

Reed & Co.

ESTATE AGENTS

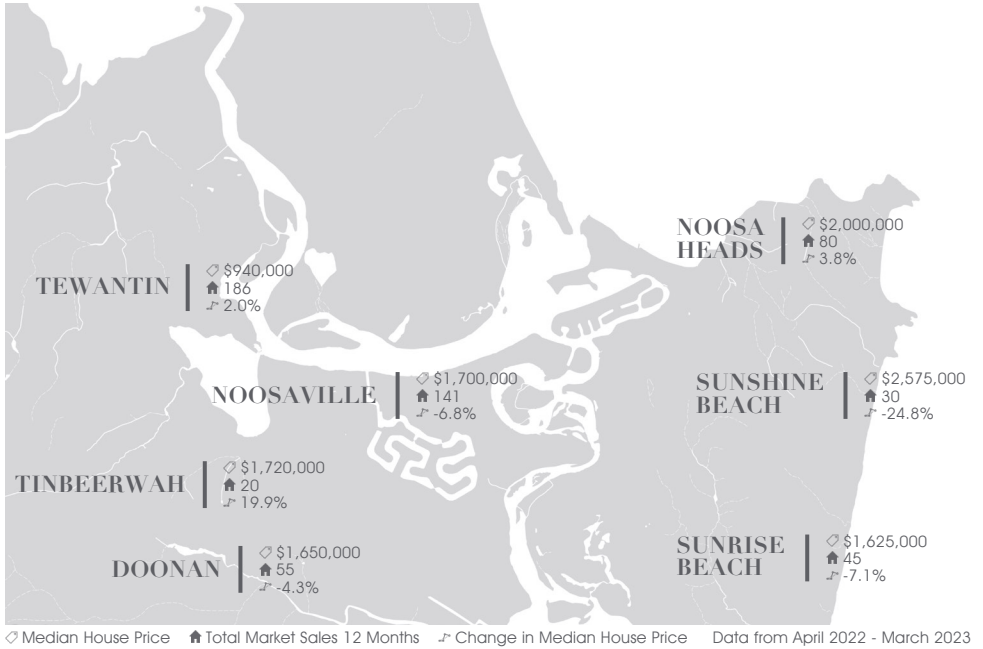
NOOSA PROPERTY MARKET UPDATE

1st Quarter 2023

NOOSA WATERS WATERFRONT



reedandco.co



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 — Waterfront

While economic uncertainty gripped the property market nationally, the effect was a withdrawal of both active buyers and sellers from the market. Market confidence on the waterfront has been somewhat subdued, buyers have been active but considered, preferring to wait for the right property over purchasing and making adjustments to homes.

Buyers are preferring new and renovated homes this has been demonstrated with strong result like 20 The Promontory selling for \$6,100,000, a renovated south facing house, 38 Saltwater Avenue, a Chris Clout designed new build selling for \$8,000,000 as well as 17 The Promontory selling under the hammer with 3 bidders for \$6,830,000. All of our recent waterfront results are numbers that we would have expected in the peak demand of 2021 and the early parts of 2022.

The number of sales in the 3 months was significantly down on the previous year, which is no real surprise, 6 sales vs 4 sales in 2022.

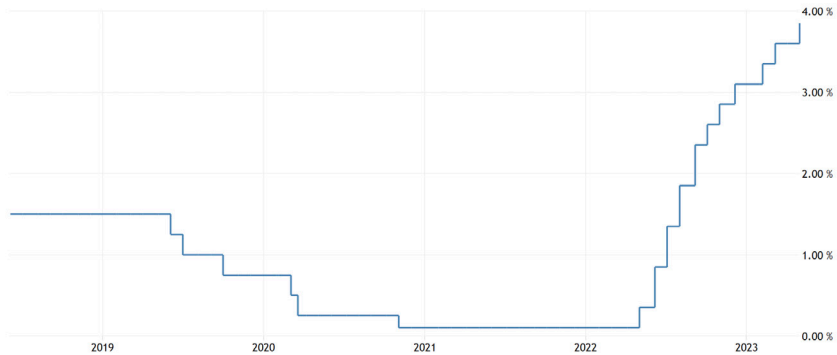
Despite the reduction in number of transactions the median sale price grew by 28% from \$4,820,000 to \$6,200,000.

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Reed & Co. continue to be the clear market leader, selling more than twice the amount of their nearest competitor on the waterfront.

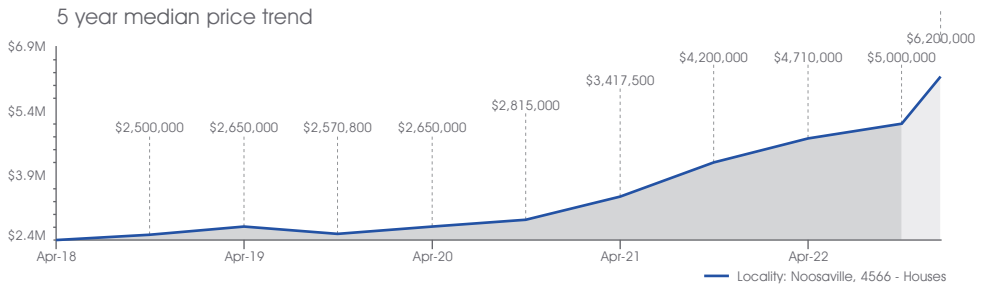
Adrian Reed

Australian Interest Rate



Tradingeconomics.com, April 2023

Houses Waterfront



Median House Price
– Waterfront only

\$6,200,000

January - April 2023
RP Data, April 2023

12 month growth
– Waterfront only

Up 28.6%

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

On the market
– Waterfront only

7 houses

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

Total sales
– Waterfront only

4 sold

January - April 2023
RP Data, April 2023

Median time on market
– Noosaville

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

Reed & Co.

ESTATE AGENTS

ADRIAN REED, NUMBER 1 AGENT IN NOOSA WATERS.

*Adrian Reed total agent statistics since launch in September 2018

Total Waterfront Sold Properties*



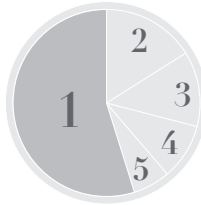
Includes off market sales

Total Waterfront Sales*



Includes off market sales

Sold Waterfront Properties by Agent**



Agency ranking for Noosa Waters

Community Fundraising Reed & Co.

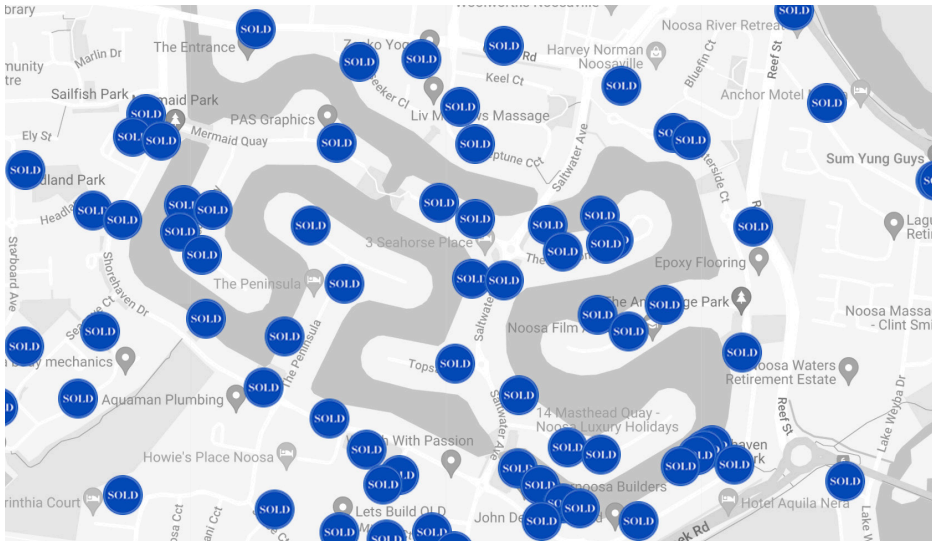


Purchasing paediatric medical equipment

** Agency ranking based on total sold listings, April 2022 - April 2023

Realestate.com.au, April 2023

1 – Adrian Reed: Sold listings: 17



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