



Tweed Heads Market Update 1st Half 2022



OVERVIEW

In Q4 2021, Tweed Heads* recorded a median house price of \$1,011,250 and a median unit price of \$675,000. This represents annual (Q4 2020 – Q4 2021) median price growth of 33.9% for houses and 33.7% for units. Between Q4 2020 – Q4 2021 total sales in both markets slowed, by -12.5% for houses (to 476 sales) and by -8.1% for units (to 308 sales). Current owner occupiers and down-sizers can benefit from real returns on capital investment, as median price growth has been fuelled by an imbalance in high demand and low stock levels. The market is heavily undersupplied, in need for ready-to-sell stock.

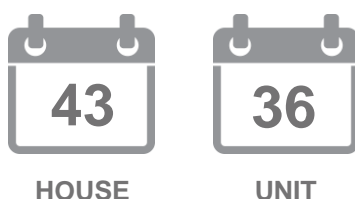
	CHANGE FROM LAST	YEAR	HALF YEAR
	House Sales	↓	↑
	House Median Price	↑	↑
	House Rental Price	↑	↑
	Unit Sales	↓	↓
	Unit Median Price	↑	↑
	Unit Rental Price	↑	↑

MARKET CONDITIONS

SALES MEDIAN PRICE Q4 2021



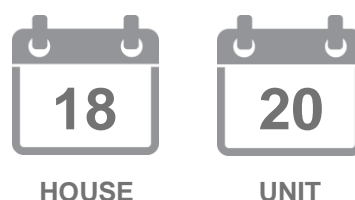
SALES AVERAGE DAYS ON MARKET Q4 2021



RENTAL MEDIAN PRICE Q4 2021

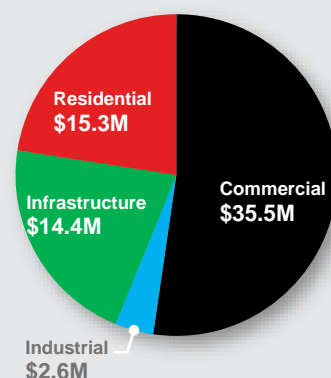


RENTAL AVERAGE DAYS ON MARKET Q4 2021



FUTURE DEVELOPMENTS

Tweed Shire Local Government Area is set to see approximately **\$67.9M** worth of new projects commencing in the 1st half of 2022.

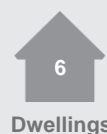


A strong focus on commercial projects will stimulate economic growth and new local jobs, which can translate to higher housing stock demand. There is some residential projects, however more is needed to work towards a more sustainable level of price growth. .

A total of \$15.3M of residential projects is planned, adding 11 units/apartments, 12 townhouses, 6 dwellings and 35 lots in the Tweed Shire Local Government Area.

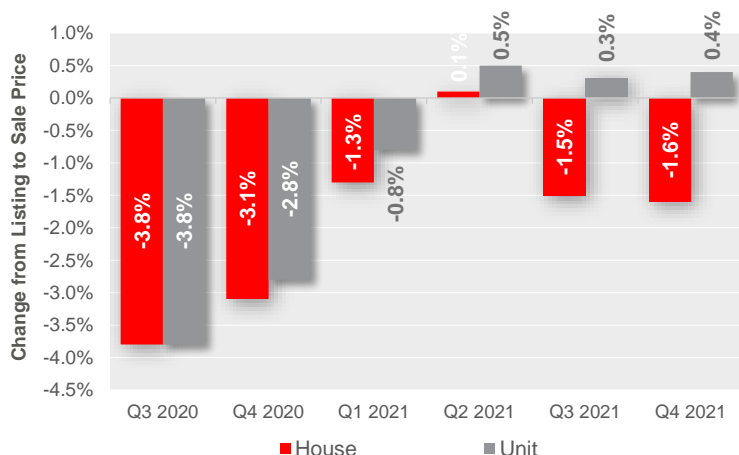
Projects located in Tweed Heads include: Mountbatten Court (\$3.5M, 10 Units), Illoura Villas (\$3.06M, 12 Units, 7 Townhouses), Sutherland street (\$7.53M, 6 Dwellings, 5 Townhouses).

Only Boundary Street Dwellings (\$4.8M, 16 dwellings) will provide ready-to-sell houses, which means the house market will likely remain undersupplied in the near future.



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.

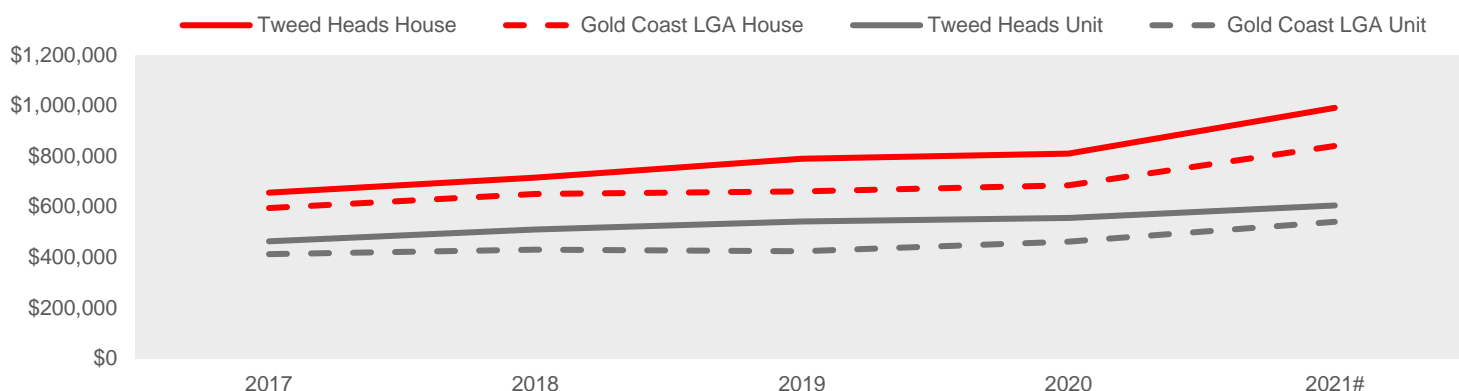


Average vendor discounts between Q4 2020 and Q4 2021 have swung to a premium for units, to 0.4%. It has tightened for houses, to -1.6%. Market conditions in Tweed Heads* continue to favour vendors, as buyers must either offer above or close to the initial listing price.

The suburb of Tweed Heads has historically outperformed the Tweed Shire Local Government Area (LGA) in both house and unit median prices. This trend has continued in 2021[#] with houses and units recording extraordinary final sale prices.

The dominant proportion of homes sold in Tweed Heads* across 2021[^] were in the premium price bracket of \$850,000 and above (62.4%). Units also recorded a dominant premium price point bracket of \$650,000 and above (41.2%). Tweed Heads* continues to show a growing premium market. Affordable options are still available, however have continued to decline in the past 18 months. First home buyers must act fast.

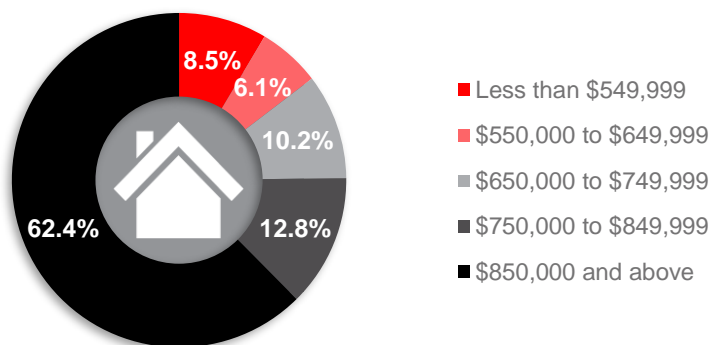
MARKET COMPARISON



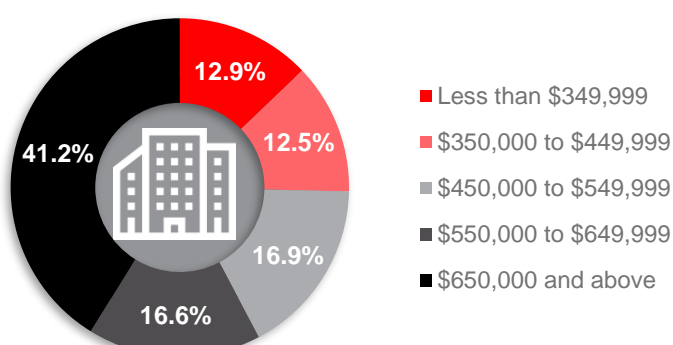
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Tweed Heads.

PRICE BREAKDOWN 2021[^]

HOUSES SOLD



UNITS SOLD

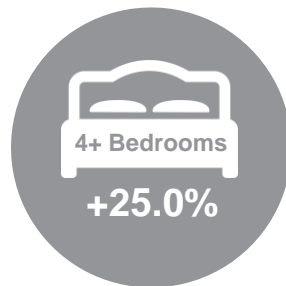
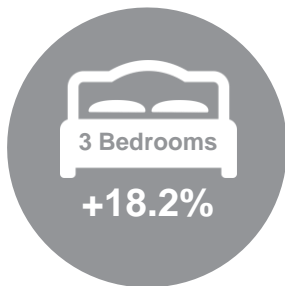


RENTAL GROWTH 2021€

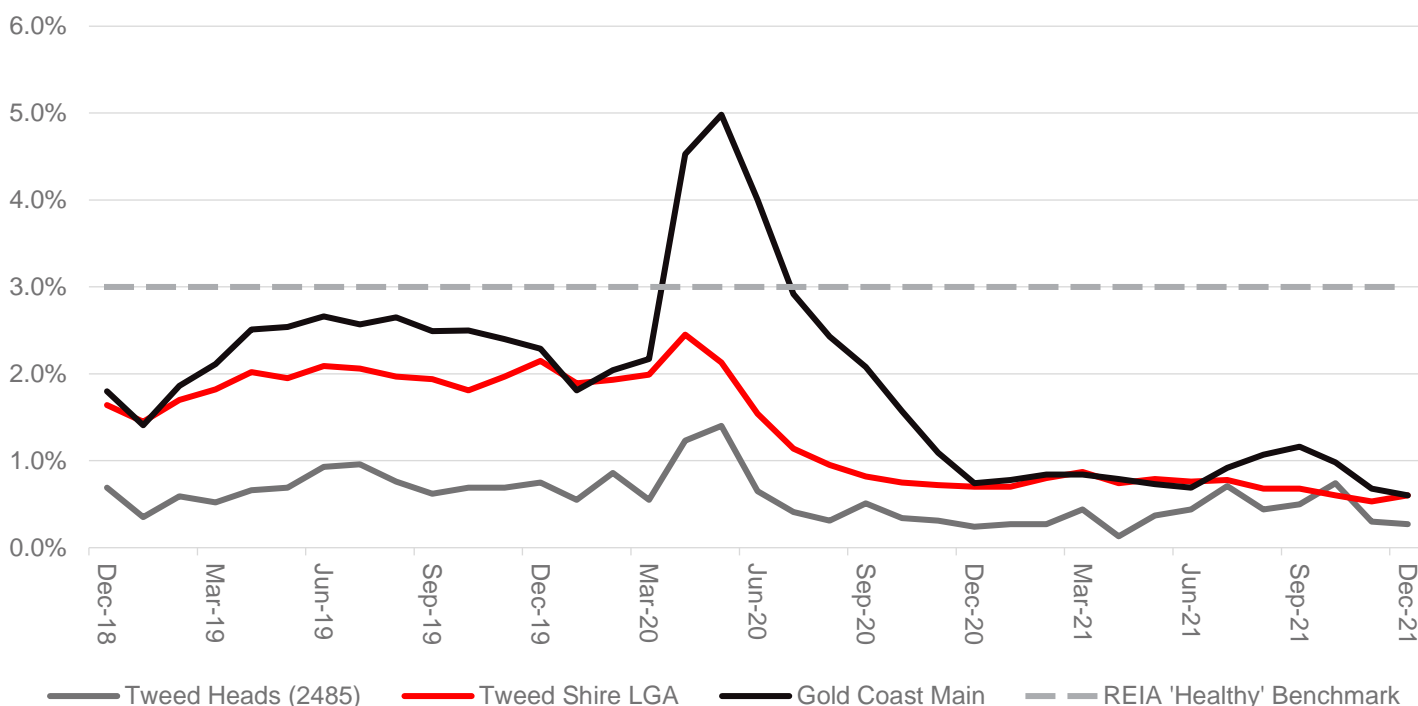
In December 2021, house rental yields in Tweed Heads* were recorded at 3.9%. This means that owners are making a strong return on investment. In the past 12 months to Q4 2021 median house sale price growth, of 33.9%, have outpaced median house rental price growth (27.1%). That said median house rental price for Q4 2021 sits at \$750 per week, with a low average days to let of 18 days; thus indicating a resilient rental market.

4+ bedroom houses have provided investors with +25.0% rental growth annually€, with a median rent of \$850 per week.

Also in December 2021, Tweed Heads* recorded a vacancy rate of 0.3%, well below Gold Coast LGA (0.6%) and Tweed Shire LGA (0.6%). Vacancy rates in Tweed Heads* remain well below the Real Estate Institute of Australia's healthy benchmark of 3.0% and have trended below 1.0% for the past 19 months. This confirms there is still a healthy rental demand and investors can be confident of a conducive investment environment in Tweed Heads*.



RENTAL VACANCY RATES 2021



RENTAL YIELD 2021\$



Tweed Heads*
(2485)



Tweed Shire
LGA



Gold Coast
Main



Tweed Heads*
(2485)

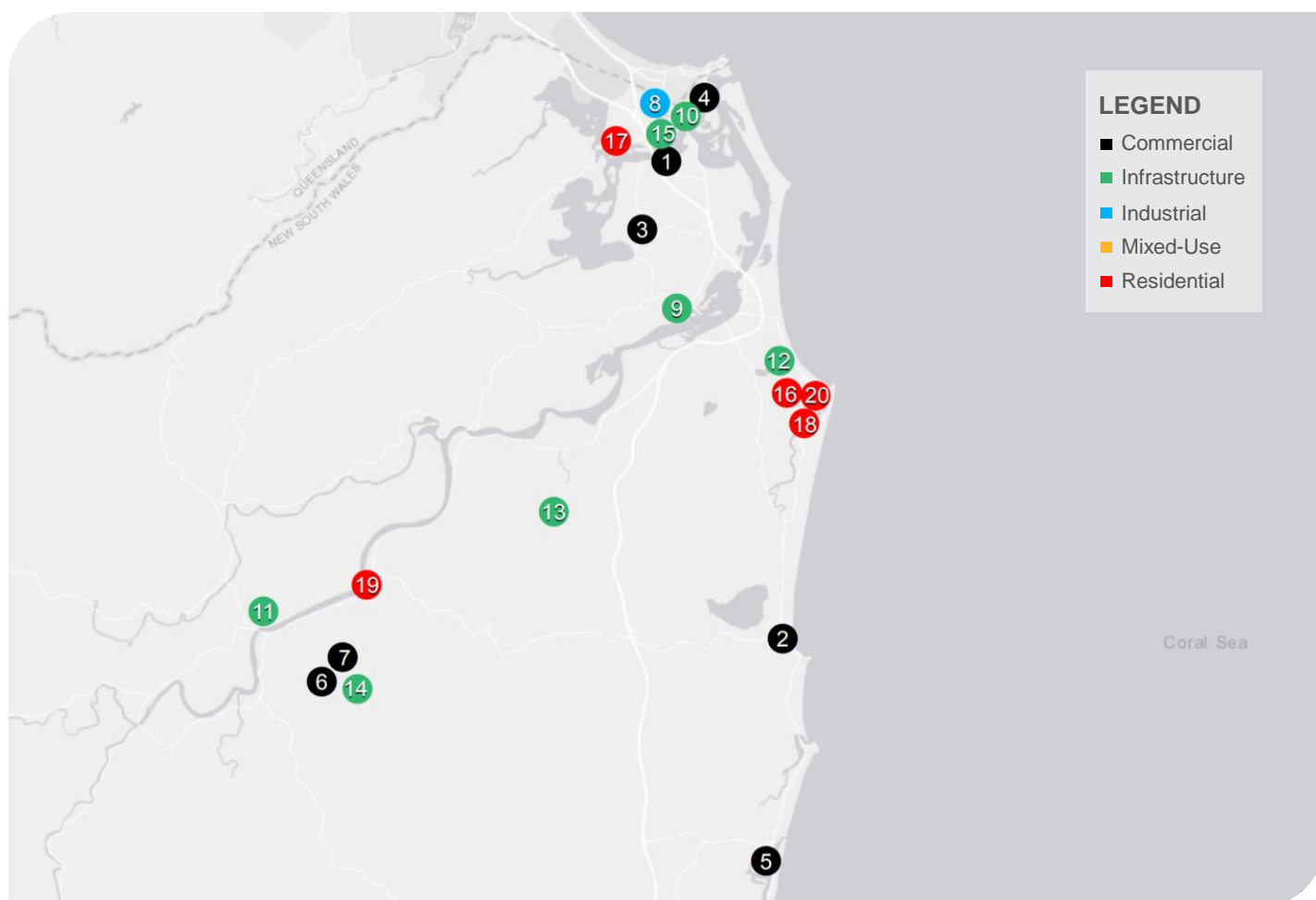


Tweed Shire
LGA



Gold Coast
Main

TOP DEVELOPMENTS MAP 1st HALF 2022[Ⓐ]



Location	Project [£]	Type	Estimated Value [Ⓜ]	Commence Date [Ⓜ]
1	Big4 Tweed Billabong Holiday Park	Commercial	\$11,985,000	06/06/2022
2	Tweed Coast Road Commercial Development	Commercial	\$5,000,000	14/06/2022
3	Twin Towns Juniors Club	Commercial	\$4,818,000	19/06/2022
4	Florence Place Boarding House	Commercial	\$4,800,000	07/05/2022
5	Mountbatten Court Serviced Apartments	Commercial	\$3,500,000	14/04/2022
6	Quarry Road & Lundberg Drive Industrial Development	Commercial	\$1,700,000	14/03/2022
7	Thornbill Drive Light Industrial Development	Commercial	\$2,535,000	10/04/2022
8	Border Self Storage	Industrial	\$2,481,000	27/04/2022
9	Terranora Road Emergency Services Facility	Infrastructure	\$1,500,000	13/01/2022
10	Marine Rescue Point Danger Building	Infrastructure	\$1,900,000	14/03/2022
11	Murwillumbah Hopsital Upgrades	Infrastructure	\$2,000,000	18/04/2022
12	Kingscliff Fire Station	Infrastructure	\$2,000,000	11/03/2022
13	Stotts Creek Resource Recovery Centre	Infrastructure	\$2,841,000	18/05/2022
14	Industrial Central Land Swap Subdivision	Infrastructure	\$1,000,000	08/01/2022
15	Tweed Shire Council Flood Damage Works	Infrastructure	\$700,000	29/01/2022
16	Aura Kingscliff- (6 Units)	Residential	\$2,881,000	27/06/2022
17	Illoura Villas- (12 Townhouses)	Residential	\$3,065,000	01/05/2022
18	Sutherland Street Dual Occupancies- (3 Dwellings)	Residential	\$3,250,000	23/02/2022
19	Riverway Drive Residential Subdivision- (35 Lots)	Residential	\$1,600,000	14/04/2022
20	Sutherland Street Units- (5 Units)	Residential	\$4,500,000	16/05/2022

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 Heads data and key indicators encapsulates aggregate property conditions within the Tweed Shire 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 2021 (01/01/2021 – 31/12/2021) only.

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€ Annual rental growth is a comparison between 2020 (01/01/2020 – 31/12/2020) and 2021 (01/01/2021 – 31/12/2021) house median rent figures.

¥ Tweed Heads market data encapsulates aggregate property conditions within the postcode of 2485.

§ Rental yields shown are as reported as of December 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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