







Tannum Sands Market Update

2nd Half 2023



OVERVIEW

In Q2 2023, Tannum Sands* recorded a median house price of \$440,000, and a median unit price of \$355,000. This represents annual (Q3 2022 – Q3 2023) softening of -8.1% for houses and -2.3% for units. Sales decreased between Q3 2022 – Q3 2023, by -32.5% (to 54 sales) for houses and by -14.3% for units (to 12 sales). On a quarterly basis (Q2 2023 – Q3 2023) median house price softened, by -7.8%, indicative of successive cash rate hikes translating into the market. Although there are less listings available, a softer house price creates new opportunities for first home buyers looking to enter the market.

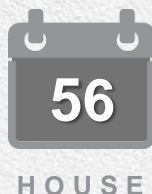
	CHANGE FROM LAST	YEAR	HALF YEAR
 House Sales		↓	↓
 House Median Price		↓	↓
 House Rental Price		↑	↑
 Unit Sales		↓	↑
 Unit Median Price		↓	↑
 Unit Rental Price		↑	↑

MARKET CONDITIONS

SALES MEDIAN PRICE
Q3 2023



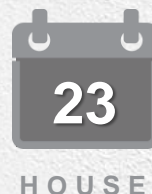
SALES AVERAGE DAYS ON
MARKET Q3 2023



RENTAL MEDIAN PRICE
Q3 2023

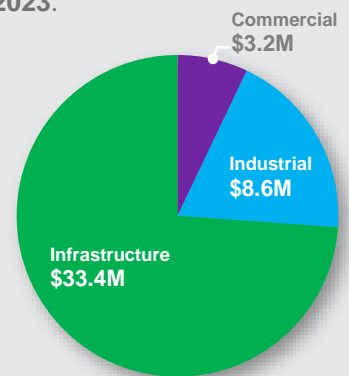


RENTAL AVERAGE DAYS ON
MARKET Q3 2023



FUTURE DEVELOPMENTS

Tannum Sands is set to see approximately **\$45.2M** worth of new projects commencing in the 2nd half of 2023.



A focus on infrastructure projects will improve liveability for current residents, whilst creating more jobs in the construction process. This can attract more people to live in the areas, thus increasing demand for housing stock.

A main industrial project over the 2nd half of 2023 is the Red Rover and Meegan Road Industrial Subdivision (\$7.8M). The project is set to add 178 industrial lots with associated civil works. This will create more work opportunities in Tannum Sands*, increasing the demand for housing.

The Gladstone State High School (\$18.8M) is a key infrastructure project that will improve liveability of students and families. Combined with other infrastructure projects, liveability for residents of Tannum Sands* will improve overall.

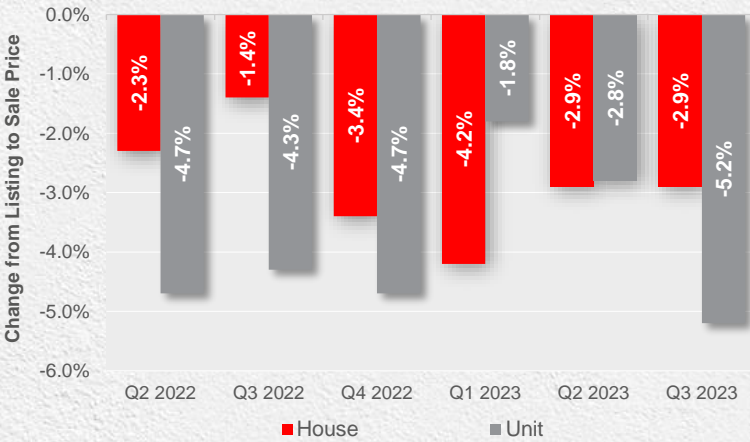
There is an absence in ready-to-sell stand-alone dwellings planned, which suggests the undersupply issue will continue. Thus the softer median house price growth, due to cash rate hikes, is potentially only a temporary occurrence.



Dwellings

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.

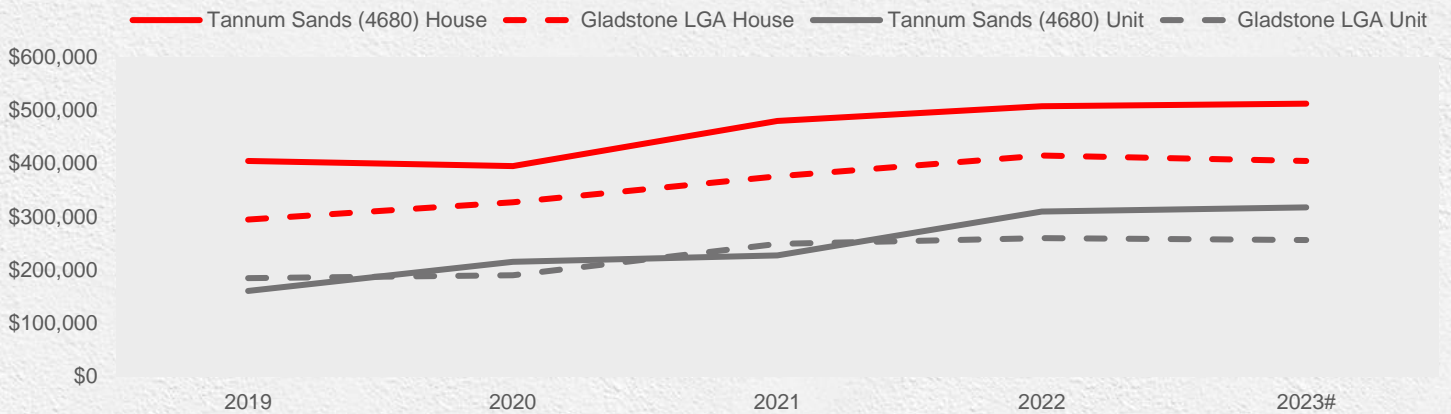


Average vendor discounts between Q3 2022 and Q3 2023 continue to favour buyers for both property types, with higher discounts of -2.9% for houses and -5.2% for units. Q3 2023 recorded the highest average vendor discount for units to date, thus now is the time for unit buyers to enter the market.

The suburb of Tannum Sands has outperformed the wider Gladstone LGA Local Government Area (LGA) in median house prices for the past 5 years but offered an on par unit price. 2023# saw Tannum Sands' median unit price taking over the LGA's, becoming a premium market for the first time in 5 years.

The dominant proportion of homes sold in Tannum Sands* across 2023# were in the most affordable price point of less than \$449,000 (45.9%). Units on the other hand recorded a dominant mid-range price between \$300,000-\$399,999 (43.5%). Affordable options are increasingly available for houses; however, the unit market seems to have moved towards higher pricing.

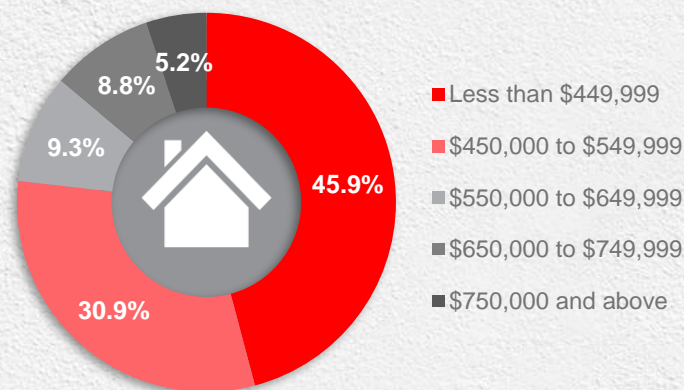
MARKET COMPARISON



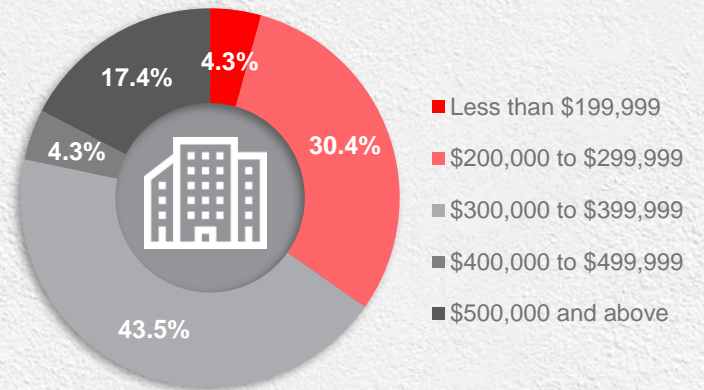
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Tannum Sands.

PRICE BREAKDOWN 2023#

HOUSES SOLD



UNITS SOLD

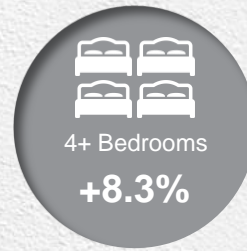


RENTAL GROWTH 2023€

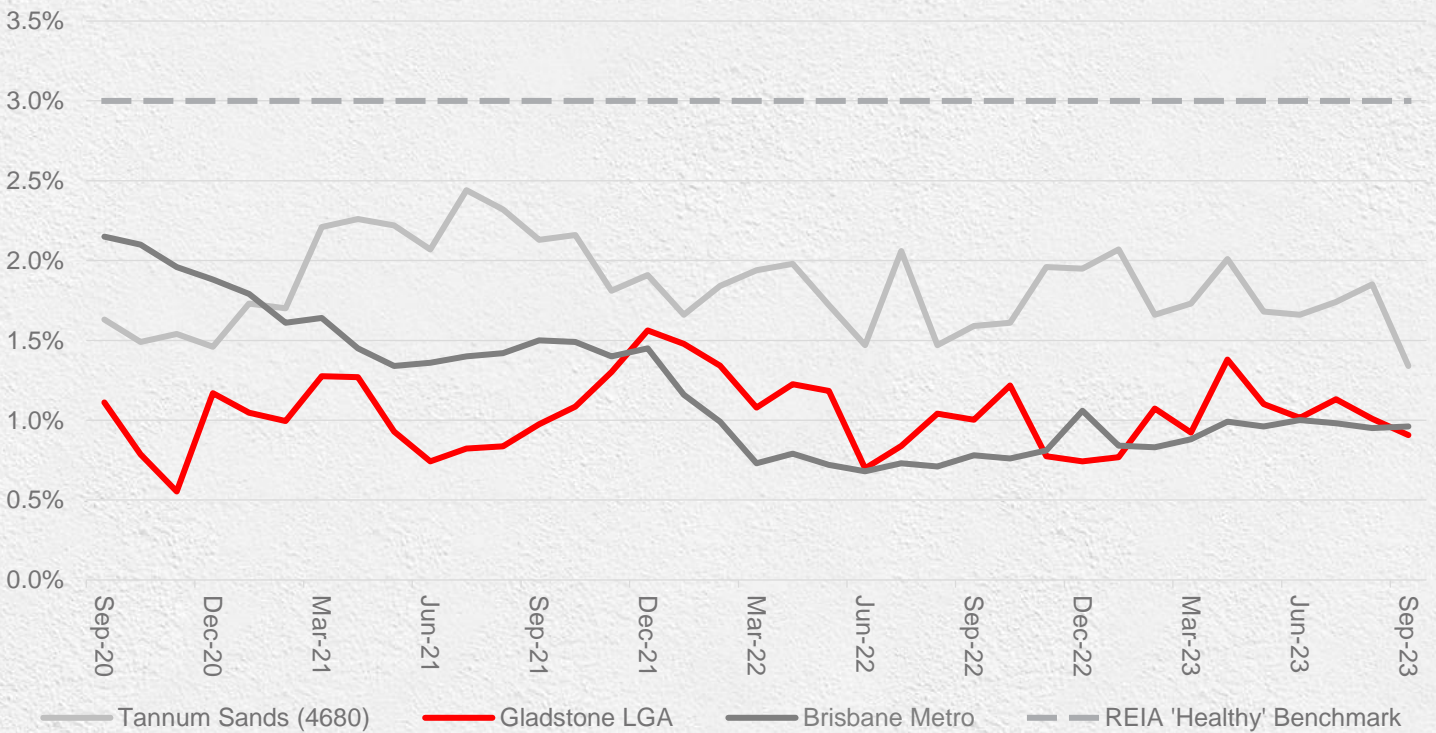
House rental yields in Tannum Sands* was 5.6% in September 2023, much higher than Brisbane Metro (3.6%), however with a lower entry price. This was paired with a 2.1% increase in median house rental price in the past 12 months to Q3 2023, along with a 2.2% increase in the number of houses rented (to 47 rentals). The unit rental market displays the same pattern, suggesting a highly demanded rental market.

3 bedroom houses have provided investors with +10.0% rental growth annually, achieving a median rent of \$440 per week.

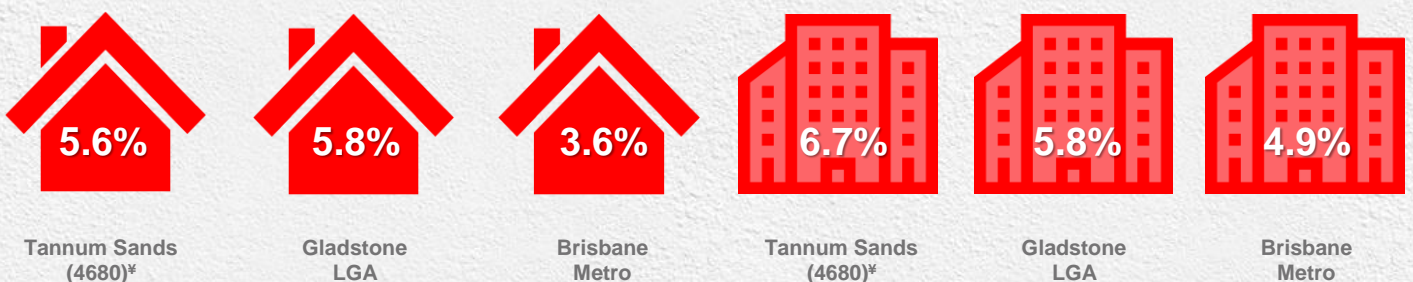
Tannum Sands* recorded a vacancy rate of 1.3% in September 2023, slightly above Brisbane Metro's 1.0% average. Vacancy rates in Tannum Sands* have fluctuated in the past 12 months, due to cash rate hikes impacting investors either entering or exiting the market. That said a 1.3% vacancy rate is still very low, and suggest a quicker rental occupancy. This creates a conducive environment for investors, especially with a softer median house price in the past quarter.



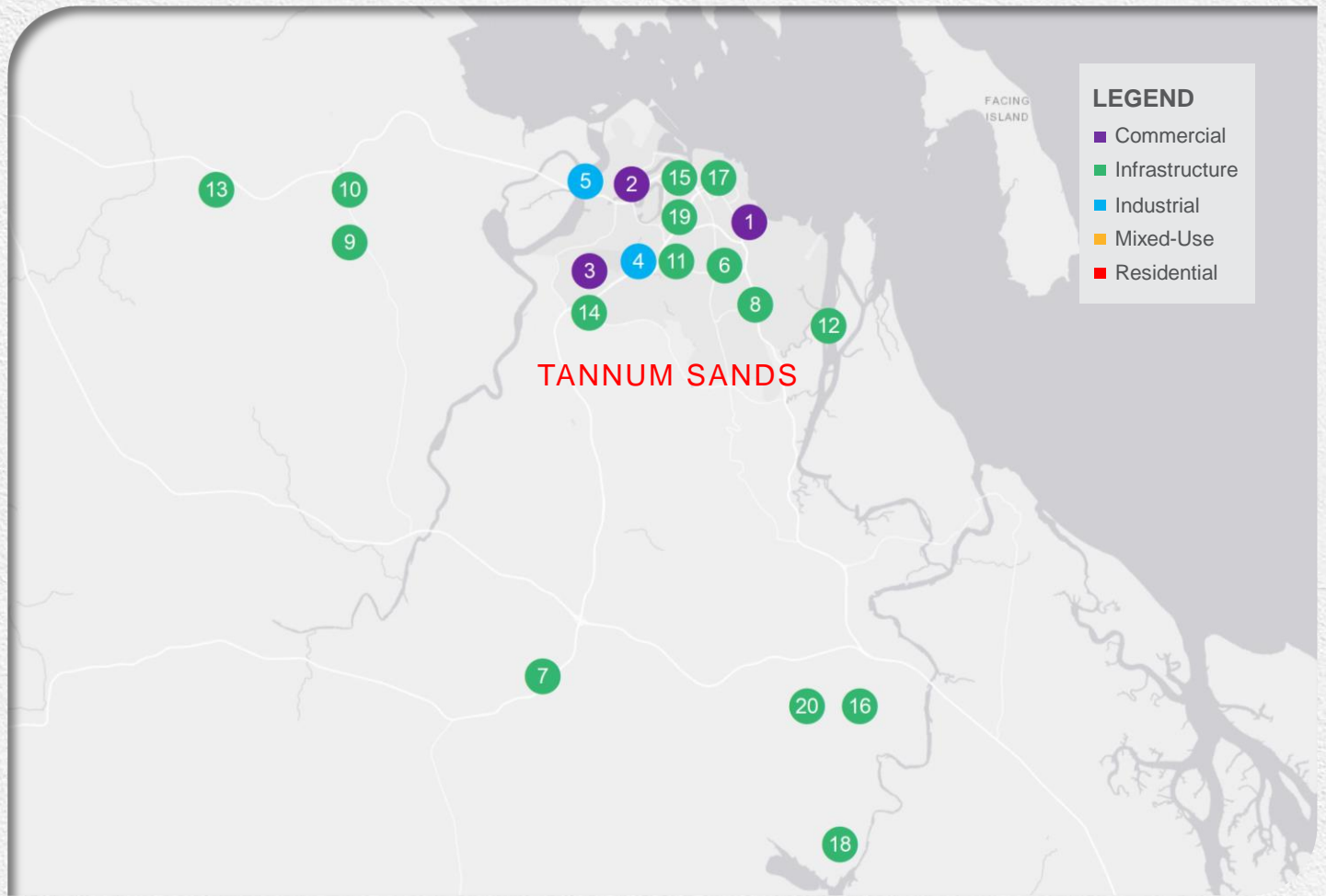
RENTAL VACANCY RATES 2023



RENTAL YIELD 2023\$



TOP DEVELOPMENTS MAP 2nd HALF 2023[Ⓐ]



Location	Project [£]	Type	Estimated Value ^µ	Commence Date ^ν
1	Gladstone Square Shopping Centre Carpark	Commercial	\$1,250,000	24/08/2023
2	Gladstone Power Station Demolition Works	Commercial	\$950,000	11/09/2023
3	Gladstone Airport	Commercial	\$1,000,000	06/09/2023
4	10 Neil Street Warehouse	Industrial	\$800,000	16/11/2023
5	Lots 1 & 3-5 Red Rover & Lots 2 & 3 Meegan Roads Industrial Subdivision	Industrial	\$7,800,000	16/12/2023
6	Gladstone Area Water Board - Roadworks	Infrastructure	\$950,000	29/11/2023
7	Mount Morgan Mine Site & Calliope Conservation Park Demolition Works	Infrastructure	\$950,000	24/10/2023
8	Toooloa Booster Pump Station	Infrastructure	\$950,000	06/12/2023
9	Gladstone-fitzroy Pipeline	Infrastructure	\$1,000,000	28/12/2023
10	Gladstone-fitzroy Pipeline	Infrastructure	\$1,000,000	28/12/2023
11	Gladstone State High School - ltd Building	Infrastructure	\$17,800,000	04/12/2023
12	South Trees Inlet Causeway Bridge Remediation Stage 3	Infrastructure	\$950,000	19/12/2023
13	Economic Development Queensland Aldoga Treated Water Connection Pipeline	Infrastructure	\$1,000,000	15/09/2023
14	Awoonga Dam Spillway Upgrade	Infrastructure	\$1,000,000	15/09/2023
15	Gladstone Regional Council Roadworks Upgrade	Infrastructure	\$1,000,000	28/08/2023
16	Awoonga Dam Recreational Area Roadworks	Infrastructure	\$1,000,000	02/11/2023
17	Fishermans Landing Wharf Three	Infrastructure	\$1,250,000	05/11/2023
18	Awoonga Dam - Pipeline	Infrastructure	\$1,500,000	03/07/2023
19	Gladstone To Fitzroy Pipeline	Infrastructure	\$1,000,000	22/12/2023
20	Lake Awoonga Recreation Area Stage 1	Infrastructure	\$1,000,000	12/10/2023



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.

2023 encapsulates sales transactions for Q1 to Q3 2023 (01/01/2023 – 30/09/2023) only.

€ Annual rental growth is a comparison between Q3 2022 (01/07/2022 – 30/09/2022) and Q4 2023 (01/07/2023 – 30/09/2023) median house rent figures.

¥ Tannum Sands rental market data encapsulates aggregate property conditions within postcode 4680.

§ Rental yields shown are as reported as of September 2023.

⌘ 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 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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