



Lismore Market Update

1st Half 2021



OVERVIEW

In Q1 2021, Lismore* recorded a median house price of \$515,000, and a median unit price of \$360,000. This represents annual (Q1 2020 – Q1 2021) significant median price growth of 20.8% for houses and 12.5% growth for units. Between Q1 2020 – Q1 2021 total sales increased, by 8.9% for houses (to 221 sales) and by 9.4% for units (to 35 sales). Median price growth alongside increased sales suggests real returns on capital investment in Lismore*. Now is the time to transact, particularly for owner-occupiers looking to benefit from a highly demanded market.

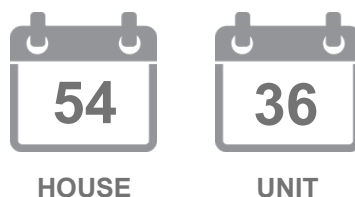
	CHANGE FROM LAST	YEAR	HALF YEAR
	House Sales	↑	↓
	House Median Price	↑	↑
	House Rental Price	↑	↑
	Unit Sales	↑	↑
	Unit Median Price	↑	↑
	Unit Rental Price	↑	↑

MARKET CONDITIONS

SALES MEDIAN PRICE Q1 2021



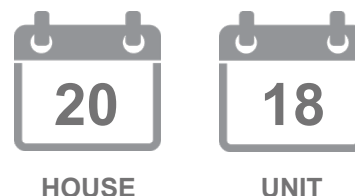
SALES AVERAGE DAYS ON MARKET Q1 2021



RENTAL MEDIAN PRICE Q1 2021

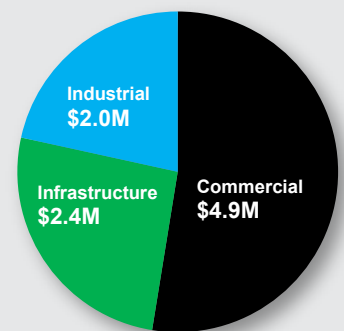


RENTAL AVERAGE DAYS ON MARKET Q1 2021



FUTURE DEVELOPMENTS

The City of Lismore LGA is set to see approximately **\$9.3M worth of new projects commencing in the 1st half of 2021.**



A large focus on commercial and infrastructure projects signals the creation of improved services, new businesses, an increase in productivity, and better liveability for residents; all of which has the potential to create more jobs and stimulate a more vibrant economy. An absence of residential development is a slight concern due to the increasing volume of house and unit sales in the past 12 months, which is needed to ensure sustainable price growth in the near future.

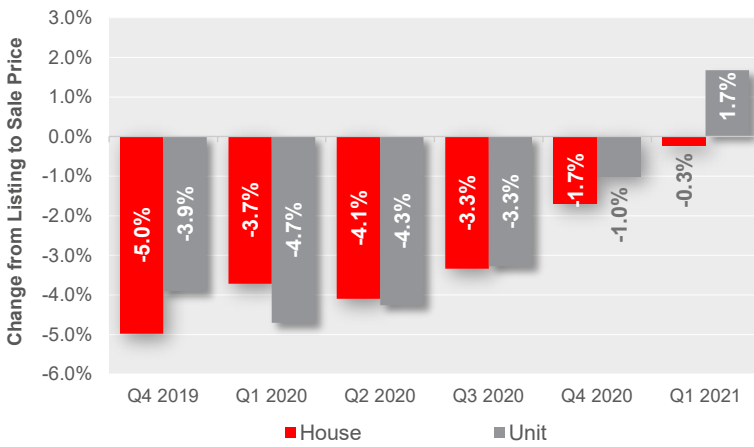
A main Commercial project over the 1st half of 2021 is the Uniting Caroonna Goonellabah (\$3.3M). It is set to construct a single storey seniors housing. This project will invite further seniors demographic in the area and create local jobs.

A total of \$2.4M will be spent on infrastructure projects in Lismore*, which are all local government supported. These include a legal aid office, Clyde Campbell solar carpark and electric vehicle charging station, and construction of a new lookout platform at Minyon Falls Lookout.

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 for developers to consider build to sell products in the market.

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.

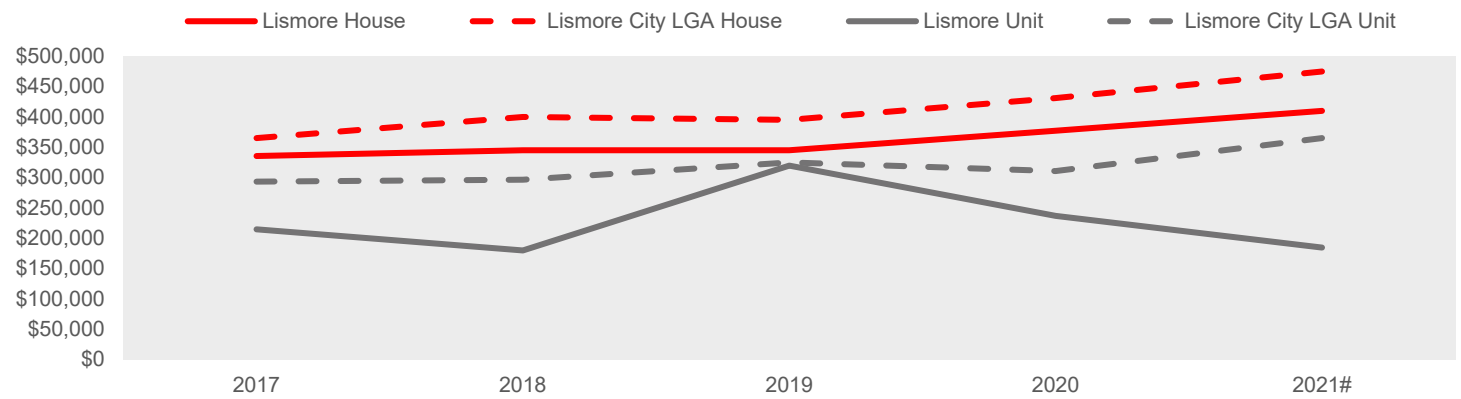


Average vendor discounts between Q1 2020 and Q1 2021 have tightened to -0.3% for houses and swung to a premium of 1.7% for units. Unit market conditions in Lismore* have become a sellers market, with buyers willing to offer above asking price. House sellers are achieving final sale prices closer to first list asking price, allowing buyers a slight discount.

In the past 5 years to #2021, the suburb of Lismore has continued to record a more affordable market compared to Lismore City Government Area (LGA), in both house and unit median prices. This provides an excellent opportunity for first home buyers to enter unit market.

The dominant proportion of homes sold in Lismore* across 2020/21^ were in the middle-price point of \$600K and above (25.3%). Units also recorded a dominant premium price point, of \$350K and above (40.6%). There is a growing premium market in Lismore*, with affordable options still available for first home buyers.

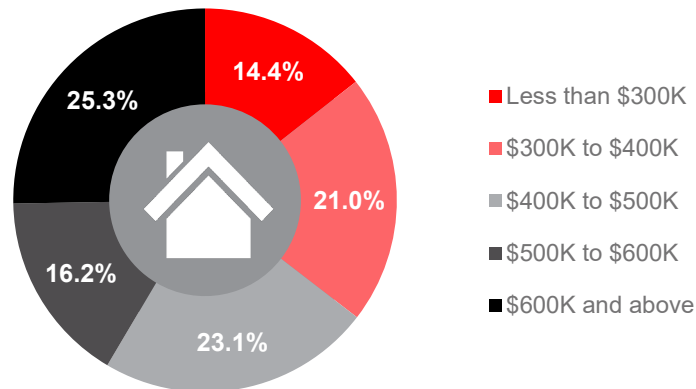
MEDIAN HOUSE PRICE COMPARISON



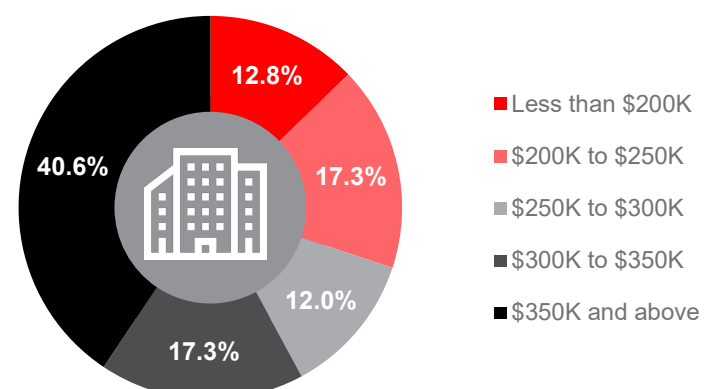
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Lismore.

PRICE BREAKDOWN 2020/21^

HOUSES SOLD



UNITS SOLD

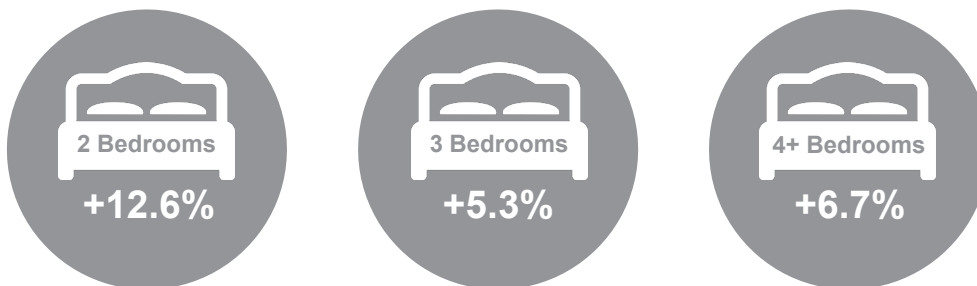


RENTAL GROWTH 2020/21€

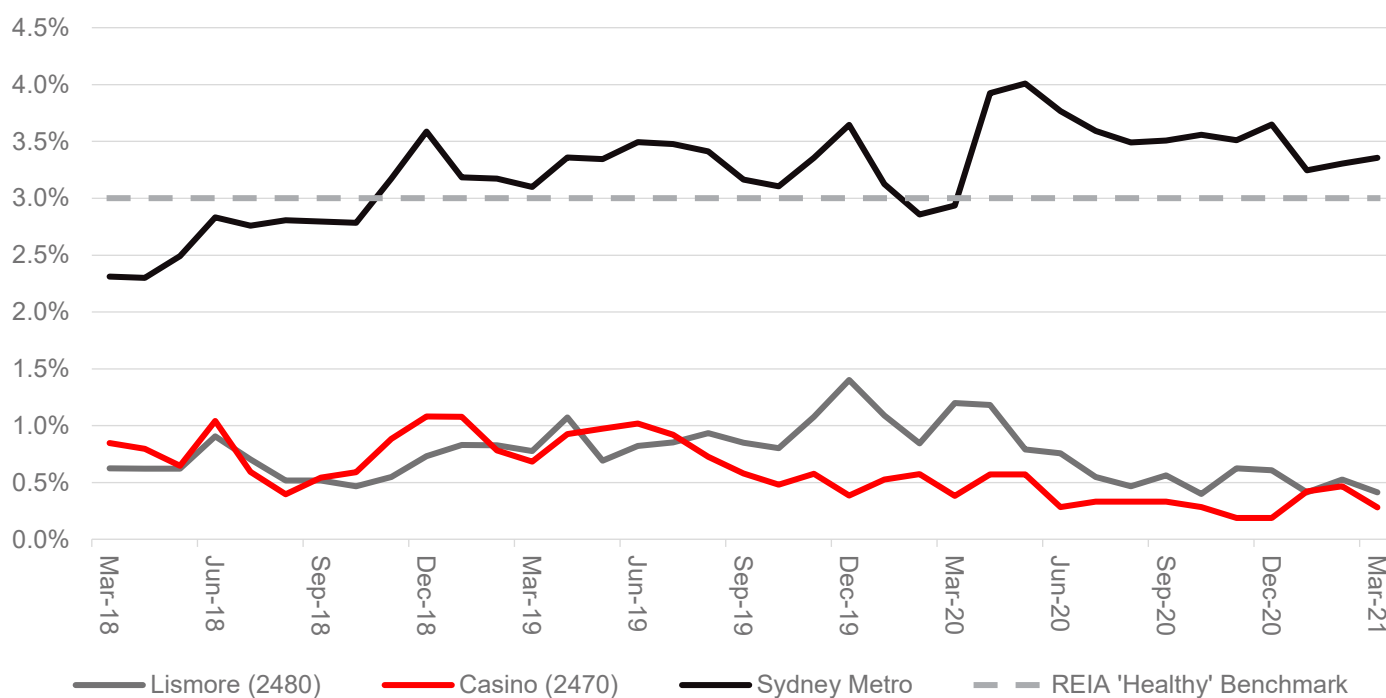
In March 2021, house rental yields in Lismore[€] were recorded at a healthy 3.8%. In the 12 months to Q1 2021 the median house rental price increased by 8.9% to \$430 per week, with average days on the market declining by -19.7% (to 20 days). This places Lismore[€] as a strong rental market, with room for more investors to enter the market.

2 bedroom houses have provided investors with +12.6% rental growth annually, with a median rent of \$358 per week.

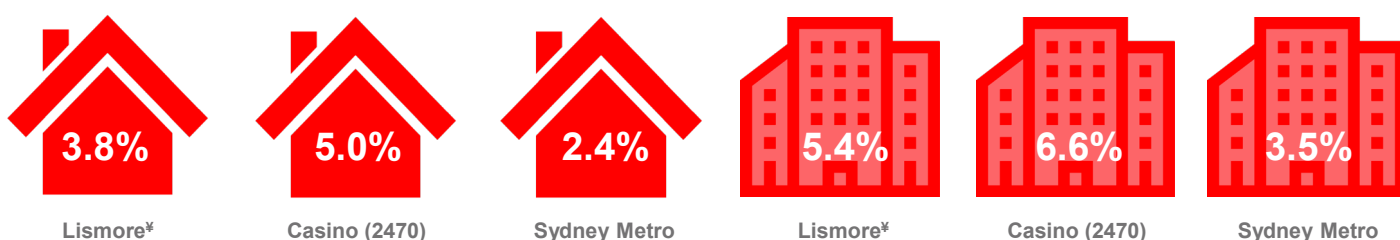
Also in March 2021, Lismore[€] recorded a significantly low vacancy rate of 0.4%, sitting well below that of Sydney Metro (3.4%). Vacancy rates in Lismore[€] have continued to trend downwards since December 2019, remaining well below the Real Estate Institute of Australia's healthy benchmark of 3.0% and currently at a historical low. There is still an influx of rental demand in the area, creating a highly conducive investment market for investors.



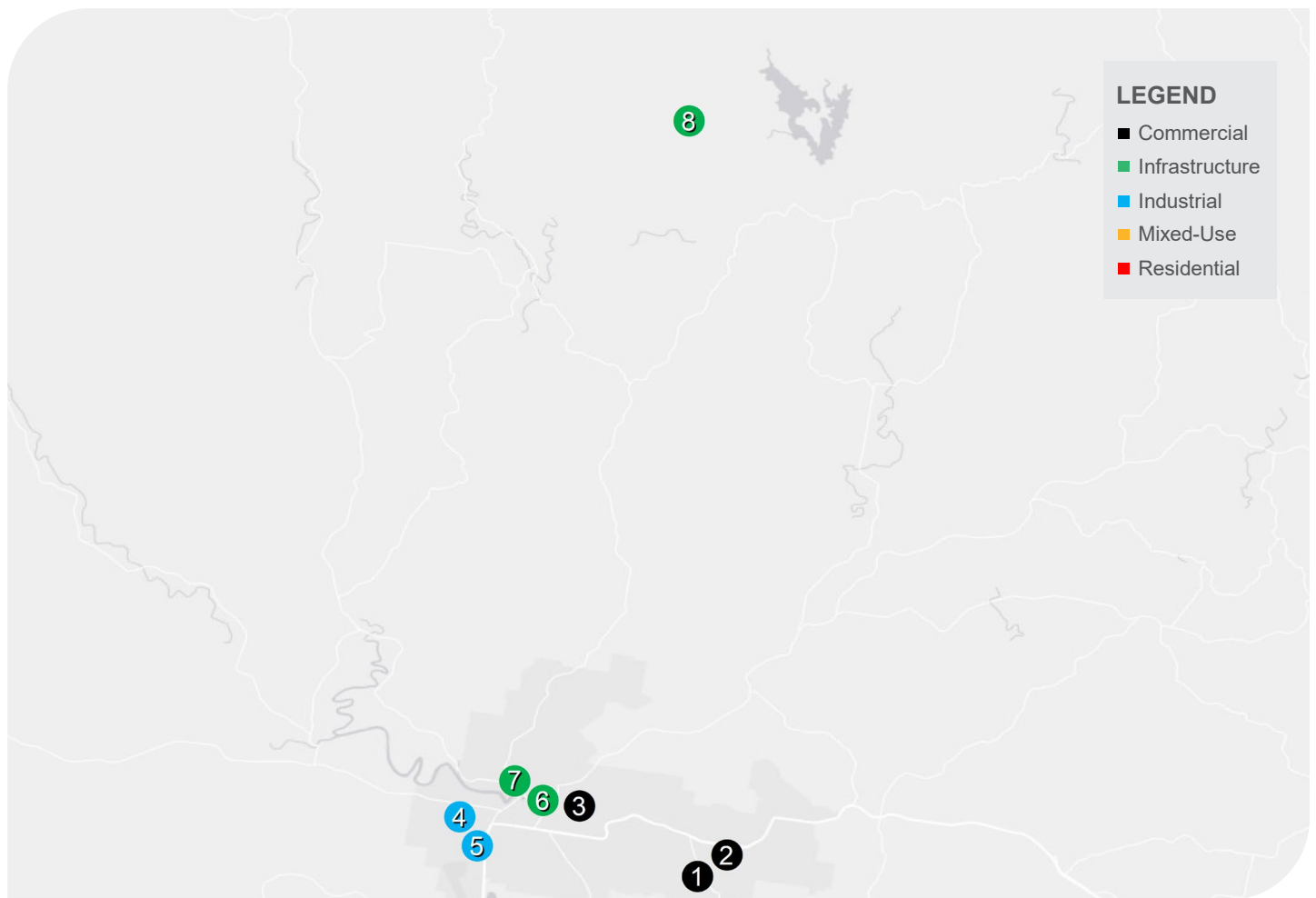
RENTAL VACANCY RATES 2021



RENTAL YIELD 2021\$



TOP DEVELOPMENTS MAP 1ST HALF 2021[Ⓐ]



Location	Project [Ⓔ]	Type	Estimated Value [Ⓜ]	Commence Date [Ⓟ]
1	Uniting Caroono Goonellabah	Commercial	\$3,374,000	17/01/2021
2	Aldi Goonellabah	Commercial	\$1,250,000	06/05/2021
3	Laurel Avenue Medical Centre	Commercial	\$250,000	10/05/2021
4	Norco Rural Store Warehouse	Industrial	\$1,350,000	08/01/2021
5	Cook St Industrial Buildings	Industrial	\$650,000	11/02/2021
6	Legal Aid Office	Infrastructure	\$1,000,000	28/01/2021
7	Clyde Campbell Solar Carpark & Electric Vehicle Charging Station	Infrastructure	\$1,000,000	26/06/2021
8	Minyon Falls Lookout	Infrastructure	\$400,000	29/03/2021

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.



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REFERENCES

*Lismore market data and key indicators encapsulates aggregate property market conditions within the suburbs of City of Lismore LGA.

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

2021 encapsulates sales transactions for Q1 2021 (01/01/2021 – 31/03/2021).

^ 2020/21 encapsulates sales transactions for 2020 & Q1 2021 (01/01/2020 – 31/03/2021).

€ Annual rental growth is a comparison between 2019 (01/01/2019 – 31/12/2019) and 2020/21 (01/01/2020 – 31/03/2021) house median rent figures.

¥ Lismore market data encapsulates aggregate property conditions within Lismore (2480).

§ Rental yields shown are as reported as of March 2021.

⌘ 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 City of Lismore 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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