



Kingsgrove Market Update 1st Half 2020



OVERVIEW

In Q1 2020, Kingsgrove* recorded a median house price of \$1,270,000, and a median unit price of \$547,500. This represents annual (Q1 2019 – Q1 2020) median price growth of 27.0% for houses and 4.3% growth for units. During Q1 2019 – Q1 2020 house sales slowed by -14.3% to 66 sales, while unit sales increased by 26.9% to 33 sales. Despite lower volumes, house capital growth has gone from strength to strength; and there is real capital growth in the unit market. Now is a good time to own property in Kingsgrove*.

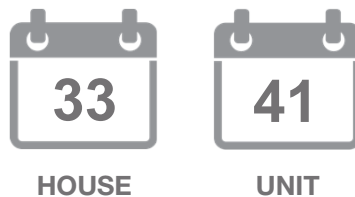
	CHANGE FROM LAST	YEAR	HALF YEAR
	House Sales	↓	↓
	House Median Price	↑	↑
	House Rental Price	↔	↑
	Unit Sales	↑	↓
	Unit Median Price	↑	↓
	Unit Rental Price	↓	↑

MARKET CONDITIONS

SALES MEDIAN PRICE Q1 2020



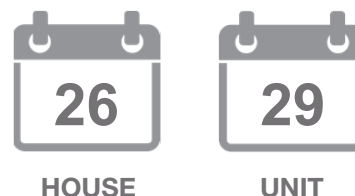
SALES AVERAGE DAYS ON MARKET Q1 2020



RENTAL MEDIAN PRICE Q1 2020

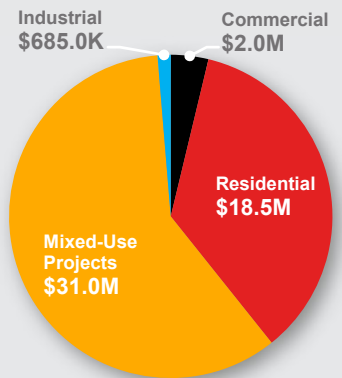


RENTAL AVERAGE DAYS ON MARKET Q1 2020



FUTURE DEVELOPMENTS

Kingsgrove* is set to see an estimated **\$52.1M** worth of new projects commencing in the 1st half of 2020.



These projects will stimulate economic growth and create new employment opportunities in Kingsgrove*, which are set to have a positive spill-over impact on the real estate market.

A key project over the 1st half 2020 period is the \$31.0M Canterbury Road Mixed Use Development. The project is set to create 98 units and a retail tenancy across 7 levels. Residential developments such as Chapel Street Units (\$8.5M, 20 units) are vital to ensure population growth in Kingsgrove* is supported by new dwelling stock.

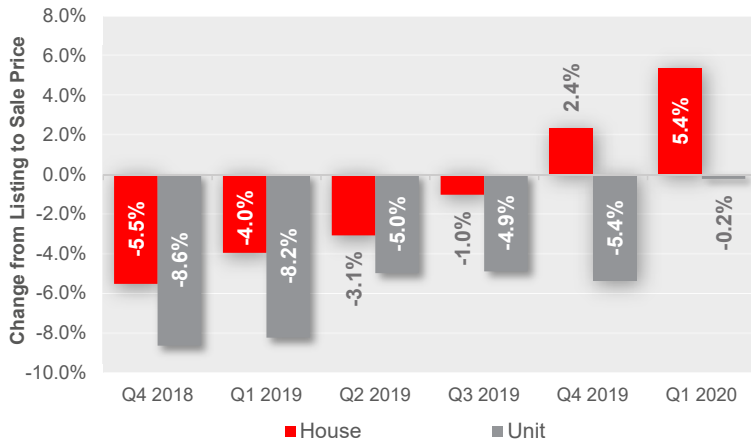


*Kingsgrove market data and key indicators encapsulates aggregate property market conditions within the suburbs Kingsgrove, Roselands, Earlwood, Beverly Hills, Belmore and Clemton Park.
**Estimated values are based on construction value provided by the relevant data authority and does not reflect commercial and/or re-sale value.
Source: APM 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.

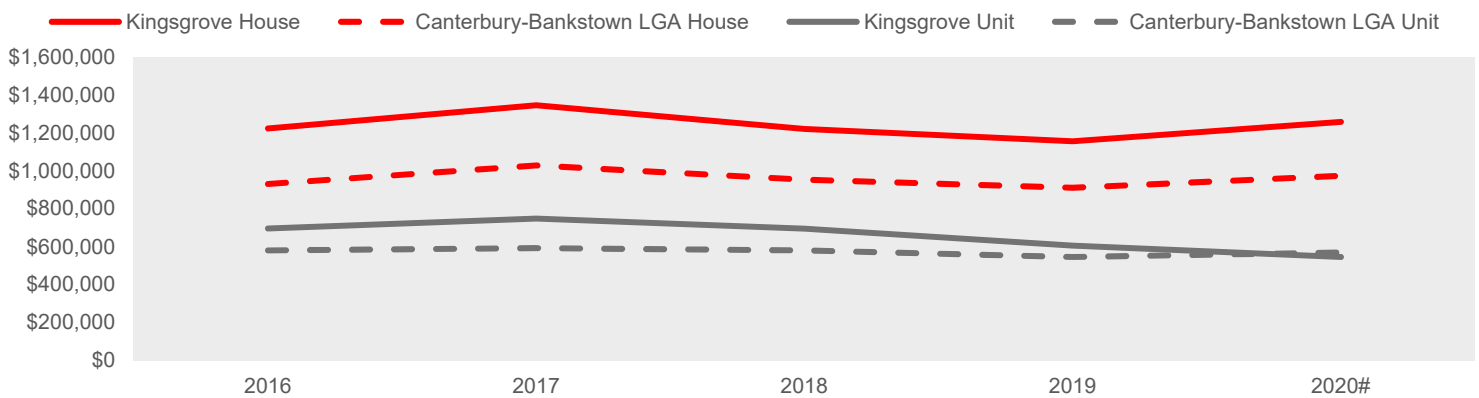
Average vendor discounts between Q1 2019 and Q1 2020 have tightened for both property types, to a premium of 5.4% for houses and to just -0.2% for units. Market conditions in Kingsgrove* have strongly shifted to more favour sellers, where buyers are willing to offer above the initial listing price. Now is a great time to sell.



The suburb of Kingsgrove has historically outperformed the wider Canterbury-Bankstown LGA in both house and unit median prices. This said, in 2020# the gap between unit prices has narrowed into a reversal, where Kingsgrove* is now more affordable than the wider LGA, while houses continue to be a premium market.

The largest portion of homes sold in Kingsgrove* in 2019^ were priced from \$900,000-\$1,100,000 (24.7%), while the dominant unit price point was \$400,000-\$500,000 (27.8%). This shows there is a property for every budget in Kingsgrove*.

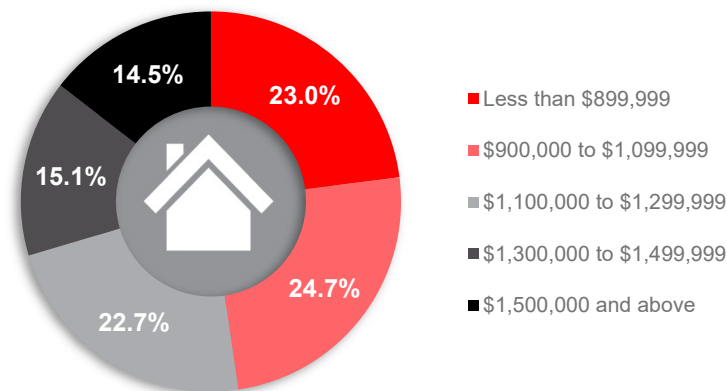
MARKET COMPARISON



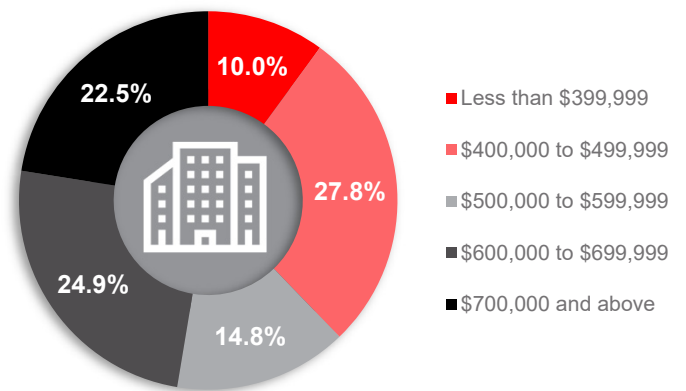
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled were chosen based on their proximity to the main suburb analysed, which is Kingsgrove.

PRICE BREAKDOWN 2019^

HOUSES SOLD



UNITS SOLD

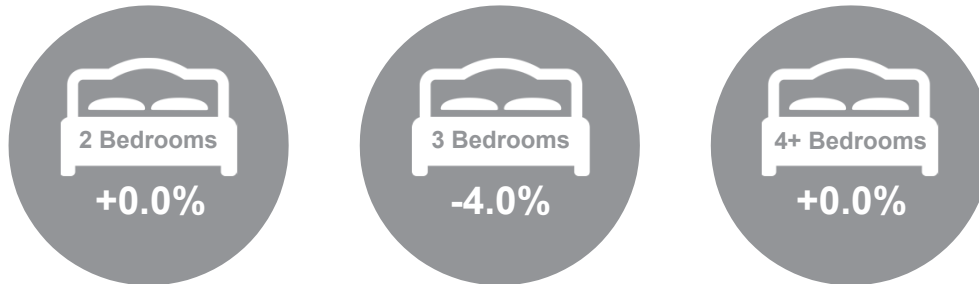


RENTAL GROWTH 2019*

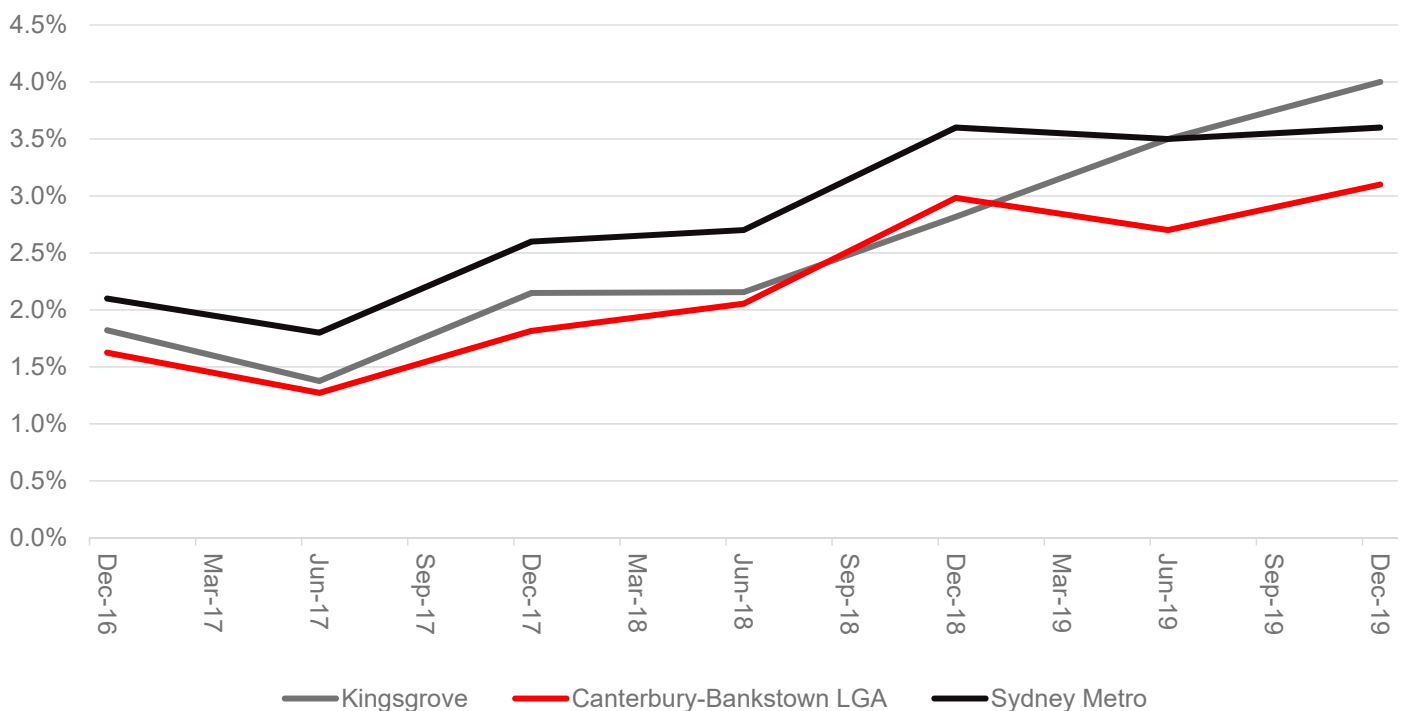
Over the past 12 months, house rental yields in Kingsgrove* increased slightly to 3.0% in December 2019. Kingsgrove* house rental yield is slightly above the Sydney Metro average (2.7%). So despite a slight softening in demand for rental properties in the area (down by -17.2% in the 12 months to Q1 2020), there are still healthy returns for investors.

2 and 4+ bedroom houses provided investors with stable rental returns annually, which builds further confidence.

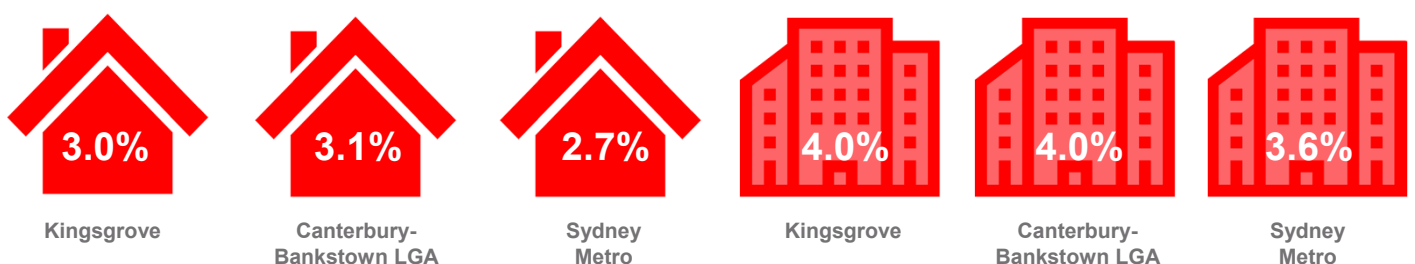
Kingsgrove recorded a vacancy rate of 4.0% in December 2019, which is slightly above Sydney Metro's 3.6% average. This is not a surprise, considering the increase in both house and unit sales over the past 12 months. Thus investors may wish to consider signing tenants for longer leases to ensure cashflow security.



RENTAL VACANCY RATES 2019



RENTAL YIELD 2019^

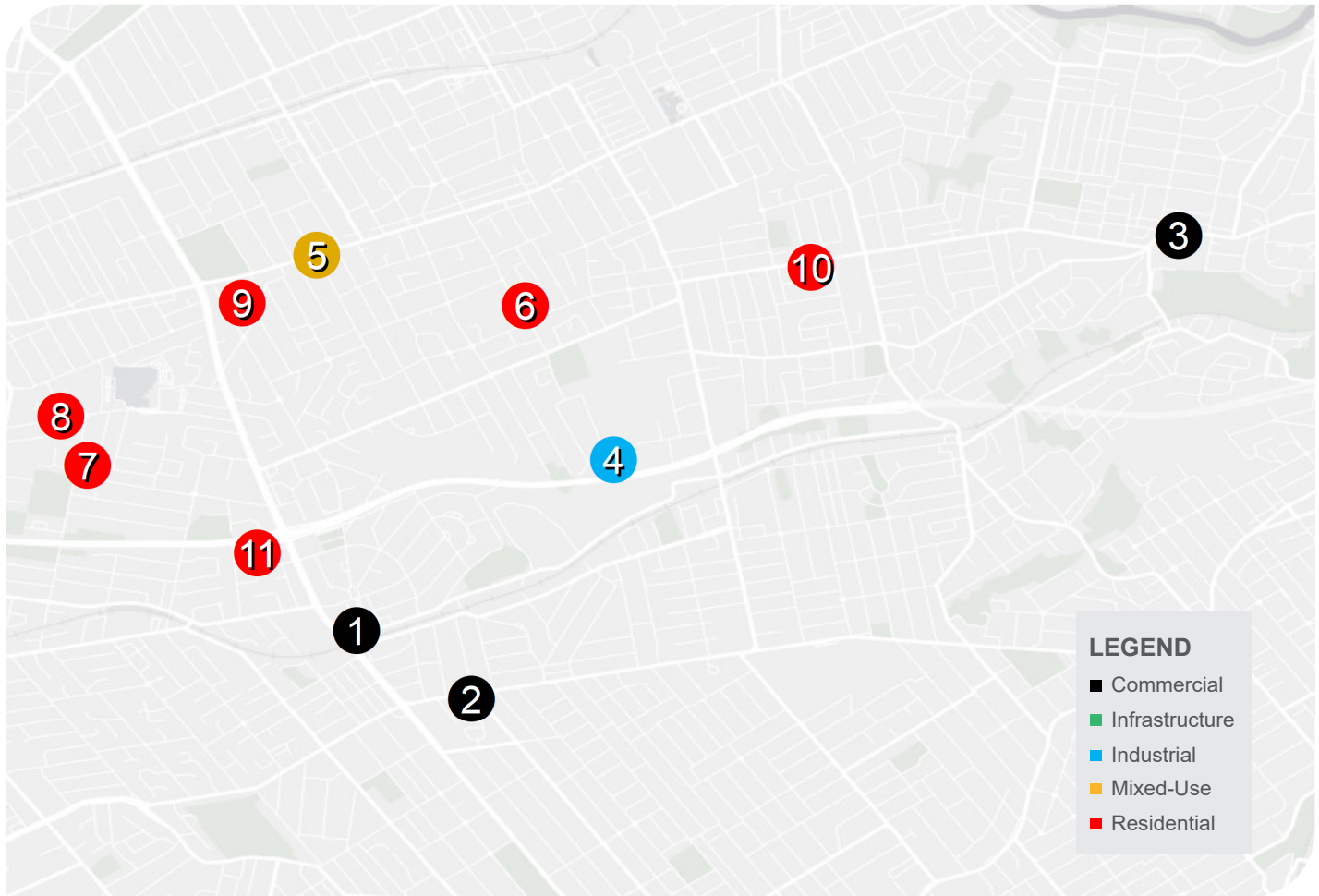


*Rental performance graph represents aggregate house median rent prices within the suburbs Kingsgrove, Roselands, Earlwood, Beverly Hills, Belmore and Clemton Park. Annual rental growth is a comparison between 2018 and 2019 house median rent figures.

^Rental yields shown are as reported at December 2019.

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

PROJECT DEVELOPMENT MAP 1ST HALF 2020*



LEGEND

- Commercial
- Infrastructure
- Industrial
- Mixed-Use
- Residential

Location	Project**	Type	Estimated Value***	Commence Date****
1	Tooronga Terrace Boarding House	Commercial	\$916,000	14/03/2020
2	Stoney Creek Road Boarding House	Commercial	\$740,000	01/01/2020
3	Earlwood Pizza Shop - Fire Damage	Commercial	\$300,000	06/04/2020
4	Optic Fibre Lighting Warehouse	Industrial	\$685,000	04/02/2020
5	Canterbury Road Mixed Use Development (98 Units)	Mixed-use	\$30,950,000	27/04/2020
6	Chapel Street Units (20 Units)	Residential	\$8,540,000	08/02/2020
7	Karne St Townhouses (12 Townhouses)	Residential	\$3,438,000	06/04/2020
8	Karne St Townhouses (10 Townhouses)	Residential	\$2,500,000	15/02/2020
9	Nicoll Street Dwellings (4 Dwellings)	Residential	\$1,597,000	22/05/2020
10	William Street Townhouses (4 Townhouses)	Residential	\$1,227,000	18/03/2020
11	Midlothian Ave Dwellings (7 Dwellings)	Residential	\$1,200,000	01/04/2020

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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