

Coolangatta Market Update

2nd Half 2020



OVERVIEW

Coolangatta* recorded a median house price of \$661,000 and a median unit price of \$425,000 in Q2 2020. This represents annual (Q2 2019 – Q2 2020) median price growth of 2.1% for houses, and a softening of -2.9% for units. Between Q2 2019 - Q2 2020 sales declined, by -44.7% for house (to 954 sales) and by -53.7% for units (to 977 sales). Market conditions shows signs of resilience throughout COVID-19, with positive price growth for houses and only a slight softening for units, despite the expected decline in demand.

	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



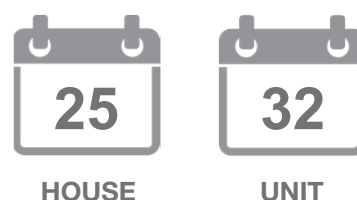
SALES AVERAGE DAYS ON MARKET Q2 2020



RENTAL MEDIAN PRICE Q2 2020

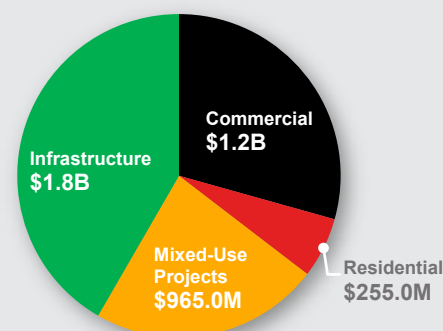


RENTAL AVERAGE DAYS ON MARKET Q2 2020



FUTURE DEVELOPMENTS

The Coolangatta* area is set to see approximately **\$4.2B** worth of new projects in the 2nd half of 2020.



A large focus on infrastructure will improve liveability for residents of Coolangatta*, as well as stimulate economic growth and increase productivity. The construction of infrastructure and commercial projects will create job opportunities in Coolangatta*, which will have positive spill-over impact on the real estate market.

Key infrastructure projects for the 2nd half of 2020 include: M1 Motorway- Varsity Lakes to Tugun (\$1.0B) and M1 Motorway- Varsity Lakes to Beenleigh (\$500.0M). Once completed these road works projects will enhance access and thus business productivity within the area. 2566 units/apartments and 194 townhouses is planned. These include: Destination Gold Coast (\$500.0M, 457 Apartments) and Cypress Central Transit (\$200.0M, 970 Apartments).



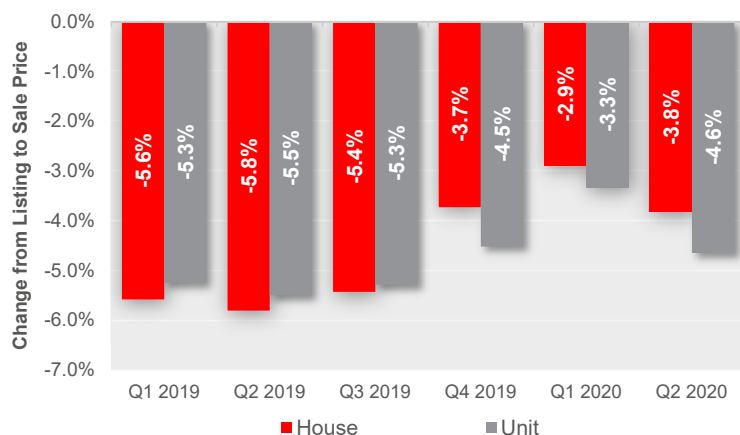
*Coolangatta market data and key indicators encapsulates aggregate property conditions within the Gold Coast Local Government Area.

**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 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.

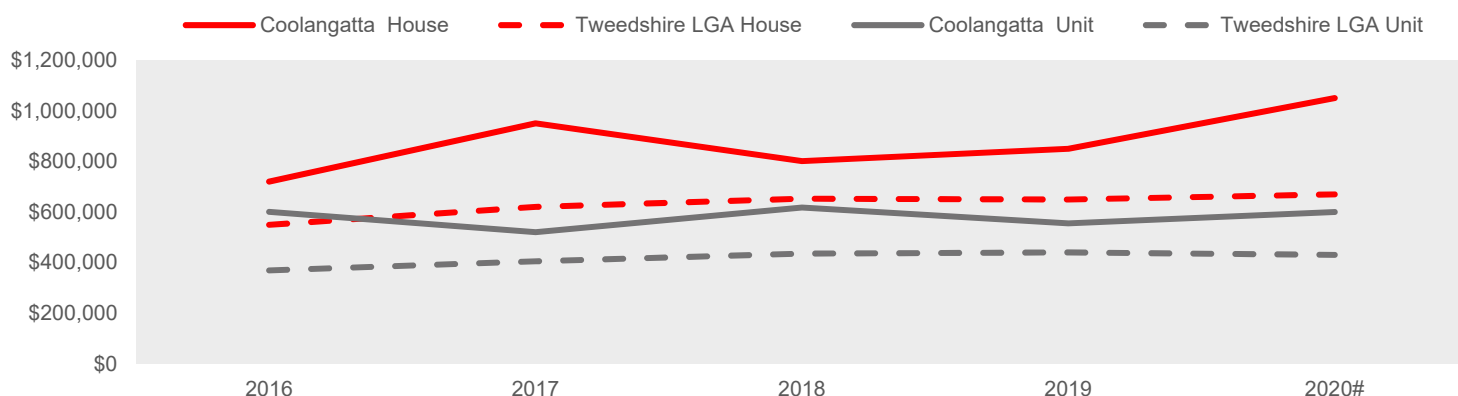


Over the 12 months to Q2 2020, average vendor discounting has tightened to -3.8% (houses) and -4.6% (units). Market conditions in Coolangatta* provide unique opportunities. Sellers can achieve a final sale price closer to their first list price, whilst buyers can still benefit from a discount. Now is the time to transact.

Over the past 5 years to 2020#, the suburb of Coolangatta continues to outperform the Tweed Shire Local Government Area (LGA) regarding property prices. Coolangatta is a premium market compared to the LGA, with the continual expectation for high capital growth.

The dominant proportion of houses sold in Coolangatta* across the 1st half of 2020 were in the highest price bracket of \$800K and above (31.8%). Units saw high buyer activity in the premium market of \$600K and above (26.6%), with an even spread across all price brackets. Overall premium properties are still in high demand.

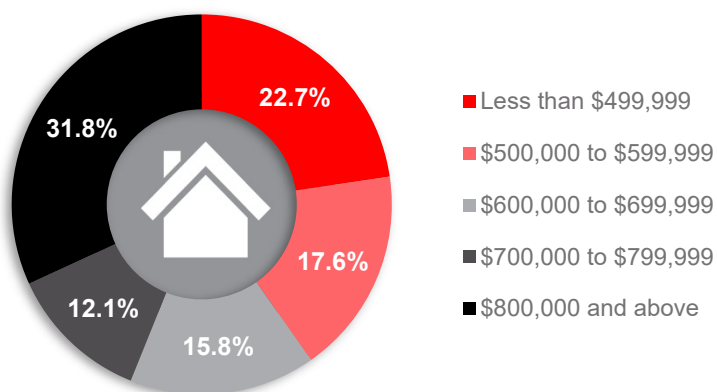
MARKET COMPARISON



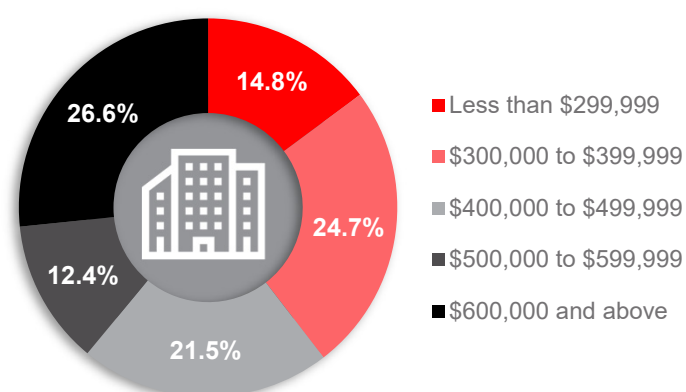
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled is chosen based on their proximity to the main suburb analysed, which is Coolangatta.

PRICE BREAKDOWN 2020^

HOUSES SOLD



UNITS SOLD

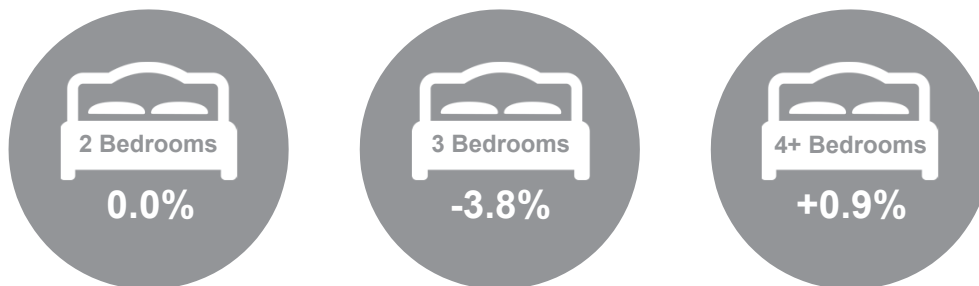


RENTAL GROWTH 2020*

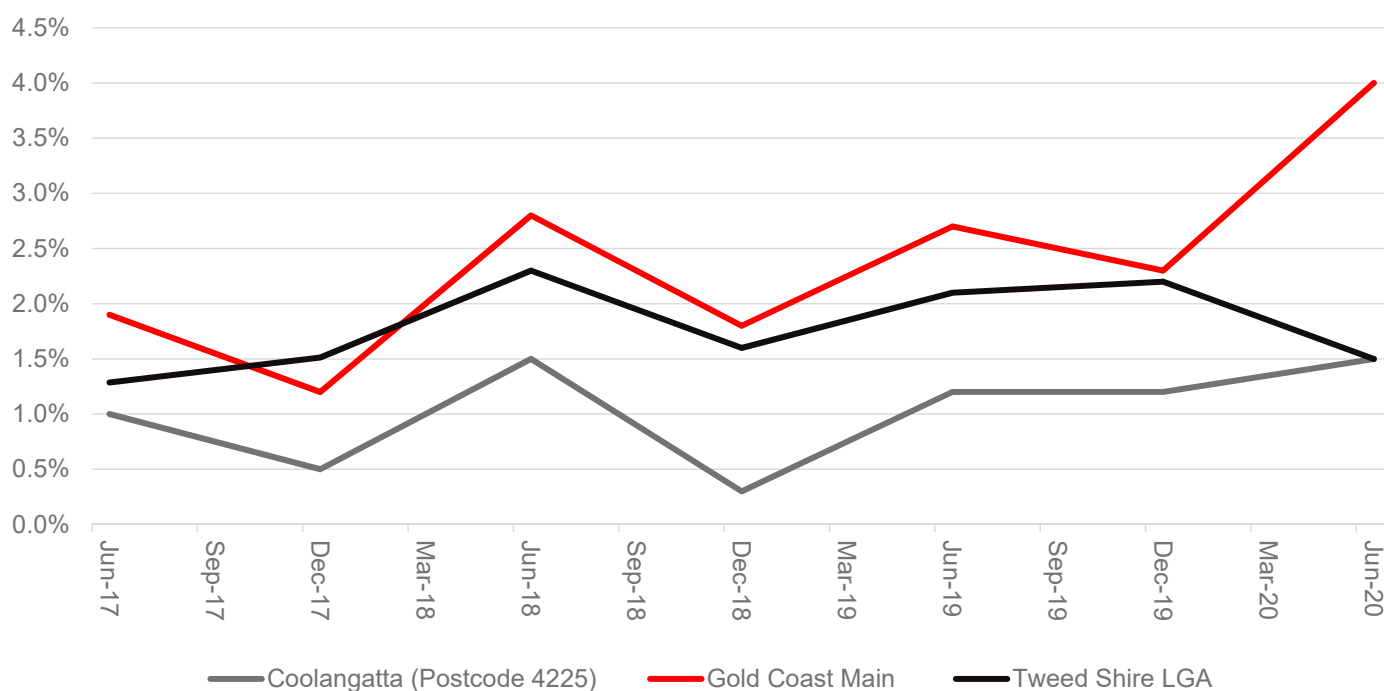
In June 2020, house rental yields in Coolangatta (postcode 4225) was 2.4%. In the 12 months to Q2 2020 median house rental price remained stable at \$535 per week, whereas median unit rental price grew by 2.3% to \$440 per week. This represented a resilient rental market throughout COVID-19.

4+bedroom houses have provided investors with +0.9% rental growth annually, resulting in a median rent of \$565 per week.

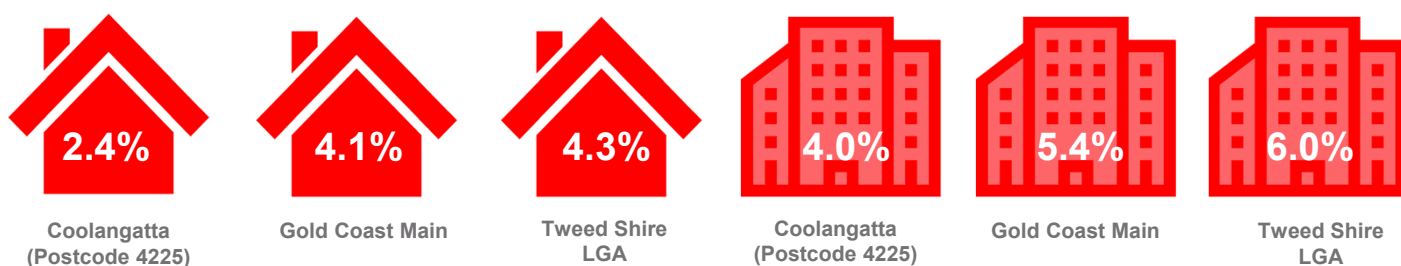
Over the June 2020 Quarter, Coolangatta (postcode 4225) recorded a low vacancy rate of 1.5%, lower than Gold Coast Main (4.0%) and on par with Tweed Shire LGA (1.5%). Vacancy rates in Coolangatta (postcode 4225) have remained on a declining trend since June and December 2019, even amidst COVID-19 conditions. This confirms there is a healthy rental demand and investors can be confident of conducive investment environment in Coolangatta.



RENTAL VACANCY RATES 2020

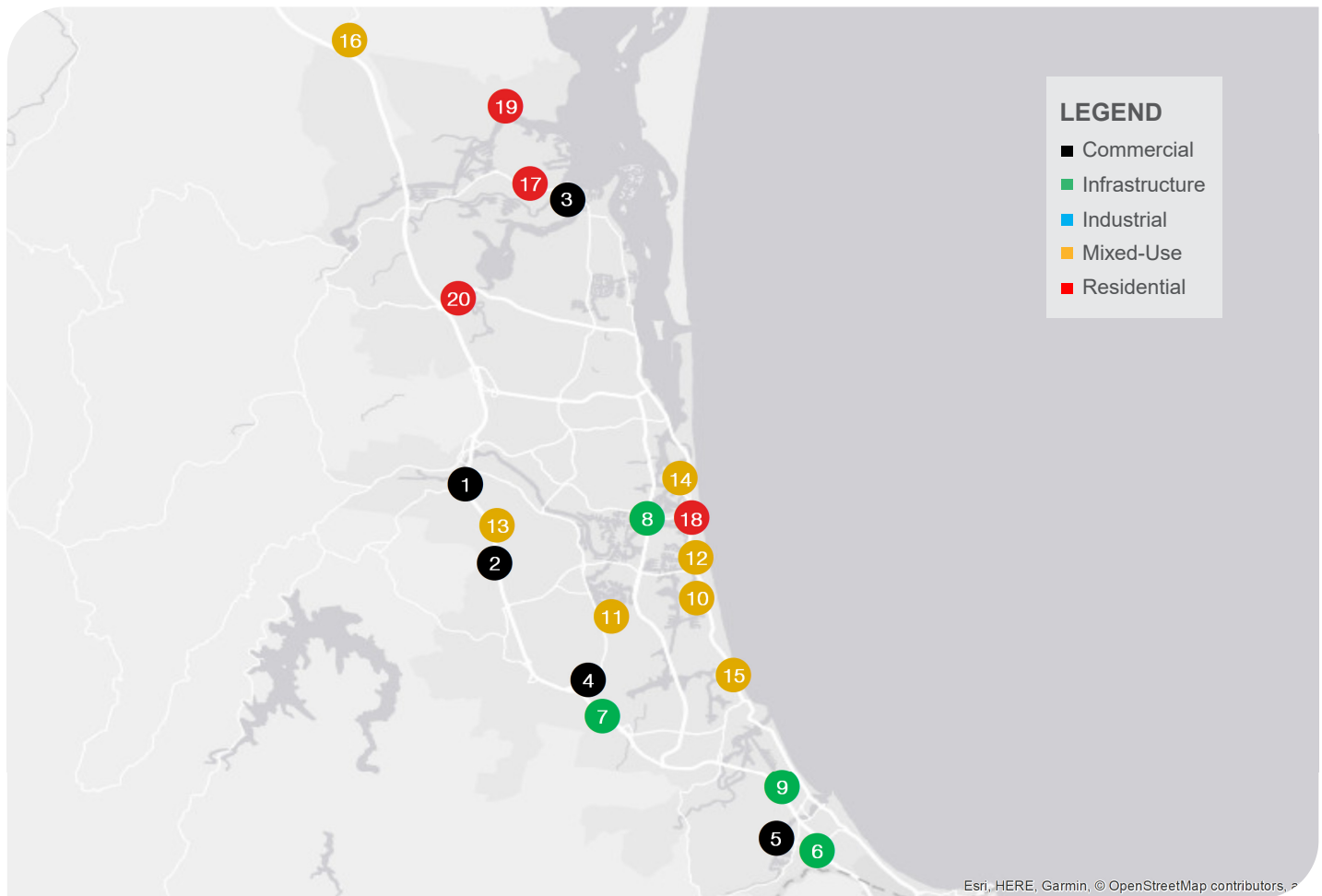


RENTAL YIELD 2020^



*Coolangatta market data and key indicators encapsulates aggregate property conditions within the Gold Coast Local Government Area. Annual rental growth is a comparison between 1H 2019 (01/01/2019 – 30/06/2019) and 1H 2020 (01/01/2020 – 30/06/2020) house median rent figures. ^Rental yields shown are as reported at June 2020.
Source: APM Pricerfinder, SQM Research. © Copyright PRD 2020.

PROJECT DEVELOPMENT MAP 2nd HALF 2020*



Location	Project**	Type	Estimated Value***	Commence Date****
1	Australian Legend World Theme Park & Mixed Use Development	Commercial	\$600,000,000	20/07/2020
2	Pacific View Estate Masterplanned Community	Commercial	\$500,000,000	10/10/2020
3	Swissotel Gold Coast Hope Island	Commercial	\$60,000,000	27/12/2020
4	Robina Town Centre - Office Block	Commercial	\$40,000,000	30/11/2020
5	Currumbin Waters Mixed Used Development	Commercial	\$35,000,000	18/12/2020
6	Pacific Motorway (M1) Varsity Lakes To Tugun	Infrastructure	\$1,003,000,000	28/09/2020
7	Double Entry Refer To 7470411	Infrastructure	\$500,000,000	18/10/2020
8	Gold Coast Cultural Precinct	Infrastructure	\$150,000,000	23/11/2020
9	M1 South Pacific Motorway Burleigh To Palm Beach	Infrastructure	\$100,000,000	04/11/2020
10	Destination Gold Coast – Epsilon- (457 Apartments)	Mixed Use	\$500,000,000	12/10/2020
11	Cypress Central Transit Orientated Mixed Development- (970 Units)	Mixed Use	\$200,000,000	10/10/2020
12	Infinity Tower Broadbeach- (61 Apartments)	Mixed Use	\$75,000,000	20/07/2020
13	Nielsens Road Units & Restaurant- (270 Units)	Mixed Use	\$50,000,000	28/10/2020
14	Vista Street Mixed Use Development- (217 Units)	Mixed Use	\$50,000,000	25/08/2020
15	Gold Coast Highway Mixed Use Developmen – Sandbar-(170 Apartments)	Mixed Use	\$50,000,000	23/11/2020
16	Gainsborough Greens Estate Master Plan Community Precinct-	Mixed Use	\$40,000,000	21/12/2020
17	Grant Avenue Units- (210 Units)	Residential	\$140,000,000	15/08/2020
18	Acacia Avenue Units- (211 Units)	Residential	\$40,000,000	16/08/2020
19	Foxwell Road Townhouses Stages 1-5- (134 Townhouses)	Residential	\$40,000,000	29/08/2020
20	Serenity 4212 Residential Development Stage 6- (60 Townhouses)	Residential	\$35,000,000	30/11/2020

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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