HERRON TODD WHITE RESIDENTIAL

Residential

March 2020

National Property Clock: Houses

Entries coloured orange indicate positional change from last month.

Albury
Bathurst
Canberra
Dubbo
Tamworth

Wodonga

Kalgoorlie

Broome
Geraldton

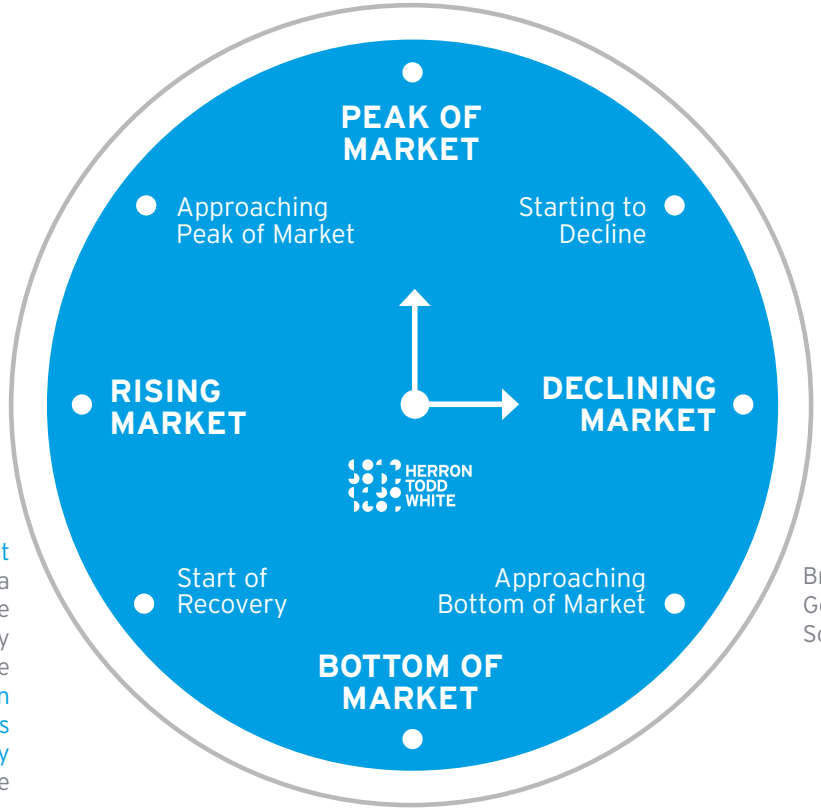
Alice Springs
Central Coast
Darwin
Ipswich
Perth
Southern Tablenads
Toowoomba

Burnie/Devenport
Emerald
Gold Coast
Hervey Bay
Hobart
Karratha
Launceston
Launceston
Mildura
Mount Gampier
Rockhampton
Shepparton
Sunshine Coast
Sydney

Adelaide
Adelaide Hills
Ballina/Byron Bay
Barossa Valley
Brisbane
Bundaberg
Cairns
Coffs Harbour
Geelong
Gladstone
Illawarra
Lismore
Mackay
Melbourne
Port Hedland
Southern Highlands
Townsville
Whitsunday

National Property Clock: Units

Entries coloured blue indicate positional change from last month.



Bathurst
Central Coast
Tamworth

Burnie/Devenport
Dubbo
Hervey Bay
Hobart
Karratha
Launceston

Mildura
Mount Gambier
Port Hedland
Rockhampton
Sunshine Coast

Canberra
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Geelong
Gladstone

Gold Coast
Illawarra
Lismore
Mackay
Melbourne
Shepparton
Southern Highlands
Sydney
Townsville

Broome
Geraldton
South West WA

Alice Springs
Brisbane
Darwin

Ipswich
Southern Tableands
Toowoomba

Whitsunday

HERRON TODD WHITE RESIDENTIAL

New South Wales

Overview

Markets morph and if you fail to stay up to date, you're at risk of being left behind.

Of course, one of the prime movers of prices is home buyers and what they desire from their properties. If you can cater to their wants, they'll beat a path to your door.

The thing to watch closely is location because buyer types vary by geography. The best way to understand who is looking for a home in your area of interest – and how that demographic might be changing – is to seek the opinion of a local independent expert.

Fortunately, that's our stock in trade.

Sydney

Metropolitan Sydney continues to change and adapt to accommodate an ever-increasing population.

Over the past five to ten years in particular, we have seen shifts in demand for various styles of housing driven by different sectors of the market. In general, there has been a trend towards smaller, low maintenance property both in terms of improvements and land size. This shift has largely been driven by two markets from the opposite ends of the spectrum. Young professionals or new families tend to gravitate towards low maintenance property to allow more time to focus on building careers, fostering a young family and in many instances, a combination of both. At the other end of the spectrum, empty nesters who are either retired or approaching retirement have moved towards this style of living to allow for a simpler life and more time to reap the benefits of their hard work. Broadly speaking, low maintenance property for these two sectors of the market include residential units, duplexes, townhouses, over 55s developments and either compact detached or semi-detached dwellings on sub 450 square metre allotments. There has been a strong focus on new unit developments along existing transport corridors, with high density housing often replacing ageing, rundown and unused commercial or industrial property.

Another driver of shifting demographics and changes to buying patterns is flexible workplaces and improved technology.

Another driver of shifting demographics and changes to buying patterns is flexible workplaces and improved technology. This is allowing for more and more professions to incorporate working from home, either on a full or part time basis.

The Blue Mountains for example continues to attract families and professionals from the Sydney basin. With large family dwellings and large garden blocks available for the cost of a unit in many areas, people are relocating to get more bang for their buck and take advantage of flexible working arrangements. In some instances, people are relocating further afield to larger regional towns such as Bathurst or Orange.

Sydney provides such a diverse market, with many differing buyer profiles, sub markets and constantly changing demographics. There are so many examples of changing trends in the property market that we have decided to focus on two main areas to bring this to light. We have headed south of the harbour to the Sutherland Shire for our first case study. It only feels right that we give the north side of the harbour the right of reply, so it is off to the Northern Beaches or the insular peninsula as those who live outside it like to call it!

The Shire

The Sutherland Shire is located approximately 20 kilometres south of Sydney CBD and covers a large area from Waterfall, Menai and Sylvania to Cronulla and Kurnell, and includes approximately 218,000 residents (2016 census). Most residential construction throughout the Shire took place from circa 1950s onwards and included traditional three- and four-bedroom fibrous cement and brick veneer dwellings on standard allotments of at least 500 to 600 square metres. These properties were the main style of construction throughout the Shire and were family homes. Higher density construction commenced around the 1960s and 1970s, mostly around Cronulla and along the train line.

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This is particularly evident in the suburb of Caringbah which is generally divided into Caringbah South, Lilli Pilli and Dolans Bay on the southern side of the peninsular and the northern part of Caringbah which adjoins the suburb of Taren Point further north. This suburb once consisted of traditional style family homes on above average sized allotments however due to the aforementioned reasons it now comprises varying examples of developments ranging from high density developments along the transport corridors, medium density townhouse style properties, duplexes and also seniors housing which are generally reserved for residents who are over 55 years of age.


Source: realestate.com.au

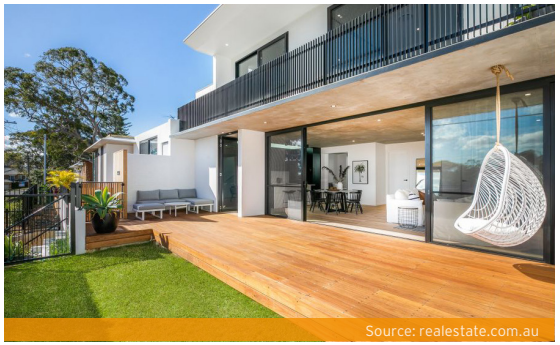
307/316 Taren Point Road, Caringbah - Apartment

- Sold for $570,000 on 06 December 2019
- Includes one bedroom, one bathroom and a single car space.


Source: realestate.com.au

607/22 Banksia Road, Caringbah - Apartment

- Sold for $1.18 million on 26 November 2019
- Includes three bedrooms, three bathrooms and a double car space.
- Split over two levels and benefits from city views.


Source: realestate.com.au

2/9 Alice Street, Caringbah South - Townhouse

- Sold for $1.4 million on 09 September 2019
- Includes four bedrooms, three bathrooms and a triple car space.

Development throughout Caringbah has been somewhat assisted by the above average land sizes that allow for duplex and townhouse style developments. Many of the baby boomers have sold their large, older properties to younger generations and young families which is also encouraging new non-residential development such as cafes, restaurants, hotels, pubs and the overall changing demographic of the area.

The current low interest rate environment and overall positive market sentiment is likely to fuel continued construction and renovation, particularly in the first half of 2020.

The Beaches

First Home Buyers and Investors: Dee Why has a high saturation of the young workforce (age 25 to 34) at 21.1 percent when benchmarked against the Northern Beaches LGA at 11.7 percent (abs.gov.au). The suburb has one of the lowest median unit values at $750,000 (RPData) which appeals to these entry level markets.

Family: Realestate.com.au recently reported that for the first time ever, more people from outside the Northern Beaches are searching for property than within. Avalon has become a big benefactor of the strong market conditions with more properties sold in 2019 than any other suburb on the beaches. We are seeing a huge influx of younger families migrating from the eastern suburbs and inner west which is really reshaping the suburb's profile. It will be interesting to compare the 2021 census data against the 2016 data to quantify this demographic change.

Downsizers: The market is a combination of local empty nesters looking to remain in the area in addition to downsizers from the wider Sydney region looking for a sea-change. Strong saturation areas of individuals over 50 include Scotland Island and Church Point at 52.8 percent and Mona Vale at 43.1 percent in comparison to the Northern Beaches LGA at 35 percent (abs.gov.au). Over 55s developments perform strongly on the Northern Beaches with Terrey Hills seeing several over 55s developments such as Akuna performing well. For more localised options, ground floor apartments outperform their counterparts. 2/10 Lagoon Street, Narrabeen had a price guide of $900,000 to $950,000 and subsequently sold for $1.23 million on 11 February 2020. It is ideally situated in the heart of Narrabeen, providing a single level floor-plan, courtyard and two secured car spaces, ticking all the boxes for a downsizer.

2/10 Lagoon Street, Narrabeen Source: Rpdata.com.au

There is still a gap in the market for single person accommodation. Developers have made several applications for boarding house style accommodation in Manly, Beacon Hill, Allambie Heights and Frenchs Forest. Several have been rejected by Council due to local concerns of congestion and over-crowding, however after an on-going legal battle, one has recently been approved through the Land and Environment Court, which will likely set precedence for future submissions.

Lismore/Casino/Kyogle

"What is real?" asked Dolores somewhat quizzically.

"That which is considered irreplaceable" Bernard surmised as he glanced down pensively (West World, Season 2).

For many, the drive to acquire real estate is simply that... irreplaceable. Whether it be a first home buyer renting a house starved of memories and yearning for a house to finally become their home, a growing family brood seeking an upgrade to a larger home with a long backyard in a new residential estate and hopefully a pool to boot or an investor scouring the region for real estate product that is going to provide a healthy yield and possibly some capital gain. All have a common goal...they want to move on.

Residential real estate in the Lismore City, Richmond Valley and Kyogle Shire Council areas comprises an eclectic mix with no particular group dominating the real estate scene. If anything, the upgraders may have the edge. With the influx of new residential estates opening up in the past few years and more expected on the horizon (Eastwood Real Estate – Goonellabah and the North Lismore Plateau), there is plenty of work available for builders and trades as the upgrader looks to acquire a new parcel of land and construct their dream home. There have been changes though. The lots are somewhat smaller and the houses somewhat larger with the traditional backyard becoming more of a past luxury.

There is also the emerging trend in these parts whereby the first home buyer is willing to buck the trend and go for the end goal. That is to say, skip the tradition of working up to the dream home and acquire the end goal in the first step! This can be fraught with danger. Purchasing a vacant parcel of land for say, $220,000, building a new modern four-bedroom, two-bathroom home with double garage and the usual suspects for ancillary improvements (driveway, turf, paths, landscaping), the total outlay could easily blow out to $550,000 plus in Lismore City or around $450,000 plus in Casino or Kyogle.

Does this sound unsettling? Yes, to a point, but when you consider the challenges met by the first home buyer in the major metropolitan centres of Sydney, Melbourne and Brisbane, that $550,000 would not go far, so providing the first home buyer ticks all the boxes for the lender, then it is something worth considering. A tempting ploy whilst the interest rate levels are at record lows.

So, what are these particular groups of real estate owners looking for?

Investor – Considering that leaving money in the bank at record low saving deposit rates has as much appeal as the muted applause of an Oscar nomination for a Transformers movie, the investor is seeking decent return on their capital outlay. In this regard, duplex pairs or blocks of units are particularly interesting. As always, location is a key factor - close to the CBD or close to town services such as shopping, schools and work etc. For example, 11 Anstey Street, Girards Hill NSW 2480 sold for $910,000 on 02 September 2019 with an estimated gross yield of 7.5 percent or net

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yield of 5.5 percent after allowing for outgoings. Not bad.

First Home Buyer – Initially, the majority of this group is price conscious, however some are setting their sights higher for the new build product. Lenders are currently trying to woo this group into action, particularly with the low interest rates and concessions still available. In New South Wales, as at July 2018, the first home owner's grant currently gives eligible first home owners $10,000 to purchase a new home of up to $600,000 or to build a new home up to $750,000. The current grant applies to contracts dated after 1 January 2016. Currently, as part of the First Home Buyer's Assistance Scheme, first home buyers in New South Wales don't have to pay stamp duty on homes valued up to $650,000. If the home is valued between $650,000 and $800,000 a concessional rate is applied.

Upgrader – Naturally, as the family grows, so does the need for the floor space to expand. As stated earlier, the new residential estates popping up in the suburb of Goonellabah give rise to such opportunities for the upgrader to have some input into the house design that suits their wants and needs. In areas such as Casino and Kyogle, there is limited land for new release, hence any upgrader is looking to the renovated or large, established house within close proximity to the CBD or even in the one of the rural residential estates dotted around the area. Most of the vacant lots in these rural residential estates have already been snapped up. For example, the popular Verulam Ridge Rural Residential Estate in Spring Grove is approximately ten kilometres north-east of Casino and nearly all of the 19 lots were sold or placed under contract within 12 months.

Downsizer – Not content with a budget two-bedroom, original residential unit with a carport, we are now seeing a more refined real estate product where an executive style townhouse or detached modern duplex offers similar features to a new build home on a standard residential allotment, but for a smaller site, lower price and less maintenance hassles, i.e. less or no lawn to mow or even artificial grass! Even first home buyers are showing interest! One example is the line of executive style, three-bedroom, two-bathroom attached townhouses in Ida Place, Goonellabah which have sold relatively quickly for sale prices above $450,000.

In summary, there is something for everyone in the Lismore City, Richmond Valley and Kyogle residential areas. It just depends on what's your flavor.

Clarence Valley

The Clarence Valley property market consists of various types of home owners with no tangible typical purchaser. Probably the most obvious is the retiree market drawn to the region by its natural features. With Yamba's relaxed beachside feel and Maclean and Grafton's relatively low cost of living, it's clear why most localities appeal to the downsizer market. On the other hand, first home buyers and renovators continue to have a prominent presence with properties sub $500,000 typically reporting shorter selling periods. Certainly both groups and their subgroups have a vast array of options and look likely not to be pushed out by investors in the near future.

Coffs Harbour

We're not sure we can stereotype or pigeon hole the buyer profile or type of product each market sector is looking for in the Coffs Harbour region. As a small regional coastal town, we see a great mix of buyers and property types available for sale with lifestyle benefits being at the top of the list. Location to beaches is always a draw card. Ease of access to services such as schools, medical, shopping and public transport is also important.

The first home buyer is generally categorised by the amount of money able to be borrowed, typically up to the $500,000 market. Generally, this product is the older style unit close to the beach or modest single 20 to 40 year old single home in the suburbs.

PARK BEACH PRICE POINTS

Older units:
$200,000 to $300,000

New townhouses:
$360,000 to $500,000

Older homes:
$400,000 to $500,000

Park Beach, approximately four to five kilometres north-east of the Coffs Harbour CBD is ideal for the first home buyer. This area was established in the 1970s and 1980s with modest low rise holiday and unit accommodation buildings and several single residential homes scattered throughout. Along the esplanade (Ocean Parade), higher density development has taken place with medium rise unit buildings. The landmark tavern known as the Hoey Moey and Park Beach caravan park sees this area as a popular tourist location.

The advantage of this locality is the beachside position with major shopping facilities such as the Park Beach Shopping and Home Base centres. Most units are on offer at very affordable average prices of $200,000 to $300,000 (older stock), new

There is no real congregation of one buyer type to one area, more so a mix of all types scattered throughout the region.

townhouses at $360,000 to $500,000, and older homes at $400,000 to $500,000 (limited supply).

The more suburban areas of Bomabee East, Toormina and Coffs Harbour (west) have seen good growth over recent years suited to the first home buyer, investor or downsizer due to the pricing with duplex or villa units and smaller single homes still available between $325,000 and $500,000. These areas are well located close to the Pacific Highway for access north and south and are also located within two to four kilometres of beaches and a major shopping precinct.

Southern townships such as Macksville and Nambucca Heads are also worth looking at. These areas have come into play with the Pacific Highway upgrades now being completed for some time which has reduced travel time significantly to Coffs Harbour.

Nambucca Heads (47 kilometres or a 30 minute drive) median price for a three-bedroom home is very affordable at $385,000 with Macksville (57 kilometres or a 40 minute drive) seeing the same three-bedroom home at $367,500. Plenty of good options for the first home buyer or budget conscious buyer.

To the north of Coffs Harbour, suburbs which are similarly affordable with good prospects for long term growth are Corindi Beach (ten kilometres north of Woolgoolga, 37 kilometres or 25 minutes from Coffs Harbour) and Sandy Beach, two kilometres south of Woolgoolga. Both of these areas are close to the beach and have benefited from the highway upgrade and are seen as the cheaper of the beachside localities.

Moving into the upgrader and family sector, we have seen increased activity for land purchase and construction within the newer estates such as North Sapphire Beach, Sandy Beach Estate, Woolgoolga (Woppie) Estate, Emerald Beach, Elements Estate plus several other smaller infill estates at Coffs Harbour. Typically, these areas provide good access to beach and major facilities with starting prices at $550,000 ranging in excess of $1 million for the more upmarket estate of North Sapphire Beach. It is interesting to note that we are seeing larger homes being constructed on smaller sites with a noticeable decrease in the usable land area. Seemingly families are prepared to accept the tradeoff between new home versus land size. Is this a reflection of the busier lifestyles we are leading or the result of developers trying to maximize profits whilst trying to convince us we need less land?

There is no real congregation of one buyer type to one area, more so a mix of all types scattered throughout the region. What we buy is a direct result of what we can afford. Whether it be the green change or the sea change, the growing population and changing demographic is having a positive impact due to an increasing demand for qualified professionals and specialists to replace more traditional rural, timber and fishing industries. Industries such as education and health care are rapidly expanding with the changing demographic and let's not forget the economic benefits of the recent and continuing infrastructure expenditure on the Pacific Highway upgrades with the much anticipated Coffs Harbour bypass to kick off in late 2020.

Newcastle

The first month of 2020 saw the property market continue to look optimistic for the rest of the year in Newcastle and surrounding regions. Straight off the bat in January we saw a record sale of $3.28 million in the Iris Capital's East End development in the heart of the CBD. This purchase now takes the crown of Newcastle's most expensive penthouse to be sold per square metre at just over $21,000 per square metre for the 155 square metre three-bedroom luxury apartment.

There are rumours of a record setting sale in the inner west suburb of New Lambton which is seven kilometres from the Newcastle CBD. The property in question is a substantial home situated on Ridge Street and appears to have transacted in the high $3 million bracket, which, if true, smashes the suburb record significantly. The next highest listed sale in the past 12 month period in the suburb was 10 Grinsell Street, New Lambton for $1.712 million in September 2019. These kinds of sales look likely to continue as we are seeing an increase in buyers purchasing in the area and medical professionals moving to the area due to the proximity to the largest hospital in Newcastle, John Hunter Hospital.

Newcastle East End Development Source: PRD Newcastle

Even though 2019 brought stricter consumer lending conditions and requirements by all banks thanks to the Banking Royal Commission, this has not slowed the demand for people wanting to buy properties in the surrounding Hunter area. There has been a continuing trend of first home buyers still keen to buy blocks of land around the Thornton, Bolwara and Chisholm areas just out of Maitland (30 kilometres from Newcastle CBD), seemingly eager to take advantage of the First Home Buyer's grant for new builds before any changes to the grant take place.

$21,000/sqm

Newcastle most expensive penthouse by area

Other continuing popular suburbs on buyers' lists are Mayfield, Islington, Maryville, Wickham and Tighes Hill, all being within seven kilometres of the Newcastle CBD. These suburbs are being flooded by younger first and second home buyers and also baby boomers who are selling up and moving closer to the action of a buzzing Newcastle.

Belmont Property Source: Jeff MCCloy

Other surprise locations with increasing buyer activity are around Lake Macquarie suburbs including Swansea, Windale and also Belmont. There has been an increase in buyers who are likely snapping up the slightly lower priced properties compared to the above mentioned suburbs.

Former Newcastle Lord Mayor Jeff McCloy has parted ways with his waterfront Belmont property which is believed to have been sold for over $4 million, another record setting sale for the Lake Macquarie area.

Port Macquarie

This month we take a look at the different types of homeowners and typical buyer profiles. A quick look at the ABS statistics for the Port Macquarie state electoral division which is fairly representative of the wider mid north coast shows;

- Approximately 70 percent of households are family households, 25 percent are single or lone person households and five percent are group households.

- Approximately 73 percent of people live in a three or four-bedroom dwelling
- Approximately 73 percent of people live in a fully detached house
- Approximately 65 percent of people own and 30 percent of people rent

From this, we can see that by far the most popular dwelling type and makeup is a fully detached house of three or four bedrooms to cater for a family or more than one person and they are purchased by an owner rather than an investor.

So, who is purchasing these properties? Anecdotally, we know we have ever increasing numbers of out of town purchasers with families moving to the area and snapping up this type of product, along with growing local families and second time buyers or upgraders moving to a more desirable home or location. So that is a rundown of the typical buyer profile and what they are looking for in a property.

Approximate makeup of households in Port Macquarie

Families: 70%

Single person: 5%

Group households: 5%

As to what changes we have noticed of late, well we are also seeing an increasing amount of gentrification in the tightly held established areas as older vendors move on and younger families move into these areas and give them a face lift.

Central Coast

The Central Coast region of New South Wales is located approximately midway between the Sydney metropolitan area and the City of Newcastle in the Hunter region. Our region draws on them both, but remains independent at all times.

Property buyers in the market for an affordable alternative or an environment a little more relaxed than Sydney have found just that on the Coast. It's far enough (just an hour in the car) from Sydney to be more than a little comfortable and has price points and the lifestyle without the feeling of being remote.

The region's market covers a lot of ground in terms of the different property types available. Those just starting out can easily find property that is affordable, especially if they are eligible for first

home buyer incentives. Properties in this category are spread across the region. We see first home buyers originating from the local population or relocating from the Sydney market. It would be easy to say the first home buyer demographic is prevalent, but that is not the case.

The typical property buyer on the coast isn't limited to one group – in fact we can say there isn't a typical home owner.

As mentioned, first home buyers are out in their numbers, but so too are investors, families, blended families, singles, downsizers, upsizers, retirees (plenty of retirees), expats, absentee owners with holiday homes, beach and other waterfront property owners, rural lifestyle owners, horsey people - the list goes on.

Investors are an interesting group. The region's investor market not only includes the staples such as residential units and basic homes, but we have noted a good presence of those having a property used exclusively for holiday rentals or short term stays. The target property for this type of investor is either a home with a view or within the tourist centres – think Terrigal, Avoca Beach and The Entrance, but they are scattered across the region, sometimes in places one wouldn't normally associate with holiday makers.

More lately though, units old and new within the expanding hospital precinct in Gosford have been popular, resulting in low vacancy rates. The typical residents here are those working in the health care sector, eithervisiting or long term.

Possibly as a result of the recent property boom, we are seeing a lot of upsizing and upgrading. In fact, we could say this chapter of the market place is becoming quite typical across the region. Stemming from those with the foresight to spend a little on renovations and improvements to improve value and marketability, most of these people have done quite well and put themselves into the next tier of the market for a while. We say most, because as in any market there are always a few who don't do as well as anticipated.

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To expand on this segment, we see the typical scenario of loving the area, selling and moving just a few streets away to a better property, but for some who did well from the last property boom, a move to a more upmarket suburb or a move into the region from Sydney has also occurred.

One of the results of those driving changes in the market has been the reinvention or rise in popularity of some suburbs. A good example of this is Long Jetty, just near The Entrance. For many years, Long Jetty was a suburb that was both acceptable and passed over. It has however been quietly growing and the recent property boom is thought to have turned Long Jetty into a cool postcode - there are cafes and specialty shops galore and comparing the main street now to a few years ago, we see young families becoming typical of the area's residents.

At the southern end of the region, The Peninsula suburbs of Umina Beach, Woy Woy, Ettalong Beach and Booker Bay have seen some quite spectacular growth in property values that outstripped a number of other suburbs across the region before and during the last property boom. The demographics changed along with this and typical residents now include a mixture of millennials, boomers, young families - a large proportion moving up from Sydney - and of course, long term residents. This mixture seems to be working well.

In the mix of this are those adding value, with The Peninsula seeing more than its fair share of second dwellings. It was often the case that the detached garage at the rear lane (and there are a lot on The Peninsula) was converted for habitable purposes for the relatives to stay or to provide extra income. These days however, it is a purpose-built granny flat allowable under the rules of complying legislation for extra income. This type of development hasn't changed the area too much, but there is the odd comment by long term locals that it will in time. Rental returns for these dual occupancies can be around six to seven percent.

Being a region recognised mostly as a coastal area, the beachside suburbs are markets within themselves. Typical residents along the beachfronts include resident professionals in the higher salary bracket, business owners or those with the means to hold a holiday home on the beach which nowadays generally have a buy in point of at least $2.5 to $3 million and upwards from there. There are some magnificent locations and properties. Weekdays, we typically see walkers of all ages and the socialisers, but on the weekends and holidays is when we see this expand to a whole new genre of typical resident. After a busy week, many are happy to chill, unshaven in their boardies with surfboard or surfski on the roof rack while others are out to be seen in their cool cars with casual but smart beachside dress. As for the kids, think board under the arm, sun bleached hair, rashies or steamers. Fairly typical. Away from the beachfront - but

you are never too far from the beach - are typical locals who work in offices, building sites, retail or hospitality.

We now move north to the newer areas of Woongarrah, Hamlyn Terrace and Wadalba. This is the territory of the modern, four-bedroom, two-bathroom and double garage project home. Prices range from early $500,000 to mid $800,000 at the moment. It is the typical mortgage belt area with mum, dad, 2.5 kids and a big mortgage. We wouldn't say it is blue collar through and through, but there is a lot of it. These residents are the heart and soul of the now and future of the region. Honest people just going about the business of work, play and driving the kids to school and sports - like we say, heart and soul. The presence of these typical residents is what will drive the future of the region and a lot of tomorrow's infrastructure will be decided based on their needs. The flow on effects from these residents will, in theory, be felt across the region's future as some stay put, others upsize, upgrade, move to the beach or move to the rural lifestyle locations.

Speaking of rural lifestyle locations, there are a few dress circle locations such as Matcham, Holgate and Glenning Valley. These are typified by larger dwellings and quality ground improvements with spare land around them. Property prices are generally above $2 million (sometimes double that), but every so often, we will see prices paid below this. Once again, a majority of residents here are thought to be business owners or those in the higher salary brackets. Over time, we have noted that property buyers are a mixture of locals upgrading with a few residents moving to the region from elsewhere.

Other popular rural residential areas include Jilliby and the beautiful Yarramalong and Dooralong Valley areas. Prices vary considerably depending on the individual property. Although mostly populated by owner-occupiers, there is a smattering of weekenders from Sydney looking for the quiet weekend escape. Along with the variable property values, so too is the standard of dwellings and improvements. We see older (near original) farm type houses with many architecturally designed dwellings throughout and average homes as well. Some of the properties are actively worked for equine pursuits, some may have a few head of cattle while others are just homes to the occupants who enjoy the quiet and space.

Up on the mountain, we see the likes of Mangrove Mountain, Central Mangrove, Kulnura and Peats Ridge. To typify residents here, we could say this is where generally, the growers and producers are found. These areas are where the farms are and those working the land to make a living. Some properties are developed for citrus growing, others for poultry or vegetables with a few horse and cattle properties as well. A lot of no frills type locals here, so respect in their presence is strongly suggested, appreciated and returned. Again, property values vary considerably. Some properties have no real purpose or capability for income producing and the prices reflect this - say upwards of $650,000 - while others having agricultural value are well above this, and while a few are traded off market, the available market evidence suggests values above the $2 million mark can be expected. A home on ten hectares for rural lifestyle living is around the $1.5 to $2 million mark, a reasonable indication of value in these areas.

Illawarra

Home owners in the Illawarra tend to come in all shapes and sizes. First home buyers compete with small time investors for lower value properties. Think a $600,000 house in Corrimal, a $400,000 unit in Wollongong, a $425,000 house in Dapto, a $400,000 house in Warilla or a $325,000 house in Nowra. Most of the region's more desirable locations such as the northern suburbs, Shell Cove and Kiama are priced out of reach for most typical first home buyers. Local real estate agents are currently reporting that demand from first home buyers for lower end stock is strong.

Second home buyers are usually families looking to upgrade out of their first home for some more space or more modern comforts. Higher incomes allow the budget to stretch further than a first home buyer and the type of property can vary depending on the buyer's appetite for doing the renovation themselves or the desire to move straight in and not have to do any work. Due to the higher budget, second home buyers are found throughout most parts of the Illawarra. They could be looking at a $1 million house in Thirroul, an $850,000 house in Fairy Meadow or Figtree, a $750,000 house in Horsley or Albion Park or a $600,000 house in South Nowra. Upgraders are transforming some locations such as Fairy Meadow, Towradgi and East Corrimal where the proximity to the beach and Wollongong CBD are attracting families to knock down and rebuild or significantly renovate and extend older style dwellings.

The last main category of home owner is the downsizer or retiree. Baby boomers are currently making up the vast majority of this category. The needs and wants of the downsizer or retiree will vary depending on a number of influences. Do their children and grandchildren live in the area or are they willing to move to a more comfortable location? Do they want to downsize in size but not in budget? Are they looking to change their family home to something in a lower value bracket that will allow them to use their equity during their

retirement? Semi-modern villas often appeal to this demographic or for those with a bit of cash, a nice modern Wollongong unit with ocean views can be on the agenda. Harbour Square at 21 Harbour Street is a 2019 built, 33 unit development constructed by a well regarded local builder with two-bedroom units having sold between $900,000 and $1.15 million and three- bedroom units from $1.6 million into early $2 million. The majority of the units were purchased by local downsizers.

The residential property market is traditionally made up of various demographics and buyer profiles across the Goulburn region. The median house price of $430,000 (Realestate.com.au), typically appeals to first home buyers looking to get their foot in the door with older style historic homes centrally located on tree lined streets and within close proximity to schools, parks and the CBD. However, the ornamental features do come at a cost for these older style properties, as they do require more upkeep and ongoing renovation works. First home buyers are also attracted to the copious amounts of low maintenance house and land packages on offer in the numerous developments located further from the CBD such as the Teneriffe Estate and the Josephs Gate Land Development. Many young families who are also priced out of Canberra and the Southern Highlands see Goulburn as an affordable lifestyle alternative. These buyers are particularly more dominant in the executive style residential developments such as the Snow Gums Estate, Platypus Banks Estate and Run-O-Waters.

$430,000
Goulburn median house price

These developments are seen as good value for money and provide families with more elbow room for a larger home, shed and backyard.

Southern Highlands

Typically, the Southern Highlands attracts a vast range of buyers within the local residential market. The entry level market is dominated by first home buyers and typically makes up a value range of $450,000 to $700,000. For the very entry level, say sub-$550,000, think satellite suburbs such as Hill Top, Colo Vale, New Berrima. We tend to see a large portion of first home buyers unable to afford the more affluent suburbs such as Bowral, however we do see some smaller more affordable dwellings snapped up for under $600,000 on less desirable streets in Bowral such as Price, Thompson and Sheaffe.

As the region continues to grow, we are beginning to see popularity increase for good quality villas and townhouses located within close proximity to central Bowral as well as quality built homes on smaller lots being very popular with local downsizers. Typically, these downsizers are selling large acre lots in Burradoo or surrounds and opting for easier to maintain parcels in good central locations. This area of the market is also popular for retirees from Sydney who come in droves and are chasing good quality product in good central locations close to local schools and townships.

The family market is a vast mix of an economic make up with more affluent families looking into prestige suburbs such as Burradoo, followed by new premium estates such as Retford Park and then into East Bowral which is predominantly 20 plus year old project homes. We are seeing an influx of families from Sydney beginning to populate the Renwick and Tahmoor and Thirlmere area as they are able to commute to Sydney as well as work from home and therefore are able to afford far bigger family homes at far more affordable prices than are available within Sydney.

Looking at shifting demographics within the region, the largest change we have seen over the past several years has been the gentrification of Moss Vale. Typically Moss Vale has been the administration capital of the Highlands and considered a working class strong hold and poor sister to Bowral, however over recent times we have seen the main street flourish with several homewares stores, cafes and bars opening their doors as well as many local families moving from other parts of the Highlands into the Moss Vale area. Generally, they are able to get far more bang for their buck than the other established suburbs of Bowral and Mittagong.

Albury/Wodonga

The home owners of the Albury Wodonga region are fortunate to be able to consider home ownership strategies offering choice and mobility due to the relative affordability compared to metropolitan areas. To some extent this is displayed in quite traditional patterns of the home owner's journey, where entry level properties are available in many areas and the population tends to continue to be active throughout the life stages of the property market in the region.

The entry level sub-$200,000 is fast evaporating, however the $200,000 to $300,000 is the most

As the region continues to grow, we are beginning to see popularity increase for good quality villas and townhouses.

active range and offers good value for first home owners especially in North Albury, Lavington and older parts of Wodonga and West Wodonga. If first home owners are able to push into the $300,000 to $350,000 range, more brick, less weatherboard may be found, most likely still in those locations.

$325,00 to $425,000

New home packages Albury-Wodonga

The variety of housing stock available and the dollar range between starting out and forever home is not prohibitive, so stepping up is viable and many home owners opt for aligning their property ownership with their life stage needs very successfully.

Probably the demographic with the most options is the double income no kids couple, which has definitely been a large part of the new home building boom in the region. This segment has bypassed the entry level compromises of an old cheap house and signed up to new home packages from as little as $325,00 to $425,000 depending on location and build choices. Suburbs offering the low end are parts of Springdale Heights, Hamilton Valley and the smaller outer estates of Thurgoona and at the higher end of the range, subdivisions in Thurgoona close to shops and schools. Across the border the lower end of the range is found in parts of White Box Rise in Wodonga, basic packages in Killara and Baranduda and most recently, for those hunting cheaper land with a fair hike to town, the new suburban subdivision in Tangambalanga (24 kilometres south-east of Wodonga). This segment quite often builds again when they decide to have a family, upgrading the house and sometimes the location to suit being closer to parks, childcare and schools.

The upgraders are probably the most spoilt for choice in the region. All suburbs have leafy tree-lined streets perfect for family living and also larger lot new subdivisions where bells and whistles and sheds can measure the comforts this segment demands for raising kids whilst balancing work and leisure. The price range is $450,000 to $650,000 for most properties and popular estates include golf course estates, East Albury, Iluka Views, Brooklyn Fields in Thurgoona and various new estates with good quality housing in Wodonga, West Wodonga and Killara. Before the upgraders become empty nesters, there is a proportion who will move again to rural residential properties within a 30 kilometre radius of Albury-Wodonga. Popular areas for this include Table Top, Barandua, Kiewa, Yackandandah and Jindera. This market has seen solid demand over the past five years and also high turnover as well. As such, the price range is more likely to be $500,000 to $1.2 million depending on location, size and improvements.

Of course, empty nesters and retirees often seek a smaller or low maintenance home option and whilst many flock to central Albury and Wodonga for proximity to facilities, there is a growing trend across home buyers for smaller allotments which are all house or even purchasers willing to pay as much or more for a smaller sized dwelling, possibly considering energy costs in addition to low maintenance lifestyles. In conclusion, home ownership is an achievable goal for a high proportion of the population of the Albury-Wodonga region.

The upgraders are probably the most spoilt for choice in the region.

Tamworth

With its multitude of suburbs, each with their own pros and cons, Tamworth has an area for every home owner for each stage of their property journey.

First home owners can be found throughout, but the typical suburbs are South Tamworth, Hillvue and parts of North Tamworth. These suburbs offer older homes with a price tag of $200,000 to $350,000 which will get you a doer-upper at the lower end to a fully renovated 1980s brick dwelling at the upper end. Our demographic here tends to be younger owners either as a single occupier, young couple or family - think 20s to early 30s.

Our next demographic is those in their early 30s up to 50. This is where location and size count as typically buyers are looking to be in a good location for their kids to grow up with space to grow and play as the family does. Calala, Moore Creek, North Tamworth and East Tamworth are where we see most of these buyers. Young families dominate the newer areas of Calala, Moore Creek and North Tamworth as they are able to secure a newish (less than five years old) four-bedroom, two-bathroom dwelling with no work needed on a comfortable 700 plus square metre lot, all for under $550,000 depending on the home. Those looking for proximity to schools and the CDB focus on the blue chip area of East Tamworth.

While the in town properties certainly attract a lot of buyers, let's not forget about those who want a bit of space for the horse or motorbike. This is where the small acreage (one to ten hectare)

properties of Moore Creek and Daruka come into play. Out in these areas, we predominantly see either young families moving for the space or older owners who have raised their families and watched them leave, but are not yet ready to down size.

Once we get to downsizers, all suburbs are fair game with a large range of new and old dwellings on smaller lots with easy maintenance available all over Tamworth. New builds in North Tamworth and Calala are very popular, but so are older renovated dwellings in East Tamworth that offer proximity to the CBD.

All in all, every suburb in Tamworth has owners from all stages of their property journey with no one suburb being ultimately dominated by any particular demographic. With the continued low interest rates, we are seeing first home owners stretching that little bit more to secure themselves a property in the more prestigious area of East Tamworth. Along with this we are seeing first home buyers also getting into bigger, brand new homes in North Tamworth or Calala, where over the years there has certainly been more of a shift towards the younger demographic or first home owner.

Victoria

Melbourne

This month, we have taken a look at the varying demographics of ownership in residential property in some of Melbourne's busiest and most populated suburbs, from Geelong and the hyper-developing regions in the western suburbs to the established northern and eastern suburbs where families are plentiful and options for schooling and lifestyle are broad and expansive. This month has been about identifying the areas where families, young professionals, students and other demographic segments choose to live and the reasons behind this. This month we have identified some key areas in the CBD, northern, eastern, south-eastern and western suburbs and greater Geelong which are home to many demographic segments, all for very different and intricate reasons.

Melbourne CBD

Home to 170,000 residents, the city of Melbourne is one of the world's most harmonious and culturally diverse communities.

The CBD is home to many people coming from all ages and backgrounds. Residents can typically be young working professionals, international students and older empty nester couples. Statistics show that the median age of those living in the Melbourne CBD is 26 years of age. Living close to the CBD and tertiary education institutions is the largest driving force as students and young working professionals look for convenience.

74%

Proportion of CBD resident born overseas

Home to 170,000 residents, the city of Melbourne is one of the world's most harmonious and culturally diverse communities.

Of all the occupied dwellings in the Melbourne CBD, 12 percent were owned outright, 13.3 percent were owned with a mortgage and 70.2 percent were rented (ABS, 2016).

ABS census data shows that 74 percent of residents living in the CBD were born overseas, with Chinese occupants and purchasers comprising 25 percent of the population and only 14.5 percent of residents living in the CBD being born in Australia.

Inner and Outer North

The outer northern suburbs, particularly those within the local government areas of Hume City and City of Whittlesea, are known for attracting a high proportion of families, driven by their desire for freestanding dwellings, along with the plentiful release of relatively inexpensive residential land that these areas offer. This is reflected in the demographics, where over 40 percent of households comprise couples with children, considerably higher than the average for the greater Melbourne area. These areas appear to be attracting a large proportion of first and second-generation immigrants.

The inner northern suburbs are seeing more young professionals. These purchasers are driving demand for higher density living as they are often priced out of the market for dwellings. The inner north appeals to a wide range of homeowners due to its proximity to amenities, while not being fully gentrified

A number of properties in the inner north previously used for industrial purposes are being redeveloped into higher density residential use in response to the demand generated by individuals and couples. These areas were once known as being for the working class and home to many European immigrants, however freestanding dwellings in these areas are beginning to become less affordable for those on working class incomes.

Due to heritage protection of large tracts of property in the inner north, redevelopment can often be difficult. Subsequently, pop-up rear extensions to existing heritage facades are becoming more commonplace. In instances where demolition is possible, ultra-modern and contemporary dwellings are often being constructed in their place, catering to modern family life.

Western Suburbs

Melbourne's western suburbs is one of the most demographically diverse regions Melbourne has to offer. Known for its affordable housing and good investment opportunities it is considered the fastest growing patch within the nation.

Municipalities Melton and Wyndham both consist of similar demographic characteristics. Wyndham has a median age of 32 as it is home to a number of young families and first home buyers as it's lower housing prices obviously attract this age bracket. The most common occupations in Wyndham include professionals, clerical and administrative workers and technicians and trades workers. Family households dominate the region at 82 percent of all households, 12 percent higher than the Victorian average.

Melton, which neighbours Wyndham to the north, follows the same demographic trends. The region is also home to an influx of young families and first home buyers as well as being a highly attractive area for investors, boasting some of Melbourne's highest rental yields.

Wyndham and Melton are home to many migrants from around the world with India being the most common country of birth for migrants in Wyndham and Vietnam for Melton.

South of the regions mentioned, suburbs such as Williamstown, Yarraville and Newport display an entirely different set of demographics. Williamstown is a high socioeconomic community with older and established homes being the most prominent property type.

The average age is 42 and the median weekly family income is nearly $1000 higher than the Victorian average. The most common occupations in Williamstown include professionals, managers and clerical and administrative workers.

Inner and Outer East

In the eastern suburbs of Melbourne, we focus on Richmond, Camberwell and Ringwood, three areas that have varying demographics directly correlating to what each suburb has to offer a family or potential first home buyer. Whether you are living in an established suburban area, a growing and developing area or an inner-city suburb, each of these suburbs has its own distinction and lifestyle perspective.

Richmond

Population: approx. **27,000**

Median age: **33**

People over 15-year-old: **91.4%**

Richmond is an inner-city area synonymous with young professionals, hospitality workers and young families while in Camberwell, there is a high proportion of families and established senior citizens and a slightly different demographic in Ringwood.The key reason for the demographic differences is that these locations all offer completely different lifestyles to one another.

Richmond consists of roughly 27,000 residents with a median age of 33, while 91.4 percent of people are over 15 years old and are employed on a full or part-time basis. The young professional community is present as a result of being in closeproximity to the CBD as well as there being a plethora of restaurants and bars lining Swan and Church Streets, attracting residents to the hustle and bustle that Richmond offers.

Camberwell offers a distinctly different lifestyle than Richmond. Far removed from the CBD, located in the heart of Melbourne's eastern suburbs, the attraction to live in this area is obvious. It is quiet, it has a bustling precinct in Camberwell Junction which has shops offering all household needs, ease of public transport and a selection of public and renowned private schools. Of the 21,400 people living in Camberwell, 5524 are families, showing it is a very desirable place to buy and live for the family minded buyer.

Ringwood offers a mix of the aforementioned lifestyle choices. It has a large shopping centre offering everything from household needs to luxury clothing, as well as being an expansive area with access to desirable parts of Melbourne such as the nature reserves in the Dandenong Ranges and wineries and restaurants in the Yarra Valley wine region. Ringwood, like Camberwell, has many private and public schooling options and has good access to public transport into the city, making it one of the most sought after regions of Melbourne for all ages and demographics.

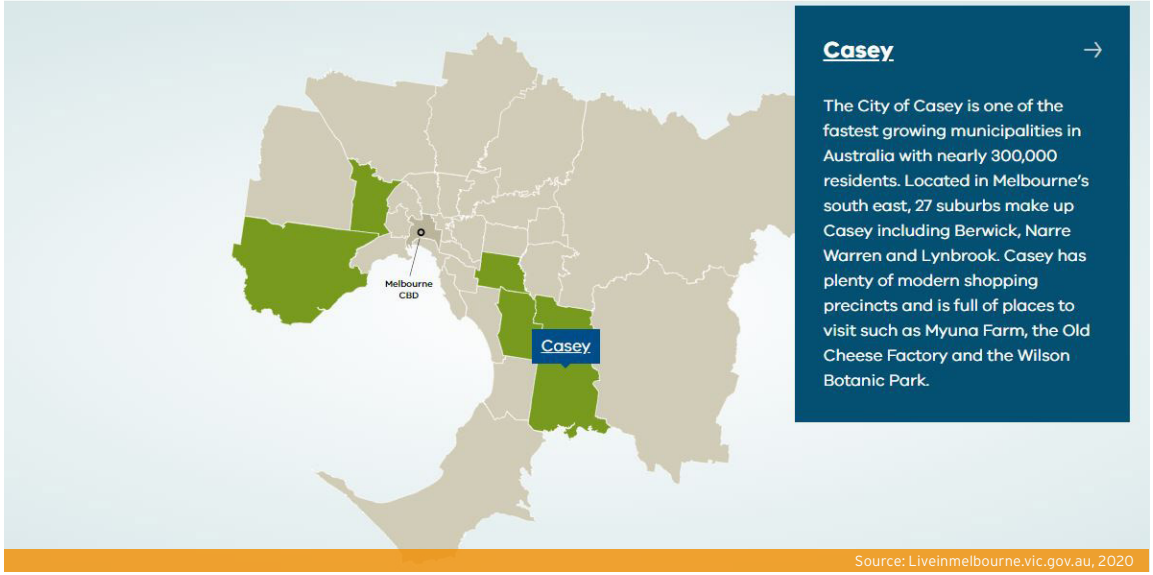
South-East

Over recent years, there have been enormous changes and growth in the outer south- eastern suburbs, particularly suburbs located within the City of Casey and Cardinia regions. These areas have been culturally diverse with newly settling migrants, young families and first home buyers looking to buy and build their first home in the newly developed estates to cater for their individual needs as these communities promote a family friendly lifestyle.

These new developing areas such as the City of Casey and Cardinia show a large share of emerging cultural communities including those from India, Sri Lanka and Afghanistan. According to census data, those from India show a preference for projects located in the growth corridors of these newly developed areas where major roads and highways to and from the CBD are accessible.

The suburb of Officer has become a major growth area for the outer south-eastern suburbs of Melbourne where families and first home buyers

Popular regions for Melbourne's Indian community



Source: Liveinmelbourne.vic.gov.au, 2020

are drawn to estates that offer affordable house and land packages as well as its close proximity to parks, shopping retail outlets, schools and childcare centres. Census data has shown that of all occupied private dwellings, 54.1 percent have four or more bedrooms and 13 percent were owned outright, 59.2 percent were owned with a mortgage and 25.6 percent were rented. These figures reflect the overall growth and demand for affordable housing.

Greater Geelong

Geelong is the largest non-capital city and the second-most populated area in the state.

Geelong has an estimated population of over 250,000, which includes the City of Greater Geelong municipality and the urban and surrounding areas. The region has a population density of 1873 people per square kilometre or 4851 per square mile.

More than 78 percent of people in the city were born in Australia. The most common overseas birthplaces are: England (3.6 percent); Italy (1.1 percent); and Croatia (one percent). The city has a large Croatian community, many descended from immigrants who came to the region in the 1850s and throughout World War II. Today, Geelong has the largest Croatian community in the country.

29 percent of people in Geelong are Catholic, which is the largest religious affiliation. Following this are those who have no religion (20.5 percent), Anglican (14.6 percent) and Uniting Church (7.9 percent).

The City of Greater Geelong is expected to grow to 298,000 by 2031. During this time, the population under working age will increase by 21 percent while the number of people of retirement age will grow by 30 percent. By 2050, an additional 210,000 people are expected to live in Geelong and its surrounding areas, 170,000 of whom will be in the City of Greater Geelong. The region is expected to experience growing infrastructure pain throughout this period as the population continues to expand coupled with the lag from state government infrastructure spending.

Mildura

Mildura's official population growth, estimated to be approximately one percent per annum, appears to come from a variety of sources. There has always been a steady migration of people from surrounding towns and rural areas to Mildura, attracted by work opportunities and the amenities that our relatively large regional centre provides.

Most of the people moving to Mildura do so with the intention of buying a house and this has contributed to strong demand for better quality family homes in the $350,000 to $500,000 price bracket. The growth in this segment has been reflected by strong demand for land in new subdivisions, which we expect will continue.

There are also a significant number of retirees moving to Mildura, which when combined with a general increase in life expectancy is contributing to an ageing population. Our older buyers tend to be attracted to modern homes on smaller land parcels, which has contributed to a rise in the number of smaller townhouse type developments closer to the CBD. The houses they replace were usually old and poorly designed and so this rejuvenation has been viewed positively.

One of the things we periodically discuss in our office is whether the official census accurately includes the growth in the number of seasonal workers residing in our area. Over the past ten years, there has been a rapid expansion in the area of labour-intensive horticultural crops grown

in the Mildura region, particularly table grapes. This growth has drawn a large number of casual workers who then find accommodation wherever they can, contributing to a shortage of cheaper rental accommodation options. Accessing loans to buy homes will not be an option for many of these seasonal workers, who are then reliant on being able to access affordable rental properties.

Queensland

Brisbane

You'd be hard pressed to find a more typical capital city market than Brisbane.

Our residential real estate sector performs relatively steadily throughout its price cycle, avoiding dramatic dips, swings, peaks and fluctuations. Long-term property owners tend to do fairly well as long as their asset selection is on the mark.

Like our prices, we also have a fairly typical range of buyer types.

Our first home owners are motivated by affordability and getting the most bang for their buck. Their tick list will obviously be driven by location, but they're also keen to find decent size allotments, potential for renovation, proximity to amenities and easy access to the CBD or a well-established lifestyle hub.

While many of our first home buyers would no doubt like to buy within the five-kilometre radius, their price point usually means a balance between location and property type and quality. As such, there are those able to cope with a second-hand unit in a prime near-city position, while others will seek a newer home on a larger lot in a suburb a bit further out.

Both options could appeal to first home buyers at a similar price point

Of note also is that first home buyers are becoming more prominent in our market. The $15,000 state government first home buyer grant (which is limited to new property) and federal government deposit scheme are helping to boost their numbers. Add to that low interest rates as a motivation to getting first timers on the property ladder.

Auchenflower unit Source: realestate.com.au

Bald Hills house Source: realestate.com.au

Upgraders in Brisbane are looking to draw on increased value in their existing homes to secure better-quality accommodation in their location of choice.

Their desired suburb will probably be dictated by their households needs. Young professional couples might look to move out of units and head towards a detached home with some renovation potential so there's opportunity to build fast equity. Upgraders are mostly looking for the advantage of more space or larger yards and hopefully improved location compared to their first home.

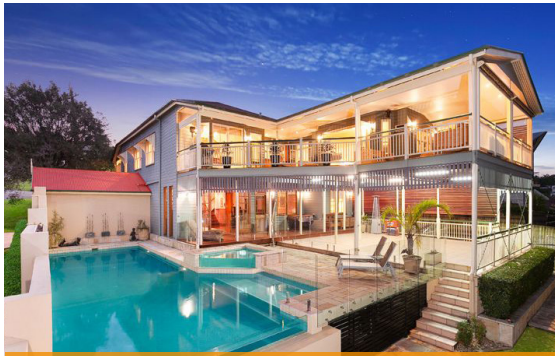
While upgraders will reside anywhere from outer suburbs through to near CBD depending on the budget, many find themselves in mid-range suburbs with easy access to the city. Think Annerley, Greenslopes or Stafford as examples.

30 Torrens Street, Annerley – an upgrader's option Source: realestate.com.au

Family buyers could almost be considered an advanced subset of upgraders. These buyers are typically driven to certain properties by school catchments, proximity to public transport, parks, amenities and lifestyle amenities.

While many family buyers might want to look for renovation potential, there are plenty who are

motivated to acquire something ready to live in so as not to tie up their weekends doing upgrade work. Like other upgraders, family buyers can be found from outer suburbs to inner suburbs because their drivers depend on price point and school catchment.

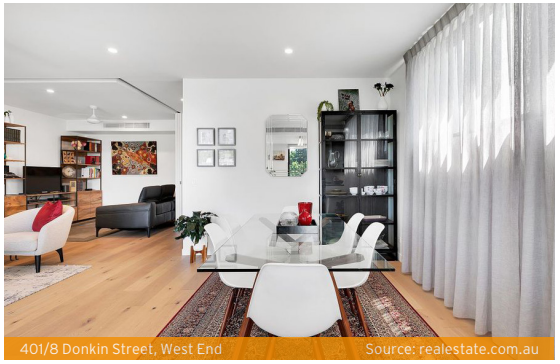


55 Dover Street, Wilston – a high-end family home Source: realestate.com.au

Brisbane downsizers and empty nesters are of course looking for low-maintenance homes with lock-and-leave potential to allow for trips out of town - a smaller detached dwelling of good quality and with a low maintenance yard. We are also seeing ever increasing numbers seeking accommodation in high-end units of minimum two (even three) bedrooms. They like the security while still having space for the kids and grandkids to stay.

Downsizer locations vary from the CBD through to the bayside suburbs. Downsizers are also drawn to large apartments in suburban nodes within close proximity of shopping centres, amenities and hospitals. Chermside's apartments are an excellent example of this.

Their chosen location may also reflect proximity to family. The quality of accommodation they seek is quite varied and dependant on financial position and stage of life.



401/8 Donkin Street, West End Source: realestate.com.au

Another buyer group in our city is the business professional. These buyers want to be close to the CBD or suburban nodes so their commute is short. Again, low maintenance is a priority as is public transport and lifestyle facilities. It's suspected that these buyer numbers may well increase from the interstate migrant cohort coming to Brisbane chasing a better lifestyle than in Sydney or Melbourne.

The above list is, of course, not exhaustive. We are seeing a societal demographic shift with the rise of single-person households, multi-generational homes, single-parent families and share ownership among friends. It's envisaged that these varying household makeups will spur innovative and thoughtful design changes that will become more common over the next few years. Think new property with separate living spaces for older kids or grandparents as an example.

We are seeing a societal demographic shift with the rise of single-person households, multi-generational homes, single-parent families and share ownership among friends.

Gold Coast

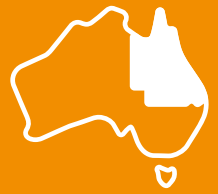
Gold Coast Central

First home buyers are typically priced out of the stand-alone housing market for the Gold Coast's central localities within two kilometres of the beach. With a non-western front renovator in Mermaid Waters generally starting at around $700,000, this market appeals more to the second or third home buyer looking to secure a good position close to the beach and facilities.

Typically in this suburb, house buyers are upgrading with some equity behind them or downsizing from a higher priced waterfront home, ditching the mortgage but still benefiting from the lifestyle amenity of the central location.

Currently prices are generally stable with purchasers either looking to renovate and flip for a quick profit as there is steady local demand for recently renovated, just move in, nothing to do type houses. This is evidenced on the Isle of Capri, a residential locality within the suburb of Surfers Paradise, with recent sales for non-waterfront properties at stronger price levels. This locality has benefited from gentrification in recent years with the local shopping centre, Capri on Via Roma, being completely revamped and remodelled within the past few years and the tram line within walking distance.

An example is 5 Saint Andrews Avenue, Isle of Capri which transacted in August 2019 for $1.84 million to a local buyer. This is a brand new, however non-waterfront house. Built in 2019, the dwelling is an architect-designed, contemporary, two-level, four-bedroom plus study or bedroom, four-bathroom dwelling with rendered masonry, fibro cement sheet



walls, skillion metal roof and double car garage. It features a high standard quality fit out, two-level void over the living room, catwalk hallway, polished timber flooring, timber bi-fold doors, ducted air conditioning, wine room, inground swimming pool and established landscaping. The land area is 539 square metres. The site was previously sold with an older dwelling for $890,000 in March 2018.

5 Saint Andrews Avenue, Isle of Capri Source: realestate.com.au

First home buyers in these central localities are mainly confined to the unit market with agents reporting that affordability is the main driver. $400,000 is generally the price point cut off and body corporate fees are a significant factor. First home buyers are also competing with investors who also factor in likely achievable rental income with outgoings including body corporate fees.

The first home buyer generally must look for a house in the more outlying suburbs such as Carrara where it's possible to get a semi modern three-bedroom duplex unit for circa $400,000. House prices start around the mid $400,000s for a three-bedroom house.

Mudgeeraba has seen increased townhouse and unit development within recent years with product increasingly including four bedrooms or three bedrooms plus a study or bedroom which is appealing to investors and first home buyer families alike. Mudgeeraba, located west of the M1, is also a sought-after locale for first home buyers. It has its own local shopping centre, schools and is within close proximity to Robina Town Centre.

Entry level three-bedroom townhouses in Mudgeeraba start at around $315,000 for something built in the 1980s with a largely dated fit out. Modern, circa 2018 built two-level townhouses providing four bedrooms, two bathrooms plus powder room with a single garage and single open carport are around $490,000.

A house in Mudgeeraba will set you back around $500,000 for a 1980s house generally in dated condition but offers a good entry point for those upgrading from a townhouse or those with a larger deposit who can afford to enter the market in a freehold property.

Gold Coast North-East

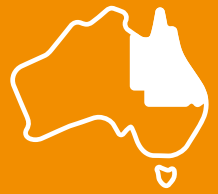
In the Gold Coast north-east area, from Southport to Hope Island and out to the M1, buyer profiles have changed along with the changing market conditions. As the Gold Coast north-east is an established area, the typical buyer profile currently comprises first time buyers, upgraders and investors.

Coming into the back end of 2019, we saw an increase in market confidence that resulted in an increase in buyer activity for established dwellings in areas such as Helensvale, Runaway Bay, Labrador, Southport, Arundel, Molendinar and Parkwood. This buyer activity was shared between first home buyers, downsizers and upgraders, with investors slowly returning to the market in late 2019 and early 2020. A lot of the activity has come in the middle to lower end of the dwelling market, being sub-$800,000, which has traditionally seen a higher turnover of stock due to the affordability range for all buyer profiles.

Whilst there hasn't been any noticeable increase in values in the areas over the past 12 months, due to the May election and the banking Royal Commission, there has been a number of opportunistic buyers who believe the market has bottomed. As mentioned, people renovating to sell are slowly re-entering the market, however profit margins are tight. For example, a small one-bedroom unit in Labrador was purchased in August 2019 for $175,000, renovated and then sold in February 2020 for $219,000. After taking into account the cost of the renovation, interest expense, stamp duty, legal fees, body corporate payments and agent's fees, the net profit appears to be minimal.

Labrador unit before

Labrador unit after



In regard to the $800,000 plus end of the residential market, we are still seeing interstate investors buying property as an investment, with the reported intention of moving from Sydney and Melbourne to live in the future as they still see the Gold Coast as good value compared to their home states, however they are competing against a slowly growing number of local upgraders looking for value.

We have noticed that downsizers are only a small portion of the market as people are choosing to stay in the family home for comfort, rather than move to high density living. Conversations with downsizers indicate an initial shock due to the close proximity of neighbours, however this is later tempered by the reduced level of maintenance, increased security and the ability to lock up the unit and travel. We do caution downsizers to take care with unit selection as units continue to perform poorly in the Gold Coast north-east region due to inflated off the plan purchase prices.

Overall, the start of 2020 has seen a lot more buyer activity with the value of sold properties appearing to be reasonable. This increase in buyer activity is a sign of increased demand, which in turn is expected to lead to a steady increase in values over time.

Gold Coast North/North-West

The northern Gold Coast corridor and lower Logan corridors have seen rapid growth over the past ten years. This area is popular with local and interstate investors as well as owner- occupiers. There are a number of developing residential developments scattered throughout this area and you will find the typical home is owned by a mixture of first home buyers and young families.

When it comes to local buyers, common boxes they are looking to tick include proximity to public transport, shopping facilities, affordability and locations within good school catchment areas. This would explain why Upper Coomera and surrounds have experienced fairly consistent growth over the years. We noticed a subsidence in the market at the beginning of 2019, however during the second half of 2019 to now, this market demonstrated both increase in demand and values. A property at 18 Aviation Drive, Upper Coomera comprises a neat, 14-year-old, modern style, four-bedroom, two-bathroom rendered brick and tile dwelling with double garage and transacted in January 2020 for $505,000. This showed strong growth from the previous sale of $468,000 in August 2018 with only solar panels and fencing upgrades to the property.

18 Aviation Drive, Upper Coomera Source: CoreLogic

The lower-western Logan corridor originally comprised of mostly rural residential housing, however over the past ten years we have seen average to good quality medium density housing developments begin to dominate a number of these suburbs. Some of the more significant developing residential estates include Flagstone, Yarrabilba, Brookhaven, Pebble Creek and Riverton. These new housing developments have caused significant change to these suburbs and have resulted in construction of new infrastructure, schools and shopping facilities throughout the region.

South Maclean is an established rural residential locality of circa 700 properties predominantly improved with semi-modern acreage homes. More recently, construction has begun on the medium density residential estate known as Pebble Creek. On completion, Pebble Creek will comprise 14 stages with a total of 650 small lots ranging between 280 and 500 square metres in addition to a large $3 million park. The project was released in late 2019 and at present 32 lots have sold with circa 90% sold to owner-occupiers. We have been advised that the majority of sales have been to local buyers, consisting of a mix of first home buyers, young families and retirees downsizing or coming off acreage. The previously sleepy rural residential town of South Maclean will soon double in population and provide its residents with a great outdoor area for families.

Pebble Creek, South Maclean Source: livepebblecreek.com.au

The combination of low interest rates, government incentives and affordable house and land packages in these areas creates a perfect opportunity for first home buyers as well as families looking to make a switch from acreage lifestyle or even the city life.

Gold Coast West

The western Gold Coast and Scenic Rim localities

comprise a wide mix of demographic across a multitude of different property types. From established dwellings in residential estates close to the M1 to rural residential allotments in the hinterland and further out over the range, these market segments have proven to be popular choices for a variety of lifestyles.

On the back of lower interest rates coming into effect throughout 2019, the beginning of 2020 saw the federal government introduce a home loan deposit scheme with approved first home buyers requiring a five percent deposit but avoiding paying lender's mortgage insurance. This has resulted in an increase in first home buyers in the western Gold Coast suburbs such as Nerang, Pacific Pines and Oxenford and further west in the established Scenic Rim suburb of Canungra. Generally, these buyers are seeking established dwellings, townhouses or duplexes in a range of conditions, some having the prospect of renovating. In particular, Nerang has seen a higher influx of these kinds of buyers due to its affordability as well as its proximity to amenities, schools and major transport routes. This has resulted in a large number of original style dwellings becoming refurbished in recent times to modern standards.

Tamborine Mountain has seen steady growth in the past year and is proving to be a popular locality with the demographic consisting mostly of families and retirees. In more recent times, we have seen a surge in property sales on the mountain with dual living configuration, offering owner-occupiers the potential for supplementary income from dwellings with attached or detached granny flats and secondary dwellings. With the suburb being a popular tourist destination, these types of dual accommodation properties are best suited for Airbnb style short term holiday rentals but can also offer permanent rentals which normally tend to attract students or young couples.

The Scenic Rim covers an expansive area to the west of the Gold Coast hinterland comprising mainly rural residential properties with the popular township of Beaudesert being centrally located. These properties are a lifestyle choice with the present demographic mostly consisting of middle-aged men and women and also families who are looking for land to use as a hobby farm or for equine purposes. There is a mix of dwelling types on these properties with the majority being older Queenslander style homes, however as more families are moving into these regional areas, we are seeing a larger amount of new modern dwellings being built and this will continue over the short to medium term. The suburb of Beaudesert is an area to keep an eye on with property prices increasing in recent months and growth expected to continue.

Gold Coast South/Tweed Region (Johnno)
The Gold Coast south region has a wide range of typical buyers. First home buyers are generally found in suburbs such as Varsity Lakes and Robina. Upgraders are generally found in Palm Beach, Tugun and Currumbin where the price levels are higher and houses are larger. Families are generally located within Robina, Varsity Lakes and Palm Beach which are all located close to great amenities. Retirees and downsizers are mainly found in Miami and Palm Beach.

The main changes happening in this area is that many of the rundown or original homes are being purchased by young people who renovate and then put the home on the market.

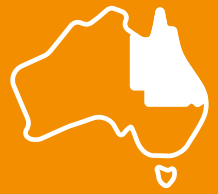
The main changes happening in this area is that many of the rundown or original homes are being purchased by young people who renovate and then put the home on the market to be purchased by families who do not wish to do renovation works. The houses are being bought from retirees and downsizers who then generally purchase new unit stock along the coastline. This puts pressure on first home buyers as prices have increased and it is very hard to enter the market in the majority of suburbs except for one-bedroom units, or two- and three- bedroom units and townhouses. Areas such as Varsity Lakes have been de-commissioned which has seen the purchase of ex-commission housing for renovation and on-sale for good profit which makes the Mattocks and Varsity Lakes area a more sought-after location. Palm Beach and Elanora have also seen a massive re-gentrification over the past ten years. These suburbs were once not sought after at all and are now highly sought after.

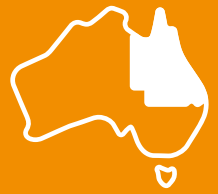
The southern Gold Coast and northern New South Wales localities generally attract traditional families, retirees or young couples. Hardly any of the properties within the locality are co-owned between friends or comprise multi-generational living. House design is becoming more modern however the layout of homes is remaining pretty much the same as it has over the past five years. The tram being expected to go to the airport over the next ten years will be the biggest factor in this area, however no other facilities or services have been established purely on societal gentrification.

Sunshine Coast

The Sunshine Coast has a population that is feeling like it's getting older.

Clearly, I am not a demographer but it appears to be a widely held view that baby boomers have always had a larger presence compared with other





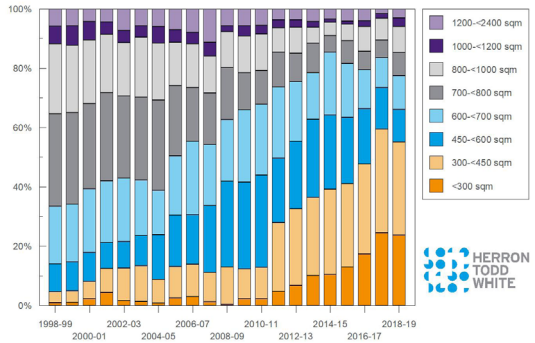
generations. As per the last ABS statistics, 42 percent of the population is between 40 and 70 years old. The impact that this population segment is having on the market is pretty sizeable. Then throw in the empty nesters and this downsizer market grows even more.

42%

Sunshine Coast population between **40 and 70 years old**

This market is pretty clear about what it wants. They don't want the hassle of looking after large homes and yards. They want the flexibility of being able to socialise with friends, play golf, go fishing and travel.

The biggest change we have seen has been lot sizes and densities in new estates on the eastern side of the highway close to the coast. Sales specifically of new allotments of less than 450 square metres have grown to almost 60 percent of all new allotments sold during 2017-18. These changes are reflected by the average size of new vacant residential allotments sold reducing from 824 square metres in 1998-99 to 467 square metres in 2017-18.

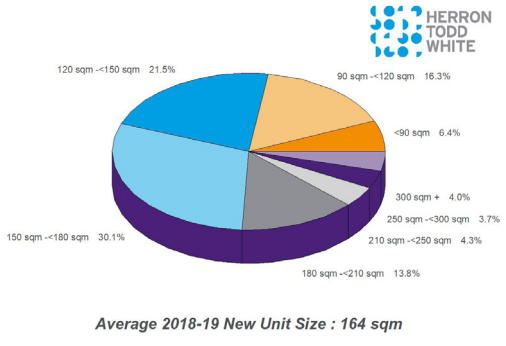


Source: HTW Analysis of RPData

Lot Sizes of New Residential Allotment Sales Source: HTW

This has not only benefited downsizers, but the improvement in affordability has helped with buyers entering the market. These small lots have produced some really efficient home design with some great spaces. Also in correlation with this demographic are designs that help to extend the market appeal of the home. Master bedrooms to the ground floor and provisions for passenger lifts or even installing them have become serious options for two level homes as has just building a smaller single level.

When looking at units, one of the biggest demand segments for existing or new units is larger permanent occupancy style apartments. Permanent occupancy style product has become increasingly popular as they are typically located in close proximity to the coast, close to cafes and restaurants with two car basement parking. The graph below shows that the average size of new units sold during 2018-19 was 164 square metres, with the most common size category being the 150 to 180 square metre range.



Source: HTW Analysis of RPData

Sizes of New Residential Units Sold in 2018-19 Source: HTW

When we move towards the older established coastal areas, densities have changed by the growing presence of duplexes and infill townhouse developments. These 600 plus square metre sites are effectively being split into small lot housing with results being similar to the smaller lots found in estates.

As the coast continues to grow, we will continue to see these demographic forces. What was interesting when looking at the ABS statistics was that our lowest ages of the population - up to 19 years old - shows a little spike in numbers so it remains to be seen whether or not the younger generations will be able to fill in any gaps in the property market.

Rockhampton

Rockhampton homes vary greatly from pre-1900s Queenslanders right through to your modern estate built brick homes. Typically the older established areas such as Wandal, The Range and Allenstown in the south and Berserker, Park Avenue and Koongal on the north side comprise high set timber and fibro homes, mostly being built between 1930 and 1975. After this, the 1980s through to the early 2000s suburbs such as Frenchville, Norman Gardens and Kawana experienced expansion in the form of single and two-level brick homes.

As to buyer profiles, there has never been a defined trend amongst the various buyer types as most categories have been spread across these areas.

It should be noted however that in more recent years many of the first home owners have been attracted to new housing estates in suburbs such as Gracemere, Parkhurst and Norman Gardens, taking advantage of the government grants and financial benefits on offer. The older suburbs

In more recent years many of the first home owners have been attracted to new housing estates.

however can in many cases offer much lower entry level prices which can also be attractive. The last decade has seen a large number of first home owners buying and upgrading albeit some choose to renovate or extend their existing homes.

In summary, it is difficult to foresee any major changes in these buyer profiles moving forward and a sporadic spread is the best way to sum up where different types of home owners are operating. Whether it be upgraders, downsizers, retirees, family buyers or first home owners, all of these various profiles are operating within the various suburbs discussed above.

Gladstone

Much the same as most other regional locations across Central Queensland, Gladstone has a good mix of home owner types. Investors have been very prominent during boom periods, however first home owners and upgraders have taken the market share of purchasers over the past two to three years.

It's not hard to recognise the value to be had in the current market even after having seen minor price growth over the past 12 months. We have seen a marked increase in demand for executive style large four-bedroom homes on larger lots and typically with pools or sheds. The increase in demand has come from out of town buyers (typically from southern markets) wanting to downsize their mortgage but at the same time not wanting to compromise on quality or features.

Mackay

The Mackay residential market has a good mix of home owners and potential purchasers, with no real defined trend among different demographics.

We do have three broad market types though, comprising lower level which predominantly is sub-$300,000 to $350,000, middle markets which are between $400,000 and $700,000 and the prestige market which is $700,000 and above.

Within the lower level, we are seeing a significant increase in first home buyers entering the market, with local lenders and agents reporting most activity in this price bracket. This can be attributed to a number of reasons. For example, Mackay underwent a significant downturn between 2013 and 2017, in which market values fell 20 to 30 percent. This fall in value has created relative affordability in the Mackay market that was not prevalent in years gone by. One negative effect from the downturn that has affected first home buyers is the tougher lending criteria by banks and coupled with the Banking Royal Commission, this has put far greater tests on borrowers, particularly with deposits. This has made it far more difficult for first home buyers to save deposits for middle markets and therefore they are choosing the lower level market. Those who have been able to save larger deposits have definitely taken advantage of the first home owner's building boost and built new dwellings usually in the $450,000 to $500,000 price range.

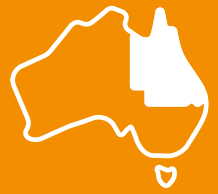
The middle markets have also been active in Mackay over the past two years. The main purchasers in this price bracket are upgraders and new residents moving to Mackay, usually established families. Prior to the downturn, Mackay had a reputation as being a mining town with affordability and cost of living being a big hindrance to non-mine related employees. That has definitely changed, with Mackay now back on the radar for teachers, police, ambulance, firefighters and other occupations who previously may have avoided Mackay. The only downside to this market segment is that the median price of dwellings fell by around $100,000, with some falls higher within this price bracket. That erosion of equity has limited the ability of some who purchased at the peak of the market to sell their existing homes.

The last market segment is the prestige market which has also seen good activity over the past two years. Again, this comes down to affordability and the fact that the majority of prestige dwellings selling in Mackay are usually below replacement cost, offering good value for money for those able to afford them. Purchasers in this market are usually good middle-income upgraders as well as other professionals who waited during the downturn until values stabilised and have now entered the market. Construction of large executive and architect designed dwellings has also increased over the past two years on the back of renewed confidence in the Mackay economy.

Hervey Bay

Hervey Bay has a good mix of purchasers across most of our asset classes.

The entry level range sub-$350,000 appeals to first home owners and downsizers. These homes are generally smaller three- or four-bedroom properties. This asset class also appeals to investors as gross returns can be upwards of five percent in some cases.



Another market that has continued to gain momentum over the past 12 months is the RV park owner with a number of complexes currently under construction in Hervey Bay.

Mid-range property up to $600,000 comprises a broad range from residential houses, acreage or even small scale rural lifestyle blocks. This market is also a mix of owners and investors. Homes are generally larger and ancillary improvements become more extensive.

$600,000 to $800,000 sees predominantly owner-occupiers in the Dundowran Beach, Craignish and Wondunna acreage locations. Again, these are large homes with extensive ancillary improvements. This range is also the base level entry for Esplanade homes along the Hervey Bay foreshore.

Prestige homes above $800,000 are generally found along the Esplanade in Hervey Bay and this is an owner-occupier market. Although the buyer profile has not changed, there appears to be more confidence in this market sector over the past 12 months which is encouraging for the area.

Another market that has continued to gain momentum over the past 12 months is the RV park owner with a number of complexes currently under construction in Hervey Bay.

Emerald

While values continue to slowly rise, turnover has not yet matched that of former glory years. This is mainly due to a large portion of property owners still with negative equity having purchased in the boom years and not yet able to get out. Time is slowly changing this but it has stopped a lot of activity in the upgrade market and people moving around.

We therefore are seeing predominantly new first-time home buyers, people moving to town or existing renters now buying. The rental market has firmed considerably and with vacancy below two percent, we are likely to see a lot more renters looking to buy. There is definitely a large portion of young people in the town who have grown up here and stayed or who have moved to town with many jobs on offer in the resources sector and are buying. Typically, they are active in the sub-$400,000 range. Investors are still a minority but are starting to show a bit more activity as rents have been increasing quicker then values in the majority.

Toowoomba/Darling Downs

Toowoomba's housing market is defined by a wide variety of home owners. It sees a strong cross section of first time owners, families and retirees. The dominant demographic group is couples of varying structures with over 80 percent of the local population in a couple, with or without children. When examining the age profile of the Toowoomba region, it is apparent that young adults are often exiting the region and returning in their 30s and 40s to raise a family.

The eastern suburbs including Rangeville, Centenary Heights and Middle Ridge are popular with families, often replacing the traditional retiree demographic. East Toowoomba and Mt Lofty are popular with more affluent families as well as empty nesters.

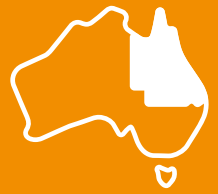
Over the past five years or so, there has been an increase in international buyers who have relocated to Toowoomba to capitalise on the employment opportunities in the government, public and private health sectors and the education sector. These buyers have tended to seek out new dwellings in the developing areas of Middle Ridge and Kearneys Spring.

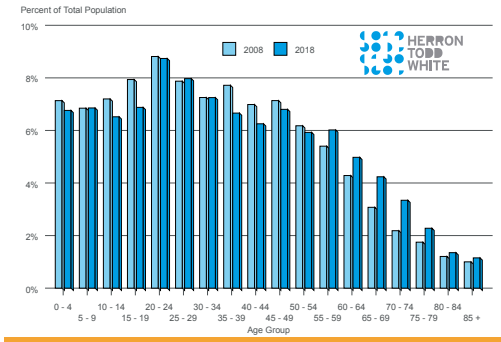
First home owners are well catered for in Toowoomba, with entry affordable housing available in the inner and outer western suburbs including Newtown, Glenvale, Wilsonton, Rockville and Harlaxton. These areas are experiencing a strong level of renovation works. First home buyers may experience difficulties entering the market within the desired eastern suburbs and often have to resort to secondary locations to enter the market.

As at the 2016 census, Toowoomba had a higher than average level of couples without children, a factor further encouraging a greater level of small lot construction and an influx of retirement village product.

Townsville

Figures show that Townsville's demographic composition by age structure changed significantly over the ten years from 2008 to 2018. The proportion of persons in the population aged 55 and over has progressively increased from 18.9 percent to 23.9 percent due to the combined impacts of baby boomers entering these age ranges, population ageing and older people remaining affiliated with Townsville rather than moving elsewhere. Meanwhile the proportion of the population aged either 10 to 19 or 35 to 44 has diminished from 29.8 percent to 26.3 percent, suggestive of families with high school or university age children having lesser attachment to the region.





Source: ABS

Trends in the age composition of the population will not only have economic implications for Townsville and its future labour supply, but also impact on future housing styles and choices in the Townsville property market.

We have started seeing a move by downsizers towards inner city unit living, particularly within the suburb of North Ward. This style of housing provides low maintenance options for retirees whilst being in close proximity to lifestyle amenities such as The Strand, cafes and entertainment.

First home buyers are currently preferencing new home construction or packages, whilst we are also seeing movement from buyers currently residing in the outer suburbs to suburbs within closer proximity to the city centre.

South Australia

Adelaide

The Adelaide metropolitan area spans some 3300 square kilometres. This area takes in the Adelaide Plains, foothills, former regional centres and sleepy beachside suburbs. The suburb profiles vary, each characterised by different property types, location characteristics and demographics. These variations provide purchasers throughout the metro area at all stages of the buyer lifecycle the opportunity to enter the market.

The most recent census data indicated that seven percent of the metropolitan area's population was made up of people aged 30 to 34 years which represented the highest percentage of persons within an age bracket. At this time, the average age for a first home buyer was 34 years. On face value this data suggests that the most dominant purchaser within the Adelaide metropolitan area is first home buyers. These buyers are heavily reliant on financial institutions and the bank of mum and dad. They seek out comfort before opulence within familiar surroundings, typically within range of the family home.

Within the inner ring those brought up in Prospect (dwelling median price $685,000) look north of Regency Road to Blair Athol (dwelling median price $440,000) which represents a price differential of $245,000 while those brought up in Millswood (dwelling median price $880,000) look west of South Road to Glandore (dwelling median price $495,000) which represents a price differential of $385,000. Representing typical first home buyer properties within Blair Athol and Glandore are 65 Lionel Avenue, Blair Athol, a circa 2008 brick veneer dwelling disposed as three-bedroom, two-bathroom on an allotment of 376 square metres and 32 Grosvenor Street, Glandore, a circa 1930 semi-detached brick dwelling disposed as two-bedrooms and one-bathroom on an allotment of 314 square metres. These properties achieved sale prices of $467,000 and $502,500 respectively.

32 Grosvenor Street Glandore Source: realestate.com.au

We are also seeing first home buyers moving into the developing suburbs at the extremities of the metropolitan area. This has become ever prevalent north of the city with Munno Para West recording the lowest median age of 29 years for the metropolitan area. Located 35 kilometres north of the Adelaide CBD, Munno Para West has been extensively developed over the past decade and provides purchasers with an affordable product of a more comfortable standard relative to the surrounding suburbs. An example of the typical dwelling within Munno Para West is 7 Blossom Road which achieved a sale price of $293,000. This property provides a circa 2014 brick veneer dwelling disposed as three-bedrooms and two-bathrooms. The dwelling has a double garage and a basic level of site improvements situated on an allotment of 370 square metres.

7 Blossom Road Munno Para West Source: realestate.com.au

As we move through the buyer lifecycle, first home buyers progress to upgraders and investors. Both these buyer types are looking for vastly different asset types. Upgraders are seeking out properties with increased accommodation, proximity to services particularly schooling, upside in terms of ability to extend or renovate and all at a reasonable price. All of these factors come together east of the CBD in the foothills suburbs of Stonyfell, Wattle Park and Beaumont. Each of these suburbs are well serviced and had development occur through the 1970s and 1980s, with a substantial number of large brick homes being constructed. Many of these come to market in a neat and tidy original condition.

Comparative affordability to the surrounding suburbs comes through the gradients of the land as the suburbs move further into the foothills. Representations of this property type come in the form of 15 Caithness Avenue, Beaumont and 3 Darrell Avenue, Wattle Park, each achieving a sale price of $880,000. Both properties provide neat and tidy original 1970s brick dwellings each with four bedrooms, multiple living areas and sloping allotments of greater than 950 square metres.

15 Caithness Avenue, Beaumont Source: realestate.com.au

Investors are seeking out properties throughout the greater metropolitan area with no real single area designated as a hot spot. The outer ring is providing gross yields in excess of eight percent however provide limited price growth whilst the opposite is true for the inner and middle rings where gross yields soften to sub five percent however provide stronger prospects for price growth. Investors avoid properties which require extensive capital works, tending to seek out tired properties which require a slap dash makeover to increase the achievable weekly rental. The recent sale of 55 Marshall Terrace, Brooklyn Park for $555,000 is a fair representation of typical investor stock. This is a neat and tidy original 1950s brick dwelling disposed as four bedrooms and one bathroom on a 635 square metre corner allotment. Since settlement the property has been listed for rent asking $465 per week. If the asking rental is achieved, the property will generate a gross yield of 4.35 percent.

55 Marshall Terrace, Brooklyn Park Source: realestate.com.au

The buyer lifecycle is moving into its final stage with downsizers being front and centre. These buyers are cashed up and specific in what they require. We typically see these buyers looking to reduce land size for low maintenance however retain living space for the grandkids to sleep over. The kicker for these buyers is that they don't want to move any further than a drop punt from the family home. This can become problematic for those living in the inner ring as zoning constraints restrict high density development reducing the availability of stock for these purchasers. Filling the market gap in the inner southern suburbs is the Cedar Woods development of the former Glenside Hospital site. With proximity to Burnside Village, Adelaide Parklands and The Arkaba shopping and health precinct, this development has been popular with downsizers moving from the surrounding low density heritage suburbs. Further servicing this market are the Norwood Green and George and Queen developments in the inner eastern suburb of Norwood.

Cedar Wood Development Source: realestate.com.au

Disruptors to the traditional buyer lifecycle are non-Australian born purchasers entering the market. These buyers seek out comfortable surroundings gravitating towards areas which provide a cultural resemblance to their home country. The CBD apartment market has been popular with Chinese buyers, particularly apartments within the buildings surrounding Chinatown. Similarly, the suburbs surrounding the northern section of Prospect Road

The most recent census data indicated that seven percent of the metropolitan area's population was made up of people aged 30 to 34 years.

HERRON TODD WHITE RESIDENTIAL

have been popular with Middle Eastern, African and Indian purchasers. Many of these purchasers come from cultures where the whole family lives under one roof. We have seen an increase in construction of dwellings with self-contained living spaces and established dwellings being improved with detached living spaces.

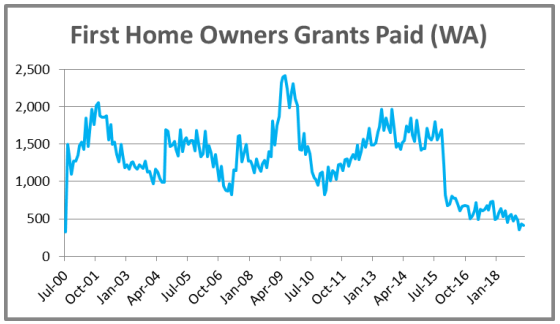
Suburban Adelaide provides market entrants at all stages of the buyer lifecycle the opportunity to enter the market. With a swathe of differing property types and market entry price point, there will be something available for everyone.

Western Australia

Perth

In this edition, we are going to give you a snapshot of the shifting demographics in multiple areas throughout the state in an attempt to build the picture of the maturing (in some cases) of many markets.

In January 2020, approximately 30 percent of all sales occurred below $350,000, which is a greater proportion than in January 2019. With many journalists painting a positive outlook for the property market in 2020 and beyond, first home buyers could gain a sense of urgency and feel more inclined to revisit listings websites again. According to REIWA President Damian Collins, first home buyers are currently making the most of the lower interest rates. Although first home buyers' prospects may seem positive due to the current levels of affordability and improving availability of finance, we are still in a period of the lowest number of First Home Owner Grants being approved and paid out.

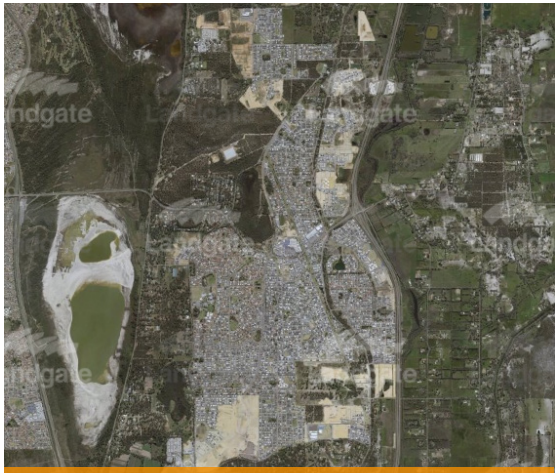


FHOG Paid — Source: WA Treasury, 2019

First Home Owner Grant levels plummeted late in 2015 when the state government cut a $3,000 incentive on purchasing established properties in an atempt to stimulate a declining construction industry and increase the supply of housing to improve affordability. Since then, market conditions continued to decline and we have now reached the market floor in some locatities – but not in those that continue to experience supply linked to this policy. Unfortunately, this policy when combined with declining market conditions has led to entire suburbs being burdened by negative equity.

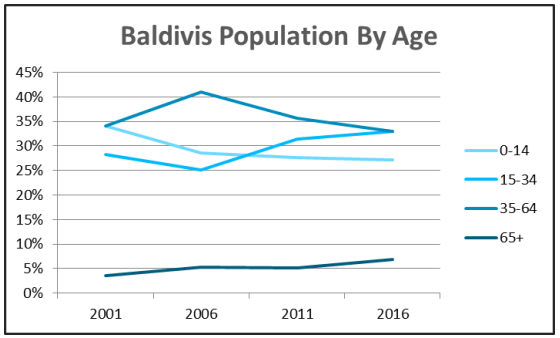
Baldivis in 2000 — Source: Landgate Maps, 2020

Baldivis in 2011 — Source: Landgate Maps, 2020



Baldivis in 2019 — Source: Landgate Maps, 2020

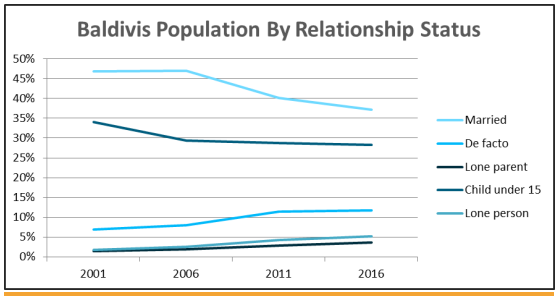
Baldivis is a developing suburb 35 kilometres south of the Perth CBD and is widely characterised as a first home buyer location. Large scale residential development began here in the early 2000s. At this time, Baldivis was home to less than 1000 residents and since then, the population has exploded. By 2016, the suburb's population had increased to more than 31,000 residents.



Baldivis Population By Age Source: ABS, 2016

Over time, Baldivis's demographic shifted, going from a median age of 33 in 2006 down to 29 years old in 2016. The number of residents aged between 15 and 34 years old has increased the most. Children who were once part of a young family have aged to their late teenage years, whilst many young couples and singles saved enough money throughout the resources boom to purchase their first home.

The number of married residents decreased between 2006 and 2016. As wages were increasing, parents saw the opportunity to become upgrade buyers and move into established areas closer to the CBD and as a result, lone parents, lone persons and de facto relationships increased in the area.



Baldivis Population By Relationship Source: ABS, 2016

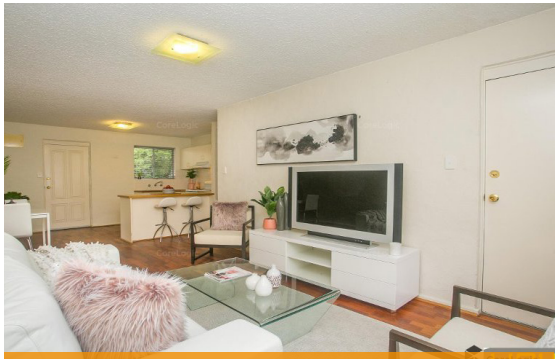
The range of product offerings in Baldivis includes modern unit developments, townhouses, retirement villages, semi-rural lifestyle acrages and even mixed farming land, however the vast majority of properties are modern three to four-bedroom, two-bathroom conventional single level dwellings on a wide range of lot sizes. There are currently 178 vacant land listings on Realestate.com.au, many of these advertised as house and land packages. The median house price in Baldivis settled at $380,000 for 2019, however there are 265 square metre lots selling for as little as $99,000, resulting in house and land packages sub $300,000. So the supply continues!

$380,000
Baldavis median house price (2019)

Not all first home buyers choose to live on the outskirts of Perth. Many people desire a home closer to the CBD where amenities aren't in short supply and convenience and lifestyle are at the forefront of their minds. Sacrifices must be made with this choice however, as the average first home buyer's budget reduces product availability and choice closer to the CBD.

The oversupply of investor grade apartments has forced a continuing downward pressure on values which comes as a relief for some first home buyers looking to purchase in these affordable times. Unfortunately, apartment construction periods can be lengthy and in a softening economy your new apartment can be worth much less than when you first purchased it (or vice versa).

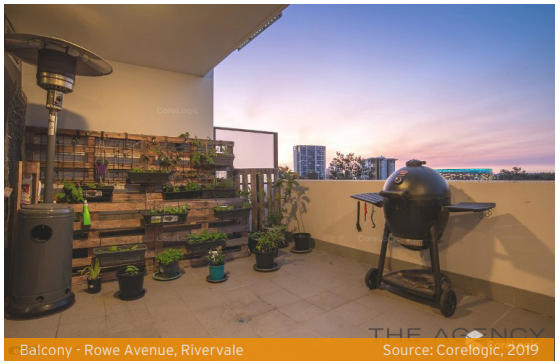
If you are risk averse and don't mind dated apartment complexes, there is an abundance of options to choose from, including throughout Wembley, Como and Maylands. Old one-bedroom, one-bathroom apartments can sell for as little as $110,000 in Maylands (usually in walk-up complexes that have no elevator). Surely these are bargain basement values and we anticipate attention from investors and first home buyers alike.



Herdsman Parade, Wembley Source: Corelogic, 2019

The property in Figure 7 sold for $225,000 in November 2019. This circa 1977, first floor apartment comprises two bedrooms, one bathroom and one open car space with 67 square metres of living area. It is currently under lease for $250 per week, showing a 5.8 percent yield.


Kitchen & Living - Points Way, Cockburn Source: Corelogic, 2019


Balcony - Rowe Avenue, Rivervale Source: Corelogic, 2019


View - Points Way, Cockburn Central Source: Corelogic, 2019


Kitchen - Rowe Avenue, Rivervale Source: Corelogic, 2019

If old is not your cup of tea then there are a plethora of modern apartments available for first home buyers in Rivervale, Burswood, Cockburn Central and East Perth. The property in Figures 8 and 9 sold for $235,000 in December 2019. The circa 2013 apartment comprises two bedrooms, one bathroom and one secure car space with 63 square metres of living area.

This apartment in Rivervale (Figures 10 and 11) originally sold off the plan in 2014 for $530,000. Completed in 2015, it comprises two bedrooms, two bathrooms, and one basement car space with a 71 square metre living area. The apartment includes a 25 square metre balcony with views of Optus Stadium. Common facilities include a pool, games room, residents' lounge, sauna and gymnasium. It recently sold in December 2019 for $375,000 - a loss of $155,000 or 30 percent. This is a perfect example showing Perth's current affordable market, as only five years ago most first home buyers wouldn't have had the chance to purchase this type of product.

People who have found themselves in a comfortable enough position to enhance their living situation move on from first home buyers to become upgrade buyers. This market is often driven by parents in their 30s and 40s who have experienced promotions or wage increases. Access to the full range of amenities is key in this market as many of the upgraders are having a second or third child and need more space in the family home. Currently there are some great opportunities within suburbs located 10 to 20 kilometres from the CBD. Leeming, Duncraig, Kardinya and Mount Lawley are all examples of suburbs that many upgrade buyers are searching in. These types of locations aren't only accommodating to upgraders though, as first home buyers, downsizers and retirees can still find some opportunities here in the form of villas, duplexes and subdivided lots.

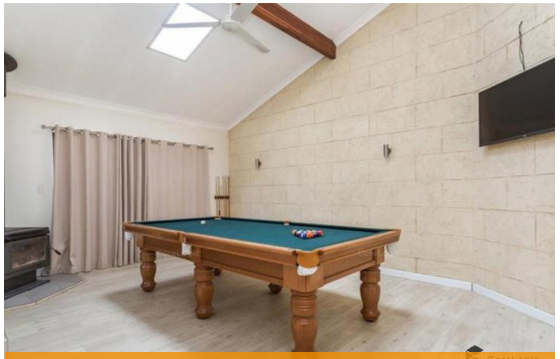
Leeming is an established suburb located 14 kilometres south of Perth and is within close proximity to good educational facilities as well as accessibility to main roads and the Kwinana Freeway. In 2019, the median house price in Leeming fell 5.6 percent to $670,000, although overall it has remained stable since 2017 when the median was $675,000. Sales activity in Leeming has been strong over the past year as 125 properties transacted. For the month of January 2020, Leeming recorded the greatest sales activity growth out of all Perth metro suburbs (REIWA, 2020). Upgrade buyers are making use of current market conditions as Leeming is receiving an average of 340 visits per property on Realestate.

If old is not your cup of tea then there are a plethora of modern apartments available for first home buyers in Rivervale, Burswood, Cockburn Central and East Perth.

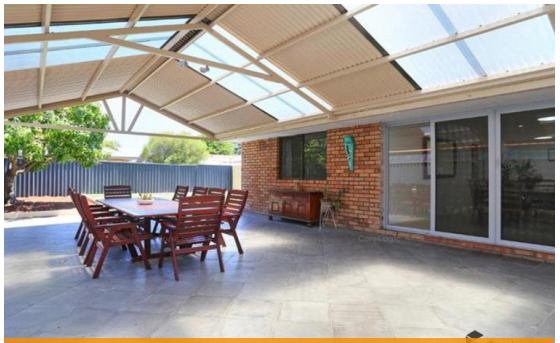
com.au. The website shows a Western Australian average of 244 visits per property.

The typical property in upgrader family locations such as Leeming are late 1980s and 1990s, four-bedroom, two-bathroom dwellings on 600 to 900 square metre allotments. The area is definitely a family destination as many residents who moved here when the suburb was developing choose to stay instead of seeking an upgrade elsewhere. Demolish and rebuilds are starting to become popular in Leeming, however extensive renovations remain more prevalent.

Kitchen - Amphion Place, Leeming Source: CoreLogic, 2019



Living Room - Amphion Place, Leeming Source: CoreLogic, 2019



Patio & Backyard - Amphion Place, Leeming Source: Corelogic, 2019

The property in Figures 12 to 14 sold for $737,000 in December 2019 after 20 days on the market. This fully renovated family home was built circa 1984 and comprises four bedrooms, two bathrooms and a double garage on a 704 square metre allotment. The property originally sold for $560,000 in 2009 prior to the renovations.

Mount Lawley is another potential upgrader location located just 2.5 kilometres from the CBD. It has popular surrounding amenities which make it a sought-after suburb. This includes plenty of local cafes, bars and shops, as well as good public transport links to and from the city centre. Mount Lawley's median house price fell by three percent over the past year, settling at $921,250 for 2019. The suburb does comprise of some prestige character homes, however there is currently good value in the unit, apartment and townhouse market.

Front - Tolcon Place, Mount Lawley Source: Realestate.com.au, 2019

Kitchen - Tolcon Place, Mount Lawley Source: Realestate.com.au, 2019

This Mount Lawley property (Figures 15 and 16) sold for $580,000 in December 2019. The circa 2005 townhouse comprises three bedrooms, two bathrooms and a single garage on a 219 square metre allotment.

Changing demographics in Perth's affluent western suburbs has resulted in an increase in high density, lifestyle living in the area. Claremont and Nedlands traditionally boast character homes on larger lots

Changing demographics in Perth's affluent western suburbs has resulted in an increase in high density, lifestyle living in the area.

with plenty of garden space ideal for family living. As the children finish school and move out of home, many baby boomers realise that they don't require the large family home with now many spare rooms and required maintenance. As a result of this, we are seeing a lot more developments that cater to this generational shift, including One Subiaco, Claremont on the Park and Essence. "We have seen a lack of supply in the western suburbs because there was never any height in them so you couldn't get apartments in the western suburbs because of the resistance from some of the local council" (Blackburne, 2019).

There remains a shortage of supply for larger high-end apartments within the area. The demand for this style of living has increased as people who grew up or raised families in the area want to remain there despite their circumstances changing. A great example is Claremont on the Park. It is a new development bringing a range of different living opportunities from one-, two- and three-bedroom apartments, to assisted living apartments co-located with premium aged care services and intergenerational childcare. It provides a mix of living and retail essentially creating a hub where people can work, live and relax. The development is conveniently located a stone's throw from Claremont train station, providing easy transport options. This is providing a great alternative for those who are downsizing or for those who would like to stay in the area but who need a supported living environment.

Moving east of Perth, Kalamunda is a semi-rural lifestyle suburb located just 18 kilometres from the CBD. Characterised by its sloping contour, this region forms part of the Darling Scarp and had a population of 6983 people in 2016 (ABS Census, 2016). Over the past 20 years this population has stayed relatively stable - only increasing by four percent, however there has been a demographic shift over the same period, as is the case for many Western Australian suburbs.

There has been an increase in subdivisions of well positioned properties, providing for lock and leave detached units that are appealing to retirees.

In 2001 there were 5399 residents between the ages of 15 and 64 in Kalamunda. By 2016 this number had reduced almost 25 percent to 4073 persons. Conversely, there were 1122 residents 65 years or older in 2001 and by 2016, this number had increased 62 percent to 1821 persons. These figures show that the population has aged dramatically in this region, with Kalamunda's median age increasing from 41 years old in 2001 to 47 years in 2016.

Zoning changes have been a positive outcome for residents in the transition from worker to retiree. Many people have had the opportunity to demolish their old dwelling once the upkeep became too much of a burden. Then they often subdivide the land into two to five lots and use the profits to purchase in one of the many modern villa or townhouse complexes built in the area over the past ten years. The median house price in Kalamunda has decreased by 18 percent over the past five years, settling at $563,750 in 2019.

Down in the south-west of Western Australia, first home buyers are generally purchasing in the outlying residential areas of Vasse, Yalyalup, Kealy, Australind, Eaton and Dalyellup due to affordability. These suburbs have median house prices ranging from $315,000 (Eaton) to $436,250 (Vasse). The homes are generally modern and have relatively poor prospects for capital growth, but they do offer strong rental yields. First home buyers are either building and taking advantage of cheap building costs or purchasing from families looking to upgrade.

Many families are upgrading by selling in outlying residential areas and purchasing dated homes in good locations closer to the ocean, a move which is representing good value for money in the $500,000 to $1 million price bracket. These properties represent stronger long-term capital growth whilst prospective yields are lower than in the first home buyer locations. As these homes are older, upgraders are updating and renovating in many cases which is stimulating the south-west building sector. This is helping to offset a general reduction in new home constructions.

There has been an increase in subdivisions of well positioned properties, providing for lock and leave detached units that are appealing to retirees. This market is active as the south-west is the fastest growing region in the state and part of the demographic is elderly people looking to retire. In addition, there is a new retirement village under construction in Kealy to accommodate for retirees moving to the south from Perth.

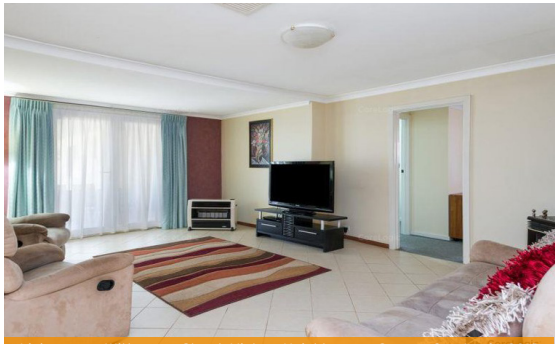
The south-west market is mostly made up of families and retirees. Families are recognising the area as a good place to raise a family, with the biggest hindrance being the perception of a lack of available jobs. Many younger people leave the south-west to study or to enjoy the city lifestyle and as such, the first home buyer market is not strong, but is reasonable. Affordability issues have resulted in smaller lot

Kalgoorlie-Boulder's demographic has barely shifted over the past 15 year.

sizes being released (as is the case for Greater Perth), however there are plenty of blue collar workers in the region who seem to prefer rural residential properties. As such, there is demand from tradespeople to purchase a hectare lot to build their dream home on.

Kalgoorlie-Boulder's demographic has barely shifted over the past 15 years, currently sitting at around 30,000 residents. Properties in Kalgoorlie range from early 1900s fibrous cement sheeting dwellings on 1,000 square metre allotments and modern conventional brick dwellings on smaller lots to mixed-age townhouses and villas. Kalgoorlie has plenty of options for first home buyers and families. For first home buyers, newly developed land is available in South Kalgoorlie with 700 square metre lots selling for as little as $25,000.

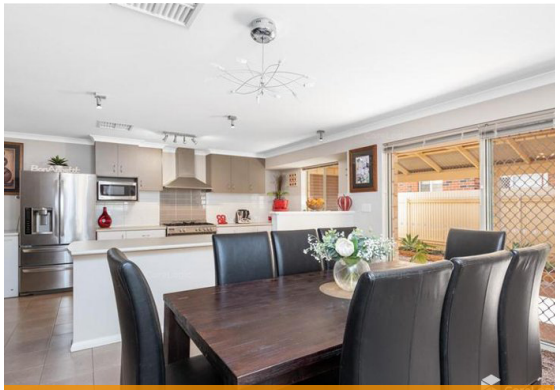
Front - Wittenoom Street, Victory Heights Source: CoreLogic, 2019



Living area - Wittenoom Street, Victory Heights Source: CoreLogic, 2019

This property (shown in Figures 17 and 18) sold for $275,000 in November 2019. The circa 1925 build has been renovated internally and comprises three bedrooms, one bathroom and a single garage on a 1012 square metre allotment. The price point is perfect for entry into the property market and is just below the Kalgoorlie-Boulder median house price of $290,000. Many residents looking for an upgrade choose to move to more sought after suburbs such as Lamington and Somerville rather than renovate their existing property.

Front - Heaney Close, Somerville Source: CoreLogic, 2019



Kitchen/Dining - Heaney Close, Somerville Source: CoreLogic, 2019

This property (Figures 19 and 20) was built circa 2010. The modern dwelling comprises four bedrooms, two bathrooms and a double garage on an 876 square metre allotment and includes a theatre room, gable patio and workshop. It sold in November 2019 for $550,000 and would be a suitable option for a family looking to upgrade.

In the Pilbara mining town of Karratha, high-vis attire and hard hats are being discarded for prams and nappies, as the mineral and gas workers traditionally associated with the town make way for young families. Traditionally, Karratha has predominantly been an investor's market place, with individuals looking to enjoy the benefits of the once booming resource sector and to get their own slice of the remarkable rental yields on offer. This is illustrated by the town's demographic profile, with 58 percent of the area's population made up of men in 2011, slightly decreasing to 56 percent in 2016 (ABS, 2011). The ABS results fail to account for a dramatic reduction in FIFO accommodation throughout the townsite.

However, after the last market cycle, buyers within Karratha changed dramatically. Young families dominated the market during the downturn, finding

opportunity in the town's diminished property values. Our local valuers in Karratha report that it has become a much more liveable city for families in terms of facilities, schools, sports and playgrounds. The 2017/18 market cycle saw the most dramatic shift, with the town's female population increasing by 446 and 1101 men leaving (The West Australian, 2017). However, this is slowly changing again as increasing mining and resource investment brings jobs back to this turbulent region. Investors are re-entering the market and prices are significantly increasing. In the future, we may see a rise in single male person households again as the cycle recommences.

Northern Territory

Darwin

The Northern Territory housing market, like other cities across Australia, is made up of several different types of demographics which choose particular locations based on pricing, house type and local amenities. Due to the wide variety of different types of home owners, we will examine the typical home owners/occupiers that make up each main region of the Darwin property landscape. From this foundation, we will then look at how this typical demographic makeup has changed post mining boom (if any), and the direct impact these changes have had on the property market in each particular sector.

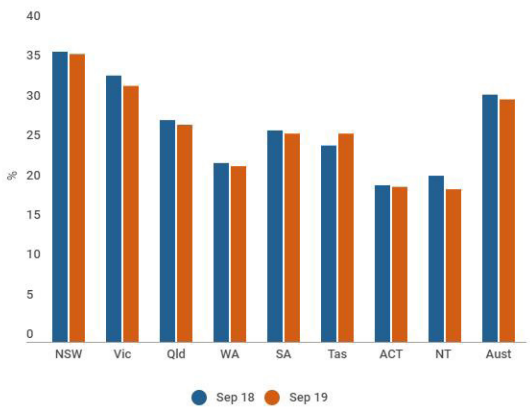
Firstly, the inner sector of Darwin which comprises the CBD, Woolner, Parap, Bayview, Larrakeyah, The Gardens and Stuart Park has the most high density accommodation for obvious reasons, one being the lack of land on offer in this area (a trait in every CBD/inner city locality). Various multi-storey developments in this area were erected in the past 15 years, mainly on the back of the mining boom in the form of the Ichthys Inpex Gas project and ConocoPhillips Gas Projects. This type of property is attractive for younger professionals or empty nesters working in the CBD area, not requiring the extra space for larger families. Generally this area comprises mainly renters, but has seen an increase in owner-occupiers in the past 3 years with units becoming more affordable due the gross over-supply in the market.

Inner Darwin units have seen a slight lift in sales volumes by 13.1 per cent at the tail end of 2019,

These prices have dropped 25 per cent and 40 per cent respectively from the peak of the market in 2014.

(REINT: Dec 2019), however this segment is still experiencing a decline year on year by 5.6 per cent to $335,000 for the median sale price. This weakening market movement is in line with the rest of the Darwin market where an over-supply and a population decrease has led to an inevitable decline in prices across the board. From the peak of the market in 2014, inner city units have experienced weakening capital values by at least 30 per cent, improving the affordability for both renters and potential purchasers alike. This segment, which at one point comprised a large portion of investors taking advantage of long-term corporate leases has

Chart 11: Proportion of median household income to meet average home loan repayments



now shifted to a more owner-occupied focus with an increase in affordability. The NT is now the most affordable state or territory in Australia.

In saying this, the inner Darwin segment still offers strong rental yields for potential investors, with an average two-bedroom, one-bathroom unit attracting a robust 6.2% yield. Capital values in the short to medium term may suffer however, if the general weakening economic trend were to continue.

Dwellings in this inner segment are considered to be the most prestigious sector of the overall Darwin market, especially those near waterfront locations such as Cullen Bay, the marina in Bayview, Parap and Fannie Bay. This home-owner typically has purchased property before and is generally made up of owner-occupiers upgrading from lower priced segments. This segment has shown some form of stabilisation towards the end of 2019, with the latest results showing a 5.3% increase in sales volumes and an improvement of 7.4% in the median sales price to $725,000 (from December 2018). Generally this type of home-owner is looking to be within a 10 – 15 minute drive from the city which provides access to social amenities, schooling and nightlife activities.

Moving further afield north, the Northern Suburbs locality provides the largest amount of housing for the local population at a more affordable price

Alice Springs has a fairly transient population and in many ways, operates in a similar fashion to a night club.

range. This locality has a large amount of schooling, shopping precincts and public facilities. It is made up of both units and dwellings, with a large portion of ex-housing commission homes providing entry level options for first home buyers. The latest statistics for dwellings in this sector show an improvement in sales volumes by 56 per cent in the North Coastal region and 13.5 per cent increase in suburbs further north (year on year). (REINT: Dec 2019). Whilst these statistics show some promise, the median price has weakened in both areas by 5.9 per cent and 11.3 per cent from December 2018 respectively to $717,500 and $522,000. Due to the general weakening in house prices, we have seen a significant change from those renting to now becoming home-owners.

An entry level three-bedroom, one-bathroom dwelling in Karama, built in the 1980s can now be purchased from $300,000, whilst an entry level one-bedroom, one-bathroom unit can be purchased in Nightcliff for approximately $110,000. These prices have dropped 25 per cent and 40 per cent respectively from the peak of the market in 2014. Further examples of increases in affordability for this sector have come in the form of a substantial increase in bank foreclosure sales. This type of sale five years ago which generally didn't occur, has unfortunately now become a common phenomenon and is highlighting the weakening property trends in Darwin.

The final sector in the Darwin residential market which has arguably seen the greatest change over the past 5 – 10 years is the nearby satellite city of Palmerston. Located 20 kilometres from the Darwin CBD, Palmerston is a diverse community with young families living at generally cheaper pricing options than closer to Darwin. It is well facilitated by several schools, local shopping facilities (with the recent construction of the Gateway Shopping Centre) and the new hospital facility servicing residents in both Palmerston and the rural area. The average median price for a dwelling is $430,000, which is directly comparable to the Darwin North locality, however the improvements would provide a superior amenity. The December 2019 quarter saw 99 house sales which is stronger than mid-December however still 10.8 per cent lower than a year earlier. In line with this statistic is a 3.8 per cent drop in median price to $430,000. This is contrasted with a median price of $570,000 in December 2015. Affordability for both renters and potential purchasers alike has improved not only with the decrease in population, but the strong increase in housing supply. The new suburbs of Zuccoli and Durack have had the biggest impact in this regard, with a steady amount of construction on newly sub-divided land. Zuccoli is still selling a large volume of land, with an entry level allotment of 335 square metres able to be purchased for $150,000. A house-and-land package for an average three-bedroom, two-bathroom rendered masonry home can now be purchased from $385,000. This type of product would interest those able to take advantage of Government incentives in the form of a $20,000 build bonus. We do warn however, with the decrease in prices for existing homes, building a new dwelling may lead to a substantial amount of over-capitalisation. Put simply, building a new home in a period of over-supply of housing is generally not a smart decision and the cost to build is exceedingly out-weighing the value of a brand new home. This has become more obvious than ever with re-sales of recently built homes selling for considerably lower than construction cost.

Generally, societal changes across Darwin's residential market is characterised by one key factor: population decline. This has had a flow on affect in all areas of the economy, and the weakening housing market is a direct indicator. 2020 has bought with it some renewed hope, with local real estate agents identifying a surge In interest for those looking to purchase, however we consider the market to remain fairly flat in the short to medium term.

Alice Springs

Now that schools have re-commenced for 2020 and all the holidaying locals have returned to Central Australia, the residential market is beginning to wind up again and we are seeing an increase in sales activity after the traditional Christmas and New Year lull.

The residential market remains flat, with capital growth being something every home owner is chasing, but it is proving to be very elusive for anybody who has bought property in the past six to seven years in Alice Springs. Unless homes have been renovated or extended, we are seeing values being largely stable and in some cases (and specific locations) going backwards. This of course presents an opportunity for buyers and suburbs such as Gillen, Larapinta and Sadadeen are seeing some very well priced properties being snapped up.

These buyers are typically young, owner-occupiers and first home buyers taking advantage of the government incentives in place. There are also a number of upsizers and downsizers active in the market which is keeping the dwelling sales numbers from completely plummeting.

Alice Springs has a fairly transient population and in many ways, operates in a similar fashion to a night club – generally every individual or family leaving the area is replaced by another individual or family coming in to the area. This doesn't promote population growth and without population growth, it's difficult for a real estate market to thrive. Unfortunately, there are a finite number of opportunities that attract people to Alice Springs and given their transient nature, many people are content to rent rather that enter the local property market.

A recent sale of a circa 1980s two-bedroom, one-bathroom unit in the suburb of Sadadeen has highlighted the downward pressure being brought to bear on older units. This particular unit was sold in February 2010 for $340,000 and was sold again in April 2016 for $300,000. It has just been sold again, this time for $225,000. Ignoring for a moment the depreciating nature of the asset (that has not had any major renovation work done during the past ten years), this represents a 34 percent reduction in value over the ten-year period. Another case in point is a two-bedroom, one-bathroom unit in a large 1980s complex that was sold in 2010 for $342,000 and has just recently gone under contract for $247,500, representing a drop of 28 percent in ten years.

Australian Capital Territory

Canberra

Canberra is a growing city with a highly mobile population that continues to experience demand that outstrips supply. In terms of affordability, Canberra is an expensive city to live in. The population broadly speaking comprises young singles and couples looking for a place to live for the short term, families with young children and those with teenagers looking for a second or third dwelling and retirees. In recent years the increase in retirees wanting to downsize after a life in the public service or private enterprise has seen demand for prestige units around Lake Burley Griffin and the Kingston Foreshore drive quality developments.

Canberra tends to be divided by Lake Burley Griffin located in the city centre and there are allegiances to the north and south. Most buyers have a tendency to stay on the side where they currently reside. Price and location then dictate demand from the inner suburbs radiating out to the newer land subdivisions on the territory's fringe.

Financially secure retirees seek modern premises and low maintenance well-built townhouses or units such as Campbell and Ainslie in the north and around Manuka and Kingston in the inner south. Middle ring suburb locations also include Mawson, Farrer in the Woden Valley and Monash and the suburbs of Crace and Ngunnawal to the north.

The middle ring suburbs including Evatt, Melba and Florey in the north and Farrer, Torrens, Wanniassa and Kambah in the south appeal to those looking for a second or third home. Families with teenage children have also seen benefits in three- and four-bedroom low maintenance townhouses and units with modern facilities and public transport options nearby.

The new suburbs in Gungahlin and West Belconnen tend to attract younger families wanting project dwellings built on vacant land. This option is also appealing to those with multi-generational households. A number of five- and six-bedroom dwellings have been newly constructed in Moncrieff and Throsby providing various options for larger families with a substantial number of bathrooms and second kitchens becoming regular inclusions.

This brings us to couples and singles who want modern, well located units with access to restaurants, cinemas, universities and public transport. Affordability remains the key factor driving demand with affordable units providing options in the City CBD and town centres of Belconnen, Woden and Gungahlin all of which have shopping facilities, cinemas and restaurant and cafe precincts.

In summary, demand is good in all sectors and properties that offer buyers move in ready dwellings with modern kitchens and bathrooms and no projects that have access to local facilities provide a smooth transition from one property to another no matter who the buyer is.

Canberra is a growing city with a highly mobile population that continues to experience demand that outstrips supply.

Tasmania

Statewide

The Tassie market is undergoing a change in buyer profile as mentioned in previous month in review articles.

Firstly, we are seeing a "sea change" effect as empty nesters are drifting from the larger population centres of Hobart, Launceston and Devonport to beach side centres. For Hobartians they are are heading to places like Orford (just an hour from the city), Launcestonians to Bridport (one hour away) and to a lesser degree St Helens (1.5 hours drive). while those in Devonport are drifting to the Shearwater/Port Sorell/ Hawley Beach region (15 mins away).

Property prices in all these centres remain affordable. For example, there is currently a four-bedroom, one-bathroom house with pool being marketed in Orford at $555,000, in Bridport a three-bedroom, two-bathroom dwelling with water views on a 648 square metre lot is for $320,000 and in Port Sorell a modest two-bedroom, one-bathroom with double garage for just $240,000!

28 Charles St, Orford Source: realestate.com.au

The other noticeable change to the buyer profile are the climate changers. These comprises buyers mainly from Queensland and Western Australia who are simply seeking to escape the heat! They typically comprise families or empty nesters. While there is some drift to the coast amongst this cohort most are heading to where the employment is; and that generally means Hobart or Launceston.