



Tannum Sands
Property Factsheet
1st Half 2019





MARKET CONDITIONS

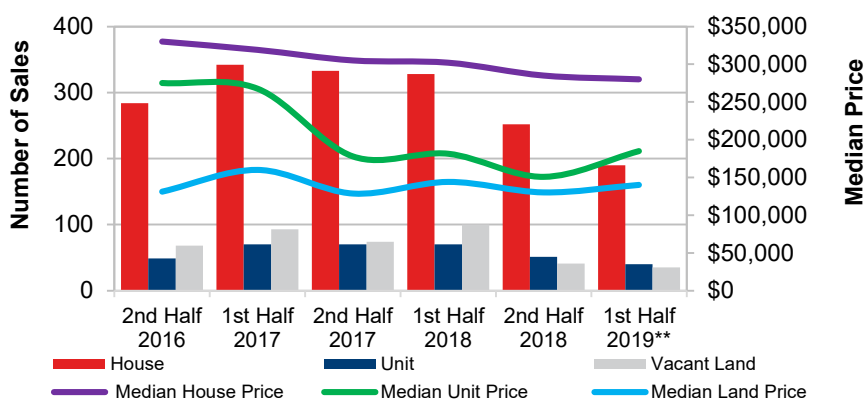
Tannum Sands* recorded a median house price of \$303,500 and a median unit price of \$190,000 in the 1st half of 2019. These figures represented an annual (1st Half 2018 – 1st Half 2019) price strengthening of 4.7% for house and 14.3% for units. Compared to the 2nd Half 2018 Tannum Sands Research Factsheet, which reported annual (2nd Half 2017 – 2nd Half 2018) median price changes of -1.0% (house) and 13.0% (units), properties in Tannum Sands* have seen a strengthening in value, in particular units.

The Gladstone Regional Local Government Area (LGA) by comparison saw a lower median house price of \$280,000 in the 1st half of 2019, with an annual (1st Half 2018 – 1st Half 2019) softening of -7.3%. The median unit price in the Gladstone LGA was \$185,000 in the 1st half of 2019, an annual price gain of 1.9%. When compared to the LGA, properties in Tannum Sands* reflect premium prices and higher capital growth potential, especially that of houses.

Average vendor discounting has widened for houses over the past 12 months, from -8.6% in the 1st half of 2018 to -9.0% in the 1st half of 2019. Average vendor discounting for units has significantly widened, from -6.0% in the 1st half of 2018 to -17.4% in the 1st half of 2019. These figures indicate higher buyer negotiation activity with vendors as properties are being sold below their first asking prices. First home buyers are encouraged to take this opportunity to enter the market while properties are being sold at discounted prices.

Over the past 12 months to the 1st half of 2019, the median house rental price recorded significant growth of 28.0% to \$320 per week, and median unit rent also followed, with growth of 6.7% to \$190 per week. Investors are currently benefiting from low average days on the market for both houses and units, at 22 days and 27 days respectively. Vacancy rates in Tannum Sands* drastically declined from 5.0% (December 2017) to 2.3% in December 2018, which indicates a lean towards a healthier rental market. Furthermore, investors are also benefiting from resilient rental returns for both houses (3.6%) and units (4.9%), positioning Tannum Sands* as a regional investment hotspot.

GLADSTONE REGIONAL LGA GROWTH



OVERVIEW

Tannum Sands* is a coastal town and locality along the central east coast of Queensland. There were no auction sales in Q1 2019, indicating a preference for private treaty sales. That said, previous auction sales over the past quarters indicated clearance rates of 100.0%, suggesting that there may be a growing appetite for auction sales overall.

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

FUTURE DEVELOPMENTS***

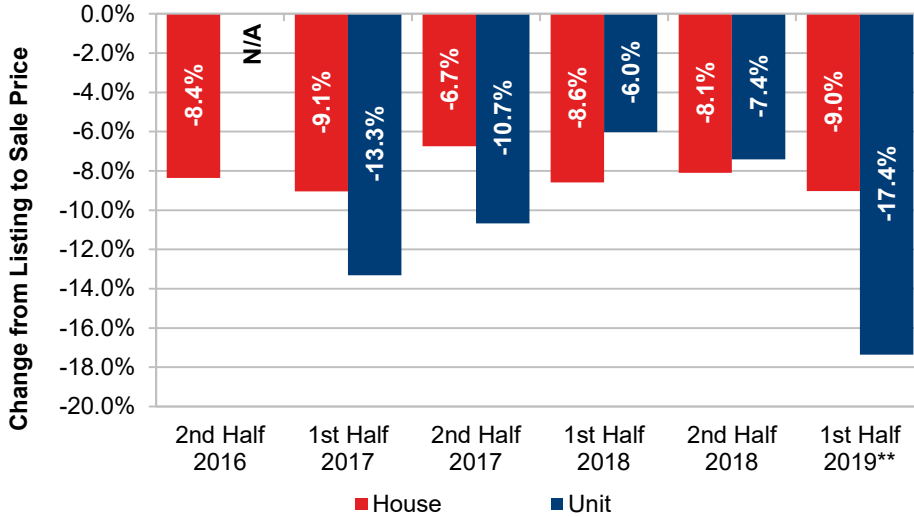
In the 1st half of 2019, Tannum Sands* is expected to deliver approx. \$158.0M of developments commence construction. This is largely focused on Infrastructure projects (\$149.2M or 94.3%) which takes up the majority of development value in the period. This is then followed by both Commercial (\$7.5M or 4.7%) and Residential projects (\$1.2M or 1.0%).

Infrastructure projects of note set to commence in the 1st half of 2019 are the Gladstone Port (\$50.0M) and Benaraby North Safety Package (\$40.0M). The combination of these projects will provide new rail and road extensions that will increase productivity and stimulate further economic growth in Tannum Sands*.

Major Commercial projects scheduled for construction in the 1st half of 2019 are the United 24 Service Station (\$5.0M) and Gladstone City Plaza Redevelopment (\$2.0M). The combination of these projects will create employment opportunities which are expected to have a positive spill over effect into the Tannum Sands* property market.

*Tannum Sands market data and key indicators encapsulates aggregate property market conditions in Tannum Sands, Boyne Island, and Turkey Beach. **1st Half 2019 data is representative of sales up to and inclusive of 31st March 2019, or end of Q1 2019. ***Estimated values are based on construction value provided by the relevant data authority and does not reflect commercial and/or re-sale value. Source: APM Pricerfinder, realestate.com.au. © Copyright PRDnationwide 2019.

AVERAGE VENDOR DISCOUNT*



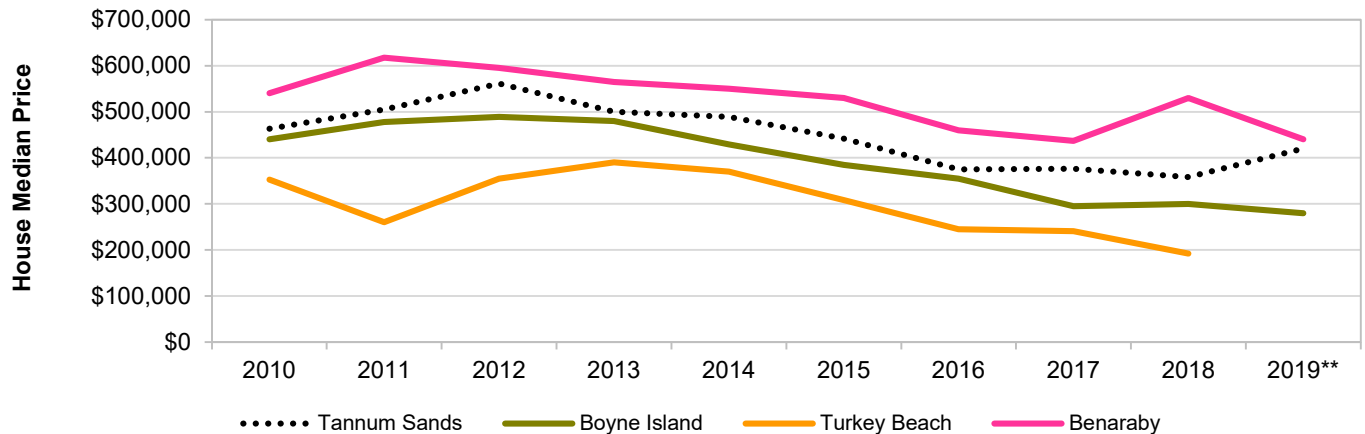
AVERAGE VENDOR DISCOUNT

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.

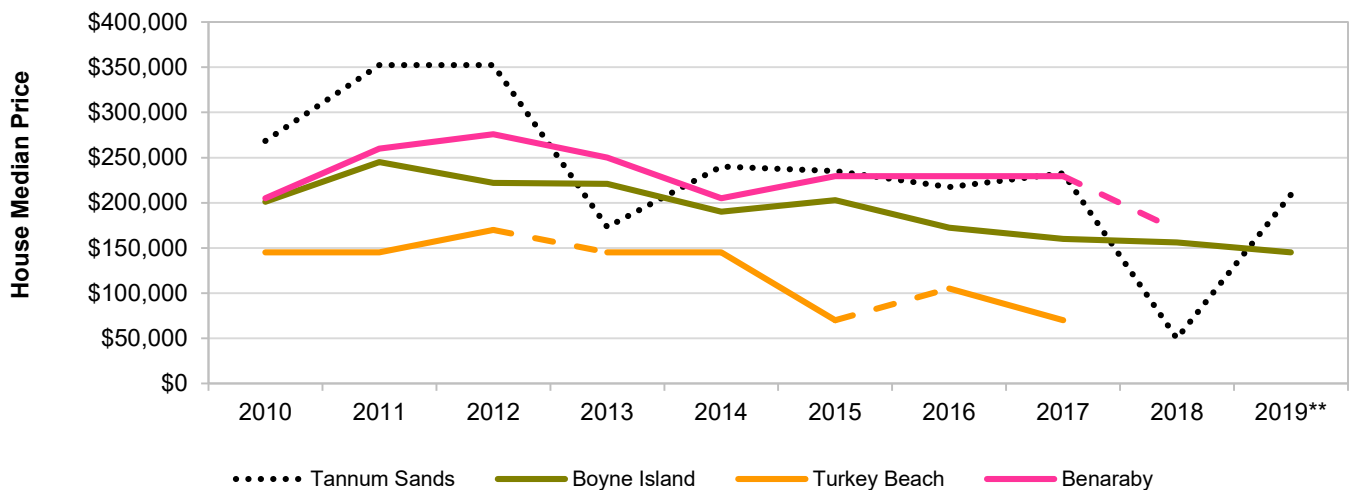
MARKET COMPARISON GRAPH

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.

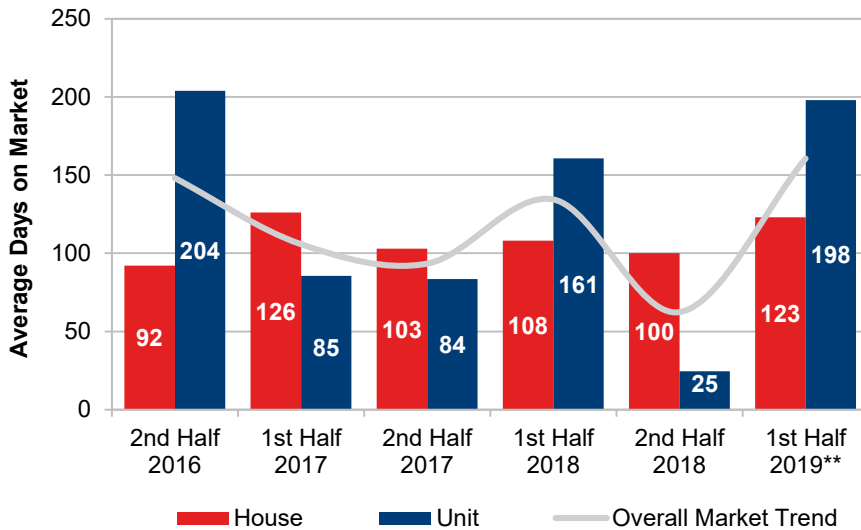
**1st Half 2019 data is representative of sales up to and inclusive of 31st March 2019, or end of Q1 2019.

***Tannum Sands and Turkey Beach 2018 median vacant land prices are based on 2017 prices, due to absence of sales.

^Dashed lines represent periods wherein there were no sales transactions recorded, therefore median price from the previous year has been used.

Source: APM Pricerfinder. © Copyright PRDnationwide 2019.

AVERAGE NUMBER OF DAYS ON MARKET**



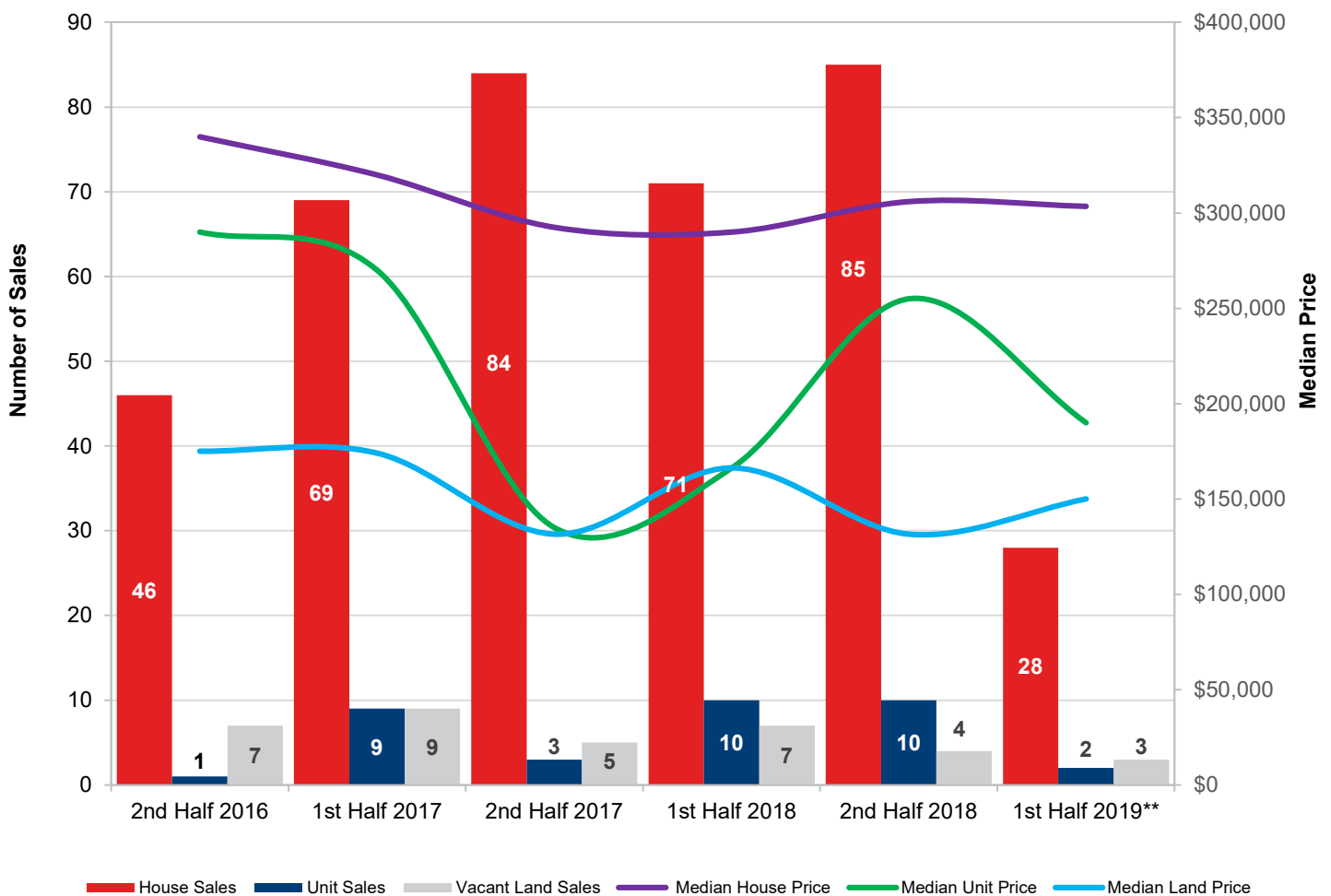
HOUSE FACTS 1st Half 2019**

Median Sale Price: \$303,500
 Annual Growth: 4.7%*
 Average Days on Market: 123
 % Change between First Listed Price and Sold Price: -9.0%

UNIT FACTS 1st Half 2019**

Median Sale Price: \$190,000
 Annual Growth: 14.3%*
 Average Days on Market: 198
 % Change between First Listed Price and Sold Price: -17.4%

SALES AND MEDIAN PRICE**



**Annual growth represents price growth for property transactions between 1st Half 2018 to 1st Half 2019 (inclusive).

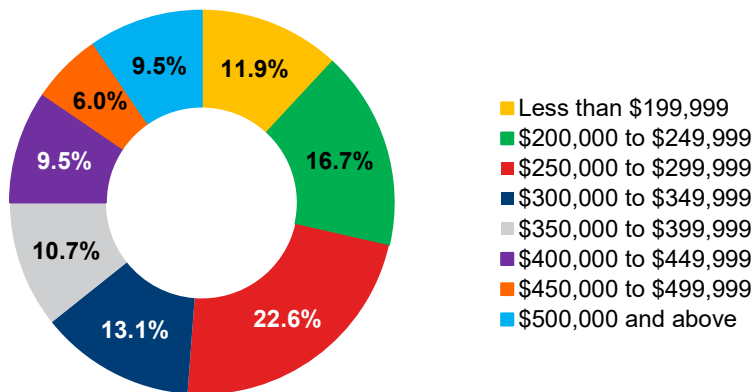
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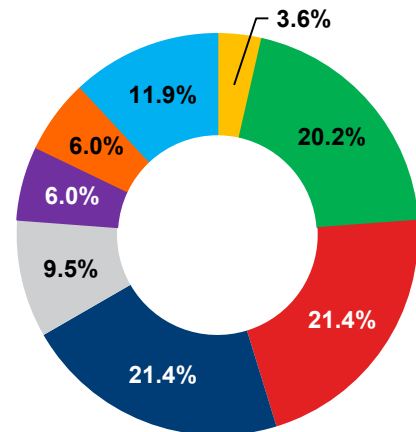
Source: APM Pricerfinder, realestate.com.au, SQM Research. © Copyright PRDnationwide 2019.

SALES PRICE POINT COMPARATIVE ANALYSIS

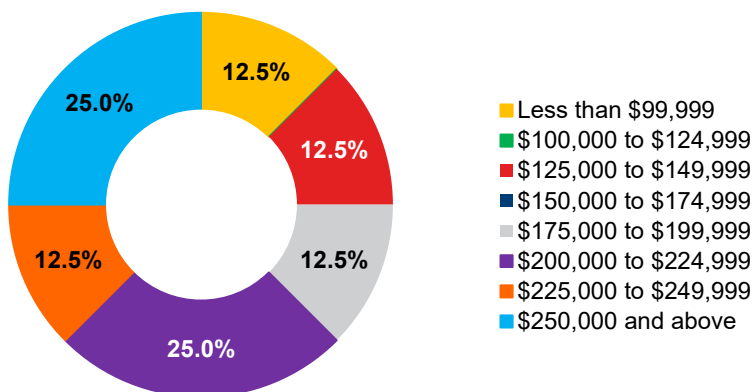
HOUSE PRICE POINT 2017



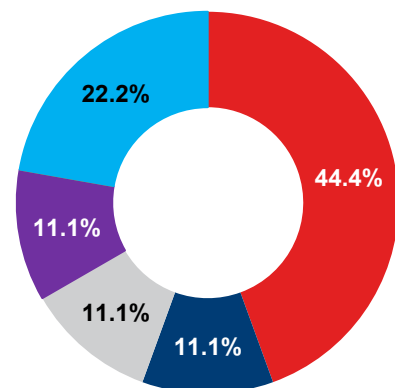
HOUSE PRICE POINT 2018



UNIT PRICE POINT 2017



UNIT PRICE POINT 2018



KEY IMPLICATIONS - HOUSE

The dominant proportion of house sales activity was in the mid-range price bracket of \$300K-350K, increasing from 13.1% in 2017 to 21.4% in 2018. The upper price point of \$500K and above also increased in sales activity, up from 9.5% in 2017 to 11.9% in 2018. This further indicates a high level of buyer activity within the premium house market in Tannum Sands*.

Affordable options are still available, however they are starting to diminish as the price bracket of sub-\$200K shrunk from 11.9% in 2017 to 3.6% in 2018. First home buyers are encouraged to take this opportunity to enter the market while affordable options are still available.

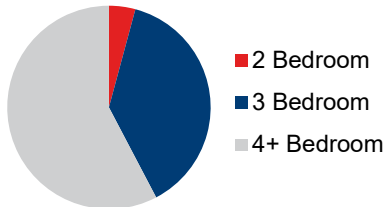
KEY IMPLICATIONS - UNIT

The Tannum Sands* unit market fluctuated from 2017 to 2018, seeing some interesting trends. The \$125K-150K price range significantly increased in sales activity from 12.5% in 2017 to 44.4% in 2018. This further indicates that buyers are able to secure units at discounted prices well below the previous year.

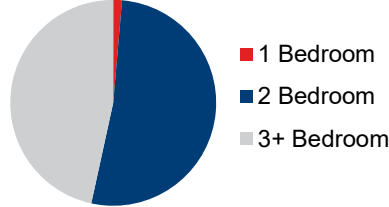
Furthermore, trend was backed by a decrease of the upper price bracket of \$250K and above, decreasing in sales activity from 25.0% in 2017 to 22.2% in 2018. First home buyers and investors should take this opportunity to enter the market in Tannum Sands* to benefit from discounted units prices while they are still available.

INVESTMENT ANALYSIS

HOUSE



UNIT



HOUSE FACTS 1st Half 2019**

Median Rent Price: \$320 per week
 Rental Yield: 3.6%
 Average Days on Market: 22
 Bedroom Breakdown:
 2 Bed: 4%, 3 Bed: 38%, 4+ Bed: 58%

UNIT FACTS 1st Half 2019**

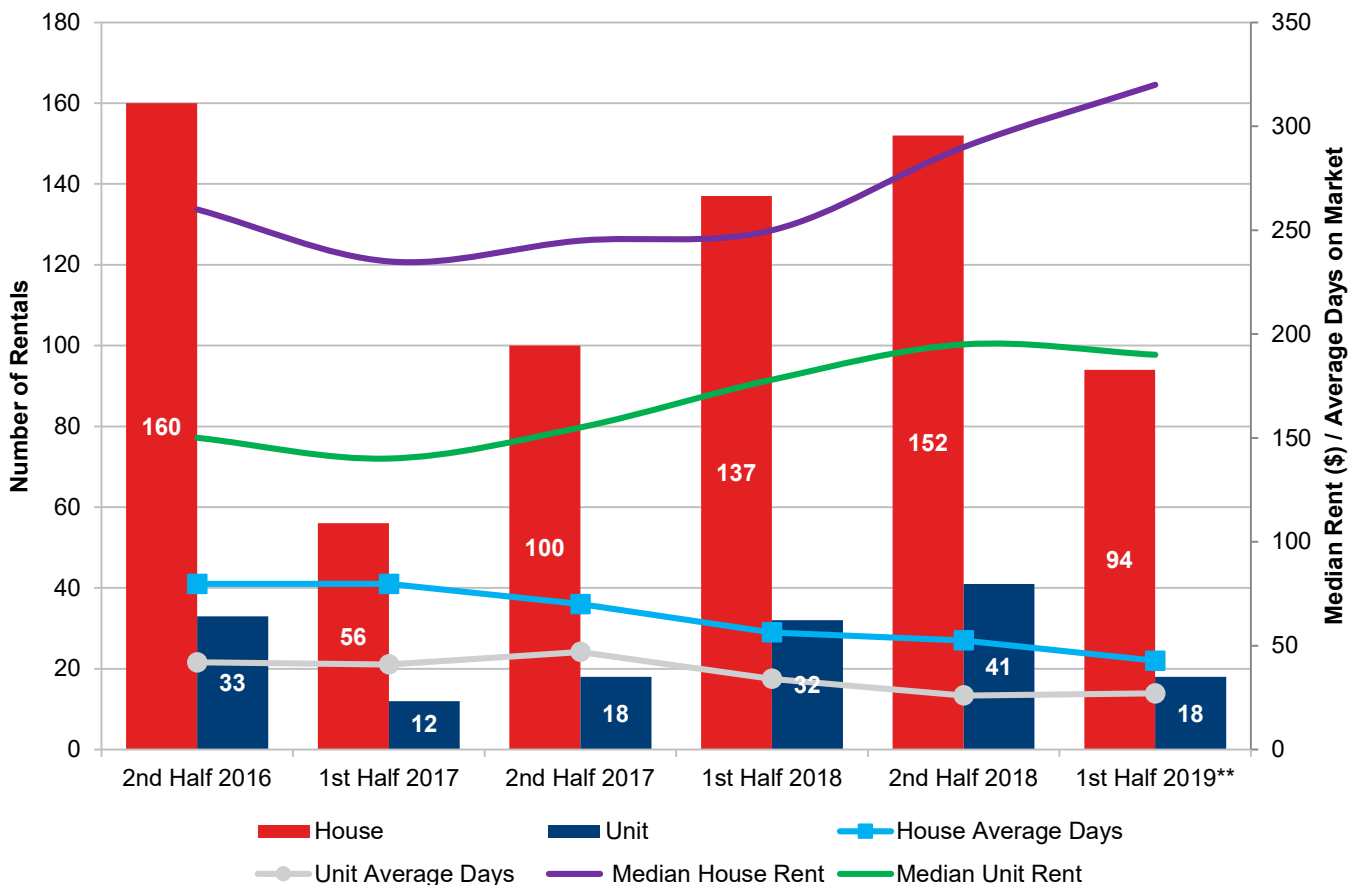
Median Rent Price: \$190 per week
 Rental Yield: 4.9%
 Average Days on Market: 27
 Bedroom Breakdown:
 1 Bed: 1%, 2 Bed: 52%, 3+ Bed: 47%

KEY COMMENTS

Over the past 12 months to Q1 2019, the number of rental transactions slightly declined. However, during this time median rental prices strengthened, by 28.0% to \$320 per week for houses and by 6.7% to \$190 per week for units. This suggests investors are benefiting from great rental yields for both houses (3.6%) and units (4.9%), along with a low number of average days on market of 22 days (houses) and 27 days (units). Furthermore, vacancy rates were a low trending 2.3% as of December 2018. This indicates a steady rate of demand, assuring investors that properties can be occupied relatively quickly in Tannum Sands*.

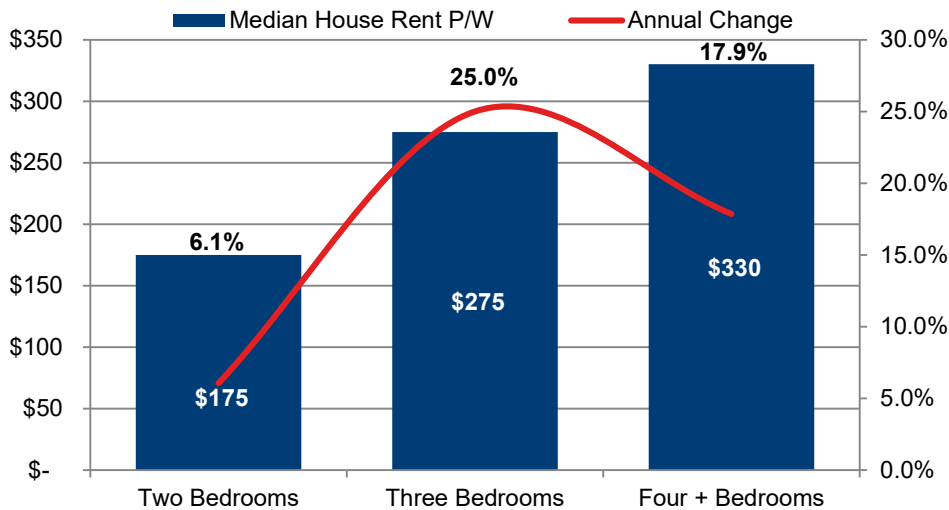


MEDIAN RENT AND AVERAGE DAYS ON MARKET*



*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 2019 data is representative of rental data up to and inclusive of 31st March 2019, or end of Q1 2019
 Source: APM Pricerfinder, realestate.com.au, SQM Research. © Copyright PRDnationwide 2019.

RENTAL PERFORMANCE 2018*



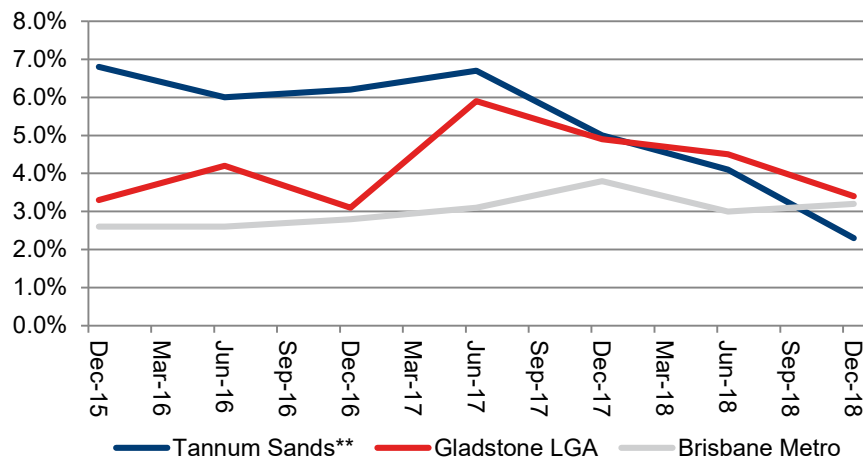
KEY COMMENTS

Investors are benefiting from resilient rental yields in Tannum Sands* for both houses (3.6%) and units (4.9%). Rental yields were largely on par with the wider Gladstone LGA (3.6% for houses and 4.7% for units). This further makes Tannum Sands* a great investment.

3-bedroom houses delivered the highest annual rental growth, at 25.0%.

Over the past 12 months, the vacancy rate in Tannum Sands* significantly declined from 5.0% in December 2017 to a healthy 2.3% in December 2018. This clearly indicates that Tannum Sands* is now heading towards a healthy market state driven by demand.

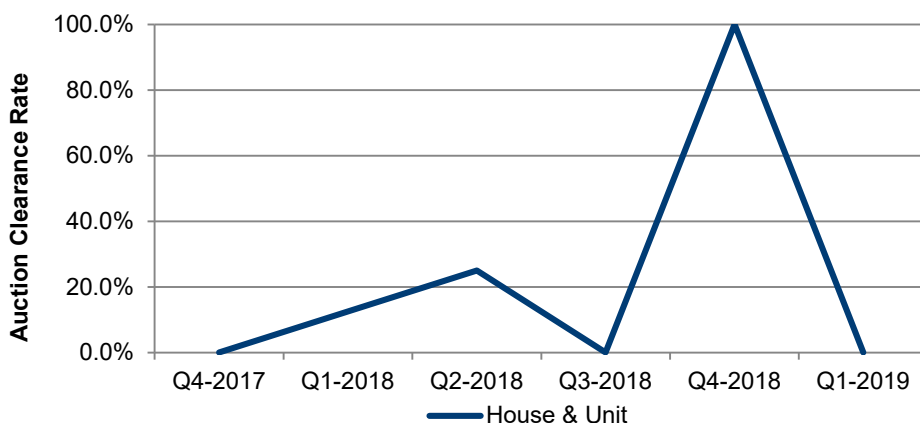
VACANCY RATES 2018



RENTAL YIELD 2018

Suburb/ Postcode/ LGA	House Rental Yield	Unit Rental Yield
Tannum Sands* (4680)	3.6%	4.9%
Turkey Beach (4678)	3.2%	N/A
Gladstone Regional LGA	3.6%	4.7%
Brisbane Metro	3.8%	5.2%

AUCTION CLEARANCE RATES 2019**



Q1 19 COMPARISON

Suburb/ Postcode/ LGA	Auction Clearance Rate
Tannum Sands**	N/A
Gladstone LGA	36.4%
Brisbane Metro [^]	33.6%

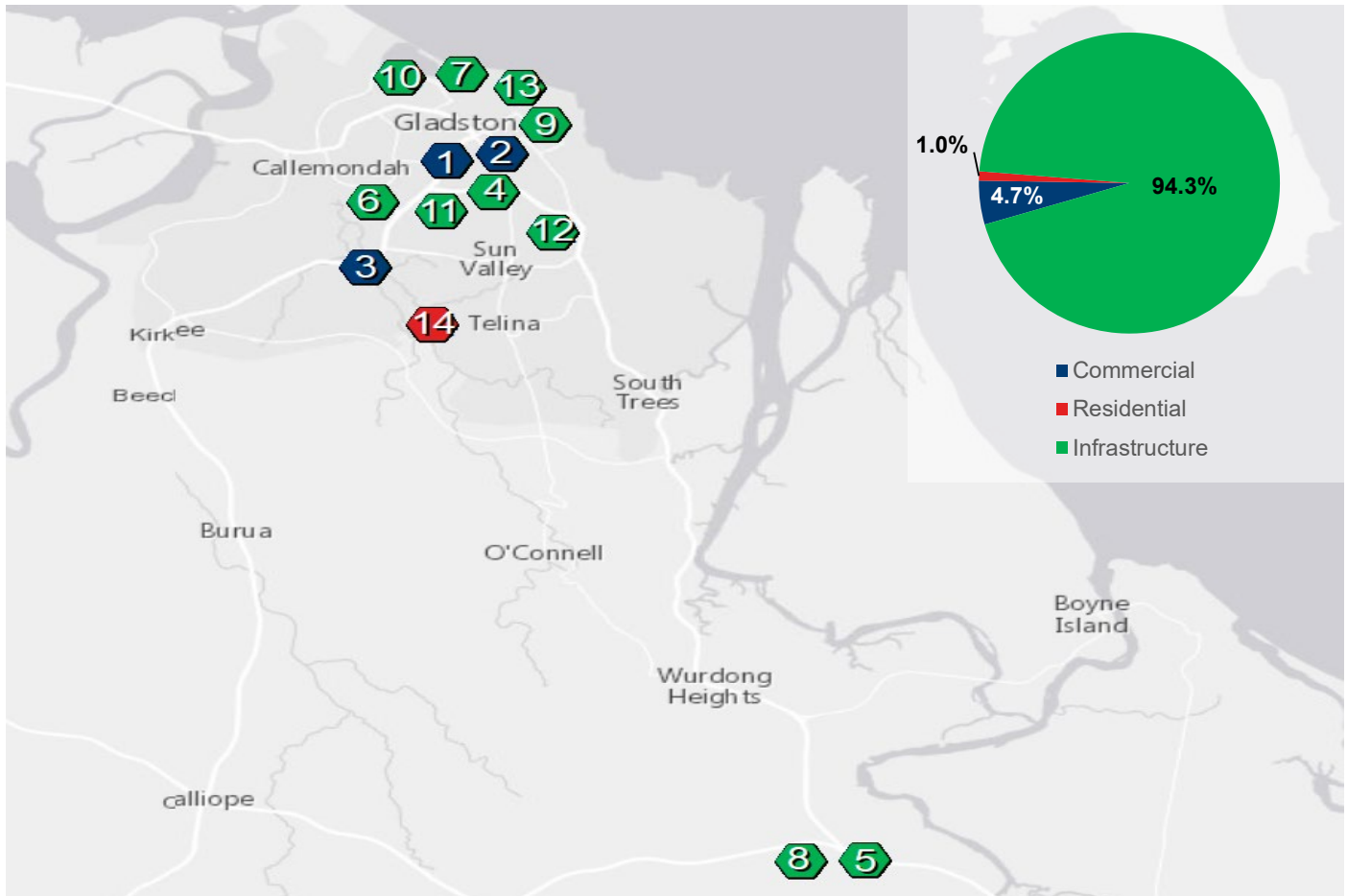
*Rental performance graph represents aggregate house median rent prices in the following suburbs: Tannum Sands, Boyne Island, and Turkey Beach. Annual change is a comparison between 2017 and 2018 median rent figures. Rental yield and vacancy rate represents data in postcode 4680.

**Auction Clearance rates for Tannum Sands are for all residential auctions held in the suburb of Tannum Sands, Boyne Island, and Turkey Beach.

[^]Capital city data obtained by accumulating Domain's weekly auction clearance results.

Source: APM Pricefinder, Domain, SQM Research. © Copyright PRDnationwide 2019.

PROJECT DEVELOPMENT MAP – 1st Half 2019



Location	Project	Type	Estimated Value**	Commence Date**
1	United 24 Service Station & Convenience Store	Commercial	\$5,000,000	17/06/2019
2	Gladstone City Plaza Redevelopment	Commercial	\$2,000,000	14/01/2019
3	Olsen Avenue Car Wash	Commercial	\$500,000	03/03/2019
4	Gladstone Port	Infrastructure	\$50,000,000	24/06/2019
5	Benaraby North Safety Package	Infrastructure	\$40,000,000	10/06/2019
6	Gladstone Hospital Emergency Department	Infrastructure	\$30,000,000	11/05/2019
7	East Shores Parklands	Infrastructure	\$25,000,000	06/06/2019
8	Bruce Highway 10e Roadworks	Infrastructure	\$1,200,000	15/04/2019
9	Auckland Point Berth	Infrastructure	\$1,000,000	05/02/2019
10	Rg Tanna Coal Terminal	Infrastructure	\$750,000	16/05/2019
11	Gladstone Regional Council Asphalt Works	Infrastructure	\$538,000	14/01/2019
12	Philip Street & Glenlyon Road Roundabout	Infrastructure	\$500,000	25/05/2019
13	Gladstone Entertainment Convention Centre	Infrastructure	\$300,000	29/04/2019
14	Bradford Road Subdivision (31 Lots)	Residential	\$1,240,000	28/01/2019

*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 Infrastructure, Local Government and Planning, Gladstone Regional Council. © Copyright PRDnationwide 2019.

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

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