





MORISSET MARKET UPDATE 2nd Half 2019



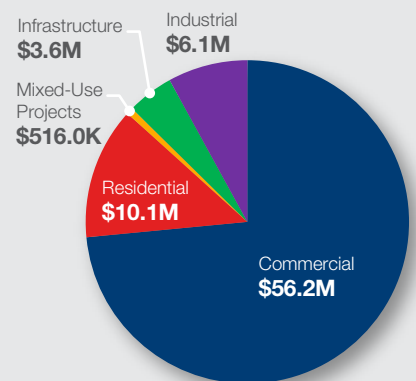
OVERVIEW

In Q3 2019, Morisset* recorded a median house price of \$550,000, and a median unit price of \$375,000. This represents annual (Q3 2018 – Q3 2019) median price growth of 2.8% for houses and a price softening of -8.8% for units. At the same time, total sales in both markets slowed for Q3 2019, down by -4.0% for houses to 96 sales and by -71.4% for units to 2 sales. With less competition in the market now is the time for buyers to act.

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

FUTURE DEVELOPMENTS

Morisset* is set to see approximately **\$76.4M worth of new projects** commencing throughout 2019.



A heavy emphasis on commercial development is good news for Morisset*, as it increases employment opportunities for residents locally. This is expected to have a positive spill-over effect on the property market in Morisset*.

Pullman Trinity Point Resort (\$24.6M) is a key project which is set to deliver a function centre, restaurant, café, and hotel with a number of ancillary uses. Stockton Street Residential Development (\$4.1M) is another key project for Morisset* in 2019, set to add 20 units and 6 townhouses to the area's dwelling stock, supporting population growth in Morisset*.

MARKET CONDITIONS

SALES MEDIAN PRICE Q3 2019



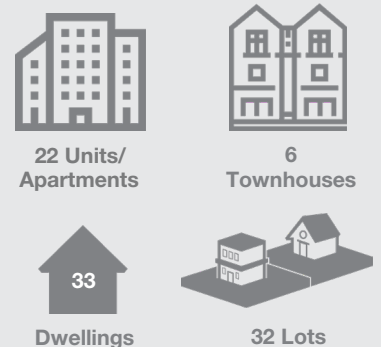
SALES AVERAGE DAYS ON MARKET Q3 2019



RENTAL MEDIAN PRICE Q3 2019



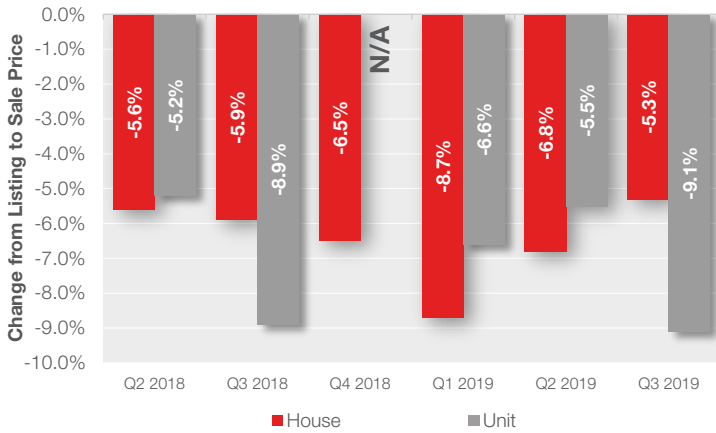
RENTAL AVERAGE DAYS ON MARKET Q3 2019



*Morisset market data and key indicators encapsulates aggregate property market conditions within the postcodes 2264 and 2265.
**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 Pricer, Cordell Connect database. © Copyright PRDnationwide 2019.

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.



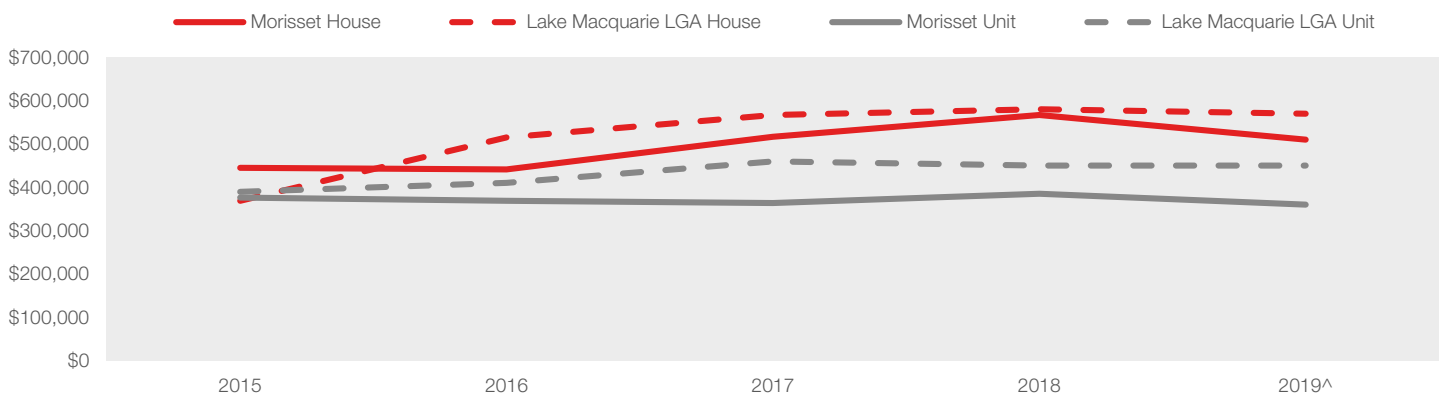
KEY COMMENTS

Average vendor discount between Q3 2018 and Q3 2019 have tightened to -5.3% for houses and widened to -9.1% for units. Market conditions in Morisset* continue to favour buyers, where sellers are willing to negotiate below their initial listing price. This indicates that current conditions present a good opportunity for buyers to enter the market.

The suburb of Morisset has historically represented greater affordability within the Lake Macquarie Local Government Area (LGA), in both house and unit median prices. This has continued to be the case in 2019^.

The dominant proportion of homes sold in Morisset* across 2019^ were in the mid-range price of \$500,000-\$600,000 (24.2%). Units recorded a dominant upper-end price point of \$550,000-\$650,000 (41.2%). While unit sales volumes are low, this reveals a clear appetite for premium unit stock within Morisset*. The house market sees a range of prices available, which should encourage buyers to act.

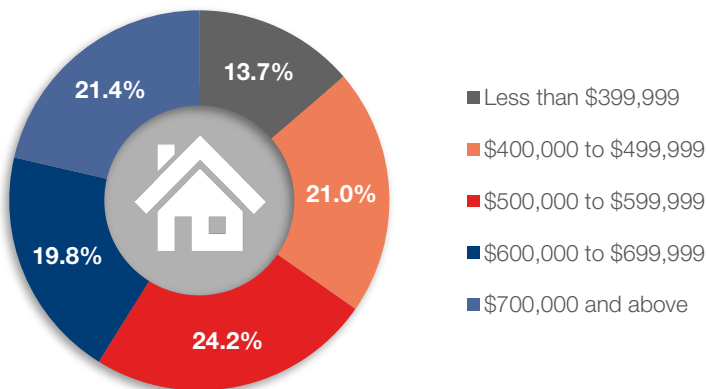
MARKET COMPARISON



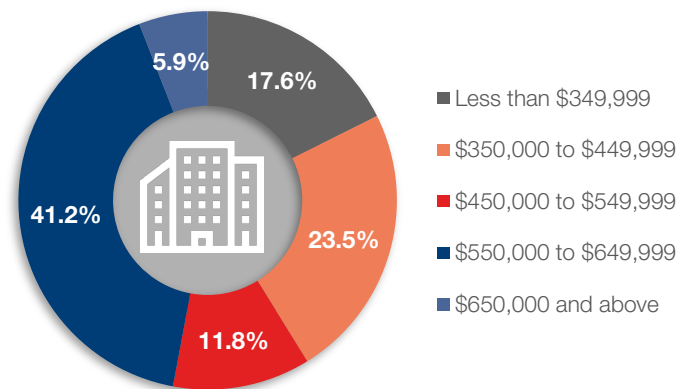
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled were chosen based on their proximity to the main suburb analysed, which is Morisset.

PRICE BREAKDOWN 2019^

HOUSES SOLD



UNITS SOLD

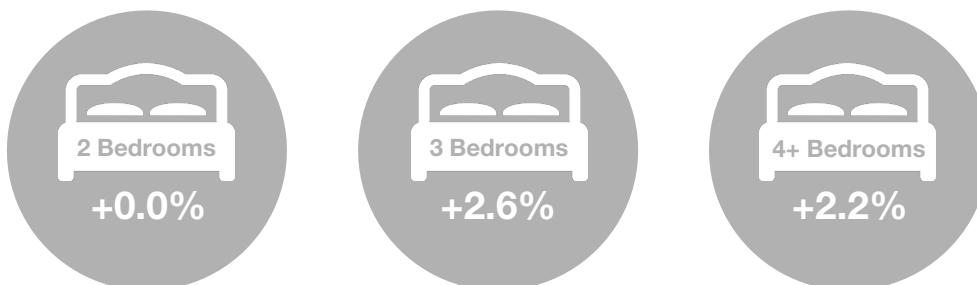


RENTAL GROWTH 2019*

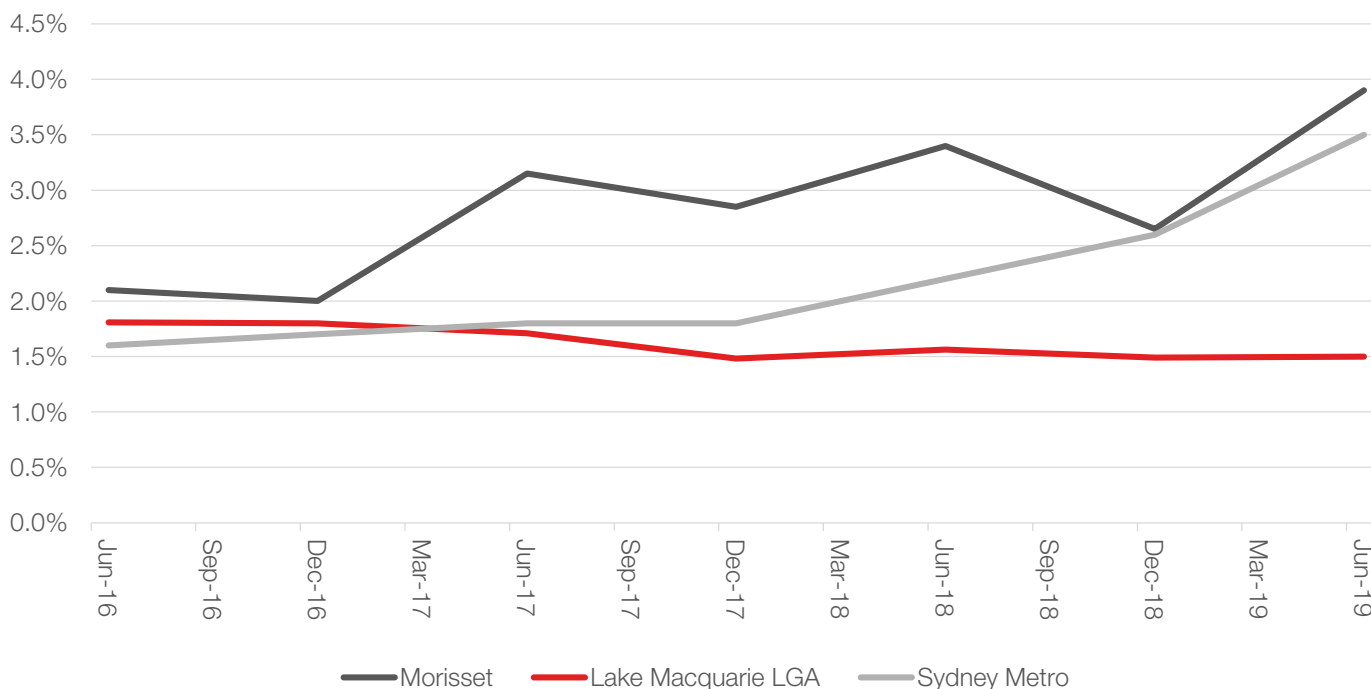
Over the past 12 months, house rental yields in Morisset* increased slightly to reach 3.8% in June 2019. This suggests the house rental market is in a healthy position, as does the increased demand for rental properties in Morisset* across the same time period (up by 3.5% in the 12 months to Q3 2019).

3 bedroom houses have provided investors with +2.6% rental growth annually, achieving a median rent of \$390 per week.

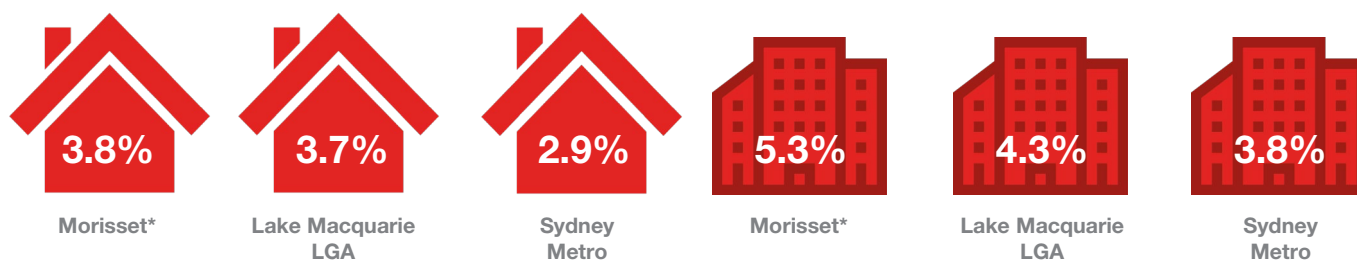
Morisset* recorded a vacancy rate of 3.9% in June 2019, which represents an increasing trend. This increase suggests that investors should aim to secure longer-term leases, for increased security in rental returns.



RENTAL VACANCY RATES 2019



RENTAL YIELD 2019^

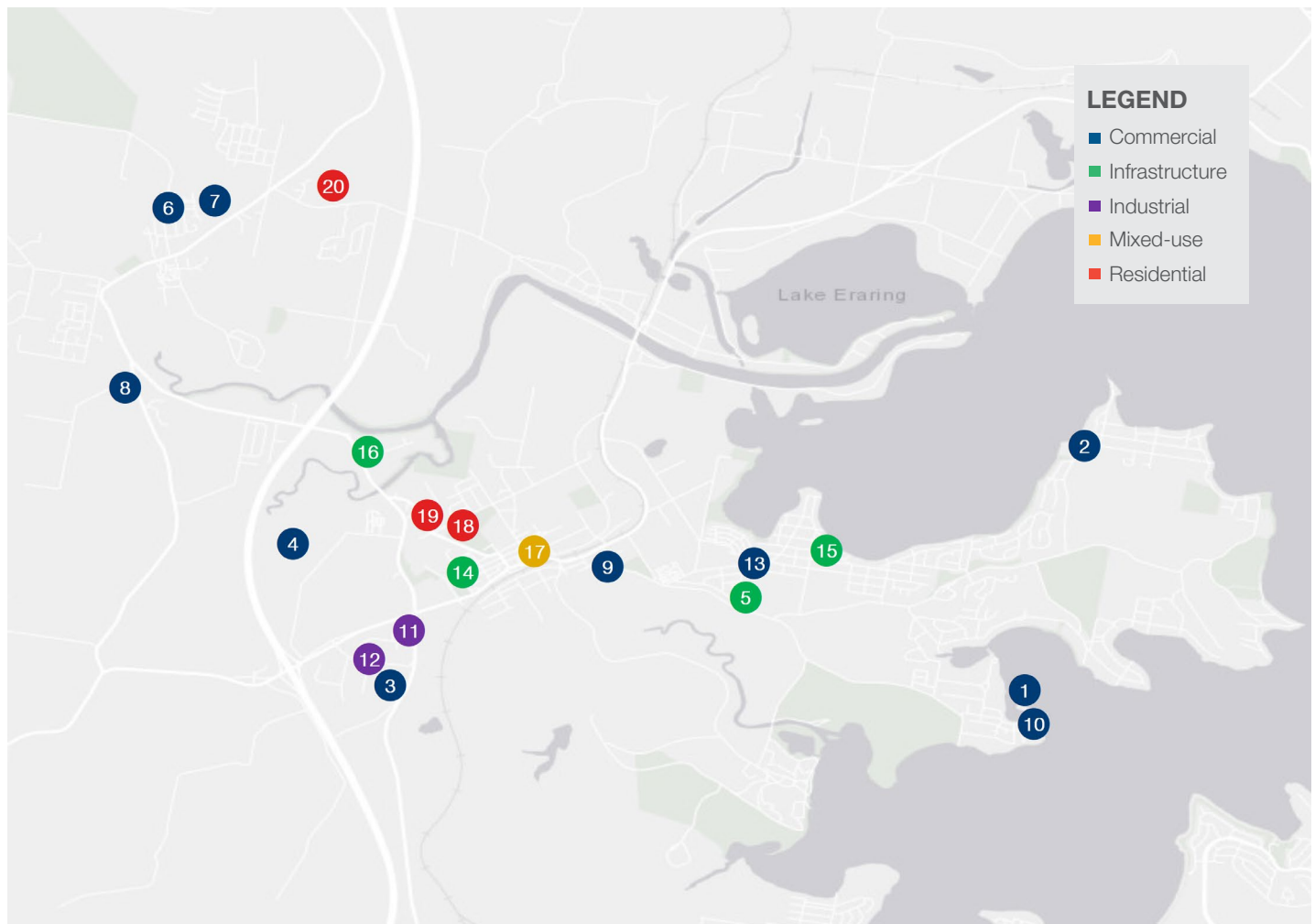


*Rental performance graph represents aggregate house median rent prices within the postcodes 2264 and 2265. Annual rental growth is a comparison between 2018 and 2019 (Q1 – Q3) house median rent figures.

^Rental yields shown are as reported at June 2019.

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

PROJECT DEVELOPMENT MAP 2019*



Location	Project**	Type	Estimated Value***	Commence Date****
1	Trinity Point Marina & Tourism Development - Pullman Trinity Point Resort	Commercial	\$24,615,000	16/12/2019
2	Crusaders Yarrwonga Park	Commercial	\$21,700,000	29/01/2019
3	Toshiba	Commercial	\$2,200,000	11/02/2019
4	King Funeral Chapel	Commercial	\$1,700,000	15/10/2019
5	Station Street Group Homes	Commercial	\$1,600,000	02/05/2019
6	Alton Road Group Home	Commercial	\$1,500,000	08/05/2019
7	Twine Subdivision Link Road	Commercial	\$960,000	22/09/2019
8	Rosedale Gardens Retirement Village	Commercial	\$800,000	13/05/2019
9	Bp Service Station Morisset	Commercial	\$760,000	19/07/2019
10	Trinity Point Marina	Commercial	\$320,000	13/11/2019
11	Kam Close Industrial Development	Industrial	\$4,100,000	02/03/2019
12	Wye Road Industrial Subdivision Stages 1-3	Industrial	\$2,000,000	18/01/2019
13	Land and Affordable Housing Corporation - Bonnells Bay Group Homes	Infrastructure	\$1,153,000	01/04/2019
14	Newcastle Street Group Home	Infrastructure	\$800,000	17/06/2019
15	Land and Affordable Housing Corporation - Bonnells Bay Group Home	Infrastructure	\$800,000	01/04/2019
16	Beauty Point Road Group Home	Infrastructure	\$800,000	01/04/2019
17	Yambo Street Mixed Use Development (2 Units)	Mixed-use	\$516,000	24/10/2019
18	Stockton Street Residential Development (20 Units, 6 Townhouses)	Residential	\$4,500,000	15/05/2019
19	Stockton Street Dwellings Stages 1 & 2 - Woodlands Morisset (33 Dwellings)	Residential	\$4,200,000	01/04/2019
20	Highland Avenue Residential Subdivision (32 Lots)	Residential	\$1,400,000	16/01/2019

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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