

North Kellyville Market Update 1st Half 2021



OVERVIEW

In Q4 2020, North Kellyville* recorded a median house price of \$1,362,000, and a median unit price of \$800,000. This represents annual (Q4 2019 – Q4 2020) median price growth of 8.5% for houses and of 9.4% for units. Between Q4 2019 – Q4 2020 total house sales slowed slightly, by -5.3% (to 449 sales), while units increased by 30.8% (to 153 sales). The house market shows signs of a potential undersupply, with median price growth and less sales; however the unit market indicate real returns on capital investment, with growth in both median price and sales. There are unique opportunities in North Kellyville*.

	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 Q4 2020



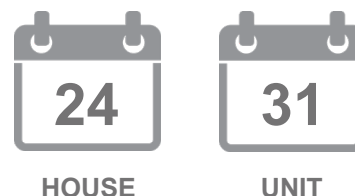
SALES AVERAGE DAYS ON MARKET Q4 2020



RENTAL MEDIAN PRICE Q4 2020

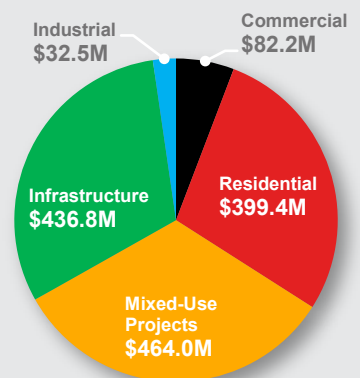


RENTAL AVERAGE DAYS ON MARKET Q4 2020



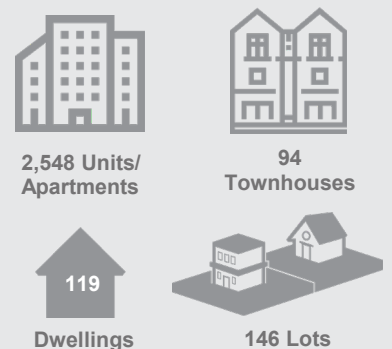
FUTURE DEVELOPMENTS

The North Kellyville* area is set to see approximately **\$1.4B** worth of new projects commencing in the 1st half of 2021.



These projects will stimulate economic growth by creating new employment opportunities, which should have a positive spill-over impact on the local real estate market.

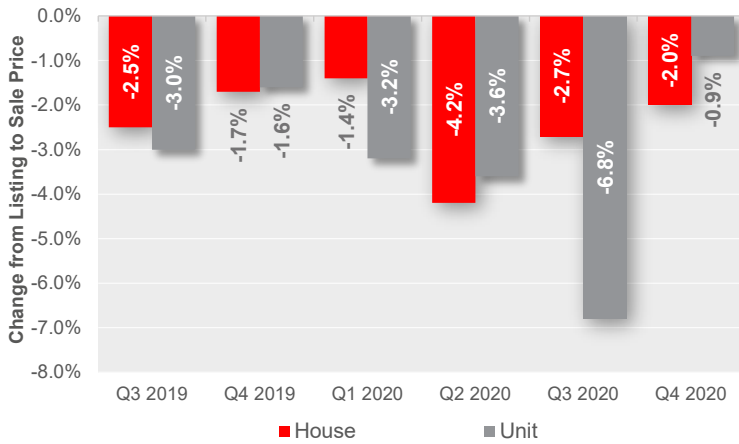
A main infrastructure project for the 1st half of 2021 is the Tallawong Station Precinct South (\$434.9M), by the New South Wales State Government. This project is due to create 1,100 dwellings, 9,000 sqm of space for commercial, retail, and community purposes. A highlighted commercial project is the \$53.8M The Bond building, set to create commercial offices, a child care centre, and retail space across 7 levels. Key residential projects include: Terry Road Apartments (\$99.5M, 311 apartments), and Tallawong Road Dwellings (\$20.9M, 66 dwellings).



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.

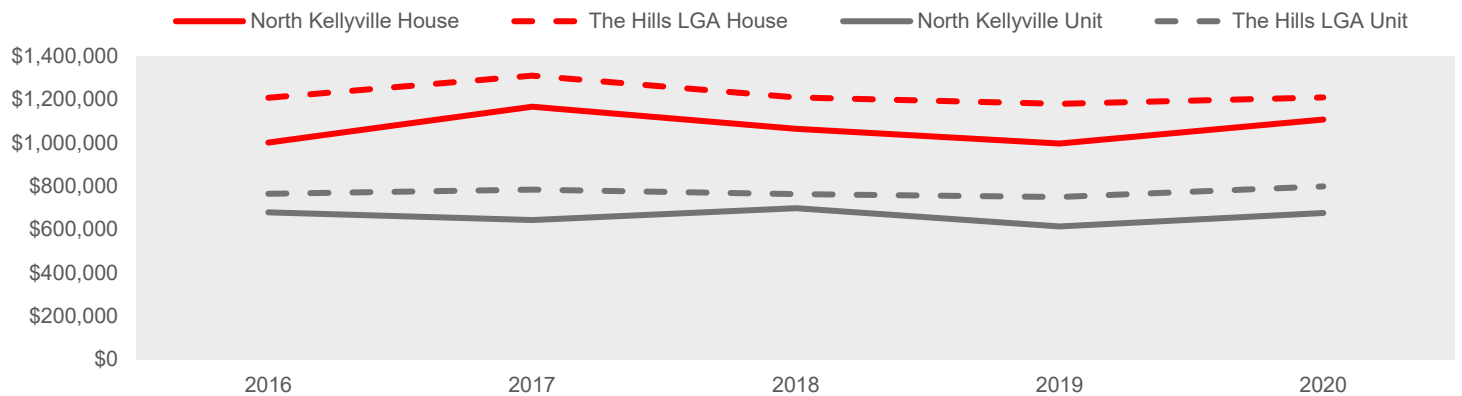
Average vendor discounts between Q4 2019 and Q4 2020 have slightly widened for houses, to -2.0%, while it has tightened for units, to -0.9%. Market conditions in North Kellyville* favour buyers overall, as sellers are willing to negotiate below their initial listing price.



The suburb of North Kellyville has typically offered greater affordability than the wider The Hills Local Government Area (LGA) in both house and unit median prices. This continued to be the case across 2020#.

The dominant proportion of homes sold in North Kellyville* across 2020^ were in the middle-price bracket of \$1,200,000-\$1,400,000 (24.3%), while units recorded a dominant premium price point of above \$900,000 (26.8%). There is a balanced spread in price points in North Kellyville*, with a slight preference for premium stock. Buyers looking for affordable options need to act fast and secure their preferred stock.

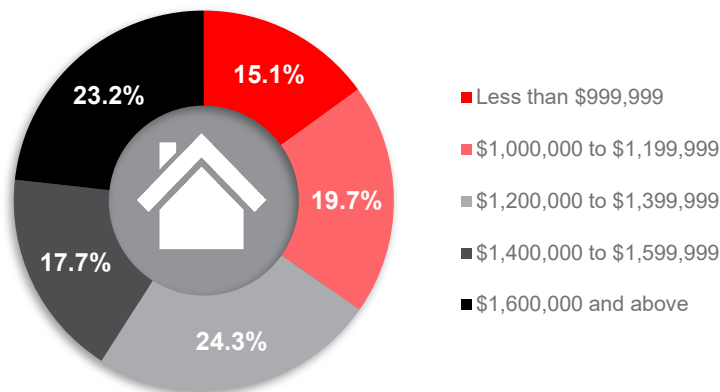
MARKET COMPARISON



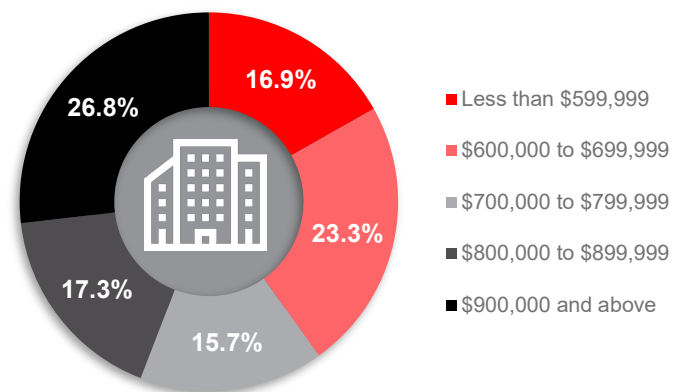
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is North Kellyville.

PRICE BREAKDOWN 2020^

HOUSES SOLD



UNITS SOLD



RENTAL GROWTH 2020€

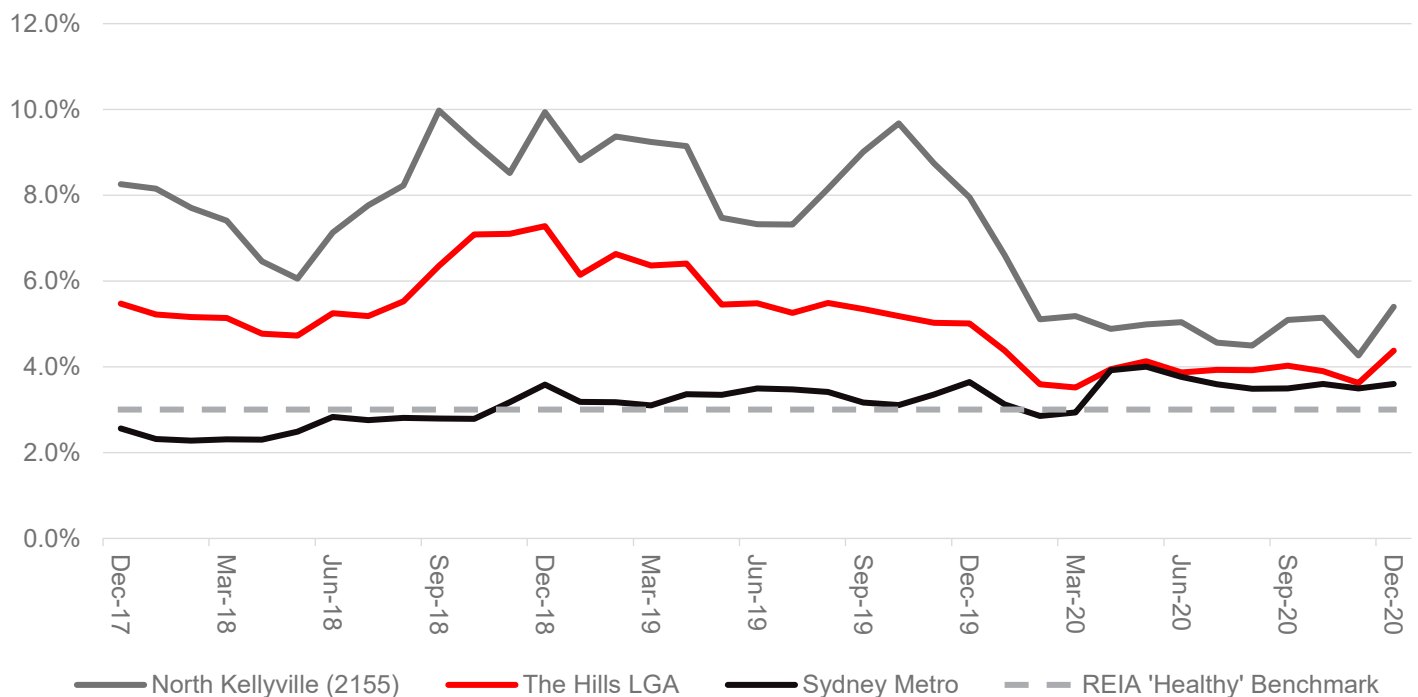
In December 2020, house rental yields in North Kellyville[‡] were recorded at 3.2%. In the 12 months to Q4 2020, the median house rental price has increased slightly by 1.2% to reach \$658 per week, while average days on the market dropped by -25.0% (to 24 days). Overall this suggests North Kellyville[‡] has remained a resilient rental market throughout COVID-19.

4+ bedroom houses have provided investors with +3.0% rental growth annually, with a median rent of \$695 per week.

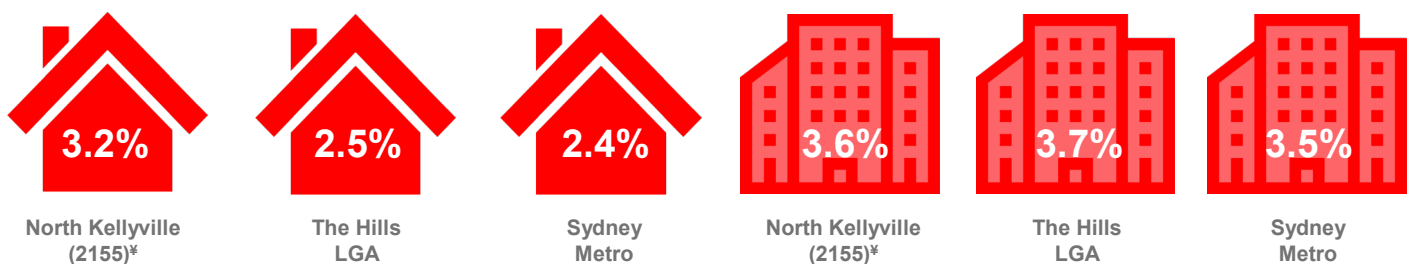
Also in December 2020, North Kellyville[‡] recorded a vacancy rate of 5.4%, above that of The Hills LGA (4.4%) and Sydney Metro (3.6%). Vacancy rates in North Kellyville[‡] are also above the Real Estate Institute of Australia's healthy benchmark of 3.0%, however has showed a sharp improvement just prior to COVID-19. This confirms there is an improving rental demand, suggesting investors can be increasingly confident of a conducive investment environment in North Kellyville[‡].



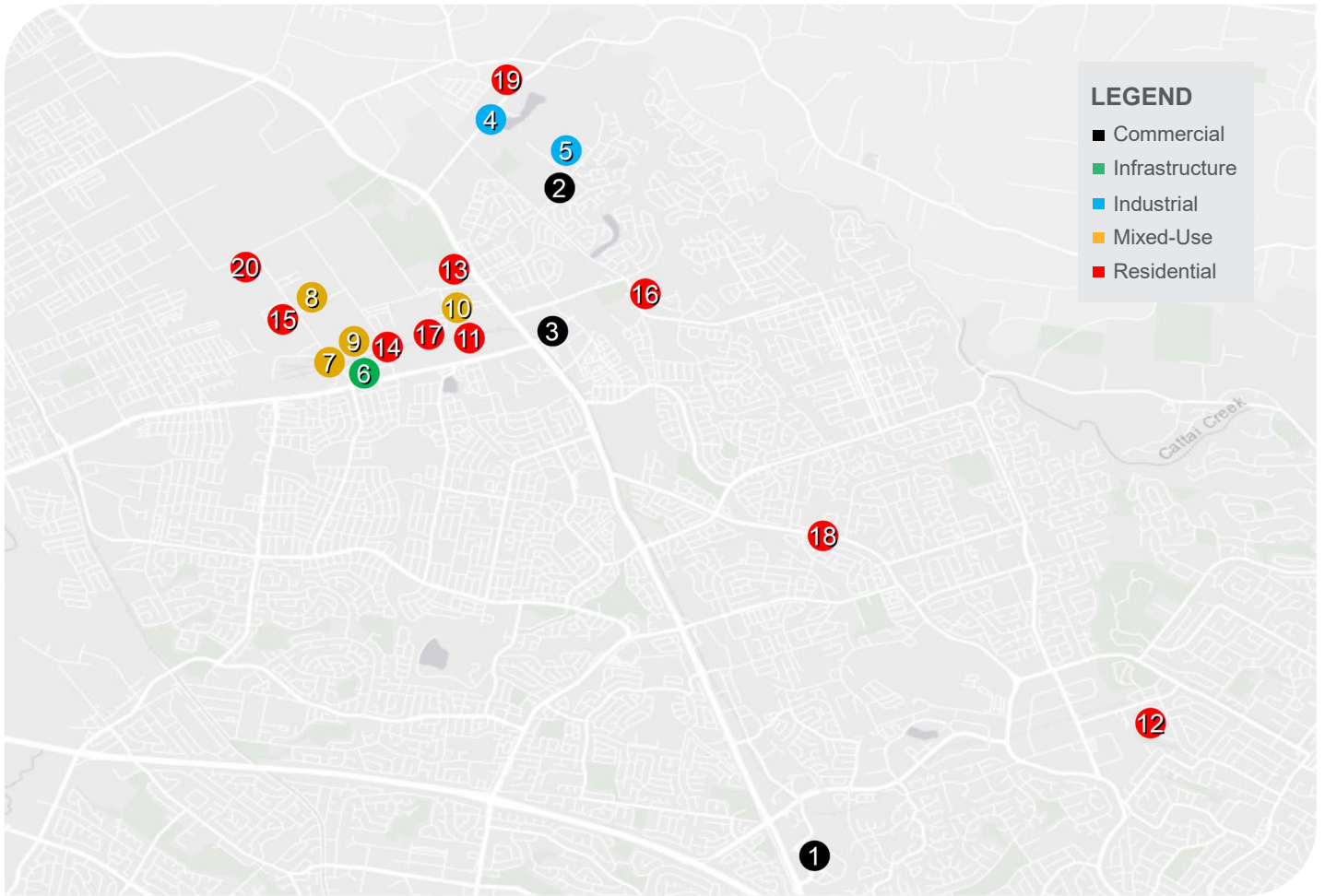
RENTAL VACANCY RATES 2020



RENTAL YIELD 2020\$



TOP DEVELOPMENTS MAP 1ST HALF 2021[Ⓐ]



Location	Project [Ⓔ]	Type	Estimated Value [Ⓜ]	Commence Date [Ⓟ]
1	The Bond - Elizabeth Macarthur Drive Commercial Building	Commercial	\$53,786,000	15/01/2021
2	Mile End & Withers Roads Bus Depot	Commercial	\$17,604,000	17/01/2021
3	Rouse Hill Town Centre	Commercial	\$7,500,000	16/03/2021
4	Annangrove Road Industrial Development	Industrial	\$17,500,000	22/02/2021
5	Money Close Industrial Building	Industrial	\$15,000,000	06/01/2021
6	Tallawong Station Precinct South (Formerly Cudgegong Road Station Precinct South)	Infrastructure	\$434,939,000	22/05/2021
7	Tallawong Road Mixed Use Development (630 Apartments)	Mixed-use	\$244,078,000	10/04/2021
8	Macquarie Road Mixed Use Development (320 Units)	Mixed-use	\$83,169,000	23/05/2021
9	Cudgegong Town Centre - The Rouse (256 Apartments)	Mixed-use	\$83,132,000	12/06/2021
10	Terry Road Mixed Use Development (310 Units)	Mixed-use	\$53,607,000	23/05/2021
11	Terry Road Apartments Collection - Rouse Hill (311 Apartments)	Residential	\$99,575,000	13/06/2021
12	Ashford & Partridge Avenues Apartments (272 Apartments)	Residential	\$86,331,000	15/02/2021
13	Salento Residential Development (48 Apartments, 87 Townhouses)	Residential	\$70,495,000	01/03/2021
14	Cudgegong Road Apartments (295 Apartments)	Residential	\$67,340,000	10/06/2021
15	Tallawong Road Dwellings & Subdivision (66 Dwellings, 61 Lots)	Residential	\$20,917,000	25/05/2021
16	Regent Honeyeater Grove Units (63 Units)	Residential	\$18,900,000	10/06/2021
17	Terry Road Units (43 Units)	Residential	\$16,559,000	16/06/2021
18	Windsor Rd Residential Development (53 Dwellings)	Residential	\$10,800,000	02/03/2021
19	Annangrove Road Residential Subdivision Stage 2 - Mckenzie Park (49 Lots)	Residential	\$2,500,000	06/05/2021
20	Tallawong Road Residential Subdivision (36 Lots)	Residential	\$2,478,000	14/06/2021

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.



Tracey Paterson, Associate Director

M +61 481 126 872

E wayne.gay@prdnorwest.com.au

Wayne Gay, Associate Director

M +61 434 107 950

E tracey.paterson@prdnorwest.com.au

PRD Norwest

P +61 2 9680 3300

Suite 403, 10 Century Circuit
Baulkham Hills NSW 2153

PRD.com.au/norwest

REFERENCES

* North Kellyville market data and key indicators encapsulates aggregate property market conditions within the suburbs of North Kellyville, Kellyville, Bella Vista, Rouse Hill, Castle Hill, and Beaumont Hills.

** Estimated values are based on construction value provided by the relevant data authority and does not reflect commercial and/or re-sale value.

2020 encapsulates sales transactions for 2020 (01/01/2020 – 31/12/2020).

^ 2020 encapsulates sales transactions for 2020 (01/01/2020 – 31/12/2020).

€ Annual rental growth is a comparison between 2019 (01/01/2019 – 31/12/2019) and 2020 (01/01/2020 – 31/12/2020) house median rent figures.

¥ North Kellyville market data encapsulates aggregate property conditions within the postcode of 2155.

§ Rental yields shown are as reported as of December 2020.

⌘ Project development map showcases a sample of upcoming projects only, due to accuracy of addresses provided by the data provider for geocoding purposes.

£ Projects refers to the top developments within the suburbs of North Kellyville, Kellyville, Bella Vista, Rouse Hill, Castle Hill, and Beaumont Hills.

μ Estimated value is the value of construction costs provided by relevant data authority, it does not reflect the project's sale/commercial value.

ψ Commencement date quoted for each project is an approximate only, as provided by the relevant data authority, PRD does not hold any liability to the exact date.

Source: APM Pricerfinder, Cordell Connect database, SQM Research, Esri ArcGIS.

Disclaimer: PRD does not give any warranty in relation to the accuracy of the information contained in this report. If you intend to rely upon the information contained herein, you must take note that the information, figures and projections have been provided by various sources and have not been verified by us. We have no belief one way or the other in relation to the accuracy of such information, figures and projections. PRD will not be liable for any loss or damage resulting from any statement, figure, calculation or any other information that you rely upon that is contained in the material.

Prepared by PRD Research. © All medians and volumes are calculated by PRD Research. Use with written permission only. All other responsibilities disclaimed. © Copyright PRD 2021.