









BROOME MARKET UPDATE 2nd Half 2019



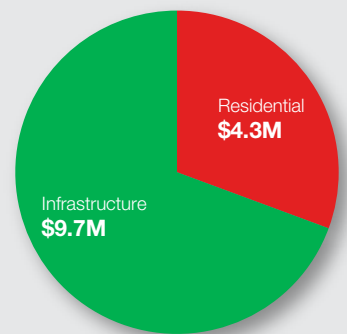
OVERVIEW

In Q2 2019 Broome* recorded a median house price of \$450,000, and a median unit price of \$178,500. This represents annual (Q2 2018 – Q2 2019) median price softening of -3.4% for houses and -14.8% for units. At the same time (Q2 2018 – Q2 2019), house sales remained steady, whilst unit sales increased from 4 to 12 sales. A decline in average days on market to 74 days for houses suggests demand is improving for houses in Broome*.

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

FUTURE DEVELOPMENTS

Broome* is set to see approximately **\$14.0M worth of new projects commencing throughout 2019.**



A focus on infrastructure and residential projects will assist in stimulating further economic growth in Broome*. Improved infrastructure will increase liveability aspects for current residents and open up new possibilities for business, which will have a positive spill-over impact on the real estate market in the future. Meanwhile creating new residential options will provide innovative housing design to current and future residents of Broome*.

A main residential project for the period is Loping Pass & Nakamura Ave Grouped Dwellings, creating 6 dwellings (\$1.5M). The Town Beach Groyne Jetty Upgrade (\$3.6M) is a significant infrastructure project that will provide improved amenities to the area, thereby offering greater lifestyle benefits to local residents. Significant infrastructure investment and a total of 20 dwellings will help Broome* improve its capacity to better attract and accommodate population growth.

MARKET CONDITIONS

SALES MEDIAN PRICE Q2 2019



SALES AVERAGE DAYS ON MARKET Q2 2019



RENTAL MEDIAN PRICE Q2 2019



RENTAL AVERAGE DAYS ON MARKET Q2 2019

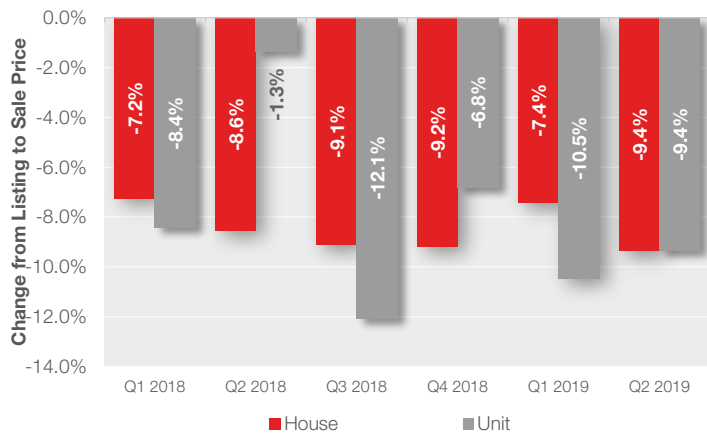


*Broome market data and key indicators encapsulates aggregate property market conditions within the suburbs Broome, Djugun, Bilingurr and Cable Beach.

**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 Pricer, Cordell Connect database. © Copyright PRDnationwide 2019.

AVERAGE VENDOR DISCOUNT*

Average vendor discount reflects the average percentage difference between the first list price and final sold price. A lower percentage difference (closer to 0.0%) suggests that buyers are willing to purchase close to the first asking price of a property.



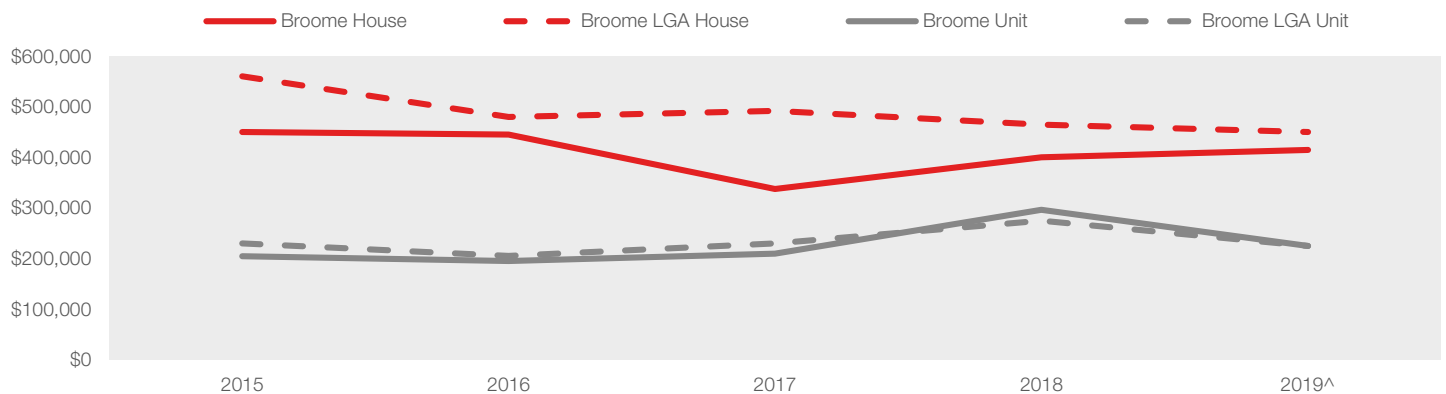
KEY COMMENTS

Average vendor discount widened between Q2 2018 and Q2 2019, to -9.4% for both houses and units. Market conditions in Broome* continue to favour buyers, where sellers are willing to negotiate below their initial listing price. Buyers are encouraged to act now while such discounting is available.

The suburb of Broome has historically represented greater value within the wider Broome Local Government Area (LGA) in both house and unit median prices. This has continued to be the case in 2019[^], though the gap between median house prices in Broome and the LGA is closing notably.

The dominant proportion of homes sold in Broome* across the 1st half of 2019 were priced in the mid-lower range of \$350,000 to \$550,000, totalling 55.2% of sales. Most units sold, 25.9%, were also in the lower end price point of less than \$300,000. This reveals an appetite for affordable stock. This said, buyers with varying budgets have opportunities available across both markets in Broome*.

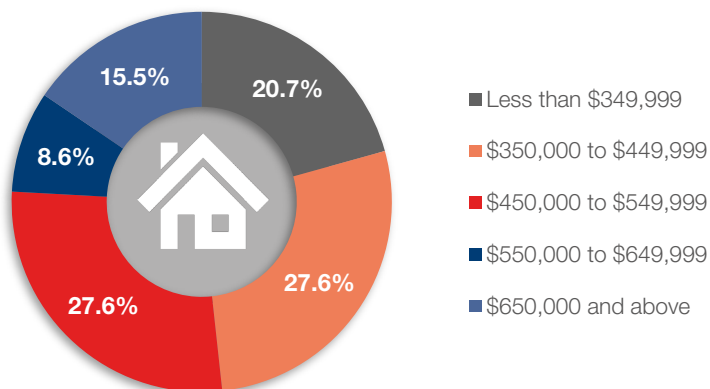
MARKET COMPARISON



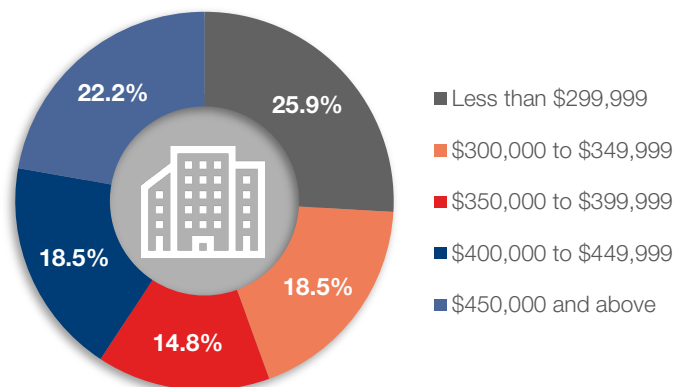
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Broome.

PRICE BREAKDOWN 1ST HALF 2019

HOUSES SOLD



UNITS SOLD

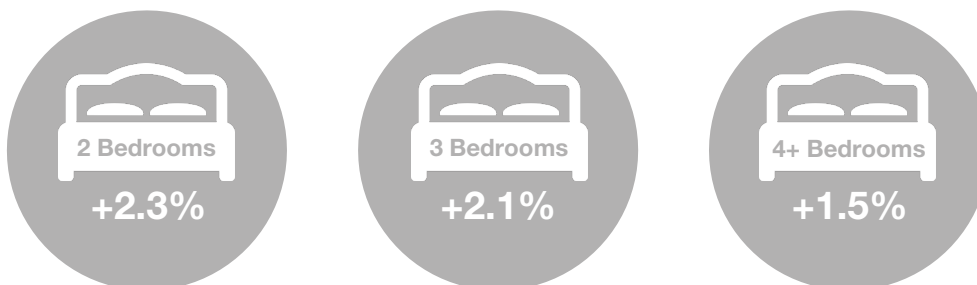


RENTAL GROWTH 2019*

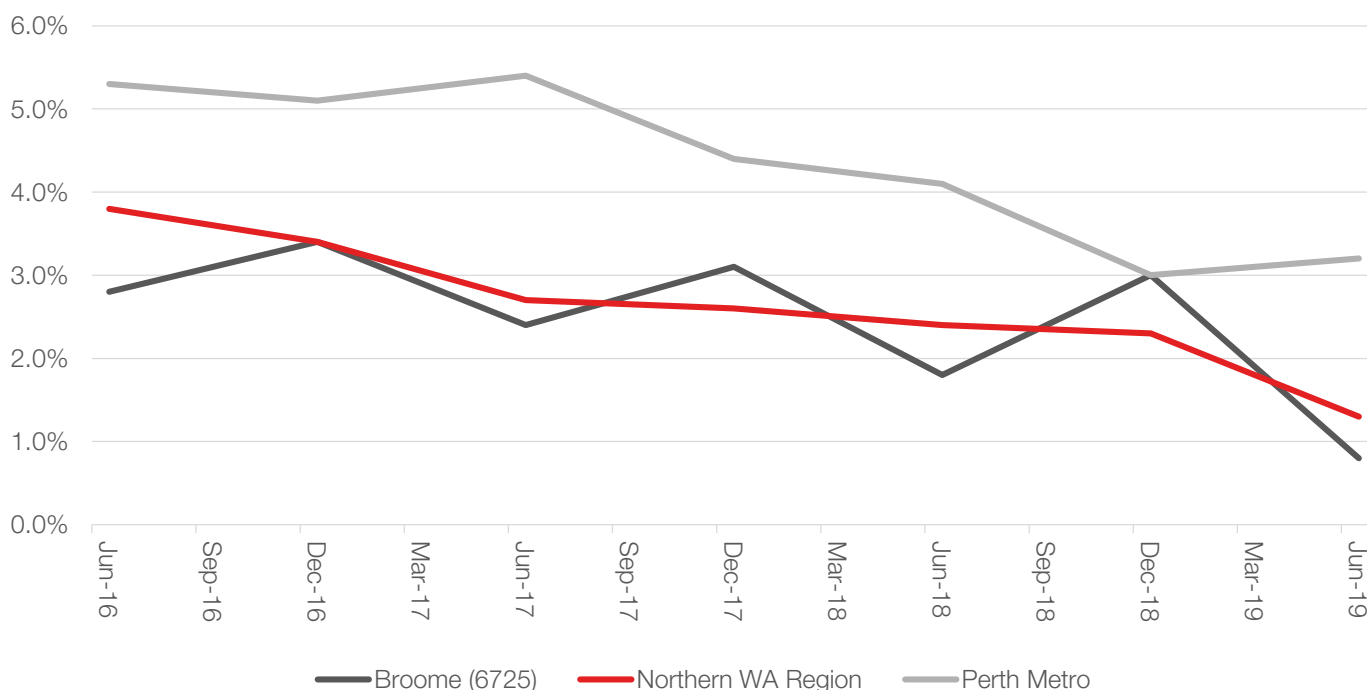
Over the past 12 months, house rental yields in Broome* increased to reach 5.8% in June 2019. In combination with positive median rental price growth, the house rental market is in a healthy state. Less rental stock on the market has subsequently increased returns, indicating now is the time for investors to enter the market.

2 bedroom houses have provided investors with +2.3% rental growth annually, achieving a median rent of \$450 per week.

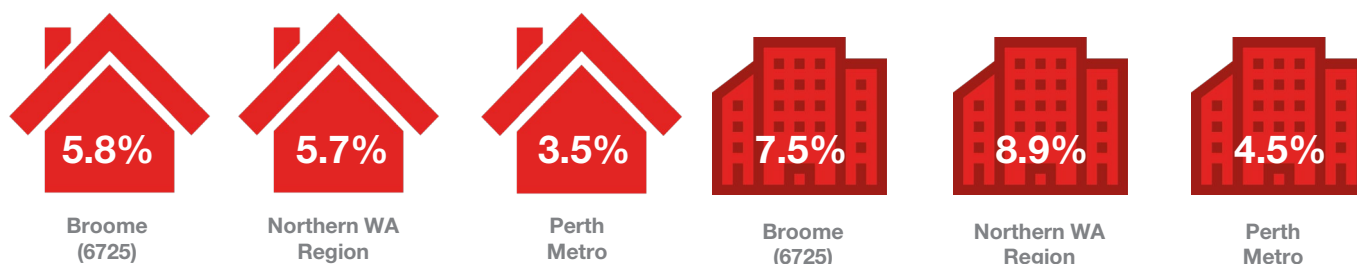
Broome* recorded a vacancy rate of 0.8% in June 2019, the lowest recorded over the past 3 years and well below Perth Metro's 3.2% average. This confirms there is a healthier rental demand in Broome*, which is good news for investors.



RENTAL VACANCY RATES 2019



RENTAL YIELD 2019^

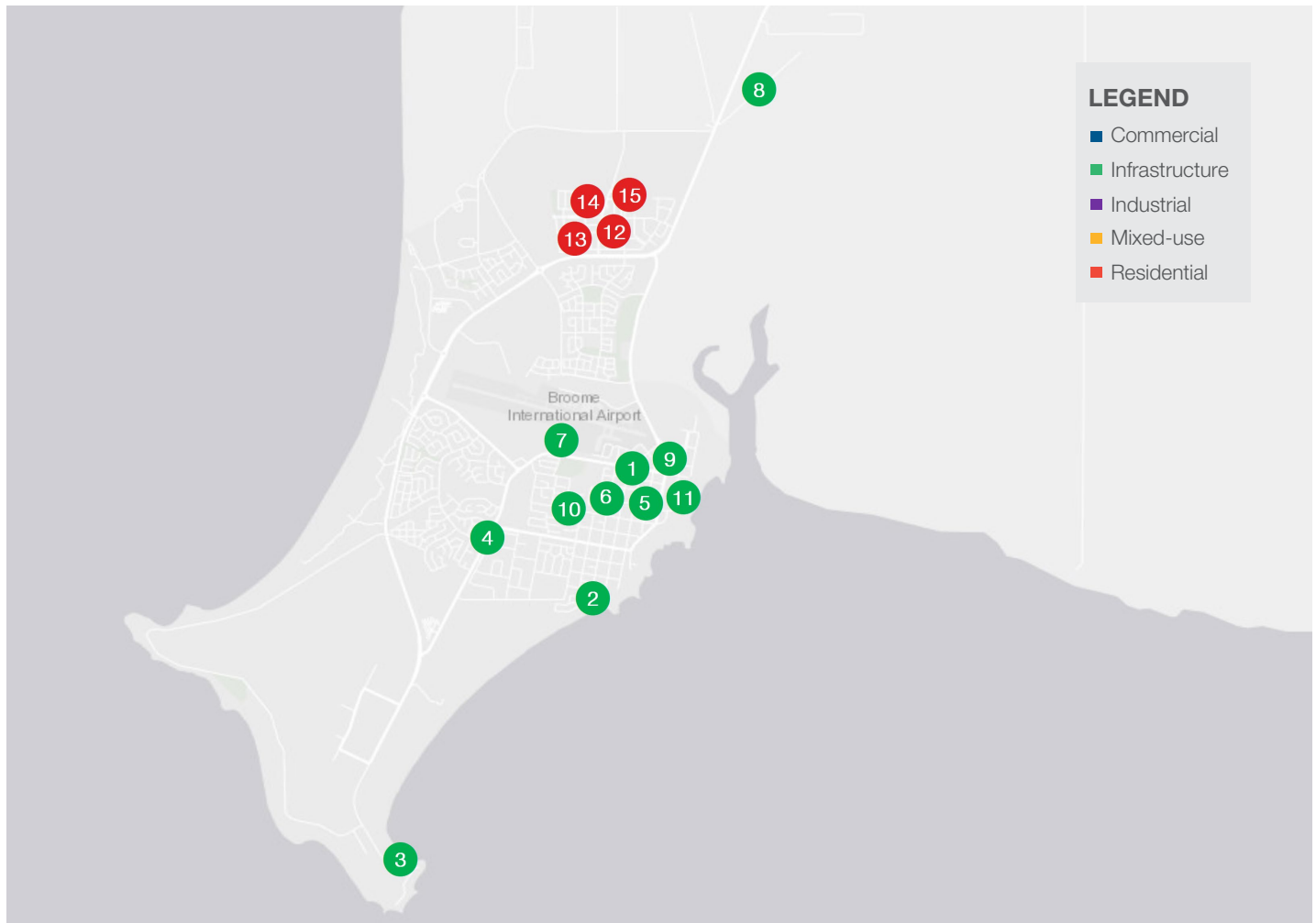


*Rental performance graph represents aggregate house median rent prices within the suburbs Broome, Djugun, Bilingurr and Cable Beach. Annual rental growth is a comparison between 1st half 2018 and 1st half 2019 house median rent figures.

^Rental yields shown are as reported at June 2019.

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

PROJECT DEVELOPMENT MAP 2019*



Location	Project**	Type	Estimated Value***	Commence Date****
1	Town Beach Groyne	Infrastructure	\$3,626,000	23/11/2019
2	Herbert Street Marine Shed	Infrastructure	\$1,000,000	16/06/2019
3	Port of Broome Wharf	Infrastructure	\$1,000,000	13/11/2019
4	Port of Broome	Infrastructure	\$1,000,000	21/11/2019
5	Department of Housing - Broome Group Houses	Infrastructure	\$800,000	22/03/2019
6	Shire of Broome Roadworks	Infrastructure	\$500,000	14/09/2019
7	Broome Boulevard Shopping Centre - NDIA	Infrastructure	\$500,000	23/10/2019
8	Volunteer Bushfire Brigade	Infrastructure	\$400,000	20/09/2019
9	Kimberley Regional Offices	Infrastructure	\$400,000	10/09/2019
10	Broome Mental Health Facility	Infrastructure	\$300,000	17/10/2019
11	Broome Regional Prison	Infrastructure	\$208,000	11/05/2019
12	Loping Pass & Nakamura Avenue - Grouped Dwellings (6 Dwellings)	Residential	\$1,500,000	15/04/2019
13	Sariago Terrace & Yamasaki Vista - Grouped Dwellings (4 Dwellings)	Residential	\$1,000,000	10/01/2019
14	Magabala Road Dwellings (4 Dwellings)	Residential	\$1,000,000	24/04/2019
15	Hanoe Court Grouped Dwellings (5 Dwellings)	Residential	\$800,000	29/01/2019

OUR SERVICES INCLUDE

- Advisory and consultancy
- Market Analysis including profiling and trends
- Primary qualitative and quantitative research
- Demographic and target market Analysis
- Geographic information mapping
- Project Analysis including product and pricing recommendations
- Rental and investment return analysis

OUR KNOWLEDGE

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

OUR PEOPLE

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

OUR SERVICES

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



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