

Panania Market Update 2nd Half 2024



OVERVIEW

In Q3 2024, Panania* recorded a median house price of \$1,500,000, and a median unit price of \$1,165,888. This is an annual (Q3 2024 – Q3 2024) price growth of 12.9% for houses and 22.1% for units. Comparing Q3 2023 – Q3 2024, sales declined by -29.2% for houses (to 165 sales in Q3 2024) and increased by 68.4% for units (to 96 sales in Q3 2024). This suggests there is an undersupply in the house market and a highly demanded unit market, which created a buffer against higher interest rates – hence the price growth for both houses and units. This indicates that now is an ideal time for owners to capitalise on their investments and sell.

CHANGE FROM LAST YEAR HALF YEAR



HOUSE SALES



HOUSE MEDIAN PRICE



HOUSE RENTAL PRICE



UNIT SALES



UNIT MEDIAN PRICE

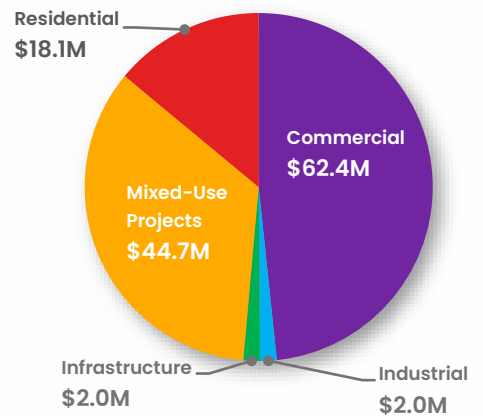


UNIT RENTAL PRICE



FUTURE DEVELOPMENTS

Panania is set to see approximately **\$132.7M of new projects commencing construction in 2024.**



There are multiple residential and mixed-use projects planned for 2024 that will help boost supply, including:

- Riverlands Site (350 Lots)
- Riverlands Milperra Dwellings & Dual Occupancy (12 Dwellings)
- Tower Street Shoptop (32 Units)
- Iberia Street Units (14 Units)

Although new stock is planned, most are units. This will not answer the demand in the housing market. There are new lots created; however, it will take time to build houses. There is an absence in new houses, suggesting an undersupply will remain. This will push up prices even further, for all property stock types.



MARKET CONDITIONS

MEDIAN PRICE
Q3 2024



\$1.5M



\$1.16M

SALES

AVERAGE DAYS
ON MARKET Q3 2024



HOUSE



UNIT

MEDIAN PRICE
Q3 2024



\$795



\$850

RENTALS

AVERAGE DAYS
ON MARKET Q3 2024



HOUSE



UNIT



50 Units/
Apartments



Dwellings

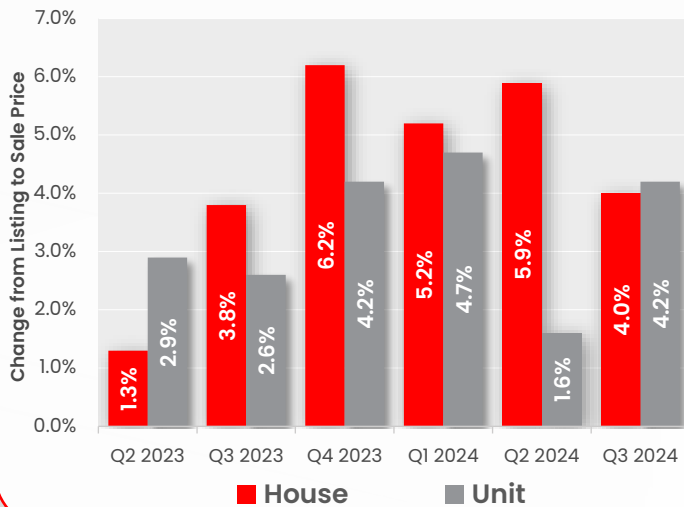


350 Lots



AVERAGE VENDOR DISCOUNT*

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.



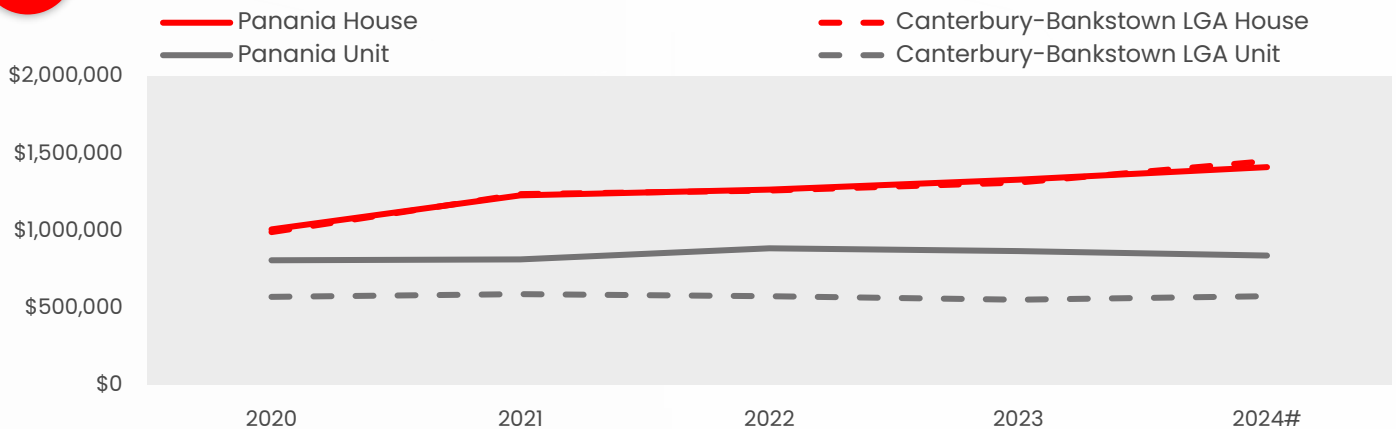
In the past 12 months to Q3 2024 average vendor discount have continued to be a premium, however at a slightly higher rate of 4.0% for houses and 4.2% for units. Current market conditions still favour sellers, where buyers must offer higher than the first list price. That said premiums for Q3 2024 is slightly lower than the past 6 months / early 2024, thus now is an ideal time for buyers to transact.

The suburb of Panania has historically been on par with the wider Georges River Local Government Area (LGA) for houses, while providing a premium market for units. In 2024# these trend has continued for both house and unit median prices.

The dominant proportion of homes sold in Panania* in 2024# was in the premium price point of \$1,650,000 and above (28.3%). Whilst house prices remain quite high in Panania*, affordable options for first homes buyers are still available, with 27.3% of houses sold in Panania* under \$1,349,999. This suggest there is a home for every budget. First home buyers looking to break into the market can look at units, as most of the units sold were in the most affordable price point of under \$1,089,999 (54.0%).



MARKET COMPARISON

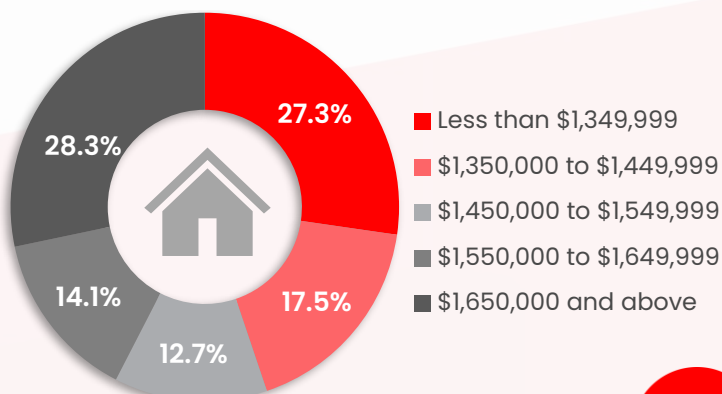


The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Panania.

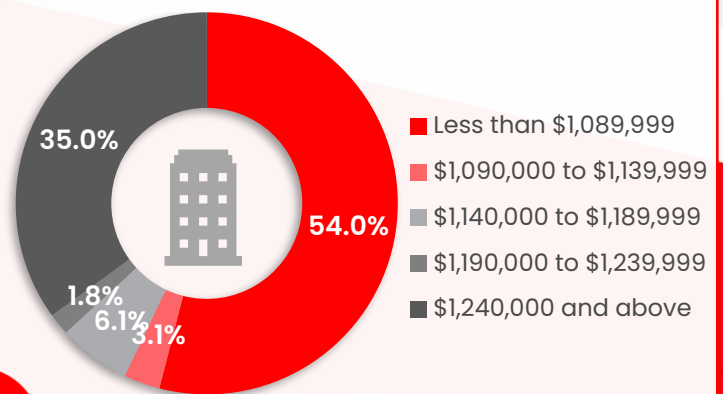


PRICE BREAKDOWN 2024#

HOUSES SOLD



UNITS SOLD





RENTAL GROWTH 2024€

House rental yields in Panania* was 2.9% in September, on par to Sydney Metro (2.8%). This was paired with a 13.6% increase in median rent price in the past 12 months to Q3 2024, at \$795 per week. In this time the number of houses rented increased by 13.6%, to 150 rentals in Q3 2024. Similarly, median unit rent price rose by 13.3% to \$850, and the number of units rented increased, by 52.9% to 156 units in Q3 2024. Overall, this suggests a highly demanded rental market, which is beneficial for investors.

3-bedroom houses have provided investors with +11.9% rental growth annually, achieving a median rent of \$750 per week.

Panania* recorded a vacancy rate of 0.8% in September 2024, slightly below Canterbury Bankstown LGA's 1.1% and Sydney Metro's 1.6% average. Vacancy rates in Panania* have held relatively steady in the past 12 months, with some fluctuations due to investors entering and exiting the market. A 0.8% vacancy rate is significantly below the Real Estate Institution of Australia's healthy benchmark of 3.0%, suggesting quicker occupancy of rental homes.

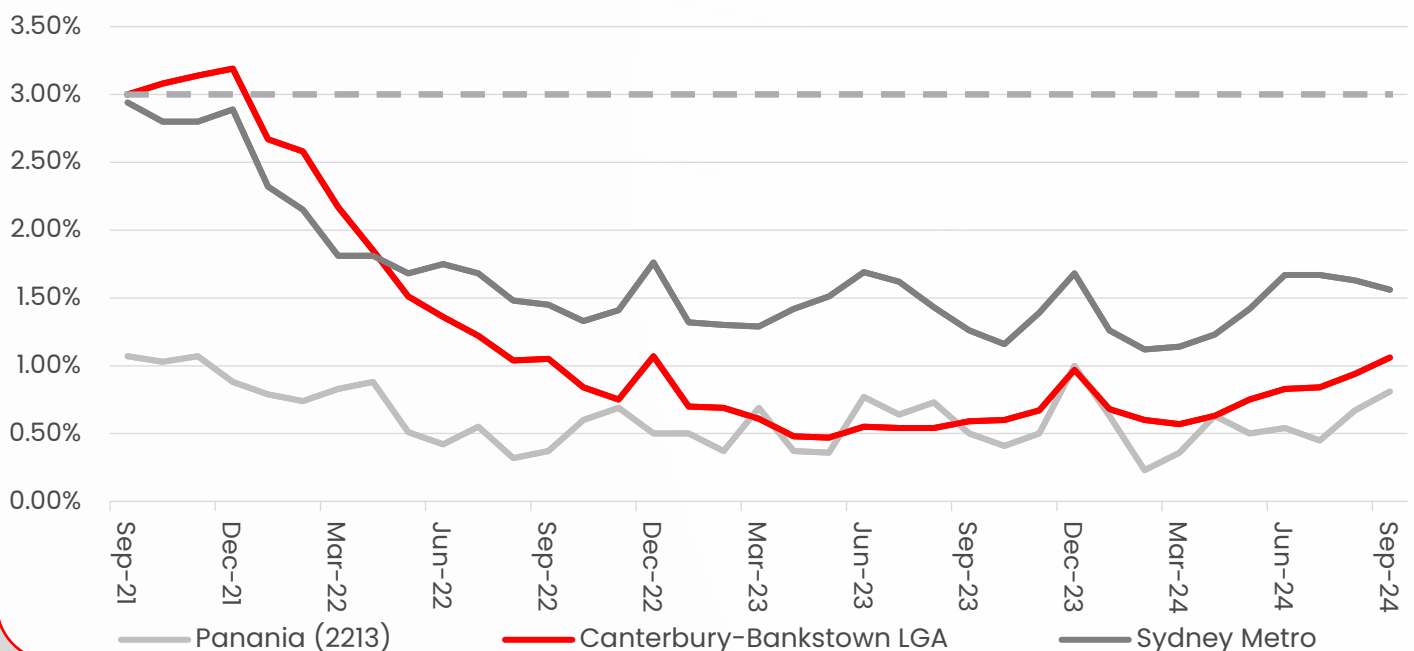
2 BEDROOMS
+3.6%

3 BEDROOMS
+11.9%

4 BEDROOMS
+10.5%



RENTAL VACANCY RATES 2024



RENTAL YIELD 2024§



2.9%

Panania*
(2023)



3.0%

Canterbury
-Bankstown
LGA



2.8%

Sydney
Metro



5.1%

Panania*
(2023)



4.9%

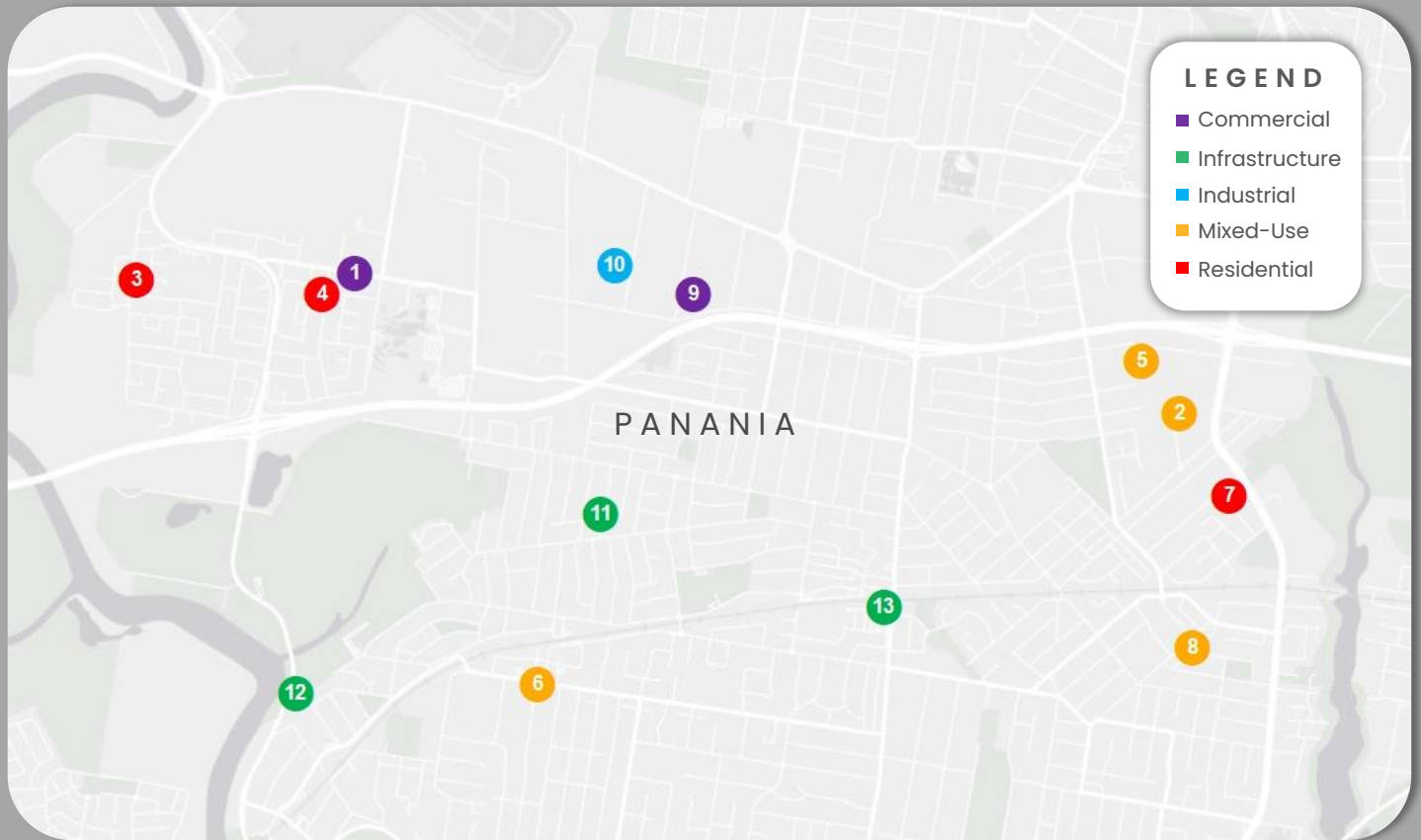
Canterbury-
Bankstown
LGA



4.4%

Sydney
Metro

PROJECT DEVELOPMENT MAP 2024^A



#	Project ^E	Type	Estimated Value ^H	Commence Date ^W
1	Milperra Village Integrated Aged Care Facility	Commercial	\$60,000,000	2/07/2024
2	15-19 Enterprise Avenue Mixed Use Development (Mosque/Community Facility/Food & Drink Premises)	Mixed-use	\$31,321,542	21/06/2024
3	Riverlands Site - Further Stages (350 Lots)	Residential	\$7,650,000	8/08/2024
4	Riverlands Milperra Dwellings & Dual Occupancies Stages 5a & 5b (12 Dwellings/Dual Occupancies)	Residential	\$6,415,116	1/10/2024
5	17 Bryant Street - Industrial Units (Industrial Units/Offices)	Mixed-use	\$6,000,000	9/04/2024
6	Tower Street Shoptop Housing (32 Units/Commercial)	Mixed-use	\$4,358,000	20/12/2024
7	51-57 Iberia Street Units (14 Units)	Residential	\$4,000,000	6/09/2024
8	25 Faraday Road Units & Shops (4 Units/Shops)	Mixed-use	\$3,000,000	1/04/2024
9	Bingo Revesby Resource Recovery Facility Expansion	Commercial	\$2,422,000	28/06/2024
10	36 Fitzpatrick Street Industrial Units	Industrial	\$2,000,000	11/02/2024
11	Canterbury-Bankstown Council Minor Concrete Works (Local Government)	Infrastructure	\$1,000,000	12/01/2024
12	Kelso Park North Carpark Upgrade (Local Government)	Infrastructure	\$650,000	4/07/2024
13	Revesby Train Station Cladding Replacement (State Government)	Infrastructure	\$326,740	27/02/2024



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- Project analysis including product and pricing recommendations
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Jason Behringer

Director and Licensee

 +61 409 446 502

 jason@prdpanania.com.au

GET IN TOUCH WITH US TODAY



PRD Panania

Your trusted local real estate agency

 +61 2 9792 8188

 sales@prdpanania.com.au

 PRD.com.au/panania

 Corner Tower & Lambeth
Street Panania, NSW,
2213

REFERENCES

* Panania sales 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.

2024 encapsulates sales transactions for Q1 – Q3 2024 (01/01/2024 – 30/09/2024) only, other years encapsulates sales transactions for the full year (i.e 01/01 to 31/12 of the relevant year).

€ Annual rental growth is a comparison between Q3 2023 (01/07/2023 – 30/09/2023) and Q3 2024 (01/07/2024 – 30/09/2024) 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 September 2024.

A 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 Pricfinder, Cordell Connect database, SQM Research, Esri ArcGIS.

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