



Penrith Market Update 1st Half 2020



OVERVIEW

In Q1 2020, Penrith* recorded a median house price of \$700,000, and a median unit price of \$480,000. This represents annual (Q1 2019 – Q1 2020) median price growth of 8.5% for houses and of 3.2% for units. Between Q1 2019 – Q1 2020 total house sales slowed, by -14.4% to 404 sales, while total unit sales increased by 64.2% to 243 sales. With both median prices showing positive growth despite varying sales volumes, the Penrith* property market is showing high resilience. Now is an ideal time to transact in the market.

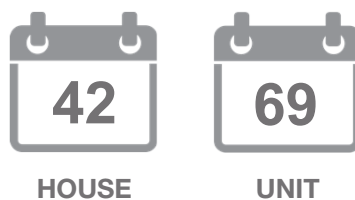
	CHANGE FROM LAST	YEAR	HALF YEAR
	House Sales	↓	↓
	House Median Price	↑	↑
	House Rental Price	↔	↔
	Unit Sales	↑	↓
	Unit Median Price	↑	↑
	Unit Rental Price	↓	↓

MARKET CONDITIONS

SALES MEDIAN PRICE Q1 2020



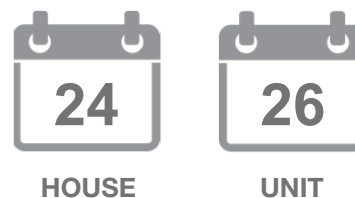
SALES AVERAGE DAYS ON MARKET Q1 2020



RENTAL MEDIAN PRICE Q1 2020

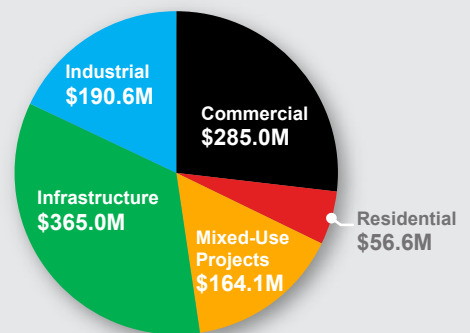


RENTAL AVERAGE DAYS ON MARKET Q1 2020



FUTURE DEVELOPMENTS

Penrith* is set to see approximately **\$1.1B** worth of new projects commencing in the 1st half of 2020.



A well balanced and healthy mix of different project types will continue to support Penrith's local economic growth, whilst adding needed housing stock to cater for the current demand.

A main commercial project in 1st half 2020 period is Twin Creeks Resort (\$98.9M). Stage 1 will see a 12-storey building featuring 165 hotel rooms, day spa, gymnasium, resort shop and convenience store, function facilities, bar, and a pool. Major infrastructure works such as Mulgoa Road Upgrade (\$260.0M) will prove beneficial to residents. Residential projects such as Lord Sheffield Circuit Apartments (\$32.9M, 173 apartments) will help ensure enough dwellings are created to allow for ongoing local population growth.

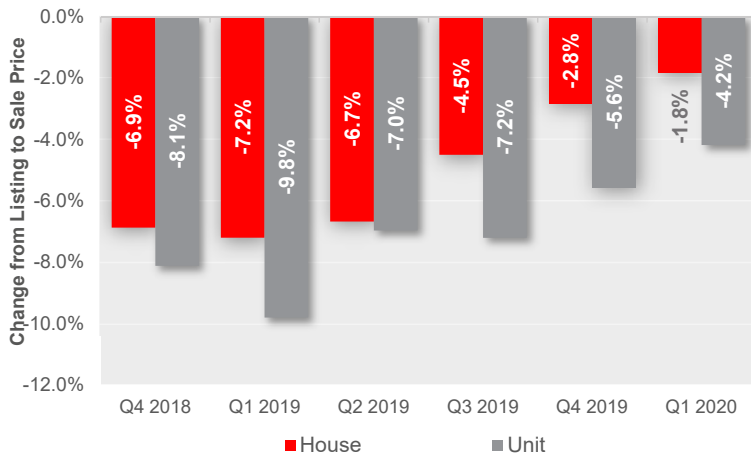


*Penrith market data and key indicators encapsulates aggregate property market conditions within the Penrith Local Government Area.
 **Estimated values are based on construction value provided by the relevant data authority and does not reflect commercial and/or re-sale value.
 Source: APM Pricefinder, Cordell Connect database. © Copyright PRD 2020.

AVERAGE VENDOR DISCOUNT* KEY COMMENTS

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.

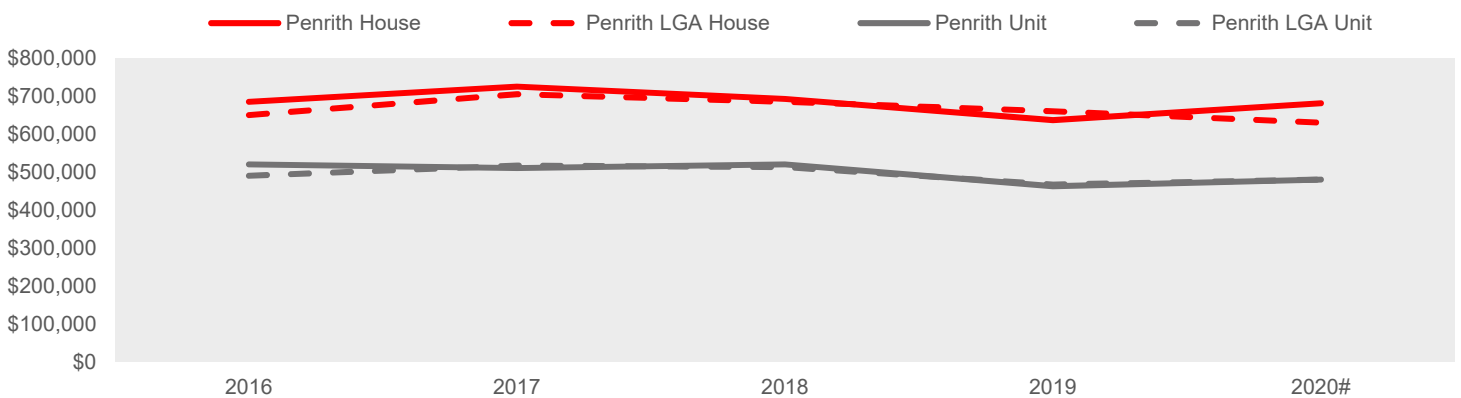
Average vendor discounts between Q1 2019 and Q1 2020 have tightened for both property types, to -1.8% for houses and -4.2% for units. Market conditions in Penrith* offers a unique opportunity, as sellers can now achieve final sale prices closer to their first list price, yet buyers can still benefit from a discount.



The suburb of Penrith has historically remained very close to the wider Penrith Local Government Area (LGA) in both house and unit median prices. This said, 2020# has seen a widening in the gap between house median prices, with the suburb emerging as a more premium market.

The dominant proportion of homes sold in Penrith* across 2019^ were priced below \$600,000 (28.9%), while units recorded a dominant price point of below \$400,000 (26.3%). Penrith* remains a highly affordable market, which is good news for first home buyers.

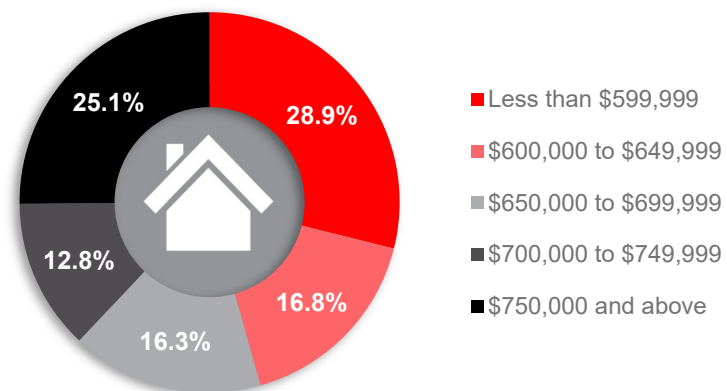
MARKET COMPARISON



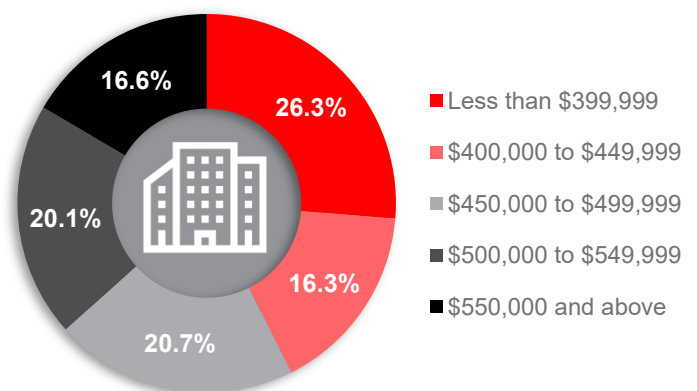
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Penrith.

PRICE BREAKDOWN 2019^

HOUSES SOLD



UNITS SOLD

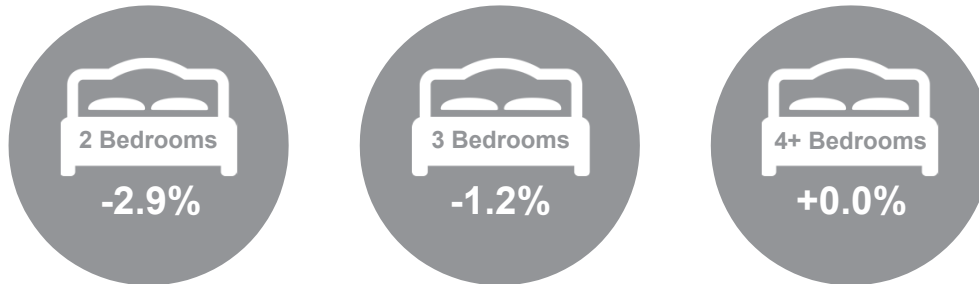


RENTAL GROWTH 2019*

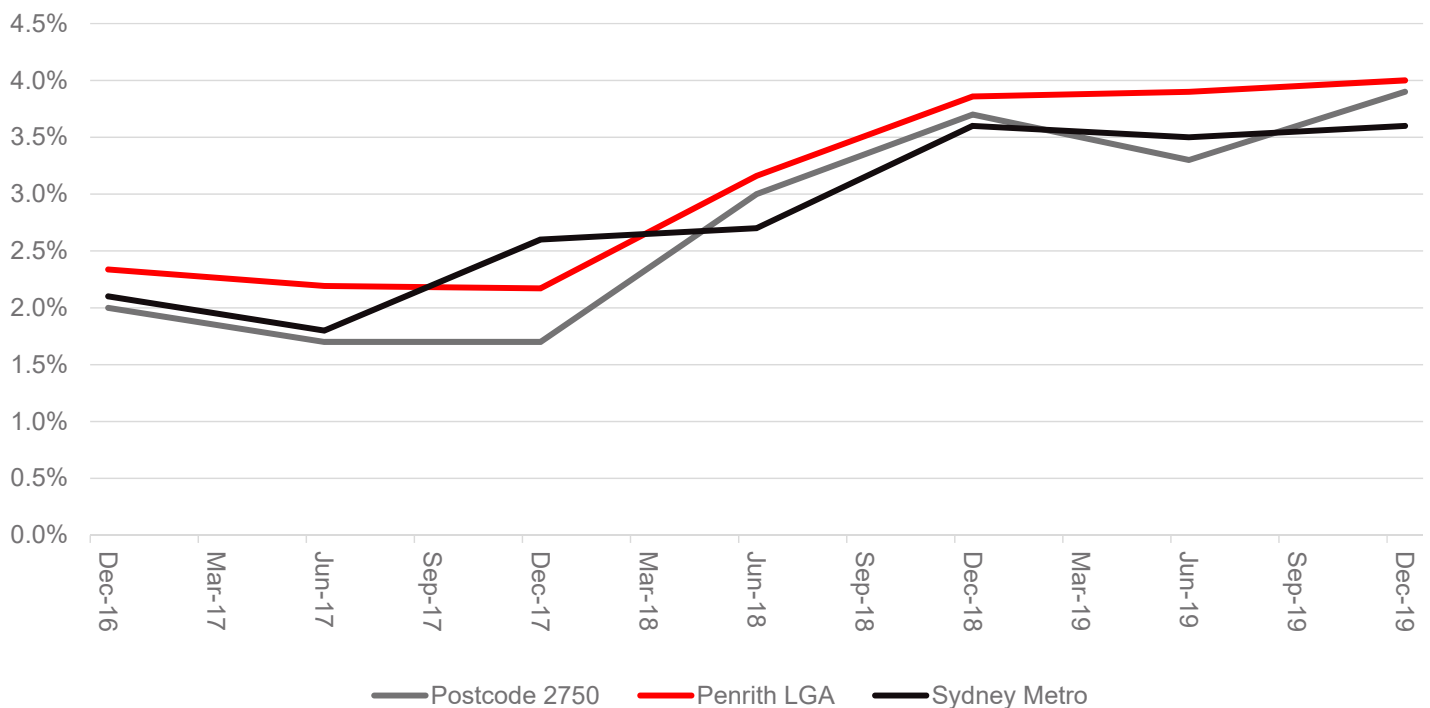
Over the past 12 months, house rental yields in Postcode 2750 tightened slightly to reach 3.1% in December 2019. This sees the house rental market in a relatively healthy position, particularly when compared with the wider Sydney Metro, which recorded a house rental yield of 2.7%. Unit rental yields for Postcode 2750 was 4.3% in December 2019, well above that of Sydney Metro (3.6%).

4+ bedroom houses provided investors with stable rental returns annually, achieving a median rent of \$550 per week.

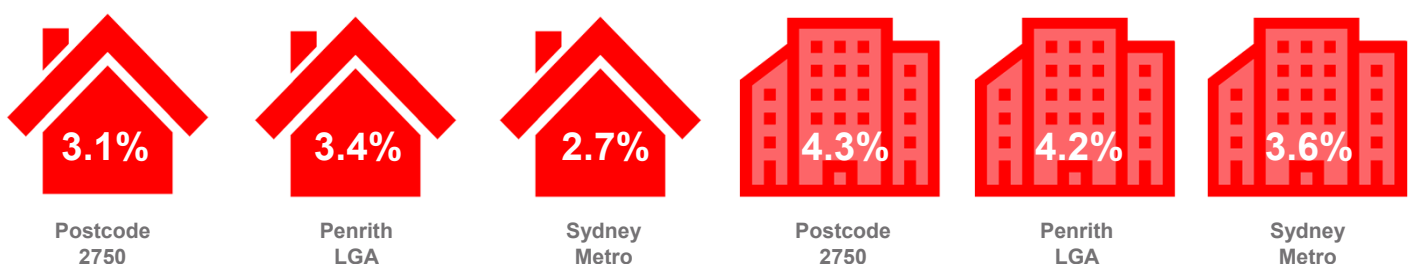
Postcode 2750 recorded a vacancy rate of 3.9% in December 2019, which has shown an increasing trend over the past 12 months and is slightly above Sydney Metro's 3.6% average for the same period. Investors may wish to seek to sign tenants on longer leases for increased cashflow security.



RENTAL VACANCY RATES 2019



RENTAL YIELD 2019^

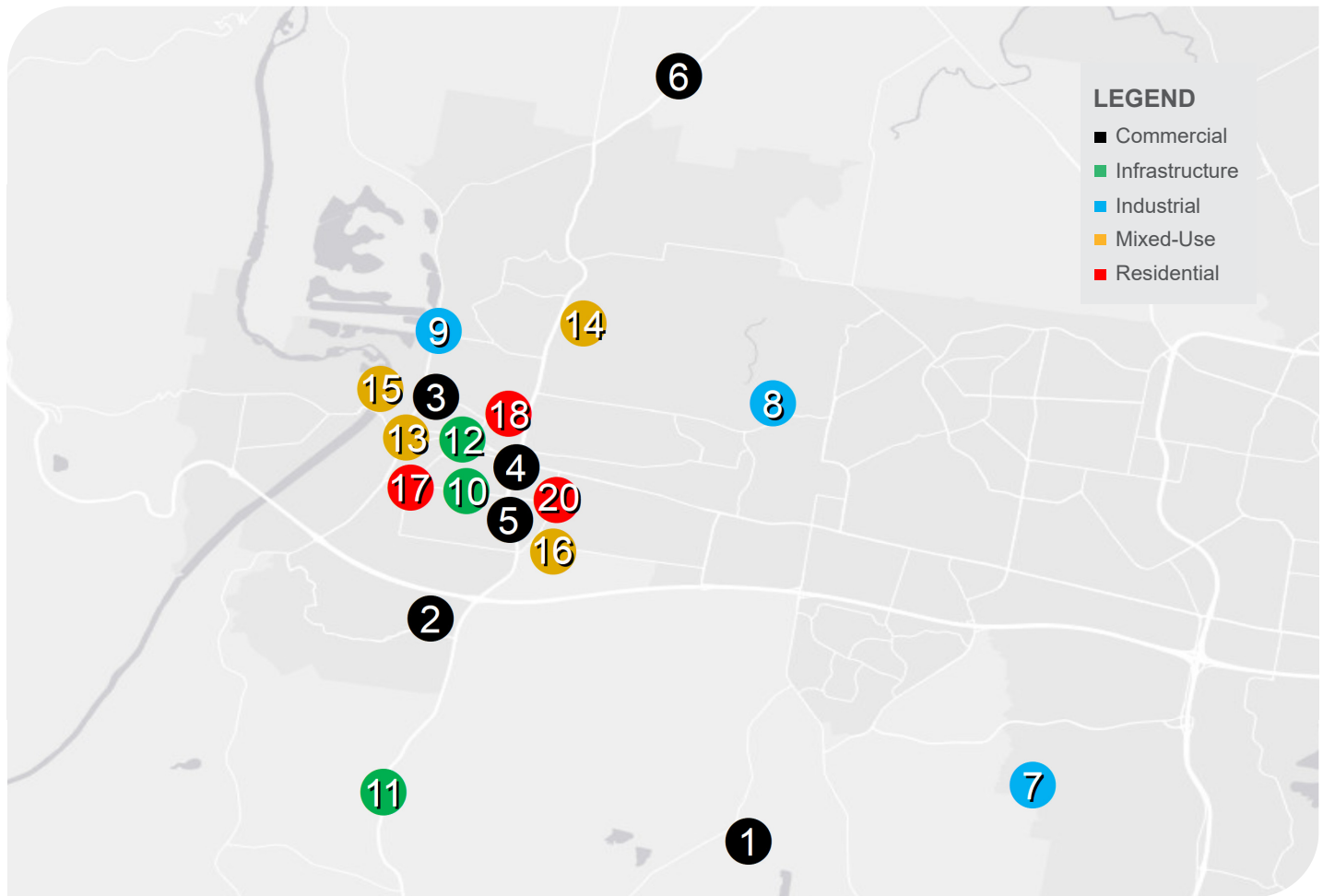


*Rental performance graph represents aggregate house median rent prices within the Penrith Local Government Area. Annual rental growth is a comparison between 2018 and 2019 house median rent figures.

^Rental yields shown are as reported at December 2019.

Source: APM Pricerfinder, SQM Research. © Copyright PRD 2020.

PROJECT DEVELOPMENT MAP 1ST HALF 2020*



Location	Project**	Type	Estimated Value***	Commence Date****
1	Twin Creeks Resort	Commercial	\$98,888,000	10/04/2020
2	Garswood Road Seniors Living Development	Commercial	\$59,298,000	20/06/2020
3	50 Belmore	Commercial	\$50,150,000	02/06/2020
4	Nepean Private Hospital	Commercial	\$29,913,000	16/03/2020
5	Nepean Health Hub	Commercial	\$26,712,000	13/01/2020
6	Elf Mushroom Farm	Commercial	\$20,000,000	16/01/2020
7	Oakdale South Industrial Estate - Overall Masterplan	Industrial	\$175,546,000	28/06/2020
8	Borg Manufacturing	Industrial	\$9,600,000	28/06/2020
9	The Lakes Business Park	Industrial	\$5,453,000	02/04/2020
10	Mulgoa Road Upgrade	Infrastructure	\$260,000,000	28/06/2020
11	Naval Guided Weapons Maintenance Facilities (NGWMF)	Infrastructure	\$75,000,000	28/05/2020
12	Soper Place Office & Carpark	Infrastructure	\$30,000,000	08/06/2020
13	High Street & Union Road - Penway Place Stages 1 & 2 (187 Apartments)	Mixed-use	\$63,505,000	21/06/2020
14	Parklands Estate (201 Apartments)	Mixed-use	\$55,472,000	16/05/2020
15	Lord Sheffield Circuit Mixed Use Development - Sheffield Quarter (141 Units)	Mixed-use	\$33,154,000	30/04/2020
16	Park Avenue Mixed Use Development (50 Apartments)	Mixed-use	\$12,000,000	01/04/2020
17	Lord Sheffield Circuit Apartments (173 Apartments)	Residential	\$32,951,000	09/04/2020
18	Fulton St Units - Abode Apartments (39 Units)	Residential	\$9,600,000	23/05/2020
19	Charlotte Street Dwellings (27 Dwellings)	Residential	\$7,979,000	01/02/2020
20	Santley Crescent Apartments (23 Apartments)	Residential	\$6,036,000	26/04/2020

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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