



# Tannum Sands Market Update 1st Half 2020



## OVERVIEW

In Q1 2020, Tannum Sands\* recorded a median house price of \$341,000, and median unit price of \$205,000. This represents annual (Q1 2019 – Q1 2020) median price growth of 8.3% for houses, and slight softening for units by -2.4%. Between Q1 2019 – Q1 2020 total sales increased for houses, by 30.3% to 43 sales, however demand for units were at 4 sales. The Tannum Sands\* property market is showing signs of resilience, particularly in the house market as the increase in price was not due to less stock, signifying real capital growth.

	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 Q1 2020



### SALES AVERAGE DAYS ON MARKET Q1 2020



### RENTAL MEDIAN PRICE Q1 2020

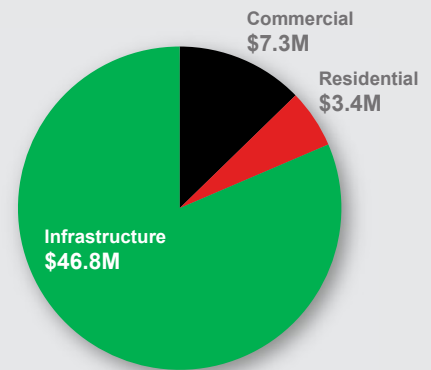


### RENTAL AVERAGE DAYS ON MARKET Q1 2020



## FUTURE DEVELOPMENTS

Tannum Sands\* is set to see approx. **\$57.4M** worth of new projects commencing in the 1<sup>st</sup> half of 2020.



A large focus on infrastructure projects is ideal for Tannum Sands\*, as it assists in stimulating a more vibrant economy through new business and improved productivity. This has the potential to create more jobs and build confidence in the market, having a positive spill-over impact to the real estate market.

Top infrastructure projects set to be completed in the 1<sup>st</sup> Half 2020 include: Bruce Highway Road works (\$25.0M\*\*) and Philip Street Community Precinct (\$8.0M\*\*). These projects will help rejuvenate the area and invite new residents through improved liveability. \$3.4M\*\* of residential projects will add 8 townhouses and 34 Lots. A main residential project period is the Allison Street Townhouses (\$2.0M\*\*), constructing a total of 8 townhouses.



8  
Townhouses



34 Lots

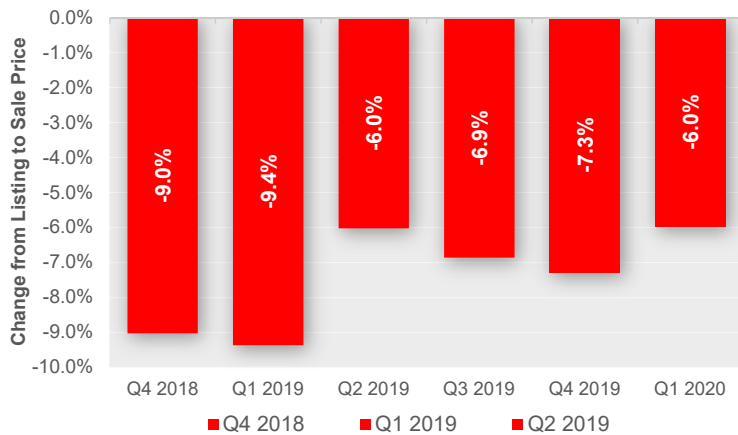
\*Tannum Sands market data and key indicators encapsulates aggregate property market conditions in Tannum Sands, Boyne Island, and Turkey Beach.

\*\*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 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.

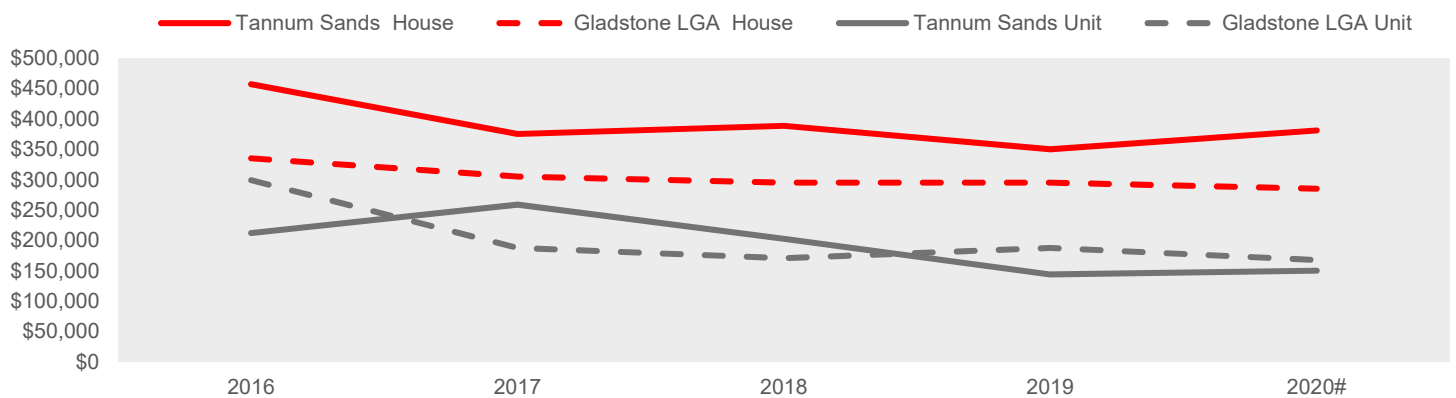
Average vendor discounting between Q1 2019 and Q1 2020 has tightened to -6.0% (houses). This indicates that market conditions in Tannum Sands\* have shifted to favouring vendors, where buyers need to offer closer to the listing price. This is evident of a healthy and resilient market, with the potential for capital growth.



The suburb of Tannum Sands has continued to record a premium market in comparison to Gladstone Regional Local Government Area (LGA) in regards to median house price. Over the past year to 2020#, units have become more affordable when compared to the LGA.

The dominant proportion of houses sold in Tannum Sands\* across 2019^ were in the lowest price segment of less than \$299K (36.8%). Units also recorded high buyer activity within the lower price segment, of less than \$149K (42.9%). Buyers are encouraged to enter market, while it is still affordable.

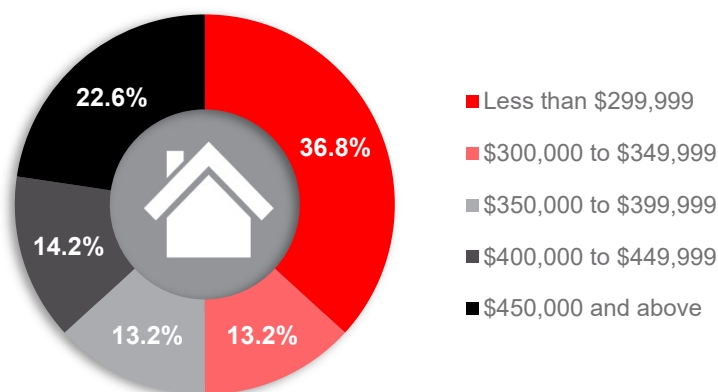
## MARKET COMPARISON



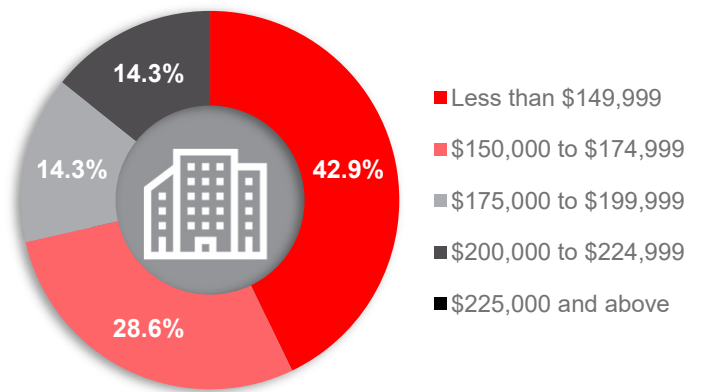
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Tannum Sands.

## PRICE BREAKDOWN 2019^

### HOUSES SOLD



### UNITS SOLD



## RENTAL GROWTH 2019\*

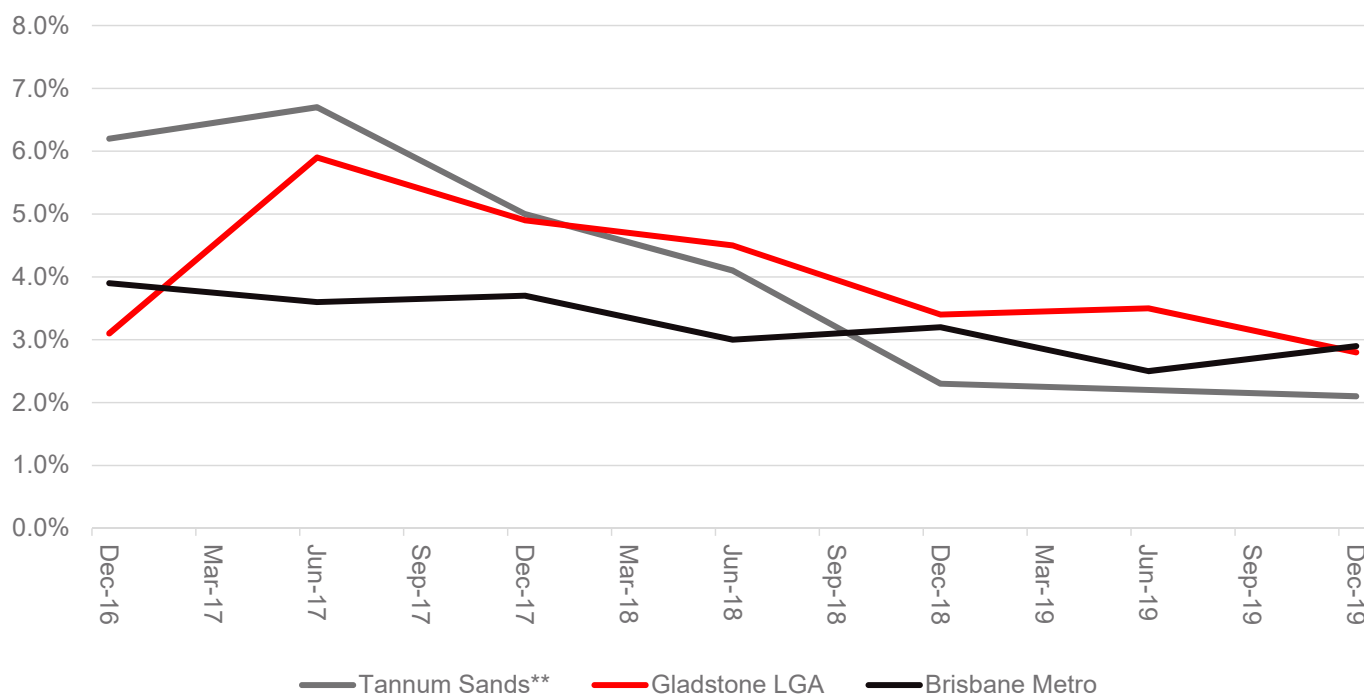
House rental yields in Tannum Sands\* were recorded at 4.3% in December 2019. This suggests that the house rental market is at a healthy position, particularly when combined with the 11.4% increase in median house rental price over the past 12 months, to \$320 per week in Q1 2020.

2 bedroom houses provided investors with +15.8% rental growth annually, achieving a median rent of \$220 per week.

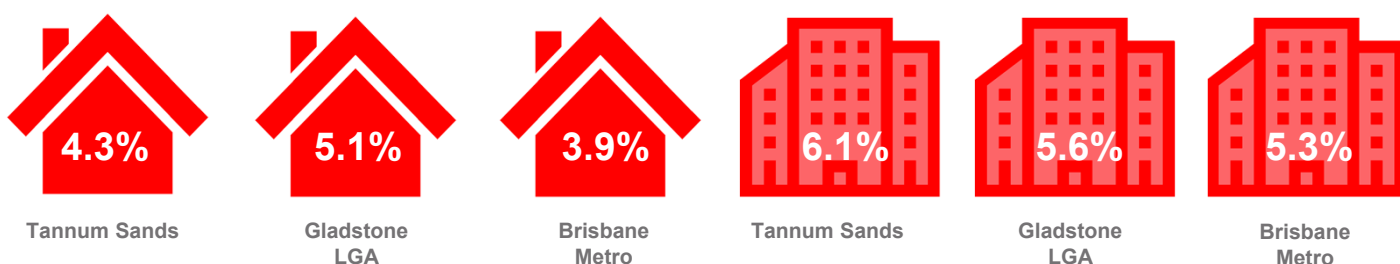
Tannum Sands\* recorded a vacancy rate of 2.1% in December 2019, declining from 2.3% in December 2018. Vacancy rates in Tannum Sands\* have recorded a declining trend over past 12 months, which indicates an increasingly healthier rental demand. This is good news for investors as their properties are being occupied quicker.



## RENTAL VACANCY RATES 2019



## RENTAL YIELD 2019^



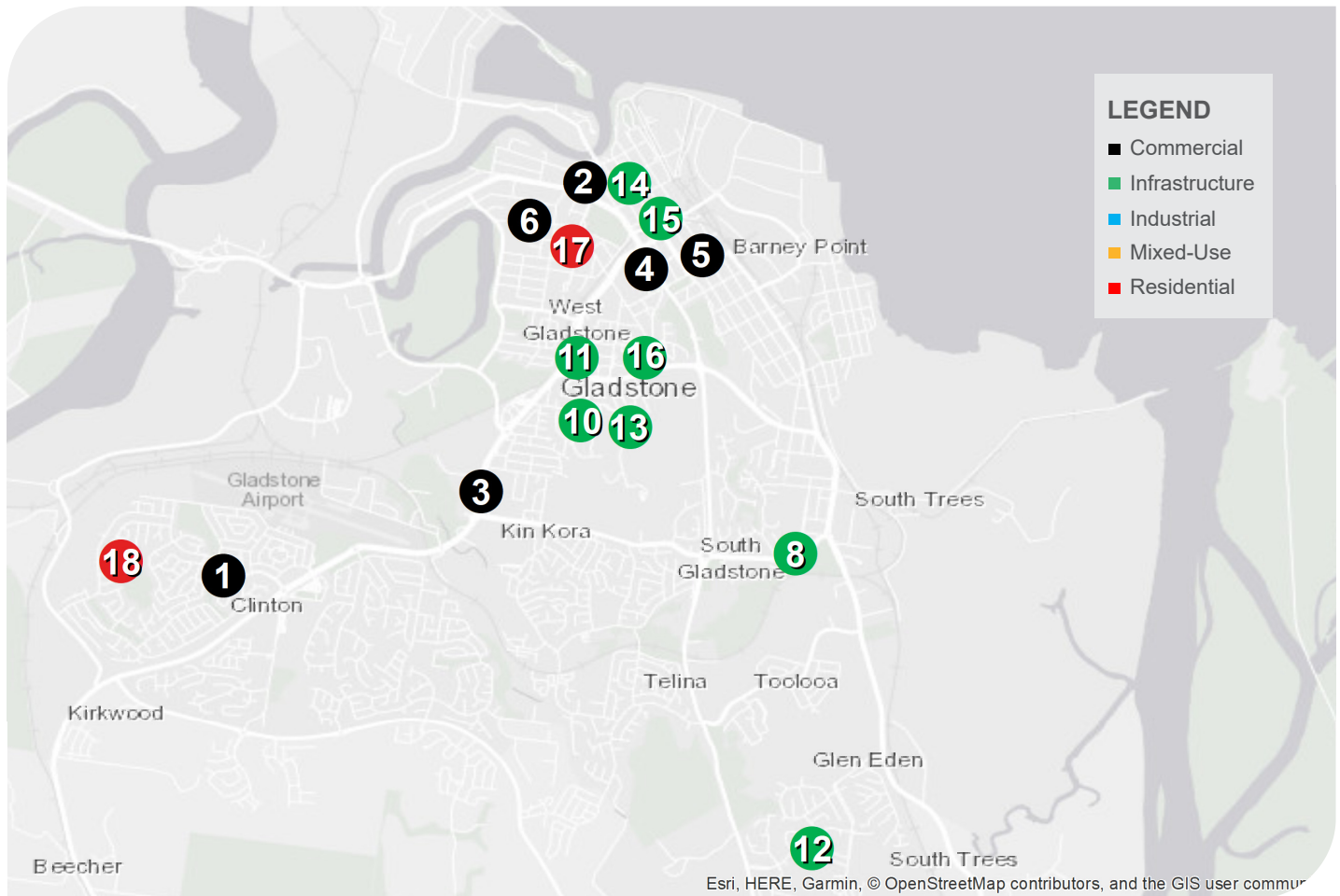
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Annual rental growth is a comparison between 2018 and 2019 house median rent figures.

^Rental yields shown are as reported at December 2019.

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

# PROJECT DEVELOPMENT MAP 1ST HALF 2020\*



Location	Project**	Type	Estimated Value***	Commence Date****
1	St Johns Catholic Primary School	Commercial	\$3,000,000	06/06/2020
2	Central Lane Hotel	Commercial	\$2,500,000	19/05/2020
3	Stockland Gladstone Shopping Centre	Commercial	\$800,000	06/05/2020
4	Gladstone Chiropractic Centre	Commercial	\$600,000	24/01/2020
5	Shell Gladstone Car Park	Commercial	\$200,000	30/06/2020
6	Warne Street Vehicle Storage Yard	Commercial	\$200,000	15/02/2020
Not Mapped	Bruce Highway Roadworks	Infrastructure	\$25,000,000	04/06/2020
8	Philip Street Community Precinct	Infrastructure	\$8,000,000	30/06/2020
Not Mapped	Fitzroy District Western Area Roadworks	Infrastructure	\$6,236,000	21/05/2020
10	Fitzroy District Asphalt Program	Infrastructure	\$4,117,000	23/04/2020
11	Gladstone State Development Area - Stage 1	Infrastructure	\$1,200,000	10/02/2020
12	Auckland Hill Platform	Infrastructure	\$800,000	14/05/2020
13	Gladstone Regional Council Roadworks	Infrastructure	\$406,000	09/03/2020
14	Goondoon Street Roadworks	Infrastructure	\$400,000	07/06/2020
15	North Coast Rail Overbridge	Infrastructure	\$300,000	28/05/2020
16	Auckland Hill	Infrastructure	\$300,000	03/05/2020
17	Allison Street Townhouses- (8 Townhouses)	Residential	\$2,000,000	23/03/2020
18	The Summit At Seaview Heights Subdivision Stage B- (34 Lots)	Residential	\$1,360,000	20/04/2020

## 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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