

## Tweed Heads Market Update 1<sup>st</sup> Half 2024



### OVERVIEW

In Q4 2023, Tweed Heads\* recorded a median house price of \$946,750 and a median unit price of \$800,000. This represents annual (Q4 2022 – Q4 2023) softening of -18.4% for houses and 22.1% growth for units. On a quarterly basis (Q3 – Q4 2023) median prices declined, by -17.7% for houses and -6.0% for units. In this time sales decreased by -28.6% (to 15 sales) for houses but surged by 41.2% (to 96 sales) for units. The market is reflective of two things: higher interest rates and cautious buyers, thus a softer market on a quarterly basis; and a big undersupply in houses, which lead to a more demanded unit market and resilient pricing.

#### CHANGE FROM LAST YEAR HALF YEAR



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

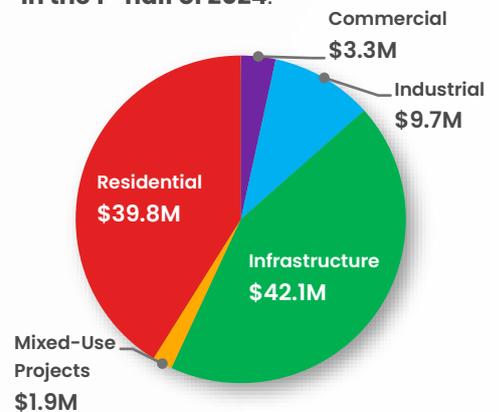


	YEAR	HALF YEAR
UNIT SALES	↑	↑
UNIT MEDIAN PRICE	↑	↑
UNIT RENTAL PRICE	↔	↓



### FUTURE DEVELOPMENTS

Tweed Heads will see approximately **\$96.8M of new projects commencing in the 1<sup>st</sup> half of 2024.**



These projects will stimulate economic growth and create local job opportunities in Tweed Heads. This will have a spill-over impact on the real estate market, in the form of higher demand for housing.

A main infrastructure project in 1<sup>st</sup> half of 2024 is the Tweed Head Council's Murwillumbah Works Depot (\$38.8M). This is will construct a new depot for fleet vehicles, plant and machinery.

Other residential projects include:

- 93 Kingscliff St (2 townhouses and 1 dwelling)
- 15 Florence St (12 apartments)

Most of the new stock planned are units, which suggest the undersupply in ready-to-sell houses will remain. This will lead to a market recovery in house prices and potentially a more sustainable growth in unit prices.



### MARKET CONDITIONS

MEDIAN PRICE  
Q4 2023



\$947K



\$800K

SALES

AVERAGE DAYS  
ON MARKET Q4 2023



49  
HOUSE



47  
UNIT

RENTALS

MEDIAN PRICE  
Q4 2023



\$740



\$650

AVERAGE DAYS  
ON MARKET Q4 2023



29  
HOUSE



23  
UNIT



69 Units/  
Apartments



18  
Townhouses



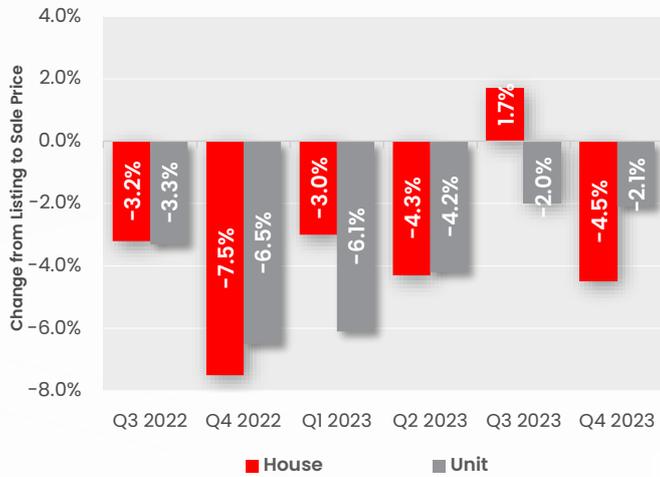
1  
Dwellings



## 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 -4.5% for houses and -2.1% for units. The peak of a discount has passed (in Q4 2022). The market in Tweed Heads\* still favour buyers, as vendors willing to accept below the initial listing prices. That said Q4 2023 saw the tightest average vendor discount for units, which suggest there is a more competitive market.

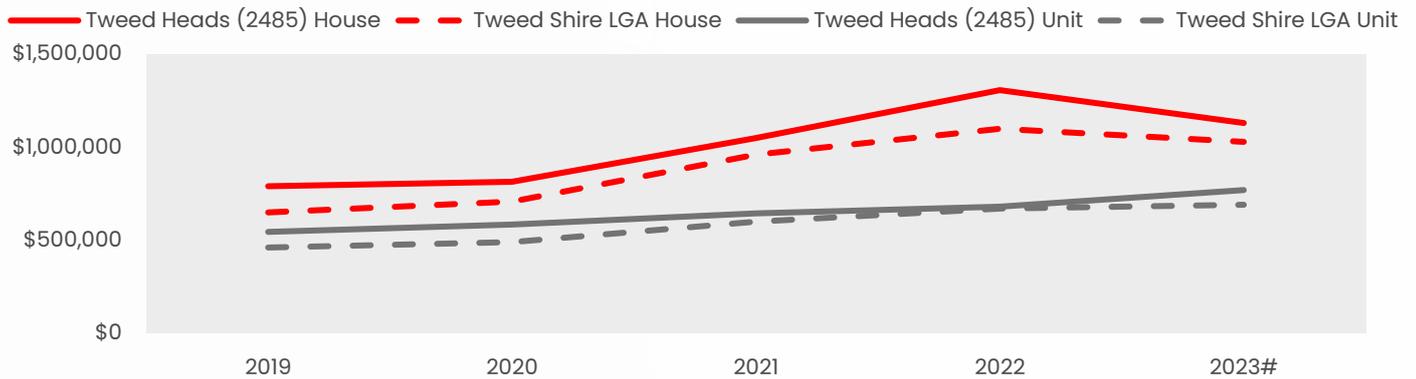


The suburb of Tweed Heads has outperformed the Tweed Shire Local Government Area (LGA) in house median price for the past 5 years. 2023# saw the same pattern continue, with slower growth for both the suburb and LGA; thus, an ideal time for buyers. The unit market prove to be resilient.

The dominant proportion of homes sold in Tweed Heads\* across 2023# were in the premium price bracket above \$1.1M (56.6%). Affordable options are available, with 17.0% sold at less than \$799,999. Most of the units sold were in the most affordable price point, of less than \$699,999 (40.5%). That said the premium market remain strong, with 21.8% of units sold at \$1.0M and above. Overall, there are opportunities for buyers and sellers, regardless of the budget.



## MARKET COMPARISON

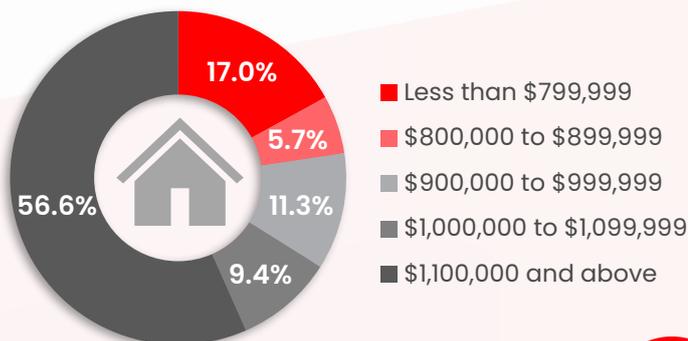


The market comparison graph provides a comparative trend for median price of houses and units over the past 5 years. The main LGA chosen was based on their proximity to the main suburb analysed, which is Tweed Heads.

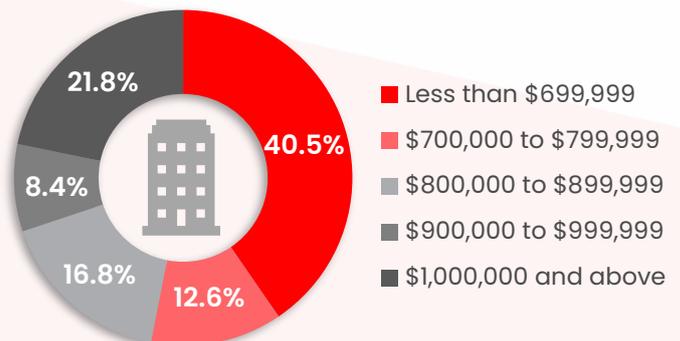


## PRICE BREAKDOWN 2023#

### HOUSES SOLD



### VACANT UNITS SOLD





## RENTAL GROWTH 2023

House rental yields in Tweed Heads<sup>‡</sup> was 3.0% as of December 2023, lower than Tweed Shire LGA (3.9%). There was a softening in median house rental price in the past 12 months, now at \$740 per week; and a 27.3% surge in the number of houses rented. Average day on the market continue to decline, by -6.5%, to 29 days. The rental market is beneficial to renters and investors – a more affordable price for renters and a more demanded market for investors.

2-bedroom houses have provided investors with a remarkable +19.6% rental growth annually, achieving a median rent of \$612 per week.

Tweed Heads<sup>‡</sup> recorded a vacancy rate of 0.7% in December 2023, lower than Tweed Shire LGA average (1.1%) and Gold Coast Main (1.0%). Vacancy rates increased in late 2022 – mid 2023, due to investors re-entering the market. However, it has notably decreased in the past 6 months due to more people being priced out of the sale market and opting to rent. This indicates solid rental demand and quicker occupancy. A 0.7% rate is well below the Real Estate Institute of Australia's healthy benchmark of 3.0%; thus, a conducive and sustainable environment for investors.

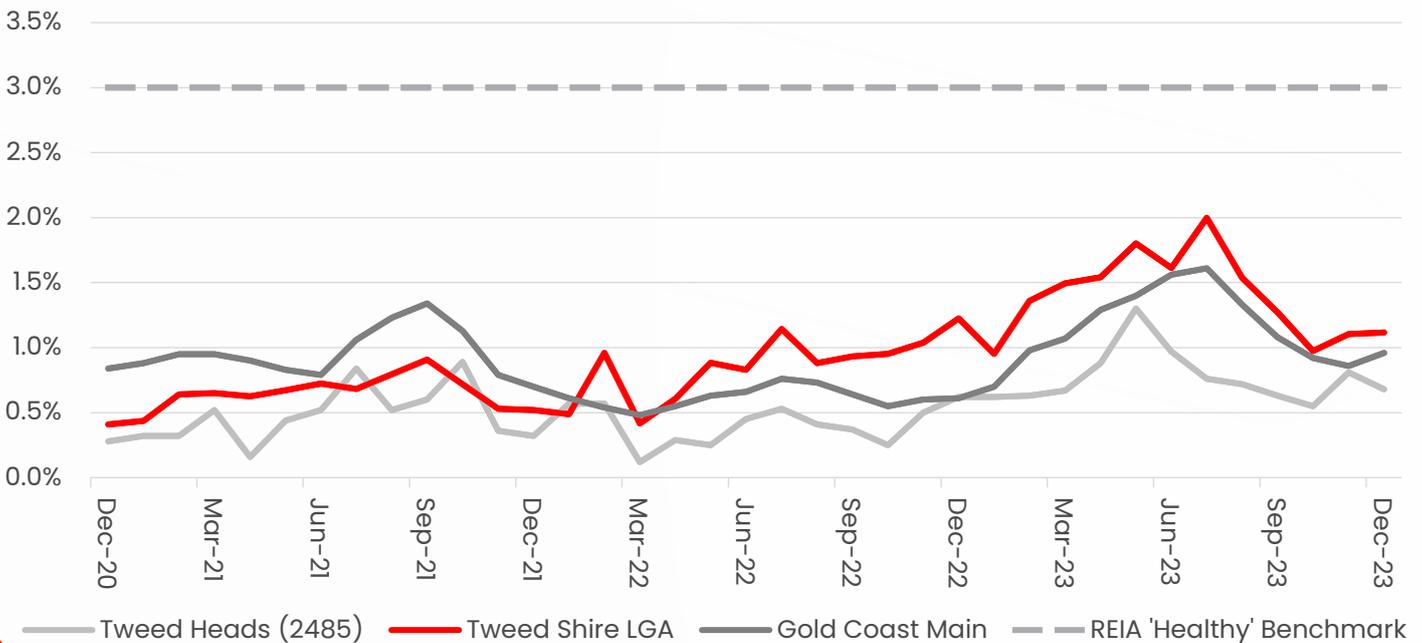
 2 BEDROOMS  
**+19.6%**

 3 BEDROOMS  
**+6.0%**

 4 BEDROOMS  
**-8.3%**



## RENTAL VACANCY RATES 2023



## RENTAL YIELD 2023<sup>§</sup>



**3.0%**

Tweed Heads<sup>‡</sup>



**3.9%**

Tweed Shire LGA



**4.0%**

Gold Coast Main



**5.7%**

Tweed Heads<sup>‡</sup>



**4.9%**

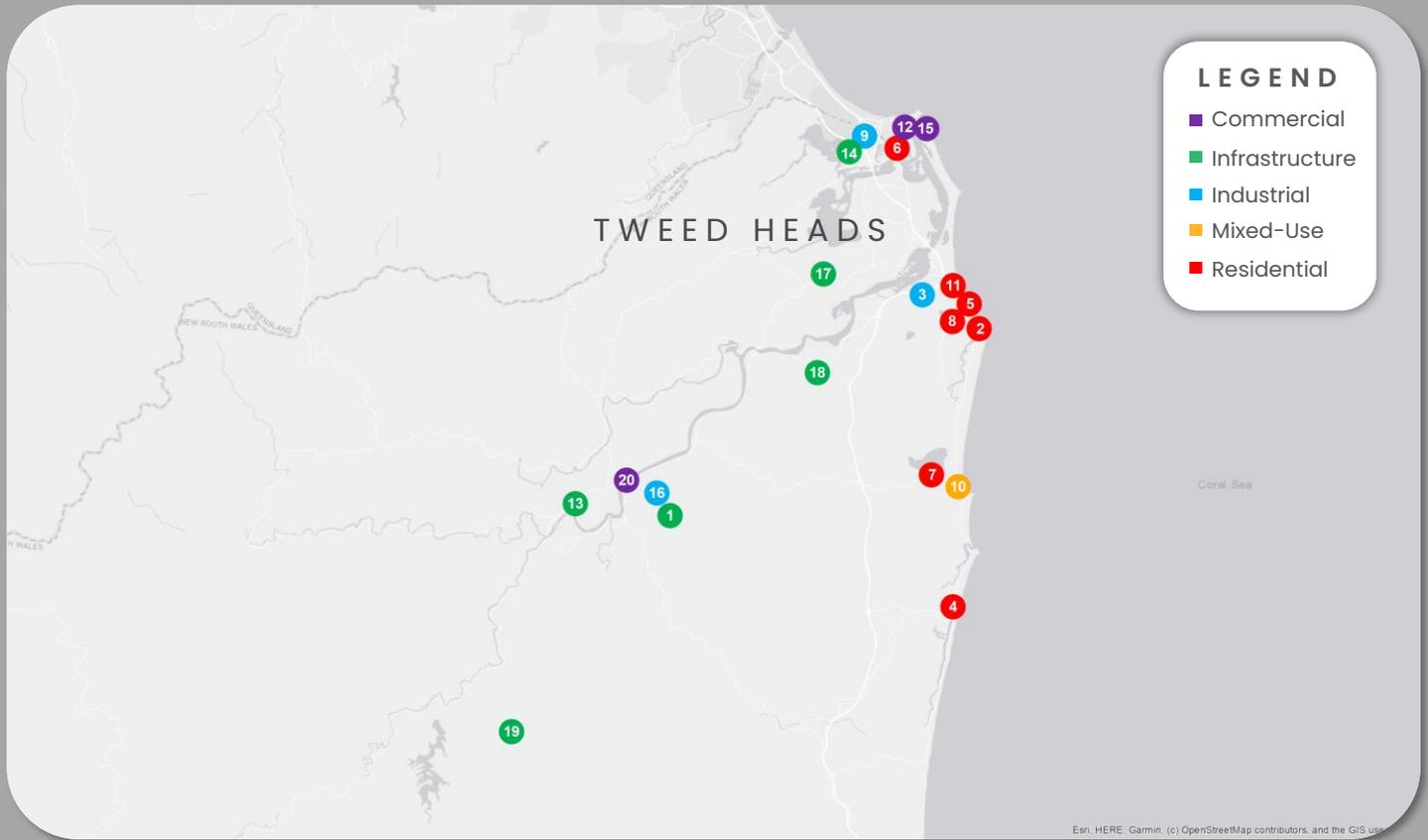
Tweed Shire LGA



**4.9%**

Gold Coast Main

# PROJECT DEVELOPMENT MAP 1<sup>st</sup> HALF 2024<sup>A</sup>



Esri, HERE, Garmin, (c) OpenStreetMap contributors, and the GIS user community

#	Project <sup>£</sup>	Type	Estimated Value <sup>µ</sup>	Commence Date <sup>ψ</sup>
1	Murwillumbah Works Depot (Local Government)	Infrastructure	\$38,800,000	2024-05-10
2	140 & 142 Marine Parade Apartments - Marine & Pearl (25 Apartments)	Residential	\$17,446,899	2024-03-20
3	26-28 Naru Street Industrial Development	Industrial	\$6,260,100	2024-04-19
4	7-9 Elanora Avenue Dual Occupancies (4 Townhouses)	Residential	\$5,999,881	2024-05-01
5	41 Kingscliff Street Residential Unit (13 Units)	Residential	\$5,000,000	2024-03-18
6	15 Florence Street Apartments (12 Apartments)	Residential	\$3,796,100	2024-05-20
7	10-12 Willow Avenue Townhouses (7 Townhouses)	Residential	\$3,255,000	2024-02-06
8	90 Pearl Street Apartments (9 Apartments)	Residential	\$2,655,000	2024-04-22
9	Storage King Coolangatta Tweed Heads Storage Facility Additions	Industrial	\$2,651,660	2024-06-06
10	Lylah Mixed Use Development (Residential - 10 Units & Commercial)	Mixed-use	\$1,900,000	2024-04-01
11	93 Kingscliff Street Dual Occupancy & Dwelling Stages 1-3 (2 Townhouses & 1 Dwelling)	Residential	\$1,672,708	2024-03-14
12	Twin Towns Club & Resort Tweed Heads Altns & Addns	Commercial	\$1,025,636	2024-05-11
13	Tweed Shire Council Pavement Stabilisation & Asphalt Works (Local Government)	Infrastructure	\$800,000	2024-04-12
14	Anchorage Islands Rotunda Timber Boardwalk Remediation (Local Government)	Infrastructure	\$800,000	2024-05-27
15	Jack Evans Boat Harbour Remediation Works	Commercial	\$800,000	2024-06-10
16	7-19 Honeyeater Circuit Light Industrial Buildings	Industrial	\$792,000	2024-06-03
17	Tweed Shire Council Reinforced Concrete Footpath & Ramps Program 2023/2024 (Local Government)	Infrastructure	\$700,000	2024-03-26
18	Tweed Recycling & Landfill Centre (Local Government)	Infrastructure	\$500,000	2024-06-12
19	Mt Jerusalem National Park & Nightcap National Park Campsites (State Government)	Infrastructure	\$500,000	2024-02-13
20	Perch Brewing Co	Commercial	\$450,000	2024-06-28

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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:

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- Geographic information mapping
- Project analysis including product and pricing recommendations
- Rental and investment return analysis

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## REFERENCES

\* Tweed Heads sales market data and key indicators encapsulates aggregate property market conditions within the Tweed Shire Local Government Area.

\*\* 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.

¥ Tweed Heads rental market data encapsulates aggregate property conditions within the postcode of 2485.

§ 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 Tweed Shire 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 Pricfinder, Cordell Connect database, SQM Research, Esri ArcGIS.

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