





TANNUM SANDS MARKET UPDATE 2nd Half 2019



OVERVIEW

In the 2nd Half 2019**, Tannum Sands* recorded a median house price of \$365,000, and a median unit price of \$171,000. This represents annual (2nd Half 2018 - 2nd Half 2019**) growth of 19.3% for houses and softening of -32.7% for units. At the same time total sales slowed for 2nd Half 2019**, to 20 sales for houses and 9 sales for units. A small market can create fluctuations in trend, but the house market has seen confidence return in the past 12 and 6 months.

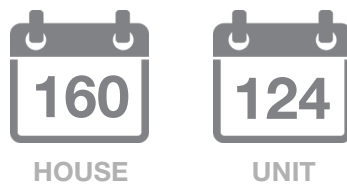
	CHANGE FROM LAST	YEAR	HALF YEAR
	House Sales	↓	↓
	House Median Price	↑	↑
	House Rental Price	↑	↑
	Unit Sales	↓	↑
	Unit Median Price	↓	↓
	Unit Rental Price	↑	↓

MARKET CONDITIONS

SALES MEDIAN PRICE 2nd Half 2019**



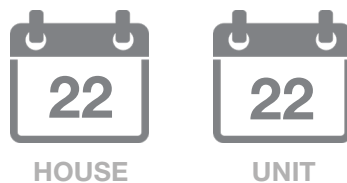
SALES AVERAGE DAYS ON MARKET 2nd Half 2019**



RENTAL MEDIAN PRICE 2nd Half 2019**

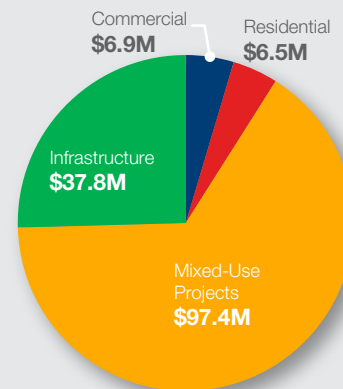


RENTAL AVERAGE DAYS ON MARKET 2nd Half 2019**



FUTURE DEVELOPMENTS

Tannum Sands* is set to see approx. **\$148.5M worth of new projects commencing in the 2nd half of 2019.**



A key focus in mixed-use projects provides the area with new housing stock design, as well as commercial and local job creation potential. This will have a positive spill-over impact to the real estate market in the future.

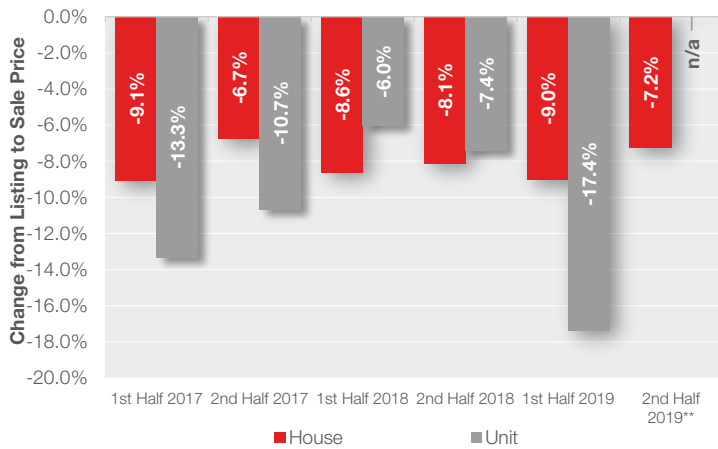
A major mixed-use project is the Riverstone Rise Master plan (\$97.3M), which will add 1779 residential lots, commercial lots, industrial lots, and parklands to Tannum Sands*. This will create local jobs, which may result in increased demand for housing. A key residential project is Sun Valley Road Units (\$6.5M, 31 units). There is a range of infrastructure projects planned, which includes: parklands, bridge, community centre, and roadworks. All of which improves liveability in the area.



*Tannum Sands market data and key indicators encapsulates aggregate property market conditions in Tannum Sands, Boyne Island, and Turkey Beach.
 **2nd Half 2019 data is representative of sales up to and inclusive of 30th September 2019, or end of Q3 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 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.



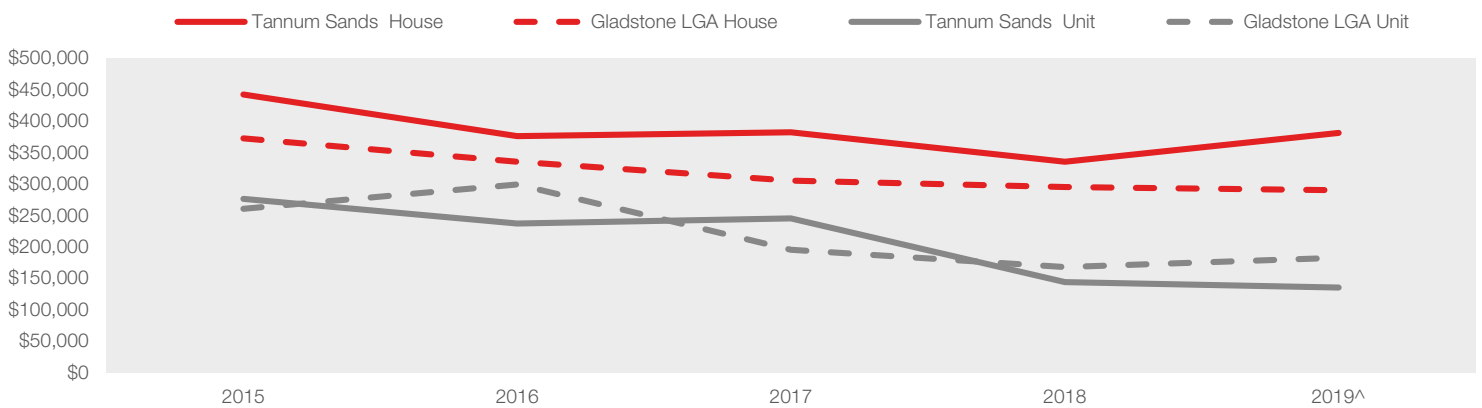
KEY COMMENTS

Average vendor discount between 2nd Half 2018 and 2nd Half 2019** has widened for houses, to -7.2%. This suggests that market conditions in Tannum Sands* continue to favour buyers, where sellers are willing to negotiate below their initial listing price. Now is the time to enter the market.

The suburb of Tannum Sands* has historically outperformed the Gladstone Local Government Area (LGA) in regards to houses and predominantly affordable for unit prices. 2019[^] has seen a wider gap in median house price between Tannum Sands* and the LGA, indicating Tannum Sands* is becoming a premium market.

The dominant proportion of houses sold in Tannum Sands* across 2019[^] were in the upper-price range of above \$400,000 (32.2%). Units recorded a dominant lower-end price point of \$100,000 to \$149,999 (42.9%). There is a wide range of preference, with both the premium and a combination of lowest and lower-end and premium market making up most sales. At present there are ample affordable unit options available.

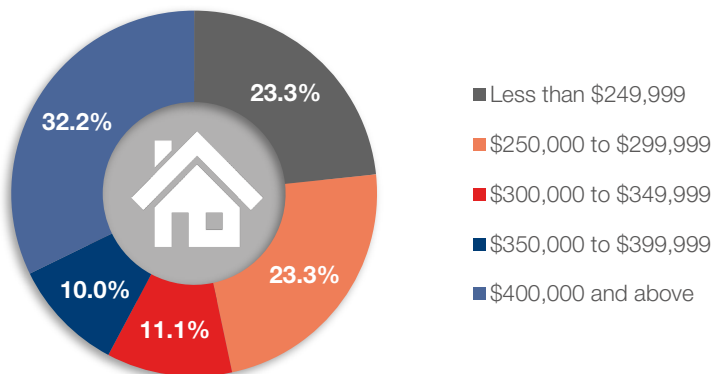
MARKET COMPARISON



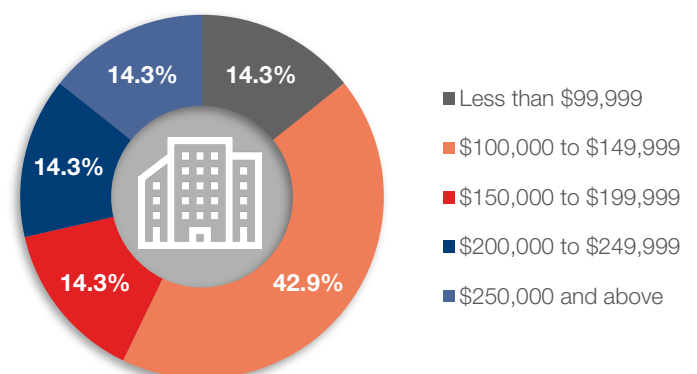
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Tannum Sands.

PRICE BREAKDOWN 2019[^]

HOUSES SOLD



UNITS SOLD



RENTAL GROWTH 2019*

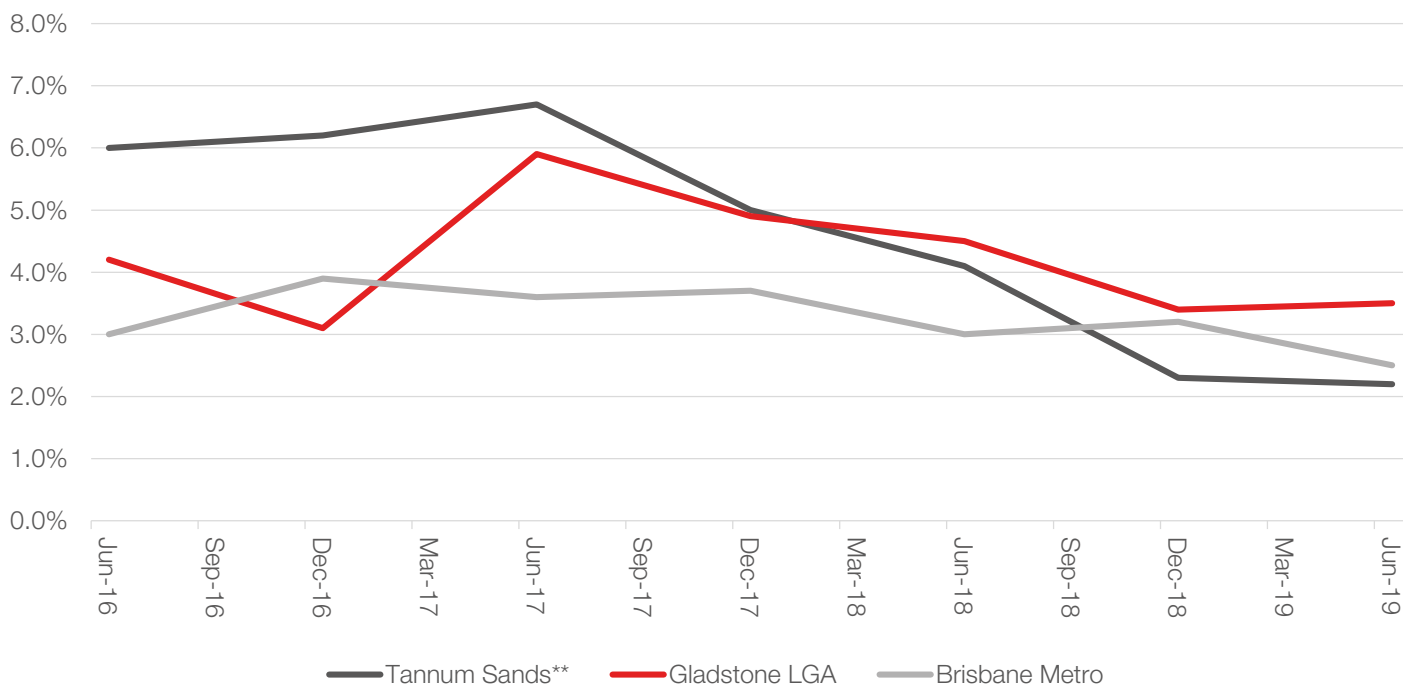
Over the past 12 months house rental yields in Tannum Sands* held steady, at 3.7% in June 2019. This is above that of Gladstone LGA (3.3%) and largely on par with Brisbane Metro (3.8%). The Tannum Sands* house rental market is in a healthy position, as the house rental median price increased by 30.6% to \$320 per week.

3 bedroom houses have provided investors with +12.0% rental growth annually, achieving a median rent of \$280 per week.

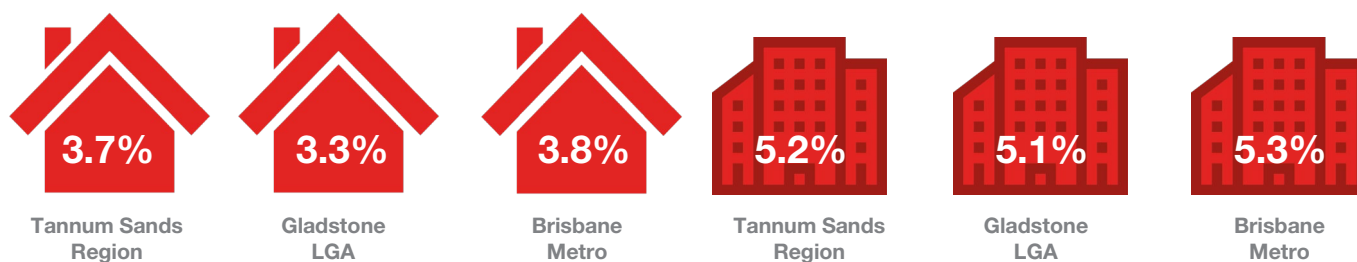
Tannum Sands* recorded a vacancy rate of 2.2% in June 2019, indicative of a declining trend over the past 3 years and sitting below Gladstone LGA (3.5%) and Brisbane Metro (2.5%). There is a healthier rental demand in Tannum Sands*.



RENTAL VACANCY RATES 2019



RENTAL YIELD 2019^

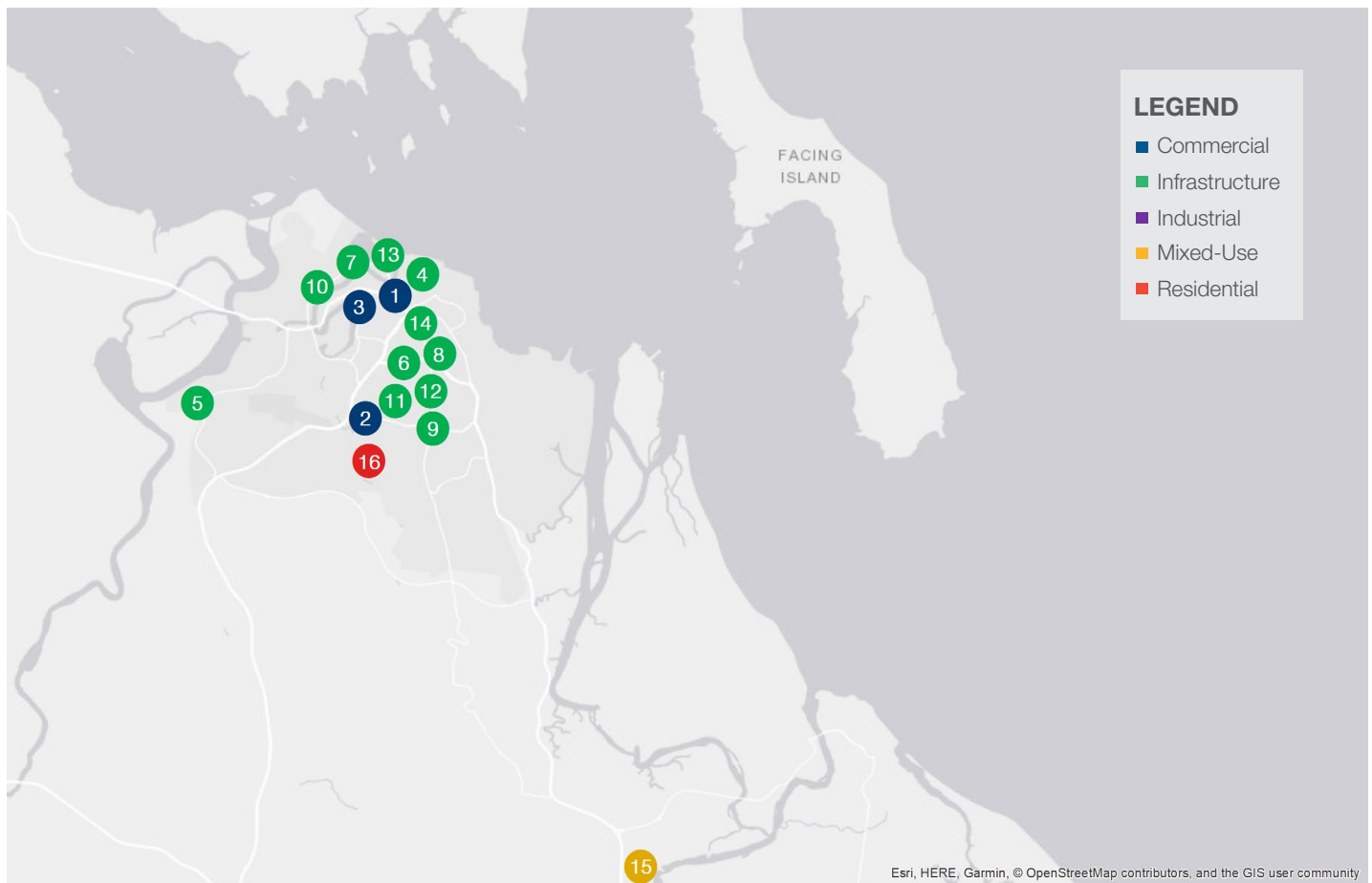


*Rental performance graph represents aggregate house median rent prices within the suburbs of Tannum Sands, Boyne Island, and Turkey Beach. Annual rental growth is a comparison between 1st half 2018 and 1st half 2019 house median rent figures.

^Rental yields shown are as reported at June 2019.

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

PROJECT DEVELOPMENT MAP 2ND HALF 2019*



Location	Project**	Type	Estimated Value***	Commence Date****
1	United 24 Service Station & Convenience Store	Commercial	\$5,000,000	28/09/2019
2	Gladstone Shopping Centre - Woolworths	Commercial	\$1,000,000	08/07/2019
3	Warne Street Workshops	Commercial	\$850,000	18/12/2019
4	East Shores Parklands	Infrastructure	\$25,000,000	01/07/2019
5	Red Rover & Meegan Roads Industrial Subdivision- State Government Owned	Infrastructure	\$7,800,000	16/12/2019
6	Gladstone Area Water Board Pipeline	Infrastructure	\$1,000,000	03/09/2019
7	Rg Tanna Coal Terminal	Infrastructure	\$750,000	06/09/2019
8	Awoonga Spillway Bridge	Infrastructure	\$600,000	21/10/2019
9	Philip Street & Glenlyon Road Roundabout	Infrastructure	\$500,000	19/06/2019
10	Gladstone Cmerc & Aged Care Research Centre - State Government Owned	Infrastructure	\$500,000	15/08/2019
11	Philip Street Community Precinct	Infrastructure	\$500,000	24/10/2019
12	Gladstone Regional Council Roadworks	Infrastructure	\$450,000	09/11/2019
13	Gladstone Marine Ops Shed- State Government Owned	Infrastructure	\$350,000	30/07/2019
14	Gladstone Entertainment Convention Centre- Local Government Owned	Infrastructure	\$300,000	18/06/2019
15	Riverstone Rise Master Plan- (1779 Residential Lots, Commercial/Industrial Lots)	Mixed Use	\$97,360,000	01/10/2019
16	Sun Valley Road Units-(31 Units)	Residential	\$6,500,000	22/07/2019

*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.

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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