



# Ashmore Market Update

## 1<sup>st</sup> Half 2023



### OVERVIEW

In Q4 2022, Ashmore\* recorded a median house price of \$895,000, and a median unit price of \$455,000. This represents annual (Q4 2021 – Q4 2022) median price softening of -9.1% (houses) and -5.2% (units). On a six months basis (Q2 2022 – Q4 2022) median price softened by -11.4% for houses and by -13.5% (units). This can be attributed to cash rate hikes, lower consumer confidence, and economic conditions. Total sales figures have declined, with Q4 2022 recording the lowest number of sales - 46 for houses and 21 for units. There are now new opportunities for buyers ready to enter the market.

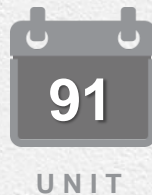
	CHANGE FROM LAST	YEAR	HALF YEAR
	House Sales	↓	↓
	House Median Price	↓	↓
	House Rental Price	↑	↑
	Unit Sales	↓	↓
	Unit Median Price	↓	↓
	Unit Rental Price	↑	↑

### MARKET CONDITIONS

#### SALES MEDIAN PRICE Q4 2022



#### SALES AVERAGE DAYS ON MARKET Q4 2022



#### RENTAL MEDIAN PRICE Q4 2022

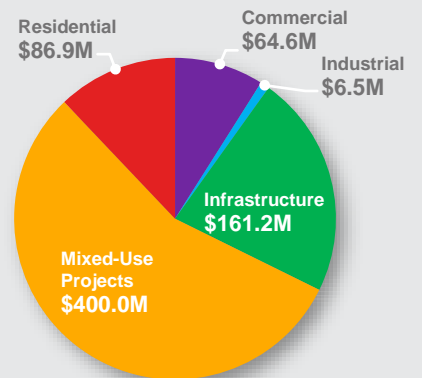


#### RENTAL AVERAGE DAYS ON MARKET Q4 2022



### FUTURE DEVELOPMENTS

Ashmore is set to see approximately **\$719.2M** worth of new projects commencing in the 1<sup>st</sup> half of 2023.



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 over the 1<sup>st</sup> half of 2023 is the Nerang and Cougal Streets project (\$400.0M). The project is set to add 1,019 apartments, 730sqm retail space, and 1,369 seat theatre auditorium.

The Gold Coast University Hospital (\$161.2M) is a key infrastructure project that will increase the area's available health amenities.

Key residential projects include:

- 75-77 Queen Street Southport units (175 units)
- 41-45 & 46-48 Minnie & Allan St Townhouses (25 townhouses)
- Falconer St Units (14 units)

That said all incoming supply are located in the nearby suburb of Southport, which suggest Ashmore will still have future supply issues.



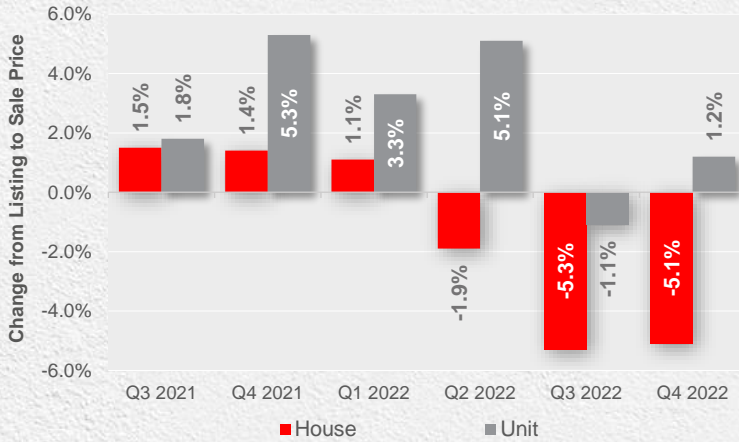
# AVERAGE VENDOR DISCOUNT\* KEY COMMENTS

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.

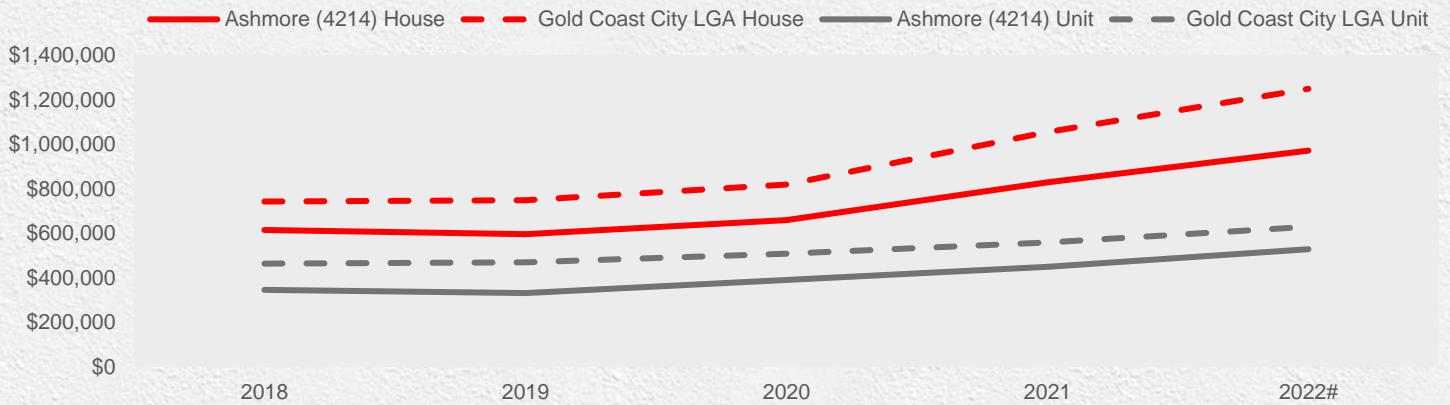
Average vendor discounts between Q4 2021 and Q4 2022 have swung to a discount of -5.1% for houses and lower premium of 1.2% for units. Market conditions in Ashmore\* have now shifted to favour buyers, as sellers are willing to negotiate below the initial listing price (house) or at a lower premium (units).

The suburb of Ashmore has historically provided a more affordable alternative compared to the wider Gold Coast Local Government Area (LGA), in both house and unit median prices. This continued to be the case in 2022# with houses trending toward a more premium market.

The dominant proportion of homes sold in Ashmore\* across 2022# were in the premium price bracket of above \$1,000,000 (31.4%). Units on the other hand recorded a dominant most affordable price point, of less than \$399,999 (34.1%). The house market continue to record premium sales due to an absence in stock, but more affordable options are available in the unit market, which is good news for first time home buyers.



## MARKET COMPARISON

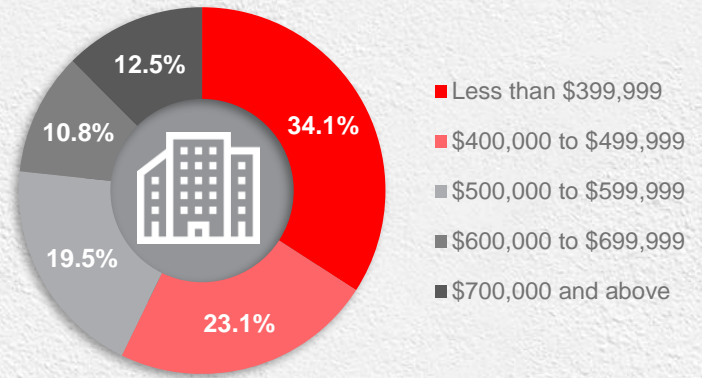
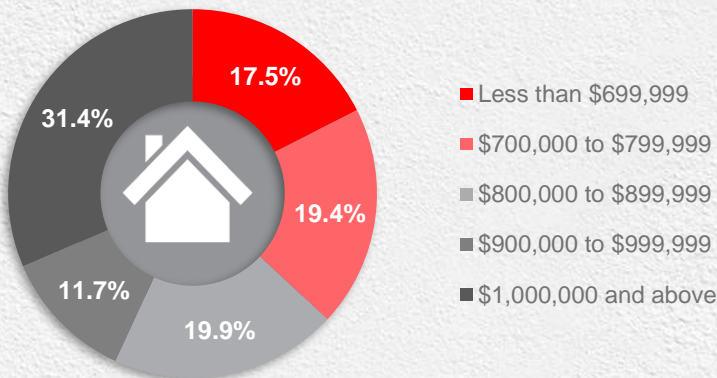


The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Ashmore.

## PRICE BREAKDOWN 2022#

### HOUSES SOLD

### UNITS SOLD

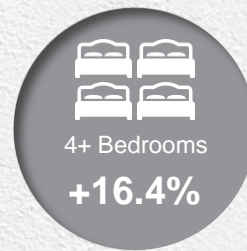
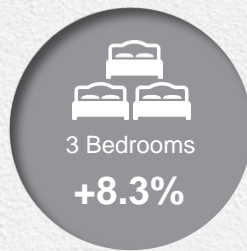


# RENTAL GROWTH 2022€

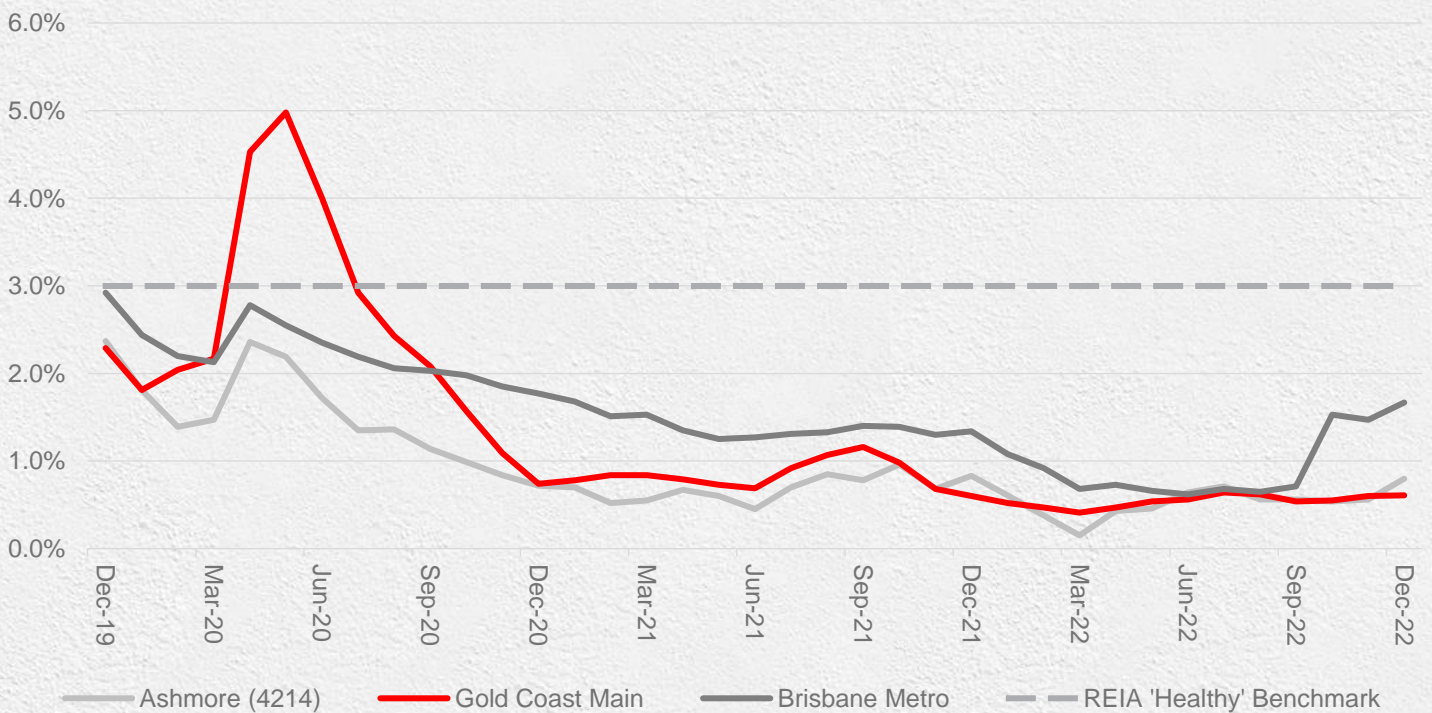
House rental yields in Ashmore\* was 4.7% in December 2022, higher than Gold Coast Main (3.9%) and Brisbane Metro (3.6%). This was paired with a 13.6% increase in median house rental price in the 12 months to Q4 2022 and a -34.7% decline in the number of houses rented. Average days to let remained a low 18 days. The same pattern can be seen in the unit rental market, which confirms Ashmore\* as an attractive more affordable investment option within the Gold Coast LGA.

4+ bedroom houses have provided investors with +16.4% rental growth annually, achieving a median rent of \$850 per week.

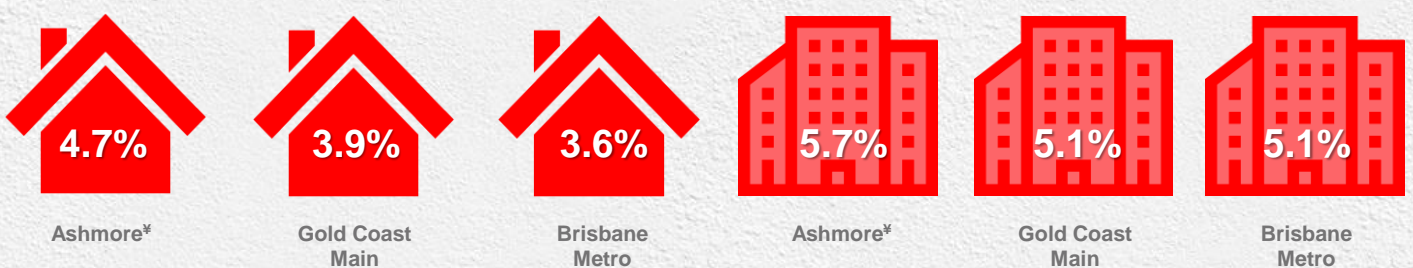
Ashmore\* recorded a vacancy rate of 0.8% in December 2022, which is below Brisbane Metro's 1.7% average. Vacancy rates in Ashmore\* saw a slight uptick in the past 3 months, potentially due to investors responding to higher interest rates. That said this is still within the vacancy rate-band recorded for the past 24 months, indicating rental demand stability overall. This suggests a conducive investment environment, especially with a decrease in median house price in the past 12 months.



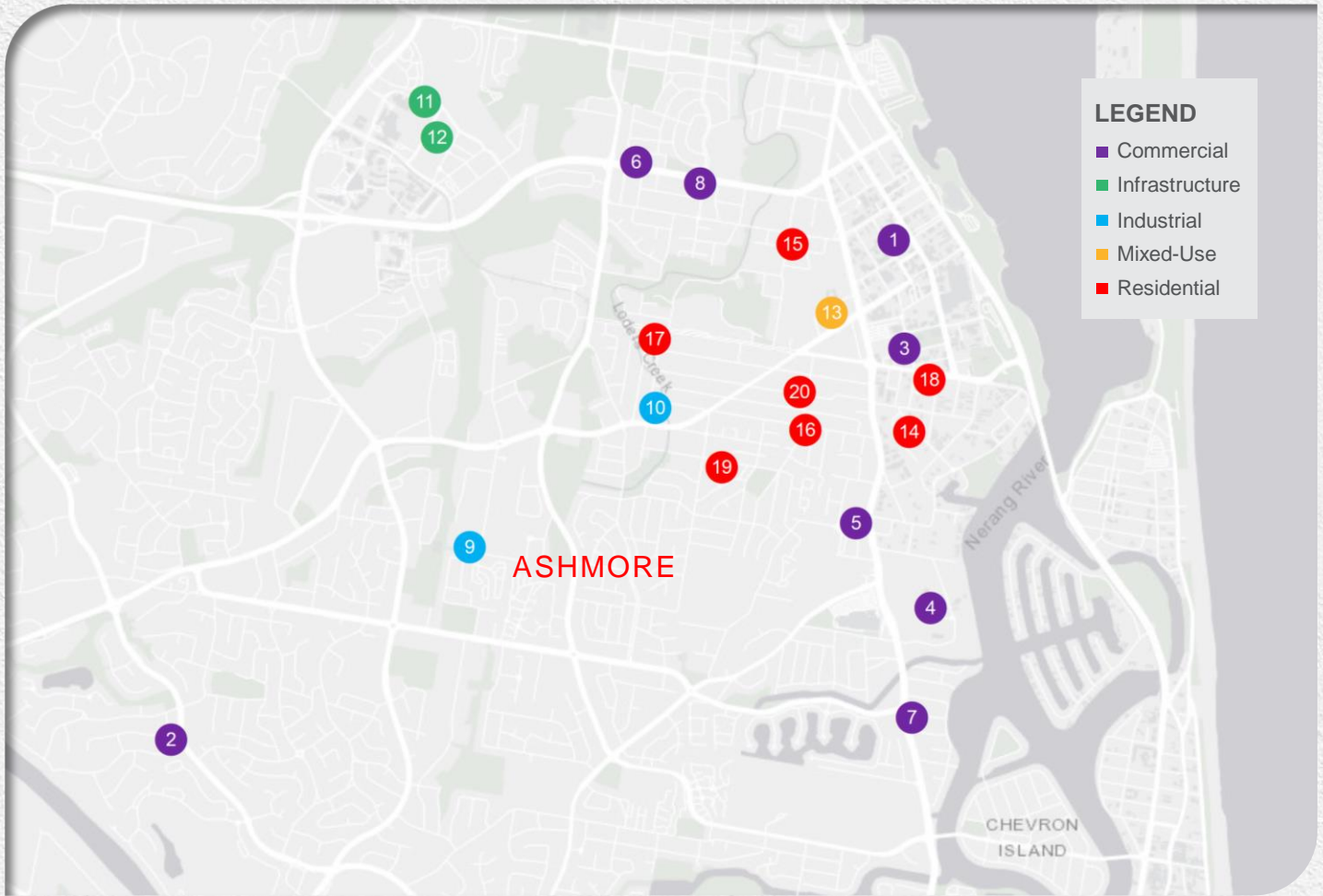
# RENTAL VACANCY RATES 2022



# RENTAL YIELD 2022\$



# TOP DEVELOPMENTS MAP 1<sup>st</sup> HALF 2023<sup>▲</sup>



Location	Project <sup>£</sup>	Type	Estimated Value <sup>Ⓜ</sup>	Commence Date <sup>Ⓜ</sup>
1	11 Hicks Street Bar & Restaurant	Commercial	\$2,500,000.00	26/06/2023
2	Ashmore Markets Shopping Centre	Commercial	\$30,000,000.00	24/04/2023
3	Garden Street Vertical Retirement Village	Commercial	\$10,000,000.00	29/05/2023
4	The Southport School (Tss) Residences (Student Accommodation)	Commercial	\$3,000,000.00	08/03/2023
5	Brickworks Centre Showrooms	Commercial	\$3,000,000.00	12/04/2023
6	Smith Street Medical Centre	Commercial	\$3,000,000.00	16/02/2023
7	Southport 7 Eleven Service Station & Starbucks Cafe	Commercial	\$4,000,000.00	26/06/2023
8	56-58 Beale Street Medical Centre	Commercial	\$3,900,000.00	26/06/2023
9	Fort Knox Storage Southport	Industrial	\$3,000,000.00	10/01/2023
10	Minnie Street Industrial Building	Industrial	\$3,500,000.00	14/02/2023
11	Gold Coast University Hospital Secure Mental Health Unit (State Gov't)	Infrastructure	\$100,374,000.00	27/03/2023
12	Gold Coast University Hospital Sub Acute Ward (State Gov't)	Infrastructure	\$60,000,000.00	27/03/2023
13	Nerang Street & Cougal Street Mixed Use Development (1019 Units)	Mixed-use	\$400,000,000.00	05/06/2023
14	32 Chester Terrace Units Southport (11 Units)	Residential	\$4,500,000.00	17/06/2023
15	21-23 Shillito Street Apartments (16 Units)	Residential	\$4,800,000.00	13/05/2023
16	41-45 & 46-48 Minnie & Allan Streets Townhouses (25 Townhouses)	Residential	\$7,500,000.00	04/03/2023
17	3 Ward Street Townhouses (4 Townhouses)	Residential	\$3,000,000.00	06/02/2023
18	75-77 Queen Street Southport – Units (175 Units)	Residential	\$56,500,000.00	02/01/2023
19	48 Blake Street Townhouses (5 Townhouses)	Residential	\$3,000,000.00	12/06/2023
20	Falconer Street Units (14 Units)	Residential	\$4,000,000.00	18/06/2023

## 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

\* 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 2022 (01/01/2022 – 31/12/2022) only.

€ Annual rental growth is a comparison between 2021 (01/01/2021 – 31/12/2021) and 2022 (01/01/2022 – 31/12/2022) house median rent figures.

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

§ Rental yields shown are as reported as of December 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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