

Coolangatta Market Update 1st Half 2020



OVERVIEW

Coolangatta* recorded a median house price of \$650,000 and a median unit price of \$420,000 in Q4 2019. This represents annual (Q4 2018 – Q4 2019) median price growth of 1.6% for houses and a softening of -5.6% for units. Between Q4 2018 – Q4 2019, total sales declined by -17.1% (to 1,359 sales) for houses and by -19.8% (to 1680 sales) for units. There is currently less competition in Coolangatta* and a more affordable unit price, which provides a great opportunity for first home buyers to enter the market.

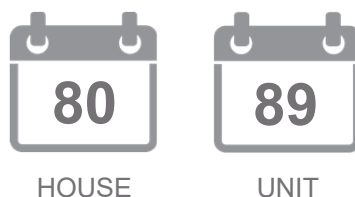
	CHANGE FROM LAST	YEAR	HALF YEAR
	House Sales	↓	↓
	House Median Price	↑	↑
	House Rental Price	↑	↔
	Unit Sales	↓	↓
	Unit Median Price	↓	↓
	Unit Rental Price	↓	↔

MARKET CONDITIONS

SALES MEDIAN PRICE Q4 2019



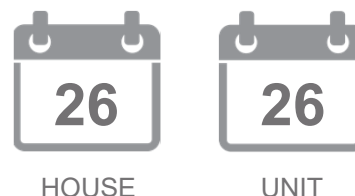
SALES AVERAGE DAYS ON MARKET Q4 2019



RENTAL MEDIAN PRICE Q4 2019

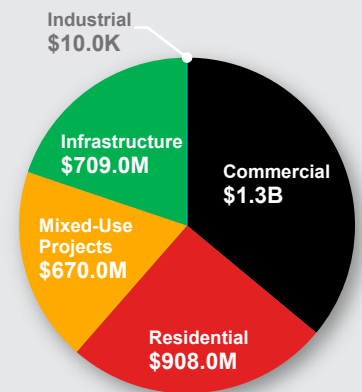


RENTAL AVERAGE DAYS ON MARKET Q4 2019



FUTURE DEVELOPMENTS

The Coolangatta* area is set to see approximately **\$3.6B** worth of new projects in the 1st half of 2020.



A focus on commercial projects in the area will stimulate the local economy and create employment, which will have a positive spill-over impact on the real estate market. Infrastructure projects pave the way to higher productivity and increase liveability for residents. A high level of new stock will cater for the potential increase in demand.

A main commercial project for the 1st half of 2020 is the Pacific View Estate Masterplanned Community, (\$500.0M). This project will construct a Masterplanned community, which include sporting and recreational spaces. A major infrastructure project commencing is the Gold Coast Light Rail Stage 3A (\$709.0M), this will make the area more accessible for business and more attractive for non-residents and investors.



*Coolangatta market data and key indicators encapsulates aggregate property conditions within the Gold Coast Local Government Area.

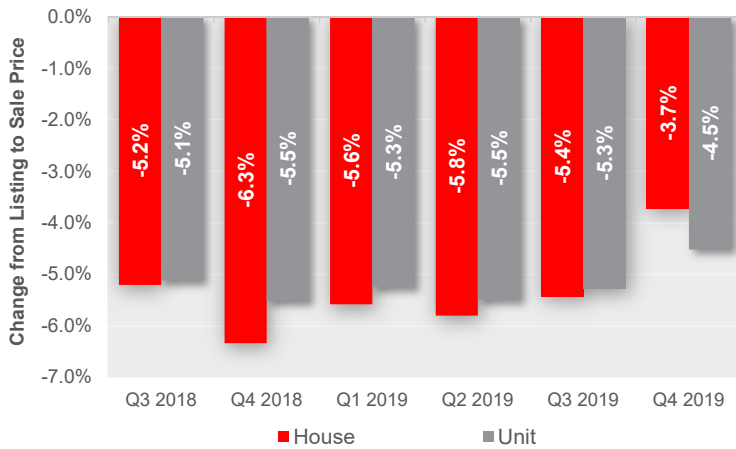
**Estimated values are based on construction value provided by the relevant data authority and does not reflect commercial and/or re-sale value.

Source: APM Pricerfinder, Cordell Connect database. © Copyright PRD 2020

AVERAGE VENDOR DISCOUNT* KEY COMMENTS

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.

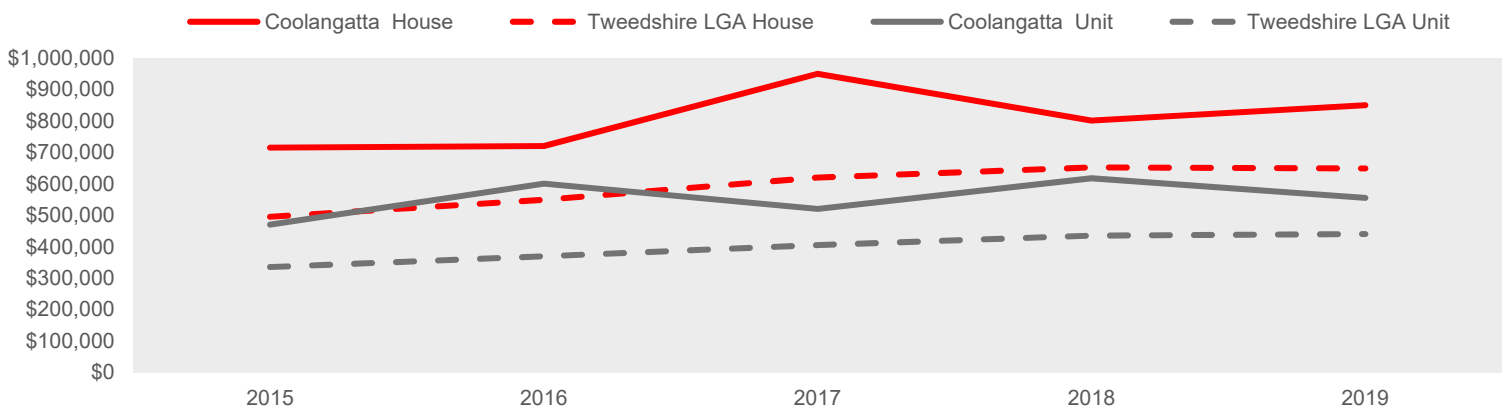
Average vendor discounting between Q4 2018 and Q4 2019 has tightened to -3.7% (house) and -4.5% (units). There is a shift towards favouring vendors, where buyers are willing to negotiate closer to the initial listing price. That said there is still a discount for buyers, making now an ideal time to transact in the market.



The suburb of Coolangatta has continued to outperform the Tweed Shire Local Government Area (LGA) in regard to property prices, despite a cooling in median unit price. This indicates a resilient property market, where home owners can be confident of capital growth in the long run.

The dominant proportion of houses sold in Coolangatta* across the 2nd half of 2019 were priced in the highest price bracket of \$900K and above (33.2%). On the other hand, there was high buyer activity for units priced in the lower price segment of less than \$349K (29.3%). There is a property for every budget in Coolangatta*

MARKET COMPARISON

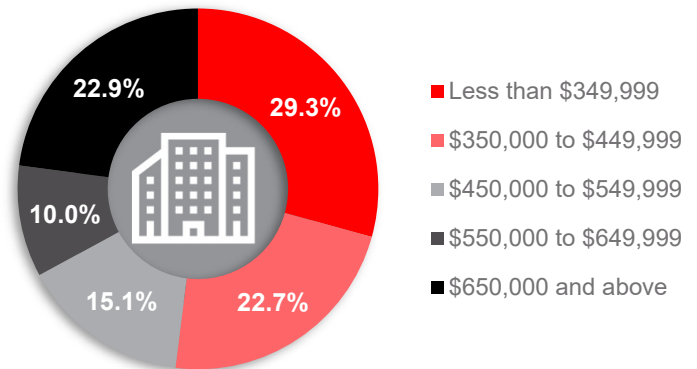
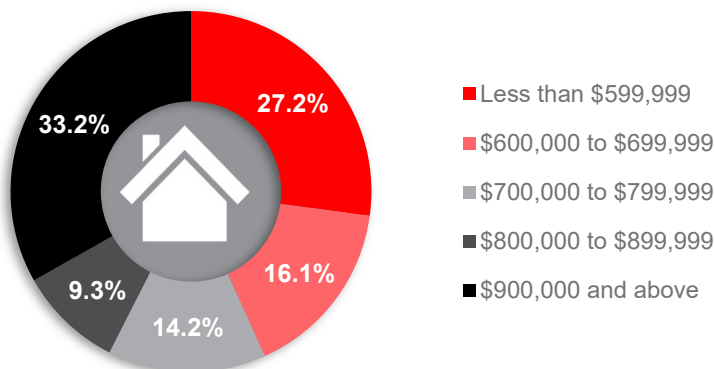


The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled is chosen based on their proximity to the main suburb analysed, which is Coolangatta.

PRICE BREAKDOWN 2019^

HOUSES SOLD

UNITS SOLD



RENTAL GROWTH 2019*

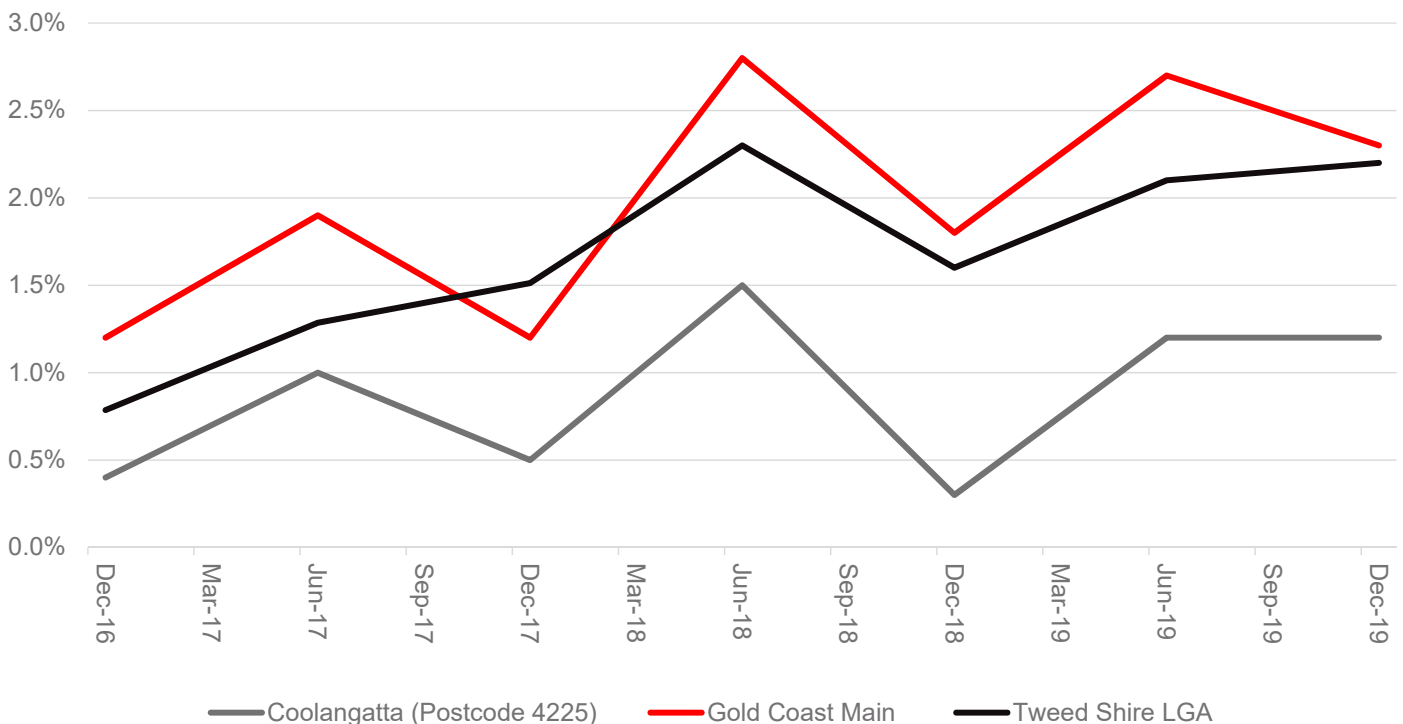
House rental yields in Coolangatta Postcode 4225 were recorded at 3.9% in December 2019, slightly below Gold Coast Main (4.1%) and Tweed Shire LGA (4.2%). Over the 12 months to Q4 2019 house rental median price strengthened by 1.9% to \$535 per week, followed by unit rental median price softening by -4.4% to \$430 per week respectively. This suggests that there are more opportunities for investment into houses as opposed to units.

2-bedroom houses have provided investors with +2.5% rental growth annually, resulting in a median rent of \$410 per week.

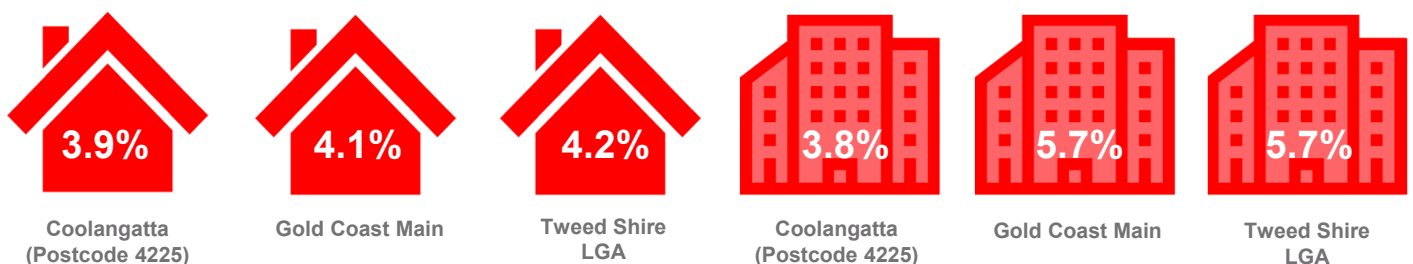
Coolangatta* recorded a low vacancy rate of 1.2% in December 2019, a lower rate than Gold Coast Main (2.3%) and Brisbane Metro (2.9%). This is good news for investors, as there is a healthier rental demand in Coolangatta*.



RENTAL VACANCY RATES 2019



RENTAL YIELD 2019^

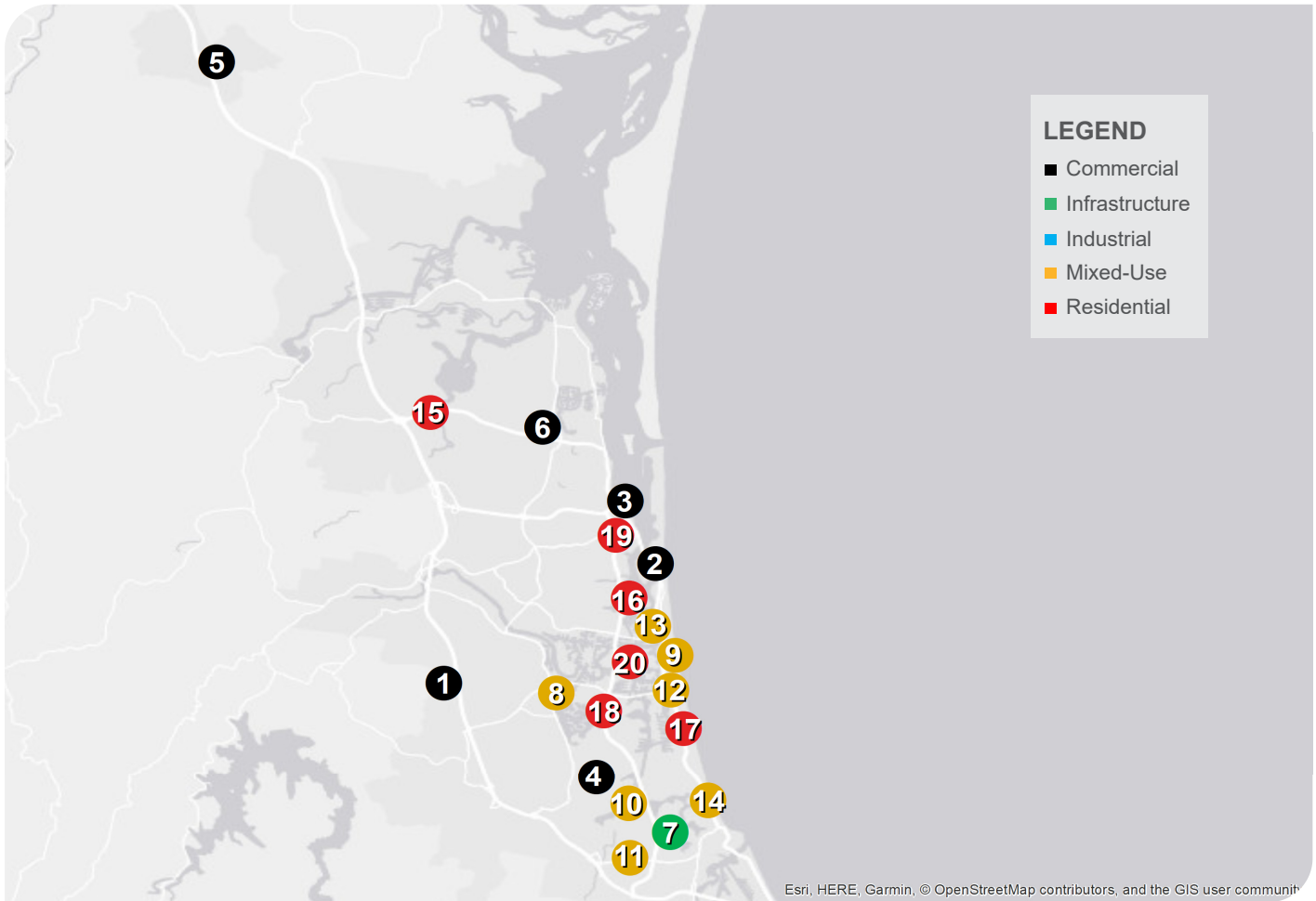


*Rental performance graph represents aggregate house median rent prices within the Gold Coast Local Government Area. Annual rental growth is a comparison between 2018 and 2019 house median rent figures.

^Rental yields shown are as reported at December 2019.

Source: APM Pricerfinder, SQM Research. © Copyright PRD 2020.

PROJECT DEVELOPMENT MAP 1ST HALF 2020*



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Location	Project**	Type	Estimated Value***	Commence Date****
1	Pacific View Estate Masterplanned Community	Commercial	\$500,000,000	24/05/2020
2	Aquis Pacific Point Hotel	Commercial	\$440,000,000	30/03/2020
3	Grand Central Southport	Commercial	\$100,000,000	27/04/2020
4	Bond University Varsity Central Campus	Commercial	\$100,000,000	17/02/2020
5	North Ormeau Town Centre	Commercial	\$90,000,000	08/02/2020
6	Harbour Quays Retirement Resort Stage 1 & 2	Commercial	\$58,000,000	29/06/2020
7	Gold Coast Light Rail Stage 3a	Infrastructure	\$709,000,000	20/05/2020
8	Cypress Central Transit Orientated Mixed Development- (970 Units)	Mixed Use	\$200,000,000	18/03/2020
9	Wharf Road Mixed Used Development- (37 Apartments)	Mixed Use	\$95,000,000	15/06/2020
10	Lake Street Mixed Development- (159 Dwellings)	Mixed Use	\$120,000,000	02/03/2020
11	Treetops Shopping Centre Redevelopment Further Stages- (542 Units)	Mixed Use	\$80,000,000	12/05/2020
12	Infinity Tower Broadbeach- (61 Apartments)	Mixed Use	\$75,000,000	23/03/2020
13	Vista Street Mixed Use Development- (217 Units)	Mixed Use	\$50,000,000	25/06/2020
14	Gold Coast Highway Mixed Use Development – Sandbar- (170 Apartments)	Mixed Use	\$50,000,000	23/06/2020
15	Central Precinct - The Surrounds- (400 Units)	Residential	\$400,000,000	03/02/2020
16	Chevron One- (236 Apartments)	Residential	\$200,000,000	01/04/2020
17	Bela By Mosaic- (119 Apartments)	Residential	\$100,000,000	30/03/2020
18	The Lanes Residences- (310 Apartments)	Residential	\$93,000,000	09/03/2020
19	White Street Units- (177 Units)	Residential	\$60,000,000	27/01/2020
20	Old Burleigh Road Apartments- (168 Apartments)	Residential	\$55,000,000	24/06/2020

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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