

Coolangatta Market Update 2nd Half 2021



OVERVIEW

In Q2 2021, Coolangatta* recorded a median house price of \$780,000, and a median unit price of \$490,000. This represents annual (Q2 2020 – Q2 2021) median price growth of 16.4% for houses and 7.7% for units. Between Q2 2020 – Q2 2021 total sales in both markets have increased, by 53.1% for houses (to 2365 sales) and by 86.9% for units (to 3422 sales). This is a clear indication of increased consumer confidence, with real returns on investment as price growth is accompanied by higher transaction volumes. Now is an opportune time for vendors to transact, as demand is exceeding supply levels.

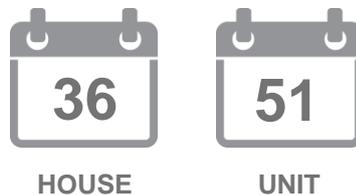
	CHANGE FROM LAST	YEAR	HALF YEAR
 House Sales		↑	↓
 House Median Price		↑	↑
 House Rental Price		↑	↑
<hr/>			
 Unit Sales		↑	↓
 Unit Median Price		↑	↓
 Unit Rental Price		↑	↑

MARKET CONDITIONS

SALES MEDIAN PRICE Q2 2021



SALES AVERAGE DAYS ON MARKET Q2 2021



RENTAL MEDIAN PRICE Q2 2021

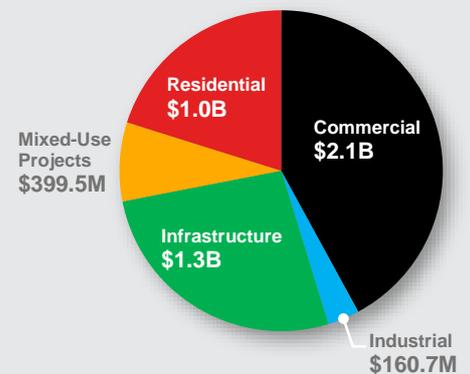


RENTAL AVERAGE DAYS ON MARKET Q2 2021



FUTURE DEVELOPMENTS

Gold Coast Local Government Area is set to see approximately **\$5.0B** worth of new projects commencing in the 2nd half of 2021.



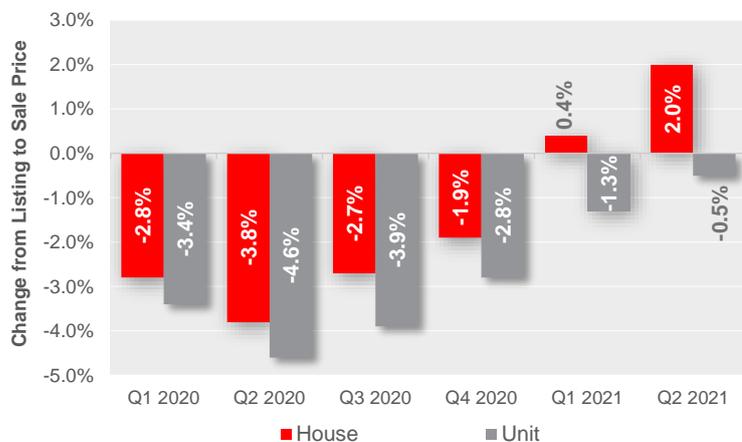
These projects will stimulate economic growth and create large employment opportunities in Gold Coast Local Government Area* (LGA), which will continue to have a positive spill-over impact on the real estate market.

A major commercial project in the 2nd half of 2021 is The Star Gold Coast Masterplan (\$1.5B), located in Broadbeach Island. Kirra Beach Hotel Redevelopment (\$50.0M) project is in Coolangatta, a mixed-use residential and resort hotel development constructing a resort hotel of 99 rooms, 2 towers above with 147 units, retail tenancies, a plaza area, and tavern. \$1.0B residential projects is planned across Gold Coast LGA, adding 2336 units/apartments, 418 lots, 88 dwellings, and 374 townhouses. A key project in Coolangatta is the Boundary Street Dwellings – Rainbow (\$4.8M, 16 dwellings).



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.

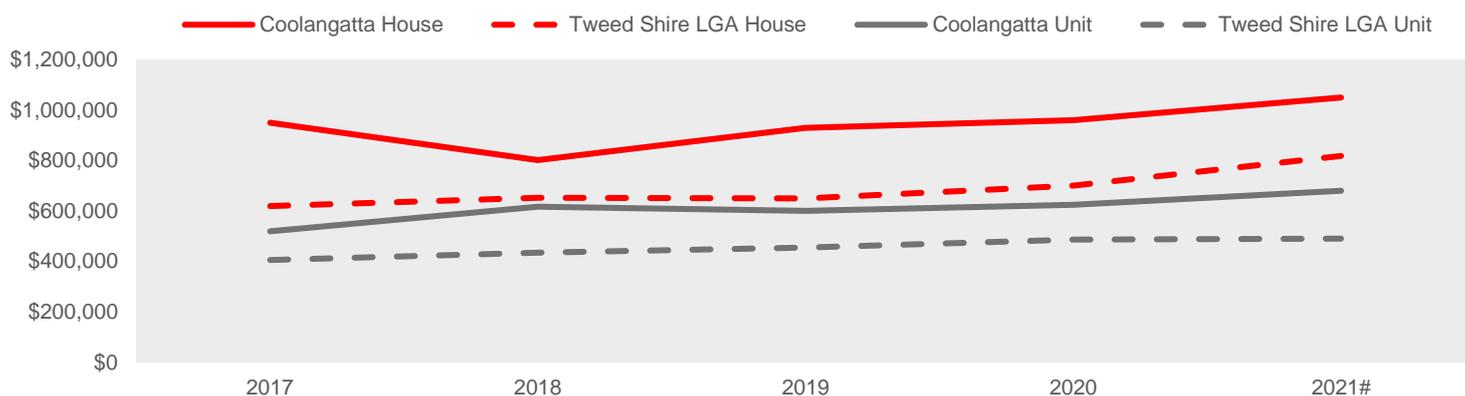


Average vendor discounts between Q2 2020 and Q2 2021 have swung to a premium of 2.0% for houses and tightened to -0.5% for units. The Coolangatta* house market has shifted to favour vendors, where buyers must offer above the initial listing price. Now is the time for vendors to capitalise on their investments.

The suburb of Coolangatta has historically outperformed Tweed Shire Local Government Area (LGA) in both house and unit median prices. This trend has continued in 2021# with house and units recording continuous median price growth.

The dominant proportion of homes sold in Coolangatta* across 2021^ were in the premium price bracket above \$800,000 (42.2%). Units also recorded a dominant price point of above \$600,000 (33.9%). Coolangatta* shows a growing premium market, with long term capital growth expectancy. Affordable options are still available in both houses and units, in good news for first home buyers.

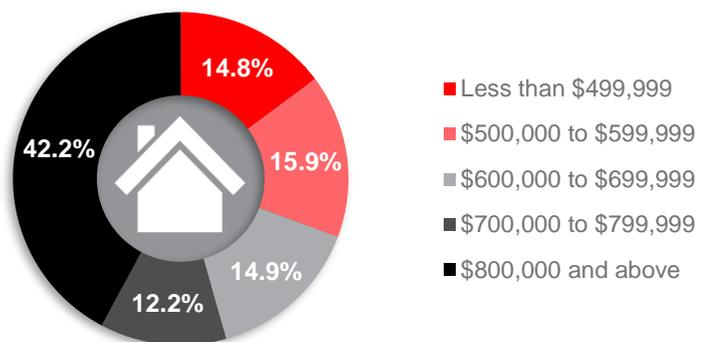
MARKET COMPARISON



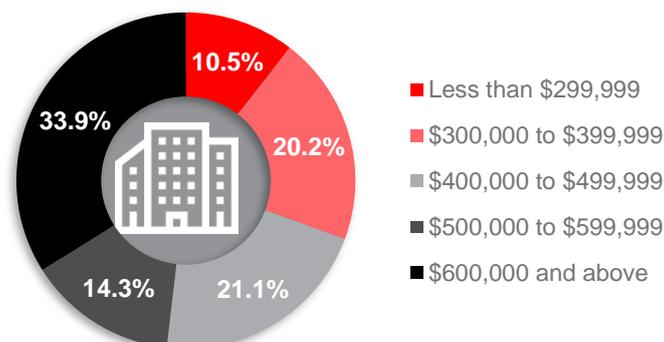
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Coolangatta.

PRICE BREAKDOWN 2021^

HOUSES SOLD



UNITS SOLD



RENTAL GROWTH 2021€

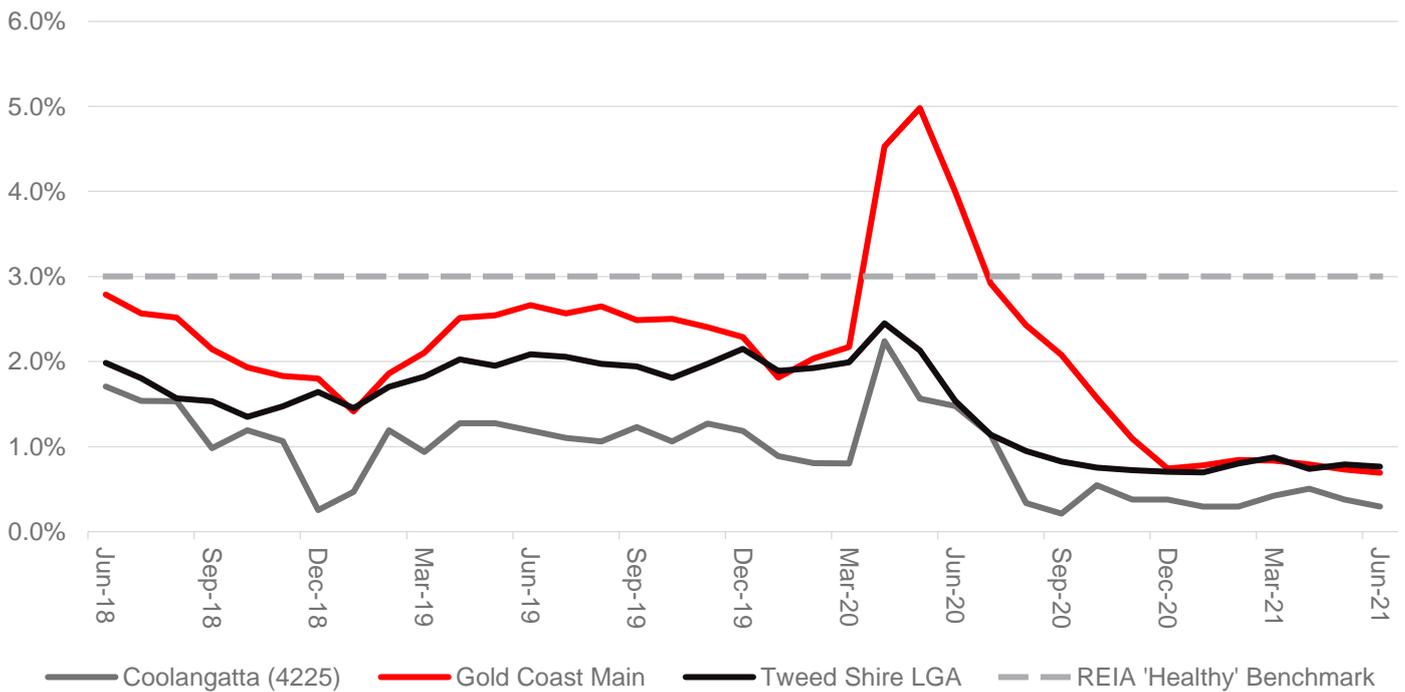
In June 2021, house rental yields in Coolangatta[‡] were recorded at 3.2%. In the 12 months to Q2 2021, the median house rental price increased by 16.6% to reach \$618 per week, while average days on the market declined by -29.2% (to 17 days). These figures indicate a surge in investment returns, inviting astute investors to enter the market.

3 bedroom houses have provided investors with +18.0% rental growth annually[€], with a median rent of \$590 per week.

Also in June 2021, Coolangatta[‡] recorded a vacancy rate of 0.3%, below that of Gold Coast Main (0.7%) and well below Tweed Shire LGA (0.8%). Vacancy rates in Coolangatta[‡] have continue to decline and remain well below the Real Estate Institute of Australia's healthy benchmark of 3.0%, as the economy recovers from COVID-19. There is a sustainable healthy rental demand and investors can be confident of a conducive investment environment in Coolangatta[‡].



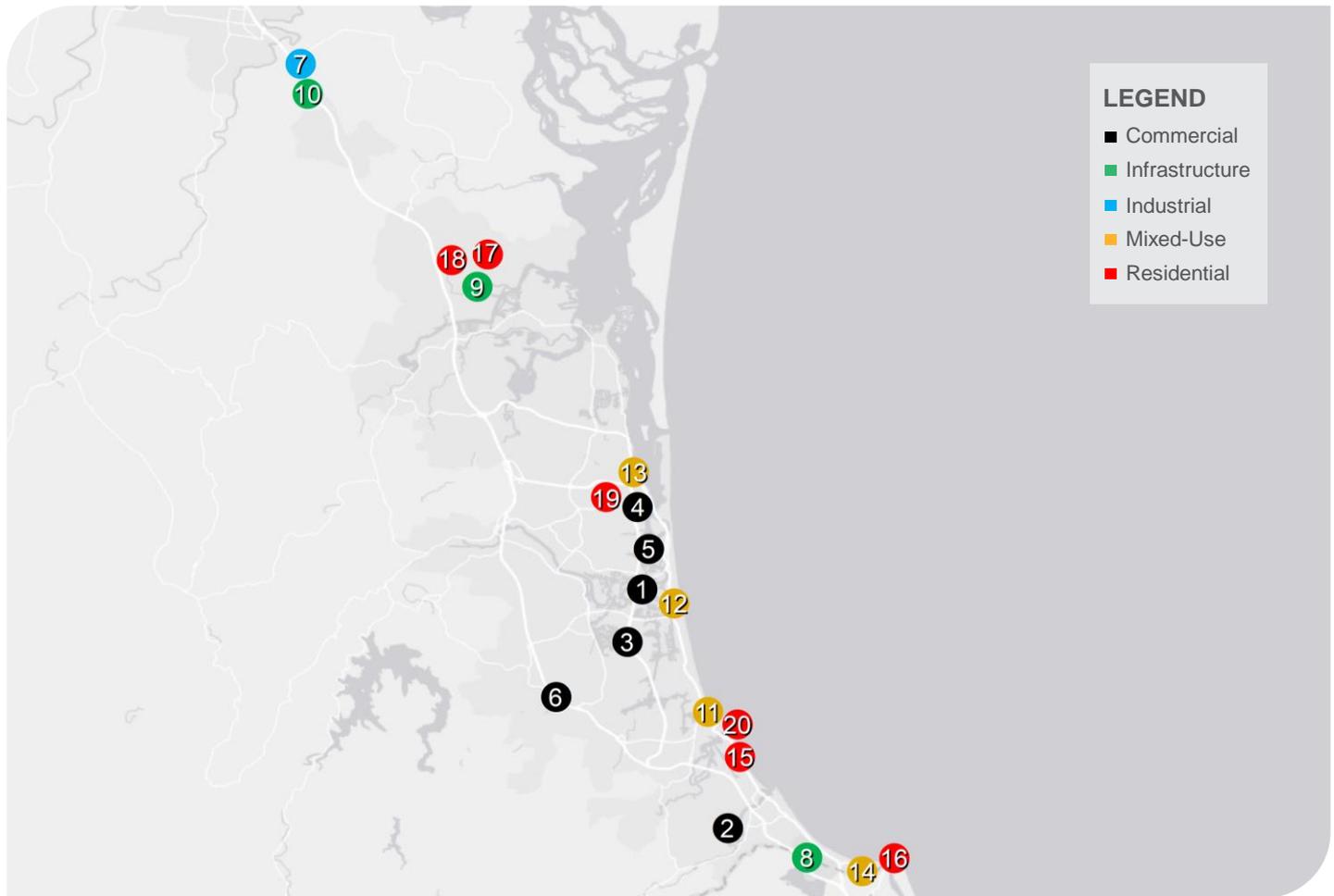
RENTAL VACANCY RATES 2021



RENTAL YIELD 2021§



TOP DEVELOPMENTS MAP 2ND HALF 2021[Ⓐ]



Location	Project [£]	Type	Estimated Value [Ⓜ]	Commence Date [Ⓜ]
1	The Star Gold Coast Masterplan	Commercial	\$1,500,000,000	26/11/2021
2	Gemlife Lifestyle Resort	Commercial	\$95,000,000	18/11/2021
3	The Lanes Retail Village	Commercial	\$82,000,000	18/10/2021
4	White Street Units	Commercial	\$60,000,000	08/11/2021
5	Odyssey Chevron	Commercial	\$52,000,000	20/09/2021
6	The Glades Resort Hotel & Apartments Development	Commercial	\$50,000,000	08/12/2021
7	Yatala Precinct Industrial Estate - Overall Project	Industrial	\$50,000,000	15/11/2021
8	Gold Coast Light Rail Stage 3a	Infrastructure	\$1,044,000,000	14/10/2021
9	Coomera Connector Stage 1 North - Shipper Drive To Helensvale Road Project	Infrastructure	\$150,000,000	17/08/2021
10	Pacific Motorway (M1) Exit 41	Infrastructure	\$82,100,000	18/09/2021
11	Mondrian Gold Coast- (84 Apartments)	Mixed-use	\$200,000,000	20/09/2021
12	Infinity Tower Broadbeach- (61 Apartments)	Mixed-use	\$75,000,000	26/07/2021
13	Marine Quarter Stage 1- (107 Units)	Mixed-use	\$50,000,000	04/09/2021
14	Kirra Beach Hotel Redevelopment- (147 Units)	Mixed-use	\$50,000,000	02/08/2021
15	Alegria Palm Beach- (76 Apartments)	Residential	\$46,000,000	25/10/2021
16	Flow Residences Rainbow Bay- (20 Apartments)	Residential	\$70,000,000	30/08/2021
17	Foxwell Road Townhouses- (142 Townhouses)	Residential	\$42,600,000	05/07/2021
18	Foxwell Road Residential Development- (272 Apartments, 81 dwellings)	Residential	\$105,000,000	18/11/2021
19	Queen Street Units- (175 Units)	Residential	\$56,500,000	06/12/2021
20	Gold Coast Highway Units- (112 Units)	Residential	\$40,000,000	23/10/2021

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

* 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.

2021 encapsulates sales transactions for 1H 2021 (01/01/2021 – 30/06/2021).

^ 2021 encapsulates sales transactions for 1H 2021 (01/01/2021 – 30/06/2021).

€ Annual rental growth is a comparison between 1H 2020 (01/01/2020 – 30/06/2020) and 1H 2021 (01/01/2021 – 30/06/2021) house median rent figures.

¥ Coolangatta market data encapsulates aggregate property conditions within the postcode of 4225.

§ Rental yields shown are as reported as of June 2021.

⌘ 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 Gold Coast Local Government Area.

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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