



KYOGLE MARKET UPDATE 2nd Half 2019



OVERVIEW

In Q2 2019, Kyogle* recorded a median house price of \$300,000, and a median vacant land price of \$165,000. This represents annual (Q2 2018 – Q2 2019) median price softening of -11.8% for house and -1.5% for land. During this time total sales slowed, by -35.7% for house (to 18 sales) and by -62.5% for vacant land (to 3 sales). Limited sales makes the market seem more volatile. Higher affordability and less competition creates an ideal environment for buyers to act.

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

MARKET CONDITIONS

SALES MEDIAN PRICE Q2 2019



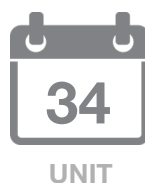
SALES AVERAGE DAYS ON MARKET Q2 2019



RENTAL MEDIAN PRICE Q2 2019

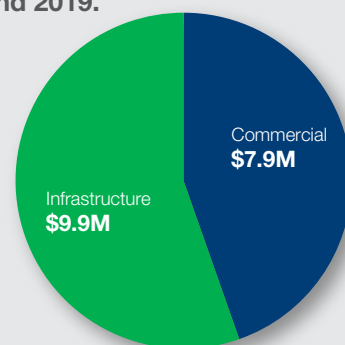


RENTAL AVERAGE DAYS ON MARKET Q2 2019



FUTURE DEVELOPMENTS

Kyogle* is set to have seen approximately **\$17.8M worth of projects commence between 2015 and 2019.**



Evidence of a steady flow of historical project development indicates the area is capable of stable economic growth, which may attract further employment opportunities to Kyogle*. This in turn should have a positive spill-over impact on the local real estate market.

A major commercial project for the period is the Whiddon Group Kyogle* (\$7.9M). This project has commenced construction in early 2019, building an aged care facility. This will deliver high commercial activity by catering to the seniors demographic in Kyogle*, whilst creating employment opportunities and encouraging growth.

\$9.9M worth of infrastructure developments has been invested in Kyogle* over past 5 years. These include projects such as water supply augmentation, council bridges, rural fire stations, concrete works, and repairs to roads and national parks. The projects have increased liveability for residents as well as created on-going jobs and business demand to the area.

*Kyogle market data and key indicators encapsulates aggregate property market conditions within the postcode 2474.

^Land days on market encapsulates previous Quarter(Q1 2019) due to lack of data in Q2 2019.

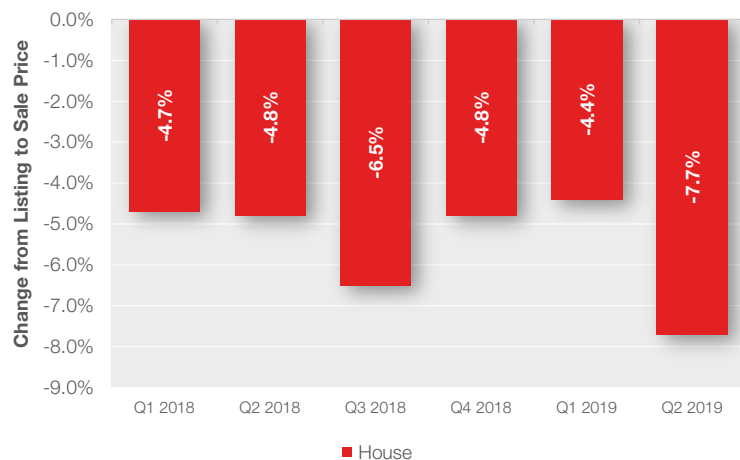
**Estimated values are based on construction value provided by the relevant data authority and does not reflect commercial and/or re-sale value.

Source: APM Pricefinder, Cordell Connect database, Australian Bureau of Statistics.

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AVERAGE VENDOR DISCOUNT*

Average vendor discount reflects the average percentage difference between the first list price and final sold price. A lower percentage difference (closer to 0.0%) suggests that buyers are willing to purchase close to the first asking price of a property.



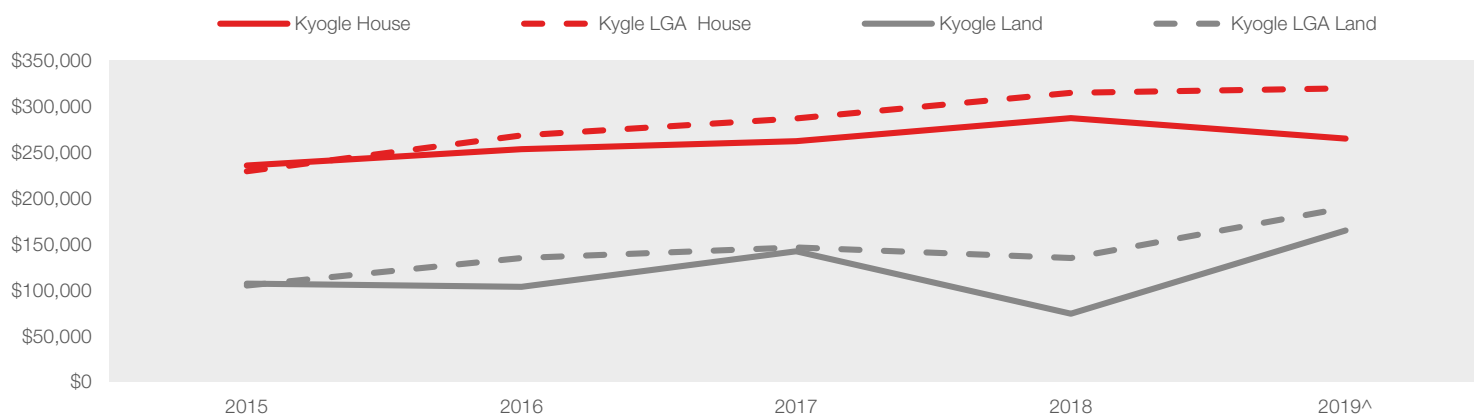
KEY COMMENTS

Average house vendor discount between Q2 2018 and Q2 2019 has widened from -4.8% to -7.7% for houses. Market conditions in Kyogle* continue to favour buyers, as sellers are willing to negotiate far below their initial listing price. Now is an ideal time to purchase a property at a discounted rate.

When compared to the Kyogle Local Government Area (LGA), the suburb of Kyogle* has historically provided more affordable housing. 2019^ has seen the largest gap in house median price between the LGA and the suburb, providing greater opportunity for investors and first home buyers.

The dominant proportion of homes sold (37.1%) in Kyogle* across the 1st half of 2019 were priced in the middle price segment of \$250K- \$349K, while vacant land recorded a dominant price point of \$200K- \$299K (37.5%) over the same period. This reveals that a highly affordable house market exists in Kyogle*, whilst land is also still relatively affordable and presents buyers a great opportunity.

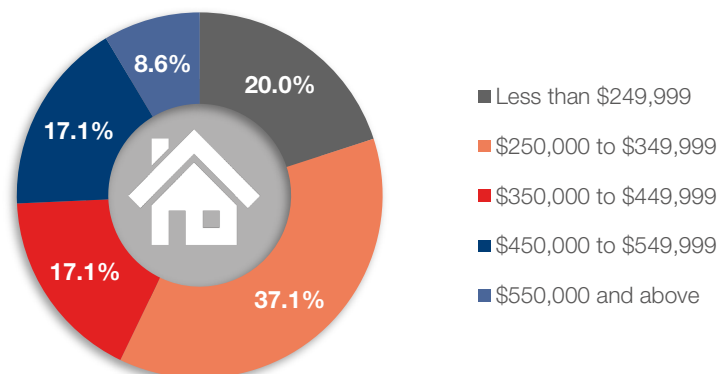
MARKET COMPARISON



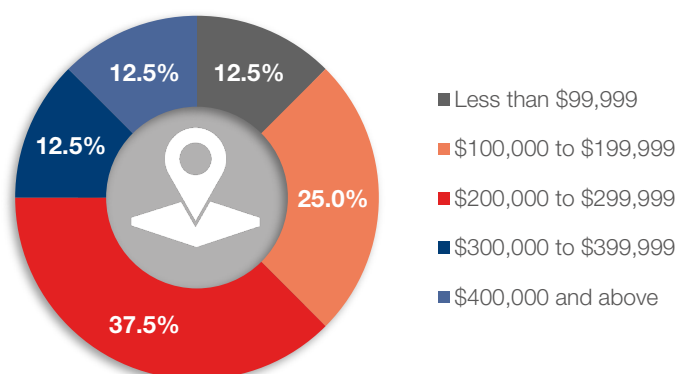
The market comparison graph provides a comparative trend for the median price of houses and vacant land over the past 5 years. The main LGA profiled are chosen based on their proximity to the main suburb analysed, which is Kyogle.

PRICE BREAKDOWN 1ST HALF 2019

HOUSES SOLD



LAND SOLD



RENTAL GROWTH 2019*

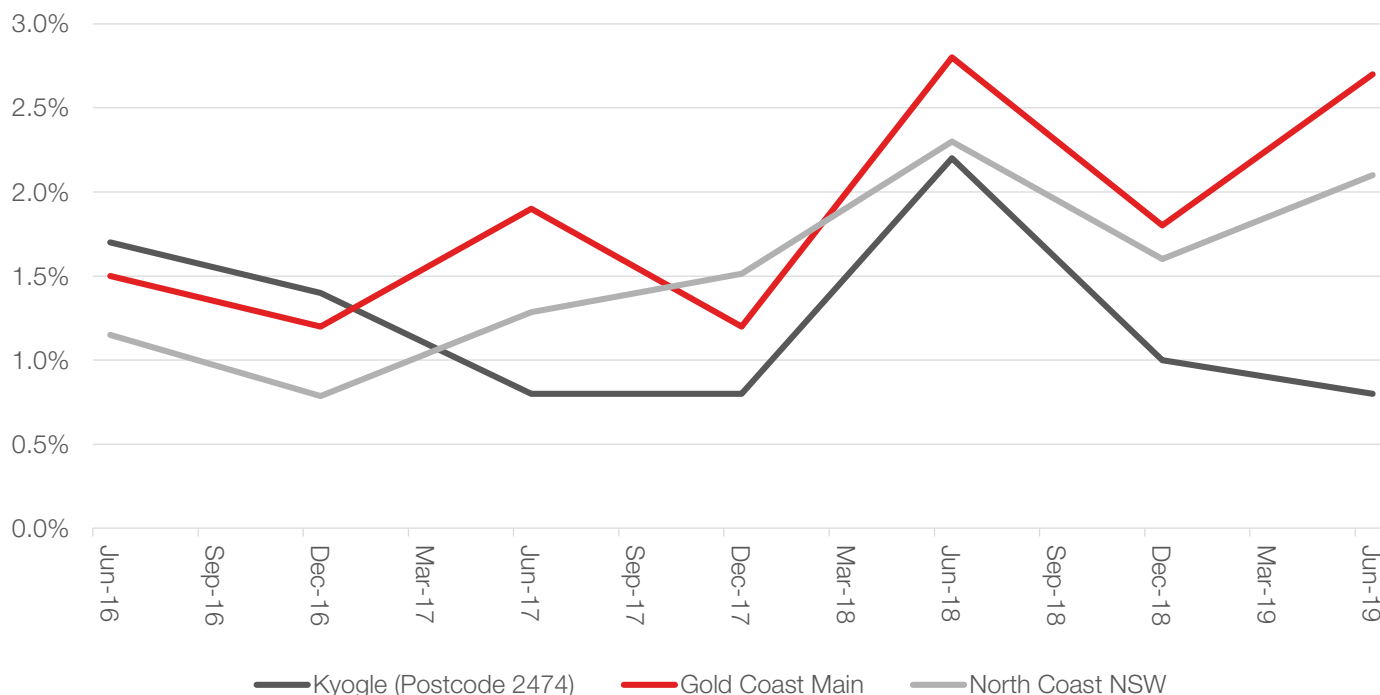
In the 12 months to Q2 2019 house median rental price strengthened by 3.3%, to \$310 per week. During this time frame average days on the market decreased to a low 21 days, which confirms there is an increased preference for renting.

2 bedroom houses provided investors with the highest rental growth annually, at 16.7%. House rental yield was 2.9% in June 2019, which when combined with a more affordable housing market provide investors with an ideal opportunity.

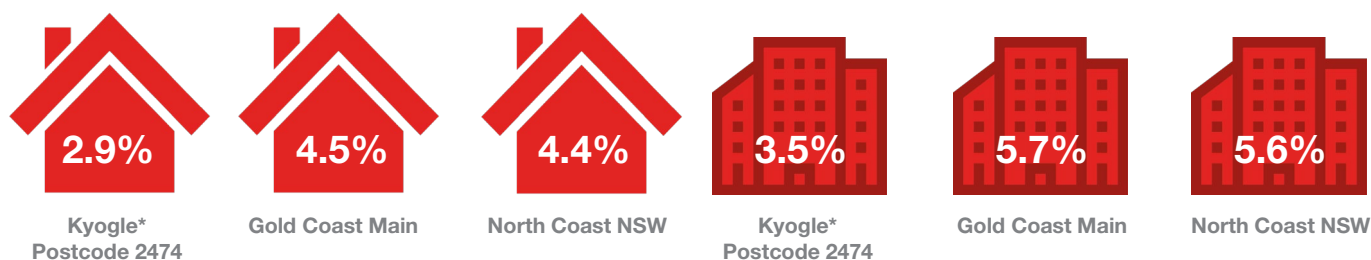
Kyogle* recorded a low vacancy rate of 0.8% in June 2019, which represents a declining trend over the past 12 months. Vacancy rates in Kyogle* is well below Gold Coast Main (2.7%) and North Coast NSW (2.1%). This confirms there is a healthier rental demand for properties in Kyogle*.



RENTAL VACANCY RATES 2019



RENTAL YIELD 2019^



*Rental performance graph represents aggregate house median rent prices within the postcode of 2474. Annual rental growth is a comparison between 1st half 2018 and 1st half 2019 house median rent figures.

^Rental yields shown are as reported at June 2019.

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

MARKET CONDITIONS

CHANGE FROM LAST

Kyogle* Rural Land^ Sales

Kyogle* Rural Land^ Median Price

Kyogle* Median Dwelling^ Sales

Kyogle* Median Dwelling^ Median Price

5 YEARS



\$400K

2019* Median Dwelling^ Price



\$338K

2019* Media Rural Land^ Price

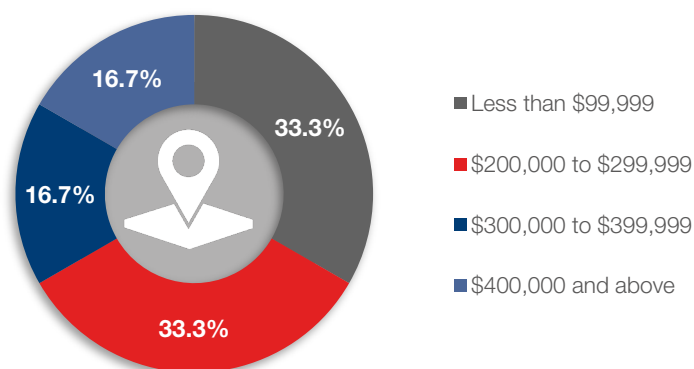
MARKET COMPARISON



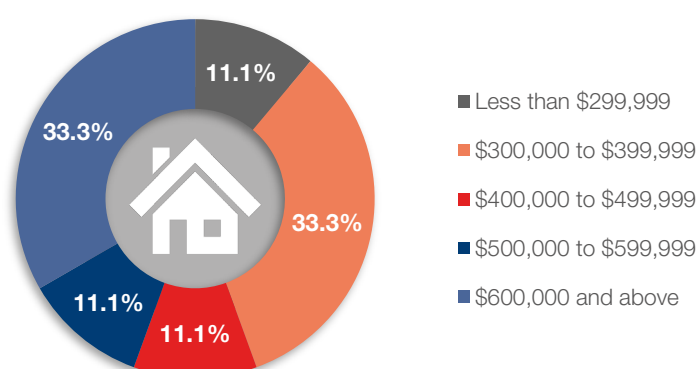
The market comparison graph provides a comparative trend for large dwelling and rural land median prices (over 2 hectares) over the past 5 years in Kyogle*.

PRICE BREAKDOWN 1ST HALF 2019

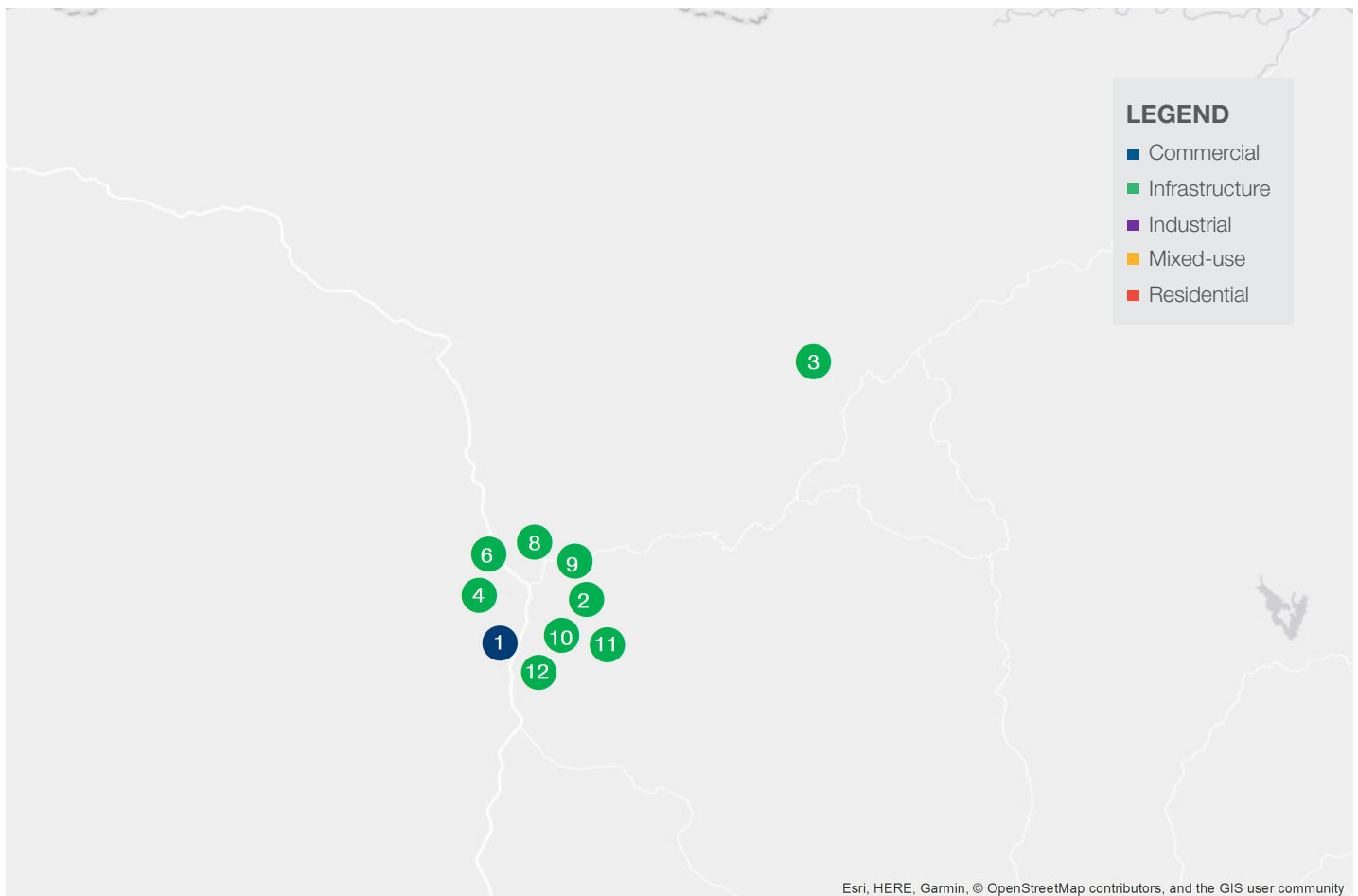
KYOGLE RURAL LAND^ SOLD 2019*



KYOGLE DWELLINGS^ SOLD 2019*



PROJECT DEVELOPMENT MAP 2015 - 2019*



Location	Project**	Type	Estimated Value***	Commence Date****
1	The Whiddon Group Kyogle	Commercial	\$7,942,000	15/01/2019
2	Kyogle Water Supply Augmentation	Infrastructure	\$4,467,000	25/06/2015
3	Kyogle Council Bridges	Infrastructure	\$1,500,000	01/12/2017
4	Kyogle Rural Fire Service Station	Infrastructure	\$1,000,000	30/11/2017
5	Robothams Bridge	Infrastructure	\$1,000,000	19/02/2018
6	Kyogle Council Concrete Works	Infrastructure	\$500,000	15/11/2016
7	Woodenbong Waste Facility	Infrastructure	\$344,000	15/12/2017
8	Kyogle Council Civil Works	Infrastructure	\$300,000	11/08/2017
9	Border Ranges National Park Unsealed Roads & Fire Trails	Infrastructure	\$200,000	09/02/2015
10	Mount Jerusalem & Wollumbin National Parks Unsealed Roads & Fire Trails	Infrastructure	\$200,000	09/02/2015
11	Kyogle Ses Building	Infrastructure	\$200,000	23/01/2017
12	Kyogle Flood Mitigation Measures	Infrastructure	\$147,000	07/04/2015

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

OUR KNOWLEDGE

Access to accurate and objective research is the foundation of all good property decisions.

OUR PEOPLE

Our research team is made up of highly qualified researchers who focus solely on property analysis.

OUR SERVICES

Our research services span over every suburb, LGA, and state within Australia; captured in a variety of standard and customised products.



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