

Coffs Harbour Market Update 1st Half 2022



OVERVIEW

In Q1 2022, Coffs Harbour* recorded a median house price of \$780,000, and a median unit price of \$549,000. This represents annual (Q1 2021 – Q1 2022) median price growth of 16.4% for houses and 24.5% for units. Between Q1 2021 - Q1 2022 total sales slowed, down by -20.2% for houses (to 71 sales) and by -30.0% for units (to 56 sales). The market is undersupplied, as price growth is alongside lower sales, particularly in the unit market. Now is an ideal time for owner-occupiers and downsizers to capitalise on their investments, and for developers offering ready-to-sell stock to enter the 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 2022



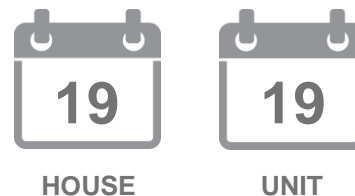
SALES AVERAGE DAYS ON MARKET Q1 2022



RENTAL MEDIAN PRICE Q1 2022

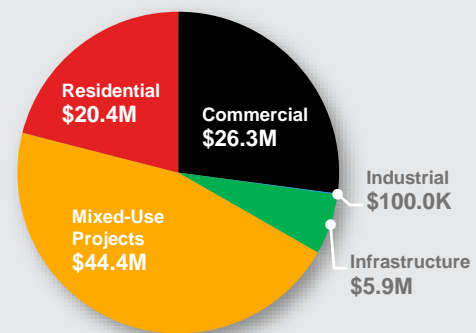


RENTAL AVERAGE DAYS ON MARKET Q1 2022



FUTURE DEVELOPMENTS

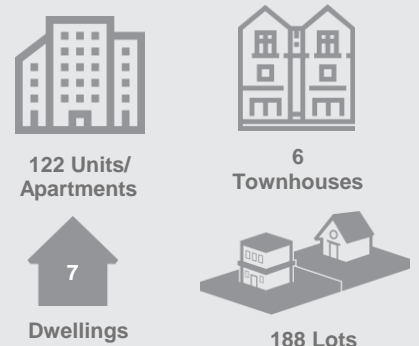
Coffs Harbour is set to see approximately **\$97.0M** worth of new projects commencing in the 1st half of 2022.



These projects will stimulate economic growth and create large employment opportunities in Coffs Harbour, which should have a positive spill-over impact on the real estate market.

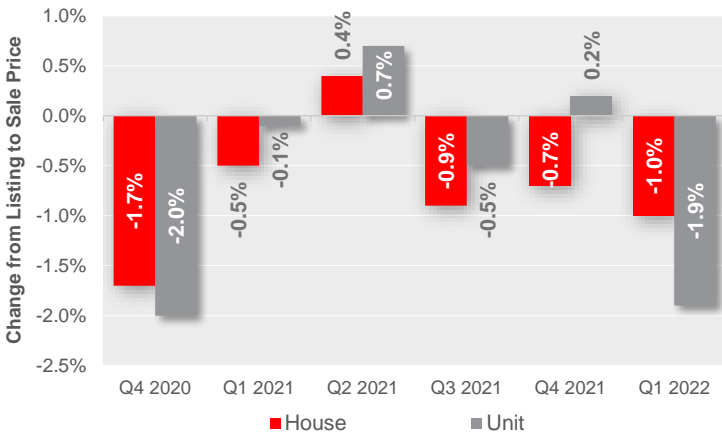
A main commercial project over the 1st half of 2022 is the Oaktree Coffs Harbour Development (\$17M). The project is set to add 57 senior living dwellings to Coffs Harbour*. The Harbour Drive Shop Top Housing is a key mixed-use development. The project aims to provide 95 apartments and 7 retail tenancies.

Key residential projects include: Pacific Highway Subdivision (188 lots, \$8M), West High St Dwellings (7 dwellings, \$1.3M), and Arthur Street Apartments (27 apartments, \$9.8M). These projects do add stock to the current undersupplied market. But there is notably a lower amount of ready-to-sell stand alone houses, which is in high demand.



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.

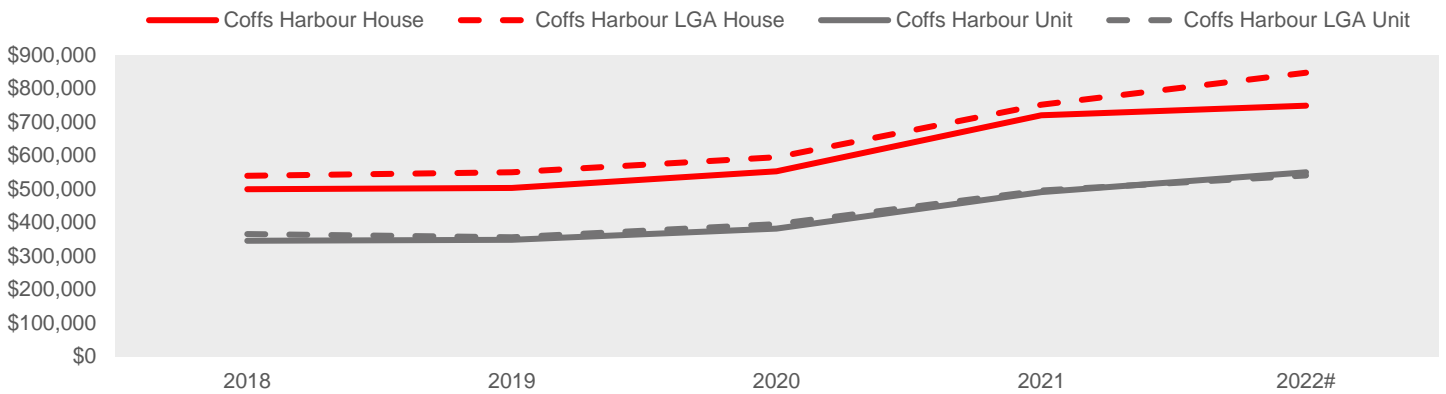


Average vendor discounts between Q1 2021 and Q1 2022 have fluctuated in Coffs Harbour*, with the market swinging to a premium in mid-2021, indicating buyers were willing to offer higher than the first list price. Q1 2022 saw average vendor discount swing back into the discount range, of -1.0% for houses and -1.9% for units. Sellers are willing to negotiate their initial listing price, in good news for first home buyers.

The suburb of Coffs Harbour has historically provided a slightly more affordable house option than the wider Coffs Harbour Local Government Area (LGA) and on-par with median price for units. This continues to be the case in 2022#.

The dominant proportion of homes sold in Coffs Harbour* across 2022^ were in the middle range price point of \$700,000 to \$799,000 (27.1%). Units recorded a dominant mid-price point of \$400,000 - \$499,000 (25.5%). There is a relatively balanced percentage of sales in all price brackets, in good news for buyers.

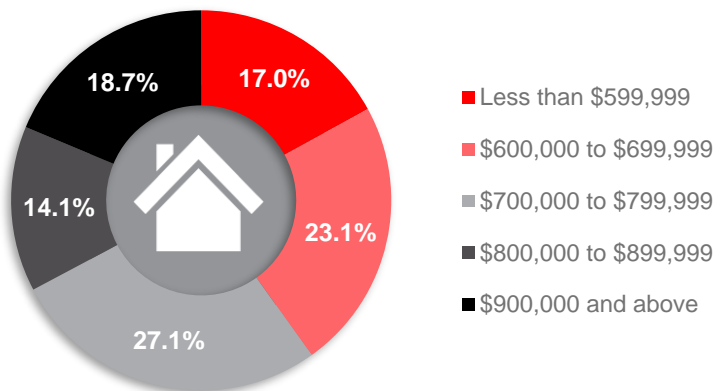
MARKET COMPARISON



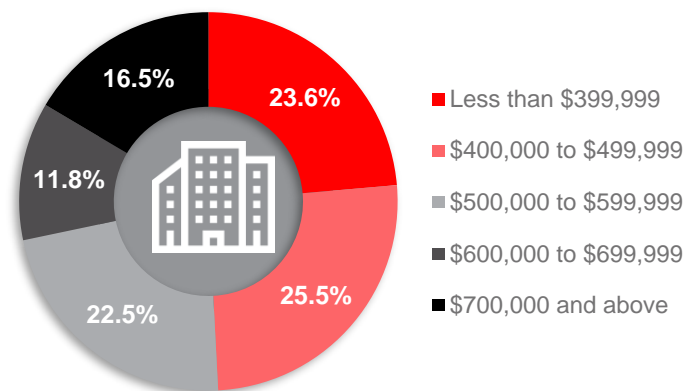
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled are chosen based on their proximity to the main suburb analysed, which is Coffs Harbour.

PRICE BREAKDOWN 2021/22^

HOUSES SOLD



UNITS SOLD

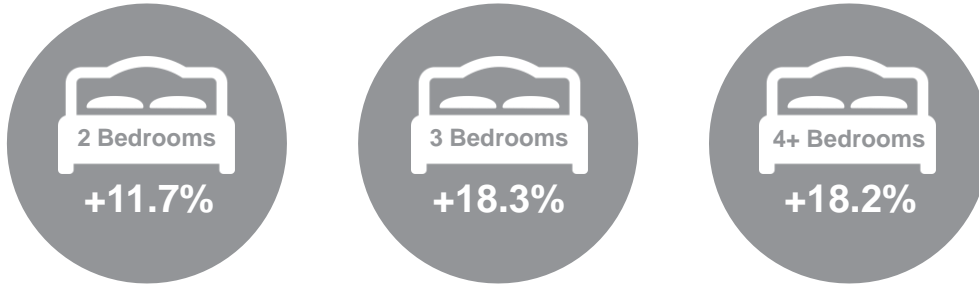


RENTAL GROWTH 2021€

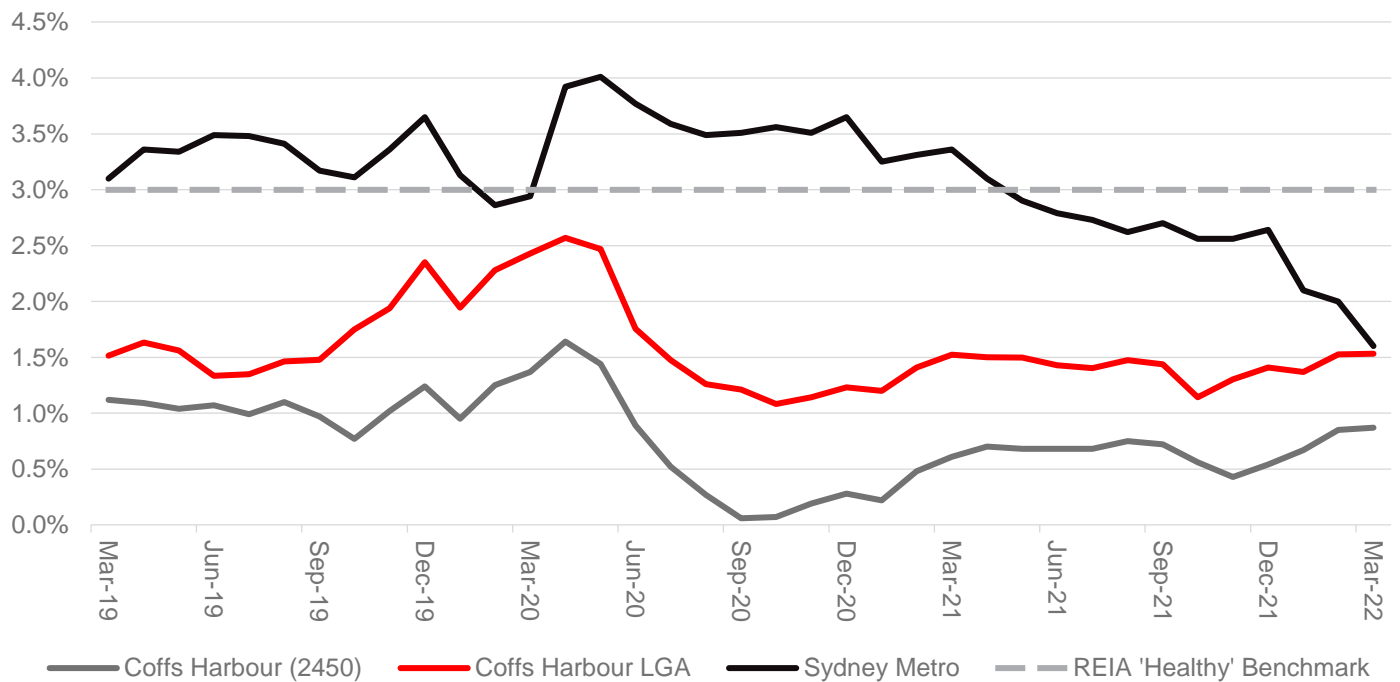
In March 2022, house rental yields in Coffs Harbour* were recorded at 4.1%. Rental yields in Coffs Harbour may seem lower, this is due to annual median house sale price growth, of 16.4%, outpacing annual median house rental price growth, of 9.8%. That said median house rental price did grow to \$580 per week between Q1 2021 – Q1 2022, with a low average days on the market of 19 days.

3+ bedroom houses have provided investors with +18.3% rental growth annually, achieving a median rent of \$550 per week.

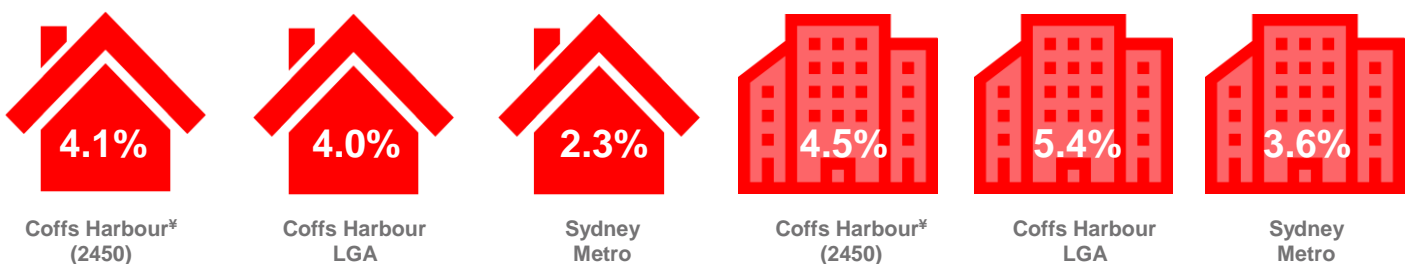
Also in March 2022, Coffs Harbour* recorded a vacancy rate of 0.9%, below that of Coffs Harbour LGA (1.5%) and below that of Sydney Metro (1.6%). Vacancy rates in Coffs Harbour* have increased slightly since October 2021, however still well below the Real Estate Institute of Australia's healthy benchmark of 3.0%, and have remained under 1.0% for the past 18 months. There is a healthy level of rental demand, and investors can be confident of a conducive investment environment.



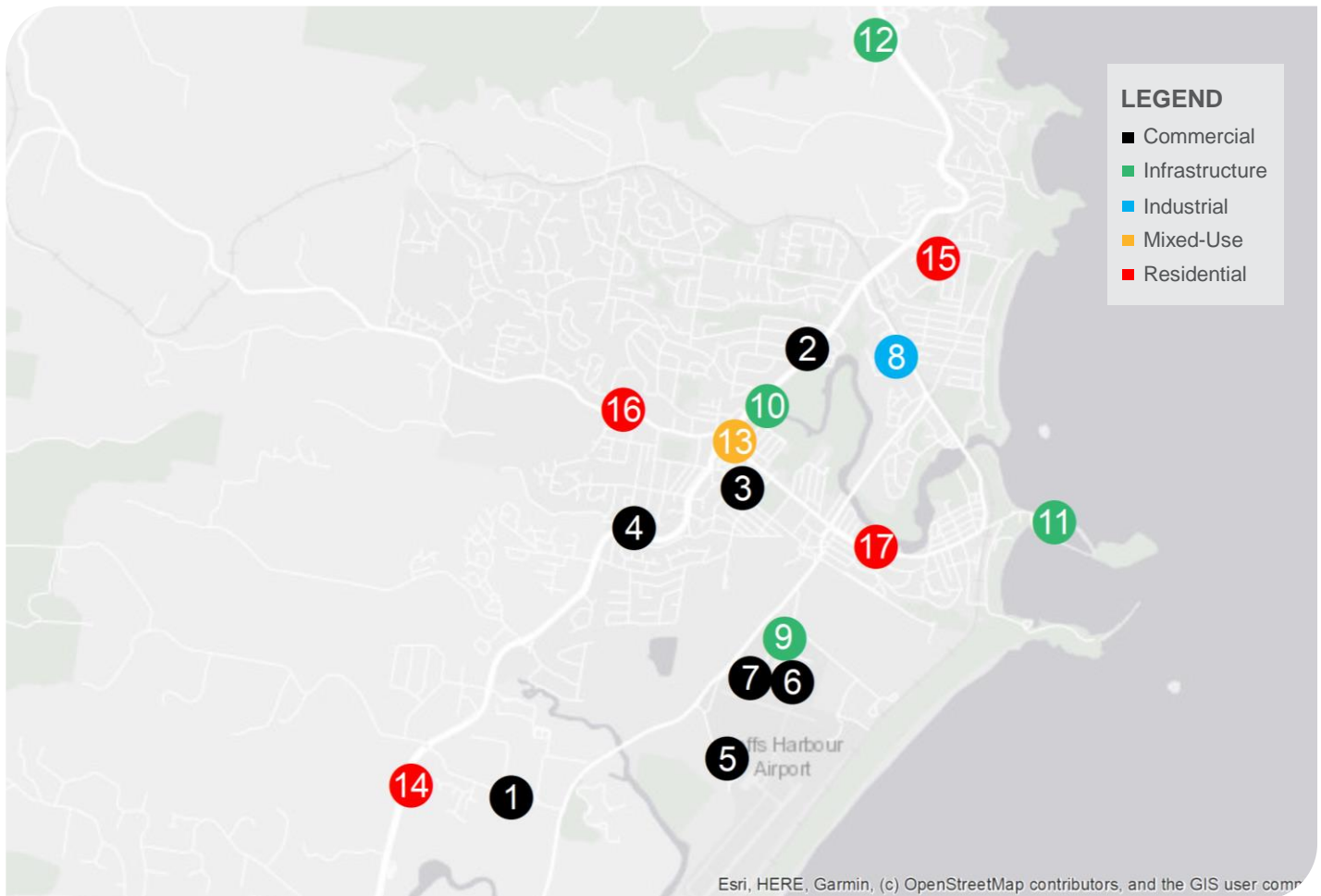
RENTAL VACANCY RATES 2022



RENTAL YIELD 2022§



TOP DEVELOPMENTS MAP 1st HALF 2022^A



Location	Project [£]	Type	Estimated Value [¥]	Commence Date [▼]
1	Oaktree Coffs Harbour (57 dwellings)	Commercial	\$17,019,000	07/02/2022
2	DFM Financial	Commercial	\$278,000	04/02/2022
3	Albany Street Office Building	Commercial	\$5,328,000	08/06/2022
4	The Pines Boarding House	Commercial	\$2,101,000	10/05/2022
5	Airport Drive Aircraft Hangar	Commercial	\$400,000	15/03/2022
6	Aviation Drive Airport	Commercial	\$150,000	19/04/2022
7	Coffs Harbour Airport	Commercial	\$150,000	19/04/2022
8	Coffs Harbour City Council Guardrail Works	Industrial	\$100,000	22/06/2022
9	Coffs Harbour City Council Guardrail Works	Infrastructure	\$400,000	08/02/2022
10	Coffs Harbour Showground	Infrastructure	\$4,000,000	08/02/2022
11	Coffs Harbour Boat Maintenance & Storage Facility & Marine Centre	Infrastructure	\$1,000,000	09/04/2022
12	Coffs Harbour Regional Boat Ramp	Infrastructure	\$500,000	15/05/2022
13	Harbour Drive Shop Top Housing (95 apartments)	Mixed-Use	\$44,369,000	06/06/2022
14	Pacific Highway Subdivision- Elements Coffs Harbour (188 lots)	Residential	\$8,000,000	18/05/2022
15	Arthur Street Apartments (27 apartments)	Residential	\$9,860,000	13/05/2022
16	West High St Dwellings (7 dwellings)	Residential	\$1,365,000	08/03/2022
17	Harbour Drive Townhouses (6 townhouses)	Residential	\$1,170,000	17/03/2022

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

*Coffs Harbour market data and key indicators encapsulates aggregate property market conditions within the Coffs Harbour 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.

¥ Coffs Harbour market data encapsulates aggregate property conditions within the postcode of 2450.

§ 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 Coffs Harbour 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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