



Panania & Surrounds Market Update 1st Half 2020



OVERVIEW

In Q1 2020, Panania* recorded a median house price of \$1,000,000, and a median unit price of \$822,500. This represents annual (Q1 2019 – Q1 2020) median price growth of 17.0% for houses and 25.6% for units. Between Q1 2019 – Q1 2020 total house sales slowed by -25.8% to 98 sales, whilst unit sales increased by 60.0% to 40 sales. With median price growing strong despite mixed sales activity (i.e in the number sales), there is high resilience in the Panania* market and now is an ideal time to transact.

	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

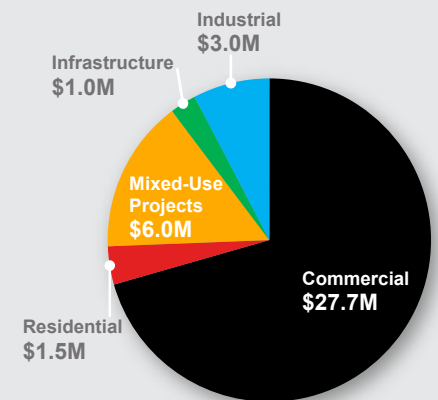


RENTAL AVERAGE DAYS ON MARKET Q1 2020



FUTURE DEVELOPMENTS

Panania* is set to see approximately **\$39.2M** worth of new projects commencing in the 1st half of 2020.



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

A main mixed-use project over the 1st half 2020 period is Iberia Street Mixed-Use Development (\$3.5M), which will see the construction of 10 two, three-bedroom units, and a child care centre. The \$18.0M commercial development Sterequip Reprocessing Facility/ CSSD will see the creation of a reprocessing and sterilization facility for used medical instruments. Projects such as this create new job opportunities locally. Resident projects such as the \$1.5M Albert Street Dwellings (6 dwellings) will help ensure future population has sufficient housing.



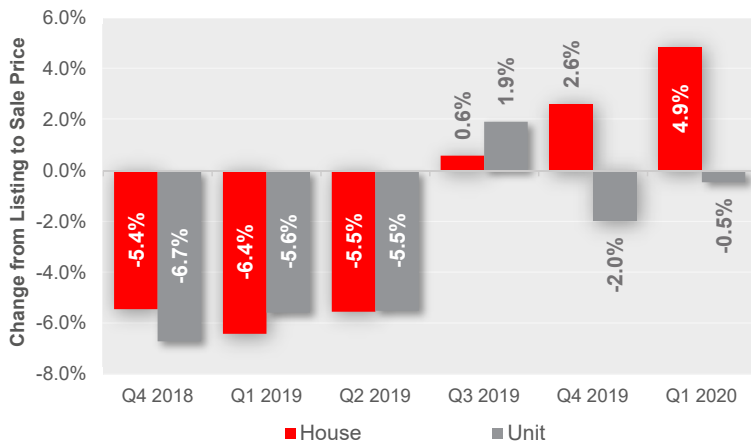
*Panania market data and key indicators encapsulates aggregate property market conditions within the suburbs Panania, East Hill, Padstow, Picnic Point, Revesby and Milperra.

**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 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.

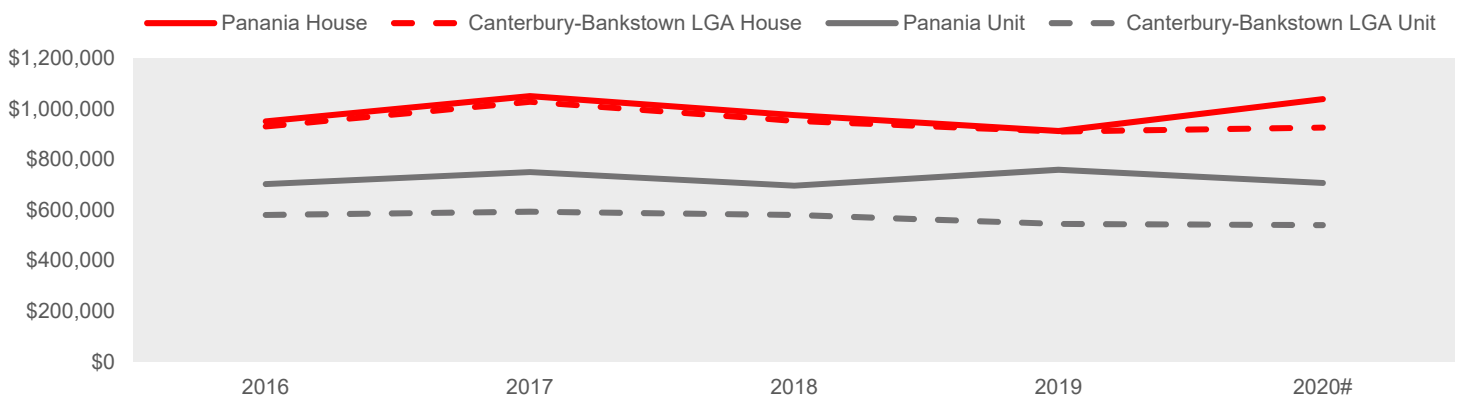
Average vendor discounts between Q1 2019 and Q1 2020 have swung to premium of 4.9% for houses and tightened to just -0.5% for units. Market conditions in Panania* continue to further favour vendors, with sales achieving figures above or extremely close to their initial list prices. Now is the time to sell.



The suburb of Panania has historically outperformed the wider Canterbury-Bankstown Local Government Area (LGA) in both house and unit median prices. This generally has continued to be the case in 2020# to date.

The dominant proportion of homes sold in Panania* across 2019^ were in the middle range pricing of \$900,000-\$1,000,000 (25.8%). Units also recorded a dominant middle price point of \$700,000-\$800,000 (28.6%). Despite high capital growth in prices in the past 12 months the Panania* market appears to favour more affordable price segments, good news for buyers.

MARKET COMPARISON

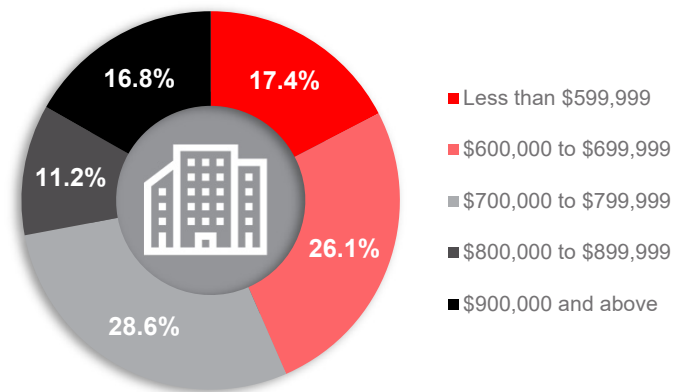
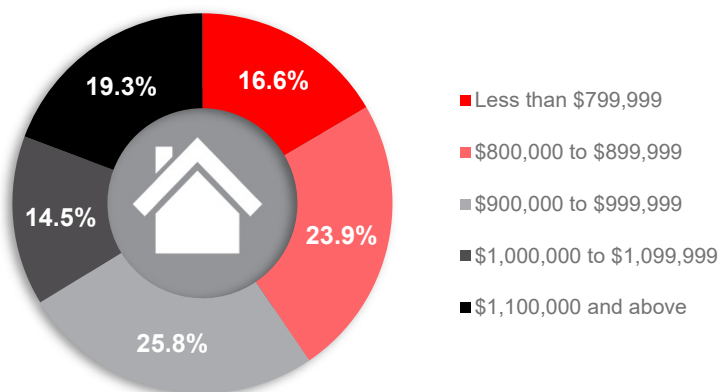


The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Panania.

PRICE BREAKDOWN 2019^

HOUSES SOLD

UNITS SOLD

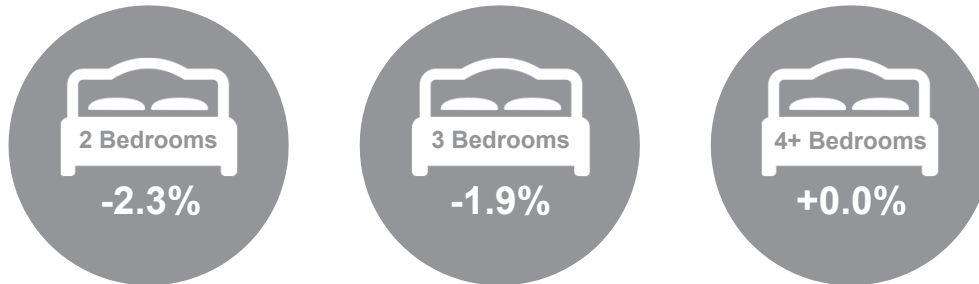


RENTAL GROWTH 2019*

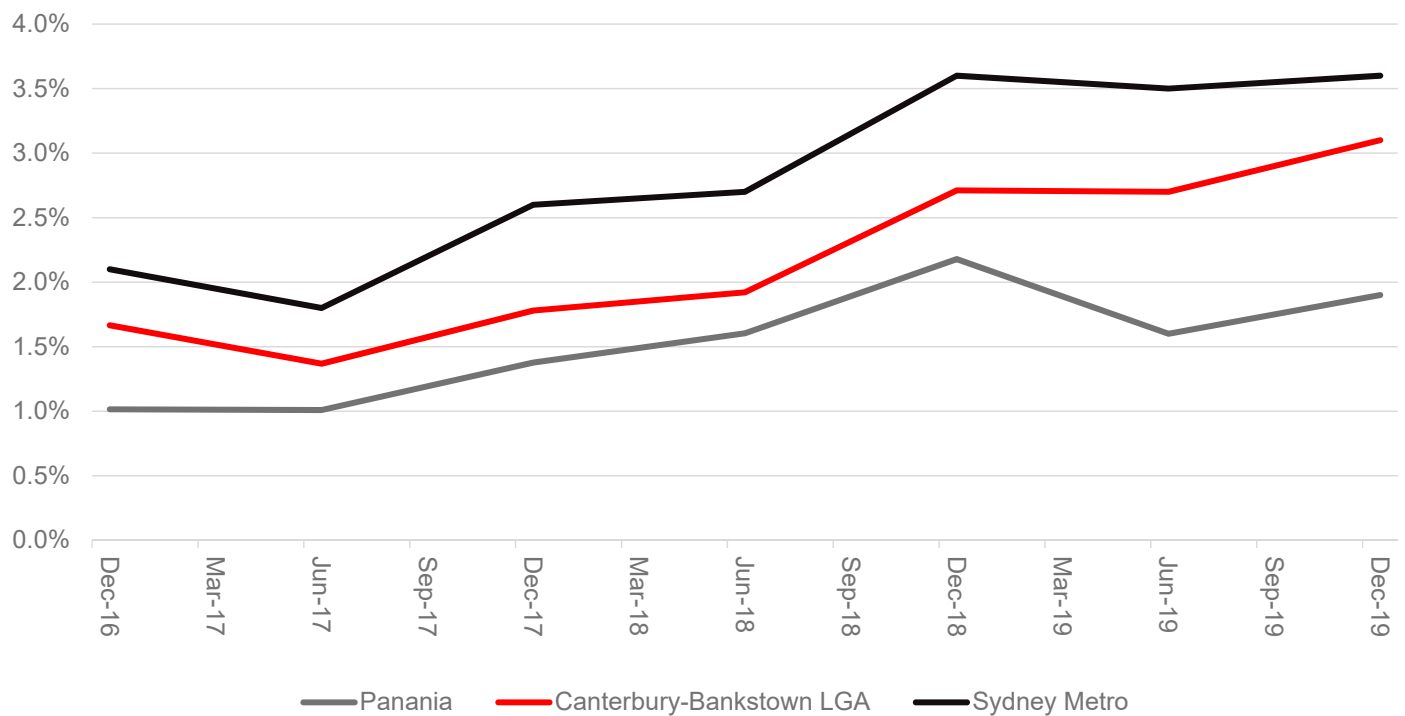
Over the past 12 months, house rental yields in the Panania has tightened slightly to sit at 3.0% in December 2019. This suggests the house rental market is in a fairly healthy position, especially when compared with Sydney Metro's average house rental yield of 2.7% for the same period.

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

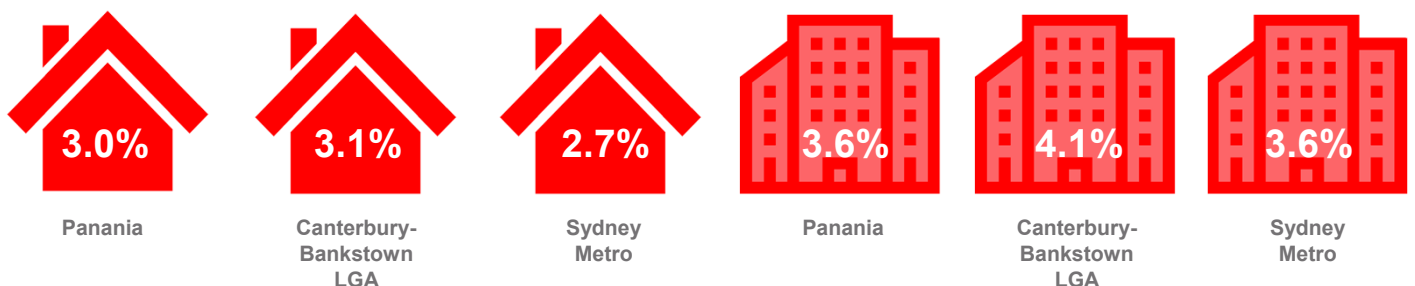
Panania recorded a vacancy rate of 1.9% in December 2019. This represents a declining trend over the past 12 months and is well below the Real Estate Institute healthy benchmark of 3.0%. It is also well below the Sydney Metro vacancy rate of 3.6%, which confirms there is a healthier rental demand in Panania. This is good news for investors looking for an alternative outside of the capital city.



RENTAL VACANCY RATES 2019



RENTAL YIELD 2019^

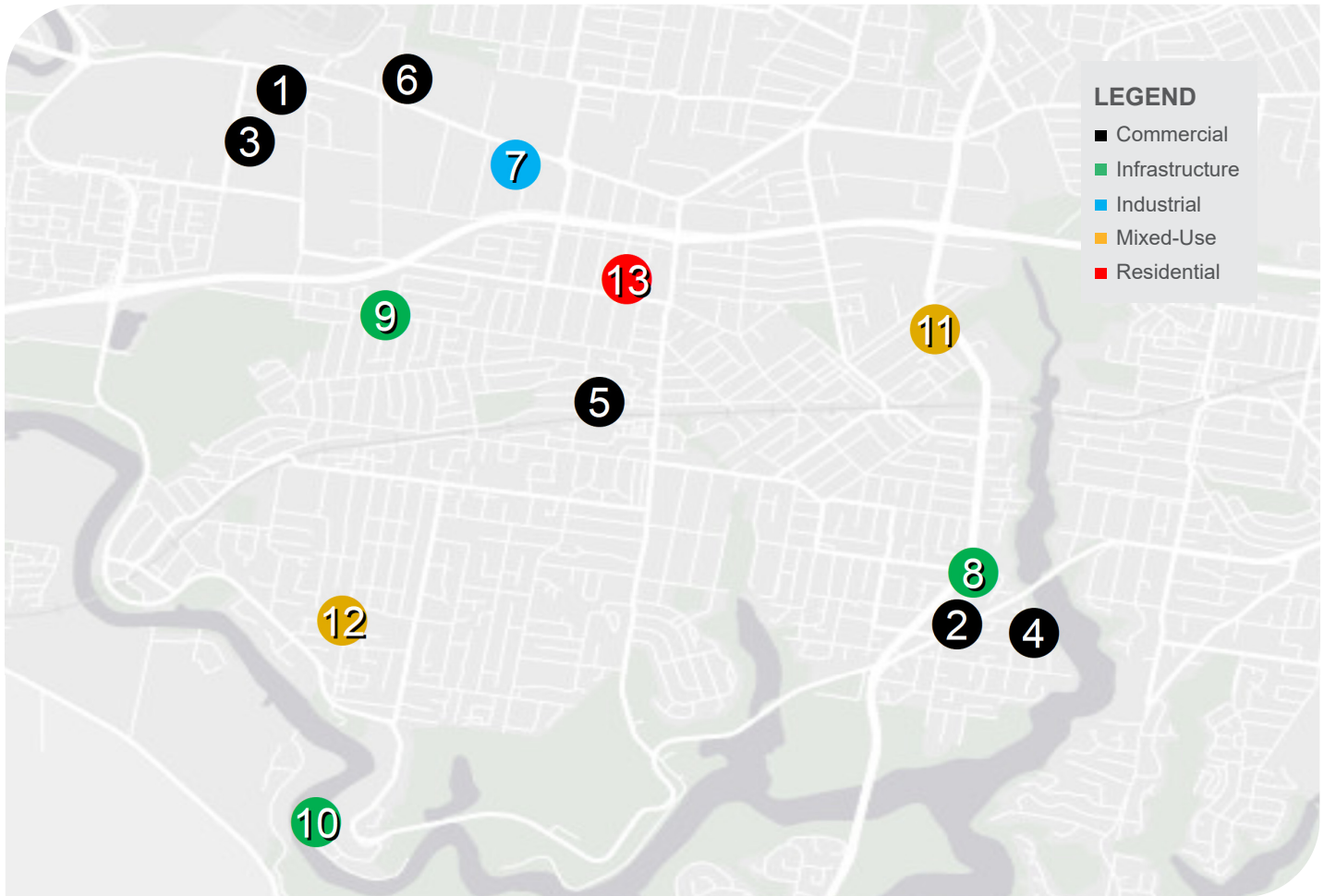


*Rental performance graph represents aggregate house median rent prices within the suburbs Panania, East Hill, Padstow, Picnic Point, Revesby and Milperra. Annual rental growth is a comparison between 2018 and 2019 house median rent figures.

^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	Sterequip Reprocessing Facility/CSSD	Commercial	\$18,000,000	06/04/2020
2	Henry Lawson Drive Seniors Living Units	Commercial	\$6,000,000	18/06/2020
3	BCQ Logistics Milperra	Commercial	\$2,000,000	17/02/2020
4	Southaven Aged Care	Commercial	\$800,000	14/06/2020
5	Woolworths Revesby	Commercial	\$600,000	04/04/2020
6	Pickles	Commercial	\$250,000	21/01/2020
7	Daisy Street Factory Units	Industrial	\$3,000,000	15/06/2020
8	Rorie Reserve	Infrastructure	\$400,000	01/06/2020
9	Bransgrove Road Depot	Infrastructure	\$400,000	18/06/2020
10	Carinya Road Pontoon	Infrastructure	\$233,000	24/02/2020
11	Iberia Street Mixed Use Development (10 Units)	Mixed-use	\$3,500,000	26/06/2020
12	Lambeth Street Mixed Development (12 Apartments)	Mixed-use	\$2,500,000	08/02/2020
13	Albert Street Dwellings (6 Dwellings)	Residential	\$1,500,000	22/06/2020

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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