



Coolangatta Market Update 2nd Half 2022



OVERVIEW

In Q2 2022, Coolangatta* recorded a median house price of \$970,000, and a median unit price of \$615,000. This represents annual (Q2 2021 – Q2 2022) median price growth of 16.9% for houses and 16.0% for units. Total sales decreased between Q2 2021 – Q2 2022, by -31.6% (to 1,952 sales) for houses and by -36.5% for units (to 2,594 sales). Current owners 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 undersupplied, which can create a buffer in a rising cash rate environment.

	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 2022



SALES AVERAGE DAYS ON MARKET Q2 2022



RENTAL MEDIAN PRICE Q2 2022

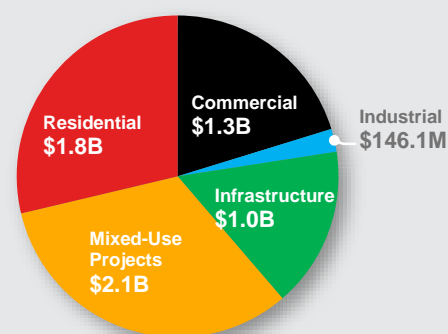


RENTAL AVERAGE DAYS ON MARKET Q2 2022



FUTURE DEVELOPMENTS

Gold Coast Local Government Area is set to see approximately **\$6.3B worth of new projects commencing in the 2nd half of 2022.**



A strong focus on mixed-use and residential projects will provide much needed housing stock, creating a more sustainable price growth. It will also create new employment opportunities during the construction phase.

\$1.8B of residential projects is planned, adding 1,045 townhouses, 4,825 units/apartments, 542 vacant lots, and 539 dwellings in Gold Coast.

Projects located in Coolangatta include: Espirit Residences (\$58.0M, 97 Units), Rockpool Apartments (\$40.0M, 20 units), Robina Grand Residences (\$30.0M, 69 units), and Eden Avenue (\$28.0M, 94 units),

The Gold Coast Satellite Hospital (\$40.0M) is a major infrastructure project in the 2nd Half of 2022. The project is set to add more amenities to Coolangatta*, attracting new residents to the area.



5,825 Units/
Apartments



1,045
Townhouses



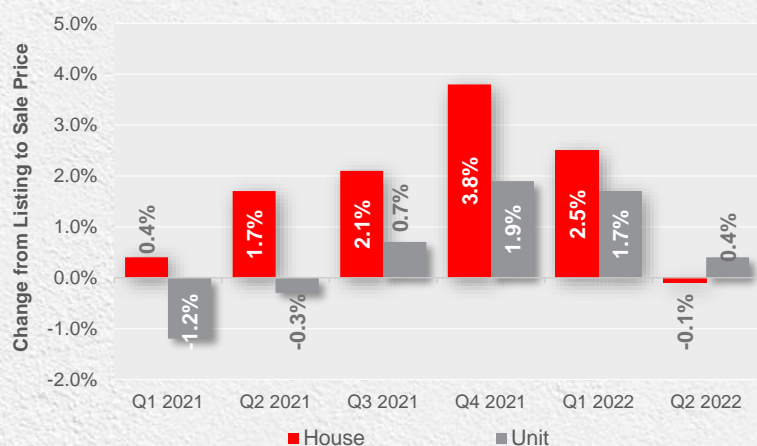
539
Dwellings



942 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.

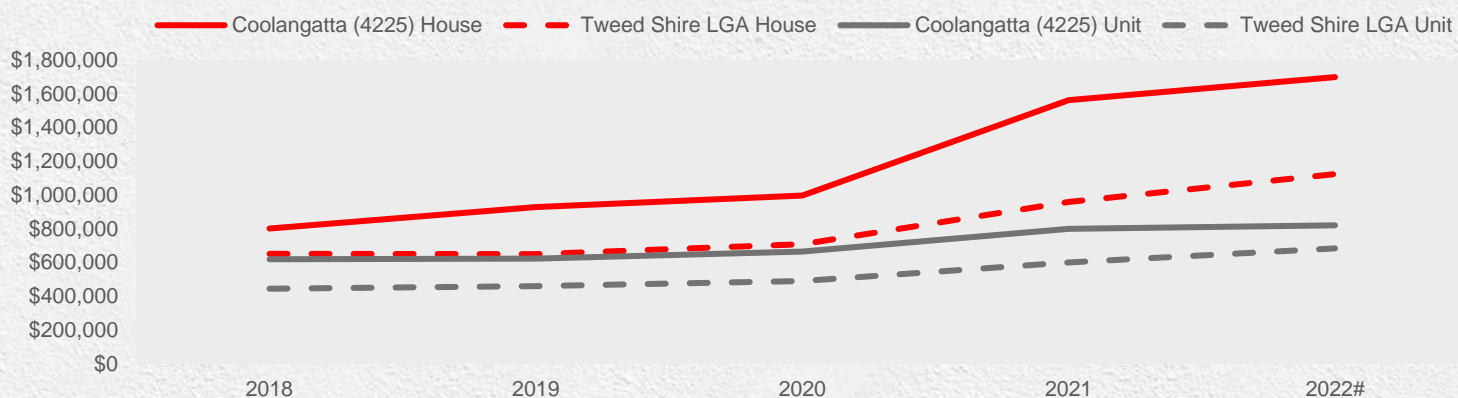


Average vendor discounts between Q2 2021 and Q2 2022 have shifted for both property types, creating a two-speed market. Average vendor discount have swung to a discount of -0.1% for houses and to a premium of 0.4% for units. House buyers can now benefit from a slight discount, whereas unit buyers must offer above the first list price. This creates unique opportunities for both sellers and buyers for each property type.

The suburb of Coolangatta has outperformed the wider Tweed Shire Local Government Area (LGA) in both house and unit median prices for the past 5 years. This continued to be the case in 2022# with houses trending toward a more premium market.

The dominant proportion of homes sold in Coolangatta* across 2022# were in the premium price bracket of above \$950,000 (40.6%). Units also recorded a dominant premium price point of above \$700,000 (31.0%). Affordable options are available, however have continued to decline in the past 18 months.

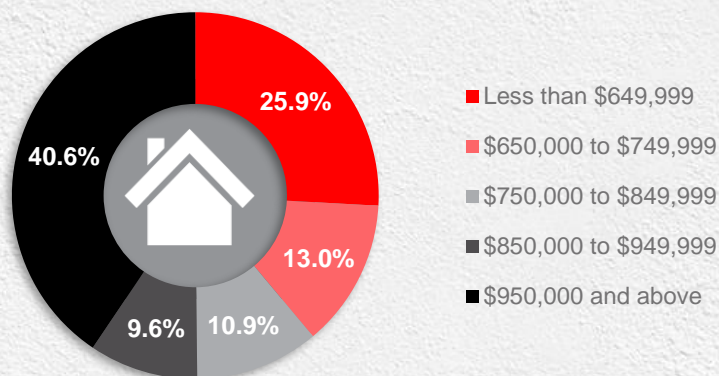
MARKET COMPARISON



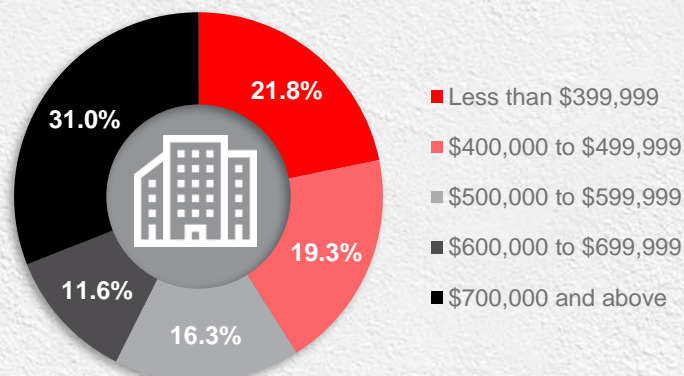
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Coolangatta.

PRICE BREAKDOWN 2022#

HOUSES SOLD



UNITS SOLD

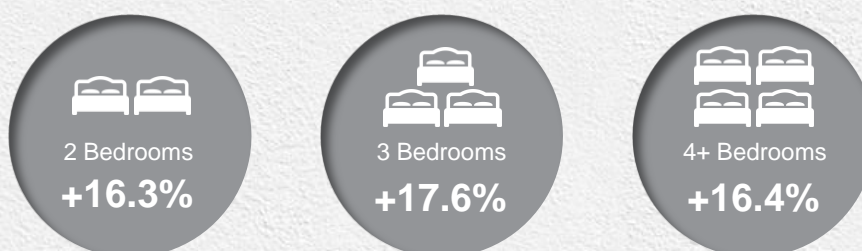


RENTAL GROWTH 2022€

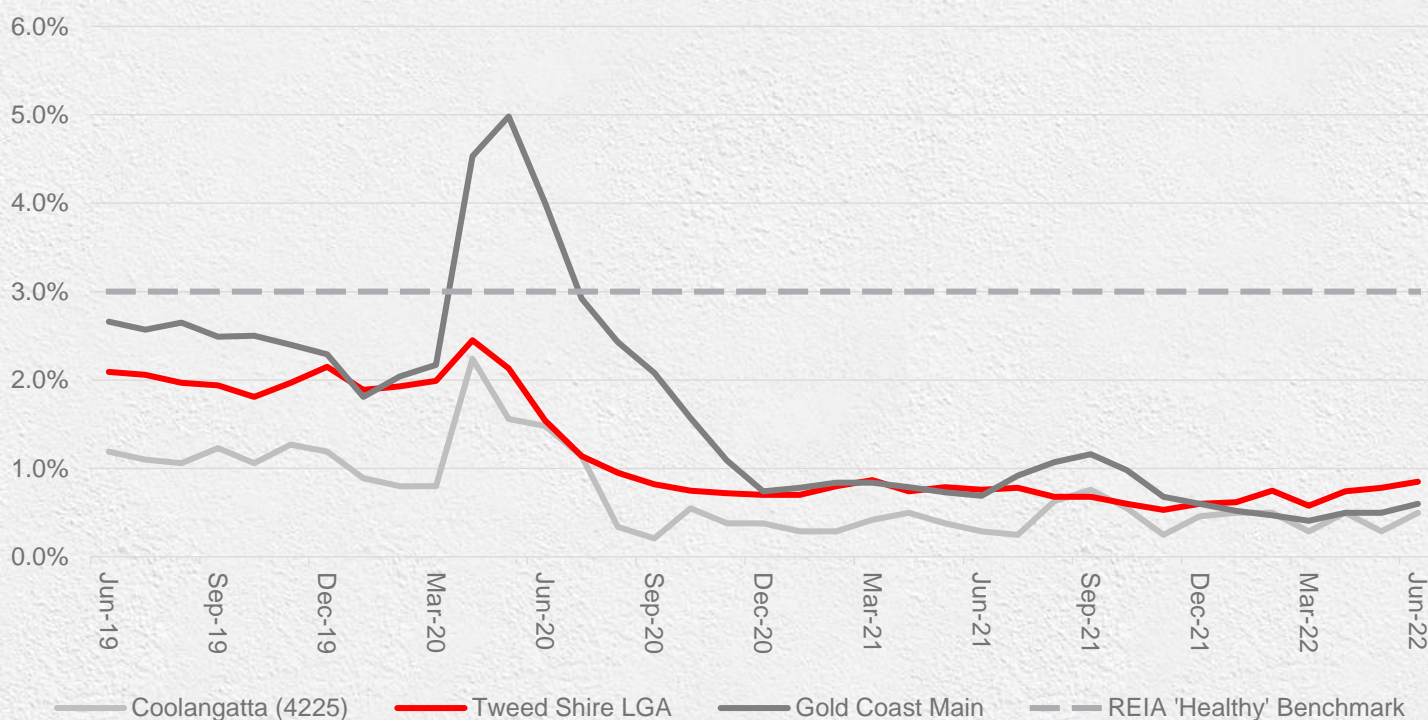
Over the past 12 months, house rental yields in Coolangatta* increased to sit at 2.0% in June 2022. This was paired with a slight increase in demand for rental properties across the same time period (up by +31.4% to 1,855 rentals in the 12 months to Q2 2022). This is an expected dynamic shift in the market, as there has been a decrease in property sales. Median house rental price increased by 21.0% to \$750 per week during this time, indicating high return for investors.

3 bedroom houses have provided investors with +17.6% rental growth annually, achieving a median rent of \$700 per week.

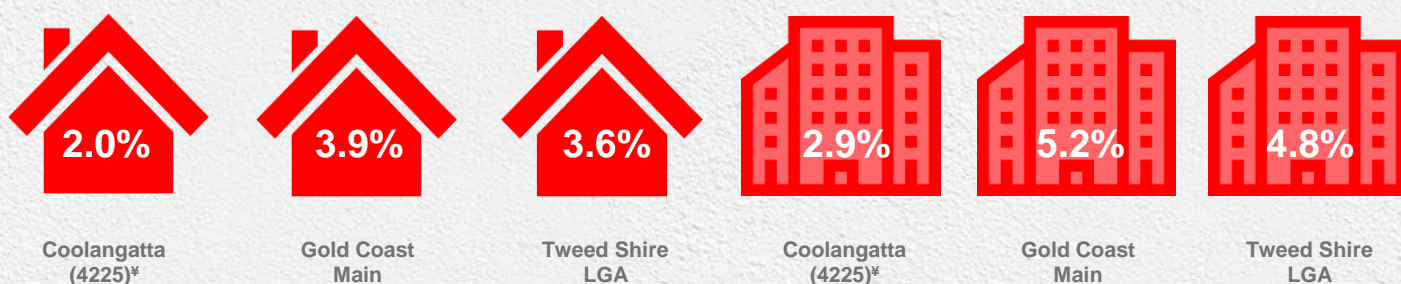
Coolangatta* recorded a vacancy rate of 0.5% in June 2022, which is slightly below Gold Coast's 0.6% and Tweed Shire LGA 0.9% average. Vacancy rates in Coolangatta* have held steady over the past 12 months, trending below 1.0%. This indicates stability in the area's rental demand. These key indicators create a conducive and sustainable environment for investors, despite the increase in median sale prices of property over the past 12 months.



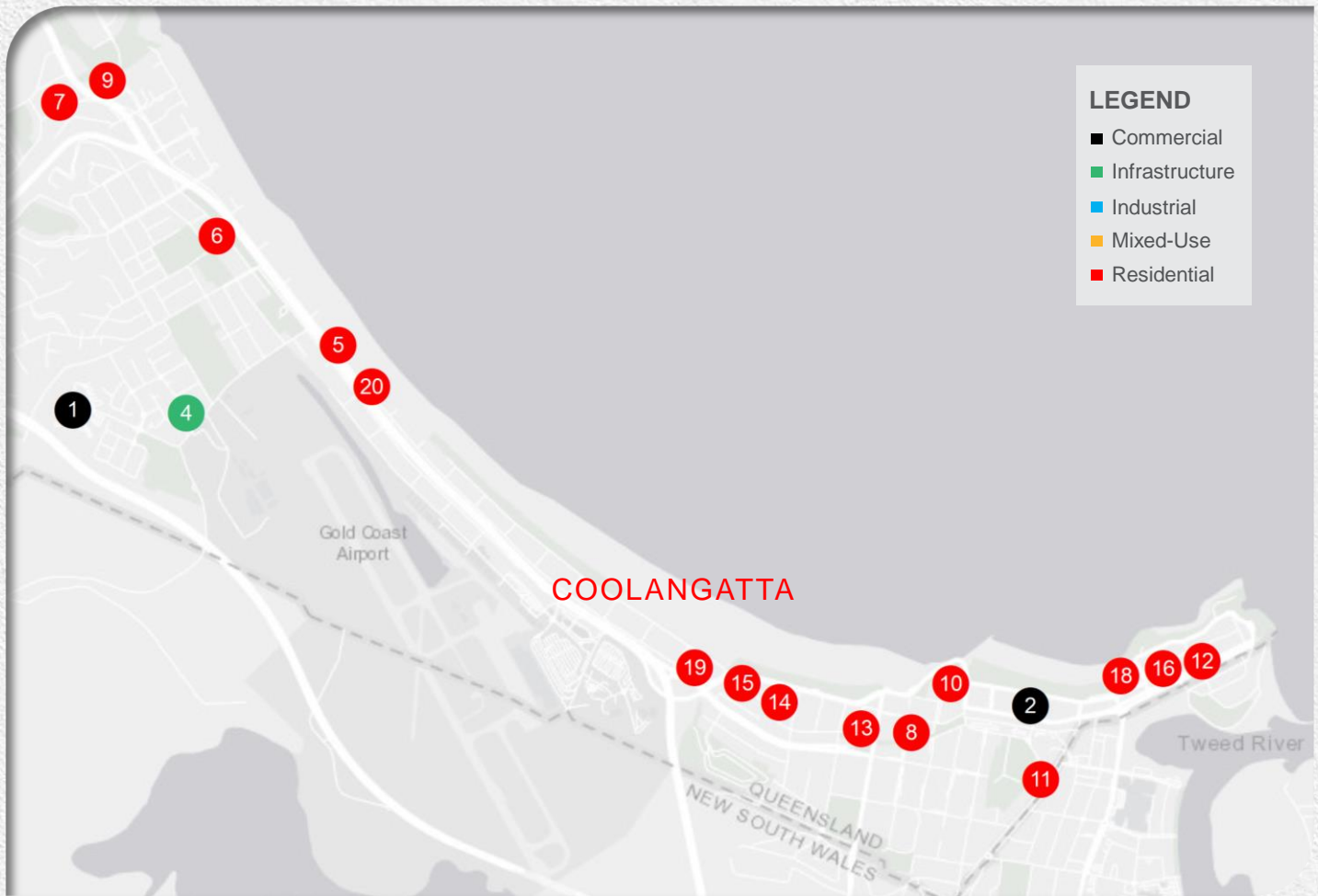
RENTAL VACANCY RATES 2022



RENTAL YIELD 2022\$



TOP DEVELOPMENTS MAP 2nd HALF 2022[☆]



Location	Project [£]	Type	Estimated Value [¤]	Commence Date [¥]
1	John Flynn Hospital - Medical Imaging	Commercial	\$1,850,000	16/10/2022
2	The Strand Coolangatta	Commercial	\$2,100,000	16/09/2022
3	Gold Coast Ice Sports Centre	Commercial	\$5,000,000	09/11/2022
4	Gold Coast Satellite Hospital	Infrastructure	\$40,000,000	15/08/2022
5	321 Golden Four Drive Apartments (10 units)	Residential	\$3,000,000	19/09/2022
6	480 Coolangatta Road Townhouses (6 Townhouses)	Residential	\$3,000,000	25/07/2022
7	Winders Avenue Units (6 Units)	Residential	\$3,000,000	30/11/2022
8	Rutledge Street Apartments (3 Units)	Residential	\$3,000,000	25/07/2022
9	21-23 Wade Street Villas Tugun (1 Dwelling)	Residential	\$3,300,000	05/12/2022
10	Marine Parade Apartments (6 Units)	Residential	\$4,000,000	18/09/2022
11	Dixon Street Units (6 Units)	Residential	\$4,000,000	11/10/2022
12	Esprit Residences Coolangatta (97 Units)	Residential	\$58,000,000	15/08/2022
13	10-12 Churchill Street Apartments (40 Units)	Residential	\$18,000,000	05/12/2022
14	Isla Apartments Kirra Beach (37 Units)	Residential	\$18,000,000	05/12/2022
15	Monterey Apartments Coolangatta (39 Units)	Residential	\$25,000,000	25/07/2022
16	44-50 Eden Avenue Residential Development (94 Units)	Residential	\$28,200,000	07/11/2022
17	Robina Grand Residences (69 Units)	Residential	\$30,000,000	01/08/2022
18	Rockpool Apartments Rainbow Bay (20 Units)	Residential	\$40,000,000	07/11/2022
19	Sur Apartments Coolangatta (11 Units)	Residential	\$15,000,000	19/09/2022
20	Golden Four Drive & Pacific Parade Apartments (23 Units)	Residential	\$10,000,000	05/12/2022



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

* 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.

2022 encapsulates sales transactions for 1H 2022 (01/01/2022 – 30/06/2022) only.

€ Annual rental growth is a comparison between 1H 2021 (01/01/2021 – 30/06/2021) and 1H 2022 (01/01/2022 – 30/06/2022) 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 2022.

⌘ Project development map referred to postcodes 4224, 4225 and 4226 and 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 Pricefinder, Cordell Connect database, SQM Research, Esri ArcGIS.

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