

# Tallebudgera Market Update 1<sup>st</sup> Half 2023



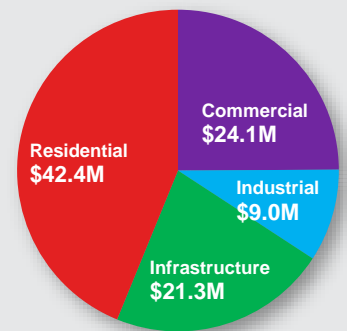
## OVERVIEW

In Q4 2022, Tallebudgera\* recorded a median house price of \$1,435,000. This represents annual (Q4 2021 – Q4 2022) median price softening of -4.9% for houses. House sales decreased between Q4 2021 – Q4 2022, by -19.2% to 21 sales. Low stock explains the decrease in sales, due to a limited number of new stand-alone homes built in the area. Further, sellers may be discouraged by the current cash rate hikes, which limits the borrowing capacity of a buyer for purchasing in a premium market. The market has turned in Tallebudgera\*, with median house price softening, thus offering higher affordability for buyers.

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

## FUTURE DEVELOPMENTS

Tallebudgera is set to see approximately **\$96.8M** worth of new projects commencing in the 1<sup>st</sup> half of 2023.



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

Muriel Henchman Park Improvement Works (\$10.0M) is a significant infrastructure project in Tallebudgera\* that will improve liveability for the current residents.

There is an absence of residential projects specifically located in Tallebudgera\*. This creates a buffer in the current increasing cash rate environment and should allow for sustainable price growth.

Below is an example of residential projects in the nearby suburbs of Burleigh Heads and Palm beach:

- The Esplanade Units – Sea (\$30.0M, 37 units)
- Burleigh Street Dwellings (\$1.5M, 6 Dwellings)
- West Street Units (\$900K, 3 apartments)



60 Units/  
Apartments



6  
Dwellings

## MARKET CONDITIONS



SALES MEDIAN PRICE  
Q4 2022



RENTAL MEDIAN PRICE  
Q4 2022



HOUSE

SALES AVERAGE DAYS ON  
MARKET Q4 2022



HOUSE

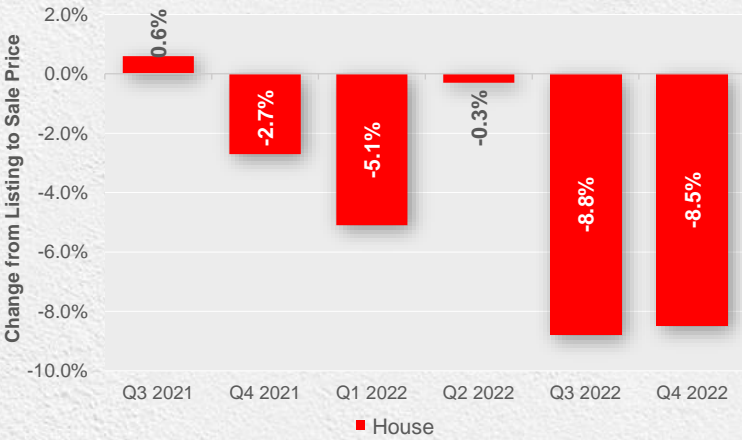
RENTAL AVERAGE DAYS ON  
MARKET Q4 2022

## MEDIAN HOUSE PRICE COMPARISON

Suburb	2020	2021	2022#	2020 – 2022 % Growth
Tallebudgera	\$970,000	\$1,290,000	\$1,445,000	49.0%
Tallebudgera Valley	\$1,125,000	\$1,550,000	\$2,090,000	85.8%

# 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.

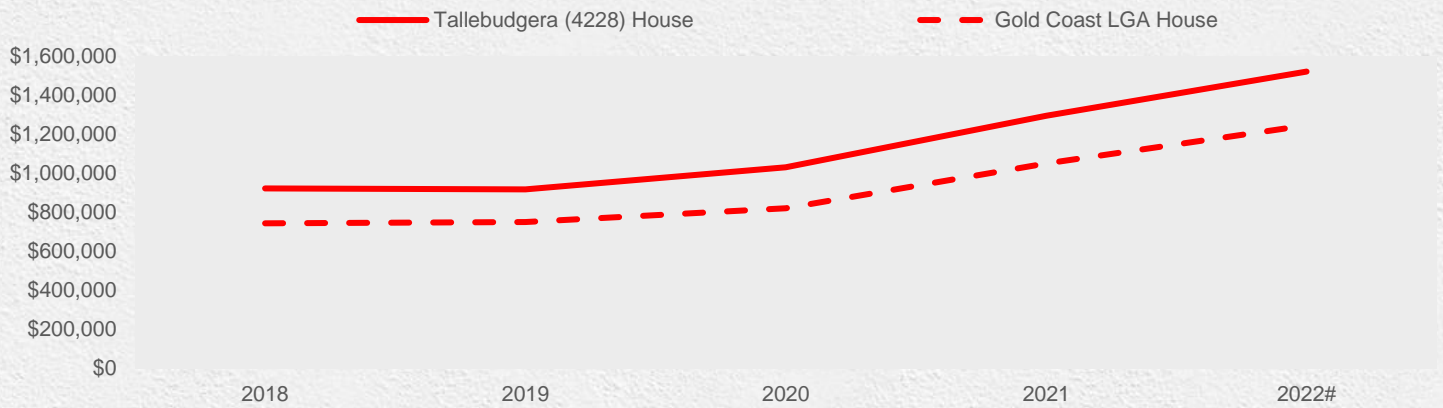


Average vendor discounts between Q4 2021 and Q4 2022 have rapidly shifted for house types, to a wider discount of -8.5% for houses. Market conditions in Tallebudgera\* have now shifted to favour buyers, as vendors are willing to accept below the first list price. Q4 2022 recorded one of the highest discounts within the past 24 months, creating an opportunity for buyers.

The suburb of Tallebudgera has outperformed the wider Gold Coast Local Government Area (LGA) in house median prices for the past 5 years. This continued to be the case in 2022#, even with the slower price growth in late 2022# (due to market uncertainty).

In 2021^^ the dominant proportion of homes were priced above \$1,300,000 (61.7%). Buyer activity in the premium price point continued to increase in 2022#, making up 69.2% of 2022 sales, even with slower price growth. There is new opportunity in the most affordable price bracket, as it grew from 7.8% to 9.3%.

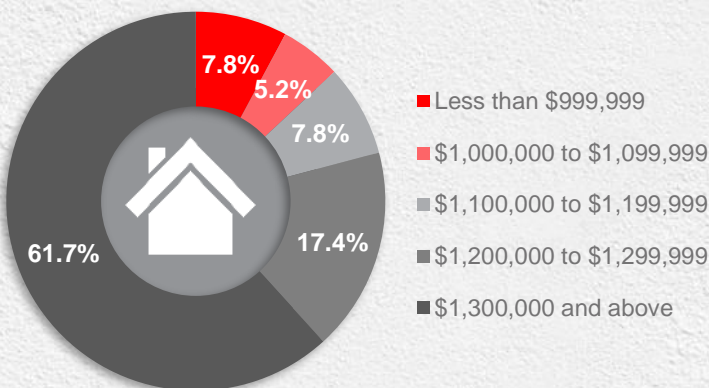
## MARKET COMPARISON



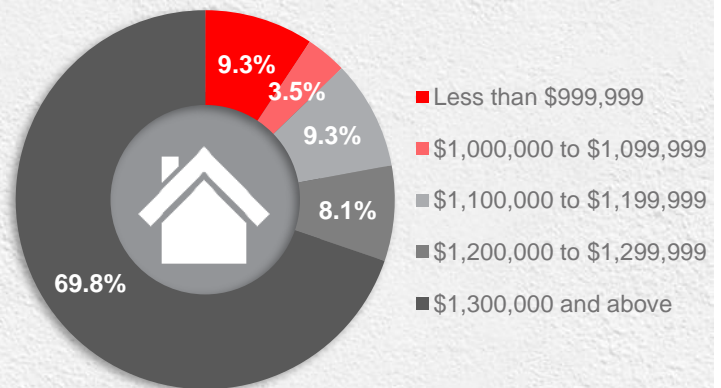
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Tallebudgera.

## PRICE BREAKDOWN 2022#

### HOUSES SOLD 2021^^



### HOUSES SOLD 2022#



## RENTAL GROWTH 2022€

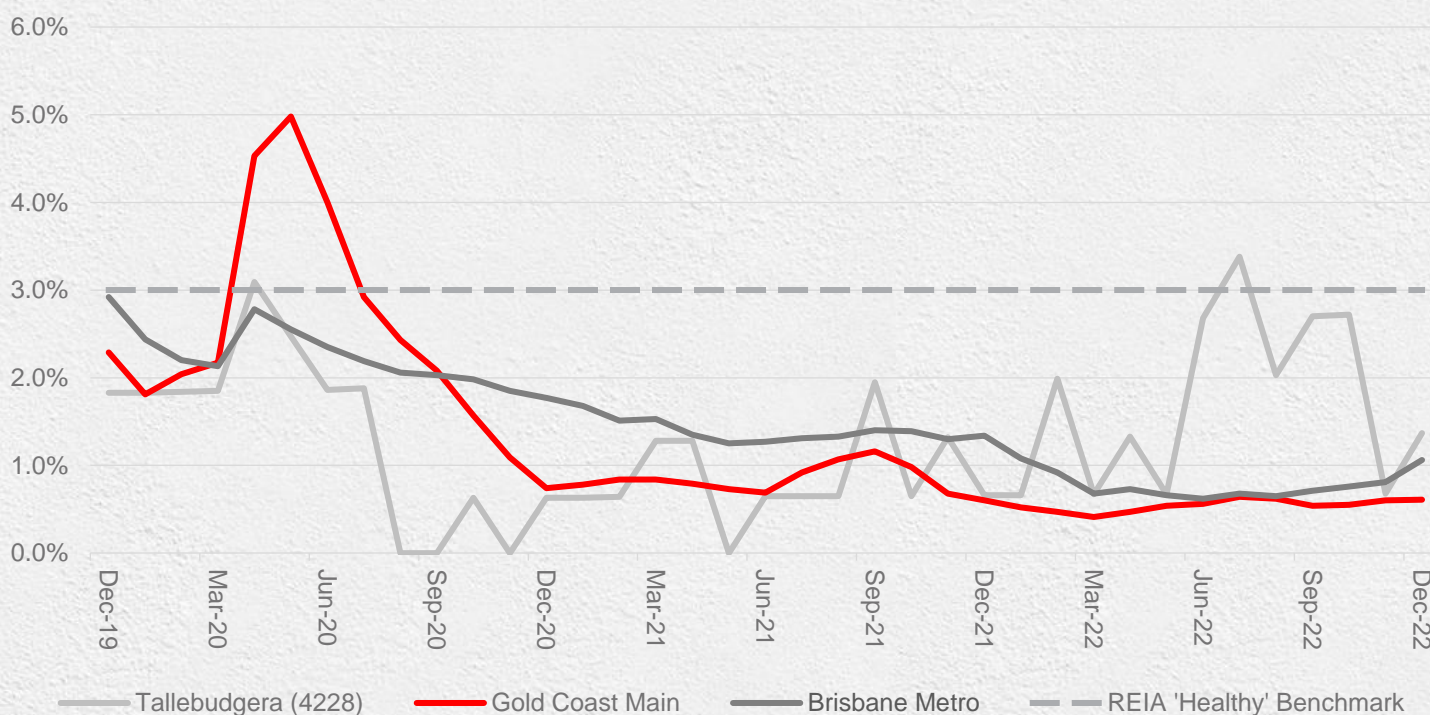
House rental yields in Tallebudgera\* softened to sit at 3.3% in December 2022, slightly lower than Gold Coast Main (3.9%). That said median house rental price has remained within the \$1,000-\$1,200 range throughout mid-late 2022, with the number of houses rented ranging from 7-9 on a quarterly basis. Average days to let declined quite significantly, by -11.8% to 30 days, which suggests that demand for rental houses remain robust.

4+ bedroom houses have provided investors with +35.1% rental growth annually, with a median rent of \$1,250 per week.

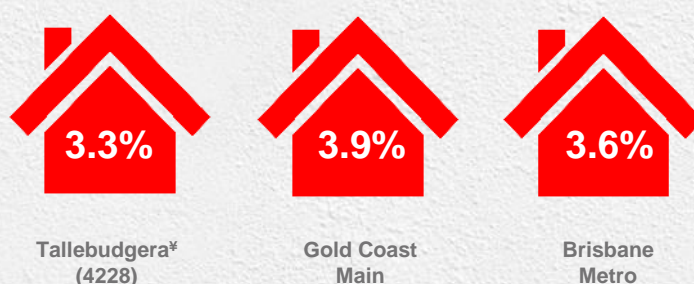
Tallebudgera\* recorded a vacancy rate of 1.4% in December 2022, which is slightly above Gold Coast Main's 0.6% average. Vacancy rates in Tallebudgera\* have heavily fluctuated over the past 12 months, due to the balance of demand and supply of rental properties in a small rental market. That said there is still a healthy rental demand and investors can be confident of a conducive investment environment in Tallebudgera\*, especially with the recent price downturn in the past 12 months.



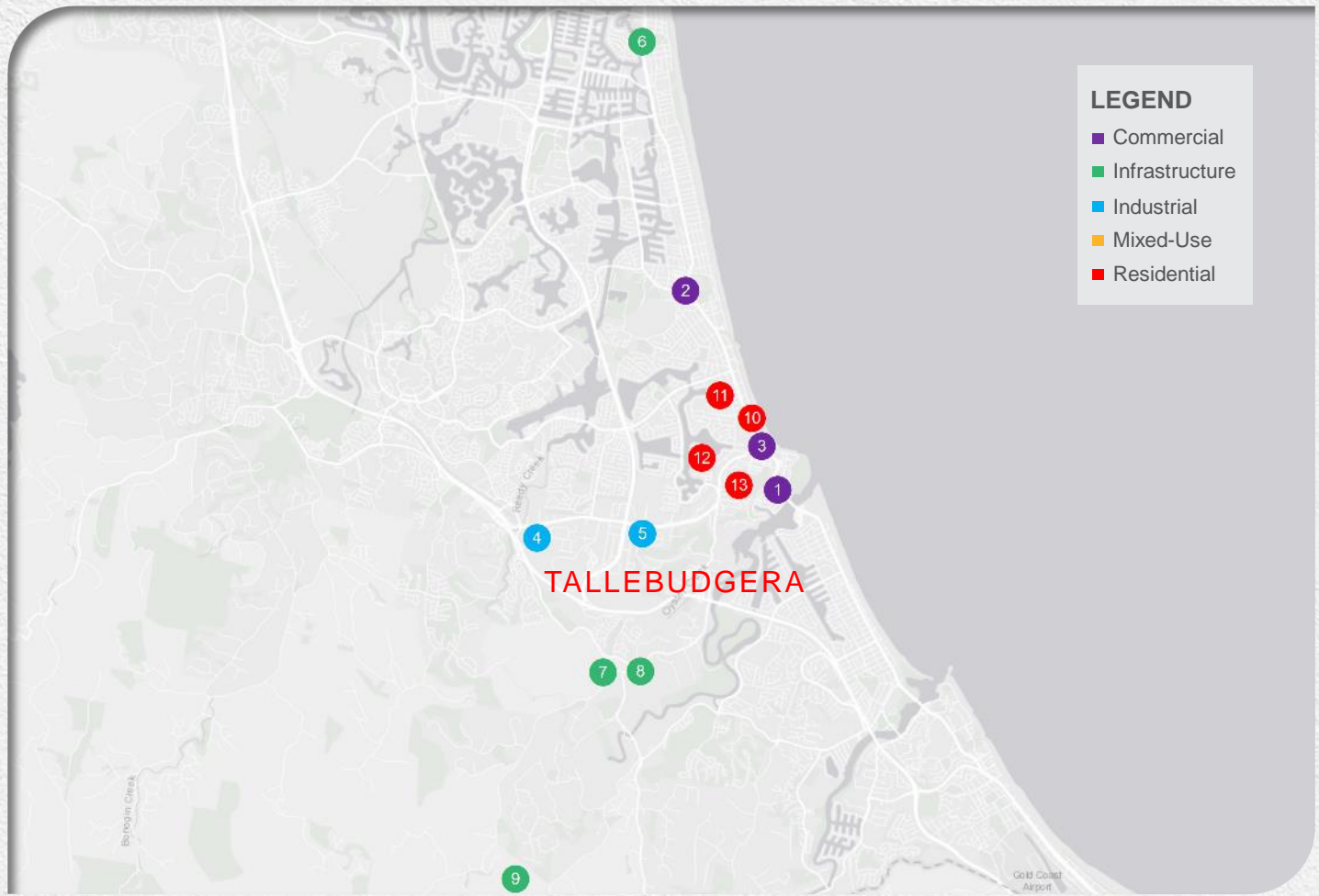
## RENTAL VACANCY RATES 2022



## RENTAL YIELD 2022\$



# TOP DEVELOPMENTS MAP 1<sup>st</sup> HALF 2023<sup>Ⓐ</sup>



Location	Project <sup>Ⓔ</sup>	Type	Estimated Value <sup>Ⓝ</sup>	Commence Date <sup>Ⓞ</sup>
1	Kailua Hotel	Commercial	\$18,000,000	17/05/2023
2	2158-2164 Gold Coast Highway Commercial & Community Development	Commercial	\$4,800,000	10/03/2023
3	1718 Gold Coast Highway Short Term Accommodation Units Alterations & Additions	Commercial	\$1,300,000	24/04/2023
4	The Nordic Warehouse Units Tallegbudgera	Industrial	\$7,700,000	24/04/2023
5	9 Stevenson Court Warehouse	Industrial	\$1,300,000	12/04/2023
6	Miami State High School Indoor Sports Centre & Hall	Infrastructure	\$10,500,000	09/01/2023
7	Muriel Henschman Park Improvement Works	Infrastructure	\$10,000,000	06/05/2023
8	Sports Field Lighting At Currumbin Hills & Coplicks Parks	Infrastructure	\$500,000	04/03/2023
9	109 Reynella Road Telecommunications Facility	Infrastructure	\$250,000	30/01/2023
10	1 Second Avenue & The Esplanade Units (27 Units)	Residential	\$30,000,000	12/04/2023
11	The Esplanade Units – Sea (30 Units)	Residential	\$10,000,000	04/04/2023
12	18 Burleigh Street Dwellings (6 Dwellings)	Residential	\$1,500,000	10/05/2023
13	9 West Street Units (3 Units)	Residential	\$900,000	31/01/2023



## 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.



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# REFERENCES

\*Tallebudgera market data and key indicators encapsulates aggregate property market conditions within the suburbs of Tallebudgera, Tallebudgera Valley.

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

^ 2021 encapsulates sales transactions for 2021 (01/01/2021 – 31/12/2021) only.

# 2022 encapsulates sales transactions for 2022 (01/01/2022 – 31/12/2022) only.

€ Annual rental growth is a comparison between 2021 (01/01/2021 – 31/12/2022) and 2022 (01/01/2022 – 31/12/2022) house median rent figures.

¥ Tallebudgera market data encapsulates aggregate property conditions within the postcode of 4228.

§ Rental yields shown are as reported as of December 2022.

⌘ 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 4228.

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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