



Broome Market Update 1st Half 2022



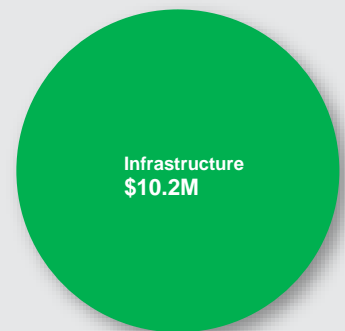
OVERVIEW

In Q4 2021, Broome*, which for this report represents the suburbs of Broome, Cable Beach, Bilingurr, and Djugun, had a median house price of \$649,000, and a median unit price of \$348,500. This represents annual (Q4 2020 – Q4 2021) median price growth of 17.5% for houses and 30.5% for units. Between Q4 2020 – Q4 2021 total sales increased, by 5.1% for houses (to 123 sales) and by 76.2% for units (to 74 sales). This suggests a real return in investment, as median price growth is alongside higher sale numbers. The Broome* market is undervalued, now is an ideal time for owner-occupiers to transact.

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

FUTURE DEVELOPMENTS

Broome* is set to see approximately **\$10.2M worth of new projects commencing in the 1st half of 2022.**



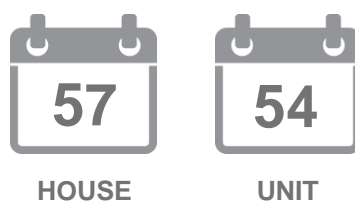
A focus on infrastructure projects will create employment opportunities in the short term and improve liveability for residents. This could lead to higher demand for housing, as the area becomes more attractive to live in.

MARKET CONDITIONS

SALES MEDIAN PRICE H2 2021



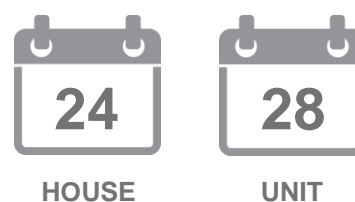
SALES AVERAGE DAYS ON MARKET H2 2021



RENTAL MEDIAN PRICE H2 2021



RENTAL AVERAGE DAYS ON MARKET H2 2021



A key infrastructure in Broome* in the 1st half of 2022 is Broome Surf Life Saving Club (\$3.0M). This project will demolish the existing Broome Surf Life Saving Club and construct a new Clubhouse to include: community training area and meeting rooms, bar areas, veranda, amenities, and open-air areas. Includes an upgrade of the pedestrian access bridge that service the club and provides public access to Cable Beach.

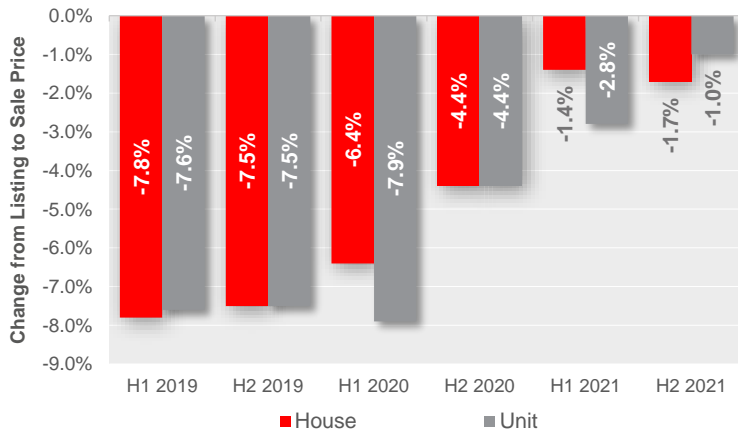
Other infrastructure projects include: Nipper Roe Sports Field (\$1.5M), Broome Regional Prison (\$2.7M), and Broome Road Industrial Park – Service Station and Truck Stop Development (\$1.5M).

The suburb of Djugun is set to see a new release of 20 lots in the area. This will allow for those looking to build the opportunity to do so, and if a first home buyer they can access multiple Government grants.

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.

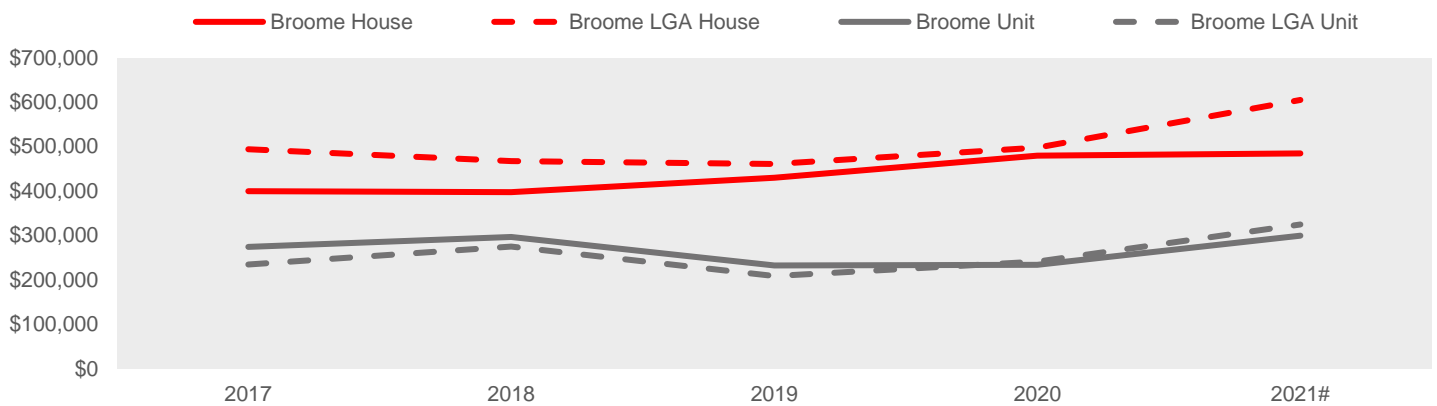
Average vendor discounts between Q4 2020 and Q4 2021 have tightened for both property types, to -1.7% for houses and -1.0% for units, the tightest discounts reported in the past 3yrs. Market conditions in Broome* have now shifted to favour sellers, where buyers are willing to offer close to the initial listing price.



The suburb of Broome has historically provided a more affordable option to the Broome Local Government Area (LGA) for houses, and on par for unit median prices. This continues to be the case in 2021#, with the suburb and LGA recording a wider gap in house price.

The dominant proportion of homes sold in Broome* across 2021^ were in the middle price bracket of \$550-\$650K (25.4%). Units also recorded a dominant middle price point of \$400-\$500K (26.4%). 2021^ indicated a growing house premium market, but also a relatively balanced sale price point across both markets. This is good news for buyers with different budgets.

MARKET COMPARISON

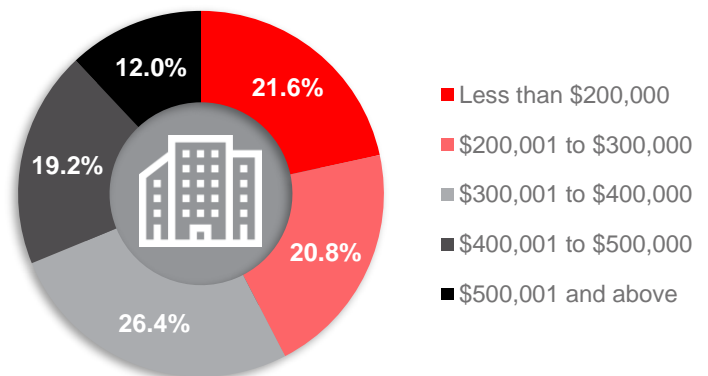
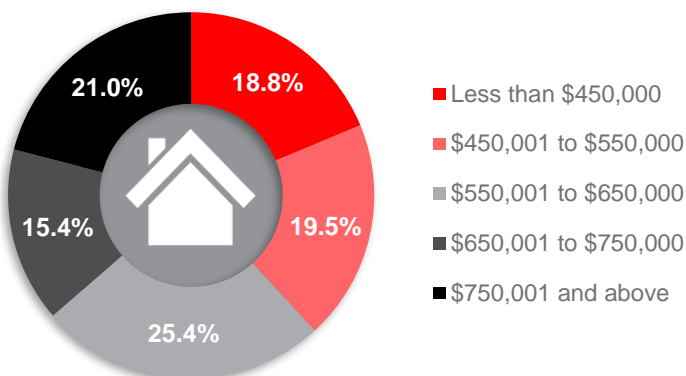


The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Broome.

PRICE BREAKDOWN 2021^

HOUSES SOLD

UNITS SOLD



RENTAL GROWTH 2021€

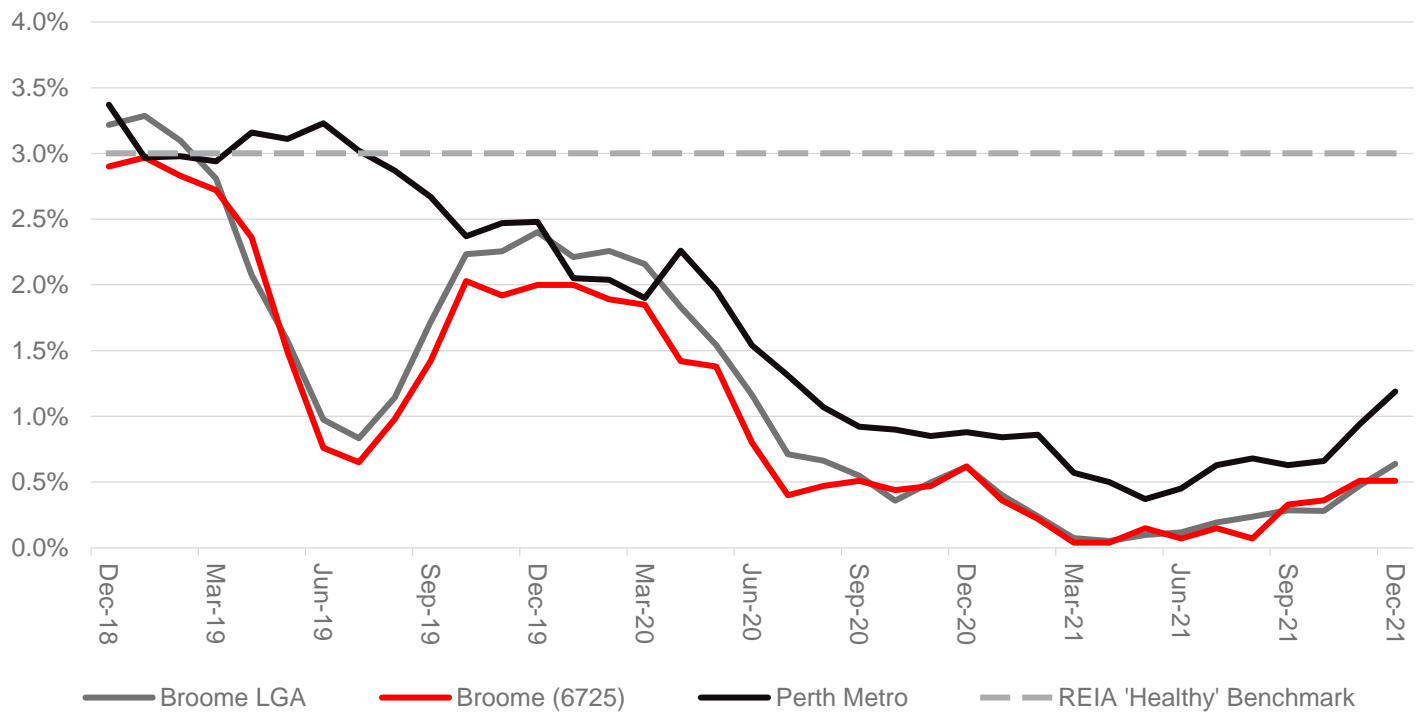
In December 2021, house rental yields in Broome[€] were recorded at 6.6%. Rental yields in Broome[€] have increased as in the 12 months to Q4 2021 median house rental price increased by 23.1%, which is higher than median house sale price growth (17.5%). Median house rental price in Q4 2021 was \$720 per week, while average days on the market trended at a low 24 days. Overall this represents a resilient rental market throughout COVID-19.

4+ bedroom houses have provided investors with +35.7% rental growth annually[€], with a median rent of \$950 per week.

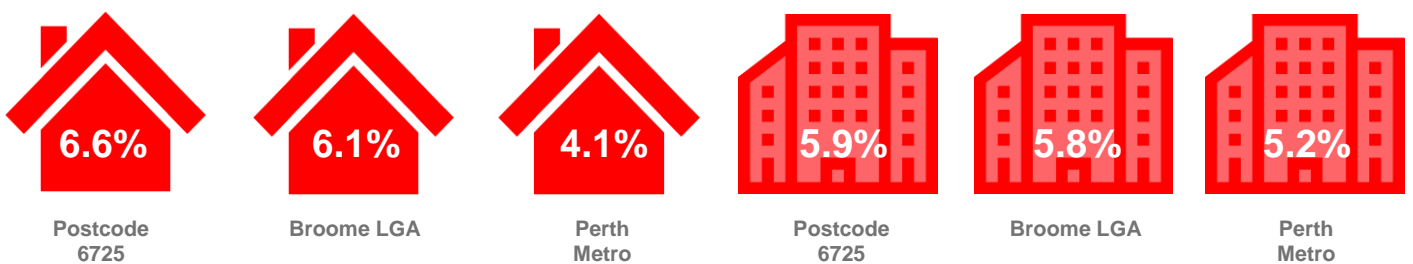
Also in December 2021, Broome[€] recorded a vacancy rate of 0.5%, below that of Broome LGA (0.6%) and Perth Metro (1.2%). Vacancy rates in Broome[€] remain well below the Real Estate Institute of Australia's healthy benchmark of 3.0% and have trended within 0.5% in the past 18 months, even amidst COVID-19 conditions. This confirms there is still a healthy rental demand and investors can be confident of a conducive investment environment in Broome[€].



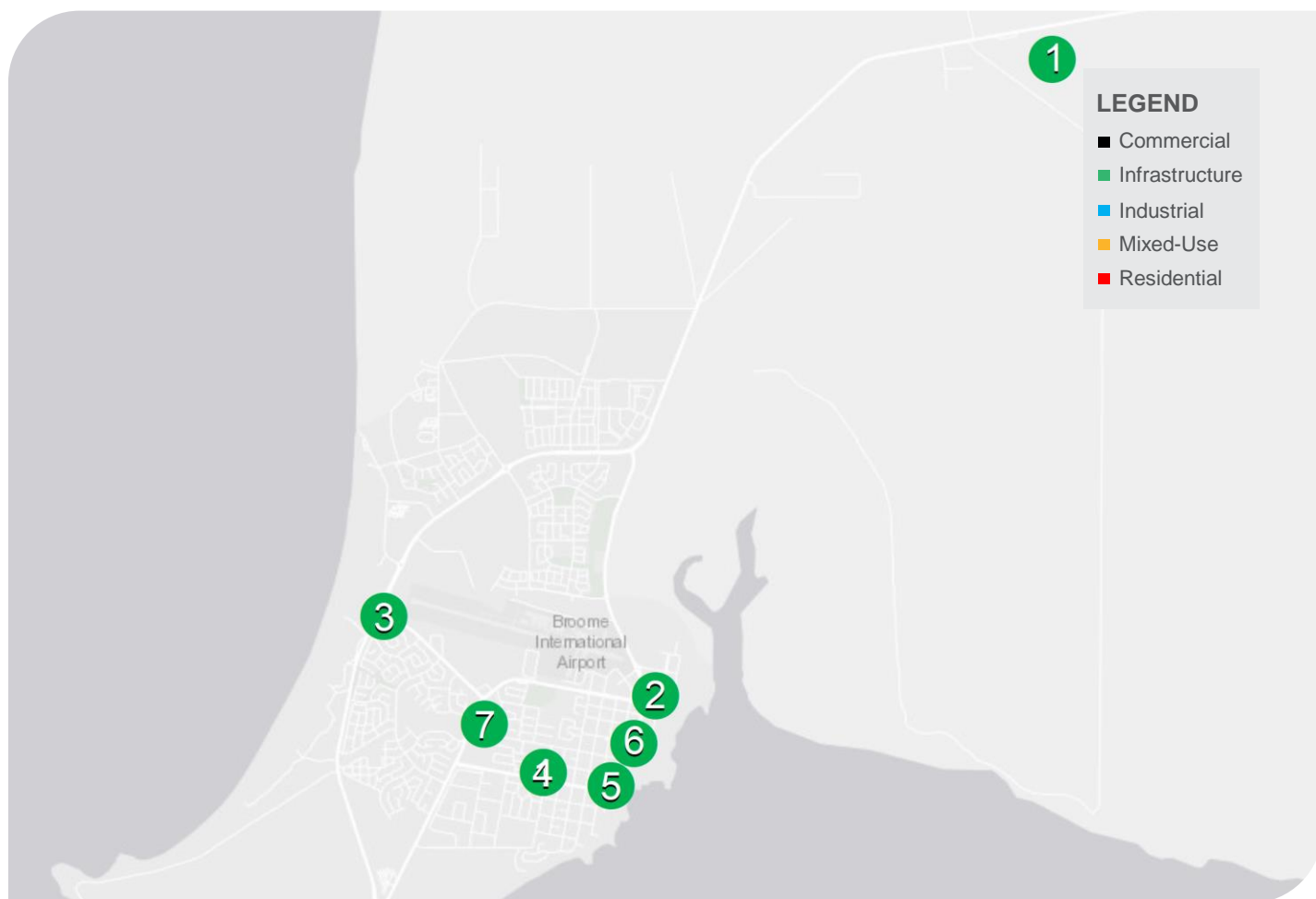
RENTAL VACANCY RATES 2021



RENTAL YIELD 2021§



TOP DEVELOPMENTS MAP 1st HALF 2022[†]



Location	Project [£]	Type	Estimated Value [†]	Commence Date [†]
1	Broome Surf Life Saving Club	Infrastructure	\$3,000,000	07/02/2022
2	Broome Regional Prison	Infrastructure	\$2,700,000	31/07/2022
3	Nipper Roe Sports Field	Infrastructure	\$1,557,000	15/01/2022
4	Broome Road Industrial Park - Service Station & Truck Stop Development	Infrastructure	\$1,500,000	09/11/2021
5	Conti Foreshore Shared Path Stage 2	Infrastructure	\$600,000	06/02/2022
6	Youth Justice Services Broome Office	Infrastructure	\$400,000	13/09/2022
7	Broome Cemetery Perimeter Fence	Infrastructure	\$400,000	15/04/2022

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

* Broome market data and key indicators encapsulates aggregate property market conditions within the suburbs of Broome, Djugun, Bilingurr, and Cable 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 – 31/12/2021) only.

^ 2021 encapsulates sales transactions for 2021 (01/01/2021 – 31/12/2021) only.

€ Annual rental growth is a comparison between 2020 (01/01/2020 – 31/12/2020) and 2021 (01/01/2021 – 31/12/2021) house median rent figures.

¥ Broome market data encapsulates aggregate property conditions within the postcode of 6725 and 6726.

§ Rental yields shown are as reported as of June 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 suburbs of Broome, Djugun, Bilingurr, and Cable Beach.

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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