





BURLEIGH HEADS AND SURROUNDS MARKET UPDATE

2nd Half 2019



OVERVIEW

In Q3 2019, Burleigh Heads* recorded a median house price of \$795,000, and a median unit price of \$480,000. This represents annual (Q3 2018 – Q3 2019) median price softening of -4.8% for houses and a growth of 3.2% for units. At the same time sales transactions slowed, by -31.1% for houses and by -44.3% for units. However, over the last six months Burleigh Heads* has begun to see an increase in buyer activity, which has led to a spike in houses prices.

	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 Q3 2019



SALES AVERAGE DAYS ON MARKET Q3 2019



RENTAL MEDIAN PRICE Q3 2019

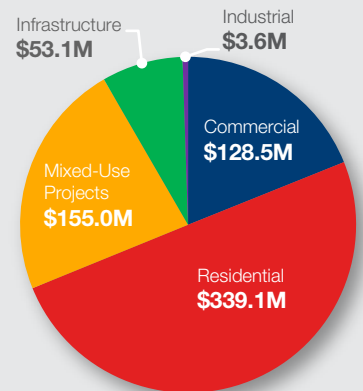


RENTAL AVERAGE DAYS ON MARKET Q3 2019



FUTURE DEVELOPMENTS

The Burleigh Heads* area is set to see approximately **\$679.3M** worth of new projects in the 2nd half of 2019.



The combination of these projects will stimulate economic growth and create local employment opportunities in Burleigh Heads*. This will have a positive spill-over impact on the real estate market, to be absorbed by incoming stock.

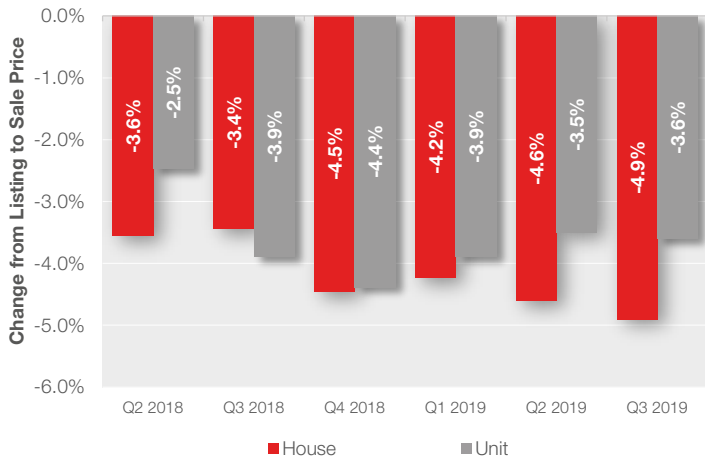
A main commercial project over the 2nd half 2019 period is the Bond University Varsity Campus (\$100.0M). This project will drive demand into the area by inviting a new demographic. The Varsity Lakes Station Development (\$50.0M) is a significant transport infrastructure project that will increase connectivity into the area. Hedges Avenue apartments (\$250.0M, 99 Apartments) is a major residential project that will commence in 2nd Half 2019. A total of 1,234 units/apartments will be constructed in Burleigh Heads*. This assists in catering to the current population growth in Burleigh Heads*, which was 10.0% over 5 years to 2016.



*Burleigh Heads market data and key indicators encapsulates aggregate property market conditions within the suburbs Varsity Lakes, Miami, Mermaid Waters, Mermaid Beach, Burleigh Waters, Burleigh Heads.
 **Estimated values are based on construction value provided by the relevant data authority and does not reflect commercial and/or re-sale value.
 Source: APM Pricerfinder, Cordell Connect database. © Copyright PRDnationwide 2019.

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.



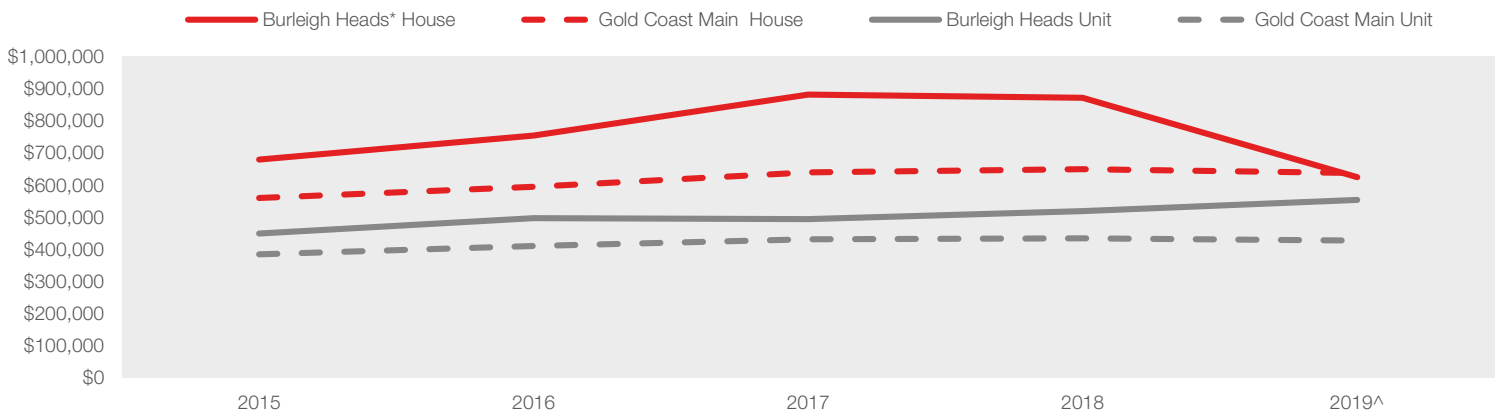
KEY COMMENTS

Average vendor discount between Q3 2018 and Q3 2019 has widened for houses to -4.9%, but tightened for units to -3.6%. Market conditions in Burleigh Heads* continue to favour buyers in regards to houses, whereas unit sellers are now able to lessen the discount that used to be offered.

Burleigh Heads* has historically outperformed the Gold Coast Main Local Government Area (LGA) in both house and unit median prices. 2019[^] has seen a return to parity for house prices in Burleigh Heads*, making it more affordable for buyers. Units in Burleigh Heads* continue to present a premium market in comparison to Gold Coast LGA.

The dominant proportion of homes sold in Burleigh Heads* across 2019[^] were priced above \$900,000 (35.7%). Units recorded a dominant lower price point of less than \$399,999 (31.4%) over the same period. This is a great opportunity for first home buyers to enter the market as there are ample of opportunities to purchase units within a lower price bracket.

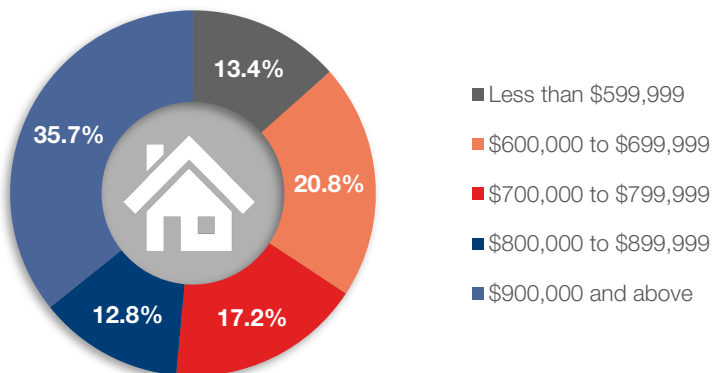
MARKET COMPARISON



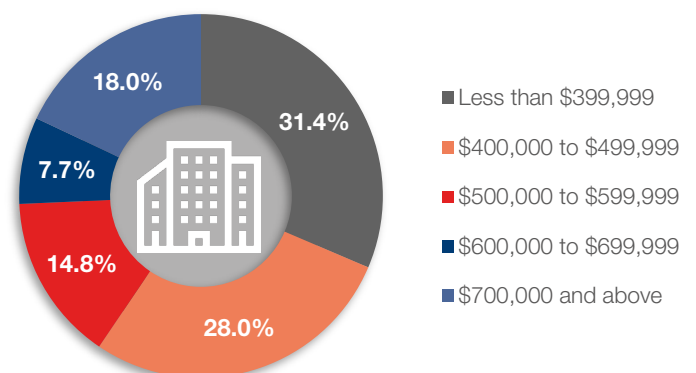
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled were chosen based on their proximity to the main suburb analysed, which is Burleigh Heads.

PRICE BREAKDOWN 2019[^]

HOUSES SOLD



UNITS SOLD

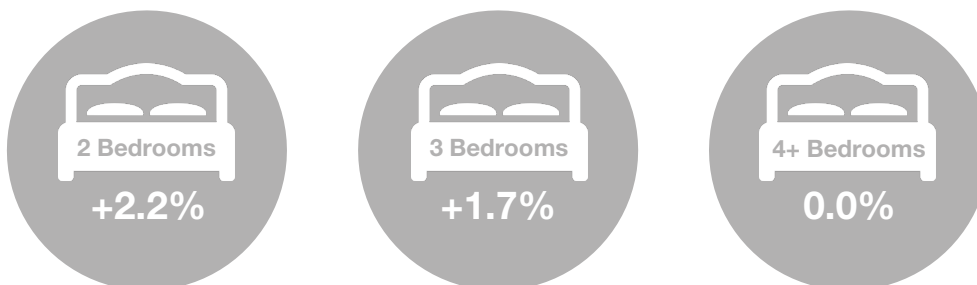


RENTAL GROWTH 2019*

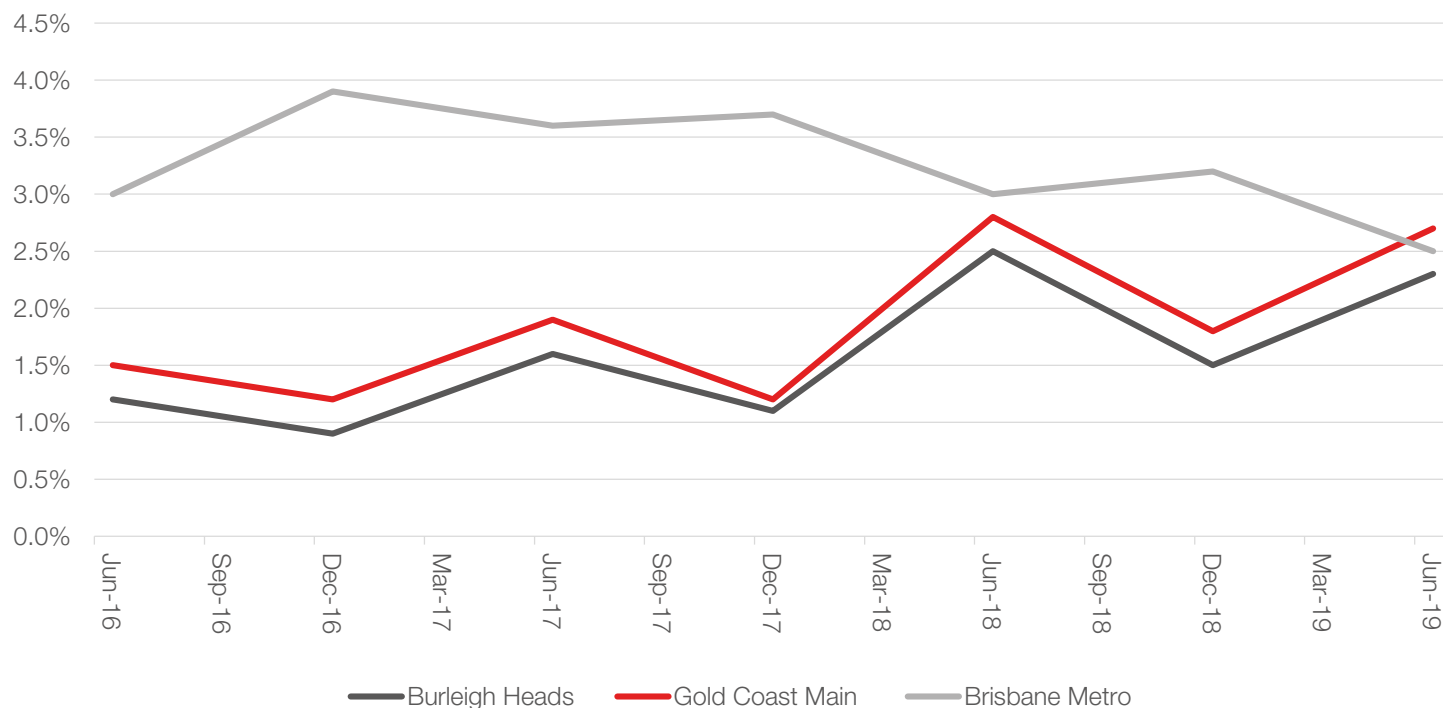
Over the past 12 months, house rental yields in Burleigh Heads* increased significantly to reach 4.3% in June 2019. This suggests the house rental market will benefit current and future investors, particularly as there has been increased demand for rental properties across the same time period (up by 8.7% in the 12 months to Q3 2019).

2- bedroom houses have provided investors with +2.2% rental growth annually, achieving a median rent of \$460 per week.

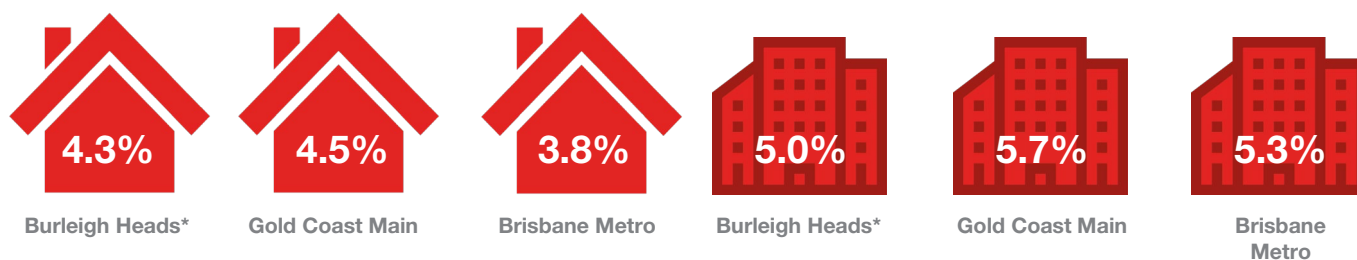
Burleigh Heads* recorded a vacancy rate of 2.3% in June 2019, below the Gold Coast Main vacancy rate (2.7%) despite more rental stock entering the market. This confirms a healthy rental demand exists for properties in Burleigh Heads*.



RENTAL VACANCY RATES 2019



RENTAL YIELD 2019^

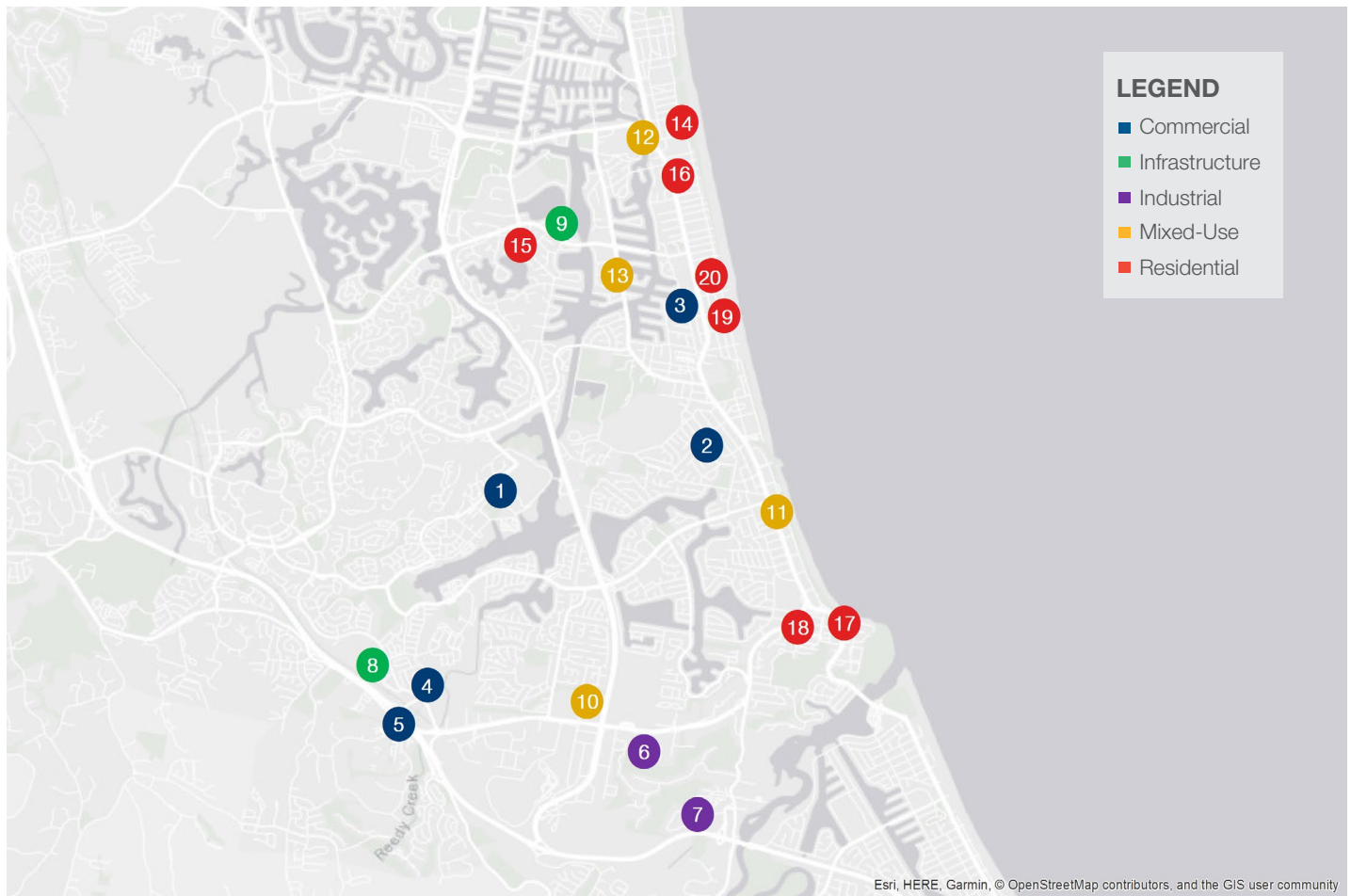


*Rental performance graph represents aggregate house median rent prices within the suburbs Varsity Lakes, Miami, Mermaid Waters, Mermaid Beach, Burleigh Waters, Burleigh Heads. Annual rental growth is a comparison between 2018 and 2019 (Q1 - Q3) house median rent figures.

^Rental yields shown are as reported at June 2019.

Source: APM Pricer, SQM Research. © Copyright PRDnationwide 2019.

PROJECT DEVELOPMENT MAP 2ND HALF 2019*



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Location	Project**	Type	Estimated Value***	Commence Date****
1	Bond University Varsity Central Campus	Commercial	\$100,000,000	25/11/2019
2	Burleigh Retirement Apartments	Commercial	\$20,000,000	17/10/2019
3	Gold Coast Highway Hotel	Commercial	\$5,000,000	08/12/2019
4	Scottsdale Drive Child Care Centre & Cafe	Commercial	\$2,500,000	18/09/2019
5	Centrelink Springwood Customer Service Centre	Commercial	\$1,000,000	24/12/2019
6	Flagstone Drive Industrial Facilities	Industrial	\$2,400,000	23/09/2019
7	Township Drive Industrial Development	Industrial	\$1,200,000	16/08/2019
8	Varsity Lakes Station Precinct Development	Infrastructure	\$50,000,000	04/11/2019
9	Lake Intrepid Bikeway Job 230/C020/1	Infrastructure	\$3,100,000	25/07/2019
10	Treetops Shopping Centre Redevelopment Further Stages- (542 Units)	Mixed-use	\$80,000,000	12/11/2019
11	Gold Coast Highway Mixed Use Developmen – Sandbar- (170 Apartments)	Mixed-use	\$50,000,000	23/09/2019
12	Naia Mermaid Beach- (97 Apartments)	Mixed-use	\$24,000,000	28/10/2019
13	Gallileo Place Mixed Use Development- (2 units)	Mixed-use	\$1,000,000	14/11/2019
14	Hedges Avenue Apartments - 272 Hedges Avenue- (99 Apartments)	Residential	\$250,000,000	06/11/2019
15	The Lakes Building 6- (190 Apartments)	Residential	\$48,600,000	28/10/2019
16	Peerless Avenue Apartments – Mahala- (94 Apartments)	Residential	\$28,000,000	18/12/2019
17	Goodwin Terrace Apartments- (21 Apartments)	Residential	\$6,300,000	18/12/2019
18	Burleianna Apartments- (3 Apartments)	Residential	\$3,000,000	18/10/2019
19	Surf Street Units- (12 Units)	Residential	\$2,000,000	23/10/2019
20	Heron Avenue Units- (4 Units)	Residential	\$1,200,000	02/07/2019

*Disclaimer: 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 suburbs of Burleigh Heads, Burleigh Waters, Mermaid Beach, Mermaid Waters, Miami & Varsity Lakes. ***Estimated value is the value of construction costs provided by relevant data authority, it does not reflect the project's sale/commercial value.****Commencement date quoted for each project is an approximate only, as provided by the relevant data authority, PRDnationwide does not hold any liability to the exact date.
Source: Cordell Database, ESRI ArcGIS. © Copyright PRDnationwide 2019.

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.



Lane Russell

Director

M +61 419 729 299

E lanerussell@prd.com.au



Mark Smith

AAPI Director/Property Consultant

M +61 418 768 053

E marksmith@prd.com.au

PRD Burleigh Heads

P +61 7 5535 4544

F +61 7 5576 1382

14 The Esplanade
Burleigh Heads QLD 4220

PRD.com.au/burleighheads