



# Southport Market Update

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



### OVERVIEW

In Q4 2022, Southport\* recorded a median house price of \$880,000, and a median unit price of \$535,000. This represents annual (Q4 2021 – Q4 2022) median price softening of -2.2% for houses and 10.3% price growth for units. Further, on a quarterly (Q3 2022 – Q4 2022) basis median house prices fell by -3.8%, whereas units grew at a slower pace of 2.3%. The market is reflecting cash rate hikes, lower consumer confidence, and current economic conditions. Q4 2022 recorded the lowest number of house sales, of 67 sales. There are now new opportunities for buyers ready to enter the market.

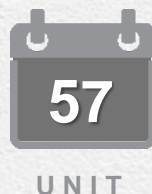
	CHANGE FROM LAST	YEAR	HALF YEAR
	House Sales	↓	↓
	House Median Price	↓	↓
	House Rental Price	↑	↑
	Unit Sales	↓	↓
	Unit Median Price	↑	↑
	Unit Rental Price	↑	↑

### MARKET CONDITIONS

SALES MEDIAN PRICE  
Q4 2022



SALES AVERAGE DAYS ON  
MARKET Q4 2022



RENTAL MEDIAN PRICE  
Q4 2022

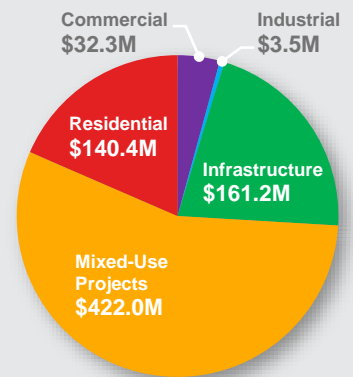


RENTAL AVERAGE DAYS ON  
MARKET Q4 2022



### FUTURE DEVELOPMENTS

Southport is set to see approximately **\$759.4M** 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 Southport, 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 Street (\$400.0M). This will add 1,019 units, 137 short term accommodation, retail, and a plaza.

The Gold Coast University Hospital mental health unit (\$100.4M) is a significant infrastructure project. It will improve liveability for residents.

Key residential projects include:

- 103 Olsen Avenue Development Site (17 lots)
- 75-77 Queen Street Southport (175 units)
- 41-45 & 46-48 Minnie and Allan Street Townhouses (25 townhouses)

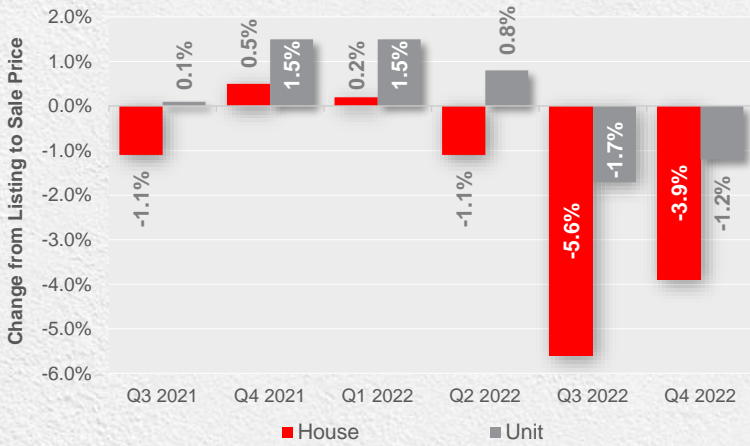
New housing stock will create new opportunities for first home buyers.





# 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.

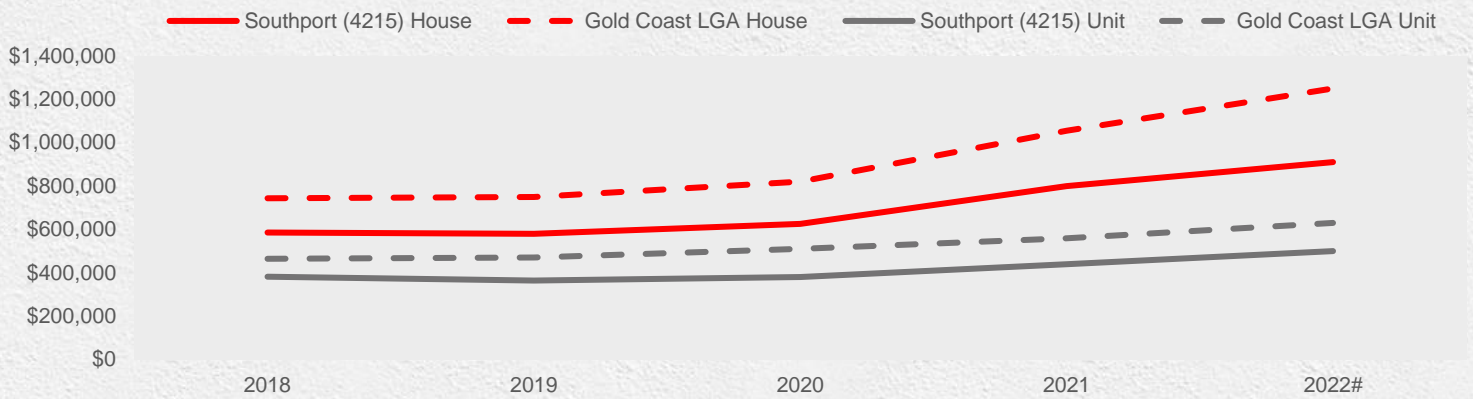


Average vendor discounts between Q4 2021 and Q4 2022 have rapidly swung from a premium to discounts of -3.9% for houses and -1.2% for units. The market conditions in Southport\* have now shifted to favour buyers, as vendors are willing to accept below the initial listing price. Now is the time to buy.

The suburb of Southport has historically provided a more affordable market compared to the wider Gold Coast Local Government Area (LGA) in both house and unit median prices. Late 2022# saw a further widening between Southport and LGA house prices, creating an opportunity for first home buyers.

The dominant proportion of homes sold in Southport\* across 2022# were in the premium priced bracket of above \$900,000 (41.0%). Interestingly units recorded a dominance in the most affordable price bracket of less than \$399,999 (29.0%). The premium market is still thriving, however affordable options have become more available in the past six months.

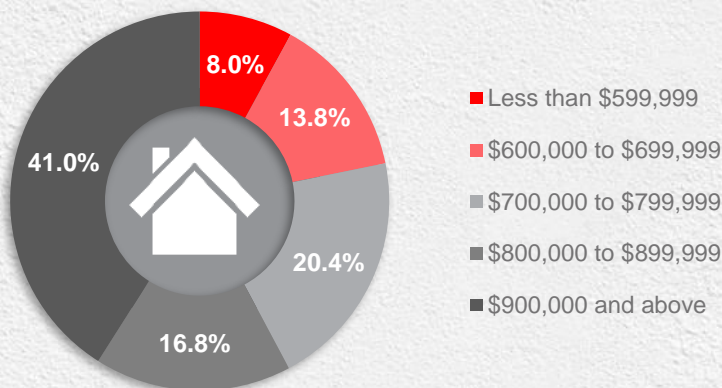
## MARKET COMPARISON



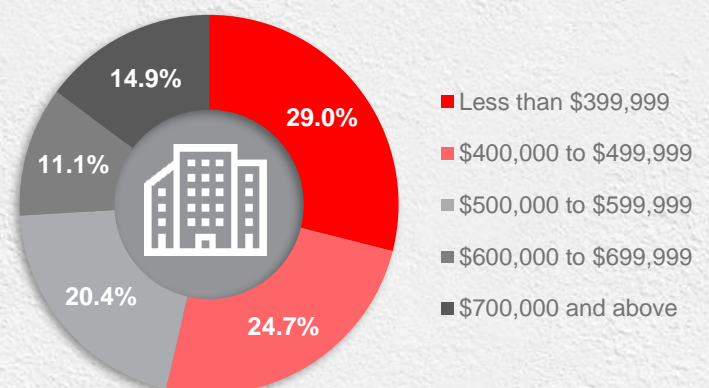
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Southport.

## PRICE BREAKDOWN 2022#

### HOUSES SOLD



### UNITS SOLD



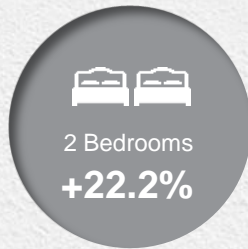


# RENTAL GROWTH 2022€

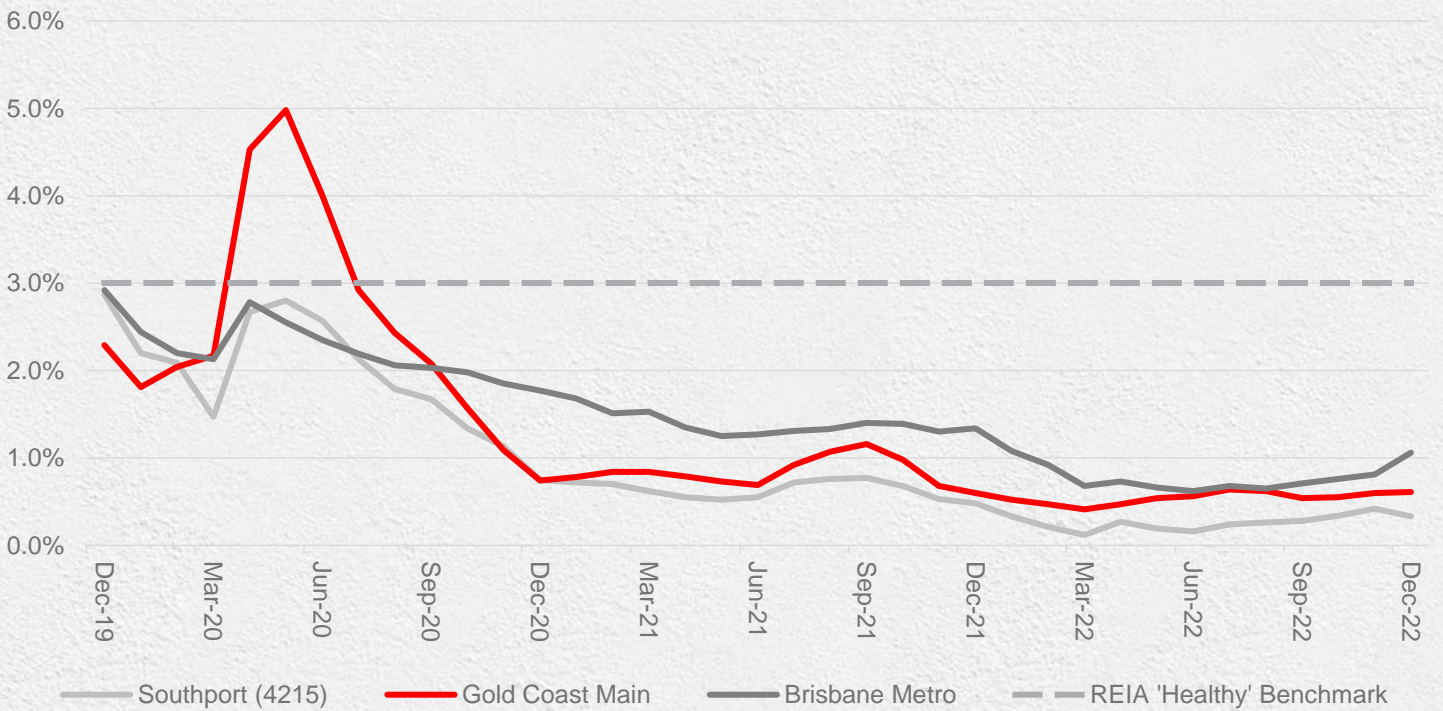
House rental yields in Southport\* was 4.0% in December 2022, on par with Gold Coast Main (3.9%). This was paired with a 15.8% increase in median house rental price in the 12 months to Q4 2022 and a 5.4% increase in the number of houses rented. On a 6-month basis to Q4 2022 median house rental price increased slower, by 4.7% to \$720 per week, with a 7.5% increase in the number of houses rented. The Southport\* rental market is becoming more steady, in good news to renters.

2 bedroom houses have provided investors with +22.2% rental growth annually, achieving a median rent of \$550 per week.

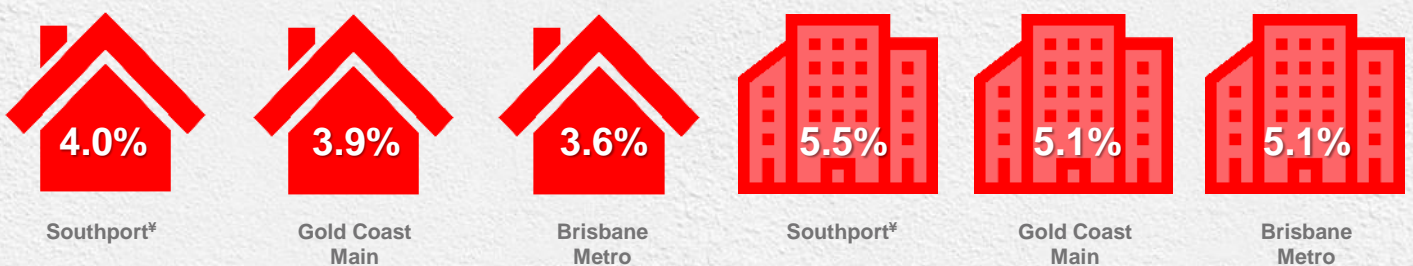
Southport\* recorded a vacancy rate of 0.3% in December 2022, which is slightly below Gold Coast Main's 0.6% average. Vacancy rates in Southport\* have held steady relatively over the past 12 months and under the Real Estate Institute of Australia healthy benchmark of 3.0%. This indicates rental demand 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

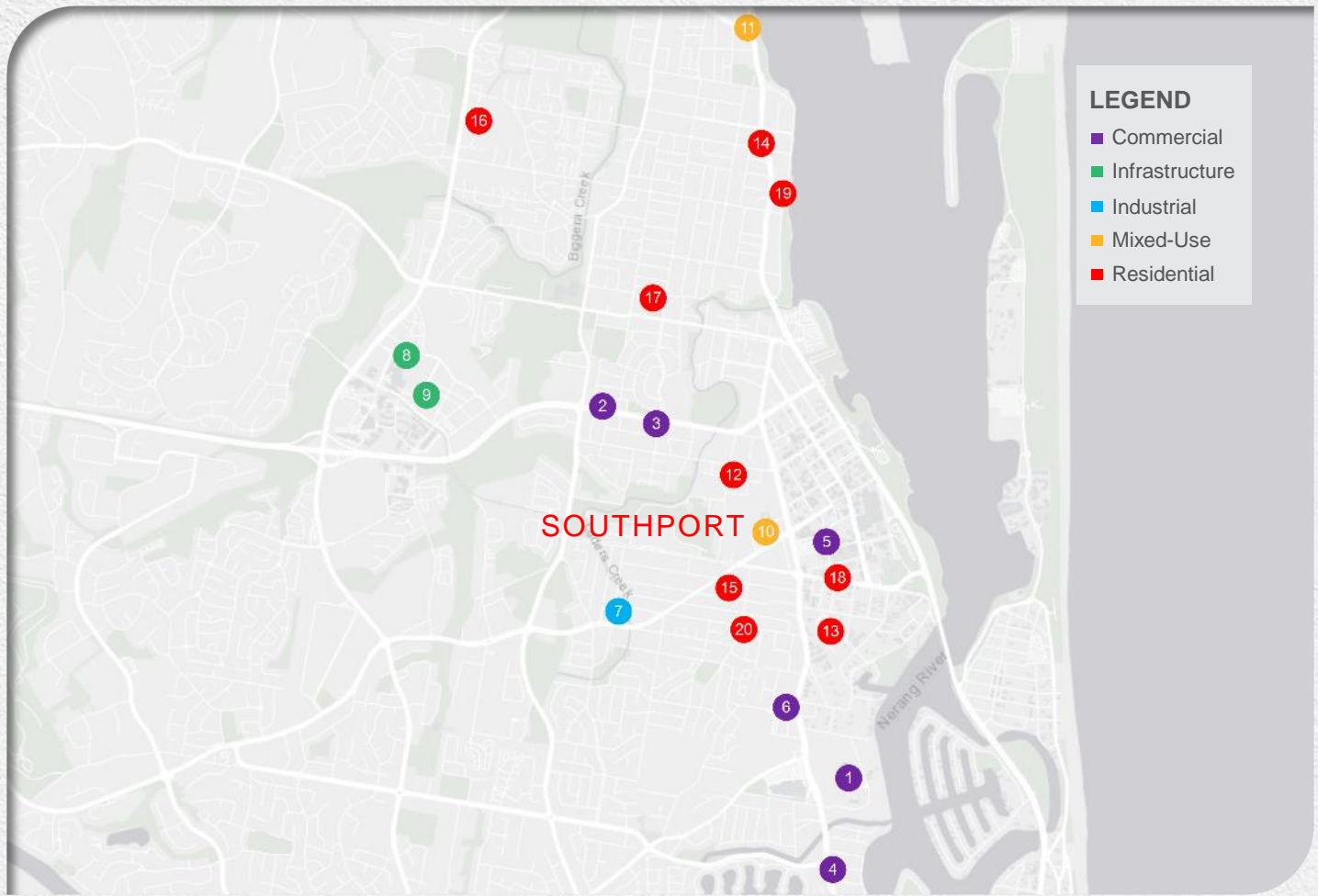


# RENTAL YIELD 2022\$





# TOP DEVELOPMENTS MAP 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	The Southport School (Tss) Residences	Commercial	\$3,000,000	08/03/2023
2	Smith Street Medical Centre	Commercial	\$3,000,000	16/02/2023
3	56-58 Beale Street Medical Centre	Commercial	\$3,900,000	26/06/2023
4	Southport 7 Eleven Service Station & Starbucks Cafe	Commercial	\$4,000,000	26/06/2023
5	Garden Street Vertical Retirement Village	Commercial	\$10,000,000	29/05/2023
6	Brickworks Centre Showrooms	Commercial	\$3,000,000	12/04/2023
7	Minnie Street Industrial Building	Industrial	\$3,500,000	14/02/2023
8	Gold Coast University Hospital Secure Mental Health Unit	Infrastructure	\$100,374,000	27/03/2023
9	Gold Coast University Hospital Sub Acute Ward	Infrastructure	\$60,000,000	27/03/2023
10	Nerang Street & Cougal Street Mixed Use Development (1,019 Units)	Mixed-use	\$400,000,000	05/06/2023
11	Sun 402 Apartments Biggera Waters (44 Units)	Mixed-use	\$22,000,000	08/03/2023
12	21-23 Shillito Street Apartments (16 Units)	Residential	\$4,800,000	13/05/2023
13	32 Chester Terrace Units Southport (11 Units)	Residential	\$4,500,000	17/06/2023
14	Frank Street Social Housing (20 Units)	Residential	\$12,000,000	12/04/2023
15	Falconer Street Units (14 Units)	Residential	\$4,000,000	18/06/2023
16	103 Olsen Avenue Development Site (Potential for 17 Townhouses)	Residential	\$30,000,000	18/06/2023
17	The Huxley Apartments (8 Units)	Residential	\$3,000,000	25/05/2023
18	75-77 Queen Street Southport – Units (175 Units)	Residential	\$56,500,000	02/01/2023
19	Marine Parade Apartments (14 Units)	Residential	\$8,500,000	05/06/2023
20	41-45 & 46-48 Minnie & Allan Streets Townhouses (25 Townhouses)	Residential	\$7,500,000	04/03/2023



## 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

\* Southport market data and key indicators encapsulates aggregate property market conditions within the suburbs of Southport, Biggera Waters and Labrador.

\*\* 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.

¥ Southport market data encapsulates aggregate property conditions within the postcode of 4215.

§ 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 Southport, Biggera Waters and Labrador.

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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