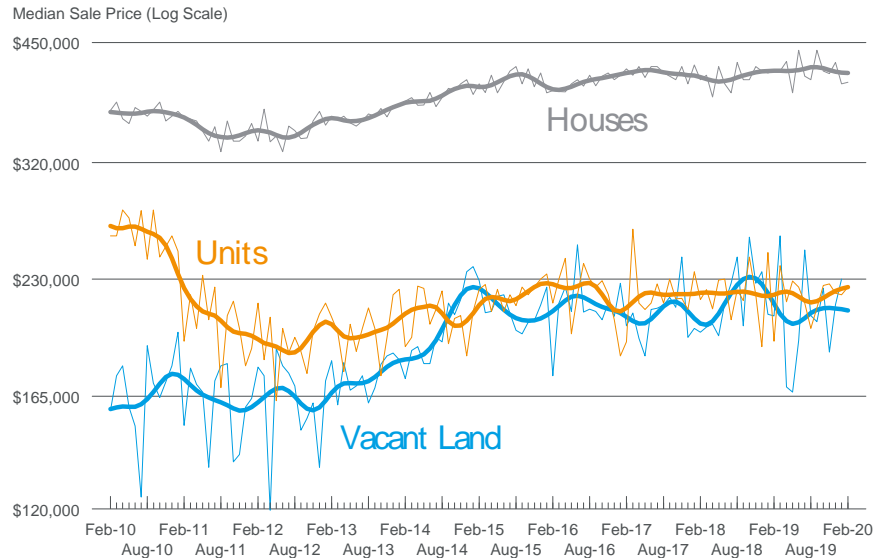


PROPERTY

Cairns Property Prices

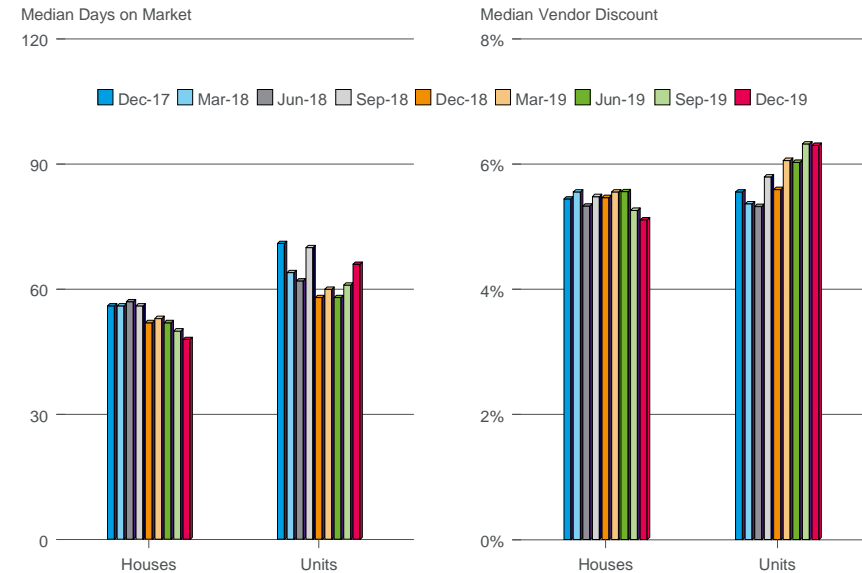


* All sales are classified to date of contract (not date of settlement)
** Recent months are provisional and subject to revision
Source: HTW Analysis of RPData

The Cairns property market was showing signs of improvement during the latter half of 2019 and into 2020, though primarily in terms of sale volumes rather than prices. The latest trend median prices, for properties sold in the month of February 2020, came in at \$411,900 for houses, \$225,000 for units, and \$210,600 for vacant land. However with the Cairns market now being impacted by uncertainty, there is liable to be a period of weak buyer demand, extended selling periods and diminutions in values. The effect of 1989 pilots' strike on the Cairns property market, if that is any guide, was a 6.3% reduction in median house prices.

N.B. The median property price is the actual sale price of the middle-priced property from the list of properties sold each month. Movements in median prices do not necessarily equate to movements in individual property values.

Cairns Property Metrics

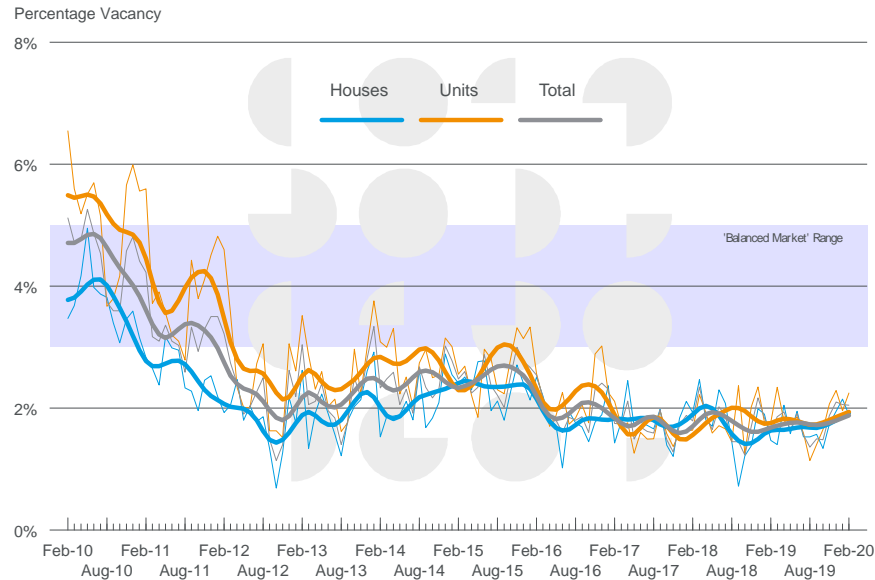


Source: CoreLogic

Property market metrics have improved significantly for house sales over the twelve months to December 2019, but movements were less favourable for units. The median time taken for houses to reach a sale has decreased from 52 days for those sold in the twelve months to December 2018, to 48 days for those sold in the twelve months to December 2019. Meanwhile the median time taken to sell a unit has increased from 58 days to 66 days for those sold over the same periods. The median vendor discount – the difference between the asking price at which a property is first advertised and its ultimate selling price – has likewise reduced for houses but increased for units.

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Cairns Rental Vacancies



Source: HTW Rentroll Survey

The Cairns rental market has experienced a slight upturn in vacancy levels in recent months, but nevertheless continues to demonstrate tight verging on stressed rental market conditions. Our latest survey results show the trend rental vacancy rates for February 2020 standing at 1.9% for houses, units and the market overall. Whilst the rental market is liable to be disrupted by financially stressed tenants and/or landlords in the current economic situation, there is also liable to be an increase in the rental supply available, for instance due to crossover of Airbnb properties from holiday lettings to permanent rentals.

Herron Todd White does... Tax Depreciation Schedules

Do you have an up-to-date tax depreciation schedule?

You could be missing out on thousands of dollars each year in allowable depreciation for your investment property.

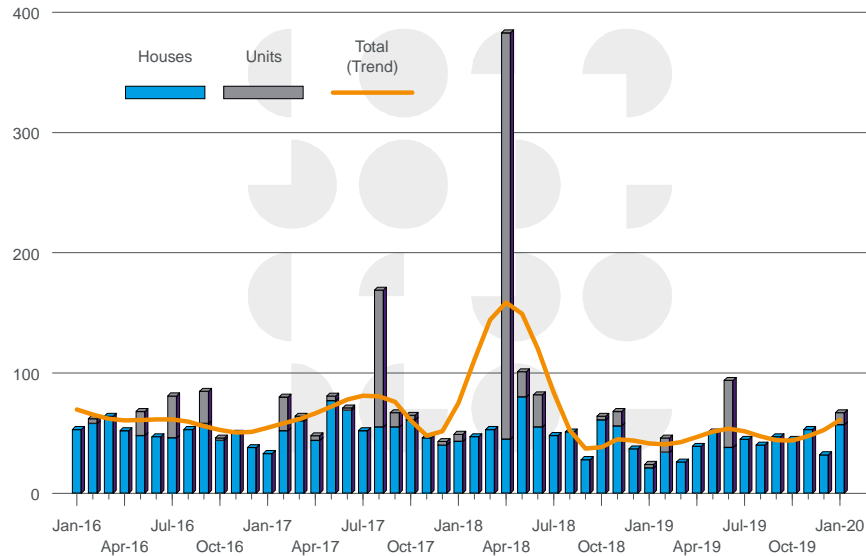
Depreciation is an important part of maximising your investment returns from an income generating property.

Contact us on 4057 0200 for an obligation-free quote.

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Cairns Building Approvals

Number of New Dwellings Approved in Cairns Urban Area



Source: Derived from ABS data

Building approval figures have picked up in recent months, with the January 2020 trend building approvals level rising to 61 new dwellings approved for construction, up from 44 as at September 2019. Current building approval levels are running at about 56 new houses and 5 new units being approved per month. However the fear is that if the current economic crisis leads to a diminution in property prices, it could exacerbate the tough competition new housing faces from prices in the established housing market, and potentially disrupt new housing construction.

Herron Todd White does...Rural Valuations

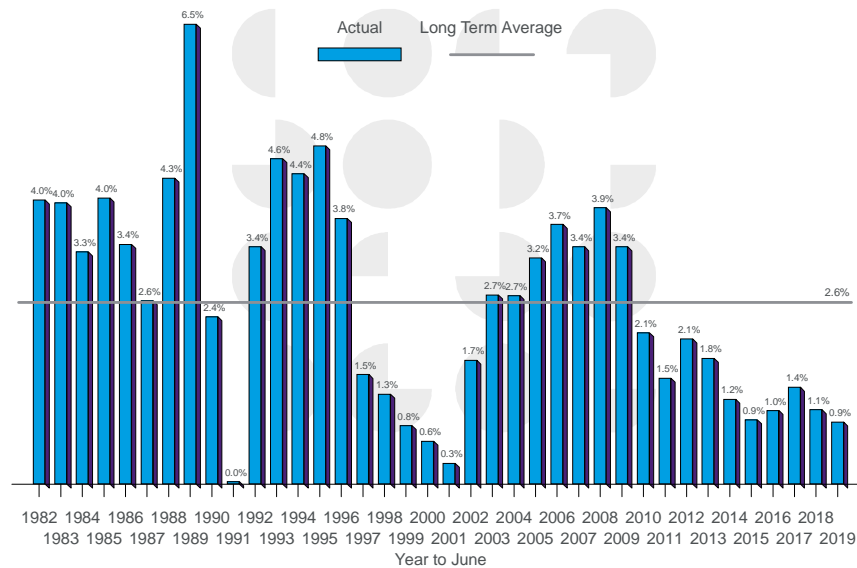
Selling the farm?

Herron Todd White has valuers specialising in agri-business – from cane farms to cattle properties and banana plantations.

SPECIAL TOPIC: POPULATION GROWTH

Cairns Population Growth

Rate of Growth %pa



Source: ABS, HTW Research

The Cairns urban area (from the Goldsborough Valley through to Ellis Beach) experienced a lower than expected population growth rate of 0.9% over the 12 months to 30 June 2019, with official resident population reaching 163,993 as of that date. Population rose by 1,419 persons between 30 June 2018 and 30 June 2019, resulting from natural increase (births minus deaths) of 1,164 persons, and a low net migration inflow of 255 persons.

Our population model predicts that assuming a normal course of events, Cairns' population growth would come in at about 1.1% for the 12 months to 30 June 2020, and about 1.1% again in the 12 months to 30 June 2021. However given the effects of COVID-19 and associated economic impacts, the future rate of population growth is now quite uncertain.

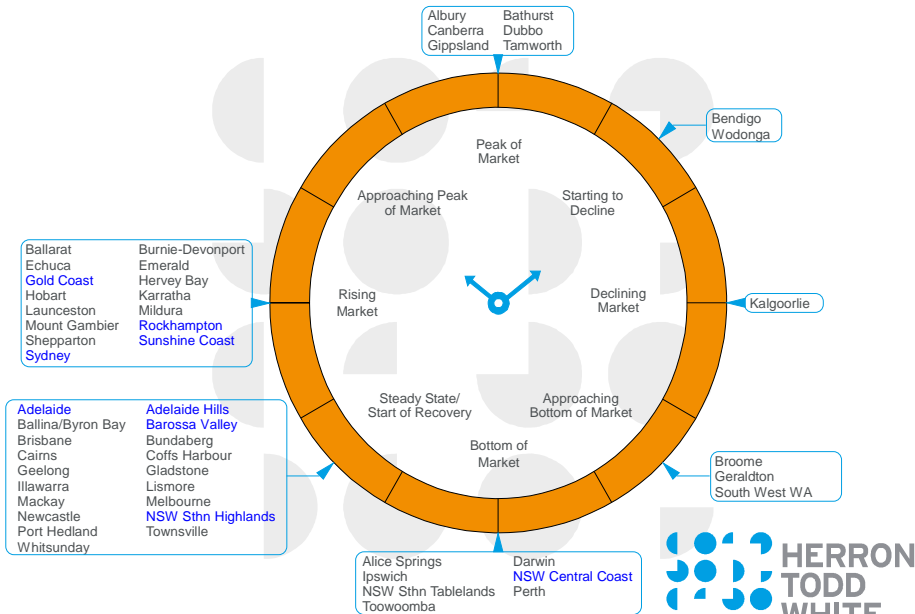
Herron Todd White does... Socio-Economic Research

Herron Todd White Cairns carries out specialist project consulting assignments in all areas of socio-economic research, including demographic studies, statistical surveys, market research, strategy planning, cost benefit studies, and socio-economic impact assessment.

Contact us today to discuss your requirements.

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National Property Clock



Entries coloured dark blue indicate positional change from our last CairnsWatch
Source: Residential Property Ratings for Houses Compiled by Herron Todd White, February 2020

Herron Todd White does... Townsville Market Information

Herron Todd White produces a free six-monthly publication of Townsville Market Information entitled *Townsville in Focus*. Like CairnsWatch, it is free of charge.

For further enquiries or to subscribe, contact townsville@htw.com.au or call (07) 4724 2000.

Herron Todd White's National Property Clock is prepared each month based on the local market perceptions of its Australia-wide network of offices.

Despite uncertainty besetting the Cairns market, at this stage we are maintaining Cairns in a 'Steady State' position.