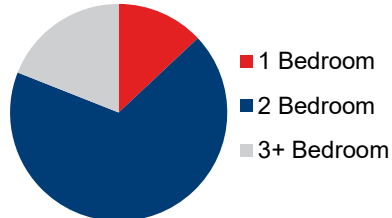
The highest price point of \$800K and above has seen a decrease in sales activity, from 17.8% in 2017 to 13.1% in 2018. At the same time the most affordable price point of under \$500K has increased in activity, from 13.0% in 2017 to 17.8% in 2018. Now is an ideal time for first time home buyers to capitalise on these opportunities.

## INVESTMENT ANALYSIS

### HOUSE



### UNIT



#### KEY HOUSE FACTS Q1 2019

**Median Rent Price:** \$620 per week  
**Rental Yield:** 2.9%  
**Average Days on Market:** 28  
**Bedroom Breakdown:**  
 2 Bed: 17%, 3 Bed: 53%, 4+ Bed: 29%

#### KEY UNIT FACTS Q1 2019

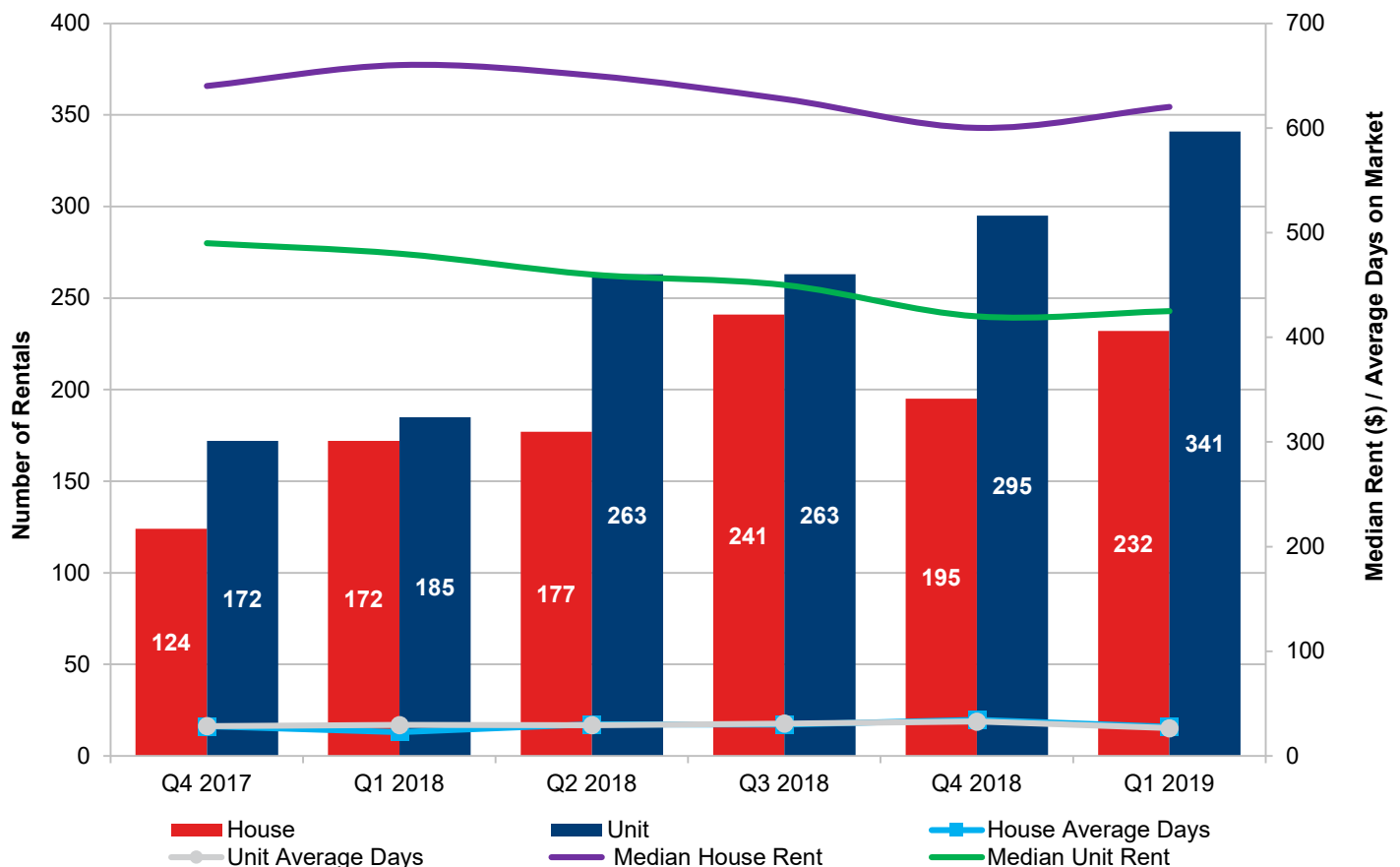
**Median Rent Price:** \$450 per week  
**Rental Yield:** 4.1%  
**Average Days on Market:** 27  
**Bedroom Breakdown:**  
 1 Bed: 13%, 2 Bed: 68%, 3+ Bed: 19%

#### KEY COMMENTS

Kingsgrove\* rental market has grown between Q1 2018-Q1 2019, to the point of near saturation. The number of houses rented increased by 34.9% in this time, however median house rent declined by -6.1%. The number of units rented also increased, by a more significant 84.3%, and median unit rent declined by -6.3%. That said those who are contemplating Kingsgrove\* as an investment opportunity can take comfort in the consistently low average days on market, of 28 days for houses and 27 days for units. This suggests a quick rental occupancy and thus quicker rental returns for investors.

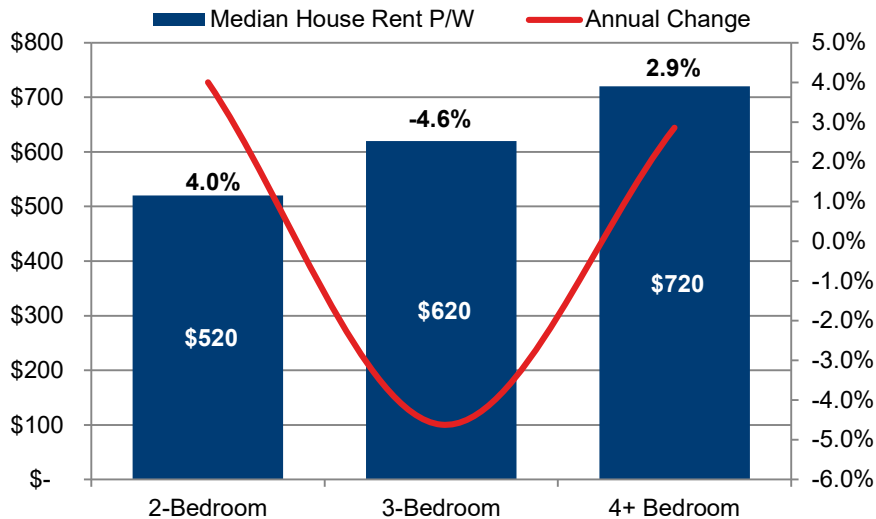


## MEDIAN RENT AND AVERAGE DAYS ON THE MARKET\*



\*Disclaimer: Kingsgrove market data and key indicators encapsulates aggregate property market conditions in the following suburbs: Kingsgrove, Roselands, Earlwood, Beverly Hills, Belmore & Crompton Park.  
 Source: APM Pricerfinder, realestate.com.au, SQM Research. © Copyright PRDnationwide 2019.

## RENTAL PERFORMANCE 2018\*



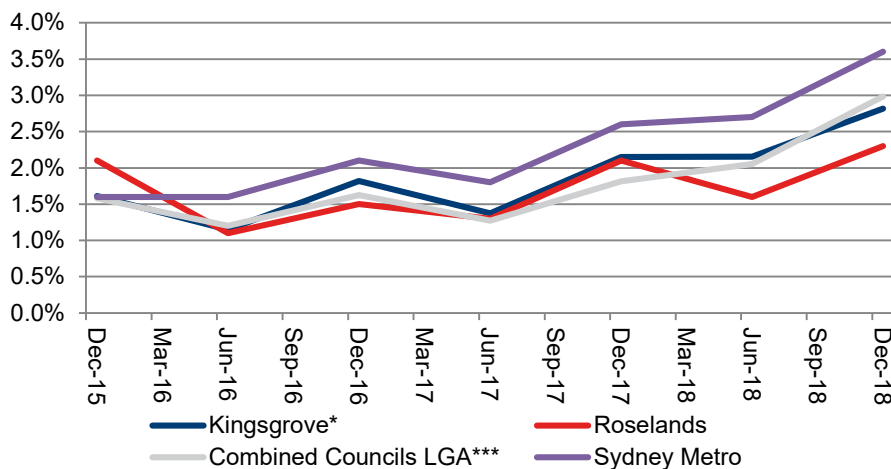
### KEY COMMENTS

Rental house yield in Kingsgrove\* has strengthened, from 2.6% in June 2018 to 2.9% in December 2018. Similarly rental unit yield have also increased, from 3.5% to 4.1%. Thus investing in Kingsgrove\* is now more profitable.

2 bedroom houses provide the highest annual median rent growth, at 4.0%.

Vacancy rate in Kingsgrove\* was 2.8% in December 2018, on par with the combined councils LGA\*\*\*. This is at a lower rate than Sydney Metro (3.6%), thus there is a healthier rental demand in Kingsgrove\*. With a softening sales entry price now is an ideal time for first time investors to enter the market.

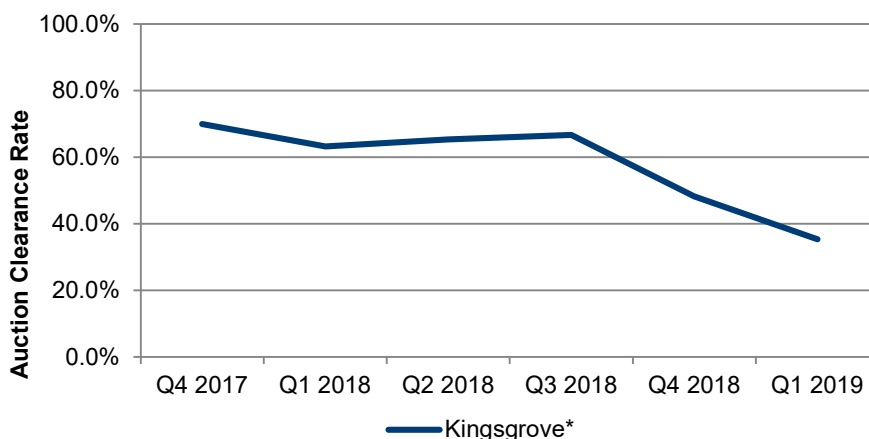
## VACANCY RATES 2018



## RENTAL YIELD 2018

Suburb/ Postcode/ LGA	House Rental Yield	Unit Rental Yield
Kingsgrove*	2.9%	4.1%
Roselands	3.2%	4.5%
Combined Councils LGA**	2.9%	4.0%
Sydney Metro	2.9%	3.8%

## AUCTION CLEARANCE RATES 2019\*\*



## Q1 19 COMPARISON

Suburb/ Postcode/ LGA	Auction Clearance Rate
Kingsgrove**	35.3%
Combined Councils LGA***	44.3%
Sydney Metro^	57.8%

\*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 2017 and 2018 median rent figures.

\*\*Auction Clearance rates for Kingsgrove are for all residential auctions held in the suburbs Kingsgrove, Roselands, Earlwood, Beverly Hills, Belmore & Clemton Park.

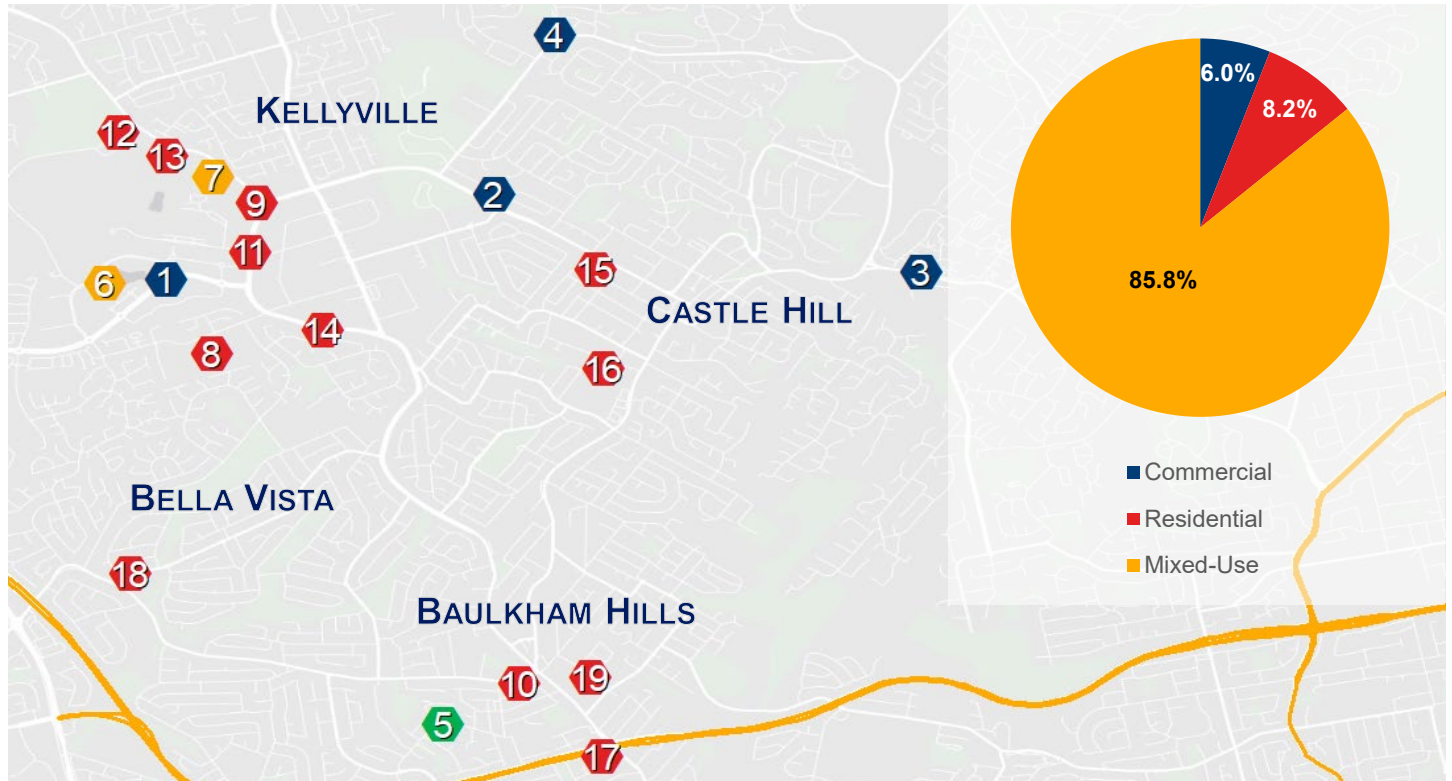
\*\*\*Combined Councils LGA growth is based on the amalgamated data of the Georges River, Bayside and Canterbury-Bankstown Councils.

^Capital city data obtained by accumulating Domain's weekly auction clearance results.

Source: APM Pricer, Domain, SQM Research. © Copyright PRDnationwide 2019.



## PROJECT DEVELOPMENT MAP 1<sup>st</sup> HALF 2019\*



Location	Project**	Type	Estimated Value***	Commence Date****
1	Beverly Hills Hotel	Commercial	\$5,000,000	21/04/2019
2	Aldi Roselands	Commercial	\$1,000,000	13/05/2019
3	Tooronga Terrace Boarding House	Commercial	\$916,000	18/02/2019
4	Sudbury Street Boarding House	Commercial	\$183,000	01/03/2019
5	Canterbury Rd Mixed Development – Cornerstone (141 Apartments)	Mixed-Use	\$55,288,000	04/02/2019
6	Canterbury Road Mixed Use Development (75 Units)	Mixed-Use	\$19,322,000	16/04/2019
7	Drummond Street Mixed Use Development (41 Units)	Mixed-Use	\$14,501,000	13/05/2019
8	Canterbury Rd Mixed Development - The Earl (19 Units)	Mixed-Use	\$4,786,000	27/05/2019
9	Kingsgrove Rd Mixed Development (15 Units)	Mixed-Use	\$4,117,000	16/04/2019
10	Canterbury Road Mixed Development (14 Units)	Mixed-Use	\$3,340,000	13/06/2019
11	Karne St Townhouses (12 Townhouses)	Residential	\$3,438,000	12/06/2019
12	Moorefields Road Townhouses (8 Townhouses)	Residential	\$2,820,000	02/01/2019
13	Martin Street Townhouses (5 Townhouses)	Residential	\$1,783,000	21/05/2019
14	Nicoll Street Dwellings (4 Dwellings)	Residential	\$1,597,000	14/06/2019

\*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, Earlwood, Beverly Hills, Belmore & 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. © Copyright PRDnationwide 2019.



## 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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