

Runaway Bay and Surrounds Market Update 1st Half 2020



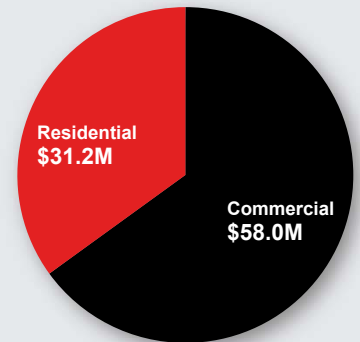
OVERVIEW

Runaway Bay* recorded a median house price of \$735,000 and a median unit price of \$450,000 in Q4 2019. This represents annual (Q4 2018 – Q4 2019) median price softening of -2.4% for houses and growth of 0.4% for units. Between Q4 2018 – Q4 2019 total sales strengthened by 38.3% for houses (to 112 sales) and by 14.1% for units (to 211 sales). Market conditions in Runaway Bay* have started to recover, with demand increasing. Now is the time for first home buyers to enter the market, while prices are still affordable.

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

FUTURE DEVELOPMENTS

The Runaway Bay* area is set to see approximately **\$89.2M** worth of new projects in the 1st half of 2020.



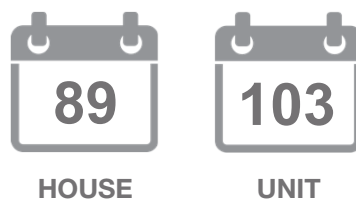
A large focus on commercial projects in the area will help stimulate local economic activity and employment, which is expected to have a positive spill-over impact on the real estate market. On the other hand, residential supply will add stock to the market inline with the growing population.

MARKET CONDITIONS

SALES MEDIAN PRICE Q4 2019



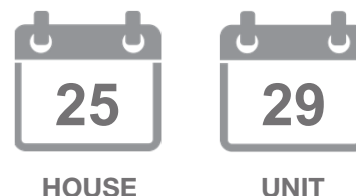
SALES AVERAGE DAYS ON MARKET Q4 2019



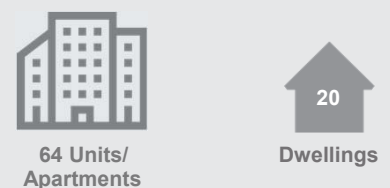
RENTAL MEDIAN PRICE Q4 2019



RENTAL AVERAGE DAYS ON MARKET Q4 2019



A main commercial project for the 1st half of 2020 is the Harbour Quays Retirement Resort (\$58.0M). This project will construct a retirement village that will invite a different demographic into Runaway Bay* whilst creating employment opportunities. Overall, a total of 20 dwellings and 64 units/apartments will be constructed in the 1st Half of 2020. This property stock will continue to assist in catering to the current population growth in Runaway Bay, which was 2.0% over 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 PRD 2020

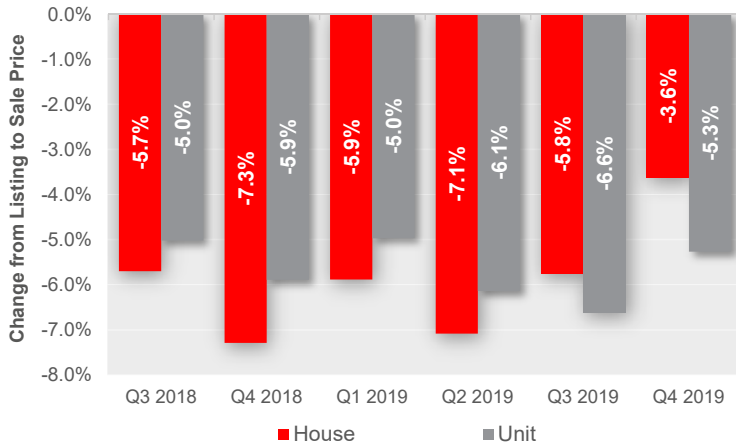
AVERAGE VENDOR DISCOUNT* KEY COMMENTS

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.

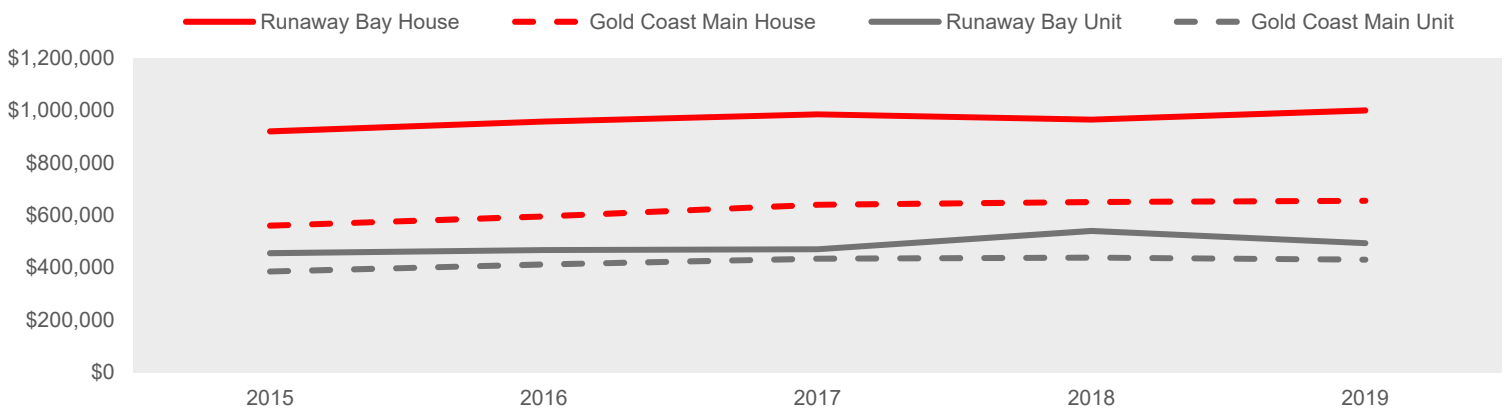
Average vendor discounting between Q4 2018 and Q4 2019 has tightened to -3.6% for houses and to -5.3% for units. Market conditions in Runaway Bay* have started to favour vendors, where buyers are willing to negotiate closer to initial listing price. This is a great opportunity for sellers to capitalise on their properties.

Over the past 5 years to 2019, the suburb of Runaway Bay* has sat above the Gold Coast Local Government Area (LGA) area regarding property median prices. This indicates that Runaway Bay* is a resilient market.

The dominant proportion of houses sold in Runaway Bay* across 2019 were in the lowest price bracket of less than \$699K (44.3%). There was also a high buyer activity within the lowest price segments for units of less than \$399K (40.4%). That said there is activity in the premium markets as well, thus there is a wide range of properties available for every budget.



MARKET COMPARISON

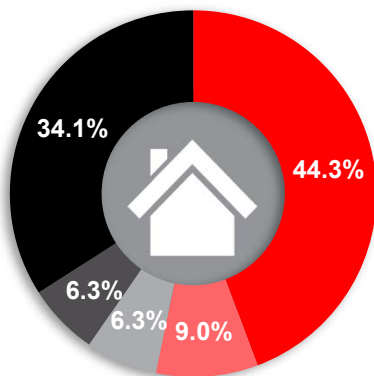


The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled is chosen based on their proximity to the main suburb analysed, which is Runaway Bay.

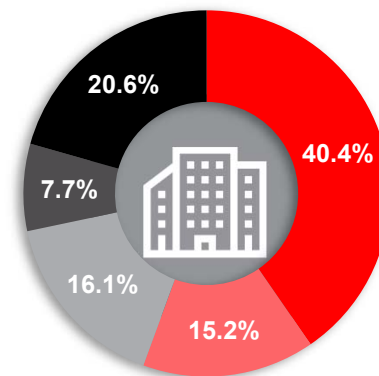
PRICE BREAKDOWN 2019^

HOUSES SOLD

UNITS SOLD



- Less than \$699,999
- \$700,000 to \$799,999
- \$800,000 to \$899,999
- \$900,000 to \$999,999
- \$1,000,000 and above



- Less than \$399,999
- \$400,000 to \$499,999
- \$500,000 to \$599,999
- \$600,000 to \$699,999
- \$700,000 and above

RENTAL GROWTH 2019*

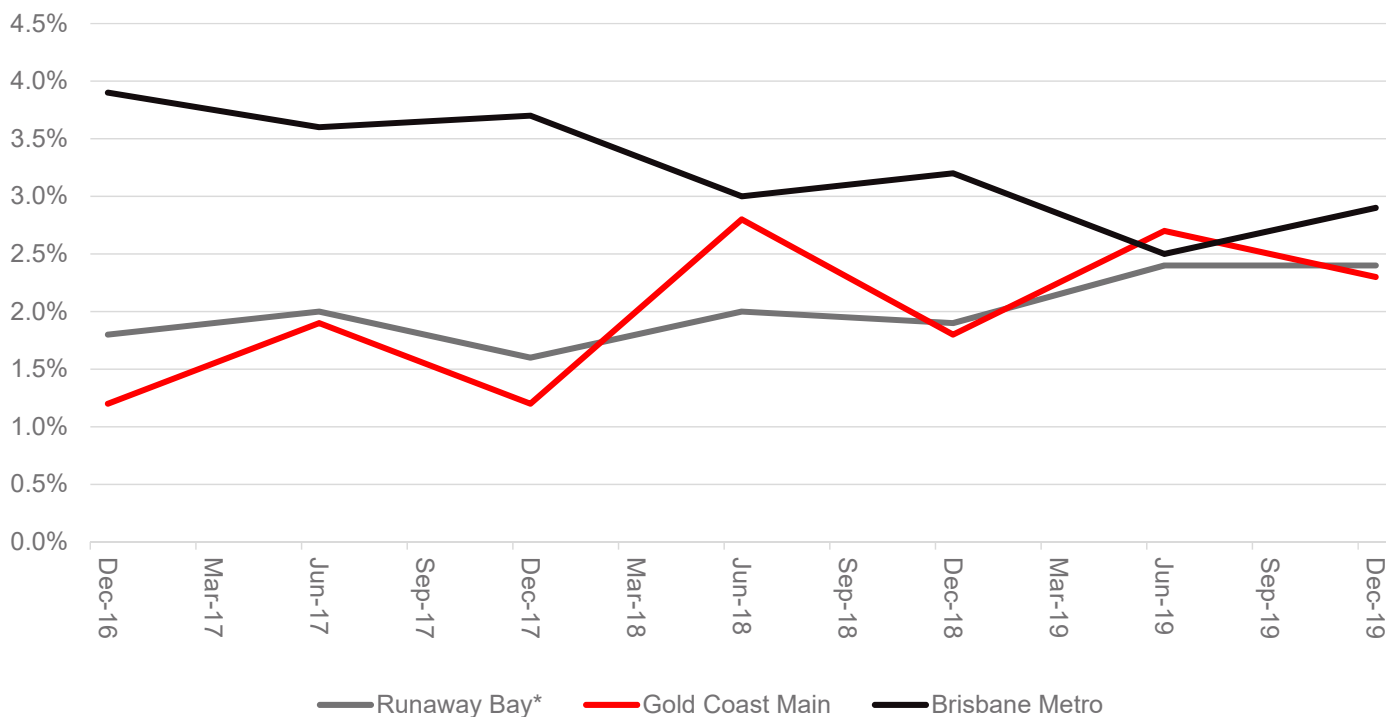
House rental yields in Runaway Bay* were recorded at a rate of 4.3% in December 2019, well above that of Gold Coast Main (4.1%) and Brisbane Metro (3.9%). Over the 12 months to Q4 2019 house rental median price was stable at \$550 per week, followed by unit rental median price slight softening by -3.4% to \$425 per week respectively.

2-bedroom houses have provided investors with +3.8% rental growth annually, resulting in a median rent of \$415 per week.

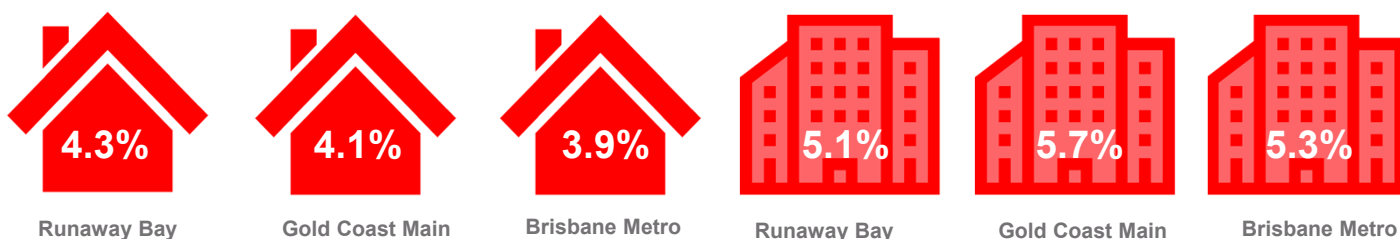
Runaway Bay* recorded a vacancy rate of 2.4% in December 2019, on par with Gold Coast Main (2.3%) but well below that of Brisbane Metro (2.9%). Vacancy rate in Runaway Bay* is lower than the Real Estate Institute of Australia's healthy benchmark of 3.0%, thus a healthier rental demand. Investors are encouraged to take this opportunity to enter the market.



RENTAL VACANCY RATES 2019



RENTAL YIELD 2019^

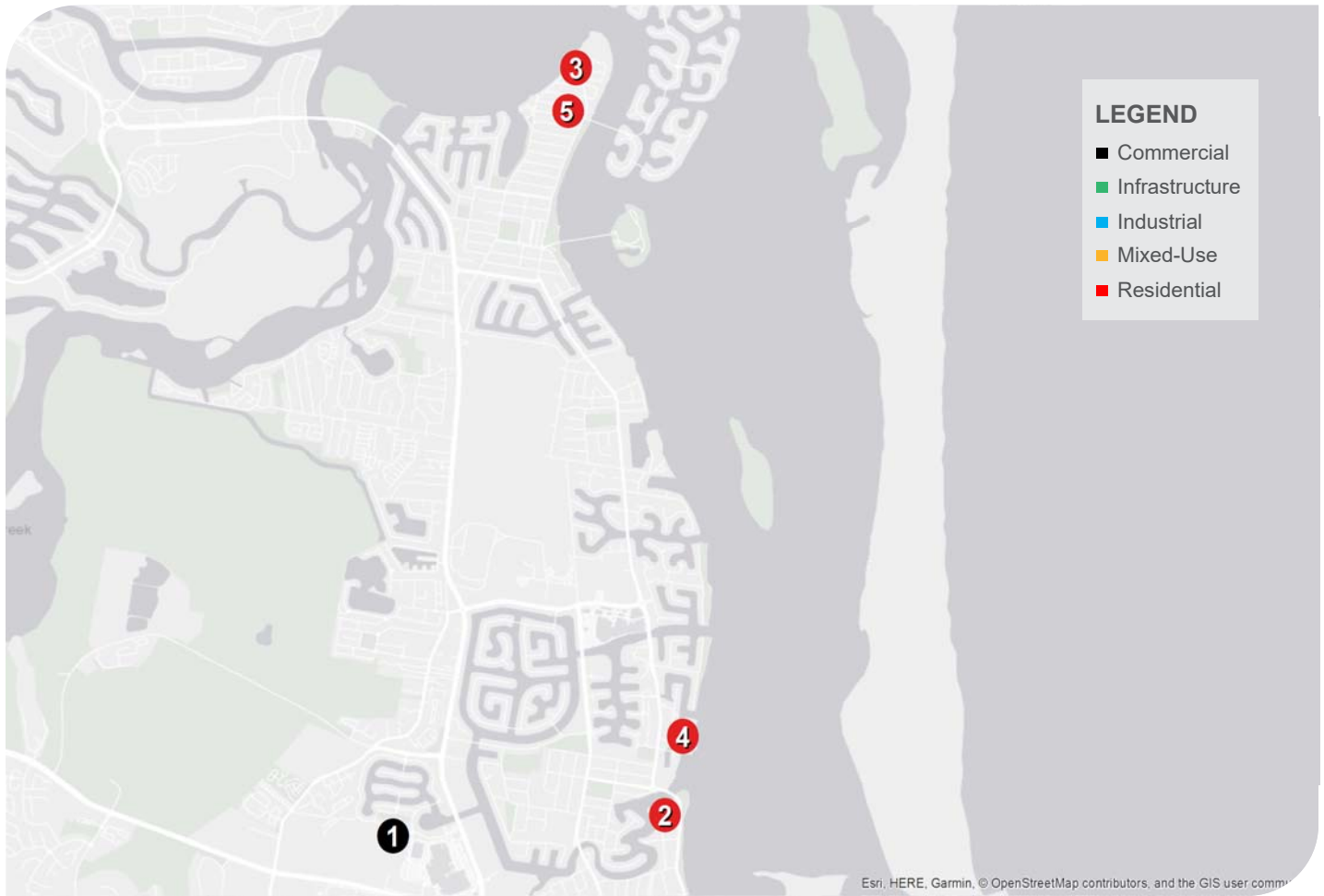


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Annual rental growth is a comparison between 2018 and 2019 house median rent figures.

^Rental yields shown are as reported at December 2019. Source: APM Pricefinder, SQM Research. © Copyright PRD 2020.

PROJECT DEVELOPMENT MAP 1st HALF 2020*



Location	Project**	Type	Estimated Value***	Commence Date****
1	Harbour Quays Retirement Resort Stage 1 & 2	Commercial	\$58,000,000	29/06/2020
2	Back Street Apartments- (40 Apartments)	Residential	\$11,000,000	18/05/2020
3	Marina Homes- (10 Dwellings)	Residential	\$10,000,000	03/04/2020
4	Oatland Esplanade Apartments- (24 Apartments)	Residential	\$7,200,000	20/05/2020
5	Killowill Avenue Villas- (10 Dwellings)	Residential	\$3,000,000	18/06/2020

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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