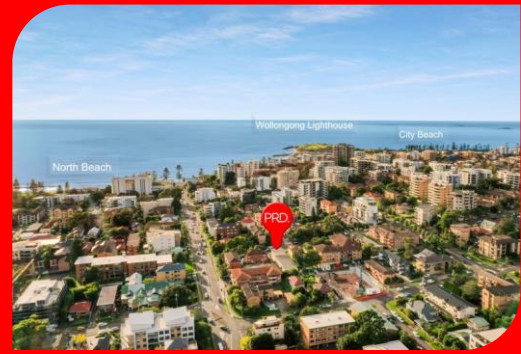




Dapto Market Update

1st Half 2021



OVERVIEW

In Q1 2021, Dapto* recorded a median house price of \$651,000, and a median unit price of \$535,000. This represents annual (Q1 2020 – Q1 2021) median price growth of 6.7% for houses and 4.1% for units. Between Q1 2020 and Q1 2021 total sales slowed for both markets, by -1.7% for houses (to 113 sales), and by -9.5% for units (to 19 sales). Median price growth as a result of less sales indicate a potential undersupply in the market, an opportune time for owner-occupiers and residential developers looking to benefit from a highly demanded market.

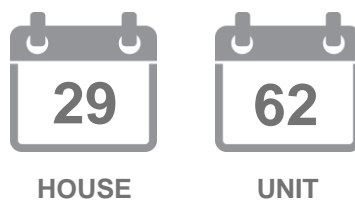
	CHANGE FROM LAST	YEAR	HALF YEAR
	House Sales	↓	↓
	House Median Price	↑	↑
	House Rental Price	↓	↓
	Unit Sales	↓	↑
	Unit Median Price	↑	↑
	Unit Rental Price	↑	↑

MARKET CONDITIONS

SALES MEDIAN PRICE Q1 2021



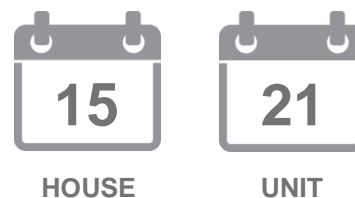
SALES AVERAGE DAYS ON MARKET Q1 2021



RENTAL MEDIAN PRICE Q1 2021

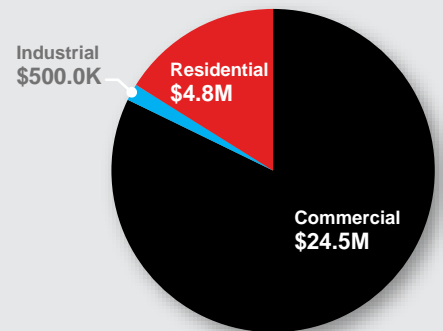


RENTAL AVERAGE DAYS ON MARKET Q1 2021



FUTURE DEVELOPMENTS

Dapto* is set to see approximately **\$29.8M** worth of new projects commencing in the 1st half of 2021.



A concentration in commercial projects will stimulate economic growth and create new employment opportunities in Dapto*, which should have a positive spill-over impact on the real estate market.

A main commercial project over the 1st half of 2021 is the Anglicare St Lukes Village Independent Living Units – Stage 2 (\$15.0M). This project will see the demolition of existing buildings, with 2 new flat blocks holding 60x 1-bedroom self-contained seniors apartments.

Residential projects such as West Dapto Road Residential Subdivision – Greenview Estate (\$2.8M, 61 lots) will assist first home buyers who are eligible for multiple government grants, to build their home and step into the property market. Minimal build to sell ready stock creates an opportunity for developers wanting to enter the market, as there is an undersupply in this asset class.



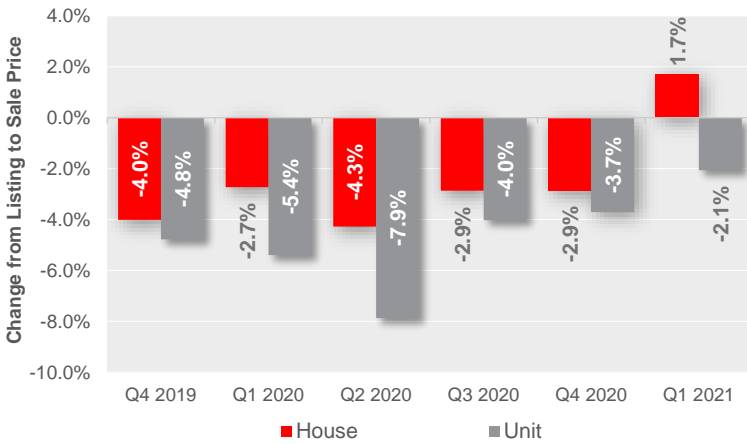
8 Units/
Apartments



61 Lots

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.

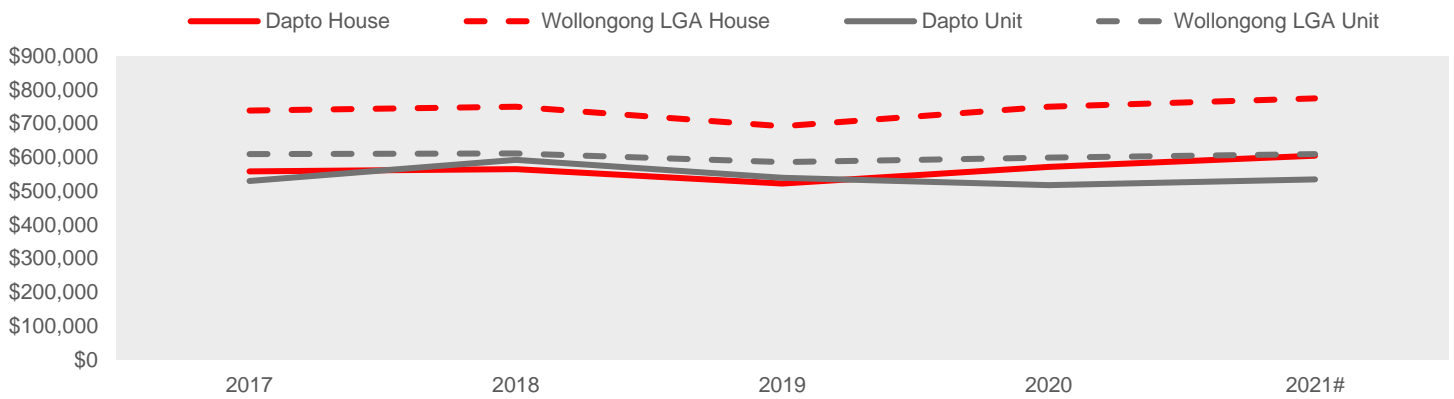


Average vendor discounts between Q1 2020 and Q1 2021 have swung to a premium for houses, at 1.7%. It has for units, to -2.1%. House market conditions have now shifted to favour vendors, as buyers are willing to offer above the initial listing price. Unit buyers can still benefit from a discount, however time is limited.

The suburb of Dapto has historically offered greater value than the wider Wollongong Local Government Area (LGA) in both house and unit median prices. This continues to be the case in 2021#.

The dominant proportion of homes sold in Dapto* across 2020/21^ were in the middle-price bracket of \$600K-\$700K (27.7%), while units recorded a dominant upper-middle price point of \$500K-\$550K (40.0%). This reveals that there is a range of variously priced stock available, which is good news for buyers looking to enter the Dapto* market.

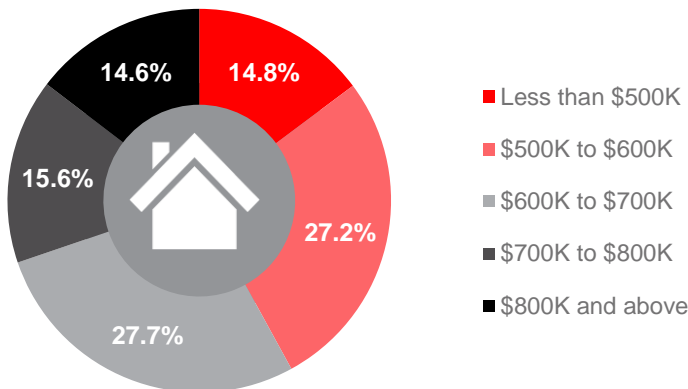
MARKET COMPARISON



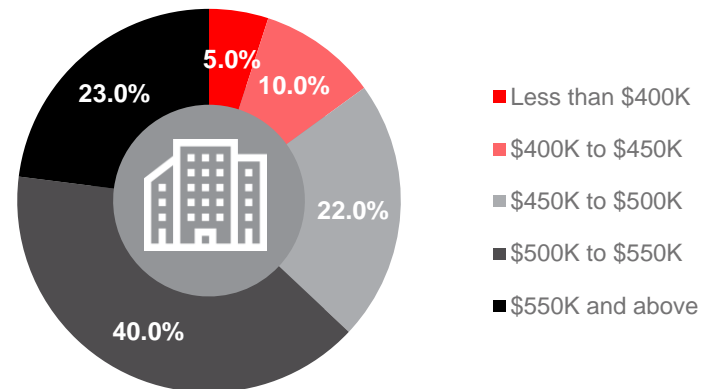
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Dapto.

PRICE BREAKDOWN 2020/21^

HOUSES SOLD



UNITS SOLD

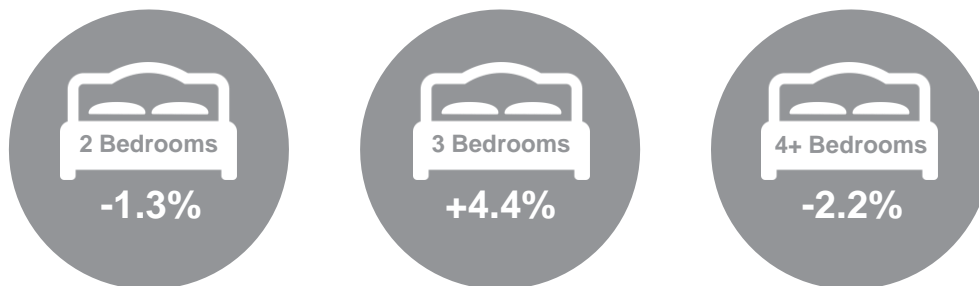


RENTAL GROWTH 2020/21€

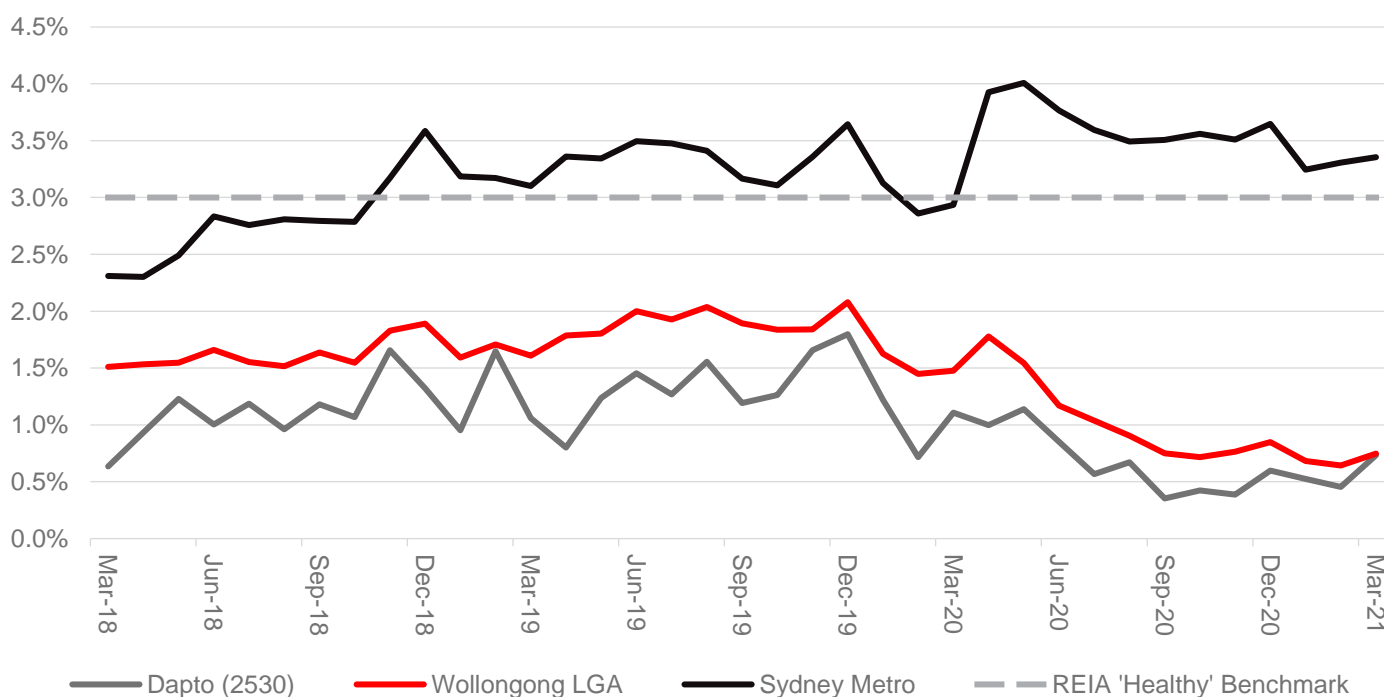
In March 2021, house rental yields in Dapto* were recorded at 3.7%. In the 12 months to Q1 2021, the median house rental price has softened by -2.0% to sit at \$480 per week, however average days on the market declined by -31.3% (to just 15 days). Overall this suggests Dapto* has proven a relatively resilient rental market throughout COVID-19.

3 bedroom houses have provided investors with +4.4% rental growth annually, achieving a median rent of \$470 per week.

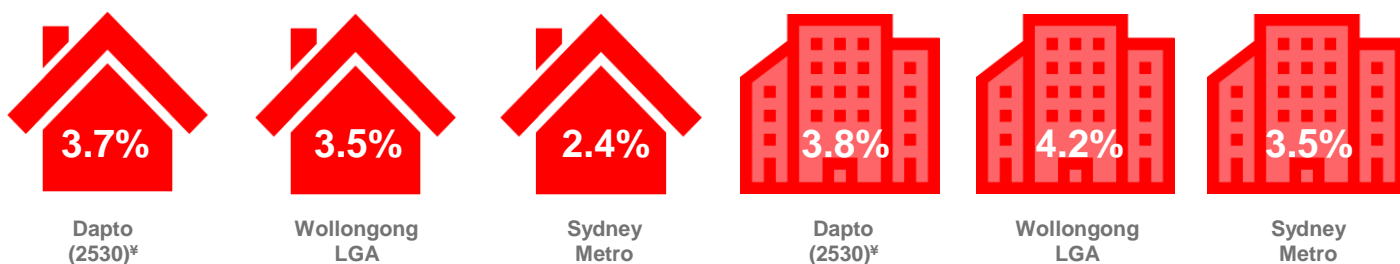
Also in March 2021, Dapto* recorded a very low vacancy rate of 0.7%, on-par with Wollongong LGA (0.7%) and well below Sydney Metro (3.4%). Vacancy rates in Dapto* have continued on a declining trend since December 2019, and remain well below the Real Estate Institute of Australia's healthy benchmark of 3.0%, even amidst COVID-19 conditions. This confirms there is an increasingly healthy rental demand, creating conducive investment environment in Dapto*.



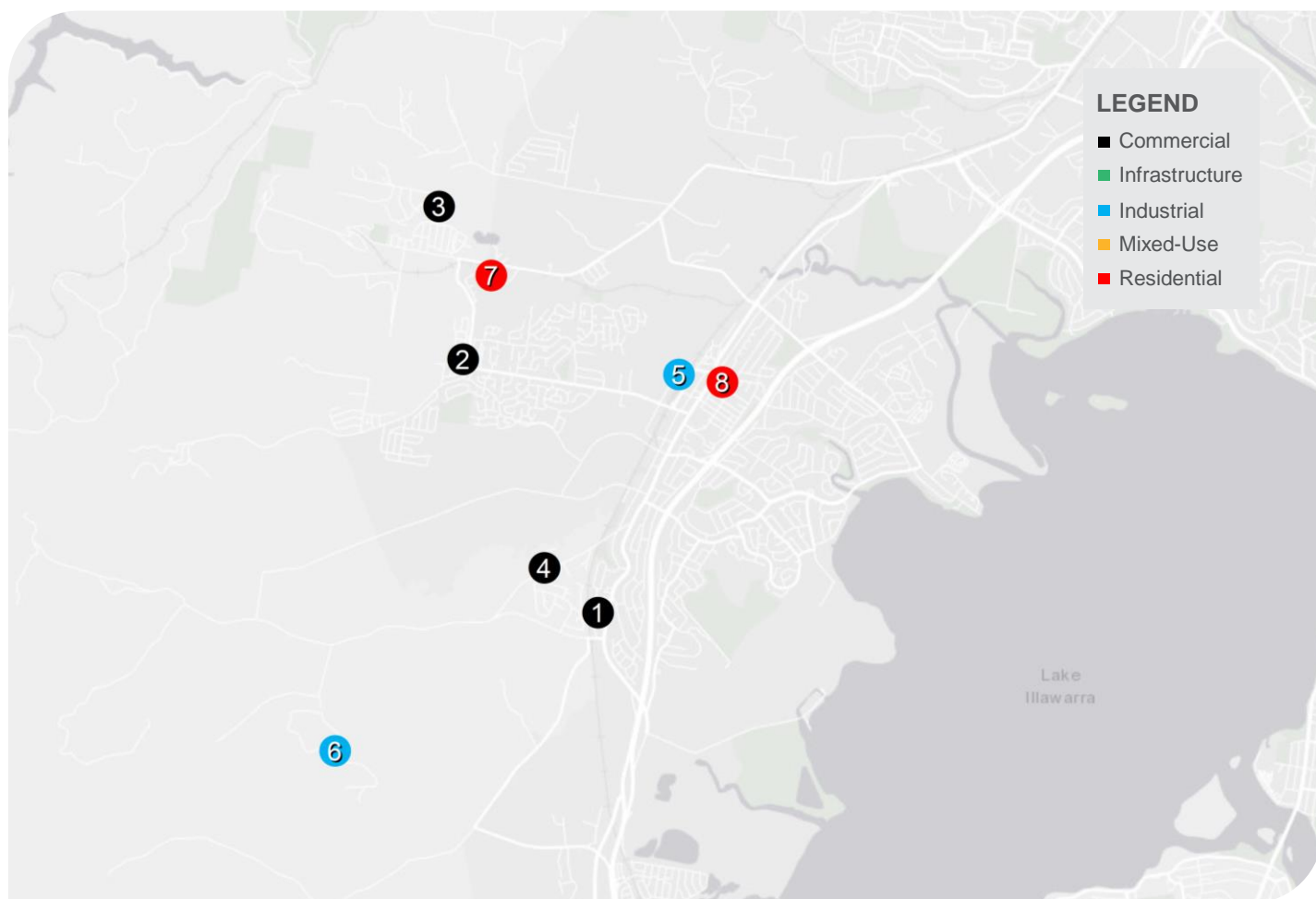
RENTAL VACANCY RATES 2021



RENTAL YIELD 2021§



TOP DEVELOPMENTS MAP 1ST HALF 2021[Ⓐ]



Location	Project [Ⓔ]	Type	Estimated Value [Ⓝ]	Commence Date [Ⓞ]
1	Anglicare St Lukes Village Independent Living Units Stage 2	Commercial	\$15,000,000	08/02/2021
2	Hammondcare At Home Stage 2B	Commercial	\$7,500,000	11/02/2021
3	Little Zacs Adacamy The Vale At Vistapark Wongawilli	Commercial	\$1,000,000	06/01/2021
4	Avondale Road Boarding House	Commercial	\$1,000,000	30/04/2021
5	Hamilton Street Light Industrial Shed	Industrial	\$300,000	31/03/2021
6	Mountain View Terrace Farm Shed	Industrial	\$200,000	04/05/2021
7	West Dapto Road Residential Subdivision - Greenview Estate (61 Lots)	Residential	\$2,800,000	22/03/2021
8	Werowi Street Units (8 Units)	Residential	\$2,000,000	27/04/2021

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

* Dapto market data and key indicators encapsulates aggregate property market conditions within the postcode of 2530.

** 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.

¥ Dapto market data encapsulates aggregate property conditions within the postcode of 2530.

§ 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 postcode of 2530.

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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