



Mackay Market Update

1st Half 2020



OVERVIEW

In Q1 2020, Mackay* recorded a median house price of \$335,000, and a median unit price of \$230,000. This represents annual (Q1 2019 – Q1 2020) median price growth of 1.5% for houses and a softening of -3.2% for units. Between Q1 2019 – Q1 2020 total sales increased, by 13.2% for houses (to 60 sales), and by 50.0% for units (to 24 sales). The Mackay* property market shows signs of resilience through capital growth and increase in demand over the past 12 months, there are opportunities for both buyers and sellers.

	CHANGE FROM LAST	YEAR	HALF YEAR
 House Sales		↑	↑
House Median Price		↑	↓
House Rental Price		↔	↔
 Unit Sales		↑	↑
Unit Median Price		↓	↑
Unit Rental Price		↑	↔

MARKET CONDITIONS

SALES MEDIAN PRICE Q1 2020



SALES AVERAGE DAYS ON MARKET Q1 2020



RENTAL MEDIAN PRICE Q1 2020

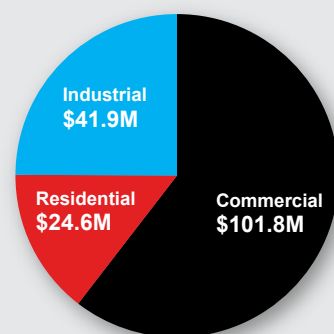


RENTAL AVERAGE DAYS ON MARKET Q1 2020



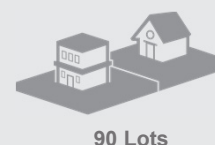
FUTURE DEVELOPMENTS

Mackay* is set to see approximately **\$168.3M** worth of new projects commencing in the 1st half of 2020.



A large commercial projects development plan will stimulate economic growth in Mackay*, which will have a positive spill-over impact on the real estate market. New housing stock will assist with the current demand, and ensure a sustainable level of price growth.

A main commercial project in 1st half 2020 period is the Pioneer Lakes Estate Retirement Village (\$50.0M). This project will construct 173 independent living units and a community centre. Key residential projects include: River Street Units Development (\$15.0M, 49 Units), Willoughby Crescent Dwellings (\$3.6M, 12 dwellings), and Shoal Point Residential Subdivision (\$1.4M, 30 lots).

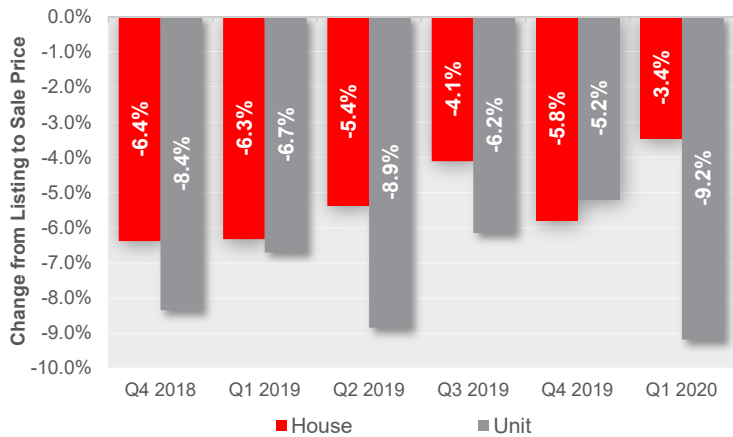


*Mackay market data and key indicators show aggregate property market conditions in Andergrove, Beaconsfield, Mackay, Mackay North, Mackay East, Mackay South & Mackay West.
**Estimated values are based on construction value provided by the relevant data authority and does not reflect commercial and/or re-sale value.
Source: APM Pricer, Cordell Connect database. © Copyright PRD 2020.

AVERAGE VENDOR DISCOUNT* KEY COMMENTS

Average vendor discount reflects the average percentage difference between the first list price and final sold price. A lower percentage difference (closer to 0.0%) suggests that buyers are willing to purchase close to the first asking price of a property.

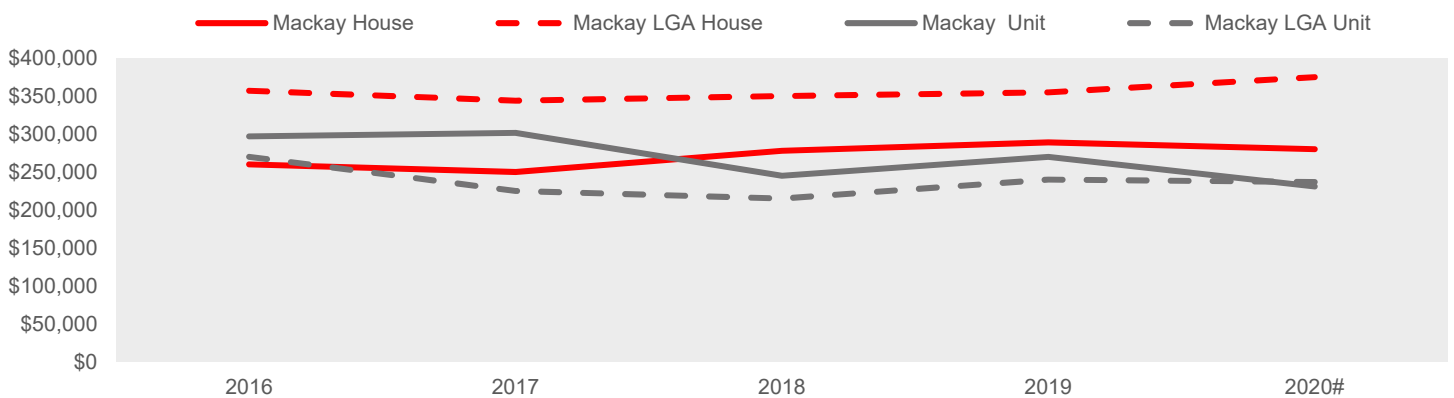
Average vendor discounting between Q1 2019 and Q1 2020 has tightened to -3.4% (houses) and widened for units to -9.2%. Market conditions in Mackay* offer unique opportunities to both buyers and sellers. House sellers can achieve final sale prices closer to their first list price, whilst unit buyers can benefit from a discount.



The suburb of Mackay has continued to present a more affordable market in comparison to the wider Mackay Local Government Area (LGA), in regards to property median prices. This provides an ideal opportunity for first home buyers and investors.

The dominant proportion of houses sold in Mackay* across 2019[^] were in the lowest price bracket of less than \$299K (26.4%). Units recorded a split pattern, with almost equal level of buyer activity within the lowest and highest price brackets. This suggests there is a home for every budget in Mackay*.

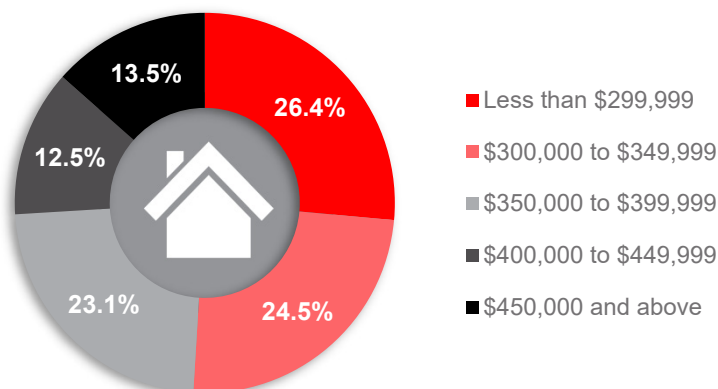
MARKET COMPARISON



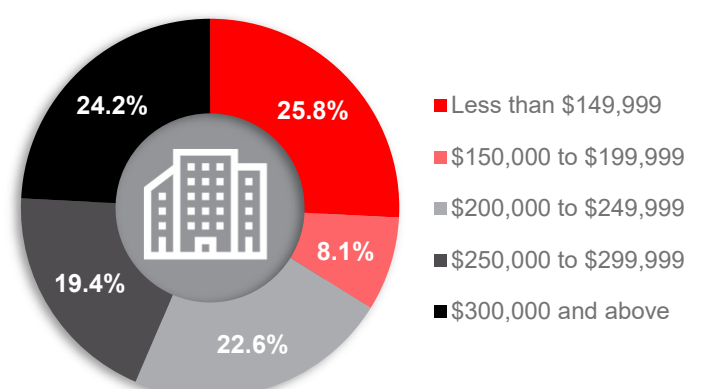
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Mackay.

PRICE BREAKDOWN 2019[^]

HOUSES SOLD



UNITS SOLD

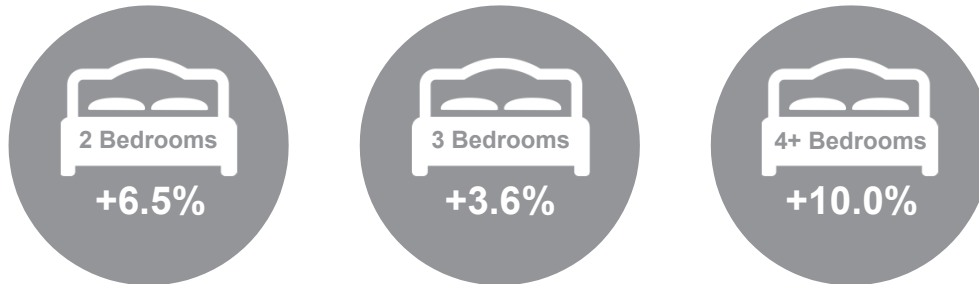


RENTAL GROWTH 2019*

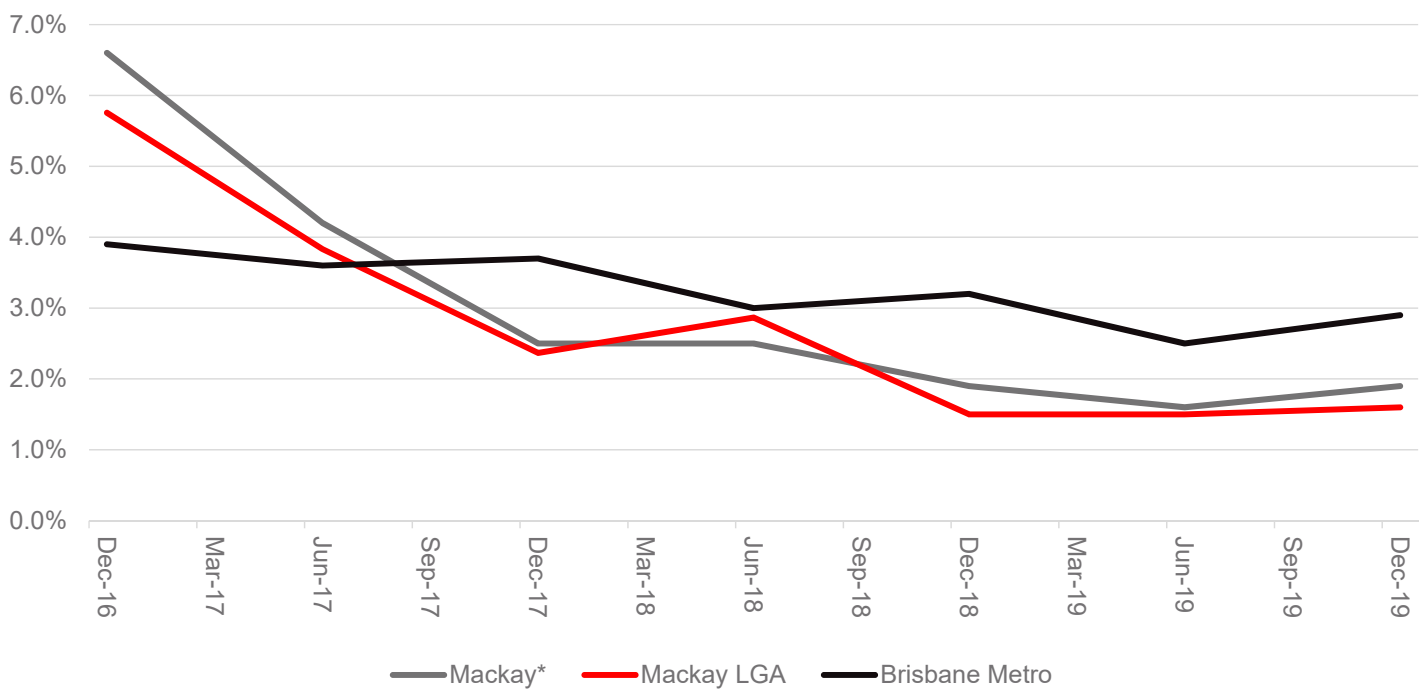
House rental yields in Mackay* were recorded at a healthy 5.3% in December 2019, performing above the wider Mackay LGA (4.5%) and Brisbane Metro (3.9%). The house rental market is in a strong healthy position, particularly when combined with the increased rental demand over the past 12 months to Q1 2020, up by 12.7%.

4+ bedroom houses provided investors with +10.0% rental growth annually, achieving a median rent of \$440 per week.

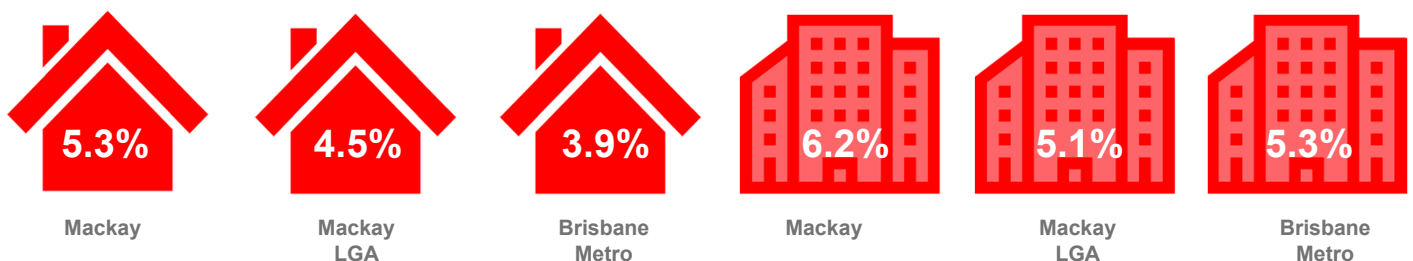
Mackay* recorded a vacancy rate of 1.9% in December 2019. This represents a healthy indicator, remaining well below the Real Estate Institute of Australia's healthy benchmark of 3.0%. Furthermore, Mackay* recorded vacancy rates well below that of Brisbane Metro of 2.9%. This confirms there is a healthy rental demand in Mackay*, which is good news for investors looking for a more affordable investment option outside of Brisbane Metro.



RENTAL VACANCY RATES 2019



RENTAL YIELD 2019^

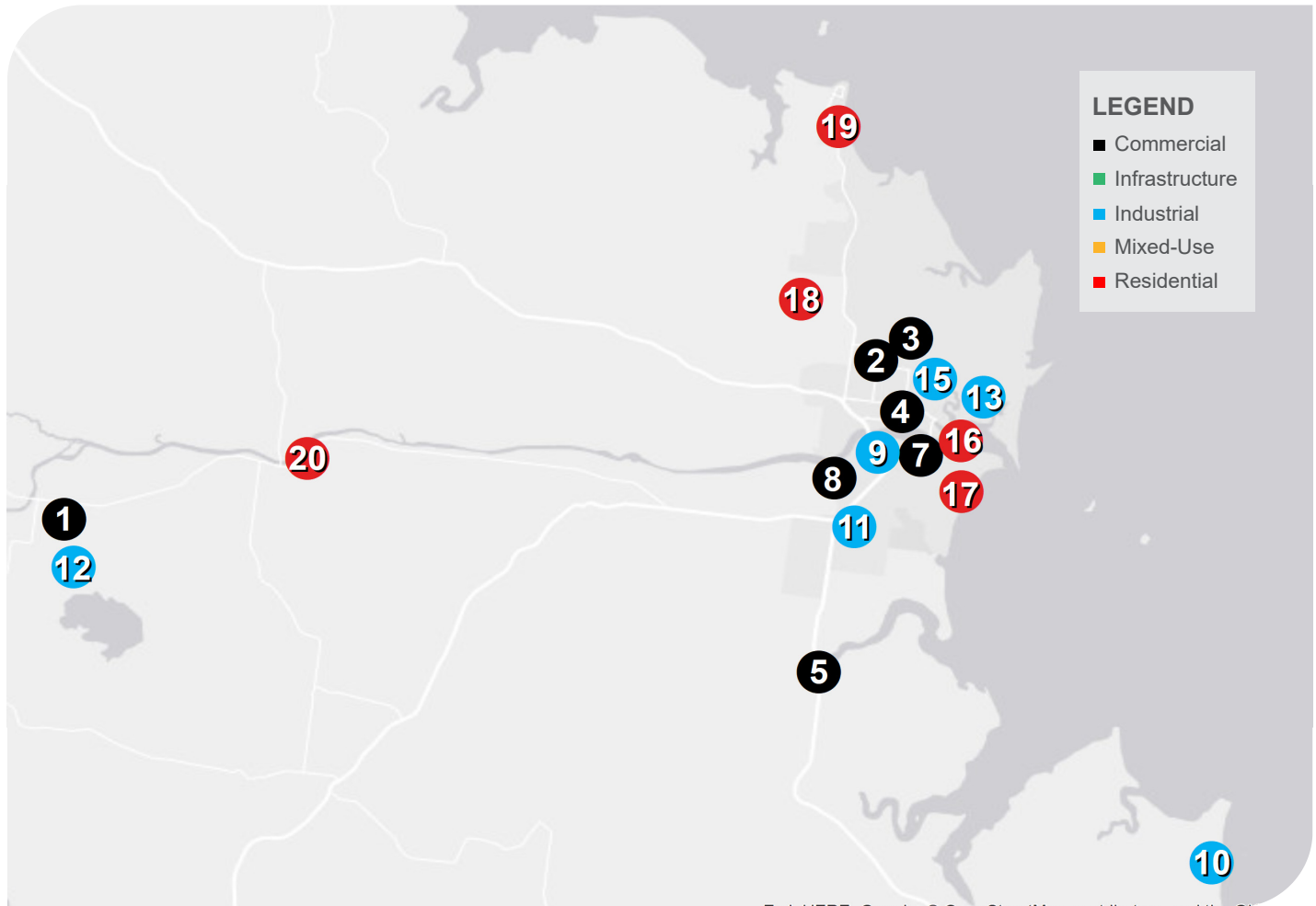


*Mackay market data and key indicators encapsulates aggregate property market conditions within the suburbs of Andergrove, Beaconsfield, Mackay, Mackay North, Mackay East, Mackay South & Mackay West.

^Rental yields shown are as reported at December 2019.

Source: APM Pricerfinder, SQM Research. © Copyright PRD 2020.

PROJECT DEVELOPMENT MAP 1ST HALF 2020*



Location	Project**	Type	Estimated Value***	Commence Date****
1	Pioneer Lakes Estate Retirement Village	Commercial	\$50,000,000	07/06/2020
2	Breezes Mackay Residential Aged Care Facility Stage 1	Commercial	\$17,500,000	02/03/2020
3	Coles Andergrove	Commercial	\$12,400,000	18/06/2020
4	Caneland Central Shopping Centre	Commercial	\$8,100,000	25/03/2020
5	Matsen Street Commercial Development	Commercial	\$6,500,000	18/01/2020
Not Mapped	Mackay-eungella Road Tourist Development	Commercial	\$3,500,000	30/03/2020
7	Rydges Hotel Mackay	Commercial	\$2,000,000	04/03/2020
8	Bridge Road Aged Persons Accommodation	Commercial	\$1,800,000	09/03/2020
9	Bruce Highway Roadworks	Industrial	\$20,000,000	06/04/2020
10	Hay Point Port Master Plan	Industrial	\$10,000,000	17/02/2020
11	Archibald Street Warehouse & Office	Industrial	\$3,500,000	02/03/2020
12	Leichhardt Road Industrial Subdivision	Industrial	\$3,400,000	16/03/2020
13	Mackay Animal Management Centre	Industrial	\$2,000,000	22/06/2020
Not Mapped	Bruce Highway Roadworks	Industrial	\$1,546,000	06/01/2020
15	Port Of Mackay Tug Berth	Industrial	\$1,500,000	05/03/2020
16	River Street Units Development- (49 Units)	Residential	\$15,000,000	06/04/2020
17	Willoughby Crescent Dwellings- (12 Dwellings)	Residential	\$3,600,000	18/03/2020
18	Sugarview Estate Subdivision Stage 5b- (30 Lots)	Residential	\$3,200,000	19/06/2020
19	Shoal Point Residential Subdivision- (30 Lots)	Residential	\$1,400,000	23/05/2020
20	Anzac Avenue & Tolcher Lane Residential Subdivision- (30 Lots)	Residential	\$1,400,000	02/06/2020

OUR SERVICES INCLUDE

- Advisory and consultancy
- Market Analysis including profiling and trends
- Primary qualitative and quantitative research
- Demographic and target market Analysis
- Geographic information mapping
- Project Analysis including product and pricing recommendations
- Rental and investment return analysis

OUR KNOWLEDGE

Access to accurate and objective research is the foundation of all good property decisions.

OUR PEOPLE

Our research team is made up of highly qualified researchers who focus solely on property analysis.

OUR SERVICES

Our research services span over every suburb, LGA, and state within Australia; captured in a variety of standard and customised products.



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