Month in Review

April 2022

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

Contents

Click on any state or page number for immediate access

Disclaimer

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

Herron Todd White accepts no responsibility for any reliance placed on the commentary and generalised information. Contact Herron Todd White to obtain formal, specific property advice on any matters of interest arising from this publication.

A message from our CEO

Welcome to the April edition of Month In Review

Significant events have been a feature of Quarter 1, 2022.

The Federal Budget highlighted the importance cost of living will play in May's election. Relief at the petrol pump, childcare assistance measures, an expansion of first homebuyer schemes, and big spending on infrastructure were all featured.

But of course, this sort of budget walks a fine line between spending and keeping inflation in check. Once that genie is out of the bottle, interest rate rises usually follow.

Interestingly, the Reserve Bank held interest rates steady again this month. While the market is factoring in several rises in 2022, the RBA are yet to confirm when rates will begin to rise. In their most recent statement, the RBA simply indicated they want to see where inflation will settle before they act.

This is adding further uncertainty to households whose budgets are becoming stretched. Interest rate movements are, of course, an evolving space. The scale and timing of any changes, and how they'll affect markets, are difficult to predict.

Property market activity to the end of March remained, overall, robust but there are clear signs we're approaching a peak.

Some centres have done well, such as Brisbane which experienced a more than 6.0 per cent increase in home values for the year to date. Others saw growth attenuate, like Sydney and Melbourne who've both remained relatively flat in 2022.

Looking ahead and the next quarter will, again, prove seminal on both the domestic and world stages. The war in Ukraine, supply chain pressures on construction, and fallout from recent east coast floods continue to put pressure on real estate markets. It's obvious we'll see turbulent forces influence our peaking property market over the coming weeks and months.

In short, there's a lot to digest and contend with at present, with an extraordinary number of unknowns pervading the Australian psyche.

This is a time when stakeholders must proceed with prudence. You need to ensure your portfolio has the rigor to withstand market changes, which can only be achieved by seeking comprehensive professional advice from independent experts.

This is where Herron Todd White's teams thrive. Experts who can guide you through the uncertainty.

We open our advice this month with national overviews in residential and commercial delivered by two outstanding professionals – commercial director David Walsh, and National Director, Group Risk and Compliance, Kevin Brogan.

In our main commercial section this month our valuers have delivered their opinions on how industrial property markets will perform in 2022. Among the stories are:

- Sydney – Value gains in excess of 50 per cent for some industrial assets;
- Brisbane – Land supply for new industrial development is limited;
- Perth – A robust mining and resources sector will prompt further gains in industrial property.

Our residential teams have presented a comprehensive assessment of who's driving homebuyer markets around the nation, and what that means for all stakeholders. Among the many stories are:

- Sydney – The top end of the market is slowing more rapidly than the affordable end;
- Brisbane – Investors are becoming more active in apartment markets once more;
- Adelaide – Existing homeowners have experienced once-in-a-generation growth in the past 18 months.

Finally, the rural teams discuss both the state of rural property markets and the impact new technology is having on primary production.

We hope you enjoy another excellent edition of Herron Todd White's Month In Review.

Gary Brinkworth

CEO

HERRON TODD WHITE

Who's driving the homebuyer market?

"Home wasn't built in a day." Jane Sherwood Ace

There's been plenty of chatter in recent years around the affordability of housing and whether the dream has died.

The Great Australian Dream is a fundamental tenet of our nation's collective psyche. It's the very foundation of egalitarian Australia. If you dream big, work hard and adopt some common sense to your finances, homeownership is within your grasp.

Or is it? There's been plenty of chatter in recent years around the affordability of housing and whether the dream has died. Ever-rising prices outstripping incomes is the culprit for many. Chat with young folk in and around our biggest capital cities and they'll tell of their frustrations. Many have had to be creative via co-purchasing, rentvesting or financial assistance from family to get that longed-for front door key of their very own.

But, despite the challenge, most of us will never give up on owning a place called home.

Another point of significance is the homebuyer market itself and what it tells us about the Australian real estate landscape. For starters, the homebuyer demographic is a broad church. There's first timers, upgraders, families, empty nesters and retirees and any number of subsets among the homebuying pool. Each group requires a home that fulfills a particular need for their age and stage.

This month we celebrate homebuyers around the nation.

Our residential teams have taken a gaze across their patches and identified how homebuyers are shaping their service areas. They've broken down the market into buyer types and looked at what they're purchasing and why. There's also some very useful information among these pages for those looking to progress to the next stage of home ownership.

For our commercial crew this month it's all about industrial property investment in 2022. The sector has been a standout performer over the past two years, but will the strength continue? We look at the overall national market direction, but also break down industrial property on a location-by-location basis. From established industrial to new developments to the machination of leases, our teams are on hand to share their wisdom.

Finally, Herron Todd White's rural teams have come together and provided a selection of submissions from specific markets around the country. We've also asked our specialists to deliver their take on any new technology being adopted by our primary producers.

There it is once more dear reader – a collation of up-to-date information unlike any other in publication. But of course, while Month In Review is a handy compass to point you in the general direction, your specific property path requires an experienced guide. Be sure to contact your nearest Herron Todd White office to discover the inside running on your area of interest.

HERRON TODD WHITE COMMERCIAL

Commercial

April 2022

National Industrial Overview

To say events unfolding over the past few weeks were 'significant' would be a monumental understatement. While there's unease on many levels, I'll restrict myself to comments on how the current state of play will affect our nation's industrial markets in 2022.

The industrial sector has been a superstar across the nation since mid 2020. Supply line issues throughout the pandemic saw strong performance in cold storage, temperature controlled, 3PL (3rd Party Logistics) facilities and storage assets. With online shopping growing over the past 18 months to record highs, these types of assets will be of significant utility as e-commerce continues to be the consumers' first choice for shopping.

The upshot has been increased demand for industrial space, with compressed yields, stronger rents and lower vacancies the result – particularly throughout 2021. For those of us who were around in 2007, the leasing take up in Brisbane over the past six to nine months has been reportedly similar.

The big question is, 'Can the momentum be sustained as we enter the new year?'

David Walsh
Commercial Director

While the industrial property sector might feel like an unstoppable force at present, history tells us that no market can continue to rise indefinitely. Market forces will eventually come into play.

So, what will be the big influences on our sector in 2022?

There's, of course, an interesting discussion around interest rate rises and whether this might hit industrial property investment. I have no doubt some investors will be increasingly coy about their returns when rates rise, but the underlying fundamentals for industrial remain strong. Substantive falls in property values in response to increased interest rates are unlikely, but market activity could certainly ease off from its heady highs, with yields stabilising closer to current levels.

I also think some types of industrial property will perform far better than others. The market – both for rentals and investment – will simply be more discerning in 2022.

For example, the Ukraine conflict has resulted in fuel price increases, and that's one input which will hit suppliers hard. Approximately 35 per cent of freight is transported by trucks, making this cost a huge impost on operators.

As such, those facilities closer to population centres should benefit. If businesses can reduce the cost of moving goods from their warehousing to their customer base by being physically closer to consumers, then they'll be willing to pay a premium for that.

Therefore, infill style industrial should do well. Prime locations within easy reach of population centres should remain strong. Even better if they have easy access to major transport corridors. These properties can expect rents to rise and yields to hold firm.

The other matter worth factoring in is the continued scarcity of good, developable industrial land. There's simply too little land to satisfy current demand. Land take up in the last 12 months has been extremely strong, as has price growth with some locations achieving eye watering rates per square metre. This story is evident across all major cities and regions.

But look at that in conjunction with the other big constraint – the one around construction – and you can see why I remain reasonably bullish about industrial in 2022. Securing a reputable builder, acquiring materials and employing skilled labour for any development at present is a struggle. So long as this is the case, I feel demand will continue to outstrip supply in the sector. That is of course if you can make these projects feasible. With land values at their current level and construction costs extremely volatile, this remains to be seen. What I am certain of is that with these two pieces of the construction pie challenging the feasibility of projects, we are likely to see a third piece – rents – experience a long-awaited increase.

So, while the overall view is that markets may be a little more challenged in 2022, well-chosen assets will continue to be a savvy investment.

National Property Clock: *Industrial*

Entries coloured purple indicate positional change from last month.

Brisbane
Gold Coast
Ipswich

Ballina/Byron Bay
Lismore
Melbourne

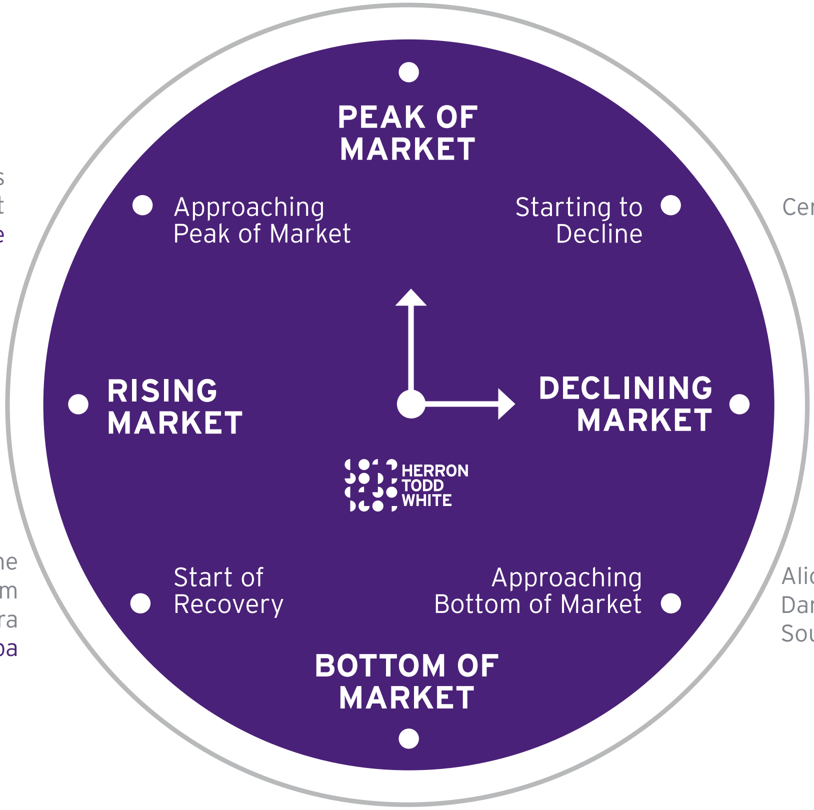
Southern Highlands
Sunshine Coast
Townsville

Central Coast

Adelaide
Bundaberg
Cairns
C'berra/ Q'beyan
Coffs Harbour

Echuca
Geelong
Hervey Bay
Hobart
Illawrra

Mackay
Newcastle
Perth
Rockhampton
Sydney



Orange

Gladstone
Horsham
Mildura
Toowoomba

Alice Springs
Darwin
South West WA

HERRON TODD WHITE COMMERCIAL

New South Wales - Industrial 2022

Sydney

The industrial market has had a strong start to 2022. There is no real sign of the market slowing down from what we have observed and predictions are that the industrial market will remain strong over the remainder of the year. We are still seeing value increases and yield compression within most Sydney industrial markets and we expect this trend will likely continue.

The market is still largely underpinned by demand outstripping supply due to a lack of stock, particularly for Torrens title property and land, and low interest rates. Most of the market commentary is in line with this, the only caveat being uncertainty surrounding interest rate hikes.

Rents have remained largely stagnant over most of the past 12 to 24 months, particularly for secondary stock, however we have seen increases in some more recent deals (in the past three to six months). Strong growth is forecast for the next few years with location being a prime factor irrespective of stock grade. Vacancy is fairly low and supply constraints are still there. We are of the opinion that rental increases will be more modest over the next year in Western Sydney.

We caution that in the current market there is a possibility of over-capitalising on certain developments or redevelopments when considering historically high industrial land values and international supply issues leading to escalated construction costs.

We also consider it very likely that the trend of regional and interstate investment will continue. With yields being so tight, often 3% to 4%, investors, particularly with higher risk appetites, may look to other regions or asset classes for higher returns.

Generally speaking, the majority of conversations with local property owners and buyers indicate that their businesses have performed extremely well over the past 24 months, particularly businesses involving automotive, online retail and construction. They are often seeking to expand their business by purchasing a larger property. We have noticed more tenants buying the properties that they are currently renting. As a whole, buyers tend to be more cashed up and can afford to borrow more.

We have noted some significant growth in values over the past 12 months. A couple of examples in South Sydney show increases in excess of 50 per cent.

An industrial unit on Burrows Road, St Peters sold for $2 million in September 2020; it subsequently sold for $3 million in November 2021.

Another in Bradford Street, Alexandria sold for $2.1 million in October 2020 and subsequently sold for $3.405 million in October 2021.

However, there are potential headwinds that could emerge in 2022 and impact sentiment for the industrial market. This includes a further rise in inflation which could trigger sooner than anticipated interest rate rises. This has the potential to have flow-on impacts to value levels given the increased funding costs.

Angeline Mann
Commercial Director

> *We have noted some significant growth in values over the past 12 months. A couple of examples in South Sydney show increases in excess of 50 per cent.*

Wollongong

We are a quarter of the way through the year and it's already clear that the industrial market is continuing its current upward trajectory which started to gain pace in 2018. Demand across the board remains strong, supply is limited and despite the uncertain global environment and the likelihood of an interest rate rise in the second half of the year, conditions are ripe for ongoing strong performance in this sector.

We have witnessed recent announcements that Port Kembla is the Defence Department's preferred choice for a new submarine base, BlueScope Steel has secured a $55.4 million federal government grant to upgrade its steelmaking capabilities by way of a $217 million advanced steel manufacturing precinct at its Port Kembla site, while construction of a new $300 million LNG terminal at Port Kembla commenced in late 2021. This combined with the onshoring drive throughout global manufacturing

HERRON TODD WHITE COMMERCIAL

The turnaround and growth in this asset class over the past ten years is quite astounding.

industries and the current high coal price are expected to further boost the region's industrial property market.

The turnaround and growth in this asset class over the past ten years is quite astounding.

Scott Russell
Director

Victoria - Industrial 2022

Melbourne

In 2021, Melbourne's industrial market boomed. E-commerce accelerated due to the COVID-19 pandemic with the main driver being a requirement for storage space of goods. This e-commerce and associated transport and logistics activity, paired with extended pandemic restrictions, low interest rates, a fear of missing out and low stock levels, saw a firming of yields, vast increases in land values and a strengthening of rents in the industrial market.

In late 2021, leasing activity remained high as there was an increased requirement for warehouse space to diminish disruptions in the supply chain. Many major retail and wholesale businesses were forced to up-scale their operations to increase stock volumes and therefore required more space. This increased activity has in turn created competitive markets and therefore shortages in prime existing stock.

The demand for new space contributed to the consistent rise in industrial land value across 2021. A record level of new development, particularly in Melbourne's west, is in the pipeline well into 2022 however a shortage in industrial zoned land across the city is causative to the continued driving up of land values.

The industrial market shows no sign of slowing across the early to mid-part of 2022 with record development levels expected to continue well into this year and a further tightening in prime yields. That said, any tightening is expected to be marginal given the spectacular results already shown across 2021 within the Melbourne industrial market.

Rental growth was clearly evident across most industrial regions of the Melbourne industrial market in 2021 and saw a reduction in incentive levels offered by landlords as the year wore on. We expect to see rents continue to increase across 2022 as landlords recover the increased costs of new developments, further supply constraints continue, the continued expansion of e-commerce and the intensifying of competition for space.

A lack of land supply together with the rise in tenant demand and moderately low interest rates is expected to place continued upward pressure on land values well into 2022 as owner-occupiers compete with institutional owners. The major threat is the imminent increase in interest rates which has been mooted for late 2022 and the following financial year and the continued threat of inflation (with increased fuel prices and the associated rise in the cost of goods currently being experienced).

As we move forward across 2022, we highlight industrial assets to avoid. Those assets generally sit within the secondary industrial sector. They may include assets with access issues and poor ingress or egress, poor clearance, properties with high office to warehouse ratios in markets which generally have no requirement for such a ratio and development sites with potentially costly asbestos removal requirements prior to any major redevelopment.

Nick Michael
Director

A lack of land supply together with the rise in tenant demand and moderately low interest rates is expected to place continued upward pressure on land values well into 2022 as owner-occupiers compete with institutional owners.

COMMERCIAL - INDUSTRIAL

HERRON TODD WHITE COMMERCIAL

Queensland - Industrial 2022

Brisbane

On the back of a historically strong year for industrial markets in 2021, characterised by extremely buoyant property market and economic conditions, the industrial market entered the new year at an existing level of euphoria. A prominent indicator of the strength of the industrial market throughout the previous quarter is the rise in industrial land values across south-east Queensland, underpinned by the strong investment sentiment and limited availability of land at present. Existing industrial assets have also experienced heightened levels of capital value rates as a result of this general stock shortage and strong absorption, which would indicate that these levels of demand are likely to be sustained in the short to medium term whilst the investment sentiment remains strong.

Looking forward however, it is unlikely that the markets can sustain these levels of increased sentiment. This is due to the early signs of interest rate movement and commentary from the RBA surrounding a likely rise or two in the latter half of 2022, which for the industrial market will likely translate into a plateau in yields and discourage further compression.

There has been a large amount of commentary within the marketplace surrounding the state of the market and how it could play out this year. Discussions with leading agents have revealed that the greatest challenge the market is likely to face is the current shortage of stock and the implications this will have for yields, capital value rates and land values. Prime industrial locations such as the TradeCoast precinct have been in a critical shortage of investment-grade and owner-occupier stock over the past quarter which led to transactions achieving record level metrics. Resultantly, there was heightened discussion surrounding the availability of stock and increased demand for development sites. This saw significant growth in the Brisbane industrial land market in the latter half of 2021. Whilst this provides an opportunity for developers to secure pre-commitments and deliver brand new, high quality buildings, the volatile nature of the construction industry will translate to pressure on project feasibility. Whilst leasing demand is very strong at the present time and there continues to be insatiable demand from owner-occupiers, investors and tenants, increasingly high construction costs have the potential to slow the supply of new industrial stock due to the unfeasible nature of these projects.

Market feedback confirms that a modern style, industrial office and warehouse building in Eagle Farm that sold in vacant possession achieved a capital rate per square metre of $3725 (noting the office component was 37 per cent of the GLA). This was a sale to a private investor who was willing to take on the leasing risk of securing a tenant, indicating that there are strong levels of confidence in the investment market and that investors are willing to pay a premium for A-grade, investment grade stock in prime locations due to the existing shortages. Furthermore, it was revealed by the marketing agent that this property was leased within a matter of months of selling at a rate of $180 per square metre per annum net.

30 Eagleview Place, Eagle Farm Source: xgxgxgx

Without the benefit of hindsight, it is inherently difficult to say where the industrial market may be in 12 months' time, however leading economic

A prominent indicator of the strength of the industrial market throughout the previous quarter is the rise in industrial land values across south-east Queensland, underpinned by the strong investment sentiment and limited availability of land at present.

HERRON TODD WHITE COMMERCIAL

indicators both in Australia and internationally coupled with commentary from the RBA are hinting at provisions for interest rates to rise. Whilst this may somewhat slow the levels of consumption and investment, it is unlikely this will result in a significant softening of industrial yields when considering the large availability of capital both in the pockets of investors and in the institutional space against the shortage of stock in the industrial market. Resultantly, a rise in interest rates in the coming 12 months and the recently implemented loan buffers will likely be absorbed by well-capitalised borrowers due to their strong cash position. A minor softening in yields should be expected in order for investors to maintain a healthy spread in cash flow.

Another leading indicator regarding the future performance of the sector, which I touched on above, is the rising construction cost pressures and increase in land values. Through verbal market feedback with leading agents and developers, it has been revealed that this has led to early signs of rental growth which will be required to make these projects feasible to account for the increase in total development costs. Whilst the lessee will ultimately be responsible for these increases in costs, the current shortage of stock is leaving tenants exposed. Despite this being a positive prospect for lessors, it is a high risk to developers as different precincts throughout Brisbane achieve different rental levels; this can be easy to overlook in any feasibility study, given rentals have been relatively stagnant in recent years. We have been advised of recently negotiated leases of brand new or currently under construction buildings in prime industrial areas negotiated at rates of circa $200 per square metre per annum net. Whilst developers should not expect these rates as the new norm, it does suggest rentals are on the rise.

Although 2022 is shaping up to be another strong year for the industrial sector, it is not anticipated to be a market entrant friendly time on the property clock as it is probable that we are at the peak of the market. As emphasised through the limited investment and purchasing opportunities available across most industrial areas and the rise in capital values, it is clear we are amidst a seller's market. Notwithstanding this, the amount of reserve capital circulating within both the industrial market and broader economy suggests that a future interest rate hike may have little effect on investment sentiment.

David Walsh
Industrial Director

Gold Coast

The industrial sector was the star performer of the Gold Coast commercial property market in 2021 and we expect this positivity to carry through into 2022.

In the central Gold Coast industrial precincts, demand for industrial stock is still outstripping supply and there is a paucity of industrial stock available for either purchase or lease. More recently, the supply of strata units has been primarily facilitated through pre-sales of brand new industrial complexes in Arundel and Carrara; there has been strong demand for this product with developments often selling out off the plan and some units even selling above asking price. Sale prices within these complexes typically range from $2800 to $3500 per square metre, generally influenced by size, exposure and configuration of mezzanine accommodation. Similar complexes at Burleigh Heads and Southport have achieved rates in excess of $4500 per square metre.

Freestanding industrial warehouses with higher quantum values are also experiencing strong market conditions, with value rates for these assets having experienced significant increases more recently. A strong notable sale is 13A Technology Drive, Arundel which is a modern 1,580 square metre industrial building which sold in October 2021 for circa $4.6 million. This transaction reflects over $2,900 per square metre on lettable area. We are aware of similar rates achieved at Coomera and even higher again at Burleigh Heads.

Recent discussions with agents suggest there is still an unprecedented level of interest in industrial properties at the southern Gold Coast from both the owner-occupier and investor markets, with the local business environment bolstering demand for this sector and supply remaining constrained by a lack of land availability. We are aware of several recent sales of industrial freestanding buildings reflecting analysed yields in the order of 4.50%, which is a new level for this area. More traditional industrial investments removed from the coastline are still reflecting a yield gap, generally falling in the range of 5.0% to 6.0%.

On the northern Gold Coast, the Yatala Enterprise Area and the Upper Coomera industrial precinct continue to perform strongly, breaking all previous records set. The common theme is one of strong demand and a lack of supply, with agents advising of high demand for all types of industrial product

Recent discussions with agents suggest there is still an unprecedented level of interest in industrial properties at the southern Gold Coast from both the owner-occupier and investor markets.

on both a sales and leasing basis. There has been a substantial increase in value rates over the past few years.

In the Yatala region, settled sales of freestanding industrial buildings tend to range between $1850 and $2100 per square metre of floor area, however many of these were sold in mid-2021 (some off the plan) and anecdotally, the market has continued to improve in 2022, noting that both land rates and building costs have increased. There are settled sales of serviced lots reflecting between $400 and $475 per square metre, which two years ago would have sold for between $300 and $375 per square metre. Agents advise of smaller serviced lots that have been placed under contract at $500 per square metre or more, although titles are yet to be issued. Rental rates have been increasing also, with rents for some freestanding buildings now reaching $130 to $140 per square metre per annum net (plus outgoings and GST).

Upper Coomera, being closer to the central Gold Coast, is also performing strongly, with evidence of building floor area rates for freestanding buildings in excess of $2750 per square metre, serviced land at over $650 per square metre and rents at over $150 per square metre per annum net.

Ryan Kohler
Director

Sunshine Coast

The Sunshine Coast industrial market has experienced steady growth for a number of years as a result of increased demand in the region. Throughout the pandemic, the industrial market has been one of the market sectors most resilient to the impacts of COVID-19 with continued market activity and strong demand apparent. There have been high levels of interest throughout numerous value levels including leased and owner-occupied assets.

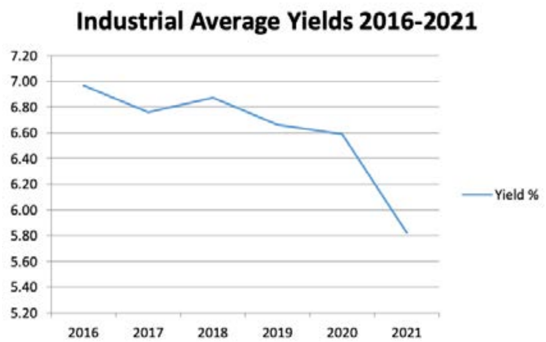
As a result of a prolonged record low interest rate environment, both local and interstate investor demand in the industrial market has remained strong, particularly for good quality buildings with strong lease covenants.

As a result of a prolonged record low interest rate environment, both local and interstate investor demand in the industrial market has remained strong, particularly for good quality buildings with strong lease covenants. Since the beginning of the pandemic, a number of industrial facilities have transacted for record yields that are as low as 5.0% for well leased assets. These yields have compressed significantly compared to pre-COVID levels, with a number of cash buyers also present in the market.

The majority of the demand however has been driven by owner-occupiers in the sub $1 million market. For those able to source funding, this has been a good time to relocate due to the low interest rates. This has led to an increase in construction for smaller strata titled industrial properties sub-300 square metres. Agents are reporting record interest for off the plan purchases with developments selling out before construction has commenced. With the strong demand has come several price increases which typically occur throughout the marketing campaign of most complexes. There has also been strong price growth for established stock as there remains limited established stock on the market.

The strong interest in industrial assets has also been fuelled by the lack of available vacant land which has resulted in increased concerns about future supply. We are not aware of any future land releases within the main Sunshine Coast industrial estates of Corbould Park, Warana, Kunda Park, Noosaville or Coolum Beach within the next 12 months. This lack of supply has put significant upward pressure on value levels.

The following table indicates the improvement in yields for the industrial market on the Sunshine Coast over the past five years:



Source: HTW Research

Moving forward, key drivers for market activity will be interest rates. Interest rates in Australia as well as globally have experienced a declining trend for over a decade. The RBA currently has the cash rate set at 0.10 per cent. There appears to be widespread upward pressure on prices as a result of COVID-19 and disruptions to global supply chains which appear to be leading to a spike in inflation. This may require a tightening in monetary policies worldwide, leading to increasing costs of funds for lenders which would then lead to increases in interest rates. As we move into a landscape of increasing interest rates, a softening of yields achieved from commercial properties is expected.

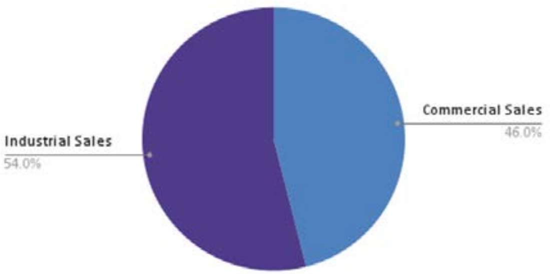
Throughout 2022, the lack of available land is likely to help underpin the industrial market. Improving rental rates is also a positive for this market sector across all holding sizes.

Chris McKillop
Director

Townsville

The Townsville industrial market gained solid traction in 2021 on the back of continued improvement in the mining, manufacturing, intermodal transport and logistics and warehousing sectors. This is expected to continue throughout 2022 although we would anticipate a deceleration from the current pace.

We highlight that industrial sales to the end of 2021 exceeded the total number in 2020 averaging almost 25 sales per quarter. We anticipate that the industrial sector will continue to outperform the broader commercial property sector. Our market analysis reveals that industrial sales comprise a compositional volume of over 60 per cent of analysed non-residential transactions in 2021.



2021/22 Commercial Industrial Sales Activity Source: HTW

Notably, there has been elevated regional focus from southern investors seeking higher investment yields in comparison to the overheated southern markets, which in turn has created a distinct barrier to entry for local investors. 2021 witnessed an increased market for vendor leasebacks which has also created a price barrier for prospective owner-occupiers, especially in the sub $2 million bracket.

Market commentators tend to agree that property investors are becoming increasingly indiscriminate and the fear of missing out mentality is inflating prices and possibly creating a false ceiling.

Our analysis reveals sharp yield compression of 150 basis points over the past 12 to 18 months with most sales now demonstrating an analysed market yield spread of 6.5% to 8.5%. We do caution that the yield range is dependent on individual property attributes and specific key market drivers. The continued rise in constructions costs is also having an impact on existing property pricing and will continue to have an influence on the industrial market moving forward.

Industrial rents remained relatively stable throughout 2021 although vacancy levels tightened on the back of increased demand. Vacant land has also been absorbed leading to a recovery in land rates, but rising construction costs and supply chain issues present a significant hurdle to new development leading into 2022.

Townsville has an abundance of industrial zoned land including State Development Areas with nexus to road, rail and sea supply chain networks.

We anticipate that the industrial sector will continue to utperform the broader commercial property sector.

Continued chatter around vulnerabilities in offshoring supply lines have been well exposed in recent years and the current global situation only exacerbates prospects for onshoring. Townsville is well placed in relation to future development of major intermodal warehousing and distribution and offers a significant foundation for domestic manufacturing opportunities. The sentiment around our industrial market will remain positive throughout 2022 and beyond.

Jason Searston
Director

Mackay

The heavy engineering investment property market in Paget has been more active than normal since mid 2021. Recent sales include:

- **41 Michelmore Street** - $3.5 million at an analysed market yield of 7.88% with an unexpired lease term of 6.14 years;
- **27-29 Enterprise Street** - $5.3 million at an analysed market yield of 6.97% with an unexpired lease term of 4.68 years;
- **520 Milton Street** - $3.85 million at an analysed market yield of 7.40% with an unexpired lease term of 4.35 years;
- **6 Evolution Drive** - $2.875 million at an analysed market yield of 7.39% with an unexpired lease term of 4.35 years.

Analysed market yields have firmed by 100 basis points over the past two years and values for investment grade heavy engineering workshops have recovered to about pre coal mining slump levels of 2011/2012. This has been largely delivered by firming yield rates rather than rental growth. We expect that yield rates will consolidate at around 7.0% to 7.5% for this class of asset this year.

A 2019 built refrigerated transport facility at 512 Milton Street, Paget has sold at $7.75 million to show an analysed market yield of 6.63% with an unexpired lease term of 7.82 years.

512 Milton Street, Paget Source: realcommercial.com.au

The tenant was Scotts Refrigerated Transport. The property was sold after a four-week marketing campaign which attracted four expressions of interest with reported offers slightly below the eventual sale price. This is a highly specialised investment property with considerable tax depreciation benefits.

Greg Williams
Director

Rockhampton

As we near the end of the first quarter of 2022, the industrial market in Rockhampton seems to have picked up where it left off in 2021. On the back of a number of large government projects as well as an improvement in the local economy, the Rockhampton industrial market has been relatively active and this is expected to continue throughout 2022. Owner-occupiers have been active for established industrial properties as well as vacant industrial land to construct tailored industrial properties for their needs. Investors are active in the market, however due to limited well-tenanted industrial properties being offered to the market, any that are offered are well contested. Agents are still reporting strong interest from both local and non-local investors, however as always, the lease covenant and tenant profile are key factors for any investor decision. All indications are that the industrial market throughout 2022 should remain active for both investors and owner-occupiers.

Richard Dunbar
Property Valuer

Gladstone

The Gladstone industrial market gradually improved over the past 12 months and expectations are that this will continue in the year ahead. Demand is being driven by low interest rates, improvement in the local economy as well as a number of local projects slated or already having commenced. Owner-occupiers are active in the market, spurred on by the affordability of buying compared to paying rent, with interest repayments often cheaper than paying rent. Investors are active in the market, however consideration is given to the lease covenant and tenant profile and with limited quality stock available, agents are reporting good levels of interest for well tenanted properties offered to the market. Non-local buyers generally appear to be more willing to accept a lower return than local investors, as it is still generally a higher return than they can achieve in the capital cities.

In summary, 2022 should see continued activity in the industrial market for both owner-occupied and investment grade properties.

Richard Dunbar
Valuer

Wide Bay

Most industrial property sales activity transacts frequently in the sub-$500,000 price bracket. Beyond this price bracket, market demand has traditionally been soft and longer selling periods are required. Proposed local infrastructure projects and significant private sector projects that could significantly enhance activity for industrial land include the Bundaberg Brewed Drinks Super Brewery under construction in the Bundaberg Industrial Park, the proposed new Bundaberg Base Hospital in Thabeban, the train manufacturing facility proposed in Torbanlea and returning the Paradise Dam wall to its original height.

We also highlight that the buoyant local economic conditions are occurring in an environment with very low lending interest rates and anecdotal evidence indicates improved net internal migration to the Bundaberg region. We think there may be opportunities in fringe CBD light industry locations in the sub $500,000 price bracket where vacancies appear to be very tight and the rental market has improved. Large tenancies still represent a significant risk for industrial property, particularly in secondary locations.

Ben Harnell
Property Valuer

Agents are still reporting strong interest from both local and non-local investors, however as always, the lease covenant and tenant profile are key factors for any investor decision.

COMMERCIAL - INDUSTRIAL

HERRON TODD WHITE COMMERCIAL

Cairns

The industrial sector in Cairns is relatively small and its manufacturing base is largely geared towards servicing the engineering requirements of local and regional industries. For this reason, most demand for industrial space is derived from businesses supporting the marine, tourism, sugar milling, residential construction, transport and mining services industries.

Sale conditions within this market over the past 12 months have improved and the industrial market is very buoyant at present. This is assumed to be (at least in part) off the back of government stimulus to manufacturing and building, coupled with record low interest rates. Leasing market conditions for industrial property are strong with the limited availability of rental properties driving up achieved rentals. The limited availability of rentals is in part a result of very strong owner-occupier purchaser demand for industrial property which is off the back of buoyant manufacturing and building industries.

Achieved prices particularly for owner-occupied stock in the sub $1 million market are at levels unseen before and there is also a near total lack of vacant industrial land available.

Shane Quinn
Director

Toowoomba

Over the past six months we have seen an increase in leasing activity in the Toowoomba industrial market. This follows an extended period of limited tenant demand and a general increase in vacancy rates.

There is currently a shortage of smaller vacant industrial lots (sub 5000 square metres) in Toowoomba which has resulted in a moderate increase in sale prices. There is a new eight

Demand from investors continues to be strong and the supply of quality investment opportunities is limited.

lot subdivision currently under construction in Robson-Hursley Road that will increase supply in the coming months. Another subdivision (also in Robson-Hursley Road) has been approved and is expected to provide smaller (sub 4,000 square metre) lots.

Demand from investors continues to be strong and the supply of quality investment opportunities is limited. This has resulted in premiums being achievable for modern facilities with good tenants on long lease terms. Sales reflecting sub 7% net yields have been recorded.

25 Ruthven Street, Harlaxton Source: commercialrealestate.com.au

Major sales of note in Toowoomba over the past six months include:

- **398 Taylor Street, Glenvale:** Sale price of $2.425 million. A modern industrial building with a lettable area of 1645 square metres divided into three tenancies. Fully leased with a WALE of 0.97 years. Net yield of 7.09%.
- **7-9 Gardner Court, Wilsonton:** Sale price of $11 million. A 1.68 hectare lot improved with a modern, multi-tenanted industrial complex with a lettable area of 7305 square metres. Sold to an investment fund.
- **25 Ruthven Street, Harlaxton:** Sale price of $6.3 million. Former Weis ice cream factory comprising a site of 2.7 hectares and a specialised food processing facility of approximately 4810 square metres. Sold with vacant possession to Country Synergy, a Pittsworth based business.

Ian Campbell
Senior Property Valuer

HERRON TODD WHITE COMMERCIAL

South Australia - Industrial 2022

Adelaide

The South Australian industrial property market finished 2021 in good shape and this is likely to continue throughout 2022. The latter half of 2021 saw strong investor activity amongst industrial assets which created downward pressure on yields and upward pressure on rents and values across the board.

Industrial yields have dipped below the 5.0% mark for high quality assets with strong lease covenants, and further yield compression can be expected in 2022. A recent transaction in Wingfield of a circa 900 square metre office and warehouse with a five-year lease recorded a yield of just 4.31%. The 2007 built property presented a net income of approximately $77,000 per annum and provides an indication of the yield compression that has been evident for industrial assets of this nature. In the inner south-western suburb of Forestville, a circa 542 square metre office and warehouse has sold reflecting a yield of 3.33% with a net income of approximately $60,000 per annum and 3.5 years remaining of a five plus five year lease term.

Current market activity levels are high and there are a lot of listings hitting the market. Competition for industrial zoned land is still high as the surplus of land that existed a few years ago is being consumed and developed.

There are opportunities for owner-occupiers with 59 Hampton Road, Keswick being listed for sale through Leedwell. The property offers 218 square metres of office space over two levels with a warehouse area of 354 square metres, roller door access and clearance of 4.92 metres.

Industrial yields have dipped below the 5.0% mark for high quality assets with strong lease covenants, and further yield compression can be expected in 2022.

For investors, 24 Croydon Road, Keswick is a 670 square metre office and warehouse listed for sale through Raine and Horne Commercial. The building is leased to a picture framing business and is offered for sale with a net income of approximately $74,000 per annum. The lease runs until 2024 and the tenant has an option for a three-year extension. The property features a warehouse and workshop of 275 square metres, with associated showroom and office areas over two levels that incorporate unisex amenities and a kitchen.

24 Croydon Road, Keswick Source: realcommercial.com.au

Finally, for the potential developers and with the competition for land still high, 13 Graham Street, Wingfield offers a 700 square metre allotment within an Employment Zone. The site is advertised as a fully serviced allotment with power and water and a 60 square metre warehouse situated on the allotment.

Overall, South Australian industrial property is highly sought after by investors with yields presenting up to one per cent higher than industrial property in the eastern states. The market remains competitive for entry level investors, owner-occupiers and institutional investors alike and this trend looks set to continue in the early parts of 2022.

Chris Winter
Director

Western Australia - Industrial 2022

Perth

As we enter the 2022 calendar year, it has become clear that the industrial property market in Western Australia has forged ahead to be the best performing of the three big asset classes in the wake of the COVID-19 pandemic.

Leasing demand for industrial premises strengthened throughout the course of 2021, especially for newly built high specification facilities, with such properties in limited supply. Early signs are that face net rental rates (i.e. before any incentives) for such premises upwards of $120 per square metre per annum are likely to be mainstream in 2022.

Demand for older style stock is also likely to show signs of life again with a slow but steady take-up of space which previously sat vacant for a prolonged period. Much of this stock had however been subject to compliance upgrades and specification enhancements.

Nonetheless, tenants are likely to demonstrate a preference to enter into design and construct agreements, often at inflated rental rates having been negotiated on a formulaic basis as a percentage of total construction cost (i.e. economic rents) as opposed to market fundamentals.

Construction material supply chain disruptions and labour shortages have contributed to a pronounced escalation in build costs and often delays in project timelines. To date, market rental rates have lagged behind however they would appear to be rapidly gathering momentum.

Against a background of a robust mining and resources sector, there is cause for even greater optimism in the Perth industrial property sector as we progress through 2022.

Whilst new construction activity has been prevalent in recently created industrial land estates such as Tonkin Highway Industrial Estate in Bayswater and Roe Highway Logistics Park in Kenwick, the volume of construction was constrained by a finite supply of land in these and other core industrial precincts.

As a result, industrial land values in secondary industrial estates have demonstrated positive market movement for the first time in many years. Transactions in established secondary industrial estates such as Maddington and Armadale demonstrated marked price increases compared to historical numbers for similar products and we expect this trend to continue.

Not surprisingly, our team has witnessed a rise in approvals for proposed industrial facilities in peripheral, previously shunned estates such as Neerabup.

The rise of e-commerce after the disruption to normal business operations caused by the COVID-19 pandemic has put the spotlight firmly on large-scale warehousing, transport and logistics facilities. These facilities are likely to become more prevalent in Western Australia in order to meet customer delivery expectations and accord with advances in technology.

Demand for newly constructed built-form industrial property has soared in the past six to twelve months and shows no signs of abating. Led by an influx of eastern states based buyers, we envisage demand for modern, securely leased investment property on the back of the prevailing low interest rate environment to lead to even further yield compression in the short term.

Prospective buyers remain focused on the length of agreed lease terms, prospects for rental growth and depreciation benefits. Where all or a majority of these criteria have been met, sub 5% yields feel almost inevitable.

Until recently, the owner-occupier market has been relatively subdued however we expect an uptick in activity in 2022. Buyer demand for industrial facilities is considered limited (compared to investment-based buyers) however there is also a limited stock of similar scale and quality premises available which has been compounded by construction industry delays.

Against a background of a robust mining and resources sector, there is cause for even greater optimism in the Perth industrial property sector as we progress through 2022.

Greg Lamborn
Director

Northern Territory - Industrial 2022

Darwin

Regular reports from the deep south refer to heightened demand and prices for industrial property over the past 12 months in cities such as Sydney, Melbourne and Brisbane. Unfortunately, this trend has not yet emerged in Darwin; the industrial property market (excluding some specific exceptions) remains weak, with no indication of any improvement over the next 12 months.

Demand drivers such as distribution centres for internet retail are not evident in Darwin, with most of these functions being carried out in larger interstate centres. Demand in Darwin is mainly limited to industrial accommodation for other domestic functions.

The large supply of vacant industrial land in Darwin is especially problematic. It is expected that the recent increases in building costs will see businesses remain longer in older style accommodation in areas such as Winnellie, rather than go to the expense of new construction where the end value of the new premises will be less than the building cost.

There is also a significant supply in Darwin of small-scale industrial strata units. Although there is a regular turnover of these to tradespeople and the like, the supply level is such that we see limited opportunity for price growth in this sector.

The one bright light in the industrial property market sector involves investment grade property with strong lease covenants. This type of property remains well sought after, noting that most interest is coming from interstate investors chasing the (relatively) high yields in the Top End. Even with strong leases, such property in Darwin usually generates a net yield over 6.0%. We are seeing some local owners divesting to interstate investors as a result.

It would appear the Darwin industrial property market will only improve when a major infrastructure project takes place to create more demand for space. There are a number of projects on the horizon, mainly involving defence projects, mining and oil and gas projects. Site works are well under way on the $270 million US Defence fuel storage facility near East Arm wharf, which will have a capacity of 300 million litres of military jet fuel to support US defence operations across the Top End, however more of these types of projects will need to become reality if the current oversupply of industrial accommodation in Darwin is to be absorbed.

Terry Roth
Director

The industrial property market (excluding some specific exceptions) remains weak, with no indication of any improvement over the next 12 months.

HERRON TODD WHITE RESIDENTIAL

Residential

April 2022

National Residential Overview

Demand for residential property remains strong across many markets with continuing value increases still evident. However, it's clear the rate of price growth has moderated overall, and this is attributable to several considerations facing potential buyers.

Within the overall picture, some differences are opening up. Residential property price growth is still strong in Brisbane, Adelaide and Hobart, but of particular note is that residential property prices in the. County's two largest markets – Sydney and Melbourne – appear to have stabilised after a long run of strong price growth over the last year.

Auction numbers are still very high in capital cities, but the increase in the number of properties offered for auction has tested the depth of demand and as a result, clearance rates are reported to have slipped from their very high levels at the beginning of the year.

Some factors that are directly influencing residential property buying decisions include:

- The probability of interest rate increases after the federal election. Historically low interest rates have been a major factor in the strength of the property market over the last two years. Fixed-rate mortgage rates have been adjusting upwards and an increase in the cash rate might reasonably be expected before the end of Q3 2022.
- Inflationary pressures (increasing fuel prices are compounding the effect of price rises due to existing and persistent supply chain issues). It is worth noting that recent budget measures are designed to offset some of these concerns/costs. Inflation and interest rate increases both have impact household serviceability of mortgage repayments and affect consumer confidence.

However, it's clear the rate of price growth has moderated overall, and this is attributable to several considerations facing potential buyers.

- The increasing cost of construction and difficulties in completing construction in a timely manner may impact the viability of construction vs buying an established property and dwelling approvals are significantly lower than the 2021 peak.
- International political instability – the direct impact of the war in Ukraine on the residential property market is not likely to be large, but the duration and extent of the conflict introduces uncertainty and buyer hesitancy.
- Impact of extreme weather events and flooding – the market has historically bounced back from natural disasters, but recent flooding events in particular have highlighted that '1 in 100 year events' can occur more frequently.

First time buyer participation peaked in early 2021 and this activity was driven largely by government stimulus measures. Current first-time homebuyer activity is still significant but is well down from last year's peak and is clearly impacted by affordability constraints, with many potential purchasers choosing to occupy rental property. This trend is contributing to very low vacancy rates and strong rental growth in many markets. More investor activity is evident with record rental returns proving attractive, although yields have compressed with capital growth outstripping rental growth in most markets.

The trend of a preference for houses and less dense population areas continues, with the demand for houses outstripping the demand for units. It will be interesting to observe whether affordability constraints for some buyers push them towards more affordable unit purchases.

Kevin Brogan
National Director,
Group Risk and Compliance

RESIDENTIAL

HERRON TODD WHITE RESIDENTIAL

National Property Clock: *Houses*

Entries coloured orange indicate positional change from last month.

Bathurst
Burnie/Devenport
Canberra
Dubbo
Launceston
Melbourne

Albury
Ballina/Byron Bay
Central Coast
Coffs Harbour
Geelong
Gold Coast
Hobart
Illawarra
Lismore
Mildura
Newcastle
South West WA
Sydney
Wodonga

Southern Highlands

Adelaide
Adelaide Hills
Albany
Alice Springs
Barossa Valley
Brisbane
Broome
Bundaberg
Cairns
Darwin
Emerald
Esperance
Geraldton
Gladstone
Hervey Bay
Ipswich
Kalgoorlie
Karratha
Mackay
Mount Gambier
Perth
Port Hedland
Rockhampton
Shepparton
S'thn Tablelands
Sunshine Coast
Tamworth
Toowoomba
Townsville
Whitsunday

RESIDENTIAL

HERRON TODD WHITE RESIDENTIAL

National Property Clock: *Units*

Entries coloured blue indicate positional change from last month.

Bathurst
Burnie/Devenport
Launceston

Ballina/Byron Bay
Central Coast
Coffs Harbour
Geelong
Gold Coast
Hobart

Illawarra
Lismore
Mildura
Newcastle
South West WA
Sydney

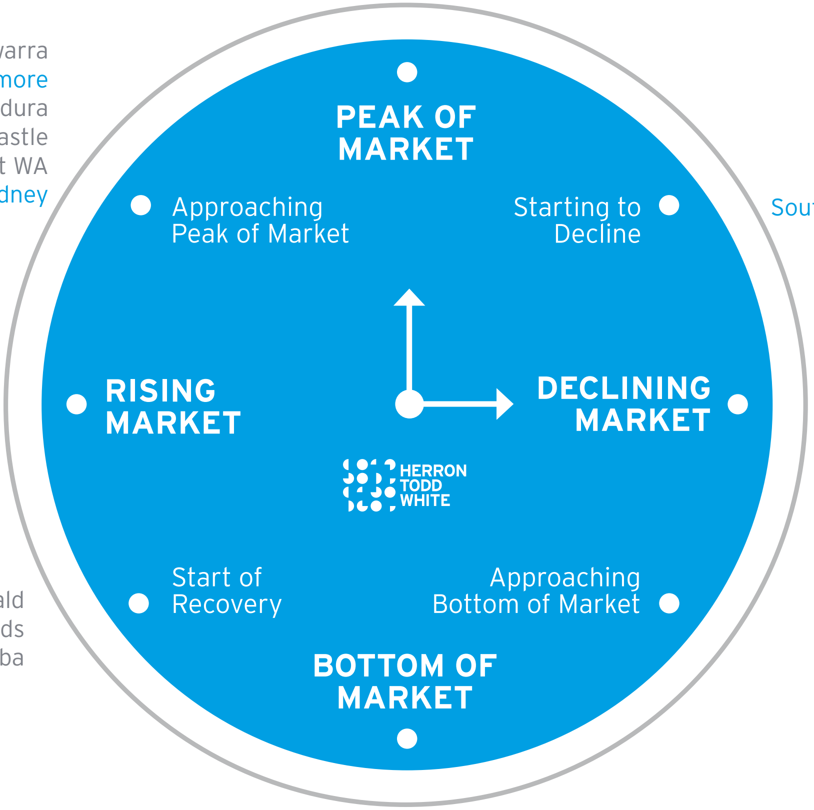
Southern Highlands

Adelaide
Adelaide Hills
Albany
Albury
Barossa Valley
Brisbane
Broome
Bundaberg
Dubbo
Esperance

Geraldton
Gladstone
Hervey Bay
Ipswich
Kalgoorlie
Karratha
Mackay
Melbourne
Mount Gambier
Mt Gambier

Perth
Port Hedland
Rockhampton
Shepparton
Sunshine Coast
Tamworth
Townsville
Whitsunday
Wodonga

Canberra



Alice Springs
Cairns
Darwin

Emerald
S'thn Tablelands
Toowoomba

New South Wales - Residential 2022

Sydney

Buyer activity has been strong throughout the past two years across Sydney which has driven prices to record levels across the board. Upgraders have driven the significant increase in house prices over this time with the middle and upper end of local markets generally seeing the strongest gains.

In recent months however the top quartile of properties in Sydney has slowed at a quicker rate than the lowest quartile and middle 50 per cent of values. According to CoreLogic, in the three months to February, the top quartile saw just 0.5 per cent price growth, compared to one per cent growth for the rest of the market. This is also becoming apparent in easing auction clearance rates and increasing days on the market.

Whilst units haven't seen the high demand and price growth of houses in recent times, there has been strong growth in some areas, with the upper end unit market benefiting from downsizers selling their family homes at strong prices, meaning they are cashed up to buy modern and high quality units in prime locations.

First homebuyers have been active in some areas of Sydney at the lower end of the market, although are likely to come under pressure as interest rates start to increase in the second half of 2022.

Western Sydney

The North West and Hills District of Sydney have seen substantial growth and market activity over the past 12 to 18 months. This market defied the odds since the start of the pandemic with record growth off the back of large demand for housing in this area. One of the reasons for this growth is the better bang for your buck relative to its more easterly suburbs and the fact it is a family friendly district with quality schools, shops and recently built transport links.

Attend any open homes on a Saturday and you can find families looking to upgrade to a larger home, either coming from a unit or townhouse and wanting to buy a detached dwelling within close proximity to many of the sought after schools, as well as families that need additional space for both parents and children working from home.

A sought after suburb in this area is Baulkham Hills, where the median house price is $1.675 million. One of the effects of the pandemic is the increased appeal of detached homes with space to live, work and play and as a result, the median price for houses in Baulkham Hills shot up 32 per cent over the past year.

The sale of 5 Callistemon Close through Manor Real Estate for $1.68 million highlights what is available for the median price in Baulkham Hills. The property is a three-bedroom dwelling with double garage and storage areas under. It has a 750 square metre block and is a short walk to a local school.

For families wanting to upgrade within the area, a recent sale at 3 Apollo Avenue, Baulkham Hills for $2.367 million by Manor Real Estate highlights that there is a wide variety of property available for entry level families and upgraders.

3 Apollo Avenue, Baulkham Hill Source: realestate.com.au

First homebuyers may look at a unit in this area with a number of two-bedroom units selling for just under $650,000. These units offer an entry point into the market and for many smaller families, an ability to locate close to highly sought after schools without the price tag of a larger detached house. Our tip would be to look for a two-bedroom, two-bathroom unit with a double car space that is a few years older as they tend to be larger with the old adage, they don't make them like they used to.

When upgrading to this region, you can't get better than a master built luxury dwelling on a cleared and landscaped five acres with resort style facilities all within a short drive to the local town centre. That's what you can expect from the upper end of the Dural market with a recent record sale at 2 Haven Place, Dural for $11.1 million sold by Lumby Hampson. For that money the buyer gets two attached dwellings each offering five bedrooms and four bathrooms located in a street with other luxury dwellings. It features a high level

RESIDENTIAL

HERRON TODD WHITE RESIDENTIAL

of inclusions throughout with five acres of arable landscaped grounds, luxury resort style pool and a championship sized tennis court, all within a short drive to the shops.

The prestige market for prime rural lifestyle property is now north of $6 million. Quality blocks are selling for close to that, including the recent sale of 602 Old Northern Road, Dural for $6 million by LJ Hooker Dural, being prime vacant land offering district vistas. A number of properties built in the area would likely achieve well over $10 million if sold.

2 Haven Place, Dural Source: realestate.com.au

South West Sydney

Leading into 2022 there was a large amount of speculation and uncertainty about how the South West market would look after a record breaking 2021 which saw agents inundated with homebuyers looking to secure whatever came onto the market.

Over the past few months there has been a lot of media attention highlighting pending interest rate rises, the impacts of APRA tightening borrowing capacities and all round affordability and serviceability of current and future loans.

The federal government's National Housing Finance and Investment Corp also recently reported that middle income earners could only afford 30 per cent of all homes sold in Sydney currently.

So it comes as no surprise that early indications have pointed towards the relatively affordable South West markets continuing with similar trends to those experienced in the last quarter of 2021.

With most of Sydney already out of reach for the large majority of us, South West Sydney provides affordability, variety, value for money and great investment opportunities which have and will continue to fuel strong buyer demand out of a necessity to have shelter and a desire to grow wealth.

The key groups we have identified in the South West are first homebuyers, investors, families, downsizers, up-sizers and retirees.

Ultimately, purchasers are driven by affordability. Whilst most markets these days save the sub $1 million price bracket for units, the South West sub $1 million market offers units, townhouses, duplexes, vacant land, modern family houses in new estates, houses in established suburbs, small scale development sites and the list goes on.

Simply, whist the South West remains the affordable option, we consider that interest from all parties will remain strong.

We are not saying the strong demand experienced in 2021 that saw prices rising per week will continue, however affordability does give buyers somewhat of a buffer or immunity to changing market conditions which we predict will start to slow in the latter half of this year.

North Shore

The prestige market on the North Shore remains very strong, with demand continuing to outstrip supply. This market has been driven by numerous factors, with returning expats having a major impact since the beginning of COVID-19 in early 2020. Although other homebuyer profiles have also been active in high-end property over the past two years, the additional pressure on supply by returning expats has been obvious. This increased demand, in conjunction with historically low interest rates, has really fueled the strong market growth.

We have also seen downsizers very active in the prestige sector, with the supply of quality units even scarcer than traditional homes. The downsizer buyer profile tends to seek high quality, oversized units within smaller, boutique style developments. Obviously this style of property struggles to keep up with higher levels of demand in comparison to higher density development.

With downsizers benefiting greatly from the sale of their family home in this current market, the prestige unit sector has seen some extremely strong results. A prime example is the sale of a large unit in Kurraba Point, selling late last year for $8.8 million. The unit was situated in a low-density development and comprised four bedrooms, with

With most of Sydney already out of reach for the large majority of us, South West Sydney provides affordability, variety, value for money and great investment opportunities which have and will continue to fuel strong buyer demand out of a necessity to have shelter and a desire to grow wealth.

an internal living area of approximately 325 square metres. These attributes are very rare and the sale price reflected the strong demand for this type of property.


A recent unit sale in Kurraba Point Source: realestate.com.au

On both the Lower and Upper North Shore, we have seen the upgrader buyer profile being very active across all price points. With interest rates at historic lows, upgrading now makes sense for these buyers from a financial point of view. With so many homeowners going through the refinancing process to take advantage of current interest rates, there is the realisation that an upgrade may be possible for a similar, or at least only slightly higher, monthly repayment amount.

The upgrader buyer profile is also currently being spurred on by the ever-increasing building and renovation costs. Plans to extend or renovate their current residence may become financially unviable, with upgrading becoming a better option. Although stamp duty costs will always be a restraint on upgrading, the current cost of construction and time these works are taking due to supply issues certainly mitigate the moving costs. Until we see some relief with these issues in the construction industry, the upgrader buyer profile is expected to remain very active in the market.

Northern Beaches

The Northern Beaches market has been somewhat inconsistent to start 2022 with results either at or under the peak benchmarks set in 2021. Vendors will likely have to adjust price expectations as stock levels increase and buyer sentiment shifts. Owner-occupiers continue to drive the market including first homebuyers, upsizers and downsizers.

First homebuyers will often compete with investors for entry level products in the form of units, townhouses or entry level housing on smaller blocks of land that promote higher yields.

2/102A Carawa Road, Cromer sold in February 2022 for $1.805 million. This entry level renovated three-bedroom, two-bathroom duplex sold through JDH Real Estate and is an ideal first homebuyer product that is affordably priced relative to traditional housing options in the local area.

2/102A Carawa Road, Cromer Source: realestate.com.au

Upgraders and families continue to drive a majority of the sales on the beaches. Demand peaked during the pandemic as out of area buyers flocked to the area and a number of those buyers are still searching. The median house price on the Northern Beaches is $2.63 million (source: RPData as at November 2021) and a majority of upgraders would sit above the median house price for their elected suburb.

Downsizers are still out in droves as buoyant market conditions have encouraged empty nesters to sell up across Sydney and finally make the move to the beaches. They are cashed up and highly discerning and this level of the market has understandably continued to outperform the Northern Beaches market as a whole. A recent strong result is 1001/1-3 Raglan Street, Manly, selling in March 2022 for $5.25 million. The property is a circa 1999 three-bedroom, two-bathroom unit with lift access and views across Manly Beach, making it an ideal downsizer property.


1001/1-3 Raglan Street, Manly Source: realestate.com.au

Southern Sydney

In the Sutherland Shire, the dominant buyers in the market have been first homebuyers, upgraders and downsizers.

Frist homebuyers have been motivated by the fear of missing out and in a lot of cases have had to rely on the bank of Mum and Dad in order to get their foot into the market. These buyers are more sensitive to market increases and interest rate movements, so have been more active at the lower end of the market, to get in whilst financing has been historically low. First homebuyers traditionally buy units with the aim of eventually upsizing to a townhouse or house.

The upgrader market has driven the middle and upper sections of the market, predominantly for houses with a value of $1.5 million and above. This has also meant that downsizers have been active in the market after selling their large family home at a premium and buying into unit or townhouse complexes with no mortgage and additional leftover funds which can be used to top up their superannuation accounts. New unit complexes in suburbs such as Cronulla, Woolooware and Gymea have been popular with these buyers.

The prestige market, generally considered to be $3 million and above in the Sutherland Shire, has remained strong, driven by returning expats and local buyers looking to upgrade, along with buyers from other parts of Sydney including the eastern suburbs and North Shore, who see better bang for their buck in the Sutherland Shire area and are now less put off by the longer commute to the CBD, given more flexible working arrangement post-COVID. Suburbs such as Sylvania Waters, Greenhills Beach, Cronulla, Burraneer and Caringbah South are popular for prestige buyers.

The Bayside LGA mainly comprises a mix of residential property buyers including upgraders (families), downsizers (retirees) and young couples.

Downsizers are usually drawn to villas, townhouses and low-rise or walkup ground floor units whilst families are purchasing larger style

Units, villas and townhouses have been quite active and we have seen an uptick in price points across all three of these property types.

homes which are currently achieving premium prices. Whilst they run the risk of buying at the top of the market, families tend to absorb this risk as they classify a home of this nature to be a forever home.

An example of a recent sale which would appeal to this upgrader market is 4 Vanston Parade, Sandringham, which sold in early March for an undisclosed price just under $5.5 million. The property comprised a recently constructed five-bedroom, four-bathroom home with double garage and pool on a relatively small 379 square metre block, opposite Botany Bay foreshore and public walk, with good bay views.

4 Vanston Parade, Sandringham Source: CoreLogic

Units, villas and townhouses have been quite active and we have seen an uptick in price points across all three of these property types. Supply tends to be quite low for larger homes, so activity is lesser although these property types are highly sought after.

These markets will likely continue to remain active up until June, with the general consensus being that the cash rate will start to increase in the second half of the year. It is hard to predict how this will affect our market, along with how many rate increases will follow (historically, rate increases occur consecutively and within short spaces of time).

The correlation between declining interest rates and softened lending criteria versus increasing property values has been evident in recent years and the expectation is that prices will soften as interest rates increase, reducing the purchasing power of potential buyers.

Inner West

The inner west of Sydney comprises a mix of residential property buyers including families, downsizers, upgraders and prestige property buyers. Given the capital growth rates experienced over the course of the past 10 to 15 years, many first homebuyers have been locked out of this housing market, with many buying elsewhere or looking at unit, villa or townhouse properties generally priced in the low $1 million range and under.

The general trend in many suburbs across the inner west includes younger families upgrading from a different area or from a strata property as well as buyers who bought in the area 10 to 15 years ago and are now upgrading to larger or superior dwellings by unlocking the capital growth experienced during this time. In contrast, there is also a trend of downsizers selling their larger family homes and buying generally smaller properties including boutique units, townhouses or villas, as well as smaller dwellings near sought after shopping precincts.

With the strong market conditions experienced during 2021 continuing in the early stages of 2022, it appears that both these trends will continue throughout 2022. Downsizers are generally achieving a strong result for their family homes from upgraders (mostly families) and are in turn paying a premium for smaller dwellings or boutique strata properties.

General price points vary quite significantly throughout the inner west, however as an example, two-bedroom dwellings being sold by upgraders in suburbs such as Annandale, Stanmore, Camperdown, Newtown, Rozelle and Balmain range between $1.5 million to $2 million (depending on suburb and land area). These upgraders generally buy larger three to five-bedroom dwellings at a broad range between $2.5 million and $4 million. Downsizers have less dependence on price points and are generally more driven by location and position near shopping and restaurant precincts or Sydney Harbour.

An example of a purchase of a prestige property by a downsizer includes the recent sale of 24 Datchett Street, Balmain East. The property comprises an architecturally designed dwelling with one bedroom and two bathrooms with no car accommodation, positioned on a waterfront reserve restricted to footpath access only. The sale price is undisclosed however sold for more than $5.8 million.

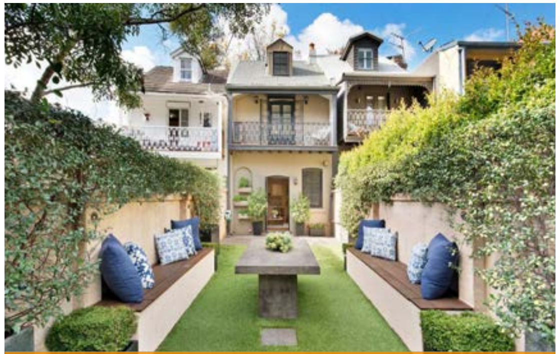
24 Datchett Street, Balmain East   Source: realestate.com.au

Inner Sydney

Since the relaxation of COVID-19 lockdown laws in late 2021, market activity within inner city Sydney has begun to subdue due to substantial price increases throughout the pandemic, the prospect of rising interest rates and buyer fatigue.

The primary homebuyer demographic within the inner city so far in 2022 appears to have been the upsizer – be it professional couples or families – with additional space for home offices becoming a necessity in the post-pandemic world. Typically these buyers are looking for easy care, well maintained and fairly modern properties which require limited maintenance. These big ticket items do not come cheaply in city fringe areas and typically see buyers' budgets exceeding $2.5 million.

Family homebuyers within this market segment commonly opt for renovated inner city terraces (ideally with parking and some yard space) such as 156 Boundary Street, Paddington, a three-bedroom, two-bathroom renovated terrace with two car spaces, which sold in November 2021 for $2.595 million after previously selling in June 2018 for $2.05 million.



156 Boundary Street, Paddington   Source: realestate.com.au

Professional couples within the upsizer market segment often prefer premium quality apartment complexes located within close proximity to neighbourhood amenities and commonly look for a concierge and views. An example is 1408/127 Kent Street, Millers Point which sold in December 2021 for $2.545 million after previously selling in April 2021 for $2.35 million.

Recent price increases have reduced first homebuyer activity within the inner city with Domain reporting the Sydney wide median price to be at $1.06 million – making it out of reach for many within this demographic. Furthermore, falling rents as a result of decreased demand throughout the pandemic have made inner city properties less attractive to investors, although some green shoots of recovery and growth have been appearing within the rental market since the start of 2022.

The property comprises an architecturally designed dwelling with one bedroom and two bathrooms with no car accommodation, positioned on a waterfront reserve restricted to footpath access only and sold for more than $5.8 million.

Eastern Suburbs

The main buyer types that have driven the eastern suburbs market over the past two years and into the start of 2022 are locals, downsizers and upsizers. This has seen the upper quartile of the market perform strongest over this period.

Suburbs with good proximity to beaches or harbour foreshores, schools, cafes and restaurants were particularly in high demand, generally from locals looking to upgrade and boosted by expats returning to Australia. Bronte's median house price grew 53 per cent in 2021 according to realestate.com.au, to sit at $5.4 million, while Malabar saw an increase of 57 per cent to sit at $3,365,500.

On the flip side, cashed up vendors who have sold their family home at a strong price have subsequently helped fuel the demand for high end units in prime locations such as Darling Point, Double Bay, Bellevue Hill, Rose Bay and Bondi Beach.

A brand new Double Bay penthouse sold in March for a reported $16.092 million to a local downsizer. This result provided a record on a rate per square metre basis for a unit in the eastern suburbs of $108,000 per square metre. The three-bedroom, three-bathroom, four-car unit enjoys part restricted harbour views over Double Bay.

7/16 William Street, Double Bay Source: realestate.com.au

At the lower end of the market, first homebuyers have been the primary driver in the market over the past couple of years, however slowing prices will be offset by increasing interest rates this year which may dampen their numbers as the year progresses. Investors, whilst also having to navigate higher cost of funding, are likely to be more prevalent as rental yields begin to improve as rent increases begin to outstrip price increases, as vacancy rates continue to tighten. With current uncertainty in global markets, residential property may also be seen as a less risky alternative to the share market for investors.

Shaun Thomas
Director

Lismore/Casino/Kyogle

The interior of the northern rivers region centered around the towns of Casino, Kyogle and Lismore provides a diverse range of housing opportunities which potentially meets the needs of most buyers.

At the risk of sounding like an advertisement by the local chambers of commerce, the area offers natural beauty, cultural and social history and employment opportunities borne out of the local rural and rural related industries, educational institutions, medical services, service industries and tourism. The favourable climate of the northern rivers is a drawcard for retirees and the relatively low housing prices in the area make the cost of living in the Casino, Kyogle and Lismore areas an enticing option.

The high cost of real estate on the neighbouring coastal strip from the Clarence River north to the Tweed River has priced many buyers out of those coastal towns, with a corresponding spike in interest in the towns of Casino, Kyogle and Lismore. Entry level housing in these areas for first homebuyers and investors starts in Casino and Kyogle at around $400,000 to $450,000 while the Greater Lismore area including Goonellabah and Wollongbar starts at around $550,000, possibly less if you are handy on the tools and don't mind committing time on the weekends to some home renovations.

Whether upsizing or downsizing, the area provides a range of existing housing styles, ages and sizes up to $1 million at the upper end of the market with hobby farms and rural residential properties as high as $1.5 million in general.

The area's growing popularity has resulted in improved prices over the past 18 months which has put some pressure on lower income first homebuyers, however relative to the coastal market where a first homebuyer will need to shell out close to $1 million, Casino, Kyogle and Lismore offer variety and plenty of bang for your buck while still being within a 45 to 90 minute drive to the beaches of Evans Head or Ballina.

Mark Lackey
Property Valuer

Byron

The market within the Byron Shire is dominated to a large extent by owner-occupiers and investors who have the capacity or equity to afford the shire's high prices. This is to the detriment of first homebuyers and low-income buyers who have been largely priced out of the Byron Shire.

Entry level prices for houses in the shire begin at around the $1 million mark with units starting from around $750,000, however at these prices, the options for buyers are limited. Naturally, the closer to the coastal towns of Byron Bay, Suffolk Park and Brunswick Heads, the higher prices become with the market narrowing down to high net worth buyers or experienced investors able

Entry level prices for houses in the shire begin at around the $1 million mark with units starting from around $750,000, however at these prices, the options for buyers are limited.

to afford the $2 million to $3 million entry level prices in these towns.

Due to a lack of vacant land in the shire, buyers wanting that new car smell have the option of acquiring an already renovated or redeveloped property or purchasing an existing, older dwelling to renovate or detonate.

Outsiders considering moving to the shire may have to look at what they can afford and weigh up the options of downsizing or accepting a lesser standard of housing than they might otherwise have desired.

Mark Lackey
Property Valuer

Clarence Valley

Within the Clarence Valley's main central inland town of Grafton there is a variety of residential property types comprising units, established houses and house-and-land packages.

Local agents report three main buyer groups: firstly, the family/gaol job supported buyers who have moved to the area looking for larger dwellings of three to four bedrooms from $500,000 to $650,000; secondly, first homebuyers with government grants are looking to enter the market at the lower end, seeking $350,000 to $450,000 dwellings; thirdly, seniors and retirees moving from the nearby towns of Yamba and Maclean looking to relocate to Grafton for the hospital and other associated medical facilities. These buyers are seeking low set units around $300,000 to $450,000. At the top of the market, just a couple of sales of above $1 million have transacted in Grafton on the riverfront within the past three years. Currently, it seems the driving market conditions of low interest rates, new highway and newly constructed Grafton Gaol are still fueling the demand in the region and without any change, this is expected to continue, particularly when locations to the north and south of Grafton are considered more expensive.

Simon Evans
Property Valuer

Coffs Harbour

It is difficult to determine the exact buyer demographic when looking at the market and price points. There are often crossover areas. An example is that the first homeowner product is also in the sights of entry level investors. With the significant increase in property values over the past 12 months, it is difficult for a first homebuyer to purchase a freestanding dwelling with the entry point around the $650,000 to $750,000 mark for a property in or near town. The first homebuyer who typically may have borrowing capacity between $350,000 and $650,000 now has two options which are to focus on the attached and semi-detached unit market close to town, services and beaches or move west in a bid to find a freestanding home in a small rural township. New housing products are off the list with the high land and building costs and even the unit market sees very little product coming onto the market under $650,000.

The entry level investor would also be looking at these secondhand markets whilst weighing up rental returns which have started the march north as well. This market could also be for downsizers trying to cash in on the large family home which is no longer required and leave some extra cash in the back pocket to deal with the increased living costs which funnily enough have seemed to increase with the COVID market. The $900,000 to $1.25 million price point is more the domain of the family or upsizer market which has a home to sell or savings behind them and typically includes larger blocks with more room to move with a growing family. For years now we have been told the market wants smaller blocks as we have less time to spend on the home and want more time to pursue recreational endeavors. What we get are new estates full of 450 to 600 square metre sites which, when coupled with the increasing size of homes being built, hardly leaves a blade of grass for the dog or cat let alone the ever increasing appetite for toys such as boats, jet skis, caravans, trailers, bikes etc. which need to be stored somewhere (typically on the street).

We are seeing the family or upsizer market paying premium prices for older homes within established suburbs which tick the boxes, i.e. large lot size of 850 square metres plus, room for the pool, a yard for the animals and kids plus triple car accommodation or room on the block for the caravan, trailer, boat etc. An example of this is Boambee East and West Coffs Harbour where prior to COVID there were no sales over $1 million. We have seen multiple sales over this mark typically in the $1 million to $1.25 million range which have all the attributes mentioned above. It is also common

The retiree market is one which also can straddle several different price points and product all depending on the individual financial situation.

for the marketing of this product to be in the $900,000s range with high demand from potential buyers looking for these attributes pushing the sale prices above the magical $1 million.

The retiree market is one which also can straddle several different price points and product all depending on the individual financial situation. Typically, they may have an asset to sell, cash in bank or healthy super fund and could look to the upmarket unit product or maintenance free upmarket dwelling in the $1.25 million to $2 million range. However, they may also be a downsizer looking at the lower end of the market to put cash in the bank. What they all probably do have in common is the need for a single level unit on the ground floor or lift in a complex or a flat block of land as the knees typically are an issue with that age sector. Trying to find a flat block in Coffs Harbour is not an easy thing to do.

We have definitely seen an increase in the prestige market of $2 million plus which has been typically driven by out-of-town purchasers, especially cashed up capital city buyers. This time last year we were talking record sale prices of $4.6 million for beach front property; now we have hit $5.1 million for a prestigious rural residential property at Coffs Harbour close to town with panoramic coastal views and nearly 1000 square metres of home plus secondary residence. This market continues to break new ground although sales between $2.5 million and $5 million are still thin and can be counted on two hands.

Overall, it is very difficult to pigeonhole buyers and the type of product they are looking for. It takes all sorts to make the world go round and property is no different.

Grant Oxenford
Property Valuer

Tamworth

The Tamworth region has seen diverse homebuyer demographics. Key factors that attract homeowners to the country music capital are affordability, lifestyle preferences, regional health services, education and employment. Generally the residential market is separated into three main segments, these being:

- Units and townhouses;
- Established dwellings; and
- New home or house and land.

Each segment has a favoured demographic, key property characteristics and market trend.

Firstly, units and townhouses are prominent within the central Tamworth suburbs of East Tamworth, North Tamworth, South Tamworth and (you guessed it) West Tamworth. The buyer profile for this market segment is largely made up of retiree and first homeowners. Preference is shown for renovated internal condition, single level floorplan and secure off street parking. Proximity to local amenities is also a large consideration within this market. Recent market evidence (source EAC) indicates that the median sale price in these suburbs for a two-bedroom strata unit has increased 8.75 per cent from financial year 2020/2021 to 2021/2022 year to date.

The established home market is the largest and most diverse market segment in Tamworth. The primary demographic is the upgrader and family market with some downsizers targeting specific suburb locations. This market has been strengthening and is showing strong annualised growth for the past six-month period. Available listings and compressed selling periods have put pressure on established dwelling markets. The most active price points within this market segment are $450,000 to $650,000. Buyers have a preference for recently constructed or recently renovated condition, brick veneer construction, low maintenance and larger building areas.

Arguably the most active market segment in the Tamworth area has been the new home and land market segment. This market segment is equally popular with the family and downsizer demographics. Emerging sales data within some areas of North Tamworth, Calala and Moore Creek indicate that newly developed residential land sale prices have increased between 15 and 30 per cent in a six-month period. This substantial increase is reflective of current available established dwelling listings and delayed residential development projects. In addition to the price increases for residential vacant land, construction costs have also hit new highs due to continued skilled labour shortages and increases in variable cost building supplies handed on by most construction companies. The most frequent price range for this market segment is $600,000 to $850,000. The upper end of the market ($850,000 to $1 million) has also experienced uplift in sales activity, mostly within the North Tamworth and Moore Creek area. Within these suburb areas, family buyers have dominated property types with larger residential land sizes and significant enclosed floor areas

Our expectation is that the strong market conditions shown in recent months will continue in Tamworth. Only natural disaster and interest rate rises will subdue the largely strong current market trend.

and improvements. A premium is being paid for property with elevated views and large land areas (over 4,000 square metres).

The greater Tamworth residential market has been one of the last to experience significant uplift within New South Wales. Generally, consumer confidence is strong within the Tamworth region. Favourable seasonal conditions, low interest rates and high commodity prices are key influences within local markets in the region. Our expectation is that the strong market conditions shown in recent months will continue in Tamworth. Only natural disaster and interest rate rises will subdue the largely strong current market trend.

Nick Humphries
Property Valuer

Newcastle and the Hunter Region

Throughout the Newcastle and Lake Macquarie LGA regions, property sales have been strong during the first few months of 2022. Agents report a good level of sales from units to high value property, however due to macro-economic factors, global instability and rising inflation in recent weeks, market growth may be slowing as part of the general property cycle over a period of time.

The various homebuyer groups in our area are:

- **First homebuyer -** as property prices rise over time, first homebuyers find it more difficult to afford a property when in direct competition with similar first homebuyers and investors with cash to spend. The age demographic of first homebuyers has also changed over the past 10 years from the 20-somethings to the 30-somethings;
- **Upgrader -** upgraders have changed their thought processes over the past 10 years as prices rise and they have a reluctance to move for various reasons. Many upgraders are deciding to extend their own homes, maybe by adding an upper floor or rear extension rather than moving house. This is particularly common in affluent locations where families are settled at good schools or finances make it more affordable to extend than move due to the rising cost of property and the hidden costs such as stamp duty, legal and agency costs;
- **Family -** family purchasers will be the ones who keep the market moving as they are likely to choose to move, maybe to a better location for schools, better quality of property due to improved employment opportunities or geographical location, for example, from the suburbs to the country;
- **Downsizer/empty nester -** like family purchasers, downsizers will generally be around the market, maybe due to life changing decisions such as matrimonial separation, children leaving home or death. This type of purchaser will also consider changing their style of property from a larger dwelling to a townhouse or unit or a smaller dwelling or better location for the same money;
- **Retiree -** retiree purchasers are considered to be a more flexible type of purchaser as they may be a cash buyer and are less affected by employment restrictions. Retirees have many options to choose from such as retirement or over 55 complexes to beachside living;
- **Prestige property buyers (high income, returning expats etc) -** prestige purchasers can be very demanding and selective and therefore happy to wait several years to purchase the right property. This usually involves waiting for a property in a particular street, a particular style of property or having spectacular views. In the local region, this can include beachside locations such as Merewether and Bar Beach or outer lying rural areas on 40-plus hectares.

First homebuyers have found the market extremely difficult to get into over the past six to nine months. As cashed-up investors chase equity in a rising market and families try to find affordable property, these three purchaser groups have been considered active but with limited success in completing a purchase. Retirees are a less obvious purchaser as they are usually cash purchasers and less noticeable in the market, however with the rising number of over 55 complexes being built around the Port Stephens and Lake Macquarie coast and lake areas, it is assumed they are active, particularly with relocations from out of the area or state.

Prestige buyers have become less active since the start of 2022 due to the lack of availability, with limited sales over $5 million locally (although agents report that purchasers are looking).

2022 started the year strong on the back of a very active 2021, however recent macro-economic factors are starting to influence purchasers. The over-bidding experience of 2021 is likely to decline over the coming months with purchasers showing less willingness to stretch themselves.

Existing houses create plenty of opportunity for most purchasers due to the opportunity of providing larger floor areas, larger lot sizes and the ability to extend or build a granny flat or sub-divide.

The local market rose considerably during 2021 with the starter market now in the $500,000 to $700,000 price bracket. The average family home in a reasonable location is in the region of $800,000 to $1 million.

The Newcastle unit market has been very strong for the past five years however with Lake Macquarie starting to provide more units close to the lake, the market could be more widespread for first homebuyers and investors in the coming years.

Existing houses create plenty of opportunity for most purchasers due to the opportunity of providing larger floor areas, larger lot sizes and the ability to extend or build a granny flat or sub-divide. The local region has also seen substantial land availability creating the opportunity to build your own home.

Newcastle and the Lake Macquarie region offers property for most types of purchaser with the opportunity to live close to the beach, lake or countryside, whilst having a wide range of suburbs of differing property values to suit affordability. Whilst the region remains lower value than the Central Coast and Sydney, purchasers will continue to be attracted to the region.

Darren Sims
Property Valuer

Central Coast

The Central Coast region is wedged between our southern capital city Sydney and the home of major industries to the north, Newcastle. The region over time has continually expanded to accommodate the growing population with new land estates released progressively ever since the region became of prominence. Historically, the region has been an affordable option compared to neighbouring property markets, attracting all types of buyers from first homebuyers looking to get their foot into the property market, to investors expanding their property portfolios, and even successful business owners wanting a home away from home in a weekender style property. In essence a wide range of opportunities exists within our region.

Statistical data is beginning to emerge indicating that the peak of the most recent boom is nearing. Throughout this period of growth, our region benefited from attracting homebuyers who were being priced out of other markets within the state, most notably the Sydney market. What transpired was increased competition and demand with nearly all segments of the market showing exceptional growth. For the most part of the boom, investors were reluctant to join the frenzy and became less active as owner-occupiers swiftly pushed to the front of the buyer's queue.

Suburbs at the southern end of the region along railway corridors and within easy access to the M1 Motorway attracted mostly first homebuyers at a local level and also from Sydney who wanted the flexibility of being able to commute to workplace environments if the working from home revolution ended. The suburbs that benefited most were Gosford, Lisarow, Narara, Wyoming and Woy Woy.

These suburbs are made up of a mixture of property types with units, villas and townhouses starting from $450,000 and freestanding dwellings at $700,000. These price points are considered entry level in the Central Coast property market.

The Peninsula (encompassing Woy Woy, Umina Beach, Blackwall and Ettalong) is an interesting area to look at in relation to the current homebuyer demographic and how it has evolved over the years.

Looking back five to ten years, the area was considered relatively affordable in comparison to other beachside suburbs on the Central Coast and comprised primarily home owners (generally families and elderly) and also renters.

As prices rose in metropolitan areas, the area became more appealing to those looking for their first home. With a train station, local beaches and shops and amenities, it was also attractive to families looking for lifestyle appeal.

Investors also showed more interest in the area and the holiday home market also strengthened.

During the previous two years, prices in the area rose considerably and it is now considered to be a more expensive region of the Central Coast. The area remains popular for families and upgraders, however it is no longer within everyone's budget, particularly first homebuyers.

Looking at Gosford and surrounding suburbs, the homebuyers in the area can be mostly broken down into downsizers, first homebuyers and families. Gosford itself is dominated by strata titled properties and therefore does not have as much to offer those looking for detached housing.

Surrounding suburbs such as Point Clare and Tascott remain more affordable and can be appealing to many first homebuyers and those looking to be close to a train station.

It was common and still is in the current market for locals to be priced out of some markets. This

Statistical data is beginning to emerge indicating that the peak of the most recent boom is nearing.

At the opposite end of the age demographic, retirees who have held on to property for prolonged periods of time are making the most of the current market conditions, opting to downsize and relocate to more affordable living options.

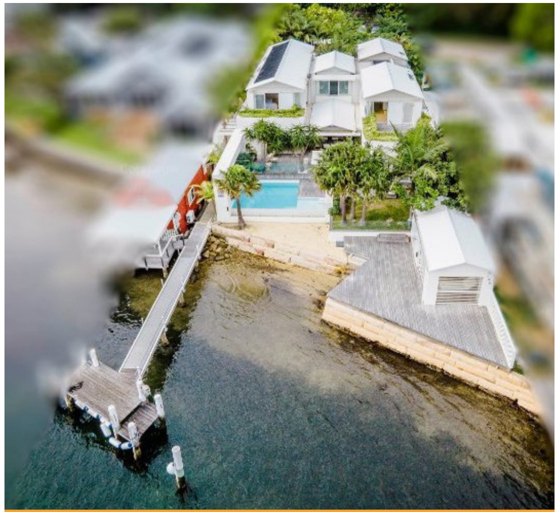
scenario was typically seen when homebuyers wanted to buy property in the south, however the increased demand and competition meant these buyers had to look to the northern end of the region for opportunities. Suburbs such as Hamlyn Terrace, Woongarrah, Toukley and Buff Point all recorded positive growth in 2021 with a large portion of the buyer pool coming from Sydney or locals already living in the region in the south. These areas are made up of predominantly low-density residential development with units, villas and townhouses starting from $400,000 and freestanding dwellings from $600,000.

When analysing other northern suburbs on the Central Coast, land within new estates such as Wyee and the newly formed suburb of Crangan Bay adjoining Gwandalan are being snapped up very quickly with each stage release more expensive than the previous. Typically, over the years when government incentive schemes for first homebuyers were offered, we saw an influx of Sydneysiders seeking value for money and relocating to these emerging suburbs, however current prices have strengthened considerably and there is a trend of people within the upgrader markets now showing interest in house and land packages or intentions to build their dream home in these new estates.

At the opposite end of the age demographic, retirees who have held on to property for prolonged periods of time are making the most of the current market conditions, opting to downsize and relocate to more affordable living options.

Some of these property types that appeal to the downsizer market include low rise units, villas and detached housing on reduced land parcels in convenient locations close to shopping centres, medical practitioners and public transport routes. Over 55s complexes have been growing in popularity with these developments now scattered across the Central Coast region. Due to the by-laws and age restrictions placed on occupants, prices are discounted when compared to the unrestricted unit market.

Along the coastline, suburbs such as Wamberal, Terrigal, North Avoca and Avoca Beach just to name a few continue to attract buyer interest and local agents remain upbeat about enquiries and open home inspection volumes. This has translated into strong recent sales transactions, in particular for properties well presented to the market. Upgraders and prestige property buyers have been most active in the beachside and beachfront markets with suburb record prices still being achieved. The most recent record sale price within the region was an absolute waterfront property in Wagstaffe that achieved a sale price of $16.2 million in February 2022. Sold by Belle Property Killcare, the property was sold after 29 days on the market under a marketing campaign of expressions of interest with a price guide of $13.5 million.



Wagstaffe sale Source: CoreLogic RPData

In conclusion, 2022 is expected to show positive growth, albeit to a much lesser extent than previous years. Reliable data attained over the coming months should verify our predictions with the expectations of the market to plateau as we move further into the year.

Todd Beckman
Associate Director

Shoalhaven

As we move towards the end of the first quarter of 2022, the Shoalhaven residential property market appears to be showing some signs of slowing compared to the previous frantic 12 months which saw some record results. Agents are still advising of strong interest and sale results however are also noting fewer purchasers bidding at auctions and attending open houses. This softening of the market could be partially due to the upcoming federal election and talk amongst leading economic experts and the media regarding possible interest rate rises.

Local agents in the Shoalhaven are noting that first homebuyers are very much still active in the region. They are predominately purchasing in new subdivisions, either as vacant land or modern dwellings, in suburbs such as South Nowra, Cambewarra and Worrigee. These suburbs offer detached single residential dwellings or attached duplex style properties. More established suburbs such as North Nowra, Nowra and Bomaderry are also popular with first homebuyers where purchasers can buy an older style dwelling for circa $600,000 to $700,000.

The prestige market continues to be bolstered by out-of-town purchasers from areas such as Sydney, Canberra and Wollongong. This market, properties over $2.5 million, has also slowed compared to the past 12 months, although there have still been some strong sale results in the first quarter of 2022. Coastal suburbs such as Vincentia, Currarong and Huskisson have seen sales well over $2.5 million. The prestige rural residential market in regions such as Berry, Kangaroo Valley and Woollamia is following the same path as the coastal prestige market where strong sales are noted, although at a slowing rate. Again, this market is largely affected by out-of-town purchasers.

Investor activity in the Shoalhaven residential market seems to have slowed the most out of all the market sectors. This is largely the result of the significant boom over the past 12 months pushing up prices dramatically and the threat of possible interest rates rises that may occur towards the end of 2022.

Joshua Devitt
Associate Director

Illawarra

This month we are breaking down the various homebuyer demographics for our region.

First Homebuyer – Typically younger singles or couples looking at the lower price points in the residential market. This type of buyer is mostly active looking for units (such as one or two-bedroom CBD units), townhouses (in their preferred suburb), older freestanding dwellings ($600,000 to $800,000 price range) and new homes in the growth area subdivisions (three or four-bedroom houses in West Dapto or Calderwood). This market is usually very active, with many properties hitting the market and many buyers active in the price point. First homebuyers will often be competing with investors.

Upgrader – This is a young family maybe with kids who is looking for more room. What they can upgrade into can depend on any equity in their first home or if they're willing to move out of their current location. Properties in the Illawarra's northern suburbs can be hard to upgrade into given their higher price point, but there are many four-bedroom homes around Corrimal, Balgownie and Figtree available for around $1 million that appeal to upgraders.

Families – Similar to the upgrader, families are looking for more space and freestanding four to five-bedroom homes are of most appeal. These homes are sought after by families in most residential suburbs throughout the region and their price point will depend on budget.

Downsizer/Empty Nester – With the kids having left home, the large family home is no longer required and maintenance on it is costly and not as easy to undertake, so the downsizer or empty nester is in the market for something smaller. They'll often want to stay close to their existing neighbourhood. Property type can vary, with premium property along the beaches having appeal if money is available.

Retiree – Taking it a step further from the downsizer or empty nester (although there is some crossover), the retiree is looking for a lower maintenance, single level living option. Being close to transport and a support network is critical. The retiree market comprises cabins in holiday parks around the lake, lots in over 55s developments, CBD units and units within retirement complexes run by organisations such as Warrigal or IRT.

Prestige – The prestige buyer market over $4 million is typically made up of two buyer types. The first are Sydney buyers purchasing a weekend home either on the beach or on acreage in areas such as Jamberoo and Berry. The second are locals looking for an owner-occupier home. At the time of writing there are more than a dozen properties in the Illawarra area listed for sale over $5 million which fall into these categories. Of particular interest is an 800 square metre waterfront property in Coledale with an asking price which would set a record for a beachfront property in the Illawarra if they achieve what they're looking for.

Chris McKenna
Region Director

Southern Highlands

The past two years has seen the regional New South Wales residential property market enjoy significant growth as multiple factors including record low interest rates, COVID lockdowns and flexible working arrangements resulted in hundreds of thousands of Australians trading major cities for regional areas. The Southern Highlands was one of the best performers over this period, due to excellent access to Sydney, highly desirable lifestyle options and high-quality schooling. So as we progress into 2022, which buyers are still driving the residential property market?

First homebuyers are still very much active within the local market, with significant interest still being reported from local agents. This market is mostly conducive of sub $850,000 properties, which are limited in supply and as such are still quick to sell. These properties generally consist of

40- to 50-year-old three-bedroom, one-bathroom brick veneer project homes in and around the suburbs of Moss Vale and Mittagong. This market looks set to remain fairly buoyant given that the fundamentals for this market remain strong with limited stock as well as the current record low interest rates.

Another market that has shown good results during the start of 2022 has been the family market. This has largely been driven by Sydney based families relocating to the area. As a direct result we have seen strong prices achieved for brand new homes of four to five bedrooms within the newer housing estates of Retford Park Bowral, Renwick and Darraby in Moss Vale. These buyers still appear willing to pay top dollar for well-presented properties which are fully landscaped and brand new with nothing left to do but move in. To help illustrate this, we have seen a record price of $3.3 million within Retford Park and $1.8 million within Darraby for these style homes in 2022.

Finally we look at the prestige market, which has gone from strength to strength in the new year, showing little to no signs of any softening. The property known as Braesyde which was notably owned by Gretel Ainsworth finally traded hands after 18 months on the market with a reported sale price exceeding the initial guide of $20 million. This places it towards the top end of record prices achieved within the Southern Highlands residential markets. Other notable sales which help to indicate the health of the local prestige market include a sale of over $10 million for a 100 acre property on Iona Park Drive in Moss Vale which was snapped up within two weeks of being listed.

Overall, the local market appears to be exhibiting mixed emotions currently. Certain markets are still achieving ongoing record-breaking prices whilst others begin to show some early signs of flattening.

Kurt Bismire
Valuer

Albury/Wodonga

After dodging the COVID-19 virus for the best part of two years, I have just returned to work from the fairly civilized seven-day isolation period required in New South Wales. It has given me a snapshot of the mindset of a population seemingly obsessed with immediate property decision making, leading to record breaking data events all over our region.

Who is driving the homebuyer market? Umm, that would be COVID-19, folks. The effects of the pandemic have changed the national psyche on why, where and how people demand, desire and acquire real estate. This has been extremely good news for vendors and agents in our region as prospective purchasers discover or rediscover the great attributes of regional living and has resulted in significant capital growth.

Being stuck at home for a week is nothing compared to the never-ending cycle of lockdowns, restrictions and workplace disruptions most have endured, and the devastation of many industries, namely tourism, hospitality and the arts. The conditions to assess and reset behavioral patterns with flow on to property have never been so dramatic in regional New South Wales and Victoria.

The consensus is that everyone is buying everything; well, this is how it feels and how agents are reporting the last two frenzied years in the market. Possibly a metro observer would be correct in surmising that regional markets are still very affordable and attractive. The truly new narrative is that the lifestyle options available are being realised by locals and out of town investors alike. The capital gains are mostly reinvested in property as people continue to be constrained with disposable income spending avenues and many are redesigning their futures with such significant and unexpected windfalls from their property assets.

The first homebuyers and the downsizers are inextricably linked, the former having to tap into parental equity more than ever as entry level prices soar and the latter having a significant lift in values in a short time frame and deciding to tap into that equity to help kids or dispose of the family spread and have a good surplus from the move. All homebuyers have been transacting in a heated market with demand outstripping supply across all property types and first homebuyers competing with investors and high-end purchasers competing with out of town purchasers. To some extent the middle segment of our markets might come off the boil first; we are observing an increase in supply and agents report enquiries have calmed down somewhat, possibly as people start to consider a post pandemic world and factors such as cost of living, petrol prices and interest rate rises become more front of mind.

Rachel Anderson
Valuer

Another market that has shown good results during the start of 2022 has been the family market. This has largely been driven by Sydney based families relocating to the area.

Victoria - Residential 2022

Melbourne

As property prices soared in 2021, the challenge of owning your own piece of real estate in Melbourne became somewhat more difficult, causing first homebuyers to gravitate towards more affordable assets such as units, apartments and townhouses. Similarly, these options might be desirable for downsizers and retirees who no longer need established properties on typically larger land parcels.

When it comes to families, established dwellings in the suburbs become more attractive as they provide the opportunity and space to raise a family close to schools and educational facilities. All of these factors tie together Melbourne's homebuyer market, allowing the many demographics to enter the market depending on their individual circumstances.

Melbourne CBD and Inner City

The inner city property market of Melbourne has very much been victim of the adverse impacts of COVID-19 and its repercussions. As a result, prices dropped and vacancy rates reached concerning lows as the attraction of urban living and working in the office diminished.

As the government and relevant authorities look to recover and bring life back into the CBD, buyers may be tempted to jump in at the lower prices the COVID-19 market has caused. First homebuyers, young professionals and younger couples are the type of buyers likely to be lured into metropolitan apartments and the lifestyle that comes with them. Interest should develop throughout 2022 as confidence in the market grows.

Buyers are likely to vary as there is something for everyone in the south-east, from townhouses, house-and-land packages, beachside mansions and semi- rural properties.

This two-bedroom apartment in the heart of the city is currently listed with the affordable price range of $440,000 to $460,000. The property includes modern fixtures, a secure car space and 14th floor views.

1402/639 Lonsdale Street, Melbourne Source: realestate.com.au

1402/639 Lonsdale Street, Melbourne Source: realestate.com.au

South-east

As the south-east of Melbourne continues to perform strongly and expand, the interest of buyers should remain steady throughout 2022. Buyers are likely to vary as there is something for everyone in the south-east, from townhouses, house-and-land packages, beachside mansions and semi- rural properties.

In the outer area of Clyde, Cranbourne and Officer, new estates continue to arise with demand remaining strong. These estates will see both townhouses and detached housing develop from a broad price range of approximately $400,000 to upwards of $800,000. This range can appeal to anyone from those looking to get their foot in the market, buy or build their dream family home or investors.

At the other end of the spectrum is the Mornington Peninsula where the demand for million-dollar homes continues to grow. As we have seen over previous years, the trend to quality properties and renovations has ensured the exclusive peninsula market remains strong despite some hefty price points. Families and perhaps retirees are among those likely to be drawn towards the coastal lifestyle the area presents.

This sizeable house in the popular suburb of Rye will attract families looking to upsize or relocate to the area. With four bedrooms, two bathrooms and a large backyard, the property at $940,000 to $980,000 provides value for money that cannot be replicated closer to the CBD.

For Sale: 39 Loongana Street, Rye Source: realestate.com.au 2022

For Sale: 39 Loongana Street, Rye Source: realestate.com.au 2022

Inner and Outer East

Melbourne's eastern suburbs boast a mix of property types, all creating opportunities for people from different socio-economic backgrounds to purchase real estate. Detached dwellings would be the most common form of housing in this location, however the purchase price of these assets is not cheap. This makes it difficult for first homebuyers to compete in this area and they become drawn to more affordable options such as townhouses and apartments. This allows them to enter the market and provides them with a solid foundation to progress to more expensive, larger assets in the future. Not only are these attractive options to first homebuyers, but they are an investor's delight when purchased in wise locations. Suburbs such as Burwood, Glen Waverley and Clayton are all close to Monash and Deakin universities, bringing university tenants into play if the purchaser is not looking to occupy.

This three-bedroom townhouse located at 3/7 Salisbury Court is an example of the many affordable options currently on the market in Glen Waverley. With an asking price of $800,000 to $850,000, it brings an array of potential purchaser demographics into the equation, including first homebuyers, downsizers and investors.

3/7 Salisbury Court Glen Waverley Source: realestate.com

3/7 Salisbury Court Glen Waverley Source: realestate.com

At the other end of the spectrum in the eastern suburbs, we see many prestige properties hit the market as well. These properties are situated in Melbourne's affluent suburbs such as Hawthorn, Balwyn, Kew and Camberwell. These properties typically appeal to the higher middle class, company executives and international buyers.

Expressions of interest are currently being welcomed for this gorgeous six-bedroom home in the Sackville Ward estate of Kew at 52 Sackville Street. The agent has listed an indicative selling price of $16.5 million to $17.5 million, which is a dream for most!

52 Sackville Street, Kew Source: realestate.com.au

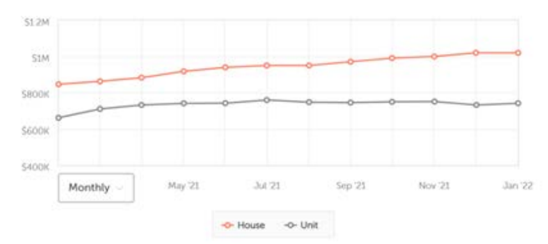
Melbourne's eastern suburbs boast a mix of property types, all creating opportunities for people from different socio-economic backgrounds to purchase real estate.

52 Sackville Street, Kew Source: realestate.com.au

Inner and Outer North

The continuously inflating property prices in Melbourne has caused the first homebuyer market to spread further away from the CBD. First home buyers were targeting areas such as Diamond Creek in the past due to it being seen as good value for money with a median price of $845,000 in February 2021.

That has changed in the past year with the median house price being $1.02 million as of January 2022 which indicates 21 per cent growth. The investor demographic in Diamond Creek now is commonly property owners with more purchasing power from inner to middle northern suburbs who are looking for properties with site



Diamond Creek Median Property Price Source: realestate.com.au, 2022

Locals in these areas were trading up family homes for acreages even further out with added demand for luxuries such as tennis courts.

areas upwards of 800 square metres. Locals in these areas were trading up family homes for acreages even further out with added demand for luxuries such as tennis courts.

First homebuyers are targeting areas such as Mitchell Shire which is one of Victoria's fastest growing outer metropolitan municipalities. Suburbs such as Beveridge have been a prime target for first homebuyers, upgraders and investors due to affordability of house and land packages. The suburb itself has 16,000 builds planned and has led to the median house price soaring to $640,000 which is a 31 per cent increase over the past year (realestate.com.au, 2022). Being a commutable 55 kilometres from the CBD has seen first homebuyers and upgraders utilise Mitchell Shire suburbs as the region remains considerably less than the median property price in Melbourne which was $1.038 in October 2021.

4646 Celestial Way, Beveridge Source: realestate.com.au

An example of affordability can be seen in the property at 4646 Celestial Way, Beveridge. This property is an aesthetically pleasing townhouse style home, offering luxury inclusions and situated in the Mandalay Estate which has amenities such as an 18-hole golf course. With four bedrooms, two bathrooms and a double garage for less than $600,000, it's no surprise that first home buyers are flocking to these areas.

Another property in Beveridge which provides supreme value for luxury living is 110 Golf Links Drive, also in the Mandalay Estate. This property offers massive living spaces across both floors, premium inclusions and ancillaries such as an alfresco deck and cool bar. This would be the ideal property for young families looking to upsize their home within a growing area. The property is currently on the market for $770,000 to $830,000 and offers four bedrooms, two bathrooms and a double garage.

110 Golf Links Drive, Beveridge Source: realestate.com.au

Western Suburbs

Despite world events triggering economic insecurity and uncertainty, the housing market is still going strong in Melbourne's west with homebuyers still wanting their very own piece of real estate. The western suburbs of Melbourne offer the best of both worlds for all different buyer demographics looking for their new home. The outer western suburbs such as Melton, Tarneit and Werribee offer affordable land and housing for first home buyers and people looking to buy in locations with strong community values. The inner western suburbs such as Yarraville and Williamstown cater to buyers looking for the ideal blend of bayside and inner city living while maintaining the traditional suburban lifestyle.

The outer western suburbs offer home buyers the rare opportunity to purchase vacant blocks of land for affordable prices in comparison to many other areas in Melbourne. This is an ideal location for buyers with the intention of building their own home in Melbourne's west. Many first home buyers look into this area as they can purchase their own piece of land that is not attached to any other dwelling. Melton property, 1A Brolga Court, recently sold in early 2022. The brand-new double storey dwelling offers its new owners a central location to schools and shopping districts, creating the sought-after community lifestyle. Homebuyers will get three large bedrooms, two and a half bathrooms and a light filled abode for $540,000.

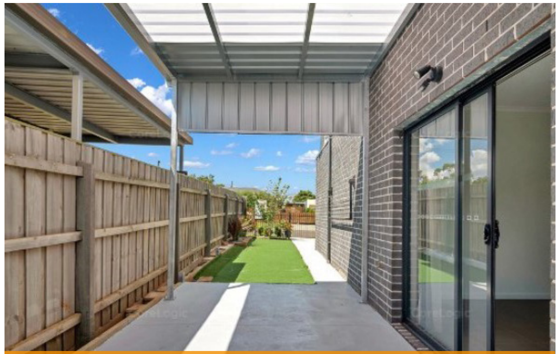
Melbourne's inner west and north-west suburbs such as Williamstown, Yarraville and Essendon have been experiencing high levels of demand. These inner suburbs boast sought after period homes, offering prospective homeowners the opportunity to live in a classic Melbourne style house with the character and features of a home that seem to attract many buyers.

These homes can be in the form of a renovator's delight. The property may come with some challenges when preserving the period features but are often paid off with a home that steers away from conventional dwellings. Williamstown is on the list for many buyers looking for traditional period home frontages. 146 Douglas Parade in Williamstown offers just that. The uniquely set back Victorian home offers a broad front veranda with original lacework, wide central hallway with arch and spacious rooms throughout. Features include high ceilings, ceiling roses and open fireplaces, beautiful aspects of Victorian homes. The four-bedroom, two-bathroom home is close to the local entertainment district with cafes, shops and bars along the main road and near the waterfront.


1A Brolga Court, Melton Source: rpdata.com


1A Brolga Court, Melton Source: rpdata.com


1A Brolga Court, Melton Source: rpdata.com


1A Brolga Court, Melton Source: rpdata.com


146 Douglas Parade, Williamstown Source: rpdata.com

RESIDENTIAL

HERRON TODD WHITE RESIDENTIAL

146 Douglas Parade, Williamstown Source: rpdata.com

146 Douglas Parade, Williamstown Source: rpdata.com

146 Douglas Parade, Williamstown Source: rpdata.com

While affordability and the lockdowns have impacted the market, first homebuyers continue to find bargains.

Geelong

Like many other areas across Victoria, Geelong has seen considerable growth in recent months and despite lockdowns and other negative impacts as a result of COVID-19, homebuyers have continued to come out in droves. While affordability and the lockdowns have impacted the market, first homebuyers continue to find bargains. First homebuyer activity in metropolitan areas over the past six months increased by 24 per cent while regional areas are up 16 per cent for the same period. Subsidy programs and stimulus packages such as HomeBuilder and JobKeeper, along with low interest rates and a ban on international travel meant more people were in a position to purchase a home, however as these stimulus packages diminish and international travel becomes available, we could see household spending change and move away from property purchasing.

Lending to first-time buyers jumped 49 per cent in the 3215 postcode, which includes North Geelong, Bell Park, Bell Post Hill and Hamlyn Heights. In early and mid-2021 we saw plenty of activity for first homebuyers but as prices rose and the market stayed healthy there was greater competition from investors.

Serious purchasers are flocking to the popular lifestyle locations of Highton and East Geelong, with access to quality schools spurring unprecedented competition during the pandemic. Highton was placed in the top ten regional suburbs with the most highly engaged prospective buyers.

This is evidenced by sales data for November and December 2021 indicating that 19 per cent of Geelong properties sold for more than ten per cent above the listing price.

The past 12 months have seen a big focus on lifestyle changes for many Victorians, focusing on affordability and larger family blocks of land. This has seen a shift in current homeowners in the Melbourne metropolitan area upsizing from townhouses, apartments and units to larger blocks in the Geelong area, gaining a more relaxed lifestyle, with greater access to the surf coast and Bellarine peninsula.

Perron King
Director

Mildura

Homebuyer activity throughout the local Sunraysia market has remained strong throughout the beginning of 2022.

Although high prices are still being achieved, local agents are reporting that buyer numbers have decreased from last year, with homebuyers now able to feel less rushed in their decisions. The reduced buyer activity has not resulted in any reduction in price, however is a sign that the market has cooled somewhat.

First homebuyers are predominantly active in the price range from $300,000 to $450,000 with many choosing to purchase land and build a new house, but noting that the increased cost of construction means that this option is now at the upper end of this range.

Families with young children make up the main group of upgraders who have been able to capitalise on low interest rates to use debt to buy more expansive dwellings on larger allotments. The majority of this market is in the suburbs surrounding Mildura and is still a highly competitive market with families willing to pay a premium for a property they will generally inhabit for a long period of time.

Retirees are often on the other side of the market and are generally downsizing and looking to move to a good quality townhouse close to Mildura's Langtree Mall. Inner city townhouses and vacant allotments have seen a large increase in value with these blue chip parcels scarce in the market and potential purchasers generally having to compete for the available options.

The high end of the market seems to be a mix of local business owners as well as out of town buyers looking to relocate to Mildura. Since the beginning of the COVID pandemic, purchasers from out of town have become increasingly common and high end prestige dwellings are reaching record levels with more purchasers in this market than ever before. During the previous 12 months there have been three sales of riverfront properties achieving results in excess of $3 million, a figure which before this period had never been reached.

Jake Garraway
Valuer

Warnambool

Standard detached housing remains the first and often only considered choice for most of Warrnambool's first homebuyers, families and upgrading groups. Fortunately for them, the majority of the housing stock available provides for this choice. This segment of the market continues to perform well with high levels of interest and a steady upward trend in prices.

If one demographic group was to be labelled the most active in town it would be the upgraders. These buyers are tapping into their recently found masses of equity to sell up and move to what they consider to be greener pastures. This move typically results in the purchase of a $700,000 to $800,000, larger modern detached dwelling on a standard sized suburban allotment.

Two examples are presented below to show the typical upgrader purchase. The first at 44 Norman Street features a four-bedroom dwelling with a very basic fit-out but it is sizeable with a reported 252 square metres of living – a solid home for large or growing upgrader families.

44 Norman Street, Warrnambool Source: rpdata.com

The second example demonstrates a focus on buying into an upgraded style and fit-out above the average in a newer estate. There is less focus on the allotment size with this purchase at only 390 square metres.

15 McMahon Street, Warrnambool Source: rpdata.com

Jordan Mowbray
Valuer

RESIDENTIAL

HERRON TODD WHITE RESIDENTIAL

Queensland - Residential 2022

Brisbane

Brisbane is a traditional market with some consistent fundamentals.

For example, our capital growth wave radiates out from the central CBD. The most expensive homes are located closer in, the more affordable further out. We have relatively low density for a capital city and there are accessible rental options if you're willing to compromise on space or location.

These Property 101 foundations make it a great city for studying various buyer demographics and understanding where and what they're purchasing.

So, let's kick off with first homeowners.

Brisbane's first homebuyer can find plenty of options in outer lying suburbs where there's everything from detached houses through to townhouses and even units. There's also a lot of house-and-land options in the fringe areas. The various grants available to assist with construction costs help draw first-time buyers to these suburbs.

First homebuyers in mid-ring suburbs usually need to compromise on space and will normally seek townhouses or units to stay within budget. Those first timers on strict budgets are simply being priced out of detached housing here. The result is a lot of activity that will have momentum carrying prices and sale numbers further into 2022. It should be noted that these locations and price points also appeal to investors, so first homebuyers will have to deal with that competition when purchasing.

Price points for attached housing in the mid-ring range between $400,000 and $700,000. Of course, anything at the more affordable end will get heaps of interest in the market.

For locations, think Zillmere and Boondall townhouses and units of reasonably new construction, or older homes in need of renovation.

Inner city localities will see first timers purchase one- and two-bedroom units. They are basically priced out of buying homes here. The high supply (in fact, oversupply about five years ago) means prices have stayed reasonable for this housing type. With a budget between $350,000 and $450,000 you will find plenty of options among the listings.

Of course, they love cool lifestyle areas, so city-fringe addresses such as Newstead are very popular.

While first homebuyers filled the void left by investors in the inner-city apartment market over the past couple of years, we are seeing investors starting to come back into that space, so first homeowner activity may actually decrease a little here as the year progresses.

A great sale example of a first homebuyer unit is this property at 21408/37 Kyabra Street, Newstead which sold 28 January 2022 for $365,000.

21408/37 Kyabra Street, Newstead Source: realestate.com.au

Whatever they seek, first homebuyers have been very active in our town. A combination of low interest rates, government assistance and a healthy dose of FOMO has kept first-timer buyers on the hop.

Moving onto upgraders and family buyers.

This cohort of buyers is seeking that next step property. They want to cater to their growing family

While first homebuyers filled the void left by investors in the inner-city apartment market over the past couple of years, we are seeing investors starting to come back into that space, so first homeowner activity may actually decrease a little here as the year progresses.

RESIDENTIAL

HERRON TODD WHITE RESIDENTIAL

or move beyond the simplicity of their first home and ramp up the quality of where they live.

These buyers are active in the established housing market and prefer traditional size allotments as well as rural lifestyle properties throughout mid-ring and outer localities including the western corridor. Significant price growth in Brisbane has seen their first home's value skyrocket, so they're able to draw on that equity to upgrade.

We're seeing plenty of upgrader buyers looking to spend between $800,000 and $1.5 million on their purchase in the Brisbane region. That said, depending on how far they're looking from the CBD, the budget can vary off this range too. For example, those in the very outer suburbs will spend $700,000 plus while closer in addresses will see $900,000 plus activity.

This cohort is particularly drawn to areas with great family and lifestyle amenities such as parks, school catchments and public transport.

In our opinion, upgraders will continue to be an active sector in 2022 but at reduced levels compared to 2021.

Of late there's probably been limited activity in the far outer suburbs, with most transactions occurring much closer in – say south of Geebung in the north and in Banyo and Nudgee.

One recent sale indicative of the family or upgrader market is 35 O'Doherty Circuit, Nudgee which recently sold for $985,000. This provides a lowset four-bedroom, two-bathroom home on 633 square metres.

Looking at upgraders in inner-city addresses and there's a change around budgets and the types of property being considered.

Upgraders interested in the attached housing

35 O'Doherty Circuit, Nudgee Source: realestate.com.au

market will consider owner-occupier design units and townhouses. Budgets of $700,000 plus are common. When looking for housing, these buyers need to spend $1.5 million or above to secure a home and in some circumstances, renovation work will be needed.

For example, areas such as West End are very appealing to family buyers with the popularity of Brisbane State High School catchment helping drive property appeal. Of course, a home within this catchment will set you back more than that $1.5 million mark.

Looking ahead, we think the upgrader and family market in the inner city will remain very active in 2022 as high demand for quality locations continues despite some of the headwinds around cost-of-living pressures and potential interest rate rises.

Let's now look at Brisbane's downsizers and empty nesters.

This buying group has a wide range of options open to them. Most have flexible budgets and have also enjoyed rising property values in the past few years, meaning a big chunk of equity to spend on their next home.

We are seeing plenty of activity in the unit and townhouse market with downsizers, which makes sense. They want to live in something that's easy to maintain and has a lock-and-leave option for travelling opportunities.

Inner city downsizers will typically look to prestige riverfront locations and be drawn to high-end apartment lifestyle options. They're active in the three-bedroom unit space. Many have come from a decent size family home in the suburbs, so the idea of extra room for when family stays over is appealing. At this price point they can easily spend their $1 million plus budget. We think activity from this group in the inner city will remain strong throughout 2022.

Mid-ring and outer suburb downsizers will look to apartments and townhouses close to shopping centre nodes, public transport, amenities and hospitals. For this reason, suburbs such as Chermside have gained popularity.

Because they are drawn to three-bedroom and large two-bedroom units, it can be challenging for them to find listings in some mid-ring and outer suburbs. They want plenty of space and room for a couple of cars undercover. Most have budgets from $700,000 to $1 million so if something comes up that fits the bill it should find plenty of suitors.

There's also been activity in the over-55s villa market in mid and outer suburbs such as Taigum. This is a price-accessible sector with a $300,000 to $500,000 price range for budget conscious retirees.

We expect current activity in this market to continue steadily in 2022.

An example of this property type is 75/188 Church Road which sold in February 2022 for $500,000 and provides three-bedroom, two-bathroom, two-car accommodation.

75/188 Church Road, Taigum Source: realestate.com.au

Some downsizers may look for a complete change to what they have experienced in their previous home and embrace the bayside, beachfront or canal culture. Suburbs such as Newport, Brighton, Sandgate, Shorncliffe, Cleveland and Raby Bay would be among the mix with a wide variety of price points and property types able to cater to most needs.

Finally, let's spend some time with the prestige-buying sector of our market.

Brisbane's prestige buyers run the gamut of ages and stages, and they've really come into their own in the past two years. We're seeing lots of high-income expats returning to our shores and spending up big. Then there are interstate immigrants escaping New South Wales and Victoria. They sold up down south, are cashed up and ready to spend.

There's a range of property types on offer for this cohort – from acreage in the west, north and south through to penthouses in the CBD, mega-mansions in various locations, as well as riverfront and bayside.

Budgets run to around $5 million plus for detached homes and $3 million plus for units.

There's limited supply and high demand in this sector too, and this is likely to continue throughout 2022. That means prices should remain strong.

Properties appealing most to these buyers are dominated by those in highly sought after and exclusive inner-city localities close to the action. Homes with great lifestyle amenities or with river frontage and premium views always fetch impressive prices. Additionally, properties with significant large land holdings with extensive improvements such as pools and tennis courts will be in the mix.

A great example is 43 Union Street, Clayfield which sold in January for $8.4 million.

43 Union Street, Clayfield Source: realestate.com.au

This is a six-bedroom, five-bathroom home on a 2681 square metre site nestled within one of Brisbane's premium suburbs. The property includes a pool, tennis court and showroom garage capable of housing nine cars.

David Notley
Director

Gold Coast

Buyers remain very active with owner-occupiers dominating the market. Demand is still outstripping housing supply in most cases across the Gold Coast. Recent sales so far in 2022 suggest that pricing remains firm, however there are signs that the buying frenzy which kicked off in 2021 may have slightly cooled, particularly over the past month.There are still plenty of local homebuyers out there who are willing to compete with the influx of interstate buyers. Affordability issues and the increased speculation of interest rate rises appear to be the main concerns for local homebuyers in 2022 and it's still a great challenge at the moment for first homebuyers to get their foot in the door. Our valuer team shares some of their observations on recent homebuyer activity in the service areas in which they operate each week.

Southern Gold Coast and Northern NSW

The Southern Gold Coast and Far Northern New South Wales areas continue to be driven by owner-occupier demand, from first homeowners through to empty nesters and strong homebuyer activity is evident across all market segments. Many of the recent sales transactions involve first homeowners snapping up older style walk up units in suburbs such as Coolangatta and Tweed Heads. Young families appear to be finding good value housing options in suburbs such as Tweed Heads with some centrally located stock at more affordable price points compared to coastal suburbs such as Kingscliff and Casuarina situated further to the south. Suburban homes within areas such as Casuarina and Pottsville are becoming more popular with cashed up owner-occupiers with young families. Recent sales of four-bedroom detached houses in Pottsville have typically ranged between $1 million and $2 million. In Casuarina, buyers can expect to pay over $1.8 million for a modern style four-bedroom dwelling within 500 metres of the beach.

85 Laceflower Parade, Casuarina Source: realestate.com.au

44 Sugar Glider Drive, Pottsville Source: realestate.com.au

There are also plenty of empty nesters choosing low maintenance strata titled housing options and this has been evident along most coastal suburbs. We have seen a push from various buyer types including first homebuyers, downsizers and empty nesters, investors and young families looking at attached housing options, being at the more affordable end of the spectrum.

Duplex units in the area with lower or no body corporate fees and walk up style strata units in smaller complexes of four to eight units in pockets such as Kirra have good appeal and provide potential for future price growth from our standpoint. Buyers with young families who are moving into areas such as Tweed Heads West and Bilambil Heights are targeting freehold properties priced generally below $1 million as properties in areas such as Coolangatta and Tugun become out of reach from an affordability standpoint. Banora Point and Tweed Heads South continue to be areas with a strong population of retiree residents and there are housing options available here at many different price points.

The majority of local purchasers are owner-occupiers looking to upgrade the family home.

Given the strong levels of demand for residential property on the Southern Gold Coast so far in 2022 as a result of the strong owner-occupier based market, we are expecting steady market activity as the year progresses amongst all market segments but it is likely that first homebuyers will not be as active given the affordability challenges created by the current prevailing market and economic conditions.

Gold Coast Central Areas

Overall there appears to be an even spread of buyer types currently active in the market with local purchasers, retirees and migrating out of towners all in the mix. These buyers are seeking property at the affordable end and prestige ends of the market. First homebuyers are far less prevalent and this is mainly due to affordability concerns and the struggle to compete with mostly cashed up buyers. The level of competition appears to be magnified at the lower, more affordable price bracket.

The majority of local purchasers are owner-occupiers looking to upgrade the family home. These buyers have been very active lately within the suburbs of Elanora, Burleigh Waters, Robina, Palm Beach and Currumbin Waters. Most are looking for detached dwellings on suburban allotments greater than 600 square metres, which is typically larger than the lots found in the beachside suburbs. Buyers should expect to pay just above $1 million to secure an entry level four-bedroom home in the Robina and Elanora areas and much, much more within the other aforementioned suburbs.

We have noticed more buyer activity from the retiree age group demographic in the coastal suburbs of Broadbeach, Mermaid Beach, Miami, Burleigh Heads and Palm Beach. The appeal of having a beachside apartment is attractive to this buyer type with proximity to local amenities and being able to enjoy the coastal lifestyle as top priorities. A number of older style apartment buildings which have units priced typically between $600,000 and $1 million have undergone renovation or upgrade works in the past few months. New beachfront and beachside developments within these localities have also been popular with retirees, with Opus Broadbeach on Chelsea Avenue in Broadbeach being an example.

City skyline outlook from an apartment in Opus Broadbeach Source: Hotel.com.au

A low-rise unit building undergoing renovation works on Francis Street in Mermaid Beach Source: HTW

Homebuyers are still very active at the prestige end of the market. Highly desirable coastal properties can be found across the Gold Coast. Stock levels of prestige homes have been particularly scarce within the localities of Burleigh Heads and Currumbin and local agents have advised that there are plenty of homebuyers willing to pay the huge premiums for properties in these suburbs that offer the luxury of a beachside property, while also providing expansive ocean or city skyline views. An example of this is 14 Murraba Street, Currumbin which sold in January 2022 for $5.2 million.

14 Murraba Street, Currumbin sold for $5.2 million Source: CoreLogic

Looking towards central northern areas of the Gold Coast, local agents have recently provided feedback that there has been a slight decline in demand and a softening of attendance numbers through open house inspections compared with figures from six months ago. There has also been a slight dip in pre-auction offers and registered bidders at auctions. Despite this, sale prices remain firm.

First homebuyers do not appear to be as active but those in the market are typically seeking properties under $800,000 in suburbs such as Southport, Labrador and Molendinar. These established areas offer a wide range of housing options but the more affordable, older style detached housing and attached units appear to be popular with this buyer demographic.

With the recent surge in property prices, it is becoming more apparent that the asking price is having more of an influence on the property purchase than the property type. Those considering an older style house with a view to renovating or rebuilding immediately need to budget for the renovation with rising construction and building supply costs. With limited detached housing stock available in this area, the focus for first homebuyers has been on townhouses and duplex units.

The family orientated buyer has been the most prolific and buyers within this demographic are typically seeking suburban housing which can provide at least four bedrooms and a reasonable yard area to accommodate a swimming pool. Housing opportunities which offer these attributes can be found in suburbs such as Ashmore, Parkwood and Arundel with prices typically ranging between $900,000 and $1.5 million but again stock levels remain very low at the moment.

Northern Gold Coast Corridor

The Gold Coast northern corridor has property at accessible price points and predominantly comprises detached dwellings, duplex units and townhouse complexes. The market has been predominantly driven by interstate buyers over the past twelve months. These interstate buyers are generally prepared to pay higher than the last comparable sale to secure the property and therefore local homebuyers are finding it challenging to compete in a rising market, especially those who are first homebuyers. Agents are still reporting no real slow down with short marketing timeframes and multiple offers being presented over the limited number of available listings.

It is not unusual to see detached housing that would have sold pre-COVID for $500,000 now sell for around $750,000. Townhouses that may have been worth $350,000 are now selling at or near $500,000.

The secondary reported demographic of buyer is the retiree aged group. Many are now consolidating their finances and reducing their debt. Some of these buyers are locals who have cashed in their homes in the $750,000 to $1 million range and are buying down to more modest accommodation at a lower cost.

Local agents are finding it difficult to get new listings as vendors are concerned about what they will do for accommodation after a sale. The rental market is also very tight with extremely low vacancy rates and soaring rents.

The market was a bit slower to boom in the more northern suburbs such as Holmview, Beenleigh and Eagleby, however sales evidence is now filtering through indicating a severe jump in values. Most agents have reported that buyer enquiry within the Logan Shire has been non-stop across the board, from first homebuyers, investors and owner-occupiers. They have attributed the positive levels of buyer enquiry in these suburbs to a shortage of good quality stock and asking prices being much more affordable in comparison to neighbouring Gold Coast and Brisbane.


Brookhaven Estate, Bahrs Scrub Source: realestate.com.au

New land estate developers have been particularly busy, with Brookhaven Estate selling out to members of the loyalty program prior to being advertised to the open market. Yarrabilba has pushed two stage releases forward, and Flagstone and Pebbles Creek Estate have continued civil works on the following stages as a result of the strong appetite from owner-occupiers wanting to build a new home.

Sam Gray
Associate Director

Sunshine Coast

After the Christmas and New Year hiatus and throwing in a little bit of COVID's Omicron strain into the mix, it would appear that the property market is still travelling along pretty well. It does feel that sale volumes have dropped slightly but this is where you have to dig a little to find the root cause.

Vendor expectations appear to have risen significantly which is understandable. To encourage people to sell, typically you have to increase asking prices. Interestingly we have started to see some resistance to new value levels which also would be considered fairly normal. Let's face it, selling a property within a week is not a typical marketplace.

When we dig into the numbers, it's pretty clear that the majority of buyers of property on the Sunshine Coast are Queensland based.

The common question is, where are all the people coming from? The popular belief is that it's all interstate, Sydney and Melbourne buyers looking for a change in lifestyle. When we dig into the numbers, it's pretty clear that the majority of buyers of property on the Sunshine Coast are Queensland based. Sure, we do have interstate activity but this fluctuates between locations on the coast.

The majority of interstate activity is towards the coastal areas. Noosa Heads grabs the headlines and yes it does have the highest proportion of interstate buyers which has assisted in driving values. As we move further down the coast, the percentage of interstate buyers drops away, but we have noted that as the central and southern areas of the Sunshine Coast become discovered, the interest has improved given they offer better value for money. These markets are mainly active to buyers with more horsepower behind them – families, retirees and clearly the prestige levels of the market. These buyers are typically looking for modern established houses close to the beach and services. Given recent challenges in the building industry and the rising costs and time it takes to construct a dwelling, another effect noted in this market is that premiums are being paid for new builds and completed dwellings. It would appear that purchasers are willing to pay a premium for the time and effort that goes into constructing these modern higher end properties.

As we move further inland to the railway towns and hinterland, we typically see the interstate influence fall away. These markets are being driven mainly by Queensland buyers and local Sunshine Coast buyers. The Sunshine Coasters have a wide range of motivations for shifting further inland as first homebuyers look to these regions as a way to get into the market as they are priced out of the coastal strip. This market is also driven by upgraders and families looking for more space to some pretty serious rural residential properties. This market dynamic is working throughout the hinterland right up to the Gympie region where people who are priced out of an area look further afield for more options and value for money.

Given the diversity of property types on the Sunshine Coast, there is wide market appeal. Throughout this period, clearly the coastal housing market was the first to take off. Invariably this has spread through all market sectors: retirees and empty nesters downsizing to a unit; families going for rural residential; and upgraders stepping up to whatever asset class they are after. The main struggle is for first homebuyers with their options being pretty limited. Entry levels into the market have raised to circa $550,000 to $600,000 with units the only option on the coast with houses available further inland. In the Aura estate South of Caloundra, the entry level of a three-bedroom home on a 115 square metre lot is circa $600,000, so this affordability issue is posing a concern.

Stewart Greensill
Director

Gladstone

There has been a good mix of buyer types in the Gladstone market over the past several months. The most active buyers are upgraders and families who are looking for larger lifestyle properties typically in the $500,000 to $800,000 bracket. A significant proportion of these buyers are southern buyers (many with cash). First homebuyers are close to being priced out of the market and are really limited to entry level prices in the high $200,000s to low $300,000s. Stock in this price range is also attractive to investors who are definitely active in our market.

Due to the general lack of retirement village options or over 50s developments in the region, most retirees seem to head north to the Capricorn Coast or south to Bundaberg or Bargara. Alternatively, if wishing to stay in the Gladstone region, they seem to downsize to a unit or smaller dwelling with less maintenance at Tannum Sands or Boyne Island. Prestige buyers have also increased significantly over the past year with nine sales over $1 million in 2021 and into 2022. Prior to this you had to go back to 2019 for two sales over $1 million.

Regan Aprile
Associate Director

Bundaberg

The Bundaberg residential market continues to grow in 2022.

Agents continue to report high demand for residential properties, with new listings receiving high levels of interest and some properties receiving multiple offers above the asking price. There seems to be a mixture of buyers in the residential market, creating a competitive buying environment. Buyer types include upgraders and downsizers, investors taking advantage of the continued low vacancy rates being experienced in the region and interstate buyers who are cashed up and relocating to enjoy the slower pace of life that the Bundaberg region offers. Overall, the residential market continues to remain strong.

Megan Matteschek
Valuer

Mackay

The Mackay residential market has continued to steam ahead during the first quarter of 2022. All agents are reporting short listing times, with multiple offers the norm on almost every property. We are actually now seeing properties not even hit the market, with agents having a list of ready to go buyers snapping up properties as soon as they are listed. All market segments have continued strongly, with buyers available across the board. The rental market is extremely tight, with many tenants unable to find accommodation entering the market as owner-occupiers.

A couple of market segments that are really strong at present are the rural residential and rural lifestyle market, which has shown significant strength during the current pandemic with people looking for that green change away from the suburbs, and the prestige market, with agents reporting good local interest. Two of the highest residential sales seen in Mackay happened recently and were both local purchasers, underpinning the strength of the prestige market and the general Mackay economy.

Michael Denlay
Director

Rockhampton

The Rockhampton homebuyer market has had an extremely active start to 2022. On the back of a record growth year in 2021 things haven't shown any signs of slowing whatsoever, in fact if anything the market appears to have picked up another gear or two as we near the end of the first quarter of 2022. Sales activity has been very strong across almost all sectors of our market with a variety of homebuyers, including new families moving to the area, upgraders and downsizers all contributing to a fast-paced market. One of the big problems facing buyers wanting to upgrade or downsize is where do they live in between selling and buying as rental vacancy rates are at record lows.

Selling agents report large numbers of enquiry for well-presented homes in the entry to medium price brackets often between $350,000 and $550,000 with most homes selling with multiple offers and above list price. A good example of this is the sale of 213 Pritchard Street, Frenchville, a renovated three-bedroom, one-bathroom well-presented brick home in a sought-after location. The property was listed on aThursday at offers over $399,000, held an open house on the following Saturday, had nine groups through and all nine groups made an offer that day, resulting in a sale for $450,000. First homebuyers are in a challenging situation, often missing out on numerous properties before they find success as it can be difficult to find the house they are after even when financially sound as there are many cash buyers in the market who can often offer superior terms despite being comparable in price.

Agents continue to report high demand for residential properties, with new listings receiving high levels of interest and some properties receiving multiple offers above the asking price.

Units have been a bit slower with less stock hitting the market. The high-end sector of the market has seen some notable activity recently, with a new house having just been recently settled above the $2 million mark for the first time in Rockhampton's history.

Alistair Gunthorpe
Valuer

Hervey Bay

The Fraser Coast has continued its strong run from 2021 into 2022 with limited stock and very high demand. All asset classes appear to be performing well with units now also showing an increase in price point from early 2021. A large percentage of owner buyers are relocating from interstate, many of whom are paying cash. With such a heated market, these cash sales are resulting in erratic prices for some properties as purchasers compete to secure a property. Some prices well above asking price are being achieved. Vendors have the benefit of choosing the best contract terms from multiple offers. The Fraser Coast attracts a broad demographic and it is difficult to specify which profile is the most active at present.

First homebuyers have generally been priced out of the market due to the significant rise in values unless family support is provided. The house and land package market has experienced a significant price increase with new packages now starting at $499,000, up from $349,000 in 2021. Builders are still experiencing strong demand with some already reporting completion dates in mid 2023. Vacant land that hasn't even been developed is sold so builders could be in high demand for a considerable time to come.

We are beginning to see a lack of property priced between $650,000 and $800,000 as vendors' expectations move with demand. Activity between $800,000 and $1.5 million is strong. Buyers in this bracket are generally owner-occupier upsizers or retirees and assets can range from larger acreage blocks to Esplanade. Lifestyle villages are also experiencing strong demand from retirees, downsizers and nomads capitalising on the price growth for their property.

A large percentage of owner buyers are relocating from interstate, many of whom are paying cash.

Rental demand is very strong as previous investment properties are purchased by owner-occupiers, subsequently depleting the number of available properties. Investors are active, however owner-occupiers are generally beating the investor who is looking at a return. Five to six per cent gross can however still be achieved in some areas.

Doug Chandler
Director

Emerald

The Central Highlands property market is driven primarily by the resource industry and with new projects going ahead in our region, the housing market is very active, especially in Emerald and Blackwater. Limited rental properties and increasing rental prices are driving interest in purchasing property rather than renting, especially in the lower end of the market. Increased employment opportunities right across the Bowen Basin have also seen strong interest in the mining towns, which have seen increased rental and market values.

Kerry Harrold
Residential Valuer

Whitsunday Residential

Whitsunday residential is mainly driven by the migration of southern buyers who are selling and looking for that lifestyle change and moving to the beautiful Whitsundays. What's not to love here in the Whitsundays?

We do have locals still selling and either downsizing or upgrading to live out their dreams here in the Whitsundays.

There aren't many investors in the market, which is causing a short supply in the rental market, pushing the normal tenant to go out on a limb and move on into the owner market.

The residential market here in the Whitsundays is expected to continue with some sales way above owners' expectations. There still appears to be a large pool of buyers looking to purchase here and there are shorter marketing periods for all types of properties. The lifestyle properties are most certainly in demand.

Noelene Spurway
Valuer

Toowoomba/Darling Downs

Toowoomba's home buying activity was a hot topic for discussion during 2020/2021 and it appears from recent sales activity that the local market won't be slowing down any time soon. Toowoomba is seeing a variety of buyers snapping up available properties for sale (sometimes within hours) at an extraordinary pace. These buyers include first homebuyers, upsizers, downsizers, investors, families, retirees and prestige buyers.

The Toowoomba property market as a whole is strong with no one suburb outshining another. However, where the above groups are buying is a reflection of affordability. Families are generally buying whatever properties they can, wherever they can, as being choosy is no longer an option.

Interstate investors, the majority from New South Wales and Victoria, have soaked up the excess stock at higher-than-normal asking prices, which has consequently increased sale prices and pushed some local buyers wishing to owner occupy a property into neighbouring suburbs, out of particular locations or simply out of the market altogether.

The ability to work remotely has attracted many Brisbane buyers who are in the 30-to-35-year age bracket with young children, believing Toowoomba is affordable (given the high prices being experienced in other metro localities) and a great place to raise the children. Quality education, medical facilities, parks and no peak hour traffic are also highly attractive aspects.

Although housing prices have risen in recent years, Toowoomba property prices remain reasonably affordable, with the median property price currently around $460,000 with some suburbs averaging $350,000 for a three-bedroom house with considerable yard space, which for first-time homebuyers, is an ideal starting point.

Whitley Court, Glenvale Source: RPData

Whitley Court, Glenvale is under contract subject to confirmation for $455,000.

The property comprises a 2013, four-bedroom, two-bathroom dwelling with a two-car built in garage on 602 square metres. The property was listed for a short period of time as offers over $399,000.

328 West Street, Kearneys Spring Source: RPData

328 West Street, Kearneys Spring sold January 2022 for $350,000

This property comprises a 1970s updated and renovated three-bedroom, one-bathroom, one-car built in garage brick dwelling on a 589 square metre allotment.

A portion of the buying market in Toowoomba is made up of existing homeowners looking for larger homes to accommodate their growing families. According to the 2016 Census, 38 per cent of Toowoomba homes have four or more bedrooms, demonstrating that there are numerous options for choosing a home with adequate room for the entire family. Additional living areas, double garages and proximity to the CBD are important to families with teenagers. These properties must have access to public transport so that children can get to school and work on weekends if need be.

Toowoomba City is attracting retirees given it is close to Brisbane and the Gold Coast and has a lower cost of living. The fact that the Toowoomba region escaped the pandemic with only a few instances of lockdowns only adds to its appeal as a retirement destination. Downsizing in Toowoomba is also now a sensible investment, with money going towards infrastructure and economic development ahead of the 2032 Olympic Games. According to the 2016 Census, almost 20 per cent of the population of Toowoomba is retired. Prices are attractive compared to capital city house or unit prices with retirement village dwellings starting at around $150,000 for studio or one-bedroom homes, $200,000 for two-bedroom homes and $300,000 to $400,000 for three-bedroom homes.

The affluent east side suburbs of East Toowoomba, Mount Lofty and Rangeville are seeing sales in the $1 million plus bracket attracting professionals and their families. These suburbs are close to private schools, medical facilities, heritage listed Queens Park and Clive Berghofer Stadium, home to SWQ Thunder Football Club.

Alford Street, Mount Lofty Source: RPData

Alford Street, Mount Lofty under contract subject to confirmation for $1.2 million.

The property comprises a 1930s character, four-bedroom, two-bathroom fully renovated dwelling with a two-car garage on 1048 square metres and is situated within close proximity to the Toowoomba CBD.

Highfields is located 13 kilometres north of Toowoomba and has a population of about 8,000. It is home to a number of public and private schools, large chain supermarkets, cafes and eateries, parks and the Highfields Cultural Centre, Aquatic Centre and Library. The Highfields Sport and Recreation Park is home to outdoor netball courts, multi-use sporting fields and tennis courts. In the past 18 months this satellite suburb has seen significant growth, attracting families, established couples (aged 45 to 54) and older couples (aged 55 to 64). The median price is $647,000 based on 156 house sales for the month of February 2022 (realestate.com.au).

Smythe Drive, Highfields Source: RPData

Smythe Drive, Highfields under contract subject to confirmation for $626,000

The property comprises a modern, four-bedroom, two-bathroom rendered brick dwelling with a two-car built in garage on 990 square metres with good ancillary improvements including a detached garage shed to the rear. The property is situated in a modern residential estate. The property previously sold for $525,000 in November 2016.

Federation Drive, Highfields Source: RPData

Federation Drive, Highfields under contract subject to confirmation for $1.15 million.

The property comprises a modern, four-bedroom, two-bathroom brick dwelling with a two-car garage on 2500 square metres with good ancillary improvements including a large detached garage shed to the rear.

Adjoining Highfields are the rural towns of Meringandan and Meringandan West, which have also seen the flow on effect of the strong Highfields market. People are either purchasing or building in these areas due to the lower price points. The median price is $500,000 based on 59 house sales for the month of February 2022 (realestate.com.au).

Petria Court, Meringandan sold in January 2022 for $615,000. The property comprises a circa 2009 four-bedroom, two-bathroom brick dwelling with

Petria Court, Meringandan Source: RPData

a two-car built in garage on 3166 square metres with ancillary improvements including a detached garage shed.

In 2019 the Toowoomba Regional Council released the Toowoomba Regional Housing Strategy. Below is a summary of the key findings.

- The Toowoomba region has a significantly larger older population than the rest of Queensland. The older age profile and high proportion of baby boomers in Toowoomba are consistent with the relatively high proportion and growing number of double income, no kids households.
- The Toowoomba region has a long history of developing detached homes. This percentage has dropped from 85 to 72 per cent as a result of recent residential development activities. The recent percentage growth in adults aged 25 to 29 and children up to four years has gone against the region's overall ageing trend. This translates to a corresponding increase in young families and it appears that detached dwelling expansion is being supported in Toowoomba City's urban growth regions.
- The proportion of young adults (20 to 34 years) has decreased noticeably, which includes students, young singles and couples and

Because of its substantial infrastructure development program, Toowoomba is earning national recognition.

RESIDENTIAL

HERRON TODD WHITE RESIDENTIAL

first-time homebuyers. These groups show a preference for attached and semi-detached homes, which reflects the scarcity of this form of housing throughout the region. The emigration of these groups from remote areas to larger cities is a frequent tendency, but increased employment prospects arising from the growing resources sector as well as sustained investment in the University of Southern Queensland campus have the potential to minimise outward movement.

- By 2031, the Toowoomba region is expected to have grown by 32,830 households. Toowoomba West, Toowoomba South-East, Highfields and Westbrook are expected to be major growth regions.

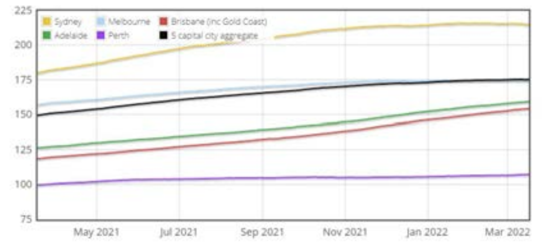
Because of its substantial infrastructure development program, Toowoomba is earning national recognition. The region's economy is the second largest in Queensland outside of the state capital. Affordability, low vacancies and good yields are all attracting first-time homebuyers, tree changers, baby boomers and retirees to the area. Toowoomba has prioritised infrastructure, new construction, and public transportation. Despite its regional setting, it feels as though you're living in a city, complete with all the bustling conveniences.

Marissa Griffin
Director

South Australia - Residential 2022

Adelaide

The metropolitan market has continued its strong 2021 growth into the early stages of 2022. December quarter data indicated the median metropolitan house price was at a record high of $600,000. Agents have been reporting strong buyer enquiry, shortened selling periods and purchase prices above vendor expectations in the early stages of this year. The Corelogic Hedonic Price Index indicates that dwelling values increased seven points to 159.6 in the first quarter of 2022. Market feedback and available data suggests that a new record median house price will be achieved on the release of the March quarter data.



CoreLogic Hedonic Price Index Source: sa.gov.au

The market is being driven by a mixture of buyer types. First homebuyers, upgraders and downsizers continue to make up the largest proportion of buyers. The Australian Bureau of Statistics (ABS) New Loan Commitments for owner-occupiers has risen sharply since October 2021 and sits 3.4 per cent higher than the same time last year. After two years in the wilderness, investors have come back into the market strongly with new investor loan commitments rising 67.8 per cent year on year to a record high in January 2022. The rise in investor activity has been spurred by a number of economic factors not limited to low interest rates, record household savings and the equity generated in the family-owned residence.

New loan commitments Source: ABS

First home buyers are most active in the sub $1 million price bracket. Except for inner ring, properties below this price point are available throughout the metropolitan area. With limited budgets first homebuyers typically seek out properties on a need and not wants basis with typical accommodation being three bedrooms and one or two bathrooms. These buyers avoid properties which may require additional capital works over and above a purchase price or extensive maintenance. New builds and off the plan options are popular with this buyer type. First homebuyers may be eligible for a $15,000 grant on the purchase of a new home up to the value of $575,000. The sales of 1/32 Downer Avenue, Campbelltown, a circa 2021, three-bedroom and two-bathroom townhouse for $565,000 and 74 Jersey Avenue, Kilburn, a circa 1960s, three-bedroom and one-bathroom dwelling on a 740 square metre allotment for $657,000 are representative of the property types sought by this buyer type.

1/32 Downer Avenue, Campbelltown Source: realestate.com.au

74 Jersey Avenue, Kilburn Source: realestate.com.au

Depending on location within the metropolitan area, upgraders are active in a broad price bracket typically beginning in the $300,000 to $500,000 range in the outer ring and up to $4 million plus

HERRON TODD WHITE RESIDENTIAL

in the inner ring. Growing families are typical of upgraders who are seeking out four or more bedrooms, two or more bathrooms, a second living space and enough land for the kids to run around. These buyers are happy to complete capital works to give themselves the creature comforts expected of a family home.

The sales of 14 Beckham Rise, Craigmore, a circa 2000s, four-bedroom and two-bathroom dwelling on a 740 square metre site further improved with an entertaining area and pool for $635,000 and 40 Barker Road, Prospect, a circa 1900s, five-bedroom and two-bathroom character dwelling on a 730 square metre allotment for $1.64 million are representative of the property types sought by this buyer type.


14 Beckham Rise, Craigmore   Source: realestate.com.au


40 Barker Road, Prospect   Source: realestate.com.au

Downsizers are active across the metropolitan area. Within the middle and outer rings these buyers are most active in the $300,000 to $600,000 price bracket whilst in the inner ring these buyers are active up to the $3 million price point. These buyers are typically cashed up with little debt and have a willingness to spend. Downsizers have historically been more deliberate in selecting locations in which to buy, with many wanting proximity to family members, community services and recreational areas such as parks, beaches and golf courses. These buyers are willing to complete capital works to achieve the fit out and floor plan they desire as they enter the latter stages of life. Property attributes sought by this buyer type include security, off street parking, single level and have enough accommodation to house a couple of grandkids.

The sales of 1 Killicoat Street, Unley, a renovated three-bedroom and two-bathroom single fronted cottage on a 506 square metre allotment for $1.475 million and 18 Manos Court, Seacliff Park, a circa 2000s three-bedroom and one-bathroom dwelling with a double garage on a 410 square metre allotment for $720,000 are representative of the property types sought by this buyer type.


1 Killicoat Street, Unley   Source: realestate.com.au


18 Manos Court, Seacliff Park   Source: xgxgxgx realestate.com.au

Existing homeowners in South Australia have experienced once in a generation growth in the past 18 months. These homeowners are now beginning to capitalise on the record levels of equity and are re-entering the market as investors. The investor market has historically been driven by rental returns within the outer ring and capital growth within the middle and inner rings. Investors seeking rental returns are typically active below the $500,000 price point. Those investors seeking purely capital growth typically enter the market above $500,000 as yields begin to be eroded as the price point increases.

The sale of 17 Sasha Drive, Munno Para West is an example of typical investor stock in the market. This property sold for $360,000 and at the time of sale was tenanted at $310 per week generating a gross yield of 4.5 per cent.

Existing homeowners in South Australia have experienced once in a generation growth in the past 18 months.


17 Sasha Drive, Munno Para West Source: realestate.com.au

Buyer motivation and circumstance ultimately decide which buyer type a purchaser is lumped in to. The metropolitan area takes in a multitude of property types within a broad price range giving buyers confidence that the property they are looking for is out there.

Nick Smerdon
Director

Mount Gambier

The home buying activity in Mount Gambier has started off strongly in 2022 with approximately 200 properties already sold this year and the median house price increasing to over $300,000. We are currently seeing all demographics purchasing property including first homebuyers, families, investors and downsizers. The most popular property type is detached houses.

Agents are advising they have been receiving multiple offers on most properties listed in various price ranges from a range of different demographics. The price points receiving the most activity are in the $300,000 to $400,000 range.

Specifically, we are currently seeing a lot of investment in the town as our market is still affordable and our yields are strong. This investment activity is largely coming from interstate investors. 7 Kyrenia Court, a modern four-bedroom, two-bathroom house in Mount Gambier sold in April 2019 for $380,000. The same property sold this month for $575,000 with no internal updates since its last sale. This property is now achieving a rental amount of $550 per week or a five per cent yield.


7 Kyrenia Court, Mount Gambier Source: realestate.com.au

A property at 6 Elder Street, Mount Gambier is another example of the growth in Mount Gambier in the past two years. With a previous sale price of $230,000 in 2020, it has just been resold for $310,000. The property comprises three bedrooms and one bathroom and has had no upgrades since its last sale. The weekly rental income for this property is $320 per week or 5.35 per cent yield.


6 Elder Street, Mount Gambier Source: realestate.com.au

In the past six months, there has been a number of high-end properties sold in the blue ribbon locations in the town. These areas have a very low turnover and are generally character style dwellings with price points normally starting around the $600,000 to over $1 million.

The next 12 months will have a similar outlook as what we have seen with supply still steady and demand high. Mount Gambier is still affordable compared to other surrounding markets.

Adrian Castle
Valuer

Specifically, we are currently seeing a lot of investment in the town as our market is still affordable and our yields are strong. This investment activity is largely coming from interstate investors.

RESIDENTIAL

HERRON TODD WHITE RESIDENTIAL

Western Australia - Residential 2022

Perth

The Western Australian residential property market has seen significant growth over the past 18 months and there appears to be no major signs of this slowing down. Home opens are overflowing with potential buyers and most properties are receiving multiple offers at the first home open as purchasers scramble to get in on the limited supply. It seems wherever you look in the market, activity is hot pretty much across the board. Investors are very active capitalising on the strong yields on offer, first homebuyers are fighting to capture affordable stock still on the market, while many families and upsizers are making the most of an increase in disposable income to upgrade to their dream home or location. In this edition we'll look at which demographics are buying what and where.

First homebuyers are still very active in Perth's northern and north-eastern corridors, with various options and locations to choose from. There was a huge influx of first homebuyer activity when government grants were released for construction and although building still offers an appeal for some buyers, it has certainly become a debatable option given the prevalence of increases in constructions costs throughout the building process. Suburbs such as Alkimos, Eglinton, Banksia Grove and Brabham have remained suitable options for first homebuyers, offering affordability as well as improving levels of infrastructure. These and similar areas are attracting buyers opting for relatively new and newly-built homes that offer similar products to building whilst avoiding longer construction periods and also optimise buyers' stamp duty obligations. For example, this brand-new, four-bedroom, two-bathroom home on 284 square metres of land in Alkimos recently sold for $430,000.

8 Kane Loop, Alkimos Source: RP Data

We are also witnessing similar activity in Perth's southern suburbs such as Wandi, Hammond Park and Treeby where there is still plenty of new land entering the market giving first homebuyers the chance to build, however many are now opting to purchase newly built stock on the market which is transacting at relatively affordable prices. Most stock in these areas is selling at between $500,000 and $700,000 and is less than ten years old. These developing suburbs also offer some larger lots in the 400 to 600 square metre range and we have seen good activity from homeowners looking to upgrade to a larger dwelling in these areas. The more established suburbs in these areas are seeing good activity from upgraders, particularly Atwell which offers large lots with good quality early 2000s style dwellings. A typical example of this is 124 Aurora Drive, Atwell which transacted in December for $770,000. The property is typical for the area, being a four-bedroom, two-bathroom dwelling with a pool, situated on 640 square metres of land and located within close proximity of schools, shopping and public transport. This property is typical for these established suburbs throughout the City of Cockburn and we are seeing good activity in this segment of the market, largely from families, but also from investors capitalising on the strong yields still on offer.

8 Kane Loop, Alkimos Source: RP Data

Other areas in the City of Cockburn that offer good first homebuyer opportunities at affordable prices are South Lake and Yangebup. Suburbs such as South Lake are a popular spot for first

There are many more family-friendly suburbs throughout Perth that offer affordability, infrastructure and are easily accessible.

RESIDENTIAL

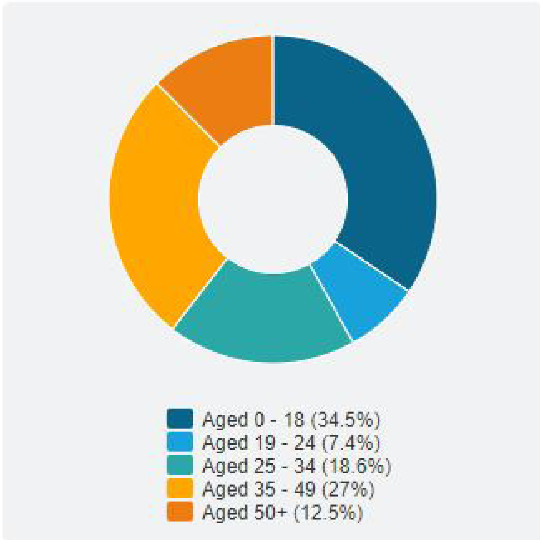
HERRON TODD WHITE RESIDENTIAL

homebuyers with a typical property for this area being a 1980s built, three or four-bedroom, one-bathroom dwelling on approximately 700 square metres of land. This is an area seeing strong growth of late with the median price up by 19.2 per cent for the past 12 months (source: REIWA). Despite this growth the median house price sits at just $460,000 making it an attractive proposition for first homebuyers, particularly with its convenient location being just minutes from the Kwinana Freeway. A prime example of this affordability is the recent sale of 3 Tinaroo Court, South Lake for $365,000. This property is a dated three-bedroom, one-bathroom dwelling on 718 square metres of land. These types of properties offer first homebuyers great opportunities to break into the market at affordable levels.

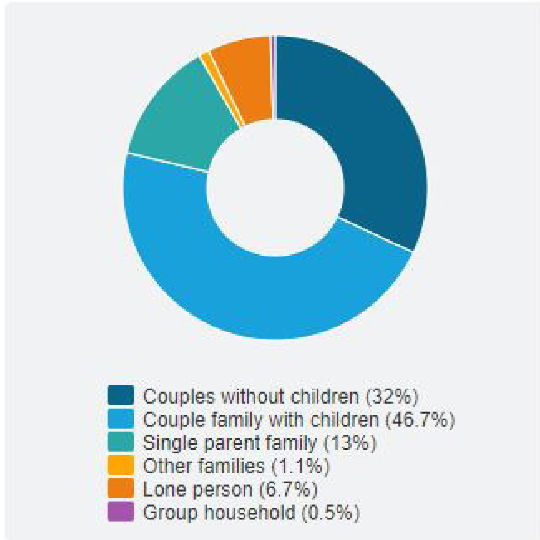
3 Tinaroo Court, South Lake Source: RP Data

Southern suburbs in the City of Kwinana such as Wellard and Bertram also offer good entry level opportunities for first homeowners and a cheaper alternative for families. The median price for these areas sits around $400,000 making it affordable for most people in the market. These areas consist of conventional three or four-bedroom and two-bathroom dwellings on medium sized lots and are located just off the Kwinana Freeway.

Ellenbrook by age



Ellenbrook households



Source: REIWA

There are many more family-friendly suburbs throughout Perth that offer affordability, infrastructure and are easily accessible. The north-eastern suburbs of Ellenbrook and Aveley are roughly 30 kilometres from the CBD and offer plentiful retail, schools and other activities locally. The suburb demographics demonstrate how the demand is shaped, with 34 per cent of residents in Ellenbrook being under the age of 18 and almost half of all households having children.

These suburbs experience strong demand from families targeting a community atmosphere with affordably priced larger lots, with many three and four-bedroom, family sized homes available. 15 Farmaner Parkway is a great example of what is available. This four-bedroom, two-bathroom house on 544 square metres with a below-ground swimming pool recently sold for $500,000.

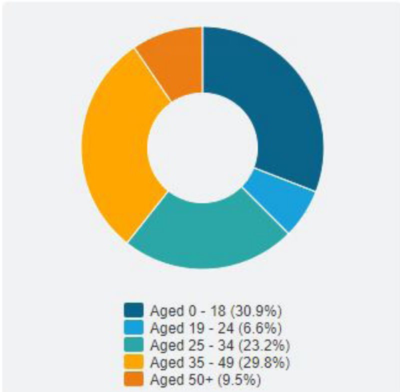
15 Farmaner Parkway, Ellenbrook Source: RP Data

Other family friendly areas can be found in Perth's south-east. Canning Vale is a large, family focused suburb approximately 20 kilometres south of Perth with an abundance of infrastructure and amenities close by for residents. The suburb has experienced a lot of movement from families which is expected to continue throughout the year as house prices in the area remain relatively affordable. Canning Vale is an eye-catching suburb for families with properties predominantly consisting of three and four bedrooms and a median annual house price of $615,000 (source: REIWA).

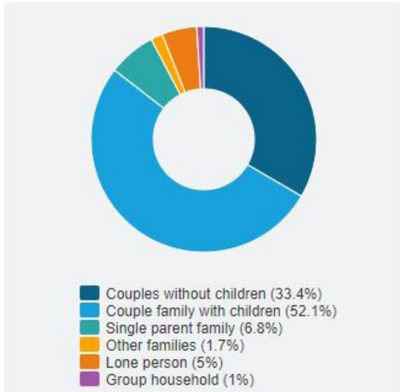
We are seeing neighbouring suburbs such as Southern River, Piara Waters and Harrisdale becoming increasingly popular amongst young families as the areas continue to be developed. The annual median house prices are $586,000, $555,000 and $550,000 (source: REIWA) respectively, proving these areas can be an affordable option for families. Although the majority of these suburbs have been developed with modern built homes, there are still pockets of land currently being developed, providing more opportunities for young families to move into the area.

The northern coastal suburbs such as Duncraig, Carine and Karrinyup are also seeing increased levels of activity from families and upgraders with typical purchases by this demographic consisting of large four-bedroom, two-bathroom homes on 700 square metres of land. A great example of this is this renovated four-bedroom, two-bathroom home on 721 square metres at 5 Cachuca Court, Duncraig, which transacted in late December for $1.101 million.

Harrisdale by age



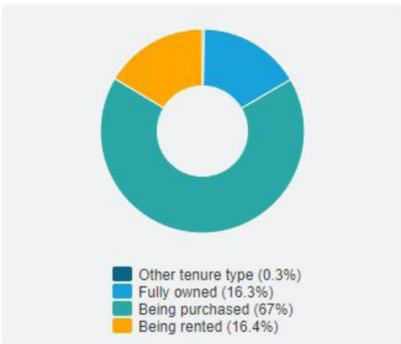
Harrisdale households



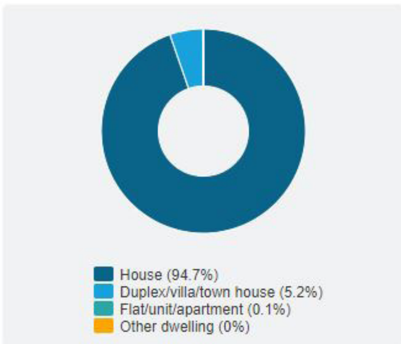
Source: REIWA

5 Cachuca Court, Duncraig   Source: RP Data

Property ownership types

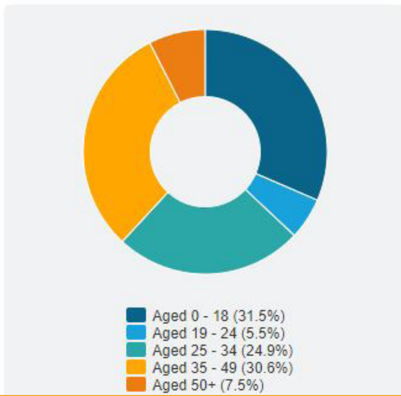


Southern River property types

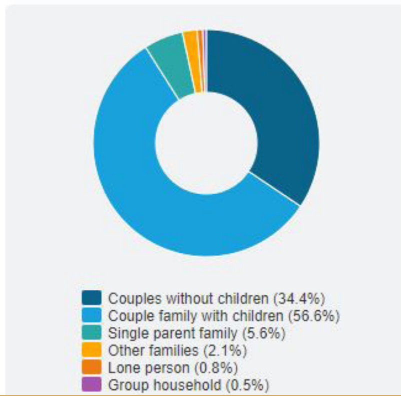


Source: REIWA

Piara Waters by age



Piara Waters households



Source: REIWA

Ancillary features include a swimming pool and a large alfresco with timber decking offering strong appeal to this sector of the market. These areas are seeing good activity anywhere above $750,000, with numerous transactions above $1 million.

South of the river, we are seeing similar activity in established areas such as Beaconsfield, Booragoon and Bull Creek with most stock in these areas usually anywhere from $600,000 to just above $1 million. These areas offer purchasers the opportunity to be in a central or coastal location and are popular with families.

With consistent demand from families in the outer suburbs, it makes sense that these areas also experience a higher amount of downsizers selling and with a strengthened market, some sellers are taking advantage of stronger selling prices sooner to downsize to areas closer to the CBD. A lot of activity is also being driven by buyers leaving larger homes for smaller units nearby. A good example of this is North Coogee where the development of many modern apartment complexes now offers homeowners a chance to downsize and live along the coast, while being only a ten-minute drive from Fremantle. Unit sales in North Coogee were up almost 15 per cent for 2021 compared to 2020, and the median price grew by 11 per cent to now sit at $579,500 (source: REIWA). Scarborough is another coastal location where similar trends are seen with unit prices growing by 15 per cent to now sit at $530,000 and sales volume rising by a massive 43 per cent.

Perth's prestige market has been in hot demand, largely from eastern states buyers looking for a premium product at what would be considered an affordable price compared to the stock available in the major cities along Australia's east coast. We are also seeing strong activity from locals looking to upgrade and with these two factors combined, we are seeing a very hot prestige market. This is reflected in the growth we have seen in the western Suburbs of Perth with suburbs such as Peppermint Grove (48.6 per cent), Cottesloe (16.5 per cent) and Swanbourne (21.7 per cent) all seeing huge growth in terms of median price as well as strong increases in sales volume compared to recent years – and activity is only constrained by a lack of stock. Further north there is good activity in coastal suburbs such as Sorrento and Trigg, with the sale of 52A Kathleen Street, Trigg being a perfect example of the demand from upgraders and interstate purchasers. The property was sold for $1.525 million in April 2018 and in the space of three years, the value increased to $2.1 million when it was sold in November 2021. The property is a two-storey four-bedroom, two-bathroom modern dwelling with a pool and spacious outdoor area and located only 500 metres from the coast.

52A Kathleen Street, Trigg Source: RP Data

Investment activity remains strong, particularly in the south in the Mandurah and Rockingham regions which are experiencing strong capital growth with good yields on offer as well. However, investors aren't just limited to these southern suburbs with strong activity in most metropolitan areas still prevalent as they make the most of attractive yields and strong tenant demand, particularly now borders have reopened.

Other parts of the state are experiencing various buyer demographics, yet similar demand across the board. The property market in the north-western town of Karratha predominantly consists of owner-occupiers, including a mix of first homebuyers and upgraders. With rents rising there is increased demand from newcomers to the town who are finding it more economical to buy than rent. Additionally, this is seeing an increase in investor activity mainly consisting of locals redrawing on equity to invest in town. Meanwhile Port Hedland is starting to see owner-occupiers become less active while investor activity is increasing due to returns on offer commonly approaching or exceeding ten per cent gross yield.

Further west in Exmouth, there is a lack of supply on the market as any new listings are typically snapped up within two weeks, if not sooner. The most active purchasers are local business people securing accommodation for their employees as a reaction to the lack of rental availability. Upgrade buyers are also active, taking advantage of the 20 to 30 per cent value increase over the past 18 months and using the equity gain to take the next

In our opinion, Geraldton remains one of the best value coastal towns in Western Australia, if not Australia, with a plethora of lifestyle options, a relatively wide economic base and an enviable climate.

step on the ladder. There has also been activity in the vacant land market from holiday hunters from Perth and the east coast, including high net worth individuals.

This is being replicated in Broome, where securing rental accommodation can be harder than entering North Korea. Businesses have been scrambling for the past 12 months to secure staff accommodation and the withdrawal of numerous properties from short term rental sites has resulted in a chronic shortage of housing. Whilst the pressure has eased slightly over the wet period, recent headlines of local barista jobs paying circa $95,000 per annum are sure to bring another flurry of workers into the town.

The established market in Geraldton has strengthened considerably and low rental stock and minimal vacancy rates have caused rents to continue to rise. The coastal town has seen young families getting into the property market, as well as a small return in activity for properties worth $1 million plus which has been absent for many years. In our opinion, Geraldton remains one of the best value coastal towns in Western Australia, if not Australia, with a plethora of lifestyle options, a relatively wide economic base and an enviable climate.

Kalgoorlie is a market currently largely driven by owner-occupiers, whether it be homebuyers looking to escape the increasing rents or new residents after a place to live, although investment activity is increasing. We can expect this activity to continue with an influx of workers anticipated following the recent reopening of borders and a strong mining industry. The strong rental returns in the region have caught the eye of investors and we are starting to see investment activity pick up. Some investors are seeing returns of seven to eight per cent on their properties and there has been strong interest of late, with interstate investment evident in the market.

The established market in Geraldton has strengthened considerably and low rental stock and minimal vacancy rates have caused rents to continue to rise.

Moving to the south-west region of the state, there is good activity from Perth buyers looking for holiday home style properties. These properties are often rented out for short term accommodation but provide the owner a holiday house when required. The Dunsborough, Yallingup and Eagle Bay areas are all seeing strong activity in this sector of the market, but unfortunately price pressure is resulting in many first homebuyers being pushed out of the market in these areas due to affordability. The top end of the market is still showing significant demand however there is very little supply available. Anything that does come to the market is generally sold very quickly and usually above expectations.

Nearby in Busselton, first homebuyers are becoming less active, possibly due to affordability levels. The first homebuyers still active in the area are usually after smaller homes on smaller blocks in new subdivisions in areas such as Yalyalup (median house price $465,000) and Vasse (median house price $498,000). One of the newest suburbs in the region, Kealy, has a current median house price of $510,000. These areas are also seeing good activity from eastern states investors due to the current strong rental values and minimal vacancy rates. Busselton is also seeing similar activity to the Dunsborough area in the holiday home sector of the market. These buyers are generally after established homes closer to the ocean in areas such as Abbey (median house price $638,000) and Broadwater (median house price $527,000).

Upgraders are also in the market taking advantage of the high Perth prices and selling up and moving down to the Busselton region to a cheaper home for lifestyle purposes and to free up equity. They are generally after established homes in reasonable proximity to the ocean in areas such as West Busselton and Geographe (median house price $543,000).

In the regional centre of Bunbury, homebuyers are chasing a bit of everything at the moment. First homebuyers are still in the market thanks to affordability. They are mainly after smaller homes on smaller blocks in new subdivisions in areas such as Treendale (Australind has a median house price of $395,000) and Dalyellup (median house price $403,000). There continues to be an influx of retirees into the greater Bunbury region due to affordability. This sector of the market is generally after established, smaller lock and leave style dwellings such as cottage blocks, units and townhouses generally closer to the town centre in areas such as South Bunbury (median house price $406,000) and East Bunbury (median house price $370,000). Upgraders are also in the market taking advantage of the high Perth prices and selling up and moving down to the greater Bunbury region to a cheaper home for lifestyle purposes and to free up equity. They are generally after established homes in reasonable proximity to the ocean in areas such as South Bunbury.

With no signs of the market slowing down, these demographics will continue to compete for limited stock in what is a very hot market.

Many cashed up farmers are moving to the coast and either purchasing holiday homes or family homes, putting pressure on the top end of the market. They are generally after executive standard, quality dwellings, situated close to the ocean with ocean or canal views in areas such as the Port Geographe Canals and Geographe Bay Road along the Busselton Foreshore. We're also seeing this type of activity further afield in Western Australia, including in Geraldton, Esperance, Albany and Mandurah. Within Bunbury, one example is:

7 The Strand, Bunbury sold in October 2021 for $2.025 million. The property is a 2006 built three-level, executive standard home with excellent harbour views and featuring a pool on a 653 square metre lot.

7 The Strand, Bunbury Source: RP Data

Further south in Albany, homebuyers are a mixed bag with much of the demand coming from Perth with young families taking the opportunity to sell up in the strong Perth market and purchase a more affordable home for lifestyle purposes. The main demand here is for more established homes closer to the centre of Albany, Emu Point (median house price $615,000) or in Middleton Beach (median house price $615,000). First homebuyers are still in the mix mainly for smaller homes on smaller blocks in new subdivisions in areas such as McKail (median house price $422,500) and Yakamia (median house price $410,000), however values in these areas have increased significantly recently and this is likely to put pressure on this sector of the market. There continues to be an influx of retirees into the Albany market due to affordability. This sector of the market is generally after established, smaller lock and leave style dwellings such as cottage blocks, units and townhouses generally closer to the town centre in areas such as Centennial Park (median house price $328,500) and Spencer Park (median house price $365,000).

Esperance is seeing strong demand from a diverse range of buyers and the town's quiet coastal nature is far from its booming property market. First homebuyers are very active, seeking established dwellings close to town and in certain pockets in the suburbs, with the market offering price brackets between $150,000 and $550,000. There has also been strong activity from families and upgraders seeking modern or upgraded and well-presented stock which is currently hard to come by and therefore we are seeing an extremely competitive market. The town also has options for upper end and prestige property buyers which has experienced increasing activity in oceanfront properties from local buyers. With this, investor activity around town has been limited due to difficulty securing properties whilst competing with local buyers.

It is clear to see that there is strong interest across the board in the Western Australian residential property market with most demographics providing strong levels of demand. With no signs of the market slowing down, these demographics will continue to compete for limited stock in what is a very hot market.

Chris Hinchliffe
Director

HERRON TODD WHITE RESIDENTIAL

Northern Territory - Residential 2022

Darwin

When talking about activity in the Darwin market overall, the general consensus is that this market has been dominated by the homebuyer sector of the market since the beginning of the pandemic, with no real signs of this beginning to slow down. Since mid-2020, almost all sales in Darwin have been sold to homebuyers and owner-occupiers with sales volumes and results not seen since the Inpex boom of 2013.

Much of the growth of the overall market since the beginning of the pandemic can be attributed to the first homeowner market. Until July 2021, any first homeowner (regardless of their property position interstate) could receive the Territory Home Owner Discount (THOD) which was $18,000 off stamp duty on an owner-occupied property to the value of up to $650,000. The preceding six months saw a huge influx of sales volumes. With a median house price around $500,000 this was a huge boost for the Darwin housing market, particularly for first homeowners.

Looking forward in 2022, there are no current concessions for first homeowners and while activity remains steady, it remains to be seen how this will affect first homeowners. However, Darwin still offers attractive options for first homeowners. A rendered, three-bedroom home with two bathrooms at 26 McGowan Place, Gunn sold recently for $447,000. Homes such as this are usually in good supply and a good entry level property for first homeowners.


26 McGowan Place, Gunn Source: realestate.com.au

The entry level market moving has allowed the upgrader section of the market to exit the entry level home, such as the property above and enter the higher tier of the market, the $650,000 plus. Typically this allows people to purchase homes in locations closer to the city or the popular northern suburbs area.


12 Kallis Street, Wanguri Source: realestate.com.au

12 Kallis Street, Wanguri is a quintessential Darwin home in a popular suburb. Sold for $841,000 this home is set on a large block with a pool and offers four bedrooms with two bathrooms. While homes like this are very popular, the price point has allowed the upgraders to enter this market, spurred on from our first homeowners. A home this size also targets families as these homes typically offer all the features of a family home.

The prestige market is a much smaller section of the Darwin housing market but offers great opportunities for a premium home in a sought after location, close to or on the coastline of Darwin. 31 Cullen Bay Crescent, Cullen Bay sold in October 2021 for $1.5 million.


31 Cullen Bay Crescent, Cullen Bay Source: realestate.com.au

While on face value this seems lower than the east coast premium market, this is a high-quality

Much of the growth of the overall market since the beginning of the pandemic can be attributed to the first homeowner market.

RESIDENTIAL

HERRON TODD WHITE RESIDENTIAL

sale. This home offers four bedrooms, three bathrooms and sits on near 700 square metres of land, adjacent to the water in a premium location. These homes are targeted at interstate arrivals with higher cash on hand, high income earners and larger families. Typically, in this market, prices range from $1.5 million to $2 million and attract steady interest. As we look ahead for this market, we believe this will remain steady with general stock meeting demand and a smaller pool of buyers generally to choose from.

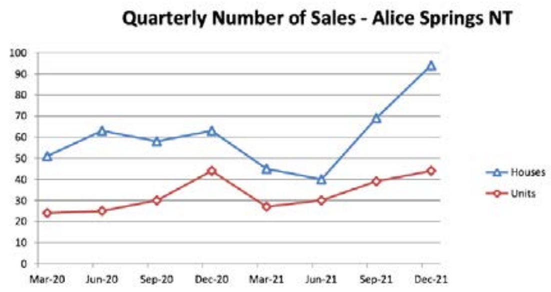
To echo sentiments from last month's review, it is unclear as to which direction the homeowner market will go throughout 2022. The current crisis in Ukraine, lingering COVID-19 concerns, a federal election, monetary policy and overall cost of living are all going to dictate how all property markets perform for the next few months and for the remainder of 2022. Darwin specifically has performed well over the past 18 months during some of these events and with homeowner sentiment remaining positive, we are in a great position to weather some of these issues that appear to be brewing nationally and globally.

Jeremy Callan
Valuer

Alice Springs

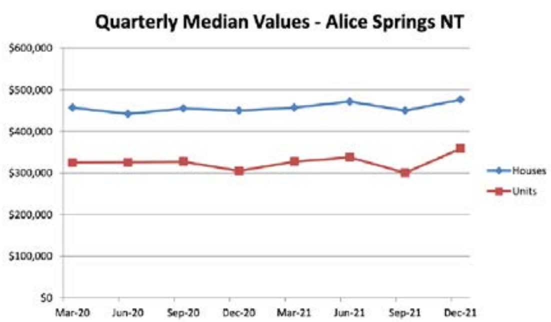
The residential market in Alice Springs is enjoying an increased level of activity which began in the September 2021 quarter and is continuing on into the early months of 2022. This upturn in transaction numbers is illustrated by the following graph showing the number of house and unit sales since March 2020 when the effects of COVID first began influencing our daily lives.

The Northern Territory was largely free of major impacts from COVID and its effect on the market was minimal, with transaction numbers remaining



Source: REINT

steady and median prices fluctuating within a reasonably narrow band. To date this recent increase in activity has not led to large capital gains although we are starting to see some evidence that all this activity is finally translating into increased values, more so with stand-alone dwellings than units. The following chart illustrates the fairly steady median house and unit price since March 2020, although a slight upturn can be detected in the December quarter.



Source: REINT

An example of this increasing trend can be found in the suburb of Desert Springs. There is a prestige dwelling with views of the golf course and the MacDonnell Ranges that was sold in March 2021 for $1.125 million and has just sold again in early March 2022 for $1.18 million, showing growth of 4.9 per cent in the intervening 12 months.

Desert Springs Source: HTW

Desert Springs Source: HTW

The majority of unit buyers (other than prestige units) and houses under $500,000 have been

All indications are that the trends which emerged in late 2021 will continue in 2022, although any substantial uplift in interest rates may serve to stifle this level of activity and pull the handbrake on market growth.

RESIDENTIAL

HERRON TODD WHITE RESIDENTIAL

identified as first homebuyers or older couples and singles looking to downsize. Low interest rates have had the effect of making buying a property cheaper in many cases than paying rent on a property of equivalent standard and this has encouraged a number of people to buy rather than rent, particularly first homebuyers who can reduce their purchasing costs by virtue of stamp duty exemptions.

The upper end of the market ($800,000 plus) remains reasonably active, although there are few properties on the market in this price range. Professionals looking to upsize or new-to-town families with strong income earning capacities are the most regular buyers of prestige properties and larger, higher value rural-residential properties.

All indications are that the trends which emerged in late 2021 will continue in 2022, although any substantial uplift in interest rates may serve to stifle this level of activity and pull the handbrake on market growth. The second stage of the Kilgariff land sub-division is expected to be completed by mid-year and it will be interesting to observe the level of construction taking place in view of recent sharp increases in many building materials. This may change the complexion of the sub-division, which was initially targeted at middle class families. With the higher land cost and higher building cost, it may push the dream of building their own home beyond the reach of many families, creating an influx of more well-heeled buyers who have substantial deposits and larger disposable incomes.

Peter Nichols
Valuer

Australian Capital Territory - Residential 2022

Canberra

This month we are looking at different homebuyer categories and the challenges and opportunities present in Canberra's market.

The first homeowner in Canberra is seeing entry-level prices moving beyond reach, especially if you want to bring in a housemate, as $400,000 won't buy you a second bedroom.

With traditionally limited capital growth in unit markets, when it's time to upgrade it's best to leave units to investors. Homebuyers should instead stretch themselves a little further and purchase something with extra liveability like a townhouse/villa with a courtyard or semi-detached dwelling that can be renovated over time.

Now, looking at families needing to upgrade to something bigger. Those that have managed to upgrade would have found it challenging in our rapidly rising market. Some buyers who didn't move quickly enough are probably wondering if all the stress and extra mortgage payments are worth the upgrade. Maybe the answer would have been to renovate or extend the current home.

In the prestige market we have seen some phenomenal prices being achieved. If Covid has taught us anything, it's liveability in our own homes is a premium worth paying for. Home offices and well-designed outdoor spaces, as well as locations near lakes or parklands, have been highly sought after and people will fiercely compete for these elements. We recently saw 103/11 Trevillian Quay, Kingston sell for $2.77 million which the agent reported was, "more than $1 million over reserve". The three-bedroom, three-bathroom, 120 square metres unit in a lakefront luxury complex is also within walking distance of many of the city's major attractions.

103/11 Trevillian Quay, Kingston Source: realestate.com.au

There's no evidence yet that the market has turned – agents are now reporting less of a buyer pool but still limited stock coming onto the market.

Uncertainty around interest rate rises, rising inflation and lower auction clearance numbers in recent weeks tell us there's more caution than urgency in the property market right now.

Angus Howell
Associate Director

Nicole Claughton
Assistant Valuer

Snowy Mountains

We have spent the last few articles talking about Jindabyne and overflow locations such as Berridale and its incredible growth in price and population changes, but what about the Snowy Mountains capital Cooma?

The biggest influence on housing recently has been the influx of workers to the region for the Snowy 2.0 project. Local property managers have quoted at least a quarter of their stock in the past couple of years as being leased to corporate clients associated with the project… and they pay a premium for good quality housing.

For homeowners there's been no new housing developments for some time and very limited stock coming to the market. Demand has been outstripping supply putting continual upward pressure on values. Cooma is 80 to 90 minutes travel from the centre of Canberra, so it's not generally considered feasible for daily commuting. That said it's still a much more affordable option than Canberra with most of the market falling in the $450,000 to $700,000 bracket.

Bernie Sullivan
Valuer

Nicole Claughton
Assistant Valuer

HERRON TODD WHITE RESIDENTIAL

Tasmania - Residential 2022

Hobart

The northern suburbs property markets have traditionally been popular with first homebuyers as they offer a wide range of property types from one-bedroom units up to six-bedroom family homes at an affordable price in comparison to other locales. However, demand appears to still be relatively high and prices have continued to rise in the first quarter of 2022. For example, property types in Claremont (Postcode 7011) being purchased include a good mix of established semi-modern townhouses for sub $450,000 and established older houses mostly under $600,000. Properties in this price range are in very high demand with various homebuyer demographics including first-homebuyers, retirees and young families.

We have seen an increase in sales activity in younger suburbs such as Old Beach, Montrose, Rosetta, Auntins Ferry and Granton. This market activity has not necessarily been driven by first homebuyers, but a large portion of this the market has been driven by established families for upgrading.

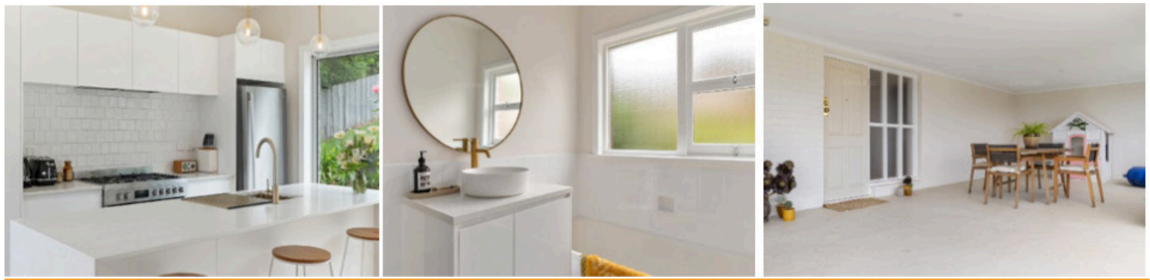
More centralised suburbs including Moonah, West Moonah and Lutana have historically been heated due to location and the ability to increase value through renovations.

We have seen an increase in sales activity in younger suburbs such as Old Beach, Montrose, Rosetta, Auntins Ferry and Granton. This market activity has not necessarily been driven by first homebuyers, but a large portion of this the market has been driven by established families for upgrading.

More centralised suburbs including Moonah, West Moonah and Lutana have historically been heated due to location and the ability to increase value through renovations.

Stephen Ning Liu
Valuer

8 Eleventh Avenue, West Moonah sold in mid-2019 for $427,000 (before renovation) Source: xgxgxgx



8 Eleventh Avenue, West Moonah sold in late 2021 for $830,500 (after renovation) Source: xgxgxgx

HERRON TODD WHITE RURAL

Rural

April 2022

Southern NSW

As reported over the past 12 months, we have witnessed an increase in values of both grazing and mixed farming country in Southern New South Wales.

Typically, properties offered to the market once in a generation have attracted a premium with numerous bidders, particularly adjoining owners, keen to secure land they have always wanted to add to their existing holdings. That said, properties have also been bought and sold again in a relatively short period of time and we have looked at a sample of property sales that have traded twice within the past five years or so to gauge what the actual increase in value metrics has been during this time. Our sample has been drawn from the Southern Riverina mixed farming area and Western Riverina dryland cropping areas.

The properties analysed had been bought and resold over a relatively short period of time, anywhere from 18 months to six years. All except one of these properties indicated an annualized capital gain of between 22 per cent and 26 per cent. Interestingly, one Southern Riverina holding situated in a high rainfall grazing district south-east of Wagga Wagga demonstrated a 61 per cent capital gain in just 18 months.

Extending the timeline further, in the past ten years we have witnessed an increase in values per DSE or Cow Area of around 265 per cent overall. Similarly, dryland mixed farming country on average has increased by around 275 per cent per hectare in that time. This compares with sale prices for irrigated row crop land in the Riverina and MIA (excluding water entitlements or any permanent plantings) increasing by around 65 per cent overall in that time. From our observations these gains in value have occurred mostly since late 2019 as better seasons returned, interest rates hit and remained at historic lows, livestock prices strengthened and grains prices have remained at historically high levels over consecutive years.

Andrew Garnsey
Valuer

Central Tablelands NSW

We are seeing a continued active market with a large number of sales in February and March. These sales indicate continued strength in value levels.

Sales of note include:

1224 Newbridge Road, Newbridge Source: realestate.com.au

- Haddon Park, 1224 Newbridge Road, Newbridge (7 March 2022, $4.95 million, 244.77 hectares), being near vacant land located in a high rainfall area 12 kilometres from Blayney and showing $20,223 per hectare overall.

135 Bundaleer Road, Newbridge Source: realestate.com.au

- Rosemount, 135 Bundaleer Road, Newbridge (4 March 2022, $4 million, 243.80 hectares), also being near vacant land, located 12 kilometres from Blayney and showing $16,407 per hectare overall.

These sales demonstrate that the market is maintaining its strength in value levels as we progress further into 2022.

Craig Johnstone
Property Valuer

Mildura

Much of the buyer activity in the cropping sector has been driven by the pursuit of greater economies of scale. In some ways it is a two-edged sword, whereby to gain efficiency a farmer requires the most up to date machinery and technology, and then to justify this expense they need to be cropping larger areas. The increased

All except one of these properties indicated an annualized capital gain of between 22 per cent and 26 per cent. Interestingly, one Southern Riverina holding situated in a high rainfall grazing district south-east of Wagga Wagga demonstrated a 61 per cent capital gain in just 18 months.

RURAL

HERRON TODD WHITE RURAL

Adoption of this technology has certainly led to greater competition among landholders to purchase nearby land when it becomes available.

use and continual improvement of precision farming technology is a significant benefit to farm management decisions. The use of high technology sensor and analysis tools has been proven to reduce costs significantly whilst also increasing yields. The increased collection of real time yield data has allowed farmers to make more informed decisions about levels of grain, fertiliser and spray application to the various soil types and topography. Adoption of this technology has certainly led to greater competition among landholders to purchase nearby land when it becomes available.

In the horticultural sector, the use of remote sensing (both satellite and aerial photos) has also allowed farmers to get greater insight into the consistency of their plantings and led to changes in the way inputs of water, fertiliser etc. are applied. The cost of this technology is significant and therefore is only commonly used by larger producers at present. The benefit comes from improving the yield from the weaker areas in an orchard or vineyard and reducing overall input costs.

The number of rural sales in the Mildura region has slowed in the past six months. Agents report that there remains strong demand for cropping and grazing holdings in the area, however few properties are being offered to the market. The reduced number of listings is attributed to good returns and seasonal conditions.

Two small parcels of cropping land located close to Ouyen sold at auction in early March to nearby landholders, showing levels of approximately $2200 per hectare and $2500 per hectare respectively.

In the horticultural space the reduced activity appears to be more attributable to reduced confidence levels in some of the key industries in our region. The past 18 to 24 months have been characterised by lower returns and producers appear to be waiting to see whether revenues from export markets improve as the world returns to greater normality from the COVID pandemic.

Graeme Whyte & Shane Noonan
Directors

Darling Downs

Technology appears to be everywhere in the rural industry at the moment. Our team of valuers is seeing a variety of new tools including:

- tracking collars to develop a superior understanding of grazing habits and management techniques aimed at increasing productivity;
- drones to aid mustering, for chemical applications or even assist in crop establishment (with a recent crop of corn fully established by drone only outside of Toowoomba);
- attachments to equipment allowing two people to readily install kilometres of exclusion fencing otherwise unassisted;
- equipment attachments in the horticulture industry to allow a more efficient nut harvest including tree shakers and gathering tools; and
- automated irrigation and fertigation systems which can be used to water on a per plant or per soil type basis.

The start of the year has been busy with regard to rural property auctions and the results continue to reflect the overall economic conditions and high levels of confidence in the rural property market. Recent sales of note include:

- The Briery, Thallon sold at auction for $6.05 million for 2331 hectares reflecting approximately $2595 per hectare improved;
- Trenance, Mount Tyson sold at auction for $1.87 million for 183 hectares reflecting approximately $10,219 per hectare improved;
- Delamere, Roma sold at auction for $3.75 million for 626 hectares reflecting approximately $5990 per hectare improved;
- Tandarra, Goondiwindi sold at auction for $6.9 million for 1675 hectares reflecting approximately $4119 per hectare; and
- Parknook, Surat sold at auction for $9.1 million for 4196 hectares reflecting approximately $2169 per hectare improved.

Bart Bowen
Director

Property Market Indicators

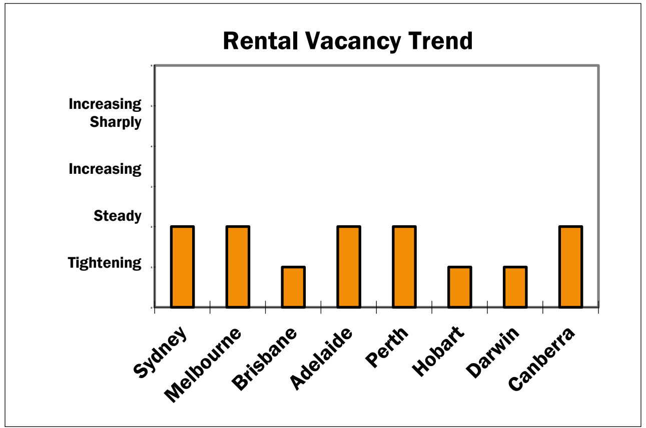
April 2022

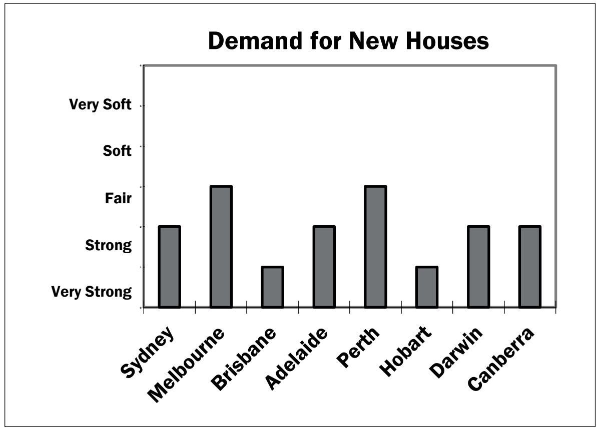
Capital City Property Market Indicators – Houses

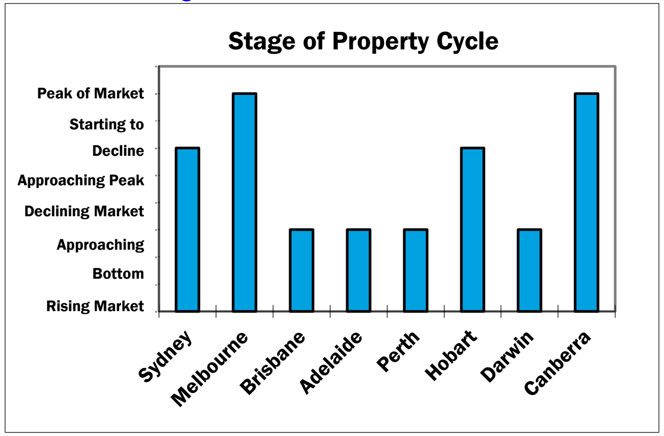
Factor	Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart	Darwin	Canberra
Rental Vacancy Situation	Shortage of available property relative to demand	Shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to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

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

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





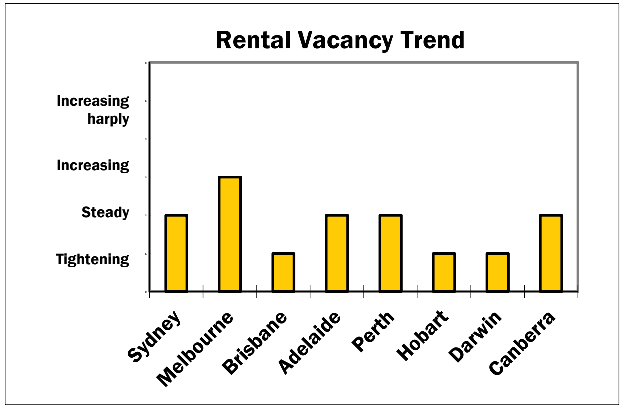


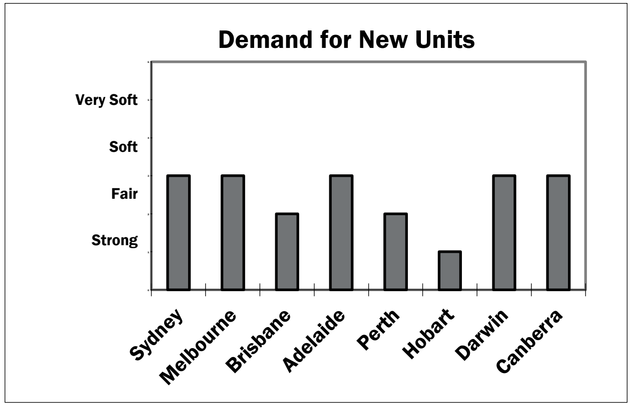
Capital City Property Market Indicators – Units

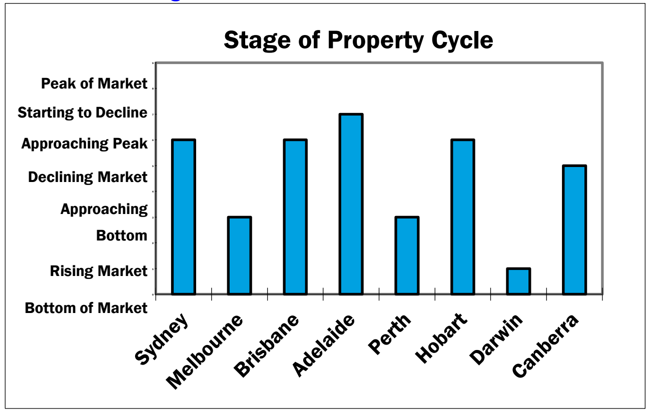
Factor	Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart	Darwin	Canberra
Rental Vacancy Situation	Balanced market	Over-supply of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand
Rental Vacancy Trend	Tightening	Steady	Tightening sharply	Tightening	Tightening	Tightening sharply	Tightening sharply	Tightening
Demand for New Units	Fair	Fair	Strong	Fair	Strong	Very strong	Fair	Fair
Trend in New Unit Construction	Steady	Steady	Declining	Steady	Declining	Declining significantly	Declining	Declining
Volume of Unit Sales	Increasing	Declining significantly	Increasing strongly	Steady	Increasing	Increasing strongly	Increasing	Steady
Stage of Property Cycle	Approaching peak of market	Rising market	Rising market	Rising market	Rising market	Approaching peak of market	Start of recovery	Declining market
Are New Properties Sold at Prices Exceeding Their Potential Resale Value	Frequently	Almost never	Occasionally	Occasionally	Occasionally	Very frequently	Almost never	Occasionally

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

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



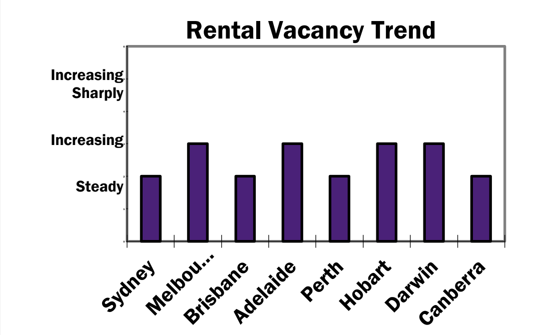


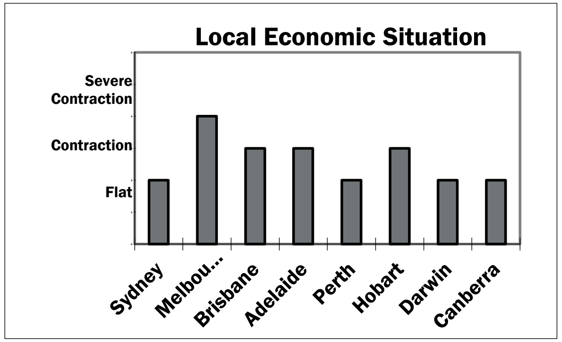


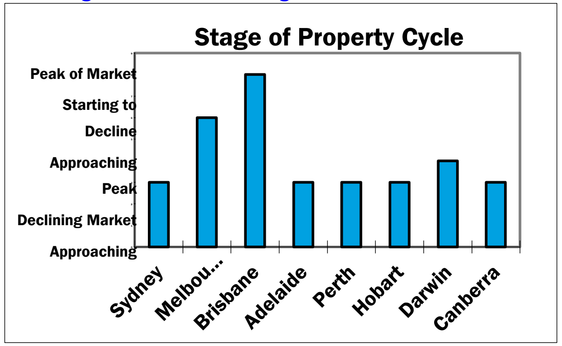
Capital City Property Market Indicators – **Industrial**

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

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





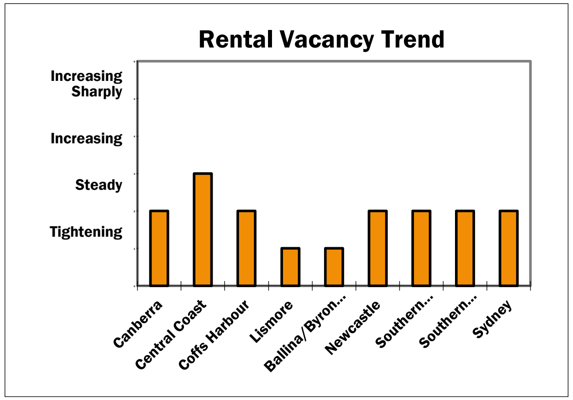


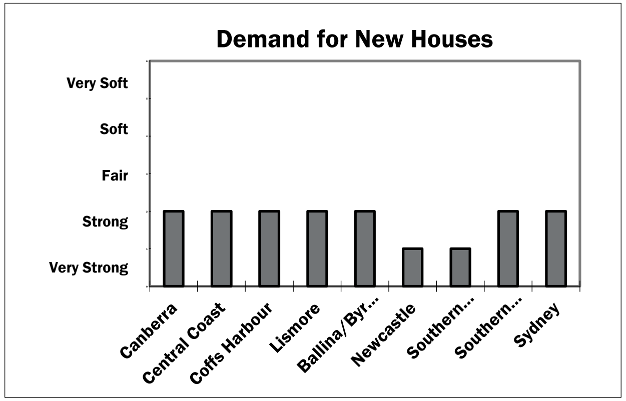
East Coast New South Wales Property Market Indicators – Houses

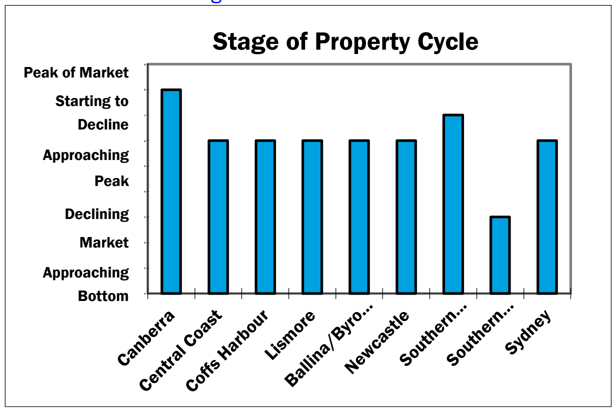
Factor	Canberra	Central Coast	Coffs Harbour	Lismore	Byron Bay/Ballina	Newcastle	Southern Highlands	Southern Tablelands	Sydney
Rental Vacancy Situation	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand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

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

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



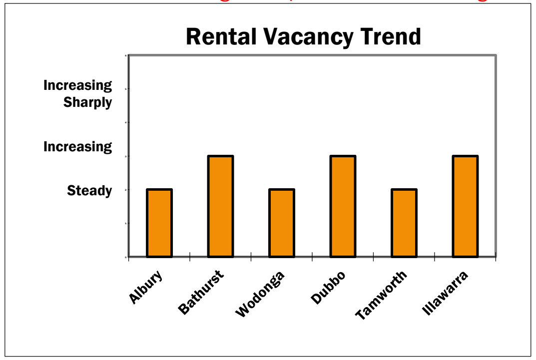


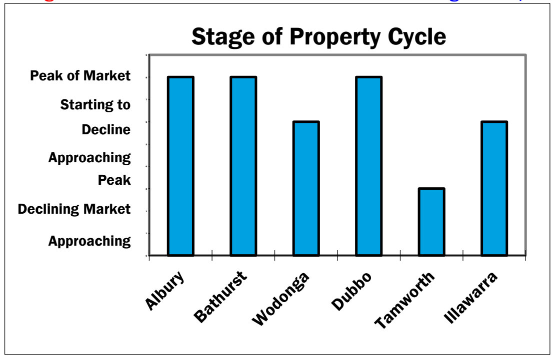


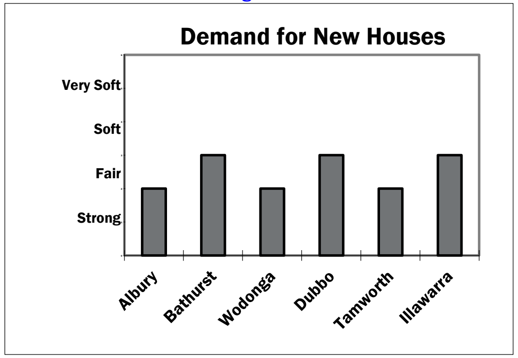
Country New South Wales Property Market Indicators – Houses

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

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





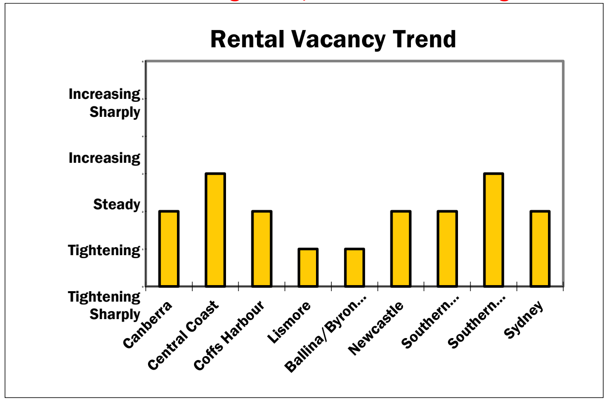


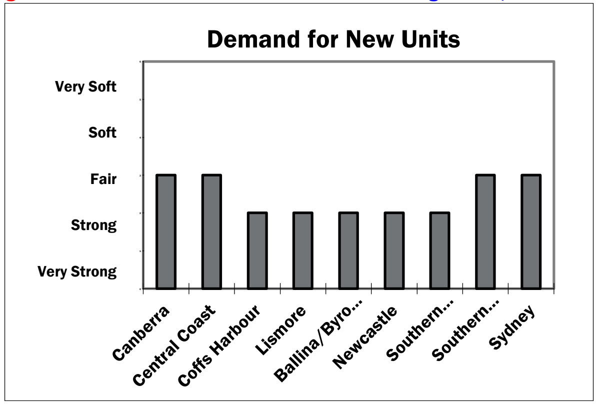
East Coast New South Wales Property Market Indicators - Units

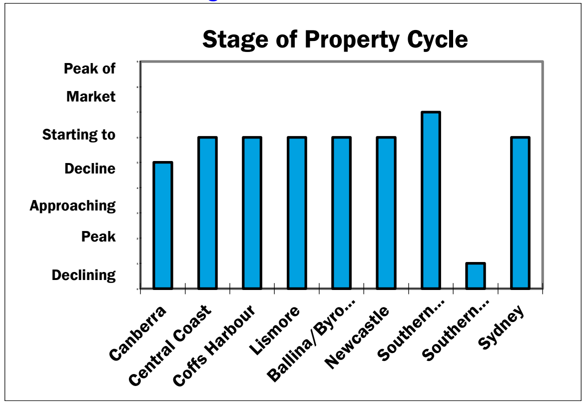
Factor	Canberra	Central Coast	Coffs Harbour	Lismore	Byron Bay/Ballina	Newcastle	Southern Highlands	Southern Tablelands	Sydney
Rental Vacancy Situation	Shortage of available property relative to demand	Severe shortage of available property relative to demand	Shortage of available property relative to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

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

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





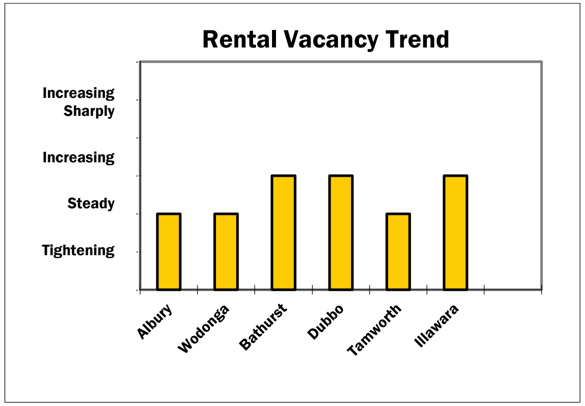


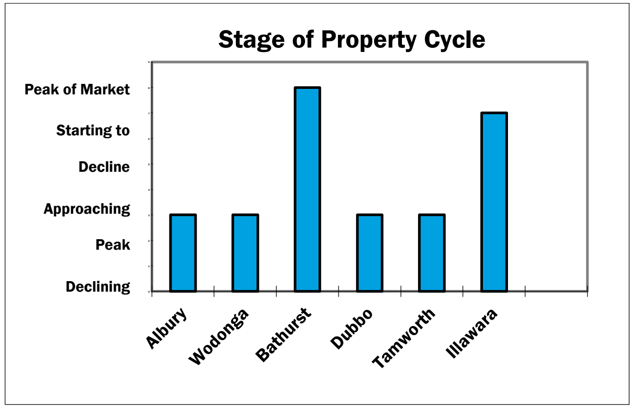
Country New South Wales Property Market Indicators - Units

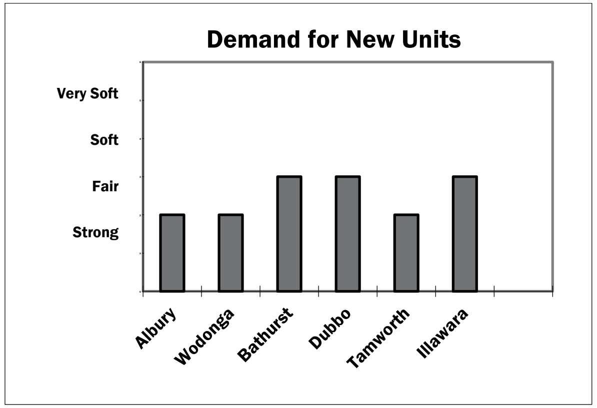
Factor	Albury	Wodonga	Bathurst	Dubbo	Tamworth	Illawarra
Rental Vacancy Situation	Shortage of available property relative to demand	Shortage of available property relative to demand	Balanced market	Balanced market	Shortage of available property relative to demand	Balanced market
Rental Vacancy Trend	Tightening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

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

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



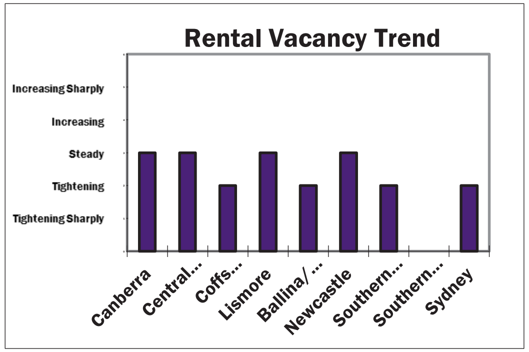


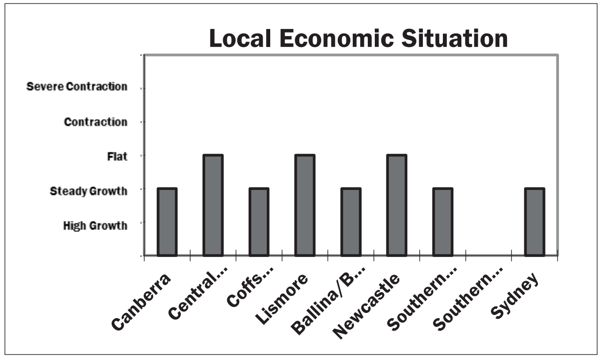


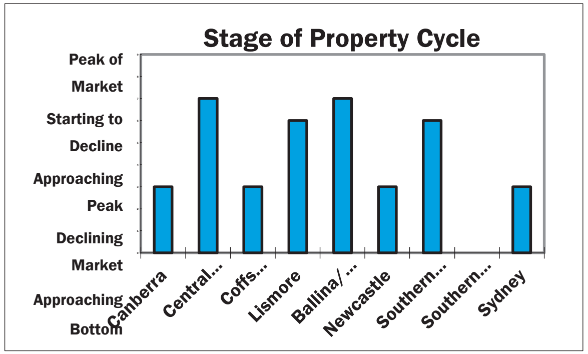
East Coast & Country New South Wales Property Market Indicators – Industrial

Factor	Canberra	Central Coast	Coffs Harbour	Lismore	Ballina/Byron Bay	Newcastle	Southern Highlands	Sydney
Rental Vacancy Situation	Shortage of available property relative to demand	Balanced market	Balanced market	Shortage of available property relative to demand	Severe shortage of available property relative to demand	Balanced market	Balanced market	Shortage of available property relative to demand
Rental Vacancy Trend	Tightening	Steady	Tightening	Steady	Tightening	Steady	Tightening	Tightening
Rental Rate Trend	Increasing	Stable	Increasing	Increasing	Increasing	Increasing	Increasing	Stable
Volume of Property Sales	Increasing	Declining	Steady	Steady	Increasing	Steady	Increasing	Steady
Stage of Property Cycle	Rising market	Starting to decline	Rising market	Approaching peak of market	Approaching peak of market	Rising market	Approaching peak of market	Rising market
Local Economic Situation	Steady growth	Flat	Steady growth	Flat	Flat	Flat	Steady growth	Steady growth
Value Difference between Quality Properties with National Tenants, and Comparable Properties with Local Tenants	Small	Significant	Significant	Small	Small	Small	Significant	Small

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





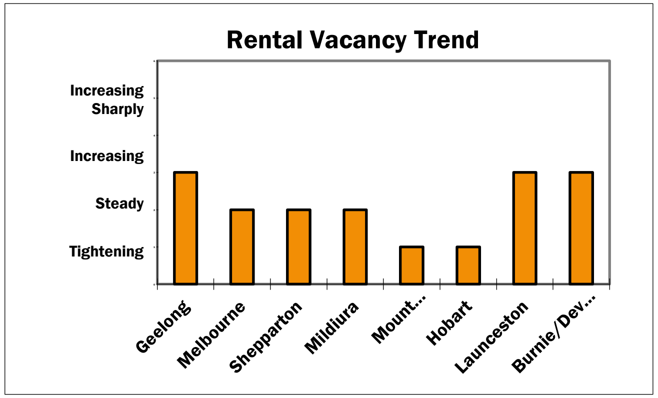


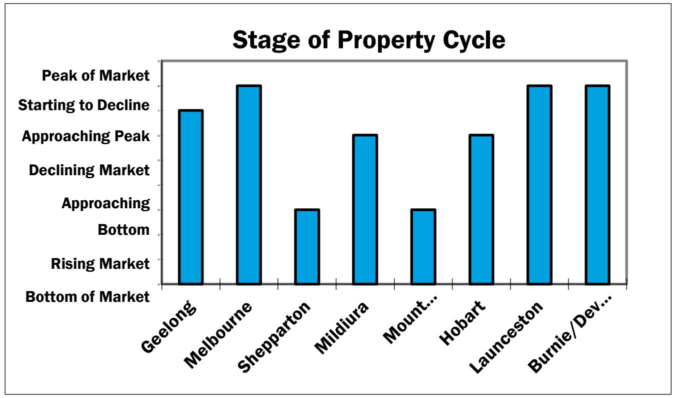
Victorian and Tasmanian Property Market Indicators – Houses

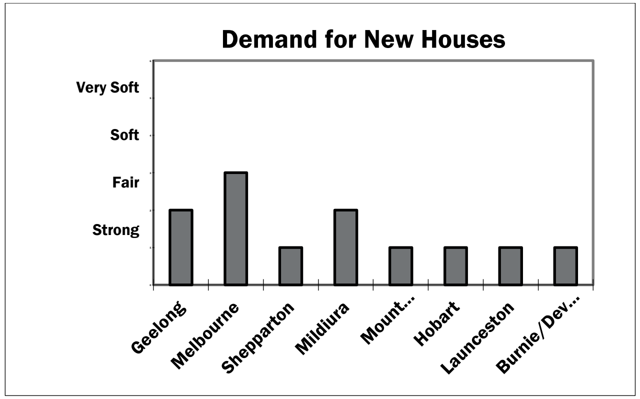
Factor	Geelong	Melbourne	Shepparton	Mildura	Mount Gambier	Hobart	Burnine/ Devenport	Launceston
Rental Vacancy Situation	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property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

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

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





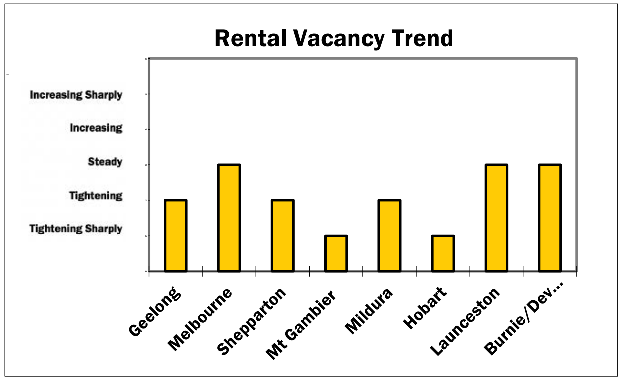


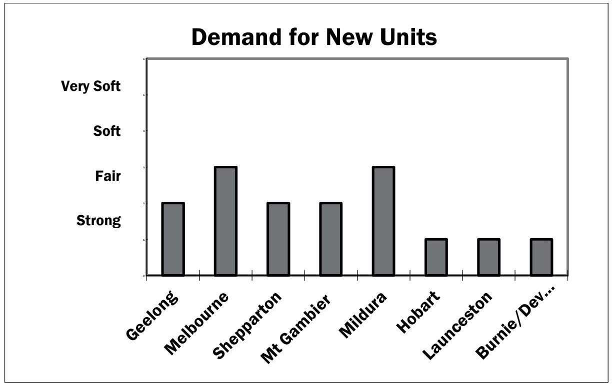
Victorian and Tasmanian Property Market Indicators – Units

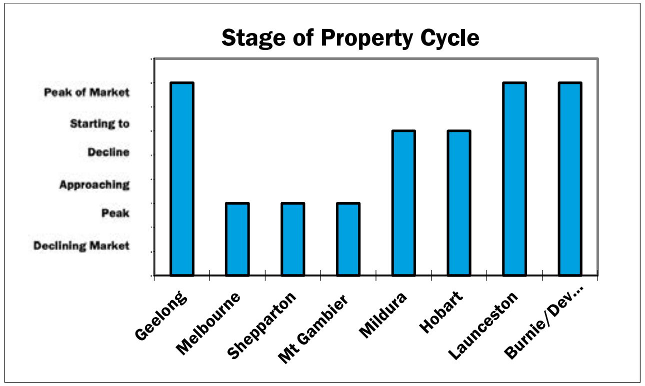
Factor	Geelong	Melbourne	Shepparton	Mount Gambier	Mildura	Hobart	Launceston	Burnie/Develport
Rental Vacancy Situation	Shortage of available property relative to demand	Over-supply of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Shortage of available property relative to demand	Severe shortage of available property relative to demand	Balanced market	Balanced market
Rental Vacancy Trend	Tightening	Steady	Tightening	Tightening sharply	Tightening	Tightening sharply	Steady	Steady
Demand for New Units	Very strong	Fair	Strong	Strong	Fair	Very strong	Very strong	Very strong
Trend in New Unit Construction	Declining significant-ly	Steady	Steady	Steady	Steady	Declining significant-ly	Declining significant-ly	Declining
Volume of Unit Sales	Increasing	Declining significantly	Increasing	Increasing	Steady	Increasing strongly	Declining	Steady
Stage of Property Cycle	Approaching peak of market	Rising market	Rising market	Rising market	Approaching peak of market	Approaching peak of market	Peak of market	Peak of market
Are New Properties Sold at Prices Exceeding Their Potential Resale Value	Occasionally	Almost never	Almost never	Occasionally	Almost never	Almost always	Frequently	Occasionally

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

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





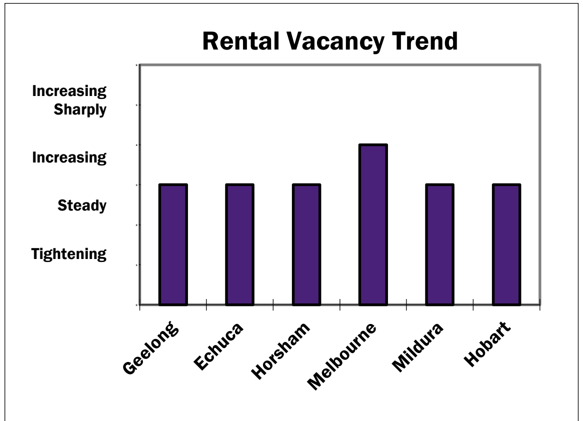


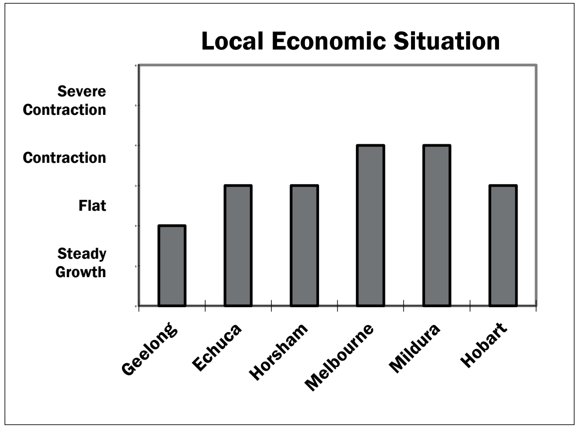
Victorian and Tasmanian Property Market Indicators – Industrial

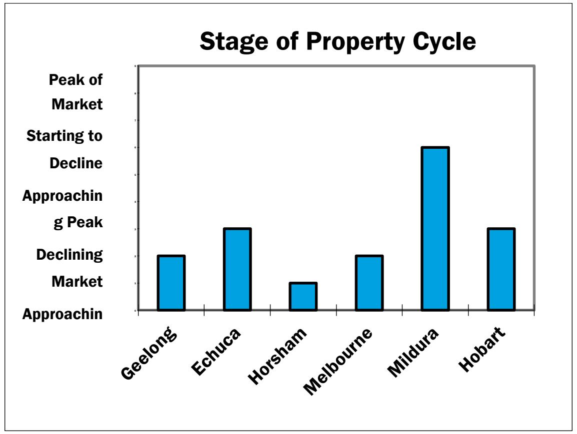
Factor	Geelong	Echuca	Horsham	Melbourne	Mildura	Hobart
Rental Vacancy Situation	Balanced market	Balanced market	Over-supply of available property relative to demand	Balanced market	Balanced market	Over-supply of available property relative to demand
Rental Vacancy Trend	Steady	Steady	Steady	Steady	Steady	Steady
Rental Rate Trend	Stable	Stable	Stable	Increasing	Stable	Stable
Volume of Property Sales	Steady	Steady	Steady	Steady	Steady	Declining
Stage of Property Cycle	Rising market	Rising market	Start of recovery	Approaching peak of market	Start of recovery	Rising market
Local Economic Situation	Steady growth	Flat	Flat	Contraction	Steady growth	Flat
Value Difference between Quality Properties with National Tenants, and Comparable Properties with Local Tenants	Significant	Small	Significant	Significant	Small	Significant

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

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





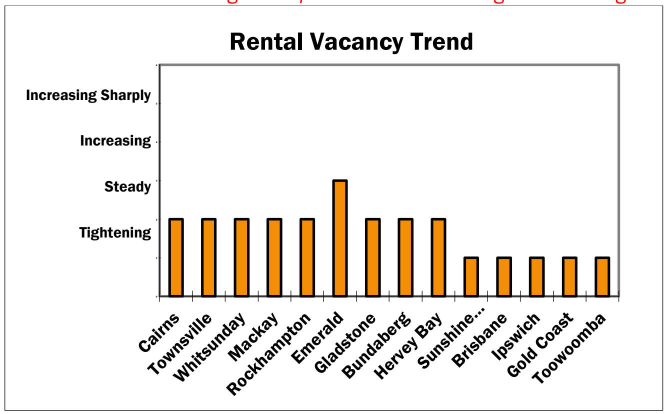


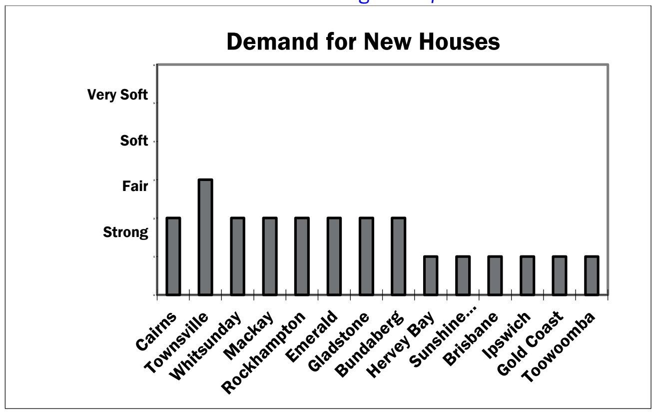
Queensland Property Market Indicators – Houses

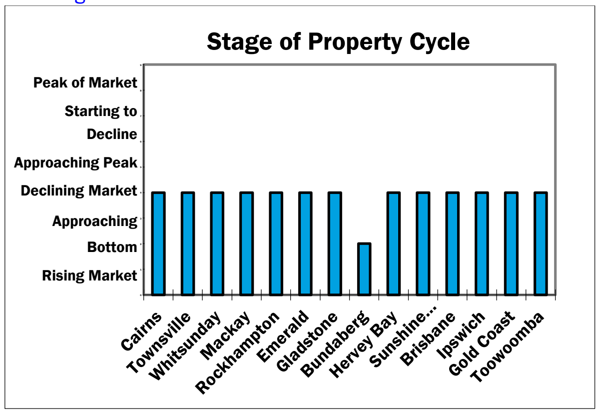
Factor	Cairns	Townsville	Whitsunday	Mackay	Rockhampton	Emerald	Gladstone	Bundaberg	Hervey Bay	Sunshine Coast	Brisbane	Ipswich	Gold Coast	Toowoomba
Rental Vacancy Situation	Shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage of available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

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

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





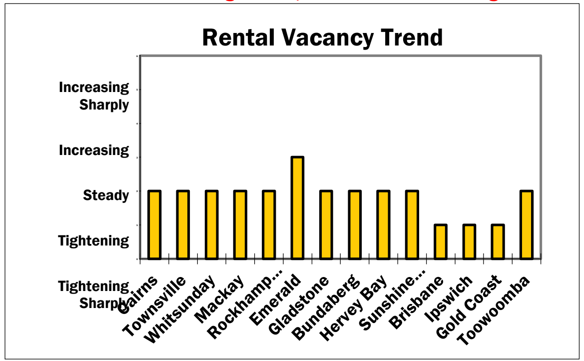


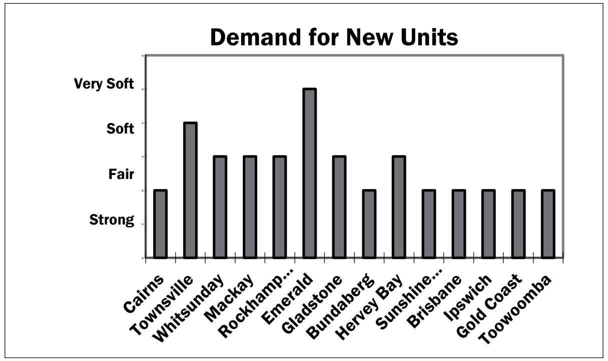
Queensland Property Market Indicators – Units

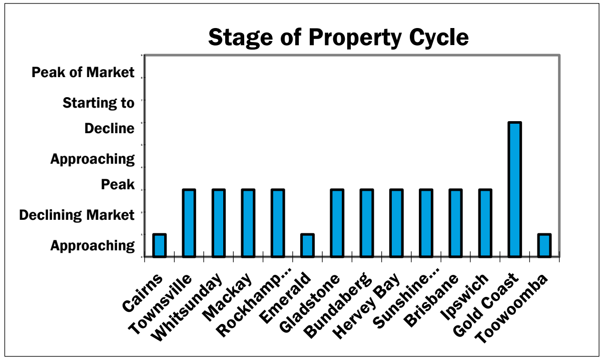
Factor	Cairns	Townsville	Whitsunday	Mackay	Rock-hampton	Emerald	Gladstone	Bundaberg	Hervey Bay	Sunshine Coast	Brisbane	Ipswich	Gold Coast	Toowoomba
Rental Vacancy Situation	Shortage of available property relative to demand	Severe shortage of available property relative to demand	Shortage of available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

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

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





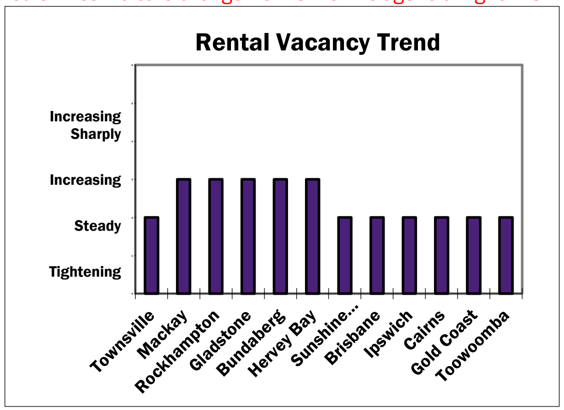


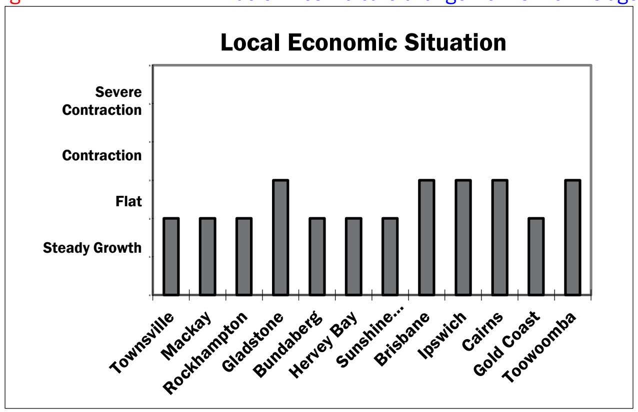
Queensland Property Market Indicators – Industrial

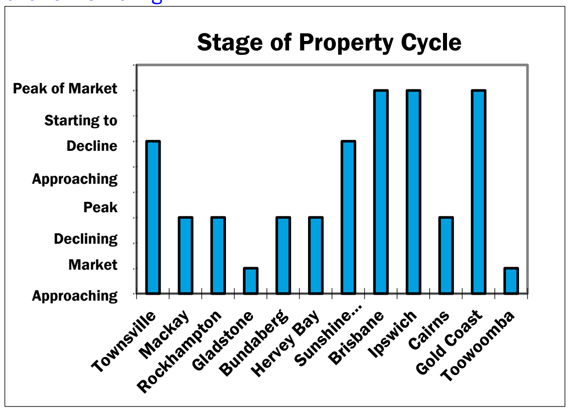
Factor	Townsville	Mackay	Rockhampton	Gladstone	Bundaberg	Hervey Bay	Sunshine Coast	Brisbane	Ipswich	Cairns	Gold Coast	Toowoomba
Rental Vacancy Situation	Balanced market	Balanced market	Balanced market	Balanced market	Shortage of available property relative to demand	Shortage of available property relative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

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

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





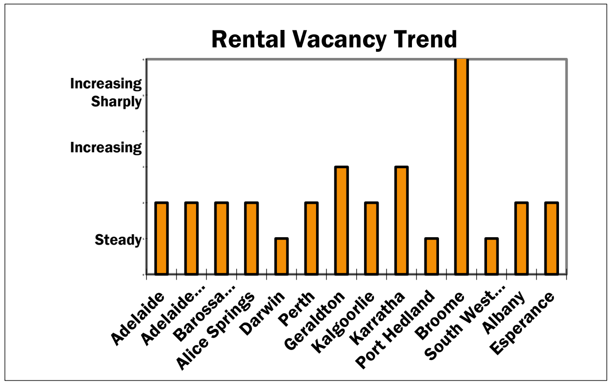


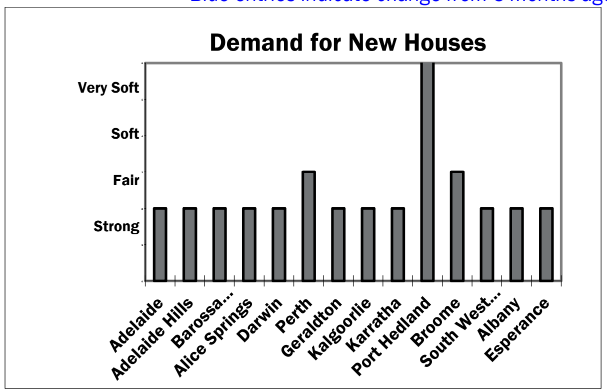
SA, NT and WA Property Market Indicators - Houses

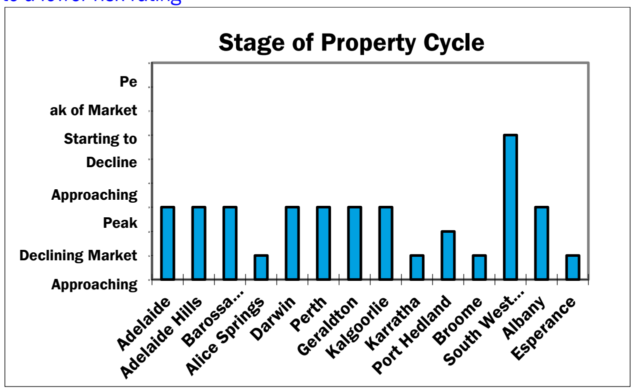
Factor	Adelaide	Adelaide Hills	Barossa Valley	Alice Springs	Darwin	Perth	Geraldton	Kalgoorlie	Karratha	Port Hedland	Broome	South West WA	Albany	Esperance
Rental Vacancy Situation	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand	Severe shortage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

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

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





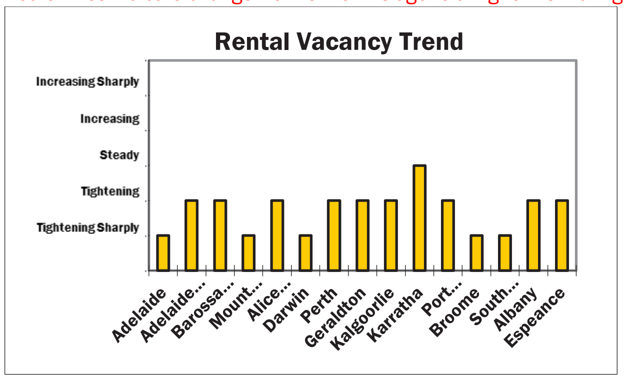


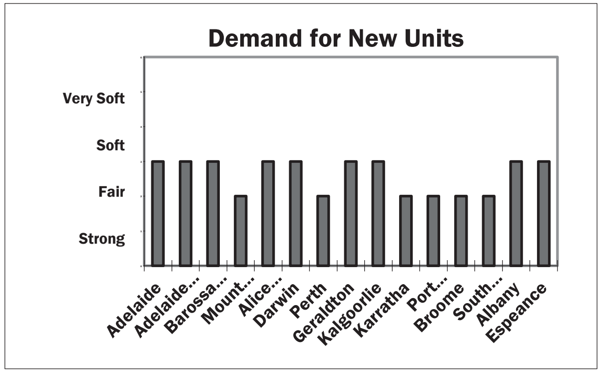
SA, NT and WA Property Market Indicators – Units

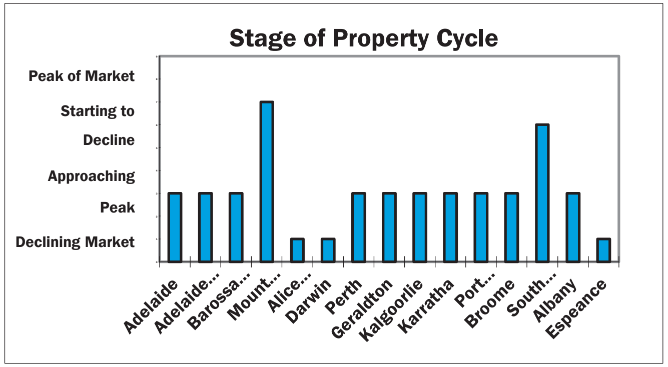
Factor	Adelaide	Adelaide Hills	Barossa Valley	Mount Gambier	Alice Springs	Darwin	Perth	Geraldton	Kalgoorlie	Karratha	Port Hedland	Broome	South West WA	Albany	Esperance
Rental Vacancy Situation	Severe shortage of available property relative to demand	Severe shortage of available property relative to demand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

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

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





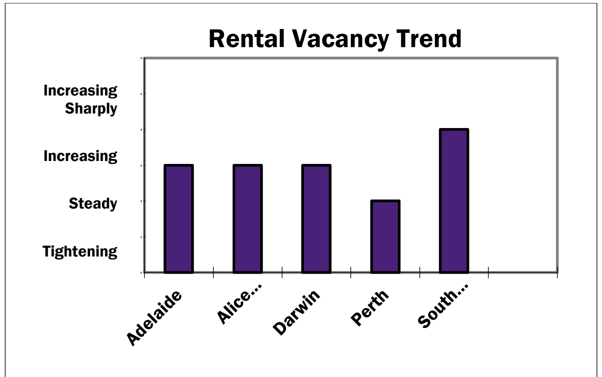


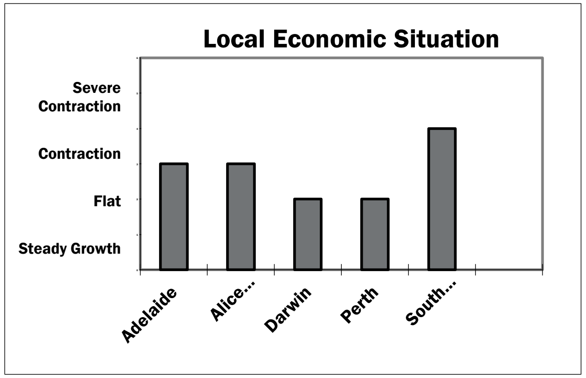
SA, NT and WA Property Market Indicators – Industrial

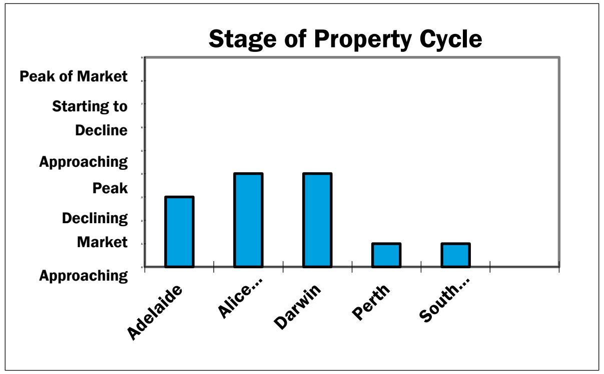
Factor	Adelaide	Alice Springs	Darwin	Perth	South West WA
Rental Vacancy Situation	Balanced market	Over-supply of available property relative to demand	Over-supply of available property relative to demand	Balanced market	Over-supply of available property relative to demand
Rental Vacancy Trend	Steady	Steady	Steady	Tightening	Increasing
Rental Rate Trend	Stable	Stable	Stable	Increasing	Declining
Volume of Property Sales	Steady	Steady	Steady	Declining	Steady
Stage of Property Cycle	Rising market	Approaching bottom of market	Approaching bottom of market	Rising market	Approaching bottom of market
Local Economic Situation	Flat	Flat	Steady growth	Steady growth	Contraction
Value Difference between Quality Properties with National Tenants, and Comparable Properties with Local Tenants	Significant	Small	Significant	Large	Large

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

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







Local expertise.
National strength.
Trusted solutions.

Herron Todd White is Australia's leading independent property valuation and advisory group. For more than 50 years, we've helped our customers make the most of their property assets by providing sound valuations and insightful analytical advice.

With offices in every capital city, most regional centres and right across rural Australia, we are where you are. Our valuers work in the property market every day, providing professional services for all classes of property including commercial, industrial, retail, rural and residential.

Herron Todd White is Australian owned and operated. With directors who are owners in the business, our team has a personal stake in providing you with the best service possible.

Liability limited by a scheme approved under Professional Standards Legislation.

TALK TO YOUR LOCAL EXPERT

Commercial

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

Residential

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

Rural

NT	Frank.Peacocke@htw.com.au
SA	Graeme.Whyte@htw.com.au
QLD	Will.McLay@htw.com.au
ACT	Scott.Fuller@htw.com.au
VIC	Graeme.Whyte@htw.com.au
WA	David.Abel@htw.com.au
NSW	Angus.Ross@htw.com.au
TAS	Graeme.Whyte@htw.com.au

HERRON TODD WHITE

Telephone 1300 880 489
admin@htw.com.au
htw.com.au