



ASHMORE MARKET UPDATE 2nd Half 2019



OVERVIEW

In Q2 2019, Ashmore* recorded a median house price of \$578,000 (42 sales), and a median unit price of \$330,000 (28 sales). This represents annual (Q2 2018 – Q2 2019) median price softening of -4.5% for houses and -3.8% for units. During this time house sales slowed by -22.2%, however unit sales strengthened by 12.0%. The Ashmore* property market has become more affordable, and now is an ideal time for first home buyers to enter the market.

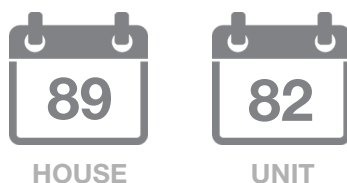
	CHANGE FROM LAST	YEAR	HALF YEAR
	House Sales	↓	↓
	House Median Price	↓	↓
	House Rental Price	↑	↑
	Unit Sales	↑	↑
	Unit Median Price	↓	↓
	Unit Rental Price	↓	↑

MARKET CONDITIONS

SALES MEDIAN PRICE Q2 2019



SALES AVERAGE DAYS ON MARKET Q2 2019



RENTAL MEDIAN PRICE Q2 2019

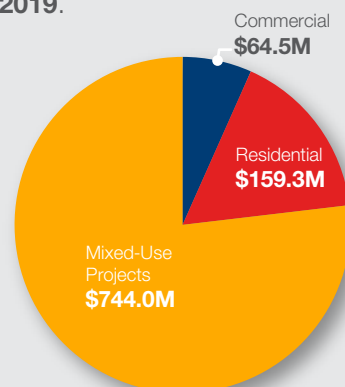


RENTAL AVERAGE DAYS ON MARKET Q2 2019



FUTURE DEVELOPMENTS

The Ashmore* area is set to see approximately **\$967.8M worth of new projects commencing in the 2nd half of 2019.**



A focus on mixed-use projects is a key strategy for Ashmore*. This allows for new stock to be added to the market, offering innovative design. At the same time this will stimulate commercial activity in the area, which will have a positive spill-over impact on the real estate market.

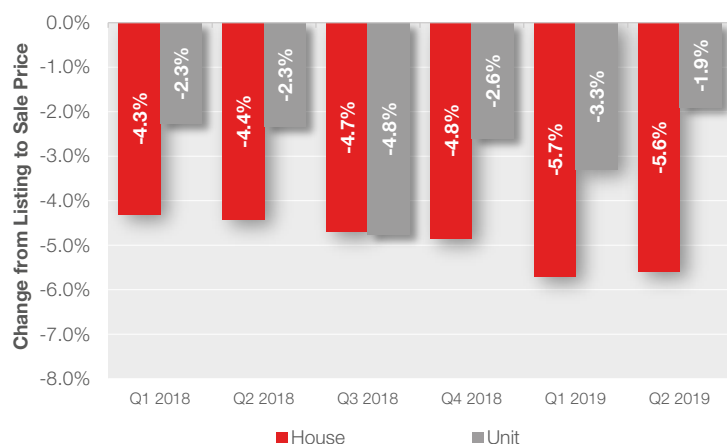
A key mixed-use project is the Queen Street Village Integrated Mixed Use Development (\$550.0M). This project will add 594 apartments, a retirement village, cinemas, and shops. The Marine Parade & Railway Street Mixed Use Development (\$100.0M) is another significant mixed-use project, that will construct 366 units, retail and restaurants. A key residential project is the High Street Units Development (\$50.0M), constructing 200 units. This will assist in catering to the expected population growth in Ashmore*, which was 14.5% over 5 years to 2016.



*Ashmore market data and key indicators encapsulates aggregate property market conditions within the suburbs Ashmore and Molendinar.
**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, Cordell Connect database, Australian Bureau of Statistics. © Copyright PRDNationwide 2019.

AVERAGE VENDOR DISCOUNT*

Average vendor discount reflects the average percentage difference between the first list price and final sold price. A lower percentage difference (closer to 0.0%) suggests that buyers are willing to purchase close to the first asking price of a property.



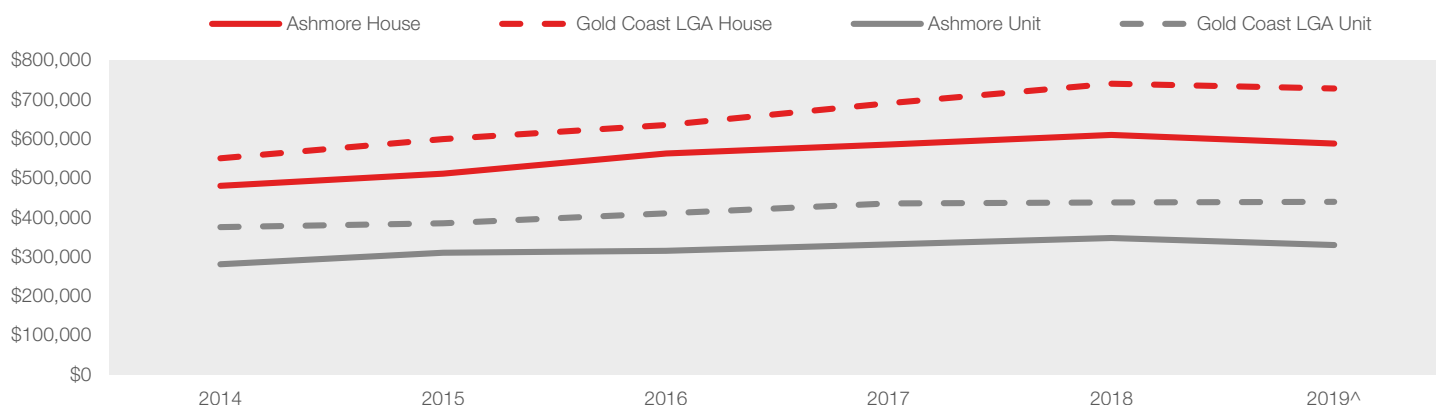
KEY COMMENTS

Average vendor discounts between Q2 2018 and Q2 2019 have widened for houses, to -5.6%, and tightened for units, to -1.9%. The housing market conditions in Ashmore* have now shifted to favour buyers, where sellers are willing to negotiate below their initial listing price. On the other hand, unit sellers are experiencing great results, closer to their initial asking price.

The suburb of Ashmore* sits below the Gold Coast Local Government Area (LGA) in regards to property median prices. The Ashmore* property market is more affordable when compared to the LGA, providing an opportunity for first home buyers and investors to enter the market.

The dominant proportion of houses sold in Ashmore* across the 1st half of 2019 were priced in the mid-range price bracket of \$500K-\$599K (36.7%). Most units sold (32.3%) were in the lower price bracket of less than \$299K. This confirms there is a high appetite for affordable housing stock.

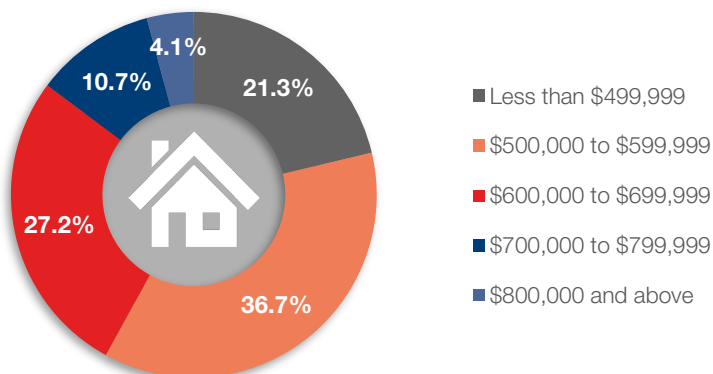
MARKET COMPARISON



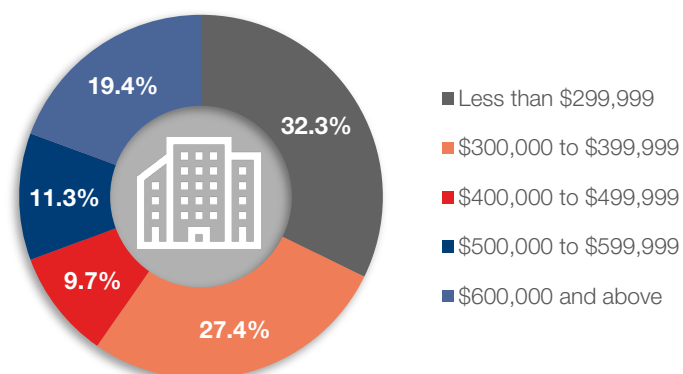
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled are chosen based on their proximity to the main suburb analysed, which is Ashmore.

PRICE BREAKDOWN 1ST HALF 2019

HOUSES SOLD



UNITS SOLD

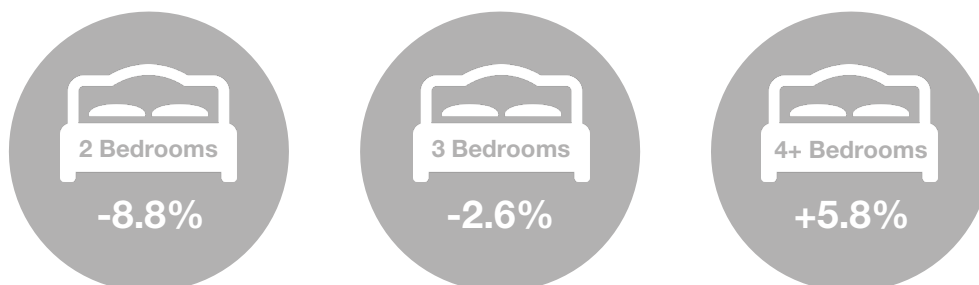


RENTAL GROWTH 2019*

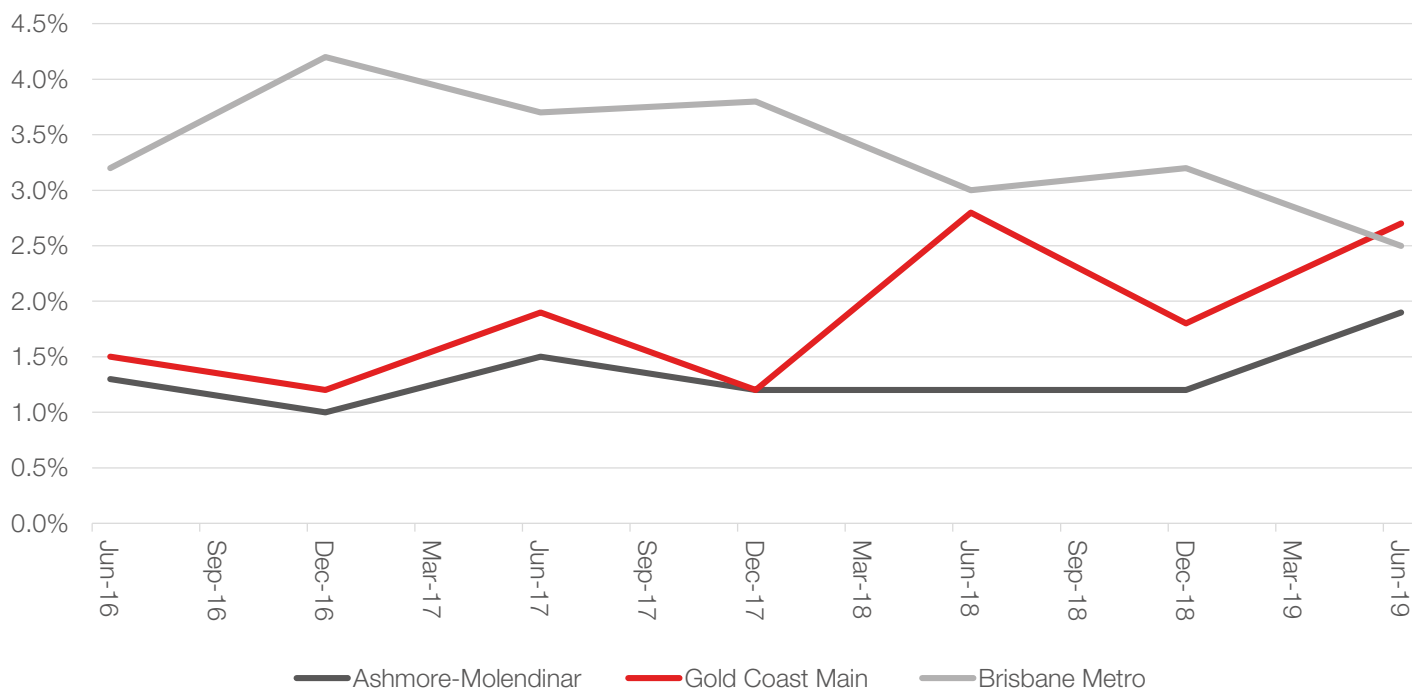
Over the 12 months to Q2 2019 rental demand increased by 3.7% for houses and 86.1% for units. The median house rental price strengthened by 5.5% to \$580 per week, however the unit median price slightly softened by -2.4% to \$415 per week. There is an increased preference for renting, with the housing market providing investors with strong returns.

4 bedroom+ houses provided investors with the highest rental growth annually. As of June 2019, Ashmore's rental yields were recorded at 4.8% (houses) and 6.3% (units). This outperforms both Gold Coast Main and Brisbane Metro.

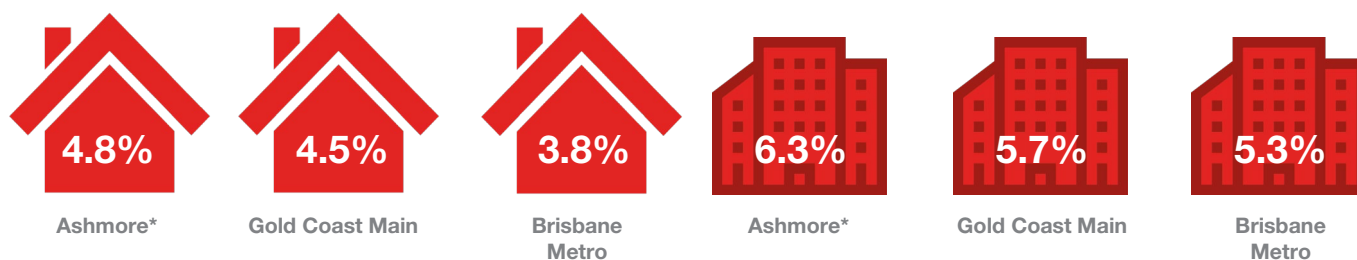
Ashmore* recorded a vacancy rate of 1.9% in June 2019, which is a very healthy position, sitting well below Gold Coast Main (2.7%) and Brisbane Metro (2.5%). This confirms a healthy rental demand exists for properties in Ashmore*.



RENTAL VACANCY RATES 2019



RENTAL YIELD 2019^

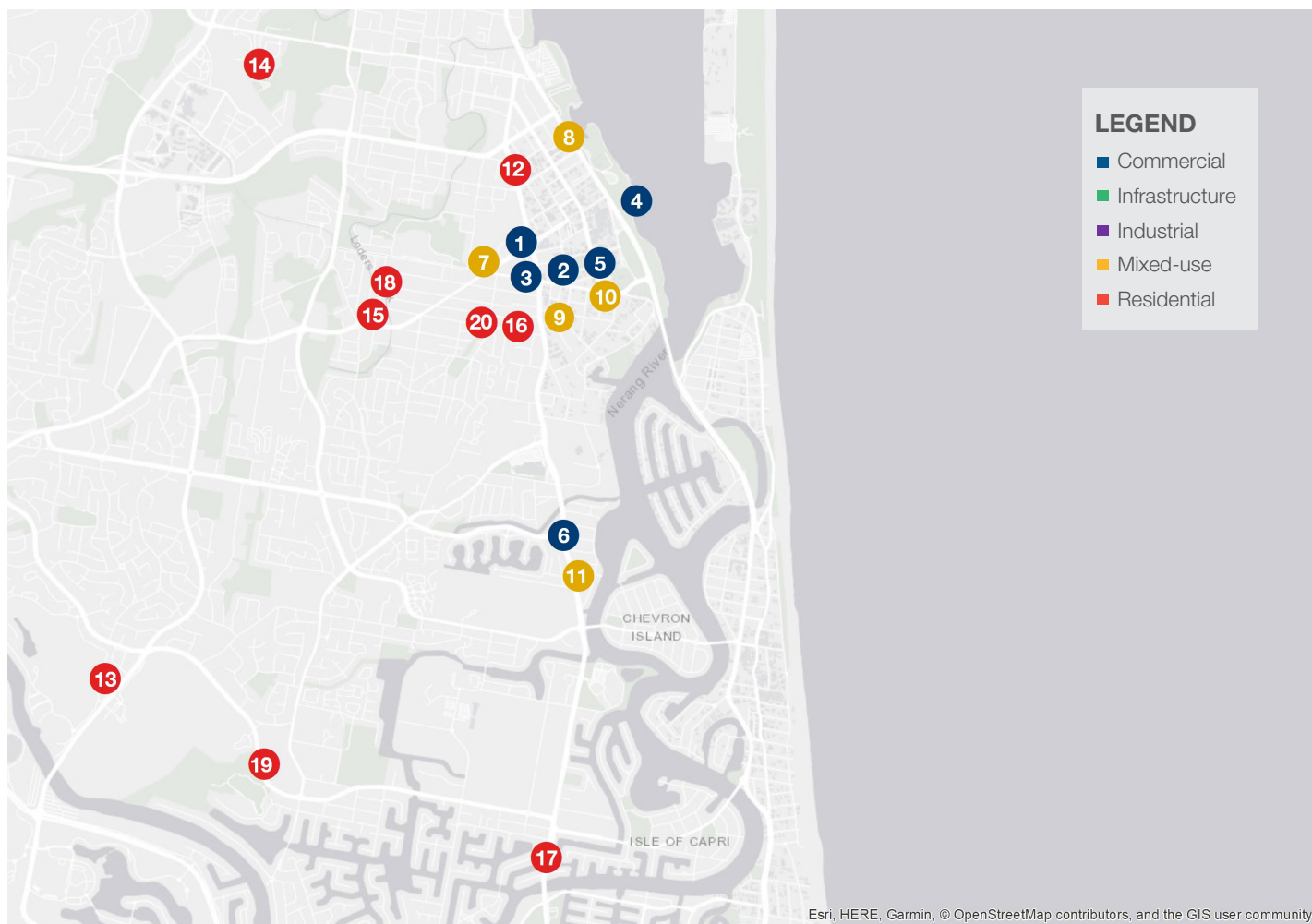


*Rental performance graph represents aggregate house median rent prices within the suburbs Ashmore and Molendinar. Annual rental growth is a comparison between 1st half 2018 and 1st half 2019 house median rent figures.

^Rental yields shown are as reported at June 2019.

Source: APM Pricerfinder, SQM Research. © Copyright PRDnationwide 2019.

PROJECT DEVELOPMENT MAP 2ND HALF 2019*



Esri, HERE, Garmin, © OpenStreetMap contributors, and the GIS user community

Location	Project**	Type	Estimated Value***	Commence Date****
1	Bolton Clarke Residential Aged Care Facility	Commercial	\$25,000,000	22/07/2019
2	Goldbridge Rehabilitation Services	Commercial	\$18,000,000	21/11/2019
3	Lawson Street Office Building	Commercial	\$6,500,000	25/11/2019
4	Bmw & Mini Showroom	Commercial	\$6,000,000	15/07/2019
5	Cbd 33 Office Building	Commercial	\$5,000,000	18/09/2019
6	York Street 7-eleven & Fast Food Outlet	Commercial	\$4,000,000	18/11/2019
7	Queen Street Village Integrated Mixed Use Development- (594 Units/Apartments)	Mixed-use	\$550,000,000	28/10/2019
8	Marine Parade & Railway Street Mixed Use Development- (366 Units)	Mixed-use	\$100,000,000	18/12/2019
9	Imperial Square Mixed Use Development	Mixed-use	\$60,000,000	20/10/2019
10	Queen & Lather Streets Mixed Use Development- (64 Units)	Mixed-use	\$25,000,000	18/11/2019
11	Ferry Street Mixed Use Development (10 Townhouses and 17 Units)	Mixed-use	\$9,000,000	18/10/2019
12	High Street Units- (200 Units)	Residential	\$50,000,000	03/06/2019
13	Vantage Apartments Stages 4-6- (271 Units)	Residential	\$40,000,000	03/12/2019
14	Sphere Townhouses- (74 Townhouses)	Residential	\$22,000,000	15/11/2019
15	Ward Street Units- (40 Units)	Residential	\$12,000,000	12/10/2019
16	Minnie & Allan Streets Apartments- (39 Apartments)	Residential	\$11,700,000	21/10/2019
17	Sorrento Quays Independent Retirement Units- (57 Units)	Residential	\$8,000,000	30/12/2019
18	The Mill Apartments- (26 Apartments)	Residential	\$6,500,000	18/10/2019
19	Botanic Residential Development-(14 Units, 7 Townhouses)	Residential	\$5,500,000	10/06/2019
20	Minnie & Allan Streets Townhouses- (12 Townhouses)	Residential	\$3,600,000	19/08/2019

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

OUR KNOWLEDGE

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

OUR PEOPLE

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

OUR SERVICES

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



Orla Jensen, Principal
M +61 418 769 562
E orla@prdashmore.com.au

PRDnationwide Ashmore
P +61 2 5597 1200
F +61 2 5539 3472

Shop 11/406 Southport Nerang Road
Ashmore QLD 4214

PRD.com.au/ashmore