

Kyogle Market Update 1st Half 2020



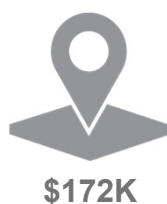
OVERVIEW

In Q4 2019 Kyogle* recorded a median house price of \$305,000 and a median land price of \$172,000. This represents annual (Q4 2018 – Q4 2019) median price softening of -12.9% for houses and a growth of 13.2% for land. Over the same period, demand softened for houses by -32.5% (to 27 sales), however land demand was stable (at 7 sales in Q4 2019). Current market conditions in Kyogle* provides great opportunity for first home buyers, as there is less competition and higher affordability in the housing market.

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

MARKET CONDITIONS

SALES MEDIAN PRICE Q4 2019



SALES AVERAGE DAYS ON MARKET Q4 2019



RENTAL MEDIAN PRICE Q4 2019

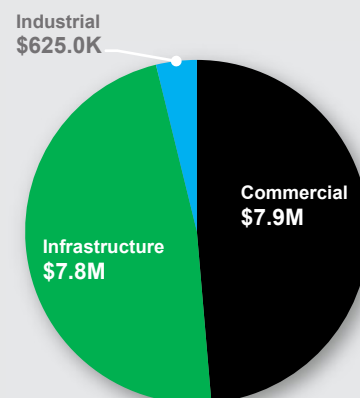


RENTAL AVERAGE DAYS ON MARKET Q4 2019



FUTURE DEVELOPMENTS

The Kyogle* area is set to see approximately **\$16.3M worth of new projects commence between 2016 and 2020.**



A large focus on infrastructure, commercial, and industrial projects is a key strategy for the Kyogle* area. The combination of these projects will help stimulate local economic activity and employment, as well as improve liveability within the area, which can result in population growth. This will have a positive spill-over impact on the real estate market in the near future, in terms of market demand.

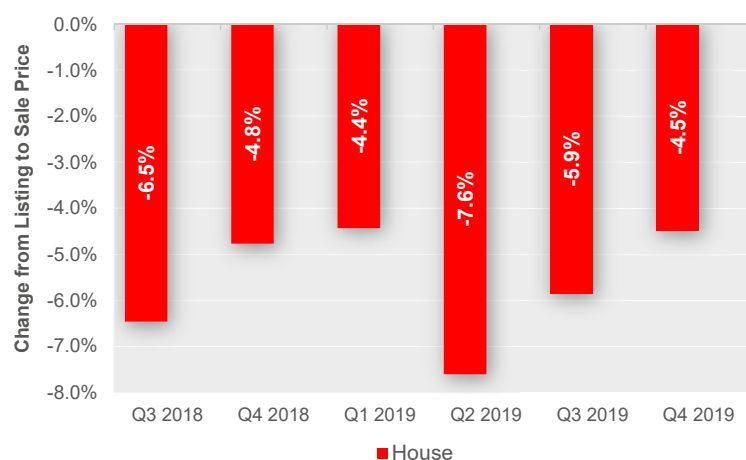
A main Commercial project that has commenced in the 1st half of 2019 was The Whiddon Group Kyogle (\$7.9M). This project is set to deliver an aged care facility that create local jobs and attract diverse demographics into the area. This potentially increases demand for other property types, which will have a positive effect on the market.

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

**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 Pricerfinder, Cordell Connect database. © Copyright PRD 2020.

MARKET CONDITIONS

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.



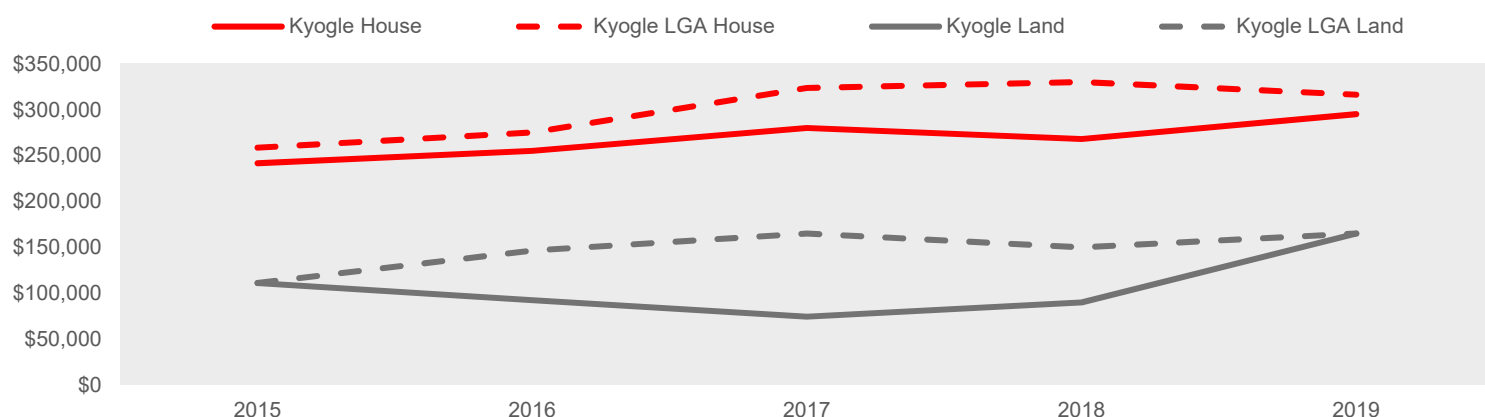
KEY COMMENTS

Average vendor discounting between Q4 2018 and Q4 2019 has tightened for houses to -4.5%. There is a shift towards favouring vendors, where buyers are willing to offer closer to the initial listing price. This indicates that buyer confidence is increasing, due to current low interest rates and lenient access to finance.

When compared to the Kyogle Local Government Area (LGA), the suburb of Kyogle* has historically provided more affordable housing. However, in 2019[^] that gap has started to close for house median price, which confirms a market recovery in Kyogle*, and provide more confidence for home-owners.

The dominant proportion of houses sold in Kyogle* across 2019[^] were priced in the lower price bracket of less than \$299K (35.8%). However, there was high buyer activity for premium land within the upper price segment of \$250K and above (33.3%). This indicates that there is a property for every budget in Kyogle*.

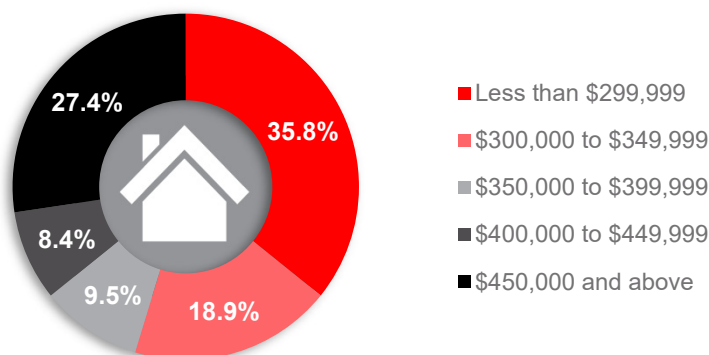
MARKET COMPARISON



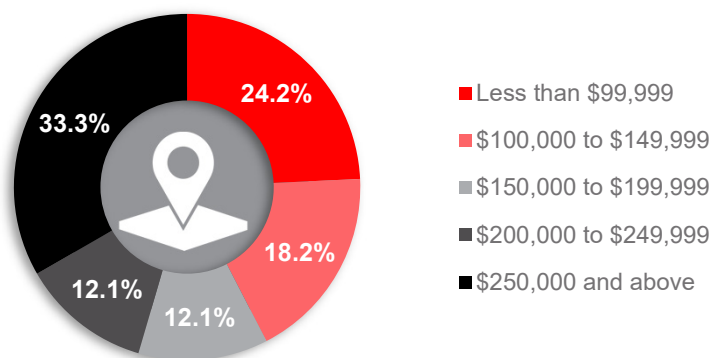
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Kyogle.

PRICE BREAKDOWN 2019[^]

HOUSES SOLD



LAND SOLD



RENTAL GROWTH 2019*

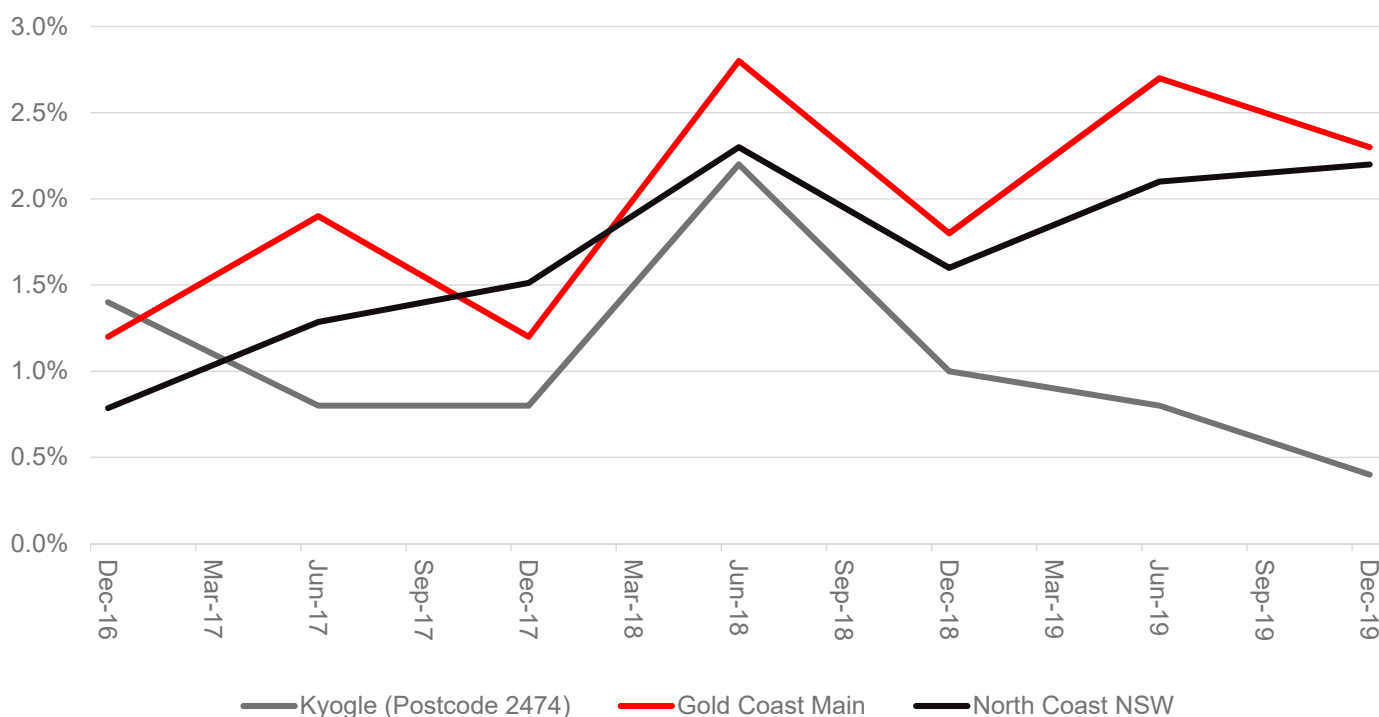
House rental yields in Kyogle* were 3.3% in December 2019, below that of Gold Coast Main (4.1%) and North Coast Region (4.2%). However, over the past 12 months to Q4 2019 house rental median prices remained stable, at \$300 per week. Further, unit rental median price grew by 12.1% to \$325 per week. This should further establish investor confidence.

2-bedroom houses provided investors with +19.0% rental growth annually, resulting in a median rent of \$250 per week.

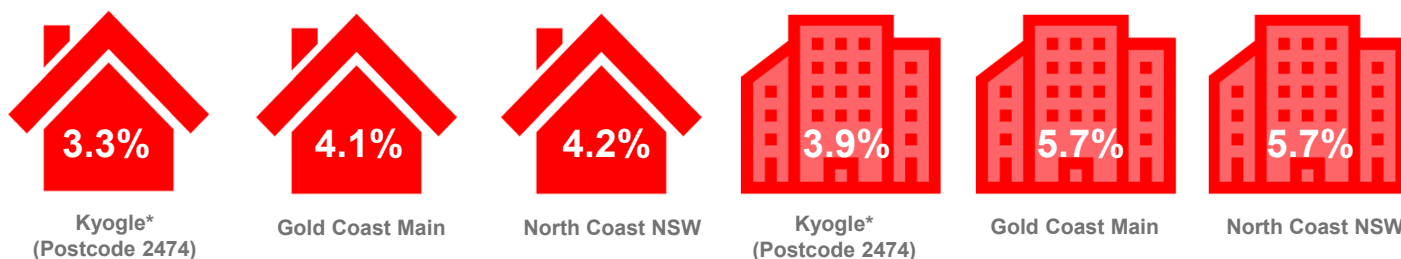
Kyogle* recorded an extremely low vacancy rate of 0.4% in December 2019, lower than Gold Coast Main (2.3%) and North Coast Region (2.2%). There is a healthier rental demand in Kyogle*, with rental properties occupied quicker. Combined with a lower median price entry compared to Gold Coast and North Coast Region, Kyogle* is an ideal place for investment.



RENTAL VACANCY RATES 2019



RENTAL YIELD 2019^



*Rental performance graph represents aggregate house median rent prices within the postcode 2474.
 Annual rental growth is a comparison between 2nd half 2018 and 2nd half 2019 house median rent figures.
 ^Rental yields shown are as reported at December 2019.
 Source: APM Pricefinder, SQM Research. © Copyright PRD 2020.

MARKET CONDITIONS

CHANGE FROM LAST

5 YEARS

Kyogle* Rural Land^ Sales



Kyogle* Rural Land^ Median Price



Kyogle* Median Dwelling^ Sales



Kyogle* Median Dwelling^ Median Price



\$480K

2019* MEDIAN DWELLING^ PRICE



\$338K

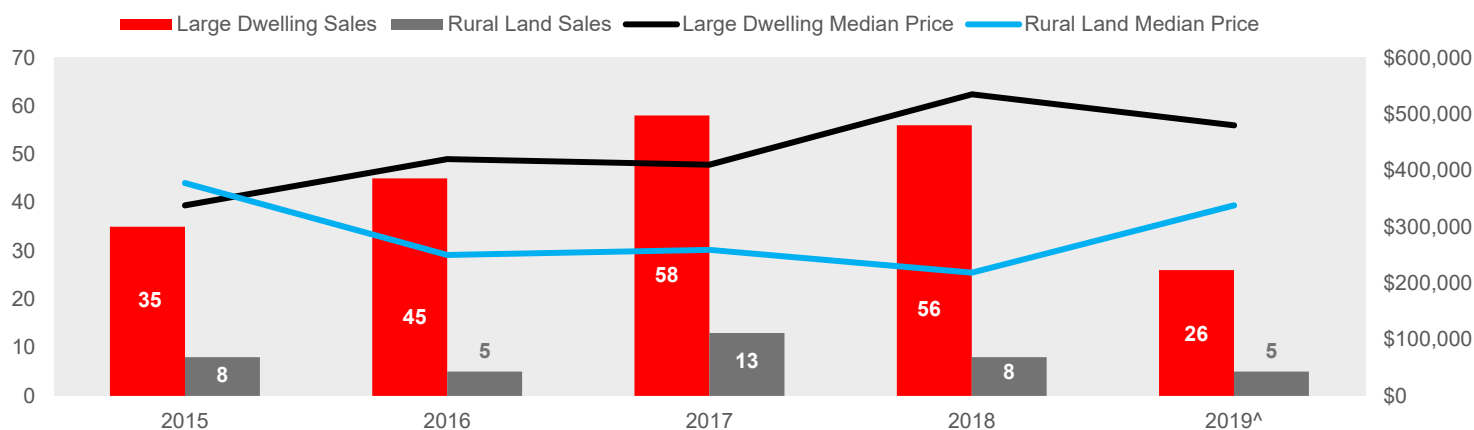
2019* MEDIAN RURAL LAND^ PRICE

KEY COMMENTS

In the past 12 months to 2019* there has been a lower demand for both large dwellings^ and rural land^, yet the impact on prices have been opposites. Large dwelling^ prices have softened, whilst rural land grew sharply. However in the past 5 years to 2019* large dwelling^ median price grew by 42.0%, as large dwelling^ sales decreased significantly between 2018 and 2019**. This is comforting to large dwelling^ owners, in terms of long term capital growth.

On the other hand Kyogle** rural land^ median price growth softened by -10.5% over the past 5 years to 2019. In 2019* the dominant proportion of rural land^ sales in Kyogle* continued to be split within the two lower price brackets of less than \$99K and \$200K-\$299K, at 33.3% of total sales each. This is a great opportunity for buyers looking for rural land^, while there is an increase in affordable products.

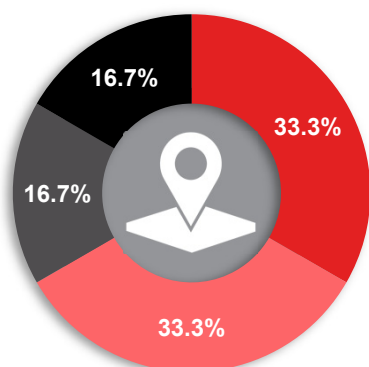
MARKET COMPARISON



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*.

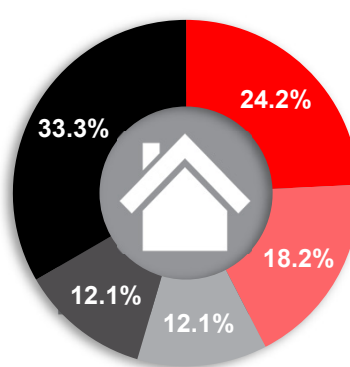
PRICE BREAKDOWN 2019^

KYOGLE RURAL LAND^ SOLD 2019*



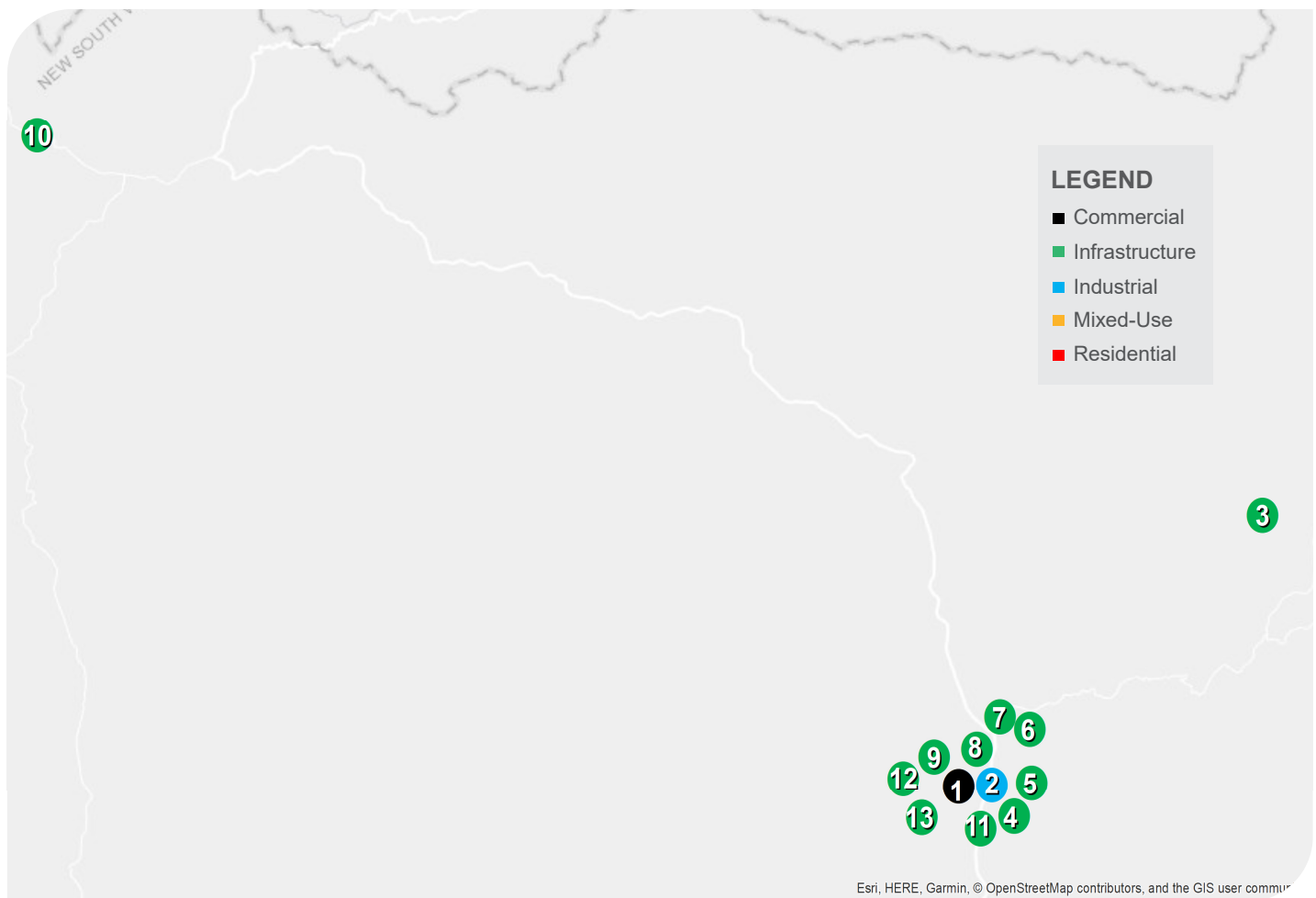
- Less than \$99,999
- \$200,000 to \$299,999
- \$300,000 to \$399,999
- \$400,000 and above

KYOGLE LARGE DWELLINGS^ SOLD 2019*



- Less than \$99,999
- \$100,000 to \$149,999
- \$150,000 to \$199,999
- \$200,000 to \$249,999
- \$250,000 and above

PROJECT DEVELOPMENT MAP 2016-2020*



Location	Project**	Type	Estimated Value***	Commence Date****
1	The Whiddon Group Kyogle	Commercial	\$7,942,000	15/01/2019
2	Kyogle Agricultural Produce Industries	Industrial	\$625,000	10/09/2019
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	Sheepstation Creek Campground Reserve	Infrastructure	\$1,000,000	10/04/2020
7	Burt Rayner Bridge	Infrastructure	\$894,000	01/10/2019
8	Little Back Creek Agricultural Produce	Infrastructure	\$720,000	16/06/2020
9	Kyogle Council Concrete Works	Infrastructure	\$500,000	15/11/2016
10	Woodenbong Waste Facility	Infrastructure	\$344,000	15/12/2017
11	Kyogle Council Civil Works	Infrastructure	\$300,000	11/08/2017
12	Kyogle Council Civil Works	Infrastructure	\$300,000	13/09/2019
13	Kyogle Ses Building	Infrastructure	\$200,000	23/01/2017

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.



Robert Horder, Principal
M +61 439 135 125
E roberthorder@prd.com.au

PRD Kyogle
P +61 2 6632 3380

81 Summerland Way
Kyogle NSW 2474

[PRD.com.au/kyogle](https://www.prd.com.au/kyogle)