







Lismore Market Update

2nd Half 2022



OVERVIEW

In Q3 2022, Lismore* recorded a median house price of \$590,000, and a median unit price of \$527,500. This represents annual (Q3 2021 – Q3 2022) median price growth of 1.7% for houses and 31.5% for units. That said, on a quarter-by-quarter basis (Q2 2022 – Q3 2022) median house price softened by -16.3% and median unit price grew at a lower rate of 3.4%. This reflects interest rate hikes translating into the market. Total sales decreased annually and quarterly, with Q3 2022 recording 179 and 31 house and units sales respectively. Market conditions suggest opportunities for sellers and buyers.

| | 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
Q3 2022



SALES AVERAGE DAYS ON
MARKET Q3 2022



RENTAL MEDIAN PRICE
Q3 2022

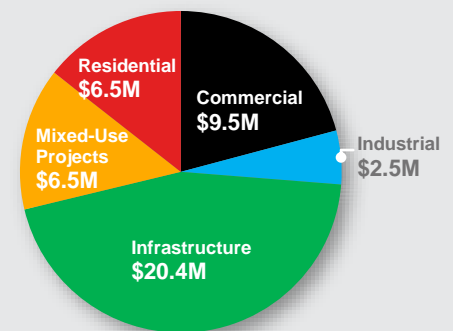


RENTAL AVERAGE DAYS ON
MARKET Q3 2022



FUTURE DEVELOPMENTS

Lismore is set to see approximately **\$33.7M** worth of new projects commencing in the 2nd half of 2022.



A key focus on infrastructure projects improve liveability for residents, which combined with commercial projects can attract more people to the area. Residential projects replenishes stock, creating a more balanced market

The Lismore Rugby Club (\$6.1M) is a significant commercial project that will create local jobs as well as improve liveability for residents.

The Oakes Oval (\$6.5M) is a key infrastructure project that will assist in hosting key sporting events in Lismore*. Other infrastructure items include walking track construction and repair or construction of bridges.

54 units/apartments are planned for the 2nd half of 2022, delivered by two projects: Caldwell Avenue & College St Mixed Use Development in East Lismore and McKenzie St Units in Lismore. These will answer demand.

That said there is still an absence in new stand-alone houses, which at the moment is exacerbated by flood events and construction challenges. Thus there is a reliance on owners or down-sizers selling.



54 Units/
Apartments

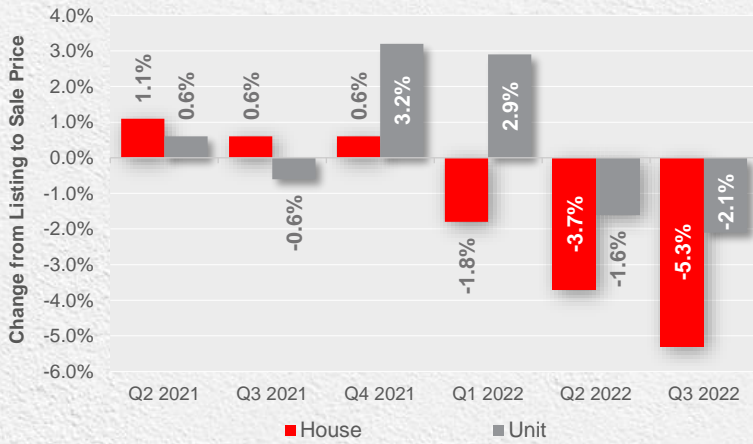
AVERAGE VENDOR DISCOUNT* KEY COMMENTS

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.

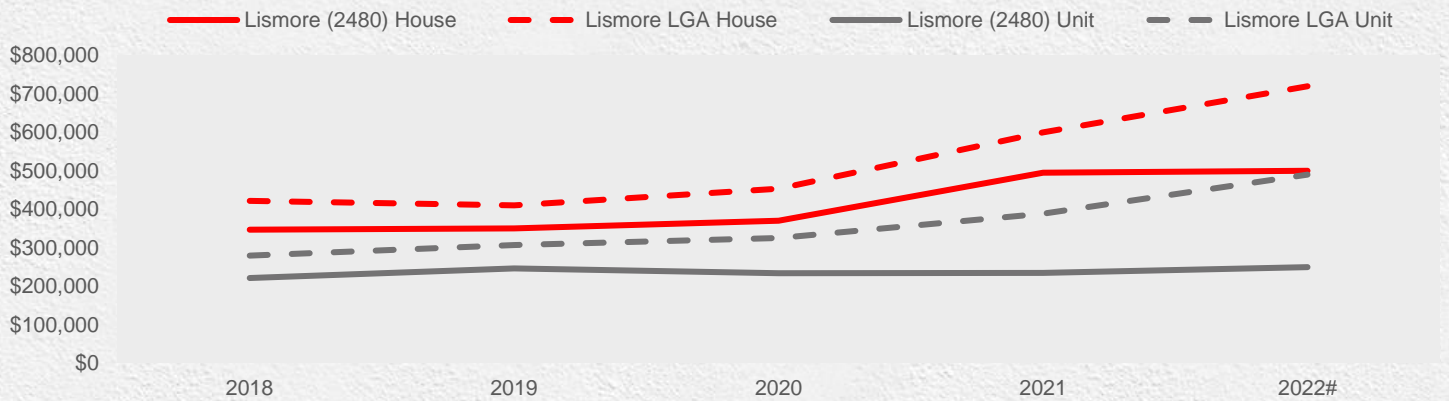
Average vendor discounts between Q3 2021 and Q3 2022 have rapidly shifted for both property types, to higher discounts of -5.3% for houses and -2.1% for units. Market conditions in Lismore* have now shifted to favour buyers, as vendors are willing to offer below the initial listing price. This is a significant change compared to 12 months prior, when buyers were willing to offer higher than the first list asking price.

The suburb of Lismore has historically offered a more affordable market compared to the wider Lismore Local Government Area (LGA) in both house and unit median prices. This continued to be the case in 2022#, with houses trending toward a more discounted market.

The dominant proportion of homes sold in Lismore* across 2022# were in the affordable price bracket of less than \$599,999 (46.7%). Units also recorded a dominant affordable price point of below \$399,999 (44.6%). Premium markets in houses and units remain, but affordable options have become more accessible.



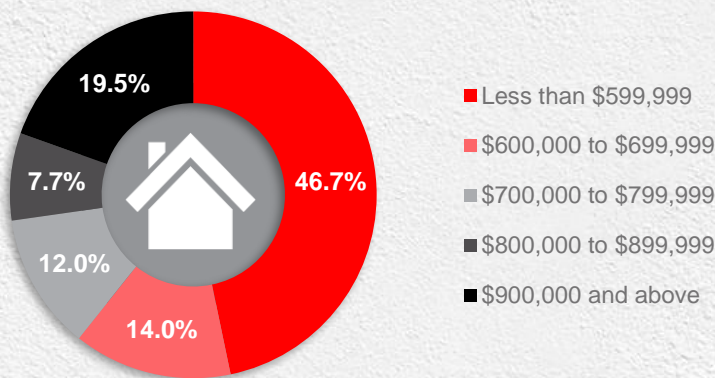
MARKET COMPARISON



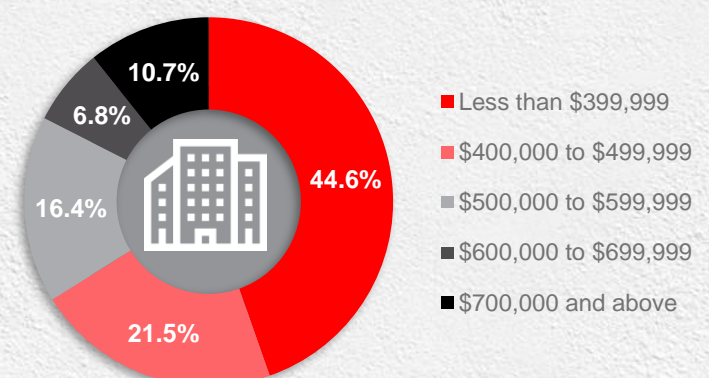
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled are chosen based on their proximity to the main suburb analysed, which is Lismore.

PRICE BREAKDOWN 2022#

HOUSES SOLD



UNITS SOLD



RENTAL GROWTH 2022€

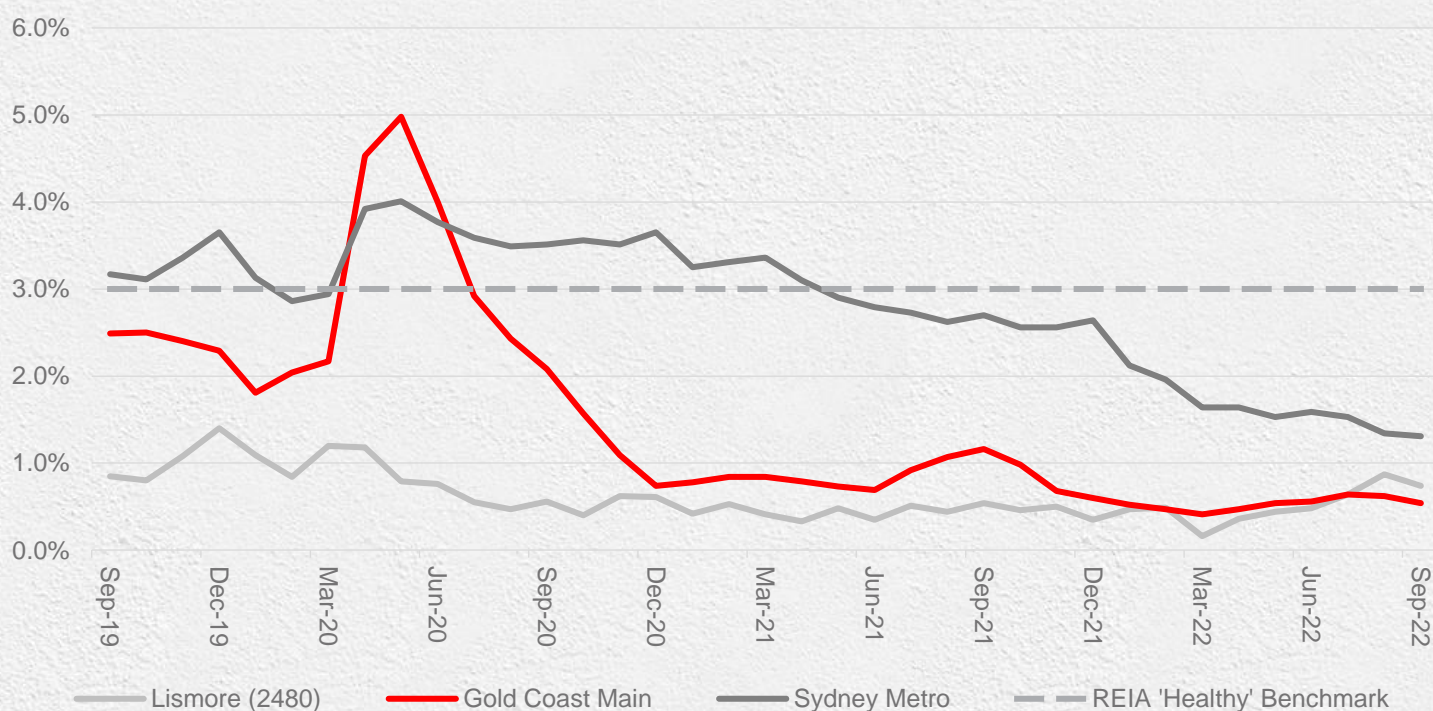
Lismore[‡] house rental yields was 4.4% in September 2022, much higher than Gold Coast Main (4.0%) and Sydney Metro (2.7%). This was paired with a 10.0% increase in median house rental price in the 12 months to Q3 2022, to \$550 per week, and a 37.7% increase in the number of houses rented. A similar trend is evident in Lismore's unit rental market, confirming the area as an attractive more affordable option compared to Gold Coast and Sydney Metro.

3 bedroom houses have provided investors with +14.6% rental growth annually, achieving a median rent of \$550 per week.

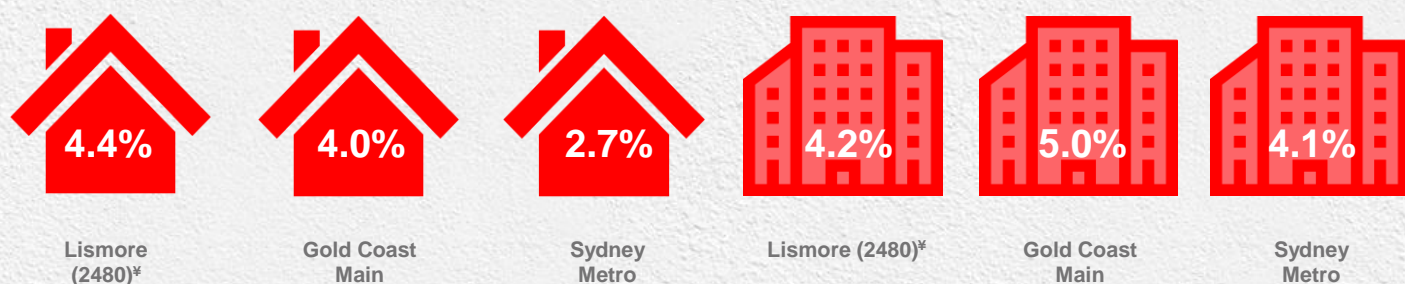
Lismore[‡] recorded a vacancy rate of 0.7% in September 2022, which is below Sydney Metro's 1.3% average. Vacancy rates in Lismore[‡] have held relatively steady over the past 24 months, sitting within the 1.0% rate-band. It also sits under the Real Estate Institute of Australia's healthy benchmark of 3.0%, thus quicker occupancy of rental properties. These key indicators suggest a conducive environment for investors, particularly with the median house price downturn in the past quarter.



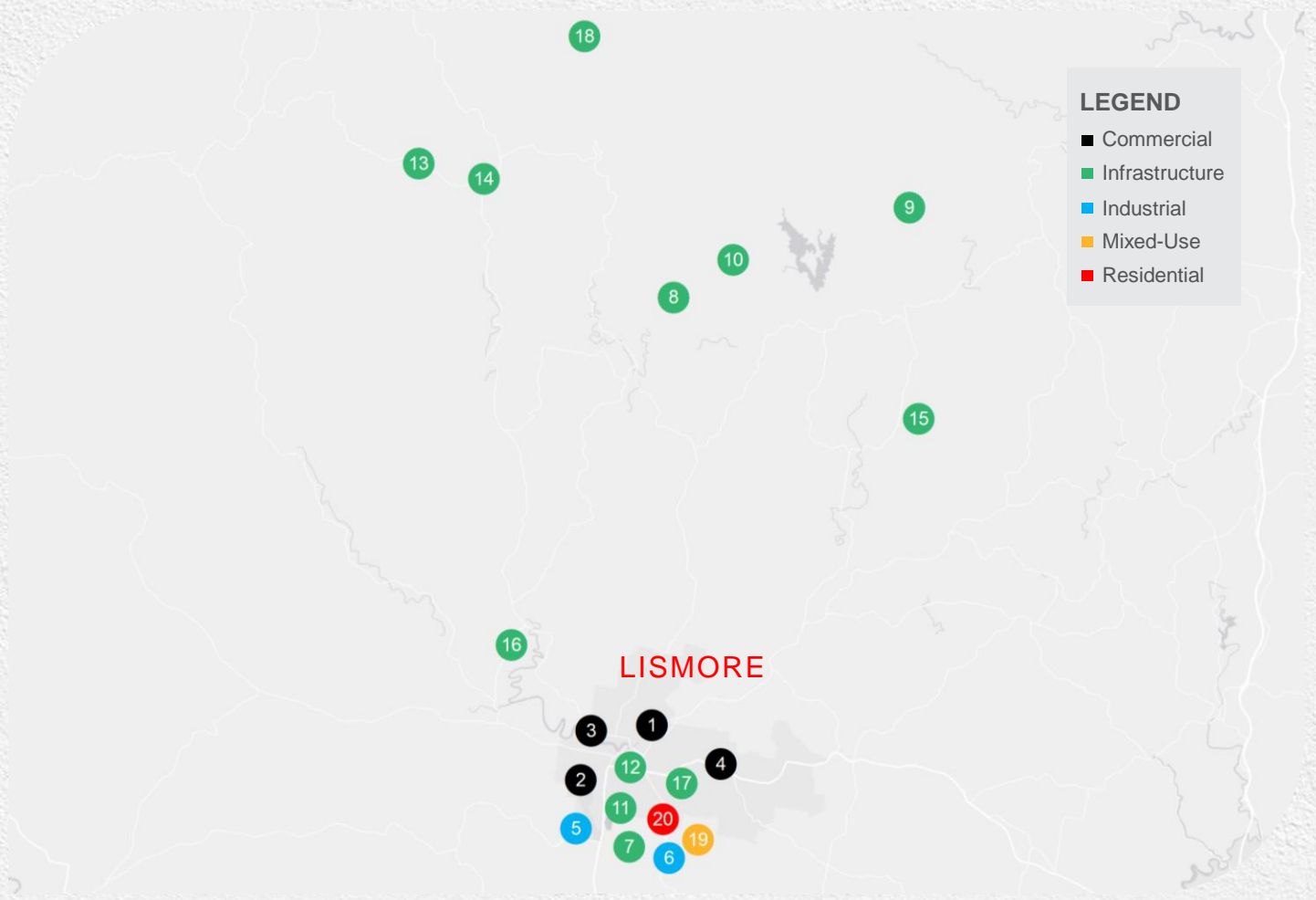
RENTAL VACANCY RATES 2022



RENTAL YIELD 2022\$



TOP DEVELOPMENTS MAP 2nd HALF 2022[†]



| Location | Project [§] | Type | Estimated Value [¶] | Commence Date [¶] |
|----------|---|----------------|------------------------------|----------------------------|
| 1 | Lismore Rugby Club | Commercial | \$6,050,000 | 09/08/2022 |
| 2 | Northern Rivers Isuzu | Commercial | \$736,000 | 01/10/2022 |
| 3 | 52 Elliott Road Depot | Commercial | \$982,000 | 27/10/2022 |
| 4 | RSL Lifecare | Commercial | \$500,000 | 08/07/2022 |
| 5 | Habib Drive Industrial Building | Industrial | \$1,200,000 | 16/11/2022 |
| 6 | Wyrallah Road Industrial Subdivision | Industrial | \$1,250,000 | 12/12/2022 |
| 7 | Sexton Bridge | Infrastructure | \$550,000 | 26/07/2022 |
| 8 | Town Bridge | Infrastructure | \$600,000 | 19/07/2022 |
| 9 | Tweed Byron Hinterland Trails Day 4 Walking Track Construction | Infrastructure | \$1,000,000 | 20/12/2022 |
| 10 | Tweed Byron Hinterland Trails Day 3 Walking Track Construction | Infrastructure | \$1,000,000 | 20/12/2022 |
| 11 | Albert Park Baseball Complex | Infrastructure | \$1,000,000 | 07/07/2022 |
| 12 | Lismore Pipeline | Infrastructure | \$400,000 | 16/08/2022 |
| 13 | Greens Bridge | Infrastructure | \$1,260,000 | 12/07/2022 |
| 14 | Nimbin Road Embankment Reconstruction | Infrastructure | \$1,340,000 | 18/10/2022 |
| 15 | Ridgewood Bridge | Infrastructure | \$1,800,000 | 16/11/2022 |
| 16 | Walsh Bridge | Infrastructure | \$3,200,000 | 10/11/2022 |
| 17 | Oakes Oval - Overall Project | Infrastructure | \$6,500,000 | 30/12/2022 |
| 18 | Gungas Road Bridge | Infrastructure | \$1,100,000 | 23/10/2022 |
| 19 | Caldwell Avenue & College Street Mixed Use Development (24 Units) | Mixed Use | \$6,506,000 | 01/11/2022 |
| 20 | Mckenzie Street Units (30 Units) | Residential | \$6,541,000 | 15/12/2022 |



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 2022 (01/01/2022 – 30/09/2022) only.

€ Annual rental growth is a comparison between 2021 (01/01/2021 – 30/09/2021) and 2022 (01/01/2022 – 30/09/2022) house median rent figures.

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

§ Rental yields shown are as reported as of September 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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