



# Brighton Market Update

## 2nd Half 2020



### OVERVIEW

In Q2 2020, Brighton\* recorded a median house price of \$380,000, and a median unit price of \$295,000. This represents annual (Q2 2019 – Q2 2020) median price growth of 6.2% for houses and of 9.3% for units. Between Q2 2019 – Q2 2020 total sales slowed, by -25.8% for houses (to 46 sales) and by -44.0% for units (to 14 sales). Softer demand is expected due to COVID-19, however there is also the potential of low stock availability. Positive price growth indicates market resilience amidst COVID-19, thus less competition in the market, now is the time to transact in Brighton\*.

	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 Q2 2020



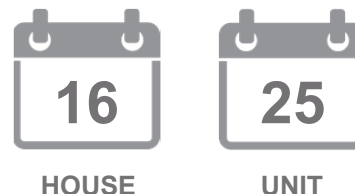
#### SALES AVERAGE DAYS ON MARKET Q2 2020



#### RENTAL MEDIAN PRICE Q2 2020

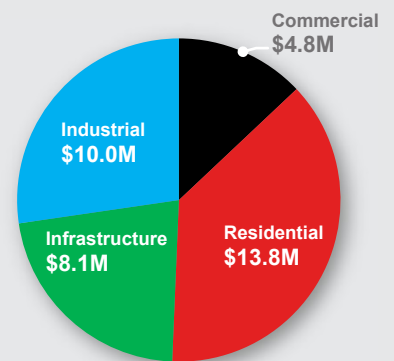


#### RENTAL AVERAGE DAYS ON MARKET Q2 2020



### FUTURE DEVELOPMENTS

Brighton\* is set to see approximately **\$36.6M** worth of new projects commencing in the 2nd half of 2020.



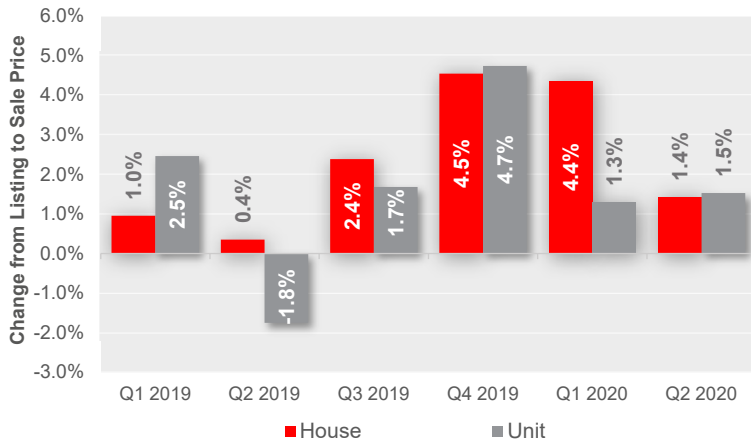
A focus on residential projects in Brighton\* will help ease pressure on a very tight housing market. The construction phase of all projects will create local employment opportunities, which should have positive spill-over for current property owners in Brighton\*.

A main commercial project over the 2nd half of 2020 is the \$3.9M Brighton Hotel Motel, which will see the construction of 13 holiday accommodation units over three stages. Residential projects such as Green Point Road Dwellings (\$3.9M, 23 dwellings) are signs that the local market is finally seeing a response to tight market conditions, which should help begin to ease chronic housing undersupply across the area. Infrastructure projects such as the \$400.0K Green Point Roadworks will ensure amenities are improved for the ongoing benefit of residents.



## 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.



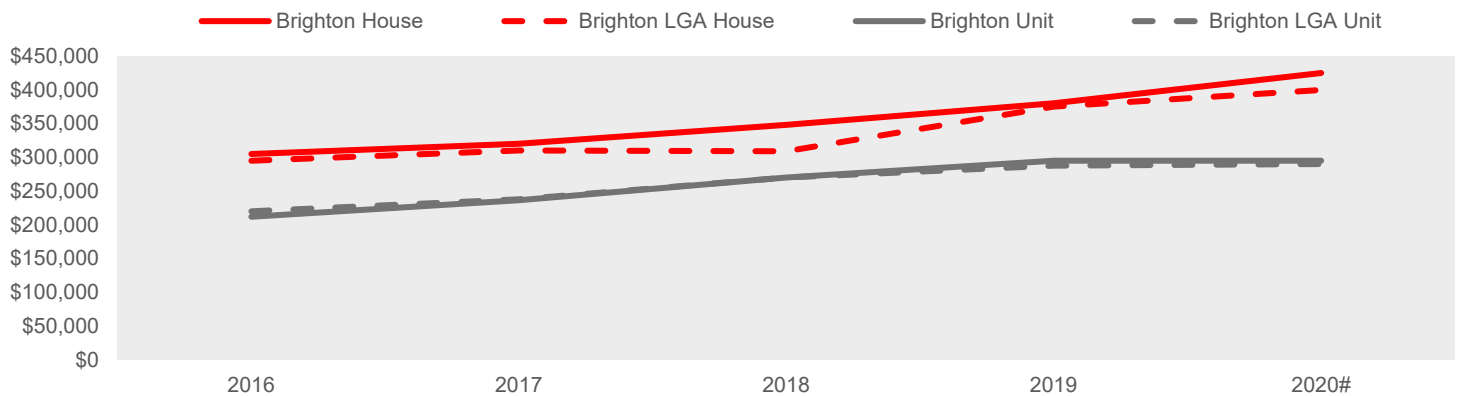
## KEY COMMENTS

Average vendor discounts between Q2 2019 and Q2 2020 have lessened to buyer premiums of 1.4% for houses and swung to a premium of 1.5% for units. Market conditions in Brighton\* have now shifted to favour vendors, as buyers are willing to offer above initial listing prices. Now is the time to sell.

The suburb of Brighton has historically outperformed the wider Brighton Local Government Area (LGA) in its median house price. This continues to be the case in 2020#, while units continue to offer very similar value.

The dominant proportion of homes sold in Brighton\* across 2020^ were in the middle-price bracket of \$400,000-\$500,000 (26.8%) and lowest price bracket of less than \$300,000 (26.8%). Units recorded a dominant lower-mid price point of \$250,000-\$300,000 (52.2%). This shows the variety of affordable stock available in Brighton\* for prospective buyers.

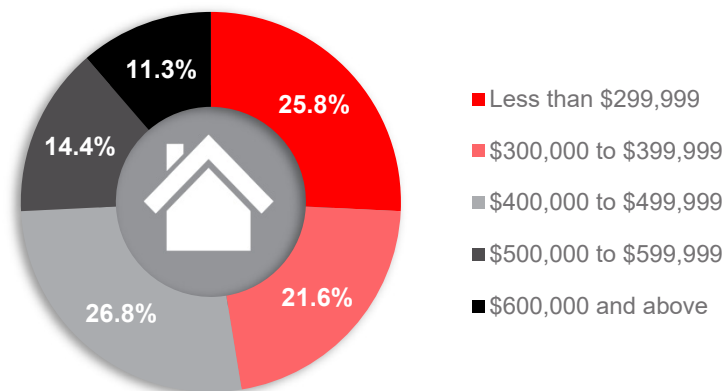
## MARKET COMPARISON



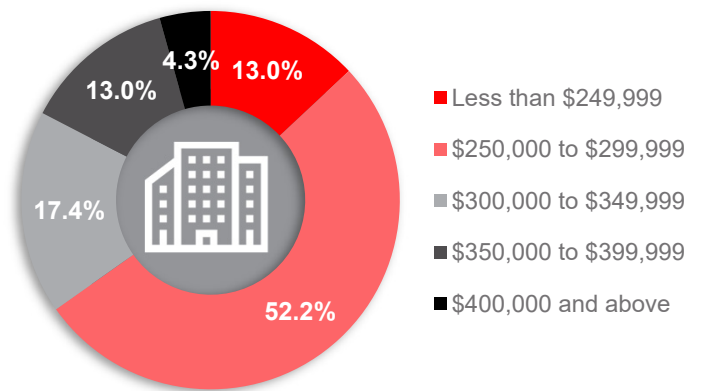
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Brighton.

## PRICE BREAKDOWN 2020^

### HOUSES SOLD



### UNITS SOLD

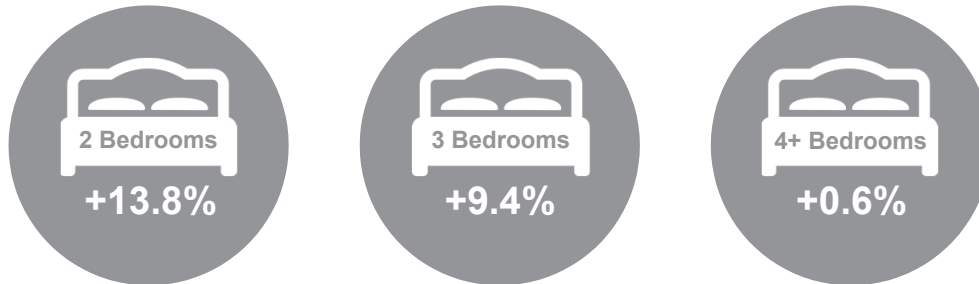


## RENTAL GROWTH 2020€

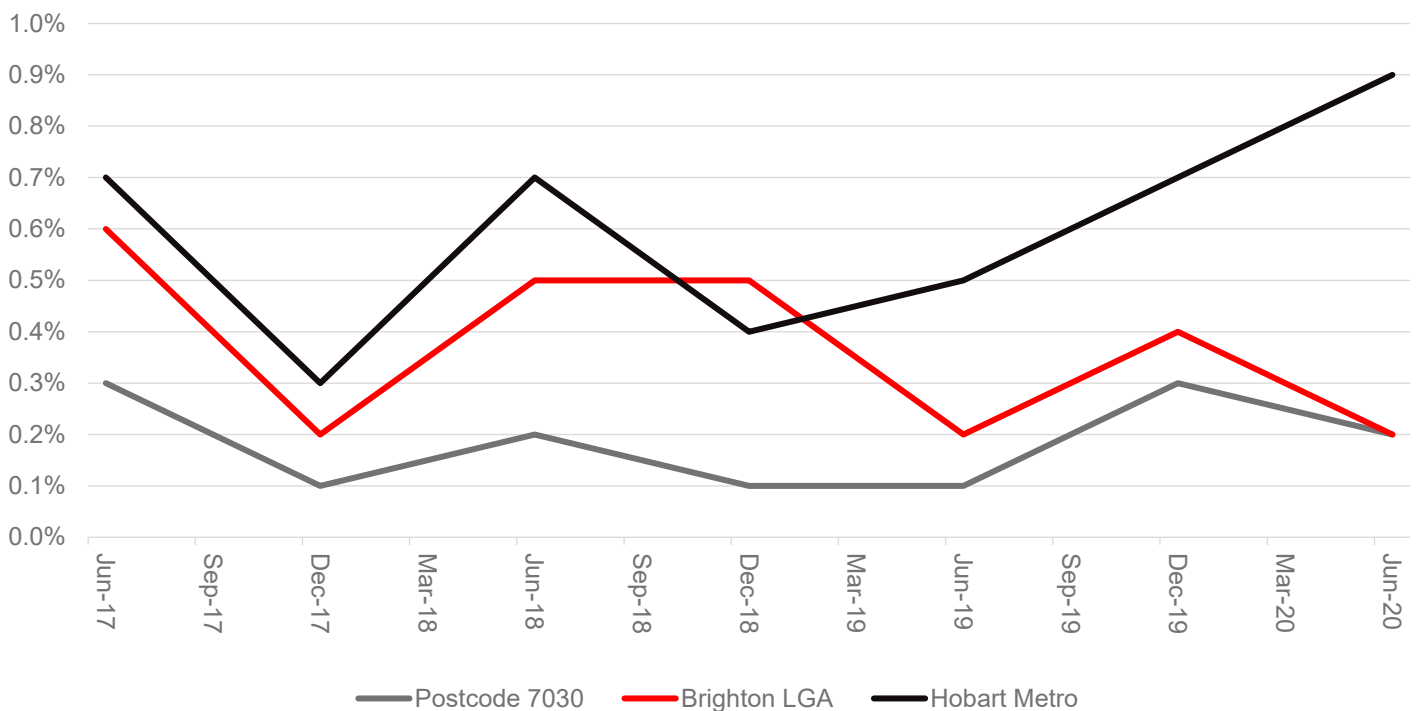
Over the past 12 months, house rental yields in Postcode 7030 have remained steady to sit at 5.6% in June 2020. This suggests the house rental market is in a healthy position, which has been reflected in a steady demand for house rental properties in Brighton\* across the same time period (to 47 rentals in the 12 months to Q2 2020).

2 bedroom houses have provided investors with +13.8% rental growth annually, achieving a median rent of \$350 per week.

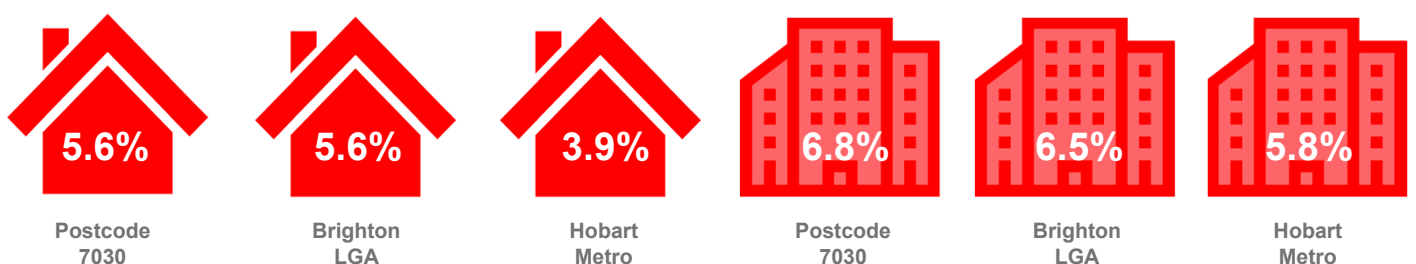
Postcode 7030 recorded an extremely tight vacancy rate of 0.2% in June 2020, which is a very healthy position as it is even lower than Hobart Metro's already low 0.9% average. The vacancy rate in Postcode 7030 has seen a declining trend since December 2019, opposite to COVID-19 rental market predictions. This confirms there is strong rental demand for properties in Brighton\*, and a conducive environment for investors.



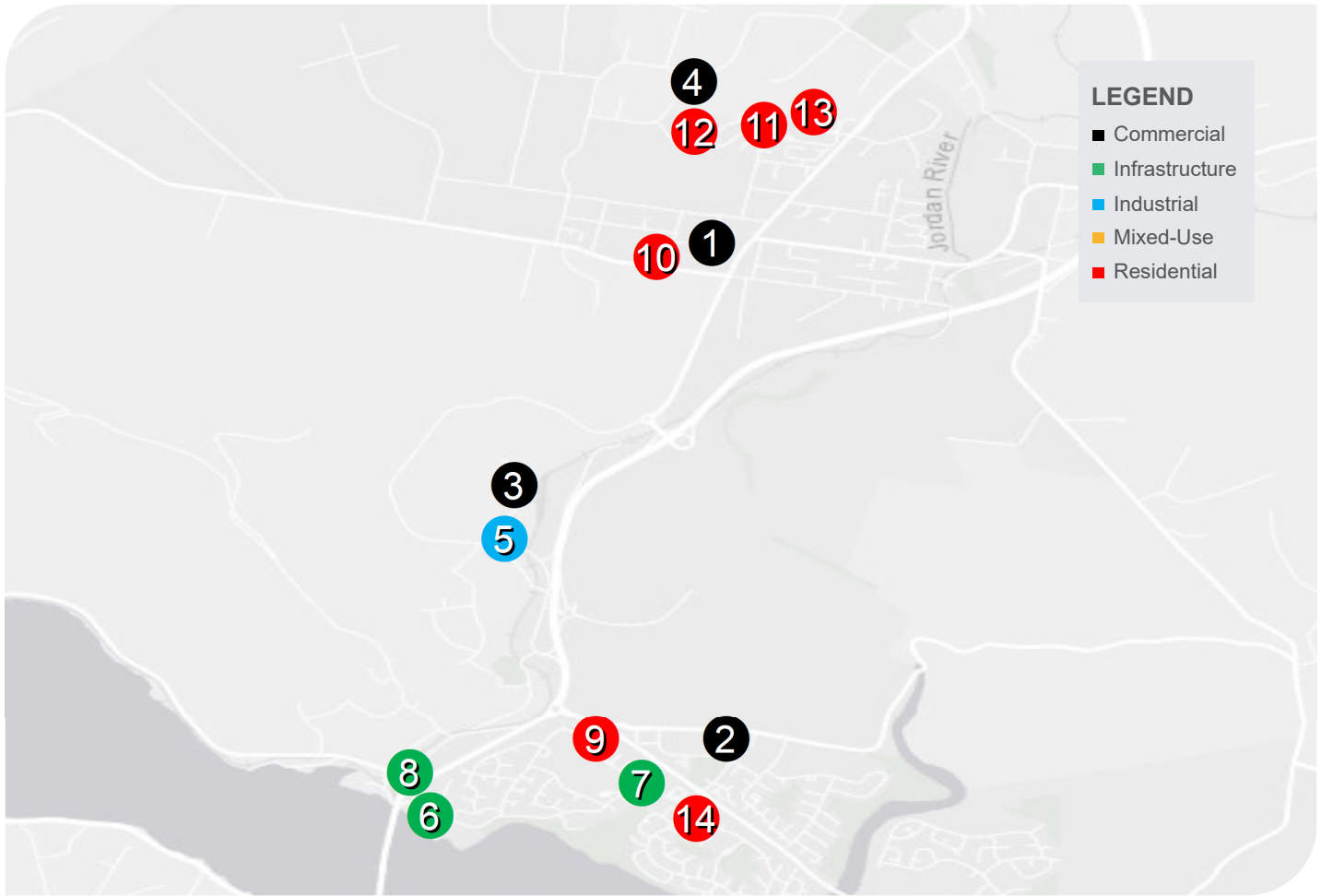
## RENTAL VACANCY RATES 2020



## RENTAL YIELD 2020\$



# PROJECT DEVELOPMENT MAP 2ND HALF 2020<sup>Ⓐ</sup>



Location	Project <sup>Ⓔ</sup>	Type	Estimated Value <sup>Ⓝ</sup>	Commence Date <sup>Ⓞ</sup>
1	Brighton Hotel Motel	Commercial	\$3,900,000	20/07/2020
2	Fresh Freight Brighton Depot	Commercial	\$500,000	18/07/2020
3	Recycal Bridgewater	Commercial	\$200,000	28/07/2020
4	Glen Lea Road Visitor Accommodation	Commercial	\$150,000	27/10/2020
5	Crooked Billet Drive Industrial Development	Industrial	\$10,000,000	18/09/2020
6	Gunn Street & Nielsen Esplanade Dwellings	Infrastructure	\$7,500,000	25/10/2020
7	Green Point Road Roadworks	Infrastructure	\$400,000	14/11/2020
8	Bridgewater Bridge	Infrastructure	\$170,000	01/11/2020
9	Green Point Road Dwellings (23 Dwellings)	Residential	\$6,900,000	28/09/2020
10	Elderslie Road Dwellings (9 Dwellings)	Residential	\$2,700,000	11/08/2020
11	Haskell Road & Brighton Estate Dwellings (5 Dwellings)	Residential	\$1,500,000	21/07/2020
12	Menin Road Units (3 Units)	Residential	\$900,000	16/10/2020
13	Hector Street Units (3 Units)	Residential	\$900,000	20/11/2020
14	Eaton Place Units (3 Units)	Residential	\$900,000	03/07/2020

## 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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# REFERENCES

\* Brighton market data and key indicators encapsulates aggregate property conditions within the Brighton Local Government Area (LGA).

\*\* Estimated values are based on construction value provided by the relevant data authority and does not reflect commercial and/or re-sale value.

# 2020 encapsulates sales transactions for 1H 2020 (01/01/2020 – 30/06/2020) only.

^ 2020 encapsulates sales transactions for 1H 2020 (01/01/2020 – 30/06/2020) only.

€ Annual rental growth is a comparison between 1H 2019 (01/01/2019 – 30/06/2019) and 1H 2020 (01/01/2020 – 30/06/2020) house median rent figures.

¥ Brighton LGA market data encapsulates aggregate property conditions within the Postcodes 7017 and 7030.

§ Rental yields shown are as reported at June 2020.

⌘ 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 Brighton LGA.

μ Estimated value is the value of construction costs provided by relevant data authority, it does not reflect the project's sale/commercial value.

ψ Commencement date quoted for each project is an approximate only, as provided by the relevant data authority, PRD does not hold any liability to the exact date.

Source: APM Pricerfinder, Cordell Connect database, SQM Research, ESRI ARCGIS.

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