



**Northern Rivers**  
**Property Factsheet**  
**1st Half 2019**





## MARKET CONDITIONS

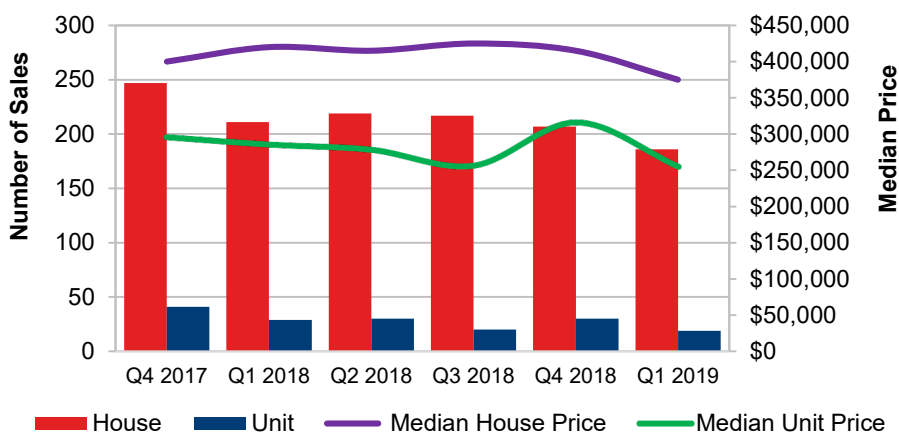
The Northern Rivers\* area recorded a median house price of \$410,000 in Q1 2019, and a median unit price of \$330,000. This represents annual (Q1 2018 – Q1 2019) price shifts of -6.3% (house) and 5.8% (unit). These figures indicate units have shown superior short-term capital growth retention capacity, whilst houses have become more affordable for first time home buyers.

The City of Lismore Local Government Area (LGA), by comparison, saw a median house price of \$375,000 and a median unit price of \$255,000 in Q1 2019. This represented annual (Q1 2018 – Q1 2019) price shifts of -10.7% (house) and -10.5% (unit). The Northern Rivers\* area provide higher capital growth overall than the wider Lismore LGA over this period, as well as attracting premium property pricing.

Average vendor discounting for houses across the Northern Rivers\* area widened from -3.9% in Q1 2018 to -4.5% in Q1 2019, whilst average vendor discounting for units tightened slightly from -4.8% in Q1 2018 to -4.2% in Q1 2019. This means that buyers in both markets are able to achieve discounts below the initial list prices of properties for sale. This represents particularly valuable information for first home buyers or investors who may be seeking to enter the Northern Rivers\* market.

The Northern Rivers\* median house rental price saw a 7.9% annual (Q1 2018 – Q1 2019) growth to reach \$410 per week in Q1 2019. Meanwhile units recorded a slight softening of -1.7% over the same period, moving to a median rental price of \$290 per week. Overall the rental market activity in the Northern Rivers\* have increased, up by 38.1% (houses) and 16.7% (units) annually (Q1 2018 – Q1 2019). Low average times to rent of 24 days (house) and 23 days (unit) in Q1 2019 were further indicators of a healthy rental demand. Solid average rental returns of 4.5% (house) and 4.6% (unit) in December 2018 sat well above Sydney Metro's 2.9% (house) and 3.8% (unit), highlighting the Northern Rivers\* as a profitable property investment alternative.

## CITY OF LISMORE LGA GROWTH



## OVERVIEW

The Northern Rivers\* is located on the northern coast of New South Wales, with the Lismore LGA located at its heart. Q1 2019 saw the Northern Rivers\* hold just 7 auctions. In addition to this, an auction clearance rate of just 14.7% for the period suggests the preferred method of sale for both buyers and sellers in the Northern Rivers is currently private treaty.

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

## FUTURE DEVELOPMENTS\*\*

Between the 2<sup>nd</sup> half of 2018 and the 1<sup>st</sup> half of 2019, Northern Rivers\* is set to benefit from an estimated \$65.3M worth of commencing project development. The majority (53.4% or 34.9M) is focused on infrastructure, while residential (24.9% or \$16.3M) and commercial projects (20.7% or \$13.5M) are also significant.

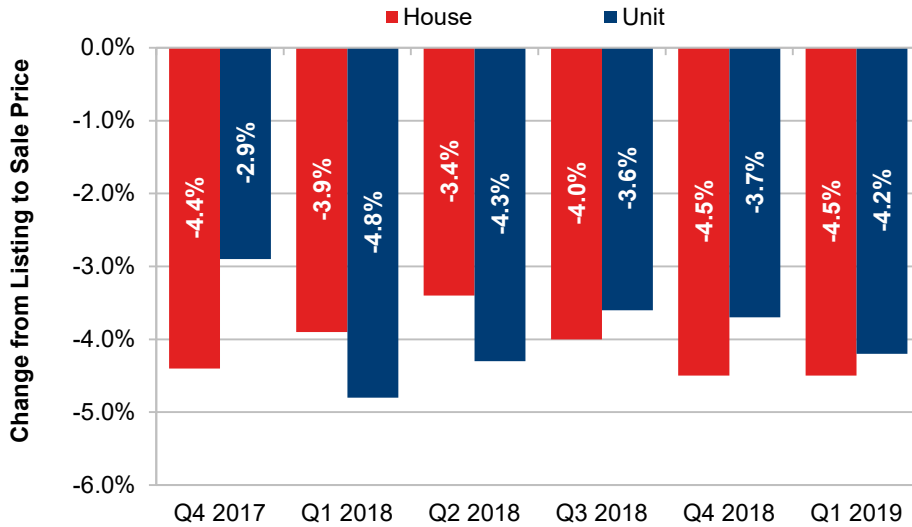
A strong focus on these project types is good news for the Northern Rivers\*, as the area will benefit from more economic activity, new and upgraded infrastructure, plus new dwellings for population growth.

A key project for is the \$32.2M Stage C3 of the Lismore Base Hospital, with a 4-storey extension providing 60 additional beds and 16 ICU rooms. This improves liveability aspect for current residents.

The North Lismore Plateau Subdivision, worth an estimated \$15.6M, is set to add 433 new residential lots in total, with 390 of these currently approved across 2 precincts, with a third precinct of 43 lots subject to further approval. The Earls Court Dwellings project (\$676K) is set to create a further 3 dwellings in the period.

\*Northern Rivers market data and key indicators encapsulates aggregate property market conditions in the following suburbs: Alstonville, East Lismore, Lismore, Lismore Heights, Goonellabah, and Wollongbar.  
\*\*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.  
Source: APM Pricer, realestate.com.au. © Copyright PRDnationwide 2019.

## AVERAGE VENDOR DISCOUNT



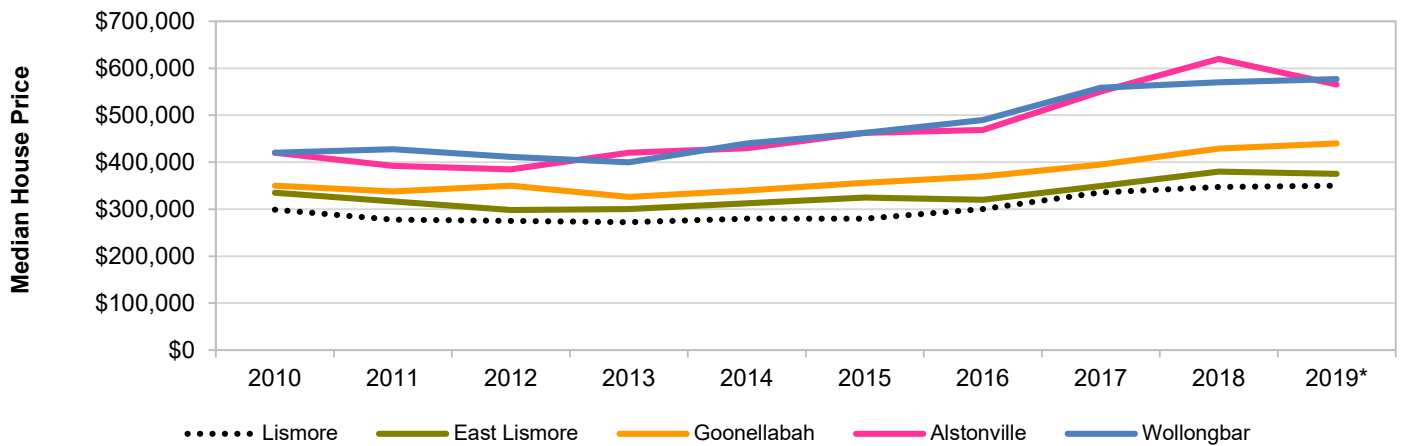
### AVERAGE VENDOR DISCOUNT

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.

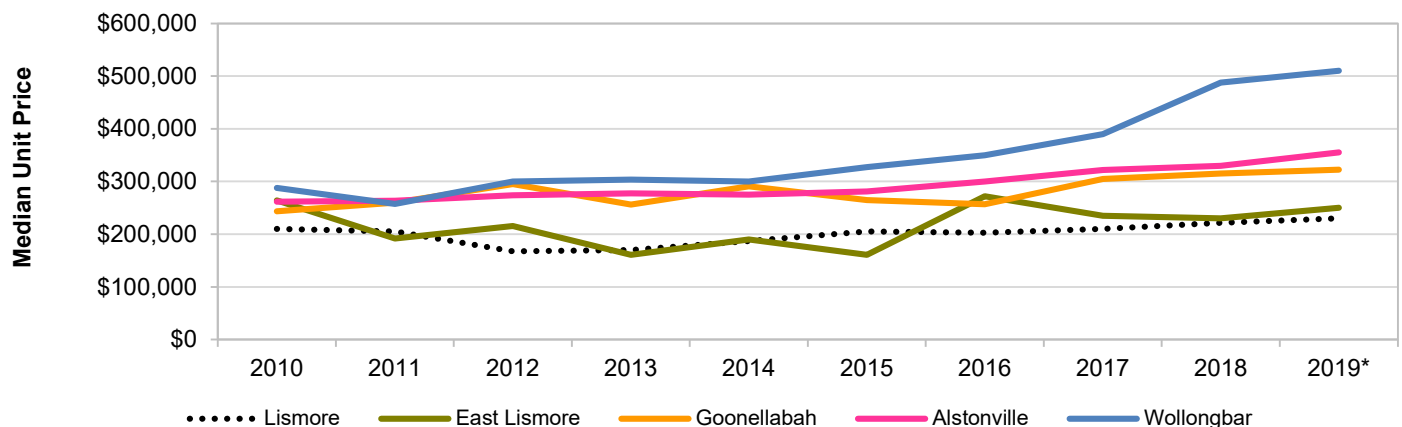
### MARKET COMPARISON GRAPH

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 Lismore. The main suburb is shown as a dotted black line in the graphs below.

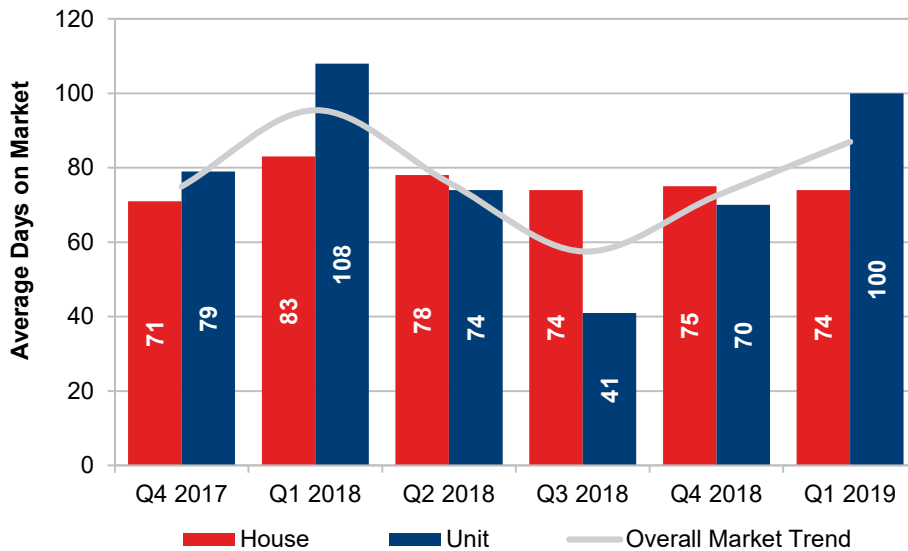
## HOUSE MARKET COMPARISON



## UNIT MARKET COMPARISON



## AVERAGE NUMBER OF DAYS ON THE MARKET\*\*



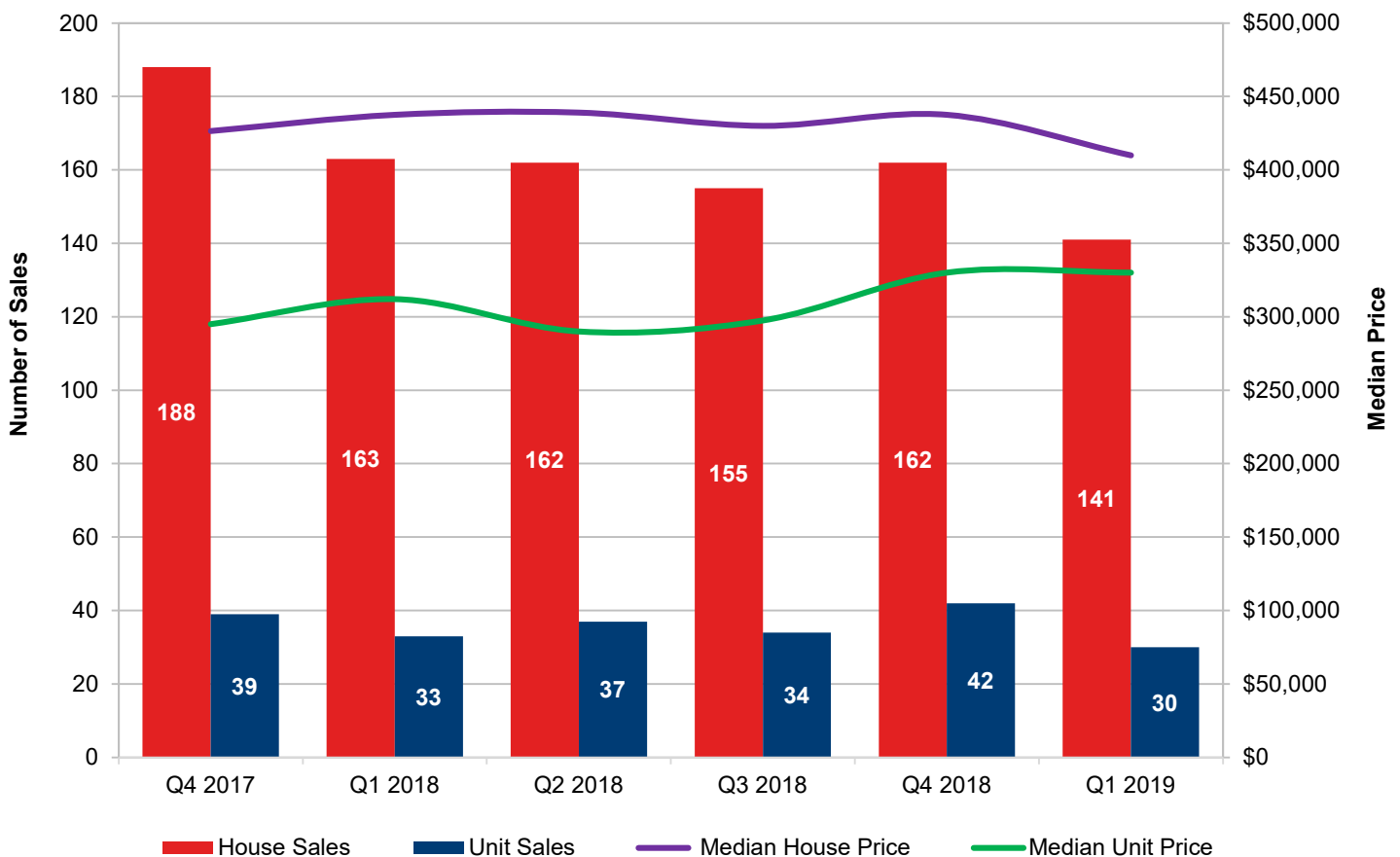
### KEY HOUSE FACTS Q1 2019

Median Sale Price: \$410,000  
 Annual Growth: -6.3%\*  
 Average Days on Market: 74  
 % Change Between First Listed Price and Sold Price: -4.5%

### KEY UNIT FACTS Q1 2019

Median Sale Price: \$330,000  
 Annual Growth: 5.8%\*  
 Average Days on Market: 100  
 % Change Between First Listed Price and Sold Price: -4.2%

## SALES AND MEDIAN PRICES\*\*



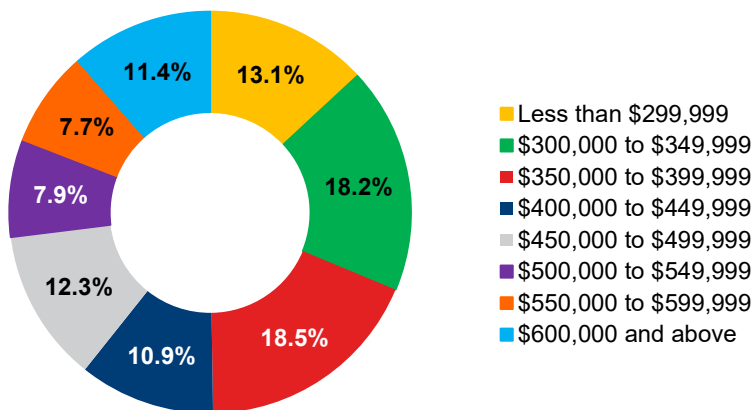
\*Annual growth represents price growth for property transactions between Q1 2018 to Q1 2019 (inclusive).

\*\*Northern Rivers market data and key indicators encapsulates aggregate property market conditions in the following suburbs: Alstonville, East Lismore, Lismore, Lismore Heights, Goonellabah, and Wollongbar.

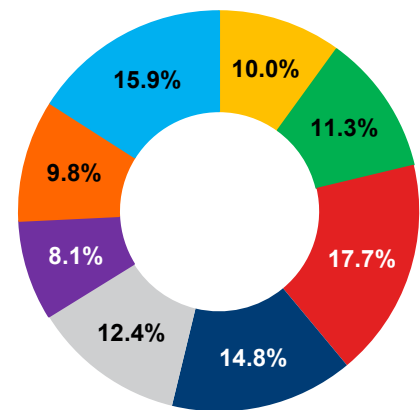
Source: APM Pricerfinder, realestate.com.au, SQM Research. © Copyright PRDnationwide 2019.

## SALES PRICE POINT COMPARATIVE ANALYSIS

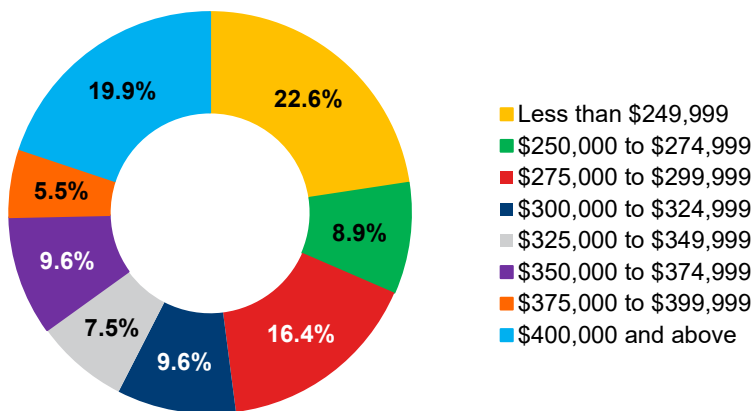
### HOUSE PRICE POINT 2017



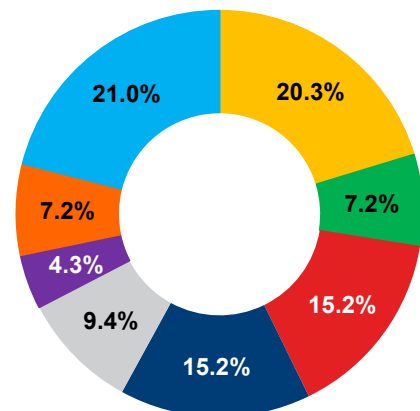
### HOUSE PRICE POINT 2018



### UNIT PRICE POINT 2017



### UNIT PRICE POINT 2018



#### KEY IMPLICATIONS - HOUSES

2018 saw the price range of \$350K-400K account for 17.7% of total house sales, making it the dominant price bracket for the period. This was also the case in 2017, where it totalled 18.5% of sales. There was a large move away from the \$300K-350K range between 2017 to 2018, declining by -6.9%. An increase of 3.9% in the \$400K-450K range and growth of 4.5% in the \$600K+ bracket were also significant shifts between 2017 to 2018.

Altogether, these changes suggest the Northern Rivers\* market has moved to favour more middle and premium-priced houses, with the proportion of affordable options in decline. Buyers seeking to enter the market in this price range should thus act quickly while stock is still available.

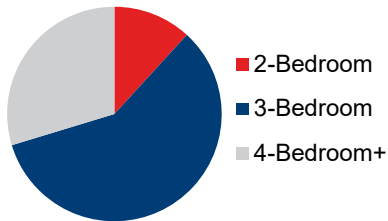
#### KEY IMPLICATIONS - UNITS

A significant proportion of units sold sit at opposing ends of the price range, with the number of units priced below \$250K accounting for 20.3% of total sales in 2018, and those priced above \$400K occupying 21.0% of all sales. There was a slight decline of 2.3% in the lowest bracket from 2017-2018, whilst the top bracket grew by 1.1%.

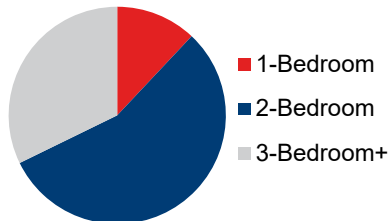
A wider analysis of price points reveals a recurring trend of lower priced stock accounting for a smaller proportion of total sales in 2018, with units priced less than \$300K overall declining by -5.2%. An increase in \$300K-325K of +5.4% to 15.2% reveals increased demand for mid-range stock. This appears to be where demand trended overall, making all segments accessible to unit buyers.

## INVESTMENT ANALYSIS

### HOUSE



### UNIT



### KEY HOUSE FACTS Q1 2019

Median Rent Price: \$410 per week  
 Rental Yield: 4.5%  
 Average Days on Market: 24  
 Bedroom Breakdown:  
 2 Bed: 12%, 3 Bed: 59%, 4+ Bed: 30%

### KEY UNIT FACTS Q1 2019

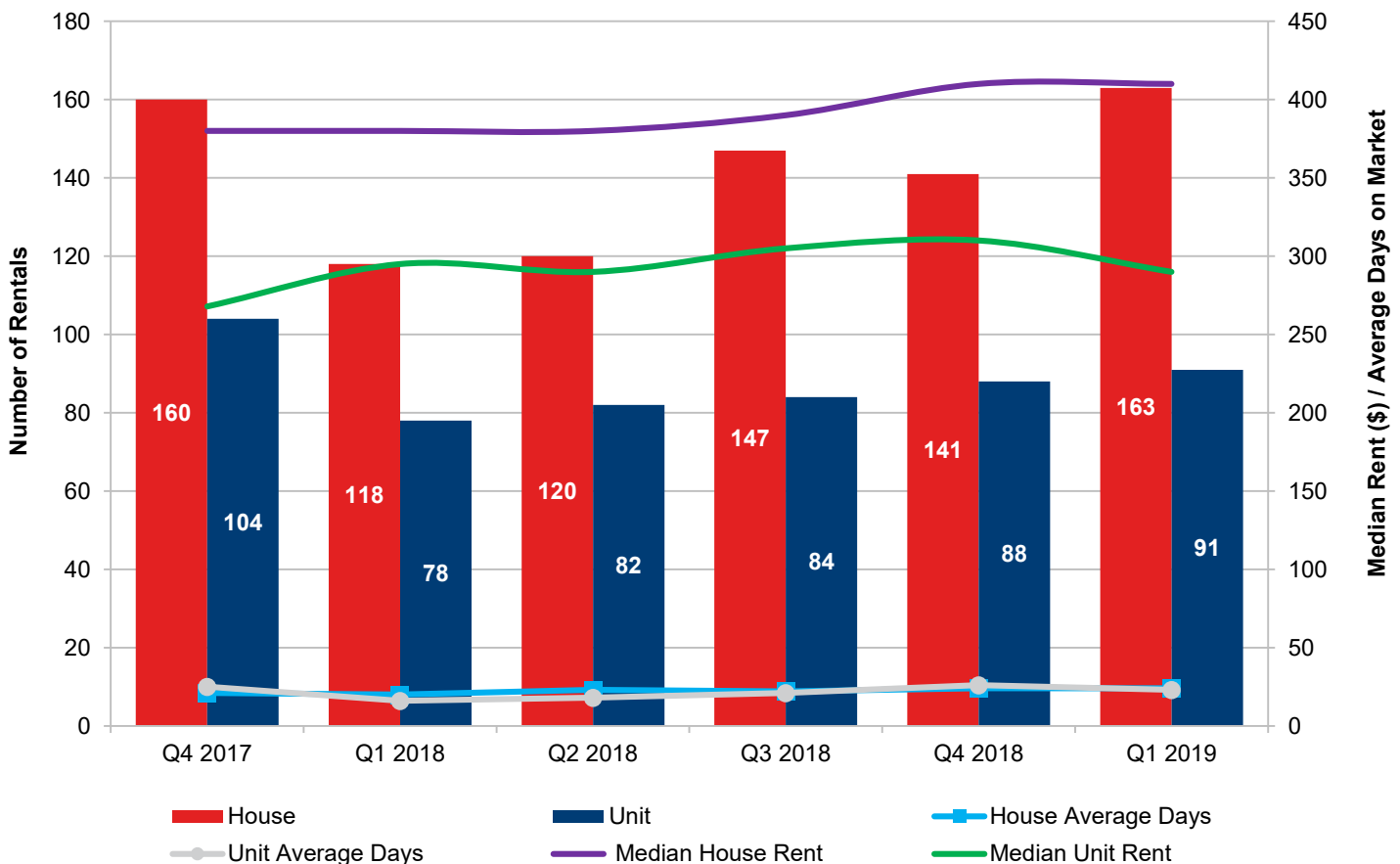
Median Rent Price: \$290 per week  
 Rental Yield: 4.6%  
 Average Days on Market: 23  
 Bedroom Breakdown:  
 1 Bed: 12%, 2 Bed: 56%, 3+ Bed: 32%



### KEY COMMENTS

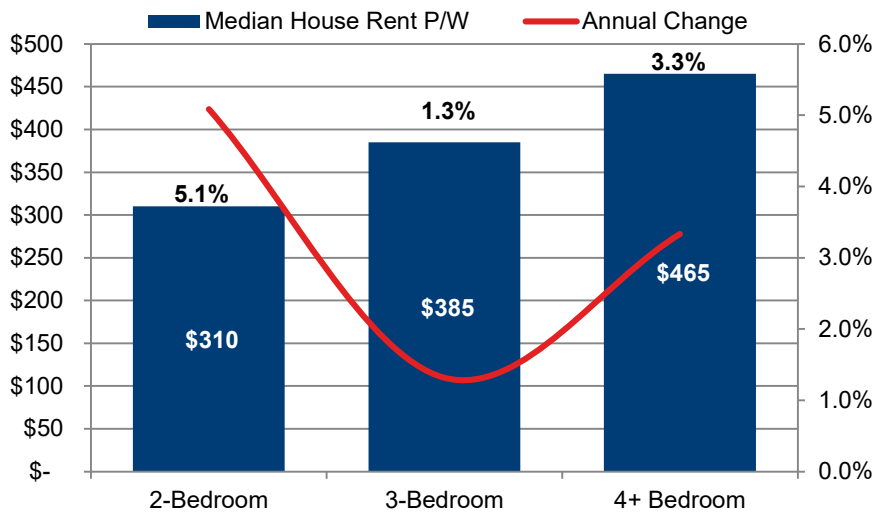
Q1 2019 saw the Northern Rivers\* record a median house rental price of \$410 per week, and a median unit rental price of \$290 per week. This produced annual (Q1 2018 – Q1 2019) changes in rental prices of 7.9% (house) and -1.7% (unit). Uplifts in rental market activity of +38.1% (house) and +16.7% (unit) suggest that demand for rentals remains healthy. Furthermore an increase in both the number of houses rented and median house rent price suggest a real increase in rental returns, and not a price hike due to undersupply. Continuously low average times to rent of 24 days (houses) and 23 days (units) is also comforting to investors.

## MEDIAN RENT AND AVERAGE DAYS ON THE MARKET\*



\*Disclaimer: Northern Rivers market data and key indicators encapsulates aggregate property market conditions in the following suburbs: Alstonville, East Lismore, Lismore, Lismore Heights, Goonellabah, and Wollongbar.  
 Source: APM Pricerfinder, realestate.com.au, SQM Research. © Copyright PRDnationwide 2019.

## RENTAL PERFORMANCE 2018\*



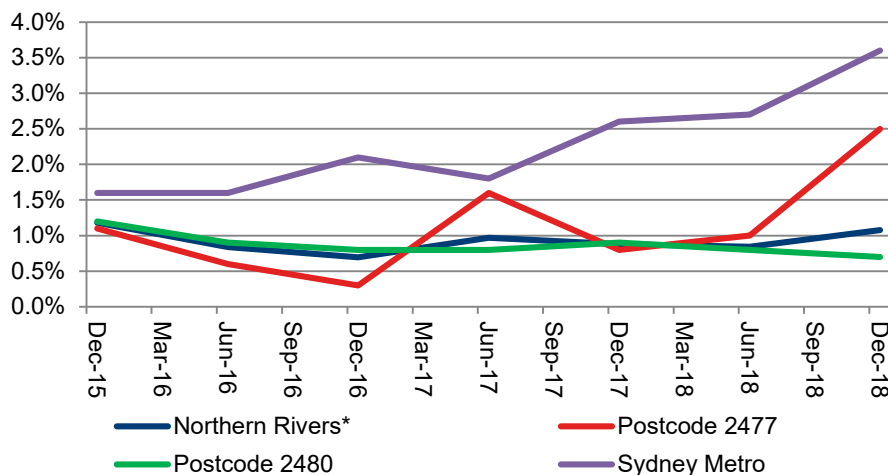
### KEY COMMENTS

Average yields of 4.5% (house) and 4.6% (unit) in the Northern Rivers\* as of December 2018 were superior to those in Sydney Metro, which were at 2.9% (house) and 3.8% (unit). This highlights the real value presented to investors in this market.

2-bedroom houses saw the greatest annual rental growth, at 5.1%.

The Northern Rivers\* experienced a low vacancy rate of just 1.1% as of December 2018, while Sydney Metro saw a high level of 3.6%. This provides investors assurance that the Northern Rivers\* currently offers a superior level of rental occupancy security.

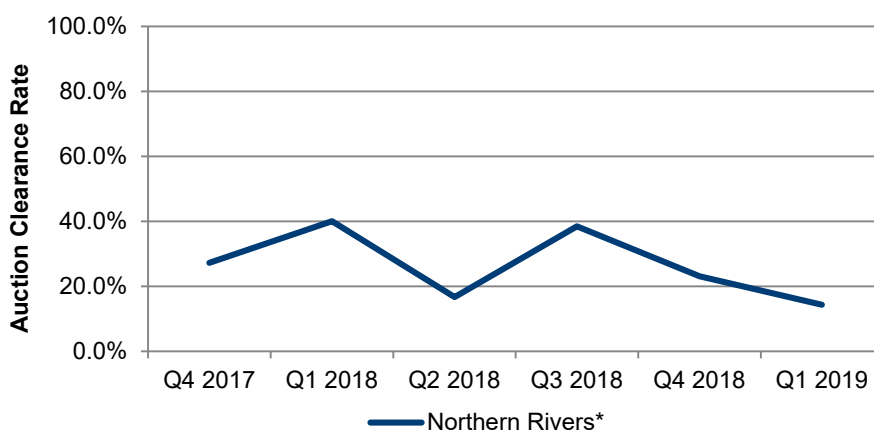
## VACANCY RATES 2018



## RENTAL YIELD 2018

Suburb/Postcode/LGA	House Rental Yield	Unit Rental Yield
Northern Rivers*	4.5%	4.6%
Postcode 2477	4.0%	4.4%
Postcode 2480	4.6%	4.6%
Sydney Metro	2.9%	3.8%

## AUCTION CLEARANCE RATES 2019\*\*



## Q1 19 COMPARISON

Suburb/Postcode/LGA	Auction Clearance Rate
Northern Rivers**	14.3%
Lismore LGA	33.3%
Sydney Metro^	58.7%

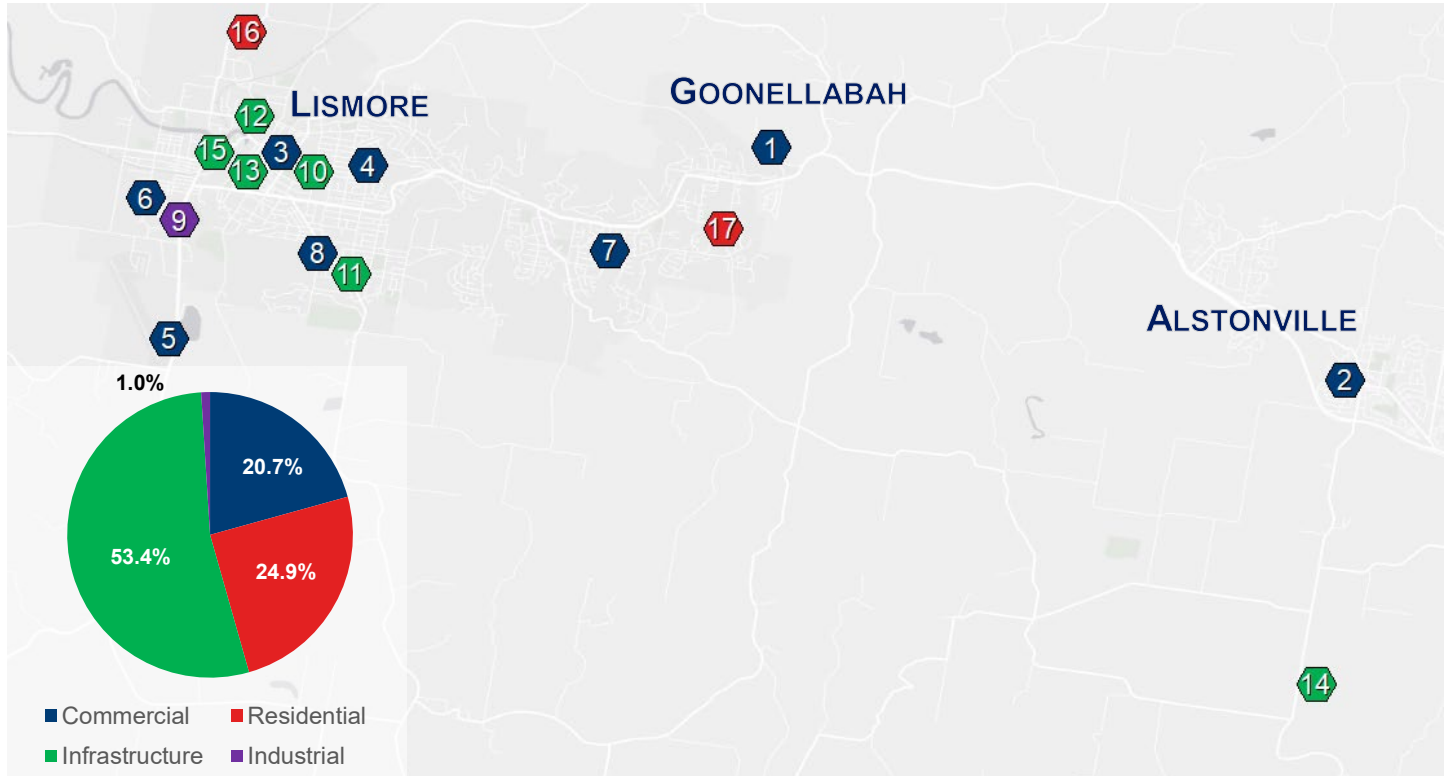
\*Rental performance graph represents aggregate house median rent prices in the following suburbs Alstonville, East Lismore, Lismore, Lismore Heights, Goonellabah, and Wollongbar. Annual change is a comparison between 2017 and 2018 median rent figures.

\*\*Auction Clearance rates for Northern Rivers\* are for all residential auctions held in the suburbs Alstonville, East Lismore, Lismore, Lismore Heights, Goonellabah, and Wollongbar.

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

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

## PROJECT DEVELOPMENT MAP 2<sup>nd</sup> HALF 2018 – 1<sup>st</sup> HALF 2019\*



Location	Project**	Type	Estimated Value***	Commence Date****
1	Summerland Christian College	Commercial	\$3,500,000	06/05/2019
2	Alstonville Maranoa Redevelopment	Commercial	\$2,998,000	25/09/2018
3	Caltex Lismore	Commercial	\$2,850,000	31/07/2018
4	Lismore Private Day Surgery - Pathology Collection Centre	Commercial	\$1,500,000	25/10/2018
5	Toyota Used Car Sales	Commercial	\$1,300,000	11/07/2018
6	Wilson Street Warehouse & Distribution Centre	Commercial	\$900,000	03/12/2018
7	Coles Goonellabah	Commercial	\$250,000	08/10/2018
8	Lismore Workers Golf Club	Commercial	\$250,000	28/06/2019
9	Cook St Industrial Buildings	Industrial	\$650,000	15/03/2019
10	Lismore Base Hospital Stage 3C	Infrastructure	\$32,155,000	19/11/2018
11	Lismore Recycling & Recovery Centre	Infrastructure	\$1,000,000	28/01/2019
12	NDIA Lismore	Infrastructure	\$700,000	19/07/2018
13	Conway & Carrington Streets	Infrastructure	\$389,000	06/08/2018
14	Emigrant Creek Catchment	Infrastructure	\$350,000	13/02/2019
15	Rous County Council Office Building	Infrastructure	\$277,000	23/07/2018
16	North Lismore Plateau Subdivision (433 Lots)	Residential	\$15,600,000	23/06/2019
17	Earls Court Dwellings (3 Dwellings)	Residential	\$676,000	02/10/2018

\*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 suburbs of Alstonville, East Lismore, Lismore, Lismore Heights, Goonellabah, and Wollongbar.

\*\*\*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, Lismore City 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**

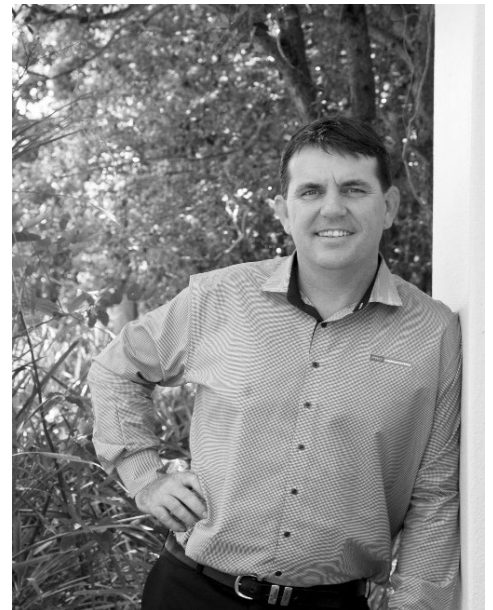
Skilled in deriving macro and micro quantitative information from multiple credible sources, we partner with clients to provide strategic advice and direction regarding property and market performance. We have the added advantage of sourcing valuable and factual qualitative market research in order to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