



Panania Market Update

2nd Half 2023



OVERVIEW

In Q3 2023, Panania* recorded a median house price of \$1,330,000, and a median unit price of \$1,015,000. This is annual (Q3 2022 – Q3 2023) growth of 6.4% for houses and 18% for units. Sales increased between Q3 2022 – Q3 2023, by 13% (to 217 sales) for houses and significantly to 93 sales for units. Median house and unit prices did see a slight dip in 2022 and the first quarter of 2023, due to cash rate hikes and customer uncertainty. This has bounced back since mid-2023, with properties in high demand. Panania* proves to be a resilient market, holding its value despite changing economic conditions.

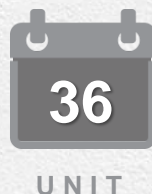
	CHANGE FROM LAST	YEAR	HALF YEAR
	House Sales	↑	↑
	House Median Price	↑	↑
	House Rental Price	↑	↑
	Unit Sales	↑	↑
	Unit Median Price	↑	↑
	Unit Rental Price	↑	↑

MARKET CONDITIONS

SALES MEDIAN PRICE
Q3 2023



SALES AVERAGE DAYS ON
MARKET Q3 2023



RENTAL MEDIAN PRICE
Q3 2023

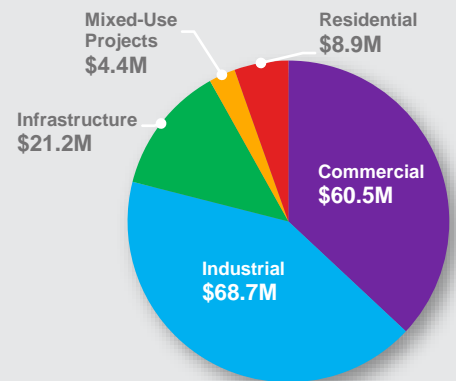


RENTAL AVERAGE DAYS ON
MARKET Q3 2023



FUTURE DEVELOPMENTS

Panania* is set to see approximately **\$163.6M** worth of new projects commencing in the 2nd half of 2023.



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

A main commercial project over the 2nd half of 2023 is Milperra Village Integrated Aged Care Facility (\$60.0M). The project will bring a more vibrant community, opening a new demographic to the area. It will also create more local jobs.

The 56 Prescot Parade Residential Subdivision – Riverlands (\$8.9M) is the largest residential development in the 2nd half of 2023. The project is set to add 197 lots. Another key project is Tower Street Shoptop Housing, a mixed-use development that will add 32 units.

Despite this, there is an absence in new stand-alone house planned for development. A market recovery is already evident, as is high demand. This will put more pressure on prices, further pricing-out first home buyers.



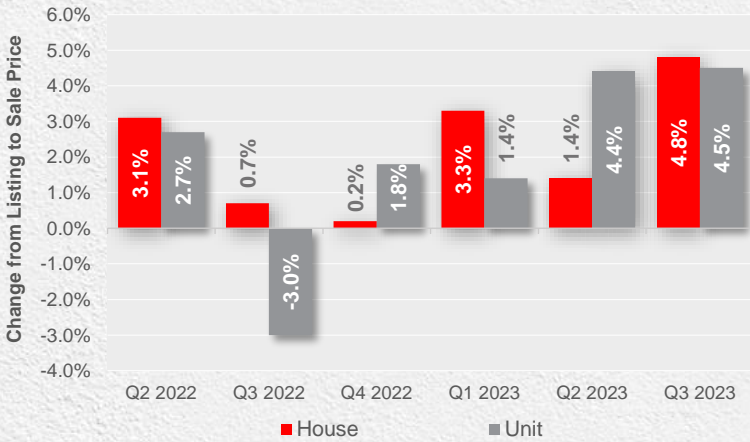
32 Units/
Apartments



197 Lots

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.

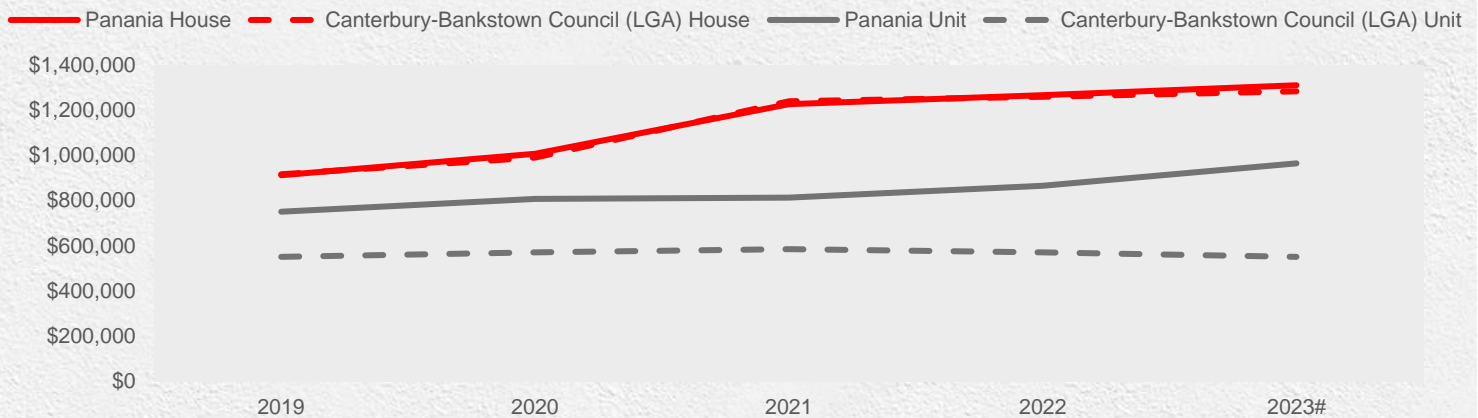


Average vendor discounts between Q3 2022 and Q3 2023 have shifted to higher premiums of 4.8% for houses and from a discount to a premium of 4.5% for units. This suggests market conditions in Panania have continued to favour sellers, as buyers must be willing to offer higher than the initial listing price.

The suburb of Panania has historically outperformed the Canterbury-Bankstown Council (LGA) in unit median prices, but performed on par for median house prices. This trend has continued throughout 2023#, even with a slower growth between 2022-2023 cash rate changes.

The dominant proportion of homes sold in Panania* in 2023# were in the premium price point of \$1,400,000 and above (29.3%). In contrast, units recorded a dominant most affordable price point of below \$1,050,000 (26.7%). Affordable houses are evident, with 22.2% of sales in the most affordable price point of less than \$1.0M. There is a wide range of price points available in houses and units, creating opportunities for buyers with different budgets.

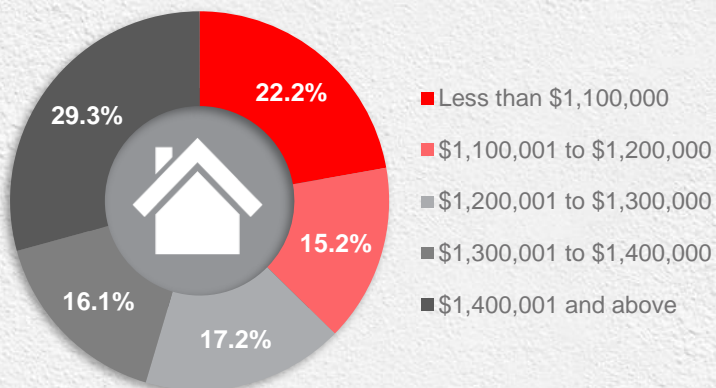
MARKET COMPARISON



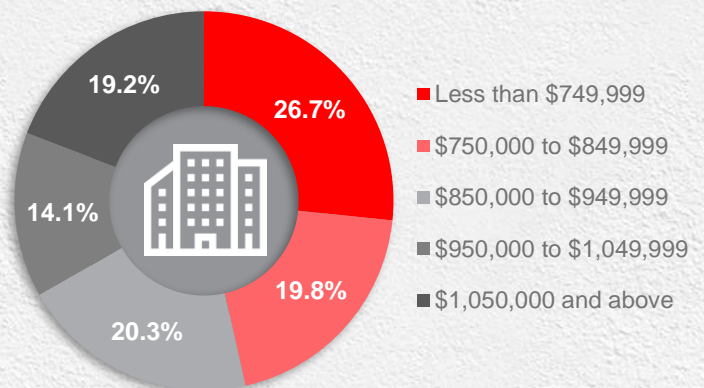
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Panania.

PRICE BREAKDOWN 2023#

HOUSES SOLD



UNITS SOLD



RENTAL GROWTH 2023€

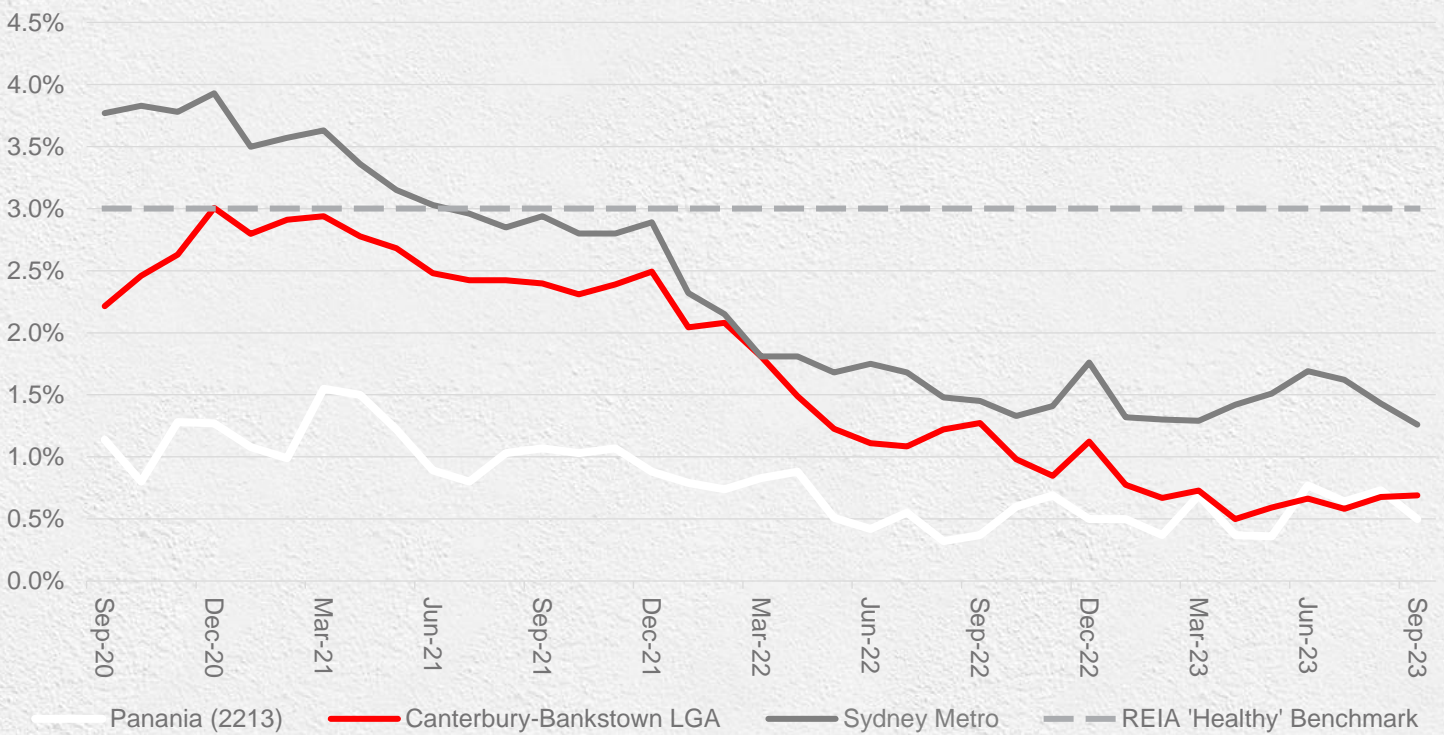
House rental yields in Panania* was 2.9% in September 2023, above Sydney Metro (2.7%). This was paired with a median house rental price increase of 16.7% (to \$700 per week) in the past 12 months to Q3 2023 and a -26.8% decrease in the number of houses rented. The same pattern can be seen in the unit rental market; thus, a rental market undersupply is evident. This creates strong fundamentals for investors, regardless of what type of property is purchased.

2-bedroom houses have provided investors with +15.6% rental growth annually, achieving a median rent of \$520 per week.

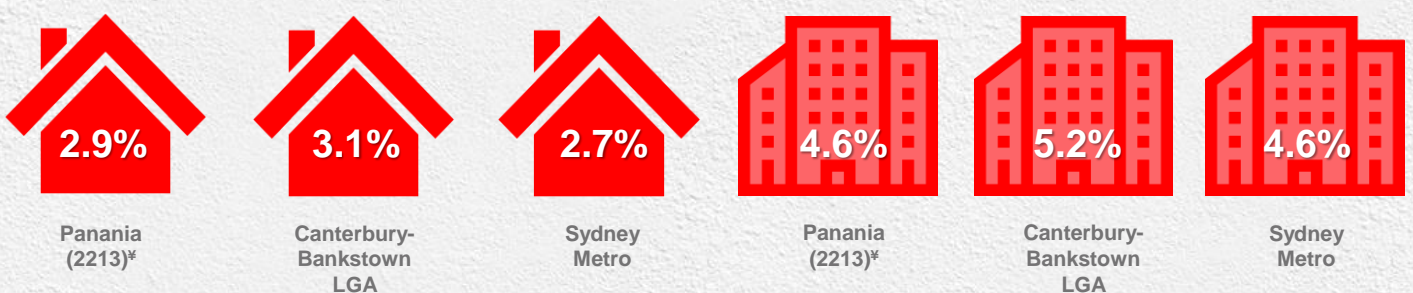
Panania* recorded a vacancy rate of 0.5% in September 2023, which is well below Sydney Metro's 1.3% average. Thus properties are rented quicker in Panania*. Further, vacancy rates in Panania have held steady over the past 12 months, indicating stability in its rental demand. These further key indicators create a conducive environment for investors, even if both houses and units has gained price growth in the past 12 months.



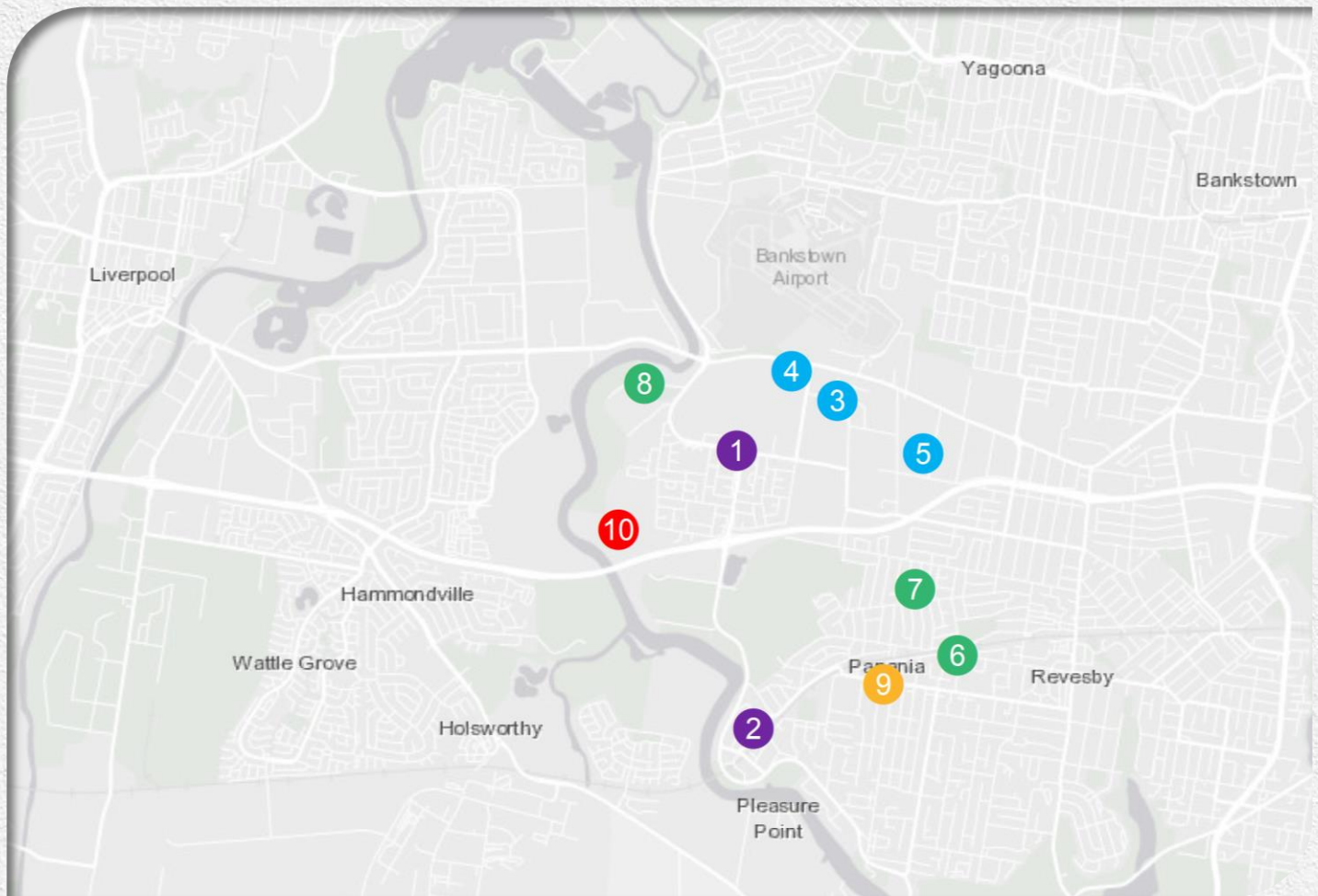
RENTAL VACANCY RATES 2023



RENTAL YIELD 2023\$



TOP DEVELOPMENTS MAP 2nd HALF 2023^A



Location	Project [£]	Type	Estimated Value ^µ	Commence Date ^µ
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1	Milperra Village Integrated Aged Care Facility	Commercial	\$60,000,000	09/10/2023
2	74 Park Road Group Home	Commercial	\$500,000	25/11/2023
3	373 Horsley Road Warehouse Buildings	Industrial	\$48,731,000	04/12/2023
4	Sterequip Reprocessing Facility/Cssd	Industrial	\$18,000,000	07/09/2023
5	Fitzpatrick Street Industrial Units	Industrial	\$2,000,000	10/11/2023
6	Commuter Panania Car Park Upgrade	Infrastructure	\$20,000,000	07/12/2023
7	Canterbury-bankstown Council Minor Concrete Works	Infrastructure	\$1,000,000	03/12/2023
8	Vale Of Ah Reserve Carpark Upgrade	Infrastructure	\$165,000	28/08/2023
9	Tower Street Shoptop Housing (32 units)	Mixed-use	\$4,358,000	20/12/2023
10	56 Prescot Parade Residential Subdivision – Riverlands (197 lots)	Residential	\$8,900,000	10/07/2023



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 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 Q4 2023 (01/07/2023 – 30/09/2023) median house rent figures.

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

§ 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 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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