



KINGSGROVE MARKET UPDATE 2nd Half 2019



OVERVIEW

In Q3 2019, Kingsgrove* recorded a median house price of \$1,090,000, and a median unit price of \$625,000. This represents annual (Q3 2018 – Q3 2019) median price softening of -5.2% for houses whilst units remained stable. At the same time, total sales in both markets accelerated for Q3 2019, up by 9.3% for houses (to 141 sales) and by 1.5% for units (to 68 sales). Local confidence is returning in Kingsgrove*, making now an ideal time to transact in the market.

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

MARKET CONDITIONS

SALES MEDIAN PRICE Q3 2019



SALES AVERAGE DAYS ON MARKET Q3 2019



RENTAL MEDIAN PRICE Q3 2019

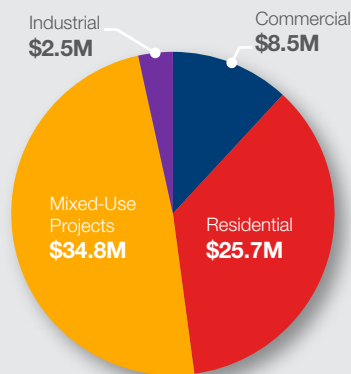


RENTAL AVERAGE DAYS ON MARKET Q3 2019



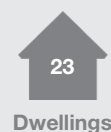
FUTURE DEVELOPMENTS

Kingsgrove* is set to see approximately **\$71.5M worth of new projects commencing in the 2nd half of 2019.**



A high level of activity across a variety of sectors is a positive sign for the Kingsgrove* market. Commercial and Mixed-Use projects will assist in stimulating local employment, leading to population growth. This will have a positive spill-over impact to demand for residential stock.

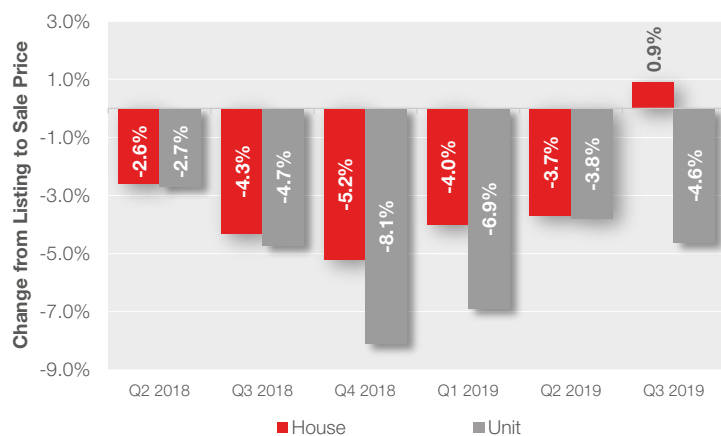
The \$5.0M refurbishment of Beverly Hills Hotel is a key commercial focus for the 2nd half of 2019. The project will upgrade multiple existing gaming areas and bars, as well as the bistro dining entry. Canterbury Road Mixed Use Development (\$31.0M) is set to create a total of 98 units as well as ground level retail space across a total of 7 levels.



*Kingsgrove market data and key indicators encapsulates aggregate property market conditions within the suburbs Kingsgrove, Roselands, Earlwood, Beverly Hills, Belmore and 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. Source: APM Pricer, Cordell Connect database. © Copyright PRDnationwide 2019.

AVERAGE VENDOR DISCOUNT*

Average vendor discount reflects the average percentage difference between the first list price and final sold price. A lower percentage difference (closer to 0.0%) suggests that buyers are willing to purchase close to the first asking price of a property.



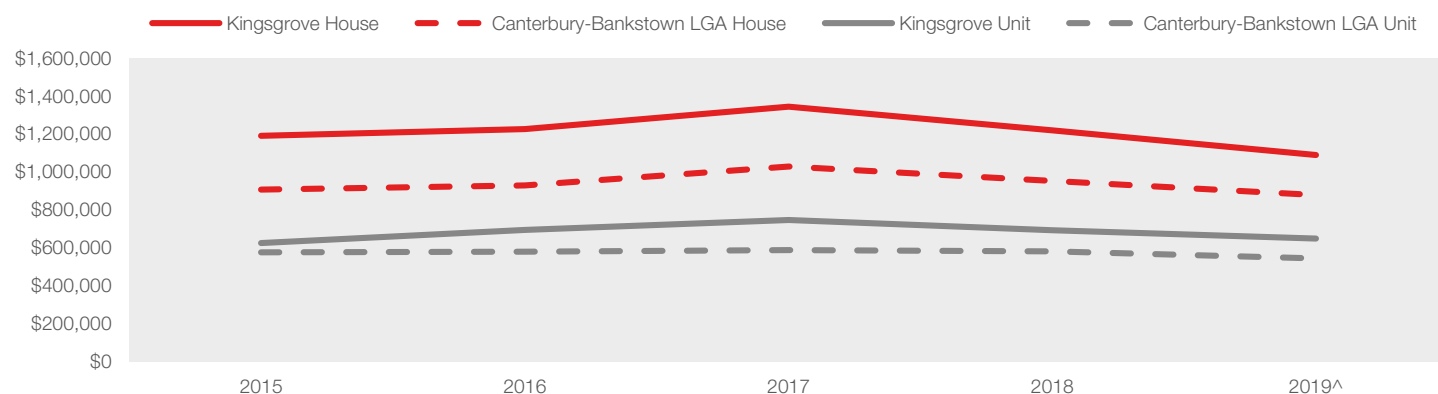
KEY COMMENTS

Average vendor discount between Q3 2018 and Q3 2019 has tightened to -4.6% for units and swung to a 0.9% premium for houses. The house market has now shifted to favour sellers, whilst unit sellers are still willing to negotiate below their initial listing price. Now is the time for first time unit buyers to enter the market, while discounts are available.

The suburb of Kingsgrove has historically outperformed the wider Canterbury-Bankstown Local Government Area (LGA) in both house and unit median prices. This has continued to be the case in 2019[^], with Kingsgrove continuing to be presented as a premium market for buyers in the wider LGA.

The dominant proportion of homes sold in Kingsgrove* across 2019[^] were priced \$900,000-\$1,100,000 (27.8%), while units recorded a dominant price point of \$550,000-\$649,999 (25.2%) at the same time. The overall distribution of sold stock is evenly distributed within all price ranges, which is good news for anyone looking to enter the market.

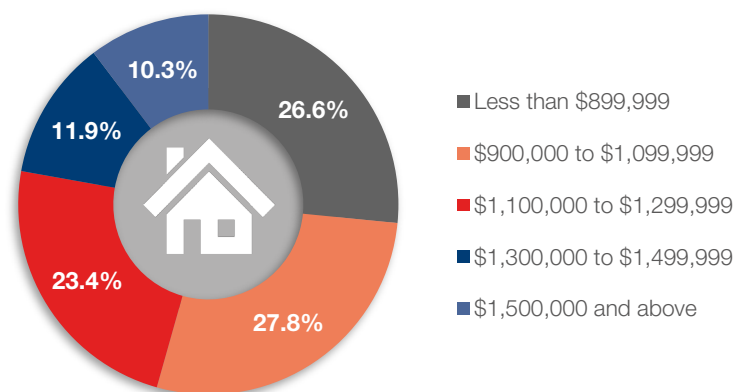
MARKET COMPARISON



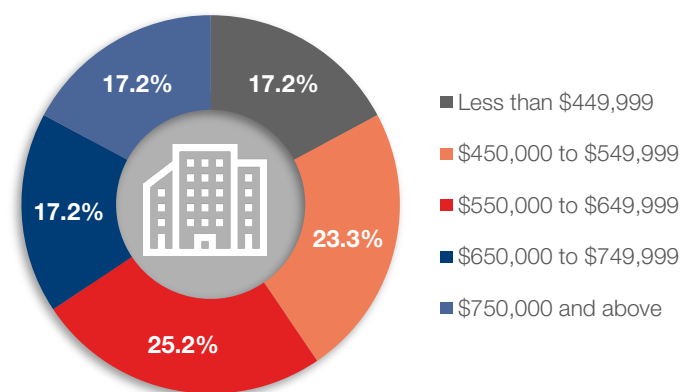
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled were chosen based on their proximity to the main suburb analysed, which is Kingsgrove.

PRICE BREAKDOWN 2019[^]

HOUSES SOLD



UNITS SOLD



RENTAL GROWTH 2019*

Over the past 12 months, house rental yields in Kingsgrove* has remained steady, sitting at 3.0% in June 2019. This suggests the Kingsgrove* house rental market is in a relatively healthy position, especially when compared to Sydney Metro's average house rental yield of 2.9% during the same time frame.

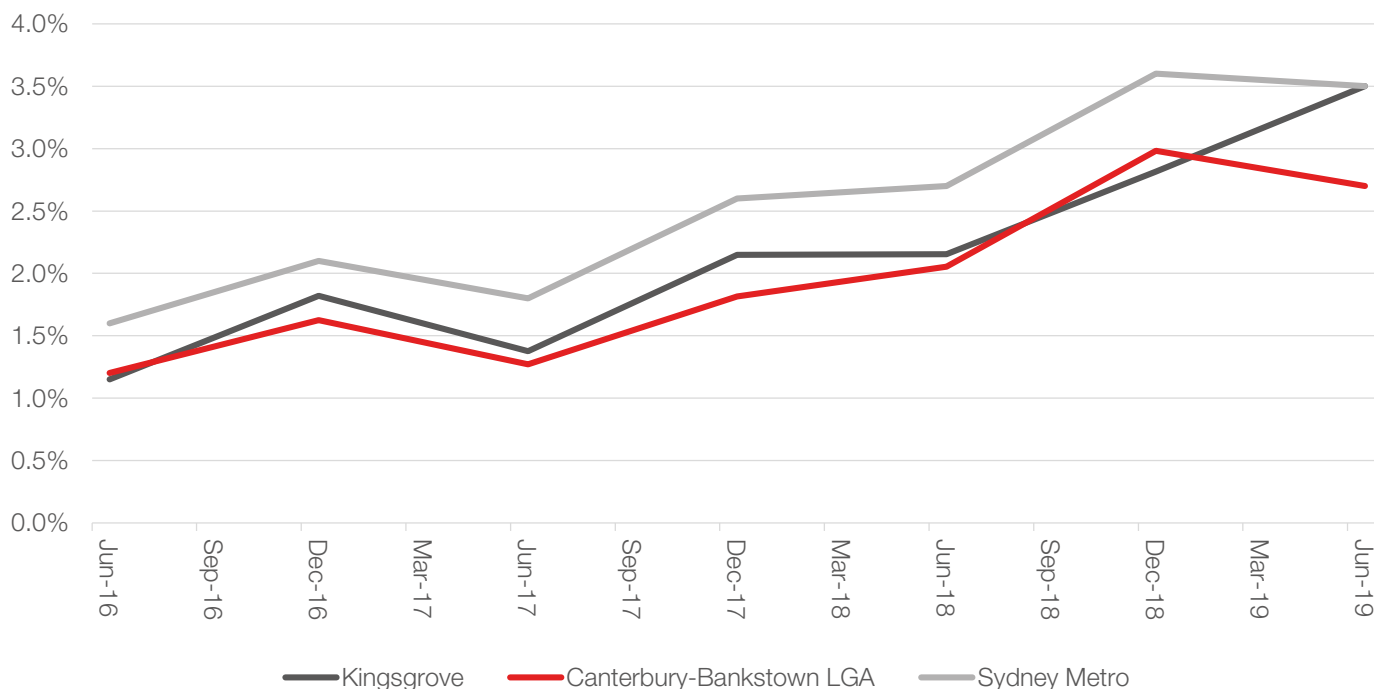
4+ bedroom houses have provided investors with stable rental growth annually, achieving a median rent of \$750 per week.

Kingsgrove* recorded a vacancy rate of 3.5% in June 2019, on-par with Sydney Metro's 3.5% in the same period.

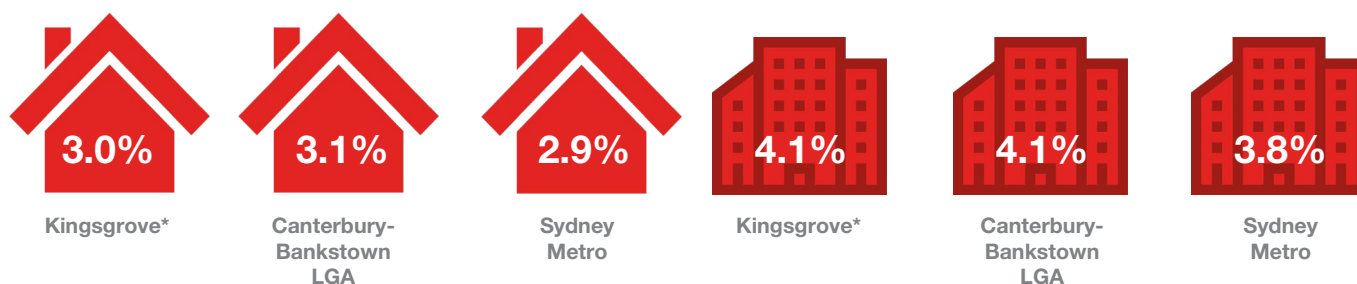
Kingsgrove* vacancy rate have increased over the past 12 months, thus landlords should seek out long term tenants.



RENTAL VACANCY RATES 2019



RENTAL YIELD 2019^

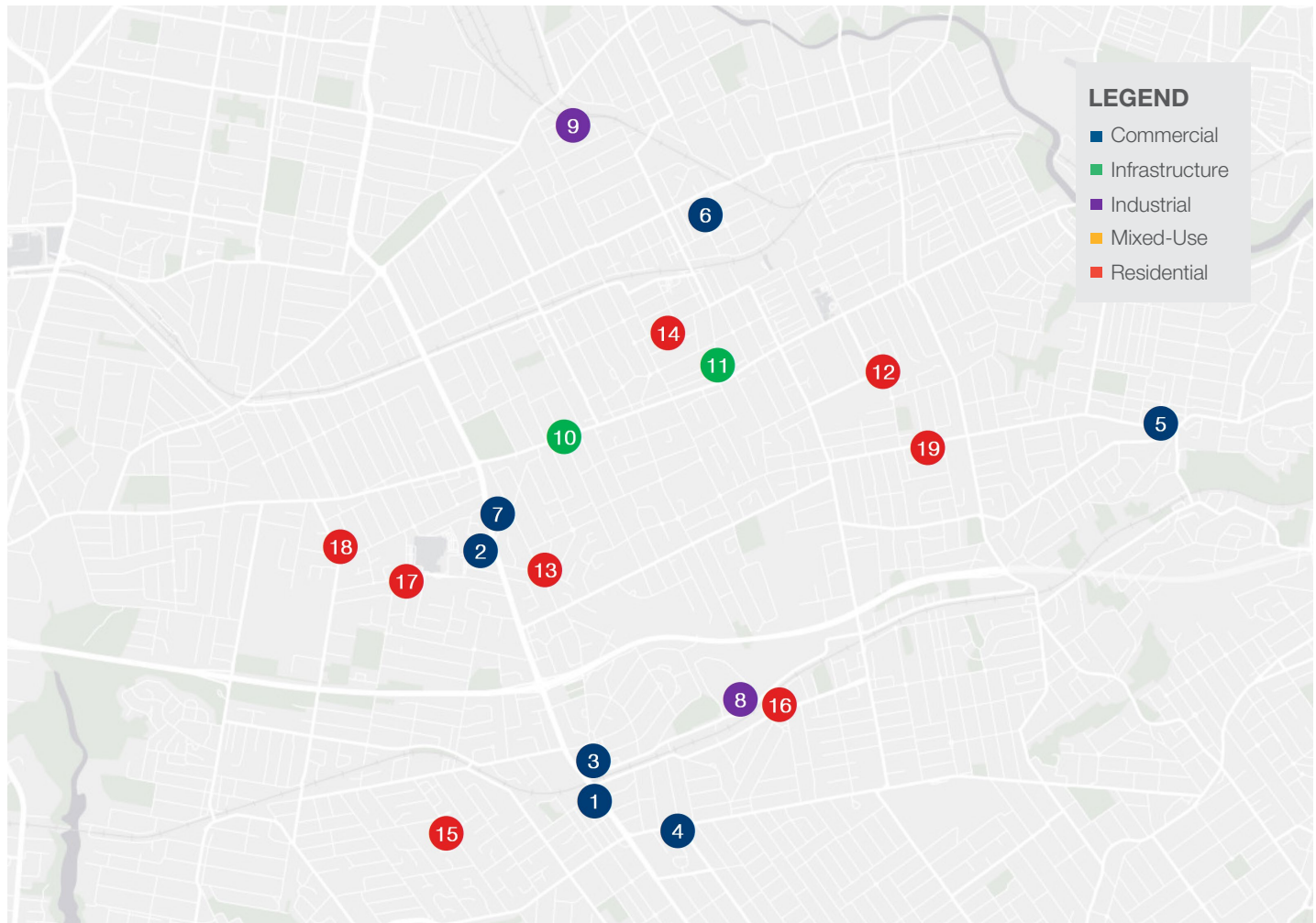


*Rental performance graph represents aggregate house median rent prices within the suburbs Kingsgrove, Roselands, Earlwood, Beverly Hills, Belmore and Clemton Park. Annual rental growth is a comparison between 2018 and 2019 (Q1 – Q3) house median rent figures.

^Rental yields shown are as reported at June 2019.

Source: APM Pricerfinder, SQM Research. © Copyright PRDnationwide 2019.

PROJECT DEVELOPMENT MAP 2ND HALF 2019*



Location	Project**	Type	Estimated Value***	Commence Date****
1	Beverly Hills Hotel	Commercial	\$5,000,000	10/09/2019
2	Roseland Avenue Boarding House	Commercial	\$1,078,000	09/12/2019
3	Tooronga Terrace Boarding House	Commercial	\$916,000	18/10/2019
4	Stoney Creek Road Boarding House	Commercial	\$740,000	12/12/2019
5	KFC Earwood	Commercial	\$400,000	22/07/2019
6	Sudbury Street Boarding House	Commercial	\$183,000	01/09/2019
7	Woolworths Roselands	Commercial	\$175,000	07/10/2019
8	Ewh Food Services	Industrial	\$1,256,000	16/09/2019
9	Hugh St Industrial Development	Industrial	\$1,212,000	19/08/2019
10	Canterbury Road Mixed Use Development (98 Units)	Mixed-use	\$30,950,000	18/11/2019
11	Burwood Road Mixed Development (13 Units)	Mixed-use	\$3,830,000	07/11/2019
12	Alfred Street Units (32 Units)	Residential	\$9,296,000	14/12/2019
13	Stoddart Street Dwellings (17 Dwellings)	Residential	\$4,652,000	15/11/2019
14	Leylands Parade Units (14 Units)	Residential	\$2,900,000	16/09/2019
15	Mountview Avenue Dwellings (6 Dwellings)	Residential	\$2,424,000	05/08/2019
16	Morgan Street Residential Development (4 Townhouses)	Residential	\$2,175,000	28/10/2019
17	Martin Street Townhouses (5 Townhouses)	Residential	\$1,783,000	21/10/2019
18	Bonds Road Townhouses (6 Townhouses)	Residential	\$1,266,000	02/11/2019
19	William Street Townhouses (4 Townhouses)	Residential	\$1,227,000	30/09/2019

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

OUR KNOWLEDGE

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

OUR PEOPLE

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

OUR SERVICES

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



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