

EDITION 21

ROCKHAMPTON

 **PERFORMANCE**
PROPERTY RESEARCH

ROCKHAMPTON REGIONAL CENTRE OVERVIEW

DISCLAIMER

The data presented in this report are sourced from 3rd party resources that we have selected due to their reliability and availability over the historical periods that we require for our research to be relevant. Due to the fact that the current year is not yet complete, data presented for the current year are estimated to represent a full year.

ROCKHAMPTON AT A GLANCE

RESEARCH REPORT ROCKHAMPTON REGIONAL CENTRE

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Price Parameters - Adjusted for Current Interest Rate

	HOUSE AI	PRICE	UNIT AI	PRICE
AI FLOOR	13%	\$233,054	11%	\$200,344
AI CURRENT	20%	\$349,833	16%	\$277,500
AI CEILING	42%	\$733,084	41%	\$721,405
3 YR PRICE TARGET	\$380,000 - \$490,000 Low Conviction		\$300,000 - 390,000 Low Conviction	

In the current stage of cycle

The Rockhampton house market has a **Buy Value Rating** while the unit market has a **Buy Value Rating**.

If buying houses, it would be best suited to a **Medium Term Hold Strategy**. If buying units, it would be best suited to a **Medium Term Hold Strategy**.

We classify the Rockhampton house market currently as a **High Risk Investment**, and the Rockhampton unit market as a **High Risk Investment** based on the stage of cycle.

Legend

Medium Term Strategy = **4 to 7 years**
Long Term Strategy = **10+ years**

HOUSE
YIELD

6.8%

UNIT
YIELD

5.2%

UNEMPLOYMENT RATE

2.8%

POPULATION



Current: **79,967**

Current Growth Rate: **0.47%**

Avg 10 Yr Growth Rate: **0.55%**

CURRENT MEDIAN HOUSE

\$349,833

CURRENT MEDIAN UNIT

\$277,500

LONG TERM (1983) COMPOUNDED
GROWTH PA IS **5.34%** FOR
HOUSES & **3.67%** FOR UNITS.

Houses the last 3 years have seen 9.02%
PA growth, units -2.24%.

5.34%



Average Days
on Market

Houses : **26**
Units : **40**



EXECUTIVE SUMMARY

SHORT-TERM MARKET INDICATORS

Positive

Affordability Index HOUSE V. Price Movement.....	08
QLD HH Lending Oc V investor Monthly	09
Stock on Market V. Avg Days on Market	10
Vacancy Rate V. Median Rent	11
Job Creation Index.....	12

SUPPLY & DEMAND - Slightly Negative

Does Demand Exceed Supply?

Change in Population	13
Population Movement	14
Airport Arrivals	15
Dwelling Sales	16
Dwelling Approvals V. Population % Change	17
Bedrooms V. Population Change	18

AFFORDABILITY - Positive

Is Property Affordable?

Affordability Index HOUSE V. Price Movement	08
Affordability Index UNITS V. Price Movement	19
Price to Income Ratio	20
Rent as % of Income V. Affordability Index	21

CONFIDENCE - Positive

Is There Confidence In The Market?

Unemployment Rate.....	22
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MONEY SUPPLY - Neutral

Will There Be More or Less Money Into The Economy?

GRP V. Median House Price	23
Council Budget	24

INVESTMENT VALUE - Positive

Is This Market Showing Value?

Yield	25
Long Term Performance	26
House V. Unit Price Comparison	06
Rockhampton V. Brisbane HOUSE Price Movement	27

RISK - Positive

Are We In A Bubble?

Affordability Index HOUSE V. Price Movement	08
Price to Income Ratio	20
Industry Value Added	28
Population Pyramid	29

Positive

Slightly Positive

Neutral

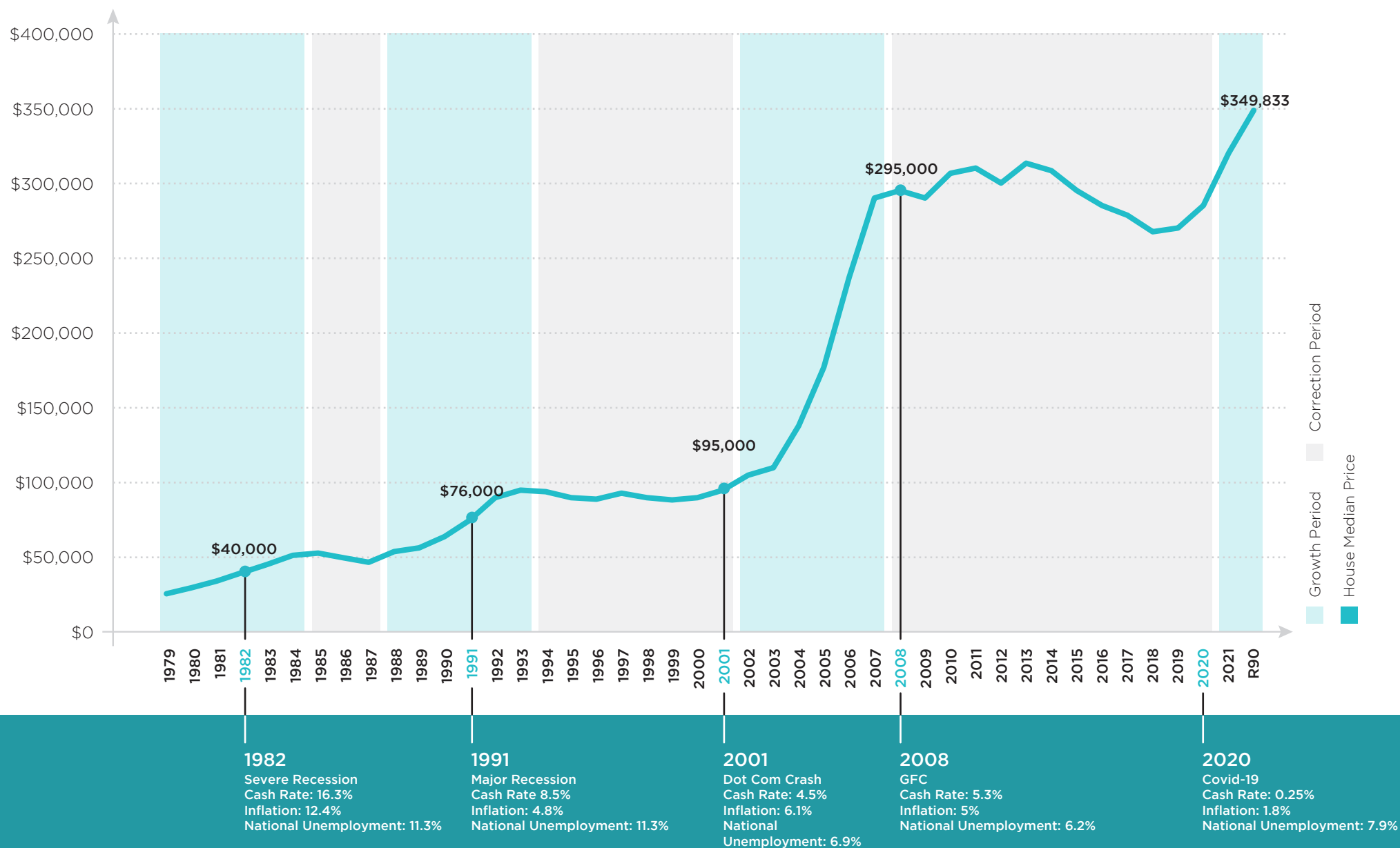
Slightly Negative

Negative

ROCKHAMPTON HOUSE PRICE MOVEMENT

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ROCKHAMPTON REGIONAL CENTRE

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OUR VIEW OF THE ROCKHAMPTON **HOUSE** MARKET

RESEARCH REPORT
ROCKHAMPTON REGIONAL CENTRE

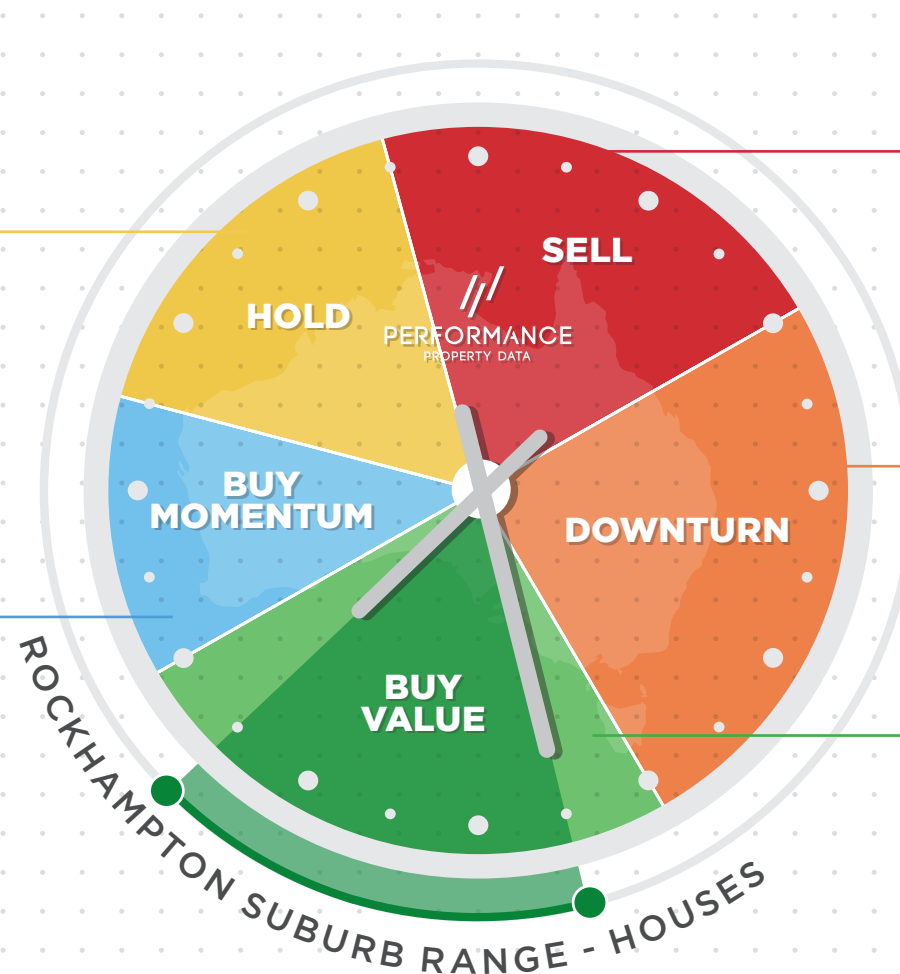
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HOLD

Hold and monitor property in this market. Potential for growth in the short term is predicted but limited. Investing at this stage in the cycle holds extreme risk, due to low yields and aggressive prices.

BUY MOMENTUM

On a macro level the market is at or close to halfway through this growth cycle and demand for quality property is strong and rising. Macro fundamentals are present to support growth in the short term.



SELL

The market has peaked and prices are likely to soften or stagnate in the short to medium term. Consider selling in this market after consultation with your financial planner or property investment adviser.

DOWNTURN

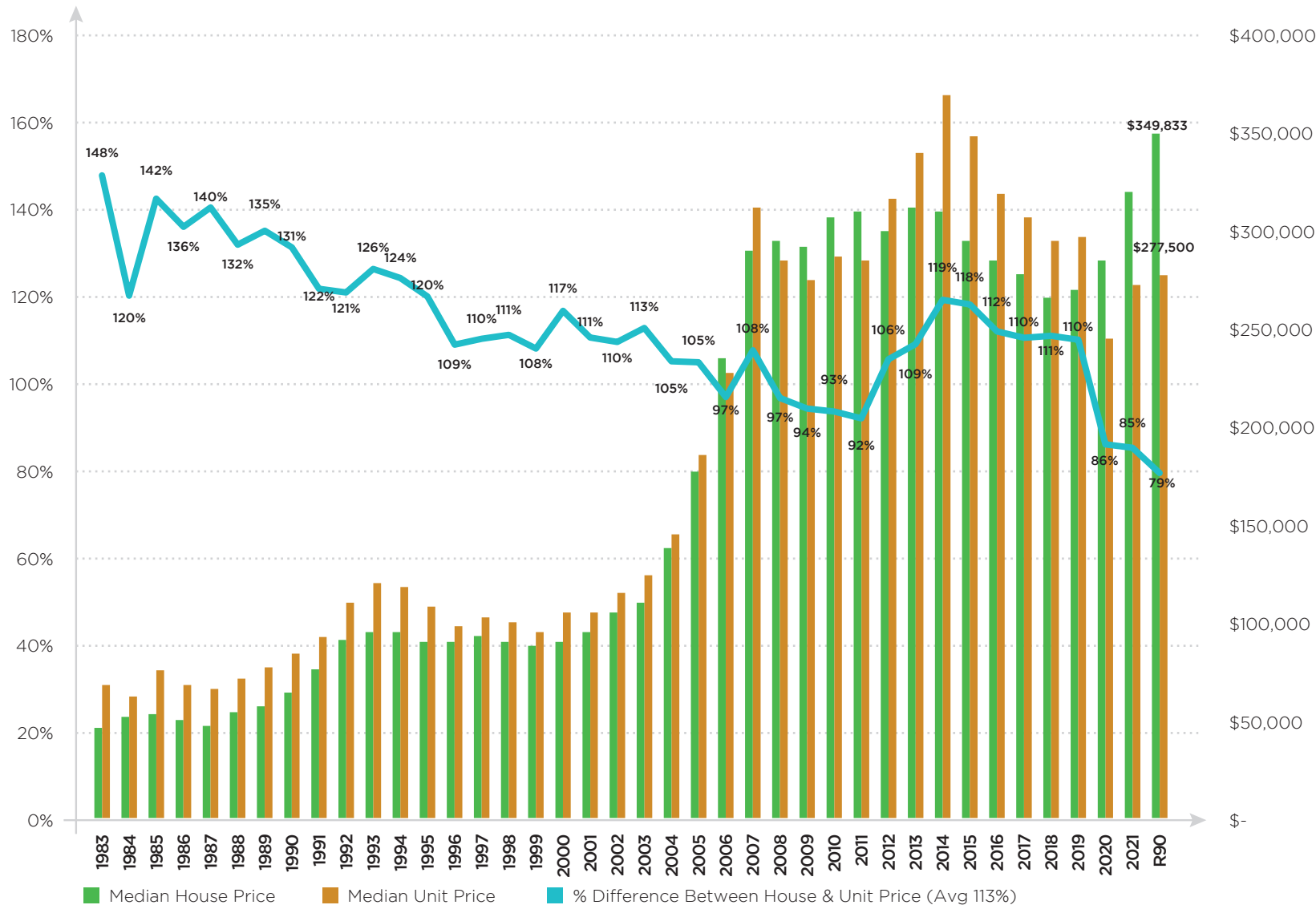
The market is moving through a correction stage. We see minimal growth in the short to medium term.

BUY VALUE

This market offers good investment value with macro fundamentals present to support growth in the short to medium term. Buy at the true market bottom to take advantage of the full growth upswing, with cyclical risk at its lowest.

For more information on the Rockhampton market, including individual property and suburb information, call to speak to one of our professional property advisors on (03) 8539 0300.

HOUSE V. UNIT PRICE MOVEMENTS



POSITIVE

OUR VIEW OF THE ROCKHAMPTON **UNIT** MARKET

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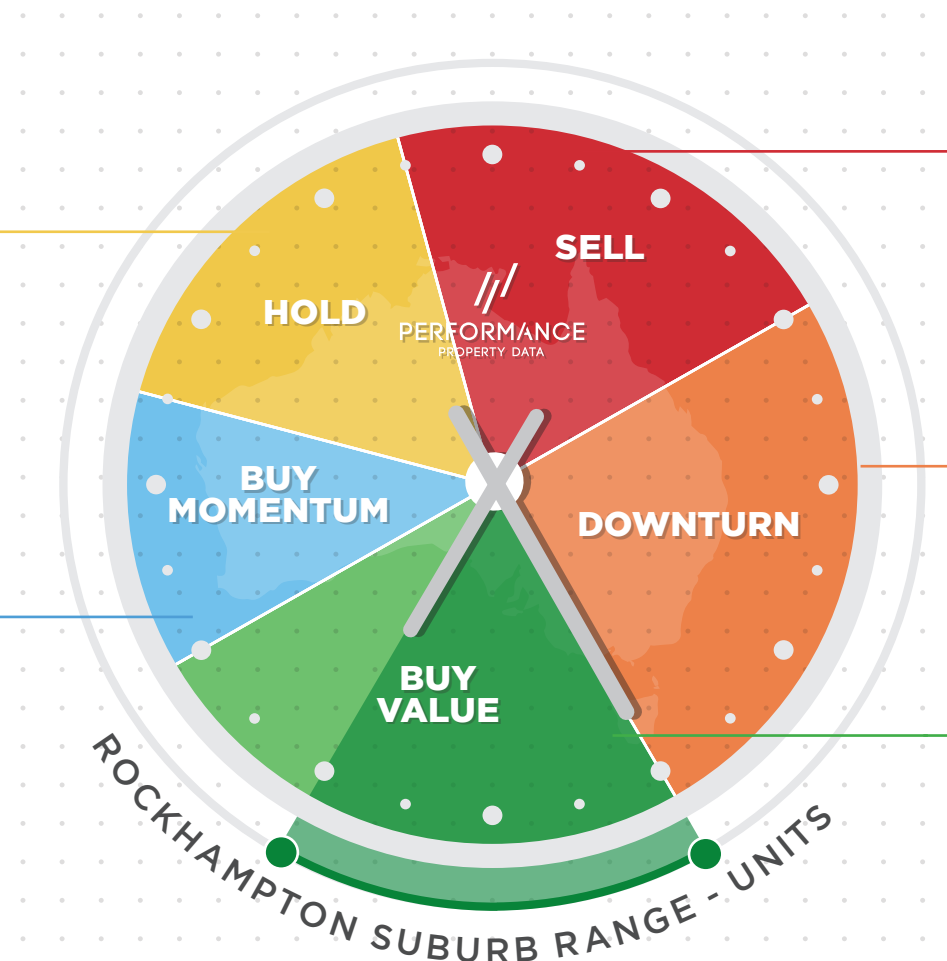
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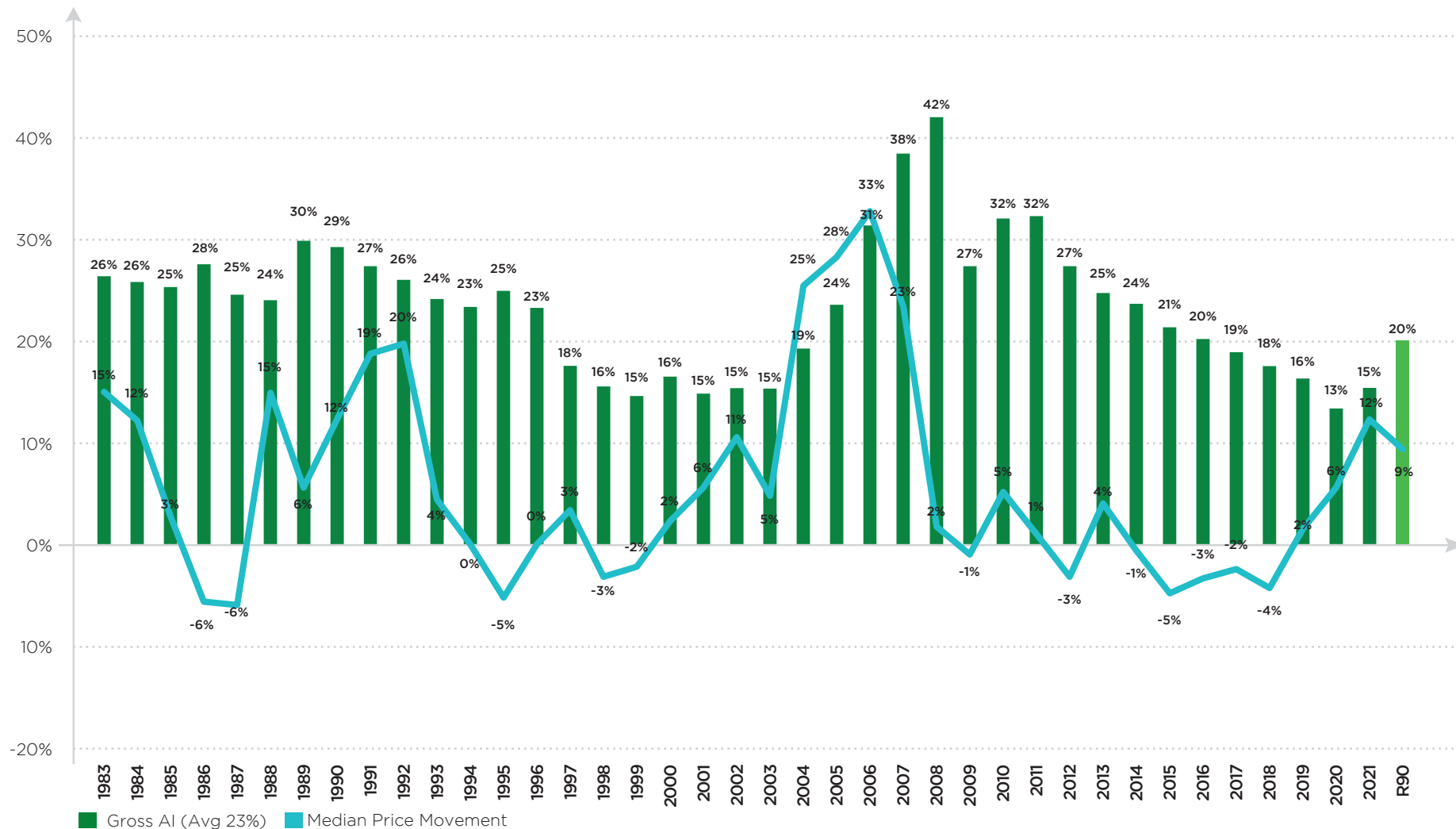
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AFFORDABILITY INDEX V. PRICE MOVEMENT - HOUSE

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This graph displays the impact interest rates have on house price movements. Performance Property's Gross Affordability Index (AI) is a measure of the average mortgage repayments versus the average income. The AI is calculated using the median price, average wage (before tax), assumes a 20% deposit, the current variable interest rate and Principle & Interest repayments over a 30 year loan term. For the current year 2021, the rolling 90 days (R90) is shown to convey latest market status.

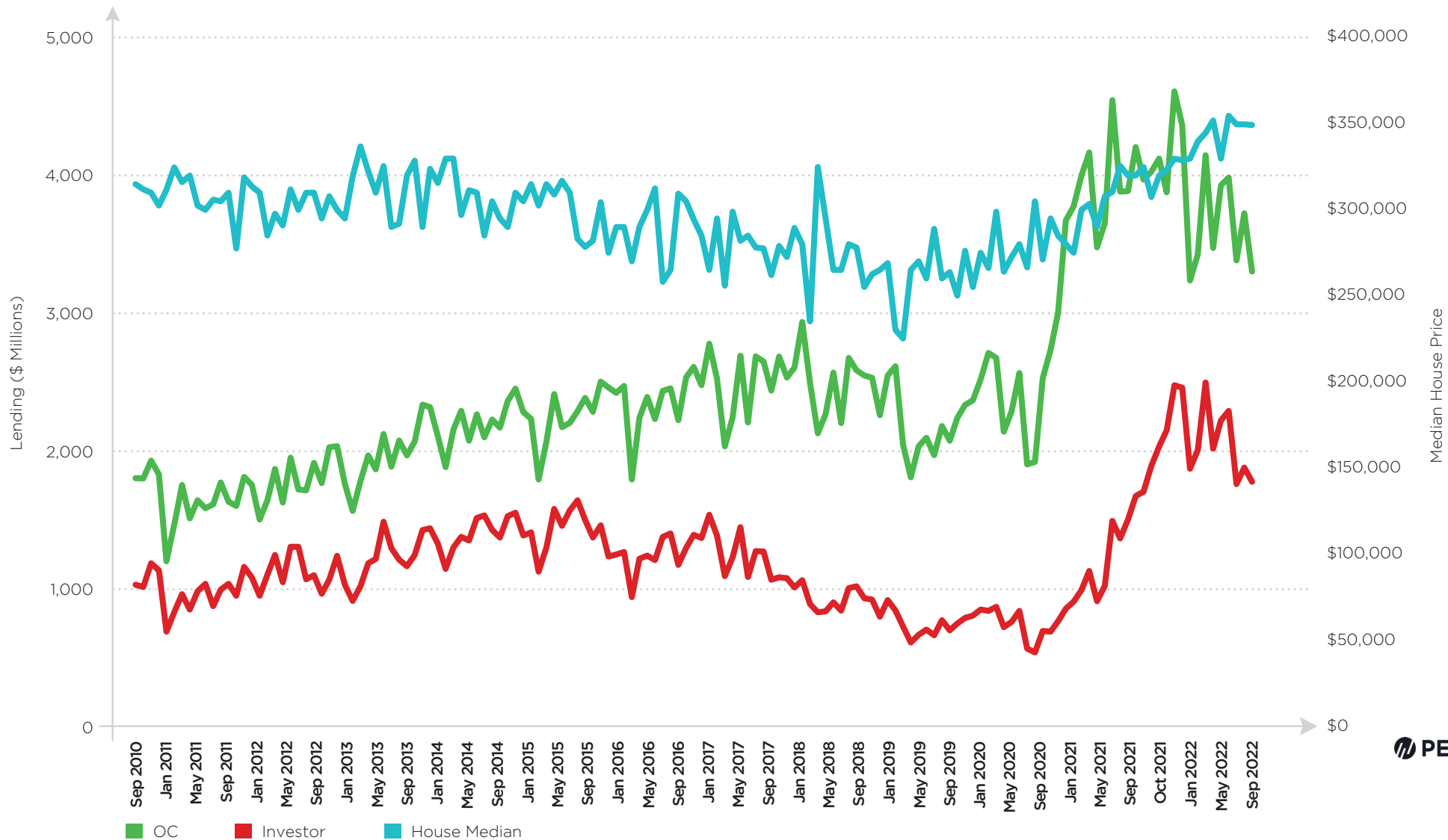


QLD MONTHLY LENDING TO OC V. MEDIAN HOUSE PRICE

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This graph displays the value of housing finance for the state each month for owner occupiers and investors versus the median house price.

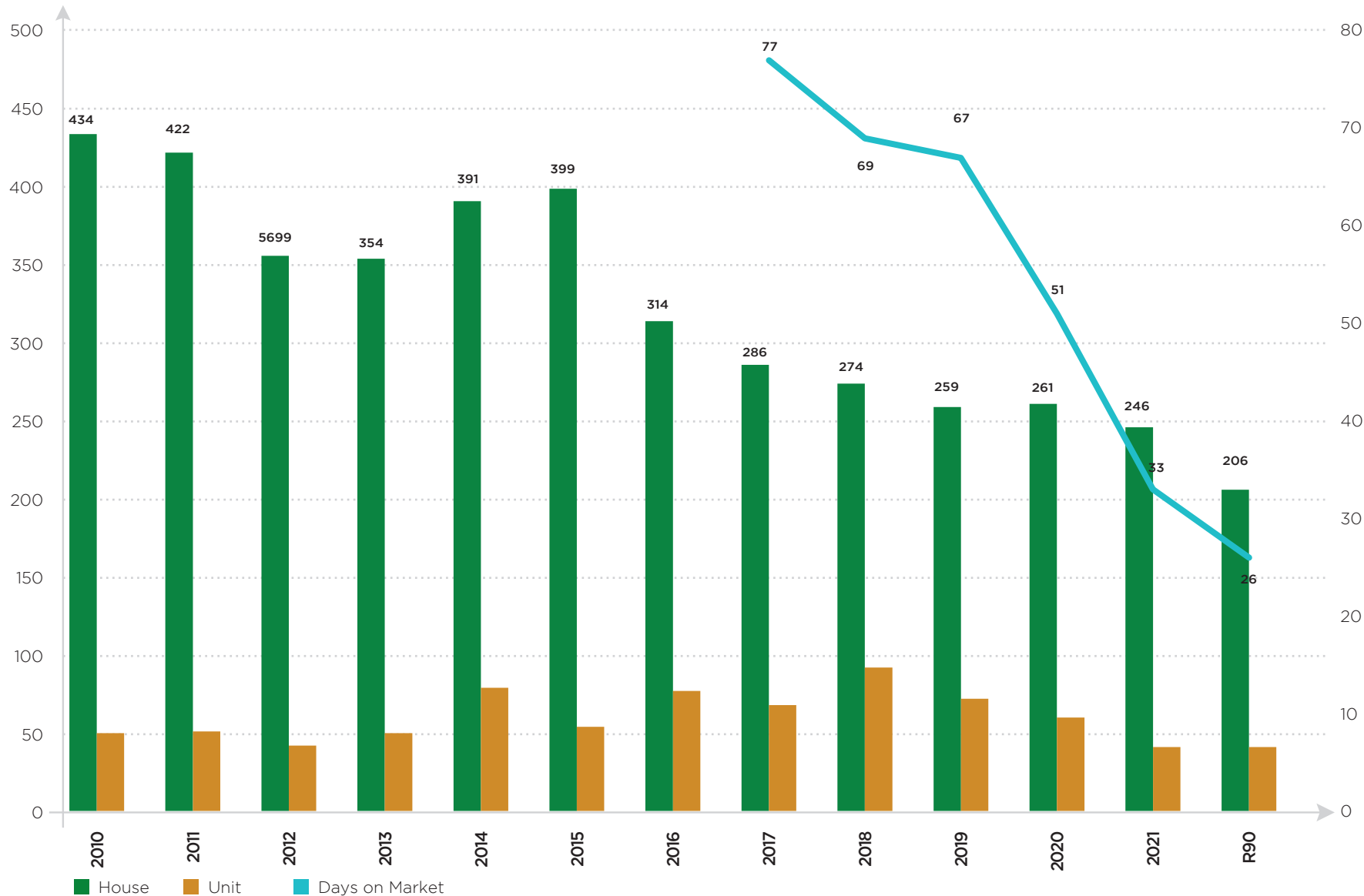


STOCK ON MARKET V. AVG DAYS ON MARKET

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This graph displays the average days on market and stock on market in one month of each year.

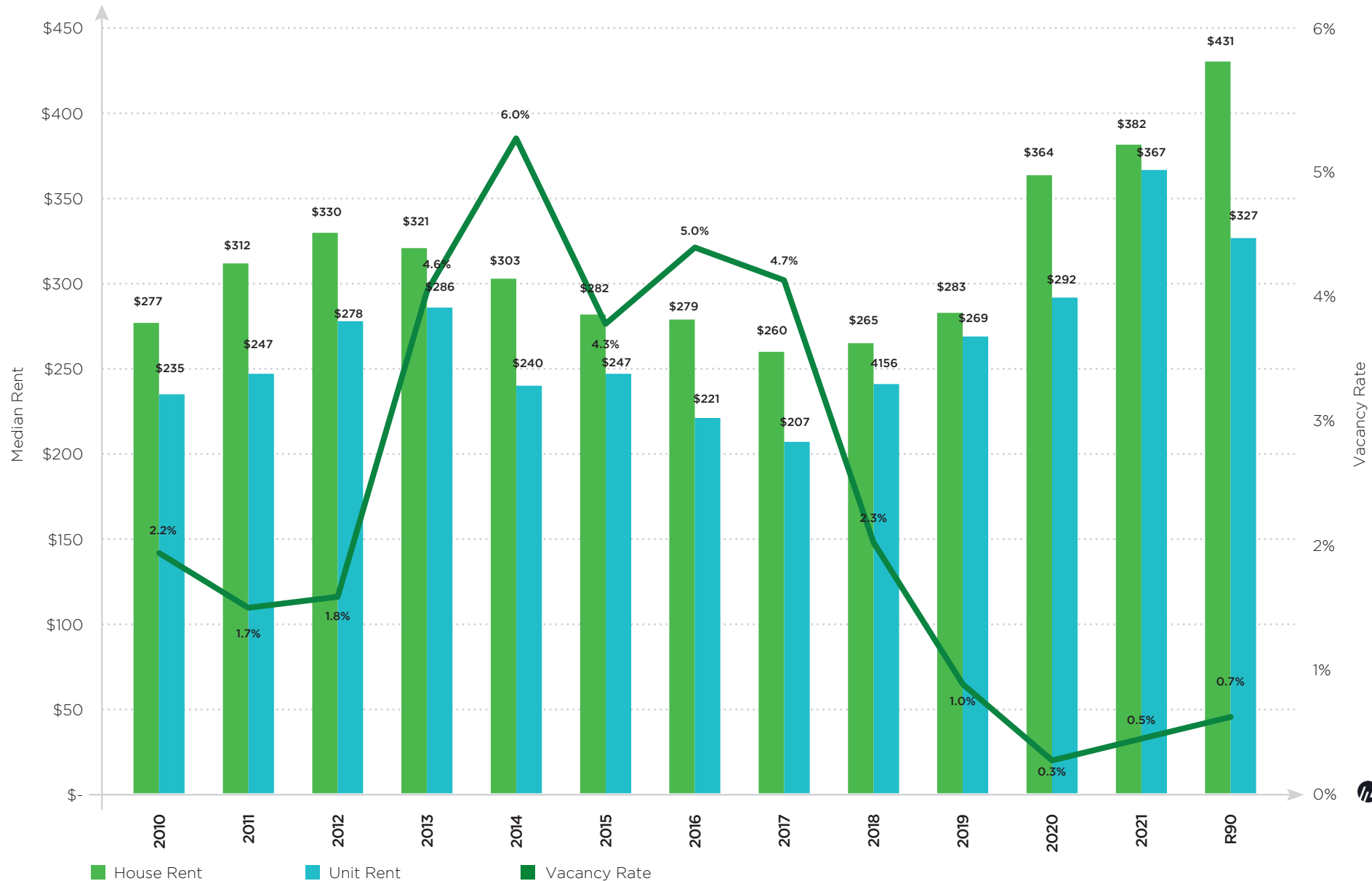


VACANCY RATE V. RENT

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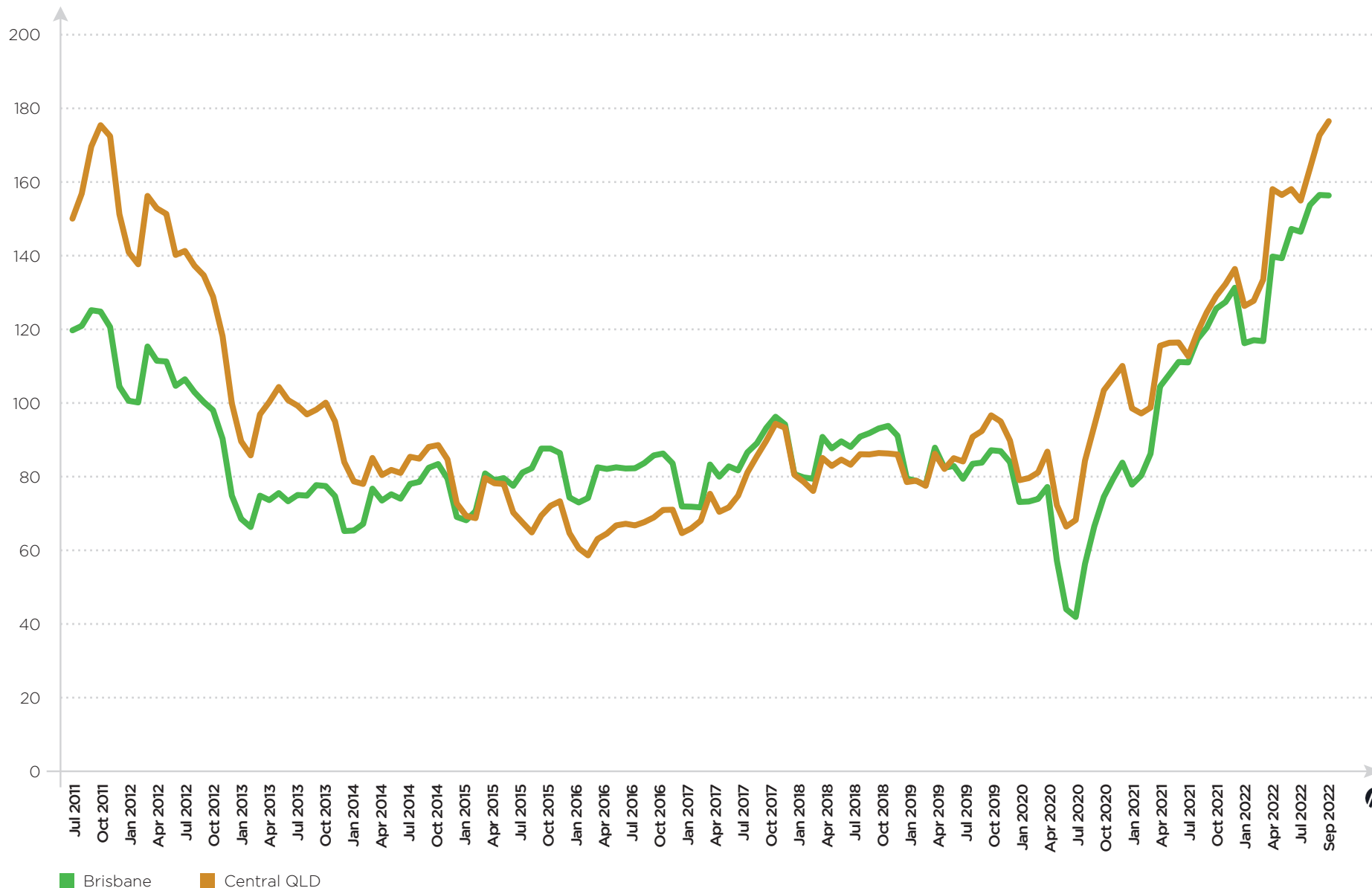
This graph displays the relationship between rental growth for both houses and units and the vacancy rate.



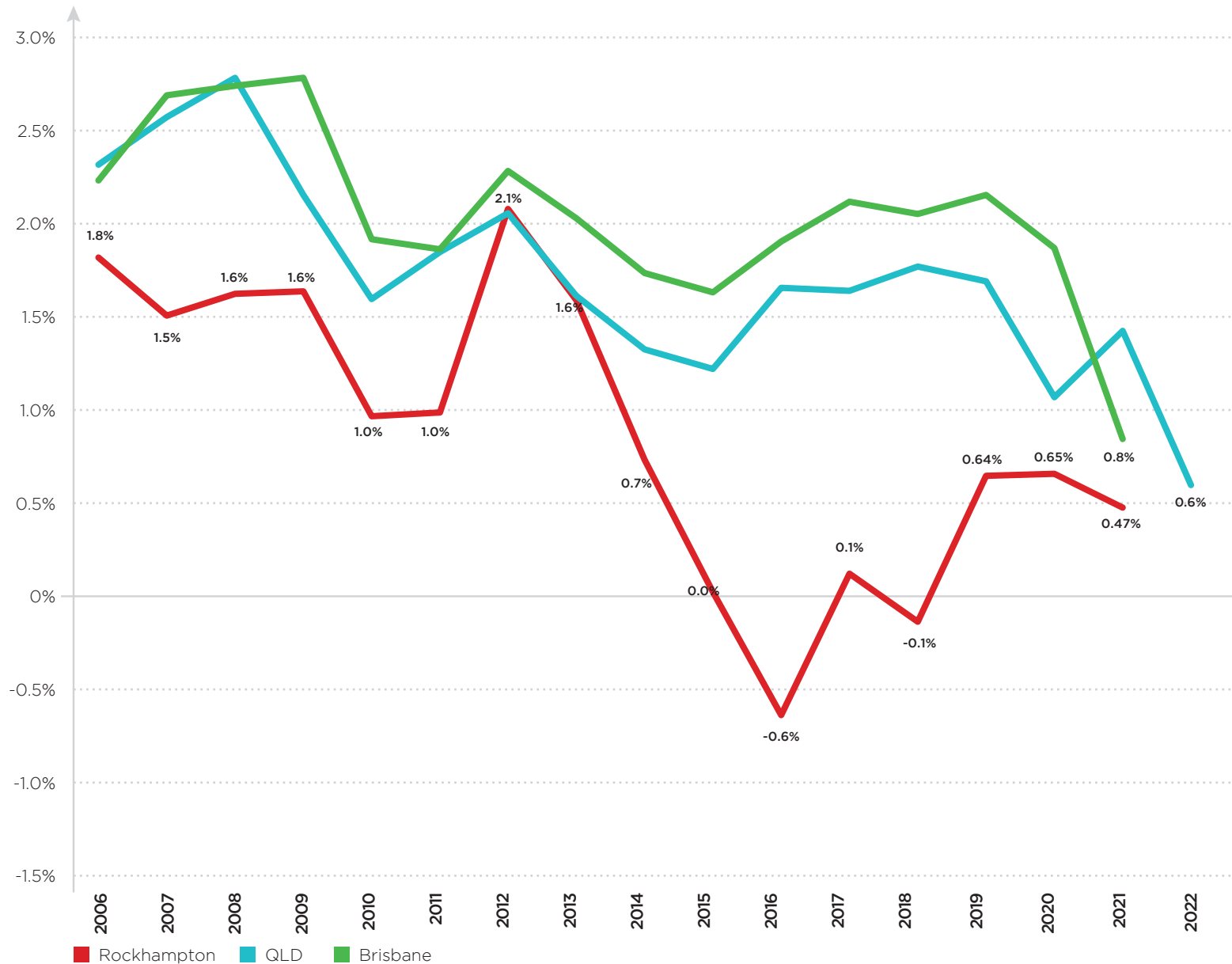
JOB CREATION INDEX - CENTRAL QUEENSLAND

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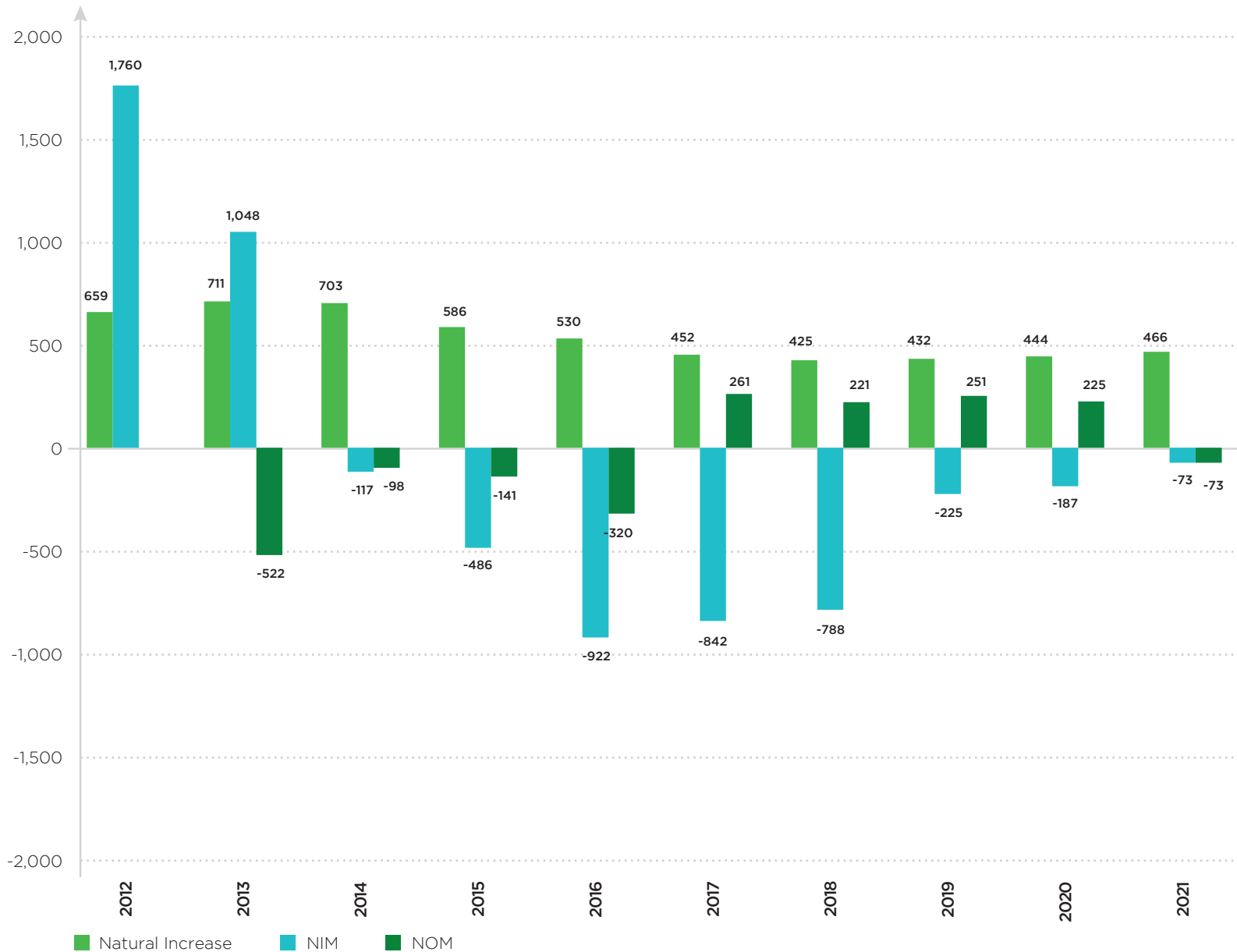


CHANGE IN POPULATION



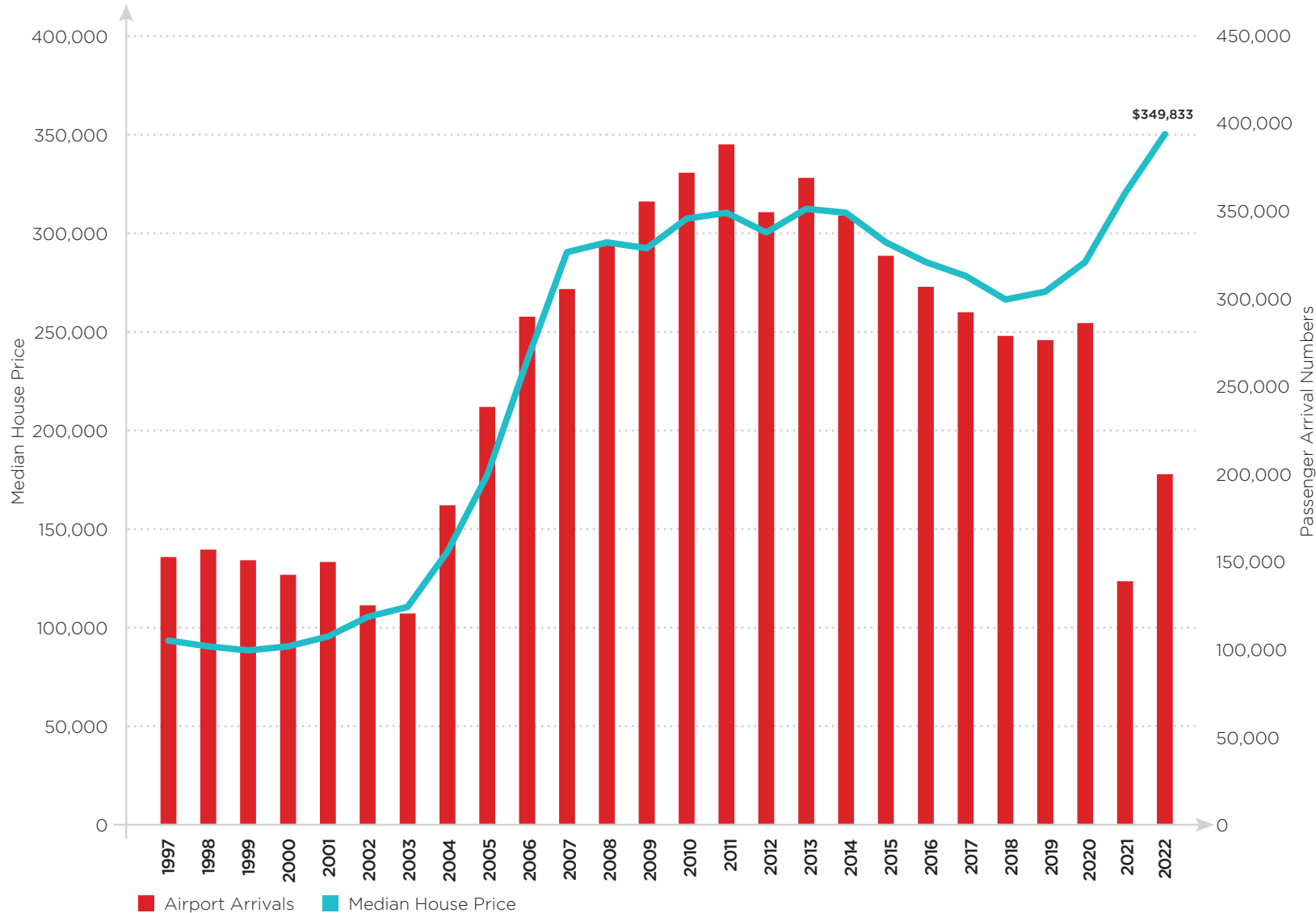
NEGATIVE

POPULATION TYPE



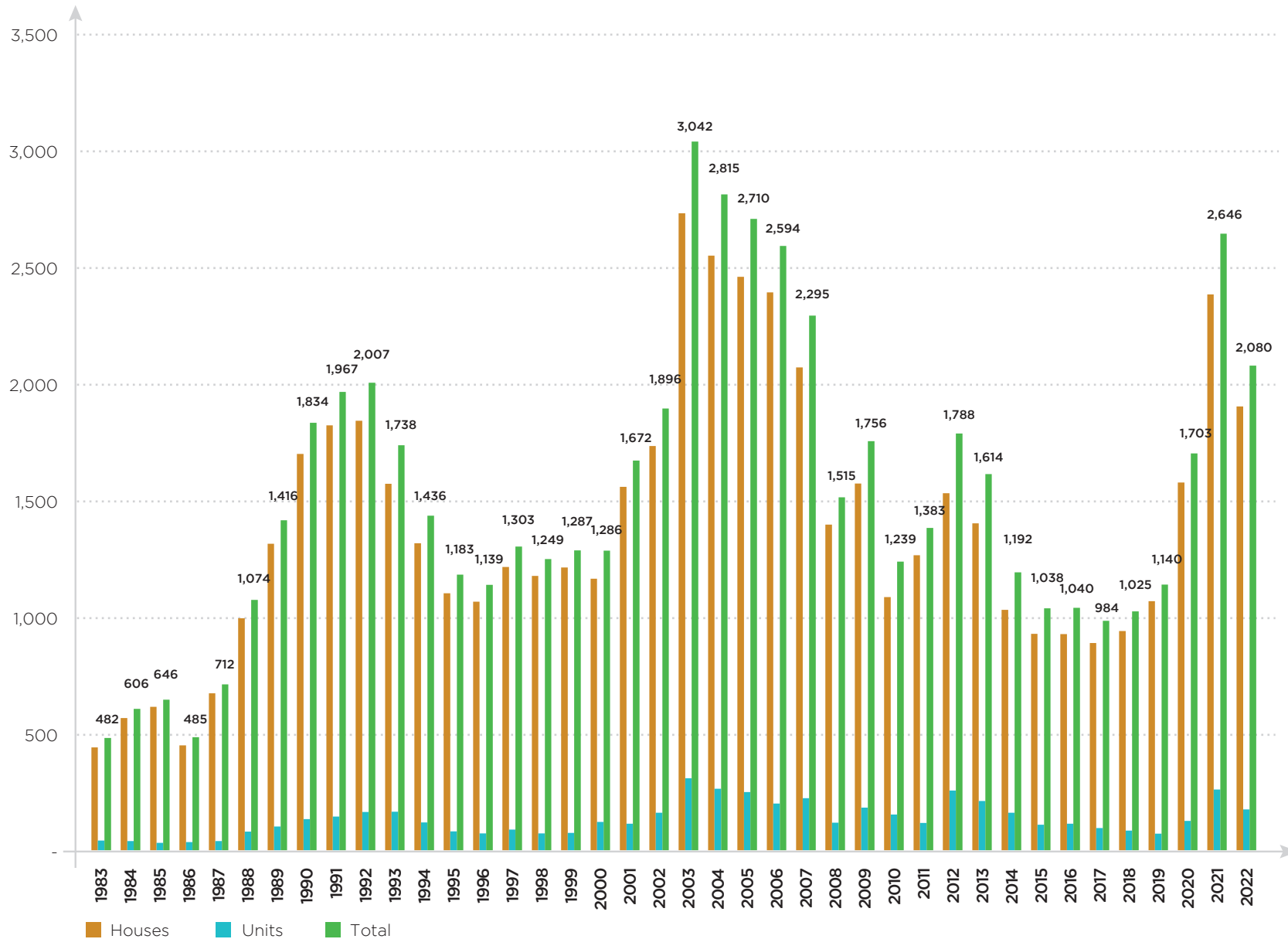
NEGATIVE

AIRPORT ARRIVALS V. MEDIAN HOUSE PRICE



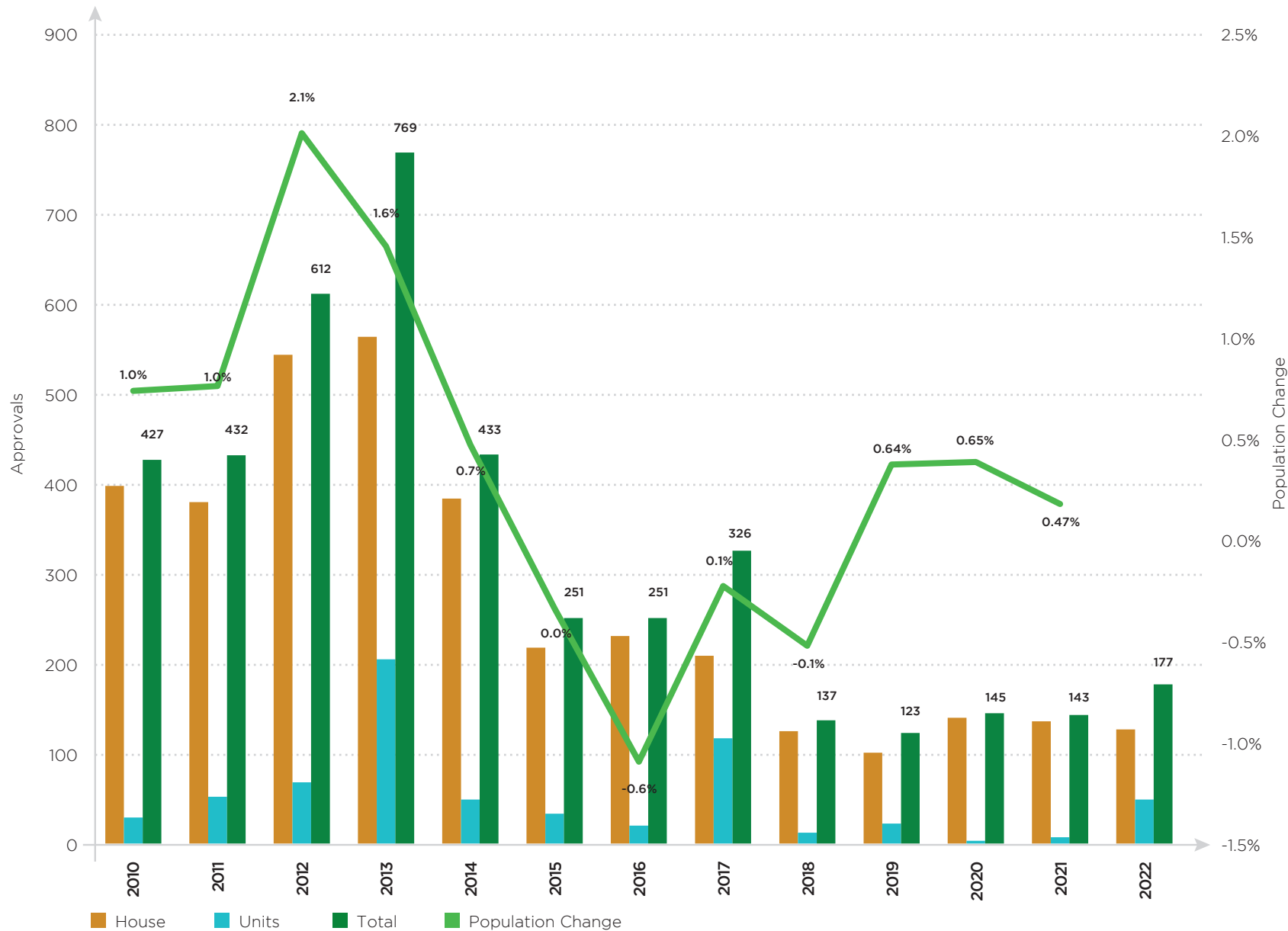
**SLIGHTLY
NEGATIVE**

DWELLING SALES



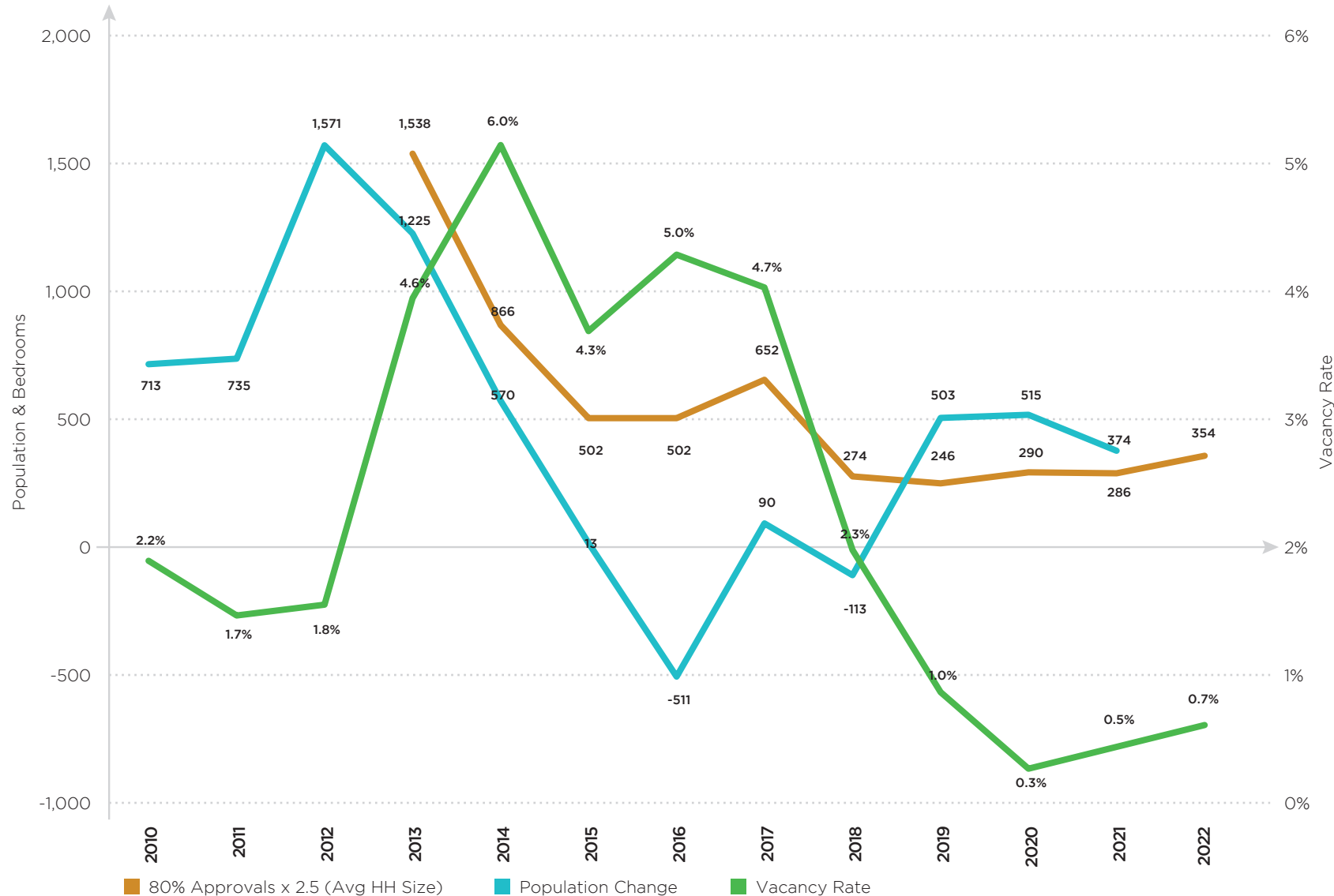
POSITIVE

DWELLING APPROVALS



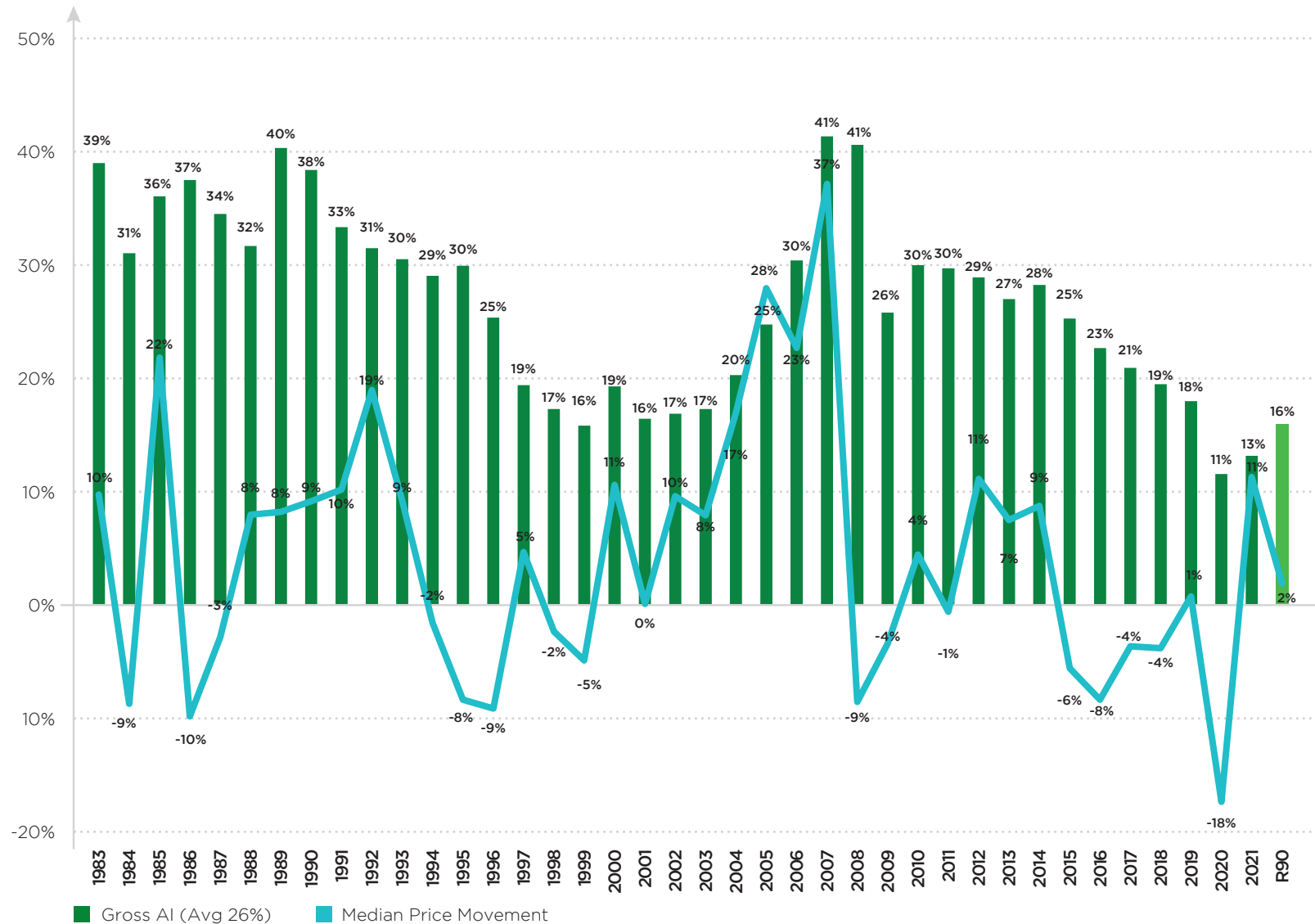
NEUTRAL

BEDROOM APPROVALS V. POPULATION CHANGE



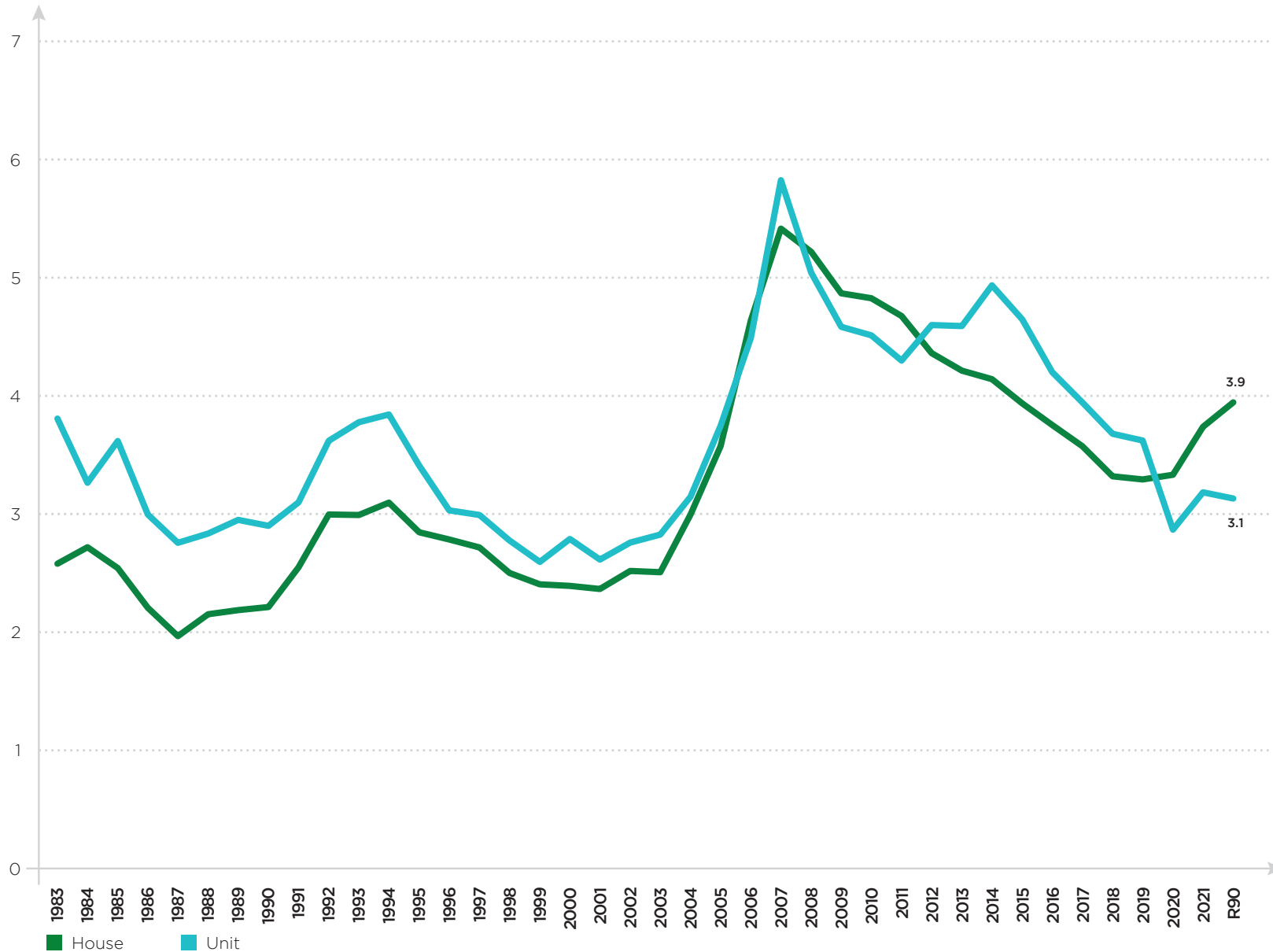
**SLIGHTLY
POSITIVE**

GROSS AFFORDABILITY INDEX (UNIT) V. PRICE GROWTH



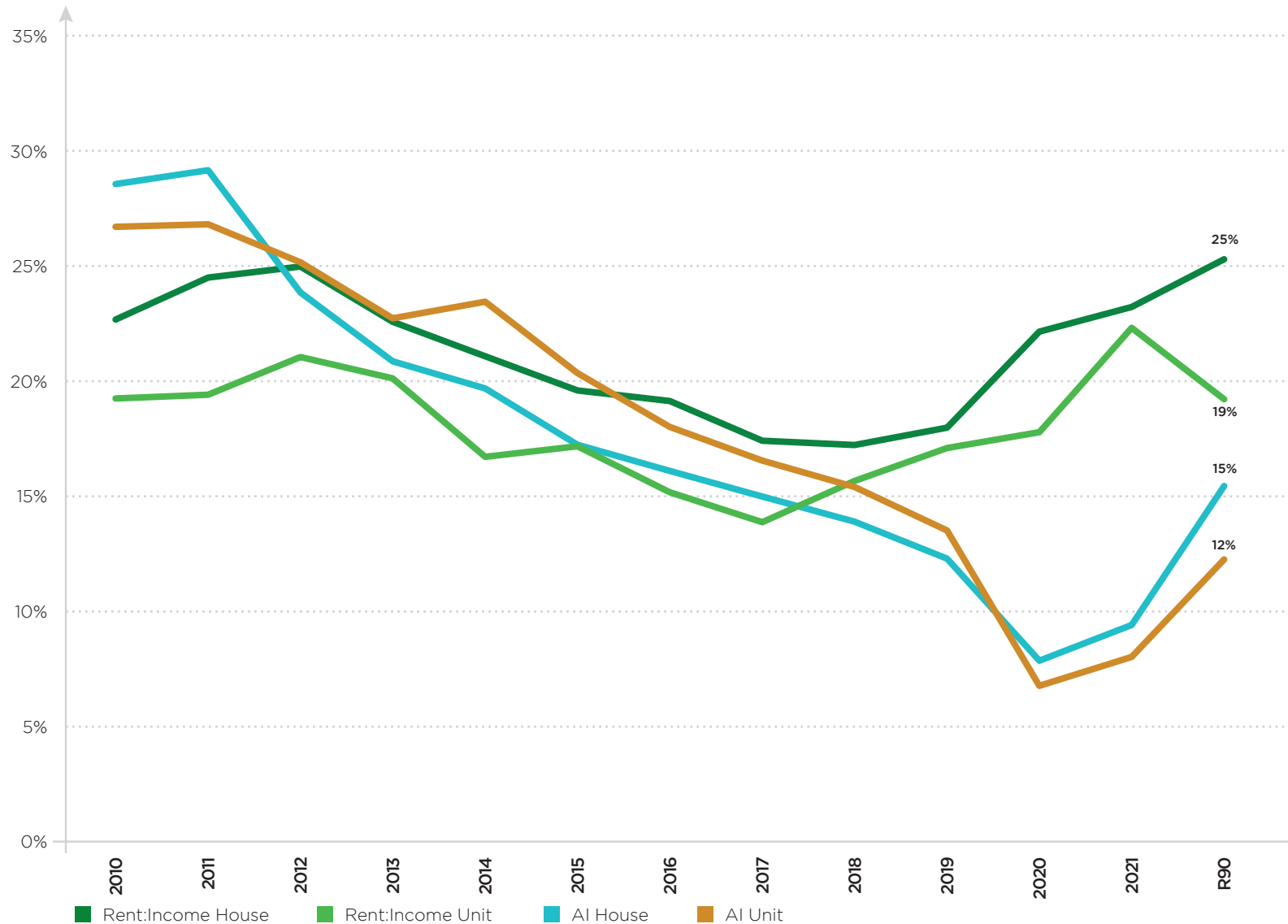
SLIGHTLY
POSITIVE

PRICE TO INCOME RATIO



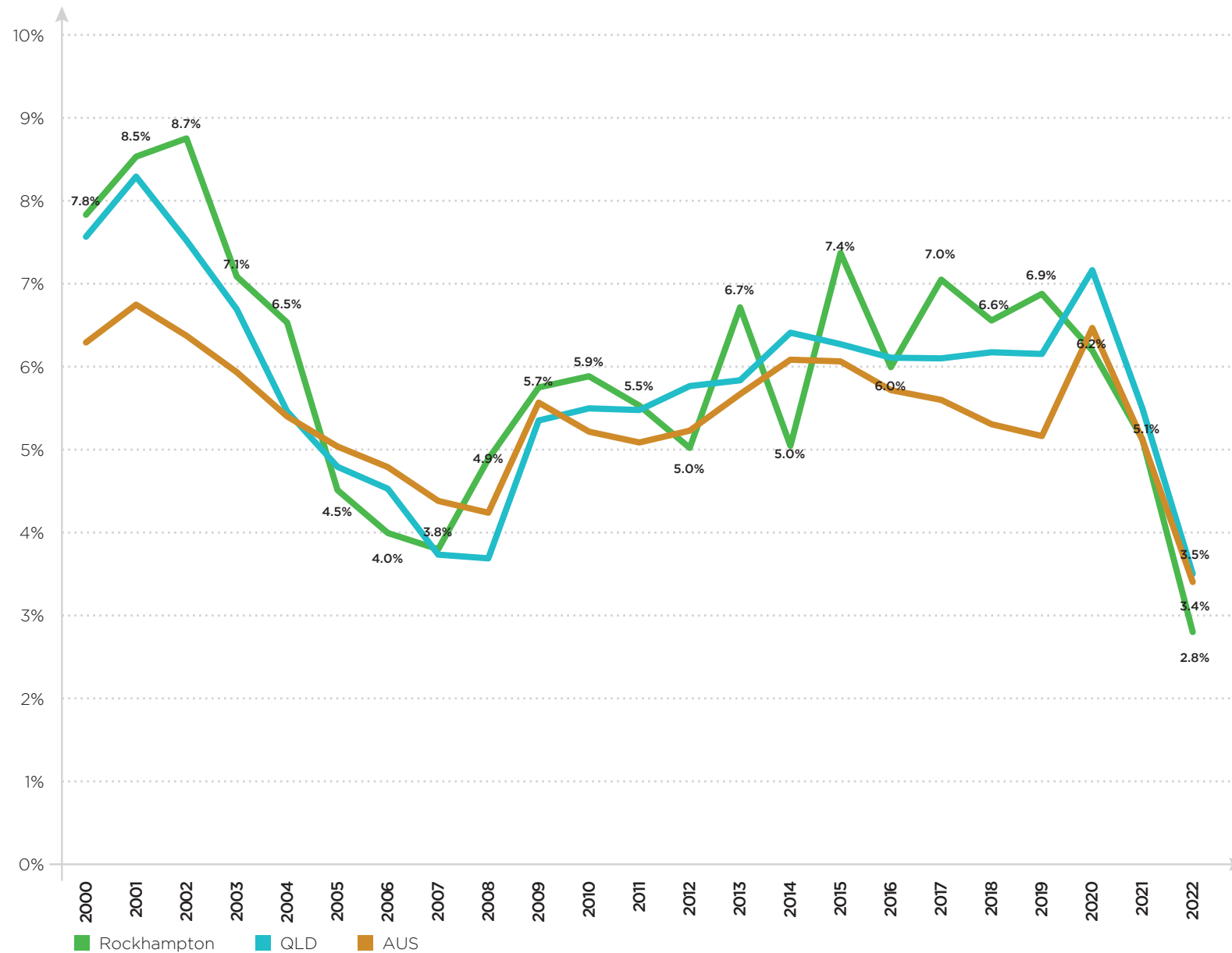
**SLIGHTLY
POSITIVE**

RENT AS % OF INCOME V. AFFORDABILITY INDEX



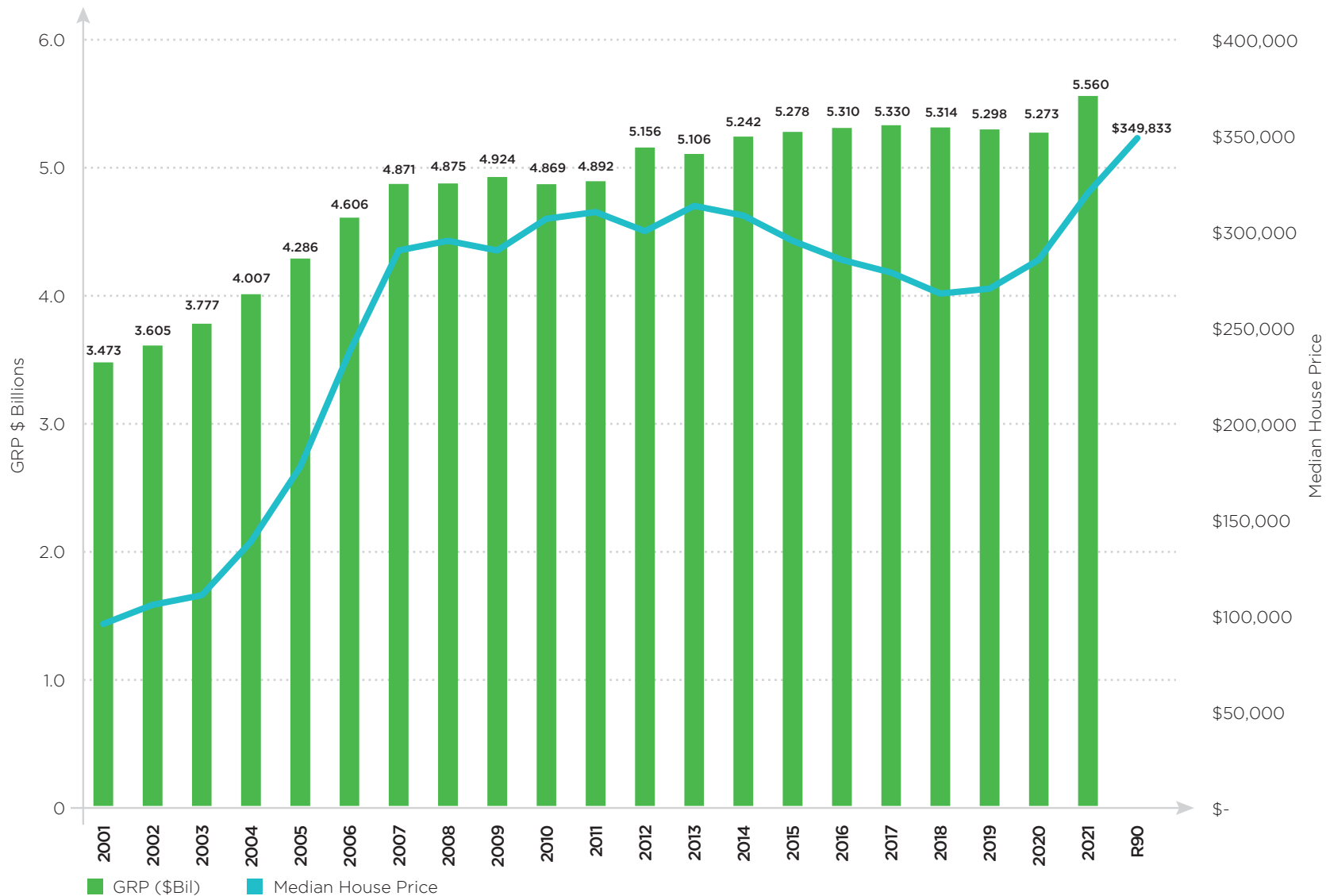
POSITIVE

UNEMPLOYMENT RATE



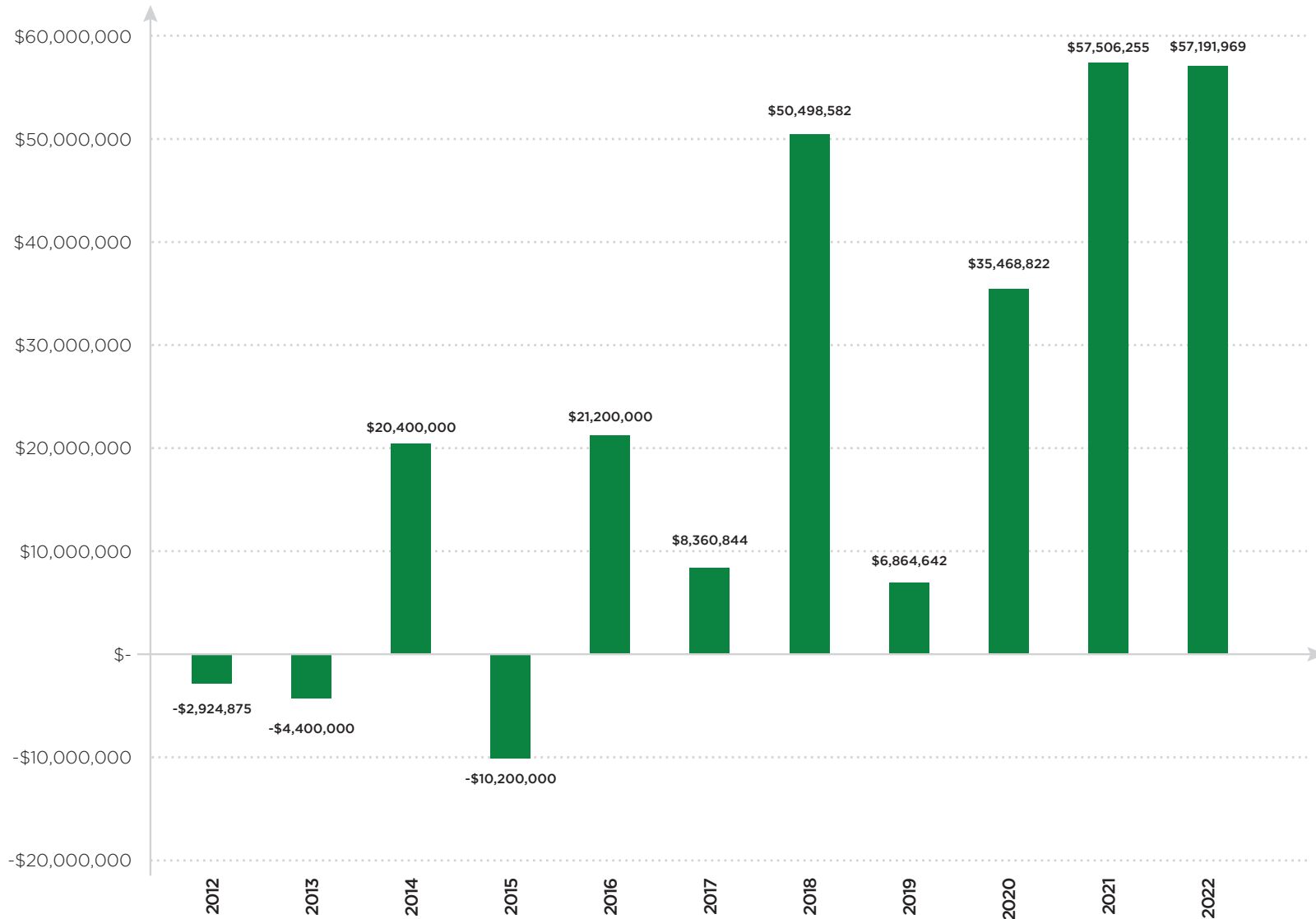
POSITIVE

GROSS REGIONAL PRODUCT V. MEDIAN HOUSE PRICE



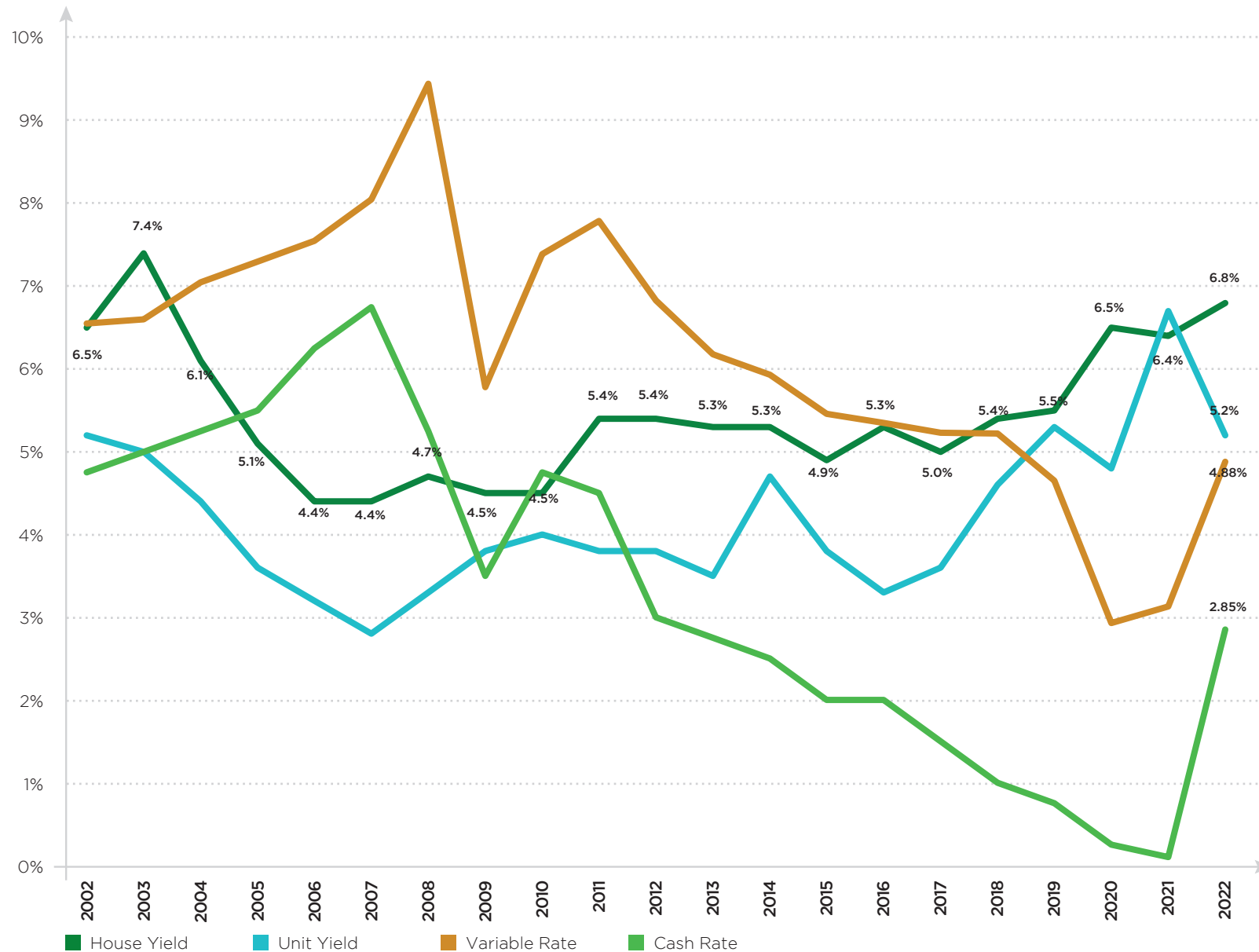
NEGATIVE

ROCKHAMPTON CITY COUNCIL BUDGET POSITION



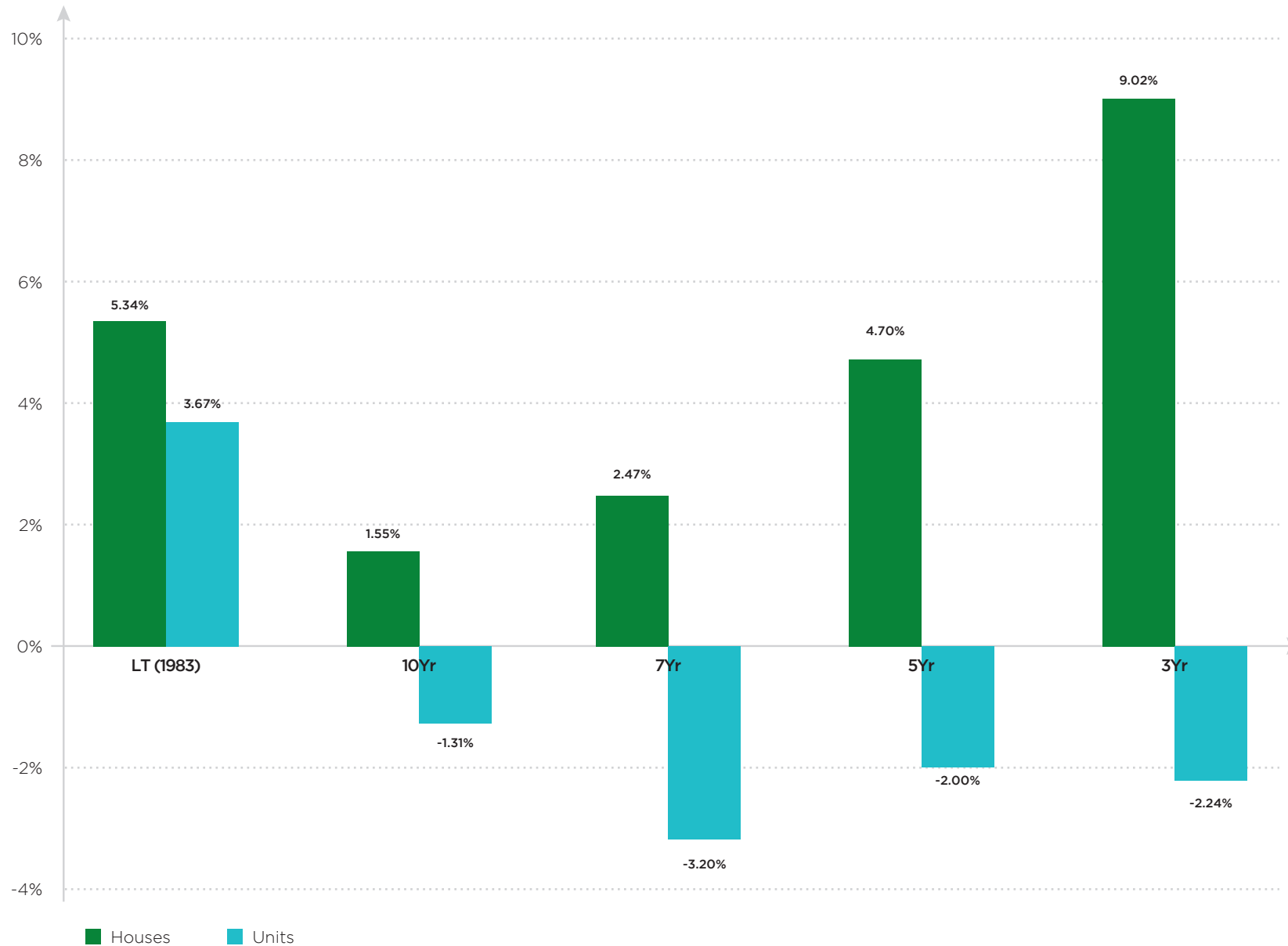
POSITIVE

YIELD



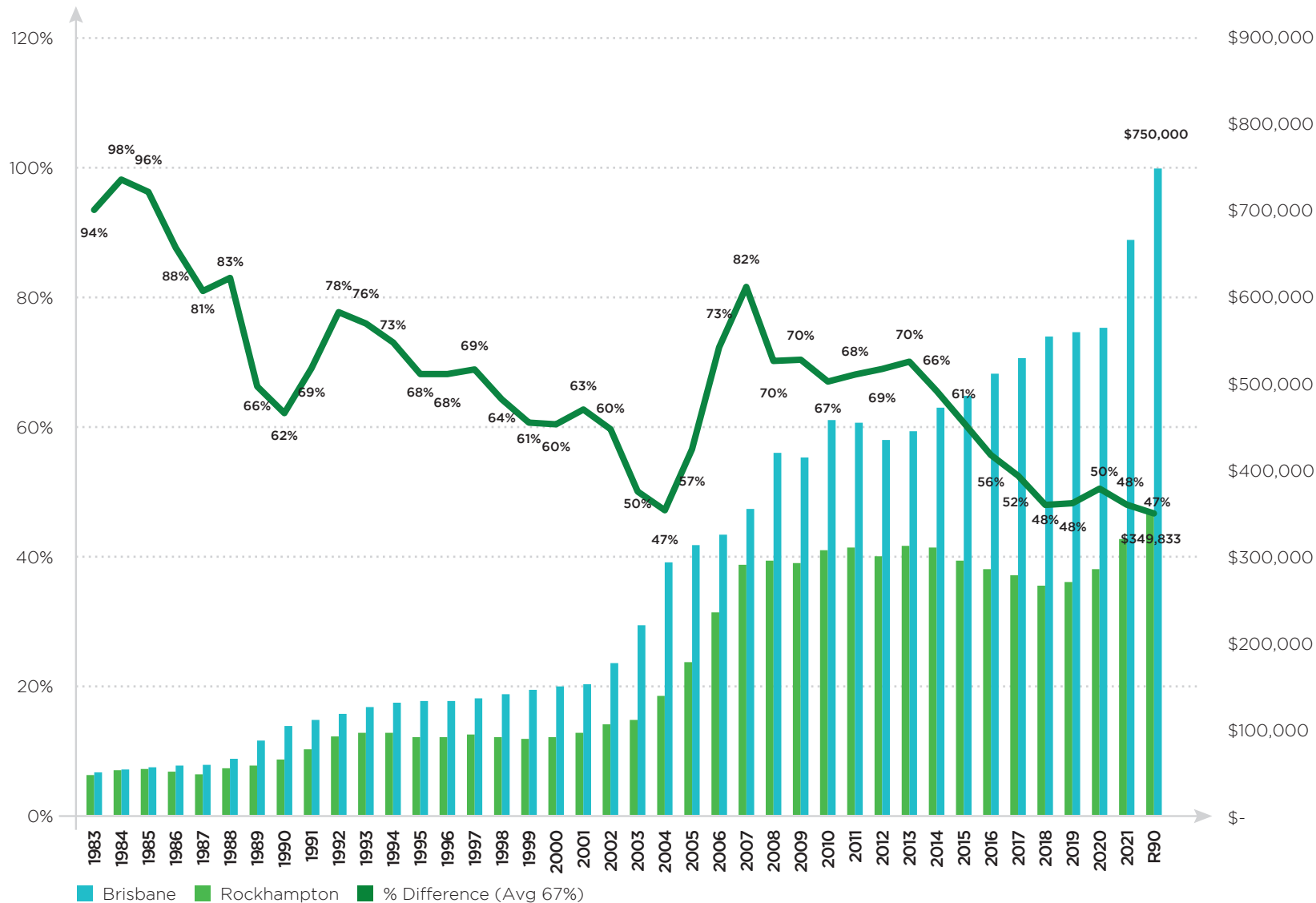
POSITIVE

LONG TERM PERFORMANCE



**SLIGHTLY
POSITIVE**

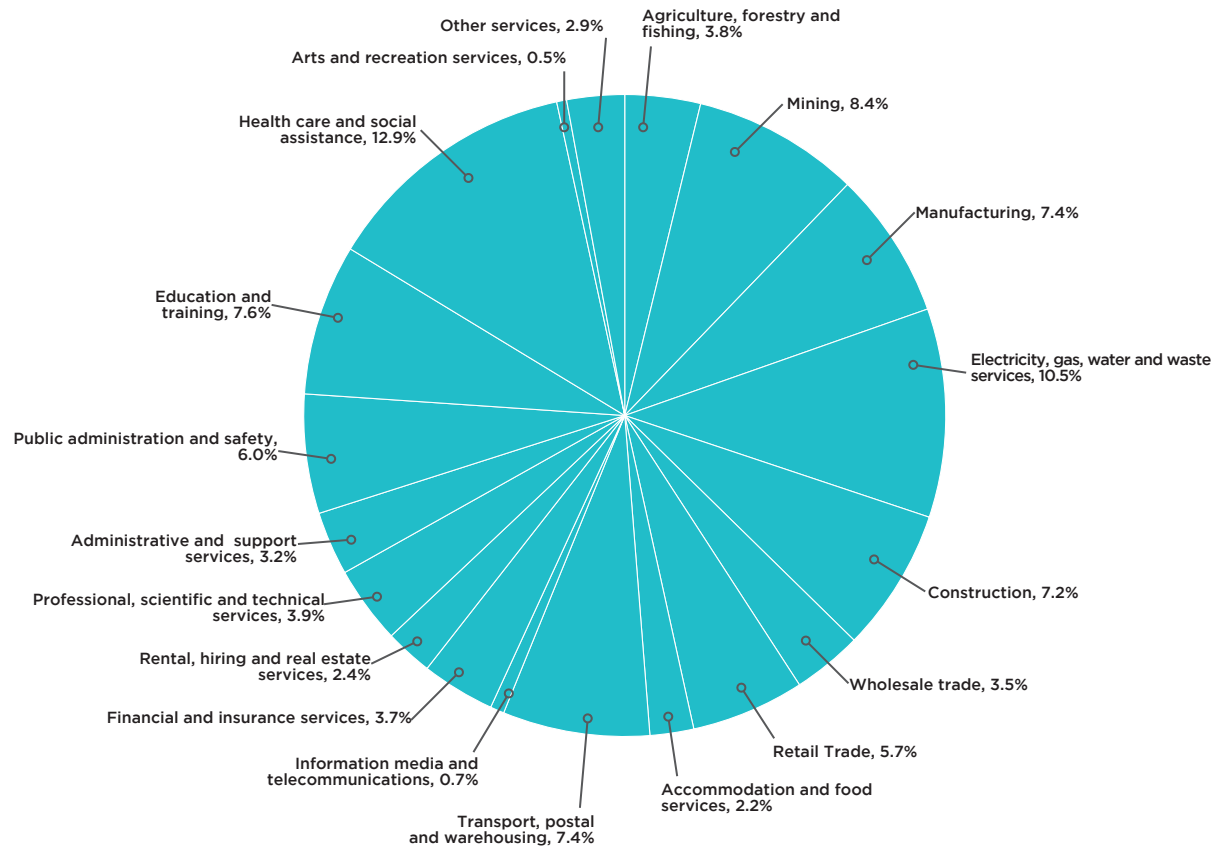
ROCKHAMPTON V. BRISBANE PRICE MOVEMENT (HOUSE)



POSITIVE

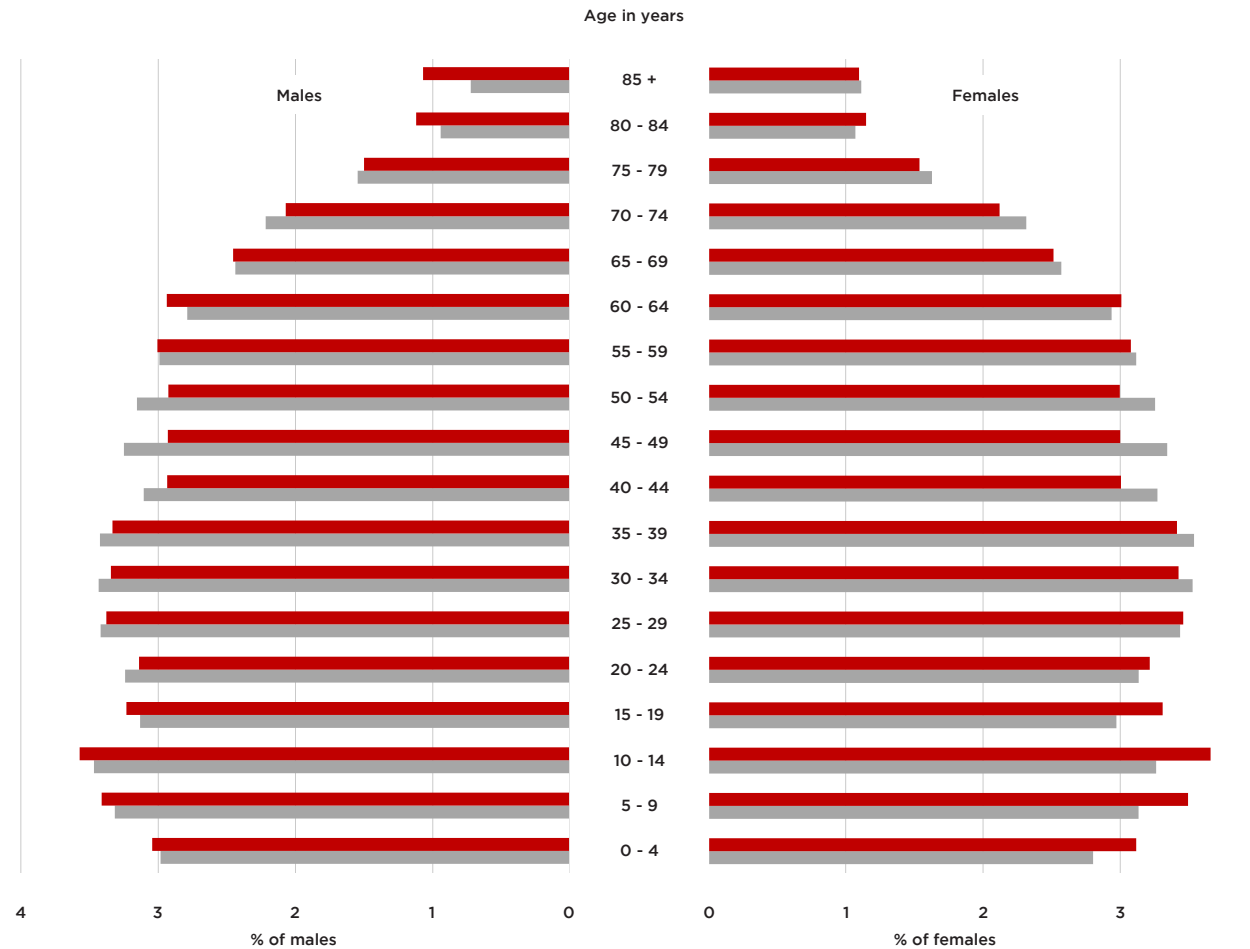
INDUSTRY VALUE ADDED

INDUSTRY BREAKDOWN



POSITIVE

POPULATION PYRAMID



Source: Australian Bureau of Statistics, Census of Population and Housing, 2021 (Usual residence data).

Rockhampton City Regional QLD

POSITIVE

INVESTMENT PHILOSOPHY

PERFORMANCE
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FIRM PROVIDING
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OUR PROCESS

RESEARCH

Macro Micro Property

ACQUIRE

Find Assess Negotiate

MANAGE

Property Management

REVIEW

Annual Portfolio Review

ADVISE

Hold Improve Dispose

PERFORMANCE PROPERTY ADVISORY SERVICES

- Property Acquisition
- Property Management
- Portfolio Review
- Sales Advisory / Vendor Advocacy

DATA SOURCES:

- Australian Bureau of Statistics
- BIS Shrapnel
- Residex
- SQM Research
- CoreLogic RP Data
- Foreign Investment Review Board
- Australian Trade & Investment Commission

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Capital Cities and Regions Median House Price

