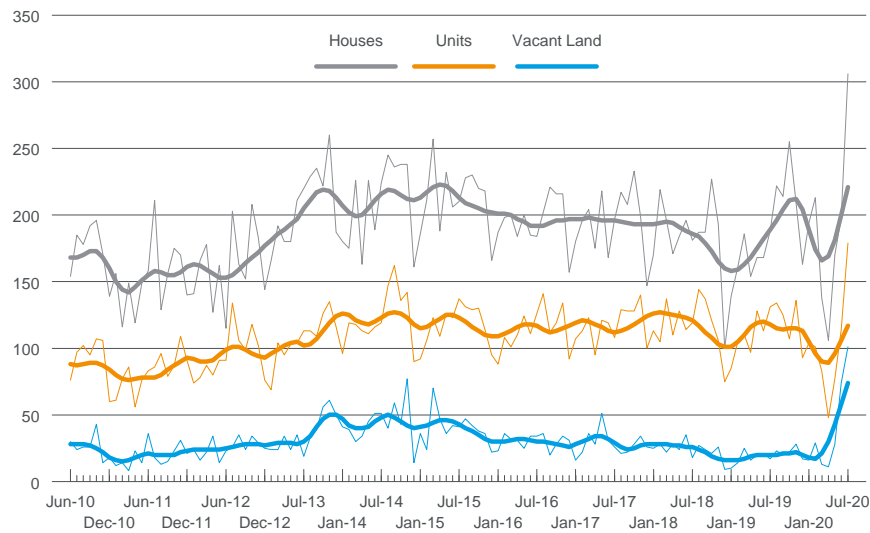


PROPERTY

Cairns Property Sale Volumes

Number of Sales (Trend)



* All sales are classified to date of contract (not date of settlement)

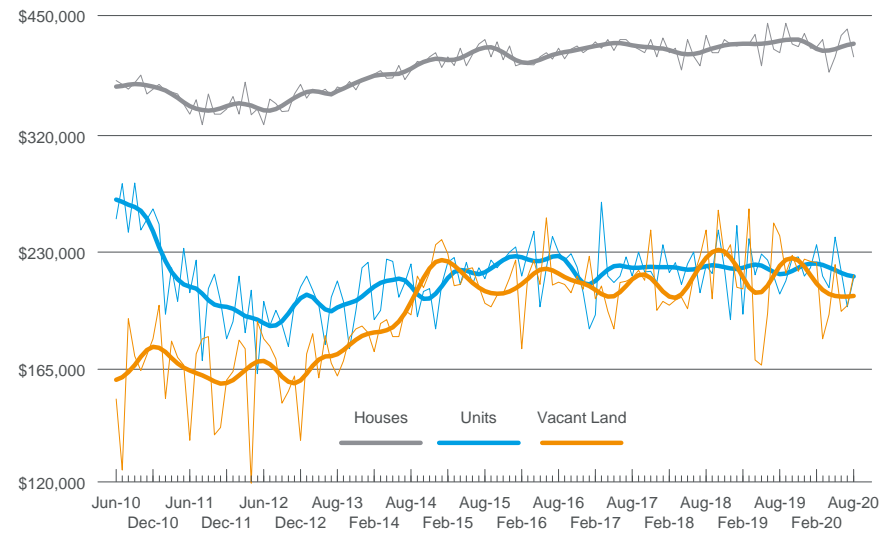
** Recent months are provisional and subject to revision

Source: HTW Analysis of RPData

The Cairns property market is presently rebuilding in volume as a result of much stronger buyer demand. Sale volumes for houses and units have regained the levels that were in existence prior to COVID-19. Vacant land sales have shot up virtually four-fold from their recent average, to reach a post-GFC high, based on increased sales flowing from the introduction of the HomeBuilder grant scheme in June 2020.

Cairns Property Prices

Median Sale Price (Log Scale)



* All sales are classified to date of contract (not date of settlement)

** Recent months are provisional and subject to revision

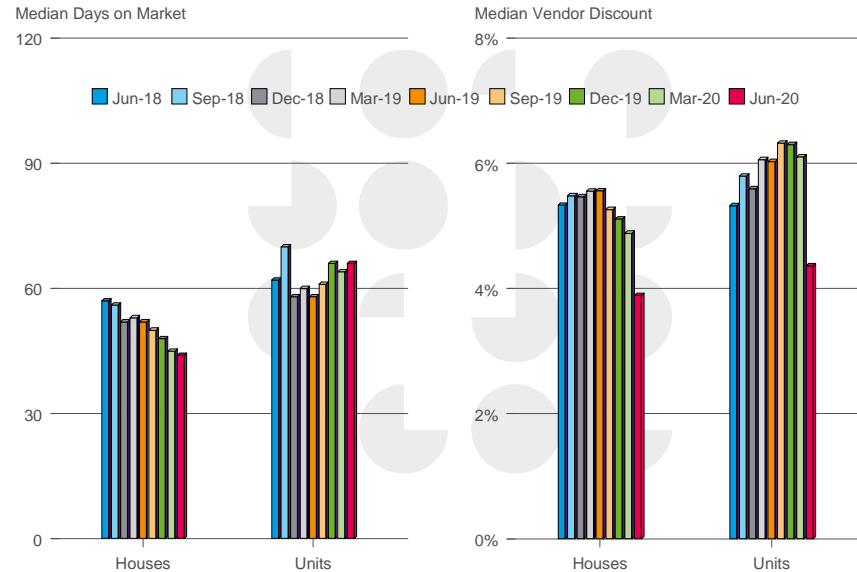
Source: HTW Analysis of RPData

Concomitant with the increase in sales volume, prices look to be stirring, particularly for houses where a mild increase in median trend prices of about 1.6% has been evident over the latest three months. The latest trend median prices, for properties sold in the month of August 2020, came in at \$415,000 for houses, \$215,000 for units, and \$203,000 for vacant land.

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.

PROPERTY

Cairns Market Metrics



Source: CoreLogic

Stronger demand in the real estate sales market is further evidenced by property sales taking place faster and achieving closer to asking prices. The median time on market to reach a sale has reduced significantly over the last twelve months, down to around 44 days for houses in June 2020, but remaining at around 66 days for units. Meanwhile median vendor discounts – the differences between the sale price first listed and the sale price ultimately achieved – have also significantly reduced over the latest twelve months to 3.9% for houses and 4.4% for units. These indicate significant improvements in the overall strength of the market despite the prevailing trying conditions.

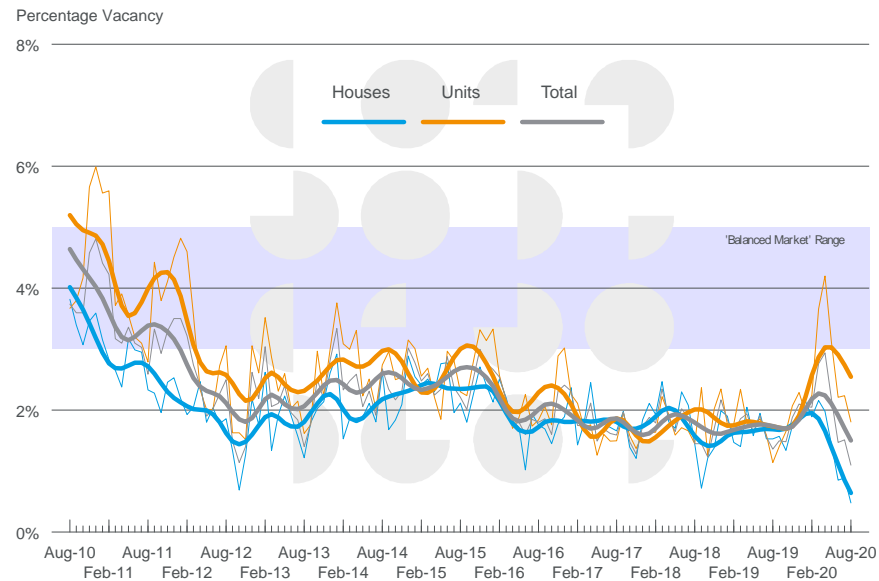
Herron Todd White does... Socio-Economic Research

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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Cairns Rental Vacancies



Source: HTW Rentroll Survey

The Cairns rental market has tightened considerably in recent months, with vacancy rates especially for houses crunching down to extremely low levels. Our latest survey results show the trend rental vacancy rates for August 2020 standing at an unprecedented 0.6% for houses. Unit vacancies for August 2020 stood at 2.5% for units, while the market overall also reduced to an unprecedented vacancy rate of just 1.5% during August 2020.

Herron Todd White does... Socio-Economic Research

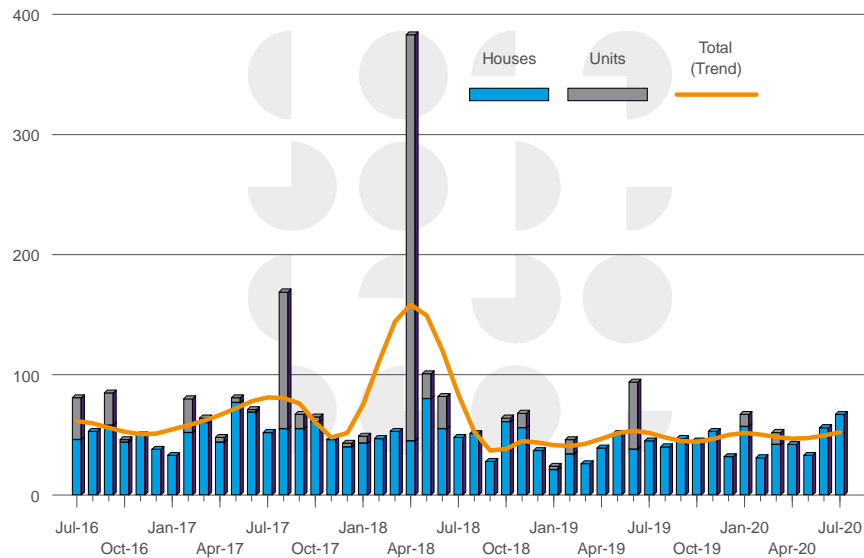
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Cairns Building Approvals

Number of New Dwellings Approved in Cairns Urban Area



Source: Derived from ABS data

Building approval figures experienced an upturn in June and July 2020 from the stimulus of the new HomeBuilder grants scheme, resulting in a trend increase of 11.2% since April 2020. Building approval levels are bound to accelerate even further while the HomeBuilder grants remain in place, backed up by the robust land sales activity now occurring which is the precursor to new housing construction.

Herron Todd White does... Tax Depreciation Schedules

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

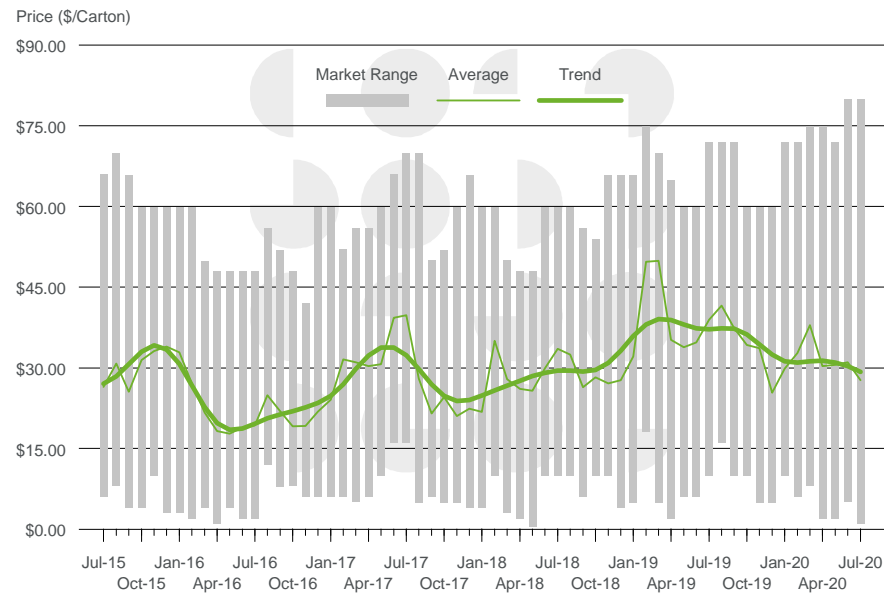
You could be missing out on thousands of dollars each year in allowable depreciation for your investment property.

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.

SPECIAL TOPIC: BANANA INDUSTRY

Brisbane Wholesale Market Banana Prices



Source: Ausmarket Consultants

Market conditions for Far Northern banana producers have gradually improved over the past few years, with banana prices experiencing a general increase over the period from 2016 to 2019. However price growth appears to have eased off in 2020, possibly due to lower demand as a result of COVID-19. Our research also indicates that bananas normally (but not always) receive higher prices in the Melbourne market compared to the Brisbane market. Between July 2015 and July 2020, the wholesale price differential for Cavendish bananas in the Brisbane and Melbourne markets averaged \$4.77 per carton, equivalent to a price premium of 23.2% in the Melbourne market relative to Brisbane.

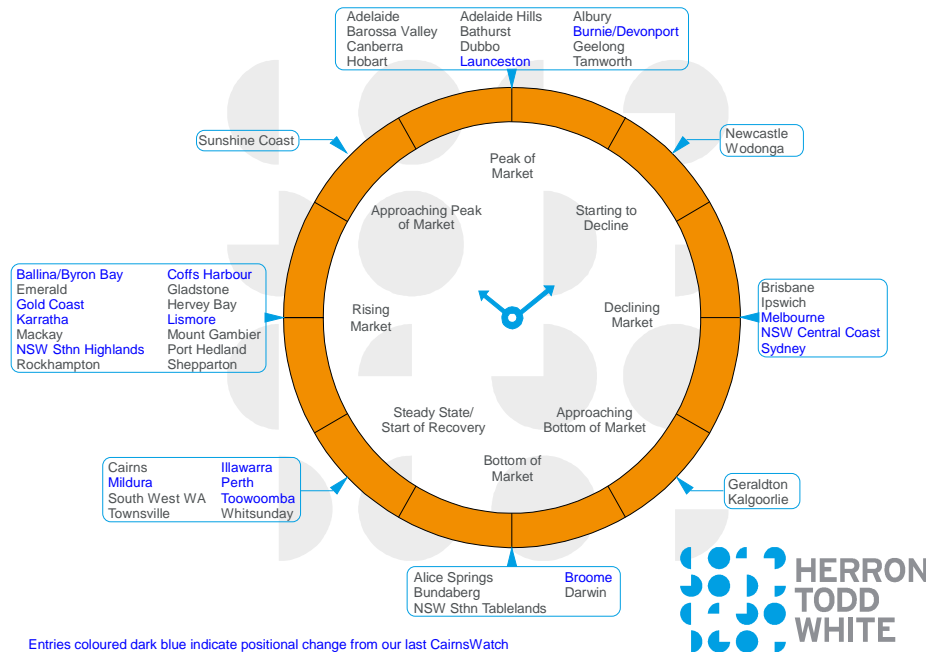
Herron Todd White does...Rural Valuations

Selling the farm?

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

PROPERTY

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, August 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. The last two months have seen a number of markets move position as they adjust to the ever changing circumstances.

Whilst there are signs that the Cairns market is starting to stir, a ‘balanced’ market position between buyers and sellers in most sectors is being maintained. Nevertheless, on balance, we now believe the Cairns market to be entering a ‘Start of Recovery’ position.