



Tannum Sands Market Update

2nd Half 2022



OVERVIEW

In Q3 2022, Tannum Sands* recorded a median house price of \$455,000, and a median unit price of \$437,500. This represents annual (Q3 2021 – Q3 2022) median price growth of 11.0% for houses and 98.9% for units. That said, on a quarter by quarter basis (Q2 2022 – Q3 2022), median price grew by a lower rate, of 4.6% (houses) and 13.6% (units). This reflects interest rate hikes now translating into the market. Total sales decreased annually and quarterly, with Q3 2022 recording the lowest number (50 house sales and 10 unit sales). This suggests there is still an undersupply, but at the same time cautious buyers.

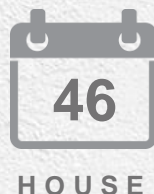
| | CHANGE FROM LAST | YEAR | HALF YEAR |
|---|------------------|------|-----------|
|  House Sales | | ↓ | ↓ |
| House Median Price | | ↑ | ↑ |
| House Rental Price | | ↑ | ↑ |
|  Unit Sales | | ↓ | ↔ |
| Unit Median Price | | ↑ | ↑ |
| Unit Rental Price | | ↓ | ↔ |

MARKET CONDITIONS

SALES MEDIAN PRICE
Q3 2022



SALES AVERAGE DAYS ON
MARKET Q3 2022



RENTAL MEDIAN PRICE
Q3 2022

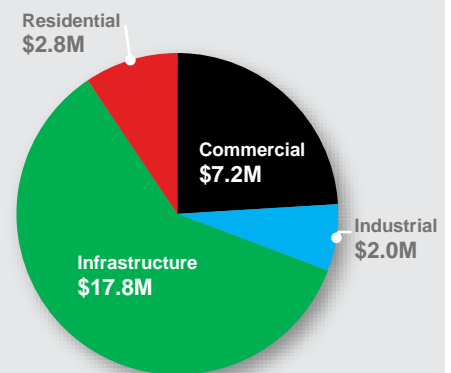


RENTAL AVERAGE DAYS ON
MARKET Q3 2022



FUTURE DEVELOPMENTS

Tannum Sands is set to see approximately **\$29.8M** worth of new projects commencing in the 2nd half of 2022.



A focus on infrastructure projects will stimulate economic growth, by creating many jobs in the construction phase and improving liveability after. This will have a spill-over impact on the real estate market, in the form of potentially higher demand for housing stock.

A main commercial project over the 2nd half of 2022 is the Hydrogen Park Gladstone (\$4.2M). This will introduce a new emission free energy source to be mixed in with Tannum Sand's energy supply.

Auckland Hill (\$10.0M) is the main infrastructure project. This features a modern viewing look-out, better facilities, and increasing accessible walkways available.

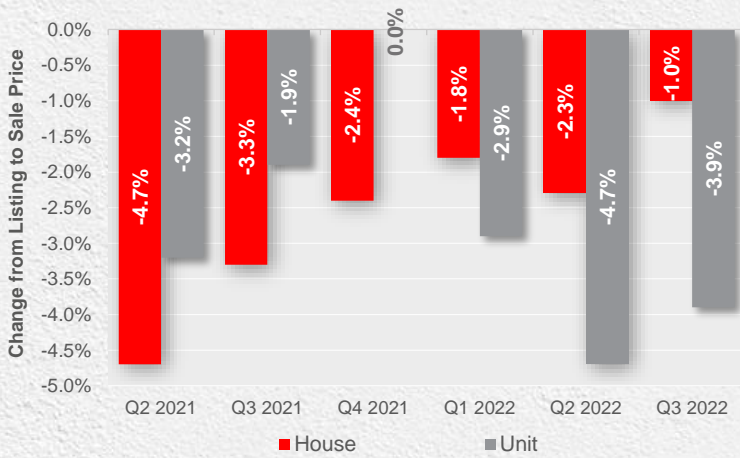
Awoonga Country Estate (27 lots) and Brookview Estate (26 lots) are the main residential projects for the 2nd half of 2022. At present, due to cash rate hikes, this allows for the available stock to be absorbed. But this is not sustainable in the future and may result in higher prices.



63 Lots

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.

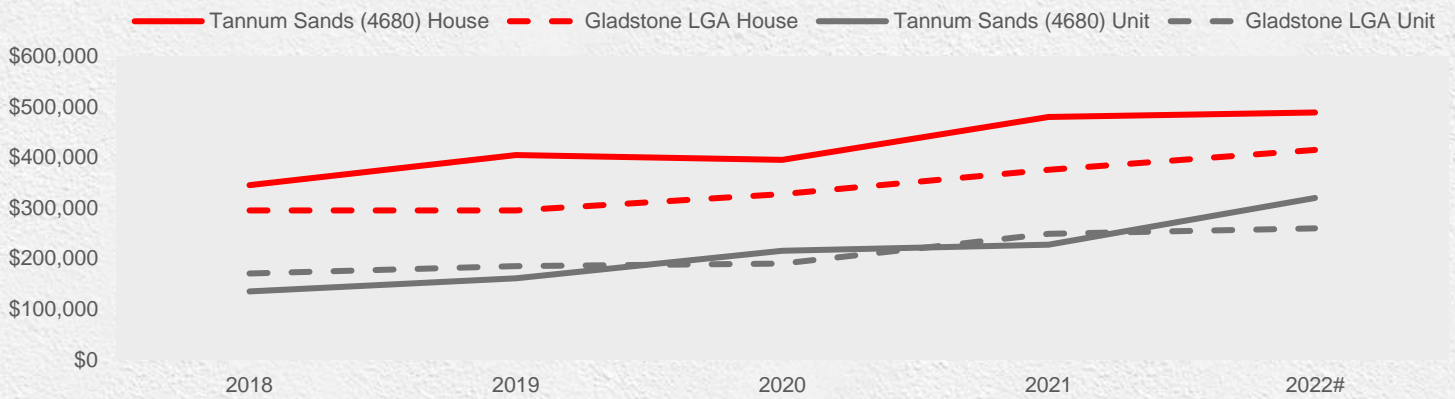


Average vendor discounts between Q3 2021 and Q3 2022 have tightened to -1.0% for houses and widened to -3.9% for units. This creates opportunities for the two market. House sellers can benefit from a final sale price that is closer to their first list price, whereas unit buyers can now benefit from a higher discount than previous.

The suburb of Tannum Sands has outperformed the wider Gladstone Local Government Area (LGA) in both house and unit median prices for the past 5 years. This continued to be the case in 2022#, with units trending toward a more premium market.

The dominant proportion of homes sold in Tannum Sands* across 2022# were in the most affordable price bracket of less than \$399,999 (39.5%). Units also recorded a dominant affordable price point of less than \$299,999 (47.6%). Affordable options are available, however the premium markets are growing, with 6.9% of houses sales being above \$700,000 and 4.8% of unit sales recording above \$600,000 final prices.

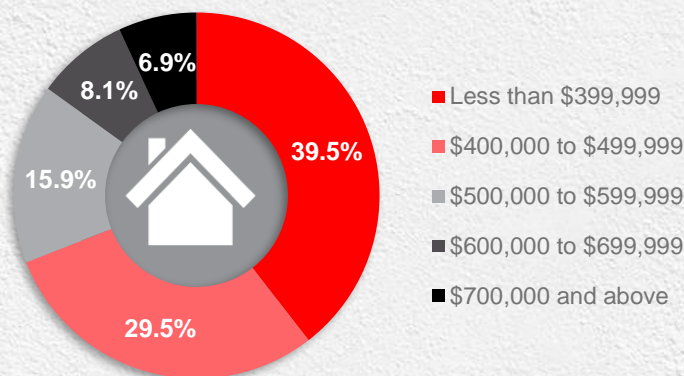
MARKET COMPARISON



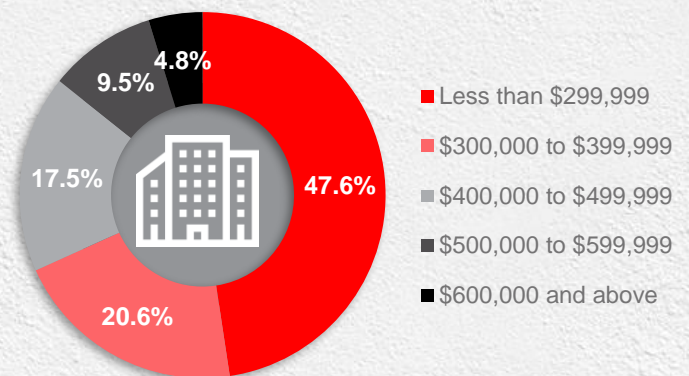
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Tannum Sands.

PRICE BREAKDOWN 2022#

HOUSES SOLD



UNITS SOLD

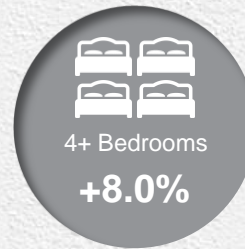


RENTAL GROWTH 2022€

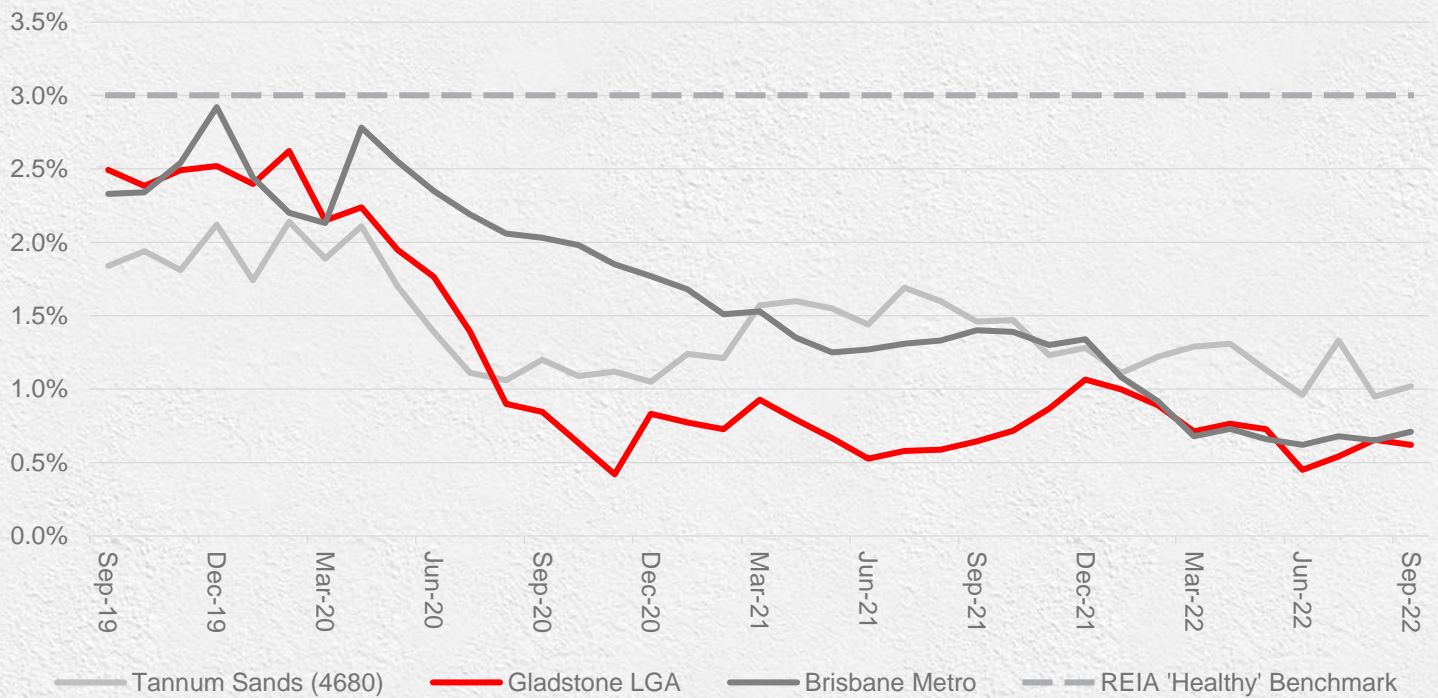
House rental yields in Tannum Sands* was recorded at 4.7% in September 2022, above Brisbane Metro (3.6%). In the 12 months to Q3 2022, median house rental price increased 20.5% to reach \$470 per week whilst the number of houses rented declined by -30.3%. Average days on the market declined to a low 17 days. Overall this represents an undersupplied rental market in Tannum Sands*, which has a more affordable investment entry price compared to Brisbane Metro.

3 bedroom houses have provided investors with +11.4% rental growth annually, achieving a median rent of \$390 per week.

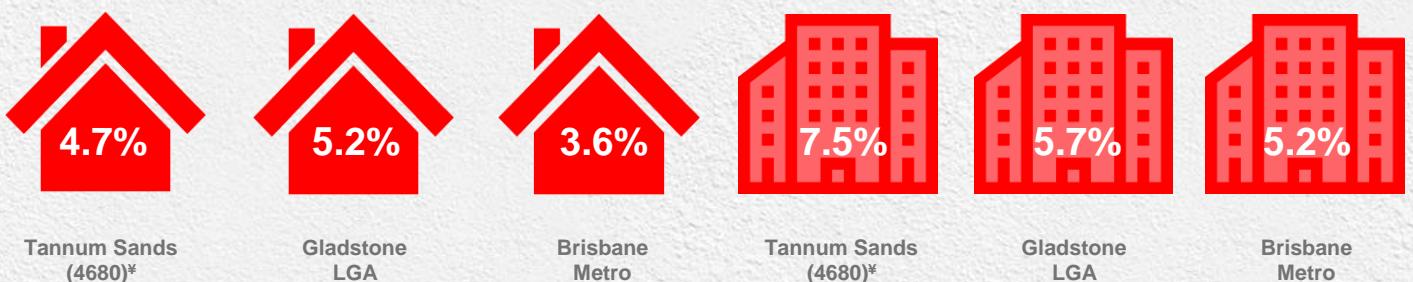
Tannum Sands* recorded a vacancy rate of 1.0% in September 2022, which is slightly above Brisbane Metro's 0.7%. That vacancy rates in Tannum Sands* have reflected an overall declining pattern for the past 12 months, remaining within the 1.5% rate. This suggests quicker occupancy of rental properties. These key indicators create a conducive and sustainable environment for investors, particularly with the median house price downturn in the past quarter (between Q2 – Q3 2022).



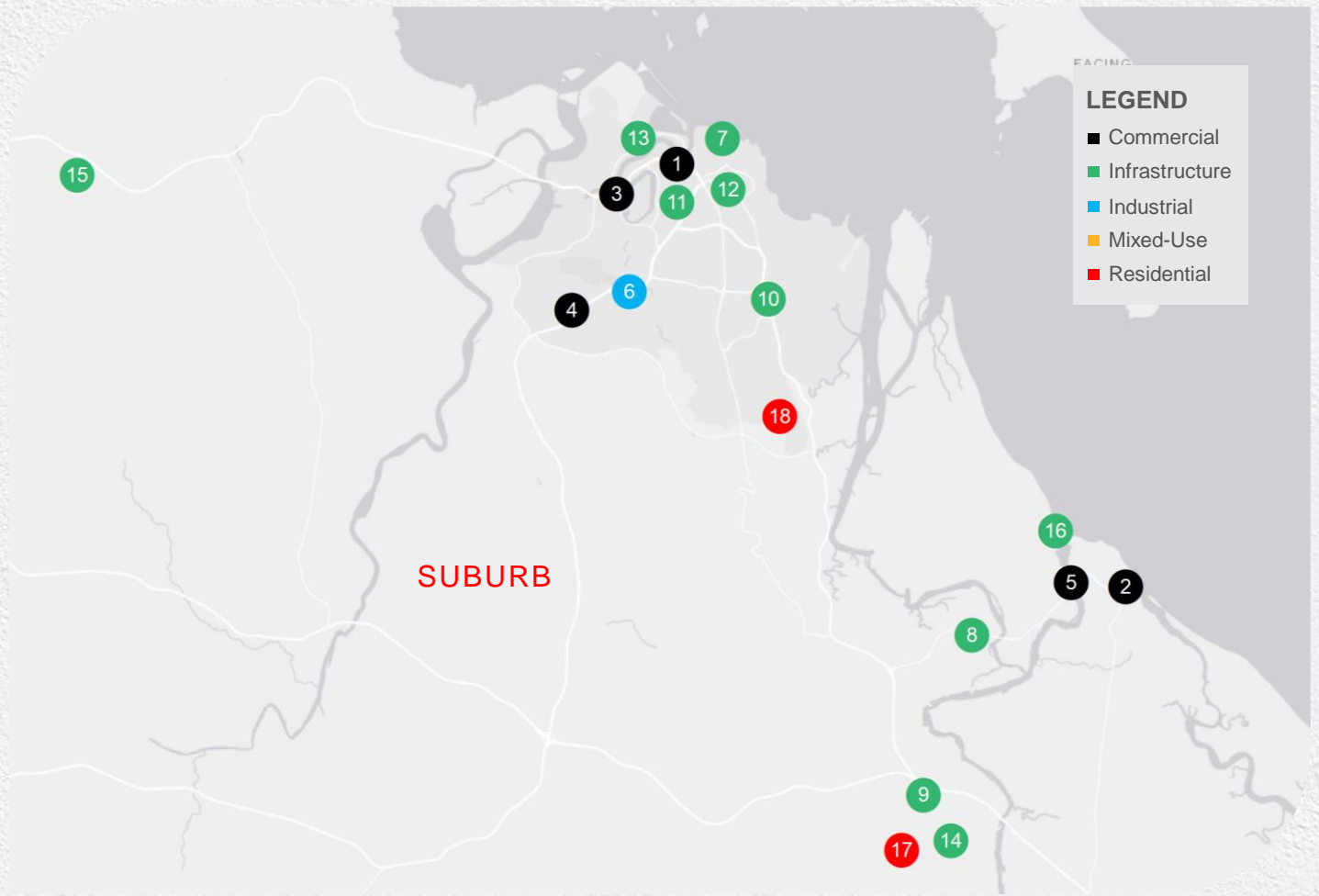
RENTAL VACANCY RATES 2022



RENTAL YIELD 2022\$



TOP DEVELOPMENTS MAP 2nd HALF 2022^A



| Location | Project [£] | Type | Estimated Value [Ⓜ] | Commence Date [Ⓜ] |
|----------|---|----------------|------------------------------|----------------------------|
| 1 | Hydrogen Park Gladstone (Hyp Gladstone) | Commercial | \$4,200,000 | 22/08/2022 |
| 2 | Pacific Avenue Health Care Services | Commercial | \$500,000 | 16/09/2022 |
| 3 | Gladstone Power Station | Commercial | \$950,000 | 29/12/2022 |
| 4 | Gladstone Airport | Commercial | \$1,000,000 | 28/08/2022 |
| 5 | Beach Avenue Retirement Living Units | Commercial | \$500,000 | 26/08/2022 |
| 6 | Storage Choice Gladstone | Industrial | \$2,000,000 | 05/12/2022 |
| 7 | Auckland Hill | Infrastructure | \$10,000,000 | 07/11/2022 |
| 8 | Boyne Tannum Memorial Parklands | Infrastructure | \$500,000 | 03/10/2022 |
| 9 | Benaraby Landfill | Infrastructure | \$950,000 | 31/10/2022 |
| 10 | Toooloa Booster Pump Station | Infrastructure | \$950,000 | 07/07/2022 |
| 11 | Gladstone Ports Corporation Mobile Equipment Workshop (Mew) Lube Tank & Pumping Station | Infrastructure | \$1,000,000 | 28/09/2022 |
| 12 | Toowoomba To Gladstone Inland Rail | Infrastructure | \$1,000,000 | 20/09/2022 |
| 13 | Gladstone Marine Base Pontoon | Infrastructure | \$1,000,000 | 26/12/2022 |
| 14 | Awoonga Dam Recreational Area Roadworks | Infrastructure | \$1,000,000 | 02/08/2022 |
| 15 | Economic Development Queensland - Aldoga Treated Water Connection Pipeline | Infrastructure | \$1,000,000 | 30/09/2022 |
| 16 | Turtleway Cycle Path | Infrastructure | \$400,000 | 28/09/2022 |
| 17 | Awoonga Country Estate (27 Lots) | Residential | \$1,200,000 | 29/11/2022 |
| 18 | Brookview Estate (36 Lots) | Residential | \$1,600,000 | 21/08/2022 |



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

*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.

2022 encapsulates sales transactions for 2022 (01/01/2022 – 30/09/2022) only.

€ Annual rental growth is a comparison between 2021 (01/01/2021 – 30/09/2021) and 2022 (01/01/2022 – 30/09/2022) 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 2022.

⌘ 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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