



Runaway Bay & Surrounds (4216)

Property Factsheet

2nd Half 2018





MARKET CONDITIONS

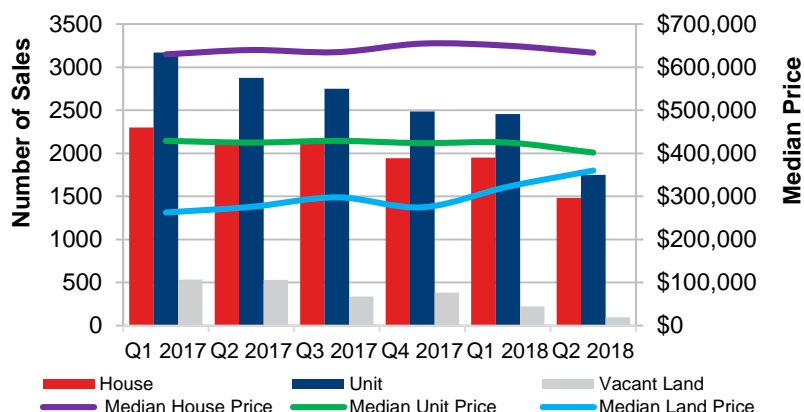
The Runaway Bay* median house price grew by 19.8% between Q2 2017 – Q2 2018, recording \$760,000. On the other hand, the unit market has turned into a buyer's market as median prices for units softened by -13.7% to \$417,000. Compared to the *Runaway Bay 1st Half 2018 Research Factsheet*, which reported an annual (Q4 2016-Q4 2017) house and unit median price change of 8.0% and 3.2% (respectively); the housing market in Runaway Bay* has strengthened whilst units have become more affordable.

Between Q2 2017- Q2 2018 median price for properties in the Gold Coast Local Government Area (LGA) has softened, by -1.0% to \$633,750 for houses and by -5.4% to \$401,900 for units. Compared to the LGA buyers in Runaway Bay* have to pay a premium price to purchase a house, however they are rewarded with higher capital growth. The unit market in both Runaway Bay* and Gold Coast LGA are now more affordable, thus first home buyers are encouraged to capitalize on this opportunity.

Average vendor discounting widened to -6.3% for houses and -5.0% for units between Q2 2017 - Q2 2018. This suggests that sellers are willing to negotiate on their first asking price and buyers are benefiting from increased affordability. This further confirms that now is the time to enter the market in Runaway Bay*.

Weekly median rent in Runaway Bay* over the past 12 months to Q2 2018 has softened to \$550 for houses. Conversely, it has strengthened to \$430 for units. Investors are enjoying a rental yield of 4.0% (houses) and 5.7% (units), similar to Gold Coast Main at 4.3% (houses) and 5.5% (units). Those looking to invest in the Gold Coast's property market are urged to consider Runaway Bay*.

GOLD COAST CITY REGION GROWTH



OVERVIEW

Runaway Bay is located approx. 7.4km north of Southport. According to ABS Census 2016 Runaway Bay's population grew by 1.8% over the past 5 years whilst the number of private dwelling grew by 2.0%. This suggests a balanced supply and demand market. Increasing property stock may result in a more affordable market in the near future.

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

FUTURE DEVELOPMENTS**

Developments in Runaway* commencing and those expected to be completed in the 2nd half of 2018 are estimated at approx. \$49.0M. The majority of this development are residential projects (78.0%), which are designed to meet high rental demand. This is followed by commercial developments (22.0%), which will further stimulate economic activity and boost local job growth in the area.

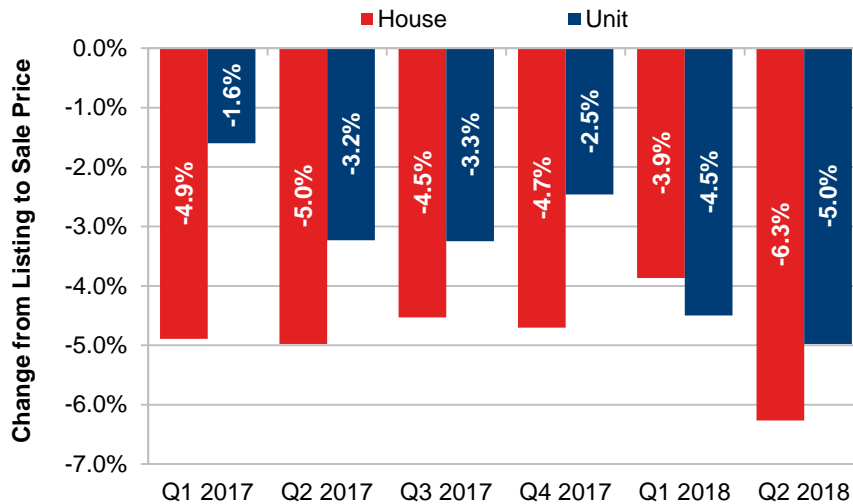
Residential projects (9 projects) will add a total of 80 townhouses, 10 villas, 60 units/apartments, and 58 subdivision lots into the Runaway Bay* area.

Handsford Residences Coombabah (\$10.5M) is a significant upcoming residential project. This involves the construction of 50 x 3 bedroom and 7 x 4 bedroom two-storey townhouses with 97 car park. Another key residential project is the Falkinder Avenue Apartments (\$8.0M), adding 40 units into the market.

The main commercial project is the Harbour Town Eat Street Precinct (\$10.0M). This involves the construction of new 1375 sqm building with five restaurant tenancies and additional car parks.

*Runaway Bay market data and key indicators encapsulates aggregate property market conditions in the following suburbs: Runaway Bay, Biggera Waters, Coombabah, Hollywell and Paradise Point.
**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 Pricefinder, realestate.com.au, ABS Census 2016. © Copyright PRDnationwide 2018.

AVERAGE VENDOR DISCOUNT*



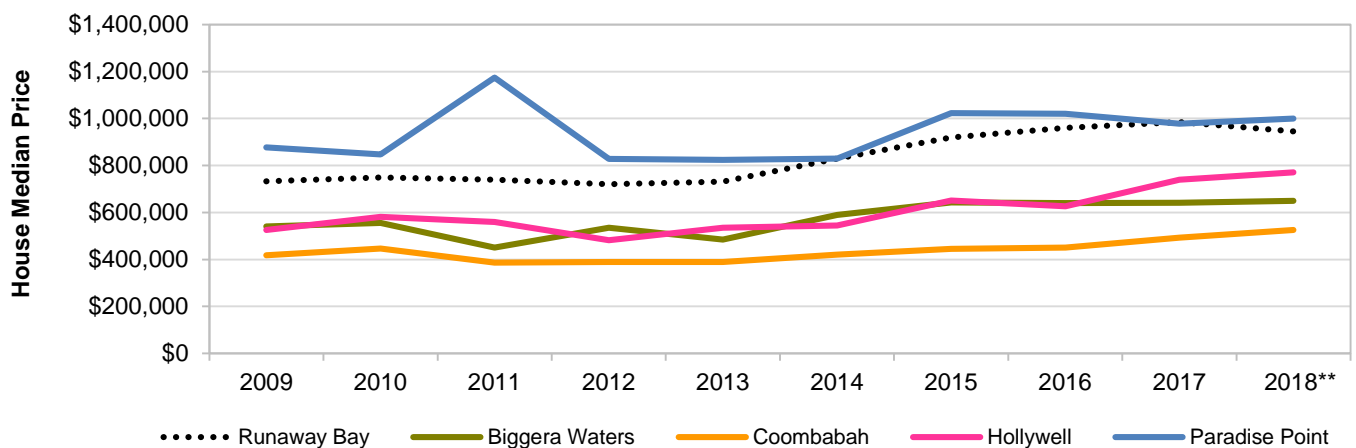
AVERAGE VENDOR DISCOUNT

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.

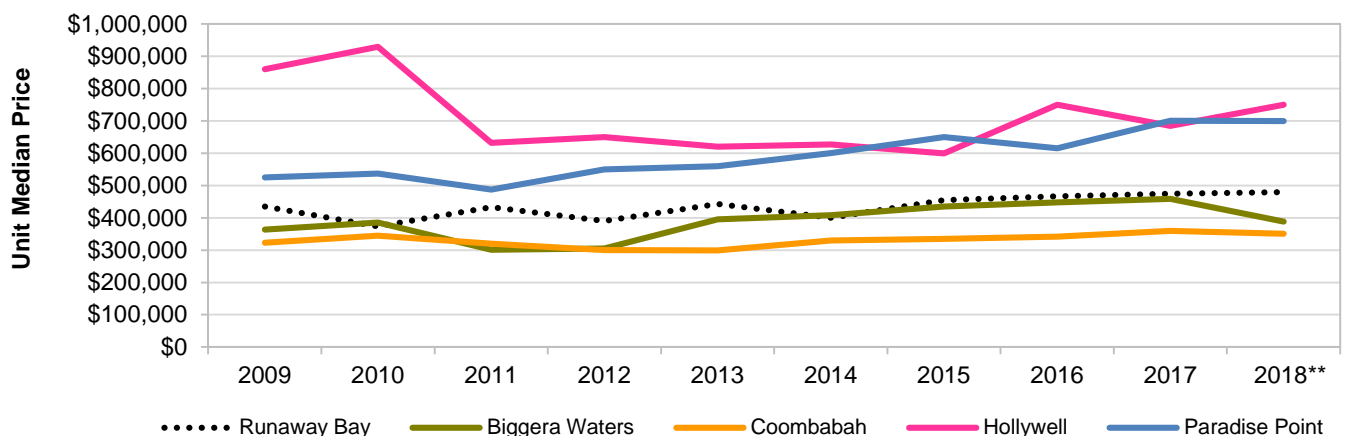
MARKET COMPARISON GRAPH

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 Runaway Bay. The main suburb is highlighted through a dotted black line graph.

HOUSE MARKET COMPARISON



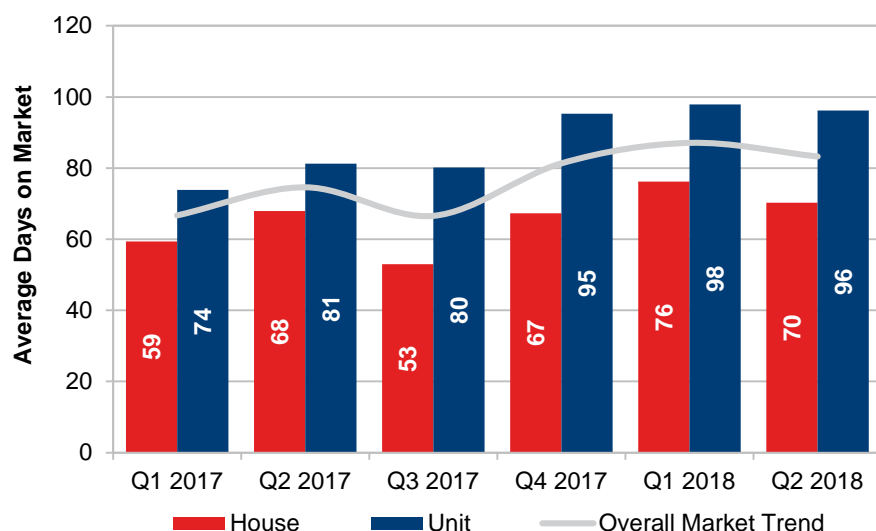
UNIT MARKET COMPARISON



*Runaway Bay market data and key indicators encapsulates aggregate property market conditions in the following suburbs: Runaway Bay, Biggera Waters, Coombabah, Hollywell and Paradise Point.

Source: APM Pricefinder. © Copyright PRDNationwide 2018.

AVERAGE DAYS ON MARKET**



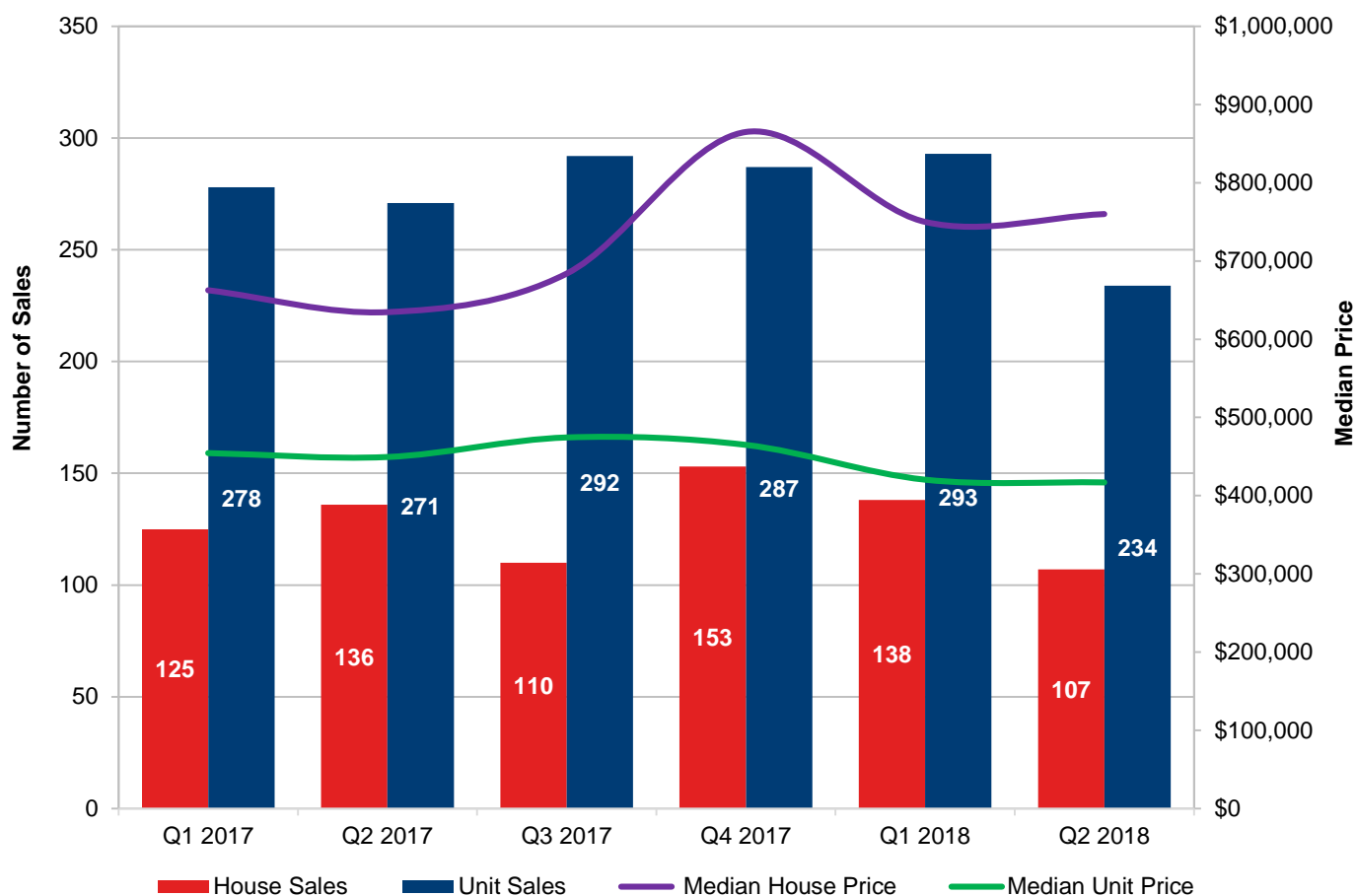
HOUSE KEY FACTS Q2 2018

Median Sale Price: \$760,000
Annual Growth: 19.8%*
Average Days on Market: 70
% Change between First Listed Price and Sold Price: -6.3%

UNIT KEY FACTS Q2 2018

Median Sale Price: \$417,000
Annual Growth: -13.7%*
Average Days on Market: 96
% Change between First Listed Price and Sold Price: -5.0%

SALES AND MEDIAN PRICE**



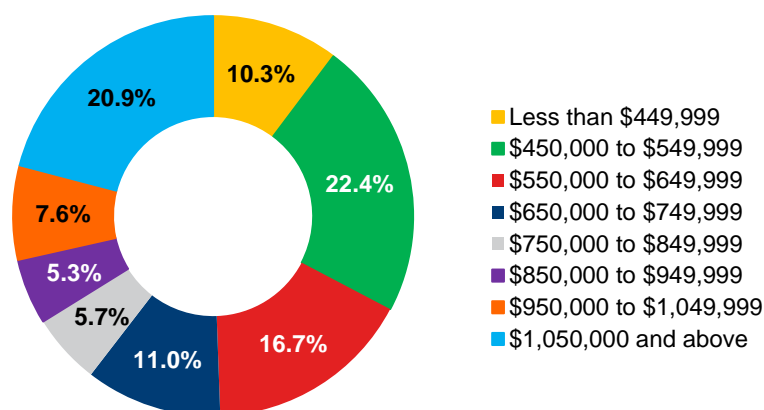
*Annual growth represents price growth for property transactions between Q2 2017 to Q2 2018 (inclusive).

**Runaway Bay market data and key indicators encapsulates aggregate property market conditions in the following suburbs: Runaway Bay, Biggera Waters, Coombabah, Hollywell and Paradise Point.

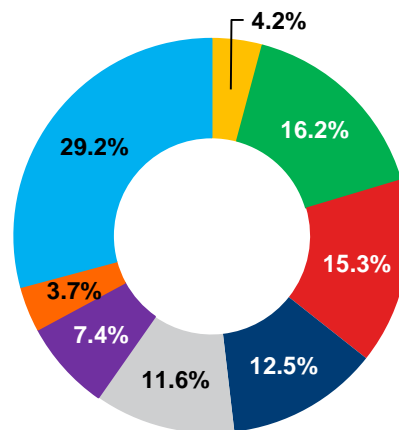
Source: APM Pricefinder, realestate.com.au, SQM Research. © Copyright PRDNationwide 2018.

SALES PRICE POINT COMPARATIVE ANALYSIS*

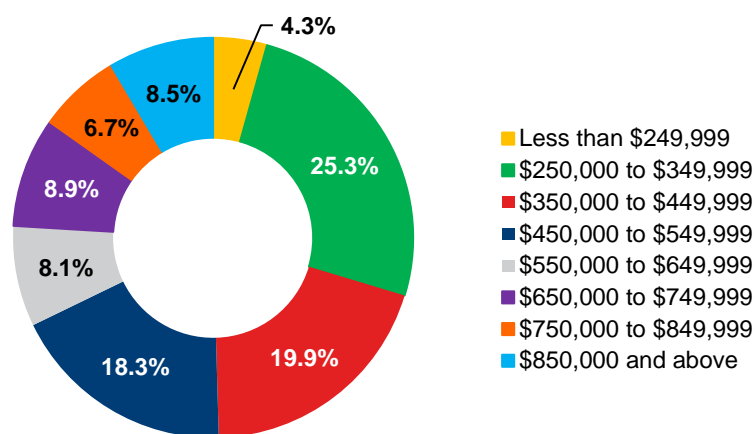
HOUSE PRICE POINT 1st HALF 2017



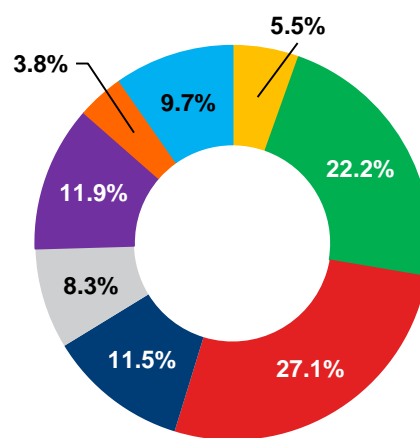
HOUSE PRICE POINT 1st HALF 2018



UNIT PRICE POINT 1st HALF 2017**



UNIT PRICE POINT 1st HALF 2018**



KEY IMPLICATIONS - HOUSE

The dominant proportion of houses sold in the 1st half of 2018 was in the highest price bracket, of \$1M and above (29.2%). This significant shift, from the \$400K - \$500K bracket in the 1st half of 2017, is reflective of the 19.8% annual median price change between Q2 2-17-Q2 2018. This is good news for sellers looking to put their property in the market, to benefit from the spike in capital growth.

Affordable options, house within the less than \$450k bracket, is diminishing to only 4.2% (from 10.3%) in the 1st half of 2018. First home buyers looking for affordable homes are encouraged to act fast and enter the market while this opportunity still exists.

KEY IMPLICATIONS - UNIT

The dominant proportion of units sold in the 1st half of 2018 was within the \$350K-\$450K price segment (27.1%); a higher priced bracket compared to the \$250K-\$350K dominant proportion in the 1st half of 2017. This suggests that there is a shift towards higher pricing in the Runaway Bay* unit market. This will provide attractive opportunities for investors and owner occupiers.

Apart from the sales volume in \$750K-\$850K price bracket, all sales volume above \$550K has slightly increased. This further confirms a shift towards higher pricing in the market, which is good news for sellers who are looking to sell premium unit stock.

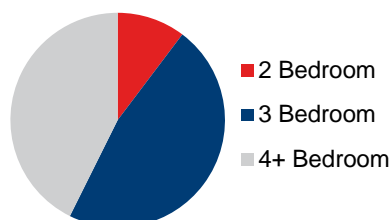
*Disclaimer: Runaway Bay market data and key indicators encapsulates aggregate property market conditions in the following suburbs: Runaway Bay, Biggera Waters, Coombabah, Hollywell and Paradise Point.

**For comparative purposes, house and unit sales for 2017 and 2018 are only representative of the 1st half of each year.

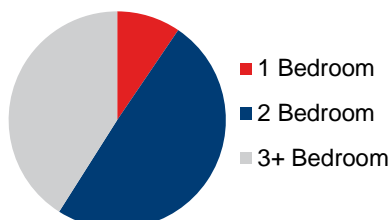
Source: APM Pricerfinder. © Copyright PRDnationwide 2018.

INVESTMENT ANALYSIS

HOUSE



UNIT



HOUSE KEY FACTS Q2 2018

Median Rent Price: \$550 per week
Rental Yield: 4.0%
Average Days on Market: 25
Bedroom Breakdown:
 2 Bed: 10%, 3 Bed: 47%, 4+ Bed: 43%

UNIT KEY FACTS Q2 2018

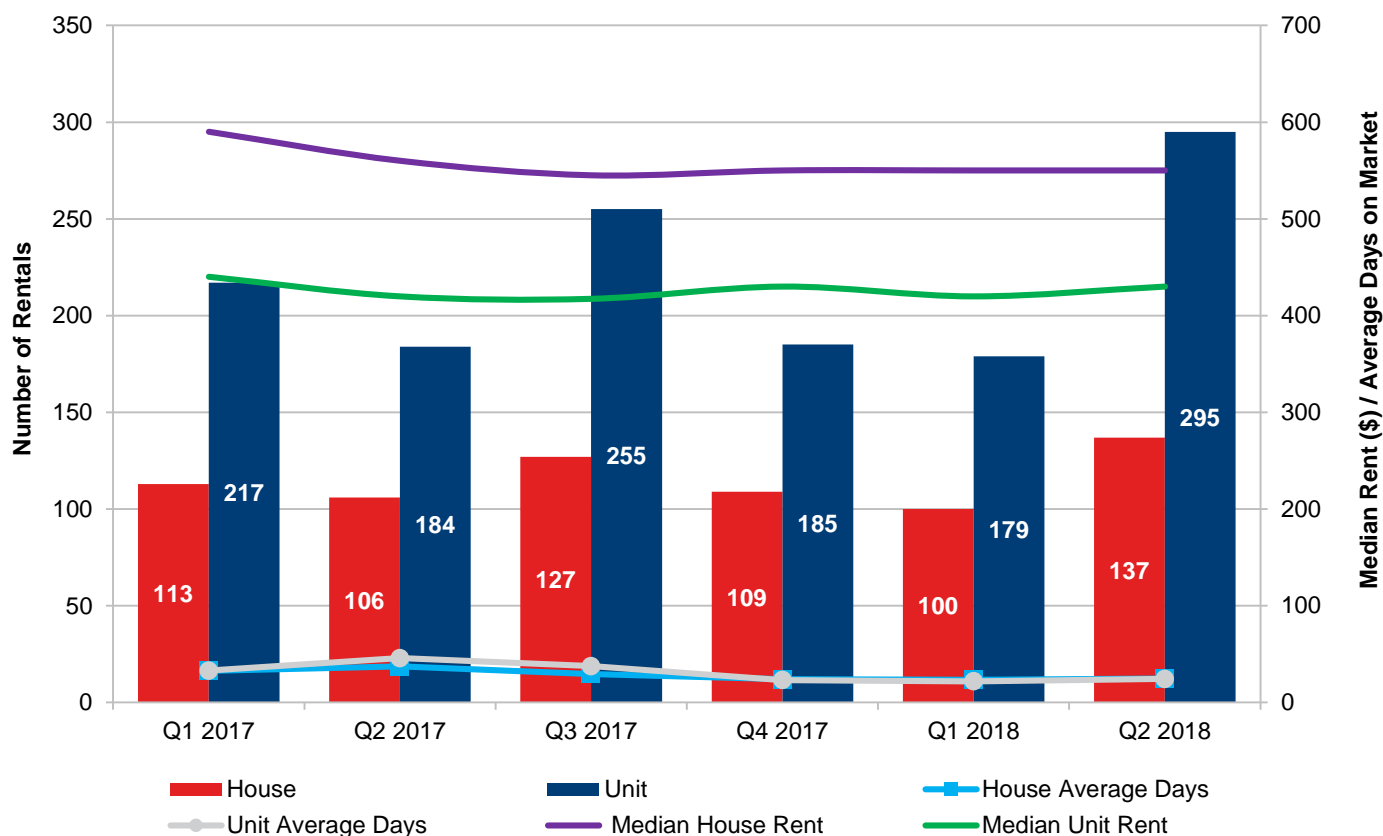
Median Rent Price: \$430 per week
Rental Yield: 5.7%
Average Days on Market: 24
Bedroom Breakdown:
 1 Bed: 9%, 2 Bed: 49%, 3+ Bed: 41%

KEY COMMENTS

Over the past 12 months to Q2 2018 rental demand has increased by 29.2% for houses and 60.3% for units. During this timeframe weekly median rent softened by -1.8% to \$550 for houses while median weekly rent for units has increased by 2.4% to \$430. This suggests real growth in rental returns for unit investors, as the rental price increase was not due to scarcity of stock. With unit median price becoming more affordable this creates an attractive proposition to first time investors. House investors are encouraged to secure longer tenancy agreements due to the slight softening in the market.

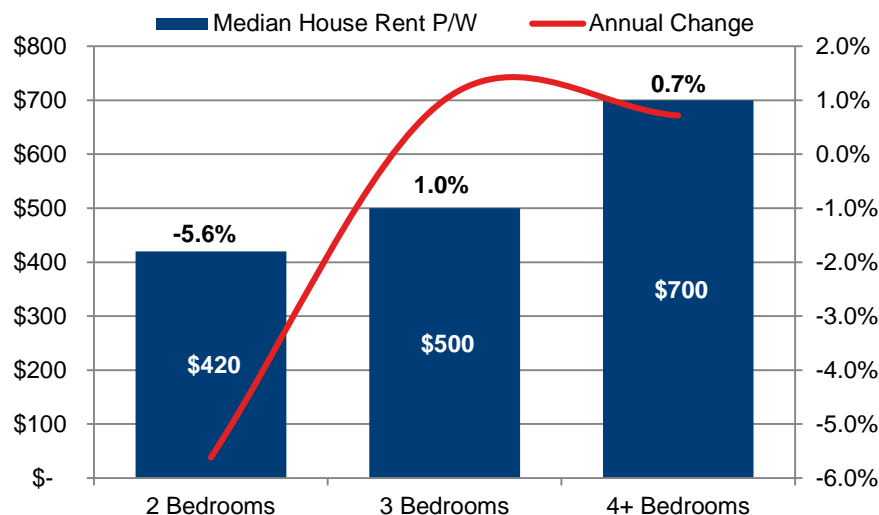


MEDIAN RENT AND AVERAGE DAYS ON MARKET*



*Disclaimer: Runaway Bay market data and key indicators encapsulates aggregate property market conditions in the following suburbs: Runaway Bay, Biggera Waters, Coombabah, Hollywell and Paradise Point.
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RENTAL PERFORMANCE 2018*



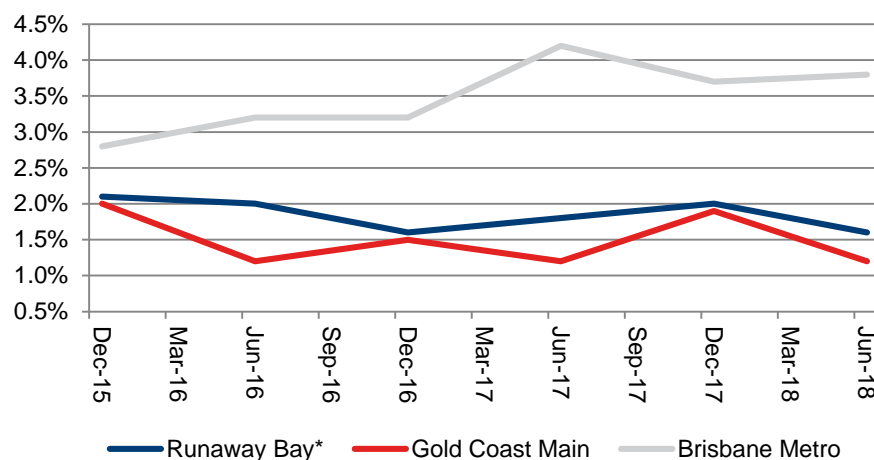
KEY COMMENTS

Unit rental yield in Runaway Bay* and Gold Coast Main grew to 5.7% and 5.5% respectively, outpacing that of Brisbane Metro.

3 bedroom houses provide investors with the highest annual rental growth at 1.0%, whilst 4+ bedrooms fetched the highest weekly rent at \$700.

Vacancy rates in Runaway Bay* has remained stable at 2.0% over the past 12 months to June 2018. Runaway Bay* has a lower vacancy rate than Gold Main's 2.8% and Brisbane Metro's 3.0%. This suggests a healthier rental demand in Runaway Bay*, good news for investors.

VACANCY RATES 2018



RENTAL YIELD 2018

Suburb/ Postcode/ LGA	House Rental Yield	Unit Rental Yield
Runaway Bay*	4.0%	5.7%
Gold Coast Main	4.3%	5.5%
Brisbane Metro	3.8%	5.0%

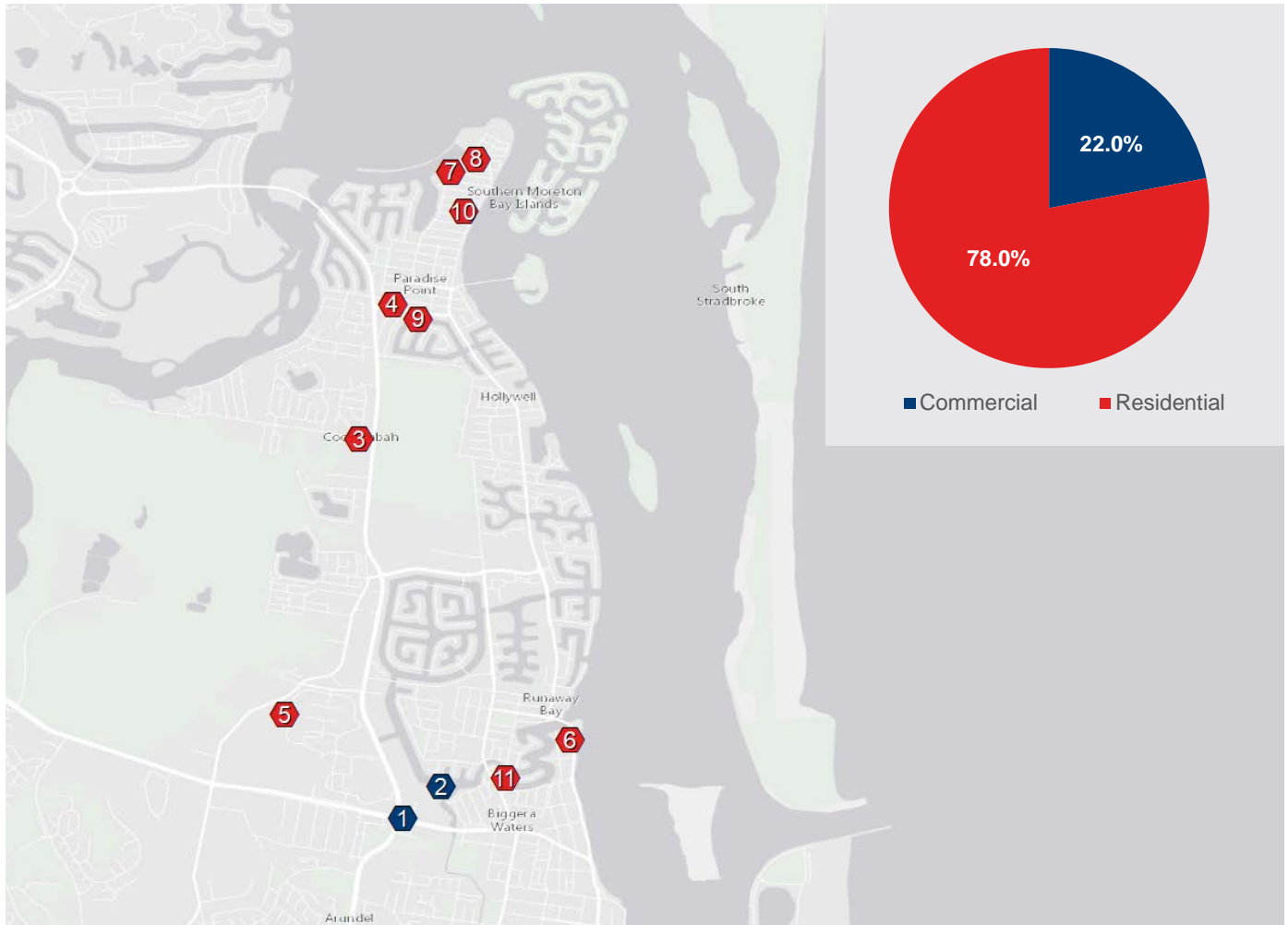
KEY HOUSING DEMOGRAPHICS

	Runaway Bay	Gold Coast City LGA	Queensland
Median weekly rent	\$380	\$390	\$330
Family households	2,642	141,486	1,189,859
Single or lone person households	1,014	45,955	389,076
Worked full time	2,313	156,202	1,333,193
Worked part time	1,342	91,869	691,751
Occupied private dwellings	3,792	198,682	1,656,828
Unoccupied private dwellings	603	23,347	195,570

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

Source: APM Pricer, SQM Research, ABS Census 2016. © Copyright PRDnationwide 2018.

PROJECT DEVELOPMENT MAP 2018*



Location	Project**	Type	Estimated Value***	Commence Date****
1	Harbour Town Eat Street Precinct	Commercial	\$10,000,000	26/04/2018
2	Harbour Side Court Marina Berths	Commercial	\$800,000	05/03/2018
3	Hansford Residences Coombabah (57 Townhouses)	Residential	\$10,500,000	23/07/2018
4	Falkinder Avenue Apartments (40 Units)	Residential	\$8,000,000	09/12/2018
5	Compass Drive Townhouses (20 Townhouses)	Residential	\$6,000,000	02/04/2018
6	Skyhomes Biggera Waters (9 Units)	Residential	\$3,000,000	10/09/2018
7	Killowill Avenue Villas (10 Villas)	Residential	\$3,000,000	18/11/2018
8	Killowill Avenue Residential Subdivision - Sovereign Shores (58 Lots)	Residential	\$2,600,000	05/03/2018
9	Paradise Milton (6 Units)	Residential	\$2,500,000	02/07/2018
10	The Esplanade Units (5 Units)	Residential	\$1,700,000	18/10/2018
11	Vaggelas Crescent Townhouses (3 Townhouses)	Residential	\$900,000	18/02/2018

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

**Projects refers to the top developments that are commencing or completing in the 2nd half of 2018 within the following postcode: 4216.

***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, 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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