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ESTATE AGENTS

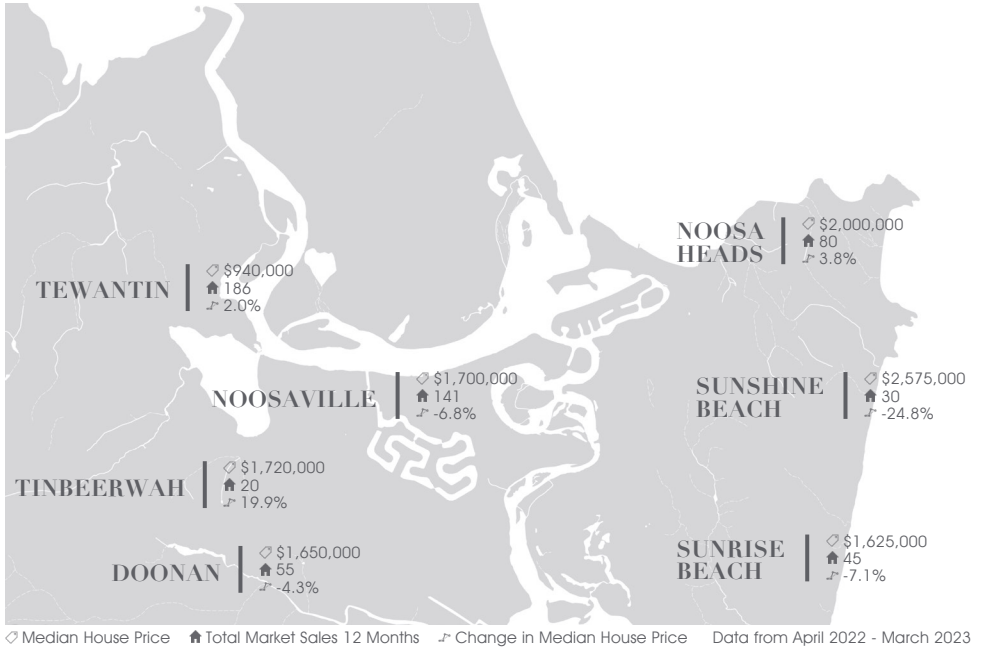
NOOSA PROPERTY MARKET UPDATE

1st Quarter 2023

NOOSA WATERS & SURROUNDING ESTATES



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First Quarter 2023 in Review

The dream of living the Noosa lifestyle is still alive and well in 2023 with buyers continuing to drive strong sales at the top end of the market. The super prestige sector (\$10,000,000 plus) and prestige sector (\$4,000,000 to \$10,000,000) have performed extremely well so far this year, and it all comes down to opportunity.

Noosa's tightly-held, waterfront trophy homes have always been hard to get hold of, but supply continues to be particularly lacking in this space. When an opportunity to purchase one of these homes arises, there is always a willing buyer waiting to pounce.

At the lower end of the prestige market,

buyers have been looking predominantly to purchase properties as principal places of residence, either relocating from interstate, Brisbane, or upgrading locally. These buyers – often treechangers, seachangers, or self-funded retirees, remain confident about the state of the market, despite a change in sentiment, rising interest rates, and cost of living pressures.

Some of our biggest sales so far this year include two outstanding properties in Noosa Waters. A Paul Clout designed home at 17 The Promontory recently changed hands for \$6,830,000 at auction, and down the road, 20 The Promontory sold for \$6,100,000. And in a sought-after pocket of Noosaville, we sold a waterfront property

at 9 Wyuna Drive for \$6,000,000. Where we are seeing some hesitation in the marketplace is in the lower end of the market, for sub \$4,000,000 properties.

We're seeing a decline in the volume of sales, but prices are holding firm. While there is a lack of new listings, there is still plenty of choice for buyers, with properties staying on the market for longer. As a result, we will likely see some price adjustments from vendors in the coming months and more negotiating power given to buyers.

The interest rate pause in April came as welcome news for both buyers and sellers, giving them a confidence boost that was desperately needed. On the back of that, we have seen strong attendance at open homes and an increase in sales volumes, showing just how much of an impact consumer sentiment has on the housing market. The latest quarterly CPI figures for the year to March show inflation falling to 7% – down from a 33-year high of 7.8% in the December quarter of 2022, and the latest monthly CPI figures for March have fallen to 6.3% from 6.8% in February. Economists are divided about the outlook for interest rates. Many believe inflation has peaked but remains high enough for the RBA to raise rates at least once more before the end of the year. RBA governor Philip Lowe told the National Press Club earlier this month that “we may well have to increase rate again, but we're not 100% certain of that”.

The minutes of the April board meeting said the decision to keep the cash rate on hold at 3.6% was “to allow time to gather more information”.

CoreLogic head of research Eliza Owen says that despite uncertainty about whether interest rates have peaked, housing market conditions are looking more optimistic.

“In March, the CoreLogic Home Value index rose 0.6%, the first increase since before the

rate-hiking cycle in 2022,” she said.

“Fundamentally, demand remains strong amid a sharp rise in overseas migration, together with lower than average levels of advertised supply and extremely tight rental conditions.”

Westpac team economics lead Dr Bill Evans agrees price falls are mostly over and showing “promising signs of stabilisation”.

“We still have negatives, like the cost of building houses going through the roof and risks from inflation, but the most important thing is that we expect the RBA to raise the rate in May but then put it on hold.”

The latest ANZ-Roy Morgan Consumer Confidence survey found sentiment recovered slightly in April, but it remains lower than before the February interest rate hike.

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I believe we may have seen the worst of the correction for the Noosa market in the March quarter.

Adrian Reed

Those who are urgent to sell may need to align more to the market's expectations, but if vendors have the patience, it may be worth holding out.

When there is a crisis of confidence in the market, buyers' aspirations don't change – they are just delayed.

Looking ahead, the prestige market will continue to perform well, and we're already seeing that so far in the second quarter. Investment-grade stock will continue to face yield pressures that may impact value, and the lag effect of interest rate rises may continue to impact the lower end of the market. But the fundamentals remain strong. Unemployment is low, the local economy is thriving, and the appetite for living in Noosa shows no signs of abating.



Jason Smith

Noosa Waters & Surrounding Estates

Looking at the non-waterfronts in Noosa Waters and its immediate surrounds of Northrise and Headland Estates, a total of 7 homes sold from January to mid-April versus the 11 homes that sold in the same period in 2022. These were a mix of renovated and non-renovated homes, with renovated homes commanding much higher price points.

Builders and tradespeople in the last few years have been harder to get, meaning people are seeking more finished homes in the estate and well-presented homes that they can move straight into.

The median house value in Noosa Waters non-waterfronts has remained stable around \$2,055,000 in the first three months of 2023. To context this, in April 2021, just 2 short years ago it was \$1,476,000. On average homes in Noosaville are taking 41 days to sell, given all the hype around the declining market and interest rate rises this is a relatively short time frame. Some homes are still selling very quickly and prior to hitting the market with

buyers being matched to the right home before they hit the market.

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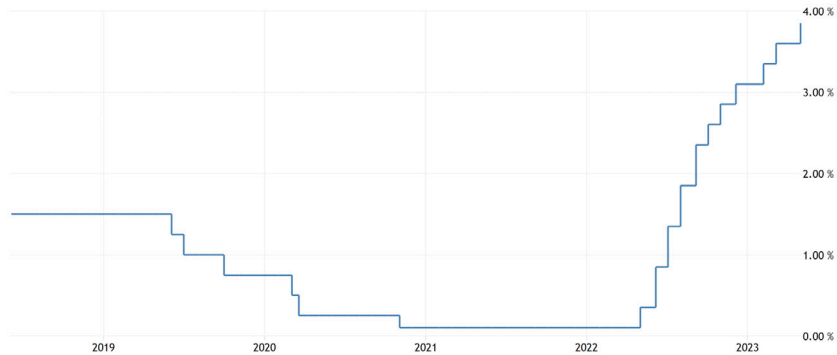
Looking at the buyers I have been working with in the market currently it is interesting to note that there are still investors looking to purchase a home in the area with the intention to rent it out and move in later.

Monique Sommer

Sales Strategy:

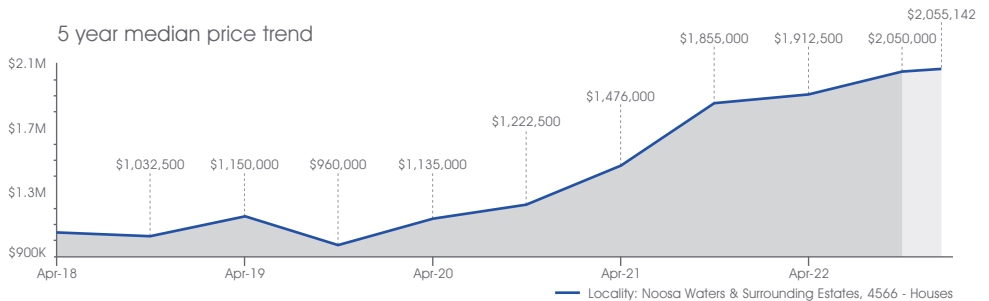
Consistently, the homes that are well prepared and presented prior to hitting the market, including decluttering, painting areas that look tired and a tidy up of the gardens lead to a home that is presented to the market well cared for and thus is overall more appealing to potential buyers.

Australian Interest Rate



Tradingeconomics.com, April 2023

Houses Noosa Waters & Surrounding Estates



Median House Price



\$2,055,142

January - April 2023
RP Data, April 2023

12 month growth



Down -1.5%

April 2022 - March 2023
Realestate.com.au, April 2023

On the market



13 houses

available in the last month
Realestate.com.au, April 2023

Total sales



7 sold

January - April 2023
RP Data, April 2023

Median time on market



41 days

April 2022 - March 2023
Realestate.com.au, April 2023

Recent Sales Reed & Co.



17 The Promontory, Noosa Waters
5 bed | 4 bath | 2 car
\$6,830,000 | SOLD April 2023



20 The Promontory, Noosa Waters
4 bed | 4 bath | 2 car
\$6,100,000 | SOLD January 2023



9 Wyuna Drive, Noosaville
5 bed | 3 bath | 2 car
\$6,000,000 | SOLD April 2023



16 Wygani Drive, Noosa North Shore
4 bed | 3 bath | 2 car
\$5,500,000 | SOLD April 2023



125 Shorehaven Drive, Noosa Waters
4 bed | 4 bath | 2 car
\$5,195,000 | SOLD January 2023



32 Belmore Terrace, Sunshine Beach
4 bed | 2 bath | 2 car
\$4,900,000 | SOLD March 2023



5 George Street, Noosaville
4 bed | 3 bath | 3 car
\$4,550,000 | SOLD February 2023



3/26 Peregian Esplanade, Peregian Beach
3 bed | 3 bath | 2 car
\$3,600,000 | SOLD April 2023

Recent Sales Reed & Co.



315 Mirbelia Place, Doonan
4 bed | 2 bath | 8 car
\$3,400,000 | SOLD April 2023



38 Waterside Court, Noosa Waters
4 bed | 3 bath | 2 car
\$2,800,000 | SOLD December 2022



2 Jailee Court, Noosaville
4 bed | 2 bath | 2 car
\$2,400,000 | SOLD November 2022



2 Coolabah Lane, Noosa Heads
3 bed | 2 bath | 2 car
\$2,375,000 | SOLD February 2023



83 Saltwater Avenue, Noosa Waters
4 bed | 3 bath | 2 car
\$2,350,000 | SOLD February 2023



24 Shipyard Circuit, Noosa Waters
4 bed | 3 bath | 2 car
\$2,150,000 | SOLD December 2022



2 Dwyer Street, Sunshine Beach
3 bed | 1 bath | 1 car
\$2,000,000 | SOLD December 2022



38 Livistona Drive, Doonan
4 bed | 2 bath | 7 car
\$1,700,000 | SOLD December 2022

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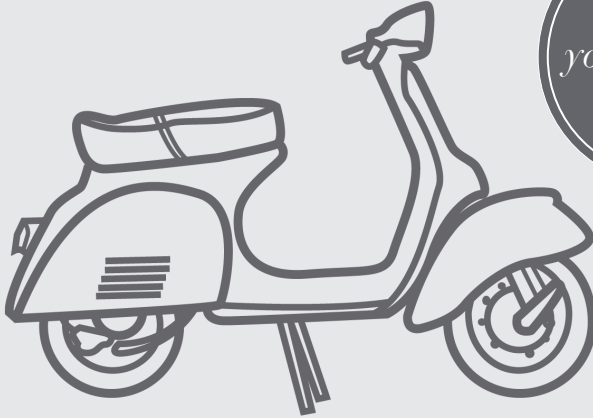
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*\$100 for
your chance
to WIN.*



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*A digital raffle ticket will be sent to you via email. * 2.2% surcharge for online payments. 0.7% surcharge for Visa & Mastercard payments. * The winner will be announced at our Charity Gala on Saturday, 17th June, 2023 and will be contacted via phone or email. *It is the winners responsibility to cover all on-road costs. The scooter is to be collected from our office within 7 days.



Monique Sommer

0433 641 158
monique@reedandco.co

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