



# Penrith Market Update

## 2<sup>nd</sup> Half 2022



### OVERVIEW

In Q3 2022, Penrith recorded a median house price of \$873,500. This is an annual (Q3 2021 – Q3 2022) 2.8% median house price growth. That said, on a quarter-to-quarter basis (Q2 2022 – Q3 2022), median house price softened by -4.2%. This is a reflection of interest rate hikes translating into the market. Total house sales decreased annually and quarterly, with Q3 2022 recording the lowest number (513 sales). The unit market recorded a 6.2% median price growth annually and -1.7% quarterly, which suggest cash rate movements are impacting all property types. New opportunities exist buyers in both markets.

	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 2022



SALES AVERAGE DAYS ON  
MARKET Q3 2022



RENTAL MEDIAN PRICE  
Q3 2022

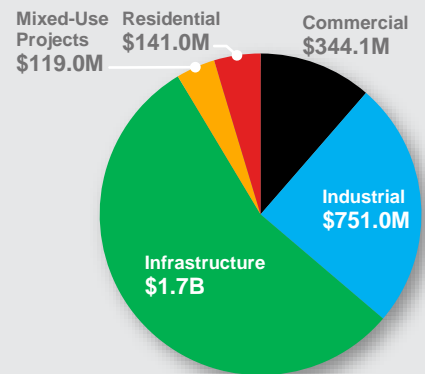


RENTAL AVERAGE DAYS ON  
MARKET Q3 2022



### FUTURE DEVELOPMENTS

Penrith is set to see approximately **\$3.0B** worth of new projects commencing in the 2<sup>nd</sup> half of 2022.



Infrastructure projects will improve liveability for current residents, and have the opportunity to attract more people into the area. Local jobs will be created during and post-construction, which when combined with additional jobs due to more industrial and commercial projects; will further stimulate the economy.

A main mixed use project in the 2<sup>nd</sup> half of 2022 is the Parklands Estate (\$55.5M), adding 201 units.

The M1 Motorway West (\$1.0B) is a significant infrastructure project that will improve travel between Sydney and Penrith. This will potentially increase demand to live in Penrith, due to increased accessibility.

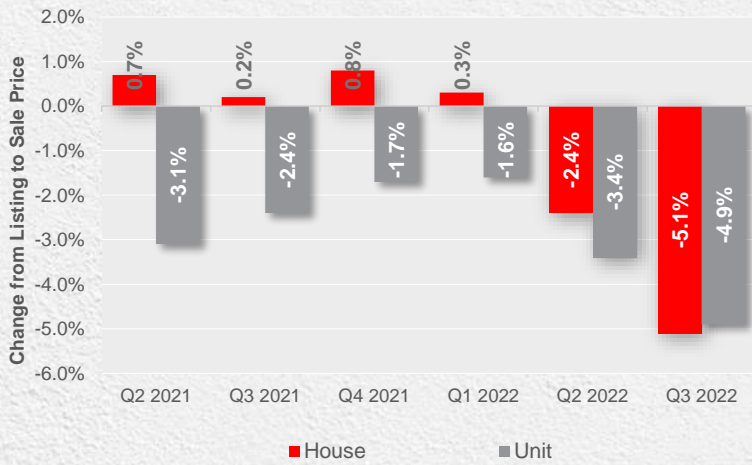
Key residential projects planned in the 2<sup>nd</sup> half of 2022 are O'Connell St Integrated Houses (\$21.2M, 99 dwellings) and Solis by Astina project (\$21.2M, 119 apartments).





# 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.

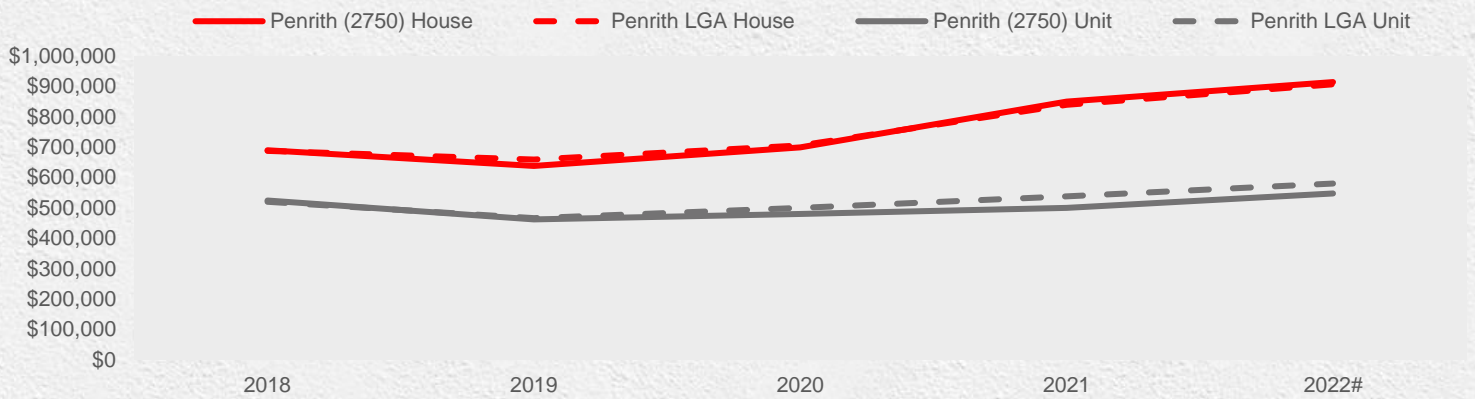


Average vendor discounts between Q3 2021 and Q3 2022 have shifted for both property types, swinging to a discount of -5.1% for houses and a higher discount of -4.9% for units. Market conditions in Penrith have now shifted to favour buyers, as vendors are willing to offer below the initial listing price.

The suburb of Penrith has historically performed similarly to the wider Penrith Local Government Area (LGA), in both house and unit median prices. This continued to be the case in 2022, with houses trending toward a more premium market.

The dominant proportion of homes sold in Penrith across 2022 were in the more affordable price bracket between \$750,000 to \$849,999 (26.4%). Units also recorded a dominant upper-pricing between \$600,000 to \$699,999 (27.6%). Interestingly, there is almost equal opportunity in the premium and more affordable pricing brackets for both property types, thus creating a wider net for first home buyers.

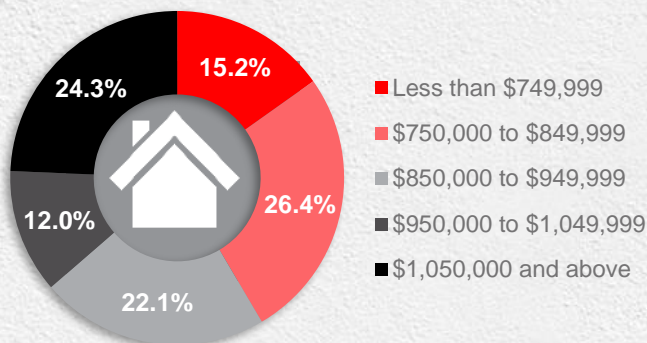
## MARKET COMPARISON



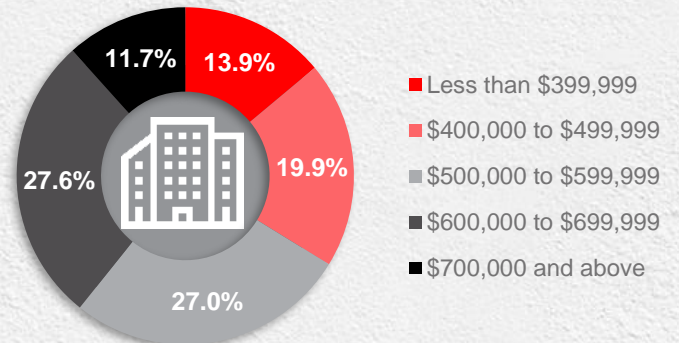
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled are chosen based on their proximity to the main suburb analysed, which is Penrith.

## PRICE BREAKDOWN 2022#

### HOUSES SOLD



### UNITS SOLD





# RENTAL GROWTH 2022€

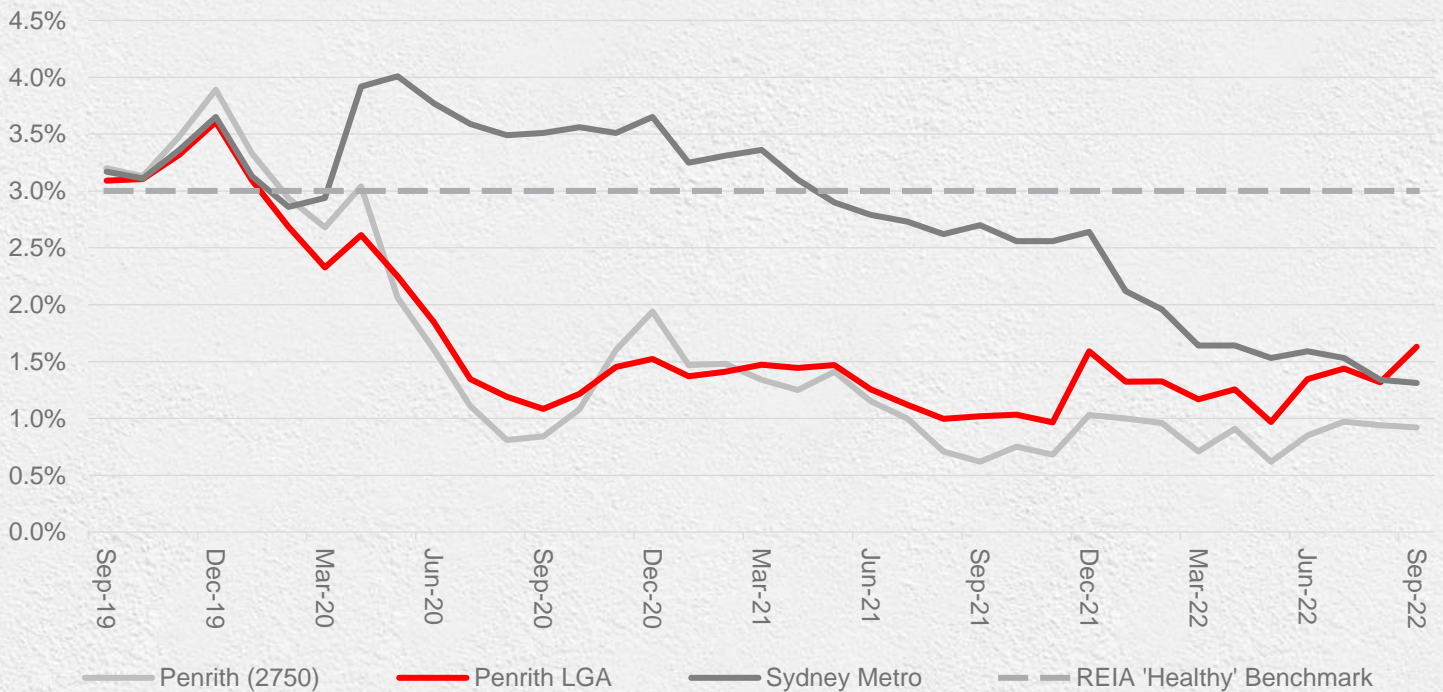
House rental yields in Penrith\* was recorded at 3.2% in September 2022, higher than Penrith LGA (3.0%) and Sydney Metro (2.7%). In the 12 months to Q3 2022, median house rental price increased by 20.2% to reach \$505 per week, despite a 46.7% increase (to 110) in the number of houses rented. Average days on the market remain low at 21 days. Overall this suggest a resilient rental market in Penrith\*, which has a more affordable investment entry price compared to Sydney Metro.

4+ bedroom houses have provided investors with +14.2% rental growth annually, achieving a median rent of \$628 per week.

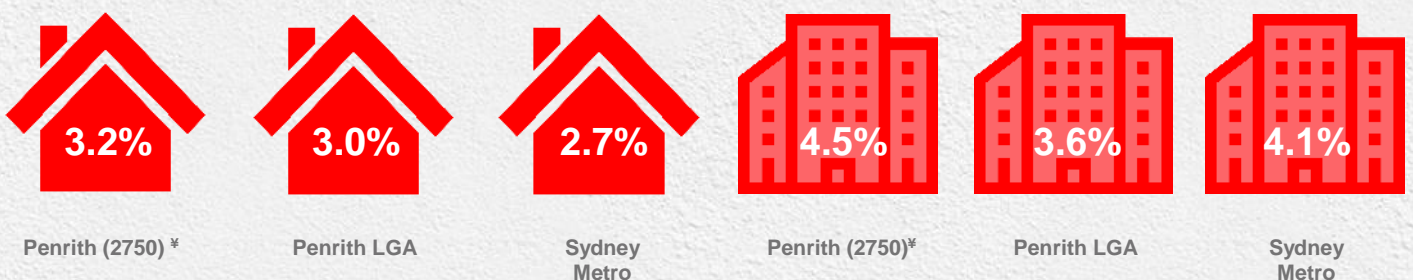
Penrith\* recorded a vacancy rate of 0.9% in September 2022, which is below Sydney Metro's 1.3% average. Vacancy rates in Penrith\* have slightly fluctuated in the past 12 months, however have always maintained below the 1.0% rate-band and below the Real Estate Institute of Australia's healthy benchmark of 3.0%. These key indicators create a conducive and sustainable environment for investors, particularly with a median property price downturn in the past quarter.



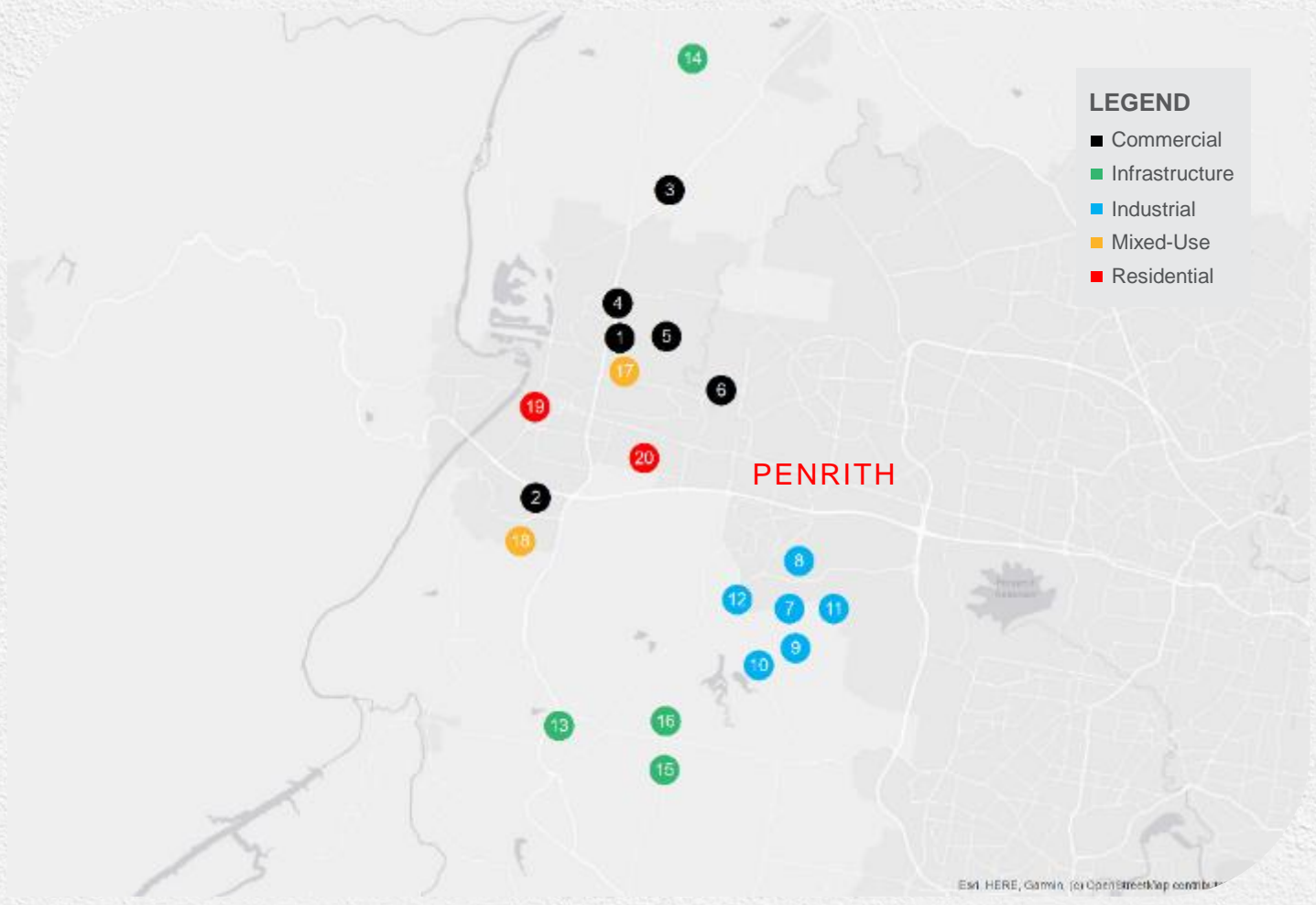
# RENTAL VACANCY RATES 2022



# RENTAL YIELD 2022\$



# TOP DEVELOPMENTS MAP 2<sup>nd</sup> HALF 2022<sup>▲</sup>



Location	Project <sup>€</sup>	Type	Estimated Value <sup>¥</sup>	Commence Date <sup>▼</sup>
1	Jordan Springs Retirement Village	Commercial	\$73,910,000	07/11/2022
2	Garswood Road Seniors Living Development	Commercial	\$59,298,000	16/11/2022
3	Elf Mushroom Farm	Commercial	\$20,000,000	07/11/2022
4	Kingfisher Grove Retirement Village	Commercial	\$46,700,000	11/07/2022
5	Catholic Healthcare Jordan Springs	Commercial	\$32,708,000	03/10/2022
6	St Marys Intermodal	Commercial	\$33,212,000	20/09/2022
7	Oakdale West Estate Precinct 3	Industrial	\$24,308,000	10/11/2022
8	Oakdale South Industrial Estate - Precincts 1, 4 & 5	Industrial	\$218,091,000	07/11/2022
9	Fife Industrial Estate - Overall Project	Industrial	\$200,000,000	01/11/2022
10	Aspect Industrial Estate - Overall Concept Plan & Stage 1	Industrial	\$111,830,000	16/10/2022
11	Oakdale West Estate Stage 3	Industrial	\$92,631,000	10/10/2022
12	Snack Brands Manufacturing Facility - Project Horizon	Industrial	\$35,000,000	27/09/2022
13	M12 Motorway West & M12 Motorway Central	Infrastructure	\$1,000,000,000	08/08/2022
14	The Driftway Traffic Safety Improvements	Infrastructure	\$25,000,000	14/12/2022
15	Western Sydney International (Nancy-bird Walton) Airport	Infrastructure	\$20,000,000	08/12/2022
16	Sydney Metro - Western Sydney Airport	Infrastructure	\$538,500,000	08/08/2022
17	Parklands Estate (201 Units)	Mixed-use	\$55,472,000	16/11/2022
18	Glenmore Park Village (147 Units)	Mixed-use	\$46,945,000	14/08/2022
19	Solis By Astina (119 Units)	Residential	\$21,210,000	29/08/2022
20	O'Connell St Integrated Houses (99 Dwellings)	Residential	\$35,734,000	04/11/2022





## 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.



### **Darren Latty**

Principal

M +61 414 620 532

E [darren@prd.net.au](mailto:darren@prd.net.au)



## PRD Penrith

P +61 2 4732 3711

[PRD.com.au/penrith](http://PRD.com.au/penrith)

379 High Street  
Penrith NSW 2750

# 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.

# 2022 encapsulates sales transactions for 2022 (01/01/2022 – 30/09/2022) only.

€ Annual rental growth is a comparison between 2021 (01/01/2021 – 30/09/2021) and 2022 (01/01/2022 – 30/09/2022) 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 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 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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