



Southport

Property Factsheet

2nd Half 2018





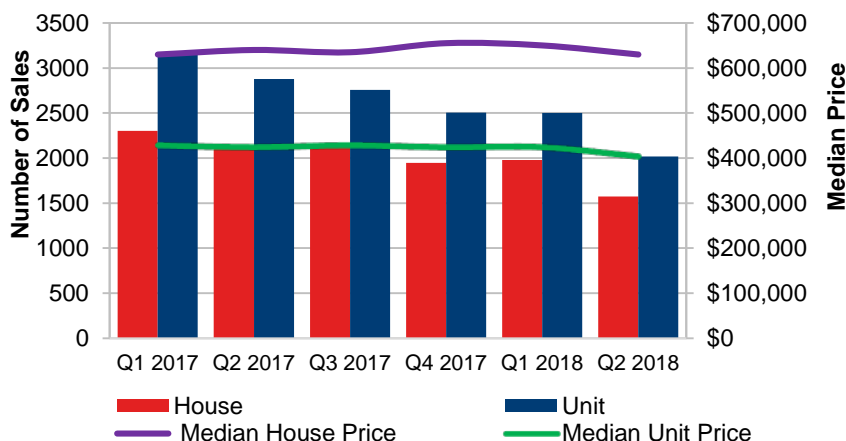
MARKET CONDITIONS

The Southport* property market recorded a median price of \$582,000 for houses and \$362,000 for units in Q2 2018, which represented an annual price change of 3.9% and -4.7%. Compared to *Southport* 1st half of 2018 research factsheet*, which reported a 4.5% (house) and 0.1% (unit) annual median price growth between Q4 2016 – Q4 2017, properties in Southport* is now more affordable. There is similar trend in the Gold Coast Local Government Area (LGA), which reported an annual price change of -1.0% (houses) and -5.4% (units) in Q2 2018, lower than the annual price change reported in the 1st half of 2018 research factsheet (4.9% and 0.0% growth for houses and units).

The above trends suggests that there is a slowing down in the Gold Coast City LGA market overall, with affordability increasing. That said compared to the Gold Coast City LGA property market Southport* offers a stronger property market, based on differences in annual median price change. Further, Q2 2018 Southport* median prices were lower than Gold Coast City LGA (\$633,750 for house and \$401,900 for units), which confirms Southport* as a hotspot for those looking for a more affordable alternative in the Gold Coast.

Southport* continue to offer investors high returns, with rental yields of 4.4% (house) and 5.2% (units) in June 2018. This is roughly on par with Gold Coast Main (4.3% for house and 5.5% for units) and higher than Brisbane Metro (3.8% for house and 5.0% for units). Median house rental price has increased by 4.2% to \$500/week over the past 12 months to Q2 2018 and unit median rent increased by 1.3% to \$405/week. Combined with a more affordable entry price to Gold Coast LGA this confirms Southport* as an investment hotspot.

GOLD COAST CITY GROWTH



OVERVIEW

Southport is a suburb and the central business district near the midpoint of Gold Coast. The combined area of Southport, Labrador, and Biggera Waters is home to 58,703 residents in 2016, a 15.0% growth over the past 5 years. The number of private dwellings grew by 11.0% over this timeframe, suggesting there is room for further residential development.

CHANGE FROM LAST	YEAR	HALF YEAR
House Sales	↓	↓
House Median Price	↓	↓
House Rental Price	↑	↔
Unit Sales	↓	↓
Unit Median Price	↓	↓
Unit Rental Price	↔	↔

FUTURE DEVELOPMENTS**

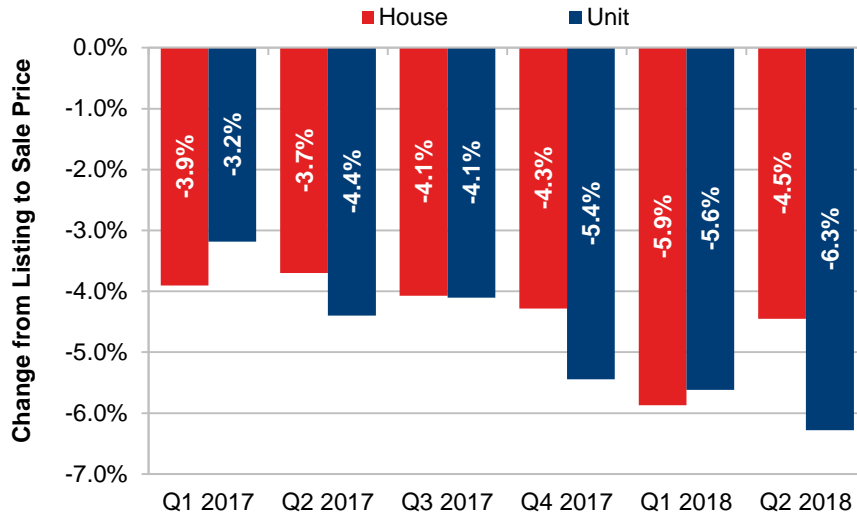
Southport* is set to see approx. \$298.1M worth of projects in the 2nd half of 2018, the majority of which is split equally between commercial (40.8%, \$121.5M) and mixed-use (36.9%, \$110.0M) developments.

Golden Age Retirement Village (\$30.0M) and Imperial Square Mixed-Use Student Accommodation (\$60.0M) are the two key commercial projects, each bringing a different demographic type into the area. The dual focus on commercial and mixed-use projects brings a unique value-add to Southport* as it will increase property stock as well as stimulate economic activity and local job growth at the same time.

A total of 638 units/apartments and 14 townhouses are planned for the 2nd half of 2018. A key mixed-use project is the Marine Parade and Railway Street Mixed-Use Development, adding 366 units into the market. Other notable residential projects include Minnie Street Units (\$20.0M, 96 units), Welch Street Apartments (\$15.0M, 50 apartments), and Scarborough Street Mixed Use (\$10.0M, 25 apartments). An increase in property stock is needed for the area, to ensure current and future demand are met.

*Southport market data and key indicators encapsulates aggregate property market conditions in the following suburbs: Southport, Labrador, and Biggera Waters.
 **Estimated values are based on construction value provided by the relevant data authority and does not reflect commercial and/or re-sale value.
 Source: APM Pricerfinder, realestate.com.au. © Copyright PRDnationwide 2018.

AVERAGE VENDOR DISCOUNT*



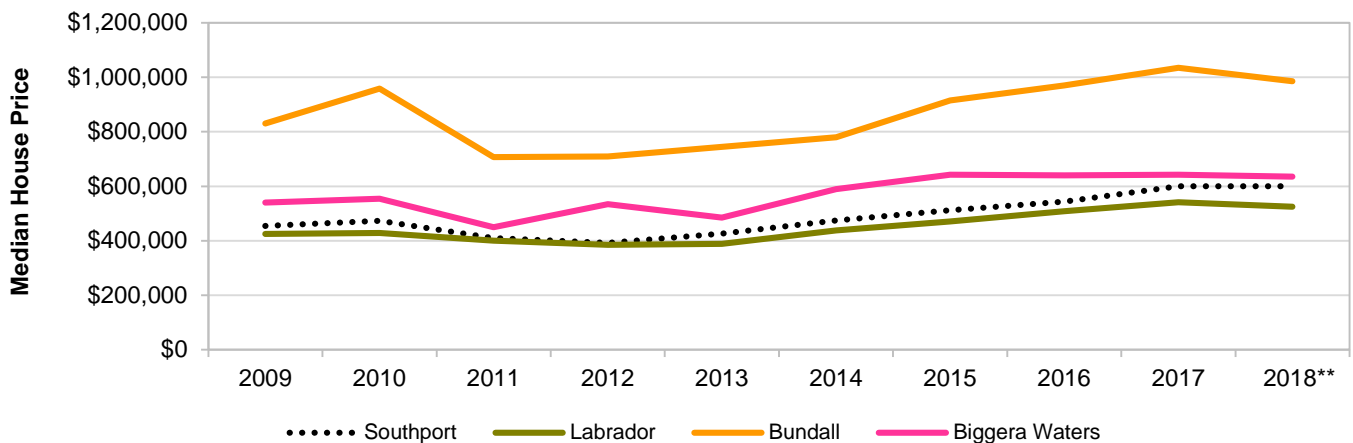
AVERAGE VENDOR DISCOUNT

Average vendor discount reflects the average percentage difference between first list price and final sold price. A lower percentage difference (closer to 0) suggests buyers are willing to purchase close to the first asking price of a property.

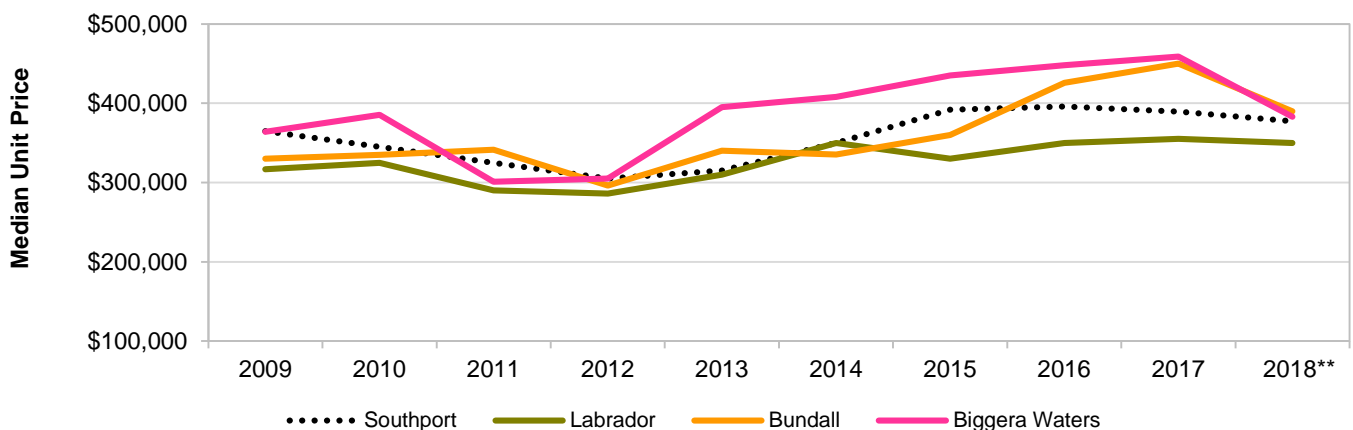
MARKET COMPARISON GRAPH

The market comparison graph provides comparative trend for median price of house and units over the past 10 years. Suburbs profiled are chosen based on proximity to the main suburb analysed in the factsheet, which is Southport. The main suburb is highlighted through a dotted black line graph.

HOUSE MARKET COMPARISON

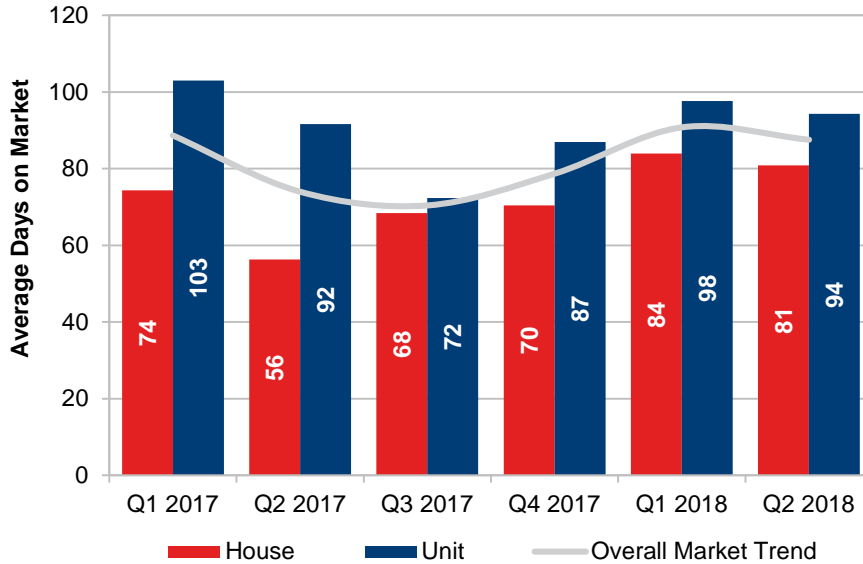


UNIT MARKET COMPARISON



*Southport market data and key indicators encapsulates aggregate property market conditions in the following suburbs: Southport, Labrador, and Biggera Waters .
Source: APM Pricefinder. © Copyright PRDnationwide 2018.

AVERAGE DAYS ON MARKET**



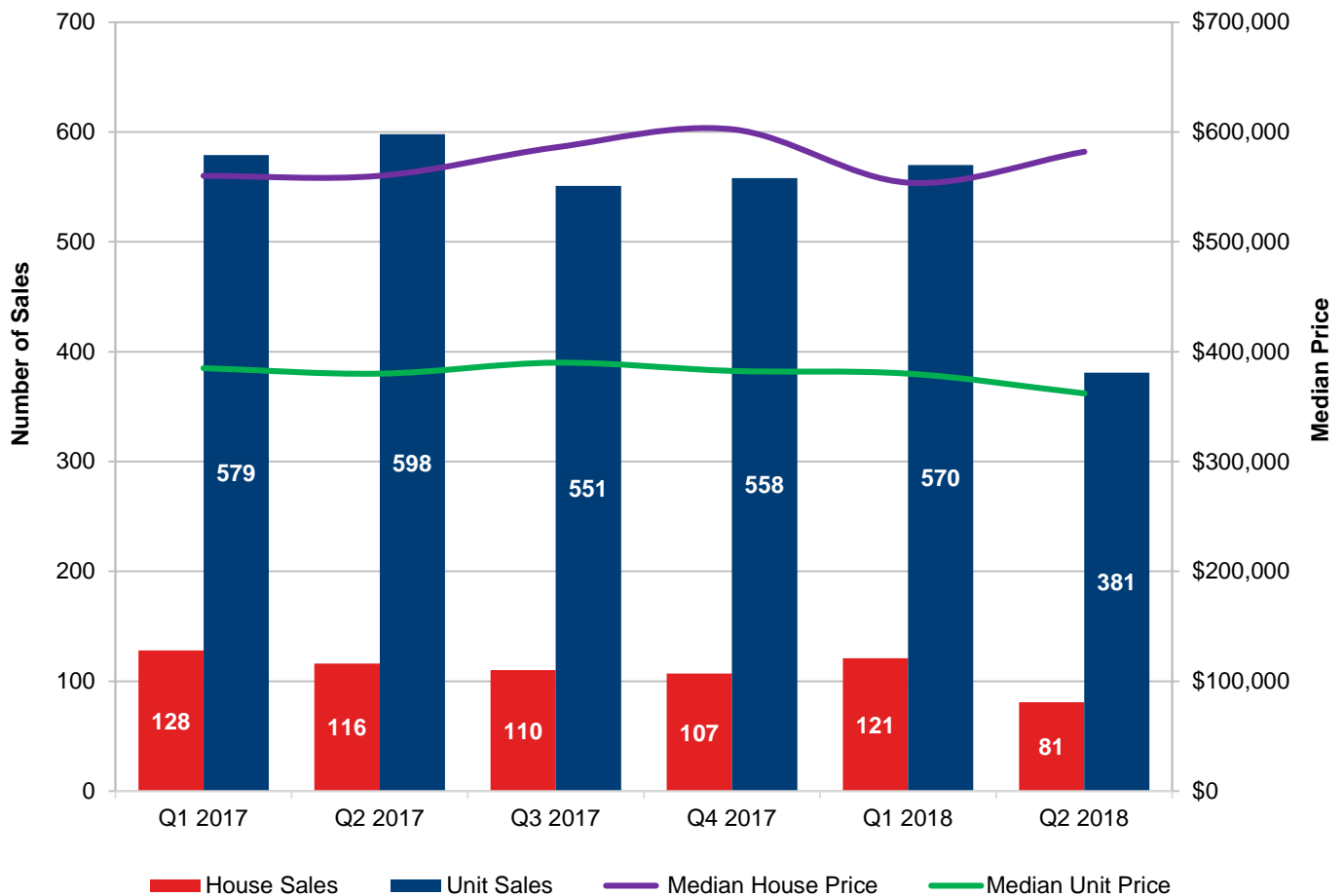
HOUSE KEY FACTS Q2 2018

Median Sale Price: \$582,000
 Annual Growth: 3.9%*
 Average Days on Market: 81
 % Change between First Listed Price and Sold Price: -4.5%

UNIT KEY FACTS Q2 2018

Median Sale Price: \$362,000
 Annual Growth: -4.7%*
 Average Days on Market: 94
 % Change between First Listed Price and Sold Price: -6.3%

SALES AND MEDIAN PRICE**



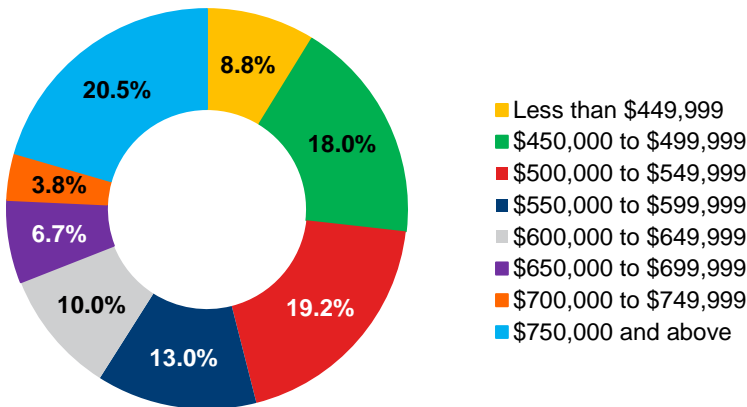
*Annual growth represents price growth for property transactions between Q2 2017 to Q2 2018 (inclusive).

**Southport market data and key indicators encapsulates aggregate property market conditions in the following suburbs: Southport, Labrador, and Biggera Waters.

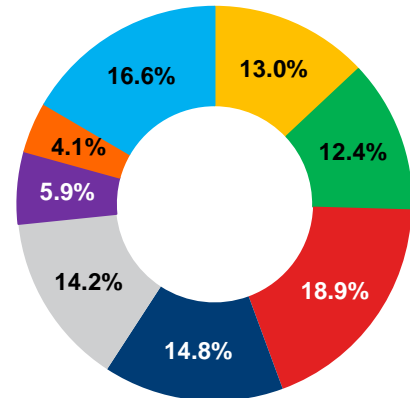
Source: APM Pricerfinder, realestate.com.au, SQM Research. © Copyright PRDnationwide 2018.

SALES PRICE POINT COMPARATIVE ANALYSIS

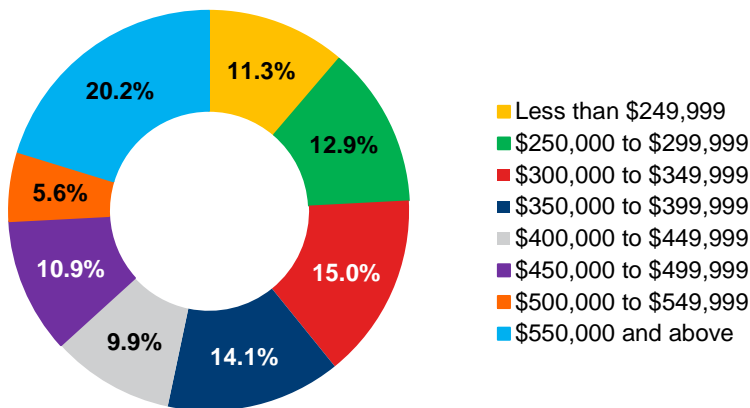
HOUSE PRICE POINT 1st HALF 2017



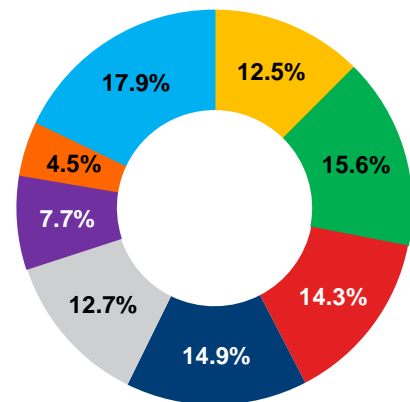
HOUSE PRICE POINT 1st HALF 2018



UNIT PRICE POINT 1st HALF 2017**



UNIT PRICE POINT 1st HALF 2018**



KEY IMPLICATIONS - HOUSE

The Southport* house market price structure has seen some interesting shifts between the 1st half of 2017 and the 1st half of 2018. In the 1st half of 2018 those seeking affordable options below \$450K will rejoice, as the pool of sales within this price bracket has increased from 8.8% to 13.0%. This suggests that now is the time for first home buyers to act and secure their dream property.

The middle-price range market of \$500-\$650K has slightly strengthened, increasing from a total of 42.2% to 47.9% in the 1st half of 2018. This provides both owners and buyers with some stability in the market. Premium priced houses has declined in demand, to 16.6% in the 1st half of 2018.

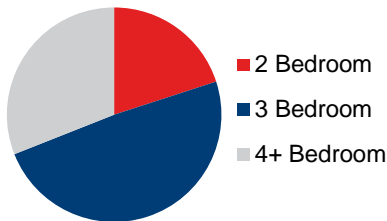
KEY IMPLICATIONS - UNIT

The mid-market price range, of \$300-\$450K, in Southport* has strengthened from 39.0% in the 1st half 2017 to 41.9% in the 1st half of 2018, suggesting increased affordability in the area. The lower end market of \$300K plus has also strengthened, from a total of 24.2% to 28.1% in the 1st half of 2018. Now is an ideal time for first home buyers and investors to enter the market.

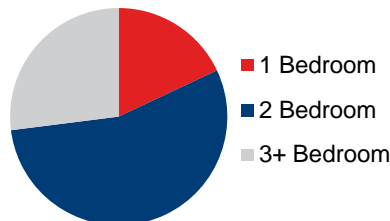
That said the dominant price bracket for units sold in Southport* in the 1st half of 2018 continue to be within the \$550K+ price range. This is despite the reported -4.7% softening in annual median price change (Q2 2017 – Q2 2018), suggesting there is resilience within the market.

INVESTMENT ANALYSIS

HOUSE



UNIT



HOUSE KEY FACTS Q2 2018

Median Rent Price: \$500 per week
 Rental Yield: 4.4%
 Average Days on Market: 29
 Bedroom Breakdown:
 2 Bed: 20%, 3 Bed: 49%, 4+ Bed: 31%

UNIT KEY FACTS Q2 2018

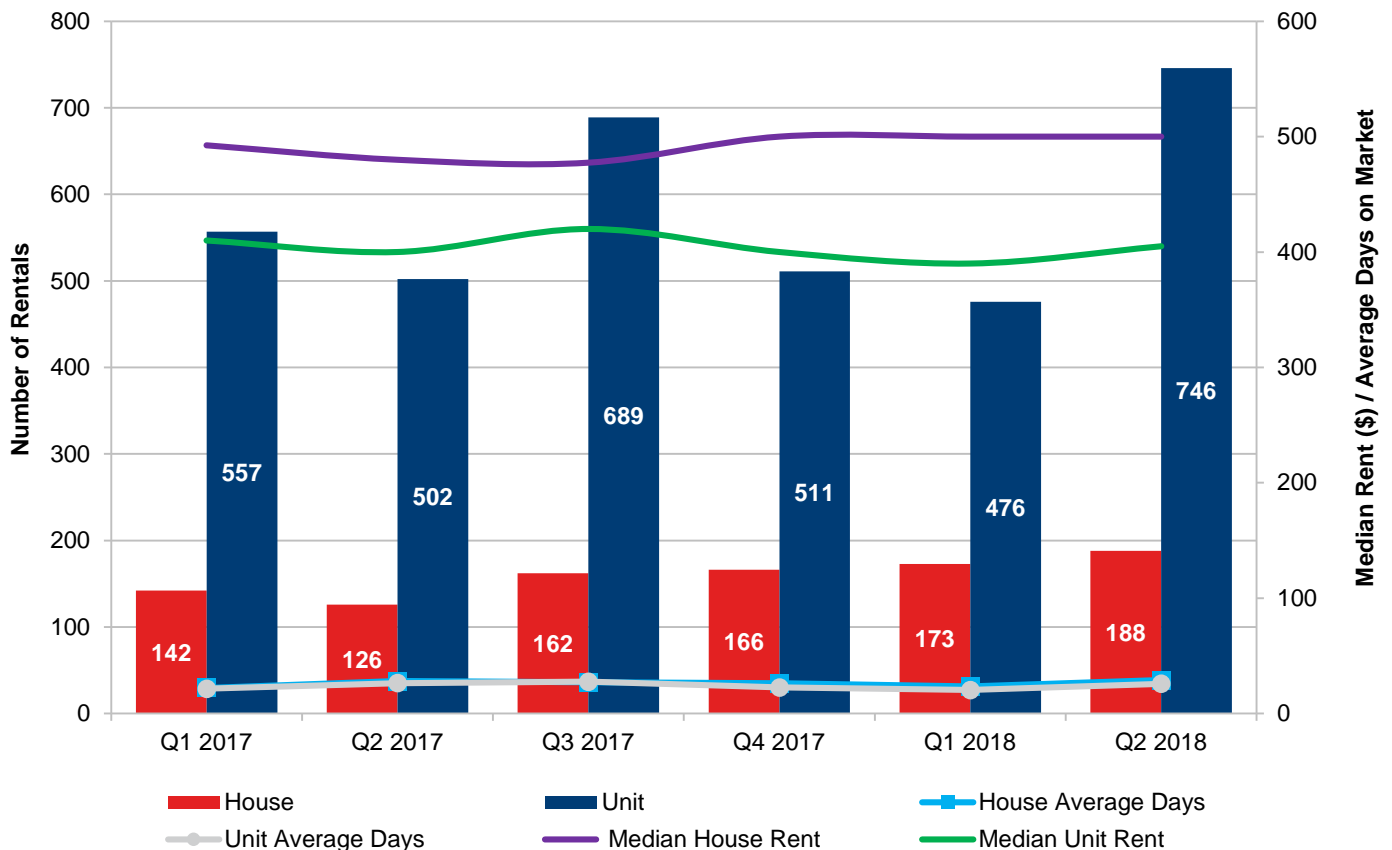
Median Rent Price: \$405 per week
 Rental Yield: 5.2%
 Average Days on Market: 26
 Bedroom Breakdown:
 1 Bed: 18%, 2 Bed: 55%, 3+ Bed: 27%



KEY COMMENTS

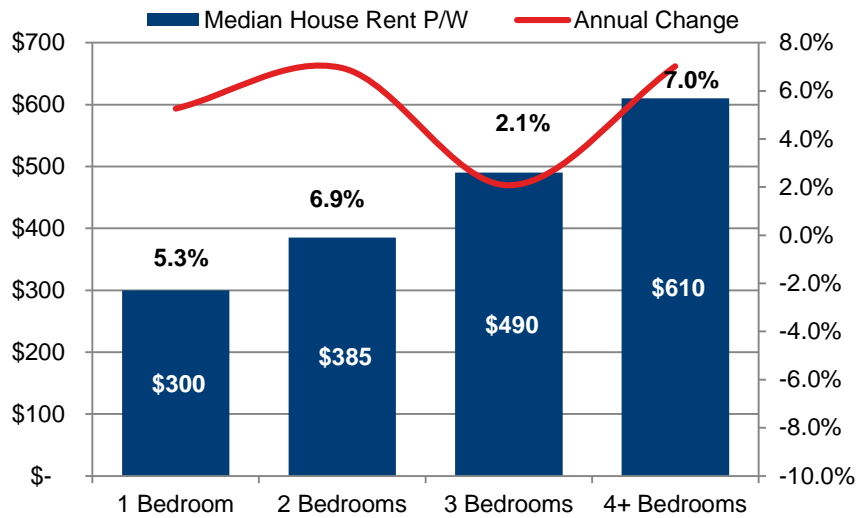
Interest in Southport* was recorded at an average of 258 online visits per property in June 2018, indicating a stable level of demand when compared to December 2017 (255 online visits per property). The Southport* rental market is proving to be an investment hotspot, as the number of houses and units rented grew by 49.2% and 48.6% (respectively) between Q2 2017-Q2 2018, yet median rent price during this timeframe has grown by 4.2% and 1.3% (respectively). This suggests a healthy rental demand market where median rent price increases are not due to scarcity in the market. Now is the time for investors to enter the market.

MEDIAN RENT AND AVERAGE DAYS ON MARKET*



*Disclaimer: Southport market data and key indicators encapsulates aggregate property market conditions in the following suburbs: Southport, Labrador, and Biggera Waters. Source: APM Pricfinder, realestate.com.au, SQM Research. © Copyright PRDnationwide 2018.

RENTAL PERFORMANCE 2018*



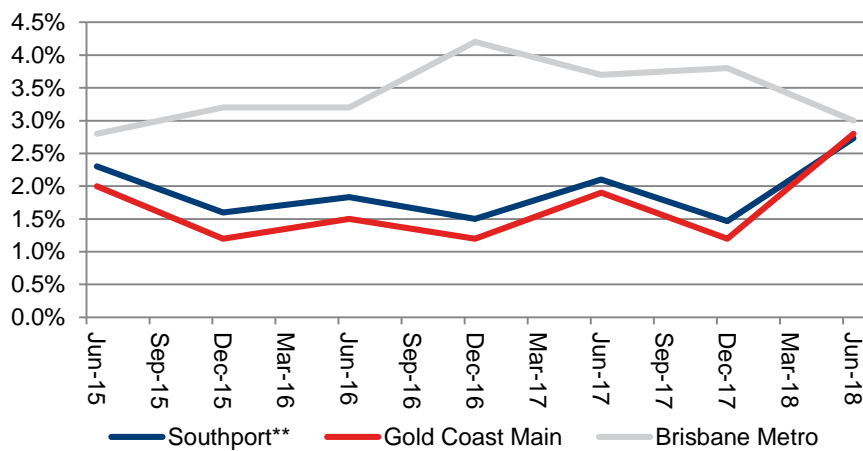
KEY COMMENTS

Southport* provides comparable rental yields to the Gold Coast Main area and Brisbane Metro, making it a viable and more affordable investment option.

2 bedrooms and 4+ bedrooms have seen equal price change over the past 12 months, at 6.9% and 7.0%.

Vacancy rates in Southport* was 2.7% in June 2018, on par with Gold Coast Main (2.8%) and lower than Brisbane Metro (3.0%). This suggests a higher occupancy rate in Southport*. Vacancy rates are slightly increasing however it is at a milder lever when compared to Gold Coast Main's, confirming the area as having a healthier rental demand.

VACANCY RATES 2018



RENTAL YIELD 2018

Suburb/Postcode/LGA	House Rental Yield	Unit Rental Yield
Southport*	4.4%	5.2%
Gold Coast Main	4.3%	5.5%
Brisbane Metro	3.8%	5.0%

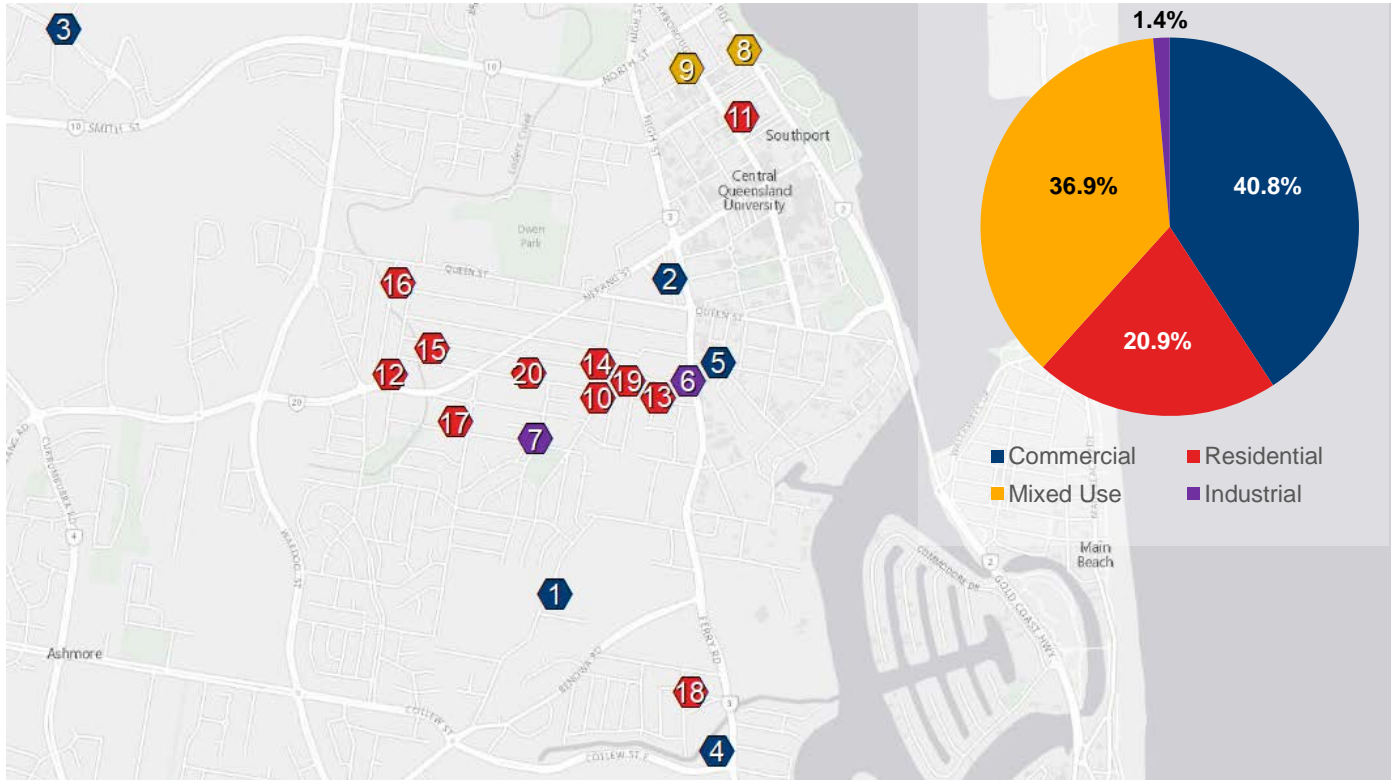
KEY HOUSING DEMOGRAPHICS

	Southport	Gold Coast City LGA	Queensland
Median weekly rent	\$350	\$390	\$330
Family households	7,108	141,486	1,189,859
Single or lone person households	4,369	45,955	389,076
Worked full time	7,696	156,202	1,333,193
Worked part time	5,171	91,869	691,751
Occupied private dwellings	12,842	198,682	1,658,828
Unoccupied private dwellings	1,745	23,347	195,570

*Rental performance graph represents aggregate house median rent prices in the following suburbs: Southport, Labrador, and Biggera Waters. Annual change is a comparison between 1st half 2017 and 1st half 2018 median rent figures.

**Southport vacancy rates are an aggregate of the following postcodes: 4215, 4216 and 4217.
Source: APM Pricerfinder, SQM Research, ABS Census 2016. © Copyright PRDnationwide 2018.

PROJECT DEVELOPMENT MAP 2nd HALF 2018*



Location	Project**	Type	Estimated Value***	Commence Date****
1	Golden Age Retirement Village Marana Gardens Aged Care Facility Stage 1	Commercial	\$30,000,000	16/07/2018
2	Bolton Clarke Residential Aged Care Facility	Commercial	\$25,000,000	15/10/2018
3	Woolworths Supermarket Parklands Conversion	Commercial	\$3,500,000	23/07/2018
4	Ferry Road Office Building	Commercial	\$3,000,000	18/11/2018
5	Imperial Square Mixed-Use Student Development	Commercial	\$60,000,000	29/10/2018
6	Ferry Road Warehouse Units	Industrial	\$2,200,000	15/09/2018
7	Alicia Street Warehouse	Industrial	\$2,000,000	23/12/2018
8	Marine Parade & Railway Street Mixed Use Development (366 Units)	Mixed-Use	\$100,000,000	27/12/2018
9	Scarborough Street Mixed Use Development (25 Apartments)	Mixed-Use	\$10,000,000	29/10/2018
10	Minnie Street Units (96 Units)	Residential	\$20,000,000	12/11/2018
11	Welch Street Apartments (50 Apartments)	Residential	\$15,000,000	08/12/2018
12	Ward Street Units (42 Units)	Residential	\$8,000,000	02/10/2018
13	Minnie Street Apartments (21 Apartments)	Residential	\$4,600,000	05/10/2018
14	Falconer Street Units (14 Units)	Residential	\$4,000,000	18/11/2018
15	Falconer Street Apartments (12 Apartments)	Residential	\$3,000,000	18/10/2018
16	Prince Street Apartments (8 Apartments)	Residential	\$1,800,000	12/11/2018
17	Blake Street Townhouses (5 Townhouses)	Residential	\$1,500,000	24/10/2018
18	Deauville Drive Townhouses (5 Townhouses)	Residential	\$1,500,000	22/11/2018
19	Allan Street Townhouses (4 Townhouses)	Residential	\$1,500,000	16/12/2018
20	Minnie Street Units (4 Units)	Residential	\$1,500,000	18/12/2018

*Disclaimer: Project development map showcases a sample of upcoming projects only, due to accuracy of addresses provided by the data provider for geocoding purposes.

**Projects refers to the top developments within the suburb of Southport.

***Estimated value is the value of construction costs provided by relevant data authority, it does not reflect the project's sale/commercial value.

****Commencement date quoted for each project is an approximate only, as provided by the relevant data authority, PRDnationwide does not hold any liability to the exact date.

Source: Cordell Database, ESRI ArcGIS, Department of Planning and Environment NSW, Gold Coast City Council. © Copyright PRDnationwide 2018.

ABOUT PRDnationwide RESEARCH

PRDnationwide's research division provides reliable, unbiased, and authoritative property research and consultancy to clients in metro and regional locations across Australia

Our extensive research capability and specialised approach ensures our clients can make the most informed and financially sound decisions about residential and commercial properties.

OUR KNOWLEDGE

Access to accurate and objective research is the foundation of all good property decisions

As the first and only truly knowledge based property services company, PRDnationwide shares experience and knowledge to deliver innovative and effective solutions to our clients.

We have a unique approach that integrates people, experience, systems and technology to create meaningful business connections. We focus on understanding new issues impacting the property industry; such as the environment and sustainability, the economy, demographic and psychographic shifts, commercial and residential design; and forecast future implications around such issues based on historical data and fact.

OUR PEOPLE

Our research team is made up of highly qualified researchers who focus solely on property analysis

Skilled in deriving macro and micro quantitative information from multiple credible sources, we partner with clients to provide strategic advice and direction regarding property and market performance. We have the added advantage of sourcing valuable and factual qualitative market research in order to ensure our solutions are the most well considered and financially viable.

Our experts are highly sought after consultants for both corporate and government bodies and their advice has helped steer the direction of a number of property developments and secured successful outcomes for our clients.

OUR SERVICES

Our research services span over every suburb, LGA, and state within Australia; captured in a variety of standard and customized products

We have the ability and systems to monitor market movements, demographic changes and property trends. We use our knowledge of market sizes, price structure and buyer profiles to identify opportunities for clients and provide market knowledge that is unbiased, thorough and reliable.



OUR SERVICES INCLUDE:

- Advisory and consultancy
- Market Analysis including profiling and trends
- Primary qualitative and quantitative research
- Demographic and target market Analysis
- Geographic information mapping
- Project Analysis including product and pricing recommendations
- Rental and investment return analysis

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