



Coffs Harbour Market Update 2nd Half 2020



OVERVIEW

In Q3 2020, Coffs Harbour* recorded a median house price of \$589,500, and a median unit price of \$384,000. This represents annual (Q3 2019 – Q3 2020) median price growth of 10.2% for houses and of 9.7% for units. Between Q3 2019 – Q3 2020 total sales increased, by 10.9% for houses (to 309 sales) and by 6.8% for units (to 110 sales). Median price growth and increased sales activity suggest real capital growth in the area, in contrast to general COVID-19 predictions. This indicates high market resilience in Coffs Harbour*, thus creating an ideal market for real estate transactions.

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

MARKET CONDITIONS

SALES MEDIAN PRICE Q3 2020



SALES AVERAGE DAYS ON MARKET Q3 2020



RENTAL MEDIAN PRICE Q3 2020

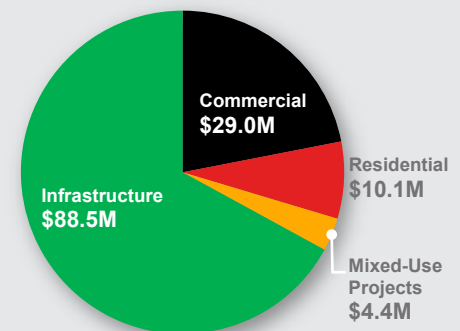


RENTAL AVERAGE DAYS ON MARKET Q3 2020



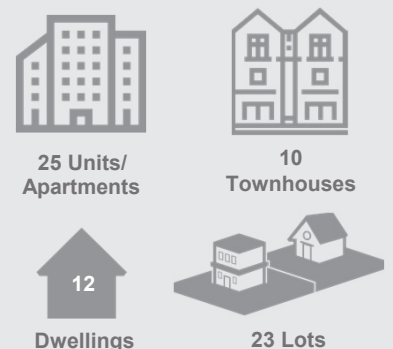
FUTURE DEVELOPMENTS

Coffs Harbour* is set to see around **\$132.0M** worth of new projects commence in the 2nd half of 2020.



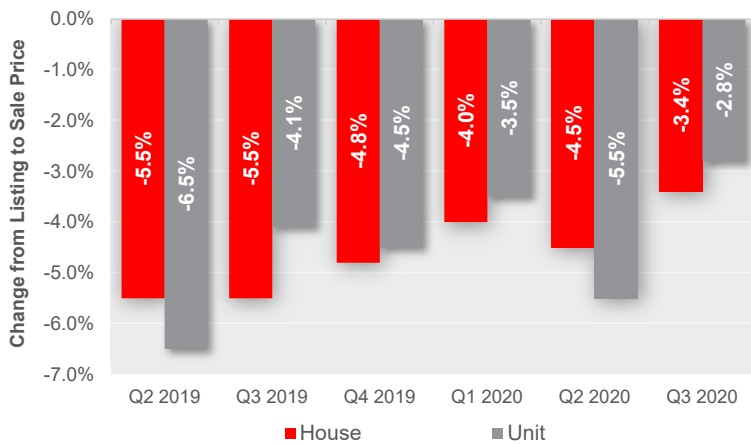
A focus on infrastructure projects will improve liveability aspects for residents, whilst creating local jobs in construction phase. Commercial projects stimulate the economy and will have a positive spill-over impact to the real estate market. Residential and mixed-use projects will answer to increasing property demand.

Key infrastructure projects for the 2nd half of 2020 includes the \$76.5M Coffs harbour Cultural and Civic Space, which will see a six-storey building set to include a regional gallery, central library, regional museum, and more. The \$8.6M commercial development Duke Street Boarding House will create a five-storey boarding home with 40 affordable housing sole occupancy units. Residential projects include: Camperdown Street Apartments (7 apartments, \$2.1M) and Dress Circle Dwellings (6 dwellings, \$2.0M).



AVERAGE VENDOR DISCOUNT* KEY COMMENTS

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.

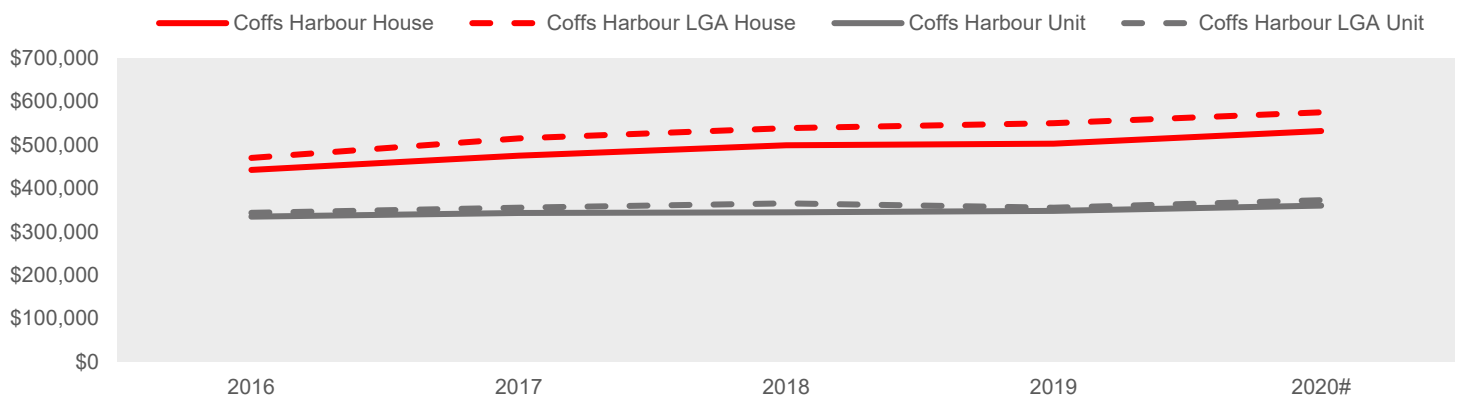


Average vendor discounts between Q3 2019 and Q3 2020 have tightened for both property types, to -3.4% for houses and -2.8% for units. Coffs Harbour* provide unique opportunities. Sellers can achieve a final sale price closer to their first list price, whilst buyers can still benefit from a discount. Now is the time to transact.

The suburb of Coffs Harbour has typically offered greater affordability than the wider Coffs Harbour Local Government Area (LGA) in both house and unit median prices. This continues to be the case throughout 2020#.

The dominant proportion of homes sold in Coffs Harbour* across 2020^ were in the middle-range price bracket of \$550,000-\$650,000 (24.1%), while units recorded a dominant premium price point of above \$450,000 (29.8%). Affordable options of the lowest price points for both houses (20.5%) and units (21.0%) are available, which is good news for first home buyers.

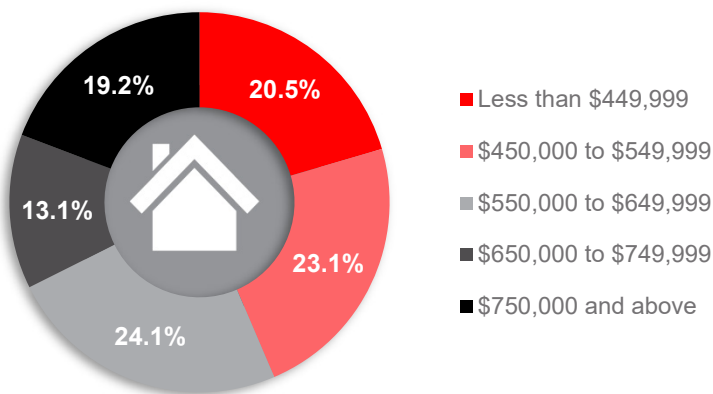
MARKET COMPARISON



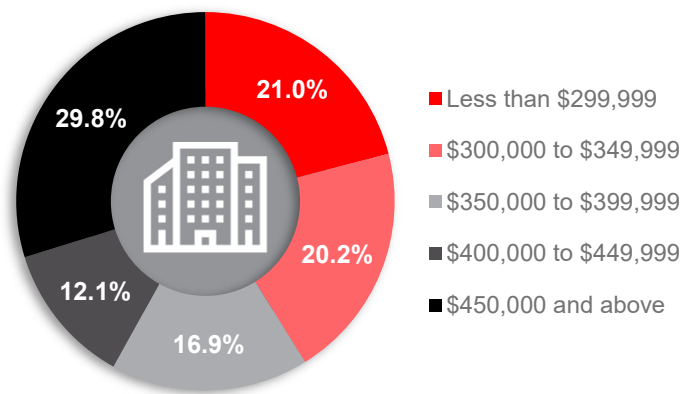
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on its proximity to the main suburb analysed, which is Coffs Harbour.

PRICE BREAKDOWN 2020^

HOUSES SOLD



UNITS SOLD

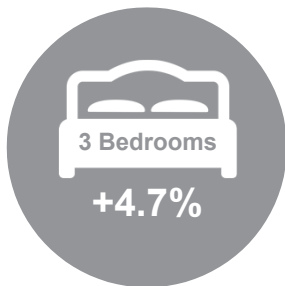
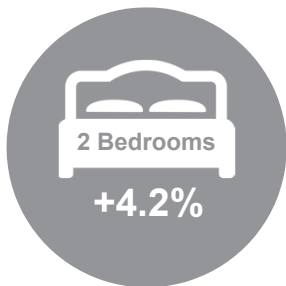


RENTAL GROWTH 2020€

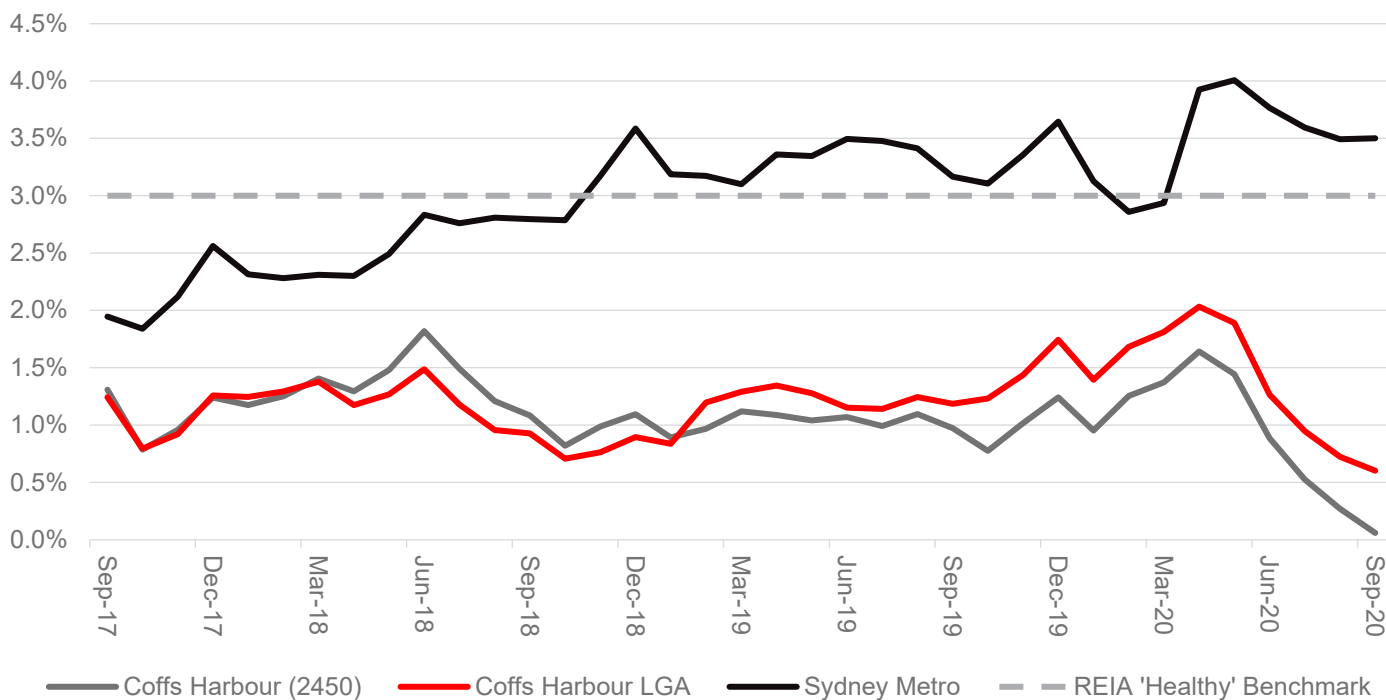
In September 2020, house rental yields in Coffs Harbour* were recorded at 3.9%. In the 12 months to Q3 2020, the median house rental price has increased to \$480 per week, while average days on the market declined by -5.7% (to just 14 days). Overall, Coffs Harbour has proven to have a highly resilient rental market throughout COVID-19.

3 bedroom houses have provided investors with +4.7% rental growth annually, with a median rent of \$450 per week.

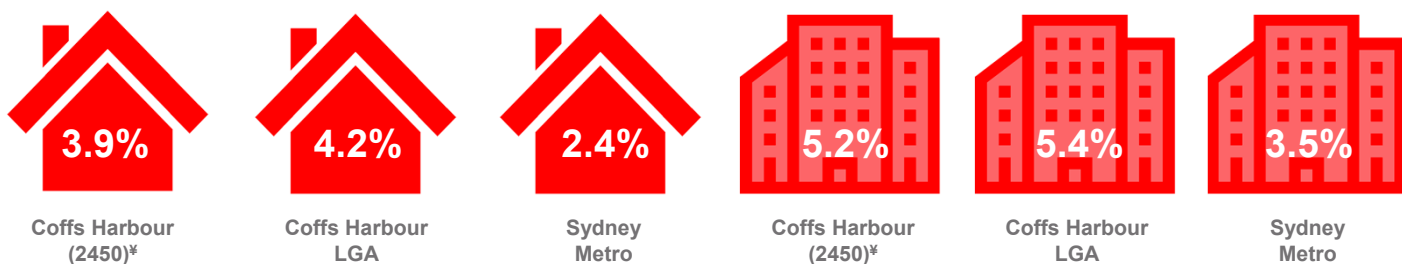
Also in September 2020, Coffs Harbour* recorded an extremely tight vacancy rate of 0.1%, even below Coffs Harbour LGA's very tight (0.6%) and well below Sydney Metro (3.5%). Vacancy rates in Coffs Harbour* are now at a historical low, well below the Real Estate Institute of Australia's healthy benchmark of 3.0%, and continuing on a declining trend even amidst COVID-19 conditions. This confirms there is an ongoing healthy rental demand, which benefits investors.



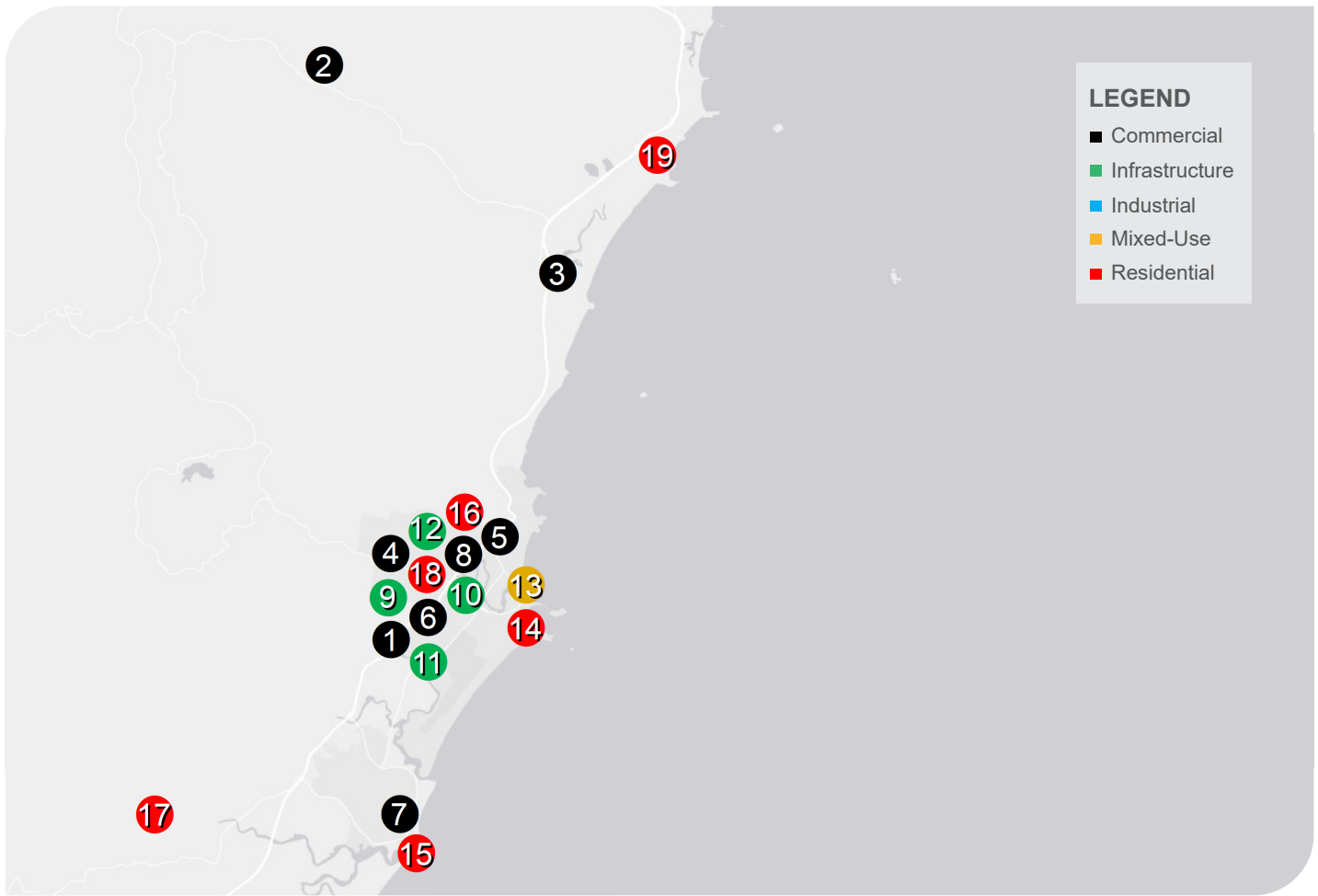
RENTAL VACANCY RATES 2020



RENTAL YIELD 2020\$



PROJECT DEVELOPMENT MAP 2ND HALF 2020*



Location	Project [£]	Type	Estimated Value [Ⓜ]	Commence Date [Ⓜ]
1	Duke Street Boarding House	Commercial	\$8,647,000	15/12/2020
2	North Wish Development	Commercial	\$7,500,000	25/10/2020
3	Moonee Beach Road Seniors Living Units	Commercial	\$4,300,000	11/08/2020
4	Duke Street Office Building	Commercial	\$2,862,000	15/12/2020
5	Aldi Coffs Harbour	Commercial	\$1,750,000	12/10/2020
6	Albany Street Boarding House	Commercial	\$1,375,000	30/12/2020
7	Sawtell Hotel	Commercial	\$1,350,000	20/08/2020
8	201 Rose Avenue Day Hospital	Commercial	\$1,200,000	20/10/2020
9	Coffs Harbour Cultural & Civic Space - All Welcome	Infrastructure	\$76,519,000	25/12/2020
10	Coffs Harbour Justice Precinct	Infrastructure	\$5,000,000	23/11/2020
11	Airport Enterprise Park	Infrastructure	\$5,000,000	01/11/2020
12	Aboriginal Housing Coffs Harbour	Infrastructure	\$2,000,000	12/11/2020
13	Mildura & Orlando Street Shop Top Housing (15 Units)	Mixed Use	\$4,400,000	15/09/2020
14	Camperdown Street Apartments (7 Apartments)	Residential	\$3,000,000	13/12/2020
15	Boronia Street Apartments (3 Apartments)	Residential	\$2,105,000	18/07/2020
16	Dress Circle Dwellings (6 Dwellings)	Residential	\$2,000,000	23/10/2020
17	North Bonville Road Residential Subdivision (23 Lots)	Residential	\$1,040,000	10/09/2020
18	Avenue Street Townhouses (6 Townhouses)	Residential	\$1,000,000	06/07/2020
19	Fiddaman Drive Townhouses (4 Townhouses)	Residential	\$1,000,000	22/07/2020

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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REFERENCES

* Coffs Harbour market data and key indicators encapsulates aggregate property market conditions within the Coffs Harbour Local Government Area (LGA).

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

2020 encapsulates sales transactions for 2020 (01/01/2020 – 30/09/2020) only.

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€ Annual rental growth is a comparison between 2019 (01/01/2019 – 30/06/2019) and 2020 (01/01/2020 – 30/09/2020) house median rent figures.

¥ Coffs Harbour market data encapsulates aggregate property conditions within the postcode of 2450.

§ Rental yields shown are as reported at September 2020.

⌘ 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 Coffs Harbour LGA.

μ Estimated value is the value of construction costs provided by relevant data authority, it does not reflect the project's sale/commercial value.

ψ Commencement date quoted for each project is an approximate only, as provided by the relevant data authority, PRD does not hold any liability to the exact date.

Source: APM Pricerfinder, Cordell Connect database, SQM Research, ESRI ARCGIS.

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