





# SOUTHPORT MARKET UPDATE 2nd Half 2019



## OVERVIEW

In Q2 2019, Southport\* recorded a median house price of \$560,000 (59 sales), and a median unit price of \$372,000 (95 sales). This represents annual (Q2 2018 – Q2 2019) median price softening of -3.8% (houses) and strengthening of 2.8% (units). In this time sales slowed, by -27.2% (houses) and -46.4% (units). The house market has become more affordable, ideal for first time home buyers. The unit market is now undersupplied, an opportunity for owners to sell.

	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

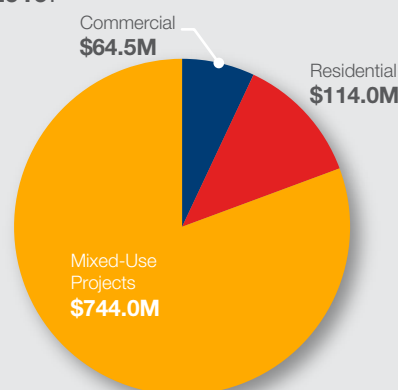


### RENTAL AVERAGE DAYS ON MARKET Q2 2019



## FUTURE DEVELOPMENTS

The Southport\* area is set to see approximately **\$922.5M worth of new projects commencing in the 2nd half of 2019.**



A focus on mixed-use projects is a key strategy for Southport\*. 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.

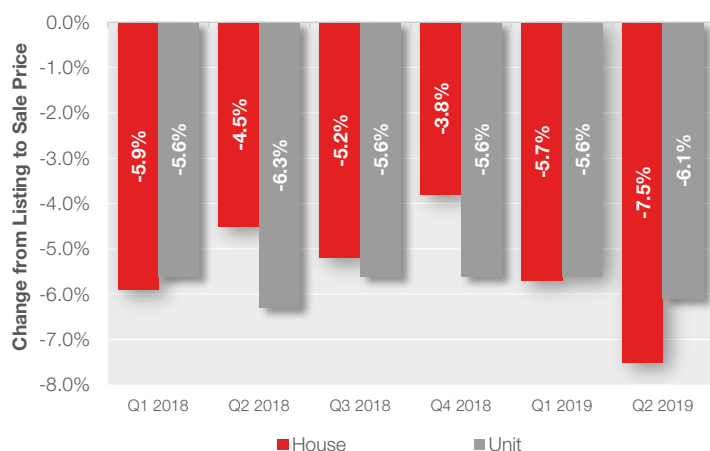
A key mixed-use project is the Queen Street Village Integrated Mixed Use Development (\$550.0M). This project will add 594 apartments, a retirement village, cinemas, and shops. The Marine Parade & Railway Street Mixed Use Development (\$100.0M) is another significant mixed-use project, which will construct 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 current population growth in Southport\*, which was 12.7% over 5 years to 2016.



\*Southport market data and key indicators encapsulates aggregate property market conditions within the suburbs Southport, Labrador, and Biggers 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 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.



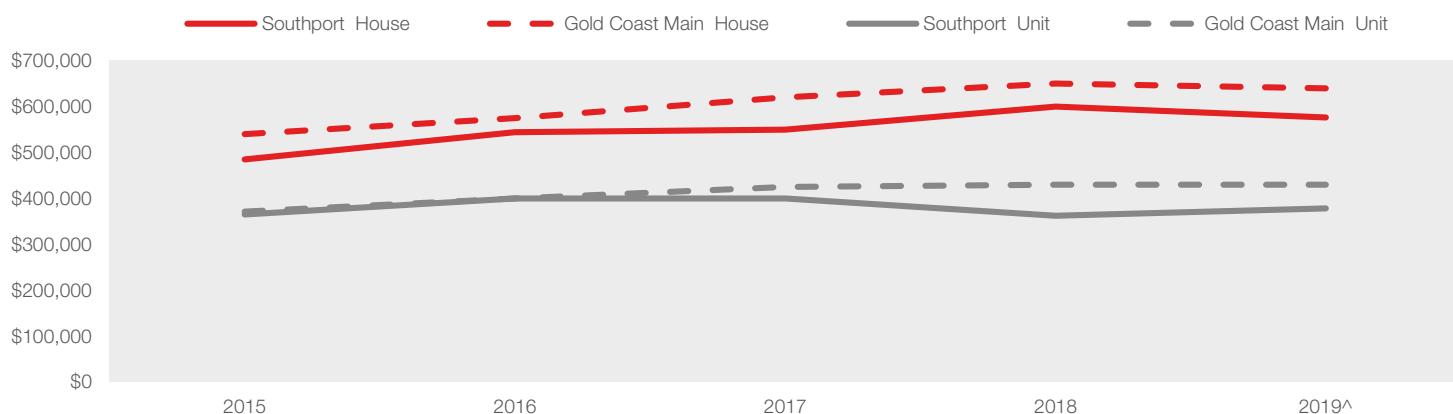
## KEY COMMENTS

Average vendor discount between Q2 2018 and Q2 2019 has widened for houses, to -7.5%, and slightly tightened for units, to -6.1%. The housing market conditions in Southport\* have continued to favour buyers, with Q2 2019 recording the highest level of discount to date. Unit sellers are still offering discounts, however at a lesser extent compared to houses.

The suburb of Southport\* has historically sat below (houses) or on par with (units) the Gold Coast Local Government Area (LGA) in regards to median prices. The Southport\* property market is now more affordable for both property types 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 Southport\* (31.3%) across the 1<sup>st</sup> half of 2019 were priced in the mid-lower bracket of \$500K-\$599K. Most units sold (32.5%) were also in the mid-lower price bracket of \$300K-\$399K. This confirms there is high availability of affordable stock.

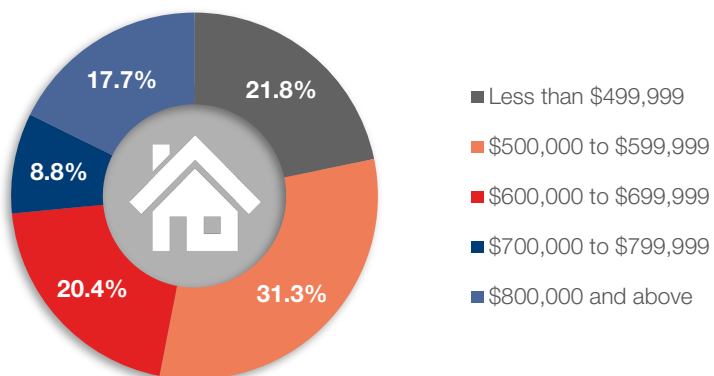
## MARKET COMPARISON



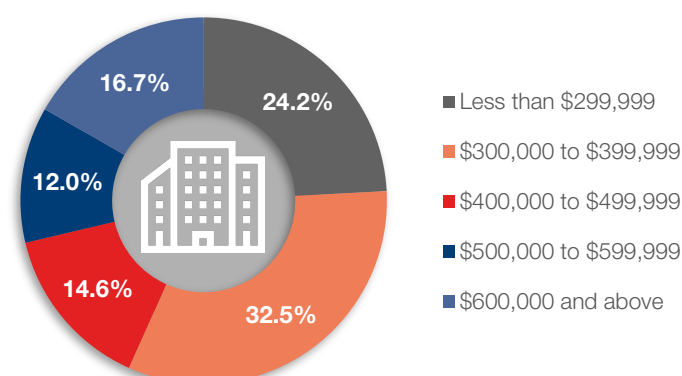
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Southport.

## PRICE BREAKDOWN 1ST HALF 2019

### HOUSES SOLD



### UNITS SOLD

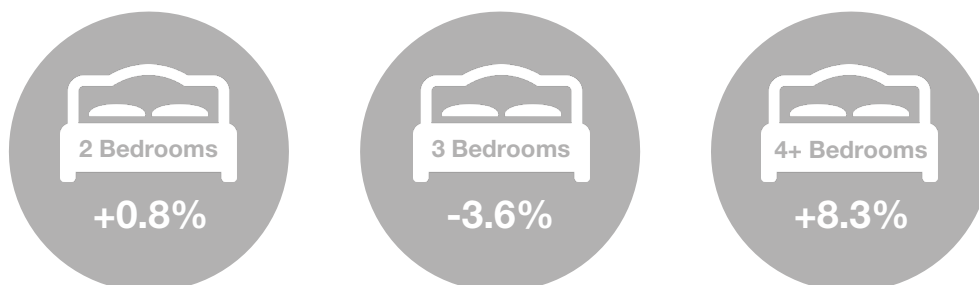


## RENTAL GROWTH 2019\*

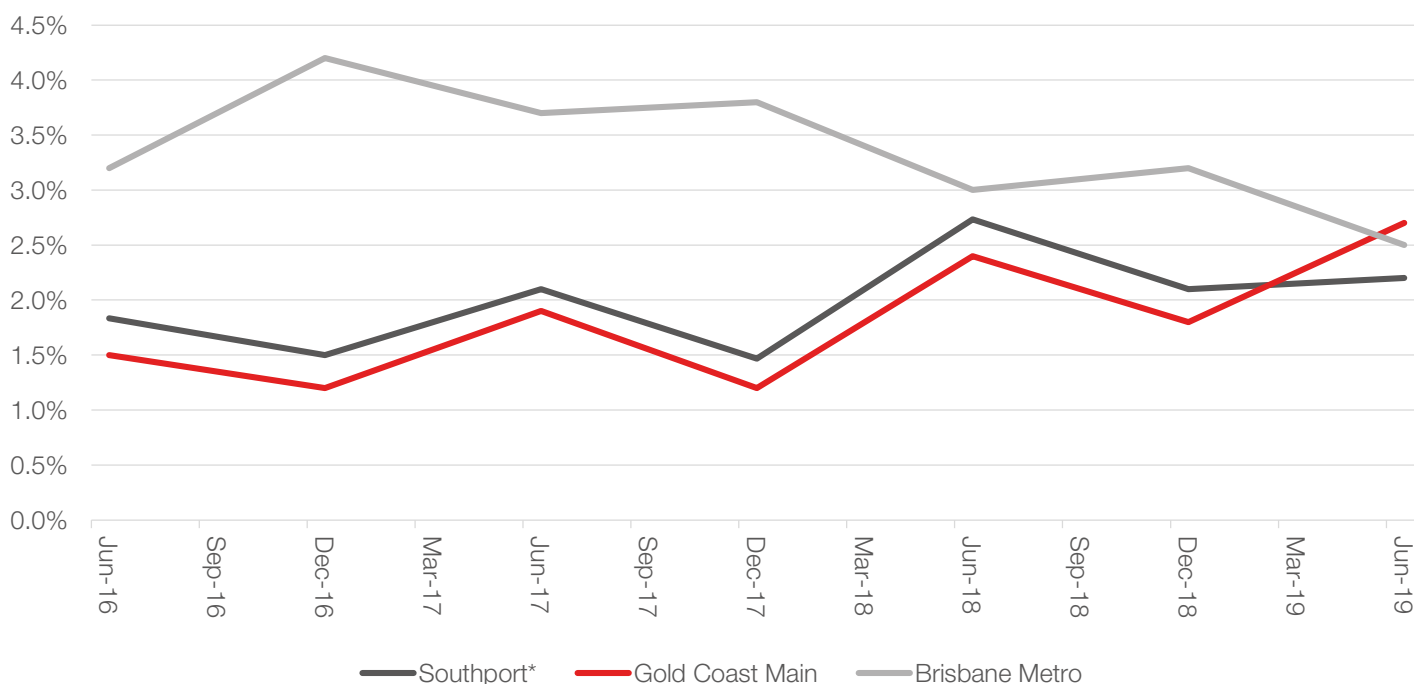
Over the 12 months to Q2 2019 rental demand increased by 4.3% for houses and 14.7% for units. The median house rental price remained stable during this period, which suggests despite an increased preference for renting the market remained resilient. This is good news for investors currently in the market and those wanting to enter the market.

4 bedroom+ houses provided investors with the highest rental growth annually. As of June 2019, Southport's rental yields were recorded at 4.5% (houses) and 5.7% (units), on par with Gold Coast Main and outperforming Brisbane Metro.

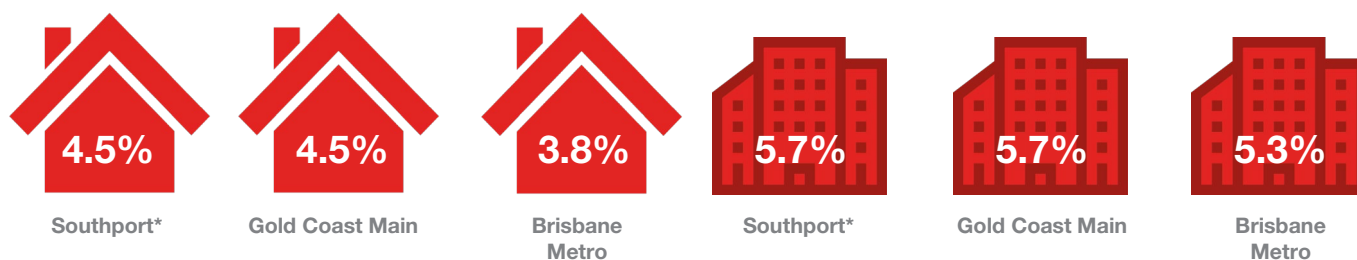
Southport\* recorded a 2.2% vacancy rate in June 2019, which represents a declining trend in the past 12 months. It also sits below Gold Coast Main (2.7%) and Brisbane Metro (2.5%), confirming there is a healthier rental demand in Southport\*.



## RENTAL VACANCY RATES 2019



## RENTAL YIELD 2019^

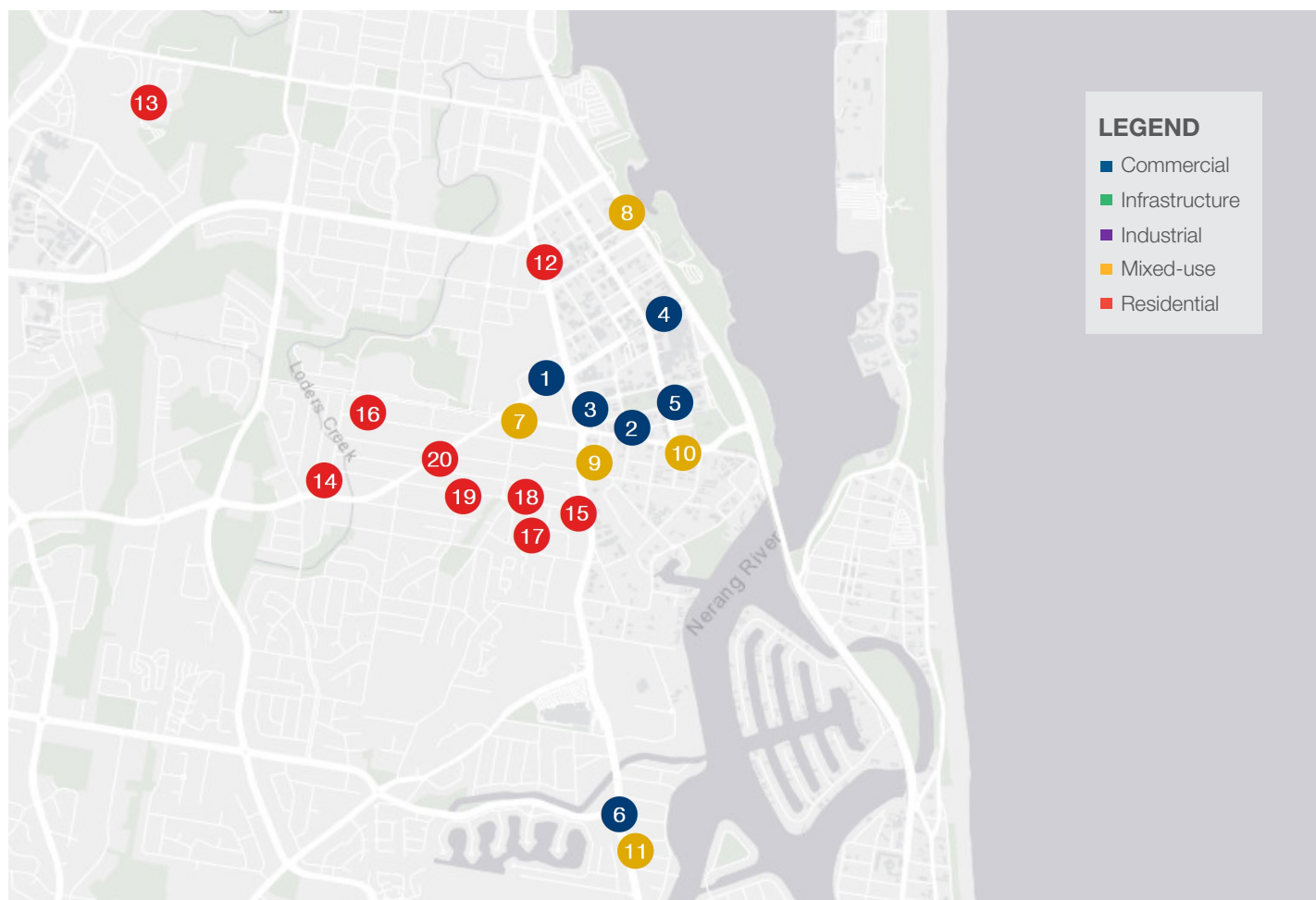


\*Rental performance graph represents aggregate house median rent prices within the suburb of Southport, Labrador, and Biggera Waters. Annual rental growth is a comparison between 1<sup>st</sup> half 2018 and 1<sup>st</sup> half 2019 house median rent figures.

^Rental yields shown are as reported at June 2019.

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

# PROJECT DEVELOPMENT MAP 2ND HALF 2019\*



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	15/08/2019
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 Intergrated 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	Mixed Use	\$9,000,000	18/10/2019
12	High Street Units- (200 Units)	Residential	\$50,000,000	03/06/2019
13	Sphere Townhouses-(74 Townhouses)	Residential	\$22,000,000	15/11/2019
14	Ward Street Units-(40 Units)	Residential	\$12,000,000	12/10/2019
15	Minnie & Allan Streets Apartments- (39 Apartments)	Residential	\$11,700,000	21/10/2019
16	The Mill Apartments-(26 Apartments)	Residential	\$6,500,000	18/10/2019
17	Minnie & Allan Streets Townhouses- (12 Townhouses)	Residential	\$3,600,000	19/08/2019
18	Minnie Street Apartments-(10 Apartments)	Residential	\$3,000,000	03/11/2019
19	Minnie Street Apartments- (9 Apartments)	Residential	\$2,700,000	18/11/2019
20	George Street Development Site- (10 Apartments)	Residential	\$2,500,000	25/10/2019

\*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. ^Status update refers to the project current stage of development Source: Cordell Database, ESRI ArcGIS, Department of Planning and Environment NSW, Gold Coast City Council. © Copyright PRDNationwide 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.



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