

Mackay Property Market On The Rise

September 9, 2013

It appears the Mackay property cycle is on the way up, with respected property commentator Michael Matusik and independent property valuation and advisory group Herron Todd White recently indicating the Mackay market is in the 'recovery' or 'rising market' phase of the property cycle.

Mr Matusik said the recovery phase was characterised by rising sales, price growth, improving yields and more building activity.

"Mackay is currently experiencing a wave of building activity, with numerous developments going ahead in the CBD and surrounding areas and \$165 billion worth of resource projects underway," Mr Matusik said.

"In Abbot Point alone, there is \$24.9 billion worth of works underway including new terminals and port expansions."

Mr Matusik said in past years, Australian residential property owners had enjoyed annual capital gains of approximately 8.5 per cent per annum when holding a property for an entire cycle.

"History shows us the average property cycle lasts roughly eight years. There is always talk about how it will be different this time around, but history shows that there is a set of certain variables which, when combined in the right way, drive the property cycle," Mr Matusik said.

"Some of these drivers include investor confidence, broader economic conditions, liquidity, the amount of residential stock for sale and demand for housing."