



Penrith Market Update 2nd Half 2021



OVERVIEW

In Q3 2021, Penrith* recorded a median house price of \$840,000 and a median unit price of \$542,500. This represents annual (Q3 2020 – Q3 2021) median price growth of 19.8% for houses and 8.7% for units. Between Q3 2020 – Q3 2021 total sales in both markets picked up, by 5.0% for houses (to 714 sales) and by 23.8% for units (to 385 sales). There are real returns in capital investment in the Penrith* market, as median price growth is alongside increased transaction volume. Overall this creates an opportune time for owner-occupiers wishing to benefit from a highly demanded market.

	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



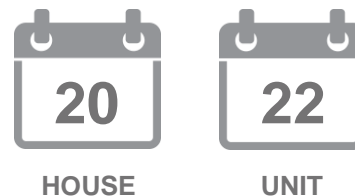
SALES AVERAGE DAYS ON MARKET Q3 2021



RENTAL MEDIAN PRICE Q3 2021

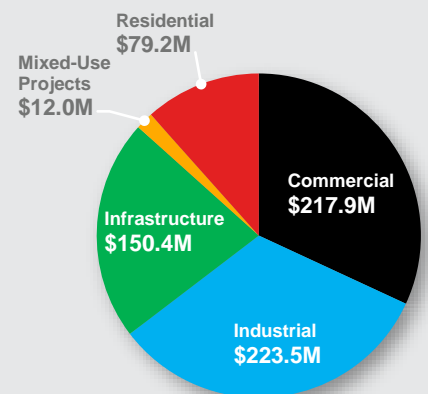


RENTAL AVERAGE DAYS ON MARKET Q3 2021



FUTURE DEVELOPMENTS

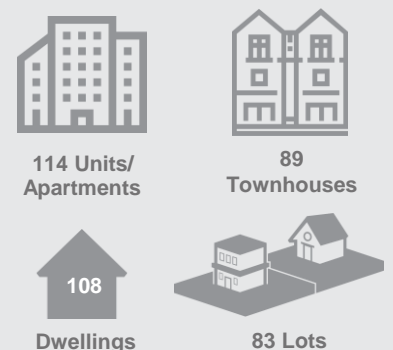
Penrith* is set to see approximately **\$683.0M** worth of new projects commencing in the 2nd half of 2021.



A variety of projects will stimulate economic growth, creating large employment opportunities in Penrith*, which should have a positive spill-over impact on the real estate market.

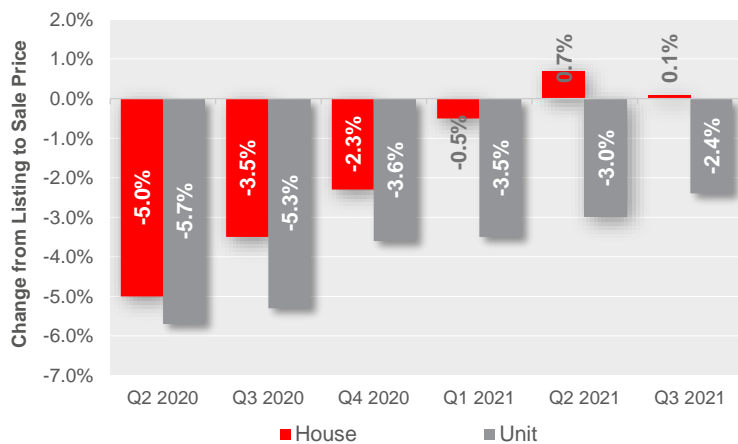
A main commercial project over the 2nd half of 2021 is the TAFE NSW Western Sydney Construction Hub (\$80.0M) which will build a 3-storey hub for the construction trade. 3,500 students are expected in the 9,200m² of space. Kemps Creek Warehouse & Logistics Hub (\$189.3M) is a key industrial project, comprising of nine buildings with gross floor area of 162,355m².

Key residential projects include: O'Connell St Integrated Houses (\$35.7M, 99 Dwellings), Santley Crescent Apartments (\$6.0M, 23 Units) and Settlers Estate (\$5.5M, 83 Lots). This will assist with current high demand in the market.



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.

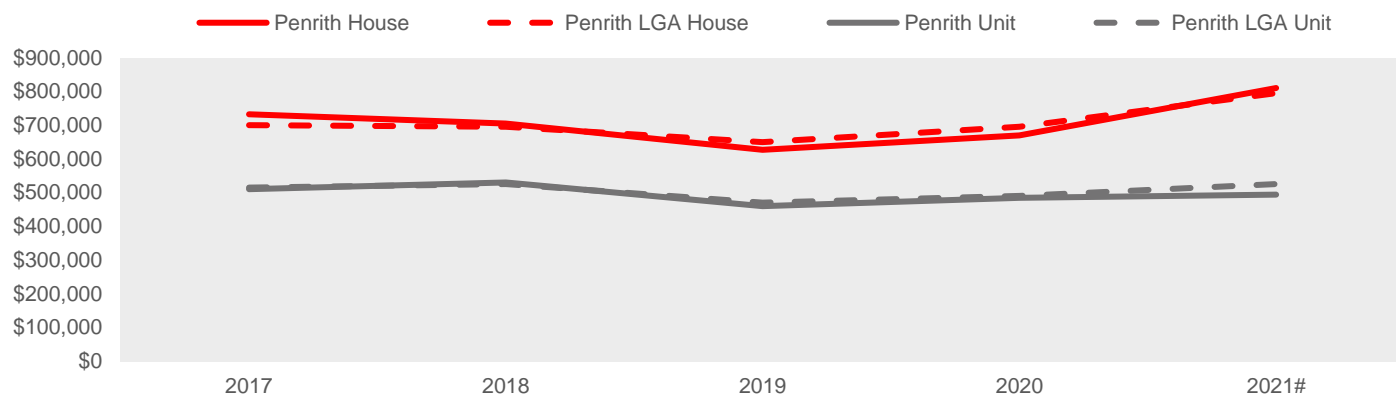


Average vendor discounts between Q3 2020 and Q3 2021 have tightened to -2.4% for units and swung to a premium of 0.1% for houses. Market conditions in Penrith* is trending to favour sellers, where buyers are willing to purchase either closer or above the first listed price. Unit buyers can still benefit from a discount however time is limited.

The suburb of Penrith has historically performed closely to the wider Penrith 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 Penrith* in 2021^ were in the middle price point of \$750K-\$850K (32.3%). Units recorded two dominant price points, the premium market of \$600K and above (25.1%) and the most affordable market of \$450k and below. There is a range of price points available in the Penrith's* property market, which is good news for first home buyers.

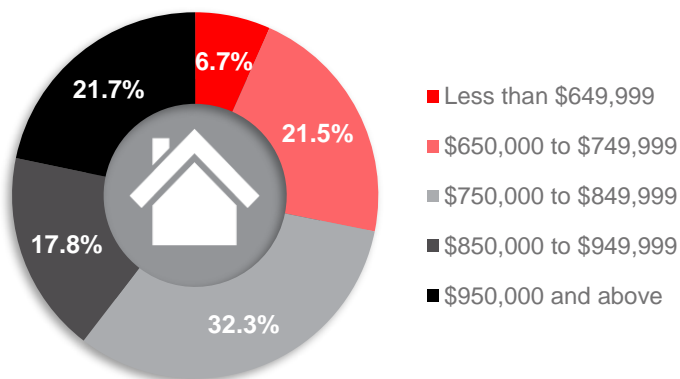
MARKET COMPARISON



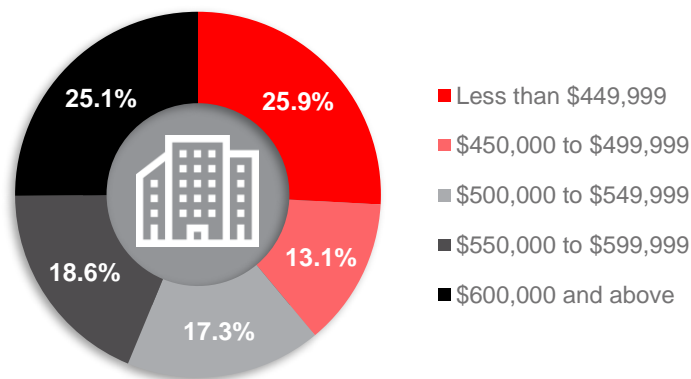
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Penrith.

PRICE BREAKDOWN 2021^

HOUSES SOLD



UNITS SOLD

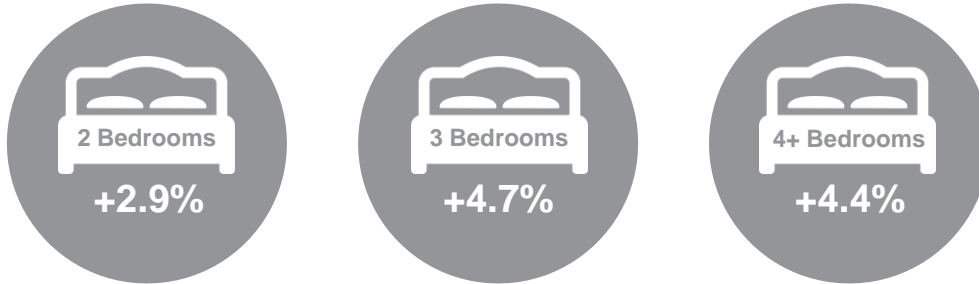


RENTAL GROWTH 2021€

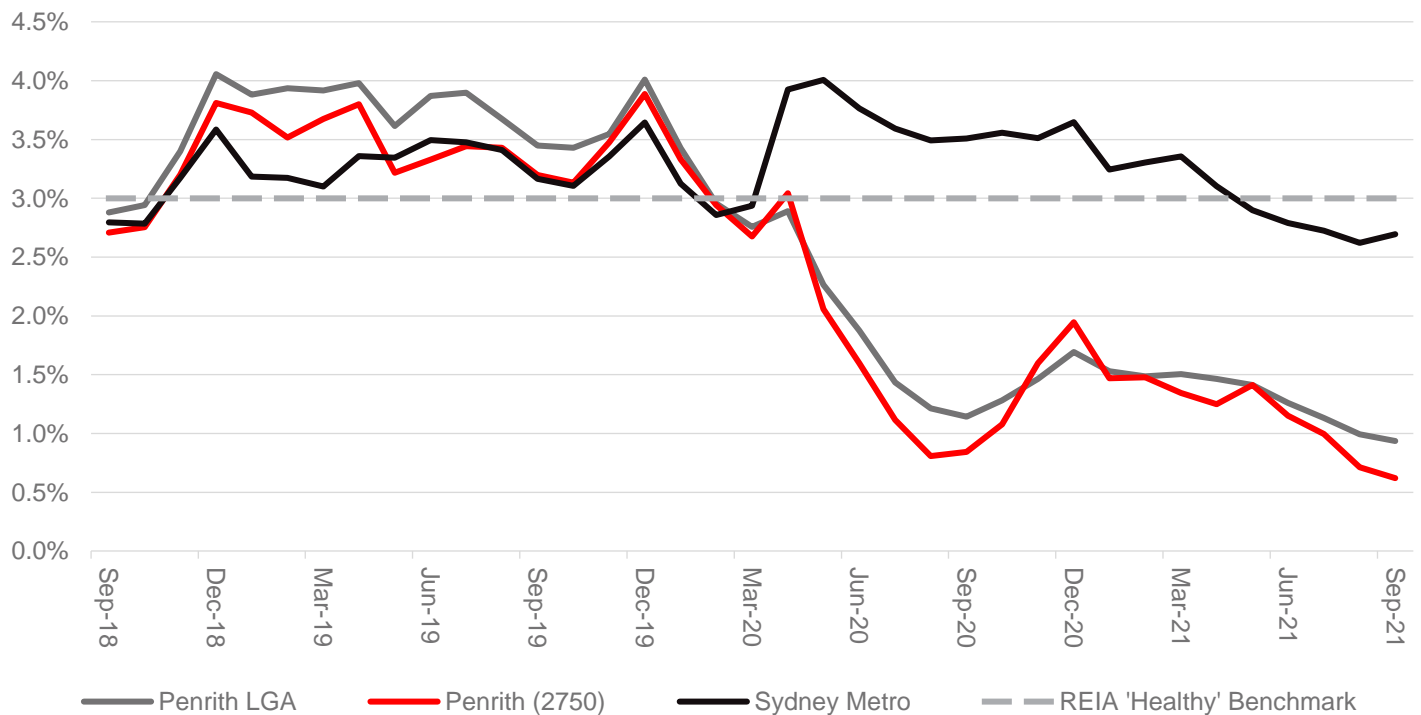
In September 2021, house rental yields in Penrith* were recorded at 3.0%. In the 12 months to Q3 2021, the median house rental price increased by 10.4% to reach \$497 per week, further complemented by a decline of -9.1% (to 20 days) in average days on market. Overall this represents a resilient rental market throughout COVID-19 lockdowns in 2021.

3 bedroom houses have provided investors with +4.7% rental growth annually€, with a median rent of \$450 per week.

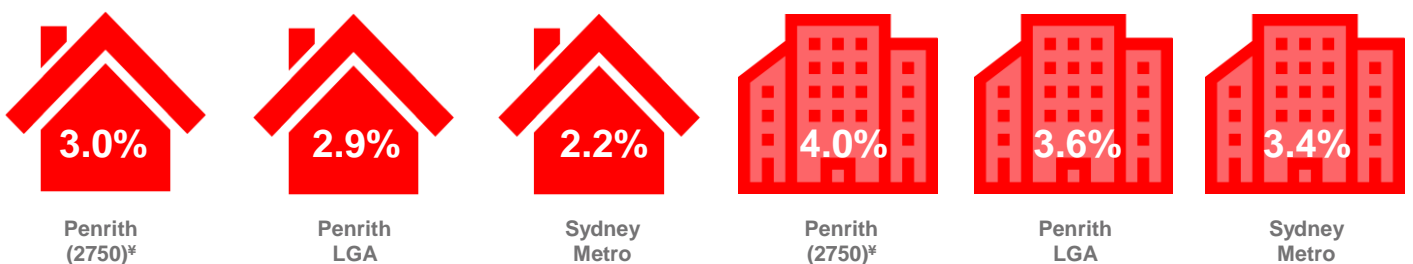
Also in September 2021, Penrith* recorded a vacancy rate of 0.6%, below that of Penrith LGA (0.9%) and well below Sydney Metro (2.7%). Vacancy rates in Penrith* have fluctuated since the peak of COVID-19 in April 2020, however, have returned to a declining trend since December 2020 to reach a historical low in September 2021. Throughout this period the vacancy rate in Penrith* remained below the Real Estate Institute of Australia's healthy benchmark of 3.0%. This confirms there is still a healthy rental demand and investors can be confident of a conducive investment environment in Penrith*.



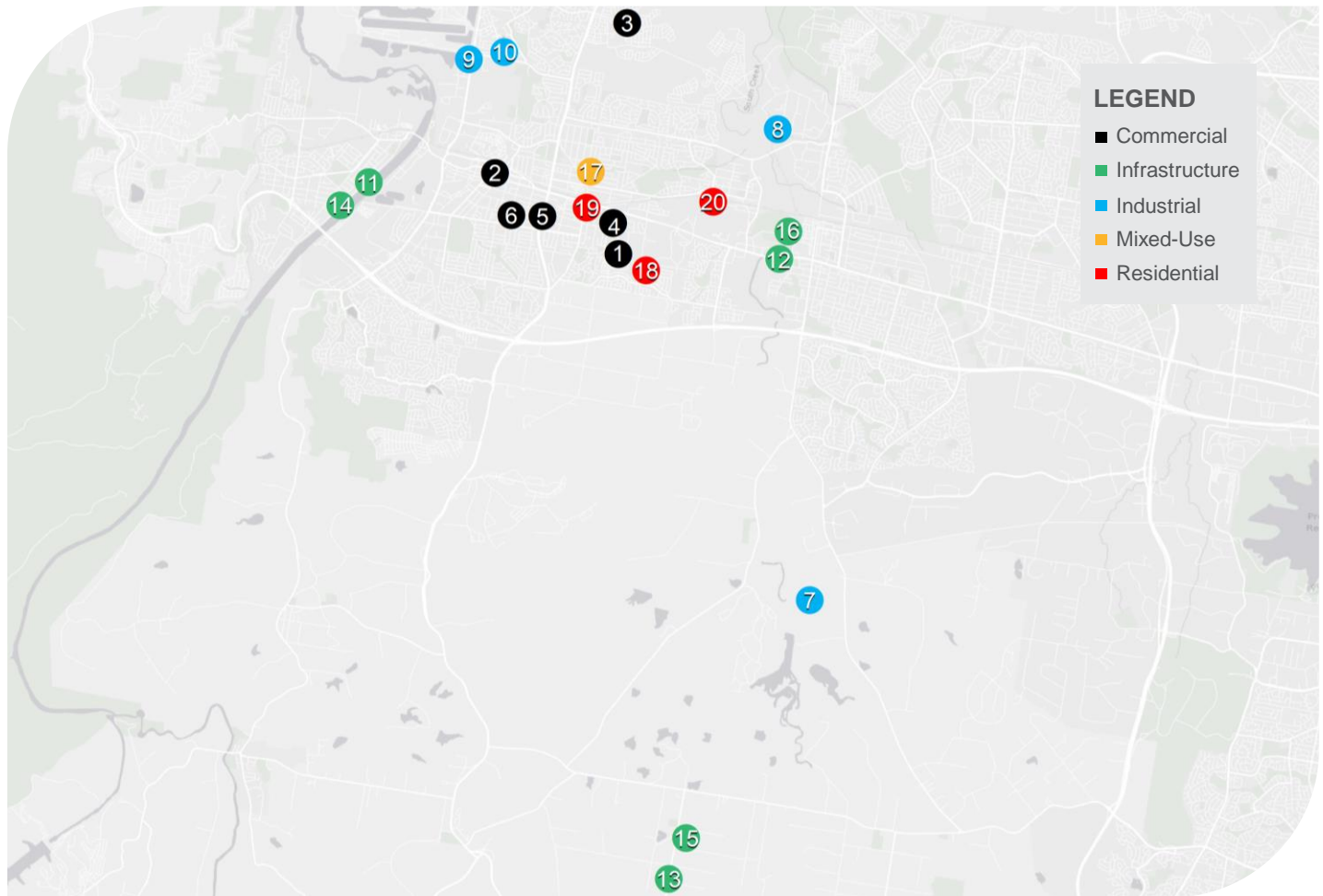
RENTAL VACANCY RATES 2021



RENTAL YIELD 2021\$



TOP DEVELOPMENTS MAP 2ND HALF 2021[▲]



Location	Project [£]	Type	Estimated Value ^µ	Commence Date ^ψ
1	Tafe Nsw Western Sydney Construction Hub	Commercial	\$80,000,000	06/12/2021
2	Henry Street Commercial Centre	Commercial	\$7,000,000	06/11/2021
3	Jordan Springs Boulevard Seniors Living Villas	Commercial	\$33,165,000	06/08/2021
4	Matilda Private Hospital	Commercial	\$30,000,000	16/09/2021
5	Nepean Private Hospital Expansion	Commercial	\$29,913,000	16/11/2021
6	Fresh Hope Seniors Housing Development	Commercial	\$18,243,000	29/11/2021
7	Kemps Creek Warehouse & Logistics Hub	Industrial	\$189,270,000	08/11/2021
8	Borg Manufacturing	Industrial	\$9,600,000	28/11/2021
9	Camden Street Industrial Units	Industrial	\$9,800,000	13/11/2021
10	Renshaw Street Industrial Units	Industrial	\$5,776,000	14/12/2021
11	River Road Deviation	Infrastructure	\$7,093,000	13/09/2021
12	Kingswood & St Marys Commuter Car Park	Infrastructure	\$20,000,000	17/10/2021
13	Western Sydney International (Nancy-bird Walton) Airport	Infrastructure	\$20,000,000	28/10/2021
14	Regatta Park - Our River Masterplan Double Entry Refer To Pid 8111771	Infrastructure	\$24,000,000	05/07/2021
15	Badgerys Creek Road Area & Aerotropolis	Infrastructure	\$50,000,000	23/11/2021
16	Links Road & Christie Street Roadworks	Infrastructure	\$14,733,000	05/10/2021
17	Park Avenue Mixed Use Development (45 Units)	Mixed-use	\$12,000,000	08/11/2021
18	O'connell St Integrated Houses (99 Dwellings)	Residential	\$35,734,000	04/12/2021
19	Santley Crescent Apartments (23 Units)	Residential	\$6,036,000	04/12/2021
20	Settlers Estate (83 Lots)	Residential	\$5,500,000	21/08/2021

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

* Penrith market data and key indicators encapsulates aggregate property market conditions within the Penrith LGA.

** 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.

¥ Penrith market data encapsulates aggregate property conditions within the postcode of 2750.

§ 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 Penrith LGA.

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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