



Kyneton
Property Factsheet
1st Half 2019





MARKET CONDITIONS

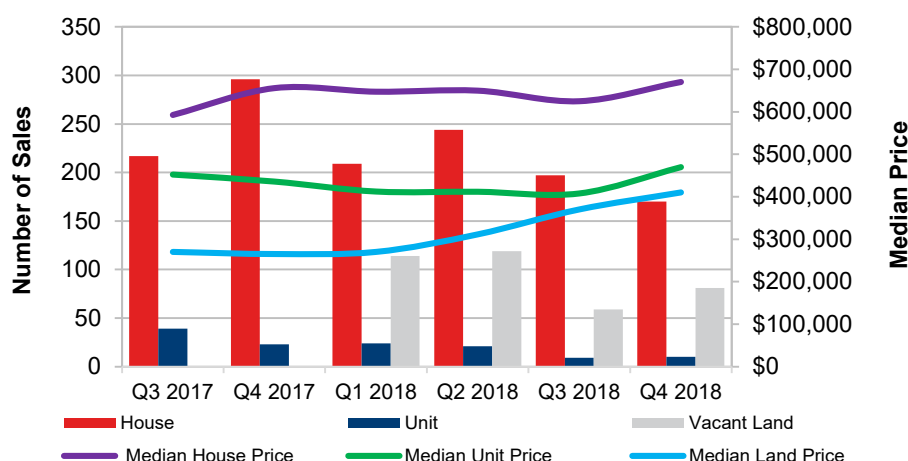
Kyneton* recorded a median house price of \$562,500 and a median vacant land price of \$334,000 in Q4 2018. This represents annual (Q4 2017 – Q4 2018) price growth of 6.6% and 51.8% respectively. Such a large spike in vacant land price is attributed to a very low land sales volume, with just 4 sales recorded during Q4 2018. The *Kyneton 2nd Half 2018 Property Factsheet* recorded annual (Q2 2017 – Q2 2018) price growth of 9.8% and 0.0% for houses and vacant land respectively. This means that by comparison, houses have grown at a more affordable level, whilst land has seen a strong increase in median price. Again, a sharp increase in vacant land price growth is in part reflective of a low sales volume for land in Kyneton*.

Q4 2018 saw the Shire of Macedon Ranges Local Government Area (LGA) record a median house price of \$670,500 and a median vacant land price of \$410,000. This represents annual (Q4 2017 – Q4 2018) price growth of 2.2% and 54.7% respectively. Kyneton* is thus positioned as a more affordable market within the Shire of Macedon Ranges LGA, offering higher capital growth for houses and on par for vacant land.

In the 12 months to Q4 2018, vendor discounting for houses in Kyneton* remained in the buyer's favour, widening from -2.7% in Q4 2017 to -5.1% in Q4 2018. This means that buyers were able to achieve greater discounts off the initial list price than the previous 12 months. Now is an ideal time for buyers to act and secure their property.

The median house rental price in Kyneton in Q4 2018 was \$470 per week, whilst units recorded a median of \$340 per week. This represented rental price growth of 17.5% for houses and -1.4% for units. A vacancy rate of just 1.3% (as of December 2018) was below the wider LGA (1.4%), as well as Melbourne Metro (2.2%). Kyneton* thus presents an ideal opportunity for investors seeking out stable regional returns.

SHIRE OF MACEDON RANGES GROWTH



OVERVIEW

Located around 80km north-west of Melbourne, Kyneton* is a town located within the Macedon Ranges region in Victoria. The preferred method of sale in Kyneton is private treaty. This is evident in the low volumes of auctions, with just 4 recorded in Q4 2018 across the entire Shire of Macedon Ranges LGA.

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

FUTURE DEVELOPMENTS**

An estimated \$3.5M is to be invested in future development in Kyneton* between the 1st half of 2018 and the 1st half of 2019. A majority of this is for commercial projects (\$1.5M or 41.6%), as well as infrastructure (\$1.1M or 30.0%) and residential projects (\$1.0M or 28.3%).

A correctly balanced focus on residential, commercial and infrastructure projects is vital in order to contribute to a growing, local economy in Kyneton*.

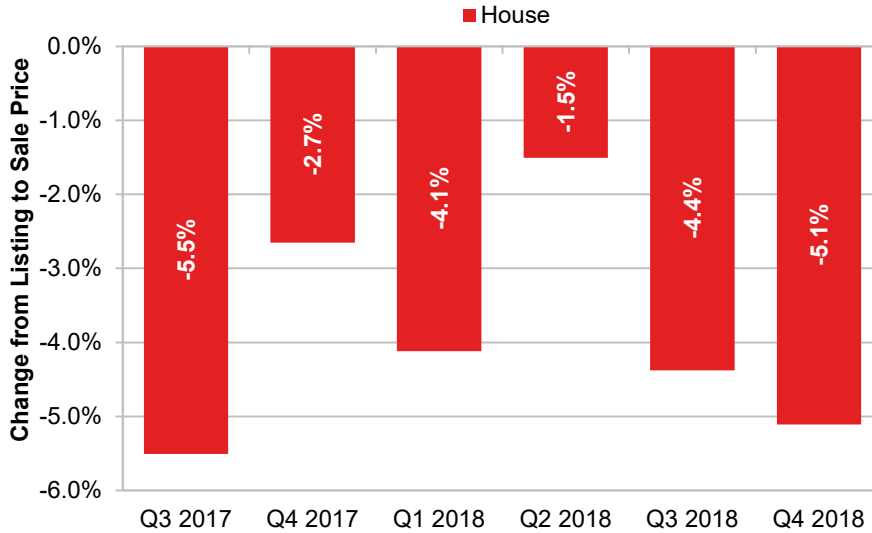
A key residential project in the area is the Kyneton on Riverside – Village Green Drive project, located on 22 Village Green Drive. This project will deliver 39 lot subdivisions being stages 6 and 14.

A key commercial project in the area is the Kyneton Livestock Exchange and Truck Park Upgrade (\$970K). This will provide an enhanced environment for commercial activity, improving safety for both workers and livestock alike.

Example of a key infrastructure project is the Kyneton Office and Town Hall Stage 1 (\$560K), which will improved building works to the Kyneton Administration Centre and Kyneton Town Hall.

*Kyneton market data and key indicators encapsulates aggregate property market conditions in the suburb Kyneton.
**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 Pricerfinder, realestate.com.au. © Copyright PRDnationwide 2019.

AVERAGE VENDOR DISCOUNT



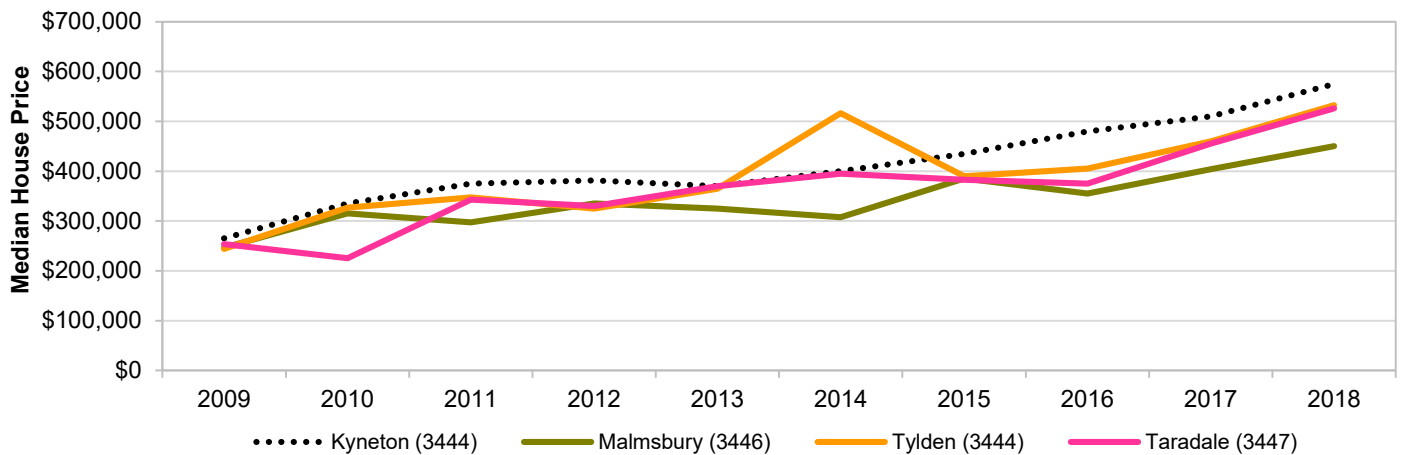
AVERAGE VENDOR DISCOUNT

The average vendor discount reflects the average percentage difference between the first list price and the 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.

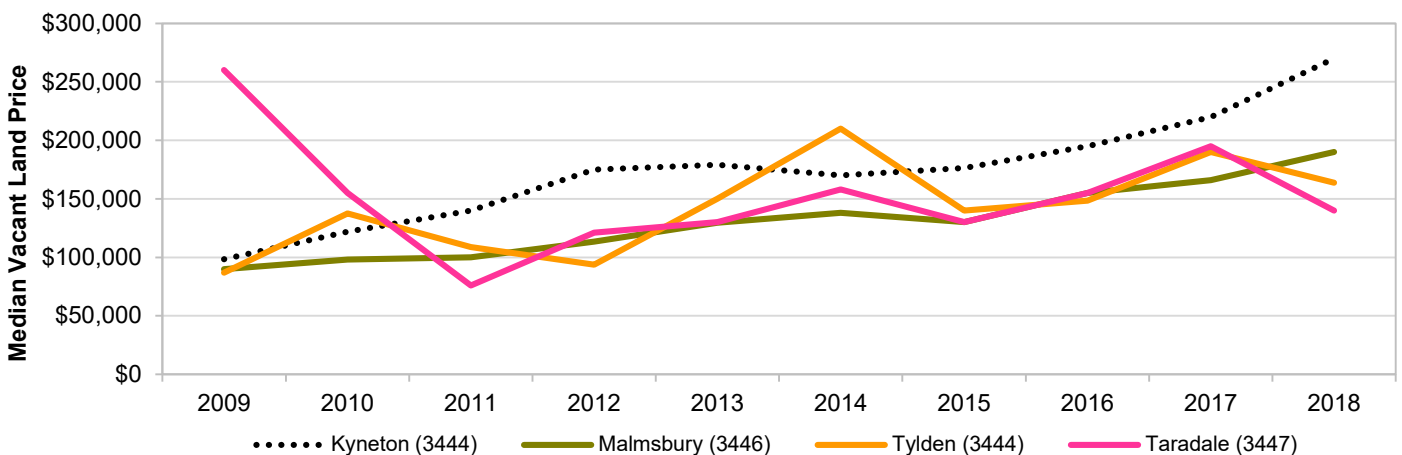
MARKET COMPARISON GRAPH

The market comparison graph provides a comparative trend for the median price of houses and units over the past 10 years. Suburbs profiled are chosen based on their proximity to the main suburb analysed in this Factsheet, which is Kyneton. The main suburb is shown as a dotted black line in the graphs below.

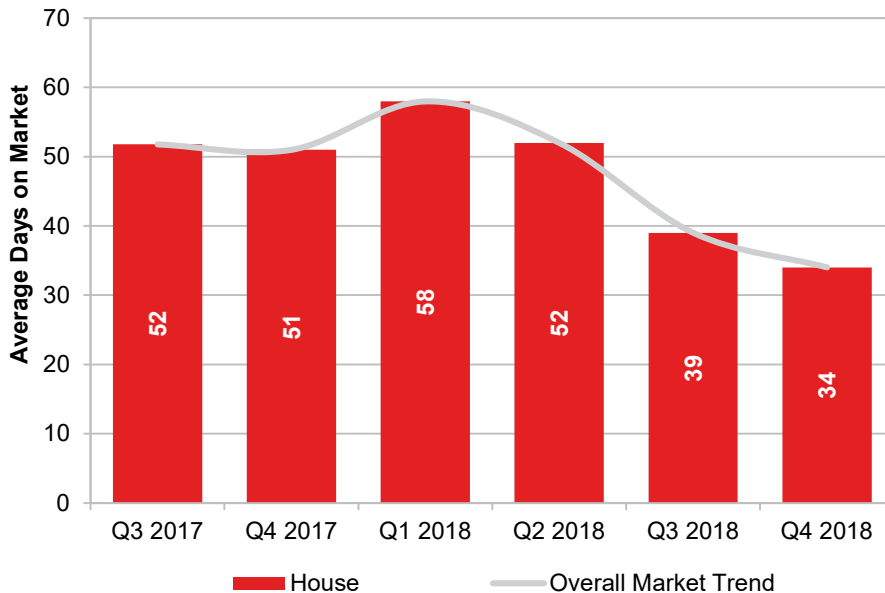
HOUSE MARKET COMPARISON



VACANT LAND MARKET COMPARISON



AVERAGE NUMBER OF DAYS ON THE MARKET**



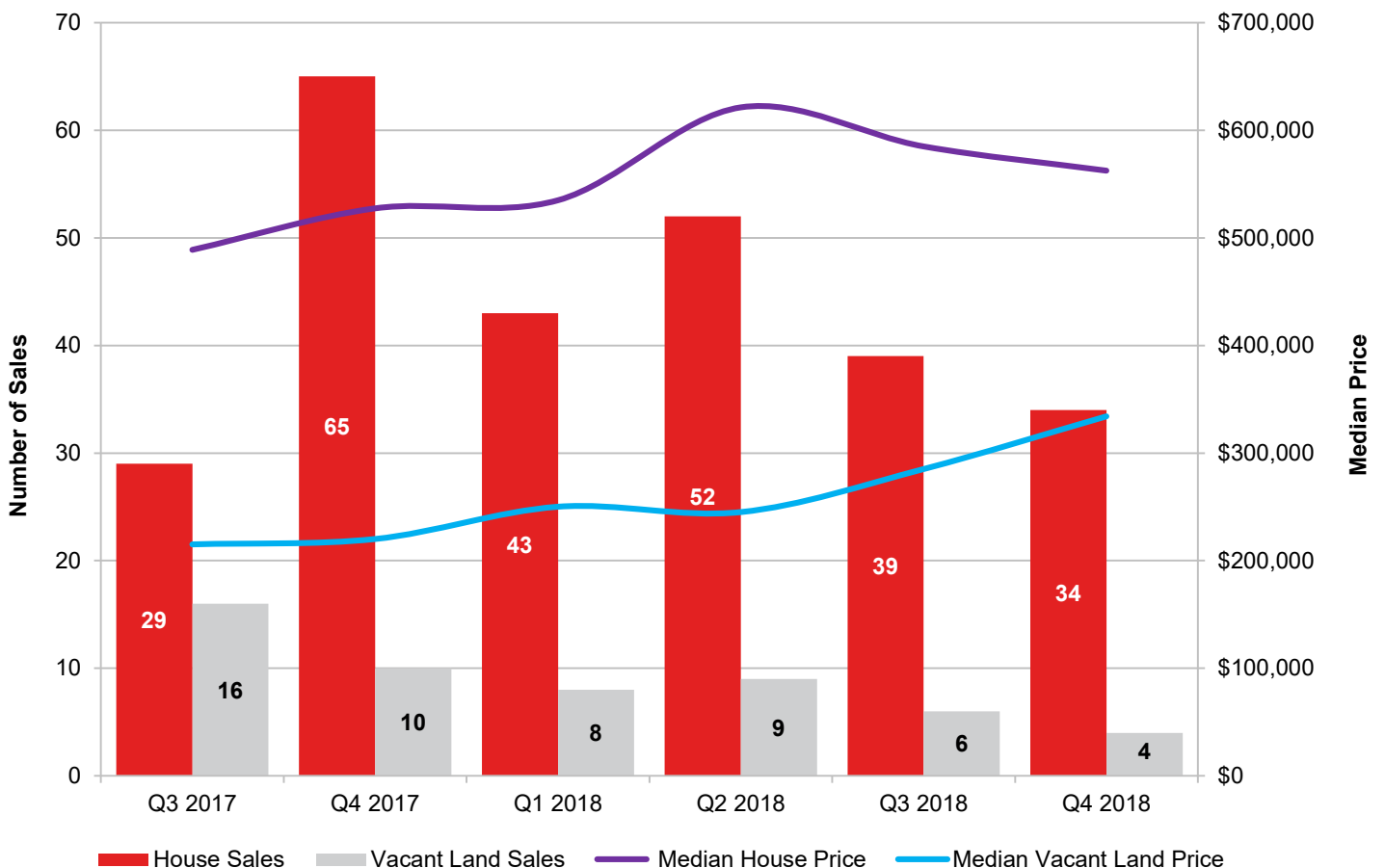
KEY HOUSE FACTS Q4 2018

Median Sale Price: \$562,500
Annual Growth: 6.6%*
Average Days on Market: 34
% Change Between First Listed Price and Sold Price: -5.1%

KEY LAND FACTS Q4 2018

Median Sale Price: \$334,000
Annual Growth: 51.8%*

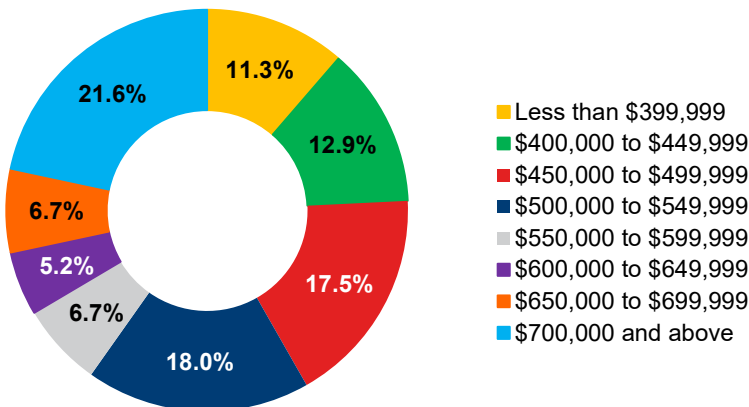
SALES AND MEDIAN PRICES**



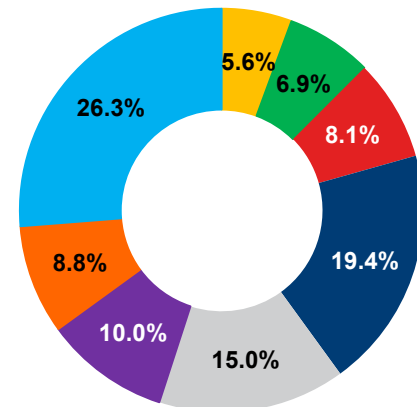
*Annual growth represents price growth for property transactions between Q4 2017 to Q4 2018 (inclusive).
**Kyneton market data and key indicators encapsulates aggregate property market conditions in the suburb Kyneton.
Source: APM Pricefinder, realestate.com.au, SQM Research. © Copyright PRDnationwide 2019.

SALES PRICE POINT COMPARATIVE ANALYSIS

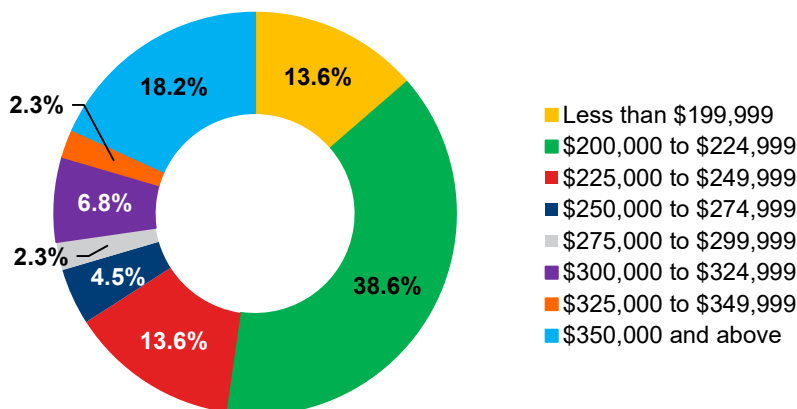
HOUSE PRICE POINT 2017



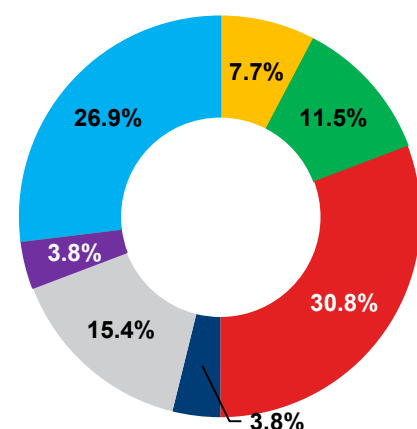
HOUSE PRICE POINT 2018



LAND PRICE POINT 2017



LAND PRICE POINT 2018



KEY IMPLICATIONS - HOUSES

The dominant price point for houses sold in Kyneton* in 2018 was \$700K and above, with 26.3% of total sales. This was an increase from 2017, where it was also the largest price bracket. The \$450K-500K price bracket experienced the largest swing, shrinking by 9.4% to 8.1% of total sales in 2018. The smallest price bracket of less than \$400K also declined notably, down from 11.3% to 5.6% of all sales in 2018.

These shifts indicate that Kyneton* is becoming a premium housing market. Buyers seeking affordable options should act quickly to secure their property while it is available. Conversely, sellers are able to sell properties with confidence in Kyneton's premium market.

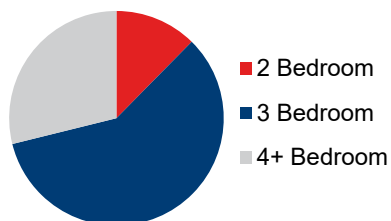
KEY IMPLICATIONS – VACANT LAND

30.8% of land sold across 2018* in Kyneton* was priced between \$225K-250K, making it the largest price bracket by total sales for the period. In 2017, this title was awarded to the \$200K-225K bracket at 38.6% of sales. There appears to have been a transfer in sales upwards in the price spectrum between these brackets, which suggests real value increases in vacant land in Kyneton*.

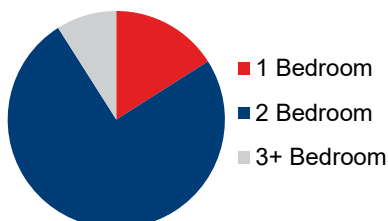
This idea is further reinforced by growth in the \$350K+ range, increasing by 8.7% to 26.9% of total sales. There is a growing demand for premium land in Kyneton* while affordable land is also increasing in price quickly. Buyers who are seeking to purchase affordable vacant land should thus act soon while it is still possible to do so.

INVESTMENT ANALYSIS

HOUSE



UNIT



KEY HOUSE FACTS Q4 2018

Median Rent Price: \$470 per week
Rental Yield: 3.5%
Average Days on Market: 17
Bedroom Breakdown:
 2 Bed: 12%, 3 Bed: 57%, 4+ Bed: 28%

KEY UNIT FACTS Q4 2018

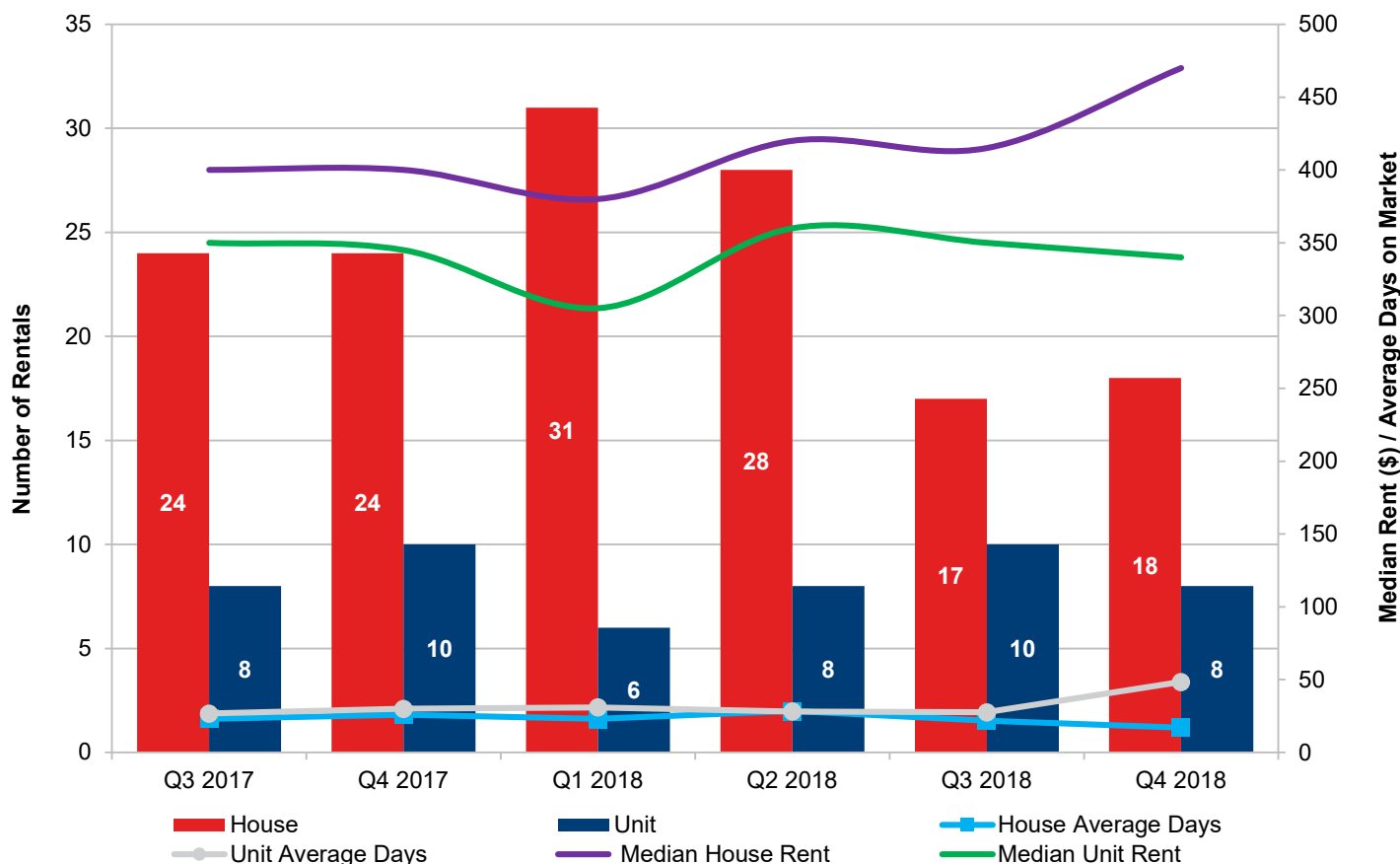
Median Rent Price: \$340 per week
Rental Yield: 3.9%
Average Days on Market: 48
Bedroom Breakdown:
 1 Bed: 16%, 2 Bed: 75%, 3+ Bed: 9%

KEY COMMENTS

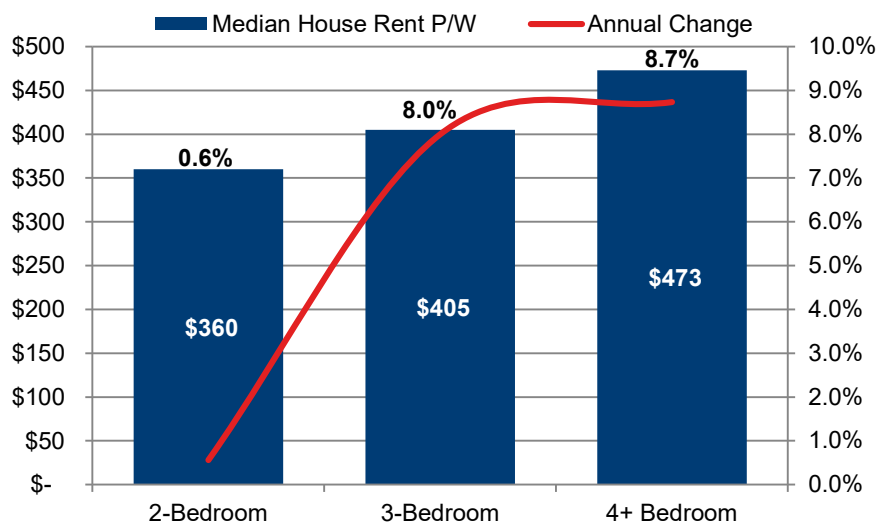
Interest in Kyneton* was recorded at an average of 822 online visits per property in December 2018. Q4 2018 saw Kyneton* record median rental prices of \$470 per week for houses and \$340 per week for units, which represents an increase of 17.5% for houses and a decrease of -1.1% for units over the past 12 months. The number of houses and units rented declined during this time, suggesting that there is room for more investors in Kyneton*. Further, investors within the market are rewarded by average yields of 3.5% (house) and 3.9% (units), which is on par with Melbourne Metro (2.9% and 3.9%). Given the lower median sales entry price of Kyneton* compared to Melbourne Metro, investors should consider Kyneton* as an affordable alternative for investment.



MEDIAN RENT AND AVERAGE DAYS ON THE MARKET*



RENTAL PERFORMANCE 2018*



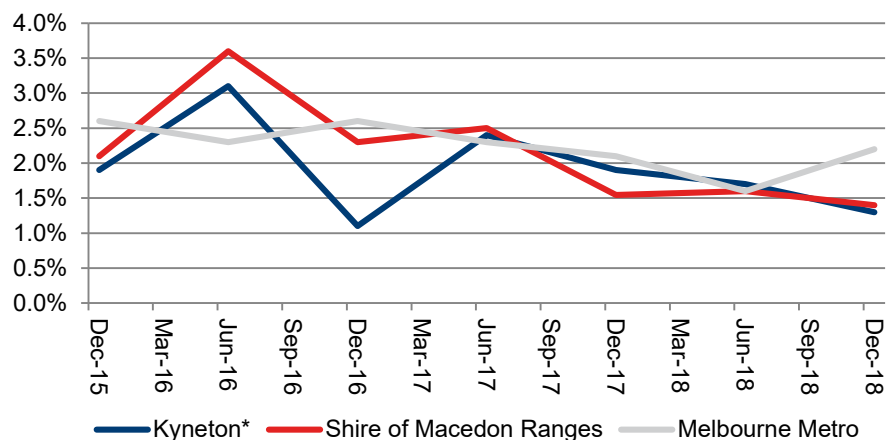
KEY COMMENTS

Rental returns in Kyneton* of 3.5% (house) and 3.9% (units) remained on-par or above the Macedon Ranges LGA (3.5% for house and 3.8% for units) and Melbourne Metro's 2.9% (house) and 3.9% (units)

4+ Bedroom houses provided the highest annual rental growth, at 8.7%.

A vacancy rate of just 1.3% in Kyneton remained slightly below the Macedon Ranges LGA (1.4%), and well below Melbourne Metro's 2.2%. Furthermore vacancy rates in Kyneton* declined over the past 18 months, suggesting a healthier rental demand market – one that investors should consider.

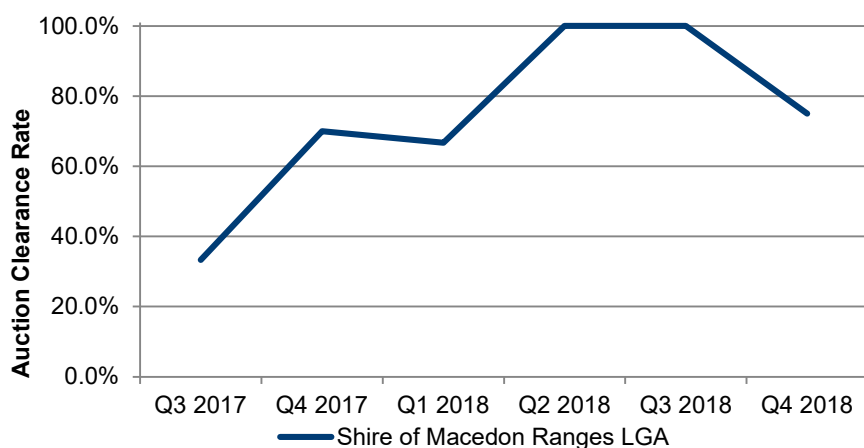
VACANCY RATES 2018



RENTAL YIELD 2018

Suburb/ Postcode/ LGA	House Rental Yield	Unit Rental Yield
Kyneton (3444)	3.5%	3.9%
Malmsbury (3446)	3.3%	-
Woodend (3442)	3.0%	4.1%
Shire of Macedon Ranges	3.5%	3.8%
Melbourne Metro	2.9%	3.9%

AUCTION CLEARANCE RATES 2018**



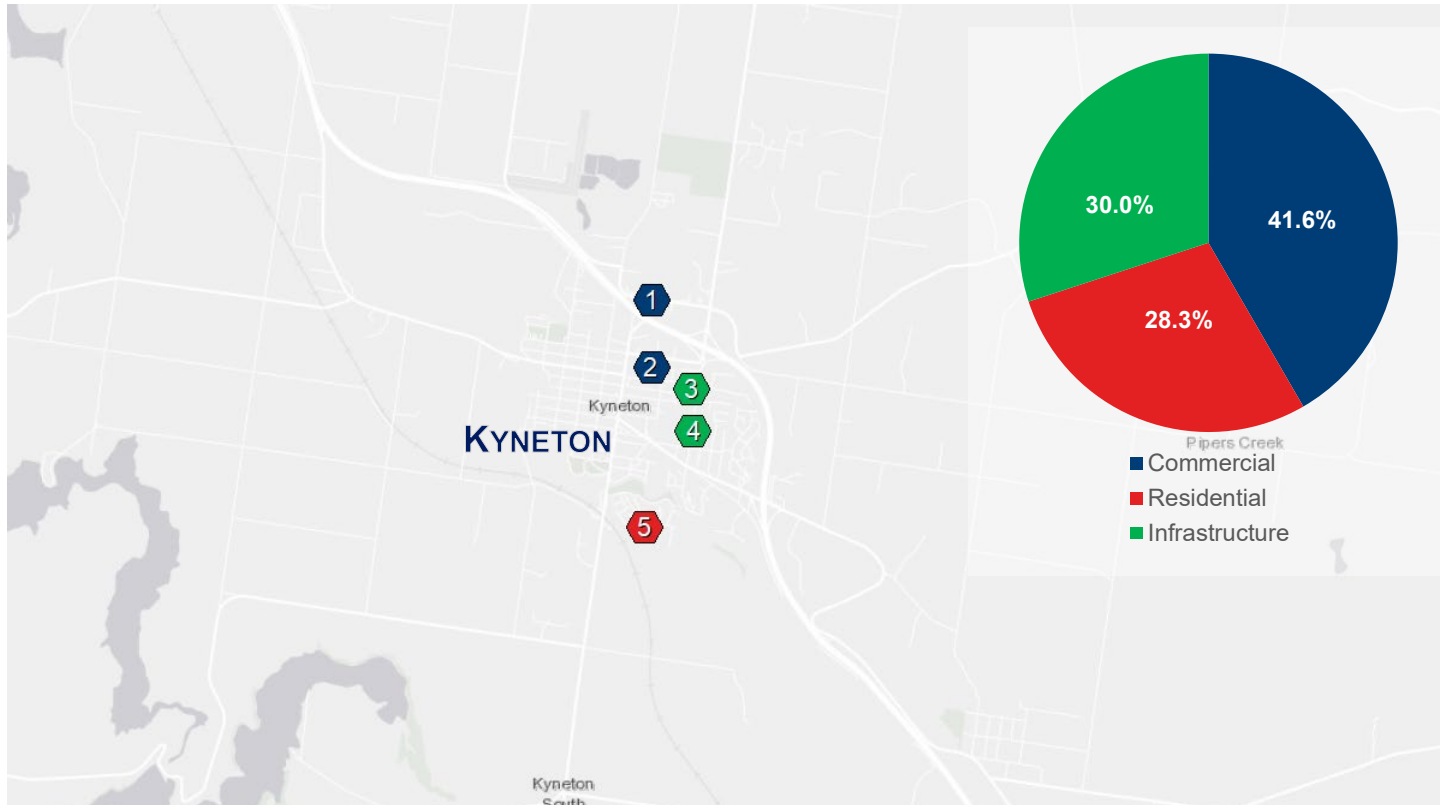
Q4 18 COMPARISON

Suburb/ Postcode/ LGA	Auction Clearance Rate
Kyneton**	N/A (no auctions this quarter)
Shire of Macedon Ranges LGA	75.0%
Melbourne Metro^	46.3%

*Rental performance graph represents aggregate house median rent prices in the following suburbs: Xxx, Xxx and Xxx.

**Auction Clearance rates for Xxx are for all residential auctions held in the suburbs Xxx. ^Capital city data obtained by accumulating Domain's weekly auction clearance results. Annual change is a comparison between 2017 and 2018 median rent figures. Source: APM Pricefinder, Domain, SQM Research. © Copyright PRDnationwide 2019.

PROJECT DEVELOPMENT MAP 1st HALF 2018 – 1st HALF 2019*



Location	Project**	Type	Estimated Value***	Commence Date****	Status
1	Kyneton Saleyards Upgrade	Commercial	\$500,000	12/03/2018	Early Planning
2	Kyneton Livestock Exchange & Truck Park Upgrade	Commercial	\$970,000	05/01/2018	Early Planning
3	Kyneton Office & Town Hall Stage 1	Infrastructure	\$560,000	26/01/2019	Contract Let
4	Kyneton Campaspe River Trail	Infrastructure	\$500,000	19/04/2018	Contract Let
5	Kyneton on Riverside - Village Green Drive	Residential	\$1,000,000	12/06/2018	DA Submitted

*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 Kyneton.

***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, The Hills Shire Council. © Copyright PRDnationwide 2019.

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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