

## PORT DOUGLAS SUBURB REPORT

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### LOCALITY

Port Douglas is an internationally acclaimed tropical coastal holiday destination 70 kilometres north of Cairns. Access from Cairns is via the scenic Captain Cook Highway which for the most part hugs the actual coastline between the Coral Sea and National Park. There are regular coach and private car services between Port Douglas and the Cairns International Airport. Drive time is a pleasant one hour.

Port Douglas township faces Four Mile Beach, with an elevated headland protecting the natural harbour formed by Dickson Inlet.

Being the main population centre within the Douglas Shire area of North Queensland, Port Douglas is a bustling resort town supporting a residential population of approximately 4,300 and a capacity of up to 9,000 guests on any one night.

Port Douglas has progressed significantly in the last 15 years and now offers a wide array of accommodation and strong population base. Most importantly it has still managed to retain a low key village atmosphere with most developments in harmony with the tropical environment.

### TOURISM

Our tourism market continues to improve showing year-on-year growth. At the end of June 2015 the number of domestic nights topped 1.7 million, with 329,000 visitors and the average length of stay to be 5.2 nights.

International visitor numbers have increased previously from 81,093 to 93,168 with total room nights reaching 553,000 and average length of stay to be 6 nights.

Overall, Port Douglas has received over 2 million booking nights. This presents an annual growth of 8.4%.

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## RESIDENTIAL REAL ESTATE MARKET

This market bounced back in 2014 and has remained buoyant. Trading has been active with over 350 properties sold in the last 12 months. House prices have increased for the second year in a row. Unit prices have reversed somewhat this year but this trend is deceptive. There are a large number of Holiday let units in Port Douglas and because of the better trading climate and therefore better returns, many holiday let owners have taken the opportunity to sell their investments... particularly those owning low end stock. This point is clarified when the average price of a unit sold in Port Douglas in the last 12 months was \$215,250. This figure is very low and has had the negative effect on the statistics mentioned above. In fact many units and apartments sold this year have done so at greater price than they were bought for... you need to be selective. You can find more information in the Suburb Flyover analysis as part of this report.

Positives are:

- Increased visitor numbers due to renewed popularity of the region. Port Douglas/FNQ are back in fashion.
- The current exchange rate makes it more expensive to travel overseas than was the case a couple of years ago. It is far better value for Australians to holiday in Australia right now.
- The current exchange rate makes Australia an attractive destination for overseas tourists.

The above factors not only fill up the holiday accommodation sector but also create the flow on effect of more jobs (year round), therefore longer rentals = better returns. With secure employment, people also decide to buy units and /or homes.

Check out the PORT DOUGLAS SUBURB FLYOVER that follows.

## COMMERCIAL REAL ESTATE MARKET

This market continues to improve, particularly in the past 18 months. Retail is mainly concentrated around the Macrossan Street precinct and includes fashion, souvenirs, tour services, real estate (sales, permanent and holiday letting), restaurants and cafes. Brand name stores include, Coles, Target, Just Jeans, Domino's, Cotton On, Lorna Jane, Sea Folly, Ray White, Avis Car Rentals and others. Some vacancy exists with retail space but this is not unusual in resort towns where start up/close down can be a somewhat regular occurrence.

There has been a number of significant commercial property sold since June 2015. Four Mile Shops – consisting of 5 retails/office premises, 9 Wharf Street – retail and accommodation premises, Westpac Bank building, LJ Hooker and neighbouring Art Gallery and 6 Macrossan Street – two retails outlets. This is very positive for Port Douglas and shows high investor confidence.

The other commercial category is Light Industrial and is mainly concentrated at Craiglie which is the area at the entrance to Port Douglas. These businesses tend to be service providers to the tourist/accommodation industry. Examples are cleaning companies, hospitality suppliers, marine specialists, motor vehicle service workshops etc. Industrial units and land in Craiglie are now changing hands with increasing frequency. Approval has recently been obtained for the construction of 25 light industrial sheds in this area which will be sought after.

## INFRASTRUCTURE INVESTMENT

There are a number of significant works underway proving to be very beneficial to the town. Three key areas currently in progress are - major upgrade of the Iconic Sheraton Mirage Resort - Reef Marina Regeneration Plan – Hemingway’s Brewery. Other notable developments are the luxury 27 lot Niramaya Signature Villas starting at \$1.0m and the Port Pacific Residential Sub Division, the current stage being almost sold out with the next stage having just been released.

### ◆ **Sheraton Mirage Port Douglas Upgrade** | [www.sheratonportdouglas.com](http://www.sheratonportdouglas.com)

Owned by Fullshare Group and managed by Starwood Hotels and Resorts, the \$40 million ‘game-changing’ renovation is now underway, that will resort in a floor to ceiling revitalisation of the hotels 294 guest rooms, main buildings, surrounding pools and landscaping. In addition, the Mirage Country Club Golf Club is also being redeveloped, plus the building of a new Lobby Café and a convention centre with a 1000 person capacity. Work commenced in October 2015 and completion is expected in April 2016.

Fullshare Group’s generous investment in the property demonstrates that investors have confidence in the resort, as well as the region.

### ◆ **Reef Marina Regeneration Plan** | [www.reefmarina.com.au](http://www.reefmarina.com.au)

The first stage of the Regeneration Plan has been completed with the \$3 million expansion of 30 new marina berths now in place for larger vessels. These births facilitate the growing number of commercial tour operator boats and allows for private visitors from around the world such as the recent visit of the first super yacht ‘Vegas’ into the marina.

Stage 2 is currently with council and includes providing pedestrian connection between the marina and Port Douglas Town Centre via a continuous over water walk-way. A waterfront public plaza and various eating and gathering hubs.

### ◆ **Hemingway’s Brewery at The Reef Marina** | [www.hemingwaybrewery.com](http://www.hemingwaybrewery.com)

Construction is well underway on this Boutique Craft Brewery. Spread over two levels, brewing of the beer will be on the lower level and seating will be provided for up to 450 people with an events level upstairs. May 2016 is being targeted as the official launch. Hemingway’s will be the anchor tenant of the Reef Marina.

## PORT DOUGLAS SUBURB FLYOVER



### PORT DOUGLAS - Sales Statistics (Houses)

Year	# Sales	Median	Growth	Low	High
1997	54	\$ 229,500	0.0 %	\$ 120,000	\$ 1,000,000
1998	47	\$ 240,000	4.6 %	\$ 115,000	\$ 1,889,900
1999	57	\$ 246,000	2.5 %	\$ 150,000	\$ 600,000
2000	48	\$ 216,000	-12.2 %	\$ 152,000	\$ 4,600,000
2001	68	\$ 250,000	15.7 %	\$ 18,750	\$ 2,000,000
2002	63	\$ 330,000	32.0 %	\$ 140,000	\$ 5,250,000
2003	79	\$ 485,000	47.0 %	\$ 159,000	\$ 6,250,000
2004	69	\$ 545,000	12.4 %	\$ 201,000	\$ 4,150,000
2005	46	\$ 492,500	-9.6 %	\$ 340,000	\$ 4,700,000
2006	37	\$ 540,000	9.6 %	\$ 340,000	\$ 5,500,001
2007	51	\$ 575,000	6.5 %	\$ 209,000	\$ 2,300,000
2008	31	\$ 530,000	-7.8 %	\$ 370,000	\$ 4,190,000
2009	35	\$ 500,000	-5.7 %	\$ 224,000	\$ 6,500,000
2010	26	\$ 492,500	-1.5 %	\$ 370,000	\$ 3,700,000
2011	31	\$ 480,000	-2.5 %	\$ 350,000	\$ 3,400,000
2012	39	\$ 450,000	-6.2 %	\$ 300,000	\$ 1,620,000
2013	53	\$ 445,000	-1.1 %	\$ 225,000	\$ 890,000
2014	41	\$ 500,000	12.4 %	\$ 320,000	\$ 1,475,000
2015	31	\$ 530,000	6.0 %	\$ 340,000	\$ 2,800,000

#### Median Sale Price

## \$530k

Based on 37 recorded House sales within the last 12 months (Oct '14 - Sep '15)

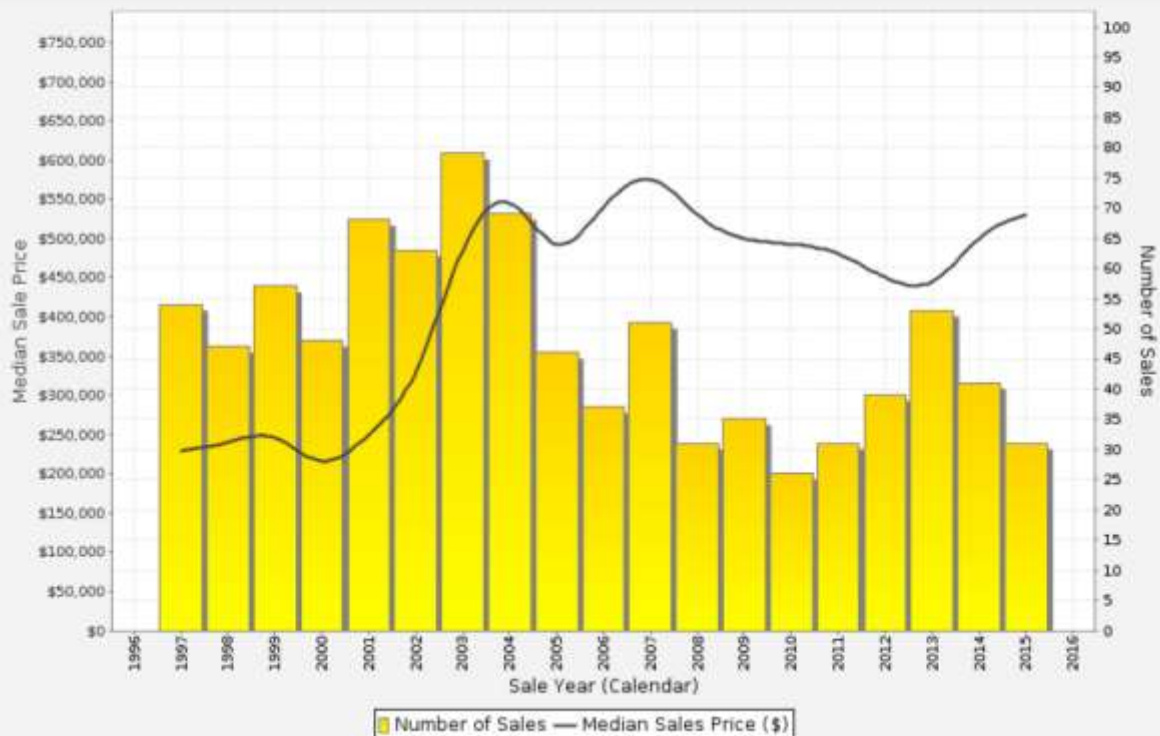
Based on a rolling 12 month period and may differ from calendar year statistics

#### Suburb Growth

## +10.0%

Current Median Price: \$530,000  
Previous Median Price: \$481,750

Based on 88 recorded House sales compared over the last two rolling 12 month periods



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## PORT DOUGLAS - Sales Statistics (Units)

Year	# Sales	Median	Growth	Low	High
1997	294	\$ 150,000	0.0 %	\$ 35,000	\$ 825,000
1998	230	\$ 182,500	21.7 %	\$ 60,000	\$ 885,000
1999	323	\$ 193,900	6.2 %	\$ 65,000	\$ 812,500
2000	269	\$ 188,152	-3.0 %	\$ 63,000	\$ 1,568,105
2001	296	\$ 226,000	20.1 %	\$ 68,000	\$ 1,275,000
2002	438	\$ 215,000	-4.9 %	\$ 49,000	\$ 1,200,000
2003	642	\$ 203,750	-5.2 %	\$ 65,000	\$ 1,950,000
2004	521	\$ 259,000	27.1 %	\$ 67,900	\$ 2,437,000
2005	563	\$ 185,000	-28.6 %	\$ 73,250	\$ 2,200,000
2006	326	\$ 320,000	73.0 %	\$ 75,000	\$ 2,500,000
2007	378	\$ 298,000	-6.9 %	\$ 50,000	\$ 3,400,000
2008	180	\$ 257,500	-13.6 %	\$ 45,000	\$ 10,500,000
2009	253	\$ 250,000	-2.9 %	\$ 47,000	\$ 2,200,000
2010	227	\$ 230,000	-8.0 %	\$ 35,000	\$ 2,275,000
2011	165	\$ 206,000	-10.4 %	\$ 46,500	\$ 1,350,000
2012	236	\$ 180,000	-12.6 %	\$ 49,000	\$ 1,450,000
2013	248	\$ 223,500	24.2 %	\$ 44,000	\$ 2,000,000
2014	256	\$ 239,500	7.2 %	\$ 30,000	\$ 2,400,000
2015	192	\$ 215,250	-10.1 %	\$ 43,800	\$ 2,345,000

### Median Sale Price

# \$212k

Based on 254 recorded Unit sales within the last 12 months (Oct '14 - Sep '15)

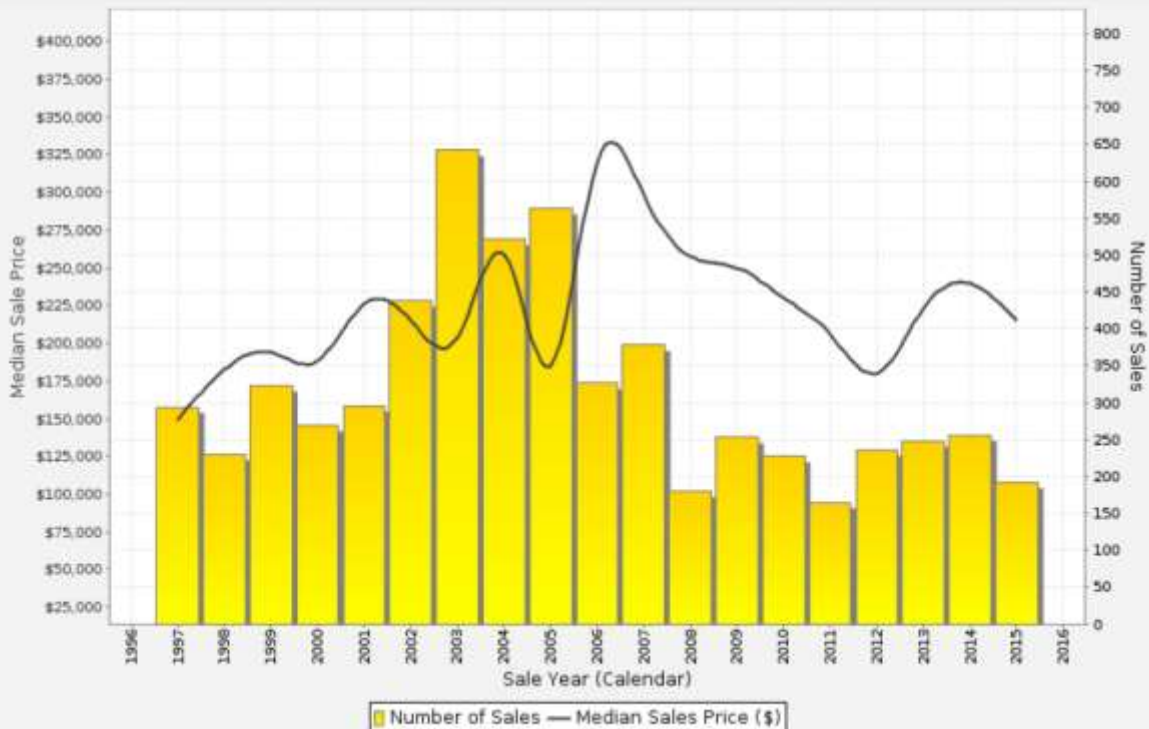
Based on a rolling 12 month period and may differ from calendar year statistics

### Suburb Growth

# -11.5%

Current Median Price: \$212,500  
Previous Median Price: \$240,000

Based on 511 recorded Unit sales compared over the last two rolling 12 month periods



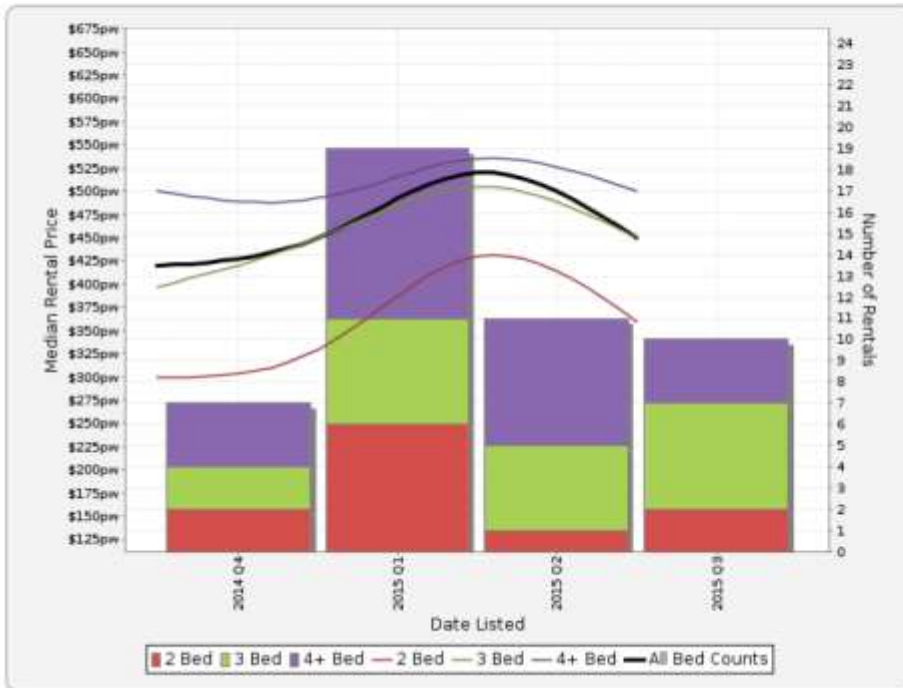
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## PORT DOUGLAS - Median Weekly Rents (Houses)

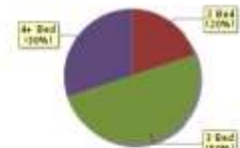


### Suburb Sale Price Growth

**+10.0%**

Current Median Price: \$630,000  
Previous Median Price: \$481,750  
Based on 85 registered House sales compared over the last two rolling 12 month periods.

### Bedroom Breakdown



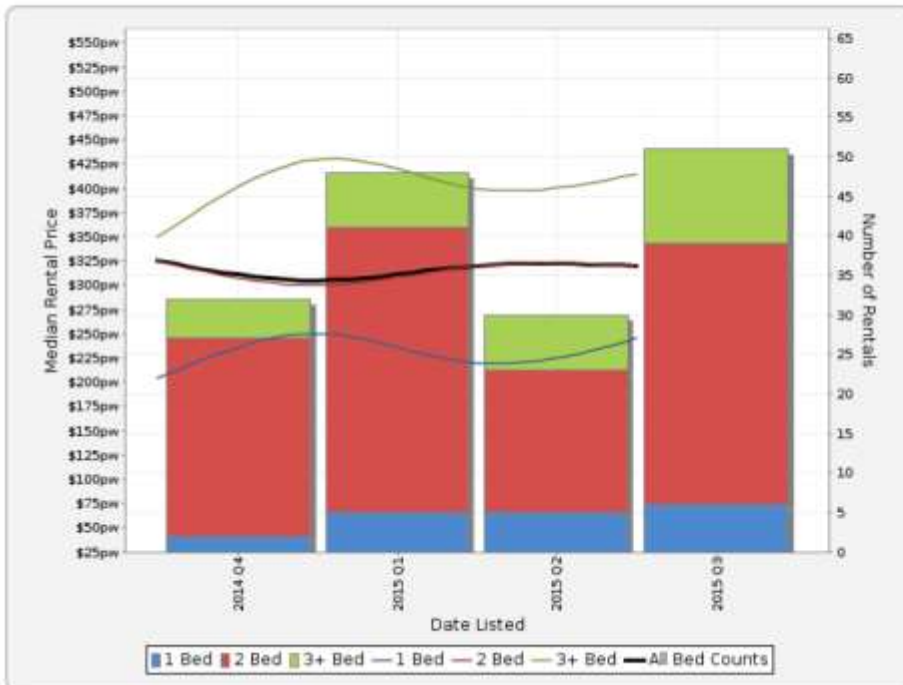
### Suburb Rental Yield

**+4.4%**

Current Median Price: \$530,000  
Current Median Rent: \$450  
Based on 47 registered House sales compared over the last 12 months.



## PORT DOUGLAS - Median Weekly Rents (Units)

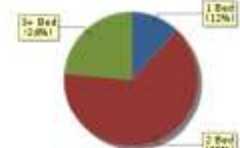


### Suburb Sale Price Growth

**-11.5%**

Current Median Price: \$212,500  
Previous Median Price: \$240,000  
Based on 81 registered Unit sales compared over the last two rolling 12 month periods.

### Bedroom Breakdown



### Suburb Rental Yield

**+7.8%**

Current Median Price: \$212,500  
Current Median Rent: \$320  
Based on 161 registered Unit sales compared over the last 12 months.

Ray White Port Douglas & Mossman - Market Report December 2015. Materials provided are accurate to the best of our knowledge.

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