

Reed & Co.

ESTATE AGENTS

NOOSA PROPERTY MARKET UPDATE

3rd Quarter 2022

NOOSA HEADS



Noosa Heads

With the economic narrative in global media being negative for most of this calendar year Noosa is not immune to the headwinds of interest rate rises, capacity constraints and tightening family budgets.

Hindsight revealed buyer sentiment shifted October last year with increased caution continuing into 2022 and is still the current state of play.

Houses

Median house values have declined since March, 2022, as the frenetic pace of the 18 months proved unsustainable, with the median dropping from \$2.47M to \$2.29M at the end of August, a decline of 7.3%, but still a massive run up from early 2020.

Days on market bottomed in March, 2022, and as of June this year has started to inch up, a sign of buyer caution and discernment. The level of stock on market has turned down again from a near term peak of 10.5% in January this year to sit at 9.51% in August. Compared to Covid times it isn't opportunistic selling fueled by off-market activity resulting in less stock on market, it is more a realization by vendors that the market has shifted and the peak for the immediate cycle is in the rear-view mirror so we may as well hunker down and hold what we have.



The one continuing trend is well-located, well-maintained, and well-presented properties will attract more buyer interest and, provided they are priced fairly, will sell in a shorter time frame at or near full asking price.

Kate Cox Team

Apartments

Median apartment values peaked at \$1.73M at the end of April this year and have ended August at \$1.51M, a decline of 12.7%.

Median days on market continue to remain tight. When viewed in combination with just 5.27% of stock available for sale it highlights why days on market remain tight.

The upper end of the market is generally the first to hold their properties when the heat comes out of the market. It is no surprise to see a retracement close to 13%. Add the reduced borrowing capacity of potential buyers, many have seen their capacity reduce 20%, then sellers either meet the market if they wish to transact or elect not to sell.

Forecast

With world financial markets experiencing high volatility and self-funded retirees now able to access a better return in cash than what they have encountered for several years, many are choosing to play a wait-and-see game before re-engaging property markets. This suggests that volumes will continue to be low.

The trend of younger families moving to the region is likely to continue, however, those in the lower and middle price segments are likely to have reduced borrowing capacity placing downward pressure on prices, purely a function of what price they can pay and whether vendors are prepared to meet the market, provided interest rates continue to rise.

Interest rates are the critical factor. If they continue to rise, there may be stock come to market where people need to sell, although this scenario is historically low in Noosa. If they hold or decline there is unlikely to be a return of previous exuberance as many will take a deep breath, feel as though they have dodged a bullet, knuckle down and further reduce debt.

Median Value Houses
10/17 - 08/22



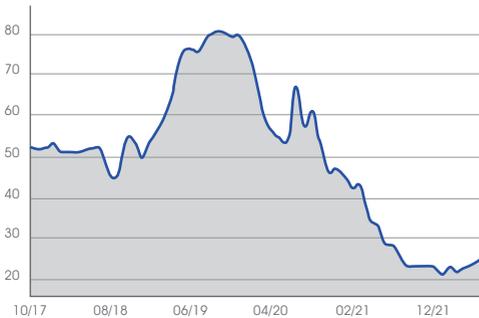
Tapering into negative territory as buyer depth subdues and buyers become more discerning.

Median Value Units
10/17 - 08/22



Top end owners hold their properties in uncertain times resulting in proportionately more lower-priced units on the market.

Median Days on Market Houses
10/17 - 06/22



Beginning to increase as buyer borrowing capacity declines, reducing competition for properties and buyer ability to stretch.

Median Days on Market Units
10/17 - 06/22



Low days on market & decreasing median values suggests owners are meeting the market rather than languish.

% Stock on Market Houses
10/17 - 08/22



Decreasing as vendors realise opportunistic prices have gone for the foreseeable future in the current market.

% Stock on Market Units
10/17 - 08/22



Most owners who can afford to hold their property in uncertain periods elect not to sell, indicated by low levels of available stock.

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ESTATE AGENTS

IT'S NOT WHAT WE SAY, IT'S WHAT OUR *CLIENTS* SAY.



2 Habitat Place
Noosa Heads | \$3,850,000



25 Arkana Drive
Noosa Heads | \$4,350,000



1/6 Nannygai Street
Noosaville | \$2,100,000

Nothing but positive

Kate was easy to connect with, was fantastic at converting features of the house to every day benefits, and she was very accommodating in opening the house outside of set times.

Kate came across very transparent, and our experience was nothing but positive.

BUYER REVIEW

2 Habitat Place, Noosa Heads

*More than happy
with Kate*

Kate was very helpful with all the accessory arrangements surrounding this property purchase - it made a big difference.

BUYER REVIEW

25 Arkana Drive, Noosa Heads

Highly recommended!

I would highly recommend Kate and her team.

Her knowledge of the market and knowing the potential buyers profile was valuable in her positive marketing strategy.

Received regular feedback throughout the campaign.

Fantastic result !!!

SELLER REVIEW

1/6 Nannygai Street, Noosaville



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