

Kingsgrove Market Update 2nd Half 2021



OVERVIEW

In Q3 2021, Kingsgrove* recorded a median house price of \$1,605,000, and a median unit price of \$675,000. This represents annual (Q3 2020 – Q3 2021) median price growth of 38.9% for houses and 12.7% for units. Between Q3 2020 – Q3 2021 total sales slightly increase for houses, by 1.4% to 147 sales, however decreased for units by -27.2% (to 59 sales). There are real returns in capital growth in the housing market as the increase in median price is met with higher sales volume. The unit market suggests an undersupply, as price growth is due to lower stock. Now is an ideal time to transact in Kingsgrove*.

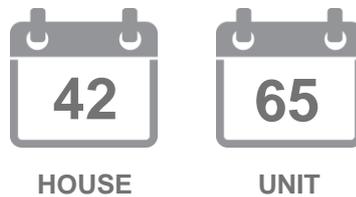
	CHANGE FROM LAST	YEAR	HALF YEAR
			
House Sales		↑	↓
House Median Price		↑	↑
House Rental Price		↑	↑
			
Unit Sales		↓	↓
Unit Median Price		↑	↑
Unit Rental Price		↑	↑

MARKET CONDITIONS

SALES MEDIAN PRICE Q3 2021



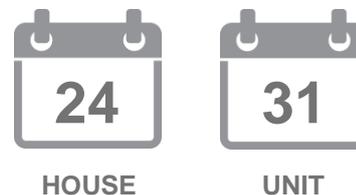
SALES AVERAGE DAYS ON MARKET Q3 2021



RENTAL MEDIAN PRICE Q3 2021

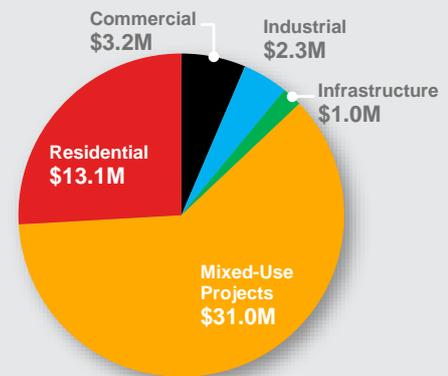


RENTAL AVERAGE DAYS ON MARKET Q3 2021



FUTURE DEVELOPMENTS

Kingsgrove* is set to see approximately **\$50.6M** worth of new projects commencing in the 2nd half of 2021.



A mixture of different project types in Kingsgrove with a main focus on mixed-use development will stimulate economic growth and create large employment opportunities, which will have a positive spill-over impact on the real estate market.

A main commercial project over the 2nd half of 2021 is the Kingsgrove Road Pub (\$3.2M). This will see the construction of a 2-storey pub inclusive of bistro dining space, a TAB sports bar and a separate gaming room. An industrial project starting in the back half of 2021 is the Crescent Industrial Building (\$2.3M) which will introduce a 777sqm of warehouse space for a pre-delivery vehicle facility.

The Canterbury Road Mixed Use Development (\$30.9M, 98 Units) will create additional apartments and retail space in the area. The Stoddart Street Dwellings (\$4.7M, 17 Dwellings) will see ready-to-sell housing stock released, which will assist in ensuring house price growth is at a sustainable level.



134 Units/
Apartments

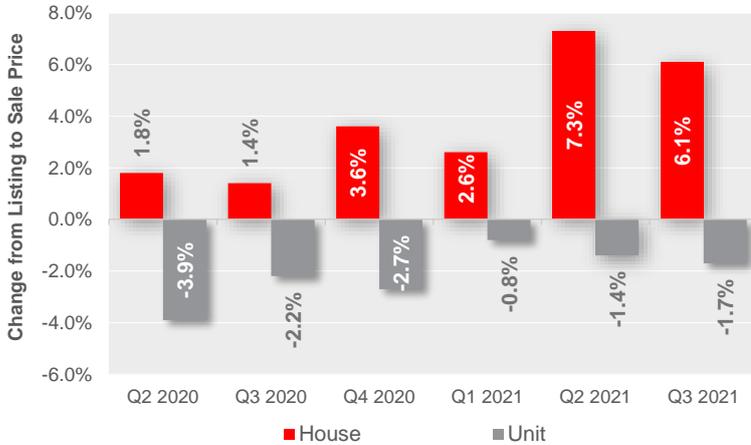


20
Dwellings

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.

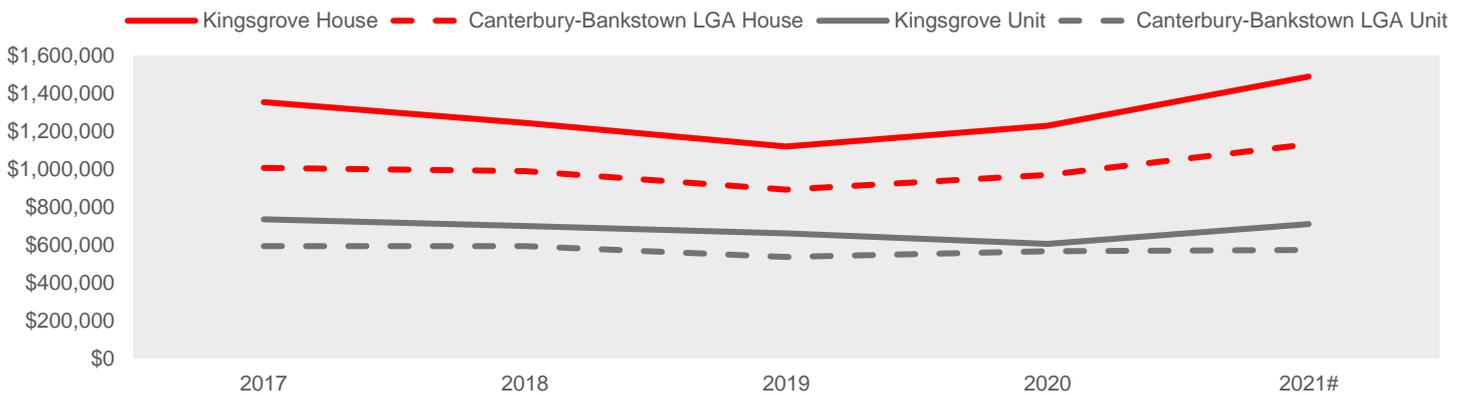
Average vendor discounts between Q3 2020 and Q3 2021 have further swung to a premium of 6.1% for houses and tightened for units to -1.7%. Current market conditions for Kingsgrove* heavily favour vendors as buyers have to offer closer or above the first list price. There is still a discount for units however time is limited.



The suburb of Kingsgrove has historically outperformed the wider Canterbury-Bankstown Local Government Area (LGA) in both house and unit median prices. This continues to be the case in 2021#.

The dominant proportion of homes sold in Kingsgrove* across 2021^ were in the premium price bracket of \$1,700,000 and above (32.6%). Units also recorded a dominant premium price point of \$800,000 and above (26.1%). Despite this, there still seems to be affordable stock available in the Kingsgrove* area, particularly for units, which is good news for buyers.

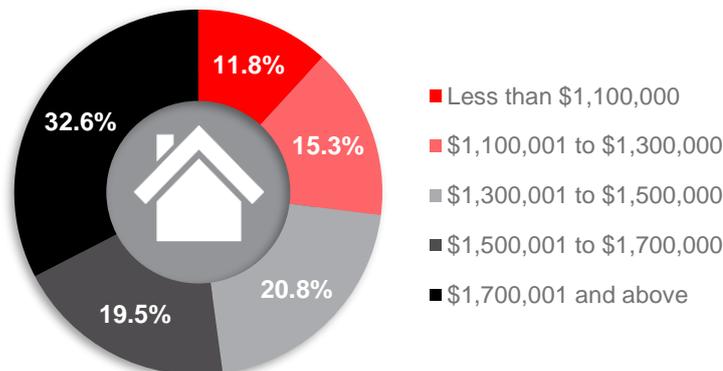
MARKET COMPARISON



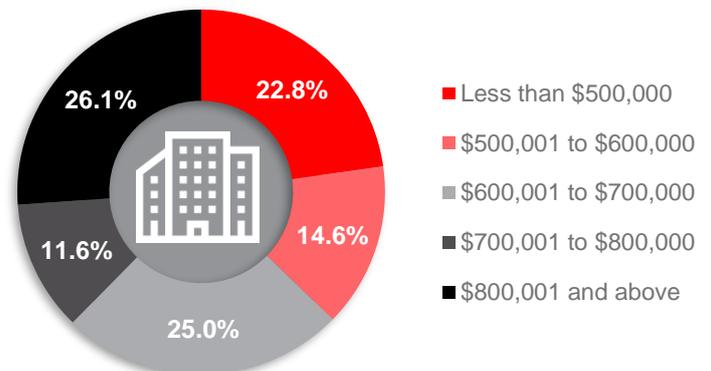
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Kingsgrove.

PRICE BREAKDOWN 2021^

HOUSES SOLD



UNITS SOLD

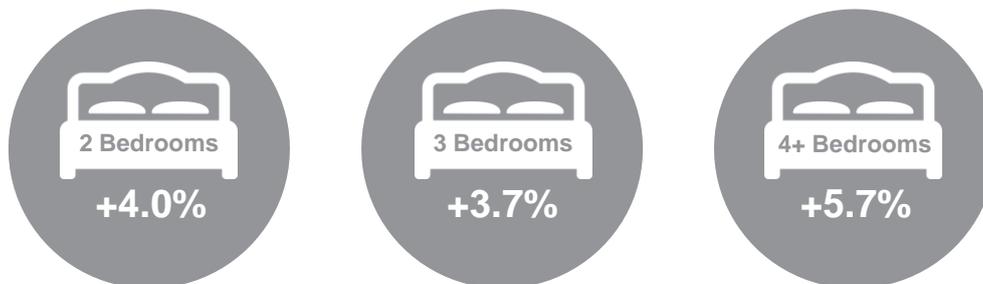


RENTAL GROWTH 2021€

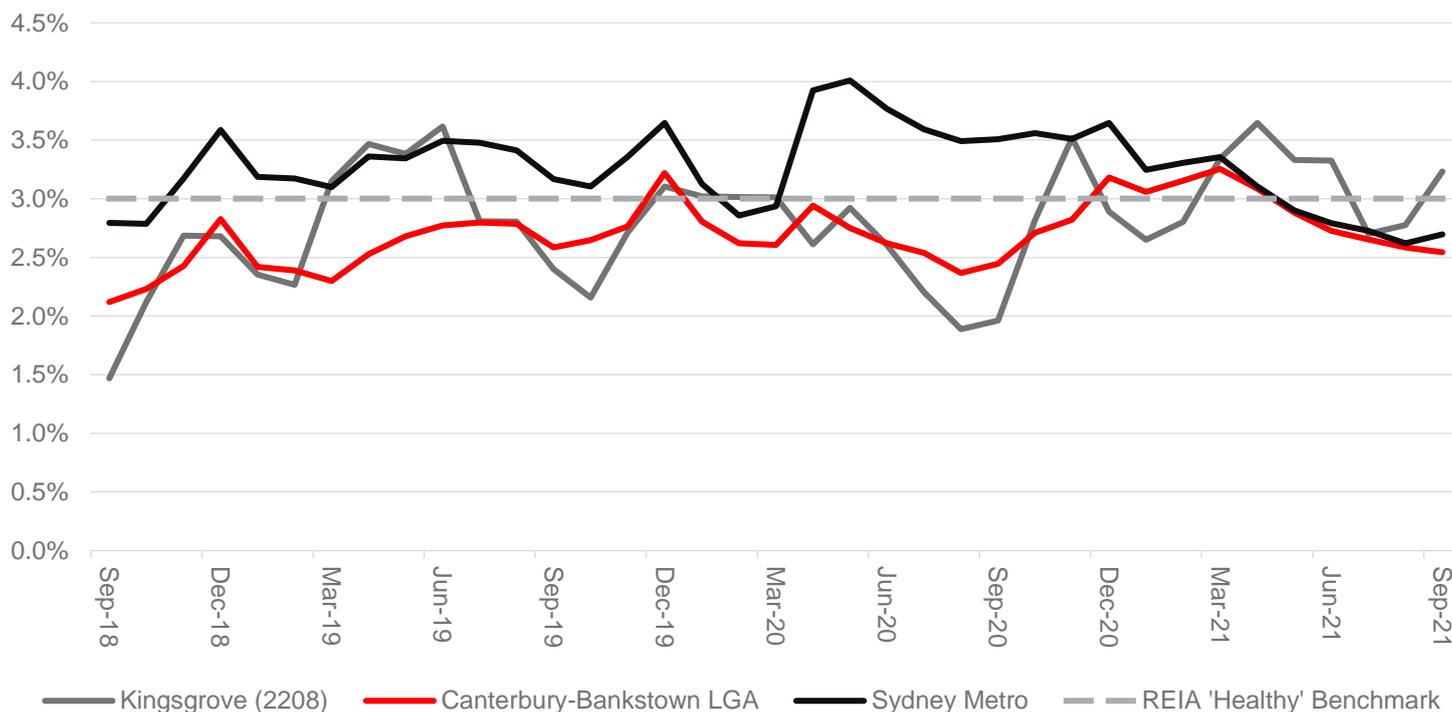
In September 2021, house rental yields in Kingsgrove* were recorded at 1.8%. In the 12 months to Q3 2021, the median house rental price increased by 5.0% to reach \$630 per week, further complemented with average days on the market declining by -14.3% (to 24 days). Overall this represents a resilient rental market throughout COVID-19 lockdowns.

4+ bedroom houses have provided investors with +5.7% rental growth annually€, with a median rent of \$740 per week.

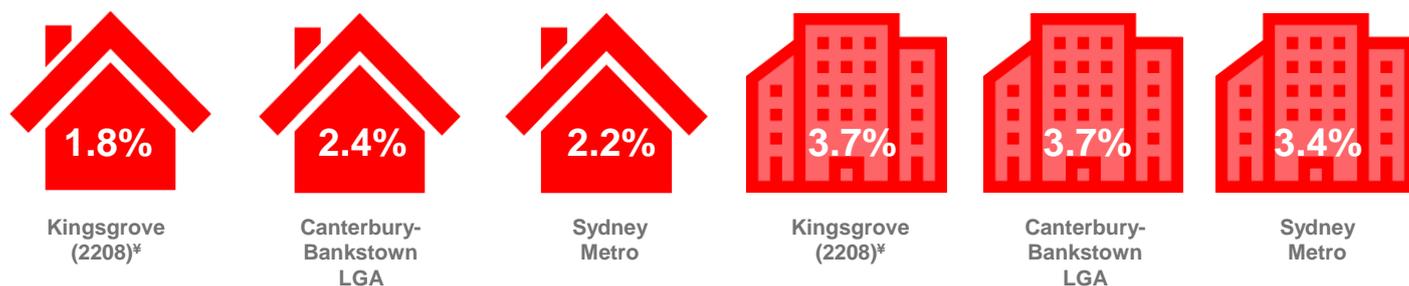
Also in September 2021, Kingsgrove* recorded a vacancy rate of 3.2%. Although this is above Canterbury-Bankstown LGA (2.5%) and Sydney Metro (2.7%), vacancy rates in Kingsgrove* have been on a declining trend since April 2021. Rental demand is improving, however as vacancy rates remain above the Real Estate Institute of Australia's healthy benchmark of 3.0% investors may wish to sign tenants to longer leases for increased cashflow security.



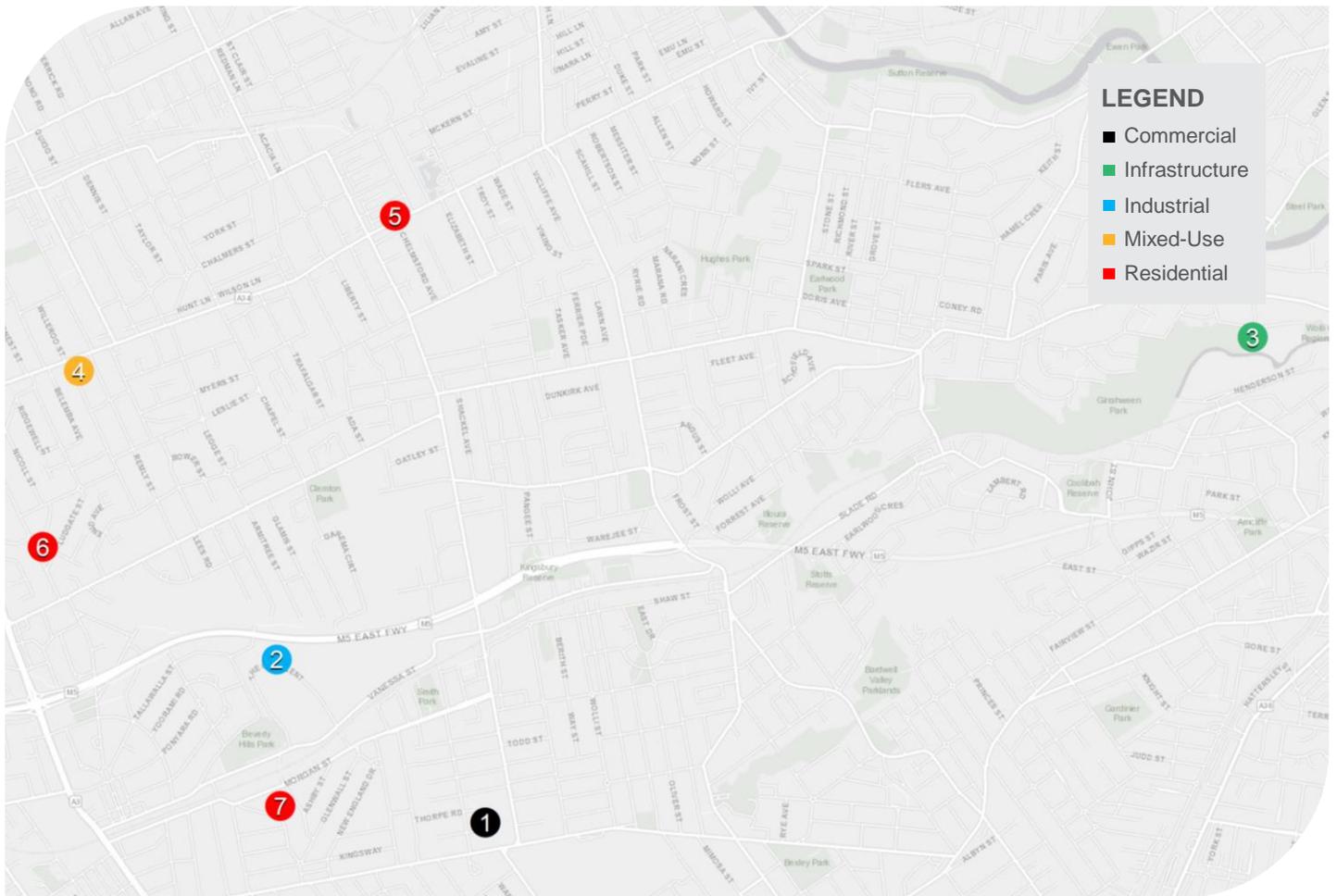
RENTAL VACANCY RATES 2021



RENTAL YIELD 2021§



TOP DEVELOPMENTS MAP 2ND HALF 2021[▲]



Location	Project [£]	Type	Estimated Value [£]	Commence Date [▼]
1	Kingsgrove Road Pub	Commercial	\$3,230,000	16/09/2021
2	The Crescent Industrial Building	Industrial	\$2,289,000	01/10/2021
3	Jackson Place Remediation	Infrastructure	\$1,000,000	11/11/2021
4	Canterbury Road Mixed Use Development	Mixed-use	\$30,950,000	06/11/2021
5	Canterbury Road Apartments	Residential	\$6,957,000	03/09/2021
6	Stoddart Street Dwellings	Residential	\$4,652,000	15/12/2021
7	Westbrook Street Dwellings	Residential	\$1,495,000	19/07/2021

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

* Kingsgrove market data and key indicators encapsulates aggregate property market conditions within the suburbs of 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.

2021 encapsulates sales transactions for 2021 (01/01/2021 – 30/09/2021) only.

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€ Annual rental growth is a comparison between 2020 (01/01/2020 – 30/09/2020) and 2021 (01/01/2021 – 30/09/2021) house median rent figures.

¥ Kingsgrove market data encapsulates aggregate property conditions within the postcode of 2208.

§ Rental yields shown are as reported as of September 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 Kingsgrove, Roselands, Earlwood, Beverly Hills, Belmore, and Clemton Park.

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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