



Lismore Market Update

1st Half 2022



OVERVIEW

In Q1 2022, Lismore* recorded a median house price of \$750,000, and a median unit price of \$527,000. This represents annual (Q1 2021 – Q1 2022) median price growth of 44.2% for houses and 46.5% for units. Total sales heavily decreased between Q1 2021 – Q1 2022, by -40.3% (to 148 sales) for houses and by -18.5% (to 22 sales) for units. Median price growth and lower sales volume suggest an undersupplied market, exacerbated by current flood events in the area impacting supply. Houses in particular suggest real returns on investment, thus an opportunity for owners and down-sizers to benefit.

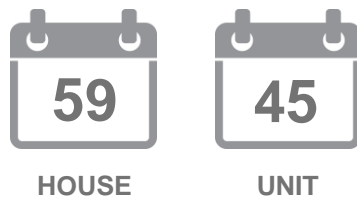
	CHANGE FROM LAST	YEAR	HALF YEAR
			
House Sales		↓	↓
House Median Price		↑	↑
House Rental Price		↑	↑
			
Unit Sales		↓	↓
Unit Median Price		↑	↑
Unit Rental Price		↑	↑

MARKET CONDITIONS

SALES MEDIAN PRICE Q1 2022



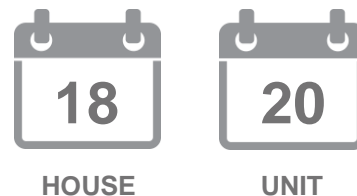
SALES AVERAGE DAYS ON MARKET Q1 2022



RENTAL MEDIAN PRICE Q1 2022

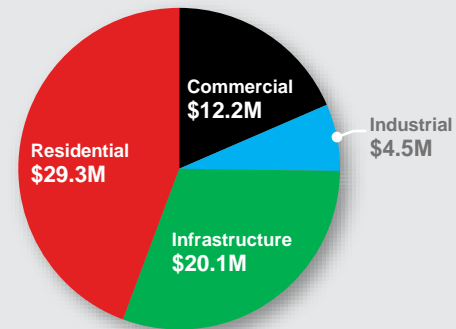


RENTAL AVERAGE DAYS ON MARKET Q1 2022



FUTURE DEVELOPMENTS

Lismore* is set to see approximately **\$66.1M** worth of new projects commencing in the 1st half of 2022.

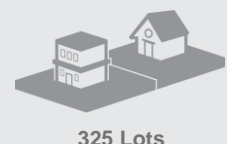


A focus on infrastructure and commercial projects will stimulate economic growth and create large employment opportunities in Lismore*, which will have a demand spill-over impact on the real estate market. Residential projects are welcomed, as the current market is undersupplied.

A main residential project over the 1st half of 2022 is the Trinity Drive Precinct & Streeton Streets (\$16.2M). The project will rezone Trinity Drive Precinct 92.5 hectares for urban release purposes and supply 325 lots. New lots will assist those who wish to build a home, and allow first home buyers access to multiple Government grants.

That said due to the challenges in the construction industry building a home can take longer than normal. There is a need for new ready-to-sell stock, to alleviate the demand pressure. Now is the time for local council and developers to plan.

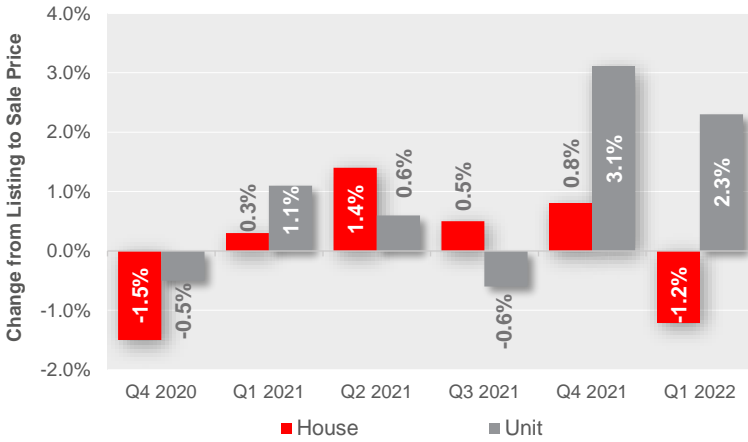
The Bruxner highway community and commercial building (\$1.5M) is a significant commercial project that will comprise a medical centre including essential services that will improve consumer health.



325 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.

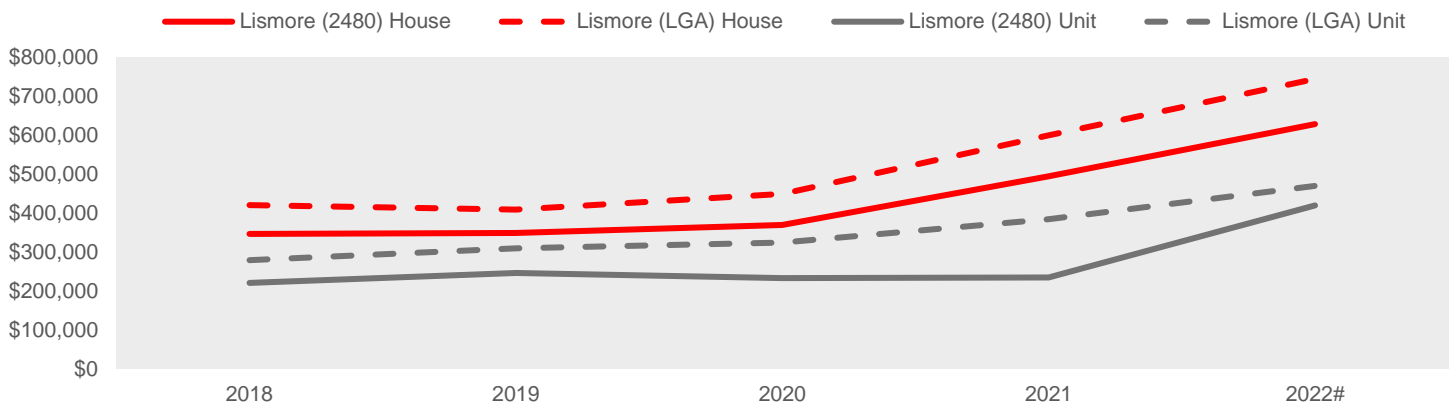


Average vendor discounts between Q1 2021 and Q1 2022 have swung back to a discount for houses, after recording a premium for the past four quarters. At -1.2% in Q1 2022 this suggests a limited window for buyers. Average vendor discount for units continue to sit at a premium, of 2.3% in Q1 2022, suggesting buyers need to offer above the first list price.

The suburb of Lismore has continued to present a more affordable market in comparison to Lismore Local Government Area (LGA), in both house and unit median prices. This provides an excellent opportunity for first home buyers.

The dominant proportion of homes sold in Lismore* across 2021^ were in the premium price point of \$700,000 and above (28.2%). Middle-ring pricing of \$350,000 to \$445,000 dominated the units (33.0%). Affordable options are available for both houses and units, however have continued to decline in the past 18 months due to the dwindling level of supply.

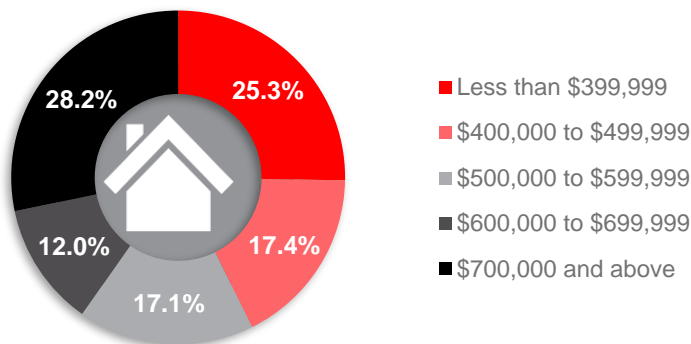
MARKET COMPARISON



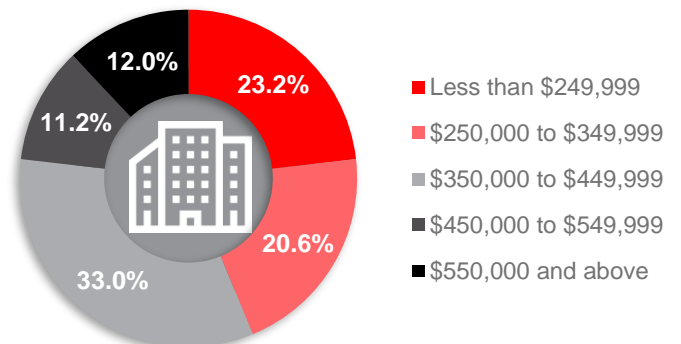
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Lismore (2480).

PRICE BREAKDOWN 2021/22^

HOUSES SOLD



UNITS SOLD



RENTAL GROWTH 2021€

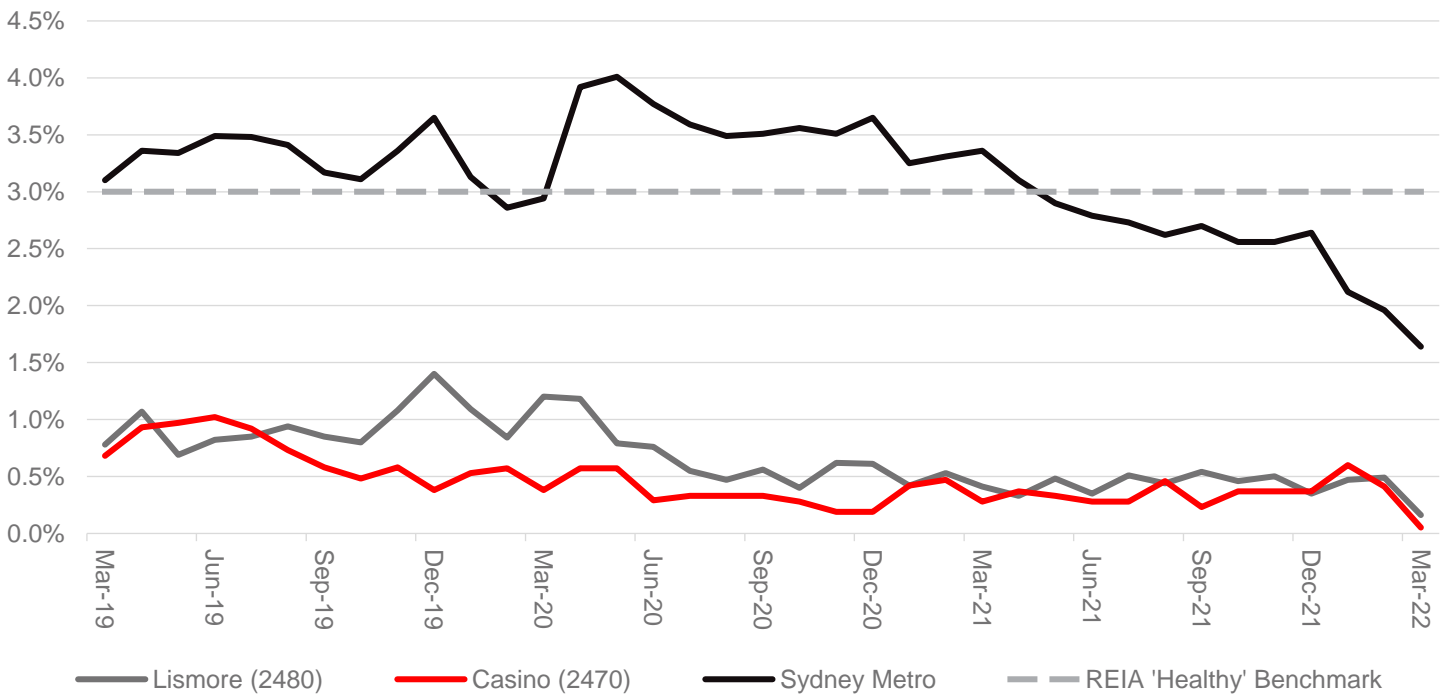
Over the past 12 months, house rental yields in Lismore[¥] softened to sit at 3.3% in March 2022. This was due to annual median house sale prices increasing by 44.2%, outpacing annual median house rental price increase of 19.6%. That said there has been an increase in rental demand, of 27.5% (to 139 rentals) in the 12 months to Q1 2022. Average days to let declined by -10.0% during this time, indicating a need for more rental stock.

4+ bedroom houses have provided investors with +20.0% rental growth annually, achieving a median rent of \$600 per week.

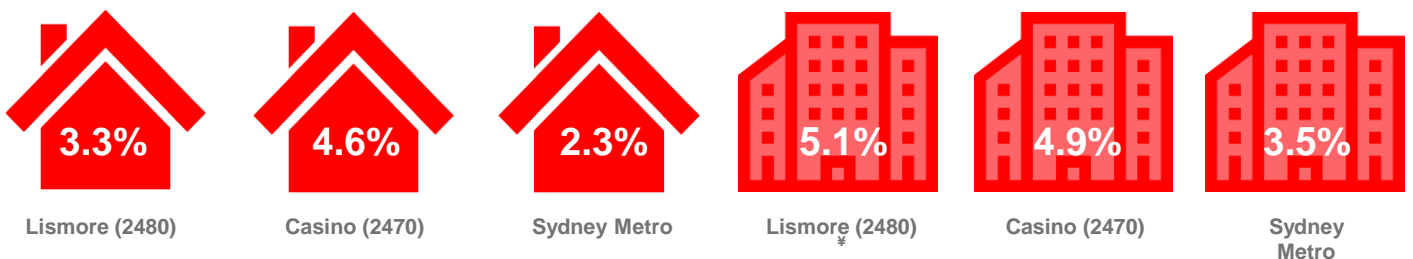
Lismore[¥] recorded a vacancy rate of 0.2% in March 2022, which is below Sydney Metro's 1.6% average. Vacancy rates in Lismore[¥] decreased heavily over the past 24 months and sitting within the 0.5% level for the past 12 months. 0.2% in Q1 2022 is a historical low, indicating a dramatic shift to rental solutions. These key indicators suggest a conducive and sustainable environment for investors, despite the current increase in median property sale prices.



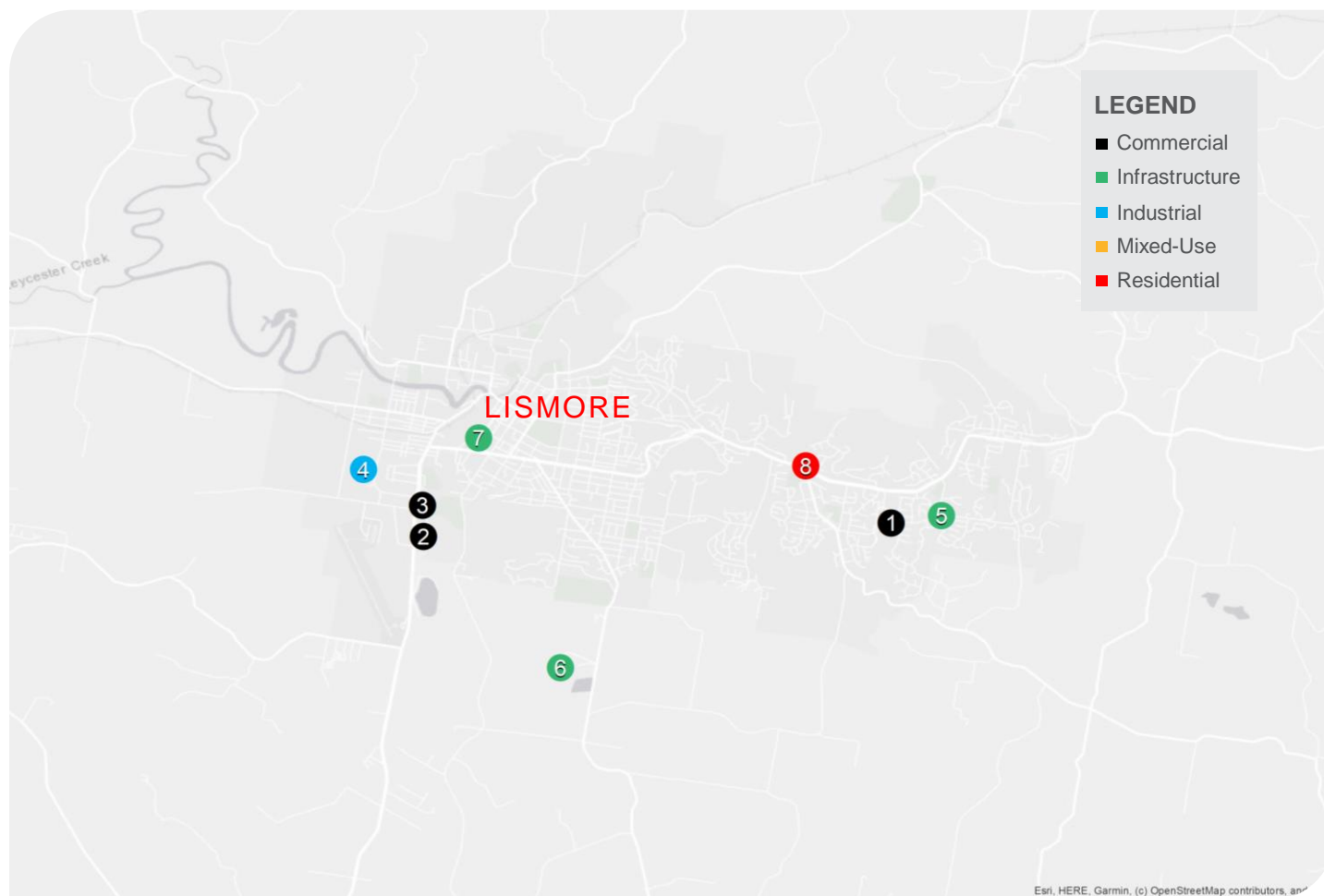
RENTAL VACANCY RATES 2022



RENTAL YIELD 2022\$



TOP DEVELOPMENTS MAP 1st HALF 2022[Ⓐ]



Location	Project [Ⓔ]	Type	Estimated Value [Ⓜ]	Commence Date [Ⓜ]
1	Oliver Avenue Earthworks	Commercial	1572000	19/06/2022
2	Bruxner Highway Community & Commercial Building	Commercial	1500000	26/04/2022
3	Essential Energy Electricity Services Depot	Commercial	330000	29/06/2022
4	Wilson Street Concrete Batching Plant	Industrial	2000000	16/03/2022
5	Lismore Employment Lands	Infrastructure	1000000	22/03/2022
6	Lismore Recycling & Recovery Centre	Infrastructure	850000	12/05/2022
7	Lismore City Hall To Wilsons River Pedestrian Spine	Infrastructure	292000	02/02/2022
8	Trinity Drive Precinct- (325 Lots)	Residential	16250000	14/03/2022

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.

2022 encapsulates sales transactions for Q1 2022 (01/01/2022 – 31/03/2022) only.

^ 2021/22 encapsulates sales transactions for 2021 & Q1 2022 (01/01/2021 – 31/03/2022).

€ Annual rental growth is a comparison between 2021 (01/01/2021 – 31/03/2021) and 2022 (01/01/2022 – 31/03/2022) house median rent figures.

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

§ Rental yields shown are as reported as of March 2022.

⌘ 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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