



Tweed Heads Market Update 1st Half 2023



OVERVIEW

In Q4 2022, Tweed Heads* recorded a median house price of \$1,000,000, and a median unit price of \$655,000. This represents annual (Q4 2021 – Q4 2022) median price softening of -6.8% for houses and a softening of -3.7% for units. On a quarterly (Q3 – Q4 2022) basis median house prices softened by -3.6%, but units grew marginally by 1.5%. The house market is reflecting cash rate hikes, lower consumer confidence, and current economic conditions. Q4 2022 recorded the lowest number of house sales, of 224 sales. There are now new opportunities for houses buyers who are ready to enter the market.

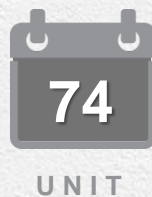
	CHANGE FROM LAST	YEAR	HALF YEAR
 House Sales		↓	↓
House Median Price		↓	↓
House Rental Price		↑	↑
 Unit Sales		↓	↔
Unit Median Price		↓	↓
Unit Rental Price		↑	↓

MARKET CONDITIONS

SALES MEDIAN PRICE Q4 2022



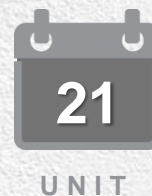
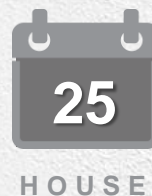
SALES AVERAGE DAYS ON MARKET Q4 2022



RENTAL MEDIAN PRICE Q4 2022

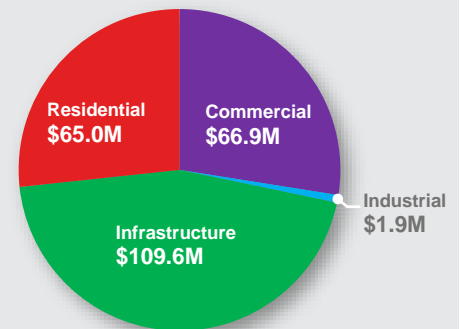


RENTAL AVERAGE DAYS ON MARKET Q4 2022



FUTURE DEVELOPMENTS

Tweed Heads will see approximately **\$243.4M** worth of new projects commencing in the 1st half of 2023.



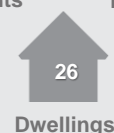
These projects will stimulate economic growth and create large employment opportunities in Tweed Heads, which should have a positive spill-over impact on the real estate market.

The Murwillumbah Education Campus (\$80.0M) is a significant infrastructure project that can draw more people into the area. Higher demand for rental properties can be a spill-over effect of this project.

A key commercial project is Tweed Algae Farm (\$14.1M). This project is set to grow algae for many uses, and can create more local jobs.

A main residential project over the 1st half of 2023 is Grand Parade Apartments (\$25.8M). The project is set to add 48 apartments. Other projects include:

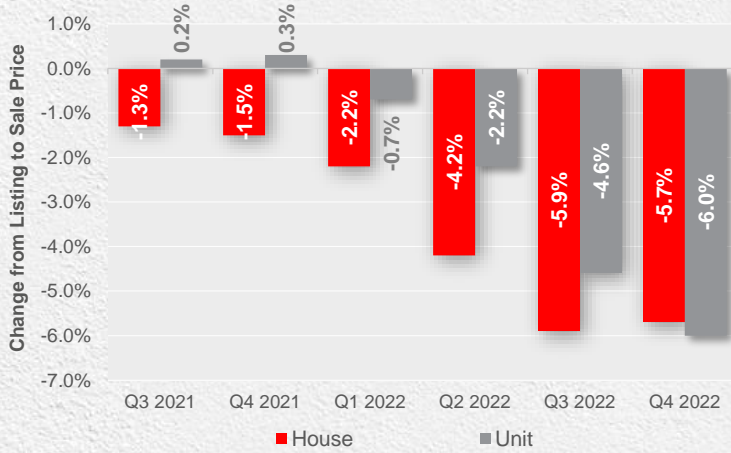
- Casuarina Beach Lifestyle Development (4 storey potential)
- 7-9 Elanora Avenue Pottsville (8 dwellings)



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.

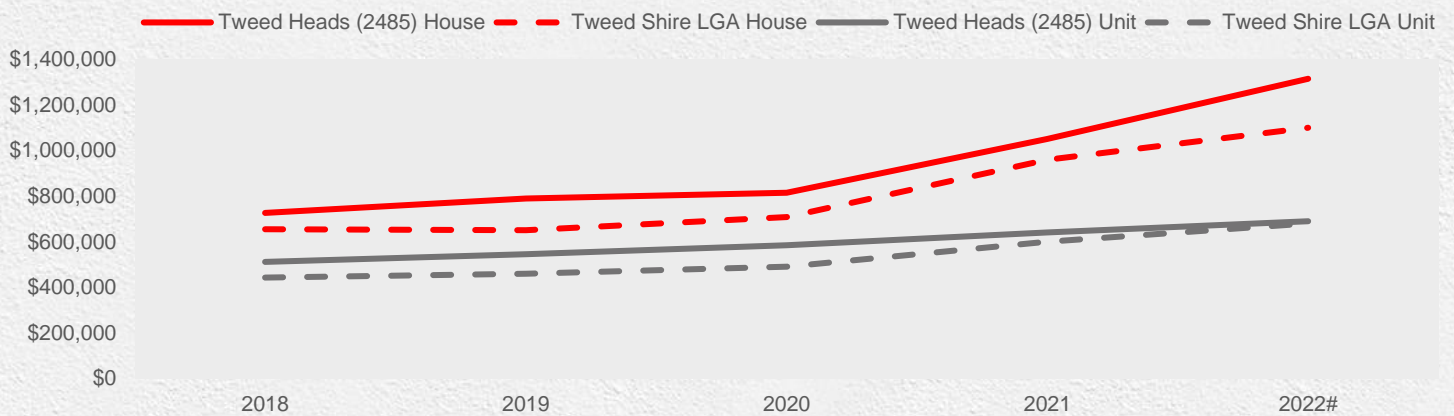
Average vendor discounts between Q4 2021 and Q4 2022 have widened to a higher discount of -5.7% for houses and swung from a premium to a -6.0% discount for units. Market conditions in Tweed Heads* have now shifted to favour buyers, as vendors are willing to accept below the initial listing price. Now is the time to buy.



The suburb of Tweed Heads has historically outperformed the wider Tweed Shire Local Government Area (LGA) in both house and unit median prices. That said 2022# saw a return to parity for suburb unit prices, trending closer to the wider LGA, whereas houses continue to trend toward a more premium market.

The dominant proportion of homes sold in Tweed Heads* across 2022# were in the premium price of \$1,000,000 and above (48.9%). Units also recorded a dominant premium price point of \$700,000 and above (38.5%). Despite this affordable options are becoming more available, due to current economic conditions.

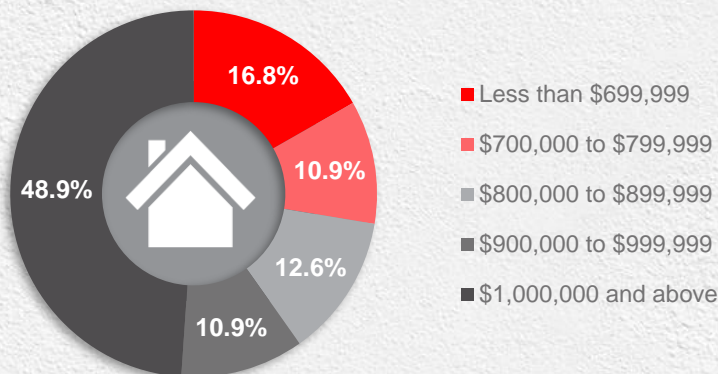
MARKET COMPARISON



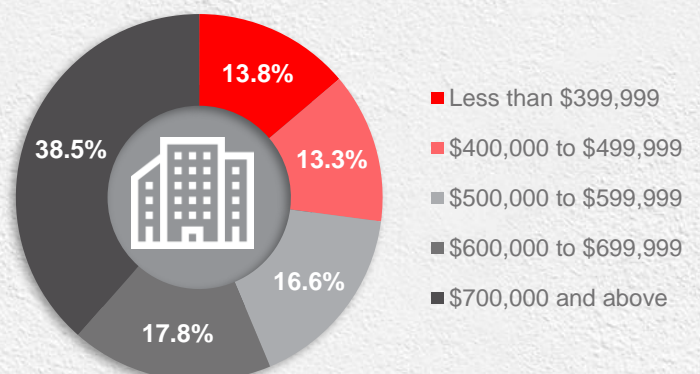
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Tweed Heads.

PRICE BREAKDOWN 2022#

HOUSES SOLD



UNITS SOLD



RENTAL GROWTH 2022€

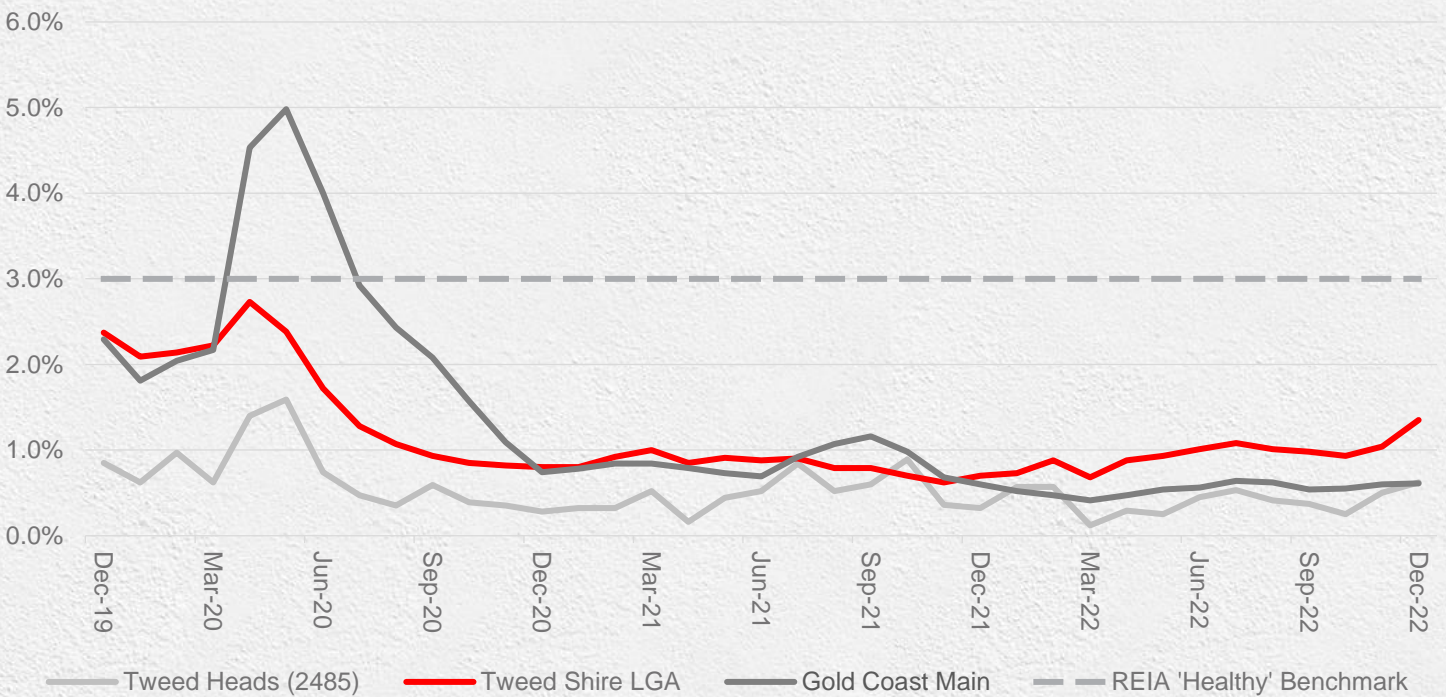
House rental yields in Tweed Heads* was 5.0% in December 2022, higher than Tweed Shire LGA (3.7%) and Gold Coast Main (3.9%). Median house rental price have increased by 16.4% in the 12 months to Q4 2022, whilst the number of houses rented increased by 20.0%. The same pattern can be seen in the unit rental market, thus Tweed Heads* has a resilient rental market and continues to be an attractive option compared for investors.

3 bedroom houses have provided investors with +13.6% rental growth annually, achieving a median rent of \$750 per week.

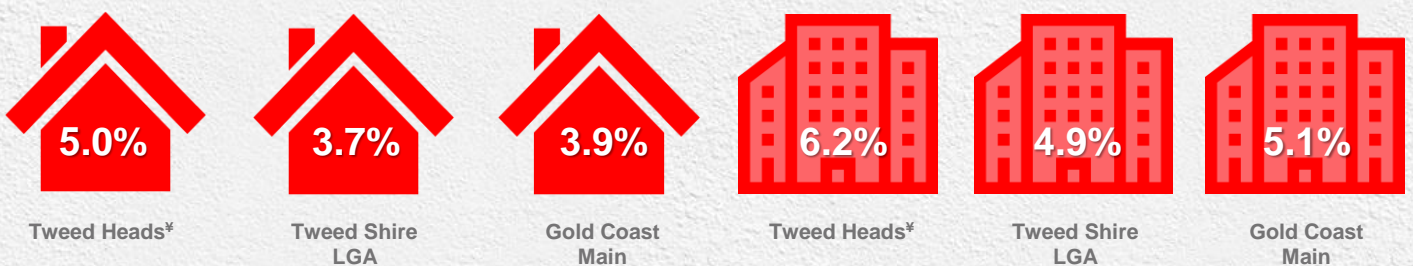
Tweed Heads* recorded a vacancy rate of 0.6% in December 2022, below Tweed Head LGA (1.4%) and on par with Gold Coast Main (0.6%). Vacancy rates in Tweed Heads* saw a slight uptick in late 2022, mostly due to the number of investors capitalising on a tight rental market. That said vacancy rates remain below pre-COVID-19 levels. This suggests a conducive and sustainable environment for investors, especially now with softer median property sale prices.



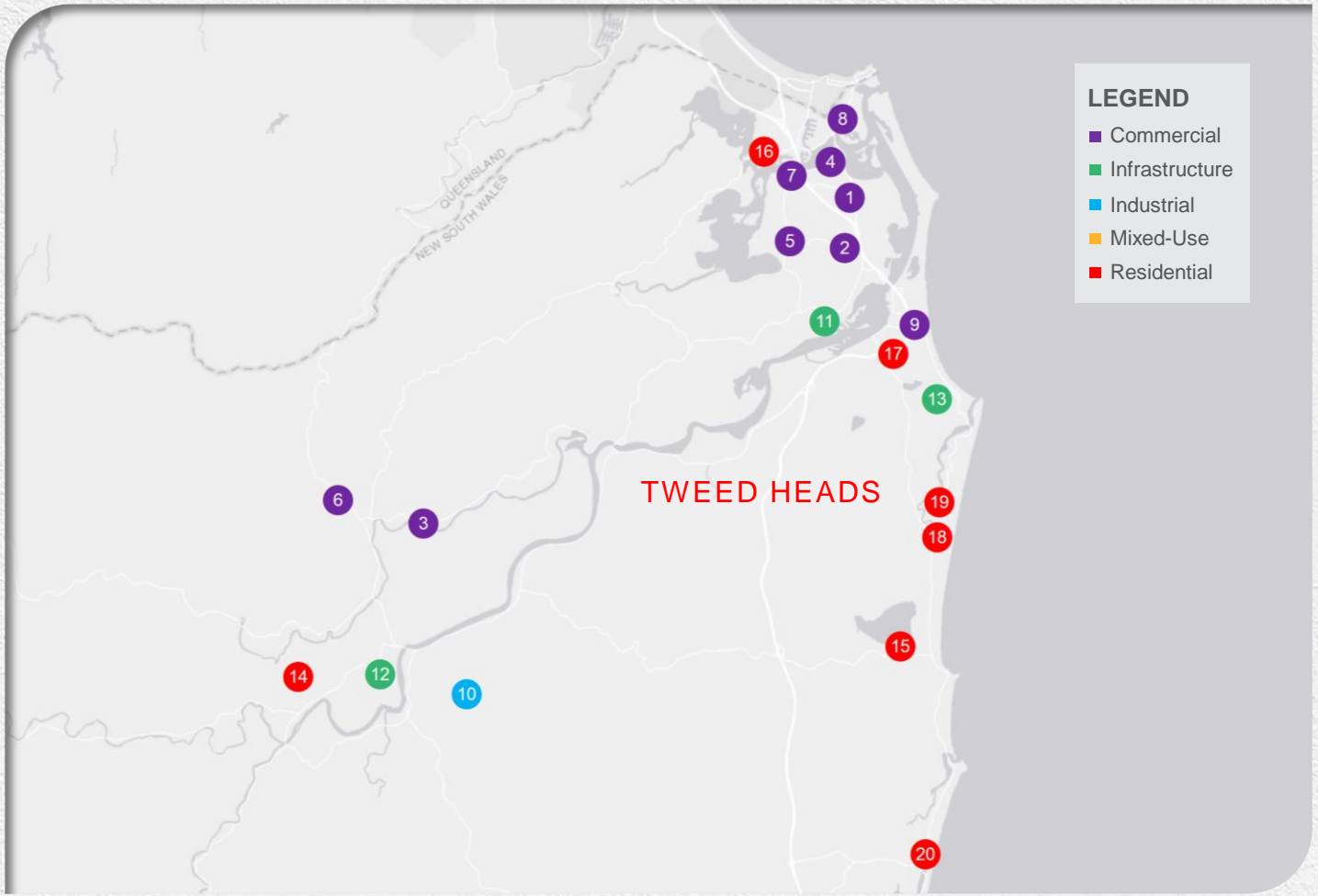
RENTAL VACANCY RATES 2022



RENTAL YIELD 2022\$



TOP DEVELOPMENTS MAP 1st HALF 2023[▲]



Location	Project [£]	Type	Estimated Value [Ⓜ]	Commence Date [Ⓜ]
1	Hoppers Brewing	Commercial	\$1,356,000	02/05/2023
2	Banora Village Shopping Centre	Commercial	\$4,419,000	06/04/2023
3	Tweed Algae Farm	Commercial	\$14,114,000	06/02/2023
4	108-110 Dry Dock Road Big4 Tweed Billabong Holiday Park	Commercial	\$11,985,000	06/06/2023
5	Twin Towns Juniors Club	Commercial	\$10,000,000	20/03/2023
6	Wollumbin Caravan Park	Commercial	\$8,818,000	12/05/2023
7	Dry Dock Road Hotel	Commercial	\$6,050,000	18/01/2023
8	Nissan Car Sales	Commercial	\$1,500,000	29/03/2023
9	Cudgen Leagues Club	Commercial	\$5,747,000	13/03/2023
10	8-12 Honeyeater Circuit Warehouses Stages 1 & 2	Industrial	\$1,870,000	14/06/2023
11	Banora Point Ses Facility	Infrastructure	\$1,500,000	13/01/2023
12	Murwillumbah Education Campus - Double Entry Refer To Pid 8087580	Infrastructure	\$80,000,000	05/06/2023
13	Kingscliff Ambulance Station	Infrastructure	\$20,000,000	27/02/2023
14	42 North Arm Road Dwellings (18 Dwellings)	Residential	\$4,108,000	15/04/2023
15	Willow Avenue Townhouses (7 Townhouses)	Residential	\$3,255,000	06/02/2023
16	Illoura Villas (13 Townhouses)	Residential	\$3,065,000	20/02/2023
17	3 Ozone Street Townhouses (4 Dwellings)	Residential	\$2,765,000	29/05/2023
18	Casuarina Beach Lifestyle Development (4 Storey Residential Potential)	Residential	\$20,000,000	22/02/2023
19	Grand Parade Apartments - Pama Casuarina (45 Units)	Residential	\$25,772,000	20/02/2023
20	7-9 Elanora Avenue Dual Occupancies Pottsville (8 Dwellings)	Residential	\$6,000,000	08/05/2023



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.



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REFERENCES

* Tweed Heads data and key indicators encapsulates aggregate property conditions within the Tweed Shire 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 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 Heads market data encapsulates aggregate property conditions within the postcode of 2485.

§ 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 Tweed Shire 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 Pricerfinder, Cordell Connect database, SQM Research, Esri ArcGIS.

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