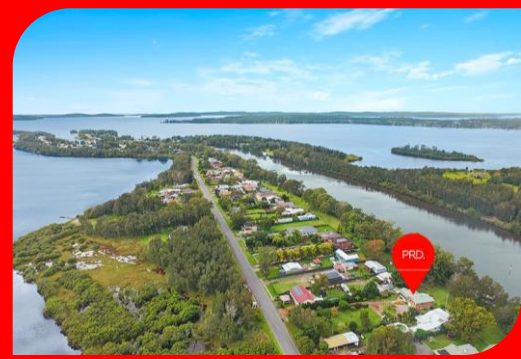




Morrisset Market Update

1st Half 2021



OVERVIEW

In Q1 2021, Morrisset* recorded a median house price of \$628,000, and a median unit price of \$400,000. This represents annual (Q1 2020 – Q1 2021) median price growth of 10.8% for houses and 8.1% for units. Between Q1 2020 – Q1 2021 total house sales increased, by 37.0% (to 126 sales), and units remained steady with 6 sales. Median price growth alongside increased sales suggests there is real returns on capital investment in Morrisset*. Now is the time to transact, particularly for owner-occupiers looking to benefit from a highly demanded market.

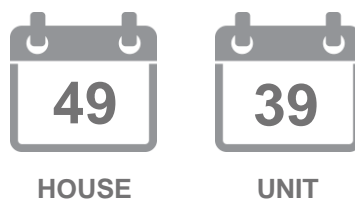
	CHANGE FROM LAST	YEAR	HALF YEAR
	House Sales	↑	↓
	House Median Price	↑	↑
	House Rental Price	↑	↔
	Unit Sales	↔	↑
	Unit Median Price	↑	↓
	Unit Rental Price	↔	↓

MARKET CONDITIONS

SALES MEDIAN PRICE Q1 2021



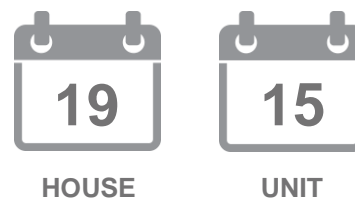
SALES AVERAGE DAYS ON MARKET Q1 2021



RENTAL MEDIAN PRICE Q1 2021

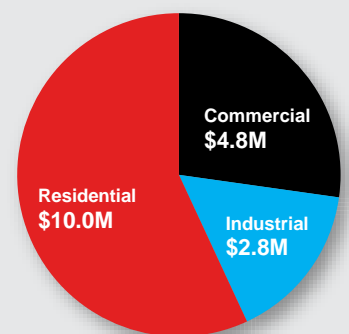


RENTAL AVERAGE DAYS ON MARKET Q1 2021



FUTURE DEVELOPMENTS

Morrisset* is set to see approximately **\$17.5M** worth of new projects commencing in the 1st half of 2021.



These projects will stimulate economic growth by creating new employment opportunities in Morrisset*, which should have a positive spill-over impact on the real estate market. New housing supply will answer current demand, ensuring sustainable price growth.

A main commercial project over the 1st half of 2021 is the \$3.6M Cedar Mill Function Centre & Restaurant Stage 1, set to alter the existing building and create 3 upstairs function rooms, ground level family activity space, and indoor seating with an attached café.

Key residential projects include: Stockton Street Dwellings Stages 1&2 Woodlands Morrisset (\$4.2M, 33 dwellings), Bonnells Bay Lifestyle Precinct (\$3.5M, 11 units), Alton Rd Residential Subdivision (\$1.7M, 38 lots), and McCullough St Residential Subdivision (\$550K, 22 lots).



11 Units/
Apartments



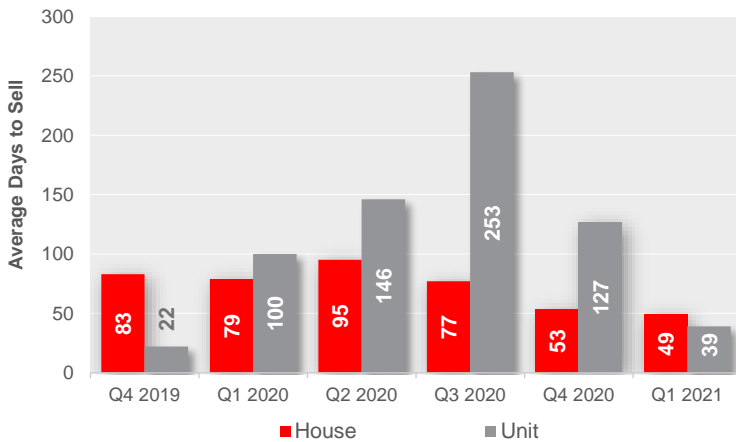
33
Dwellings



60 Lots

AVERAGE DAYS TO SELL*

The average number of days to sell a property is a useful indicator for buyer activity. A declining trend in average days to sell suggests an increasingly competitive market, while an increasing trend may indicate a slowing in consumer demand.



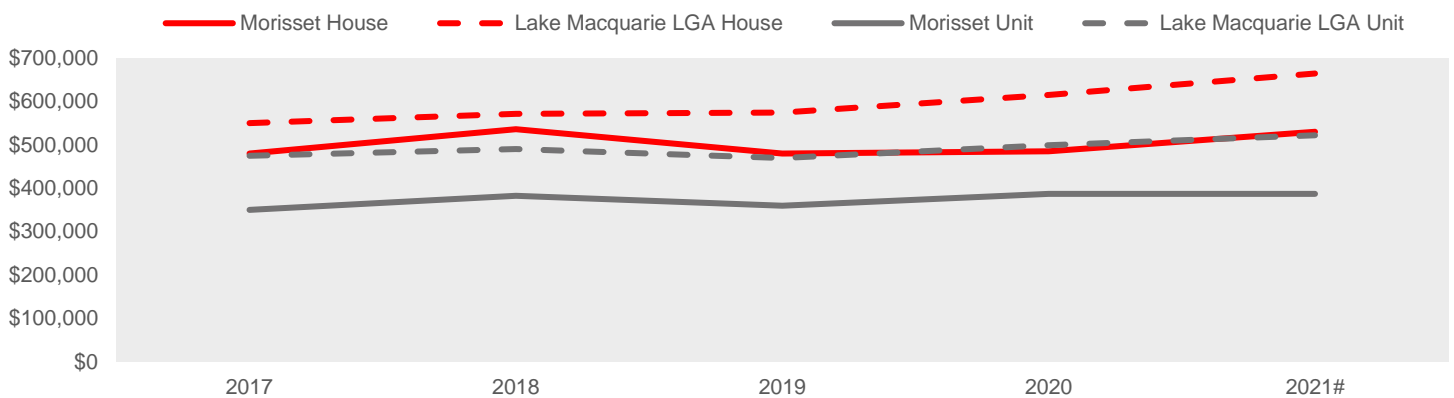
KEY COMMENTS

The average days to sell a house in Morisset* has declined by -38.0% in the 12 months to Q1 2021, to 49 days. This suggests buyer demand is on the rise as properties are selling more quickly. A similarly sharp drop was also recorded for units, which moved down to an average of just 39 days for the same period.

The suburb of Morisset has historically provided a more affordable option than the wider Lake Macquarie Local Government Area (LGA) in both house and unit median prices. This continues to be the case throughout 2021#.

The dominant proportion of homes sold in Morisset* across 2020/21^ were in the premium price bracket of above \$700K (29.2%), while units recorded a dominant lower-middle price point of \$400K-\$450K (39.4%). This reveals that there is a range of price points readily accessible across Morisset*, in good news for buyers.

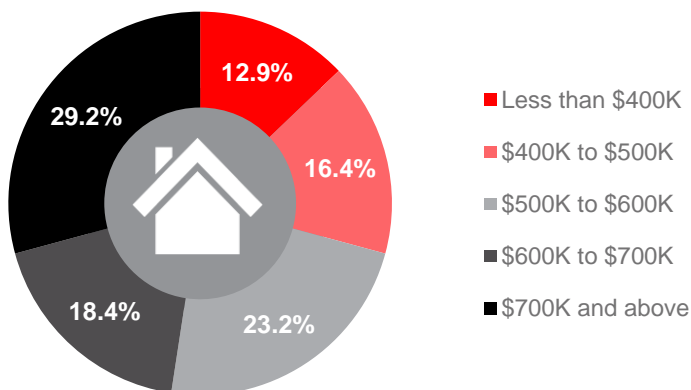
MARKET COMPARISON



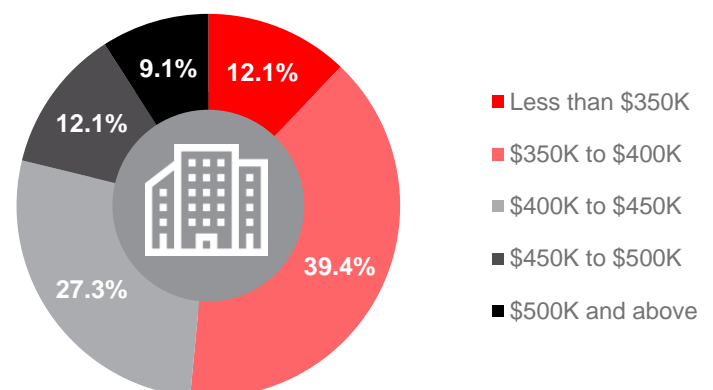
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Morisset.

PRICE BREAKDOWN 2020/21^

HOUSES SOLD



UNITS SOLD

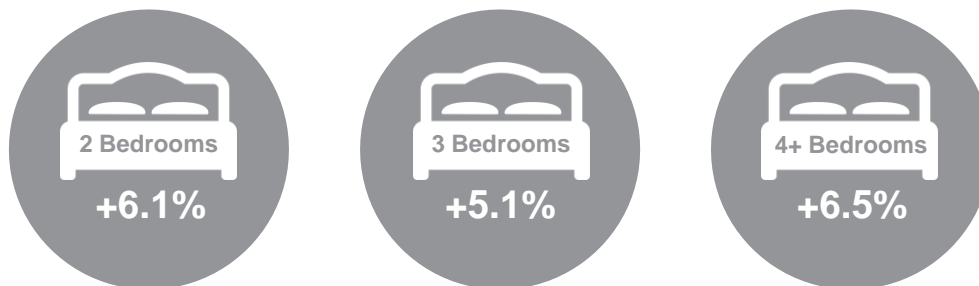


RENTAL GROWTH 2020/21€

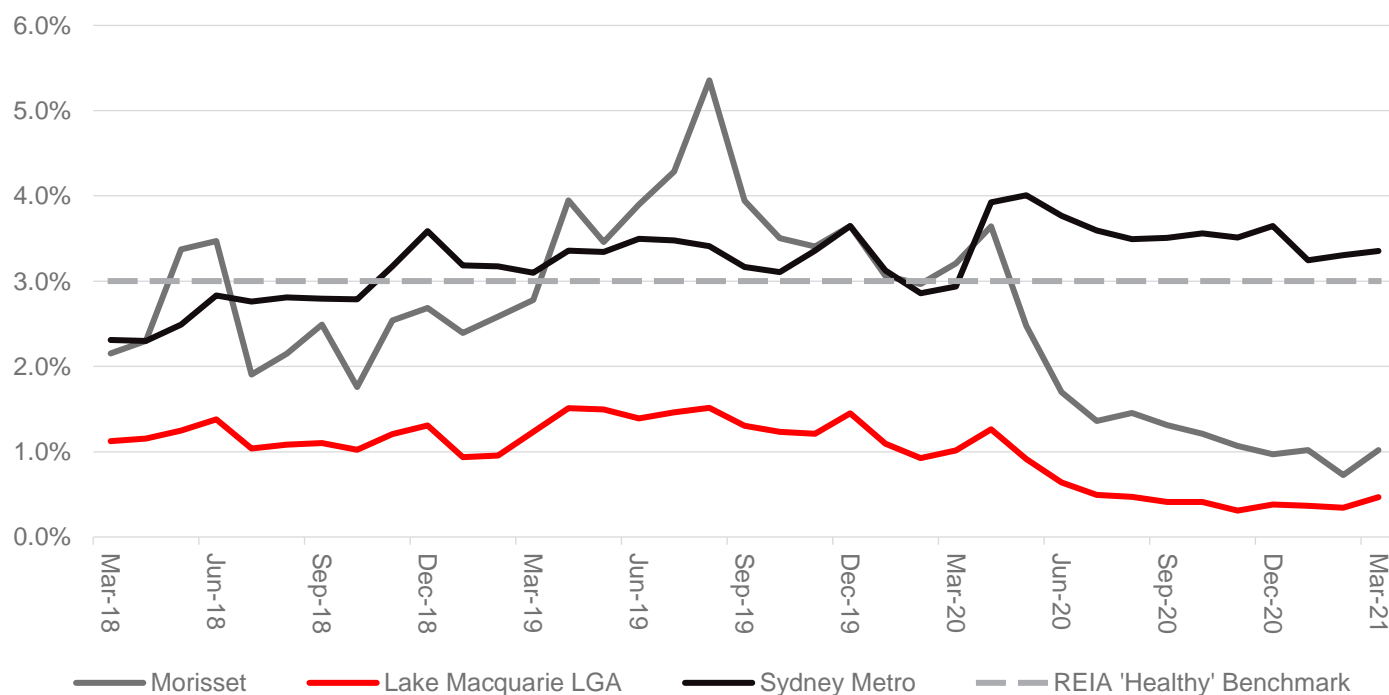
In March 2021, house rental yields in Morisset* were recorded at 3.6%. In the 12 months to Q1 2021, the median house rental price increased by 2.4% to reach \$430 per week, while average days on the market declined by -39.6% (to 19 days). Overall this suggests Morisset* has remained a strong resilient rental market throughout COVID-19.

4+ bedroom houses have provided investors with +6.5% rental growth annually, achieving a median rent of \$490 per week.

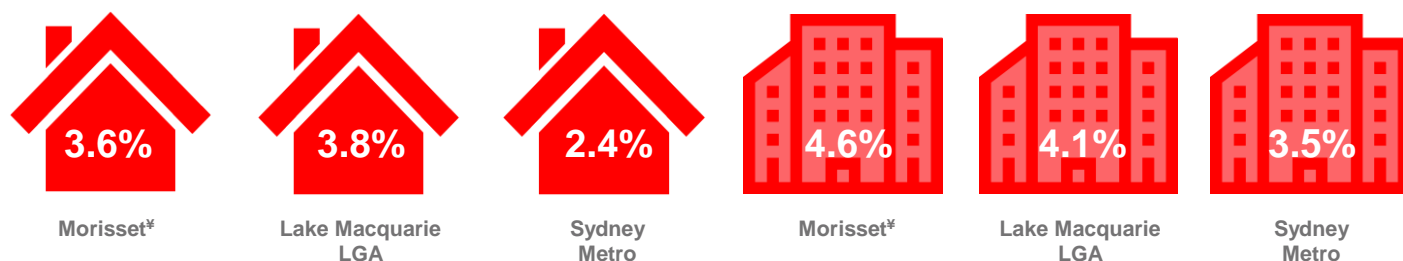
Also in March 2021, Morisset* recorded a very low vacancy rate of 1.0%, above Lake Macquarie LGA (0.5%) but well below Sydney Metro (2.4%). Vacancy rates in Morisset* have recorded a declining trend since April 2020, whilst also remaining below the Real Estate Institute of Australia's healthy benchmark of 3.0%, even amidst COVID-19 conditions. This confirms there is an ongoing healthy level of rental demand, creating a conducive investment environment in Morisset*.



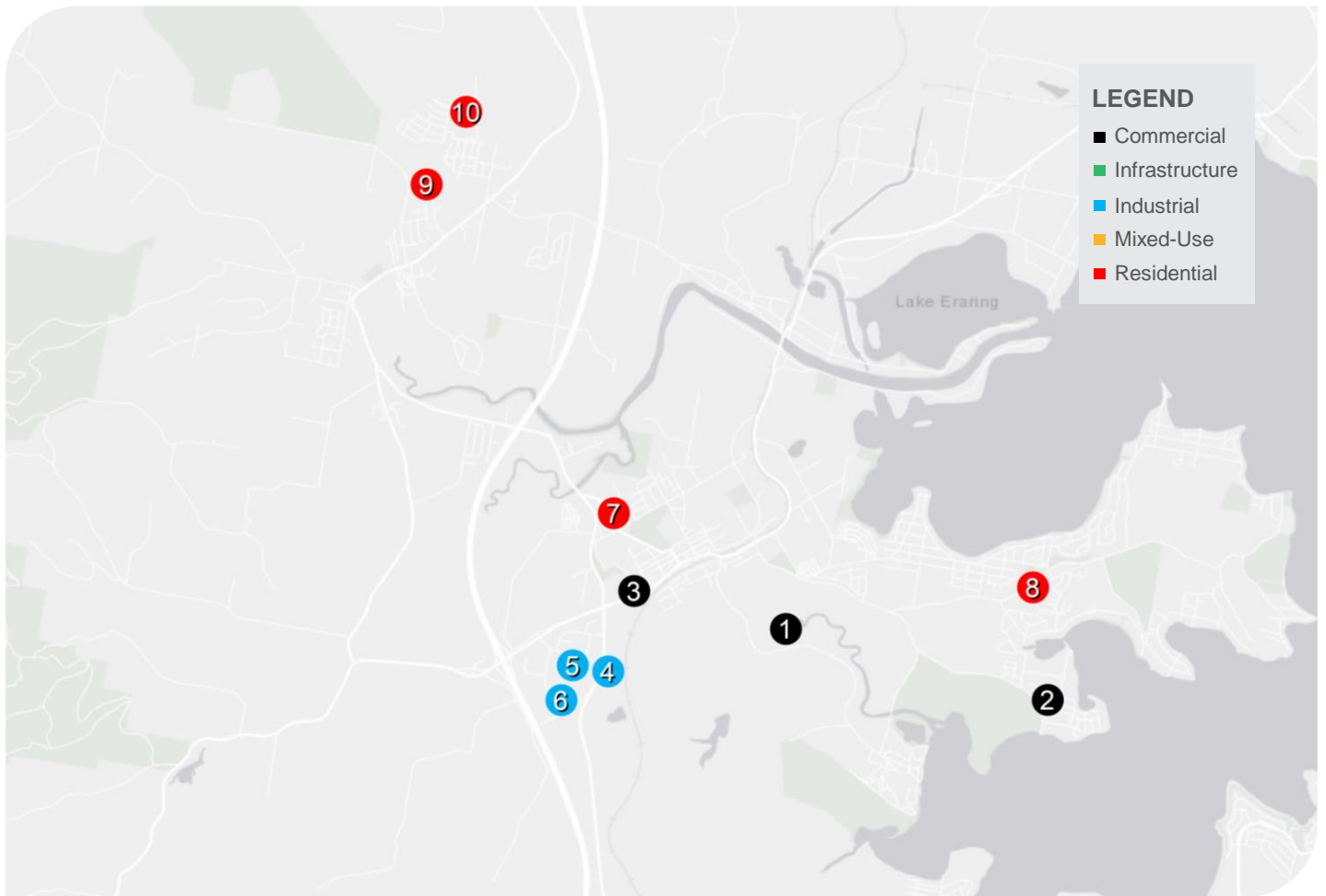
RENTAL VACANCY RATES 2021



RENTAL YIELD 2021§



TOP DEVELOPMENTS MAP 1ST HALF 2021[Ⓐ]



Location	Project [Ⓔ]	Type	Estimated Value [Ⓜ]	Commence Date [Ⓜ]
1	Cedar Mill Function Centre & Restaurant Stage 1	Commercial	\$3,551,000	03/05/2021
2	Trinity Point Marina & Tourism Development	Commercial	\$788,000	26/04/2021
3	McDonalds Morisset	Commercial	\$421,000	22/03/2021
4	Gateway Boulevard & Venture Close Industrial Building	Industrial	\$1,980,000	28/03/2021
5	Prosperity Close Light Industrial Building	Industrial	\$400,000	03/05/2021
6	Accolade Avenue Industrial Building	Industrial	\$391,000	20/06/2021
7	Stockton Street Dwellings Stages 1 & 2 - Woodlands Morisset (33 Dwellings)	Residential	\$4,200,000	24/05/2021
8	Bonnells Bay Lifestyle Precinct (11 Units)	Residential	\$3,500,000	19/01/2021
9	Alton Road Residential Subdivision (38 Lots)	Residential	\$1,700,000	14/05/2021
10	Mccullough Street Residential Subdivision (22 Lots)	Residential	\$550,000	14/05/2021

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

* Morisset market data and key indicators encapsulates aggregate property market conditions within the postcodes of 2264 and 2265.

** 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.

¥ Morisset market data encapsulates aggregate property conditions within the postcodes of 2264 and 2265.

§ 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 postcodes of 2264 and 2265.

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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