

Coffs Harbour
Property Factsheet
1st Half 2018





MARKET CONDITIONS

The Coffs Harbour* property market is set for positive growth in 2018, with the Q1 2018 median house price recorded at \$529,000 and median unit price at \$365,000. This represents 8.0% and 2.8% (respectively) of annual median price growth, which when compared to its neighboring Local Government Area (LGA) of Clarence Valley growth of -1.3% and 1.7% (over the same period of time Q1 2017 – Q1 2018), suggests a premium and more vibrant property market.

That said, when compared to the 2nd half of 2017, the median price change in Coffs Harbour* shows a return to more sustainable levels of growth, as the previous half showed a 10.9% (houses) and 18.3% (units) price growth. This trend is on par with Sydney's cooling in property prices, suggesting although current owners are still benefiting from positive capital growth, there is increasing affordability within the market. This is good news for first home buyers who are looking to enter the market.

Over the past 12 months (Q1 2017 – Q1 2018) average vendor discounting has widened for houses to -4.2% in Q1 2018, suggesting sellers are willing to negotiate on first list asking price. Now is the perfect time to buy and sell a house. Sellers will benefit from positive price growth trend whilst buyers capitalise on increased affordability. The average vendor discount for units in Q1 2018 has tightened to

-3.1%, suggesting buyers are more willing to offer closer to first list asking price. Now is the time for sellers to put their units on the market.

Median rent in Coffs Harbour* continues to serve investors well, with the weekly median house rent growing by 2.6% to \$436 between Q1 2017 – Q1 2018. Median weekly unit rent prices grew by 6.6% to \$341 over the same period of time, confirming Coffs Harbour* as an attractive place to invest.

MEDIAN HOUSE PRICE COMPARISON

Suburbs	2015	2016	2017	2015 - 2017 % Growth
Coffs Harbour**	\$412,000	\$442,500	\$479,500	16.4%
Sawtell	\$565,000	\$574,000	\$634,000	12.2%
Toormina****	\$383,750	\$415,000	\$435,750	13.6%
Woolgoolga	\$436,250	\$450,000	\$534,500	22.5%

OVERVIEW

Coffs Harbour is located on the mid-north coast of New South Wales, approx. 540km from Sydney. It is one of the largest urban centres in the North Coast region, with a population of 72,944 in the LGA; as per the ABS Census 2016. This signifies a 6.6% increase over the past 5 years, indicating a continuous demand for property.

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

FUTURE DEVELOPMENTS**

Coffs Harbour* is set to invest approx. \$102.6M worth of projects in the 1st half of 2018, with the majority (36.1%) dedicated to increasing residential stock. This is in line with increasing demand due to 6.6% population growth in 2011 – 2016. The increase in residential stock is balanced with 32.5% (or \$33.3M) commercial and 20.8% (or \$21.3M) infrastructure projects, which leads to sustainable economic growth in the area, providing positive benefits into property market growth.

In total, Coffs Harbour* plans to add 101 units/apartments, 16 dwellings, 34 lots, and 15 townhouses in the 1st half of 2018; across 2 mixed-use developments and 7 residential projects. A key mixed-use development is the Orlando Street Mixed-Use Development, estimated at \$4.4M. This will add 15 units, 10 offices, and 2 medical centres into the area.

A key residential project is the North Bonville Rd Subdivision, estimated at \$19.2M, delivering 34 new subdivision lots in Stage 1. This is a long term project commencing in early 2018.

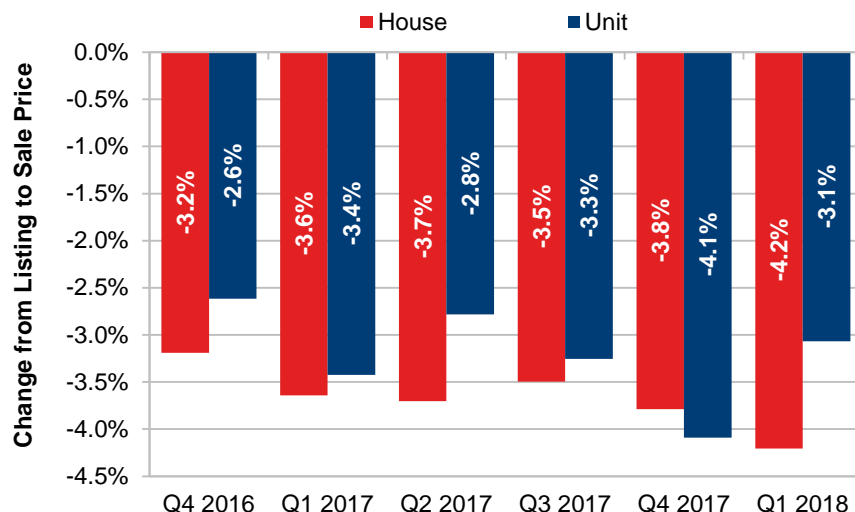
*Coffs Harbour market data and key indicators encapsulates aggregate property market conditions in the Coffs Harbour LGA.

**Coffs Harbour market data represents sales in the suburb of Coffs Harbour ONLY. **Estimated values are based on construction value provided by the relevant data authority and does not reflect commercial and/or re-sale value. Quoted project commencement dates are approximate only as per relevant data authority.

****Toormina quoted data represents aggregate property conditions in Toormina and Boambee East.

Source: APM Pricerfinder, realestate.com.au. © Copyright PRDnationwide 2018.

AVERAGE VENDOR DISCOUNT*



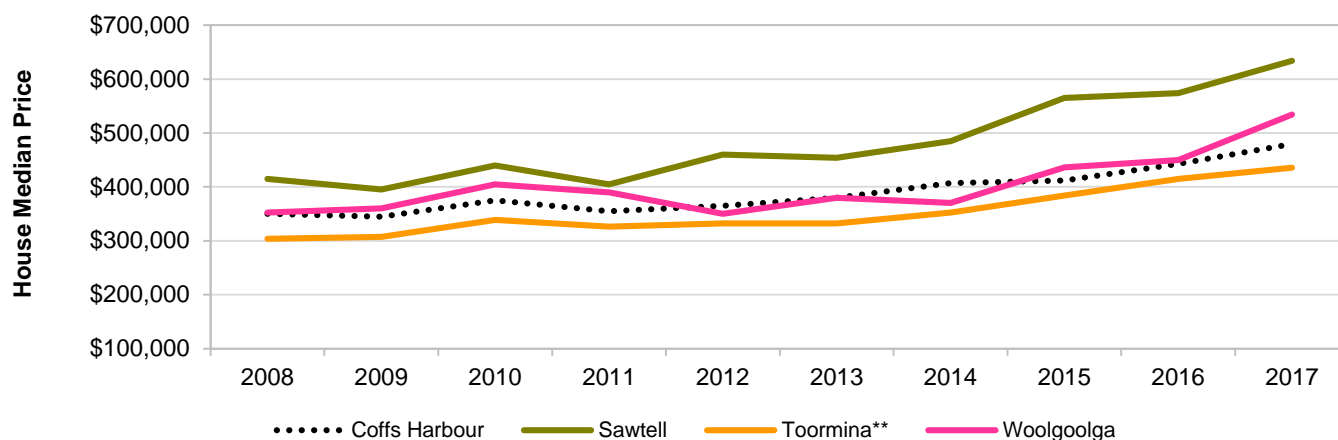
AVERAGE VENDOR DISCOUNT

Average vendor discount reflects the average percentage difference between first list price and final sold price. A lower percentage difference (closer to 0) suggests buyers are willing to purchase close to the first asking price of a property.

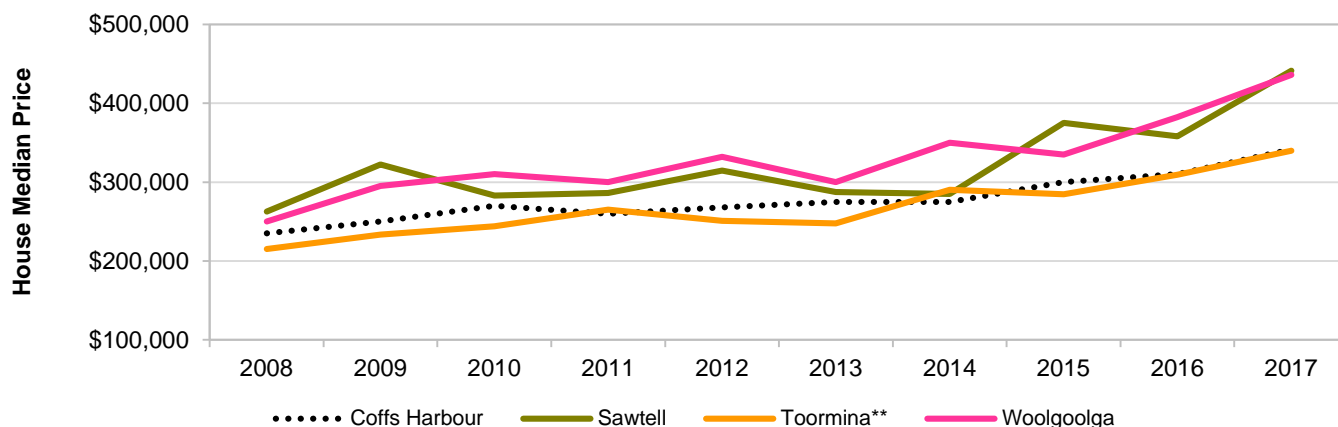
MARKET COMPARISON GRAPH

The market comparison graph provides comparative trend for median price of house and units over the past 10 years. Suburbs profiled are chosen based on proximity to the main suburb analysed in the factsheet, which is Coffs Harbour. The main suburb is highlighted through a dotted black line graph.

HOUSE MARKET COMPARISON



UNIT MARKET COMPARISON**

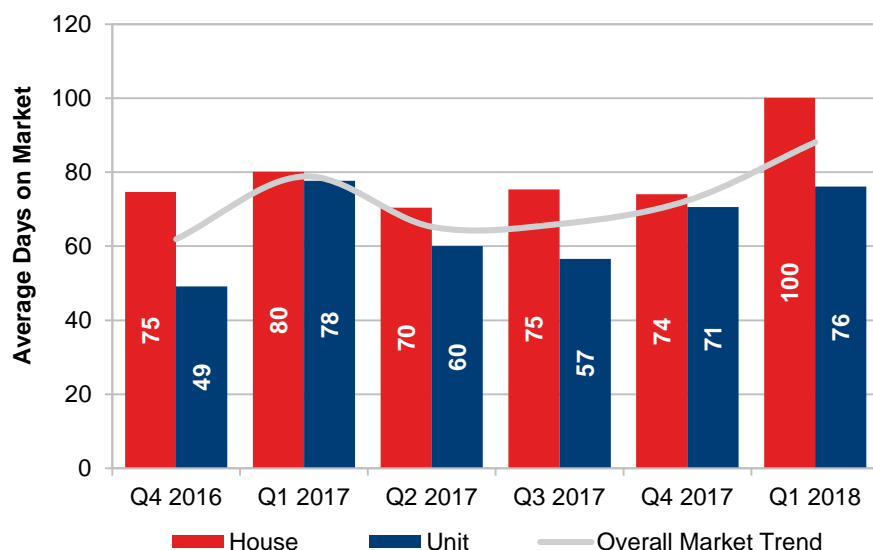


*Coffs Harbour market data and key indicators encapsulates aggregate property market conditions in the Coffs Harbour LGA.

**Toormina quoted data represents aggregate property conditions in Toormina and Boambe East.

Source: APM Pricefinder. © Copyright PRDNationwide 2018.

AVERAGE DAYS ON MARKET**



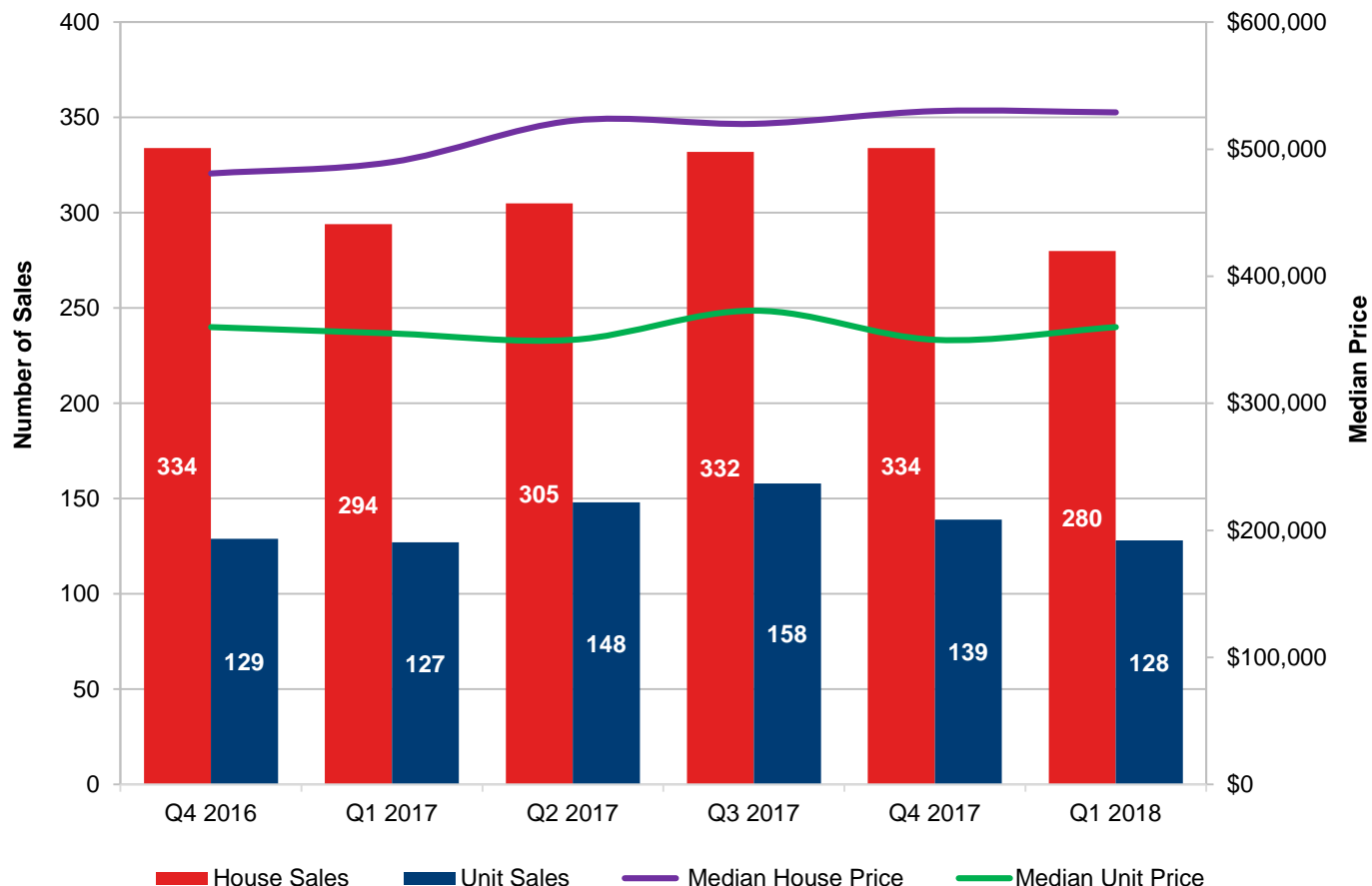
HOUSE KEY FACTS Q1 2018

Median Sale Price: \$529,000
Annual Growth: 8.0%
Average Days on Market: 100
% Change between First Listed Price and Sold Price: -4.2%

UNIT KEY FACTS Q1 2018

Median Sale Price: \$365,000
Annual Growth: 2.8%*
Average Days on Market: 76
% Change between First Listed Price and Sold Price: -3.1%

SALES AND MEDIAN PRICE**



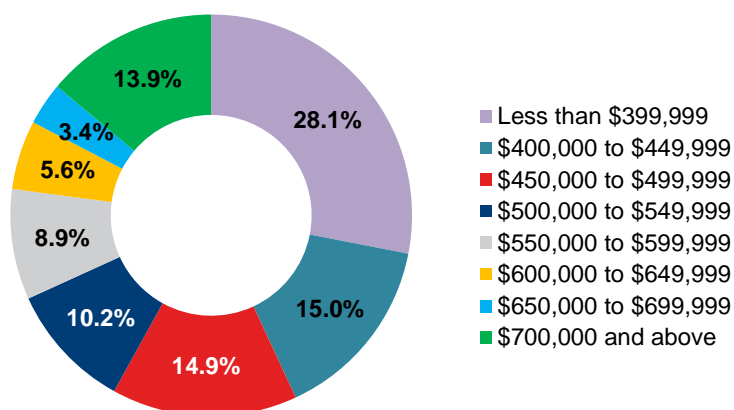
*Annual growth represents price growth for property transactions between Q1 2017 to Q1 2018 (inclusive).

**Coffs Harbour market data and key indicators encapsulates aggregate property market conditions in the Coffs Harbour LGA.

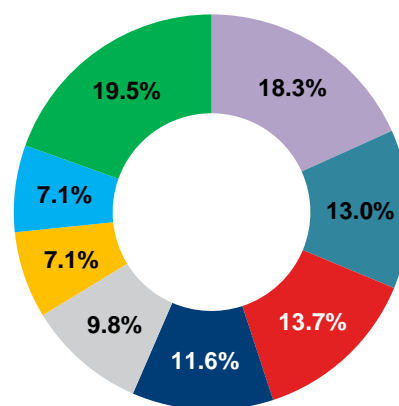
Source: APM Pricerfinder, realestate.com.au, SQM Research. © Copyright PRDnationwide 2018.

SALES PRICE POINT COMPARATIVE ANALYSIS*

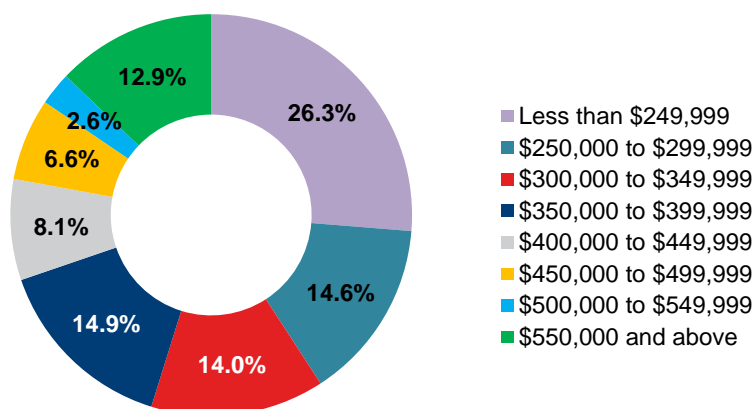
HOUSE PRICE POINT 2016



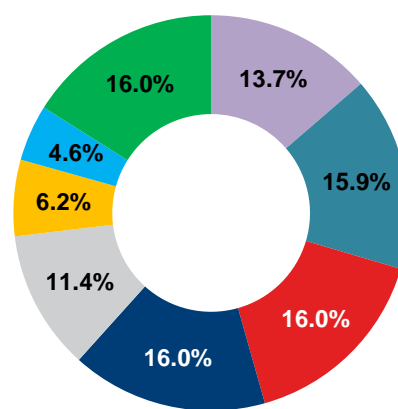
HOUSE PRICE POINT 2017



UNIT PRICE POINT 2016



UNIT PRICE POINT 2017



KEY IMPLICATIONS - HOUSE

The Coffs Harbour* housing market has seen an interesting shift in price points between 2016 -2017. In 2016 the predominant price bracket was under \$400K, representing 28.1% of house sales. However 2017 has seen an almost equal split between the lowest price bracket (under \$400K) of 18.3% and the highest price bracket (over \$700K) of 19.5%. This suggests there are opportunities available for a variety of budgets.

That said, the availability of houses for sale under \$400K have contracted between 2016 – 2017, from 28.1% to 18.3%, suggesting those looking for more affordable options need to act quickly and secure their property.

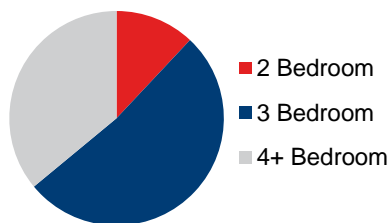
KEY IMPLICATIONS - UNIT

The most dominant price bracket in Coffs Harbour's* unit market in 2017 was interestingly split equally between the mid-price range (\$300-\$350K and \$350-\$400K) and the highest price range (\$550K and above). Similar to the housing market, this provides opportunities for a variety of budgets, which makes the Coffs Harbour* market more accessible when compared to Sydney Metro.

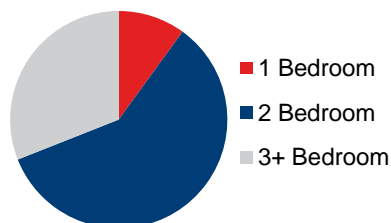
There was a slight expansion in the higher end pricing, from 12.9% in 2016 to 16.0% in 2017, suggesting an increasing appetite for high quality stock. First home buyers looking for affordable options need to act fast, as the pool for lower priced units shrunk from 26.3% to 13.7% in 2017.

INVESTMENT ANALYSIS

HOUSE



UNIT



HOUSE KEY FACTS Q1 2018

Median Rent Price: \$436 per week
Rental Yield:** 4.3%
Average Days on Market: 36
Bedroom Breakdown:
 2 Bed: 12%, 3 Bed: 52%, 4+ Bed: 36%

UNIT KEY FACTS Q1 2018

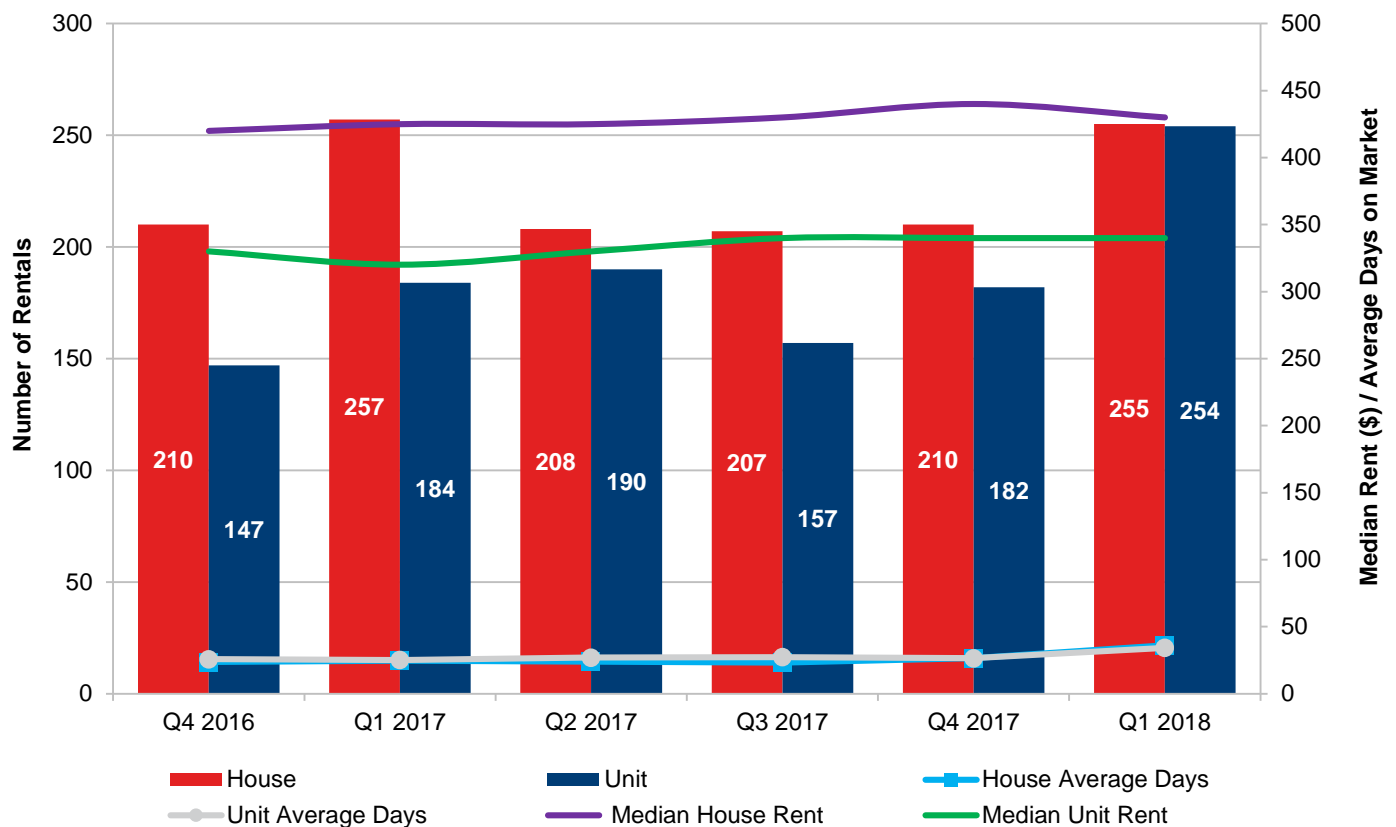
Median Rent Price: \$341 per week
Rental Yield:** 5.2%
Average Days on Market: 31
Bedroom Breakdown:
 1 Bed: 10%, 2 Bed: 59%, 3+ Bed: 31%

KEY COMMENTS

Interest in Coffs Harbour* is recorded at an average of 542 online visits per property. Rental demand has increased significantly over the past 12 months to Q1 2018 for units by 38.0%. When combined with a positive median rental price growth of 6.6% this suggests an increase in real demand, making units a highly attractive investment option. The rental yield for units in Coffs Harbour* is 5.2%, which is higher than Sydney's 3.8%, yet with a more affordable entry price. These factors confirm first time investors should consider Coffs Harbour* for their portfolio.

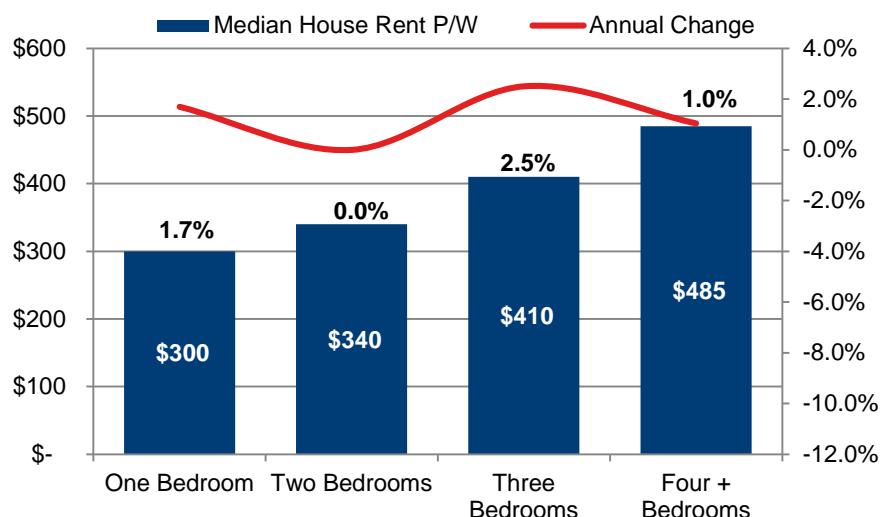


MEDIAN RENT AND AVERAGE DAYS ON MARKET*



*Coffs Harbour market data and key indicators encapsulates aggregate property market conditions in the Coffs Harbour LGA.
 **Rental yield quoted is the average of rental yield percentages for the following postcodes: 2450, 2452, and 2460
 Source: APM Pricerfinder, realestate.com.au, SQM Research. © Copyright PRDnationwide 2018.

RENTAL PERFORMANCE 2017*



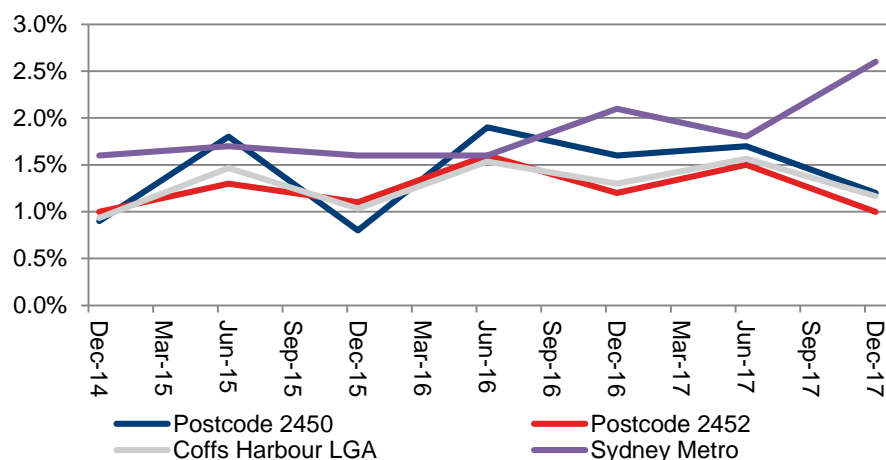
KEY COMMENTS

Rental returns are particularly strong in Coffs Harbour*, with a yield of 4.3% (houses) and 5.2% (units); significantly above Sydney Metro's rental yields.

3+ bedroom houses provide the highest annual rental growth at 2.5%.

Coffs Harbour* vacancy rates were 1.2% in December 2017, half of Sydney Metro's vacancy rate of 2.6%. Further, Coffs Harbour* vacancy rate is trending downwards, a stark contrast to the increasing trend found in Sydney Metro. This suggests a healthier rental demand, and considering Coffs Harbour's* lower entry price, makes it an extremely attractive investment market.

VACANCY RATES 2017



RENTAL YIELD 2017

Suburb/ Postcode/ LGA	House Rental Yield	Unit Rental Yield
Postcode 2450	4.0%	5.2%
Postcode 2452	4.0%	4.6%
Coffs Harbour LGA	4.3%	5.2%
Sydney Metro	2.9%	3.8%

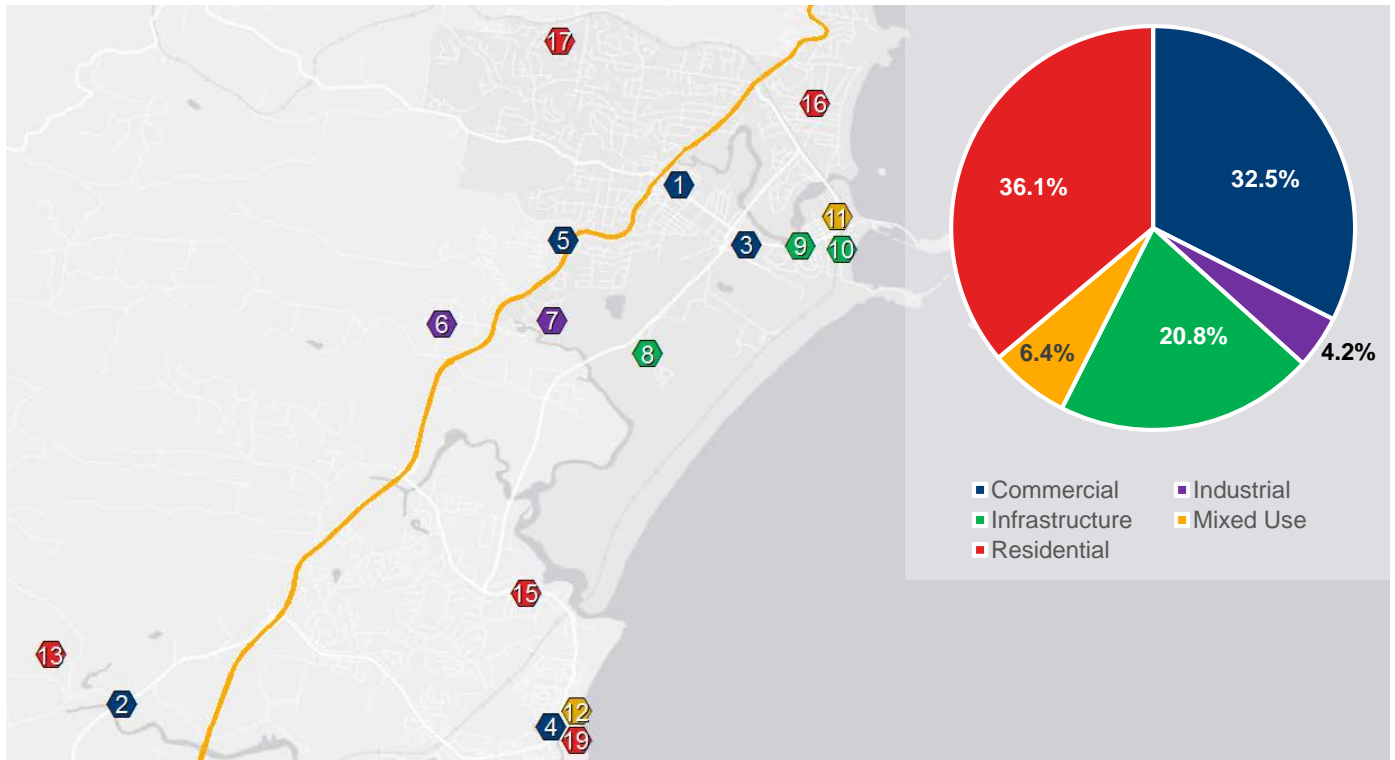
KEY HOUSING DEMOGRAPHICS

	Coffs Harbour (Suburb)	Coffs Harbour LGA	New South Wales
Median weekly household income	\$1,019	\$1,107	\$1,486
Median monthly mortgage repayments	\$1,555	\$1,603	\$1,986
Unemployed	7.7%	7.3%	6.3%
Professionals	18.2%	18.7%	23.6%
Owned outright	32.6%	36.4%	32.2%
Owned with mortgage	23.4%	28.7%	32.3%
Rented	40.3%	30.7%	31.8%

*Rental performance graph represents aggregate house median rent prices in the Coffs Harbour Local Government Area. Annual change is a comparison between 2016, and 2017 + Q1 2018 median rent figures.

Source: APM Pricerfinder, SQM Research, ABS Census 2016. © Copyright PRDnationwide 2018.

PROJECT DEVELOPMENT MAP 1st HALF 2018*



Location	Project**	Type	Estimated Value***	Commence Date****
1	Coffs Central – Hotel	Commercial	\$20,100,000	11/06/2018
2	Bonville International Golf Resort	Commercial	\$8,000,000	01/06/2018
3	Japara Coffs Harbour	Commercial	\$3,500,000	02/04/2018
4	First Avenue Commercial Building	Commercial	\$1,200,000	31/03/2018
5	Pacific Highway Commercial Building	Commercial	\$500,000	11/06/2018
6	Forge Drive Industrial Units	Industrial	\$3,500,000	22/01/2018
7	Cook Drive Industrial Shed	Industrial	\$850,000	26/06/2018
8	Coffs Harbour Airport Subdivision	Infrastructure	\$20,000,000	12/06/2018
9	Coffs Harbour City Square	Infrastructure	\$800,000	11/02/2018
10	Coffs Harbour Jetty	Infrastructure	\$500,000	25/02/2018
11	Orlando Street Mixed Use Development (15 Units)	Mixed Use	\$4,400,000	16/04/2018
12	Rockpool Sawtell Apartments & Retail (15 Apartments)	Mixed Use	\$2,200,000	09/03/2018
13	North Bonville Road Lot Subdivision (34 Lots)	Residential	\$19,200,000	01/01/2018
Not mapped	Beach Street Apartments (63 Apartments)	Residential	\$11,340,000	07/05/2018
15	Mission Australia Housing Coffs Harbour (16 Dwellings)	Residential	\$2,782,000	04/06/2018
16	Park Beach Road Units (8 Units)	Residential	\$1,200,000	19/04/2018
17	Vera Drive Townhouses (5 Townhouses)	Residential	\$840,000	09/04/2018
Not mapped	Queen Street Townhouses (3 Townhouses)	Residential	\$600,000	06/02/2018
19	Boronia Street Townhouses (3 Townhouses)	Residential	\$580,000	26/02/2018
Not mapped	Luffman Beach Townhouses (4 Townhouses)	Residential	\$500,000	29/01/2018

*Disclaimer: 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 Coffs Harbour LGA.

***Estimated value is the value of construction costs provided by relevant data authority, it does not reflect the project's sale/commercial value.

****Commencement date quoted for each project is an approximate only, as provided by the relevant data authority, PRDnationwide does not hold any liability to the exact date.

Source: Cordell Database, ESRI ArcGIS, Department of Planning and Environment NSW, Coffs Harbour City Council. © Copyright PRDnationwide 2018.

ABOUT PRDnationwide RESEARCH

PRDnationwide's research division provides reliable, unbiased, and authoritative property research and consultancy to clients in metro and regional locations across Australia

Our extensive research capability and specialised approach ensures our clients can make the most informed and financially sound decisions about residential and commercial properties.

OUR KNOWLEDGE

Access to accurate and objective research is the foundation of all good property decisions

As the first and only truly knowledge based property services company, PRDnationwide shares experience and knowledge to deliver innovative and effective solutions to our clients.

We have a unique approach that integrates people, experience, systems and technology to create meaningful business connections. We focus on understanding new issues impacting the property industry; such as the environment and sustainability, the economy, demographic and psychographic shifts, commercial and residential design; and forecast future implications around such issues based on historical data and fact.

OUR PEOPLE

Our research team is made up of highly qualified researchers who focus solely on property analysis

Skilled in deriving macro and micro quantitative information from multiple credible sources, we partner with clients to provide strategic advice and direction regarding property and market performance. We have the added advantage of sourcing valuable and factual qualitative market research in order to ensure our solutions are the most well considered and financially viable.

Our experts are highly sought after consultants for both corporate and government bodies and their advice has helped steer the direction of a number of property developments and secured successful outcomes for our clients.

OUR SERVICES

Our research services span over every suburb, LGA, and state within Australia; captured in a variety of standard and customized products

We have the ability and systems to monitor market movements, demographic changes and property trends. We use our knowledge of market sizes, price structure and buyer profiles to identify opportunities for clients and provide market knowledge that is unbiased, thorough and reliable.



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

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