



Tweed Heads Market Update 2nd Half 2023



OVERVIEW

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%. 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.

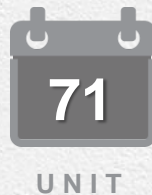
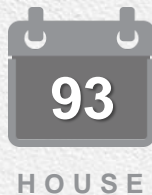
	CHANGE FROM LAST	YEAR	HALF YEAR
 House Sales		↑	↑
House Median Price		↓	↓
House Rental Price		↓	↓
 Unit Sales		↑	↑
Unit Median Price		↑	↑
Unit Rental Price		↑	↑

MARKET CONDITIONS

SALES MEDIAN PRICE Q2 2023



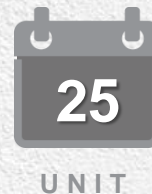
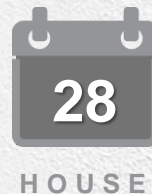
SALES AVERAGE DAYS ON MARKET Q2 2023



RENTAL MEDIAN PRICE Q2 2023

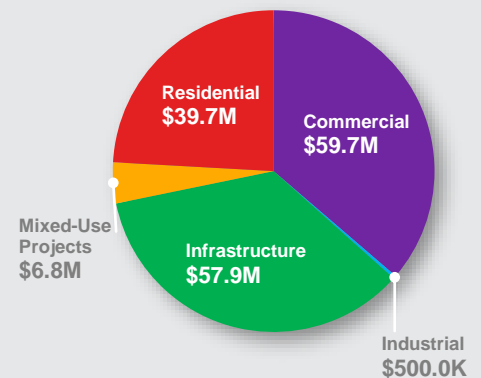


RENTAL AVERAGE DAYS ON MARKET Q2 2023



FUTURE DEVELOPMENTS

Tweed Heads* is set to see approximately **\$164.5M** worth of new projects commencing in the 2nd half of 2023.



These projects will stimulate economic growth and create large employment opportunities in Tweed Heads, which should have a positive spill-over impact on the real estate market.

A main infrastructure project over the 2nd half of 2023 is the Claire Hall Dam Raising (\$50.0M). This will increase the dam wall height by 8m, allowing for increased water supply to Tweed Shire until 2065. This improves liveability for residents.

The Cobaki Lakes Residential Development (\$20.9M) is a major residential project commencing over the 2nd half of 2023. The project is set to add 464 residential lots, and associated infrastructure including school, and shopping lots.

There is some ready-to-sell stock planned, however it is not enough. Thus price pressures will continue.



18 Units/
Apartments



15
Townhouses



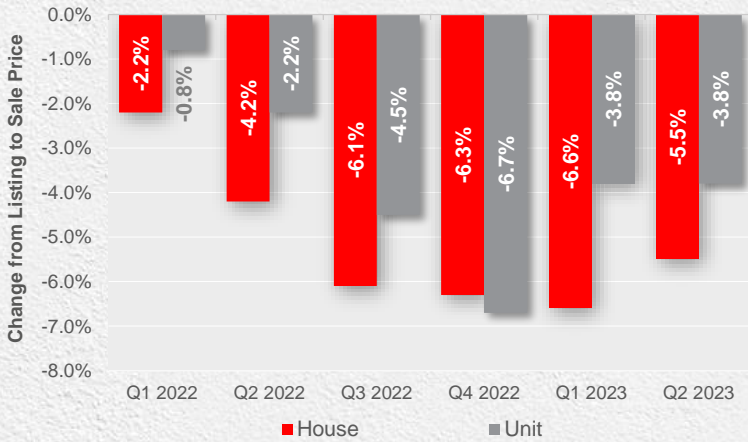
32
Dwellings



452 Lots

AVERAGE VENDOR DISCOUNT* KEY COMMENTS

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.

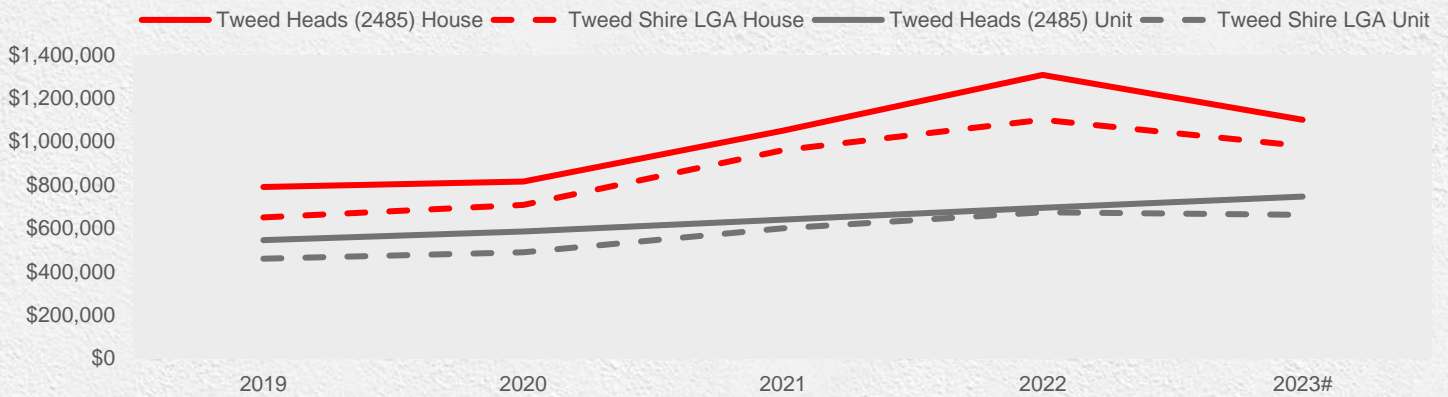


Average vendor discounts between Q2 2022 and Q2 2023 have widened to a lower discount of -5.5% for houses and -3.8% for units. The market conditions in Tweed Heads* still favour buyers, as vendors are willing to accept below the initial listing price. That said, Q2 2023 average vendor discount are slightly tighter than the past 6 months, thus buyers must act fast.

The suburb of Tweed Heads has outperformed the Tweed Shire Local Government Area (LGA) in house and unit median prices for the past 5 years. 2023# sees the same pattern of slower price growth for both the suburb and LGA, thus an opportunity for buyers.

The dominant proportion of homes sold in Tweed Heads* across 2023# were in the premium priced bracket of above \$1,150,000 (40.1%). Units also had a dominance in the premium price bracket of \$750,000 and above (39.9%). That said there is almost a similar amount of sales in the more affordable and mid-range price brackets, in good news for buyers.

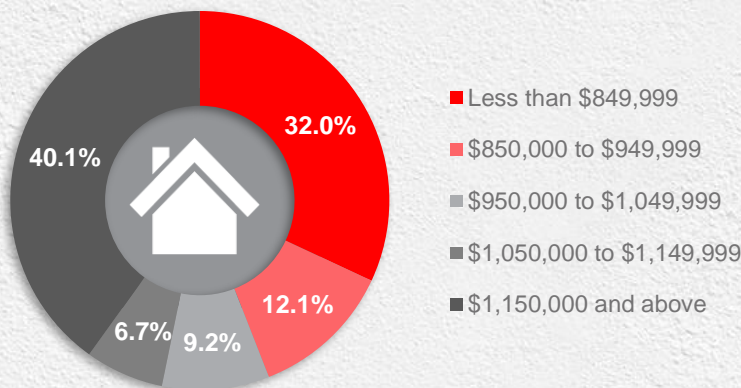
MARKET COMPARISON



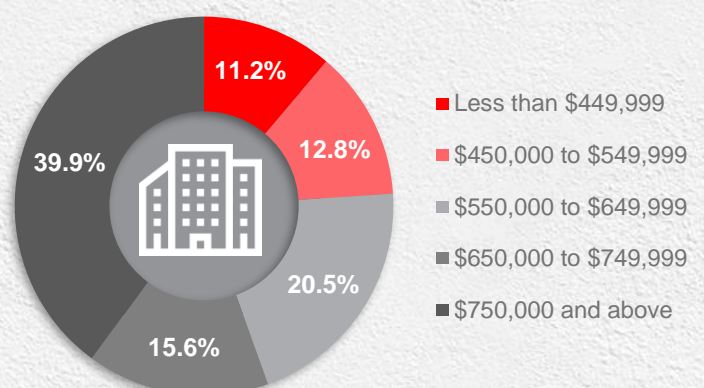
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Tweed Heads.

PRICE BREAKDOWN 2023#

HOUSES SOLD



UNITS SOLD

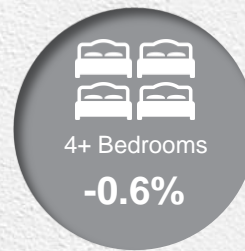


RENTAL GROWTH 2023€

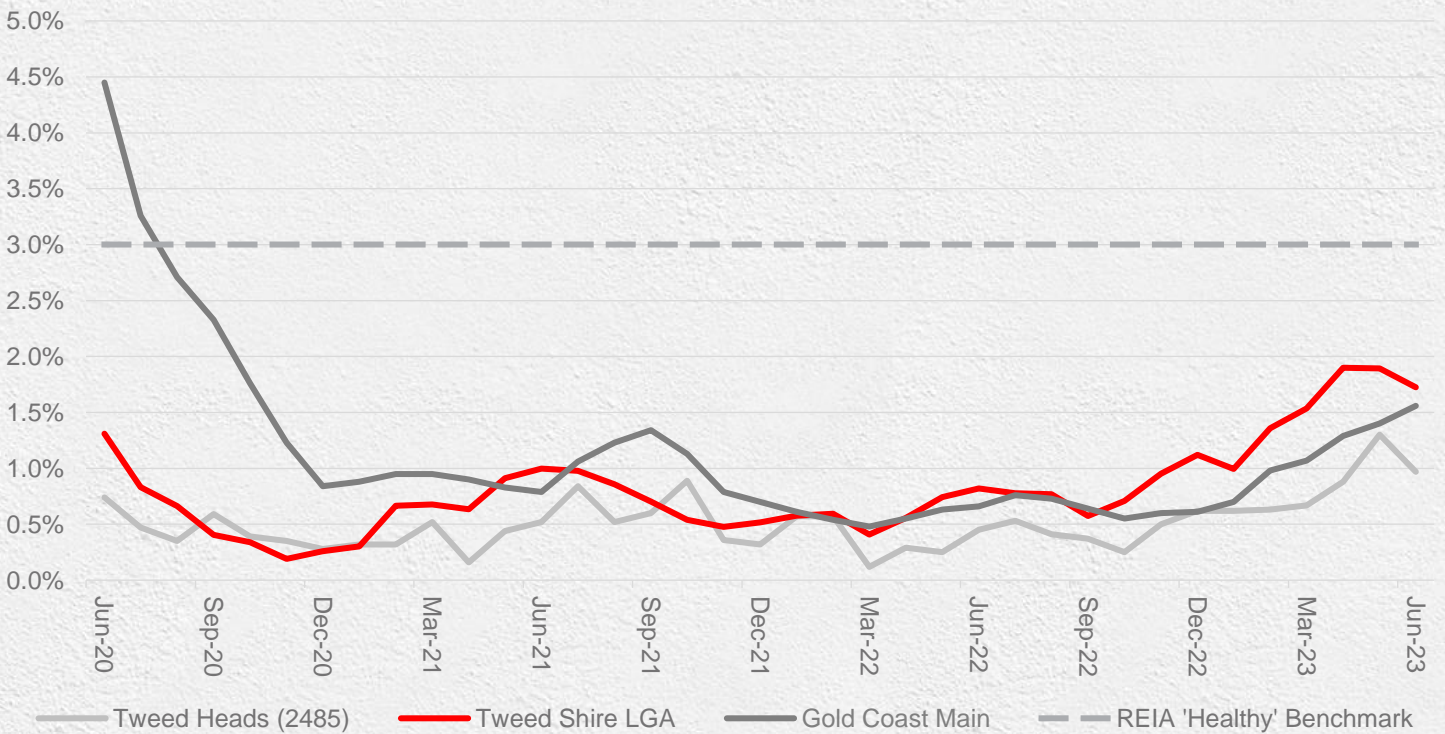
House rental yields in Tweed Heads* was 3.5% in June 2023, above Tweed Shire LGA (3.2%). Although median house rental price did soften by -2.7% (to \$798 per week) in the past 12 months to Q2 2023, there was a 34.7% increase in the number of houses rented (291 rentals). With a lower median house sale price in the past 12 months this created a resilient house rental yield. Median unit price increased by 6.6% (to \$650 per week) and number of units rented grew by 32.3%.

2 bedroom houses have provided investors with +7.5% rental growth annually, achieving a median rent of \$570 per week.

Tweed Heads* recorded a vacancy rate of 1.0% in June 2023, below Gold Coast Main (1.6%) and Tweed Shire LGA (1.7%) average. 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 and well below the Real Estate Institute of Australia's healthy 3.0% benchmark. This suggests quicker rental occupancy and creates a conducive environment for investors.



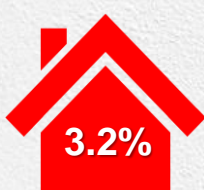
RENTAL VACANCY RATES 2023



RENTAL YIELD 2023\$



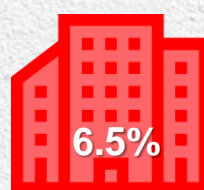
Tweed Heads (Postcode 2485)*



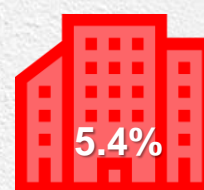
Tweed Shire LGA



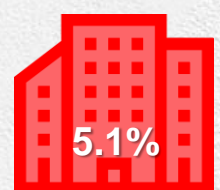
Gold Coast Main



Tweed Heads (Postcode 2485)*



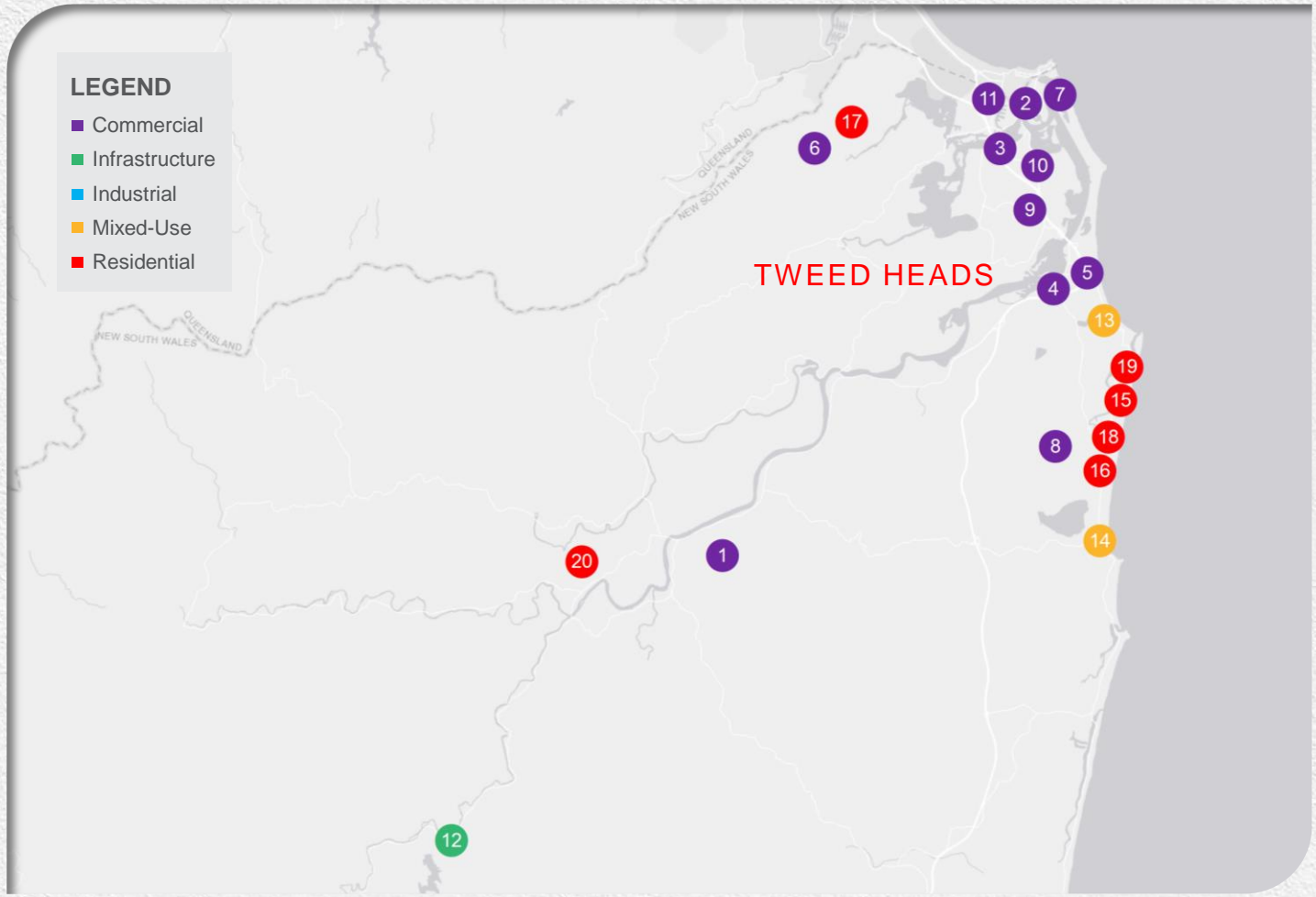
Tweed Shire LGA



Gold Coast Main



TOP DEVELOPMENTS MAP 2nd HALF 2023[Ⓐ]



Location	Project [£]	Type	Estimated Value [Ⓜ]	Commence Date [Ⓟ]
1	Quarry Road & Lundberg Drive Industrial Development	Commercial	\$1,700,000	18/10/2023
2	31 Boyd Street Boarding House	Commercial	\$2,750,000	14/12/2023
3	108-110 Dry Dock Road Tourist Accommodation Buildings Stages 1-6	Commercial	\$11,985,000	10/10/2023
4	Altona Road Earthworks & Drainage	Commercial	\$6,841,000	12/12/2023
5	Cudgen Leagues Club Refurbishment	Commercial	\$5,747,000	18/09/2023
6	Cobaki Lakes Estate Bulk Earth Works Precinct 10, 11 & 12 Stage 1	Commercial	\$5,000,000	01/12/2023
7	6 Florence Place Boarding House	Commercial	\$4,800,000	11/12/2023
8	Kings Forest Service Station	Commercial	\$4,500,000	15/12/2023
9	Banora Village Shopping Centre Alterations & Additions	Commercial	\$4,419,000	06/12/2023
10	Tweed City Shopping Centre	Commercial	\$1,751,000	04/09/2023
11	27-47 Ourimbah Road Bus Depot Alterations & Additions	Commercial	\$3,100,000	03/12/2023
12	Clarrie Hall Dam Raising	Infrastructure	\$49,509,000	18/12/2023
13	26 Marine Parade Apartments & Retail Premises (3 units)	Mixed-use	\$3,970,000	12/12/2023
14	Lylah Mixed Use Development (10 units)	Mixed-use	\$1,900,000	30/10/2023
15	65 Cylinders Drive Apartments & Food & Drink Premises (5 units)	Residential	\$3,200,000	04/12/2023
16	Kamala Terraces (9 Townhouses)	Residential	\$3,000,000	22/10/2023
17	Cobaki Lakes Residential Development Precincts 6 & 7 (452 Lots)	Residential	\$20,880,000	06/11/2023
18	Cylinders Drive Dwellings (3 Dwellings)	Residential	\$2,750,000	18/10/2023
19	19 Sutherland Street Dual Occupancies Stages 1-3 (6 Dwellings)	Residential	\$3,250,000	10/11/2023
20	42 North Arm Road Dwellings Stages 1 & 2a-2r (18 Dwellings)	Residential	\$4,108,000	15/12/2023



OUR SERVICES INCLUDE

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

OUR KNOWLEDGE

Access to accurate and objective research is the foundation of all good property decisions.

OUR PEOPLE

Our research team is made up of highly qualified researchers who focus solely on property analysis.

OUR SERVICES

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



Jason Abbot

Principal

M +61 418 727 977

E jason@prdTweedHeads.com.au



PRD Tweed Heads

PRD Tweed Heads

P +61 7 5536 5526

F +61 7 5536 7066

PRD.com.au/TweedHeads

Suite 3, 56 Griffith Street
Tweed Heads QLD 4225

REFERENCES

* Tweed Heads data and key indicators encapsulates aggregate property 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 2023 (01/01/2023 – 30/6/2023) only.

€ Annual rental growth is a comparison between Q2 2022 (01/04/2022 – 30/06/2022) and Q2 2023 (01/04/2023 – 30/06/2023) house median rent figures.

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

§ Rental yields shown are as reported as of June 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 Pricerfinder, Cordell Connect database, SQM Research, Esri ArcGIS.

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