

PRD Tweed Heads Market Update 2nd Half 2023

Key Findings

1. In Q2 2023, Tweed Heads recorded a median house price of \$957,150, and a median unit price of \$688,500. This is an annual (Q2 2022 – Q2 2023) -14.3% softening for houses and growth of 0.5% for units. On a quarterly (Q1 2023 – Q2 2023) basis median house price softened at a lower rate, of -6.6%, and unit prices grew even further at 5.9%.
2. This suggests cash rate hikes translated into the market; however, consumer confidence is returning. Total house and unit sales increased annually and quarterly, thus there is high demand. Time is of the essence for those looking for a more affordable house market.
3. 2-bedroom houses have provided investors with +7.5% rental growth annually, achieving a median rent of \$570 per week. House rental yields in Tweed Heads was 3.5% in June 2023, above Tweed Shire LGA (3.2%).
4. A total of \$164.5M in project development is scheduled for the 2nd half of 2023, mainly focusing on the commercial sector. Approximately 18 units, 32 dwellings, 452 lots, and 15 townhouses are planned, which will assist in answering some of the current market demand.
5. Vacancy rates in Tweed Heads were a low 1.0% in June 2023, indicating strong rental demand. Vacancy rates in Tweed Heads grew slightly in the past 12 months, due to investors returning and capitalising on the tight market. However, 1.0% vacancy rate is still a very low reading. This suggests quicker rental occupancy and creates a conducive environment for investors.