



Coffs Harbour Market Update 2nd Half 2022



OVERVIEW

In Q3 2022, Coffs Harbour*, recorded a median house price of \$810,000. This is annual (Q3 2021 – Q3 2022) 9.5% median house price growth. That said, on a quarter by quarter basis (Q2 2022 – Q3 2022), median house price softened by -4.1%. This is a reflection of interest rate hikes translating into the market. Total houses sales decreased annually and quarterly, with Q3 2022 recording the lowest number of sales (223 sales). The unit market recorded a median price softening annually (-3.8%) and quarterly (-4.7%), whilst also recording lower amount of sales. There are now new opportunities for first home 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

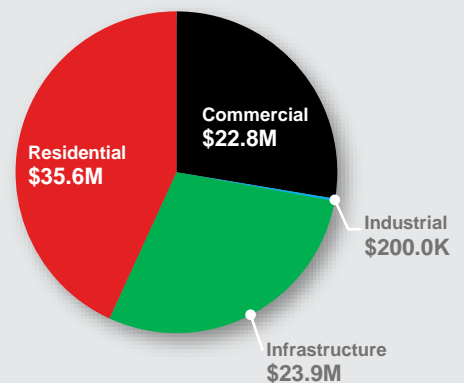


RENTAL AVERAGE DAYS ON
MARKET Q3 2022



FUTURE DEVELOPMENTS

Coffs Harbour is set to see approximately **\$82.5M** worth of new projects commencing in the 2nd half of 2022.



A focus on commercial and infrastructure projects will stimulate economic growth through local job creation. A focus on residential projects will replenish the current supply, creating a balanced market.

A main commercial project over the 2nd half of 2022 is the Marian Place Senior Housing Development (\$12.0M). The project will replace the roof in the existing development.

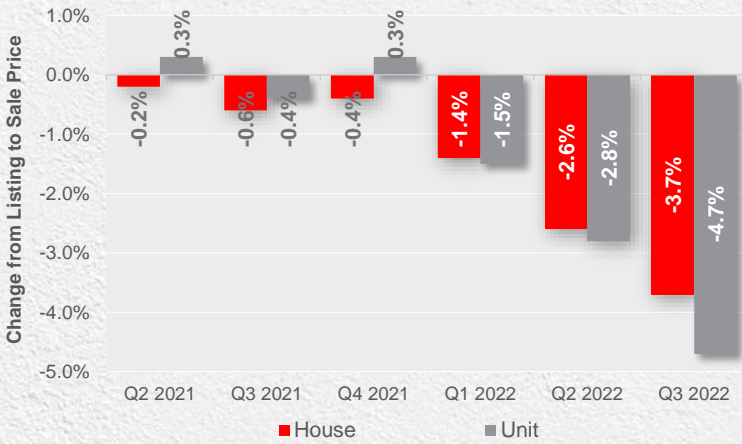
The Prince Street Apartments (\$11.5M) plans to construct a 7 storey building to include 40 units.

Ready to sell units (75), dwellings (7), and townhouses (26) will assist with demand. In the current cash rate situation it can also provide a fairer market for first home buyers. 107 lots are planned, which allows first home buyers to access grants and build their home.



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.

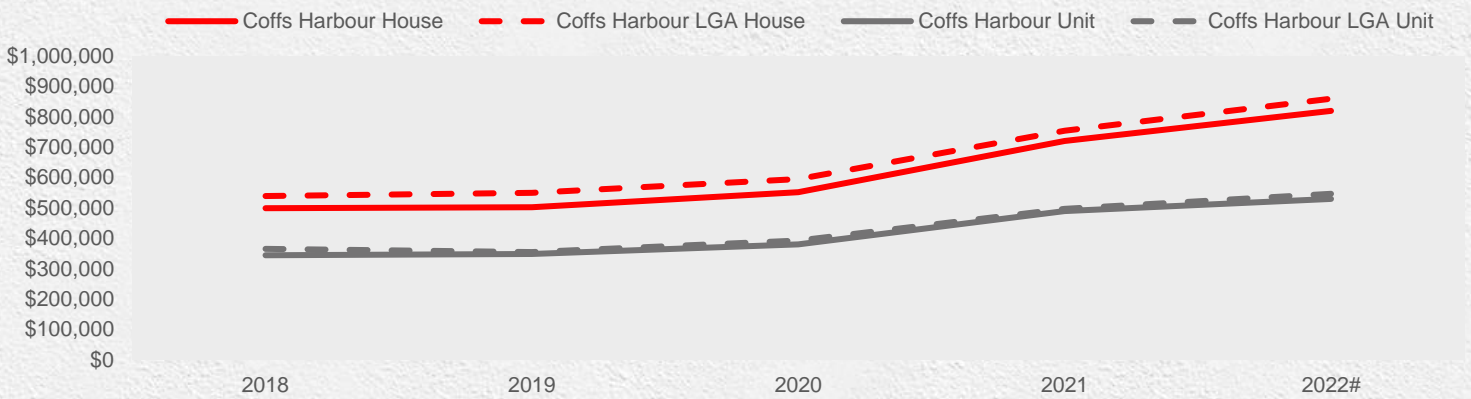


Average vendor discounts between Q3 2021 and Q3 2022 have rapidly swung to a discount for both property types, of -3.7% for houses and -4.7% for units. Market conditions in Coffs Harbour* have now shifted to favour buyers, as vendors are willing to offer below the initial listing price. Q3 2022 average vendor discounts were the highest seen in the past 12 months.

The suburb of Coffs Harbour has historically performed on par with the wider Coffs Harbour Local Government Area (LGA) in both house and unit median prices. This continued to be the case in 2022#, even with slower growth on a quarter by quarter basis.

The dominant proportion of homes sold in Coffs Harbour* across 2022# were in the premium price point of \$900,000 and above (33.5%). Units also recorded a dominant premium price point of \$650,000 and above (29.0%). Compared to 6 months prior there is a slightly higher portion of sales in the more affordable price points, in good news for first home buyers.

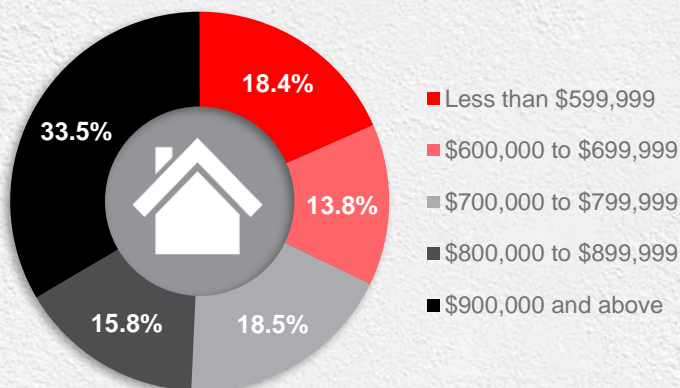
MARKET COMPARISON



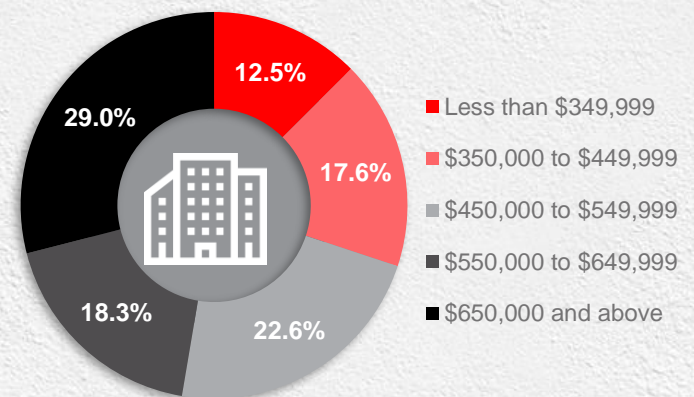
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled are chosen based on their proximity to the main suburb analysed, which is Coffs Harbour.

PRICE BREAKDOWN 2022#

HOUSES SOLD



UNITS SOLD

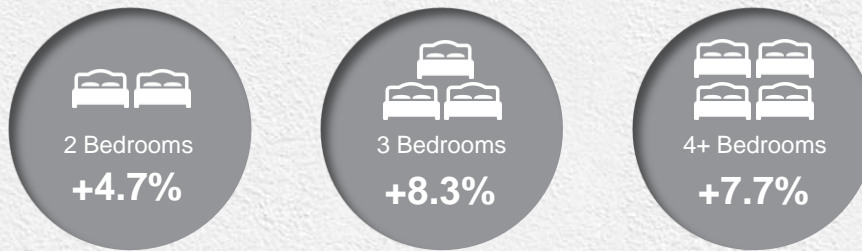


RENTAL GROWTH 2022€

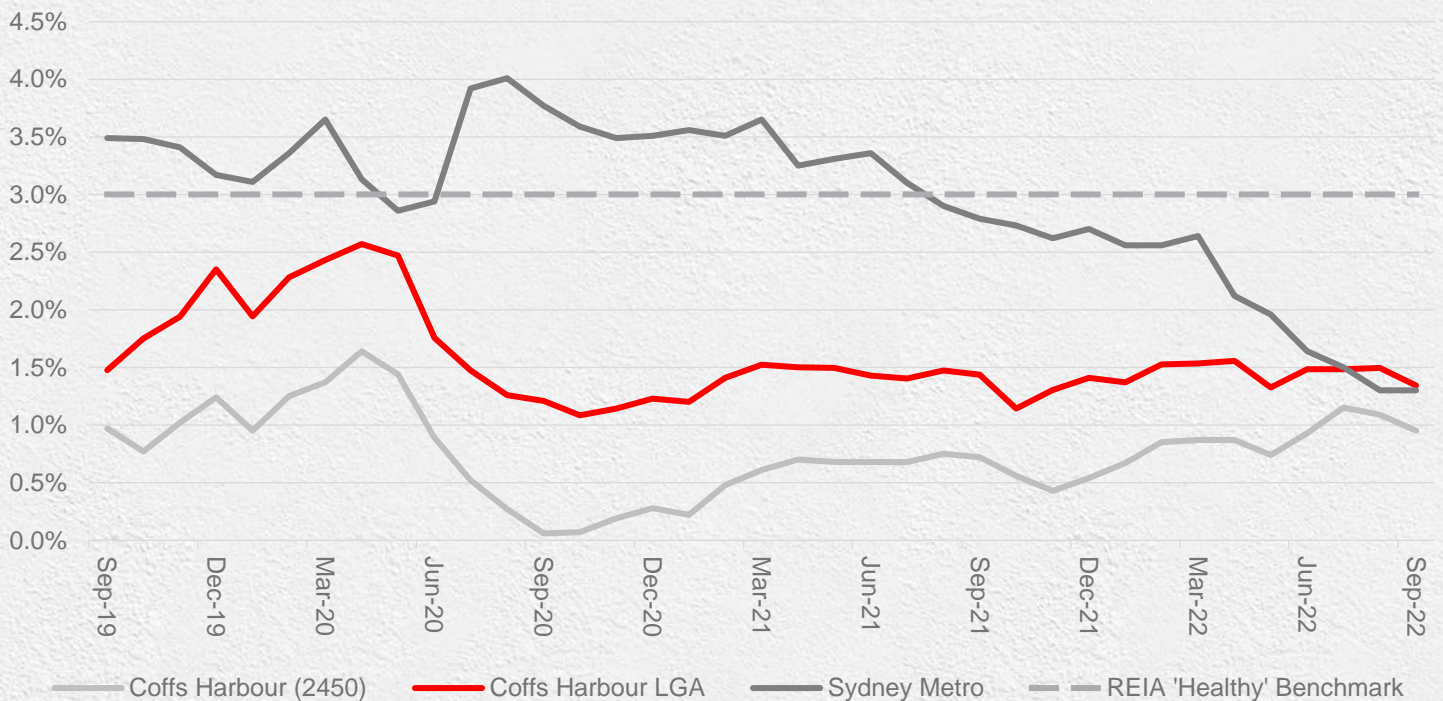
In September 2022, house rental yields in Coffs Harbour were recorded at 4.0%, higher than Sydney Metro (2.6%). In the 12 months to Q3 2022, median house rental price increased 9.1% to reach \$600 per week. In this time the number of houses rented declined by -11.9% and average days to let remained the at 20 days. Overall this represents a resilient rental market in Coffs Harbour, which has a more affordable investment entry price compared to Sydney Metro.

3 bedroom houses have provided investors with +8.3% rental growth annually, achieving a median rent of \$585 per week.

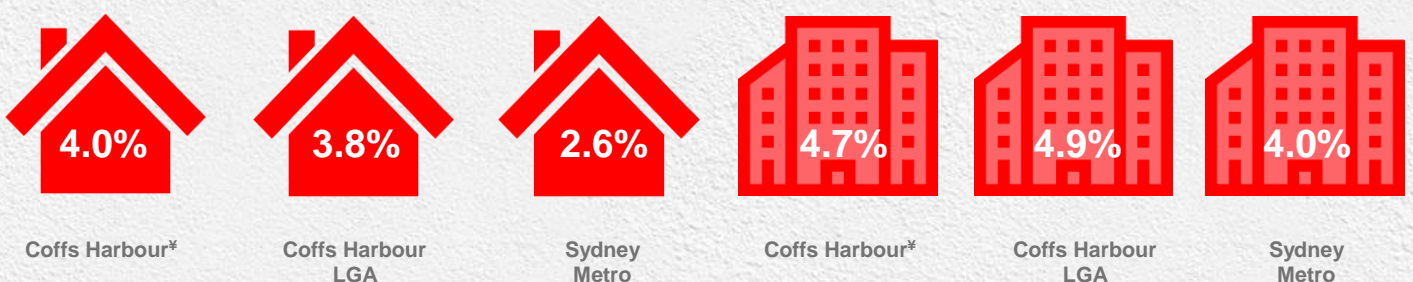
Coffs Harbour* recorded a vacancy rate of 1.0% in September 2022, which is slightly below Sydney Metro's 1.3% average. Vacancy rates in Coffs Harbour* have slightly fluctuated in the past 12 months, but have remained within the 1.0% rate band. This suggest high rental demand and quicker occupancy. These key indicators create a conducive and sustainable environment for investors, particularly with the latest median house price downturn between Q2 2022 – Q3 2022.



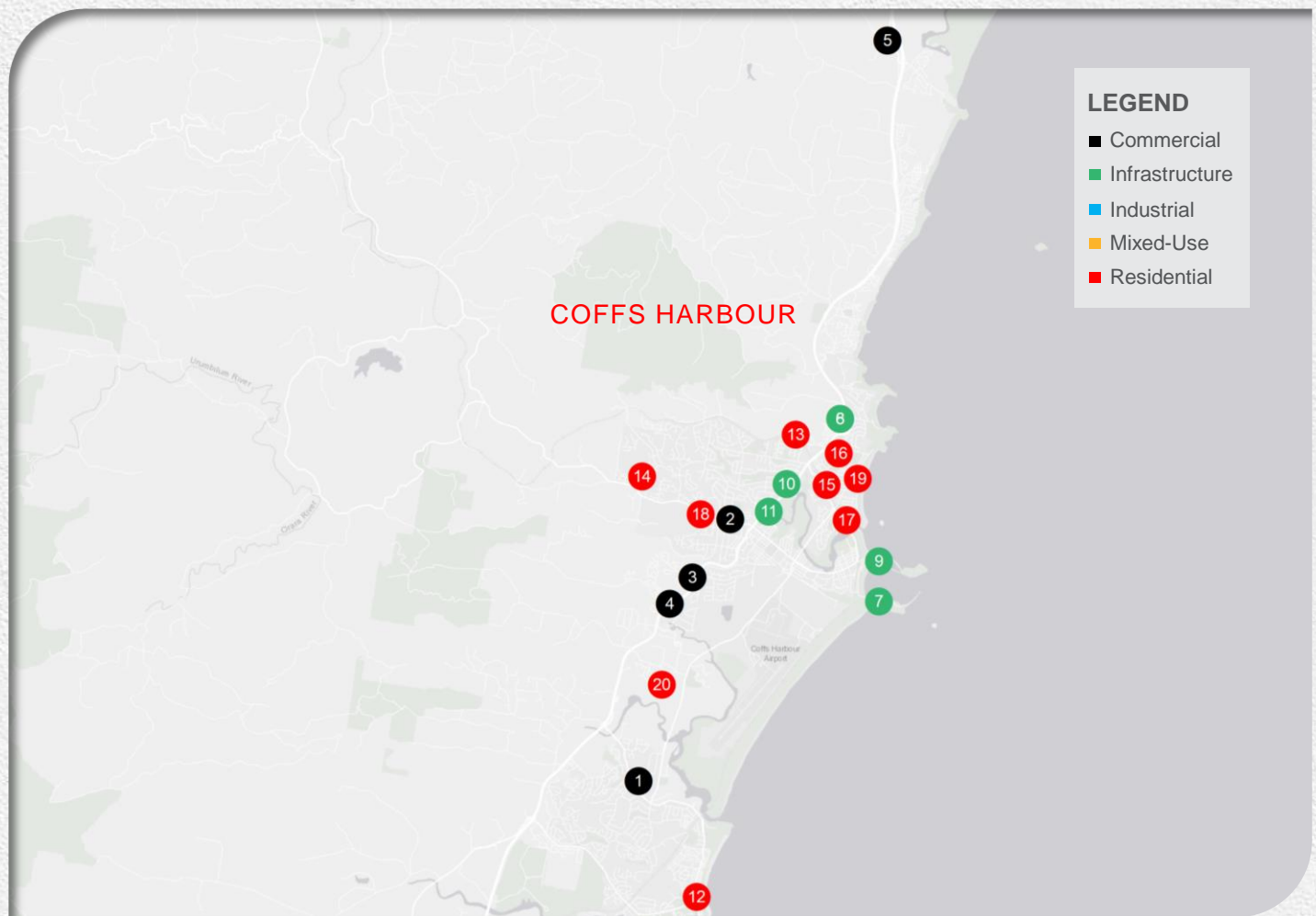
RENTAL VACANCY RATES 2022



RENTAL YIELD 2022\$



TOP DEVELOPMENTS MAP 2nd HALF 2022[Ⓐ]



Location	Project [£]	Type	Estimated Value [Ⓜ]	Commence Date [Ⓜ]
1	1-3 Marian Place Senior Housing Development	Commercial	\$12,065,000	08/11/2022
2	Gundagai Place Boarding House	Commercial	\$1,200,000	12/10/2022
3	2 Halls Road Commercial Development	Commercial	\$1,600,000	14/12/2022
4	Watsons Leisure Centre	Commercial	\$1,600,000	16/11/2022
5	Solitary Islands Way Group Home	Commercial	\$5,000,000	07/11/2022
6	Coffs Harbour Bypass	Infrastructure	\$1,000,000	27/08/2022
7	128 Jordan Esplanade Community Facility Development	Infrastructure	\$3,356,000	15/08/2022
8	Coffs Harbour Bypass	Infrastructure	\$1,000,000	21/08/2022
9	Coffs Harbour Maritime Operation Centre Refurbishment	Infrastructure	\$5,077,000	15/08/2022
10	Coffs Harbour Ambulance Station	Infrastructure	\$6,529,000	26/09/2022
11	Coffs Harbour Showground	Infrastructure	\$4,000,000	25/07/2022
12	Honeysuckle Terraces (8 Units)	Residential	\$2,750,000	18/08/2022
13	Summit Townhouses (8 Units)	Residential	\$1,920,000	22/10/2022
14	Veduta Road Residential Subdivision (29 Lots)	Residential	\$1,750,000	06/07/2022
15	12 Condon Street Townhouses JZ Developments (9 Units)	Residential	\$1,710,000	03/10/2022
16	Arthur Street Apartments (27 Units)	Residential	\$9,860,000	12/07/2022
17	Vincent Street Townhouses (6 Units)	Residential	\$1,400,000	16/11/2022
18	43 West High St Coffs Harbour - Subdivision & Dwellings Approval (7 Lots)	Residential	\$1,365,000	15/07/2022
19	Prince Street Apartments (40 Units)	Residential	\$11,500,000	13/12/2022
20	21 Domain & Stadium Drives Residential Subdivision (57 Lots)	Residential	\$2,200,000	10/11/2022



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.



Damien Campbell

Principal

M +61 418 965 076

E damiencampbell@prd.com.au



PRD Coffs Harbour

P +61 2 6652 5833

F +61 2 6651 3102

181 Harbour Drive
Coffs Harbour NSW 2450

PRD.com.au/coffsharbour

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 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.

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

§ 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 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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