



Broome Market Update 1st Half 2020



OVERVIEW

In the 2nd half of 2019 Broome* recorded a median house price of \$460,500 and median unit price of \$310,000**. This represents annual (2nd half 2018 – 2nd half 2019) median price softening of -0.4% for houses and growth of 4.6% for units. Between 2nd half 2018 – 2nd half 2019 house sales remained steady (88 sales), whilst unit sales increased by 25.0% (20 sales). Broome* housing market has been relatively steady, with properties that offer value for money preferred. This is similar for units, with the exception of holiday/resort units.

	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 H2 2019



SALES AVERAGE DAYS ON MARKET H2 2019



RENTAL MEDIAN PRICE H2 2019

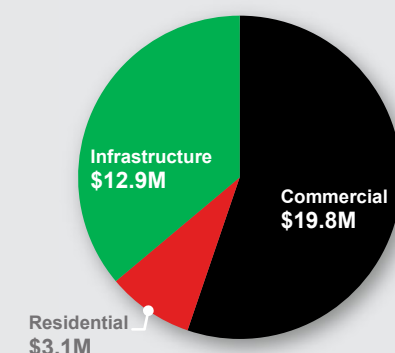


RENTAL AVERAGE DAYS ON MARKET H2 2019



FUTURE DEVELOPMENTS

Broome* is set to see approximately **\$47.2M***** worth of new projects commencing across 2019 and the 1st half of 2020.



A balanced focus of various project types will ensure the right mix of increased commercial activity, local job creation, support services, increased liveability, and property supply is created; to support an increasing population and further local economic growth. This will have a positive spill-over effect on the market.

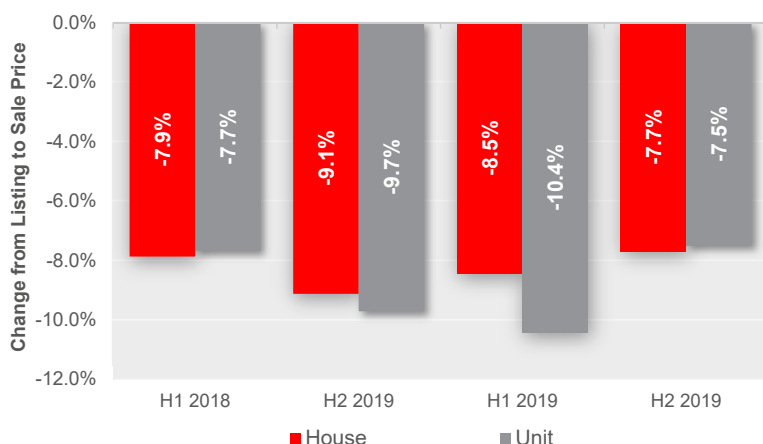
A major commercial project for the period is Broome Senior High School (\$14.0M), which will see the construction of a new two-storey building, as well as refurbishments to several existing buildings. The Town Beach Groyne Jetty Upgrade (\$3.6M) is a key infrastructure project that will provide improved amenities to the area, which will offer better lifestyle benefits to Broome's* residents. The Loping Pass Grouped Dwellings will add 6 grouped dwellings to local dwelling stock, enabling population growth.



*Broome market data and key indicators represent aggregate property market conditions in Broome, Djungun, Bilingurr and Cable Beach.
 **Median unit price does not include resort / holiday units, it only captures residential units
 ***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, Cordell Connect database. © Copyright PRD 2020.

AVERAGE VENDOR DISCOUNT* KEY COMMENTS

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.

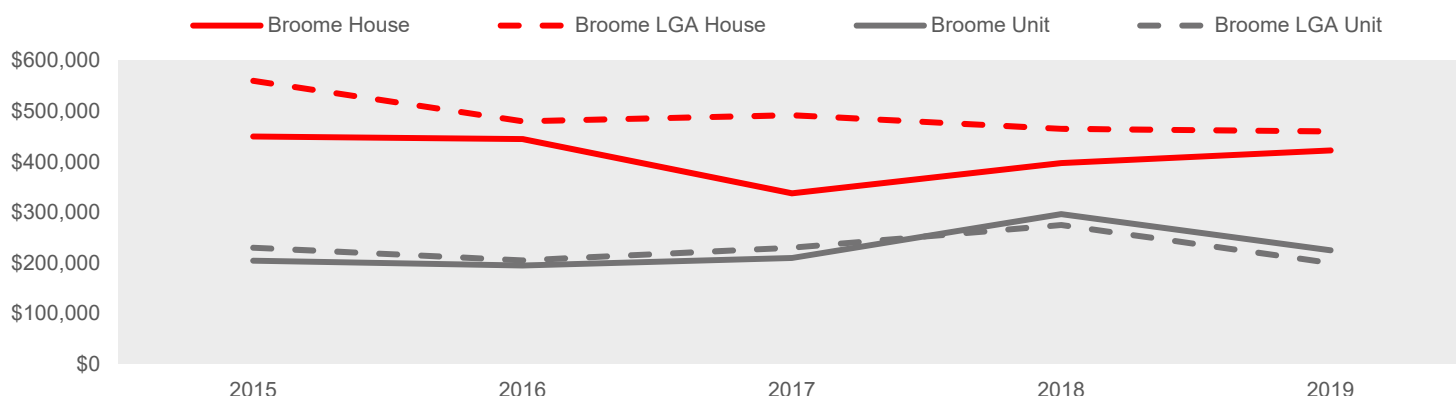


Average vendor discounting tightened between 2nd half 2018 – 2nd half 2019, to -7.7% for houses and to -7.5% for units. Market conditions in Broome* still favour buyers, as sellers are willing to negotiate below their initial listing price. Buyers are encouraged to act now while such discounting is available.

The suburb of Broome has historically recorded greater value within the wider Broome Local Government Area (LGA) in median house price. There was a pick-up in median unit price both in Broome and the LGA in 2017, however both have experienced a softening in 2019.

Most homes sold in Broome* across 2019 were priced in the price-range below \$400,000, totalling 30.8% of sales. Most units sold were at a price point of \$200,000-\$250,000 and over \$350,000 (each at 27.6%). This reveals a variety of property availability, showing that there is a property for every budget in Broome*.

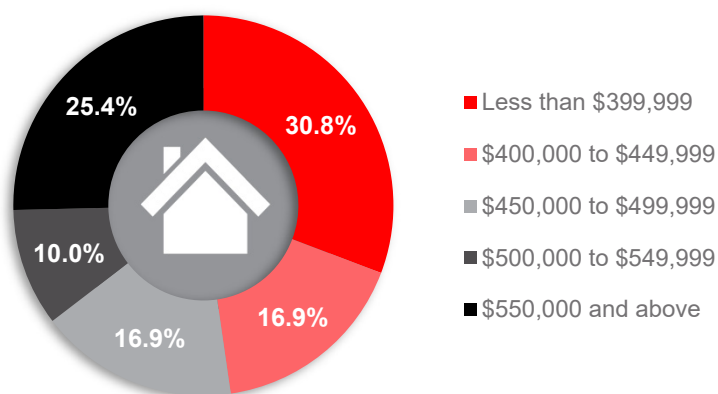
MARKET COMPARISON



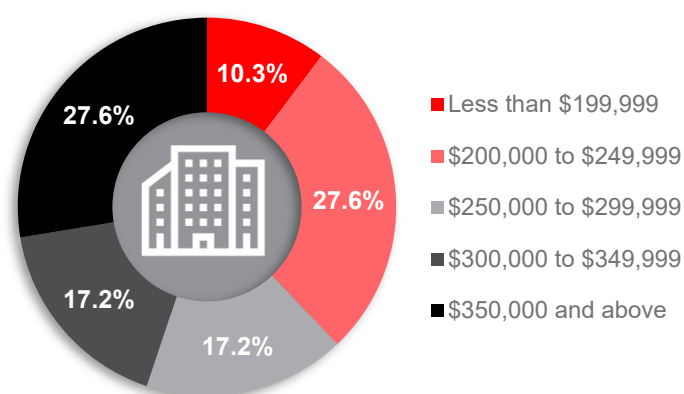
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Broome.

PRICE BREAKDOWN 2019

HOUSES SOLD



UNITS SOLD

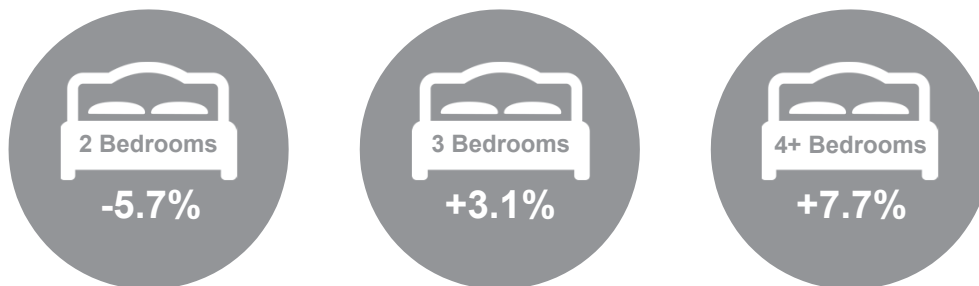


RENTAL GROWTH 2019*

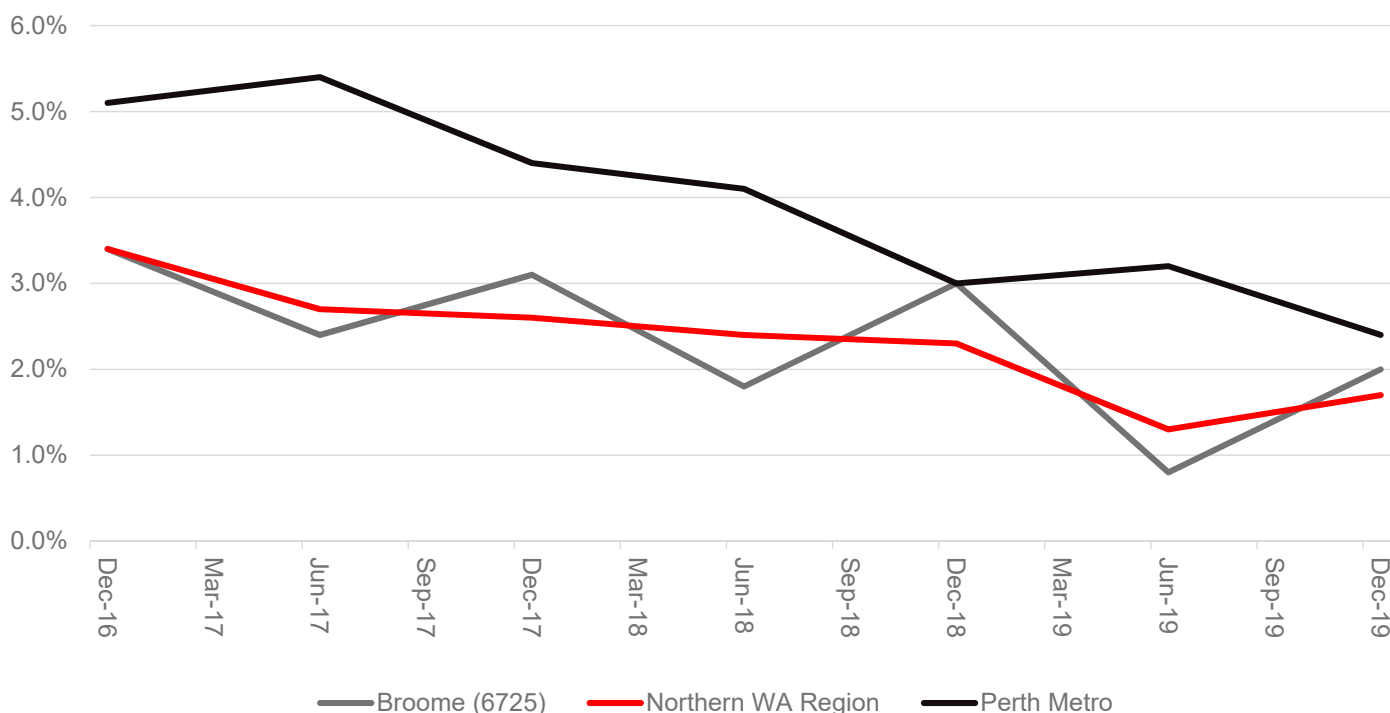
Over the past 12 months house rental yields in Broome* significantly increased, to reach 6.7% in December 2019. In combination with positive median rental price growth of 18.2% in the 12 months to Q4 2019, the house rental market is in a very healthy position. Dwindling available of house rental stock on the market (down -23.4% over the same period) has subsequently increased returns, indicating now is an ideal time for investors to enter the market.

4+ bedroom houses provided investors with +7.7% rental growth annually, achieving a median rent of \$700 per week.

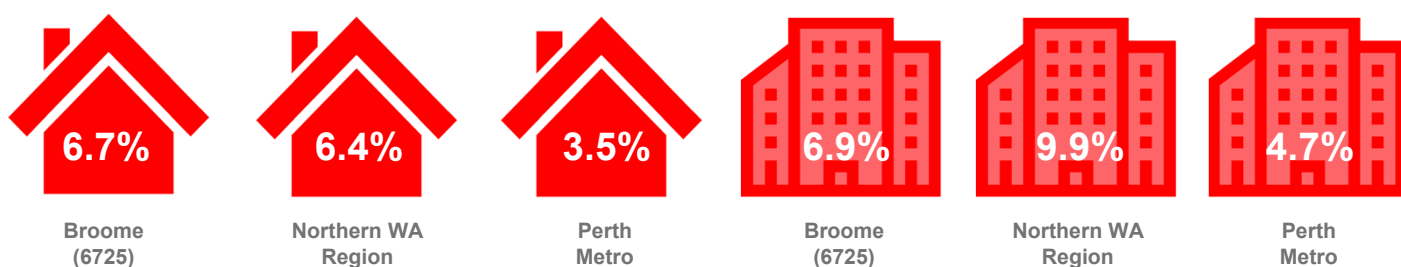
Broome* recorded a vacancy rate of 2.0% in December 2019, which represents a declining trend over the past 12 months. Vacancy rate in Broome* is below Perth Metro's 2.4% average, further confirming a healthier rental market in Broome*. This is good news for investors, as there is a higher chance of quick occupancy for rental properties in Broome*.



RENTAL VACANCY RATES 2019



RENTAL YIELD 2019^

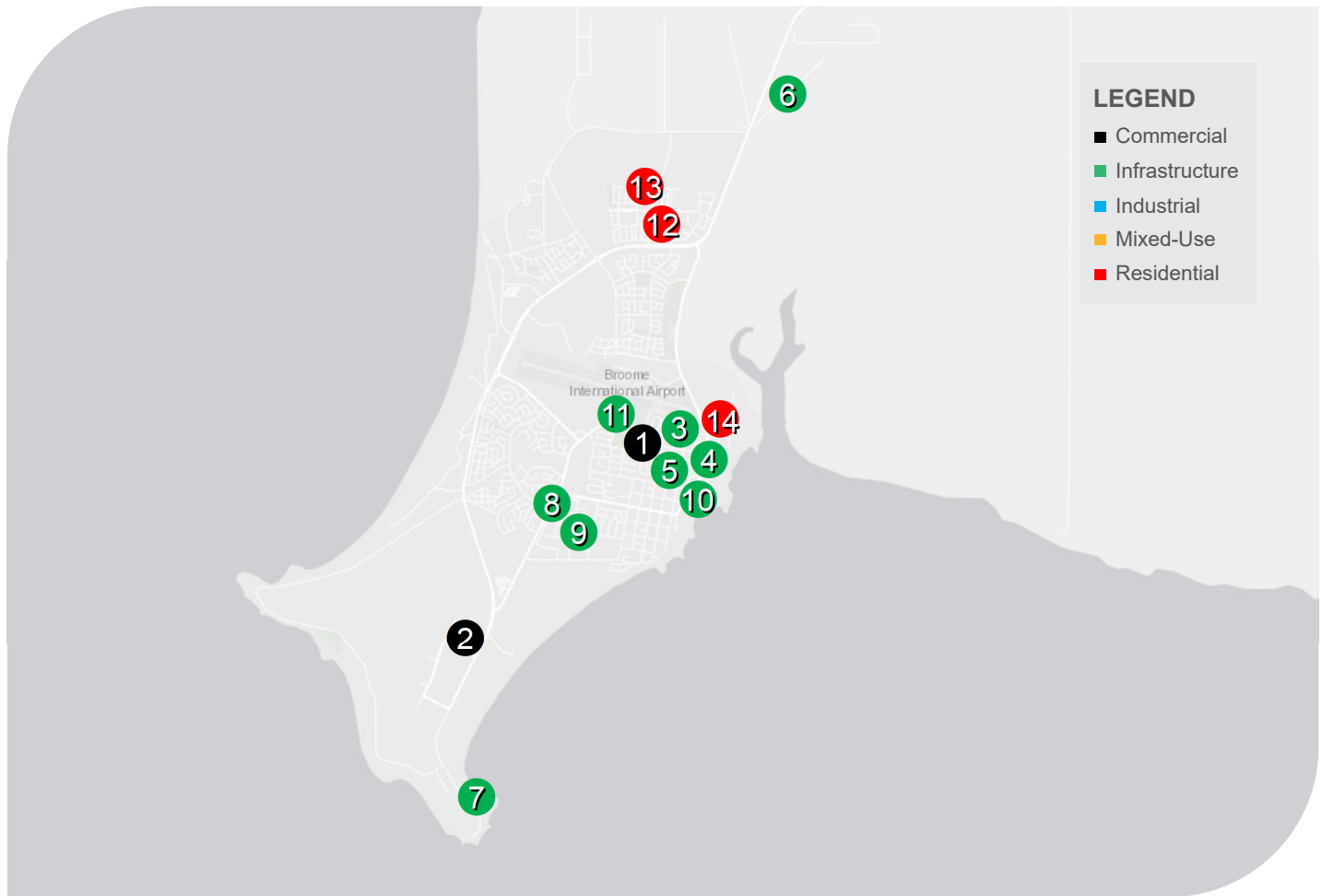


*Rental performance graph represents aggregate house median rent prices within the suburbs Broome, Djugun, Bilingurr and Cable Beach. Annual rental growth is a comparison between 2018 and 2019 house median rent figures.

^Rental yields shown are as reported at December 2019.

Source: APM Pricer, SQM Research. © Copyright PRD 2020.

PROJECT DEVELOPMENT MAP 2019 – 1ST HALF 2020*



Location	Project**	Type	Estimated Value***	Commence Date****
1	Broome Senior High School	Commercial	\$14,000,000	02/09/2019
2	Broome Golf Club Redevelopment	Commercial	\$5,760,000	13/04/2020
3	Town Beach Groyne	Infrastructure	\$3,626,000	17/12/2019
4	Broome Regional Prison	Infrastructure	\$2,400,000	29/02/2020
5	Broome Youth Precinct Stage 3	Infrastructure	\$1,739,000	01/06/2020
6	Volunteer Bushfire Brigade	Infrastructure	\$1,500,000	20/01/2020
7	Port Of Broome Wharf	Infrastructure	\$1,000,000	13/11/2019
8	Port Of Broome	Infrastructure	\$1,000,000	08/02/2020
9	Hunter Street Roadworks	Infrastructure	\$653,000	19/12/2019
10	Shire Of Broome Roadworks	Infrastructure	\$500,000	14/09/2019
11	Broome Boulevard Shopping Centre – NDIA	Infrastructure	\$500,000	19/11/2019
12	Loping Pass Grouped Dwellings (6 Grouped Dwellings)	Residential	\$1,500,000	15/04/2019
13	Hanoe Court Grouped Dwellings (5 Grouped Dwellings)	Residential	\$800,000	29/01/2019
14	Department Of Housing - Broome Group Houses (4 Group Houses)	Residential	\$800,000	22/03/2019

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.



Andrew Blackley, Director

M +61 409 113 358

E andrew@prdbroome.com.au

PRD Broome

P +61 8 9192 1988

F +61 8 9193 1988

3 Short Street
Broome WA 6725

PRD.com.au/broome