



Hervey Bay Market Update 1st Half 2021



OVERVIEW

In Q1 2021, Hervey Bay* recorded a median house price of \$420,000, and a median unit price of \$317,000. This represents annual (Q1 2020 – Q1 2021) median price growth of 18.3% for houses and 17.4% for units. Between Q1 2020 – Q1 2021 total sales increased, by 15.6% for houses (to 430 sales) and by 52.3% for units (to 131 sales). Median price growth alongside increased sales suggest there are real returns on capital investment in Hervey Bay*. Now is the time to transact, particularly for owner-occupiers looking to benefit from a highly demanded 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 Q1 2021



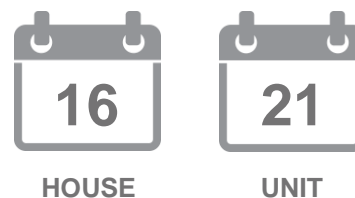
SALES AVERAGE DAYS ON MARKET Q1 2021



RENTAL MEDIAN PRICE Q1 2021

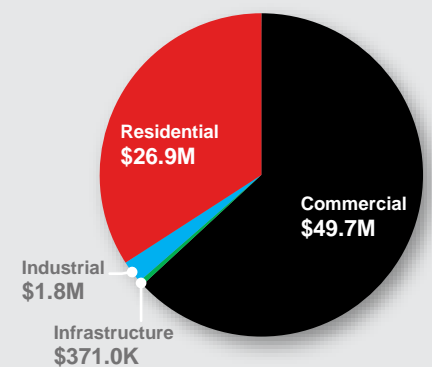


RENTAL AVERAGE DAYS ON MARKET Q1 2021



FUTURE DEVELOPMENTS

The Hervey Bay* area is set to see approximately **\$78.7M** worth of new projects commencing in the 1st half of 2021.



A large focus on commercial projects signals the creation of new businesses, local jobs, and improved services. This has the potential to stimulate the economy, having a positive spill-over impact on the real estate market. More housing stock will address current demand, ensuring a sustainable price growth.

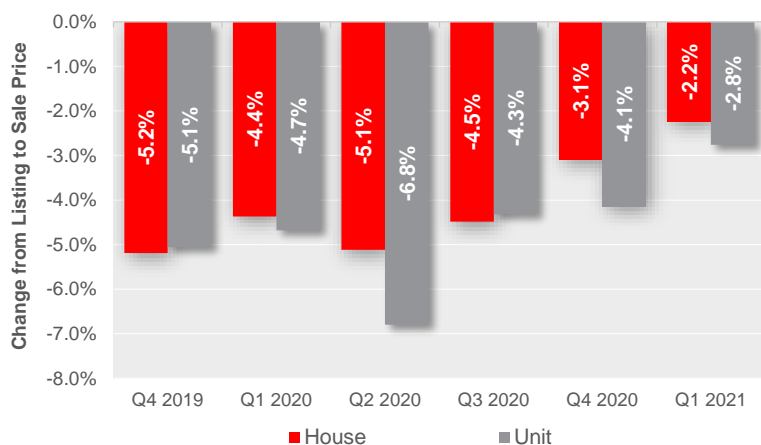
A main Commercial project over the 1st half of 2021 is the Stockland Hervey Bay Shopping Centre (\$40.0M). This project will provide extend to existing shopping centre to include new supermarket & specialty stores. This will increase productivity in the area and create local jobs. A total of \$26.9M of residential projects is planned, adding 30 units/apartments, 20 townhouses and 312 lots to the Hervey Bay* market. A key residential project in 1st half of 2021 is Bullamon Plains Residential Subdivision (\$8.9M, 199 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.

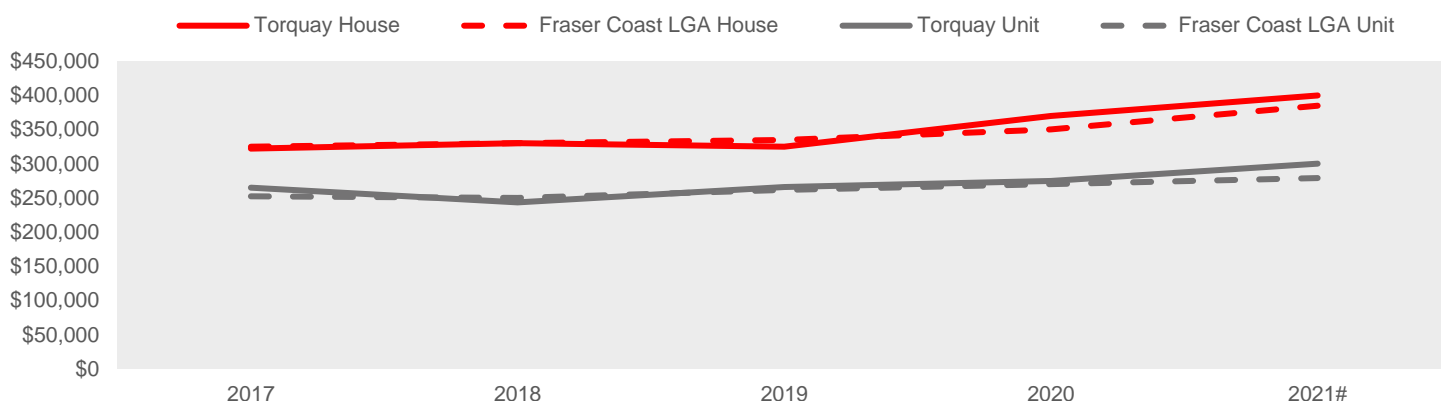
Average vendor discounts between Q1 2020 and Q1 2021 have tightened for both property types, to -2.2% for houses and -2.8% for units. Market conditions in Hervey Bay* are shifting towards a seller's market as buyers are willing to offer closer to the first asking price. There are still discounts, however this is limited.



The suburb of Torquay has outperformed the wider Fraser Coast Local Government Area (LGA) in both house and unit median prices. Torquay continues to be a premium market compared to the LGA, with unit prices surging in 2021# and showing signs of resilience.

The dominant proportion of homes sold in Hervey Bay* across 2020/21^ were in the lower-middle price point of \$300K to \$400K (38.1%). Units recorded a dominant premium price point of \$350K and above (22.2%). There is a relatively balanced spread of price points, with affordable opportunities for first home buyers.

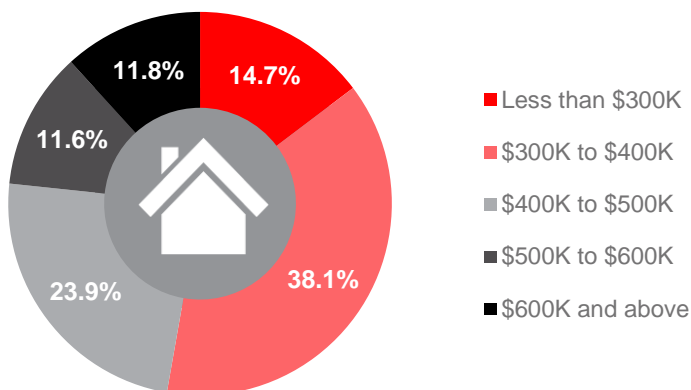
MEDIAN HOUSE PRICE COMPARISON



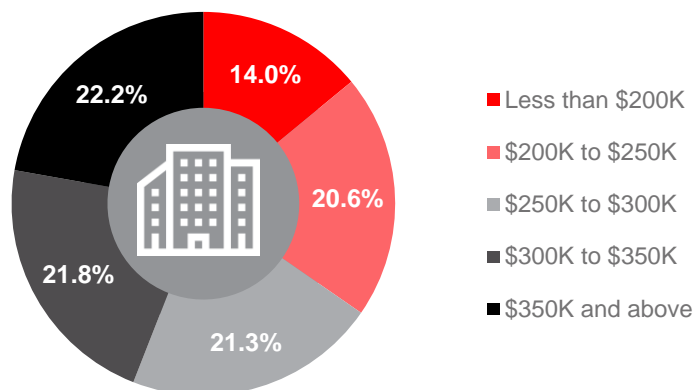
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Torquay.

PRICE BREAKDOWN 2020/21^

HOUSES SOLD



UNITS SOLD

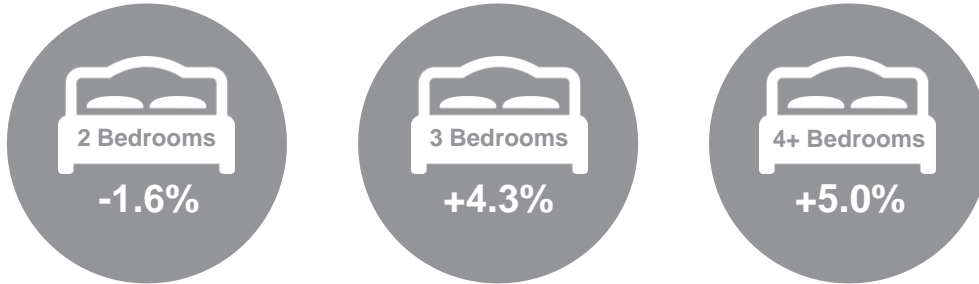


RENTAL GROWTH 2020/21€

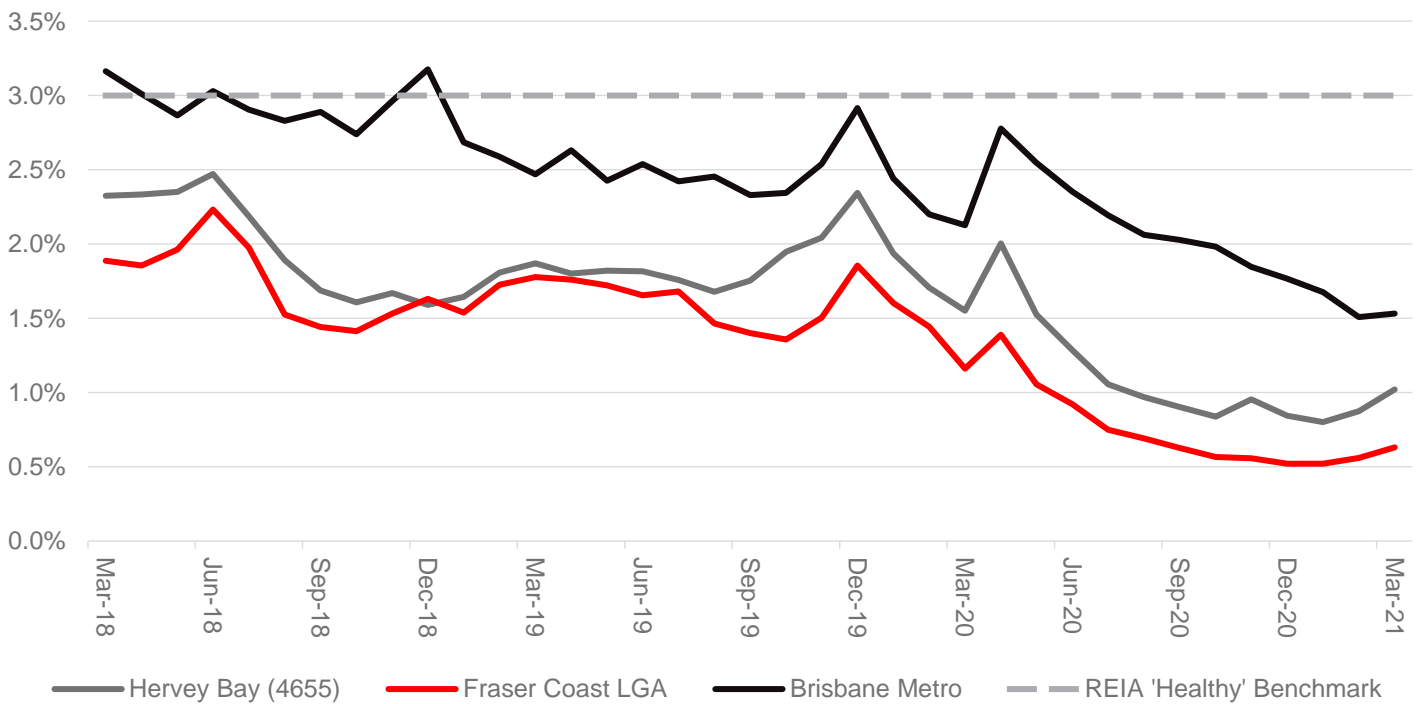
In March 2021, house rental yields in Hervey Bay* were recorded at a healthy 4.9%. In the 12 months to Q1 2021, the median house rental price increased by 10.8% to \$410 per week, with average days on the market declining by -28.3% (to 16 days). This places Hervey Bay* as a strong rental market, with room for more investors to enter the market.

4+ bedroom houses have provided investors with +5.0% rental growth annually, with a median rent of \$420 per week.

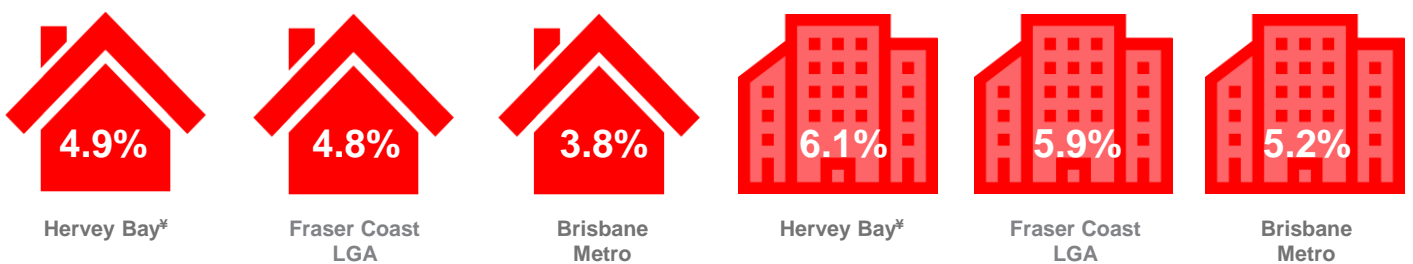
Also in March 2021, Hervey Bay* recorded a low vacancy rate of 1.0%, which is on par with Fraser Coast LGA (0.6%), but well below that of Brisbane Metro (1.5%). Vacancy rates in Hervey Bay* have continued on a declining trend since April 2020 and remained well below the Real Estate Institute of Australia's healthy benchmark of 3.0%, even throughout COVID-19. There is still an influx of rental demand in the area, creating a highly conducive investment market for investors.



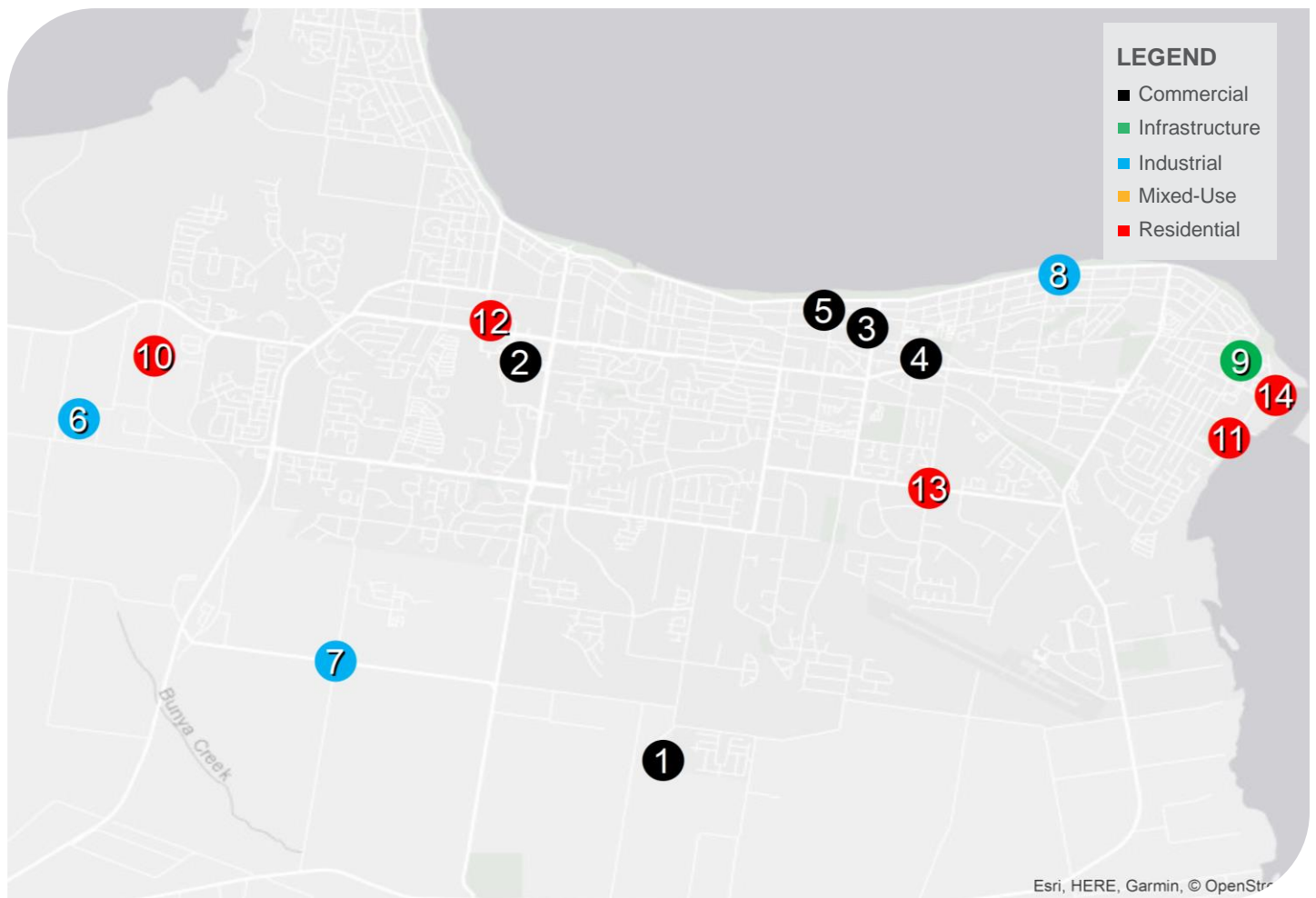
RENTAL VACANCY RATES 2021



RENTAL YIELD 2021\$



TOP DEVELOPMENTS MAP 1ST HALF 2021[Ⓐ]



Location	Project [Ⓔ]	Type	Estimated Value [Ⓜ]	Commence Date [Ⓝ]
1	Stockland Hervey Bay Shopping Centre	Commercial	\$40,000,000	14/05/2021
2	Fresh & Save Hervey Bay	Commercial	\$7,500,000	02/01/2021
3	Hervey Bay Boat Shed Gaming Room	Commercial	\$1,250,000	06/06/2021
4	Esplanade Cabins	Commercial	\$650,000	27/02/2021
5	Esplanade Commercial Development	Commercial	\$250,000	10/06/2021
6	Drury Lane Self Storage Facility	Industrial	\$800,000	01/03/2021
7	Industrial Avenue Factory	Industrial	\$500,000	26/04/2021
8	Maritime Safety Queensland Boat & Equipment Storage Facility	Industrial	\$500,000	18/01/2021
9	Boundary Road & Robert Street Intersection - Underground Electricity Works	Infrastructure	\$371,000	17/03/2021
10	Bullamon Plains Residential Subdivision- (199 Lots)	Residential	\$8,950,000	28/01/2021
11	Torquay Terrace Townhouses- (20 townhouses)	Residential	\$6,000,000	12/04/2021
12	Doolong South & Hebblewhite Roads Residential Subdivision- (113 Lots)	Residential	\$5,100,000	01/04/2021
13	Torquay Terrace & Bideford Street Units Stages 1-2- (23 Units)	Residential	\$5,000,000	17/03/2021
14	Honiton Street Units- (7 Units)	Residential	\$1,800,000	26/02/2021

OUR SERVICES INCLUDE

With over 30 years experience and owning his own real estate business since 1998, Jim specialises in property sales, commercial sales and leasing. Jim's passion and enthusiasm have seen him dedicate only the best in services and results by identifying what his clients' needs are and advising them on how best to achieve them.

PRD Hervey Bay's hand selected team is dedicated to making buying or selling a positive experience for all parties involved. The team strives to provide clients across the Hervey Bay region with sales and property marketing services that are realistic, cost effective and that produce results. We endeavour to provide every customer with exclusive and personal service to achieve desired outcomes throughout every transaction.

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

*Hervey Bay 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.

2021 encapsulates sales transactions for Q1 2021 (01/01/2021 – 31/03/2021).

^ 2020/21 encapsulates sales transactions for 2020 & Q1 2021 (01/01/2020 – 31/03/2021).

€ Annual rental growth is a comparison between 2019 (01/01/2019 – 31/12/2019) and 2020/21 (01/01/2020 – 31/03/2021) house median rent figures.

¥ Hervey Bay market data encapsulates aggregate property conditions within Hervey Bay (4655).

§ Rental yields shown are as reported as of March 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 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 Pricerfinder, Cordell Connect database, SQM Research, Esri ArcGIS.

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