



Panania & Surrounds Market Update 1st Half 2021



OVERVIEW

In Q1 2021, Panania* (inclusive of Panania, Picnic Point, and East Hills) recorded a median house price of \$1,135,000, and a median unit price of \$873,500. This represents annual (Q1 2020 – Q1 2021) median price growth of 15.3% for houses and 21.2% for units. Between Q1 2020 – Q1 2021 total sales increased, by 15.3% for houses (to 151 sales) and by 188.0% for units (to 72 sales). Median price growth alongside increased sales suggests real returns on capital investment in the area. Owner-occupiers looking to benefit from a highly demanded market are encouraged 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 2021



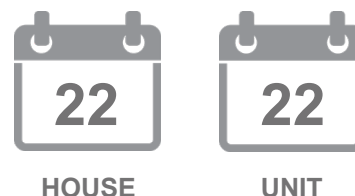
SALES AVERAGE DAYS ON MARKET Q1 2021



RENTAL MEDIAN PRICE Q1 2021

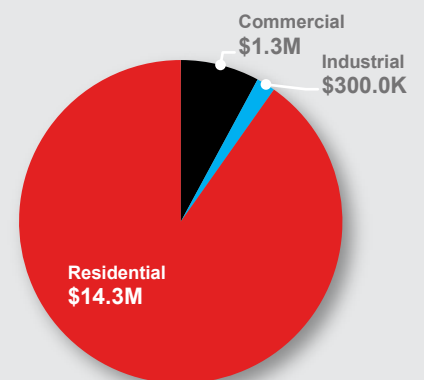


RENTAL AVERAGE DAYS ON MARKET Q1 2021



FUTURE DEVELOPMENTS

Panania* (inclusive of Panania, East Hills, and Picnic Point) is set to see approximately **\$15.9M of projects commencing in the 1st half of 2021.**



A large focus on residential projects is ideal for Panania* as it will create new housing stock, answering to the current high demand whilst ensuring sustainable price growth. It will also create employment during construction phase, stimulating the local economy.

A key commercial project over the 1st half of 2021 is the \$600.0K Woolworths Revesby upgrade, which will focus on alterations to the existing carpark. Residential highlights for the 1st half of 2021 include Riverlands Site (\$12.5M, 350 lots) and the \$1.8M Queen Street Townhouses (6 Townhouses). New lots will allow first home buyers to access multiple government grants and enter the market, while creating work for the construction industry. That said there is an opportunity for developers to create a built-to-sell product, due to high demand.



6 Townhouses

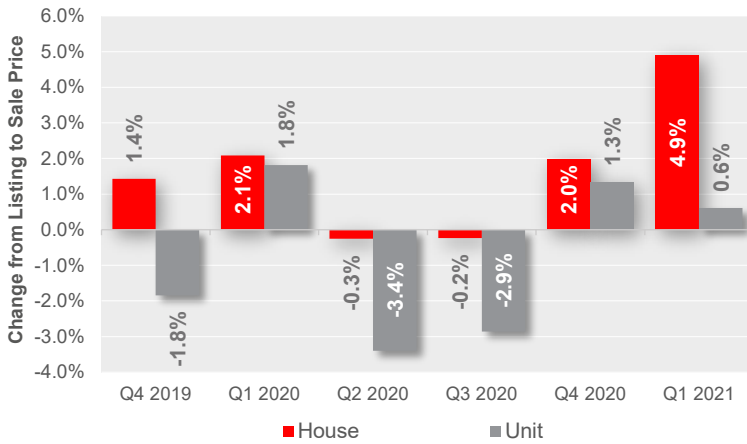


350 Lots

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.

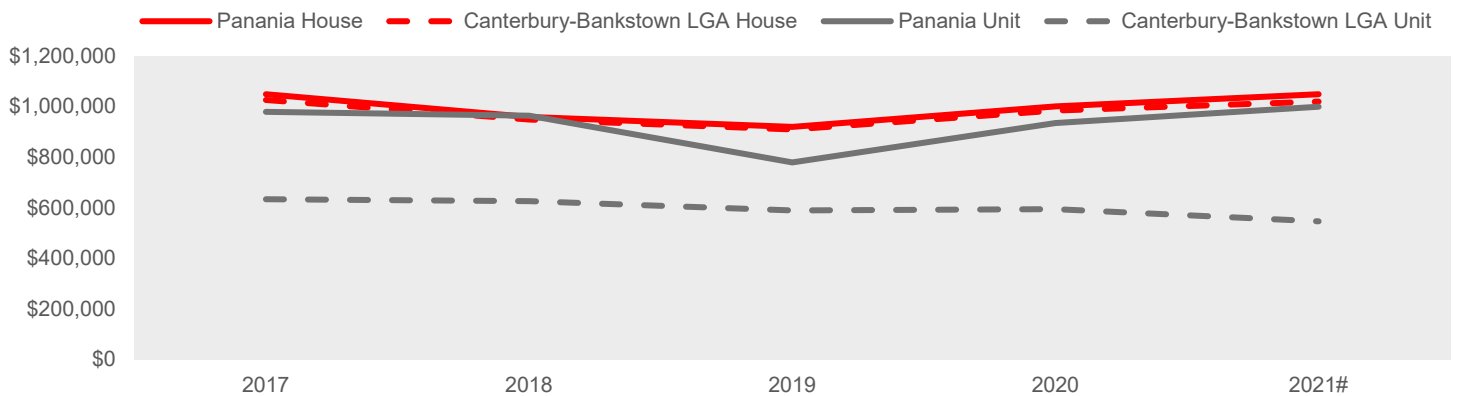
Average vendor discounts between Q1 2020 and Q1 2021 have widened in premium for houses, now at 4.9%. There is less of a premium for units, now at 0.6%. Market conditions in Panania* (inclusive of Panania, Picnic Point, and East Hills) continue to favour vendors, as buyers are willing to offer above the first listing price.



The suburb of Panania has historically performed closely to the wider Canterbury-Bankstown Local Government Area (LGA) in its median house price, with Panania's unit median price sitting well above the LGA. This has continued to be the case going into 2021#.

The dominant proportion of homes sold in Panania* across 2020/21^ were in the lower-middle price point of \$900K-\$1.0M (28.1%), while units recorded a dominant premium price point of above \$900K (26.8%). There is a wide spread of price points in the house market, in good news to buyers, but less affordable stock for units.

MARKET COMPARISON

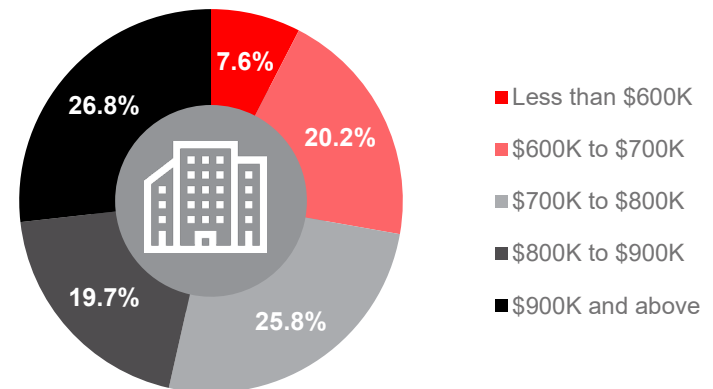
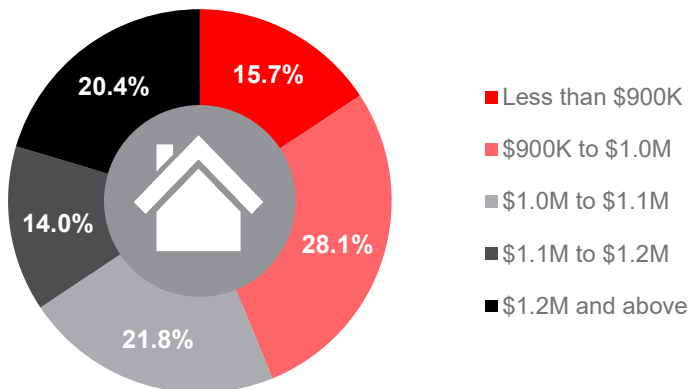


The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Panania.

PRICE BREAKDOWN 2020/21^

HOUSES SOLD

UNITS SOLD



RENTAL GROWTH 2020/21€

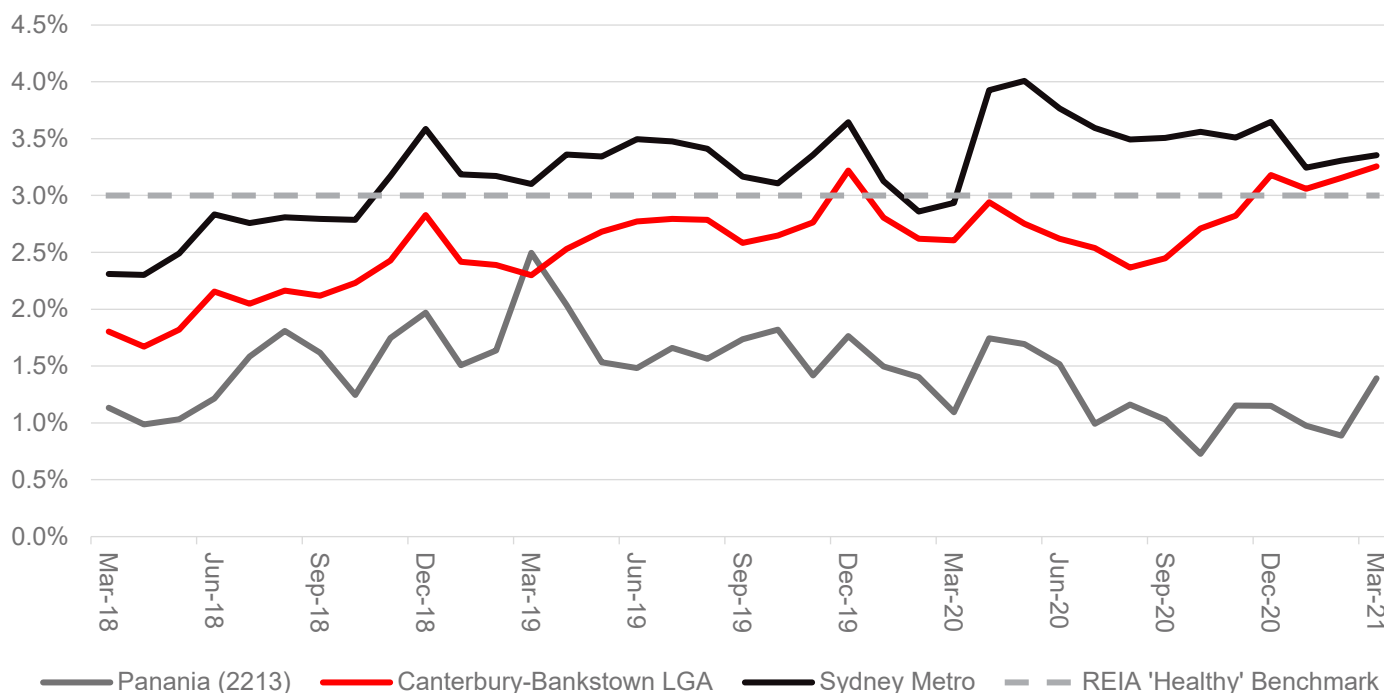
In March 2021, house rental yields in Panania* (inclusive of suburbs in postcode 2213) were recorded at 2.7%. In the 12 months to Q1 2021, the median house rental price has increased by 6.7% to reach \$560 per week, while average days on the market declined by -14.3% (to 22 days). Overall this suggests a strong rental market throughout COVID-19.

4+ bedroom houses have provided investors with +0.7% rental growth annually, achieving a median rent of \$670 per week.

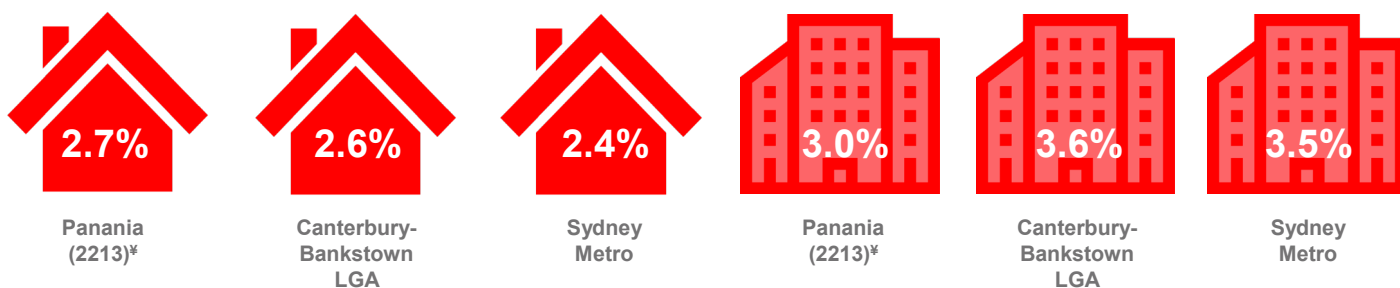
Also in March 2021, Panania* (inclusive of inclusive of suburbs in postcode 2213) recorded a low vacancy rate of 1.4%, below that of Canterbury-Bankstown LGA (3.4%) and Sydney Metro (3.4%). Vacancy rates in Panania* have been on a declining trend since March 2019, and remain well below the Real Estate Institute of Australia's healthy benchmark of 3.0%. There is a healthy level of rental demand, indicating investors can be confident of a conducive investment environment.



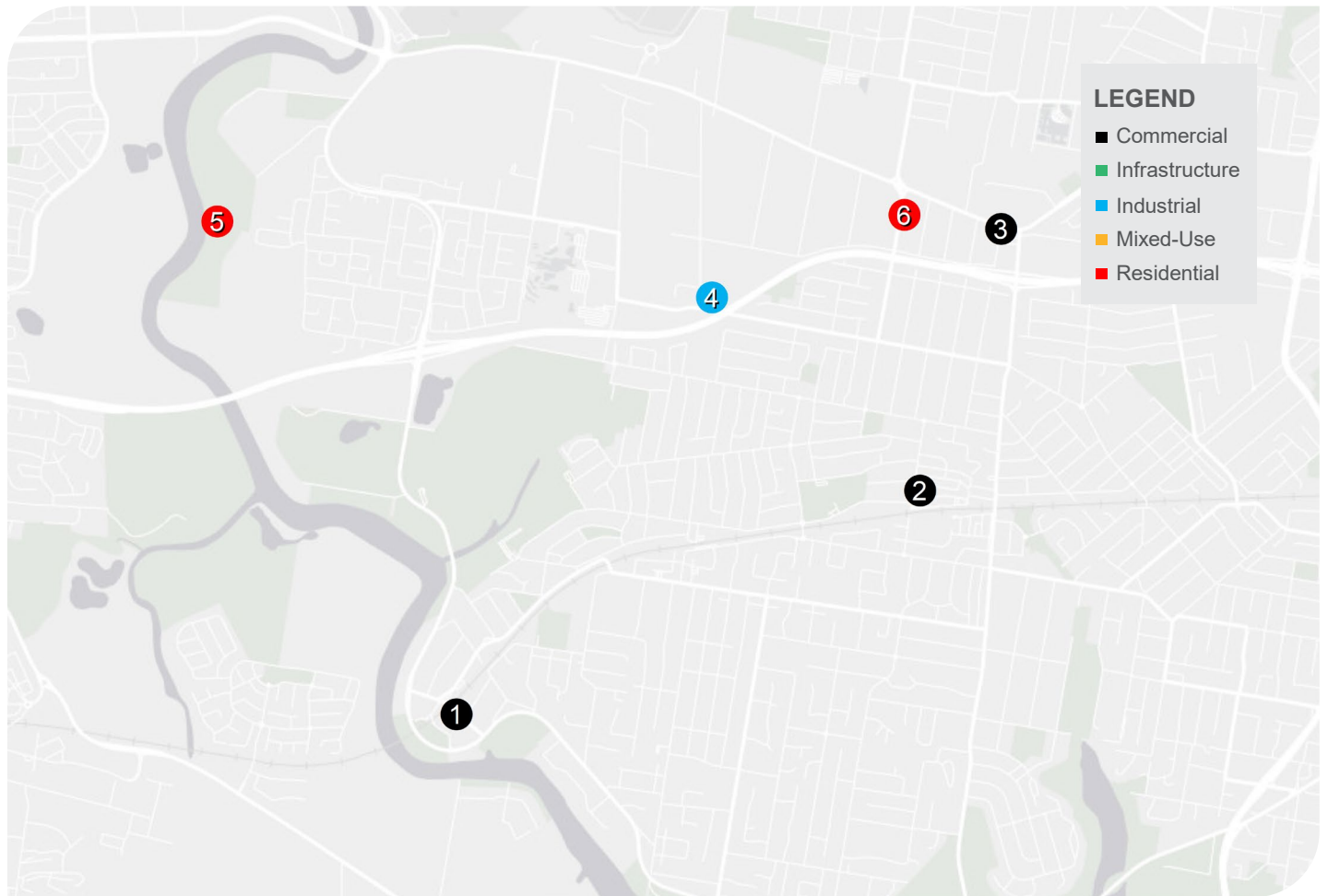
RENTAL VACANCY RATES 2021



RENTAL YIELD 2021§



TOP DEVELOPMENTS MAP 1ST HALF 2021[Ⓐ]



| Location | Project [Ⓔ] | Type | Estimated Value [Ⓝ] | Commence Date [Ⓞ] |
|----------|---|-------------|------------------------------|----------------------------|
| 1 | East Hills Hotel | Commercial | \$250,000 | 01/01/2021 |
| 2 | Woolworths Revesby | Commercial | \$600,000 | 05/01/2021 |
| 3 | BP Service Station Revesby | Commercial | \$400,000 | 05/06/2021 |
| 4 | Marigold Street Warehouse & Distribution Centre | Industrial | \$300,000 | 01/03/2021 |
| 5 | Riverlands Site (350 Lots) | Residential | \$12,500,000 | 19/04/2021 |
| 6 | Queen Street Townhouses (6 Townhouses) | Residential | \$1,800,000 | 12/04/2021 |

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.



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REFERENCES

* Panania market data and key indicators encapsulates aggregate property market conditions within the suburbs of Panania, East Hills, 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.

2021 encapsulates sales transactions for Q1 2021 (01/01/2021 – 31/03/2021).

^ 2020/21 encapsulates sales transactions for 2020 & Q1 2021 (01/01/2020 – 31/03/2021).

€ Annual rental growth is a comparison between 2019 (01/01/2019 – 31/12/2019) and 2020/21 (01/01/2020 – 31/03/2021) house median rent figures.

¥ Panania market data encapsulates aggregate property conditions within the postcode of 2213.

§ Rental yields shown are as reported as of March 2021.

⌘ 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 Panania, East Hills, Padstow, Picnic Point, Revesby, and Milperra.

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.

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