



Cooranbong Market Update 1st Half 2023

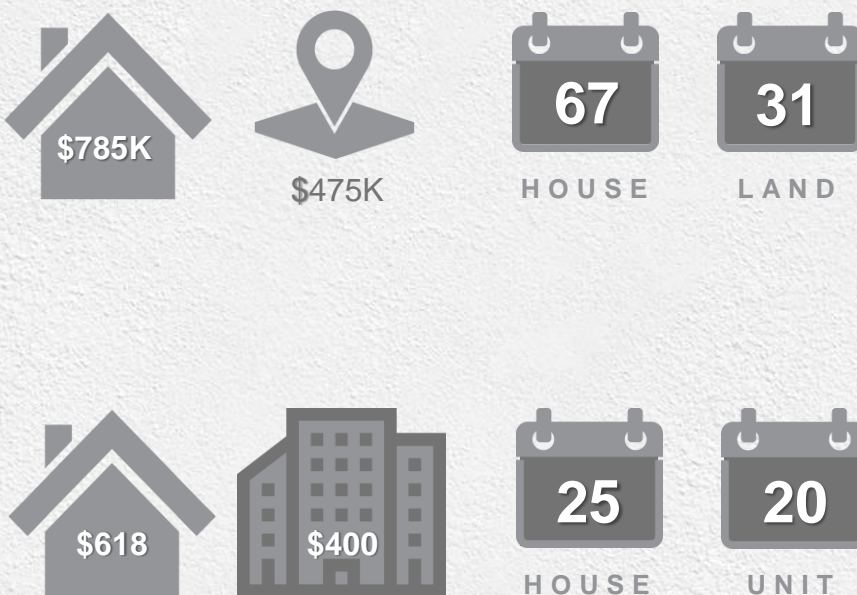


OVERVIEW

In Q1 2023, Cooranbong (Postcode 2265)* recorded a median house price of \$785,000. This is an annual (Q1 2022 – Q1 2023) -8.1% price softening. On a quarterly basis (Q4 2022 – Q1 2023), median price softened by -7.6%. House sales increased annually and quarterly, with sales increasing 14.3% over the 12 months to Q1 2023. The market suggests cash rate hikes have translated into the market, as although stock is available prices has softened. Median land price softened by -4.8% annually, while quarterly it grew 4.6% to \$475,000. At present buyers can benefit from a more affordable house market.

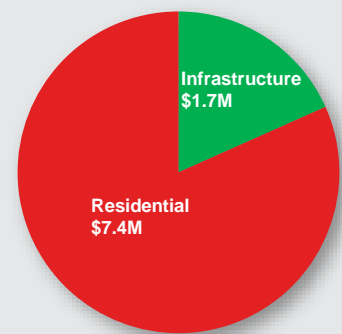
	CHANGE FROM LAST	YEAR	HALF YEAR
	House Sales	↑	↑
	House Median Price	↓	↓
	House Rental Price	↑	↑
	Land Sales	↓	↔
	Land Median Price	↓	↑

MARKET CONDITIONS



FUTURE DEVELOPMENTS

Cooranbong is set to see approximately **\$9.0M** worth of new projects commencing in the 1st half of 2023.

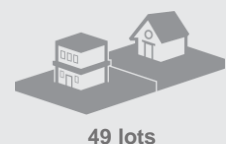


A focus on residential projects will increase stock in Cooranbong, assisting with current demand and ensuring a more sustainable price growth. Meanwhile, infrastructure projects improves liveability for residents.

The key infrastructure development planned in the 1st half of 2023 in Cooranbong is Freemans & Patrick Drives intersection upgrade. This will improve liveability for residents, in particular when travelling within the area on a daily basis.

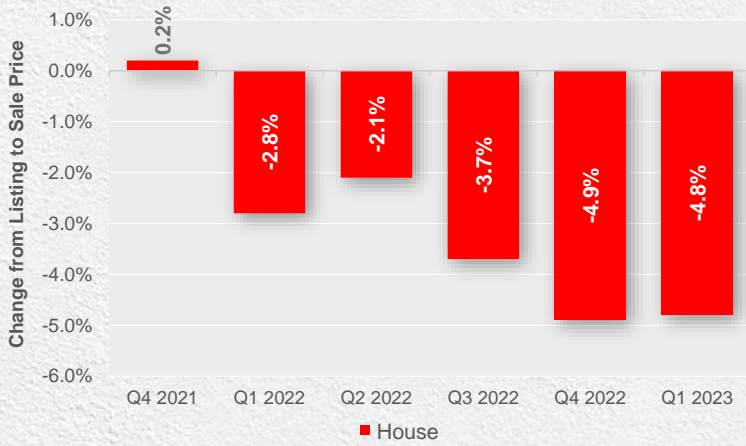
The one residential project planned for the 1st half of 2023 is Watagan Park Estate (21 lots). This project will see the reconfiguration of 3 lots into 21 residential lots, with lot sizes between 315 sqm to 584 sqm.

New land lots allow for buyers to build their dream home. That said in the current construction conditions this may prove to be challenging. An absence in ready-to-sell stand-alone housing suggest a reliance there is a reliance on owners selling, which can push prices up in the future.



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.

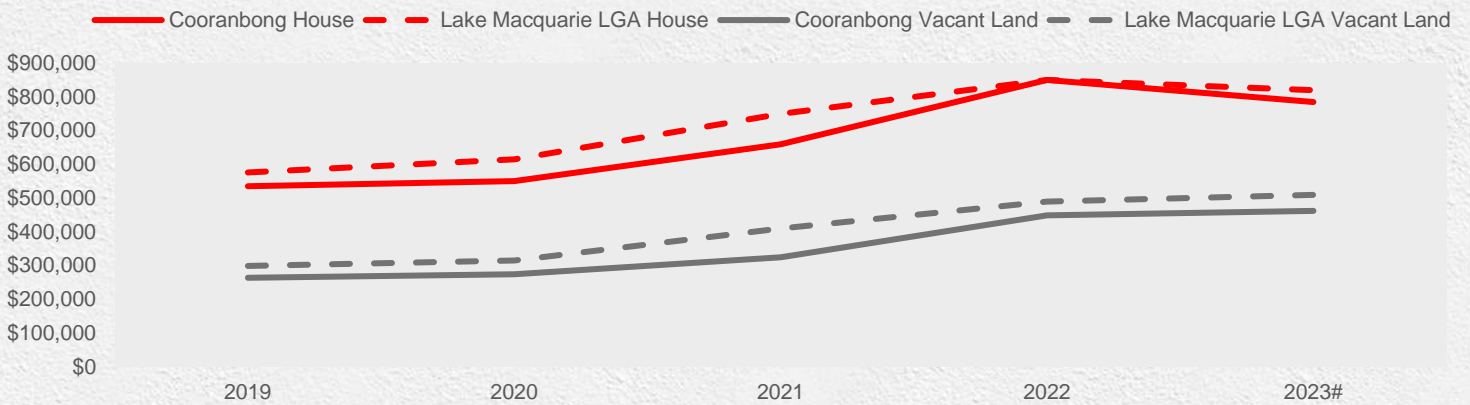


Average house vendor discounts between Q1 2022 and Q1 2023 have widened to a higher discount, of -4.8% (from -2.8%). This suggests a move towards a buyer's market. That said average vendor discount for houses have slightly stabilised in the past quarter to Q1 2023. Thus house sellers can be more confident of market conditions and time is of the essence for buyers.

The suburb of Cooranbong has historically performed on par with the Lake Macquarie Local Government Area (LGA) in both house and vacant land median prices. This continued to be the trend in early 2023#.

The dominant proportion of homes sold in Cooranbong* across 2022/23# were in the premium price bracket of \$900,000 and above (36.8%); although the lower priced brackets have increased in the past 12 months. On the other hand vacant land recorded a dominant proportion of sales in the more affordable price bracket of less than \$400,000 (26.1%). A balanced price brackets in both property types provides buyers with various budgets an option on how best to enter the market.

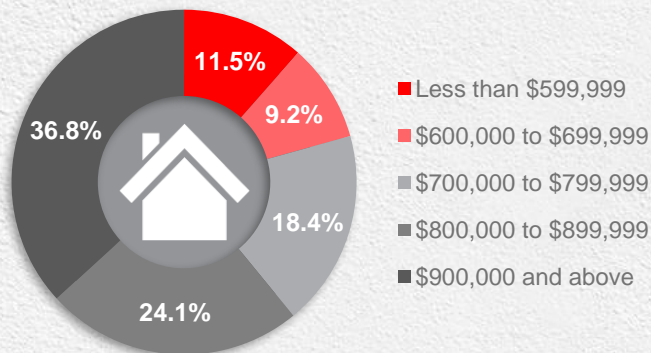
MARKET COMPARISON



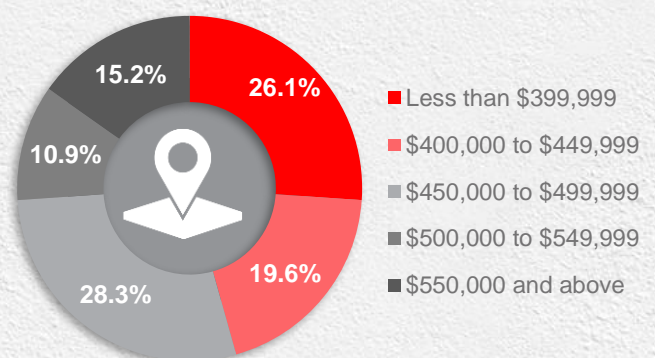
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Cooranbong.

PRICE BREAKDOWN 2022/23#

HOUSES SOLD



VACANT LAND SOLD



RENTAL GROWTH 2023€

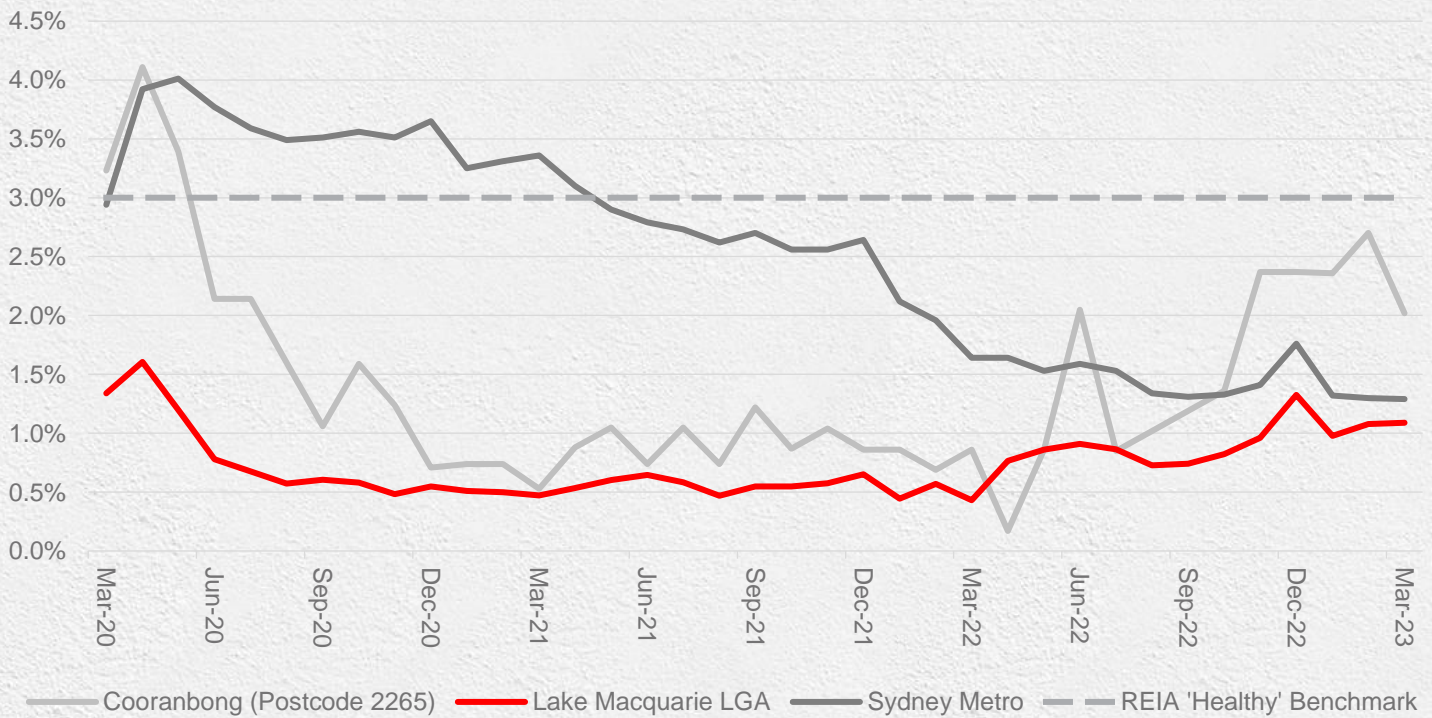
House rental yields in Cooranbong* were recorded at 4.1% in March 2023, significantly above Sydney Metro (2.9%). This was paired with a 22.4% increase in median house rental price in the past 12 months to Q1 2023, and a significant increase in the number houses rented. Average days on the market remained low at 25 days. This confirms there is a healthy level of rental demand in Cooranbong*, thus a more attractive and affordable investment option compared to Sydney Metro.

2 bedroom houses have provided investors with +13.5% rental growth annually, with a median rent of \$440 per week.

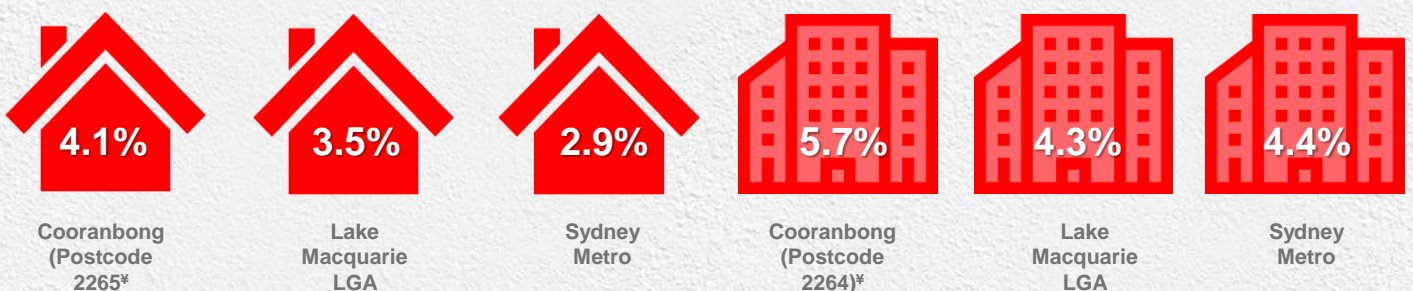
Cooranbong* recorded a vacancy rate of 2.0% in March 2023, which is above Sydney Metro's 1.3% average. Vacancy rates in Cooranbong* have fluctuated in the past 18 months. Although there was a uptick in the past 9 months, due to investors capitalising on a tight rental market, vacancy rates in Cooranbong* have declined in early 2023. Further, it is still within the Real Estate Institute of Australia's healthy benchmark of 3.0%. This suggests a conducive environment for investors.



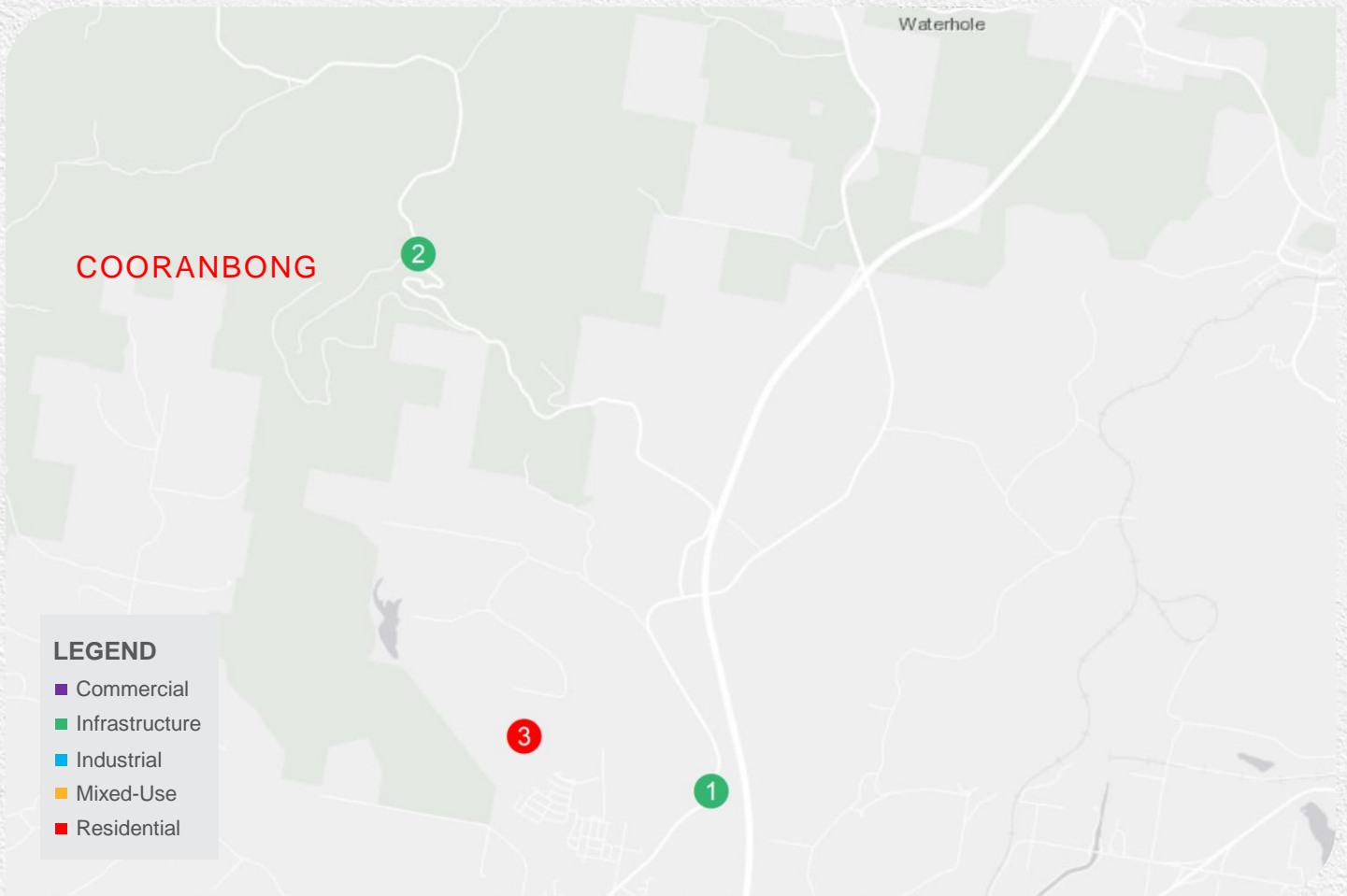
RENTAL VACANCY RATES 2023



RENTAL YIELD 2023\$



TOP DEVELOPMENTS MAP 1st HALF 2023^A



Location	Project [§]	Type	Estimated Value [¶]	Commence Date [¶]
1	Freemans & Patrick Drives Intersection	Infrastructure	\$1,200,000	01/02/2023
2	Mount Faulk Road Roadworks Reconstruction	Infrastructure	\$450,000	24/01/2023
3	Watagan Park Estate (21 lots)	Residential	\$7,350,000	04/04/2023

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

* Cooranbong market data and key indicators encapsulates aggregate property market conditions within the suburbs of postcode 2265.

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

2023 encapsulates sales transactions for Quarter 1 (01/01/2023 – 31/3/2023) only.

€ Annual rental growth is a comparison between Quarter 1 2022 (01/01/2022 – 31/3/2022) and Quarter 1 2023 (01/01/2023 – 31/3/2023) house median rent figures.

¥ Cooranbong rental market data encapsulates aggregate property conditions within the postcode of 2265.

§ Rental yields shown are as reported as of March 2023.

⌘ 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 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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