

EDITION 21

ROCKINGHAM

# ROCKINGHAM REGIONAL CENTRE OVERVIEW

 **PERFORMANCE**  
PROPERTY RESEARCH

**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.

# ROCKINGHAM AT A GLANCE

## RESEARCH REPORT ROCKINGHAM REGIONAL CENTRE

EDITION 21

### Price Parameters - Adjusted for Current Interest Rate

	HOUSE AI	PRICE	UNIT AI	PRICE
AI FLOOR	16%	\$322,627	10%	\$205,348
AI CURRENT	22%	\$453,667	13%	\$275,833
AI CEILING	49%	\$1,014,664	36%	\$749,484
3 YR PRICE TARGET	\$500,000 - \$630,000 Low Conviction		\$300,000 - \$380,000 Low Conviction	

#### In the current stage of cycle

The Rockingham 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 Strategy**.

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

We classify the Rockingham house market currently as a **High Risk**

**Investment**, and the Rockingham unit market as **High Risk**

**Investment** based on the stage of cycle.

#### Legend

Medium Term Strategy = **4 to 7 years**

Long Term Strategy = **10+ years**

HOUSE  
YIELD **4.9%**

UNIT  
YIELD **6.5%**

UNEMPLOYMENT RATE **5.7%**

#### POPULATION



Current: **140,923**

Current Growth Rate: **1.67%**

Avg 10 Yr Growth Rate: **2.57%**

#### CURRENT MEDIAN HOUSE

**\$453,667**

#### CURRENT MEDIAN UNIT

**\$275,833**

LONG TERM COMPOUNDED  
GROWTH PA (1985) IS **6.90%** FOR  
HOUSES & **5.15%** FOR UNITS.

Houses the last 3 years have seen 8.52%  
PA growth, units -1.37%.

**6.90%**



Average Days  
on Market

Houses : **14**  
Units : **38**



# EXECUTIVE SUMMARY

## SHORT-TERM MARKET INDICATORS

Positive

■	Affordability Index HOUSE V. Price Movement.....	<a href="#">08</a>
■	WA HH Lending Oc V investor Monthly .....	<a href="#">09</a>
■	Stock on Market V. Avg Days on Market .....	<a href="#">10</a>
■	Vacancy Rate V. Median Rent .....	<a href="#">11</a>
■	Job Creation Index.....	<a href="#">12</a>

## SUPPLY & DEMAND - Positive

Does Demand Exceed Supply?

■	Change in Population .....	<a href="#">13</a>
■	Population Movement Type .....	<a href="#">14</a>
■	Airport Arrivals .....	<a href="#">15</a>
■	Dwelling Sales .....	<a href="#">16</a>
■	Dwelling Approvals V. Population % Change .....	<a href="#">17</a>
■	Bedrooms V. Population Change .....	<a href="#">18</a>

## AFFORDABILITY - Positive

Is Property Affordable?

■	Affordability Index HOUSE V. Price Movement .....	<a href="#">08</a>
■	Affordability Index UNITS V. Price Movement .....	<a href="#">19</a>
■	Price to Income Ratio .....	<a href="#">20</a>
■	Rent to Income Ratio .....	<a href="#">21</a>

## CONFIDENCE - Positive

Is There Confidence In The Market?

■	Unemployment Rate .....	<a href="#">22</a>
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## MONEY SUPPLY - Negative

Will There Be More or Less Money Into The Economy?

■	GRP V. Median House Price .....	<a href="#">23</a>
■	Council Budget .....	<a href="#">24</a>

## INVESTMENT VALUE - Positive

Is This Market Showing Value?

■	Yield .....	<a href="#">25</a>
■	Long Term Trends .....	<a href="#">26</a>
■	House V. Unit Price Comparison .....	<a href="#">06</a>
■	Rockingham V. Perth HOUSE Price Movement .....	<a href="#">27</a>

## RISK - Positive

Are We In A Bubble?

■	Affordability Index HOUSE V. Price Movement .....	<a href="#">08</a>
■	Price to Income Ratio .....	<a href="#">20</a>
■	Industry Value Added .....	<a href="#">28</a>
■	Population Pyramid .....	<a href="#">29</a>

Positive

Slightly Positive

Neutral

Slightly Negative

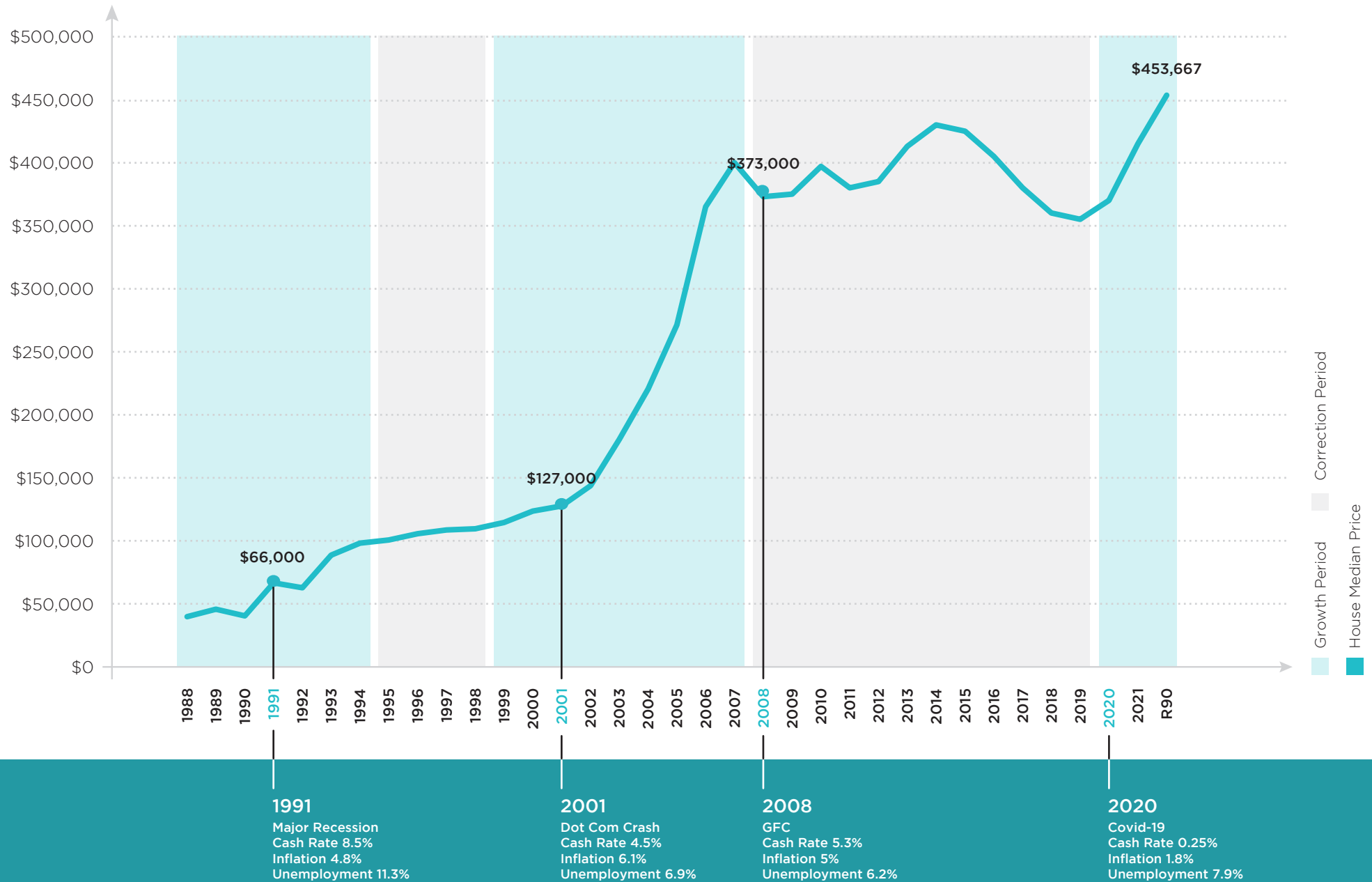
Negative



# ROCKINGHAM MEDIAN HOUSE PRICE

**RESEARCH REPORT**  
ROCKINGHAM REGIONAL CENTRE

EDITION 21





# OUR VIEW OF THE ROCKINGHAM **HOUSE** MARKET

**RESEARCH REPORT**  
ROCKINGHAM REGIONAL CENTRE

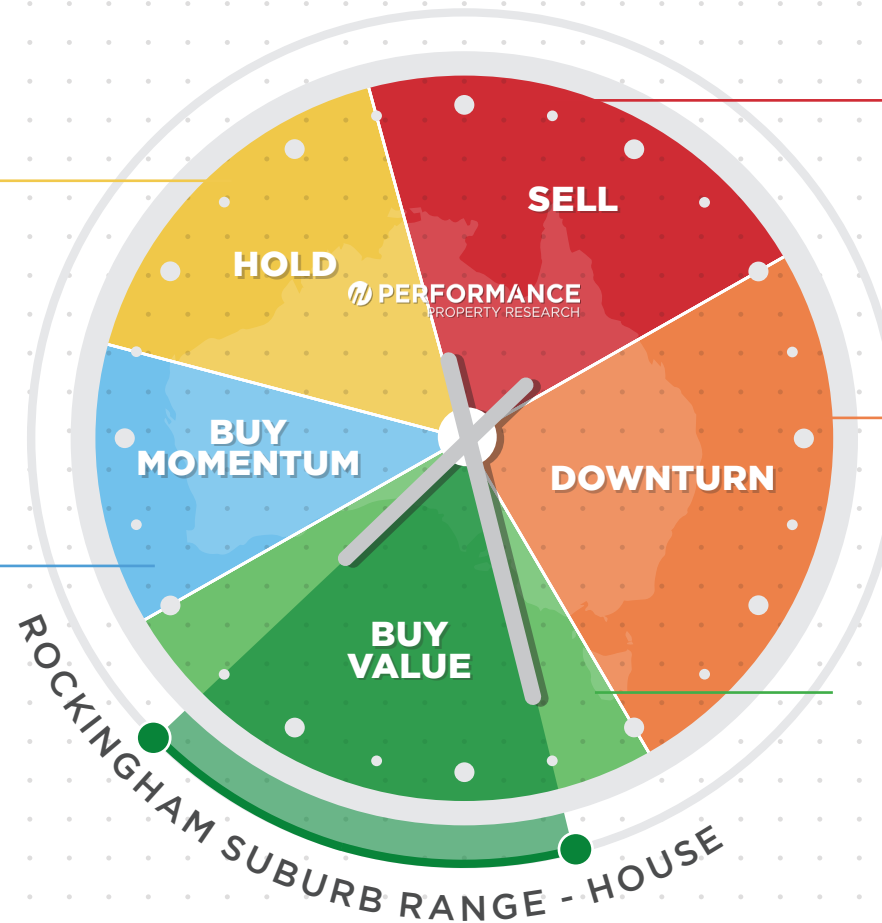
EDITION 21

## 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

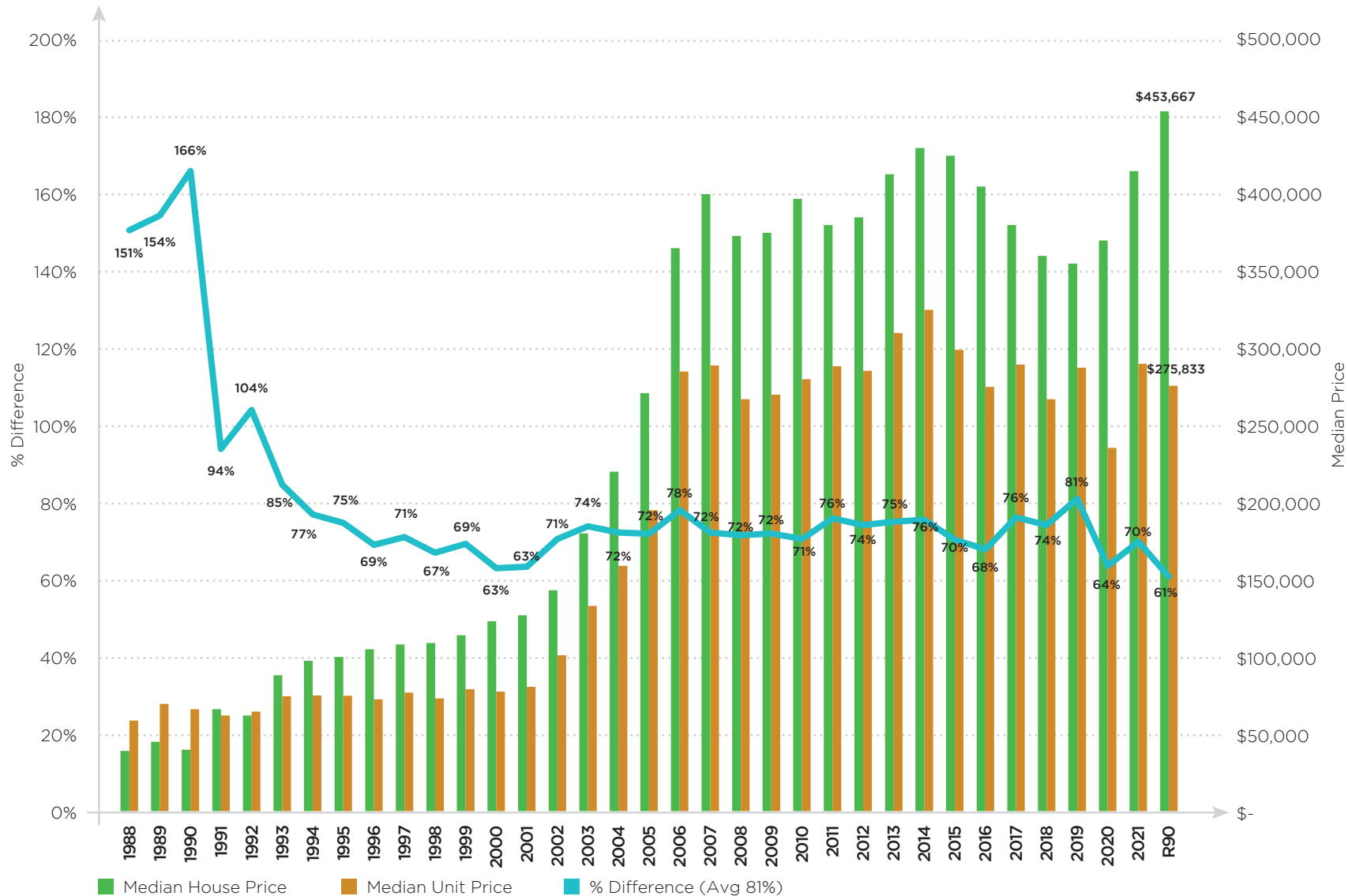
The market is moving through a correction stage. We see minimal growth in the short to medium term.

## 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 Rockingham 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 ROCKINGHAM **UNIT** MARKET

**RESEARCH REPORT**  
ROCKINGHAM REGIONAL CENTRE

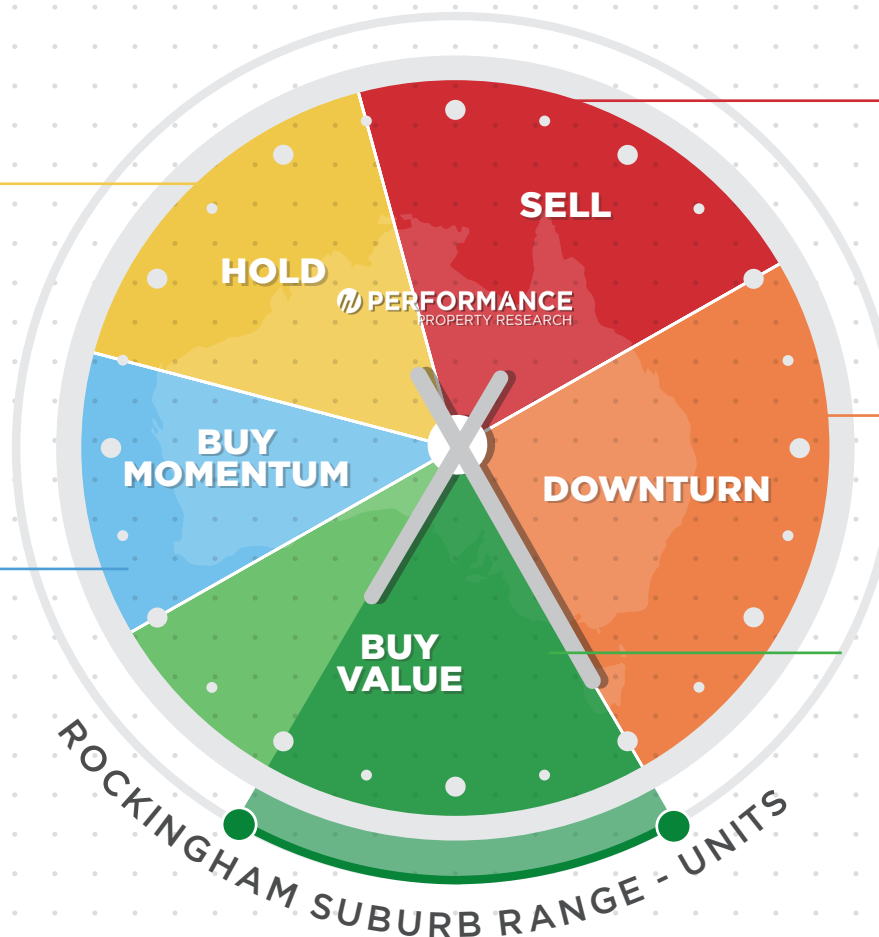
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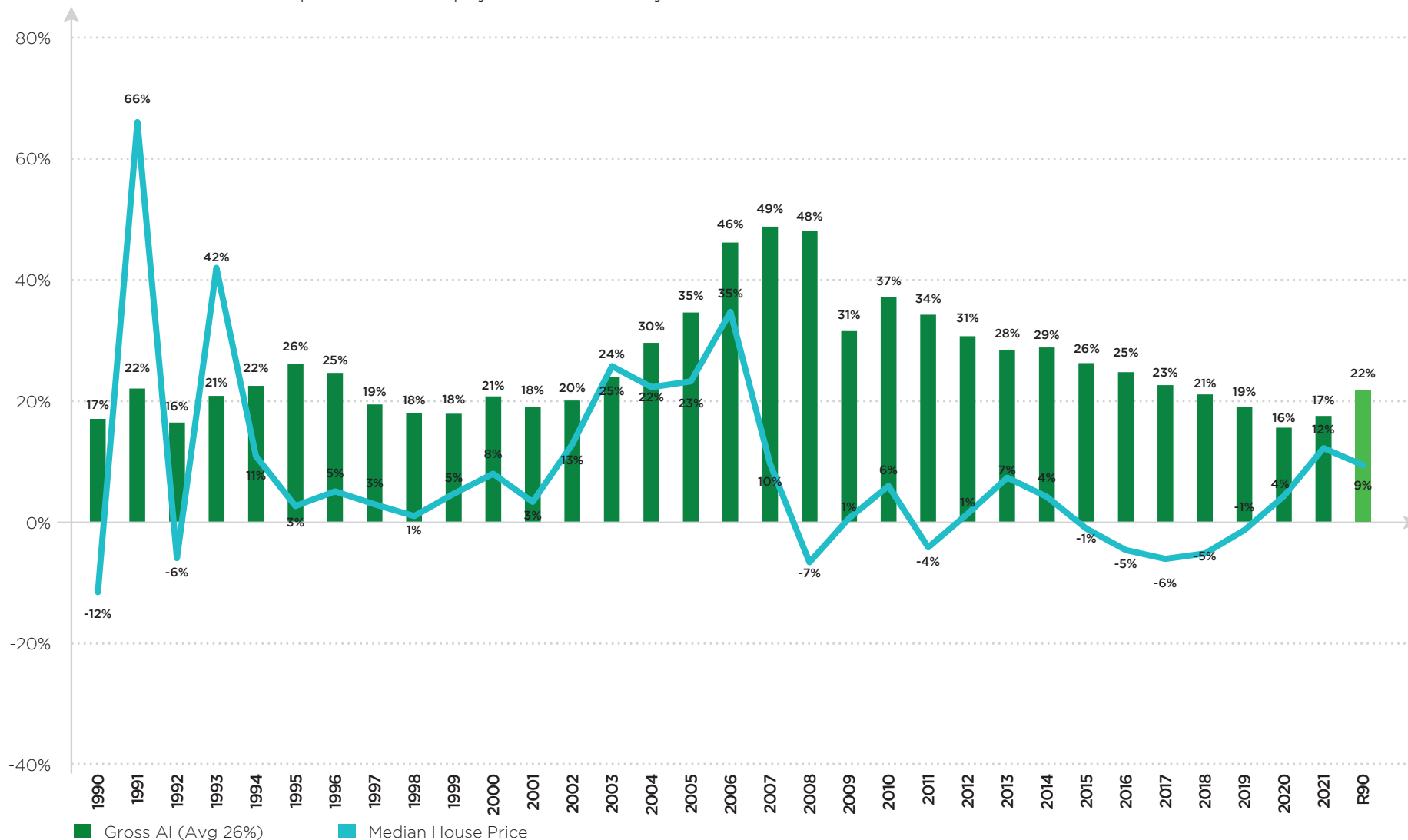


# AFFORDABILITY INDEX V. PRICE MOVEMENT - HOUSE

**OVERVIEW**  
ROCKINGHAM REGIONAL CENTRE

EDITION 20

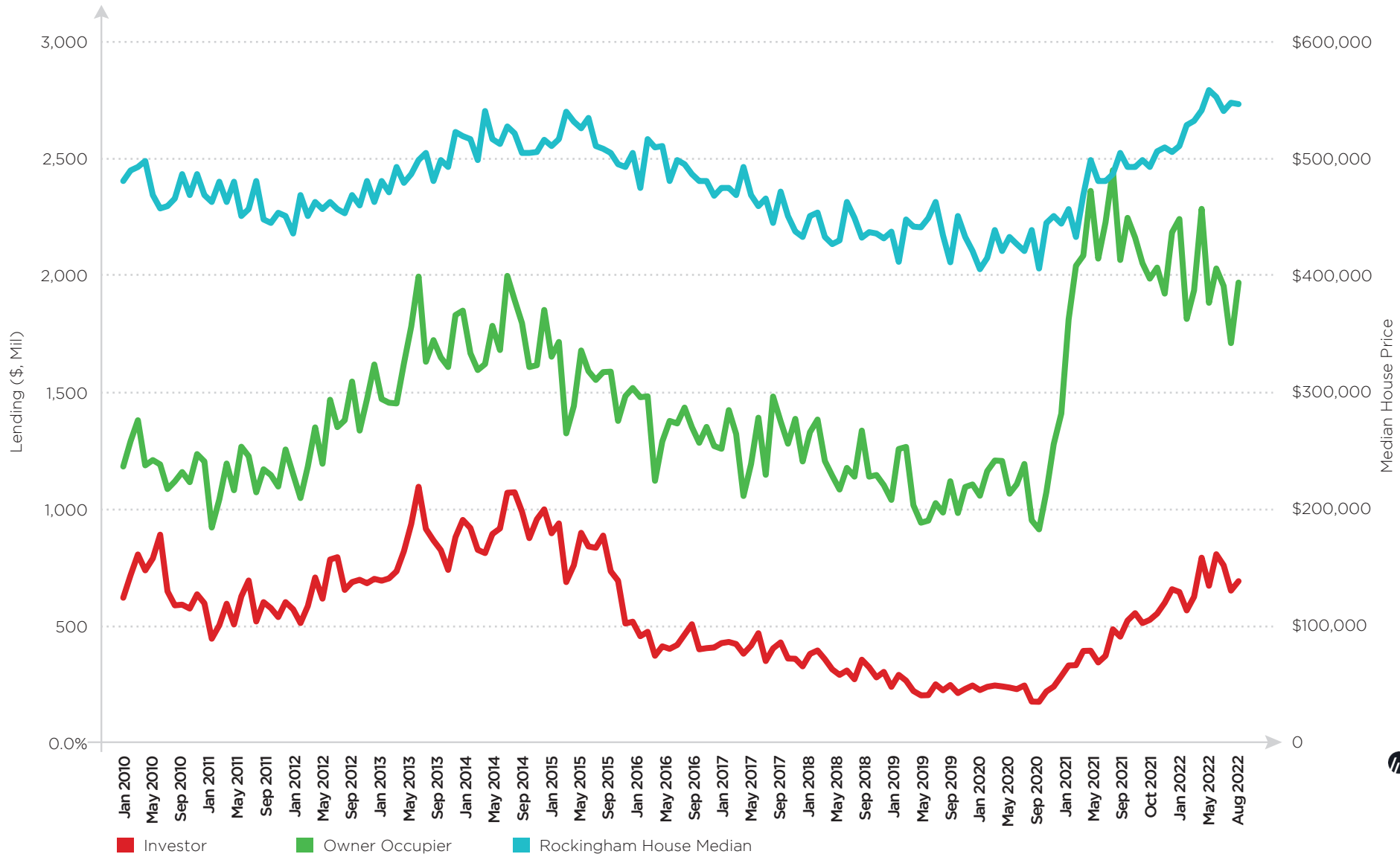
This graph displays the impact interest rates have on house price movements. Performance Property's Gross Affordability Index (AI) is a measure of the average mortgage repayments versus the average income. The AI is calculated using the median price, average wage (before tax), assumes a 20% deposit,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



# WA MONTHLY HH LENDING TO OC V. MEDIAN HOUSE PRICE

**OVERVIEW**  
ROCKINGHAM REGIONAL CENTRE  
EDITION 20

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

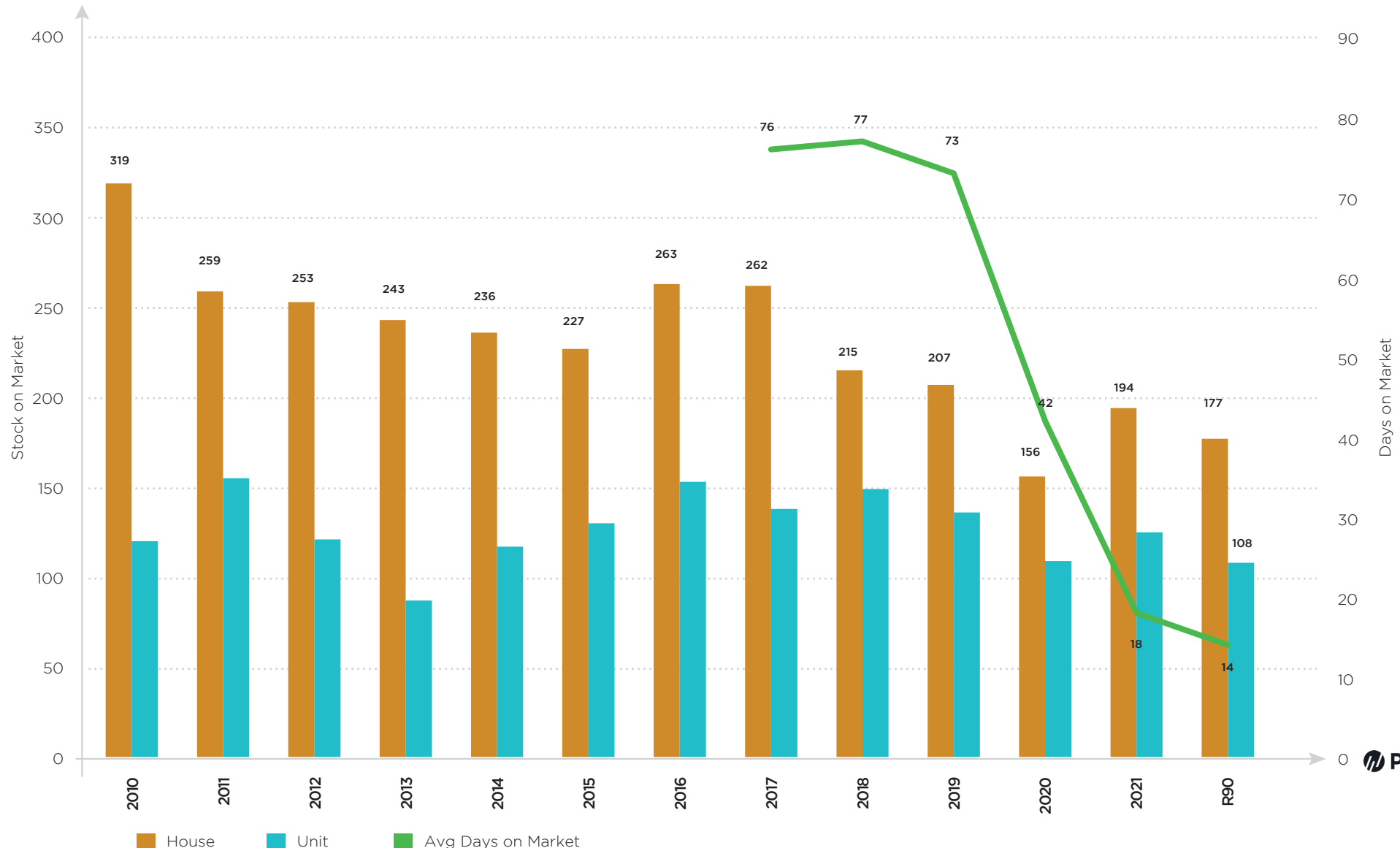


# STOCK ON MARKET V. AVG DAYS ON MARKET

**OVERVIEW**  
ROCKINGHAM REGIONAL CENTRE

EDITION 20

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



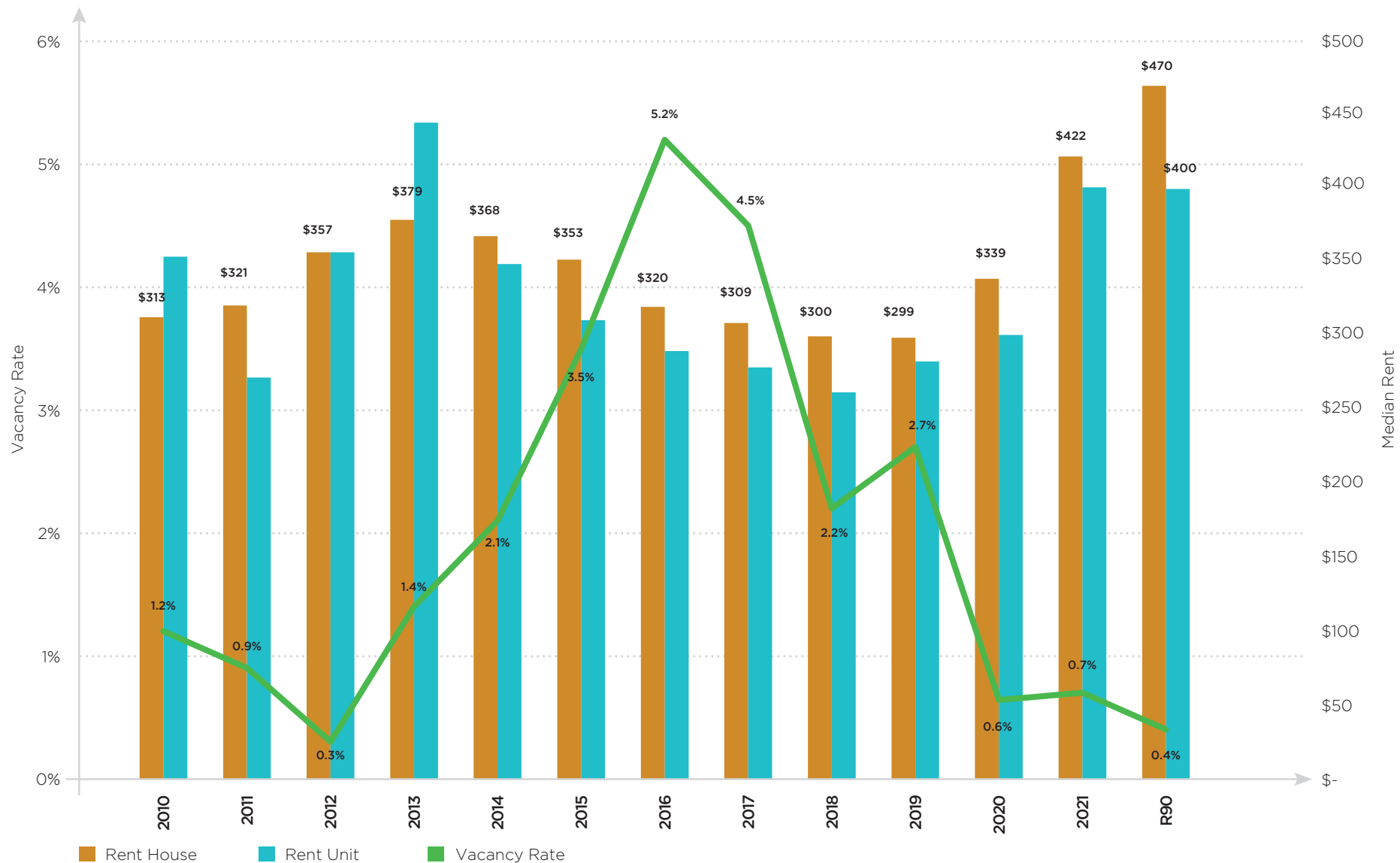


# VACANCY RATE V. RENT

**OVERVIEW**  
ROCKINGHAM REGIONAL CENTRE

EDITION 20

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

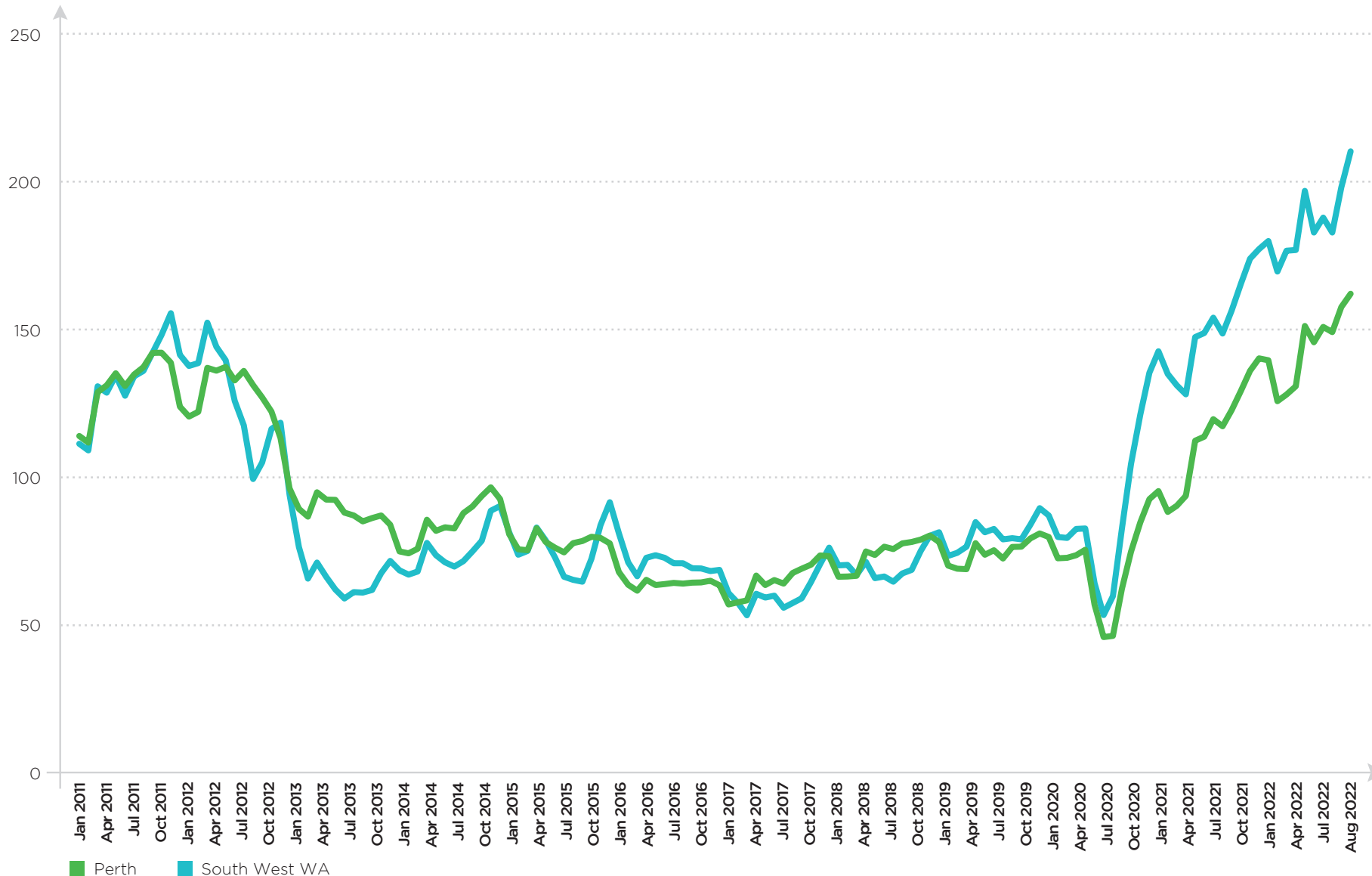


# JOB CREATION INDEX - SOUTH WEST REGION WA

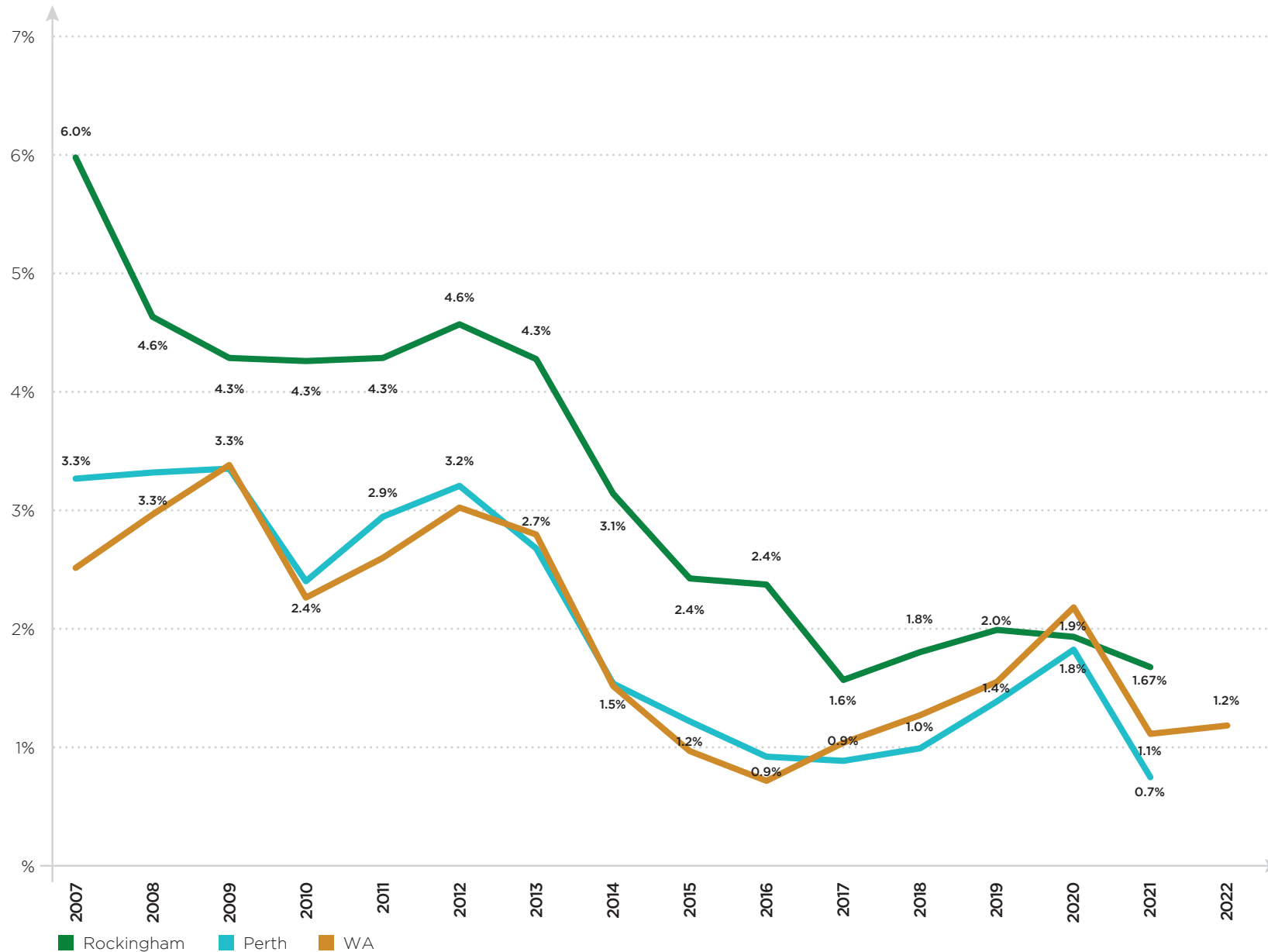
**OVERVIEW**  
ROCKINGHAM REGIONAL CENTRE

EDITION 20

This graph shows the internet vacancy index for online job advertisements on the three major job boards.



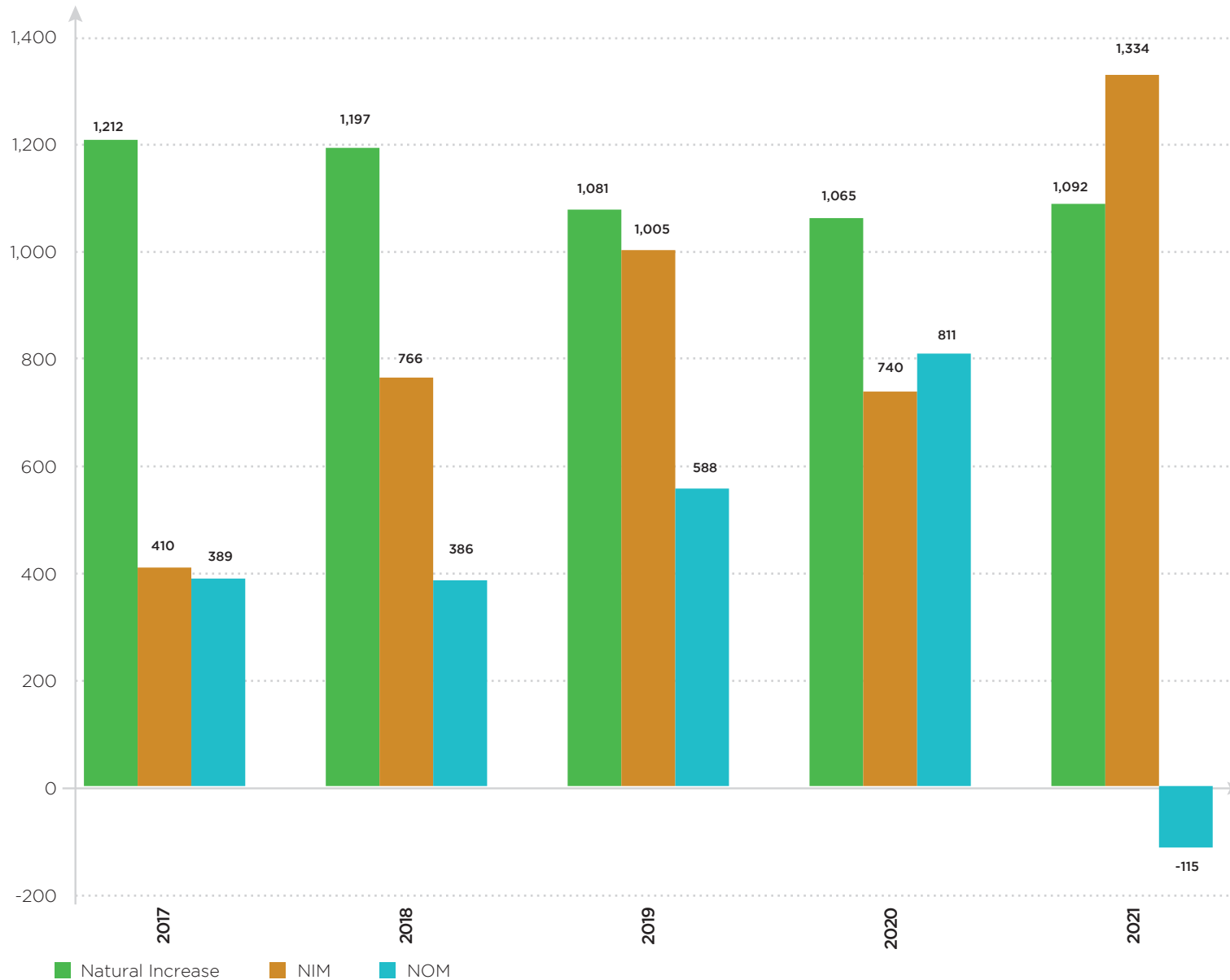
# CHANGE IN POPULATION



**SLIGHTLY  
POSITIVE**

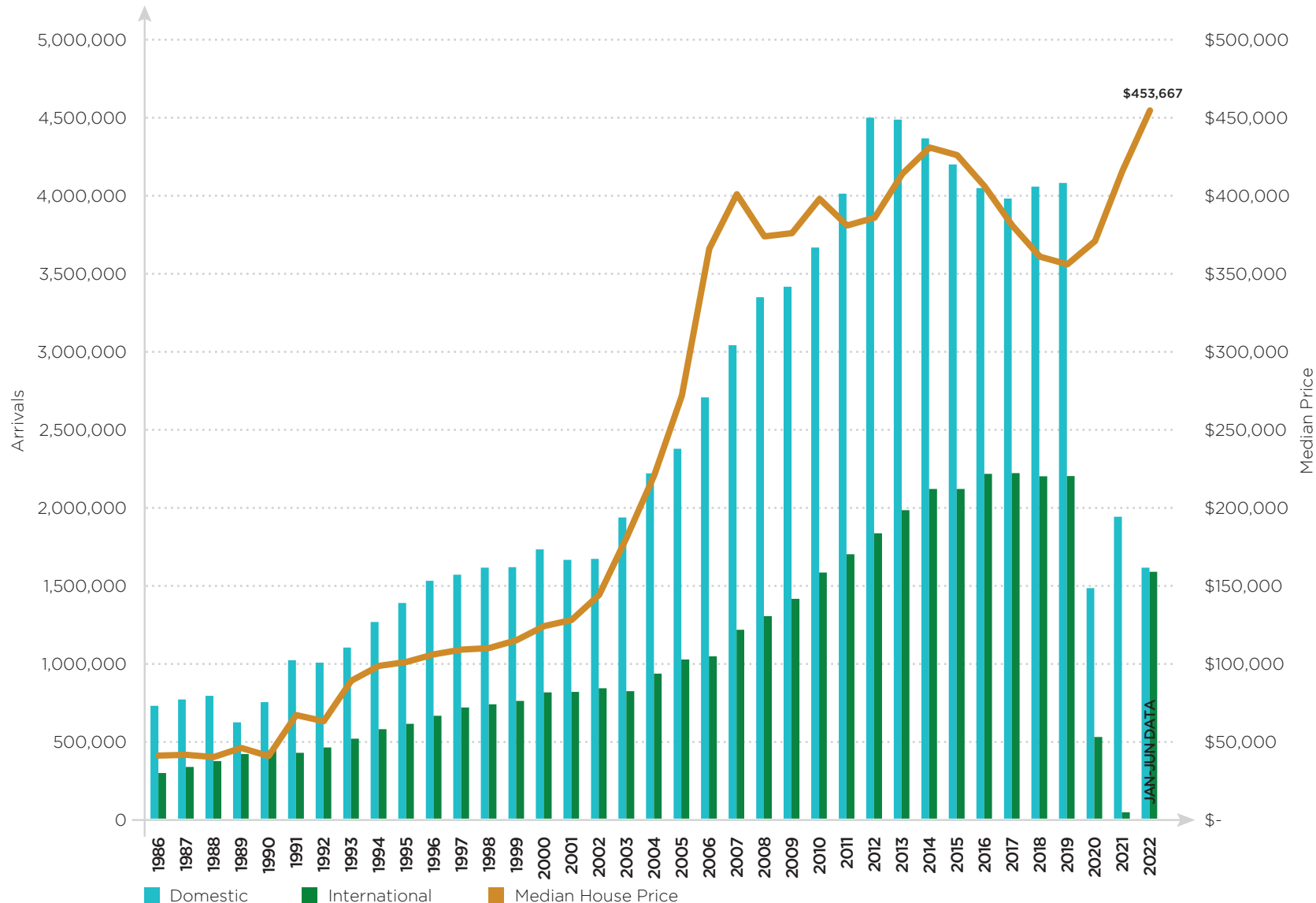


# POPULATION TYPE



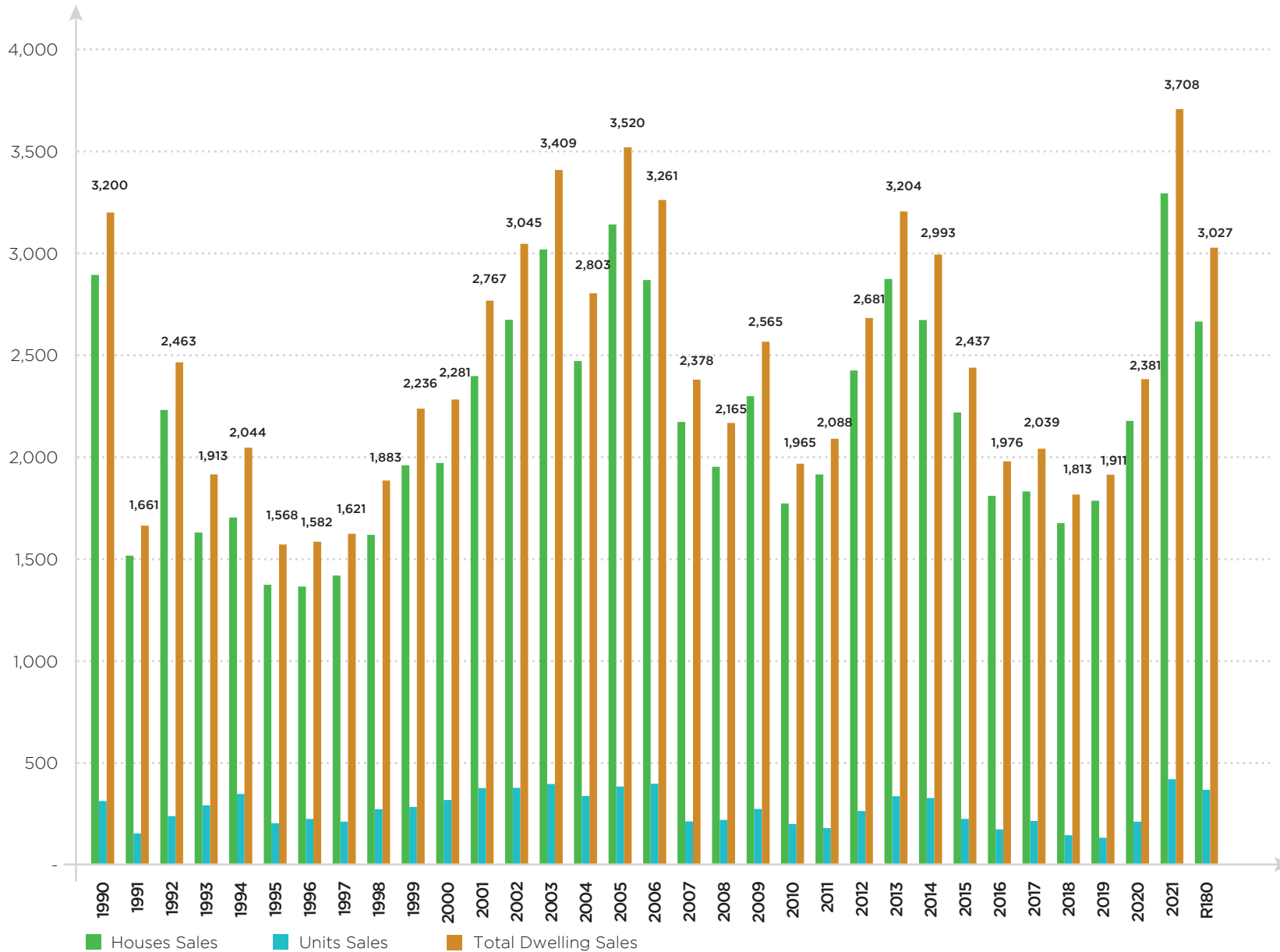
**SLIGHTLY  
POSITIVE**

# PERTH AIRPORT ARRIVALS V. MEDIAN HOUSE PRICE



**POSITIVE**

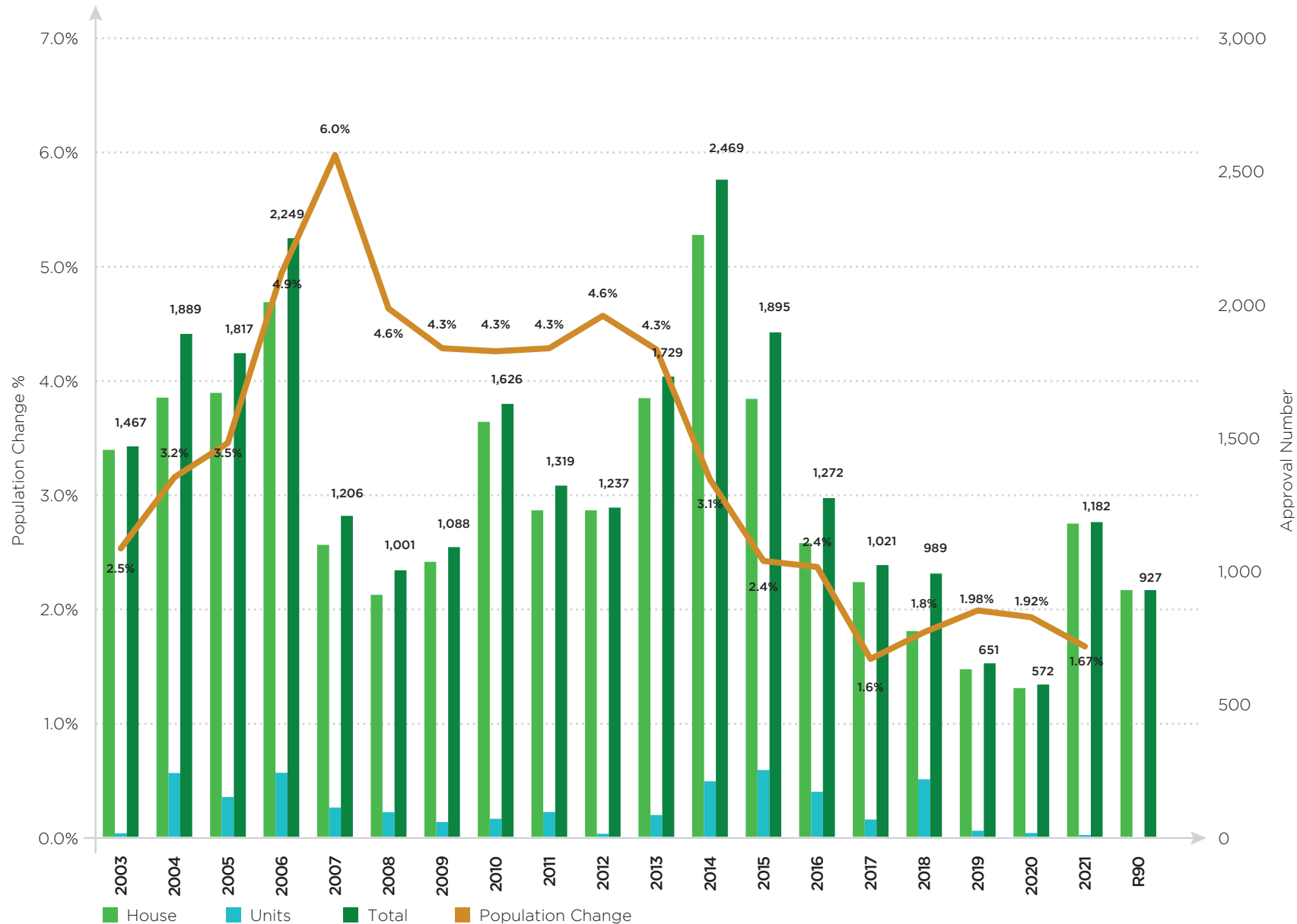
# DWELLING SALES



**POSITIVE**

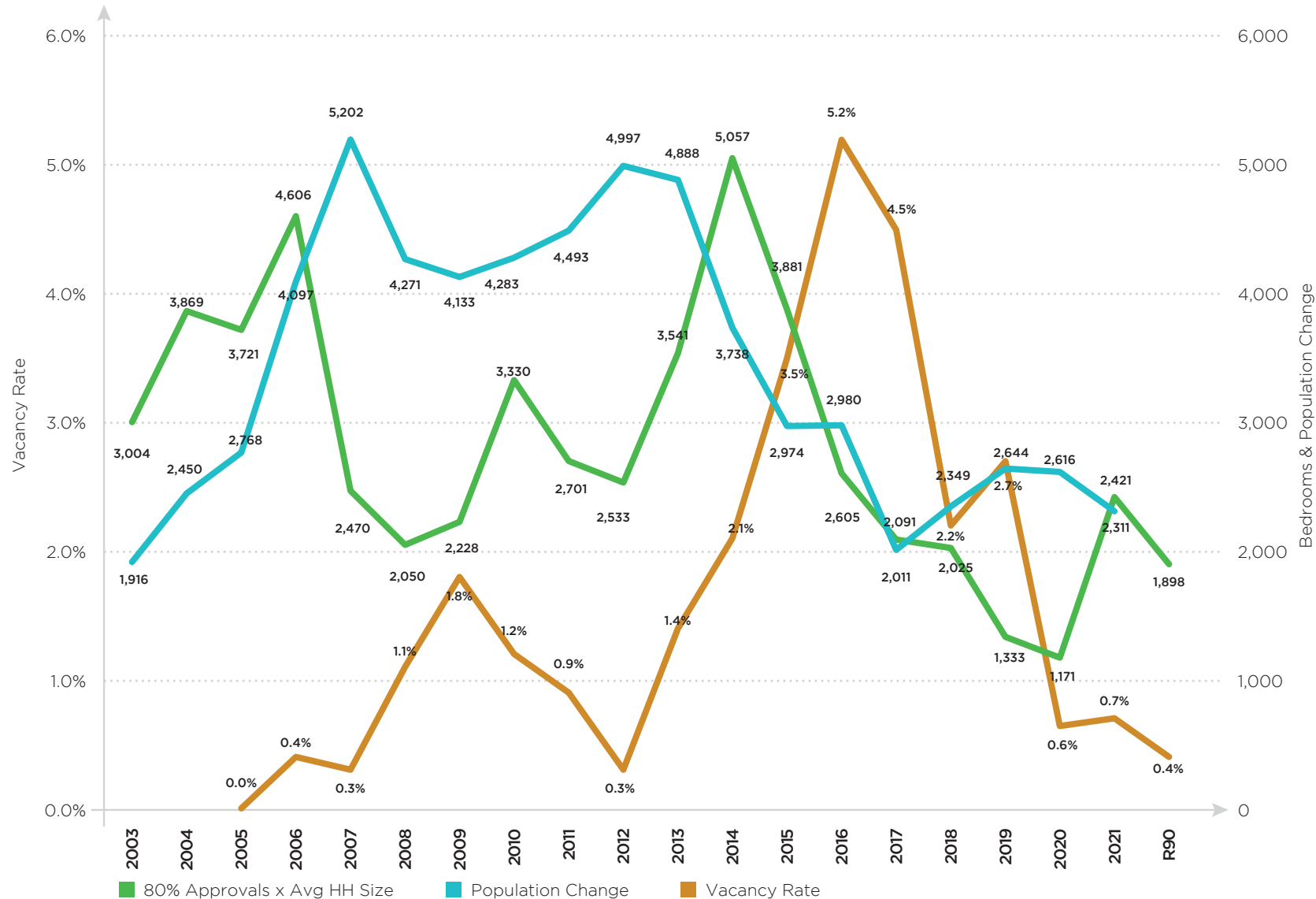


# DWELLING APPROVALS



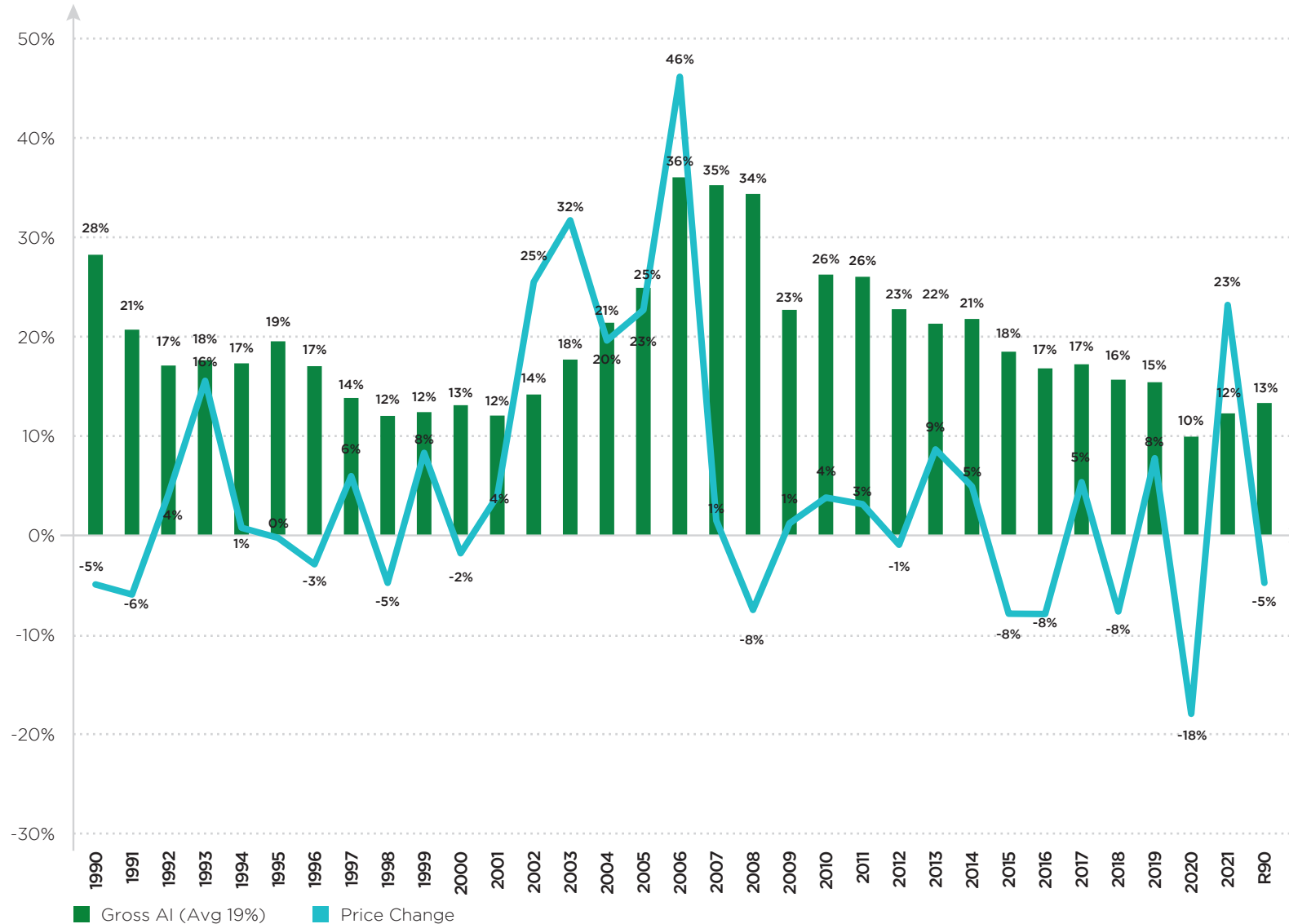
**NEGATIVE**

# BEDROOM APPROVALS V. POPULATION CHANGE



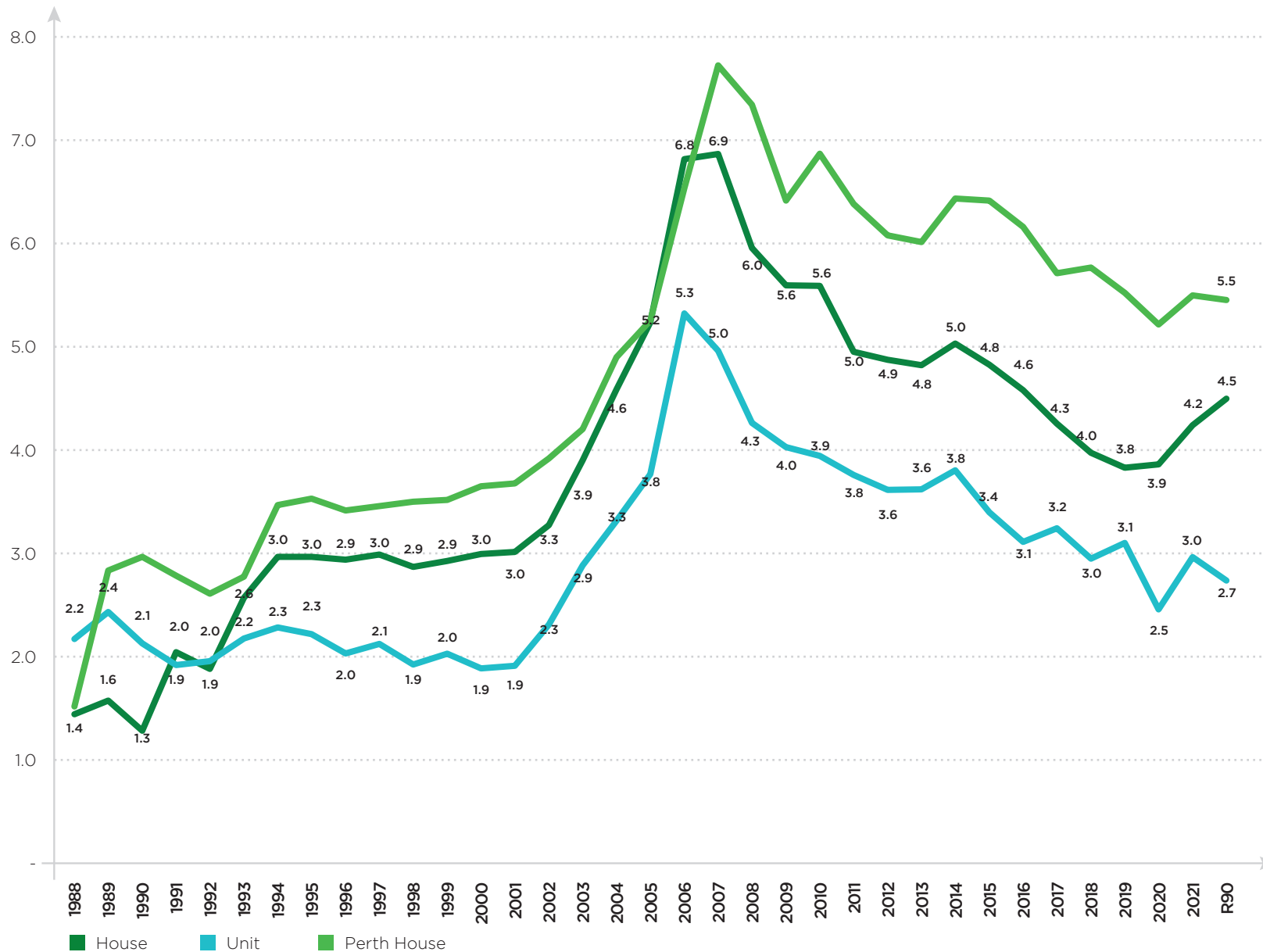
**NEUTRAL**

# GROSS AFFORDABILITY INDEX (UNIT) V. PRICE GROWTH



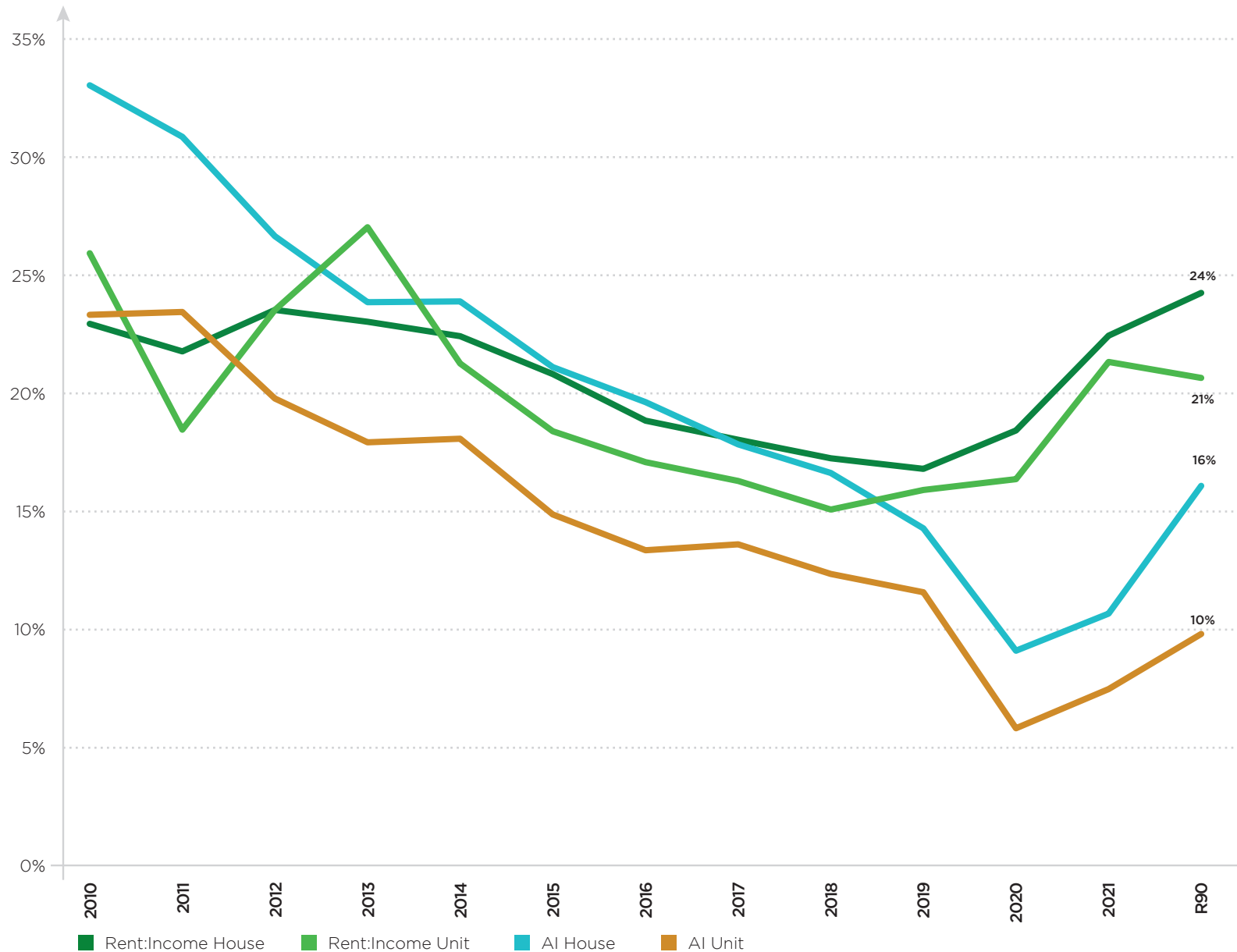
POSITIVE

# PRICE TO INCOME RATIO



**SLIGHTLY  
POSITIVE**

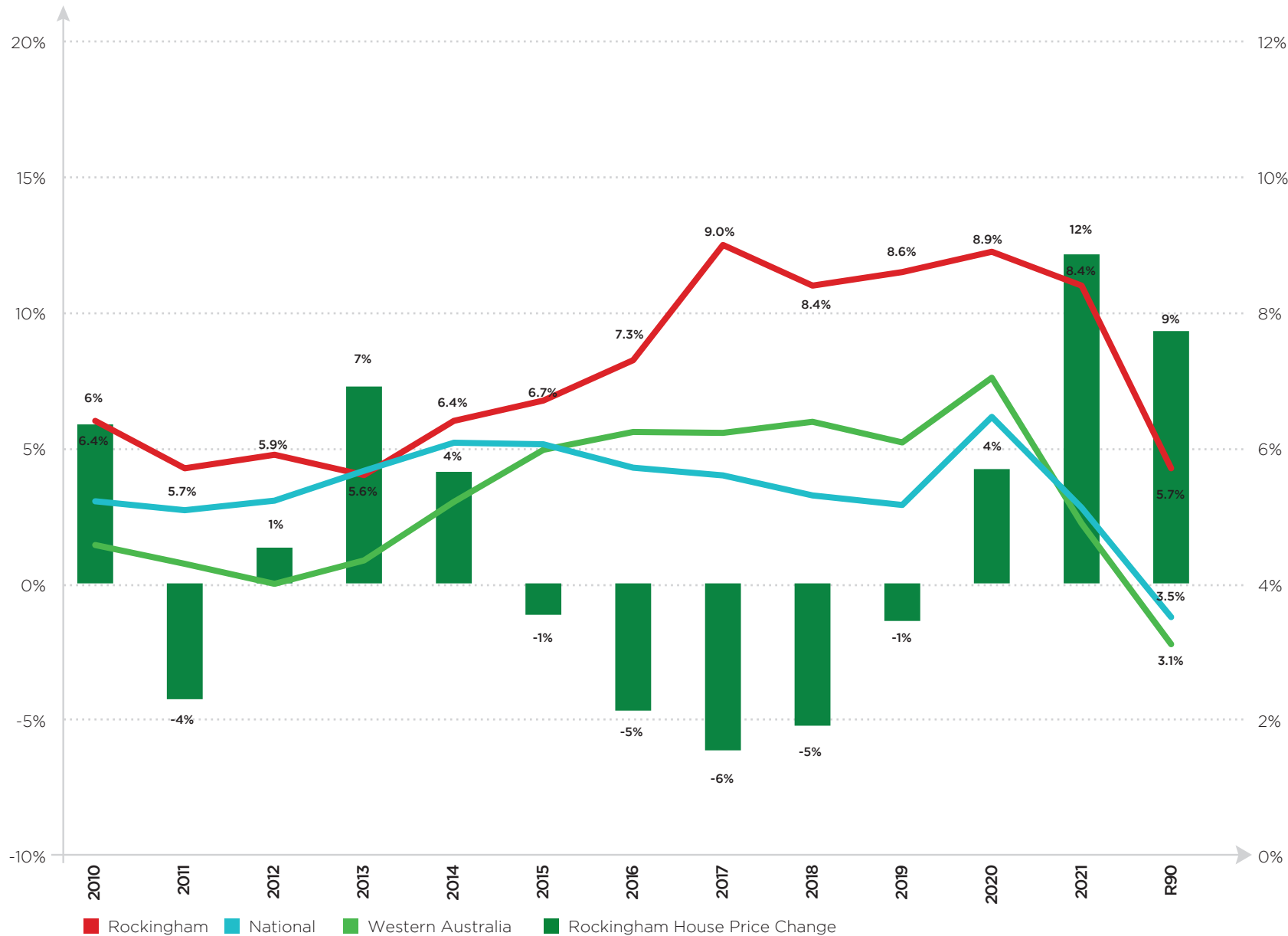
# RENT TO INCOME RATIO



**POSITIVE**



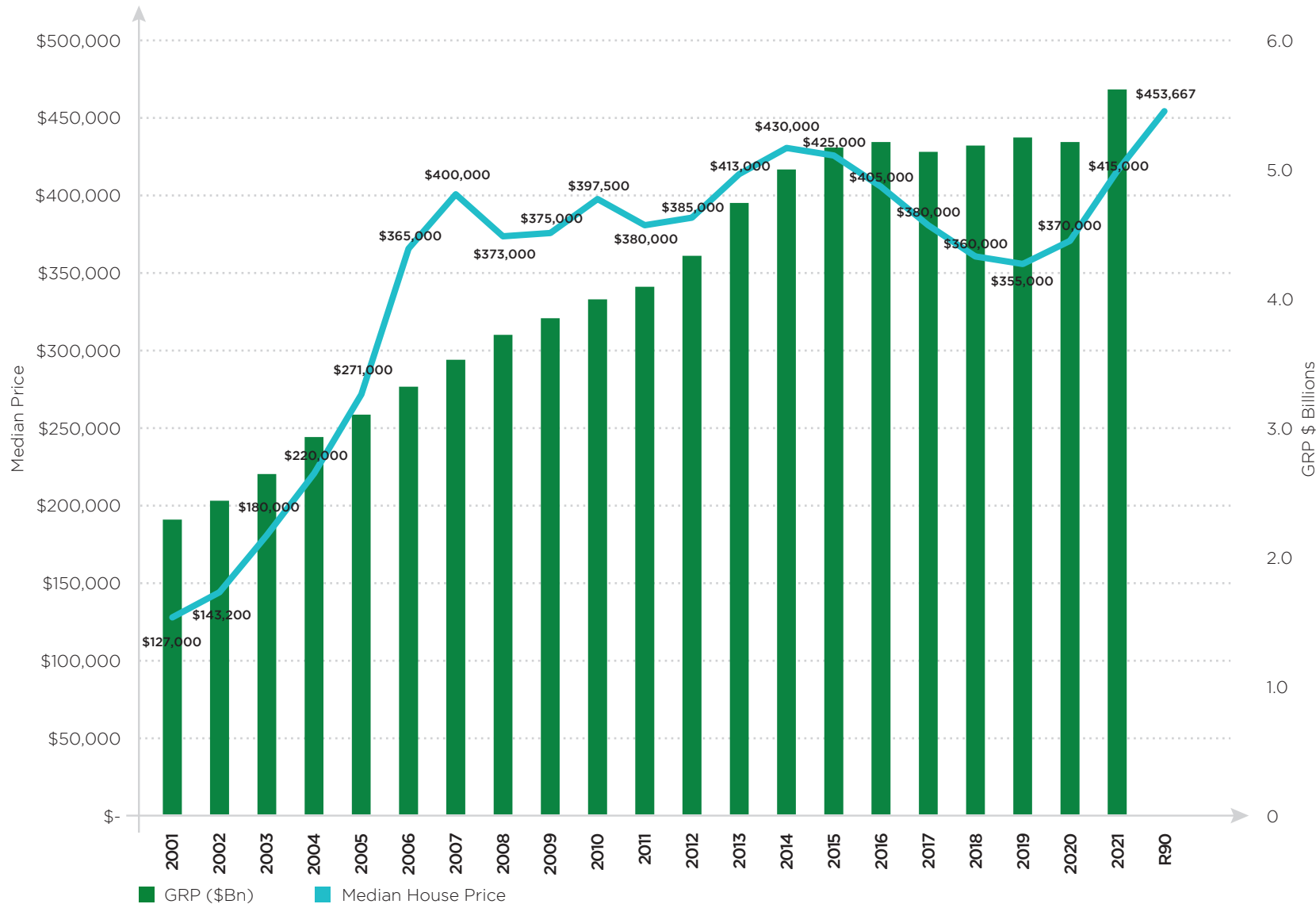
# UNEMPLOYMENT RATE



**POSITIVE**

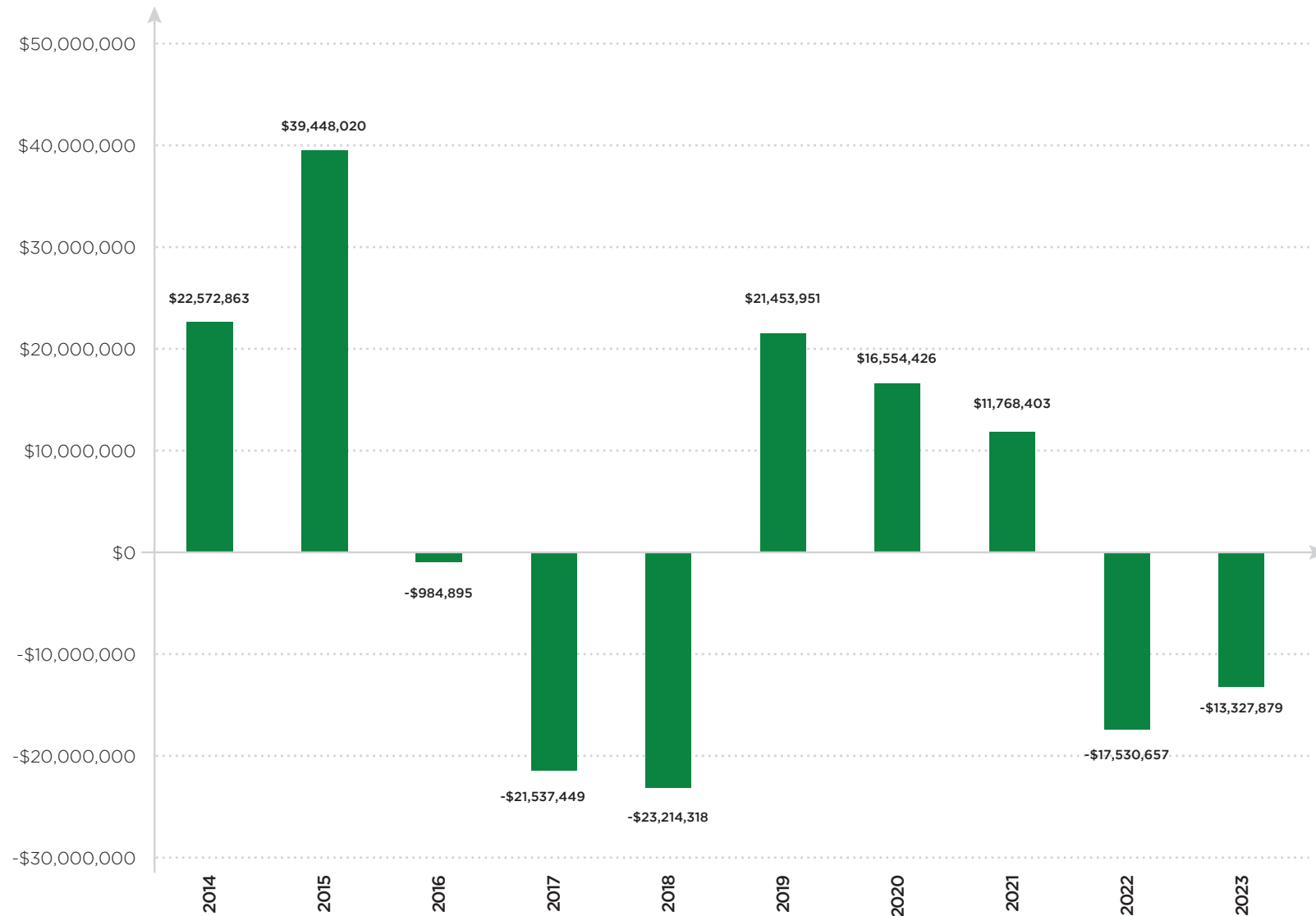


# GRP V. ROCKINGHAM MEDIAN HOUSE PRICE



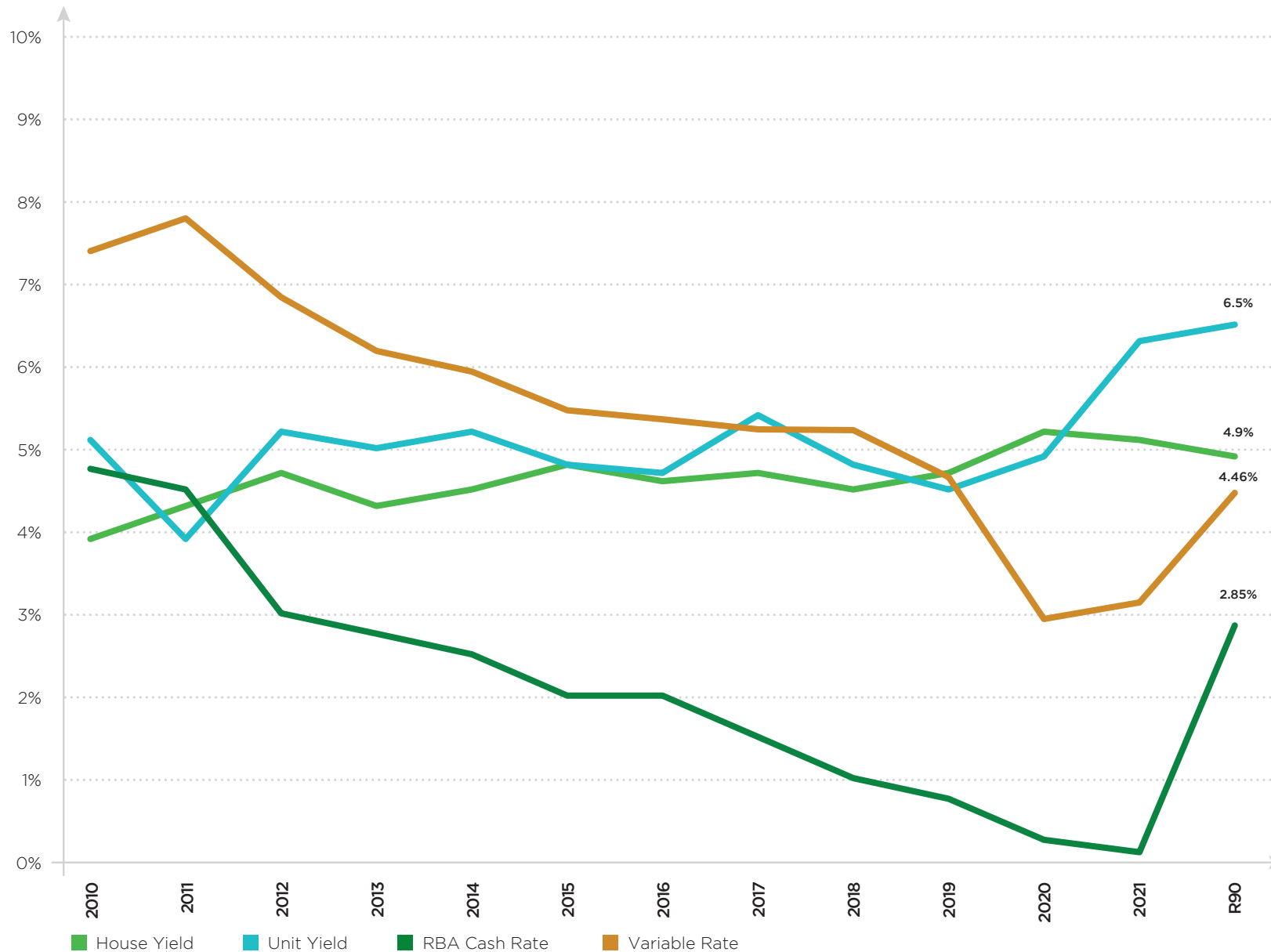
**NEGATIVE**

# ROCKINGHAM CITY COUNCIL BUDGET POSITION



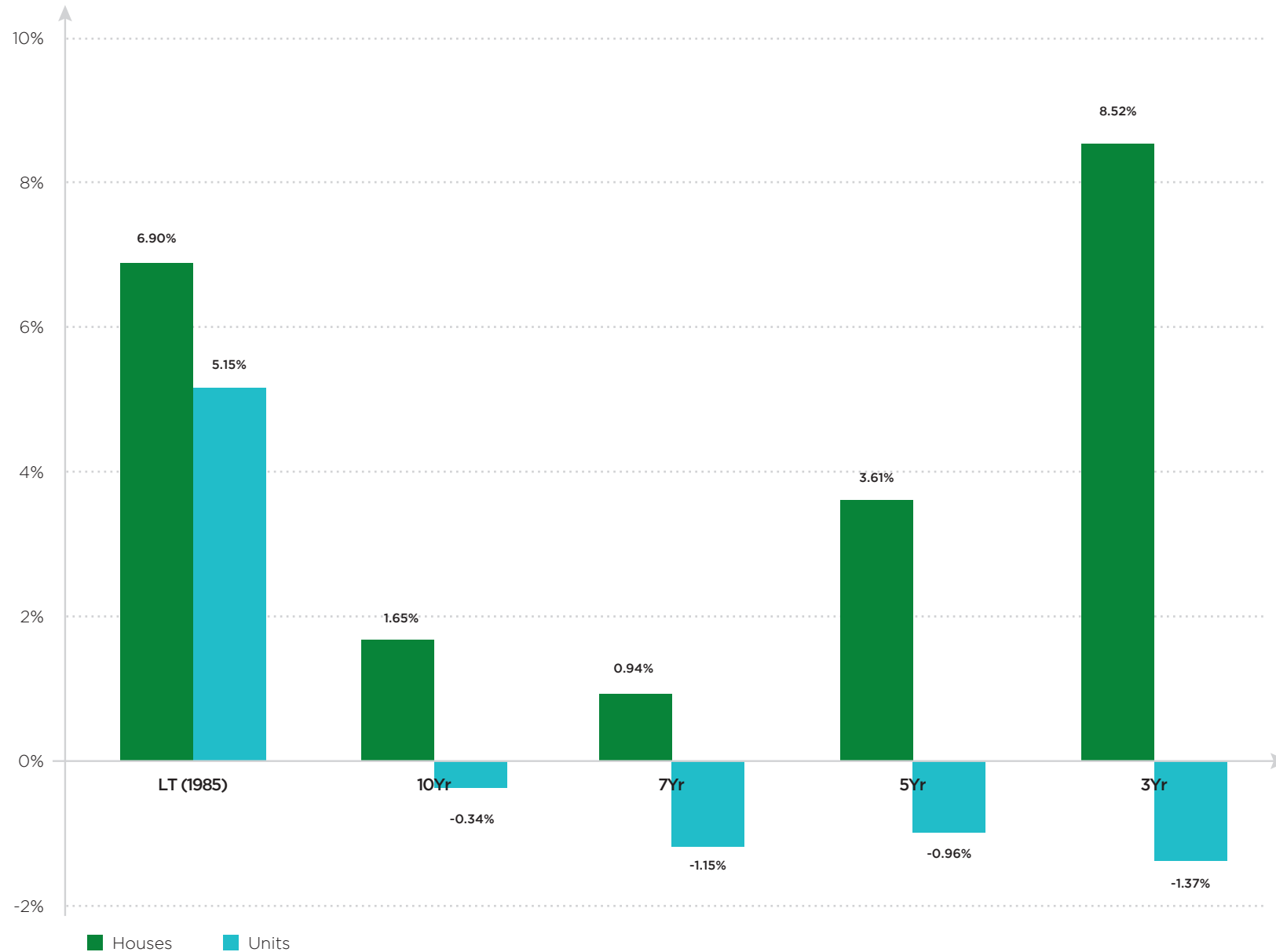
**NEGATIVE**

# YIELD



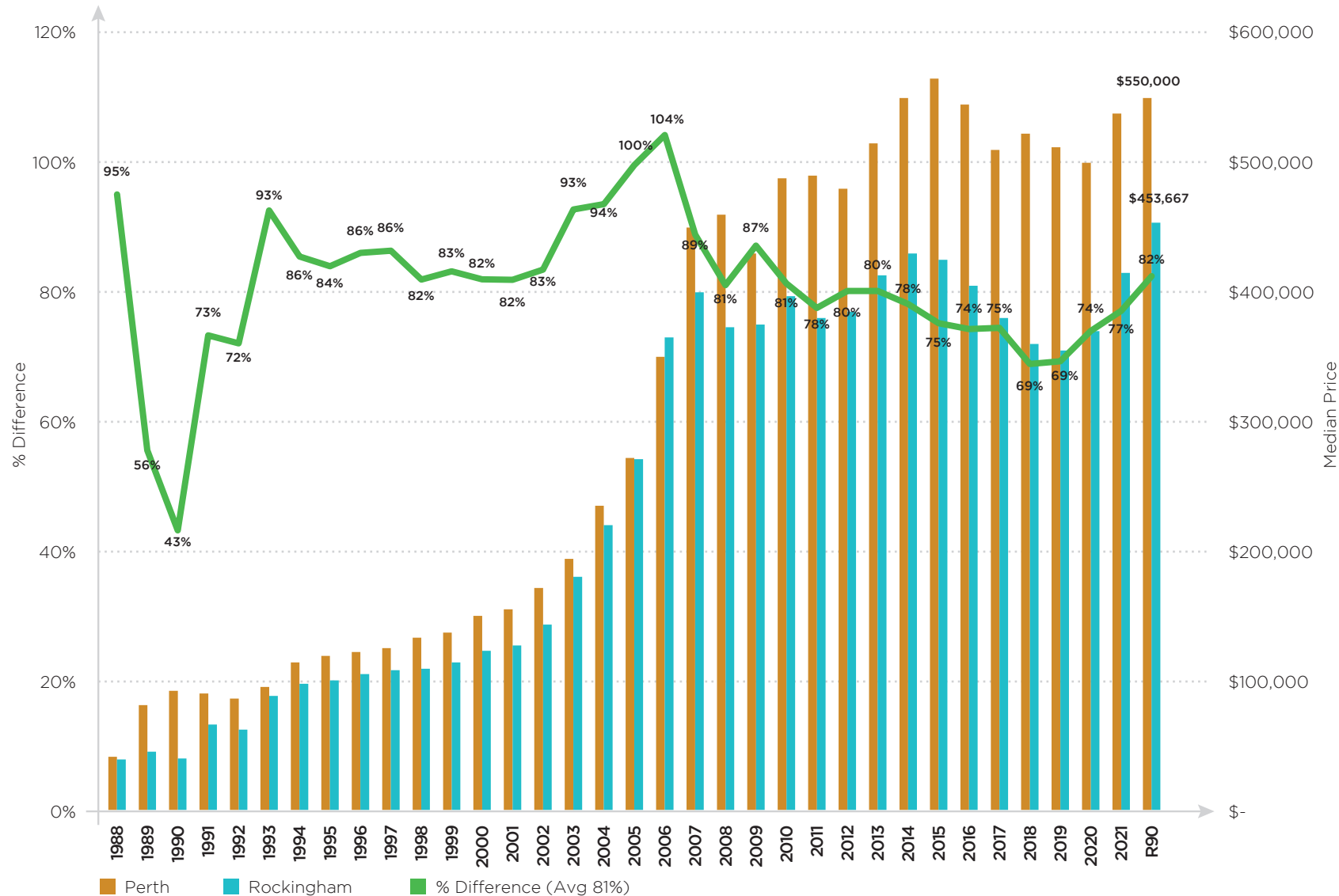
**SLIGHTLY  
POSITIVE**

# LONG TERM PERFORMANCE



**SLIGHTLY  
POSITIVE**

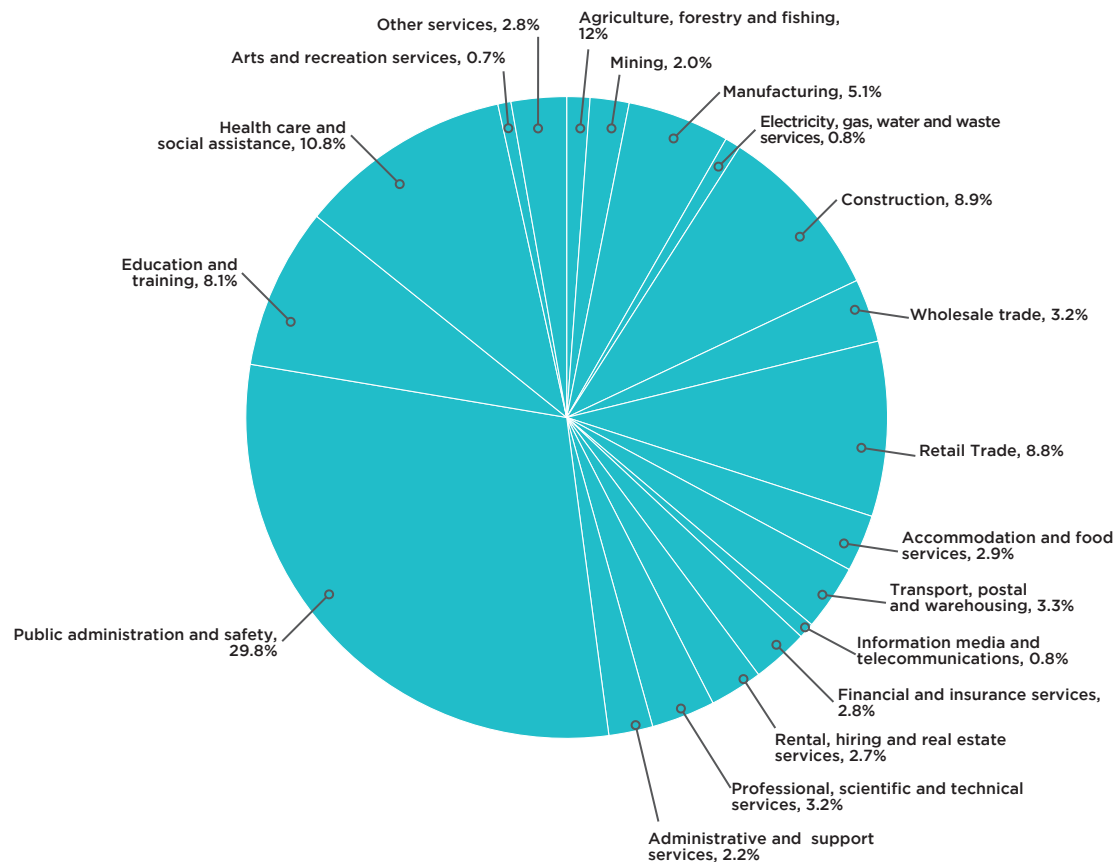
# ROCKINGHAM V. PERTH PRICE MOVEMENT (HOUSE)



**SLIGHTLY  
NEGATIVE**

# INDUSTRY VALUE ADDED

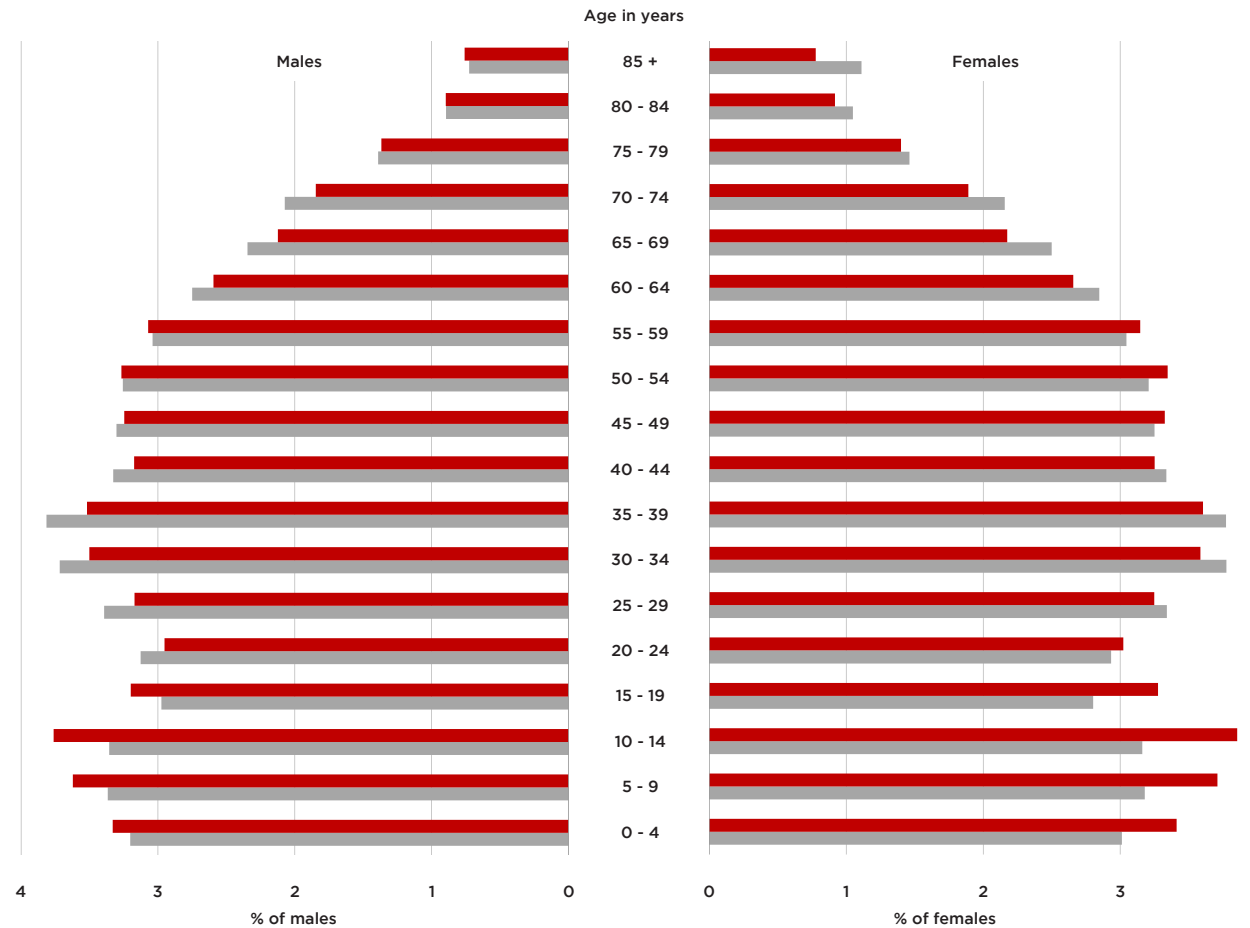
## INDUSTRY BREAKDOWN



**POSITIVE**



# POPULATION PYRAMID



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

■ City of Rockingham ■ Greater Perth

**SLIGHTLY  
POSITIVE**

## INVESTMENT PHILOSOPHY

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PROPERTY ACQUISITION  
SERVICES ACROSS  
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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

