



# Kyogle Market Update 2nd Half 2022



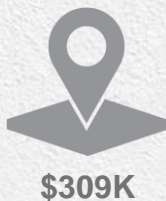
## OVERVIEW

In Q2 2022, Kyogle\* recorded a median house price of \$580,000, and a median land price of \$309,000. This represents annual (Q2 2021 – Q2 2022) median price growth of 24.1% for houses and 28.8% for land. Between Q2 2021 – Q2 2022 total house sales decreased, by -2.2% (to 45 sales). Only 1 land sale was recorded, a significant decline from the 12 land sales recorded 12 months prior (Q1 2021). Both the housing and land market is undersupplied, as median price growth has been fuelled by high demand and lower stock levels. This creates an opportunity for owner occupiers, downsizers, investors, and for developers.

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

## MARKET CONDITIONS

### SALES MEDIAN PRICE Q2 2022



### SALES AVERAGE DAYS ON MARKET Q2 2022



### RENTAL MEDIAN PRICE Q2 2022

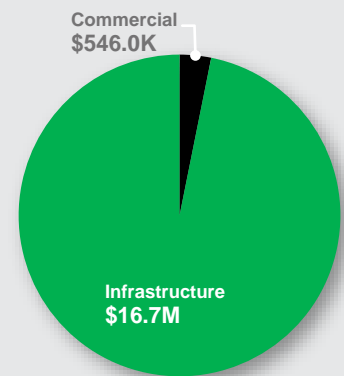


### RENTAL AVERAGE DAYS ON MARKET Q2 2022



## FUTURE DEVELOPMENTS

Kyogle\* is set to see approximately **\$17.3M** worth of new projects commencing in the 2<sup>nd</sup> half of 2022.



A strong focus on infrastructure projects will improve liveability factors for current residents and create employment opportunities during the construction phase. This can potentially attract a new demographic into the area, thus impacting the real estate market in terms of an increase in demand for housing.

An absence of residential projects raises a concern, as the market remain undersupplied. This may result in buyers being priced out. Now is the time for more land to be unlocked and/or re-zoned, to attract developers.

There is a total of 25 bridge upgrades in Kyogle\*, a government initiative to increase safety and productivity in the area.

A main infrastructure project in the 2<sup>nd</sup> Half of 2022 is The Capeen Creek Bridges (\$2.53M). This project involves the replacement of timber bridge with concrete bridge.

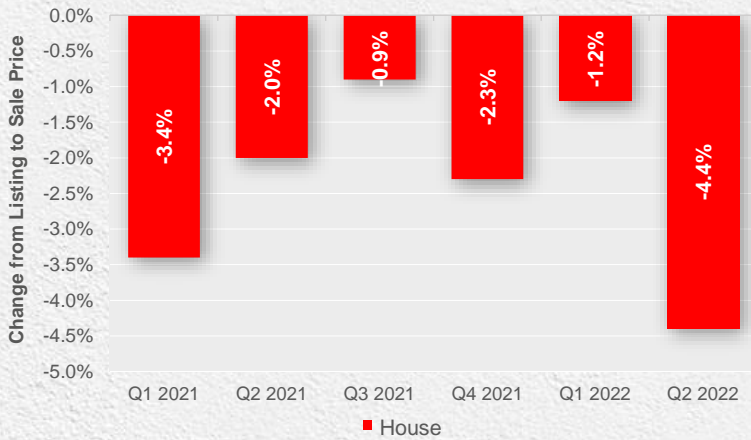
There is still an absence in residential projects, in particular for ready-to-sell houses. Now is an ideal time for the local government to establish a housing strategy that targets increasing supply, and for developers to enter the market with unique housing solutions.



# 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.

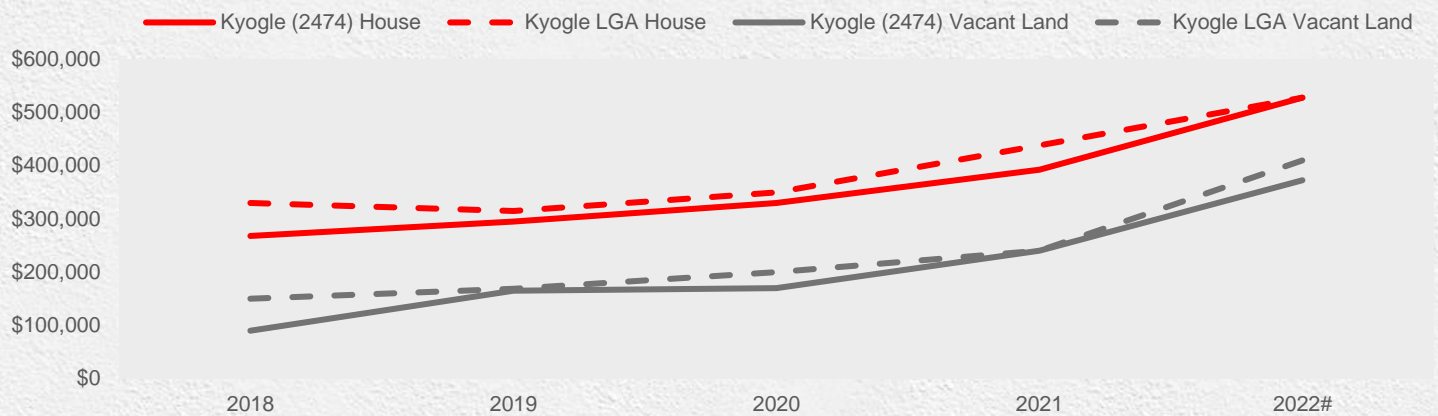
Average vendor discounts between Q2 2021 and Q2 2022 have rapidly shifted, widening to larger discounts of -4.4% for houses. Market conditions in Kyogle\* have further shifted to favour buyers, as sellers are willing to accept below the initial listing price.



The suburb of Kyogle continues to record a more affordable market in comparison to the wider Kyogle Local Government Area (LGA), especially for vacant land. Houses in Kyogle in 2022# is on par with the LGA and trending towards a higher price.

The dominant proportion of homes sold in Kyogle\* across 2022# were in the most affordable price bracket of less than \$449,000 (42.0%). Vacant land also recorded the most affordable price bracket of below \$249,999 (40.9%) as the dominant sale. Affordable options continue to be available, creating an opportunity for first home buyers. That said the premium market is growing, adding value for current owners.

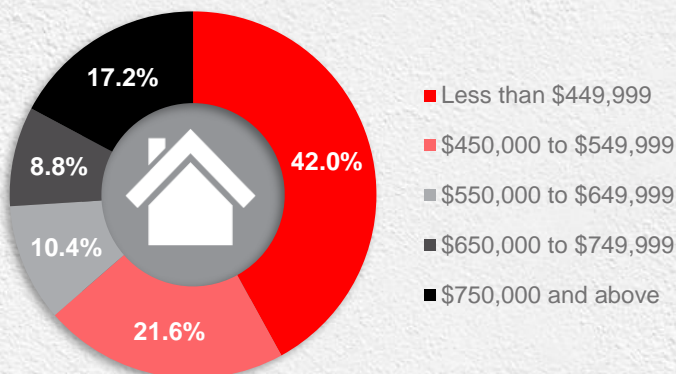
## MARKET COMPARISON



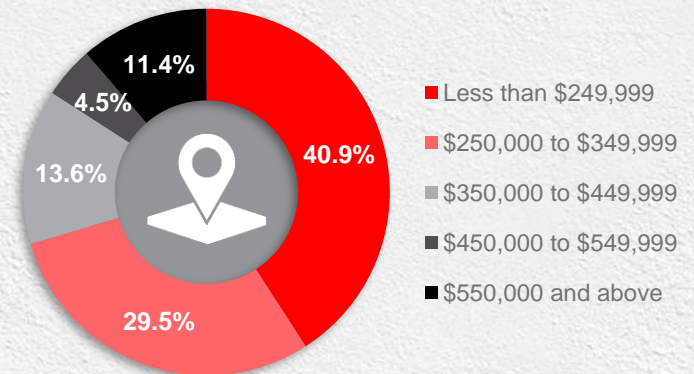
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Kyogle.

## PRICE BREAKDOWN 2022#

### HOUSES SOLD



### VACANT LAND SOLD



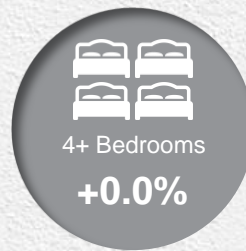
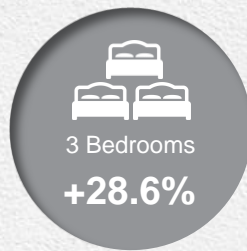


# RENTAL GROWTH 2022€

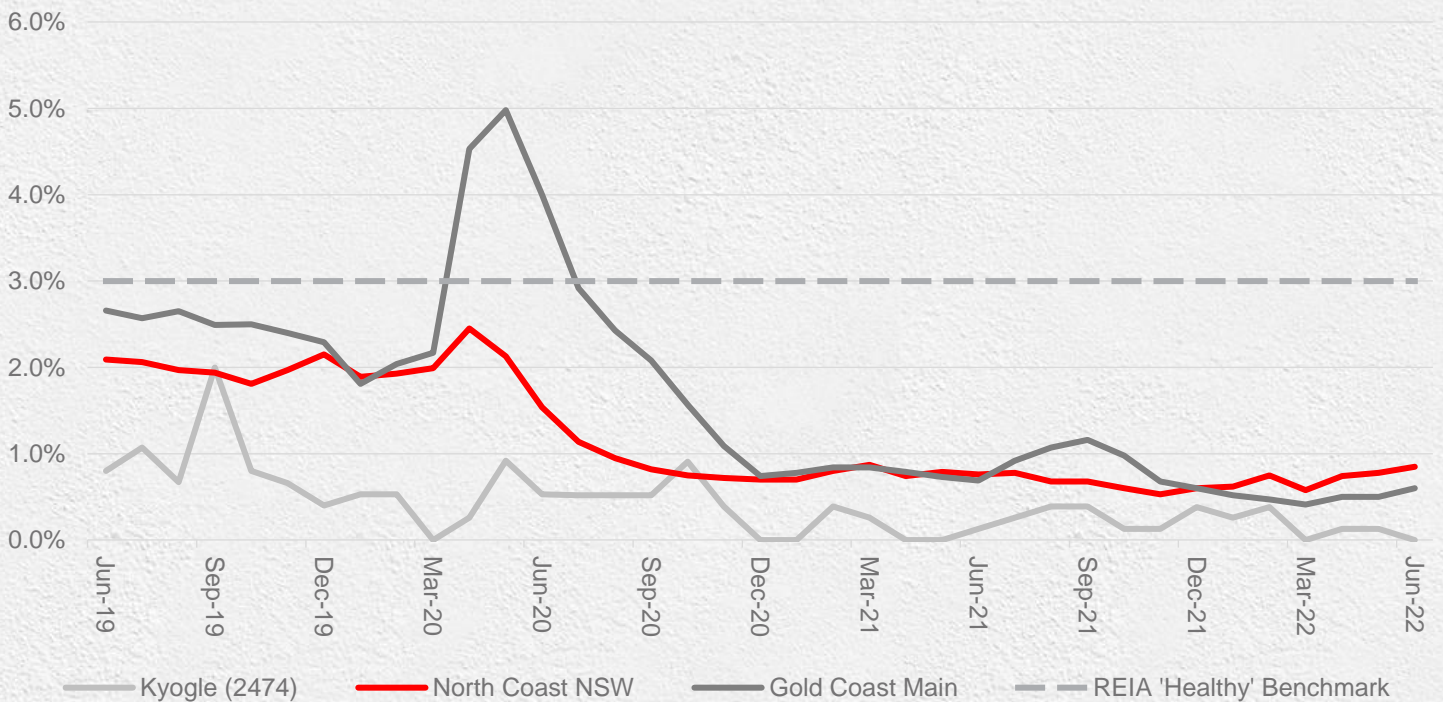
House rental yields in Kyogle\* was 2.5% in June 2022, slightly lower than the average for North Coast NSW. However, the median house rental price increased by 28.6% (to \$450 per week) in the 12 months to Q2 2022, and the number of houses rented increased by 50.0% (to 21 rentals). This is an expected dynamic shift in the market, as there has been a decrease in house sales. Average days to let remain at a low 19 days in Q2 2022. Overall this suggests a resilient rental market.

3 bedroom houses have provided investors with +28.6% rental growth annually, achieving a median rent of \$450 per week.

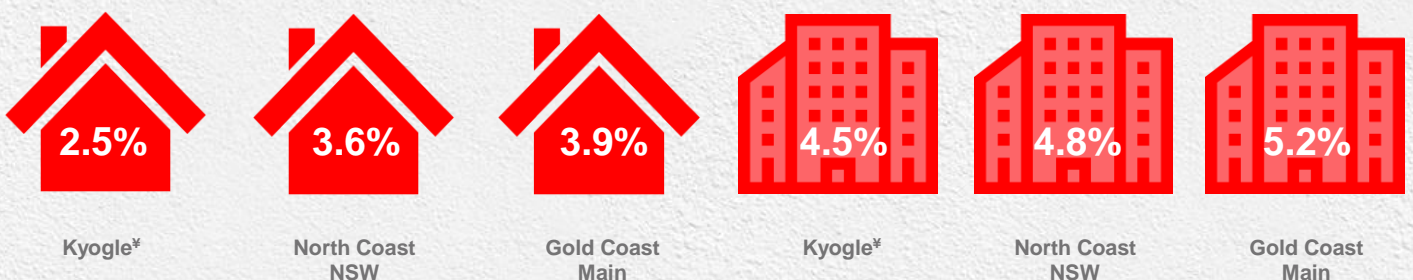
Kyogle\* recorded a vacancy rate of 0.0% in June 2022, below Gold Coast's 0.6% and North Coast's 0.9% average. This is significant, as it suggests only a very small number of properties are available for rent. Vacancy rates in Kyogle\* remained within 1.0% during COVID-19 and trended within 0.5% in the past 12 months. This indicates a high level of rental demand, thus a conducive environment for investors, despite an increase in median property sale prices in the past 12 months.



# RENTAL VACANCY RATES 2022



# RENTAL YIELD 2022\$





## CHANGE FROM LAST

12 Months

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



**\$795K**

2022<sup>^</sup> MEDIAN DWELLING<sup>^</sup> PRICE



**\$503K**

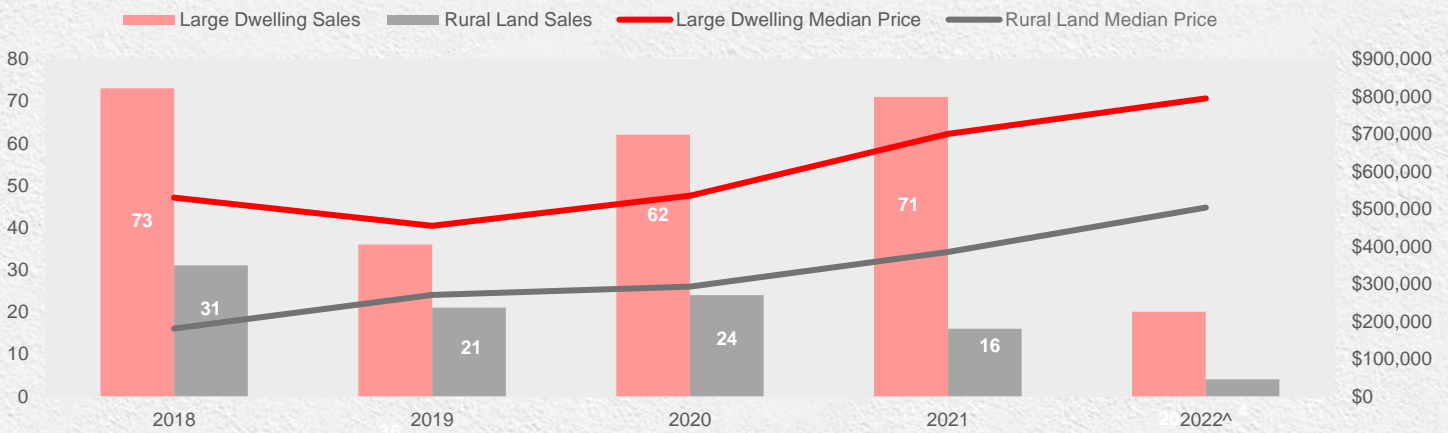
2022<sup>^</sup> MEDIAN RURAL LAND<sup>^</sup> PRICE

## KEY COMMENTS

Over the past 12 months to 2022<sup>^</sup>, Kyogle<sup>\*\*\*</sup> continued to experience exponential median price growth in both large rural residential dwellings and rural land, up by 13.6% and 30.6% respectively. Supply is very limited for both property types, and even more so for rural land. Demand remains high, which suggest an undersupplied market. This can act as a buffer in a rising interest rate environment, ensuring optimum final sale prices.

In 2022<sup>#</sup> the dominant proportion of rural land sales was in the most affordable price segment of less than \$299,999, accounting for 53.8% of sales. In contrast, large rural residential dwellings show dominant activity in the premium market, priced \$700,000 and above (35.0%). This confirms that large rural residential dwellings have become premium stock. Buyers looking for either property types can still find affordable options. However time is limited, due to the low supply in both markets.

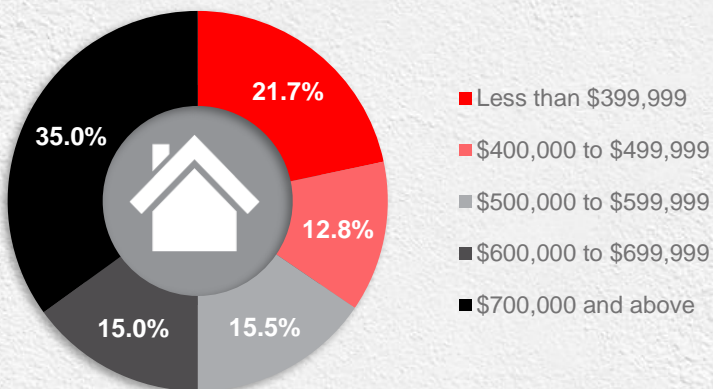
## MARKET COMPARISON



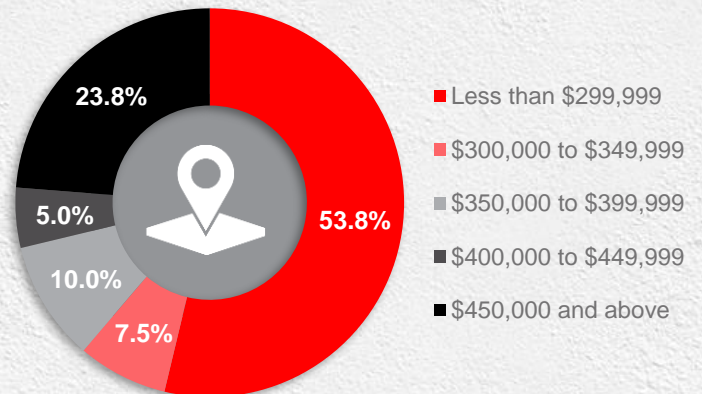
The market comparison graph provides a comparative trend for large dwelling and rural land median prices (over 2 hectares) over the past 5 years in Kyogle\*.

## PRICE BREAKDOWN 2022<sup>#</sup>

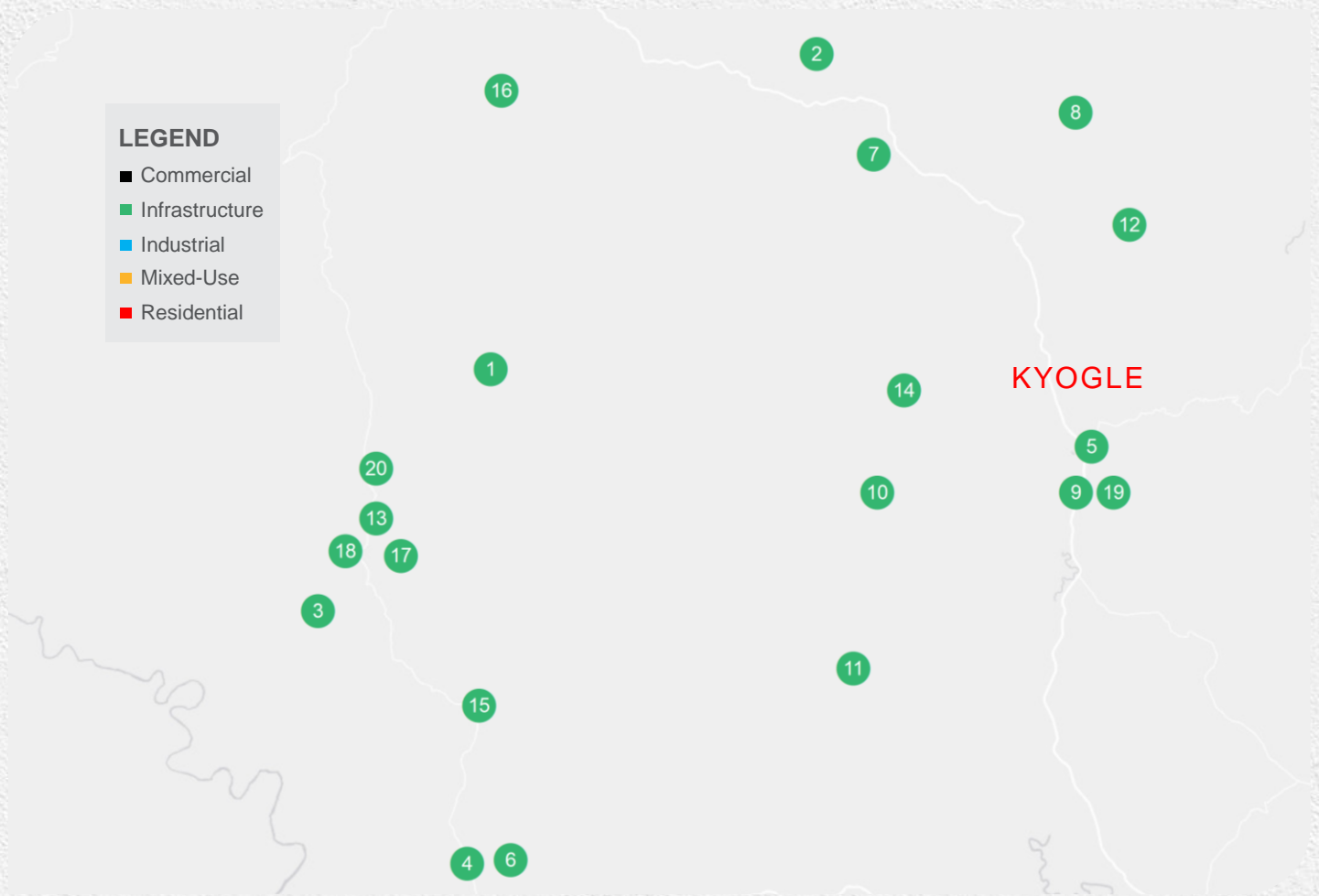
### HOUSES SOLD



### VACANT LAND SOLD



# TOP DEVELOPMENTS MAP 2<sup>nd</sup> HALF 2022<sup>Ⓐ</sup>



Location	Project <sup>£</sup>	Type	Estimated Value <sup>Ⓜ</sup>	Commence Date <sup>Ⓜ</sup>
1	Capeen Creek Road Bridges Replacement Package	Infrastructure	\$2,525,000	07/12/2022
2	Levers Road Bridge	Infrastructure	\$458,000	12/10/2022
3	Makings Bridge	Infrastructure	\$458,000	11/09/2022
4	Hansens Bridge	Infrastructure	\$458,000	11/09/2022
5	Clark Bridge	Infrastructure	\$458,000	11/08/2022
6	Secombes No.1 Bridge	Infrastructure	\$483,000	18/12/2022
7	Comerford No.1 Bridge	Infrastructure	\$483,000	19/12/2022
8	Hinde & Hurrell Bridge	Infrastructure	\$483,000	02/09/2022
9	Wintertons Bridge	Infrastructure	\$557,000	18/08/2022
10	Iron Pot Creek Road 2 & Rf Oreillys Bridges	Infrastructure	\$623,000	11/08/2022
11	Trentys Lane Bridge	Infrastructure	\$780,000	18/12/2022
12	Phelps Road Bridge	Infrastructure	\$780,000	12/12/2022
13	Gears Bridge	Infrastructure	\$780,000	11/08/2022
14	Dr Binnies Bridge	Infrastructure	\$792,000	11/08/2022
15	Suffolks Bridge	Infrastructure	\$817,000	19/08/2022
16	Yabbra Road Bridge	Infrastructure	\$823,000	07/08/2022
17	Curtis Dip Bridge	Infrastructure	\$825,000	11/08/2022
18	Gambleys Road Bridge	Infrastructure	\$1,129,000	18/09/2022
19	Eight Day Creek Bridge	Infrastructure	\$458,000	05/09/2022
20	Tierneys N0.1 Bridge	Infrastructure	\$451,000	02/09/2022





## 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

\* Kyogle market data and key indicators encapsulates aggregate property conditions within the postcode of 2474, general residential properties only.

\*\* Estimated values are based on construction value provided by the relevant data authority and does not reflect commercial and/or re-sale value.

\*\*\* Kyogle house data encapsulates aggregate property conditions within the postcode of 2474 for General Residential + Large Lot Residential over 20,000 sqm.

# 2022 encapsulates sales transactions for 1H 2022 (01/01/2022 – 30/06/2022) only.

€ Annual rental growth is a comparison between 1H 2021 (01/01/2021 – 30/06/2021) and 1H 2022 (01/01/2022 – 30/06/2022) house median rent figures.

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

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

§ Rental yields shown are as reported as of June 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 Kyogle 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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