



Southport Market Update 2nd Half 2020



OVERVIEW

Southport* recorded a median house price of \$545,000 and a median unit price of \$382,000 in Q2 2020. Annual (Q2 2019 – Q2 2020) median price for houses softened by -9.0%, however units grew by 2.0%. Between Q2 2019 - Q2 2020 sales declined, by -48.8% for house (to 44 sales) and by -52.8% for units (to 159 sales). There is market resilience throughout COVID-19, as price grew for units, and aligned with most expectations, demand declined. Now is ideal for first home buyers, particularly with more affordable house prices.

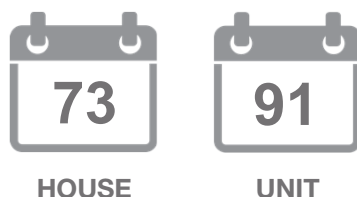
	CHANGE FROM LAST	YEAR	HALF YEAR
	House Sales	↓	↓
	House Median Price	↓	↓
	House Rental Price	↓	↓
	Unit Sales	↓	↓
	Unit Median Price	↑	↑
	Unit Rental Price	↑	↑

MARKET CONDITIONS

SALES MEDIAN PRICE Q2 2020



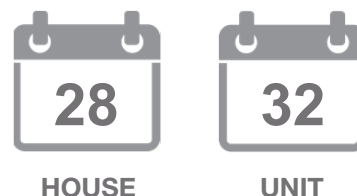
SALES AVERAGE DAYS ON MARKET Q2 2020



RENTAL MEDIAN PRICE Q2 2020

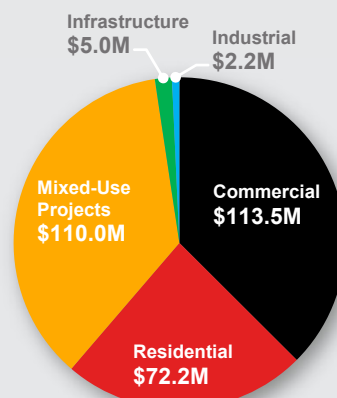


RENTAL AVERAGE DAYS ON MARKET Q2 2020



FUTURE DEVELOPMENTS

The Southport* area is set to see approximately **\$302.9M** worth of new projects in the 2nd half of 2020.



A large commercial and mixed use projects development plan will stimulate economic growth in Southport*, having a positive spill-over effect on the real estate market.

The Imperial Square Regal Residences (\$60.0M, 145 Apartments) is a key mixed use project in Southport*. This project will provide innovating housing design to Southport* and create job opportunities by building a hotel and restaurants. A main commercial project in 2nd half 2020 period is the Proxima Project (\$80.0M). This project will construct 7 levels of commercial space with the inclusion a child care centre. A total of 244 units/apartments and 86 townhouses will be constructed in Southport*. Key residential projects include: Sphere Townhouses (\$22.0M, 74 townhouses), Minnie street units (\$20.0M, 96 units), and Nerang Street Apartments (\$11.2M, 45 apartments).

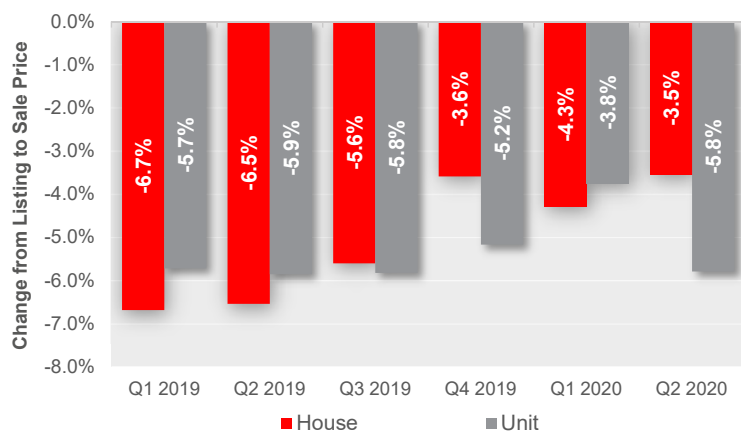


*Southport market data and key indicators encapsulates aggregate property market conditions within the suburbs Southport, Labrador, and Biggera Waters. **Estimated values are based on construction value provided by the relevant data authority and does not reflect commercial and/or re-sale value.

Source: APM Pricefinder, Cordell Connect database. © 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.

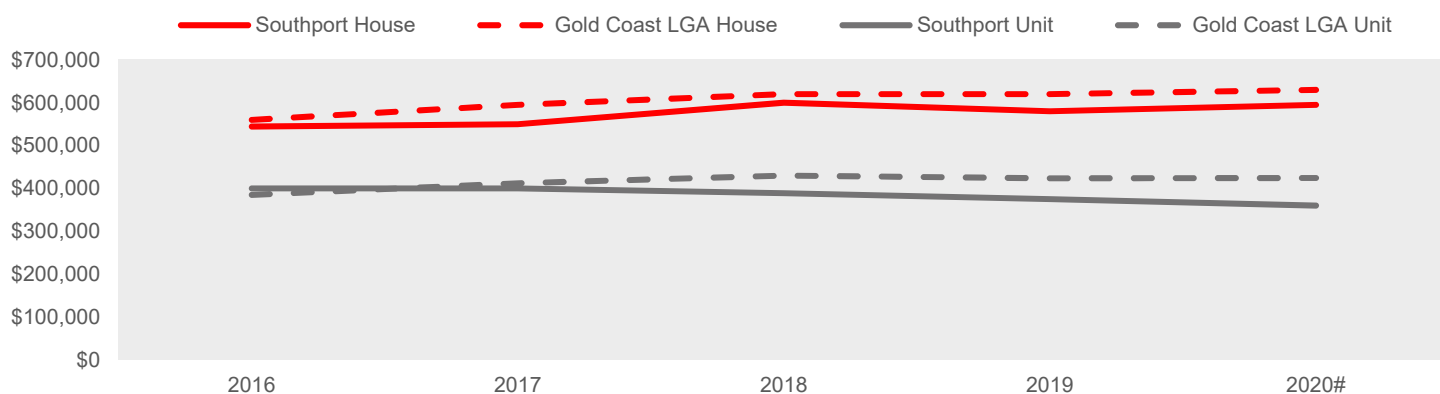


In the 12 months to Q2 2020, average vendor discount has tightened to -3.5% for houses and -5.8% for units. Current market conditions in Southport* provide unique opportunities where sellers can achieve a final sale price closer to their first list price, whilst buyers can still benefit from a discount.

Over the past 5 years to 2020#, the suburb of Southport is more affordable when compared to the Gold Coast Main Local Government Area (LGA) in regards to property median prices. This is a great opportunity for first home buyers to enter the market.

The dominant proportion of houses sold in Southport* across the 1st half of 2020 were in the lowest price bracket of less than \$549K (36.5%). Units also saw high buyer activity within the lower end of the market, of less than \$349K (40.4%). There are ample affordable options in Southport*, which is great news for investors.

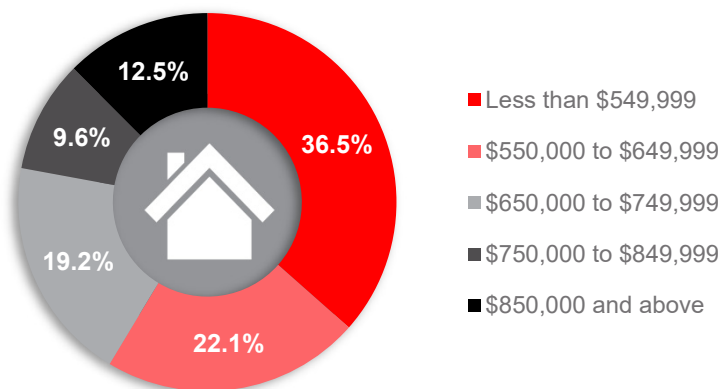
MARKET COMPARISON



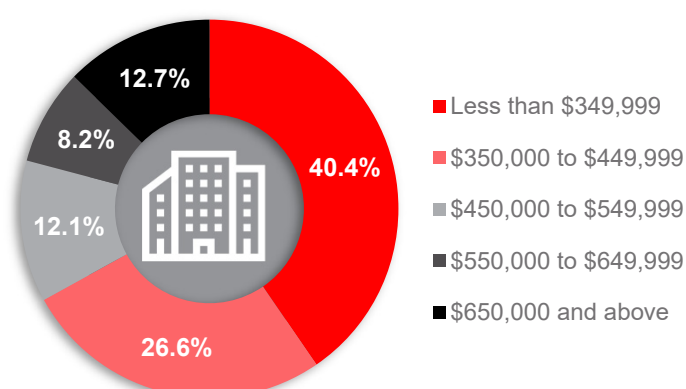
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled is chosen based on their proximity to the main suburb analysed, which is Southport.

PRICE BREAKDOWN 2020^

HOUSES SOLD



UNITS SOLD

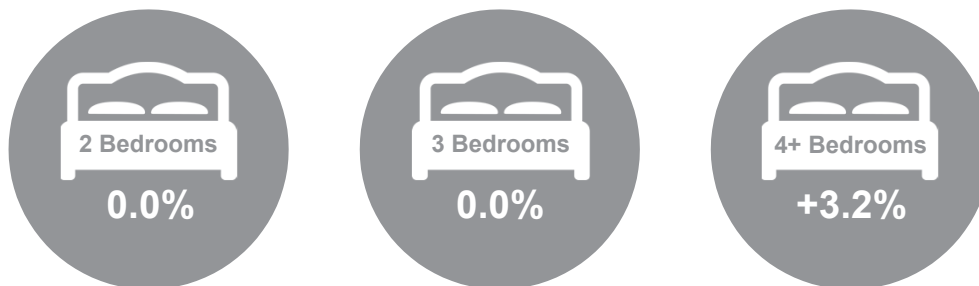


RENTAL GROWTH 2020*

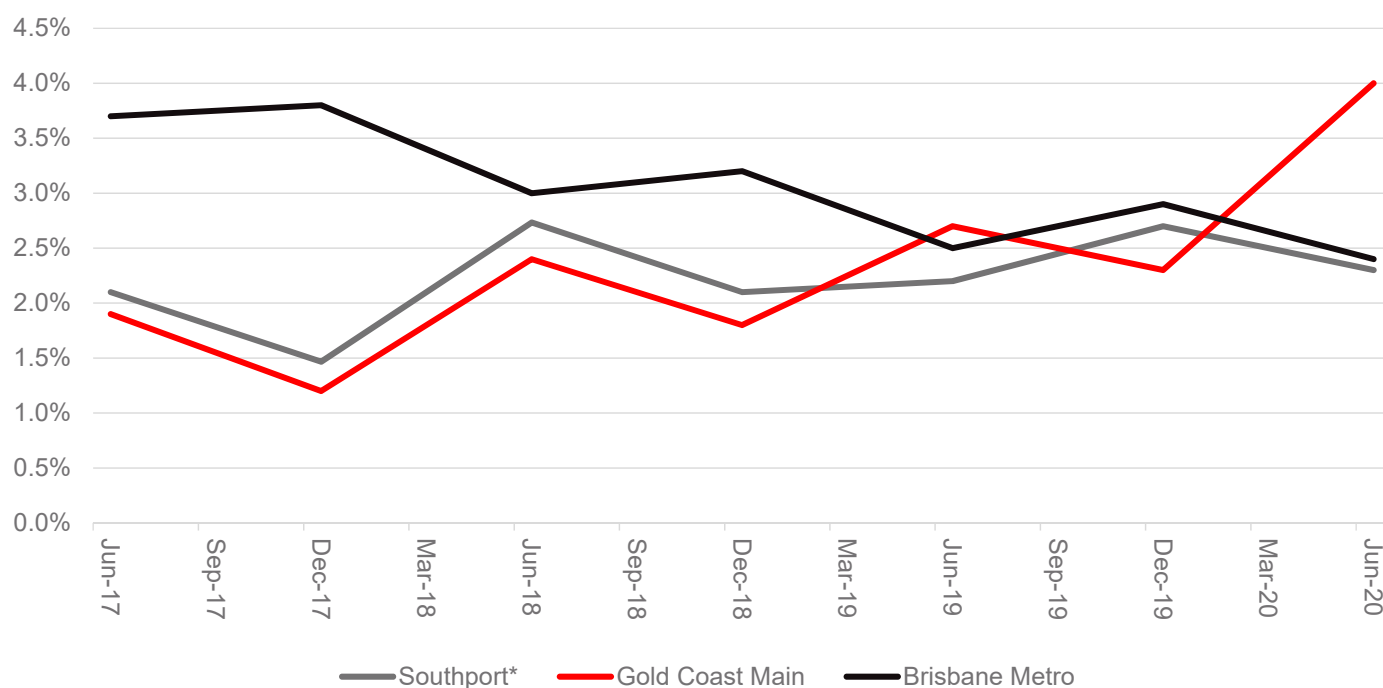
In June 2020, house rental yields in Southport* were at 4.2%, outperforming Gold Coast Main (4.1%) and Brisbane Metro (3.7%). Furthermore, in the 12 months to Q2 2020 house average days on the market declined by -12.6% to 28 days. This represents a resilient rental market throughout COVID-19, instilling investor confidence.

4+bedroom houses have provided investors with +3.2% rental growth annually, resulting in a median rent of \$650 per week.

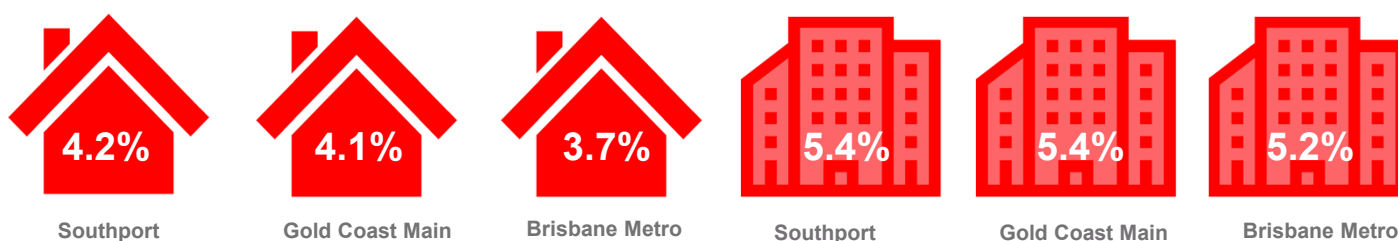
Over the June 2020 quarter, Southport* recorded a low vacancy rate of 2.3%. This is lower than Gold Coast Main (4.0%) and Brisbane Metro (2.4%). Vacancy rates in Southport* have declined since December 2019, amidst COVID-19 conditions. This indicates there is a healthy rental demand in Southport* and a conducive investment environment.



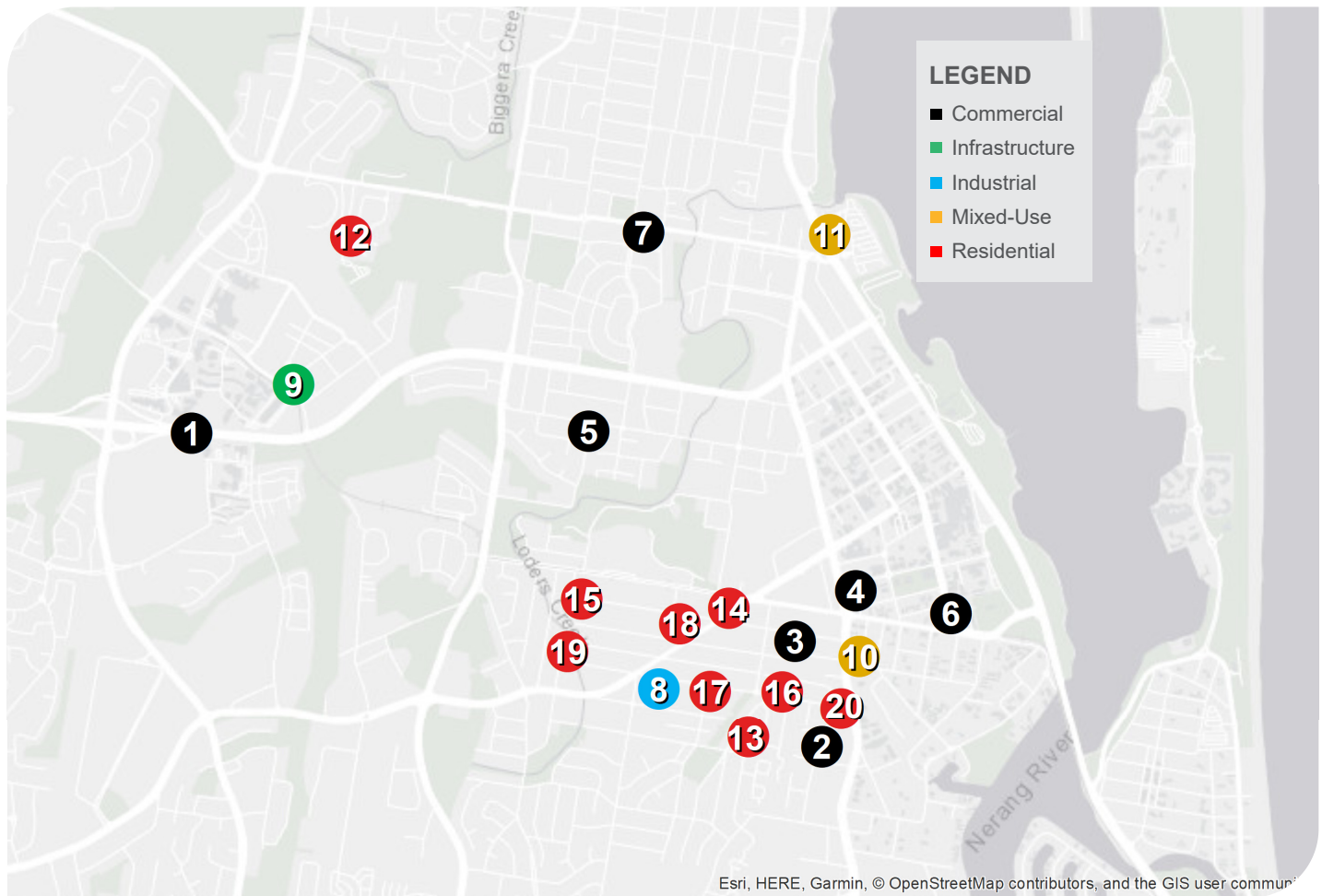
RENTAL VACANCY RATES 2020



RENTAL YIELD 2020^



PROJECT DEVELOPMENT MAP 2nd HALF 2020*



Location	Project**	Type	Estimated Value***	Commence Date****
1	Proxima	Commercial	\$80,000,000	26/10/2020
2	Case Street Industrial & Commercial Development - Central On Case	Commercial	\$13,000,000	10/08/2020
3	Spendelove Hospital	Commercial	\$8,500,000	14/09/2020
4	Lawson Street Office Building	Commercial	\$6,500,000	26/10/2020
5	Southport Magistrates Court Cladding	Commercial	\$2,500,000	06/10/2020
6	Park Lane Car Park	Commercial	\$2,000,000	18/09/2020
7	Chirn Park Medical Practice	Commercial	\$1,000,000	19/11/2020
8	Minnie & Alicia Streets Warehouse	Industrial	\$2,200,000	11/07/2020
9	Gold Coast Health & Knowledge Precinct	Infrastructure	\$5,000,000	06/08/2020
10	Imperial Square Regal Residences- (145 Apartments)	Mixed Use	\$ 60,000,000	30/09/2020
11	Marine Quarter Stage 1- (107 Units)	Mixed Use	\$50,000,000	18/12/2020
12	Sphere Townhouses- (74 Townhouses)	Residential	\$22,000,000	29/09/2020
13	Minnie Street Units- (96 Units)	Residential	\$20,000,000	15/10/2020
14	Nerang Street Apartments- (45 Apartments)	Residential	\$11,250,000	26/10/2020
15	Eugaree Street Apartments- (26 Apartments)	Residential	\$7,800,000	18/09/2020
16	Minnie Street Apartments- (10 Apartments)	Residential	\$3,000,000	10/08/2020
17	Minnie Street Apartments- (9 Apartments)	Residential	\$2,700,000	30/11/2020
18	Pohlman Street Townhouses- (7 Townhouses)	Residential	\$2,100,000	23/12/2020
19	Ward Street Units- (6 Units)	Residential	\$1,800,000	18/10/2020
20	Minnie Street Townhouses- (5 Townhouses)	Residential	\$1,500,000	09/11/2020

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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