

Hervey Bay Market Update

1st Half 2024



OVERVIEW

In Q1 2024 Hervey Bay* recorded a median house price of \$650,000 and a median unit price of \$435,000. This represents annual (Q1 2023 – Q1 2024) price growth of 7.4% for houses and 3.6% for units. During this time total sales decreased by -28.9% for houses and by -42.9% for units. On a quarterly basis (Q4 2023 – Q1 2024), prices grew by 4.0% for houses, but softened by -2.8% for units. There is an undersupply for stock, creating a buffer against higher interest rates; especially for houses. This is good news for owners looking to sell. There is a slightly more affordable unit market in the past quarter, creating an opportunity for first home buyers.

CHANGE FROM LAST YEAR HALF YEAR



	YEAR	HALF YEAR
HOUSE SALES	↓	↓
HOUSE MEDIAN PRICE	↑	↑
HOUSE RENTAL PRICE	↑	↑

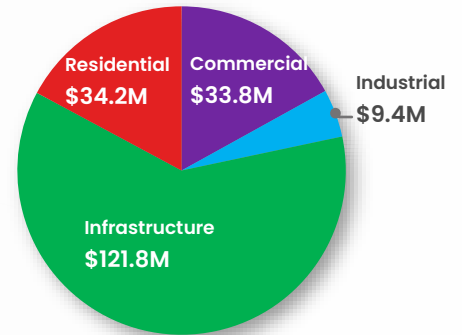


	YEAR	HALF YEAR
UNIT SALES	↓	↓
UNIT MEDIAN PRICE	↑	↓
UNIT RENTAL PRICE	↑	↑



FUTURE DEVELOPMENTS

Hervey Bay is set to see approximately **\$199.1M worth of new projects commencing in the 1st half of 2024.**



A main infrastructure project in the 1st half of 2024 is the Hervey Bay Library & Administration Building Development (\$108.0M). The project will construct a 4-storey council administration building, including a customer service centre, library, community hub and disaster resilience centre.

Key residential projects planned for construction in the 1st half 2024 are:

- Kingston Hervey Bay Residential Subdivision (71 Lots)
- Scrub Hill Road Subdivision Stages 2A & 2B (48 Lots)
- 34 Cooks Road Residential Subdivision (39 Lots)

These projects will supply units, townhouses and lots only; thus, the absence in stand-alone houses will still push up median house prices.



19 Units/
Apartments



16
Townhouses



415 Lots



MARKET CONDITIONS

MEDIAN PRICE
Q1 2024



\$650K

SALES



\$435K

AVERAGE DAYS
ON MARKET Q1 2024



77
HOUSE



65
UNIT

MEDIAN PRICE
Q1 2024



\$590K

RENTALS



\$465K

AVERAGE DAYS
ON MARKET Q1 2024



19
HOUSE



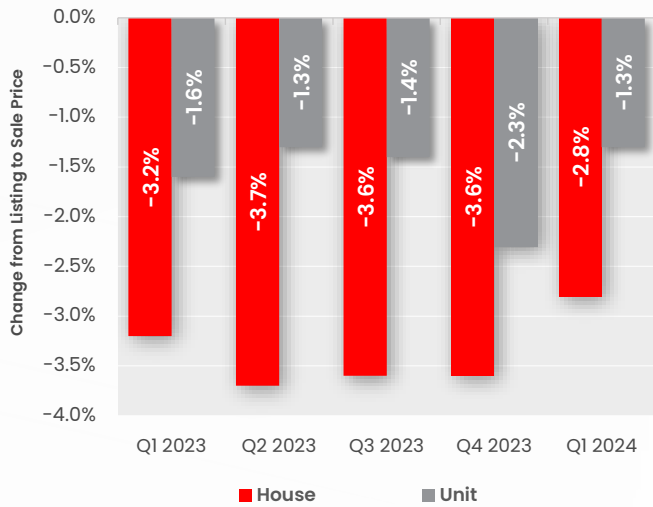
20
UNIT



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.

Average vendor discounts between Q1 2023 and Q1 2024 have tightened to a discount of -2.8% for houses and -1.3% for units. Market conditions in Hervey Bay* still favour buyers, as sellers are willing to accept below the listing prices. That said the peak discount periods have passed for both property types (in Q2 and Q4 2023), thus there is limited time for buyers to access a discount, before further price increased due to the current undersupply of available stock.

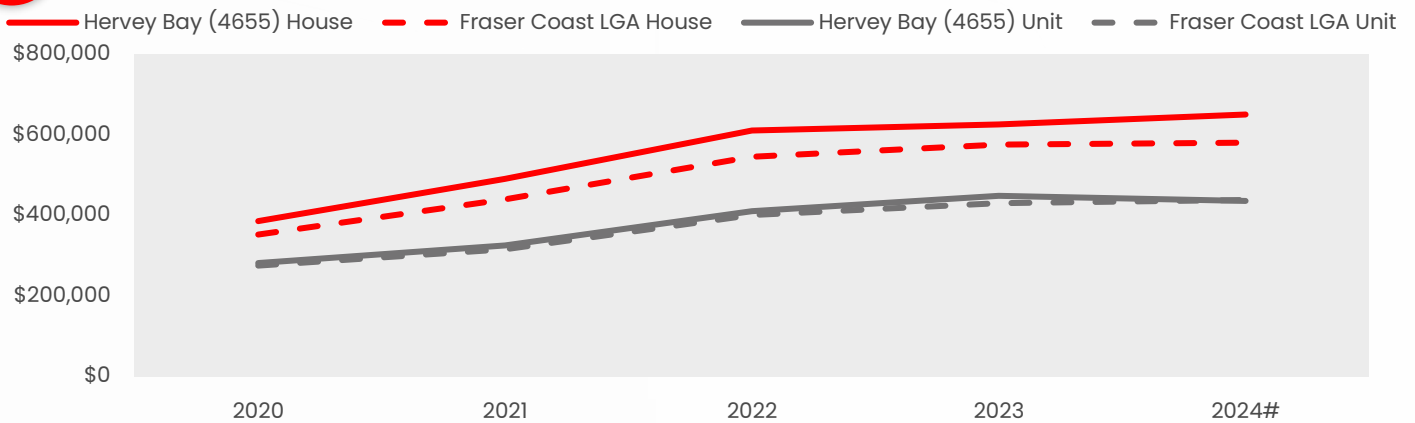


The suburb of Hervey Bay has historically outperformed the wider Fraser Coast Regional Area (LGA) for median house price, and on par for median unit price. 2024# saw this trend continue, even with a more stable house price.

The dominant proportion of houses sold in Hervey Bay* across 2023 and 2024# were in the more affordable price bracket between \$500,000 to \$599,999 (29.2%). Units recorded a dominant middle affordable price bracket, of \$400,000 to \$499,999 (34.0%). That said the premium market continues to be active, with 21.9% (houses) and 15.2% (units) sold in this price category. Affordable options are still available in the market, in good news for buyers.



MARKET COMPARISON

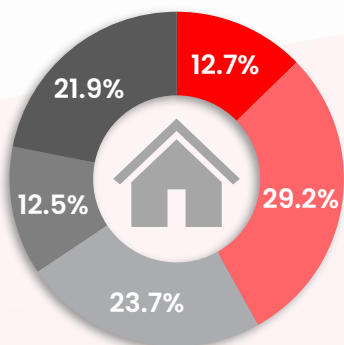


The market comparison graph provides a comparative trend for the median price of houses and unit over the past 5 years. The main LGA chosen was based on their proximity to the main suburb analysed, which is Hervey Bay.



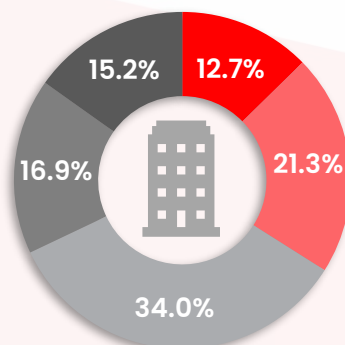
PRICE BREAKDOWN 2023-2024#

HOUSES SOLD



- Less than \$499,999
- \$500,000 to \$599,999
- \$600,000 to \$699,999
- \$700,000 to \$799,999
- \$800,000 and above

UNITS SOLD



- Less than \$299,999
- \$300,000 to \$399,999
- \$400,000 to \$499,999
- \$500,000 to \$599,999
- \$600,000 and above



RENTAL GROWTH 2024€

House rental yields in Hervey Bay* was 4.4% as of March 2024, slightly higher than the Fraser Coast LGA (4.3%) and Brisbane Metro (3.5%). This was paired with a 9.3% increase in median house rental price in the past 12 months to Q1 2024, at \$590 per week. The number of houses rented declined by -24.1% (to 236 sales), thus a rental undersupply. The same can be seen in the unit rental market, which confirms Hervey Bay* as an area with high rental demand, in good news for investors looking for an alternative option in a Queensland coastal area.

2- bedroom houses have provided investors with +12.5% rental growth annually, achieving a median rent of \$450 per week.

Hervey Bay* recorded a vacancy rate of 1.0% in March 2024, slight above Fraser Coast LGA's 0.7% average, but on par with Brisbane Metro's 1.0% average. Vacancy rates in Hervey Bay* decreased in the last 12 months, due to renters entering the already undersupplied market. A 1.0% vacancy rate is well below the Real Estate Institute of Australia's healthy benchmark of 3.0%, which suggests quicker occupancy of rental properties. This is conducive for investors.

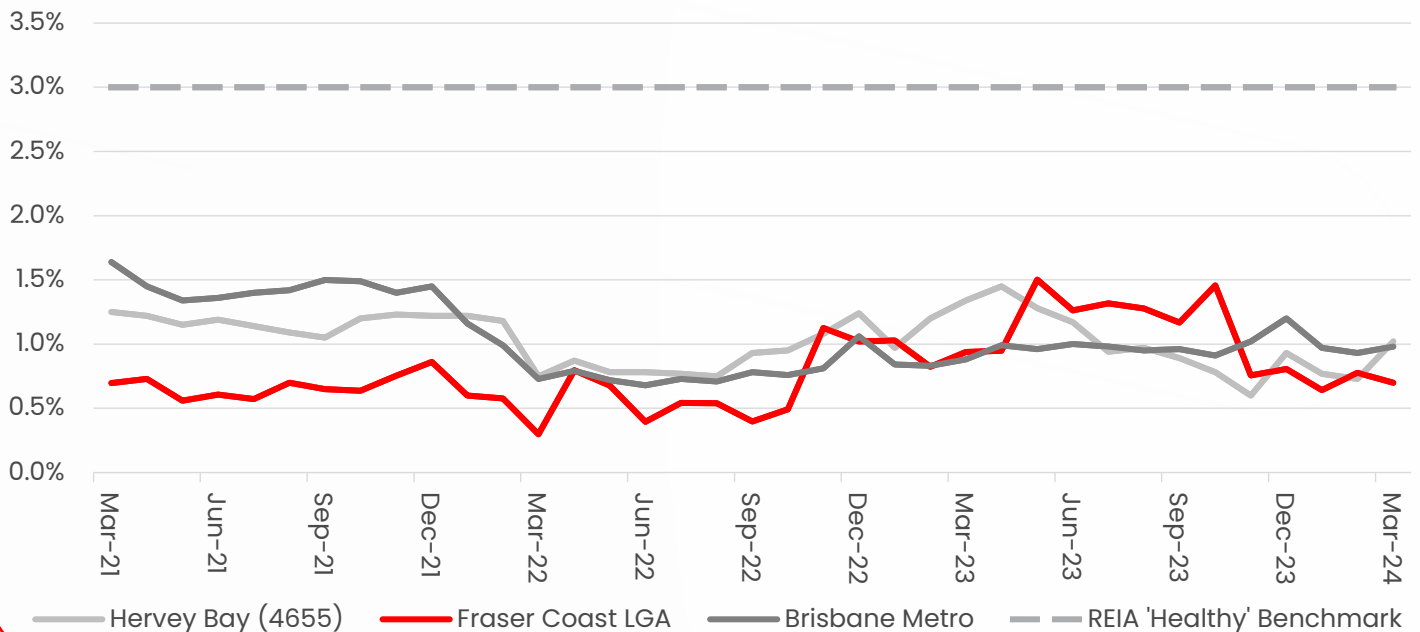
2 BEDROOMS
+12.5%

3 BEDROOMS
+8.7%

4 BEDROOMS
+5.5%



RENTAL VACANCY RATES 2024



RENTAL YIELD 2024§



4.4%

Hervey Bay
(4655)



4.3%

Fraser Coast
LGA



3.5%

Brisbane
Metro



4.9%

Hervey Bay
(4655)



4.8%

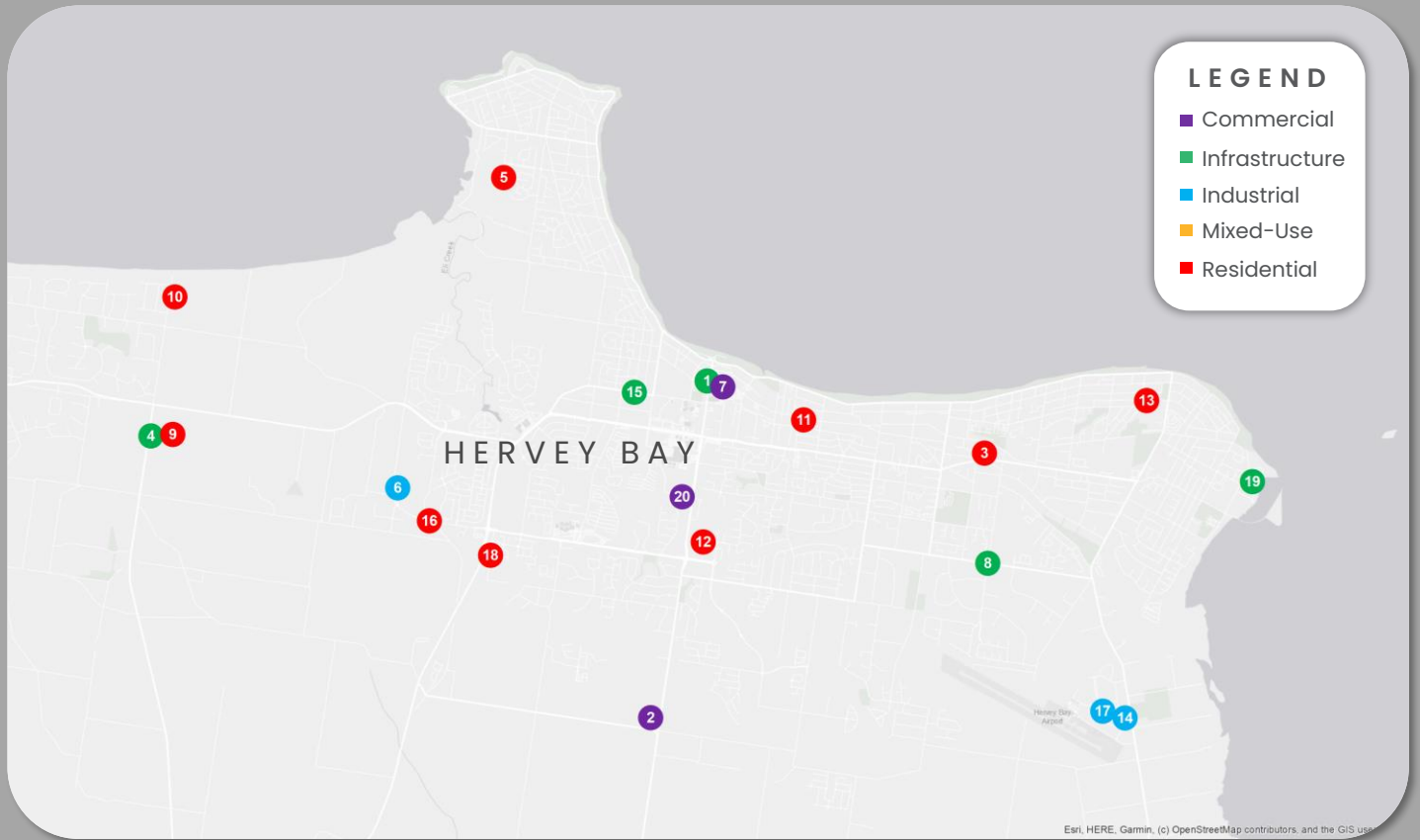
Fraser Coast
LGA



5.0%

Brisbane
Metro

PROJECT DEVELOPMENT MAP 1st HALF 2024^A



Esri, HERE, Garmin, (c) OpenStreetMap contributors, and the GIS user community

#	Project [£]	Type	Estimated Value ^µ	Commence Date ^ψ
1	Hervey Bay Library & Administration Building Development (Local Government)	Infrastructure	\$108,000,000	2024-01-08
2	Solana Lifestyle Resort Nikenbah Stage 1	Commercial	\$28,000,000	2024-04-01
3	14 Honiton Street Residential Development (8 Townhouses & 8 Units)	Residential	\$7,000,000	2024-03-25
4	Hervey Bay Fire Station (State Government)	Infrastructure	\$6,000,000	2024-06-10
5	Dougan Street Residential Subdivision (124 Lots)	Residential	\$5,600,000	2024-04-13
6	9 Drury Lane Warehouse Units	Industrial	\$4,900,000	2024-01-08
7	Hervey Bay RSL Refurbishment	Commercial	\$4,600,000	2024-03-12
8	Boundary Road & Robert Street Roadworks Intersection Upgrade (Local Government)	Infrastructure	\$4,504,453	2024-04-01
9	Dundowran Beach Residential Subdivision Stages 1-5 (99 Lots)	Residential	\$4,500,000	2024-01-26
10	Beachside Estate Subdivision Stage 1 (34 Lots)	Residential	\$3,600,000	2024-04-01
11	111 Torquay Road Townhouses Scarness (8 Townhouses)	Residential	\$3,500,000	2024-05-01
12	Kingston Hervey Bay Residential Subdivision (71 Lots)	Residential	\$3,200,000	2024-04-16
13	15 Shell Street Units (11 Units)	Residential	\$2,800,000	2024-06-01
14	5 Southern Cross Circuit Warehouses	Industrial	\$2,500,000	2024-05-27
15	PCYC Hervey Bay Car Park (Local Government)	Infrastructure	\$2,250,433	2024-06-03
16	Scrub Hill Road Residential Subdivision Stages 2A & 2B (48 Lots)	Residential	\$2,200,000	2024-06-21
17	Mammoth Storage Urangan Self Storage Facility	Industrial	\$2,000,000	2024-06-21
18	34 Cooks Road Residential Subdivision (39 Lots)	Residential	\$1,750,000	2024-04-05
19	Urangan Marine Operations Base (State Government)	Infrastructure	\$1,000,000	2024-06-20
20	Win Projects	Commercial	\$900,000	2024-04-30

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RESEARCH SERVICES

Our research services span over every suburb, LGA, and state within Australia; captured in a variety of standard and customised products, and 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

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REFERENCES

* Hervey Bay sales market data and key indicators encapsulates aggregate property market conditions within the postcode of 4655.

** Estimated values are based on construction value provided by the relevant data authority and does not reflect commercial and/or re-sale value.

2024 encapsulates sales transactions for Q1 2024 (01/01/2024 – 31/03/2024) only, other years encapsulates sales transactions for the full year (i.e 01/01 to 31/12 of the relevant year).

€ Annual rental growth is a comparison between Q1 2023 (01/01/2023 – 31/03/2023) and Q1 2024 (01/01/2024 – 31/03/2024) house median rent figures.

¥ Hervey Bay rental market data encapsulates aggregate property conditions within the postcode of 4655.

§ Rental yields shown are as reported as of March 2024.

A 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 Torquay, Urangan, Pialba, Dundowran, Hervey Bay, Nikenbah, Point Vernon, Urraween, Wondunna, Scarness.

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 Pricfinder, Cordell Connect database, SQM Research, Esri ArcGIS.

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