



Tweed Coast Market Update 2nd Half 2020



OVERVIEW

Tweed Coast* recorded a median house price of \$905,000 and a median unit price of \$587,000 in Q2 2020. This represents annual (Q2 2019 – Q2 2020) median price softening of -0.3% for houses, however units grew by 15.1%. Between Q2 2019 - Q2 2020 sales declined, by -11.3% for house (to 55 sales) and by -47.4% for units (to 40 sales). A decline in demand and cooling market conditions were expected due to COVID-19, however there is price resilience in the market. Now is an ideal opportunity for first home buyers to enter the market, with less competition and government incentives.

	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

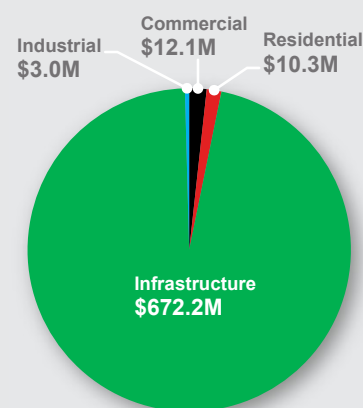


RENTAL AVERAGE DAYS ON MARKET Q2 2020



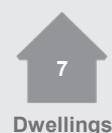
FUTURE DEVELOPMENTS

The Tweed Coast* area is set to see approximately **\$697.5 worth of new projects in the 2nd half of 2020.**



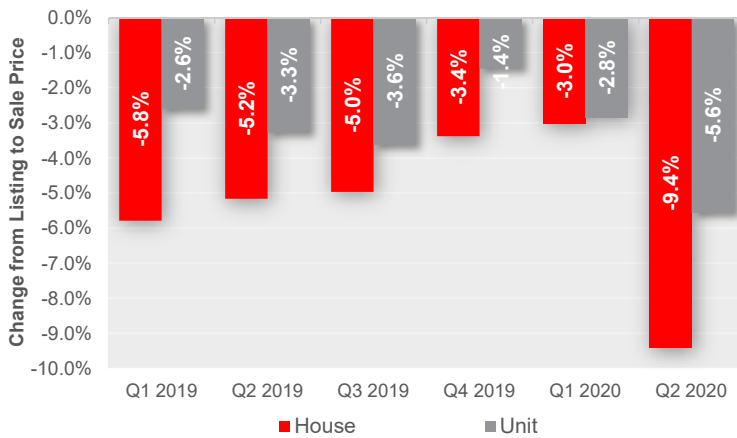
A large focus on infrastructure will improve liveability for residents of Tweed Coast*, as well as stimulate economic growth and increase productivity. The construction of infrastructure projects will create new jobs in the area, which will have positive spill-over impact on the real estate market.

A key infrastructure project for the 2nd half of 2020 is the Tweed Valley Hospital (\$672.0M). This project will create employment opportunities in Tweed Coast* and spur further economic activity into the area. A total of 7 dwellings and 12 units/apartments and will be constructed in the 2nd Half of 2020 in Tweed Coast*. These key residential projects include: Sutherland Street Occupancies (\$3.2M, 3 dwellings) and Sutherland Street Units (\$3.2M, 5 units).



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.



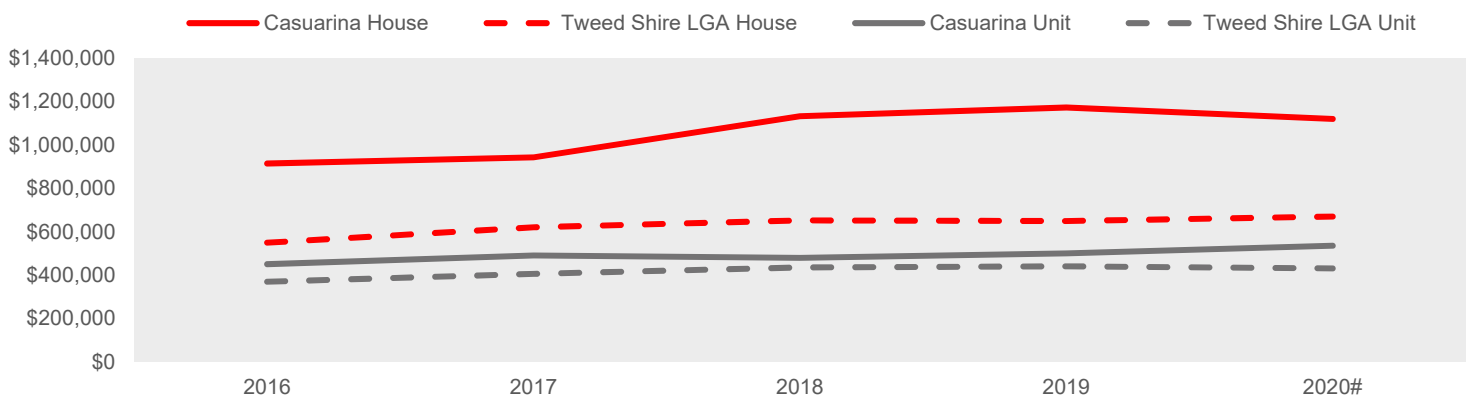
KEY COMMENTS

Over the 12 months to Q2 2020, average vendor discounting has widened in Tweed Coast*, to -9.4% for houses and to -5.6% for units. This indicates that buyers are benefiting from great discounts and negotiating below first list asking prices.

Over the past 5 years to 2020#, the suburb of Casuarina continues to outperform the Tweed Shire Local Government Area (LGA) regarding property prices. Casuarina is still a premium market compared to the LGA, despite a slight softening in its median house price due to COVID-19 conditions.

The dominant proportion of houses sold in Tweed Coast* across 2020^ were in the middle price bracket of \$800K to \$999K (28.4%). Units saw high buyer activity in both the premium market of \$700K and above (28.6%) and most affordable market below \$400K (27.1%). There are ample opportunities for buyers with a variety of budgets.

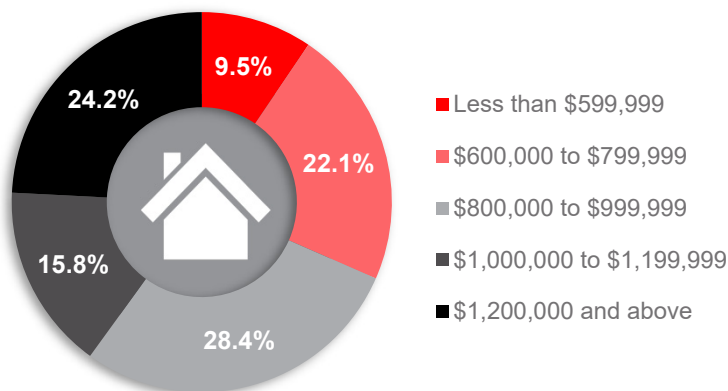
MARKET COMPARISON



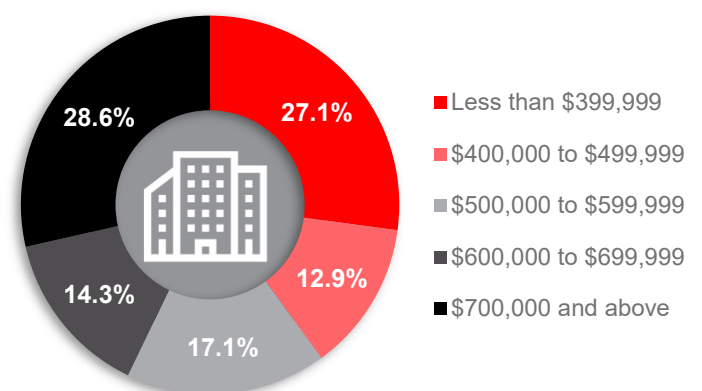
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled is chosen based on their proximity to the main suburb analysed, which is Casuarina.

PRICE BREAKDOWN 2020^

HOUSES SOLD



UNITS SOLD

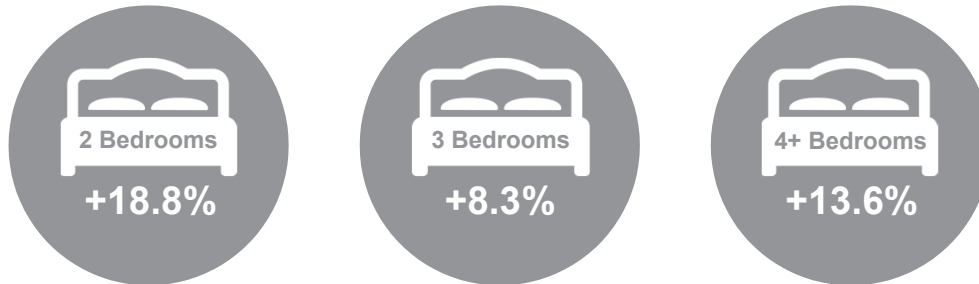


RENTAL GROWTH 2020€

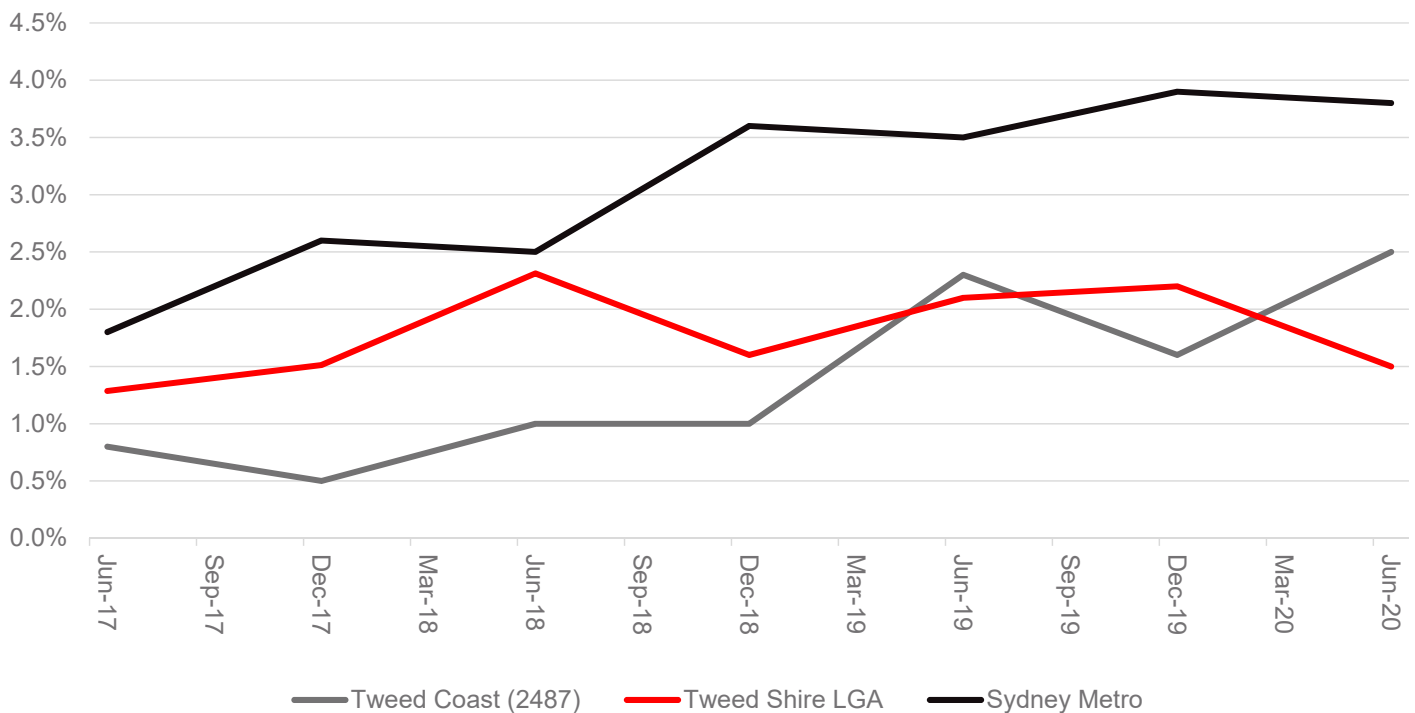
In June 2020, house rental yields in Tweed Coast* was recorded at 3.9%. In the 12 months to Q2 2020 median house rental price grew by 1.6% at \$650 per week and median unit rental price grew by 0.6% at \$483 per week. This represented a resilient rental market throughout COVID-19.

2-bedroom houses have provided investors with +18.8% rental growth annually, with a median rent of \$490 per week.

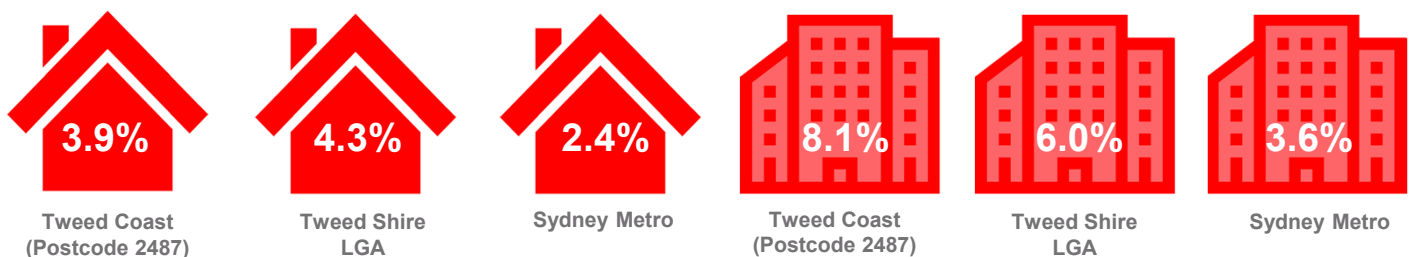
Over the June 2020 Quarter, Tweed Coast* recorded a vacancy rate of 2.5%, above that of Tweed Shire LGA (1.5%) but well below Sydney Metro (3.8%). Vacancy rates in Tweed Coast* remain well below the Real Estate Institute of Australia's healthy benchmark of 3.0%, even amidst COVID-19 conditions. This confirms there is still a healthy rental demand and investors can be confident of conducive investment environment in Tweed Coast*.



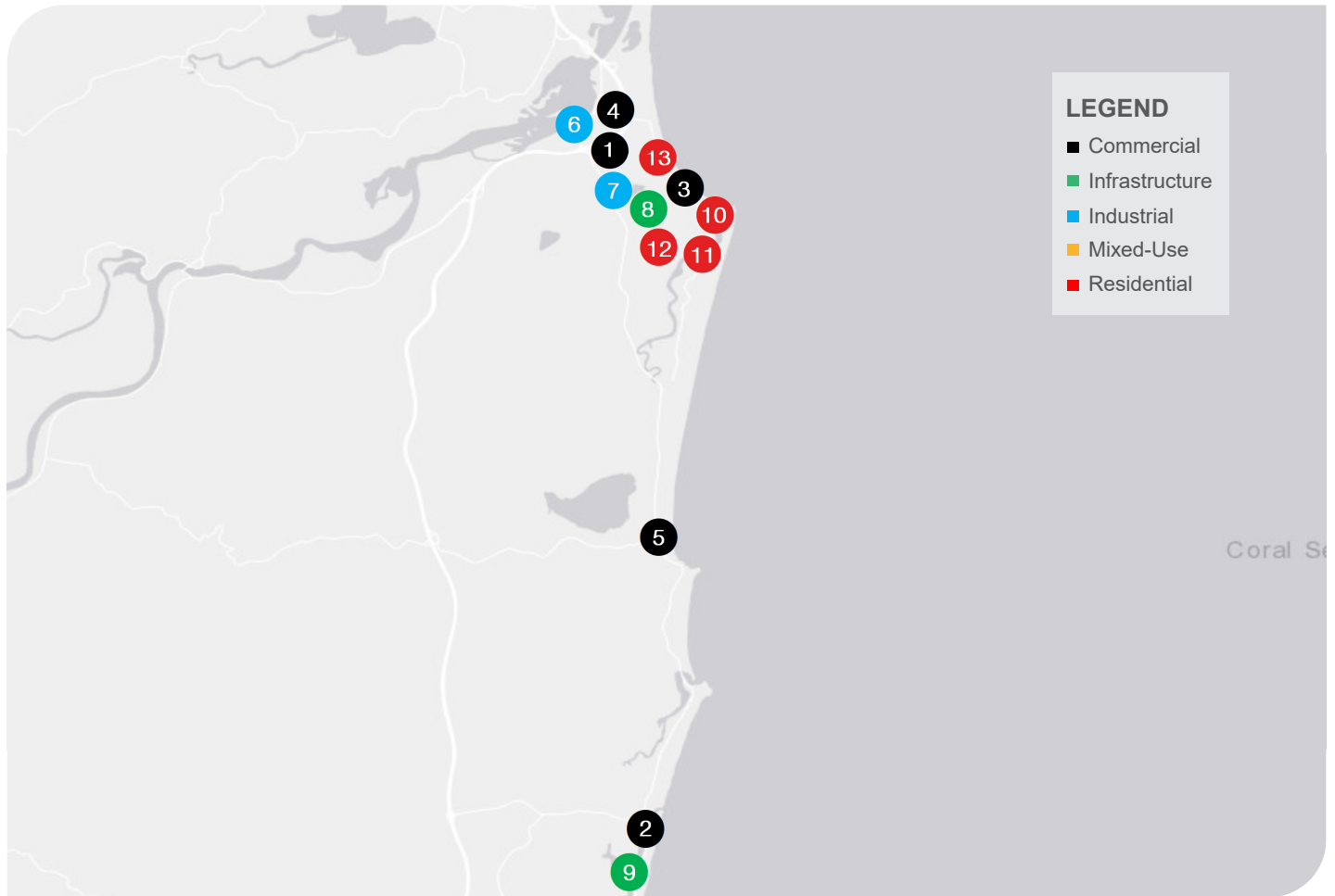
RENTAL VACANCY RATES 2020



RENTAL YIELD 2020\$



PROJECT DEVELOPMENT MAP 2nd HALF 2020[Ⓐ]



Location	Project [£]	Type	Estimated Value [Ⓜ]	Commence Date [Ⓜ]
1	Bp Chinderah Travel Centre	Commercial	\$4,500,000	18/12/2020
2	Mountbatten Court Serviced Apartments	Commercial	\$3,500,000	16/12/2020
3	Kingscliff Beach Bowls Club	Commercial	\$3,300,000	25/10/2020
4	Eco Essence Homes	Commercial	\$510,000	16/12/2020
5	Cabarita Beach Surf Life Saving Club	Commercial	\$250,000	27/10/2020
6	Naru Street Industrial Units	Industrial	\$2,900,000	29/12/2020
7	Tweed Coast Road Industrial Development	Industrial	\$120,000	08/12/2020
8	Tweed Valley Hospital Stage 2	Infrastructure	\$672,000,000	10/08/2020
9	Overall Drive Shared User Path	Infrastructure	\$200,000	13/09/2020
10	Sutherland Street Dual Occupancies- (3 Dwellings)	Residential	\$3,250,000	23/09/2020
11	Sutherland Street Units- (5 Units)	Residential	\$3,013,000	18/09/2020
12	Marine Parade Apartments Stages 1-2- (7 Apartments)	Residential	\$2,700,000	12/08/2020
13	Kingscliff Street Dwellings- (4 Dwellings)	Residential	\$1,300,000	24/09/2020

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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REFERENCES

* Tweed Coast market data and key indicators encapsulates aggregate property conditions within the suburbs Fingal Head, Chinderah, Cudgen, Kingscliff, Casuarina, Bogangar, Cabarita Beach, Hastings Point, and Pottsville.

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

2020 encapsulates sales transactions for 1H 2020 (01/01/2020 – 30/06/2020) only.

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€ 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.

¥ Tweed Coast market data encapsulates aggregate property conditions within the postcode of 2487

§ Rental yields shown are as reported at June 2020.

⌘ Project development map showcases a sample of upcoming projects only, due to accuracy of addresses provided by the data provider for geocoding purposes.

£ Projects refers to the top developments within the suburbs Fingal Head, Chinderah, Cudgen, Kingscliff, Casuarina, Bogangar, Cabarita Beach, Hastings Point, and Pottsville

μ Estimated value is the value of construction costs provided by relevant data authority, it does not reflect the project's sale/commercial value.

ψ Commencement date quoted for each project is an approximate only, as provided by the relevant data authority, PRD does not hold any liability to the exact date.

Source: APM Pricerfinder, Cordell Connect database, SQM Research, ESRI ARCGIS.

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