



# Kyogle Market Update 2nd Half 2021



## OVERVIEW

In Q2 2021, Kyogle\* recorded a median house price of \$465,000, and a median vacant land price of \$220,000. This represents annual (Q2 2020 – Q2 2021) median price growth of 6.9% for houses and a softening of -11.3% for vacant land. Between Q2 2020 and Q2 2021 total sales for houses increased, by 43.3% (to 43 sales), however vacant land sales slowed by -40.0% (to 6 sales). Home owners can benefit from real returns in investment, as house price growth is accompanied by higher transaction volumes. Astute investors and first home buyers are encouraged to tap into the affordable land market.

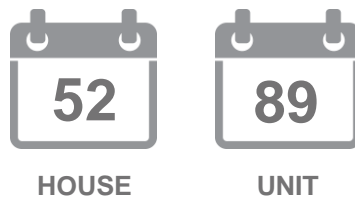
	CHANGE FROM LAST	YEAR	HALF YEAR
	House Sales	↑	↓
	House Median Price	↑	↑
	House Rental Price	↑	↑
	Unit Sales	↓	↓
	Unit Median Price	↓	↑
	Unit Rental Price	↑	↑

## MARKET CONDITIONS

### SALES MEDIAN PRICE Q2 2021



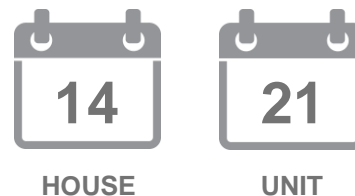
### SALES AVERAGE DAYS ON MARKET Q2 2021



### RENTAL MEDIAN PRICE Q2 2021

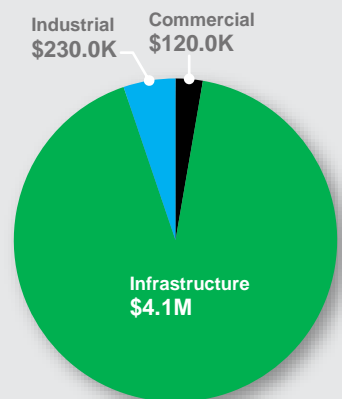


### RENTAL AVERAGE DAYS ON MARKET Q2 2021



## FUTURE DEVELOPMENTS

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



A focused approach on infrastructure projects 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.

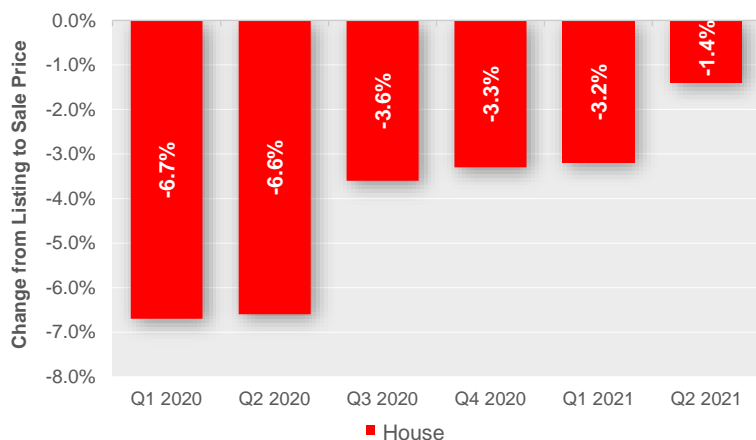
A major infrastructure project in 2021 is Capeen Creek Road Bridges Replacement Package (\$2.3M), which is a local Kyogle government initiative. This project is set to replace three timber bridges with new concrete & steel bridges. This will improve liveability for local residents.

With the absence in 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.

# 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.

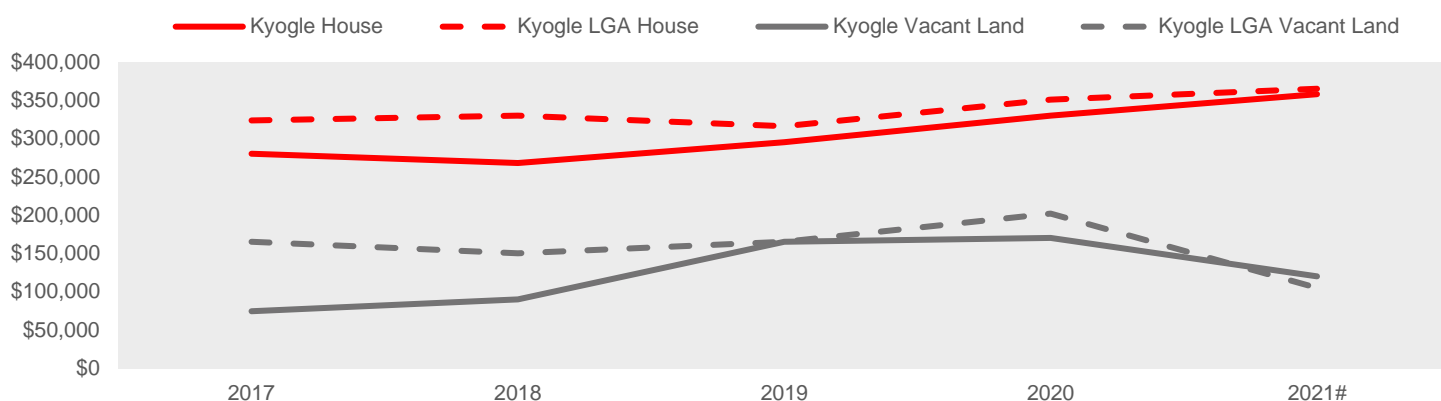
Average vendor discounts between Q2 2020 and Q2 2021 have tightened to -1.4% for houses. The Kyogle\* market has shifted to favour vendors, where buyers must offer closer to the first listing price. Buyers can still benefit from a discount, however for a limited time.



The suburb of Kyogle historically recorded a more affordable market in comparison to the wider Kyogle Local Government Area (LGA) for both property types. This remains true in 2021# for houses, however there is now a smaller gap between the suburb and LGA. Land in Kyogle have slightly surpassed the LGA price.

The dominant proportion of homes sold in Kyogle\* in 2021^ were in the middle price segment of \$350,000 to \$449,999 (25.0%). Land sales recorded dominant upper price point of \$300,000 to \$399,999 (33.3%). There is a well-balanced spread of price point sales for house and land, which suggests a home for various budgets. That said highly affordable house options are limited,

## MARKET COMPARISON

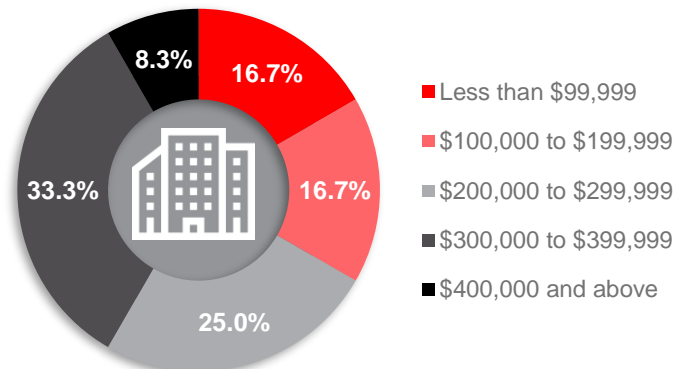
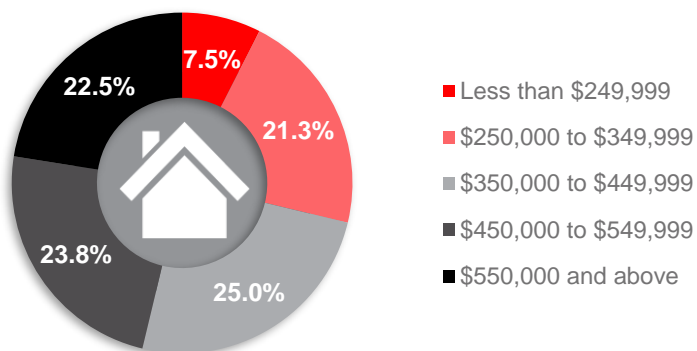


The market comparison graph provides a comparative trend for the median price of houses and land over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Kyogle.

## PRICE BREAKDOWN 2021^

### HOUSES SOLD

### LAND SOLD

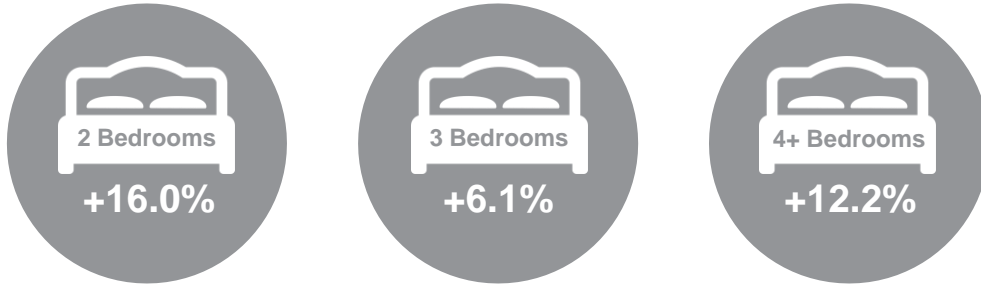


## RENTAL GROWTH 2021€

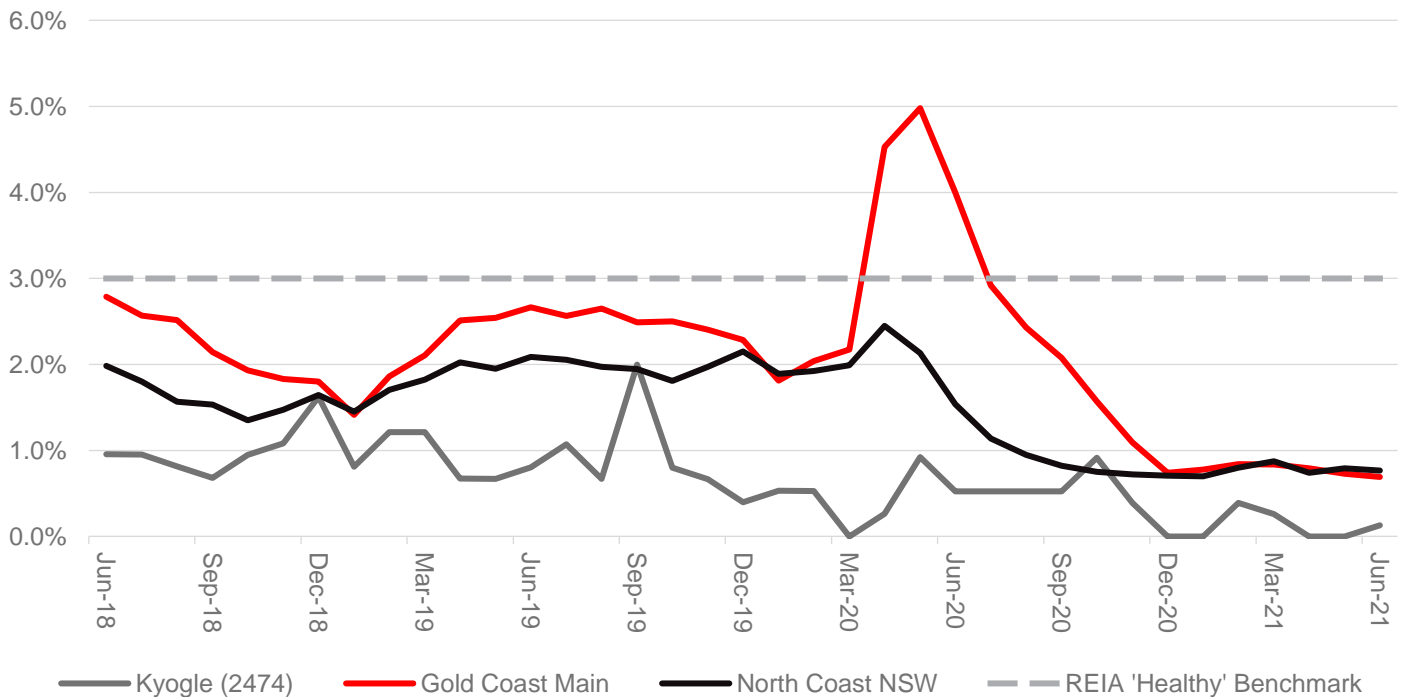
In June 2021, house rental yields in Kyogle<sup>€</sup> were recorded at 3.0%. In the 12 months to Q2 2021, the median house rental price increased by 20.7% to reach \$350 per week, while average days on the market declined by -51.7% (to 14 days). Overall this represents a strong rental market throughout COVID-19, one that is inviting to astute investors.

2 bedroom houses have provided investors with +16.0% rental growth annually<sup>€</sup>, with a median rent of \$290 per week.

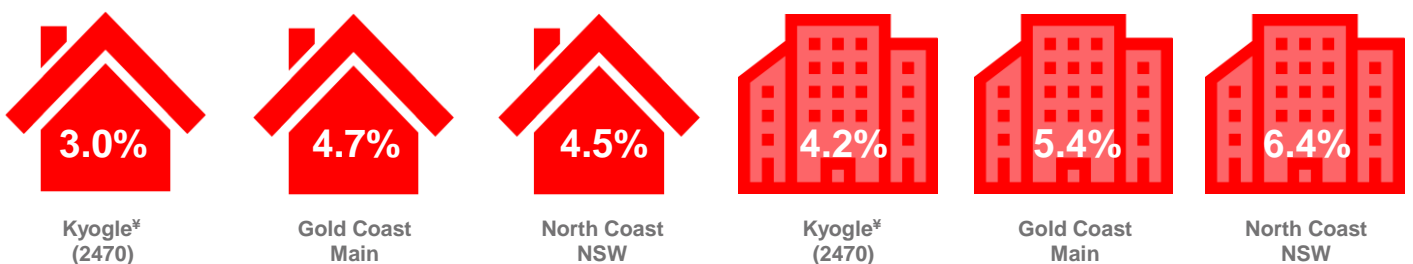
Also in June 2021, Kyogle<sup>€</sup> recorded a significantly low vacancy rate of 0.1%, well below that of Gold Coast Main (0.7%) and North Coast New South Wales (0.8%). Vacancy rates in Kyogle<sup>€</sup> have remained well below the Real Estate Institute of Australia's healthy benchmark of 3.0%, continuing the pattern even from pre-COVID-19 conditions. This further indicates that there is a healthy rental demand and investors can be confident of a conducive investment environment in Kyogle<sup>€</sup>.



## RENTAL VACANCY RATES 2021



## RENTAL YIELD 2021§



## CHANGE FROM LAST

12 Months

- × Kyogle\* Median Dwelling Sales ↓
- × Kyogle\* Median Dwelling Median Price ↑
- × Kyogle\* Rural Land Sales ↓
- × Kyogle\* Rural Land Median Price ↑



**\$675K**

2021<sup>^</sup> MEDIAN DWELLING<sup>^</sup> PRICE



**\$372K**

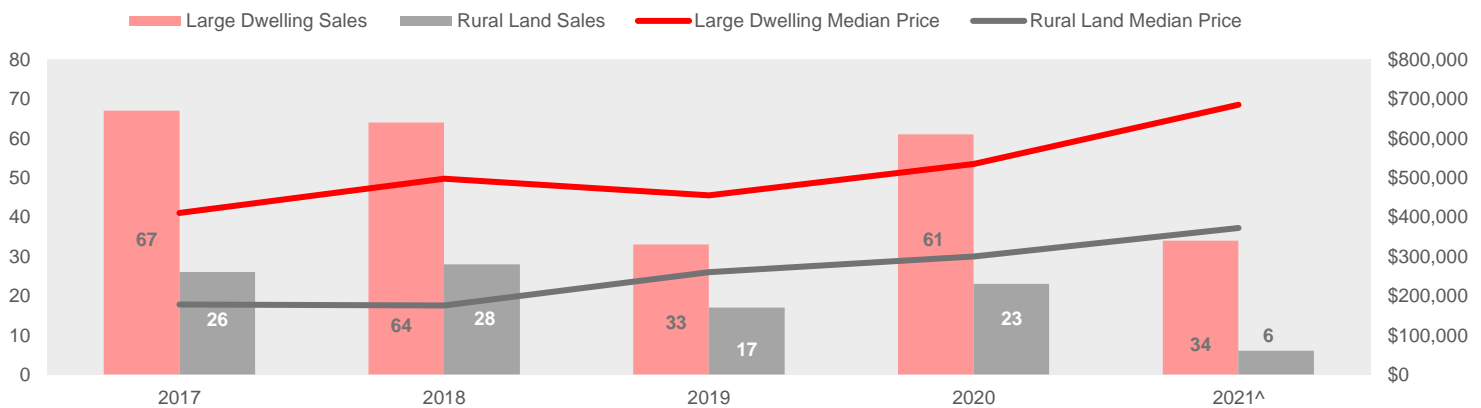
2021<sup>^</sup> MEDIAN RURAL LAND<sup>^</sup> PRICE

## KEY COMMENTS

Kyogle\*\* experienced exponential median price growth in both large rural residential dwellings and rural land over the past 12 months to 2021<sup>^</sup>, up by 28.0% and 24.0% respectively. However supply has been very limited, which when combined with high demand and a low interest rate environment has resulted in a price growth surge. Current market conditions is conducive for vendors to sell, as there is a higher chance of achieving final sale prices closer to their expectations.

In 2021<sup>^</sup> the dominant proportion of rural land sales was within the upper price segment of \$350,000 to \$399,999, accounting for 50.0% of sales. Furthermore, there was a high buyer activity within the highest price segment of \$550K and above for large rural residential dwellings, accounting for 57.1% of sales. This shows a move towards premium market pricing. That said first home buyers looking for rural land are still encouraged to enter the market as there are still affordable options.

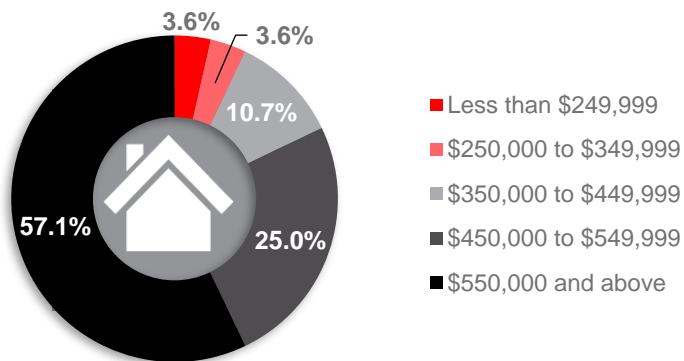
## MARKET COMPARISON



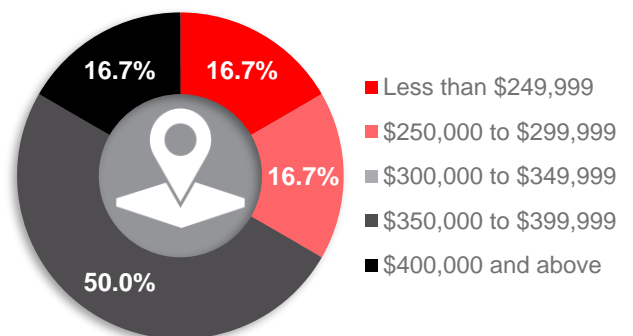
The market comparison graph provides a comparative trend for large dwelling and rural land median prices (over 2 hectares) over the past 5 years in Kyogle\*.

## PRICE BREAKDOWN 2021<sup>^</sup>

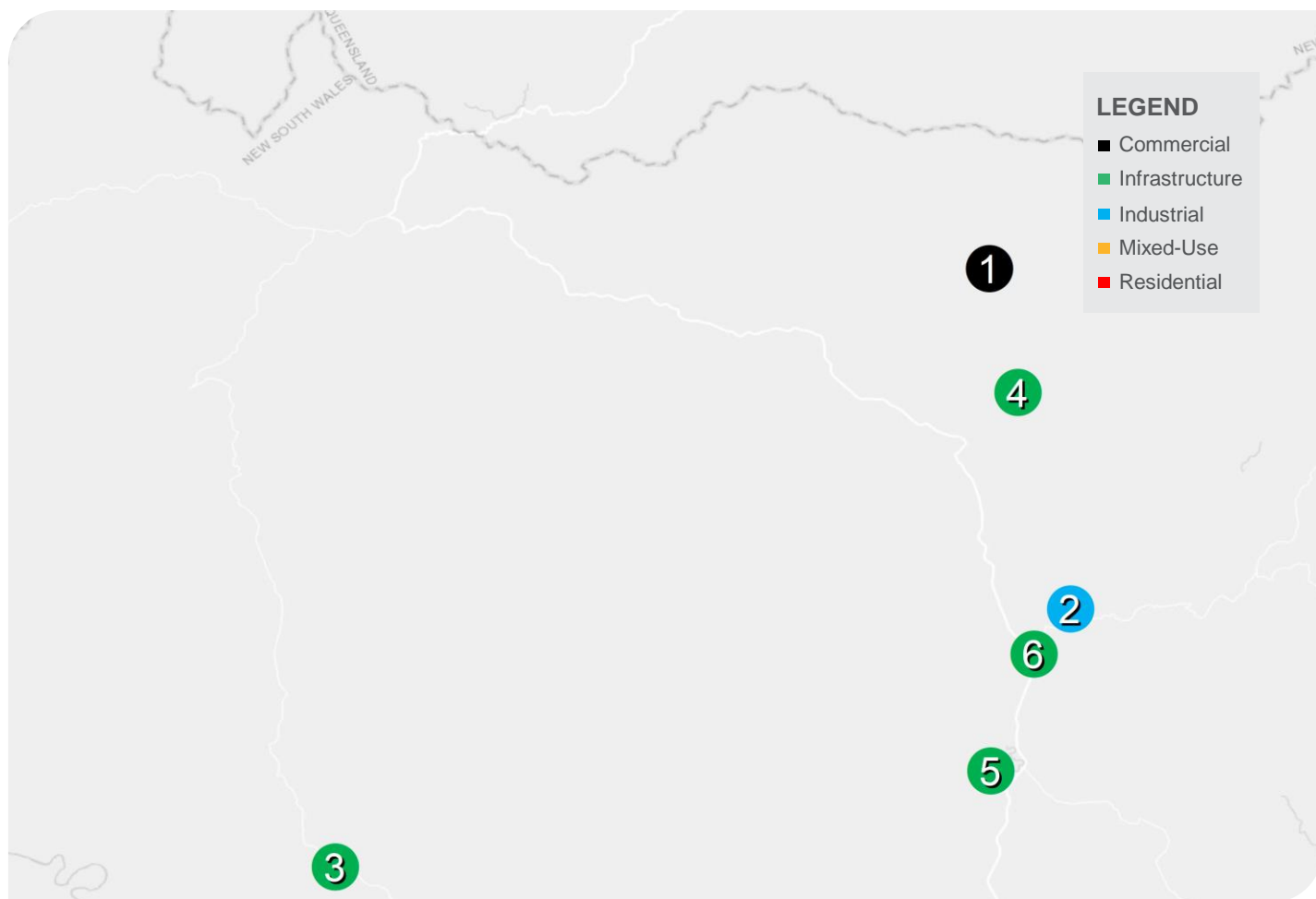
### ×KYOGLE LARGE DWELLINGS SOLD 2021<sup>^</sup>



### ×KYOGLE RURAL LAND SOLD 2021<sup>^</sup>



# TOP DEVELOPMENTS MAP 2021<sup>Ⓐ</sup>



Location	Project <sup>Ⓕ</sup>	Type	Estimated Value <sup>Ⓗ</sup>	Commence Date <sup>Ⓗ</sup>
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](mailto:roberthorder@prd.com.au)

**PRD Kyogle**  
**P** +61 2 6632 3380

81 Summerland Way  
Kyogle NSW 2474

[PRD.com.au/kyogle](http://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.

# 2021 encapsulates sales transactions for 1H 2021 (01/01/2021 – 30/06/2021).

^ 2021 encapsulates sales transactions for 1H 2021 (01/01/2021 – 30/06/2021).

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

€ Annual rental growth is a comparison between 1H 2020 (01/01/2020 – 30/06/2020) and 1H 2021 (01/01/2021 – 30/06/2021) house median rent figures.

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

§ Rental yields shown are as reported as of June 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 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.

Disclaimer: PRD does not give any warranty in relation to the accuracy of the information contained in this report. If you intend to rely upon the information contained herein, you must take note that the information, figures and projections have been provided by various sources and have not been verified by us. We have no belief one way or the other in relation to the accuracy of such information, figures and projections. PRD will not be liable for any loss or damage resulting from any statement, figure, calculation or any other information that you rely upon that is contained in the material.

Prepared by PRD Research. © All medians and volumes are calculated by PRD Research. Use with written permission only. All other responsibilities disclaimed. © Copyright PRD 2021.