



# Tweed Coast Market Update 1st Half 2023



## OVERVIEW

In Q4 2022, Tweed Coast\* recorded a median house price of \$1,500,000, and a median unit price of \$875,000. This represents annual (Q4 2021 – Q4 2022) median price softening of -9.1% for houses and a growth of 4.2% for units. On a quarterly (Q3 – Q4 2022) basis median house prices softened by -3.8%, and units grew at a lower rate of 2.9%. The market is reflective of cash rate hikes, lower consumer confidence, and current economic conditions. Further, Q4 2022 recorded the lowest number of house sales, of 78 sales. There are now new opportunities for buyers ready to enter the market.

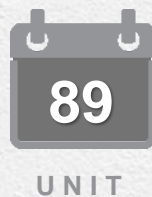
	CHANGE FROM LAST	YEAR	HALF YEAR
	House Sales	↓	↔
	House Median Price	↓	↑
	House Rental Price	↑	↑
	Unit Sales	↓	↓
	Unit Median Price	↑	↑
	Unit Rental Price	↓	↓

## MARKET CONDITIONS

### SALES MEDIAN PRICE Q4 2022



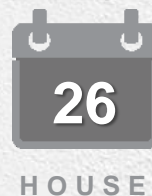
### SALES AVERAGE DAYS ON MARKET Q4 2022



### RENTAL MEDIAN PRICE Q4 2022

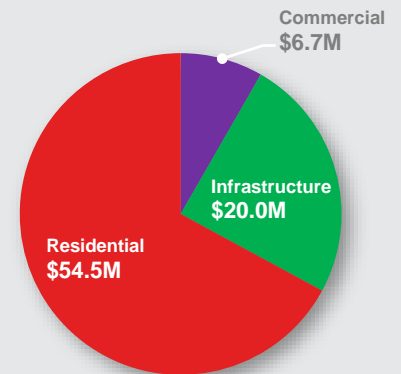


### RENTAL AVERAGE DAYS ON MARKET Q4 2022



## FUTURE DEVELOPMENTS

Tweed Coast will see approximately **\$81.3M** worth of new projects commencing in the 1st half of 2023.



A focus on residential projects will add to the current housing supply, which will assist with answering demand in the long run. It will also contribute to a more sustainable level of price growth, in good news to first home buyers.

The Kingscliff Ambulance Station (\$20.0M) is a key infrastructure project that will improve liveability for residents in the area.

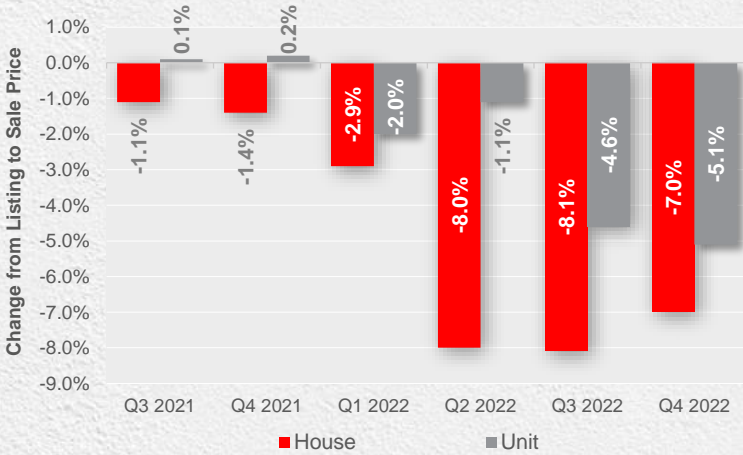
A main residential project over the 1st half of 2023 is Grand Parade Apartments (\$25.7M). The project will add 47 apartments. 3 Ozone St Townhouses (\$2.8M) is another project, adding 4 townhouses.

Although new stock is planned for the area, the number remain low. This is ideal for early 2023 due to the current increasing interest rate environment, allowing for current stock to be absorbed. However this is not sustainable in the long run.



# 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.

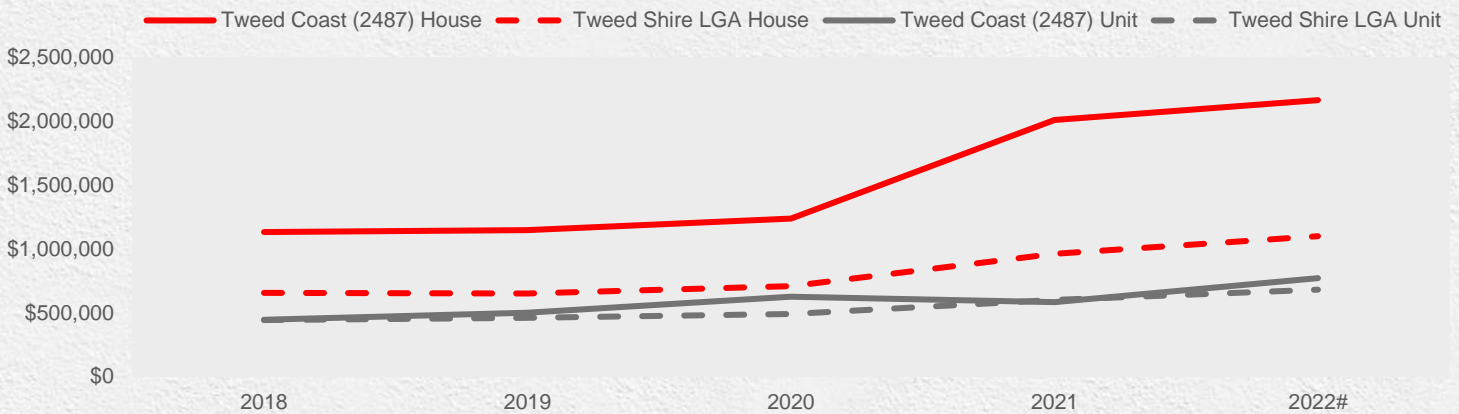


Average vendor discounts between Q4 2021 and Q4 2022 have rapidly shifted to a higher discount for house, of -7.0%. It has swung from a premium to a discount for units, of -5.1%. Market conditions in Tweed Coast\* have shifted to favour buyers, as vendors are willing to accept below the first listing price. Now is the time to buy.

House median price in the suburb of Tweed Coast has historically outperformed the wider Tweed Shire Local Government Area (LGA), whereas units have trended relatively on par. This continued to be the case in 2022# with houses trending toward a more premium market.

The dominant proportion of homes sold in Tweed Coast\* across 2022# were in the premium price point of \$1,300,000 and above (68.2%). Units also recorded a dominant premium price point, of \$800,000 and above (50.3%). Affordable options are more available, due to interest rate hikes and other economic conditions translating into the market. 14.7% of houses and 18.9% of units were sold in the most affordable price points.

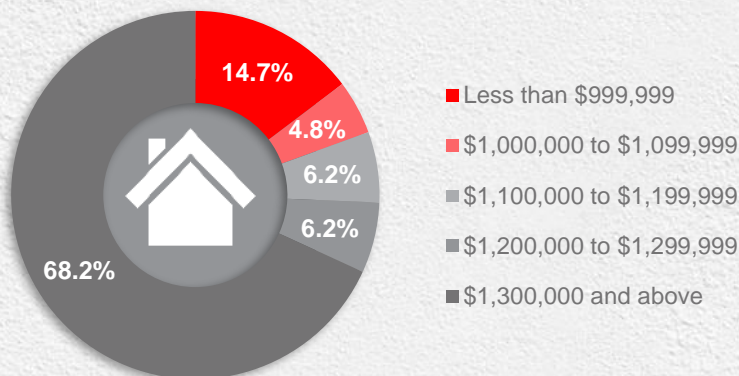
## MARKET COMPARISON



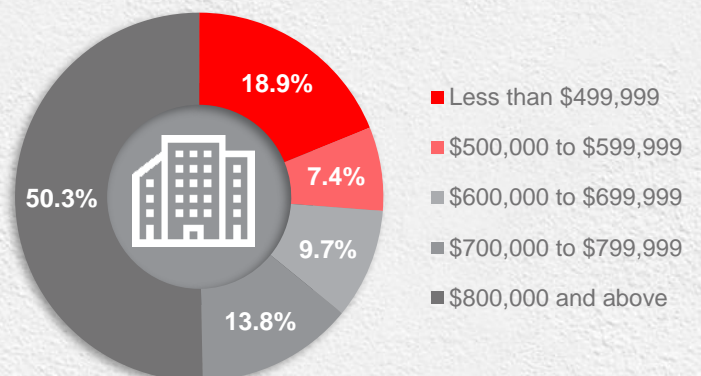
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Tweed Coast.

## PRICE BREAKDOWN 2022#

### HOUSES SOLD



### UNITS SOLD



# RENTAL GROWTH 2022€

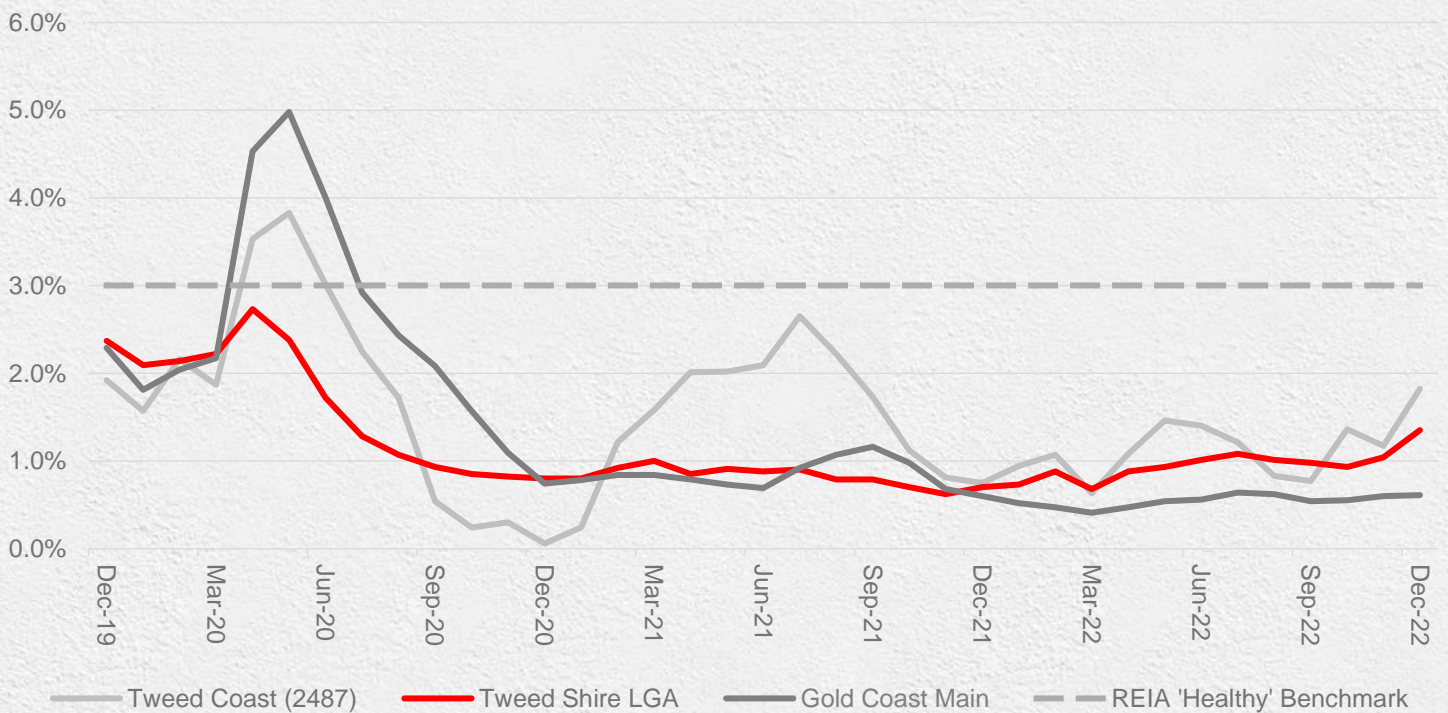
House rental yields in Tweed Coast\* was 3.9% in December 2022, on par to Gold Coast Main (also 3.9%). Median house rental price has increased by 2.9% in the 12 months to Q4 2022, whilst the number of houses rented increased by 20.3%. Interestingly median unit rental price remained stable, even though the number of units rented increased by 7.1%. Overall, this suggests a resilient rental market in Tweed Coast\*, thus an attractive option for investors.

4+ bedroom houses have provided investors with +15.8% rental growth annually, with a median rent of \$1,100 per week.

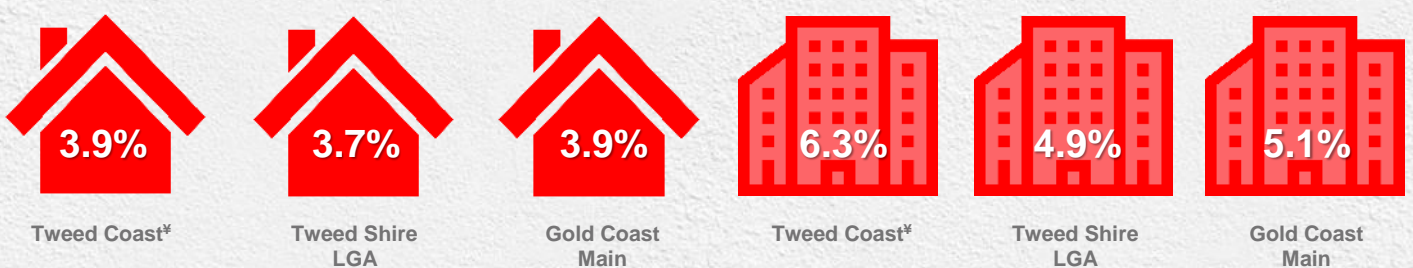
Tweed Coast\* recorded a vacancy rate of 1.8% in December 2022, above that of Tweed Shire (1.4%) and Gold Coast Main (0.6%). Vacancy rates in Tweed Coast\* saw a slight uptick in late 2022, due to the number of investors capitalising on a tight rental market. That said, vacancy rates remain below pre-COVID-19 levels. This suggests a conducive and sustainable environment for investors, especially now with the slower growth in median property sale prices in the past 12 months.



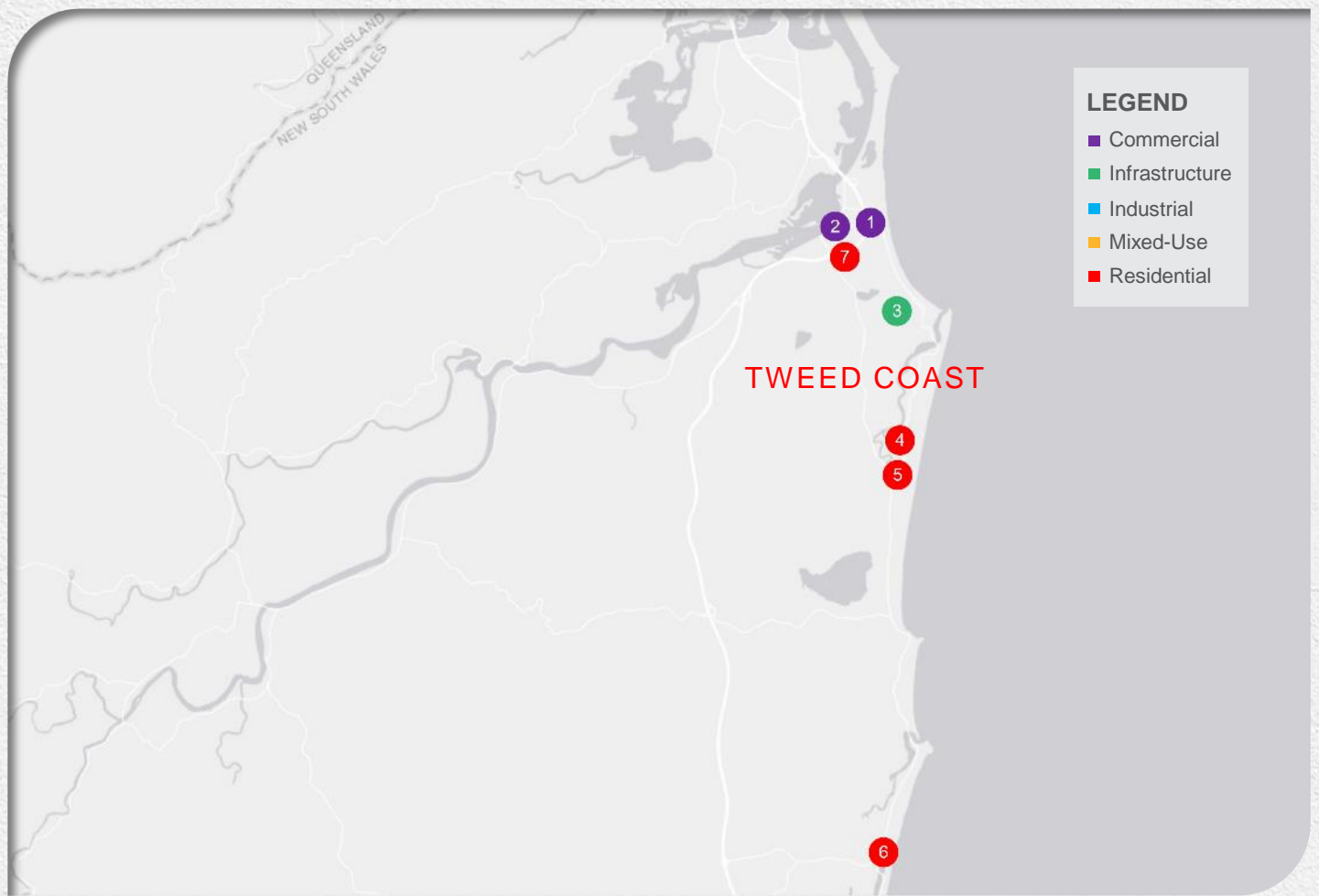
# RENTAL VACANCY RATES 2022



# RENTAL YIELD 2022\$



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



Location	Project <sup>£</sup>	Type	Estimated Value <sup>µ</sup>	Commence Date <sup>ψ</sup>
1	Cudgen Leagues Club	Commercial	\$5,747,000	13/03/2023
2	128 Chinderah Bay Drive Restaurant & Cafe	Commercial	\$1,000,000	16/05/2023
3	Kingscliff Ambulance Station	Infrastructure	\$20,000,000	27/02/2023
4	Grand Parade Apartments - Pama Casuarina (47 Units)	Residential	\$25,772,000	20/02/2023
5	Casuarina Beach Lifestyle Development ( <b>Proposed 8 Units</b> )	Residential	\$20,000,000	22/02/2023
6	7-9 Elanora Avenue Dual Occupancies Pottsville (8 Dwellings)	Residential	\$6,000,000	08/05/2023
7	3 Ozone Street Townhouses (4 Townhouses)	Residential	\$2,765,000	29/05/2023



## 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.



### **Joe Taylor**

**Managing Director**

**M +61 419 731 229**

**E [joe@prdtweedcoast.com.au](mailto:joe@prdtweedcoast.com.au)**



## PRD Tweed Coast

**PRD Tweed Coast**

**P +61 2 6674 5488**

**F +61 2 6674 5288**

**1 Pearl Street  
Kingscliff NSW 2487**

**[PRD.com.au/tweedcoast](http://PRD.com.au/tweedcoast)**

# 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.

# 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.

¥ Tweed Coast market data encapsulates aggregate property conditions within the postcode of 2487.

§ 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 2487 and 2489.

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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