

Tannum Sands Market Update

1st Half 2024

OVERVIEW

In Q1 2024, Tannum Sands* recorded a median house price of \$483,000 and a median unit price of \$405,000. This represents annual (Q1 2023 – Q1 2024) growth of 6.2% for houses and 43.6% for units. During this time house sales grew by 37.3% (to 103 sales) and unit sales surged by 114.3% (to 15 sales). Confidence has returned to Tannum Sands* and there is a high demand for both property types. This has created a buffer against higher interest rates, reflected in price growth for both property types. Without any new housing supply planned for construction, the likelihood of further price growth is high. Thus, now is an ideal time to transact.

CHANGE FROM LAST YEAR HALF YEAR



HOUSE SALES



HOUSE MEDIAN PRICE



HOUSE RENTAL PRICE



UNIT SALES



UNIT MEDIAN PRICE

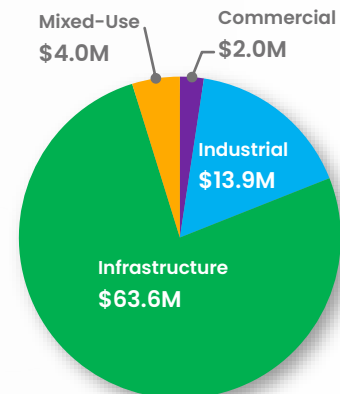


UNIT RENTAL PRICE



FUTURE DEVELOPMENTS

Tannum Sands will see approximately **\$83.5M worth of new projects due to commence construction in 2024.**



A strong focus on infrastructure projects will improve liveability for residents and create local jobs during the construction phase. This can have an impact on the real estate market, in the form of more people choosing to live in Tannum Sands* and leading to higher demand for housing.

A key infrastructure project in 2024 is the Hoddinott Bridge Boyne Island (\$20.0M), which will construct a new bridge to connect Boyne Island with Tannum Sands; via an extension of Pioneer Drive to ease congestion on the John Oxley Bridge. This improves travel and connectivity for residents.

Other key projects in 2024 include:

- Lots 1 & 3-5 Red Rover & Lots 2 & 3 Meegan Roads Industrial Subdivision Stages 1-5 (\$7.8M, Industrial);
- 17 Garfield Street Workshop (\$2.0M, Mixed-use);

The absence in residential projects will exacerbate the current housing supply shortage, as there is no new ready-to-sell stock. This will impact all property types, potentially driving prices higher for the rest of 2024. Thus, buyers must act fast.

MARKET CONDITIONS

MEDIAN PRICE
Q1 2024



\$483K



\$405K

SALES

AVERAGE DAYS
ON MARKET Q1 2024



HOUSE



UNIT

MEDIAN PRICE
Q1 2024



\$555



\$450

RENTALS

AVERAGE DAYS
ON MARKET Q1 2024



HOUSE

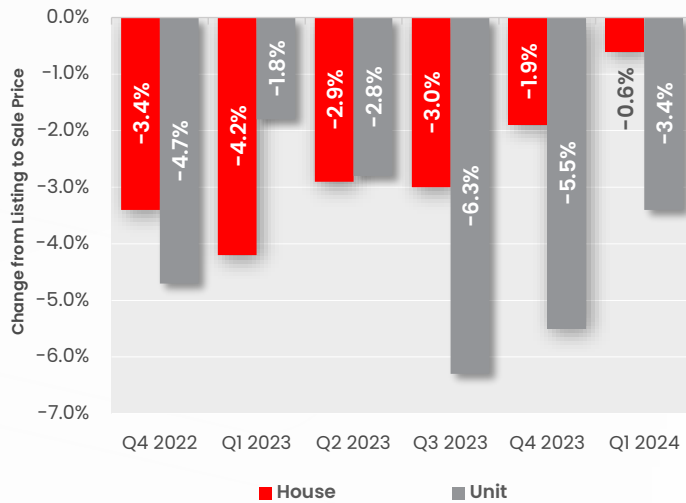


UNIT



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.



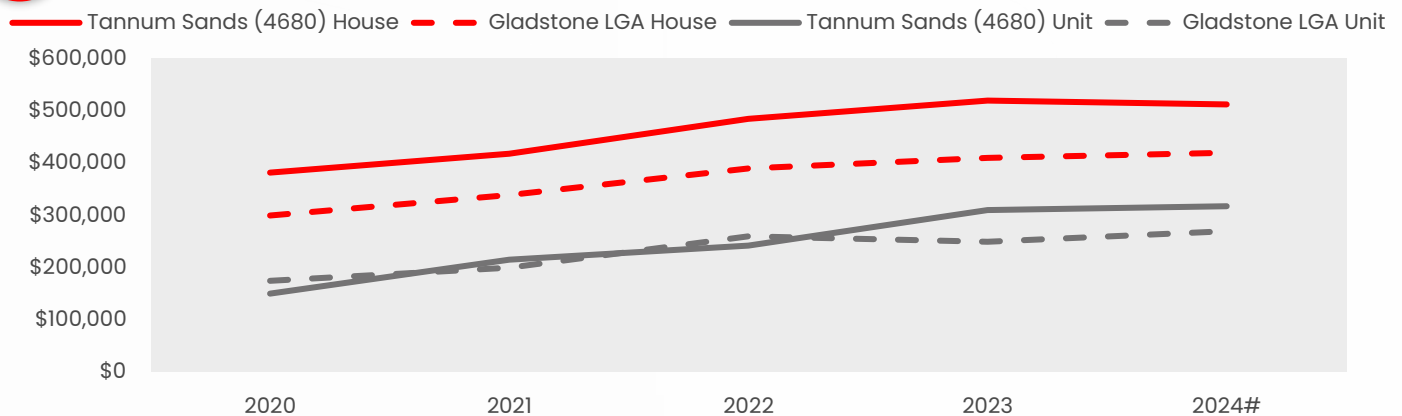
Average vendor discounts between Q1 2023 and Q1 2024 have tightened to -0.6% for houses but widened to -3.4% for units. Although the peak discount for both property types has passed, the current discount, particularly for units, remain appealing. That said Q1 2024 recorded the tightest average vendor discount for houses, suggesting a market recovery. Thus, buyers must act fast.

For the past 5 years the suburb of Tannum Sands has outperformed the wider Gladstone LGA Local Government Area (LGA) in median house price and d on-par for unit prices. This continued in 2024# for houses; but units have grown significantly, now a premium market than the LGA.

The dominant proportion of houses sold in Tannum Sands* in 2023 and 2024# were in the middle-priced bracket between \$400,000 to \$500,000 (33.6%). On the other hand, most of the units sold were in the more affordable price bracket between \$350,000 to \$449,999 (32.9%). The premium market is strong, with 17.1% of houses sold in this price point and 10.7% of units sold. Overall, there is a property for every budget in Tannum Sands*.



MARKET COMPARISON

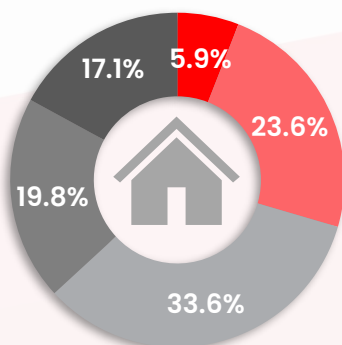


The market comparison graph provides a comparative trend of median houses and units prices over the past 5 years. The main LGA profiled is chosen due to their proximity to the main suburb analysed, which is Tannum Sands.



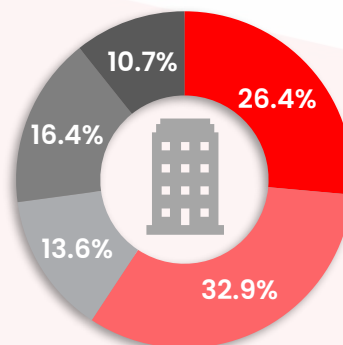
PRICE BREAKDOWN 2023-2024#

HOUSES SOLD



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

UNITS SOLD



- Less than \$249,999
- \$250,000 to \$349,999
- \$350,000 to \$449,999
- \$450,000 to \$549,999
- \$550,000 and above



RENTAL GROWTH 2024€

House rental yields in Tannum Sands* was 5.6% as of May 2024, much higher than Brisbane Metro (3.4%). This was paired with a 24.7% increase in median house rental price in the past 12 months, at \$555 per week, and a -12.0% decrease (to 22 houses) in the number of housed rented. This indicates an undersupply in the house rental market. The unit market presented the same pattern. With a more affordable entry price than Brisbane Metro, Tannum Sands* is an ideal investment alternative for investors.

4+ bedroom houses have provided investors with +18.4% rental growth annually, achieving a median rent of \$580 per week.

Tannum Sands* recorded a vacancy rate of 1.1% in May 2024, on par with Brisbane Metro's 1.1% average. Vacancy rates in Tannum Sands* have declined over the past 12 month, which suggests a tighter rental demand. Further, a 1.1% vacancy rate is well below the Real Estate Institute of Australia's healthy benchmark of 3.0%, indicating quicker rental occupancy in Tannum Sands*. Overall, this suggests a conducive environment for investors.

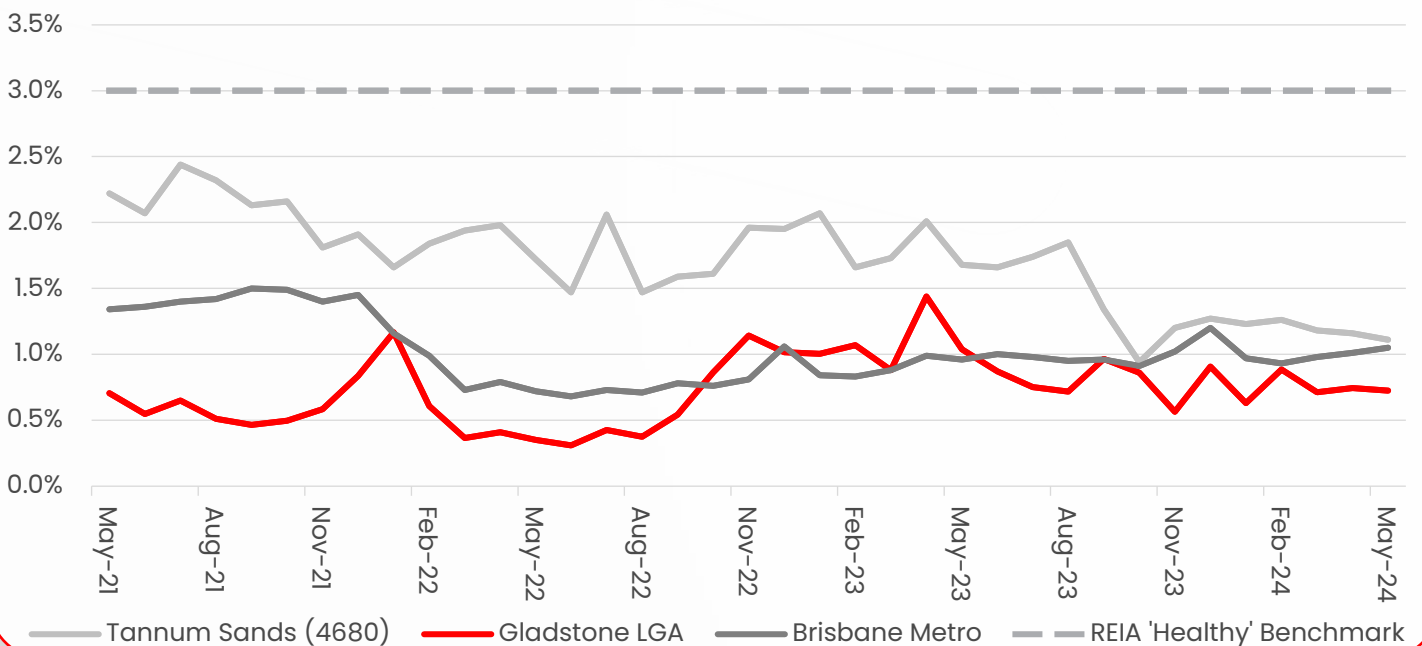
2 BEDROOMS
-3.8%

3 BEDROOMS
+7.1%

4 BEDROOMS
+18.4%



RENTAL VACANCY RATES 2024



RENTAL YIELD 2024§



5.6%

Tannum
Sands*



5.6%

Gladstone
LGA



3.4%

Brisbane
Metro



7.3%

Tannum
Sands*



5.3%

Gladstone
LGA

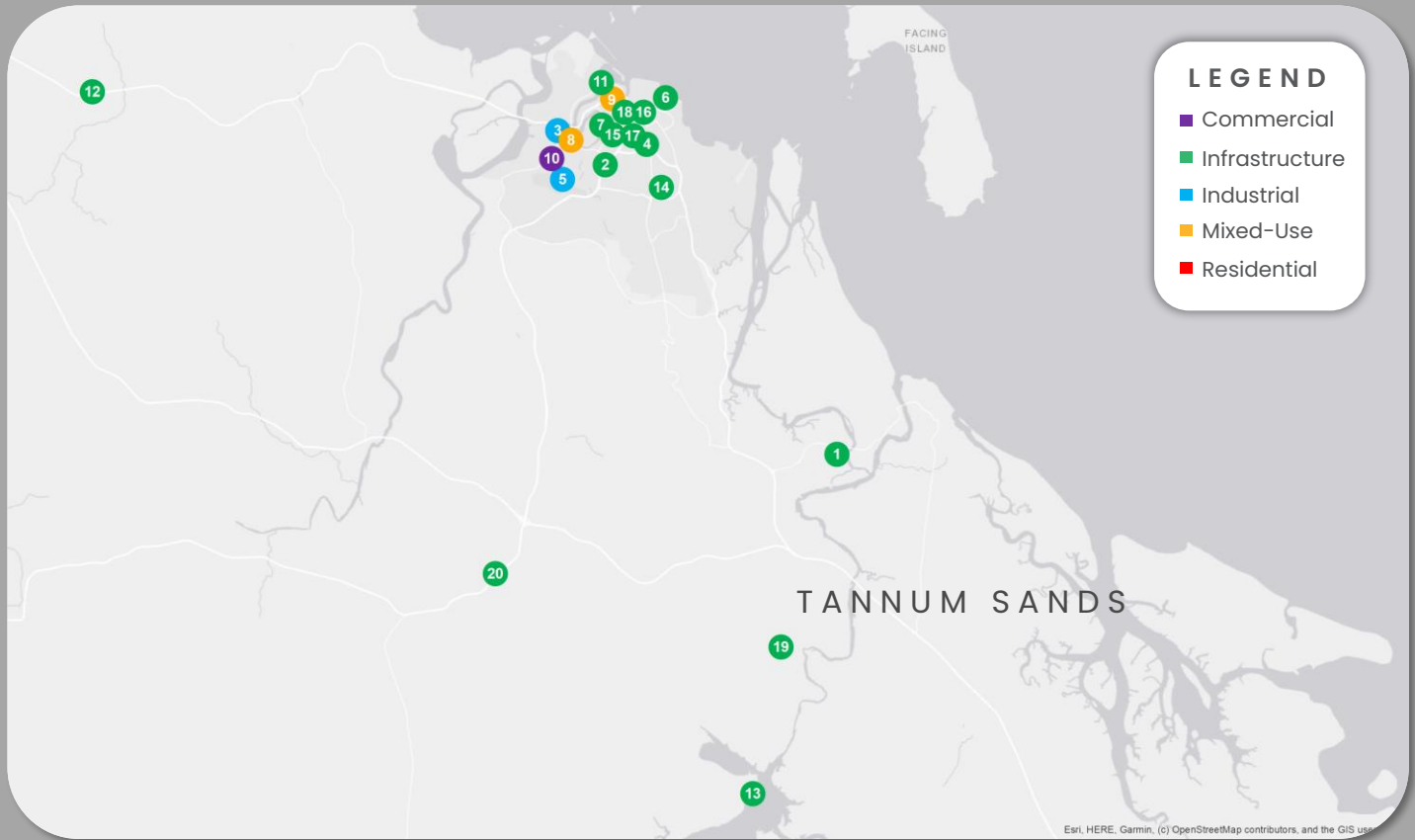


4.9%

Brisbane
Metro

PRD.

PROJECT DEVELOPMENT MAP 2024^A



| # | Project ^B | Type | Estimated Value ^C | Commence Date ^D |
|----|--|----------------|------------------------------|----------------------------|
| 1 | Hoddinott Bridge Boyne Island (State Government) | Infrastructure | \$20,000,000 | 2024-10-18 |
| 2 | Gladstone State High School - Itd Building (State Government) | Infrastructure | \$17,800,000 | 2024-07-01 |
| 3 | Lots 1 & 3-5 Red Rover & Lots 2 & 3 Meegan Roads Industrial Subdivision Stages 1-5 | Industrial | \$7,800,000 | 2024-12-16 |
| 4 | West Gladstone Social Housing Units (State Government) | Infrastructure | \$7,000,000 | 2024-09-09 |
| 5 | 78 Callemondah Drive Self Storage Facility | Industrial | \$5,500,000 | 2024-10-15 |
| 6 | Gladstone Ports Petroleum Products Import Facility (State Government) | Infrastructure | \$5,000,000 | 2024-05-22 |
| 7 | 24-26 Fletcher Street Apartments (State Government) | Infrastructure | \$4,983,990 | 2024-07-08 |
| 8 | 17 Garfield Street Workshop (Commercial - Office + Retail) | Mixed-use | \$2,000,000 | 2024-07-25 |
| 9 | 54 Hanson Road Hardware & Trade Supplies & Warehouses (Commercial - Retail + Industrial) | Mixed-use | \$2,000,000 | 2024-09-10 |
| 10 | Central Queensland University Coastal Marine Ecosystem Research Centre (Cmerc) | Commercial | \$2,000,000 | 2024-02-26 |
| 11 | Gladstone Marina Berthing Pontoon & Access Gangway Repairs (State Government) | Infrastructure | \$1,200,000 | 2024-01-30 |
| 12 | Aldoga Pipeline Stage 2 Quantity Surveyor (Local Government) | Infrastructure | \$1,000,000 | 2024-05-02 |
| 13 | Awoonga Dam Recreational Area Stage 2 (Local Government) | Infrastructure | \$1,000,000 | 2024-05-03 |
| 14 | Gladstone Area Water Board Roadworks (State Government) | Infrastructure | \$950,000 | 2024-05-01 |
| 15 | Gladstone Hospital - Roof Replacement (State Government) | Infrastructure | \$900,000 | 2024-12-27 |
| 16 | Gladstone Area Water Board Head Offices (Local Government) | Infrastructure | \$850,000 | 2024-04-11 |
| 17 | Gladstone State High School - Block J (State Government) | Infrastructure | \$800,000 | 2024-05-13 |
| 18 | Gladstone Memorial Park Car Park Lighting System (Local Government) | Infrastructure | \$800,000 | 2024-10-14 |
| 19 | Awoonga Dam Washdown Facility (Local Government) | Infrastructure | \$750,000 | 2024-09-09 |
| 20 | Mount Morgan Mine Site & Calliope Conservation Park Demolition Works (State Government) | Infrastructure | \$595,157 | 2024-01-24 |



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RESEARCH SERVICES

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- Geographic information mapping
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REFERENCES

* Tannum Sands market data and key indicators encapsulates aggregate property market conditions within the suburbs of 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.

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 – 31/12/2023) and Q1 2024 (01/01/2024 – 31/03/2024) house median rent figures.

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

§ Rental yields shown are as reported as of May 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 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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