



Kyogle

Property Factsheet

2nd Half 2018





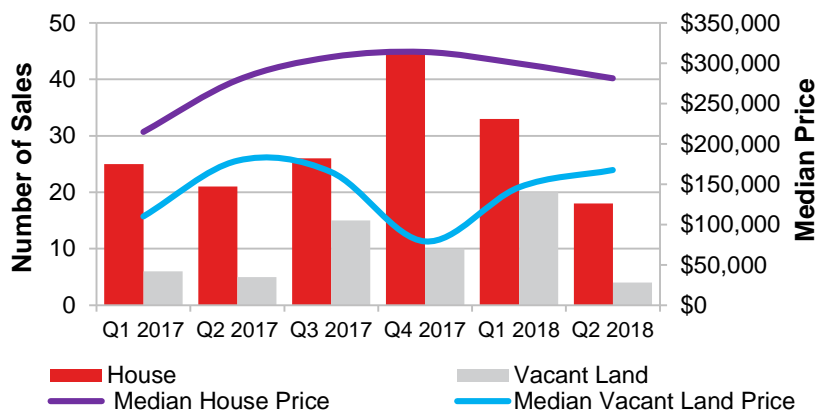
MARKET CONDITIONS

The Kyogle* property market continued to demonstrate positive price growth in 2018, with a median house price of \$295,000 in Q2 2018. This represented an annual price change of 5.4% (Q2 2017 to Q2 2018) and a half year (Q4 2017 to Q2 2018) price growth of 6.3%. The number of houses sold remained the same between Q2 2017-Q2 2018, which suggests real capital growth. Over the past 12 months, Q2 2017-Q2 2018, median house prices in the Kyogle Local Government Area (LGA) grew by 0.8% to \$281,250. Compared to the LGA, houses are secured at a premium price in the Kyogle* property market, and with stronger annual growth. This is good news for owner-occupiers and investors who are seeking a property market with reliable growth.

Over the past 12 months to Q2 2018, average vendor discounting for houses tightened to -2.2%, suggesting increased market competition whereby sellers achieved prices closer to their first asking price. That said, there is still room to negotiate, and buyers can seek out and secure their dream property. However, buyers will need to act fast in this high demand market, especially with time to sell decreasing from 82 days to 72 days between Q2 2017 and Q2 2018.

Median rent in Kyogle* increased by 3.6% over the past 12 months and was at \$290 per week in Q2 2018. Over the same period of time (Q2 2017-Q4 2018) the number of rental stock increased by 45.5%, which suggested a real increase in rental value, whereby rental price increases were not driven only by scarcity. Average days on the market tightened to 7 days in Q2 2018 and confirms Kyogle* as having an increasingly strong rental demand. Astute investors are benefiting from rental yields of 5.1% for houses, well-above that of Sydney Metro (at 2.9%). Now is the time to invest in Kyogle*.

POSTCODE 2474 GROWTH



OVERVIEW

Kyogle* is located approximately 742km from the Sydney CBD and 125km from the Gold Coast in Queensland. Kyogle's population has contracted by -13.9%, and the number of dwellings has also fallen by -14.5% over the last 7 years. There is a relatively balanced housing supply and demand in the market, thus any price increases represents real capital growth.

CHANGE FROM LAST	YEAR	HALF YEAR
House Sales	↔	↓
House Median Price	↑	↑
House Rental Price	↑	↓
Farm and Rural Sales	↓	↑
Farm and Rural Median Price	↓	↓

FUTURE DEVELOPMENTS**

Kyogle* is set to see approximately \$6.5M of new infrastructure projects starting or completing between 2017 and 2018. These projects are likely to buoy any downturn in other sectors. This is good news as this will further stimulate local economic growth (via local jobs) and increase liveability for residents.

A key project already underway in the 2nd half of 2018 is the Kyogle Council Bridges development. This involves construction of two bridges with an estimated value of \$1.5M. The project is scheduled for completion in August 2018.

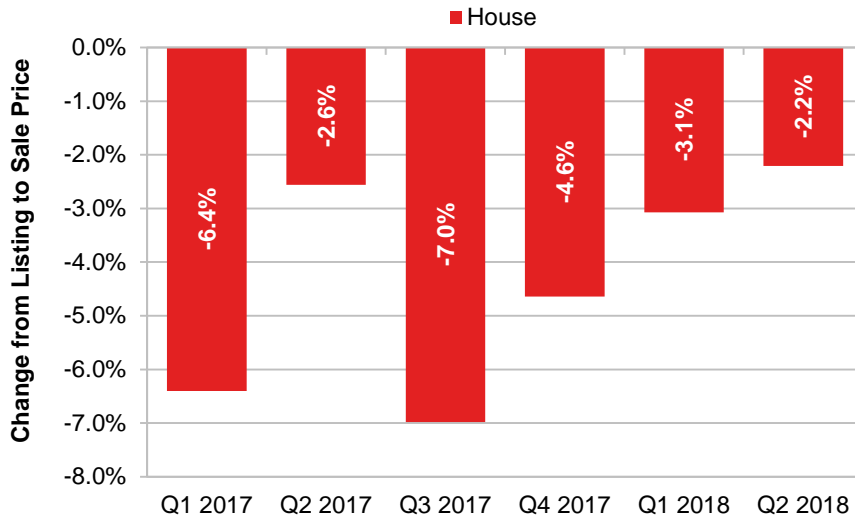
Another important project is the Kyogle Rural Fire Service Station project, with an approximate value of \$1.0M. This project was expected to start in December 2017 and completed in March 2018.

FARM AND RURAL SALES***

Over the past 7 years the Kyogle LGA recorded 321 rural/farm sales*** with a total value of \$212.4M. Between 2016-2017, sales decreased by -22.7%. Closer examination revealed that in the 1st half of 2018 38 sales transactions were recorded with a total value of \$14.5M, which was a half-yearly 65.2% increase and a -45.5% softening in price. The softening in value of farm land is likely driven by initiatives that encourage leasing instead of selling.

*Kyogle market data and key indicators encapsulates aggregate property market conditions in the following suburb: Kyogle.
**Estimated values are based on construction value provided by the relevant data authority and does not reflect commercial and/or re-sale value. Quoted construction and completion dates are estimate only, as per relevant data authority.
***Rural/Farm sales data is based on sales data that has been zoned appropriately.
Source: APM Pricerfinder, realestate.com.au. © Copyright PRDnationwide 2018.

AVERAGE VENDOR DISCOUNT*



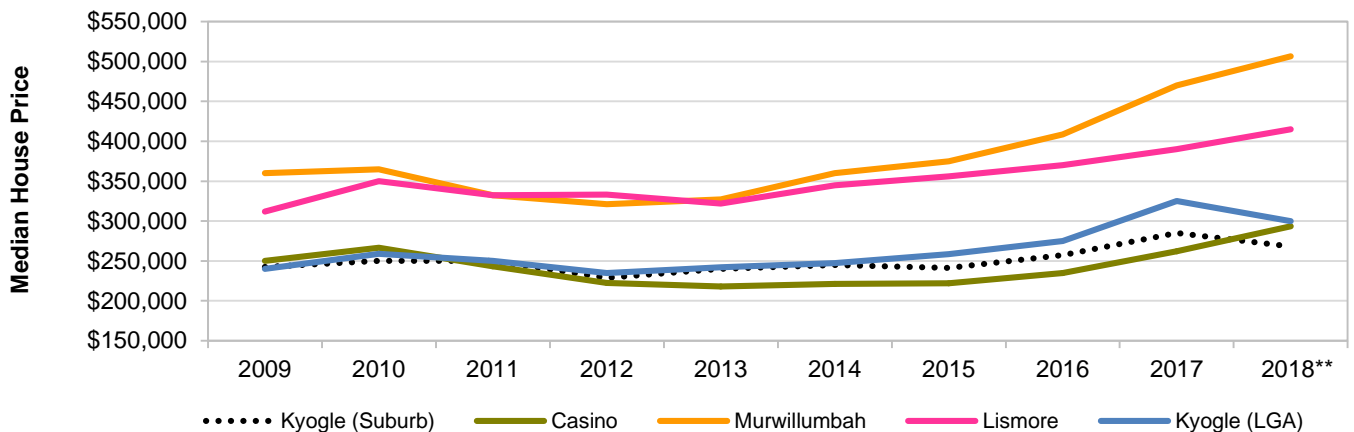
AVERAGE VENDOR DISCOUNT

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.

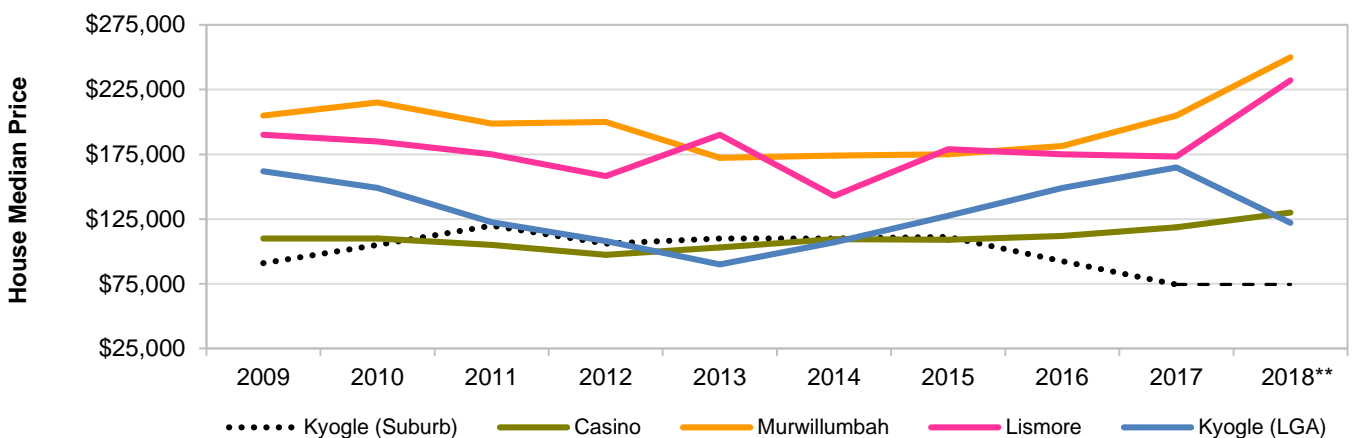
MARKET COMPARISON GRAPH

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 Kyogle. The main suburb is highlighted through a dotted black line graph.

HOUSE MARKET COMPARISON



VACANT LAND MARKET COMPARISON



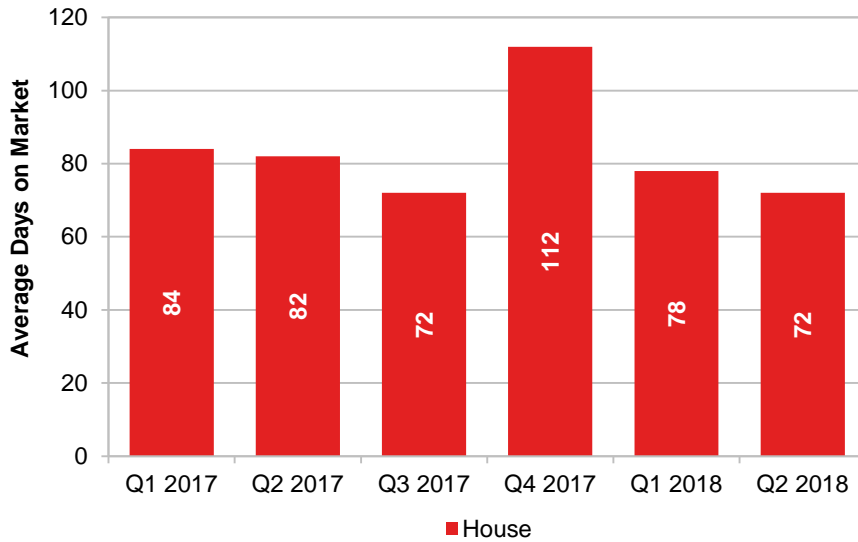
Disclaimer: Dashed lines represent quoted data for the suburbs with no median price over a certain period of time. These periods are indicative only, based on data from the previous year due to absence of sales transactions during the specific period.

*Kyogle market data and key indicators encapsulates aggregate property market conditions in the following suburb: Kyogle.

**2018 information represents data from both Normal sales (i.e. settled sales transactions derived from Government sources) and Agents Advice sales (i.e. sales transactions not derived from Government sources).

Source: APM Pricerfinder. © Copyright PRDnationwide 2018.

AVERAGE DAYS ON MARKET**

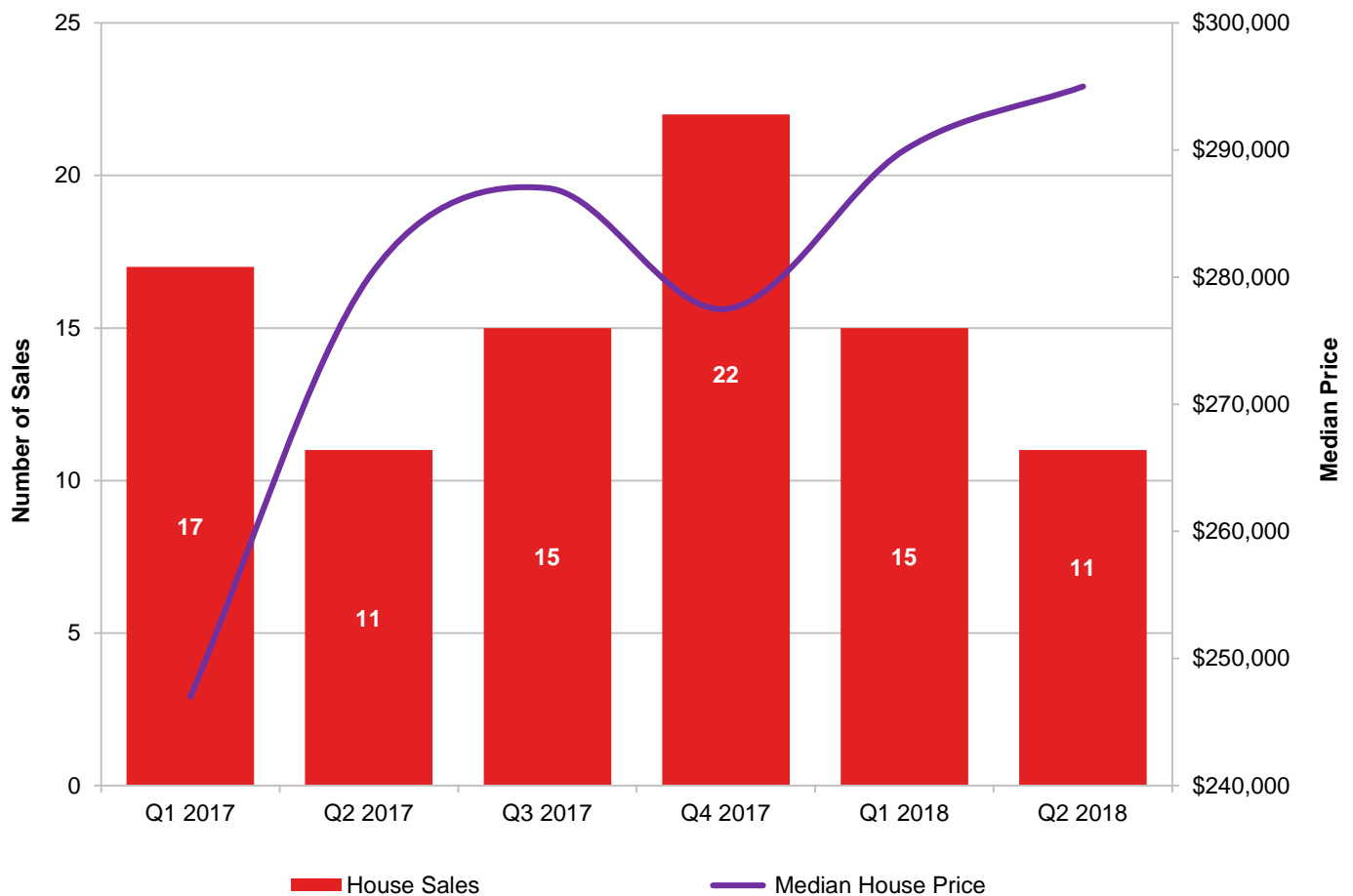


HOUSE KEY FACTS Q2 2018

Median Sale Price: \$295,000
 Annual Growth: 5.4%*
 Average Days on Market: 72
 % Change between First Listed Price and Sold Price: -2.2%



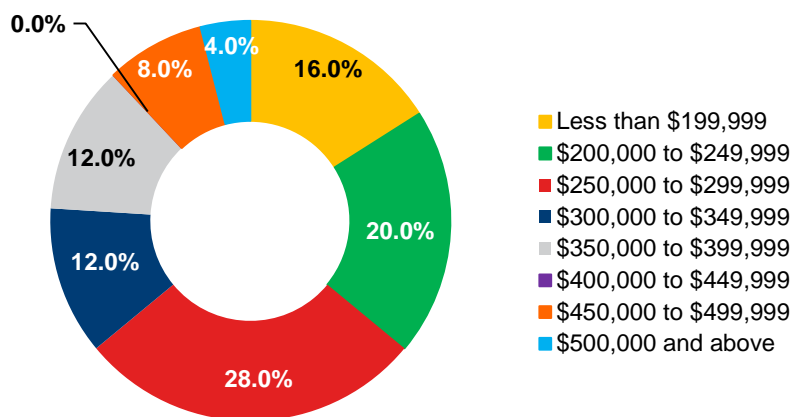
SALES AND MEDIAN PRICE**



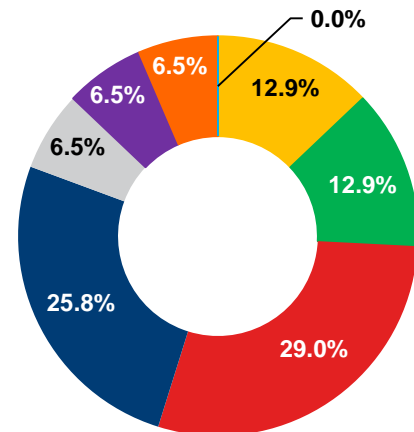
*Annual growth represents price growth for property transactions between Q2 2017 to Q2 2018 (inclusive).
 **Kyogle market data and key indicators encapsulates aggregate property market conditions in the following suburb: Kyogle.
 Source: APM Pricefinder, realestate.com.au, SQM Research. © Copyright PRDNationwide 2018.

SALES PRICE POINT COMPARATIVE ANALYSIS

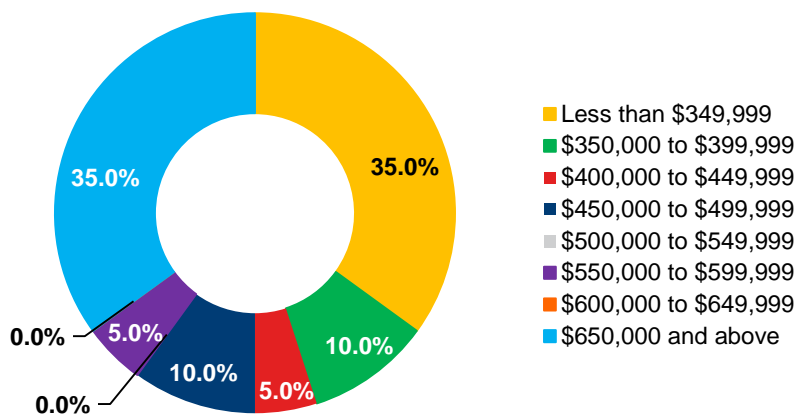
HOUSE PRICE POINT 1st HALF 2017**



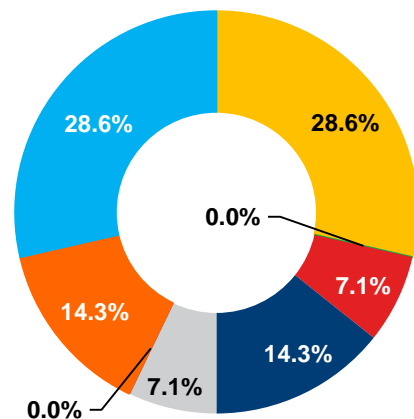
HOUSE PRICE POINT 1st HALF 2018**



FARM/RURAL PRICE POINT 1st HALF 2017**



FARM/RURAL PRICE POINT 1st HALF 2018**



KEY IMPLICATIONS - HOUSE

The proportion of houses being sold in Kyogle* in the 1st half of 2018 was primarily in the \$250K-\$300K price bracket. This represents the middle of the market and remained the dominant price bracket at 29.0%, slightly increasing from 28.0% from the same period in 2017. That said, Kyogle* offered a range of options for buyers seeking affordable options with positive capital growth.

The most notable shift in the Kyogle* housing market was a decrease in the two most affordable price brackets (less than \$200K and \$200K-\$250K). Combined these ranges decreased from 36.0% in the 1st half of 2017 to 25.8% in the 1st half of 2018. This signals a decrease in affordability of houses in the Kyogle* area.

KEY IMPLICATIONS – RURAL/FARM^

The Farm and Rural market represents commercially viable rural properties, and the dominant price segment sold in the Kyogle LGA during the 1st half of 2018 was split equally between 2 price segments - the less than \$350K and above \$650K (28.6% each). This represents the lowest and highest price segments, respectively. There is contraction in amount of properties sold within these price brackets compared to the 1st half of 2017.

That said, in the 1st half of 2018 the proportion of sales transactions in other price segments increased. In particular, the \$600K-\$650K price segment increased from 0% in the 1st half of 2017 to 14.3% in the 1st half of 2018, signaling that interest still exists in this market.

*Disclaimer: Kyogle market data and key indicators encapsulates aggregate property market conditions in the following suburb: Kyogle.

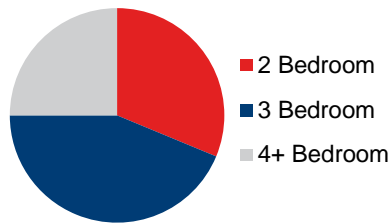
**For comparative purposes, house and unit sales for 2017 and 2018 are only representative of the 1st half of each year.

^Rural/Farm sales data is based on sales data that has been zoned appropriately in the Kyogle Local Government Area.

Source: APM Pricerfinder, Australian Bureau of Statistics 2016. © Copyright PRDnationwide 2018.

INVESTMENT ANALYSIS

HOUSE



HOUSE KEY FACTS Q2 2018

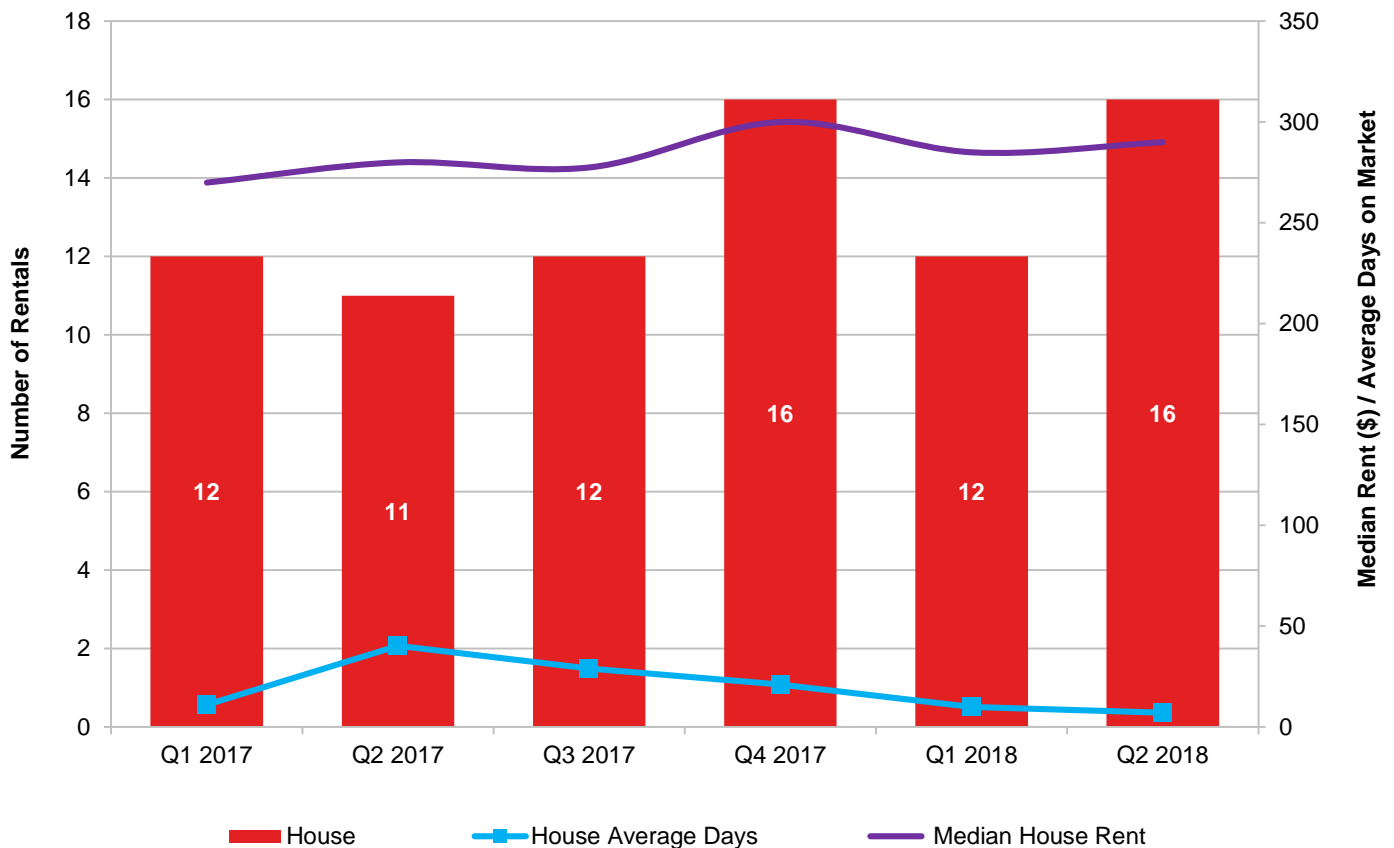
Median Rent Price: \$290 per week
Rental Yield: 5.1%
Average Days on Market: 7
Bedroom Breakdown:
 2 Bed: 31%, 3 Bed: 44%, 4+ Bed: 25%

KEY COMMENTS

Kyogle* recorded an average of 104 online visits per property in June 2018, which is 35.1% increase when compared to December 2017. Rental demand for houses has increased significantly over the past 12 months to Q2 2018. Over the same period of time, median rental price for houses grew by 3.6%, and sat at \$290 per week. This represents a real increase in rental value, with rental stock increasing by 45.5%, which suggests price increases are not only driven by scarcity. This provides investors, who are seeking more affordable investment locations outside of the Sydney Metro area, with confidence for reliable returns.

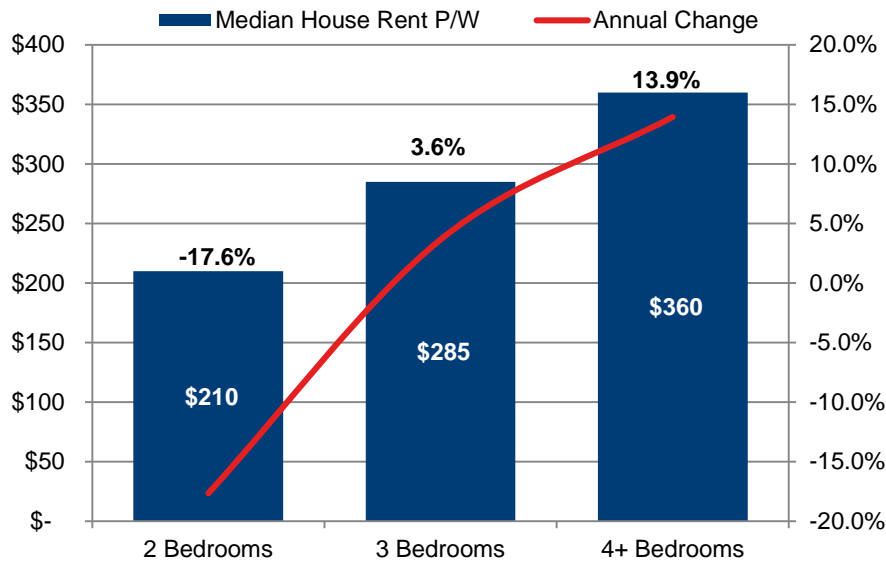


MEDIAN RENT AND AVERAGE DAYS ON MARKET*



*Disclaimer: Kyogle market data and key indicators encapsulates aggregate property market conditions in the following suburb: Kyogle.
 Source: APM Pricerfinder, realestate.com.au, SQM Research. © Copyright PRDnationwide 2018.

RENTAL PERFORMANCE 2018*



KEY COMMENTS

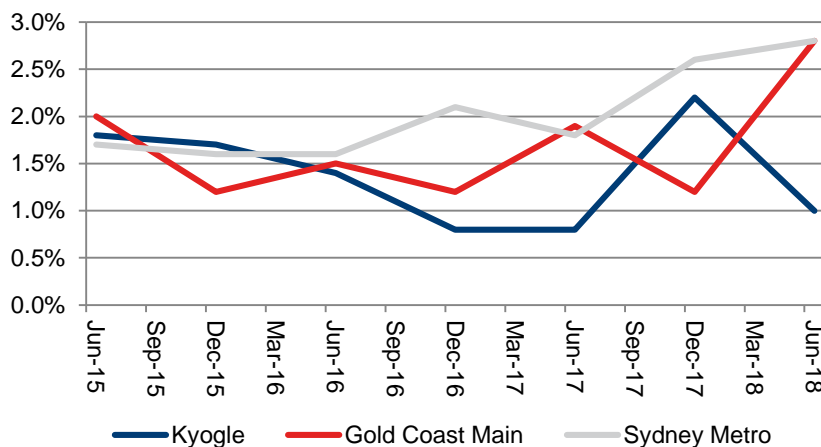
Rental returns were particularly strong for houses in Kyogle* at 5.1%, whilst units (at 3.6%) were on par with that of Sydney Metro (2.9% and 3.8% singly).

4+ bedroom houses provided the highest annual rental growth of 13.9%, at \$360/week in the 1st half of 2018.

Vacancy rates in Kyogle* were low (1.0%) and has trended lower than both Gold Coast Main and Sydney Metro, both at 2.8%. This signals a high occupancy rate, which suggests investors can be assured of consistent rental returns in Kyogle*.

Combined, these factors point to Kyogle* as an affordable investment option outside of Sydney Metro. Action takers need to include Kyogle* on their lists of locations to inspect properties.

VACANCY RATES 2018



RENTAL YIELD 2018

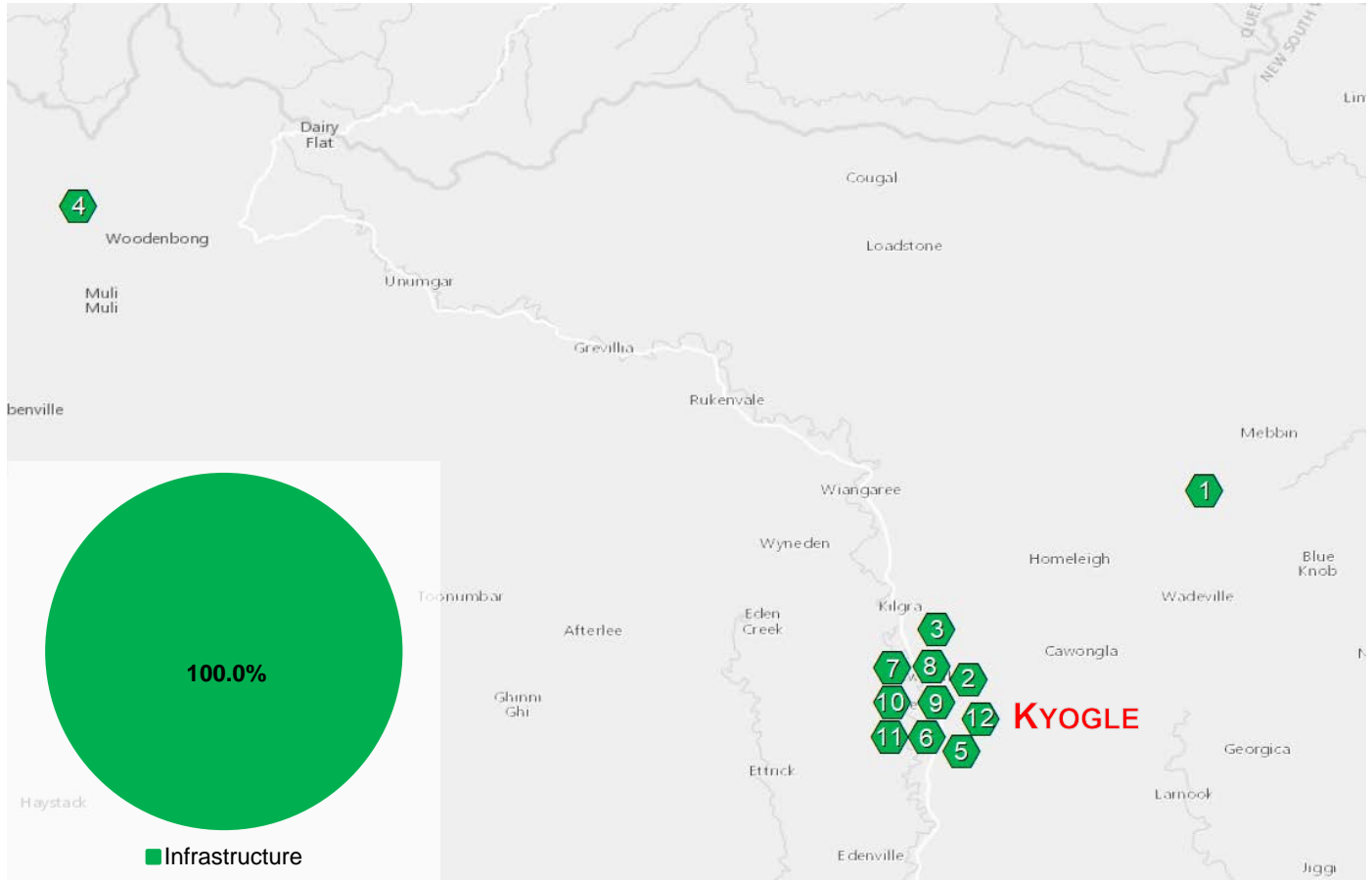
Suburb/Postcode/LGA	House Rental Yield	Unit Rental Yield
Kyogle (2474)	5.1%	3.6%
Woodenbong (2476)	6.5%	6.0%
Byron Bay (2481)	4.0%	4.2%
Lismore	4.5%	5.9%
Gold Coast Main	4.4%	5.5%
Sydney Metro	2.9%	3.8%

KEY HOUSING DEMOGRAPHICS

	Kyogle	Kyogle LGA	New South Wales
Median weekly rent	\$235	\$200	\$380
Family households	505	2,274	1,874,524
Single or lone person households	330	1,142	620,778
Worked full time	368	1,773	2,134,521
Worked part time	251	1,263	1,071,151
Occupied private dwellings	866	3,528	2,604,320
Unoccupied private dwellings	69	606	284,741

*Rental performance graph represents aggregate house median rent prices in the following: Kyogle. Annual change is a comparison between 1st half 2017 and 1st half 2018 median rent figures. Source: APM Pricerfinder, SQM Research, ABS Census 2016. © Copyright PRDnationwide 2018.

PROJECT DEVELOPMENT MAP 2017 – 2018*



Location	Project**	Type	Estimated Value***	Commence Date****	Completion Date****
1	Kyogle Council Bridges	Infrastructure	\$1,500,000	01/12/2017	01/08/2018
2	Kyogle Rural Fire Service Station	Infrastructure	\$1,000,000	30/11/2017	31/03/2018
3	Robothams Bridge	Infrastructure	\$1,000,000	19/02/2018	22/06/2018
4	Woodenbong Waste Facility	Infrastructure	\$344,000	15/12/2017	25/06/2018
5	Kyogle Council Civil Works	Infrastructure	\$300,000	11/08/2017	Not disclosed
6	Kyogle SES Building	Infrastructure	\$200,000	23/01/2017	19/04/2017
7	Greening Kyogle Main Street	Infrastructure	\$180,000	12/03/2018	31/12/2018
8	Kyogle Pool Redevelopment	Infrastructure	\$560,000	12/03/2018	31/12/2018
9	Kyogle Memorial Institute Hall Refurbishment	Infrastructure	\$674,000	12/03/2018	31/12/2018
10	Kyogle Recreation Reserve Improvements	Infrastructure	\$100,000	12/03/2018	31/12/2018
11	Village & LGA Signage Upgrades	Infrastructure	\$339,220	12/03/2018	31/12/2018
12	Kyogle Caravan Park Improvements	Infrastructure	\$302,529	12/03/2018	31/12/2018

*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 suburbs of Barkers Vale, Kyogle, and Woodenbong.

***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, Kyogle 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

Robert Horder
Principal

PRDnationwide Kyogle
81 Summerland Way
Kyogle NSW 2474
Australia

T +61 2 6632 3380
M +61 439 135 125
E roberthorder@prd.com.au

PRD.com.au/kyogle

Sell Smarter!

**Over 40 Years of Leading
Property Industry Research**



YOUR HOME OF
**PROPERTY
KNOWLEDGE**