



Tweed Coast Market Update 1st Half 2022



OVERVIEW

In Q4 2021, Tweed Coast* recorded a median house price of, \$1,670,000 and a median unit price of \$807,000. This represents annual (Q4 2020 – Q4 2021) median price growth of 63.7% for houses and 24.3% for units. Between Q4 2020 – Q4 2021 total sales in both markets slowed, by -11.5% for houses (to 131 sales) and by -18.6% for units (to 92 sales). The Tweed Coast* market is undersupplied, as price growth is alongside low stock and less transactions. Owner-occupiers and downsizers are encouraged to transact as they we will achieve premium results, capitalising on their investment.

	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



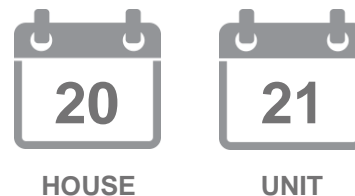
SALES AVERAGE DAYS ON MARKET Q4 2021



RENTAL MEDIAN PRICE Q4 2021

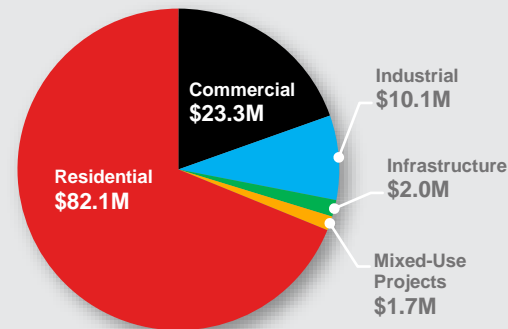


RENTAL AVERAGE DAYS ON MARKET Q4 2021



FUTURE DEVELOPMENTS

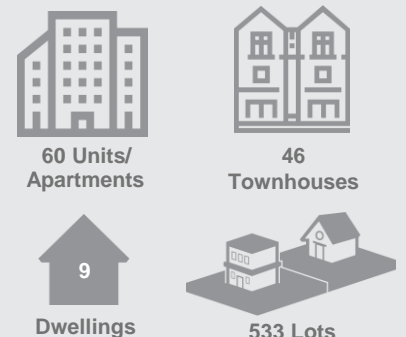
Tweed Coast* will see approximately **\$119.3M** worth of new projects commencing in the 1st half of 2022.



A focus on residential projects will answer the current high demand and assist in ensuring a sustainable level of price growth. Construction period will create more local jobs, stimulating the local economy.

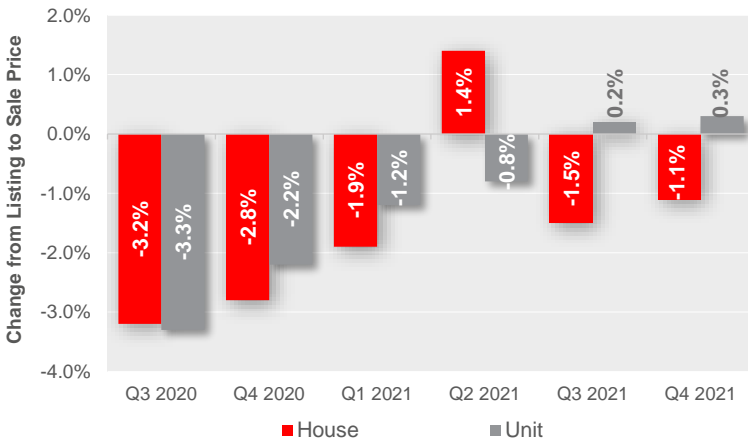
A main commercial project over the 1st half of 2022 is the Tweed Coast Road Commercial Development (\$5.0M). This will construct a 3 storey development with 151sqm cafe and dining at the ground floor & 10 serviced apartments above.

\$82.1M of residential projects is planned, adding 46 townhouses, 60 units/apartments, 533 vacant lots, and 9 dwellings in the Tweed Shire. Kings Forest Subdivision Stage 1 (\$20.0M) will add 500 lots, which will benefit those looking to build by accessing government grants. Other key projects include: Tweed Coast Rd Apartments (\$18.3M, 20 apartments) and Bells Boulevard Townhouses (\$11.6M, 39 townhouses).



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.

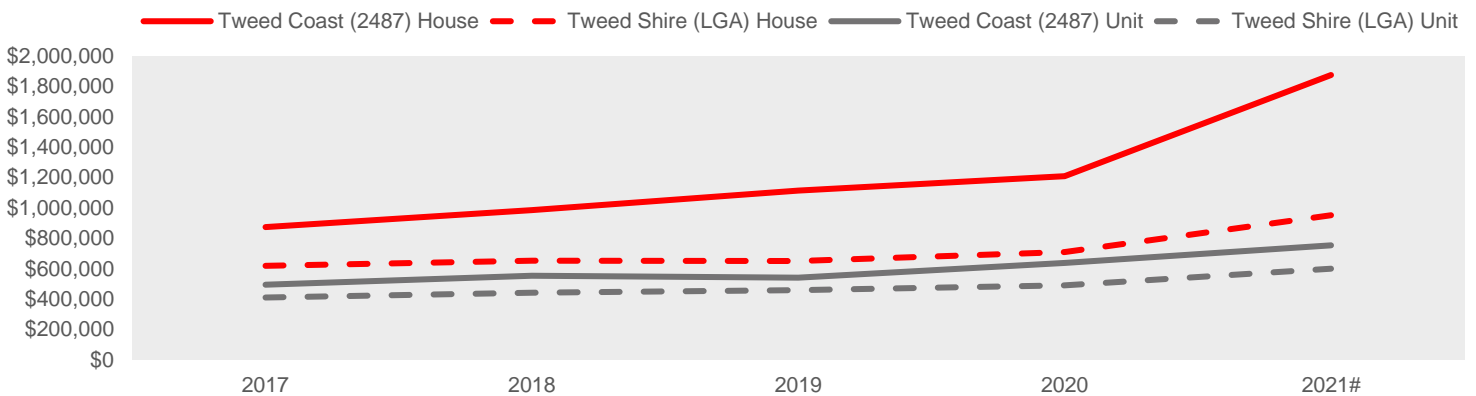


Average vendor discounts between Q4 2020 and Q4 2021 have tightened to -1.1% for houses and swung to a premium of 0.3% for units. Market conditions in Tweed Coast* have now shifted to favour sellers, where buyers are willing to offer closer or above the initial listing price. Now is an ideal time to sell.

Tweed Coast has outperformed the wider Tweed Shire Local Government Area (LGA) for the past 5 years, with a bigger gap in median house price. This trend has continued in 2021# with houses recording extraordinary final sale prices and creating a premium market.

The dominant proportion of homes sold in Tweed Coast* across 2021^ were in the premium price bracket of \$1,000,000 and above (55.3%). Units also recorded a dominant premium price point, of \$700,000 and above (42.0%). The Tweed Coast* market has cemented itself as a premium market. Affordable options exist, however it has shrunk in the past 12 months.

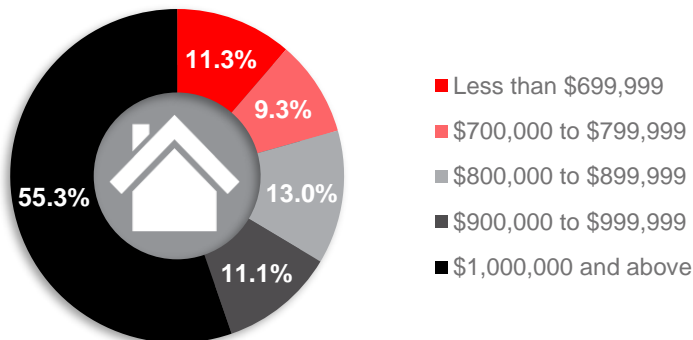
MARKET COMPARISON



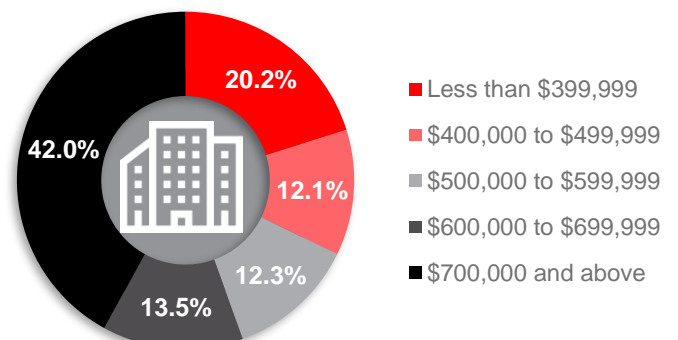
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled are chosen based on their proximity to the main suburb analysed, which is Tweed Coast.

PRICE BREAKDOWN 2021^

HOUSES SOLD



UNITS SOLD

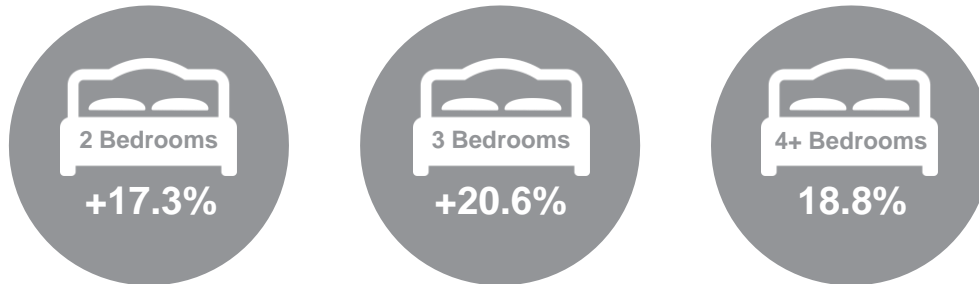


RENTAL GROWTH 2021€

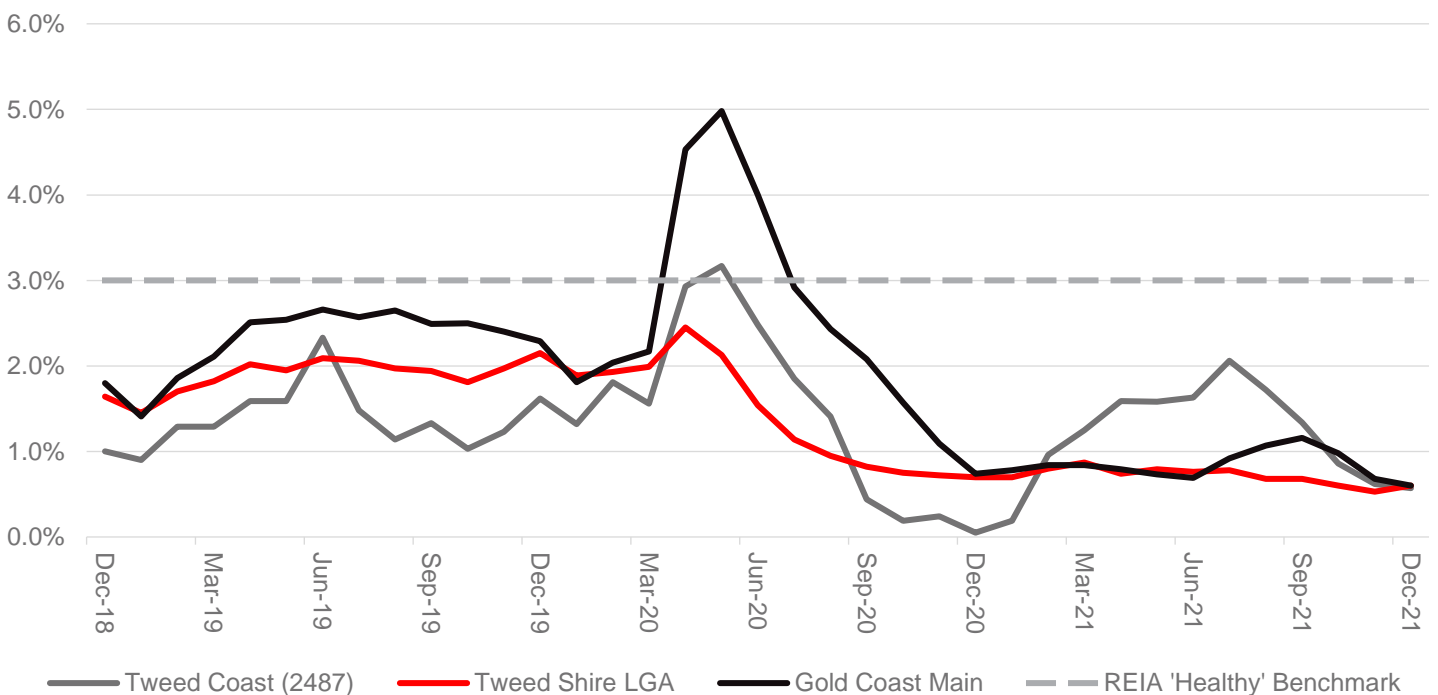
In December 2021, house rental yields in Tweed Coast* were recorded at 4.3%. In the 12 months to Q4 2021, the median house rental price increased by 17.3% to reach \$880 per week, while average days on the market remained at a low 20 days. Overall this represents a resilient rental market throughout COVID-19.

3 bedroom houses have provided investors with +20.6% rental growth annually€, with a median rent of \$750 per week.

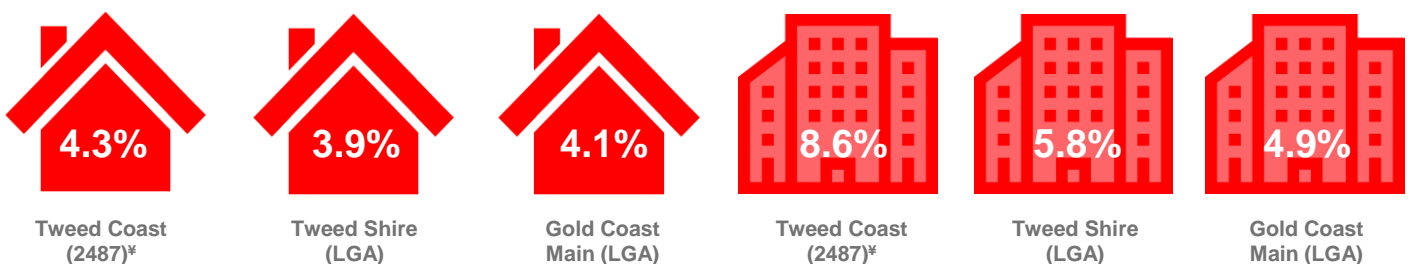
Also in December 2021, Tweed Coast* recorded a vacancy rate of 0.6%, on par with Gold Coast LGA (0.6%) and Tweed Shire (0.6%). Vacancy rates in Tweed Coast* remain well below the Real Estate Institute of Australia's healthy benchmark of 3.0%, even amidst COVID-19 conditions. This confirms there is still a healthy rental demand and investors can be confident of a conducive investment environment in Tweed Coast*.



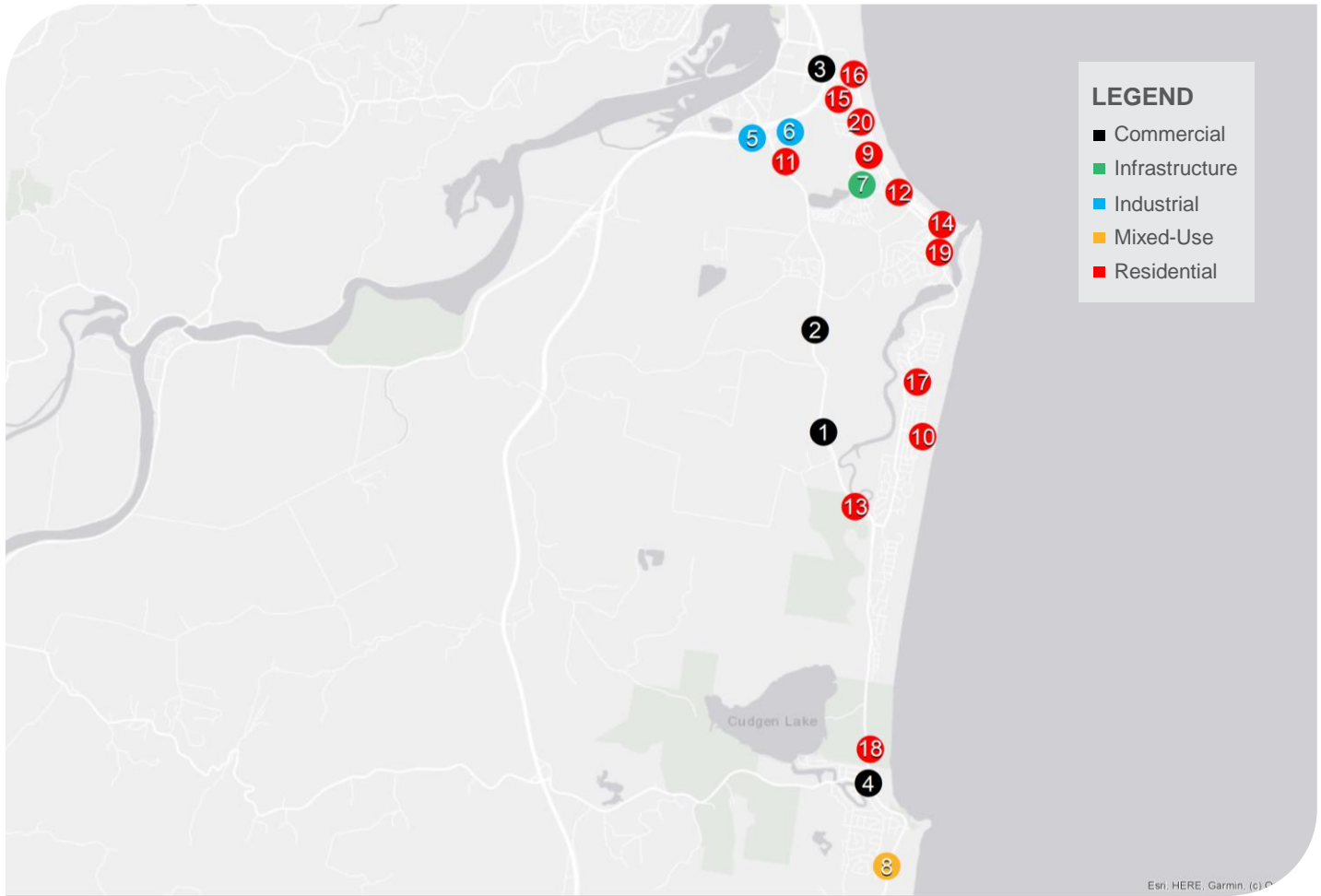
RENTAL VACANCY RATES 2021



RENTAL YIELD 2021§



TOP DEVELOPMENTS MAP 1st HALF 2022^A



Location	Project [£]	Type	Estimated Value ^µ	Commence Date ^ψ
1	Kings Forest Service Station	Commercial	\$4,500,000	29/08/2022
2	Altona Road Earthworks & Drainage	Commercial	\$6,841,000	14/07/2022
3	Cudgen Leagues Club	Commercial	\$5,747,000	15/08/2022
4	Tweed Coast Road Commercial Development	Commercial	\$5,000,000	14/06/2022
5	26-28 Naru Street Industrial Development	Industrial	\$6,260,000	07/12/2022
6	18 Ozone Street Industrial Development	Industrial	\$3,872,000	01/08/2022
7	Kingscliff Fire Station	Infrastructure	\$2,000,000	11/03/2022
8	Tweed Coast Road & Rosewood Avenue Shop Top Housing- (8 units)	Mixed-use	\$1,700,000	10/09/2022
9	Marine Parade Apartments Stages 1-2- (7 Apartments)	Residential	\$2,700,000	03/12/2022
10	Cylinders Drive Dwellings- (3 Dwellings)	Residential	\$2,750,000	01/11/2022
11	Ozone Street Townhouses- (4 Townhouses)	Residential	\$2,765,000	06/11/2022
12	Aura Kingscliff- (6 units)	Residential	\$2,881,000	27/06/2022
13	Kings Forest Subdivision Stage 1- (500 Lots)	Residential	\$20,000,000	30/11/2022
14	Sutherland Street Units- (5 Units)	Residential	\$4,500,000	16/05/2022
15	Murphys Road Units- (7 Units)	Residential	\$4,868,000	10/12/2022
16	15 Murphys Road Units- (7 Units)	Residential	\$7,000,000	24/11/2022
17	Bells Boulevard Townhouses & Residential Subdivision- (39 Townhouses, 33 Lots)	Residential	\$11,640,000	07/11/2022
18	Tweed Coast Road Apartments- (20 Apartments)	Residential	\$18,375,000	05/12/2022
19	Sutherland Street Dual Occupancies- (3 Dwellings)	Residential	\$3,250,000	23/02/2022
20	75 Kingscliff Street Townhouses- (3 Townhouses)	Residential	\$1,380,000	16/12/2022

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 Coast market data and key indicators encapsulates aggregate property market conditions within the suburbs of 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 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 Coast market data encapsulates aggregate property conditions within the postcode of 2487.

§ 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 suburbs of 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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