

Bayside Market Update

2nd Half 2023



OVERVIEW

In Q3 2023, Bayside* recorded a median house price of \$827,500, and a median unit price of \$620,000. This represents annual (Q3 2022 – Q3 2023) softening of -0.3% for houses and a 22.2% price growth for units. Quarterly (Q2 2022 – Q3 2023) median house price has softened further, by -0.9%, and median unit price grew at a slower rate, of 11.0%. Sales declined in the past 12 months, with Q3 2023 recording the lowest amount (190 houses and 37 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
Q3 2023



SALES AVERAGE DAYS ON
MARKET Q3 2023



RENTAL MEDIAN PRICE
Q3 2023

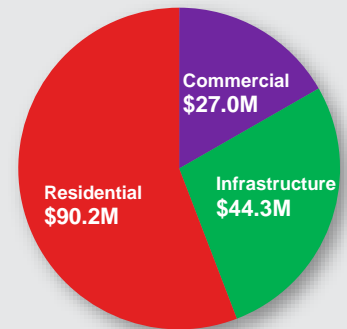


RENTAL AVERAGE DAYS ON
MARKET Q3 2023



FUTURE DEVELOPMENTS

The Redland Local Council will see approx. **\$161.5M of new projects commencing in the 2nd half of 2023.**



A key focus on residential projects will increase housing supply, which will be beneficial for first home buyers wanting to enter the market.

A main infrastructure project in the 2nd half of 2023 is Redland Hospital (\$40.0M). The project will add a new intensive care unit and communal facilities, increasing liveability for residents and creating local jobs.

Key residential projects include:

- 35 Beveridge Road Units (\$18.0M, 43 Units)
- 3 Moores Road Units & Townhouses (\$18.6M, 54 Units, 8 Townhouses)
- Shoreline Precinct Subdivision (\$10.5M, 234 Lots)

There is an absence in ready-to-sell stand-alone houses planned. This puts pressure on house prices, thus the current downturn is temporary.



164 Units/
Apartments



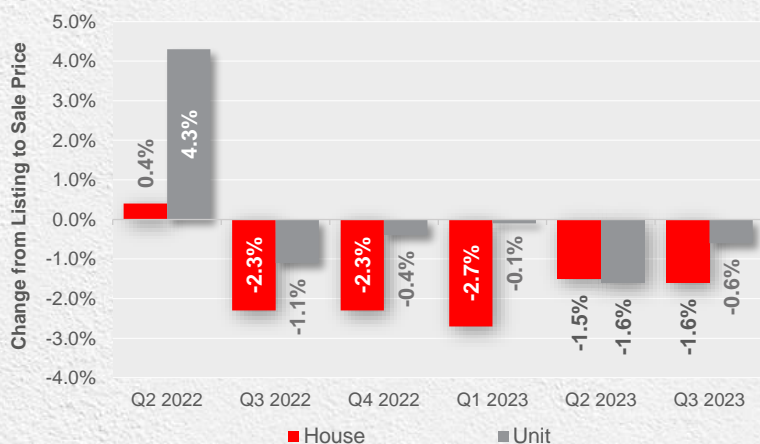
25
Townhouses



340 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.



In late 2022 average house vendor discount have swung from a premium of 0.4% to a discount of -2.3%. Since then it has remained at a discount for the past 12 months. The same pattern can be seen in the unit market, thus property conditions in Bayside* favour buyers. That said Q3 2023 recorded a tighter vendor discount than prior quarters, thus buyers looking for a discount must act fast.

In the past 2 years to 2023#, the suburb of Redland Bay saw the highest growth in median house price, of 22.8%, followed by Victoria Point (21.1%). Victoria Point still remain as the most affordable suburb in 2023#, creating an opportunity for first home buyers.

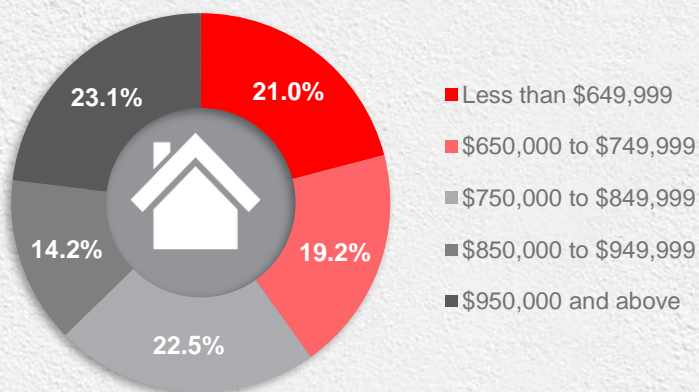
The dominant proportion of homes sold in Bayside* in 2023# were in the premium price bracket of \$950,000 and above (23.1%). The premium unit market also show strength, with 28.7% of sales in the \$550,000 and above price point. There is a healthy balance in all price points for houses, however units saw more affordable options become available, with 29.4% of sales under \$500,000.

MARKET COMPARISON

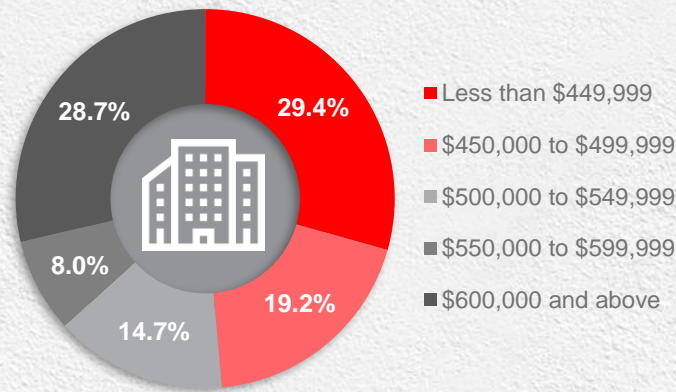
Individual Suburbs	2021	2022	#2023	2021 – 2023 % Growth
Mount Cotton	\$695,000	\$794,000	\$805,000	15.8%
Redland Bay	\$670,000	\$820,000	\$823,000	22.8%
Thornlands	\$693,000	\$835,000	\$805,000	16.2%
Victoria Point	\$640,000	\$793,000	\$775,000	21.1%

PRICE BREAKDOWN 2023

HOUSES SOLD



UNITS SOLD

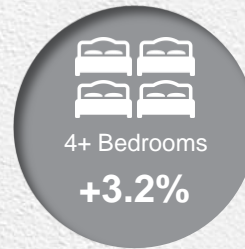


RENTAL GROWTH 2023€

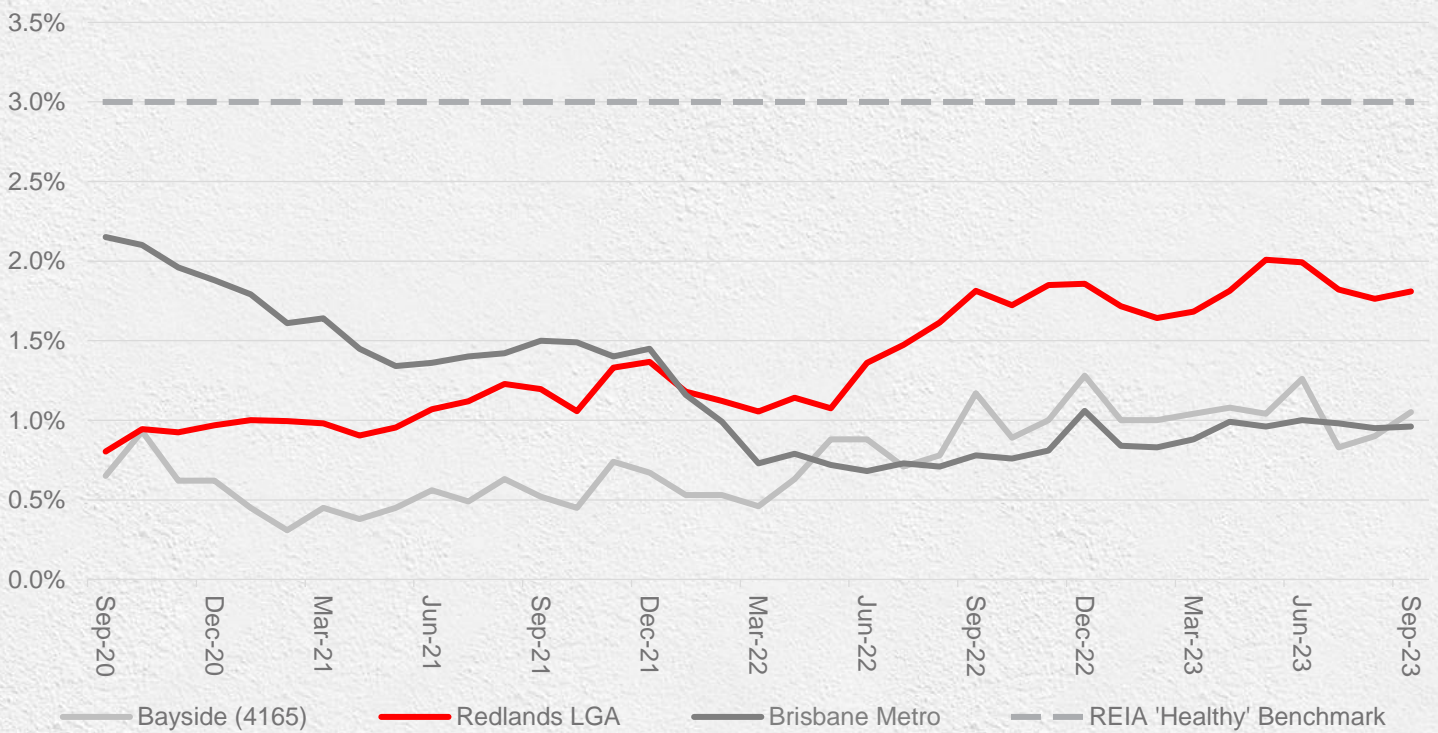
House rental yields in Bayside* was 3.8% in September 2023, higher than Brisbane Metro (3.6%). Further, median house rental price increased by 4.8% (to \$650 per week) in the past 12 months to Q3 2023 and the number of houses rented decreased by 7.1% (to 223 houses) – signifying an undersupply. Average days to let was 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.

2 bedroom houses have provided investors with +4.7% rental growth annually, achieving a median rent of \$490 per week.

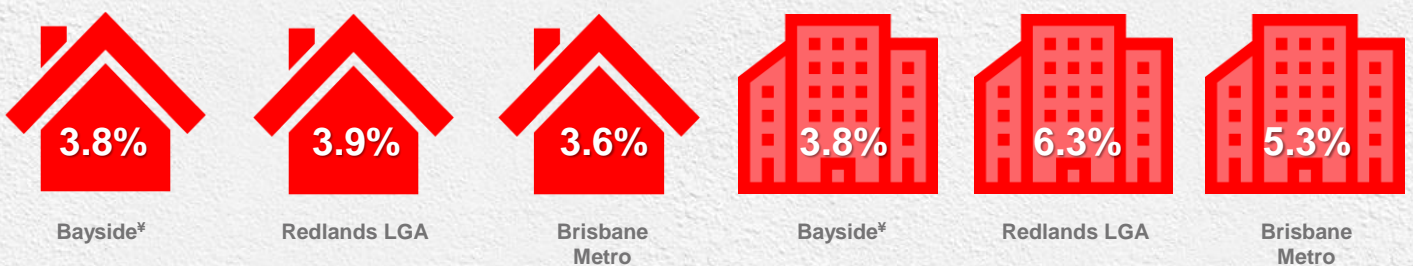
Bayside* recorded a vacancy rate of 1.1% in September 2023, slightly above Brisbane Metro's 1.0% average. Vacancy rates in Bayside* have seen a slight uptick in the past 12 months, as investors capitalise on a tight rental market. That said it is still lower than the Real Estate Institute of Australia's 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.



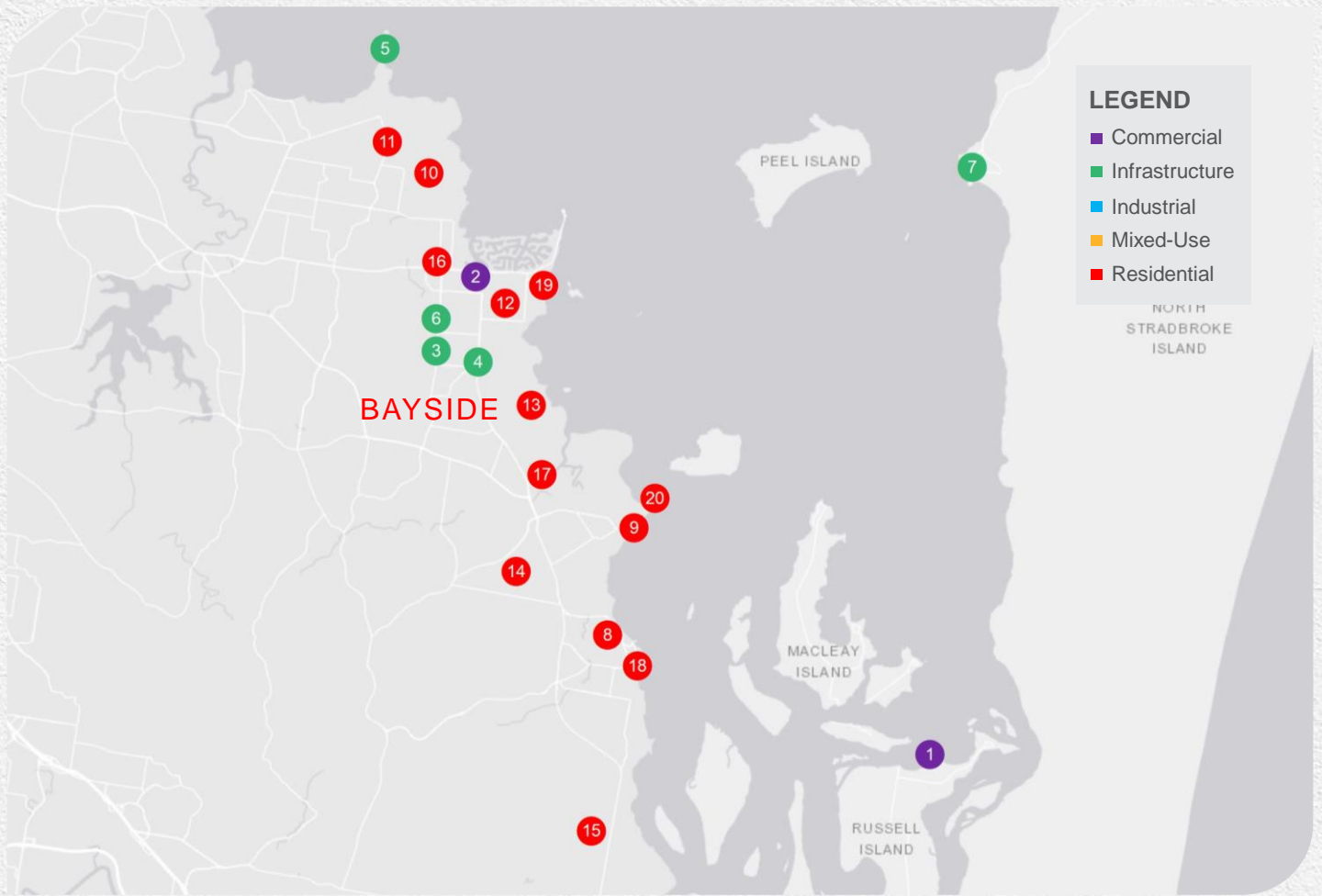
RENTAL VACANCY RATES 2023



RENTAL YIELD 2023\$



TOP DEVELOPMENTS MAP 2nd HALF 2023[Ⓐ]



Location	Project [Ⓕ]	Type	Estimated Value [Ⓗ]	Commence Date [Ⓗ]
1	The Landing	Commercial	\$15,000,000	20/12/2023
2	Cleveland Health Day Hospital & Consulting Rooms	Commercial	\$12,000,000	30/10/2023
3	Redland Hospital - Stage 1 Expansion	Infrastructure	\$40,000,000	30/10/2023
4	Redlands City Pathway, Parks Assets, Dog Off Leash Area & Small Dog Off Leash Area	Infrastructure	\$1,000,000	21/12/2023
5	Wellington Point - Landslip Remediation	Infrastructure	\$1,192,000	24/07/2023
6	Redland Hospital - Ccssd Upgrade	Infrastructure	\$1,250,000	27/11/2023
7	Harold Walker Jetty	Infrastructure	\$900,000	04/12/2023
8	99-105 Hamilton Street Units (24 Units)	Residential	\$8,000,000	04/12/2023
9	La Mer Residences Victoria Point Apartments (12 Units)	Residential	\$6,900,000	27/12/2023
10	2-6 Thorn Street Residential Subdivision (20 Lots)	Residential	\$900,000	12/12/2023
11	7-9 Valley Road Units (14 Units)	Residential	\$4,200,000	26/12/2023
12	42-46 Channel Street Townhouses (10 Townhouses)	Residential	\$3,000,000	01/11/2023
13	124-134 Thornlands Road & George Thorn Drive Residential Subdivision 52 Lots)	Residential	\$2,300,000	18/12/2023
14	39 Brendan Way Residential Subdivision (34 Lots)	Residential	\$1,500,000	04/09/2023
15	Shoreline Precinct 2 Residential Subdivision Stages 13-18 (234 Lots)	Residential	\$10,500,000	23/12/2023
16	10 Nelson Street Townhouses (4 Townhouses)	Residential	\$1,200,000	16/12/2023
17	35 Beveridge Road Units (43 Units)	Residential	\$18,000,000	29/12/2023
18	3 Moores Road Units & Townhouses (54 Units, 8 Townhouses)	Residential	\$18,600,000	05/12/2023
19	Toondah Harbour Precinct Redevelopment (40 Units)	Residential	\$10,000,000	08/12/2023
20	Victoria Palms Units (17 Units)	Residential	\$5,100,000	08/11/2023



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

*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 Q1 to Q3 2023 (01/01/2023 – 30/09/2023) only.

€ Annual rental growth is a comparison between Q3 2022 (01/07/2022 – 30/09/2022) and Q4 2023 (01/07/2023 – 30/09/2023) median house rent figures

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

§ Rental yields shown are as reported as of September 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.

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