



Morrisset Market Update

1st Half 2022



OVERVIEW

In Q1 2022, Morrisset* recorded a median house price of \$825,000, and a median unit price of \$560,000. This represents annual (Q1 2021 – Q1 2022) median price growth of 32.1% for houses and 19.1% for units. House sales slowed between Q1 2021 – Q1 2022, by -25.7% (to 139 sales) and increased by 16.7% for units (to 7 sales). Unit owner occupiers can benefit from real returns on capital investment, as median price growth is aside higher sales figures. The house market is undersupplied, as median price growth is aside lower sale figures. Now is prime opportunity for developers to enter the market

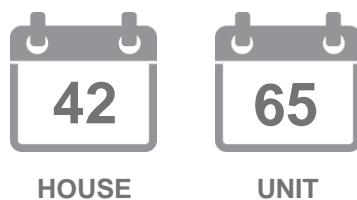
	CHANGE FROM LAST	YEAR	HALF YEAR
	House Sales	↓	↑
	House Median Price	↑	↑
	House Rental Price	↑	↑
	Unit Sales	↑	↓
	Unit Median Price	↑	↓
	Unit Rental Price	↑	↑

MARKET CONDITIONS

SALES MEDIAN PRICE Q1 2022



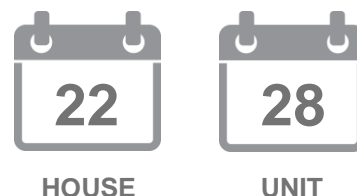
SALES AVERAGE DAYS ON MARKET Q1 2022



RENTAL MEDIAN PRICE Q1 2022

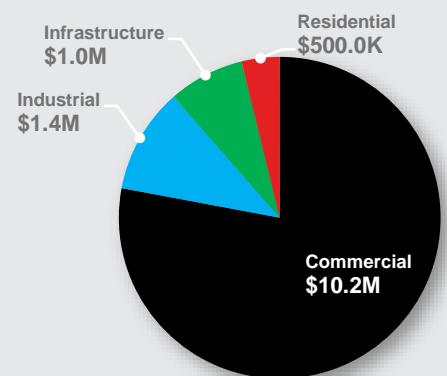


RENTAL AVERAGE DAYS ON MARKET Q1 2022



FUTURE DEVELOPMENTS

Morrisset is set to see approximately **\$12.1M** worth of new projects commencing in the 1st half of 2022.



These projects will stimulate economic growth and create large employment opportunities in Morrisset, which can potentially have a spill-over impact on the real estate market in the form of increasing demand for property.

A main commercial project over the 1st half of 2022 is the Yambo Street Boarding House (\$3.26M). This project is set to add 19 boarding rooms, a managers residence and communal areas. Other notable commercial projects include Cedar Mill Roadworks (\$2.1M) and Central Road and Victory Street Community Development (\$2.5M).

The Beauty Point road residential subdivision (\$500,000) is a significant residential project that plans to add 30 new subdivision lots into an undersupplied market. This will allow first home buyers access to multiple Government Grants, but with current challenges in building a new home the process is prolonged.

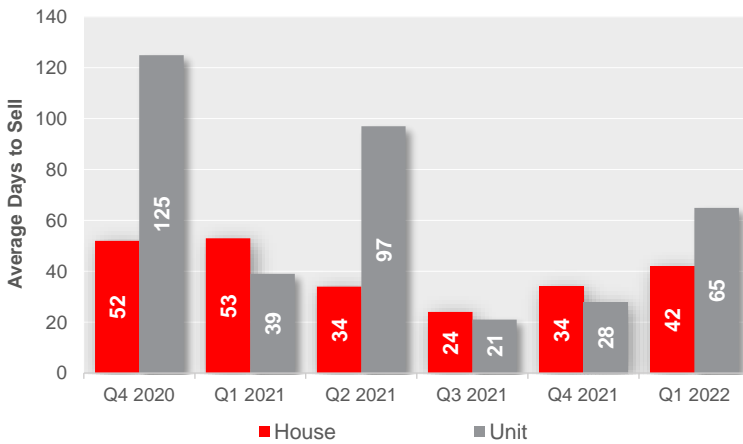
There an opportunity for developers who can supply ready-to-sell stock.



30 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.



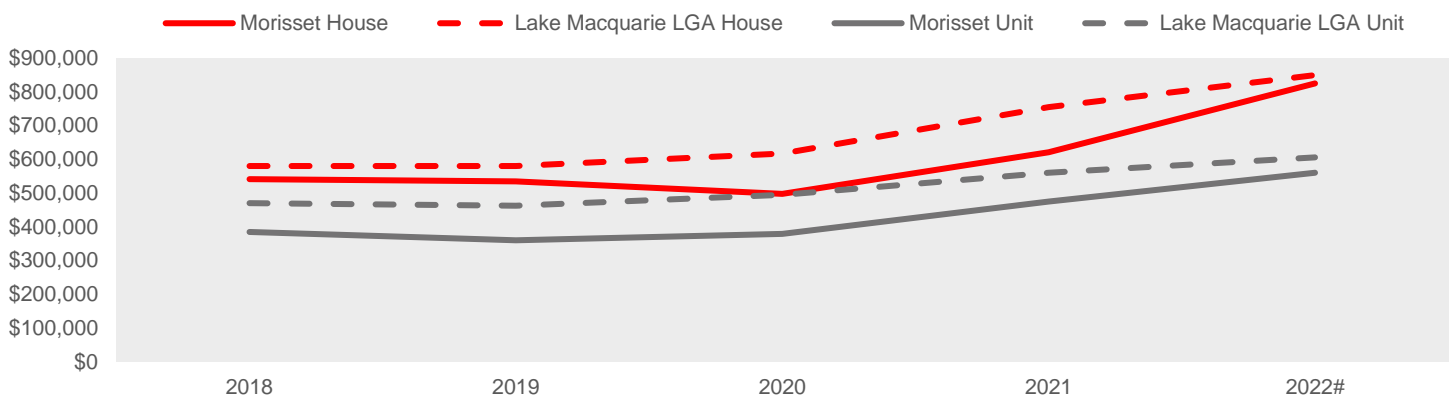
KEY COMMENTS

The average days to sell a house in Morisset* has declined by -20.8% in the 12 months to Q1 2022, to 42 days. This suggests house demand is on the rise, with less stock available. Contrastingly average days to sell a unit increased by 66.7% in the 12 months to Q1 2022, to 65 days. This is potentially due to more stock being available, compared to houses.

The suburb of Morisset has historically offered a more affordable option to Lake Macquarie Local Government Area (LGA), in house and unit median prices. Median prices in 2022# is trending towards an on par price level with the LGA, establishing a premium market.

The dominant proportion of homes sold in Morisset* across 2021/22^ were in the most affordable price bracket of \$549,000 (31.5%). Units saw a dominant lower-mid price point, between \$350,000 to \$449,000 (34.2%). Affordable options is available, but there is also a growing premium market, more so for houses.

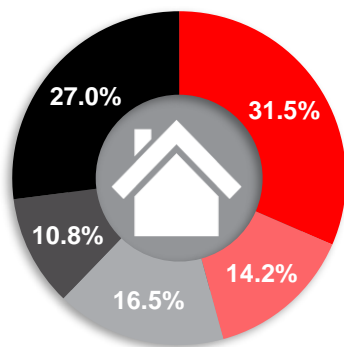
MARKET COMPARISON



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.

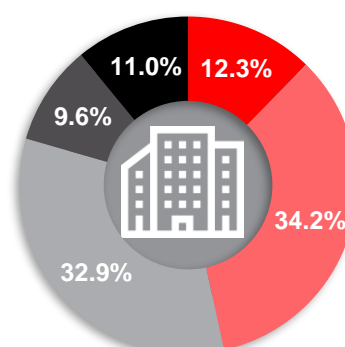
PRICE BREAKDOWN 2021/22^

HOUSES SOLD



- Less than \$549,999
- \$550,000 to \$649,999
- \$650,000 to \$749,999
- \$750,000 to \$849,999
- \$850,000 and above

UNITS SOLD



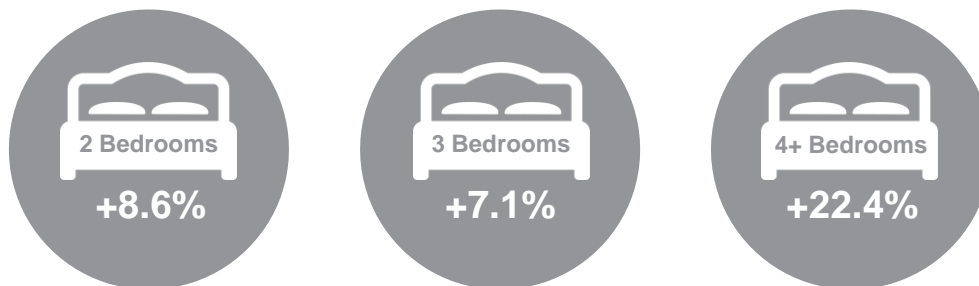
- Less than \$349,999
- \$350,000 to \$449,999
- \$450,000 to \$549,999
- \$550,000 to \$649,999
- \$650,000 and above

RENTAL GROWTH 2022€

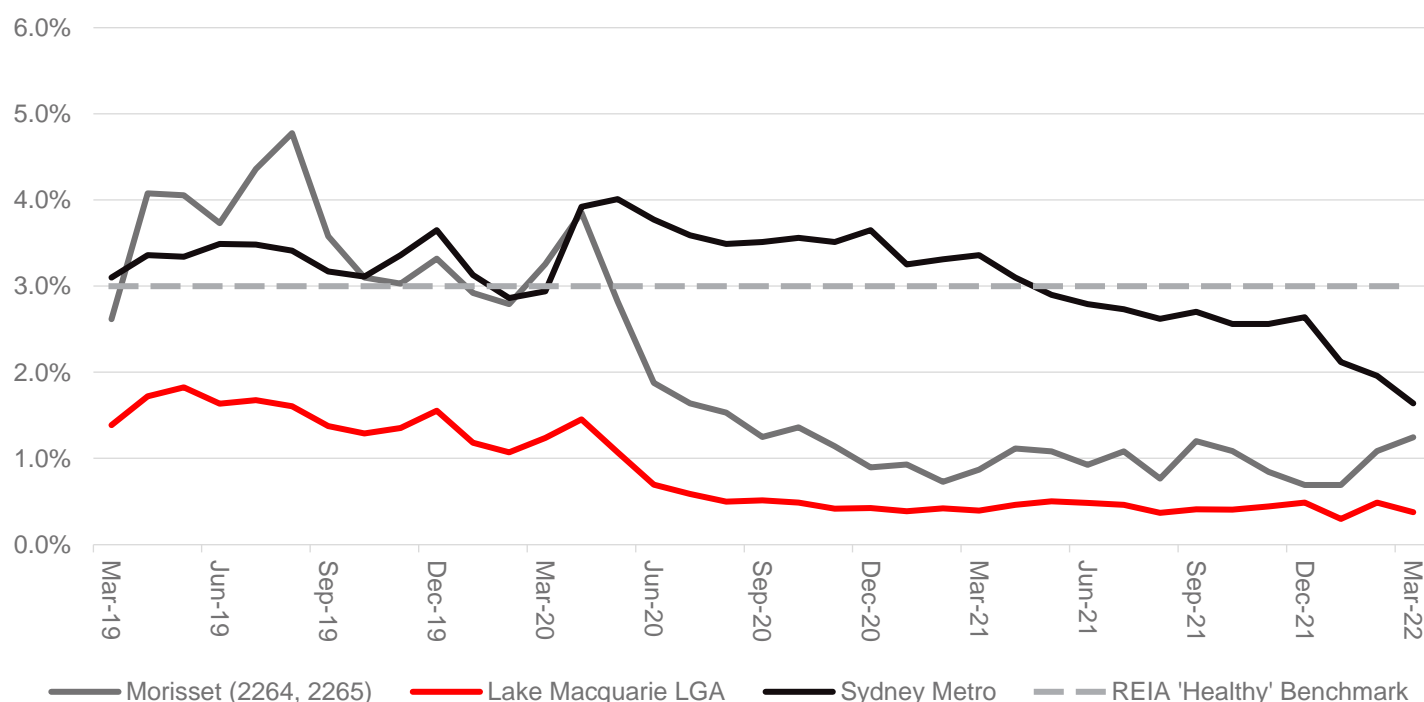
House rental yields in Morisset[€] was recorded at 4.4% in March 2022, higher than Lake Macquarie LGA (3.3%) and Sydney Metro (2.3%). There was a slight increase in demand for rental properties between Q1 2021 – Q1 2022, by +16.5% (to 99 houses rented). Median house rental price grew by 16.3% during this time and average days on market declined by -4.3%.

4+ bedroom houses have provided investors with +22.4% rental growth annually, achieving a median rent of \$600 per week.

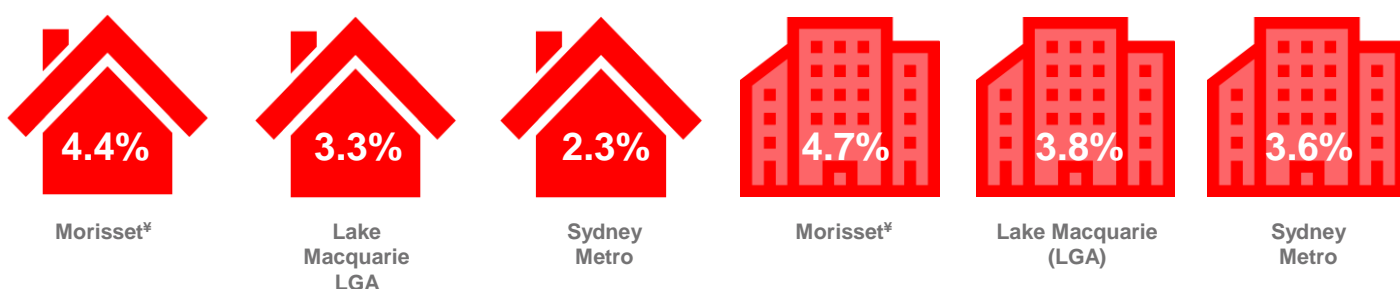
Morisset[€] recorded a vacancy rate of 1.2% in March 2022, which is slightly below Sydney Metro's 1.6% average. Vacancy rates in Morisset[€] have rapidly decreased in the past 12 months, indicating an increase in its rental demand. Although there is a slight uptick in the past 3 months vacancy rates in Morisset[€] remain within the Real Estate Institute Australia's healthy benchmark of 3.0%. These key indicators create a conducive and high yielding environment for investors, even with median property sale prices increasing in the past 12 months.



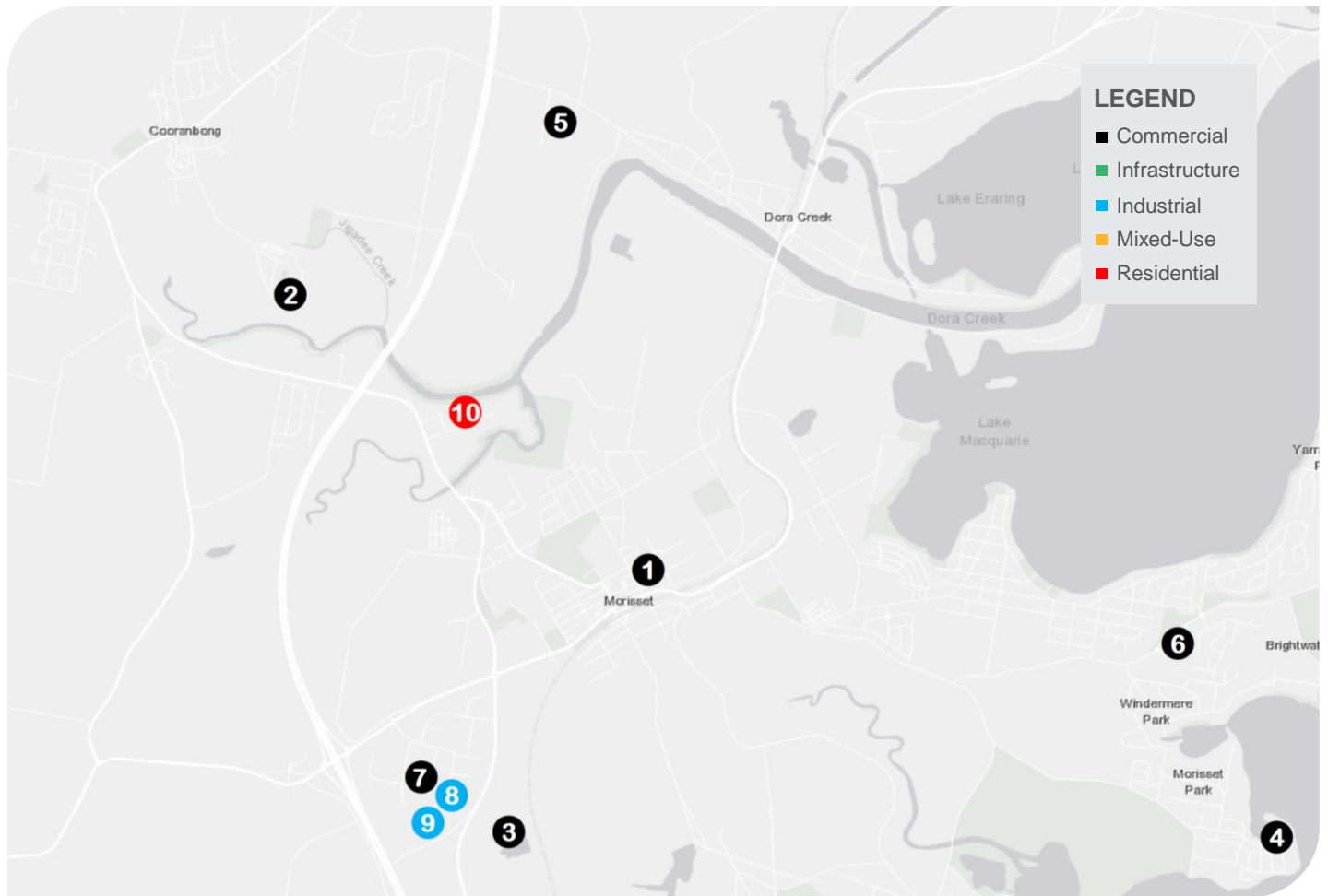
RENTAL VACANCY RATES 2022



RENTAL YIELD 2022§



TOP DEVELOPMENTS MAP 1st HALF 2022^A



Location	Project [£]	Type	Estimated Value ^µ	Commence Date ^ψ
1	Yambo Street Boarding House	Commercial	\$3,261,000	06/06/2022
2	Central Road & Victory Street Community Development	Commercial	\$2,500,000	12/05/2022
3	Cedar Mill Roadworks	Commercial	\$2,189,000	14/04/2022
4	Trinity Point Marina & Tourism Development	Commercial	\$788,000	10/05/2022
5	Jones Road Poultry Shed	Commercial	\$650,000	12/05/2022
6	Bay Hotel Motel	Commercial	\$430,000	17/02/2022
7	Accolade Avenue Light Industrial Building	Commercial	\$400,000	08/04/2022
8	Prosperity Close Industrial Units	Industrial	\$1,000,000	04/04/2022
9	Accolade Avenue Industrial Building	Industrial	\$391,000	20/06/2022
10	Beauty Point Road Residential Subdivision (30 Lots)	Residential	\$500,000	04/04/2022

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

* 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.

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.

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

§ 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 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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