



# Ashmore Market Update

## 2<sup>nd</sup> Half 2022



### OVERVIEW

In Q2 2022, Ashmore\* recorded a median house price of \$1,005,000, and a median unit price of \$541,790. This represents annual (Q2 2021 – Q2 2022) median price growth of 40.0% for houses and 23.1% for units. Total sales decreased between Q2 2021 – Q2 2022, by -28.4% (to 58 sales) for houses and by -42.9% (to 36 sales) for units. An undersupply is evident in Ashmore\*, with a low sales count paired with high price growth. This creates opportunity for owners who are looking to capitalise on their investment. An imbalance in demand and supply can provide a buffer to increasing cash rates.

	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

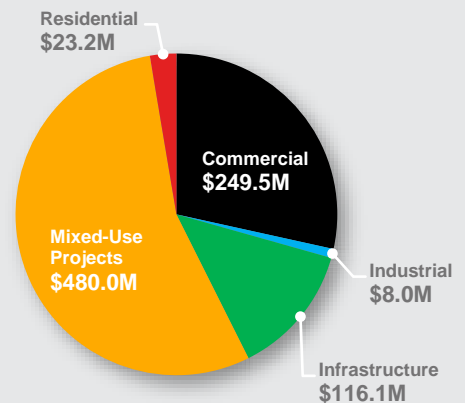


RENTAL AVERAGE DAYS ON  
MARKET Q2 2022



### FUTURE DEVELOPMENTS

Ashmore is set to see approximately **\$876.8M** worth of new projects commencing in the 2<sup>nd</sup> half of 2022.



These projects will stimulate economic growth and create large employment opportunities in Ashmore, which should have a positive spill-over impact on the real estate market.

A main mixed-use project in the 2<sup>nd</sup> half of 2022 is Nerang and Cougal Street Mixed Use Development (\$400.0M). The project is set to add 1019 apartments to Ashmore\*. The new injection of unit supply will assist in answering some of the demand in the area.

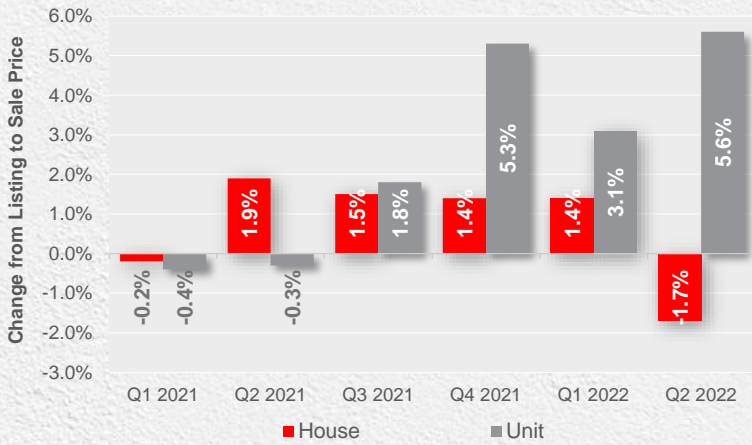
The Gold Coast University Hospital (\$114.4M) is a key infrastructure project that will improve liveability for current residents. It can attract new demographic into the area, in the form of new jobs or visitors.

Key residential projects include: 39 Minnie St Townhouses (\$2.7M, 9 townhouses), Queen & Pohlman St Community Housing Units (\$8.0M, 40 units), Pohlman St Townhouses (\$2.5M, 6 townhouses), and Minnie St Apartments. (\$8.0M, 17 units)



# 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.

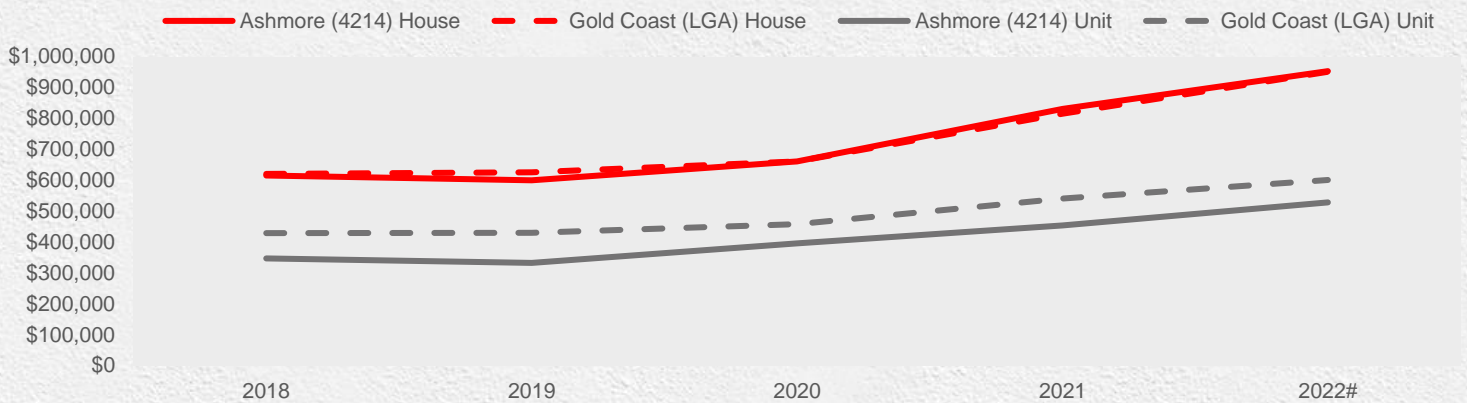


Average vendor discounts between Q2 2021 and Q2 2022 have shifted for both property types. It has swung to a discount of -1.7% for houses and a premium of 5.3% for units. Market conditions in Ashmore\* suggest a split two speed market. House buyers can now benefit from a discount, whereas unit buyers must offer higher than the first list asking price.

The suburb of Ashmore has historically outperformed the wider Gold Coast Local Government Area (LGA) for unit median prices and performed on par for houses. This continued to be the case in 2022#, with houses trending towards a more premium market.

The dominant proportion of homes sold in Ashmore\* across 2022# were in the premium price bracket of above \$900,000 (43.0%). Units recorded a dominant most affordable price point, of below \$399,999 (36.0%). This further confirms a two-speed market in Ashmore\* which can be capitalised by buyers and sellers in both markets, depending on their needs.

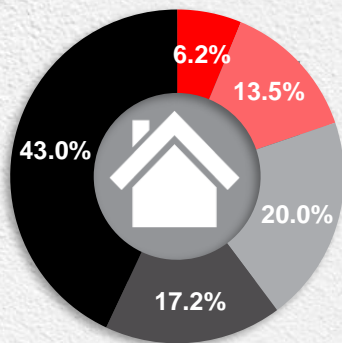
## MARKET COMPARISON



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 Ashmore.

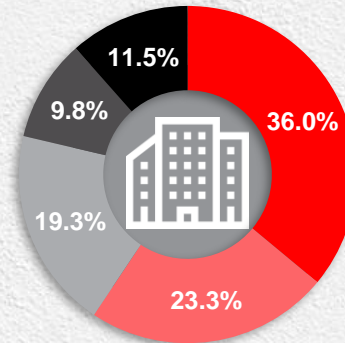
## PRICE BREAKDOWN 2022#

### HOUSES SOLD



- Less than \$599,999
- \$600,000 to \$699,999
- \$700,000 to \$799,999
- \$800,000 to \$899,999
- \$900,000 and above

### UNITS SOLD



- Less than \$399,999
- \$400,000 to \$499,999
- \$500,000 to \$599,999
- \$600,000 to \$699,999
- \$700,000 and above

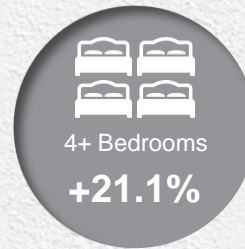


# RENTAL GROWTH 2022€

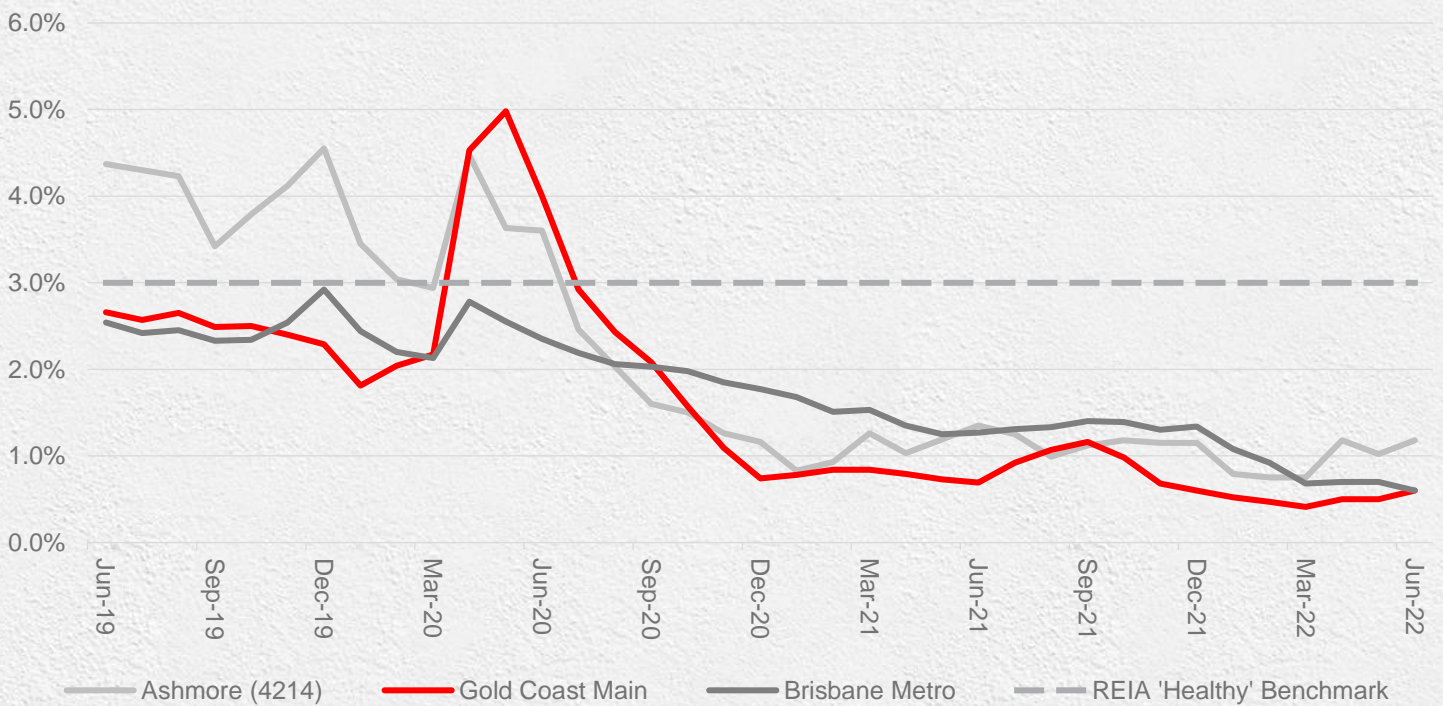
Over the past 12 months, house rental yields in Ashmore\* softened to sit at 4.4% in June 2022. This is due to annual median house sale price growth, of 40.0%, outperforming annual median house rental price growth (23.1%). That said median house rental price was recorded at \$800 per week in Q2 2022, and the number of houses rented increased by 27.1%. Average day on the market remained a low 19 days, thus confirming a highly demanded market,

3+ bedroom units have provided investors with +36.0% rental growth annually, achieving a median rent of \$650 per week.

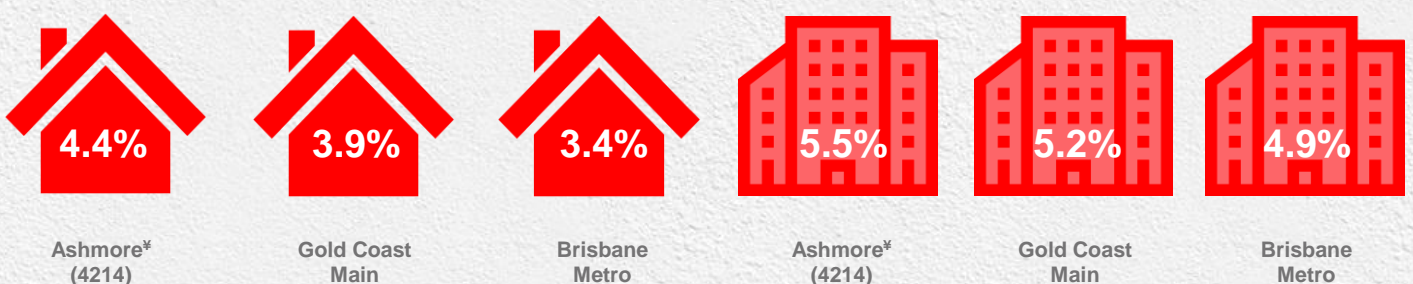
Ashmore\* recorded a vacancy rate of 1.2% in June 2022, which is slightly above Gold Coast and Brisbane Metro's 0.6% average. Vacancy rates in Ashmore\* have held steady over the past 12 months and remained within the 1.5% band. This indicates high rental demand with stable rental cashflow. These key indicators suggest a conducive and sustainable environment for investors, despite the current increase in median sale prices of property in the past 12 months.



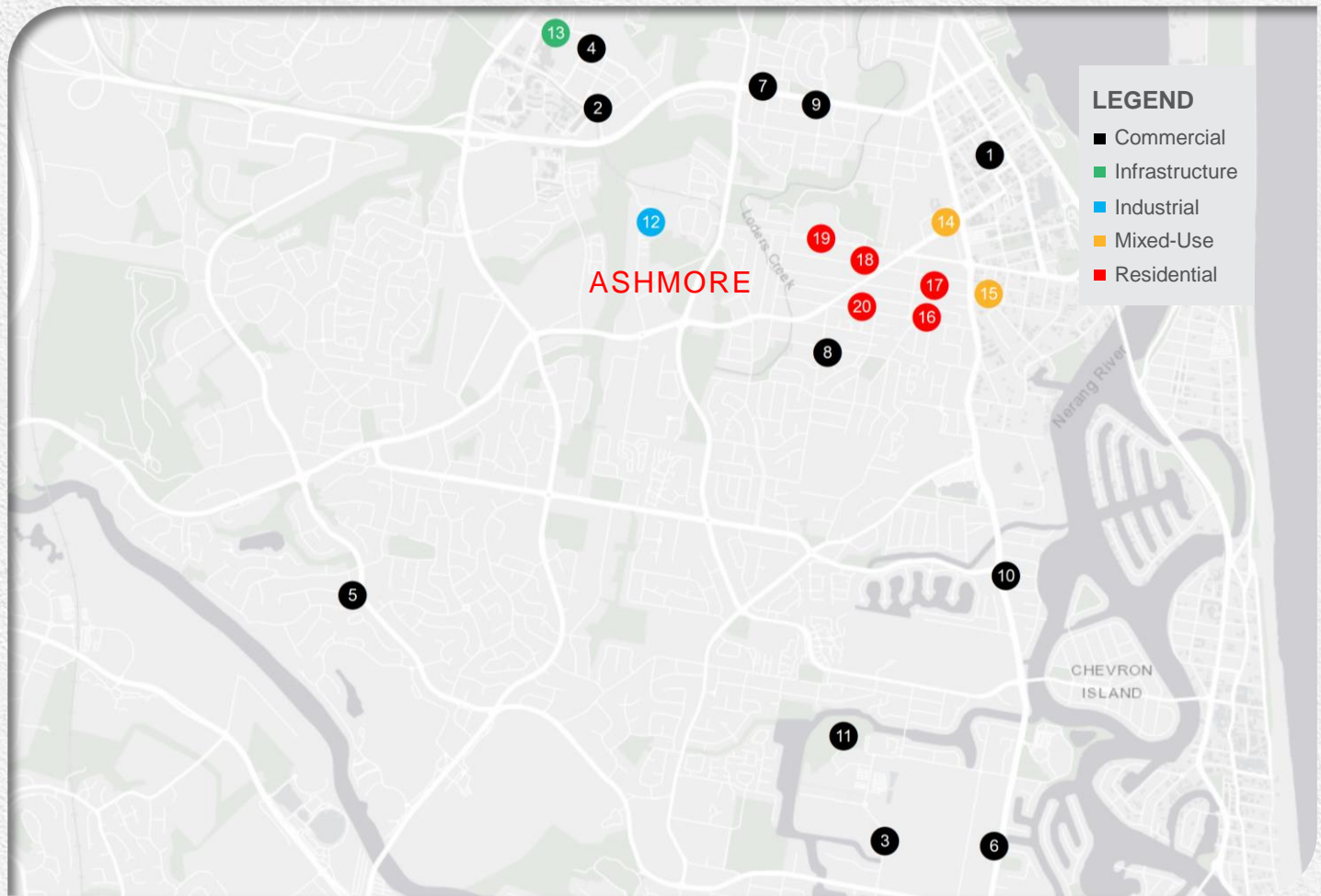
# RENTAL VACANCY RATES 2022



# RENTAL YIELD 2022\$



# TOP DEVELOPMENTS MAP 2<sup>nd</sup> HALF 2022<sup>Ⓐ</sup>



Location	Project <sup>£</sup>	Type	Estimated Value <sup>Ⓜ</sup>	Commence Date <sup>Ⓜ</sup>
1	Hicks Street Bar & Restaurant	Commercial	\$2,500,000	05/12/2022
2	Griffith University Gold Coast Campus Adapt Facility	Commercial	\$80,000,000	18/10/2022
3	Gold Coast Racecourse	Commercial	\$63,000,000	24/10/2022
4	Infin8 Lumina	Commercial	\$40,000,000	28/11/2022
5	Ashmore Markets	Commercial	\$30,000,000	31/10/2022
6	Bundall Road Showroom/Warehouse	Commercial	\$12,000,000	19/10/2022
7	Smith Street Medical Centre	Commercial	\$3,000,000	06/10/2022
8	Margaret Street Industrial Building	Commercial	\$2,200,000	10/10/2022
9	Beale Street Medical Centre	Commercial	\$3,000,000	20/12/2022
10	Southport 7 Eleven Service Station & Starbucks Cafe	Commercial	\$4,000,000	05/12/2022
11	Gold Coast Turf Club Stables Upgrade	Commercial	\$4,000,000	11/08/2022
12	Bailey Crescent Self Storage Units	Industrial	\$8,000,000	28/11/2022
13	Gold Coast University Hospital	Infrastructure	\$114,400,000	22/08/2022
14	Nerang Street & Cougal Street Mixed Use Development (1,109 Units)	Mixed-use	\$400,000,000	22/11/2022
15	Imperial Square Regal Residences Southport Stage 1 (225 Units)	Mixed-use	\$80,000,000	10/09/2022
16	Minnie Street Apartments (17 Units)	Residential	\$8,000,000	03/10/2022
17	39 Minnie Street Townhouses (9 Townhouses)	Residential	\$2,700,000	17/10/2022
18	Pohlman Street Townhouses (6 Townhouses)	Residential	\$2,500,000	27/10/2022
19	Queen & Pohlman Streets Community Housing Units (40 Units)	Residential	\$8,000,000	21/08/2022
20	Minnie Street Units (4 Units)	Residential	\$2,000,000	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.



### Orla Jensen

Principal

M +61 418 769 562

E [orla@prdashmore.com.au](mailto:orla@prdashmore.com.au)



## PRD Ashmore

P +61 2 5597 1200

F +61 2 5539 3472

[PRD.com.au/ashmore](http://PRD.com.au/ashmore)

Shop 11/406 Southport Nerang Road  
Ashmore QLD 4214

# REFERENCES

\* Ashmore market data and key indicators encapsulates aggregate property market conditions within the suburbs of Ashmore and Molendinar.

\*\* 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.

¥ Ashmore market data encapsulates aggregate property conditions within the postcode of 4214.

§ Rental yields shown are as reported as of June 2022.

⌘ 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 Ashmore, Benowa, Southport, and Bundall.

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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