



Panania Market Update

1st Half 2023



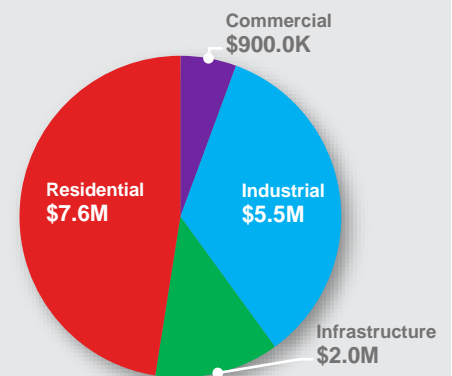
OVERVIEW

In Q1 2023, Panania* recorded a median house price of \$1,207,500, and a median unit price of \$855,000. This represents annual (Q1 2022 – Q1 2023) median price softening of -10.6% for houses and a price growth of 0.6% for units. Quarterly (Q4 2022 – Q1 2023), median house and unit price grew by 0.6% and 8.9% respectively. This suggests cash rate hikes did translate into the market, but consumer confidence have returned. House sales did decline in the past 12 months, by -31.0%, thus an undersupply is evident. For those looking for a more affordable market, especially houses, time is of the essence

	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 **\$16.0M** worth of new projects commencing in 2023.



These projects will stimulate economic growth and create large employment opportunities in Panania. This will have a spill-over impact on the real estate market, in the form of demand.

A main industrial project over the 1st half of 2023 is the Ashford Avenue Industrial Units.

There are three key projects that will deliver property stock:

- Iberia Street Units (14 units)
- 13 Queen Street Townhouses (6 townhouses)
- Meager Ave Villas (6 dwellings)

Although there is additional property stock, key sales indicators suggests that this is not enough. In the current cash rate environment existing stock is being absorbed, but this is not a long term solution. Now consumer confidence is returning, thus an absence in ready to sell supply will put more pressure on prices.

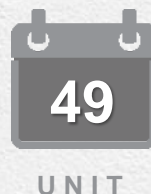
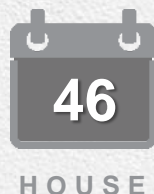


MARKET CONDITIONS

SALES MEDIAN PRICE
Q1 2023



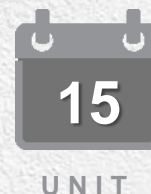
SALES AVERAGE DAYS ON
MARKET Q1 2023



RENTAL MEDIAN PRICE
Q1 2023

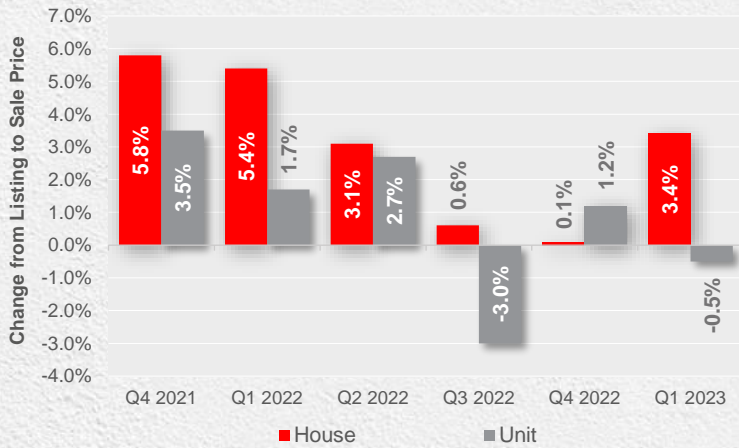


RENTAL AVERAGE DAYS ON
MARKET Q1 2023



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.

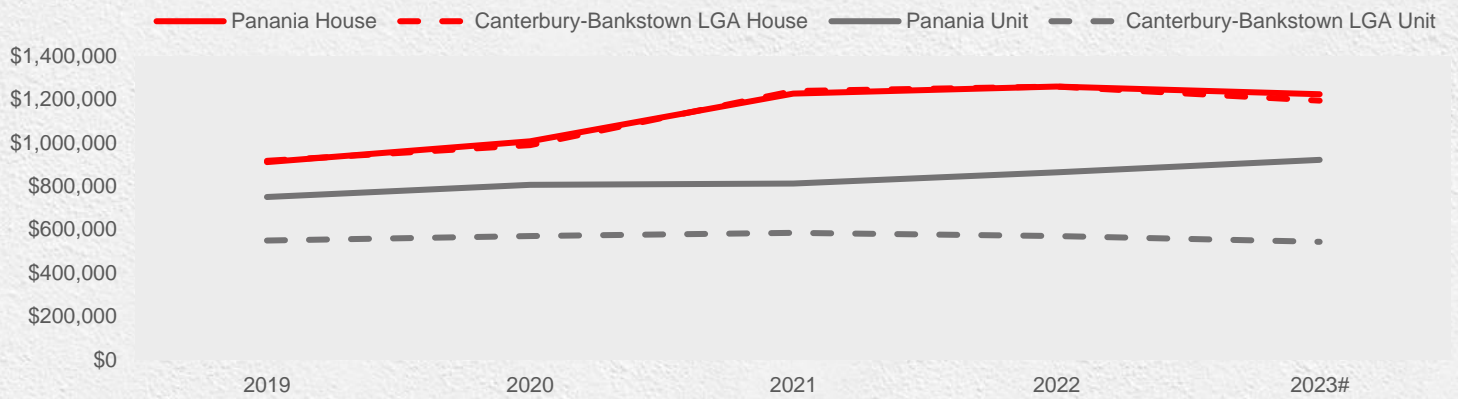


Average vendor discounts between Q1 2022 and Q1 2023 shifted to a lower premium of 3.4% for houses, and swung to a discount of -0.5% for units. House sellers can still benefit from a final sale price above the first list price, however at a lower premium for buyers. Units continue to favour buyers, as vendors are willing to accept below the first listing price.

The suburb of Panania has historically outperformed the wider Canterbury-Bankstown Local Government Area in unit median price and performed on par for median house. This continued to be the case in 2023#.

The dominant proportion of homes sold in Panania* across 2022/23# were in the premium price bracket of \$1,300,000 and above (44.4%). Similarly, most of unit sales were in the premium price point of \$950,00 and above (27.6%). This should inspire seller confidence. On the other hand, affordable options are more available, with approx. 13.0% of sales in the most affordable price bracket. This is good news for first home buyers.

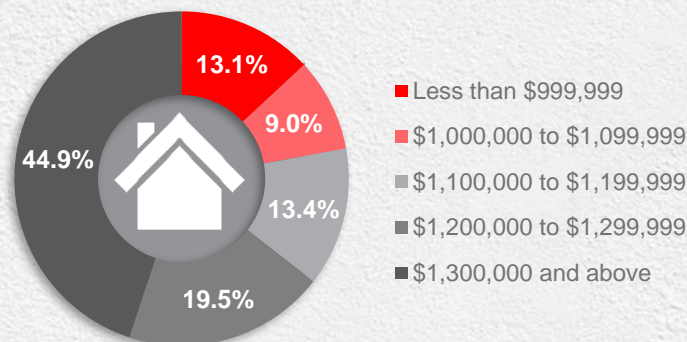
MARKET COMPARISON



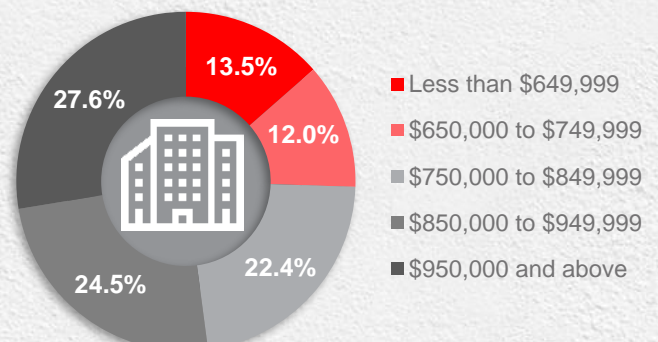
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Panania.

PRICE BREAKDOWN 2022/23#

HOUSES SOLD



UNITS SOLD

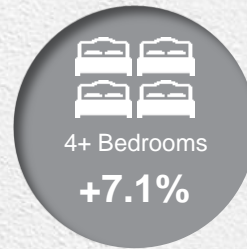
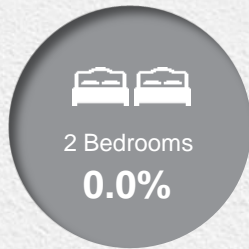


RENTAL GROWTH 2023€

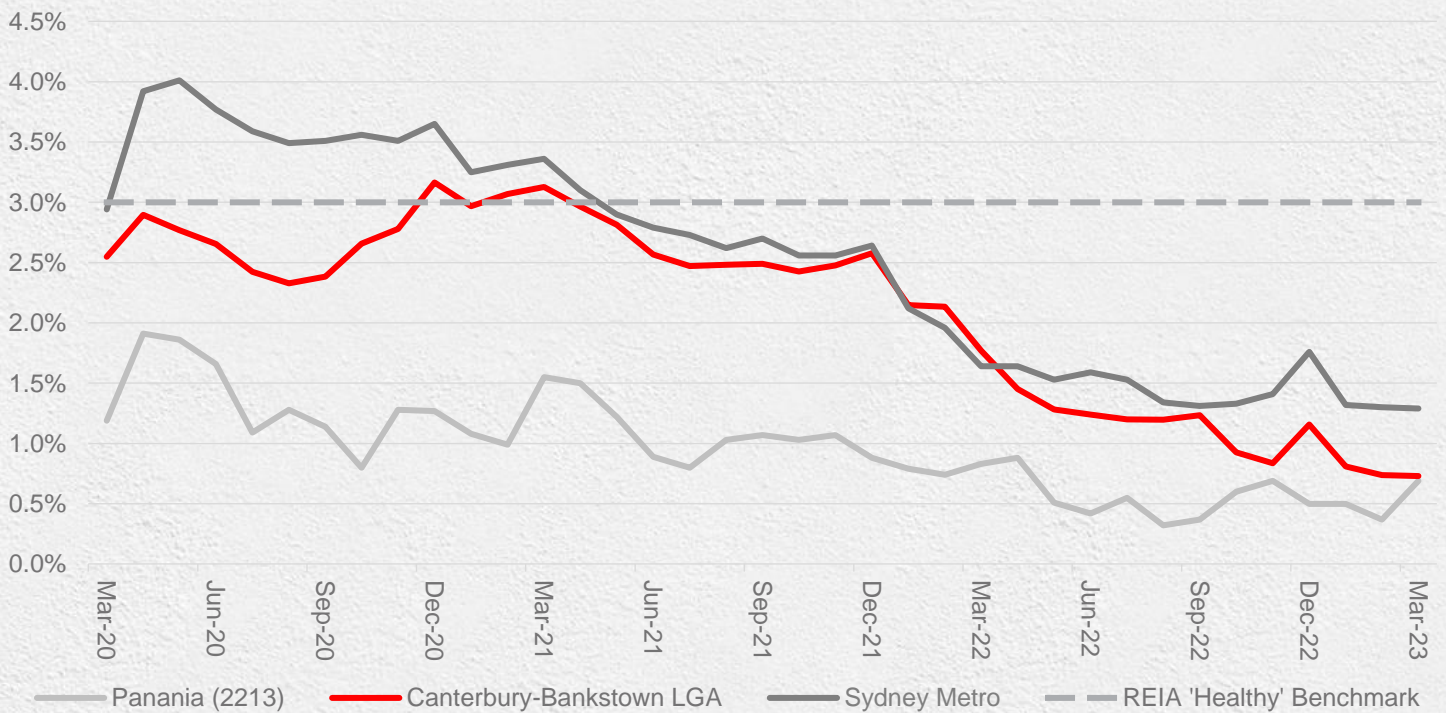
House rental yields in Panania* was 3.1% in March 2023, slightly above Sydney Metro (2.9%). Median house rent price increased by 16.2% (to \$688 per week) in the past 12 months to Q1 2023 and the number of houses rented increased marginally by -0.6%. Average days to let remained a low 18 days. The same pattern can be seen in the unit rental market, thus confirming a resilient rental market in Panania*.

3 bedroom houses have provided investors with +9.1% rental growth annually, achieving a median rent of \$600 per week.

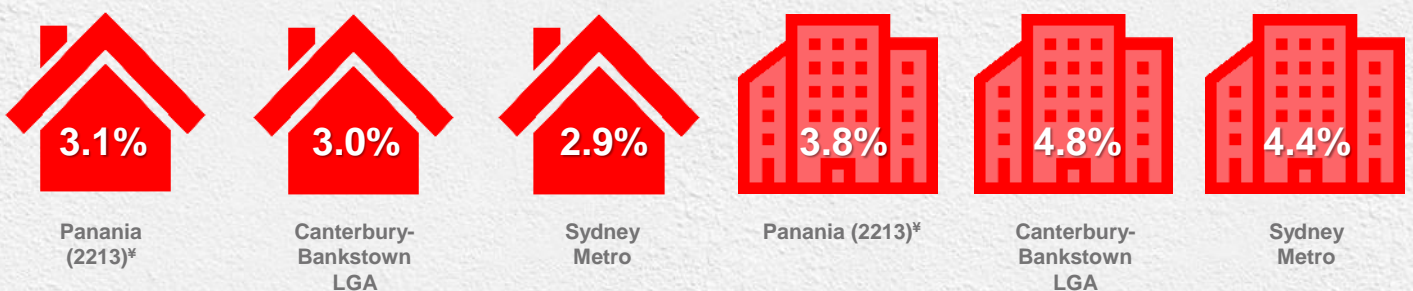
Panania* recorded a vacancy rate of 0.7% in March 2022, below Sydney Metro's 1.3% average. Vacancy rates in Panania* remain well below the Real Estate Institute of Australia's healthy benchmark of 3.0% and remained steady in early 2023, indicating higher demand and quicker occupancy of rentals. This suggests a conducive and sustainable environment for investors, especially with a softer median sale price in the past 12 months to Q1 2023. Now is the time to enter the market.



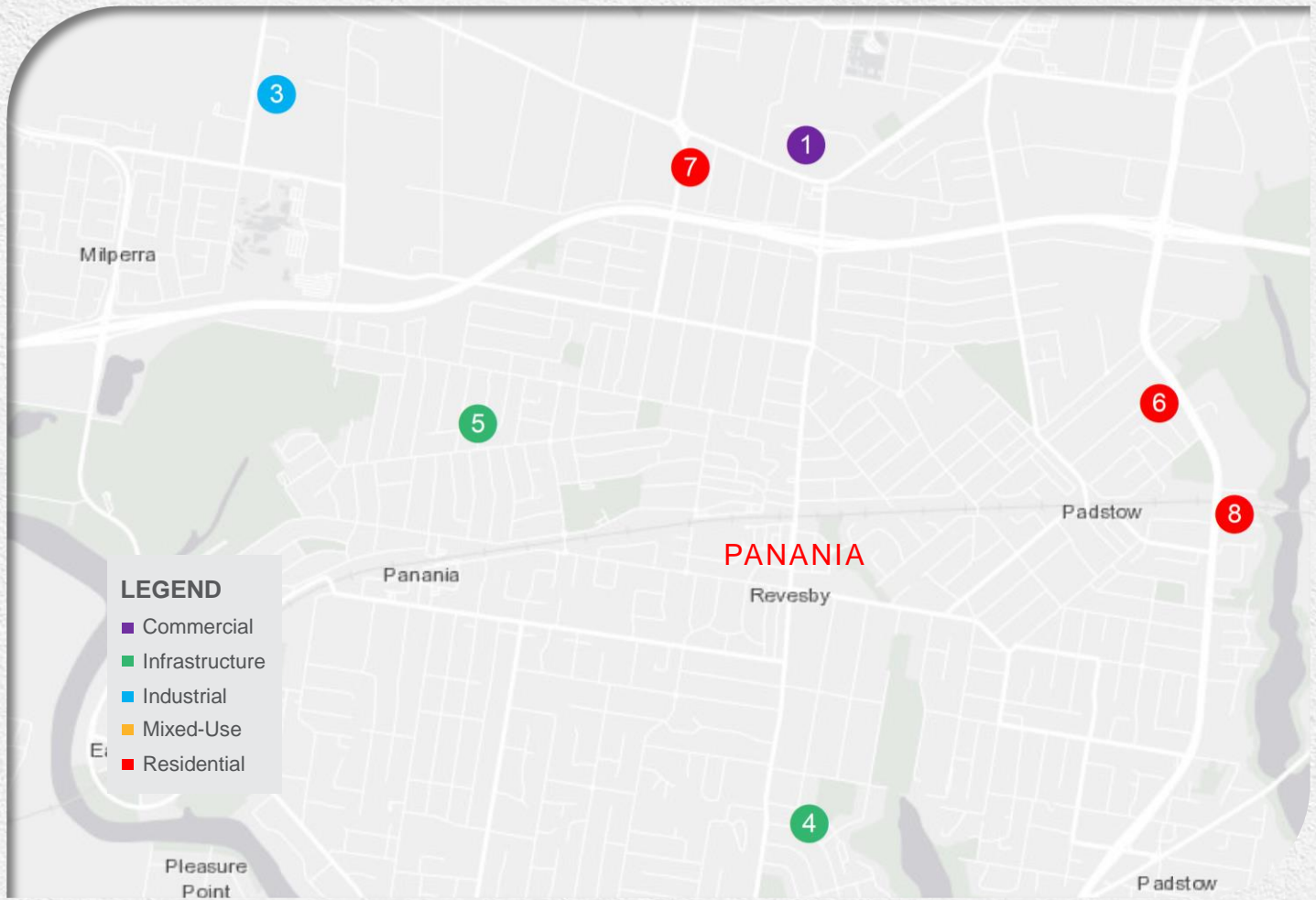
RENTAL VACANCY RATES 2023



RENTAL YIELD 2023\$



TOP DEVELOPMENTS MAP 2023[▲]



Location	Project [£]	Type	Estimated Value [Ⓜ]	Commence Date [Ⓜ]
1	29 Mavis Street Office Building	Commercial	\$900,000	21/02/2023
2	61 Ashford Avenue Industrial Units	Industrial	\$3,000,000	06/02/2023
3	Bcq Logistics Milperra	Industrial	\$2,500,000	23/01/2023
4	Defence Housing Australia Housing 2022 Upgrade	Infrastructure	\$1,000,000	13/03/2023
5	Kelso Community Recycling Centre	Infrastructure	\$1,000,000	01/06/2023
6	Iberia Street Units (14 units)	Residential	\$4,000,000	06/03/2023
7	11-13 Queen Street Townhouses (6 townhouses)	Residential	\$1,800,000	08/05/2023
8	Meager Avenue Villas (6 dwellings)	Residential	\$1,800,000	23/05/2023



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.

2023 encapsulates sales transactions for Quarter 1 (01/01/2023 – 31/3/2023) only.

€ Annual rental growth is a comparison between Quarter 1 2022 (01/01/2022 – 31/3/2022) and Quarter 1 2023 (01/01/2023 – 31/3/2023) house median rent figures.

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

§ Rental yields shown are as reported as of March 2023.

⌘ 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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