

Tweed Coast Market Update 2nd Half 2021



OVERVIEW

In Q2 2021, Tweed Coast* recorded a median house price of \$1,380,000, and a median unit price of \$675,000. This represents annual (Q2 2020 – Q2 2021) median price growth of 38.0% for houses and 5.9% for units. Between Q2 2020 – Q2 2021 total sales in both markets have increased, by 21.6% for houses (to 90 sales) and by 160.5% for units (to 112 sales). This is a clear indication of increased consumer confidence, with real returns on investment as price growth is accompanied by higher transaction volumes. This suggests an ideal time for vendors to capitalise and achieve extraordinary results.

	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 2021



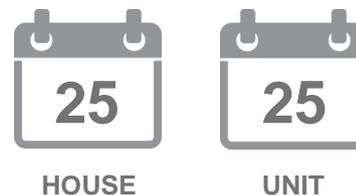
SALES AVERAGE DAYS ON MARKET Q2 2021



RENTAL MEDIAN PRICE Q2 2021

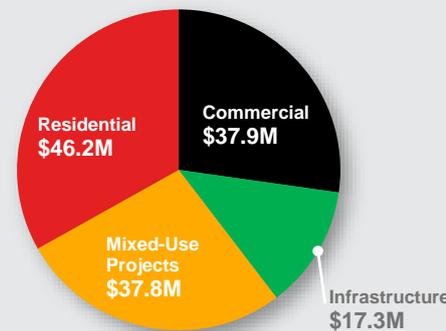


RENTAL AVERAGE DAYS ON MARKET Q2 2021



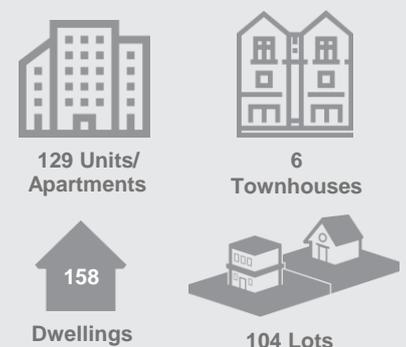
FUTURE DEVELOPMENTS

Tweed Shire Local Government Area is set to see approximately **\$139.2M** worth of new projects commencing in the 2nd half of 2021.



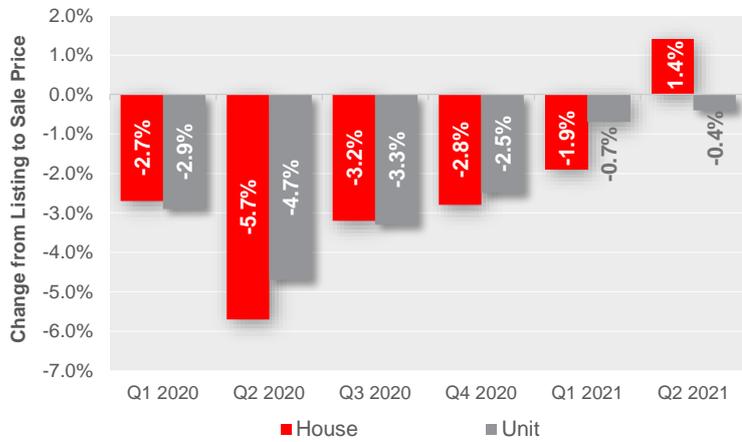
These projects will stimulate economic growth and create large employment opportunities in Tweed Shire Local Government Area* (LGA), which will continue to have a positive spill-over impact on the real estate market.

A key mixed-use project in Tweed Shire LGA is The Wharf Street Mixed Use Development (\$37.8M). This project will construct 144 units and commercial space in Tweed Heads. Tweed Valley Hospital Multideck Car Park (\$25.0M) is a significant commercial project in Cudgen that will supply an 8 storey multilevel car park and has the potential to create employment opportunities. \$46.2M of residential projects is planned across Tweed Shire LGA, adding 6 townhouses, 129 units/apartments, 104 lots, 158 dwellings. A key project in Tweed Coast is the Marine Parade Apartments (\$3.0M, 7 apartments) and Seabreeze Estate Residential Subdivision (\$2.4M, 69 lots).



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.

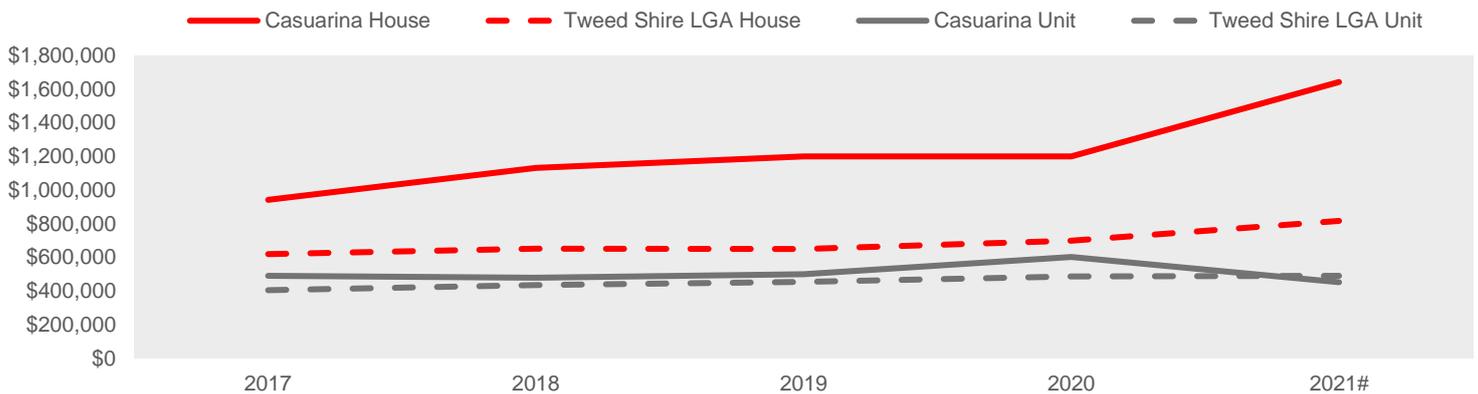


Average vendor discounts between Q2 2020 and Q2 2021 have swung to a premium of 1.4% for houses and tightened to -0.4% for units. The Tweed Coast* house market has shifted to favour vendors, where buyers must offer closer or above the initial listing price. Unit buyers can still benefit from a sight discount.

The suburb of Casuarina has historically outperformed Tweed Shire Local Government Area (LGA) in property median prices. This trend has continued in 2021# for houses, with significant price growth. Unit median prices have softened, becoming on par with the LGA.

The dominant proportion of homes sold in Tweed Coast* across 2021^ were in the premium price bracket above \$1,100,000 (49.3%). Units also recorded a dominant price point of above \$700,000 (42.0%). Tweed Coast* shows a growing premium market, with long term capital growth expectancy. First home buyers looking for affordable stock must act quickly.

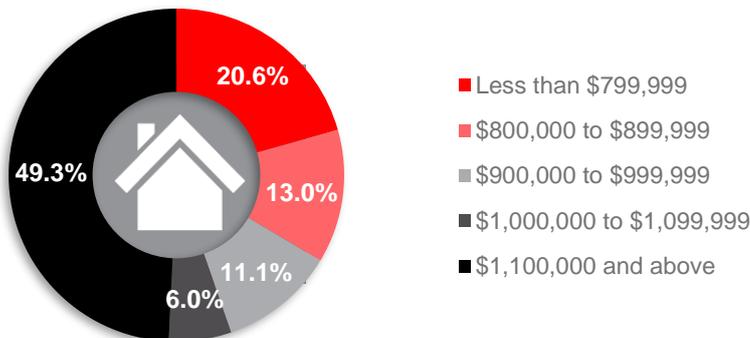
MARKET COMPARISON



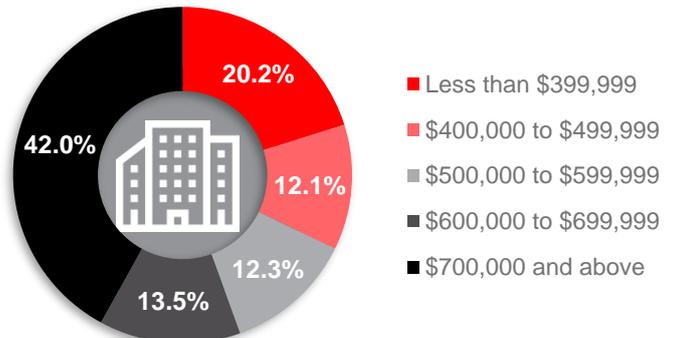
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Casuarina.

PRICE BREAKDOWN 2021^

HOUSES SOLD



UNITS SOLD



RENTAL GROWTH 2021€

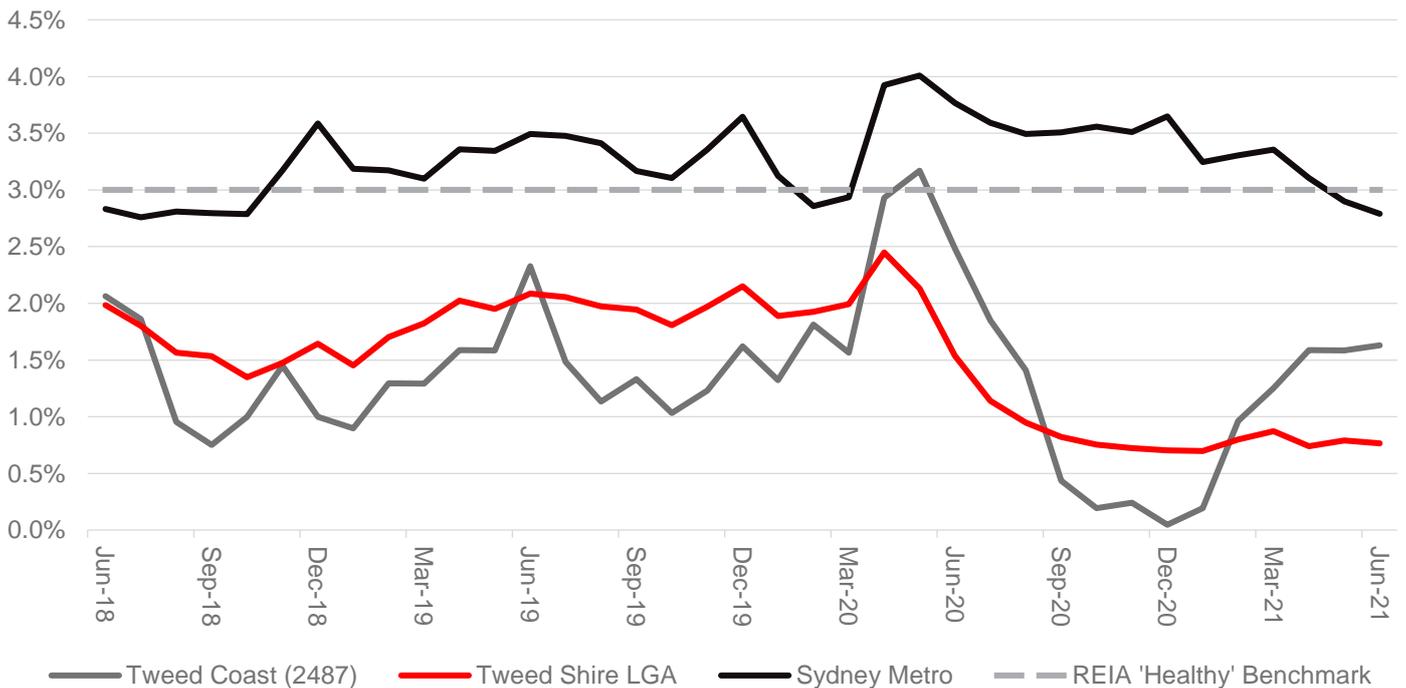
In June 2021, house rental yields in Tweed Coast[‡] were recorded at a high 6.0%. In the 12 months to Q2 2021, the median house rental price increased by 22.3% to reach \$795 per week, while average days on the market declined by -13.8% (to 25 days). These figures indicate a surge in investment returns, inviting astute investors to enter the market.

3 bedroom houses have provided investors with +21.0% rental growth annually[€], with a median rent of \$750 per week.

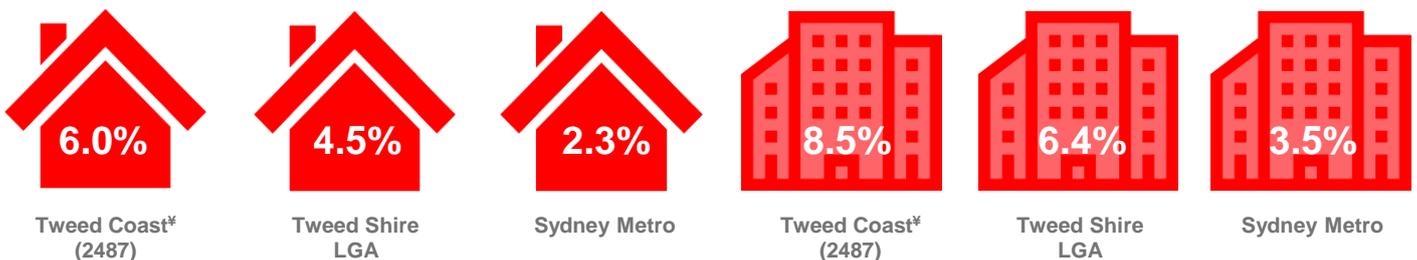
Also in June 2021, Tweed Coast[‡] recorded a vacancy rate of 1.6%, slightly above Tweed Shire LGA (0.8%), but well below Sydney Metro (2.8%). Vacancy rates in Tweed Coast[‡] have slightly increased, however they remain well below the Real Estate Institute of Australia's healthy benchmark of 3.0%, as the economy recovers from COVID-19. There is a sustainable healthy rental demand and investors can be confident of a conducive investment environment in Tweed Coast[‡].



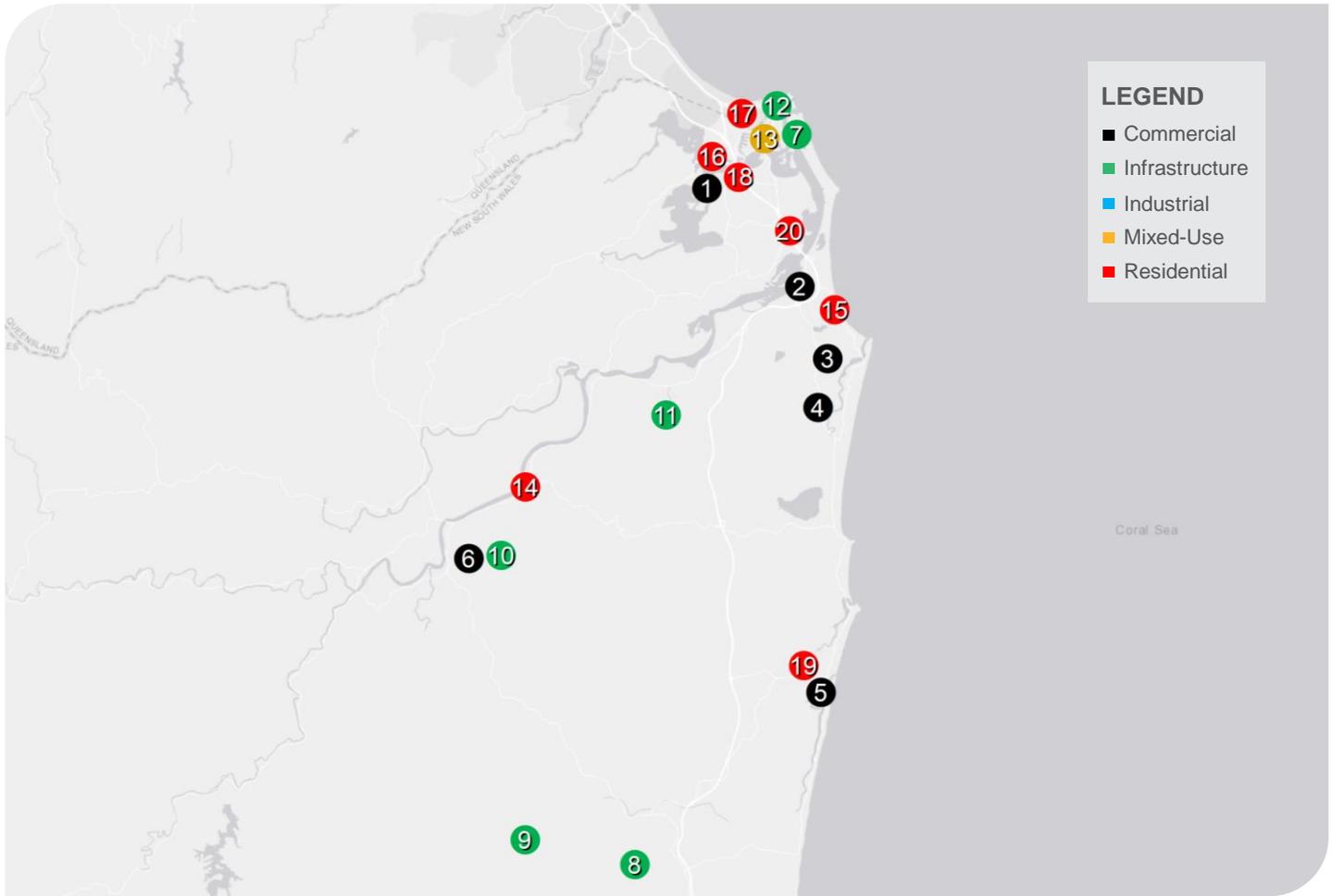
RENTAL VACANCY RATES 2021



RENTAL YIELD 2021\$



TOP DEVELOPMENTS MAP 2ND HALF 2021[▲]



Location	Project [£]	Type	Estimated Value ^µ	Commence Date ^ψ
1	Fraser Drive Club House	Commercial	\$550,000	19/11/2021
2	Chinderah Bay Drive Restaurant & Cafe	Commercial	\$1,000,000	04/11/2021
3	Tweed Valley Hospital Multideck Car Park	Commercial	\$25,000,000	17/11/2021
4	Kings Forest Service Station	Commercial	\$4,500,000	29/11/2021
5	Mountbatten Court Serviced Apartments	Commercial	\$3,500,000	15/11/2021
6	Honeyeater Circuit Light Industrial Buildings	Commercial	\$2,000,000	08/11/2021
7	Tweed River Entrance Sand Bypassing Project	Infrastructure	\$1,000,000	12/12/2021
8	Northern River Rail Trail - Tweed Section	Infrastructure	\$8,000,000	13/08/2021
9	Ophir Glen Bridge Replacement	Infrastructure	\$1,320,000	11/10/2021
10	Lundberg Drive & Quarry Road Industrial Subdivision	Infrastructure	\$3,000,000	19/12/2021
11	Stotts Creek Landfill Cell C	Infrastructure	\$1,000,000	21/07/2021
12	Marine Rescue Point Danger Building	Infrastructure	\$1,900,000	07/12/2021
13	Wharf Street Mixed Use Development- (122 Units)	Mixed-use	\$37,844,000	01/11/2021
14	Riverway Drive Residential Subdivision- (35 Lots)	Residential	\$1,600,000	14/10/2021
15	Marine Parade Apartments- (7 Apartments)	Residential	\$3,000,000	17/11/2021
16	Kennedy Drive Townhouses- (6 Townhouses)	Residential	\$1,215,000	08/08/2021
17	Florence Street Dwellings- (40 Dwellings)	Residential	\$8,000,000	06/11/2021
18	Fraser Drive Dwellings- (110 Dwellings)	Residential	\$27,500,000	16/08/2021
19	Seabreeze Estate Residential Subdivision Stages 18a & 18b- (69 Lots)	Residential	\$2,400,000	24/09/2021
20	Oyster Point Road Dwellings- (8 Dwellings)	Residential	\$2,450,000	11/11/2021

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

* 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.

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.

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

§ 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 Tweed Shire 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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