



# PANANIA & SURROUNDS MARKET UPDATE 2nd Half 2019



## OVERVIEW

In Q3 2019, Panania\*, which in this report refers to aggregate suburbs of Panania, East Hill, Padstow, Picnic Point, Revesby, and Milperra; recorded a median house price of \$952,500, and a median unit price of \$808,000. This represents annual (Q3 2018 – Q3 2019) price softening of -0.3% for houses and growth of 12.9% for units. Total sales slowed by -12.3% for houses (135 sales) and increased by 186.2% (83) sales. The unit market is strong, whilst the house market is in recovery. Now is the 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

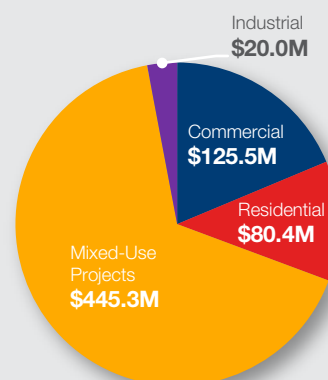


### RENTAL AVERAGE DAYS ON MARKET Q3 2019



## FUTURE DEVELOPMENTS

The Canterbury-Bankstown LGA\* is set to see approximately **\$671.2M worth of new projects commencing in the 2nd half of 2019.**



An emphasis on mixed-use projects will further boost commercial and residential development to ensure sufficient new dwellings for a growing population, which will in turn create employment opportunities locally. A need for investment into infrastructure may arise in the near future, to ensure improved liveability for residents.

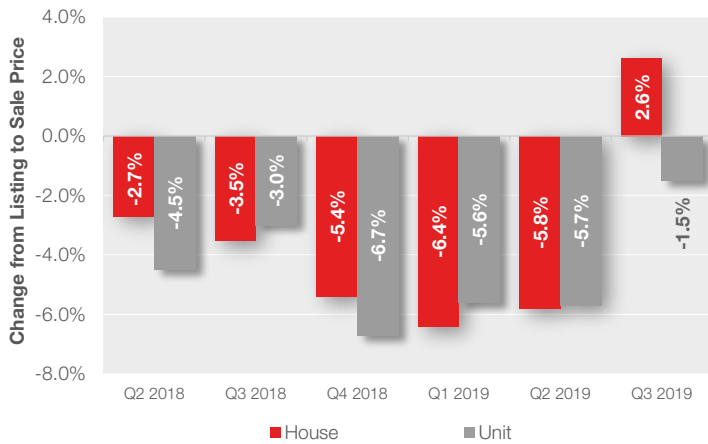
A main commercial development for the 2nd half of 2019 is the Nelson Short Street Seniors Living project (\$70.6M). The project will develop 6 buildings featuring an aged care facility with 84 beds, as well as 157 independent living units. A key mixed-use project for the period is Poly Bankstown (\$215.4M). The project will create 516 apartments, as well as commercial tenancies and a child care centre.



\*Panania market data and key indicators encapsulates aggregate property market conditions within the suburbs Panania, East Hill, Padstow, Picnic Point, Revesby and Milperra.  
\*\*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 Pricerfinder, 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.



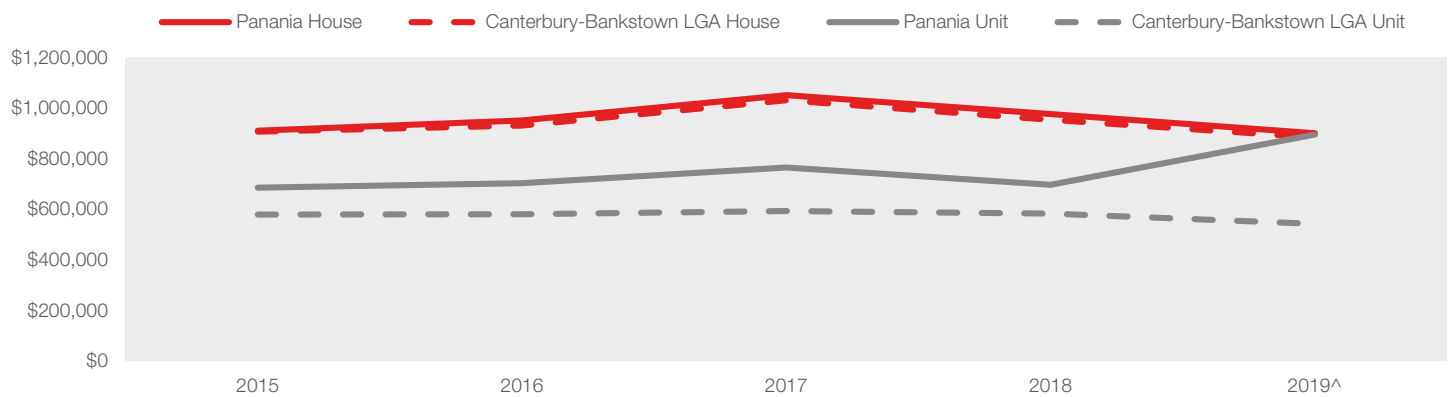
## KEY COMMENTS

Average vendor discounts between Q3 2018 and Q3 2019 have swung to a premium of 2.6% for houses and tightened to -1.5% for units. Market conditions in Panania\* and its surrounds have shifted to favour sellers, particularly house sellers as they achieve final sale prices above initial list price. Unit buyers can enjoy a discount, but need to act quickly.

The suburb of Panania has historically outperformed the wider Canterbury-Bankstown Local Government Area (LGA), marginally in houses and more so in units. 2019<sup>^</sup> has seen a significant widening of this gap in the unit market, suggesting Panania is now positioned as a truly premium unit market.

The dominant proportion of houses sold in Panania\* and its surrounds across 2019<sup>^</sup> were in the mid-range price of \$850,000-\$950,000 (27.7%). Units recorded a dominant lower-end price point of \$600,000-\$700,000 (25.0%). Limited stock was available below these price brackets, thus first home buyers should act while affordable stock is available.

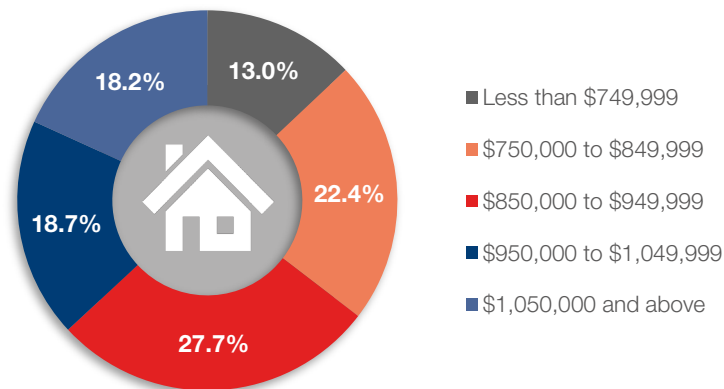
## MARKET COMPARISON



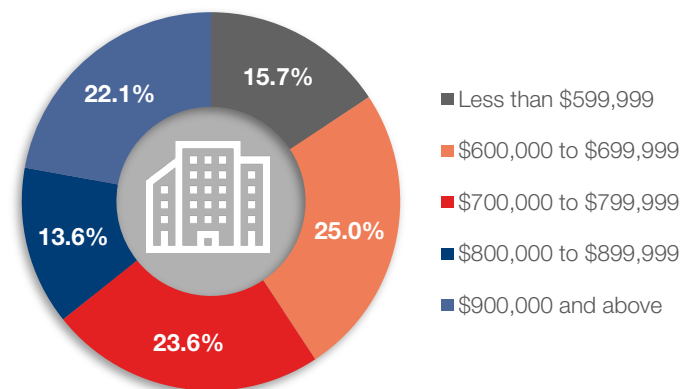
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled were chosen based on their proximity to the main suburb analysed, which is Panania.

## PRICE BREAKDOWN 2019<sup>^</sup>

### HOUSES SOLD



### UNITS SOLD

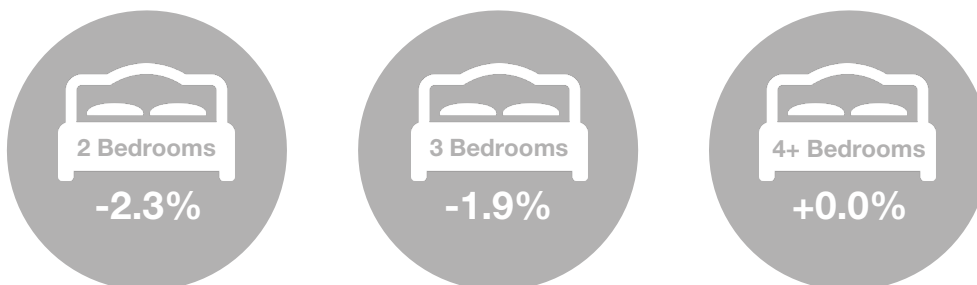


## RENTAL GROWTH 2019\*

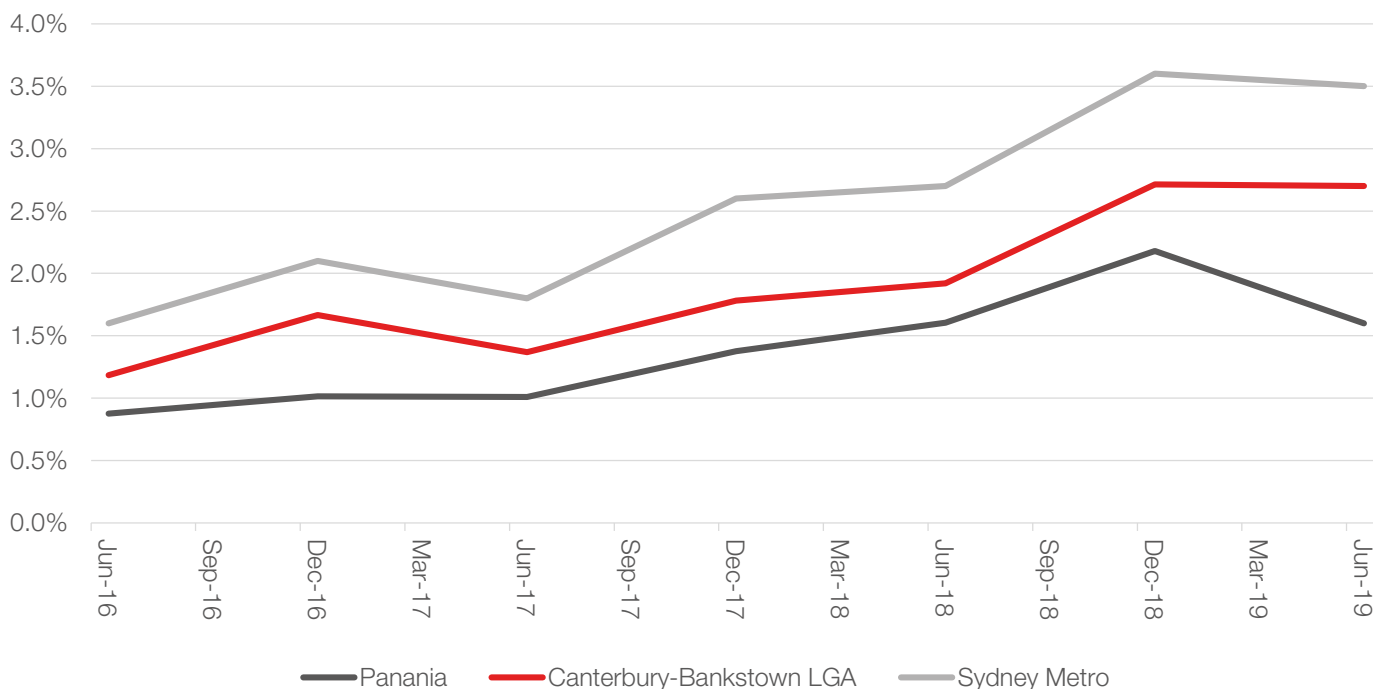
Over the past 12 months, house rental yields in Panania\* and its surrounds increased slightly to reach 3.3% in June 2019; above Sydney Metro's 2.9%. This suggests the house rental market is in a healthy position, as does the decrease in average days for houses to let across the same time period (down by -7.4% to 25 days in the 12 months to Q3 2019).

4+ bedroom houses have provided investors stable rental returns annually, achieving a median rent of \$680 per week.

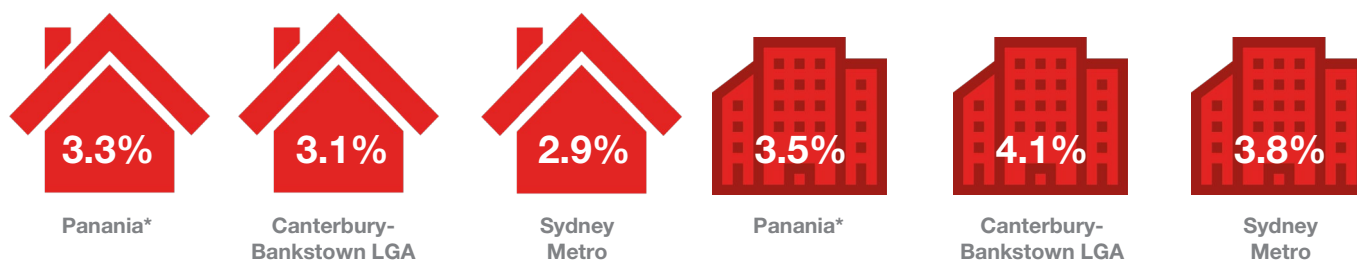
Panania\* and its surrounds recorded a vacancy rate of 1.6% in June 2019, representing a declining trend over the past 6 months and is well below Sydney Metro's 3.5% average. This confirms there is a solid rental demand within the area.



## RENTAL VACANCY RATES 2019



## RENTAL YIELD 2019^

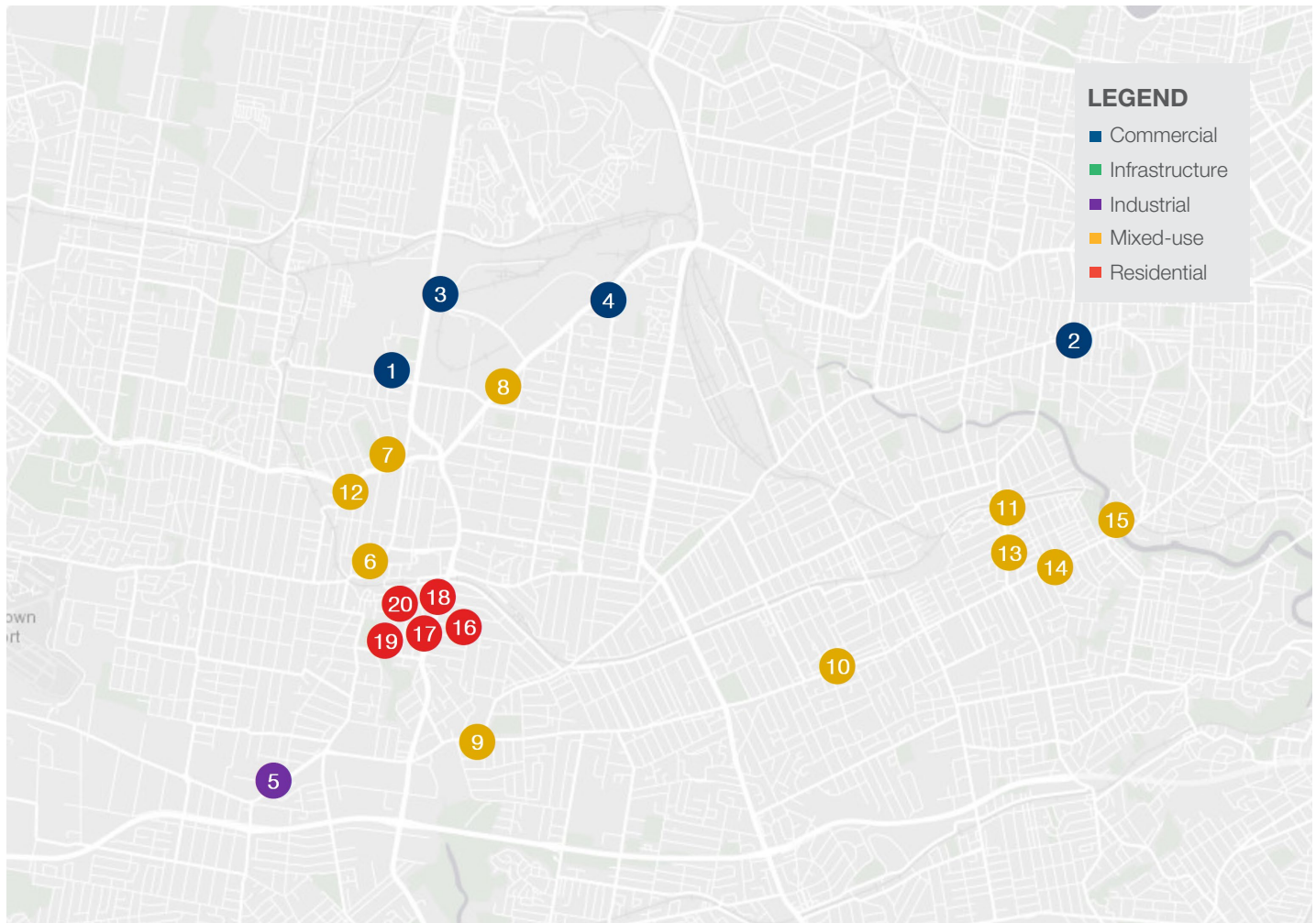


\*Rental performance graph represents aggregate house median rent prices within the suburbs Panania, East Hill, Padstow, Picnic Point, Revesby and Milperra. Annual rental growth is a comparison between 2018 and 2019 (Q1 - Q3) house median rent figures.

^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	Nelson Short Street Seniors Living Development	Commercial	\$70,636,000	18/11/2019
2	Moore College Croydon Park Campus	Commercial	\$31,253,000	22/07/2019
3	RSPCA NSW Centre	Commercial	\$13,000,000	03/11/2019
4	Suttons Motors Vehicle Storage & Workshop	Commercial	\$10,600,000	07/12/2019
5	The Mavis Quad	Industrial	\$20,000,000	16/12/2019
6	Poly Bankstown (516 Apartments)	Mixed-use	\$215,433,000	04/11/2019
7	Hume Highway Mixed Use Development – Virtu (290 Units)	Mixed-use	\$69,000,000	27/09/2019
8	Hillcrest Avenue & Hume Highway Mixed Development – Eden (177 Apartments, 14 Townhouses)	Mixed-use	\$48,863,000	03/10/2019
9	Canterbury Road Mixed Development (78 Units)	Mixed-use	\$19,600,000	26/08/2019
10	Canterbury Rd Mixed Development (52 Apartments)	Mixed-use	\$18,622,000	27/11/2019
11	South Parade Shop Top Housing (68 Apartments)	Mixed-use	\$17,569,000	15/07/2019
12	Hume Hwy Mixed Use Development Site (Undisclosed Volume)	Mixed-use	\$16,000,000	01/07/2019
13	Beamish Street Mixed Use Development (47 Units)	Mixed-use	\$14,204,000	21/10/2019
14	Canterbury Rd Mixed Development (58 Apartments)	Mixed-use	\$14,047,000	16/09/2019
15	Charles Street Mixed Development (35 Units)	Mixed-use	\$11,934,000	29/07/2019
16	Stacey Street Units (85 Units)	Residential	\$23,611,000	01/12/2019
17	Percy St Apartments (60 Apartments)	Residential	\$17,355,000	11/11/2019
18	Cross St & Stanley St Units (70 Units)	Residential	\$16,429,000	11/07/2019
19	Leonard Street Units (48 Units)	Residential	\$12,000,000	06/08/2019
20	Leonard Street Apartments (44 Apartments)	Residential	\$11,000,000	10/12/2019

## 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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