



Goonellabah Market Update

1st Half 2023



OVERVIEW

In Q1 2023, Goonellabah* recorded a median house price of \$621,250, and a median unit price of \$573,000. This represents annual (Q1 2022 – Q1 2023) softening of -15.0% for houses and a minor growth of 0.4% for units. However on a quarterly basis (Q4 2022 – Q1 2023) median house prices softened by a lower rate, of -7.0%, and median unit price grew by 12.9%. This suggest cash rates did translate into the market, but confidence has returned. Total sales declined annually and quarterly, thus an undersupply. There are opportunities for sellers and buyers, but higher affordability for houses is on a time limit.

	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
Q1 2023



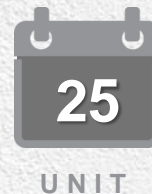
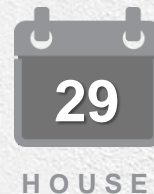
SALES AVERAGE DAYS ON
MARKET Q1 2023



RENTAL MEDIAN PRICE
Q1 2023

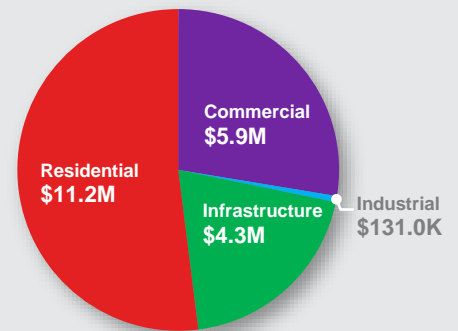


RENTAL AVERAGE DAYS ON
MARKET Q1 2023



FUTURE DEVELOPMENTS

Lismore LGA is set to see approximately **\$21.5M** worth of new projects commencing in the 1st half of 2023.



These projects will stimulate economic growth and create job opportunities in Lismore. This should have a spill-over impact on the real estate market, in the form of housing demand.

A main residential project planned for the 1st half of 2023 is the 226 Invercauld Road Subdivision. This will add 203 lots to Goonellabah. This will assist in creating housing stock in a high elevated low flood zoned suburb, albeit in the future due to high construction costs.

With no ready-to-sell stock planned for development price pressures will continue, making any downturn in prices temporary.

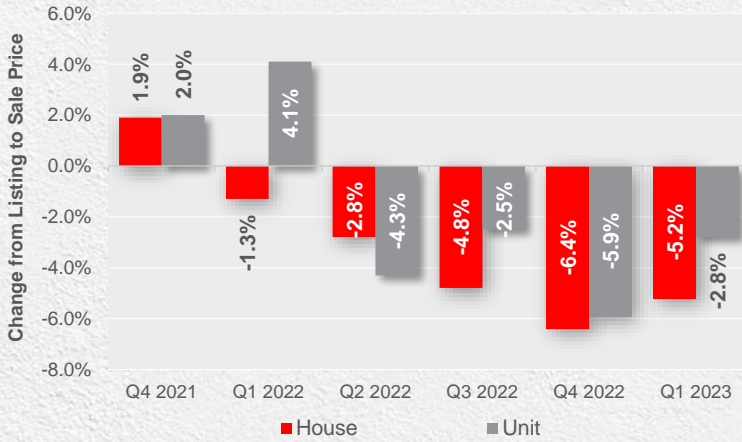
The Lismore Central shopping centre facade refurbishment is a main commercial project due to commence in the 1st half of 2023. This project assists in gentrifying the area and create local jobs. Combined with a few infrastructure projects this will further improve liveability for residents.



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.

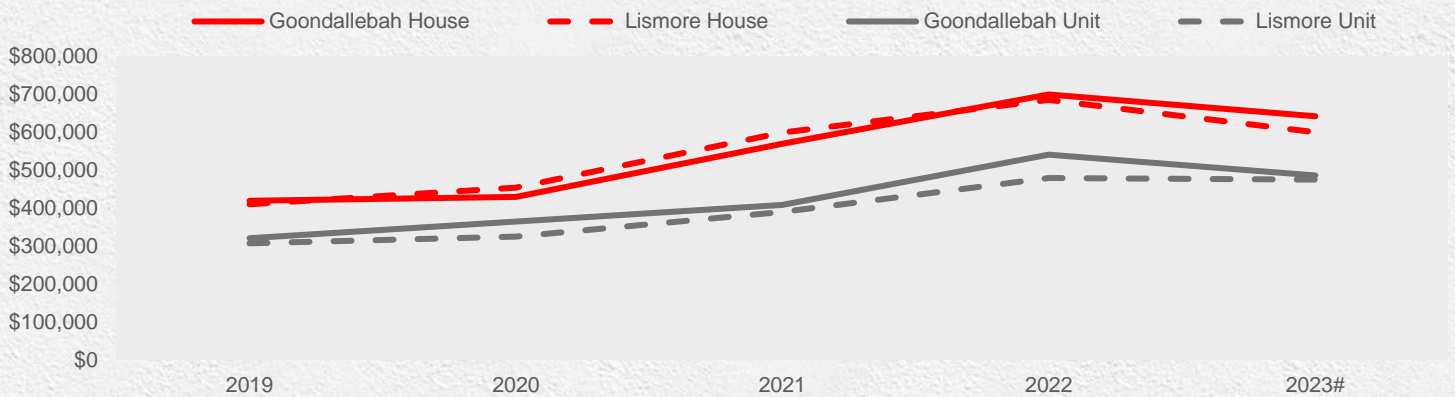
Average vendor discounts between Q1 2022 and Q1 2023 shifted to a higher discount of -5.2% for houses and swung from a premium to a discount of -2.8% for units. Market conditions in Goonellabah* have now shifted to favour buyers, as vendors are willing to accept below the initial listing price. Now is the time to buy.



The suburb of Goonellabah has slightly outperformed the wider Lismore Local Government Area (LGA) in both house and unit median prices for the past 5 years. 2023# saw a return to parity for Goonellabah suburb prices, trending closer to LGA prices.

The dominant proportion of homes sold in Goonellabah* across 2022/23# were in the middle-ring price between \$650,000 - \$649,999 (26.5%). Units also recorded a dominant mid-range price point of between \$500,000-\$599,999 (29.8%). Affordable options are now more available in both markets, with the premium market (20.5% of sales) being more prevalent for houses.

MARKET COMPARISON

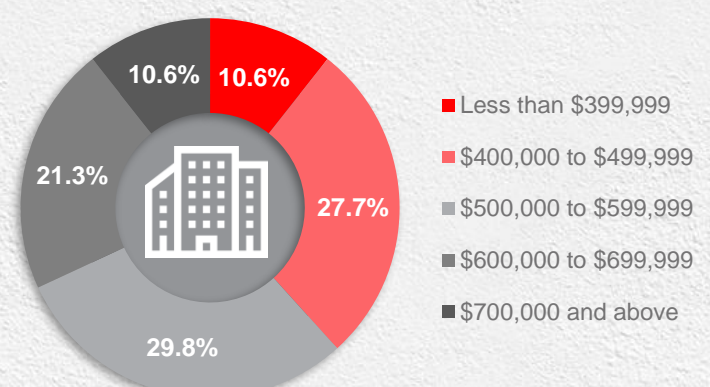
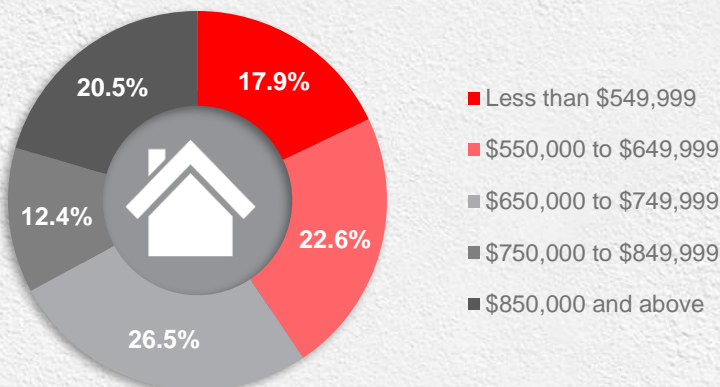


The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main areas profiled are chosen based on their proximity to the main suburb analysed, which is Goonellabah.

PRICE BREAKDOWN 2022/23#

HOUSES SOLD

UNITS SOLD

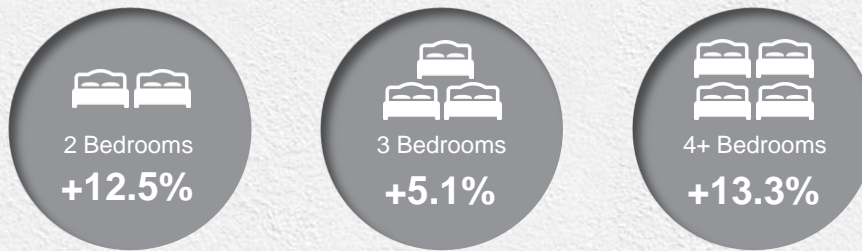


RENTAL GROWTH 2023€

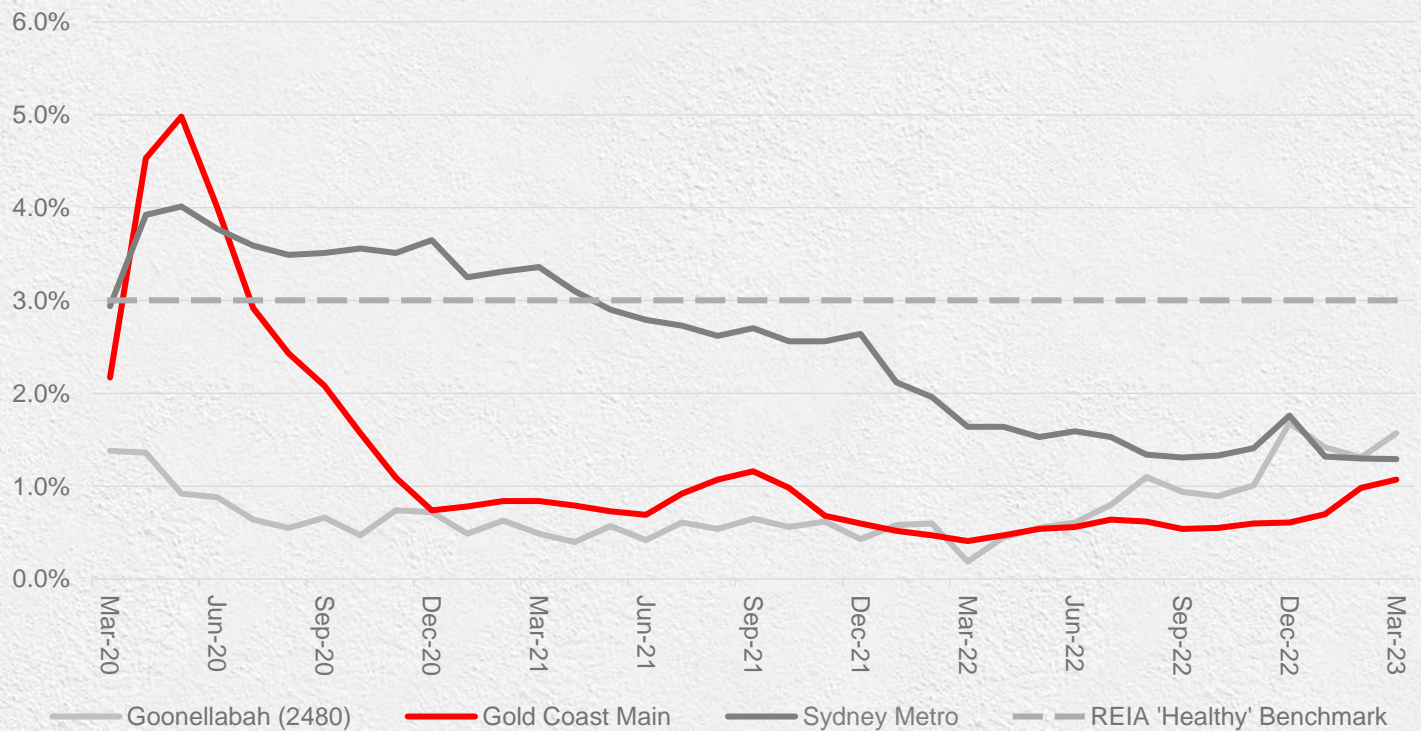
House rental yields in Goonellabah[‡] was 4.2% in March 2023, significantly higher than Sydney Metro's 2.9% but on par with Gold Coast Main . This was paired with a 17.6% median house rental price increase (to \$600pw) in the 12 months to Q1 2023, and a 13.6% increase in the number of houses rented (to 50 rentals). This suggests a highly demanded market, thus an attractive more affordable investment option when compared to Sydney Metro.

4+ bedroom houses have provided investors with +13.3% rental growth annually, achieving a median rent of \$680 per week.

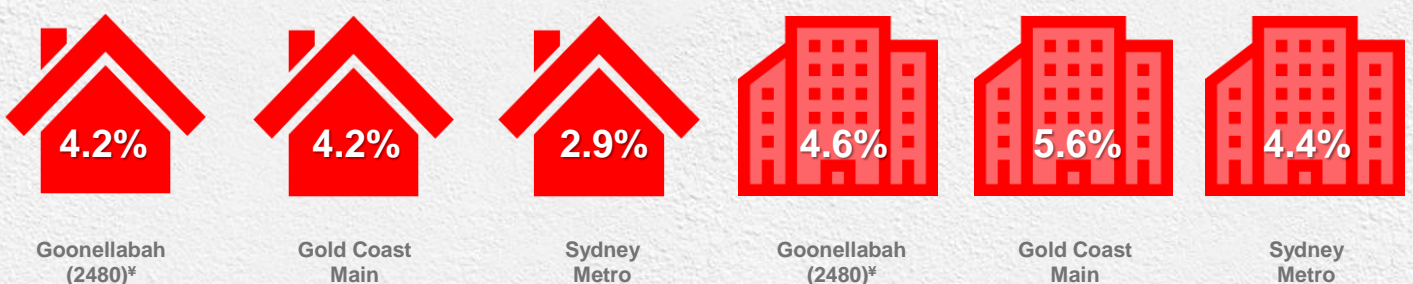
Goonellabah[‡] recorded a vacancy rate of 1.6% in March 2022, which is slightly above Sydney Metro's 1.3% average. Vacancy rates in Goonellabah[‡] have seen an increase in the past 12 months, due to investors re-entering the market and capitalising on a tight rental market. That said it is still well below the Real Estate Institute of Australia's healthy benchmark of 3.0%, which suggests quicker occupancy of rentals. This suggests a conducive and sustainable environment for investors.



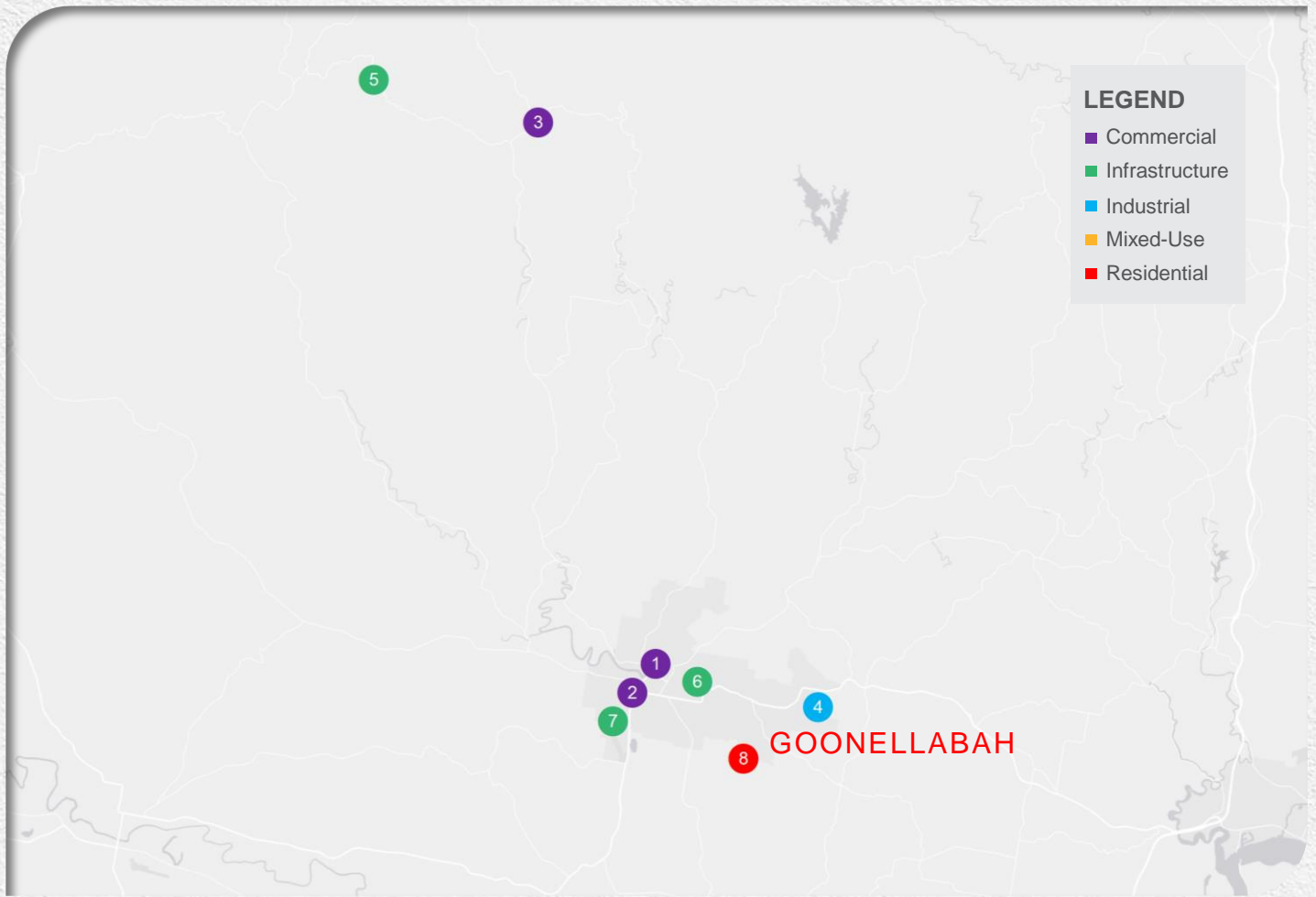
RENTAL VACANCY RATES 2023



RENTAL YIELD 2023\$



TOP DEVELOPMENTS MAP 1st HALF 2023[▲]



Location	Project [£]	Type	Estimated Value [Ⓜ]	Commence Date [Ⓜ]
1	Lismore Central Shopping Centre Facade Refurbishment	Commercial	\$3,468,000	13/05/2023
2	135-139 Union Street Service Station	Commercial	\$2,110,000	23/06/2023
3	Nimbin Headers Sports Club	Commercial	\$350,000	02/06/2023
4	27-29 Centenary Drive Warehouse Ongmac Trading	Industrial	\$131,000	25/01/2023
5	Greens Bridge Replacement	Infrastructure	\$3,000,000	27/06/2023
6	Rotary Park Raised Platform & Bridge Renewal	Infrastructure	\$750,000	26/06/2023
7	Lismore Airport Run Up Bay & Plane Parking Area Upgrade	Infrastructure	\$500,000	09/05/2023
8	226 Invercauld Road Residential Subdivision (203 Lots)	Residential	\$11,165,000	16/02/2023

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.



Robert Horder

Principal

M +61 2 6624 7700

E roberthorder@prd.com.au



PRD Lismore

P +61 2 6624 7700

PRD.com.au/northernrivers

**72 Molesworth Street
Lismore NSW 2480**

REFERENCES

* Goonellabah market data and key indicators encapsulates aggregate property market conditions within the suburbs of Goonellabah.

** 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.

¥ Goonellabah rental market data encapsulates aggregate property conditions within postcode 2480.

§ 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 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.

Disclaimer: PRD does not give any warranty in relation to the accuracy of the information contained in this report. If you intend to rely upon the information contained herein, you must take note that the information, figures and projections have been provided by various sources and have not been verified by us. We have no belief one way or the other in relation to the accuracy of such information, figures and projections. PRD will not be liable for any loss or damage resulting from any statement, figure, calculation or any other information that you rely upon that is contained in the material.

Prepared by PRD Research. © All medians and volumes are calculated by PRD Research. Use with written permission only. All other responsibilities disclaimed. © Copyright PRD 2023.

