



*Subject site looking south from Bark Hut Rd*

## Residential Land Demand Analysis: Bark Hut Road, Woolgoolga



Urban Economics  
Level 10, 87 Wickham Tce  
Spring Hill QLD 4000  
(ph) 07 3839 1400  
[mail@urbaneconomics.com.au](mailto:mail@urbaneconomics.com.au)

Prepared on behalf of:

Vadejil Pty Ltd

Prepared by:

Kerrienne Meulman  
*Managing Director*

Joshua Binkley  
*Consultant*

*January 2018 Update*

*16069*

**Warranty**

This report has been based upon the most up to date readily available information at this point in time, as documented in this report. Urban Economics has applied due professional care and diligence in accordance with generally accepted standards of professional practice in undertaking the analysis contained in this report from these information sources. Urban Economics shall not be liable for damages arising from any errors or omissions which may be contained within these information sources.

As this report involves future market projections which can be affected by a number of unforeseen variables, they represent our best possible estimates at this point in time and no warranty is given that this particular set of projections will in fact eventuate.

# TABLE OF CONTENTS

EXECUTIVE SUMMARY .....	1
<b>1.0 INTRODUCTION .....</b>	<b>2</b>
1.1 BACKGROUND.....	2
1.2 STUDY OBJECTIVES AND METHODOLOGY.....	2
<b>2.0 THE PROPOSED DEVELOPMENT .....</b>	<b>4</b>
2.1 PLANNING FRAMEWORK AND BACKGROUND .....	4
2.2 THE SUBJECT SITE .....	8
2.3 THE MASTERPLAN .....	9
<b>3.0 RESIDENTIAL SUPPLY ANALYSIS .....</b>	<b>11</b>
3.1 STUDY AREAS .....	11
3.2 COFFS HARBOUR RESIDENTIAL MARKET .....	13
3.2 RESIDENTIAL ESTATES .....	16
3.3 PROPOSED AND APPROVED DEVELOPMENTS.....	18
3.4 THE WOOLGOOLGA STUDY AREA.....	21
3.5 VACANT LAND SUPPLY.....	23
<b>4.0 DEMAND ANALYSIS .....</b>	<b>25</b>
4.1 DEMAND DRIVERS .....	25
4.2 POPULATION AND HOUSEHOLD GROWTH .....	28
4.3 DEMOGRAPHIC PROFILE.....	32
4.4 RETIREMENT LIVING AND AGED CARE DEMAND.....	34
4.5 IMPLICATIONS.....	35
<b>5.0 DEMAND AND SUPPLY CRITIQUE .....</b>	<b>36</b>
5.1 SEQUENTIAL SITE ANALYSIS .....	36
5.2 IMPLICATIONS FOR LAND SUPPLY & THE PROPOSED DEVELOPMENT.....	37
<b>6.0 CONCLUSION .....</b>	<b>40</b>

## EXECUTIVE SUMMARY

- A masterplan has been prepared for the establishment of a 293-lot residential development on Bark Hut Road, Woolgoolga. The location has been investigated for residential development since the mid-1990's and it is now considered suitable to progress development at the site. Lots are estimated to be on average 600m<sup>2</sup>, and to potentially include a range of lot sizes accommodating choice in dwelling types and promoting affordability.
- There are numerous factors driving the demand for new residential development and the demand for detached housing lots within the Woolgoolga area including:
  - Low interest rates and the availability of finance,
  - Improved employment prospects and labour markets within the Coffs Harbour region,
  - Affordable housing options relative to other major markets along Australia's east coast; and
  - A fundamentally solid rental market which is attractive for residential property investment.
- Residents of the Study Area community have a propensity of demand for affordable detached housing for families, but also a choice in residential product catering to retirees, older persons and other more compact households.
- Based on population growth alone, the Woolgoolga Study Area is projected to require an additional 2,600 dwellings between 2017 and 2036 or more than 130 new dwellings per annum over this period. A significant share of this dwelling demand will continue to be directed to detached dwellings and therefore demand for residential lots.
- The residential market in Coffs Harbour and the Study Area is demonstrating a supply-led market including signs of decreasing affordability and more limited choice in available residential product. It is important to ensure the timely delivery of residential land to maintain confidence in the residential market and in the ongoing delivery of affordable residential lifestyles for the Coffs Harbour community. A 7 to 8 year lead time is critical in ensuring sufficient residential land supply is available in maintaining affordability and confidence in the local residential market.
- Underlying demand drivers are indicative of increasing population growth and demand for residential lifestyles in Coffs Harbour and the Study Area, bringing forward population projections and dwelling demand within the Study Area.
- It is estimated that there is only 3years of supply available to the market within the Study Area, including land that is currently not being developed and subject to owner intents and commercial viabilities, indicative of a pressing need for release of land to maintain affordability and confidence in the market.

# 1.0 INTRODUCTION

## 1.1 BACKGROUND

A masterplan has been prepared for the establishment of a 293-lot residential development on Bark Hut Road, Woolgoolga. The location has been investigated for residential development since the mid-1990's and it is now considered suitable to progress development at the site.

Coffs Harbour City Council's Our Living City Settlement Strategy has identified the two land parcels within the possible Future Urban Investigation area, and has stated that it requires "an extremely compelling case to justify Council amending the priority" of the demand for residential land within the Woolgoolga area.

This Residential Land Demand Analysis has been undertaken by Urban Economics on behalf of Vadejil Pty Ltd, to comprehensively address the concerns and issues raised by Council regarding this development examining demand for residential land relative to existing and intended supply.

Urban Economics is a specialist economic and market research consultancy, with considerable experience in examining need and demand for the residential sector including masterplanned residential communities, worker's villages, rural residential and rural living developments, apartments, retirement and aged care, student accommodation and affordable housing.

## 1.2 STUDY OBJECTIVES AND METHODOLOGY

The key objective of this Analysis is to examine the need and demand for residential land in Woolgoolga and the relative position of the subject development within this supply and demand framework. A secondary objective will consider the proposed timing of the development as this relates to Council's strategy.

In meeting these objectives, Urban Economics has undertaken the following tasks:

- Inspected the subject properties and reviewed the masterplan for the proposed development;
- Identified existing estates currently selling within the Woolgoolga area, including an assessment of take-up rates, target markets and future supply;
- Reviewed historic aerial photography to critique take-up of residential land in Woolgoolga;
- Developed a Study Area for the proposed development and subject sites;
- Analysed historic population growth within Woolgoolga and the Coffs Harbour region;
- Conducted a series of interviews with local estate agents to explore key target markets for vacant land, key release areas, demand requirements of buyers and expectations etc;
- Prepared estimates of existing population and dwellings within the Woolgoolga area;

- Reviewed projections of the growth of the population of Woolgoolga;
- Analysed vacant residential land sales activity and median sales prices for vacant residential land within Woolgoolga;
- Reviewed the relevant planning and economic strategy framework for Coffs Harbour and the Woolgoolga local area;
- Critiqued other trends influencing the residential property market in Woolgoolga including infrastructure, employment, economic development and demographic trends;
- Analysed the supply-demand interplay within Woolgoolga and implications for the release of additional residential land;
- Analysed qualitative demand issues that may influence the demand for the subject development; and
- Critiqued economic and social benefits of the proposed residential estate.



## 2.0 THE PROPOSED DEVELOPMENT

### 2.1 PLANNING FRAMEWORK AND BACKGROUND

The planning framework for residential development within Coffs Harbour is guided by numerous documents and strategies. The following summarises the key planning and strategic documents relevant to the subject development in Woolgoolga and residential land supply.

#### **Mid North Coast Regional Strategy 2009**

The **Mid North Coast Regional Strategy 2009** outlines the development regulations and guidelines for the mid North Coast regional area to best accommodate the projected housing needs from 2006-31. The plan places restrictions on growth in areas where environmental and/or cultural importance is high. It also encompasses guidelines to provide sufficient employment opportunities for new jobs expected to hit the region in this time frame. The Strategy uses a population projected increase of around 91,000 with a reasonable amount deriving from Coffs Harbour, Port Macquarie, and Great Lakes/Taree. The Strategy also attempts to accommodate for the ageing population. It predicts that the area will need almost 60,000 new dwellings (Coffs Coast making up around 19,000 of these) to accommodate population growth, the ageing population, declining occupancy rates, and tourism demands. To achieve this, the Strategy suggests an increase in the proportion of multiunit dwellings by 20%.

The overarching goal of the Strategy is to *“maintain and enhance the opportunity for the communities of the Region to experience a healthy, prosperous and sustainable lifestyle.”*

#### **Draft North Coast Regional Plan**

The **Draft North Coast Regional Plan** develops a strategy for the Mid and Far North Coast for the next 20 years to provide *“a sustainable future for the region as it grows that protects the environment, builds a prosperous community and offers attractive lifestyle choices for residents.”* The primary focus is on Port Macquarie, Coffs Harbour and Tweed Heads regions. This Plan outlines guidelines for accommodating the ageing population and improving the affordability of the area. This Plan projects a population increase of just under 100,000, with 67% of growth stemming from the three regions above. 90% of the population growth is expected to be derived from people over 65 years of age.

This is a significant weighting of the Region’s population with considerable implications for housing and lifestyle delivery, as well as the mix of services and facilities available to the community.

The Regional Plan outlines 5 goals to achieve the above measures:

- 1) Protecting the natural environment and cultural heritage

- 2) Developing and maintaining an enjoyable area to work and live through growth opportunities
- 3) Meeting the housing needs of the changing population
- 4) Maintaining a well-performing economy with infrastructure and services
- 5) Updating freight patterns and transport connectivity

### **Coffs Harbour Local Environment Plan 2013 (LEP)**

The **Coffs Harbour LEP 2013** provides “*local environmental planning provisions for land in Coffs Harbour in accordance with the relevant standard environmental planning instrument under Section 33A*” of the Environmental Planning and Assessment Act. The LEP hopes to encourage sustainable economic growth and development in the Coffs Harbour region. Other relevant aims include:

- development of a liveable urban sector that offers a combination of residential dwellings to meet the diverse needs of the population
- sustainable conservation and management of the region’s natural environment and culture
- protection of especially valuable scenic and recreational areas
- ecologically sustainable development and limited exposure to natural hazards

### **Coffs Harbour Development Control Plan 2015 (DCP)**

The **Coffs Harbour DCP 2015** complements the LEP 2013 detailed above, as such to “*give effect to the aims of the Coffs Harbour LEP 2013, to facilitate development that is permissible under the Coffs Harbour LEP 2013 and achieve the objectives of land use zones under the Coffs Harbour LEP 2013.*” The DCP outlines 4 main objectives to achieve this goal:

- 1) Environmental Sustainability
  - Protection of high conservation value land and environmental heritage
  - Implementation of water-sensitive designs and minimisation of waterway impacts
  - Adherence to environmental characteristics of land
- 2) Social Sustainability
  - Meeting of needs of the population, including housing, leisure, and community facilities
  - Improving public transport, cycling paths, and walkways to minimise car dependence
- 3) Civic Leadership
  - Transparent, consistent, and accountable development proposals
- 4) Economic Sustainability
  - Contribution to economic growth and local employment opportunities
  - Sufficient support for public utilities and facilities so as to not burden the existing community



## Coffs Harbour City Revised Land Capacity Assessment 2004

The **Coffs Harbour City Revised Land Capacity Assessment** estimates Coffs Harbour LGA's total population capacity and land availability for existing and future lands as of December 2004. As of 2004, the region was expected to need to accommodate for 32,000 new residents by 2030. Most of those were considered to be accommodated by subdivided vacant lots or unsubdivided land, but at least 6,000 of those require new urban zones. The entire LGA is predicted to increase by nearly 34,000, and in Woolgoolga, population is expected to increase by 3,550, while dwellings are expected to increase by 1,574 by 2031 (with an occupancy rate of 2.3). However, the Assessment notes that Woolgoolga Sewage Treatment Plant is capped to service 18,000 people unless augmented. Most of Woolgoolga's needs are to be met with vacant lots, unsubdivided land, and potential residential land and infill development. Possible future urban investigation amounts to 475 people and 190 dwellings.

## Local Growth Management Strategy (LGMS) Review Stage 1 - Land Capacity Assessment Audit

The **LGMS Review Stage 1** of 2014 provides data on land capacity and supply of land *"to aid in the making of good planning decisions into the future for large lot residential, residential, business, industrial and tourist purposes"* as part of a review of the 2007 LGMS. According to the LGMS Review based on real estate responses, there is an adequate 5-year supply of land available for all of these categories (with the exception of residential land which did not have a clear agreement) in the northern part of the LGA, which centres on Woolgoolga. In the entire LGA, the audit indicates that there is significant land stock to accommodate future residential dwellings, especially where there is undeveloped land in Woolgoolga, West Coffs, North Boambee Valley, and South Coffs Harbour. R2 low density residential land can accommodate 2,970 more dwellings, while R3 medium density and R4 high density residential land can accommodate 899 more dwellings.

## Our Living City Settlement Strategy

The **OLC Settlement Strategy** outlines guidelines for future urban rezoning in the LGA until 2031. This Strategy bases its plan off an expected population projection of 99,000 by 2031. The goal is to *"provide a blueprint for a smart city with accessible and reliable transport, a strong regional economy, a vibrant community and a healthy natural environment for us all."* The OLC Settlement Strategy has three objectives:

- 1) The Healthy City: Environmental Sustainability
  - Conservation of natural resources
  - Enhancement of natural values and accountability for environmental constraints
  - Efficient resource use and minimisation of negative externalities
- 2) The Smart City: Economic Sustainability
  - Augmentation of growth and development
  - Advancing employment and educational opportunities
  - Management of the population size to sufficiently sustain and advance services

### 3) The Cultural City: Social Sustainability

- Improvement of liveability and identity of communities
- Providing of fair access to resources for all residents
- Improvement of lifestyle through health and well-being

To achieve these goals, the OLC Settlement Strategy has specific strategies for each region. For Woolgoolga, these include but are not limited to: development as a Coast Town, determination of appropriate zonings for the environment, advance the commercial aspect of the town, develop employment opportunities and industrial land needs, initiate a Special Investigation Area to the south west, and investigate potential expansion to the north west.

The **Residential Strategy: Draft Issues & Options Discussion Paper for Community Engagement** outlines the important residential issues in Coffs Harbour to be addressed before Stage 2. The Coffs Harbour City Council highlighted five key issues:

- 1) A growing and changing community
  - Ageing population
- 2) Evolving housing and accommodation needs
  - Lower occupancy rates
  - Importance of tourism
  - Woolgoolga has a high proportion of households experiencing rental stress at 41%

*“housing affordability is a significant issue within Coffs Harbour and appropriate planning responses are required to ensure that the community can meet household commitments.”*

- 3) Better definition of the character of residential zones
  - Encouragement of infill residential development
- 4) A review of built form controls and how they should be administered
  - Should contribute to natural, cultural, visual and built character values
- 5) Consideration of special ‘character’ precincts
  - Woolgoolga needs an easily identifiable centre, improved service range, and various dwelling types.

To address these concerns, the Report outlines potential options that necessitate further investigation and reiterates claims from previous reports that the Region has sufficiently zoned residential land to accommodate growth to meet community needs. This is despite Coffs Harbour not having a current and adopted Residential Strategy which adequately measures the community’s needs. Urban Economics considers that much of the land within *deferred* areas such as Moonee Beach which have not progressed for more than 15years, do not contribute to the residential land needs of Coffs Harbour and are unlikely to contribute in the short to medium term given the deferred status of these localities.

## 2.2 THE SUBJECT SITE

The subject sites comprise two distinct land parcels described as Lot 202 on DP874273 and is approximately 25.64ha. The parcels have different access points and road frontages with the southern parcel accessed from Newmans Road and the northern parcel having frontages to Bark Hut Road and Solitary Islands Way as illustrated in FIGURE 2.1.

The site is proximate to Woolgoolga High School which included more than 840 enrolments through 2016 and straddles the proposed Woolgoolga sports precinct. The subject development is convenient to a range of services and facilities including the Woolgoolga activity centre and a modern Woolworths supermarket; all of which are within 2km of the subject site.

**FIGURE 2.1: Subject Site**



Source: Nearmap showing May 5<sup>th</sup> 2016



## 2.3 THE MASTERPLAN

It is proposed to ultimately develop 293 residential lots within the masterplan area. Lots are estimated to be on average 600m<sup>2</sup>, and to potentially include a range of lot sizes accommodating choice in dwelling types and promoting affordability.

The masterplan is conceptual at this stage, but provides an indication of intentions for the site. Other considerations for the masterplan have also included an integrated aged care and retirement facility, such as has established at The Lakes community within the North Boambee Valley. Illustrated in FIGURE 2.2, the Draft Masterplan highlights the proposed development's proximity to Woolgoolga High School and the future West Woolgoolga Sports Complex and fields.

FIGURE 2.2: Draft Masterplan



Source: Jackie Amos Landscape Architect

## 3.0 RESIDENTIAL SUPPLY ANALYSIS

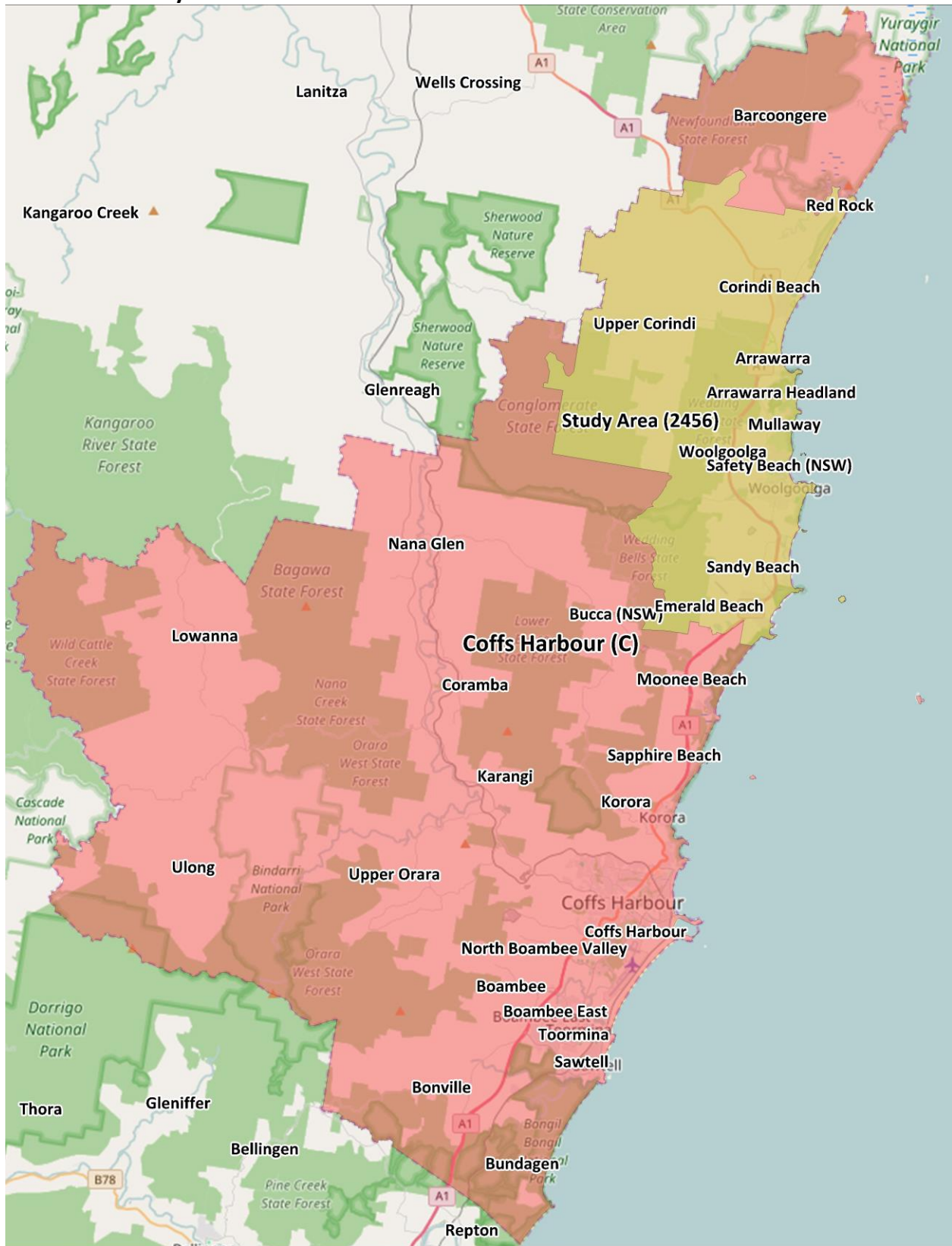
### 3.1 STUDY AREAS

Urban Economics has defined study areas for the analysis of residential land supply, to allow for statistical comparison between markets and localities. FIGURE 3.1 illustrates the Woolgoolga Study Area which is defined by the 2456 postal area and includes the localities (state suburbs) of Arrawarra, Arrawarra Headland, Corindi Beach, Emerald Beach, Mullaway, Red Rock, Safety Beach, Sandy Beach, Upper Corindi and Woolgoolga; within the context of the Coffs Harbour local government area (LGA).

The Woolgoolga Study Area has also been defined utilising Census statistical geographies and includes parts of both the Korora - Emerald Beach and Woolgoolga – Arrawarra statistical areas (SA2).



FIGURE 3.1: Study Area





## 3.2 COFFS HARBOUR RESIDENTIAL MARKET

The Draft Coffs Harbour Residential Strategy identifies the historic role of the housing market of the region in *“the attraction of families and retirees from metropolitan areas further south in NSW such as Sydney. This has resulted in the steady residential expansion of coastal localities along the Mid North coastline to cater for population increases derived from the expansion of existing communities and migration in-flows.”*

At the time of the 2011 Census, Coffs Harbour included approximately 29,000 dwellings (26,000 occupied) of which around 76% were detached dwellings, 11% were semi-detached dwellings (row, terrace etc.) and 10% were flats units or apartments. Since this time, there have been more than 2,300 additional dwellings approved in the region and 2016 Census data indicates some 30,000 dwellings (27,000 occupied) at the time.

**TABLE 3.1: Building Approvals – Coffs Harbour LGA**

	New houses	New other residential building	Total dwellings
<b>2011-12</b>	195	53	273
<b>2012-13</b>	208	44	257
<b>2013-14</b>	227	51	282
<b>2014-15</b>	292	81	381
<b>2015-16</b>	268	178	452
<b>2016-17</b>	332	131	468
<b>2017-18*</b>	129	62	192

Source: ABS

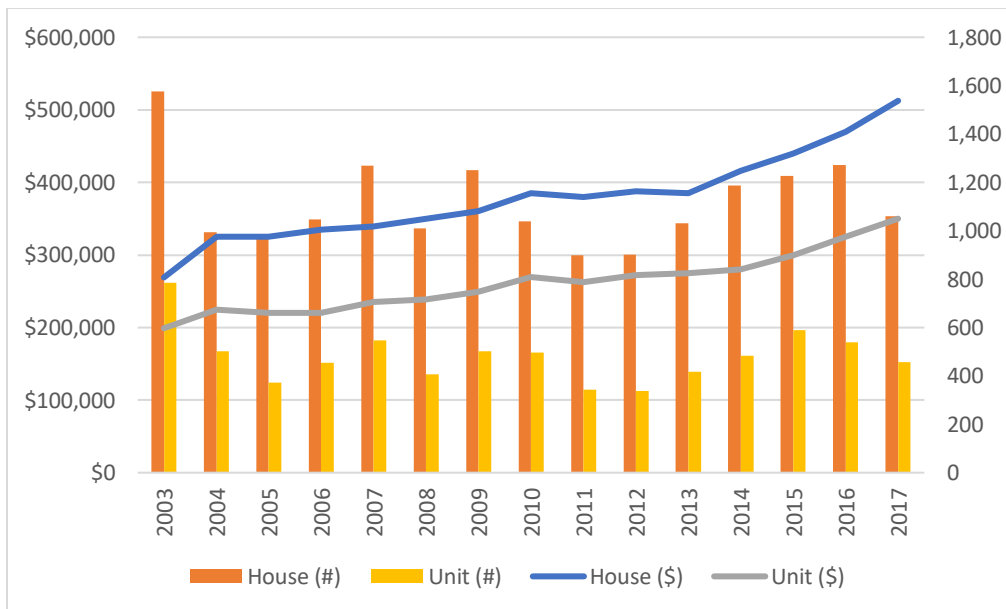
\*FY to November 2017

Similarly, the NSW Valuer General noted 23,148 lots within residential zones of Coffs Harbour as at July 1st 2017. The Valuer General’s 2015 report notes that *“Historically low interest rates have resulted in continued improvement in demand for properties throughout this sector (residential) of the market with local real estate agents reporting that selling periods have shortened and buyer demand has remained steady and strong throughout the past 12 -18 months. Single residential land values have increased across all established residential areas within the LGA, with most localities recording increases in the 3% to 6% range. No area reflected a drop in value levels which also **reflects a lack of supply** to the steadily growing demand which in turn drives up prices.”* The July 2017 Report further states *“Residential land showed a strong increase with increased demand for all classes of residential land in the coastal region (Coffs Harbour),”* and indicates a 10.3% increase in residential land values from 2016 to 2017.

Herron Todd White’s Month in Review for October 2016 indicated that residential property within Coffs Harbour is rising/approaching the peak of the market. The key housing market is indicated to be within the sub-\$500,000 range, mostly sought by first home buyers and establishing families, or investors capitalising on the transient nature of the region which inherently includes a strong rental market. HTW’s October 2017 report further indicates that housing within Coffs Harbour has decreased in affordability and “fringe beachside localities such as Corindi Beach to the north, being popular with commuters from both Coffs Harbour and Grafton, and Nambucca Heads to the south where property prices are considerably more affordable in the \$300,000 to \$400,000 price range.”

FIGURE 3.2 illustrates the growth within the house and unit markets of Coffs Harbour between to December 2017. Most notably, median house prices have increased more than 47% or approximately \$243,000 since 2003.

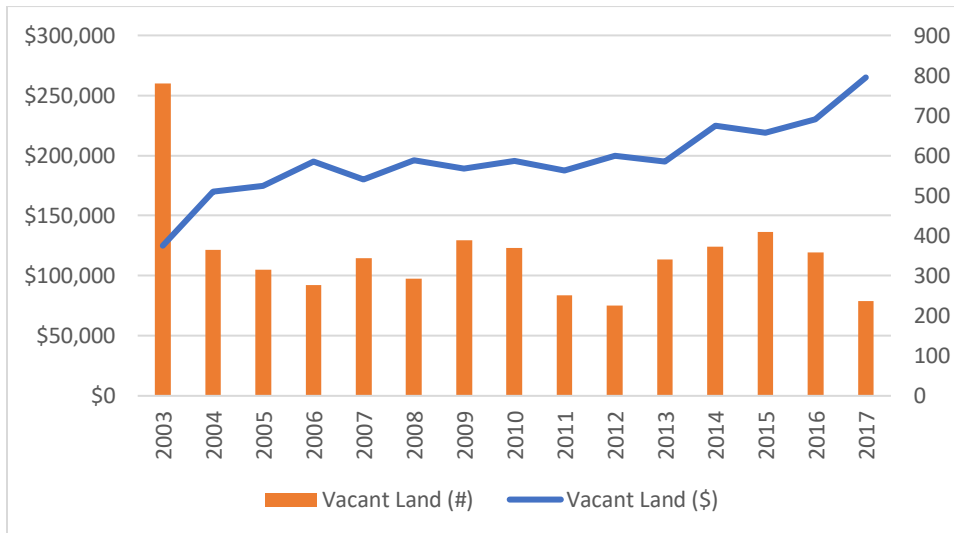
**FIGURE 3.2: House and Unit Sales – Coffs Harbour**



Source: Pricerfinder

Coffs Harbour has also recognised price growth within the market for vacant land, which as noted by the Valuer General, is a result of limited new supply within the region over this period. FIGURE 3.3 illustrates this dynamic whereby the volume of vacant land sales has declined and the median price has increased.

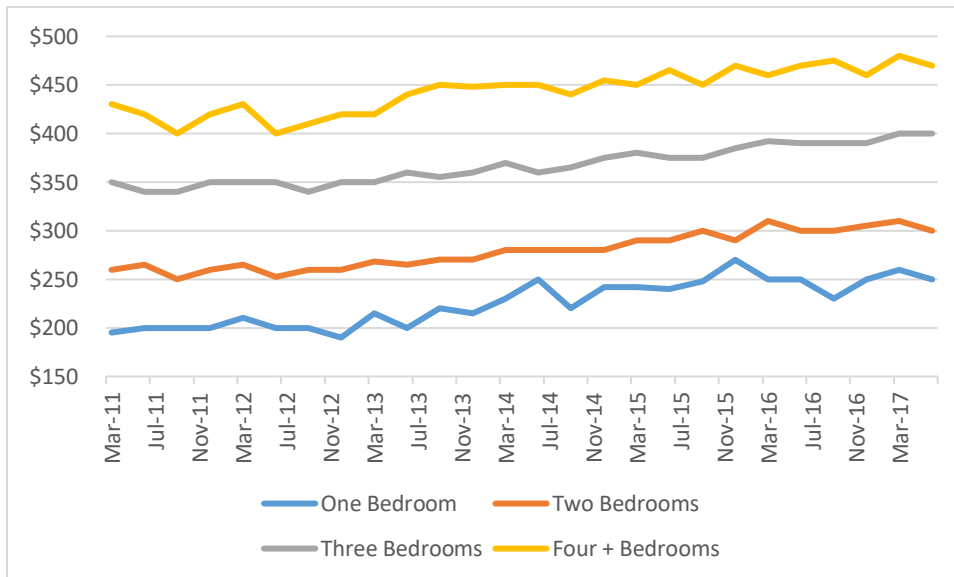
**FIGURE 3.3: Vacant Land Sales – Coffs Harbour**



Source: Pricerfinder

Quarterly data provided by the Department of Family and Community Services outlines that the median rental price across the Coffs Harbour LGA has steadily increased, suggesting some supply constraints in the availability of rental accommodation. FIGURE 3.4 highlights this growth with a 4-bedroom house reporting a median rental price of \$470 for the June Quarter 2016.

**FIGURE 3.4: Median Rents – Coffs Harbour**



Source: Department of Family and Community Services

## 3.2 RESIDENTIAL ESTATES

There are numerous residential developments underway and proposed throughout Coffs Harbour. The following summarises known residential development projects for detached housing throughout the region.

Urban Economics undertook inspections of the various estates in October 2016 and gathered sales data from the respective agencies to determine the availability of lots within these developments at the time.

**Elements@Coffs** is a masterplanned estate in Boambee East which has been proposed to include some 221 lots over 13 stages. The release of stage 1 which comprises 30 lots has sold 29. Stage 1a has sold 3 of its 15 lots. Stage 2a has sold 4 of 11 lots. Stage 9 has sold 2 of its 15 lots. The median sale price has been approximately \$195,000 (\$250/m<sup>2</sup>) for sold lots between December 2013 and June 2017; less than 1 lot per month over this period. Based on sale plans for the estate, approximately 40 lots have been sold within the development. Whilst the price may be considered within the affordable range, the masterplanned area is quite undulating, which would add to the ultimate cost of building; and likely part of the reason for the subdued uptake of lots.

**Aspect@The Summit** is a land release within **The Summit** development which is situated on the ridge above The Big Banana. Aspect included 29 lots between 465m<sup>2</sup> and 1,001m<sup>2</sup>, all of which have already been sold. Available lots had a large price range of between \$220,000 and \$410,000; reflective of the achievable views and cost of development for sloped land.

**Woopi Beach Estate** is located at the corner of Hearn's Lake Rd and Solitary Islands Way in Woolgoolga which will ultimately include some 90 lots averaging around 700m<sup>2</sup> each. Currently undertaking presales for second release, 42 of the initial 90 lots have been sold or are under contract for between \$218,000 and \$235,000, with a further 60-lots becoming available in a potential future release.

**North Sapphire Beach** is a large masterplanned estate established by the Walker Group which sold out between early 2011 and October 2017. The final 'Sugar Mill' release in the development is currently sold out with lot sales priced between \$250,000 and \$285,000 for lots of between 447m<sup>2</sup> and 685m<sup>2</sup>.

**Sapphire Beachfront** is a premium beachside release of lots within a community titles scheme. Of the 40 lots released all have been sold, with vacant lots achieving up to \$825,000 or \$1,475/m<sup>2</sup>.

**Woolgoolga Heights** is an approved 50 lot development (Stage 1) located at the intersecting Haviland and Backhouse streets in Woolgoolga. Advertised from \$185,000 for lots sized between 600 and 700m<sup>2</sup>, the relevant sales agency has advised that development is not progressing at Woolgoolga Heights at this stage. Woolgoolga Heights forms part of a 30.4ha, 'proposed agreed growth area' within the Our Living City Settlement Strategy and is illustrated in FIGURE 3.5 below.

This area was intended to support some 300 dwellings from 2016 of which none have progressed at this stage.



*Stalled development at Woolgoolga Heights*

**North Sandy Beach** estate includes some 82 lots of which all have been sold. Initial lots were sold individually for \$155,000-\$190,000 and as 'affordable' house and land packages within the sub-\$500,000 bracket. The short sales period of just 15 months for this development (February 2015 to May 2016) is indicative of the demand for affordable family dwellings and investor demand in this price range.



*Detached housing construction at North Sandy Beach*

**Seacrest at Sandy Beach** adjoins North Sandy Beach estate and is masterplanned to include 166 residential lots. Stages 1 and 2 (43 lots) are completed and sold whilst 123 lots within stages 3 to 5 are predominantly presold with civil works continuing.

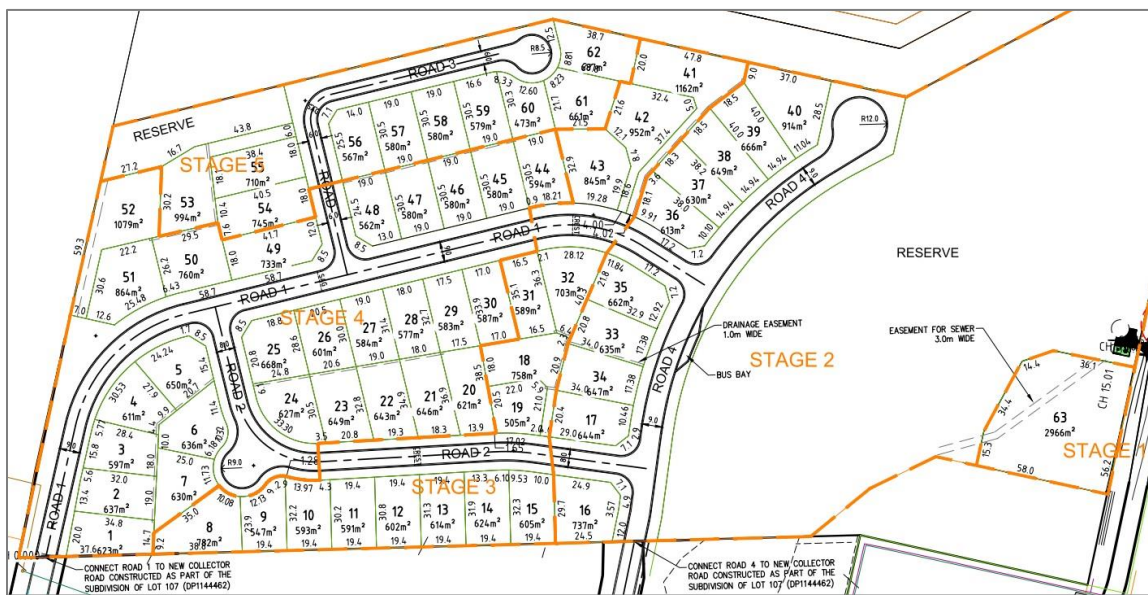
**Nautica Fairways Estate** at Safety Beach has evolved since initial lots were released in 2003. The development has more recently accelerated sales with the current release of 9 lots in Stage 9 having already sold 3. Available lots are currently advertised for \$260,000 and \$310,000 for areas of between 639m<sup>2</sup> and 852m<sup>2</sup>.



**Emerald Beach Estate** is a 112-lot subdivision is located at the entrance to the Emerald Beach residential area. Stages 1 and 2 within the project have sold out (60 lots) and Stage 3 (16 lots) has just 6 remaining according to the December 2017 sales plan.

### 3.3 PROPOSED AND APPROVED DEVELOPMENTS

- Immediately north of the subject site a parcel described as Lot 2 on DP1143755 has been mooted to include a residential subdivision. The Our Living City Settlement Strategy (FIGURE 3.5) identifies that this parcel could support approximately 540 dwellings after 2031. Sequentially, development at this site would logically follow development at the subject site based on geographic position and location with respect to services and facilities.
- A 14.2ha growth area has been designated within the Woolgoolga Diggers Golf Course (FIGURE 3.5). This site was proposed to support 120 dwellings from 2016, however no plans or development have progressed to date.
- 13 Hearn Lake Rd, Woolgoolga is proposed to include some 63 lots from 547m<sup>2</sup> in area. The development would sequentially follow on from the current development of Woopi Beach Estate and has been included as such within this Analysis.



**Proposed 13 Hearn Lake Rd subdivision**

Other residential 'proposed agreed growth areas' within the Study Area have been identified from the Our Living City Settlement Strategy, none of which have commenced to an application or development phase including:

- 15.8hectares over 12 large lots at Corindi Beach

- 5 hectares at 97 Pacific St, Corindi Beach
- 2.5 hectares at Arrawarra Headland
- 0.8 hectares at Mullaway.

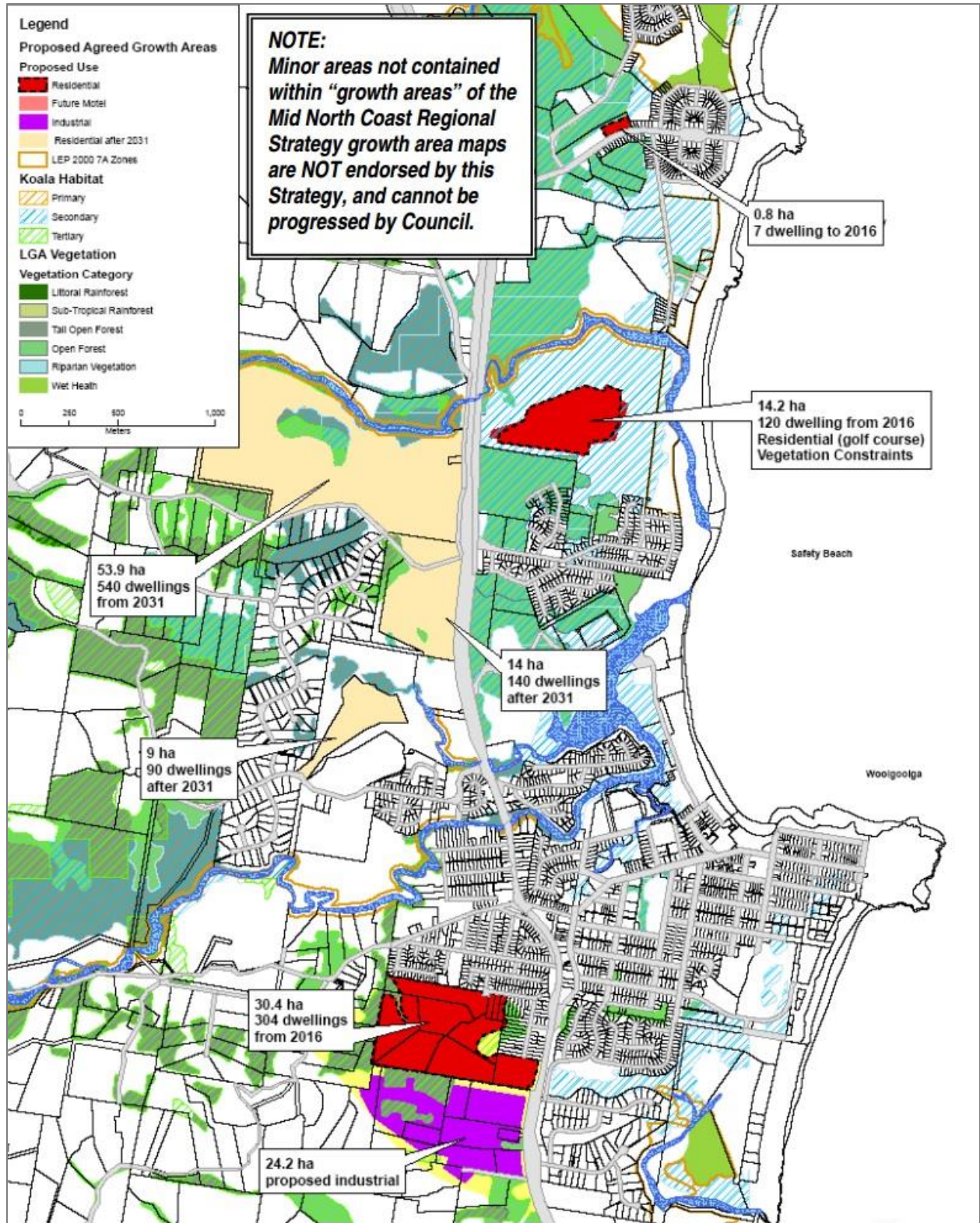
In total, some 68.8 hectares of land with the noted potential of approximately 665 dwellings has yet to have had plans progressed for development, which is not conducive to the steady and orderly release of residential land in the area.

The trend for residential development plans not advancing in the Region is evident within the numerous former 'Part 3A applications' which are now listed as Major Project Assessments by the Department of Planning and Environment including:

- **Glades Estate** at Moonee Beach which was initially proposed in mid-2006 to include approximately 522 lots and has undergone numerous iterations and modifications since;
- A 165-lot subdivision at Lyons Rd, North Bonville which commenced in 2008;
- The **Moonee Waters** project was initiated in 2005 to include 300 lots adjoining the North Sapphire Beach Estate, on a site with environmental constraints;
- **Sandy Beach North** (noted as an undeveloped and zoned urban area) has been proposed since early 2006 to include 280 residential lots on a 50-hectare site bound by Hearnese Lake, the Pacific Highway and the coast.
- A development parcel of approximately 25ha and known as '**Pacific Bay Estate**' has recently been sold. The site was mooted as being able to support residential development of 110 to 130 residential lots since 2006.



**FIGURE 3.5: Proposed Agreed Growth Areas**

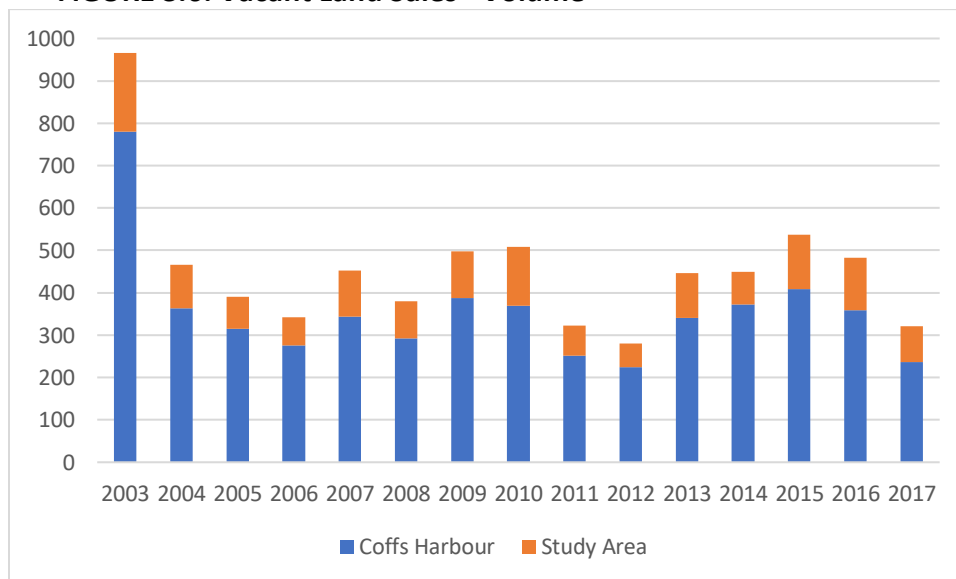


Source: Our Living City Settlement Strategy – Map 4B

### 3.4 THE WOOLGOOLGA STUDY AREA

The market within the Study Area has consistently represented approximately 20% of the volume of house sales and 5% of unit sales within the broader Coffs Harbour area. These products have also for the most part, had commensurate median sales prices over this time. Vacant land sales however have diverged, with the majority of new estates establishing within the Study Area as opposed to the balance of the greater Coffs Harbour region as illustrated within FIGURE 3.6, representing 35% of all sales through 2016 and 2017.

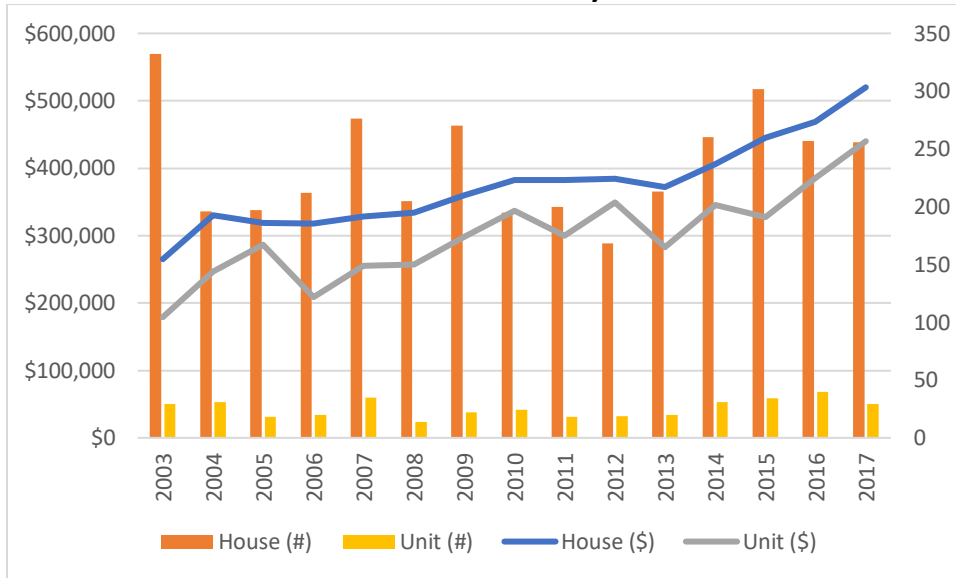
**FIGURE 3.6: Vacant Land Sales - Volume**



Source: Pricerfinder

Detached house sales represent the majority of transactions within the Study Area. For the year to December 2017, the median sales price within the Woolgoolga Study Area was \$520,000 and whilst representative of a substantially more affordable market than Greater Sydney, Brisbane and the Gold Coast and even the Regional markets of Port Macquarie and Newcastle; has demonstrated significant price growth since 2013, impacting upon the area's relative affordability.

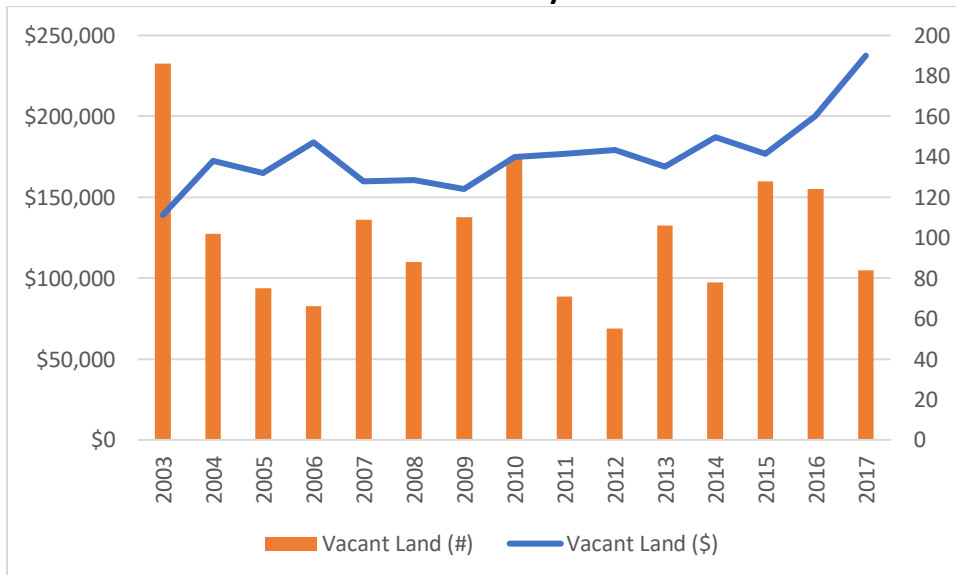
**FIGURE 3.7: House and Unit Sales – Study Area**



Source: Pricefinder

Vacant land sales within FIGURE 3.8 illustrate the vagaries of the land supply market and indicators of a supply-led market within the Study Area over the last 15 years, with median land prices moderating during periods of increased supply. The median residential lot price within the Study Area has increased markedly between 2015 and 2018, indicative of a supply constrained market.

**FIGURE 3.8: Vacant Land Sales – Study Area**



Source: Pricefinder

### 3.5 VACANT LAND SUPPLY

In summary, Urban Economics considers the Woolgoolga Study Area to have the following supply implications regarding the provision of lots for detached residential housing development.

- There is evidence of a supply-led and in some instances supply-constrained land supply market within the Study Area with a number of estates reporting pre-scales of lots prior to certification and works.
- 80 lots available within active residential estates within the Study Area (Woopi Beach and Nautica Fairways).
- 350 lots approved within the Study Area (Woolgoolga Heights, Hearnese Lake Rd, Emerald Beach Estate and Seacrest at Sandy Beach).
- 1,155 potential lots within identified growth areas of the Our Living City Strategy (excluding the subject site and proposed/approved developments).
- 400 potential lots within existing residential zoned englobo areas including Sandy Beach North.
- Numerous proposed, stalled and low potential projects throughout the Coffs Harbour region which will have limited opportunity to contribute to land supply and housing affordability in the short to medium term.





**Woopi Beach Estate lot plan, Woolgoolga**

## 4.0 DEMAND ANALYSIS

### 4.1 DEMAND DRIVERS

Economic conditions in Australia have in more recent times been defined by the existence of a “two speed economy” - the resources and energy sector, which has experienced strong levels of activity, fuelled by demand particularly from China and India, and the remainder of the economy, which is much more susceptible to fluctuating international conditions, particularly from Europe and the US, which impact on business and consumer confidence. Slowing of the resources and energy sector has seen the strengthening of property and health care sectors in supporting economic growth.

The tenuous conditions have been reflected in the Reserve Bank’s policy approach to adopt a sustained record low interest rate in seeking to stimulate activity and confidence in the Australian economy post the GFC and as the resources and energy sector plateaus. The sustained low interest rates have created substantial competition amongst financial institutions and lenders, offering investors and borrowers access to more affordable lending rates, whilst the flow-on effects for the residential property market are being realised.

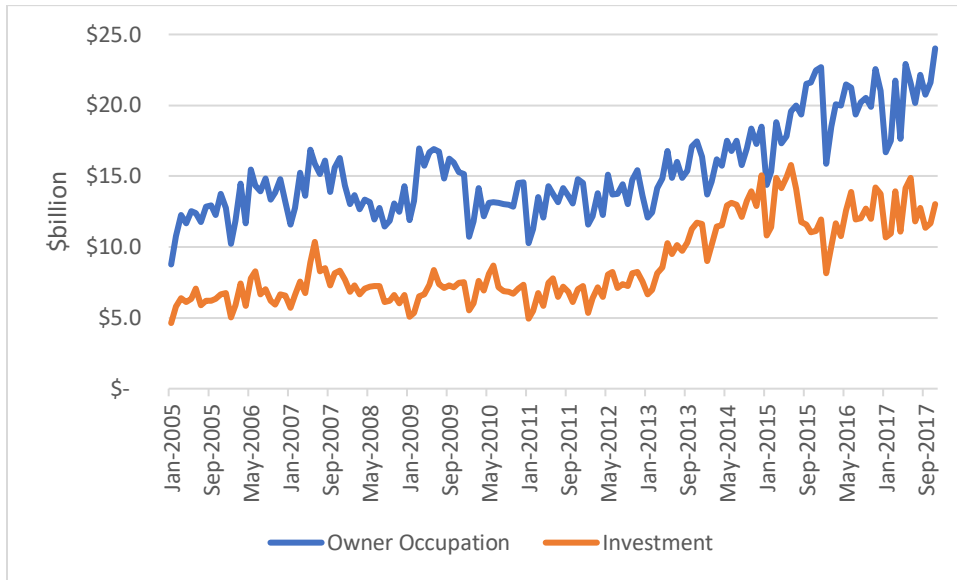
**FIGURE 4.1: Cash Interest Rate Australia**



*Source: Reserve Bank of Australia*

It is interesting to note that the value of housing finance commitments continued to rise to record highs for investors in 2014/15 and owner occupation at the end of 2015. Tighter lending conditions imposed by banks has moderated lending activity somewhat; particularly from investors however there has remained significant activity from owner occupiers which accounted for \$25billion of residential loans in November 2017, as illustrated in FIGURE 4.2.

**FIGURE 4.2: Residential Finance Commitments Australia**



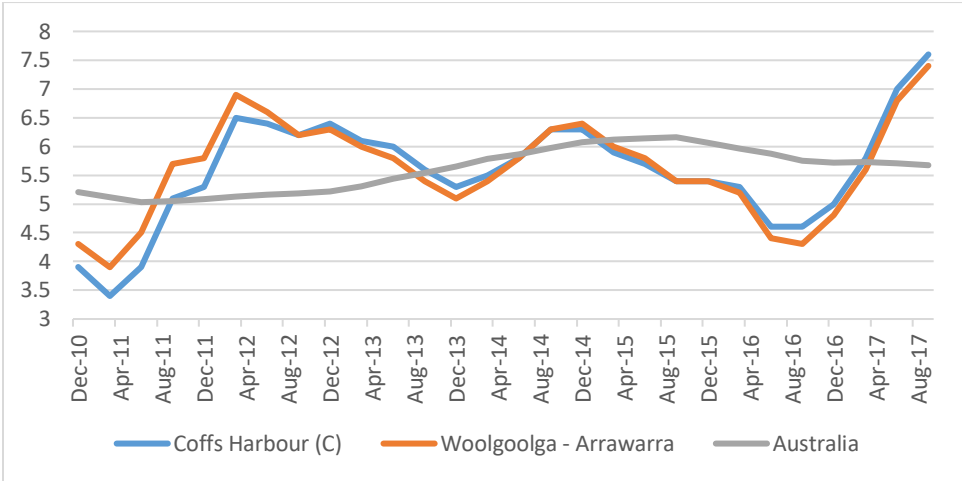
Source: ABS

Another measure of Australia's economic performance and indicators for consumer confidence is Gross Domestic Product (GDP). Australia was the only advanced economy to not record negative GDP growth following the GFC, largely attributed to the buoyancy of the resources sector at the time. In a post-resources boom, areas such as new housing and construction will play an increasingly significant part in maintaining a positive economic output, and have been much relied upon by various state and federal treasuries in budget formulation. This is particularly important in the Coffs Harbour region whereby the construction industry accounts for some 15% of employment.

FIGURE 4.3 illustrates the unemployment rates of Coffs Harbour and the Woolgoolga-Arrowarra SA2 to the Australian average; highlighting the declining employment rate in the region.



**FIGURE 4.3: Unemployment Australia**

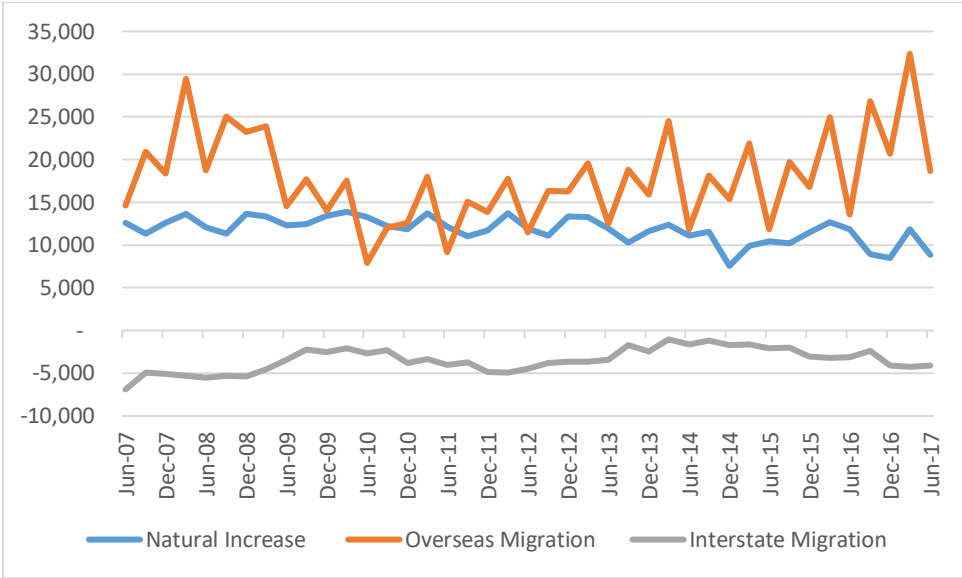


Source: Department of Employment

Critically, with national and state economic conditions being fundamentally solid, the indicator of consumer confidence has remained in positive territory, although subdued, and is reflective of confidence being buoyed by a level of job security expectations, low interest rates and rebounding commodity prices, yet weighed down by fears about the potential rising costs of living and international events. The Westpac-Melbourne Institute’s Consumer Sentiment Index remained positive for the at 105.1 as at January 2018.

Typically, NSW and Sydney has the largest net loss of population through interstate and intrastate migration respectively. Commensurately, NSW and Sydney also have the highest levels of overseas migration contributing to population growth. More recently however, net migration outflows from NSW have reduced as illustrated in FIGURE 4.4, coincident with the stronger performing economy in New South Wales and lower unemployment rates.

**FIGURE 4.4: Components of Population Change – NSW**



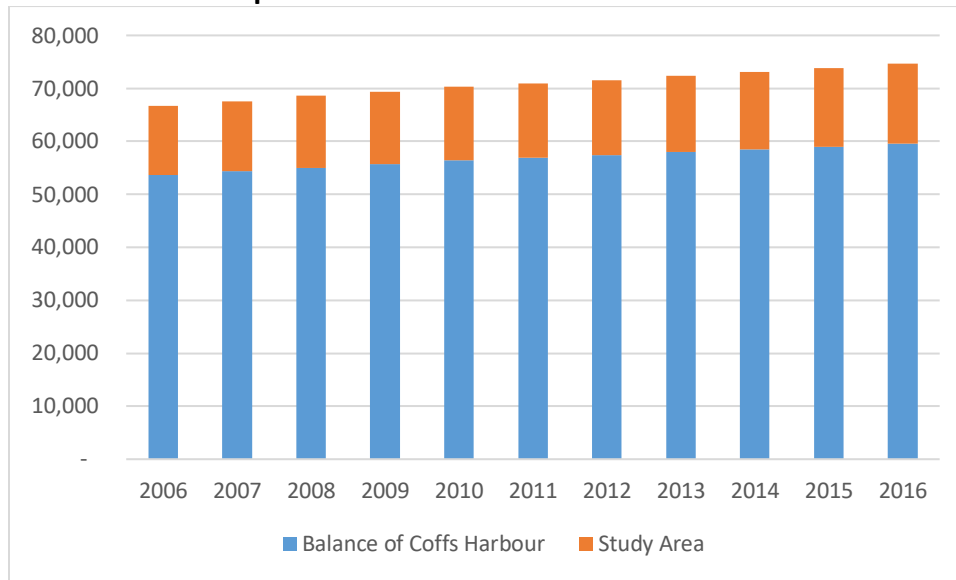
Source: ABS

Urban Economics notes that the increasing price disparity between housing in Australia’s eastern capital cities of Sydney, Brisbane and Melbourne compared to other regional centres such as Coffs Harbour, is creating conditions that may again see an influx of interstate and intrastate movers into regional areas with solid job prospects, and further demand for housing, particularly if coupled with increasing employment opportunities and affordable family and investment dwellings.

**4.2 POPULATION AND HOUSEHOLD GROWTH**

Between 2006 and 2016, the population of Coffs Harbour increased from an estimated 66,657 in 2006 to 74,641 persons in 2016; or by almost 8,000 persons at approximately 1.1% per annum over this period. FIGURE 4.5 breaks down population growth within the region between 2006 and 2016, demonstrating the increasing proportion of this growth within the Woolgoolga Study Area which increased by around 2,050 persons or 1.5% per annum over the decade.

**FIGURE 4.5: Population Growth 2006-2016**



Source: ABS

Population projections prepared by the NSW Department of Planning estimate that population growth will continue within Coffs Harbour to include some 92,650 persons by 2036 or around 16,800 additional persons between 2016 and 2036.

Coffs Harbour City Council has had population projections prepared by Forecast.id. for small areas in the Region. These projections highlight the anticipated acceleration of growth within the northern localities of Coffs Harbour, particularly Woolgoolga which is forecast to include some 3,450 additional residents between 2018 and 2036. The following TABLE 4.6 summarises Urban Economics’s population projections for the Woolgoolga Study Area guided by data from the ABS, NSW Department of Planning & Environment and Coffs Harbour City Council (Forecast.id. & Our Living City Settlement Strategy/Land Capacity Assessment).

Approximately one third of population and household growth within the Coffs Harbour region is projected to be accommodated within the Study Area. This position is commensurate with the Our Living City Settlement Strategy, whereby the ‘Northern Beaches’ (including Woolgoolga) is projected to support some 35% of new dwellings within the Region over the life of the Strategy.

Urban Economics’s projections for population growth within the defined Woolgoolga Study Area have applied an accelerating growth between 2016 and 2026. This position has been based on some assumptions which have guided the projections including:

- The development profile of the Study Area continues to include detached and relatively affordable, family type dwellings which will support and attract larger households and family groups; reflected in slightly increasing household sizes.

- Current takeup rates of other estates within the Study Area such as Woopi Beach Estate North Sandy Beach and Emerald Beach Estate suggest that there is an existing and emerging demand for residential land and dwellings in the area which is affordable. The proposed development and subject site would similarly provide a residential product to meet this demand and has been assumed to commence by 2021.
- The Our Living City Settlement Strategy estimated that growth within the Northern Beaches locality would be strongest between 2006 and 2011 (2.5% p.a.) and tapering off towards 2031. Urban Economics's projections have adopted this growth profile, however have shifted forward the timeline to allow for changes since the Strategy was published.

Population estimates by age have also been derived for the Study Area utilising projections provided by the Department of Planning and Environment. Whilst almost 50% of the growth is noted to comprise persons aged over 65, this is significantly lower than the estimated 90% of growth that the Draft North Coast Regional Plan projects will be from persons aged 65+ across the Region. Similarly, the age profile suggests the need and potential for a diversity of housing types within the Study Area toward 2036; including detached family dwellings, retirement living and aged care facilities. Diversity of residential living options and dwellings forms contributes to promoting affordable lifestyles.

**TABLE 4.6: Study Area Population and Household Projections**

	2011 (Act)	INCREASE P.A.	2016 (Act)	INCREASE P.A.	2017 (Est)	INCREASE P.A.	2021 (Proj)	INCREASE P.A.	2026 (Proj)	INCREASE P.A.	2031 (Proj)	INCREASE P.A.	2036 (Proj)
<b>Population</b>	14,023	1.4%	15,039	2.1%	15,360	1.8%	16,520	1.7%	17,980	1.5%	19,370	1.2%	20,540
<b>Dwellings</b>	5,842	40	6,042	100	6,142	150	6,742	150	7,492	150	8,242	100	8,742
<b>PPH</b>	2.40		2.49		2.50		2.45		2.40		2.35		2.35

Source: ABS, QGSO, Coffs Harbour City Council, NSW Department of Planning and Urban Economics' estimates

**TABLE 4.7: Study Area Population Projections by Age**

Age	2011	2016	2021	2026	2031	2036
<b>0-4</b>	823	847	921	993	1,039	1,078
<b>5-9</b>	843	914	990	1,087	1,158	1,187
<b>10-14</b>	1,036	1,035	1,165	1,290	1,387	1,450
<b>15-19</b>	949	912	938	1,064	1,157	1,221
<b>20-24</b>	597	605	590	601	657	681
<b>25-29</b>	663	737	775	783	797	842
<b>30-34</b>	686	811	916	968	982	988
<b>35-39</b>	801	788	952	1,080	1,119	1,116
<b>40-44</b>	890	865	900	1,088	1,205	1,213
<b>45-49</b>	930	893	917	965	1,142	1,238
<b>50-54</b>	1,136	1,094	1,125	1,195	1,234	1,418
<b>55-59</b>	1,173	1,232	1,262	1,333	1,391	1,424
<b>60-64</b>	1,001	1,096	1,226	1,278	1,328	1,366
<b>65-69</b>	761	964	1,107	1,267	1,304	1,339
<b>70-74</b>	596	724	957	1,130	1,272	1,295
<b>75-79</b>	503	567	725	973	1,123	1,258
<b>80-84</b>	354	357	432	584	793	908
<b>85+</b>	634	702	801	952	1,149	1,424
<b>TOTAL</b>	14,023	14,770	16,290	18,170	19,740	20,920

### 4.3 DEMOGRAPHIC PROFILE

The results of the 2016 ABS Population and Household Census (the most recent Census results available) have been utilised to examine the demographic and socio-economic characteristics of the resident population of the Study Area community, compared to the Coffs Harbour LGA, and NSW and are summarised in TABLE 4.8.

**TABLE 4.8: Demographic Profile**

Demographic	Study Area	Coffs Harbour	NSW
<b>Age Profile (%)</b>			
<i>0-14yrs</i>	18.4	18.2	18.5
<i>15-29yrs</i>	15.6	16.2	19.6
<i>30-59yrs</i>	37.3	37.2	40.0
<i>60+yrs</i>	28.7	28.4	21.9
<b>Labour Force (%)</b>			
<i>Unemployment Rate</i>	7.6	7.3	6.3
<i>Workforce Participation Rate</i>	53.0	53.6	55.5
<b>Occupation Profile (%)</b>			
<i>Managers/Administrators</i>	14.1	11.9	13.5
<i>Professionals</i>	17.0	18.8	23.6
<i>Technicians &amp; Trade Workers</i>	13.9	13.5	12.7
<i>Community &amp; Personal Service Workers</i>	11.5	12.4	10.4
<i>Clerks, Administrative &amp; Sales Workers</i>	11.6	13.0	13.8
<i>Sales Workers</i>	8.1	10.8	9.2
<i>Machine Operators &amp; Drivers</i>	5.5	5.4	6.1
<i>Labourers</i>	16.6	12.5	8.8
<i>Inadequately Described/Not Stated</i>	1.8	1.7	1.8
<b>Home Ownership (%)</b>			
<i>Owned Outright</i>	41.5	36.3	32.2
<i>Mortgage</i>	29.5	28.7	32.3
<i>Rent</i>	24.7	30.8	31.8
<i>Other/Not Stated</i>	4.3	4.2	3.8
<b>Structure of Dwellings (%)</b>			
<i>Separate House</i>	85.6	74.3	66.4
<i>Semi-detached/Row/Terrace/Townhouse</i>	7.3	12.3	12.2
<i>Flat/Unit</i>	1.7	10.1	19.9
<i>Other/Not Stated</i>	5.4	3.3	1.4
<b>Number of Vehicles Per Dwelling (%)</b>			
<i>0</i>	4.1	6.1	9.2
<i>1</i>	35.9	37.7	36.3
<i>2</i>	37.8	36.3	34.1
<i>3</i>	10.9	10.6	10.9
<i>4+</i>	6.5	5.2	5.8

<i>Not Stated</i>	4.8	4.1	3.7
<b>Average Annual Household Income (\$2016)</b>	<b>72,690</b>	<b>73,290</b>	<b>96,410</b>
<b>Relationship in Household (%)</b>			
Husband or wife in a registered marriage	38.8	37.0	38.5
Partner in de facto marriage	8.8	8.3	6.9
Lone parent	5.0	5.6	4.5
Child under 15	18.7	18.7	18.9
Dependent student (Aged 15-24 years)	3.9	4.1	5.2
Non-dependent child	5.7	5.8	6.8
Other related individual	2.1	2.0	2.6
Unrelated individual living in family household	1.4	1.3	1.4
Group household member	2.9	3.4	3.8
Lone person	9.5	11.0	9.0
Visitor (from within Australia)	3.0	3.0	2.2

Source: 2016 ABS Census

- Both the Study Area and Coffs Harbour communities had distinctly higher proportions of retirees and older persons compared to NSW. At the time of the Census, approximately 28.7% of Study Area residents were aged over 60 compared to 21.9% in NSW.
- Whilst having a high proportion of older persons, the Study Area also included an average level of school aged children, commensurate with the number of schools in the area including Woolgoolga High School, Woolgoolga PS, Sandy Beach PS, Mullaway PS and St. Francis Xavier Primary; which together had 1,984 enrolments through 2016.
- At the time of the 2016 Census, the Study Area had a heightened unemployment rate (7.6%) and lower levels of workforce participation (53%), typical of areas with higher levels of retired persons.
- Dwellings within the Study Area in 2016 were predominantly detached houses (85.6%) with limited flats, units and apartments (1.7%), demonstrative of the area's popularity for families seeking larger dwellings. Similarly, more than 40% of dwellings within the Study Area were owned outright in 2016 which is characteristic of the higher incidence of families in the later stages of the lifecycle including retirees.
- Average household incomes within the Study Area (\$72,690) and Coffs Harbour region (\$73,290) were significantly lower than the NSW average. This is linked to the heightened proportion of retired persons in these areas and a blue collar workforce with higher levels of labourers, trade workers, clerks and sales workers at the time. Despite this, 2013-14 data from the ATO outlines average individual salaries and wages of \$42,000 within the Study Area at the time.



#### 4.4 RETIREMENT LIVING AND AGED CARE DEMAND

Whilst not included as part of the concept masterplan for the subject site, the potential for retirement living and residential aged care has been investigated for the Study Area and proposed development, particularly given the age profile of the community and issues raised within the Draft Residential Strategy.

The proponent has considered 'The Lakes' development at North Boambee Valley, which integrates an Opal aged care facility and The Lakes Village retirement living as an example of a potential outcome for the subject site at Woolgoolga.

Typically, some 6% of Australian's over the age of 65 years live within purpose built retirement accommodation such as independent living units (ILU). At an average of 1.5 persons per dwelling this suggests a ***demand for some 115 retirement dwellings within the Study Area in 2016 increasing to 155 dwellings by 2026.***

This makes no allowance for over 65's in coastal areas such as Coffs Harbour to live in purpose-built retirement accommodation. For instance, Urban Economics's analysis in Bundaberg estimates that some 16% of those aged 65+ live in retirement accommodation.

Development of residential aged care within Australia is guided by a government planning ratio of 80 places per 1,000 persons aged 70+. Based on this ratio, residents of the Study Area would have a demand for some ***150 residential aged care places in 2016 and 200 places by 2026.***

The Study Area currently includes the Woolgoolga and District Retirement Village which has 66 residential aged beds and 30 ILUs. Gateway Lifestyle also operate 'The Pines' and 'Lorikeet Park' manufactured home parks for over 50's which have 264 approved home sites of which approximately 50% are occupied. There is a need to ensure choice in the timely provision of age and sector appropriate housing in the Study Area and Coffs Harbour.



***Opal Aged Care facility, The Lakes***

## 4.5 IMPLICATIONS

There are numerous factors driving the demand for new residential development and the demand for detached housing lots within the Woolgoolga area including:

- Low interest rates and the availability of finance,
- Improved employment prospects and labour markets within the Coffs Harbour region,
- Affordable housing options relative to other major markets along Australia's east coast; and
- A fundamentally solid rental market which is attractive for residential property investment.

Residents of the Study Area community have a propensity for demand for affordable detached housing for families, but also a choice in residential product catering to retirees, older persons and other more compact households.

**Based on population growth alone, the Study Area is projected to require an additional 2,600 dwellings between 2017 and 2036 or more than 130 new dwellings per annum over this period.** A significant share of this dwelling demand will continue to be directed to detached dwellings and therefore demand for residential lots.

## 5.0 DEMAND AND SUPPLY CRITIQUE

### 5.1 SEQUENTIAL SITE ANALYSIS

This section seeks to summarise the case for the subject site to establish as an important residential land release area within the Woolgoolga area, prior to the existing planning timeframe of 2031. It is Urban Economics's view that the subject site represents the most sequentially logical englobo land parcel within the region which could accommodate residential development from an economic perspective. The following supports this view:

- Approximately 38.3ha of land slated to support 353 residential lots from 2016 within the Our Living City Settlement Strategy as 'growth areas' have yet to commence any advanced planning or had any plans progressed which would see them contribute to supply within Woolgoolga in the short to medium term. A further 30.4ha and 300+ dwellings have stalled in development within the Woolgoolga Heights estate.
- The subject site is proximate to Woolgoolga High School, the only secondary education facility between Orara High School to the south and facilities within Grafton some 55km driving to the north.
- A substantial amount of land area within the Coffs Harbour region is quite undulating and sloped. Construction costs for dwellings on sloped land is considerably higher than flat sites. Whilst the subject site has some undulation; the proposed development has the potential to provide 'easy to build' lots; contributing to the ultimate affordability of housing in the locality.
- Other significant proposed projects such as Sandy Beach North have considerable environmental constraints, similarly limiting their potential contribution to residential land supply within the Woolgoolga Study Area. The subject site is largely cleared and set back from waterways and the coast, limiting its environmental constraints and subsequent potential for delivering the proposed development.
- The proposed development would contribute to, and support the construction of, the West Woolgoolga Sports Facility which will be an important piece of community infrastructure once completed.
- The subject site is within 2km of the Woolgoolga activity centre and just 1km from the Woolgoolga Woolworths shops, consolidating households within the catchment areas for these centres and contributing to the vibrancy and vitality of these centres as well as ensuring the development of residential activity within proximity of convenience and weekly shopping and services.



*Woolworths Woolgoolga*

- The subject site would deliver a masterplanned development offering certainty in ongoing supply of residential land within Woolgoolga proximate to services and community facilities in maximising an affordable lifestyle for residents.

## 5.2 IMPLICATIONS FOR LAND SUPPLY & THE PROPOSED DEVELOPMENT

- Residential development inherently has a level of ‘supply-led’ demand. That is, without the delivery of the appropriate housing product and residential land, demand from population growth cannot be accommodated or eventuate. Woolgoolga is planned to include a significant share of the population growth within Coffs Harbour, but the area is currently hamstrung as a result of uncertainty in the delivery of appropriate residential development.
- Some smaller and existing residential developments such as the Nautical Fairways estate have not benefited from the sales momentum that is achieved through the creation of a large, staged and masterplanned community. The proposed development would contribute almost 300 lots and potentially integrate aged care and retirement facilities proximate to numerous community facilities; creating a development which is attractive for purchasers and capitalising on the ‘Delfin Effect’ which acknowledges the success of masterplanned communities by the former Delfin Group (now Lend Lease).
- The actual release and development of most ‘*proposed agreed growth area*’ land within the Settlement Strategy has little potential of actually keeping pace with the planned release ‘*from 2016*’. The subject site is more ‘shovel ready’ and proximate to the Woolgoolga activity centre and facilities; which is sequentially superior to much of the land release areas than the planned post-2031 development timeframe.

- The Woolgoolga locality is experiencing a decrease in affordability, a feature which in the past has made it an attractive place to establish a home. Urban Economics’s investigations have revealed that there are no longer any lots available within the Woolgoolga Study Area within the sub-\$200,000 price bracket with the minimum lot now marketed from \$220,000 in existing developments. The proposed development would contribute to reducing the increasing growth rate of residential land in Woolgoolga and continue to promote the area for affordable living for families and retirees alike.
- Generally, future land planning should allocate at least seven years of residential supply in creating a balanced market which is developed in a timely manner and is not impacted by inflationary price pressures. Confidence in future land supply and delivery is critical to maintaining housing affordability. Existing lots, approved developments and zoned/high potential residential land represents an estimated 310 lots or approximately 3years supply within the Study Area, allowing for a mix of attached and alternative dwelling forms.
- Between 3 to 5 years is typically required for the delivery of lots to market from residential concept through application to marketing, necessitating continuity in residential land supply.
- This land supply analysis assumes that all approved, zoned and high potential residential land is developed and within a timely period. This is subject to several local and market vagaries including the intentions and capacities of land owners, commercial developability and viability of various land parcels and development options and the mix of product delivered to the market. In reality, this 3 years supply may in effect be considerably reduced, however, for the purposes of this consultancy we have applied the “ultimate” development scenario in examining the potential demand for the proposed residential development.
- Based on demand and the projected take up of land, the proposed development would represent approximately 3 years supply of detached residential housing lots from 2021. TABLE 5.1 outlines the land supply critique within the Woolgoolga Study Area, identifying the potential for the development to proceed in the short to medium term (prior to 2021).
- Whilst the potential and proposed supply suggests a supply of around 3 years, residential lots which are actually available to the market for purchase within Study Area developments represent only 2 to 3 months supply; limiting choice and affordability, which is evidenced by the sharply escalating price for lots within the area.

**TABLE 5.1: Supply Potential Critique**

Name	Status	Land Area	Total Lots	Lots Sold	Lots Available	Potential	High Potential Supply
Woopi Beach Estate	Stage 2 sales	9.5ha	150	42	108	High	108
Woolgoolga Heights	Pre-sales	4.92ha	50	0	0	Low	-
North Sandy Beach	Complete	8.4ha	82	82	0	-	-
Seacrest at Sandy Beach	Stage 1 & 2 complete	18.8ha	166	166	0	High	-
Nautica Fairways Estate	Stage 11 sales	18.5ha	209	201	8	High	25
Emerald Beach Estate	Stage 3	11.5ha	76	70	6	High	6
Balance of zoned englobo land	Zoned Urban - Residential	15ha	150	0	0	High	150
<b>Proposed Growth Areas from 2016</b>							
2 Arrawarra Rd, Mullaway	Approved	3.1ha	22	0	0	High	22
220 Arrawarra Rd, Arrarwarra	?	2.1ha	21	0	0	Low	-
Woolgoolga Golf Course	?	14.2ha	120	0	0	Low	-
Red Rock Rd, Corindi	?	15.8ha	158	0	0	Low	-
97 Pacific St, Corindi	?	5ha	50	0	0	Low	-
201-203 Arrawarra Rd, Arrarwarra	?	0.4ha	4	0	0	Low	-
Sandy Beach North	Proposed	49.6ha	280	0	0	Low	-
<b>Proposed Growth Areas from 2031</b>							
Subject Site - Bark Hut Rd, Woolgoolga	Proposed	25.7ha	293	0	0	High	293
Lot 2 on DP1143755, Pacific Highway Woolgoolga	Proposed	53.9ha	540	0	0	Low	-

## 6.0 CONCLUSION

The residential market in Coffs Harbour and the Study Area is demonstrating a supply-led market including signs of decreasing affordability and more limited choice in available residential product. It is important to ensure the timely delivery of residential land to maintain confidence in the residential market and in the ongoing delivery of affordable residential lifestyles for the Coffs Harbour community. A 7 to 8 year lead time is critical in ensuring sufficient residential land supply is available in maintaining affordability and confidence in the local residential market.

Underlying demand drivers are indicative of increasing population growth and demand for residential lifestyles in Coffs Harbour and the Study Area, bringing forward population projections and dwelling demand within the Study Area.

It is estimated that there is only 3 years of supply available to the market within the Study Area, including land that is currently not being developed and subject to owner intents and commercial viabilities.

Whilst the timeframe for approval and development of the subject site may not see the creation and release of lots until 2019, the existing supply of residential land and high potential proposed developments in Woolgoolga, dictates that the subject site would be able to contribute to land supply and housing affordability within Coffs Harbour and Woolgoolga significantly prior to the existing post-2031 planning horizon.

More particularly there is compelling demand to bring forward the supply of well located, residential land that will deliver affordable lifestyles for the Woolgoolga Study Area and wider Coffs Harbour community.

The subject site is a sequentially superior residential development site within the Woolgoolga area, and best positioned to accommodate demand within the locality, compared with other planned growth areas, whilst offering prospective residents proximity and accessibility to services and maximising the commercial viability of the catchments for the nearby retail and commercial centres.

Significantly, the location of the subject property, its capacity to be developed as a masterplanned community and its topography, contribute to the commercial viability of the subject property to deliver affordable lifestyles for the Woolgoolga community, relative to other less well located and developable designated sites within the Study Area.