



Tannum Sands Market Update

2nd Half 2021



OVERVIEW

In Q3 2021, Tannum Sands* recorded a median house price of \$403,000, and a median unit price of \$210,000. This represents annual (Q3 2020 – Q3 2021) median price growth of 15.3% for house, but a softening of -3.4% for units. Between Q3 2020 – Q3 2021 total sales increased, by 23.6% for houses (to 68 sales) and by 66.7% for units (to 10 sales). Current market conditions indicate real returns in capital investment and high demand for houses, as median price growth is alongside increased sales volumes. First home buyers can now benefit from a more affordable unit market.

	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 Q3 2021



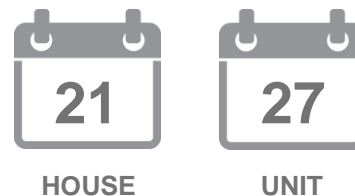
SALES AVERAGE DAYS ON MARKET Q3 2021



RENTAL MEDIAN PRICE Q3 2021

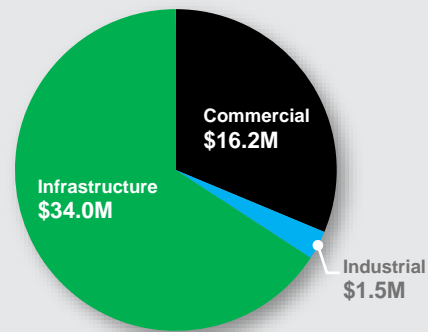


RENTAL AVERAGE DAYS ON MARKET Q3 2021



FUTURE DEVELOPMENTS

Tannum Sands* area is set to see approximately **\$51.6M** worth of new projects commencing in the 2nd half of 2021.



A focused approach on infrastructure projects signals improved services and liveability for residents. These projects will also create local jobs during the construction phase, which will stimulate the economy. That said an absence of residential projects is a concern, due to the high volume of house sales in the past 12 months. Supply will not match demand, and may result in first home buyers being priced out in the property market. On the flip-side home-owners can be assured of continued capital growth and asset value.

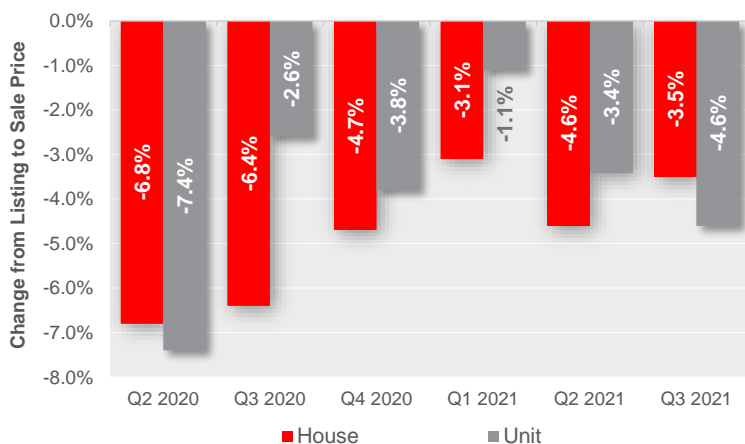
A major infrastructure project in 2nd half 2021 is the Gladstone Regional Council Roadworks (\$20.0M). Another infrastructure project is the Calliope State High School (\$7.5M). This project will design & construct a new high school stage 2 at Calliope State High School.

Key commercial projects include: South Gladstone Gardens (\$10.0M), Rockhampton Gardens (\$5.0M), and Gladstone Reef Hotel (\$650K). These creates new jobs, which will stimulate the economy.

An undersupply of housing opens unique opportunities for the local government to unlock land supply, to provide ready-to-build, and for developers to create new ready-to-sell stand-alone housing stock.

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.

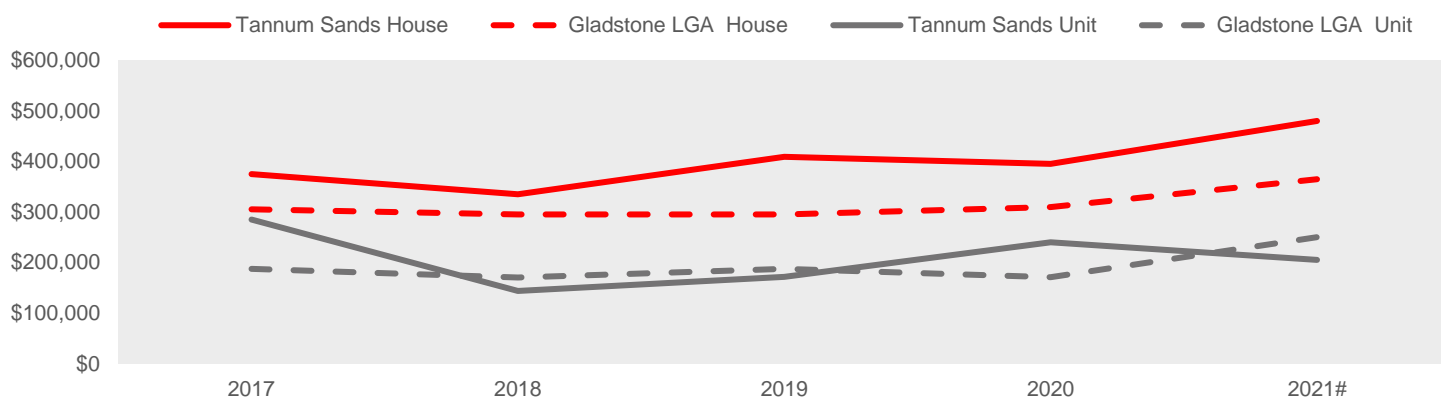


Average vendor discounts between Q3 2020 and Q3 2021 have tightened for houses to -3.5% for house, but widened for units to -4.6%. Market conditions in Tannum Sands* is uniquely split. House buyers must now be willing to offer closer to the first list price to secure their dream house. On the other hand unit buyers now have more room to negotiate, benefitting from a discount.

The suburb of Tannum Sands has continued to present a premium house market in comparison to Gladstone Local Government Area (LGA). Units have now become more affordable, providing an excellent opportunity for first home buyers.

The dominant proportion of homes sold in Tannum Sands* across 2021^ were in the middle price segment of \$350K to \$449K (31.6%). Units recorded high activity in the lower price segment of \$150K to \$249K (50.0%). There is a relatively large percentage of sales within the affordable price brackets, which is good news for buyers.

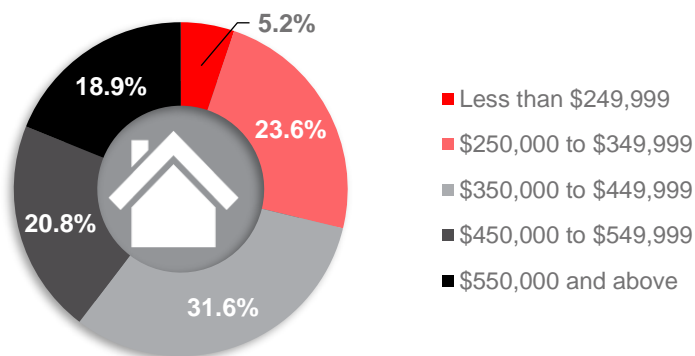
MEDIAN HOUSE PRICE COMPARISON



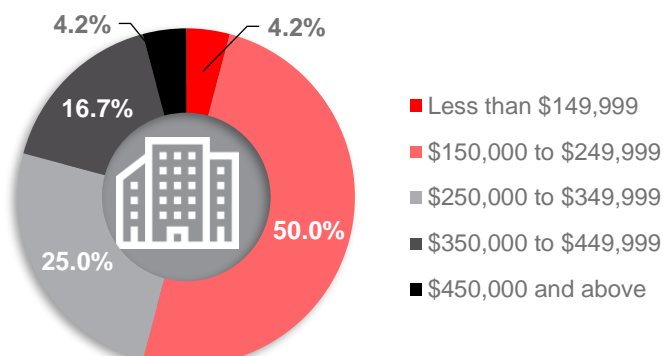
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Tannum Sands.

PRICE BREAKDOWN 2021^

HOUSES SOLD



UNITS SOLD



RENTAL GROWTH 2021€

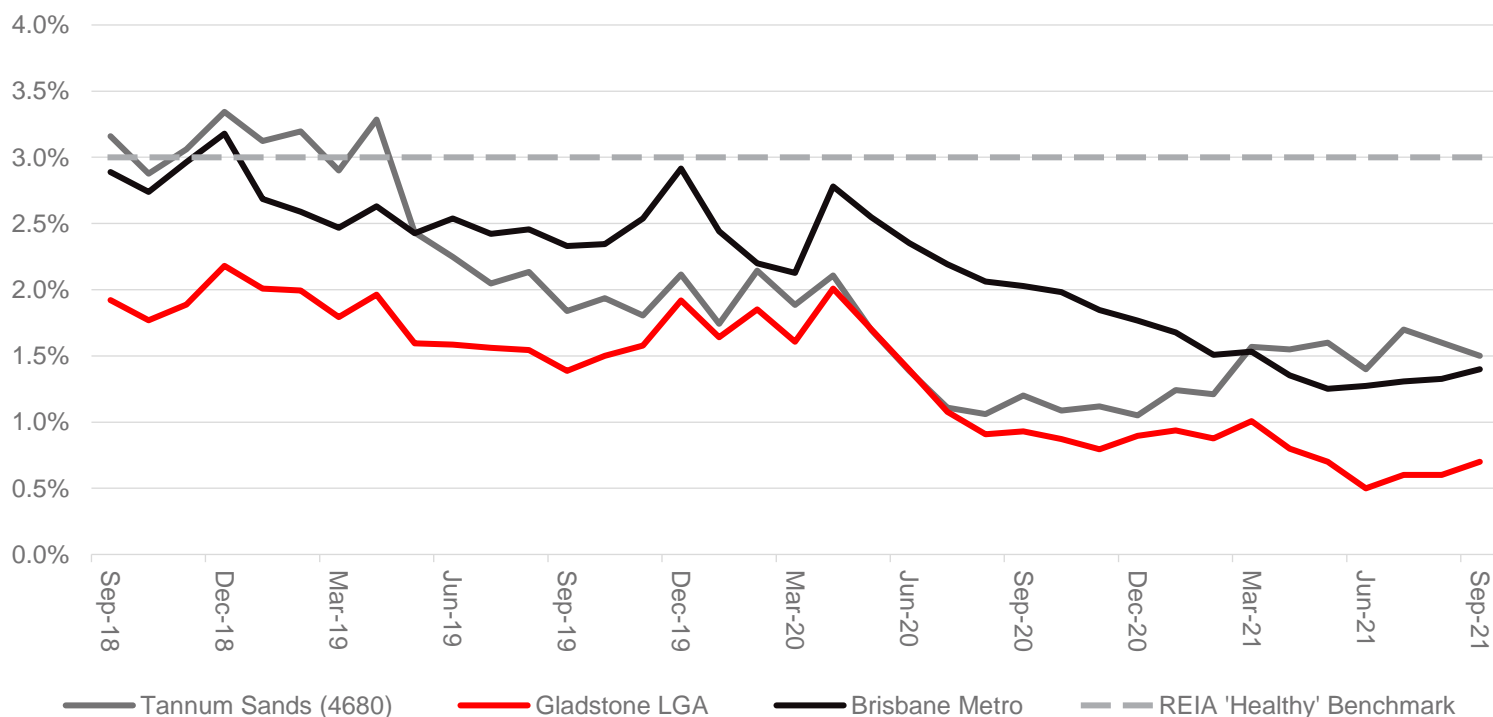
In September 2021, house rental yields in Tannum Sands* were recorded at an attractive 5.1%. In the 12 months to Q3 2021 the median house rental price increased by 10.9% to reach \$388 per week, further complemented with low average days on the market (21 days). There is a healthy rental market in Tannum Sands*, with investors benefitting from a highly demanded market.

2 bedroom houses have provided investors with +42.2% rental growth annually€, with a median rent of \$320 per week.

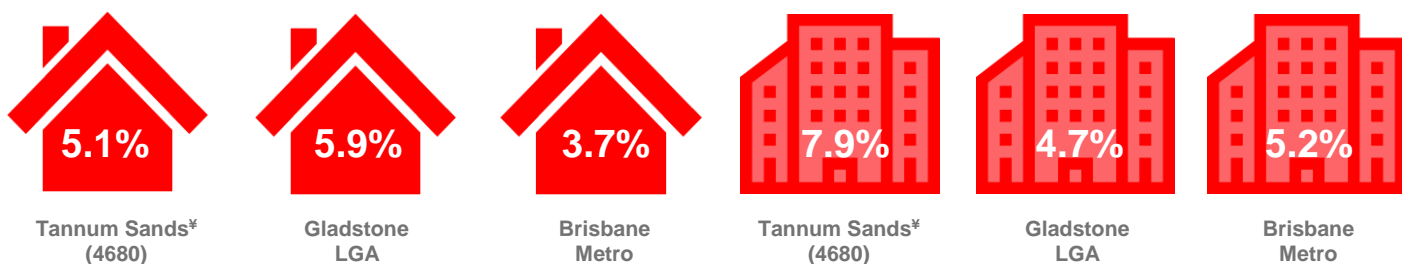
Also in September 2021, Tannum Sands* recorded a low vacancy rate of 1.5%. Vacancy rates in Tannum Sands* remain well below the Real Estate Institute of Australia's healthy benchmark of 3.0%, even amidst COVID-19 recovery conditions. There is an increasingly higher rental demand and investors can be confident of a conducive investment environment in Tannum Sands*.



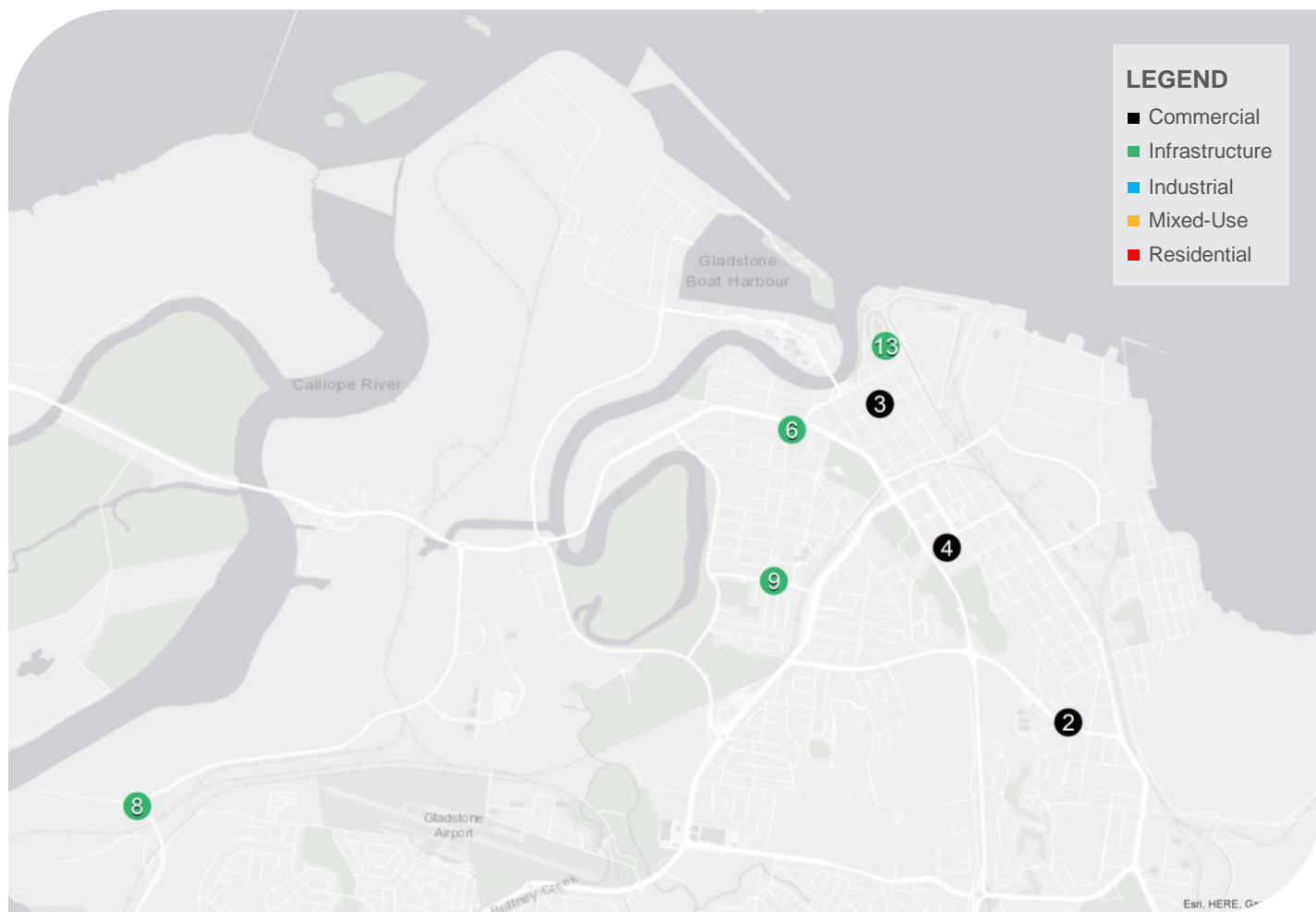
RENTAL VACANCY RATES 2021



RENTAL YIELD 2021\$



TOP DEVELOPMENTS MAP 2nd HALF 2021[Ⓐ]



Location	Project [£]	Type	Estimated Value [Ⓜ]	Commence Date [Ⓜ]
Not Mapped	South Gladstone Gardens	Commercial	\$10,000,000	05/10/2021
2	Rockhampton Gardens	Commercial	\$5,000,000	07/10/2021
3	Gladstone Reef Hotel	Commercial	\$650,000	22/07/2021
4	Gladstone Bowls Club	Commercial	\$500,000	10/09/2021
Not Mapped	Pioneer Drive Industrial Units	Industrial	\$1,500,000	09/07/2021
6	Gladstone Regional Council Roadworks	Infrastructure	\$20,000,000	06/10/2021
Not Mapped	Calliope State High School	Infrastructure	\$7,500,000	29/11/2021
8	Clinton Industrial Estate	Infrastructure	\$2,500,000	30/10/2021
9	Gladstone Hospital	Infrastructure	\$1,250,000	14/12/2021
Not Mapped	Auckland Hill Platform	Infrastructure	\$1,000,000	14/07/2021
Not Mapped	Near North Coast Line Bridges Works	Infrastructure	\$950,000	05/07/2021
Not Mapped	Matthew Flinders Marina Bridge	Infrastructure	\$465,000	20/08/2021
13	Endeavour Street Telecommunications Facility	Infrastructure	\$300,000	11/08/2021

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

*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.

2021 encapsulates sales transactions for 2021 (01/01/2021 – 30/09/2021) only.

^ 2021 encapsulates sales transactions for 2021 (01/01/2021 – 30/09/2021) only.

€ Annual rental growth is a comparison between 2020 (01/01/2020 – 30/09/2020) and 2021 (01/01/2021 – 30/09/2021) house median rent figures.

¥ Tannum Sands market data encapsulates aggregate property conditions within Tannum Sands (4680).

§ Rental yields shown are as reported as of September 2021.

⌘ 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 post code of 4680.

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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