





RUNAWAY BAY & SURROUNDS (4216 POSTCODE) MARKET UPDATE 2nd Half 2019



OVERVIEW

In Q2 2019, Runaway Bay* recorded a median house price of \$800,000 (71 sales), and a median unit price of \$510,000 (126 sales). This represents annual (Q2 2018 – Q2 2019) median price growth of 5.3% (houses) and 22.3% (units). During this time, total sales slowed by -33.6% (houses) and -46.2% (units). The Runaway Bay* property market has shown capital growth resilience and an underlying supply issue. Increasing property values and less competition in Runaway Bay* creates an ideal environment for sellers to act.

	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

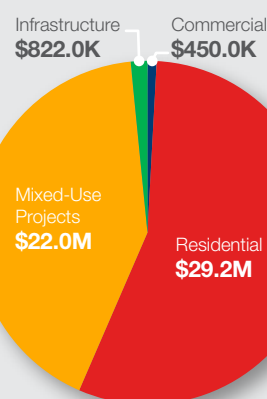


RENTAL AVERAGE DAYS ON MARKET Q2 2019



FUTURE DEVELOPMENTS

The Runaway Bay* area is set to see approximately **\$52.5M worth of new projects commencing in the 2nd half of 2019.**



A focus on residential projects is a key strategy for Runaway Bay*. This allows for new stock to be added to the market, offering innovative design. Mixed-use projects will also add stock, but at the same time, this will stimulate commercial activity in the area, and have a positive spill-over impact on the real estate market.

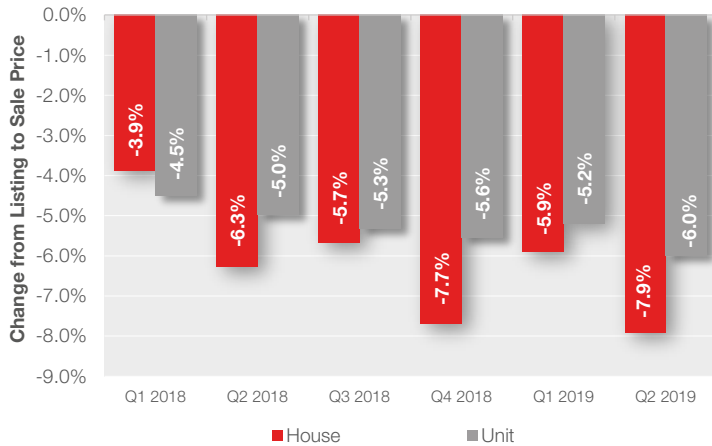
A key mixed-use project is the Marine Parade Mixed-Use Development (\$22.0M). This project will add 72 units along with commercial tenancy. A key residential project is Marina Homes, constructing 10 villas (\$10.0M). A total of 116 units and 10 dwellings will be added to the Runaway Bay* property market. This will assist in addressing the current population growth in Runaway Bay*, which was 2.0% over the past 5 years to 2016.



*Runaway Bay market data and key indicators encapsulates aggregate property market conditions within the suburbs of 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, 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.



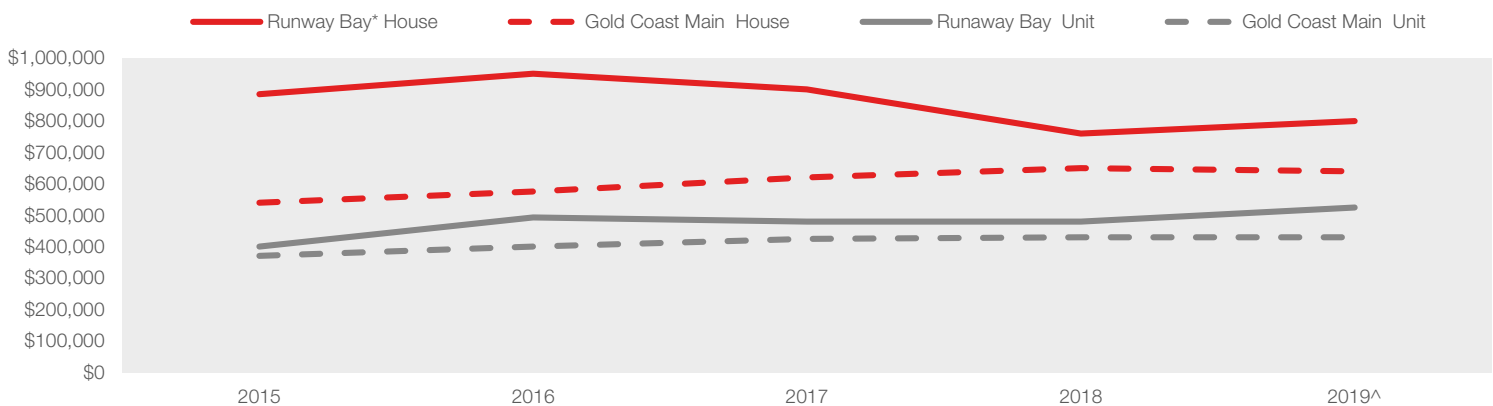
KEY COMMENTS

Average vendor discount between Q2 2018 and Q2 2019 has widened for both houses and units, to -7.9% and -6.0% respectively. Now is an ideal time to transact in Runaway Bay*, as buyers can benefit from discounts, whilst sellers can capitalise on positive median price growth. This creates a 'win-win' market, which is unique for the Gold Coast.

Runaway Bay* has historically outperformed the Gold Coast Main Local Government Area (LGA) in both house and unit median prices. In 2019[^], Runaway Bay* maintains its premium market status when compared to the Gold Coast Main LGA, indicating a need for more housing stock.

The dominant proportion of houses sold (45.6%) in Runaway Bay* across the 1st half of 2019 were priced in the lowest price bracket of less than \$699K. Most units sold (24.2%), were in the lower price bracket of less than \$349K. This confirms there is a high appetite for affordable housing stock in the current Runaway Bay* market.

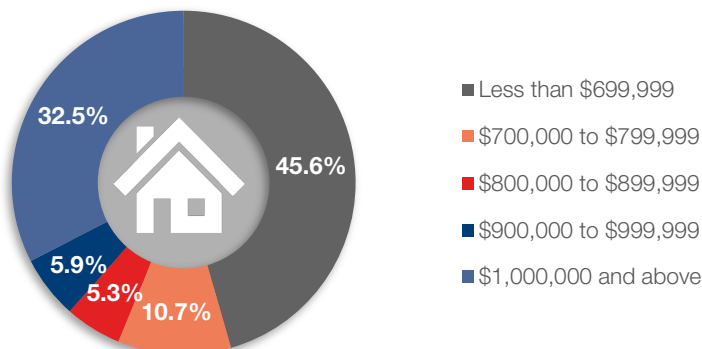
MARKET COMPARISON



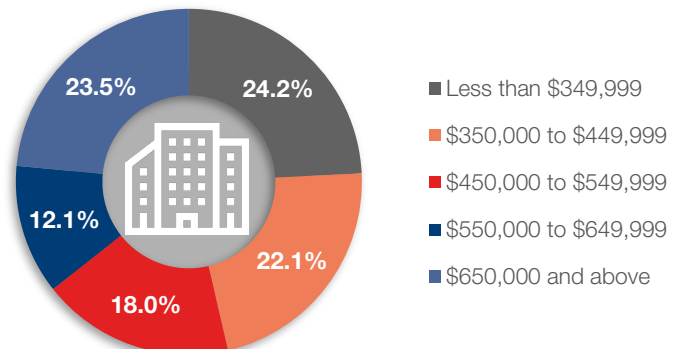
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled were chosen based on their proximity to the main suburb analysed, which is Runaway Bay.

PRICE BREAKDOWN 1ST HALF 2019

HOUSES SOLD



UNITS SOLD

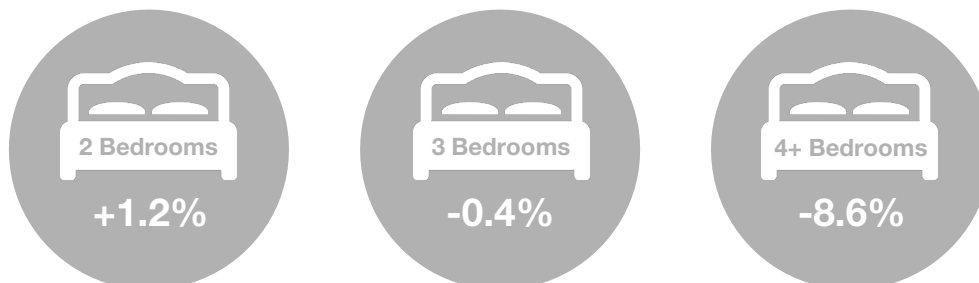


RENTAL GROWTH 2019*

In the 12 months to Q2 2019, rental demand declined by -11.7% for houses, but increased for units by 9.2%. During this time, house median rental prices strengthened by 9.1% to \$600 per week and unit median prices slightly softened by -2.3% to \$420 per week. This suggests there is an oversupply of unit rentals, however undersupply opportunities in house rentals.

2 bedroom houses provided investors with the highest rental growth annually. As of June 2019, Runaway Bay's rental yields were recorded at 4.3% (houses) and 5.8% (units), which was on par with Gold Coast Main, and outperformed Brisbane Metro.

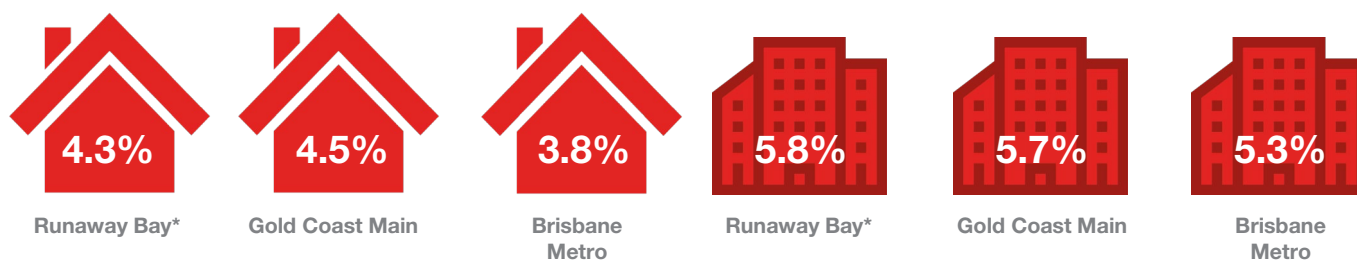
Runaway Bay* recorded a vacancy rate of 2.4% in June 2019, which sits well below Gold Coast Main (2.7%) and Brisbane Metro (2.5%). This confirms there is a healthier rental demand in Runaway Bay*, which is good news for investors.



RENTAL VACANCY RATES 2019



RENTAL YIELD 2019^

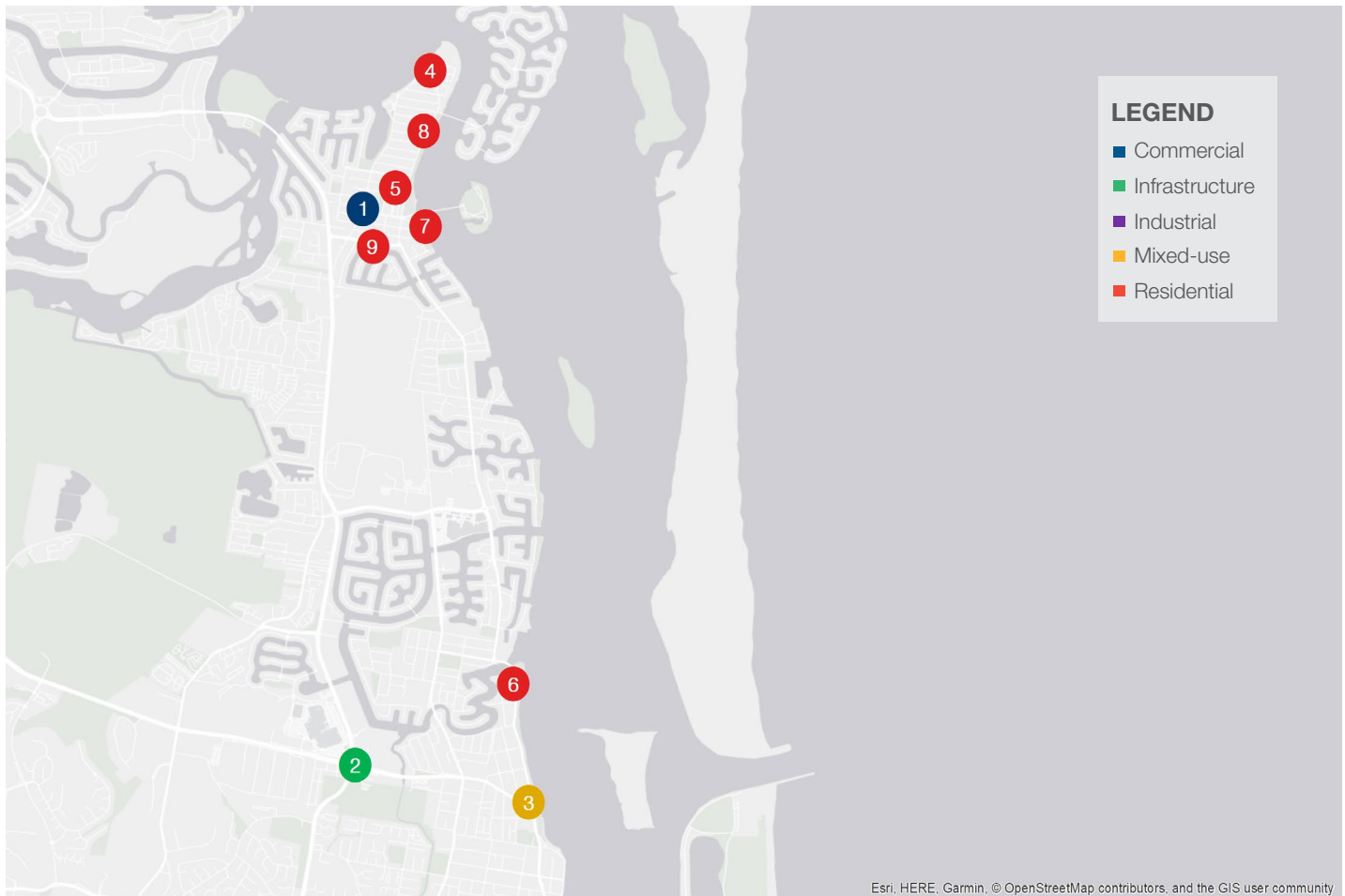


*Rental performance graph represents aggregate house median rent prices within the suburbs Runaway Bay, Biggera Waters, Coombabah, Hollywell and Paradise Point. Annual rental growth is a comparison between 1st half 2018 and 1st half 2019 house median rent figures.

^Rental yields shown are as reported at June 2019.

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

PROJECT DEVELOPMENT MAP 2ND HALF 2019*



Location	Project**	Type	Estimated Value***	Commence Date****
1	Grice Avenue Shops	Commercial	\$450,000	24/09/2019
2	Macintosh Island Park	Infrastructure	\$822,000	29/07/2019
3	Marine Parade Mixed Use Development- (72 Units)	Mixed Use	\$22,000,000	29/07/2019
4	Marina Homes- (10 Villas)	Residential	\$10,000,000	03/06/2019
5	Victor Avenue Units- (13 Units)	Residential	\$5,200,000	01/10/2019
6	Skyhomes Biggera Waters- (9 Units)	Residential	\$5,000,000	18/12/2019
7	Falkinder Apartments-(12 Apartments)	Residential	\$4,500,000	21/10/2019
8	The Esplanade Units-(5 Units)	Residential	\$3,000,000	18/11/2019
9	Milton Avenue Apartments- (5 Apartments)	Residential	\$1,500,000	20/12/2019

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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