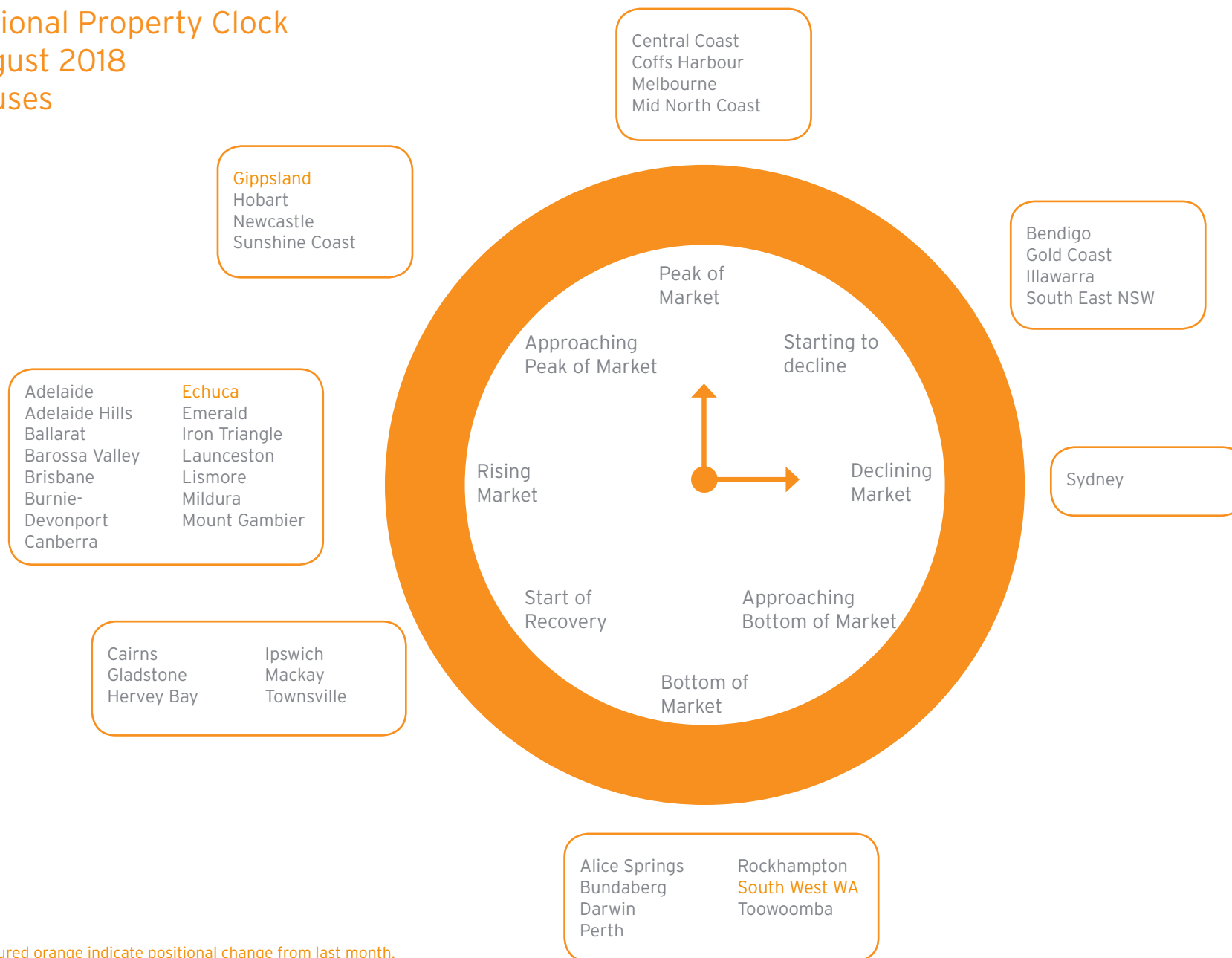


Residential

National Property Clock

August 2018

Houses



Entries coloured orange indicate positional change from last month.

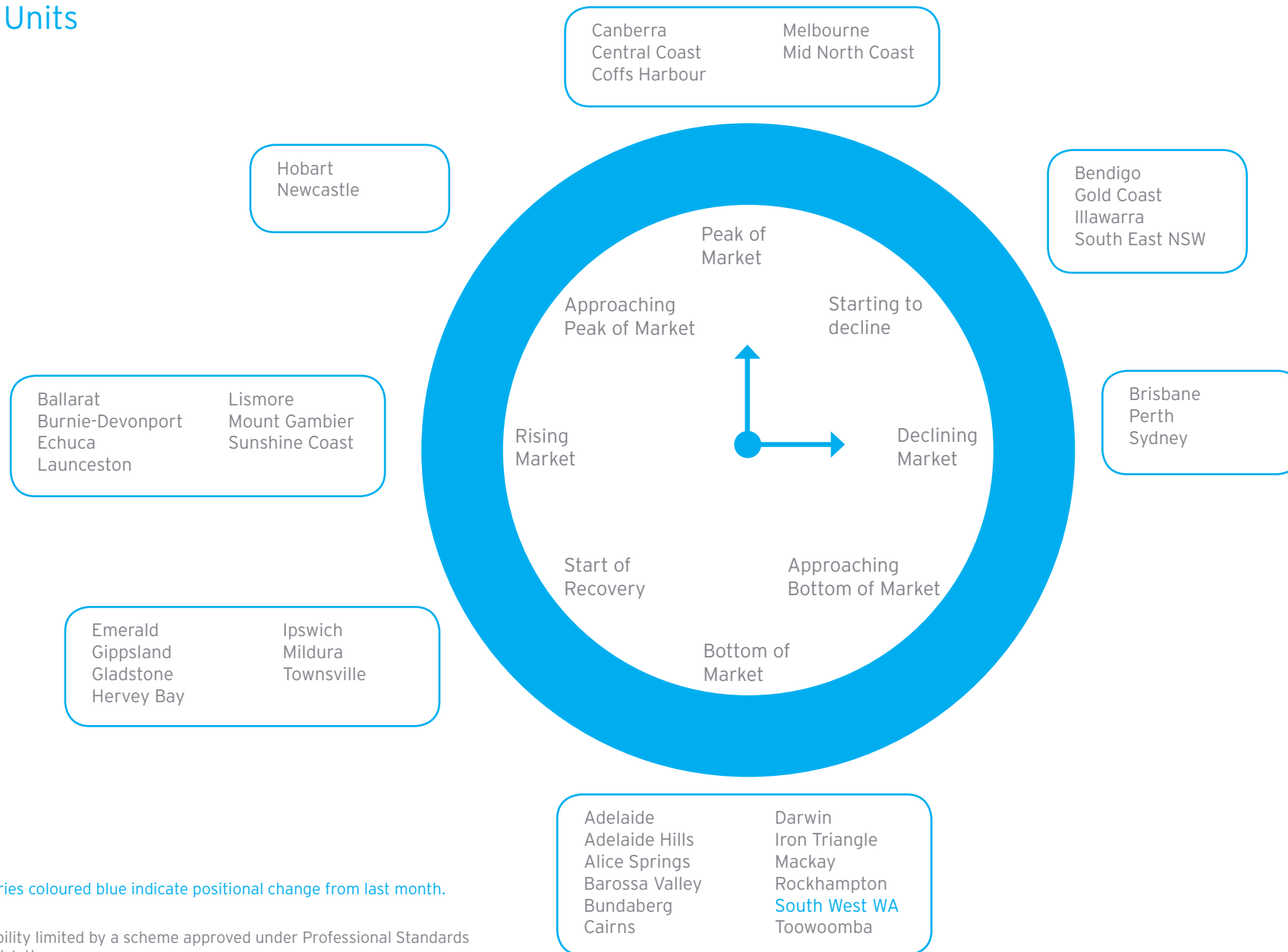
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National Property Clock

August 2018

Units



Entries coloured blue indicate positional change from last month.

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New South Wales

Overview

Fifty years is a long time to be in anything, but to have successfully grown and operated a business for five decades... well, that's an achievement few get to claim.

This month we celebrate a half century of Herron Todd White by looking at the cutting edge of housing today and reflecting on how our real estate centres have evolved since 1968.

It's an educational and informative special edition of the Month In Review that will be an excellent conversation starter at your next gathering.

Sydney

Over the past fifty years in Sydney we have experienced a substantial shift in how we live, where we live, how we treat housing and what are considered must have items.

In 1968, the median house price for Sydney was approximately \$13,000. Fast forward 50 years and that number has increased by over a million dollars with the June median at \$1.12 million (source: Domain).

The must have for families back in 1968 was a detached dwelling in the suburbs with a large yard. A detached single garage or carport was standard and internally one living room was fairly common.



A "McMansion" (left) and a more recent build on a small lot (right) (Source: Google and Domain)



Thanks to increasing affordability, urban sprawl and changes to the way we live. Houses have become more than just a place to sleep at night; they have become the focal point of our lives. In many cases people now eat, sleep, entertain and work at home, so houses and housing design have adapted to our changing needs.

These days the kitchen isn't tucked away in the corner, it has become the focal point of the home, and as such spending \$50,000 to \$100,000 on this area alone is becoming more common and not just in the more affluent areas of Sydney.

Other items becoming more popular include multiple external cladding and the use of a mixture of materials, dedicated media rooms and the desire to

combine outdoor and indoor living through alfresco areas with substantial outdoor kitchens, pizza ovens, bar fridges and outdoor heaters.

In the early 2000s, in outer ring suburbs, particularly in the western suburbs of Sydney, very large family homes nicknamed McMansions became prevalent. More recently, with new land releases comprising more compact lots, the size of these homes is shrinking however the quality of the inclusions is increasing.

Currently new estates in the outer regions of Sydney's west are offering blocks of land from around 150 to 400 square metres and a 500 square metre block is now considered a large lot. This allows houses to be built closer to the boundaries



Victoria Park racecourse at Zetland in the 1950s. View showing the Nuffield production building and administrative building in full use.
Image: City of Sydney Archives 033/0032309.

(Source: City of Sydney Archives)

Zetland now (left), and Green Square which is currently being developed (Source: Google)

and have efficient low maintenance yards with little to no wasted space. Whilst it may not appeal to everyone, these smaller lots are being snapped up by young families and individuals who want a home but don't want to waste the entire weekend on the garden maintenance that is usually required on more traditional 700 to 1,000 square metre parcels.

Planning restrictions throughout many Sydney LGAs have eased, allowing for more medium and high density construction. Lower minimum lot sizes for dual occupancies, smaller minimum living areas for units and an easing of car accommodation requirements have helped reshape a number of established Sydney suburbs.

In 1968 it would be unusual to raise a family in a unit. Now it is more common with families wanting to live in low maintenance accommodation within close proximity to services as a trade off to a larger home in the suburbs.

The centre of Sydney has traditionally been the Harbour and CBD, but over the years the focus has drifted further west as the population has grown along with urban sprawl. Currently Parramatta is seen as not only the geographical centre of Sydney but as a genuine second CBD with large scale infrastructure investment. This will become more the case when the second airport is built at Badgerys Creek, some 50 kilometres west of the Sydney CBD, but only half that from Parramatta.

Closer in, on the Sydney CBD fringe, there have been dramatic changes over the past 50 years with industrial precincts being transformed into new residential areas.

One such area is the Green Square and Zetland precinct, which has had a complete transformation over the past 50-odd years.

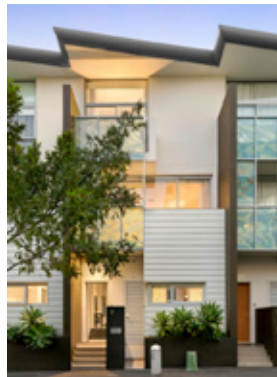
During the early to mid-1900s, the area was home to Victoria Park Racecourse and adjoining industrial estates such as the Nuffield Australia motor vehicle assembly facility (pictured top right).

Fifty years ago, these suburbs were not as appealing as places to live as they are today. The job market was not as focused on being close to the CBD, with many manufacturing jobs based around the inner-west and outer-western suburbs of Sydney. As time went by and new industries such as financial services, media and technology grew, demand also

started to increase for people wanting to live closer to the CBD. As a result these areas have gentrified significantly and become far more desirable over the past two decades.

Units are now the more popular form of new residential property due to affordability and lifestyle choices for many. These days the demand continues to grow which is the result of affordability, job markets and people wanting to be closer to work to achieve work-life balance or improved lifestyle and of course avoid travelling long distances on public transport or in traffic. The increasing levels of new apartments also make rental accommodation more accessible for tenants. Warehouse and factory conversions have also become particularly popular within these inner city locations, allowing developers to transform older buildings whilst retaining their heritage appeal.

Common facilities are a big part of this lifestyle, with many new complexes having gyms, pools and impressive common areas. Developers are now trying to provide a point of difference by adding in common improvements such as libraries, meeting rooms, rooftop terraces, BBQ facilities, edible (herb) gardens and yoga rooms. In an effort to minimize car use, the City of Sydney Council is reducing the number of car spaces allowed in new developments, which is restricting supply and is pushing up the price of car spaces. Many new complexes now offer motorcycle or bicycle spaces as an alternative.



1F Victoria Park Parade, Zetland - Sold May 2018 for \$2,100,000 (Source RP Data and Realestate.com.au)



Proposed Community Park for Green Square named 'The Drying Green' in celebration of its industrial past where it was used for drying wool fleeces. (Source: City of Sydney)

In addition to units, developers are also offering alternative options such as townhouses and terraces which offer larger living areas, superior parking provisions and direct street front access which appeal to larger families and those who don't want to totally give up the more traditional freestanding home style found further away from the inner city. While these property types are a far cry from the quarter acre lot, they still tick many of the boxes in regards to size and functionality, plus they benefit from being close to work, school, shopping centres and everything else that buyers are looking for these days.

The past 50 years has seen Sydney grow out but also up, with increased density throughout most established suburbs, particularly those close to public

transport infrastructure. The next 50 years is likely to see an even greater shift as the population continues to grow but the workforce continues to decentralise as more people work away from the office.

Lismore/Casino/Kyogle

It is rather safe to say that the housing landscape of Lismore, Casino and Kyogle has altered or adapted significantly over the past 50 years. Gone are the days of subdividing of residential land into the traditional freehold quarter acre blocks (1,012 square metres) in the main residential estates. Typically, lots are much smaller, say 650 to 750 square metres (even smaller as infill development within the CBD at less than 450 square metres).

However, what is interesting to note is that the houses have become significantly larger. The standard today for most upgraders or even first home buyers is to secure that 4-bedroom, 2-bathroom, double garage, brick and tile dwelling.

Fifty years ago, some would be very fortunate to get a 3-bedroom, 1-bathroom fibro cement clad house (asbestos anyone?? No problems back then!) after pleading on all fours at the bank manager's office! Today, the feeling is that finance is much easier to hand out and one is even asked "do you want fries with that?"!

In the environment of a low interest rate generation, the ability to acquire that brand new house is

somewhat easier, but also more expensive. In Lismore, Casino and Kyogle such brand new homes range from \$450,000 to \$600,000 which pales in comparison to the sales prices closer to the coast and generally in comparison to the major metropolitan NSW centres.

The demand is generally for detached houses, however detached units on a separate, smaller strata tile lot have been flavour of the month for the past five years. The reason is that a smaller detached strata site with a similar sized 4-bedroom, 2-bathroom, double garage dwelling, smaller back yard and garden (meaning less landscaping maintenance and lawn mowing) is a win-win for the property owner who wants the luxury but not the work of looking after the place.

There are still some vestiges of the older style housing development in Lismore City (Girards Hill, East Lismore, Lismore Central) and scattered in parts of Casino and Kyogle. The quality of these homes can vary widely from being fully renovated to being generally untouched.

The local authority and Councils are pretty keen on seeing their respective towns grow and the modus operandi in this regard is typically urban spread. Goonellabah (a suburb of Lismore City) for example has been the mainstay of growth in Lismore as it spreads east along the Bruxner Highway with new

residential estates popping up on the northern and southern sides of the highway.

This spread has seen the creation of more parks, sporting grounds and shopping centres to support these growing suburbs. And to think that vast swathes of Goonellabah 50 years ago would have been cattle grazing and dairying land.

The consumer's desire for lifestyle has also garnered strength with the advent of the rural lifestyle block or rural residential property which pretty much kicked off during the 1970s and has gone from strength to strength. Now we can see established rural residential properties commanding sale prices north of \$700,000 in Richmond Hill, Mcleans Ridges, Bexhill, Chillcotts Grass, Tregeagle and even Modanville and Dunoon (in selective places).

As a last point, it is interesting to hear some bemoan the loss of the back yard of yesteryear where the kids could be just kids and play all day.....fast forward 50 years and what do we have now? A lot more opportunities to do all sorts of stuff, and yet some look back. Weird....

Ballina and Byron

The big issue throughout the Ballina Shire remains affordability, both in properties to purchase and to rent. New housing estates throughout Ballina, Lennox Head and Wollongbar are supplying vacant land product to meet demand for single residential

dwelling and duplex units however there is comparatively little stock of residential units being constructed. In comparison to dwellings 50 years ago, new houses being constructed are significantly larger and would typically have a double lockup garage. New houses have become far more generic over the past 50 years throughout the Ballina Shire which can be attributed to the affordability and popularity of standard project homes. Whilst the population of the Ballina Shire as a whole has increased significantly over the past 50 years, Lennox Head would appear to have changed the most, going from a small fishing village to a population of 7,741 according to the 2016 census.

In the Byron Shire, housing design and planning is ever changing to address the important issues affecting the local market. In order to highlight these changes we will discuss the comparison and contrast with what the real estate landscape looked like in this local government area 50 years ago.

For detached housing, there have definitely been some changes in new housing design to cater to the current market. This is evident in the shift towards new houses being built to include a fourth bedroom. It is now a very rare occurrence to see a 3-bedroom house being constructed. Whether the fourth bedroom is a need in this local shire for growing families or a consideration for resale is debateable. Lot sizes for new houses are also smaller compared

to land for sale over 50 years ago. All of the new land subdivisions have an average land size of between 450 and 650 square metres compared to that of older allotments which typically have a land area of 750 square metres and above in a built up residential area. Even though there had been a decrease in land size, there has been an increase in housing size. Houses are becoming bigger and as demand has increased and availability shortened, there has also been a shift towards a secondary dwelling or studio. Building materials are also changing, not only to keep constructions low, for example render or styrofoam (green or blue board), but also to ensure the building process is much quicker. On the other hand, prestige dwellings in the suburb of Byron Bay are definitely researching and acquiring new materials to incorporate in their builds such as different external claddings for an architectural design (for example, corten steel, Alucobond, rendered hemp and rammed earth). Changes in building processes have also been a necessity in order to comply with changes to local council requirements such as in relation to bushfire codes and flooding. The most interesting things that have been spotted recently in the Byron Shire in relation to recently constructed housing have been that of imported items of high quality such as marble from Italy for bench tops.

There has been a cultural shift towards unit living in the Byron Shire. As the demand in this area has

increased, the market has pushed the average buyer to revisit the unit market due to the lack of availability and affordability. New units are now catering for the new economy workers, such as freelancers working from home, by incorporating study nooks or recessed study areas within most new builds. In unit duplexes or triplexes, we are seeing a trend of people eradicating garages in order to compensate with a larger office area and compromising by installing carports instead.

There has been a change from the town planning perspective from that of 50 years ago in order for town planners to address issues such as affordable housing. The solution was to aid investors and owner-occupiers by providing a subsidy for a period of time to allow for an easier process for secondary dwellings or studios to be approved via local councils.

In reflecting back on what the Byron Shire would have looked like over 50 years ago, we know that the coastal resort towns would have reflected fishing and surfing villages comprised of fibro-cement housing and brick and tile dwellings on larger allotments.

The suburbs that would have been new back then would have been Lennox Head and what is known today as the Byron Bay industrial estate. As demand increased, urban sprawl has resulted in new subdivisions up and down the coast, resulting



in larger rural holdings within close proximity to the township to be sold off piece by piece.

Some examples in regard to land and housing price comparisons are:

1979 - There was a deposit of \$13,000 made on land located at Wategos Beach. Today, the entry level price well exceeds \$2 million.

We believe that people would have had to pay no greater than \$100,000 to obtain a land and house built in the Byron Shire. Median house prices today have increased by almost ten-fold:

- Lennox Head - \$850,000
- Byron Bay - \$1 million to \$1.2 million
- Mullumbimby - \$700,000 to \$850,000

Subdivision potential is the greatest lesson to be learned over the past 50 years in property. As urban sprawl has put pressure on these coastal resort style towns, pressure has also been applied to local councils over the years to re-zone to allow for redevelopment.

The Clarence Valley

The Pacific Highway upgrade and inflated workforce currently residing in the Clarence Valley has increased rental demand and has aided capital gains across almost all property types.

Across the sectors, there remains a diverse range of property available including large lot rural residential, small town lots and beachside or riverside prestige lots and houses or units. The general trend remains that the affordability of the area drives the steady increase or stable nature of the market with out of towners viewing property as an affordable option when compared to larger cities within close proximity.

In particular, the rural residential sector has seen an increase in interest, likely due to the now convenient proximity of rural localities to amenities.

To look back at the changes in the Clarence Valley property market over the past 50 years, the vintage of house would be familiar and towns, although expanded, have remained true to their vintage in many ways.

To generalise, the major difference to note over this time is the expansion, both in number of lots or houses as well as the reach of towns with better suited amenities now available and the overall accessibility of rural areas.

Coffs Harbour

Although the property landscape has changed significantly over the past 50 years, a constant has been that icon of all big attractions, the Big Banana, which has also recently celebrated its 50 year anniversary. It should be noted that this icon has also

moved with the times and has come a long way from the original concept, much like the region itself.

A quick background of the origins of Coffs Harbour is important to note. The town was originally named Korff's Harbour by John Korff in 1847. It was renamed Coffs Harbour when the town site was reserved in 1861.

Timber cutting remained the most important industry well into the 1900s, spurred on by the opening of the Jetty in 1892. Gold mining, fruit growing, dairying and sugar cane farming also became popular, although many of these earlier ventures failed. Bananas were introduced in 1881 and the banana growing industry took off in the early 1900s as the population swelled during construction of the railway and the harbour breakwall. Banana growing gained further momentum in the 1920s as plantations to the north were wiped out by disease.

Tourism took off with the completion of the railway in 1915 and the completion of the link through to Sydney in 1923. The town became popular as a beach getaway for the outer lying rural areas and travellers from Sydney. Much development occurred between the 1960s and 1980s within the beach side locations of the Jetty and Park Beach, mostly a mix of modest style unit accommodation and single homes used for weekend getaways.

We consider the main drivers in the out of town migration over the years have been affordability, lifestyle and infrastructure upgrades, including a major regional airport having eight flights per day to Sydney, Pacific Highway upgrades that have significantly reduced car travel, and expansion of the hospital and education sectors. One limiting factor which still has an effect on the market is jobs availability and wages. Coffs Harbour is still well under the nation's average with the 2016 Census statistics showing that only 6.3% of the working population earns over \$91,000 per annum, 21% earns between \$15,00 and \$25,000 per annum and the middle income bracket of \$50,000 to \$90,000 represents 16.3%.

As property prices increase, the local affordability factor soon becomes an issue, which we are now experiencing.

Today, the landscape has changed. Although many of the older developments in prime beachside locations still exist, the move is for more redevelopment and urban planning. Coffs Harbour is constrained by the lack of available land for development and, as in most urban areas these days, lot sizes have reduced to between 450 and 650 square metres with prices ranging from \$250,000 to \$400,000 on average. Five years ago, land was available from \$150,000 to \$250,000 for standard residential lots; fifty years ago, 450 square metres was not even on the radar.

Unit development is also modernising with a recent highrise development, Seashells at Park Beach, just about to open its doors being only one of a handful ever constructed. Sales were very strong off the plan with the majority of buyers being local, and average values ranging from \$310,000 to \$750,000. More unit developments around the Jetty location are in the pipeline and a significant retirement and aged care complex is underway also within the Park Beach location. All of this is an indication of the changing property demographic.

We are also seeing many dual occupancy properties being developed to accommodate the ever increasing permanent rental market and Airbnb market. As always the push is to develop the more popular beachside locations which mean more units, smaller lot sizes and houses with a view to lifestyle. As a result we will see more innovation in small lot housing and sharing of electricity through solar power and community green spaces. Fifty years ago, the entire Coffs Harbour was a green space. How things change and forever will. We feel Coffs Harbour is equipped for this change and has a diverse range of lifestyles to offer plus the benefits of a major regional town.

Mid North Coast

Within the area and surrounds of Port Macquarie, the housing market is being favoured by the metropolitan purchaser who is often trying to escape the inner city lifestyle or looking for an investment

with good growth. This area provides such facilities at an affordable price and only three to four hours from the larger cities. With new commercial development, the recent NBN connection and the modern district hospital facilities, the area is attracting many such people for its lifestyle which in turn is creating growth for the local area.

With the metropolitan centres slowing and prices stabilising in the metropolitan areas, there are pockets in Port Macquarie that are still selling at full purchase price and quickly (mostly the beachside suburbs and villages), however the general overall region is stabilising and we are seeing houses on the market for longer and price reductions becoming more frequent.

Within the developing western areas of Port Macquarie, new houses are mostly 4-bedroom, 2-bathroom standard designs and are often being built to a budget for first home owners or buyers who can't afford the beachside Port Macquarie areas. Investor demand continues for duplex style homes and homes with separate granny flats.

With further development growth in the Port Macquarie region such as a new Bunnings, expansion of the Bundaleer Care Services and Stage 2 and 3 of the Charles Sturt University yet to commence, it is expected that housing development will continue at a moderate pace.

Development of residential land subdivisions on the outer areas of Port Macquarie are still in demand with builders looking for sales opportunities within the next stages.

Interestingly, this week we conducted a valuation of a split contract community title townhouse subdivision within the Port Macquarie area. The concept whilst not new is a new trend that is happening in metropolitan areas. We will watch with interest the purchase price and resale of these dwellings.

In reflecting over the past 50 years, standard dwellings consisted of brick, tile roof, 3-bedroom, 1-bathroom and single lock up garage. These dwellings today have increased in value due to their locations and are being extended and modernised. An example of this is the Bellevue Hill and Shelly Beach areas.

At this stage, the Mid North Coast and its major regional centre of Port Macquarie is still a favourable place to live and invest with growth expected to continue.

Newcastle

As with most things in life, things have gotten bigger and more luxurious in the past 50 years, never more so than in the property world. Where a 3-bedroom, 1-bathroom house used to get the job done for many families, it now doesn't come close to fulfilling the needs of a modern family.

Four bedrooms and two bathrooms have become the standard starting point for families with entry level aspirations. The only time you generally see 3-bedroom homes being built now is in either infill townhouses or in granny flat format out the back of the existing house!

Single garages have morphed into double garages in that time as we became two (and more) car families. Often times, the double garage isn't actually used for cars but for additional storage and clutter. Driveways become popular resting spots for the old jalopy.

An interesting deviation from the bigger is better trend is the comparatively smaller blocks in new developments as the unit cost of land gets more expensive and the cost to developers in bringing lots to the market has increased significantly. The old quarter acre these days is about 450 square metres. For those of us unfamiliar with a quarter acre, it's just around 1,000 square metres. If today you were to find a 1,000 square metre block of dirt on the market in and around a built up area, it would be ripe for the construction of two if not three dwellings depending on zoning constraints etc. Our trend towards higher density is ongoing in line with our desire to appear to be conspicuously virtuous and environmentally friendly.

Another trend we have seen come to the fore over the past 50 years is the emergence of a second

living area, often in the form of a covered outdoor area or alfresco space. The older homes often lack a secondary living space and quite often the layout is not orientated to take in the best aspect the site has to offer. The addition of an outdoor living area allows more natural light into the dwelling and also helps the energy efficiency of the dwelling by allowing natural energy to be stored and retained throughout the day.

Illawarra

Fifty years ago, the Illawarra was dealing with immigration pressures. Following World War II, the Commonwealth Government launched a migration program which saw a steady supply of immigrants to Australia, mostly from Europe. The Illawarra was a popular place to settle for those arriving under government assistance or by private means. A shortage of labour and materials initially led to the creation of a number of migrant camps such as those in Fairy Meadow, Unanderra and Warrawong.

As the population grew, there was a housing boom between the 1950s and 1970s including the establishment of a number of new land releases for residential dwellings. Areas in suburbs such as Fairy Meadow, Coniston and Warrawong comprise many 1960s and 1970s built red brick single level dwellings which was the style of the times.

Fast forward 50 years and we are seeing a number of different styles of new housing. Current issues which



are shaping new housing in the Illawarra are the availability of suitable land along with affordability. The result is:

- Smaller lots in new land subdivisions. Some lots are as small as 250 square metres while a large portion are less than 500 square metres.
- Modern infill townhouse developments, typically in suburbs within close proximity to a CBD.
- An unprecedented level of new construction of residential units in the Wollongong CBD.

A generation of settlers created and built new housing throughout the region.

Fifty years on and this generation is now starting to move on and new residents are purchasing homes which are 50 years old and often have only had one owner and are in original condition. The new owners are renovating these properties and the neighbourhoods are transitioning from older established neighbourhoods to trendy popular suburbs.

Southern Highlands

As we set off on the 2019 financial year, the main property driver for the Southern Highlands remains proximity to Sydney and the increasing attractiveness to that buyer market, particularly families in the up to \$1.5 million price point who continue to discover the Southern Highlands

region as an affordable lifestyle alternative to an increasingly congested urban existence.

Fifty years ago, the Southern Highlands was more of an operating rural community with dairy and cattle being the main economic drivers of the region. There was also a healthy amount of investment in the region by wealthy Sydney and Melbourne based families, setting up their rural retreat in the Highlands, mainly accessed by rail line to Bowral and Moss Vale as well as the outlying hamlets of Bundanoon and Robertson. This high level of discretionary expenditure saw the establishment of some trophy properties throughout the region, both town homes and rural lifestyle properties.

The advent of freeway infrastructure beginning with the opening of the M5 in the 1990s and its subsequent extension together with somewhat improved rail infrastructure has reduced the commute time between the Highlands and Sydney. This combined with the NSW Government recognizing and prioritising land release areas across the region is seeing the fabric of the Highlands gradually changing and providing real lifestyle opportunities to the Sydney market, particularly families and recent retirees. In fact the recent announcement by the NSW Government of the Wilton Junction urban release area will see approximately 18,000 new homes developed in the region over the coming years. The challenge as always will be

getting the balance right in providing the social infrastructure to cope with resident growth.

Gosford

The NSW Central Coast Region is located between the Sydney metropolitan area to the south and Newcastle to the north. Being here means we generally know what to expect as market behaviour radiates out from Sydney and we can react before our northern neighbours get wind.

As we write, the Central Coast region seems to have heard and seen how the Sydney market is slowing and we are noticing a fairly obvious slowing of the market. Real estate agents seem to be making strategic moves in their business normally seen in slower time and lenders are becoming tougher.

These are among the big issues facing the region. Other, equally important issues might include how market values will be maintained into the future and do we really need all these new residential releases and unit complexes at the moment.

Significantly, we sought the advice of some of the region's older people on what were the hot topics 50 years ago in 1968. Those who could remember those times left us with the opinion that essentially little has changed. The worries of too much development was talked about as much then as it is now. This becomes relevant when considering that electrified rail service only came to the coast in 1960, followed

closely by the opening of the Sydney-Newcastle Freeway in 1965 and combined with other events of the day, this made the Central Coast available to a much larger base of enquirers and potential home buyers.

There appears to have been considerable concern about the area changing too much now that it could be accessed easier by those Sydney types. Many retirees chose the region as the place to live out their retirement years in this newfound, affordable location next to the sea.

Purchases in the region's older suburbs were discovered for what was thought to be bargain prices and during this latest period in real estate, much of the same was being said by those making the short trip from Sydney to the coast.

Having been opened to the Sydney market during the 1960s, new tourist destinations were also found and adopted. Today, many of the unit complexes built for those people still exist.

We have tried to narrow down prices paid for property back in 1968, but the reality is that records of these times are difficult to come by. According to details found in the Valuer General archives, it seems that a standard residential parcel in Gosford cost less than \$10,000 and around \$8,000 in Wyong in the late 1960s. A near new 3-bedroom house in East Gosford could be purchased for less than \$30,000

and a six to seven year old house in Wyong for less than \$26,000.

That same 3-bedroom house in East Gosford today would set you back around \$800,000. Vacant land at Narara, just outside the Gosford CBD, can be secured for around \$300,000. In the Wyong town centre, an older 3-bedroom house would be around \$600,000. There is little vacant residential land remaining in Wyong, but a vacant parcel in nearby Wadalba is going to cost anywhere between \$315,000 and \$360,000.

In much the same vein as 50 years and with few exceptions, we consider real estate prices across the region to be affordable when compared to the Sydney market and when the ease of access to and from the area is taken into account as travel for employment is no longer the issue it was a few years back. Added to this is the large government expenditure currently, with a large extension to the Gosford Hospital and new government buildings in the Gosford CBD.

This level of development has the potential to underpin the stability of the local market as we move into the phase of the market cycle.

In terms of dwelling style and land size, houses are bigger and land is smaller than they were in 1968. The days of the 3-bedroom, triple fronted red brick and tile with or without a garage on a quarter acre

block are long gone. Granny flats aside (a millennial thing), if it doesn't have 4-bedrooms, an alfresco, at least a double garage, air conditioning and a pool, then there must be something wrong - such are the times we live in. Those finding and purchasing a traditional 3-bedder will usually extend sooner rather than later or demolish and rebuild rather than risk being given an unflattering label.

The days of the red brick veneer and lowset fibro home are long gone. Bricks these days are either bagged, painted or rendered over, in between the architectural finishes under the metal roof.

We struggle at times trying to keep generic terms for the products used these days without using brand names. Fibro sheeting for example has a negative connotation as a result of the asbestos that was so prevalent 50 years ago. Corrugated metal roof is no longer corrugated metal when everyone is used to calling it Colorbond these days.

When we think of how the region has evolved in the past 50 years, we think of how suburbs such as Warnervale have gone from little more than fields of market gardens, horse paddocks and bush to one of the region's most vibrant areas and while Warnervale is still a name it has been sliced up to comprise Hamlyn Terrace and Woongarra. 50 years ago, an outlay of \$15,000 would have secured a 20 acre block with a modest 3-bedder and little else.

Today, \$750,000 will get you the keys to a large and modern 4-bedroom home on 550 square metres. If you can find one, a 20 acre block will set you back at least a million without a house.

Units are units and always have been, right? Wrong, we think when we look at today's unit developments compared to yesterday's. They are larger with more emphasis on lifestyle and look rather more than simply somewhere to live. Common areas are now an extension of the unit's interior and an encouragement for unit dwellers to get outside. With less reliance on having your transport, these developments are also edging further from the traditional major transport hubs of Gosford and Wyong in many cases. Living on the coast doesn't always mean being close to public transport, so having your own transport is still sometimes a necessity and for this reason, garageless units have yet to arrive.

Still on the unit market, now that the buoyant market is heading into a slowdown, there is a realisation that without as many buyers, we may be facing an emerging oversupply situation.

Victoria

Melbourne

Melbourne has one of Australia's fastest growing populations and the housing landscape has changed dramatically over the past 50 years to accommodate this. The outer suburbs have boomed with many new estates as city centre prices continue to be out of reach for many first home buyers and families. The city centre has seen a substantial increase in high rise apartments. Lifestyles have also changed over the years, with people seeking more of a work/life balance and as such, property within half an hour of the CBD and close to public transport links continues to be highly coveted. Sustainability has also been an emerging trend in recent times, with the aim to encourage newly built homes to be as energy efficient as possible by utilising passive design principles.

CBD and Inner Suburbs

In the 1960s, the Victorian Government opened the Prahran Housing Commission Estate in an effort to boost the local population and inject life into the suburb. Today, Prahran Chapel Street is lively and buzzing with character from morning til late at night. Dwellers in the area are spoilt with boutique shops and a wide selection of cafes, restaurants, bars and nightclubs.

Prahran is an in-demand, inner-city Melbourne suburb, five kilometres south-east of the CBD. This hustling and bustling trendy suburb attracts young



Prahran City Council, Streetscape 1959
(Source: Museums Victoria, July 2018)



(Source: realestate.com, July 2018)



Diverse range of property types in Prahran
(Source: realestate.com, July 2018)

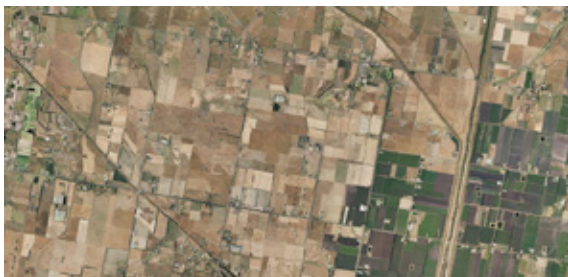
independent individuals. Growing demand has led to developers seeking opportunities to accommodate this and build large designer apartments. Prahran has a number of architecturally significant commercial buildings, many of which are on the Victorian Heritage Register. This suburb has a mix of historic narrow side streets full of characterful Edwardian and Victorian terraces and renovated Victorian cottages alongside sleek new apartment complexes.

Inner and Outer South East

The outer south-east has shown substantial growth in the past decade with areas such as Clyde, Officer and Pakenham, once vast farmlands, now sprawling residential estates to cater for the increased pressure on the housing market due to population growth.



Aerial view 2018 (Source: Google Earth)



Aerial view 2009 (Source: Landvic 2018)

In 1968, families looked to build modest homes with plenty of outdoor space for children to play and green thumbs to get their hands dirty. Fast forward 50 years and it is clear the shift is towards larger dwellings and smaller back yards with very little maintenance. Unlike the 1960s, most families today consist of two working parents who do not have the time to tend to a garden or a large lifestyle property. Many estates are built around lakes or parklands (such as Berwick Waters) so families can still enjoy the outdoor lifestyle without the hassle. Garages are also a staple in today's homes, mainly due to council regulations to minimise street parking and the need for many people in these areas to drive to work. Most of the estates in the south-east have strict developer guidelines to ensure that houses all maintain a similar facade and are in keeping with the developer's vision. There is also a shift towards sustainable homes, with most new developments having energy saving requirements as an essential component of the build, such as gas boosted solar and recycled water connections.

There has been an increase in buyers purchasing house and land packages with large reputable building companies where they can alter the house design to their particular needs. Such examples include deleting living rooms in favour of extra bedrooms or bathrooms, particularly when multiple generations are living under the one roof. Home

offices are also becoming more common as the pressure on the transport system has increased commuting time for many workers and employers have embraced work from home strategies.

Due to such a sharp increase in housing supply in the last decade in the outer south-east, there has been an increased need for public transport, as there is still a lack of industry or business activity centres in the Casey and Cardinia area, although council is actively trying to change this. More established areas still attract higher prices, largely due to proximity to town centres and beaches. Homeowners in this area are increasingly choosing to subdivide their large lots, knowing that supply is limited in established regions such as the Mornington Peninsula.

Inner and Outer West

The outer western region continues to grow steadily like much of the Melbourne metropolitan area, with significant pressure from population increases driving up demand for housing. The landscapes of now established suburbs such as Truganina and Tarneit have transformed over the decades to fill the appetite for available land, with a number of new housing estates popping up. There are still some remnants of the industrial past of Truganina and Laverton, with a renewed focus from developers on creating residential areas that promote lifestyle living.

Traditionally the outer west has lagged behind the inner established suburbs for capital growth, with a greater supply of land compressing prices somewhat. This gap has begun to shrink with annual growth in capital values in Williams Landing over the previous five years at 10%.



(Source: Realestate.com.au)

This compares favourably with the growth of 10.3% experienced in the established inner suburb of Footscray over the same period.



(Source: Realestate.com.au)

The main challenge now for the outer western market is to adapt to the increasing concerns over housing affordability. Developers and local government have responded to the issue with an increased focus on density around activity centres and existing transport hubs such as Williams Landing. Recent apartment developments including Newtown, Oxford and the sold out Cedar Woods Lancaster have created living options within close proximity to public transport networks. A 2-bedroom unit in the Cedar Woods development will set you back \$415,000.

The push to increase access to transport has been supported by the State and Federal government with plans to build two new train stations at Davis Road in Tarneit West and Wyndham Vale, as part of the Regional Rail Link project. The existing Tarneit railway station is the second busiest in Melbourne behind Southern Cross, highlighting the immense pressure being placed on existing networks from the increase in residents in the outer west region.

Estate developers have also responded to the issue of affordability by offering smaller lots on less than 400 square metres and attached townhouse dwellings. The change in composition of housing types resembles the inner suburbs more closely than previously.

The inner west of Melbourne has seen dramatic change over the past 50 years from its industrial and working class roots of the past. Many of the region's suburbs within five to ten kilometres of the city have become desirable places to live for many young families and professionals.

Scoring a 4-bedroom weatherboard home in Yarraville for \$180,000 in 1996 wouldn't have seemed so special all those years ago, but you'd be hard pressed to find a decently sized block under the \$1 million mark today. The number of buyers for areas in and around social hubs such as Footscray, Seddon, Newport and Williamstown has driven up capital values over the decades. The community feel and aspects outside of the physical house have been attractive to buyers.



(Source: Google.com)

Connections to the heritage of the area such as the reactivation of the Sun Theatre in Yarraville are attractive to prospective purchasers of residential real estate.

The premium for available space has seen a response from developers and planners to increase density in the inner west region. Newly fitted out 2-bedroom units in the established Seddon area range from \$800,000 to upwards of \$1 million.

Further afield, the apartment market has hit the suburb of Moonee Ponds, with developments including Rise and Oro offering modern dwellings. The changes in the landscape signify the push to more dense living spaces, a far cry from the dispersed nature of much of the inner west region many decades ago.

Inner and Outer North

The property market continues to be heavily influenced within the inner and outer northern suburbs. Significant net immigration in the outer northern areas such as Craigieburn, Mickleham and Kalkallo has led to lower vacancy rates and properties being listed on the market for much shorter periods. This has ultimately led to increased value and rental returns for property in the outer north. The inner northern property market is heavily restricted by the availability of credit from main financial institutions. Twelve months ago there was

more money available for purchase leading to an increase in numbers of properties being purchased and sold, but in 2018 this has not been the case and has led to an overall squeeze on property value.

The housing mix in outer north areas such as Wollert, Diggers Rest and Mernda has increased the amount of smaller sized attached townhouses compared to larger living detached dwellings. The primary focus point of this change is to complement the transport and shopping centre hubs which derive the main source of value in the outer northern areas.

The Melbourne City Council (MCC) has led a sustainable initiative for units in the inner northern suburbs of Collingwood, Brunswick and Carlton. The main focus point is to increase the number of units and apartments by making car spaces obsolete to encourage walking and bike riding. The higher rate of units compared to townhouses in the inner suburbs derives from units proving to have superior floor plans, more access to natural light and caters well for the increasing number of downsizers within Melbourne.

Fifty years ago the housing property was abundant with late post war and rendered triple fronted styled dwellings. Properties located in Balwyn and Bundoora in 1970 would have been worth \$34,000 and \$33,750 respectively compared to the current price tag of \$2.386 million and \$750,500. The

property market has expanded massively since 1968 which opens up discussion of just how much more the property market can possibly increase before it plateaus or declines.



(Source: Heritage Council of Victoria, July 2018)

Eastern Suburbs

Taking a trip down memory lane 50 years ago, one of our Senior Valuers was able to share that he bought his first home in Lilydale for \$31,000 in 1976. He was required to pay a \$10,000 deposit and secure a home loan for \$20,000. Fast forward to today and the

median price for a 3-bedroom, 1-bathroom house on an 840 square metre block is about \$720,000.

In 1972, a humble 3-bedroom, 1-bathroom double brick house in North Balwyn sold for \$23,500. At that same time, houses in Doncaster were about \$10,000. Today's median price for a 3-bedroom house in North Balwyn is \$1.795 million and \$1.35 million in Doncaster (source: realestate.com, July 2018).

In the 1960s, Blackburn and Nunawading saw a housing boom, where houses replaced orchards. The City of Nunawading Civic Centre opened in 1968, which combined with the City of Box Hill to form the City of Whitehorse in 1994 (Whitehorse City Council, July 2018). In the 1970s, property value was approximately 2.5 to three times the average salary for a single income earner. Today a household would generally have two sources of income and the property value is seven to eight or more times the combined salary.

In the eastern suburbs, a 1970 family home was about 90 to 100 square metres, 3-bedrooms, 1-bathroom, a back yard for the kids to run around and a hills hoist clothes line on a 600 square metre block. Typically now in these popular suburbs, 600 to 800 square metre blocks are being subdivided to accommodate two or three new townhouses that are approximately 200 to 250 square metres of living area plus an alfresco.



48 Trentwood Ave, Balwyn North - 2 townhouses side by side
(Source: Domain, July 2018)



49 Buchanan Avenue, Balwyn North - French Provincial 5-bedrooms, 4-bathroom (Source: Domain, July 2018)

The other end of the spectrum is to build a big modern 400 square metre plus home with five bedrooms all with walk in robes and en suites, theatre room, alfresco and swimming pool.

Summary

The increasing population remains the driving force behind many of the changes seen over the past half century. To accommodate this, the housing market has had to adapt with developing what was once farmland into residential estates, increasing the height of high rise apartments and building low rise apartments and townhouses on the city fringe. Well established suburbs with limited available land have seen an increase in subdivision, with battle-axe blocks becoming increasingly common as home owners look to cash in on the value of land.

Sustainability has also been a key focus of the 21st century with many run down industrial areas being transformed into bustling residential hubs, whilst still maintaining the industrial feel of the town's roots. Lifestyle changes have also been a contributing factor, with people wanting to be closer to social hubs and within easy access to public transport. This has put pressure on the state's infrastructure, leading the state government and local councils to push for an increase in public transport and community facilities.

The low interest rate environment has encouraged many first home buyers to enter the market.



As the banks begin to tighten restrictions on lending, the market looks to remain steady in the short term, although the supposed interest rate increases could change this in the foreseeable future.

Mildura

Mildura in 1968 was obviously much smaller than today and at the time had an economy which was very reliant on the surrounding patchwork of small dried fruit properties. We know that people lived in smaller houses than are commonly built now and that families rarely owned more than one car. There were no TV shows about doing house renovations and there were fewer real estate agents (and valuers!).

New homes constructed around that time were mostly around 10 to 12 squares in size (metric measurements still hadn't been thought of), with only one bathroom and generally constructed with either conite or cement sheet cladding. There are some examples of brick homes built in the late 1960s, but these were the minority. Timber floors were the only option. Concrete slab flooring would not be widely adopted for another ten years.

While these houses lacked architectural flair, home builders at the time realised the importance of eaves in aiding energy efficiency and also knew to orientate houses in a north facing direction. In many ways some of the 1960s housing was more suited to our hot summers than what we see being built today.

Houses from this era currently sell for between \$160,000 and \$200,000 in some of the lesser areas of Mildura and for between \$225,000 and \$275,000 in the better locations.

While our records don't stretch back to the late 1960s, a bit of research reveals that a 3-bedroom house at 23 Floral Avenue East sold in 1970 for \$7,000, with the land component probably about \$3,000. This house resold in 1979 for \$29,000. One of our colleagues purchased a 1930s built weatherboard house in the nearby town of Red Cliffs in 1967 for \$12,000, which was subsequently sold in 1999 for \$81,000.

There were a number of residential unit complexes built in the late 1960s and most of these are still in existence. Most of these complexes are held by investors, although a few were subsequently converted to a strata title. They continue to enjoy good occupancy levels but are not as popular as newer townhouse style developments which have larger rear yard areas, larger living areas and usually undercover parking for two cars.

Ballarat

Ballarat is a city with an old soul; it's a city which in 1968 was already over 100 year old. By 1968 it had already seen a gold rush, a rebellion, a depression and two world wars. It was in the midst of ongoing angst about its involvement in Vietnam, but still excited that hotel closing hours had been extended.

From a property perspective the suburbs of Alfredton, Ballarat North, Sebastopol and Wendouree were the new kids on the block. I'm sure you could have witnessed spirited debate raging at Craig's back bar that houses past the Arch of Victory, south of Hertford Street or north of Howitt Street were far too far from town and perhaps even that the new blocks would take a long time to sell. You may have been able to get a bottle of milk from Delacombe Town Centre at the time, but you may have had to BYO bottle, catch a cow and milk it.

Hindsight has proved both arguments false. These suburbs have since and continue to provide a bed, a bath and park and a place to call home for thousands of families.

Many things have however changed. The new areas of the city such as Lucas, Winter Valley and Delacombe still provide homes for families, however the lot sizes have fallen from an average of around 1,000 square metres to around 500 square metres.

The size of dwellings has also moved but in the opposite direction. An average size new dwelling is now around 200 square metres. This has increased from an average size of around 130 square metres. Most new dwellings now have two bathrooms, double garages and alfresco areas. In 1969 these features were considered absolute luxury and very few families had two cars to fill the double garage.

There are two sections of the Ballarat property market which were almost non-existent in 1968. One which is now exceedingly popular is the rural lifestyle market. In 1968, the vast majority of the population lived in town and those who did not lived on agricultural properties which were farmed by the family to earn a living. A hybrid of these two lifestyles has emerged over the past 20 to 30 years and is known as rural residential or rural lifestyle. These properties are typically five to 50 acres in size and are located on the fringes of the built-up areas of Ballarat. The owners typically do not farm the land and work in town each day but enjoy the peace, views and space these properties afford. The popularity of this style of property has become such that some of the district's highest valued properties fall into this category in areas such as Invermay and Buninyong.

Likewise in Ballarat in 1968, there were very few units, townhouses or apartments. This was due to the ample amount of space in the area for people to come and set up a life. There were a couple of unit complexes in the inner CBD area which were built at the time and these were often used as accommodation for hospital staff, religious orders or short-term hotel style accommodation. It would be false to say the multi-level apartment market has exploded in Ballarat in the ensuing decades. There have been some new developments which have met various levels of triumph and disaster, however in

general, in comparison to similar sized cities such as Bendigo and Geelong, Ballarat has conspicuously less multi-level unit developments. We consider this is for the same reason they were not built in 1968; the residents of Ballarat regard space highly and seek it above many other factors in making purchasing decisions. As the city continues to grow and become a satellite city of Melbourne we would be surprised if the supply and demand in this market does not increase dramatically.

Bass Coast Shire

The major change over the years for detached housing on Phillip Island is the decreasing lot size within new subdivisions. In the past, the average lot size ranged between 650 and 750 square metres however in comparison we are seeing the average lot size in new subdivisions of around 500 to 550 square metres with lots as small as 300 square metres. In terms of construction, dwellings are being built to maximize the building envelope with less focus on yard size in some areas, particularly in the coastal areas due to the market appealing to the holiday and investor market.

In terms of construction material used in new dwellings, less homes comprise brick construction compared to 50 years ago with many new constructions comprising a mix of brick veneer and light weight composite or imitation weatherboard cladding.

Queensland

Brisbane

We may be Australia's third largest city but by many measures, we are a young capital whose evolution into a modern, vibrant centre has only been a few decades in the making.

One of the great advantages of this slower growth path is that, unlike Sydney, we have an abundance of options when it comes to real estate. There are huge tracts of developable land within a short commute of the CBD. These areas are ripe for major, multi-stage community development.

In addition, we have natural features that can fire the imagination of designers and home owners alike - hills with views and a winding river with frontage, not to mention enviable coast lines, clean air and a reasonably uneventful rush hour.

As such, watching the way our city has adapted to modern living over the past decade in particular has been interesting and provides a great example of what contemporary Australia should look like.

Another great advantage for Brisbane is that we remain the frontrunner in capital city affordability. Bigger blocks for less money means more square metres of blank canvas on which to create wonderful housing designs.

And our immediate future continues to look bright as we see an increasing number of interstate migrants

look to take up residence and start cheering for the Maroons come State of Origin.

So, what are the interesting elements of housing design in 2018?

In detached abodes, we continue to love a fusion of the old and new.

Renovations in the inner city like to take advantage of already established old school features that have served us well in the past. Our original Queenslanders are both stunning and functional. Most renovations don't look to bastardise the design, but rather adopt their advantages and highlight their beauty. If more living space is required, a modern extension is added to the already classic home.

And they're not being done by half measures either. High-end architects are partnering with well-regarded builders to create their own interpretation of timber and tin using unusual angles, large voids, oversized windows and high-level finishes and fittings on the extensions that complement these grand old dames.

Another evolution in general design we're seeing is the growth in multi-generational living. Kids are staying home longer as they transition from school to work or university and then look to save for their own home deposit (or overseas adventure). Add to that the ageing population which is resulting in older

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family members requiring assistance. All this means that mum, dad, kids and grandparents are ending up in the same space.

Multi-generational construction means diverse living spaces. The kids need their own chill-out zone, study areas and bathrooms, so new constructions over two or more levels will allow for this.

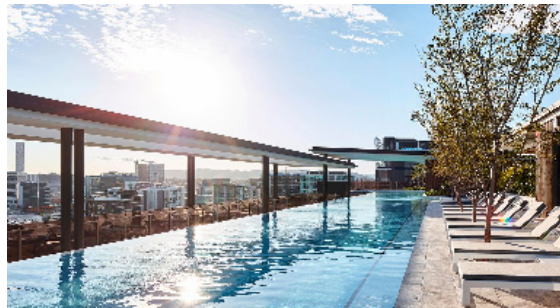
Grandparents require assisted independence with many opting for a contemporary granny flat construction on some of the larger suburban blocks. These constructions are a far cry from the kit homes of yore. Granny flats now are splendid builds with open plan living, balconies and expansive bedrooms all laid out to take advantage of natural light and easy access.

In terms of vacant land, we're seeing new developments adopt smaller blocks to help improve affordability for buyers. The Brisbane of 1968 could never have imagined allotments positioned 20 kilometres from the CBD under 400 square metres in area. And imagine the reaction to infill style projects in inner city suburbs yielding some sites as small as 150 square metres - that's just over half the size of a tennis court!

The key to making these work is, of course, clever house design incorporating zero-lot lines and internal, tiny courtyards. Open plan living is a must too and if you can have higher than usual ceilings this will help create a sense of space as well.

Another change underway for us Brisbanites is the adoption of long-term unit living. Apartments are no longer just for those looking for a compact and affordable way to be close to town. We now find a mix of younger folk, business professionals and retirees all taking advantage of apartment living.

This has led to the vertical village concept where unit towers will include some cool lifestyle retail at ground level along with excellent residents' facilities. Examples around town include projects such as Oxley + Stirling which has created a residents' rooftop club comprising lap and plunge pools, reflection ponds, terraced seating, alfresco and barbeque areas, private dining area with kitchen facilities, day beds



Lucent's in Newstead which includes a 55-metre rooftop Olympic sized infinity edge pool. (Source: realestate.com, July 2018)

and sun lounges, commercial grade gym, private cinema theatre and library area.

We're even aware of a residents' club at Lucent in Newstead which includes a 55-metre rooftop Olympic sized infinity edge pool with underwater speakers. This development has the typical gym and sauna, however also features a private dining room and golf simulator.

Stepping beyond housing types and another way our city has evolved is through town planning. We've seen council step up its approach to village nodes which are helping to decentralise our population. A great example is the transport hub at Chermiside. Council re-designated areas around the shopping centre to allow for high-rise living and residents are taking advantage of the nearby retail facilities and transport options.

You can see we're a city on the grow and we've come a long way in 50 years.

Back in 1968, the city fringe was a very different offering.

Suburbs such as Aspley, just ten kilometres north of the CBD, had new subdivisions springing up with good sized blocks of land priced at around \$8,000. In 2018, that same block of land is likely to cost closer to \$500,000.

In fact, the ten kilometre band is probably a reliable measure marking most of the new development around 1968.

To the west of Brisbane, 1960s housing was well established in suburbs such as The Gap where a long trek along the dirt track of Waterworks Road wouldn't have been for the faint hearted. There was also the question of utilities. The thunderbox outhouse continued to be in use in these areas in the 1960s - in fact it was up to Clem Jones, Brisbane's Lord Mayor from 1961 to 1975, to make sure sewerage was available to the suburbs which are now considered inner to middle ring.

Head south and you'll find some fine examples of 1960s housing in Moorooka, including some of the classic lowset brick veneer dwellings that are so solid, a wrecking ball can barely dent them.

Housing remained a timber and tin affair for the

most part. The 1960s was also the era of the narrow chamferboard homes and elements of mid-century modern design came to the fore. Big walls of windows to capture natural light and take in the views were just the thing.

We've seen plenty of change over the past 50 years and we're pretty excited to see what the next 50 will bring to our once big country town in the great south-east.

Happy birthday Herron Todd White!

Gold Coast

As we look back over the past 50 years on the Gold Coast there is definitely a cultural shift throughout



Looking north from Magic Mountain Hill, Miami circa 1979 and circa 2016

the housing types and evolution of the area towards lifestyle. Whether it is beachfront, boating, suburban or the hinterland, everyone is catered for with a vast array of housing options across the region.

It wasn't uncommon 50 years ago to look up the coastline of the Gold Coast and not see a highrise near the ocean until Surfers Paradise. As the Gold Coast became more than a holiday destination, property also started to become a lifestyle choice. Development close to the coastline included unit development, canal estates, and suburbia.

In 1978, you could buy this quaint shack for \$103,000. With not much more than a paint and a new kitchen, it recently sold in October 2017 for \$5 million. Don't we all wish we'd had the foresight to buy on the beach!



Mermaid beach shack (Source: Ray White Mermaid Beach)



Mermaid Beach (Source: Ray White Mermaid Beach)

Beachfront cottages have evolved over the past 40 years from small 3-bedroom, 1-bathroom fibro shacks to prestige quality, two level, 4- or 5-bedroom, 3-bathroom homes with all the latest technology and highest quality fixtures. The architectural style of these luxurious homes has also evolved. Mermaid Beach cottages have been replaced with large, rendered homes and in more recent years, the Hamptons and beach style has emerged as the preferred style.

Beachside of the Gold Coast Highway is very strong at the moment and has outpriced the majority of the market. This has resulted in an increase in value for those properties just west of the Gold Coast Highway, especially in suburbs further south including Palm Beach, Tugun, Coolangatta and in to northern New South Wales.

Moving away from the beachside suburbs, there are a number of smaller hubs being created around main shopping facilities and services. Access from

main roads caters for owners and renters who want to transit easily from work to shops and facilities. Medium rise unit developments, townhouses and the redevelopment of standard house lots with modern duplex units are being undertaken within close proximity to large shopping facilities such as Harbour Town, Robina Town Centre, Pacific Fair and the under construction Coomera Town Centre. These shopping centres are within close proximity to the main Gold Coast and Pacific Highways and offer a destination for shopping rather than a quick stop. In the more suburban and growth areas of Pacific Pines, Ormeau and Pimpama, there are a number of smaller retail centres anchored by a Coles or Woolworths that give their surrounding localities ease of access for grocery and general shopping.

Housing on the Gold Coast has definitely spread over the past 50 years and more recently we have seen the growth corridor between the northern suburbs of Coomera and Oxenford expand towards Beenleigh. These markets have been primarily driven by investors, however affordability has also attracted numerous owner-occupiers to these areas. The inclusion of green spaces, linking pathways and parks and a shift towards providing lifestyle benefits has aided the growth in these areas whilst also enabling the retraction of lot sizes.

The introduction of the master planned community has also seen urban growth in traditionally rural

areas. Yarrabilba to the north-west of the Gold Coast and Flagstone Estate in the south-west Logan area have provided affordable housing options which include small lot houses, traditional housing, townhouses, villas and duplex units. These estates have been planned to be developed over a long program of up to 25 years with the infrastructure required for this growth constructed in line with the release of the stages. Affordability is the main driver of these estates for both owner-occupiers and investors.

An overview of the Yarrabilba master plan and development to date (first sales occurred in June 2012) shows the speed at which this master planned

community is expanding and growing, but also how much is still to be completed.

Southern Gold Coast/Northern New South Wales
Residential property prices in the southern Gold Coast and northern New South Wales areas have shown steady growth in the short term with continuing steady demand reported by local selling agents, particularly for property in the sub \$750,000 range. We notice an increased presence of younger owner-occupier families in some areas of the Tweed Shire which can provide a more inexpensive alternative to some central Gold Coast suburbs nearby.

Masterplan

- Legend**
- Current development area
 - Mixed use development
 - Local Retail
 - Urban residential mixed use
 - Suburban residential
 - Retirement Residential
 - Business enterprise area
 - Mixed Business/infrastructure
 - Education
 - Community facilities
 - Fourm corridor
 - Open Space
 - Major Open Space
 - Town Centre



New small lot subdivision (Source: Google maps)



As a result, we are seeing a trend for smaller, more affordable allotment sizes in newer developments in the area and an increase in medium density subdivisions. The above photo indicates the preference for small lot housing compared to the traditional (albeit smaller than the quarter acre blocks) that were being subdivided in some of the newer estates. We notice a cultural shift towards unit living, particularly in areas of the southern Gold Coast and an increase in transit oriented developments and the future extension of the light rail to Coolangatta. Ease of access to the workplace combined with lifestyle balance has been a main driver for the northern New South Wales location being within close proximity to the beach and having good road infrastructure for commuting.

Tweed Rental Market - Focus on Murwillumbah

The lack of rental accommodation in the Tweed region has been a real issue for some time now, however was exacerbated after the March and April 2017 Cyclone Debbie flooding hit the region severely. Many people became displaced and many sought temporary accommodation until the flood damage to their homes was repaired or sought new permanent rental accommodation. This put more pressure on the rental market and rents soared.

Murwillumbah and surrounding areas have had a few affordable housing options constructed over the past few years such as Horizon Housing in the

Hundred Hills Estate and a couple of new townhouse and villa complexes. However, there have recently been some changes with the type of development applications with a few large unit complexes in Murwillumbah obtaining approval or in the process of being approved. This includes a proposal for a 72 unit complex with a mix of social and affordable housing at 26 George Street, Murwillumbah, mainly consisting of 1-bedroom units. The Precinct at Church Lane, Murwillumbah will comprise 26 2-bedroom units and the construction program should commence in the short term. There is also a current approved development application at 28-34 Riverview Street, Murwillumbah for 28 units with a mix of 3-, 2- and 1-bedroom units. All three sites are located within close proximity of Murwillumbah town centre.

Traditionally the Murwillumbah area has not favoured units, so it will be interesting to see how well these developments do and how this will affect the rental market over the long term. Will this attract more investors to an area that is traditionally owner-occupied? This is a wait and see scenario as the area evolves with higher density accommodation options.

Murwillumbah is a classic example of how the times have changed over the years, from the dwellings built in the early 1900s to the 1960s being within close proximity to town and comprising mainly timber construction. The further you go out, the more you will see the dwellings of the 1970s to the

current times being of brick construction. As you venture further from town to the fringe locations, the housing becomes more modern, larger in living area size and lifestyle is the precursor for design. The newer housing is very popular, however older dwellings close to town that are well maintained and kept plenty of their original features are also popular with buyers.

Sunshine Coast

The Sunshine Coast is considered to be relatively young when compared to other areas and especially when compared to capital cities and the historical townships of Queensland such as Toowoomba and Maryborough. The area was first settled in the 19th century with development progressing slowly until tourism became an important industry around the 1950s and 1960s. Since 1988, Herron Todd White Sunshine Coast has had the pleasure of witnessing the ever changing landscape as it progressed.

Years ago, the Sunshine Coast was a much more relaxed place. When looking at the changing building styles that have evolved over the years, we can see the influences that the faster paced lifestyle is having on property.

The oldest areas of the Sunshine Coast are the railway and hinterland townships located about 15 to 20 minutes from the coastline. The main reason why they were first settled is because of the access



provided by the railway line heading north up the Queensland coast. Dwellings typically comprised of pre and post war homes, typically of timber construction which then evolved into the 1950s and 1960s fibro housing that many of us have seen around the country. The 1970s and 1980s gave rise to clay brick dwellings. These hinterland townships were mostly modest working class centres and dwellings reflected this. It wasn't until the early 1990s that we started to see larger, more expensive dwellings of higher quality.

The coastal areas of Caloundra, Maroochydore and Noosa Heads came to prevalence in the 1950s and 1960s. The rise of the holiday house or beach shack saw the Sunshine Coast grow into a favoured holiday destination. These homes were typically of fibro construction. They were modest but they absolutely served their purpose. Mirroring the railway townships, the 1970s and 1980s saw the rise of clay brick dwellings, however given that access to the coastline had improved greatly, more expansive dwellings were popping up well before they did in the railway and hinterland townships.

Throughout the 2000s, houses have definitely evolved into more contemporary designs with the use of architectural materials (lightweight cladding) and design features. Over recent years the rise of small lot housing has grown significantly to help the affordability issues surrounding home ownership.

Also multi occupancy properties have become increasingly popular for extended families.

The unit market has seen a significant evolution as well. Complexes throughout the 1970s were of a low rise or walk up nature up to say three levels. These were typically modest in nature and once again were catering for the holiday market. Throughout the 1980s and into the 1990s, low rise unit complexes transformed into medium and high rise unit product providing all the services and amenities that you would find in a capital city and in some cases provided a permanent living alternative to a house. This continued throughout the 2000s with unit complexes providing high quality accommodation and significant amenities.

As you can see, the Sunshine Coast provides a diverse range of property types that caters for everyone. Whilst styles change, one thing remains constant - the Sunshine Coast is a great place to live.

Toowoomba

Detached housing on small lots is growing in popularity throughout the Toowoomba area, particularly in the older areas close to the CBD. Many infill blocks have been sub-divided into smaller lots or have had unit complexes built on them.

Key development areas including the suburbs of Glenvale, Cotswold Hills, Torrington, Kleinton, Highfields, Cambooya and Westbrook are also seeing

a concentration of small lots which could result in an oversupply of product as infrastructure projects come to a close and workers vacate.

This small lot product is still meeting some local market resistance with buyers often represented by absentee investors buying house and land packages.

The unit market has seen low sales volumes following the oversupply of unit product that became apparent throughout 2016. Land sale volumes steadily increased in the three years between 2012 and 2015, peaking at 1,063 sales in 2015. In 2016, 681 sales were recorded and 677 in 2017 suggesting a cultural shift towards unit living in the Toowoomba region.

The Toowoomba region has experienced strong and steady economic growth with an annual average increase of over 3% in the past decade. To cater for this growth, major infrastructure projects have recently been completed or are underway, including the Toowoomba Second Range Crossing, QIC's Grand Central Shopping Centre extension and Brisbane Wellcamp airport. Also in the pipeline benefiting the Toowoomba area will be the imminent Inland Rail Project.

Looking back, Centenary Heights, Rangeville, South Toowoomba and parts of Harristown would have been considered new suburbs in 1968, with the development of brick veneer homes featuring aluminium window frames and flooring being the



most popular housing construction. Most homes of the era featured 3- or 4-bedrooms, 1-bathroom, one living area and single garages. These homes are now popular with first home buyers as they provide relatively affordable price points, say \$300,000 to \$400,000 and renovation potential.

By comparison, newly built dwellings in suburbs including Kearneys Spring, Middle Ridge and Glenvale feature 4-bedrooms, 2-bathrooms, two living areas and two car attached garages. New homes in these suburbs can be purchased in the \$475,000 to \$650,000 range.

Toowoomba is now the second largest inland city in Australia and has emerged as one of the most dynamic regional cities in the country in recent years. The property market has been driven by sound economic and population growth which has provided a blend of opportunity and stability. Combined with recent infrastructure and lifestyle enhancements, Toowoomba has cemented its position as the capital of the Darling Downs and south-west Queensland.

Cairns

Cairns 50 years ago was a mere shadow of the city that it is today. Back in 1968, Cairns had a population of somewhere around the 30,000 mark, no high rises, no units to speak of and absolutely no traffic lights. It was very much a regional frontier city, at

the very end of the Bruce Highway from Brisbane. Although the highway had been sealed since 1962, in those days it was still subject to frequent interruptions and closures, especially during the wet season.

Cairns since 1968 has expanded considerably in both area and population, with one of Australia's highest population growth rates. Former satellite towns such as Edmonton and Gordonvale have now been engulfed into suburbia with Cairns now supporting a more than five-fold increase to a population of base of just over 160,000 today. In addition or in response to commensurately higher levels of urban infrastructure and services, housing styles have also changed considerably over the period.

The standard Cairns housing of the 1960s was a Queenslander style timber dwelling, raised on stilts for ventilation purposes and vulnerable to extreme weather events such as cyclones. Now aided also by the advent of air conditioning, the standard house is a slab on ground, rendered masonry block home, with considerably greater amenity and improved cyclone resistance. Land sizes have shrunk from typically 1,000 square metre blocks in 1968 to an average new block size of around 600 square metres in the current market. Units and apartments have burst onto the scene, from almost nothing in 1968, to now account for around 28% of the total Cairns housing supply. Apartment development initially

took place in near-city suburbs, before gravitating to also encompass the northern beaches and only over the past twenty years, the Cairns CBD. Apartment developments have also experienced a considerable change of emphasis, from basic residential six packs in the early stages to higher quality resort style and high rise apartments with greater liveability in more recent times.

In terms of prices, the Cairns median house price was somewhere around the \$8,000 mark in 1968, compared to a median house price of over \$400,000 today. In other words, there has been a more than 50-fold increase over the 50 years.

Townsville

The face of residential property in Townsville has evolved over the past 50 years and will continue to evolve as new innovative designs, lifestyle changes and trend issues present to the market.

Construction in the 1970s was dominated by high set timber framed dwellings on traditional sized lots, typically within the suburbs eight to ten kilometres from the city centre.

The 1980s saw a shift to low set masonry block construction possibly due to cost of construction and changed consumer wants and needs. This style of home was typically 3-bedrooms, 1-bathroom with single garage or carports on about 800 square metres. During this period multi unit development

consisted of mostly smaller size masonry block complexes offering basic levels of on site amenity.

The 1990s saw the emergence of a number of new residential land estates within the eight to ten kilometre radius of the city centre with an expansion in house size and design taking off towards late 1990. This entailed larger slab on ground homes typically of 4-bedrooms, 2-bathrooms with double lock-up car accommodation. The late 1990s saw an increase in unit density, with overall amenity of new unit construction offering owner-occupiers an alternative to detached house living.

The early 2000s had rapid growth in new home construction along with a shift in lot size. There was a push for more low maintenance lot sizes within newer estates which offered good levels of amenity to counteract this reducing lot size. Average lot sizes over this decade reduced from 704 to 620 square metres. The unit market also expanded rapidly with new unit construction and benchmarks being set with regards to amenity and levels of fitout being offered.

Over the past ten years, our market has become more affordability driven on the back of a significantly slower market. In particular, the past four years has seen a decrease in land sales to low levels. Small lot estates have emerged and housing size has decreased to cater for affordability concerns

along with more innovative designs to factor in technological and environmental changes. The unit market has also seen a reduction in unit size as the target market shifts to cater for mostly investors and meeting a price point. Over recent years, new unit construction has almost ground to a halt due to continued high holding costs, low levels of investor demand and a general low market sentiment.

As advances in technology, energy efficiencies and lifestyle trends continue to change, further evolution in our housing design will likely follow.

Rockhampton and Gladstone

Both the Rockhampton and Gladstone regions have seen similar trends with regard to housing design and planning changes to address a variety of issues which have influenced the market place.

Looking back to 1968 when Herron Todd White was founded in Rockhampton, new housing of the era looked very different to the new homes of today. For example, a new home in 1968 was a highset chamferboard home, typically around 100 square metres of living area with 3-bedroom, 1-bathroom living accommodation and car accommodation available under the dwelling. 600 square metre allotments were the norm. Areas of Frenchville and Park Avenue were the new suburbs of the time for Rockhampton. Gladstone had evolved to areas on the fringe of the CBD such as Barney Point.

This month's topic prompted me to delve into some family history. My parents bought their first house in Wandal in 1971 (not quite 50 years ago) for \$7,800. Their combined family income was in the order of about \$4,000 per year. My grandfather's commission as a real estate agent was in the order of \$150 on a \$3,000 home (Mum and Dad's second house two years later). These were however, not new homes. A brand new home as described above in Frenchville was an option they considered at the time, however it was priced at \$10,000 and considered unaffordable. Data shows the median house price for Rockhampton today is \$275,000. What a difference 50 years makes!

Over the time Herron Todd White has been working in these areas, the modern home has certainly changed. Buyers' requirements have changed from a humble 3-bedroom home to much more spacious homes accommodating all members of the family with space. 4-bedrooms, 2-bathrooms and often a minimum of two living areas (150 square metres plus) is now a typical new home. Car accommodation has also become much more sophisticated with family dynamics changing over the past 50 years from one car to now two car families (at a minimum), so 2018 sees double lock up garages expected.

Whilst owner-occupiers are looking for larger homes than they were 50 years ago, the investor market is going the other way, targeting maximisation of their

estates by reducing lot sizes to 400 to 500 square metres and living areas accordingly.

Design of the internal layout is always changing, with a strong preference towards open plan living areas rather than having a kitchen tucked away in a corner out of view. Materials have also changed from the chamferboard or fibro of the 1960s to a preference for brick as a result of the lower maintenance. Some ultra-modern and prestige homes are adopting the use of lightweight cladding materials which is a happy medium between the appeals of a well presented timber home with less maintenance than the 1960s materials.

Modern housing estates are now often master planned to provide a point of difference and overall sense of functionality and convenience. 1968 would never have seen such a concept, with estates relying on existing facilities such as shopping and medical centres.

Strata titled units (as opposed to flats) were essentially non-existent 50 years ago regionally. This market sector is probably the one that has experienced the most evolution over the years. There is now a market developing in Rockhampton for modern units in the CBD to cater to young professionals seeking low maintenance and convenience factors as well as empty nesters. This has really only come about in the past ten years.

From a town planning perspective, Gladstone has seen the implementation of small lot estates such as Hill Close and Tannum Blue which were developed during a period of rapid growth of both population and capital values, making affordability a key focus within these areas which were both major challenges of the real estate market at the time.

Whilst the new suburbs of 1968 are still well regarded today and the style of home remains mostly functional (the sub floor height seems impractical at times), the buyer profile has altered somewhat from what would have been well off owner-occupiers to now be a solid investor area mixed in with first home buyers.

These design changes have addressed the issues arising in the real estate market over the years by way of natural progression to cater for population growth, changes to personal wealth and evolution of new building products coming to the market.

Bundaberg

50 years ago, Bundaberg was a small sugar town community dominated by older style timber dwellings on larger sized allotments. Move forward into the 1980s and the town started to grow with the construction housing type at the time comprising lowset and highset 3-bedroom hardiplank and brick homes. Moving into the 1990s, larger homes of mostly brick veneer were being constructed. In the

current decade, homes are large and most have a second bathroom, media room and accessible shed in the back yard. Construction type has started to incorporate lightweight, easy to handle cladding. The majority of homes are still lowset with allotment sizes getting bigger for families wanting a tree change and room for their growing families.

Mackay

In the 50th year of Herron Todd White, we look back at the changes that have occurred in housing in Mackay over that period. The scary part is that 50 years ago is only 1968!!

Housing in Mackay was traditionally made up of highset and lowset timber clad Queenslanders on larger allotments located in suburbs close to the CBD. In 1968 (or slightly before) we started to see a change in construction methods, with homes being clad with chamferboard and fibro cement sheeting, with internal linings comprising hardboard or gyprock and lower 2.4 metre ceiling heights. We also saw the advent of a Mackay staple, the butter box or highset fibro clad dwelling. In 1968, you could buy a fairly modern, lowset 3-bedroom dwelling in North Mackay for around \$10,000.

Fast forward into the 1970s and 1980s and we started to see lowset brick and masonry block dwellings make an appearance across the city. New suburbs and estates were being constructed further from the

CBD. As mining started to take an ever increasing role in the Mackay economy in the 1990s, we saw new estates in Andergrove, Beaconsfield and Rural View start to open up with larger onground brick dwellings the home of choice.

Into the 2000s, we saw another significant shift in housing in Mackay on the back of the surging resource industry. Rendered masonry dwellings become all the rage, often much larger dwellings comprising at least 4-bedrooms, 2-bathrooms, multiple living areas and larger car accommodation.

Hervey Bay

Back in the 1970s, Hervey Bay was transitioning from being a number of small coastal villages to one location known as Hervey Bay. It was a holiday or weekender location with residents in Maryborough catching the train to visit the beach for the weekend. The weekender home was constructed of fibro or timber and generally comprised 2- to 3-bedrooms with 1-bathroom. The 1980s through to 2000 saw the urban envelope extend south from Boat Harbour Drive and new residential estates were developed with onground brick homes occupied by predominantly permanent residents. Most homes still comprised 3-bedrooms and 1-bathroom. Since 2000, homes have become larger with 4-bedroom, 2-bathroom accommodation now the norm and lot sizes becoming smaller. Construction includes lightweight cladding and imitation products such

as Styrofoam and Weathertex. Some of the original weekender cottages remain, however these are slowly being renovated with modern fittings.

Emerald

50 years ago, Emerald was a small railway town with timber home construction. Move forward into the 1970s and 1980s and the town started to grow with the construction of the third largest dam in Queensland and the beginning of coal mining. Housing types at the time comprised lowset and highset 3-bedroom hardiplank and fibro homes. Moving into the 1990s, larger homes of mostly brick veneer appeared. In the current decade, homes are large and most have a second bathroom, media room and accessible shed in the back yard. Construction type has changed to lightweight, easy to handle cladding and now in 2018, prefabricated steel frames that arrive on a truck and are erected in three days to lockup. Small lot sizes have been trialed in the Central Highlands region but are not popular in the market.

South Australia

Adelaide

Adelaide, South Australia 1968: Steele Hall defeated Don Dunstan in the state election; the state population was 600,000; the average annual wage was \$3,000 and the median house price was pushing towards \$12,000. In 2018, the South Australian political, economic and social landscape is looking slightly different to that of 1968. In 2018, Steven Marshall defeated Jay Weatherill in the state election, the state population has tipped over 1.7 million, the average annual wage is \$75,000 and the median house price is \$470,000. In those 50 years, Adelaide has transformed itself from a big country town to a city continually rated as one of the most liveable in the world.

During the 1960s, housing remained traditional in suburban Adelaide. Single level brick dwellings with 3-bedrooms and 1-bathroom on quarter acre blocks were the norm. Strata units were prevalent during this period and offered a cheaper alternative to the dwelling market.

The dwelling market in 2018 is a stark contrast to 1968. In 2018, children stay at home longer and technology has allowed for decentralised work spaces giving the labour force the ability to work from home. This has caused a shift in housing design. The demand for additional space has given birth to the fourth bedroom, en suite, study and second living space.

The days of double brick construction and quarter acre blocks are long gone as builders and developers look for cheaper and more cost effective alternatives. Brick veneer has become the new norm for single level construction whilst lightweight composite cladding has become the material of choice for the suburban Adelaide townhouse boom.

With the hills to the east and coast to the west, suburban Adelaide has been forced to expand north to south. Former satellite suburbs of Sellicks Beach to the south and Munno Para to the north now form part of suburban Adelaide and stretch 80 kilometres apart. Town planning has been forced to change to counteract the continuing urban sprawl. There has been a push for the construction of higher density accommodation with suburban councils. Development constraints have been relaxed, allowing for high density development of parent allotments. Recent changes have allowed for allotments of 100 to 200 square metres which require two level townhouse style construction.

Examples of this new style of accommodation can be seen throughout suburban Adelaide. The Campbelltown Council north-east of the CBD has become one of the epicentres of this style of construction. In this location this type of product ranges in price from \$400,000 to \$650,000. Recent examples include 6A Day Avenue, Rostrevor achieving a price of \$635,000 and 5/2 Avenida



6A Day Avenue Rostrevor (Source: www.realestate.com.au)



5/2 Avenida Street Campbelltown (Source: www.realestate.com.au)

Street, Campbelltown achieving a price of \$443,000.

Many downsizers are reaping the rewards of the zoning changes as their traditional dwellings now have the added benefit of underlying development potential. In the later part of 2017, the Port Adelaide

Enfield Council north of the CBD implemented the Urban Renewal Zone with a focus on higher density development. Prior to this zoning taking effect, 54 Gladstone Avenue, Kilburn was sold for \$415,000. This was a 3-bedroom, 1-bathroom dwelling on 975 square metres of land. The house was demolished and the property was offered to the market as a vacant allotment. In this time the zoning changed and the property was sold again in February 2018 for \$515,000.



54 Gladstone Avenue Kilburn (Source: www.realestate.com.au)

The increase in community titled accommodation has seen the extinction of the cream brick strata unit in suburban Adelaide. Strata units remain popular with first home buyers and investors as they typically provide the lowest point of entry into the market.

The opposite is true for the Adelaide CBD as the construction and the sale of strata apartments has reached an all-time high. During the 1960s and 1970s, standard CBD apartments comprised complexes of up to five levels in height, no passenger lifts and basic common areas. With the rapid increase in construction of apartments, developers need to provide high quality common areas to stand out from the crowd. We are now seeing infinity pools, roof top terraces, gymnasiums, theatres and technology hubs in new complexes. CoreLogic data indicates that the CBD apartment market appeared to peak in late 2017 into early 2018 with the median price reaching a high of \$500,000. The most recent data from April 2018 shows a slight decrease to a median of \$495,000. An example of what can be purchased at this median price level is 1501/156 Wright Street, Adelaide which recently achieved a price of \$528,000. This is a sixth floor apartment comprising 2-bedrooms, 1-bathroom and a secure car space. This apartment is situated in the recently constructed Bohem apartment complex.

From 1968 to 2018, the median house price grew close to 4000%. At that rate the median house price in 2068, 50 years from now equates to \$19.27 million. My response to that is tell him he's dreaming... but in 1968, they probably said the same thing.



1501/156 Wright Street Adelaide (Source: www.realestate.com.au)

Australian Capital Territory

Canberra

Over the past 50 years, the ACT residential market has changed significantly.

Imagine the year is 1968 – the suburbs of Dickson, Downer, Watson and Hackett are less than ten years old and the Belconnen suburbs of Aranda, Cook, Macquarie, Weetangera and Page have just finished construction. These suburbs are freshly built among the already established suburbs of Forrest, Yarralumla, Red Hill and Reid which are already 30 to 40 years old.

Between 1960 and 1975, the population in Canberra went from approximately 50,000 to 220,000 which resulted in a huge requirement for increased residential development. Canberra witnessed a residential boom during this time and Belconnen and the Woden Valley were developed to accommodate the population increase.

Dwelling construction was somewhat standard, with the classic red brick cottage being a stereotype for 1960s Canberra. The average land block size was around 800 square metres, with anything less than 600 square metres considered small. Block sizes have slowly gotten smaller and smaller, with most lots in new subdivisions averaging around 350 square metres and many under 200 square metres.

In 1968, the great Australian dream was alive and well with home ownership being achievable by

many middle class Australians. Fast forward to 2018 and many middle class Australians struggle to buy into the Canberra property market. The median Canberra house price in 1971 was \$18,000 (the oldest record available), compared to over \$700,000 in 2018, which is over 38 times more expensive than 47 years ago.

Northern Territory

Darwin

The Darwin of 1968 was a very different place to the Darwin that we see today. The official population in the 1966 census was about 21,000 although this number excluded the indigenous population, which was only included after the 1967 referendum (the 1972 census which included these numbers showed a population of about 36,000). The Greater Darwin area now boasts a population of about 130,000.

Despite the lessons of the 1937 cyclone, the urgent need for post-war housing meant that much of the construction was not of a standard to withstand cyclonic activity, which was to have tragic consequences years later. Nowadays building controls are strictly enforced with the result that Cyclone Marcus caused relatively little damage when it passed by Darwin earlier this year.

In 1968, the Northern Territory was still administered by the Commonwealth. Most of the urban land around Darwin was held under leasehold tenure. This year we are celebrating 40 years of self-government in the Northern Territory which brought in (amongst other things) freehold title to most of Darwin, giving landholders much greater certainty.

Fifty years ago, the urban areas of Darwin extended around the inner suburbs as well as some housing on the old World War II sites at Nightcliff. Areas such as Coconut Grove were still small farmlets and the land

resumptions for the new satellite city of Palmerston had not been considered.

Suburbs such as Fannie Bay and Parap were developed in the early 1960s. A 3-bedroom dwelling in Nightcliff was advertised for sale in the NT News in 1968 for \$22,000; a large sum for those days but only a small fraction of its value today.

Western Australia

Perth

Perth City experienced rapid growth throughout the late 1960s as a result of the commencement of iron ore mining in the Pilbara together with high interstate and overseas immigration. This led to unprecedented demand for housing and the expansion of urban corridors connecting Perth to the east and south-east associated with major industrial development and transportation routes at the time. The south-west corridor was emerging as a result of the creation of the Kwinana industrial area and the north-west corridor had not yet been created although there were some areas in the planning stages at the time. Although there was a peak in construction of residential flats and units during this period, the majority of residential construction comprised single level residences on larger lots and the outskirts of the Perth metropolitan area was generally 12 to 14 kilometres from the Perth GPO. According to a research paper completed by REIWA, the median house price in 1968 was \$12,371.

Perth buyers have had a longstanding preference for owner-occupied, detached houses on larger lots with the use of private transport for access to activity centres, shopping centres and the Perth CBD. This preference has been significant in how the Perth metropolitan region has been planned and developed over the past 50 years.

Perth is currently ranked the fourth most populated capital city in Australia on a density per square kilometre basis however is one of the least populated developed cities in the world. As a result of population growth and lifestyle and housing preferences, Perth's suburban expansion now extends circa 150 kilometres along the coast from Yanchep some 56 kilometres to the north and Dawesville some 90 kilometres to the south. In addition, the Perth metropolitan area has expanded significantly in the north-eastern and south-eastern corridors.

In August 2010, the West Australian Planning Commission released Directions 2031 and Beyond with the view to "creating a more compact and environmentally sustainable city by using land and infrastructure in an efficient manner". Primary targets of the framework included:

1. "A 50 per cent improvement on current infill residential development trends of 30 and 35 per cent; and a target of 47 per cent or 154,000 of the required 328,000 dwellings as infill development" and
2. "A 50 per cent increase in the current average residential density 10 dwellings per gross urban zoned hectare"; and "has set a target of 15 dwellings per gross urban zoned hectare of land in new development areas".

In response to the above, lot sizes in developing estates have continued to decrease in recent years with the Housing Industry Forecasting Group's November 2017 publication stating the lowest ever recorded average lot size of 363 square metres. In addition, the WA Planning Commission issued a new draft position statement in March this year outlining its intentions for the minimum green title lot size to be reduced from 100 square metres to 80 square metres. Subsequent to this, Perth's first micro lot housing project was announced in April for the north-eastern suburb of Ellenbrook.

Residential apartment construction has also increased significantly throughout the Perth metropolitan area in recent years with infill development around transport hubs encouraged by the government. Despite this, the push for urban infill in some well-established residential areas is proving to be a major hurdle with residents citing fears such as smaller lot sizes, increased noise and crime, decreased privacy, parking problems and decreases in property values.

Well planned urban infill, housing affordability (particularly for first home buyers) and public infrastructure are at the forefront of the city's challenges in 2018.

Town Planning Scheme and Design guidelines continue to play massive roles in the cost of housing

at present. Bushfire Attack Level, front elevation design, NatHERS environmental ratings and noise proofing requirements are also adding significant costs to project housing and yet have very little value add in most scenarios.

Furthermore, increasing specifications in new houses are continuing to keep upward cost pressure on construction as the market is continuing to decline in the newly established outer suburbs throughout the Perth metropolitan area.

Decreasing lot sizes have brought fresh design challenges and many builders and developers are challenging the norm by constructing new dwellings in alternative building materials to the traditional double brick which is still far and away the preferred construction method in Perth.



Hardieplank Construction (Source: Corelogic)

The below picture is a good example of recent experimentation by building companies, comprising non-traditional, single-level, semi-detached townhouses built with Hebel external walls, Colorbond roofing and plasterboard internal walls.

Another new style that is being tested in some of the recently established estates is the industrial two storey designs on 200 to 300 square metre lots. The New York / Brooklyn themed construction seen in the below pictures brings something quite unique to these new estates and has been relatively well received.



Brooklyn, NY Townhouse Design (Source: Express Two Storey Living)

Similarly, the flute design (pictured right) has been successful in the developing suburbs of Ellenbrook and Aveley offering affordable accommodation on a small lot.



"The Cube" - Flute Style Floor Plan (Source: New Choice Homes)

Despite the numerous challenges and reluctance for urban infill in some well located suburbs, there are several large-scale medium to high density development projects in the pipeline including plans for a total of 5,000 medium to high density homes in Bentley, Joondalup, Beaconsfield and Cannington. Also currently being developed is the Murdoch Health and Knowledge Precinct which will include residential components. Expansions to several major shopping centres are also underway with the planning approval contingent on the inclusion of a residential apartment component.

In addition, the Metropolitan Redevelopment Authority (MRA), “the delivery arm of the State Government’s planning portfolio”, has recently completed or is in various stages of residential infill developments including the coastal suburb of Scarborough, where the beach foreshore has just received a circa \$57 million re-vamp including a \$26 million swimming pool, world class skate park and bowl together with extensive public open space areas. The MRA took full control of a large portion of the suburb and is responsible for ensuring that the area becomes a vibrant coastal tourist destination with the master plan for the area outlining four distinct precincts. The MRA recently approved the revised 3 Oceans twin tower development comprising twin 43 and 33 storey towers. This proposed development will definitely change

the landscape of the entry to the Scarborough foreshore.

Another area the MRA is planning includes a riverside redevelopment project in East Perth which adjoins the banks of the Swan River comprising some 40 hectares of land. According to the MRA, “The area will feature a new inlet, urban beach, hotels and short stay accommodation, landscaped boardwalks, public art, walkways, cycle paths, a river playground, local shops and more”.

Despite Perth often being maligned as a backwards city (WA - Wait Awhile) when compared to its eastern states counterparts, much has changed in the past 50 years and particularly in the past ten years. In fact, the Perth CBD has undergone significant change over the past decade with recent projects completed including Northbridge Link and Victoria Quay. In addition, the recently completed Optus Stadium now provides a state of the art stadium suitable for international sporting and entertainment acts with a 60,000 seating capacity and is now linked to the Perth CBD via Matagarup Bridge.

South West WA

Given that Herron Todd White is now 50, it is worth looking back to what was happening in the South West of WA back in 1968. Back then the major town in the south-west was Bunbury due to the harbour which provided the main export option in the region

for timber and farming production. The other main coastal towns including Busselton and Augusta were mainly holiday towns or retirement locations as well as supporting rural endeavours in the locality. Inland country towns such as Pemberton, Manjimup, Donnybrook and Bridgetown supported the timber, horticulture, dairy and food production industries in their various locations. Populations of these towns were generally very small and the residential accommodation generally basic comprising Californian bungalows and timber framed asbestos and weatherboard clad basic homes. It would be several years before the establishment of the Margaret River wine region.

Jumping ahead 50 years and these towns have undergone significant development and renewal. Bunbury developed into a city and still remains as a focal hub due to the harbour which is now in the process of being expanded. The city itself has undergone significant gentrification with modern housing along the foreshore and the conversion of the silos in Koombana Bay into luxury residential accommodation. The greater Bunbury region has expanded significantly and now includes several new residential subdivisions in Eaton, Australind to the north, Glen Iris and College Grove to the east and Dalyellup to the south.

The establishment and international success of the Margaret River wine region has seen a much greater

focus on rural lifestyle living with towns such as Margaret River and Cowaramup seeing significant growth. The greater Busselton region has also expanded with new residential developments in Port Geographe to the east, Yalyalup to the south-east and Vasse to the south-west as well as the development of residential suburbs directly south of the Bussell Highway such as Broadwater, West Busselton and Abbey.

Similar to other areas in Australia, the demand for coastal living has seen an explosion of development of coastal towns such as Dunsborough, Yallingup, Prevelly and Gnarabup which have become major tourist towns and comprise substantial luxury holiday homes, many with expansive ocean views. There are several luxury home builders in the south-west region catering for this end of the market.

The style of housing has also changed significantly over this 50 year period and is now predominantly project style 3- and 4-bedroom, 2-bathroom single level homes on 500 to 700 square metre lots.

As with most areas, affordability is a serious issue across the south-west. There has been minimal unit developments leading to a lack of supply of affordable housing in most regions. This has prompted developers in the region to begin creating cottage blocks of 200 to 300 square metre sites which are appealing to both first home buyers due

to their affordability and to retirees due to the ability to lock and leave with minimal garden maintenance required.

One local builder has also stepped into this section of the market with a cottage block development that is completed in ten weeks and provides for innovative New York style apartment living on a small freehold lot at an affordable cost. Only a few of these have been developed so far but it will be interesting to see the level of demand for this product.

Planners are also addressing decentralisation issues by creating higher residential density codes in the CBD areas. An example of this is the recent rezoning of sections of the Dunsborough CBD.

The future is likely to see our towns continue to expand outwards, however infrastructure restraints are likely to also see infill programs developed in the CBD areas.