



# Panania & Surrounds Market Update 1st Half 2022



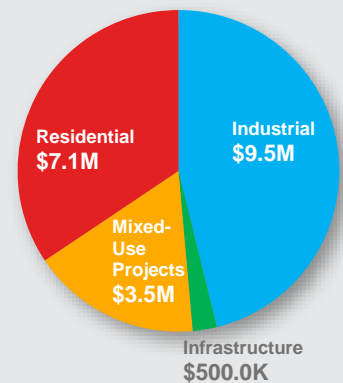
## OVERVIEW

In Q1 2022, Panania\* (inclusive of Panania, Picnic Point, Padstow, Revesby, Milperra and East Hills) recorded a median house price of \$1,340,000, and a median unit price of \$1,032,500. This represents annual (Q1 2021 – Q1 2022) median price growth of 21.8% for houses and 36.8% for units. Between Q1 2021 – Q1 2022 total house sales declined by -32.5% (to 158 sales), but unit sales increased by 18.3% (to 71 sales). Q1 2022 recorded the lowest house sales volumes since 2020, indicating an undersupply. This has resulted in double digit median price growth, thus an ideal time for owners to transact.

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

## FUTURE DEVELOPMENTS

Panania\* is set to see approximately **\$20.6M** worth of new projects commencing in the 1st half of 2022.



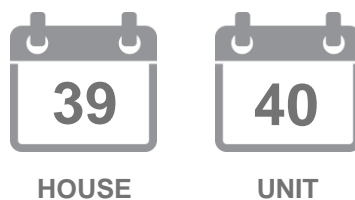
An emphasis on residential and mixed-use projects will answer high demand and help create a more sustainable price growth in Panania. Industrial and infrastructure projects will help stimulate economic growth and create employment opportunities in the area.

## MARKET CONDITIONS

### SALES MEDIAN PRICE Q1 2022



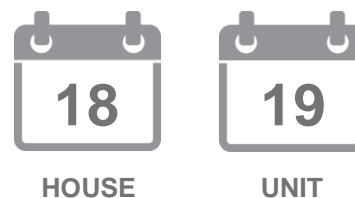
### SALES AVERAGE DAYS ON MARKET Q1 2022



### RENTAL MEDIAN PRICE Q1 2022



### RENTAL AVERAGE DAYS ON MARKET Q1 2022



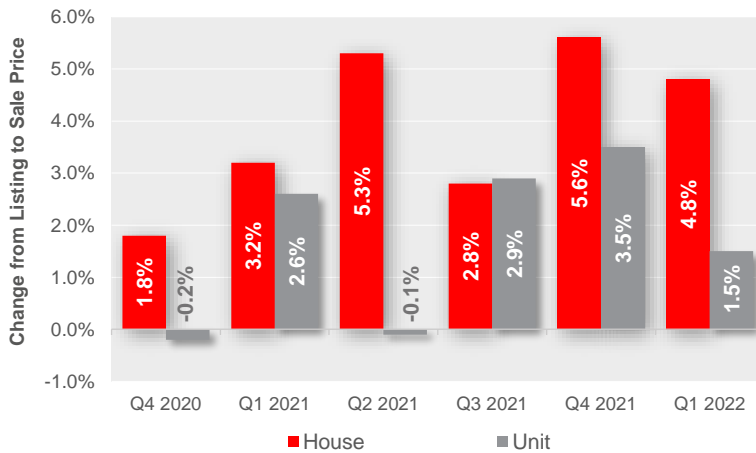
Milperra Rd Industrial & Commercial Development (\$7.5M) plans to add 16 industrial units to the area, and is the key industrial project for 1st half 2022. Along with Fitzpatrick Street Industrial units (\$2.0M, 36 industrial units) this will create jobs in the area, contributing to economic growth.

New property stock comes from 3 residential projects: Iberia St Units (\$4.0M, 14 units), Meager Avenue Villas (\$1.8M, 6 villas), and Bell St Townhouses (\$1.2M, 5 townhouses); and 1 mixed use project: Iberia St Mixed Use Development (\$3.5M, 19 units). That said there is an absence of ready-to-sell stand-alone houses, which is highly undersupplied



# 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.

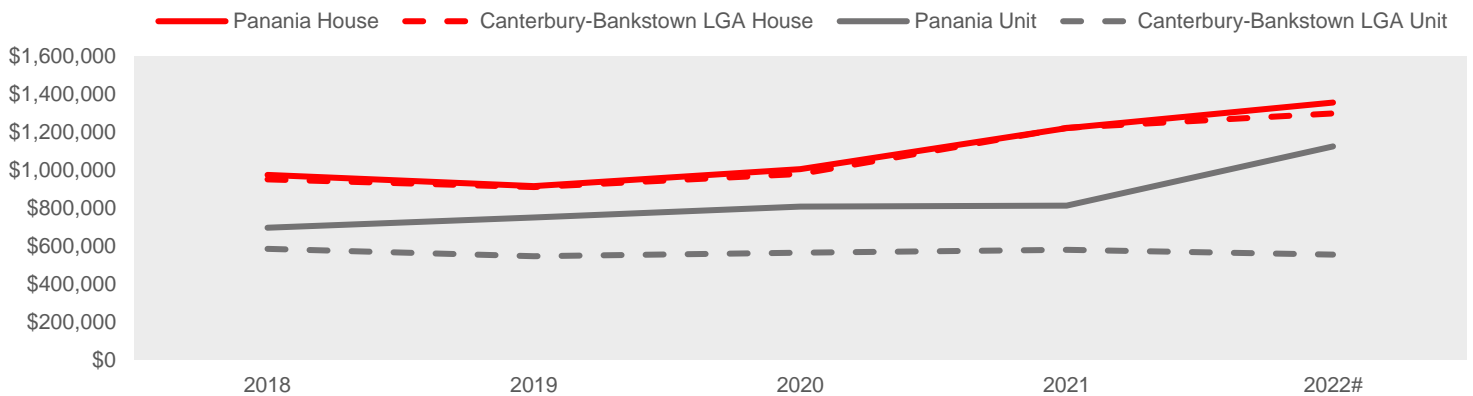


Average vendor discounts between Q1 2021 and Q1 2022 have further increased towards a higher premium for houses, to 4.8%. It has decreased for units, to 1.5%. Market conditions in Panania\* (inclusive of Panania, Picnic Point, Padstow, Revesby, Milperra and East Hills) continue to favour sellers, as buyers are willing to pay above the initial listing price. Now is the time to sell.

Panania\* has historically outperformed the wider Canterbury-Bankstown Local Government Area (LGA) for unit median prices and performed on par for houses. This continues to be the case in 2022#.

The dominant proportion of homes sold in Panania\* in 2021/22^ were in the premium price of \$1,300,000 and above (46.3%). Units also recorded a dominant premium price point, of \$1,000,000 and above (29.4%). That said there is a relatively even spread of price points evident, more so for units, with affordable stock still available. This is good news for first home buyers.

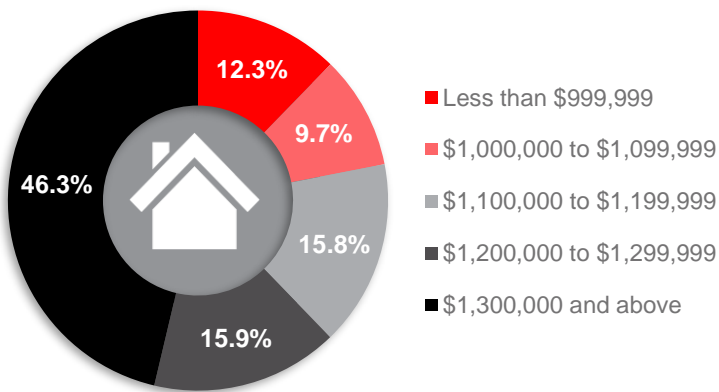
## MARKET COMPARISON



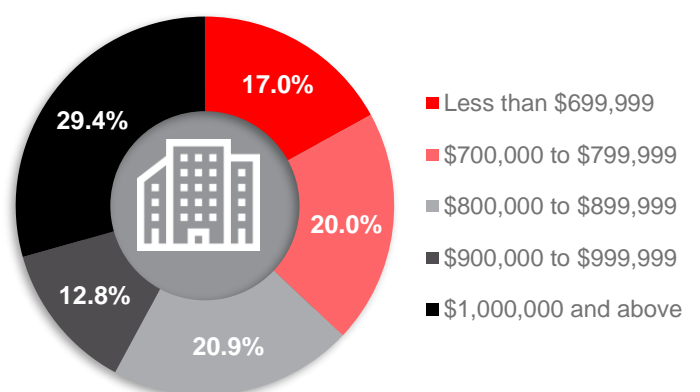
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Panania.

## PRICE BREAKDOWN 2021/22^

### HOUSES SOLD



### UNITS SOLD

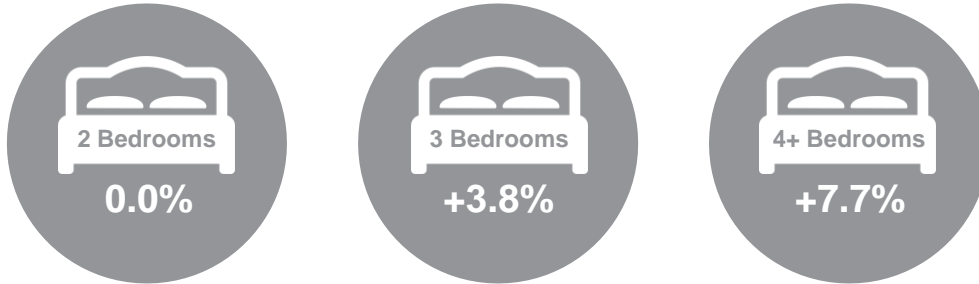


# RENTAL GROWTH 2022€

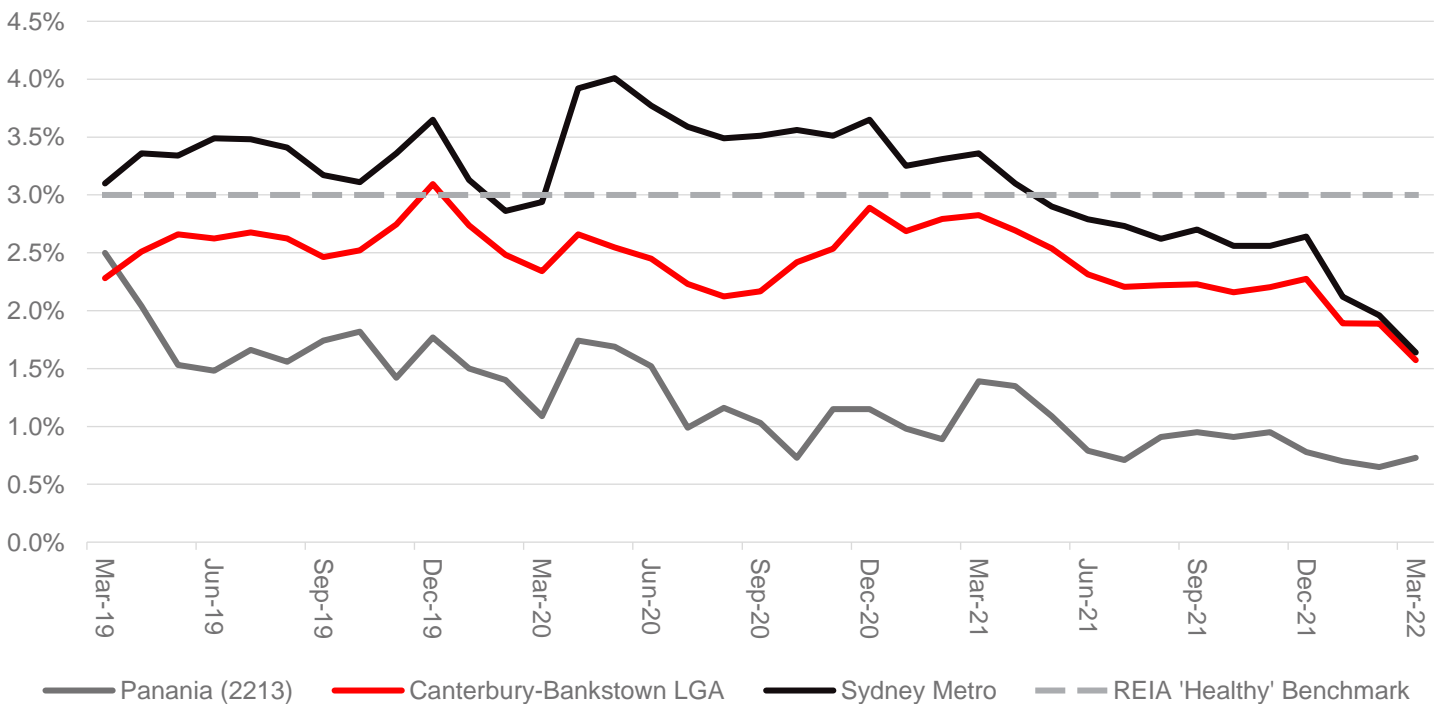
In March 2022 house rental yields in Panania<sup>¥</sup> were recorded at 2.5%. In the 12 months to Q1 2022 the median house rental price increased by 7.7% to reach \$598 per week, while average days on the market declined by -25.0% (to 18 days). Median house price growth between Q1 2021 – Q1 2022 (21.8%) outstripped rental price growth in Panania<sup>¥</sup>. That said rental properties are spending less time vacant on the market, thus ensuring consistent cashflow for investors.

4+ bedroom houses have provided investors with +7.7% rental growth annually<sup>€</sup>, with a median rent of \$700 per week.

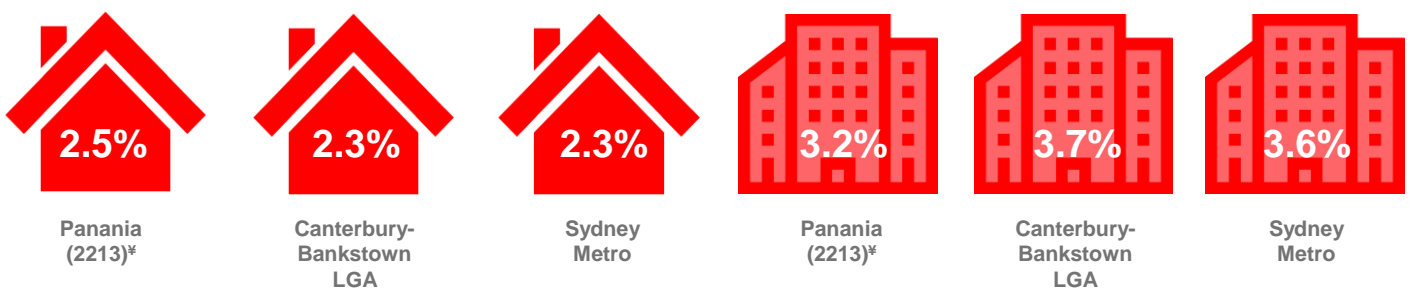
Also in March 2022, Panania<sup>¥</sup> (inclusive of inclusive of suburbs in postcode 2213) recorded a vacancy rate of 0.7%, below that of Canterbury-Bankstown LGA (1.6%) as well as Sydney Metro (1.6%). Vacancy rates in Panania<sup>¥</sup> are once again at record low and have continued to remain within the 1.5% band in the past 12 months. This confirms there is an increasingly healthy rental demand and investors can be confident of a conducive investment environment in Panania<sup>¥</sup>.



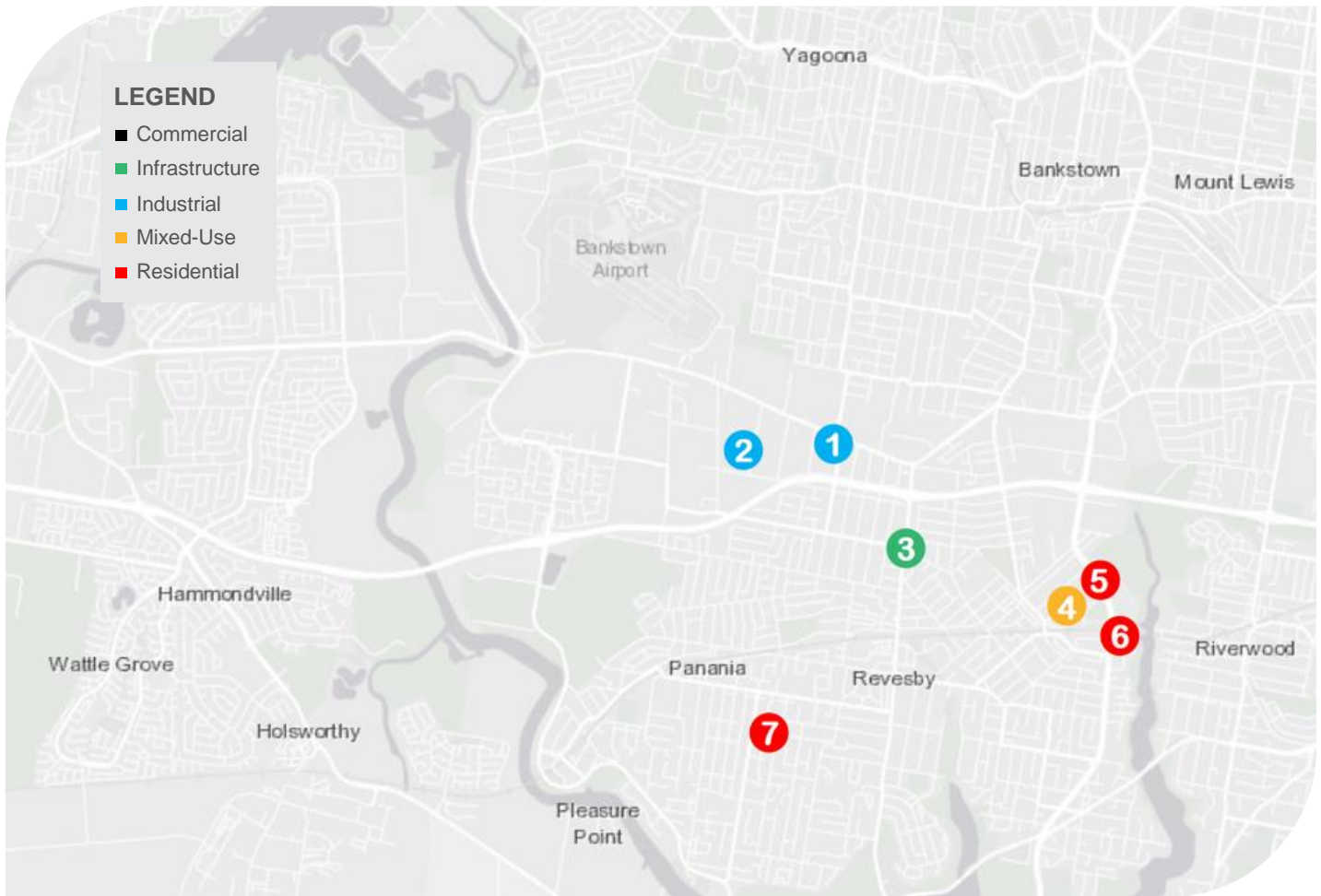
# RENTAL VACANCY RATES 2022



# RENTAL YIELD 2022\$



# TOP DEVELOPMENTS MAP 1ST HALF 2022<sup>Ⓐ</sup>



Location	Project <sup>Ⓔ</sup>	Type	Estimated Value <sup>Ⓜ</sup>	Commence Date <sup>Ⓜ</sup>
1	Milperra Road Industrial & Commercial Development	Industrial	\$7,500,000	05/04/2022
2	Fitzpatrick Street Industrial Units	Industrial	\$2,000,000	04/04/2022
3	The River Road Town Centre	Infrastructure	\$500,000	16/05/2022
4	Iberia Street Mixed Use Development (10 Units)	Mixed-use	\$3,500,000	26/04/2022
5	Iberia Street Units (14 Units)	Residential	\$4,000,000	06/06/2022
6	Meager Avenue Villas (6 Villas)	Residential	\$1,800,000	14/04/2022
7	Bell Street Townhouses (5 Townhouses)	Residential	\$1,281,000	08/06/2022

## 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

\* 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.

# 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.

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

§ 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 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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