

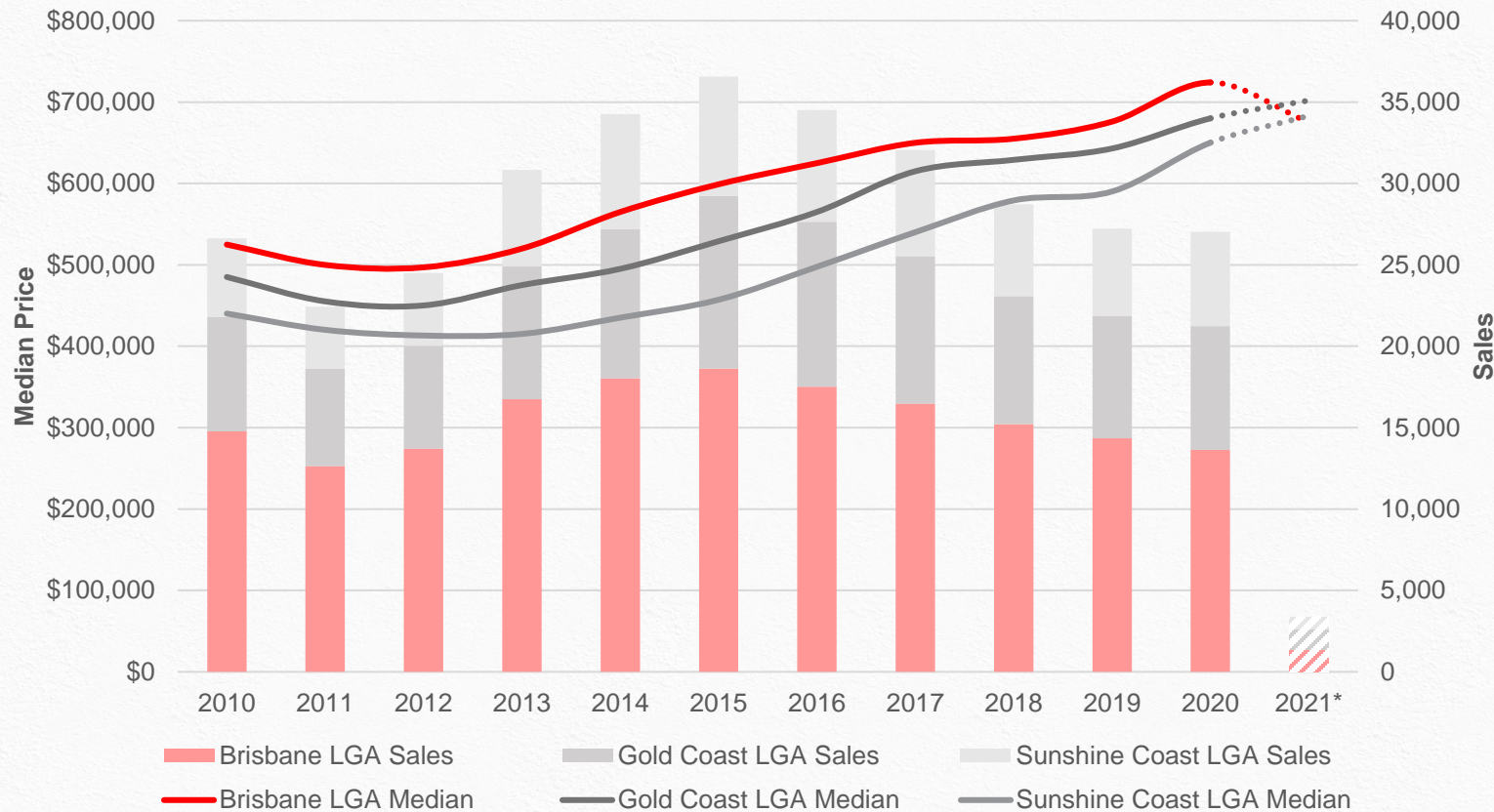
PRD.

South East Queensland

Market Update
March 2021



➤ Median House Price – SEQ



2020 Overview

Brisbane \$724,000

- 1Y: +7.1%, +\$48,000
- 5Y: +20.9%, +\$125,000
- 10Y: +37.9%, +\$199,000

Gold Coast \$680,000

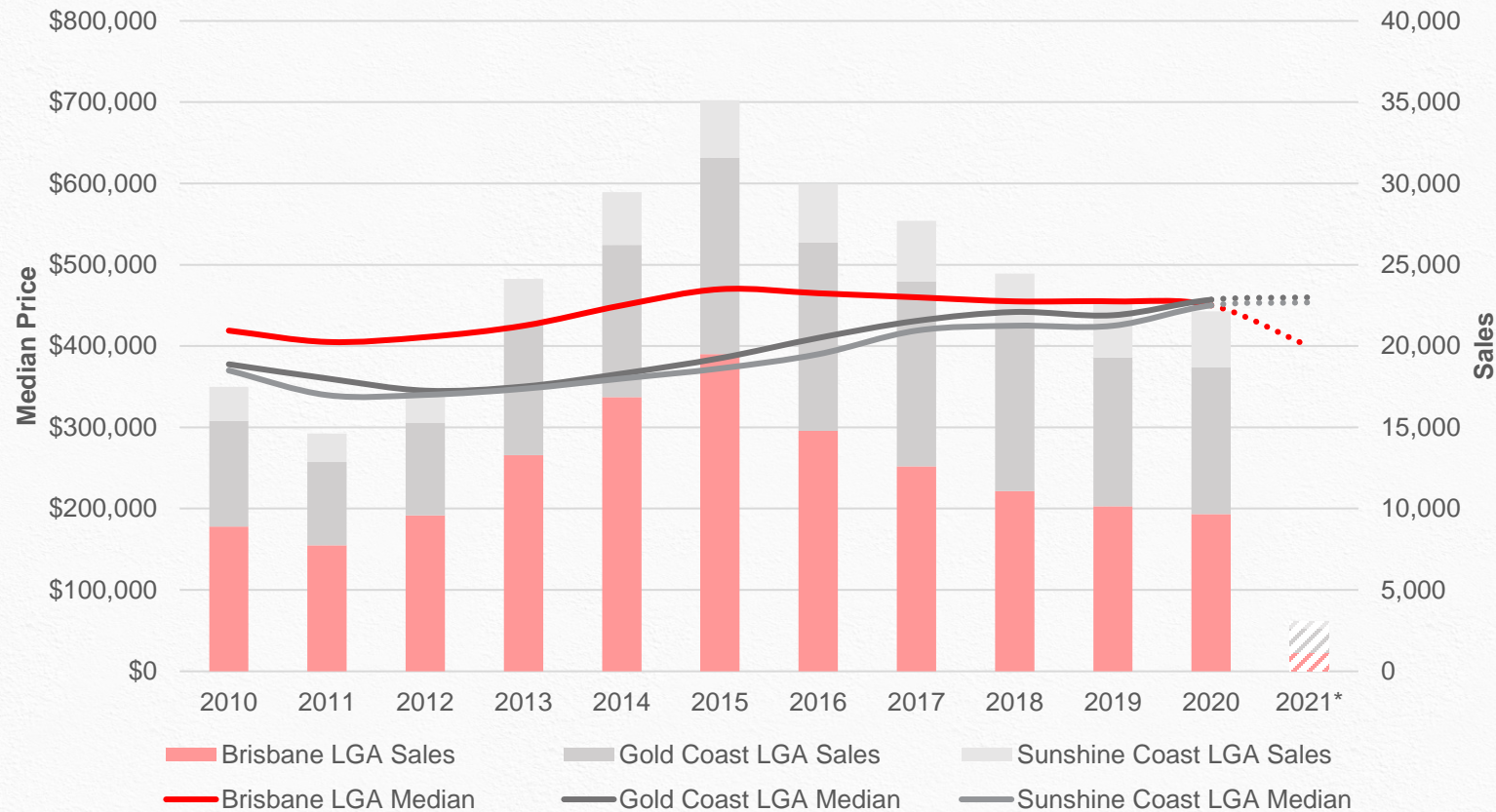
- 1Y: +5.8%, +\$37,000
- 5Y: +28.5%, +\$151,000
- 10Y: +40.2%, +\$195,000

Sunshine Coast \$650,000

- 1Y: +10.2%, +\$60,000
- 5Y: +42.2%, +\$193,000
- 10Y: +47.7%, +\$210,000

Prepared by PRD Research. Source: APM Pricefinder. © PRD 2021.

➤ Median Unit Price – SEQ



2020 Overview

Brisbane \$450,000

- 1Y: -1.1%, -\$5,000
- 5Y: -4.3%, -\$20,000
- 10Y: +7.4%, +\$31,000

Gold Coast \$457,000

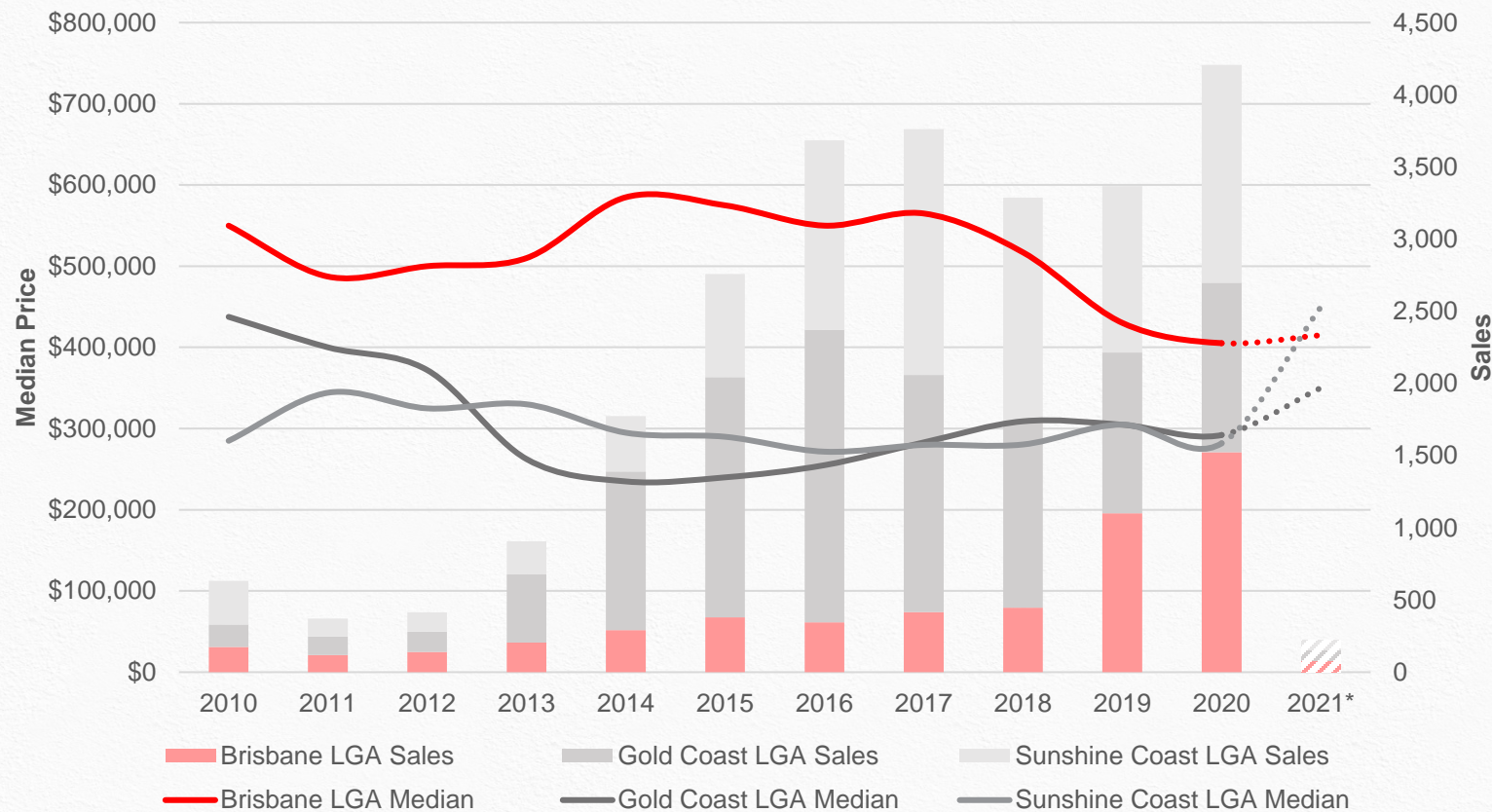
- 1Y: +4.3%, +\$19,000
- 5Y: +18.7%, +\$72,000
- 10Y: +21.1%, +\$79,500

Sunshine Coast \$450,000

- 1Y: +5.9%, +\$25,000
- 5Y: +20.8%, +\$77,500
- 10Y: +21.6%, +\$80,000

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➤ Median Land Price – SEQ



2020 Overview

Brisbane \$405,000

- 1Y: -5.8%, -\$25,000
- 5Y: -29.6%, -\$170,000
- 10Y: -26.4%, -\$145,000

Gold Coast \$292,000

- 1Y: -4.2%, -\$12,750
- 5Y: +21.7%, +\$52,000
- 10Y: -33.3%, -\$145,500

Sunshine Coast \$281,900

- 1Y: -7.6%, -\$23,100
- 5Y: -2.8%, -\$8,100
- 10Y: -1.1%, -\$3,100

Prepared by PRD Research. Source: APM Pricefinder. © PRD 2021.

➤ Median Land Sales Trend – SEQ

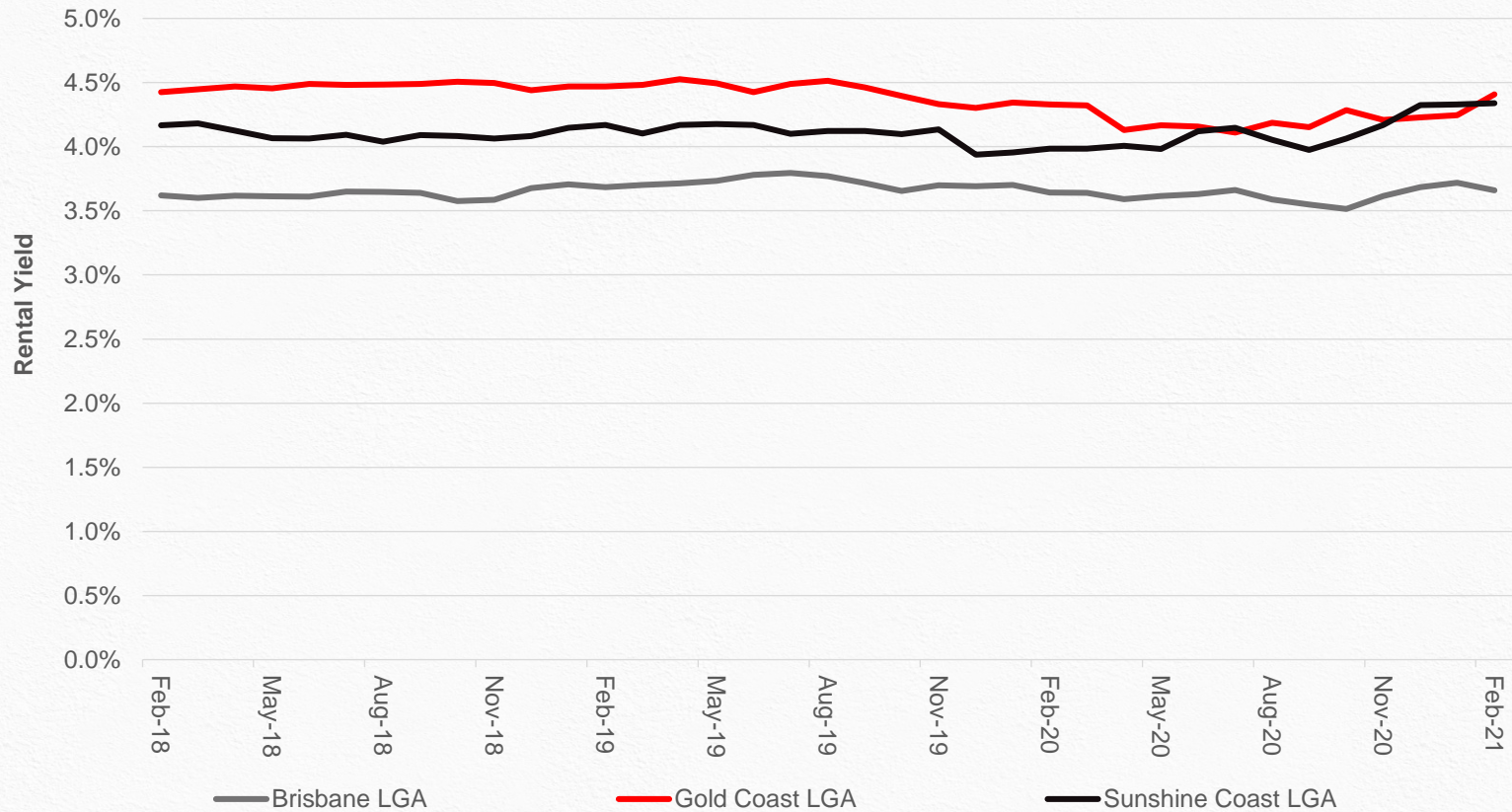
Why the declining median price trend in 2020?

	Brisbane LGA	Gold Coast LGA	Sunshine Coast LGA
2010			
250 to 450 sqm	26.3%	14.2%	7.1%
450 to 600 sqm	26.0%	16.9%	17.4%
600 to 1,000 sqm	32.2%	47.2%	34.8%
2020			
250 to 450 sqm	55.6%	55.7%	42.8%
450 to 600 sqm	21.4%	16.1%	10.8%
600 to 1,000 sqm	15.3%	12.0%	29.9%

- There has been a drastic shift in the most common vacant lot sizes sold across SEQ in the past decade
- Where the most common lot size range was previously 600 to 1,000 sqm, it is now the smallest range of 250 to 450 sqm across all three LGAs
- Smaller lots naturally have a lower sale price, which due to sales volumes has impacted median land prices overall

Prepared by PRD Research. Source: APM Pricefinder. © PRD 2021.

➤ House Rental Yields – Comparison

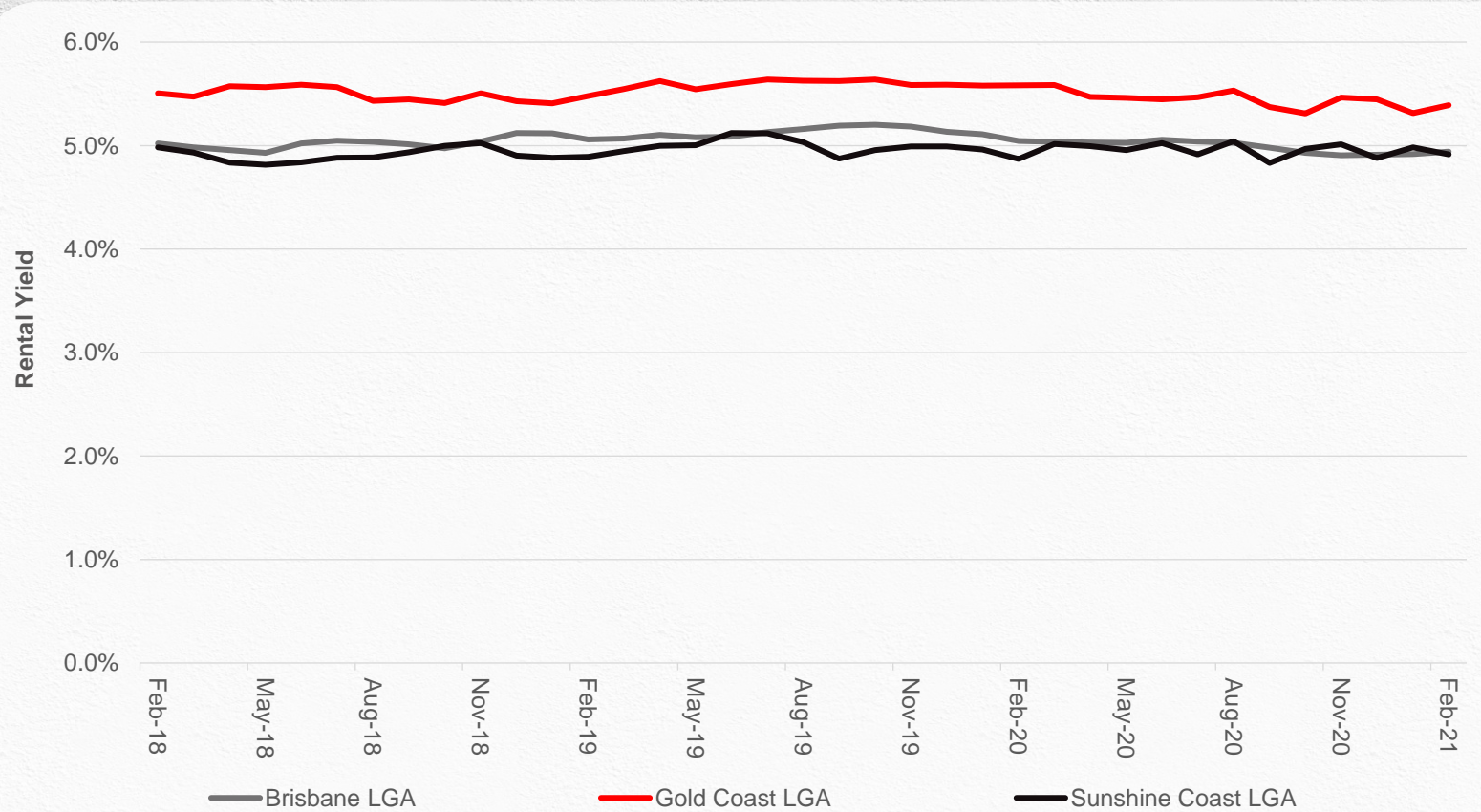


Feb-21 Overview

- Brisbane 3.7%
- Gold Coast 4.4%
- Sunshine Coast 4.3%
- Data represents all house types
- Gold Coast recorded the highest house rental yield, as well as the only increasing trend within the SEQ metro areas
- Brisbane house rental yield has declined due to an increase in median house price

Prepared by PRD Research. Source: SQM Research. © PRD 2021.

➤ Unit Rental Yields – Comparison

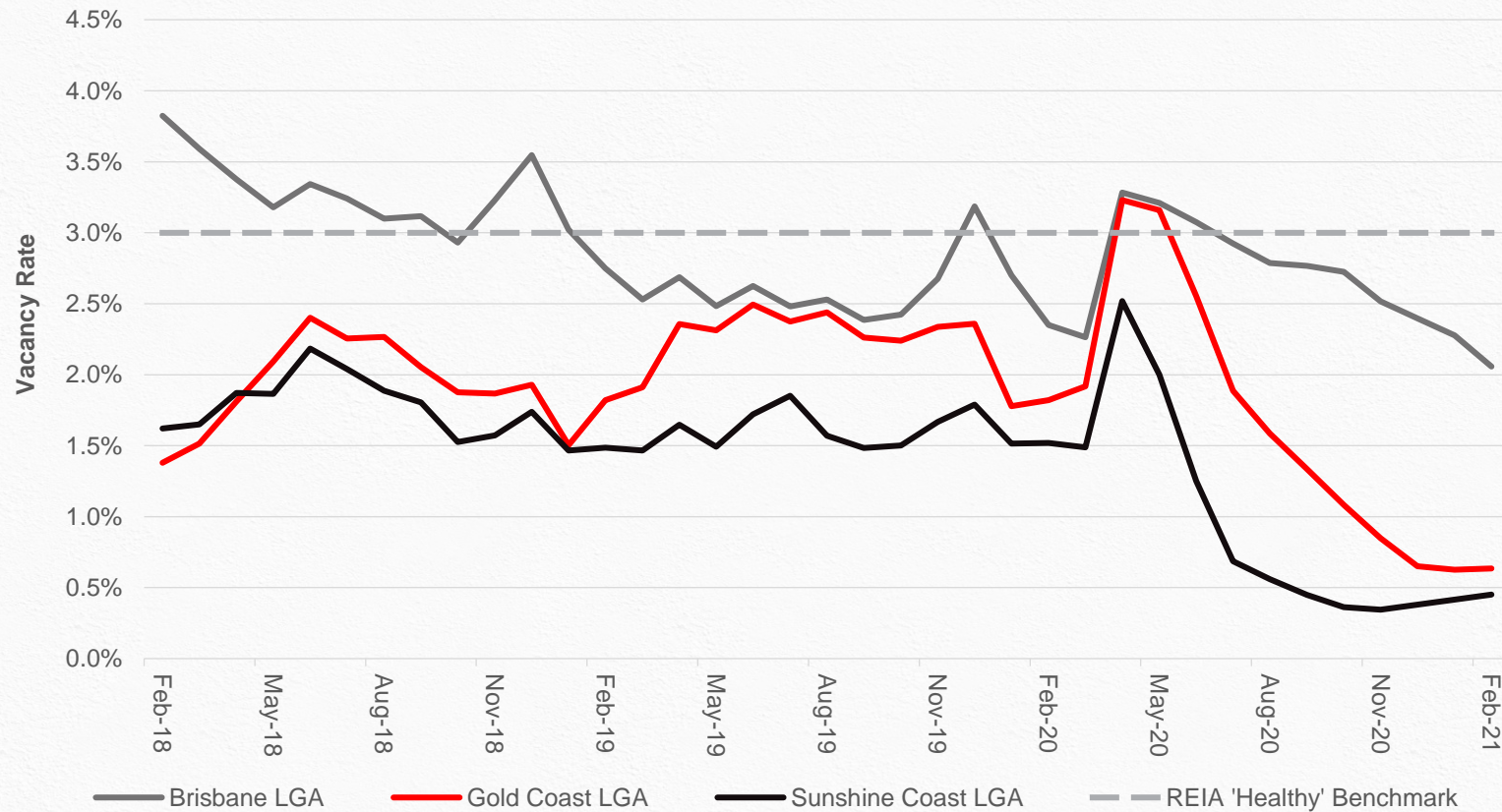


Feb-21 Overview

- Brisbane 4.9%
 - Gold Coast 5.4%
 - Sunshine Coast 4.9%
-
- Data represents all unit types
 - Similar to house rental yields, the Gold Coast have the highest unit rental yield, and also an increasing trend
 - Brisbane unit rental yields have proven stable, due to marginal softening in median unit price

Prepared by PRD Research. Source: SQM Research. © PRD 2021.

➤ Vacancy Rates – Comparison



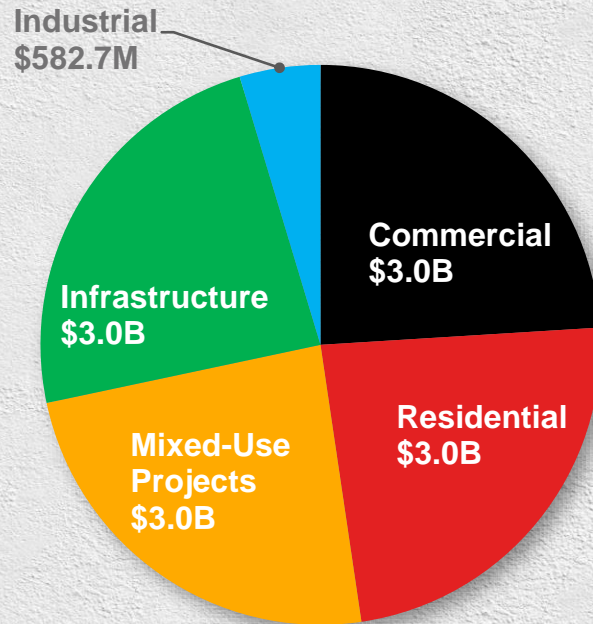
Feb-21 Overview

- Brisbane 2.1%
- Gold Coast 0.6%
- Sunshine Coast 0.5%
- Vacancy rates in SEQ are lower than pre-COVID-19 period
- Tight rental market, with demand exceeding supply
- Quick occupancy and cash flow for investors
- Pressing need for land supply and investors to return to market

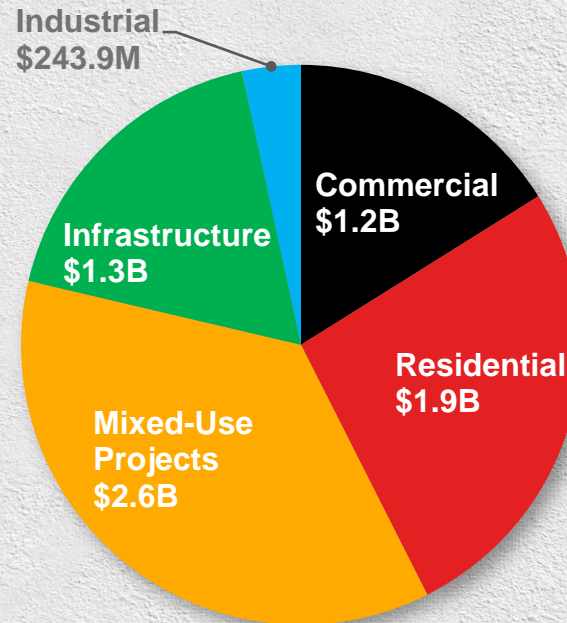
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➤ Project Development 2021

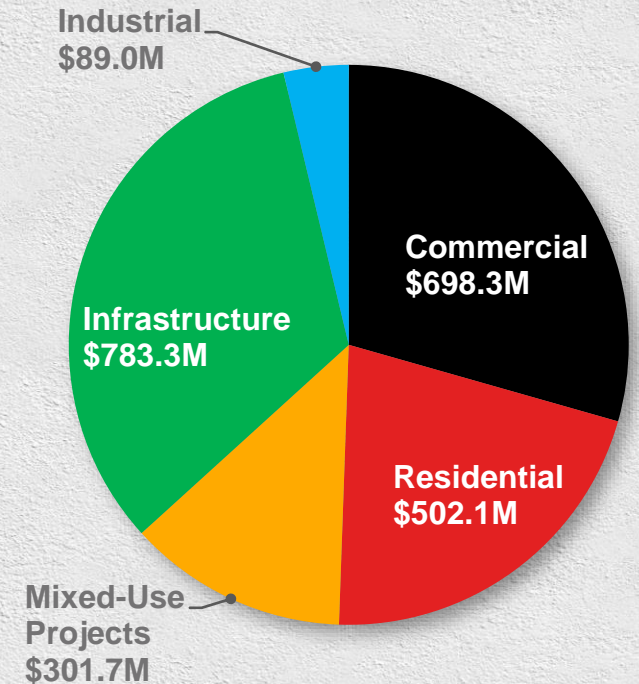
Brisbane LGA



Gold Coast LGA



Sunshine Coast LGA



Disclaimer: Estimated values are based on construction value provided by the relevant data authority and does not reflect commercial and/or re-sale value. Commencement date quoted for each project is approximate only, as provided by the relevant data authority. PRD does not hold any liability to the exact date. Prepared by PRD Research. Source: SQM Research. © PRD 2021.

➤ Project Development 2021

	Brisbane LGA	Gold Coast LGA	Sunshine Coast LGA
Commercial	279	95	64
Industrial	114	33	36
Infrastructure	76	41	21
Mixed-use	73	20	19
Residential	386	168	83
Apartments/units	8,841	6,837	2,701
Townhouses	674	1,494	360
Dwellings	61	500	20
Lots	1,788	1,374	1,657

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> Top QLD Regional Markets



Criteria

Affordability – the Local Government Area (LGA) has a median price below the maximum affordable property sale price (average state loan + 20% deposit).

Property trends – to ensure statistical reliability, the LGA considered will have 20 transactions or more in 2019 and 2020, with positive price growth within that time period.

Investment – to ensure solid investment opportunities, the LGA will have an on-par or higher rental yield than its capital city, as well as an on-par or lower vacancy rate compared to its capital city.

Project development – the LGA will have a high estimated value of future project development, with a higher concentration of commercial and infrastructure projects to ensure a positive economic outlook.

Unemployment rate – as of the September quarter of 2020, the LGA will have an on-par or lower unemployment rate than the state average, to ensure there is local job growth.

Location	Median House Price (Dec Quarter 2020)	Average State Loan (Dec Quarter 2020)	Average State Loan % of Median House Price
Brisbane, QLD	\$570,000	\$438,141	76.9%
Sydney, NSW	\$1,211,488	\$645,743	53.3%
Melbourne, VIC	\$941,000	\$506,328	53.8%
Hobart, TAS	\$590,000	\$373,521	63.3%

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