



# Whitsundays Market Update 2<sup>nd</sup> Half 2020



## OVERVIEW

Whitsundays\* recorded a median house price of \$462,000 and a median unit price of \$275,000 in Q2 2020. Annual (Q2 2019 – Q2 2020) median price for houses was stable, however units grew by 13.4%. In Q2 2019 - Q2 2020 sales declined, by -27.5% for house (to 29 sales) and by -30.0% for units (to 28 sales). A decline in demand was expected due to COVID-19, but stable price growth for houses and an increase for units indicates a highly resilient market. Now is an ideal time to transact, whilst there is less competition.

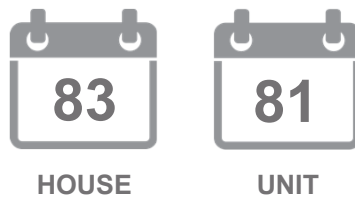
	CHANGE FROM LAST	YEAR	HALF YEAR
	House Sales	↓	↓
	House Median Price	↔	↑
	House Rental Price	↓	↓
	Unit Sales	↓	↓
	Unit Median Price	↑	↓
	Unit Rental Price	↑	↑

## MARKET CONDITIONS

### SALES MEDIAN PRICE Q2 2020



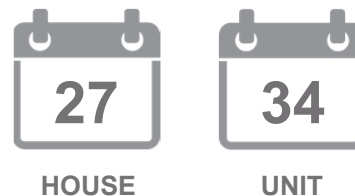
### SALES AVERAGE DAYS ON MARKET Q2 2020



### RENTAL MEDIAN PRICE Q2 2020

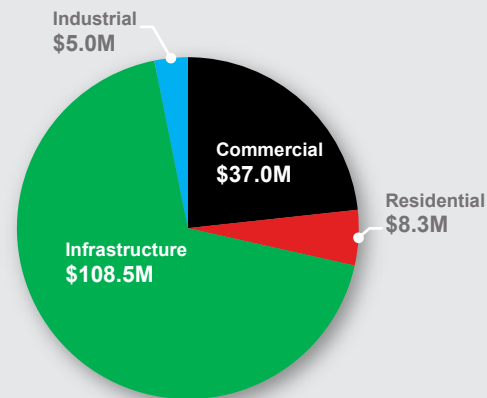


### RENTAL AVERAGE DAYS ON MARKET Q2 2020



## FUTURE DEVELOPMENTS

The Whitsundays\* area is set to see approximately **\$158.7 worth of new projects in the 2<sup>nd</sup> half of 2020.**



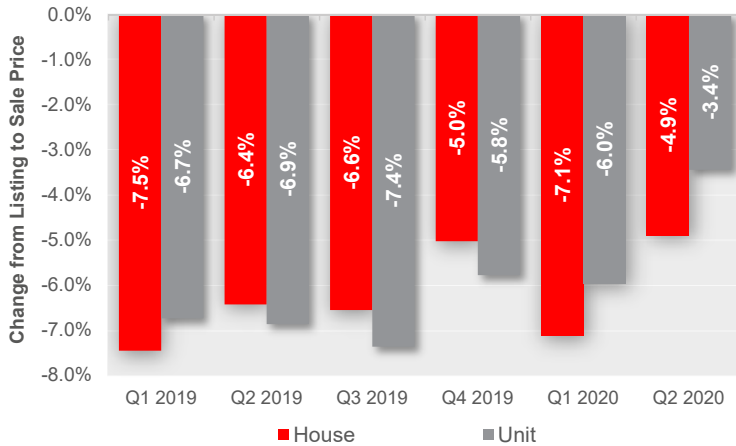
A large focus on infrastructure will improve liveability for residents of Whitsundays\*, as well as stimulate economic growth and increase productivity. The construction of infrastructure projects will create new jobs in the area, which will have positive spill-over impact on the real estate market.

A key infrastructure project for the 2<sup>nd</sup> half of 2020 is the Shute Harbour Marine Facility (\$54.5M). This project will create employment opportunities in Whitsundays\* and spur further economic activity into the area. A total of 73 Lots and 10 dwellings will be constructed in the 2<sup>nd</sup> Half of 2020 in Whitsundays\*. These residential projects include: Macarthur Drive Dual Occupancies (\$5.0M, 10 dwellings), Parker Road Subdivisions (\$2.1M, 46 Lots) and Coyne Road Subdivisions (\$1.2M, 27 Lots).



## 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.



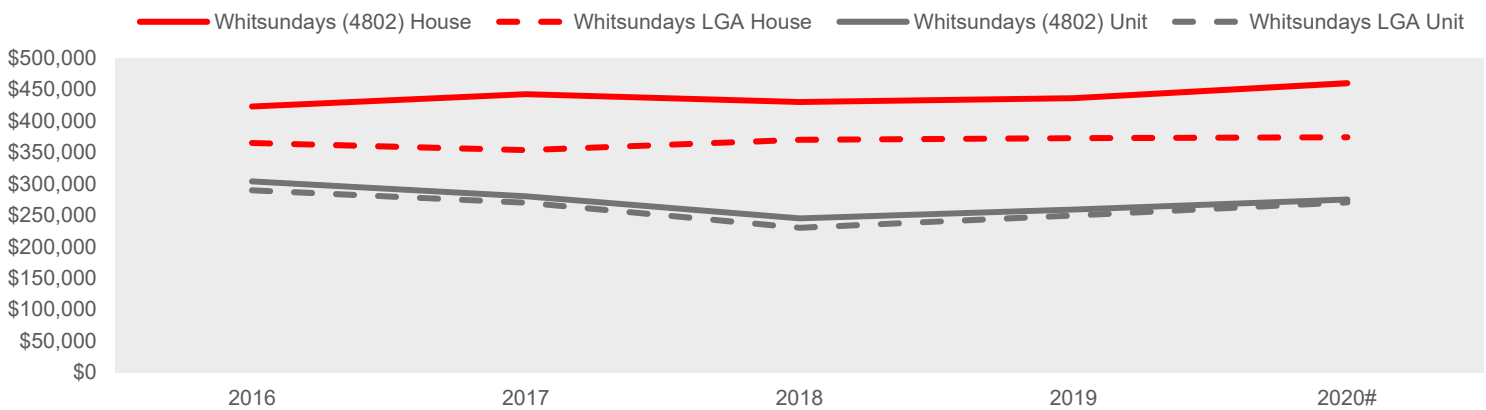
## KEY COMMENTS

Over the 12 months to Q2 2020, average vendor discounting has tightened to -4.9% (houses) and -3.4% (units). Market conditions in Whitsundays\* provide unique opportunities. Sellers can achieve a final sale price closer to their first list price, whilst buyers can still benefit from a discount. Now is the time to transact.

In the past 5 years to 2020#, the suburb of Whitsundays (4802) continues to outperform the Whitsundays Shire Local Government Area (LGA) for median house price. Whitsundays (4802) is a premium market compared to the LGA, with continual expectation for capital growth.

The dominant proportion of houses sold in Whitsundays\* in 2020^ were in the mid-lower price bracket of \$350K to \$449K (30.9%). Units saw high buyer activity within the lowest price segment of less than \$249K (35.2%). There are ample affordable opportunities in the Whitsundays\*, a prime time for first home buyers to enter the market.

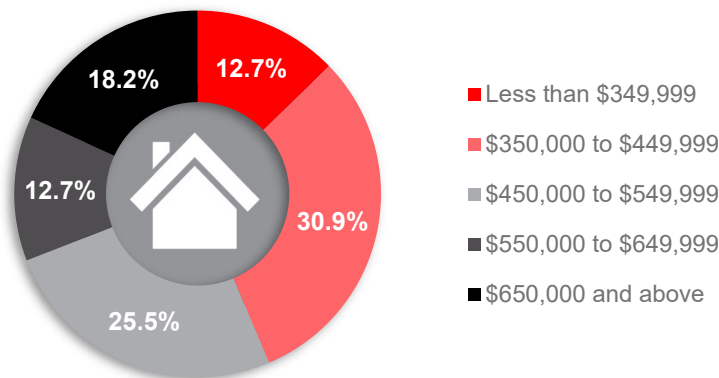
## MARKET COMPARISON



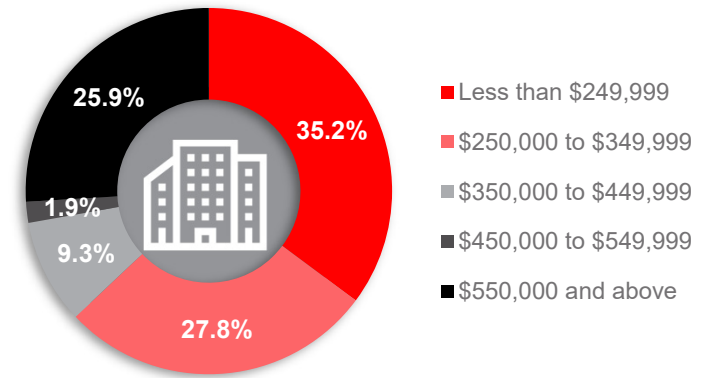
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled is chosen based on their proximity to the main suburb analysed, which is Whitsundays.

## PRICE BREAKDOWN 2020^

### HOUSES SOLD



### UNITS SOLD

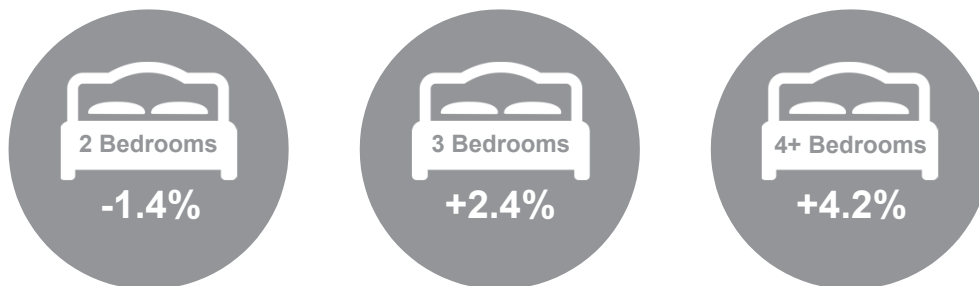


## RENTAL GROWTH 2020€

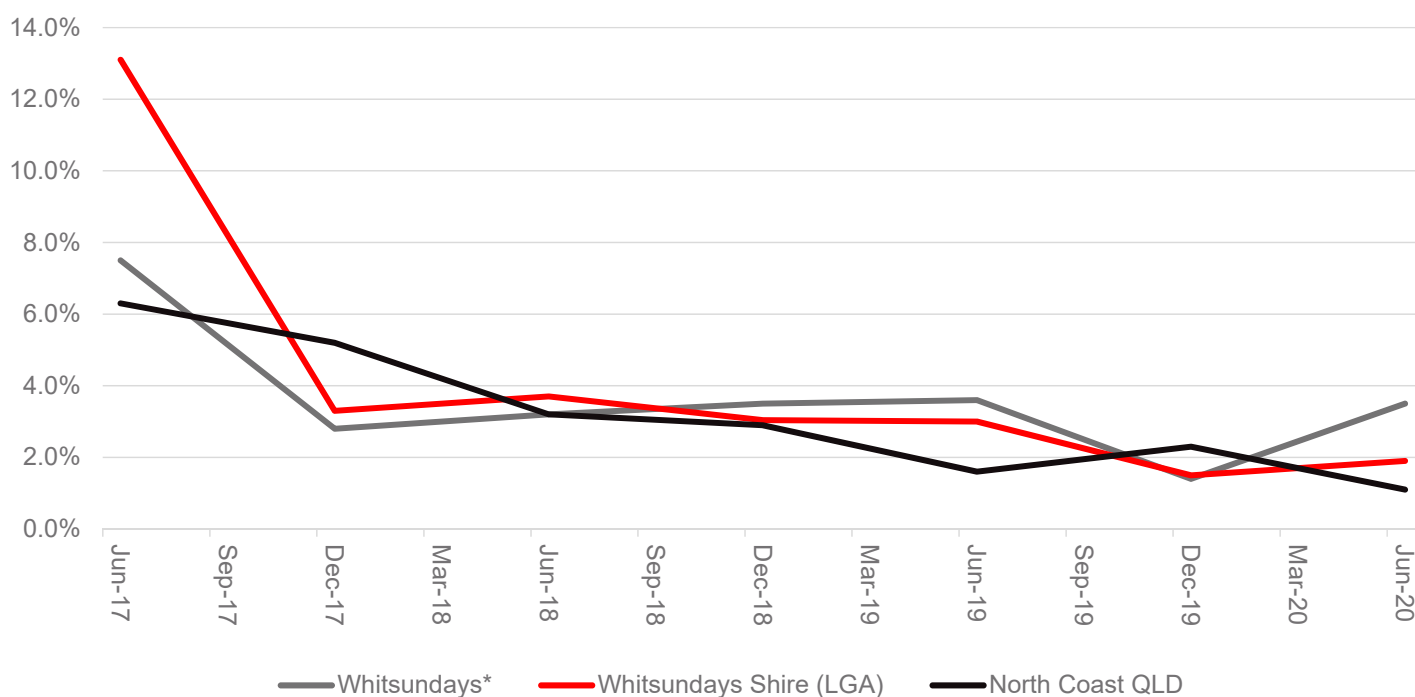
In June 2020, house rental yields in Whitsundays\* was recorded at 5.4%. In the 12 months to Q2 2020 median house rental price softened by -4.3% at \$440 per week, however unit median rental price grew by 3.9% at \$335 per week.

4+ bedroom houses have provided investors with +4.2% rental growth annually, with a median rent of \$500 per week.

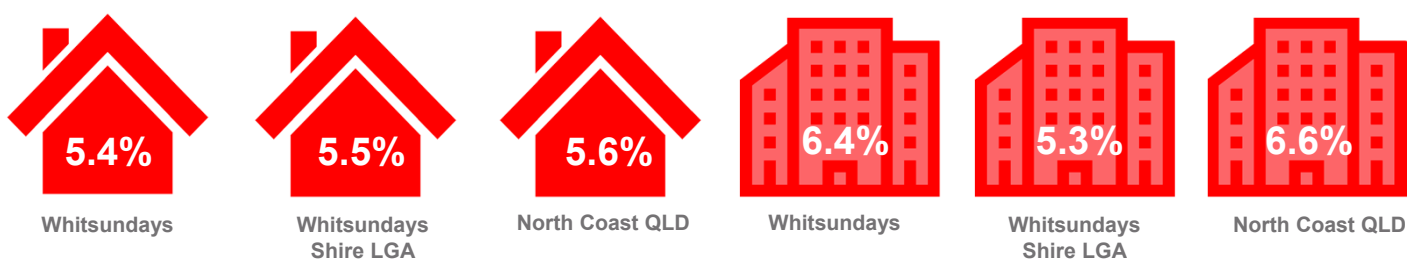
Over the June 2020 Quarter, Whitsundays\* recorded a vacancy rate of 3.5%, above that of Whitsundays Shire LGA (1.9%) and North Coast Region (1.1%). Whitsundays\* vacancy rates in June 2020 were above the REIA healthy bench mark of 3.0% due to COVID-19 conditions and the tourism nature of the area, however they are lower than they were in June 2019 (3.6%). This confirms there is still an overall stable rental demand, further indicated by a decline of -7.6% in average days to let (to 27 days). Investors can continue to be confident of a conducive investment environment in Whitsundays\*.



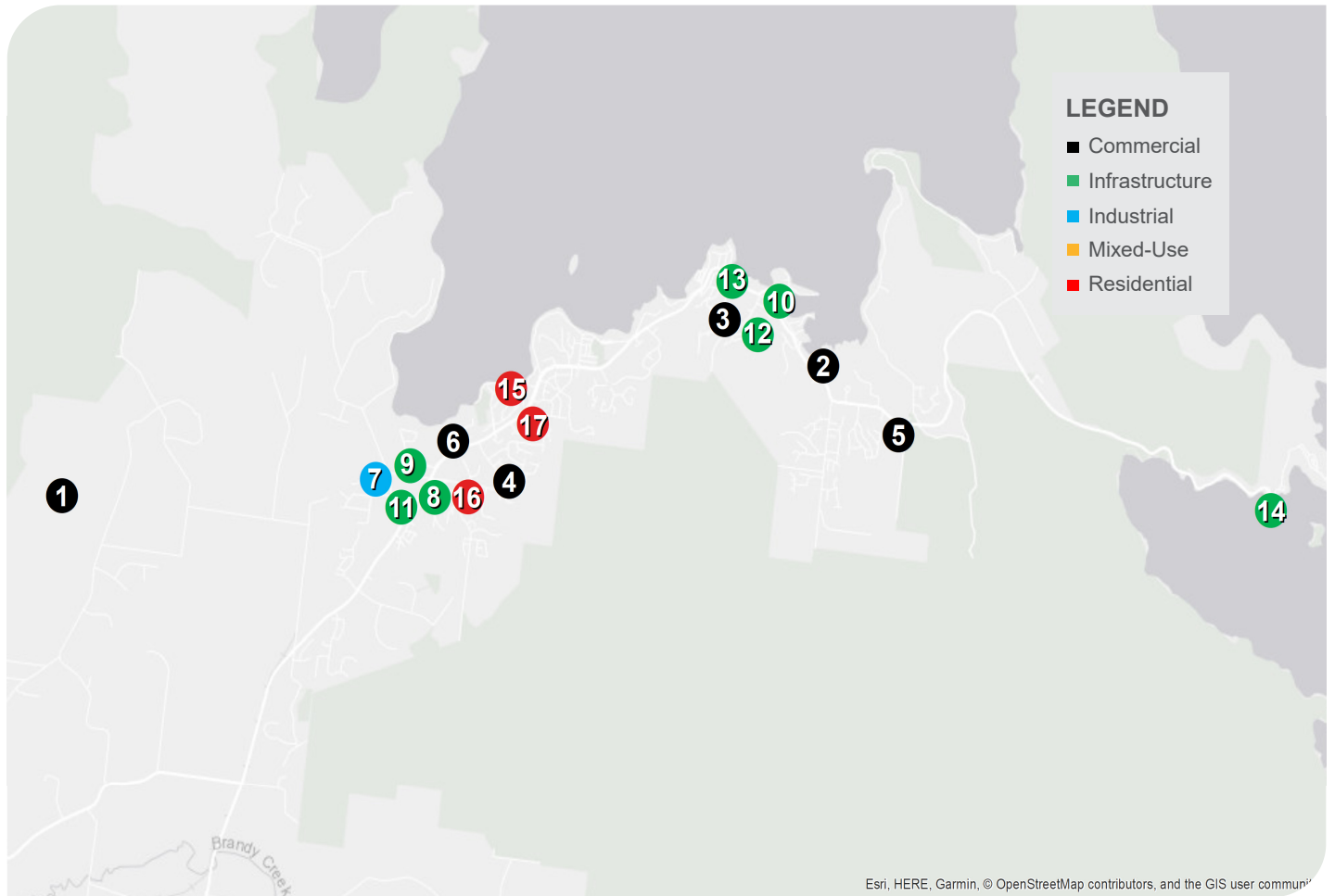
## RENTAL VACANCY RATES 2020



## RENTAL YIELD 2020\$



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



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Location	Project <sup>Ⓔ</sup>	Type	Estimated Value <sup>Ⓜ</sup>	Commence Date <sup>Ⓜ</sup>
1	Accor Ozone Whitsundays Eco-resort	Commercial	\$30,000,000	03/11/2020
2	Whitsunday Sportspark - Stage 3	Commercial	\$4,500,000	11/09/2020
3	Shark Show Apartments	Commercial	\$1,000,000	08/10/2020
4	Valley Drive Aged Care Accommodation	Commercial	\$600,000	14/09/2020
5	Discovery Parks - Airlie Beach	Commercial	\$600,000	04/11/2020
6	William Murray Drive Food & Drink Outlet	Commercial	\$250,000	25/11/2020
7	Ergon Whitsunday Depot	Industrial	\$5,000,000	18/09/2020
8	Shute Harbour Marine Facility Commercial Opportunity	Infrastructure	\$54,500,000	26/10/2020
9	Shute Harbour Redevelopment Project	Infrastructure	\$38,058,000	22/07/2020
10	Reefworld Pontoon Hardy Reef	Infrastructure	\$8,000,000	03/11/2020
11	Whitsunday Coast Depot	Infrastructure	\$4,500,000	12/11/2020
12	Drfa Whitsunday Regional Council Roadworks Packages R2 & S2	Infrastructure	\$2,000,000	25/12/2020
13	Whitsunday Island Craig Trail	Infrastructure	\$1,000,000	20/10/2020
14	Shute Harbour	Infrastructure	\$400,000	18/11/2020
15	Macarthur Drive Dual Occupancies- (10 Dwellings)	Residential	\$5,000,000	17/11/2020
16	Parker Road Residential Subdivision- (46 Lots)	Residential	\$2,100,000	26/10/2020
17	Coyne Road Residential Subdivision- (27 Lots)	Residential	\$1,200,000	02/09/2020

## 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

\* Whitsundays market data and key indicators encapsulates aggregate property conditions within the postcode 4802.

\*\* 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.

¥ Whitsundays market data encapsulates aggregate property conditions within the postcode of 4802.

§ 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 postcode of 4802.

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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