



Kyogle
Property Factsheet
1st Half 2019





MARKET CONDITIONS

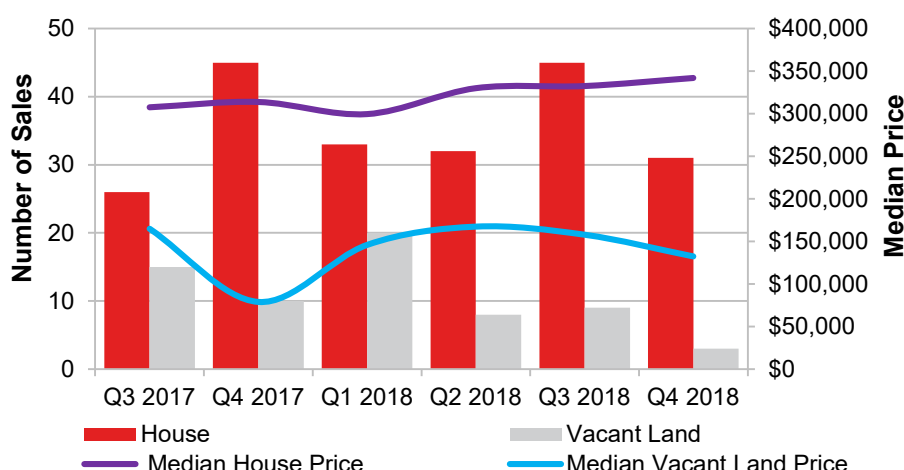
Q4 2018 saw Kyogle* record a median house price of \$270,000. This represents an annual (Q4 2017 – Q4 2018) price softening of -2.7%. The *2nd Half 2018 Kyogle Property Factsheet* reported an annual (Q2 2017 – Q2 2018) media price growth of 5.2% for houses. Thus the last 6 months has resulted in improved affordability within the area. In the 12 months to Q4 2018, the number of house sales recorded in Kyogle* softened by 54.7% to sit at 10 sales for the quarter. This suggests there is limited supply in Kyogle*, meaning buyers should act quickly to secure property.

The wider area of Postcode 2474 recorded a median house price of \$342,000 for Q4 2018. This represents an annual (Q4 2017 – Q4 2018) median price growth of 9.0%. This places houses in Kyogle* as a more affordable market within the wider postcode area. The Kyogle Local Government Area (LGA) recorded a median vacant land price of \$132,500, a growth of 67.7% in the 12 months to Q4 2018. This large shift is attributed to limited sales volumes, with just 3 vacant land sales occurring in Q4 2018.

Average vendor discounting for houses in Kyogle* widened slightly from -4.6% to reach -5.5% in Q4 2018, an increase of 0.9% on the previous 12 months. This means that buyers have been able to successfully negotiate further discounts on the first list price of a property. Buyers should use this knowledge to act now and secure property in Kyogle* while more affordable options are possible.

The median rental price for houses in Kyogle* softened by -1.7% between Q4 2017 – Q4 2018 to \$295 per week. Average house rental yields for the area were 3.2% in December 2018, which is above Sydney Metro's 2.9%. Healthy vacancy rates of just 1.6% in Kyogle* is a positive indicator for investors who may be seeking for affordable alternative investment opportunities outside of the Sydney Metro area.

POSTCODE 2474 GROWTH



OVERVIEW

Kyogle is an area in the Northern Rivers region of New South Wales, located around 125km south-west of the Gold Coast. The preferred method of sale for property in Kyogle is private treaty. Even though the area has had high clearance rates historically, the preference for private treaty as a sales method is evident from the low number of auctions which occurred in 2018, with only 2 auctions for the whole Kyogle LGA.

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

FUTURE DEVELOPMENTS**

A project of major significance for the Kyogle Local Government Area in 2019 is the Clarence Way road upgrade, near Tabulam. The Federal Government has contributed \$3.55M towards the project, with the New South Wales Government recently contributing a further \$4.2M to the project to make it a reality.

The project will see the final 15km gravel stretch of Clarence Way sealed. This will help increase economic activity for the area by reducing damage caused to goods by unsealed road and will create a much safer road conditions for passage between Tabulam and its markets to the north and south.

FARM AND RURAL SALES^

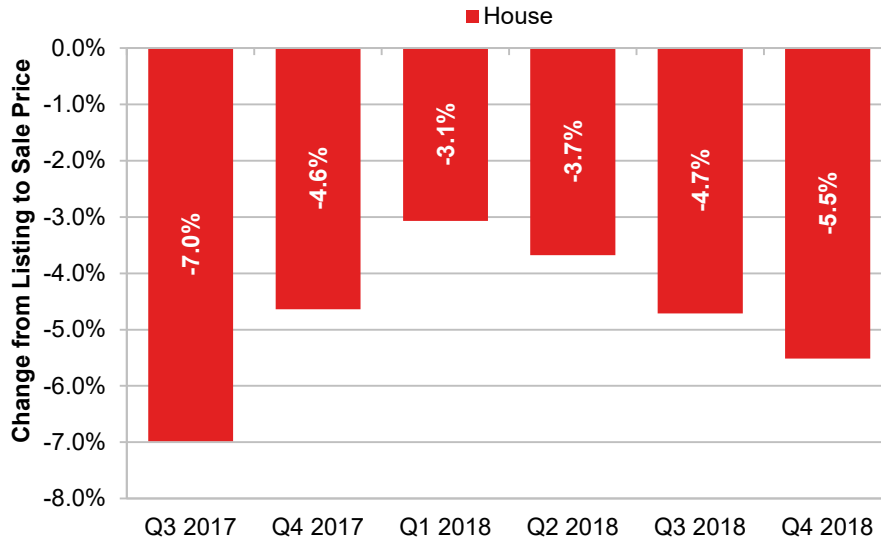
Kyogle LGA saw 44 farm/rural sales worth a combined \$24.0M in 2018. By comparison, 49 properties worth \$33.0M were sold in 2017. An analysis of stock reveals that this was attributed to a greater number of smaller-sized rural sales occurring across 2018, with 36.4% of all sales falling below \$350K. The number of sales priced \$950K+ also fell notably, from 28.6% to 13.6% in 2018.

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

**Estimated values are based on construction value provided by the relevant data authority and does not reflect commercial and/or re-sale value.

^Farm and Rural sales have been identified by land use within the Kyogle LGA. Source: APM Pricerfinder, realestate.com.au. © Copyright PRDnationwide 2019.

AVERAGE VENDOR DISCOUNT



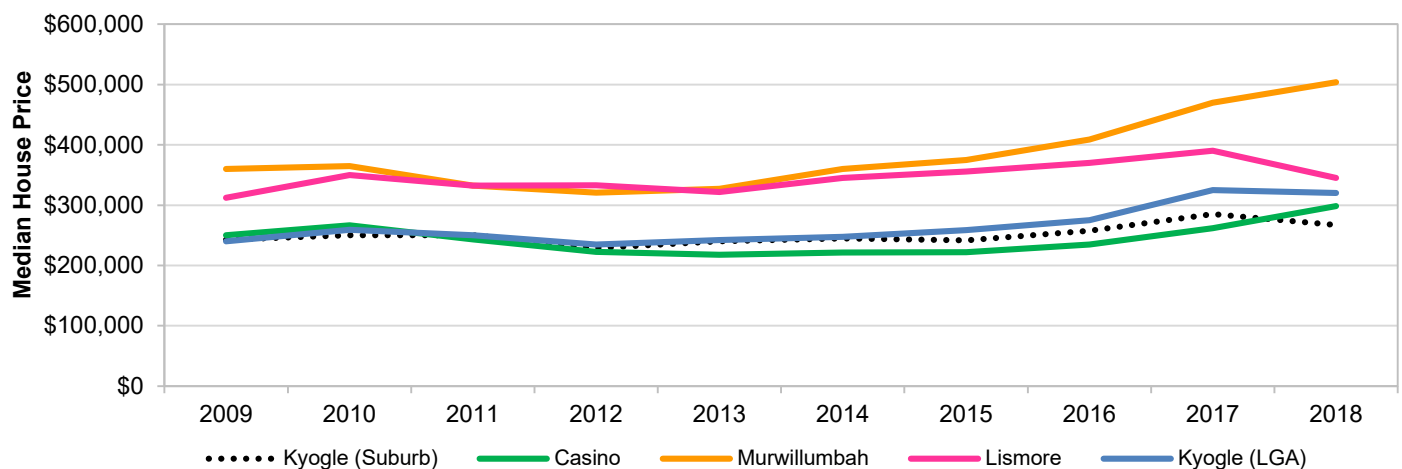
AVERAGE VENDOR DISCOUNT

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.

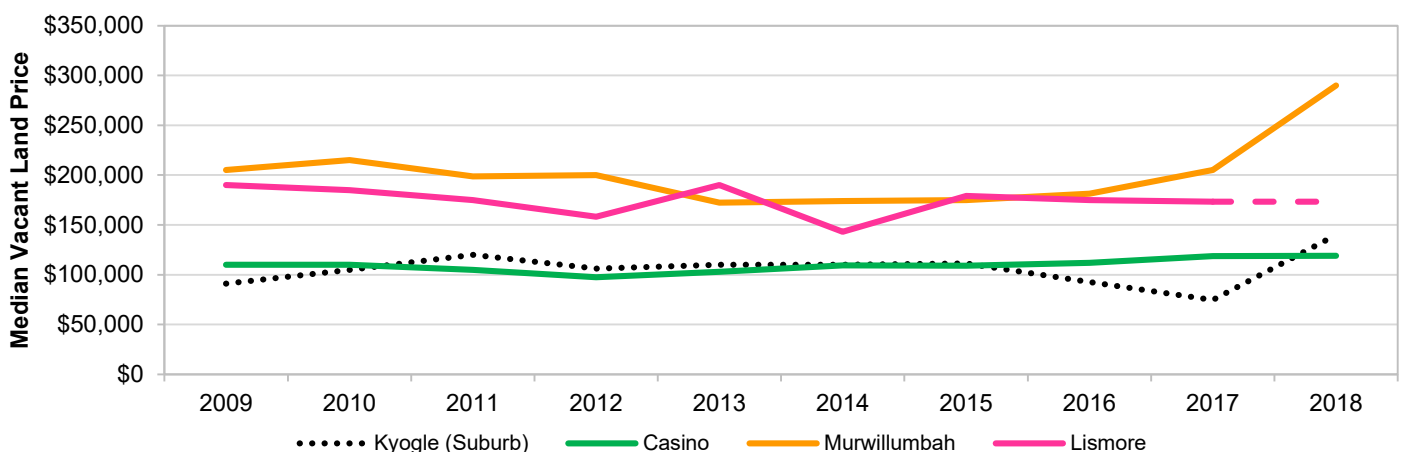
MARKET COMPARISON GRAPH

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

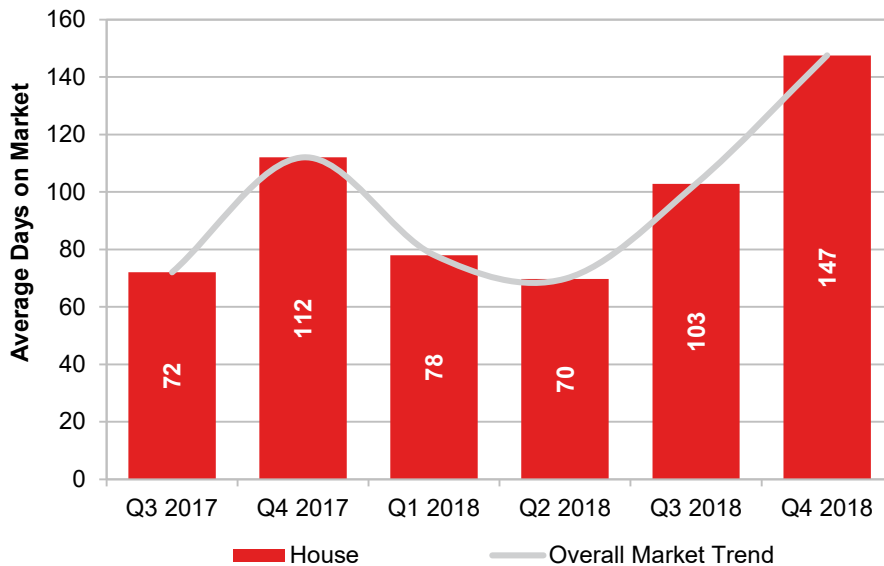
HOUSE MARKET COMPARISON



VACANT LAND MARKET COMPARISON



AVERAGE NUMBER OF DAYS ON THE MARKET**

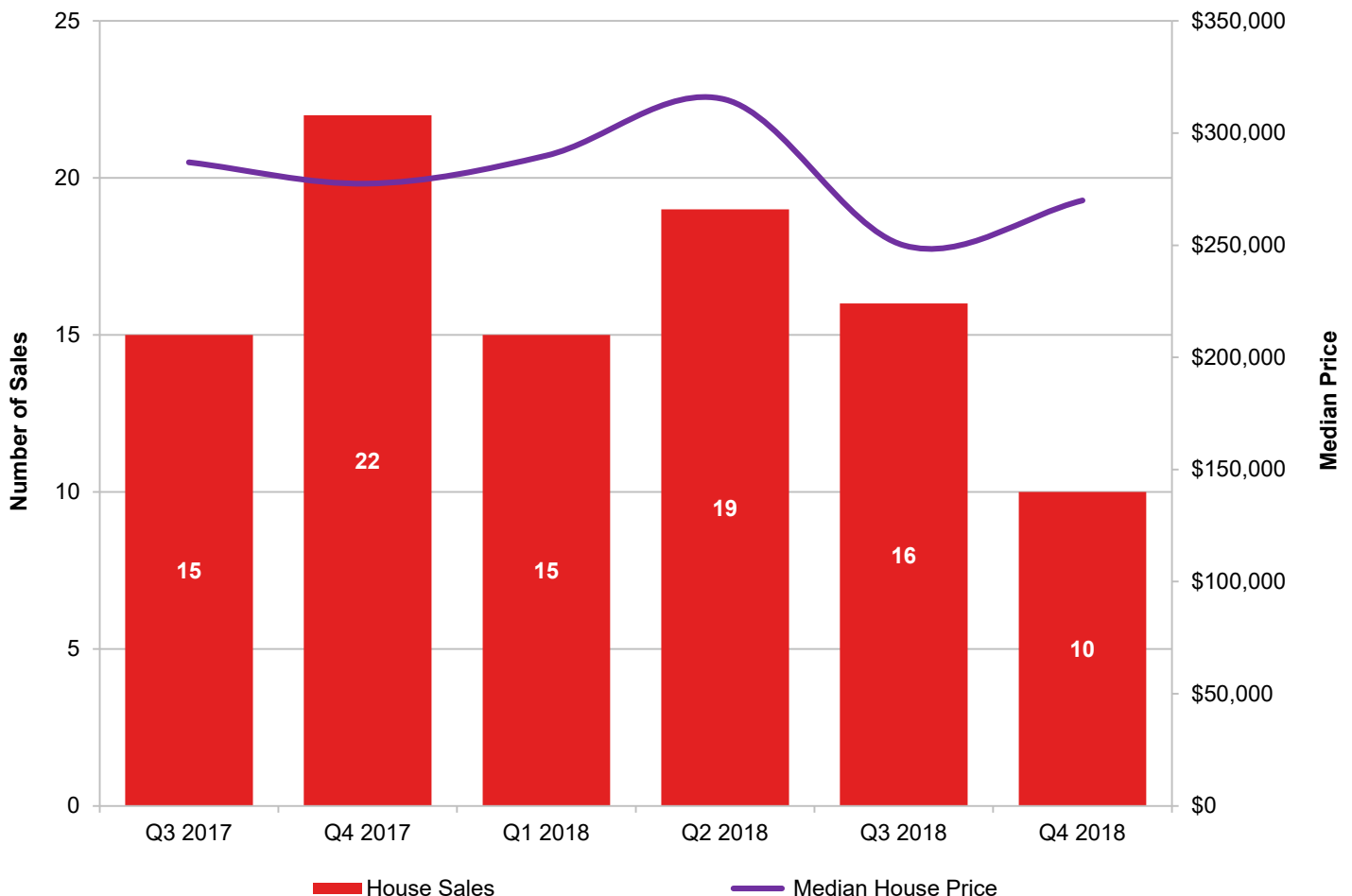


KEY HOUSE FACTS Q4 2018

Median Sale Price: \$270,000
 Annual Growth: -2.7%*
 Average Days on Market: 147
 % Change Between First Listed Price and Sold Price: -5.5%



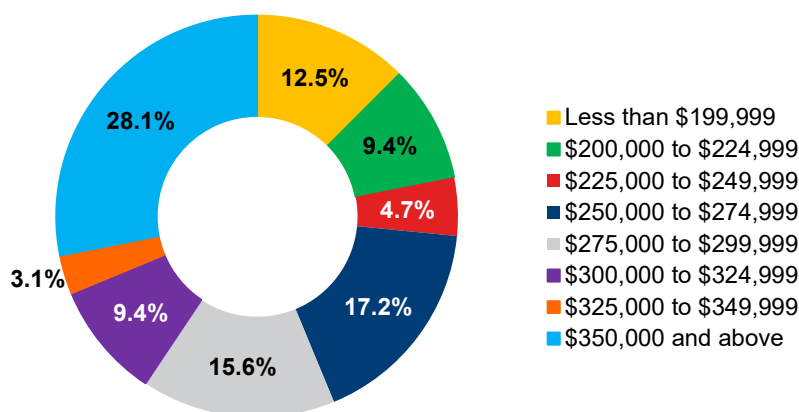
SALES AND MEDIAN PRICES**



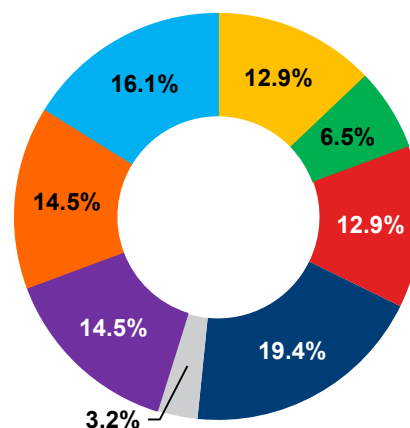
*Annual growth represents price growth for property transactions between Q4 2017 to Q4 2018 (inclusive).
 **Kyogle market data and key indicators encapsulates aggregate property market conditions in the suburb of Kyogle.
 Source: APM Pricefinder, realestate.com.au, SQM Research. © Copyright PRDnationwide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

SALES PRICE POINT COMPARATIVE ANALYSIS

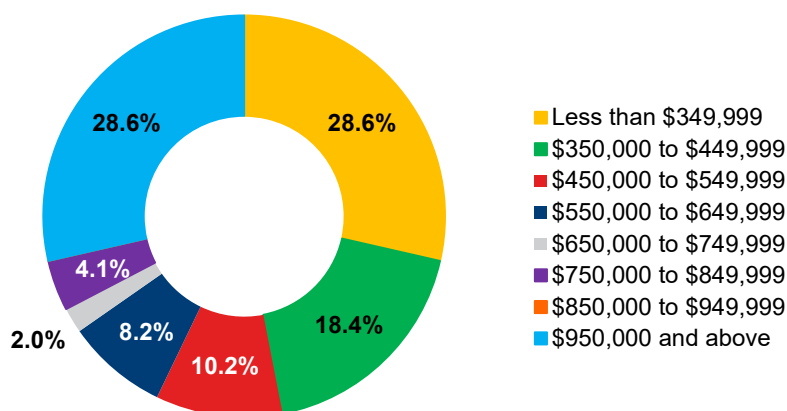
HOUSE PRICE POINT 2017



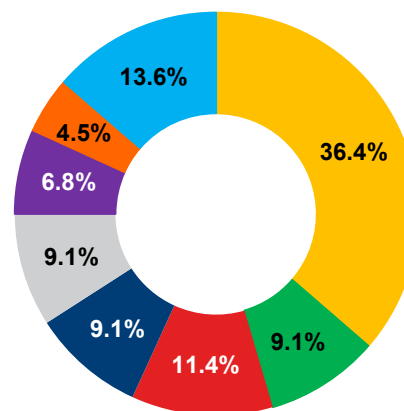
HOUSE PRICE POINT 2018



FARM/RURAL PRICE POINT 2017



FARM/RURAL PRICE POINT 2018



KEY IMPLICATIONS - HOUSES

The dominant portion of houses sold in Kyogle* across 2018 were in the price range of \$300K-\$325K, accounting for 19.4% of total sales. By comparison, a larger number of properties were sold in the \$350K+ price bracket in 2017, at 28.1%. This bracket experienced the biggest annual swing, representing a -12.0% shift in total sales. This suggests there is shift towards more affordability.

The distribution of sales across price points in 2018 was much more evenly balanced, with sales in the top 4 brackets (priced above \$275K) totalling 48.3% of sales, while the bottom 4 brackets represented 51.7% of sales. This suggests that buyers can act now to secure housing options across the entire price range in Kyogle*.

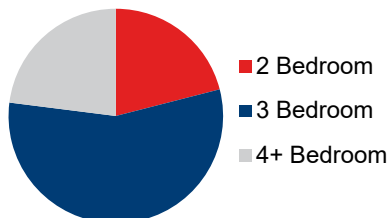
KEY IMPLICATIONS – FARM/RURAL

Farm and rural transactions in the Kyogle LGA in 2017 saw an equal balance of sales in the top and bottom price brackets (less than \$350K and \$950K+), with each totalling 28.6% of sales. In 2018, the dominant price point has moved strongly towards the less than \$350K price range, which has grown from 28.6% to 36.4% of total sales. At the same time, the price bracket \$950K+ has declined from 28.6% to 13.6% of total sales.

This signals a clear shift in sales towards more affordable stock in the Kyogle LGA. Now presents an ideal time for buyers to act and secure affordable rural property. It is also important to note that part of such a large fluctuation in price brackets is likely due to low transaction volumes.

INVESTMENT ANALYSIS

HOUSE



KEY HOUSE FACTS Q4 2018

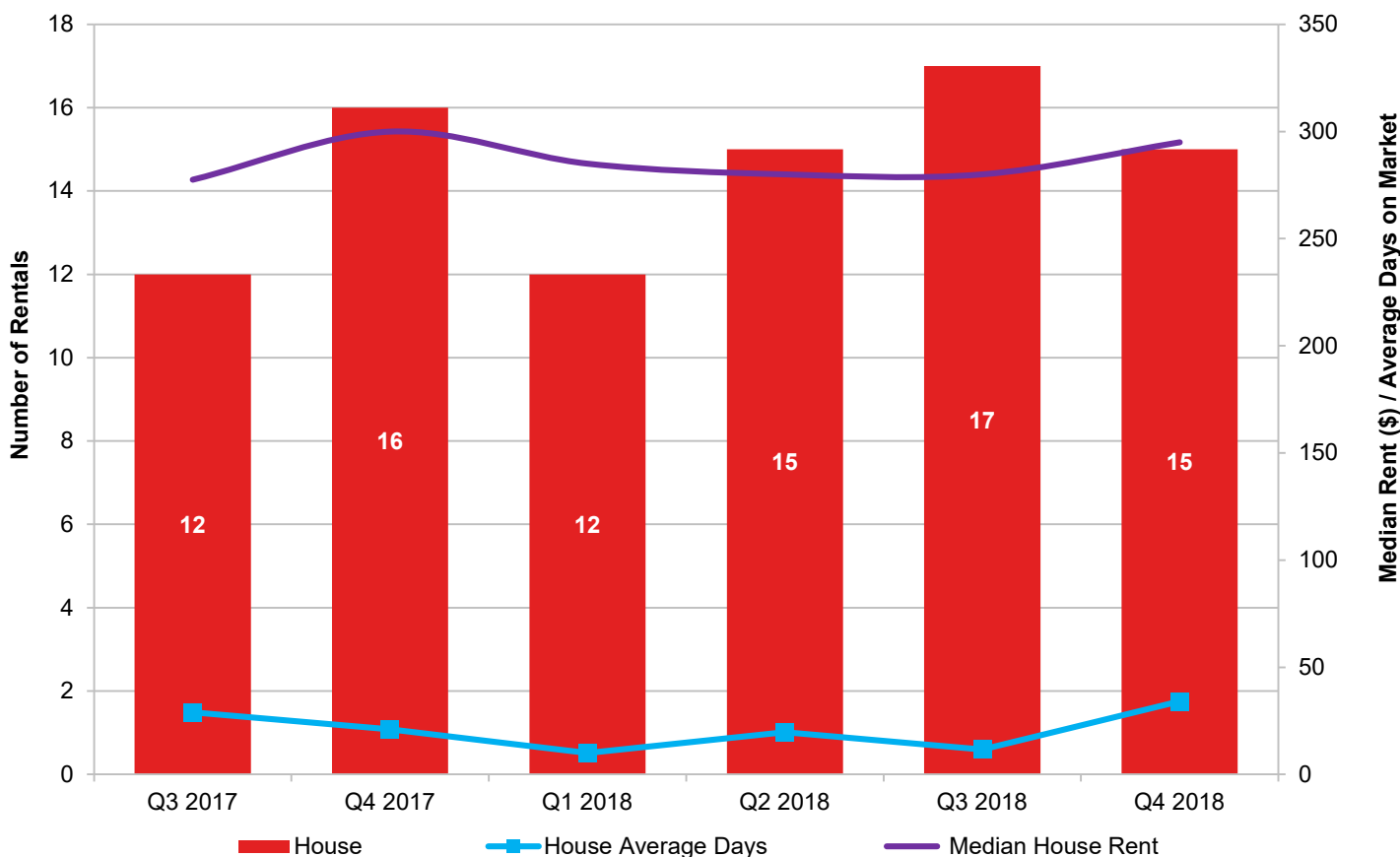
Median Rent Price: \$295 per week
Rental Yield: 3.2%
Average Days on Market: 34
Bedroom Breakdown:
 2 Bed: 21%, 3 Bed: 56%, 4+ Bed: 23%



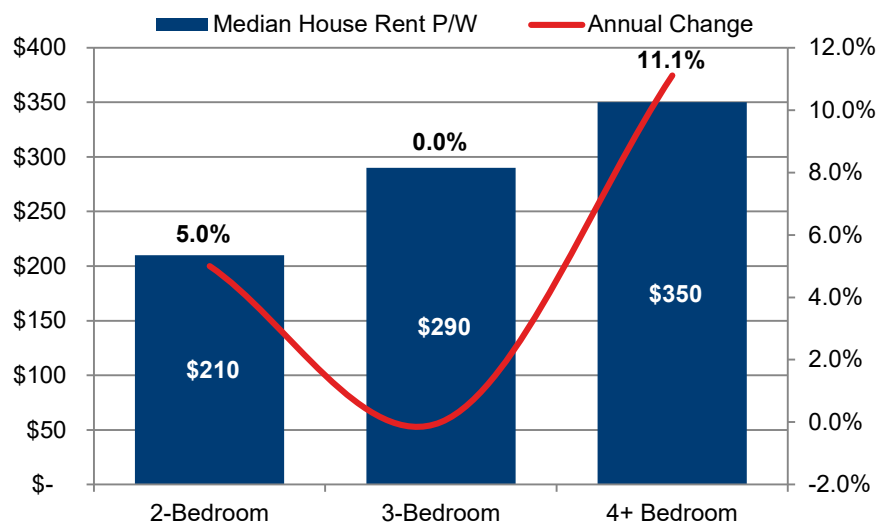
KEY COMMENTS

Interest in Kyogle* was recorded at an average of 120 online visits per property. This represents an increase of 15.4% when compared to the *2nd Half 2018 Kyogle Property Factsheet*, and a 55.8% increase when compared to the *1st Half 2018 Kyogle Property Factsheet*. In the 12 months to Q4 2018, the median rental price for houses in Kyogle* shifted by -1.7% to \$295 per week. This represents an average yield of 3.5%. Across 2018, a majority of house rentals were 3-bedroom (56%). This allows investors to target stock which will appeal to the widest possible range of tenants possible when purchasing in Kyogle*.

MEDIAN RENT AND AVERAGE DAYS ON THE MARKET*



RENTAL PERFORMANCE 2018*



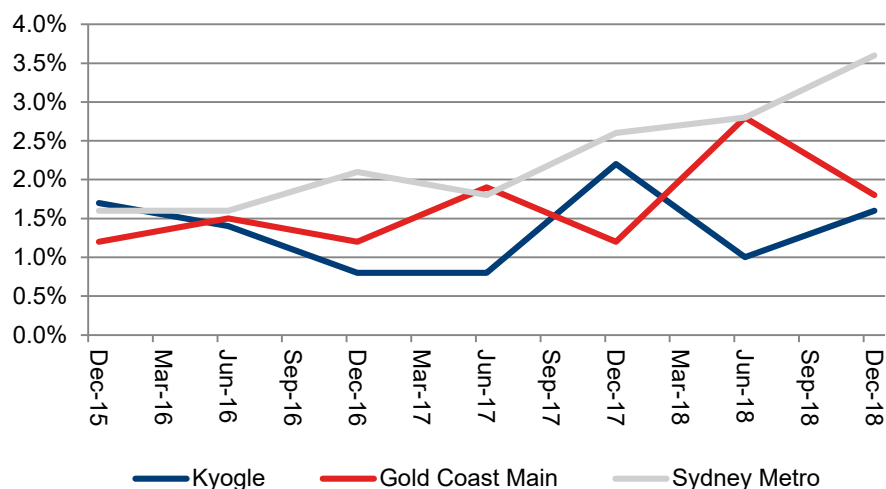
KEY COMMENTS

Rental returns in Kyogle* are currently at 3.2% for houses and 4.5% for units. These are levels above the Sydney Metro area, which has seen average returns of 2.9% and 3.8% for houses and units respectively.

4+ bedroom houses provide the highest annual rental growth of 11.1%.

Vacancy rates in Kyogle* remained at a low 1.6% in December 2018, which suggest a declining trend compared to 12 months prior. Further, this is below the Gold Coast (1.8%) and Sydney Metro (3.6%) areas. Investors may wish to consider Kyogle* due to its healthier rental demand.

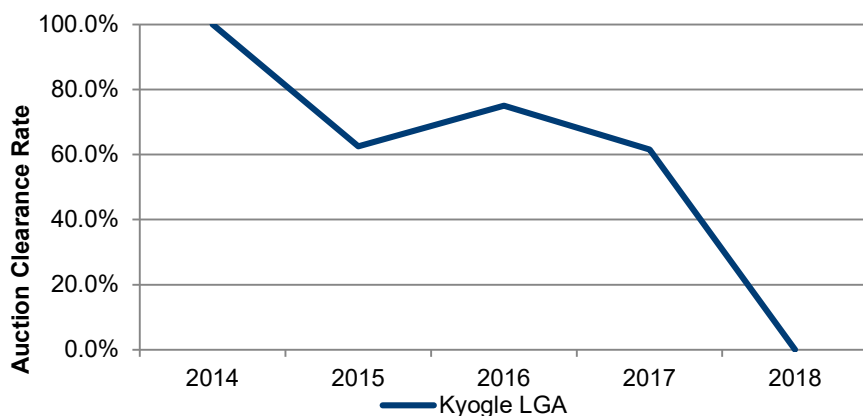
VACANCY RATES 2018



RENTAL YIELD 2018

Suburb/Postcode/LGA	House Rental Yield	Unit Rental Yield
Kyogle*	3.2%	4.5%
Kyogle LGA	4.9%	5.7%
North Coast NSW	4.0%	5.4%
Gold Coast Main	4.4%	5.1%
Sydney Metro	2.9%	3.8%

AUCTION CLEARANCE RATES 2018**



Q4 18 COMPARISON

Suburb/Postcode/LGA	Auction Clearance Rate
Kyogle LGA** (2018)	0.0%
Sydney Metro^ (Q4 2018)	44.3%

*Rental performance graph represents aggregate house median rent prices in the suburb of Kyogle. Annual change is a comparison between 2017 and 2018 median rent figures.

**Auction Clearance rates for Kyogle are for all auctions held in the Kyogle Local Government Area.

^Capital city data obtained by accumulating Domain's weekly auction clearance results.

Source: APM Pricefinder, Domain, SQM Research. © Copyright PRDNationwide 2019.

KEY PROJECT DEVELOPMENTS – INFRASTRUCTURE

KYOGLE HIGH SCHOOL SPORTS GROUND



In November 2018, \$50,000 was awarded by the New South Wales Government through the Stronger Country Communities Fund. The funds will be used on the Kyogle High School Sports Ground for improvements to refurbish existing amenities, improve access to the road and parking area, and will also help to improve existing kiosk.

KYOGLE TOURISM SIGNAGE



\$140,000 was awarded in November 2018 by the New South Wales Government through the Stronger Country Communities Fund. The funds will install tourism/wayfinding signage in Kyogle as well as several other suburbs. The signs will include indigenous cultural information, mobile phone information and directions to vehicle pullover areas.

KYOGLE RUGBY LEAGUE GROUND



The New South Wales Government awarded \$70,000 to the Kyogle Council in November 2018 as a part of the Stronger Country Communities Fund. The funds will be used to provide upgrades to the Kyogle Rugby League Ground's lighting and to undertake improvements to the club's kitchen area, which will be beneficial for residents.

CLEARANCE WAY UPGRADE NEAR TABULAM



In January 2019, the New South Wales Government provided an additional \$4.2M of funding to complete the upgrade of Clarence Way, near Tabulam. The funds will be used to seal the final 15km gravel stretch of the road. The funding is in addition to \$3.6M already issued by the Federal Government to complete the work.

*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 Xxx, Xxx and Xxx.

***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, Xxx 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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