Sunshine Coast housing market update

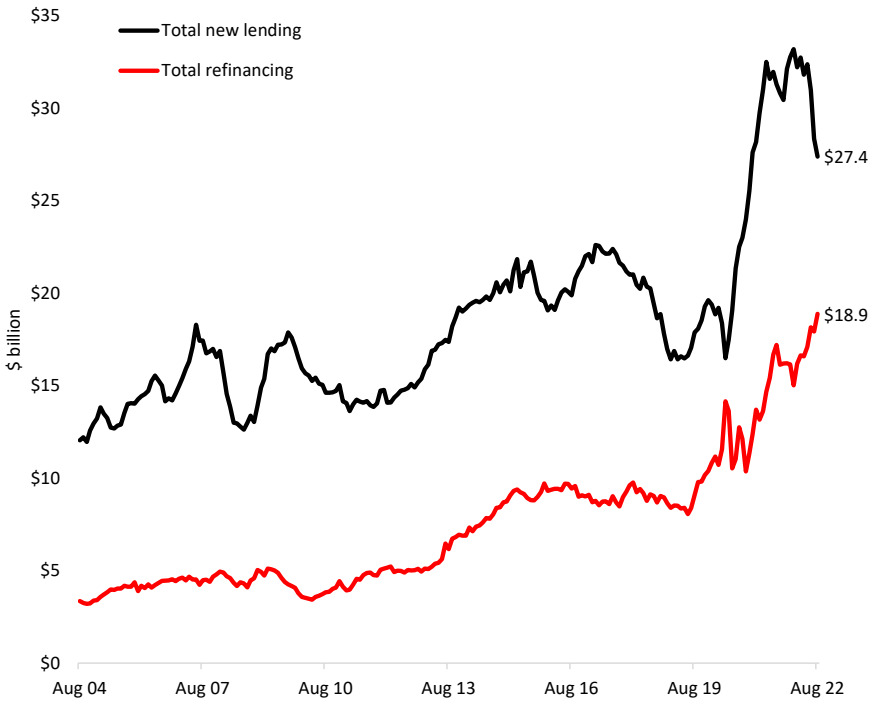
Presented by Cameron Kusher

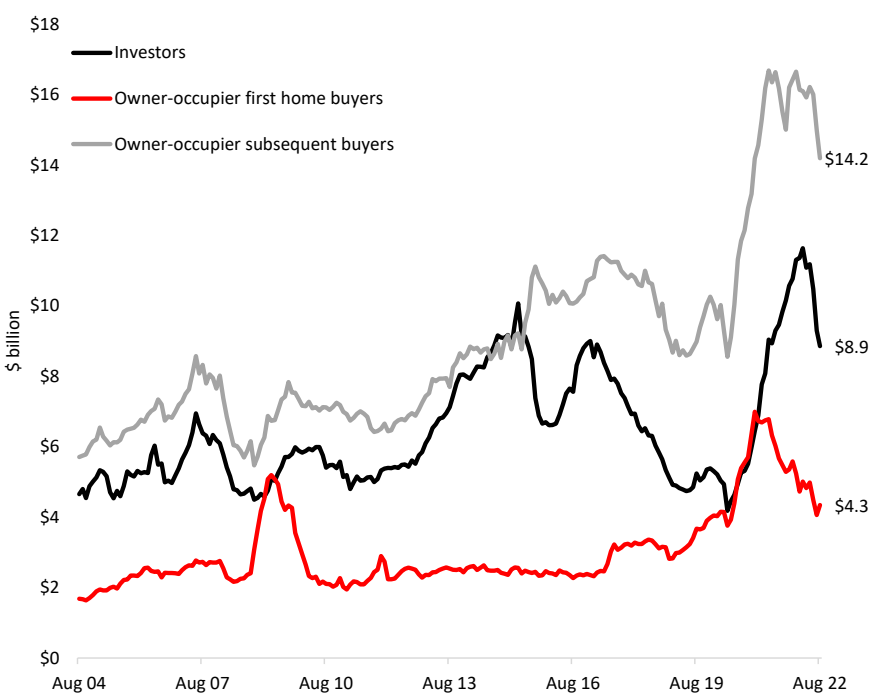
October 2022

Economic overview

PropTrack

New lending is in a clear downturn while refinancing activity continues to climb

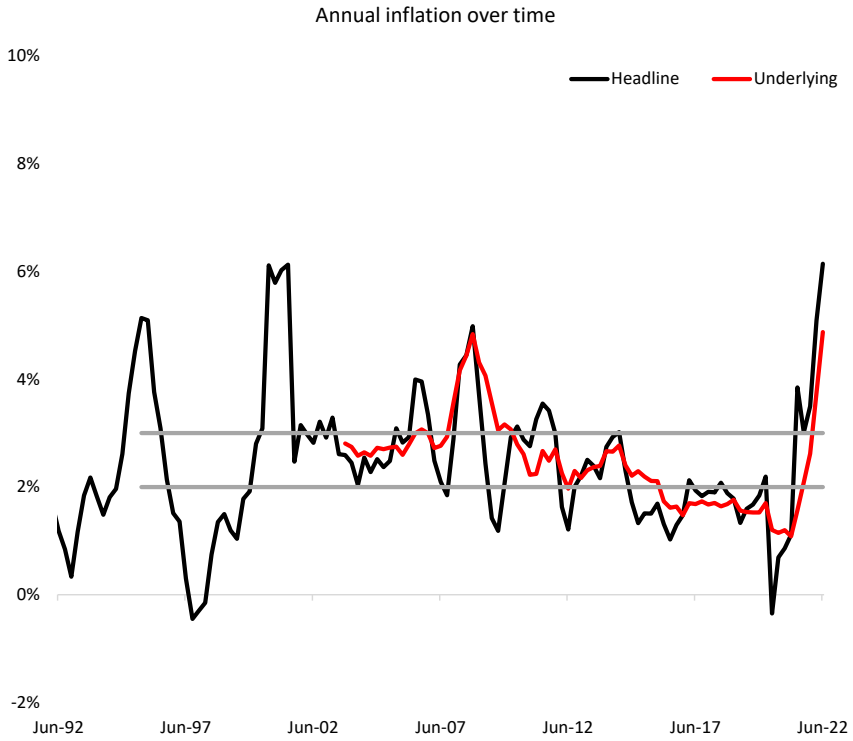


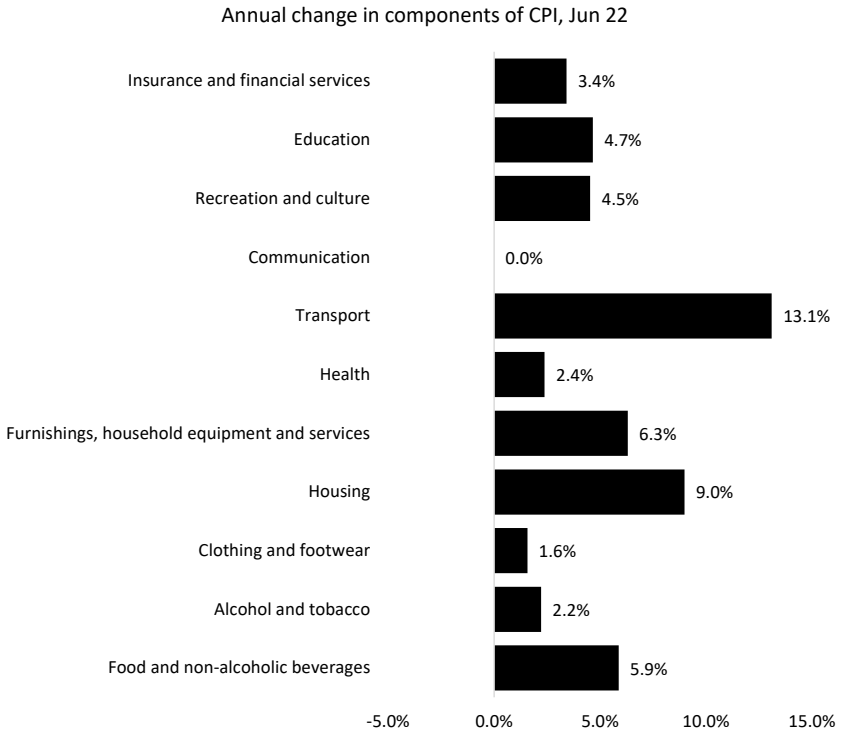


REA Group

Source: ABS PropTrack

Inflation is surging and is currently not forecast to return to its target range until mid-2024

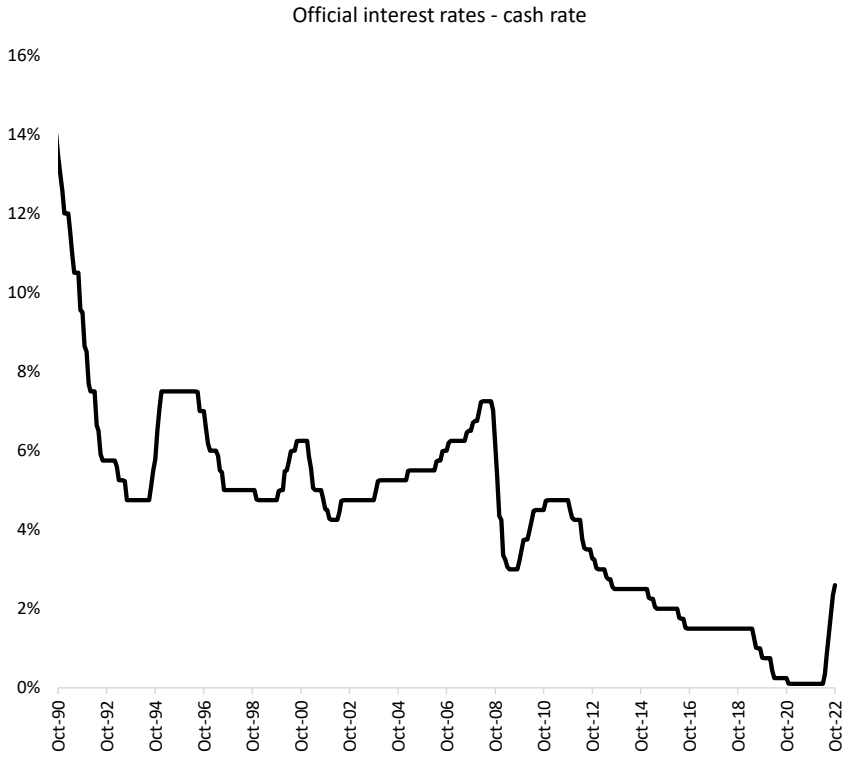


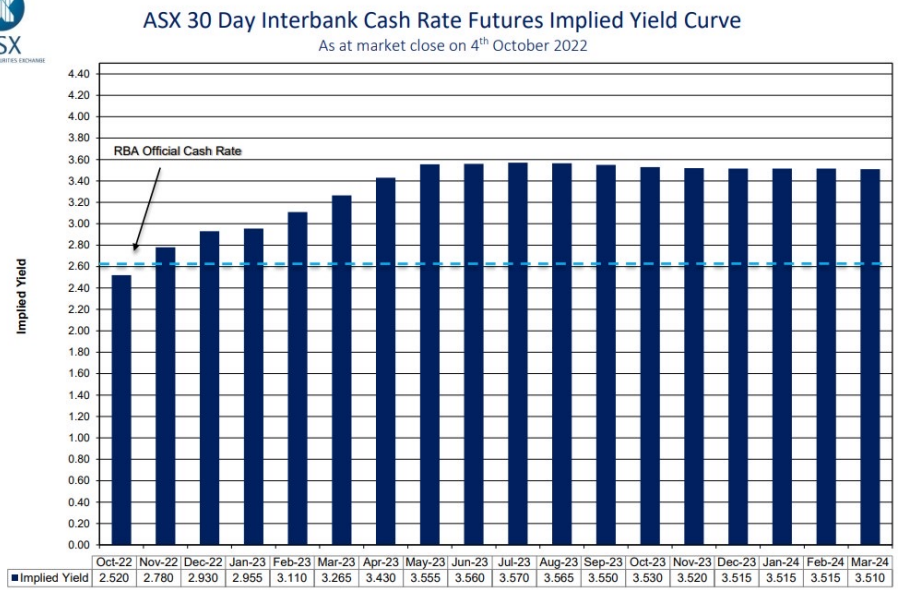


REA Group

Source: ABS PropTrack

Interest rate expectations have eased following a 25-basis point rise in the cash rate this month

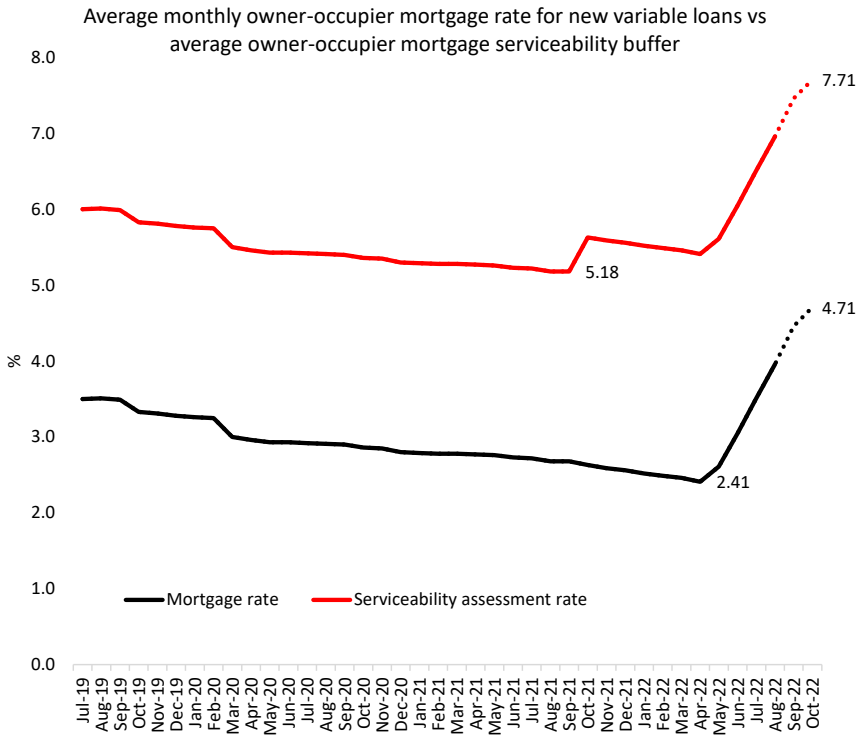


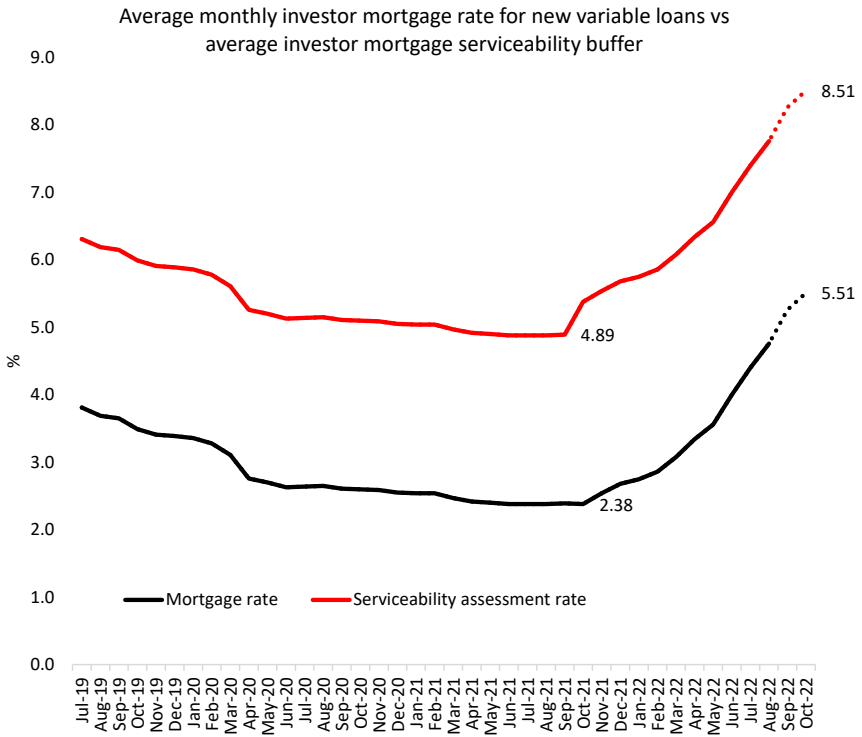


	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
Implied Yield	2.520	2.780	2.930	2.955	3.110	3.265	3.430	3.555	3.560	3.570	3.565	3.550	3.530	3.520	3.515	3.515	3.515	3.510

Source: RBA, ASX

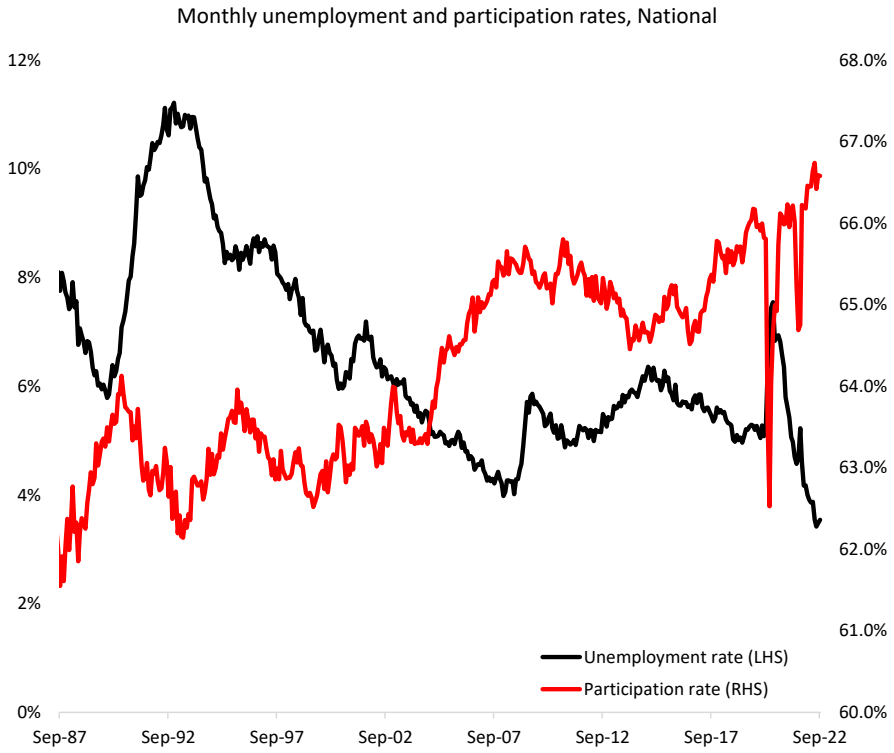
Mortgage serviceability assessment rates have increased significantly, reducing borrowing capacities

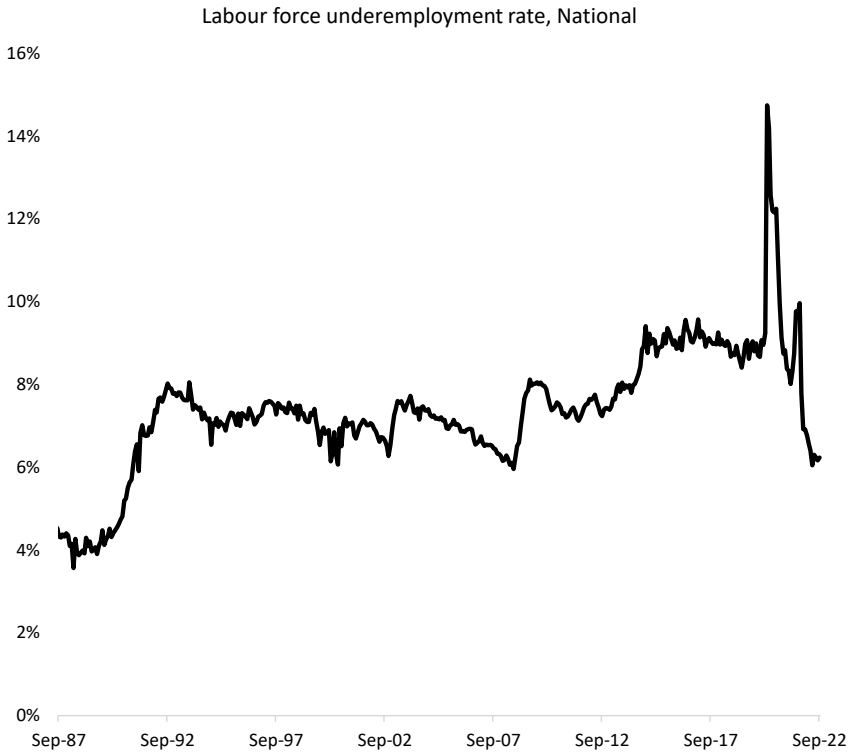




Source: RBA

The unemployment rate has fallen to its lowest level in more than 40 years and underemployment has dropped rapidly

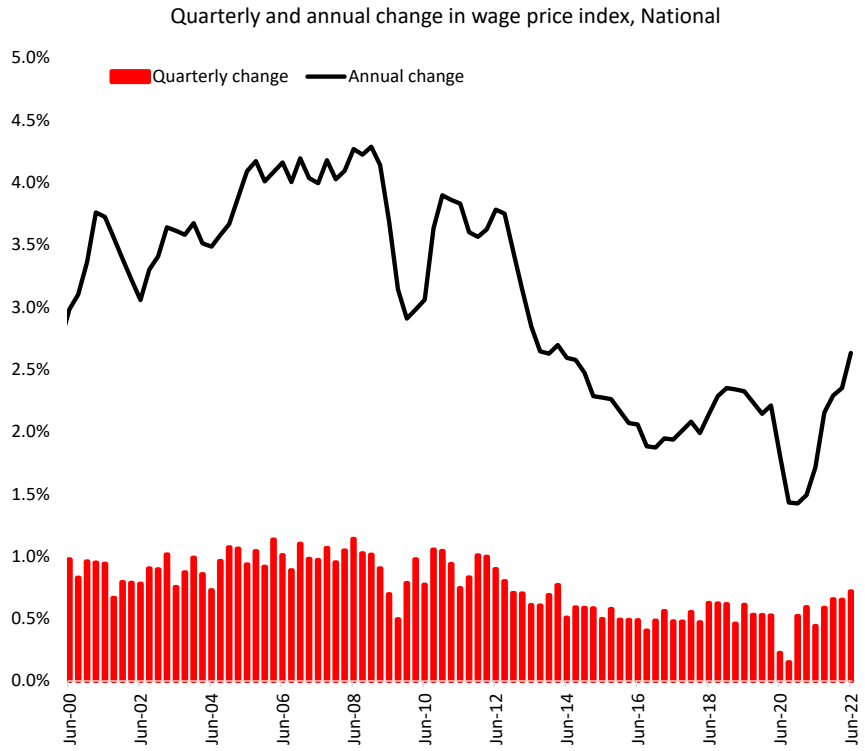


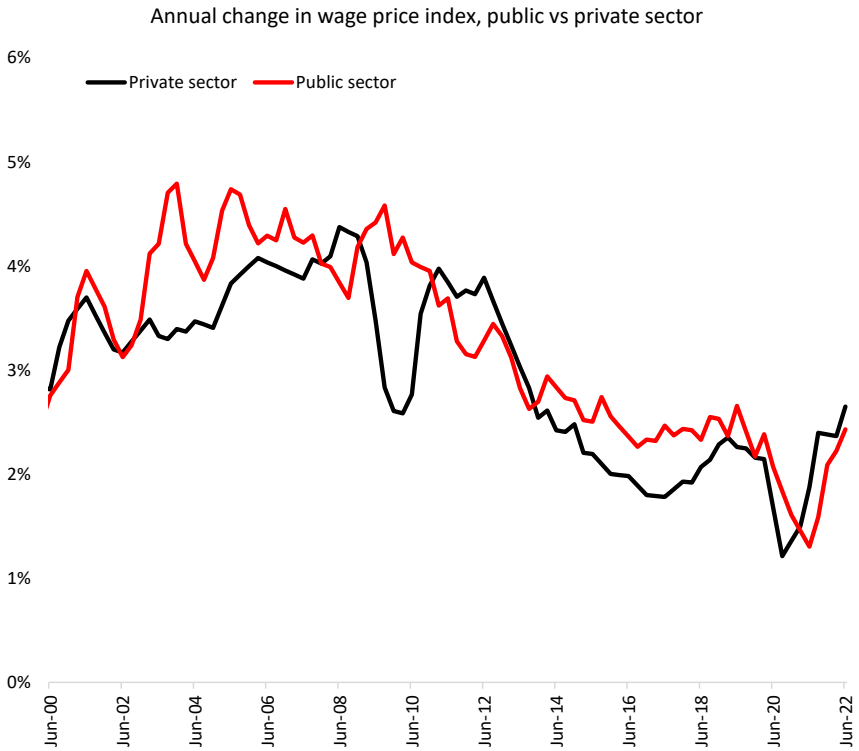


REA Group

Source: ABS PropTrack

Despite a tight labour market and strong inflation wage growth has lifted only moderately



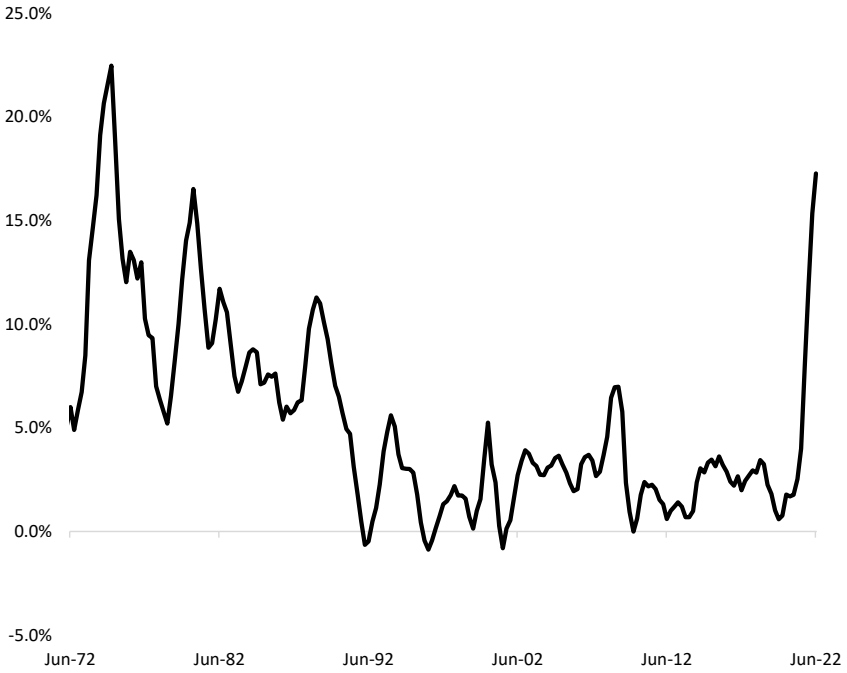


REA Group

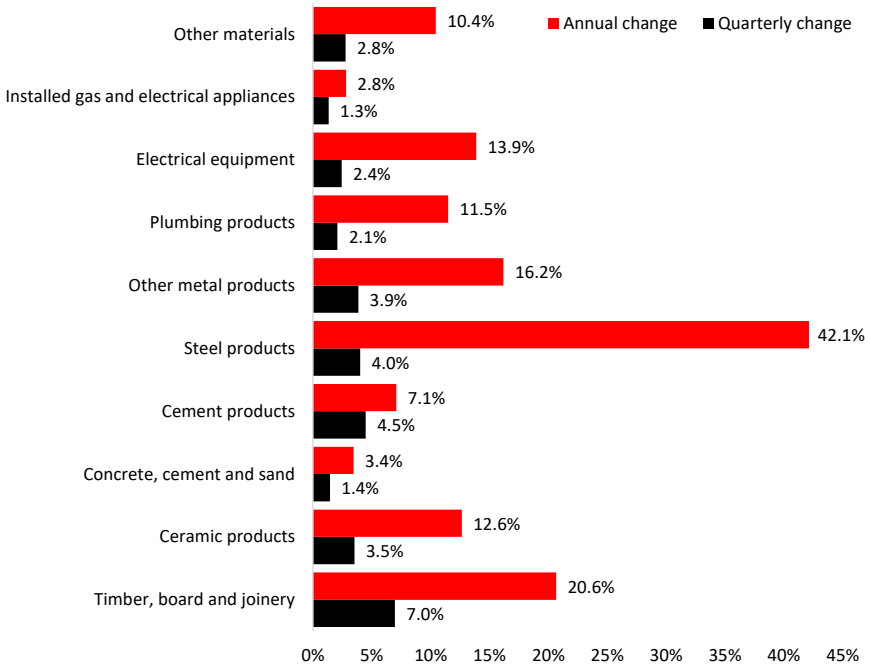
Source: ABS PropTrack

The cost of construction materials are surging up 17.3% over the year nationally

Year-on-year change in inputs to housing construction, weighted average of six state capital cities

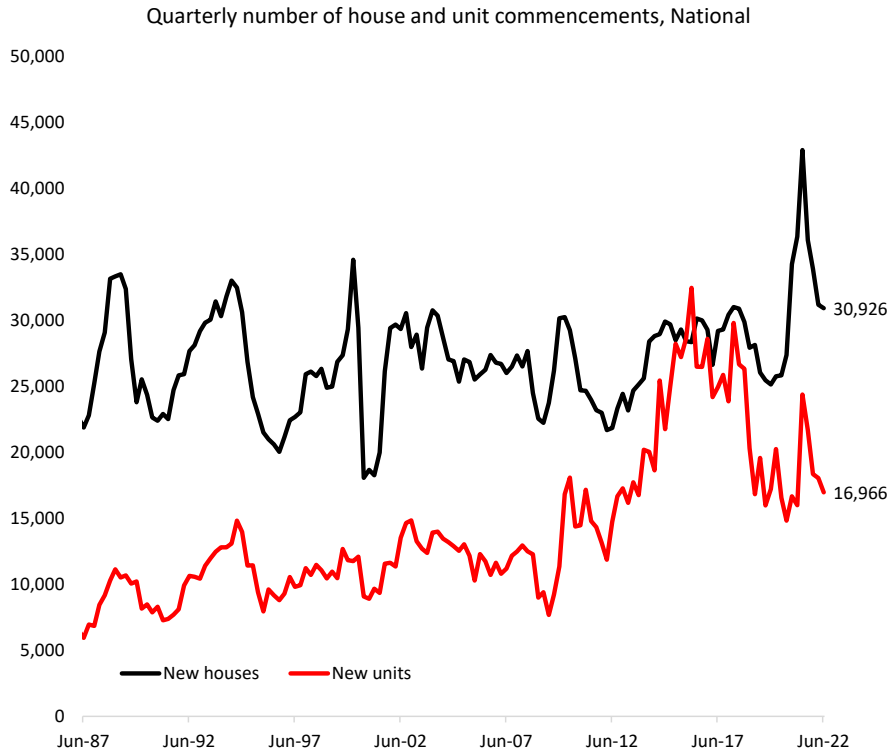


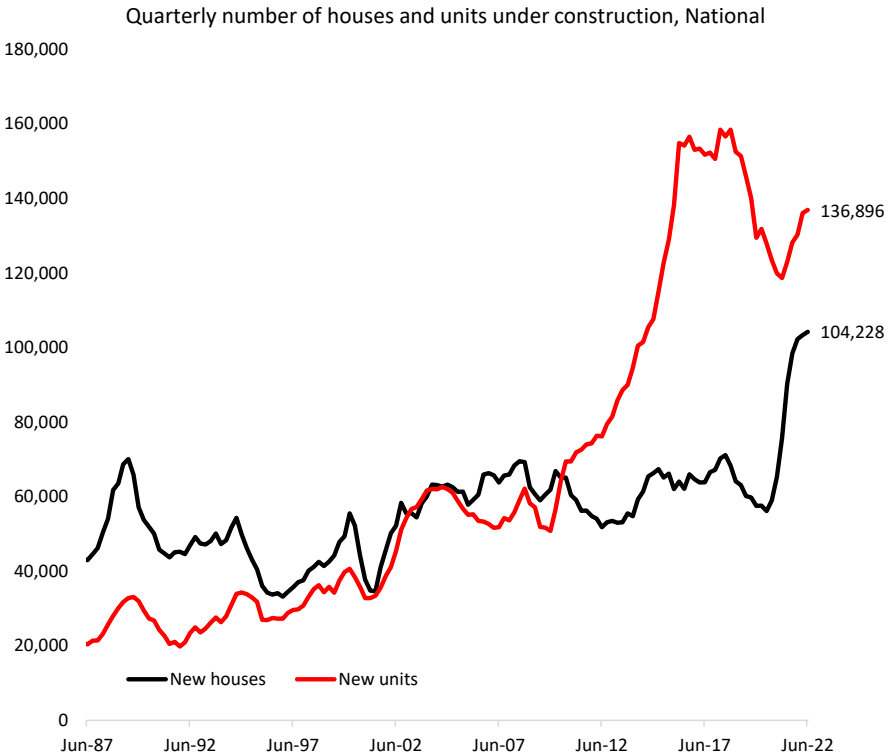
Quarterly and annual change in inputs to housing construction, National, June 2022



Source: ABS

Commencements continue to fall but stock under construction remains at a record high

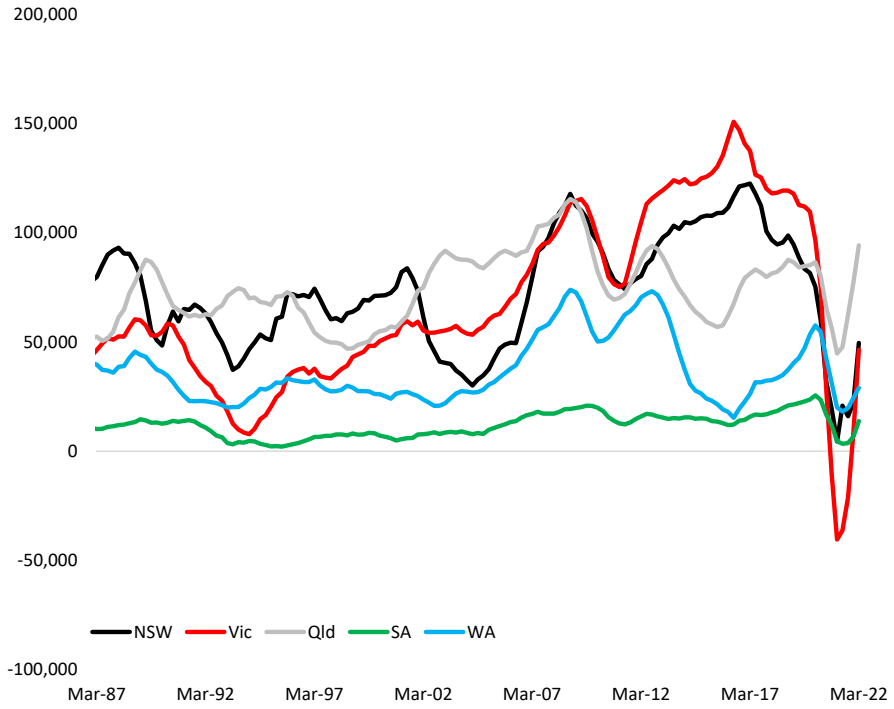


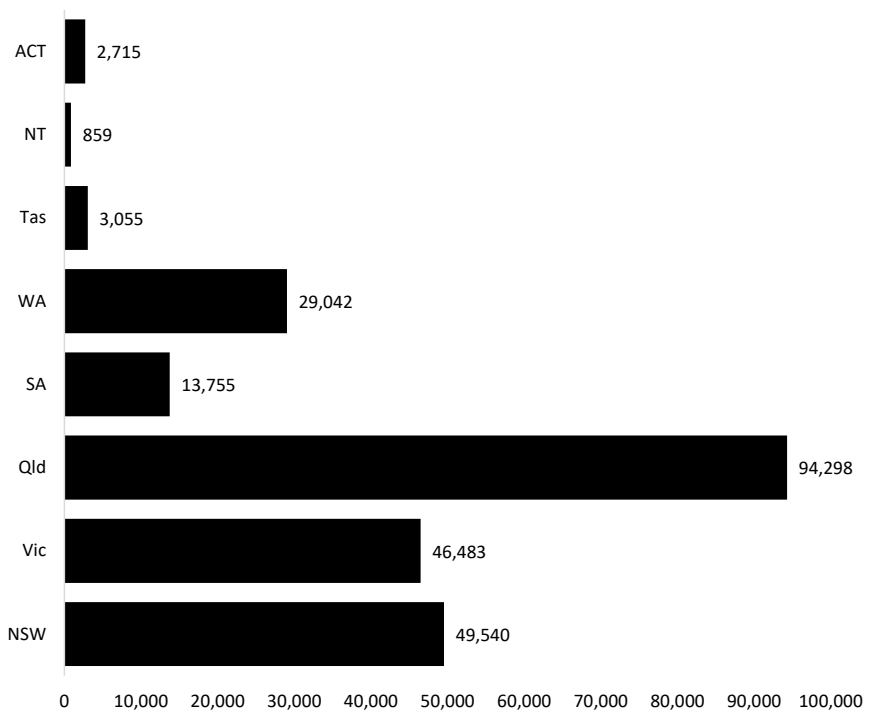


REA Group

Source: ABS PropTrack

The reopened borders late in 2021 has seen a rapid increase in population growth





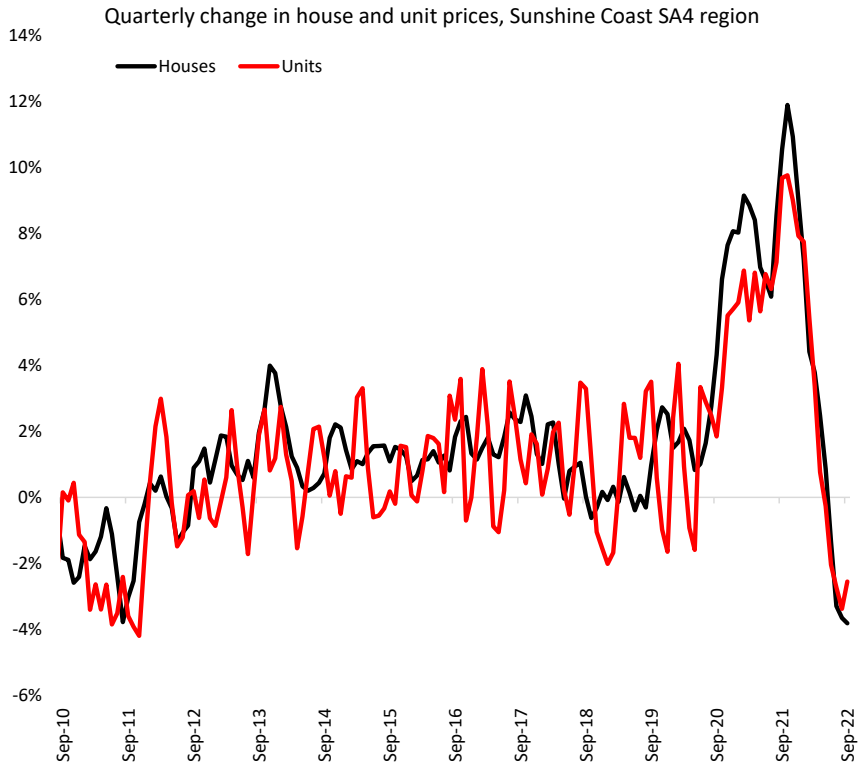
REA Group

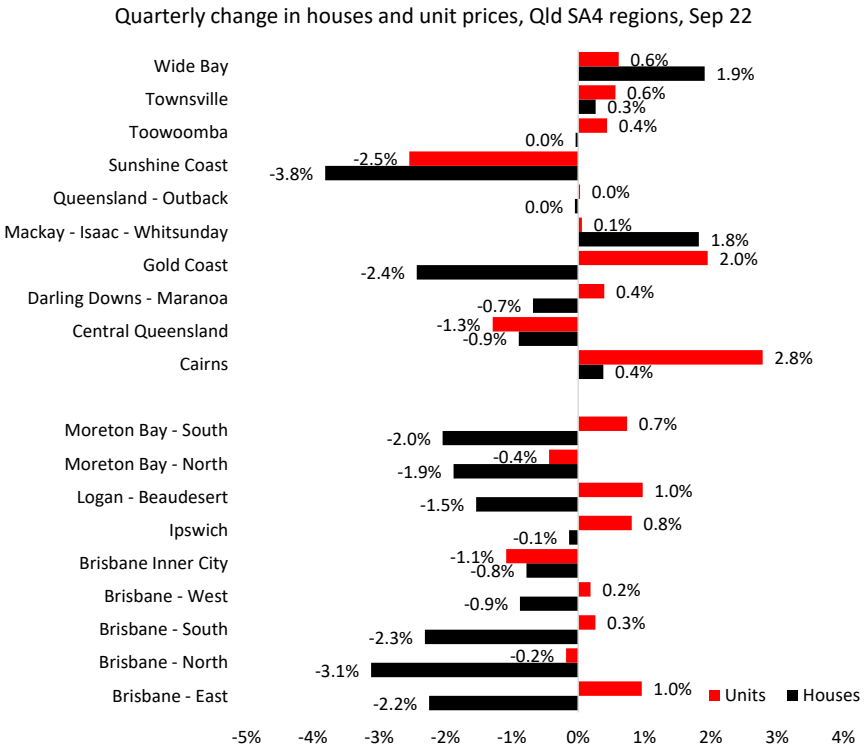
Source: ABS PropTrack

Overview of the market for properties for sale

PropTrack

There has been quite a large decline in Sunshine Coast property prices over the past three months

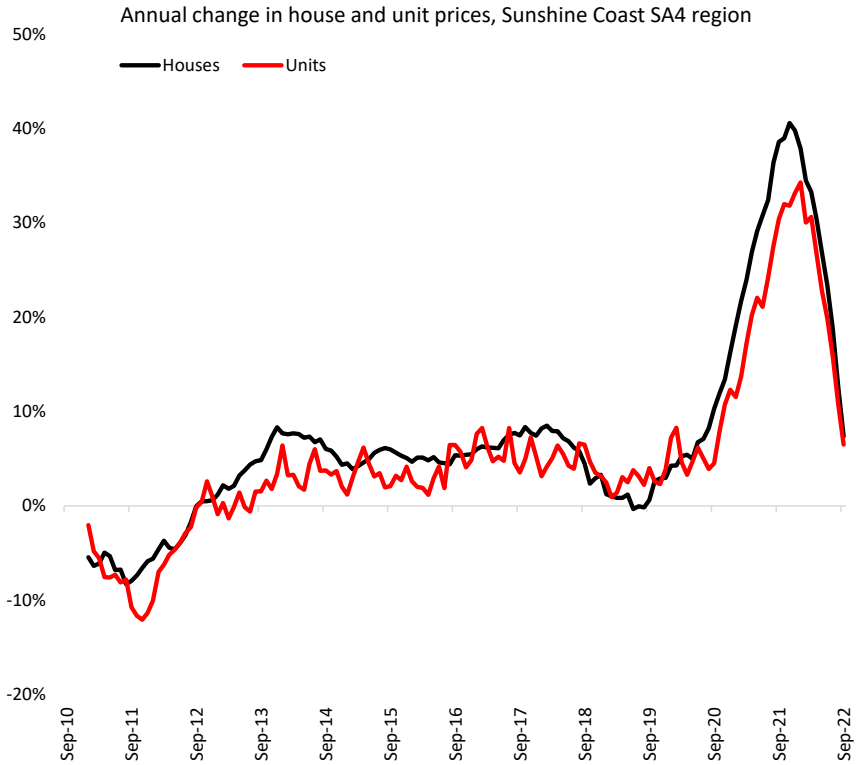


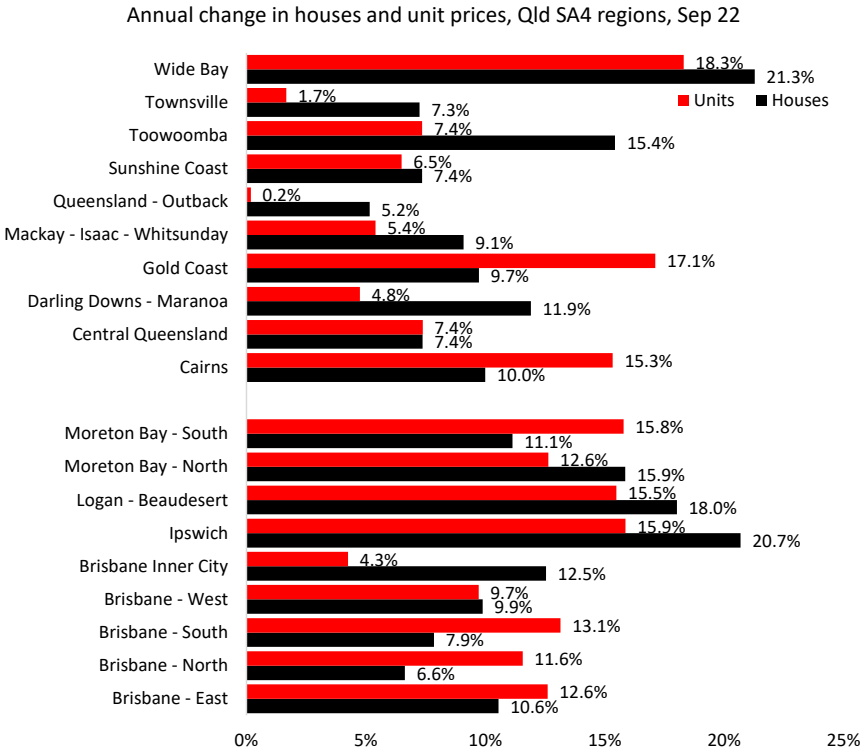


REA Group

PropTrack

The annual rate of price growth on the Sunshine Coast peaked 12 months ago



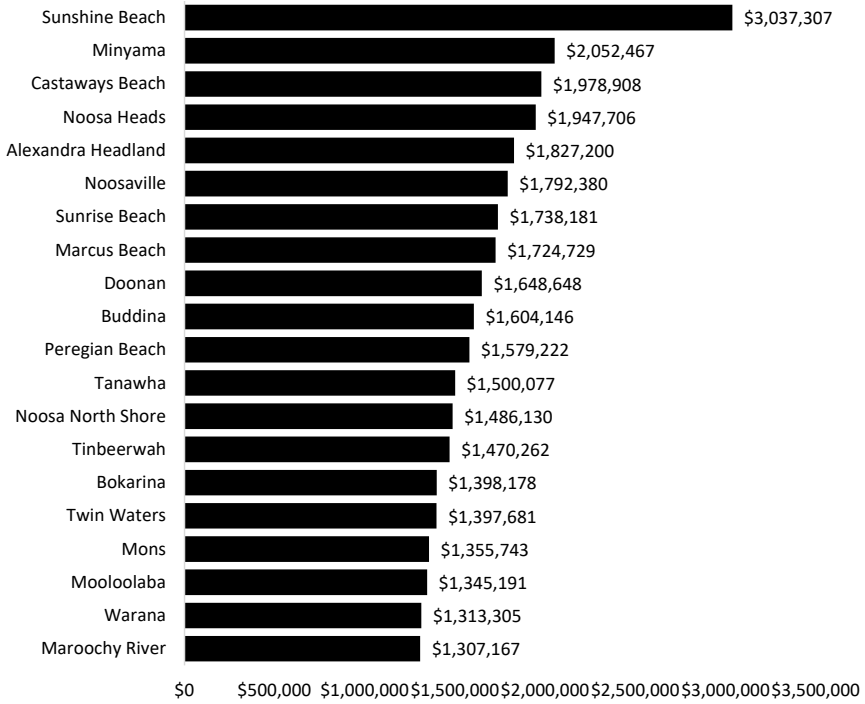


REA Group

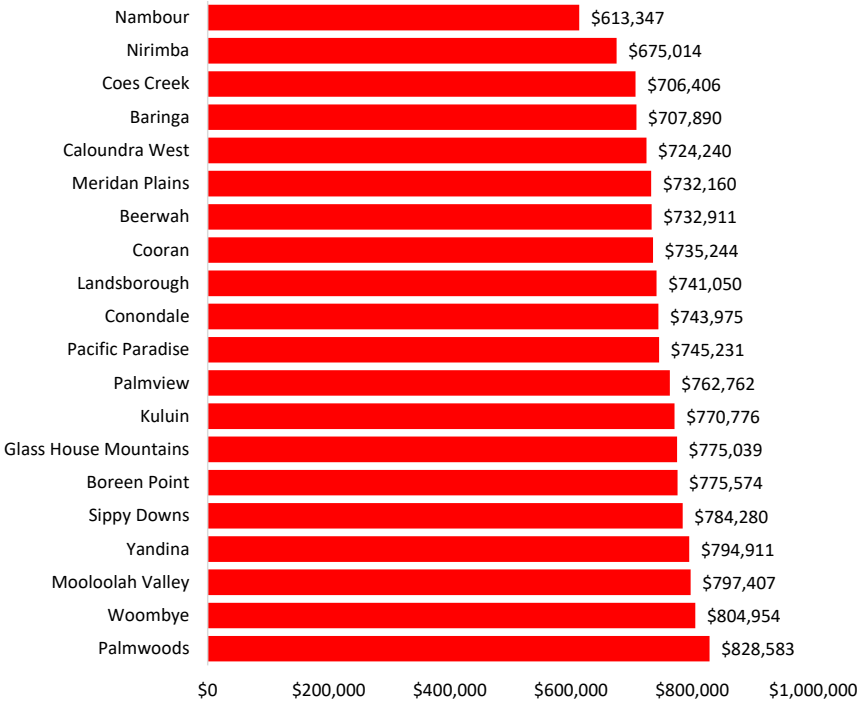
PropTrack

Suburbs in the Noosa region tend to be more expensive than elsewhere on the Sunshine Coast

Most expensive suburbs, median house value, Sep 22



Most affordable suburbs, median house value, Sep 22

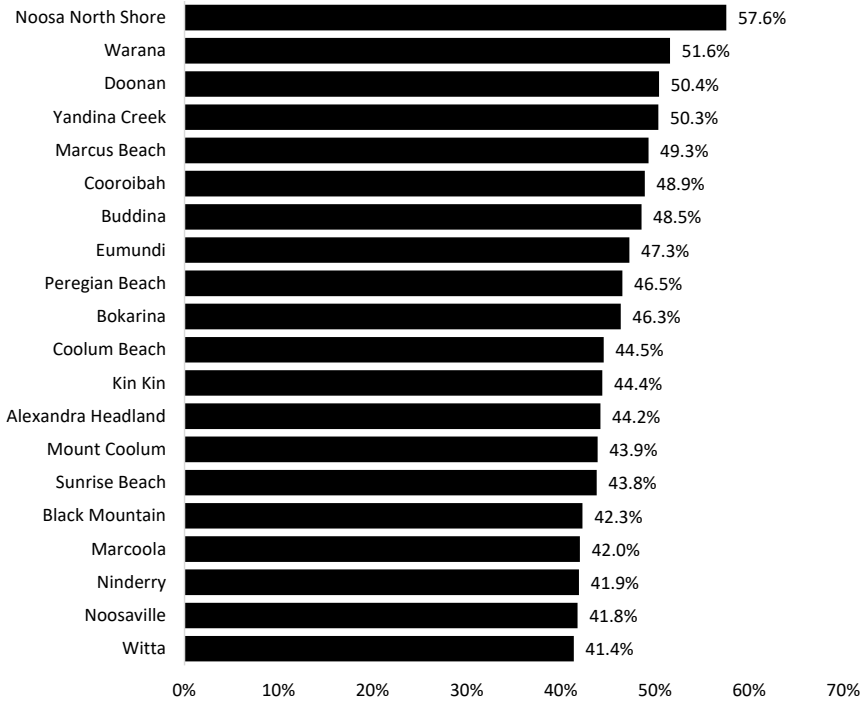


REA Group

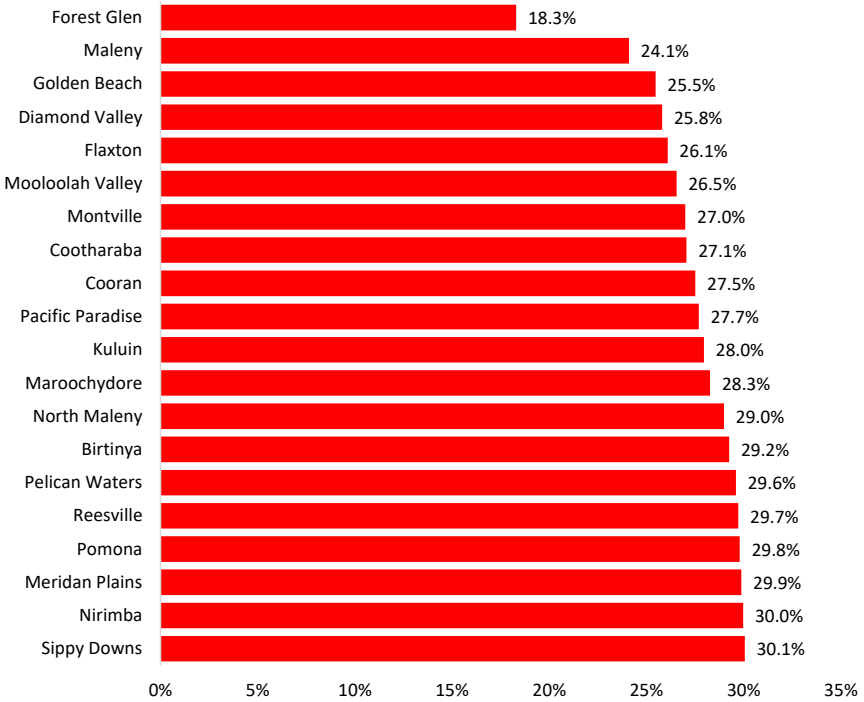
PropTrack

Houses in the Noosa region have also seen some of the largest value increases over the past year

Suburbs with largest year-on-year change in median house values, Sep 22



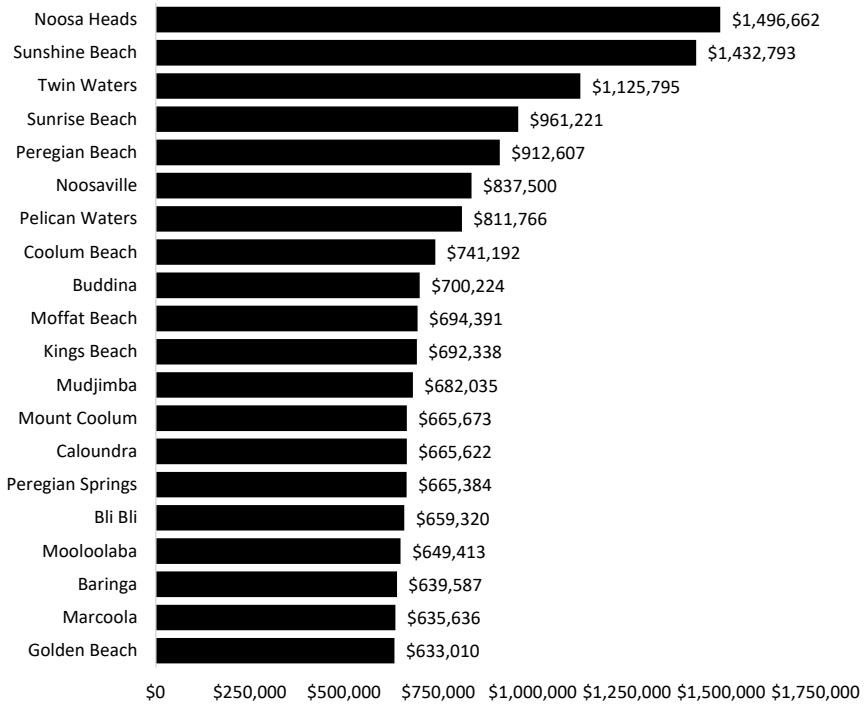
Suburbs with smallest year-on-year change in median unit values, Sep 22

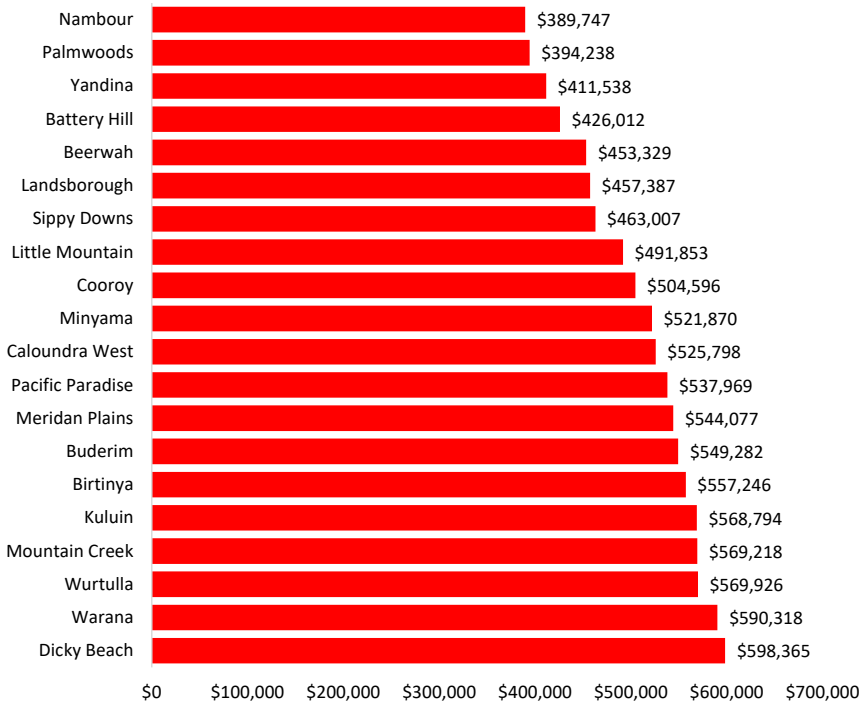


REA Group

PropTrack

Units also tend to be more expensive in the Noosa region than elsewhere



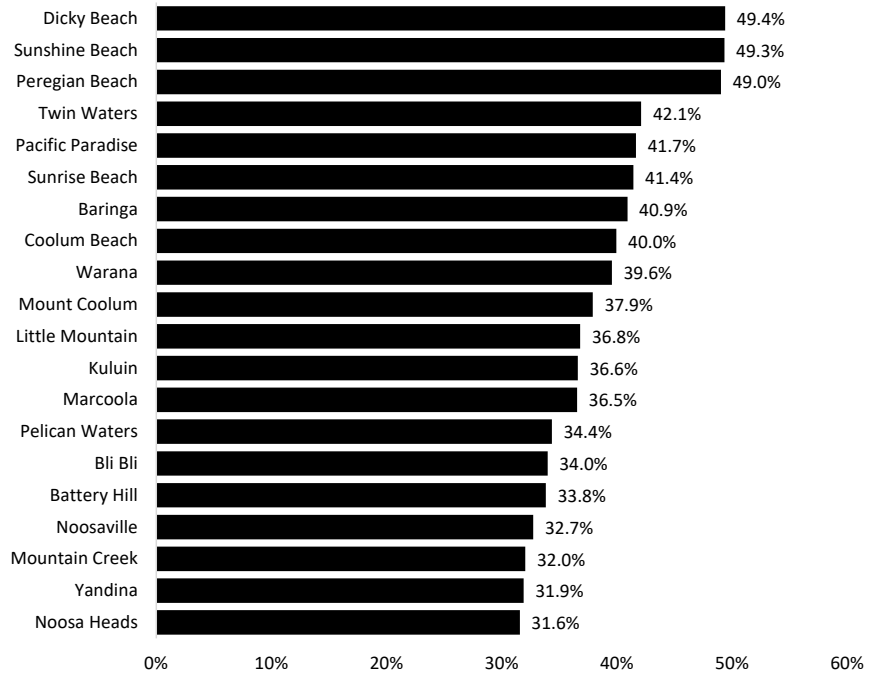


REA Group

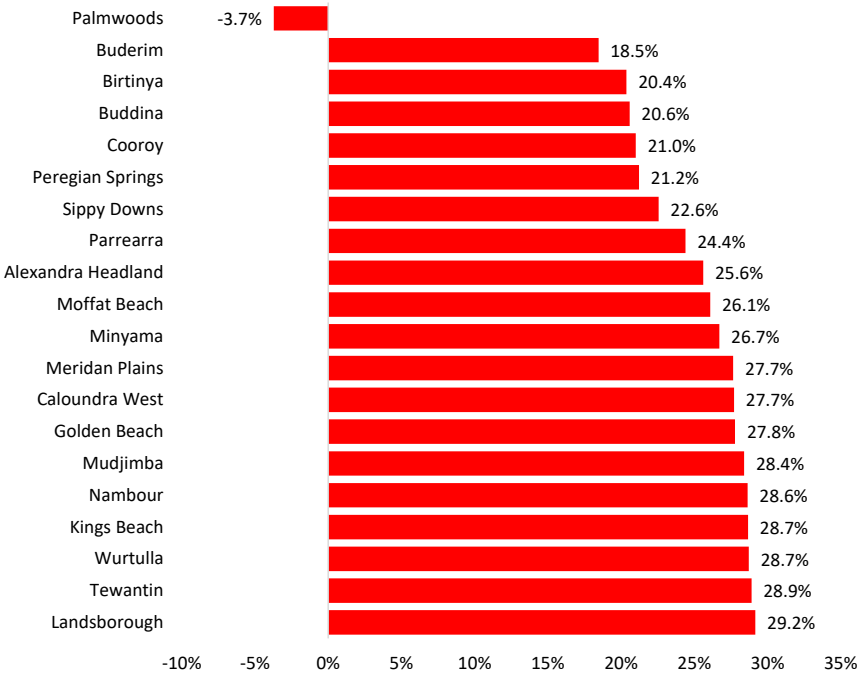
PropTrack

Some of the largest increases in unit values over the year have been in northern areas of Sunshine Coast

Suburbs with the largest year-on-year change in median unit value, Sep 22



Suburbs with the smallest year-on-year change in median unit value, Sep 22

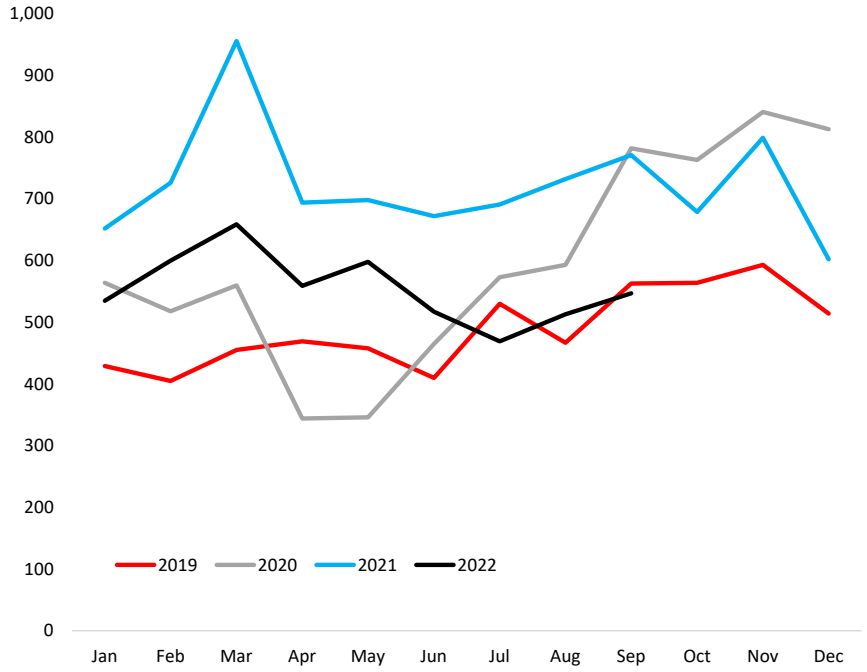


REA Group

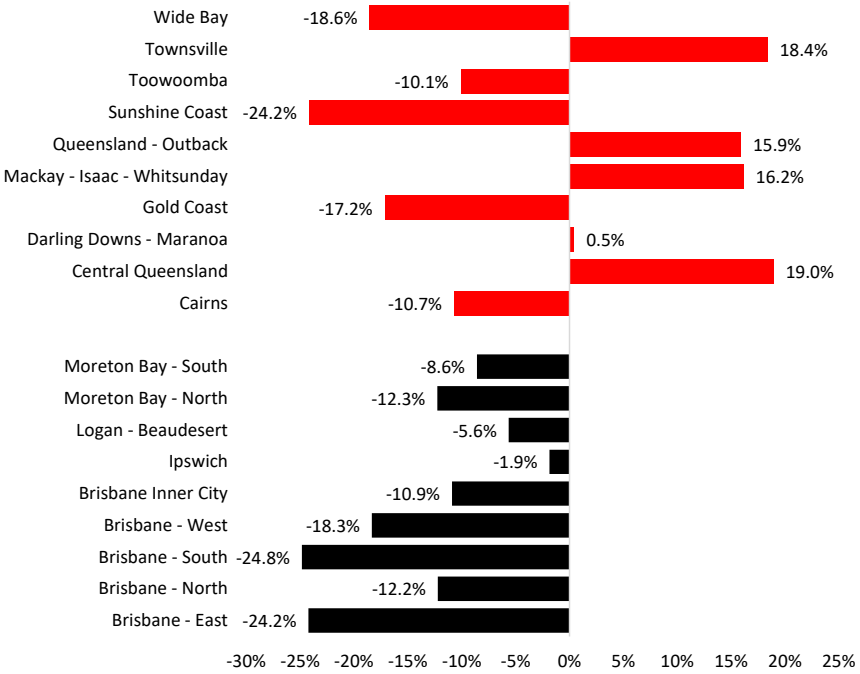
PropTrack

Sunshine Coast sales volumes in Sep 22 were -29.1% yoy and over the first 9 months of 2022 they were -24.2% yoy

Monthly count of preliminary sales of properties listed for sale on realestate.com.au, Sunshine Coast SA4



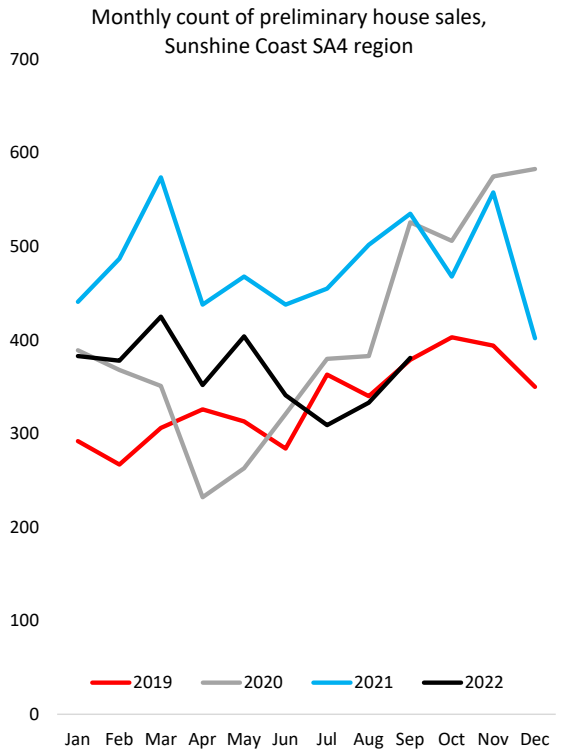
Year-on-year change in preliminary monthly sales, Qld SA4 regions, 1st 9 months of 2021 vs 1st 9 months of 2022

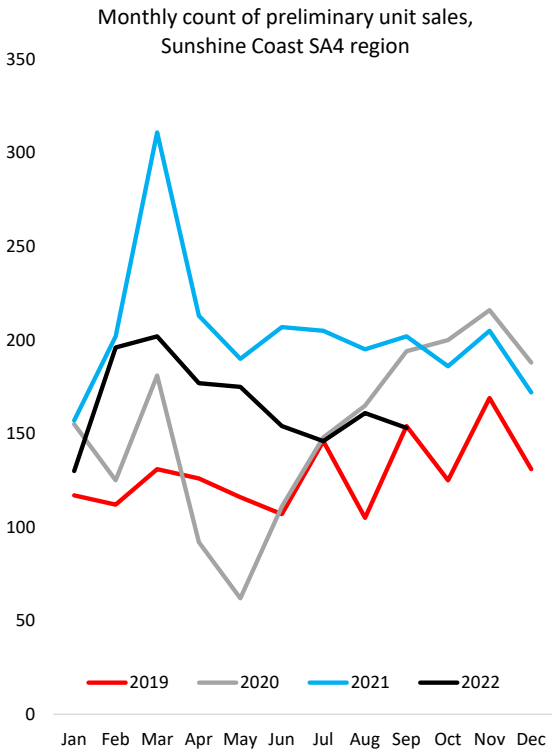


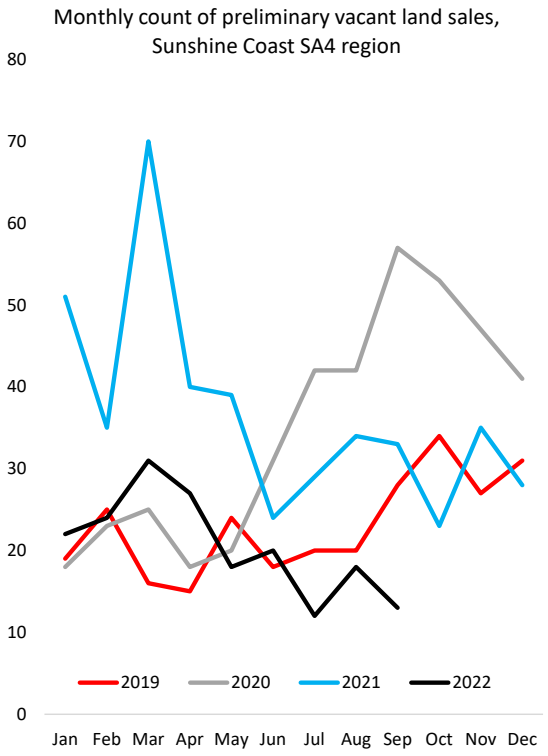
REA Group

PropTrack

Over the first 9 months of this year house sales were -23.8%, unit sales were -20.6% and land sales were -47.9%





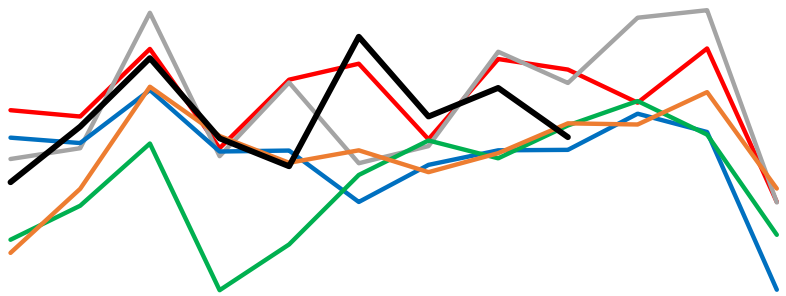


REA Group

PropTrack

Sunshine Coast new listings were -3.1% yoy in Sep 22 and total listings were +44.5% yoy

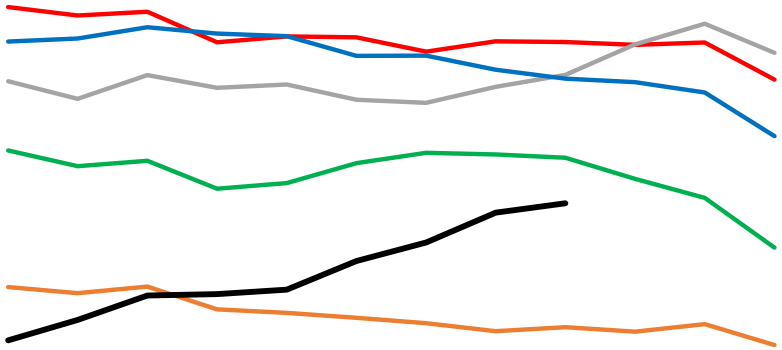
Monthly number of new for sale listings, Sunshine Coast SA4 region



2017 2018 2019 2020 2021 2022

Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec

Monthly number of total for sale listings, Sunshine Coast SA4 region



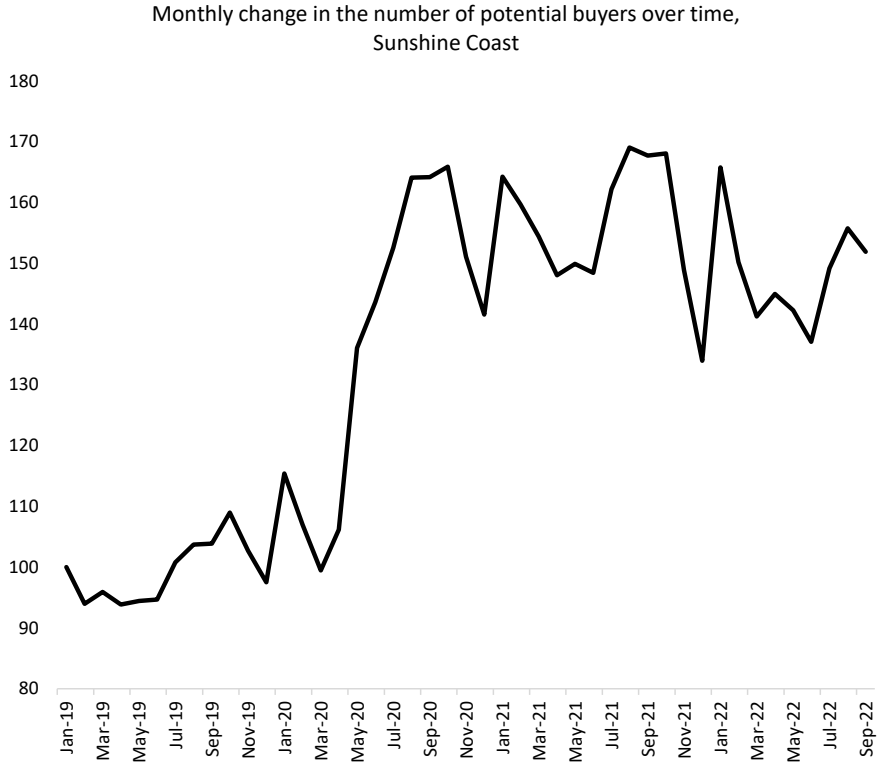
2017 2018 2019 2020 2021 2022

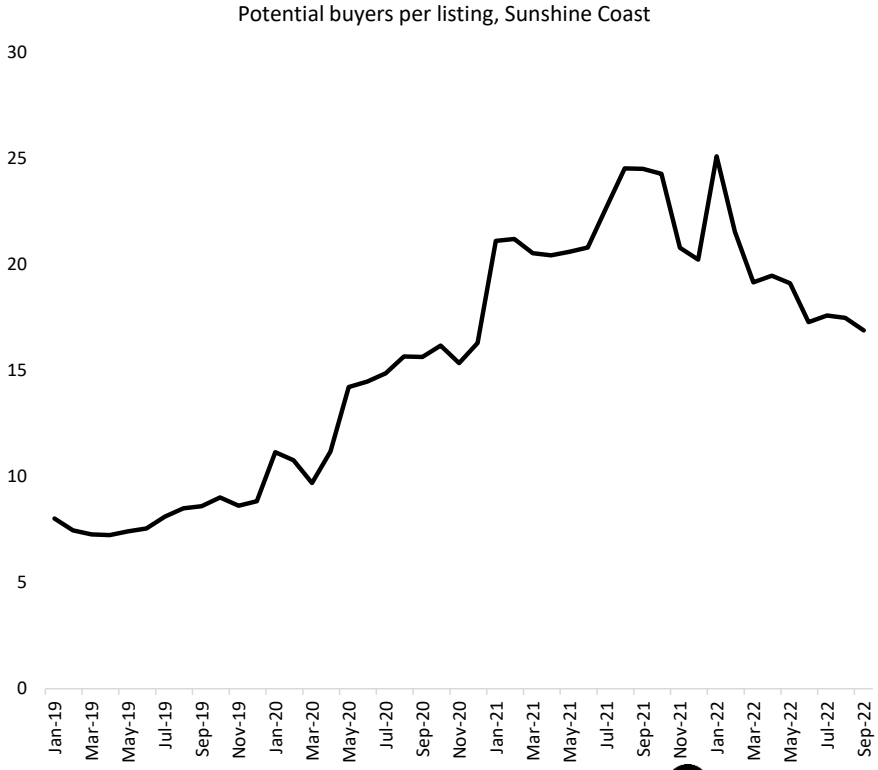
Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec

REA Group

PropTrack

Potential buyers in Sep 22 were -9.4% yoy while on a per listing basis they were -31.1%



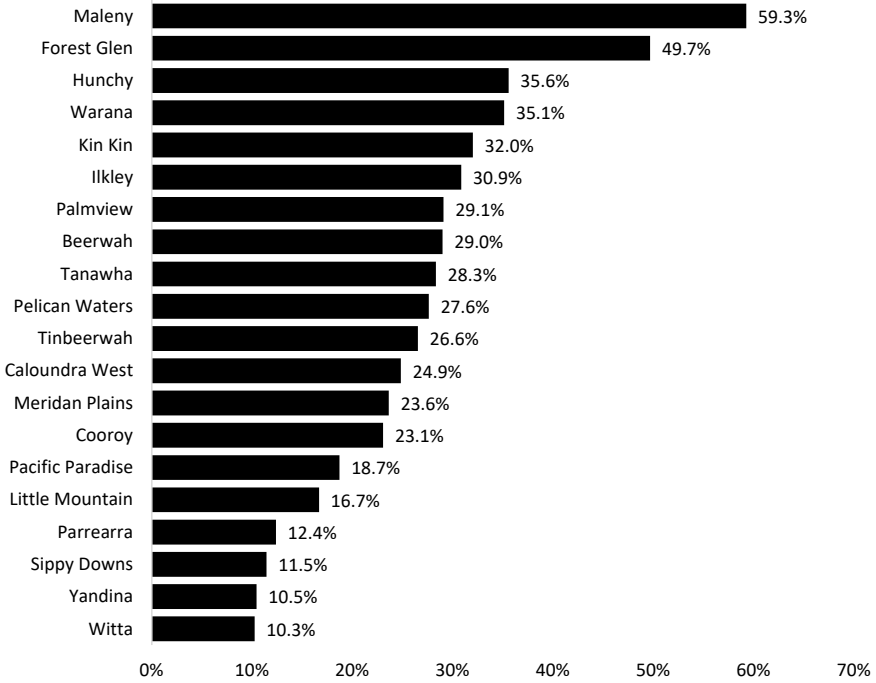


REA Group

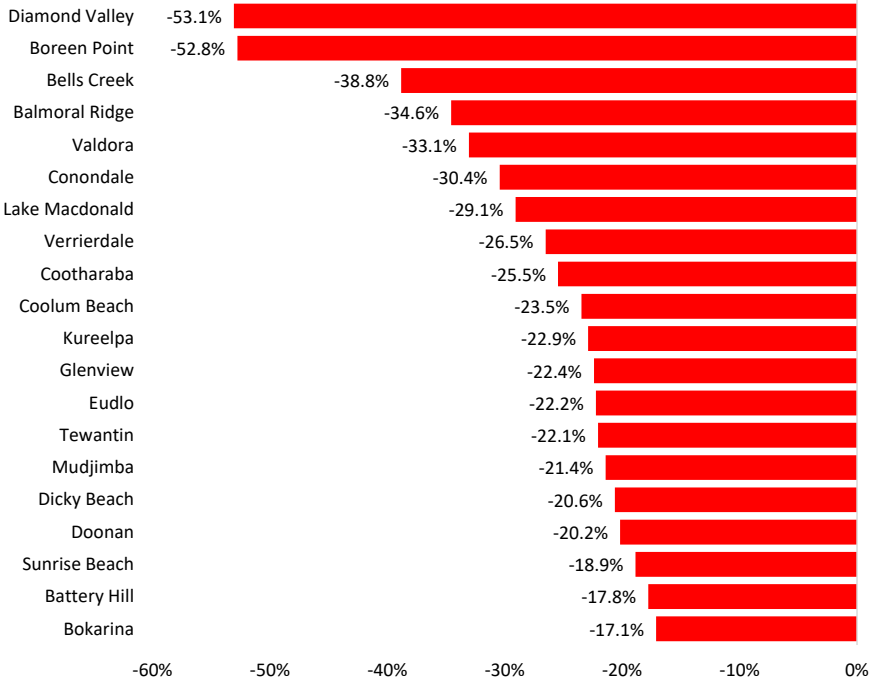
PropTrack

Areas away from the coast have typically seen the biggest yoy increase in potential buyers per listing

Largest year-on-year increase in potential buyers per listings, Sunshine Coast suburbs, Sep 22



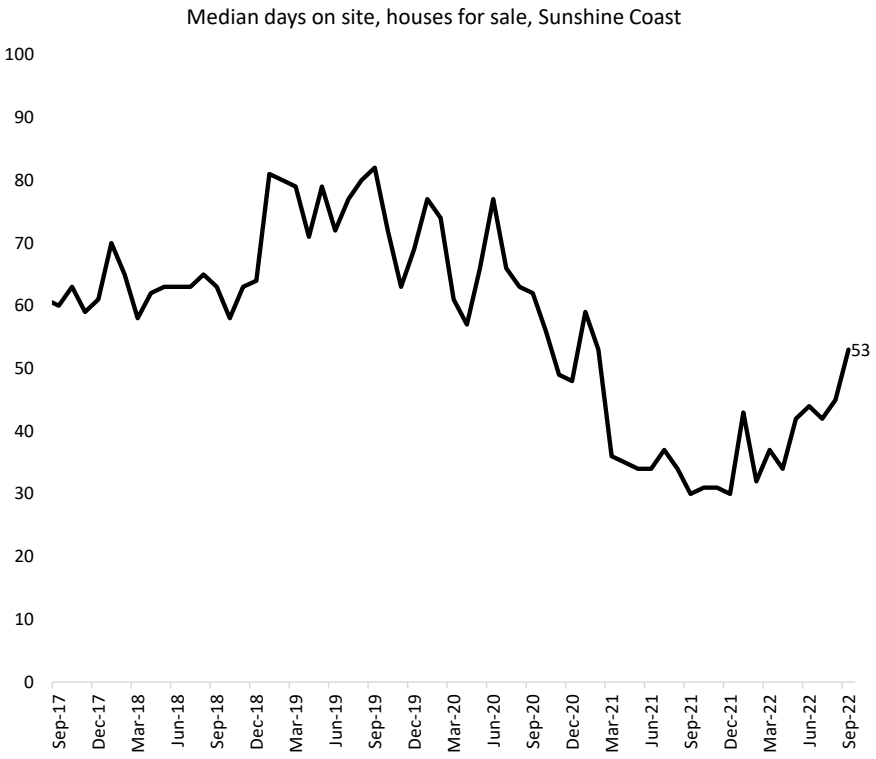
Largest year-on-year decline in potential buyers per listings, Sunshine Coast suburbs, Sep 22

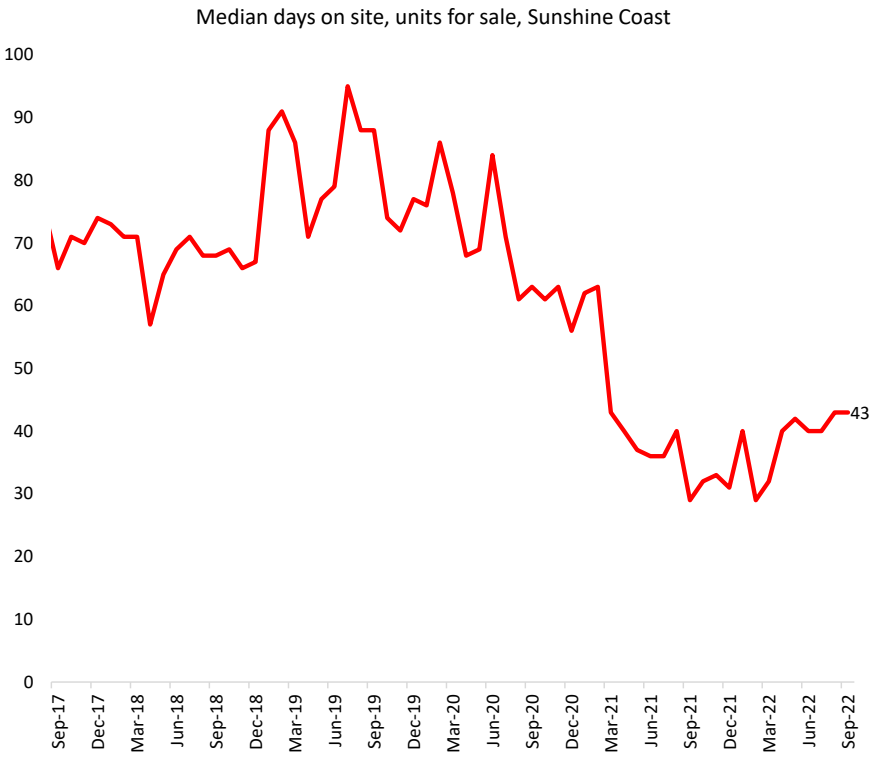


REA Group

PropTrack

Both houses and units have recorded an increase in days on site with units spending shorter time on site





REA Group

PropTrack