

EDITION 22

GOLD COAST

GOLD COAST REGIONAL CENTRE OVERVIEW

 **PERFORMANCE**
PROPERTY RESEARCH

DISCLAIMER

The data presented in this report are sourced from 3rd party resources that we have selected due to their reliability and availability over the historical periods that we require for our research to be relevant. Due to the fact that the current year is not yet complete, data presented for the current year are estimated to represent a full year.

GOLD COAST AT A GLANCE

RESEARCH REPORT GOLD COAST REGIONAL CENTRE

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Price Parameters - Adjusted for Current Interest Rate

	HOUSE AI	PRICE	UNIT AI	PRICE
AI FLOOR	31%	\$498,075	23%	\$373,525
AI CURRENT	60%	\$966,667	40%	\$648,833
AI CEILING	69%	\$1,107,071	52%	\$834,314
3 YR PRICE TARGET	\$1,000,000 - \$1,100,000 Low Conviction		\$700,000 - \$800,000 Low Conviction	

In the current stage of cycle

The Gold Coast house market has a **Hold or Consider Sell Rating** while the unit market has a **Hold Rating**.

If buying houses, it would be best suited to a **Long Term Strategy**.

If buying units, it would be best suited to a **Long Term Strategy**.

We classify the Gold Coast house market currently as a **High Risk Investment**, and the Gold Coast unit market as a **High Risk Investment** based on the stage of cycle.

Legend

Medium Term Strategy = **4 to 7 years**

Long Term Strategy = **10+ years**

HOUSE
YIELD **4.3%**

UNIT
YIELD **5.5%**

UNEMPLOYMENT RATE **3.8%**

POPULATION



Current: **647,824**

Current Growth Rate: **2.22%**

Avg 10 Yr Growth Rate: **2.09%**

CURRENT MEDIAN HOUSE

\$966,667

CURRENT MEDIAN UNIT

\$648,833

LONG TERM (1983) COMPOUNDED
GROWTH PA IS **6.93%** FOR
HOUSES & **5.27%** FOR UNITS.

Houses the last 3 years have seen 11.36%
PA growth, units 10.04%.

6.93%



Average Days
on Market

Houses : **28**
Units : **24**



EXECUTIVE SUMMARY

SHORT-TERM MARKET INDICATORS

Positive

Affordability Index HOUSE V. Price Movement.....	08
OLD HH Lending OC V investor Monthly.....	09
Stock on Market V. Avg Days on Market.....	10
Vacancy Rate V. Median Rent.....	11
Job Creation Index.....	12

SUPPLY & DEMAND - Positive

Does Demand Exceed Supply?

Change in Population.....	13
Population Movement.....	14
Airport Arrivals.....	15
Dwelling Sales.....	16
Dwelling Approvals V. Population % Change.....	17
Bedrooms V. Population Change.....	18

AFFORDABILITY - Slightly Negative

Is Property Affordable?

Affordability Index HOUSE V. Price Movement.....	8
Affordability Index UNITS V. Price Movement.....	19
Price to Income Ratio.....	20
Rent as % of Income V. Affordability Index.....	21

CONFIDENCE - Positive

Is There Confidence In The Market?

Unemployment Rate.....	22
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MONEY SUPPLY - Neutral

Will There Be More or Less Money Into The Economy?

GRP V. Median House Price.....	23
Council Budget.....	24

INVESTMENT VALUE - Neutral

Is This Market Showing Value?

Yield.....	25
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Gold Coast V. Brisbane HOUSE Price Movement.....	27

RISK - Slightly Negative

Are We In A Bubble?

Affordability Index HOUSE V. Price Movement.....	08
Price to Income Ratio.....	20
Industry Value Added.....	28
Population Pyramid.....	29

Positive

Slightly Positive

Neutral

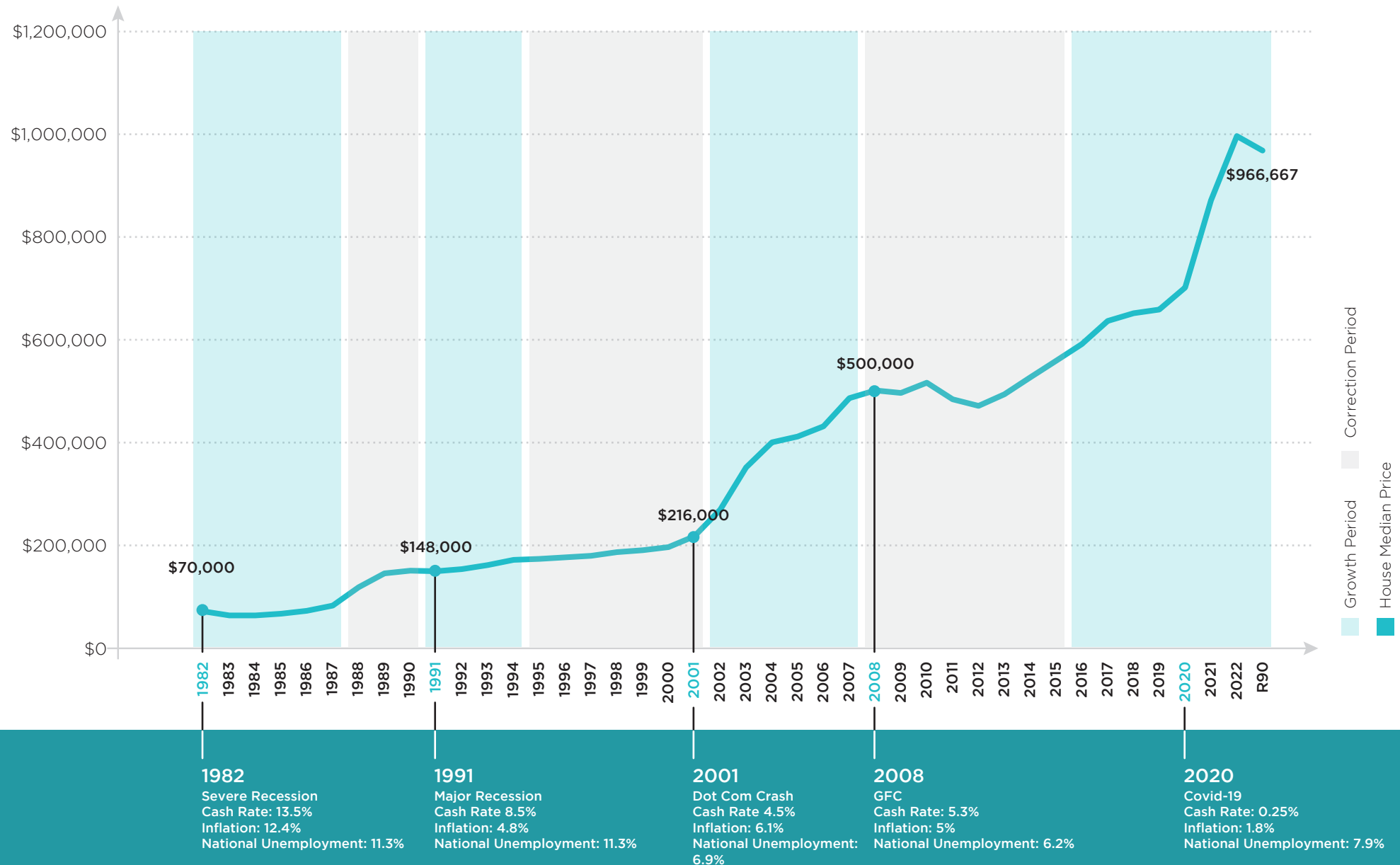
Slightly Negative

Negative

GOLD COAST HOUSE PRICE MOVEMENT

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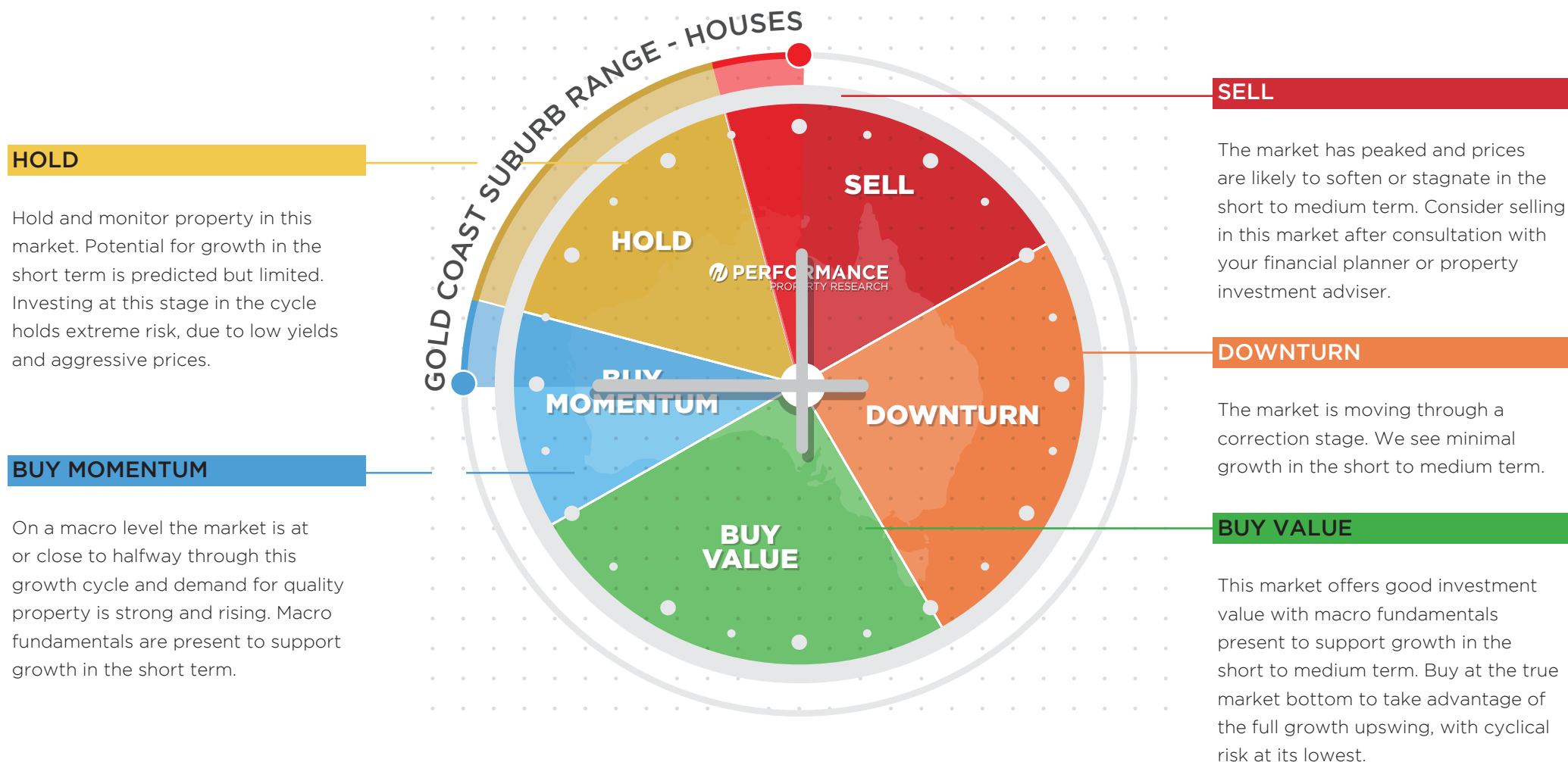
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OUR VIEW OF THE GOLD COAST **HOUSE** MARKET

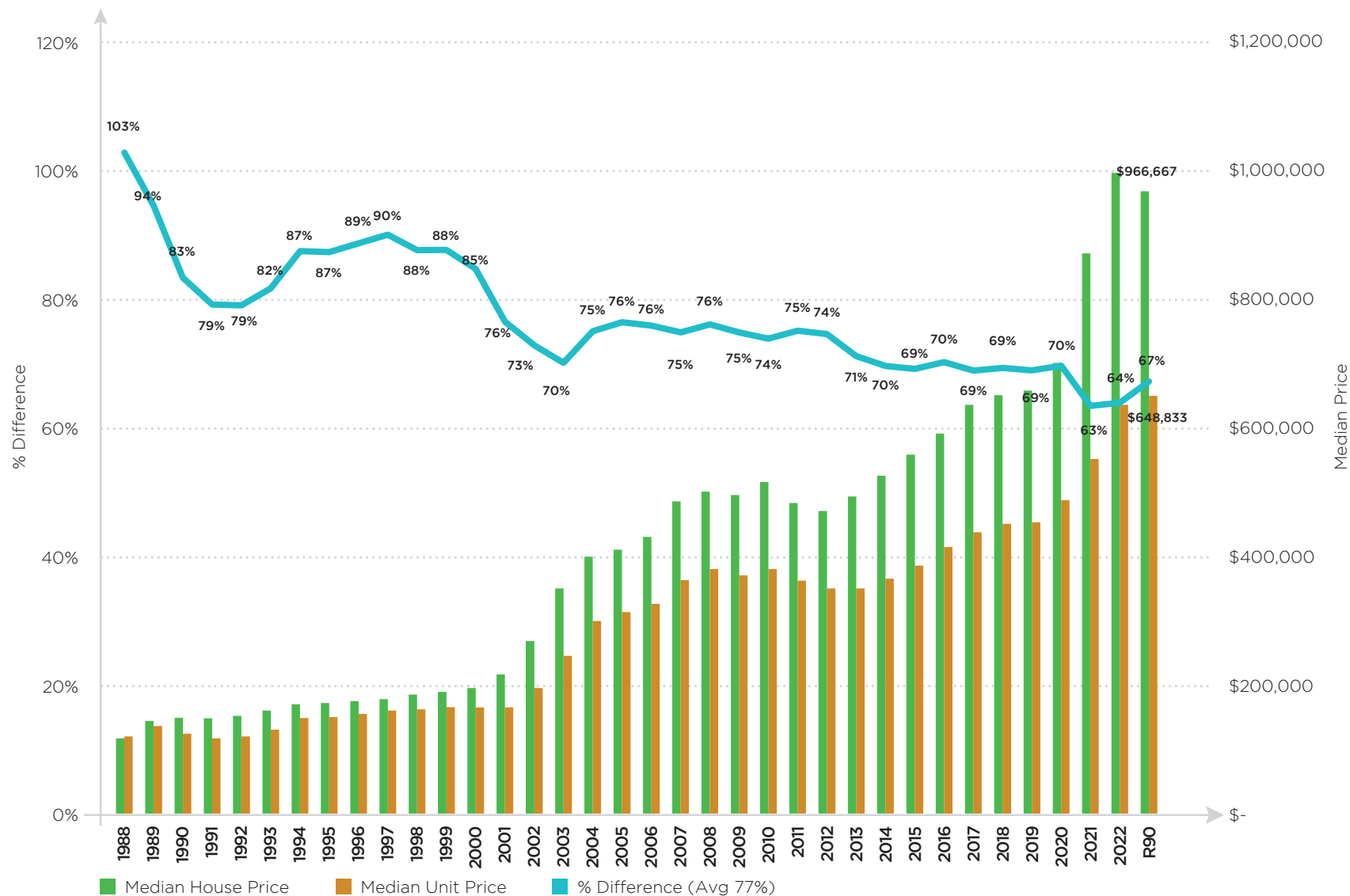
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For more information on the Gold Coast market, including individual property and suburb information, call to speak to one of our professional property advisors on (03) 8539 0300.

HOUSE V. UNIT PRICE MOVEMENTS



**SLIGHTLY
POSITIVE**

OUR VIEW OF THE GOLD COAST **UNIT** MARKET

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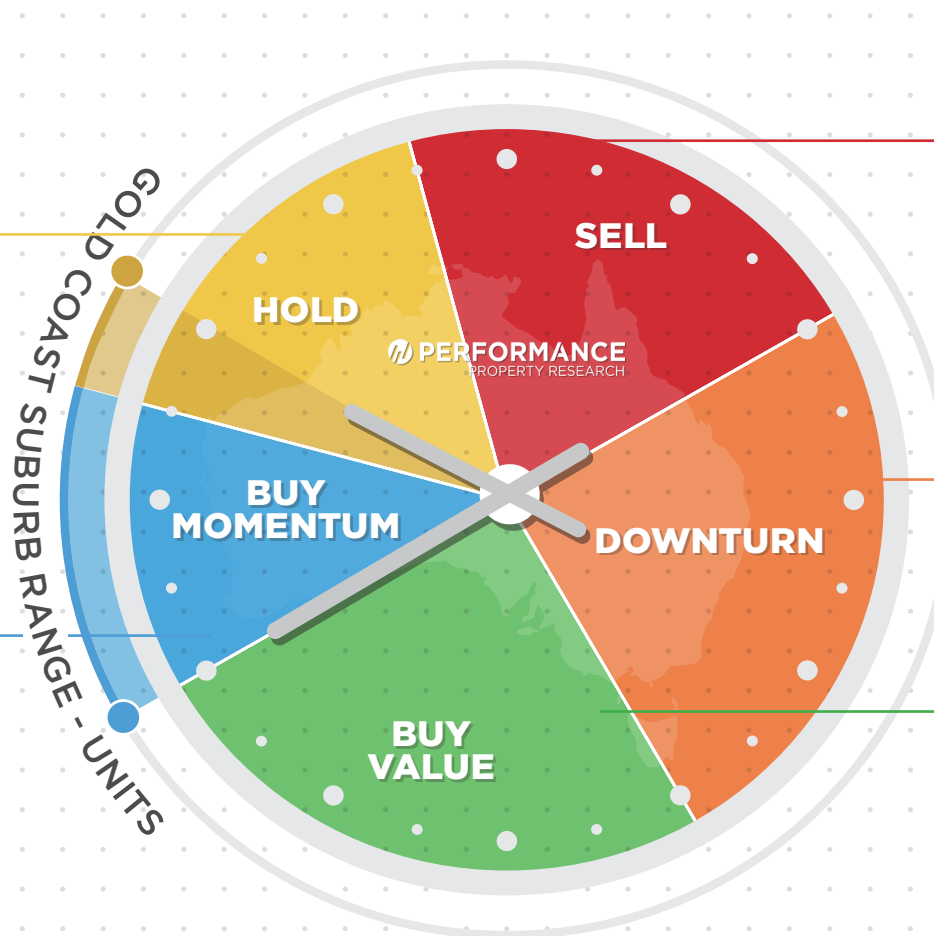
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HOLD

Hold and monitor property in this market. Potential for growth in the short term is predicted but limited. Investing at this stage in the cycle holds extreme risk, due to low yields and aggressive prices.

BUY MOMENTUM

On a macro level the market is at or close to halfway through this growth cycle and demand for quality property is strong and rising. Macro fundamentals are present to support growth in the short term.



SELL

The market has peaked and prices are likely to soften or stagnate in the short to medium term. Consider selling in this market after consultation with your financial planner or property investment adviser.

DOWNTURN

The market is moving through a correction stage. We see minimal growth in the short to medium term.

BUY VALUE

This market offers good investment value with macro fundamentals present to support growth in the short to medium term. Buy at the true market bottom to take advantage of the full growth upswing, with cyclical risk at its lowest.

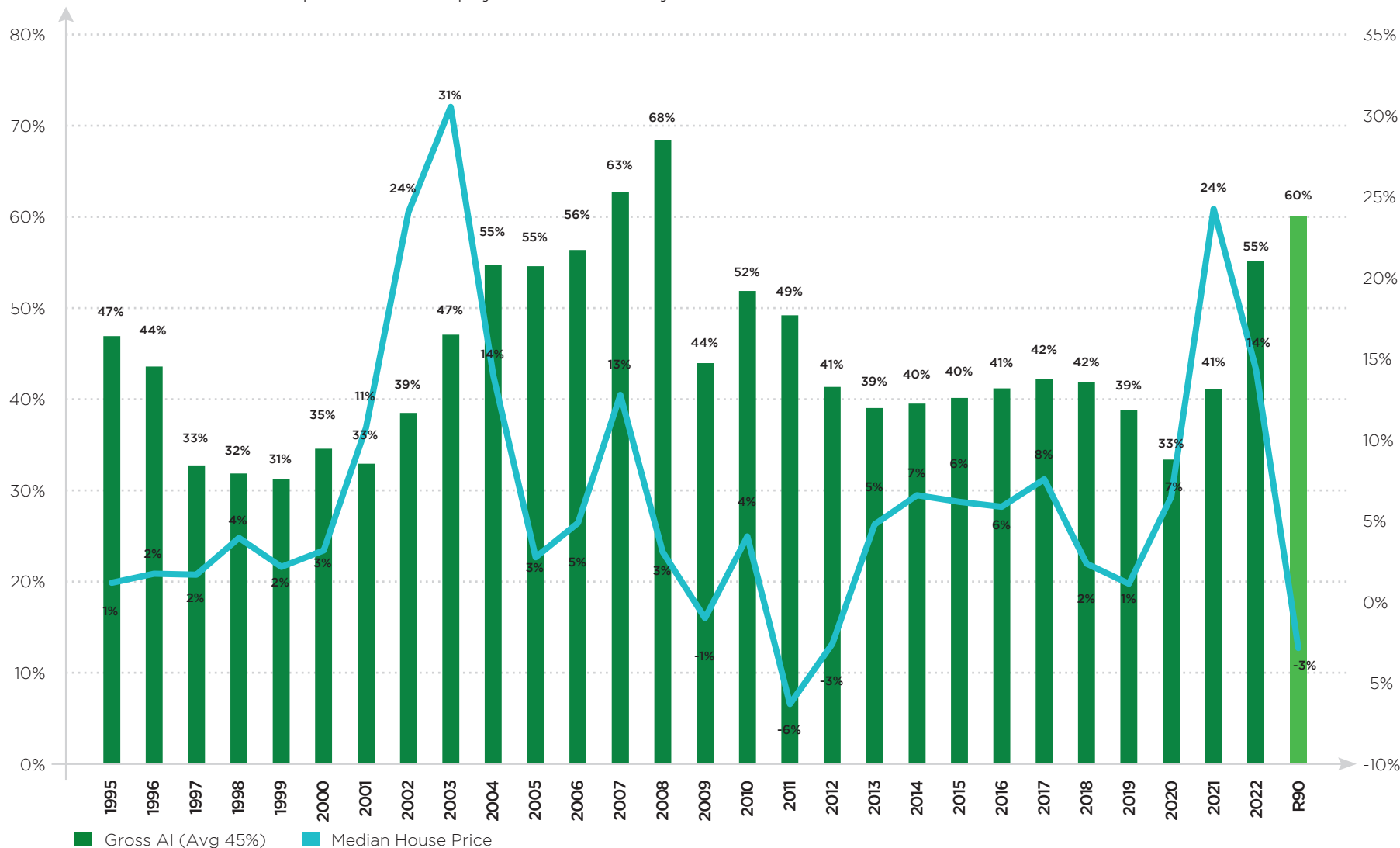
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AFFORDABILITY INDEX V. PRICE MOVEMENT - HOUSE

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This graph displays the impact interest rates have on house price movements. Performance Property's Gross Affordability Index (AI) is a measure of the average mortgage repayments versus the average income. The AI is calculated using the median price, average wage (before tax), assumes a 20% deposit, the current variable interest rate and Principle & Interest repayments over a 30 year loan term.

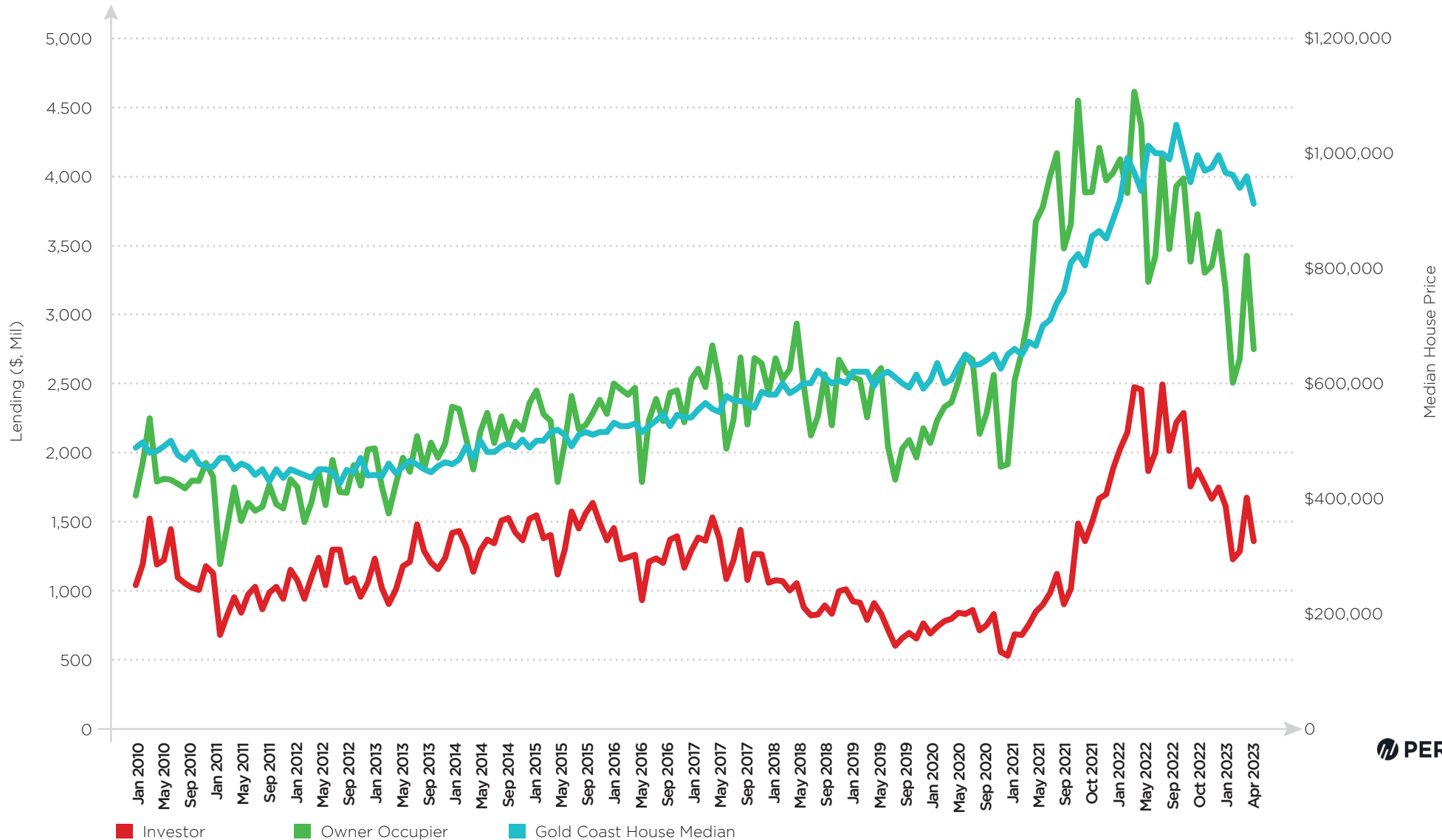


QLD MONTHLY HH LENDING TO OC V. MEDIAN HOUSE PRICE

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This graph displays the value of housing finance for the state each month for owner occupiers and investors versus the median house price.

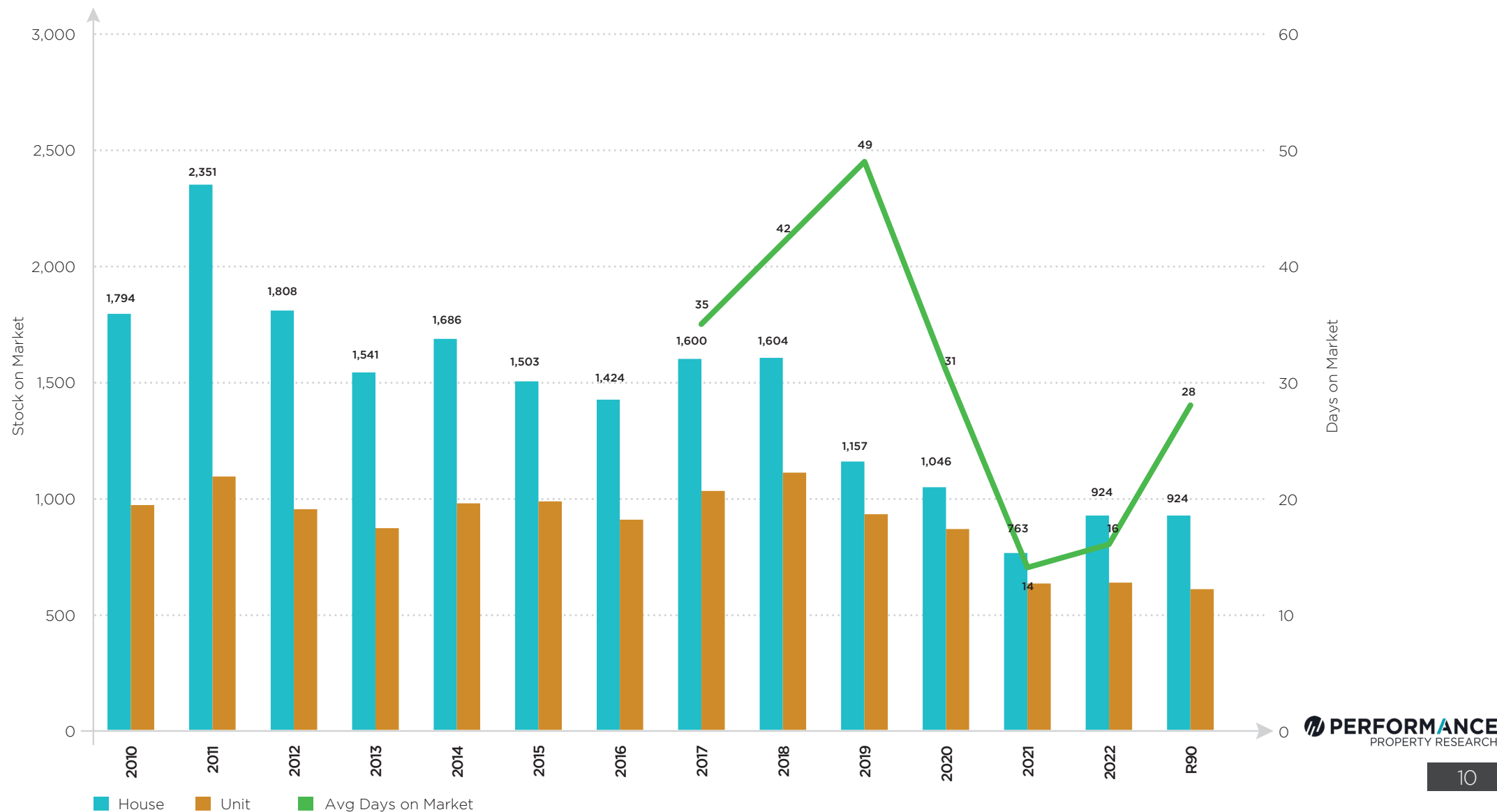


STOCK ON MARKET V. AVG DAYS ON MARKET

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This graph displays the average days on market and stock on market in one month of each year.

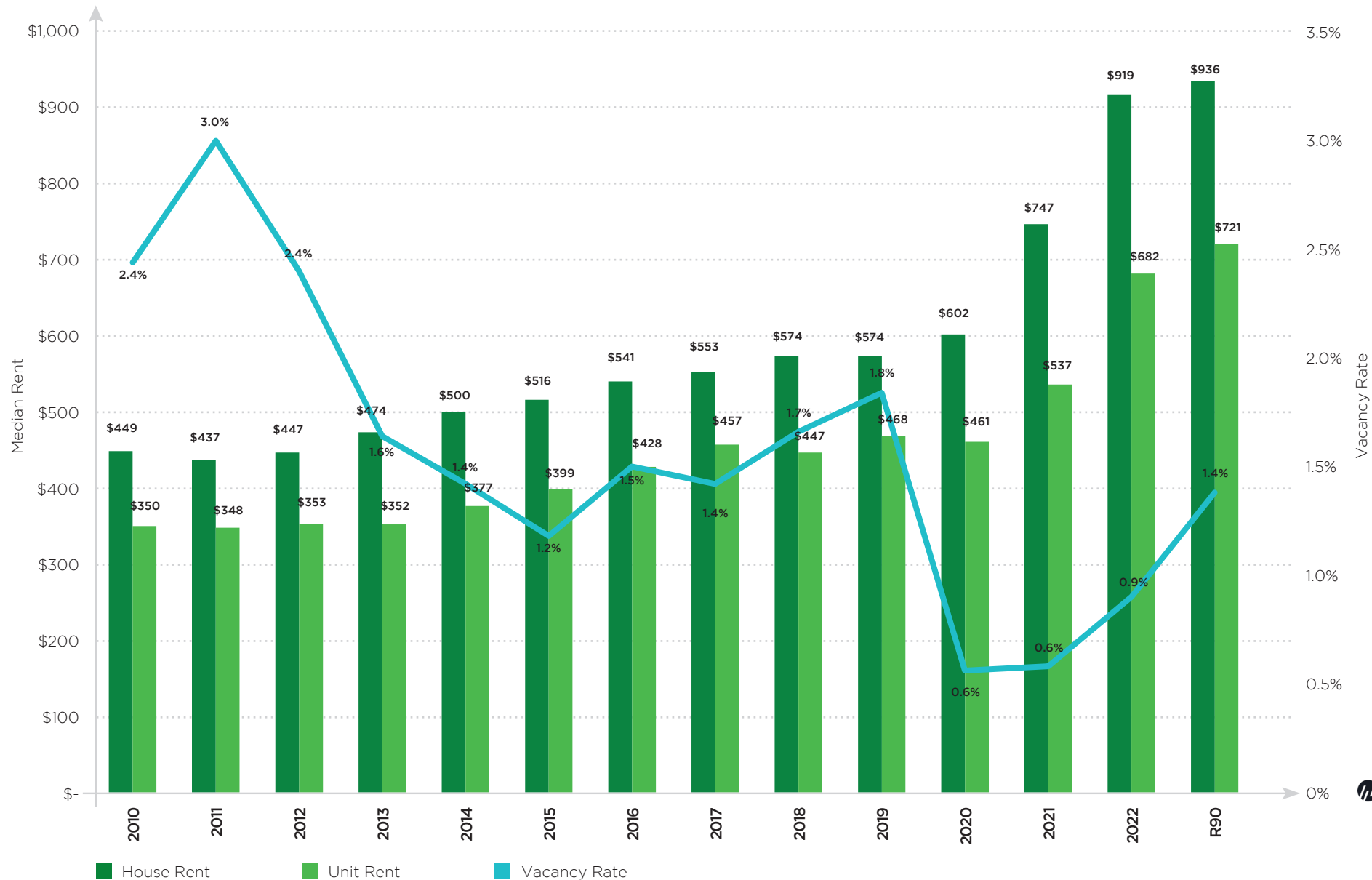


VACANCY RATE V. RENT

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This graph displays the relationship between rental growth for both houses and units and the vacancy rate.

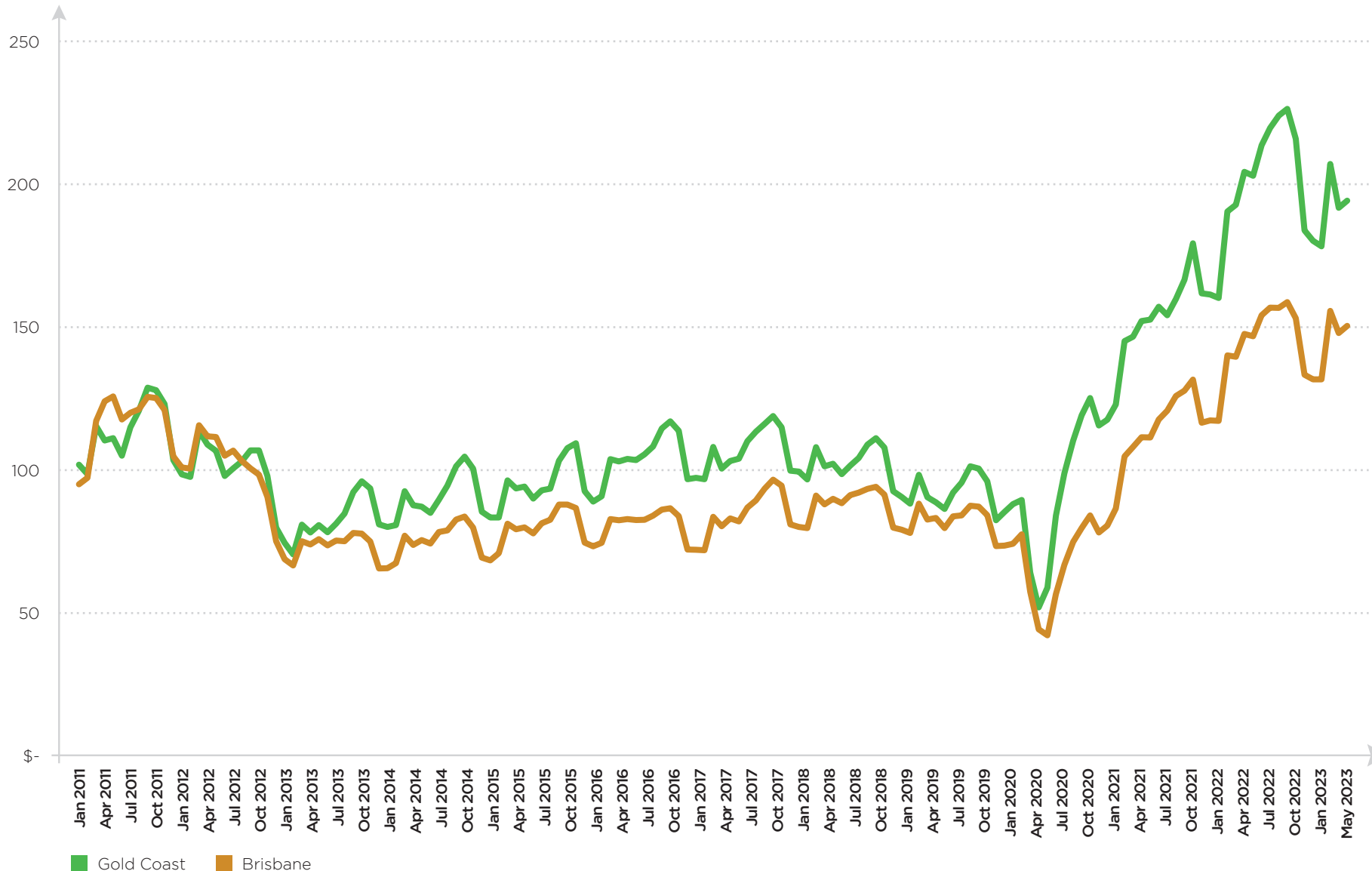


JOB CREATION INDEX - GOLD COAST

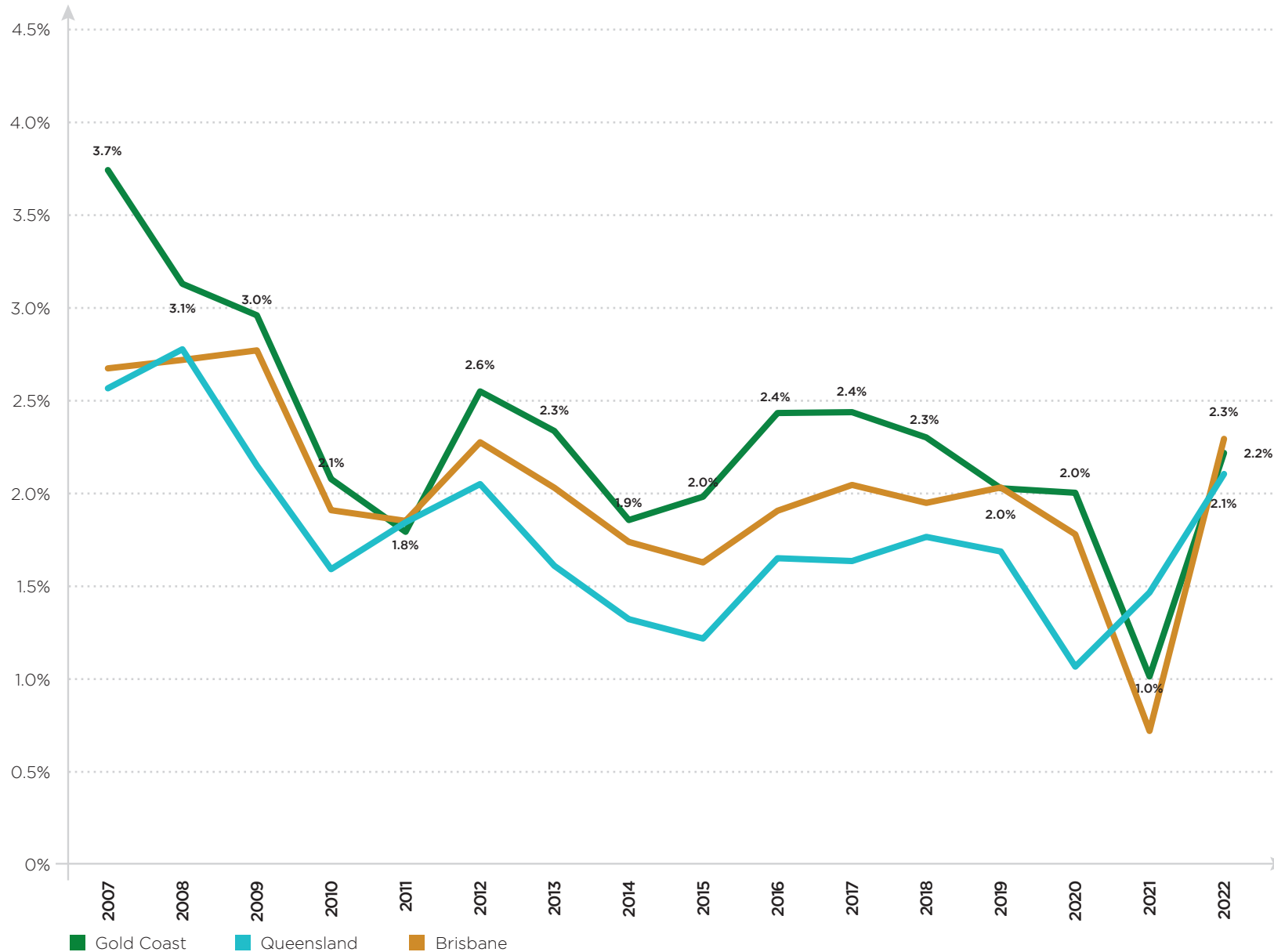
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This graph shows the internet vacancy index for online job advertisements on the three major job boards.

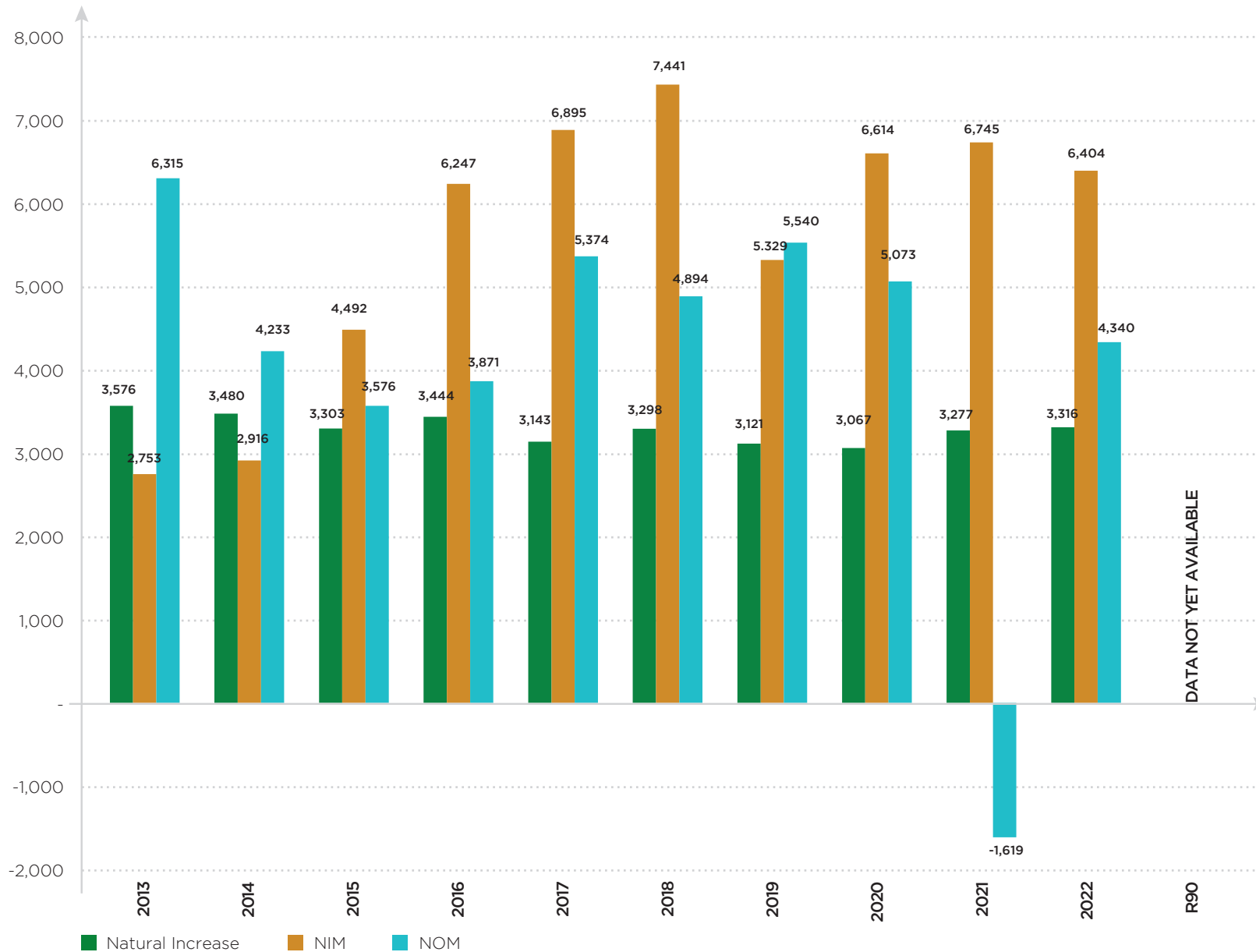


CHANGE IN POPULATION



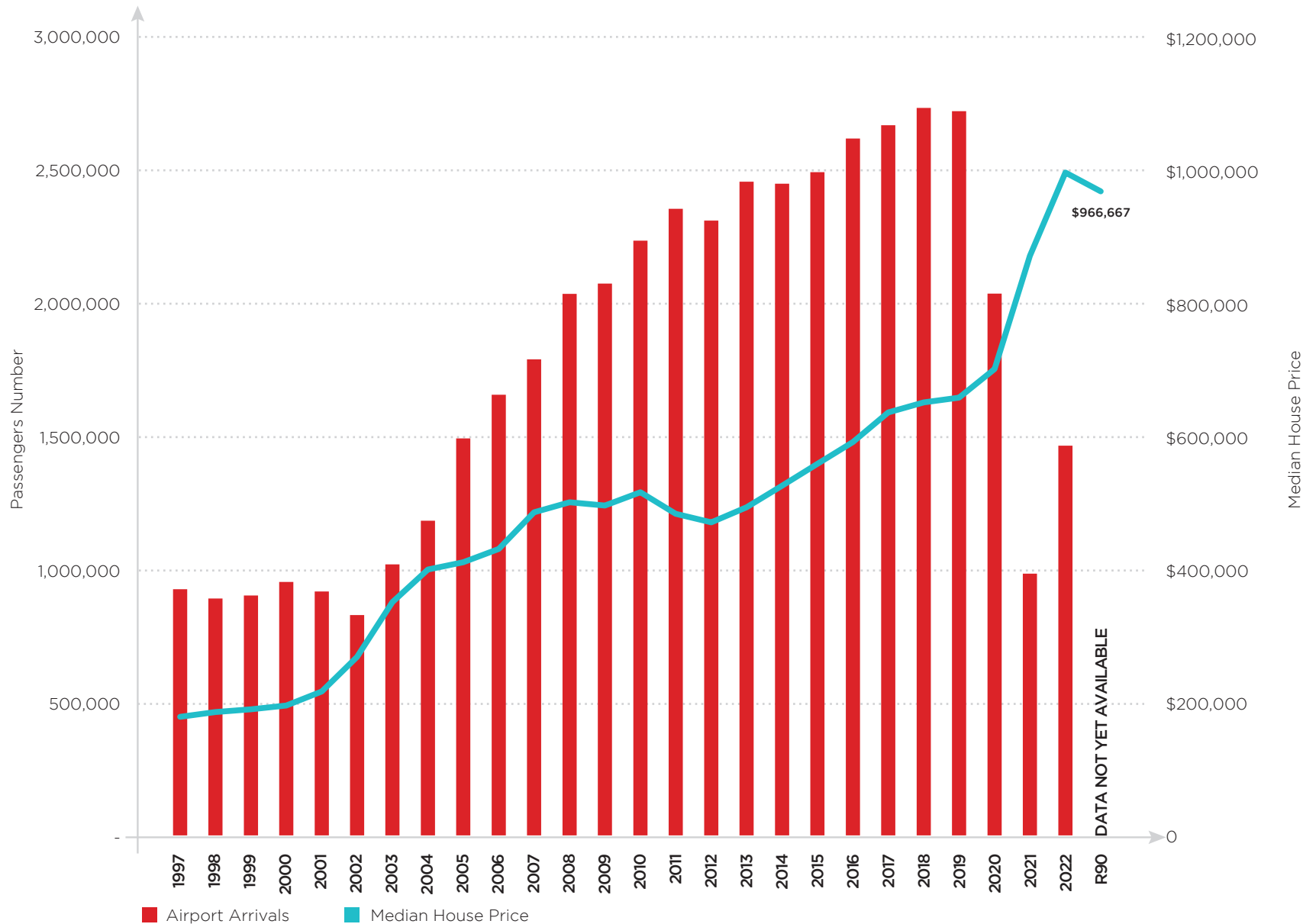
POSITIVE

POPULATION MOVEMENT



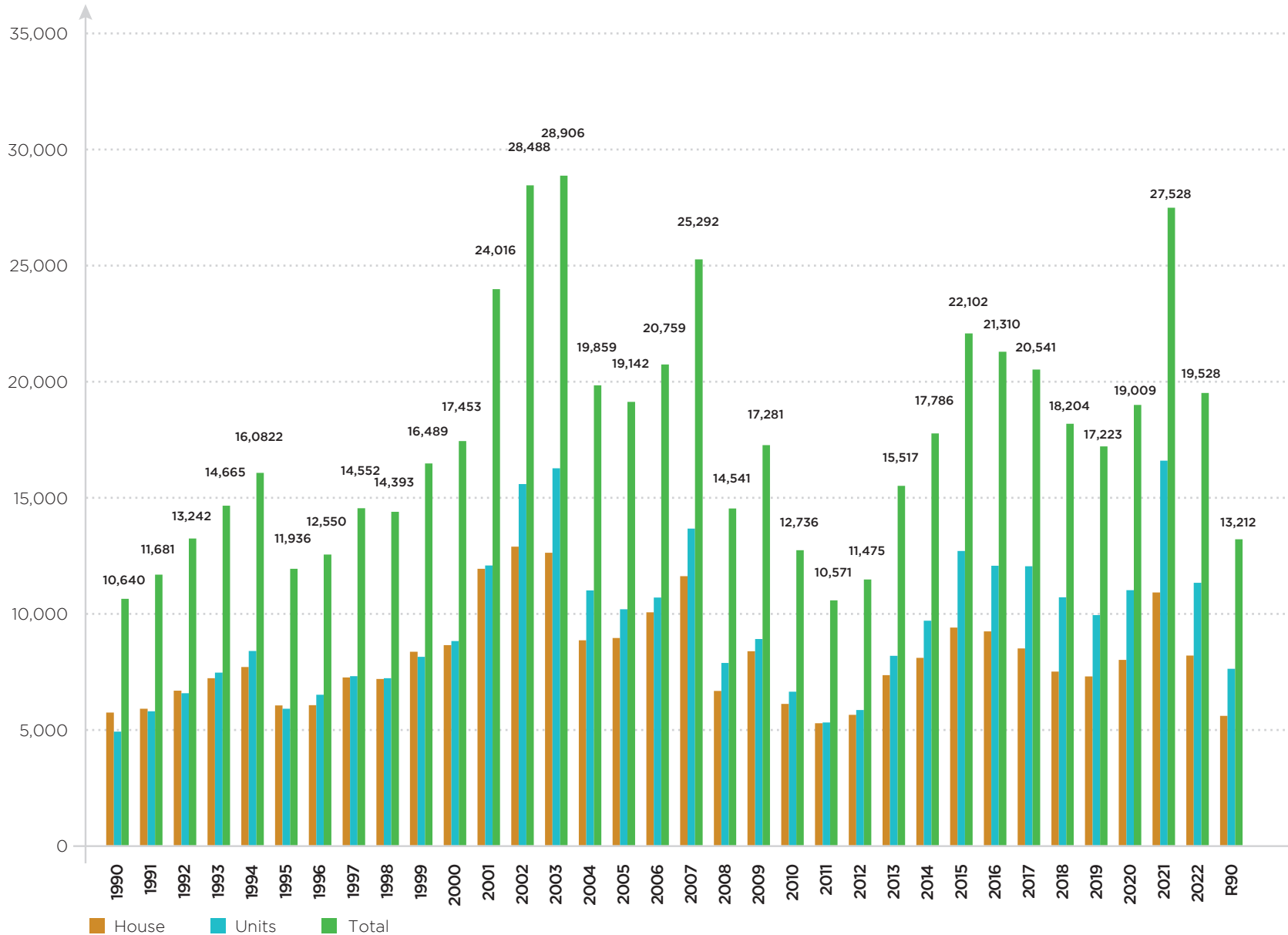
POSITIVE

AIRPORT ARRIVALS



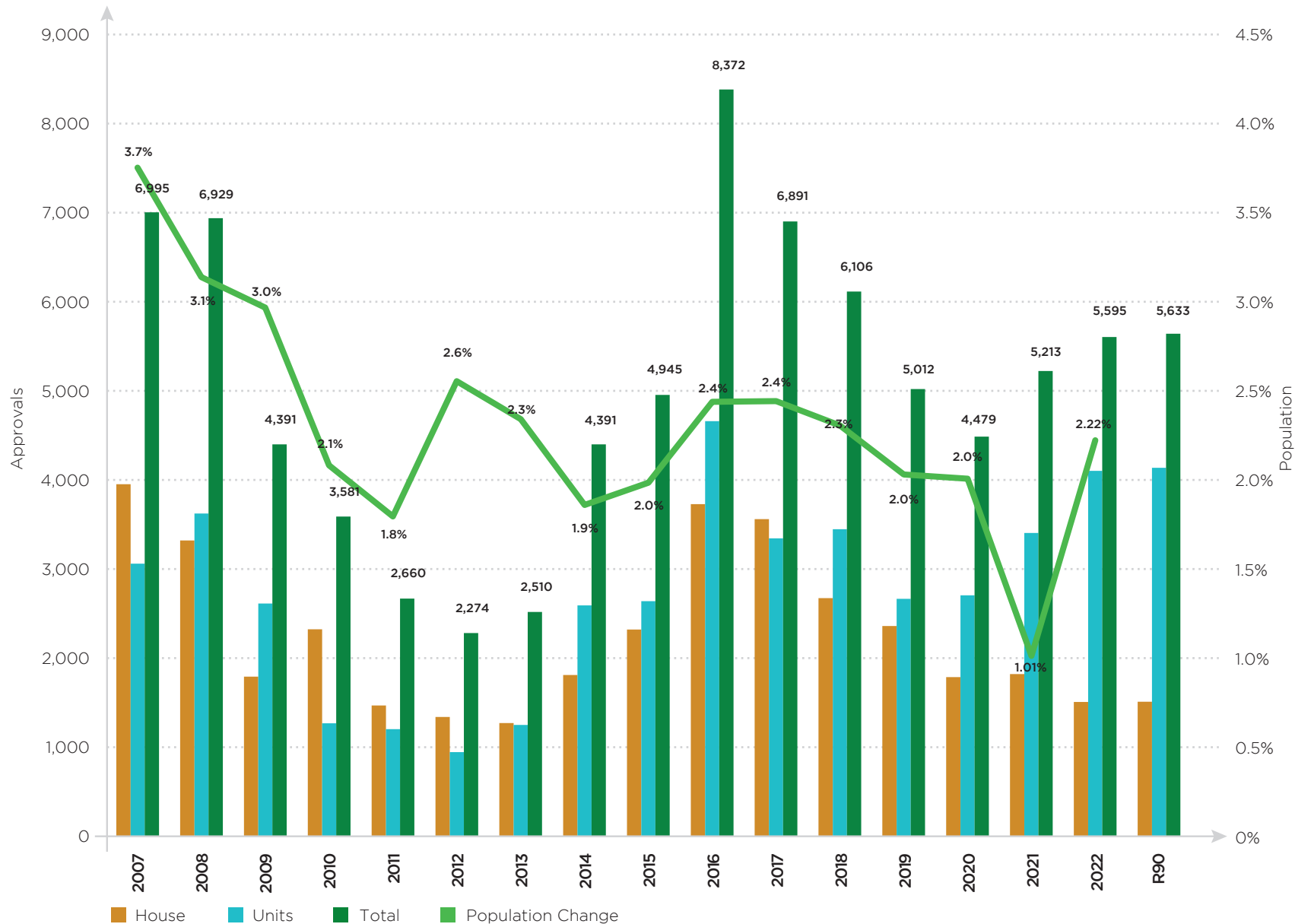
**SLIGHTLY
POSITIVE**

DWELLING SALES



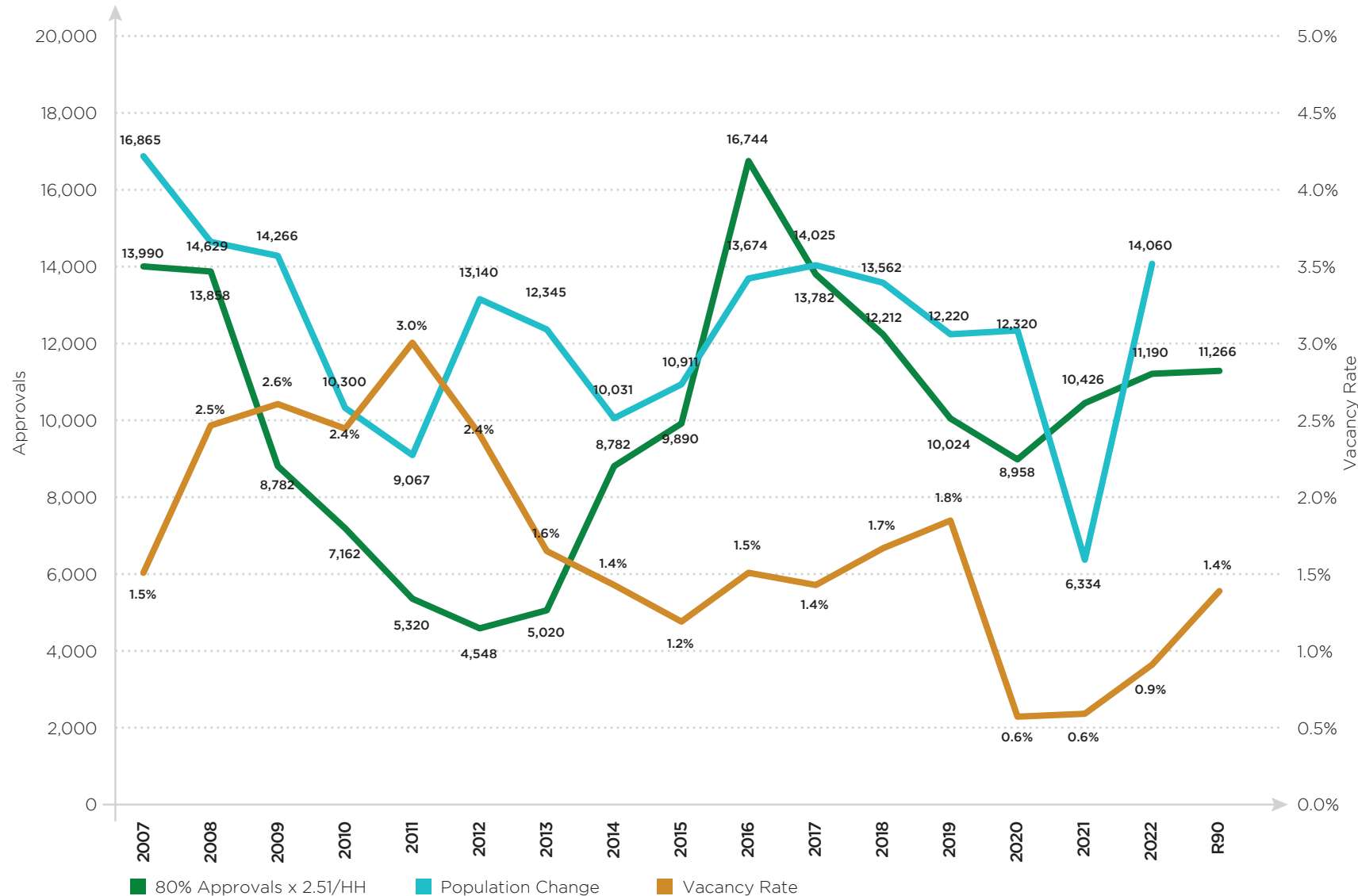
**SLIGHTLY
NEGATIVE**

DWELLING APPROVALS



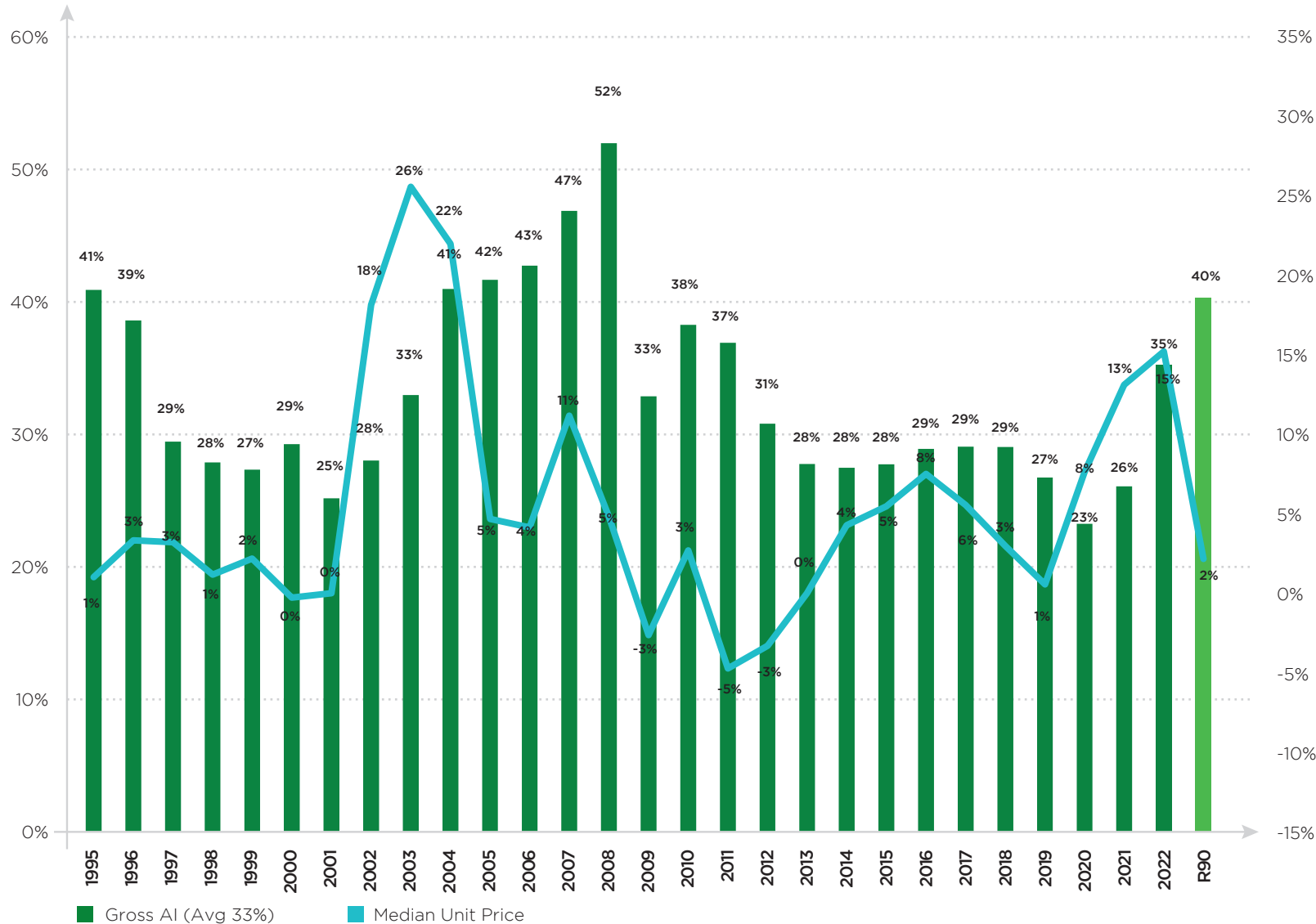
NEUTRAL

BEDROOM COMMENCEMENTS V. POPULATION CHANGE



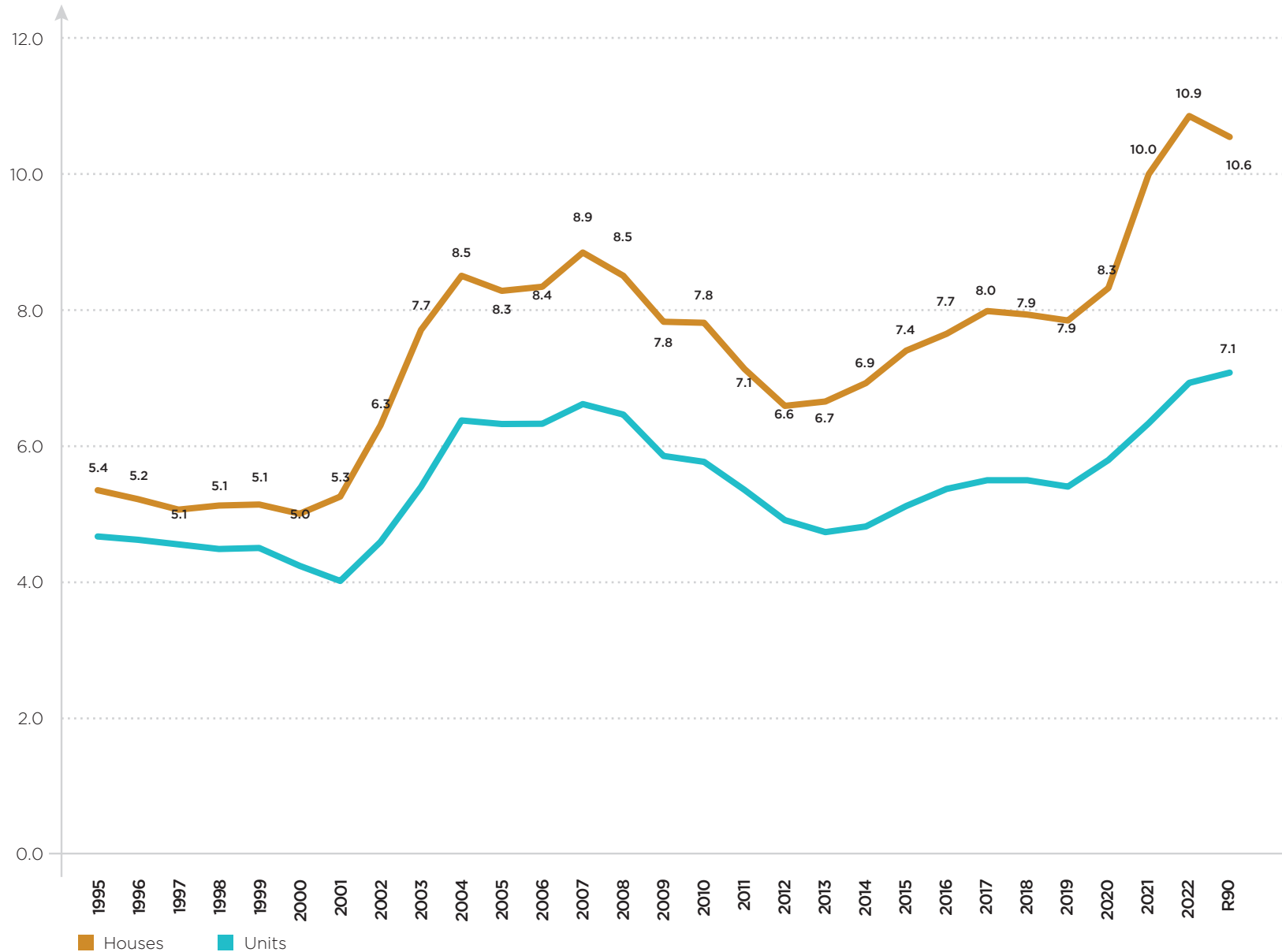
**SLIGHTLY
POSITIVE**

GROSS AFFORDABILITY INDEX (UNIT) V. PRICE GROWTH



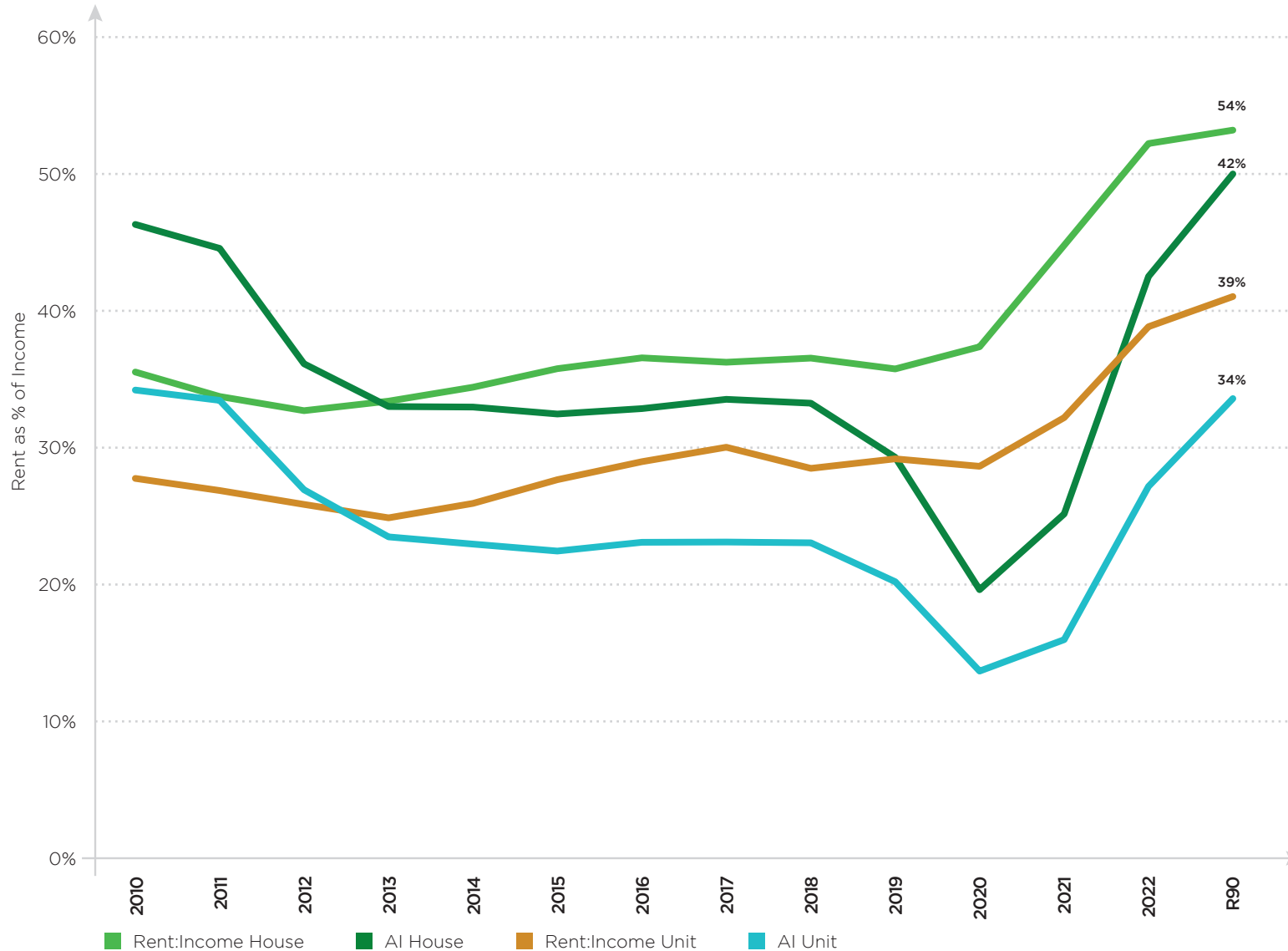
**SLIGHTLY
NEGATIVE**

PRICE TO INCOME RATIO



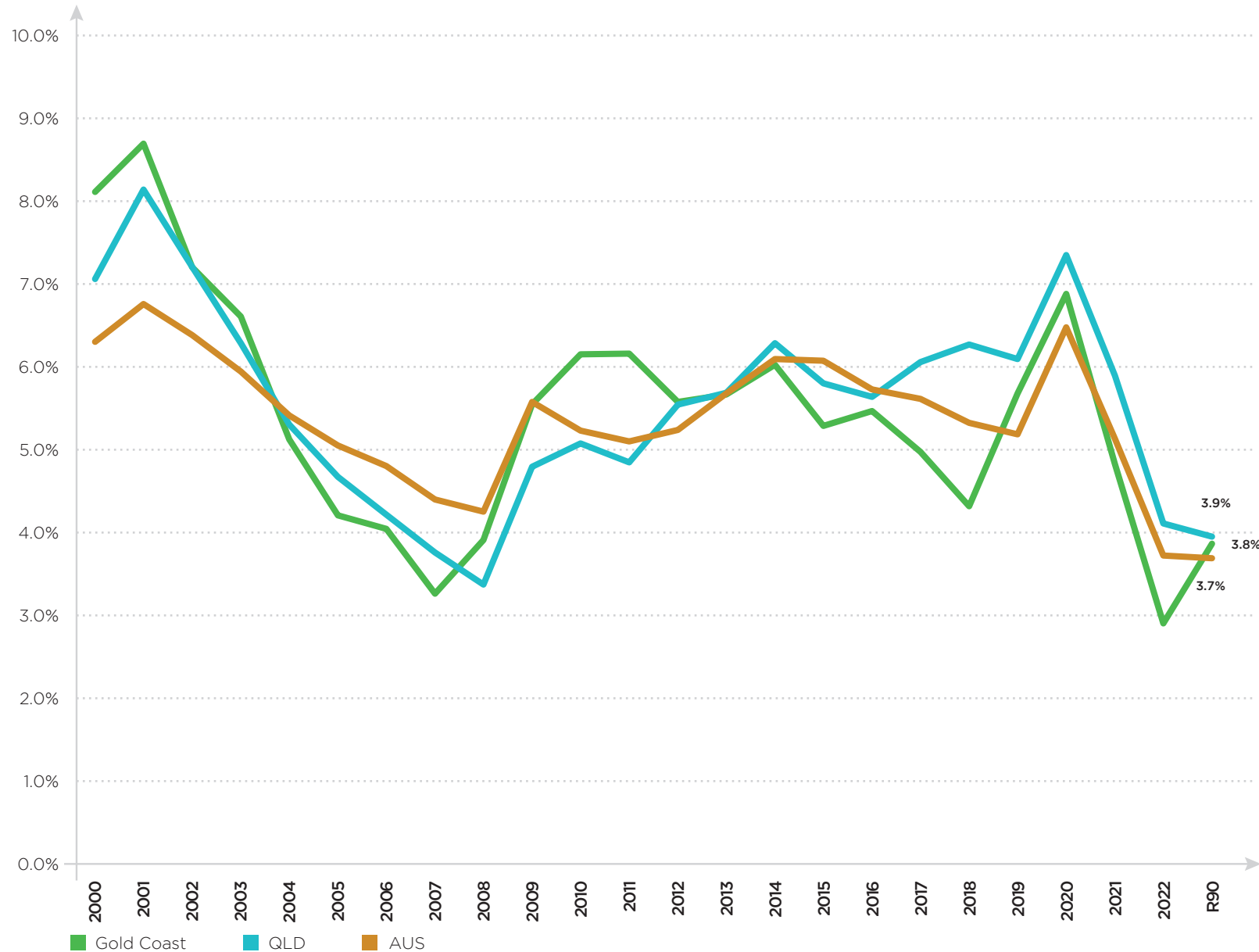
**SLIGHTLY
NEGATIVE**

RENT AS % OF INCOME V. AFFORDABILITY INDEX



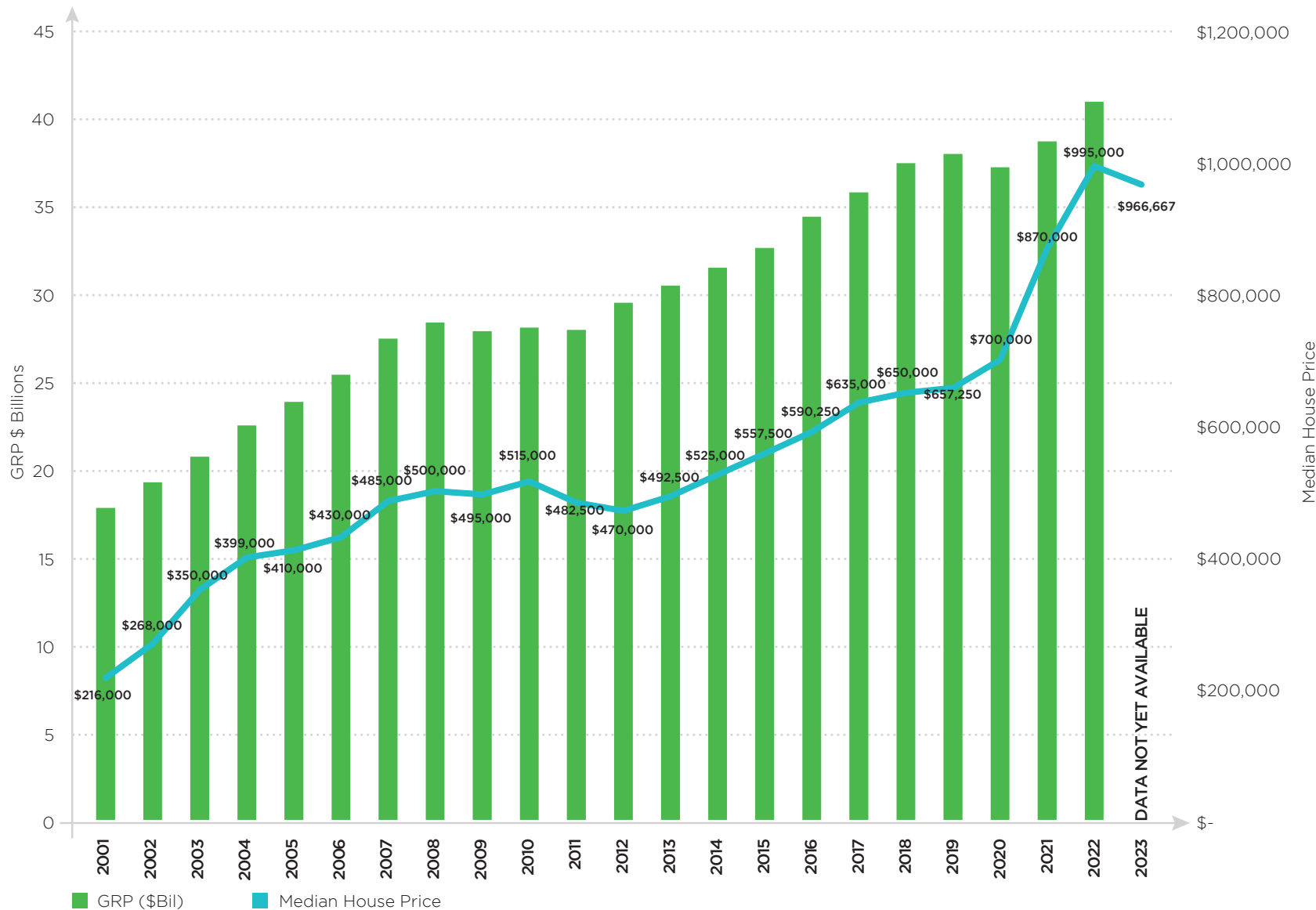
POSITIVE

UNEMPLOYMENT RATE



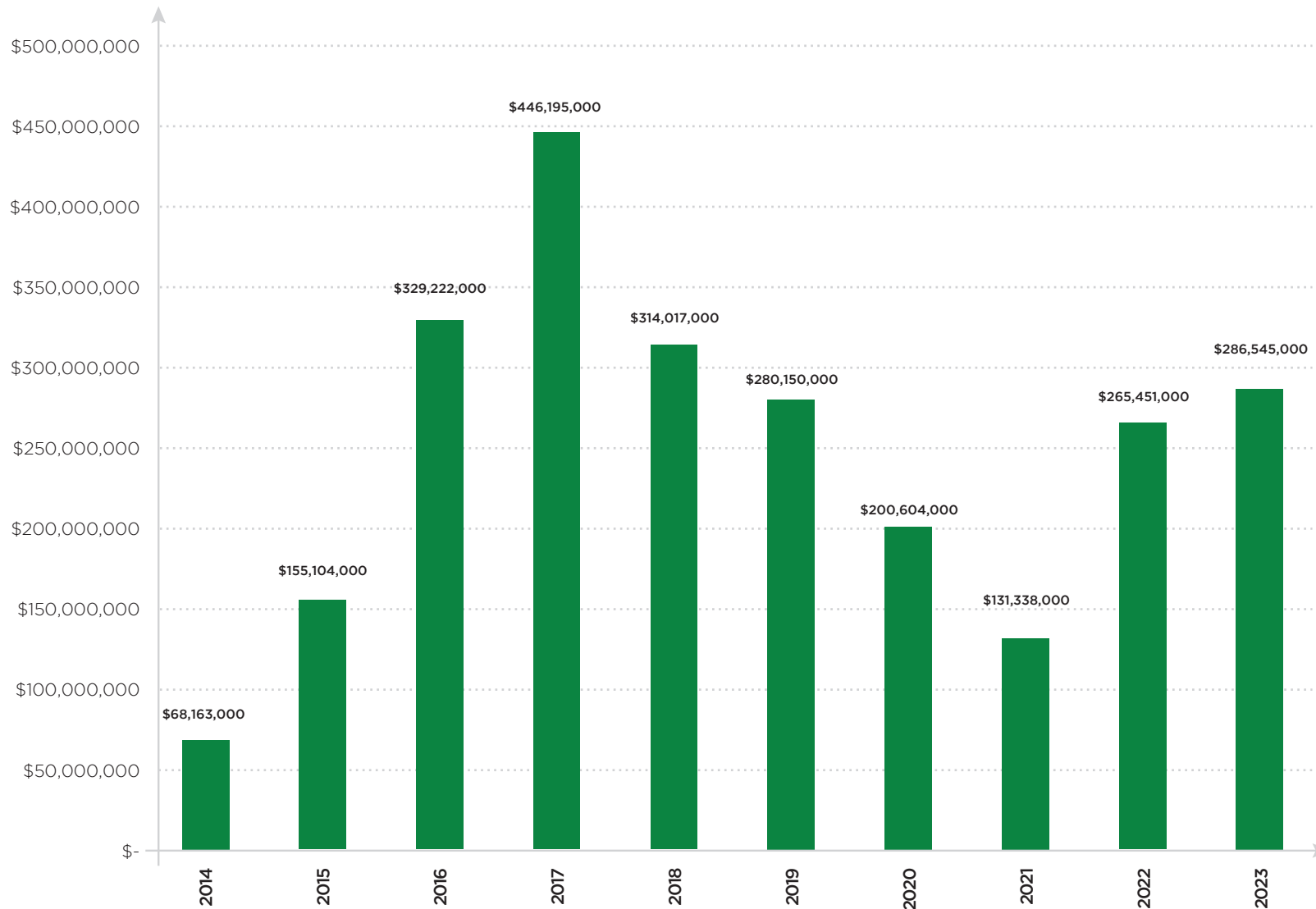
POSITIVE

GROSS REGIONAL PRODUCT V. MEDIAN PRICE



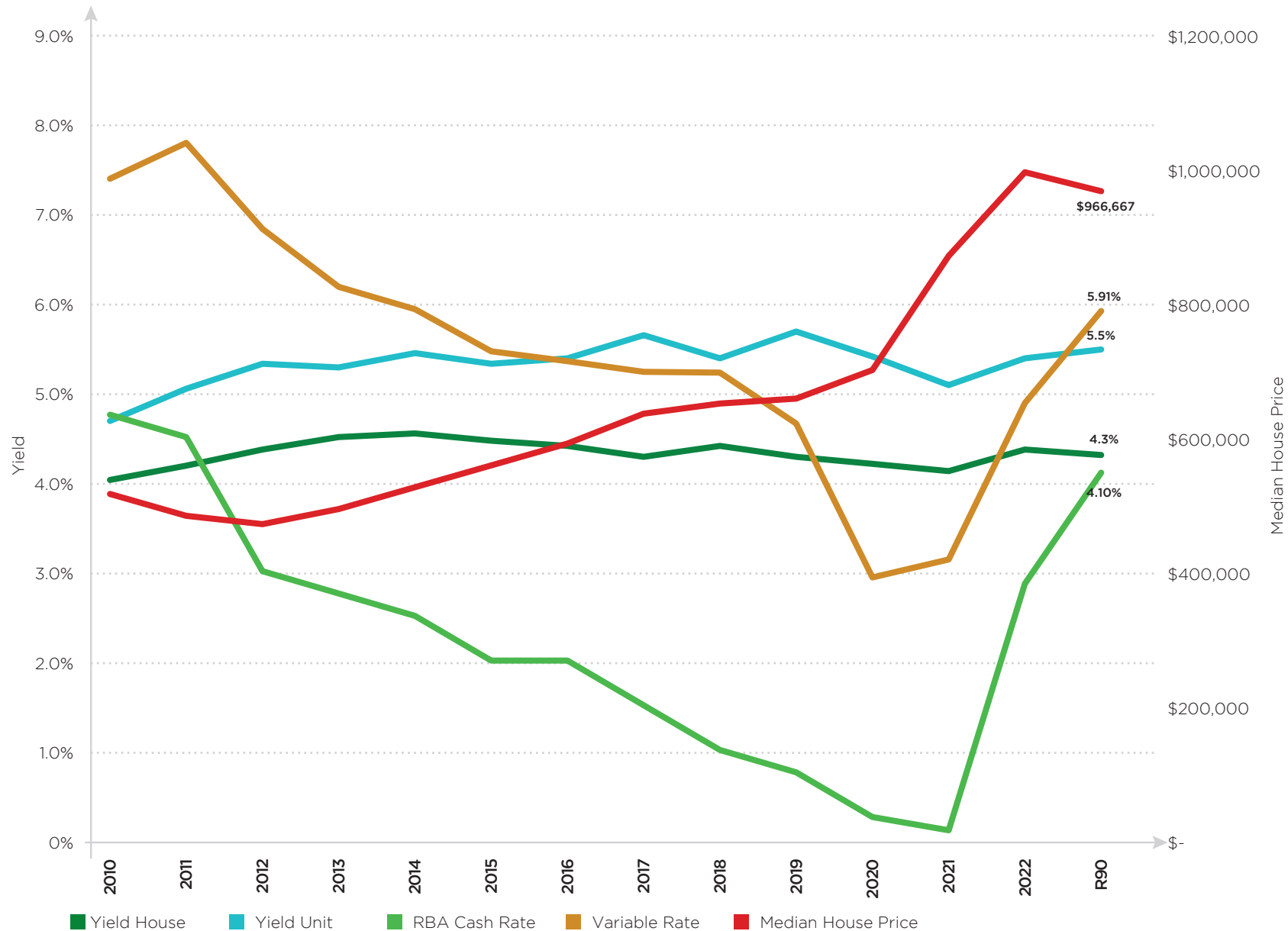
**SLIGHTLY
NEGATIVE**

GOLD COAST CITY COUNCIL BUDGET POSITION



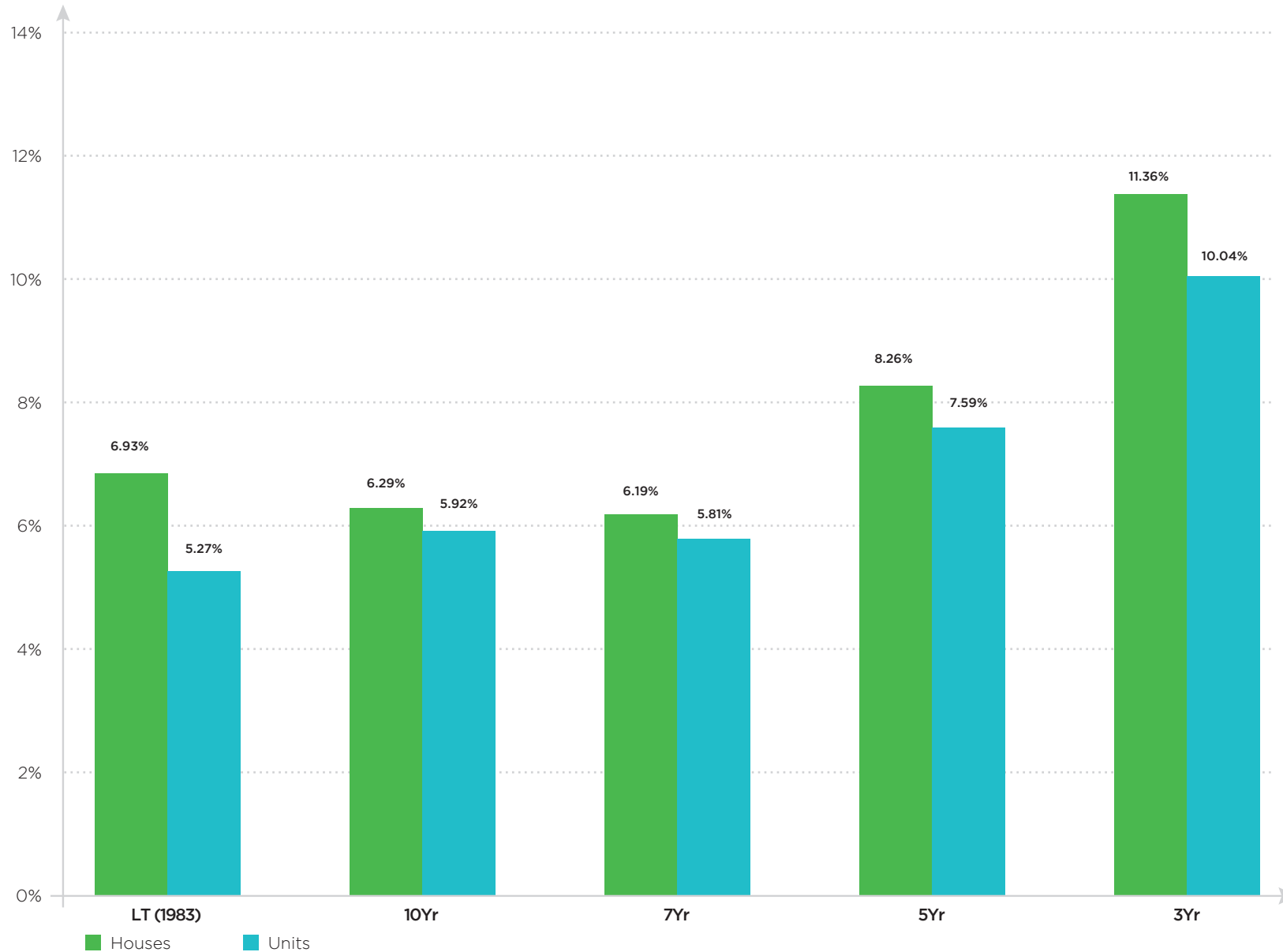
POSITIVE

YIELD



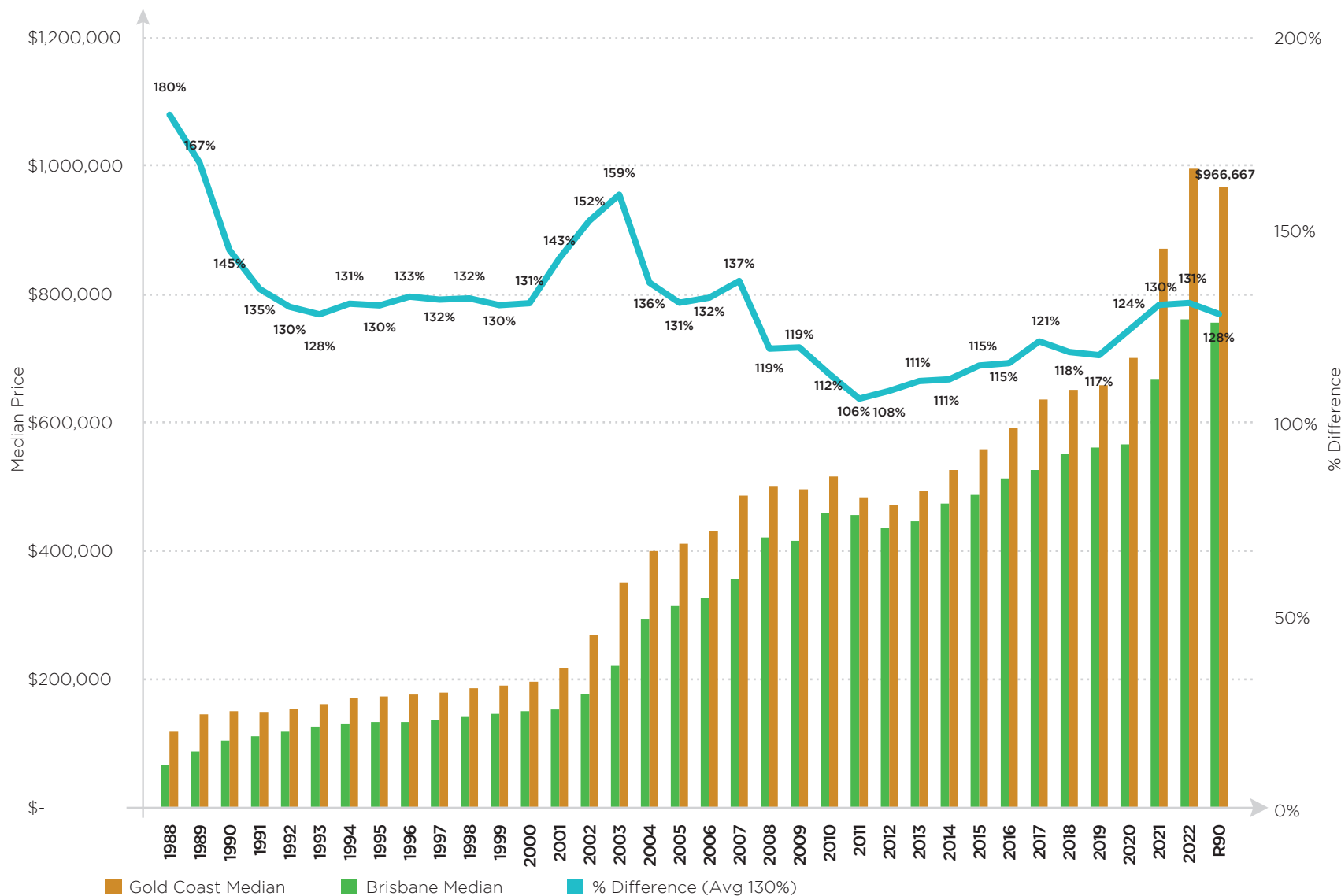
**SLIGHTLY
POSITIVE**

LONG TERM PERFORMANCE



NEGATIVE

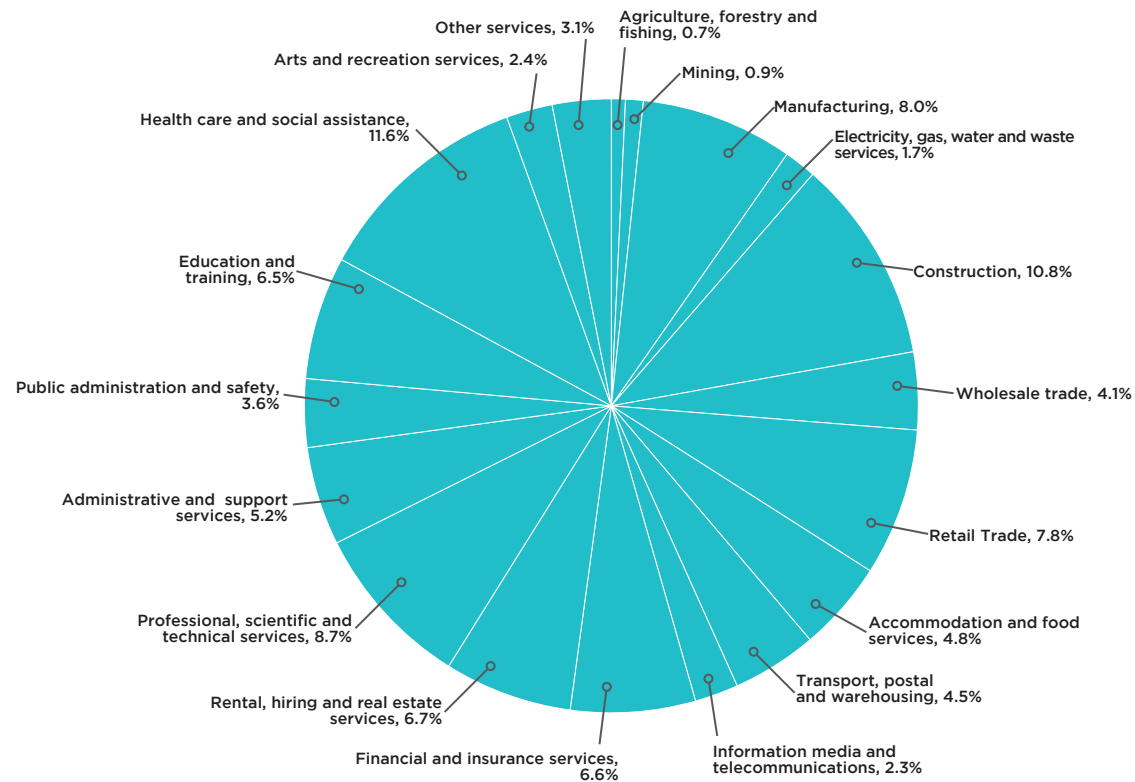
GOLD COAST V. BRISBANE PRICE COMPARISON



NEUTRAL

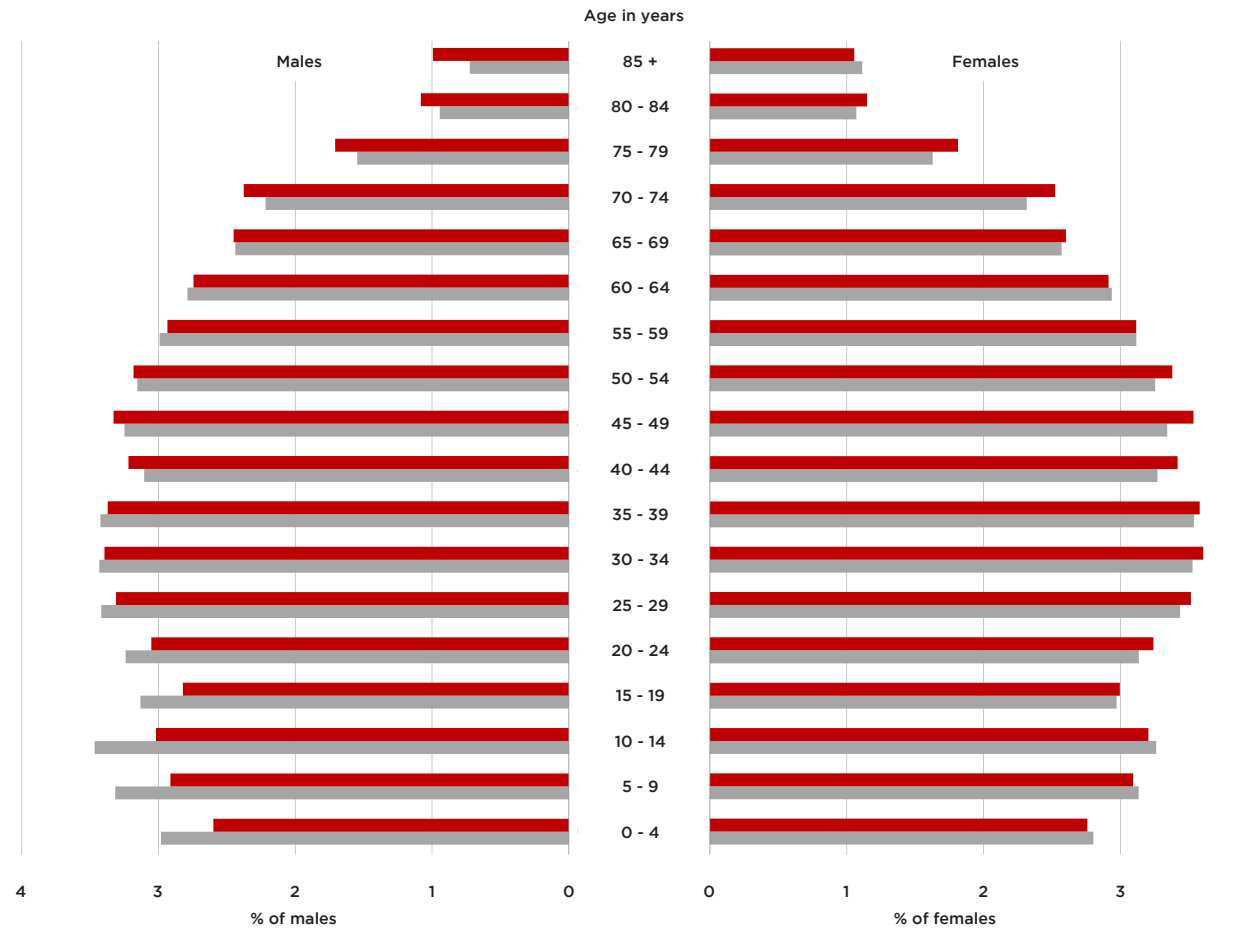
INDUSTRY VALUE ADDED

INDUSTRY BREAKDOWN



POSITIVE

POPULATION PYRAMID



Source: Australian Bureau of Statistics, Census of Population and Housing, 2021 (Usual residence data).

■ Gold Coast City ■ Greater Brisbane

**SLIGHTLY
POSITIVE**

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Macro Micro Property

ACQUIRE

Find Assess Negotiate

MANAGE

Property Management

REVIEW

Annual Portfolio Review

ADVISE

Hold Improve Dispose

PERFORMANCE PROPERTY ADVISORY SERVICES

- Property Acquisition
- Property Management
- Portfolio Review
- Sales Advisory / Vendor Advocacy

DATA SOURCES:

- Australian Bureau of Statistics
- BIS Shrapnel
- Residex
- SQM Research
- CoreLogic RP Data
- Foreign Investment Review Board
- Australian Trade & Investment Commission

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Capital Cities and Regions Median House Price

