



Kingsgrove Market Update

2nd Half 2023



OVERVIEW

In Q3 2023, Kingsgrove* recorded a median house price of \$1,600,000, and a median unit price of \$755,000. This represents annual (Q3 2022 – Q3 2023) growth of 6.7% for houses and 18.3% for units. Total sales increased between Q3 2022 – Q3 2023, by 13.1% (to 138 sales) for houses and by 42.1% (to 81 sales) for units. Higher prices alongside an increase in sales volume suggest confidence has returned to Kingsgrove*, with properties in high demand. This has created a buffer against successive cash rate hikes and current economic conditions, establishing Kingsgrove* as a highly resilient market.

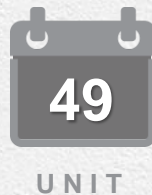
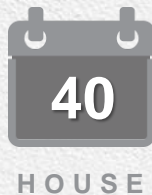
	CHANGE FROM LAST	YEAR	HALF YEAR
	House Sales	↑	↑
	House Median Price	↑	↑
	House Rental Price	↑	↑
	Unit Sales	↑	↑
	Unit Median Price	↑	↑
	Unit Rental Price	↑	↑

MARKET CONDITIONS

SALES MEDIAN PRICE
Q3 2023



SALES AVERAGE DAYS ON
MARKET Q3 2023



RENTAL MEDIAN PRICE
Q3 2023

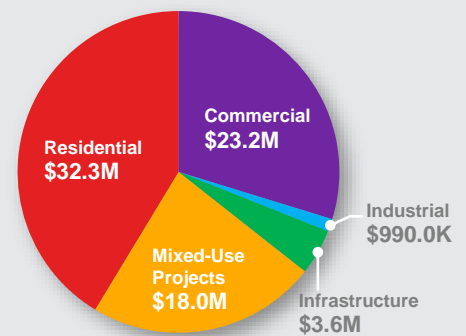


RENTAL AVERAGE DAYS ON
MARKET Q3 2023



FUTURE DEVELOPMENTS

Kingsgrove is set to see approximately **\$78.1M** worth of new projects commencing in the 2nd half of 2023.



These projects will stimulate economic growth and create large employment opportunities in Kingsgrove, which should have a positive spill-over impact on the real estate market.

A main commercial project over the 2nd half of 2023 is the Rosemore Aged Care Centre (\$20.0M). The project is set 114 Aged Care Units, creating opportunity for pensioners to downsize in Kingsgrove*.

The Land and Housing Corporation on Belmore is a key infrastructure that will assist those in need.

There are a few residential projects planned, such as:

- 754-774 Canterbury Rd (59 units)
- 599-603 Canterbury Rd (36 units)
- 53 Mountview Ave (6 dwellings)
- 17 Richmond Street (3 dwellings)

That said there is still a low level of ready-to-sell housing stock planned, which will continue to put pressure on house prices



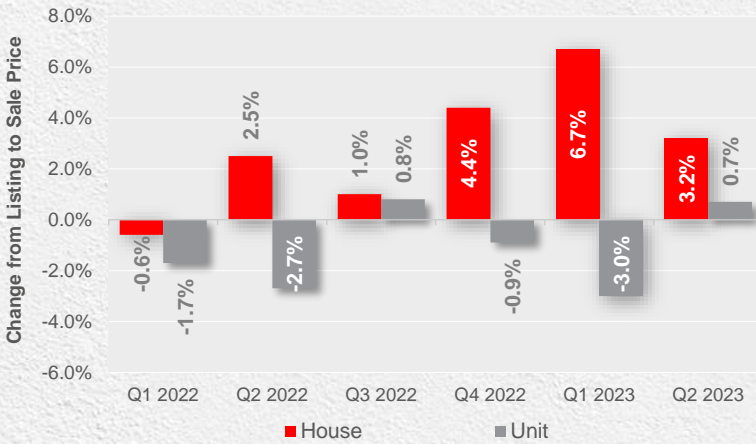
170 Units/
Apartments



9
Dwellings

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.

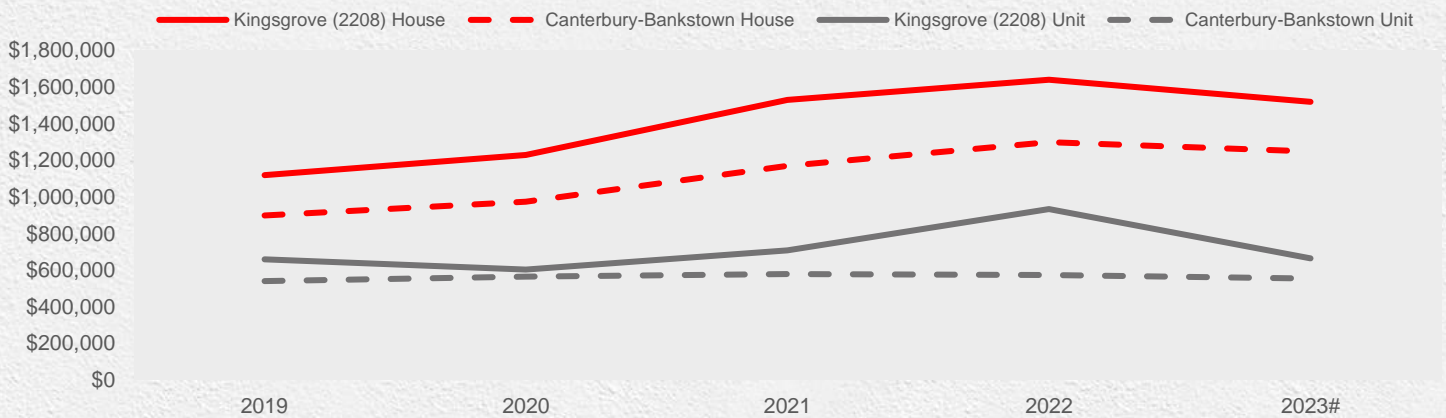


Average vendor discounts between Q3 2022 and Q3 2023 have fluctuated for houses, but still at a premium, of 3.2%. It has swung from a discount to a premium for units, of 0.7%. Kingsgrove* market conditions have now shifted to favour sellers, as buyers must be willing to offer above the first list price. Now is the time to sell.

The suburb of Kingsgrove has historically outperformed the wider Canterbury-Bankstown Local Government Area (LGA) in both house and unit median prices. 2023# saw a return to parity for Kingsgrove suburb property prices, trending more on par with LGA prices.

The dominant proportion of homes sold in Kingsgrove* across 2023# were in the premium price point of above \$1,600,000 (43.9%). In contrast, unit sales were mostly in the most affordable price point, of less than \$549,000 (29.7%). That said the unit premium market is strong, making up 25.7% of sales. Overall affordable options are available for both house and units, which creates an opportunity for first home buyers.

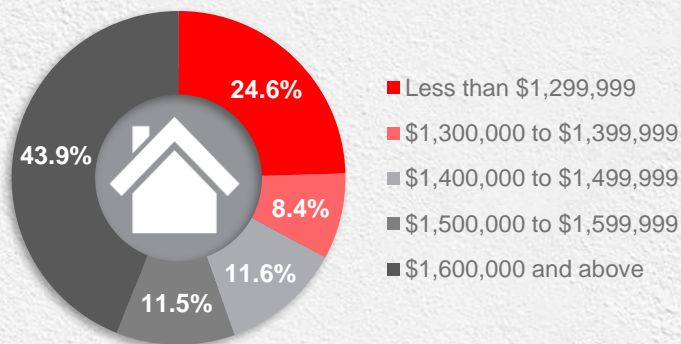
MARKET COMPARISON



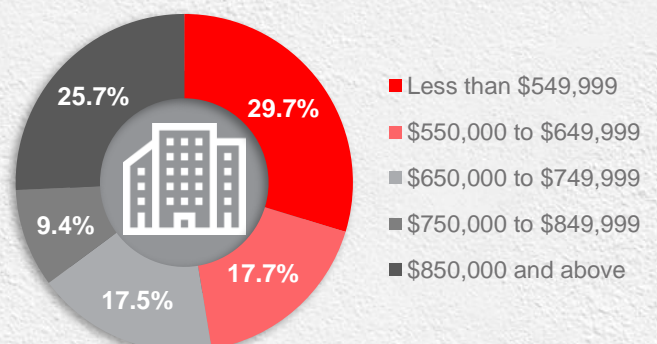
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Kingsgrove.

PRICE BREAKDOWN 2023#

HOUSES SOLD



UNITS SOLD

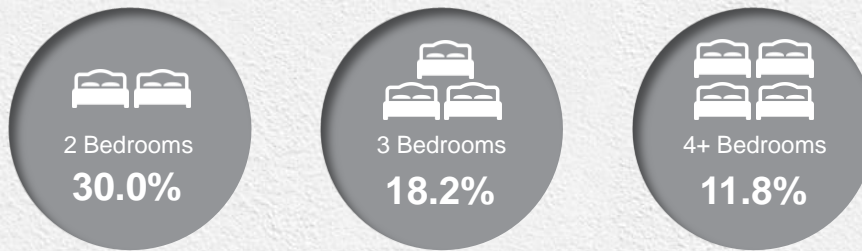


RENTAL GROWTH 2023€

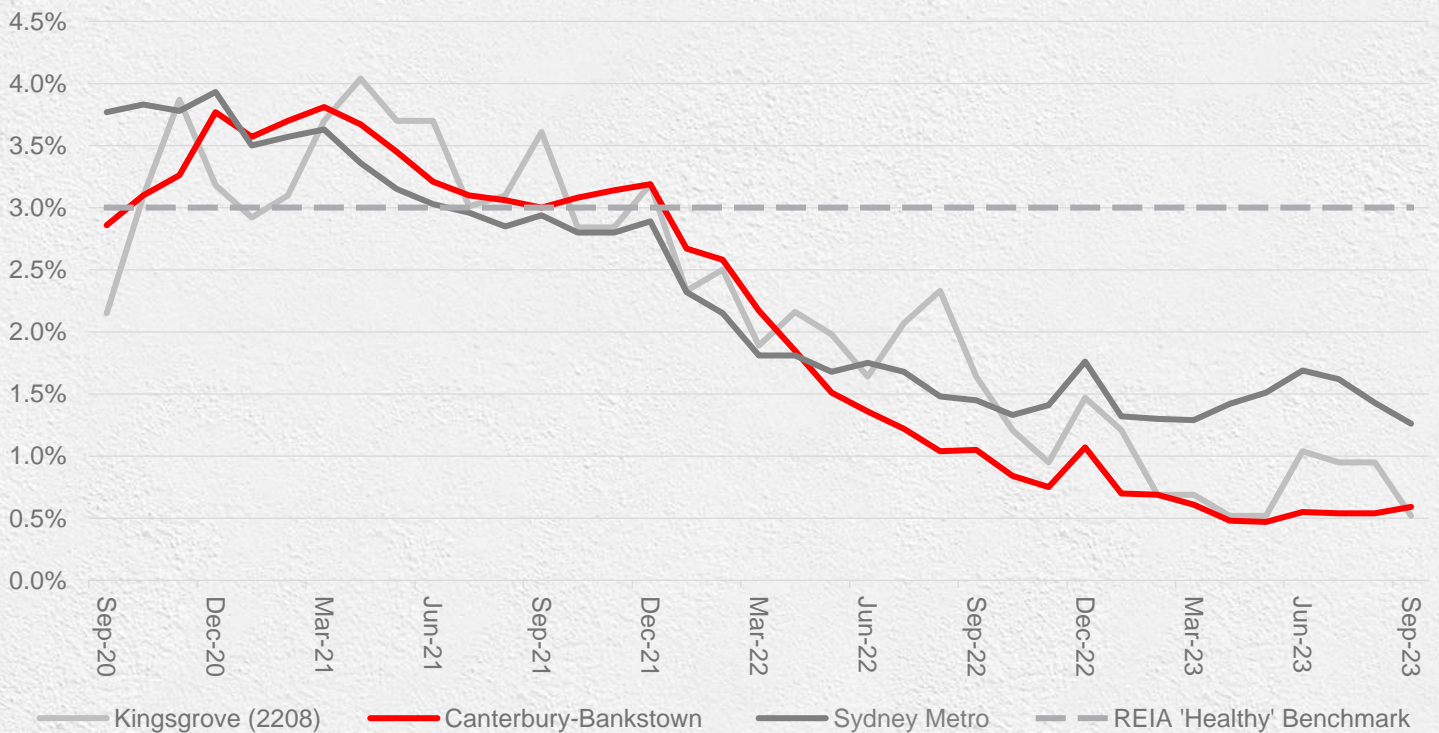
House rental yields in Kingsgrove* was 2.6% in September 2023, on par to Sydney Metro (2.7%). This was paired with a 15.1% increase in median house rental price in the past 12 months to Q3 2023, to \$800 per week, and a -17.6% decline in the number of houses rented (to 168 houses). The same pattern can be seen in the unit market, which suggests a highly demanded and undersupplied rental market, in good news for investors.

2 bedroom houses have provided investors with +30.0% rental growth annually, achieving a median rent of \$650 per week.

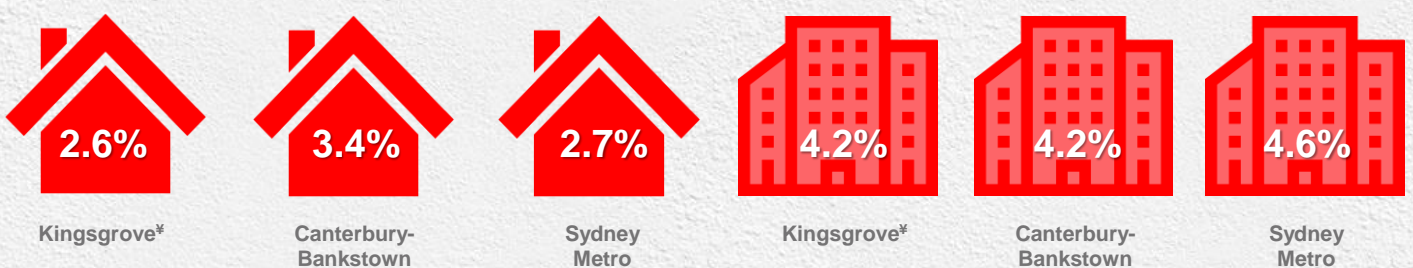
Kingsgrove* recorded a vacancy rate of 0.5% in September 2023, well below Sydney Metro's 1.3% average. Vacancy rates in Kingsgrove* have continued to decline in the past 12 months, indicating an increasingly tighter rental market. This suggest quicker occupancy of rental properties, thus a more steady income cash flow. These key indicators create a conducive and sustainable environment for investors, despite the increase in median property sale prices in the past 12 months to Q3 2023.



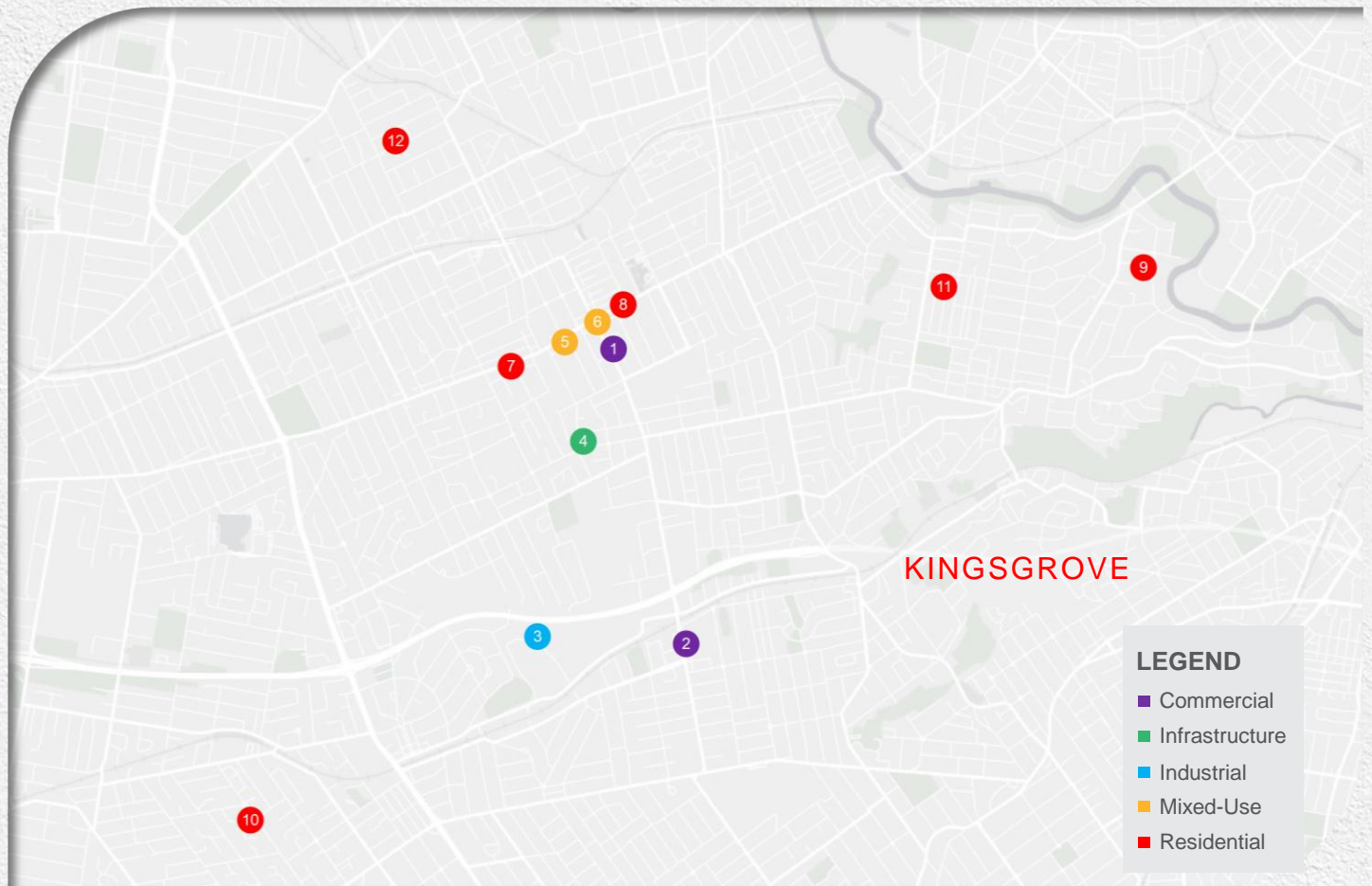
RENTAL VACANCY RATES 2023



RENTAL YIELD 2023\$



TOP DEVELOPMENTS MAP 2nd HALF 2023^A



Location	Project [†]	Type	Estimated Value [‡]	Commence Date [‡]
1	Rosemore Aged Care Belmore	Commercial	\$20,000,000	28/08/2023
2	Kingsgrove Road Pub	Commercial	\$3,230,000	12/12/2023
3	The Crescent Resource Recovery Facility	Industrial	\$990,000	12/12/2023
4	Land and Housing Corporation Belmore	Infrastructure	\$3,590,000	03/07/2023
5	670-676 Canterbury Road Mixed Use Development (28 Units)	Mixed-use	\$10,000,000	10/12/2023
6	610-616 Canterbury Road Units (30 Units)	Mixed-use	\$8,000,000	04/12/2023
7	754-774 Canterbury Road Units (59 Units)	Residential	\$16,487,000	06/10/2023
8	599-603 Canterbury Road Apartments (36 Units)	Residential	\$6,957,000	01/12/2023
9	82 Riverview Road Units (11 Units)	Residential	\$3,300,000	01/12/2023
10	53 Mountview Avenue Dwellings (6 Dwellings)	Residential	\$2,424,000	12/12/2023
11	17 Richmond Street Dwellings (3 Dwellings)	Residential	\$1,608,000	13/07/2023
12	43 Yangoora Road Apartments (6 Units)	Residential	\$1,500,000	06/12/2023



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

* 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.

2023 encapsulates sales transactions for Q1 to Q3 2023 (01/01/2023 – 30/09/2023) only.

€ Annual rental growth is a comparison between Q3 2022 (01/07/2022 – 30/09/2022) and Q3 2023 (01/07/2023 – 30/09/2023) median house rent figures.

¥ Kingsgrove rental market data encapsulates aggregate property conditions within the postcode of 2640.

§ Rental yields shown are as reported as of September 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 Kingsgrove, Roselands, Earlwood, and 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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