







Kingsgrove Market Update 1st Half 2022



OVERVIEW

In Q1 2022, Kingsgrove* recorded a median house price of \$1,580,000, and a median unit price of \$695,000. This represents annual (Q1 2021 – Q1 2022) median price growth of 6.9% for houses and 12.1% for units. Between Q1 2021 – Q1 2022 total sales slowed, by -25.4% (to 144 sales) and by -34.2% for units (to 75 sales). The Kingsgrove* market is undersupplied, as price growth is alongside lower sales, particularly in the unit market. Now is the time for owner-occupiers and downsizers to capitalise on their investments, and for developers offering ready-to-sell stock to enter the market.

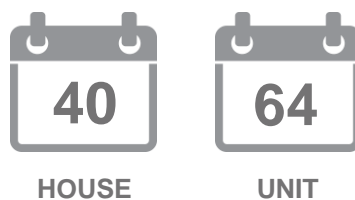
	CHANGE FROM LAST	YEAR	HALF YEAR
 House Sales		↓	↓
 House Median Price		↑	↓
 House Rental Price		↑	↔
 Unit Sales		↑	↓
 Unit Median Price		↑	↑
 Unit Rental Price		↑	↔

MARKET CONDITIONS

SALES MEDIAN PRICE Q1 2022



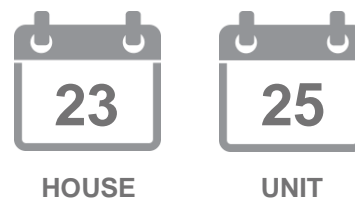
SALES AVERAGE DAYS ON MARKET Q1 2022



RENTAL MEDIAN PRICE Q1 2022

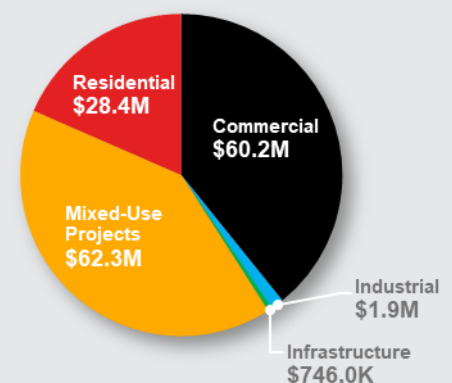


RENTAL AVERAGE DAYS ON MARKET Q1 2022



FUTURE DEVELOPMENTS

Kingsgrove is set to see approximately **\$153M worth of new projects commencing in the 1st half of 2022.**



These projects will stimulate economic growth and job opportunities in Kingsgrove. Mixed-use and residential projects are welcomed, to answer the current undersupply in the market.

A main commercial project over the 1st half of 2022 is the Stoney Creek Medical Centre (\$220M). Another key commercial development set to commence is the Rosemore Aged Care Facility (\$20M).

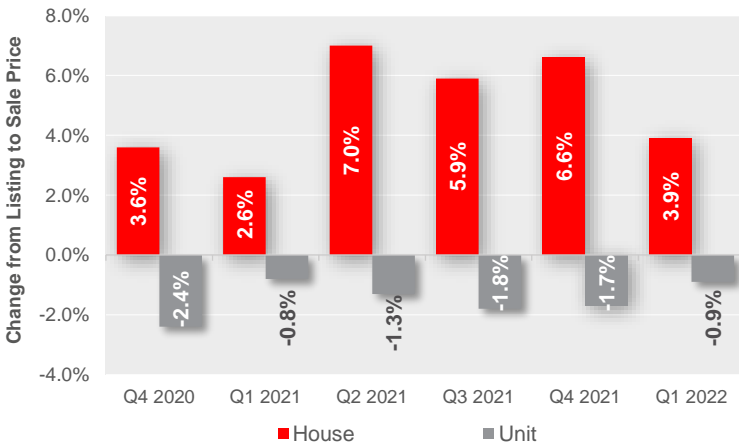
A key mixed-use development for the 1st half of 2022 is Canterbury Road Mixed Use Development (\$30.9M). This project will bring 22 apartments to the market as well as 700sqm retail space.

Key residential developments set to commence in the 1st half of 2022 include: Chapel Street Units (20 units, \$8.5M), Canterbury Road Apartments (36 apartments, \$6.9M), Moorefields Road Dwellings (9 dwellings, \$2.4M)



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.

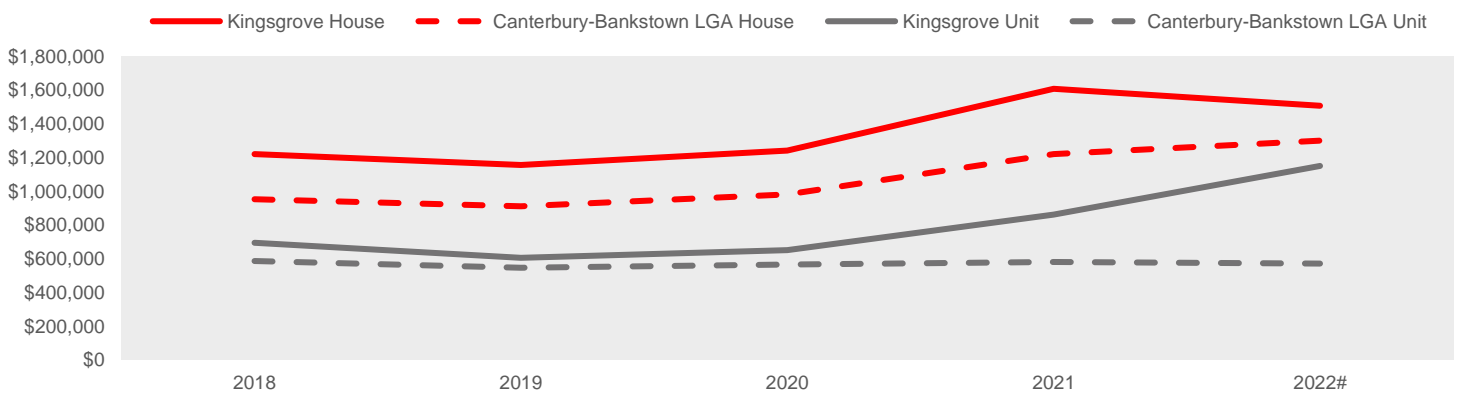


Average vendor discounts between Q1 2021 and Q1 2022 have further swung towards a higher premium of 3.9% for houses. Unit average vendor discount remain stable at -0.9% in Q2 2022. Kingsgrove market heavily favour vendors, as buyers have to offer closer or above the first list price. There is still a marginal discount for units however time is limited.

The suburb of Kingsgrove has historically outperformed the Canterbury-Bankstown Local Government Area (LGA) in both house and unit median prices. This continued to be the case for 2021/22[^] with a bigger price gap between the suburb and LGA for units.

The dominant proportion of homes sold in Kingsgrove* across 2021/22[^] were in the premium price point of \$1,600,000 and above (33.4%). Units also recorded a dominant premium price point of \$700,000 and above (37.1%). Affordable options are available, however have continued to decline in the past 18 months.

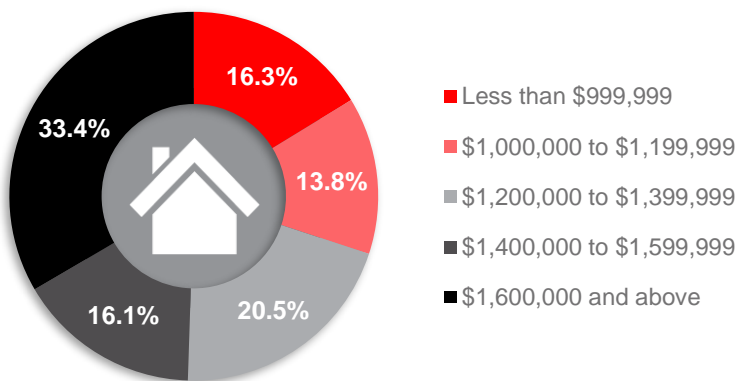
MARKET COMPARISON



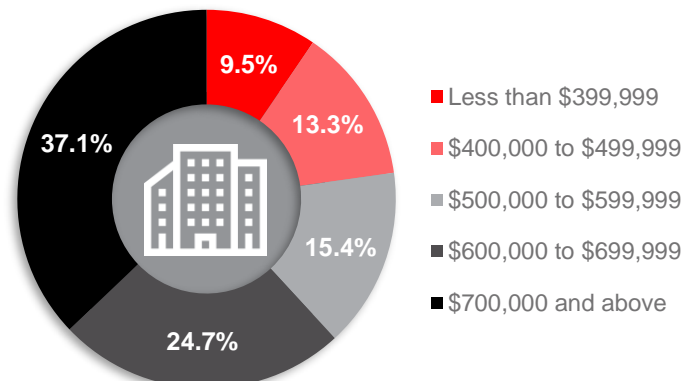
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Kingsgrove.

PRICE BREAKDOWN 2021/22[^]

HOUSES SOLD



UNITS SOLD

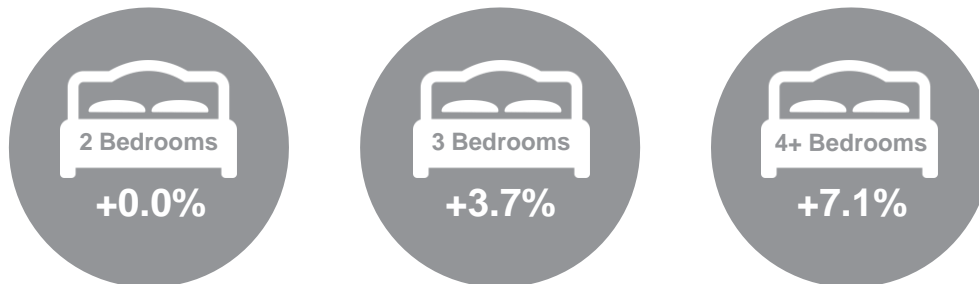


RENTAL GROWTH 2022€

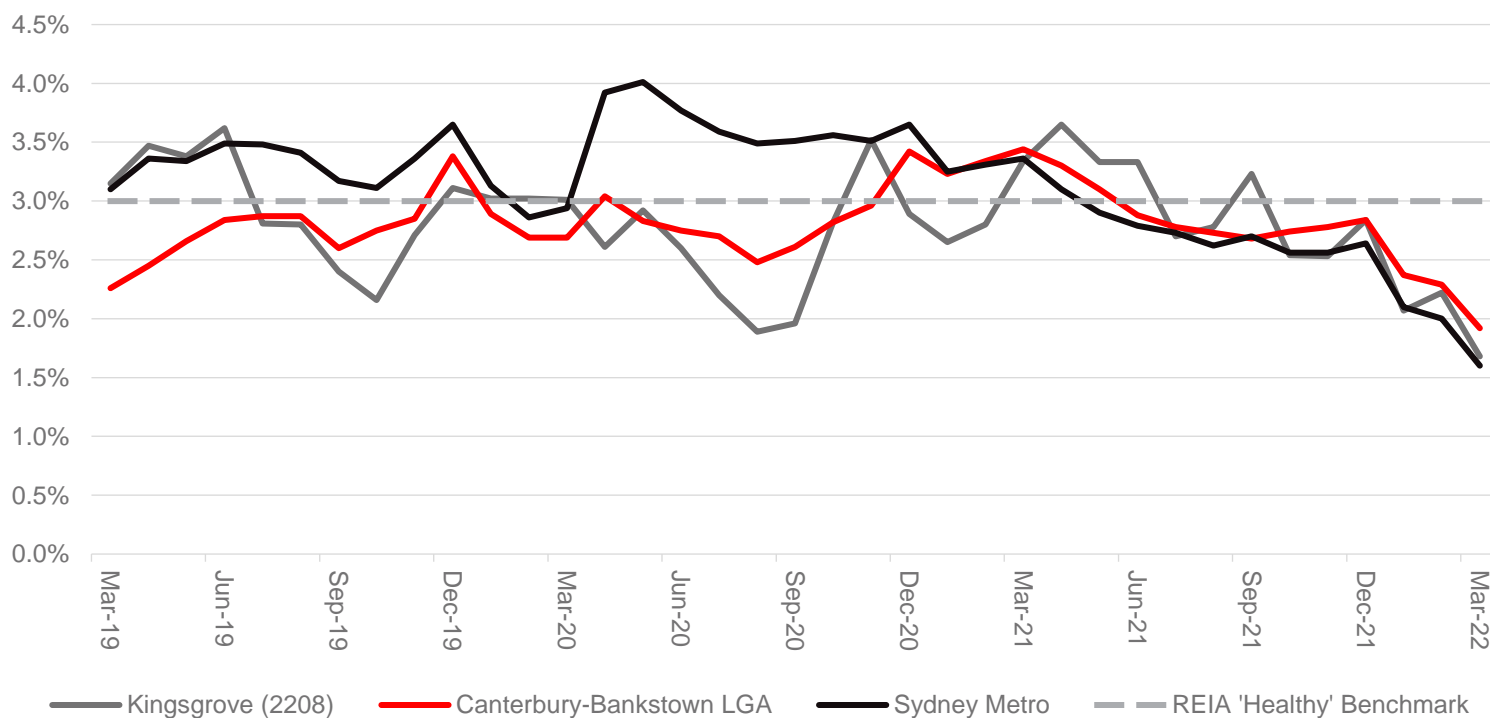
In March 2022 house rental yields in Kingsgrove were recorded at 2.0%, This is on par with Canterbury-Bankstown LGA (2.4%) and Sydney Metro (2.3%). In the 12 months to Q1 2022 median house rental price increased, by 5.0% to reach \$625 per week, while average days on the market declined by -11.5% (to 23 days). Overall this represents a resilient rental market throughout COVID-19, with an increasing demand in the past 12 months.

4+ bedroom houses have provided investors with +7.1% rental growth annually, achieving a median rent of \$750 per week.

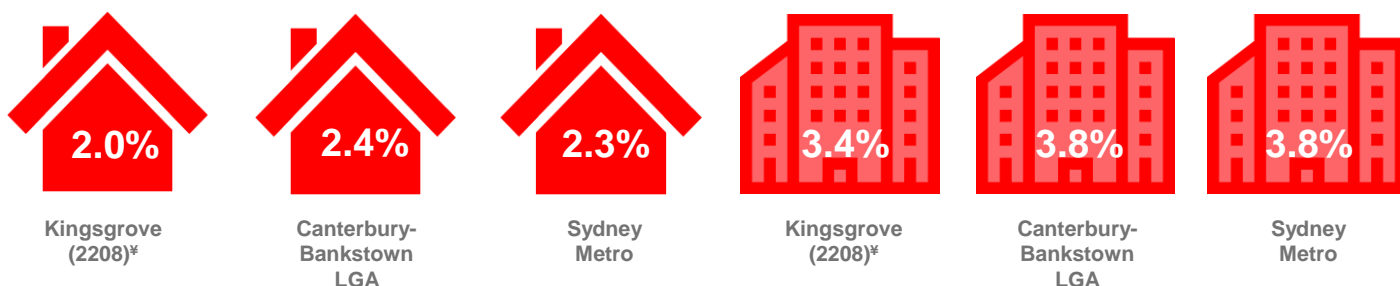
Also in March 2022, Kingsgrove recorded a vacancy rate of 1.7%, below that of Canterbury-Bankstown LGA (1.9%) however marginally above Sydney Metro (1.6%). Vacancy rates in Kingsgrove currently represent a 3 years historical low, remaining well below the Real Estate Institute of Australia's healthy benchmark of 3.0%. These key indicators create a conducive and sustainable environment for investors, despite the current increase in median sale prices of property in the past 12 months.



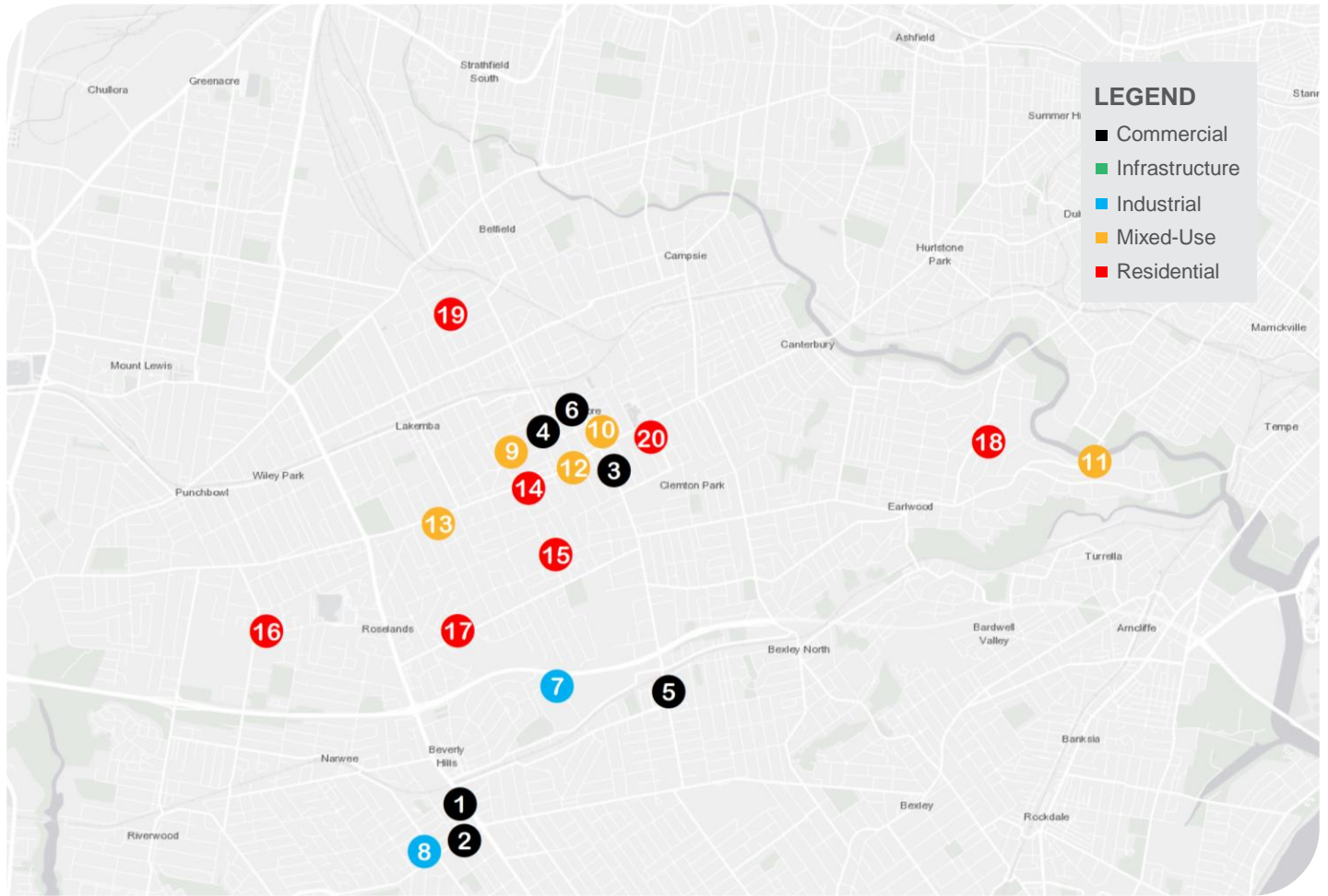
RENTAL VACANCY RATES 2022



RENTAL YIELD 2022\$



TOP DEVELOPMENTS MAP 1st HALF 2022^A



Location	Project [£]	Type	Estimated Value ^µ	Commence Date ^ψ
1	King Georges Road Hotel	Commercial	\$5,839,000	03/10/2022
2	Stoney Creek Medical Centre	Commercial	\$22,028,000	14/07/2022
3	Rosemore Aged Care Belmore	Commercial	\$20,000,000	02/07/2022
4	Burwood Road Boarding House (25 apartments)	Commercial	\$1,500,000	14/09/2022
5	Kingsgrove Road Pub	Commercial	\$3,230,000	12/10/2022
6	Burwood Road Shop Housing	Commercial	\$6,000,000	14/07/2022
7	The Crescent Resource Recovery Facility	Industrial	\$990,000	14/07/2022
8	165 Penhurst Street Industrial Building	Industrial	\$930,000	21/11/2022
9	Kent Street Shop Top Housing (22 units)	Mixed-use	\$7,300,000	16/11/2022
10	Canterbury Road Shop Top Housing (30 units)	Mixed-use	\$8,000,000	24/08/2022
11	Homer Street Mixed Use Building (9 units)	Mixed-use	\$3,098,000	16/02/2022
12	Canterbury Road Mixed Use Development (42 units)	Mixed-use	\$13,000,000	10/09/2022
13	Canterbury Road Mixed Use Development (98 units)	Mixed-use	\$30,950,000	06/11/2022
14	Canterbury Road Apartments (22 apartments)	Residential	\$4,616,000	13/08/2022
15	Chapel Street Units (20 units)	Residential	\$8,540,000	05/12/2022
16	Martin Street Townhouses (8 townhouses)	Residential	\$2,400,000	05/12/2022
17	Moorefields Road Dwellings (9 dwellings)	Residential	\$2,300,000	16/08/2022
18	Bass Road Boarding House	Residential	\$1,637,000	12/07/2022
19	43 Yangoora Road Apartments (6 apartments)	Residential	\$1,500,000	07/08/2022
20	Canterbury Road Apartments (36 apartments)	Residential	\$6,957,000	03/09/2022

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.

2022 encapsulates sales transactions for Q1 2022 (01/01/2022 – 31/03/2022) only.

^ 2021/22 encapsulates sales transactions for 2021 & Q1 2022 (01/01/2021 – 31/03/2022).

€ Annual rental growth is a comparison between 2021 (01/01/2021 – 31/03/2021) and 2022 (01/01/2022 – 31/03/2022) house median rent figures.

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

§ Rental yields shown are as reported as of March 2022.

⌘ 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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