







Tweed Coast Market Update 2nd Half 2023



OVERVIEW

In Q2 2023, Tweed Coast* recorded a median house price of \$1,587,500, and a median unit price of \$821,000. This represents annual (Q2 2022 – Q2 2023) softening of -9.3% for houses and -8.8% for units. That said on a quarterly (Q1 – Q2 2023) basis prices grew by 5.8% (house) and 9.5% (units). Thus cash rate hikes did impact the market, but consumer confidence have returned. 74 houses were sold in Q2 2023, a -7.5% decline in the past 12 months. This indicates an undersupply and further explains the price growth. Unit sales have increased, likely due to buyers being priced out of the house market.

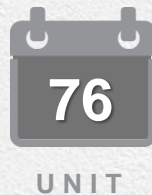
	CHANGE FROM LAST	YEAR	HALF YEAR
 House Sales		↑	↑
 House Median Price		↓	↓
 House Rental Price		↑	↑
 Unit Sales		↑	↓
 Unit Median Price		↑	↑
 Unit Rental Price		↑	↑

MARKET CONDITIONS

SALES MEDIAN PRICE Q2 2023



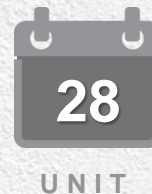
SALES AVERAGE DAYS ON MARKET Q2 2023



RENTAL MEDIAN PRICE Q2 2023

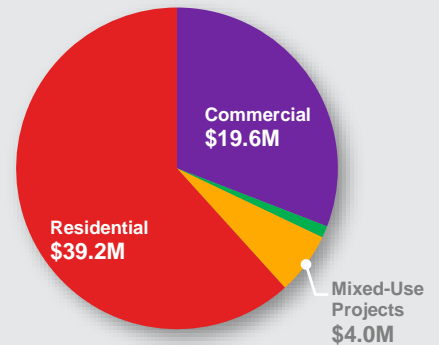


RENTAL AVERAGE DAYS ON MARKET Q2 2023



FUTURE DEVELOPMENTS

Tweed Coast* will see approximately **\$63.5M** worth of new projects commencing in the 2nd half of 2023.



A focus on residential projects is ideal for the Tweed Coast area, as it adds more housing stock to the market and assist in addressing current demand.

The King's Forest Subdivision's 1st stage (\$20.0M) is a key residential project for the 2nd half of 2023, as it plans to add 500 lots. This will assist first home buyers looking to build.

Other residential and mixed-use projects planned include:

- 15 Murphy's Road – 7 units
- 26 Marine Parade apartments and retail premises (3 units)
- 19 Sutherland St Dual Occupancy (6 dwellings)
- Kamala Terraces (9 townhouses)

There is still a low amount of ready to sell houses in the pipeline, which will put more pressure on prices.



15 Units/
Apartments



9
Townhouses



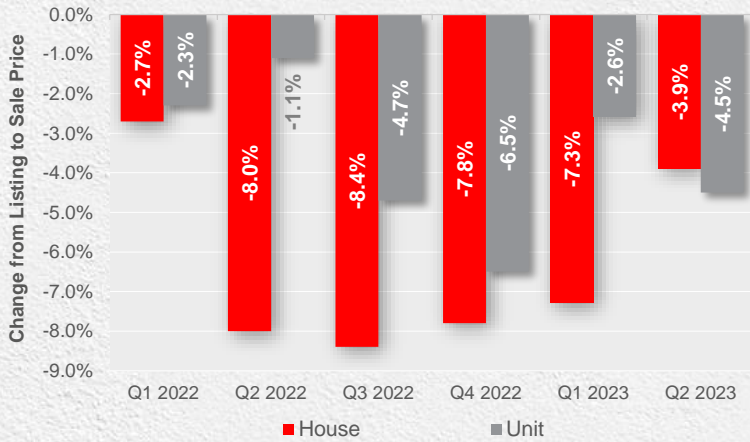
9
Dwellings



500 Lots

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.

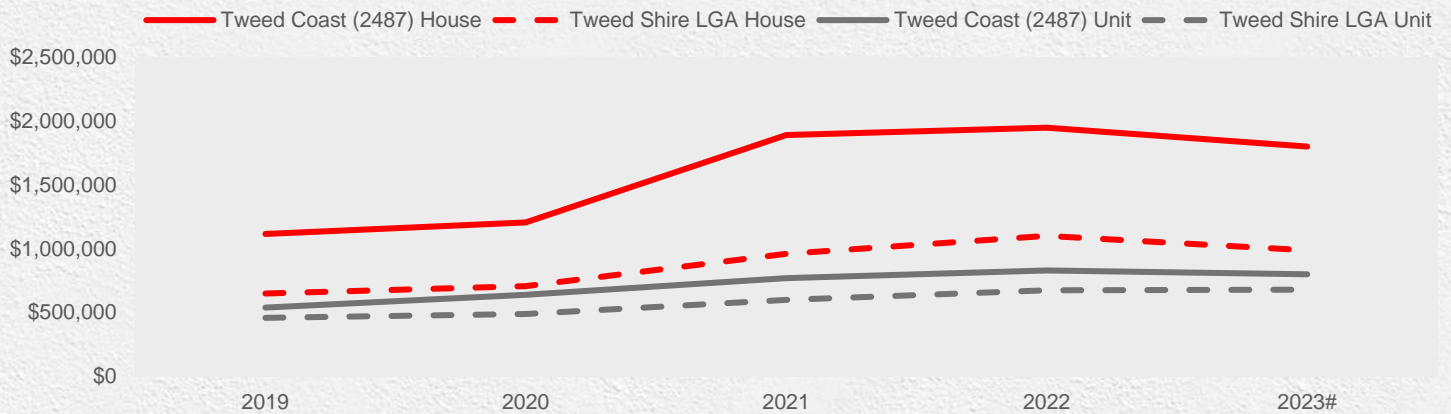


Average vendor discounts between Q2 2022 and Q2 2023 have undergone significant shifts for both property types in Tweed Coast. During this period, discounts for houses have tightened to -3.9% while discounts for units widened to -4.5%. These changes indicate a shift in market dynamics, one that still favour buyers, however they now need to offer closer to the initial listing price.

The suburb of Tweed Coast has outperformed the wider Tweed Shire Local Government Area (LGA) in the past 5 years, especially in house prices. 2023# saw the trend continue, even with slower growth in Tweed Coast.

The dominant proportion of homes sold in Tweed Coast* across 2023# were in the premium price bracket of above \$1,500,000 (54.3%). Units also recorded a dominant premium price point, of \$950,000 and above (28.9%). That said there is almost an equal amount of units sold at the most affordable price point of less than \$650,000 (26.2%). This suggests the unit market is the more friendlier option for first home buyers.

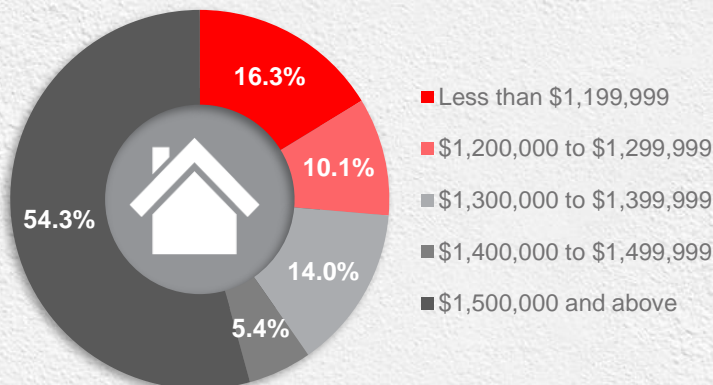
MARKET COMPARISON



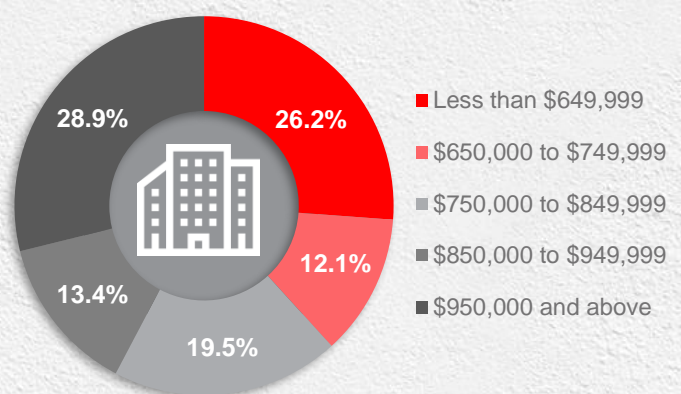
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Tweed Coast.

PRICE BREAKDOWN 2023#

HOUSES SOLD



UNITS SOLD

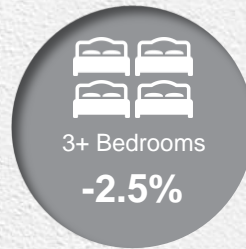


RENTAL GROWTH 2023€

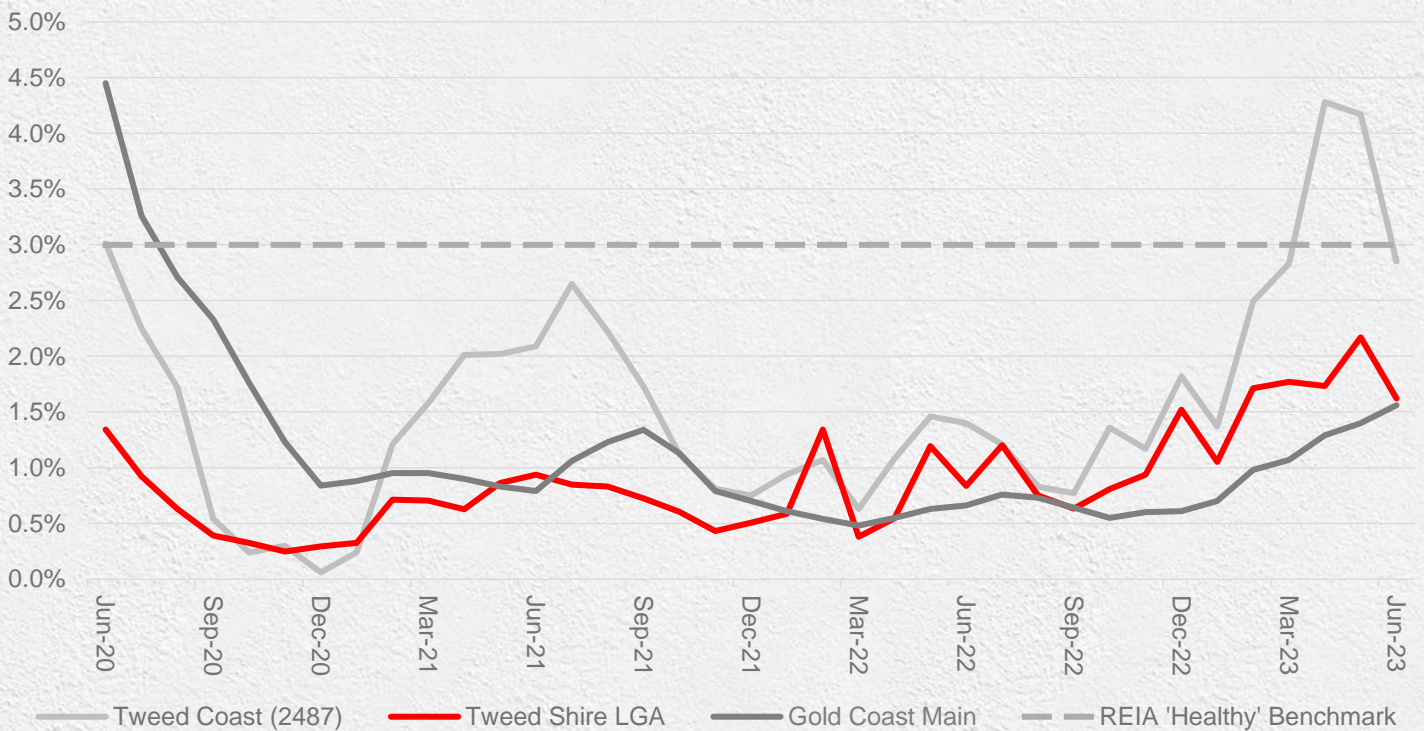
Over the past 12 months, house rental yields in Tweed Coast* softened to sit at 3.0% in June 2023; now lower than Gold Coast Main (3.8%). Median house rental price softened by -5.6% in the 12 months to Q2 2023, while median unit rental price remained stable. The number of properties rented have increased, by 44.7% (house) and 20.6% (units), explaining the shift in prices. With unit rental yields at 6.0% as of June 2023 and less supply, there is an opportunity for investors.

2 bedroom units have provided investors with +4.5% rental growth annually, achieving a median rent of \$780 per week.

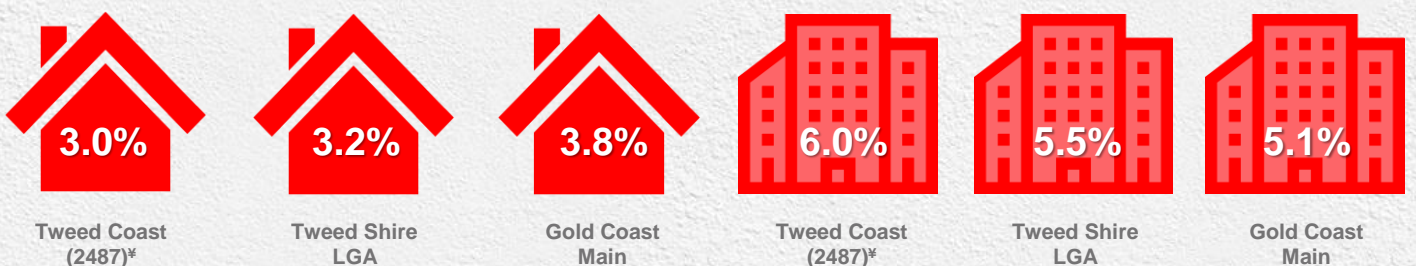
Tweed Coast* recorded a vacancy rate of 2.9% in June 2023, which is above Gold Coast Main's 1.6% average. In the past 12 months vacancy rates in Tweed Coast* have returned to pre-COVID-19 levels, most likely due to investors returning to market. The vacancy rate is just below the Real Estate Institute of Australia's healthy benchmark of 3.0%, which still points to a conducive and sustainable investment environment.



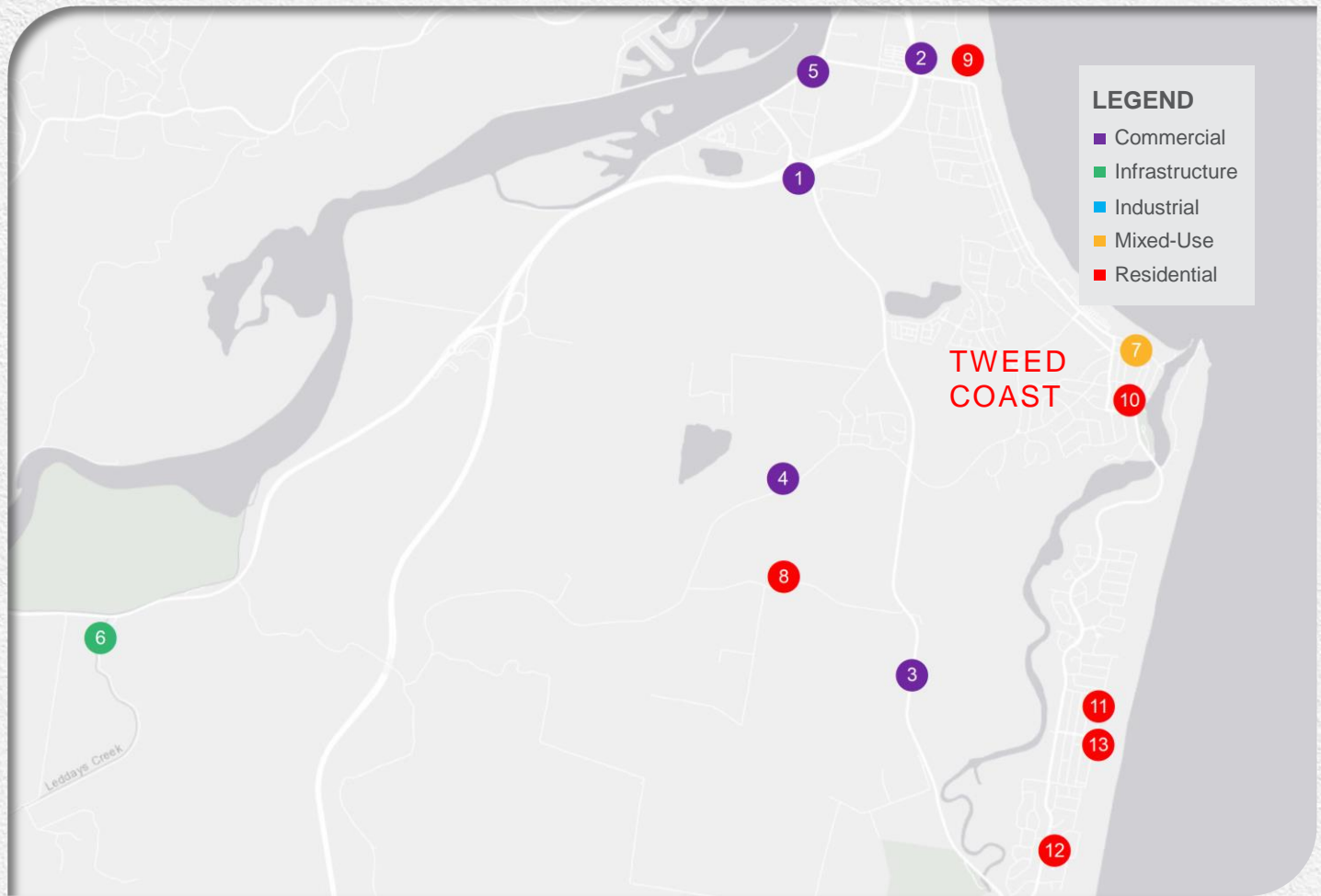
RENTAL VACANCY RATES 2023



RENTAL YIELD 2023\$



TOP DEVELOPMENTS MAP 2nd HALF 2023[Ⓐ]



Location	Project [£]	Type	Estimated Value [Ⓜ]	Commence Date [Ⓜ]
1	Altona Road Earthworks & Drainage	Commercial	\$6,841,000	12/12/2023
2	Cudgen Leagues Club Refurbishment	Commercial	\$5,747,000	18/09/2023
3	Kings Forest Service Station	Commercial	\$4,500,000	15/12/2023
4	607 Cudgen Road Tourist Accommodation Alterations	Commercial	\$1,525,000	02/12/2023
5	128 Chinderah Bay Drive Restaurant & Cafe	Commercial	\$1,000,000	15/08/2023
6	Stotts Creek Resource Recovery Centre Concrete Processing Services	Infrastructure	\$750,000	26/08/2023
7	26 Marine Parade Apartments & Retail Premises (3 Units)	Mixed-use	\$3,970,000	12/12/2023
8	Kings Forest Subdivision Stage 1 (500 Lots)	Residential	\$20,000,000	14/11/2023
9	15 Murphys Road Units (7 Units)	Residential	\$7,000,000	10/10/2023
10	19 Sutherland Street Dual Occupancy Stage 1-3 (6 Dwellings)	Residential	\$3,250,000	10/11/2023
11	65 Cylinders Drive Apartments & Premises (5 Units)	Residential	\$3,200,000	03/11/2023
12	Kamala Terraces (9 Townhouses)	Residential	\$3,000,000	22/10/2023
13	Cylinders Drive Dwellings (3 Dwellings)	Residential	\$2,750,000	18/10/2023

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 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.

2023 encapsulates sales transactions for 1st half of 2023 (01/01/2023 – 30/6/2023) only.

€ Annual rental growth is a comparison between Q2 2022 (01/04/2022 – 30/06/2022) and Q2 2023 (01/04/2023 – 30/06/2023) house median rent figures.

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

§ Rental yields shown are as reported as of June 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 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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