

Burleigh Heads Market Update

1st Half 2023



OVERVIEW

In Q4 2022, Burleigh Heads* recorded a median house price of \$1,390,000, and a median unit price of \$810,000. This represents annual (Q4 2021 – Q4 2022) median price softening of -4.1% for houses and a 1.9% price growth for units. Total sales decreased between Q4 2021 – Q4 2022, by -41.1% (to 132 sales) for houses and by -44.2% (to 179 sales) for units. The Burleigh Heads* market is still undersupplied, but a softening in median house price suggest increasing cash rate and consumer uncertainty is translating into the market. This creates new opportunities for buyers who are 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

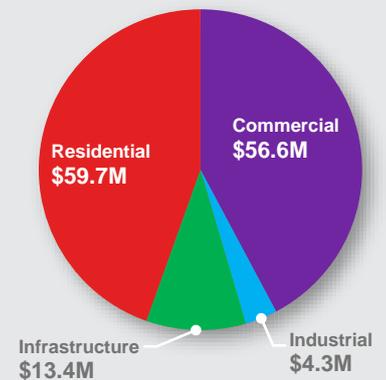


RENTAL AVERAGE DAYS ON
MARKET Q4 2022



FUTURE DEVELOPMENTS

Burleigh Heads is set to see approximately **\$134.0M** worth of new projects commencing in the 1st half of 2023.



Commercial projects will stimulate economic growth and create job opportunities in Burleigh Heads. Residential projects create new supply and opportunities for first time home buyers.

A key mixed-use development in the 1st half of 2023 is Kailua (\$18.0M). This will construct a 12 storey mixed-use building, comprising of apartments, office, sunset lounge café, and other amenities.

Residential projects planned include:

- 2100-2102 Gold Coast Highway Units (14 units)
- 1 Second Avenue & The Esplanade Units (27 units)
- The Esplanade Units - Sea (30 units)
- 18 Burleigh St Dwellings (6 dwellings)

At present there is still growth in unit median prices. With most of future supply being units, combined with higher interest rates, a change in market dynamics is probable.



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.

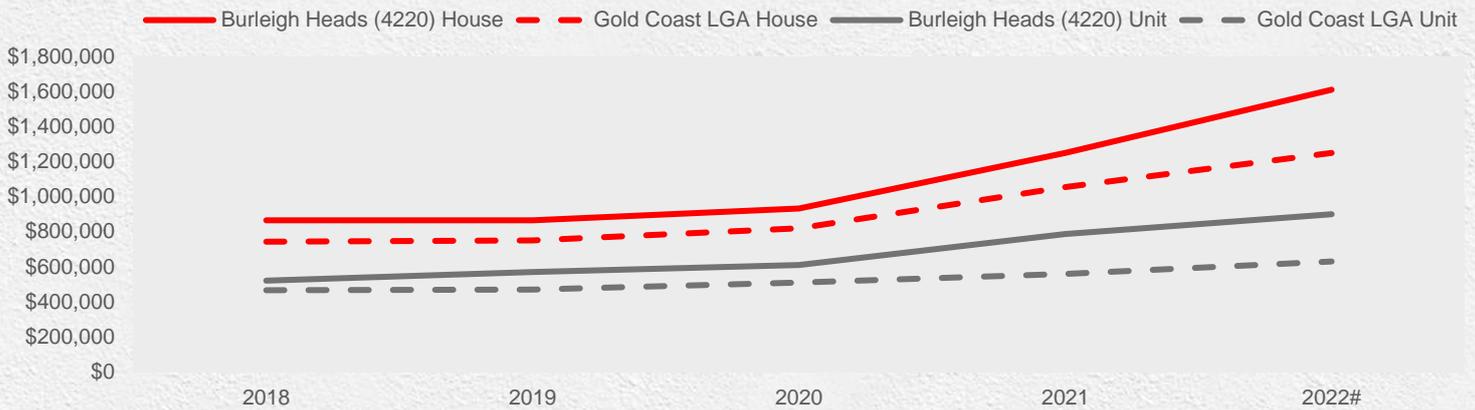


Average vendor discounts have rapidly swung between Q4 2021 and Q4 2022, to discounts of -5.1% for houses and -2.1% for units. Q4 2022 has recorded the highest discount for the past 24 months, particularly for houses. Market conditions in Burleigh Heads* have now shifted to favour buyers, as vendors are willing to offer below the listing price. Now is the time to enter the market.

The suburb of Burleigh Heads has historically outperformed 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 Burleigh Heads* across 2022# were in the premium price point of above \$1,300,000 (52.7%). Units also recorded a dominant premium price point, of above \$800,000 (46.5%). Affordable options are available, and are expected to continue becoming more accessible with the increasing interest rate environment.

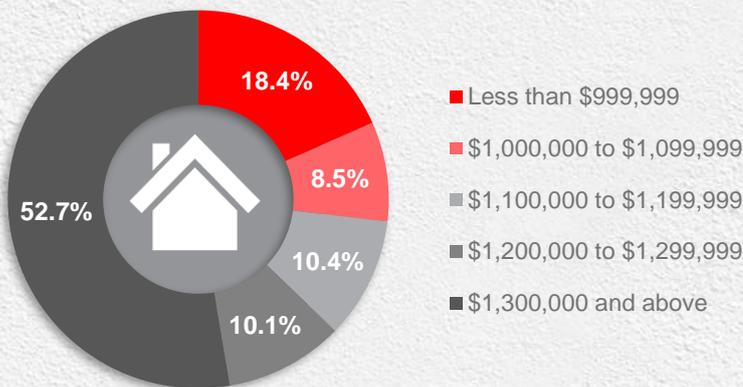
MARKET COMPARISON



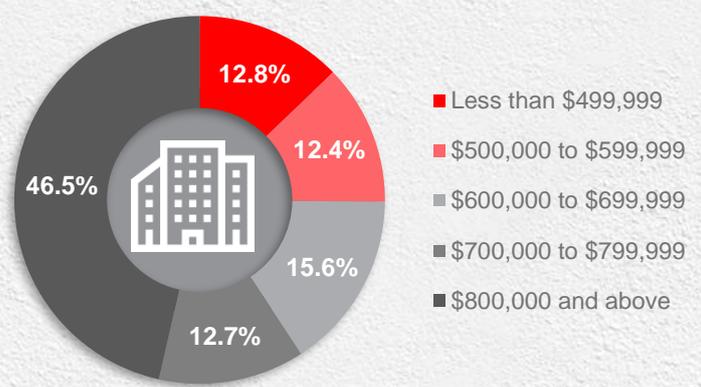
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Burleigh Heads.

PRICE BREAKDOWN 2022#

HOUSES SOLD



UNITS SOLD



RENTAL GROWTH 2022€

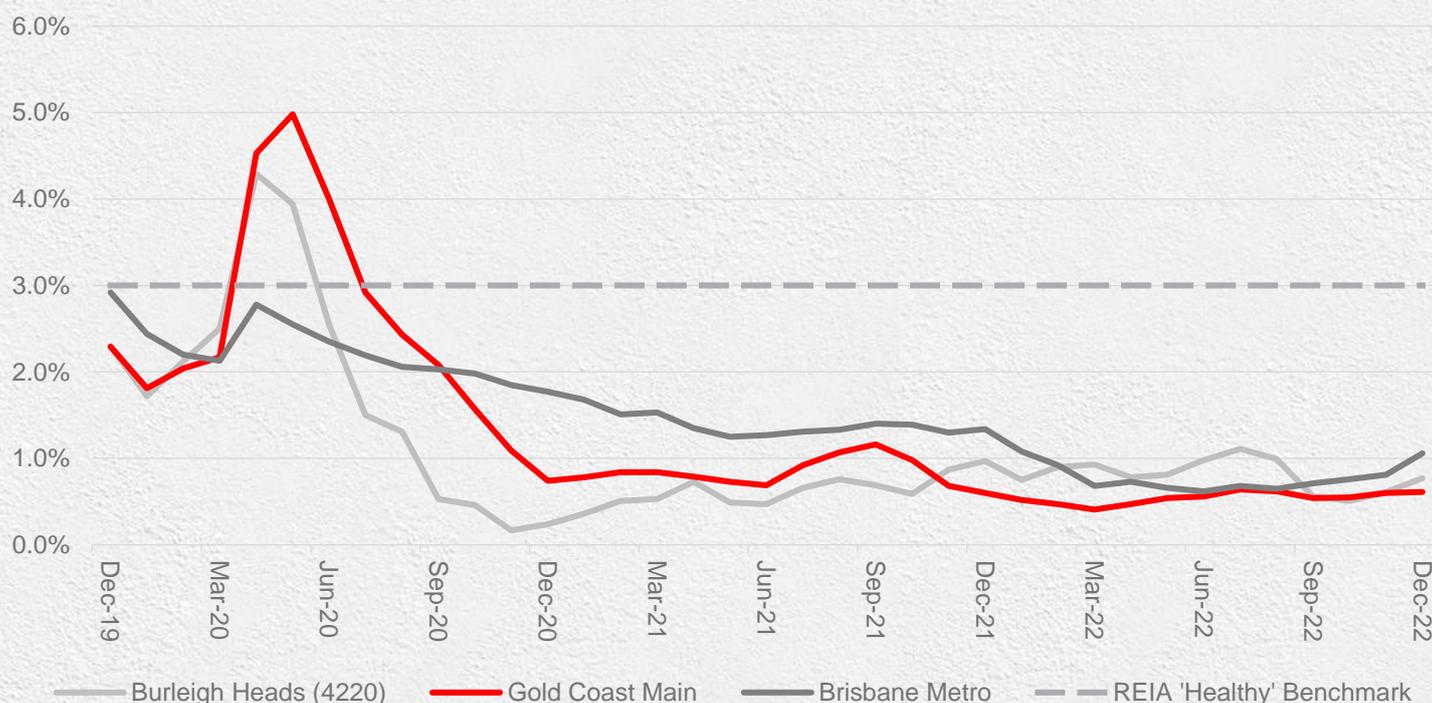
House rental yields in Burleigh Heads* was 3.9% in December 2022. This was paired with an 11.8% increase in median house rental price in the 12 months to Q4 2022 and a 1.0% increase (to 196 rentals) number of houses rented. Average day on the market declined by -5.3%, to a low 18 days. The same pattern can be seen in the unit market, which suggest there is an undersupplied and resilient rental market in Burleigh Heads*.

4+ bedroom houses provided investors with +33.3% rental growth annually, achieving a median rent of \$1,200 per week.

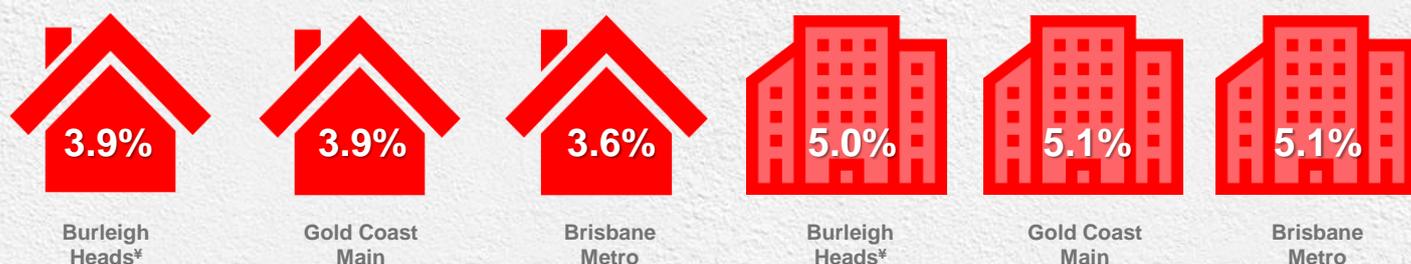
Burleigh Heads* recorded a vacancy rate of 0.8% in December 2022, slightly below Brisbane Metro's 1.1% average. Vacancy rates in Burleigh Heads* have held steady relatively over the past 12 months and under the Real Estate Institute of Australia healthy benchmark of 3.0%. This indicates rental demand stability and quicker occupancy. Thus a conducive and sustainable environment for investors, especially with a decrease in median sale prices of property in the past 12 months.



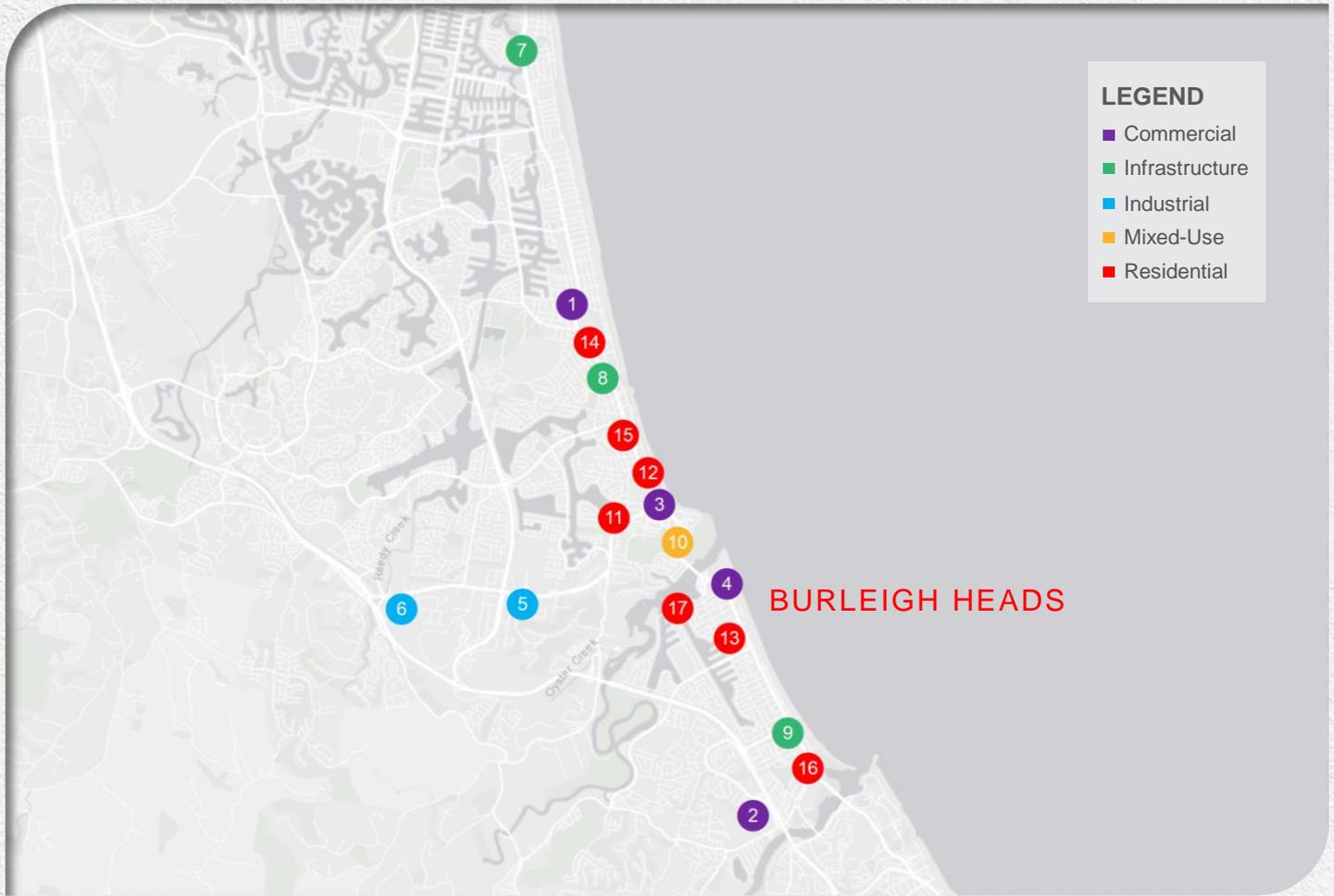
RENTAL VACANCY RATES 2022



RENTAL YIELD 2022\$



TOP DEVELOPMENTS MAP 1st HALF 2023^A



Location	Project [£]	Type	Estimated Value ^µ	Commence Date ^ψ
1	2158-2164 Gold Coast Highway Commercial & Community Development	Commercial	\$4,800,000	10/03/2023
2	Pine Lake Village Apartments – Independent Living Units	Commercial	\$25,000,000	20/02/2023
3	1718 Gold Coast Highway Short Term Accommodation Units Alterations & Additions	Commercial	\$1,300,000	24/04/2023
4	Tallebudgera Surf Life Saving Club	Commercial	\$7,500,000	30/01/2023
5	9 Stevenson Court Warehouse	Industrial	\$1,300,000	12/04/2023
6	Ern Harley Drive Warehouse Units	Industrial	\$3,000,000	16/05/2023
7	Miami State High School Indoor Sports Centre & Hall	Infrastructure	\$10,500,000	09/01/2023
8	Lions Head Park Bank Stabilisation	Infrastructure	\$1,250,000	02/03/2023
9	Palm Beach Community Health Clinic	Infrastructure	\$1,600,000	13/02/2023
10	Kailua Centre (55 Units)	Mixed Use	\$18,000,000	17/05/2023
11	18 Burleigh Street Dwellings (6 Dwellings)	Residential	\$1,500,000	10/05/2023
12	1 Second Avenue & The Esplanade Units (27 Units)	Residential	\$30,000,000	12/04/2023
13	1466 Gold Coast Highway Apartments (9 Units)	Residential	\$5,000,000	13/04/2023
14	2100-2102 Gold Coast Highway Units (14 Units)	Residential	\$7,500,000	03/04/2023
15	The Esplanade Units – Sea (30 Units)	Residential	\$10,000,000	16/02/2023
16	7 Molucca Avenue Units (8 Units)	Residential	\$4,500,000	06/03/2023
17	24 Tallebudgera Drive Units (4 Units)	Residential	\$1,200,000	24/02/2023



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

* Burleigh Heads market data and key indicators encapsulates aggregate property market conditions within the postcodes of 4220 and 4221.

** 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 – 31/12/2022) and 2022 (01/01/2022 – 31/12/2022) house median rent figures.

¥ Burleigh Heads market data encapsulates aggregate property conditions within the postcode of 4220.

§ 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 postcodes of 4220 and 4221.

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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