



**Central Coast
Postcodes 2259 and 2261
Property Factsheet
2nd Half 2018**





MARKET CONDITIONS

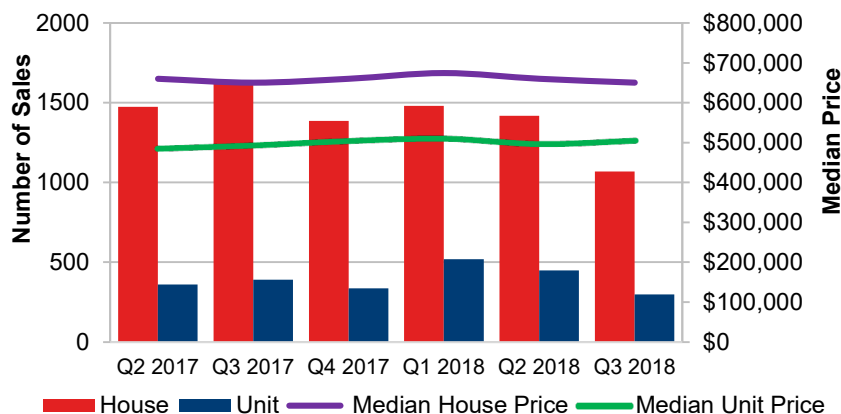
Postcodes 2259 and 2261 recorded a median house price of \$640,000 and \$455,000 for units in Q3 2018. This represents an annual (Q3 2017 – Q3 2018) price strengthening of 4.7% for houses and a relatively stable unit market. Central Coast Council Local Government Area (LGA) recorded a median house price of \$650,000 and \$505,000 for units. This indicates an annual (Q3 2017- Q3 2018) strengthening of 2.4% for units, while houses remained stable. Compared to the LGA property in postcodes 2259 and 2261 are more affordable, with higher capital growth for houses.

Now is the perfect time for investors and first home buyers to enter the market, as the area is expected to have significant growth due to the \$116.1M worth of projects planned for the 2nd half of 2018.

Average vendor discounting has favoured buyers in postcodes 2259 and 2261 with average vendor discounting for houses widening from -1.8% in Q3 2017 to -3.7% in Q3 2018. The unit market displayed similar patterns, with the average vendor discounting also widening from -2.6% in Q3 2017 to -5.4% in Q3 2018. This suggests sellers are more willing to discount their first list asking price, further confirming now is the time for first time buyers to enter the market.

Median house rental prices have remained stable over the past 12 months to Q3 2018 for both houses and units, at \$450 per week and \$365 per week respectively. Investors are benefiting from very low average days on the market for both rental property types (25 days for house and 29 days for units), which indicates a quicker return to investment. This suggests that there is a strong rental demand in the market, conducive for positive investment in the future.

CENTRAL COAST COUNCIL LGA GROWTH



OVERVIEW

Postcodes 2259 and 2261* are situated in the Central Coast region, located approx. 89km north-east of Sydney CBD. In 2016 the combined population of Tuggerah and Wyong was 5,253, signifying a resilient increase over the past 5 years. Private dwellings increased by only 8.0% during this time. Thus there is a potential undersupply in the area and room for residential development in the near future.

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

FUTURE DEVELOPMENTS*

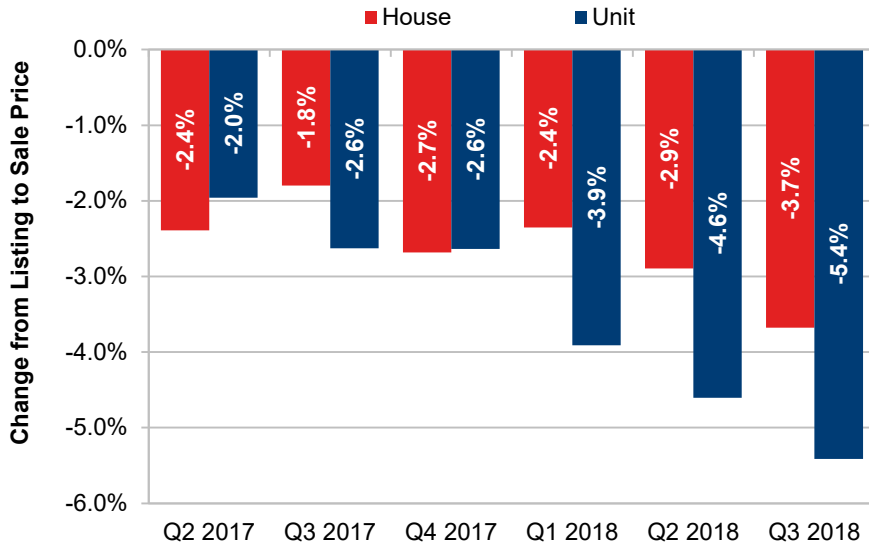
Post codes 2259 and 2261* are set to invest approximately \$116.1M of future development in the 2nd half of 2018. Residential investment accounts for the majority at 61.4%, followed by commercial development at 30.8% and industrial at 7.7%. This strategy will assist in fulfilling housing demand due to population growth, whilst stimulating the local economy through the creation of local jobs. This points to sustainable growth in the area.

The main commercial development is the Glengara Retirement Village Units (\$13.0M), constructing 70 retirement units within an existing retirement village. This project will attract a new demographic into the area and create local jobs, resulting in positive spill-over benefits to the property market.

Key residential projects scheduled due to commence in the 2nd half of 2018 include the Whitehaven Avenue Beach houses (\$30.0M, 48 prestige beach houses/terraces), Magenta Shores (\$8.9M, 200 Lots), Albert Warner Drive Residential Subdivision (\$6.9M, 52 Lots), and Wamervale Road Residential Subdivision Stages 1-4 (\$5.7M, 114 Lots). A total of 17 units/apartments, 48 houses and 11 townhouses are planned in the 2nd half of 2018.

*Estimated values are based on construction value provided by the relevant data authority and does not reflect commercial and/or re-sale value
Source: APM Pricefinder, realestate.com.au. © Copyright PRDnationwide 2018.

AVERAGE VENDOR DISCOUNT



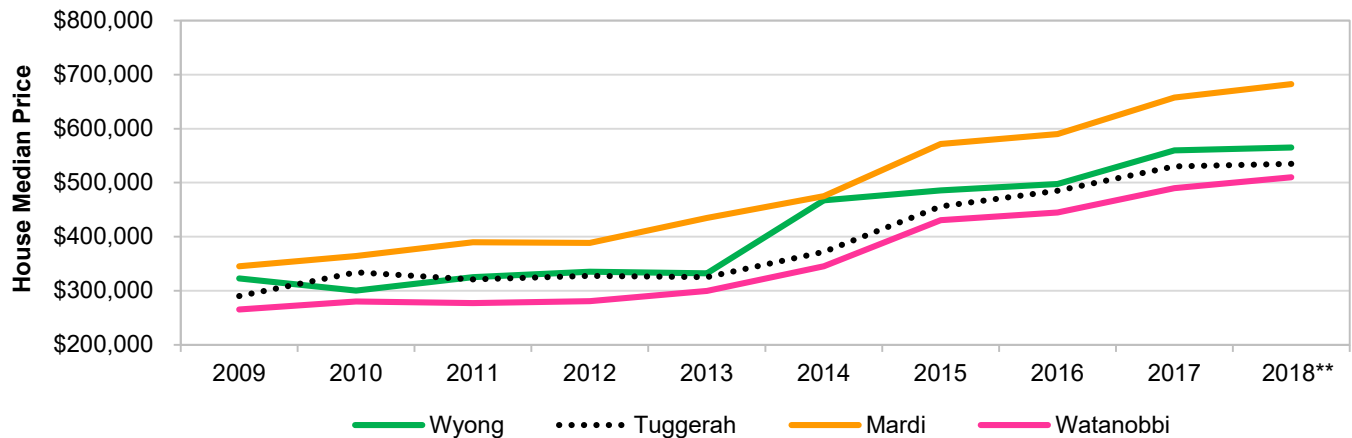
AVERAGE VENDOR DISCOUNT

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.

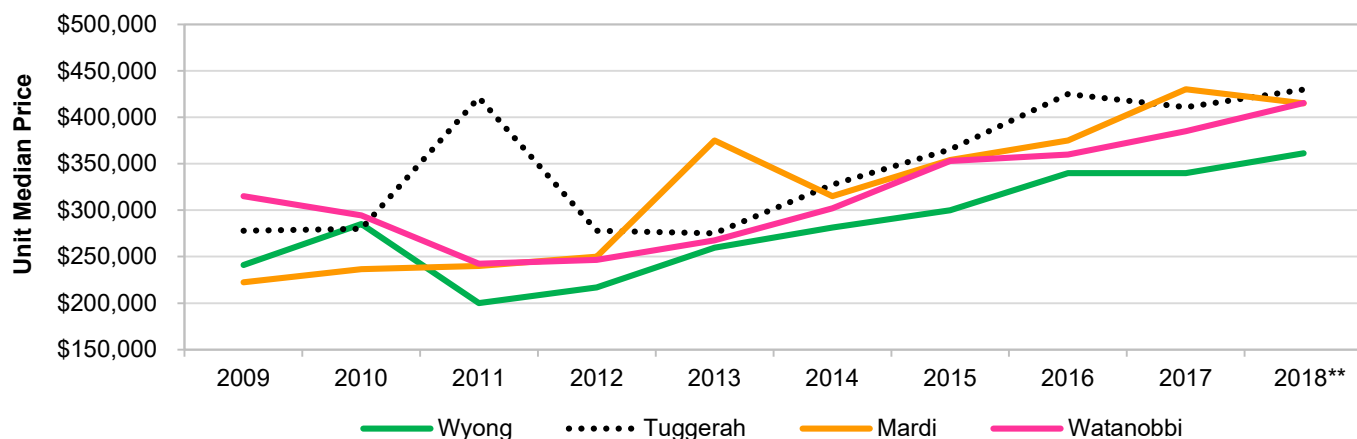
MARKET COMPARISON GRAPH

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 area analysed, which is postcodes 2259 and 2261*. The main suburb is highlighted by a dotted black line graph.

HOUSE MARKET COMPARISON



UNIT MARKET COMPARISON

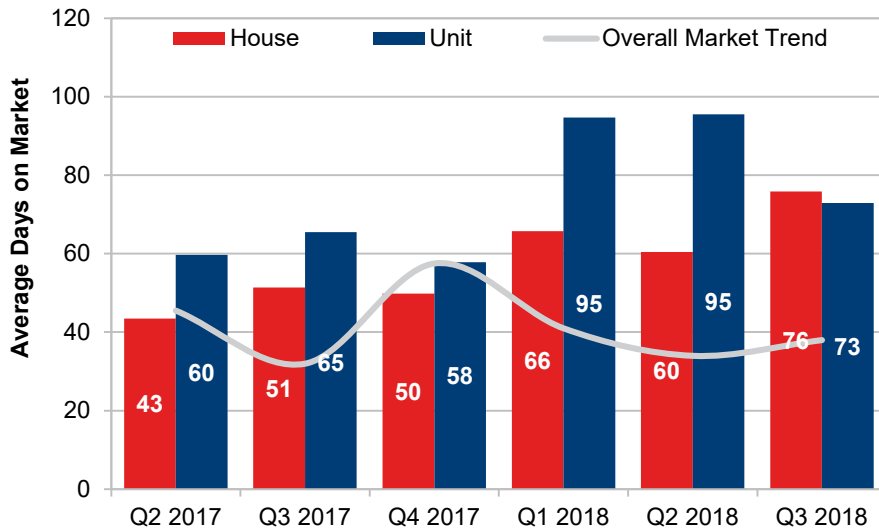


*Average vendor discount data and key indicators encapsulates aggregate property market conditions in the postcodes 2259 and 2261.

**2018 market date represents sales from 01/01/2018 to 30/09/2018.

Source: APM Pricefinder. © Copyright PRDNationwide 2018

AVERAGE DAYS ON MARKET**



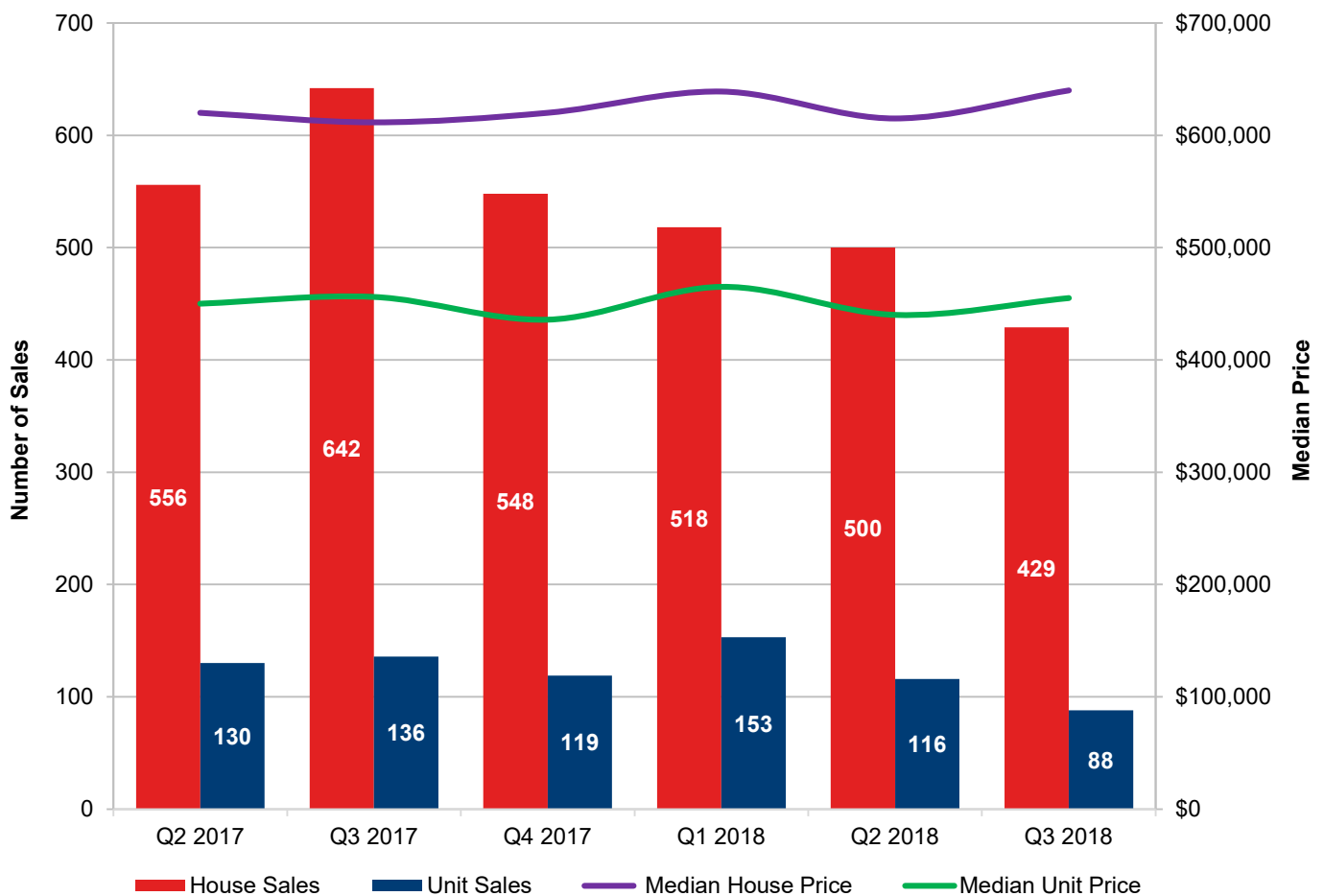
HOUSE KEY FACTS Q3 2018

Median Sale Price: \$640,000
 Annual Growth: 4.7%
 Average Days on Market: 76
 % Change between First Listed Price and Sold Price: -3.7%

UNIT KEY FACTS Q3 2018

Median Sale Price: \$445,000
 Annual Growth: -0.2%
 Average Days on Market: 73
 % Change between First Listed Price and Sold Price: -5.4%

SALES AND MEDIAN PRICE**



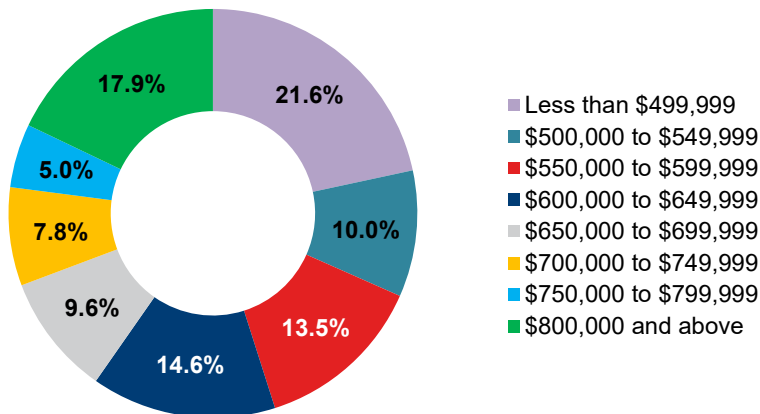
*Annual growth represents price growth for property transactions between Q3 2017 to Q3 2018 (inclusive).

**Sales and median price market data and key indicators encapsulates aggregate property market conditions of postcodes: 2259 and 2261.

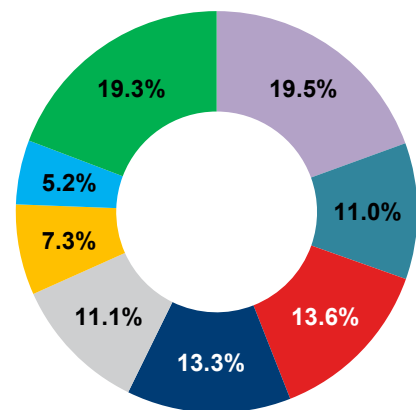
Source: APM Pricerfinder, realestate.com.au, SQM Research. © Copyright PRDnationwide 2018.

SALES PRICE POINT COMPARATIVE ANALYSIS*

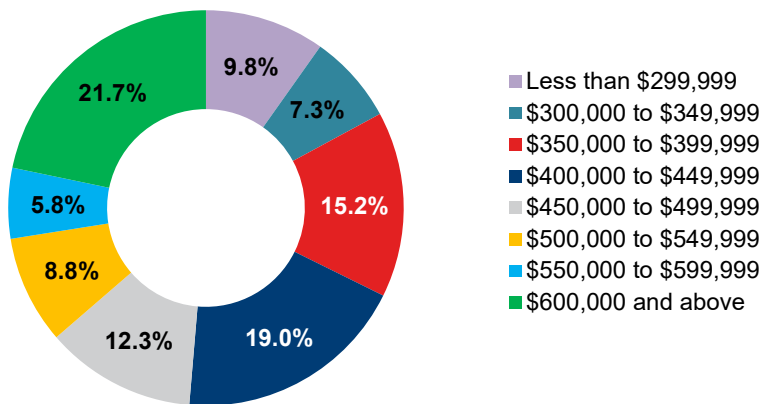
HOUSE PRICE POINT 2017



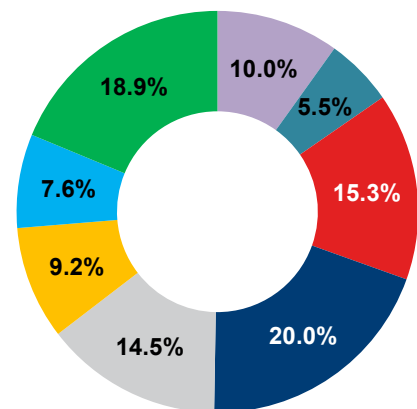
HOUSE PRICE POINT 2018



UNIT PRICE POINT 2017



UNIT PRICE POINT 2018



KEY IMPLICATIONS - HOUSE

Postcodes 2259 and 2261* house market sales price point has remained relatively stable between 2017 and 2018, with slight variations within each price bracket. This should provide owners and investors with a strong sense of stability within the market.

The highest proportion of houses sold in postcodes 2259 and 2261* in 2018* remained within the less than \$499K price point, decreasing slightly from 21.6% in 2017 to 19.5%. Interestingly the second most dominant price segment continues to be within the \$800K+ segment, increasing from 17.9% in 2017 to 19.3% in 2018. These figures show a diverse market where buyers are highly active between the low end and high end price segments.

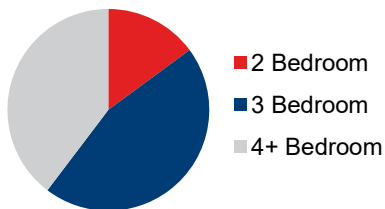
KEY IMPLICATIONS - UNIT

The dominant proportion of units sold in postcodes 2259 and 2261* in 2018 was mostly within the \$400K-\$449K price segment bracket, which has increased from 19.0% in 2017 to 20.0% in 2018. This is a major shift from 2017, whereby the most dominant price point was the \$600K and above segment, at 21.7%. This suggests that there has been an increasing demand towards more affordable unit stock, shifting the market from a premium market to a stronger mid-range priced market.

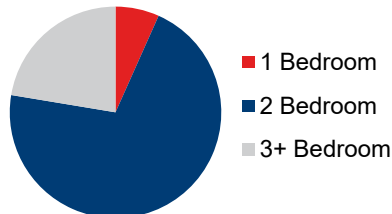
Affordable options, units priced \$350K and below, have diminished slightly, from 17.1% of total sales in 2017 to 15.5% in 2018. Now is the time for first time unit buyers to enter the market and capitalize on this opportunity.

INVESTMENT ANALYSIS

HOUSE



UNIT



HOUSE KEY FACTS Q3 2018

Median Rent Price: \$450 per week
 Rental Yield: 4.0%
 Average Days on Market: 25
 Bedroom Breakdown:
 2 Bed: 15%, 3 Bed: 45%, 4+ Bed: 40%

UNIT KEY FACTS Q3 2018

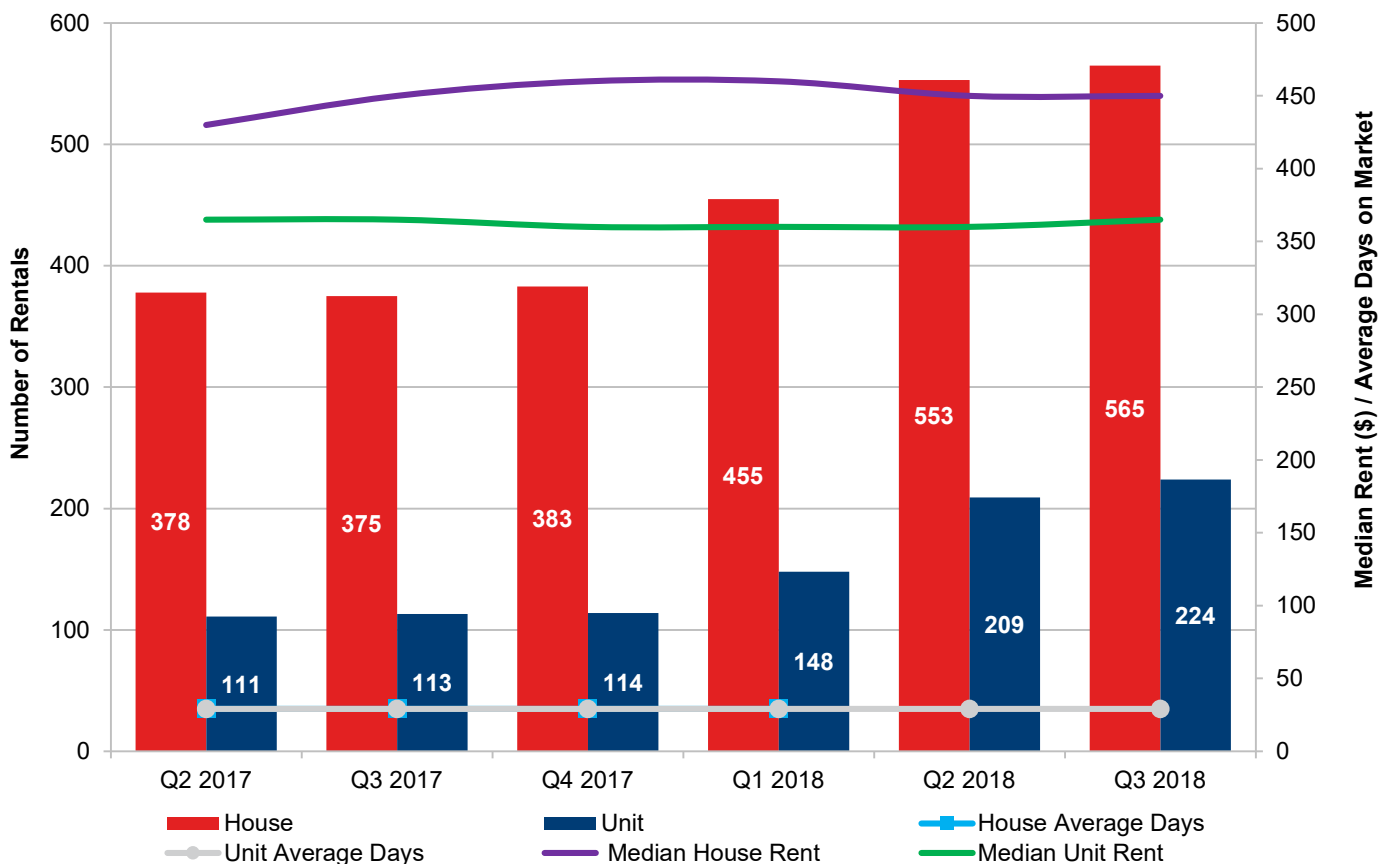
Median Rent Price: \$365 per week
 Rental Yield: 4.6%
 Average Days on Market: 29
 Bedroom Breakdown:
 1 Bed: 7%, 2 Bed: 71%, 3+ Bed: 22%

KEY COMMENTS

Postcodes 2259 and 2261* recorded an average of 960 online visits per property, much higher than the New South Wales average of 817. Units have become a popular choice for renters, with the number of units rented increasing by 98.2% over the past 12 months to Q3 2018. During this time the median unit rental price has remained stable which suggests a relatively resilient market. The same pattern is seen in the house rental market, whereby the number of houses rented increased by 50.7% and median house rental price remained stable. This indicates there is a healthy rental market demand, existing stock are absorbed.

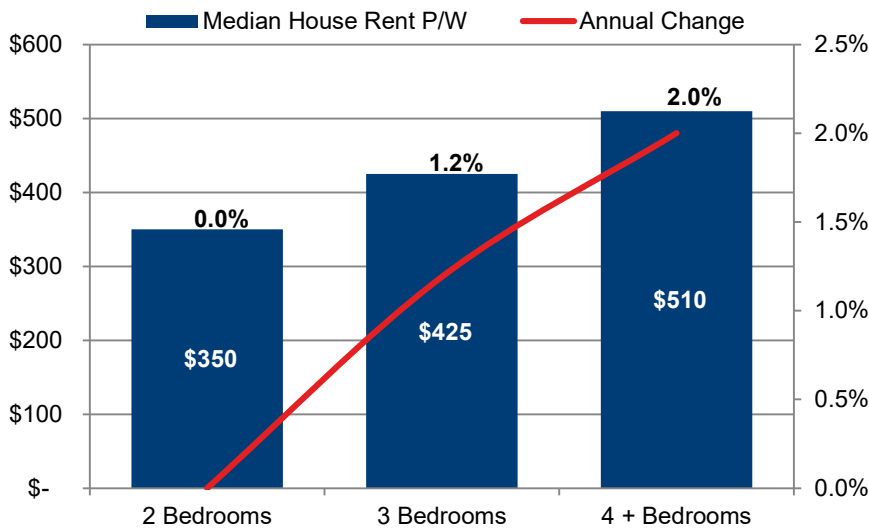


MEDIAN RENT AND AVERAGE DAYS ON MARKET*



*Disclaimer: Median rent and average days on market data and key indicators encapsulates aggregate property market conditions in the following postcodes: 2259 and 2261. Source: APM Pricefinder, realestate.com.au, SQM Research. © Copyright PRDnationwide 2018.

RENTAL PERFORMANCE 2018*



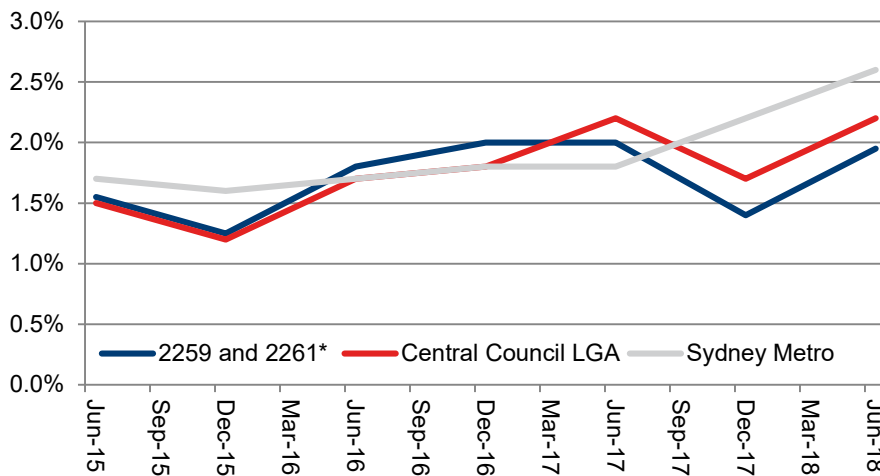
KEY COMMENTS

Rental yields are particularly strong in postcodes 2259 and 2261*, recording 4.0% for house and 4.6% for units in June 2018. This is well above Central Coast LGA and Sydney Metro.

4+ bedroom houses provide the highest annual rental growth, at 2.0% at \$510 per week.

Vacancy rates was at 2.0% in June 2018, and have trended below both Central Coast LGA (2.2%) and Sydney Metro (2.6%) for the last 12 months. This indicates a healthier rental demand in the market, which is great news for investors as it suggests absorption of stock and more conducive environment for returns.

VACANCY RATES 2018



RENTAL YIELD 2018

Suburb/ Postcode/ LGA	House Rental Yield	Unit Rental Yield
2259 and 2261*	4.0%	4.6%
Central Coast LGA	3.3%	4.2%
Sydney Metro	2.7%	3.7%

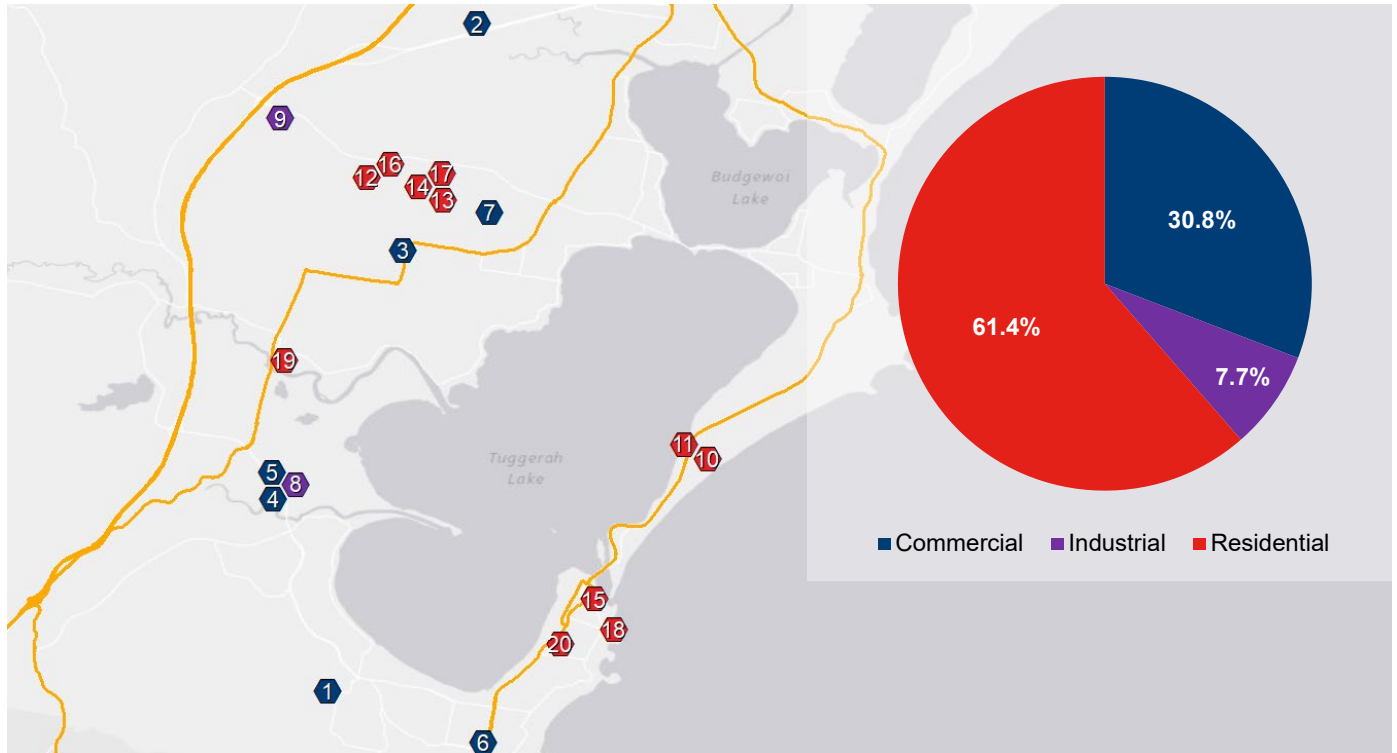
KEY HOUSING DEMOGRAPHICS

	Postcode 2259	Postcode 2261	Central Coast LGA	New South Wales
Median weekly rent	\$300	\$360	\$350	\$440
Family Households	61.3%	68.2%	70.5%	73.6%
Single or lone person households	34.3%	27.0%	26.4%	21.6%
Worked full time	52.1%	62.3%	55.3%	61.2%
Worked part time	32.0%	27.9%	32.9%	28.2%
Occupied private dwellings	92.1%	90.8%	87.5%	92.3%
unoccupied private dwellings	7.9%	9.2%	12.5%	7.7%

*Rental performance graph represents aggregate house median rent prices in the following postcodes: 2259 and 2261. Annual change is a comparison between Q3 2017 and Q3 2018 median rent figures.

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

PROJECT DEVELOPMENT MAP 2nd HALF 2018*



Location	Project**	Type	Estimated Value***	Commence Date****
1	Glengara Retirement Village Units	Commercial	\$13,000,000	20/07/2018
2	Fulton Hogan Asphalt Plant	Commercial	\$8,500,000	01/10/2018
3	Mazda & Nissan Motor Vehicle Showrooms	Commercial	\$5,969,000	15/07/2018
4	Border Express Warehouse	Commercial	\$3,000,000	21/11/2018
5	Pioneer Ave Factory Units	Commercial	\$2,047,000	09/10/2018
6	The Entrance Leagues Club	Commercial	\$2,000,000	29/11/2018
7	Nareen Terrace Village House	Commercial	\$1,300,000	13/10/2018
8	Pioneer Avenue Industrial Units Stages 1-3	Industrial	\$4,995,000	16/10/2018
9	Warren Road Industrial Units Stages 1-5	Industrial	\$3,996,000	14/08/2018
10	Whitehaven Avenue Beach Houses (48 Houses/Terraces)	Residential	\$30,000,000	26/11/2018
11	Magenta Shores (200 Lots)	Residential	\$8,900,000	20/11/2018
12	Albert Warner Drive Residential Subdivision (52 Lots)	Residential	\$6,908,000	19/10/2018
13	Warnervale Road Residential Subdivision Stages 1-4 (114 Lots)	Residential	\$5,700,000	13/07/2018
14	Warnervale & Virginia Roads Residential Subdivision Stages 1-4 (108 Lots)	Residential	\$4,900,000	15/08/2018
15	Bayview Avenue Apartments (11 Apartments)	Residential	\$4,589,000	30/11/2018
16	Honey Myrtle Estate (38 Lots)	Residential	\$3,200,000	17/10/2018
17	Warnervale Road Residential Subdivision Stages 1-2 (51 Lots)	Residential	\$2,300,000	22/08/2018
18	Ocean Parade Units (6 Units)	Residential	\$2,267,000	27/08/2018
19	Leppington St Townhouses (7 Townhouses)	Residential	\$1,371,000	16/10/2018
20	Archbold Road Townhouses (4 Townhouses)	Residential	\$1,200,000	26/10/2018

*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 postcodes: 2259 and 2261.

***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, Newcastle 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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