

Burleigh Heads Market Update 2nd Half 2024

OVERVIEW

In Q2 2024, Burleigh Heads* recorded a median house price of \$1,590,000, and a median unit price of \$925,000. This represents annual (Q2 2023 – Q2 2024) growth of 15.0% for houses and 5.7% for units. During this time house sales decreased, by -1.1% (to 178 sales), but remained stable for units (at 287 sales). This suggests an undersupply in the housing market and a highly demanded unit markets, creating a buffer against higher interest rates and resulting in price growth. Now is the time for owners to capitalise on their investments, especially houses. The unit market offers a slower paced price growth, creating an opportunity for buyers.

CHANGE FROM LAST YEAR HALF YEAR



HOUSE SALES



HOUSE MEDIAN PRICE



HOUSE RENTAL PRICE



UNIT SALES



UNIT MEDIAN PRICE

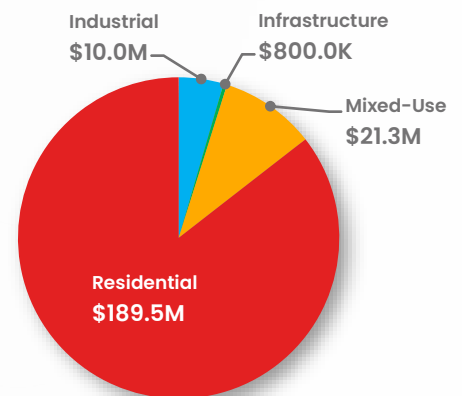


UNIT RENTAL PRICE



FUTURE DEVELOPMENTS

Burleigh Heads* will see approximately **\$221.6M of new projects commencing in the 2nd half of 2024.**



A focus on residential projects replenishes housing supply, providing the area with new ready-to-sell stock. This is crucial to ensure buyer's demands are met, which contributes to sustainable price growth.

A main mixed-use project is 223 Burleigh Connection Road Offices & Gymnasium, which will construct a 2-storey building to comprise offices, gymnasium & cafe on a vacant site.

Key residential projects include:

- Treetops North Precinct Burleigh Waters Units (129 Units)
- 234-236 Jefferson Lane Apartments (16 Apartments)
- 1929 Gold Coast Highway (55 units)

Although there are several residential projects planned projects, these are focused solely on adding new units. There are no plans for townhouses or stand-alone dwellings. The lack in new houses will place more pressure on an already undersupplied market, resulting in higher prices.



294 Units/
Apartments



MARKET CONDITIONS

MEDIAN PRICE
Q2 2024



\$1.5M



\$925K

SALES

AVERAGE DAYS
ON MARKET Q2 2024



HOUSE



UNIT

MEDIAN PRICE
Q2 2024



\$1,100



\$788

RENTALS

AVERAGE DAYS
ON MARKET Q2 2024



HOUSE

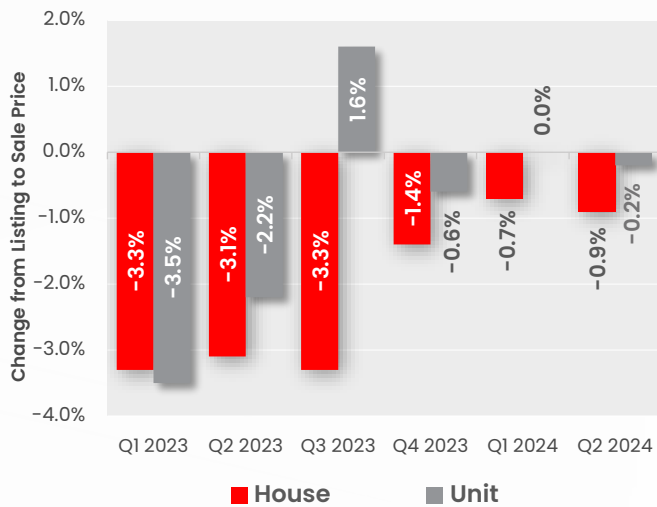


UNIT



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.



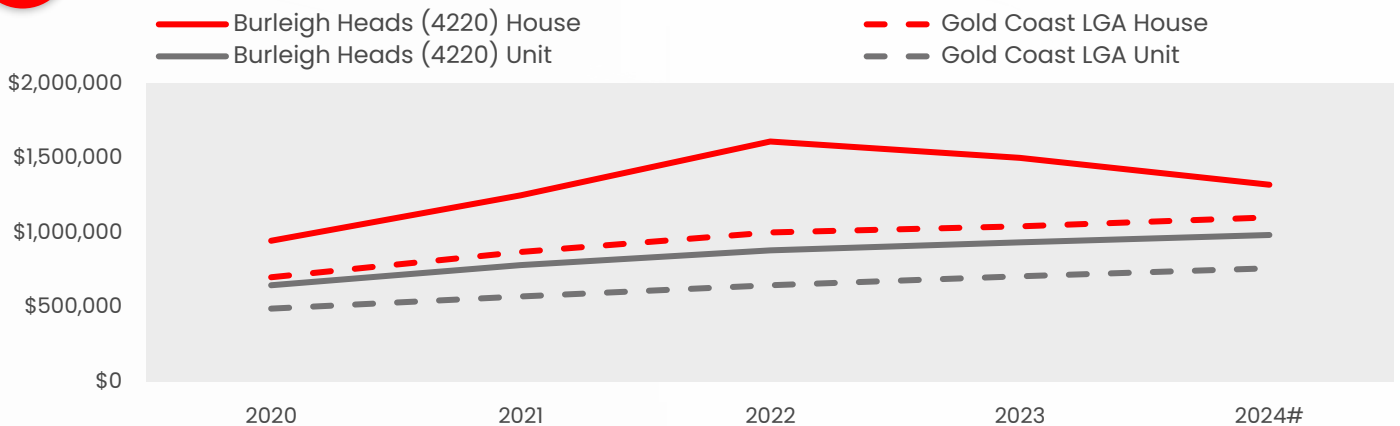
Average vendor discounts between Q1 2023 and Q2 2024 have significantly tightened, to -0.9% for houses and -0.2% for units. The peak of a discount has passed for both property types (in Q1 2023). Market conditions in Burleigh Heads* still favour buyers, with final sale prices below the first list price. However, the market is shifting towards a seller's market, which suggests buyers must act fast.

The suburb of Burleigh Heads has outperformed the wider Gold Coast Local Government Area (LGA) in both house and unit median prices for the past 5 years. Despite a softening in house prices, 2024# continues to see this trend continue – thus still a premium suburb than the LGA.

The dominant proportion of homes sold in Burleigh Heads* across 2024# were almost equally split between the most affordable price bracket less than \$1,299,999 (28.2%) and the premium market of \$1,900,000 and above (28.2%). Units recorded a dominant premium price point of above \$1,050,000 and above (44.8%). 23.7% of unit sales were in the most affordable bracket of less than \$749,999; creating an opportunity for first home buyers.



MARKET COMPARISON

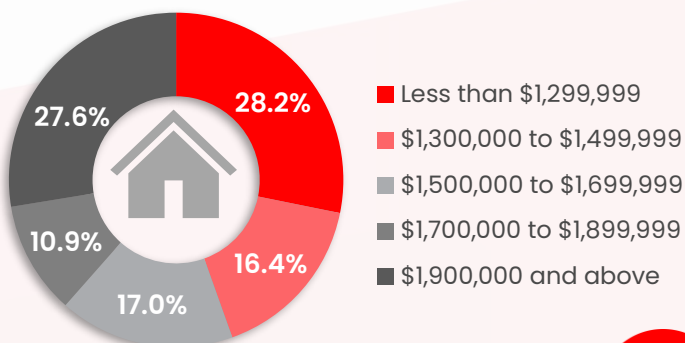


The market comparison graph provides a comparative trend for median price of houses and units over the past 5 years. The main LGA chosen was based on their proximity to the main suburb analysed, which is Burleigh Heads.

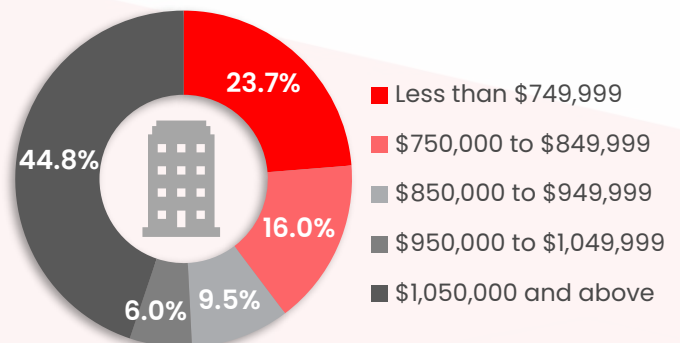


PRICE BREAKDOWN 2024#

HOUSES SOLD



UNITS SOLD





RENTAL GROWTH 2024€

House rental yields in Burleigh Heads[‡] was 3.3% as of June 2024, slightly below the Gold Coast (3.5%) and Brisbane Metro (3.4%). However median house rental price increased by 7.3% in the past 12 months to Q2 2024, at \$1,100 per week, and there was a 2.0% increase in the number of houses rented (to 100 houses). Average day on the market declined by -14.8%, to a low 23 days. This suggests a high demand and competitive house rental market, in good news for investors.

2-bedroom units have provided investors with +7.1% rental growth annually, achieving a median rent of \$750 per week.

Burleigh Heads[‡] recorded a vacancy rate of 1.5% in June 2024, below the Gold Coast City LGA average (1.7%) but higher than Brisbane Metro (1.1%). Vacancy rates have increased over the past 12 months, due to investors re-entering the market. Despite this, a 1.5% vacancy rate is well below the Real Estate Institution of Australia's healthy benchmark of 3.0%, indicating a tight rental demand and quicker occupancy of rental properties in Burleigh Heads[‡] market. This creates a conducive and sustainable environment for investors.



2 BEDROOMS

+0.0%



3 BEDROOMS

+0.0%

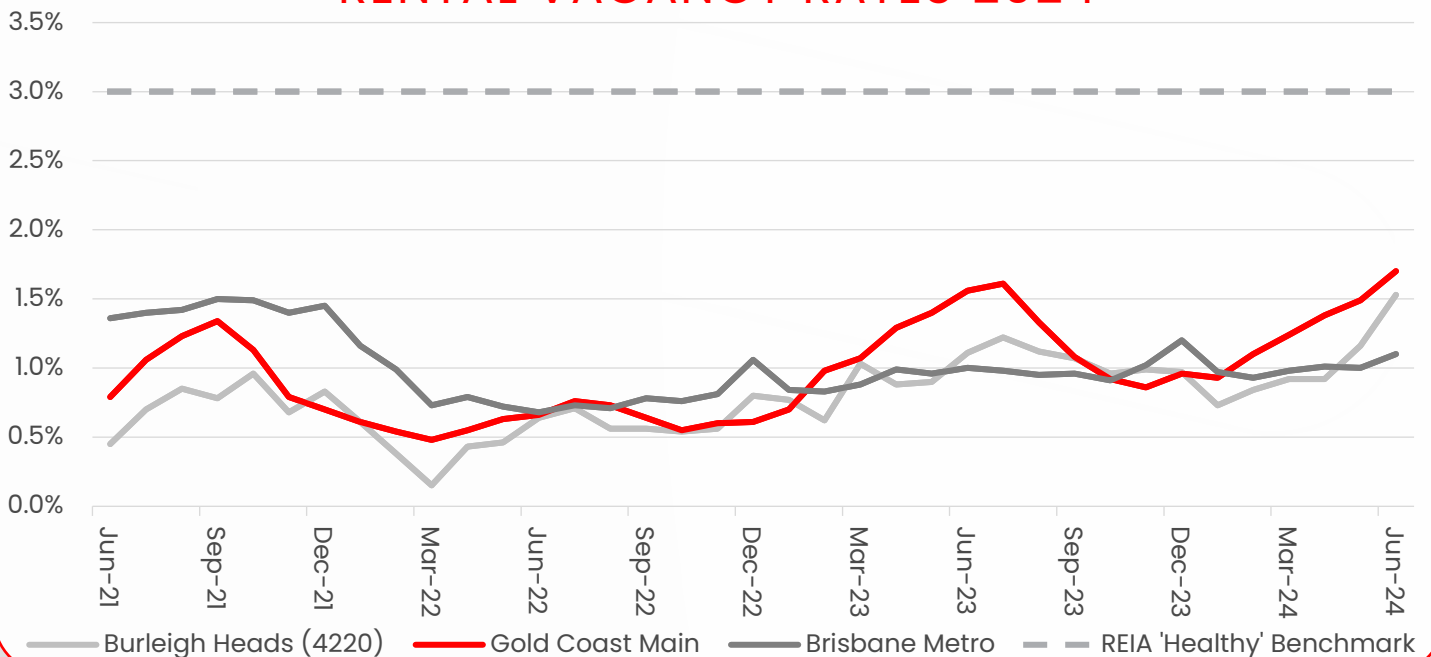


4 BEDROOMS

+0.0%



RENTAL VACANCY RATES 2024



RENTAL YIELD 2024§



3.3%

Burleigh
Heads[‡]



3.5%

Gold Coast
Main



3.4%

Brisbane
Metro



4.3%

Burleigh
Heads[‡]



4.8%

Gold Coast
Main

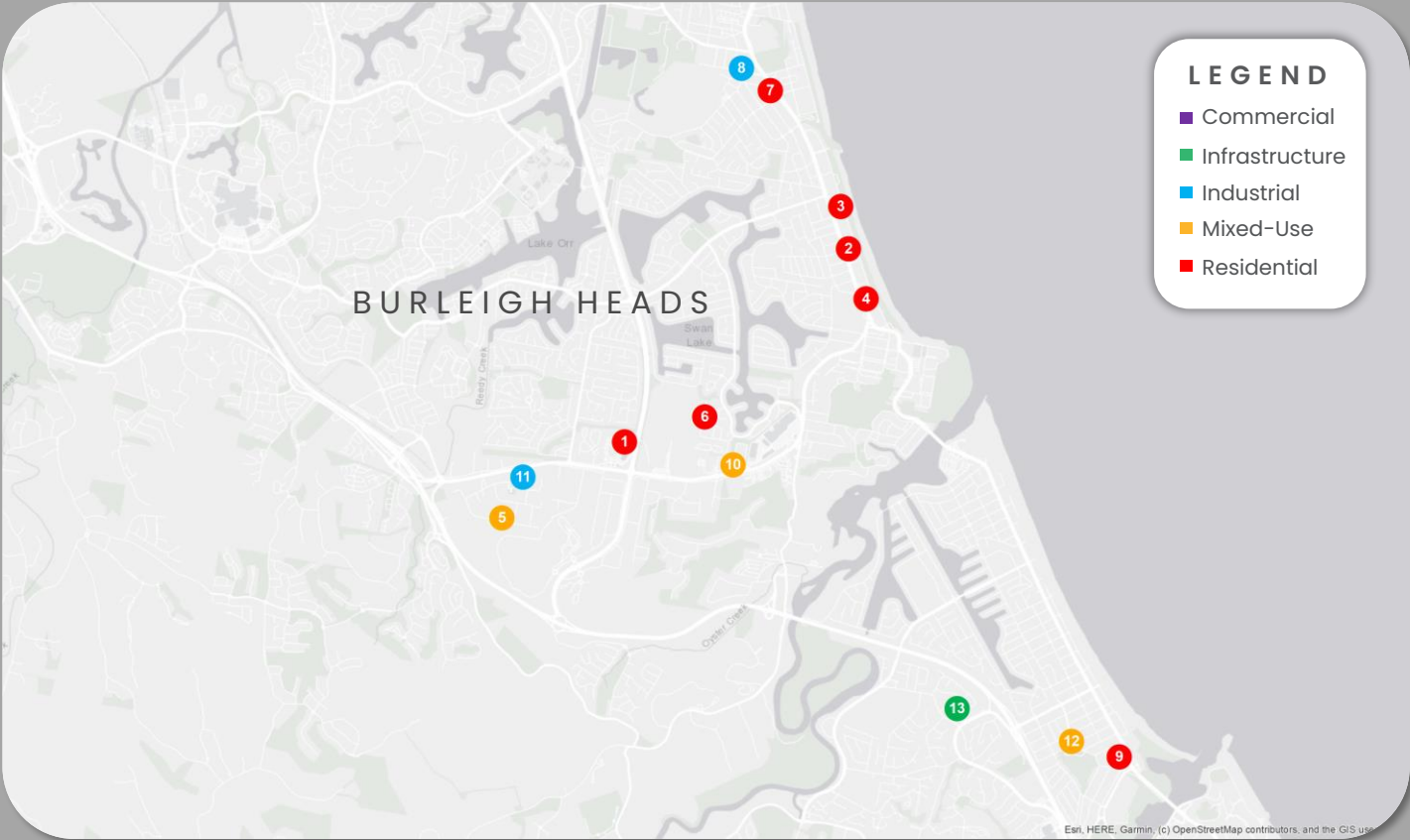


4.8%

Brisbane
Metro

PRD.

PROJECT DEVELOPMENT MAP 2nd HALF 2024^A



#	Project [£]	Type	Estimated Value ^µ	Commence Date ^ψ
1	Treetops North Precinct Burleigh Waters Unit (129 Units)	Residential	\$75,000,000	18/11/2024
2	1929 Gold Coast Highway Apartments (55 Apartments)	Residential	\$40,000,000	11/10/2024
3	216 The Esplanade Apartments (28 Apartments)	Residential	\$25,000,000	04/11/2024
4	1871 Gold Coast Highway Apartments (46 Apartments)	Residential	\$25,000,000	14/10/2024
5	Bidfood Burleigh Warehouse & Office (Commercial - Office + Industrial)	Mixed-use	\$15,000,000	04/11/2024
6	234-236 Jefferson Lane Apartments (16 Apartments)	Residential	\$11,500,000	30/09/2024
7	2100-2102 Gold Coast Highway Units (12 Units)	Residential	\$8,500,000	01/07/2024
8	Storage King Miami	Industrial	\$8,000,000	22/07/2024
9	7 Molucca Avenue Units (8 Units)	Residential	\$4,500,000	01/10/2024
10	223 Burleigh Connection Road Offices & Gymnasium (Commercial - Office + Retail)	Mixed-use	\$4,500,000	01/12/2024
11	The Vault Burleigh Heads Self Storage Units	Industrial	\$2,000,000	08/11/2024
12	Lakewood Shopping Centre Palm Beach Offices & Shop Alterations & Additions (Commercial - Office + Retail)	Mixed-use	\$1,800,000	28/10/2024
13	Elanora Linkage Park Landslip Remediation (State Government)	Infrastructure	\$800,000	11/11/2024



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

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14 The Esplanade

Burleigh Heads, QLD, 4220

REFERENCES

* Burleigh Heads sales market data and key indicators encapsulates aggregate property market conditions within the postcodes of 4220 and 4221.

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

2024 encapsulates sales transactions for 1st Half 2024 (01/01/2024 – 30/06/2024) only, other years encapsulates sales transactions for the full year (i.e 01/01 to 31/12 of the relevant year).

€ Annual rental growth is a comparison between Q2 2023 (01/04/2023 – 30/06/2023) and Q2 2024 (01/04/2024 – 30/06/2024) house median rent figures.

¥ Burleigh Heads rental market data encapsulates aggregate property conditions within the postcode of 4220.

§ Rental yields shown are as reported as of June 2024.

▲ 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 4220 and 4221.

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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