

Bayside Market Update

2nd Half 2021



OVERVIEW

In Q3 2021, Bayside* recorded a median house price of \$730,000, and a median unit price of \$505,000. This represents annual (Q3 2020 – Q3 2021) median price growth of 28.1% for houses and 19.4% for units. Between Q3 2020 – Q3 2021 total sales in both markets declined, by -15.0% for houses (to 271 sales) and by -28.8% for units (to 37 sales). Current market conditions indicate an undersupplied market, as price growth is due to lower amount of sales. High demand indicate now is an ideal time for owners to capitalise on their property, regardless of type of stock.

	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 Q3 2021



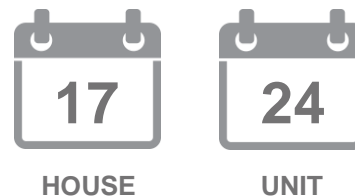
SALES AVERAGE DAYS ON MARKET Q3 2021



RENTAL MEDIAN PRICE Q3 2021

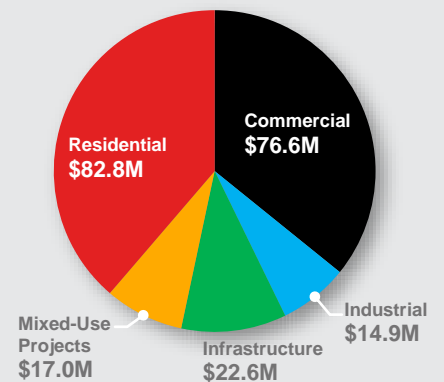


RENTAL AVERAGE DAYS ON MARKET Q3 2021



FUTURE DEVELOPMENTS

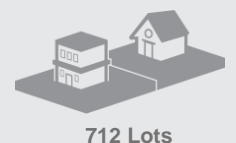
Redland City LGA is set to see approximately **\$213.9M** worth of new projects commencing in the 2nd half of 2021.



A large focus on commercial and residential projects is ideal for Redlands City LGA, as it signals the creation of new housing supply, new businesses and improved services, all of which has the potential to create more jobs and stimulate a more vibrant economy.

Two notable commercial projects in the 2nd half 2021 are the Former Bayside Business Park Stages 6-9 (\$35.0M) and Redland Hospital Car Park (\$34.0M).

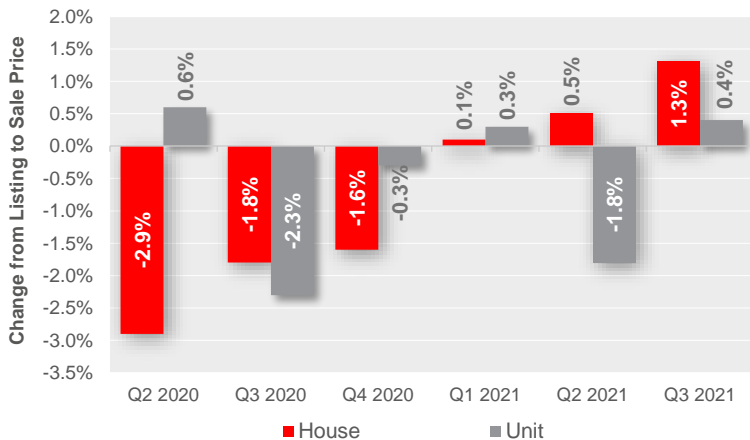
A total of \$82.8M of residential projects have been planned, adding 140 units/apartments, 41 townhouses, 7 dwellings and 712 lots to the Bayside* market. This is welcomed news as more supply will assist in ensuring sustainable median price growth in the area.



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 Q3 2020 and Q3 2021 have swung to premium levels for both property types, to 1.3% for houses and 0.4% for units. Market conditions in Bayside* have now shifted to favour sellers, where buyers are willing to negotiate well above the initial listing price. Now is an ideal time for vendors to sell.



Over past 2 years to #2021, the suburb of Thornlands saw the highest growth in median house price, of 36.1% (to \$716,000), followed by Mount Cotton (25.6%). Owner occupiers can confidently seek opportunities to capitalise on their investments in these markets.

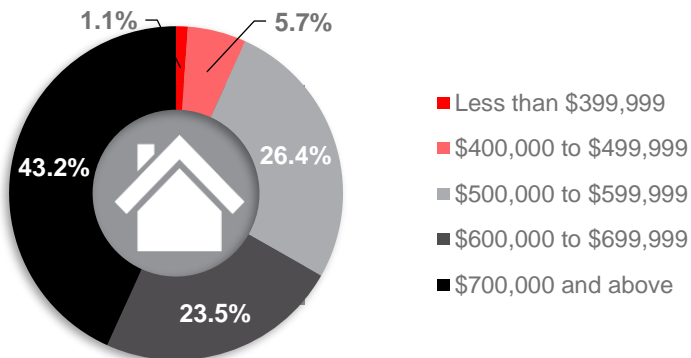
The dominant proportion of homes sold in Bayside* across 2021^ were priced in the premium price segment of \$700k and above (43.2%). Units recorded similar figures of high buyer activity within the premium market of \$500K and above (31.0%). Affordable options are still available, however have shrunk in the past 12 months.

MEDIAN HOUSE PRICE COMPARISON

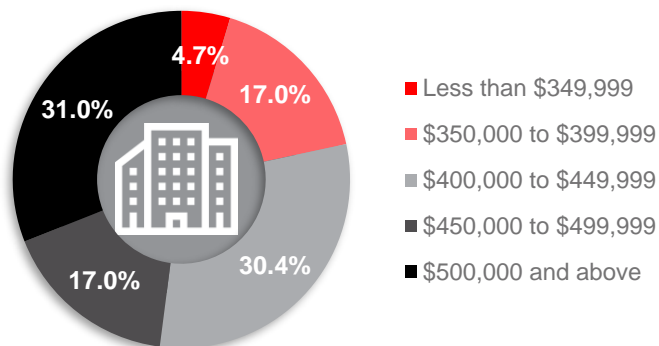
Individual Suburbs	2019	2020	#2021	2019 – 2021 % Growth
Redland Bay	\$541,000	\$570,000	\$660,000	22.0%
Thornlands	\$526,000	\$570,000	\$716,000	36.1%
Victoria Point	\$515,000	\$550,000	\$610,000	18.4%
Mount Cotton	\$531,000	\$560,000	\$667,000	25.6%

PRICE BREAKDOWN 2021^

HOUSES SOLD



UNITS SOLD

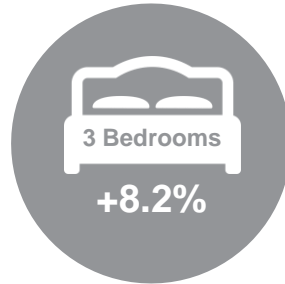
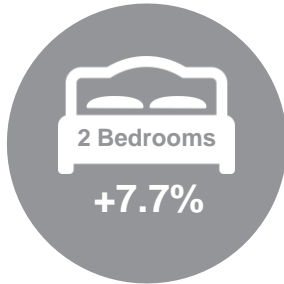


RENTAL GROWTH 2021€

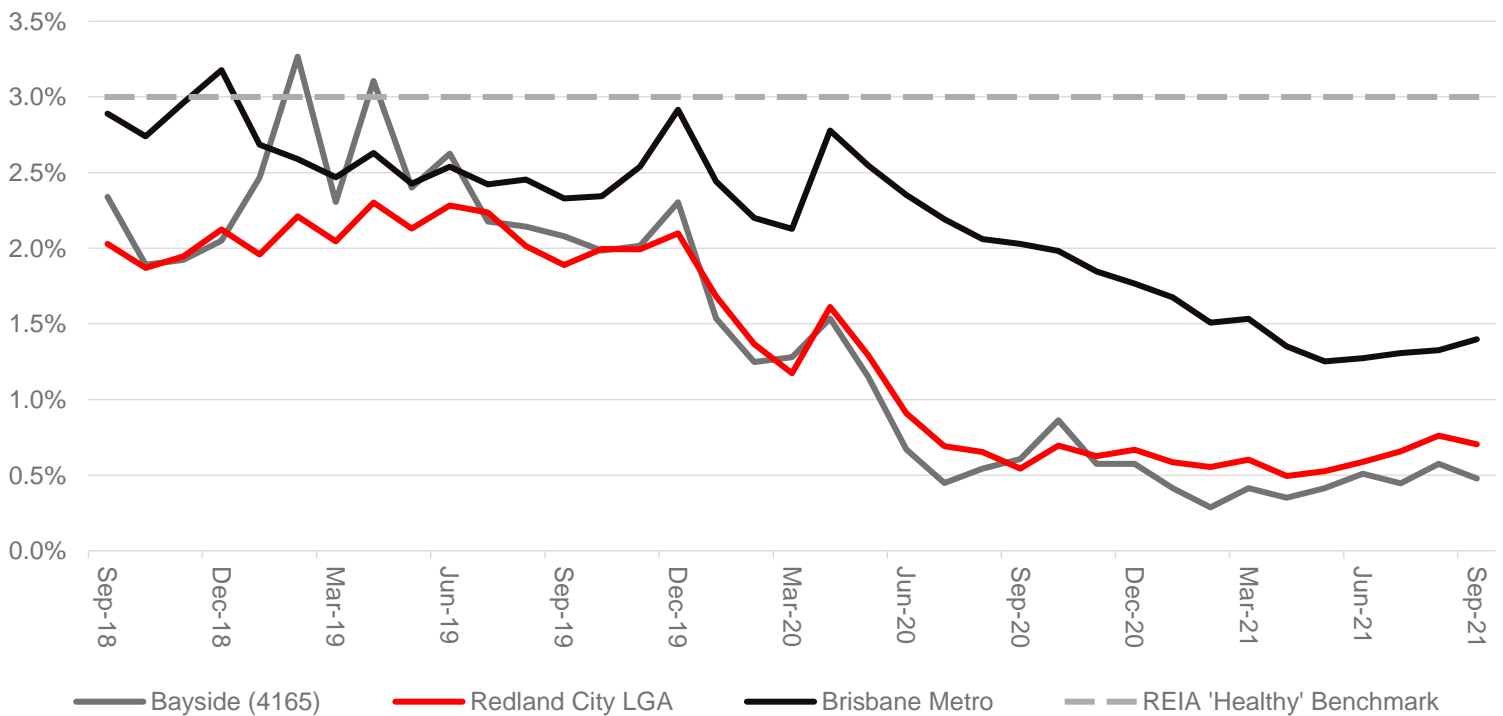
In September 2021, house rental yields in Bayside[€] were recorded at 4.0%. In the 12 months to Q3 2021, the median house rental price increased by 12.2% to reach \$550 per week, which is further complimented by a low average days on the market of 17 days. There is a strong rental market, with a supply and demand imbalance being the biggest driver of growth.

4+ bedroom houses have provided investors with +10.0% rental growth annually[€], with a median rent of \$550 per week.

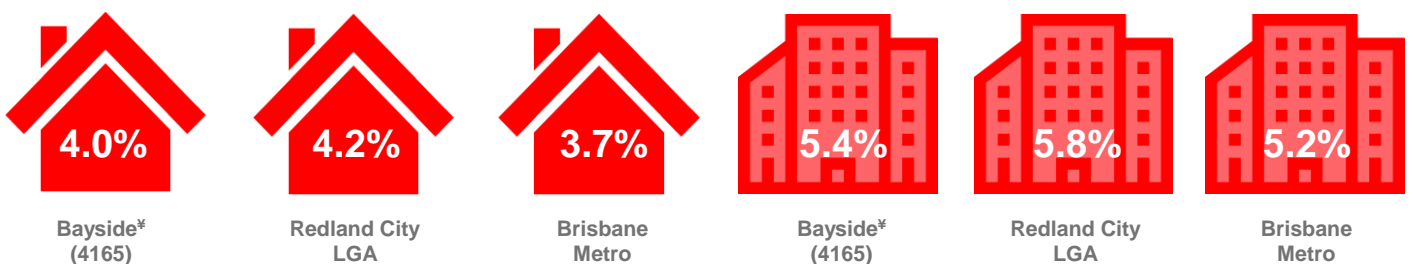
Also in September 2021, Bayside[€] recorded a low vacancy rate of 0.5%, below that of Redland City LGA (0.7%) and Brisbane Metro (1.4%). Vacancy rates in Bayside[€] remain at a historical low over the past 12 months and well below the Real Estate Institute of Australia's healthy benchmark of 3.0%, even amidst COVID-19 recovery conditions. This confirms there is still a healthy rental demand and investors can be confident of a conducive investment environment in Bayside[€].



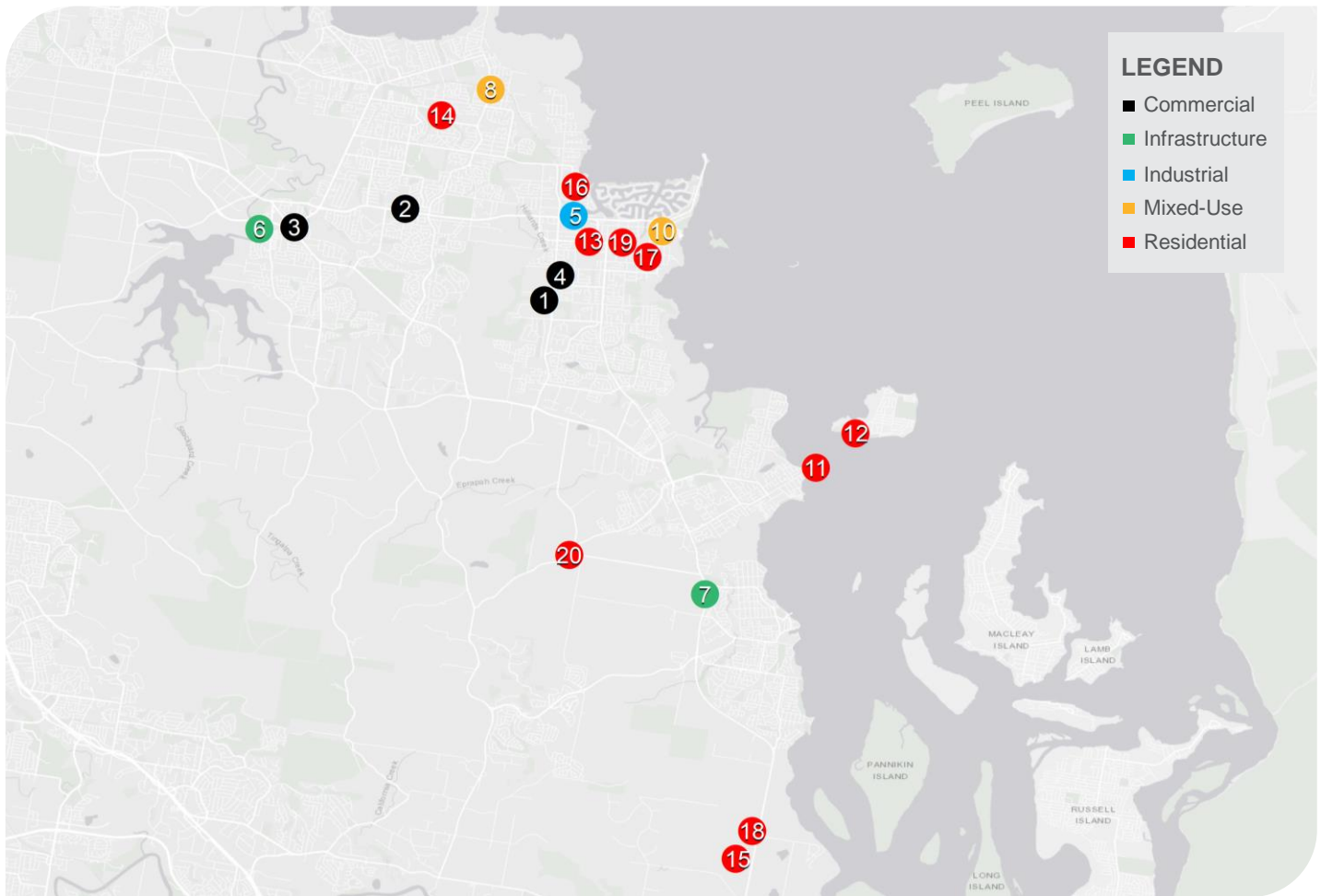
RENTAL VACANCY RATES 2021



RENTAL YIELD 2021\$



TOP DEVELOPMENTS MAP 2nd HALF 2021[Ⓐ]



Location	Project [£]	Type	Estimated Value [Ⓜ]	Commence Date [Ⓜ]
1	Former Bayside Business Park Stages 6-9	Commercial	\$35,000,000	16/08/2021
2	Alexander Hills Service Station & Fast Food Outlet	Commercial	\$3,000,000	25/10/2021
3	Redland Bay Road Commercial Development	Commercial	\$2,300,000	05/07/2021
4	Redland Hospital Car Park	Commercial	\$34,000,000	05/07/2021
5	Kennards Self Storage	Industrial	\$14,000,000	08/07/2021
6	Quentin Street Social Housing	Infrastructure	\$2,924,000	23/08/2021
7	Cleveland-redland Bay Road Roadworks	Infrastructure	\$10,000,000	30/11/2021
8	Main Road Mixed Use Development- (2 Townhouses)	Mixed-use	\$3,500,000	02/08/2021
9	Dickson Way Tourist Facility- (11 Units)	Mixed-use	\$5,000,000	06/12/2021
10	Aquence Tower Mixed Use Development- (26 Apartments)	Mixed-use	\$8,500,000	09/08/2021
11	Colburn Avenue Units- (8 Units)	Residential	\$2,400,000	01/12/2021
12	Victoria Parade Townhouses- (28 Townhouses)	Residential	\$7,000,000	23/08/2021
13	Taylor Crescent Units- (29 Units)	Residential	\$15,000,000	18/08/2021
14	Collingwood Road Development Site	Residential	\$4,850,000	16/08/2021
15	Serpentine Creek Road Subdivision – Shoreline- (257 Lots)	Residential	\$10,250,000	08/11/2021
16	Horatio Street Townhouses Ormiston- (11 Townhouses)	Residential	\$3,300,000	07/09/2021
17	Passage Street Units- (10 Units)	Residential	\$3,000,000	10/11/2021
18	Shoreline Precinct 1- (248 Lots)	Residential	\$11,200,000	19/11/2021
19	Taylor Crescent Units- (52 Units)	Residential	\$13,000,000	28/12/2021
20	Double Jump Road Residential Subdivision Stage 1- (176 Lots)	Residential	\$7,900,000	16/12/2021

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

*Bayside market data and key indicators encapsulates aggregate property market conditions within the suburbs of Mount Cotton, Redland Bay, Thornlands and Victoria Point.

** 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 2021 (01/01/2021 – 30/09/2021) only.

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€ Annual rental growth is a comparison between 2020 (01/01/2020 – 30/09/2020) and 2021 (01/01/2021 – 30/09/2021) house median rent figures.

¥ Bayside market data encapsulates aggregate property conditions within the postcode of 4165.

§ Rental yields shown are as reported as of September 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 Redland City 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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