



Month in Review

October 2024

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

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Disclaimer

This publication presents a generalised overview regarding the state of Australian property markets using property market risk-ranking scales. It is not a guide to individual property assessments and should not be relied upon.

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CEO's Address

Our reports each month consistently illustrate both the diversity and inter-relatedness of property markets across Australia. What happens on a national and international scale has ramifications for market activity, but local drivers also contribute substantially to value shifts across each population centre.

Because of this, I've been struck by disparate moves in Melbourne's residential real estate prices compared to those in other major capital cities. It begs the question, "Is Melbourne's performance a lead indicator for other Australian markets?"

Melbourne's house price has trended lower at a time when most other major centres have seen value growth. Double digit annual gains in Brisbane, Adelaide and Perth, along with a solid increase in Sydney's median, are contrary to Melbourne's median-price decrease. This has seen Melbourne go from being the nation's second most expensive capital city to its sixth in a relatively short period.

What's been behind this shift in relativity? There are a few interesting data points to track when contemplating this.

Firstly, sales activity remains relatively robust in Melbourne. Its proportion of transaction volumes remains similar to those for Brisbane, Adelaide and Sydney. So, it isn't inactivity that's impacting prices.

What's been behind this shift in relativity? There are a few interesting data points to track when contemplating this.

Welcome to our October edition of Month in Review

Supply is another consideration too. Recent reports indicate Melbourne has created more new housing in the past 10 years than other capitals, and that higher density as a proportion of all housing has increased too. This would suggest demand for certain types of accommodation is being satisfied by supply, which would result in softer price movement.

There are other considerations as well. Overall population growth in Victoria has remained comparable to other states and territories, fuelled in large part by new overseas arrivals. Of course, a recently announced federal-level cap on international student visas in 2025 could dramatically impact this. Meanwhile, Victoria's net interstate migration (NIM) is flat - not a great outcome for housing demand but it is a move away from the negative NIM of recent years.

Taking in this sample of information, along with many other data points and comments from our on-the-ground specialists, I'd suggest Melbourne's property price is unlikely to quickly "bounce back" towards long-term relative norms compared to other capitals. Instead, current information suggests Melbourne values will remain subdued with eventual gains over a much longer period than some might hope. I'd also venture that other capital city prices will see their markets fall back to long-term average growth rates in the future.

Certainly, increased competition among lenders for business at a time when rate cuts are on the horizon might imply enquiry levels are softening, which doesn't normally bode well for overall property market activity.

History shows that Australia's capital city property markets do tend to return to a relative normalcy, but the Melbourne experience indicates the rebound will be relatively conservative and extended this time around.

It's a lesson in why the complexities of Australian property require specialist advisors to combine broad market understanding with localised, on-the-ground experience. This is exactly the sort of expert guidance you receive from our teams at Herron Todd White.

Please enjoy our October edition of *Month in Review*.

Gary Brinkworth
CEO





Commercial
October 2024

National Retail Overview

The appetite for prime retail properties with long leases to well-regarded tenants has remained comparatively strong and while these assets are clearly sought-after, the barriers to acquisition, mainly higher price points, can exclude many entry level investors.

At a national level, retail spending has remained somewhat steady with the Australian Bureau of Statistics reporting that seasonally adjusted retail turnover rose 0.7 per cent in the month of August. Trend adjusted annual spending over the twelve months to July 2024 shows a 2.76 per cent increase in café, restaurants and takeaway food

spending, 2.69 per cent increase in food retailing and a 2.61 per cent increase in other spending which includes cosmetics, sports and recreational goods in comparison to the twelve months to July 2023 while household goods retailing showed a decline of 1.81 per cent over the same period. This potentially highlights the “lipstick effect” on consumer spending behaviour where consumers are thought to spend on little indulgences rather than big ticket items during an economic downturn.

Although many entry level investors typically look towards residential investment, there are retail investment opportunities available at affordable price points typically with more attractive yields albeit at higher levels of risk and complexity. Softening yields, predominantly as a result of the increased cash rate and uncertain economic conditions, continue to push down values for some assets and markets. Entry level retail investments for freehold properties within many of Australia’s CBDs may be hard to come by as strong land values, particularly due to the scarcity of stock, have underpinned values. Vacancy levels for retail premises in popular positions, particularly within Sydney and Melbourne, have begun to fall as weekend visitor and tourist numbers return to pre-pandemic levels even as office vacancies remain at elevated levels.

Premises within well-regarded retail strips remain an option for entry level investors although consideration needs to be given to vacancy rates, achievable rental rates and local factors which could impact future demand from tenants and

purchasers. Secondary retail precincts in local neighbourhood shopping strips which cater to local residents may also provide opportunities for owner-occupiers to establish themselves in affordable premises. Zoning regulations may also permit mixed use, home based businesses within these premises allowing flexibility traditional residential dwellings don’t provide.

Opportunities for entry level retail investors around Australia are available although many of the drivers underpinning the more widely publicised investment transactions, such as long lease terms and well regarded national or international tenants, are likely to be missing from the more affordable options in the current market. Retail spending has been relatively flat throughout Australia although there are signs of decreasing retail vacancy rates in some popular CBD areas as tourism and visitor numbers return to pre-pandemic levels. Entry level investment options range from small strata-titled premises within CBDs to secondary outer locations. Investors should cautiously evaluate the underlying fundamentals and their objectives. While everyday investors may be attracted to entry level retail investments, significant care should be taken to understand the current headwinds and complexities of commercial property. It is clear that the full effects of the higher cash rate environment are continuing to impact retail property markets and there is uncertainty around when markets will stabilise.



Nathaniel Ramage
Associate Director



National Property Clock: Retail

Entries coloured purple indicate positional change from last month.



Month in Review
October 2024



COMMERCIAL
- RETAIL

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New South Wales - Retail 2024

Sydney

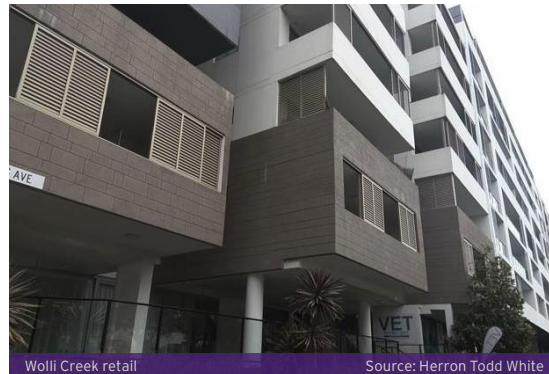
The retail market in Sydney continues to decline. There are fewer transactions as a result of the current economic conditions. We anticipate weaker market conditions and the continued softening of the market. Retail has been heavily impacted by rising interest rates, inflation and an overall reduction in consumer spending.

Investors in the retail market remain cautious. Demand is limited to strongly performing retail assets with good lease covenants and future growth potential. As a result, prime assets and those with national tenants have performed well whilst secondary assets have struggled. Yields are generally higher across the board.

As a result of this, there is a fairly good level of stock available for entry level assets. Strata retail on the ground floor of mixed-use developments is still out of favour and therefore there is good supply. Most of these units are in the sub \$1 million price range. They are generally offered to the market as a bare shell with vacant possession. Investors will need to allow for generous incentives and long letting up periods if purchasing a vacant suite. Purchasing a vacant suite and then securing a good tenant may provide for uplift in value and potentially reasonable returns.

A great example of this is a strata shop in Crows Nest. The shop was sold vacant in bare shell condition. The shop has a generous frontage and benefits from close proximity to the new Crows Nest Metro station. The sale at \$763,636 reflects a rate of over \$13,000 per square metre.

There are still some retail properties at an entry level price point that are income generating, an example being the recent sale of a shop in Wollri Creek. The shop is strata titled and has a lettable area of 29 square metres. The property was sold subject to a five-year lease to a hairdresser. The passing income was reportedly \$18,500 per annum net and shows a passing yield of 6.00%. The sale included a car space.



Over the next 12 months we anticipate continued challenges for the retail market. This may present some opportunities for speculative investors to enter the market, but caution should be exercised as the market may decline further.



Angeline Mann
Commercial Director



There is a fairly good level of stock available for entry level assets.

Victoria - Retail 2024

Melbourne

Over the past 12 months there has been a reduction in property prices observed across parts of Victoria's retail sector. Falling market prices are being driven by a range of factors, with two being subdued retail spending and changes to land tax. A flattening of consumer retail spending across the state, which is attributable to factors including higher interest rates and cost of living pressures, has resulted in rental affordability concerns for some retailers and decreasing rents in many areas, which in conjunction with softening yields has placed downward pressure on overall capital values. Recent changes to land tax have also played a part, as any property with a statutory site value of \$50,000 or more now attracts a land tax obligation. Previously, this threshold was set at \$250,000, meaning that countless properties which were previously exempt on a single holding basis now incur a tax liability. In some cases, land tax has more than doubled from 2023 to 2024 for properties.

Strata retail units stand as a great entry point into the commercial property market as they typically have a lower site value, meaning that the incurred land tax obligation is far lower than for a freehold property. It should be mentioned, however, that such properties typically hold lower prospects for capital growth and are restricted in redevelopment potential.

We have begun to see evidence of the softening market through sales of neighbouring comparable properties. An example is 94 Bay Street, Port

Falling market prices are being driven by a range of factors, with two being subdued retail spending and changes to land tax.

Melbourne, a strata retail unit with a lettable area of 72 square metres, which sold in February 2019 for \$1.265 million at a passing yield of 5.03%. The adjoining unit at 92 Bay Street, Port Melbourne, with a lettable area of 75 square metres, sold in June 2024 for \$980,000 at a passing yield of 5.87%. This stands as one of many observed instances of discounted purchases, with landlords offloading investments to reduce their portfolio's accumulated site value and overall land tax liability. This trend gives rise to opportunities for new investors to enter the market.

Properties with quality tenants and long-term leases have maintained stronger levels of demand from investors, particularly those occupied by large national retailers who are able to better weather the harsher economic conditions. Conversely, properties which are vacant are less attractive to purchasers looking to hold them as an investment due to decreased demand from new tenants and longer letting up periods. This creates opportunities for owner-occupier purchasers to buy in at a cheaper price point.

Regional and commuter town locations are similarly offering opportunities for new purchasers to secure an affordable investment. This is partly due to the Victorian state government reducing the stamp duty obligation by 50 per cent for commercial, industrial and extractive industry

property in regional Victorian areas, which provides an incentive for buyers. Retail property in regional towns can often be purchased at a far lower price than in metropolitan areas. We are aware of the sale of 4 Station Street, Seymour, a dual occupancy retail premises, that serves as an example of a regional entry level purchase, having sold in February 2024 at a price of \$365,000.

Secondary retail locations in suburban areas also provide scope for first time and entry level investors to acquire a commercial property at a significantly lower price compared to property within the main retail precinct of the same neighbourhood. This is particularly advantageous when the occupant's business doesn't depend on high levels of exposure to vehicular and pedestrian traffic. Conversely, occupants that do require high exposure may not find secondary locations as suitable. 3-5 Merlyn Street, Coburg North, a shop-dwelling property comprising a 241 square metre allotment and a building area of approximately 185 square metres sold in August 2024 for \$565,000, equating to a passing yield of 3.19%. Whilst Merlyn Street is subject to inferior exposure levels compared to Gaffney Street and Sussex Street, the main retail precinct in Coburg North, the sale property is close to Merlynston Railway Station and stands as an example of an entry level purchase in a secondary location.



Looking ahead, the retail property sector is expected to face further uncertainty with retail spending currently remaining flat. It is anticipated that eventual cuts to interest rates which are possible in 2025 could generate increased market activity levels and stronger demand from purchasers which may have a positive flow on effect on values in the retail property sector.



Nathaniel Ramage
Associate Director



Queensland - Retail 2024

Brisbane

Brisbane's retail sector is expected to remain stable with modest growth. Ongoing development in suburban areas and increased consumer activity are likely to sustain demand. However, keep an eye on economic factors such as interest rates and retail trends (consumer spending and confidence) which may impact the market.

Entry-level opportunities properties typically range from 50 to 400 square metres and include small free-standing shops or strata-titled units. They are often situated in suburban areas or on the ground floors of mixed-use developments. The price range in this sector cost generally falls between \$500,000 and \$2 million, with properties rarely selling for less than \$500,000.

Let's look at investment returns.

Expected net returns typically range from 5.0% to 7.0%, depending on factors such as lease duration, tenant quality and rent levels. Meanwhile the potential for capital appreciation is influenced by broader economic conditions, local population growth and urban development trends.

There are some distinct advantages from investing in entry-level retail.

There's the stable rental income they generate. Retail properties often provide consistent rental income due to long-term leases and regular tenant payments. Investing in retail properties also offers a strategic diversification away from residential assets, adding variety to an investment portfolio.

Then there's the potential for significant property value appreciation, particularly in areas experiencing growth or redevelopment.

Of course, these investments aren't without their risk too. Broader economic trends, interest rate fluctuations and changes in consumer spending can impact investment returns. There's also potential vacancies to deal with, particularly if tenant quality is subpar or if market conditions deteriorate. The stability and financial health of tenants are crucial too of course. Weak tenants can negatively impact rental income and property value. Ongoing maintenance and upgrades may be necessary to keep the property attractive to tenants, leading to additional costs as well.

Looking to current market dynamics and, despite the inherent risks, entry-level retail properties continue to attract interest from investors seeking more affordable opportunities compared to larger commercial assets. Of course, sellers may need to adjust their pricing expectations to align with current market conditions to successfully close deals.

Some examples of entry level retail sales are as follows:



Alistair Weir
Director

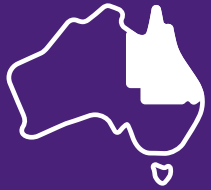
Freehold Properties

Address	Sale Date	Sale Price	Land Area (m2)	Lettable Area (m2)	Passing Yield	Analysed Market Yield	\$/m2 Lettable Area
Lots 1 -6, 3376 Mount Lindsay Hwy, Regents Park	9/08/2024	\$1,925,000	3,368	335	5.76%	5.52%	\$5,746
19 Latrobe Tce, Paddington	11/12/2023	\$1,960,000	491	252	6.13%	5.93%	\$7,778
78 MacGregor Tce, Bardon	3/07/2023	\$1,400,000	703	266	VP	5.53%	\$5,263

Strata Titled Properties

Address	Sale Date	Sale Price	Lettable Area (m2)	Passing Yield	Analysed Market Yield	\$/m2 Lettable Area
137-143 Racecourse Rd, Ascot Lot 19	14/07/2024	\$560,000	40	VP	5.99%	\$14,000
17 Bowen Bridge Rd, Bowen Hills - Lot 1	8/06/2023	\$690,000	67	5.23%	5.23%	\$10,299
11-17 Lytton Rd, East Brisbane - Lot 3	29/11/2023	\$542,000	32	6.15%	6.15%	\$12,500





Gold Coast

The central Gold Coast offers numerous entry-level retail investment opportunities for everyday investors. These opportunities typically consist of strata retail units located in core retail precincts or suburban commercial hubs. While retail investments often yield higher returns than entry-level industrial assets, the retail market in areas such as the Southport CBD tend to comprise higher vacancy rates and longer lease-up periods for vacant properties.

A notable example of this type of investment is 6/137 Laver Drive, Robina, which sold for \$537,500 in May 2024. This is a 71 square metre strata retail unit leased to a tattoo parlour, with an analysed yield of 6.59%. Another example is 7/33 Jade Drive, Molendinar, a 28 square metre café/takeaway unit within an industrial estate, which sold for \$270,000 in October 2023. This property was leased to a local business, with an analysed yield of 7.33%, demonstrating how a secondary retail asset can reflect a higher risk yield rating.

The southern Gold Coast retail market is currently very tight with limited opportunities under the \$1 million price point. In addition, owner-occupiers remain a stronger buyer profile for properties with vacant possession, further restricting properties suitable for investors chasing fair returns. It has become common for this type of property to sell off-market, given peak price levels.

Currently, there is only a handful of retail properties listed for sale in the Coolangatta to Burleigh Heads region that are under the \$1 million level. For investor product in this category, analysed yields would typically be expected to fall within the 5.75% to 6.25% range, highly dependent on location, tenant quality and lease security. These yields are attractive compared with other asset

types, however with rental rates under pressure at present given economic challenges, value levels could potentially be at risk unless anticipated future rate cuts assist.



Ryan Kohler
Director

Sunshine Coast

The Sunshine Coast retail market is largely defined by its key tourist hubs, including Noosa Heads, Maroochydore, Mooloolaba and Caloundra. These prime retail areas are home to marquee assets that attract a blend of national brands, established local businesses and long-standing owner-operators. While entry-level opportunities do exist in these sought-after locations, they often come with trade-offs in terms of compromised physical attributes or less favourable lease agreements.

The Sunshine Coast retail property market does offer opportunities for everyday investors or small business owners seeking to invest or own space in the rapidly growing region. As highlighted above, entry level assets are found within the main well-known precincts, however are more prominent in secondary retail locations or hinterland and regional townships.

Entry level on the Sunshine Coast can be found in various forms including small strata shops in central locations to strip retail complexes in hinterland and regional townships. In terms of potential returns, rental yields in this sector can

broadly range between 5.50% and 8.50%. Areas such as Maroochydore, Mooloolaba and Caloundra, with growing commercial activity and more affordable price points, tend to offer more stable long-term returns.

Entry level strata lots on the Sunshine Coast generally range from \$400,000 to \$1 million depending on their location, size, quality and exposure attributes. Those in high-demand tourist areas such as Noosa or Mooloolaba can command a premium. Stand-alone entry level retail assets can broadly range from \$500,000 to mid-\$1 million, again heavily dependent on the same attributes.

Amid rising economic uncertainty, the retail sector has seen a softening in yields and market activity over the past 12 months. Higher borrowing costs and pressures from the increasing cost of living have had a notable impact on the market. While demand remains steady for well-located, high-quality assets with strong lease covenants, secondary properties of lower quality or with weaker lease agreements and vacancies are currently less attractive.

For entry-level investors and small business owners on the Sunshine Coast, there are still opportunities in the entry-level retail market, though these assets are not immune to the broader economic volatility. Careful consideration is essential in navigating this challenging environment.



Jaydon McDowell
Associate Director

Entry level on the Sunshine Coast can be found in various forms including small strata shops in central locations to strip retail complexes in hinterland and regional townships.



Mackay

Potential purchasers at the entry level of the market comprise owner-occupiers and investors. Entry-level opportunities are limited but include the infrequent listing of single and small multi-tenanted properties with up to three or four tenancy areas. Retail and office uses are often interchangeable and dependent on purchaser requirements and tenant demand. These types of “easy-buy-in”, stand-alone assets are located in Mackay City and the city fringe especially along Wood, Shakespeare, Victoria, Alfred and Sydney Streets. Entry-level strata units are located in the suburb of Rural View.

The entry-level sector includes assets up to \$1 million. Investment yields generally range from approximately 6.5 % to 8.5% per annum net.

The recent sale of 121 Victoria Street is a good example of an entry-level investment. It comprises a 367 square metre allotment improved with a 244 square metre double-storey, 1930s style commercial building which sold for \$650,000 (\$2,664 per square metre of net lettable area) with vacant possession.

A suburban retail convenience property at 60 Tolcher Street, Mount Pleasant was sold last year at \$820,000 to show an analysed market yield of 8.7%. Improvements comprise a basic brick retail building comprising three shops occupied by Carinya Mini-Mart, Hair Story and Carinya Takeaway with nine on-site car parks. The WALE was 0.86 years.

Retail rental rates generally range from \$250 to \$450 per square metre per annum net.

Supply of good quality accommodation within this sector is fairly limited and building replacement costs have risen considerably in recent years, vastly exceeding rental growth over the same

Current high construction costs are retarding new developments, which inversely increases buyer competition and places upward movement on values and compression of yields.

period in percentage terms. It is therefore unviable to construct new, entry-level retail premises if investment return is the sole consideration. We do not envisage much new stock coming into the market soon. Short of any major regional economic crisis, we expect that rents and value levels will rise steadily moving forward.



Gregory Williams
Director

Townsville

Townsville's entry level retail sector has performed relatively well over the past two years. The typical price range commences in the sub \$1 million bracket and includes standalone fringe CBD and strip commercial ribbon development along major roads. Buyers are both owner-occupiers and entry level investors. The mum and dad investor market remains quite buoyant up to \$3 million.

Small standalone commercial offices, showrooms, multi-tenanted strip retail, small childcare and standalone fast-food properties are well sought after although stock levels are somewhat low. The prevalence of buyer's agents continues to drive investor competition from southern investors with local buyers finding it more difficult to pin down assets worthy of investment. Our analysis of sales reveals a stable yield spread of 6.25% to 7.50%.

We do not envisage elevated risk in the sub \$3 million range given the depth of participants. In relation to the balance of 2024, we are expecting

more of the same. High interest rates have not tempered investor attitudes with entry level assets proving to be somewhat of a safer bet. Current high construction costs are retarding new developments, which inversely increases buyer competition and places upward movement on values and compression of yields. In any case, whether it be purchasing for owner-occupation or investment, property drivers remain the same and include:

- ▶ Location, position and exposure attributes;
- ▶ Price point and overall affordability;
- ▶ Days on market;
- ▶ Cash flow levels, resultant yield profile (ROI) and depth of active tenant/s;
- ▶ Age, historic vacancy and any perceived obsolescence issues;
- ▶ Market positioning and depth of active buyers;
- ▶ Population growth, forecasts and local demographics.



Jamison Sayce
Associate 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 6.0% to 7.0% depending on quality of tenant, building and lease tenure, though smaller affordable stratas will show lower yields, primarily driven by owner-occupiers.

Higher interest rates and rising cost of living expenses may see this situation change as 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 in non-Esplanade locations and limited demand for retail accommodation.

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

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



Shane Quinn
Director

Toowoomba

Retail leasing activity in Toowoomba increased slightly throughout 2022 and 2023 after two years of subdued demand with the market negatively impacted by the effects of COVID-19. Investor demand has remained strong but the lack of quality, fully leased properties has significantly limited the number of investment sales.

For the entry-level investor, opportunities are limited as a result of flat, if not declining growth within the retail sector as a result of economic challenges stemming from rising living costs, increasing utility prices and increased mortgage repayments due to higher interest rates. As a general observation, consumers appear to have generally reduced discretionary spending which has a flow-on effect into the retail sector with retail tenants tending to opt for shorter lease terms.

The one retail investment sale of note in Toowoomba was 13-19 Princess Street, Newtown which sold in February 2022 for \$4.25 million to an interstate investor with a passing net yield of 6.14%. This is a former Aldi supermarket that was converted into a fitness centre and leased to Gold's Gym on a 12 year lease. Quality retail investment assets are generally not sold locally with a large number included in non-local auction campaigns targeting interstate investors.

The level of development activity is strong with a number of projects in the planning or development approval stage, including the following:

- ▶ Brisbane developer Capital Transactions has submitted plans for a new commercial precinct on Brisbane Street, Drayton featuring a 2,000 square metre supermarket and a mix of shops and food and drink outlets.
- ▶ Construction of The Habitat residential subdivision has commenced. The masterplan includes a supermarket, tavern and retail outlets with an application currently under consideration by Toowoomba Regional Council.
- ▶ Construction of a Woolworths-anchored shopping centre with 900 square metres of retail tenancies in North Toowoomba.
- ▶ Plans to transform the 10,569 square metre Gasworks site into a retail-focused, mixed use development area.
- ▶ The owners of Clifford Gardens Shopping Centre have proposed to construct two detached food outlets for KFC and Taco Bell.
- ▶ Two detached food outlets on the corner of Bridge Street and Richmond Drive in Wilsonton with one to be leased to Guzman y Gomez.
- ▶ A food outlet with drive-through at 360a and 360b Bridge Street, Wilsonton (opposite Wilsonton Shopping Centre).
- ▶ A food outlet with drive-through at 350 Bridge Street, Wilsonton (adjoins Red Rooster). This project has been linked with Mad Burgers.



Ian Douglas
Director

For the entry-level investor, opportunities are limited as a result of flat, if not declining growth within the retail sector as a result of economic challenges stemming from rising living costs, increasing utility prices and increased mortgage repayments due to higher interest rates.



South Australia - Retail 2024

Adelaide

With the office sector facing heightened uncertainty over the past few years and the industrial market peaking in terms of rental rates and yields, retail property sentiment has lingered somewhere in between. The challenges that face the retail property market include the rising cost of living and inflation, which are having an impact on consumer demand. This in turn has a flow-on effect to bricks and mortar retailers, with retail turnover falling as consumers have less discretionary income to spend on retail goods.

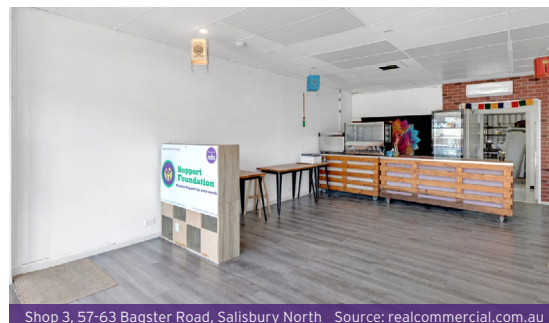
Similar to industrial property, entry-level retail opportunities exist mainly in the form of strata-titled units or smaller stand-alone properties in the outer metropolitan suburbs. These offer the purchaser either a tenanted investment or vacant possession. There are a number of prospects for a buyer looking to purchase retail space in the current market.

Shop 3 at 57-63 Bagster Road, Salisbury North offers 72 square metres of floor space and is on the market for \$330,000 to \$365,000 with vacant possession. Moving up in price, 324 Port Road, Hindmarsh, listed for \$530,000, also offers a purchaser vacant possession for a 166 square metre tenancy in need of some capital expenditure. Shop 1 at 56 Mount Barker Road in Hahndorf is a tenanted investment opportunity, returning \$46,584 per annum across a 195 square metre restaurant tenancy. The Commercial Agency is touting a 6.9% return, putting the price at approximately \$675,000 based on these indicative figures.

The majority of opportunities for retail investors seeking an entry-level asset are in the form of small stand-alone shops and strata or community titled units.



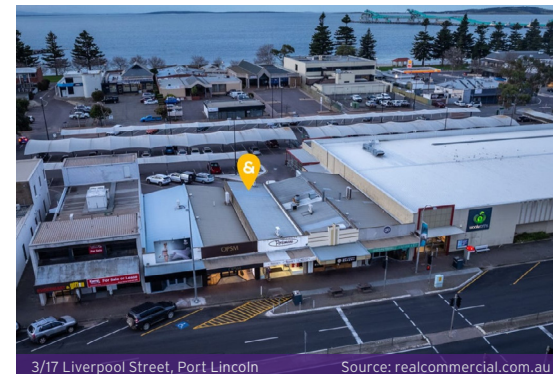
Shop 1, 56 Mount Barker Road, Hahndorf Source: realcommercial.com.au



Shop 3, 57-63 Bagster Road, Salisbury North Source: realcommercial.com.au

Regionally, 3/17 Liverpool Street in Port Lincoln recently hit the market for \$695,000. The property is offered with vacant possession, albeit rented for \$44,832 per annum, and boasts a floor area of 127 square metres, disposed as a clothes retailer.

25 Norrie Avenue, Whyalla Norrie is another retail property on the market in regional South Australia. The 200 square metre hairdressing salon and beauty studio is listed for sale at \$260,000 as a tenanted investment, with a periodic tenancy in place returning approximately \$1,517 per month.



3/17 Liverpool Street, Port Lincoln Source: realcommercial.com.au



25 Norrie Avenue, Whyalla Norrie Source: realcommercial.com.au



The majority of opportunities for retail investors seeking an entry-level asset are in the form of small stand-alone shops and strata or community titled units. Whilst major shopping centres and prime retail assets are able to mitigate some of the current market risks facing the retail sector, the entry-level retail investments have been more susceptible to the fluctuating market conditions. Given the broader economic challenges in the form of inflation and the cost of living, retail turnover has been impacted in recent years. Until these indexes stabilise, we may see tentative investment and purchasing activity, particularly at this end of the market.



Chris Winter
Commercial Director



Western Australia - Retail 2024



Perth

The retail property market in Western Australia continues to linger at the bottom of the sector's property cycle. However entry-level retail investments present an affordable opportunity for the astute, everyday investor.

Until recently, households had been well-placed to underpin retail sales on the back of the resilient state economy and strong growth in the residential property market.

However, household disposable income has come under strain as a result of inflationary pressures on essential items. With a degree of uncertainty as to the direction of interest rates in the short term, our recent experience suggests consumers will curtail their discretionary spending habits which acutely impacts the retail sector.

Investment-grade retail property (e.g. neighbourhood shopping centres) remains a highly sought after asset, often meeting key criteria that sophisticated investors and syndicates continue to seek such as long remaining lease terms (i.e. WALE), non-discretionary tenancy mix backed by strong lease covenants to anchor supermarket operators and sound locational attributes with a growing population catchment.

Lot #	Street #	Street Name	Suburb	Sale Date	Sale Price	Passing Yield
3	9	Moolanda Boulevard	Kingsley	Jul-24	\$500,000	6.08%
54	38	Subiaco Square	Subiaco	Jul-24	\$1,874,000	5.36%
5	2	Marchwood Boulevard	Butler	Nov-23	\$379,500	5.56%
3	9	Bradshaw Crescent	Manning	Jul-24	\$970,000	5.99%
7	1	Gleneilg Street	Connolly	Apr-24	\$410,000	5.85%
9	8	Adelaide Terrace	East Perth	Jun-24	\$520,000	6.06%
4	489	Nicholson Road	Canning Vale	Aug-24	\$1,790,000	6.04%

Prospective buyers, often based in the eastern states and seemingly undeterred by the uncertain interest rate outlook, remain focused on the length of agreed lease terms, prospects for rental growth and depreciation benefits.

On a smaller scale, local activity centres and traditional high streets are retaining their appeal to customers, despite their often-publicised trading difficulties, due to their convenience-based shopping appeal. Such assets present an entry-level investment option.

As demonstrated by the above sales, these low-end investments are demonstrating returns not too dissimilar to higher priced assets.

Often, entry level investments are strata titled and situated in middle to outer ring activity centres that emerge from newly created residential estates or rejuvenated neighbourhood hubs and tend to attract a younger demographic.

Tenants are commonly locally owned and operated entities, more often start-up businesses and local franchisees. For this reason, such investments tend to carry a higher risk of tenant default and accordingly understanding the difference between passing and market rent is key to mitigating future downside risk. Awareness of Western Australian legislation, and in particular the Retail Shops Act, is also essential to being a well-informed investor.

Nonetheless the relative affordability dictates similar properties are popular with local mum and dad investors and self-managed superannuation funds. Entry-level retail investments tend to be priced sub \$1.5 million and thus are particularly appealing to first time investors or those looking to diversify their portfolios.

A large proportion of such properties however are owner-occupied, especially in the historically low-interest rate environment when it is more cost

COMMERCIAL
- RETAIL

Prospective buyers, often based in the eastern states and seemingly undeterred by the uncertain interest rate outlook, remain focused on the length of agreed lease terms, prospects for rental growth and depreciation benefits.

effective for a tenant to acquire premises than make rental payments.

Rental rates have remained stable in recent times with supply of small scale retail tenancies outweighing prevailing demand. Rental affordability in context of the tenant's business is often front of mind and can play in to lease negotiations.

In summary the outlook for retail property in Western Australia is highly uncertain with many factors at play in the market including cost-of-living pressures and other macro-economic headwinds.

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 are key to the Western Australian retail sector going forward.



Greg Lamborn
Director



Northern Territory - Retail 2024

Darwin

There is a very limited supply of smaller scale retail assets across Greater Darwin. Whilst sub-\$1 million Torrens Title assets do exist, most properties of this nature consist of strata units, often located on the ground floor of mixed-use developments in the CBD or inner suburbs.

There are some advantages to strata property over the more traditional Torrens Title, especially for interstate investors. The body corporate manager will look after the common property so there is less active management by the investor. Of course this comes at a cost, although the body corporate levies will cover building insurance, leaving Council rates as the only other outgoing for the owner to worry about.

Hot spots for this type of property are in the CBD and inner suburbs, along with Berrimah Business Park which is about 15 kilometres north-east of the CBD. Most of these units are below the \$1 million price point, although there are some larger retail strata units above this mark.

Strata retail property of this type in Darwin can still generate net yields in the order of 7.0%, with the tenant paying the outgoings. This is quite a good return in the current environment. Net returns (after payment of costs) are generally lower for similar strata residential property, reflecting the perception of higher risk for commercial property in terms of finding and maintaining a suitable tenant. Whilst this perception can be true for older strata units in secondary locations, most of the better-quality

Strata retail property of this type in Darwin can still generate net yields in the order of 7.0%, with the tenant paying the outgoings.

stock is occupied. However, Darwin CBD remains difficult for more traditional retailers.

A strata unit usually has a very low land content and as a result capital gain over time is more constrained than for a Torrens Title property, all other things being equal. Historically, capital gain for strata property has also been restricted by the ability of the market to increase supply more easily, although current building costs are tending to put a brake on any new development in Darwin.



Terry Roth
Director





Residential
October 2024

National Residential Overview

Property ownership hits different here; it's ingrained in our culture as the Australian Dream. However, the dream has become progressively harder for first homebuyers with the double-edged sword of affordability constraints and a severe lack of supply.

State and federal governments recognise this challenge and offer a range of incentives for first homebuyers.

Federally, in the financial year 2024, one in three first homebuyers have taken advantage of the Home Guarantee Scheme which incorporates the First Home Guarantee (FHG), Regional First

Property ownership hits different here; it's ingrained in our culture as the Australian Dream. However, the dream has become progressively harder for first homebuyers with the double-edged sword of affordability constraints and a severe lack of supply.

Homebuyer Guarantee and the Family Home Guarantee. The FHG allows a first homebuyer to secure a property with as little as five per cent deposit without triggering mortgage insurance, with part of the loan secured by Housing Australia up to a maximum of 15 per cent of a property value. The property criteria are broad, ranging from existing dwellings, townhouses and apartments to house and land packages and off the plan apartment purchases with a limit of 35,000 places.

The challenge for first homebuyers is taking advantage of these schemes whilst running up against rising markets. Notwithstanding Melbourne, which bucked the national trend by softening annually by one per cent to August 2024, other capitals, including the traditionally more affordable cities of Brisbane, Adelaide and Perth, are running red hot with annual growth of 19.6 per cent, 19.4 per cent and an astonishing 30.1 per cent respectively. Of course, Sydney's lack of affordability has been reported for many years now, and the Demographia International Housing Affordability report ranks Sydney as the second least affordable city globally, requiring a 13.3 median multiple (median house price divided by the pre-tax median household income) to enter the market.

According to the nation's largest lender, CBA, the national average first homebuyer home loan size is now circa \$498,000. First homebuyers in metropolitan areas had an average home loan size of \$530,000 compared to \$403,000 for regionally based first homebuyers.

While the average loan size for regionally based first-time buyers was lower than buyers based in the cities, their average loan-to-value ratio was higher.

The average loan to value ratio for regionally based first-time buyers was 86 per cent in the last financial year - higher than the 82 per cent average loan-to-value ratio for first-time buyers in cities.

While the climate to buy is challenging for first homebuyers, there are opportunities in the capital cities, regional cities and townships throughout Australia. This month we take a look at what the property opportunities look like in your state and what strategies buyers are employing to get their slice of the Australian Dream.



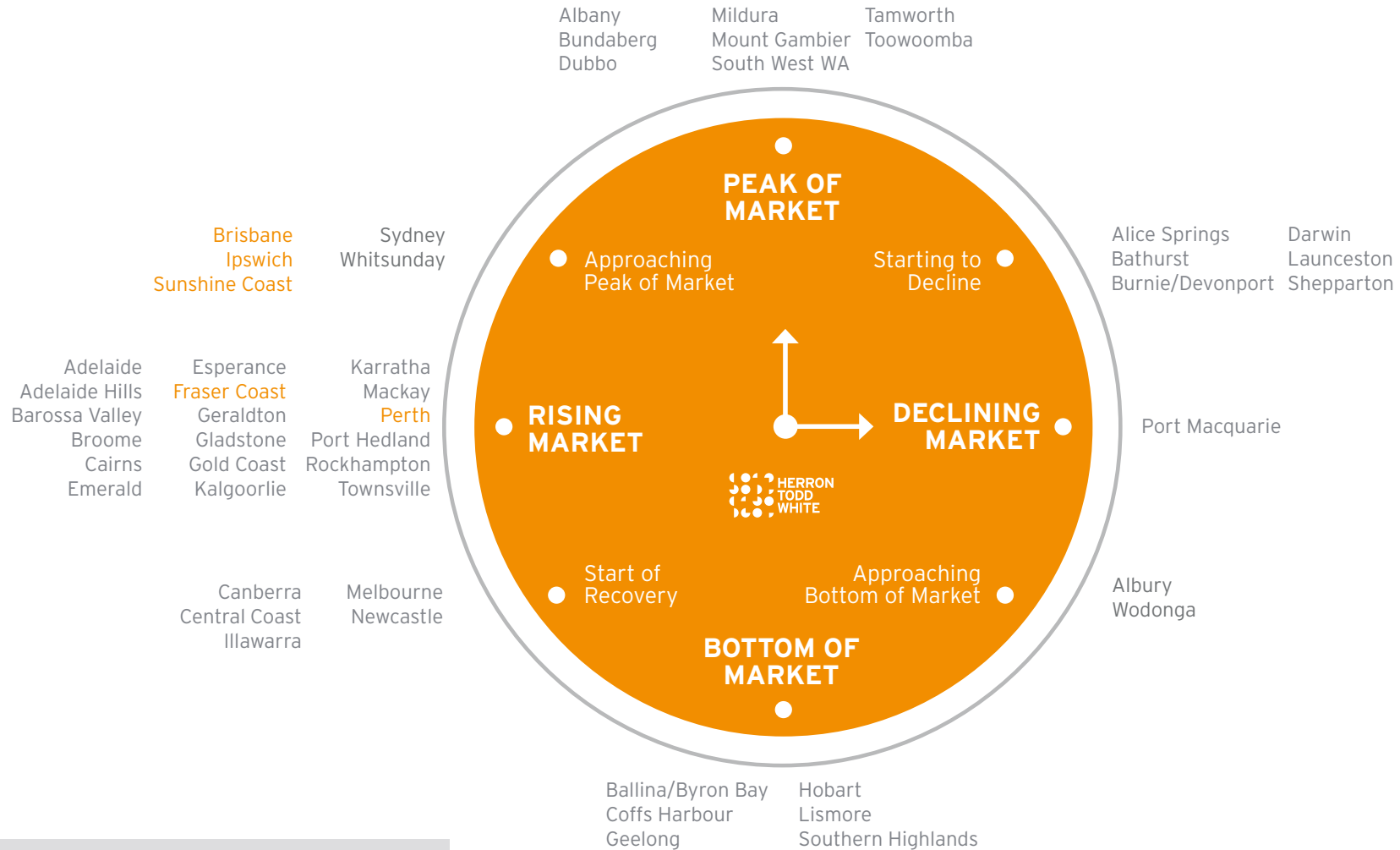
Perron King,
Director



National Property Clock: Houses

Entries coloured orange indicate positional change from last month.

Month in Review
October 2024



RESIDENTIAL

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National Property Clock: Units

Entries coloured blue indicate positional change from last month.



Month in Review
October 2024



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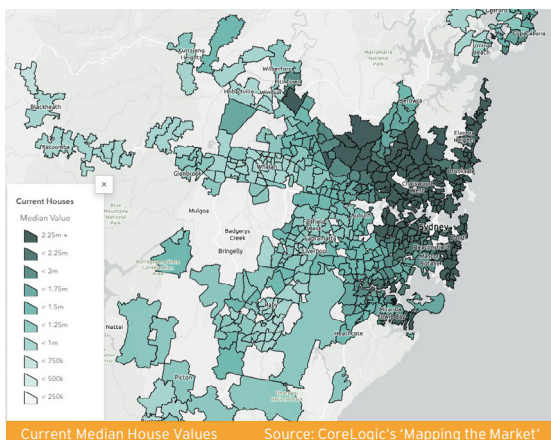
New South Wales - Residential 2024



Sydney

By the end of August, the median house price in Sydney had increased to \$1,471,892, according to CoreLogic. Whilst the rate of growth has slowed in 2024 as the market waits it out for anticipated interest rate cuts, the median house price is still way out of reach for most first homebuyers.

Whilst there are some parts of Sydney where finding a house under \$1 million is possible, the options are becoming fewer and fewer, and without assistance, most first homebuyers will need to consider a unit or townhouse as their first step onto the property ladder.



The median unit price in Sydney as at the end of August was \$859,050, which puts units more in the range for first homebuyers and into the thresholds necessary to take advantage of government incentives.

Western Sydney

Western Sydney offers first homebuyers a wide variety of property due to generally being more affordable than its eastern suburbs neighbours. Over the past decade the transformation of former rural land into modern suburbs has given a vast number of first homebuyers the opportunity to enter the market given the more affordable price point combined with government grants for new property.

Currently if you're buying a new house and land package under \$750,000 you can receive \$10,000 towards the purchase price in addition to the first homebuyer assistance scheme which can provide a full or partial exemption of stamp duty.

If you are buying an existing dwelling up to \$1 million you will only qualify for the stamp duty exemption.

For new homebuyers you can get a brand new one-bedroom unit in Castle Hill for around \$700,000 depending on the size, location and quality of the development. In recent months new

unit complexes have been completed around the Showground Road metro station.

This area was formally detached houses which were then rezoned for highrise units. Many of these complexes are trying to attract local downsizers with larger apartments and high-quality finishes. For comparison, around the corner you can get an older and larger two-bedroom unit for similar money. An example is the recent sale of 31/16-20 Mercer Street, Castle Hill by Louis Carr for \$710,000.



For an example of an entry level detached dwelling, we head to Box Hill in the north-west of Sydney, some 48 kilometres from the CBD. We note a recent sale by Manor of 151 Longerenong Avenue, Box Hill for \$1.088 million in September

Whilst there are some parts of Sydney where finding a house under \$1 million is possible, the options are becoming fewer and fewer, and without assistance, most first homebuyers will need to consider a unit or townhouse as their first step onto the property ladder.



2024. This is a circa 2018, single level three-bedroom, two-bathroom dwelling with a single garage improved on a 316 square metre block. A house like this is a great starter for a young family wanting a detached house with a small yard.

For \$100,000 less you can buy an older renovated dwelling on a larger block of land in St Marys. 14 Benalong Street, St Marys recently sold for \$980,000 through Ray White. This property is a renovated clad dwelling with a metal roof. It features four bedrooms and two bathrooms, with a modern interior. Detached is a self-contained sleepout with bathroom and kitchenette. The property is improved upon a 411 square metre block and is a short walk to the station and shops.

In addition, the future rail link from Badgerys Creek airport will be running through St Marys and our experience is that major infrastructure projects are typically followed by solid price growth from the suburbs that benefit from the projects.



14 Benalong Street, St Marys

Source: CoreLogic

At the lower end of the scale is an older two-bedroom one-bathroom unit in Parramatta. 10/29C Great Western Highway, Parramatta sold for \$410,000 in September via Stone estate agents. This unit could use some updating throughout and is quite small but it offers an entry level buyer a first step in the market.



10/29C Great Western Highway, Parramatta

Source: CoreLogic



10/29C Great Western Highway, Parramatta

Source: CoreLogic

There is no question first homebuyers in Sydney have it tough. Most aspiring first homebuyers

are renting and have absorbed strong rental increases in recent times as well as cost of living pressure further reducing the ability to save for a deposit. In addition their borrowing power has been reduced from 12 to 18 months ago given the increases in interest rates which have settled for now. Let's not forget that Sydney real estate is not cheap, but there are options out there, you just need to look west.

South Western Sydney

South-west Sydney is synonymous with being appealing to the first homebuyer market. With most of Sydney already out of reach for the majority of us, south-west Sydney provides affordability, variety and value for money to the first homebuyer.

With affordability comes competition. Whilst first homebuyers are continuing to be prominent in the market, they are often competing with investors who are chasing similar sub \$1 million properties with strong rental returns. This has seen an increase in the sub \$1 million market around Western Sydney since the start of 2024.

With the cost of living increasing (particularly rents) we are seeing an increase in first homebuyers being leveraged into the market either by inheritance or by their parents using the family home to go guarantor, rather than pay exorbitant rents to pay someone else's mortgage.

There was a time when first homebuyers would only be looking towards secondary locations or older style houses to get their foot in the door, but times have changed and more and more first homebuyers don't want a fixer upper. Shiny and new and in a central location are the overwhelming expectations of this generation of young property hopefuls.

Our experience is that major infrastructure projects are typically followed by solid price growth from the suburbs that benefit from the projects.

The south-west has delivered with an array of opportunities for first homebuyers that meets these criteria.

In Edmondson Park, \$700,000 to \$750,000 will put you in the running for a modern two-bedroom unit within walking distance of the popular Ed Square entertainment precinct and train line.



217/363 Bernera Road, Edmondson Park Source: CoreLogic

In Oran Park, \$800,000 to \$900,000 will afford you a three- to four-bedroom duplex, while in Glenfield, \$850,000 to \$900,000 will put you in the running for a modern duplex or townhouse with three to four bedrooms within close proximity to schools, transport and shops.

For the traditionalist, in suburbs such as Eagle Vale and Kearns, \$850,000 to \$900,000 will put you in the running for an older style dwelling with three to four bedrooms on a 500 square metre plus parcel within close proximity to schools, transport and shops.

In general, the further north you search, the lower the entry price point becomes and the correlating supply of such products also increases.



29 Diamantina Avenue, Kearns Source: CoreLogic

Upper North Shore

Sydney's North Shore isn't your typical first homebuyer market due to the significantly high median property prices evident across these suburbs. However, if you are prepared to look outside the box and not have the expectations of obtaining a quality home on 1200 square metres of land, you might be surprised what you can find.

First homebuyers are typically attracted to the North Shore due to the excellent transport options, mostly notably the North Shore railway line, providing easy access to the CBD and surrounding inner ring suburbs. First homebuyers on the North Shore are often young professionals who aspire to upsize within the area in the future, as their career and lifestyle needs change over time. Due to being at the younger end of the scale, these buyers are attracted to cafes, restaurants and other amenities fitting this demographic, and this certainly drives the demand in suburbs meeting these requirements.

Typically, first time homebuyers are restricted to unit, townhouse or villa options, of which there are multiple choices on the North Shore. In general, the further north you search, the lower the entry price point becomes and the correlating supply of such products also increases. It appears that significant rental increases have tenants realising that purchasing in this unit or townhouse market may be only slightly more expensive than renting, depending on the suburb of course. From discussions with local selling agents, this trend is becoming more apparent and is expected to be even more common if we see a decrease in interest rates at any stage in the future.

In looking at typical first homebuyer options, here are some recent examples of sales which may fit the bill on the North Shore. An entry level property on the lower end of the Upper North Shore starts around the \$600,000 mark, typically for a one-bedroom unit with a single car space on title. Such a unit sold for \$631,000 in May this year in the suburb of Killara.



Killara sale for \$630,000 Source: realestate.com.au

This semi-modern unit comprises one-bedroom, one-bathroom accommodation and has a single secure car space on title, with a small adjoining storage area. The unit is approximately 60



square metres internally and also benefits from a north facing balcony. In terms of location, it is approximately 275 metres from Killara Station and associated amenities. This property would rent for around \$650 per week, highlighting the increasing appetite to purchase such a property instead of continuing to rent.

Moving further up the North Shore, the suburb of Warrawee offers a good amount of first homebuyer options with a slightly lower entry point of \$550,000. Selling in May this year was a one-bedroom, one-bathroom unit with a single car space, located on the Pacific Highway, usually resulting in a slightly lower price point. This semi-modern unit is positioned approximately 800 metres from Warrawee Station, which is also reflected in the lower price point. This property would rent for approximately \$550 per week.



For first-time homebuyers with a lower entry price point, further up the North Shore in the suburb of Hornsby, a number of higher density developments offer a greater amount of supply. The majority

of these developments offer very easy access to an array of amenities and restaurants in central Hornsby, including proximity to Westfield Hornsby Shopping Centre and Hornsby Station.

Depending on the size and quality of the unit, entry prices start around the \$500,000 mark although if you are willing to compromise on size, cheaper options are sometimes available. An example of a typical entry price unit is a sale in the Horizon Towers development in May this year for \$520,000. This slightly dated unit offers one-bedroom plus one-bathroom accommodation, single lock-up garage and access to common facilities including resort style pool, spa, sauna and gym facilities.



Lower North Shore

It can be challenging to pinpoint an exact number for the average home price paid by first homebuyers in the Lower North Shore due to fluctuations in the market, but many first homebuyers target properties priced between \$800,000 and \$1 million, as this is the range eligible for various concessions.

As of 2024, average property prices on Sydney's Lower North Shore are quite high, reflecting the area's desirability and prestige. House prices typically range between \$3.5 million and \$4.5 million, with specific suburbs such as Hunters Hill and Mosman showing medians around \$4.05 million and \$5.725 million respectively, according to realestate.com.au. High-end areas such as Longueville even have medians at \$5.9 million.

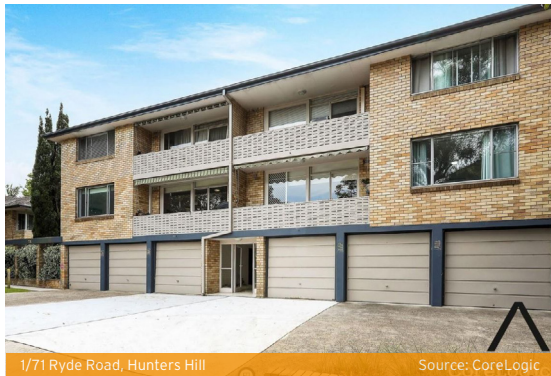
Unit prices on the Lower North Shore are somewhat lower, with typical median prices ranging from \$875,000 to \$1.3 million, depending on the suburb. For example, Hunters Hill has a median unit price of \$920,000.

The unit market within the Lower North Shore is an area in which most homebuyers would consider a starting point into their real estate journey. First homebuyers in New South Wales can receive full stamp duty exemptions for properties valued up to \$800,000. For homes priced between \$800,000 and \$1 million, buyers may be eligible for a concessional rate.

The sale of 1/71 Ryde Road, Hunters Hill is considered to be an entry level for the suburb and qualifies for a stamp duty concessional rate. The property sold in July 2024 for \$943,000. The 1960s unit features two bedrooms, one bathroom and a single carport. Featuring a recently renovated kitchen and bathroom, we consider this property to be ripe for a first homebuyer trying to get into a tightly held unit market within the suburb.

Depending on the size and quality of the unit, entry prices start around the \$500,000 mark although if you are willing to compromise on size, cheaper options are sometimes available.





1/71 Ryde Road, Hunters Hill

Source: CoreLogic

The recent sale of 15/120 Cabramatta Road, Cremorne in August 2024 for \$760,000 qualifies for a full stamp duty tax concession. For that money accommodation is on the smaller scale with the unit accommodating just one bedroom, one bathroom and importantly a single lock up garage. The fitout is modern and the apartment is located within walking distance of cafes, restaurants, bars, Cremorne's shopping village and social venues including the Orpheum Theatre. Local bus stops mean access into the city is easy and only minutes away. Properties like these are considered to be prime entry points for first homebuyers.



15/120 Cabramatta Road, Cremorne

Source: CoreLogic

Northern Beaches

Housing affordability continues to challenge many young families, especially in the Northern Beaches. With minimal government assistance and high property prices, many first homebuyers are turning to family support, either through financial aid or opting for multi-generational living arrangements. The latter is becoming increasingly common, as properties with separate dwellings offer both co-living opportunities and a degree of independence.

A prime example of this trend is 29 Taiyul Road, North Narrabeen, which sold in August 2024 for \$2.5 million. The property includes a renovated

29 Taiyul Road, North Narrabeen



Approx. Internal 29 Area 160sqm
Approx. Internal 29A Area 63sqm
Approx. Land Area 1214sqm

While these plans are for illustrative purposes only, they do not represent the actual floor plan of the property. Measurements are approximate and no responsibility is taken for any error, omission, or misstatement. They please refer to the contract documents only.

Raine & Horne

29 Taiyul Road, North Narrabeen

Source: CoreLogic

1960s three-bedroom home and a secondary two-bedroom granny flat on 1,222 square metres of land. The previous sale in 2018, prior to renovations and granny flat construction, was \$1.385 million, highlighting the strong price growth in the area.

For first homebuyers not pursuing co-living, cheaper housing alternatives including townhouses or semi-detached dwellings offer an attractive compromise. Properties like 19 Mahogany Boulevard, Warriewood, which sold for \$1.85 million in August 2024, provide more affordable options for families. This semi-detached three-bedroom home is located in Fernbrook Sanctuary and sold below the median house value of \$2.3 million, reflecting the compromises families make to enter the market (source: CoreLogic as at September 2024).

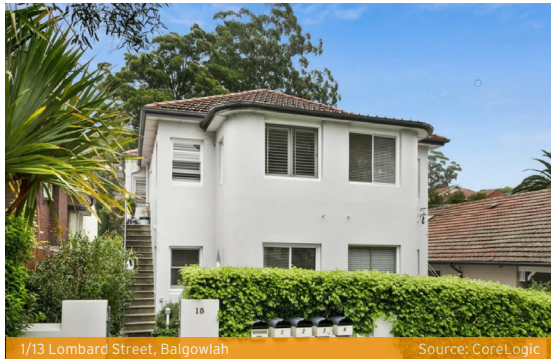


19 Mahogany Boulevard, Warriewood

Source: CoreLogic

For young professionals, boutique apartments in southern-end suburbs such as Fairlight and Balgowlah offer proximity to the CBD and Manly. An example is 1/13 Lombard Street, Balgowlah, a one-bedroom unit with updated interiors and no parking, which sold for \$975,000 in August 2024. Despite the limited space and amenities, these properties remain attractive choices for those prioritising location and lifestyle over size.





1/13 Lombard Street, Balgowlah Source: CoreLogic

Inner West

The majority of first homebuyers seeking to make a purchase within the inner west region of Sydney are generally limited to sub \$1 million properties. Given this, they make up a relatively small portion of the overall market in the region. The majority of younger first homebuyers who are able to afford to buy in this area do so via inheritance, help from family members, or live within their family homes until they have saved enough money for a deposit.

Many also rentvest, where they rent in areas of the inner west and purchase investment properties elsewhere in hopes they make enough capital gain in their investment property to be able to purchase a house in the inner west (in an optimistic future).

However, given the significant increase in rental prices in the past 24 months, rentvesting is becoming more challenging for those seeking to still reside in the area, as the increase in rents in the inner west outstrips rental increases in other parts of Australia.

Expectations for first homebuyers have lowered significantly over the past decade or so. Properties which fall within this sub \$1 million price range are predominately limited to studios and one- and two-bedroom apartments.

Areas on the border of the inner west including Homebush, Homebush West, Croydon Park, Strathfield South, Enfield, Rhodes, Concord West and North Strathfield, have three-bedroom apartments which sell sub \$1 million. As such it is very difficult for young families who are first homebuyers to enter the market, with many seeking to purchase larger homes further west of Sydney.

An example of a sale which would attract a young first homebuyer family is a three-bedroom apartment at 2/84-86 Albert Road, Strathfield which sold in August 2024 for \$912,000. The property is situated within a circa 1970s walk-up building, which tend to be more attractive to first homebuyers, given their lower density. The property has access to a single balcony as well as a single car garage, and is positioned within relatively close proximity to Strathfield neighbourhood shops and railway station.



2/84-86 Albert Road, Strathfield Source: realestate.com.au

Alternatively, first homebuyers who are professionals without kids and who are comfortable in a one- or two-bedroom apartment can purchase modern apartments in closer proximity to the Sydney CBD in areas such as Newtown, Balmain, Forest Lodge, Glebe, Annandale, Stanmore, Petersham and Marrickville. However, depending

on the development these prices are beginning to move past the \$1 million threshold.

An example of this is 702/2 Cowper Street, Glebe, which comprises a circa 2017 built, one-bedroom apartment with a single car space and sold for \$1.19 million in July 2024. This reflects an approximate three per cent increase from its previous sale of \$1.16 million less than 12 months prior in October 2023. We note that many first homebuyers in this market are competing regularly with investors, and this competition has remained steady over the course of the past twelve months, given the historically high rents currently being paid.



702/2 Cowper Street, Glebe Source: realestate.com.au

Eastern Suburbs/Inner Sydney

When it comes to the eastern suburbs, houses are going to be out of reach for most first homebuyers, unless they are getting assistance from family or perhaps buying with siblings or friends.

The only suburbs in the region where the median house price is below \$2 million, according to CoreLogic, are Mascot (\$1.8 million), Botany (\$1.91 million) and Eastlakes (\$1.98 million). Want to live in a beachside suburb? Maroubra is the most affordable at a median price of \$3.03 million. A harbourside suburb? Rose Bay at \$6.6 million provides the most affordable median.



There are some options below these medians though, with some smaller terrace homes in inner Sydney suburbs such as Surry Hills, Redfern, Alexandria and Woolloomooloo recently selling at \$1.5 million or below.

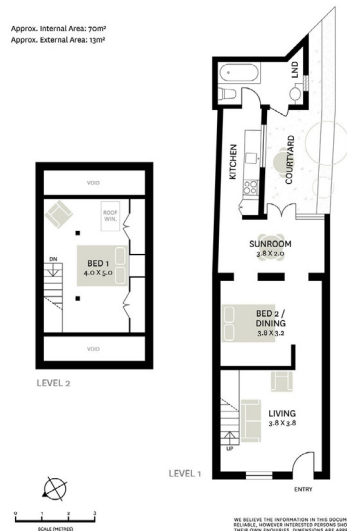
An example is the sale of 14 Marshall Street, Surry Hills which sold in August for \$1.225 million. The heritage listed, part two level, sandstone worker's



14 Marshall Street, Surry Hills

Source: CoreLogic

Approx. internal Area: 90m²
Approx. external Area: 130m²



14 Marshall Street, Surry Hills

Source: CoreLogic

cottage dates back to 1840 and comprises one bedroom and one bathroom on 70 square metres of land.

So while a small one or two-bedroom terrace on a small allotment is an option, more first homebuyers in the east will look to units for their first purchase. For those who want to be close to the beach, median unit prices in Maroubra (\$1.11 million), Coogee (\$1.47 million) and Bondi Beach (\$1.5 million) are much more affordable than the median house price. Along the harbourfront, Rose Bay (\$1.63 million), Double Bay (\$1.7 million) and Vaucluse (\$1.51 million) are vastly more affordable than the median house prices for those suburbs.

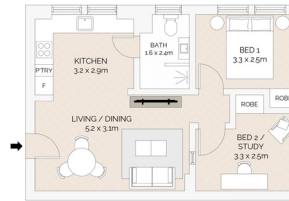
In Bondi Beach, a budget of \$900,000 to \$1 million would get you a renovated one-bedroom or small unrenovated two-bedroom unit, most likely without parking, but within walking distance of the world-famous beach. A good example is the sale of an Art Deco unit at 32/7 Beach Road, Bondi Beach, which sold in September for an undisclosed amount within this range. The one-bedroom plus study, one-bathroom unit had been internally renovated and is positioned within 250 metres of the sand.



32/7 Beach Road, Bondi Beach

Source: CoreLogic

32/7 Beach Road, Bondi Beach



GROUND FLOOR

0 1 2 3 4 5

Scale in metres. Indicators only. Dimensions are approximate. All information contained herein is gathered from sources we believe to be reliable. However we cannot guarantee its accuracy and interested persons should rely on their own enquiries.



32/7 Beach Road, Bondi Beach

Source: CoreLogic

The median unit price in Bondi Beach has decreased by 1.4 per cent over the past 12 months, a reflection of higher sustained interest rates which have impacted on the first homebuyer and investor markets which are the dominant buyers in this market.

Southern Sydney

As outlined earlier there are some government assistant programs available to first homebuyers including stamp duty concessions up to certain thresholds and the federal government's First Home Super Saver Scheme which allows a person to make voluntary contributions to their super, with all the tax benefits that entails, and then use those contributions towards the purchase of their first home. The previous New South Wales government's Shared Equity Homebuyer Helper pilot ended on 30 June 2024.

In addition to some government assistance, many parents are also stepping in to assist their children to purchase their first property.

First-time homebuyers are predominantly buying units over houses within the Sutherland Shire. However, most suburbs in the Sutherland Shire



have a median unit value between \$800,000 and \$1 million, according to CoreLogic. This price range still exceeds the eligible range for concessions, making it difficult for many buyers to afford. There are a small quantity of new one-bedroom units around the \$600,000 price point available off the plan however the demand from first homebuyers in this bracket has pushed the price of one-bedroom units past \$600,000 in the past few years.

Renting is offering little relief for first homebuyers, as the median rent for a unit has risen to \$600 in Sutherland, a 15.4 per cent increase from just 12 months ago, and \$627 in Cronulla, an 8.2 per cent increase in that time (source: realestate.com.au). The median price for a unit in Cronulla is currently \$970,000, while in Sutherland, it stands at \$725,000.

First homebuyers in the St George locality are limited largely to units in high density suburbs due to the high buy-in price. Expectations of first homebuyers in this locality have had to become fluid with the idea of living in units until much later in life. The dream of the white picket fence is by and large unachievable, or at least a long way off in the distance.

Lifestyle, cost of living and ability to service the debt are heavily considered in the first homebuyer market.

First homebuyers would be looking at units within the Kogarah and Rockdale area where there is currently a strong supply of units which is helping to keep downward pressure on unit prices. According to realestate.com.au, the median Kogarah unit price is \$735,000, which is up just 0.1 per cent in the past 12 months, while in Rockdale it is \$700,000, up 2.2 per cent in the past 12 months. Given the median unit value sits just below \$860,000, an increase of 3.3 per cent in the past

12 months according to CoreLogic, Rockdale and Kogarah are attractive options for first homebuyers given their proximity to services and short train times into the Sydney CBD.



Shaun Thomas
Director

Lismore / Casino / Kyogle

*"The dream is still alive, and so we begin
Foolishly laying our precious funds on the table
Stumblin' in*

*The hope is aflame, burning within
Now and then "wallet" fright will catch us
Stumblin' in*

*Whatever we do, wherever we go
Be sure these reckless thoughts of first home
ownership are following me*

*I'm saving for you, whatever you do
'Cos really, this house on the market has shown me
so many things that I never knew"*

The dream of the first homebuyer is still there in this region.... but there are challenges afoot which seem relatively daunting.

One of the benefits of locating to the regional areas of the Northern Rivers i.e. Lismore, Casino, Kyogle and surrounding districts, is that the first homeowner has a more reasonable opportunity of securing full exemption from paying stamp or transfer duty and applying for the First Homebuyer Assistance Scheme compared to coastal locations.

The primary reason for this is that the price thresholds for Lismore, Casino and Kyogle are generally lower than their coastal cousins.

NOTE: I won't bore our valued readers with the eligibility of the First Homebuyers Grant and First

Homebuyers Assistance requirements which are profoundly explained in detail by my fellow valuer-folk! Suffice to say, visit the following link for the unabashed truth on the matter:

www.revenue.nsw.gov.au/grants-schemes/first-home-buyer

Yeah...I know what you are thinking. To coin a term "does a duck have lips? - NO". Good luck securing the \$10,000 grant by trying to find a new home in Lismore City for under \$600,000 or a house and land package for under \$750,000.

There would be a stronger chance in the rural towns of Casino and Kyogle where the land value for similar size lots is significantly less i.e. \$400,000 in Goonellabah to \$200,000 to \$250,000 in Kyogle and Casino.

Whilst the overall property market has softened in the region, the ever-persistent positivity in some segments of the market is proving to be a challenging hurdle for first homebuyers when competing with established homeowners looking to upgrade and investors. For example, for flood free sites in Lismore City suburbs, the supply of available improved residential stock within the \$500,000 to \$800,000 price range is somewhat limited and, if in reasonable condition, is usually snapped up within a week or two.

Some out of the box thinking should also be explored by first homebuyers.

Option 1: Consider the potential acquisition of an existing dual occupancy comprising two x two-bedroom, one-bathroom attached units by two siblings. Find a willing lender (yes...a big ask) to provide funding to the two siblings who share in the loan (with a bit of parental help I suspect) and ownership of the property. Then, further down the track, carry out a strata subdivision to create two



The Lismore, Casino and Kyogle areas are still relatively affordable for eligible first homeowners compared to other towns and villages in the Northern Rivers under the current interest rate environment

separately saleable units and...huzzah!, each sibling has their own first home in the form of a two-bedroom, one-bathroom duplex unit.

Option 2: Buy a four- or five-bedroom home (that needs work), throw in some willing friends who want some independence by leaving home (are there any?) as tenants who pay a weekly rent for a room and then we can see a very easy way to start paying down the debt quickly without much contribution from you as the property owner.

The typical purchase price points for first homebuyers in the Lismore region generally hover around \$300,000 to \$450,000 for two- to three-bedroom average quality units and \$550,000 to \$700,000 for average homes in non-flood areas. The expected sale price levels are generally slightly lower for Casino and Kyogle.

In summary, the Lismore, Casino and Kyogle areas are still relatively affordable for eligible first homeowners compared to other towns and villages in the Northern Rivers under the current interest rate environment and with some thinking outside of the box strategies, buyers could find themselves in a very much improved financial position for the long term future if they take full advantage of attacking the loan principal whilst in the present.



Vaughan Bell
Property Valuer

Coffs Harbour

First homebuyers have the advantage of various forms of assistance and strategies to enter the property market. It is important to understand the incentive packages on offer to establish the potential value levels the first homebuyer can be looking at.

The First Home Owner Grant in New South Wales provides a grant of up to \$10,000 as a one-off payment to eligible purchasers. Stamp duty concessions are also available. For example, first homebuyers may be eligible for a full exemption on stamp duty for homes valued up to \$800,000 and partial concessions for homes valued between \$800,000 and \$1 million.

If you buy vacant land to build a house, there will be no transfer duty if the land costs \$350,000 or less. For vacant land valued between \$350,000 and \$450,000, a reduced transfer duty rate applies.

These levels of value are not excessive however are attainable within the Coffs Harbour property market. Realestate.com.au shows the median house price in Coffs Harbour is sitting around \$790,000 whilst units are \$550,000 which is within the target for the first homebuyer.

The thought of building a new home in Coffs Harbour for \$750,000 has probably left the building, given the associated high building costs and land values. It would be more difficult to find a new build under this mark unless you moved to the smaller rural or coastal towns such as Dorrigo,

Macksville or Nambucca Heads where you can find land under \$300,000.

The other critical factor in the first homebuyer's thoughts is the high interest rates which have effectively reduced the ability to borrow money. I have heard several anecdotes from local brokers who have reported the borrowing power of first homebuyers 12 months ago in the order of \$750,000 is now \$650,000 which makes a big difference to the property that can be purchased.

If we use that example of a \$750,000 purchase with a \$150,000 (20 per cent) deposit, a loan of \$600,000 at 6.5 per cent would cost you \$3800 per month which is \$950 per week. Now for anyone let alone a first homebuyer, this will be a stretch and effectively lowers the ambitions of the first homeowner to more affordable levels being sub-\$600,000.

This level of value would practically see you out of the house market, although there are still sub-\$600,000 homes out there which are typically found in the older housing community locations and are modest, 30 to 50 year old, three-bedroom, one-bathroom homes of 80 to 110 square metres and in varying degrees of condition.

That leaves the unit market which is varied in product and value, however is affordable. You can still buy in good lifestyle locations generally older style buildings (20 to 50 years of age) close to the beach and services comprising mostly two bedrooms with the odd three-bedroom unit around within the \$400,000 to \$600,000 price range in locations such as Park Beach, The Jetty precinct and Sawtell.

If you move more into the suburbs you will find duplex and villa style units which also are a good



alternative to a freestanding home. Again it will be 20 to 40 year old product with two or three bedrooms and single garage but you can get more land associated with this type of product and prices are in the \$500,000 to \$600,000 range.

As can be seen, Coffs Harbour still has options for the first homebuyer, however this is dependent on interest rates and wages which are not rising at the same rate.

In recent years, the property landscape has seen a shift in the way first homebuyers approach their purchases. Many are exploring alternative ownership models such as fractional ownership and co-buying with friends or family members. This trend reflects the increasing difficulty of entering the market independently due to rising property prices. I am not aware of too many examples of this shift in Coffs Harbour, however as property prices increase this will have to become a viable option for property ownership.

The driving force behind first homebuyer decisions in Coffs Harbour is a combination of factors. The desire for stability, the investment potential and the appeal of home ownership often outweigh the challenges of entering the market. This demand has contributed to a healthy supply of properties at various price points, though most competition exists in the lower to mid-range segments. Coffs Harbour presents a promising landscape for first homebuyers and with the range of financial incentives, is still attainable within the Coffs Harbour property market.



Grant Oxenford
Director

Central Coast

The Central Coast region has become a beacon for first homebuyers seeking a more affordable lifestyle. Out-of-area first homebuyers - particularly those relocating from Sydney - are drawn by the promise of better affordability options and a more relaxed way of life.

With its stunning beaches along the Pacific Ocean, picturesque lakes and lush national parks, the Central Coast offers not just beautiful scenery but also a strong sense of community. This blend of nature and accessibility makes it an ideal choice for those looking to escape the hustle and bustle of Sydney metropolitan living. The influx of new residents underpins our local market, providing opportunities for both buyers and sellers while reshaping the local landscape.

Residential housing affordability is a key motivator for many making the move to the Central Coast. With easy access via the M1 Motorway connecting Sydney to Newcastle and a reliable railway line, commuting has become more convenient, attracting those seeking a balance between work and lifestyle.

Suburbs such as Woy Woy, Narara, Niagara Park and Ourimbah have emerged as popular choices among first homebuyers, offering lower price points within the region's residential market. As demand levels are strong within the lower price points of the market, these suburbs are becoming popular with buyers eager to enter the property market for the first time.

For first homebuyers seeking a traditional bricks and mortar investment, the freestanding dwelling

market in the northern areas of the Central Coast offers excellent value. Suburbs such as Gorokan, Toukley and Buff Point feature entry price points typically between \$600,000 and \$700,000, making them accessible options for those entering the housing market.

These suburbs not only provide affordable housing but also a community-oriented lifestyle, with local amenities, parks and proximity to Tuggerah Lakes. As the demand for standalone homes continues to grow, these areas are a smart choice for first-time buyers looking to invest in a property that has the potential for long-term growth prospects.

For those captivated by the refreshing sea breezes off the Tasman Sea, suburbs such as Umina Beach offer enticing options. Here, entry-level units start around \$500,000, while freestanding dwellings are typically priced around \$750,000 to \$850,000.

Living in Umina Beach not only provides a coastal lifestyle but also access to stunning beaches, vibrant cafes, local shopping and schools. This makes it an appealing choice for first homebuyers who want to enjoy the benefits of beachside living while still being within reach of essential amenities.

In conclusion, the Central Coast remains a welcoming haven for first homebuyers, whether they are locals seeking to settle in a familiar area or newcomers drawn by the region's charm. The current market presents numerous opportunities for those willing to conduct thorough research and due diligence. With diverse options available,



The Central Coast region has become a beacon for first homebuyers seeking a more affordable lifestyle.

from affordable freestanding dwellings to beachside units, first homebuyers can find value and a community that suits their lifestyle.



Todd Beckman
Director

Newcastle

Over the past five years, entry levels in the Newcastle and Lake Macquarie areas have been rising at a rapid rate with many locations now having an entry price range of \$500,000 to \$700,000. The government's shared equity scheme along with the bank of mum and dad have assisted first time buyers in 2024. In both cases, these are probably just a short-term fix.

As first-time buyers look for that purchase opportunity, they also find the hidden issues of competing with investors looking for lower value property to rent out. Overall, this makes the local property market under \$700,000 very competitive. Then there is the added complication of financing arrangements, possibly including mortgage insurance costs, which potential investors may not encounter.

Traditional first-time buyer locations such as Edgeworth, Barnsley and West Wallsend have substantially increased in value on the back of new sub-divisions and improving housing quality in the immediate vicinities. Further afield the same can be said for Aberglasslyn, Rutherford, Cliftleigh and Gillieston Heights.

Due to the above, first-time buyers are having to consider older dwellings possibly in need of renovation as a way of entering the property market.

Due to the above, first-time buyers are having to consider older dwellings possibly in need of renovation as a way of entering the property market. This however comes with the burden of rising build costs and expensive renovations. The alternative is to sit and wait with a rental property, however this is fraught with problems due to a lack of supply and high levels of demand in the rental sector, whilst property values are rising.

With the Newcastle, Lake Macquarie and Hunter Valley having a very wide range of values, first-time buyers have plenty of options regarding location. The Hunter Valley region is cheaper than the alternative areas. In Newcastle, unit prices start around \$550,000 for a one-bedroom unit and two-bedroom units at \$650,000 with dwellings starting around \$650,000 to \$700,000.

In the outer Newcastle areas, dwellings start around \$650,000 for a variety of properties.



Darren Sims
Property Valuer

Southern Highlands

Although the Southern Highlands is experiencing a relatively weak market, the first homebuyer or entry level section of the market remains quite active with buyers taking advantage of the market downturn experienced since the highs a few years ago. Given the heightened cost of living, saving for a deposit can be difficult. More first homebuyers are having to turn to the bank of mum and dad

to either contribute to the deposit or offer to be guarantor.

Of the three main centres in the Southern Highlands (Mittagong, Bowral and Moss Vale), all offer options for first homebuyers. Bowral, being the most expensive of the three, offers mostly two-bedroom, strata titled properties (villas or townhouses). If a first homebuyer was looking to purchase a Torrens titled dwelling, they would have more luck in the suburbs surrounding Mittagong, such as Welby, Aylmerton or in the outskirts of Moss Vale.

First homebuyers seeking a village lifestyle away from the three major centres within the Southern Highlands will be hard pressed to find anything in their price bracket outside the satellite villages of Colo Vale, Hill Top, Robertson and Bundanoon with the other more exclusive village suburbs of Exeter, Burrawang and Berrima simply being unaffordable for the first homebuyer.



Kurt Bismire
Associate Director

Shoalhaven

As we move through spring, there is some renewed confidence amongst local agents and property experts that the Shoalhaven residential property market will improve with the warmer weather and the outlook on the horizon of a possible rate cut. Although cost of living pressures are still having an adverse effect on market conditions, there is hope that a possible rate cut will counteract these. Let's take a quick look at how the first homebuyer market is performing.

The first homebuyer market has probably been the strongest performing sector of the Shoalhaven residential property market during 2024. Even in



It seems evident that any movement in interest rates in the future will be downward and this will allow first homebuyers to gain more confidence as they enter the market.

a softening market in 2024, the first homebuyer sector seems to have been the one sector of the residential market still performing well. This is partly due to the affordable entry prices still available in some suburbs in the Shoalhaven region. For instance, in suburbs such as Nowra, Bomaderry, Sanctuary Point and St Georges Basin, a free-standing dwelling can be purchased for under \$600,000 and in some cases in Nowra for under \$500,000. Although the popular coastal suburbs such as Hyams Beach, Callala Bay and Vincentia are still somewhat unaffordable for some first homebuyers, these suburbs are still undergoing softening market conditions.

Due to the continuing high construction costs, first homebuyers are still finding it difficult to purchase land in the new subdivisions in the region and then build. Once a first homebuyer factors in the price of the land and then the cost to build, this amount would likely exceed \$750,000.

It seems evident that any movement in interest rates in the future will be downward and this will allow first homebuyers to gain more confidence as they enter the market. There is also talk from local agents of a possible oversupply of properties expected to be listed during spring which could put further downward pressure on prices and therefore entice more prospective first homebuyers to enter the market.



Joshua Devitt
Associate Director

Wollongong

Making the move from renting to purchasing your first home is a major step, and it can be a daunting one. Ask a first homebuyer what the main barrier to purchasing their first property is and they'll tell you affordability, with higher interest rates and cost of living being key concerns for many. However, there are first homebuyer incentives and assistance available from the New South Wales government with eligible first homebuyers able to take advantage of various grants, discounts and schemes. These include no stamp duty on new or existing properties under \$800,000, a concessional rate on stamp duty for new or existing properties between \$800,000 and \$1 million and if you are able to find one, a \$10,000 grant when purchasing any new or substantially renovated property up to \$600,000.

So what can you get for \$800,000 or less? Well it might not seem like much with realestate.com.au reporting the median house price in the Wollongong region over the past 12 months is \$1.21 million, however the median unit price comes in below the threshold for no stamp duty at \$710,000, showing there are opportunities to be found.

In Helensburgh, two-bedroom villas and units are available. Further south however there are no opportunities to avoid stamp duty until you reach Bulli and Woonona where a limited selection of townhouses and villas are available in the sub \$800,000 range. This trend continues around the Wollongong CBD and surrounding suburbs, albeit with more options available, with freestanding

dwelling not available until Unanderra and Cringila. For detached dwellings in the newer areas, Stream Hill, Huntley, Calderwood and Tullimbar will for the most part be out of reach, however in the surrounding suburbs of Lake Illawarra through to Shell Cove, older freestanding dwellings and newer townhouses can be found. Opportunities to save on stamp duty are limited around Kiama with a small selection of one- and two-bedroom strata units available.

With the possibility of lower interest rates in the next 12 months, could this be the right time for first homebuyers to dive into the property market?

Michael Iacurto
Valuer



Victoria - Residential 2024

Melbourne

For over 100 years, home ownership has been the great Australian dream. But with an ever-increasing population and less available land in metropolitan Melbourne, the traditional home on a quarter acre block is a bridge too far for many.

However, for first homebuyers there are still a number of ways to get their foot on the property ladder, along with various grants and concessions.

The Victorian Government offers a \$10,000 First Home Owner Grant when a person buys or builds their first new home. A person's first new home can be a house, townhouse, apartment, unit or similar. A new home can be a home that has been substantially renovated, or a home built to replace a demolished premises. The contract price for the home must be \$750,000 or less.

First homebuyers may also be eligible for an exemption, concession or reduction from stamp duty for a property purchase. In Victoria, the first homebuyer duty exemption or concession is a one-off duty exemption for a principal place of residence valued up to \$600,000 or a concession for a dutiable value from \$600,001 to \$750,000. This duty exemption or concession is separate from the First Home Owner Grant.

For first homebuyers there are still a number of ways to get their foot on the property ladder, along with various grants and concessions.

Another option for people to consider is the Victorian Homebuyer Fund, a shared equity scheme making it easier for Victorians to enter home ownership. If a first homebuyer has a five per cent deposit, the Victorian Government could contribute up to 25 per cent of the purchase price in exchange for an equivalent share in the property. This will save a first homebuyer money by reducing their mortgage and removing the need for Lender's Mortgage Insurance.

Participants are required to buy back the government's share in their property over time through refinancing, using savings or upon sale of the property. The Victorian Government does not charge interest on its investment in participants' homes but shares in any capital gains or losses proportionate to its share in the property.

With these options in mind, this month we take a closer look at where a first homeowner can buy in Melbourne and the factors influencing their decision.

Melbourne CBD

In Melbourne's CBD, the range of property types available for first homebuyers is not extensive given apartments make up the entire market. Potential buyers looking for a property in Melbourne's CBD are typically looking for the most convenience to

amenities. The CBD has an abundance of amenities such as public transport, restaurants, shopping precincts and most importantly, workplaces. There are a greater number of young professionals living in this area relative to the rest of Victoria.

Working off a maximum price of \$750,000, there is a good supply of apartments within this price range. This one-bedroom apartment located at 2602/27 Little Collins Street towards the "Paris end" of Collins Street sold for \$605,000 in April 2024. This property features one bedroom, one bathroom and study nook and is positioned very well in the desired eastern side of Melbourne's CBD.



2602/27 Little Collins St, Melbourne CBD

Source: realestate.com.au

The above property is a great option for a first home purchaser, however for a property with similar specifications, there are more affordable options in a different part of the CBD. For example, a two-bedroom apartment can be purchased such as this one located at 2404/620 Collins Street. This property sold for \$535,000 in August 2024. This apartment features two bedrooms, one bathroom and one car spot.





2404/620 Collins Street, Melbourne CBD Source: realestate.com.au

South East & Peninsula

The south-east suburbs of Melbourne present a wide variety of choices for first homebuyers, particularly the outer ring suburbs such as Clyde North and Cranbourne. These areas host numerous estates that offer affordable houses aimed at first homebuyers. These regions have developed a family friendly design that ensures schools and parks are consistently within close proximity.

Perspectives and expectations regarding property purchases have evolved over the years, with individuals now tending to buy homes later in life due to rising house prices, while affordability remains a key factor driving demand. Consumers are becoming more informed about the housing market. They increasingly seek government initiatives for first homebuyers and consider co-purchasing properties to make home ownership more attainable

This four-bedroom, two-bathroom home, which sold for \$555,000 in April 2024, demonstrates how affordable housing can effectively meet the needs of families while remaining eligible for these initiatives.



73 Skylark Blvd, Clyde North Source: realestate.com.au

This 1970s property, situated on over 600 square metres of land, offers a substantial land area that offsets its older style. It sold for \$570,000 in May 2024, catering to first homebuyers seeking more land.



22 Haresta Ave, Dandenong Source: realestate.com.au

The middle ring features smaller units and land sizes in exchange for a more sought-after location. This unit, which sold for \$514,000, comprises two bedrooms and one bathroom. It is conveniently located near Monash University and Oakleigh Recreation Reserve, with easy access to the Princess Highway providing direct travel to the CBD.



1/39 Ferntree Gully Rd, Oakleigh Source: realestate.com.au

Eastern Suburbs

First homebuyers looking to enter the market often seek units and apartments in Melbourne's east. For those looking to buy in the inner east to provide easy access to the CBD, apartments and units are a far more realistic option for first homebuyers given the high price difference between strata dwellings and houses in these areas.

This apartment sold in August for \$495,000. It would appeal to many first homebuyers as it features two bedrooms, one bathroom and is within walking distance of the Glenferrie Road shopping strip and also Auburn train station. At this price point, a first-time buyer would be eligible for the \$10,000 grant and a full exemption from stamp duty.



5/20 Victoria Gr, Hawthorn East Source: realestate.com.au

A little further out in Blackburn, a one-bedroom



apartment at 3/18 Queen Street sold in September for \$380,000. It's located in the heart of Blackburn, within 100 metres of the train station. Again, a first homebuyer would receive a full exemption from stamp duty, along with the \$10,000 First Home Owner Grant.



3/18 Queen St, Blackburn

Source: realestate.com.au

The outer east provides some options for first homebuyers, perhaps with a young family, looking for a bigger dwelling and some yard. The Bankside estate in Rowville is a greenfield housing estate with vacant land on offer - a 350 square metre block recently sold there for \$589,000. However, with construction costs at record highs, a house and land package there will tip the first homebuyer over the required threshold for the First Home Owner Grant, so a first homebuyer would have to look at the shared equity scheme, the Victorian Homebuyer Fund.

Northern Suburbs

The northern suburbs have a variety of properties that can be the first home for prospective purchasers entering the market.

In the current market, prospective purchasers are finding it very difficult to secure a property due to increased cost of living, increased property prices over the past five years and higher interest rates, affecting serviceability for loans. Increased

costs overall have led to a slowdown in the market over the past 12 to 18 months, especially in fringe suburbs as construction slows.

Buyers in the market value having a property close to amenities such as public transport, restaurants, cafes and entertainment venues. For this reason, purchasers may look to purchase properties in the inner to middle ring such as Preston, Northcote, Thornbury and Brunswick.

If purchasers were looking to live in these suburbs and want to take advantage of incentives being offered by the government, units, townhouses or apartments are the realistic option. For example, a two-bedroom, one-bathroom unit located at 3/12 Mihil Street, Preston sold for \$705,000 in June.



3/12 Mihil St, Preston

Source: realestate.com.au

For purchasers looking for more land and a freestanding house, the best fit are the fringe suburbs in the north's growth corridor. Potential suburbs to look at could be Donnybrook, Mickleham, Kalkallo and Craigieburn. For example, the four-bedroom, two-bathroom, two-car garage property on 420 square metres of land at 21 Loudon Circuit, Craigieburn sold for \$700,000 in July.



21 Loudon Cct, Craigieburn

Source: realestate.com.au

Western Suburbs

The first homebuyer market is particularly strong in Melbourne's western suburbs, offering a variety of more affordable options compared to other areas of the city.

The available incentives allow buyers to consider new homes in the outer ring, smaller townhouses in the inner ring and even apartments in prime inner suburban locations.

As the housing market grows more competitive, many first homebuyers looking for standalone houses aim to spend under \$700,000, often directing them towards the greater western suburbs. The median home prices in the urban fringes range from \$580,000 to \$650,000, with examples including Truganina (\$649,900), Tarneit (\$650,000) and Wyndham Vale (\$585,000).

For instance, 26 Bagaram Drive in Tarneit sold for \$660,000 in August. Built in 2022, the property features four bedrooms, two bathrooms, and a two-car garage on a 371 square metre lot, a great option for first-time buyers.

For those seeking something more affordable, townhouses such as 22 Ansons Walk, Werribee, which sold for \$540,000 in August, may be more



accessible. This newer 2023 build offers three bedrooms, two bathrooms, and a two-car garage on a 126 square metre lot, balancing affordability and necessary amenities.



26 Bagaram Dve, Tarnait Source: realestate.com.au



22 Ansons Walk, Werribee Source: realestate.com.au

In the middle-ring western suburbs, standalone houses may be less attainable for first homebuyers, but there are still options, such as 2/26 Bracken Grove in Altona, which sold for \$660,000 in August.

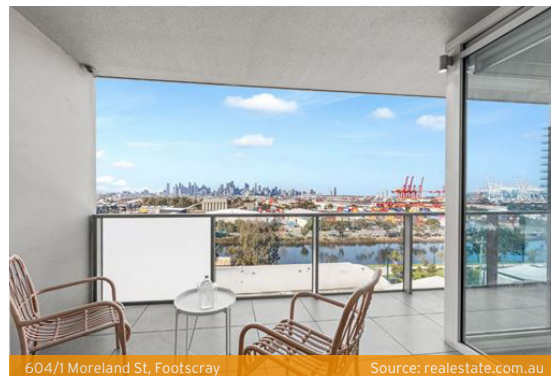
This two-bedroom, one-bathroom unit with a single car space on 94 square metres is attractive for its location, though families may find it too small and seek larger homes further out.



2/26 Bracken Gr, Altona Source: realestate.com.au

Closer to the city, the western suburbs offer first homebuyers apartment options rather than houses or townhouses. In Footscray, with many new and developing apartment towers, there is ample supply, such as 604/1 Moreland Street, which sold for \$690,000 in July.

This apartment features three bedrooms, two bathrooms and two car parks, offering excellent value for money in an inner-suburban location. For buyers prioritising proximity to the city, good access to public transport and established retail amenity, ample living space and city views, this type of apartment can be an ideal choice.



604/1 Moreland St, Footscray Source: realestate.com.au

Geelong

The most relevant assistance for first homebuyers in Greater Geelong includes support for young farmers under 35, who can receive stamp duty exemptions on farmland valued under \$600,000, and concessions for land between \$600,000 and \$750,000. In areas such as Armstrong Creek, Mount Duneed and Charlemont, many first homeowners can take advantage of this grant.

Geelong attracts first homebuyers due to its affordability compared to Melbourne, along with its relative proximity to the city, enhanced by improved infrastructure including the V/Line train line. Many buyers have made a shift into balancing regional living and access to city employment. The flexibility to work from home has increased the incentive to buy in areas further away from the Melbourne CBD.

Shifting priorities include concerns over affordability and a growing trend towards regional living, where buyers can afford larger homes and enjoy outdoor spaces. Remote work has also spurred demand for homes with dedicated office spaces.

Armstrong Creek, Mount Duneed and Charlemont are key growth areas in Geelong. The development of these suburbs has increased housing supply, particularly benefiting first homebuyers looking to take advantage of the First Home Owner Grant. Median house prices in these areas range from \$600,000 to \$700,000.

For example, 22 Duke Street, Armstrong Creek offers four bedrooms and two bathrooms on a 350 square metre block of land, built in 2023. This sold for \$650,000 in July 2024.





22 Duke Street, Armstrong Creek Source: Core Logic 2024

Further out from Geelong, Winchelsea has subdivided lots of land to provide more affordable options in the area. This town is expanding which has provided opportunities for first homebuyers to enter the market at an affordable price. For example, 1 Sinclair Close, Winchelsea, built in 2022, offers four bedrooms on 532 square metres of land, and sold for \$650,000 in May 2024.



1 Sinclair Close, Winchelsea Source: Core Logic 2024

Winchelsea and Armstrong Creek are going to be the main areas where first homebuyers are going to benefit from the grants available. This is due to their affordability, and lots of land being available to build a new home.



Perron King
Director

There are seemingly still a lot of options for first homebuyers in Warrnambool and surrounding townships.

Warrnambool

There are seemingly still a lot of options for first homebuyers in Warrnambool and surrounding townships. Of course, we acknowledge that like many other areas of Australia, the pressure on these aspiring property owners continues to grow, not helped by the increasing activity of investment in the lower cost price bracket.

Across our service areas we are increasingly seeing first-time buyers purchasing within the Victorian Homebuyer Fund, a shared equity scheme delivered by the Victorian state government.

The property purchased isn't always of a similar calibre. While we often find the property is likely already the cheapest on offer at the time, sometimes it appears that buyers are taking advantage of the scheme to reach a little bit higher in price point and therefore acquiring a property which may have been somewhat better maintained - perhaps more modern, better located or boasting a larger allotment area.

First homebuyers should expect to find a detached dwelling of dated, lower grade or something akin to former government housing stock within the price bracket of \$350,000 to \$400,000 in the Warrnambool city limits.

Jordan Mowbray
Valuer

Queensland - Residential 2024

Brisbane

First homebuyers have been well catered for historically by the relatively affordable Brisbane market. Yes, our major capital-city position means we have some extraordinarily pricey property, however our expansive geography has also translated into affordable outer suburb and fringe real estate.

First homebuyers were the backbone of new housing developments for decades. It wasn't too many years ago when first homebuyers could select a block and build a comfortable project home for well under \$500,000. This would be done in a developing residential community with facilities and services evolving along with housing construction and population growth.

Another way first homebuyers could get a foothold in our market was by accepting various measures of compromise on a more established home. For example, you could secure a detached house on a smaller block - perhaps in a secondary position such as on a main road, or near a less desirable land use. Also, if the house was of basic standard and/or required renovation, the price was even lower.

Another path has been via attached housing. Depending on your budget, a variety of compromises could offset high prices - even in blue-chip suburbs. Smaller floor areas and lack of car accommodation could even make suburbs such as New Farm and Newstead accessible to many buyers. If you chose an older unit that was functionally liveable but needed upgrades, then you could again buy in a desirable location and stay under that \$500,000 mark.

Depending on your budget, a variety of compromises could offset high prices - even in blue-chip suburbs.

But it does feel like this sector of the market in Brisbane has undergone a notable shift in recent years, with the past 12 months in particular seeing activity ramp up. There are many reasons why, but key among them is our tight rental market. Quickly rising rents and very low vacancy rates worked in tandem to squeeze many youngsters out of the rental market. If you need to pay \$300-plus per week per bedroom to secure a place to live, it actually makes more sense to purchase a home of your own, because loan servicing costs weren't all that much more than rent anyway.

In fact, one of our team - who works in the near city suburbs where there's plenty of share-houses - said they've seen an appreciable uptick in tenants buying their current rental property from their landlord. It's an attractive transaction for both parties. Many investors are looking to exit the market due to the price they can achieve along with more restrictive rental legislation, but they don't want to deal with the cost of, and other challenges related to, selling a property. Meanwhile the in-situ tenants don't want to move and want to escape the uncertainties of a tight rental market. If the two can come to agreeable terms, then a sale makes sense.

Our valuers have also been pondering the way in which first time buyers are breaking into the market. The struggles of servicing a loan and saving up a deposit are seeing many considering co-buying with friends and family. Other are taking

the rentvesting path. We are also, of course, seeing the bank of mum-and-dad come to the rescue either through gifts or loan guarantees.

But, all that said, we have seen the affordable end of our property market really skyrocket in price in recent years. Older units in prime locations - the absolute playground of those entering the market for the first time - have gone very quickly from \$450,000 to now reaching \$600,000-plus.

And as for those looking to build a property in an establishing housing development, well, high construction costs and long build times have played their part in making this option less affordable.

Yes, it's hard being a first homebuyer in Brisbane right now... but it's not all bad news. There are options for anyone with the motivation and opportunity to participate - it just takes a bit more hunting along with a lot of soul-searching on exactly what you're willing to give up in your dream home to make ownership a reality.

Of course, the need to help first time buyers secure a property isn't going unrecognised by government.

Some of the assistance on hand for first homebuyers in our region includes:

- The Home Guarantee Scheme (HGS) is a federal government program which supports eligible homebuyers to buy a home with a deposit of as little as five per cent;



- ▶ The Queensland government's First Homeowners Grant for buying or building a new home. The grant amount is \$15,000 or \$30,000 depending on your eligibility and criteria;
- ▶ The first home concession for stamp duty, subject to certain requirements. Concession amounts can be claimed on properties purchased up to a value of \$800,000;
- ▶ Rates rebates at council level. For example, Brisbane City Council offers a 50 per cent rates rebate of up to \$1000 for eligible first homeowners purchasing an established property and up to \$2000 for new homes.

But the big question is, of course, what can first homebuyers actually purchase in Greater Brisbane, and is it a good idea to be acquiring a home in this sector at present?

Let's look first at those suburbs closer to Brisbane CBD, and by this I mean addresses such as Auchenflower, Toowong, New Farm, Ascot, West End, Fairfield, Coorparoo, Woolloongabba and Dutton Park.

Within six kilometres of town, most first-time buyers will be restricted to a unit or townhouse purchase. Detached housing in reasonable condition and within this band is pretty much priced above \$1.3 million, which sits outside the budget of most first-time buyers.

Activity in the unit space has certainly ramped up. Sales of these homes were dominated by investors, but agents are now reporting the vast majority of these price-accessible properties are being purchased by first-time homebuyers. This is where we're seeing a large number of renters shift from being tenants to owners.

Interestingly, our valuers aren't seeing much fractional or co-ownership strategies in this inner-city market, but there are a lot of situations where an in-situ tenant is contracting to buy their rental as described above.

First homebuyers are quite active in the one-bedroom unit space at around \$400,000 to \$600,000. For those seeking a two-bedroom unit, they're looking to pay circa \$600,000 to \$700,000.

Some examples of what's on hand in this sector include 2/45 Merthyr Road, New Farm which sold in September this year for \$510,000. This one-bedroom unit in an older, two-storey walk-up block is of modest internal finish. It does include covered



2/45 Merthyr Road, New Farm Source: ealestate.com.au



2/45 Merthyr Road, New Farm Source: ealestate.com.au



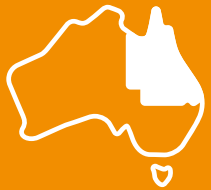
2/45 Merthyr Road, New Farm Source: ealestate.com.au

car accommodation, and its Merthyr Road position is desirable for those wanting to enjoy the delights of New Farm.

In terms of larger units, this property at 6/42 Lang Parade, Auchenflower offers a good size, fully renovated two-bedroom unit in a very well serviced location. The property includes a garage and has easy access to shops and cafés, along with a stroll to the CBD via the river walk. That said, it's in an older three-storey walk-up complex, so a check of body corporate records around maintenance would be a prudent move during due diligence to ensure no outstanding issues. The unit was purchased for \$650,000 in September this year.



6/42 Lang Parade, Auchenflower Source: ealestate.com.au





6/42 Lang Parade, Auchenflower Source: realestate.com.au



6/42 Lang Parade, Auchenflower Source: realestate.com.au

For those with a little more to spend, but who can't quite stretch their budget to a detached house on its own block of land, an older townhouse can be the ideal compromise. These buyers can stay below \$1 million and secure an older but well-presented townhouse in a great location with all the local amenities that make metropolitan living so popular.

An example is 20/18 Glin Avenue, Newmarket which sold in September for \$830,000. This is an older two-level freestanding townhouse providing three-bed, two-bath, two-car accommodation within walking distance of the Newmarket Village shopping and entertainment area.



20/18 Glin Avenue, Newmarket Source: realestate.com.au



20/18 Glin Avenue, Newmarket Source: realestate.com.au

Looking a bit further out and we're considering mid ring and outer suburbs such as Albany Creek, Aspley and Bracken Ridge in the north, and Rocklea, Coopers Plains and Wishart to the south. These are suburbs around nine-plus kilometres from the CBD, and well beyond.

Mid and outer ring suburbs in Brisbane do offer options to our first time buyers, although many first homebuyer transactions in the mid-ring locations still appear to be for townhouses and units due to affordability.

For dwellings in the mid-ring and further out, the first homebuyer is inclined to target entry level properties of course. For these suburbs

this encompasses a budget ranging from around \$700,000 to \$1 million.

For example, this house at 76 Bellicent Road, Bracken Ridge was purchased for \$785,000 in August. It has three-bedroom, one-bathroom, two-car accommodation all set on 587 square metres of land. The property is of modest size and basic fitout but is also in reasonable condition and would allow a first-time buyer entry to the market.



76 Bellicent Road, Bracken Ridge Source: realestate.com.au

Let's now take a look at somewhere which has been a stalwart market for first-time buyers for decades. The combination of low buy-in price and comprehensive services, facilities and infrastructure has lured many to purchase a home in Ipswich, and the western growth corridor.

While the region was seen by Brisbanites as extremely blue-collar and somewhat uncool pre-2005, there's no doubt its cachet has risen in the past couple of decades. Gentrification such as a growing café and arts scene has helped drive the appeal of the older parts of Ipswich. For those looking for newer housing and facilities, major land subdivisions throughout areas such as Ripley Valley and White Rock as well as new releases in existing areas such as Spring Mountain and Redbank Plains are drawcards. There has also been a lot of activity



in large townhouse developments throughout Redbank Plains as well.

In those established Ipswich suburbs such as Raceview, Coalfalls, North Ipswich and Eastern Heights, it's still possible to buy a home for around \$550,000. While it won't be grand, this is a path to ownership many are choosing.

With a higher budget you can secure a property that ticks plenty of boxes too. For example, this four-bed, two-bath, two-car home at 6 Carl Lane, North Ipswich sold in September for \$700,000. There's plenty of accommodation and it appears in reasonable condition - all set on a 450 square metre block with ready access to the Warrego Highway.



As mentioned, there are new homes, along with house-and-land packages, worth looking at in and around Ipswich as well. There's a range of new products which are designed to be within eligibility restrictions set by first homebuyer assistance packages as well. Typically house-and-land packages priced below \$750,000 can take advantage of the available grants.

I also noted Ipswich has become more popular in recent years, but that growth in popularity has

affected affordability since 2021 with land and dwelling sizes being reduced to meet the buyers' budgets. In a lot of instances, to maintain accessible price points, the standard four-bedroom home has reduced in size from around 150 square metres to now be closer to 100 to 120 square metres of living area. We've seen far more three-bed, two-bath, one-car homes being built on smaller blocks too. Some laneway style blocks in estates where a rear lane is use for access are getting as small as 200 square metres or less of land area. The trade-off is, of course, price.

Look at this near-new four-bed, two-bath, two-car home at 14 Saxby Street, South Ripley. It sold in July for \$620,000 and is positioned on a 210 square metre site with rear car access. This near-new home in Providence Estate comes ready to move in with modern appliances and decent quality fittings and fixtures throughout.



Fringe suburbs in Greater Brisbane are also price accessible locations for first time buyers. There are older homes in Caboolture, Morayfield and Kurwongbah in the north, as well as in Marsden, Tanah Merah and Shailer Park in the south. These detached homes can get pretty cheap. Also, highway connections both to the north and south of

Brisbane make it easy for buyers to commute from these fringe addresses.

As always, asset selection is key. Depending on your budget you could secure a reasonable quality detached home for around \$500,000 to \$600,000 which is extremely cheap compared to some other capital cities around the nation.

An example would be this property at 11 Crestwell Close, Morayfield which sold in August for \$600,000. This is a lowset three-bed, one-bath home on 600 square metres of land. It's a basic home of modest presentation, but there's ready access to services and facilities.



The essence of successful first homebuying in Brisbane is this - we have a variety of options on hand for first homebuyers, but it all depends on their budget and where they're willing to make compromises. Once a first-time buyer takes advantage of available grants and other financial assistance, then acquiring a property in and around Brisbane is very achievable. It's also worth remembering - this is just a first step on the property ladder, not the dream home purchase.



David Notley
Director



Gold Coast

Far Northern NSW

Tweed Shire market conditions have further improved over the past 12 months, with market conditions continuing to firm, especially in the sub \$800,000 range, thus making it increasingly difficult for first homebuyers in this locality.

The First Homebuyer Grant in New South Wales is a \$10,000 grant if you purchase a newly built house, townhouse, apartment, unit or similar. The purchase price must not exceed \$600,000. If you purchase vacant land and sign a building contract, the value of the vacant land plus the value of the comprehensive home building contract plus the cost of any building variations are added together. The total combined cost must not exceed \$750,000.

If you purchase a home which was substantially renovated by the seller, the purchase price must not exceed \$600,000.

So what does that leave buyers? Well, forget the idea of a house-and-land package. There's not much chance of a house and land package under \$850,000 in the Tweed Shire anywhere and that's at a minimum.

And a substantially renovated house anywhere in the Tweed Shire not exceeding \$600,000 is also not a reality.

So that leaves buyers with duplexes, townhouses and units.

One of the cheapest units that sold in the Tweed Shire is a circa 1980 original condition two-bedroom, one-bathroom unit at 4/1 Creek Street, Murwillumbah which sold in July 2024 for \$435,000. The most affordable units closer to the coast in Tweed Heads West in dated condition are selling in the early \$500,000 range.



4/1 Creek Street, Murwillumbah

Source: CoreLogic

So the only real possibility of getting the grant in the Tweed Shire is if you find a renovated unit in Murwillumbah.

Banora Point provides some more affordable options if a buyer is considering a townhouse or villa. 9/73-101 Darlington Drive, Banora Point sold in August 2024 for \$600,000. It comprises an original attached single level villa with two bedrooms, one bathroom and single garage.



9/73-101 Darlington Drive, Banora

Source: CoreLogic

A more affordable coastal option is 24/12-20 Sand Street, Kingscliff which is currently under contract (August 2024) for \$675,000. The villa has two bedrooms, one bathroom and single garage. It is in dated condition and close to the Pacific Motorway.



24/12-20 Sand Street, Kingscliff

Source: CoreLogic

At a higher price point, we are finding that dwellings with a dual living arrangement (however not necessarily approved for this purpose), are being purchased by intergenerational families, with one family living upstairs and another family living downstairs.

Some first homebuyers are also renting out rooms to help them cover the cost of the mortgage. Others are building secondary dwellings on properties their families already own.

First homebuyers definitely have to get more creative, however rents are continuing to rise across the Tweed, particularly close to the coast and with limited supply, this is driving them to purchase their own property. However they are also up against downsizers and investors for these types of properties so it's an incredibly tough market to be a first homebuyer.

Central Gold Coast

To recap on what's available in terms of support for Queensland's first homebuyers, The First Home Owner Grant for buying or building a new home is \$30,000 for contracts signed between 20 November 2023 and 30 June 2025 and \$15,000 for contracts signed before November 2023. The first homebuyer market in Queensland has a \$700,000



Some first homebuyers are also renting out rooms to help them cover the cost of the mortgage. Others are building secondary dwellings on properties their families already own.

cap with no stamp duty or LMI insurance applicable. A minimum five per cent deposit is required with an approved lender. Of the big four lenders, only three are approved for this scheme.

There are 35,000 places available for the year 2024-25 for the Housing Australia First Home Guarantee Scheme. These places have a price cap which varies from state to state. In Queensland it is \$700,000 for capital cities and regional centres and \$550,000 for the rest of the state. The scheme is to help first homebuyers having difficulty meeting the eligibility thresholds and criteria to get finance to buy their first home (i.e. most don't have the 20 per cent deposit typically required for a home loan).

To quote from Housing Australia: "Eligible homebuyers can apply for a loan through a Participating Lender who has been authorised by Housing Australia to participate in the HGS".

Housing Australia provides a guarantee to the participating lender of up to 15 per cent of the value of a home loan under the First Home Guarantee or the Regional First Homebuyer Guarantee and up to 18 per cent under the Family Home Guarantee. This enables the homebuyer to buy a home without paying Lenders Mortgage Insurance. The Guarantee is not a cash payment or a deposit for a home loan. Eligibility criteria apply. This also includes previous homeowners who haven't owned a home in the past 10 years.

In addition there is the First Home Concession for transfer or stamp duty. The threshold for

this concession changed on 19 June 2024. This only applies up to an \$800,000 purchase price. Concessions range from \$17,350 for a purchase price or value up to \$709,999 and reduce as the price increases up to the \$800,000 limit. For example, the highest price bracket of \$790,000 to \$799,999 only has a concession of \$1,735, with no concession available for purchase prices over \$800,000.

This concession is calculated at the home concession rate minus the additional concession amount.

For example, for a purchase at \$695,000, the duty is calculated at \$10,150 for the first \$540,000 plus \$6,975, (\$4.50 for every \$100 of the \$155,000, balance above \$540,000), for a total of \$17,125. Deduct the concession amount of \$17,350 (applicable concession for a purchase price of up to \$709,999) and no duty is payable.

For vacant land, this concession applies up to \$499,999 with the applicable concessions ranging from \$10,675 for a purchase up to \$359,999, reducing to \$735 for a purchase ranging from \$490,000 up to \$499,999.

The overall effect of these schemes has been to create strong market activity in the up to \$700,000 market.

This has been notable in western-central localities of the Gold Coast either side of the Pacific Motorway. Carrara, Nerang and Pacific Pines have shown strong increases in the entry level markets in these localities.

Houses are out of these buyers' range for the most part in these localities with strong interest and growth shown more in the unit market for duplex units, cluster unit complexes of townhouses and villas and higher density housing in the walkup and medium rise unit markets. In other words, anything available under \$700,000.

Prices in these areas are particularly strong and strengthening in the entry unit market. Townhouses in Pacific Pines are showing strong price increases. 1 Norris Street at Pacific Pines is a circa 2013 complex with 81 townhouses. Each property has a similar standard of three-bedroom, two-bathroom accommodation with a single garage. There were five recorded sales in the period 20 July 2023 to 30 August 2023 with a price range of \$620,000 up to \$640,000. From 7 December 2023 to 21 March 2024, there were four more sales recorded with a price range of \$697,000 (7 December) up to \$747,000. In the six months to 21 March 2024, there were a further four sales ranging from \$705,000 up to \$750,000.



1 Norris Street, Pacific Pines

Source: CoreLogic

Agents are reporting that price levels are beginning to meet some resistance as this buyer group simply cannot afford to pay any more. Conversely, they also report vendors are aware of the concessions



and are hanging out for as close to the \$700,000 mark as they can get.

In Carrara, entry level into the detached housing market is circa \$800,000 with agents reporting limited first homebuyer activity for houses unless they have the support of the bank of mum and dad. In the unit market however first homebuyers are active but also competing with investors.

It is still possible to get a house in Nerang for the high \$700,000s on a small lot. Agents are reporting a similar story with limited first homebuyer activity for houses and quite high activity in the unit market competing with investors.

In Pacific Pines the first homebuyer is pretty much limited to the cluster unit housing market.

Northern Gold Coast

There are two common ways first homebuyers are entering the market. The first is joint ownership, buying with a friend, relative or partner. The second is parents or guardians going guarantor for their child - using their own property as equity and collateral to help with the loan capacity and repayments.

The \$800,000 to \$1 million price range is typically considered affordable within the central to northern suburbs of the Gold Coast. This market segment is still quite strong with low stock, high demand and short selling periods. Local agents are reporting that if priced appropriately, large numbers are showing up to open homes, multiple offers are being made and they are being sold within two weeks - sometimes less than one week.

The perspectives and expectations of first homebuyers in the Australian property market have evolved significantly in recent years due to a combination of factors such as rising property prices, changing economic conditions, government

policies and societal shifts. Two major changes within the central to northern localities of the Gold Coast are:

Rising Property Prices: Over the past decade, property prices on the Gold Coast have skyrocketed. This has led to increased financial strain on first homebuyers, pushing many to adjust their expectations by looking for smaller homes, apartments or properties in outer suburbs and regional areas where prices are more affordable.

Flexibility and Work-from-Home: The pandemic shifted priorities towards homes that can accommodate flexible work arrangements. First homebuyers are increasingly seeking properties with dedicated home office spaces, outdoor areas and better internet connectivity, rather than focusing solely on proximity to central business districts.

Affordability continues to drive first homebuyer decisions. With the rapid increase in rents, potential first homebuyers are doing the numbers on the cost of living while renting, versus purchasing a property. With that said, other factors that contribute to this decision include where they wish to live and the type of property they wish to live in. Renting in the desired location may work out to be more expensive than buying in a less-desirable area, however this would still be the cheaper option versus purchasing in their desired location. The northern Gold Coast is a prime example of people willing to live further north than previously considered, due to what they can afford compared to properties of a similar price range in southern suburbs.

With the rapid increase in rents, potential first homebuyers are doing the numbers on the cost of living while renting, versus purchasing a property.

The \$400,000 to \$600,000 price range will typically mean two-bedroom accommodation only. Closer to the CBD and Broadwater (Southport, Labrador and Biggera Waters), this price range could secure a two-bedroom, one-bathroom unit of around 50 to 100 square metres in mostly original condition.

Further west (Coombah and Helensvale) this price range could secure a two-bedroom, one-bathroom townhouse, villa or duplex of around 70 to 120 square metres in mostly original condition.

The \$600,000 to \$800,000 price range in areas closer to the CBD and Broadwater (Southport, Labrador and Biggera Waters), could secure a smaller and modern two-bedroom unit or a larger and older two- or three-bedroom unit or townhouse.

Further west (Coombah and Helensvale) this price range could secure a larger three-bedroom, two-bathroom townhouse, villa or duplex in good condition.

The \$800,000 to \$1 million price range in areas closer to the CBD and Broadwater (Southport, Labrador and Biggera Waters), could secure a modern two- or three-bedroom unit of good size with potential views of the surrounding area or the Broadwater. There may also be some original houses or duplexes of good size on average allotments within this price range.

Further west (Coombah and Helensvale) this price range could secure a fully renovated three- or four-bedroom townhouse, villa or duplex of good size and good condition. Dwellings on



land ranging from 600 to 1,000 square metre allotments also start to become available within this price range.

Gold Coast Growth Corridor

Developers were seeing increasing numbers of first homebuyers during and post the COVID period. In fact the majority of land and building packages were first homebuyers. However, agents are now reporting a drop in the number of first homebuyers and we've now seen that the purchase of vacant lots to build a new home has also reduced significantly. Today's buyers are mostly those upgrading to better and newer homes, whilst selling or having sold their old homes and are renting in the meantime.

Part of the reason for the drop in first homebuyers is because the land and building packages are now becoming unaffordable, especially for those who are young and lack savings. Many are turning to buying townhouses that cost less than \$750,000 but will only be eligible for home concessions and not the \$30,000 new property grant.

Affordability is the main factor within the Growth Corridor. Some of the newer generations are saving money for other things including overseas holidays rather than saving up for their first home. Now many realise it is a bit late to save up as most new houses are beyond their reach. The current demand is no longer driven by first homebuyers, rather it is driven by late comers in the market, who now realise they need to be proactive in order to secure their permanent home or miss out. The high cost and competition to rent has changed the mindset

Part of the reason for the drop in first homebuyers is because the land and building packages are now becoming unaffordable, especially for those who are young and lack savings.

of historical renters to realise that it is now more beneficial to own a property.

The most affordable option for first homebuyers who wish to build a new home is smaller vacant land in the vicinity of \$300,000 with areas less than 400 square metres. This means the total cost of land and building would be in the \$600,000 to \$700,000 range. However, this land is found in the outer suburbs, further from the normal place of work and may require more travelling time. Alternatively, terrace homes on small lots of around 200 square metres in more traditional areas may be more affordable for some. Even the new townhouses are now selling in the \$700,000s for a typical three-bedroom unit.

For those who can afford to pay \$800,000 or more, there may be the option to purchase off the plan for townhouses in Coomera, Upper Coomera and Pimpama. However, first homebuyers need to be aware of the \$750,000 price limit. Developers planning to capture the first homebuyer market will be building or pricing accordingly. In Ormeau, there are opportunities to buy new homes in the \$700,000 to \$850,000 bracket in newer stages that are to be released soon. However, the locations are further out of town requiring first homeowners to have their own transport.

For those with a lower budget, there are very limited opportunities, and it may be a case of buying in further removed areas that may require longer commutes to their place of work. For some, it may be a case of settling for home concessions rather than the grant.

Alternatively, first homebuyers could look for a substantially renovated home that has not been lived in since renovated. For example, many older homes have been totally gutted and renovated in Beenleigh and Eagleby and they sell for about \$800,000 today.



Jerusha King
Associate Director

Sunshine Coast

There is little doubt the property market in general remains pretty resilient. The strong rises in interest rates, significant increases to the costs of living and national and global economic uncertainty did slow the property market. However with all this, values remained pretty stable and improved in some instances. The market has become more segmented with certain asset classes and value levels performing well whilst others are lingering. One of the markets that is still performing well is the entry level or first homebuyer market.

So what is the entry level target? From discussions around our office, the number is around \$600,000 to \$700,000. And this covers a wide range of locations and asset types. There are some modern options but don't overlook the older gems as they can allow some value add works.

We have suggested the best place to buy is as close to the beach as possible. Whilst being difficult to enter, this market is still not impossible. There are still some beachside localities that provide this opportunity and this would be for your older, smaller walk up units and townhouses. Check the body corporate fees and sinking funds first to make sure they are low enough for the budget. 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. An original three-bedroom, one-bathroom dwelling on 597 square metres sold recently for \$681,000 in Beerwah. Unit options in these inland locations start at lower price points.

For modern homes and townhouses, the smaller lot product at Aura to the south of Caloundra and Harmony at Palmview also provide a number of good options. A modern three-bedroom terraced house goes for around \$650,000 with a house with a circa 2002 three-bedroom home on 325 square metres at Caloundra West is at \$710,000.

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 they have become viable possibilities. The price points are lower again with a 1930s two-bedroom cottage on 862 square metres of land being around \$400,000.

As always the diversity of the property mix on the coast and hinterland provides a number of opportunities for first homebuyers. It is difficult to identify one specific market for opportunities to purchase properties but there are some great options out there. With the RBA talking tough that the higher interest rates may be here for longer, there is an anticipation that there will be more stock hitting the market. If this is the case and

We have suggested the best place to buy is as close to the beach as possible. Whilst being difficult to enter, this market is still not impossible.

there is a softening in the market, it may assist with improving affordability.



Stuart Greensill
Director

Rockhampton

“First homebuyer options” is a very interesting discussion point among those in the property market in the Rockhampton region at present.

Current market conditions are seeing unprecedented demand from non-local investors who are seeking stock in the same market sector as most first homebuyers in this area, i.e. established housing between \$300,000 and \$600,000.

First homebuyers have access to the Queensland Government's current first homeowner grant. This grant may see recipients receive a \$30,000 grant if a construction contract is signed between 20 November 2023 and 30 June 2025 and the grant is not means tested, broadly speaking. A first home concession is also available which waives the stamp duty for the purchase of a first home under \$800,000 market value (refer to the Queensland Revenue Office website for more information - <https://qro.qld.gov.au/>).

Some local lenders are indicating the established market is becoming so heated that their first homebuyer customers are now starting to buy land and build new and are prepared to wait for builder availability to take advantage of

these grants, whereas over the past 12 to 18 months there had been a strong preference for established homes, either new or fully renovated with no immediate maintenance required. The established market appears to have reached a point where the cost-benefit of immediately moving in no longer outweighs the cost-benefit of buying new.

Local agents are also starting to report some interest returning to vacant land in established areas such as Gracemere which has had very little demand for non-developer stock of vacant land over the past two years. There have now been four settled resales of vacant land in Gracemere in the past six months with agents reporting that the buyers intend to build and live in the properties, again as they see the cost of established housing increase rapidly due to strong demand from investors.

There are still some first homebuyers competing for established housing with investors, however, first homebuyers are not always the highest offers. There are a limited number of vendors who choose to accept a lower offer to keep the home owner-occupied, however this is not considered common practice.

Being a regional locality, there have not been any unconventional ownership strategies seen by buyers such as rent-vesting, or fractional ownership. Mum and Dad becoming guarantors for their first homebuyer children is probably the most frequently seen form of assistance here.



Cara Pincombe
Associate Director



Gladstone

Current market conditions in the Gladstone region are definitely tough if you are a first homebuyer. The market is seeing unprecedented demand from mostly non-local investors who are seeking stock in the same price sector as most first homebuyers in this area. In most cases this is established housing between \$300,000 and \$600,000.

Last week, I inspected a property that was under contract. The dwelling was a very modest but neat and tidy, 40-year-old three-bedroom, one-bathroom home with a single garage in an established suburb of Gladstone close to shops and schools. The property had hit the market on Friday at offers over \$370,000. By Sunday the agent had received 48 written offers for the property with the highest offer being \$490,000. Of the 48 offers, the agent advised that only two were locals and their offers were substantially less. Put simply, locals and more specifically, first homebuyers are being priced out of the market by investors.

Over the past 12 months we have completed a far higher number of valuations where the parents are going in as guarantors for their children who are first homebuyers just so they have the chance to compete with the investors in the market.

There have been a few cases where a vendor has chosen to accept a lower offer made by a local or a first homebuyer in order to keep the home owner-occupied, however this is not considered common practice.



Regan Aprile
Director

Bundaberg

First homebuyers have access to the Queensland Government's current first homeowner grant. Recipients receive a \$30,000 grant if a construction contract is signed between 20 November 2023 and 30 June 2025 and this is not means tested, broadly speaking. A first home concession is also available which waives the stamp duty on a first home purchase under \$800,000 market value.

First homebuyers in the Bundaberg town area can still pick up a house in the \$300,000 to \$500,000 range that four years ago would have been \$200,000 to \$400,000.

For example, a partly renovated, lowset 1950s timber dwelling sold recently for \$353,000. Any timber houses that have been renovated are now in the late \$400,000s to mid to late \$500,000s depending on the quality of renovation. This is pushing prospective first homeowners to their budget limits. Circa 2000, four-bedroom two-bathroom houses with a two-car garage are now in the \$650,000 plus range.

In Bargara, the lowest residential sale is now just over \$500,000 for a 1960s build, but the average is well over \$700,000 which may well be pricing first homeowners out of the market.



Megan Matteschek
Valuer

Emerald

First up, here's some of the financial assistance on hand for first homebuyers. While some have no doubt been covered in other submissions in this issue of Month In Review, for those reading just this Emerald article, I'll do a recap.

The Queensland Revenue Office provides a First Homebuyer Grant for new homes of \$15,000 for contracts signed before 20 November 2023 and \$30,000 for contracts signed between 20 November 2023 and 30 June 2025 depending on eligibility. This applies to new homes or substantially renovated homes valued at \$750,000 or less which haven't been lived in post renovation. The first homebuyer must be an Australian citizen or permanent resident to be eligible.

The First Home Guarantee offered by the National Housing Finance Investment Corporation on behalf of the Australian Government allows eligible homebuyers to buy a home with as little as five per cent deposit without paying Lenders Mortgage Insurance. The homebuyer must be over 18 years old, an Australian citizen or permanent resident and earning at least \$125,000 per year for individuals or \$200,000 for dual applicants. It is not necessary for the home to be brand new to qualify for this guarantee.

High rental demand and prices combined with low rental supply would be driving first homebuyers in Emerald into their first homes however due to the ongoing high cost of construction, brand new homes available to purchase are limited and the cost of building a new home is outside the ability of many participants.



Kellie Blomfield
Valuer

Mackay

Prospective first homebuyers in the Mackay region are finding it hard to secure properties at present. First homebuyers looking for established housing are competing for the same stock and in the same market sector (\$300,000 to \$600,000) as



non-local investors who have started flooding the Mackay market. In many cases these investors are offering well above list price and first homebuyers are often missing out on multiple properties because of the strong competition from investors. There is very little housing stock for sale under \$400,000 and the odd properties that are available are generally in original condition or located in outer lying suburbs located 30 or more minutes away.

The first homeowner's grant in Queensland has doubled from \$15,000 to \$30,000 until 30 June 2025 for building or buying a brand new home. The grant is available for a purchase or total package up to \$800,000. Builders have reported that the cost of building materials appears to be stabilising and construction times are shorter than they have been over the past three years. This, coupled with the increase in investor activity in the Mackay region means that building for first homebuyers has become an attractive option over buying an established home, especially if they are willing and able to wait for construction to finish.



Jade Shuttlewood
Valuer

Whitsunday

Increases in property prices over the past couple of years have resulted in brand new or newly renovated properties being out of reach for first homebuyers in the Whitsundays and Bowen region. It is becoming more common for this demographic to forgo the \$30,000 First Home Owner's Grant and to seek alternative options. There are still good options for first homebuyers in the region if they look a little further out. For example, for under \$450,000 in Proserpine you

can still buy a neat and updated detached 1960s, three-bedroom, one-bathroom house. For under \$500,000 in Cannonvale first homebuyers are limited to attached housing and depending on age and configuration, there are units for under \$400,000 available. In Bowen there is detached housing available for under \$450,000 although these may need some work. Liveable sheds in rural residential locations are also becoming more common and can offer modern fitouts, and while many are not council approved for permanent occupation, some are opting for this more affordable option.



Tayla Richardson
Valuer

Hervey Bay

Building or purchasing a home in Hervey Bay is largely considered unachievable to the broader first homebuyer market.

In recent years, Hervey Bay has emerged as an attractive destination for investors looking to capitalise on the relatively cheap real estate market which has further diminished the first homebuyer market. Local mortgage brokers and real estate agents report that first homebuyers are often outgunned by existing homeowners, downsizers, retirees, or local and interstate investors.

There are various new land estates across numerous suburbs being developed however most of these releases are quickly snapped up by cashed up owner-occupiers or investors with most entry

level options still priced outside a typical first homebuyer's budget.

Historically, Maryborough, Howard and Torbanlea have been seen as more affordable options however, these areas have also experienced above average growth in recent times compared to historical trends, with agents reporting shorter selling periods and strong demand from all areas of the market.

Due to the price escalation experienced over the past two years, the Hervey Bay housing market is currently not very accommodating to first homebuyers who live and work in the area which traditionally hasn't been the case.

Max Toohey
Valuer

Townsville

First homebuyers continue to be an important dynamic in the Townsville residential real estate market. Conditions for this sector of the market have become increasingly more difficult in recent times due to a number of different dynamics. The Townsville property market has experienced some of the strongest growth in prices over the past 12 months compared to other regions across Australia. This has seen a significant jump in the entry level price point for dwellings in Townsville which has made home ownership less affordable for first homebuyers compared to past conditions. Townsville has also experienced a tightening in the rental market in recent times with historically low vacancy rates and all time high rental levels. This

The Townsville property market has experienced some of the strongest growth in prices over the past 12 months compared to other regions across Australia.



along with the cost of living crisis have left first homeowners facing challenges when trying to save a sufficient deposit to be in an equitable position to enter the market. The increase in interest rates over the same period of growth has made making ends meet more difficult and is stretching the budget further for those who have entered the market.

First homebuyers are predominantly active in the \$400,000 to \$600,000 price point which is also the most sought-after sector of the market for investors with the greatest rental returns typically occurring in this price range. Properties in this price range are seeing record interest with a substantial number of buyers in this sector of the market and these houses are often subject to multiple offers. The majority of these sales for first homebuyers transact outside of the CBD fringe with limited opportunities for first homebuyers in the inner city market. The unit market has also had a recent upswing with evidence that first homebuyers being priced out of the traditional dwelling market have seen the value in the established unit market. This sector of the unit market has not experienced the same rate of growth in recent years compared to the established housing market which has been seen as a more desirable option for some.

There has also been a noticeable trend of new first homebuyers moving to Townsville from larger centres due to homes in this price range still available which is certainly not the case in larger regional and capital cities. Demand continues to outweigh the relatively low level of supply of properties on the market and as long as this imbalance remains, conditions for first homebuyers are likely to remain difficult.



Hayden Lynam
Valuer

Cairns

Despite government support for new builds and off the plan purchases, the first homebuyer's market is not a very active sector of the Cairns property market. There are very limited options for first homebuyers in the inner to middle suburbs within Cairns City (within 15 kilometres) due to price point pressure and the lack of new builds. New detached homes on small lots in these suburbs typically sell over the \$700,000 to \$750,000 threshold for both first homebuyer's grant and stamp duty concession. Buyers seeking the grant are therefore restricted to new unit complex developments, duplex units or small lot community title developments, of which there are few and competition is strong, particularly from investors.

Options for first homebuyers seeking government assistance to buy newly constructed homes are restricted to the southern corridor suburbs of Edmonton, Mount Peter and Gordonvale (16 to 25 kilometres from Cairns CBD). New build entry points are around \$650,000 and are typically situated on lots between 400 and 500 square metres.

First homebuyers seeking government assistance in the Cairns property market are realistically limited to new construction, however this sector has its challenges. Similar to the new build and off the plan market, there are no realistic options in the inner to middle suburbs or northern beaches due to no available land or high land price points. The southern corridor suburbs provide a ready supply

of affordable land with entry points starting from around \$230,000, although prices are steadily rising and new land is selling quickly at this price point.

The building crisis in Cairns shows no signs of easing. It is currently very difficult to secure a builder and build costs continue to rise with lead-in times now up to 12 months for some builders if you are lucky enough to secure one. Entry level build costs for a new, average quality, average size, three-bedroom, two-bathroom rendered masonry home with two-car garage, patio, basic landscaping, fencing and driveway is now typically \$375,000 or close to \$2,000 per square metres overall. The minimum total land and build cost outlay is therefore in the range of \$600,000 to \$625,000.



Danny Glasson
Director

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. Focusing primarily within the Toowoomba area, the median house price across Toowoomba has firmly risen over the previous five years and is still showing signs of increasing, which has primarily been driven by low stock levels entering the

The building crisis in Cairns shows no signs of easing. It is currently very difficult to secure a builder and build costs continue to rise with lead-in times now up to 12 months for some builders.



market in contrast to demand, which has continued to support home prices. Given this increase, it is clear that first homebuyers are now either looking further afield and purchasing in suburbs further from the CBD or are generally considering purchasing a unit in the inner, middle and outer rings of Toowoomba.

Entry level suburbs include:

Glenvale

Glenvale is an outer western suburb of Toowoomba approximately six kilometres from the Toowoomba CBD. The median house price is \$580,000 (an increase of 11.5 per cent) with a median unit price of \$440,000 (an increase of 17.3 per cent).

Recent sales within this suburb include:

42 Alistair Street, Glenvale QLD 4350

- ▶ **Sale Price:** \$590,000
- ▶ **Land Area:** 394 sqm
- ▶ **Accommodation:** 3/2/1 (107 sqm main living)



42 Alistair Street, Glenvale

Source: CoreLogic

1/12 Chainey Court, Glenvale QLD 4350

- ▶ **Sale Price:** \$442,000
- ▶ **Living Area:** 91 sqm
- ▶ **Accommodation:** 2/2/1



1/12 Chainey Court, Glenvale

Source: CoreLogic

Darling Heights

Darling Heights is a suburb of Toowoomba located in the south-western sector of Toowoomba City approximately 4.5 kilometres from the CBD and is the location of the University of Southern Queensland. The median house price is \$561,000 (an increase of 9.1 per cent) with a median unit price of \$410,000 (an increase of 15.3 per cent).

Recent sales within this suburb include:

40 Wuth Street, Darling Heights QLD 4350

- ▶ **Sale Price:** \$557,000 (pending settlement)
- ▶ **Land Area:** 616 sqm
- ▶ **Accommodation:** 3/1/1 (122 sqm main living)



40 Wuth Street, Darling Heights

Source: CoreLogic

1/9-11 Amber Court, Darling Heights QLD 4350

- ▶ **Sale Price:** \$420,000
- ▶ **Living Area:** 126 sqm
- ▶ **Accommodation:** 3/2/1



1/9-11 Amber Court, Darling Heights

Source: realestate.com.au

Wilsonton

Wilsonton is a suburb of Toowoomba approximately three kilometres from the CBD in the north-west sector of the city surrounding the Warrego Highway. The median house price is \$502,500 (an increase of 14.7 per cent) with a median unit price of \$340,000 (an increase of 0.9 per cent).

Recent sales within this suburb include:

28 Dalmeny Street, Wilsonton QLD 4350

- ▶ **Sale Price:** \$490,000
- ▶ **Land Area:** 607 sqm
- ▶ **Accommodation:** 3/1/2 (111 sqm main living)



28 Dalmeny Street, Wilsonton

Source: realestate.com.au





1/4 Denyer Street, Wilsonton QLD 4350

- ▶ **Sale Price:** \$370,000
- ▶ **Living Area:** 69 sqm
- ▶ **Accommodation:** 2/1/1



1/4 Denyer Street, Wilsonton

Source: CoreLogic

Harlaxton

Harlaxton is a suburb of Toowoomba approximately four kilometres north of the Toowoomba CBD. The area includes a reasonably extensive amount of industrial development and the railway marshalling yards for freight wagons. The median house price is \$475,000 (an increase of 10.5 per cent) with a median unit price of \$404,000 (an increase of 13.8 per cent).

Recent sales within this suburb include:

30 Wattle Street, Harlaxton QLD 4350

- ▶ **Sale Price:** \$491,000
- ▶ **Land Area:** 523 sqm
- ▶ **Accommodation:** 2/1/2 - Internally updated



30 Wattle Street, Harlaxton

Source: CoreLogic

1/4-6 Costello Street ,Harlaxton QLD 4350

- ▶ **Sale Price:** \$415,000
- ▶ **Living Area:** 88 sqm
- ▶ **Accommodation:** 3/2/1



1/4-6 Costello Street ,Harlaxton

Source: CoreLogic

Rockville

Rockville is a suburb of Toowoomba approximately four kilometres north-west of the city centre with part of the suburb being used for light industrial purposes. The median house price is \$480,000 (an increase of 13.6 per cent) with a median unit price of \$357,000 (a decrease slightly of 1.4 per cent) which appears to be based on a small volume of unit sales.

Recent sales within this suburb include:

56 Holberton Street, Rockville QLD 4350

- ▶ **Sale Price:** \$470,000
- ▶ **Land Area:** 678 sqm
- ▶ **Accommodation:** 2/1/3 (main living area: 97)



56 Holberton Street, Rockville

Source: CoreLogic

4/173 North Street, Rockville QLD 4350

- ▶ **Sale Price:** \$335,000
- ▶ **Living Area:** 90 sqm
- ▶ **Accommodation:** 3/1/1



4/173 North Street, Rockville

Source: CoreLogic

Cranley

Cranley is a fringe Toowoomba city location to its north-west, approximately six kilometres from the Toowoomba CBD. The median house price is \$645,000 (an increase of 26.1 per cent) and the median unit price is \$430,000 (an increase of 21.1 per cent).

Recent sales within this suburb include:

37 Adelaide Street, Cranley QLD 4350

- ▶ **Sale Price:** \$645,000
- ▶ **Land Area:** 576 sqm
- ▶ **Accommodation:** 4/2/2 (main living: 180 sqm)



37 Adelaide Street, Cranley

Source: CoreLogic

2/6 Adelaide Street, Cranley QLD 4350

- ▶ **Sale Price:** \$455,000
- ▶ **Living area:** 108 sqm
- ▶ **Accommodation:** 3/2/1



2/6 Adelaide Street, Cranley

Source: CoreLogic

Harristown

Harristown is an older established suburb located approximately two kilometres south-west of the Toowoomba City centre. The median house price is \$525,000 (an increase of 11.7 per cent) with a median unit price of \$364,950 (an increase of 35.2 per cent).

Recent sales within this suburb include:

487 Alderley Street, Harristown QLD 4350

- ▶ **Sale Price:** \$520,000
- ▶ **Land Area:** 620 sqm
- ▶ **Accommodation:** 3/1/1 (main living area: 129 sqm)



487 Alderley Street, Harristown

Source: CoreLogic

2/10 Buckland Street, Harristown QLD 4350

- ▶ **Sale Price:** \$315,000
- ▶ **Living area:** 80 sqm
- ▶ **Accommodation:** 2/1/1



2/10 Buckland Street, Harristown

Source: CoreLogic

South Toowoomba

South Toowoomba comprises an established inner city residential suburb approximately two kilometres from the CBD. The median house price is \$552,000 (an increase of 12.1 per cent) with a median unit price of \$472,000 (an increase of 11.1 per cent).

Recent sales within this suburb include:

207 Long Street, South Toowoomba QLD 4350

- ▶ **Sale Price:** \$555,000
- ▶ **Land Area:** 572 sqm
- ▶ **Accommodation:** 2/1/1 (main living area: 102



207 Long Street, South Toowoomba

Source: CoreLogic

3/2 Peel Street, South Toowoomba QLD 4350

- ▶ **Sale Price:** \$472,000
- ▶ **Living area:** 70 sqm
- ▶ **Accommodation:** 2/2/1



3/2 Peel Street, South Toowoomba

Source: CoreLogic

First homebuyers continue to face challenges entering the property market even with the support of government grants available given the higher entry point in some localities and suburbs. Current first homebuyer government incentives available in our coverage area include:

- ▶ **First Home Owners Grant** provides first-time homebuyers with a one-time payment of either \$15,000 or \$30,000 to help with the costs of buying or building a new home with \$30,000 for contracts signed between 20 November 2023 and 30 June 2025 (both dates inclusive) and \$15,000 for contracts signed before 20 November 2023. It is for people building their first home or buying a brand new home that has never been lived in before. It can be used for houses, units, apartments or townhouses.
- ▶ **Home Guarantee Scheme** has 35,000 spots available each year for first homebuyers or previous homeowners who haven't owned a property in Australia in the past 10 years, allowing a first homebuyer to buy with a five per cent deposit with the government guaranteeing



the lender the remaining 15 per cent of the property value. There is no Lender's Mortgage Insurance.

- ▶ **Queensland Stamp Duty Rebate** known as the First Home Concession which includes stamp duty exemption within certain threshold values.
- ▶ **Regional First Home Guarantee** has 10,000 spots available each year to regional first homebuyers. This allows you to buy with a five per cent deposit (plus buying costs) and the government will guarantee the other 15 per cent on house and land in regional areas (such as the Darling Downs). There is no Lender's Mortgage Insurance, subject to conditions.
- ▶ **Family Home Guarantee** for single parents, who pay a two per cent deposit and the government guarantees the other 18 per cent. There is no Lender's Mortgage Insurance.
- ▶ **The First Home Super Saver Scheme** can help first homebuyers save for a home quicker by making voluntary contributions to their super, which they can then withdraw to buy a property. The benefit of this scheme lies with the super tax rate, which at 15 per cent is lower than normal income tax.

It is recognised that first homebuyers have a number of diverse options to purchasing their first property, such as rentvesting, fractional ownership or co-buying. However, in our experience, many first homebuyers are instead taking advantage of the grants mentioned above, particularly the Regional First Home Guarantee and the First Home Loan Deposit Scheme. Another popular option is the family guarantee, in which related parties or relatives are utilising their own assets as collateral to avoid paying Lenders Mortgage Insurance and, with some

lenders, are able to borrow the whole purchase price plus any associated fees.

We consider the first homebuyer market for Toowoomba and surrounds will remain relatively strong and will continue to be driven by the region's current record low vacancy rates, relative affordability in comparison to some of our metro localities, a sound local job market and considerable infrastructure development, both existing and proposed for the region. We maintain that a prudent purchaser can feel secure in purchasing in various localities throughout the Darling Downs coverage area. However, as always, it is still important to recognise that there continues to be an element of uncertainty as to how the local economy will continue to respond to the higher inflation and costs of living pressures, and the current borrowing cost and interest rate environment.



Marissa Griffin
Director



South Australia - Residential 2024

Adelaide

First homebuyers have been granted further relief in the South Australian state budget, as touted in our previous edition looking at vacant land markets. The removal of value caps and the abolishment of stamp duty for first homebuyers purchasing new homes or building their principal place of residence are measures aimed at helping first homebuyers get themselves into the property market.

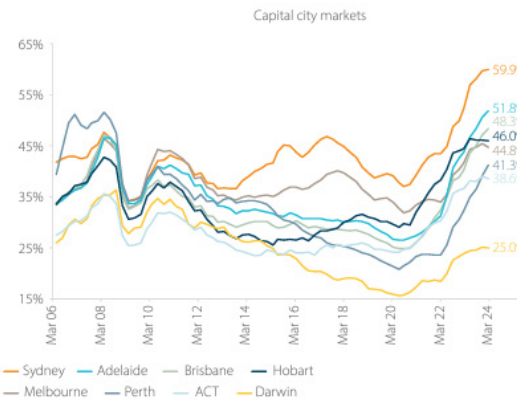
Despite policy reforms, those looking to get their foot on the property ladder are still faced with a challenging market that includes competition from interstate investors and local downsizers, all whilst facing the rising cost of living. Recent data from the ABS indicates that new loan commitments to first homebuyers declined throughout 2024, registering 569 commitments in July of this year, a reduction from the 597 recorded in January and down from the 2021 peak of 1,078. In conjunction with this, the dollar value of loan commitments for investors has been steadily increasing since January 2023, recording the highest level published by ABS since 2006. This data is a further indication of the investor-laden market that first homebuyers are competing with.

In addition to decreasing loan commitments for first homebuyers, there are broader and equally challenging economic signs. South Australia, according to CoreLogic and ANZ's housing affordability report, has the second highest percentage of median income being used to service new loans on residential dwellings, at

Those looking to get their foot on the property ladder are still faced with a challenging market that includes competition from interstate investors and local downsizers, all whilst facing the rising cost of living.



New loan commitments to owner-occupier first homebuyers in South Australia Source: ABS



Percentage of median income servicing new loans Source: ANZ & CoreLogic Housing Affordability Report - April 2024

51.89 per cent. This is another hurdle that first homebuyers in South Australia are trying to combat with a higher percentage of their income being used to service a loan, relative to interstate purchasers.

In order to look at what options are available for first homebuyers, we have sought to find listings below Adelaide's median house price of \$785,000, which recently surpassed the Melbourne median of \$776,000. Searching in the more established suburbs, first homebuyers may have to sacrifice the government grants for the convenience of being closer to the Adelaide CBD, due to the scarcity of new builds. Options available in the inner metropolitan areas are typically smaller, less modern and far rarer at this price level. 1/74 Alabama Avenue, Prospect offers the purchaser a community titled, three-bedroom and one-bathroom dwelling with a sandstone and brick facade, secure carport and built-in robes. The property is eight kilometres north of the CBD and listed for \$740,000. 24 High Street, Kensington presents the opportunity to own a character cottage in the eastern suburbs, listed for \$730,000. The Kensington property features two bedrooms and one bathroom in a compact layout with original timber flooring, split-system air conditioning and a 1.5kW solar panel system.





1/74 Alabama Avenue, Prospect Source: realestate.com.au

double garage, combined kitchen and meals area, walk-in robe to the master bedroom and a 6.3kW solar system. The property itself is situated six kilometres west of the CBD, in close proximity to Adelaide airport.

In searching solely for new builds under the median price, the criteria yields roughly 355 results on realestate.com.au, with the majority of these situated in the northern suburbs, being house and land packages. Opportunities exist in Andrews Farm in the form of three- and four-bedroom packages in the \$550,000 to \$615,000 range. Angle Vale offers similar opportunities in a slightly higher price bracket, being \$580,000 to \$680,000, whilst



24 High Street, Kensington Source: realestate.com.au

11b Gertrude Street, Brooklyn Park will go to auction, with a listed price of \$610,000. The dwelling features three bedrooms, one bathroom,



11B Gertrude Street, Brooklyn Park Source: realestate.com.au



House and Land package - Andrews Farm Source: realestate.com.au



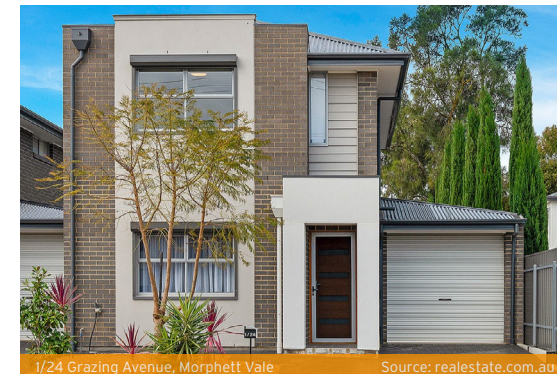
House and Land package - Munno Para Source: realestate.com.au

Munno Para properties start at just over \$500,000. The developers active in this space include Hickinbotham (Angle Vale and Munno Para) and Weeks Homes (Andrews Farm).

Units, townhouses and apartments are other options available to first homebuyers, with new builds and established prices coming in lower than dwellings. Cedar Woods construction continues in the city fringe suburb of Glenside with the Elegan apartments, starting at \$545,000 for one bedroom and one bathroom, rising to \$670,000 for a two-bedroom apartment. The development sits directly behind Foodland Frewville, minutes from Adelaide's parklands and three kilometres from the



Elegan Apartments - Glenside Source: realestate.com.au



1/24 Grazing Avenue, Morphet Vale Source: realestate.com.au



CBD. A townhouse in Morphett Vale at 1/24 Grazing Avenue offers the purchaser three bedrooms and one bathroom within a 2019 built home, listed for \$579,000 to \$629,000.

There's no doubt it's a challenging time to be in the market for your first home. The significant increases in value from 2021 have priced a lot of potential buyers out of suburbs and areas that they previously would have expected to afford. First homebuyers are now having to look further afield to greenfield developments, or alternatively reconsider their ability to purchase a standalone dwelling and turn to the unit and apartment markets at lower entry costs.



Nick Smerdon
Valuer

Mount Gambier

The Mount Gambier housing market is attractive when it comes to first homebuyers as it is still a relatively affordable market compared to other larger regional cities. The South Australian government has recently announced the First Home Owner Grant and a stamp duty relief grant. These grants are up to \$15,000 each for first homebuyers who are buying or building a new home that has not been previously occupied or sold as a place of residence. To qualify for these grants, the home needs to be your principal place of residence for 12 months. We are yet to see an increase in first homebuyers electing to build in the Mount Gambier market in the past 12 months due to the increased building costs and timeframes. Additionally, newly built homes in Mount Gambier are achieving strong prices with the average price point starting around \$500,000, pricing a large portion of first homebuyers out of the market.

The popular first homebuyer price bracket in the market is currently \$300,000 to \$450,000. This price range has a high demand with not only first homebuyers but also investors. Properties listed in this range have less days on market due to the high demand.

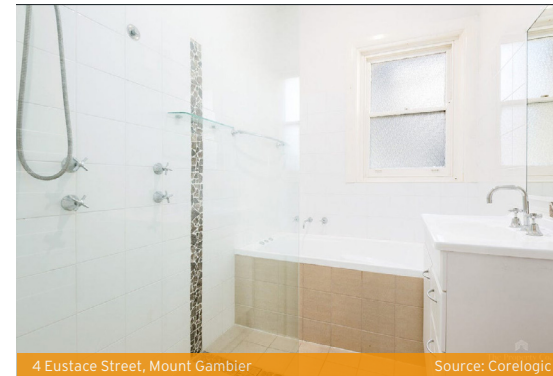
In this entry level housing, we are seeing first homebuyers compromise on location, size and condition of the property. An example of a property listed within this popular price bracket is 4 Eustace Street, Mount Gambier. This property was listed with a price range of \$399,000 to \$429,000 and consists of three bedrooms, one bathroom and one car detached garage and carport. The property is



4 Eustace Street, Mount Gambier Source: Corelogic



4 Eustace Street, Mount Gambier Source: Corelogic



4 Eustace Street, Mount Gambier Source: Corelogic

on an 896 square metre allotment close to the CBD. After only a week on the market, the property was under contract and sold over the asking price for \$435,000.

A second example of a property in this price bracket seeing high demand is 49 Crouch Street North, Mount Gambier. This property has three bedrooms, one bathroom and a two-car garage and was listed for \$359,000 to \$389,000. The property sold for \$403,000, \$14,000 over the upper end of the asking price.

Agents have advised that properties in this lower price bracket are in high demand with first

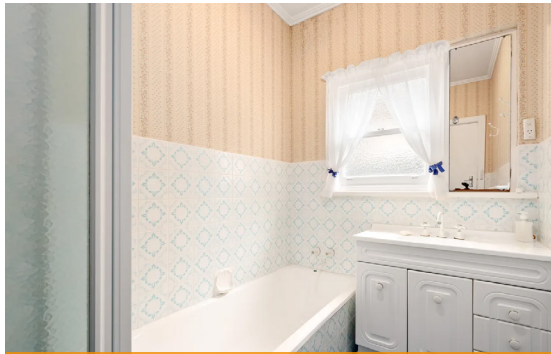


49 Crouch Street North, Mount Gambier Source: Corelogic





49 Crouch Street North, Mount Gambier Source: Corelogic



49 Crouch Street North, Mount Gambier Source: Corelogic

homebuyers and investors driving prices up.

Overall, given the affordability of the Mount Gambier market we will continue to see first homebuyers active in this price range.



Lauren Kain
Property Valuer

Western Australia - Residential 2024

Perth

We are well into spring and what better way to celebrate the spirit of fresh new beginnings than to delve into the world of first home ownership! This month, we will not only provide an overview of first-home-buyer-friendly property across the state, we will also take a look at the financial aids and methods of purchase that can help first homebuyers when taking that big leap into home ownership.

In Western Australia, first homebuyers can take advantage of the First Home Owner Grant, a \$10,000 lump sum offered by the state government to put towards building or the purchase of a brand new home for properties valued under \$750,000 if you're below the 26th parallel (think a line from about Shark Bay to the South Australian border) or \$1 million if you're above it.

In addition, a First Home Owner Rate, a stamp duty subsidy, is also offered regardless of whether the property is new (i.e. on the purchase of vacant land) or established. This is essentially a concessional rate of stamp duty payments of \$15.01 for every \$100 which exceeds \$450,000 for established properties valued between \$450,000 and \$600,000, with duty being waived altogether for those valued under \$450,000. When considering buying land to build a new home, the First Home Owner Rate is \$13.01 for every \$100 that exceeds \$300,000 up to \$400,000, with no duty payable on lots valued below \$300,000.

Eligible first-time buyers can also apply for a grant from the Homebuyers Assistance Account,

a reimbursement of up to \$2000 to go towards incidental expenses such as building inspections and settlement fees.

For buyers who might still be struggling to raise deposit funds or have issues with serviceability when it comes to borrowing against the full value of the home, there are a few alternative innovative schemes to help first-time buyers enter the market.

If a 20 per cent deposit is not on the cards for you and you meet the eligibility requirements, you can apply for one of the 35,000 First Home Guarantees on offer, administered by Housing Australia. This Guarantee is not a cash payment or deposit, but rather a guarantee for up to 15 per cent of your deposit so that you do not need to pay Lenders Mortgage Insurance, meaning you can enter the market with as little as five per cent (subject to participating lenders) and save thousands of dollars in the long run in insurance payments! There are property price limits for this, such as \$600,000 in the Perth metro area, so please refer to the Housing Australia website for individual postcodes.

Keystart, a Western Australian government backed lender, also offers eligible buyers a low deposit scheme starting from two per cent for a maximum purchase price of \$650,000 in Perth metro, however they naturally come with certain

conditions, so you will need to consider your servicing capability.

Other innovative ways buyers can look into to enter the market include: co-ownership (shared use of the property as a whole); fractional ownership (owning a part share of the property, and is a bit more structured); and rentvesting (owning a more affordable investment property while renting in your desired location that might be more expensive). Some buyers may have a relative who may be agreeable to act as guarantor for a loan. There are also various rebates being offered for some loan products in the marketplace, although buyers should use caution and consider how each lender assesses the impact of such rebates.

We highly recommend seeking advice from a qualified financial adviser or broker prior to working out which option suits your requirements.

Now, let's get into the property side of it. Firstly, taking a look at the inner ring of Perth, the first homeowner market is predominantly filled with a variety of buyers, many of whom are trying to escape the rental market, but also features many new arrivals to the state.

Although the inner ring suburbs of Perth offer many older, affordable apartments in the sub \$450,000 market, this demographic of first

The first homeowner market is predominantly filled with a variety of buyers, many of whom are trying to escape the rental market, but also features many new arrivals to the state.



homebuyers has been seen to lately favour off the plan apartments, as they now have access to increased under-construction duty concessions, granted by the state government as part of the \$80 million Infrastructure Development Fund to increase housing supply, affordability and infill for the CBD locations of Perth and surrounds. The concessions include a transfer duty concession of up to 75 per cent (capped at \$50,000) for those signing an eligible contract for off the plan purchase. This increased government funding offers an alternative and more viable opportunity for first homebuyers to enter the market, particularly if the complex is already approaching completion.

Located a short 5.5 kilometres from Perth CBD and minutes away from Optus Stadium and the Crown Casino is The Point, a residential and commercial mixed use development currently near completion (estimated October 2024). Apartments in this development offer the option of views of the Perth Skyline, Swan River and Darling Scarp. Amenities include a heated 23 metre swimming pool, BBQ space, sauna and gym. Residents also have easy access to their grocery needs, with a supermarket located on the ground floor of the development. One-bedroom, one-bath apartments in The Point start from \$560,000 (inclusive of up to a \$50,000 stamp duty concession), just one example of an option for first homebuyers seeking a balanced lifestyle of riverside living while only minutes away from the hustle and bustle of the CBD.



The Point, 31 Rowe Ave, Rivervale Source: xgxgqx

Moreover, for those seeking a blend of urban tranquillity and oceanside living while still within 15 minutes of the CBD, the newly completed Fairlight apartments in Mosman Park offer the opportunity of a prestige location but with prices starting from only \$520,000 for one-bedroom apartments.



Fairlight, 3 Fairlight St, Mosman Park Source: Fairlight Mosman Park

Moving further away from the CBD, there is a plethora of options for first homebuyers now, as spring has seen listings start to increase, which

coincides with a reported reduction in investor activity as rents have stabilised for the time being.

Take for example this home in Seville Grove that sold in July for \$600,000. The home features a circa late 1980s built, three-bedroom, one-bathroom home on a 612 square metre lot. The home is an ideal product for first homebuyers in the middle ring of Perth however was promptly sold in a matter of days to an investor who since has listed the property for rent at \$580 per week.



7 Logan Ct, Seville Grove Source: CoreLogic

Many such options are now coming to market and there are alternative financing options to soften the pressure, with loan agencies and government grants providing aid as described above.

Examples of options available to typical first homebuyers can be found in the Rockingham area. Take for example the suburb of Warnbro. Whilst prices have increased by circa 26 per cent and with the median rent in the suburb remaining at around \$570 per week, this circa 2000s built villa sold in March for \$425,000, and a similar unit recently sold for \$445,000. The home comprises three bedrooms, one bathroom and an internal living space of 94 square metres and is the ideal first purchase for a first-time buyer trying to escape the rental market.

Moving further away from the CBD, there is a plethora of options for first homebuyers now, as spring has seen listings start to increase.





6/53 Moreton Cres, Warnbro

Source: CoreLogic

Slightly further south, Mandurah offers an attractive option for obtaining an affordable first home while experiencing a city-like lifestyle. First homebuyers in Mandurah typically favour the more budget-friendly entry into the market. Homes in the sub \$500,000 price bracket often consist of older, three-bedroom, one-bathroom homes on larger allotments or villas or units in well-established complexes.

An example is this unit located in Lanyon Street, Mandurah which sold for just under \$400,000 in September, and features two bedrooms and one bathroom with an internal living area of 70 square metres. The semi-modern unit was built



Lanyon St, Mandurah

Source: CoreLogic

circa 2015 and is in a central location of Mandurah, perfectly positioned in reasonable proximity to the picturesque foreshore and within walking distance of Mandurah Forum shopping centre.

Heading further out of Perth's surrounds, new land development in Bullsbrook and Chittering locations have become a new attraction to first homebuyers, specifically those who work fly-in-fly-out, or are perhaps seeking a rural lifestyle while not being too far from the city amenities.

Moving well north of the Perth CBD, a range of older homes on larger blocks can be found at affordable prices, such as this property at 39 North Avenue, Bullsbrook. This property sold for \$445,000 early this year and features three bedrooms, one bathroom on 721 square metres of land with rear views of a nature reserve.



39 North Ave, Bullsbrook

Source: CoreLogic

Heading up into the Kimberly region of Western Australia, Broome offers tranquil coastal living for those looking to escape the hustle and bustle of a big city. Broome has a buyer profile of predominantly young families, retirees and holidaymakers looking for a seasonal residence.

After a brief lull for part of 2023, property demand remains strong in town, with sales growth reaching

up to circa 24 per cent and median rent remaining at circa \$750 per week. First homebuyers in this market are predominantly searching in the sub \$500,000 market, which generally represents products being sold below their replacement cost.

Homes such as this townhouse located on Guy Street offer a perfect product for first homebuyers. We understand that the property went under offer in August for \$500,000 and features a circa late 2000s built dwelling with three bedrooms and one bathroom, located in a secure gated complex. Additional features include a large outdoor entertaining deck, spa and balcony.

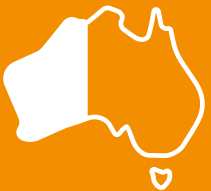


Guy Street, Broome

Source: CoreLogic

In the Pilbara region, Port Hedland remains a prominent area with an economy closely tied to the mining industry. This draws a diverse range of first homebuyers, including young locals and resource workers preferring a stable community over fly-in-fly-out arrangements.

The Port Hedland region exhibits two distinct markets. Port Hedland itself has a median house price of \$715,000, which is 0.8 per cent lower than the previous year and exceeds the First Home Owner Grant and First Home Owner Rate thresholds. In contrast, South Hedland has a median price of \$499,000, representing a 16 per



cent increase from last year with the entry price making South Hedland a compelling choice for first homebuyers.

For instance, 1 Hollings Place, South Hedland, is a renovated 1983 built, three-bedroom, one-bathroom home with 110 square metres of living area on a 988 square metre lot. The property sold in June for \$420,000.



1 Hollings Pl, South Hedland

Source: CoreLogic

Let's head south for a closer look at Karratha, and more pertinently, Dampier, one of the most desirable locations. Dampier has a median house price of \$775,000. While this is a 6.3 per cent drop from last year, it could still be in reach for most first homebuyers given the income levels in the area. However, for those on a tighter budget, the suburb of Pegs Creek in Karratha offers more affordable options, with a 5.2 per cent increase bringing the median price to \$505,000, yet still within the eligibility range for government incentives.

22 Minilya Crescent in Dampier sold for \$620,000 in June. Built in the 1970s, this partially renovated home sits on a 944 square metre lot with a 105 square metre building area and offers three bedrooms and one bathroom, making it a typical option for first homebuyers in the area.



22 Minilya Cres, Dampier

Source: CoreLogic

Comparatively, 5 Gunsberg Court in Pegs Creek sold in June for \$440,000. Built in the 1980s, this partly renovated home sits on a 710 square metre lot with a 123 square metre building area and offers four bedrooms and two bathrooms. It also qualifies for stamp duty exemption, making it an excellent option for first homebuyers as a family-friendly property.



5 Gunsberg Ct, Pegs Creek

Source: CoreLogic

Heading south toward Geraldton, a coastal city in Western Australia's mid-west region, we find more affordable housing than in many other regional cities along the north coast of Western Australia. The economy of Geraldton is largely driven by agriculture, fishing and mining, and offers a relaxed lifestyle with an emerging vibrancy.

In the past year, property prices in the City of Greater Geraldton have risen by 11 per cent, with the median house price now around \$408,000. Many properties in the area qualify for government incentives. The slower market pace compared to Perth gives first homebuyers more time to make decisions without the pressure of competing investors.

Take for example 74 Gertrude Street which sold for \$402,500 in July. This renovated home, originally built in the 1950s, is set on a 794 square metre lot and includes 105 square metres of living area. It features three bedrooms and one bathroom. Eligible for stamp duty exemption, this property offers an attractive option for first homebuyers seeking a family-friendly home.



74 Gertrude St, Geraldton

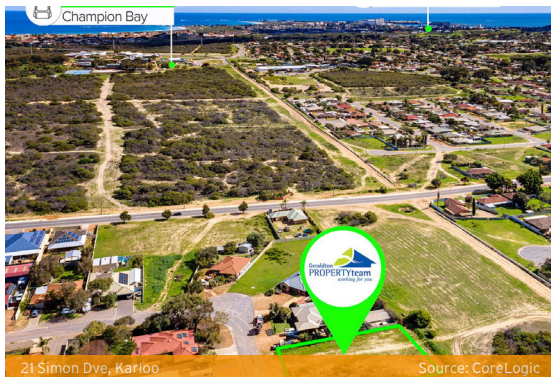
Source: CoreLogic

For those looking to build a new home, buying land might be more attractive. 19 Hill Way, Geraldton, a 705 square metre lot offers plenty of space for building a home and is conveniently located within walking distance of amenities and the Geraldton CBD, making it ideal for young professionals and families. Whilst this property requires significant retaining works, it sold for a mere \$95,000 in July and qualifies for stamp duty exemption, making it an excellent choice for first homebuyers, especially if they have friends in the civil earthworks industry.





Or for those not looking to tackle the sloping topography of the above example, 21 Simon Drive in Karloo is an 838 square metre lot with ample space for building a home. It is conveniently located just four kilometres from the Geraldton CBD and sold for \$67,000 in August.



Travelling east into the Goldfields region, despite an ongoing lack of supply in the region and high demand influenced by the gold price, there are plenty of offerings for first homebuyers, although investors are also active in the area due to the attractive rents on offer.

Sold in September for under \$400,000 is this renovated circa 1980s built South Kalgoorlie home

featuring three bedrooms, one bathroom and a large 806 square metre allotment. Renovations to the property include a new bathroom and fresh paintwork and flooring throughout the internal areas. A key advertised feature of this property was its large work shed, perfect for first homebuyer tradies who seek their own home workspace.



Let's now explore our south-west region, not only a fantastic holiday destination for wine and surf lovers, but also a popular place to settle down and live! For first homebuyers looking to make the most of the grants and incentives available, they may find slim pickings out there noting the property value limits assigned to them.

At the time of writing, REIWA records the number of properties available to purchase across the greater Bunbury, Busselton, Dunsborough, Margaret River and Augusta areas as sitting at a little over 300, a very similar story to last year. The difference to last year, of course, is the 10 to 20 per cent growth in property values, which has made it even harder for would-be first homebuyers to secure something that falls within the value constraints of the grants.

Approximately two hours south of Perth and essentially the first major waypoint in any

trip down south, Bunbury has led the way in experiencing this substantial growth after sustained interest from both homebuyers and investors alike due to its proximity to the Perth metro and a traditionally more affordable price point. In the past 12 months, the average median house price across Bunbury and its surrounding suburbs has increased by 21.2 per cent to \$587,000, just under the cut off for concessional stamp duty rates.

There are still a number of options available for buyers who act quickly though, bearing in mind that those more affordable properties are also highly sought after by investors and might be a little on the smaller side, such as strata units, or further out of the city centre. For example, 136 The Boulevard in Australind, a 2021 built three-bedroom, two-bathroom home on a 351 square metre lot sold in July for \$532,000 and was subsequently listed for rent at \$650 per week.



Alternatively, older homes that could do with a freshen up on larger sized blocks can also be picked up for under the concessional threshold, such as 9 Perry Place in East Bunbury, a three-bedroom, one-bathroom brick and tile home built in 1986 which sold in July for \$570,000.





9 Perry Pl, East Bunbury

Source: CoreLogic

Further south-west along the coastline, the options are unfortunately even less as the prices start to creep up from an average median price of circa \$810,000 in the suburbs of Busselton, to \$975,000 in Dunsborough. South and inland, Margaret River township is a little more reasonable, however still well over the established property value cap for stamp duty discounts, with a median price of circa \$731,000. If you're adamant about buying in these areas, you might need to make peace with not having government assistance, or looking at alternative ways to buy, such as in a syndicate or with family help.

If a desire to be near the coast is not a huge driver, hope for first-time buyers can be found inland in towns such as Donnybrook and Bridgetown, with median house prices of \$525,000 and \$550,000 respectively whilst still seeing good capital growth of 14.6 per cent and 16.7 per cent.

In Bridgetown, a circa 15-minute drive from the Greenbushes Lithium Mine, affordable entry level homes can be picked up well under the median house price. Some need a little extra love while others have had some cosmetic work already done. Take 33 Padbury Road for instance. Sitting on a 1,012 square metre parcel of land, this circa 1950s

four-bedroom, one-bathroom cottage already had a range of works completed including recent restumping, new roof and addition of mod-cons such as split system air conditioning and an updated kitchen. It sold in July for \$450,000, a huge 137 per cent increase since being purchased in 2020 for \$190,000.



33 Padbury Rd, Bridgetown

Source: CoreLogic

Across and into the great southern area of our state, Albany has also become another hub for buyers seeking a comparatively affordable sea change away from capital city life whilst still having plenty of amenity around.

In the past, first-time buyers typically sought sub-\$400,000 property (lower if possible, of course!) however, like most of Western Australia, Albany has not been immune to price growth over the past 12 months, resulting in beginner-budgets requiring out of necessity to shift upwards. Fortunately, about half of the properties available in the greater Albany area (excluding land) at the time of writing (circa 30 out of approximately 60 listings) are still below the \$600,000 discounted stamp duty cut off, however there are only circa 10 in the sub-\$450,000 (aka no-stamp-duty-payable bracket), of which they are predominantly units or dated fibro cottages.

On the cusp at \$450,000, 29 Hillman Street in Spencer Park sold in July. Built in the 1970s and presented in original condition, it required a decent amount of TLC, but the trade-off is that it's a sizable four-bedroom, two-bathroom family home on an 815 square metre block - perfect for a young couple forward planning for a family.



29 Hillman St, Spencer Park

Source: CoreLogic

Our final destination, Esperance, is famous for its stunning white beaches and turquoise waters. As a self-sufficient regional hub in Western Australia, it boasts a strong community and a diverse economy driven by agriculture, tourism and a major multi-user export port.

The median house price in Esperance has risen by 13.3 per cent to \$480,000. This increase positions many properties within the range for concessional stamp duty benefits and government incentives. The steady housing demand provides first homebuyers with options that align with their needs and budget, emphasising both lifestyle and affordability.

Consider 24 Gull Street in Esperance as an example. Situated on a 1012 square metre block, this fully renovated 1960s home features three bedrooms, one bathroom, a spacious country-style yard and a detached games room, making it ideal for a young family. It sold in July for \$483,500.





24 Gull St, Esperance

Source: CoreLogic

If you're thinking about building a new home with government incentives, the West Beach land sale at 8 Springfield Street is a great example. Just under two kilometres from Esperance city and near the beach, parks and public transport, this well located 760 square metre lot sold for \$190,000 in July and qualifies for a stamp duty exemption.



8 Springfield St, West Beach

Source: Landgate

So, there we have it! There is still an array of options for first-time buyers looking to enter the property market despite prices rising across the state, with increased value caps on government aid relieving some pressures.

As always, our team continues to be readily available to address any enquiries you may

have and is always happy to impart our detailed knowledge to assist your decision-making process.



Chris Hinchliffe
Director

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RESIDENTIAL

Northern Territory - Residential 2024

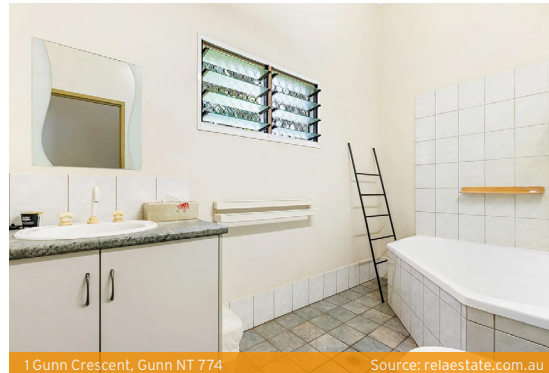
Darwin

With a current median house price of \$561,000, Darwin provides an affordable option for first homebuyers compared to other capital cities across the country.

For those looking to purchase their first home, several government grants and incentives are available. The First Home Owner Grant offers up to \$10,000 for eligible buyers, and there are additional schemes like the First Home Loan Deposit Scheme, which allows buyers to enter the market with as little as a five per cent deposit without needing to pay Lenders Mortgage Insurance.

However, with a recent change of government, potential first homeowners are awaiting confirmation on the CLP's promised \$20 million Home Grown Territory Program, which would see \$50,000 grants for first homeowners if they build a new property and a \$10,000 grant for first homebuyers purchasing an existing home. We therefore predict a temporary stall in first homeowner activity until such stimulus is confirmed.

In Darwin, first homebuyers typically operate within a range of \$350,000 to \$700,000, depending on the location. In the inner-ring suburbs, including Fannie Bay and Parap, properties can be pricier, often exceeding \$700,000. However, options in the middle-ring areas (northern suburbs), such as Tiwi and Leanyer, are more attainable, with potential buyers often finding value in homes ranging from \$450,000 to \$550,000. For those looking at



outer-ring suburbs, such as Palmerston, prices can dip below \$400,000, making it a more viable option for those on a budget.

For example the below property at 1 Gunn Crescent, Gunn sold in August 2024 for \$395,000. Situated on a 774 square metre allotment and within walking distance of Bakewell Primary School, this property boasts four bedrooms, two bathrooms and a swimming pool. This sale illustrates the exceptional



value that can be found for first homebuyers in Darwin.

Overall, the Darwin market provides a good platform for first homeowners to enter the market. With new government stimulus, we expect first homebuyers to remain prominent participants in the Darwin market for the foreseeable future.

Anthony Kennedy
Valuer

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RESIDENTIAL

Australian Capital Territory - Residential 2024

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Canberra

Goulburn is situated one hour north of Canberra and is becoming a popular relocation option for first homebuyers from Canberra due to its affordability, access to schooling and healthcare, as well as the short commute time to Canberra. With more people working from home or commuting to the office less, Goulburn has experienced an increase in out of area buyers, especially those looking to enter the market.

The first homebuyers grant for Goulburn and surrounding regional areas such as Yass, Murrumbataman, Gundaroo and Sutton has a price cap of \$750,000 (www.housingaustralia.gov.au)

For \$750,000 in Goulburn, first homebuyers can purchase a turn-key style home, ready to be lived in. A recent sale in the Goulburn area of \$750,000 is a four-bedroom 1890s cottage that has been renovated and is situated in a popular street within close proximity to the CBD.



Goulburn Cottage

Source: realestate.com.au

With interest rates still high after 13 consecutive increases, it has become more prevalent to see parents going guarantor to help boost borrowing capacity and reduce lenders mortgage insurance.

Another recent sale in Goulburn is a circa 2011, four-bed, two-bath property, selling for \$730,000.



rsnational
Goulburn

Goulburn lowset

Source: realestate.com.au

More often we are now seeing first homebuyers join forces with a sibling or friend to enter the property market, allowing for more borrowing power than a single applicant and showing that first homebuyers are eager to purchase a first home and are finding different avenues to achieve this. With interest rates still high after 13 consecutive increases, it has become more prevalent to see parents going guarantor to help boost borrowing capacity and reduce lenders mortgage insurance. Combined with the first homebuyers scheme minimum deposit of five per cent (www.housingaustralia.gov.au) these are both

trends we are seeing being utilised in the regional areas surrounding Canberra.

Tahleah Cooley
Valuer

RESIDENTIAL

Tasmania - Residential 2024

Hobart and regionals

There are several benefits available to first homebuyers in Tasmania which take the sting out financially to some extent for potentially the largest purchase in their lives.

The First Home Owner Grant is available to eligible applicants who purchase or build a new home in Tasmania from 1 July 2016 onwards. A new home is defined as one that has not previously been occupied or sold as a place of residence, and this includes kit homes.

Effective from 1 July 2024, eligible first homebuyers will receive a grant of \$10,000. It is important to note that from 1 April 2021 to 30 June 2024, the grant amount was \$30,000, and prior to that, from 1 July 2016 to 31 March 2021, the grant was set at \$20,000.

As of July 2024, home ownership has become more accessible for eligible first homebuyers in Tasmania, with the complete waiver of stamp duty for properties valued up to \$750,000. Unlike other states and territories, this stamp duty exemption is available to eligible first-time buyers purchasing an existing property.

For those building a new home, the exemption does not apply, however they may be eligible for a 50 per cent stamp duty discount if they purchase a new apartment or unit off-plan or during its construction. This exemption will be in effect for two years, providing greater support for Tasmanians entering the property market.

There are several benefits available to first homebuyers in Tasmania which take the sting out financially to some extent for potentially the largest purchase in their lives.

Tasmanian first homebuyers have the opportunity to access up to \$300,000 or 40 percent of the property's value (whichever is lower) through the MyHome shared equity scheme, a government initiative supported by Tasmania's Bank of Us. Under this scheme, the Tasmanian Government purchases a share of equity in the property by covering some of the upfront costs, reducing the deposit required and potentially increasing the buyer's borrowing capacity.

Participants in the scheme are expected to buy back MyHome Tasmania's share of the property within 30 years or provide a share of the profit if the property is sold.

Tasmania's leading residential builder, Wilson Homes, is offering additional support to homebuyers through the \$20,000 Wilson Homes Homebuyer's Grant. Following the State Government's decision to reduce the First Homebuyer Grant from \$30,000 to \$10,000, Wilson Homes has taken the initiative to assist Tasmanian homebuyers with two significant offers. This includes a generous grant alongside a discount package, collectively valued at tens of thousands of dollars.

Bearing this in mind, first homebuyers are focusing on properties under the \$750,000 mark to take

advantage of the stamp duty relief. When the cut-off point was at \$600,000, properties at that price point were in high demand. However given the high interest rate and cost of living environment, \$750,000 is a bit of a stretch for first homebuyers.

Construction costs are still quite expensive with rates ranging from circa \$3,000 to \$3,600 per square metre on a living area basis. A recent construction contract has been reviewed for a single level brick veneer and lightweight composite clad dwelling with three bedrooms, two bathrooms (141 square metres), single garage (20 square metres), outdoor area (18 square metres) and including a concrete driveway. The total construction contract came in at \$521,000. Add to that the cost of the block at circa \$275,000, and that's a hefty mortgage for first homeowners.

Overall, the residential market is pretty flat given the usual suspects of high interest rates and inflationary pressures. Should the predicted interest rate cuts in February 2025 and an additional two cuts later in the year occur, I think there will be a bit of a kick in the market where supply will dwindle and increased demand will put upward pressure on property prices.

Mark Davies
Valuer





Australian Grazing

October 2024

Australian Grazing

This month our rural valuers are generally reporting diminished market sentiment for grazing properties around the country compared to a year ago, and certainly compared to the strong competition during what we are now seeing as the peak of the grazing land market around 2022 to early 2023. However, while sentiment has waned and selling periods have generally lengthened, in most cases value levels appear to be holding at their historic highs - for the short term at least. While there are definitely other economic headwinds that have contributed to a stalling in demand for grazing land (particularly interest rate hikes) it is clear that the scale and pace of decline in livestock prices during 2023 from their record highs in 2022 impacted heavily on the confidence to invest in grazing land. But this year we saw one of our most influential markets, cattle,

gradually inch its way back towards a longer-term average price, and along with modest to reasonable optimism for increased export demand (particularly to the US who are rebuilding their herd from a seventy year low) there is now more stability and modest confidence in that market. There have also been better than expected, average to above average seasonal conditions across large areas of eastern Australia in the year to date, which, coupled with the stabilised cattle market, is underpinning grass sales in some regions. To some extent, the forward-looking stability in the cattle market combined with what remains of significant cash reserves generated on grazing properties by extraordinarily high earnings between 2019/20 and 2022 appear to have countered the impact of rising costs and other economic headwinds, for the short term at

least. However, not all sectors have been treated so kindly, as observed in coverage of Central West Queensland where our valuers report declining confidence in the market for sheep and goat grazing land given the more severe decline in those two livestock markets (with the exception of the lamb market which has been above average).

Central West NSW

Suboptimal seasonal conditions in early to mid 2023 saw nervousness across the livestock sector in New South Wales. This was further exacerbated by a suboptimal rainfall outlook from weather forecasts at the time. What ensued was a premature sell down of livestock and subsequent lowering of livestock values through increased sale volumes. There were examples of trading stock sold in somewhat of

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AUSTRALIAN
GRAZING



a panic which in some cases crystallised trading losses. At the same time, within this environment many larger livestock operators had their herd and flock devalued and as a result their equity levels were negatively impacted. Cashflow and debt management became front of mind. This led to some softening of enquiry for property as potential purchasers put expansion plans on hold. The ultimate realisation of the favourable seasonal conditions (in contrast with the forecast) has led to better positioned purchasers returning to active status in the market, albeit they can be more selective with increased volumes of spring listings available to choose from. Overall the market is currently stable for A-class property (although most properties are experiencing more days on market) and B- and C-class property is flattening to slightly discounted.

New England

Heading to the north-east into the New England region, similar market sentiments to the Central West had been prevailing, with a noticeable softening of enquiry. However a strong start to spring seasonal conditions, which continue to unfold very well in the large livestock carrying areas of the New England north-west around Armidale, Inverell, Walcha, Gunnedah and Tamworth and the north coast areas around Casino and Lismore, has seen cattle prices under increasingly upward pressure as the pastures bulk up in these areas. There is now an increasing likelihood of a locally-charged grass-fed market eclipsing overseas market signals, provided favourable conditions continue to roll on into the warmer months across south-eastern Australia.

Central Western QLD

2024 started off with a lot of promise following widespread early useful storms in November and December 2023. From January onwards,

2024 started off with a lot of promise following widespread early useful storms in November and December 2023.

rain started to get very patchy and some areas received little follow up. Then winter arrived with several weather fronts dropping only spoiling rain, then large areas of frost events. In short, all standing feed is now of minimal nutritional value, with virtually no protein. Producers are feeding large amounts of supplements to counter the poor pastures so any saleable cattle are hitting the saleyards in order to reduce feed costs. The market is holding up reasonably well. Blackall Saleyards has seen cattle numbers up to 6500 in recent weeks, and is selling fortnightly. When it comes to the smaller animals, goat and sheep producers are generally pessimistic about the current market. While goat prices have lifted from their early 2024 lows (bottoming at \$2.30 per kilogram and currently around \$3.50 per kilogram), there are still major bottlenecks in killing capacity, mainly caused by labour supply issues. Wait times to get space at abattoirs can be out to months, and numbers able to be trucked are well below what producers are hoping for.

The second issue is booming goat numbers, due to their ability to breed up extremely quickly. Restricted killing space and rising numbers can only see the price remain very volatile in the short to medium term. Sheep producers have been a little better off, although the market has been fluctuating markedly throughout the year. Lamb prices have been reasonably strong, and above 2023 rates, however prices for older wethers and ewes have been far more volatile. Looming closure of the live sheep trade will only put more downward pressure on prices. And for the wool producers, well, things are even more ordinary.

Wool prices have not kept pace with production costs, with many growers in the region reporting over 40 per cent of wool sales being chewed up in the shearing process, exclusive of mustering costs, chemical treatments and crutching etc. Lack of shearers has also led to producers being told when they have to shear by contractors, the reverse of the usual situation, where producers book the time of shearing to fit in with their animal husbandry program and labour availability. In short, small animal producers are in a lot of pain, with many becoming quite disillusioned and pessimistic about their ability to stay producing goats, sheep or wool. Cattle are a lot cheaper and easier to run (compared to sheep), with lower labour requirements, but take a lot more feed to keep going in drought periods, which are quite frequent in Central Western Queensland. Cattle producers are having a better time of it, but still have large feed and supplement outgoings until the season breaks. Subsequently, sheep and goat producers have not been active in the Central Western Queensland grazing land market for some time due to depressed prices. All the sales this year have been to cattle producers. Rates have varied according to location, grass cover and standard of improvements. Poorly improved properties with good grass cover have sold in the \$5500/AE to \$6000/AE range, while better improved blocks with a good standard of fencing and water are peaking in the \$7000 to \$7500/AE plus range, with superior properties around the Blackall region showing \$12,000 to \$14,000/AE. These rates are on par with (for the lower end) or above 2023 values.



Southern Qld / Northern NSW

Seasonal conditions across southern Queensland and northern New South Wales are generally well improved on this time last year. This difference has certainly been reflected by the Eastern Young Cattle Indicator which is approximately 40 to 45 per cent higher than the same time last year. The improvement in pricing held up through a dry winter period across much of our coverage region. This appears to indicate that the long awaited and heavily discussed rebuild of the American beef herd is finally positively impacting the Australian market. Similarly, the National Trade Lamb indicator has also strengthened, sitting approximately 95 to 100 per cent higher than this time last year.

As a result of these factors, confidence levels appear to have also lifted somewhat from those noted towards the end of 2023. That said, high interest rates and continued strong input prices do appear to be resulting in a shift from the seller's market we had previously been experiencing. Many properties placed to market are avoiding or cancelling auction campaigns in favour of the increased flexibility provided by private treaty and expression of interest. Continued strong demand is notable for first start and rural lifestyle properties, particularly when these properties are positioned in relatively close proximity to urban amenities.

Our local market has seen some larger aggregations become available and the large family operators and corporate interests required for a successful sale have materialised in many

instances. That said, the frequency of district record price setting by recent property sales across most market segments has certainly slowed. Most sales are now occurring within an expected market range and some cheaper sales are becoming more common. The prevalence of feedlots and intensive livestock property on the market has also had a notable increase in supply over the past six to 12 months and is likely a reflection of improved margins with lower feed costs, current high levels of demand for feedlot space and the resulting large numbers of cattle on feed, particularly with regard to feedlots.

While a valuer never likes to generalise, a few recent sales provide a price-point guide summarised as follows:

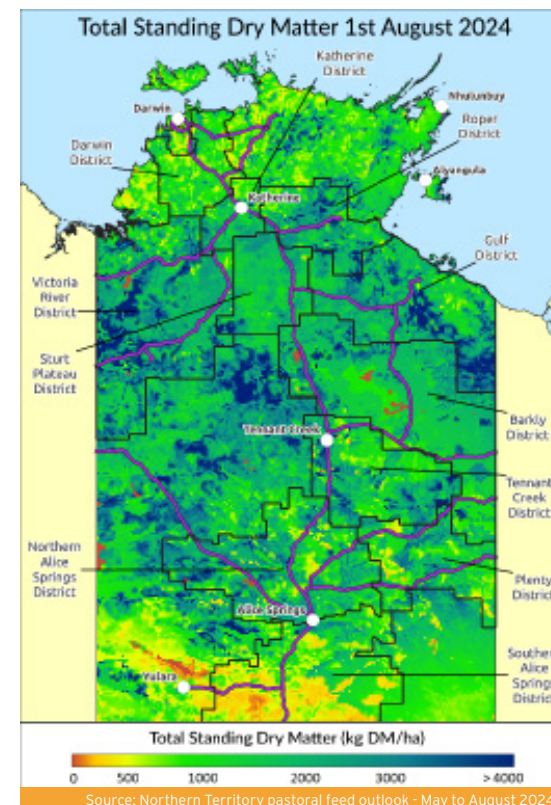
- ▶ Oakey, evidence shows circa \$40,000 per hectare (excluding structures) for centre pivot irrigation with permanent water allowance;
- ▶ North Star, black to red clay loams transitional Brigalow to Box circa \$10,000 per hectare excluding structures for dryland cultivation;
- ▶ Durong, mixed Brigalow to forest grazing circa \$5300 per hectare excluding structures overall (blended rate);
- ▶ Moonie, largely Brigalow Belah grazing circa \$4500 per hectare excluding structures overall (blended rate);
- ▶ Charleville, large scale grazing typical red mulga circa \$510 per hectare excluding structures overall (blended rate).

In addition, we are seeing a number of sales reflecting the following on a breeder area, though such analysis is subjective and location or attribute dependant:

- ▶ Inner Downs and South Burnett grazing typically \$10,000 to \$20,000 per adult equivalent
- ▶ Western Mulga Lands \$5,000 to \$10,000 per adult equivalent.

Northern Territory and Kimberley (WA)

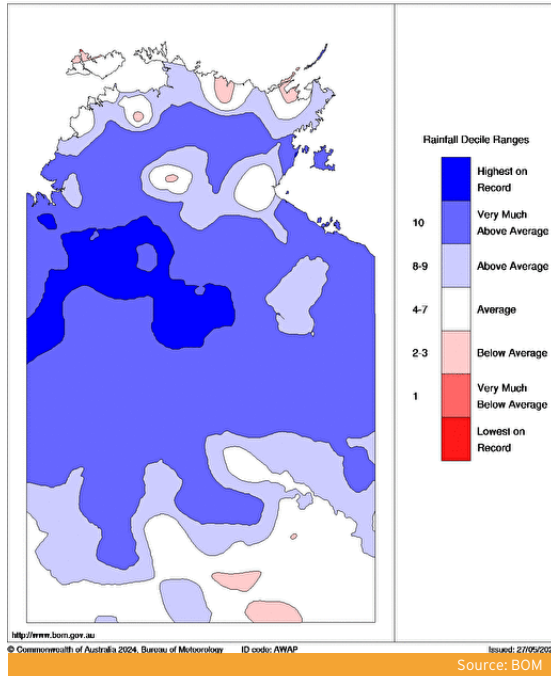
Over much of the Northern Territory and in the eastern Kimberley, an above average 2023/24 wet season was enjoyed which translated into average to well above average pasture growth across these regions.



Our local market has seen some larger aggregations become available and the large family operators and corporate interests required for a successful sale have materialised in many instances.



Northern Territory Rainfall Deciles 1 October 2023 to 30 April 2024
Distribution Based on Gridded Data
Australian Bureau of Meteorology



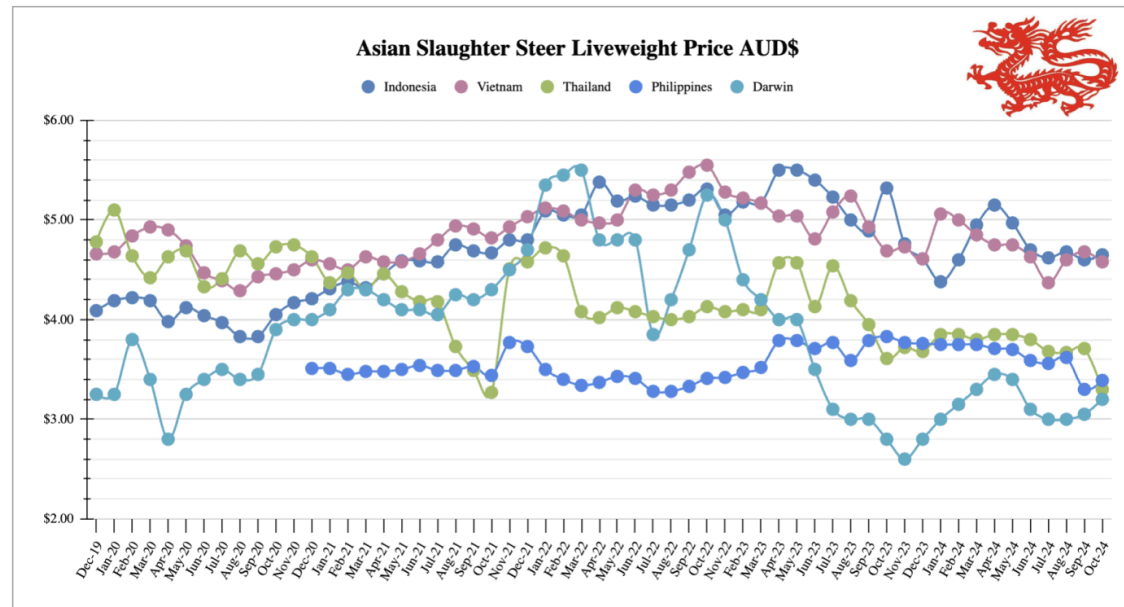
The strong season (followed up by some helpful winter rains in the interior) has gone some way towards reducing the impact on net farm incomes due to lower cattle prices being received across the board. In the Northern Territory (northern half) and Kimberley for which Indonesia remains the key market destination for live cattle, the Darwin feeder steer price hovers around \$3.20 per kilogram (live weight) which is a long way down from the giddy highs of \$4.70 per kilogram enjoyed in late 2022 but is far better than the \$2.60 per kilogram being handed over in late 2023. The gradual recovery is due to new client enquiries and the re-emergence of clients which had disappeared during the high Australian cattle price cycle and the approval

of several ESCAS abattoirs. It is noted however that there hasn't been a substantial change in demand from key export destinations, and it remains doubtful that exports will rebound to pre-COVID levels.

The fluctuating nature of Australian export feeder cattle prices (in Indonesia in particular) is a concern given northern Australia's heavy reliance on this market. The symbiotic relationship between Australian suppliers and the Indonesian cattle industry, which has been dependent on efficient feedlots, continues to be disrupted by the Indonesian government's intervention in exercising its significant control over the animal protein market by using trade agreements, disease control initiatives and productivity programs that often undermine commercial investment capabilities (in feedlots) and rising feed costs, and the abattoirs

lack both the throughput volume and technical capabilities to compete with cheaper, imported frozen products

The Indonesian government has recently made significant decisions regarding meat imports. In 2024, it has allocated a quota of 100,000 tons of buffalo meat imports from India to a state-owned enterprise and additionally, the private sector in Indonesia has been granted permission to import 50,000 tons of Indian buffalo meat. ID Food, a government-controlled holding company, is also set to import 20,000 tons of beef from Brazil. These decisions are significant for Australian live cattle exports. The shift towards buffalo and beef imports from India and Brazil may influence the demand for Australian products and shows a growing narrative of a shift away from Australia.



The Alice Springs region is more immune to the impacts of the live export trade given cattle grown in this region head to markets at all points of the compass. Being predominantly more Bos taurus based herds compared to the Bis indicus dominant north, the Central Australian turn-off typically follows market trends such as the Feeder steer and EYCI.

As for how the cattle market is impacting on pastoral land values in 2024, we only have two sales to guide us in the year to date. Murray Downs (5595 square kilometres) located approximately 385 kilometres north of Alice Springs in a 355 millimetre mean annual rainfall district sold in September to a well-established Queensland private cattle company for \$42 million WIWO which showed between \$2800 and \$2900 per adult equivalent (assessed bare). This is in line with the range of the most recent Alice Springs region sales such as Yambah (sold in mid-2023), Neutral Junction and Mt Doreen (both August 2022), and Aileron (January 2024) suggesting that despite weaker cattle prices, the pastoral land market in the Alice region is just going sideways.

The only other northern Territory sale in the year to date has been Woolner, a 647 square kilometre Darwin region floodplain block which sold in June to Rallen Australia for \$49 million (bare) showing over \$5000 per adult equivalent. There are only a handful of these rare floodplain properties in the Top End which provide about the only green feed available in the second half of the dry. These properties have traditionally attracted significant premiums over and above traditional non floodplain breeder properties and depending on their access, typically can sell Indonesian steers towards the end of the season when prices are at their best. Again, this acquisition by Rallen Australia who have significant other breeding properties through the

north of the Northern Territory is an expression of the faith the industry still has in the live export market despite the burgeoning headwinds.



Frank Peacocke
Director





Property Market Indicators

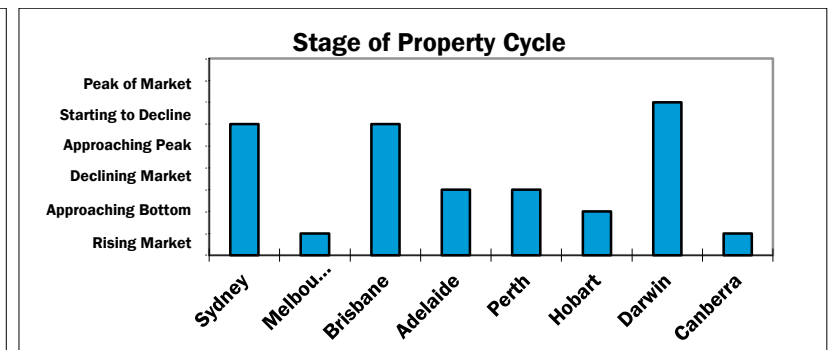
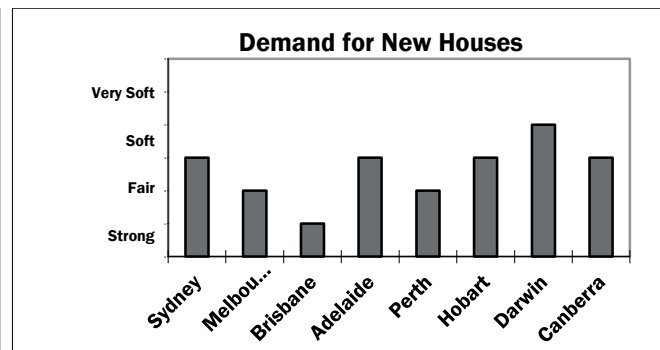
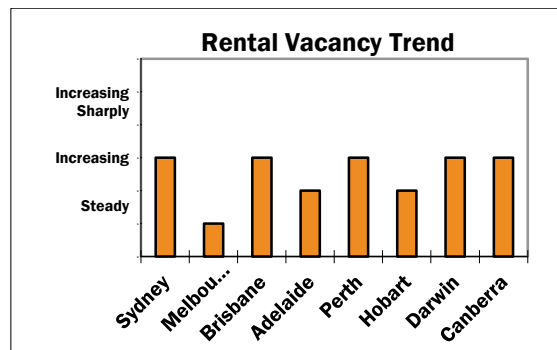
October 2024

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	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	Balanced market	Shortage of available property relative to demand	Shortage of available property relative to demand
Rental Vacancy Trend	Steady	Tightening sharply	Steady	Tightening	Steady	Tightening	Steady	Steady
Demand for New Houses	Fair	Strong	Very strong	Fair	Strong	Fair	Soft	Fair
Trend in New House Construction	Steady	Increasing	Declining	Increasing	Steady	Steady	Increasing	Increasing
Volume of House Sales	Steady	Steady	Steady	Declining	Steady	Declining	Steady	Increasing
Stage of Property Cycle	Approaching peak of market	Start of recovery	Approaching peak of market	Rising market	Rising market	Bottom of market	Starting to decline	Start of recovery
Are New Properties Sold at Prices Exceeding Their Potential Resale Value	Occasionally	Occasionally	Occasionally	Frequently	Frequently	Almost never	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



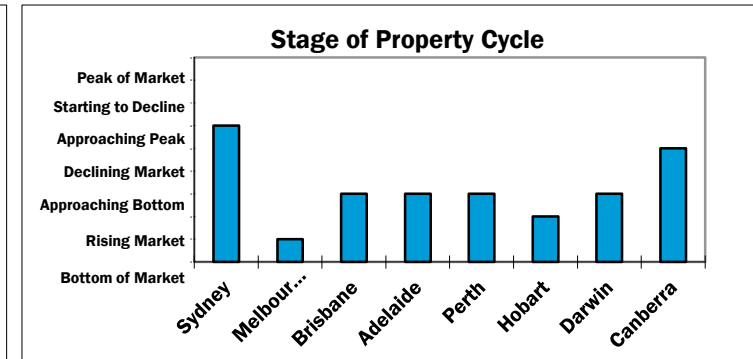
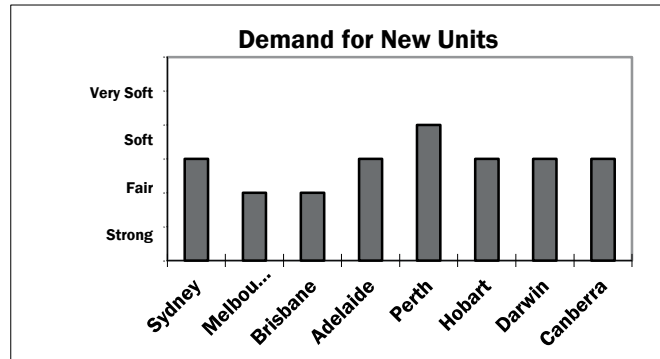
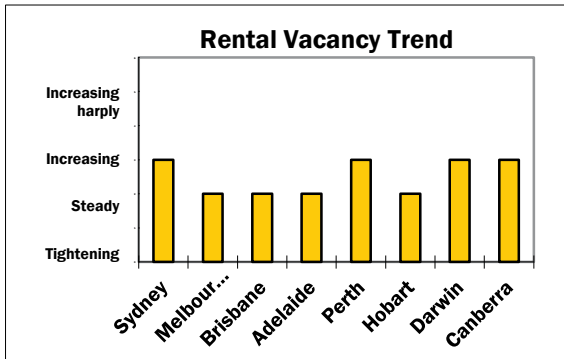
Capital City Property Market Indicators – Units

Month in Review | October 2024

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	Shortage of available property relative to demand	Severe 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
Rental Vacancy Trend	Steady	Tightening	Tightening	Tightening	Steady	Tightening	Steady	Steady
Demand for New Units	Fair	Strong	Strong	Fair	Soft	Fair	Fair	Fair
Trend in New Unit Construction	Increasing	Steady	Increasing	Increasing	Increasing	Steady	Increasing	Steady
Volume of Unit Sales	Steady	Steady	Increasing	Declining	Steady	Declining	Steady	Increasing
Stage of Property Cycle	Approaching peak of market	Start of recovery	Rising market	Rising market	Rising market	Bottom of market	Rising market	Declining market
Are New Properties Sold at Prices Exceeding Their Potential Resale Value	Occasionally	Occasionally	Occasionally	Frequently	Occasionally	Almost never	Almost never	Occasionally

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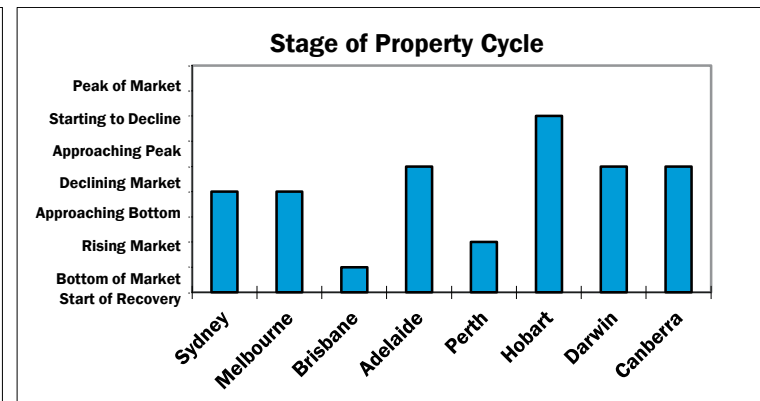
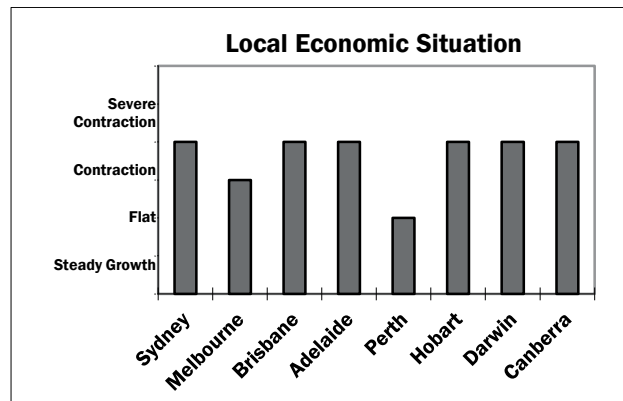
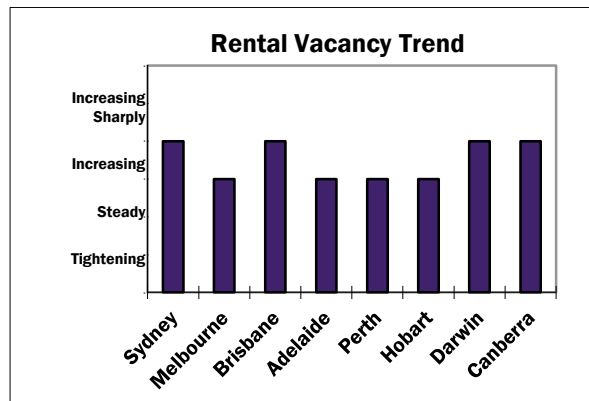
Capital City Property Market Indicators – Retail

Month in Review | October 2024

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

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

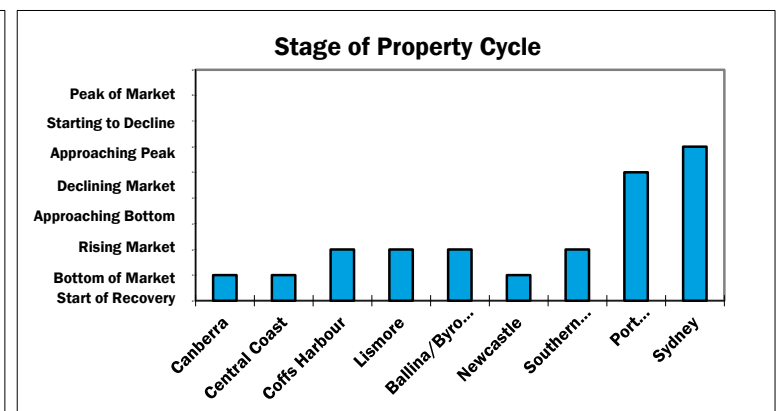
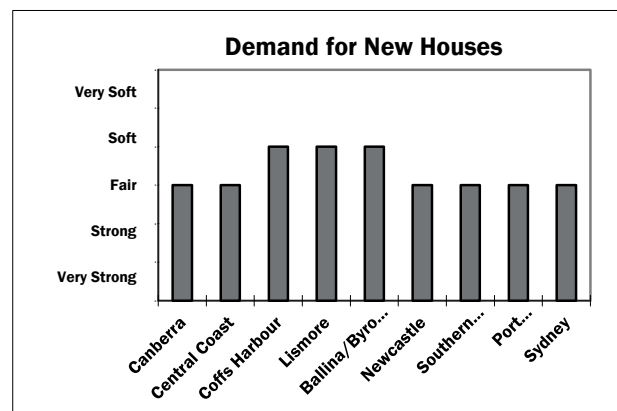
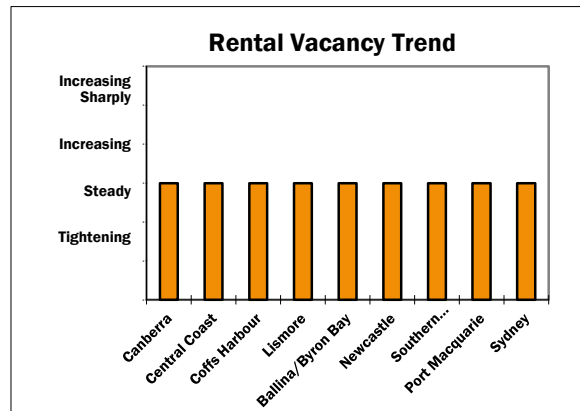


East Coast New South Wales Property Market Indicators – Houses

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	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Balanced market	Severe shortage of available property relative to demand
Rental Vacancy Trend	Steady	Steady	Steady	Steady	Steady	Steady	Steady	Steady	Steady
Demand for New Houses	Fair	Fair	Soft	Soft	Soft	Fair	Fair	Fair	Fair
Trend in New House Construction	Increasing	Steady	Increasing	Increasing	Increasing	Steady	Steady	Steady	Steady
Volume of House Sales	Increasing	Increasing	Steady	Steady	Steady	Increasing	Steady	Increasing	Steady
Stage of Property Cycle	Start of recovery	Start of recovery	Bottom of market	Bottom of market	Bottom of market	Start of recovery	Bottom of market	Declining market	Approaching peak of market
Are New Properties Sold at Prices Exceeding Their Potential Resale Value	Occasionally	Occasionally	Almost never	Almost never	Almost never	Occasionally	Frequently	Occasionally	Occasionally

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



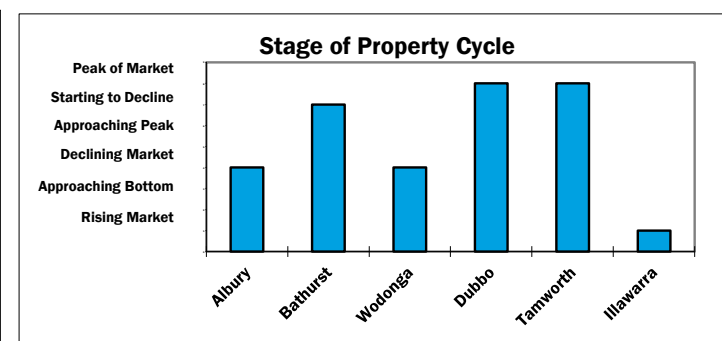
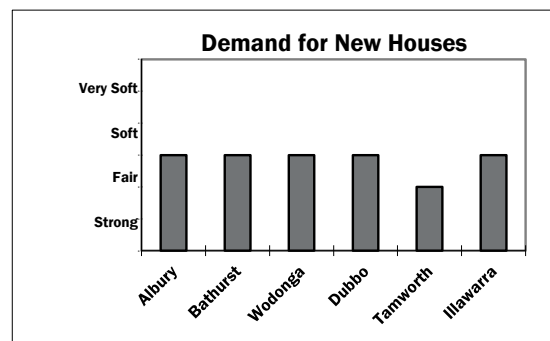
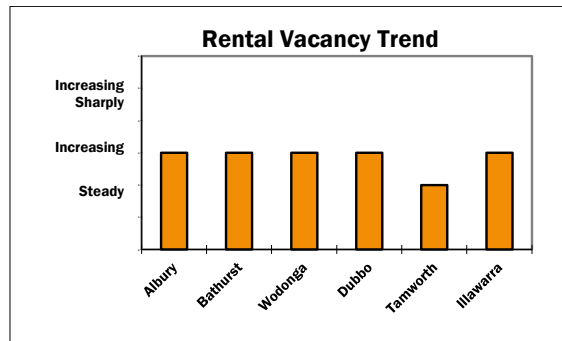
Country New South Wales Property Market Indicators – Houses

Month in Review | October 2024

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	Balanced market
Rental Vacancy Trend	Steady	Steady	Steady	Steady	Tightening	Steady
Demand for New Houses	Fair	Soft	Fair	Fair	Strong	Fair
Trend in New House Construction	Steady	Increasing	Steady	Steady	Steady	Steady
Volume of House Sales	Declining	Steady	Declining	Increasing	Steady	Steady
Stage of Property Cycle	Approaching bottom of market	Starting to decline	Approaching bottom of market	Peak of market	Peak of market	Start of recovery
Are New Properties Sold at Prices Exceeding Their Potential Resale Value	Occasionally	Occasionally	Occasionally	Very frequently	Occasionally	Frequently

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

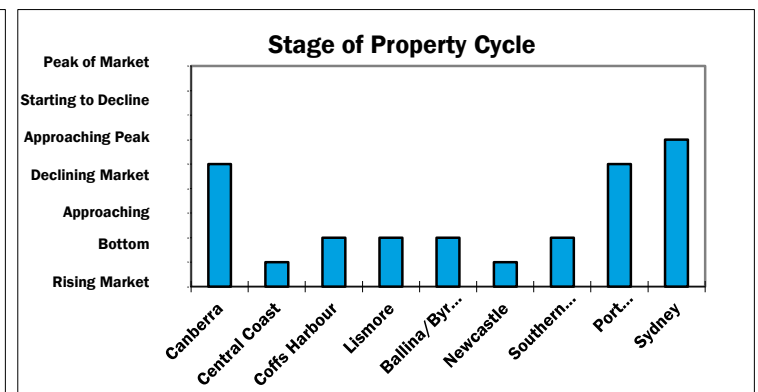
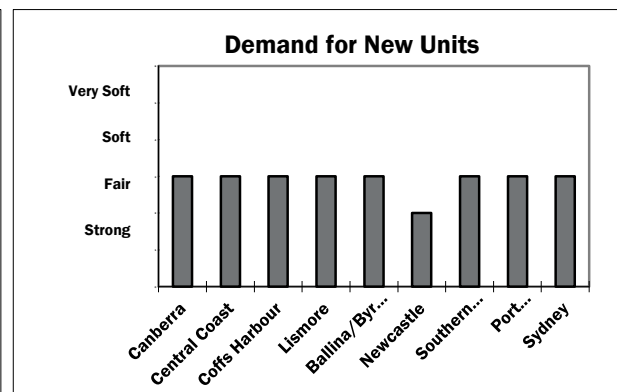
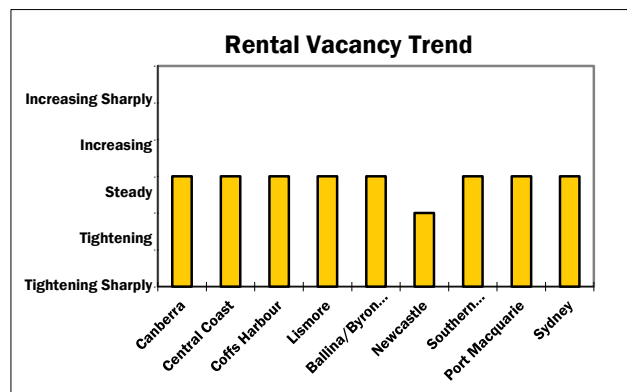


East Coast New South Wales Property Market Indicators - Units

Factor	Canberra	Central Coast	Coffs Harbour	Lismore	Byron Bay/Ballina	Newcastle	Southern Highlands	Southern Tablelands	Sydney
Rental Vacancy Situation	Shortage of available property relative to demand	Severe shortage of available property relative to demand	Balanced market	Balanced market	Balanced market	Shortage of available property relative to demand	Shortage of available property relative to demand	Balanced market	Severe shortage of available property relative to demand
Rental Vacancy Trend	Steady	Steady	Steady	Steady	Steady	Tightening	Steady	Steady	Steady
Demand for New Units	Fair	Strong	Fair	Fair	Strong	Strong	Fair	Fair	Fair
Trend in New Unit Construction	Steady	Declining significantly	Steady	Steady	Declining	Steady	Declining	Steady	Increasing
Volume of Unit Sales	Increasing	Increasing strongly	Steady	Steady	Increasing	Increasing	Steady	Steady	Steady
Stage of Property Cycle	Declining market	Start of recovery	Bottom of market	Bottom of market	Bottom of market	Start of recovery	Bottom of market	Declining market	Approaching peak of market
Are New Properties Sold at Prices Exceeding Their Potential Resale Value	Occasionally	Occasionally	Almost never	Almost never	Almost never	Occasionally	Frequently	Occasionally	Occasionally

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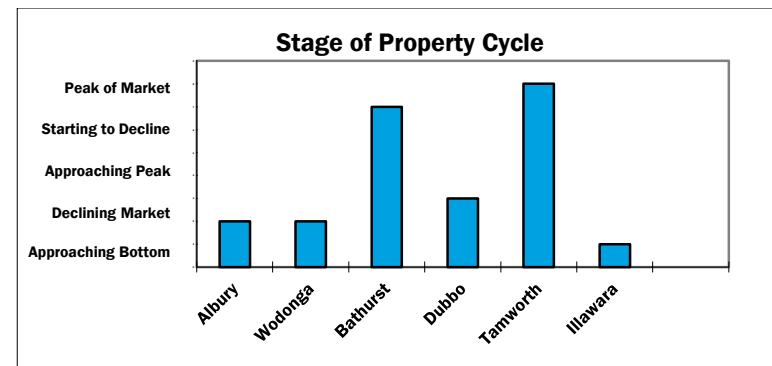
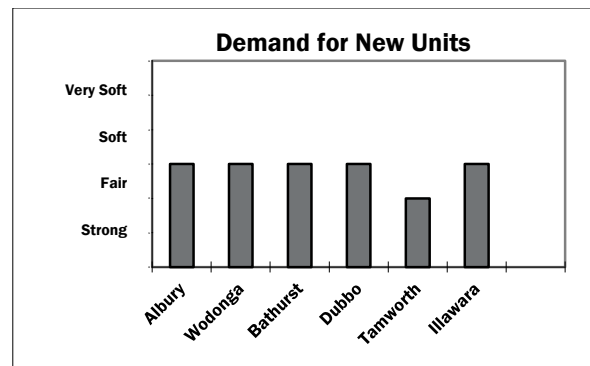
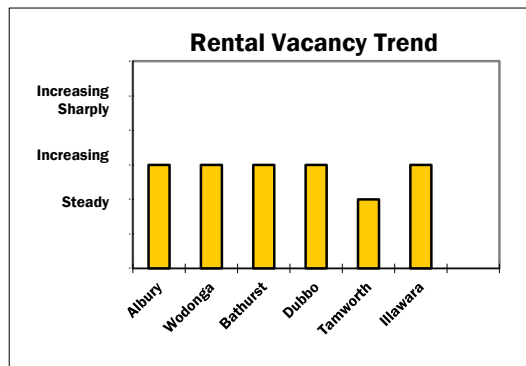


Country New South Wales Property Market Indicators - Units

Factor	Albury	Wodonga	Bathurst	Dubbo	Tamworth	Illawarra
Rental Vacancy Situation	Balanced market	Balanced market	Balanced market	Balanced market	Shortage of available property relative to demand	Balanced market
Rental Vacancy Trend	Steady	Steady	Steady	Steady	Tightening	Steady
Demand for New Units	Fair	Fair	Soft	Fair	Strong	Fair
Trend in New Unit Construction	Steady	Steady	Increasing	Declining	Steady	Steady
Volume of Unit Sales	Steady	Steady	Steady	Steady	Steady	Steady
Stage of Property Cycle	Approaching bottom of market	Approaching bottom of market	Starting to decline	Rising market	Peak of market	Start of recovery
Are New Properties Sold at Prices Exceeding Their Potential Resale Value	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally	Frequently

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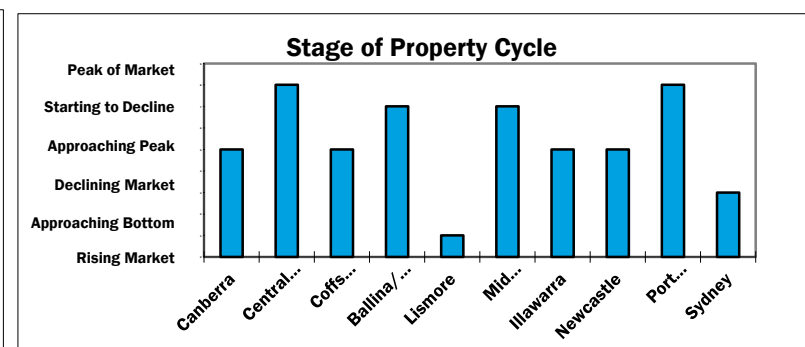
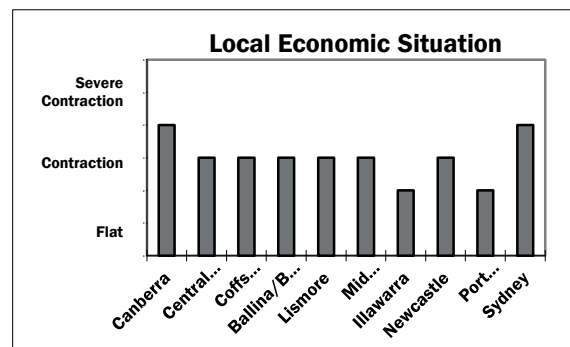
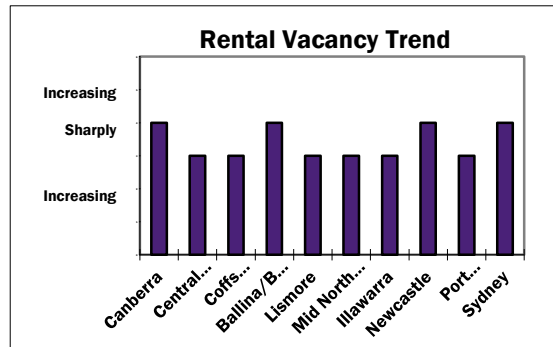


East Coast & Country New South Wales Property Market Indicators – Retail

Factor	Canberra	Central Coast	Coffs Harbour	Ballina/Byron Bay	Lismore	Mid North Coast	Illawarra	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	Over-supply of available property relative to demand	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	Declining	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	Declining market	Peak of market	Approaching bottom of market
Local Economic Situation	Contraction	Flat	Flat	Flat	Flat	Flat	Steady growth	Flat	Steady growth	Contraction
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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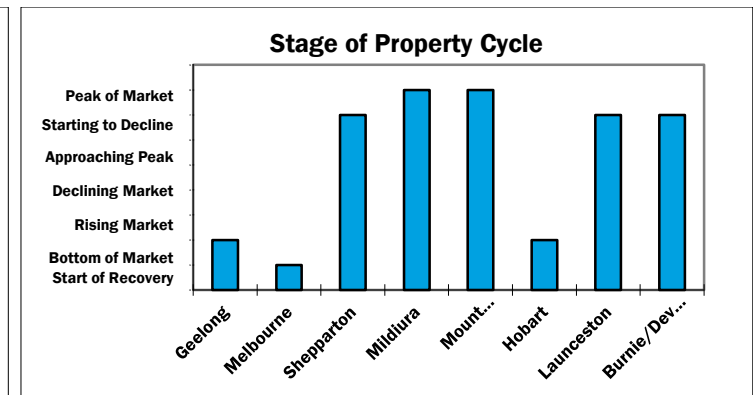
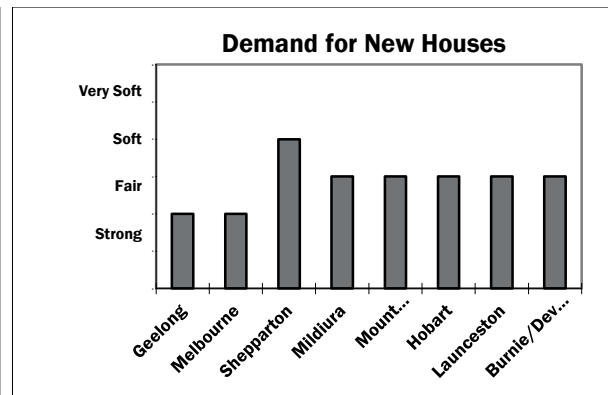
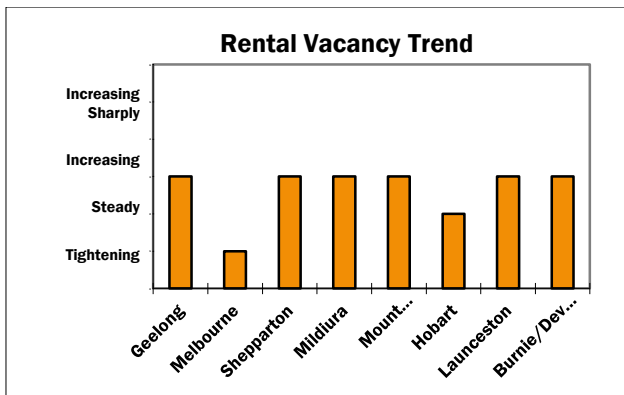


Victorian and Tasmanian Property Market Indicators – Houses

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

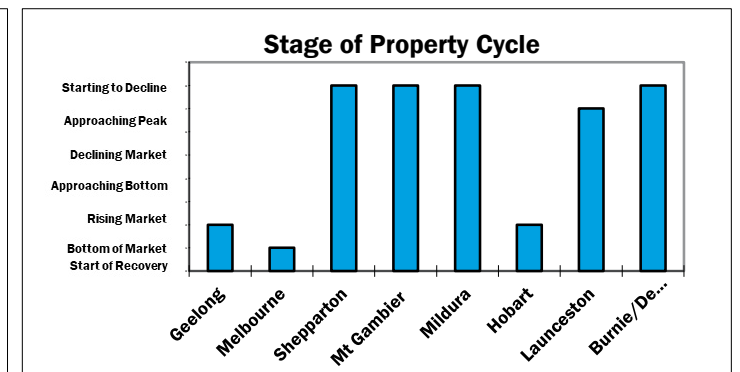
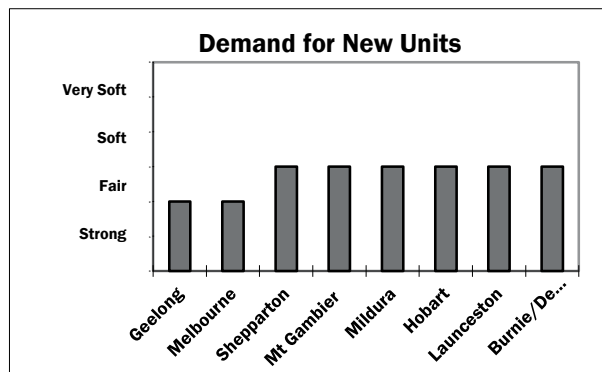
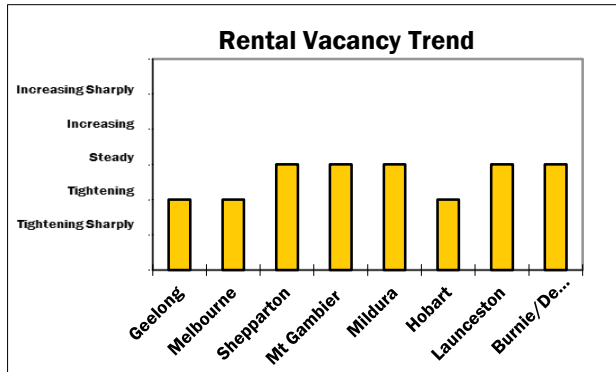


Victorian and Tasmanian Property Market Indicators – Units

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

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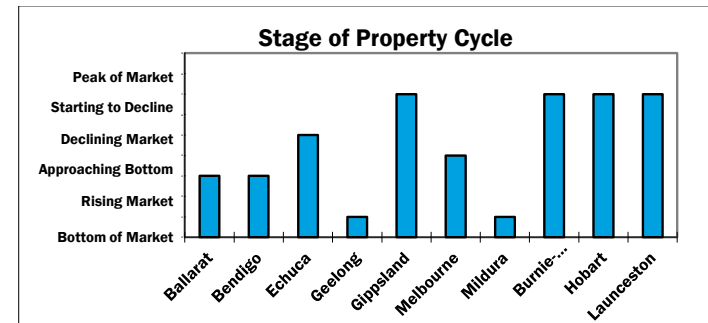
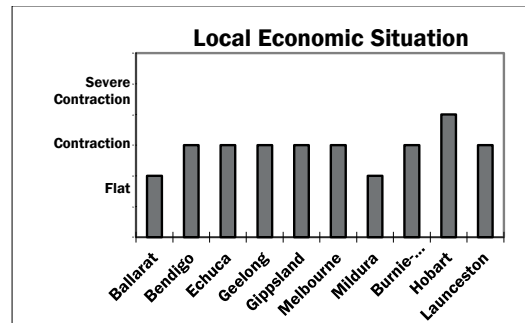
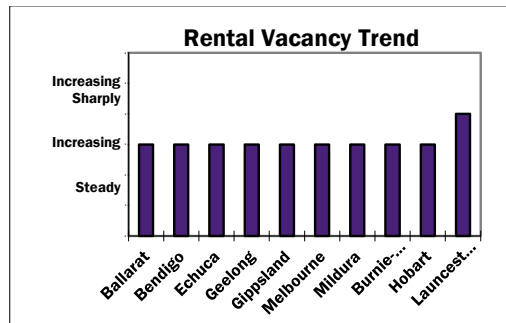


Victorian and Tasmanian Property Market Indicators – Retail

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

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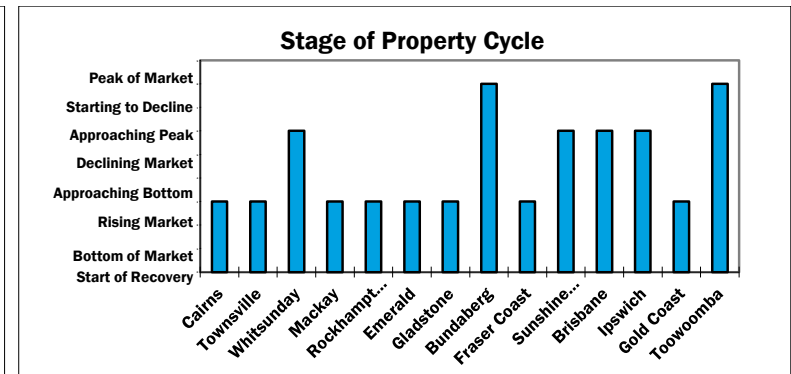
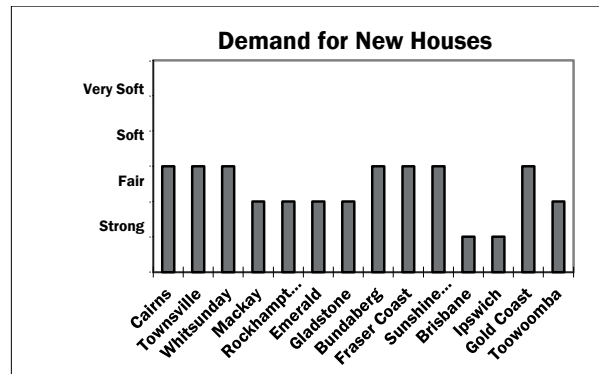
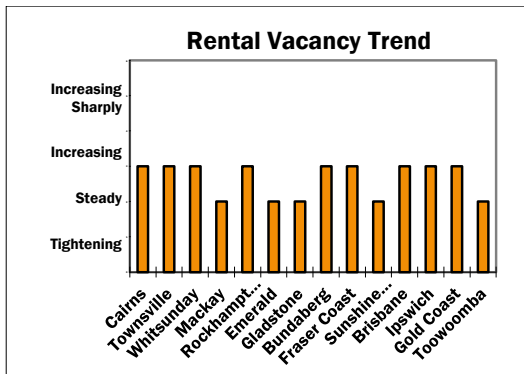


Queensland Property Market Indicators – Houses

Factor	Cairns	Townsville	Whitsunday	Mackay	Rockhampton	Emerald	Gladstone	Bundaberg	Fraser Coast	Sunshine Coast	Brisbane	Ipswich	Gold Coast	Toowoomba
Rental Vacancy Situation	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	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	Shortage of available property relative to demand
Rental Vacancy Trend	Steady	Steady	Steady	Tightening	Steady	Tightening	Tightening	Steady	Steady	Tightening	Steady	Steady	Steady	Tightening
Demand for New Houses	Fair	Fair	Fair	Strong	Strong	Strong	Strong	Fair	Fair	Fair	Very strong	Very strong	Fair	Strong
Trend in New House Construction	Steady	Steady	Steady	Declining	Declining	Steady	Declining	Steady	Steady	Steady	Declining	Declining	Steady	Declining
Volume of House Sales	Declining	Declining	Steady	Increasing	Increasing strongly	Increasing	Increasing strongly	Steady	Increasing	Declining	Steady	Steady	Steady	Increasing
Stage of Property Cycle	Rising market	Rising market	Approaching peak of market	Rising market	Rising market	Rising market	Rising market	Peak of market	Rising market	Approaching peak of market	Approaching peak of market	Approaching peak of market	Rising market	Peak of market
Are New Properties Sold at Prices Exceeding Their Potential Resale Value	Frequently	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally	Frequently	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally

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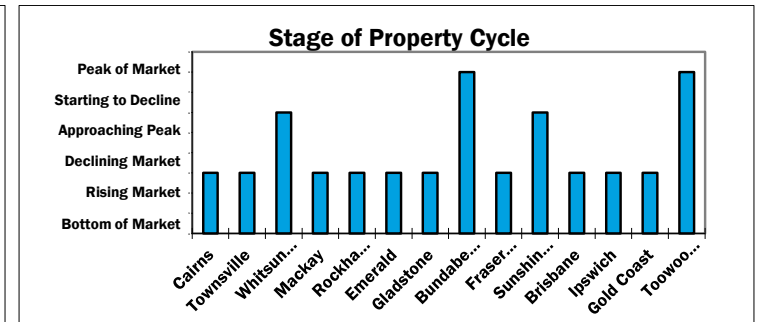
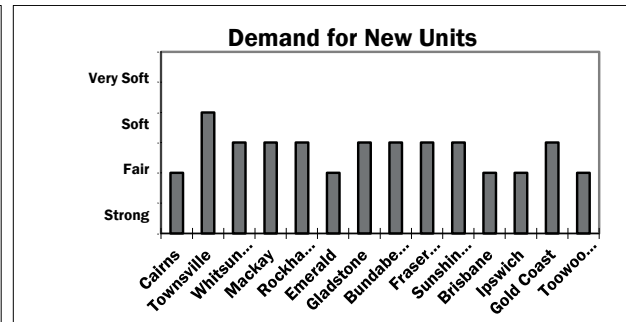
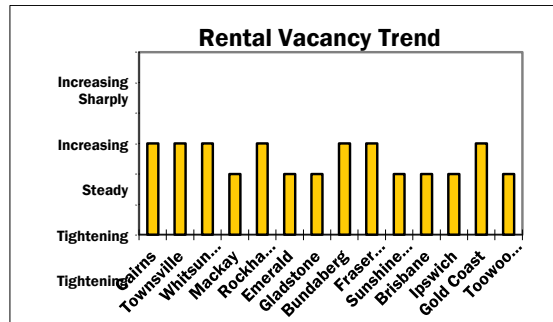


Queensland Property Market Indicators – Units

Factor	Cairns	Townsville	Whitsunday	Mackay	Rock-hampton	Emerald	Gladstone	Bundaberg	Fraser Coast	Sunshine Coast	Brisbane	Ipswich	Gold Coast	Toowoomba
Rental Vacancy Situation	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	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	Shortage of available property relative to demand
Rental Vacancy Trend	Steady	Steady	Steady	Tightening	Steady	Tightening	Tightening	Steady	Steady	Tightening	Tightening	Tightening	Steady	Tightening
Demand for New Units	Strong	Soft	Fair	Fair	Fair	Strong	Fair	Fair	Fair	Fair	Strong	Strong	Fair	Strong
Trend in New Unit Construction	Steady	Increasing	Steady	Steady	Steady	Steady	Steady	Steady	Steady	Steady	Increasing	Increasing	Steady	Declining
Volume of Unit Sales	Increasing	Increasing	Increasing	Increasing	Increasing	Increasing	Increasing	Steady	Increasing	Declining	Increasing	Increasing	Steady	Increasing
Stage of Property Cycle	Rising market	Rising market	Approaching peak of market	Rising market	Rising market	Rising market	Rising market	Peak of market	Rising market	Approaching peak of market	Rising market	Rising market	Rising market	Peak of market
Are New Properties Sold at Prices Exceeding Their Potential Resale Value	Frequently	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally	Occasionally

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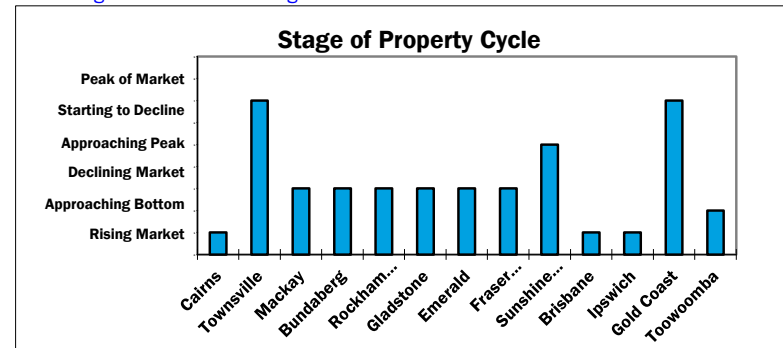
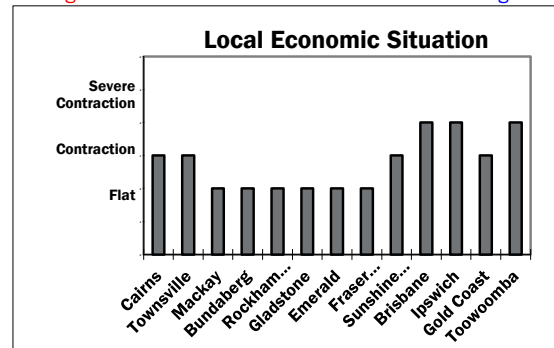
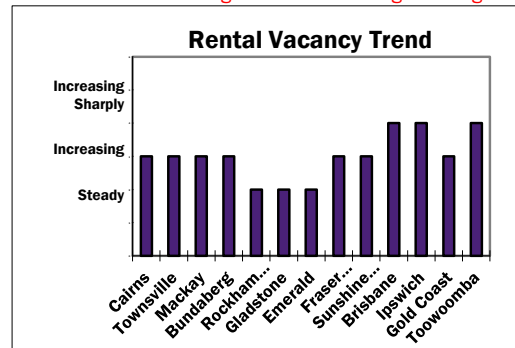


Queensland Property Market Indicators – Retail

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	Balanced market	Balanced market	Balanced market	Balanced market	Balanced market	Over-supply of available property relative to demand	Over-supply of available property relative to demand	Balanced market	Over-supply of available property relative to demand
Rental Vacancy Trend	Steady	Steady	Steady	Steady	Tightening	Tightening	Tightening	Steady	Steady	Increasing	Increasing	Steady	Increasing
Rental Rate Trend	Stable	Stable	Stable	Increasing	Increasing	Increasing	Increasing	Increasing	Stable	Stable	Stable	Stable	Stable
Volume of Property Sales	Steady	Steady	Steady	Steady	Steady	Steady	Steady	Steady	Steady	Steady	Declining	Declining	Steady
Stage of Property Cycle	Start of recovery	Starting to decline	Rising market	Rising market	Rising market	Rising market	Rising market	Rising market	Declining market	Start of recovery	Start of recovery	Starting to decline	Bottom of market
Local Economic Situation	Flat	Flat	Steady growth	Steady growth	Steady growth	Steady growth	Steady growth	Steady growth	Flat	Contraction	Contraction	Flat	Contraction
Value Difference between Quality Properties with National Tenants, and Comparable Properties with Local Tenants	Small	Significant	Significant	Small	Significant	Significant	Significant	Small	Significant	Large	Large	Significant	Large

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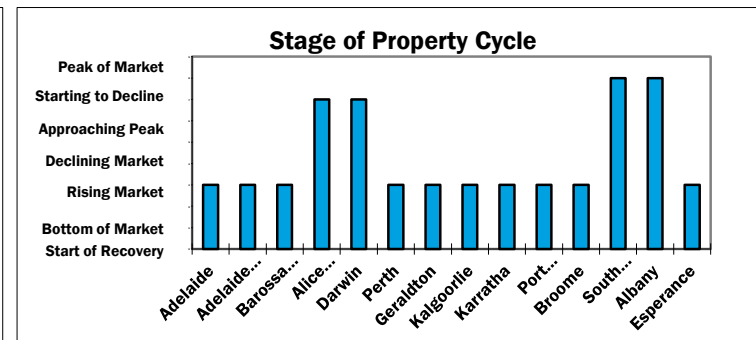
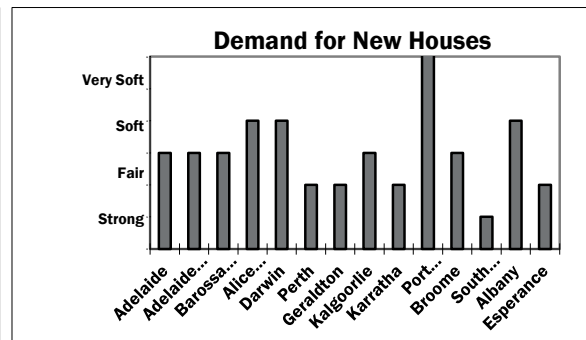
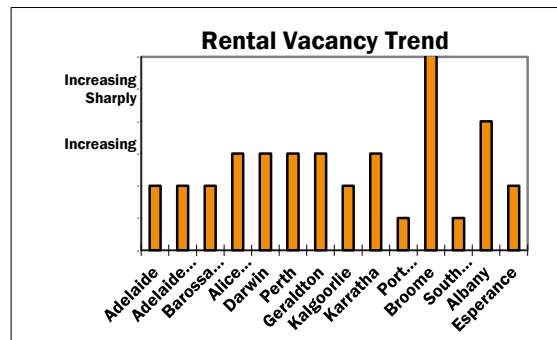


SA, NT and WA Property Market Indicators - Houses

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	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	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	Steady	Steady	Steady	Steady	Tightening	Steady	Steady	Tightening	Tightening sharply	Increasing	Steady
Demand for New Houses	Fair	Fair	Fair	Soft	Soft	Strong	Fair	Fair	Strong	Strong	Strong	Very strong	Soft	Fair
Trend in New House Construction	Increasing	Increasing	Increasing	Increasing	Increasing	Steady	Declining	Declining	Declining	Declining	Declining	Declining significantly	Increasing	Declining
Volume of House Sales	Declining	Declining	Declining	Declining	Steady	Steady	Increasing	Steady	Steady	Steady	Steady	Increasing	Declining	Increasing
Stage of Property Cycle	Rising market	Rising market	Rising market	Starting to decline	Starting to decline	Rising market	Rising market	Rising market	Rising market	Rising market	Rising market	Peak of market	Peak of market	Rising market
Are New Properties Sold at Prices Exceeding Their Potential Resale Value	Frequently	Frequently	Frequently	Almost never	Almost never	Frequently	Occasionally	Occasionally	Occasionally	Almost never	Occasionally	Very frequently	Occasionally	Almost never

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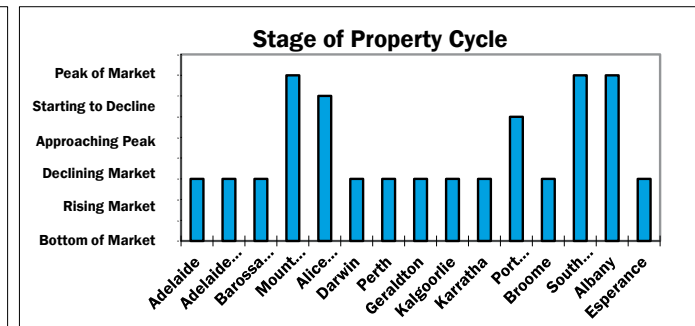
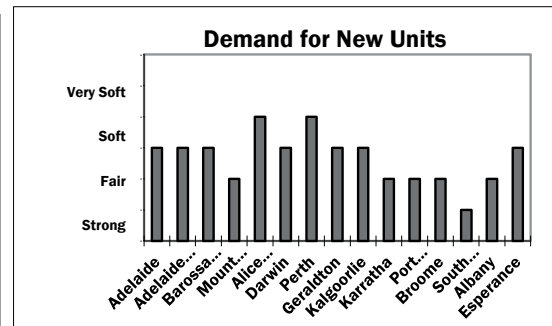
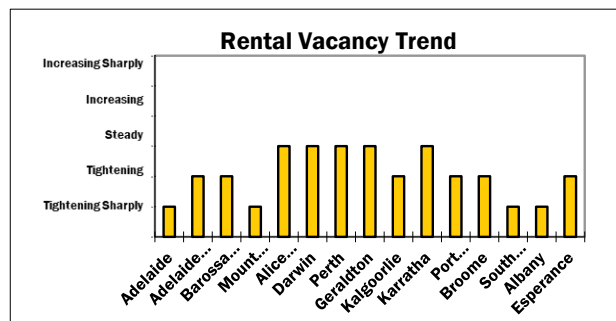


SA, NT and WA Property Market Indicators – Units

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	Shortage of available property relative to demand	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	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	Steady	Steady	Steady	Steady	Steady	Tightening	Steady	Tightening	Tightening	Tightening sharply	Tightening sharply	Steady
Demand for New Units	Fair	Fair	Fair	Fair	Soft	Fair	Soft	Fair	Fair	Strong	Strong	Strong	Very strong	Strong	Fair
Trend in New Unit Construction	Increasing	Increasing	Increasing	Steady	Increasing	Increasing	Increasing	Steady	Steady	Steady	Steady	Steady	Declining significantly	Declining significantly	Steady
Volume of Unit Sales	Declining	Declining	Declining	Steady	Declining	Steady	Steady	Steady	Steady	Steady	Steady	Steady	Increasing	Increasing	Steady
Stage of Property Cycle	Rising market	Rising market	Rising market	Peak of market	Starting to decline	Rising market	Rising market	Rising market	Rising market	Rising market	Approaching peak of market	Rising market	Peak of market	Peak of market	Rising market
Are New Properties Sold at Prices Exceeding Their Potential Resale Value	Frequently	Frequently	Frequently	Occasionally	Almost never	Almost never	Occasionally	Occasionally	Occasionally	Occasionally	Almost never	Almost never	Very frequently	Occasionally	Almost never

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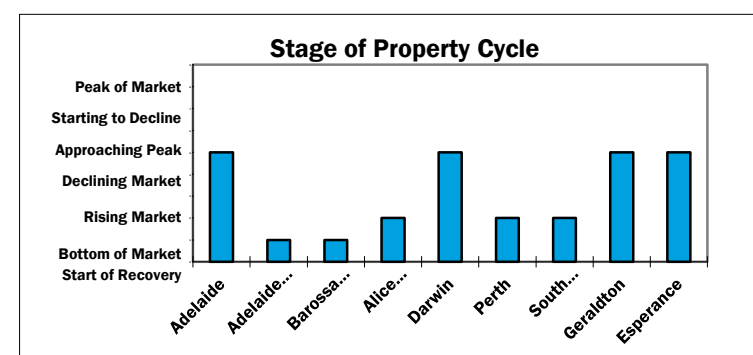
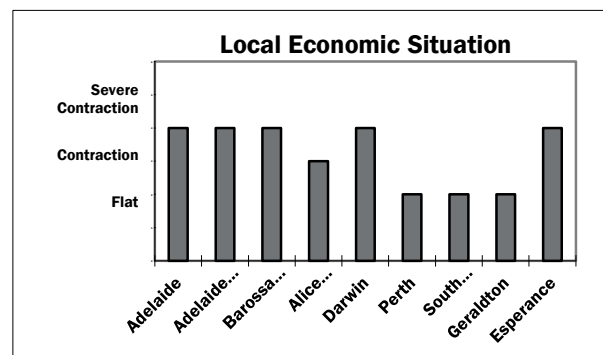
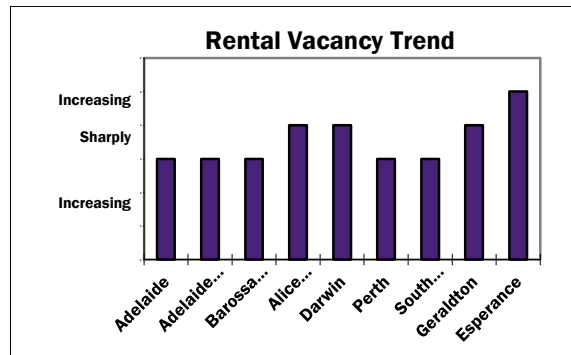


SA, NT and WA Property Market Indicators – Retail

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 significantly	Declining significantly
Volume of Property Sales	Steady	Steady	Steady	Declining	Steady	Steady	Steady	Declining significantly	Declining significantly
Stage of Property Cycle	Declining market	Start of recovery	Start of recovery	Bottom of market	Declining market	Bottom of market	Bottom of market	Declining market	Declining market
Local Economic Situation	Contraction	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

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TALK TO YOUR LOCAL EXPERT

Commercial

NT Terry.Roth@htw.com.au
SA Chris.Winter@htw.com.au
QLD Alistair.Weir@htw.com.au
ACT Scott.Russell@htw.com.au
VIC Jason.Stevens@htw.com.au
WA Greg.Mullins@htw.com.au
NSW Angeline.Mann@htw.com.au
TAS Andrew.Peck@htw.com.au

Residential

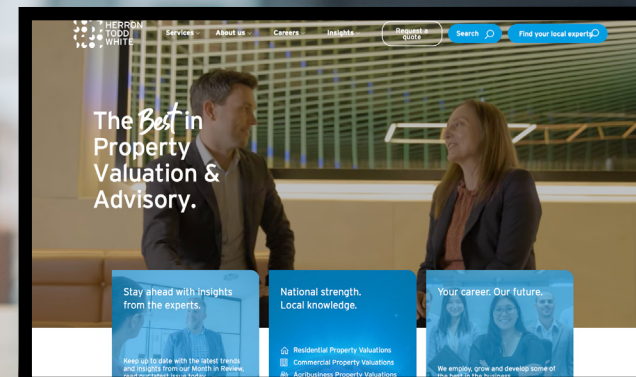
NT Will.Johnson@htw.com.au
SA Jarrod.Harper@htw.com.au
QLD David.Notley@htw.com.au
ACT Angus.Howell@htw.com.au
VIC Perron.King@htw.com.au
WA Brendon.Ptolomey@htw.com.au
NSW Matt.Halse@htw.com.au
TAS Andrew.Peck@htw.com.au

Rural

NT Frank.Peacocke@htw.com.au
SA Graeme.Whyte@htw.com.au
QLD Will.McLay@htw.com.au
ACT Scott.Fuller@htw.com.au
VIC Graeme.Whyte@htw.com.au
WA Luke.Russell@htw.com.au
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