

Kyogle Market Update

1st Half 2021



OVERVIEW

In Q4 2020, Kyogle* recorded a median house price of \$342,500**, and a median vacant land price of \$170,000. This represents annual (Q4 2019 – Q4 2020) median price growth of 12.5% for houses, however a slight softening of -1.2% for vacant land. Between Q4 2019 – Q4 2020 total sales increased, by 84.4% for house (to 59 sales) and by 220.0% for vacant land (to 16 sales). The Kyogle* house market is in a growth phase, with positive price growth and increased sales, indicating compounding returns on capital investment. Now is an ideal time to transact, with opportunities for both sellers and buyers.

	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 2020



SALES AVERAGE DAYS ON MARKET Q4 2020



RENTAL MEDIAN PRICE Q4 2020

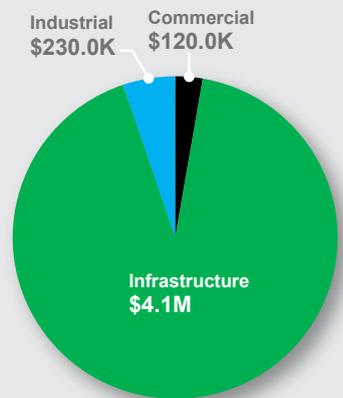


RENTAL AVERAGE DAYS ON MARKET Q4 2020



FUTURE DEVELOPMENTS

The Kyogle* area is set to see approximately **\$4.4M***** worth of new projects commencing in the 1st half of 2021.

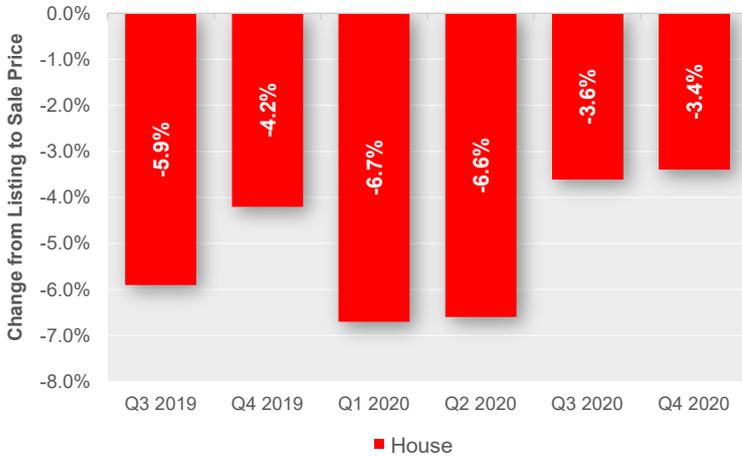


A focused approach on infrastructure projects is ideal for Kyogle*, as it signals improved services and liveability for residents. These projects will also create local jobs during the construction phase, which will stimulate the economy. An absence of residential projects is a slight concern due to the high volume of house sales in the past 12 months, which may result in first home buyers being priced out. However this will ensure capital growth for current home owners.

A major infrastructure project in the 1st half of 2021 is Capeen Creek Road Bridges Replacement Package (\$2.3M), which is a local government initiative. This project is set to replace three timber bridges with new concrete & steel bridges. This will improve liveability for local residents. With the absence in new residential projects in the pipeline there is a potential undersupply in the near future, thus now is an ideal time to enter the market in Kyogle*. An undersupply of housing also opens unique opportunities for the local government to unlock land supply, and for developers to create unique new housing solutions.

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.



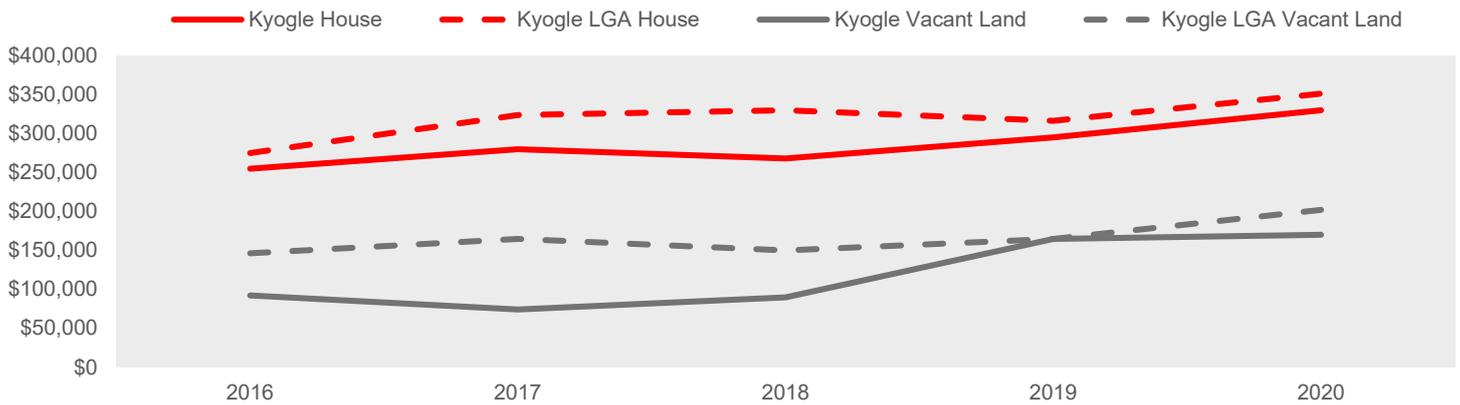
KEY COMMENTS

Average vendor discounts between Q4 2019 and Q4 2020 have tightened for houses from -4.2% to -3.4%. Kyogle* offers unique opportunities, as sellers can now achieve a final sale price closer to their first list price, however buyers still have some room to negotiate. Now is an opportune time to transact.

The suburb of Kyogle recorded a more affordable market in comparison to the wider Kyogle Local Government Area (LGA) for both house and vacant land. This provides an excellent opportunity for first home buyers to get a foot in the market.

The dominant proportion of homes sold in Kyogle* across 2020^ were within the mid-lower price segment of \$250,000 to \$349,999 (30.1%). There was strong buyer activity for vacant land in the md-lower price point of \$100,000 to \$199,999 (28.6%). There is a diverse opportunity for buyers looking for affordable options.

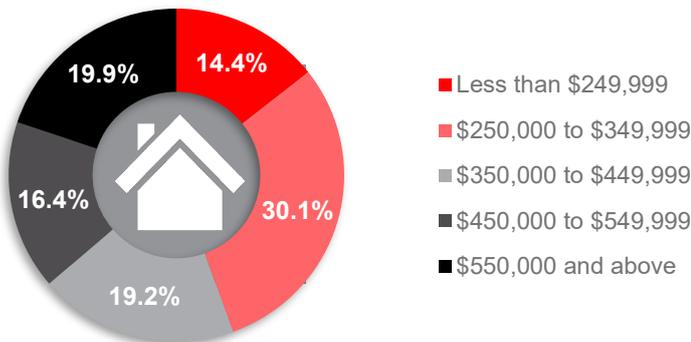
MARKET COMPARISON



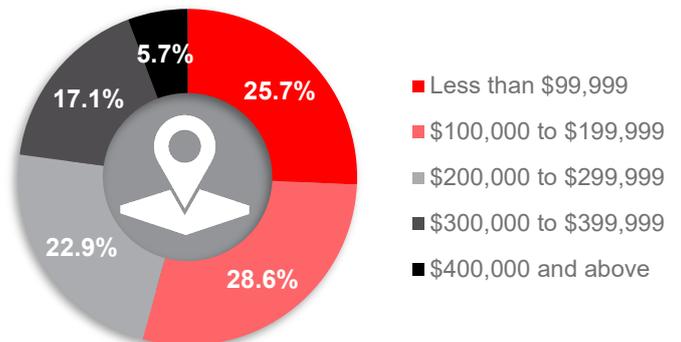
The market comparison graph provides a comparative trend for the median price of houses and land over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Kyogle.

PRICE BREAKDOWN 2020^

HOUSES SOLD



LAND SOLD



RENTAL GROWTH 2020€

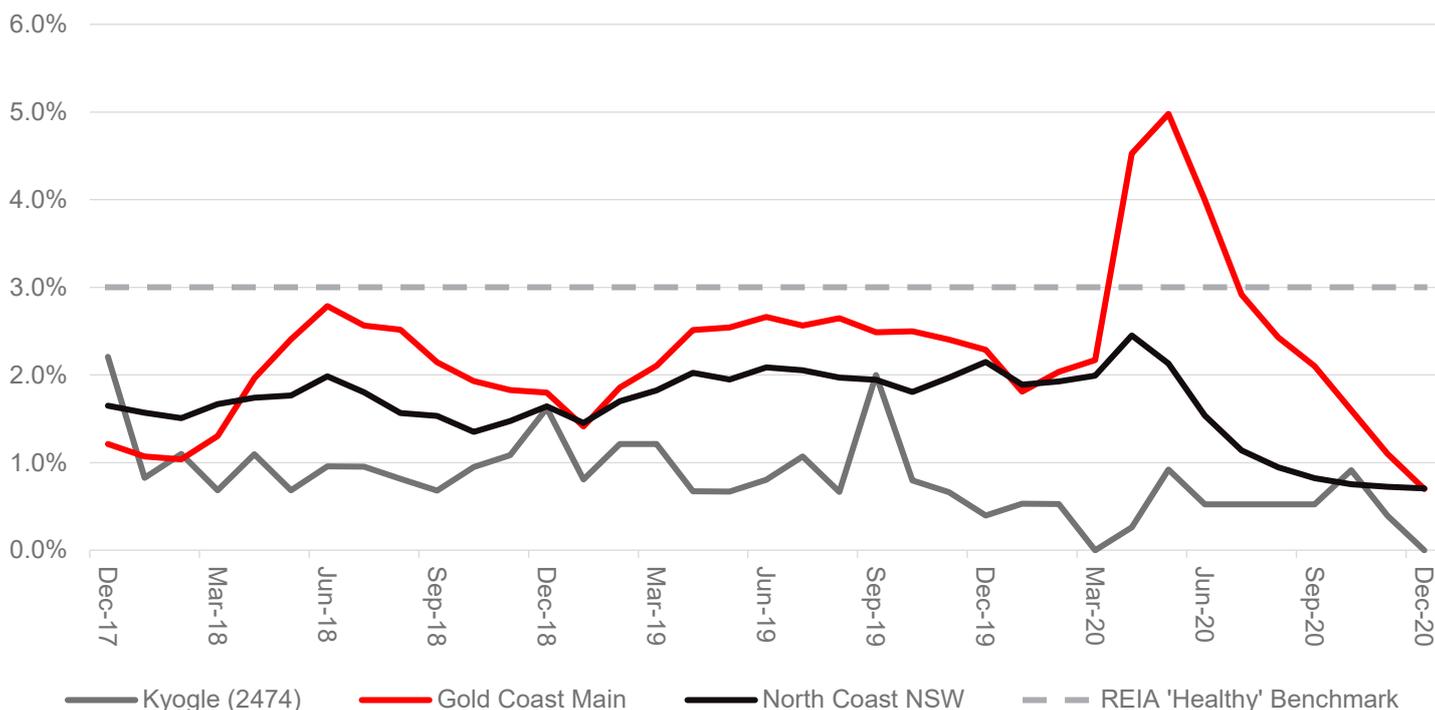
In December 2020, house rental yields in Kyogle* were recorded at 3.0%. In the 12 months to Q4 2020 the median house rental price grew by 1.7%, to \$305 per week. Furthermore, average days on the market declined by -48.1% (to 14 days). This establishes Kyogle* as a resilient and highly demanded rental market.

2 bedroom houses have provided investors with +31.0% rental growth annually, with a median rent of \$275 per week.

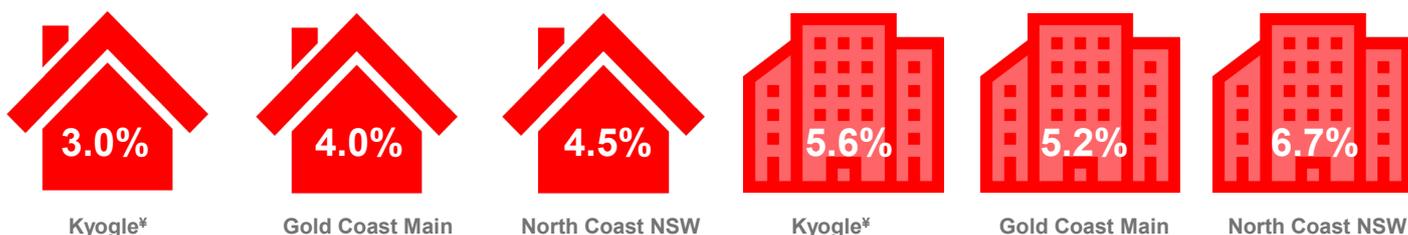
In December 2020, Kyogle* recorded a record low vacancy rate of 0.0%, well below that of Gold Coast Main (0.7%) and North Coast NSW (0.7%). Vacancy rates in Kyogle* have seen a declining trend since September 2019, and is well below the Real Estate Institute of Australia's healthy benchmark of 3.0%. This confirms there is highly resilient rental market demand despite COVID-19, thus investors can be confident in their decision to enter the Kyogle* area.



RENTAL VACANCY RATES 2020



RENTAL YIELD 2020\$



CHANGE FROM LAST

12 Months

- × Kyogle* Median Dwelling Sales
- × Kyogle* Median Dwelling Median Price
- × Kyogle* Rural Land Sales
- × Kyogle* Rural Land Median Price



KEY COMMENTS

There has been a continual surge in demand towards large dwellings in Kyogle** over the past 12 months to 2020[^], up by 54.5%. This is in conjunction with large dwelling median price surging by 17.6% within the same time frame. Rural land median prices grew by 5.8% over the past 12 months, with demand increasing by 17.6%. Current market conditions is conducive for vendors to sell, as there is a higher chance of them achieving final sale prices closer to their expectations.

In 2020[^] the dominant proportion of rural land sales in Kyogle** was within the lower price segment of below \$249K, accounting for 31.3% of sales. On the other hand, there was a high buyer activity within the highest price segment of \$550K and above for large dwellings, accounting for 46.8% of sales. First home buyers looking for rural land are encouraged to take this opportunity, utilising available government schemes to build their dream home.



\$535K

2020[^] Median Dwelling[^] price



\$275K

2020[^] Median Rural land[^] Price

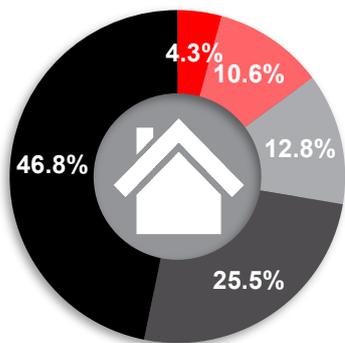
MARKET COMPARISON



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*.

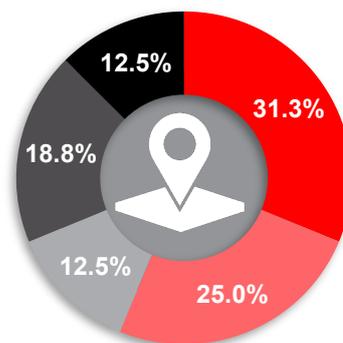
PRICE BREAKDOWN 2020[^]

×KYOGLE LARGE DWELLINGS SOLD 2020[^]



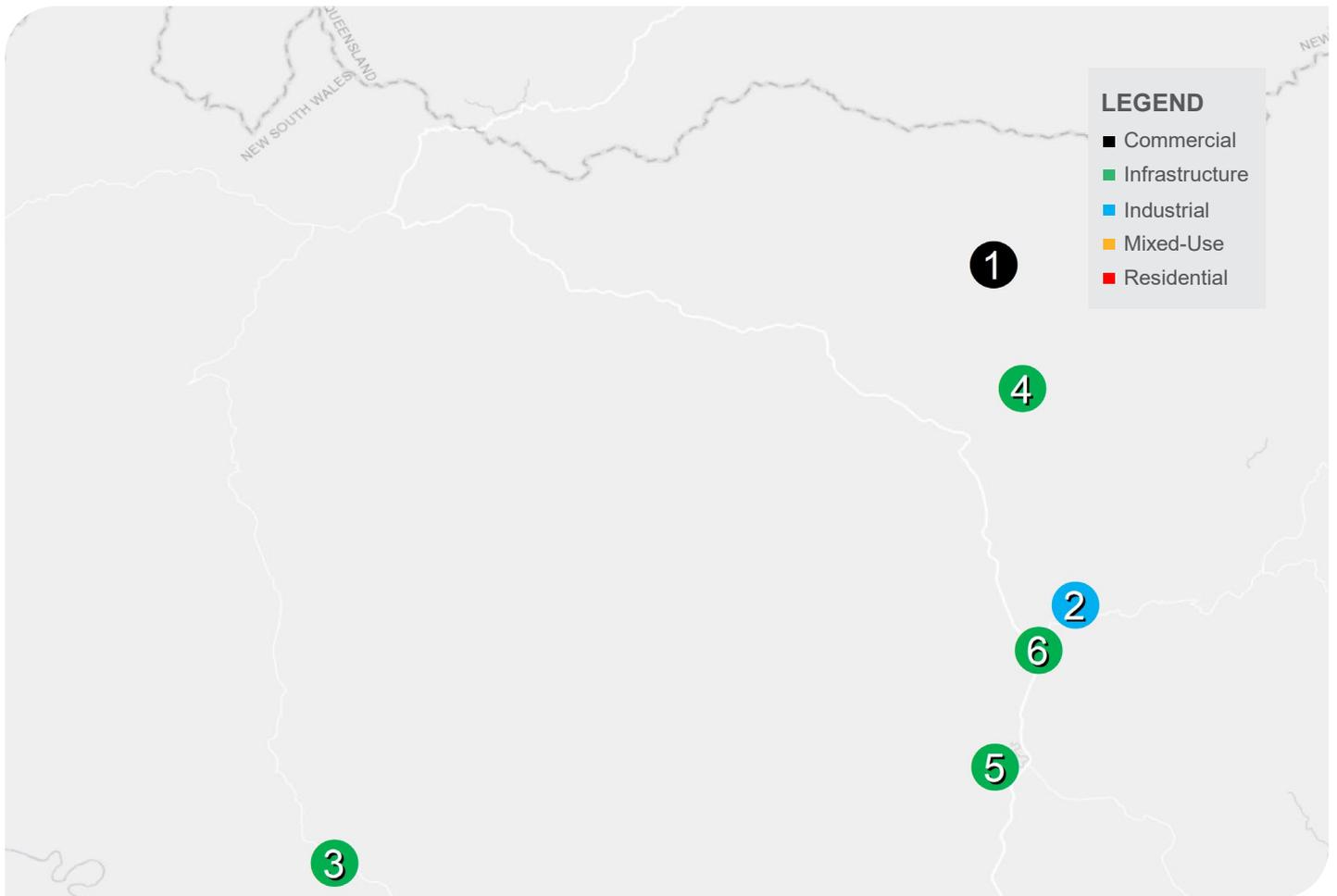
- Less than \$249,999
- \$250,000 to \$349,999
- \$350,000 to \$449,999
- \$450,000 to \$549,999
- \$550,000 and above

×KYOGLE RURAL LAND SOLD 2020[^]



- Less than \$249,999
- \$250,000 to \$299,999
- \$300,000 to \$349,999
- \$350,000 to \$399,999
- \$400,000 and above

TOP DEVELOPMENTS MAP 1ST HALF 2021[Ⓐ]



Location	Project [£]	Type	Estimated Value [Ⓜ]	Commence Date [Ⓜ]
1	Gradys Creek Road Outdoor Recreation Facility & Farm Stay Accommodation	Commercial	\$120,000	28/11/2021
2	Fawcetts Plain Road Sheds	Industrial	\$230,000	16/03/2021
3	Capeen Creek Road Bridges Replacement Package	Infrastructure	\$2,296,000	11/10/2021
4	Collins Valley Road Bridge Replacement	Infrastructure	\$775,000	18/10/2021
5	Cedar Point Bridge	Infrastructure	\$500,000	20/04/2021
6	Kyogle Council Concrete Works	Infrastructure	\$500,000	04/01/2021

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

REFERENCES

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

** Kyogle house data encapsulates aggregate property conditions within the postcode of 2474 for General Residential + Large Lot Residential Under 20,000 sqm.

*** 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 – 31/12/2020).

^ 2020 encapsulates sales transactions for 2020 (01/01/2020 – 31/12/2020).

× Data encapsulates for Rural land and Large Dwellings with over 2 hectares in square metreage measurement only.

€ Annual rental growth is a comparison between 2019 (01/01/2019 – 31/12/2019) and 2020 (01/01/2020 – 31/12/2020) house median rent figures.

¥ Kyogle market data encapsulates aggregate property conditions within the postcode of 2474.

§ Rental yields shown are as reported as of December 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 suburbs of Barkers Vale, Kyogle and Woodenbong.

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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