

# Palm Beach Market Update

## 1<sup>st</sup> Half 2024



### OVERVIEW

In Q4 2023, Palm Beach\* recorded a median house price of \$1,519,500, and a median unit price of \$1,100,000. This represents annual (Q4 2022 – Q4 2023) growth of 4.8% for houses and 41.9% for units. During this time total sales decreased by -6.8% (to 41 sales) for houses but increased by 17.6% for units (to 100 sales). There is an undersupply of houses, which prompted buyers to pivot towards units – thus more competition in the unit market that resulted in higher prices. Consumer confidence has recovered, leading to a more dynamic market. Now is an ideal time for owners to transact and capitalise on their investment.

#### CHANGE FROM LAST YEAR HALF YEAR



	YEAR	HALF YEAR
HOUSE SALES	↓	↓
HOUSE MEDIAN PRICE	↑	↓
HOUSE RENTAL PRICE	↑	↑

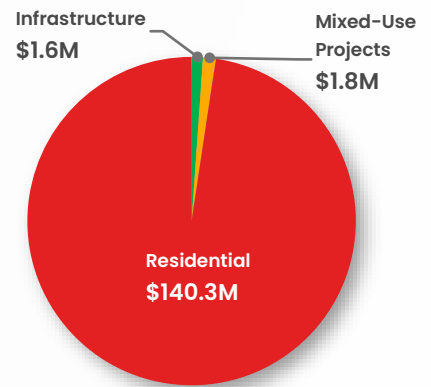


	YEAR	HALF YEAR
UNIT SALES	↑	↑
UNIT MEDIAN PRICE	↑	↑
UNIT RENTAL PRICE	↑	↑



### FUTURE DEVELOPMENTS

Palm Beach will see approximately **\$143.7M of new projects commencing in 2024.**



A key focus on residential projects is ideal, to address the current under supply. This will assist in keeping the price growth at a more sustainable level, especially for units.

A total of approximately \$140.3M of residential projects are planned. This will add 11 dwellings and 256 units/apartments.

A key project is 1214-1220 Gold Coast Highway & Tenth Avenue Apartments Palm Beach (\$20.0M, 52 Apartments) and Elevaire Palm Beach Apartments (\$20.0M, 41 Apartments).

Other key residential projects include:

- 1177-1179 Gold Coast Highway & Jefferson Lane Apartments (38 Apartments)
- 382-384 Cypress Terrace North Villas (5 villas)
- 9 Nyrang Avenue Units (12 units)

Although there are multiple projects delivering units, there is very little new stand-alone houses planned. This will further push up house prices.

256 Units/  
Apartments

11  
Dwellings



### MARKET CONDITIONS

MEDIAN PRICE  
Q4 2023

\$1.5M

**SALES**

\$1.1M

AVERAGE DAYS  
ON MARKET Q4 2023

40  
HOUSE

51  
UNIT

MEDIAN PRICE  
Q4 2023

\$1,175

**RENTALS**

\$780

AVERAGE DAYS  
ON MARKET Q4 2023

19  
HOUSE

18  
UNIT



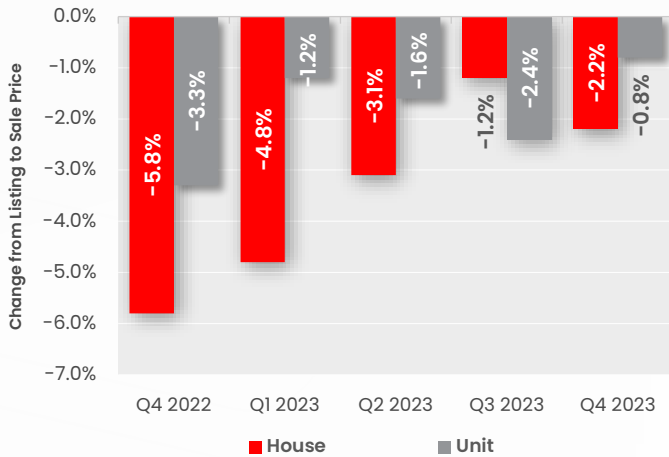
## AVERAGE VENDOR DISCOUNT\*

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.

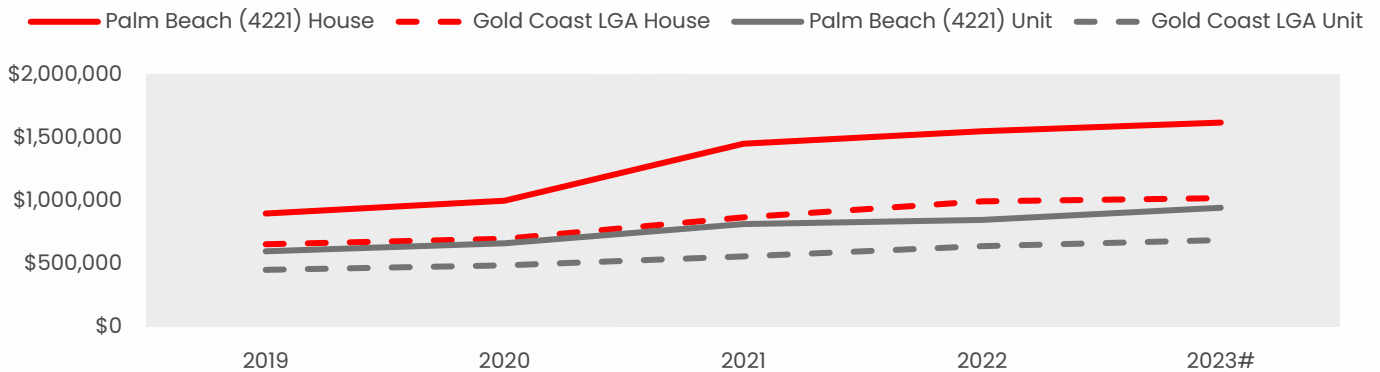
Average vendor discounts between Q4 2022 and Q4 2023 have tightened, to -2.2% for houses and -0.8% for units. There is a shift in market dynamics, one that still favour buyers, but shifting closer to a seller's market. Buyers now need to offer closer to the first list price. The peak of a discount has passed for both property types, in Q4 2022, thus those looking for a discount must act fast.

The suburb of Palm Beach has outperformed the wider Gold Coast Local Government Area (LGA) in both house and unit median prices for the past 5 years, especially in house prices. This continued to be the case in 2023#, even with slower price growth for both houses and units.

The dominant proportion of homes sold in Palm Beach\* across 2023# were in the premium price bracket above \$1,500,000 (60.3%). Units also recorded most sales in the premium market, of above \$950,000 (51.2%). The two most affordable price brackets are still available, more so for units (30.4%) than houses (20.5%). That said these price brackets have continue to shrink, thus opportunities for first home buyers are becoming limited.



## MARKET COMPARISON

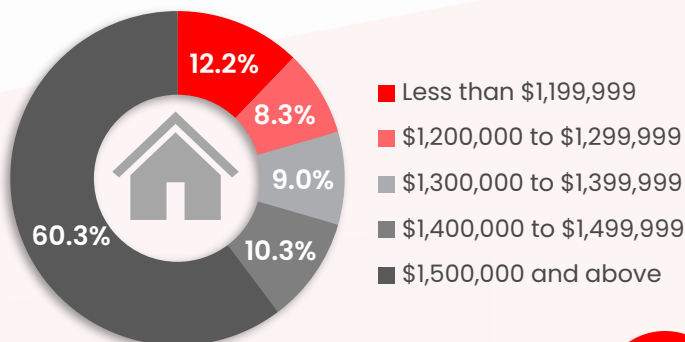


The market comparison graph provides a comparative trend for median price of houses and units over the past 5 years. The main LGA chosen was based on their proximity to the main suburb analysed, which is Palm Beach.

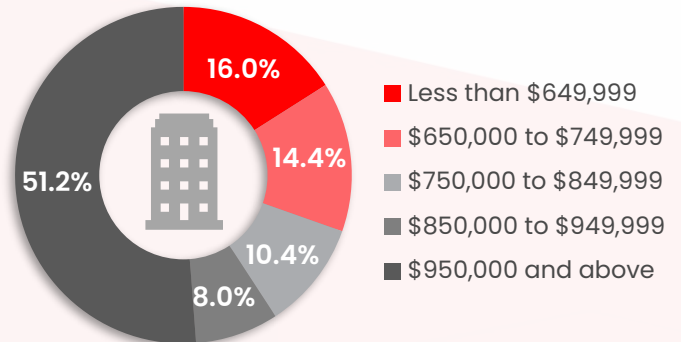


## PRICE BREAKDOWN 2023#

### HOUSES SOLD



### UNITS SOLD





## RENTAL GROWTH 2023

House rental yields in Palm Beach<sup>‡</sup> was 4.2% as of December 2023, higher than Gold Coast Main (4.0%) and Brisbane Metro (3.6%). This was due to the significant median houses rental price growth in the past 12 months, of 17.5%, outpacing median house sales price growth, of 4.8%. Q4 2023 median house rental price reached \$1,175 per week, and the number of houses rented declined by -23.7% (to 45 rentals). Thus an undersupplied and competitive house rental market.

3-bedroom houses have provided investors with +11.8% rental growth annually, achieving a median rent of \$950 per week.

Palm Beach<sup>‡</sup> recorded a vacancy rate of 1.0% in December 2023, slightly above the Gold Coast City LGA average (0.9%) but below Brisbane Metro (1.2%). Vacancy rates in Palm Beach<sup>‡</sup> saw a slight spike in late 2022 – early 2023, potentially due to investors coming back to the market and capitalising on a tight rental market. However it is still well below the Real Estate Institute of Australia's healthy benchmark of 3.0%. This confirms there is still a healthy rental demand and investors can be confident of a conducive investment environment in Palm Beach<sup>‡</sup>.

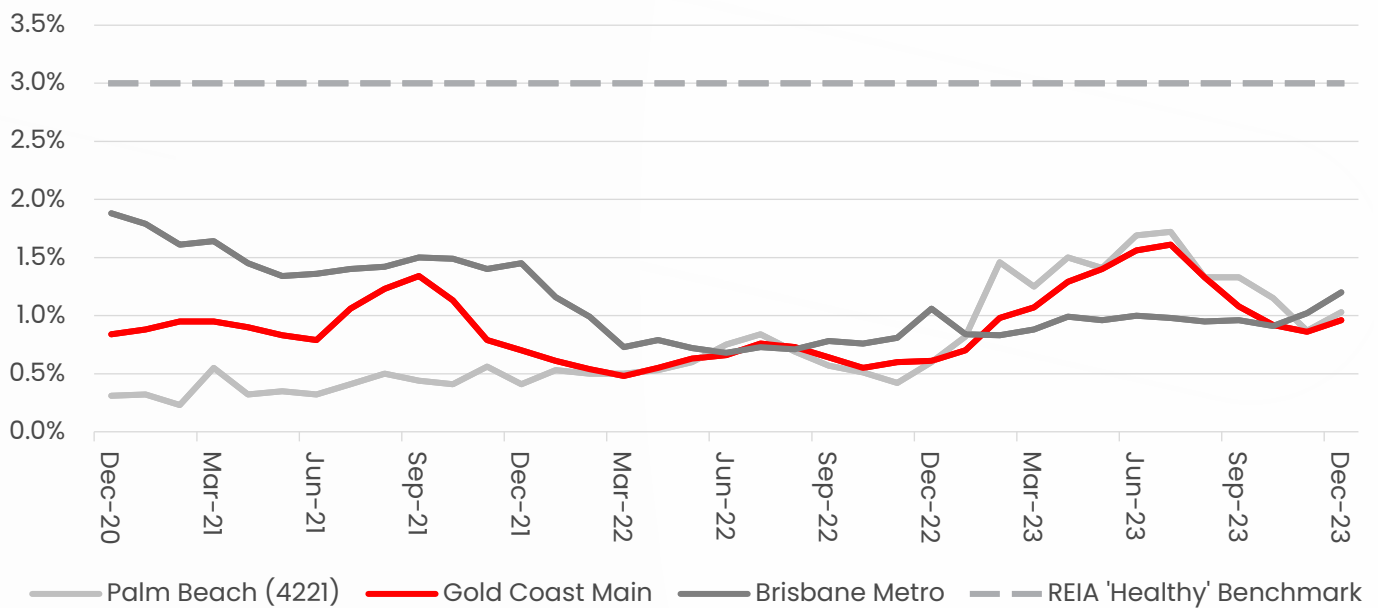
 2 BEDROOMS  
**+0.0%**

 3 BEDROOMS  
**+11.8%**

 4 BEDROOMS  
**+5.7%**



## RENTAL VACANCY RATES 2023



## RENTAL YIELD 2023<sup>§</sup>



**4.2%**

Palm Beach<sup>‡</sup>



**4.0%**

Gold Coast Main



**3.6%**

Brisbane Metro



**3.9%**

Palm Beach<sup>‡</sup>



**4.9%**

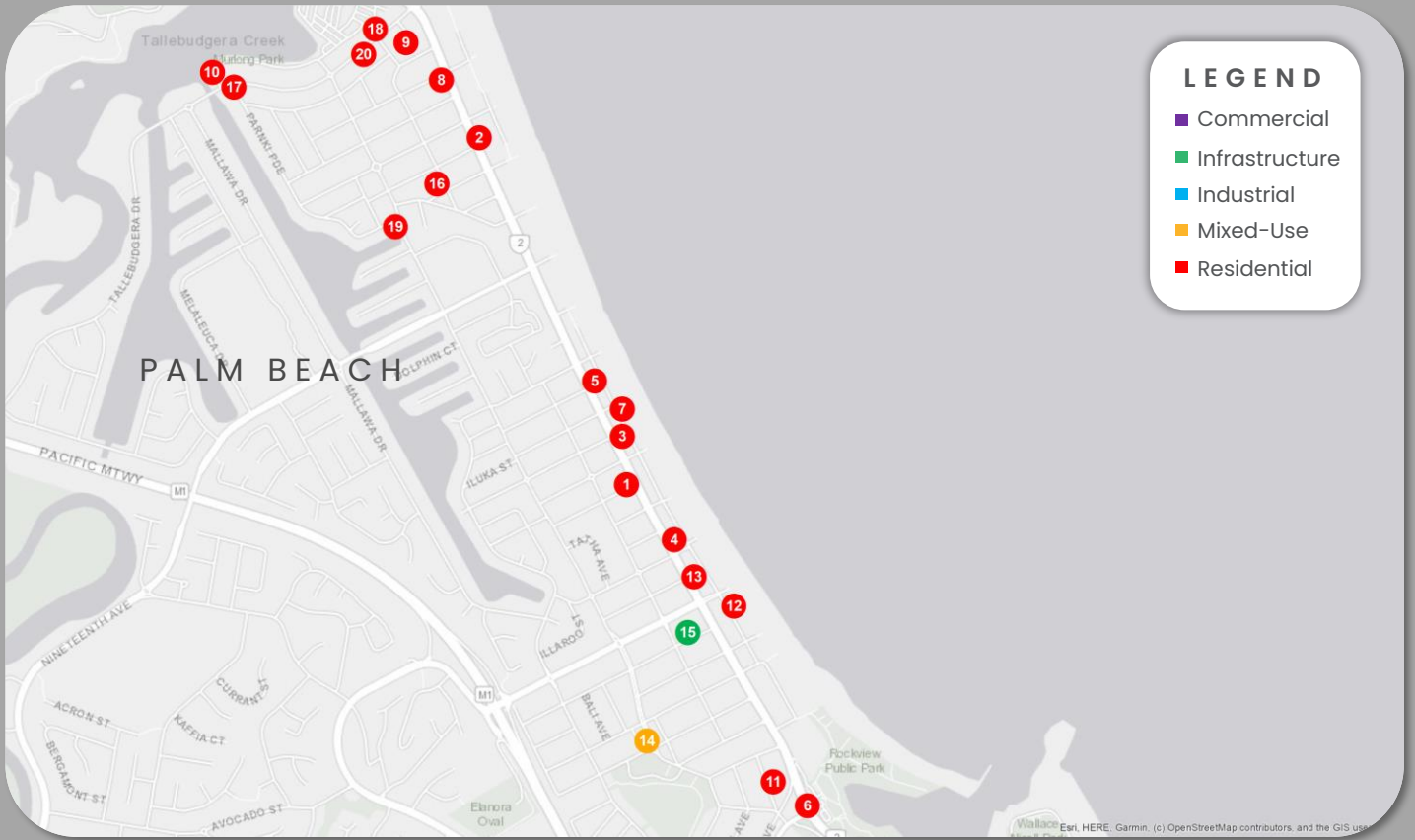
Gold Coast Main



**5.2%**

Brisbane Metro

# PROJECT DEVELOPMENT MAP 2024<sup>A</sup>



#	Project <sup>£</sup>	Type	Estimated Value <sup>µ</sup>	Commence Date <sup>ψ</sup>
1	1214-1220 Gold Coast Highway & Tenth Avenue Apartments Palm Beach (52 Apartments)	Residential	\$20,000,000	2024-01-29
2	Elevaire Palm Beach Apartments (41 Apartments)	Residential	\$20,000,000	2024-04-08
3	1177-1179 Gold Coast Highway & Jefferson Lane Apartments (38 Apartments)	Residential	\$17,000,000	2024-12-04
4	Ocean House Residences Palm Beach (10 Apartments)	Residential	\$14,000,000	2024-10-28
5	234-236 Jefferson Lane Apartments (16 Apartments)	Residential	\$11,500,000	2024-09-30
6	Perspective Nexus Palm Beach Apartments (34 Apartments)	Residential	\$10,200,000	2024-08-04
7	215-217 Jefferson Lane Apartments (9 Apartments)	Residential	\$10,000,000	2024-11-01
8	1466 Gold Coast Highway Apartments (9 Apartments)	Residential	\$8,500,000	2024-04-22
9	9 Nyrang Avenue Units (12 Units)	Residential	\$8,000,000	2024-09-30
10	42 Murlong Crescent Apartments Palm Beach (4 Apartments)	Residential	\$5,000,000	2024-09-02
11	7 Molucca Avenue Units (8 Units)	Residential	\$4,500,000	2024-10-23
12	71-73 Jefferson Lane Apartments (10 Apartments)	Residential	\$3,000,000	2024-12-17
13	1079 Gold Coast Highway Units (5 Units)	Residential	\$2,000,000	2024-12-20
14	Lakewood Shopping Centre Palm Beach Offices & Shop	Mixed-use	\$1,800,000	2024-10-28
15	Palm Beach Community Health Clinic Upgrade (QLD Government)	Infrastructure	\$1,600,000	2024-08-06
16	382-384 Cypress Terrace North Villas (5 Villas)	Residential	\$1,500,000	2024-10-26
17	85 Tallebudgera Drive Dual Occupancy & Dwelling (1 Dual Occupancy + 1 Dwelling)	Residential	\$1,500,000	2024-09-27
18	15 Tallebudgera Drive Units (4 Units)	Residential	\$1,200,000	2024-11-22
19	The Boat House Palm Beach Units (4 Units)	Residential	\$1,200,000	2024-12-30
20	26 Tallebudgera Drive Villas (4 Villas)	Residential	\$1,200,000	2024-10-17

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## RESEARCH SERVICES

Our research services span over every suburb, LGA, and state within Australia; captured in a variety of standard and customised products, and include:

- Advisory and consultancy
- Market analysis including profiling and trends
- Primary qualitative and quantitative research
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- Geographic information mapping
- Project analysis including product and pricing recommendations
- Rental and investment return analysis

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### Michael Power

 +61 407 136 700

 michaelpower@prd.com.au

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## PRD Palm Beach

*Your trusted local real estate agency*

 +61 7 5534 6044

 prdpalmbeach@prd.com.au

 [PRD.com.au/palm-beach/](http://PRD.com.au/palm-beach/)

 40-42 Palm Beach Avenue  
Palm Beach, QLD, 4221

## REFERENCES

\* Palm Beach sales market data and key indicators encapsulates aggregate property market conditions within the suburb of Palm Beach.

\*\* 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 all of 2023 (01/01/2023 – 31/12/2023).

€ Annual rental growth is a comparison between Q4 2022 (01/10/2022 – 31/12/2022) and Q4 2023 (01/10/2023 – 31/12/2023) house median rent figures.

¥ Palm Beach rental market data encapsulates aggregate property conditions within the postcode of 4221.

§ Rental yields shown are as reported as of December 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 suburb of Palm Beach.

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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