

MANDURAH

MOST PROPERTIES UNDER \$300K



Situated on Western Australia's beautiful coastline about 72km south of Perth, Mandurah prides itself on its mix of inner-city and semi-rural living between the Indian Ocean, the expansive waterways of the Peel-Harvey Estuary, and the lower reaches of the Serpentine River. Economic activity is centred on tourism, manufacturing, and retail. The Halls Head Indirect Water Reuse Project is based in Mandurah. Land use is limited by infertile soils due to poor water retention of the sandy dunes. Mandurah is a popular lifestyle alternative for Perth retirees.

KEY INDICATORS

INFRASTRUCTURE INVESTMENT COLD HOT

Road and railway links are being upgraded, causing a flurry of investment activity.

VACANCY RATES COLD HOT

The rental market is also recovering from oversupply issues created in the last decade.

POPULATION GROWTH

The area brings in lots of retirees and FIFO workers.

PROJECTED CAPITAL GROWTH

Once the remaining supply has been picked up, capital growth will have a healthy future.

PROJECTED RENTAL GROWTH

Well-paid FIFO workers will put pressure on rents. Expect high increases.

ESTIMATED RENTAL YIELDS

Rental yield is currently at 5% for homes, but this is set to grow solidly in the near to medium term.

DIVERSITY OF ECONOMY

Services and industries are good for a city of Mandurah's size but not necessarily a strong point.

AFFORDABILITY

Most properties are priced under \$300k, even near the beach. Median house price sits at \$290k.

SUPPLY & DEMAND

Much of the chronic oversupply that plagued the city has finally been soaked up.

COUNCIL PLANNING

The council has encouraged urban renewal but is having to tackle big issues that are mostly beyond their control.

WHY IT'S HOT

A lifestyle area to the south of Perth, Mandurah has seen recent ups and downs as a wave of mining-related wealth over the last decade has given way to levels of mortgage distress. Property prices remain appealing as this lifestyle area starts to see a new wave of wealth emerging – in part due to its popularity with a sector of the state's large FIFO mining workforce.

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Mandurah could be a solid choice for investors who feel priced out of Perth. Like the WA capital city, it too has benefited strongly from the state's soaring economic growth, but because property prices are still low while household incomes are rapidly increasing, Mandurah prices could probably hike up considerably before they are even close to a level considered 'unaffordable'. Translation: property prices should be able to go up unhindered for quite some time.

-Your Investment Property

STATS & FACTS

- A 'canary in the coal mine' for property trends around Perth
- Leading property performer prior to the global financial crisis and saw price declines after
- Excellent road and rail links to Perth; popular with seachangers and FIFO workers
- Massive population growth over the last 20 years and is now WA's second-largest city
- Offers a wide range of lifestyles and dwellings; a high proportion of retirees
- Strong tourism sector with growing education, hospitality and services industries
- Affordable housing with median price across region under \$500k
- Council planning for population to about double by 2031

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