

Kingsgrove Market Update

2nd Half 2024



OVERVIEW

In Q3 2024, Kingsgrove* recorded a median house price of \$1,771,000, and a median unit price of \$680,000. This represents annual (Q3 2023 – Q3 2024) median price growth of 10.7% for houses and 2.6% for units. Comparing Q3 2023 and Q3 2024, house sales declined by -15.6% (to 146 sales in Q3 2024), whilst unit sales increased by 30.1% (to 108 sales in Q3 2024). This suggests there is an undersupply in the house market and a return in confidence for the unit market, which combined has created a buffer against higher interest rates. Now is an ideal time for owners to capitalise on their investment, and for unit buyers to enter the market.

CHANGE FROM LAST YEAR HALF YEAR



	YEAR	HALF YEAR
HOUSE SALES	↓	↑
HOUSE MEDIAN PRICE	↑	↓
HOUSE RENTAL PRICE	↑	↓

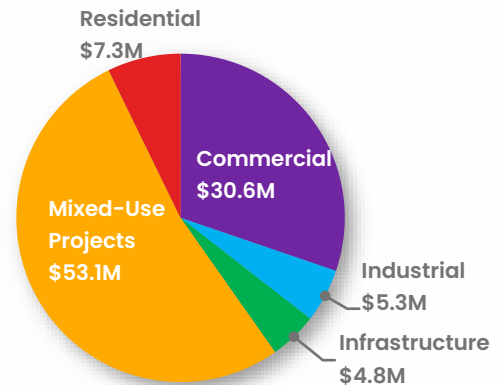


UNIT SALES	↑	↑
UNIT MEDIAN PRICE	↑	↑
UNIT RENTAL PRICE	↑	↔



FUTURE DEVELOPMENTS

Kingsgrove is set to see approximately **\$101.1M of new projects commencing construction in 2024.**



These projects will stimulate economic growth and create new local jobs in Kingsgrove. This will have a spill-over impact on the real estate market, in the form of more demand for housing.

There are multiple mixed-use projects in Kingsgrove* planned for 2024. These include:

- Homer Street & Wardell Road Mixed Use Development (64 Units)
- Canterbury Road Units & Shops (50 Units)

The two residential projects planned for 2024 in Kingsgrove* are:

- Chapel Street (10 Townhouses)
- Riverview Road (11 Units)

The incoming supply of ready-to-go units and townhouses will answer some of the current demand, and potentially stabilise unit prices slightly. However there is still no new stand-alone houses being built, which will push up house prices even further.



MARKET CONDITIONS

MEDIAN PRICE
Q3 2024



\$1.77M



\$680K

SALES

AVERAGE DAYS
ON MARKET Q3 2024



HOUSE



UNIT

MEDIAN PRICE
Q3 2024



\$840



\$595

RENTALS

AVERAGE DAYS
ON MARKET Q3 2024



HOUSE



UNIT



**167 Units/
Apartments**



**10
Townhouses**



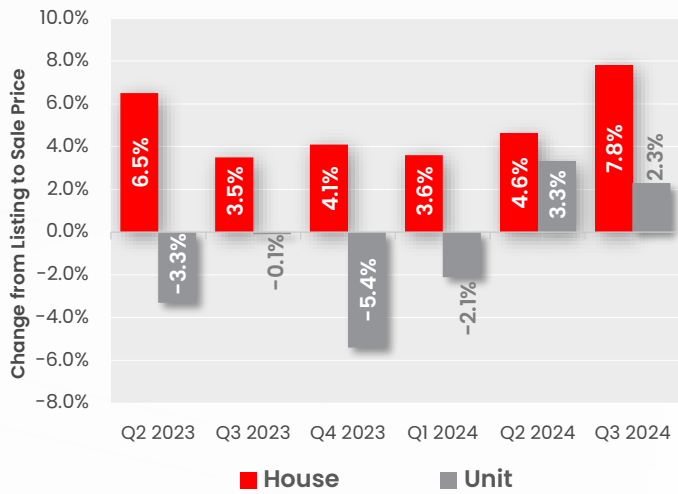
AVERAGE VENDOR DISCOUNT*

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.

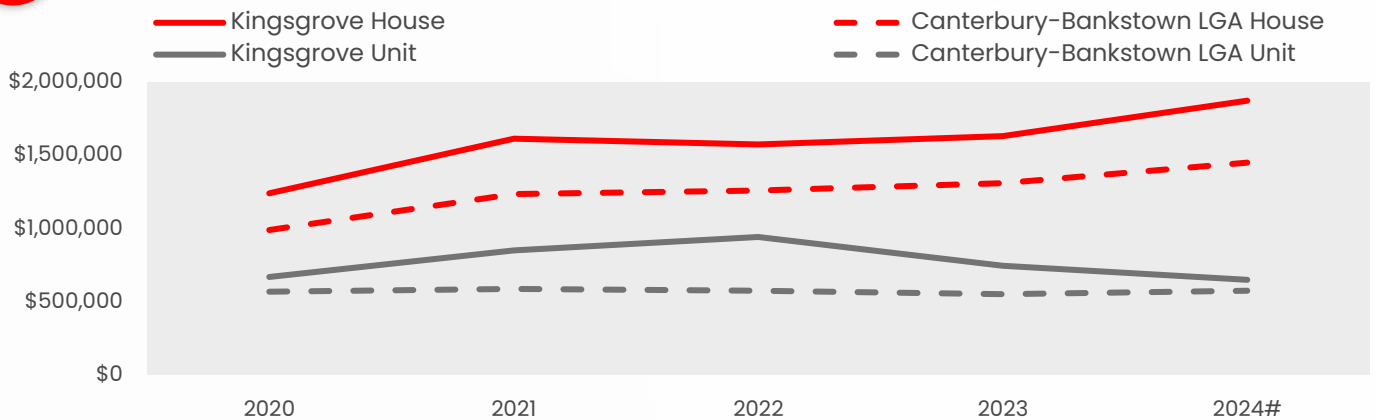
In the past 12 months to Q3 2024 average vendor discount have increased to a further premium of 7.8% for houses. At the same time, average vendor discount for units have swung from a discount of -0.1% to a premium of 2.3%. The property market conditions in Kingsgrove continue to favour sellers, where buyers must offer higher than the first listing price. This has been a trend since mid-2024.

The suburb of Kingsgrove has historically outperformed the wider Canterbury-Bankstown Local Government Area (LGA) in both house and unit median prices. 2024# has seen median unit prices return to sit on par with the wider Canterbury-Bankstown LGA, while houses continue to present a premium market.

The dominant proportion of homes sold in Kingsgrove* across 2024# were priced in the premium price point of \$1.9M and above (44.7%). Buyers looking for affordable houses have access to 28.7% of stock, priced at less than \$1.6M. Most of units sold were also in the premium price point of above \$750,000 (35.2%). In good news for buyers there is also a large range, 31.7%, of unit's priced in the most affordable market of less than \$600,000.



MARKET COMPARISON

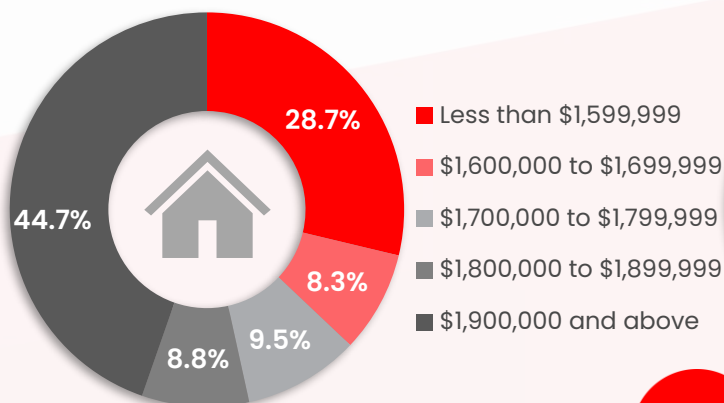


The market comparison graph provides a comparative trend for the median price of houses and unit over the past 5 years. The suburb chosen was based on their proximity to the main LGA analysed, which is Kingsgrove*.

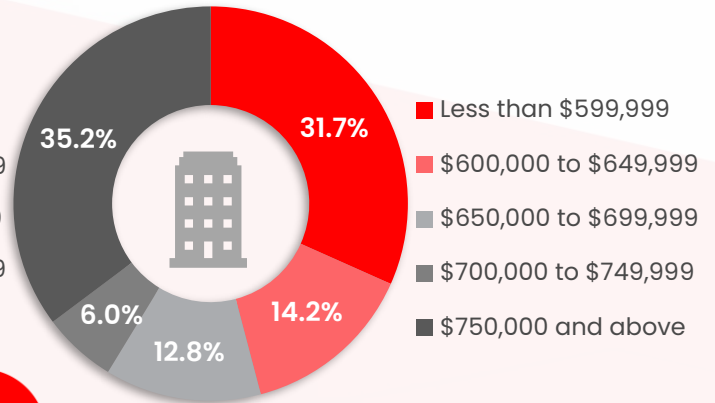


PRICE BREAKDOWN 2024#

HOUSES SOLD



UNITS SOLD






RENTAL GROWTH 2024€


House rental yields in Kingsgrove* was 3.1% in September 2024, slightly above Sydney Metro yield (2.8%). This was paired with a 5.0% increase in median rent price in the past 12 months to Q3 2024, at \$840 per week. The number of houses rented increased by 15.5% in the past 12 months, to 194 rentals in Q3 2024. These trends are also reflected in the unit's market's market, which confirms there is strong demand for rental properties in Kingsgrove*.

4+ bedroom houses have provided investors with +14.8% rental growth annually, achieving a median rent of \$958 per week.

Kingsgrove* recorded a vacancy rate of 1.0% in September 2024, on par with the Canterbury-Bankstown LGA's 1.0% average, but below Sydney Metro's 1.6% average. Vacancy rates in Kingsgrove* have trended upwards in the past 12 months, due to investors returning to market as cash rates stabilised. That said, a 1.0% vacancy rate is still significantly below the Real Estate Institution of Australia's healthy benchmark of 3.0%, suggesting quicker occupancy of rental homes in Kingsgrove*. This creates a conducive environment for investors.

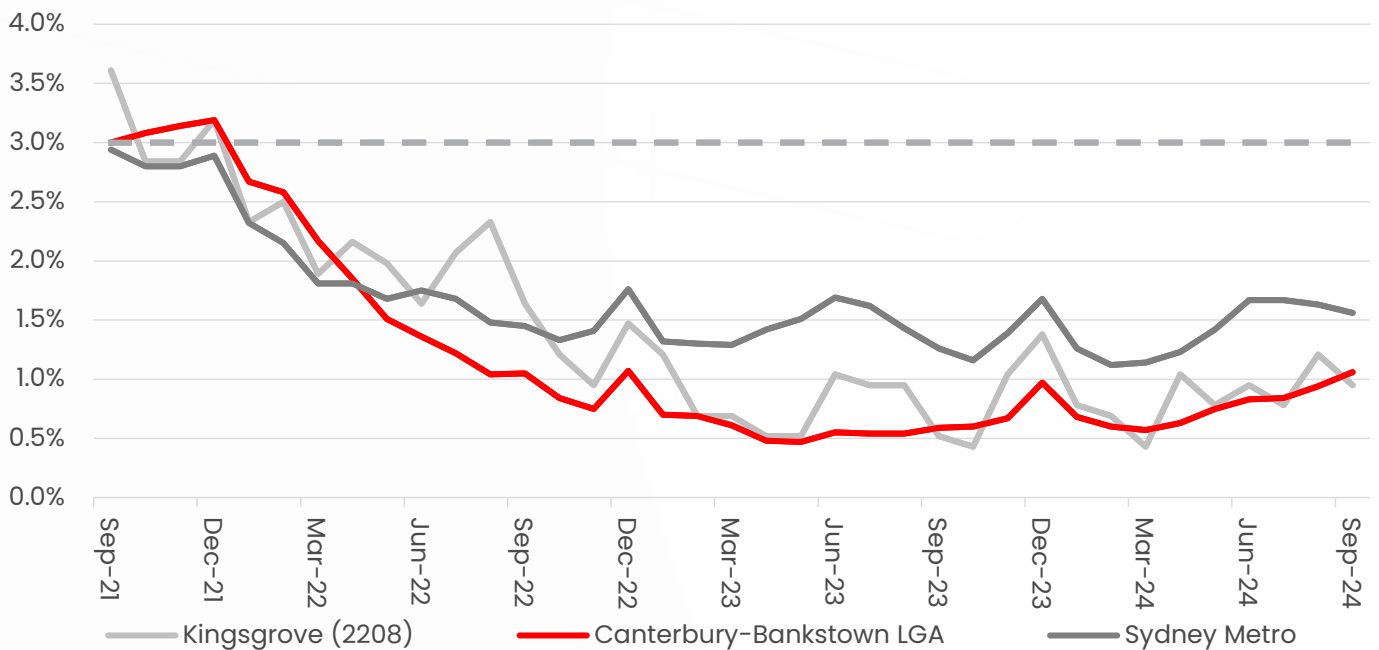
 2 BEDROOMS
+3.1%

 3 BEDROOMS
+8.3%

 4 BEDROOMS
+14.8%



RENTAL VACANCY RATES 2024#



RENTAL YIELD 2024§



3.1%

Kingsgrove (2208)*



3.0%

Canterbury-Bankstown LGA



2.8%

Sydney Metro



3.7%

Kingsgrove (2208)*



4.9%

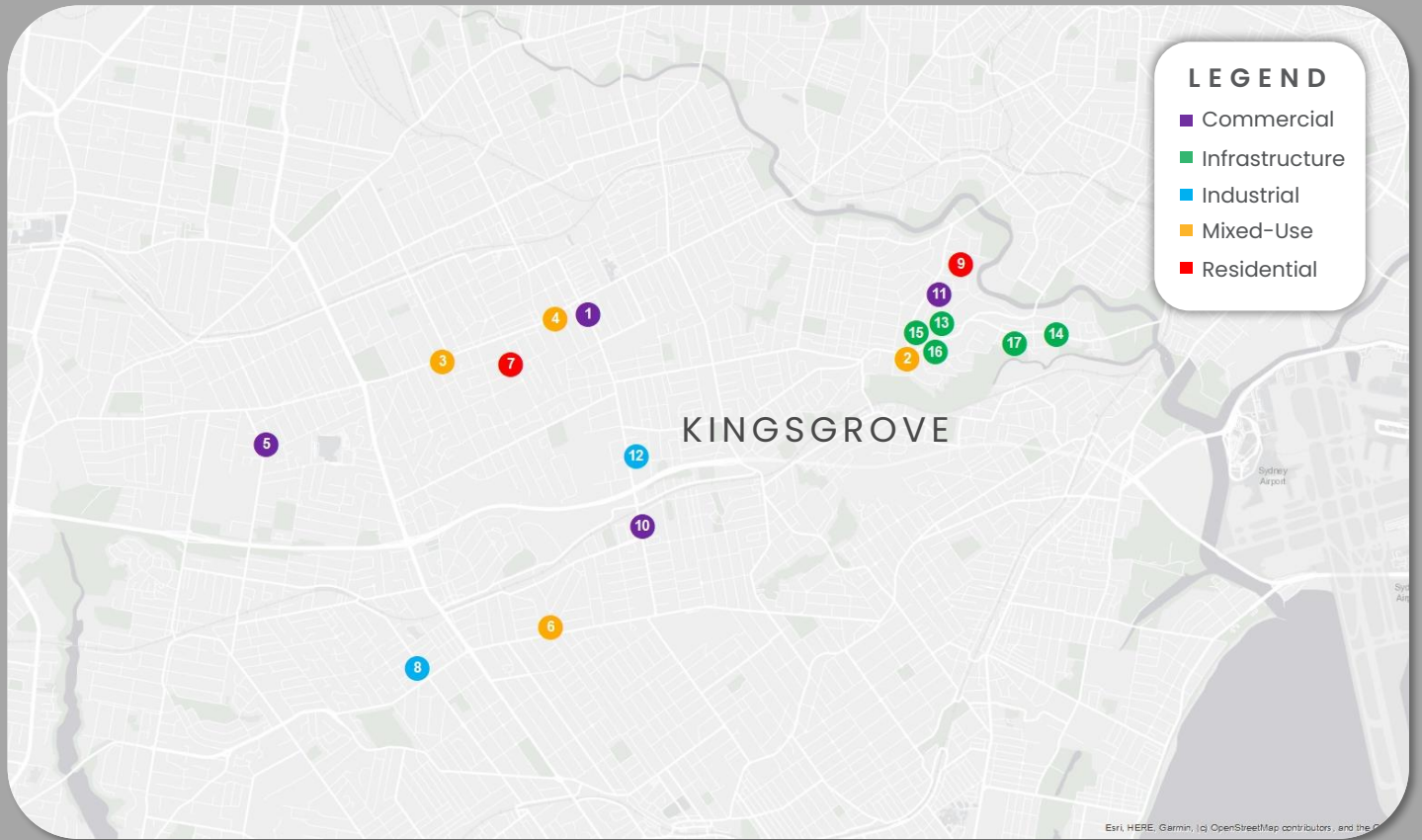
Canterbury-Bankstown LGA



4.4%

Sydney Metro

PROJECT DEVELOPMENT MAP 2024^A



#	Project [£]	Type	Estimated Value ^µ	Commence Date ^ψ
1	Rosemore Aged Care Belmore	Commercial	\$20,000,000	15/04/2024
2	221-235 & 241-247a Homer Street & Wardell Road Mixed Use Development (64 Units/Supermarket/Shops/Warehouse/Office)	Mixed-Use	\$20,000,000	18/06/2024
3	892-906 Canterbury Road Units & Shop (50 Units/Shop)	Mixed-Use	\$15,000,000	12/12/2024
4	684-700 Canterbury Road Units & Commercial (42 Units/Commercial)	Mixed-Use	\$13,000,000	7/02/2024
5	Roselands Therapy Centre	Commercial	\$5,700,000	1/06/2024
6	61-65 Kingsway Boarding House (Boarding House/Commercial Suites)	Mixed-Use	\$5,112,800	19/10/2024
7	47-51 Chapel Street Townhouses (10 Townhouses)	Residential	\$4,000,000	10/06/2024
8	169b, 171 & 173 Penshurst Street Industrial Buildings	Industrial	\$3,835,462	9/09/2024
9	82 Riverview Road Units (11 Units)	Residential	\$3,300,000	1/12/2024
10	264 Kingsgrove Road Pub	Commercial	\$3,230,037	10/05/2024
11	22 Bass Road Boarding House	Commercial	\$1,637,000	4/11/2024
12	186-190 Kingsgrove Road Self Storage Facility	Industrial	\$1,500,000	9/02/2024
13	Foord Avenue Pedestrian Bridge Rehabilitation Works (Local Government)	Infrastructure	\$1,000,000	1/08/2024
14	Bayview Avenue New Shared Path Pedestrian & Cycleway Bridge Crossing Stage 1 (Local Government)	Infrastructure	\$1,000,000	24/06/2024
15	Karool Avenue Pedestrian Bridge Replacement Stage 1 (Local Government)	Infrastructure	\$1,000,000	24/06/2024
16	Earlwood Town Centre High Pedestrian Activity Area (Local Government)	Infrastructure	\$921,108	9/07/2024
17	Highcliff Road Drainage Rehabilitation & Embankment Stabilisation (Local Government)	Infrastructure	\$850,000	4/11/2024

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Frank Mazzota

Principal/Licensed Real Estate Agent

 +61 400 804 041


 frank@prdbn.com.au


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PRD Kingsgrove

Your trusted local real estate agency

 +61 2 9502 2111

 enquiries@prdbn.com.au

 PRD.com.au/kingsgrove

 Shop 6, 215-231 Kingsgrove Road Kingsgrove, NSW, 2208

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.

2024 encapsulates sales transactions for 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.

¥ Kingsgrove market data encapsulates aggregate property conditions within the postcode of 2208.

§ 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 Kingsgrove, Roselands, Earlwood, 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 Pricfinder, Cordell Connect database, SQM Research, Esri ArcGIS.

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