





DAPTO MARKET UPDATE 2nd Half 2019



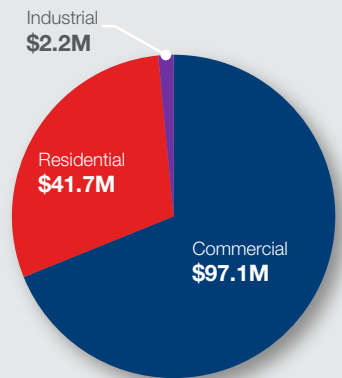
OVERVIEW

In Q3 2019, Dapto* recorded a median house price of \$570,000, and a median unit price of \$520,000. This represents annual (Q3 2018 – Q3 2019) median price softening of -7.3% for houses and -5.5% for units. At the same time, sale transactions increased by 6.1% for houses (to 122 sales) and slowed by -4.8% for units (to 20 sales). Increased affordability and decreased competition from buyers suggest now as a time to consider purchasing property in Dapto*.

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

FUTURE DEVELOPMENTS

Dapto* is set to see approximately **\$140.9M worth of new projects commencing in the 2nd half of 2019.**



Significant investment into these sectors will result in local employment opportunities and dwelling creation, which will work together to stimulate population growth. This is expected to have a positive effect on the real estate market in the near future.

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



A main commercial project over the 2nd half 2019 period is the Anglicare St Luke's Village (\$60.0M), which is set to create a new 110-bed aged care facility, as well as 60 affordable units. Avondale Road Dwellings (\$23.0M) is a key residential project that will add a further 92 dwellings to Dapto's* real estate market.



11
Townhouses



99
Dwellings



220 Lots

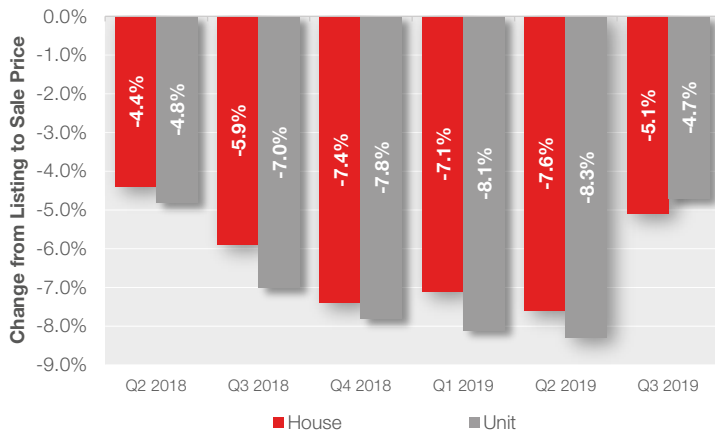
*Dapto market data and key indicators encapsulates aggregate property market conditions within the postcode 2530.

**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.



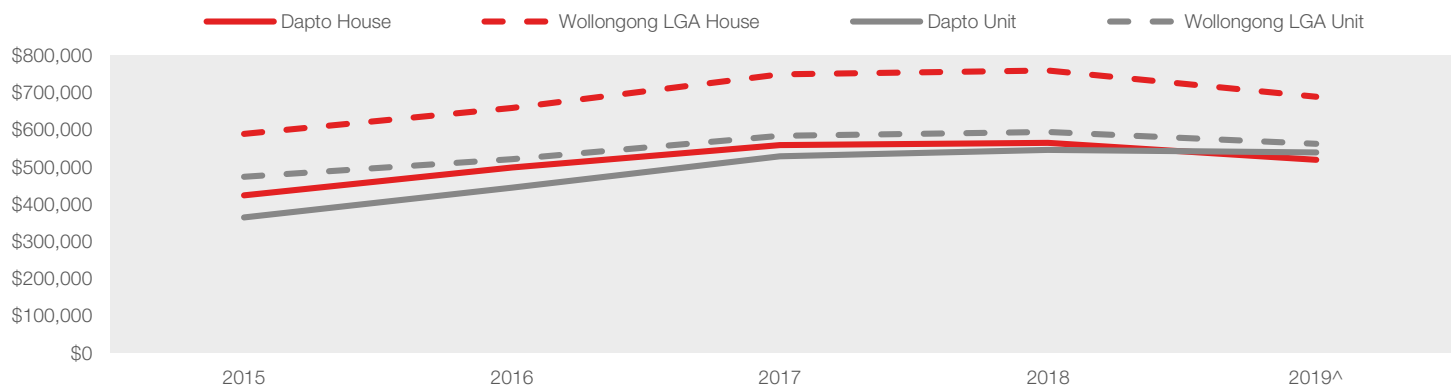
KEY COMMENTS

Average vendor discount between Q3 2018 and Q3 2019 have tightened significantly for both property types, to -5.1% for houses and -4.7% for units. Market conditions in Dapto* continue to favour buyers, where sellers are still willing to negotiate below their initial listing price. This said, there has been a sharp tightening, suggesting now is the time to enter the market before these discounts disappear.

The suburb of Dapto has historically been a highly affordable market when compared to Wollongong Local Government Area (LGA), particularly for houses. This has continued to be the case in 2019[^], where the unit median price in Dapto remains close to the median house price. Houses in Dapto in particular thus currently present excellent value to buyers.

The dominant proportion of homes sold in Dapto* across 2019[^] were priced \$500,000-\$600,000 (32.0%). Units recorded a dominant upper-end price of \$550,000+ (35.5%), revealing an appetite for premium unit stock within Dapto*.

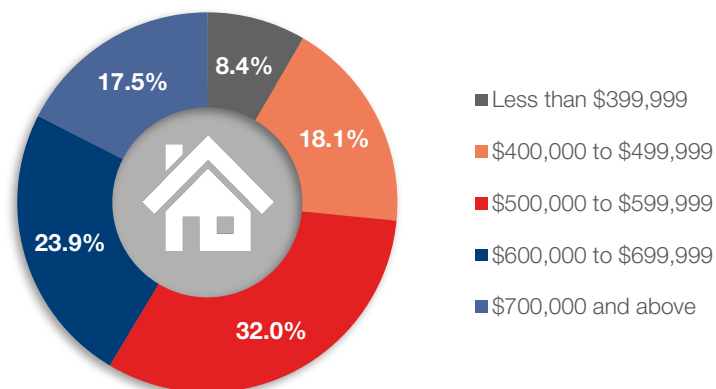
MARKET COMPARISON



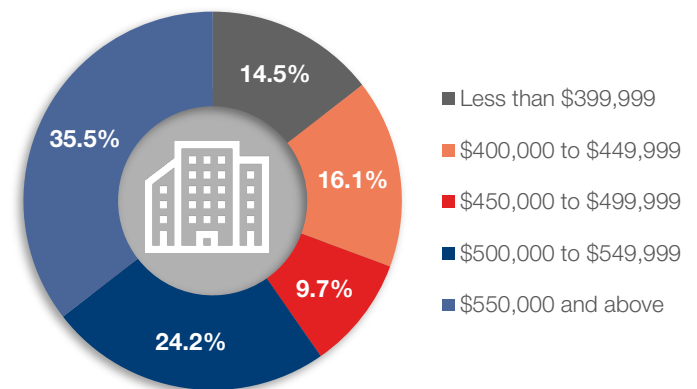
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled were chosen based on their proximity to the main suburb analysed, which is Dapto.

PRICE BREAKDOWN 2019[^]

HOUSES SOLD



UNITS SOLD



RENTAL GROWTH 2019*

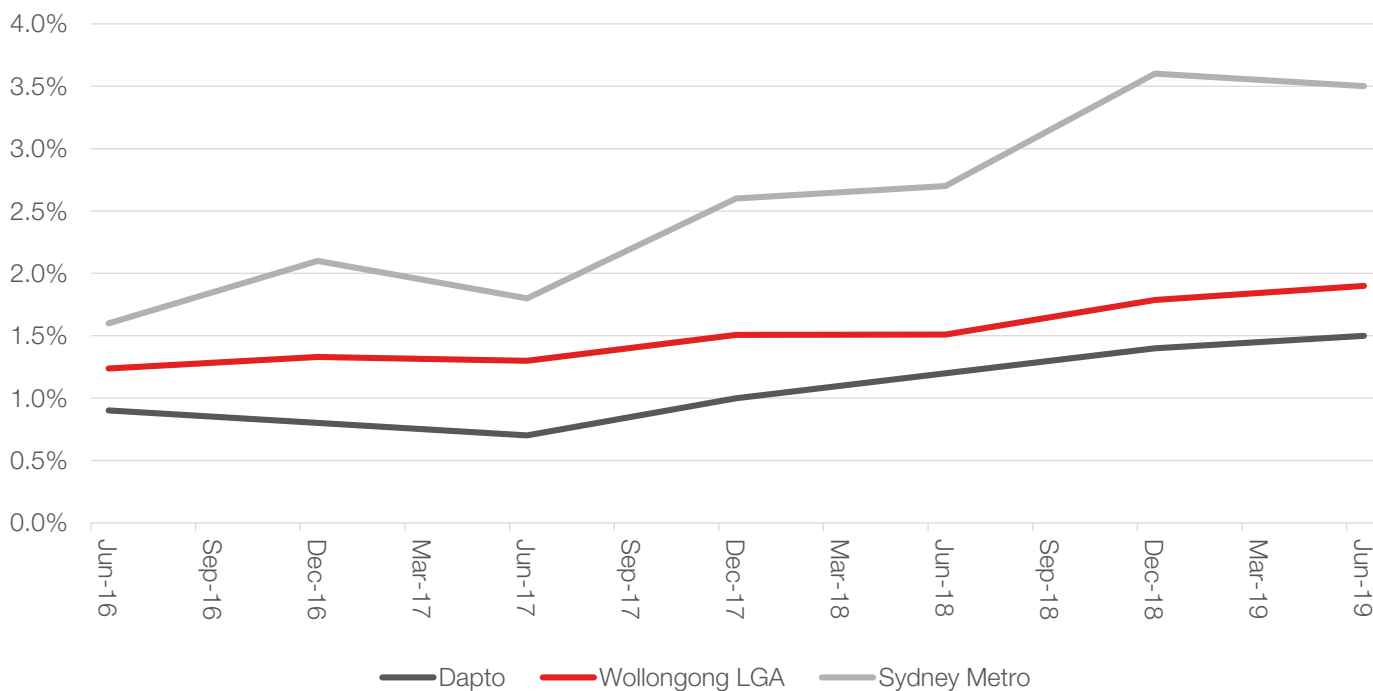
Over the past 12 months, house rental yields in Dapto* increased to reach 4.3% in June 2019. This suggests the house rental market is in a healthy position, particularly as there was increased demand for rental properties in Dapto* across the same time period (up by +11.9% in the 12 months to Q3 2019, with 132 house rentals).

4+ bedroom houses have provided investors with +5.5% rental growth annually, achieving a median rent of \$580 per week.

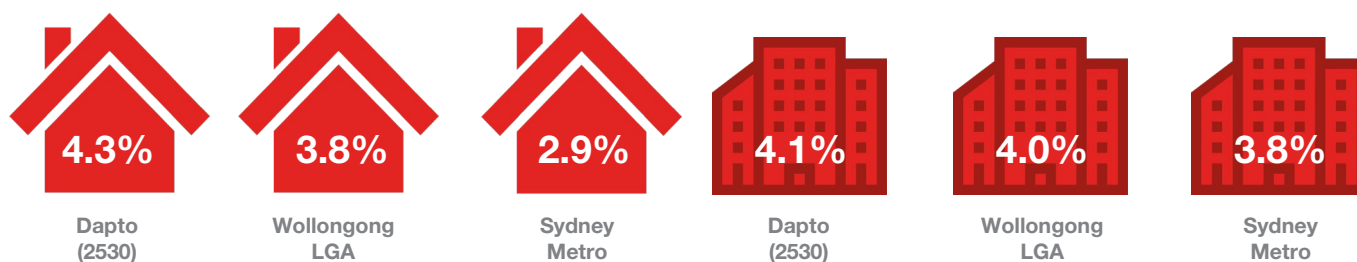
Dapto* recorded a vacancy rate of 1.5% in June 2019, which is a very healthy position as it is at an even lower rate than the already healthy 1.9% in Wollongong LGA. This confirms a healthy rental demand exists for properties in Dapto*.



RENTAL VACANCY RATES 2019



RENTAL YIELD 2019^

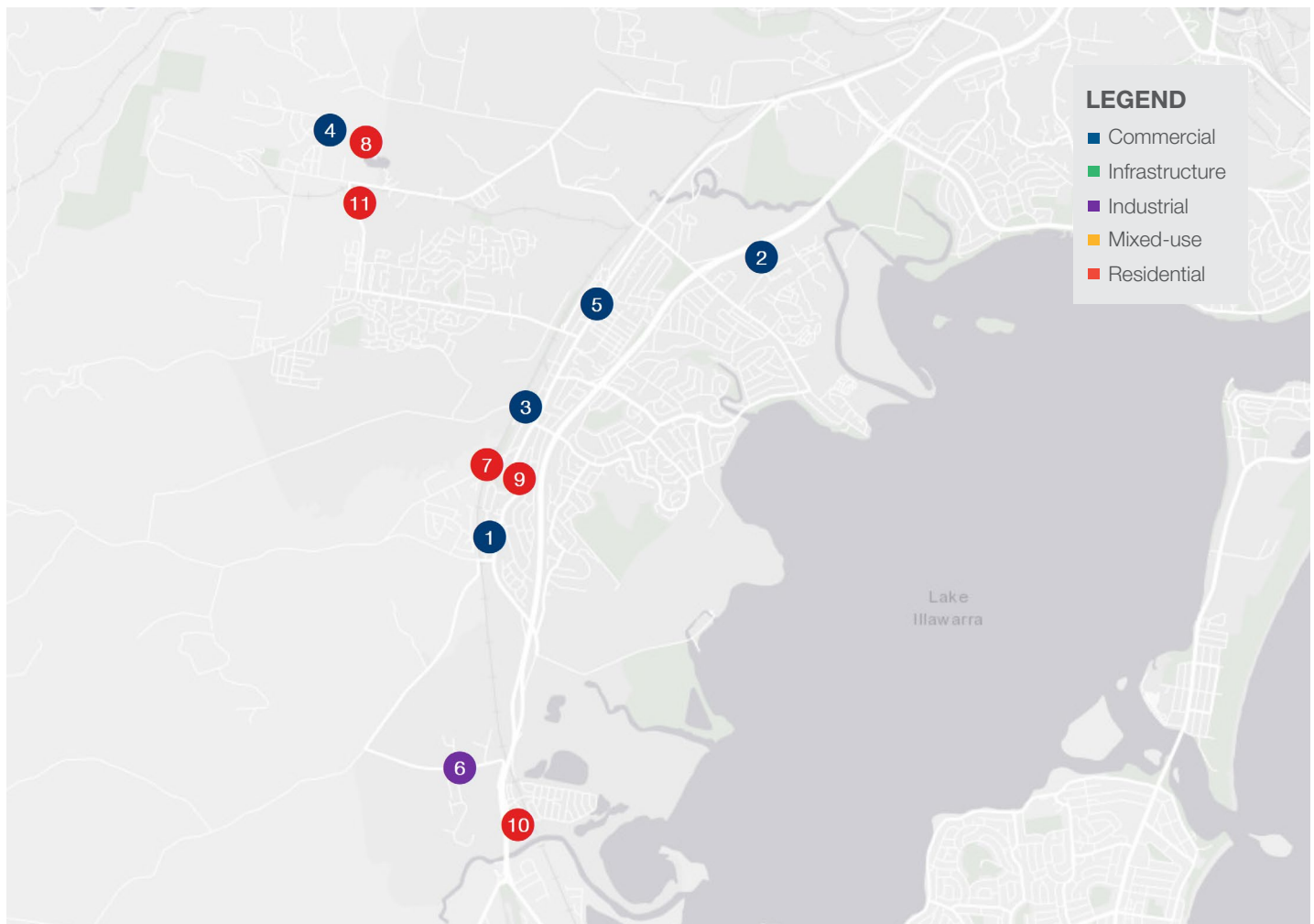


*Rental performance graph represents aggregate house median rent prices within the postcode 2530. Annual rental growth is a comparison between 2018 and 2019 (Q1-Q3) house median rent figures.

^Rental yields shown are as reported at June 2019.

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

PROJECT DEVELOPMENT MAP 2ND HALF 2019*



Location	Project**	Type	Estimated Value***	Commence Date****
1	Anglicare St Luke's Village	Commercial	\$60,000,000	09/09/2019
2	Illawarra Retirement Village - William Beach Gardens	Commercial	\$27,771,000	12/11/2019
3	Marshall Street Self Storage Units	Commercial	\$2,000,000	29/11/2019
4	Smiths Lane Child Care Centre	Commercial	\$800,000	24/11/2019
5	Princes Highway Commercial Premises	Commercial	\$500,000	18/10/2019
6	Yallah Rd Industrial Subdivision	Industrial	\$2,150,000	11/11/2019
7	Avondale Road Dwellings (92 Dwellings)	Residential	\$23,000,000	21/12/2019
8	The Vale At Vista Park (196 Lots)	Residential	\$13,000,000	12/08/2019
9	Princes Highway Townhouses (11 Townhouses)	Residential	\$2,750,000	11/10/2019
10	Gerongar Crescent Dwellings (7 Dwellings)	Residential	\$1,750,000	07/12/2019
11	Greenview Estate Horsley (24 Lots)	Residential	\$1,200,000	12/10/2019

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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