



# Kyogle Market Update

## 1<sup>st</sup> Half 2023



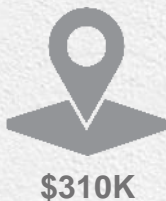
### OVERVIEW

In Q4 2022, Kyogle\* recorded a median house price of \$545,000, which is a 5.0% annual growth (Q4 2021 – Q4 2022). House sales declined by -48.9% in this timeframe, to only 24 sales. On a quarter-by-quarter basis (Q3-Q4 2022) median house price grew at a slower rate, of 3.3%, reflective of higher interest rates. Median land sales in Kyogle\* were very limited in Q4 2022, thus a more reliable measure for median land price was Q3 2022, of \$310,000. This is a 26.5% growth on an annual basis. Houses and land remain undersupplied in Kyogle\*, thus an opportunity for owner occupiers, downsizers, and developers.

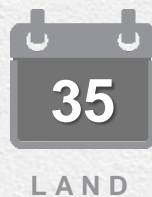
	CHANGE FROM LAST	YEAR	HALF YEAR
	House Sales	↓	↓
	House Median Price	↑	↓
	House Rental Price	↑	↔
	Land Sales	↓	↑
	Land Median Price	↑	↑

### MARKET CONDITIONS

**SALES MEDIAN PRICE**  
Q4 2022



**SALES AVERAGE DAYS ON MARKET**  
Q4 2022



**RENTAL MEDIAN PRICE**  
Q4 2022

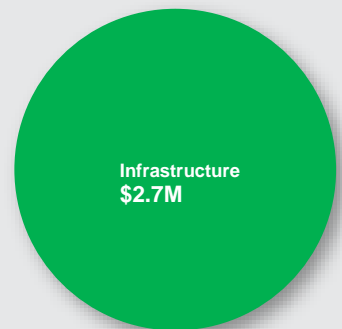


**RENTAL AVERAGE DAYS ON MARKET**  
Q4 2022



### FUTURE DEVELOPMENTS

Kyogle\* is set to see approximately **\$2.7M worth of new projects commencing in the 1<sup>st</sup> half of 2023.**



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.

Kyogle Council is highly committed to improving infrastructure, through its once-in-a-generation bridge building program. With investments from all three levels of Government, \$50.8M is allocated to replacing a total of 95 ageing timber bridges in the next two years.

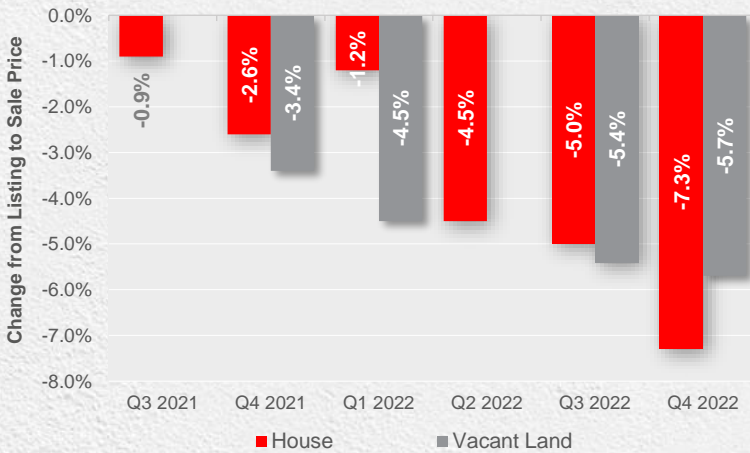
A main infrastructure project over the 1<sup>st</sup> half of 2023 is the Dr Binnies Bridge (\$792K). This is just one of the many bridges re-constructed in this unparalleled opportunity for the future prosperity of the community.

There is still an absence in residential projects, in particular for ready-to-sell houses. Current cash rate hikes may provide a short-term buffer, as consumers move into uncertain times. However this is not a viable long-term strategy.

# 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.

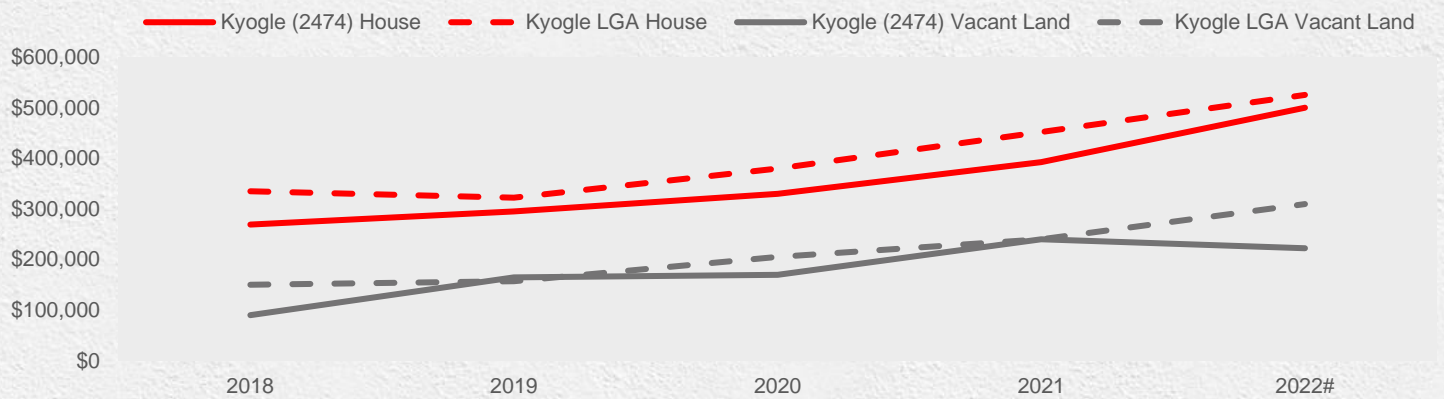
Average vendor discounts between Q4 2021 and Q4 2022 have widened for both property types, to -7.3% for houses and -5.7% for vacant land. Market conditions in Kyogle\* have shifted to favour buyers, where sellers are willing to accept below their initial listing price. Q4 2022 records the highest average vendor discount since 2020, thus now is the time to enter the market.



The suburb of Kyogle has continued to record a more affordable market in comparison to the wider Kyogle Local Government Area (LGA). 2022# saw a further lag in vacant land prices, however with houses returning to parity with the Kyogle Local Government Area (LGA).

The dominate proportion of homes sold in Kyogle\* across 2022 were in the most affordable price bracket of less than \$499,000 (49.7%). Vacant land also recorded an affordable market of under \$299,999 (58.7%). This creates a new opportunity for first home buyers to attain access into the market.

## MARKET COMPARISON

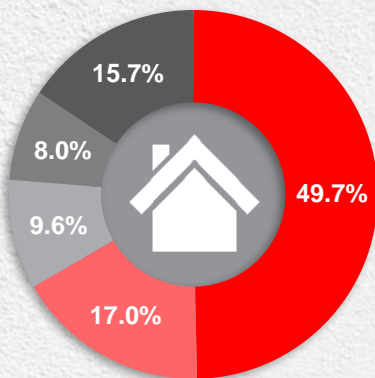


The market comparison graph provides a comparative trend for the median price of houses and vacant land over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Kyogle.

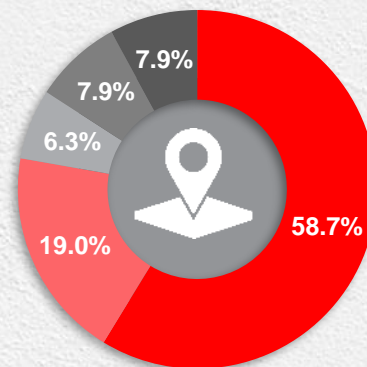
## PRICE BREAKDOWN 2022#

### HOUSES SOLD

### VACANT LAND SOLD



- Less than \$499,999
- \$500,000 to \$599,999
- \$600,000 to \$699,999
- \$700,000 to \$799,999
- \$800,000 and above



- Less than \$299,999
- \$300,000 to \$399,999
- \$400,000 to \$499,999
- \$500,000 to \$599,999
- \$600,000 and above

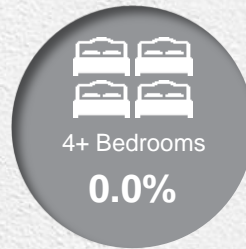
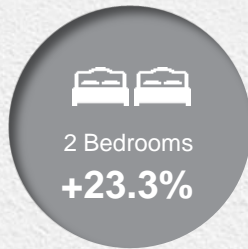


# RENTAL GROWTH 2022€

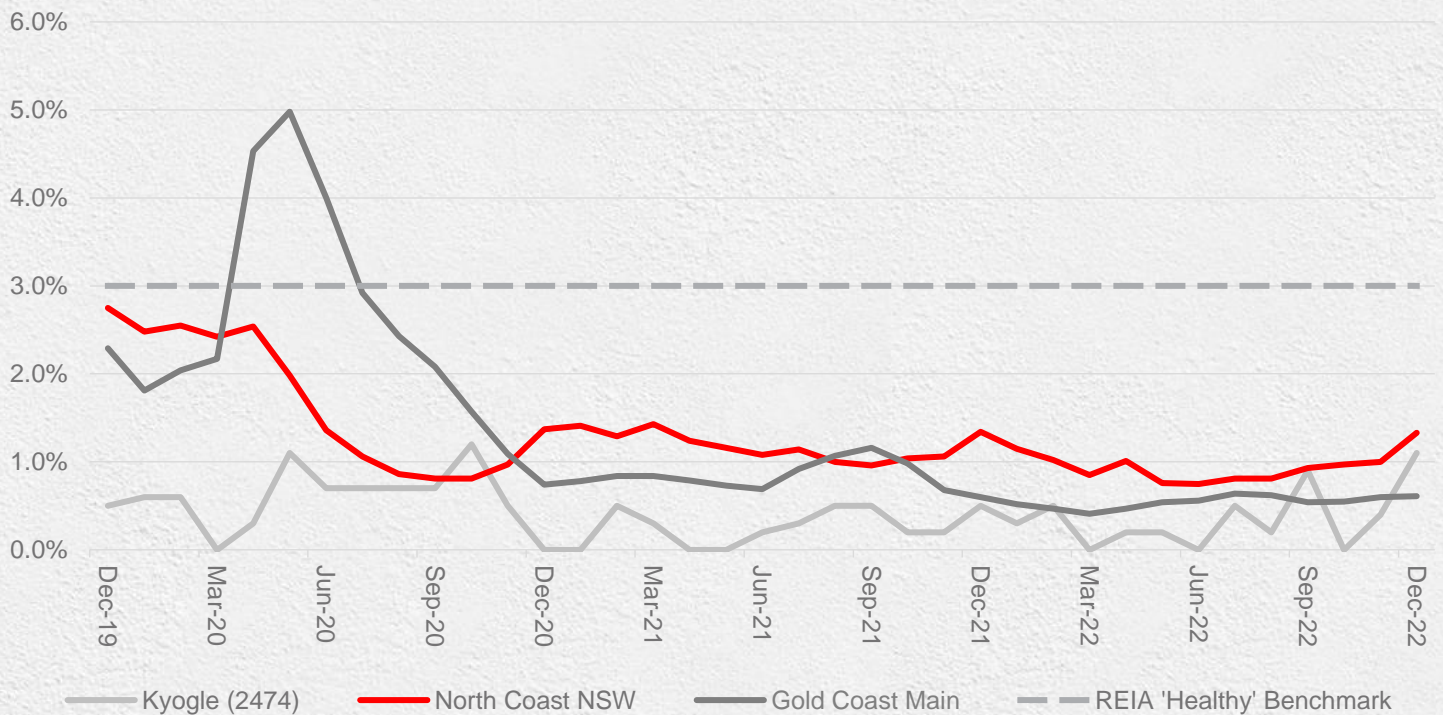
House rental yields in Kyogle\* was 3.3% in December 2022, lower than the average for North Coast NSW. However, the median house rental price increased by 12.5% (to \$450 per week) in the 12 months to Q4 2022, and the number of houses rented increased significantly to 24 rentals. Further, average days to let remain at a low 21 days in Q4 2022. Overall, this suggests a resilient rental market, and a more affordable investment option compared to Gold Coast or Sydney Metro.

3 bedroom houses have provided investors with +26.6% rental growth annually, achieving a median rent of \$450 per week.

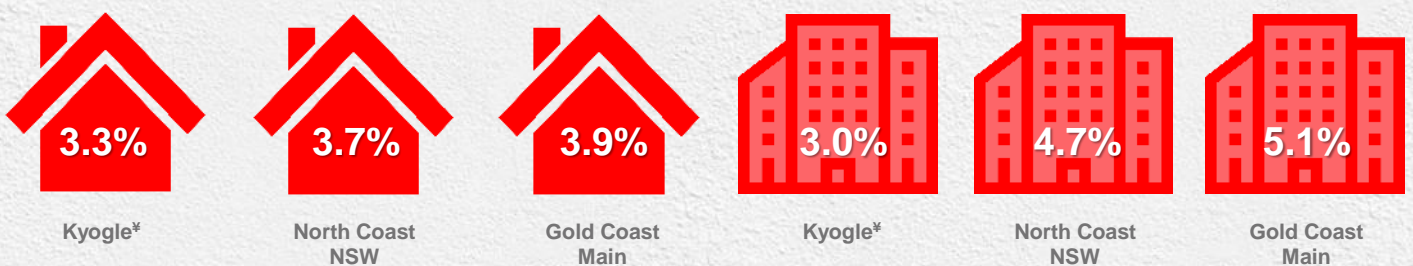
Kyogle\* recorded a vacancy rate of 1.1% in December 2022, which is significantly below the 3.0% healthy benchmark set by the Real Estate Institute of Australia. Vacancy rates in Kyogle\* saw a slight uptick in late 2022, due to investors capitalising on a tight rental market. Overall vacancy rates have remained within the 1.5% band rate in the past 12 months, indicating stability in rental demand. This indicates a conducive and sustainable environment for investors.



# RENTAL VACANCY RATES 2022



# RENTAL YIELD 2022§



## CHANGE FROM LAST

12 Months

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



**\$800K**

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



**\$520K**

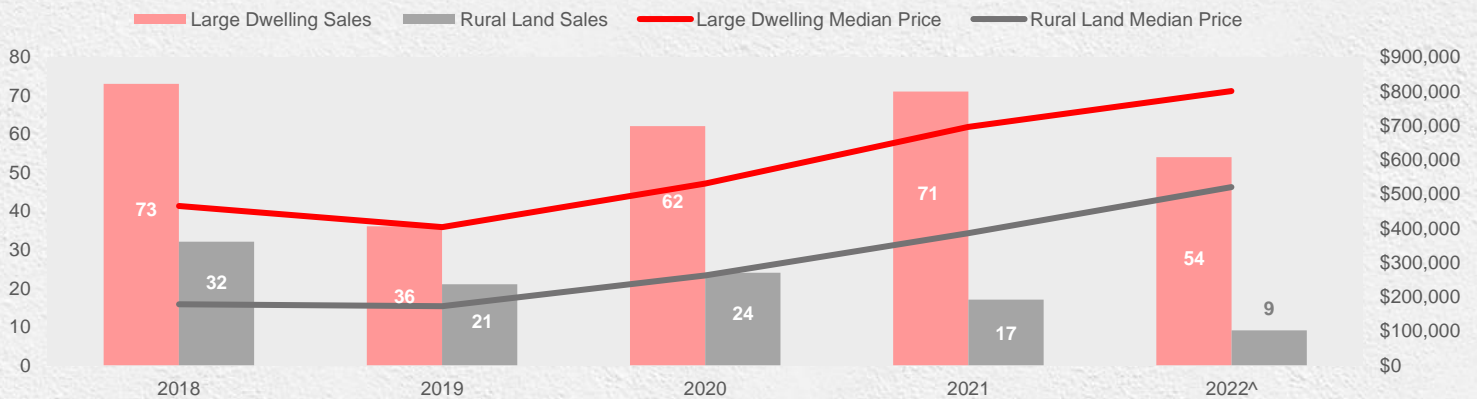
RURAL LAND<sup>^</sup>  
MEDIAN PRICE

## 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 15.1% and 35.1% 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 the price segment of \$450,000 and above, accounting for 42.3% of sales. Similarly, large rural residential dwellings show dominant activity in the premium market, priced \$850,000 and above (42.6%). 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

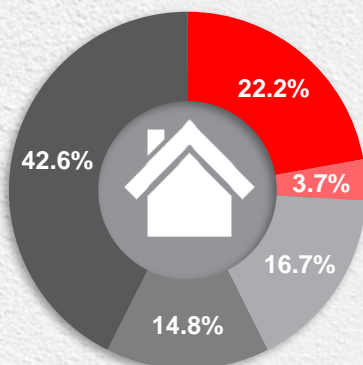


The market comparison graph provides a comparative trend for large dwelling and rural land median prices (over 2 hectares) over the past 5 years in Kyogle\*.

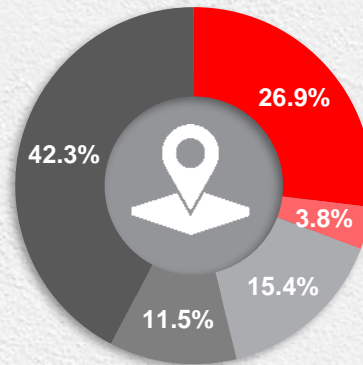
## PRICE BREAKDOWN 2022<sup>#</sup>

### LARGE DWELLINGS SOLD

### RURAL VACANT LAND SOLD



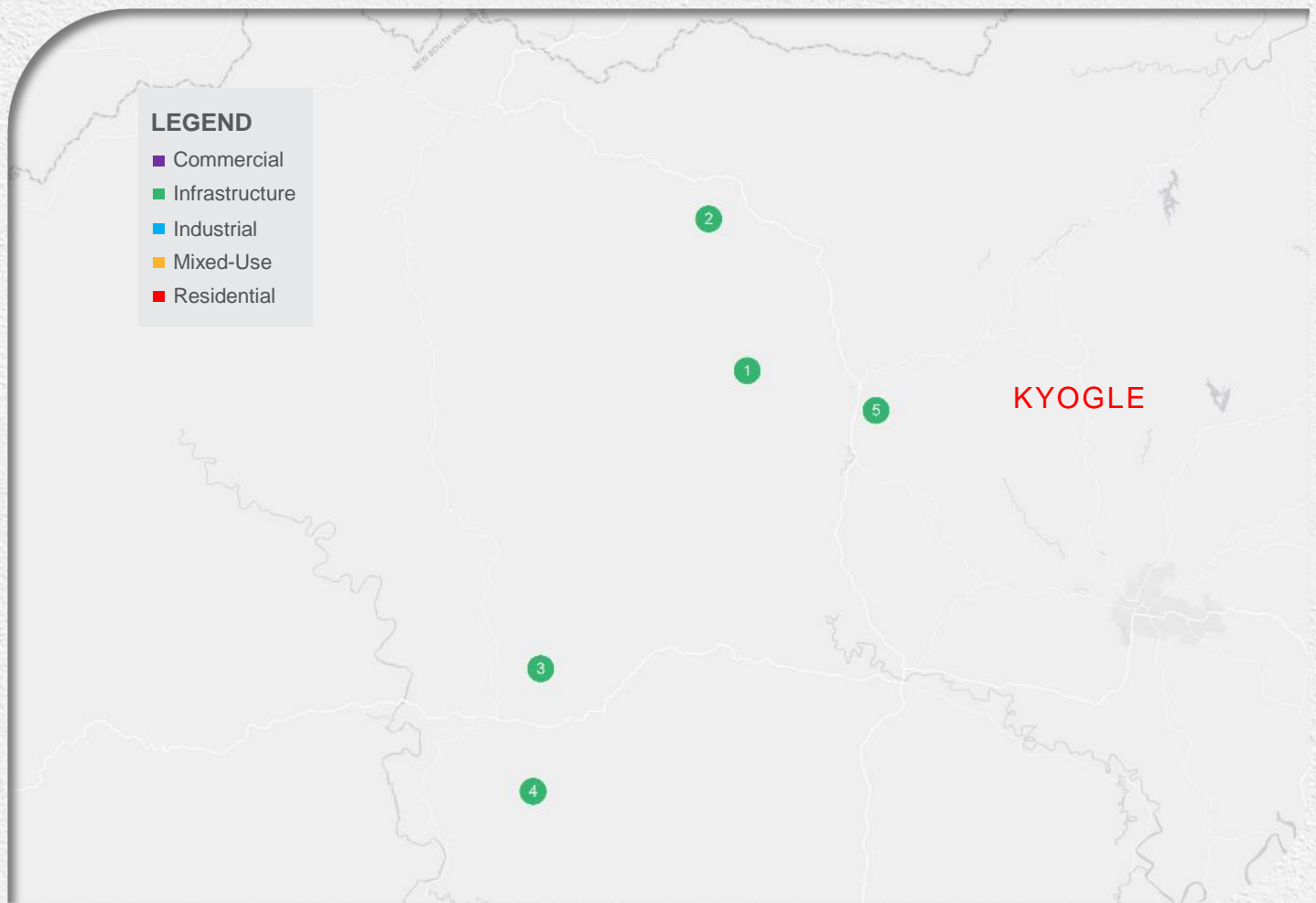
- Less than \$549,999
- \$550,000 to \$649,999
- \$650,000 to \$749,999
- \$750,000 to \$849,999
- \$850,000 and above



- Less than \$299,999
- \$300,000 to \$349,999
- \$350,000 to \$399,999
- \$400,000 to \$449,999
- \$450,000 and above



# TOP DEVELOPMENTS MAP 1<sup>st</sup> HALF 2023<sup>A</sup>



Location	Project <sup>£</sup>	Type	Estimated Value <sup>!</sup>	Commence Date <sup>ψ</sup>
1	Dr Binnies Bridge	Infrastructure	\$792,000	01/04/2023
2	Comerford No.2 Bridge	Infrastructure	\$780,000	01/04/2023
3	Larsson Road Bridge	Infrastructure	\$421,000	03/02/2023
4	Old Lawrence Road No.2 Bridge	Infrastructure	\$421,000	04/02/2023
5	Kyogle Town Centre	Infrastructure	\$250,000	04/06/2023



## 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 large dwelling and rural residential 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 2022 (01/01/2022 – 31/12/2022) only.

€ Annual rental growth is a comparison between 2021 (01/01/2021 – 31/12/2021) and 2022 (01/01/2022 – 31/12/2022) 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 December 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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