

# Whitsunday's Snapshot

March 2008



The Whitsunday region was once known as simply one of Australia's most popular tourism destinations. However, today the region is home to a growing number of permanent residents who are attracted to the region for its lifestyle and climate.

The broader Whitsunday region is bordered by Bowen to the north and Mackay to the South. The coastal townships of Cannonvale, Airlie Beach and Jubilee Pocket, together with the Whitsunday Islands, are the primary pillar of the Whitsunday economy. 1.2 million tourists visit the region each year, placing the Whitsunday region within the top twenty tourist locations in the country.

**Access** The region is serviced by three airports: The Proserpine Airport, Hamilton Island airport and the Mackay Airport, not to mention the Whitsunday Airport which handles light aircraft. All three airports are serviced by regular direct flights from all Australian capital cities. Airlie Beach is also serviced by major bus lines and the Queensland Rail 'Tilt Train' service with a station in Proserpine. By road, Airlie Beach is just 20km off the Bruce Highway which runs between Brisbane and Cairns. The drive from Cairns is about 7.5 hours and from Brisbane about 13 hours.

**Climate** Average max: 27 deg C. Min: 21 deg C.

**Attractions** The region is known as the gateway to the Whitsunday Islands, and as such is the launch point for ferry services to the islands. In addition, the calm waters of Pioneer Bay are perfect for boating, often being described as a 'yachters' paradise'. Airlie Beach is the centre for the mainland's dining precinct, with a variety of quality restaurants and cafes. The suburb is also well known for the foreshore parks which include the Airlie Beach lagoon, a 4.5 million litre freshwater swimming area that is popular with tourists and local alike. Most of the activities in the area center around the water activities, which are virtually unlimited, however the national parks of the Whitsunday region are also a major draw card. The Whitsunday 'Great Walk' was opened in late 2004 and provides internationally recognised walking trails through the Conway National Park with stunning views of the Whitsunday Islands.

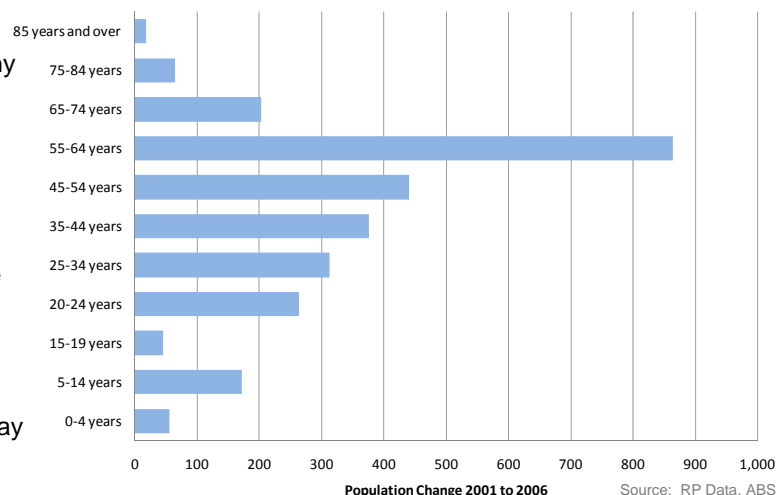
**Demographic shifts** The population of the Whitsundays has been increasing at a rate well above the state average, which is creating a strong demand for accommodation and housing. During the 05/06 financial year the residential population of the Whitsunday region increased by 3.6% - one of the highest rates of population growth for any Local Government Area in Queensland. The estimated residential population of the region is now just over 18,000. Queensland government projections suggest the Whitsunday population is likely to reach 25,000 residents by the year 2021.

According to the 2006 Census, the largest increase in population has come from 55 to 64 year olds, with this cohort increasing by 864 people between 2001 and 2006. The second largest gain in population was in the 45 to 54 years age group, indicating the Whitsunday area is very attractive to this mature aged demographic. Based on this information and local observations, many of the new residents to the Whitsunday's could be described as 'Sea Changers' who are choosing to live or holiday in the Whitsundays area for the lifestyle benefits the area provides.

**Property prices climbing and land supply falling** The property market within the Whitsunday region has performed exceptionally well. All three market segments: detached houses, vacant land and units, have recorded growth in median prices of at least 18% per annum. The standout market has been vacant land, where the median price for a block of land in the region has increased by 22.6% per annum over the last five years.

The market in the Whitsunday's is largely being driven by the sea change market: baby boomers and empty nesters looking for a lifestyle upgrade. Coupled with this strong demand is an absolutely finite level of supply. The large proportion of the Whitsunday Shire is either designated national park or agricultural land. When viewed in light of the strong population projections planned for the area, the short supply of land in the region is likely to result in ongoing price pressures as demand outweighs supply.

## Demographic change Change in population, 2001 to 2006



Source: RP Data, ABS

# Airlie Beach Snapshot

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## House market

House prices in the region have provided outstanding returns to their owners. The median house value within the Whitsunday region has risen from just \$177,250 five years ago to \$442,500 at the end of 2007. This rate of growth equates to an annual improvement in house values of 20.1% or more than \$50,000 each year.

The most active suburb for house sales has been Cannonvale, where 92 houses were sold during the 2007 calendar year, achieving a median price of \$475,000. Jubilee Pocket recorded 53 sales with a median price of \$450,000 and Airlie Beach recorded 6 sales with a median price of \$642,500.

## Land market

Price growth for vacant land within the Whitsunday region has been very impressive. Over the last five years the annual growth rate for land prices has been 22.6% per annum. This rate of growth equates to an annual increase in land prices of \$26,500 per annum. The median block of land in the region now has a price tag of \$207,500, however prices of course vary from region to region:

### Median land prices and number of sales by suburb:

Suburb	No Sales	Median price 07
Airlie Beach	3	\$590,000
Mount Julian	4	\$160,000
Sugarloaf	5	\$284,000
Mandalay	10	\$170,625
Strathdickie	12	\$225,000
Woodwark	19	\$259,000
Hideaway Bay	21	\$205,000
Jubilee Pocket	33	\$190,000
Cannonvale	64	\$193,500

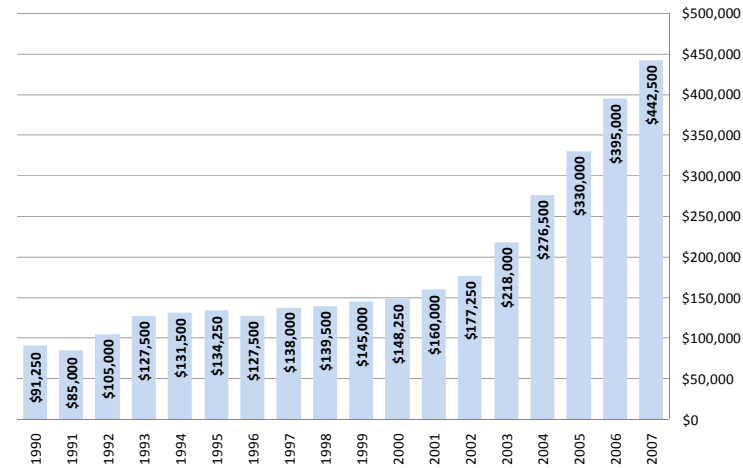
Airlie Beach has historically recorded the highest land prices due to the areas elevated hillside allotments and the proximity of the water and social amenity the suburb offers, however other regions of the Whitsunday's are also now recording land prices well above \$500,000. Elevated allotments within the Botanica Estate in Cannonvale, for example, are achieving sale prices to rival Airlie Beach. The stunning views over Pioneer Bay to the islands command a significant premium and this caliber of land is very limited in supply.

## Unit market

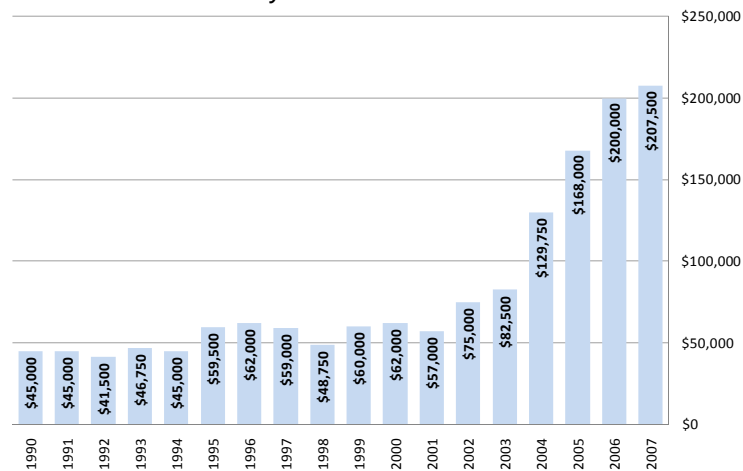
The median unit price in the Whitsunday region has risen from \$150,000 back in 2002 to \$347,225 by the end of December 2007 – an annual change of 18.3%. Unit developments are becoming very popular amongst both owner occupiers and investors. Owner occupiers are generally purchasing based on lifestyle reasons, while the investment market is largely divided between Cannonvale and Airlie Beach. Gross rental yields at Cannonvale are very attractive to investors, averaging 5.6% per annum. Rental returns are lower at Airlie Beach, however most buyers investing in this area are primarily motivated by the strong capital growth and holiday home potential of these dwellings.

The largest unit markets in the region are located at Cannonvale and Airlie Beach. Over the 2007 calendar year 194 units were sold at Cannonvale for a median sale price of \$329,000. At Airlie Beach, 73 units were sold during 2007 with a median sale price of \$415,000.

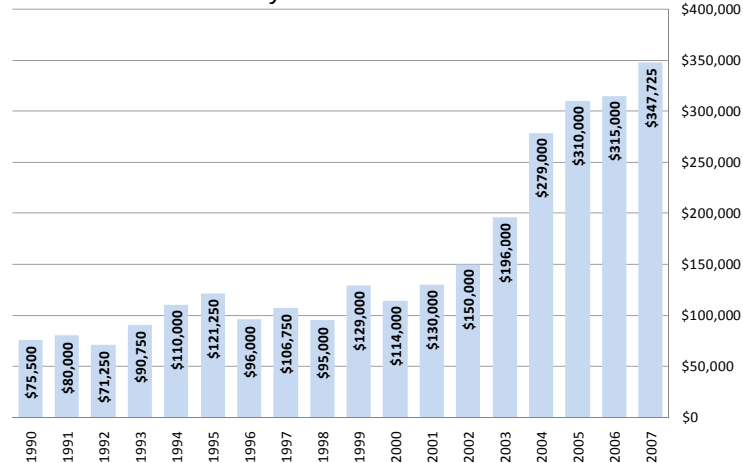
## Median house price – Whitsunday Region 1990 to 2007 calendar year



## Median land price – Whitsunday Region 1990 to 2007 calendar year



## Median unit price – Whitsunday Region 1990 to 2007 calendar year



**For further information on the Whitsunday marketplace, contact the local property markets experts:**

Ray White Whitsunday [www.raywhitewhatsunday.com](http://www.raywhitewhatsunday.com)