



Bayside Market Update

1st Half 2023



OVERVIEW

In Q1 2023, Bayside* recorded a median house price of \$800,000, and a median unit price of \$500,000. This represents annual (Q1 2022 – Q1 2023) median price softening of -5.9% for houses and a 2.8% price growth for units. On a quarterly basis (Q4 2022 – Q1 2023) median house price has remained relatively stable, however median unit price softened by -9.1%. Sales declined in the past 12 months, with Q1 2023 recording the lowest amount (157 houses and 26 unit sales). Current cash rates and economic conditions have affected the Bayside* market, with higher affordability and new opportunities for buyers.

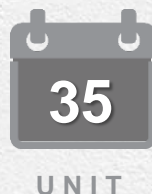
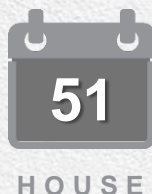
	CHANGE FROM LAST	YEAR	HALF YEAR
			
House Sales		↓	↓
House Median Price		↓	↓
House Rental Price		↑	↑
			
Unit Sales		↓	↓
Unit Median Price		↑	↓
Unit Rental Price		↑	↑

MARKET CONDITIONS

SALES MEDIAN PRICE
Q1 2023



SALES AVERAGE DAYS ON
MARKET Q1 2023



RENTAL MEDIAN PRICE
Q1 2023

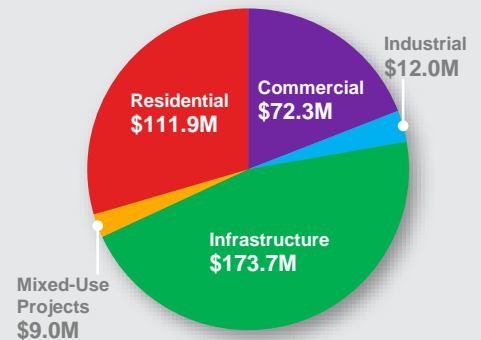


RENTAL AVERAGE DAYS ON
MARKET Q1 2023



FUTURE DEVELOPMENTS

Bayside is set to see approximately **\$378.9M** worth of new projects commencing in the 1st half of 2023.



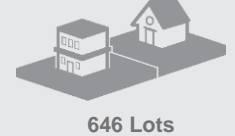
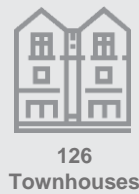
These projects will stimulate economic growth and create large employment opportunities in Bayside, which should have a positive spill-over impact on the real estate market.

A main commercial project over the 1st half of 2023 is the Lifestyle Village (\$50.0M). The project is set to add a retirement village to Bayside*, with 198 Units and assorted communal facilities.

Key residential projects include:

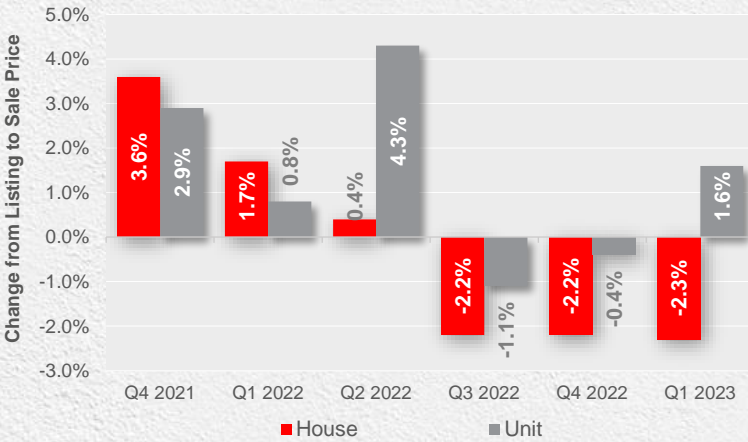
- Shoreline Precinct 1 (\$11.2M, 248 Lots)
- Taylor Crescent Units (\$13.0M, 52 Units)
- Middle Street Apartments (\$12.9M, 48 Units)

Although there is a limited amount of ready to sell dwellings, future availability of land lots will further assist ease housing 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 house vendor discounts between Q1 2022 and Q1 2023 have rapidly swung to a discount, of -2.3%. This is a consistent pattern for the past 3 quarters (since Q3 2022), which suggests that house market conditions in Bayside* have now shifted to favour buyers. Units swung back to a premium of 1.6% in Q1 2023, however this is not as high as late 2021/early 2022.

Over the past 2 years to 2023#, the suburb of Redland Bay saw the highest growth in median house price, of 19.4%, followed by Thornlands (17.9%). Mount Cotton remained the most affordable suburb in 2023#, creating an opportunity for first home buyers.

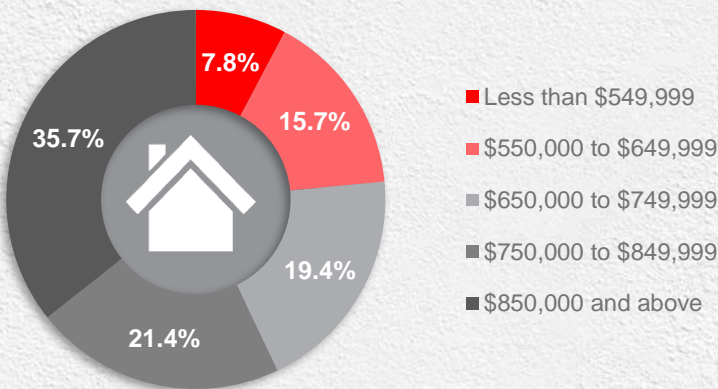
The dominant proportion of homes sold in Bayside* across 2022/23# were in the premium price bracket of \$850,000 and above (35.7%); a similar trend for units with 33.8% of sales being \$550,000 and above. Units have seen more affordable options become available, with 34.0% of sales under \$449,999. This creates an opportunity for first home buyers.

MARKET COMPARISON

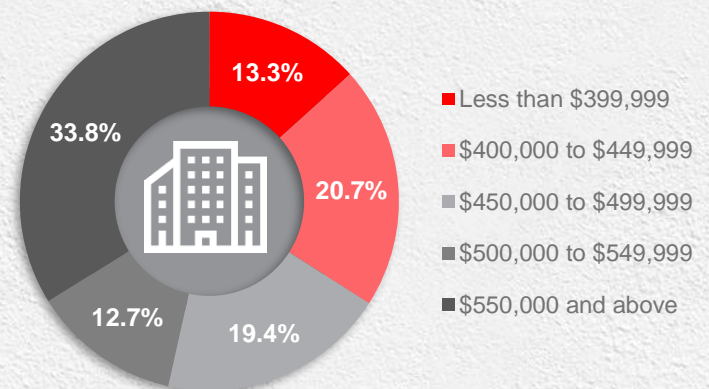
Individual Suburbs	2021	2022	#2023	2021 – 2023 % Growth
Mount Cotton	\$695,000	\$795,000	\$760,000	9.4%
Redland Bay	\$670,000	\$820,000	\$800,000	19.4%
Thornlands	\$700,000	\$835,000	\$825,000	17.9%
Victoria Point	\$640,000	\$794,250	\$720,000	12.5%

PRICE BREAKDOWN 2022/23#

HOUSES SOLD



UNITS SOLD

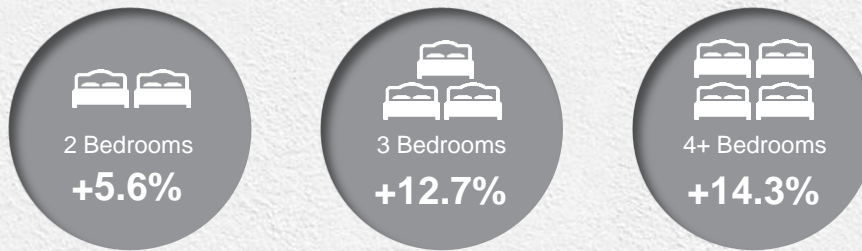


RENTAL GROWTH 2023€

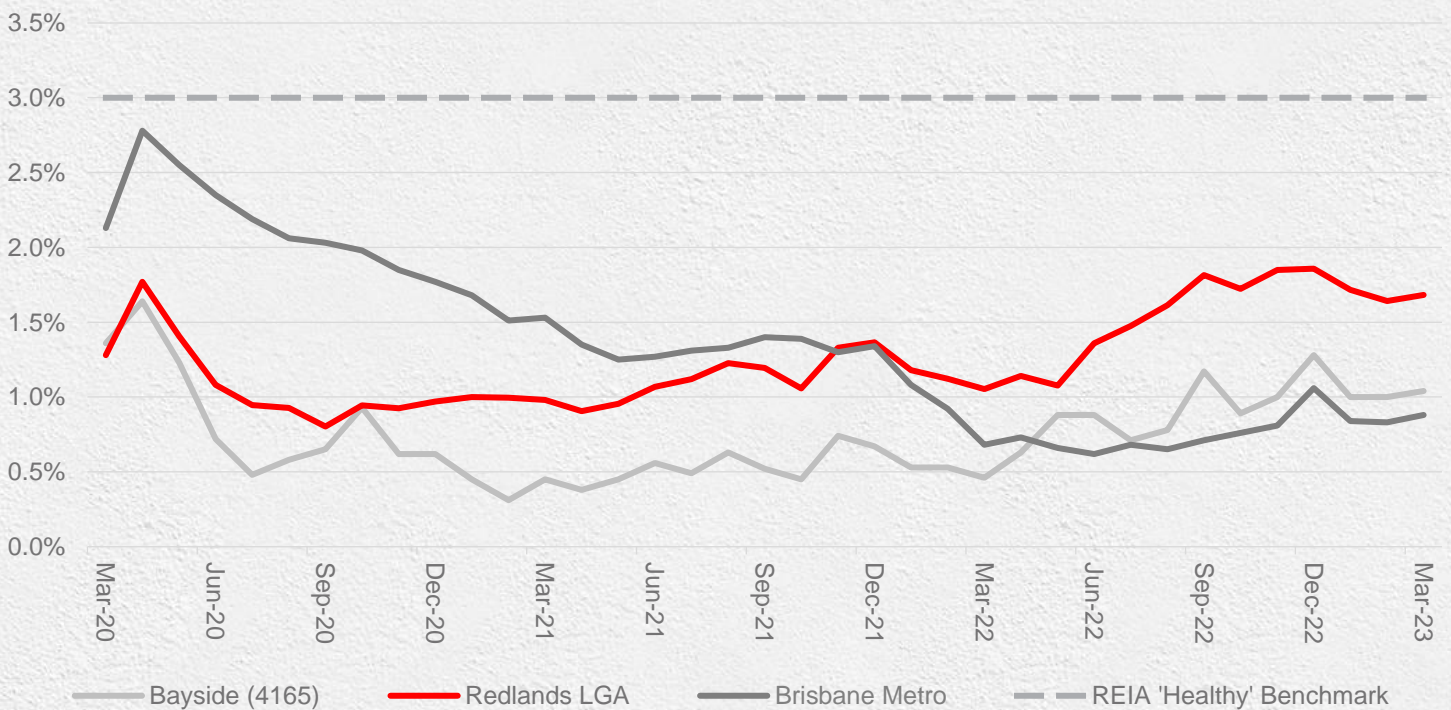
House rental yields in Bayside* was 3.8% in March 2023, higher than Brisbane Metro (3.7%). Further, median house rental price increase by 10.7% (to \$640 per week) in the past 12 months to Q1 2023 and the number of houses rented increased by 23.2% (to 239 houses). Average days to let have remained a low 20 days, the lowest recorded in the past 6 months. The unit rental market shows the same trend, confirming Bayside* as a highly demanded market.

4+ bedroom houses have provided investors with +14.3% rental growth annually, achieving a median rent of \$640 per week.

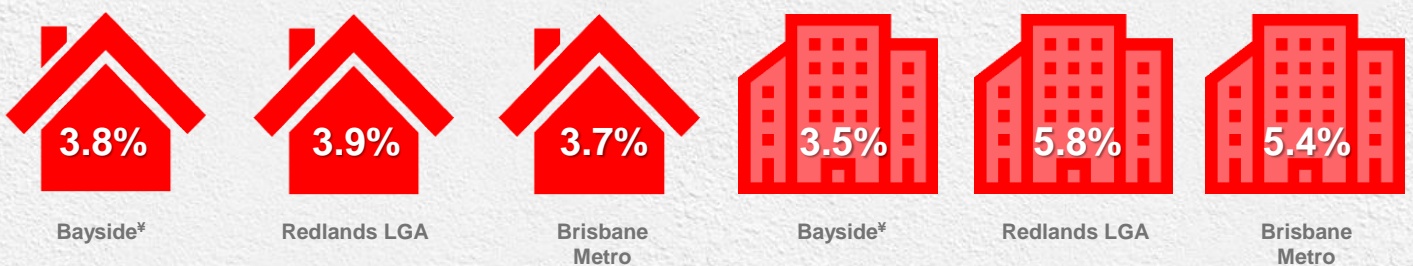
Bayside* recorded a vacancy rate of 1.0% in March 2022, which is slightly above Brisbane Metro's 0.9% average. Vacancy rates in Bayside* have seen a slight uptick in the past 12 months, as investors capitalise on a tight rental market. That said it is still lower than the Real Estate Institute of Australia's healthy benchmark of 3.0%. These key indicators create a conducive and sustainable environment for investors, especially with a more affordable property market in the past quarter.



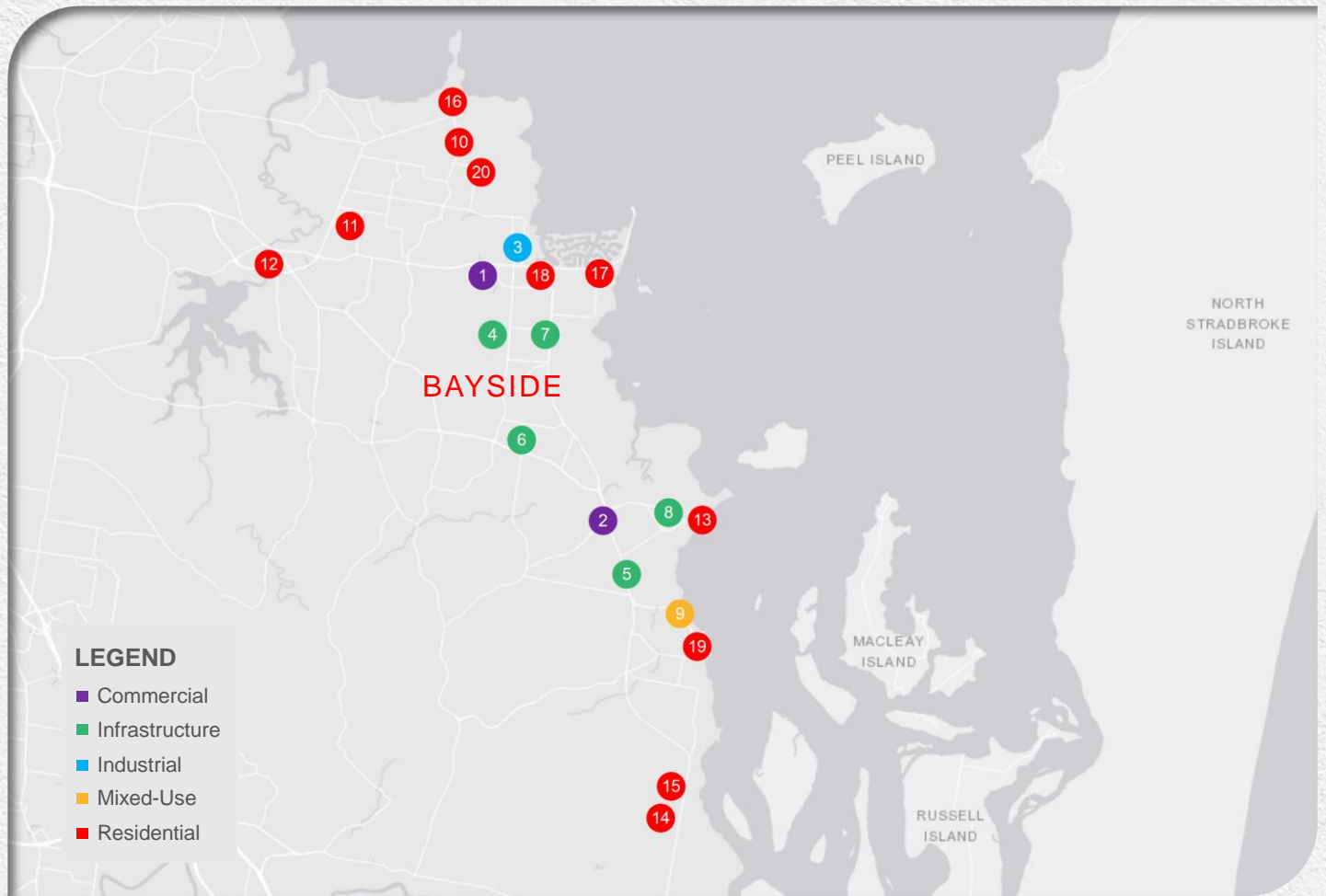
RENTAL VACANCY RATES 2023



RENTAL YIELD 2023\$



TOP DEVELOPMENTS MAP 1st HALF 2023^A



Location	Project [£]	Type	Estimated Value [¥]	Commence Date [Ⓜ]
1	Lifestyle Village Cleveland	Commercial	\$50,000,000	21/03/2023
2	Victoria Point Shopping Centre Stage 5	Commercial	\$15,000,000	08/05/2023
3	45-47 & 49 Shore Street West Warehouse Units & Showrooms	Industrial	\$12,000,000	13/03/2023
4	Redland Hospital Expansion Stage 1	Infrastructure	\$62,000,000	10/04/2023
5	Cleveland-redland Bay Road Duplication	Infrastructure	\$47,400,000	03/04/2023
6	Panorama Drive & Wellington Street Roadworks Upgrade Stage 1	Infrastructure	\$25,000,000	05/06/2023
7	Redland Hospital New Ward	Infrastructure	\$25,000,000	20/02/2023
8	Colburn Avenue Pavement Resurfacing	Infrastructure	\$8,000,000	29/05/2023
9	136 Broadwater Terrace & Marine Street Mixed Use Development (24 Units)	Mixed-use	\$9,000,000	09/01/2023
10	4 Harris Street & 3 Valley Road Townhouses (12 Townhouses)	Residential	\$5,000,000	08/05/2023
11	Valantine Road Townhouses (16 Townhouses)	Residential	\$5,000,000	06/02/2023
12	Pittwin Road North Apartments (20 Apartments)	Residential	\$5,200,000	08/02/2023
13	La Mer Residences Victoria Point (12 Units)	Residential	\$6,900,000	27/02/2023
14	Shoreline Precinct 1 (248 Lots)	Residential	\$11,200,000	14/03/2023
15	Shoreline Precinct 2 (234 Lots)	Residential	\$10,500,000	23/05/2023
16	6 Oconnell Parade Units (7 Units)	Residential	\$4,800,000	27/03/2023
17	218-220 Middle Street Apartments (46 Units)	Residential	\$12,900,000	26/06/2023
18	Taylor Crescent Units (52 Units)	Residential	\$13,000,000	10/03/2023
19	Hamilton Street Units (24 Units)	Residential	\$8,000,000	01/04/2023
20	7-9 Valley Road Units (14 Units)	Residential	\$4,200,000	26/06/2023



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.



Tenille Walters

Principal Licensee

M +61 409 276 112

E Tenille.Walters@prd.com.au



Darren Payne

Principal & Property Management
Director

M +61 410 444 568

E Darren.Payne@prd.com.au



PRD Bayside

Red C Plaza, Ground Level Shop 2 PRD.com.au/bayside
165-171 Broadwater Terrace
Redland Bay QLD 4165

REFERENCES

*Bayside market data and key indicators encapsulates aggregate property market conditions within the suburbs of Mount Cotton, Redland Bay, Thornlands and Victoria Point.

** Estimated values are based on construction value provided by the relevant data authority and does not reflect commercial and/or re-sale value.

2023 encapsulates sales transactions for Quarter 1 (01/01/2023 – 31/3/2023) only.

€ Annual house rental growth is a comparison between 2022 (01/01/2022 – 31/12/2022) and 2023 (01/01/2023 – 31/3/2023) median rent figures.

¥ Bayside rental market data encapsulates aggregate property conditions within the postcode of 4165.

§ Rental yields shown are as reported as of March 2023.

⌘ 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 Redland City 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.

Disclaimer: PRD does not give any warranty in relation to the accuracy of the information contained in this report. If you intend to rely upon the information contained herein, you must take note that the information, figures and projections have been provided by various sources and have not been verified by us. We have no belief one way or the other in relation to the accuracy of such information, figures and projections. PRD will not be liable for any loss or damage resulting from any statement, figure, calculation or any other information that you rely upon that is contained in the material.

Prepared by PRD Research. © All medians and volumes are calculated by PRD Research. Use with written permission only. All other responsibilities disclaimed. © Copyright PRD 2023.

