









# WHITSUNDAYS MARKET UPDATE 2nd Half 2019



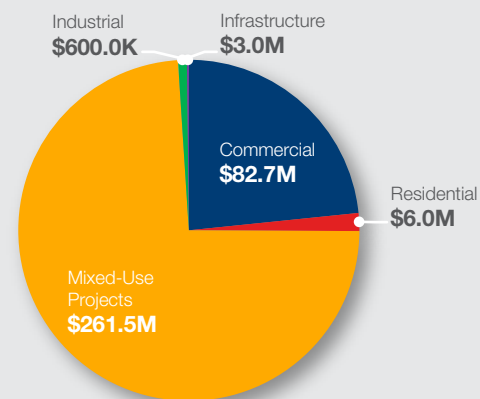
## OVERVIEW

In Q2 2019, Whitsundays\* recorded a median house price of \$475,000 (32 sales), and a median unit price of \$232,000 (27 sales). This represents annual (Q2 2018 – Q2 2019) median price growth of 15.2% for houses and 0.6% for units. During this time house sales increased by 6.7%, and unit sales declined by -38.6%. Despite a slower start to 2019 the Whitsundays' is moving towards a more resilient market, particularly for houses. Positive capital growth over the past 12 months should build investor confidence for the rest of 2019.

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

## FUTURE DEVELOPMENTS

Whitsundays\* is set to see approximately **\$353.8M worth of new projects commencing in the 2<sup>nd</sup> half of 2019.**



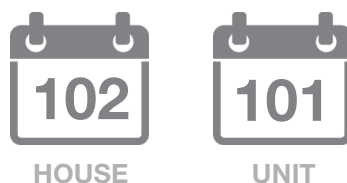
A focus on mixed-use projects is a key strategy for the Whitsundays\*. This allows for new stock to be added to the market, offering innovative design. This will also stimulate commercial activity in the area, which will have a positive spill-over impact on the real estate market.

## 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



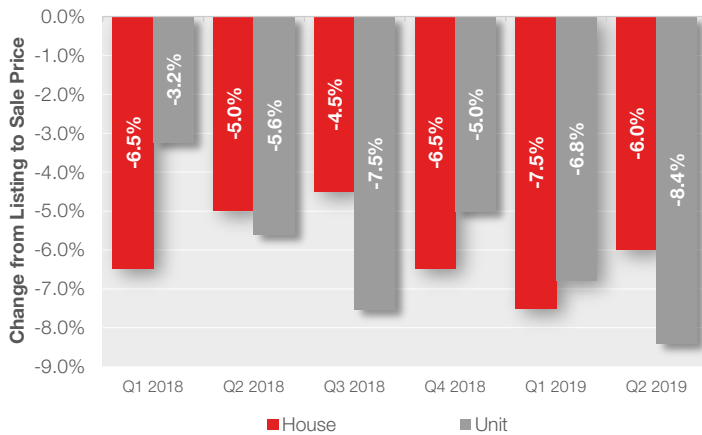
A significant mixed-use project in 2<sup>nd</sup> Half 2019 is the Shute Harbour Resort Marina (\$252.0M). A major commercial project is the Funnel Bay Hotel Resort (\$80.0M), constructing a resort/hotel comprising 149 rooms. These projects will add residential lots, restaurants, resorts, shops and offices. A key residential project is Waterstone Airline Beach Development (\$3.0M), adding 10 units to the market. A total of 45 units and 79 lots will be added to the market in the 2<sup>nd</sup> half of 2019. This will assist in catering to current population growth in Whitsundays\*, which was 17.9% over 5 years to 2016.



\*Whitsundays market data and key indicators encapsulates aggregate conditions in postcode 4802.  
\*\*Estimated values are based on construction value provided by the relevant data authority and does not reflect commercial re-sale value. Source: APM Pricefinder, Cordell Connect database, Australian Bureau of Statistics. © 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.



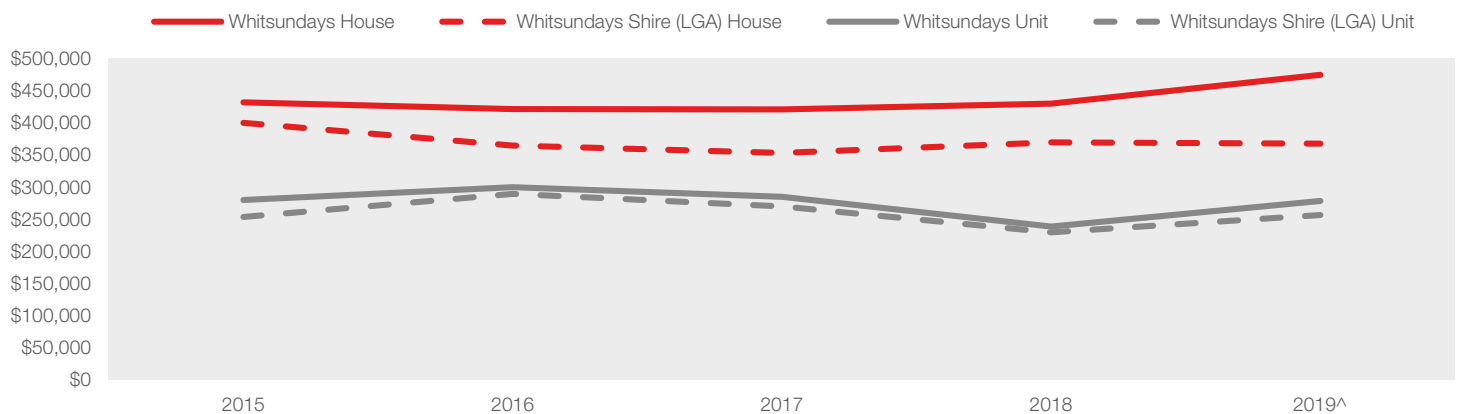
## KEY COMMENTS

Average vendor discounts between Q2 2018 and Q2 2019 has widened for both houses and units, to -6.0% and -8.4% respectively. The housing market conditions in Whitsundays\* continue to further favour buyers, where sellers are willing to negotiate below their initial listing price. First home buyers, particularly those seeking units, are encouraged to enter the market and benefit from the discount offered.

Whitsundays\* has historically outperformed the Whitsundays Shire (LGA) in both house and unit median prices. This remains the case for 2019<sup>^</sup>, particularly as the gap in median house price widens further and Whitsundays\* establishes itself as a premium market compared to the LGA.

The dominant proportion of houses sold in Whitsundays\* across the 1<sup>st</sup> half of 2019 were priced in the mid-lower priced bracket of \$400K-\$499K (36.5%). Most units sold (37.1%) were in the lower price bracket of less than \$199K. This confirms there is a high appetite for affordable housing stock.

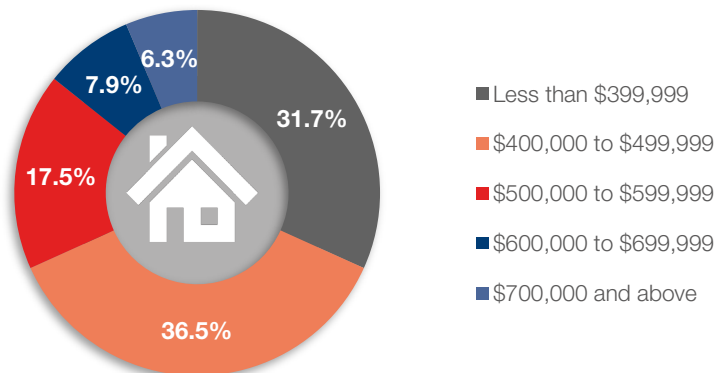
## MARKET COMPARISON



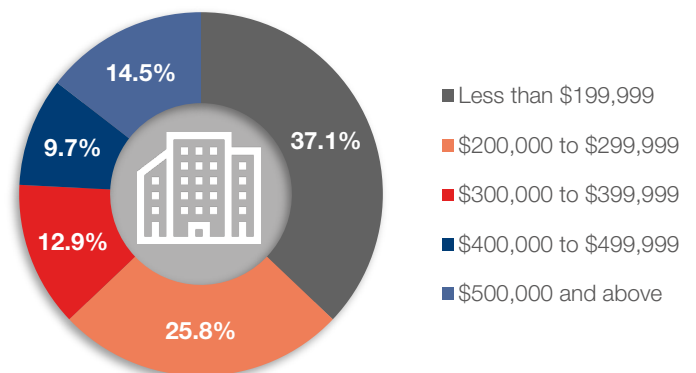
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Whitsundays.

## PRICE BREAKDOWN 1ST HALF 2019

### HOUSES SOLD



### UNITS SOLD



## RENTAL GROWTH 2019\*

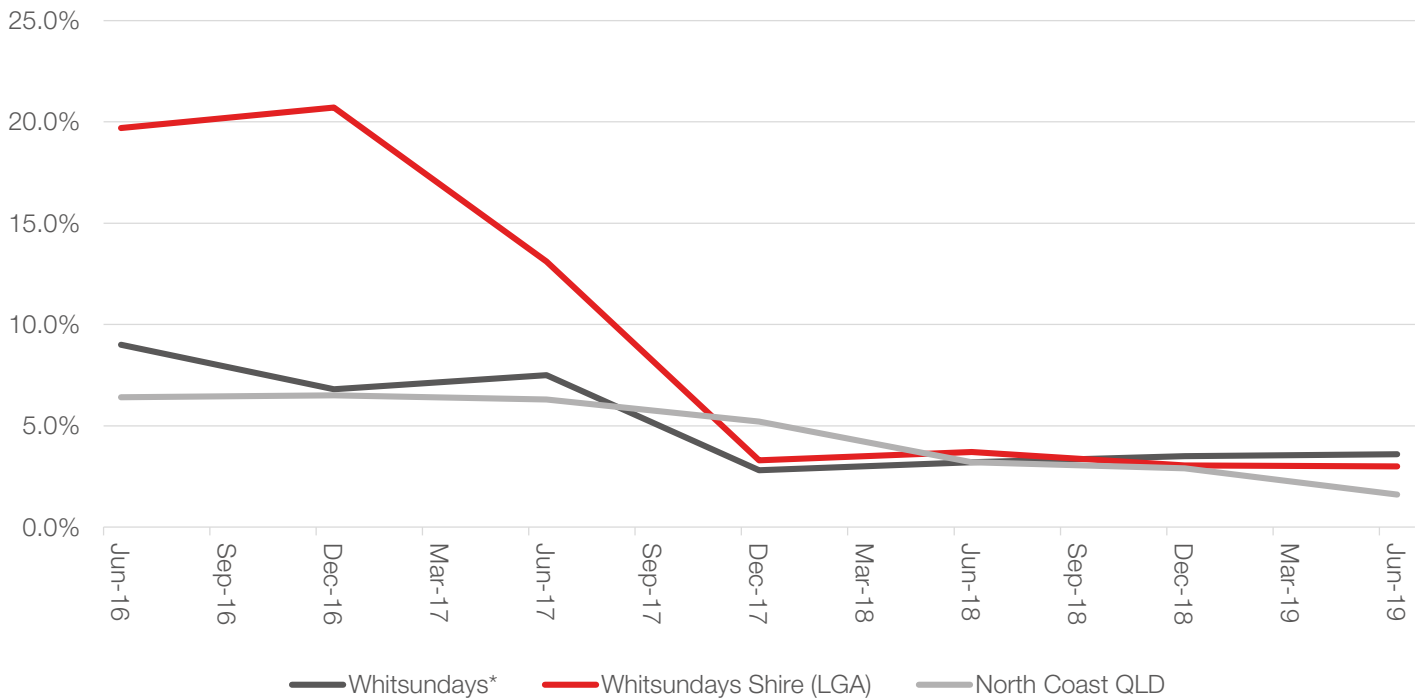
In the 12 months to Q2 2019 rental demand increased by 18.8% for houses and slightly softened by -2.3% for units. The median house rental price softened by -4.2% to \$460 per week, median unit rental price grew by 1.6% to \$325 per week. There is a high demand for house rentals, with indicators in the unit rental market suggesting a potential undersupply.

2 bedrooms houses provided investors with the highest rental growth annually. As of June 2019, Whitsunday's rental yields were recorded at 5.5% (houses) and 6.2% (units). This outperforms both Whitsundays Shire Local Government Area (LGA) and North Coast QLD.

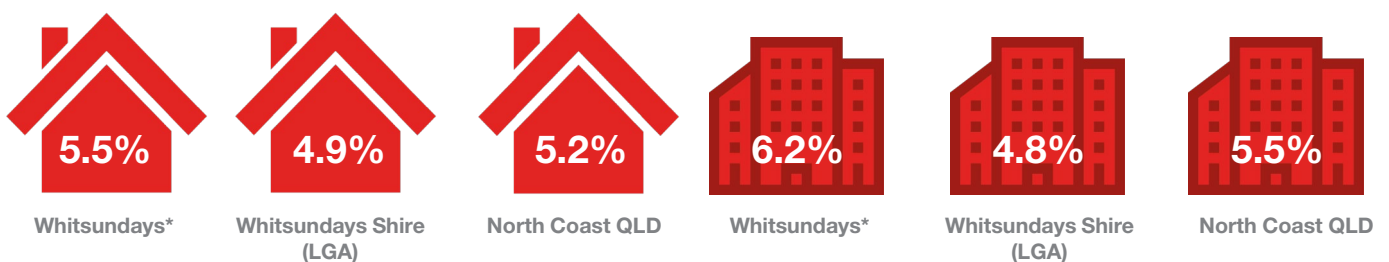
Whitsundays\* recorded a stable vacancy rate of 3.6% in June 2019. Vacancy rates in Whitsundays\* have declined significantly in the last 24 months, indicating a healthier rental demand, which is good news for investors.



## RENTAL VACANCY RATES 2019



## RENTAL YIELD 2019^

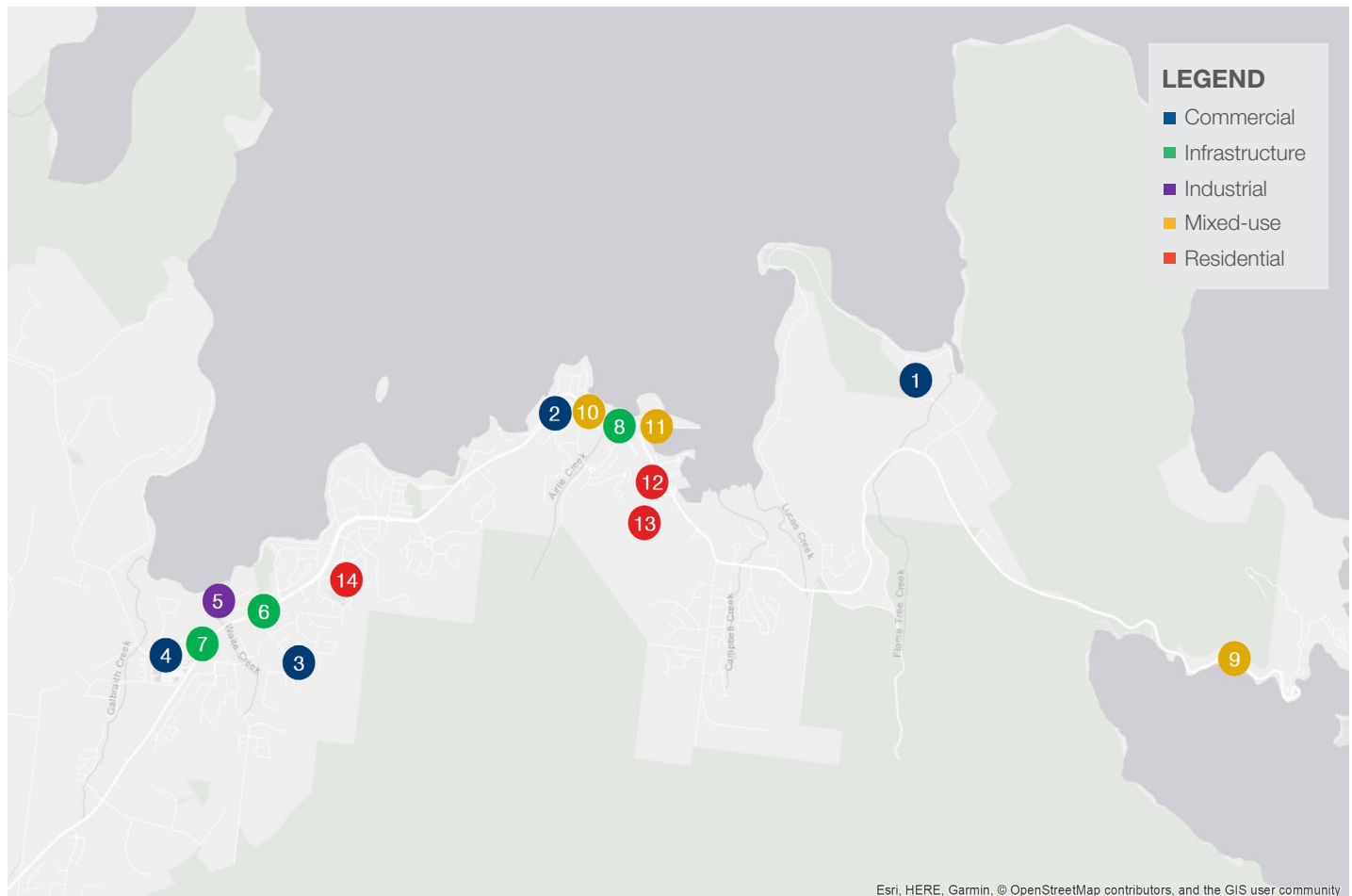


\*Rental performance graph represents aggregate house median rent prices within the 4802 postcode. Annual rental growth is a comparison between 1<sup>st</sup> half 2018 and 1<sup>st</sup> half 2019 house median rent figures.

^Rental yields shown are as reported at June 2019.

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

# PROJECT DEVELOPMENT MAP 2ND HALF 2019\*



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Location	Project**	Type	Estimated Value***	Commence Date****
1	Funnel Bay Hotel Resort	Commercial	\$80,000,000	01/12/2019
2	Waterview li	Commercial	\$1,500,000	30/09/2019
3	Valley Drive Aged Care Accommodation	Commercial	\$600,000	14/12/2019
4	Australia Post Cannonvale	Commercial	\$600,000	25/10/2019
5	William Murray Drive Industrial & Commercial Development	Industrial	\$600,000	15/06/2019
6	Shute Harbour Redevelopment Project	Infrastructure	\$2,000,000	12/09/2019
7	Shute Harbour Road Workshop	Infrastructure	\$700,000	07/06/2019
8	Shute Harbour Redevelopment Project	Infrastructure	\$300,000	02/09/2019
9	Shute Harbour Resort Marina & Residential Development-(52 Lots)	Mixed Use	\$252,000,000	18/09/2019
10	Shute Harbour Road Mixed Used Development- (19 Units)	Mixed Use	\$6,500,000	13/11/2019
11	Airlie Esplanade Mixed Use Development- (10 Apartments)	Mixed Use	\$3,000,000	25/11/2019
12	Waterstone Airlie Beach- (10 Units)	Residential	\$3,000,000	13/06/2019
13	Mount Whitsunday Drive Units- (6 Units)	Residential	\$1,800,000	07/11/2019
14	Coyne Road Residential Subdivision- (27 Lots)	Residential	\$1,200,000	02/12/2019

## 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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