Month in Review

June 2023

The Month in Review identifies the latest movements and trends for property markets across Australia.

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A message from our CEO

Welcome to the June's edition of Month in Review

For over a year, Australia has been dealing with challenging fiscal circumstances. Monthly increases in interest rates along with scrutiny around inflation saw commentators waiver on whether we are past the worst of the downturn or should instead prepare for more challenges.

While the public has become somewhat accustomed to unrelenting change, the last two rate increases by the Reserve Bank may prove to be the most significant.

Not too long ago, many commentators viewed a pause on rates in response to easing inflation as a sign the economy was rebounding, with even the most conservative commentators relaxing their stance.

However, the last two interest rate increases have dented recent gains in confidence. Many commentators have become more reserved over the past four weeks – a pivot from their positions earlier in the year. Now we're hearing commentary about a looming recession, even if it's short-term and "technical".

While residential property prices should continue to prove resilient, I think the ramifications of what's now occurring will be most dramatic in the commercial property sector.

Investment funds are approaching the end of the financial year – a time when performance is assessed so future direction can be defined. At present, I think those with assets in the office and retail sectors will be taking a more defensive approach heading into the next financial year. While office vacancies in Brisbane's CBD have tightened, the same could not be said for Melbourne and Sydney, particularly for secondary office stock which needs to fight for every rental dollar. The hybrid work week is taking its toll and while future new supply is limited, demand looks set to remain subdued across many sub-sectors.

This feeds into the retail sector too. Less workers means reduced spending, particularly in inner-city areas. This is compounded by households becoming more prudent with their own budgets. Westpac reported on 19th June that they've now increased their predicted peak cash rate to be 4.6 per cent. Couple this with a 7.9 per cent drop in the Westpac-Melbourne Institute Consumer Sentiment Index and it's apparent why the bank has lowered its economic growth forecasts for 2023 and 2024.

The upshot is that our medium-term economic outlook should be one of caution. Households and businesses are getting very serious about their balance sheets and budgets. In this environment, they'll need to rely on independent, comprehensive advice from experienced professionals who work daily in their specialty fields. This will be the most effective strategy for navigating the challenges ahead.

Gary Brinkworth
CEO

While residential property prices should continue to prove resilient, I think the ramifications of what's now occurring will be most dramatic in the commercial property sector.

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COMMERCIAL

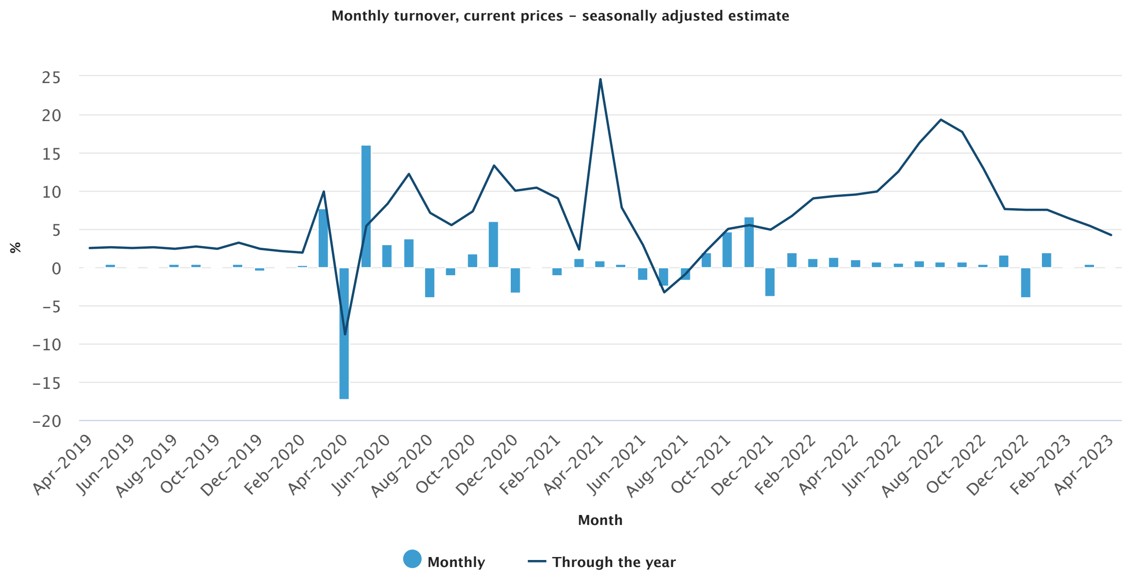
Commercial

June 2023

National Retail Overview

Arguably more than any other sector, retail markets have been on a volatile ride over the past five years. After battling with the structural change induced by the growth in online retailing, the COVID-19 period saw some quite wild swings in performance, rentals and yields. After a strong recovery from COVID impacts in 2022, the sector is now dealing with the headwinds of the rising interest rate environment and its impact on both discretionary spending and investment yields.

Alistair Weir
Commercial Director



Source: Australian Bureau of Statistics, Retail Trade, Australia April 2023

At a national level, as at April 2023 national retail turnover is relatively stagnant against a backdrop of continuing strong inflation. Real levels of retail spending are therefore in decline.

The deteriorating market conditions are now having a significant impact on new development. Overall construction activity is extremely weak by historical standards with current levels being over 60 per cent lower by value than the 10-year average. Expansion of both new and existing centres has fallen to quite low levels as major owners battle with replacing exiting big box tenants and the competitive impact of the growth of online retailing. In addition to this, the softening of retail yields for major shopping centres of circa 100 to 150 basis points is putting further pressure on the viability of new retail development.

Most of the current construction activity is confined to neighbourhood or bulky goods centres as such projects are far simpler to develop and more timely to build than expansions to either sub-regional or regional shopping centres.

On the positive side, the resumption of a strong rate of population growth in the post COVID era

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The forecast need for new retail accommodation is well above the current levels of supply and highlights that at some point, there will be a catch up period, particularly if population growth continues at current levels.

(circa 250,000 per annum) creates the need for circa 500,000 square metres of new retail accommodation, at a rough rule of thumb of two square metres per person. This is well above the current levels of supply and highlights that at some point, there will be a catch up period, particularly if population growth continues at current levels.

For retail markets, it is now generally acknowledged that early 2022 was the peak of the investment cycle and that since May 2022, yields and appetite for major retail properties have been diminishing. This has seen a standoff between vendors and purchasers, which is only now starting to loosen as the reality of softer investment yields kicks in.

Whilst yields have softened across the board, retail investment markets remain somewhat of a mixed bag with ongoing investor demand at the lower end, but such demand being extremely price sensitive. Yields for fast-food premises, convenience centres, neighbourhood centres and smaller large format centres have remained reasonably low with softening of circa 50 to 75 basis points being evident. At the institutional end of town, yields have certainly softened further and are now circa 100 to 150 basis points softer than the highs of early 2022.

The future direction for retail remains somewhat uncertain however is more than ever keenly aligned with future interest rate movements

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National Property Clock: *Retail*

Entries coloured purple indicate positional change from last month.

Central Coast
Hobart
South East NSW
Townsville

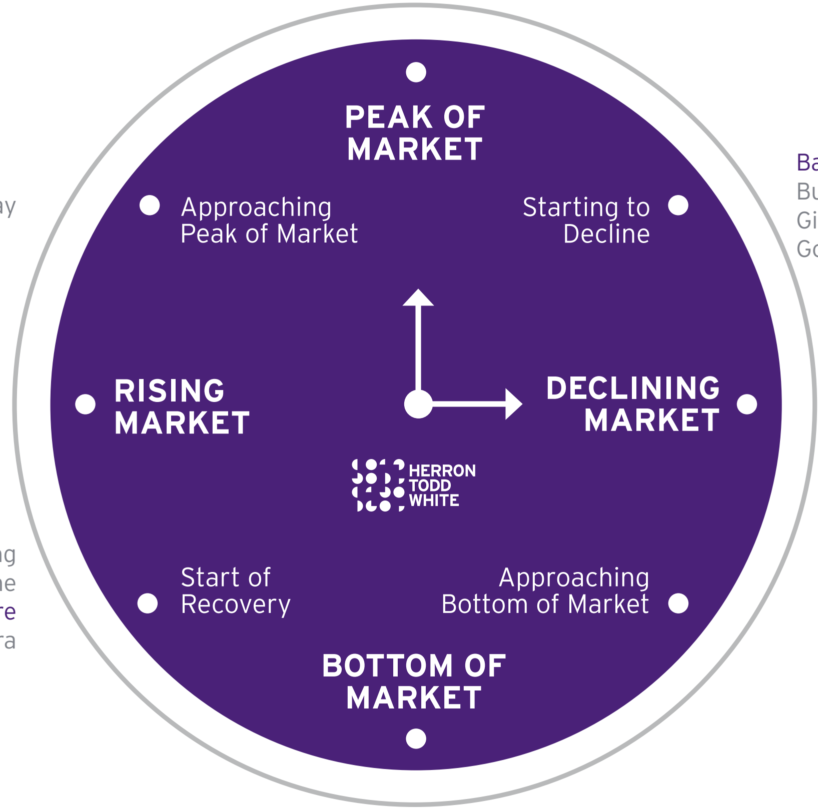
Mackay

Ballina/Byron Bay
Burnie-Devonport
Gippsland
Gold Coast
Launceston
Mid North Coast
Newcastle
Sunshine Coast

Ballarat
Bendigo
Bundaberg
Fraser Coast
Rockhampton

Brisbane
Canberra
Coffs Harbour
Darwin
Echuca
Esperance
Geraldton
Illawarra
Ipswich
Melbourne
Sydney

Adelaide
Adelaide Hills
Barossa Valley
Cairns
Geelong
Gladstone
Lismore
Mildura



Alice Springs
Emerald
Perth
South West WA
Toowoomba

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New South Wales - Retail 2023

Sydney

The retail market in Sydney remains subdued, marked by fewer transactions and weaker demand. The softer market conditions can be attributed to multiple factors, including the impact of interest rate increases, reduced retail spending, economic uncertainty and inflation.

There has been limited new retail construction in Sydney over the past few years. The city's built-up nature, particularly in inner-city areas, has resulted in fewer opportunities for expansion or development. However, there has been some retail construction activity focused on new housing estates in the outer western suburbs, driven by the need to provide retail centres to serve the growing population. These newly developed estates have seen the successful uptake of shopping centres and retail hubs, with smaller tenancies predominantly occupied by local businesses. Furthermore, retail development in newly developed suburbs of outer western Sydney has additionally consisted of bulky goods retail and fast-food outlets.

In contrast, in inner-city areas such as Pagewood, Canterbury and Waterloo, new retail supply is limited to ground floor suites within residential developments. However, the increased supply of retail space in these areas has resulted in higher vacancy rates and longer selling periods, as these locations may face challenges related to parking availability and pedestrian traffic. Additionally, new developments often take time to generate foot traffic and trade due to the high vacancy rates in residential units during the settling, leasing and construction phases. Construction zones around these areas further impact pedestrian flow and road access.

Fit outs and refurbishments in the retail sector continue to face challenges associated with increasing costs. Moreover, delays in securing trades have become more prevalent, discouraging some retailers from pursuing refurbishment projects unless they are critically necessary. As a result, refurbishments are typically undertaken when there is a pressing need rather than for purely aesthetic or improvement purposes.

Given the subdued nature of the market, any new retail property development in Sydney should be approached as a long-term investment. Return on investment is likely to take time to materialise due to the prevailing market conditions.

In conclusion, the retail market in Sydney is currently experiencing subdued conditions, with weaker demand and limited new construction. Investors need to remain cautious and strategic in their decision-making, considering the challenges posed by interest rate increases, reduced retail spending, economic uncertainty and inflation.

Angeline Mann
Commercial Director

Wollongong

Most new retail construction in the region revolves around service centre style complexes that incorporate a service station and drive through restaurants. One has to look no further than Warrawong to see development in this space with Ampol, Guzman Y Gomez and Carl's Jr soon to occupy the former Warrawong Nissan and Suzuki site on the corner of King Street and Turpin Avenue. Over the years, most of this type of development has occurred along Princes Highway in Albion Park Rail and with some smaller infill fast food development occurring on some suitable corner sites in Unanderra and Fairy Meadow.

Warrawong will also see the addition of a new, large format retail complex (Bayview Centre). This former Bunnings property is to be repurposed to accommodate tenants such as Beacon Lighting, Supercheap Auto, JB Hi-Fi, Trek, Autobarn, RTM and Pillow Talk. First Choice Liquor will occupy a freestanding building currently occupied by Liquorland, while fast-food drive through tenancies will include Oporto, Hungry Jack's and Starbucks. This will complement the existing bulky goods retail precinct further south along King Street.

While out in the suburbs we note that approvals have been received for the construction of the Woolworths-anchored Calderwood Village neighbourhood shopping centre, which will be a welcome addition to residents in the Lendlease-developed master planned community.

Scott Russell
Director

Victoria - Retail 2023

Melbourne

The Melbourne retail property market has remained somewhat stagnant leading into the middle of 2023 across both the sales and leasing sectors as many participants continued to adopt a wait and see approach given the wider uncertainties in the economy.

The number of office workers in Melbourne's CBD continues to be significantly below pre-COVID levels, however there are positive signs with a shift towards increased visitor numbers to the CBD during the evenings on weekdays and weekends. Towards the end of May, we identified in excess of 300 retail premises advertised for lease within the CBD with only a limited number of properties being offered to the market for sale. As the number of larger companies moving to encourage employees back to the office grows, there may be greater demand for retail uses in the CBD and it is possible we will begin to see a reduction in retail vacancies in late 2023.

Throughout 2023, we have continued to see prime retail assets with long leases to national operators trading well, albeit in limited volumes. There appears to be a further reduction in demand for secondary and vacant properties, especially those requiring capital expenditure or base building works. This divergence between asset classes is expected to continue into late 2023, with increased demand for quality property in top locations versus reduced interest in secondary assets and locations.

Yields for assets within the CBD and suburban markets appear to have softened further as the impacts of the interest rate rises implemented by the Reserve Bank of Australia continue to encourage investors to reconsider their short- and medium-term strategies and recalculate their risk free rates. Some retail property types such as supermarkets and national fast-food outlets have continued to show resilience in 2023.

From our discussions with retail tenants, it is clear that rental affordability is a key concern. The ability of retail businesses in the Melbourne CBD to generate sufficient turnover and maintain rental payments continues to be negatively affected by changes to work practices with substantial numbers of workers still preferring to work some, or most days, from home. The wider metropolitan leasing market has remained subdued.

Significant unknowns around costs associated with construction and renovation works together with the uncertainties of achievable rents upon completion appear to be placing downward pressure on projects in the Melbourne retail market.

From our discussions with retail tenants, it is clear that rental affordability is a key concern.

Town Hall Place — Source: Lendlease

Despite the headwinds currently facing the Melbourne retail market, there are still a small number of notable retail developments planned or underway within the wider Melbourne market. Some of these include:

- **Lendlease's Town Hall,** within Melbourne's CBD, is being constructed above the new Town Hall Station at 25 Swanston Street. The complex is understood to include a mix of office and retail accommodation and will provide approximately 2000 square metres of retail and dining outlets upon completion.
- **The Melbourne Walk development,** currently under construction in Melbourne's CBD, incorporates eight separate buildings between Little Collins Street and Bourke Street Mall. The $200 million redevelopment project is understood to provide approximately 6000 square metres of commercial floor space incorporating retail and a 450-room hotel.

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- **The City of Wyndham** has approved an application to construct The Sheds Tarneit, a 13,100 square metre town centre complex in Melbourne's west expected to be opened in late 2024.

The viability of a project within the Melbourne retail property market appears to depend on a number of factors, not least, demand for the space from operators upon completion.

Successful projects appear to fill a void or look to reactivate existing retail precincts through complete overhauls and redesigns of how the space is utilised and engaged with. Other projects, such as Lendlease's Town Hall, form part of larger state government infrastructure initiatives.

Retail refurbishment can take a number of forms from small scale projects refitting existing premises in suburban strips through to large scale projects with significant heritage and planning considerations within the CBD providing thousands of square metres of new or refurbished floor space. The viability of these projects appears to be impacted significantly by the wider economy. The potential for prolonged levels of reduced footfall within the CBD particularly during weekdays and the ongoing significant uncertainty around construction costs and demand for space upon completion are expected to continue to impact both new and refurbishment projects within the Melbourne retail property market throughout 2023.

Nathanial Ramage
Associate Director

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Queensland - Retail 2023

Brisbane

There are several elements currently influencing retail construction and refurbishment in commercial real estate in Brisbane. One of the primary factors is the changing needs and expectations of consumers. Retailers are constantly looking for ways to create unique and engaging shopping experiences that will attract and retain customers. Other factors include technological advancements, sustainability and the need for flexibility and adaptability in the retail space. Additionally, economic and regulatory factors such as government policies and funding, interest rates and market conditions also play a significant role in shaping the retail construction and refurbishment landscape.

Regarding changing needs and expectations of consumers, retailers are now focusing on creating a more immersive and personalized shopping experience. This means integrating technology to create more interactive and engaging store layouts, as well as offering a wider range of products and services that cater to specific consumer needs.

Sustainability is also a major focus in retail construction and refurbishment. Many retailers are now incorporating sustainable materials and design features into their stores, as consumers are becoming increasingly conscious of environmental issues. These include energy-efficient lighting and HVAC systems, the use of recycled materials and the installation of renewable energy sources.

Lastly, the need for flexibility and adaptability in the retail space is becoming increasingly important.

Regarding changing needs and expectations of consumers, retailers are now focusing on creating a more immersive and personalized shopping experience.

Retailers are looking for spaces that can easily be reconfigured to accommodate changing needs, such as a shift towards e-commerce or changes in demand for certain products or services. This means designing spaces that can be easily modified and updated as needed.

There are several major developments currently underway in the retail space in Brisbane. One of the most notable is the Queens Wharf development, a $3.6 billion integrated resort development located in the heart of the city expected to be completed by the end of 2024. The project involves the redevelopment of a large portion of the CBD, including the construction of a new casino, five new hotels, a range of retail spaces, more than 50 restaurants and bars and several public spaces. The centrepiece of the development will be a new Sky Deck, which will offer panoramic views of the city. One of the key features of the Queen's Wharf development is its focus on sustainability; the development will incorporate a range of environmentally-friendly features, including solar panels, green roofs and energy-efficient lighting and HVAC systems. Overall, the Queen's Wharf development is set to transform the Brisbane CBD and become a major landmark in the city. It's a major investment in the future of Brisbane and is expected to have a significant impact on the local economy.

Several market elements are making new retail developments and constructions viable in Brisbane. One of the most significant is population growth, which is driving demand for new retail spaces to serve the growing number of residents in the area. This is particularly true for areas experiencing rapid population growth, such as the Gold Coast metropolitan area, where new shopping centres and retail spaces are being developed to meet the needs of the local population.

Another important factor is changing demographics and consumer behaviour. As consumers become more tech-savvy and demand more personalized and immersive shopping experiences, retailers are investing in new construction and refurbishments to meet these changing consumer needs. This includes the integration of new technologies such as augmented reality and mobile apps, as well as the use of sustainable materials and design features.

Additionally, there is a strong demand for mixed-use developments that combine retail, residential and commercial spaces. This provides developers with the opportunity to create vibrant and dynamic communities that offer a range of amenities and services to residents and visitors alike.

Finally, government policies and incentives are also making new retail developments and construction

Shopping centres dominate transaction activity with 92 per cent of all activity led by the sub-regional sector.

viable. Governments are investing in infrastructure and offering tax incentives and other benefits to encourage developers to invest in new construction and refurbishment projects.

While Quarter 1 of 2023 has come to an end, the Australian retail market is still showing high transaction volumes, totalling $1.35 billion across 21 transactions. Shopping centres dominate transaction activity with 92 per cent of all activity led by the sub-regional sector. The increasing cost of debt may however slow transaction volumes further in 2023 with buyers more cautious about investment decisions, however this is more likely to impact the larger end of the market.

Yields softened across all asset classes except super prime CBD (stable). Yields are expected to see a small amount of further expansion in 2023 in line with the rising cost of debt.

Specifically, the Queensland sector saw the below notable sales which demonstrate the state of the market and how yields have been performing.

Terry Munn
Director

Gold Coast

Regular readers of the Month in Review would recognise that the retail sector is the most segmented property market in the Gold Coast region. With everything from the tourist retail hubs of Surfers Paradise, the beachside dining precincts from Mermaid Beach to Palm Beach, a plethora of neighbourhood shopping centres scattered throughout the suburbs and together with two of the largest super regional shopping centres in the country, there is never any shortage of development or refurbishment activity.

A notable (and unique) refurbishment taking place on the central Gold Coast is the Alcove retail project at 15 Pinter Drive, Southport. This project, undertaken by Brisbane-based Barakat Projects, is due to be completed within the month and represents a complete repurposing of a 1980s light industrial strata complex in the Ferry Road precinct. The property was purchased in early 2021 for $3.2 million and the developer has retained the bones of the complex while enhancing the presentation of the asset to provide a boutique retail project with a village feel. On completion, the project will deliver 10 shops with new fit out ranging in size from 100 to 150 square metres. A leasing campaign recently commenced with asking net rents starting at $700 per square metre (circa $800 per square metre gross). The developer is hoping to attract a complementary mix of traditional retailers, along with service industry and medical providers.

NOTABLE SALES, QUEENSLAND Address	Sale Date	Sale Price	Land Area (m2)	Lettable Area (m2)	Passing Yield (%)	Analysed Market Yield (%)	$/m2 Lettable Area
27 Alexandra Road, Ascot	19/04/2023	$12,100,000	1,821	974	4.88	4.88	$12,423
144 Indooroopilly Road, Taringa	17/04/2023	$13,400,000	3,586	1,557	5.52	5.52	$8,143
265 Hawthorne Road, Hawthorne	31/03/2023	$5,800,000	1,211	399	5.52	5.41	$14,536
50 Market Place, 44-50 Chambers Flat Road, Waterford West	03/01/2023	$9,415,000	4,734	1,256	6.85	6.64	$7,496

The Lanes Retail Resort in Sunland's master planned development The Lakes is currently being marketed for lease. The retail centre site on the corner of Hooker Boulevard and Southport-Burleigh Road (Bermuda Street) was purchased by Sydney-based developer Panthera Group in mid-2022 for a reported $45.8 million. The retail village will provide 14,000 square metres of retail space, including a fresh food market and health and wellbeing precinct, along with restaurants, cafes and a number of speciality tenancies. Tenancies range in size from circa 60 to 450 square metres, with asking net rents ranging from $1000 to $1500 per square metre. At the time of writing, we have been advised that the precinct has a significant level of pre-lease commitments.

In the south, a recently refurbished building at Griffith Street, Coolangatta is the most notable retail redevelopment in the southern Gold Coast in 2023. The building was an older style (circa 1960s or older vintage), two-storey, multi-tenancy commercial premises in the heart of the retail strip. However, a major reconfiguration and refurbishment project has recently been completed and the building now comprises an amalgamation of tenancies on the ground floor, a gym at the rear and a barber shop and potentially a hair salon to occupy the front. The first floor is utilised as offices by the owner who is involved in the property industry. The project capitalised on the growing fitness industry and the owner secured the gym tenant prior to the redevelopment. In addition, the project has made use of a rear laneway which the gym fronts. It is the first property along Griffith

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Street to significantly utilise this as primary access, which benefits customers with ample Council car parking adjoining, as well as maximising rent for this position, given it suits the tenant. The front tenancies are also part of the growing services industry; traditional consumer retailing is encountering challenging trading conditions in the area given economic conditions and changing consumer trends.

On the northern Gold Coast and also within the growth corridor are the suburbs of Ormeau, Pimpama, Coomera and Upper Coomera. These localities have seen substantial residential growth over the past two decades, with further growth still to occur. Off the back of this growth and picking the suburb of Coomera, there are various new retail developments emerging within the Coomera Town Centre (which includes Westfield Coomera) and surrounds. Developments of note include Costco Wholesale Coomera, which is proposed to open in June 2023, along with new developments including Total Tools, plus various mainstream fast-food restaurants. There are various englobo allotments proposed for large format retail style or similar uses. Ultimately the retail and commercial offering in this region will continue to expand, as these larger lots are developed and new roads are constructed to improve integration within and between the suburbs.

Overall, the Gold Coast retail sector thrives on its diversity and adaptability. With a mix of refurbishments, new developments and strategic responses to changing market dynamics, the region's retail market remains resilient and poised for the future.

Ryan Kohler
Director

Sunshine Coast

The Sunshine Coast has experienced a remarkable surge in growth in recent years, which was further intensified by the effects of the COVID-19 pandemic. This growth can be attributed to the region's lifestyle offerings and a diverse economy. The Sunshine Coast has experienced significant increases in population, tourism and economic development, resulting in the development of numerous retail projects.

Over the past five years, the landscape of retail development has been multifaceted, encompassing various projects such as the expansion of a regional shopping centre, repurposing of existing hospitality precincts, establishment and renovation of centres in expanding regional localities, creation of new centres in developing master planned communities and incorporation of small retail components within new mixed-use developments.

In recent years, retail development has been heavily characterised by a number of projects including the $400 million expansion of the regional shopping centre known as Sunshine Plaza (2016 to 2019) and the refurbishment of the Wharf Mooloolaba hospitality precinct (2016 to 2017).

Sunshine Plaza — Source: Courier Mail

The Wharf Mooloolaba — Source: Evans Long

Looking ahead, the growing population has spurred a strong residential demand, particularly within master planned communities such as the Stockland-developed Aura located on the southern end of the Sunshine Coast. Aura currently stands as the largest residential development project in Australia and will provide several proposed town centres, the first of which was completed in late 2019, featuring an IGA-anchored neighbourhood shopping centre. Furthermore, significant retail development has taken place and continues to unfold in the newly developed town centre of Sippy Downs, strategically positioned close to the Sunshine Coast University campus. Retail construction in this area is facilitated by the significant level of residential development within the area.

In response to the growing need for additional retail offerings, smaller regional centres have also witnessed a surge in development. Notably, the town centre of Forest Glen, situated approximately 10 kilometres west of Maroochydore, has recently undergone a refurbishment of an existing older strip retail complex. Moreover, surplus land adjoining the existing centre has been developed into an IGA supermarket and a 2,500 square metre health precinct. While limited land supply may prompt the repositioning of existing assets in regional centres across the Sunshine Coast, the majority of new retail development is expected to take place within the master planned communities.

Forest Glen Village Centre Source: Tomkins Builders

Overall, the Sunshine Coast's retail landscape has experienced significant growth and diversification, driven by population expansion and a buoyant economy.

Jaydon McDowell
Associate Director

Rockhampton

The local economy continues to perform strongly off the back of Rockhampton's established health, professional services and government sector and a number of large scale infrastructure projects currently under construction or in the pipeline for the region. The retail market has had a solid few years, with notable decreases in retail vacancies and limited supply for either lease or purchase.

Bulky goods retail continues to expand in the region. Notable transactions in the market include the opening of national retailer Adventure Kings on 391 Yaamba Road, Park Avenue, committing to a high exposure warehouse of approximately 400 square metres. In addition, the sale of 119 Fitzroy Street was settled in February with a sale price of $1.32 million. The site was purchased by a national retailer and intending owner-occupier at a yield of circa 8.25%.

Rockampton's smaller format retail in the sub $1 million price bracket remains highly sought after by local investors and with limited supply on the market, is achieving yields of 6% to 8%.

As well as this, the sale of KFC Parkhurst has followed national trends in fast-food retail, selling in March for $3.895 million at a yield of circa 4.35%.

Smaller format retail in the sub $1 million price bracket remains highly sought after by local investors and with limited supply on the market, is achieving yields of 6% to 8%.

Richard Dunbar
Valuer

Mackay

A bulky goods retail property at 14 Discovery Lane, Mount Pleasant sold at a price of $3.1 million to show a net yield of around 6%. It has a land area of 5790 square metres and has excellent exposure to vehicular traffic from a very busy signalised intersection on the Bruce Highway. The complex has a total lettable area of 1302 square metres partitioned to provide four tenancy areas. Extensive on site carparking is available. The property is leased to Choices Flooring, Choices Tiles, First National Real Estate and L'Amour Home Furniture Store. The WALE by income is 2.39 years. Approvals are held to undertake certain extensions and modifications.

An older commercial property at 188 Shakespeare Street, Mackay sold for $990,000 and another at 31 Wood Street, Mackay sold for $1.14 million.

In other news, the freehold going concern of the Marco Polo Motel on Nebo Road, West Mackay sold for $3.44 million or $90,526 per room after selling for $2.2 million or $57,895 per room in September 2021.

Greg Williams
Director

Cairns

Retail in Cairns at present caters to two different markets, locals and tourists. Retail catering to the local market remains reasonably strong with relatively low vacancies and reasonable demand with very limited stock to either rent or buy. Smaller suburban retail rents tend to be in the range of $350 to $450 per square metre and yields in the order of 6% to 7% depending on quality of tenant, building and lease tenure, though smaller affordable stratas will show lower yields.

Higher interest rates and rising cost of living expenses may see this situation change as we move through the year and disposable income decreases.

Retail catering to the tourist market which is primarily located in the central business district and the Esplanade is very different, with high vacancies

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in non-Esplanade locations and limited demand for retail accommodation.

Much of the retail in this precinct is supported by international tourists who were non-existent during COVID, though numbers of international tourists are slowly increasing which will eventually lead to more demand for CBD retail space.

Domestic tourism has been very buoyant since early 2022 and food outlets and restaurants in the prime areas mainly along the Esplanade retail precinct have been trading very well .

Whilst vacancies within the non-Esplanade CBD are high, properties remain generally tightly held by long term owners.

Shane Quinn
Director

Wide Bay

Retail development continues to creep along the arterial roads as seen from the national fast-food developments along Bargara Road in Bundaberg East and Main Street in Pialba. There hasn't been a noticeable trend in terms of location or tenant type for retail refurbishment, but keep an eye on the established retail premises along Main Street between Boat Harbour Drive and the Esplanade that could see stronger interest from developers and occupants when construction commences on the new $100 million Fraser Coast Regional Council Administration and Library Complex.

Ben Harnell
Associate Director

Whilst the general regions are seeing improvements and development, it is quite evident that the Townsville CBD is still struggling as urban sprawl impedes retail opportunities within the inner ring.

Townsville

The Townsville retail market continues to improve and continues to be a significant sector within the region. Commitment from many national retailers is being shown throughout the region through a number of refurbishments and new builds.

Some recent refurbishment projects that have either been recently completed or are underway include the new Coles refurbishment at Castletown and the new Woolworths construction at Rasmussen which have both been completed within the past 18 months. Dexus, managers of the Willows Shopping Centre, indicates that an Aldi is to be incorporated within the centre which will comprise a floor plate of approximately 2200 square metres. The Willows Shopping Centre will then become the first shopping centre north of south-east Queensland to host all three supermarket chains under one roof.

Recent new construction within the region would indicate a lean towards service stations with national operators or multi tenanted complexes that include drive-through national fast food retailers, childcare centres, car washes and cafes. Stage 4 of the Fairfield & Co development has also recently been completed which provides bulky goods retail spaces for a variety of users with stage 5 showing commitment from more childcare and fast-food operators. Whilst showing signs of promise, these commitments are not without risk and certainly the continued uplift in construction costs questions the ultimate viability of such capital investment on paper. It is likely that the escalation in construction costs, supply chain issues and potential for extended delivery horizons may delay or inhibit new construction over the short term.

In terms of up-and-coming development, master planned communities such as North Shore and Elliot Springs are reaching points of critical mass where national supermarket chains and fast-food retailers are showing commitments within these areas. However, it is unclear when construction on these complexes will commence.

Whilst the general regions are seeing improvements and development, it is quite evident that the Townsville CBD is still struggling as urban sprawl impedes retail opportunities within the inner ring.

Jamison Sayce
Associate Director

Toowoomba

There are a number of retail developments planned for Toowoomba in 2023. These developments are:

- A new retail showroom complex on the corner of James and Neil Streets. The project will contain three tenancies which are reportedly pre-leased to national tenants.
- A development on the corner of James and West Streets which is proposed to be anchored by Officeworks with two additional detached fast-food tenancies.

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- Ongoing redevelopment of the Wilsonton Shopping Centre which includes demolition of older sections of the centre and construction of a 7-Eleven service station, fast-food tenancies (including Starbucks), car wash and a showroom tenancy to be leased to Petbarn.
- The owners of Clifford Gardens Shopping Centre are to construct two detached food outlets for KFC and Taco Bell.
- A new Hungry Jack's at 171 Anzac Avenue, Harristown (adjoins a Caltex service station).
- A food outlet on the corner of Bridge Street and Richmond Drive in Wilsonton to be leased to Guzman y Gomez.
- A food outlet with drive-through at 350 Bridge Street, Wilsonton (adjoins Red Rooster). This project has been linked with Mad Burgers.
- A food outlet with drive-through at 360A and 360B Bridge Street, Wilsonton (opposite Wilsonton Shopping Centre).
- A new National Australia Bank branch and office in Ruthven Street in the CBD.

Ian Campbell
Senior Property Valuer

South Australia - Retail 2023

Adelaide

The Adelaide retail market has continued to prove resilient compared to other property markets with the industry showing sustained rental growth in all sub-sectors along with the softening of yields. We expect these conditions to continue throughout 2023 as we see mounting cost pressures and interest rate hikes. Australian retail sales figures can be attributed to pent-up demand with consumers having large cash buffers prolonging the impacts of rate hikes, leading into a strong start to 2023. Consumer spending continues to remain above pre-pandemic trend levels and we're expecting this gap to shorten and achieve sustainable levels of spending within the economy. Prices continue to rise for goods and services through monetary policy which has helped moderate and ease inflation within the economy. Recent data from the Australian Bureau of Statistics indicates that the Consumer Price Index (CPI) dropped to seven per cent in the March quarter of 2023, still well above the RBA's goal of inflation of two to three per cent.

Local agents have reported 10 projects under construction that will introduce approximately 73,000 square metres of retail space throughout 2023 and 2024. The Adelaide retail market is set to see numerous projects reinstated and getting underway after major disruptions throughout the pandemic and recent construction crises.

The new Burnside Village construction is set to enhance the original premium retail centre and will involve the construction of approximately

Burnside Village Shopping Centre Construction Source: WT Australia, 2023

12,000 square metres of retail space, 1700 square metres for restaurants and other hospitality services along with 6,000 square metres of office accommodation and services. The $350 million project has adapted to changing market elements with the longstanding plans adjusted to remove a cinema and introduce a 24-hour gym. Gregg Downer, Group Chief Executive, claimed that the altered plans were a result of changes within the entertainment industry and how they're aiming to be more directed towards lifestyle. Cinemas are also likely to attract a younger demographic of which is not reflective of Burnside Village's tenancy profile. The majority of stores are luxury, specialty retail stores that target the affluent socio-economic demographic of the surrounding suburbs. Neighbourhood shopping centres are geared towards localised shopping habits and target tenant demand within the locality.

The District Outlet Centre located at the Parafield Airport is another new, large scale retail construction, entailing a 15,000 square metre site. It is scheduled to open within the coming months and accommodate 45 retailers, set to service a growing urban sprawl population. The retail refurbishment market in Adelaide is densely focused on smaller tenancies with limited evidence regarding larger refurbishments. The largest of note is the Myer Centre in Rundle Mall where plans are in place to undergo a complete façade refurbishment. This came after Myer threatened to vacate the premises given the dated nature of the property. This is a prime example of landlords completing works on their buildings to satisfy and retain tenants, ensuring strong lease covenants especially in a time of economic uncertainty.

Ben Millar
Property Valuer

Consumer spending continues to remain above pre-pandemic trend levels and we're expecting this gap to shorten and achieve sustainable levels of spending within the economy.

COMMERCIAL - RETAIL

HERRON TODD WHITE

Western Australia - Retail 2023

Perth

The retail property market in Western Australia began the 2023 calendar year in a subdued state, lingering at the bottom of the sector's property cycle.

Consequently, new construction activity in this sector has been hampered by doubts surrounding consumer spending habits. There is a mounting risk that savings accumulated during the pandemic lock-down periods are or have been eroded on the back of higher mortgage repayments and other cost of living pressures.

The buoyancy demonstrated by the state's residential property market has, unfortunately, continued to place considerable pressure on the local construction industry. Labour shortages and construction material supply chain disruptions have contributed to a pronounced and rapid escalation in build costs across all real estate sectors, while also delaying project time-lines.

Nonetheless construction of new retail space has been prevalent in designated activity centres in Perth's establishing peripheral suburbs. Typically these projects consist of neighbourhood size shopping centres anchored by a major supermarket chain with accompanying fast-food outlets and service stations.

Such assets, if appropriately leased, are demonstrating significant returns on investment when put to market. Led by eastern-states-based buyers, demand for modern, leased investment property even on the back of a rising interest rate environment, has led to firm yields and often premium sale prices over and above replacement cost. Investment-grade retail property (e.g. neighbourhood shopping centres) is one such highly sought after asset.

In terms of major refurbishment, the hot topic of late has been the successful launch of AMP Capital's Karrinyup Shopping Centre following an estimated $800 million expansion and refurbishment project. This project focused on delivering a new retail experience for shoppers featuring high end retail brand outlets, leading restaurants and bars, myriad entertainment options such as Hoyts cinemas, mini-golf and bowling, plus health care consultants, all under one roof. One could argue the centre has become a community centre as opposed to a traditional shopping centre. The next stage of the project will see the construction of 350 residential apartments.

Earlier this year, the Western Australian Planning Commission (WAPC) approved a proposed $720 million expansion of Scentre Group's Westfield Booragoon. The proposal would see Booragoon, locally known as Garden City, become the largest shopping centre in the state. This centre is located in the inner south-western corridor and is characterised by a catchment area with an above average socio-economic demographic. The relative resilience of this cohort to higher interest rates and inflationary pressures provides a degree of confidence for shopping centre owners in these locations to pursue such significant construction programs.

On a smaller scale, traditional high streets are retaining their appeal to customers, despite their much-publicised trading difficulties, for their convenience-based shopping appeal. It could be argued that such destinations have benefited from the work from home movement, especially those located in middle and outer-ring residential suburbs. Rather than being repositioned by landlords however, refurbishment tends to be more frequent and often in the form of landlord works included as an incentive in new lease agreements. Non-traditional retailers such as health-care services (e.g. physiotherapists, yoga studios, etc.) are becoming more common whilst conventional retailers diversify their product or service offering.

Perth City's rich architectural heritage is also being preserved through the adaptive re-use of historical buildings. Several places of heritage significance have been re-purposed and reborn as unique retail spaces that combine period features with modern retail concepts. Whilst preserving Perth's cultural heritage, such projects also serve to meet sustainability initiatives.

Above all, the retail sector is one that is constantly changing. Innovation and re-invention are critical to meeting the evolving needs of customers and the keys to the Western Australian retail sector in the future.

Greg Lamborn
Director

HERRON TODD WHITE

Northern Territory - Retail 2023

Darwin

There has been limited activity in NT retail property markets over the past few months.

Unfortunately, the number one issue facing Darwin retail is the wave of crime the city is experiencing. Retail centres have been badly affected, with the owner of Casuarina Square (Darwin's largest retail centre) calling it the worst complex under their ownership in Australia for crime. There is no doubt this has had a detrimental effect on trade for store owners, with some Darwin residents avoiding the centre altogether. Centre management is working hard to address behavioural issues by means such as banning school-aged children during school times. There are similar difficulties in Alice Springs with many retailers experiencing break-ins and staff safety concerns.

New retail projects and refurbishments are very subdued across Darwin. The core problem is that the value of the finished product is far outweighed by the project costs. This is expected to remain so until there is positive movement in rents or capital values. There are some indications this is starting to occur with property managers pushing for rental increases of up to 20 per cent in smaller neighbourhood centres after an extended period back to 2015 of virtually no growth or, in some cases, decline.

Projects which do proceed are generally sponsored by an owner-occupier who is more concerned about designing retail premises to showcase their own products rather than the market value of the finished building. A limited number of these types of projects are being undertaken, but on the whole there is little retail development underway in Darwin. This is consistent with other industrial and commercial office property markets, for essentially the same reasons.

Terry Roth
Director

Unfortunately, the number one issue facing Darwin retail is the wave of crime the city is experiencing.

Residential

June 2023

National Residential Overview

This month's residential submissions ask our valuers, "What should I buy with $750,000?". With our extensive national coverage of residential markets, choosing how best to spend a set amount delivers an interesting comparison across all locations. After all, assessing value is what our professionals do every day throughout the nation.

The results of spending $750,000 in markets as disparate as Sydney versus Warrnambool are interesting, but also obvious. While buyers can secure a four-bedroom, two-bathroom home in one of those locations, the other will barely deliver a bedsit on a busy road (no prizes for guessing which is which).

But this theme also lets us look at how the market has changed over time. This is because in July 2020, we studied where to spend $700,000 around the country. Comparing the results from these submissions to the ones in this latest edition tells us plenty about the security delivered by real estate investment.

For example, in 2020, $700,000 in Western Sydney would secure a one-year-old, two-bedroom unit in Parramatta, or even a house and granny flat in St Marys while a two-bed unit in Marrickville went for $655,000. Looking at the 2023 options and you can still buy a unit in Paramatta for $750,000, but it will be a few years older than that 2020 purchase. In Marrickville that same two-bed unit described above would be closer to $750,000 and the home in St Marys would be a small two-bed cottage in need of an upgrade.

In Melbourne, a new house-and-land package in 2020 would have cost between $500,000 and $650,000 in Glenroy, Fawkner and Reservoir, but in 2023 you'll be paying above $750,000 for most detached homes and even some townhouses. Detached two- or three-bedroom housing would have been available in Ringwood, Warrandyte, Mitcham and Doncaster for $700,000 in 2020. A look at today's sales suggests buying in those same suburbs with a $750,000 budget will get you a new two-bed unit in an older duplex unit. A stand-alone house will be outside your budget.

In Brisbane, your dollar would have gone even further. Very desirable suburbs such as Hendra, Wooloowin and Clayfield all had entry-level, pre- and post-war dwellings on 405 square metres in secondary positions for $700,000 back in 2020. In 2023, a detached home for that price is pretty much unimaginable in these suburbs. An older townhouse or unit will be your options. Further out, in 2020 you could secure good quality second hand detached homes or newer townhouses in Stafford, Gordon Park or Kedron. In today's market, your chance of getting a detached home that isn't small, in poor condition and/or on a main road is slim for $750,000.

And across all these markets, rents have only increased since 2020 with many producing a positive cashflow by 2023.

As you can see, despite a global pandemic and economic uncertainty, residential property has proved to be a solid asset – whether as a home or investment. The key is always to choose your real estate based on solid fundamentals and sound independent advice. History shows that those who invest $750,000 today will look back in 2026 pleased with their decision.

Kevin Brogan,
National Director,
Group Risk and Compliance

As you can see, despite a global pandemic and economic uncertainty, residential property has proved to be a solid asset – whether as a home or investment.

RESIDENTIAL

HERRON TODD WHITE

National Property Clock: *Houses*

Entries coloured orange indicate positional change from last month.

RESIDENTIAL

HERRON TODD WHITE

National Property Clock: *Units*

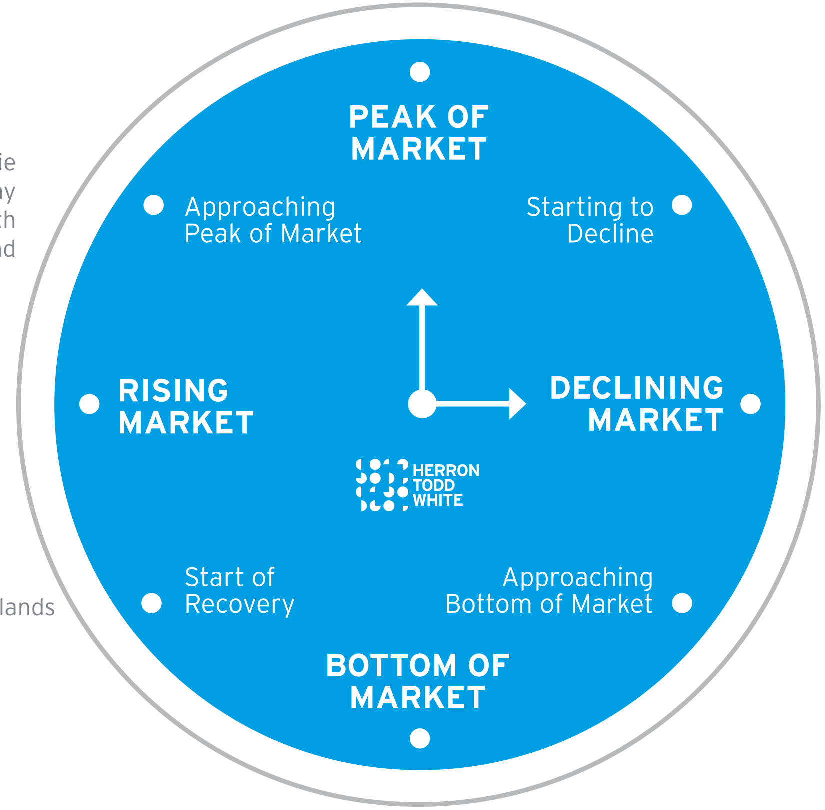
Entries coloured blue indicate positional change from last month.

Albany
Alice Springs
Bathurst
Brisbane
Burnie/Devonport
Mildura
Mount Gambier
Mt Gambier
Newcastle
Shepparton
Tamworth
Toowoomba

Broome
Bundaberg
Fraser Coast
Gladstone
Kalgoorlie
Mackay
Perth
Port Hedland

Adelaide
Adelaide Hills
Barossa Valley
Central Coast
Gold Coast
Ipswich
Launceston
Melbourne
Sunshine Coast

Cairns
Darwin
Dubbo
Emerald
Esperance
Geraldton
Karratha
Rockhampton
South West WA
Townsville
Whitsunday



Albury
Ballina/Byron Bay
Canberra
Coffs Harbour
Geelong
Hobart
Illawarra
Lismore
Wodonga

Southern Tablelands

Southern Highlands
Sydney

RESIDENTIAL

New South Wales - Residential 2023

Sydney

A potential purchaser with a budget of $750,000 in Sydney will have limited options available in regard to location and property type. With Sydney having a median house value of $1.254 million and 3.2 per cent growth over the previous three months according to CoreLogic at the end of April, there are increasingly fewer suburbs available to purchasers with around $750,000 to spend.

The median unit value sits at a tick under $787,500 at the end of April and had a three-month growth of 2.3 per cent, making units a better option for those with this level of budget, particularly for those keen to buy closer to the CBD or coast. This value level aligns well with first home buyer incentives and this buyer type, along with investors, are the most prominent in this price range.

South Western Sydney

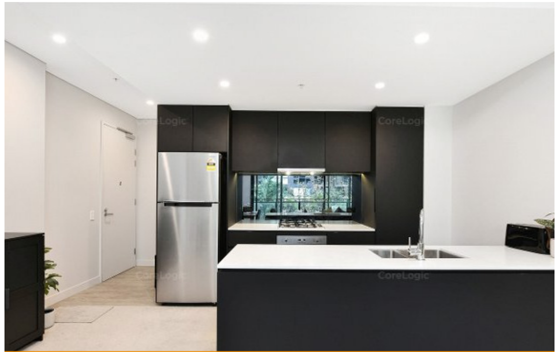
South-west Sydney continues to provide an array of opportunities to buyers in the sub-$750,000 market from units right through to family homes. South-west Sydney may be one of the few remaining areas within the Sydney basin in which the Australian dream of owning a family home is still achievable. Whilst there has been a lull in these markets in the past six to 12 months, agents have still reported good interest due to affordability. If we take out our crystal ball and base our prediction on what has occurred in the past five years and what is to occur, this sub-$750,000 market will become more limited with the construction of the Western Sydney Airport and Aerotropolis bringing greater job opportunities to the region, gentrification of suburbs and greater connectivity to the rest of Sydney via train lines and orbitals.

While apartments in the south-west have not been the best investments over the past few years, they still offer a more affordable option for homeowners looking for a place to live or investors. Areas such as the Liverpool CBD are suffering from an oversupply of new apartments. While we don't see demand driving up prices any time soon, it offers the opportunity for buyers to find a more affordable place to live, with resale prices ranging from $550,000 to $600,000 for an almost brand new two-bedroom apartment.

However, we consider the growing communities of Oran Park and Ed Square to offer better future growth for units with their modern communities and easy access to services and amenities.

Modern two-bedroom units surrounding Ed Square and still within walking distance of the train station and shopping and restaurant precinct have quickly surpassed Liverpool unit values with two-bedroom units starting from the low $600,000 mark and units in the Ed Square precinct creeping into the low $700,000 range.

A modern two-bedroom, two-bathroom unit in Ed Square Source: CoreLogic



A modern two-bedroom, two-bathroom unit in Ed Square Source: CoreLogic

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RESIDENTIAL

HERRON TODD WHITE

Keeping with the modern estates, duplex or terrace style dwellings are really the top end of the $750,000 range with most detached houses pushing above $750,000 these days. Places such as Denham Court, Austral, Leppington, Gregory Hills and Oran Park do provide such options for the growing family.

A single level duplex in Oran Park sold for $720,000 Source: CoreLogic

Traditionally thought of as secondary locations, there are still plenty of opportunities available within the Campbelltown LGA in Airds, Eagle Vale, Claymore, Kearns, Blairmount, Ambarvale, Campbelltown and Bradbury, however bracket creep means these opportunities are becoming much rarer.

An example of what you can expect in the sub $750,000 range is this dated three-bedroom dwelling in Eagle Vale on 561 square metres which sold in February this year for $720,000.

Eagle Vale home Source: CoreLogic

North-Western Sydney

The $750,000 price point in north-western Sydney provides a number of options for first home buyers, upgraders and investors.

11 Ventasso Street, Box Hill Source: realestate.com.au

Around 50 minutes north-west of the Sydney CBD is Box Hill. Formerly on the rural fringe of Sydney, this area has been transformed with rural land rezoned into low density residential as part of the North-West Growth Area. A recent example is the sale of a 300 square metre block with a 10-metre frontage on Ventasso Street achieving $705,000 or $2350 per square metre. This block sold off the plan in June 2021 for $658,000 showing a circa seven per cent uplift in almost two years.

Unfortunately they do not allow camping on these blocks so you will have to build a house which will blow the $750,000 budget out of the water!

If you are craving a modern or near new dwelling and only have $750,000, you'll have to travel a little further west to Ropes Crossing. 51 Cawley Circuit, Ropes Crossing sold for $732,000 in April 2023. This property is a circa 2013, single level, three-bedroom, one-bathroom dwelling with a one-car garage on 225 square metres of land.

51 Cawley Circuit, Ropes Crossing Source: realestate.com.au

If you prefer a little more land than 225 square metres and have a budget of $750,000, you will have to look for an older dwelling in an established area on the western fringe of Sydney. The benefit of this is it allows you to complete renovations down the track when funds permit to add more value to your dwelling.

Traditionally thought of as secondary locations, there are still plenty of opportunities available within the Campbelltown LGA in Airds, Eagle Vale, Claymore, Kearns, Blairmount, Ambarvale, Campbelltown and Bradbury, however bracket creep means these opportunities are becoming much rarer.

57 John Oxley Avenue, Werrington is in the local government area of Penrith and recently sold for $740,000. This property is a circa 1970s single level dwelling with a basic dated interior improved upon 650 square metres of land.

In Parramatta, a budget of $750,000 will get you a variety of units. You can get a modern, high rise, two-bedroom, two-bathroom unit such as 2506/330 Church Street, Parramatta, which recently sold for $725,000. This unit is a 2017 build, located on level 25 and has a high level of inclusions and district views. It is important to note this same unit sold for $749,000 off the plan in 2015, reflecting a circa three per cent loss over the course of almost eight years.

2506/330 Church Street, Parramatta Source: realestate.com.au

For the same money, you can buy a slightly older 2006 built, three-bedroom, two-bathroom unit without the views such as 39/105-107 Church Street, Parramatta which sold for $725,000.

The circa $750,000 market is generally hotly contested given the low entry point. It is significantly more sensitive to interest rate movements given the large participation rate of first home buyers and investors.

We would recommend steering away from high rise units if you are chasing strong capital growth in the short to medium term. In many cases the premium paid for off-the-plan units may take some time to be fully absorbed by the wider market.

Our tip would be to buy an older dwelling in the Penrith LGA as you can add value to your asset over time and even add an additional income stream such as a granny flat if desired (subject to council approval). The expansion of the outer west of Sydney on the back of the new airport will see local residents benefit over the long term given the large amount of infrastructure spending and improved transport links planned and underway.

North Shore

A lazy $750,000 on the North Shore provides limited options for buyers, with the detached housing sector well and truly out of range. That being said, the unit sector does provide some opportunities for both owner-occupiers and investors alike.

The Lower North Shore suburb of Lane Cove provides a mix of detached housing and unit development, with abundant retail and restaurants surrounding, centred around the Lane Cove Village. Although some of the higher density developments have created a significant increase in supply over recent years, lower density unit complexes have been stronger performers.

Within this sector, $750,000 can still buy you a basic two-bedroom unit in a circa 1960 or 1970 walk-up low density unit complex. A recent example is the sale of a two-bedroom, one-bathroom unit located on Burns Bay Road, Lane Cove, selling in March 2023 for $725,000. This unit comprises a basic updated kitchen and bathroom and is positioned within a two-level, walk-up, brick and tile development.

A recent sale on Burns Bay Road, Lane Cove Source: realestate.com.au

Although capital growth over the past few years hasn't matched that of detached dwellings in the Lane Cove area, there are signs that this sector is trending upwards. This optimism is a direct result of the extremely low current vacancy rates and correlating soaring rental prices. According to realestate.com.au, the median rental price for two-bedroom units in Lane Cove is $595 per week, up 12.3 per cent over the past 12 months. Obviously this has improved the appetite of

We would recommend steering away from high rise units if you are chasing strong capital growth in the short to medium term. In many cases the premium paid for off-the-plan units may take some time to be fully absorbed by the wider market.

investors as they contend with increasing interest rates. This style of property priced under $750,000 also presents good a opportunity for owner-occupiers looking to purchase at the lower end of the market cycle.

Northern Beaches

Roughly 25 transactions occurred so far in 2023 between $700,000 and $750,000 and are limited to one- and two-bedroom units of varying age and quality. Buyers can anticipate one-bedroom units to be available in suburbs including Queenscliff, Freshwater, Narrabeen, Mona Vale and Newport. Two-bedrooms units are available in Balgowlah, Dee Why and Manly Vale. The age, quality, size and condition of these are heavily dictated by their location.

The market is demonstrating stronger demand for units conducive to working from home arrangements in addition to areas with strong liveability metrics that help distinguish them from the competition and drive up demand. The buyer profile is heavily driven by first home buyers and investors.

A recent example includes 22/104 Crown Road, Queenscliff, selling in May 2023 for $720,000 and comprising a circa 1960s one-bedroom, one-bathroom with one car space. The property previously sold for $630,000 in September 2019 reflecting around 16 per cent growth and recently leased for about $500 per week, reflecting around a 3.61 per cent yield.

22/104 Crown Road, Queenscliff Source: Domain

Entry level housing requires compromises and sacrifices. This is illustrated through a majority of the sales occurring between $1.4 million and $1.6 million. The majority are situated in less desirable positions or the improvements present poorly and require significant capital works. If you're feeling adventurous and enjoy Pittwater, opportunities are available on Scotland Island or Great Mackerel Beach. These isolated areas along the Pittwater estuary are only accessible by a 10 to 15-minute boat or ferry ride, typically from Church Point or Palm Beach.

A recent sale is 3 Diggers Crescent, Great Mackerel Beach, selling in January 2023 for $1.025 million. The property last transacted for $535,000 in January 2017. These properties are geared towards weekenders and holiday letting. They can be lucrative but require dedication and an active investment approach - refer to the "The Little Black Shack" on Instagram or Airbnb for inspiration!

3 Diggers Crescent, Great Mackerel Beach Source: Domain

Inner West

A lazy $750,000 won't buy you much in the inner west of Sydney these days and it definitely will not buy you a detached house. Actually, over the course of the past six months, there has not been a sale of a house across the inner west local government area under $1 million. This is mainly attributable to the housing affordability crisis which has affected us for the past two decades or so, where the median house price has doubled in most parts of the inner west within the past decade. As such, a push for more housing supply has seen the development of a greater number of higher density apartment developments. However, most of these new modern apartments are also exceeding the $750,000 value mark, especially for two- and three-bedroom apartments.

Properties you could buy within the inner west LGA for $750,000 and under include two-bedroom, one-bathroom units within lower density 1960s to 1990s walk-up buildings in areas such as Marrickville, Dulwich Hill, Ashfield and Summer Hill. Or you could buy a modern one-bedroom unit with parking in Leichhardt, Lewisham, Summer Hill or Petersham for just under $750,000. Three-bedroom units or any townhouses would be out of the question at this price bracket. As such buyers are restricted mainly to studio units and small one-bedroom units without parking in areas such as Annandale, Rozelle, Birchgrove and Balmain.

In terms of capital growth and investment purposes, the conundrum for investors is whether to buy a smaller, more modern one-bedroom or studio unit in an area closer to the CBD, or buy a two-bedroom unit further away. More modern apartments tend to also have higher strata levies and are at an increased chance of experiencing building defects. Therefore we consider two-bedroom units in lower density walk-up buildings to have a higher probability of experiencing greater capital growth. They also inherit greater value add opportunities which can really accelerate capital growth. In contrast, modern one-bedroom units under $750,000 are also commanding strong rental returns in the current market. In some instances we have seen yields at over five per cent, which is well above the three to 3.5 per cent we witnessed in late 2021.

An example of a sale of a one-bedroom modern unit is 705/3 Mungo Scott Place, Summer Hill. The property was sold for $720,000 in February 2023 and reflects a gross yield of five per cent.

705/3 Mungo Scott Place, Summer Hill Source: realestate.com.au

6/13 Bayley Street, Marrickville sold in May 2023 for $730,000. The property last traded for $600,000 in November 2019. The unit underwent a renovation to its kitchen between each sale and experienced a 22 per cent increase in value.

6/13 Bayley Street, Marrickville Source: realestate.com.au

Inner Sydney

With many of the country's most sought-after suburbs, Sydney's inner city is not known for its affordable properties, however some properties at $750,000 or under do exist. These are commonly studio or one-bedroom apartments within the CBD or city fringe locations and make popular investments for individuals seeking a strong rental return.

During the pandemic years, this market segment faced strong value declines due to limited rental demand as the cities emptied in favour of larger properties in areas with more outdoor space. However with increasing migration, workers returning to the office and others having become accustomed to solo living (driving down Australia's average person per household – meaning more single-person households), rental demand across Sydney is red hot and the inner city is facing particularly strong demand from returning workers and students. The inner city's median rental price has increased 24.4 per cent in the past 12 months.

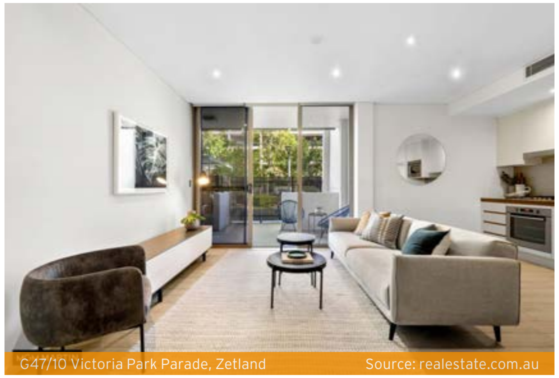
Whilst some market segments such as family homes and parts of the city such as those around the beaches fared well during the pandemic years, inner city prices slumped and with rising interest rates they do not appear to have fully recovered yet, providing an opportunity for good buying.

Zetland is an inner-city suburb that has become known for modern apartments and has shown signs of oversupply in the past decade. However, in recent years it has become more established with the addition of a shopping centre and the Green Square village precinct. With many development sites completed, the supply pipeline in the area is calming.

Many of the early 2000s units constructed in this area provide large floor plans compared with their modern counterparts and are in low maintenance buildings with manageable levies. Furthermore this area is popular with locals, students, short stay tenant demographics and owner-occupiers. As the area establishes further, these slightly older units provide an opportunity for owner-occupiers to buy something they can improve through renovation or for investors to secure a solid rental return.

One of the area's most recent sales is G47/10 Victoria Park Parade, a 72 square metre ground floor one-bedroom, one-bathroom unit with direct street access via a courtyard which sold on 1 May for $667,500. With similar units in the building renting for around $700 per week, this represents a 5.4 per cent gross yield with scope for cosmetic updates to add value in an area that is rapidly becoming more popular as it establishes.

With many of the country's most sought-after suburbs, Sydney's inner city is not known for its affordable properties, however some properties at $750,000 or under do exist.


G47/10 Victoria Park Parade, Zetland Source: realestate.com.au

G47/10 Victoria Park Parade, Zetland Source: realestate.com.au

Southern Sydney
The general make-up of the property market for a $750,000 price point comprises of units only across the St George area. Within sought-after locations (predominately beachside areas such as Sans Souci and Brighton-le-sands), $750,000 will limit options to lowrise or walk-up older style one- to two-bedroom units in relatively original or fair condition.

Some high density locations such as Wolli Creek, Hurstville and Rockdale will allow you to afford a unit that is between five and 15 years old within this price range (albeit in areas with vastly superior supply).

We have recently seen a sharp upturn in the rental markets across these higher density unit areas due to inflation, rising RBA rates, low stock levels and recent immigration activity. Given that $750,000 affords you a two-bedroom unit in Wolli Creek with good positioning, we would personally consider that to be a worthy investment at this point in time, given that recent evidence suggests that this product can yield approximately $850 to $950 per week (eye-watering numbers given the history of the rental market around there).

An example of this is the sale of 105/6 Gertrude Street, Wolli Creek, a two-bedroom, two-bathroom, one-car space unit in a 2018 built complex which sold for $730,000 in March. There are several two-bedroom units in the complex, albeit on higher floors, currently listed for rent with an asking price of $850 per week.


105/6 Gertrude Street, Wolli Creek Source: realestate.com.au

With interest rate increases, investors are under continued financial strain to retain these investment properties, however it is expected interest rate levels will begin to ease in 2024, whilst rental levels are likely to remain high given the limited supply of new units under construction, although more prominent in areas such as Wolli Creek.

This end of the market generally comprises first home buyers and investors (local, interstate and foreign). We have noticed that purchasers have been priced out of markets above this level and have subsequently shifted into these markets instead. Generally we consider that there should be a fair level of confidence in buying into this price point (assuming the building is sound), as there tends to be less price fluctuation at this level and for an average two-income household, loan repayments on $750,000, with an 80 per cent loan are still relatively affordable.


Shaun Thomas
Director

Lismore / Casino / Kyogle
A lot has changed from 12 months ago in terms of what one can score with a lazy $750,000. The mixture of product may have varied slightly, particularly within Lismore City, at both ends of the sale price range and in the more regional areas within the Richmond Valley and Kyogle council areas.

The main culprits for this change? Inflation and interest rates. Since 6 April 2022, the RBA has increased the cash rate 12 times. From a record low of 0.10 per cent to 4.10 per cent in a brief period of 13 months is staggering... and of course the main lending institutions have followed suit. These multiple increases have been motivated by the RBA's concern about the current inflation rate in Australia, which is still hovering close to seven per cent.

If one was to anthropomorphize the behaviour of interest rates in its current form, it portrays a very John Wick view of life when put under pressure where the often used quote...

"People keep asking if I'm back and I haven't really had an answer. But now, yeah, I'm thinkin', I'm back!"

Yep, high interest rates are back baby... and it's gonna hurt! Those with a loan previously fixed three years ago at around 1.8 per cent are bracing for a shock when their fixed term expires. And this has had an impact on the purchasing power of $750,000, not so much in terms of the property able to be acquired for $750,000, as the expected slowdown in the market for residential and rural residential property in the Lismore, Kyogle and Casino areas has resulted in a drop in sales activity and correcting of values in the order of 10 to15 per cent. However, it certainly is no dramatic collapse (as some had postulated previously). The more pertinent concern is the ability to service the debt associated with such a purchase. So, savvy property investors are reassessing their expected input and output costs and the priority of property needs and desires of the owner-occupier in the purchase decision. But well-presented and maintained properties with key features still appear to be maintaining value. It will be interesting to see if this attitude prevails over the next few months if interest rates continue their march upward.

What has been most remarkable is the purchasing power of $750,000 within the modern residential estates of Goonellabah. There were approximately 23 confirmed sales of single residential, three to five bedroom, two-bathroom, dwelling house sales over $650,000 which occurred since 31 December 2022 of which only one breached the $1 million mark. Over the prior six months of 2022, there had been 51 sales over $650,000, seven of which were over $1 million.

This is a clear indication of the market activity taking a breather. The market has slowed compared to the last six months of 2022, but sale prices are still relatively steady for well-presented properties. What is more alarming is that $750,000 would more than likely only get you a three-bedroom home that is 20 years or more old.

In the past, there were not too many modern residential properties in the Casino or Kyogle townships that would use up the whole $750,000 in one transaction, however if one is willing to accept an older style dwelling in need of work, then there is still hope. There have been 11 standard residential dwelling sales in the Casino and Kyogle townships since December 2022 recorded between $500,000 and $1 million. Established dwellings in the nearby rural residential estates are typically well above $750,000 now and usually deliver the full quota of features from air-conditioning, good quality appointments, pool, established landscaping or a full renovation. These rural residential properties are generally close to the town centres of Casino, Kyogle or Lismore City. Typically, such properties would comprise lots ranging in size from 4000 square metres to five hectares. Semi-remote rural localities with properties on lots from 40 hectares to even 100 hectares may still be purchased under $750,000 and still provide semi-modern homes with established ancillary improvements, however they are fast becoming a bit of a rarity. The lure of rural lifestyle living remains attractive for cashed up locals and out-of-towners.

In summary, it would appear that the purchasing power of a lazy $750,000 is destined to be whittled away in the long term, however opportunities still exist in the short to medium term if one is prepared to research and possibly lower their expectations.

If interest rates continue their march upwards and the cost of construction remains high, those opportunities may improve. However, consider this next time you apply for a loan to realise your dream of property ownership...

"A bank is a place that will lend you money if you can prove that you don't need it."
– Bob Hope

Vaughan Bell
Property Valuer

Byron

In the Byron Shire, a lazy $750,000 seems to go a little bit further than it did around 12 months ago. This time last year we searched the main urban centres of the shire for listings on realestate.com.au and found in a snapshot of the market that there were a mere six properties for sale under $750,000 at that time. Fast forward to the present and an equivalent search has turned up 23 listings of property - nearly four times as many properties for sale under $750,000 than last year.

Increasing interest rates over the past 12 months have definitely resulted in a softening of market conditions and property values. Buyers who need a mortgage have less spending power while sellers have responded by adjusting their asking prices to a lower level.

Let's not get too excited, though. Twenty-three properties across Byron Bay, Suffolk Park, Brunswick Heads, Mullumbimby, Bangalow and Ocean Shores is still not many, however for buyers

In the Byron Shire, a lazy $750,000 seems to go a little bit further than it did around 12 months ago.

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on a restricted budget there are a few more rays of hope this time around.

The majority of the listings noted are vacant land and older style residential units of one- or two-bedroom configuration. While land is more plentiful now than it has been for some time, the downside of the current land market reflects in part the difficulties dogging the building industry such as cost escalations, shortages of some materials and the highly publicized risk of builders becoming insolvent. These issues have led some buyers to consider buying new or near new dwellings in favour of the risks and delays of building from scratch.

Land can be bought in the shire for as little as $550,000 while a small or older style unit also starts at $550,000. Smaller one-bedroom loft style units can be had for $550,000 in Byron Bay while larger more conventional units in Ocean Shores will attract interest at a similar price, although most units and land have their pricing in the order of $600,000 to $700,000.

The change of direction over the past 12 months was not entirely unexpected and breathes life into the market for budget conscious buyers, bearing in mind of course that the hidden tax of inflation and those pesky interest rates constrain the spending power of all buyers in this space.

Mark Lackey
Property Valuer

Clarence Valley

The Clarence Valley's appeal undoubtedly stems from its famous beaches, expansive river and picturesque rural landscape. This is only complemented by its affordability compared to its more expensive northern and southern counterparts. For this reason, a budget of $750,000 opens many doors.

Looking to Yamba, $750,000 would secure a suburban unit or dwelling but doesn't stretch to central, canal or ocean front properties. As for Maclean, this budget lends itself to original hillside dwellings with district or river views or renovated central cottages, also applying to outlying hamlets. In Grafton, $750,000 would achieve fully renovated dwellings and potentially even a dated dwelling with river frontage.

The best way to show these options is to highlight some recent sales and listings in this price range.

31 Clarence Street, Ashby - front Source: CoreLogic

31 Clarence Street, Ashby - bathroom Source: CoreLogic

31 Clarence Street, Ashby - living Source: CoreLogic

31 Clarence Street, Ashby is a meticulously renovated cottage listed for $675,000 and will be featured on an upcoming Channel 9 production.

18 Melaleuca Drive, Yamba Source: CoreLogic

18 Melaleuca Drive, Yamba sold for $725,000 and is a moderately sized solid brick dwelling within close proximity to shops.

Looking to Yamba, $750,000 would secure a suburban unit or dwelling.

147 River Street, Maclean Source: CoreLogic

147 River Street, Maclean sold for $740,000 and is a centrally located dwelling with river views.

There are considerable options available when it comes to rural or rural lifestyle land, however for this price you're unlikely to find a habitable or desirable residence.

Worth examining at this price point is the buyer pool which is certainly not exclusive to one demographic. It very clearly comprises: downsizers; first home buyers; renovators; investors; and almost all other groups for that matter.

With the future in mind, this price point is not considered to be particularly vulnerable, however a slower rate of sale across almost all sectors is already noticeable.

Caitlin Davies
Property Valuer

Coffs Harbour

Over the past eight months we have seen a growing number of transactions below $750,000 for stand-alone dwellings, more specifically in areas such as West Coffs Harbour, Sandy Beach, Boambee East, Toormina and Urunga. The 12 month period prior saw a limited amount of stand-alone dwellings transacting below the $750,000 price point, albeit

Over the past eight months Coffs Harbour has seen a growing number of transactions below $750,000 for stand-alone dwellings.

mostly consisting of original three-bedroom, one-bathroom dated dwellings. Rising interest rates and diminishing numbers of buyers relocating to the Coffs Coast have resulted in lower competition levels when it comes to marketing campaigns. In turn vendors who genuinely have a desire to transact are required to adjust marketing prices to a level which excites buyers.

The old saying "pitch it low, watch it grow" is being utilized more frequently by marketing agents. An example of this is when a property is marketed with a price range for example of $700,000 to $750,000, where the bottom end is usually a price point which excites buyers to enquire. This marketing technique is being more commonly used in place of the previously over-utilised "contact agent" and "for sale" to stimulate more interest.

If I was to invest $750,000 tomorrow, I would be exploring opportunities in West Coffs Harbour. At this price point you can expect to secure a modest three- to four-bed, two-bath, freestanding dwelling on circa 600 square metres in relatively good condition. The location provides easy access to the Pacific Motorway, local amenities and a short drive to Coffs Coast beaches. A few things I believe are appealing about this locality and price point are the potential uplift in value through renovation and the rental price point.

There are still strong transactions for renovated properties on the basis they provide a complete, consistent renovation theme. Furthermore, for the first time in my property career, rental marketing agents are advising that they are offering incentives such as one and two weeks free rent to secure tenants. This is more specifically occurring above the $750 per week price point. Rental price points from entry level up to the low $700s per week are still performing well. You can expect a modest four-bedroom, two-bathroom detached dwelling to rent within the price range of $625 to $725 per week.

Beachside and green change suburbs still rarely offer a stand-alone dwelling below $750,000. You can expect to secure a two-bed unit or three-bedroom townhouse in the price range of $400,000 to $750,000 depending on position, view and quality of improvements. Suburbs such as Boambee, Toormina and West Sandy Beach also provide similar dwellings to West Coffs below $750,000, however in my opinion, these are less desirable locations for owner-occupiers and tenants.

All things considered, the recommended locality of West Coffs Harbour for a stand-alone dwelling below $750,000 provides the best value buying, appealing to first homebuyers, families and investors looking to find a locality and price point in which they will have an array of tenant choice.

Grant Oxenford
Director

Newcastle

Over the past few years, the Newcastle and Lake Macquarie region property prices have increased substantially with some locations reporting a 50 per cent or more increase over the past three years. This has effectively resulted in the entry

Newcastle's outer suburbs still provide value for money compared to suburbs closer to the beach and lake, whether for owner-occupation or investment.

level market increasing from circa $400,000 to $600,000 in the middle price bracket suburbs and considerably higher in the more popular city suburbs.

If $750,000 was a budget, it could buy:

- a one- or two-bedroom unit in Newcastle
- a renovator in the city suburbs
- a two- or three-bedroom dwelling in the outer suburbs
- land across the region.

The best value for money at this kind of price range remains in the outer older suburbs such as Wallend, Edgeworth and further afield towards the Maitland suburbs. Here a dwelling in a fair condition is affordable whereas in the city suburbs a purchase would probably include an expensive renovation project.

The outer suburbs still provide value for money compared to suburbs closer to the beach and lake, whether for owner-occupation or investment.

The unit and townhouse market provides choice for location and quality as the region has witnessed plenty of new construction over the past five years with townhouse development currently popular. This type of purchase can provide good quality housing at an affordable price, but offers less outdoor space than a more traditional dwelling with rear yard.

Off-the-plan unit purchases have proved to be a shrewd investment in previous years on the back of a buoyant property market, however this is high risk as values can go down when interest rates are high or increasing.

As the market has weakened over the past six to 12 months, marketing periods have lengthened resulting in a switch to a buyer's market within reason. This has put some pressure on over-inflated values, however the region hasn't witnessed substantial price falls and therefore some balance between affordability, negotiation and a vendor's willingness to sell has to be reached.

The main level of buyers at this price point will be first time buyers, split families looking to re-enter the market and investors looking for a good return on their investment.

As the market starts to stabilise, the demand for lower end property will likely increase for those looking to speculate on the next property cycle of increasing values.

Darren Sims
Property Valuer

Central Coast

Since the beginning of 2023, we have been seeing a continued gradual drop in the values of properties on the Central Coast which has increased opportunities to enter the market and invest in the sub $750,000 market segment. The Central Coast market according to CoreLogic has shown a decline in the median sale price of approximately eight per cent for both houses and units, and an increase in the median asking rents over the last 12 months of 9.6 per cent for houses and 8.9 per cent for units. The data also shows an average rental yield for houses at 3.2 per cent and units at 3.9 per cent. With the Reserve Bank cash rate target at 4.1 per cent and inflation near seven per cent (CPI), the outlook in the short term for property investment where the buyer is dependent on finance is bleak.

The property shown below is an example of a sale in the North Gosford area of a three-bedroom, one-bathroom house with a single lock up garage, which sold in February for $738,000 and is located close to the CBD. The house provides 101 square metres of living area and is located on a small 468 square metre block.

50 Bradys Gully Road, North Gosford Source: CoreLogic

This property has been listed to rent for $620 and has been on the rental market for the past 18 days.

Further north in the Central Coast area, the $750,000 budget can stretch further. The next property is an example of a fourbedroom house in the Budgewoi suburb which has proximity to shopping, lakes and beaches. This renovated 1970s house provides 179 square metres of living space on a 556 square metre block and has a pool.

16 Laelana Avenue, Budgewoi — Source: CoreLogic

The estimated rent for a four-bedroom property in the Budgewoi area is approximately $650 per week. The property sold in April for $699,990 so the return on investment is approximately 4.8 per cent gross.

The northern region of the Central Coast also has newly released vacant land (Torrens Title property) which can still be acquired below the $700,000 price point in Crangan Bay and Wyee suburbs. These could be developed with dual occupancy dwellings to improve the return on investment but with the current interest rates, inflation and high and unreliable building and material costs, development has become quite a risky venture.

For those with existing property and enough space to add a secondary dwelling, granny flat developments are renting very well and show good return on investment. An example of an older main dwelling with a new granny flat built onsite can be seen here in Fravent Street, Toukley.

19 Fravent Street, Toukley — Source: CoreLogic

This 696 square metre property sold in April for $715,000 and has the potential to rent for a combined $900 per week. Once development costs have been factored in, the potential return on investment is predicted to be 5.3 to 5.7 per cent. Dual occupancy properties are quite popular in the northern suburbs of the Central Coast and with low vacancy rates and high demand, now could be a good time to redevelop those sites.

The Gosford unit market is still growing with plenty of developments in progress. A one-bedroom apartment can be acquired for as low as $480,000 and a two-bedroom apartment around $625,000 off the plan. Older units are also available with views over Brisbane Water. An example is the March sale of a two-bedroom apartment in the complex pictured above on Henry Parry Drive in Gosford for $520,000.

For those with existing property and enough space to add a secondary dwelling, granny flat developments are renting very well on the Central Coast and show good return on investment.

1/107 Henry Parry Drive, Gosford — Source: CoreLogic

These circa 2006 units are well within the budget and are located close to the CBD and have water views. There are many options for investment along the Central Coast and local real estate agents are confirming that many buyers are owner-occupiers, which is keeping the stock of rentals low. With data emerging on a possible recovery in the near future, now may be the time to pick up an investment property on the Central Coast for investors with cash.

Todd Beckman
Associate Director

Tamworth

Tamworth, the regional city of north-west New South Wales was poised for stabilizing residential markets following a period of growth in the year 2022. Recent market trends show a drop in sale transactions and an increase in days on market for current active listings. Buyer demand has generally weakened from the peaks of late 2022, largely due to continued interest rate rises and a growing negative sentiment towards the broader economy.

So, within stabilizing market conditions that represent a slight decline in buyer demand, there is opportunity for potential buyers to make informed

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decisions about property being armed with an appropriate diligence period. Should one have access to a sum of $750,000, what would best represent a good buy in Tamworth? One market segment within the Tamworth greater region where buyers could benefit is small acreage (less than four hectares) in surrounding areas of Tamworth (such as Hallsville, Moonbi, Kootingal, Moore Creek, Tintinhull and Nemingha).

Generally the focus of new home development has slowed with investors and owner-occupiers in recent months. Headwinds of construction are still apparent within the construction industry which has seemingly turned a lot of parties to re-sell vacant land allotments and look to the established market. The dream for a few acres close to town has been a popular one in the Tamworth area, with proximity to Tamworth, availability of services and good surrounding development being key considerations for would-be property owners.

The North Tamworth area of Moore Creek, Hallsville and Daruka has been the most popular area for small acreage and lifestyle property. This has pushed sales up to and in excess of $1 million for substantial modern homes on 4000 square metres to two hectare allotments. Rural residential areas neighboring these localities of Hallsville, Tintinhull and Moonbi are still reasonably affordable ($690,000 to $750,000) with established circa 1980s dwellings on slightly hillier timbered allotments. This style of property represents a value-add opportunity to appropriately motivated renovators who value space and tranquility over a five-minute commute to the centre of town.

The most likely buyer profile for this market segment is the second or third home owner (i.e. growing family). Overwhelmingly, participation in sales negotiation or enquiry are parties looking to return to regional New South Wales, or who are currently residing within the local area. The motivating factors for this type of purchaser are largely reflective of the perceived affordability, lifestyle benefits and animal related employment or hobbies.

With prices appearing to have stabilised and slight increases being experienced, now could be a good opportunity to purchase a $750,000 property in the Illawarra.

In summary, the Tamworth regional property market generally stabilized in the first six months of 2023. Indications from local agents reveal that there has been a slight decline in buyer enquiry in the past three to four months. This is something typical of the cooler seasons, however with a new Labor government federal budget upon us and further interest rate rises looming, it is anticipated that the rate of capital growth in the region will remain subdued in the second six months of 2023.

Nick Humphries
Property Valuer

Illawarra

If you've stumbled across $750,000 and are looking to buy a residential property in the Illawarra, what's possible? The good news is that more is possible at the moment than a year ago. CoreLogic reports a 13.2 per cent decrease in value since the April 2022 peak, although March and April 2023 figures show that the decline has stopped for now.

In the northern suburbs of the Illawarra, three-bedroom units and villas are available for under $750,000. In the CBD, modern two-bedroom units and older three-bedroom properties are selling between $700,000 and $750,000. It is south of the CBD that older freestanding dwellings are on the market at prices sub-$750,000. Figtree and Mount St Thomas are popular locations given their proximity to Wollongong and access to public transport and the motorway.

For the most part, the $750,000 mark will still price you out of the new estates in West Dapto and Calderwood for detached housing, although duplex units will usually be available. South of Lake Illawarra provides plenty of opportunity for housing around Warilla and Barrack Heights, with a nicely renovated home possible for purchase in this area.

Opportunities around Kiama are very limited in this popular market although some units and villas come on the market from time to time and can be priced under $750,000.

With prices appearing to have stabilised and slight increases being experienced, now could be a good opportunity to purchase a $750,000 property in the Illawarra.

Chris McKenna
Region Director

Southern Highlands

The New South Wales Southern Highlands region offers a serene and picturesque setting, attracting homebuyers seeking a tranquil lifestyle within proximity to major cities. With a budget of $750,000, prospective buyers in this area have

Detached housing in the New South Wales Southern Highlands is a sound investment choice, particularly for families or buyers seeking more space and privacy.

seen their range of options dwindle in recent years. However, with softening market conditions being felt across New South Wales and the country, several options have become available to first homebuyers and entry-level investors.

A budget of $750,000 can provide several appealing housing options, particularly entry-level homes in Moss Vale. These homes are most notably circa 1970s and 1980s houses with dated interiors on blocks exceeding 600 square metres. Similar-style homes can also be found in New Berrima, Colo Vale and Hilltop, and the occasional home within this price range can still be found in Mittagong. Unfortunately, as reported in last year's edition, the Bowral locality now comfortably exceeds this price point. The only options below approximately $750,000 in Bowral are units or older townhouses or villas.

When looking to invest in the sub $750,000 market, the Moss Vale area is likely to be the best option in our opinion. Several new land developments are emerging within the suburb, as well as large-scale industrial and commercial developments. Coupled with the well-established existing infrastructure, including a train station and good access to the Hume Motorway, Moss Vale offers the best potential for growth among the mentioned suburbs. As always, asset selection is key and care should be taken to avoid less desirable pockets of these suburbs or properties that are adversely impacted by environmental factors such as busy roads or train lines.

Detached housing in the New South Wales Southern Highlands is a sound investment choice, particularly for families or buyers seeking more space and privacy. The region's demand for detached houses remains strong, driven by a combination of lifestyle appeal, quality schools and a growing number of professionals working remotely. Detached houses generally offer long-term capital growth potential and attractive rental returns. Therefore, when possible, they are always the preferred investment choice over attached housing.

Kurt Bismire
Associate Director

Shoalhaven

The continued rise of interest rates by the Reserve Bank during 2023 as a result of high inflation is putting downward pressure on property prices in the Shoalhaven region. Interest rate rises combined with increasing cost of living expenses have particularly had a negative impact on the coastal suburbs in the region. As the Shoalhaven residential market continues to soften as we head towards the halfway point of 2023, let's take a look at what is obtainable for under $750,000. It is fair to say that a prospective purchaser can get more for their money than what they could have 12 months ago when the property market was booming.

A Torrens titled detached residential property in some of the popular south coast suburbs such as Vincentia, Huskisson, Callala Beach and Hyams Beach is unobtainable for under $750,000, even with the softening market conditions in 2023. According to RP Data, there have been no sales of this property type in these suburbs for less than $750,000 since January this year. However it is not all bad news for prospective purchasers looking to buy on the south coast Shoalhaven region. In other coastal suburbs such as Sanctuary Point, St Georges Basin, Sussex Inlet, Culburra Beach, Callala Bay and Callala Beach, $750,000 can buy you a Torrens titled detached residential property. A couple of examples include a three-bedroom dwelling on 575 square metres on Ingle Ring, Culburra Beach that sold for $695,000 in February and a three-bedroom dwelling on a 386 square metre allotment on Mitchell Road, Callala Bay that sold for $745,000 in February.

Closer to the Nowra CBD, more Torrens titled residential properties are obtainable for under $750,000 which could be appealing to hone owners and investors. A four-bedroom dwelling on a 762 square metre allotment on Stanbury Place, Worrigee sold for $720,000 in February and a three-bedroom dwelling on a 664 square metre allotment within walking distance of the Nowra CBD on Oliver Parade sold for $625,000.

Although the market has softened since this time last year, $750,000 is still seen as entry price in the region for a Torrens titled detached dwelling in some parts. In the more sought-after coastal suburbs, a property of this type is unobtainable for under $750,000. If the market continues to soften and decline as we progress into the second half of 2023, this might change and more properties might become available for circa $750,000.

Joshua Devitt
Associate Director

Victoria - Residential 2023

Melbourne

With metropolitan Melbourne's median house price sitting at $956,000 as at the March quarter, a budget of $750,000 is unlikely to secure a family home these days, even in the once-affordable outer suburbs.

Many buyers are seeking units and apartments, which currently have a median of $611,000, as an alternative way to buy in their desired location without the premium price-tag. Regional Victoria, with a median of $602,000, has been another popular market for those looking to avoid city prices, as shown by the 15 per cent increase to the regional population recorded in last year's Australian Bureau of Statistics census.

This month we are going to explore how far a budget of $750,000 will go across different parts of Victoria and analyse how buying at this price point is likely to perform in the long run.

Inner City

To purchase a home in the $750,000 price range in Melbourne's Central Business District (CBD) or inner-city suburbs, buyers will need to consider purchasing an apartment or unit. Currently, the average price for a unit in Collingwood is $625,000, down 5.6 per cent from last year.

Collingwood abuts the CBD to the north-east and is known for its vibrant arts and culture scene, which features a number of galleries, live music venues and street art. It has also become a popular destination for foodies and nightlife enthusiasts due to the presence of several trendy bars, cafes and restaurants.

As a multicultural and diverse suburb, Collingwood contains both residential and commercial properties. It is well-connected to public transportation, including train and tram services.

Apartment buyers are typically looking for a low-maintenance lifestyle with convenient access to public transportation, restaurants and other amenities, making it easy to get around and enjoy the local area. They may be young professionals, students or couples. Additionally, they may be investors looking to purchase a property for rental purposes. It is common for apartment buyers to be interested in modern amenities such as gyms and swimming pools.

There is currently an apartment on the market in Collingwood with two bedrooms, two bathrooms and a garage. It is listed for $750,000. This is a great opportunity to capitalise on $750,000 in the inner city.

405E/9 Robert Street, Collingwood Source: realestate.com.au

405E/9 Robert Street, Collingwood Source: realestate.com.au

East

Balwyn is known to be amongst some of the most affluent suburbs in Melbourne's east and with a median house price of $2.87 million, you'd be forgiven for assuming that buying into the suburb with a budget of $750,000 is impossible.

A 1990s-built unit located at 15/8 Parring Road, Balwyn, recently sold for $750,000, offering two bedrooms, one bathroom and one car space. Whilst this won't be suitable for a family, this type of property is an affordable option for young professionals, empty nesters or investors looking to buy in a prime location whilst sticking to an affordable budget.

The median unit price in Balwyn is currently $1,025,800, which is up 11.8 per cent over the past 12-month period. Whilst this is a considerable growth in median price, it's actually a decline from the three-year peak of $1,155,000 observed in January.

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This drastic movement in sale prices, along with drawn out absorption rates and high supply, are indicative of a volatile market which could be seen as risky to many buyers.


15/8 Parring Road, Balwyn Source: realestate.com.au


15/8 Parring Road, Balwyn Source: realestate.com.au

In the outer-east, $750,000 will often go a lot further, with suburbs such as Lilydale which is known for its large allotments and family homes holding a median house price of $835,000. In April, 1 Olive Grove, Lilydale sold for $720,000. The property is a four-bedroom renovated house set on over 1000 square metres.

The median house price in Lilydale fell by 1.8 per cent over the past 12 months, however steady supply levels, overall stability in sale prices, a strong yield of 3.2 per cent and a rapid average absorption of 17 days is indicative of a well-performing, resilient and less-volatile market.


1 Olive Grove, Lilydale Source: realestate.com.au


1 Olive Grove, Lilydale Source: realestate.com.au

South-East

In Melbourne's south-east and Peninsula regions, buyers have several options to purchase properties within the $750,000 price range. As buyers venture further towards the outer south-east, in suburbs such as Cranbourne, Berwick and Clyde, there is a greater opportunity to acquire a family home within this budget.

Berwick, located approximately 41 kilometres from Melbourne's CBD, offers a wide range of amenities including schools, cafes, parks, medical facilities, a train station and several shopping centres. The suburb appeals to first-home buyers with young families searching for well-established communities. Furthermore, Berwick is a popular retirement location due to its excellent access to amenities and medical care.

Berwick presents buyers with an opportunity to acquire 53 Coowarra Way, an older-style home with three bedrooms, two bathrooms and two garage spaces. Although the property is relatively small, it occupies a generous 683 square metres of land, allowing for expansion through renovation or demolition and rebuilding.

With the median house price in Berwick currently standing at $871,250, representing a 1.4 per cent increase from the previous year, this property offers an attractive long-term investment prospect.


53 Coowarra Way, Berwick Source: realestate.com.au


53 Coowarra Way, Berwick Source: realestate.com.au

Outer North

Although $750,000 may only buy a small apartment in the inner suburbs of Melbourne which may not be comfortable for a family setting, the outer northern suburbs are able to cater to this budget and offer a very comfortable lifestyle for buyers seeking a home for an expanding family.

With the cost-of-living crisis increasing, there is an increasing urgency for those looking to purchase property in areas where capital growth and stability can be expected.

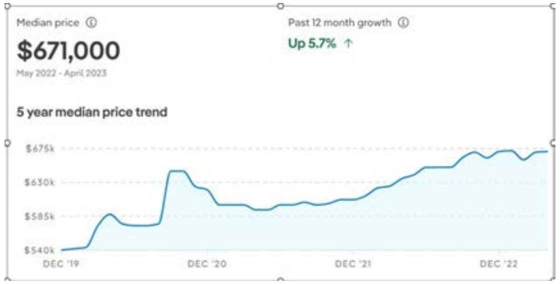
The outer northern suburb of Donnybrook which is located roughly 40 minutes from the Melbourne CBD offers a variety of property within a $750,000 budget.

The detached home below fits just under this budget at $743,000 and is situated on a 400 square metre piece of land with four bedrooms, two bathrooms and a two-car garage.

236 Swiss Boulevard, Donnybrook Source: CoreLogic

236 Swiss Boulevard, Donnybrook Source: CoreLogic

Based on previous historical data, Donnybrook has the potential to offer strong capital growth in the coming years, with the median house price in the suburb shooting up from $540,000 in 2019 to $670,000 as at April 2023.



Median house prices in Donnybrook Source: realestate.com.au

In the past 12 months, median house prices have increased by 5.7 per cent in Donnybrook, with the trend in the graph highlighting that growth is still possible in the short to medium term.

Furthermore, the rental yield in the area sits at a healthy 3.5 per cent where an investor can expect to receive approximately $450 to $550 per week.

Western Suburbs

Unfortunately, in today's market $750,000 does not buy you a lot of property, however with some outlying areas becoming more like mini cities, you can still find some good value in the western suburbs.

Werribee is a perfect example of a small city in the outer suburbs. In 2022 Werribee recorded a population of just over 53,000, an increase of more than 3000 people from 2021.

The area is home to a number of tourist attractions including the Werribee Open Range Zoo and State Rose Garden. There's also a university campus and a public hospital providing local job prospects, or alternatively you can commute to the Melbourne CBD in under an hour.

Due to its popularity and expansion, Werribee has enjoyed a moderate property price rise with an average increase of one per cent over the past 12 months.

Currently you can purchase a four-bedroom house such as the one pictured below for a median price of $651,000, well under the $750,000 budget. For investors, weekly rents average $420 per week, making a reasonable 3.35 per cent yield.

38 Tiverton Terrace, Werribee Source: realestate.com.au

With the cost-of-living crisis increasing, there is an increasing urgency for those looking to purchase property in areas where capital growth and stability can be expected.

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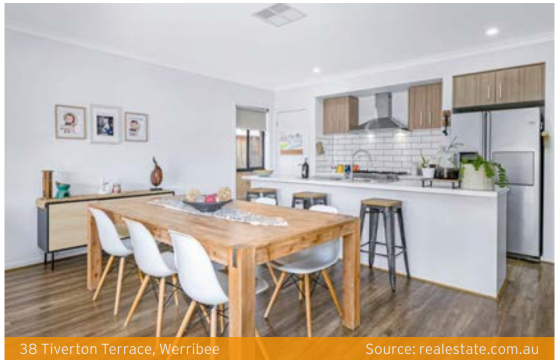
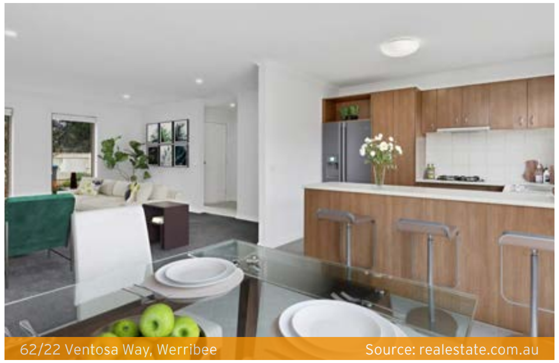

38 Tiverton Terrace, Werribee Source: realestate.com.au

If a family home is not what you want and your mind is firmly set on an investment, then a unit would be a great option. The median price for a two-bedroom unit in Werribee is $390,000 with an average price growth of 4.5 per cent over the past 12 months. The rental return is also fantastic, with tenants paying $320 per week, making this a 4.27 per cent return.

As pictured below, the properties available at this price point are modern and of high amenity.

If you want value for money in a small city-like neighbourhood with strong prospects for capital growth, then Werribee is an area to watch.


62/22 Ventosa Way, Werribee Source: realestate.com.au


62/22 Ventosa Way, Werribee Source: realestate.com.au

Geelong
Greater Geelong provides both families and investors different opportunities with a budget of $750,000.

In Mount Duneed which has proven to be a popular location for first time homebuyers, you can purchase a three-bedroom house which has a median sale price of $727,500, while returning $490 a week for investors at a 3.5 per cent rental yield.

However, in the neighbouring suburb of Armstrong Creek, buyers can enter the market at a slightly lower price point with the median sale price at $700,000. Armstrong Creek could prove more appealing for investors with a slightly higher rental return of $500 per week showing a 7.6 per cent increase over the past 12 months.

Grovedale and Belmont have also been hotspots for families and first-time homebuyers with both suburbs more centrally located to Geelong.

Belmont offers a median price point of $710,000, while Grovedale can see a median purchase price of $680,000. For those looking for units, you can purchase a two-bedroom unit in Belmont for a median price of $515,000, while a two-bedroom unit in Grovedale can be purchased for a slightly cheaper median price of $500,000.


2/168 Stevens Street, Portarlington Source: realestate.com.au


2/168 Stevens Street, Portarlington Source: realestate.com.au

As an example, this three-bedroom, two-bathroom unit in Portarlington (pictured above) sold recently for an undisclosed price, but is suspected to be within our target range.

Perron King
Director

Warrnambool

The $750,000 price point is readily active in Warrnambool and provides potential purchasers with a good number of housing options. Within the master planned estates, a standard four-bedroom, two-bathroom dwelling of less than five years of age should fetch reasonably close to this figure, as demonstrated by the two recent sales of 4 Goldstraw Esplanade at $745,000 in April and 34 Waldock Way at $750,000 in February.

4 Goldstraw Esplanade Source: CoreLogic

34 Waldock Way Source: CoreLogic

Naturally, purchasers should be expecting to pay a little more or a little less as dictated by the specific features of the property, including land area, views, fit-out and supporting improvements.

Investors of these and similar properties should be starting the asking rental conversation with $600 per week unfurnished and working upward appropriately.

As far as units and attached living options are concerned, spending $750,000 should well and truly cover 80 per cent of the market. The sale of 4 Hawick Place, Warrnambool ($710,000 in September 2022) in the Woollen Mill development is a good indicator of the price point when considering the higher end of unit and attached stock in Warrnambool. While not offering lake or river views, 4 Hawick Place is set in a very well positioned, well regarded development and features two bedrooms, two bathrooms and modern fit-out.

4 Hawick Place Source: CoreLogic

We consider the performance of this price point to be as susceptible to the trying market conditions as any other and thus may move readily as the market dictates.

Adrian Castle
Director

Mildura

With a combination of the large market increase and rising building costs that occurred throughout 2021 and early 2022, sales of properties in the local area at around $750,000 have become more common. Historically $750,000 was considered the upper end of the local residential market, however high quality modern four-bedroom homes on standard residential allotments around 700 square metres are now often achieving sale prices above $750,000.

A recent example is the sale at 20 Bologna Avenue, Irymple. This four-bed, three-bathroom dwelling recently constructed on a 745 square metre allotment achieved a sale price of $790,000 in January 2023 after being listed for two weeks.

20 Bologna Avenue, Irymple Source: CoreLogic

The $750,000 price range also comprises older dwellings located within suburbs on the outskirts of town on larger allotments of between 3,000 and 4,000 square metres, usually with substantial shedding and landscaping. A recent example of this property type was the sale at 761 Cureton Avenue, Nichols Point which comprised a circa 1980s four-bedroom, two-bathroom dwelling on a 2,378 square metre allotment which achieved a sale price of

$785,000 in February this year after being listed for 19 days.

761 Cureton Avenue Source: CoreLogic

Buyers of detached dwellings at this price point are invariably owner-occupiers, with investors generally being more active at prices up to $500,000 due to the higher return on investment available below this price point.

More recently this higher end of the market has seen mixed results with agents reporting buyers not having the urgency which was seen throughout 2021 and early 2022. Many owner-occupiers in this segment are being more cautious and are also now more limited in the amount they can borrow. Selling periods of over 30 days are now quite normal whereas properties were selling much more quickly during the peak of the market.

Jake Garraway
Valuer

HERRON TODD WHITE

Queensland - Residential 2023

Brisbane

The Brisbane market rode the highs of 2021 and the lows of 2022... and remains the most attractive of the three east-coast capitals when it comes to price. Relative affordability is a primary driver for attracting interstate migrants to our little piece of Aussie paradise.

A look at the ABS statistics shows that while Queensland has seen net interstate immigration of around 40,000 people per year, Sydney and Melbourne saw their populations fall by approximately 40,000 and 15,000 respectively over the same period. It doesn't take Einstein-level intelligence to understand that buyers from the south are flocking to Brisbane and our wonderful regions. These new arrivals are able to offload their homes in New South Wales or Victoria, buy something just as good (or even better) in Queensland AND still be left with an impressive chunk of change in their pockets.

For locals, $750,000 is a great price point to work with too. Our median house price is just above $700,000. As such, a large proportion of buyers would have $750,000 well within their budget.

So, what will three-quarters-of-a-million dollars get you in our neck of the woods?

Let's look at some examples.

Near/inner city

Like most big cities, securing a decent detached home within cooee of a CBD at this figure is tough. The land component alone would tip most blocks within a five-kilometre radius of the centre of town well beyond $750,000.

As such, your primary objective as a $750,000 buyer will likely be to secure attached housing with the right fundamentals for long term growth and/or decent rental returns.

Let's start with one of Brisbane's prime addresses. New Farm is where the cool kids hang out. It's riddled with lifestyle and offers everything from night-time shenanigans to family-friendly parks and facilities, along with some of the best cafes and restaurants our city has to offer.

In New Farm you will be looking to buy an older two-bedroom, one-bathroom (or even two-bathroom) unit. It will be a bit older in many instances but has the right ingredients to make for a solid asset. Seek a unit with a decent floor area wherever possible, and balcony space is a premium too.

Top floor - 24/785 Brunswick Street, New Farm Source: realestate.com.au

A great example is 24/785 Brunswick Street, New Farm which sold for $750,000 in December last year. This is a top floor unit with excellent views offering two-bed, one-bath, one-car accommodation. The unit has been updated and would appeal to a wide range of buyers.

Next door to New Farm is Teneriffe. Again, the big money is spent here on detached housing. Teneriffe's appeal includes its waterfront lifestyle with the Brisbane River a constant backdrop. Also, the regentrification of this area is off the charts. It's a place folk simply love being in.

An example of what can be secured here is 110/38 Helen Street, Teneriffe – a modern, two-bedroom, two-bathroom apartment located in The James building – an impressive contemporary development by Cavcorp.

110/38 Helen Street, Teneriffe Source: realestate.com.au

Other near-city suburbs offer the same type of options. For example, Newstead situated just two kilometres north-east of the CBD is an option. This

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Investors seeking something within the CBD and with a $750,000 budget, one option could be to buy two units with your funds.

suburb is a short stroll to the delights of New Farm and Fortitude Valley, plus public access via the CityCat is a bonus. In Newstead, you'll secure a modern two-bedroom, two-bathroom apartment within a $750,000 budget.

Similarly, South Brisbane or Woolloongabba are your addresses for unit buyers with $750,000 to spend. These suburbs were under the cloud of unit oversupply during our city's building boom around eight years ago. Now, demand for accommodation among both renters and owner-occupiers means more turnover of sales plus rising prices. Again, you'll get a modern unit in a high-rise for the price. A good example is 2607/19 Hope Street, South Brisbane which sold for $762,000 just this month. This two-bed, two-bath, one-car unit is on the 26th level of Brisbane Casino Towers and offers fabulous city and river views.

For investors seeking something within the CBD and with a $750,000 budget, one option could be to buy two units with your funds. It's possible to find one-bedroom units in the heart of Brisbane for around $375,000. This property should return around $650 per week in rent, which reflects nine per cent gross yield. Of course, there will be some high management and body corporate costs to come out of that, but the net result will still be fairly convincing.

No matter what your buyer profile may be, for those with $750,000 who are considering a unit near the city, our top tip is to try to buy property near great coffee, food and entertainment.

Also, seek units with some potential for capital gains - something that will benefit from an easy, relatively inexpensive renovation for example. Look for those with good size floor areas that will appeal to owner-occupiers as much as they do to renters.

While a newer unit might be within your budget, there is value in considering an older apartment in a low-rise block with lower body corporate fees as well.

The other good news for these buyers is that at this price point you have plenty of room for the value to increase when the market does go for an upswing. Entry-level properties tend to see their values dragged up in a boom.

There remains relatively tight supply for decent housing at this figure too. Yes, units are about on the listing portals, but unearthing one with the right mix of fundamentals might be a bit more challenging than first appears.

Mid-ring suburbs

The $750,000 budget unlocks a wide range of property options away from the city.

While a detached house will be challenging to find within a 10-kilometre radius of the city, it is possible with some compromises. A main road frontage or the need for extensive renovation are some of the elements that will keep the price down. That said, these sorts of homes come with risk.

For example, this home at 15 Marshall Road, Rocklea sold for $720,000 in April this year. On the face of it, a 1012 square metre site with a three-bedroom home would appear to be good value. However, the home backs on to light industrial property and could be affected by noise from nearby arterial roads. In addition, this suburb was heavily affected during recent flood events, so you would want to be careful to complete a full due diligence on a property like this. In short, there are some serious risks to consider with this sort of home before proceeding.

15 Marshall Road, Rocklea Source: realestate.com.au

A safe option for modern inner suburb living at this price point would be a townhouse. $750,000 would buy a good quality, higher-end townhouse in Bridgeman Downs, McDowall or Albany Creek for example. These suburbs appeal to both owner-occupiers and renters, with townhouses being an excellent compromise for those wanting a little more space on a tight budget. Rents range from $500 to $700 per week depending on the townhouse's size and finishes.

33/906 Hamilton Road, McDowall sold for $735,000 in March and delivers four-bed, two-bath, two-car accommodation. This is a two-year-old, two-storey townhouse in a great position within this desirable suburb.


33/906 Hamilton Road, McDowall Source: realestate.com.au

Another option is to look at detached housing in these suburbs where a "lower end" home could prove a winner for capital gains. A dwelling here would be a good choice, particularly if situated in a high-demand school zone, on a decent size block and not requiring immediate renovation.

Take a look at this one at 20 Sussex Drive, Albany Creek which sold for $768,000 in March. Its three-bed, one-bath, two-car accommodation would suit a young family and it appears to have already been renovated. The large allotment would also be attractive to buyers.


20 Sussex Drive, Albany Creek Source: realestate.com.au

Outer suburbs and fringe areas

In the outer north we can look at suburbs such as Warner and Bray Park where a detached house on a reasonable size allotment is a possibility at $750,000. These suburbs are solid localities for both homeowners and investors. With this budget, you can secure a property that's just a few years old in one of the newer developments or buy an older property with a bit more land and renovation potential.

An example of a more contemporary property would be this one at 9 Paramount Drive, Warner which sold in April for $720,000. This lowset brick-and-tile home provides four-bedroom, two-bathroom, two-car accommodation on a 631 square metre site. The property is close to comprehensive local shopping and other facilities. The home has basic fit out and minimal ancillaries.

9 Paramount Drive, Warner Source: realestate.com.au

In comparison, 23 Del Rio Street, Bray Park sold for $702,000 in May this year. It provides a four-bed, two-bath home on a 618 square metre site. The property is renovated internally and appears neatly appointed. It also includes established gardens and an inground swimming pool. It's close to parks and schools with easy access to major shopping outlets and services along Gympie Road.

23 Del Rio Street, Bray Park Source: realestate.com.au

Heading further out and fringe locations to the north such as Burpengary, Deception Bay, Kallangur and Narangba will see you spoilt for choice at this price point.

For example, 4 Majestic Street, Narangba sold in May for $750,000. This is a well-appointed, contemporary home delivering four-bed, two-bath, two-car accommodation on a 700 square metre lot. The property has an excellent outlook across the suburb and through to the Glasshouse Mountains.


4 Majestic Street, Narangba Source: realestate.com.au

These sorts of results can be replicated to the south in suburbs such as Algester, Springwood, Underwood, Beenleigh, Park Ridge and Eagleby. Properties here will include detached homes on traditional size allotments with ready access to services, facilities and the Pacific Motorway, making them ideal for commuters with a budget of $750,000. The homes do tend to be a little older – 1970s to 1990s construction – but will appeal to family buyers and have good potential for capital gains, particularly over the long term.

Ipswich/Western Growth Corridor

The western growth corridor takes in a range of housing types – from contemporary construction in Springfield Lakes and Ripley through to older homes (including colonials) within the Ipswich city region itself.

This property at 48 Capricorn Crescent, Springfield Lakes sold in April for $741,500. This is a low-set rendered concrete and Colourbond contemporary home on 423 square metres of land. The property has a wonderful outlook across the suburb from its deck and is well appointed throughout.

48 Capricorn Crescent, Springfield Lakes Source: realestate.com.au

In comparison, this home at 2 Sinclair Street, Newtown sold for $715,000 in May this year. This is a beautifully renovated colonial typical of central Ipswich suburbs. The property delivers three-bed, one-bath, two-car accommodation and has landscaped gardens and a picket-fence street presence. It's positioned just two kilometres from the Ipswich CBD while still within close proximity of neighbourhood shopping and public transport.

2 Sinclair Street, Newtown Source: realestate.com.au

The wash up is that the $750,00 price point is where Brisbane thrives as a capital. It will secure a solid asset – whether that's a home or investment. Best of all, there are plenty of properties delivering great fundamentals at this price throughout our region. All very attractive options for buyers, particularly in the lead up to what is likely to be one of the most exciting decades south-east Queensland has had since Expo 88 (for those who remember).

David Notley
Director

Gold Coast & Far Northern NSW

Far Northern NSW / Tweed Shire

There is a large variation across the Tweed Shire in what $750,000 will get you. If you are looking closer to the coast, you can still find value in a duplex unit.

2/85 Andrew Avenue, Pottsville, a circa 1990, two-bedroom, two-bathroom renovated duplex unit is currently under contract for $770,000.

2/85 Andrew Avenue, Pottsville Source: realestate.com.au

Or 2/16 Banksia Avenue, Bogangar, a fully renovated two-bedroom, one-bathroom duplex unit sold in March 2023 for $735,000.

2/16 Banksia Avenue, Bogangar Source: realestate.com.au

In superior locations such as Kingscliff and Casuarina, you will have to look at units at this price point.

8/5 Boomerang Street, Kingscliff, a renovated two-bedroom, one-bathroom unit, sold for $750,000 in March 2023. The unit, although not in a prime location within Kingscliff, is close to the main street and the beach.

8/5 Boomerang Street, Kingscliff Source: realestate.com.au

However if a house is what you are after, you only need to look further west to find detached dwellings in parts of Tweed Heads and Banora Point. You can still find a house around the $750,000 price point which is a better place to park your money, than say a duplex unit in these areas. Be aware though, they may require work, or if renovated, they are likely to be a small dwelling.

22 Curtawilla Street, Banora Point, a circa 1990, three-bedroom, two-bathroom renovated dwelling is under contract for $750,000.

22 Curtawilla Street, Banora Point Source: realestate.com.au

34 Myeerimbah Parade, Tweed Heads West, a circa 1990, high set three-bedroom, two-bathroom original condition dwelling is currently under contract for $750,000.

34 Myeerimbah Parade, Tweed Heads Source: realestate.com.au

If you like to be away from the coast and more in the Tweed Valley, entry level homes in Murwillumbah that are out of flood zones start around the $750,000 price point.

20 George Street, Murwillumbah is a circa 1960, three-bedroom, one-bathroom dated condition dwelling within close proximity of town that sold for $760,000 in February 2023. You can find more modern dwellings in this price range, however they are more scarce and are further out of town.

20 George Street, Murwillumbah Source: realestate.com.au

You can also find rural residential properties around this price point, however they are located at least 20 minutes west of Murwillumbah and will require a lot of work. Once again, they are few and far between.

1820 Numinbah Road, Numinbah sold in December 2022 for $745,000 and is a rundown original cottage on a 4.23 hectare property.

At this price point, $750,000 is really the entry level into the Tweed Shire. Most buyers are still non-local purchasers and generally looking to be owner-occupiers. It is hard to say without a crystal ball whether prices will fall further from here, but generally this price point is still selling quite well. There is still a lot of uncertainty out there, however rentals are extremely high in the Tweed Shire and vacancy rates are at all-time lows, so maybe this price point will hold up, purely due to the fact that purchasing a property offers more security.

Central to Southern Gold Coast

In the southern Gold Coast localities, $750,000 will buy you a two- or three-bedroom townhouse or duplex unit in Robina or Varsity Lakes of an early 2000s build. It may also purchase a partly renovated 1980 built duplex unit in Burleigh Waters or Miami. $750,000 will not buy you a detached house in the southern Gold Coast localities.

In the current market, it would be prudent to purchase a duplex unit within close proximity to the beach with as large a land parcel as available. This would provide good capital growth for the long term. Further west from the beach, units and townhouses in Robina and Varsity Lakes would be a good investment as they have good rental yields.

Currently a price point of $750,000 will not buy a detached house within the central to southern localities of the Gold Coast, however $50,000

HERRON TODD WHITE

added to the budget may be a good investment in an area such as Merrimac. $750,000 would purchase a townhouse in the localities of Merrimac, Robina or Varsity Lakes where there are also strong rental returns.

This sector may have a little softening still to come with buyers being stretched for affordability and serviceability. People may struggle if they have purchased these assets at the top of the market with record low interest rates and will soon be paying a higher rate once their fixed term ends.

Within this sector, buyers purchasing now or in the next few months should feel confident as interest rates may stabilise, making the cost of owning more stable and with rents continuing to rise, more money can be made. Returns within the central to southern Gold Coast are seeing rental yields of approximately seven to ten per cent.

Gold Coast Central - North
Within the central to northern area of the Gold Coast, $750,000 will get a basic older dwelling in Labrador within approximately one kilometre of the Gold Coast Broadwater.

94 Robert Street, Labrador sold in November 2022 for $730,000 and has a non-council approved granny flat. Dual occupancy properties are becoming more sought after with rental levels rising and relaxing of council rules re-letting approved granny flats to non-family members. this property comprises a circa 1960, mid set dwelling situated on a 554 square metre allotment and comprises three bedrooms and one bathroom.

94 Robert Street, Labrador Source: realestate.com.au

For something more modern and closer to the Gold Coast Broadwater with views, purchasers need to consider apartment living.

Unit 901 in the Summit 110 building, 110 Frank Street, Labrador sold in February 2023 for $710,000. It comprises a 9th level (top floor) unit within a medium rise complex and provides two-bedroom and two-bathroom accommodation with a two-car basement car space. The unit has a north-westerly aspect with local, hinterland and Gold Coast Broadwater views.

Unit 901, Summit 110, 110 Frank Street, Labrador Source: realestate.com.au

Within the central to northern area of the Gold Coast, $750,000 will get a basic older dwelling in Labrador within approximately one kilometre of the Gold Coast Broadwater.

For developers, a vacant site at 109 Whiting Street, Labrador sold in January 2023 for $729,000. It comprises a rectangular shaped allotment of 759 square metres and was zoned medium eensity with an RD3 residential density designation. On a standalone basis, the site is suitable for a duplex pair only.

In Southport you can get a townhouse style unit. 2/118 Ridgeway Avenue, Southport sold in February 2023 for $710,000. It comprises a two-storey, semi-modern circa 1999 townhouse within a complex of 12 units. It was renovated and provides three-bedroom and two-bathroom accommodation with a one-car garage.

2/118 Ridgeway Avenue, Southport Source: realestate.com.au

To afford detached housing, it is necessary to go further inland. In Arundel you can get a much more modern home. 50 Tiger Drive, Arundel sold in March 2023 for $717,000. It comprises a 458 square metre allotment improved with a low set rendered brick and tile dwelling that provides three-bedroom and two-bathroom accommodation with a two-car garage.

HERRON TODD WHITE

50 Tiger Drive, Arundel Source: realestate.com.au

The best performing properties at the $750,000 price point within the central to northern areas of the Gold Coast are based on their location. The best areas are central and close to the Gold Coast Broadwater, ie Labrador or Southport.

Especially for houses as an interim hold or for renovation or redevelopment, the demand is always there. Houses have a history of holding and improving in value due to their underlying land value component as opposed to units where the land value component is not readily realisable to individual unit owners until the building is sold for redevelopment. The only drawback is themaintenance on older dwellings. The alternative is to purchase a more modern duplex or townhouse and an approximate half-share in the parent site.

Detached housing as an investment to rent is strongly competing with the owner-occupier market around the Parkwood locality due to its close proximity to both the Gold Coast University Hospital, Gold Coast Private Hospital and Griffith University and being serviced by the Light Rail Network.

44 Lucille Ball Place, Parkwood sold in February for $730,000. It comprises a 701 square metre allotment improved with a circa 1992 lowset rendered brick and tile dwelling that provides three-bedroom and two-bathroom accommodation with a two-car garage.

44 Lucille Ball Place, Parkwood Source: realestate.com.au

In Parkwood, three-bedroom houses are currently readily renting for between $680 and $780 per week. Four-bedroom dwellings are readily renting for between $775 and $900 per week.

In the under $750,000 range, we expect property values to at least hold if not strengthen over the short to medium term due to the limited stock available for rent. This in turn is holding up prices. Agents are reporting that existing tenants, upon being notified of a rent increase (which can often be quite substantial ie an additional $100 to $150 per week), are seeking to buy their own property and pay their own mortgage at current rental levels. These tenants are prepared to pay a premium which can easily be $30,000 to secure vacant possession and a place to live.

We have noticed an easing in price levels in the over $1 million bracket which can possibly be attributed to rising interest rates and the uncertainty of how much higher interest rates may go.

West

Throughout the central western part of the Gold Coast, $750,000 will buy a three- or four-bedroom house, townhouse or duplex in suburbs such as Highland Park, Nerang, Pacific Pines and Oxenford. Units and townhouses (two- and three-bedroom) through these areas are currently ranging from $400,000 up to $700,000 depending on accommodation and condition or renovations, whilst detached housing in the current market normally starts around $650,000 for basic, entry level three-bedroom houses with many properties selling around the $750,000 price point.

228/64 Gilston Road, Nerang Source: realestate.com.au

The above property is an example of a three-bedroom, two-bathroom detached townhouse within the River Springs Country Club complex in Nerang.

We have noticed an easing in price levels in the over $1 million bracket which can possibly be attributed to rising interest rates and the uncertainty of how much higher interest rates may go.

HERRON TODD WHITE

These are now achieving prices over $700,000 (this property sold for $720,000 in November 2022 – prices have held steady since then over the past six months). Townhouses like this have been an extremely popular asset class over most detached housing as an alternative due to affordability.

Throughout Tamborine Mountain, there are two-, three- and four-bedroom houses selling for $750,000 on allotments of up to 1500 square metres.

This price sector will continue to show strong demand due to its affordability. As the cost of living and property prices have increased dramatically, properties around and up to $750,000 will be a popular price point for many buyers and investors in the short to medium term.

Rental returns for properties at the $750,000 price point continue to be strong as rental vacancies are at an all-time low, pushing up prices. A standard four-bedroom, two-bathroom house in a suburban areas (for example, Pacific Pines) will net an average of $725 per week and can range up to $850 per week if the property is renovated and has a swimming pool.

Gold Coast North
At the northern end of the Gold Coast, $750,000 can purchase a house and land package for a four-bedroom, two-bathroom modern home of average standard to be built on a small allotment of 300 to 400 square metres. Alternatively, a second-hand home can be purchased on a 400 to 500 square metre allotment with a four-bedroom, two-bathroom house less than five years old. An home more than 10 years old can also be purchased on a 600 to 700 square metre allotment, perhaps with a swimming pool. The best performing localities for these types of property are Coomera, Upper Coomera and some areas of Pimpama and Ormeau.

With a budget of $750,000, investors would have a good range of options for detached housing within the northern localities of the Gold Coast.

Within these localities, investors could invest their money in an average quality house capable of generating a rental income of $700 to $800 per week. This type of property is available outside the more central northern localities but this area has a growing population and new infrastructure is being built. The future Coomera Connector Road will be a game changer as it will allow for an easier and faster commute but it may also be detrimental to some areas which will bear the brunt of the traffic noise.

With a budget of $750,000, investors would have a good range of options for detached housing within the northern localities of the Gold Coast. Larger duplex units may also be attractive to investors. Due to the growing rentals, units and attached housing are now more attractive as investments. Capital values have risen in recent years as a result of investors competing with owner-occupiers who cannot afford the more expensive detached housing. Nevertheless, in the long term, the old trends of poor capital gains may return as the supply and demand balance enters the oversupply stage.

As the fear of further interest rates rises is still present, we expect prices to remain stable. Prices have been falling for a while but the steep rise in rents is still attracting buyers into the market.

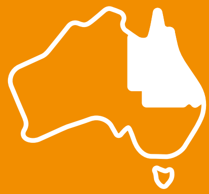
Both investors and owner-occupiers are the main buyers at this price point. The market is not in oversupply so they should feel confident that prices will be sustained, however continuing interest rate rises would be detrimental to the market and buyers may lose confidence.

If a $750,000 house was purchased, an investor could expect a rental return of $700 to $750 per week. This is going back to the times when it was a rule of thumb for the value to be equivalent to 1000 times the rental of the property. Many rental renewals are currently achieving this level.

At the moment, general pricing in the area is in the $650,000 to $750,000 bracket. It is not considered that prices will fall below $600,000 for a four-bedroom home of reasonable quality. Even the older three-bedroom duplex units are now achieving close to $600,000 as rents may be already in the $600s for this type of accommodation. For an investor who cannot afford this sum, there are further removed localities in the areas between Pimpama and Brisbane South. Houses in the $500,000 to $600,000 price range are available and the rental returns are also good as these areas have a large number of renters.

Looking into the future, the past spectacular rise in values post COVID is unlikely to be repeated anytime soon. The market will have to find an equilibrium and more acceptable and sustainable annual market increases. At this time, developers are being impacted by rising costs whilst potential buyers are impacted by rising interest rates. There could be mortgage stresses which may result in forced sales. In the main, market corrections are good and bring about stability and that is what we hope will happen in the near future.

Jerusha King
Associate Director



Sunshine Coast

It's pretty straightforward to see that the inflationary concerns leading to the strong rises in interest rates, significant increases to the costs of living and national and global economic uncertainty have all led to a slowdown in the property market. Agents are reporting that buyer enquiry has fallen away with experienced agents saying that the market is more normal. The decline is very much dependant on what the property is and where it is situated but generally the falls are somewhere between five and 15 per cent.

In the past we have suggested the best place to invest your $750,000 is as close to the beach as possible. This certainly would have paid off with it now being difficult to enter this market at this level however it is still not impossible. There are still some beachside localities that provide this opportunity, however they are slightly further from the beach. There are also still some opportunities in and around some of the major coastal centres. The coastal lifestyle is continuously sought after, so if you can find it, go for it!

No surprises that as you move further from the coastline the options open up. Original freestanding dwellings further inland in areas between Glass House Mountains and Pomona are proving to be good choices. These areas are sought after by both investors and owner-occupiers. For modern homes, the smaller lot product at Aura to the south of Caloundra and Harmony at Palmview also provide a number of good options.

There are also options further afield in areas such as Gympie that give you some bang for your buck. This area is well connected to the coast (45-to-60-minute drive) with good communities, so has become a viable possibility.

Units in beachside localities still provide good opportunities for under $750,000 with locations around Coolum Beach, Mooloolaba and Caloundra all providing good access to tourist amenities and good rental returns at this level. Smaller complexes with lower body corporate feesremain the best performing in terms of rental yields. An example is 5/19 Jarnahill Drive, Mount Coolum, a three-bedroom, one-bathroom renovated unit that sold for $627,000 in February and was leased at $525 a week, a rental yield of 4.35 per cent.

Modern freestanding four-bedroom, two-bathroom dwellings in hinterland townships such as Glass House Mountains, Beerwah and Landsborough continue to be sought after given their access to transport and services. A rental return of four to 4.5 per cent can be expected for properties in these areas purchased in the past six to 12 months.

As always, the diversity of the property mix on the coast and hinterland provides a number of opportunities for owner-occupiers and investors. It is difficult to identify one specific market as opportunities to purchase properties for under $750,000 have significantly decreased in the past 24 months. The softening market will however assist with improving affordability.

Overall, the Sunshine Coast property market has softened which will assist with improving affordability in certain sectors of the market. It is anyone's guess when the bottom of the cycle will be reached. Some commentators believe that the impact of the interest rate increases will be in the later half of 2023 or early 2024.

Stuart Greensill
Director

Cairns

The Cairns residential market continues to perform strongly with little evidence of a slowdown.

A $750,000 price point in the Cairns market is significantly above the median price for houses in the southern suburbs and Cairns City locations and slightly above the median price in northern beaches localities.

	March 2022	March 2023	% Movement
Southern Suburbs (4868)	$419,000	$473,000	12.89 Increase
City Suburbs (4870)	$561,000	$602,000	7.30% Increase
Northern Beaches Suburbs (4879)	$670,000	$691,000	3.13% Increase

An outlay of $750,000 will typically be able to purchase an average quality, average size, semi-modern, four-bedroom, two-bathroom home with a swimming pool on an average sized lot with a northern beaches or city suburbs address. In a Cairns southern suburbs locality, your purchasing power goes a lot further and you are able to purchase a new, good quality four-bedroom, two-bathroom home with a pool on an average sized lot.

Unit sales near the $750,000 price point are thinly traded and would typically allow the purchase of a modern, good quality, three-bedroom, two-bathroom unit with two car spaces in a Cairns CBD or northern beaches locality with town or sea views.

The best performing property at this price point would comprise a single residence or unit in an inner Cairns city suburb or a duplex property in any Cairns locality. These properties are in high demand due to their very high rental returns, however are difficult to acquire due to the lack of available stock. Inner city older units at cheap price points comprise the best performing properties in the current market. An investment of $750,000 would typically allow you to purchase three units and achieve rental returns close to 10 per cent in the current market. In the detached housing market, the purchase of an older three-bedroom property with a detached or built-in self-contained granny flat in a Cairns suburb locality would achieve very high rental returns in the current tight rental market.

This sector of the market is expected to continue to perform well due to the ongoing tight rental market. The supply of new housing of both detached and unit properties is not keeping up with demand and this dynamic is not expected to change in the short to medium term.

Danny Glasson
Director

Gladstone

For $750,000 in the Gladstone region, you have a couple of different options depending on what takes your fancy.

First up, if you're an owner-occupier buying just the one property, you can get a large, well-appointed home with all the bells and whistles in an established suburb, typically on a 1000 square metre plus allotment with a pool, sheds, etc. Alternatively, for around the same money, you can drive 10 to 15 minutes out of town to the rural residential suburbs of Beecher, Burua, Calliope or Benaraby and you will get roughly the same improvements but on a larger allotment.

Investors wanting to enter the Gladstone market with $750,000 have the option of purchasing a number of smaller, older homes.

Investors wanting to enter our local markets with $750,000 have the option of purchasing a number of smaller, older homes. This would provide a better return to the investor than purchasing one property for $750,000 with a view to lease. With low vacancy rates, rents continue to rise and returns are becoming more attractive. Add to this the benefit of further capital growth expected over the next couple of years!

Entry level into the residential market in Gladstone, for instance for a three-bedroom home in West or South Gladstone, is around $200,000 to $250,000 with rents between about $250 and $350 per week. As an alternative, an investor could buy close to two modern, four-bedroom, two-bathroom brick homes in the suburb of Kirkwood with achievable rents of around $450 to $500 per week. A more modern home brings depreciation benefits which are also attractive to investors.

Duplexes or sets of flats are likely to provide the best returns from an investor's perspective. Gross yields on sets of flats in the region range broadly between seven and ten per cent, with the majority of flats returning around eight to ten per cent gross. Standard duplexes typically require an initial investment of between $250,000 and $400,000. Larger sets of flats of up to a group of four to six flats are also definitely obtainable with a budget somewhere between $450,000 and $800,000 depending on location, condition and room accommodation.

Regan Aprile
Director

Bundaberg

In the Bundaberg and coastal areas, $750,000 still buys a good size modern dwelling with multiple car accommodation and possibly a pool etc.

Properties slightly out of town on acreage in areas such as Moore Park Beach, Sharon and South Kolan could provide homes built in the 1990s, with three to four bedrooms and one or two bathrooms for that price point.

In Bundaberg, $750,000 could buy you a modern home built in the 2013 era providing four bedrooms, two bathrooms and double garage and sheds in close proximity to schools, shops etc.

Investors in the locality could buy a block of four flats in Norville or Avenell Heights built in the 1980s returning a gross of 7.8 per cent for mostly renovated to 6.4 per cent unrenovated.

Affordability and strong rentals are also still factors for lower end houses where two investment dwellings could be purchased.

In Bargara this price point could get you a modern 2015 three-bedroom, two-bathroom unit with two-car accommodation within walking distance of the water or a similar aged dwelling further from the water.

Megan Matteschek
Property Valuer

Mackay

The good news is that you can still buy quite a lot of property in Mackay for $750,000 or less; the bad news is that it will be less than what you would have got last year.

In the traditional established inner city and CBD fringe suburbs, $750,000 will buy fully renovated Queenslanders of a high standard with pool and shed, generally located on over 1000 square metres.

If modern dwellings are your go, $750,000 will buy you a near new home in most of the major modern estates. These include four-bedroom, two-bathroom dwellings with double lock up garage plus either a pool or a shed. If you are after both a pool and shed for around $750,000, you may have to settle for a 20 to 30 year old dwelling in good or renovated condition.

If you're looking at units, most units in Mackay are well under $750,000, except for larger three-bedroom highrise units in the Harbour or CBD with excellent water views and large building areas.

If you are looking at investment properties, then $750,000 can buy you an updated 1980s style, on ground brick, three by two bedroom triplex in a fringe suburb.

The Mackay market has been very buoyant over the past two years, with agents reporting very strong demand, short listing times and multiple offers received on almost every property. Recently, agents have started to report that the frenzy that was in the market, say three to six months ago has started to reduce, although that just means instead of multiple offers on day one, it may now take two to four weeks to achieve a sale.

Jade Shuttlewood
Valuer

Emerald

If you have a lazy $750,000 to invest in Emerald, there are a multitude of options available.

Purchasers at around $750,000 could obtain a high end residential dwelling which would be a new or near new, at least four-bed, two-bath dwelling with luxury fittings with a shed and pool etc. It is likely that these properties would achieve a weekly rental of at least $700 to $1000 per week.

A budget of $750,000 would also afford an older rural residential dwelling on at least 4000 square metres, with likely a partially renovated late 1990s or early 2000s four-bed, two-bath dwelling with large sheds and pool. It might also afford a low to mid rural lifestyle (eight hectares or more) with a modest dwelling and sheds and infrastructure related to hobby farming. Rural residential and rural lifestyle properties tend to hold their value better over the long term than residential dwellings in Emerald. Properties in this section of the market would likely rent for between $600 and $1000 per week depending on number of bedrooms, level of ancillary improvements and size of available land for livestock.

In the multi-unit market, $750,000 would buy a very high end duplex (three- or four-bed and two-bath), or a modern triplex (three- or four-bed and two-bath), or a larger, older complex with four or more units. As the rental market remains very tight, the best performing property at $750,000 at present would likely be a multi-unit property. Three- and four-bedroom, two-bathroom units in Emerald are currently renting for between $400 and $500 per week depending on condition of the unit.

If investing in housing for superannuation funds or property portofolios, $750,000 would also buy approximately two basic four-bed, two-bath dwellings in the newer but less attractive estates such as Mayfair or Lakeside Estate or three or four three-bed, two-bath dwellings in the older part of town north and south of the railway and west of the river.

Kellie Blomfield
Valuer

Hervey Bay/Maryborough

As a result of the significant price growth experienced in Hervey Bay and surrounding areas since 2021, quite a few locations are now priced above the $750,000 price point. Esplanade land has now exceeded this price point and in some cases is over $1 million. Acreage areas such as Wondunna, Craignish and Dundowran Beach have very little stock below $750,000 and this is similar in the rural residential areas of Booral, Sunshine Acres and Walligan. $750,000 will

The Mackay market has been very buoyant over the past two years, with agents reporting very strong demand, short listing times and multiple offers received on almost every property.

currently buy an older timber cottage in original condition located within a short distance of the beach with lot sizes generally ranging between 500 and 1100 square metres. The surge in house prices experienced through 2021 and 2022 pushed up entry level stock with very little supply under $450,000. Semi-modern properties in the older suburbs of Pialba, Scarness, Torquay and Urangan are now achieving sale prices in the mid $600,000s with most requiring maintenance or renovations however these are well located to schools and local services. Newer homes typically on smaller lots in Urraween and Eli Waters are also selling in the $600,000 to $700,000 price bracket. These new or near new four-bedroom homes are achieving in excess of $600 per week rent in some cases. As expected last year, these prices have now stabilised with a slowing in sales activity and buyer demand.

Sale prices of units have also strengthened over the past 12 months with circa 1990 on ground, two-bedroom, one-bathroom units that were previously selling for $220,000 now selling for over $320,000. Several units could be purchased in this price range well under $750,000 in total. Gross yields sit at around five per cent, however this can be improved with modest refurbishments such as new internal paint, floor coverings and window furnishings.

In Maryborough, if you are an owner-occupier buying just one property, you can acquire modern dwellings and fully renovated Queenslanders in an established area with good ancillary improvements (such as pools and sheds) typically on an 800 to 1200 square metre allotment. Alternatively, you can acquire partly renovated older brick dwellings with similar ancillary improvements (pools and sheds) on larger blocks in the rural residential areas surrounding Maryborough (typically 10 to 15 minutes out of town) on blocks ranging from 4000 square metres to two hectares. More modern dwellings can also be acquired on these sized blocks at this price point however have less ancillary improvements. Rural residential property in the area is currently highly sought after with demand outstripping supply and these types of property at this price point are becoming more difficult to source.

From an investor's point of view, $750,000 can buy two or, if you are lucky, three dwellings at entry level prices in the older established areas of Maryborough. These typically consist of old timber dwellings. This will provide an improved return than one better quality dwelling for $750,000, however sourcing entry level dwellings below $250,000 out of flood prone locations is difficult. Maryborough continues to have a very low vacancy rate and high rental demand which has led rents to continually rise with the average three-bedroom dwelling achieving $365 per week compared to $300 per week 12 months prior.

Doug Chandler
Director

From an investor's point of view, $750,000 can buy two or, if you are lucky, three dwellings at entry level prices in the older established areas of Maryborough.

Whitsunday

The Whitsundays has seen significant market rises over the past two years meaning $750,000 will not get you as much as in previous years!

In Cannonvale and Jubilee Pocket, $750,000 will still get you a new or near new modest four-bedroom dwelling, however if you desire a pool and a shed it will be right at this limit. Good quality executive dwellings are selling in excess of this amount at present. In Airlie proper, you will be hard-pressed to find a dwelling with good views for this price in the current market.

If rural lifestyle is the preferred option, and based on sales evidence it has been, then you will be looking at an older style dwelling with associated sheds on a few acres in most of the rural localities. Anything with views might be a little bit harder to come by in this price range.

Lastly, units right across the Whitsundays can still be found for well under $750,000.

Noelene Spurway
Valuer

Townsville

Within the Townsville market, the $750,000 price point represents the lower end of the market for inner city dwellings, the median house price for the suburbs surrounding the inner city and the upper level for the outer suburbs apart from the rural residential suburbs that sit on the outskirts of the city. While in general the Townsville market is presently strong, the inner city and rural residential markets are particularly strong but properties in these localities are scarce.

Given the scarcity of inner city and rural residential properties, these markets represent the best opportunity for short-term growth. The inner-city market has historically been the more resilient of these two markets should there be any downturn in the future. The impacts of any downturn in the market tend to be felt more in the Townsville rural residential market.

Within a number of the outer residential suburbs, $750,000 would allow investors to purchase two roughly 10 to 15 year old dwellings that would rent for about $420 per week. For example 10 Medici Drive, Kelso which was purchased in February for $350,000.

10 Medici Drive, Kelso Source: CoreLogic

This is a circa 2012 four-bedroom, two-bathroom home with double lock up garage which has recently been listed for rent for $420 per week.

16 Noscov Crescent, Kelso Source: CoreLogic

Another example is 16 Noscov Crescent, Kelso which was purchased in March for $302,500. This is a circa 2005 three-bedroom, one- bathroom home with singe lock up garage which has recently been listed for rent for $410 per week.

Properties like these in the outer residential areas have been selling strongly in recent times with buyer profiles being investors and current renters trying to purchase a home to escape the rental market. The competition between these two types of purchasers is helping to maintain steady growth in this market sector.

Jamie Martin
Valuer

Rockhampton

A lazy $750,000 in 2023...is it the same as 2020 or 2021? Absolutely not! The market in the Rockhampton region and surrounds has continued on the path of significant and sustained growth since late 2020 to the first half of 2023. Great news for existing owners, not so great for those wanting to get into the market.

Some recent examples of $750,000 sales in the area include a property located at 12 Lace Flower Court in Norman Gardens which recently sold for $730,000. The property is a 12 year old onground brick dwelling that provides four-bedroom and two-bathroom accommodation with a two-car garage with established landscaping, fibreglass inground pool, and two-bay storage shed set on an allotment a touch over 1000 square metres.

Compared to our similar example from 18 to 24 months ago, there is a vast difference in the location you can buy into for around the same dollars.

It is now a challenge to buy a modern four-bedroom home on a one acre allotment at a price below $750,000. 116 Perrot Drive, Rockyview sold earlier this year for $726,000 and is a modern brick home on 5109 square metres with four bedrooms, two bathrooms, double garage and average size shed on an elevated allotment with rural residential views, however the home lacked a high level of appeal and finish.

South side remains renowned for classic Queenslander style homes, however these remain thinly traded around the lazy $750,000 price point, with plenty of sales occurring below $650,000. It then becomes a very thinly traded market however it is considered this is due to a lack of supply rather than a lack of demand for a well-renovated home. 19 Mary Street, The Range sold at the start of the year for $749,000. This is a Queenslander style home which had been renovated to an average standard over a number of years. The property has a westerly aspect and is in close proximity to the botanical gardens and several well regarded schools. Again, this is an inferior property overall than what could have been purchased for the same money some 18 to 24 months ago.

19 Mary Street, The Range Source: realestate.com.au

The southside unit market is also largely restricted to the riverfront precinct along Victoria Parade. Unit 501 in the Rocks apartment complex recently sold for $720,000. Built in 2006, this unit provides three-bedroom and two-bathroom accommodation with a front balcony overlooking the Fitzroy River and Berserker Ranges on level five of nine. The complex offers secure car parking, a swimming pool, passenger lift and foyer.

For investors though, $750,000 can still buy you multiple homes at entry level prices in our older, established areas such as Berserker, Park Avenue, Koongal, Rockhampton City, Wandal or Depot Hill. This will still provide a better return than one better quality dwelling.

Sets of flats however, are still likely to provide the best return on investment. Gross yields remain hovered around six to nine per cent return across the region with both rents and capital values increasing substantially. 18 to 24 months ago, entry level standard two x two bedroom duplexes mostly fell in the $300,000 to $350,000 price whereas now they have increased to $380,000 to $400,000, still returning around 6.5 to eight per cent gross rental return. The volume of sales of sets of flats has been unprecedented in the Rockhampton region over the past 12 to 18 months. Larger complexes are also available for around the $750,000 price point. A recent example is a set of four flats at 5 Wiseman Street, The Range which sold for $737,000 reflecting a gross yield of 8.47 per cent based on a rental of $300 per flat per week. Larger sets of flats typically provide a higher gross yield than that of a standard duplex due to the extra risk of increased vacancy and ongoing maintenance.

The Capricorn Coast now often requires $750,000 at a minimum to purchase a modern one to three year old four-bedroom, two-bathroom home, often without a pool or shed and no ocean views however slightly older homes of a similar nature, say 10 to 15 years, will often be compensated with a pool or shed for a similar amount.

All eyes are firmly fixed on the market at present to determine if the recent (and certain future) interest rate rises will have an impact on our local market in the short term. Keeping in mind these rate rises are coming off an extremely low starting point and significant infrastructure projects continue to progress across the region drawing population migration to the region, it is considered that investing $750,000 into the region remains a sound decision in the short to medium term compared with metropolitan residential markets.

Alistair Gunthorpe
Valuer

Toowoomba/ Darling Downs

The coverage area of the Darling Downs entity service area is vast, being bound by the Scenic Rim and Brisbane Valley to the east, the South Burnett to the north, the Queensland and Northern Territory border to the west and northern New South Wales and Moree Plains area to the south. As such, there is a considerable difference in the products being offered for sale and selling in the $750,000 market segment, which is also evident in the largest regional centre within our coverage region, being Toowoomba.

Given the specific focus on the $750,000 price point, the Toowoomba property market is very reasonable compared to many other parts of Australia. $750,000 gives purchasers the ability to buy a number of different property types, including renovated older character homes in established inner city suburbs, original and renovated 1970s to 2000s brick homes in many suburbs, new houses in developing areas and homes on larger acreage lots in nearby neighbouring suburbs. When comparing these transactions to those from a year ago, $750,000 in the rural residential and refurbished, older homes market still gets you a comparable quality property. However, in Toowoomba's northern and eastside suburbs, the market appears to have shifted upwards, with $750,000 bringing you a choice of updated 1960s to early 1990s homes in good condition.

We've presented recent instances of property transactions in this area as part of this month's focus on the $750,000 price bracket. Below is a recent sale of a typical rendered brick home built in the 2010s in Rangeville's established neighbourhood. This four-bedroom, two-bathroom home with a double garage on a 650 square metre allotment sold for $741,000. As an investor, you could expect to receive $600 to $700 per week in rent.

15 Rosella Street, Rangeville Source: CoreLogic

The sale of a rendered brick, four-bedroom, two-bathroom executive style home in the satellite neighbourhood of Westbrook for $730,000 represents an alternative for purchasers seeking a larger lot. The lot is 1239 square metres and is close to modern conveniences and only 15 minutes

RESIDENTIAL

from the Toowoomba CBD. This type of home is achieving a rental return of $550 to $600 per week.

68 Shoesmith Road, Westbrook Source: CoreLogic

The below property in East Toowoomba (an inner-city suburb) recently sold for $720,000 and includes a part restored and renovated three-bedroom, one-bathroom dwelling with a detached double lock up garage on an 812 square metre allotment for those looking for older type character homes. You may achieve $500 to $550 per week in rent as an investment.

8 Cedar Street, East Toowoomba Source: CoreLogic

The median property price in Toowoomba and the surrounding suburbs is roughly $520,000. As a result, there are numerous localities throughout the region where this pricing can be obtained. The eastern suburbs, which include Centenary Heights, Mount Lofty, East Toowoomba, Rangeville and Middle Ridge, are expected to offer greater capital growth or resale appeal.

In the blue-collar suburbs, including Drayton, Harlaxton, Harristown, Newtown, North Toowoomba, Rockville, South Toowoomba, Wilsonton and Wilsonton Heights, two homes may be purchased for this money. Some older style detached residences (two- to four-bedroom, one- to two-bathroom, generally dated dwellings) are selling between $225,000 and $350,000 and can generate good rental returns.

In the unit market, duplexes in Toowoomba can give a bigger bang for your buck with double income streams meaning greater gross rental yields for investors. Suburbs such as Glenvale, Newtown and Cranley have a good mix of duplexes built amongst other detached housing. Local agents have suggested that recent duplex buyers are investors from Brisbane, Sunshine Coast, Western Queensland and local prospective purchasers. Toowoomba's rental vacancy rate of one per cent as at April 2023 has meant that some investors are buying a duplex to house a family member on one side and using the other to rent and obtain a rental return. Alternatively, buyers from rural areas west of Toowoomba are renting out one side and keeping the other unit vacant for their own uses when visiting the Garden City.

A duplex at 43 Croxley Street, Harristown recently sold for $800,000 (February 2023). This was a modern duplex comprising six-bedroom, four-bathroom and four-car built-in accommodation with reverse cycle air conditioning. This property is interesting in the fact that they are standalone units but still on one title. This would attract the higher price point of not having any adjoining walls along with a higher quality of finishes throughout.

43 Croxley Street, Harristown Source: realestate.com.au

A duplex at 51 Kearney Street, Kearneys Spring sold in November 2022 for $790,000 and comprised a modern six-bedroom, four-bathroom and two-car built-in accomodation with reverse cycle air conditioning.

51 Kearney Street, Kearneys Spring Source: realestate.com.au

We continue to anticipate steady market conditions in the short to medium term for this locality, with sales agents reporting high demand and enquiry on new listings and a general lack of stock coming on the market. However it is observed that the market segment at $750,000 and above does remain out of reach for a large number of potential buyers and families with the majority of dwelling sales occurring in the Toowoomba region being in the sub-$750,000 price bracket. Toowoomba's low rental vacancy rate and value increases across most market segments and the continued increase in rental demand also places investors in a solid position to hold their investments, even with the current and looming rises in official interest rates. Purchasers and investors being prudent and exercising due diligence should continue to feel confident in the Toowoomba market across the various market sectors.

Marissa Griffin
Director

South Australia - Residential 2023

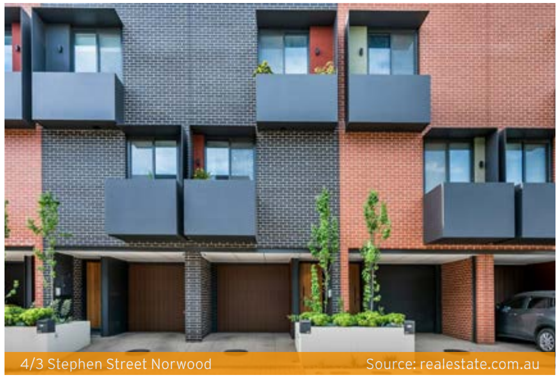
Adelaide and surrounds

The Adelaide metropolitan area has multiple price points which fluctuate from location to location. Depending on buyer motivation, a lazy $750,000 could buy the astute purchaser the perfect owner-occupier abode or investment property.

As at the March quarter, the median house price in the metropolitan area had risen to $675,000, tightening the value for money at this price point. Price levels are at their highest in the inner ring and gradually reduce to a more affordable level in the outer ring, meaning $750,000 could represent the top, middle or bottom of the market in any given suburb.

Higher density stock such as strata units, mid to late century townhouses and infill development are most prevalent at this price point in the inner ring. At this price level, purchasers can expect larger than average living spaces, two to three bedrooms, secure car accommodation and substantial courtyards. The sales of 1/61 Kenilworth Street, Parkside, a circa 1980s single level, semi-detached dwelling disposed as two bedrooms and one bathroom and 4/3 Stephen Street, Norwood, a circa 2020 threelevel attached townhouse disposed as two bedrooms and two bathrooms represent what's available at this price point. These properties achieved sale prices of $746,000 and $780,000 respectively.

1/61 Kenilworth Street Parkside Source: realestate.com.au



4/3 Stephen Street Norwood Source: realestate.com.au

In the middle ring, traditional detached dwellings and modern infill development become available at the $750,000 price point. For traditional detached dwellings at this price level, purchasers would expect either updated improvements with three-bedroom and one-bathroom accommodation or a more basic dwelling providing underlying development potential. Buyers seeking modern infill development should expect three- to four-bedroom and two-bathroom accommodation, modern fixtures and fittings and outdoor entertaining areas. Examples include the sales of 7A Jackson Terrace, Enfield, a circa 2020 single level brick veneer dwelling disposed as three bedrooms and two bathrooms on a 380 square metre allotment and 38 Davenport Terrace, Seacliff Park, an original circa 1950s single level detached dwelling disposed as three bedrooms and one bathroom on an 840 square metre allotment. These properties achieved sale prices of $730,000 and $765,000 respectively.

7A Jackson Terrace Enfield Source: realestate.com.au

For traditional detached dwellings at this price level, purchasers would expect either updated improvements with three-bedroom and one-bathroom accommodation or a more basic dwelling providing underlying development potential.


38 Davenport Terrace Seacliff Park Source: realestate.com.au

The market in the outer north represents the lowest price point within metropolitan Adelaide. Price levels begin in the low $200,000s for former housing trust stock and typically hit a ceiling at $1 million for lifestyle properties and new builds. This allows those with $750,000 to access the upper echelon of available properties. Purchasers at this price level can expect large family homes with modern fixtures and fittings and outdoor entertaining spaces. Properties of this nature are typical of the more recent high-density subdivisions in the suburbs of Blakeview, Munno Para, Angle Vale and Virginia. Representing this price point are the sales of 8 Salmon Gum Crescent, Blakeview, a circa 2016 single level detached modern dwelling providing four bedrooms and two bathrooms on a 750 square metre allotment and 38 Odgers Road, Virginia, a circa 2018 single level detached modern dwelling disposed as six bedrooms and two bathrooms on a 1,250 square metre allotment. These properties achieved sales prices of $737,500 and $750,000 respectively.


8 Salmon Gum Crescent Blakeview Source: realestate.com.au


38 Odgers Road Virginia Source: realestate.com.au

Proximity to the coast proves popular with the market, with the outer southern suburbs being the beneficiary. With increased demand compared to the outer north, the market tightens at the $750,000 price point. A mixture of housing stock is available with modern infill development within Seaford Rise and Seaford Heights and a mixture of older 1970s to 1980s and infill stock within Seaford, Moana and Port Noarlunga. Representing this price point are the sales of 14 Queenscliff Drive, Seaford Rise, a circa 2016 single level detached dwelling providing four bedrooms and two bathrooms on an allotment of 480 square metres and 20 Bathurst Avenue, Moana, a circa 1980 single level detached dwelling providing four bedrooms and two bathrooms on a 730 square metre allotment located within 150 metres of the beach. These properties achieved sale prices of $748,000 and $781,000 respectively.


14 Queenscliff Drive Seaford Rise Source: realestate.com.au


20 Bathurst Avenue Moana Source: realestate.com.au

The rental market in South Australia has tightened significantly in the past 12 months which has seen a sharp increase in weekly rental amounts. Across the greater metropolitan area, weekly rentals

Strong price growth continues to put a squeeze on the $750,000 price point. Purchasers should remain confident entering the market at this level as the median house price nears parity.

of between $500 and $700 are common at the $750,000 price level, indicating gross yields of between three and five per cent.

Strong price growth continues to put a squeeze on the $750,000 price point. Purchasers should remain confident entering the market at this level as the median house price nears parity.

Nick Smerdon
Property Valuer

Mount Gambier

The Mount Gambier area has had a large increase in its median house price within the past 12 months. The median house price is currently sitting around $380,000 for a house and $260,000 for a unit. With these values still falling in an affordable price range, $750,000 can buy you one property or multiple properties within the Mount Gambier market.

Properties with a large price tag of $750,000 in Mount Gambier fall within the following criteria:

- Character style properties in prestigious areas close to the CBD;
- High quality modern properties;
- Rural lifestyle properties on the outskirts of town;
- Blocks of units;
- House and land packages.

The buyers purchasing at this price point are couples, families, retirees and we have also seen some investors starting to purchase the lower end modern homes due to the rental yield they generate.

An example of a modern property that has recently sold is 14 Buffalo Crescent, Mount Gambier. This property is a four-bedroom, two-bathroom, two-car garage home on an 837 square metre allotment which sold for $755,000.

14 Buffalo Crescent, Mount Gambier Source: CoreLogic

14 Buffalo Crescent, Mount Gambier Source: CoreLogic

In terms of investment in the area, Mount Gambier's rental market is very strong with an abundance of demand and little supply. With this being the case, for $750,000 an investor could buy two houses (two- or three -bed, one bath) between $300,000 and $400,000 each. Assuming both properties are in a reasonable condition, an investor could achieve an average of approximately $300 to $400 per week per property.

An example of a recently sold property perfect for an investor is 8 Bond Street, Mount Gambier. This property has three bedrooms, one bathroom and one-car space and has been fully renovated. It is in the popular lakes location and sold for $450,000. The property is currently leased at $430 per week with an annual yield of 4.9 per cent.

14 Buffalo Crescent, Mount Gambier Source: CoreLogic

8 Bond Street, Mount Gambier Source: CoreLogic

Units in the area vary between $190,000 and $230,000 for an attached unit and around $240,000 to $330,000 for a freestanding unit in a popular area. With a budget of $750,000, an investor could buy multiple units in Mount Gambier as the rental return for these types of properties range from $300 to $350 per week for a stand-alone and $200 to $280 per week for an attached unit.

HERRON TODD WHITE

In terms of investment in the area, Mount Gambier's rental market is very strong with an abundance of demand and little supply.

The buyers for units in Mount Gambier are mostly investors or downsizers, however in the past 12 months since the market has increased, we are seeing a growing number of first home buyers purchase units. This is due to units being more affordable than houses.

Looking to the next 12 months, we expect to see house prices stabilise in Mount Gambier with the increase in interest rates. Agents report that local buyers as well as interstate investors are still active, however the fear of missing out is gone and buyers are now being more patient with their purchases.

Adrian Castle
Director

Western Australia - Residential 2023

Perth and regions

As we move into June and the cold winds start to blow, we come into a period of the year when the property market tends to slow a touch as focus moves away from making big purchases and the option to stay indoors and turn on Netflix with a cuppa and a blanket becomes slightly more desirable – a chance to take a breath and start exploring some options of what to do with a lazy $750,000 once spring comes around again, or maybe sooner if stock levels start to increase over the winter months.

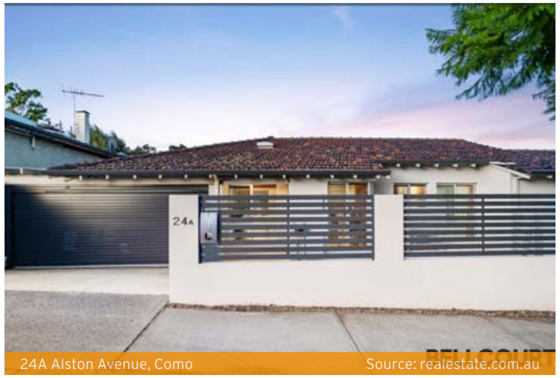
The median house price in most areas of Western Australia is well below $750,000 and it gives the purchaser a range of options on how to outlay their hard-earned money. Whether it be on a second or third home purchase or investment into a few properties offering good rental returns, all options across our whole state will be explored this month and there are most certainly some interesting options on where to outlay your lazy $750,000.

Let's start our search in the inner Perth metropolitan area, focusing on the suburb of North Perth, where you can get close proximity to the Perth CBD, but can also have the suburban feel with single level housing still making up the majority of the product in the area. North Perth has a median house price of $1.03 million, so finding a house for under this price does come with some sacrifices of age and condition, however it presents a good opportunity to get into an inner suburb location at a relatively low cost. For example, 224 Charles Street in North Perth is a 1948 built original condition, three-bedroom, one-bath single level dwelling on a 508 square metre block. The property sold in November for $750,000. It is worth noting as well that the property is zoned R60/R100 allowing for future development.

224 Charles Street, North Perth Source: CoreLogic

Obviously you're not getting a high end product for this spend in the location, however it can get you a property with many opportunities and into a prime location close to the Perth CBD.

South of the CBD and Swan River in Como, $750,000 is a good budget to get you into a nice villa or unit. Como is circa six kilometres from the Perth CBD and is in close proximity to South Perth and the amenities it has to offer. Como appeals to a wide range of buyers given its variety of products and price points. Some units in Como are selling for under $400,000, which mostly appeal to investors and first homebuyers, and prices continue to rise into the millions for larger homes on good sized blocks. $750,000 is a good budget to get you into a partly renovated villa or unit. For example, 24A Alston Avenue is a renovated 1986 three-bed, two-bath villa in close proximity to Canning Highway which sold for $730,000 in March. These products at this price point mostly appeal to second home buyers, however they also appeal to investors. We would expect this to achieve a rental of $750 per week, equating to a gross yield of 5.3 per cent.



24A Alston Avenue, Como Source: realestate.com.au

Looking at the apartment market in the CBD, $750,000 is a pretty healthy budget to have,

The median house price in most areas of Western Australia is well below $750,000 and it gives the purchaser a range of options on how to outlay their hard-earned money.

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whether you choose to purchase two smaller units for the potential rental returns or a larger, good quality single unit.

24/134 Mounts Bay Road comprises a 1998 built three-bedroom, two-bathroom property with two car bays and an internal area of 146 square metres. The property appears in good condition given its age and is in close proximity to Kings Park, the University of Western Australia and the CBD. The property sold in February for $715,000. We estimate this would generate a rental of $700 per week, equating to a gross yield of 5.1 per cent. However, these larger apartments mostly appeal to downsizers or second home buyers looking to be within walking distance of the CBD and the amenities it has to offer.


24/134 Mounts Bay Road, Perth Source: CoreLogic

Moving across to East Perth, $750,000 can get you an apartment such as 34/98 Terrace Road. The property is a 2009 built, two-bed, two-bath apartment with two parking bays. Common ancillary improvements include a gym, sauna, swimming pool and tennis courts. The property sold in March for $710,000.

Staying in East Perth, 144/311 Hay Street for example, is a one-bed, one-bath apartment with one-car bay. The building was constructed in circa 2014, providing common ancillary improvements such as a swimming pool, gym, sauna and recreational room. The property sold in March for $330,000. We would expect this to generate a rental income of $400 per week, which would equate to a gross yield of 6.3 per cent. Given this, generally the cheaper apartments are more likely to attract investors, as they can see the greater potential returns on offer. First home buyers also are likely purchasers of these products.


144/311 Hay Street, East Perth Source: CoreLogic

A $750,000 budget might have you stretched as we move out into the prime rural lifestyle areas. For example, in Gooseberry Hill, $700,000 can get you a property such as 4 Camira Place, which is a renovated 1976 built, three-bed, two-bath dwelling on a 1,959 square metre block with a swimming pool. These properties mostly appeal to the owner-occupier market, with people looking to these areas and products as their second or third home purchase.


4 Camira Place, Gooseberry Hill Source: CoreLogic

Head 70 kilometres down to the far south of our metro region where Mandurah offers a plethora of properties within our $750,000 budget. This rapidly growing area is continuing to be a popular choice for those who want to be a little further removed from but still easily accessible to the city.

Depending on what lifestyle you are after, you will find your lazy $750,000 will cover almost anything from a brand new high spec dwelling on a comfortable 500 to 600 square metre lot within the southern coastal suburbs of Dawesville and Wannanup, to four-bed, two-bath inner-Mandurah apartments and townhouses with ocean views, to older homes on sprawling 1000 square metre plus blocks a little further inland.

Head 70 kilometres down to the far south of our metro region where Mandurah offers a plethora of properties within our $750,000 budget. This rapidly growing area is continuing to be a popular choice for those who want to be a little further removed from but still easily accessible to the city.

In Wannanup, 37 Baloo Crescent, a 2021 built two-storey, three-bedroom, two-bathroom home with a triple garage situated on 500 square metres sold in February for $750,000, featuring high quality fixtures and finishes throughout.

37 Baloo Crescent, Wannanup Source: CoreLogic

Our sales search also shows that in April, a well finished four-bedroom, two-bathroom penthouse conveniently positioned within the Mandurah Ocean Marina also sold for that cool $750,000.

4/15 Treviso Mews, Mandurah Source: CoreLogic

Good value can also be found in Halls Head, where you can find very large, generally renovated dwellings on approximately 800 square metre lots with the additional bonus of a swimming pool.

In the eastern corridor of Perth, the price point of $750,000 will allow you to purchase an original or partly updated four-bedroom, two-bathroom home on a generous size block ranging from 1000 to 2000 square metres in Lesmurdie or Kalamunda. Alternatively, the budget will also allow you to purchase a good quality three-bedroom, one-bathroom home on a similar size lot. The main benefit in these areas is that buyers will be able to purchase a product that provides for an ample amount of land and space that appeals to the rural lifestyle market whilst not being too far from the city.

Displayed below is 23 Patricia Road, Kalamunda which sold for $770,000 in February 2023. The property is a circa 1985, four-bedroom, two-bathroom home that has been partly renovated and is situated on a 1802 square metre allotment. This is a good example of what you can get in the area for (close to) your lazy $750,000.

23 Patricia Road, Kalamunda Source: CoreLogic

23 Patricia Road, Kalamunda Source: CoreLogic

In other areas in the eastern corridor, $750,000 will allow you to purchase an above average spec modern home in Harrisdale or Piara Waters. While these areas won't benefit from huge block sizes, they do feature recently constructed dwellings of a modern design with decent quality fixtures.

69 Wyoming Loop, Harrisdale Source: CoreLogic

Pictured above is 69 Wyoming Loop in Harrisdale, a circa 2015, four-bedroom, two-

Good value can also be found in Halls Head, where you can find very large, generally renovated dwellings on approximately 800 square metre lots with the additional bonus of a swimming pool.

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bathroom home situated on a 450 square metre allotment. The property sold for $710,000 in March this year.

From an investor standpoint a good option to consider is Maddington where you can buy two old three-bedroom, one-bathroom homes situated on large blocks, as there's good potential for long term growth and solid yields to be seen. Alternatively, Leeming is another great option in which original four-bedroom, two-bathroom homes are selling in the low $700,000s and when some renovation works have been completed, are achieving high $800,00's and in some cases exceeding $900,000.


3 Wethered Street, Leeming Source: CoreLogic


3 Wethered Street, Leeming Source: CoreLogic

Displayed above is 3 Wethered Street in Leeming, a circa 1979, five-bedroom, two-bathroom partly renovated home situated on a 697 square metre allotment. The property sold in January for $750,000 and provides a good example of the product you can get for the budget. This type of product suits both investors and owner-occupiers with good potential rental returns and some potential capital growth too, given the supply shortage the area is currently facing.

Moving to the northern suburbs, established dwellings in Warwick and Hamersley around this price point are in good demand. You can pick up a property in these areas slightly cheaper than the suburbs further north such as Greenwood and Kingsley, due to their slightly better performance over the past year. It is worth considering buying a property in these areas with development potential, especially something that can be subdivided and you can build, while also retaining the original dwelling for the rental returns. These products have been ignored a little recently given the high construction costs and delays in construction, however as we start to see these costs ease, these products will be in high demand.

In Hammersley, just over $750,000 can buy you a property such as 13 Burgess Street. This is a 1975 built four-bed, one-bath property with 150 square metres of living area on an 817 square metre block. Ancillary improvements include a patio and pool. The property sold in March for $765,000. These products mostly appeal to the owner-occupier market given most investors are seeking rental returns and similar products offer in the low four per cent, which is not as attractive as the six per cent plus on offer in other areas.


13 Burgess Street, Hamersley Source: CoreLogic

In the nearby suburb of Craigie, 13 Spinaway Street was purchased for $560,000. This is a lot less than the $750,000 budget, however the property comprises a partially renovated four-bed, one-bathroom house with subdivision potential. These types of properties are showing to be good value given the opportunity for potential future development.


13 Spinaway Street, Craigie Source: CoreLogic

Moving to the northern suburbs, established dwellings in Warwick and Hamersley around this price point are in good demand.

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Moving further north along the coast, Jindalee is a coastal suburb circa 40 kilometres from the Perth CBD. The suburb has two main areas with one being more established and the other still continuing to be developed along with the neighbouring suburb of Alkimos. The established area mostly consists of owner-occupiers, given the price point and limited returns available compared to the newer part of the suburb. The newer pockets of Jindalee appeal to both owner-occupiers and investors with a few eastern states investors seeing the potential capital growth as well as the rental returns on offer. For example, 38 Chambered Way is a 2017 built, four-bed, two-bath dwelling on a 480 square metre block. The property has a modern design and is located in the newer Eden Beach estate. The property sold in February for $670,000 and we would expect this to achieve a weekly rental of $700 per week, equating to a gross yield of 5.4 per cent. Properties in the more established pocket of the suburb are likely to be generating gross yields in the mid to high four per cent.

38 Chambered Way, Jindalee Source: CoreLogic

Heading to Western Australia's vast regions, the great southern area offers both coastal and country options in and around the greater Esperance region, ranging from convenient inner centre townhouses to well-appointed larger family homes to quieter rural lifestyle living.

With $750,000 up your sleeve, you have a number of possibilities open to you. Using the example below, 12/3 The Esplanade is a three-bedroom townhouse in Esperance which recently sold for $775,000, offering close proximity to both the ocean and town centre.

12/3 The Esplanade, Esperance Source: CoreLogic

In desirable Castletown, you can pick up a well-appointed four-bed, two-bath family home on over 800 square metres such as 41 Mitchell Street which sold in November 2022 for a cool $730,000. Or you can head west to the highly desirable suburb of West Beach and purchase a well presented four-bed, one-bath on just under 800 square metres such as 31 Ingleton Place which is currently on the market for offers above $700,000.

41 Mitchell Street, Castletown Source: CoreLogic

31 Ingleton Place, West Beach Source: CoreLogic

For those looking to stretch their legs out on a bit of land and embrace the rural lifestyle in the great southern, $750,000 does represent the lower end of this market, however it still affords you a comfortable home on a two-plus-hectare portion of land, as evidenced by a number of properties currently for sale including 979 Eleven Mile Beach Road, West Beach and 132 Barook Road, Pink Lake.

979 Eleven Mile Beach Road, West Beach Source: realestate.com.au

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132 Barook Road, Pink Lake Source: CoreLogic

Typically we're seeing owner-occupier buyers within the Esperance area are predominantly second plus home buyers (upsizers and downsizers alike) as rental returns are not necessarily the strongest, sitting in the low four per cent yield range, however given the coastal holiday lure of the region, investors putting their dollars into short stay accommodation such as the central townhouses mentioned earlier have the potential to generate significant seasonal returns.

The flavour of the month for tree change regions in regional Western Australia is currently Albany. It has all the facilities of a regional city and is a very attractive tourist destination with demand looking to remain strong for residential property in the short to medium term.

Pre-pandemic, $750,000 would have been a lot to spend in Albany, however since then, this area has performed very well, due in large part to higher than average migration to the locality, increased demand for labour and its attraction as a tourist destination. Your $750,000 will get you in and around the CBD and close to Middleton Beach with solid investing being newer residences or recently renovated homes.

Suburbs such as Mira Mar and Albany East have been strong performers, with a recent example being 8A Beauchamp Street, a 2016 built contemporary style two-level weatherboard dwelling with three bedrooms and two bathrooms on a 386 square metre battleaxe lot with very good district views and distant ocean glimpses which sold in December for $680,000.

8A Beauchamp Street, Mira Mar Source: CoreLogic

In Albany town centre, 46 Grey Street East is another example of what $750,000 can buy you. This 1997 built timber weatherboard-clad character dwelling with four bedrooms and two bathrooms situated on 610 square metres offers good harbour views and is positioned very close to the Albany CBD.

46 Grey Street East, Albany Source: CoreLogic

Alternatively, if you are after something with a little more space, Collingwood Heights would also be a good choice. This is a quiet locality which has a more laid back country feel while still being close to the ocean, inlet and CBD. An example of a $750,000 sale in Collingwood Heights is 8 Breaksea Crescent, a fully renovated 1974 built two-storey rendered brick dwelling comprising four bedrooms and two bathrooms on an 812 square metre lot situated next to a reserve.

8 Breaksea Crescent, Collingwood Heights Source: CoreLogic

With rental yields typically between four and five per cent at this price point, buyers are typically growing families or empty nesters looking for a more convenient lifestyle choice.

The flavour of the month for tree change regions in regional Western Australia is currently Albany.

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Moving to the picturesque south-west region of Western Australia, we will look at West Busselton, Margaret River, Dunsborough and South Bunbury, which we believe would be the best performing suburbs in the region.

South Bunbury is a desirable location situated close to the Bunbury CBD as well as the ocean. It comprises a mixed age of properties, many with character features. A lazy $750,000 would get you an older 1960s to 1990s built renovated home on a good sized block. 26 Clarke Street is a great example of this.

26 Clarke Street, South Bunbury Source: realestate.com.au

The property comprises a fully renovated 1970 built four-bed, two-bath dwelling on an 809 square metre lot. The property sold in March for $760,000. The supply of properties in this area is limited and the potential for capital growth in this sought-after locality is considered to be above average given its location.

Potential buyers of these products are a mix of young families and upgraders who are looking for lifestyle changes and want to be both closer to the ocean and within close proximity of the Bunbury CBD. Rental returns in these areas are likely to be between 4.5 and five per cent depending on the size and standard of the dwelling. Given these limited returns, these products don't appeal much to the investor market currently.

With a lazy $750,000 in other coastal towns in the south-west, you would be looking at a newer four-bed, two-bath good quality project style home on a 500 to 600 square metre block in newer developments further from the coast and town centres. The expected purchasers would be young families and skilled workers for these, with rental returns averaging 4.5 to five per cent. Again there is limited appeal to the investor market. For example, in West Busselton, 3 Coobari Grange sold in December for $755,000. The property is a circa 2017 built project style four-bed, two-bath house with a pool on a 648 square metre block.

3 Coobari Grange, West Busselton Source: CoreLogic

In Dunsborough, 29 Indooroopilly Crescent sold for $745,000 in March. The property comprises a circa 2009 built four-bed, two-bath house on a 608 square metre block.

29 Indooroopilly Crescent, Dunsborough Source: CoreLogic

Moving to Margaret River, your lazy $750,000 can get you a product such as 4 Humble Way. The property comprises a project style four-bed, two-bath home on a 517 square metre block constructed in circa 2013.

4 Humble Way, Margaret River Source: CoreLogic

Despite the low vacancy in the rental market for the region, rental returns are remaining at the 4.5 to five per cent mark due to the capital growth in the area since the start of the pandemic.

Despite the low vacancy in the rental market for the region, rental returns are remaining at the 4.5 to five per cent mark due to the capital growth in the area since the start of the pandemic.

Moving north to Jurien Bay, the market is quite reliant on the tourism industry. Given it is a small regional town, values can fluctuate quite widely and quickly, so we always recommend having added caution when investing in these regions.

In Jurien Bay, you can get a good quality four-bed, three-bath home such as 23 Coubrough Place. The dwelling is a circa 1989 dwelling on a 1302 square metre block within walking distance to the beach. It sold just over the budget in March for $765,000. Rental returns for these types of products are often between five and six per cent.

23 Coubrough Place, Jurien Bay Source: CoreLogic

There are also plenty of options in the region to buy two smaller dwellings with the $750,000 budget. This option would more likely appeal to the investor market as the returns would be higher.

Moving to Geraldton, you can get a good quality single dwelling or explore the option of purchasing multiple dwellings. A lazy $750,000 can buy you a fully renovated older style house close to the CBD. A great example of this is 99 Fitzgerald Street. The property is a fully renovated circa 1937 built four-bed, three-bath house with character features. The property sold in April for $775,000, which is just over the $750,000 budget, but provides a quality product for the area.

99 Fitzgerald Street, Geraldton Source: CoreLogic

Exploring the option of buying two houses within the $750,000 budget, you can get a small duplex unit for under $400,000 within walking distance of the CBD. For example, 75A Brede Street in Geraldton sold in March for $375,000. The property is a renovated three-bed, one-bath circa 1958 built duplex currently being used as an Airbnb. The dwelling is in close proximity to the CBD, which can suit both owner-occupiers and investors. We estimate the property would generate a rental income of $450 per week, equating to a gross yield of 6.2 per cent.

75A Brede Street, Geraldton Source: CoreLogic

Heading east, Kalgoorlie is a town intrinsically linked to the mining sector of Western Australia and with that comes a heavy correlation of the performance of the mining industry with the performance of the property market. With demand for jobs in the mining industry so high right now and immigration steadily increasing to fill these jobs, the demand for properties all over the state is far exceeding supply. Kalgoorlie offers some good options for a purchaser in the $750,000 bracket.

In the suburb of Somerville, buyers can purchase a semi-modern four-bed, two-bath dwelling on a 750 square metre block, or they could choose a good quality renovated character style dwelling on a 1000 square metre block in Lamington or Piccadilly.

21 Mckay Street in Somerville illustrates a good example of the above with the 1996 built faux Federation style dwelling situated on a 1000 square metre block and offering four-bedroom, two-bathroom accommodation with a three-car garage. Settled in September 2022 for $750,000, it's exactly bang on the money for the lazy $750,000 we are looking for. The property has been significantly renovated in recent years with a good standard of finish throughout bringing the interior out of the 1990's and into the modern era.

21 Mckay Street, Somerville Source: CoreLogic

In the short to medium term, the property sector in this price range is expected to continue performing strongly due to the current lack of supply and high demand. The lack of workers' accommodation has resulted in mining companies snapping up any available properties, forcing many families to look to buy rather than rent.

The buyers at this price point are typically owner-occupiers, but investors may also consider purchasing properties with multiple dwellings on site. Standard residential dwellings in the $750,000 price range are expected to achieve a rental return of between six and seven per cent, with even higher returns for properties with ancillary accommodation. Units are selling in the $200,000s and quite often offer gross returns of circa nine per cent, so there is the potential to pick up a few within the $750,000 budget - but they are in very high demand at present.

Heading to the Gascoyne region, Carnarvon is recognised for its agriculture and tourism industries driving the local economy. $750,000 is a high price point for the Carnarvon residential market. A common price point in the market is between $250,000 and $350,000 which can secure a three-bedroom, two-bathroom house. The buyer profile at this price point consists of first home buyers, owner-occupiers and investors.

Buyers at the $750,000 price point are usually government entities that purchase these properties for staff, or investors who are able to purchase unit complexes. This price point will secure you a well presented, renovated or newly built waterfront property in the sought-after Northwater area that can secure a seven to 8.5 per cent rental yield. The majority of these houses feature long term leases with corporate tenants making it a highly attractive investment and are in high demand by corporate tenants due to the lack

We all know how much influence the mining sector has on the Western Australian property market, however you'd do well to find anywhere where that influence is greater than the Pilbara.

of supply. No individual sales of units reach this high a price point in Carnarvon.

This 2009 built two-storey, three-bedroom, two-bathroom waterfront property at 1 Yardi Quays, Brockman sold in January 2023 for $785,000. The property is located in the Northwater Corridor and features a spa and solar panels with exceptional views on an 883 square metre lot. The property is currently leased for $1000 per week, showing a 6.6 per cent rental yield.

1 Yardi Quays, Brockman Source: CoreLogic

Next we head to Exmouth which is known for its picturesque beaches, however it is heavily reliant on the tourism industry for local economic growth, with fluctuations in the tourism industry resulting in a dynamic residential market. Exmouth's buyer profile features owner-occupiers and investors. For $710,000 a standard three-bedroom, one-bathroom home with additional amenities can be converted to an Airbnb, making it a highly attractive investment.

This 1971 built three-bedroom, one-bathroom renovated property at 7 Sargent Street, Exmouth sold in December 2022 for $710,000. It is on an 855 square metre lot and features a private spa and powered shed. The property is a registered bed and breakfast which makes it a highly sought-after product for investors. The estimated normal weekly rental return is $750 per week with a rental yield of 5.5 per cent with returns as short term rental likely to be a fair bit higher.

7 Sargent Street, Exmouth Source: CoreLogic

We all know how much influence the mining sector has on the Western Australian property market, however you'd do well to find anywhere where that influence is greater than the Pilbara. In Karratha, purchaser profiles are heavily weighted towards mining companies and owner-occupiers employed by mining companies. A significant amount of activity involves purchasers using their equity to buy multiple properties with high rental yields. $750,000 will buy you a well presented, four-bedroom, two-bathroom detached dwelling with additional amenities such as a pool or shed. Units do not fall within the $750,000 price bracket in Karratha, but you could certainly purchase a couple of villas if you were so inclined.

This 2009 built four-bedroom, two-bathroom property featuring a pool and shed at 17 Perentie Road, Baynton sold in February 2023 for $737,000. It is on a 576 square metre lot situated in the sought-after location of Baynton West within a good school catchment area and close to local parks. The property is estimated to produce a weekly rental return of $1300 per week with a rental yield of 9.1 per cent making it a highly attractive investment. We do however recommend exercising caution as the market is very volatile, heavily relying on the mining and gas processing sector as previously mentioned.

17 Perentie Road, Baynton Source:realestate.com.au

Another example is this 2008 built four-bedroom, two-bathroom property at 8 Peregrine Link, Nickol which sold in March 2023 for $695,000. It is on a 540 square metre lot located in the sought-after west end of Nickol.

8 Peregrine Link, Nickol Source: CoreLogic

Buyers in Port and South Hedland are a mixture of owner-occupiers and out of area investors, along with companies securing accommodation for staff. $750,000 buys you a well-presented four-bedroom, two bathroom detached dwelling with a pool in South Hedland or a well presented three-bedroom, one-bathroom detached dwelling in Port Hedland.

This renovated 1970 built three-bedroom, one-bathroom property at 3 Woodman Street, Port Hedland sold in March 2023 for $700,000. It is on a 741 square metre lot in close proximity to the beach. The property has a lease until July 2023 at $1600 a week, reflecting an 11.9 per cent gross rental yield. This property has a weekly rent above the suburb's median rent of $1300 per week given its location and presentation, making it an attractive purchase for investors.

3 Woodman Street, Port Hedland Source: CoreLogic

This 2010 built four-bedroom, two-bathroom property at 48 Mauger Place, South Hedland sold in February 2023 for $700,000. It is situated on a 611 square metre lot, features a pool and is located within walking distance of amenities such as schools and shops. Although the property sold slightly below the median house price of $712,00, it is estimated to produce a rental return of $1450 to $1600 per week.

48 Mauger Place, South Hedland Source: CoreLogic

Broome, as always, remains one of the premium holiday destinations within Western Australia. Market data taken from REIWA for the suburb of Broome itself has painted an interesting picture over the past 12 months. Median house prices have gone down by 6.5 per cent with the median now sitting at $523,000. Some may say on face value things in Broome aren't looking too bright. What is interesting however is the weekly rental growth in the same 12-month period, which has increased by 43 per cent, with the median weekly rental now at $825.

Rental Amount versus Volume Trend Source: REIWA

The illustration above shows the reason for the rapid increase in rental returns over the past 12 to 24 months and the common theme throughout the state begins to rear its head once more. Severe supply constraints are at alarming levels and as the demand/supply equation becomes more and more skewed, rental amounts could only head in one direction. What should also be kept in mind is the limited number of transactions in both the rental space and the sales space.

With $750,000 you could go down two paths. The first is for those looking for a lifestyle change. There are many properties in Cable Beach that offer a great laidback lifestyle change from the city life whilst also having some good modern quality features to the home. These homes could also be purchased with a view to rent, possibly as an Airbnb style short stay accommodation for holiday makers. 7 Barrgana Road, Cable Beach sold in February 2023 for $699,000 and is a good example of the above, but would equally appeal to young families as owner-occupiers.

7 Barrgana Road, Cable Beach Source: CoreLogic

Kununurra is in the far north of the state on the border with the Northern Territory and just north of Lake Argyle. Known for the famous Argyle diamond mine, mining has now ceased however the exodus that the town experienced after the mine closure has well and truly been reversed post-COVID.

Median Price versus Sales Volume Kununurra Source: REIWA

The graph above paints the picture that even though there has been a supply increase with volumes of properties on the market increasing, the median house prices at least have shifted upward to $398,000, with median rental for a house going from $440 to $600, a level not seen since 2014. There is a clear tendency to prefer houses over units and this can be seen through the low supply of units with some years showing no transactions or too few to establish any reliable data points.

For $750,000 you can get a nicely renovated or modern four-bedroom, two-bathroom home with a swimming pool on a standard block in the better parts of the town, or head out to one of the semi-rural estates for a more peaceful lifestyle. An important point to note is that good quality modern houses are being picked up by companies and government departments alike for staff housing.

In the semi-rural space, Lot 463 Crossing Falls is a sale that demonstrates the lifestyle on offer, with a sale price of $745,000 in January 2023. This three-bed, one-bath dwelling sits on just over a hectare of land. Recently renovated and including a pool, it ticks the previously alluded to boxes of what buyers would be looking for at this price point. The property also has two water tanks on site, two sheds and a rear fenced paddock that is part irrigated. The features of the property along with its tropical, quiet location make it an ideal choice for our $750,000 price point.

Lot 463, Crossing Falls, Kununurra Source: CoreLogic

The prevailing narrative that we see across all of Western Australia right now is the alarming lack of supply. With net immigration numbers increasing to fill the vast number of jobs created by the ever increasing mining sector demand since COVID, there is no end in sight at present. Normally in an increasing cash rate environment we'd see quite a softening in demand and a softening in market values, however with a huge supply constraint leaving a massive gulf in the demand supply principle, what we are seeing is a solid foundation for further price growth. What this means for a lazy $750,000 investment is that the likelihood of a good purchase for possible capital growth in the short to medium term is quite high and that if the eye is on rental returns, yields are also expected to increase in the short term.

Chris Hinchliffe
Director

HERRON TODD WHITE

Northern Territory - Residential 2023

Darwin

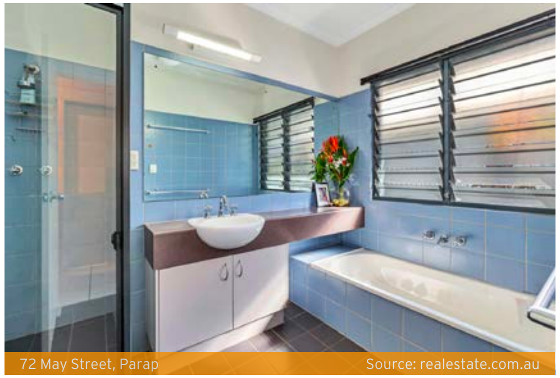
Despite being one of Australia's most remote capital cities, Darwin's residential market offers a diverse range of property options and locations that cater to different budget needs. From the central business district to the surrounding suburbs, buyers can find value in every corner of the Darwin residential market, with properties ranging from apartments to townhouses and single-family homes. What's more, Darwin remains one of the most affordable capital city markets to enter, with a budget of $750,000 providing plenty of options for those looking to purchase their first home, invest in property or upgrade to a larger family home.

Due to the persistence of high construction costs, the residential market has witnessed a notable split between renovated, meticulously maintained properties and those that exhibit signs of deterioration and lack of upkeep. While this two-tier market often yields elevated pricing for modern and polished dwellings, it simultaneously presents attractive opportunities for potential buyers willing to engage in minor cosmetic work on properties. Such a move can result in realizing significant value and potentially discovering unappreciated or undervalued properties.

Parap is a highly sought-after location with schools, boutique shopping and its close proximity to the beach and the city attracting young and old professionals. This makes it hard to enter on a tight budget. The recent transaction involving 72 May Street, Parap for $725,000, serves as a compelling example of the underappreciated value in well-maintained, original builds. Despite being built in 2001, the property's kitchen, bathrooms and laundry have withstood the test of time and remain in great condition, thus avoiding the need for costly updates or renovations.

Darwin remains one of the most affordable capital city markets to enter.


72 May Street, Parap Source: realestate.com.au


72 May Street, Parap Source: realestate.com.au

If you're looking for a residential unit or townhouse, the suburb of Rapid Creek with its picturesque surroundings and vibrant community will provide several excellent options and a great product with a budget of $750,000 or even well under. At this price point, you can typically find well-appointed three-bedroom apartments or townhouses that offer modern amenities and luxury finishes.

Investors are particularly drawn to the Rapid Creek area due to its high rental demand and potential for capital growth. The suburb's proximity to Darwin's central business district and key amenities as well as its stunning natural surroundings make it a highly desirable location for renters and buyers alike. The Darwin property market has seen strong growth in recent years, making Rapid Creek an attractive location for those seeking long-term returns on their investment.

An exemplary instance of the Rapid Creek area's investment potential is the recent sale of a three-bedroom, two-bathroom apartment at 12/296 Casuarina Drive for $600,000. This elegant property boasts modern features such as updated kitchen and bathrooms, a spacious balcony and uninterrupted ocean views to the north, further highlighting the appeal of Rapid Creek for those seeking a sophisticated residential unit or townhouse.

HERRON TODD WHITE


12/296 Casuarina Drive, Rapid Creek Source: realestate.com.au


12/296 Casuarina Drive, Rapid Creek Source: realestate.com.au

Situated at a distance from Darwin's central business district is the satellite city of Palmerston, known for its family-friendly environment and affordable property prices. For buyers seeking to keep within a tight budget, Palmerston offers an array of options, with numerous single-family homes available for purchase. Despite being located further out, Palmerston provides easy access to a range of key services, further adding to its appeal as a desirable residential location.

In summary, Darwin's residential market provides a range of options and locations to cater to different budget needs. Despite high construction costs, buyers willing to engage in minor cosmetic work on properties can find significant value. Overall, the Darwin residential market offers plenty of opportunities for buyers to achieve their property goals within a budget of $750,000.

Thomas Dickinson
Valuer

Alice Springs

In recent years, organic capital growth in residential property has been non-existent, however from late 2021 through to early 2022, we did see a period of capital growth in certain segments of the market and with certain dwelling types. This period of growth has now plateaued. The best performing areas for growth seemed to be Desert Springs, particularly anything with golf course frontage or access, Sterling Heights (Larapinta) as well as pockets of East Side, Gillen, Araluen and Braitling. Dwelling types showing best capital growth include newer three- and four-bedroom, two-bathroom dwellings and more recently constructed units or duplexes with three bedrooms. Older (1980s) constructed two-bedroom units continue to show minimal capital growth, however on the bright side, their decline in value seems to have slowed.

With this sort of money to spend, the Desert Springs or Mount Johns area surrounding the golf course would be a good place to start. Available properties in this price range are becoming harder to find as capital values increase, however there occasionally are sales in these areas under $750,000. One such example was a recent sale on Cromwell Drive for $740,000. This was a circa 1997-built four-bedroom, two-bathroom brick home with golf course frontage. It was on a relatively small block for the area (540 square metres) and lacked a swimming pool.


12/296 Casuarina Drive, Rapid Creek Source: realestate.com.au

Properties such as this one are regularly rented out for $750 to $800 per week, providing a gross return of between five and six per cent per annum. Generally speaking, if you can find something for less than $750,000 in this location, you may well have to compromise on something, such as the property having no pool, being in need of renovation, or being on a smaller than average allotment. There are also similar opportunities in pockets of Braitling, Araluen, Gillen and Larapinta, with comparable levels of investment and returns. Look for properties that have been constructed in the past 15 or so years for the best value for money.

If you yearn for the wide open spaces offered by rural residential properties, $750,000 will get you a fairly basic, entry level family home on one or two hectares. That said, properties under this price point have been few and far between in the past 12 to 24 months and if a property does come up under $750,000, there's a fair chance it's either a very

Despite high construction costs, buyers willing to engage in minor cosmetic work on properties can find significant value.

Alice Springs presents a sound opportunity for investors chasing a secure income stream with few vacancies and a stable history of strong returns.

small dwelling or something in need of renovation. Rural lifestyle properties are always sought after in central Australia and rarely sit on the market for long (unless they are over-priced). Capital growth prospects for these types of properties are considered as strong as the more desirable areas within the town boundaries.

An alternative would be to look at investing in two or three separate units or perhaps a duplex. Units and duplexes can be located in all areas throughout the town and as an investment vehicle, the location is not quite so important. Demand for rental units has been strong in Alice Springs for many years, with the most recent figures from the REINT showing vacancy rates for units at 3.5 per cent. Older circa 1980s constructed unit complexes have taken a serious hit in capital losses over recent years, with some recent sales showing prices have come off up to 30 per cent from the highs achieved in 2011 and 2012. It may be wise to steer away from these, although a more bullish investor may take a punt on the premise that these units have bottomed out.

If you're purely chasing cash flow, consider two or three older style two-bedroom units, which can be purchased for between $220,000 and $350,000 depending on location and condition. At the lower end of the scale, a $220,000 unit would typically return anything up to $375 a week (8.85 per cent) and a more modern style $350,000 unit could fetch up to $450 a week (6.7 per cent).

Alice Springs presents a sound opportunity for investors chasing a secure income stream with few vacancies and a stable history of strong returns. If however you're looking for a property that will provide strong capital growth, you're unlikely to find anything of interest here. Most buyers here are either owner-occupiers motivated by the thought of getting off the rental roundabout or investors chasing strong returns, with little prospect for capital growth in the short to medium term.

Peter Nichols
Valuer

Australian Capital Territory - Residential 2023

Canberra

Known for its high quality of life, low crime rate and excellent education and healthcare systems, Canberra is a great place to live for families and professionals alike. It's no surprise that the ACT capital has been named the best place to live in Australia for several years in a row (Soho, 2023).

According to CoreLogic's Home Value Index, the Canberra market continued to lose steam, with prices down 0.5 per cent in February, down two per cent for the quarter and 8.1 per cent for the year (Ian Bushnell, 2023). However, with the median house price in Canberra currently sitting at $946,022, finding an affordable property to buy or even cheap rent in Canberra can be a challenge.

The best suburbs in Canberra might not be the most affordable suburbs. Some options to consider include Charnwood, Macgregor, Ngunnawal and Richardson.

Of course, the cost of housing can vary widely depending on a number of factors, so it's always a good idea to do some research and work with a local real estate agent to find the best options for your budget.

With a budget of $750,000, prospective buyers in this area have seen their range of options dwindle in recent years. However, with softening market conditions being felt across the ACT and the country, several options have become available to first homebuyers and entry-level investors.

Last year we had suggested that the southern district of Tuggeranong was the area to be looking in. The inner south's median reached $2.05 million, making it the only region in Canberra over $2 million. It recorded a year-on-year increase of 13.9 per cent. In contrast, Tuggeranong was the only region that didn't crack the $1 million mark, with a median of $827,500, up 5.4 per cent year-on-year.

Source: Domain

Greenway is a suburb in the Tuggeranong district, bounded by the arterial roads of Drakeford Drive and Athllon Drive. It is surrounded by the suburbs of Kambah, Bonython, Oxley, Monash and Wanniassa. Greenway is located in one of the best postcodes in Canberra.

Though largely known for its ovals, stadiums and fervent sports community, Greenway is home to key facilities in the district. Amenities located along the Lake Tuggeranong inner foreshore include a number of shops, restaurants and fast food outlets, cinemas, a health centre, an arts centre, a rugby club and the Tuggeranong Town Centre.

If we look at the area of Greenway located on the northern end of Tuggeranong, the median unit price this year has jumped roughly 4.9 per cent, however median prices at the moment are $400,000 for a one-bedroom unit, $534,000 for a two-bedroom unit and $670,000 for a three-bedroom unit with a roughly 5.5 per cent decrease in the median house sale price over 12 months. With a $750,000 budget these would be some good options to consider.

Market trends

View median property prices in Greenway to get a better understanding of local market trends.

BEDROOMS	TYPE	MEDIAN PRICE	AVG DAYS ON MARKET	CLEARANCE RATE	SOLD THIS YEAR
1	Unit	$400k	45 days	-	29
2	Unit	$534k	39 days	60%	45
3	Unit	$670k	59 days	-	22

* Data based on sales within the last 12 months.

Source: Domain

Based on its average five-year and quarterly capital gains, Greenway will see average growth in the long term. also It also delivered a weaker performance in contrast to other Australian suburbs in terms of appreciation of property value. Profits due to an upward trend in home prices in Greenway averaged 10.12 per cent per annum over a three-year period. Average weekly rents on listings have reached the $500 mark, reflecting a 4.89 per cent increase

With a budget of $750,000, prospective buyers in this area have seen their range of options dwindle in recent years.

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in returns based on the current median price. An average of 12.5 real estate transactions take place per month which translates to 150 per annum (Smart Property Investment, 2023).

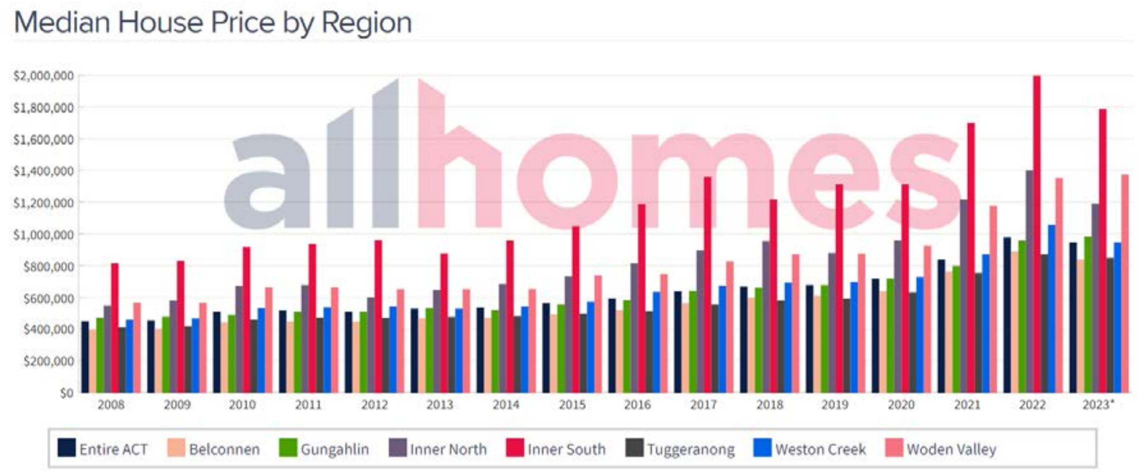
KEY PROPERTY DATA REPORT	HOUSE	UNIT
Median Price	$750,000	$531,250
GROWTH REPORT		
Median Quarterly	0.33%	-4.71%
Median 12 month	7.16%	9.4%
Median 3 years	N/A	30.37%
Median 5 years	37.61%	33.15%
10 years average annual	7.16%	3.56%
Weekly media advert. rent	$575	$500
Time on Market	53.4 days	44.2 days
Gross Rental Yield Percent	3.99%	4.89%

Greenway Property Data Source: Smart property Investment

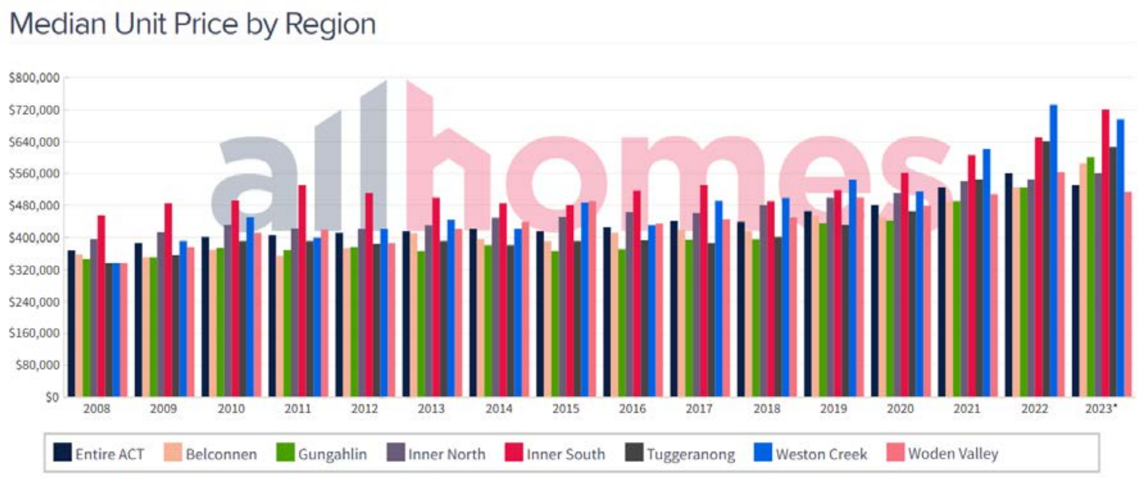
The return of international migration is expected to lift underlying demand in 2022/23, however this will mainly benefit the unit market. Combined with lower completions and further gains in the labour market, this will help to maintain some house price growth despite rising interest rates.

Buyers looking for value and limited in their budgets continued to turn their attention to units and townhouses, which rose just 0.1 per cent, stopping the run of price falls since the Reserve Bank declared war on inflation. Auction numbers and clearance rates remained low, reflecting a lack of stock and vendors not achieving the expected results. Some sellers could also be sitting on the sidelines waiting to see what happens with interest rates and the market.

We have found that although houses are getting above the $750,000 mark, units are considerably lower with the current median price being $531,250. The decision on which property to



Median house price by region Source: allhomes



Median unit price by region Source: allhomes

purchase with $750,000 will depend on the buyer's aim for the property. If capital growth is the aim, then townhouses in Canberra would be the way to go as apartments and units historically haven't performed as well as townhouses and villas. Units typically have longer listing periods and in some cases, price reductions throughout the marketing period.

Michael Q.
Assistant Valuer

Tasmania - Residential 2023

Hobart and regions

$750,000 this time last year would not have given you much choice and you would have needed to have all your ducks lined up before putting an offer forward to the real estate agent. Most offers had limited conditions, i.e. not subject to sale, finance or building inspections.

Fast forward 12 months and we are now in a buyer's market where properties are sitting on the market for twice as long as last year and vendors now have to meet the demands of purchasers. It is now not uncommon to see contracts full of conditions that benefit the purchaser.

Northern Suburbs/Derwent Valley Region

The cost of borrowing is increasing and consumer confidence in the residential market continues to drop in the northern suburbs and Derwent Valley region. Most agents agree that properties with prices over $800,000 in the northern suburbs are difficult to sell in the current market climate. However, even with the market softening, sales activity in traditionally affordable suburbs such as Claremont, Berridale, Bridgewater etc slightly picked up in March and April. These properties are still experiencing good demand from first home buyers and new immigrants.

What will a lazy $750,000 in the northern suburbs and Derwent Valley region get you? A smart investor could pick up a number of small units with gross yield over 5.85 per cent per annum.

A good example is 3/6 Brenock Court, Glenorchy which recently sold for $480,000.

This property comprises a circa 1970 three-bedroom, one-bathroom freestanding villa of semi-modern fit-out in well maintained condition with a carport and private yard. This unit could easily fetch up to $550 per week which reflects an annual gross yield of 5.95 per cent.

3/6 Brenock Court, Glenorchy Source: realestate.com.au

3/6 Brenock Court, Glenorchy Source: realestate.com.au

With a budget of $750,000 or less, a growing or established family will have a lot of options - a very modern four-bedroom, two-bathroom dwelling in a city fringe area or an old renovated home in a more central locale. 20 Hollingsworth Street, Brighton which sold in April for $690,000 is a great example.

20 Hollingsworth St, Brighton Source: realestate.com.au

51 Amiens Ave, Moonah Source: realestate.com.au

Stephen Liu
Valuer

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HERRON TODD WHITE RURAL

Rural

June 2023

Mildura

As a generation of farmers approach retirement, we have seen numerous dryland cropping properties in tightly held areas reach market, in part spurred by the significant increase in land values over recent years. Younger buyers and large established families appear to still be motivated by an element of the fear of missing out. The latest Rural Bank 2023 Australian Farmland Values report indicates that farmland values in Victoria skyrocketed by more than 25 per cent last year, with some regions of the state recording growth of about 35 per cent. The challenge ahead for farmers will be whether commodity prices remain above their five-year averages, seasonal conditions remain favourable and interest rates stabilise.

A current example of sales activity is a 1538-hectare dryland cropping property in the central Millewa farming district of Bambill, approximately 65 kilometres west of Mildura which has been placed under contract in recent weeks. It is set to be purchased in separate parcels by two local families at prices which will set a new benchmark for the area.

The Bureau of Meteorology have flagged that an ENSO-neutral pattern (neither El Niño nor La Niña) is possible for June to August 2023 with a resultant below median rainfall for much of Australia and higher median winter temperatures. Locally a drier winter and subsequent low soil-moisture levels could affect local dryland farmers as well as impact on water storage for next summer's irrigation season. Whilst current storage is at approximately 90 per cent capacity, a dry autumn and winter will impact allocations and the cost of leasing water in 2024.

The 2023 table grape harvest has now wrapped up, with relatively few sales occurring in the past 12 months. One notable sale was a 54 hectare table grape property in Red Cliffs that sold after a lengthy marketing period. This property included substantial improvements and a large water share. The sale price suggests that values have remained reasonably stable over the past two years despite more difficult trading conditions.

Carlo Vadori
Valuer

Riverland

Post the 2023 winegrape harvest, we are yet to see any sales of winegrape vineyards. Typically in previous years when the market was stronger, a number of sales would have been recorded by now. This highlights that the market is stagnant at present, with vendors likely holding off any divestment plans until an improvement in market values. Conversely potential purchasers are cautiously watching the market to ensure prices paid are commensurate with the risk currently associated with the market at present.

Across the various commodities grown throughout the region, there have been very few rural sales recorded in the past six months. We are aware of two recent sales of dryland cropping and grazing country with new leases in place that both sold to speculative investors. While values appear to have remained stable, there are some larger holdings marketed for sale for a longer than average period that are yet to sell. This is likely due to the relatively high value of built improvements which only add actual value to particular purchaser types.

Recent auctions of smaller parcels of dryland cropping and grazing country in the lower and mid-north regions of the state indicate that land in these premium locations is still in very high demand. A number of results were records for the area.

Based on the low volume of sales across the citrus, almond and winegrape markets, it appears there will be limited transactions and stagnant values until commodity prices improve. Generally these assets transact when money is being made.

Brenton Pankhurst
Valuer

Darling Downs

This month's topic with its focus on signals of a changing market is certainly timely. The past two years in particular have seen substantial value growth across many if not all areas, particularly within the Darling Downs entity coverage region which covers most of southern Queensland and parts of northern New South Wales including the Moree plains. Following the rapid rise in interest rates and the substantial softening of the Eastern Young Cattle Indicator, it is not surprising to most that we are currently watching our markets closely for further signs of continued growth, stabilising and any indication of weakness. The ways in which we are monitoring the market include:

- tracking listing volumes
- monitoring listing or asking prices
- identifying changes in the method of sale utilised
- identifying changes in enquiry and inspection volumes
- monitoring listing and selling periods
- comparing recent transactions with historic sale prices to identify variations in price point

- following the variations in the numbers of registered and active bidders at auction and volumes of expression of interest or offers received
- following the changing demographics of interested parties
- identifying increases in the number of properties passed in or being relisted, particularly where asking price variations are noted.

This list, while not all encompassing, does highlight the breadth of considerations that must be monitored and understood to assist our team in interpreting market direction and any changes. This process is greatly assisted through discussions with a number of local agents, brokers and bankers who we regularly consult about what they are seeing from their positions in the property market.

Recently we have seen an increased proportion of strategic purchases by nearby and adjoining owners, a lower proportion of out of region buyers and continued interest from those with long held high equity positions. Some retirement and repositioning sales are being evidenced where market participants are downsizing or relocating from higher value property into smaller assets or those providing lower dollars per hectare or dollars per breeder rates due to locational differences.

When monitoring continued sales activity on a region-by-region basis, we are seeing a greater number of sales occurring at prices in line with sales of similarly developed property in the area over the past 12 to 18 months and less sales considered to be setting new benchmarks in prices. The prevalence of property passed in during the auction process appears to have increased though clearance rates remain relatively strong. Generally, our market could be described as moving from a complete seller's market towards a more balanced position with prices showing signs of stabilisation as opposed to continued growth. Demand for particular asset classes in some areas remains strong due to a continued lack of supply, though generally supply shortages appear to be easing over time. Some recent sales of note include:

Demand for particular asset classes in some areas remains strong due to a continued lack of supply though generally supply shortages appear to be easing over time.

- **Brooklyn, Dalby**, 130.9 hectares sold at auction for $1.825 million following a campaign of less than two months with two active bidders., This was a well presented, well grassed albeit somewhat flood liable property improved with a renovated character dwelling in well landscaped surrounds with sound support infrastructure. It was a solid sale demonstrating continued demand, reflecting the low supply, particularly for well-appointed property close to Dalby with an underlying lifestyle influence.
- **Glencharis, Irvingdale**, 404.38 hectares, sold at auction for $5 million. This is an irrigated cropping property with 292 megalitres from bore licences, a seven megalitre accumulation ring tank, 55.6 megalitre overland flow ring tank with 11 megalitre sump servicing 78.5 hectares of irrigated cultivation comprising a mix of flood and underground main line development. The property reached $4.75 million at auction with one bidder negotiating with the vendor to reach the accepted sale price by completion of the auction. The sale equates to $12,364 per hectare improved which reflects a stabilisation of the market rather than continuing to demonstrate further market growth.
- **Perola Park, Wallumbilla**, 1836.7 hectares sold at auction for $10.075 million reflecting $5485 per hectare improved ($2220 per acre). Described by the selling agent as a beautiful balance of country, the property was also well improved with particularly good shedding and a good set of steel cattle yards. It also benefits from share bore water and good water reticulation development.
- **Burigala, Moonie**, also sold at auction for $3.7 million reflecting $3656 per hectare improved ($1480 per acre). The property relies on nine dams and is subdivided into ten main grazing paddocks. It is improved with a comfortable dwelling, good machinery, grain shed, good cattle yards and some additional support infrastructure. This sale is also considered to support a stabilisation of the market with two main bidders active to reach the sale price.

Bart Bowen
Director

NT/KIMBERLEY

For the pastoral market in the NT and Kimberley we have always kept an eye on the main commodity market for rangeland grazing country – cattle – in particular taking into account what the live export price is doing out of the northern ports (mainly Darwin) and also tracking fluctuations in the Eastern Young Cattle Indicator (EYCI) which underpins the alternative markets for much of

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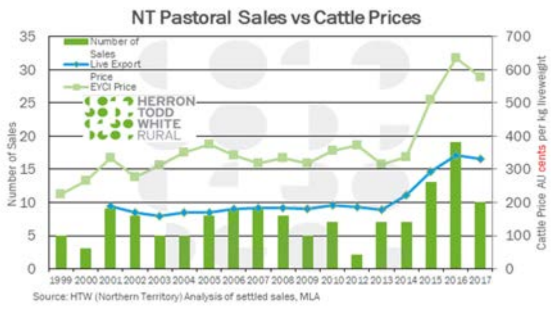
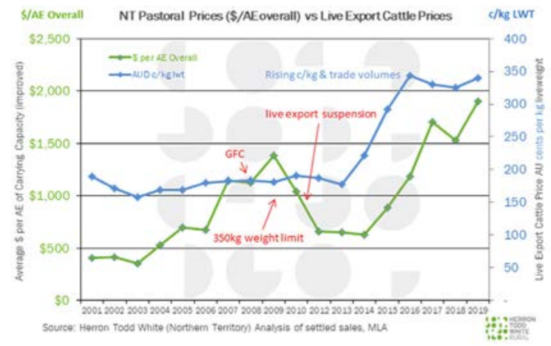


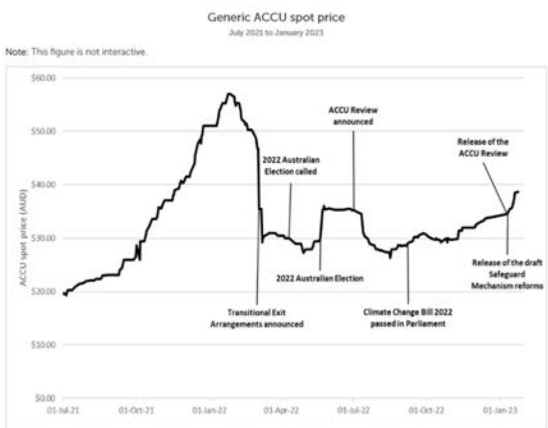
Source: HTW (NT) Analysis of settled sales, MLA



Source: HTW (NT) Analysis of settled sales, MLA

the NT's cattle from the Barkly Tablelands south. Movement in the Australian dollar will impact cattle prices as does movement in the Indonesian Rupiah (IDR) when it comes to live export. We have included below a couple of graphs we put together to represent this over a period covering most of the first two decades of this century:

As for any land market, a tracking of key economic indicators such as the target cash rate, GDP, inflation, unemployment rate and population growth remains mandatory. More recently however, we are seeing other economic drivers at play which, at this stage, are a little more difficult to follow and make sense of. The market for natural capital assets which include primary production country as well as forests, rivers, wetlands, reefs and oceans, and which produce primary goods as well as services (including ecosystem-related services ie. carbon sequestration, biodiversity preservation etc) appear to have really piqued the interest of institutional investors more recently, particularly for investors looking to capitalise on the development of environmental markets such as the carbon market. With the perception that a tonne of carbon is apparently underpriced at present and projected to rise significantly in the near future, we may be seeing the first signs of real money being paid for pastoral land in the NT which harbours the perceived natural capital potential for, in this case, creation of carbon credits. The recent acquisition of Maryfield (1,473 square kilometre) and Limbunya (5,219 square kilometre) in a combined WIWO deal of $175 million was to a buyer where the carbon potential was also a consideration. Therefore, while cattle prices, the Australian dollar versus Indonesian Rupiah and key economic indicators still underpin market sentiment for supply and demand for



Source:Clean Energy Regulator (Australian Government)

pastoral properties in the NT/Kimberley, maybe it will be fluctuations in the value of an Australian Carbon Credit Unit that will eventually work its way onto the traditional list of key economic indicators.

We note the sale in late April of Benmara (4,510 square kilometres) in the transitional country between the Barkly and the NT Gulf for $40 million (bare) to the same buyer of Maryfield/ Limbunya. Whether the potential for carbon credits was an incentive to buy in this case, we do not know at this stage.

Frank Peacocke
Director

Property Market Indicators

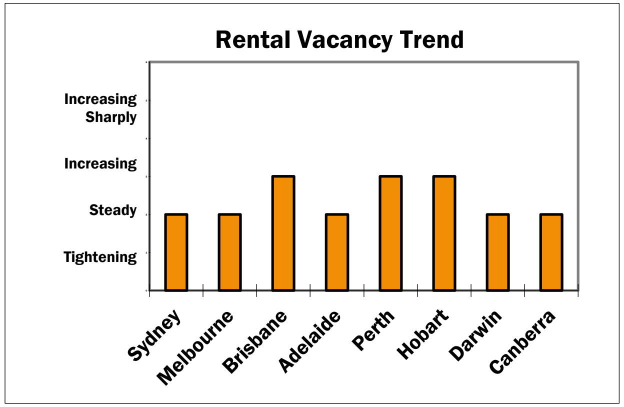
June 2023

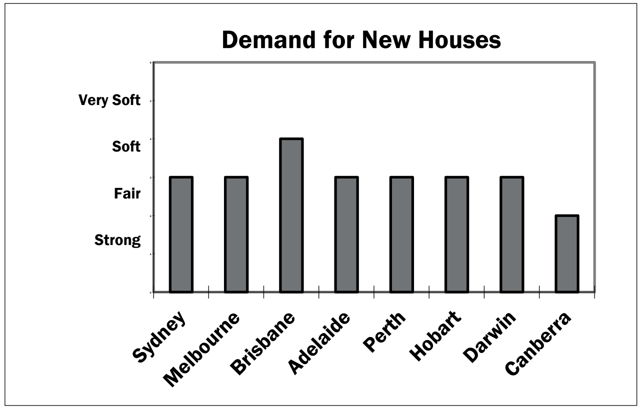
Capital City Property Market Indicators – Houses

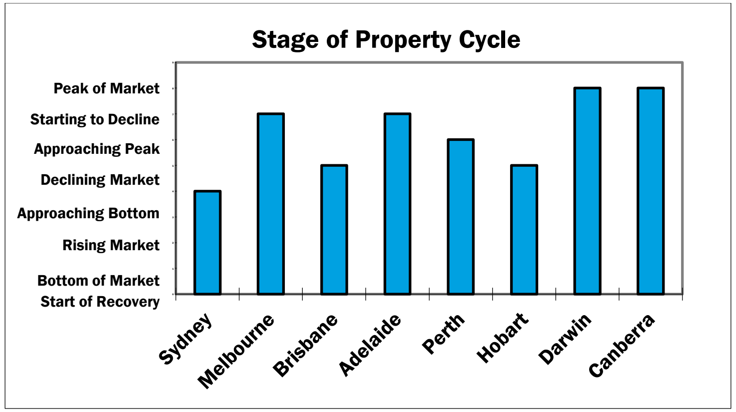
Factor	Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart	Darwin	Canberra
Rental Vacancy Situation	Severe shortage of available property relative to demand	Shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand
Rental Vacancy Trend	Tightening	Tightening	Steady	Tightening	Steady	Steady	Tightening	Tightening
Demand for New Houses	Fair	Fair	Soft	Fair	Fair	Fair	Fair	Strong
Trend in New House Construction	Steady	Steady	Steady	Increasing	Steady	Increasing	Declining	Declining
Volume of House Sales	Steady	Declining	Steady	Declining	Steady	Steady	Steady	Increasing
Stage of Property Cycle	Approaching bottom of market	Starting to decline	Declining market	Starting to decline	Approaching peak of market	Declining market	Peak of market	Peak of market
Are New Properties Sold at Prices Exceeding Their Potential Resale Value	Occasionally	Occasionally	Occasionally	Frequently	Occasionally	Occasionally	Occasionally	Occasionally

Red entries indicate change from previous month to a higher risk-rating

Blue entries indicate change from previous month to a lower risk-rating



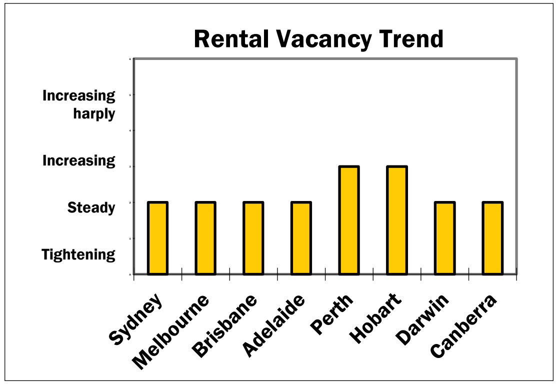


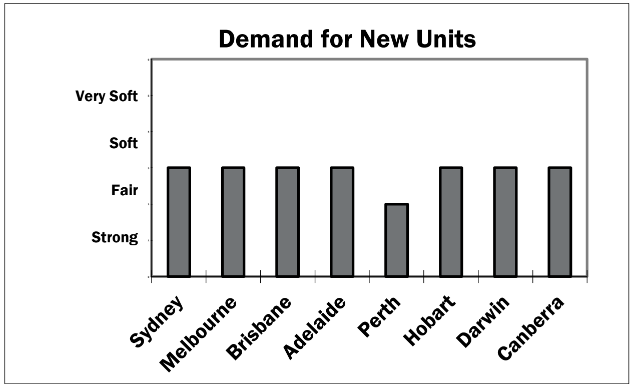


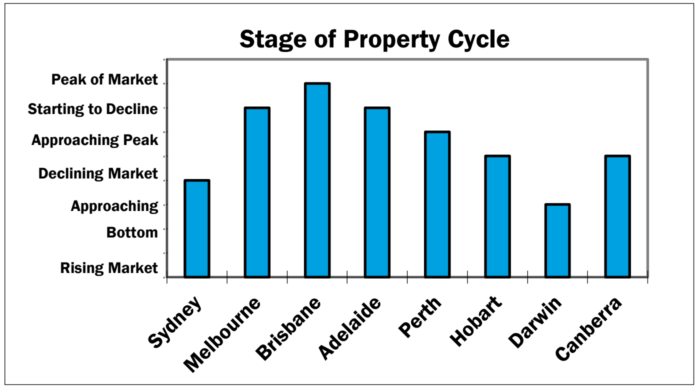
Capital City Property Market Indicators – Units

Factor	Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart	Darwin	Canberra
Rental Vacancy Situation	Severe shortage of available property relative to demand	Balanced market	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand
Rental Vacancy Trend	Tightening	Tightening	Tightening	Tightening	Steady	Steady	Tightening	Tightening
Demand for New Units	Fair	Fair	Fair	Fair	Strong	Fair	Fair	Fair
Trend in New Unit Construction	Steady	Steady	Steady	Increasing	Steady	Increasing	Declining	Declining
Volume of Unit Sales	Steady	Declining	Steady	Declining	Declining	Steady	Increasing	Steady
Stage of Property Cycle	Approaching bottom of market	Starting to decline	Peak of market	Starting to decline	Approaching peak of market	Declining market	Rising market	Declining market
Are New Properties Sold at Prices Exceeding Their Potential Resale Value	Frequently	Almost never	Occasionally	Frequently	Occasionally	Occasionally	Almost never	Occasionally

Red entries indicate change from previous month to a higher risk-rating *Blue entries indicate change from previous month to a lower risk-rating*





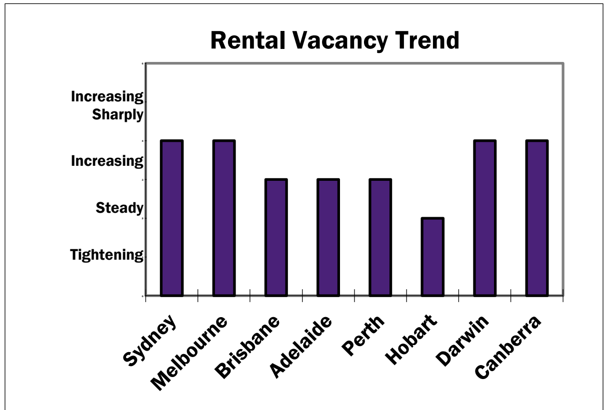


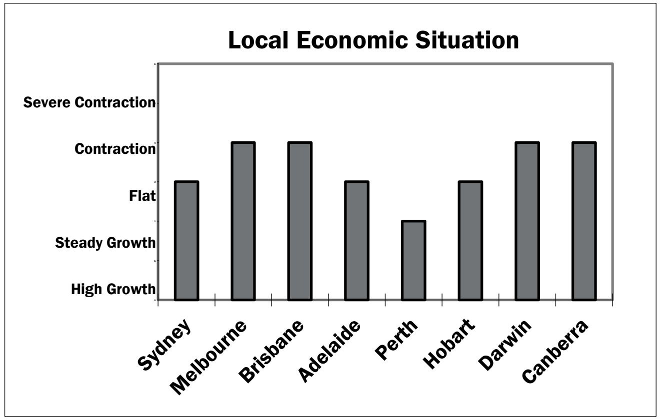
Capital City Property Market Indicators –Retail

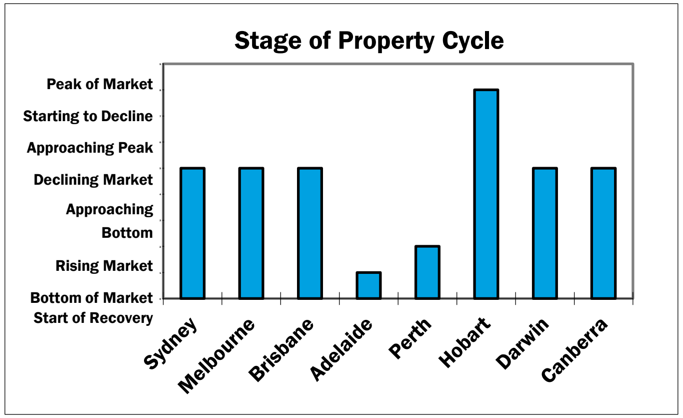
Factor	Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart	Darwin	Canberra
Rental Vacancy Situation	Over-supply of available property relative to demand	Large over-supply of available property relative to demand	Balanced market	Balanced market	Over-supply of available property relative to demand	Severe shortage of available property relative to demand	Over-supply of available property relative to demand	Over-supply of available property relative to demand
Rental Vacancy Trend	Increasing	Increasing	Steady	Steady	Steady	Tightening	Increasing	Increasing
Rental Rate Trend	Declining	Declining	Stable	Stable	Stable	Stable	Declining	Declining
Volume of Property Sales	Declining	Increasing	Declining significantly	Steady	Steady	Declining	Steady	Steady
Stage of Property Cycle	Declining market	Declining market	Declining market	Start of recovery	Bottom of market	Peak of market	Declining market	Declining market
Local Economic Situation	Flat	Contraction	Contraction	Flat	Steady growth	Flat	Contraction	Contraction
Value Difference between Quality Properties with National Tenants, and Comparable Properties with Local Tenants	Large	Large	Significant	Significant	Large	Significant	Significant	Significant

Red entries indicate change from 3 months ago to a higher risk-rating

Blue entries indicate change from 3 months ago to a lower risk-rating





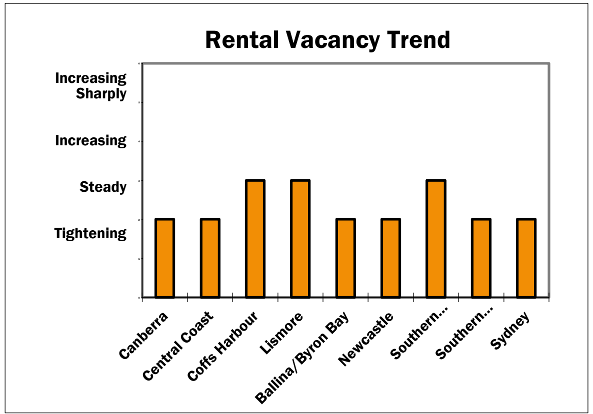


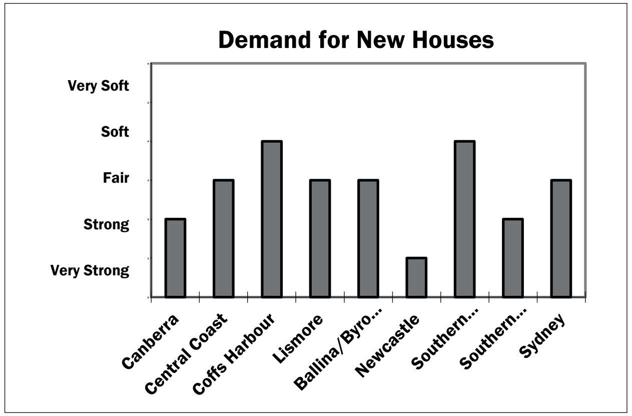
East Coast New South Wales Property Market Indicators – Houses

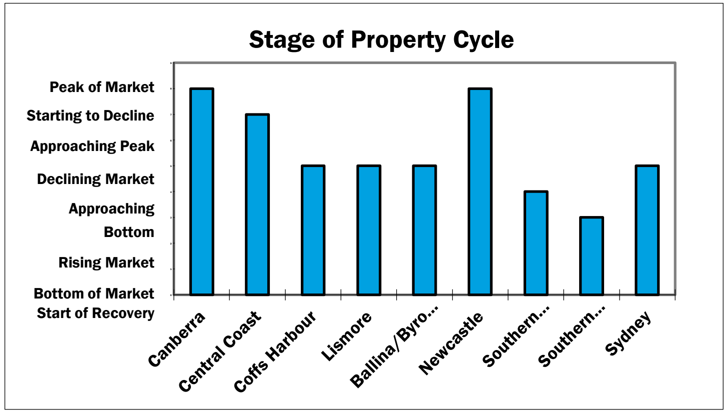
Factor	Canberra	Central Coast	Coffs Harbour	Lismore	Byron Bay/Ballina	Newcastle	Southern Highlands	Southern Tablelands	Sydney
Rental Vacancy Situation	Shortage of available property relative to demand	Shortage of available property relative to demand	Balanced market	Shortage of available property relative to demand	Balanced market	Shortage of available property relative to demand	Balanced market	Shortage of available property relative to demand	Severe shortage of available property relative to demand
Rental Vacancy Trend	Tightening	Tightening	Steady	Steady	Tightening	Tightening	Steady	Tightening	Tightening
Demand for New Houses	Strong	Fair	Soft	Fair	Fair	Very strong	Soft	Strong	Fair
Trend in New House Construction	Declining	Steady	Increasing	Steady	Steady	Declining significant-ly	Increasing	Declining	Steady
Volume of House Sales	Increasing	Steady	Steady	Steady	Declining	Increasing strongly	Declining	Increasing strongly	Steady
Stage of Property Cycle	Peak of market	Starting to decline	Declining market	Declining market	Declining market	Peak of market	Approaching bottom of market	Rising market	Approaching bottom of market
Are New Properties Sold at Prices Exceeding Their Potential Resale Value	Occasionally	Occasionally	Almost never	Almost never	Almost never	Occasionally	Occasionally	Frequently	Occasionally

Red entries indicate change from previous month to a higher risk-rating

Blue entries indicate change from previous month to a lower risk-rating





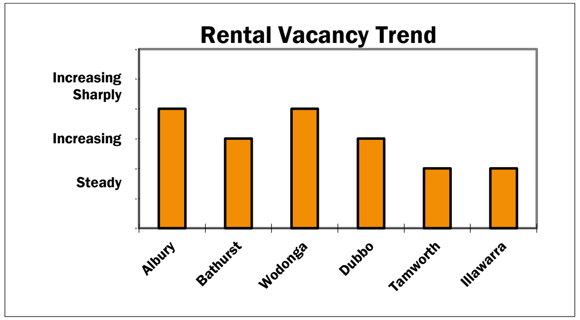


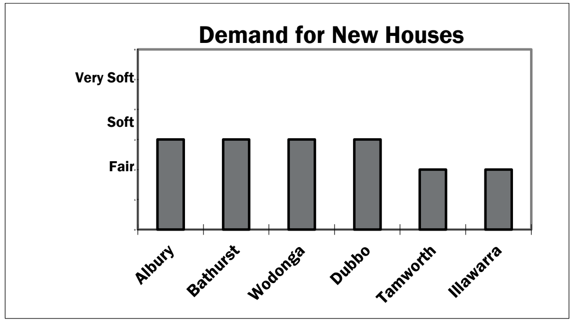
Country New South Wales Property Market Indicators – Houses

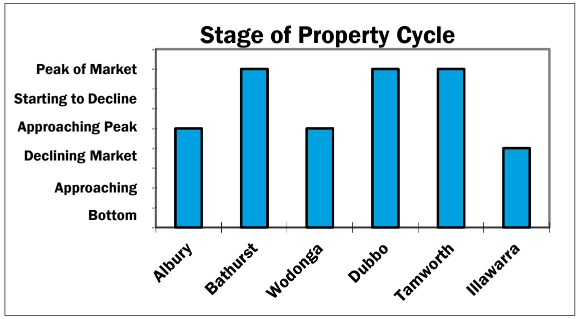
Factor	Albury	Bathurst	Wodonga	Dubbo	Tamworth	Illawarra
Rental Vacancy Situation	Balanced market	Balanced market	Balanced market	Balanced market	Shortage of available property relative to demand	Shortage of available property relative to demand
Rental Vacancy Trend	Increasing	Steady	Increasing	Steady	Tightening	Tightening
Demand for New Houses	Fair	Fair	Fair	Fair	Strong	Fair
Trend in New House Construction	Steady	Steady	Steady	Steady	Steady	Steady
Volume of House Sales	Declining	Increasing	Declining	Increasing	Increasing	Steady
Stage of Property Cycle	Declining market	Peak of market	Declining market	Peak of market	Peak of market	Approaching bottom of market
Are New Properties Sold at Prices Exceeding Their Potential Resale Value	Occasionally	Almost never	Occasionally	Very frequently	Occasionally	Frequently

Red entries indicate change from previous month to a higher risk-rating

Blue entries indicate change from previous month to a lower risk-rating







East Coast New South Wales Property Market Indicators - Units

Factor	Canberra	Central Coast	Coffs Harbour	Lismore	Byron Bay/Ballina	Newcastle	Southern Highlands	Southern Tablelands	Sydney
Shortage of available property relative to demand	Shortage of available property relative to demand	Severe shortage of available property relative to demand	Balanced market	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Severe shortage of available property relative to demand	Balanced market	Severe shortage of available property relative to demand
Tightening	Tightening	Tightening	Steady	Tightening	Steady	Tightening	Tightening sharply	Steady	Tightening
Fair	Fair	Strong	Fair	Fair	Strong	Strong	Fair	Fair	Fair
Declining	Declining	Declining	Declining	Steady	Declining	Declining	Declining	Steady	Steady
Steady	Steady	Increasing	Steady	Steady	Steady	Increasing	Declining	Steady	Steady
Declining market	Declining market	Starting to decline	Declining market	Declining market	Declining market	Peak of market	Approaching bottom of market	Start of recovery	Approaching bottom of market
Occasionally	Occasionally	Occasionally	Almost never	Almost never	Almost never	Occasionally	Frequently	Occasionally	Frequently

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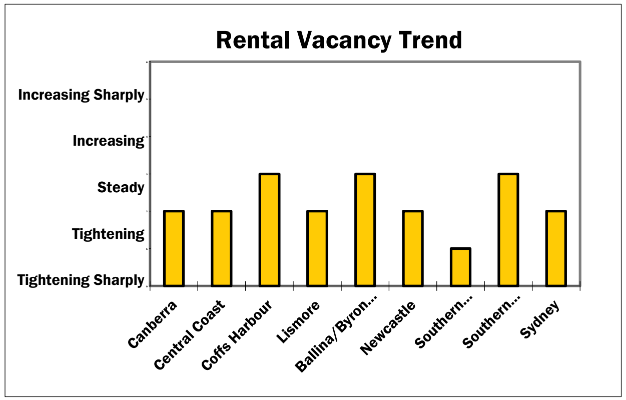
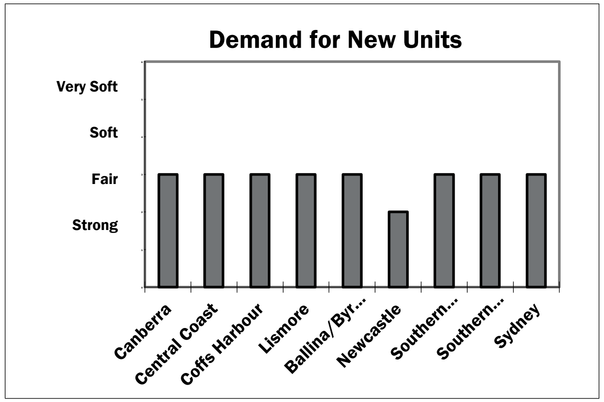
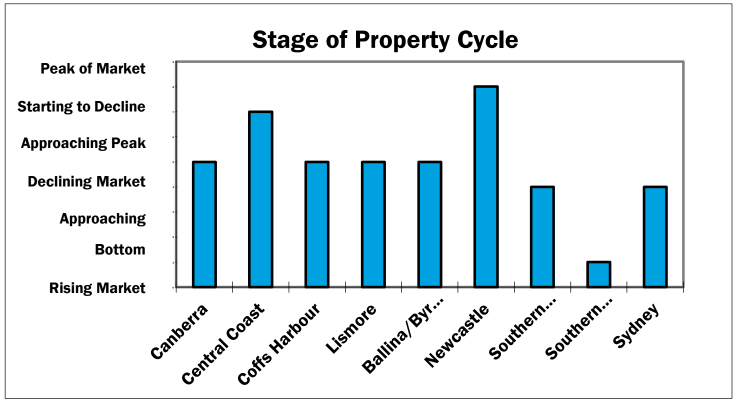
Blue entries indicate change from previous month to a lower risk-rating





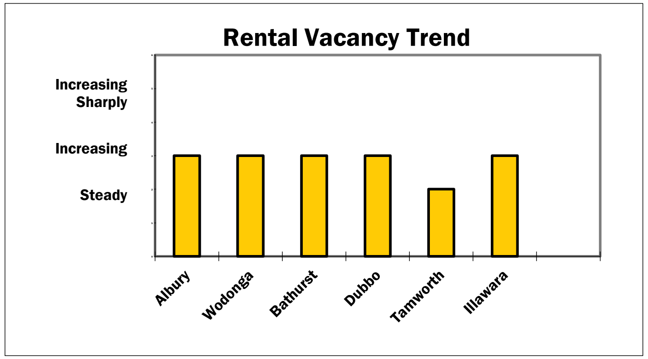


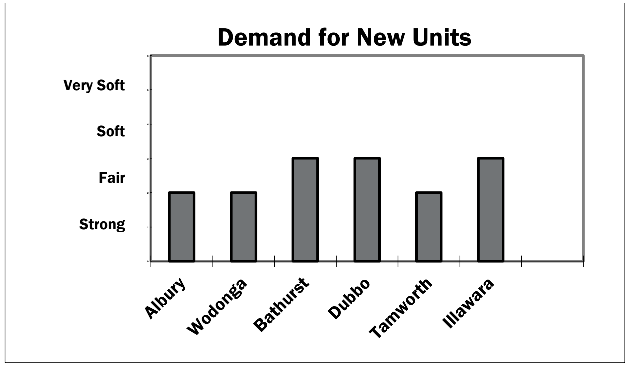
Country New South Wales Property Market Indicators - Units

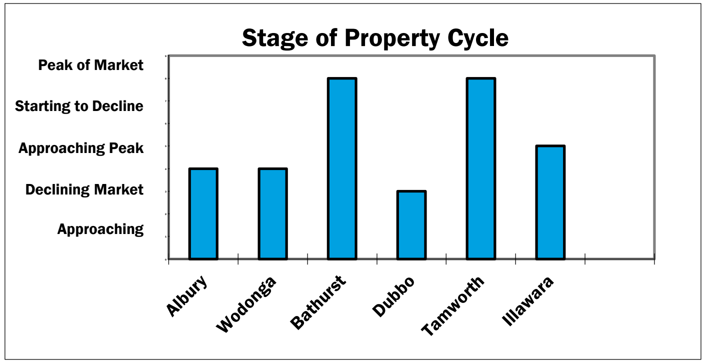
Factor	Albury	Wodonga	Bathurst	Dubbo	Tamworth	Illawarra
Rental Vacancy Situation	Shortage of available property relative to demand	Shortage of available property relative to demand	Balanced market	Balanced market	Shortage of available property relative to demand	Shortage of available property relative to demand
Rental Vacancy Trend	Steady	Steady	Steady	Steady	Tightening	Tightening
Demand for New Units	Fair	Fair	Fair	Fair	Strong	Fair
Trend in New Unit Construction	Steady	Steady	Declining	Declining	Steady	Steady
Volume of Unit Sales	Declining	Declining	Increasing	Steady	Increasing	Steady
Stage of Property Cycle	Declining market	Declining market	Peak of market	Rising market	Peak of market	Declining market
Are New Properties Sold at Prices Exceeding Their Potential Resale Value	Occasionally	Occasionally	Almost never	Occasionally	Occasionally	Frequently

Red entries indicate change from previous month to a higher risk-rating

Blue entries indicate change from previous month to a lower risk-rating







East Coast & Country New South Wales Property Market Indicators – Retail

Factor	Canberra	Central Coast	Coffs Harbour	Ballina/Byron Bay	Lismore	Mid North Coast	Illawara	Newcastle	South East NSW	Sydney
Rental Vacancy Situation	Over-supply of available property relative to demand	Balanced market	Over-supply of available property relative to demand	Balanced market	Large over-supply of available property relative to demand	Over-supply of available property relative to demand	Over-supply of available property relative to demand	Balanced market	Balanced market - Over-supply of available property relative to demand	Over-supply of available property relative to demand
Rental Vacancy Trend	Increasing	Steady	Steady	Increasing	Steady	Steady	Steady	Increasing	Steady	Increasing
Rental Rate Trend	Declining	Stable	Stable	Stable	Stable	Stable	Stable	Declining	Stable	Declining
Volume of Property Sales	Steady	Steady	Steady	Steady	Steady	Steady	Steady	Declining	Steady	Declining
Stage of Property Cycle	Declining market	Peak of market	Declining market	Starting to decline	Start of recovery	Starting to decline	Declining market	Starting to decline	Peak of market	Declining market
Local Economic Situation	Contraction	Flat	Flat	Flat	Flat	Flat	Steady growth	Contraction	Steady growth	Flat
Value Difference between Quality Properties with National Tenants, and Comparable Properties with Local Tenants	Significant	Significant	Significant	Small	Significant	Significant	Large	Large	Significant - Large	Large

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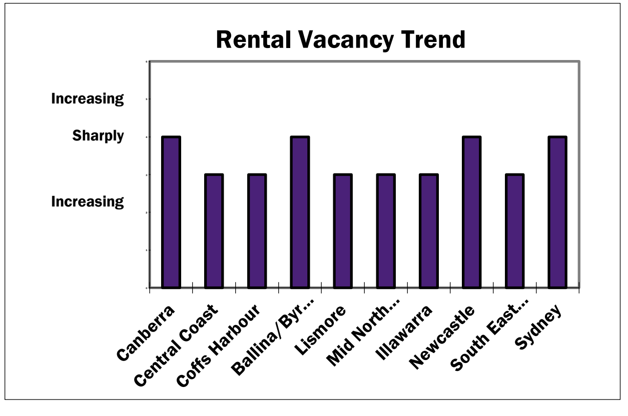

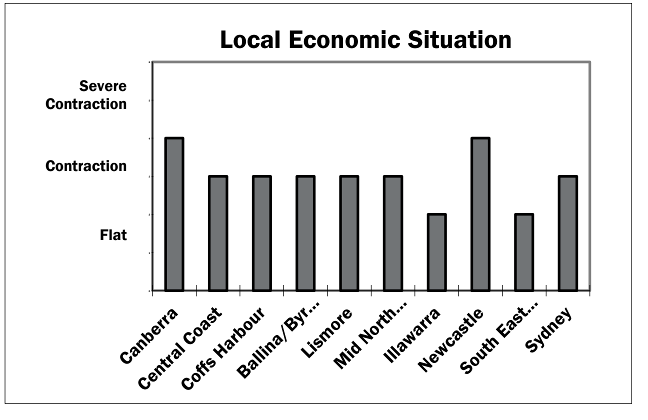

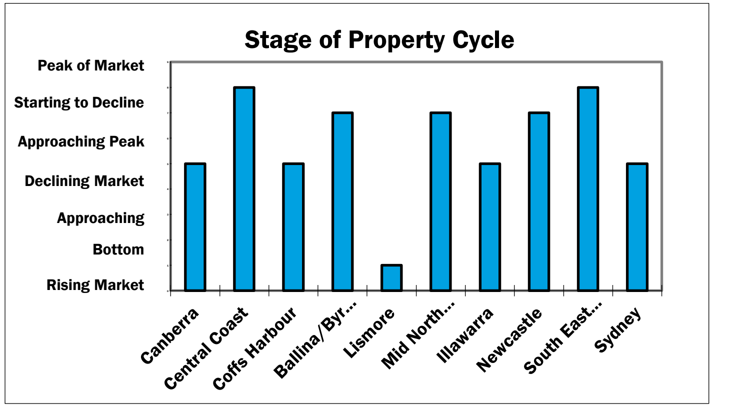

Victorian and Tasmanian Property Market Indicators – Houses

Factor	Geelong	Melbourne	Shepparton	Mildura	Mount Gambier	Hobart	Burnine/ Devenport	Launceston
Rental Vacancy Situation	Shortage of available property relative to demand	Shortage of available property relative to demand	Severe shortage of available property relative to demand	Shortage of available property relative to demand	Severe shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand
Rental Vacancy Trend	Steady	Tightening	Steady	Steady	Tightening sharply	Steady	Steady	Steady
Demand for New Houses	Fair	Fair	Soft	Fair	Strong	Fair	Fair	Fair
Trend in New House Construction	Increasing	Steady	Increasing	Increasing	Steady	Increasing	Increasing	Increasing
Volume of House Sales	Declining	Declining	Declining	Steady	Steady	Steady	Steady	Steady
Stage of Property Cycle	Declining market	Starting to decline	Starting to decline	Peak of market	Peak of market	Declining market	Starting to decline	Starting to decline
Are New Properties Sold at Prices Exceeding Their Potential Resale Value	Occasionally	Occasionally	Almost never	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally

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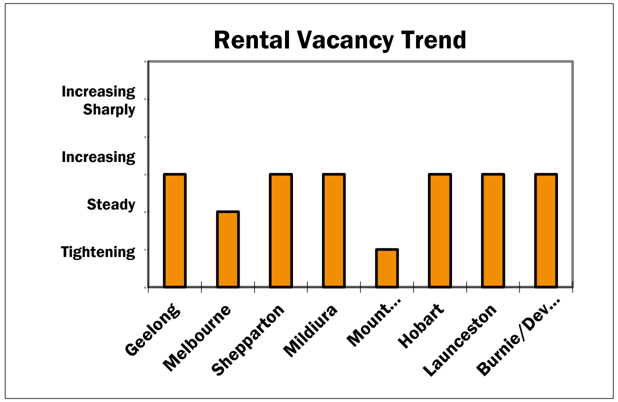

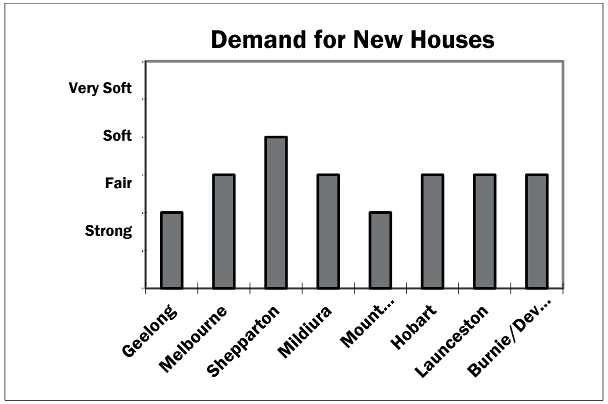

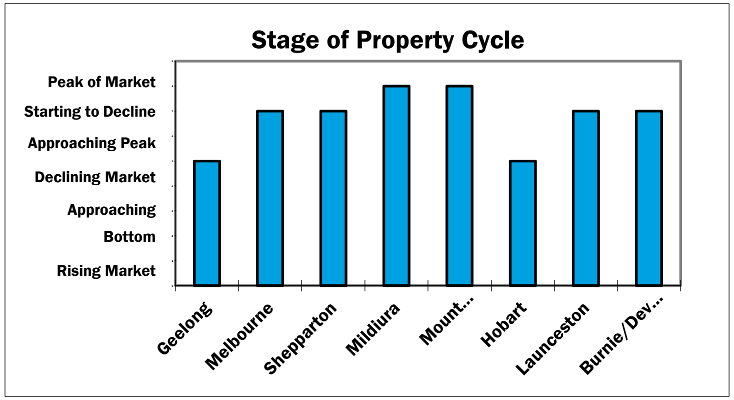

Victorian and Tasmanian Property Market Indicators – Units

Factor	Geelong	Melbourne	Shepparton	Mount Gambier	Mildura	Hobart	Launceston	Burnie/Develport
Rental Vacancy Situation	Balanced market	Balanced market	Shortage of available property relative to demand	Severe shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand
Rental Vacancy Trend	Steady	Tightening	Tightening	Tightening sharply	Steady	Steady	Steady	Steady
Demand for New Units	Soft	Fair	Fair	Fair	Fair	Fair	Fair	Fair
Trend in New Unit Construction	Increasing	Steady	Declining	Steady	Increasing	Increasing	Increasing	Increasing
Volume of Unit Sales	Declining	Declining	Increasing	Steady	Steady	Steady	Steady	Steady
Stage of Property Cycle	Declining market	Starting to decline	Peak of market	Peak of market	Peak of market	Declining market	Starting to decline	Peak of market
Are New Properties Sold at Prices Exceeding Their Potential Resale Value	Occasionally	Almost never	Almost never	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally

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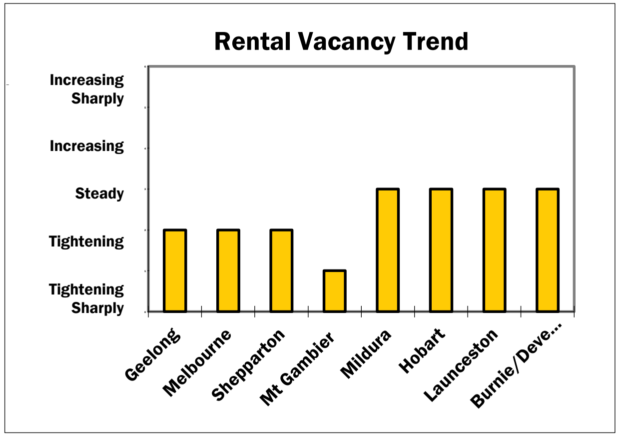
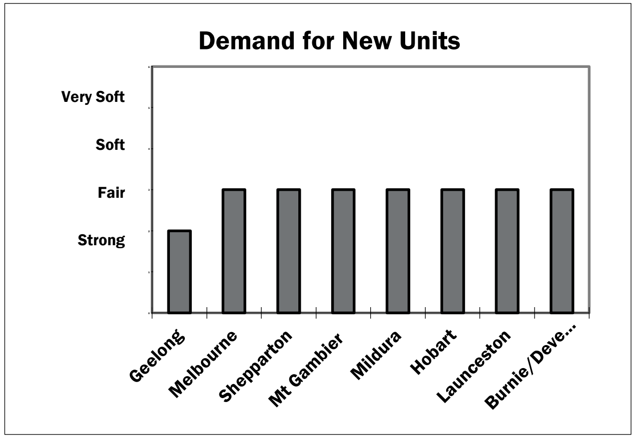
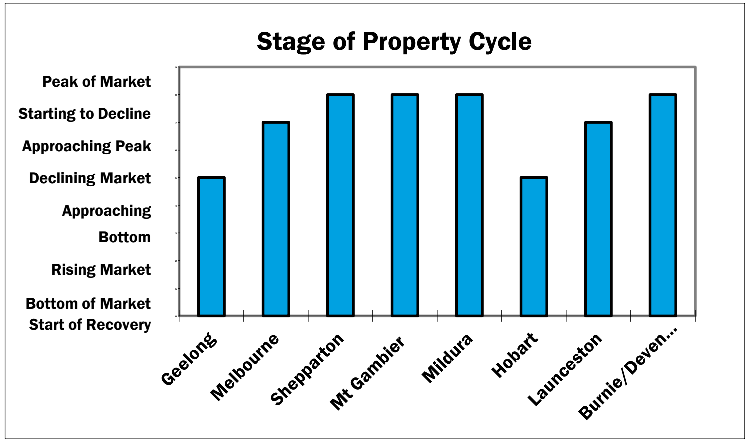
Blue entries indicate change from previous month to a lower risk-rating







Victorian and Tasmanian Property Market Indicators – Retail

Factor	Ballarat	Bendigo	Echuca	Geelong	Gippsland	Melbourne	Mildura	Burnie/Develport	Hobart	Launceston
Rental Vacancy Situation	Balanced market	Balanced market	Balanced market	Balanced market	Balanced market	Large over-supply of available property relative to demand	Balanced market	Over-supply of available property relative to demand	Severe shortage of available property relative to demand	Shortage of available property relative to demand
Rental Vacancy Trend	Steady	Steady	Steady	Steady	Steady	Increasing	Steady	Steady	Tightening	Steady
Rental Rate Trend	Stable	Stable	Stable	Stable	Declining	Declining	Stable	Stable	Stable	Stable
Volume of Property Sales	Declining	Steady	Steady	Steady	Steady	Increasing	Steady	Declining	Declining	Declining
Stage of Property Cycle	Rising market	Rising market	Declining market	Start of recovery	Starting to decline	Declining market	Start of recovery	Starting to decline	Peak of market	Starting to decline
Local Economic Situation	Steady growth	Flat	Flat	Flat	Flat	Contraction	Steady growth	Flat	Flat	Flat
Value Difference between Quality Properties with National Tenants, and Comparable Properties with Local Tenants	Significant	Significant	Small	Large	Significant	Large	Small	Small	Significant	Significant

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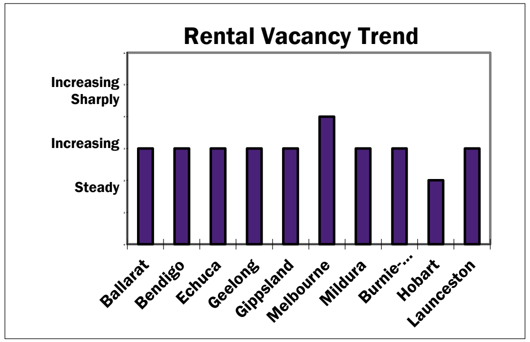
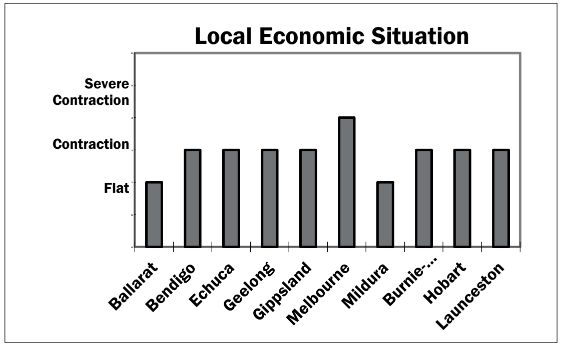
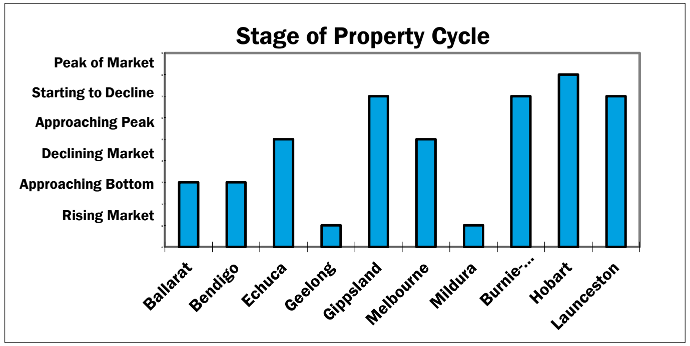




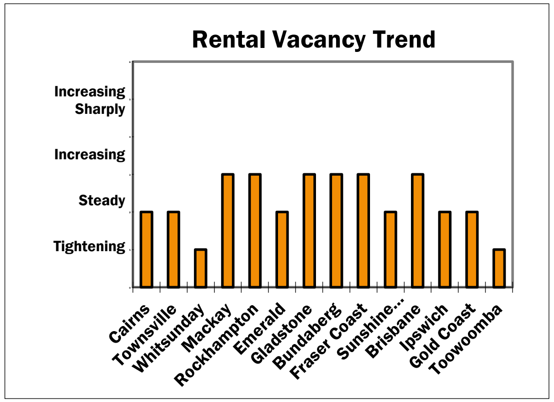


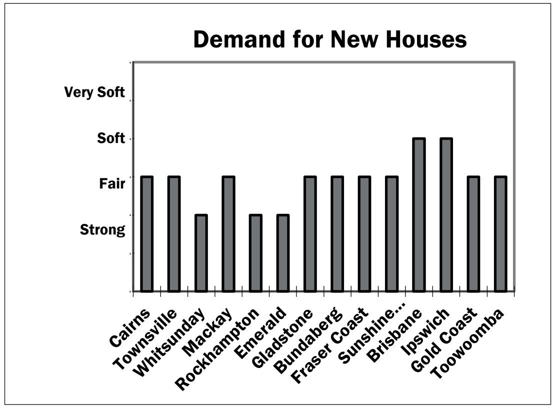
Queensland Property Market Indicators – Houses

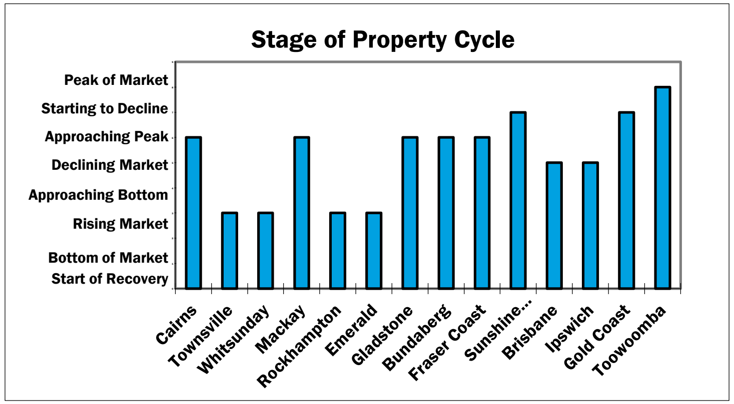
Factor	Cairns	Townsville	Whitsunday	Mackay	Rockhampton	Emerald	Gladstone	Bundaberg	Fraser Coast	Sunshine Coast	Brisbane	Ipswich	Gold Coast	Toowoomba
Rental Vacancy Situation	Shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Severe shortage of available property relative to demand	Shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand
Rental Vacancy Trend	Tightening	Tightening	Tightening sharply	Steady	Steady	Tightening	Steady	Steady	Steady	Tightening	Steady	Tightening	Tightening	Tightening sharply
Demand for New Houses	Fair	Fair	Strong	Fair	Strong	Strong	Fair	Fair	Fair	Fair	Soft	Soft	Fair	Fair
Trend in New House Construction	Steady	Steady	Declining	Steady	Steady	Steady	Steady	Steady	Steady	Steady	Steady	Steady	Steady	Steady
Volume of House Sales	Declining	Increasing	Increasing	Increasing	Increasing strongly	Steady	Increasing	Steady	Declining	Declining	Steady	Steady	Steady	Increasing
Stage of Property Cycle	Approaching peak of market	Rising market	Rising market	Approaching peak of market	Rising market	Rising market	Approaching peak of market	Approaching peak of market	Approaching peak of market	Starting to decline	Declining market	Declining market	Starting to decline	Peak of market
Are New Properties Sold at Prices Exceeding Their Potential Resale Value	Occasionally	Almost never	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally	Occasion-ally	Occasionally	Occasionally	Occasionally

Red entries indicate change from previous month to a higher risk-rating

Blue entries indicate change from previous month to a lower risk-rating



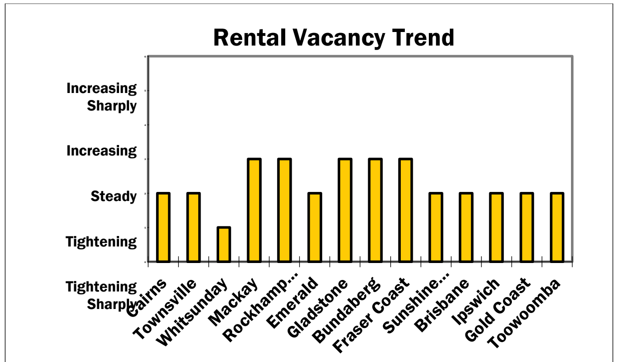


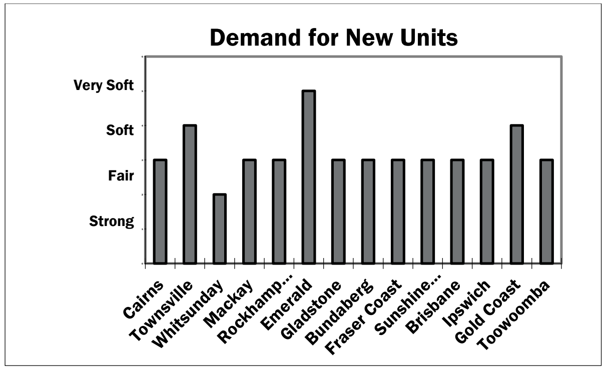


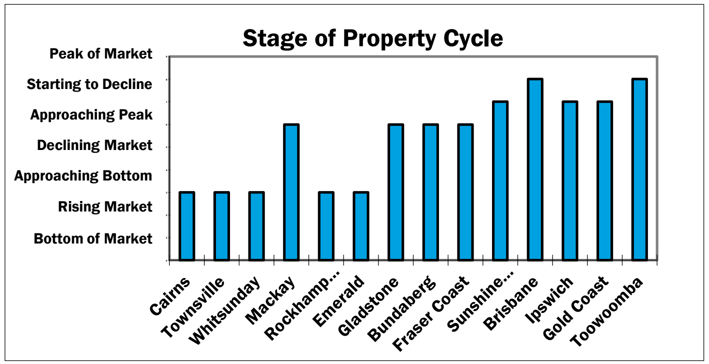
Queensland Property Market Indicators – Units

Factor	Cairns	Townsville	Whitsunday	Mackay	Rock-hampton	Emerald	Gladstone	Bundaberg	Fraser Coast	Sunshine Coast	Brisbane	Ipswich	Gold Coast	Toowoomba
Rental Vacancy Situation	Shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Severe shortage of available property relative to demand	Shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand
Rental Vacancy Trend	Tightening	Tightening	Tightening sharply	Steady	Steady	Tightening	Steady	Steady	Steady	Tightening	Tightening	Tightening	Tightening	Tightening
Demand for New Units	Fair	Soft	Strong	Fair	Fair	Very soft	Fair	Fair	Fair	Fair	Fair	Fair	Soft	Fair
Trend in New Unit Construction	Steady	Increasing	Steady	Steady	Steady	Increasing strongly	Steady	Steady	Steady	Steady	Steady	Steady	Increasing	Steady
Volume of Unit Sales	Increasing	Increasing	Increasing	Increasing	Increasing	Increasing	Declining	Steady	Declining	Declining	Steady	Steady	Declining	Increasing
Stage of Property Cycle	Rising market	Rising market	Rising market	Approaching peak of market	Rising market	Rising market	Approaching peak of market	Approaching peak of market	Approaching peak of market	Starting to decline	Peak of market	Starting to decline	Starting to decline	Peak of market
Are New Properties Sold at Prices Exceeding Their Potential Resale Value	Occasionally	Almost never	Occasionally	Occasionally	Occasion-ally	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally	Occasion-ally	Occasion-ally	Occasionally	Occasionally

Red entries indicate change from previous month to a higher risk-rating *Blue entries indicate change from previous month to a lower risk-rating*





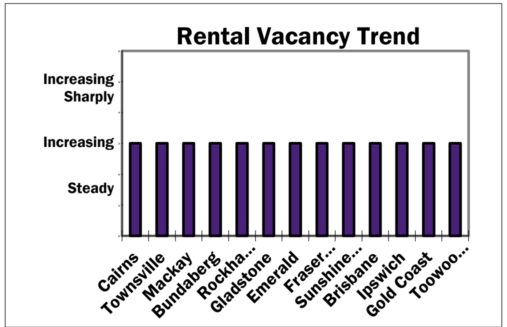


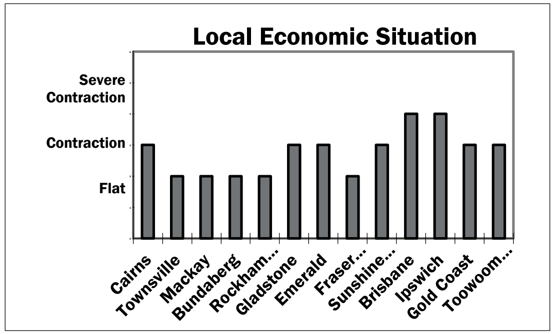
Queensland Property Market Indicators – Retail

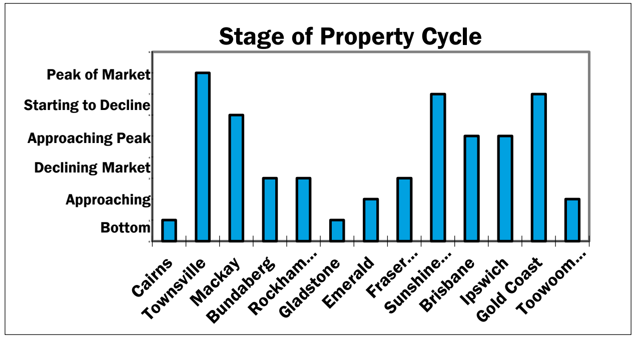
Factor	Cairns	Townsville	Mackay	Bundaberg	Rockhampton	Gladstone	Emerald	Fraser Coast	Sunshine Coast	Brisbane	Ipswich	Gold Coast	Toowoomba
Rental Vacancy Situation	Over-supply of available property relative to demand	Over-supply of available property relative to demand	Balanced market	Balanced market	Over-supply of available property relative to demand	Over-supply of available property relative to demand	Over-supply of available property relative to demand	Balanced market	Balanced market	Balanced market	Balanced market	Balanced market	Over-supply of available property relative to demand
Rental Vacancy Trend	Steady	Steady	Steady	Steady	Steady	Steady	Steady	Steady	Steady	Steady	Steady	Steady	Steady
Rental Rate Trend	Stable	Stable	Stable	Increasing	Stable	Stable	Stable	Increasing	Stable	Stable	Stable	Stable	Stable
Volume of Property Sales	Steady	Steady	Steady	Steady	Steady	Steady	Steady	Steady	Declining	Declining significantly	Declining significantly	Declining	Steady
Stage of Property Cycle	Start of recovery	Peak of market	Approaching peak of market	Rising market	Rising market	Start of recovery	Bottom of market	Rising market	Starting to decline	Declining market	Declining market	Starting to decline	Bottom of market
Local Economic Situation	Flat	Steady growth	Steady growth	Steady growth	Steady growth	Flat	Flat	Steady growth	Flat	Contraction	Contraction	Flat	Flat
Value Difference between Quality Properties with National Tenants, and Comparable Properties with Local Tenants	Small	Significant	Significant	Small	Small	Significant	Small - Significant	Small	Significant	Significant	Significant	Significant	Large

Red entries indicate change from 3 months ago to a higher risk-rating

Blue entries indicate change from 3 months ago to a lower risk-rating





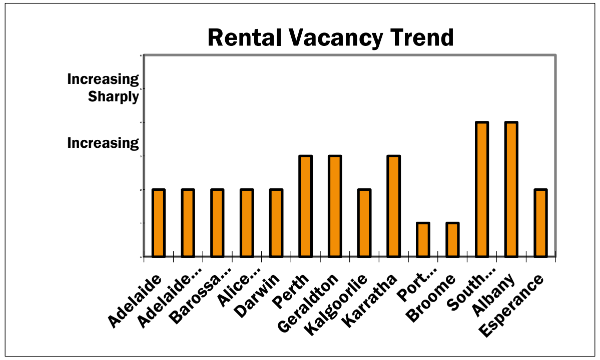


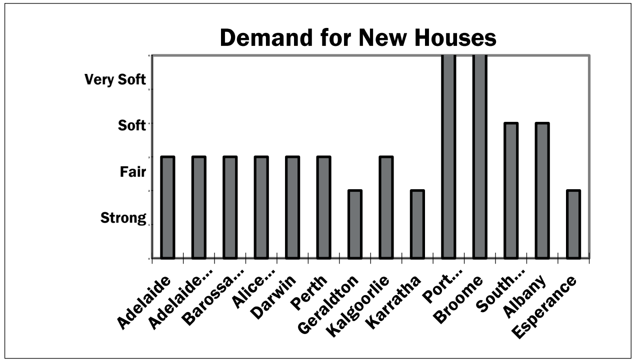
SA, NT and WA Property Market Indicators - Houses

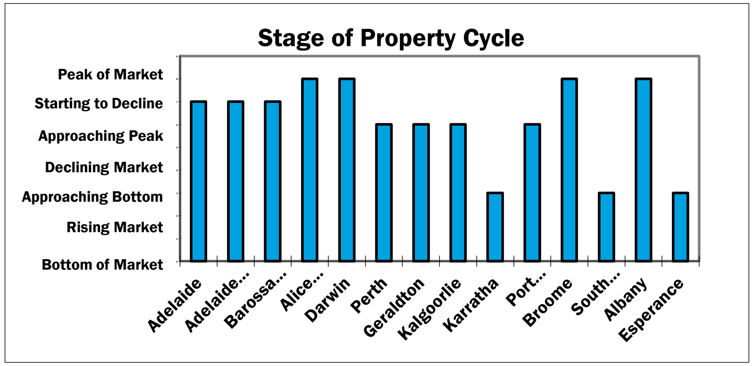
Factor	Adelaide	Adelaide Hills	Barossa Valley	Alice Springs	Darwin	Perth	Geraldton	Kalgoorlie	Karratha	Port Hedland	Broome	South West WA	Albany	Esperance
Rental Vacancy Situation	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Severe shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Severe shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand
Rental Vacancy Trend	Tightening	Tightening	Tightening	Tightening	Tightening	Steady	Steady	Tightening	Steady	Steady	Tightening	Increasing	Increasing	Steady
Demand for New Houses	Fair	Fair	Fair	Fair	Fair	Fair	Fair	Fair	Strong	Strong	Strong	Soft	Soft	Fair
Trend in New House Construction	Increasing	Increasing	Increasing	Increasing	Declining	Steady	Declining	Declining	Declining	Declining	Declining	Increasing	Increasing	Declining
Volume of House Sales	Declining	Declining	Declining	Declining	Steady	Steady	Steady	Steady	Steady	Steady	Steady	Declining	Declining	Increasing
Stage of Property Cycle	Starting to decline	Starting to decline	Starting to decline	Peak of market	Peak of market	Approaching peak of market	Approaching peak of market	Approaching peak of market	Rising market	Approaching peak of market	Peak of market	Rising market	Peak of market	Rising market
Are New Properties Sold at Prices Exceeding Their Potential Resale Value	Frequently	Frequently	Frequently	Occasionally	Occasion-ally	Occasion-ally	Occasion-ally	Occasion-ally	Occasion-ally	Almost never	Occasionally	Occasionally	Occasionally	Almost never

Red entries indicate change from 3 months ago to a higher risk-rating

Blue entries indicate change from 3 months ago to a lower risk-rating





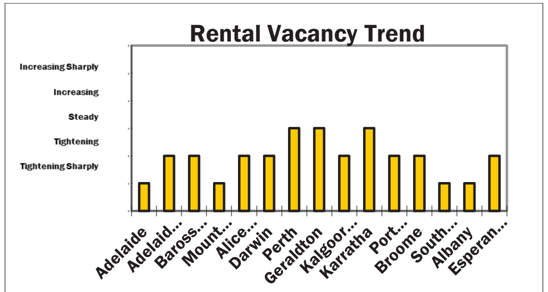


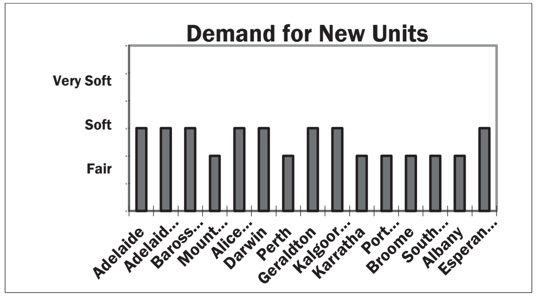
SA, NT and WA Property Market Indicators – Units

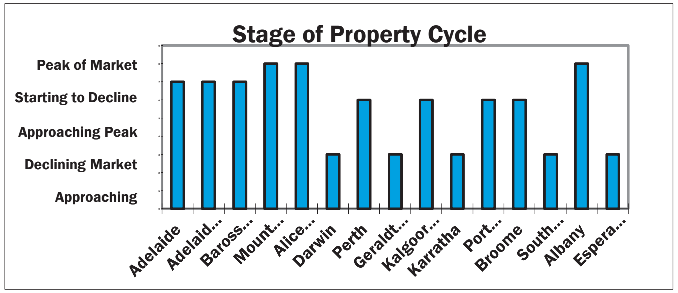
Factor	Adelaide	Adelaide Hills	Barossa Valley	Mount Gambier	Alice Springs	Darwin	Perth	Geraldton	Kalgoorlie	Karratha	Port Hedland	Broome	South West WA	Albany	Esperance
Rental Vacancy Situation	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Severe shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Shortage of available property relative to demand
Rental Vacancy Trend	Tightening	Tightening	Tightening	Tightening sharply	Tightening	Tightening	Steady	Steady	Tightening	Steady	Tightening	Tightening	Tightening sharply	Tightening sharply	Steady
Demand for New Units	Fair	Fair	Fair	Fair	Fair	Fair	Strong	Fair	Fair	Strong	Strong	Strong	Strong	Strong	Fair
Trend in New Unit Construction	Increasing	Increasing	Increasing	Steady	Increasing	Declining	Steady	Steady	Steady	Steady	Steady	Steady	Declining significantly	Declining significantly	Steady
Volume of Unit Sales	Declining	Declining	Declining	Steady	Declining	Increasing	Declining	Steady	Steady	Steady	Steady	Steady	Increasing	Increasing	Steady
Stage of Property Cycle	Starting to decline	Starting to decline	Starting to decline	Peak of market	Peak of market	Rising market	Approaching peak of market	Rising market	Approaching peak of market	Rising market	Approaching peak of market	Approaching peak of market	Rising market	Peak of market	Rising market
Are New Properties Sold at Prices Exceeding Their Potential Resale Value	Frequently	Frequently	Frequently	Occasionally	Occasionally	Almost never	Occasionally	Occasionally	Occasionally	Occasionally	Almost never	Almost never	Occasionally	Occasionally	Almost never

Red entries indicate change from 3 months ago to a higher risk-rating

Blue entries indicate change from 3 months ago to a lower risk-rating





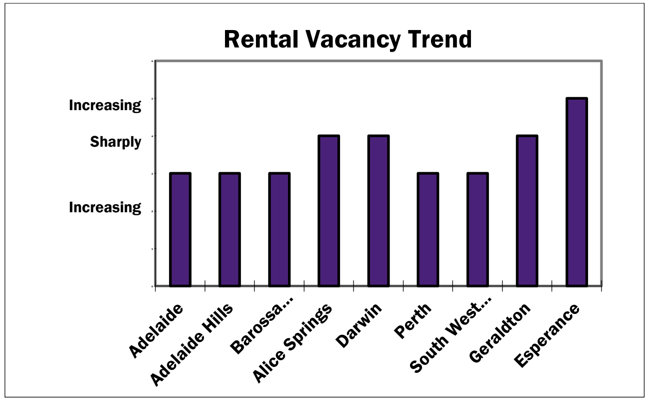


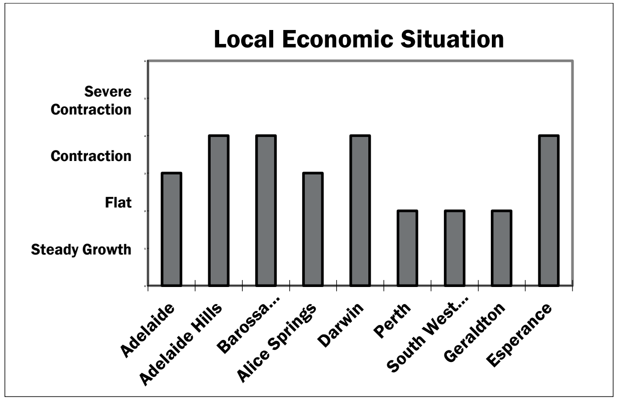
SA, NT and WA Property Market Indicators – Retail

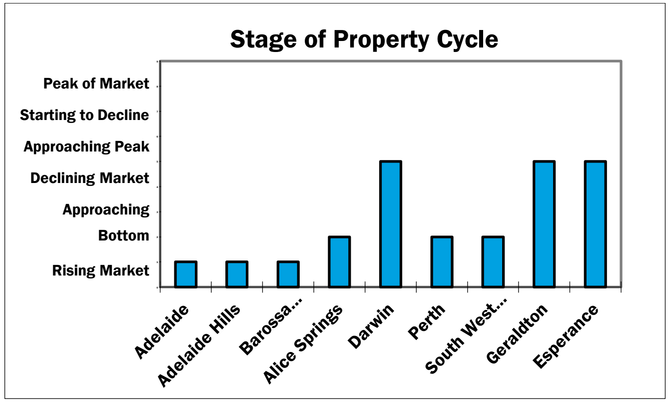
Factor	Adelaide	Adelaide Hills	Barossa Valley	Alice Springs	Darwin	Perth	South West WA	Geraldton	Esperance
Rental Vacancy Situation	Balanced market	Over-supply of available property relative to demand	Over-supply of available property relative to demand	Over-supply of available property relative to demand	Over-supply of available property relative to demand	Over-supply of available property relative to demand	Over-supply of available property relative to demand	Large over-supply of available property relative to demand	Large over-supply of available property relative to demand
Rental Vacancy Trend	Steady	Steady	Steady	Increasing	Increasing	Steady	Steady	Increasing	Increasing
Rental Rate Trend	Stable	Stable	Stable	Declining	Declining	Stable	Stable	Declining significant-ly	Declining significant-ly
Volume of Property Sales	Steady	Steady	Steady	Declining	Steady	Steady	Steady	Declining significant-ly	Declining significant-ly
Stage of Property Cycle	Start of recovery	Start of recovery	Start of recovery	Bottom of market	Declining market	Bottom of market	Bottom of market	Declining market	Declining market
Local Economic Situation	Flat	Contraction	Contraction	Flat	Contraction	Steady growth	Steady growth	Contraction	Contraction
Value Difference between Quality Properties with National Tenants, and Comparable Properties with Local Tenants	Significant	Significant	Significant	Small	Significant	Large	Large	Large	Large

Red entries indicate change from 3 months ago to a higher risk-rating

Blue entries indicate change from 3 months ago to a lower risk-rating







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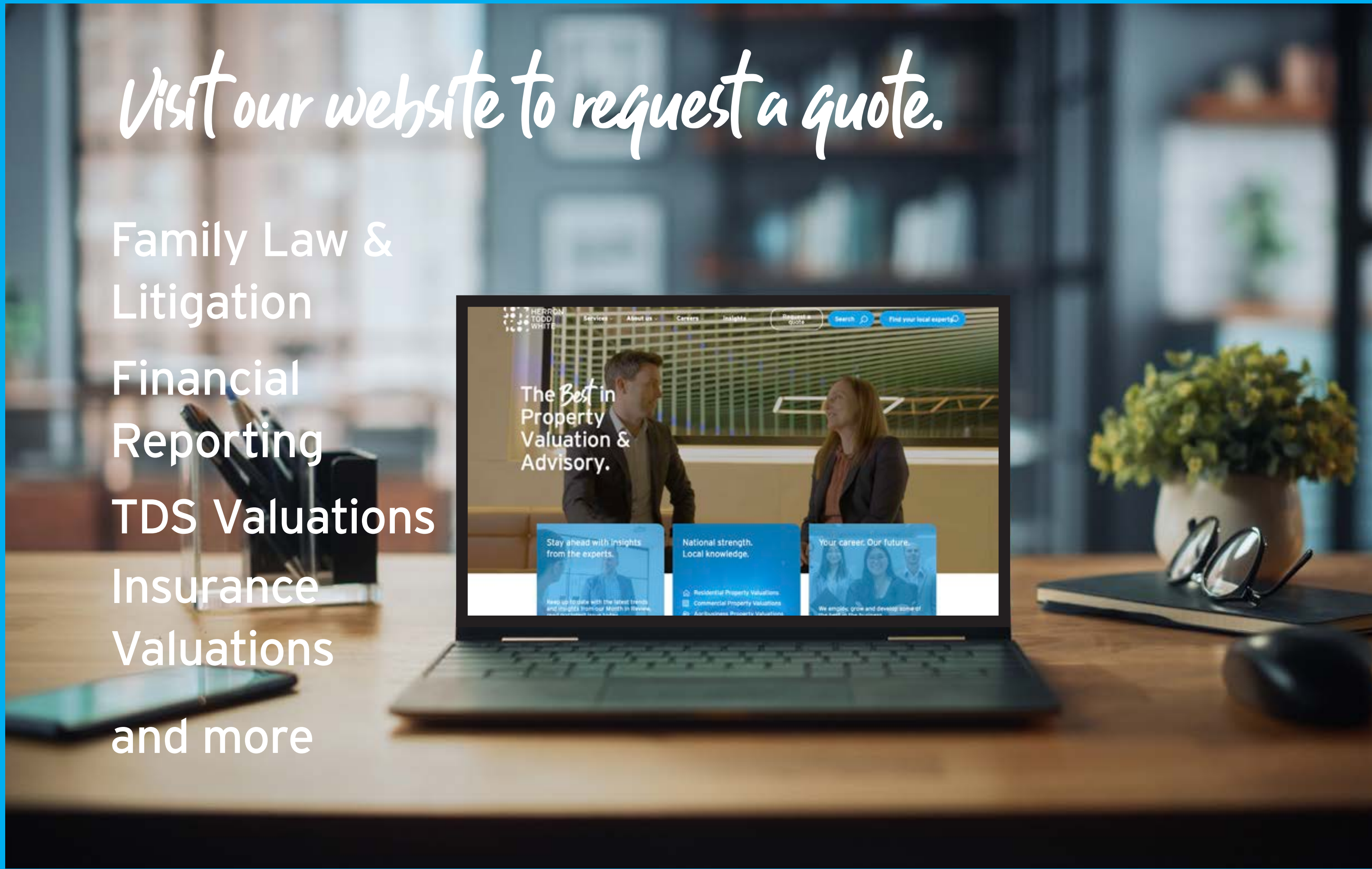

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