



HERVEY BAY AREA MARKET UPDATE 2nd Half 2019



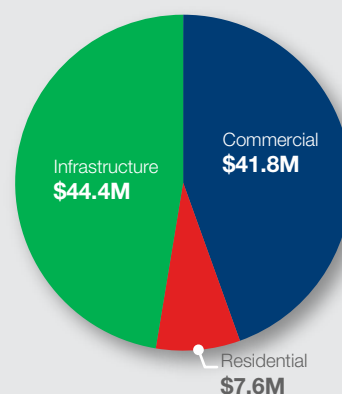
OVERVIEW

In Q3 2019, Hervey Bay* recorded a median house price of \$364,000, and a median unit price of \$240,000. This represents annual (Q3 2018 – Q3 2019) growth of 1.8% for houses and -15.8% for units. Total sales slowed in Q3 2018-Q3 2019, by -22.9% for houses (307 sales in Q3 2019) and by -24.2% for units (69 sales in Q3 2019). There has been less stock in the market, thus low listing figures. With growth in median house price now is an ideal time to transact.

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

FUTURE DEVELOPMENTS

The Hervey Bay* area is set to see approximately **\$93.8M worth of new projects commencing in the 2nd half of 2019.**



A focus on commercial and infrastructure projects will stimulate economic growth and create large employment opportunities in Hervey Bay*. This will have positive spill-over impact on the real estate market.

MARKET CONDITIONS

SALES MEDIAN PRICE Q3 2019



SALES AVERAGE DAYS ON MARKET Q3 2019



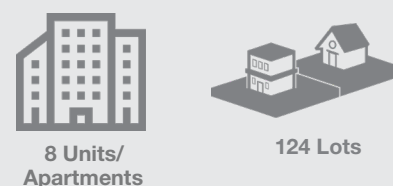
RENTAL MEDIAN PRICE Q3 2019



RENTAL AVERAGE DAYS ON MARKET Q3 2019



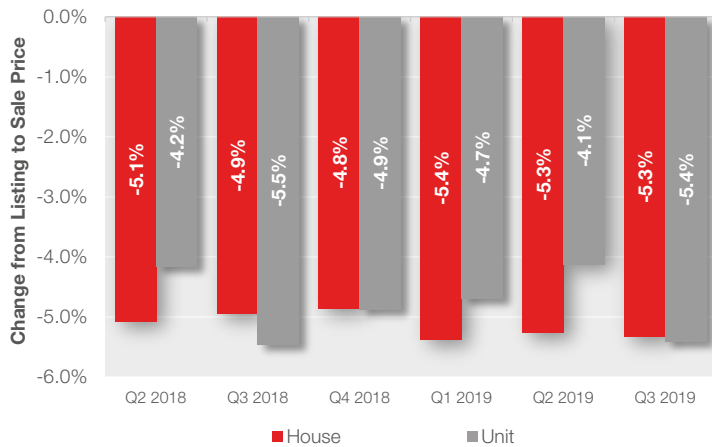
A main commercial project over the 2nd half 2019 period is the Booral Road & Island Drive relocatable home park (\$25.0M). The project is set to add a community centre with cabins in the Hervey Bay* market. Fraser Coast Administration centre (\$30.0M) is a key infrastructure project that will drive demand and boost jobs in the area. A total of 8 units/apartments and 124 lots will be supplied in Hervey Bay*. Key projects include: Dougan Street Residential Subdivisions (\$5.6M, 124 lots) and Totness Street Units (\$2.0M, 8 units).



*Hervey Bay data and key indicators represent market conditions in postcode 4655. **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 Pricefinder, 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.



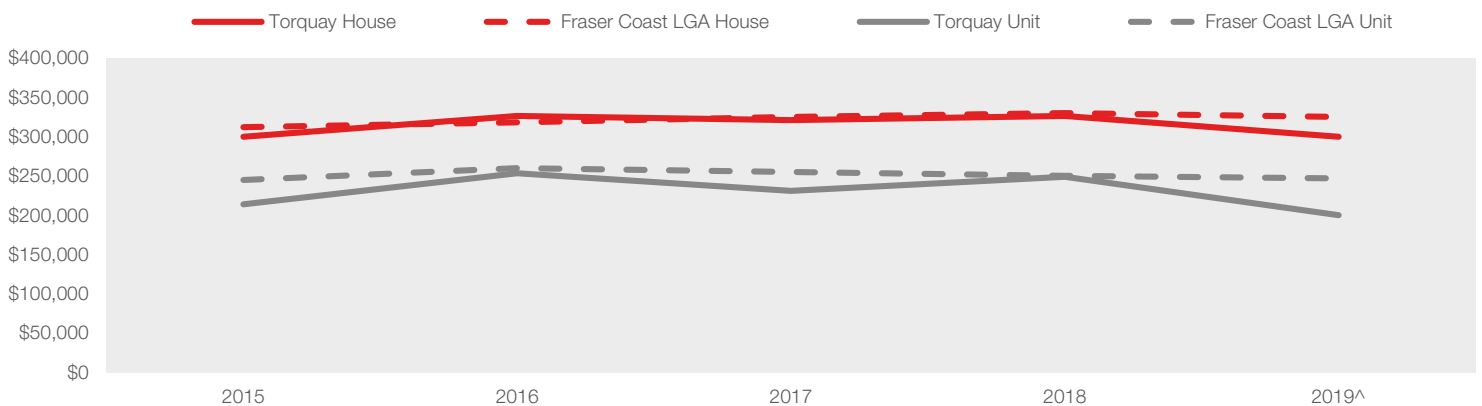
KEY COMMENTS

Average vendor discounts between Q3 2018 and Q3 2019 has remained wide for both property types, at -5.3% for houses and -5.4% for units. Market conditions in Hervey Bay* favour buyers, where sellers are willing to negotiate below their initial listing price.

The suburb of Torquay has historically performed on par with Fraser Coast Local Government Area (LGA) in regards to both house median prices, which continues in 2019[^]. Unit median prices has historically been more affordable in Torquay. In 2019[^] prices have become more affordable in Torquay, providing an open door opportunity for buyers.

Approximately a quarter (23.5%) of houses sold in Hervey Bay* was within the upper-range price of \$450,000 and above, indicating a shift towards premium pricing. Units recorded a dominant mid-lower price point of \$200,000 to \$249,999 (28.3%). Now is an ideal time for buyers to take advantage of affordable housing options in Hervey Bay*.

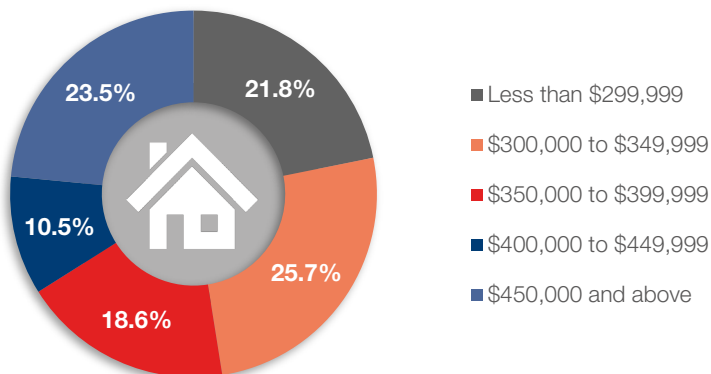
MARKET COMPARISON



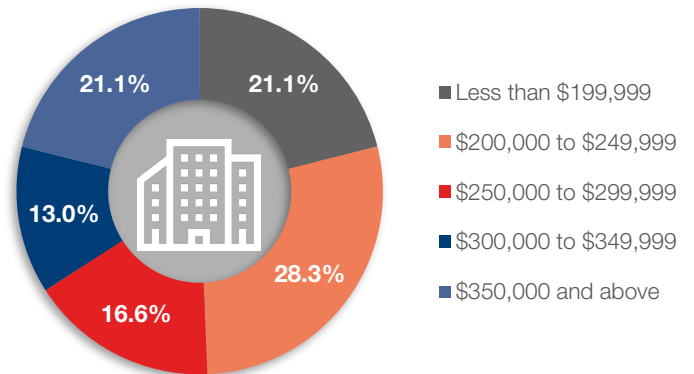
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Torquay.

PRICE BREAKDOWN 2019[^]

HOUSES SOLD



UNITS SOLD

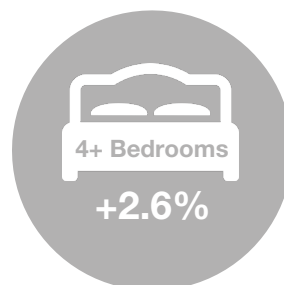
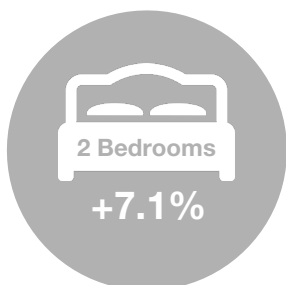


RENTAL GROWTH 2019*

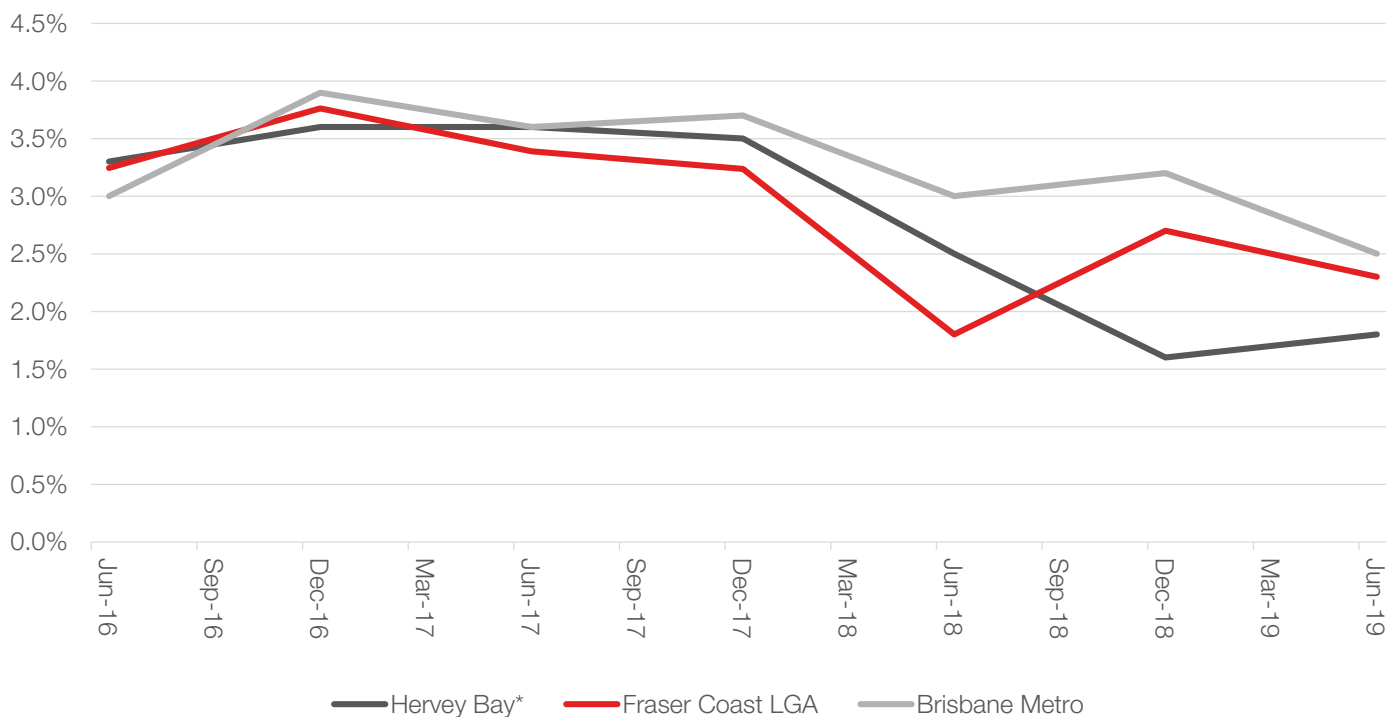
Over the past 12 months, house rental yields in Hervey Bay* increased significantly to reach 4.7% in June 2019. This is above that of Fraser Coast LGA (4.6%) and Brisbane Metro (3.8%). This suggests the house rental market is in a healthy position, especially as the house rental median price increased by 5.7% to \$370 per week.

2 bedroom houses have provided investors with +7.1% rental growth annually, achieving a median rent of \$300 per week.

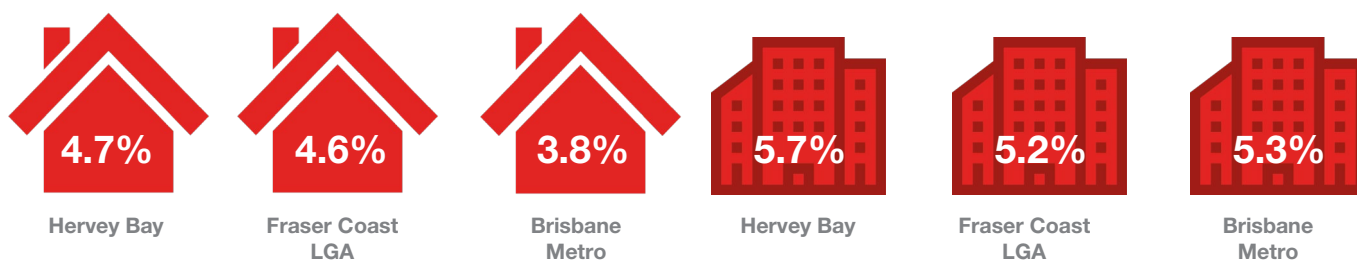
Hervey Bay* recorded a low vacancy rate of 1.8% in June 2019, indicative of a declining trend and sitting below Fraser Coast LGA (2.3%) and Brisbane Metro (2.5%). This confirms a healthier rental demand exists in Hervey Bay*.



RENTAL VACANCY RATES 2019



RENTAL YIELD 2019^

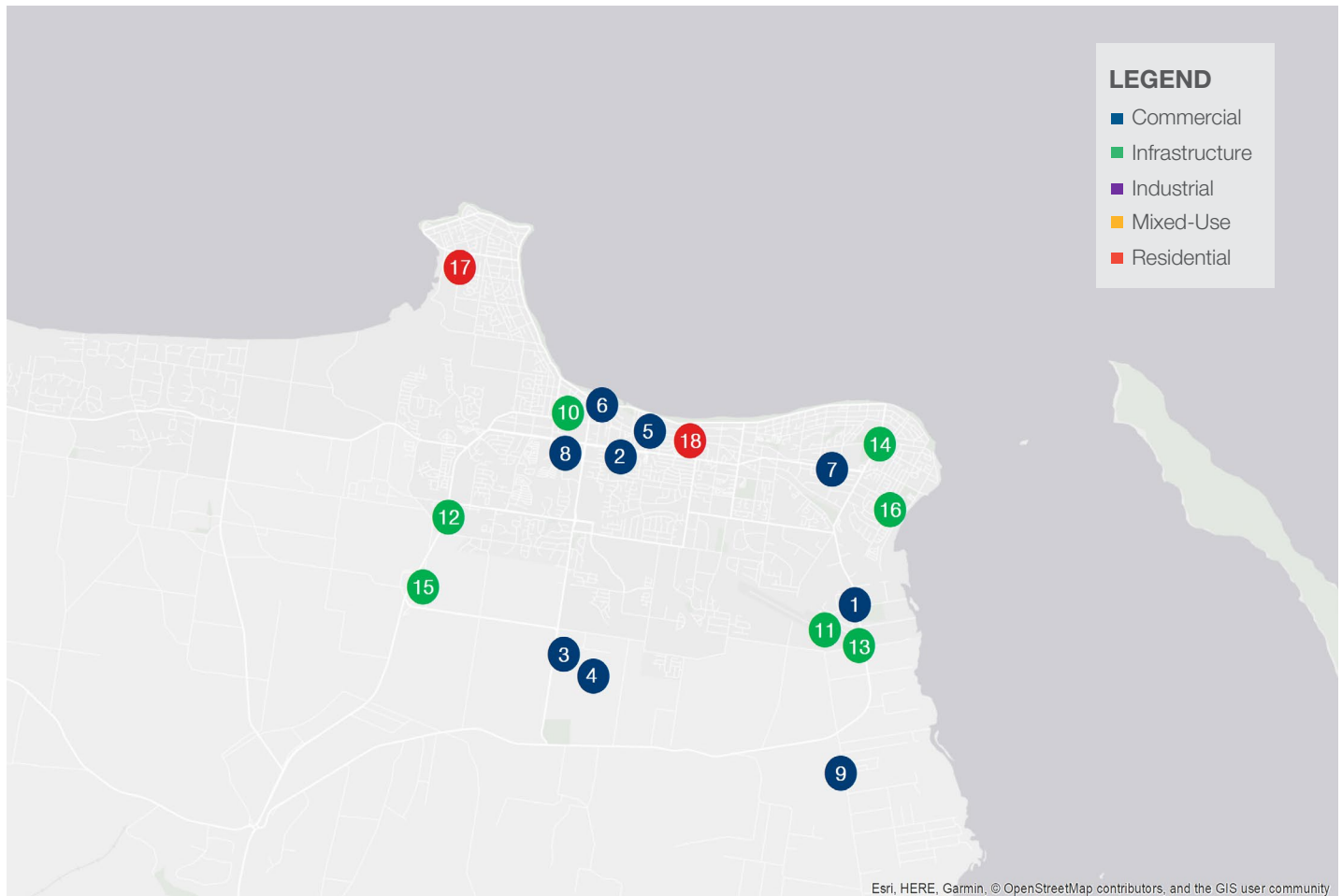


*Rental performance graph represents aggregate house median rent prices within the postcode 4655. Annual rental growth is a comparison between 1st half 2018 and 1st half 2019 house median rent figures.

^Rental yields shown are as reported at June 2019.

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

PROJECT DEVELOPMENT MAP 2ND HALF 2019*



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Location	Project**	Type	Estimated Value***	Commence Date****
1	Booral Road & Island Drive Relocatable Home Park	Commercial	\$25,000,000	03/09/2019
2	The Avenue Corporate Complex	Commercial	\$10,000,000	14/12/2019
3	Bp Service Station Pialba	Commercial	\$3,200,000	27/11/2019
4	Freedom Fuel Service Station Pialba	Commercial	\$2,000,000	18/07/2019
5	Torquay Road Commercial Development	Commercial	\$500,000	15/07/2019
6	Hervey Bay Rsl Club	Commercial	\$300,000	04/09/2019
7	Urangan Medical Centre	Commercial	\$250,000	26/11/2019
8	Concierge Car Wash	Commercial	\$250,000	24/07/2019
9	Booral Road Outdoor Sales Yard	Commercial	\$250,000	05/06/2019
10	Fraser Coast Administration Centre	Infrastructure	\$30,000,000	20/08/2019
11	Avion Development Project	Infrastructure	\$7,132,000	30/12/2019
12	Hervey Bay Ambulance Station	Infrastructure	\$3,500,000	29/07/2019
13	Hervey Bay Airport	Infrastructure	\$2,900,000	18/11/2019
14	Hervey Bay Botanical Gardens Orchid House	Infrastructure	\$390,000	19/07/2019
15	Aalborg Road North	Infrastructure	\$336,000	30/08/2019
16	Esplanade Corridor Pathway	Infrastructure	\$191,000	28/06/2019
17	Dougan Street Residential Subdivision- (124 Lots)	Residential	\$5,600,000	31/07/2019
18	Totness Street Units- (8 Units)	Residential	\$2,000,000	18/06/2019

*Disclaimer: Project development map showcases a sample of upcoming projects only, due to accuracy of addresses provided by the data provider for geocoding purposes. **Projects refers to the top developments within the suburbs of Torquay, Urangan, Pialba, Dundowran, Hervey Bay, Nikenbah, Point Vernon, Urraween, Wondunna, Scarness. ***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, as provided by the relevant data authority, PRDnationwide does not hold any liability to the exact date.
Source: Cordell Database, ESRI ArcGIS. © Copyright PRDnationwide 2019.

OUR SERVICES INCLUDE

With over 30 years experience and owning his own real estate business since 1998, Jim specialises in property sales, commercial sales and leasing. Jim's passion and enthusiasm have seen him dedicate only the best in services and results by identifying what his clients' needs are and advising them on how best to achieve them.

PRDnationwide Hervey Bay's hand selected team is dedicated to making buying or selling a positive experience for all parties involved. The team strives to provide clients across the Hervey Bay region with sales and property marketing services that are realistic, cost effective and that produce results. We endeavour to provide every customer with exclusive and personal service to achieve desired outcomes throughout every transaction.

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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