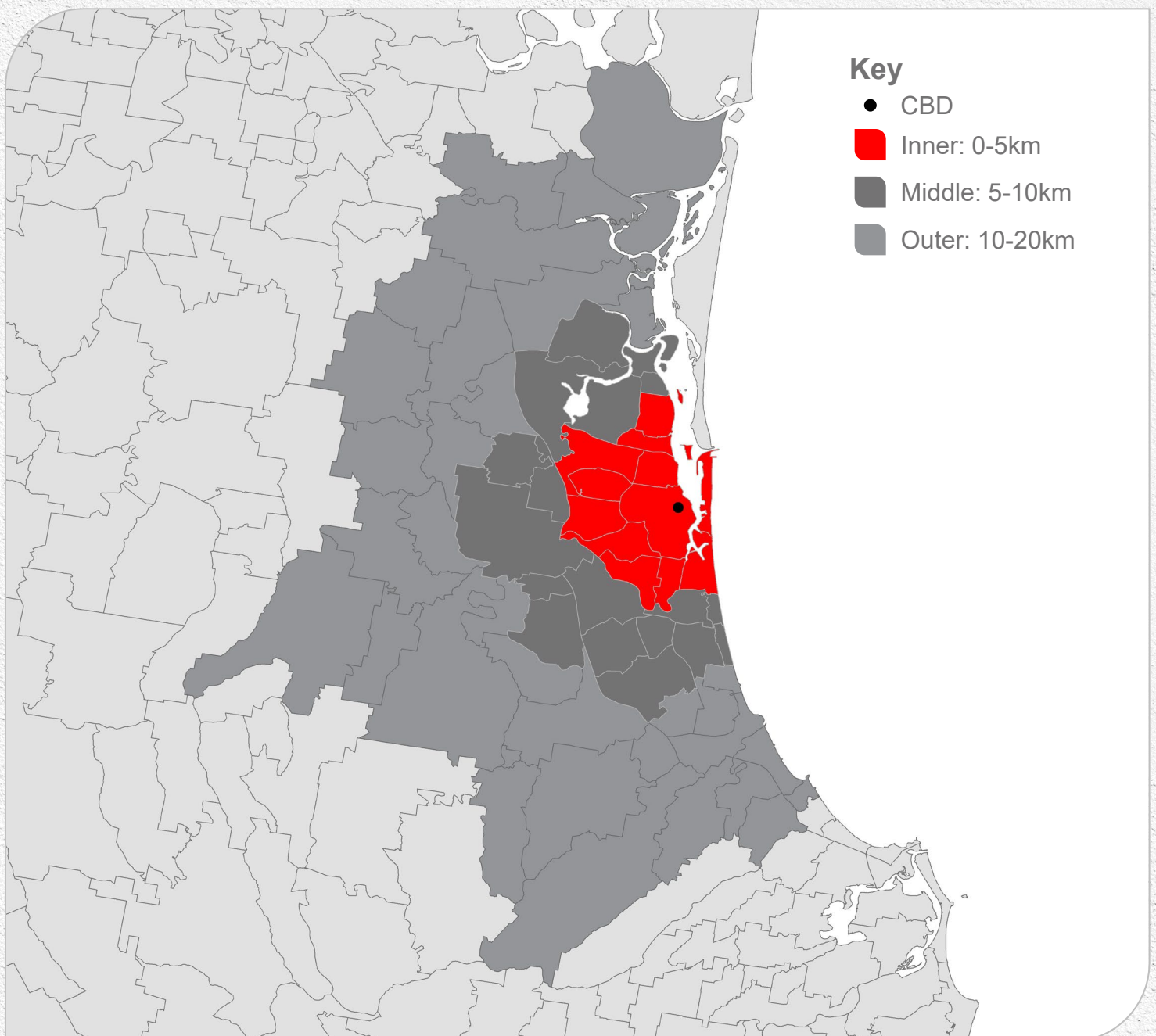


> Gold Coast | Major City Market Update
1st Half 2021

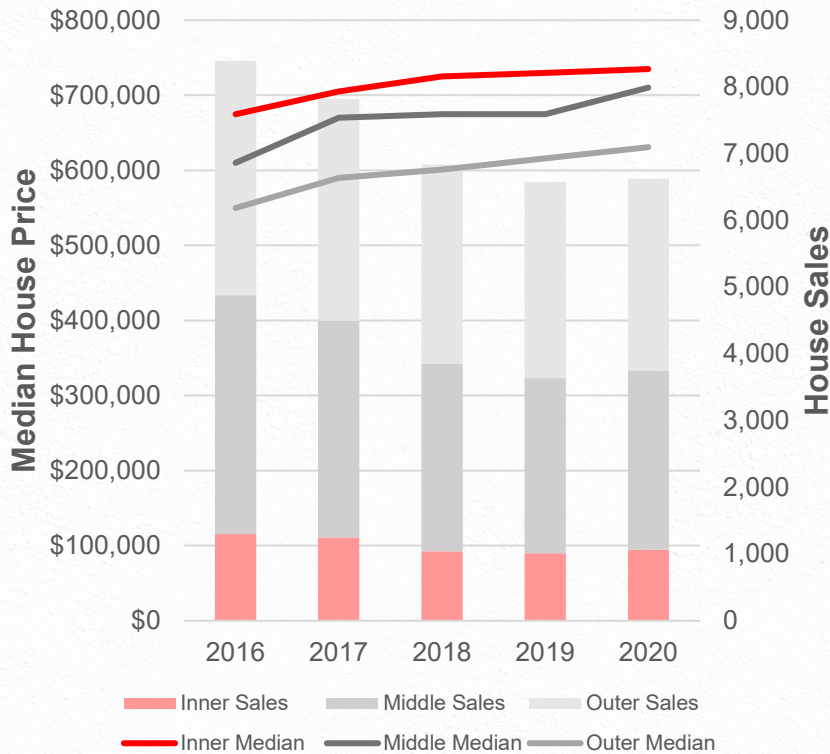
INTRODUCTION

A first of its kind, the *PRD Gold Coast Market Update 1st Half 2021* is part of a series of reports which divides major cities into inner, middle, and outer-rings, allowing for an in-depth analysis of each specified market, whilst painting a holistic picture of property conditions in each area.

The Gold Coast property market has seen exceptional growth over the past five years, particularly in the middle-ring with its median house price growing by 16.4% over this period. The property market has been supported by Government stimulus which has led the market to excel amidst COVID-19 restrictions. The inner-ring's house rental market has seen its median rental price growing by 7.1% annually, which will bring confidence to investors with vacancy rates also at low levels.



GOLD COAST HOUSE SALES 2016-20



2020 Median Sale Price

- Inner: \$735,000
- Middle: \$710,000
- Outer: \$631,000

2016-20 Price Growth

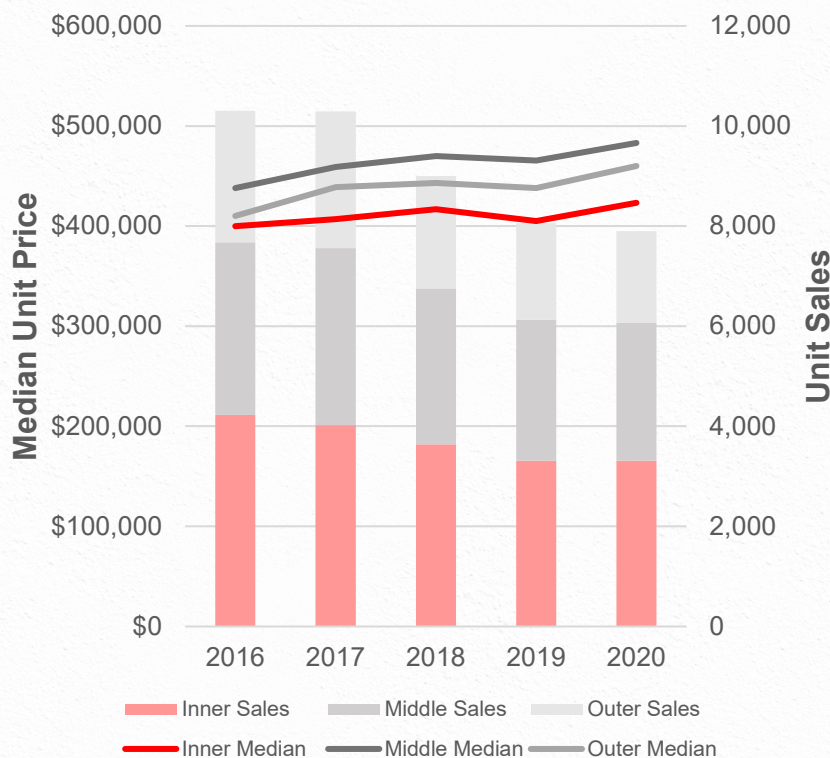
- Inner: +8.9% (+\$60,000)
- Middle: +16.4% (+\$100,000)
- Outer: +14.7% (+\$81,000)

Key Comments

- Over the past 5 years, middle ring median house prices saw the highest increase in capital growth.
- Stock levels in all rings have declined which has pushed prices up, benefiting vendors.

© Prepared by PRD Research. Source: APM Pricefinder.

GOLD COAST UNIT SALES 2016-20



2020 Median Sale Price

- Inner: \$423,250
- Middle: \$483,000
- Outer: \$460,000

2016-20 Price Growth

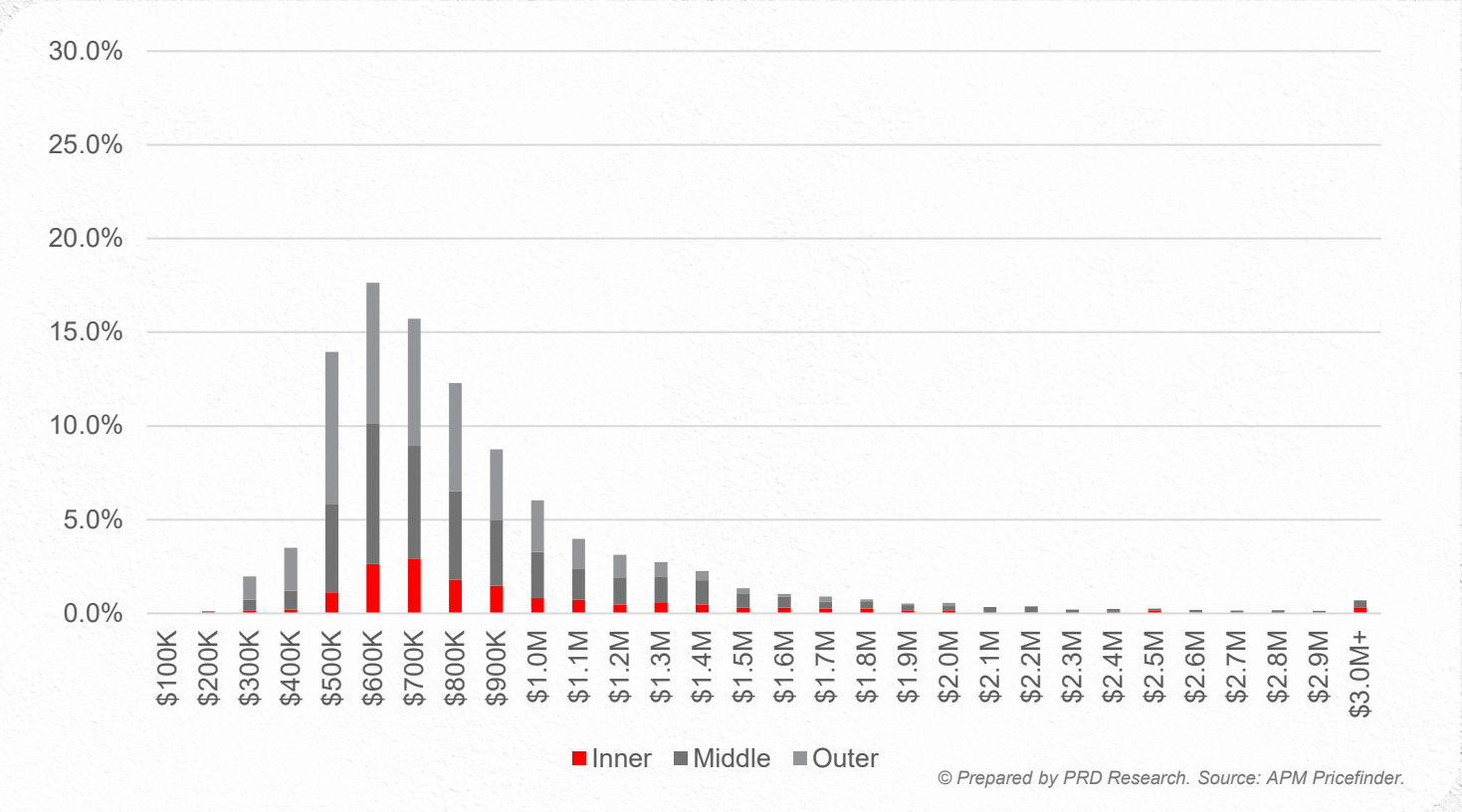
- Inner: +5.8% (+\$23,250)
- Middle: +10.3% (+\$45,125)
- Outer: +12.2% (+\$50,000)

Key Comments

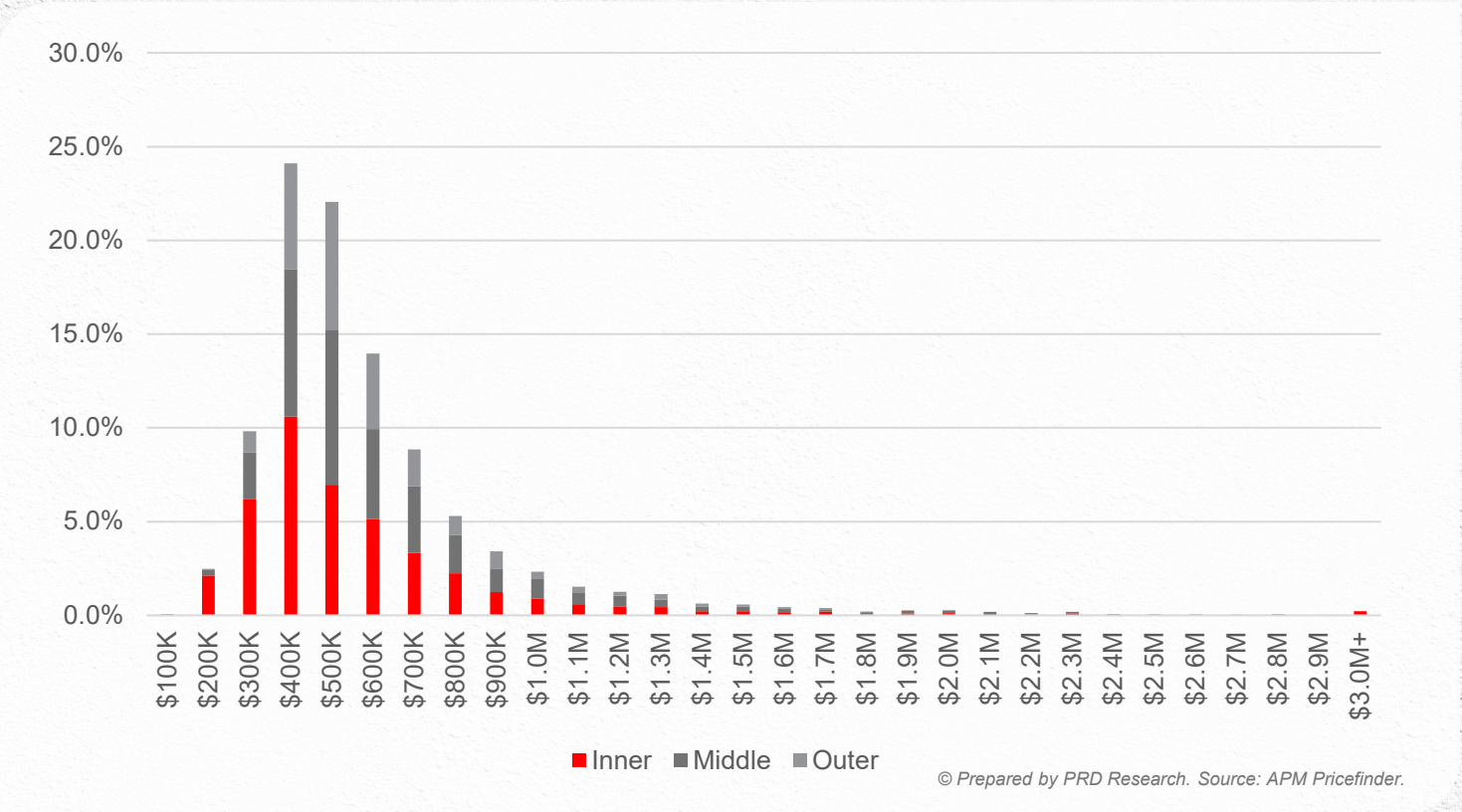
- Since 2016, outer ring units have outperformed other rings due to a supply and demand imbalance.
- Inner ring units have been in oversupply, which has minimised capital growth over the period.

© Prepared by PRD Research. Source: APM Pricefinder.

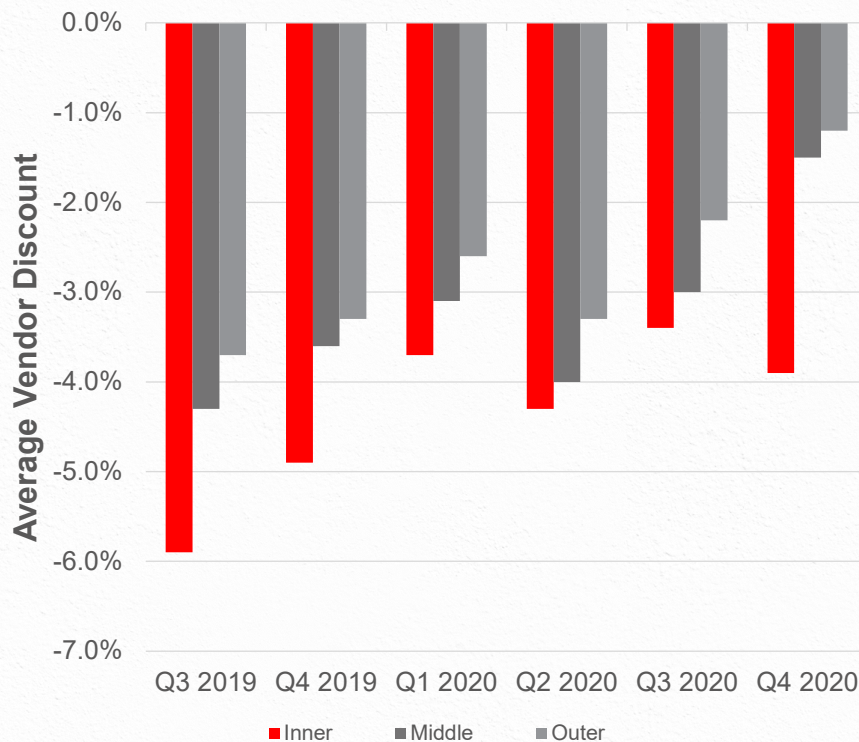
GOLD COAST HOUSE SALES PRICE DISTRIBUTION 2020



GOLD COAST UNIT SALES PRICE DISTRIBUTION 2020



GOLD COAST HOUSE AVERAGE VENDOR DISCOUNT



Q4 2020 Overview

- Inner: -3.9%
- Middle: -1.5%
- Outer: -1.2%

What is Average Vendor Discount?

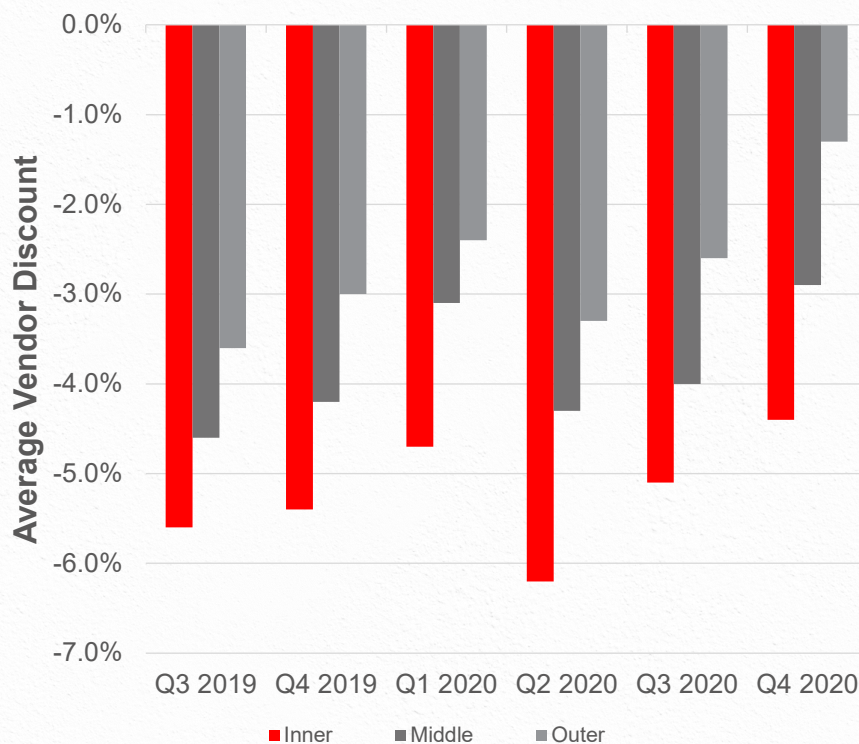
- The average percentage difference between the first list price and final sold price.

Key Comments

- Middle and outer ring house vendor discounting has tightened over the past year due to buyer appetite.
- The inner ring also improved as average discounting for houses tightened to pre-COVID-19 levels.

© Prepared by PRD Research. Source: APM Pricefinder.

GOLD COAST UNIT AVERAGE VENDOR DISCOUNT



Q4 2020 Overview

- Inner: -4.4%
- Middle: -2.9%
- Outer: -1.3%

What is Average Vendor Discount?

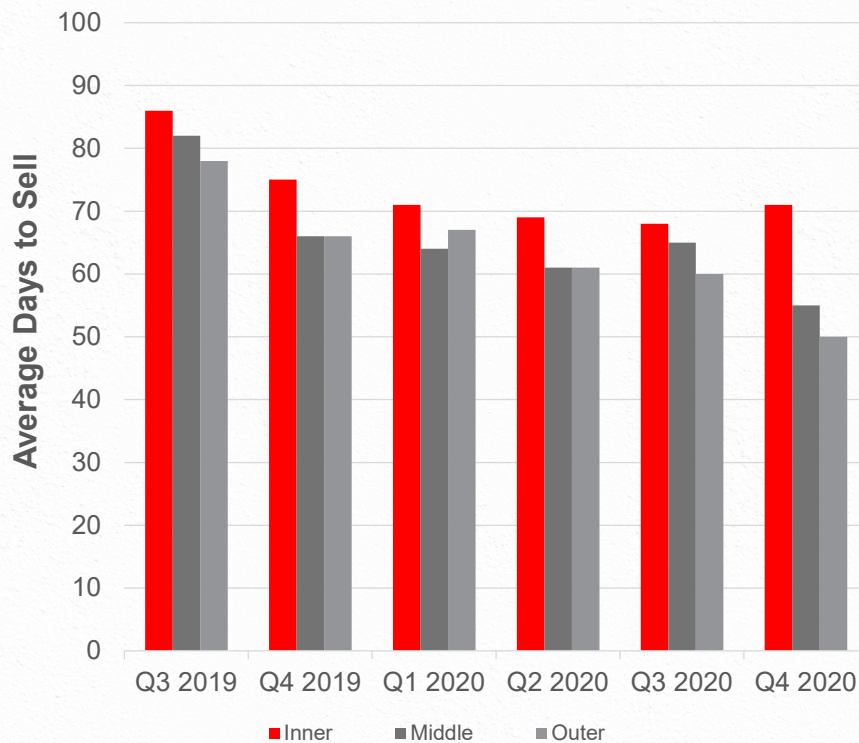
- A lower percentage difference (closer to 0.0%) suggests that buyers are willing to purchase closer to a property's initial asking price.

Key Comments

- Inner ring unit average discounting is showing signs of recovery property is selling closer to the first list price.
- Outer ring average discounting for units has outperformed other rings as buyer demand increased due to working from home arrangements.

© Prepared by PRD Research. Source: APM Pricefinder.

GOLD COAST HOUSE AVERAGE DAYS TO SELL



Q4 2020 Overview

- Inner: 71 days
- Middle: 55 days
- Outer: 50 days

Why Average Days to Sell?

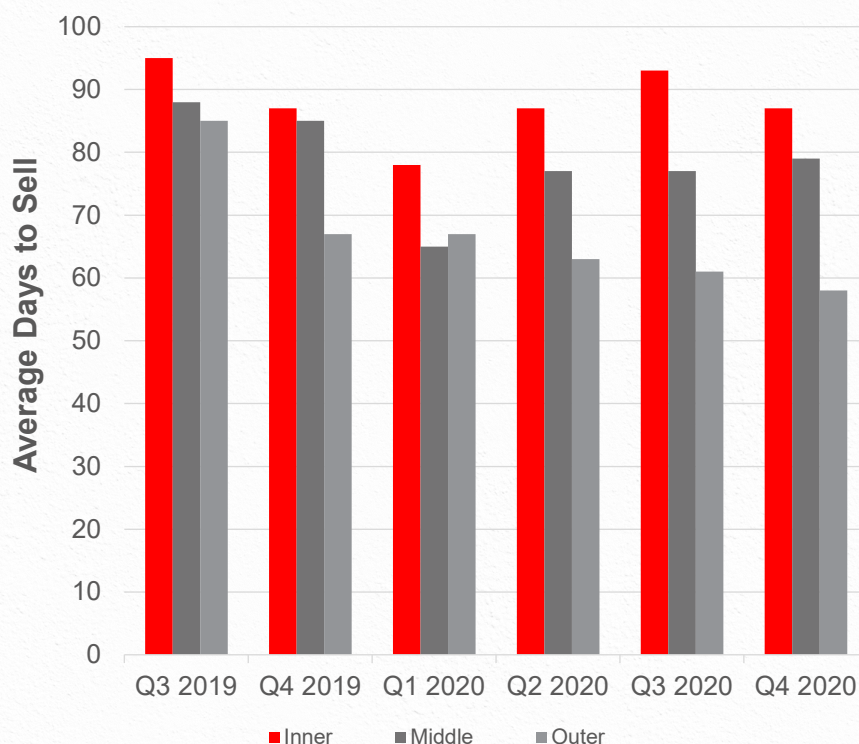
- The change in average days to sell a property is indicative of buyer demand.

Key Comments

- Outer ring days to sell a house saw the biggest decline in conjunction with an increase in demand.
- Inner ring average days to sell a house also saw a decline to below pre-COVID-19 levels.

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GOLD COAST UNIT AVERAGE DAYS TO SELL



Q4 2020 Overview

- Inner: 87 days
- Middle: 79 days
- Outer: 58 days

Why Average Days to Sell?

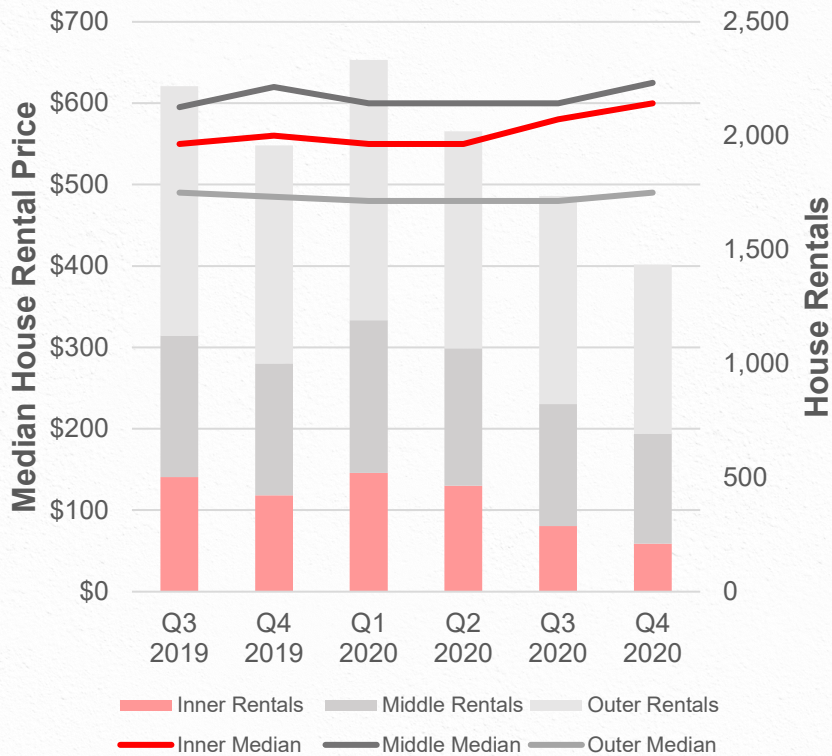
- A lower average number of days to sell a property reveals an increase in the willingness of buyers to purchase property more quickly.

Key Comments

- Outer ring average days to sell a unit saw the biggest decline along with the largest increase in demand.
- Inner ring average days to sell a unit also saw a return to pre-COVID-19 levels.

© Prepared by PRD Research. Source: APM Pricefinder.

GOLD COAST HOUSE RENTALS



Q4 2020 Median Rental Price

- Inner: \$600 per week
- Middle: \$625 per week
- Outer: \$490 per week

Annual Price Growth*

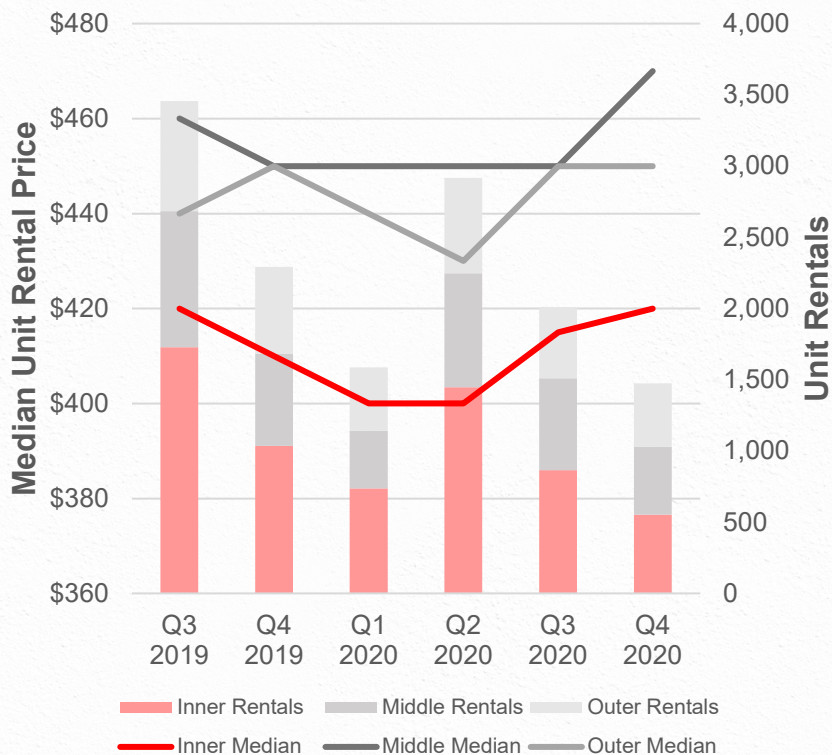
- Inner: +7.1% (+\$40 per week)
- Middle: +0.8% (+\$5 per week)
- Outer: +1.0% (+\$5 per week)

Key Comments

- Inner ring house median rental prices have recorded strong growth over the past 12 months.
- Middle and outer ring median house prices were stable amidst COVID-19, showing great signs of resilience.

© Prepared by PRD Research. Source: APM Pricefinder.

GOLD COAST UNIT RENTALS



Q4 2020 Median Rental Price

- Inner: \$420 per week
- Middle: \$470 per week
- Outer: \$450 per week

Annual Price Growth*

- Inner: +2.4% (+\$10 per week)
- Middle: +4.4% (+\$20 per week)
- Outer: +0.0% (+\$0 per week)

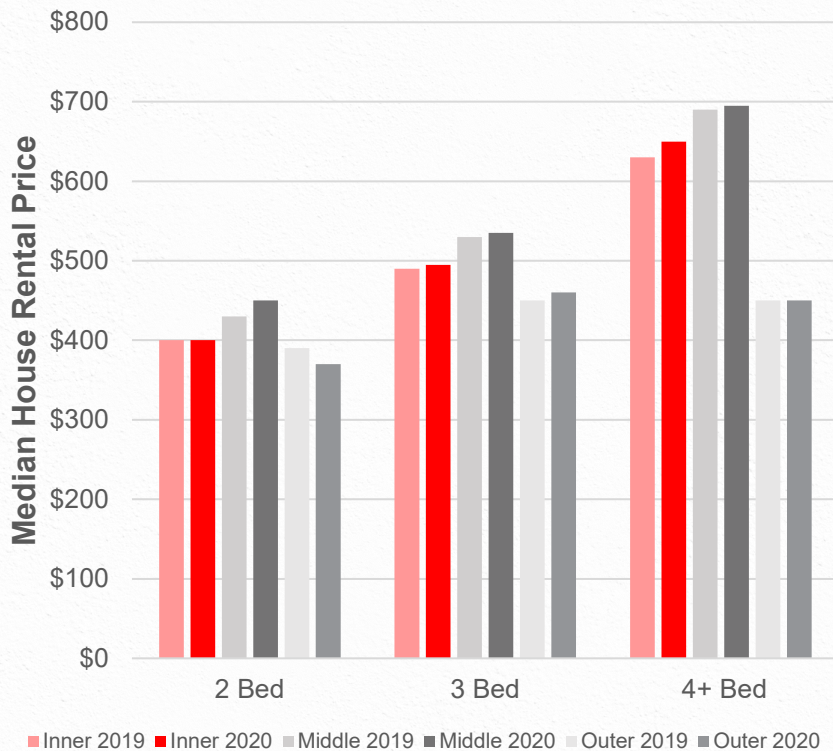
Key Comments

- Middle ring unit median rental prices saw the highest growth in prices, exceeding pre-COVID-19 levels.
- The inner ring unit median rental price was resilient, climbing from COVID-19's start in Q2 2020.

© Prepared by PRD Research. Source: APM Pricefinder.

* Annual price growth is based on comparison between Q4 2019 and Q4 2020 figures.

GOLD COAST HOUSE RENTAL PERFORMANCE 2019-20



2020 Median Rental Prices

2 Bedroom

- Inner: \$400 per week
- Middle: \$450 per week
- Outer: \$370 per week

3 Bedroom

- Inner: \$495 per week
- Middle: \$535 per week
- Outer: \$460 per week

4+ Bedroom

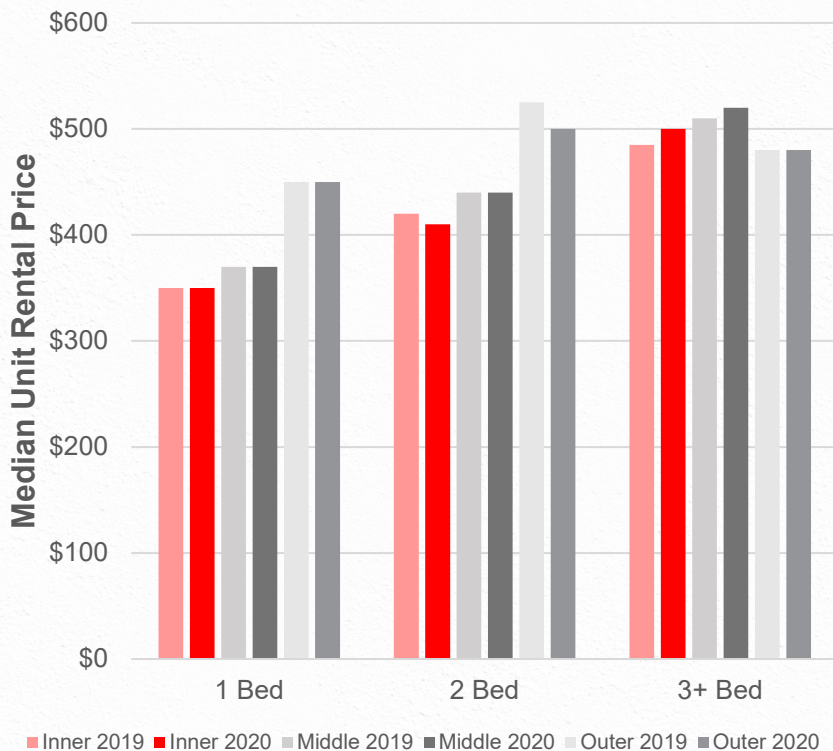
- Inner: \$650 per week
- Middle: \$695 per week
- Outer: \$450 per week

Key Comments

- Gold Coast's middle ring 2 bedroom house rentals recorded the highest growth rate of all house types and locations.

© Prepared by PRD Research. Source: APM Pricefinder.

GOLD COAST UNIT RENTAL PERFORMANCE 2019-20



2020 Median Rental Prices

1 Bedroom

- Inner: \$350 per week
- Middle: \$370 per week
- Outer: \$450 per week

2 Bedroom

- Inner: \$410 per week
- Middle: \$440 per week
- Outer: \$500 per week

3+ Bedroom

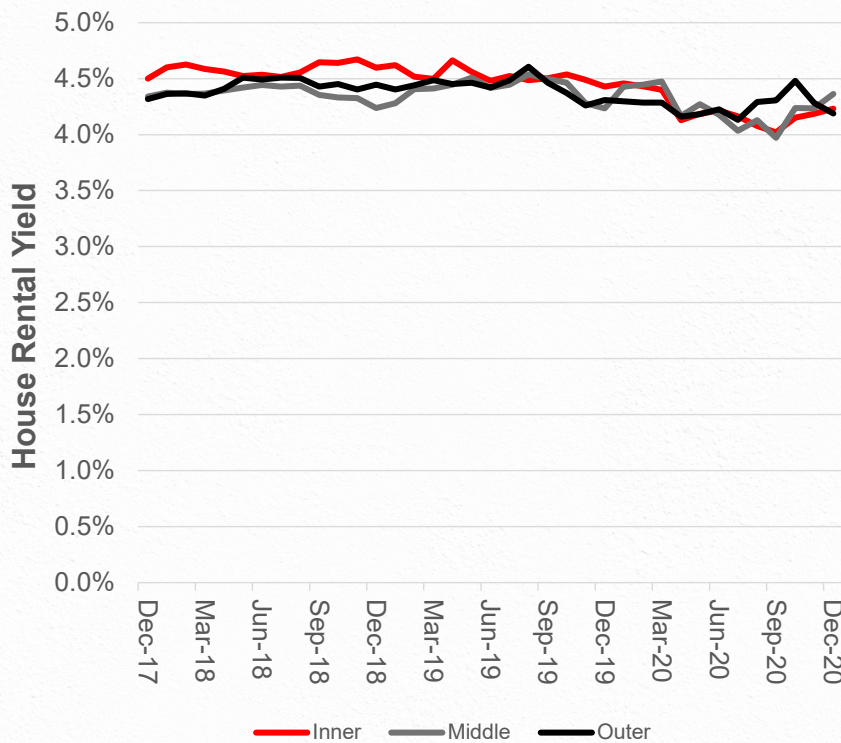
- Inner: \$500 per week
- Middle: \$520 per week
- Outer: \$480 per week

Key Comments

- Inner ring 3 bedroom unit rental prices returned the strongest growth to investors annually.

© Prepared by PRD Research. Source: APM Pricefinder.

GOLD COAST HOUSE AVERAGE RENTAL YIELD



Dec-20 Overview

- Inner: 5.5%
- Middle: 5.4%
- Outer: 5.4%

Annual Change

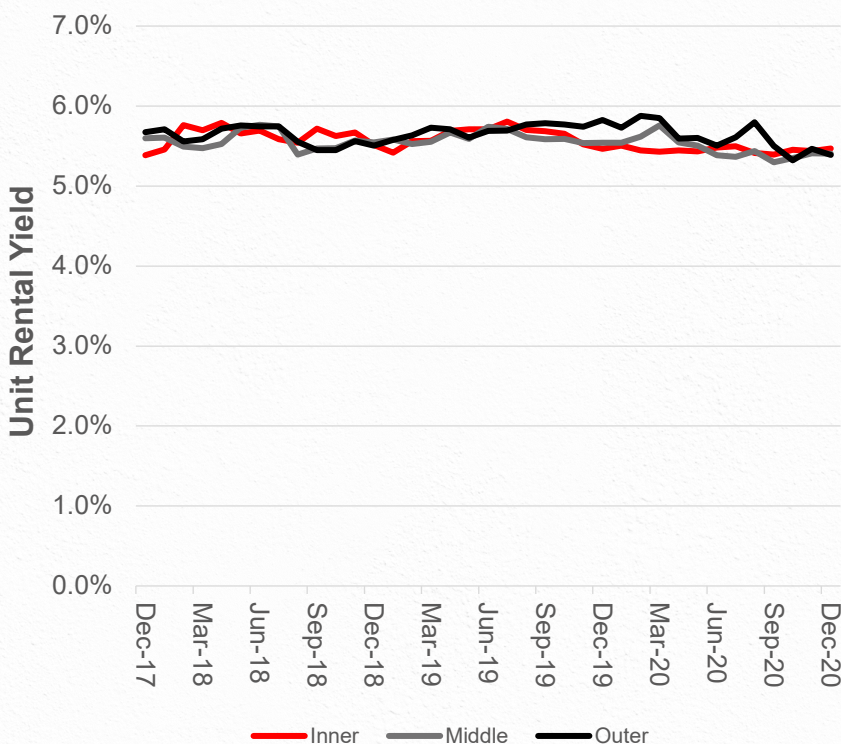
- Inner: -0.2%
- Middle: +0.1%
- Outer: -0.1%

Key Comments

- Middle ring house rental yields have proven resilient since COVID-19 restrictions were introduced.
- Outer ring house rental yields declined slightly, in line with growth in the outer ring median house price.

© Prepared by PRD Research. Source: SQM Research.

GOLD COAST UNIT AVERAGE RENTAL YIELD



Dec-20 Overview

- Inner: 5.5%
- Middle: 5.4%
- Outer: 5.4%

Annual Change

- Inner: +0.0%
- Middle: -0.1%
- Outer: -0.4%

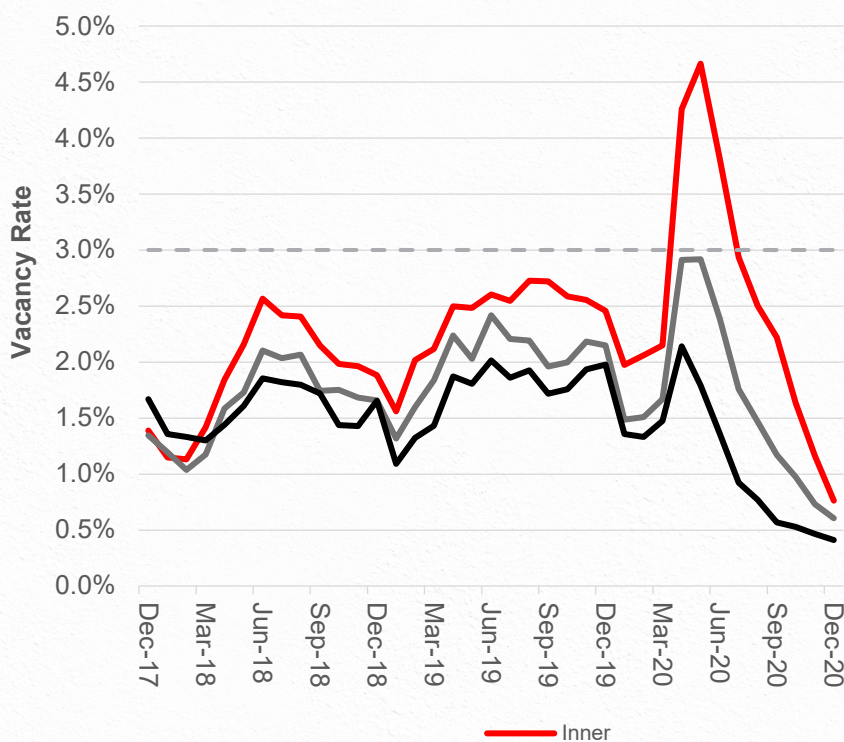
Key Comments

- Inner ring unit yields were stable over the past 12 months, providing confidence to investors.
- Outer ring unit yields tightened in accordance with the increase in outer ring median unit prices.

© Prepared by PRD Research. Source: SQM Research.



GOLD COAST VACANCY RATES



Dec-20 Overview

- Inner: 0.8%
- Middle: 0.6%
- Outer: 0.4%

Annual Change

- Inner: -1.7%
- Middle: -1.5%
- Outer: -1.6%

Key Comments

- Despite spiking at the beginning of COVID-19, there has been a rapid recovery to record low vacancy rates across all three city rings.

© Prepared by PRD Research. Source: SQM Research.

REFERENCES

Inner ring market data encapsulates aggregate property conditions within following suburbs:

Arundel, Ashmore, Benowa, Biggera Waters, Bundall, Labrador, Main Beach, Molendinar, Parkwood, Runaway Bay, Southport, Surfers Paradise.

Middle ring market data encapsulates aggregate property conditions within following suburbs:

Broadbeach, Broadbeach Waters, Carrara, Clear Island Waters, Coombabah, Gaven, Helensvale, Highland Park, Hollywell, Hope Island, Mermaid Beach, Mermaid Waters, Merrimac, Nerang, Pacific Pines, Paradise Point, Robina, Worongary.

Outer ring market data encapsulates aggregate property conditions within following suburbs:

Advancetown, Austinville, Bonogin, Burleigh Heads, Burleigh Waters, Clagiraba, Coomera, Currumbin, Currumbin Waters, Elanora, Gilston, Guanaba, Jacobs Well, Lower Beechmont, Maudsland, Miami, Mount Nathan, Mudgeeraba, Neranwood, Norwell, Oxenford, Palm Beach, Pimpama, Reedy Creek, Southern Moreton Bay Islands, Tallai, Tallebudgera, Tallebudgera Valley, Upper Coomera, Varsity Lakes, Willow Vale, Witheren, Wongawallan.

Source: APM Pricefinder, SQM Research, ESRI ArcGIS.

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PRD Research Division provides reliable, unbiased, and authoritative property research and consultancy to clients in metro and regional locations across Australia

Our extensive research capability and specialised approach ensures our clients can make the most informed and financially sound decisions about residential and commercial properties.

OUR KNOWLEDGE

Access to accurate and objective research is the foundation of all good property decisions.

As the first and only truly knowledge based property services company, PRD shares experience and knowledge to deliver innovative and effective solutions to our clients.

We have a unique approach that integrates people, experience, systems and technology to create meaningful business connections. We focus on understanding new issues impacting the property industry; such as the environment and sustainability, the economy, demographic and psychographic shifts, commercial and residential design; and forecast future implications around such issues based on historical data and fact.

OUR PEOPLE

Our research team is made up of highly qualified researchers who focus solely on property analysis.

Skilled in deriving macro and micro quantitative information from multiple credible sources, we partner with clients to provide strategic advice and direction regarding property and market performance. We have the added advantage of sourcing valuable and factual qualitative market research in order to ensure our solutions are the most well considered and financially viable.

Our experts are highly sought after consultants for both corporate and government bodies and their advice has helped steer the direction of a number of property developments and secured successful outcomes for our clients.

OUR SERVICES

Our research services span over every suburb, LGA, and state within Australia; captured in a variety of standard and customised products.

We have the ability and systems to monitor market movements, demographic changes and property trends. We use our knowledge of market sizes, price structure and buyer profiles to identify opportunities for clients and provide market knowledge that is unbiased, thorough and reliable.



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

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