



Tannum Sands
Property Factsheet
1st Half 2018





MARKET CONDITIONS

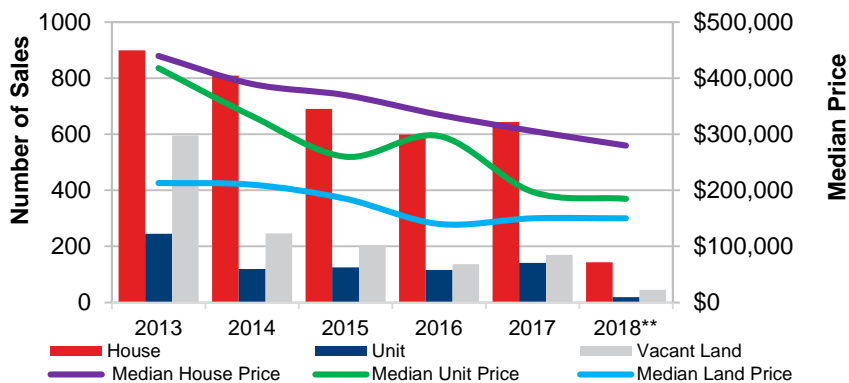
The Tannum Sands* property market is embarking on the road to recovery, after a period of market softening over the past 5 years. Between 2017 and 2018** median house prices increased by 0.5% to \$321,750, whilst the median price for vacant land increased by a substantial 9.4% to \$175,000. Although the market is in recovery (particularly the house market) the area is still at the beginning of its journey. Planned future development in the pipeline for 2018 will further stimulate the Tannum Sands* market for the rest of the year.

Furthermore, when compared to the wider Gladstone Council area Tannum Sands* proves to be a premium market and travelling in a more positive trend. Median house prices as of 2018 in the Gladstone area are \$280,000, representing a softening of -8.5% from 2017 and signaling a continuing soft market. Median land price has remained stable over the past 12 months at \$150,000.

Average vendor discounting for both property types has tightened over the past 12 months to 2018, suggesting that sellers are achieving closer to their first list asking price. Average vendor discount for houses tightened to -7.6% (from -8.3% in 2017), whereas vacant land tightened even further to -3.1% (from -10.7%). Thus, whilst the market remains affordable to first home buyers, sellers are benefitting from higher capital growth. This further confirms that Tannum Sands* is on the path to market recovery and that now is the time to invest.

According to the ABS Census in 2016 approximately 29.0% of Tannum Sands* resident rent, creating a vibrant and profitable rental market. Over the past 12 months (to 1st half 2018) median rent has increased by 8.3% for houses (to \$260/week) and 10.0% for units (to \$165/week). Combined with affordable median sales prices this makes Tannum Sands* a perfect area for investment.

GLADSTONE COUNCIL LGA GROWTH



OVERVIEW

Tannum Sands is a coastal town and locality on the central east coast of Queensland. At the 2016 Census Tannum Sands had a population of 5,145, which when combined with its neighbouring twin town of Boyne Island is approaching 10,000. This suggests the need for new high quality stock in the near future.

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

FUTURE DEVELOPMENTS***

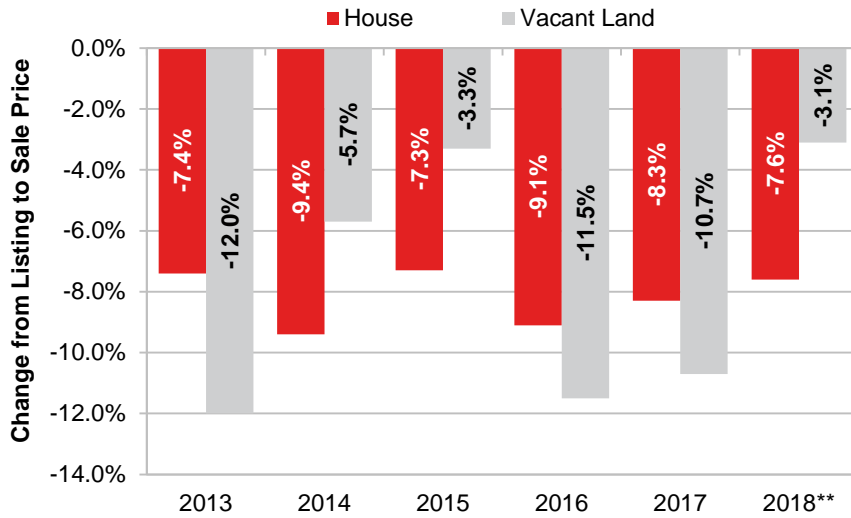
Tannum Sands* is set to see approximately \$117.9M of project investments between 2016 and the 1st half of 2018. There is a focus on increasing residential stock, particularly in the 1st half of 2018, through the creation of new subdivision lots. This amounts to approximately \$99.4M (or 84.3% of total project value) which is welcomed news as there is a need to replenish quality stock in the market.

A key residential project in the 1st half of 2018 is the Tannum Waters Estate Subdivision series, adding a total of 2,000 new lots into the market over 3 projects – stage 1 (\$4.3M), stage 2 (\$4.6M), and remaining stages (\$71.1M). All projects are scheduled for construction in June 2018, with stage 1 and 2 scheduled for completion in 2020.

Another key residential project due to commence in 1st half 2018 is the Riverstone Rise Precinct 2 Stages 8-23 in Boyne Island, estimated at \$19.4M and adding 485 lots to the market. This will further stimulate the availability of quality stock in the near future, to accommodate for a growing Gladstone region economy.

*Tannum Sands market data and key indicators encapsulates aggregate property market conditions in Tannum Sands, Boyne Island, and Turkey Beach.
 **2018 data captures sales up to and including 31st March 2018.
 ***Estimated values are based on construction value provided by the relevant data authority and does not reflect commercial and/or re-sale value. Quoted construction and completion dates are estimate only.
 Source: APM Pricerfinder, realestate.com.au. © Copyright PRDnationwide 2018.

AVERAGE VENDOR DISCOUNT*



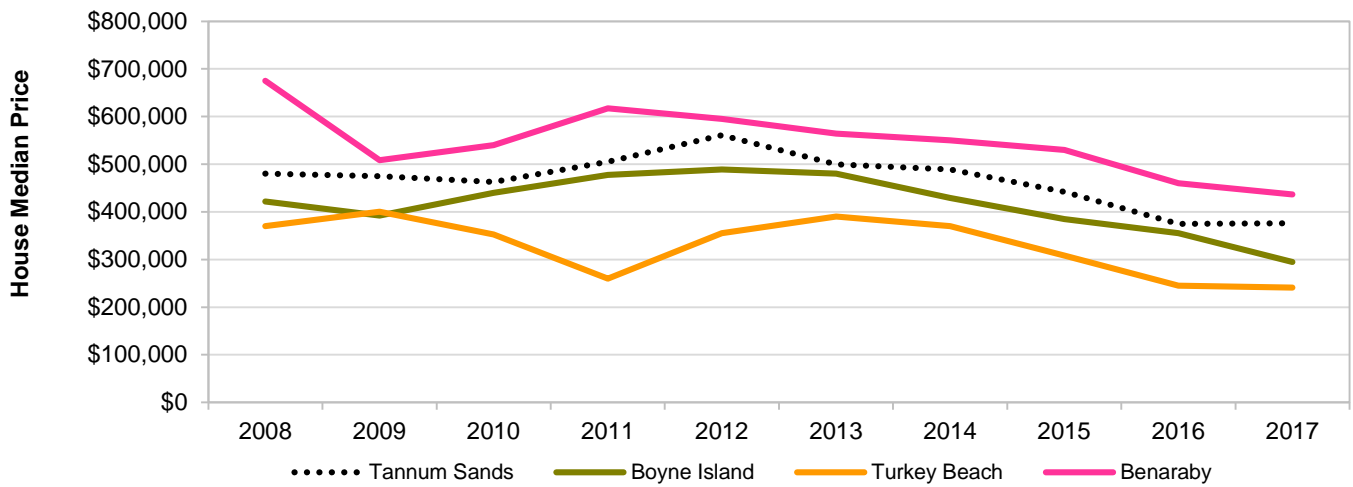
AVERAGE VENDOR DISCOUNT

Average vendor discount reflects the average percentage difference between first list price and final sold price. A lower percentage difference (closer to 0) suggests buyers are willing to purchase close to the first asking price of a property.

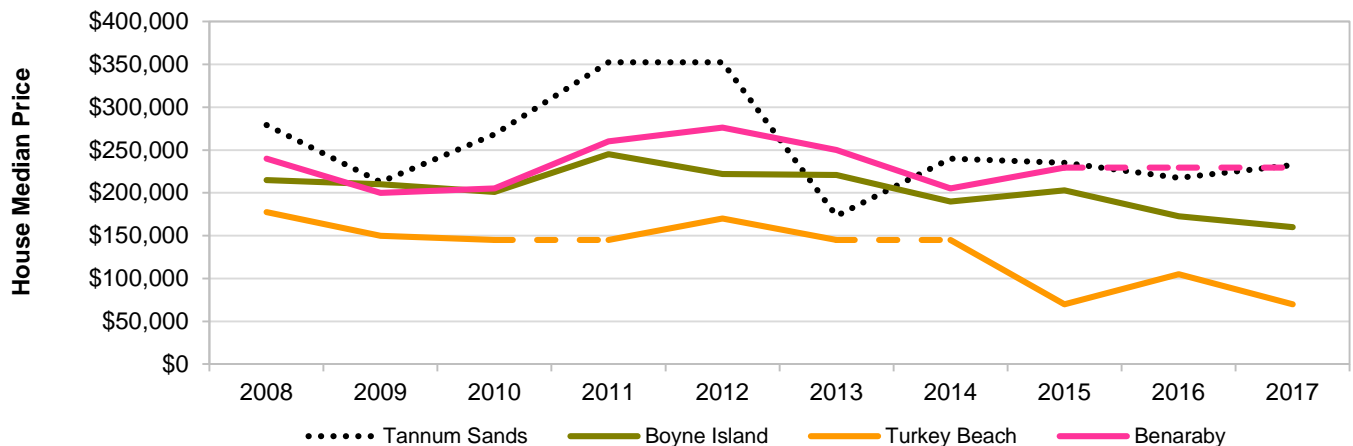
MARKET COMPARISON GRAPH

The market comparison graph provides comparative trend for median price of house and units over the past 10 years. Suburbs profiled are chosen based on proximity to the main suburb analysed in the factsheet, which is Tannum Sands. The main suburb is highlighted through a dotted black line graph.

HOUSE MARKET COMPARISON



VACANT LAND MARKET COMPARISON

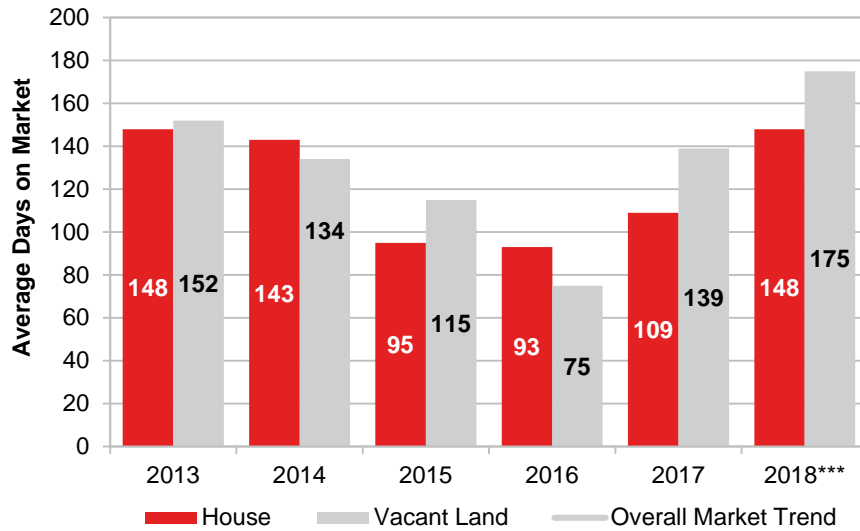


*Tannum Sands market data and key indicators encapsulates aggregate property market conditions in Tannum Sands, Boyne Island, and Turkey Beach.

**2018 data captures sales up to and including 31st March 2018.

Source: APM Pricerfinder. © Copyright PRDNationwide 2018.

AVERAGE DAYS ON MARKET**



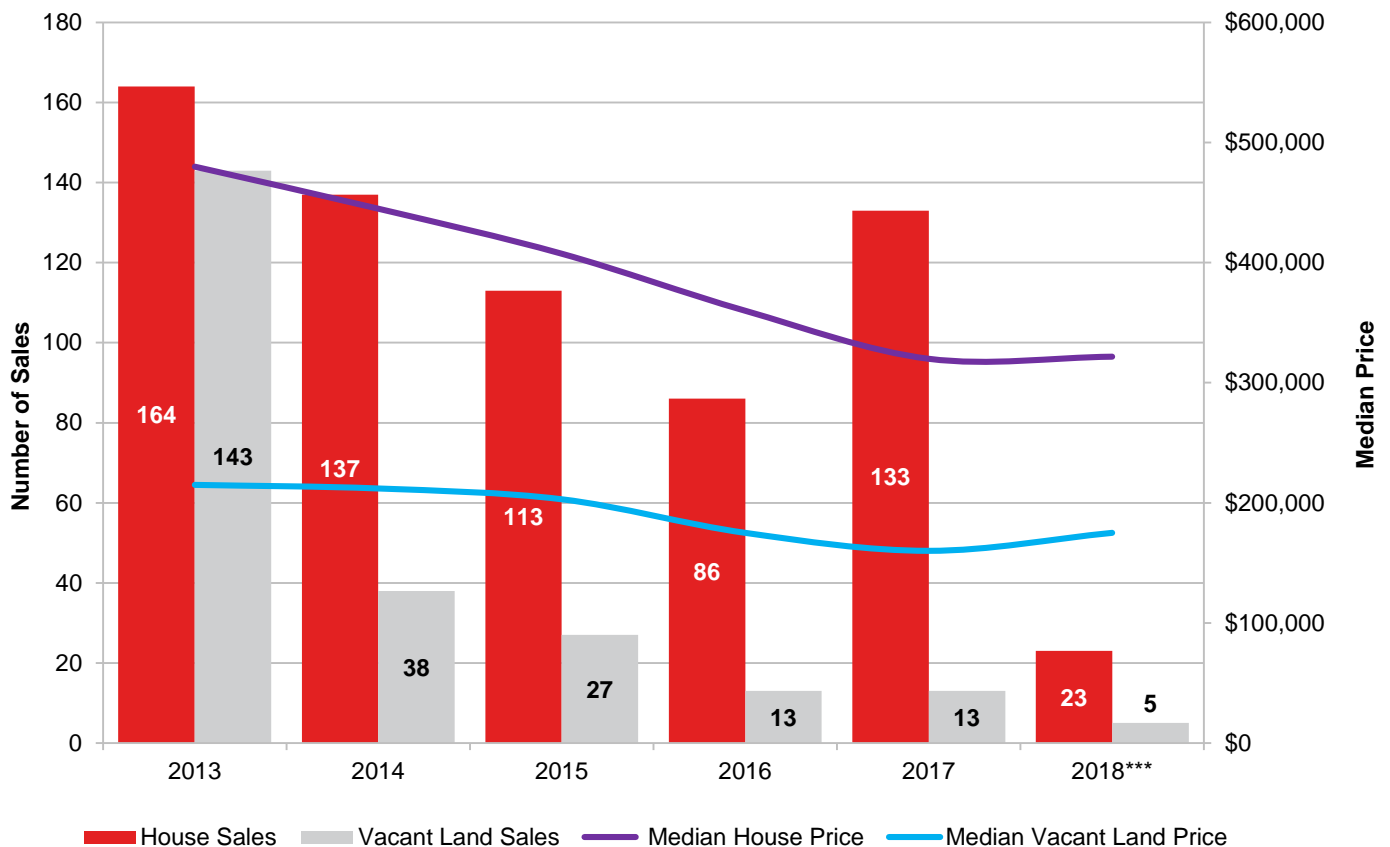
HOUSE KEY FACTS 2018

Median Sale Price: \$321,750
 Annual Growth: 0.5%*
 Average Days on Market: 148
 % Change between First Listed Price and Sold Price: -7.6%

UNIT KEY FACTS 2018

Median Sale Price: \$175,000
 Annual Growth: 9.4%*
 Average Days on Market: 175
 % Change between First Listed Price and Sold Price: -3.1%

SALES AND MEDIAN PRICE**



*Annual growth represents price growth for property transactions between 2017 to end of 31st March 2018 (inclusive).

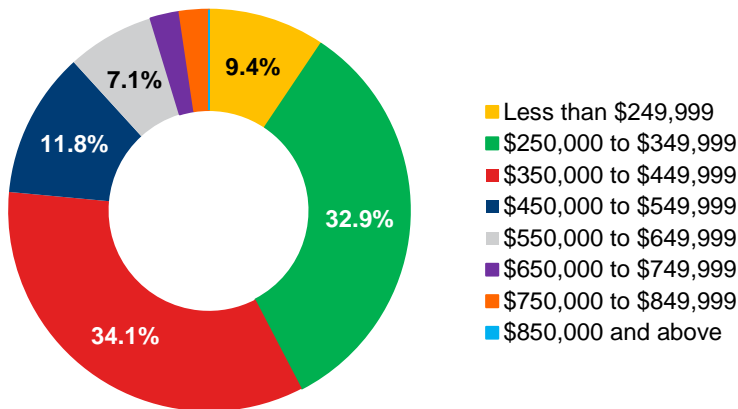
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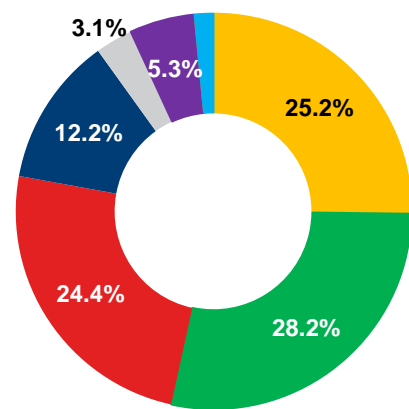
Source: APM Pricerfinder, realestate.com.au, SQM Research. © Copyright PRDNationwide 2018.

SALES PRICE POINT COMPARATIVE ANALYSIS

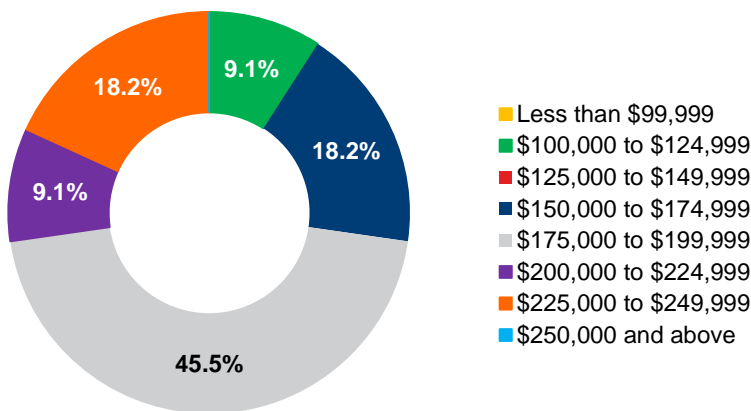
HOUSE PRICE POINT 2016



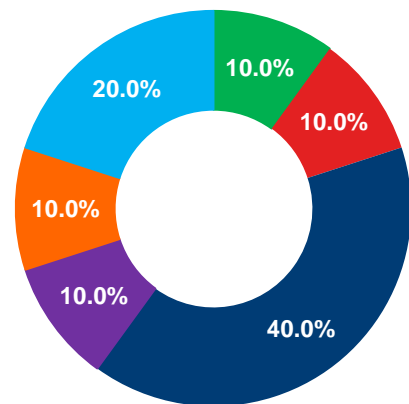
HOUSE PRICE POINT 2017



LAND PRICE POINT 2016



LAND PRICE POINT 2017



KEY IMPLICATIONS - HOUSE

The largest proportion of houses sold in 2017 moved from the \$350-\$450k to the \$250-\$350K price bracket. Furthermore, the more affordable price bracket of less than \$250K widened from 9.4% in 2016 to 25.2% in 2017. Both of these trends point to a noticeable shift towards a more affordable house market, suggesting now is the perfect time for first home buyers to enter.

There is interesting movement in the higher end of the market. The \$650-\$750K price bracket doubled to 5.3% in 2017 from 2.4% in 2016. Additionally, a new price bracket of \$850K+ became evident in 2017, accounting for 1.5% of total sales. This suggest there is a market for boutique stock in the area.

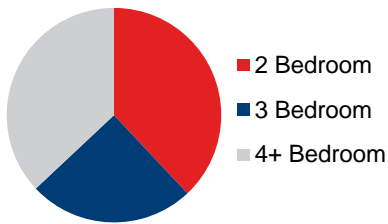
KEY IMPLICATIONS - LAND

The Tannum Sands land market has experienced interesting trends over the past 12 months, with several price brackets that were non-existent in 2016 becoming available in 2017. In the high-end market for example, 20.0% of sales in 2017 were in the \$250K and above bracket, which didn't exist in 2016. That said, the \$225-\$250K bracket shrunk from 18.2% to 10.0% in 2017.

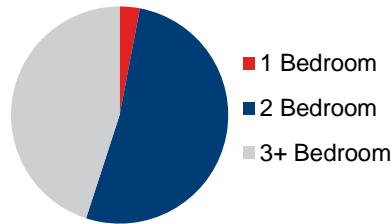
2017 saw the creation of the \$125-\$150K price bracket, opening up the market for more options. There was also a major shift in which price bracket dominated. In 2016 the \$175-\$200K bracket dominated and in 2017 this shifted to \$150-\$175K. Taking this into consideration, now is prime time for first home buyers to capitalise on affordable options.

INVESTMENT ANALYSIS

HOUSE



UNIT



HOUSE FACTS 1st Half 2018

Median Rent Price: \$260 per week
 Rental Yield: 3.2%
 Average Days on Market: 25
 Bedroom Breakdown:
 2 Bed: 38%, 3 Bed: 25%, 4+ Bed: 37%

UNIT FACTS 1st Half 2018

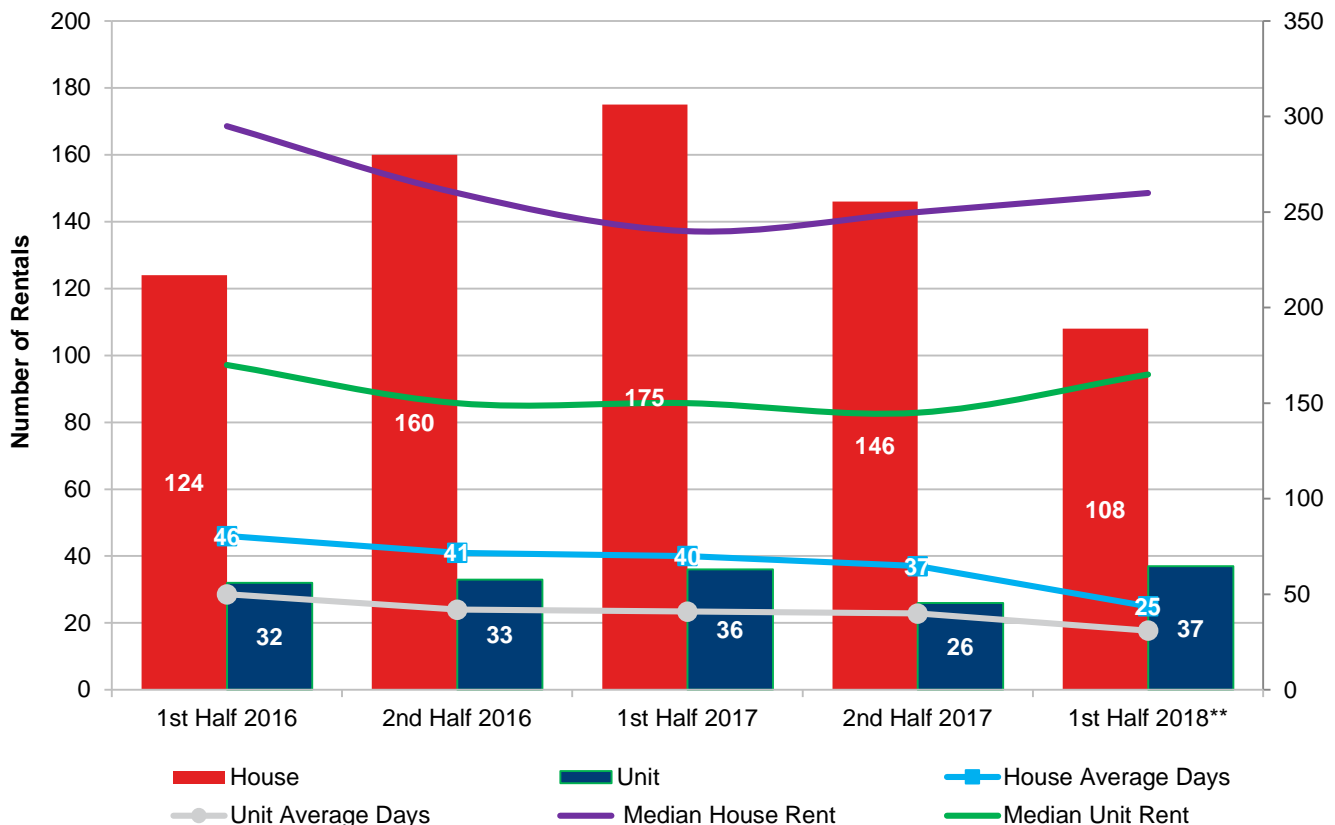
Median Rent Price: \$165 per week
 Rental Yield: 5.2%
 Average Days on Market: 31
 Bedroom Breakdown:
 1 Bed: 3%, 2 Bed: 52%, 3+ Bed: 45%

KEY COMMENTS

Interest in the Tannum Sands* market is recorded at an average of 73 online visits per property. The rental market is thriving, with median house rental prices increasing by 8.3% to \$260 per week and median unit rental price increasing by 10.0% to \$165 per week. The unit market in particular is of interest to investors, as the increase in median weekly rent is accompanied by a 2.8% increase in the number of units rented. This suggests real rental growth and with a unit rental yield of 5.2% (higher than the Gladstone LGA) it is a market not to be missed.

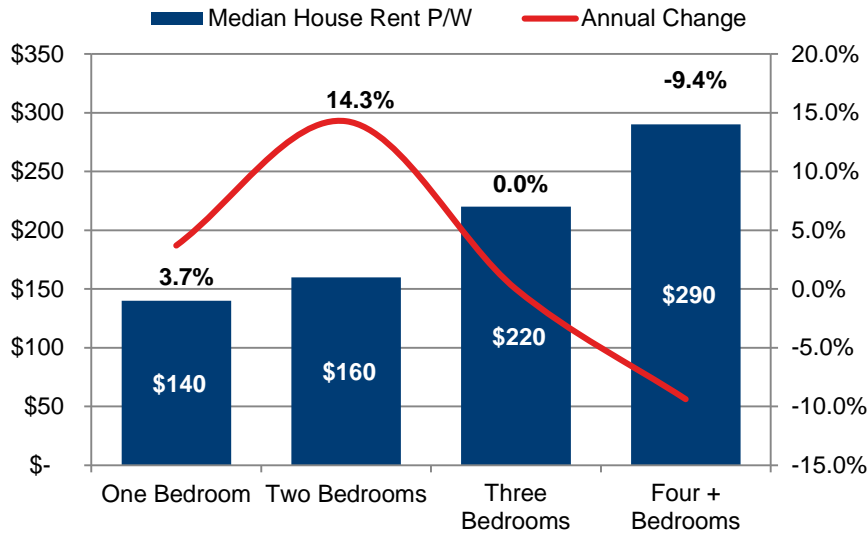


MEDIAN RENT AND AVERAGE DAYS ON MARKET*



*Disclaimer: Tannum Sands market data and key indicators encapsulates aggregate property market conditions in the following suburbs: Tannum Sands, Boyne Island, and Turkey Beach.
 **1st Half 2018 data is inclusive of rental data up to 31st March 2018.
 Source: APM Pricefinder, realestate.com.au, SQM Research. © Copyright PRDnationwide 2018.

RENTAL PERFORMANCE 2017*



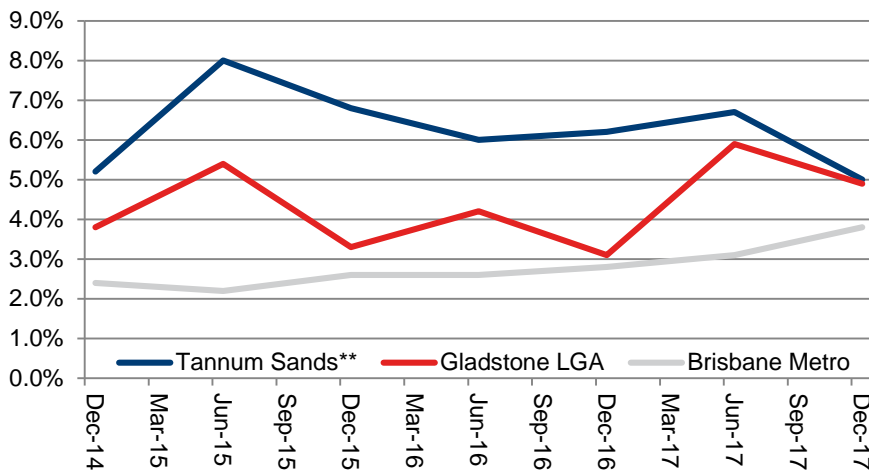
KEY COMMENTS

Rental returns are particularly strong in Tannum Sands, with house and unit yields above the wider Gladstone Regional Council and Brisbane Metro.

2+ bedroom houses provide the highest annual rental growth at 14.3%.

Vacancy rates in Tannum Sands were 5.0% in December 2017, which is on par with the wider Gladstone LGA. That said, this is the lowest vacancy rate that Tannum Sands has seen since 2014 and unlike Brisbane Metro it has been on a declining trend since June 2017. This suggests a healthier rental demand and one that investors can rely upon for sustainable returns.

VACANCY RATES 2017



RENTAL YIELD 2017

Suburb/Postcode/LGA	House Rental Yield	Unit Rental Yield
Tannum Sands (4680)	3.8%	5.2%
Turkey Beach (4678)	2.5%	N/A
Gladstone Regional Council	3.2%	4.3%
Brisbane Metro	3.8%	5.0%

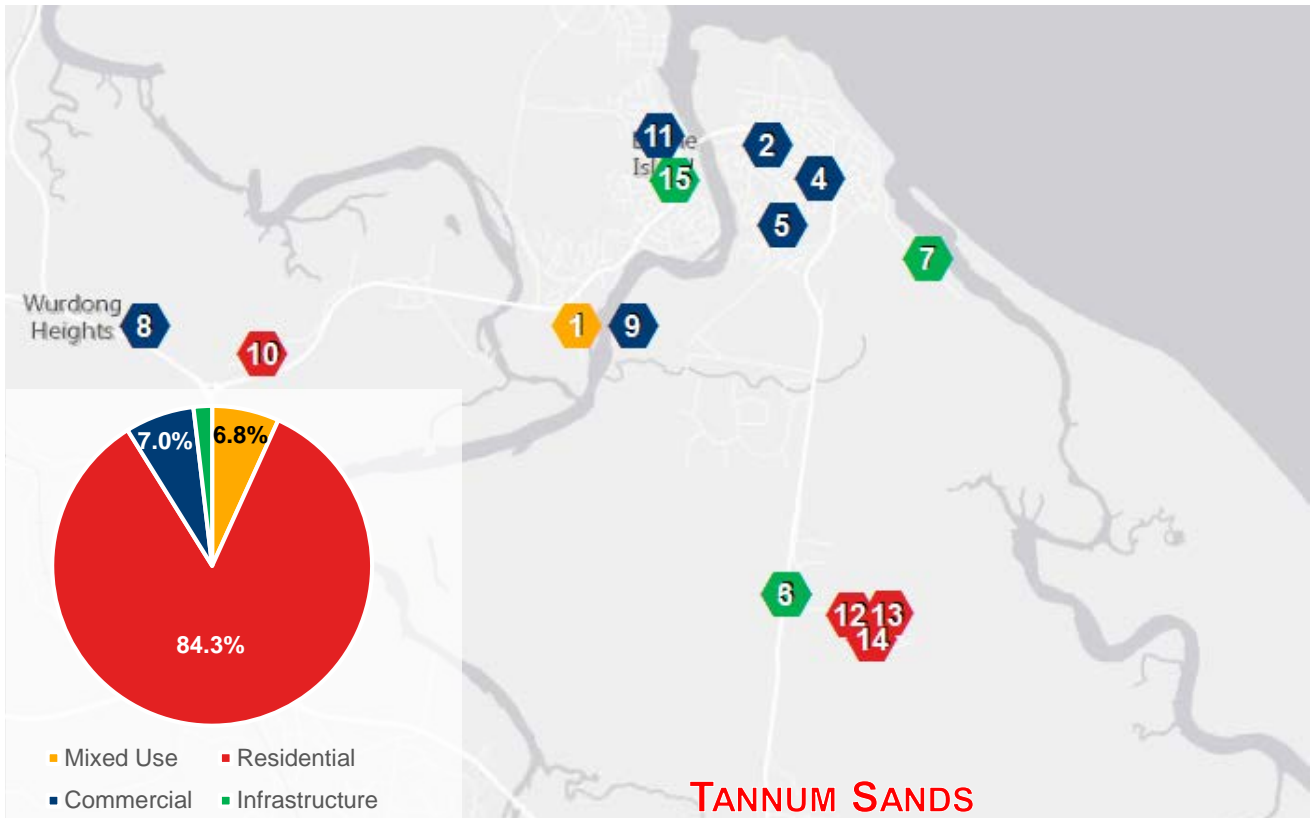
KEY HOUSING DEMOGRAPHICS

	Norwest	Gladstone LGA	Queensland
Median weekly household income	\$2,002	\$1,586	\$1,402
Median monthly mortgage repayments	\$2,080	\$1,950	\$1,733
Unemployed	10.0%	11.1%	7.6%
Professionals	16.0%	13.6%	19.8%
Owned outright	25.4%	24.2%	28.5%
Owned with mortgage	42.8%	38.1%	33.7%
Rented	29.0%	35.1%	34.2%

*Rental performance graph represents aggregate house median rent prices in the following suburbs: Tannum Sands, Boyne Island, and Turkey Beach. Annual change is a comparison between 2016 and 2017 median rent figures.

Source: APM Pricerfinder, SQM Research, ABS Census 2016. © Copyright PRDnationwide 2018.

PROJECT DEVELOPMENT MAP 2016-1st HALF 2018



Location	Project	Type	Estimated Value**	Commence Date**
1	Jacaranda Drive Residential and Hotel Development Precincts 1-7	Mixed Use	\$8,000,000	15/01/2016
2	Coles Supermarket Tannum Sands Refurbishment	Commercial	\$500,000	15/03/2016
3	Tannum Sands Telecommunications Facility	Commercial	\$450,000	27/07/2016
4	Coles Express Tannum Sands	Commercial	\$2,600,000	24/08/2016
5	Dunn Street Commercial Development	Commercial	\$3,000,000	31/10/2016
6	Tannum Sands Urban Development Area Subdivision Stages 2-3	Infrastructure	\$1,840,000	13/04/2017
7	Wild Cattle Creek	Infrastructure	\$171,000	05/06/2017
8	Gentle Annie Road Telecommunications Facility	Commercial	\$300,000	09/12/2017
9	Gladstone Monto Road Telecommunications Facility	Commercial	\$300,000	27/02/2018
10	Riverstone Rise Precinct 2 Stages 8-23	Residential	\$19,400,000	03/05/2018
11	Bits Medical Centre	Commercial	\$1,100,000	14/05/2018
12	Tannum Waters Estate Subdivision Stage 1 (108 lots)	Residential	\$4,320,000	03/06/2018
13	Tannum Waters Estate Subdivision Remaining Stages (1777 lots)	Residential	\$71,080,000	03/06/2018
14	Tannum Waters Estate Subdivision Stage 2 (115 lots)	Residential	\$4,600,000	03/06/2018
15	Pittsbay Crescent Street Lighting	Infrastructure	\$200,000	08/06/2018

*Project development map and data is based on projects located in the following suburbs: Tannum Sands, Boyne Island, Turkey Beach. Map locations are approximate only based on suitable data for geo-coding and ArcGIS mapping.

**Estimated value is the value of construction costs provided by relevant data authority, it does not reflect the project's sale/commercial value. Commencement date quoted for each project is an approximate only, PRDnationwide does not hold any liability to the exact date in which each project commences.

Source: Cordell Database, ESRI ArcGIS, Department of Planning and Environment Queensland, Gladstone Regional Council.

ABOUT PRDnationwide RESEARCH

PRDnationwide's research division provides reliable, unbiased, and authoritative property research and consultancy to clients in metro and regional locations across Australia

Our extensive research capability and specialised approach ensures our clients can make the most informed and financially sound decisions about residential and commercial properties.

OUR KNOWLEDGE

Access to accurate and objective research is the foundation of all good property decisions

As the first and only truly knowledge based property services company, PRDnationwide shares experience and knowledge to deliver innovative and effective solutions to our clients.

We have a unique approach that integrates people, experience, systems and technology to create meaningful business connections. We focus on understanding new issues impacting the property industry; such as the environment and sustainability, the economy, demographic and psychographic shifts, commercial and residential design; and forecast future implications around such issues based on historical data and fact.

OUR PEOPLE

Our research team is made up of highly qualified researchers who focus solely on property analysis

Skilled in deriving macro and micro quantitative information from multiple credible sources, we partner with clients to provide strategic advice and direction regarding property and market performance. We have the added advantage of sourcing valuable and factual qualitative market research in order to ensure our solutions are the most well considered and financially viable.

Our experts are highly sought after consultants for both corporate and government bodies and their advice has helped steer the direction of a number of property developments and secured successful outcomes for our clients.

OUR SERVICES

Our research services span over every suburb, LGA, and state within Australia; captured in a variety of standard and customized products

We have the ability and systems to monitor market movements, demographic changes and property trends. We use our knowledge of market sizes, price structure and buyer profiles to identify opportunities for clients and provide market knowledge that is unbiased, thorough and reliable.



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

Deardrie Keleher
Principal

PRDnationwide Tannum Sands
Shop 2/93 Hampton Drive
Tannum Sands QLD 4680
Australia

T +61 7 4973 7799
M +61 408 566 127
E deardriekeler@prd.com.au

PRD.com.au/tannumsands

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