

PRD Coolangatta Market Update 2nd Half 2023

Key Findings

1. In Q2 2023, Coolangatta recorded a median house price of \$1,000,000, and a median unit price of \$690,000. This represents annual (Q2 2022 – Q2 2023) growth of 1.5% (house) and 7.1% (unit). That said on a quarterly (Q1 – Q2 2023) basis, median house price growth remained 1.5%, but tapered slightly to 5.3% for units.
2. In the past 12 months to Q2 2023 the number of houses sold declined by -17.8%, thus an undersupply fuelling price growth. Cash rate hikes have had a mild impact on the market. However due to the market undersupply, buyers looking for a more affordable market must act fast.
3. 4+ bedroom houses have provided investors with +10.7% rental growth annually, achieving a median rent of \$830 per week. House rental yields in Coolangatta was 2.5% in June 2023, below Gold Coast Main (3.8%) and Tweed Shire (3.2%).
4. A total of \$6.4B in project development is scheduled for the 2nd half of 2023, mainly focusing on the infrastructure sector. Approximately 65 units are planned in the area, which assist with high demand. However, there is still an absence in ready-to-sell houses, which will put more pressure on house prices in the future.
5. Vacancy rates in Coolangatta were a low 1.8% in June 2023, returning to pre-covid 19 levels. However, a 1.8% vacancy rate is quite a low reading and well below the Real Estate Institute of Australia's healthy 3.0% benchmark. Overall, this still points to quicker rental occupancy and thus a conducive investment environment.