

EDITION 24

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

CURRENT MEDIAN HOUSE
\$1,130,000

CURRENT MEDIAN UNIT
\$742,500

In the current stage of cycle

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

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

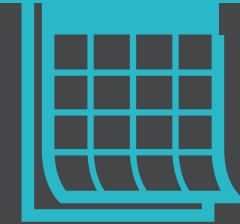
If buying units, it would be best suited to a **Medium Term Strategy**.

We classify the Gold Coast house market currently as a **Downside 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**



Average Days
on Market

Houses : **23**

Units : **23**



POPULATION



Current: **666,087**

Current Growth Rate: **2.92%**

Avg 10 Yr Growth Rate: **2.11%**

UNEMPLOYMENT RATE

3.6%

LONG TERM (1983) COMPOUNDED
GROWTH PA IS **7.34%** FOR
HOUSES & **5.62%** FOR UNITS.

Houses the last 3 years have seen 9.11%
PA growth, units 9.79%.

7.34%






HOUSE
YIELD **4.4%**

UNIT
YIELD **5.6%**

EXECUTIVE SUMMARY





SHORT-TERM MARKET INDICATORS

Slightly 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 - Slightly Positive

Does Demand Exceed Supply?

	Change in Population.....	13
	Population Movement.....	14
	Dwelling Sales.....	15
	Dwelling Approvals V. Population % Change.....	16


AFFORDABILITY - Negative

Is Property Affordable?

	Affordability Index HOUSE V. Price Movement.....	8
	Affordability Index UNITS V. Price Movement.....	17
	Price to Income Ratio.....	18
	Rent as % of Income V. Affordability Index.....	19

CONFIDENCE - Positive

Is There Confidence In The Market?

	Unemployment Rate.....	20
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MONEY SUPPLY - Slightly Positive

Will There Be More or Less Money Into The Economy?

	GRP V. Median House Price.....	21
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INVESTMENT VALUE - Neutral



Is This Market Showing Value?

	Yield.....	22
	Long Term Trends.....	23
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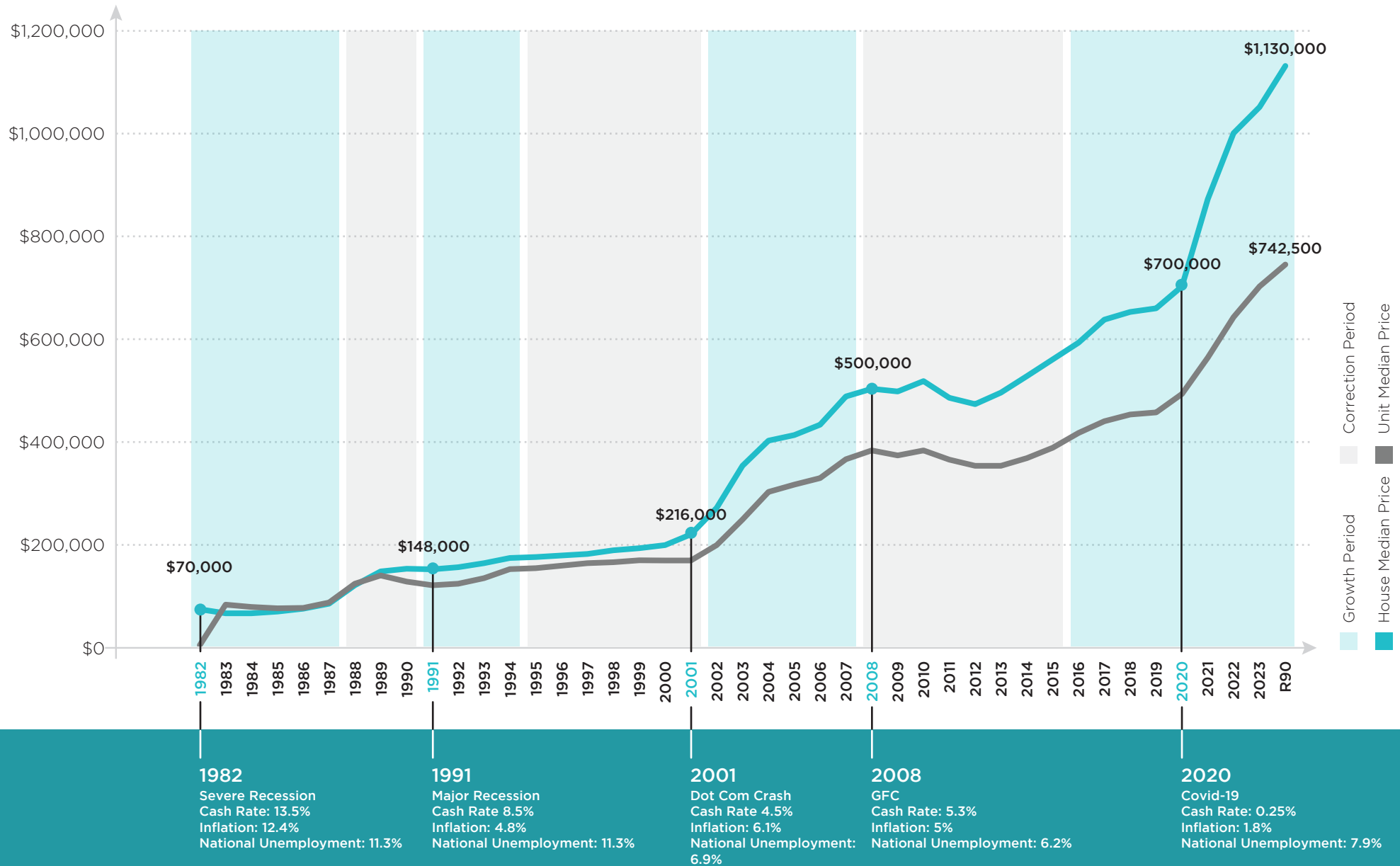
RISK - Negative

Are We In A Bubble?

	Affordability Index HOUSE V. Price Movement.....	08
	Price to Income Ratio.....	18
	Industry Value Added.....	26
	Population Pyramid.....	27

	Positive
	Slightly Positive
	Neutral
	Slightly Negative
	Negative

GOLD COAST HOUSE PRICE MOVEMENT



OUR VIEW OF THE GOLD COAST HOUSE MARKET

GOLD COAST SUBURB RANGE - HOUSES

PEAK

The market has peaked based on its historic performance. Consider selling in this market after consultation with your financial planner or property investment adviser.

HOLD

This market is only appropriate to enter with a long term property strategy. Growth in the short term is expected to be limited, but quality assets held long term will continue to perform.

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.

PEAK

DOWNSIDE RISK

The market has moved past its peak historic performance. There is a significant risk for the market to experience a downturn in the near future.

HOLD

DOWNSIDE RISK

STAGNATION

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

BUY MOMENTUM

STAGNATION

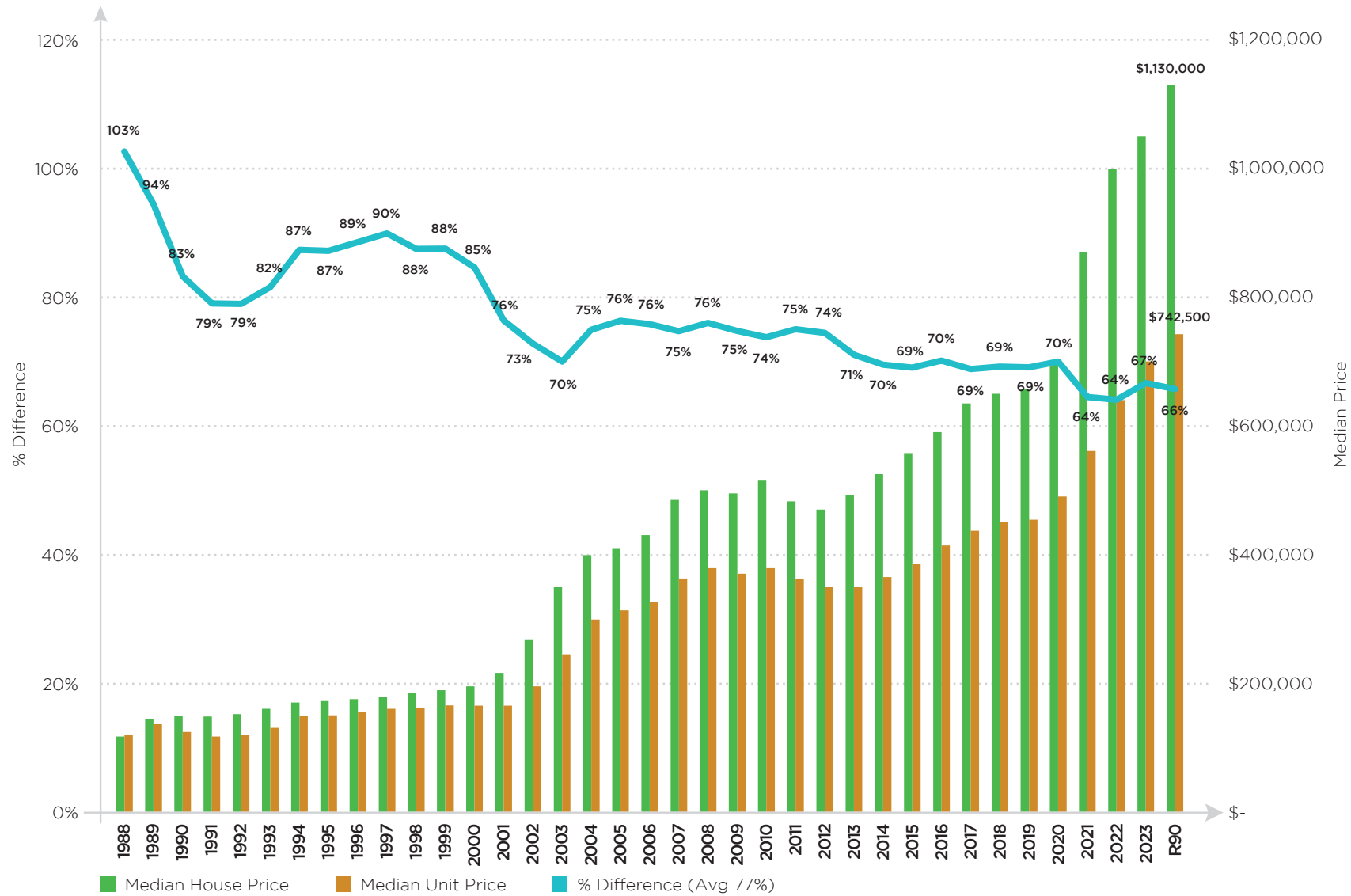
BUY VALUE

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.

BUY VALUE

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



POSITIVE

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

GOLD COAST SUBURB RANGE - UNITS

PEAK

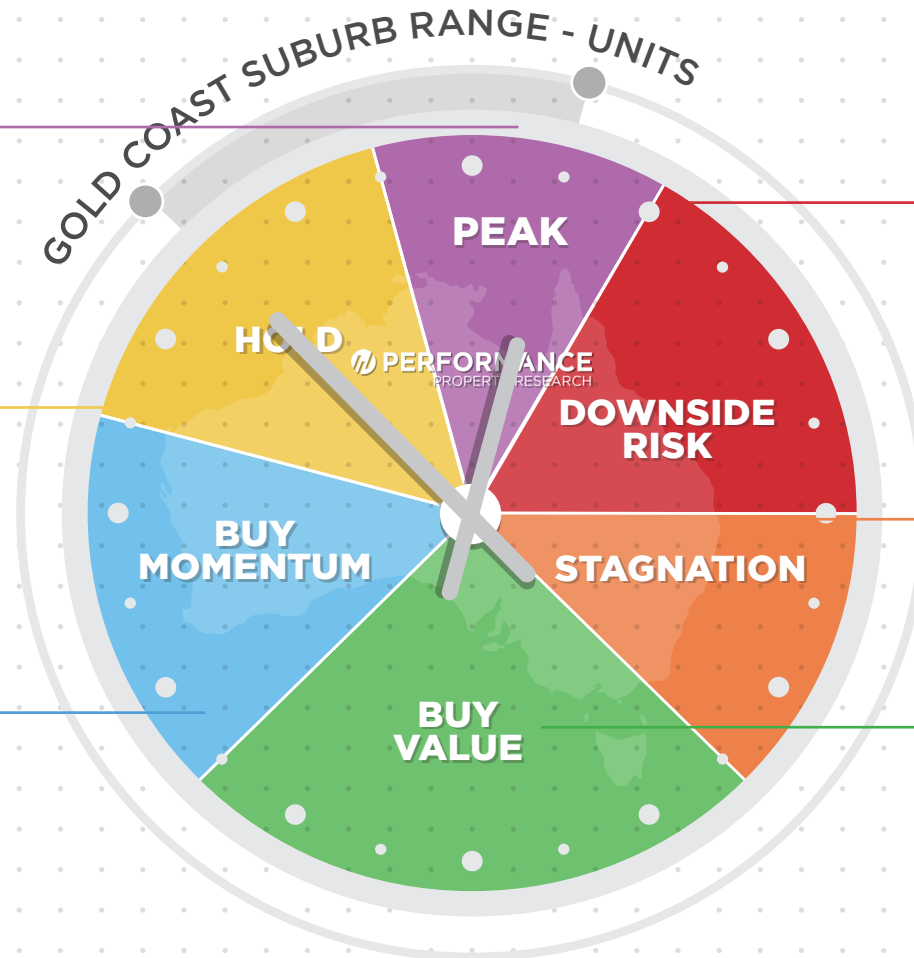
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STAGNATION

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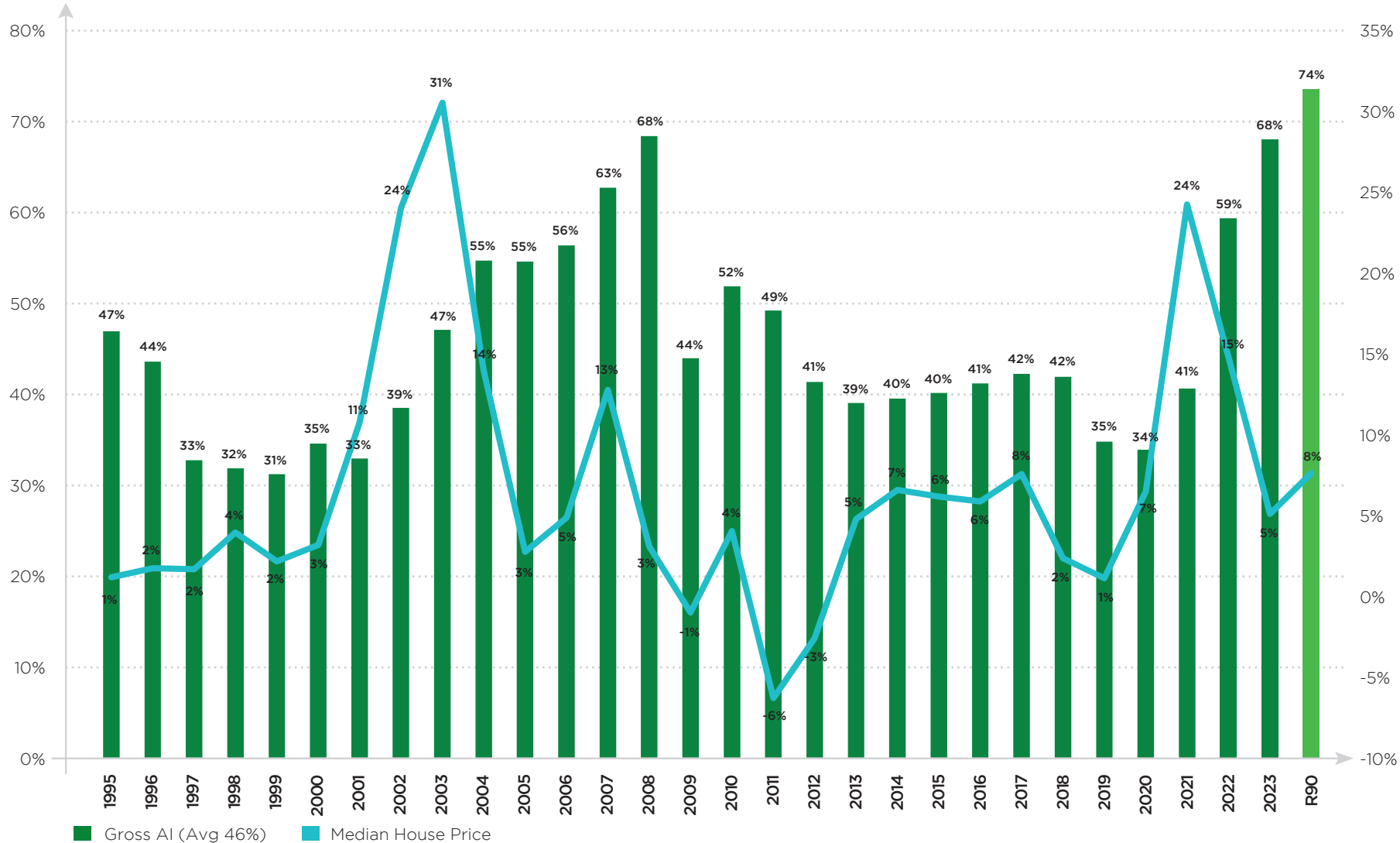
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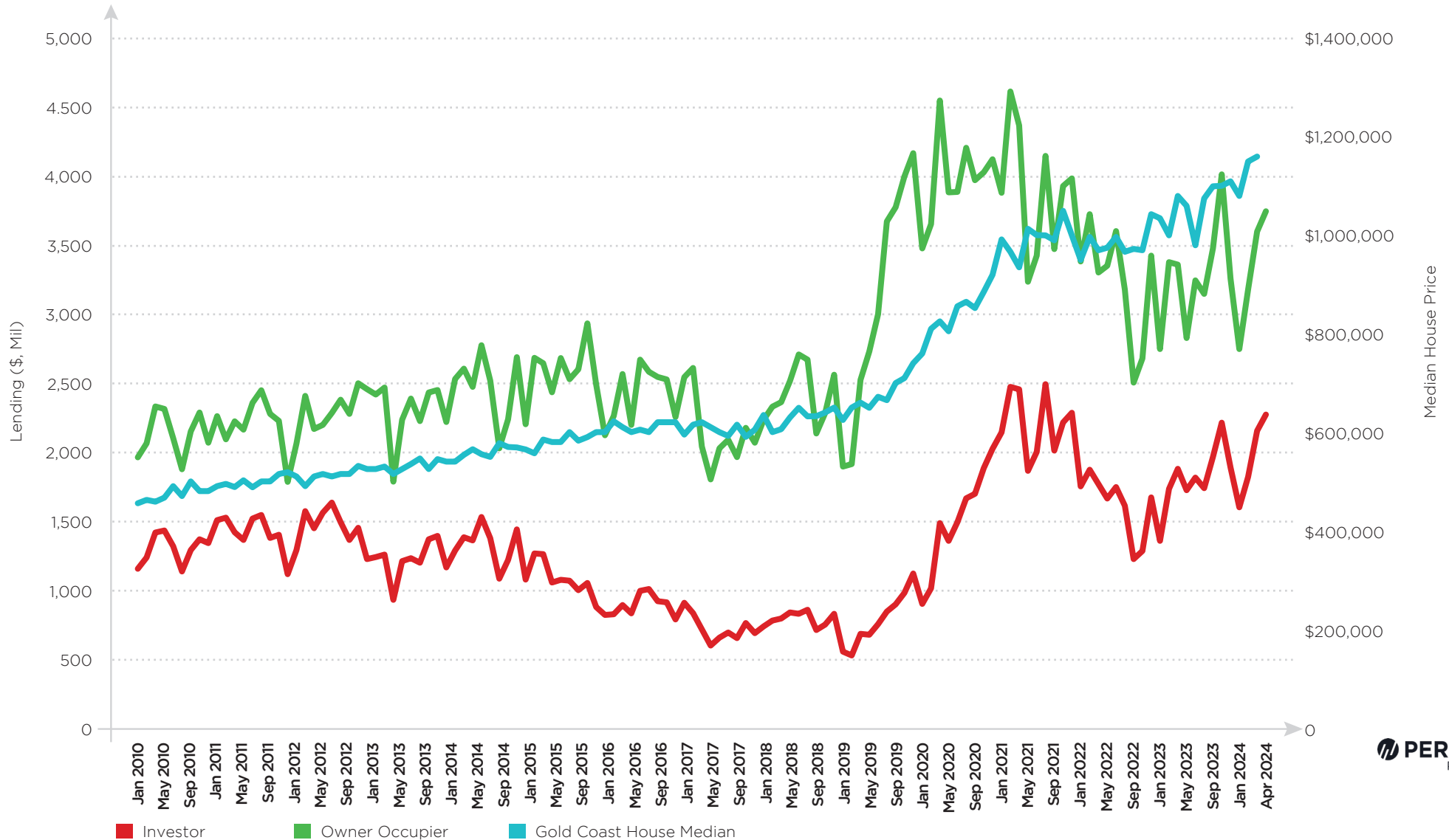
AFFORDABILITY INDEX V. PRICE MOVEMENT - HOUSE

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.



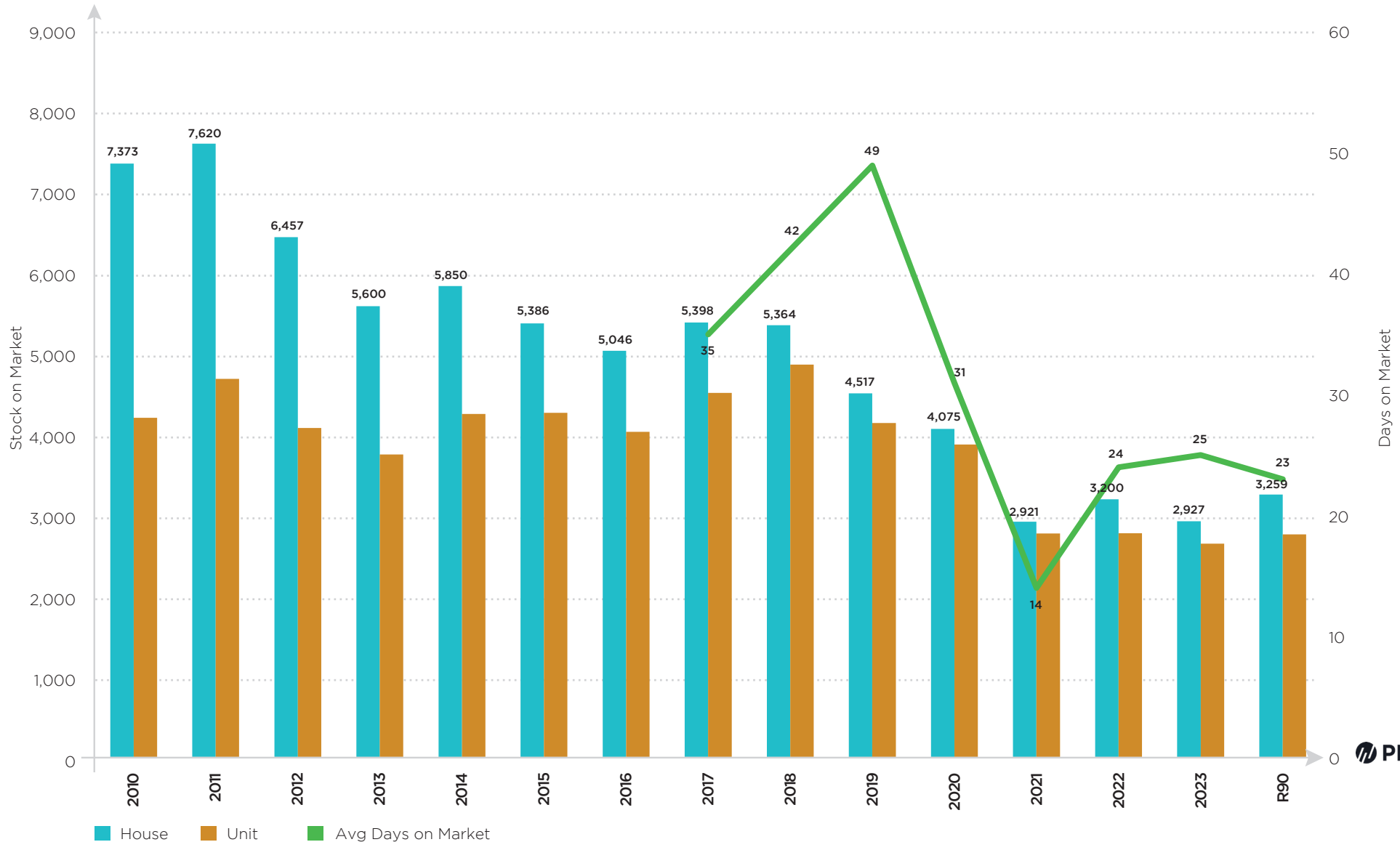
QLD MONTHLY HH LENDING TO OC V. MEDIAN HOUSE PRICE

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

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



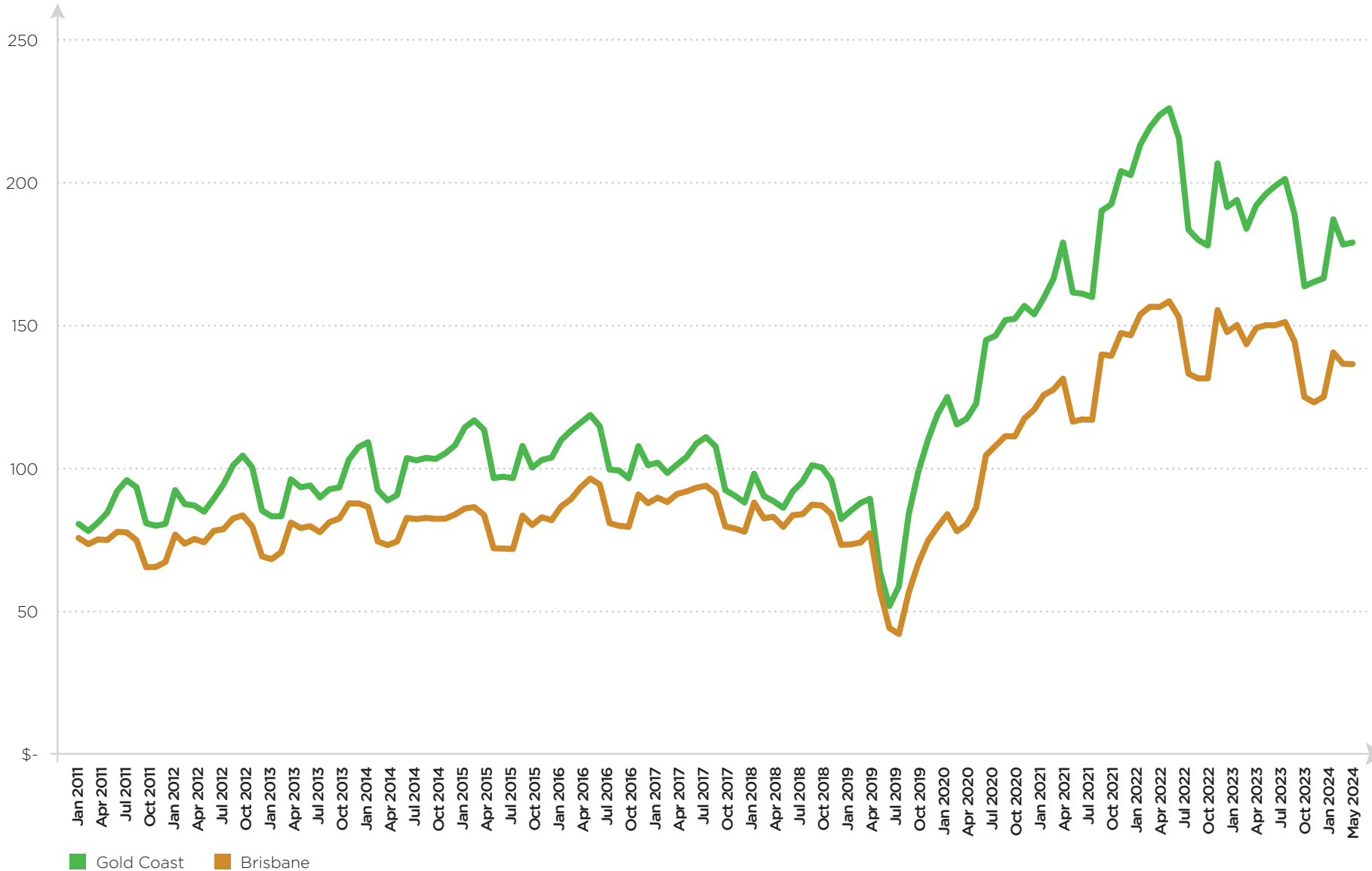
VACANCY RATE V. RENT

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

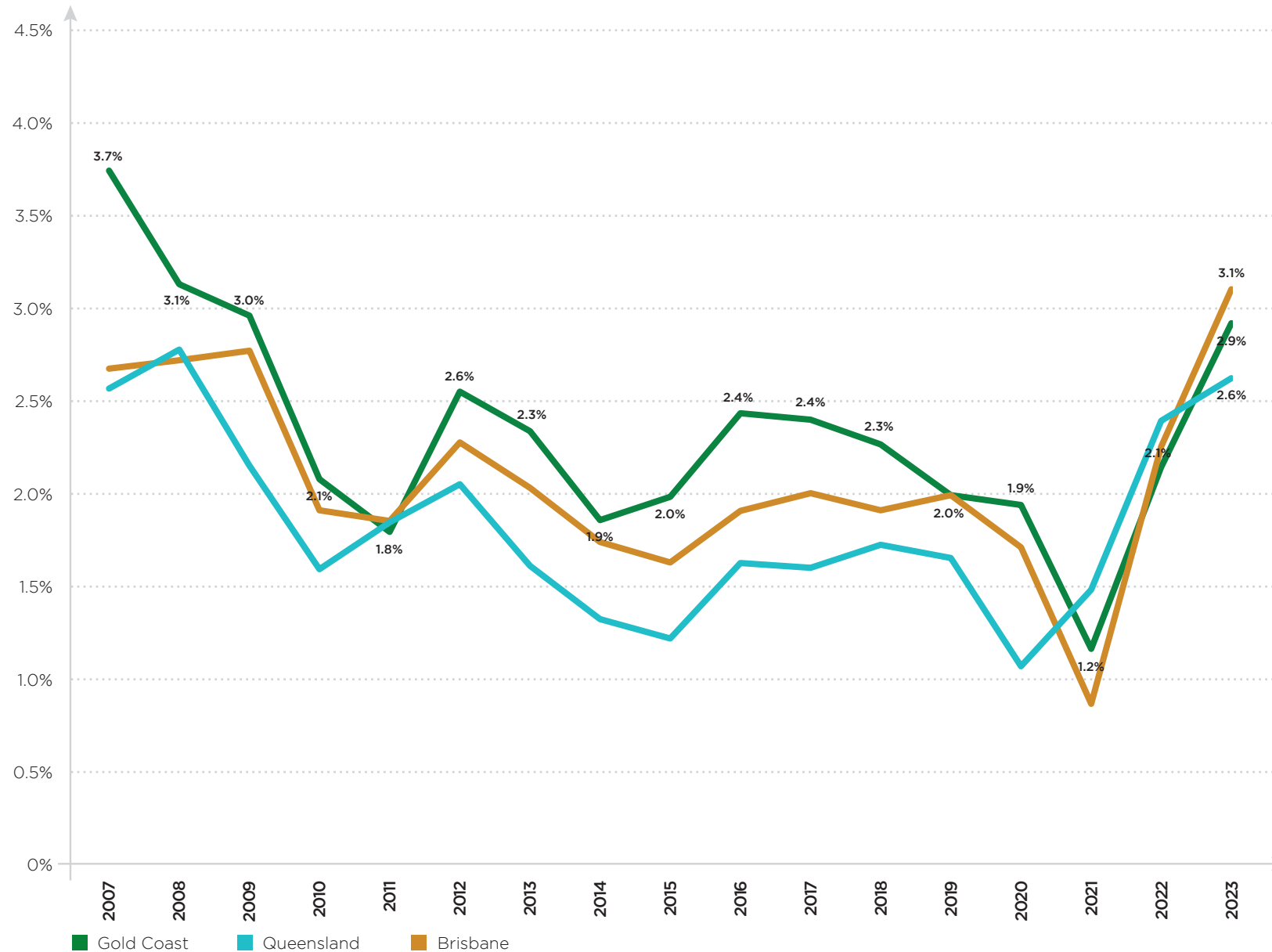


JOB CREATION INDEX - GOLD COAST

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

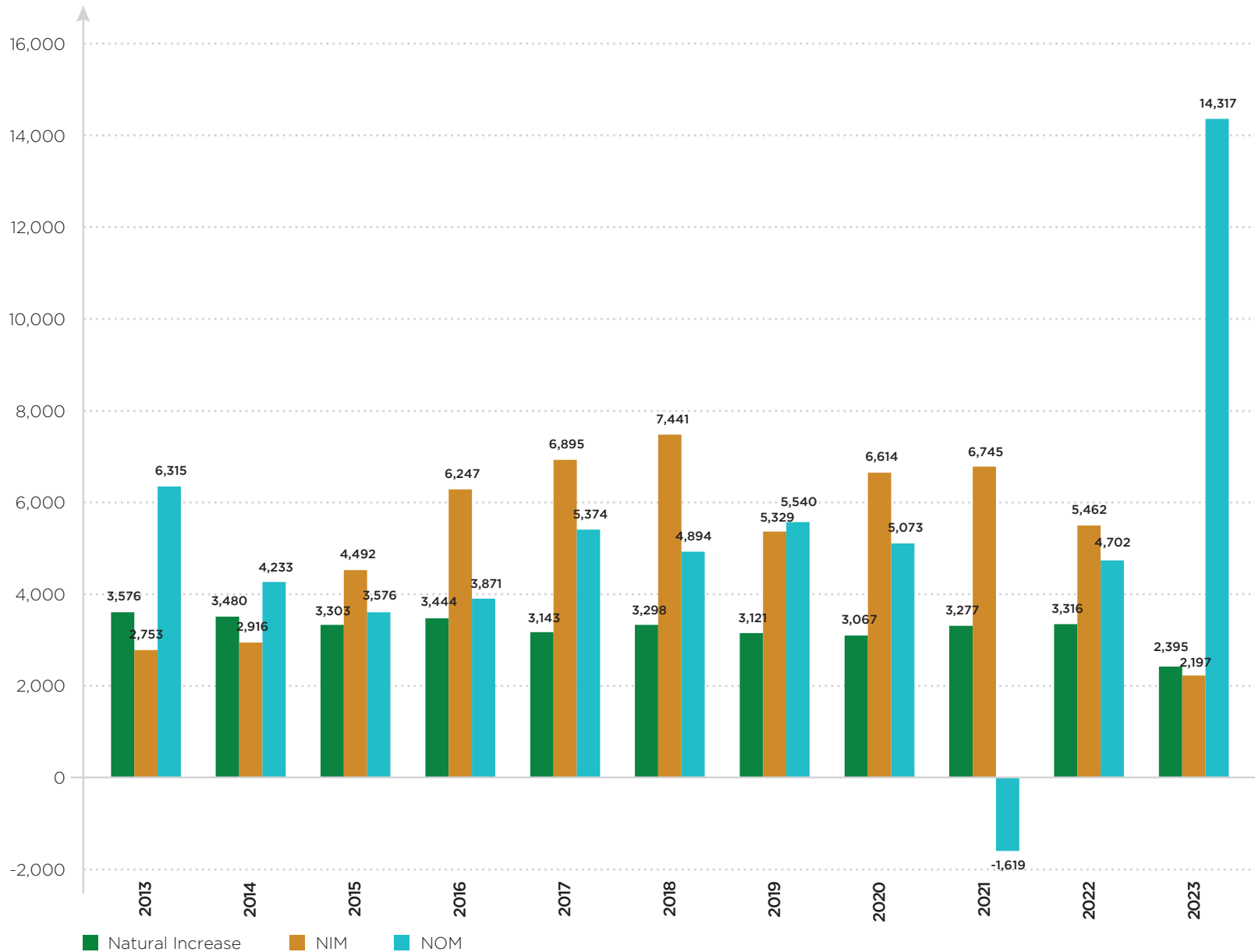


CHANGE IN POPULATION



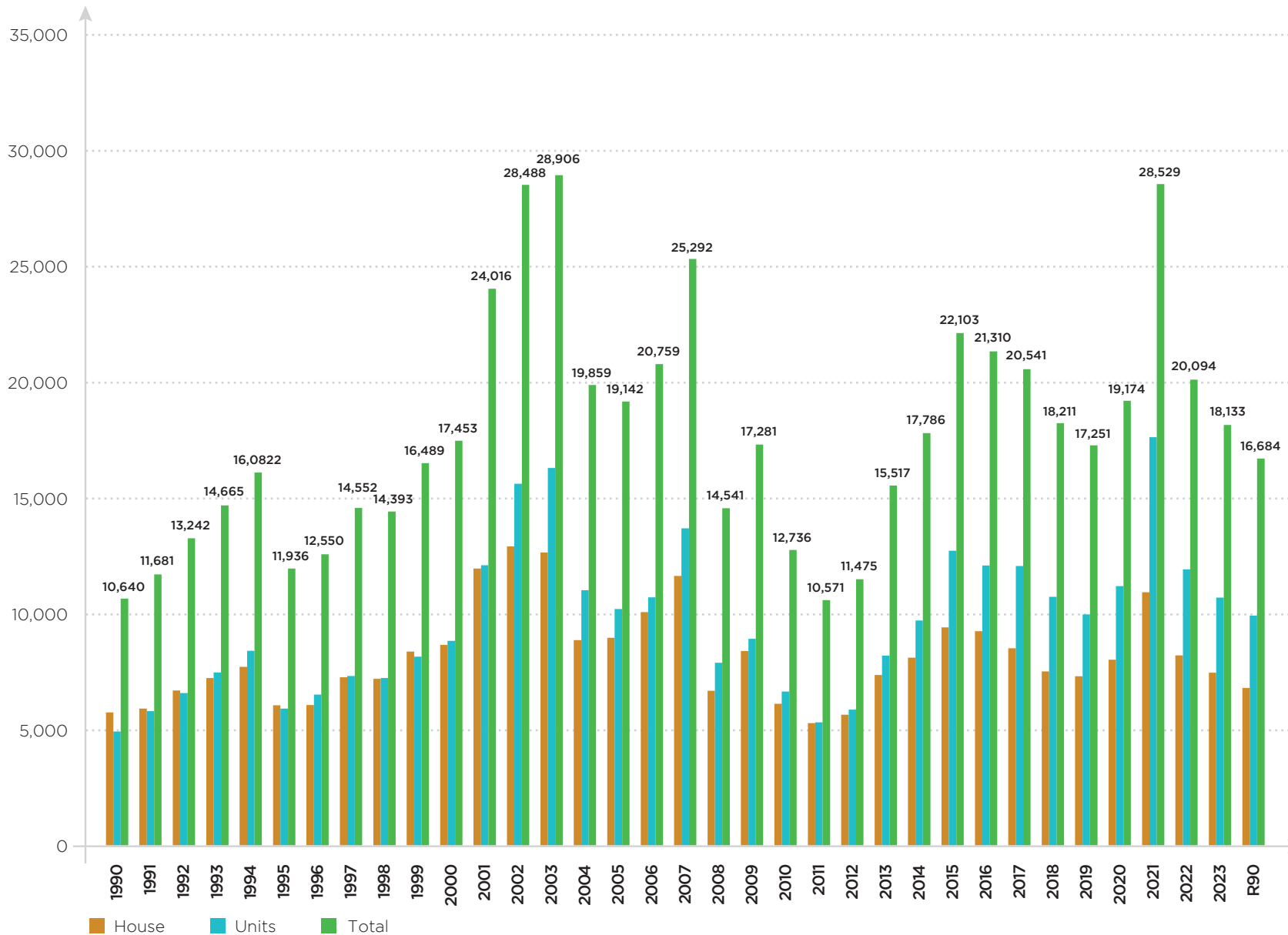
POSITIVE

POPULATION MOVEMENT



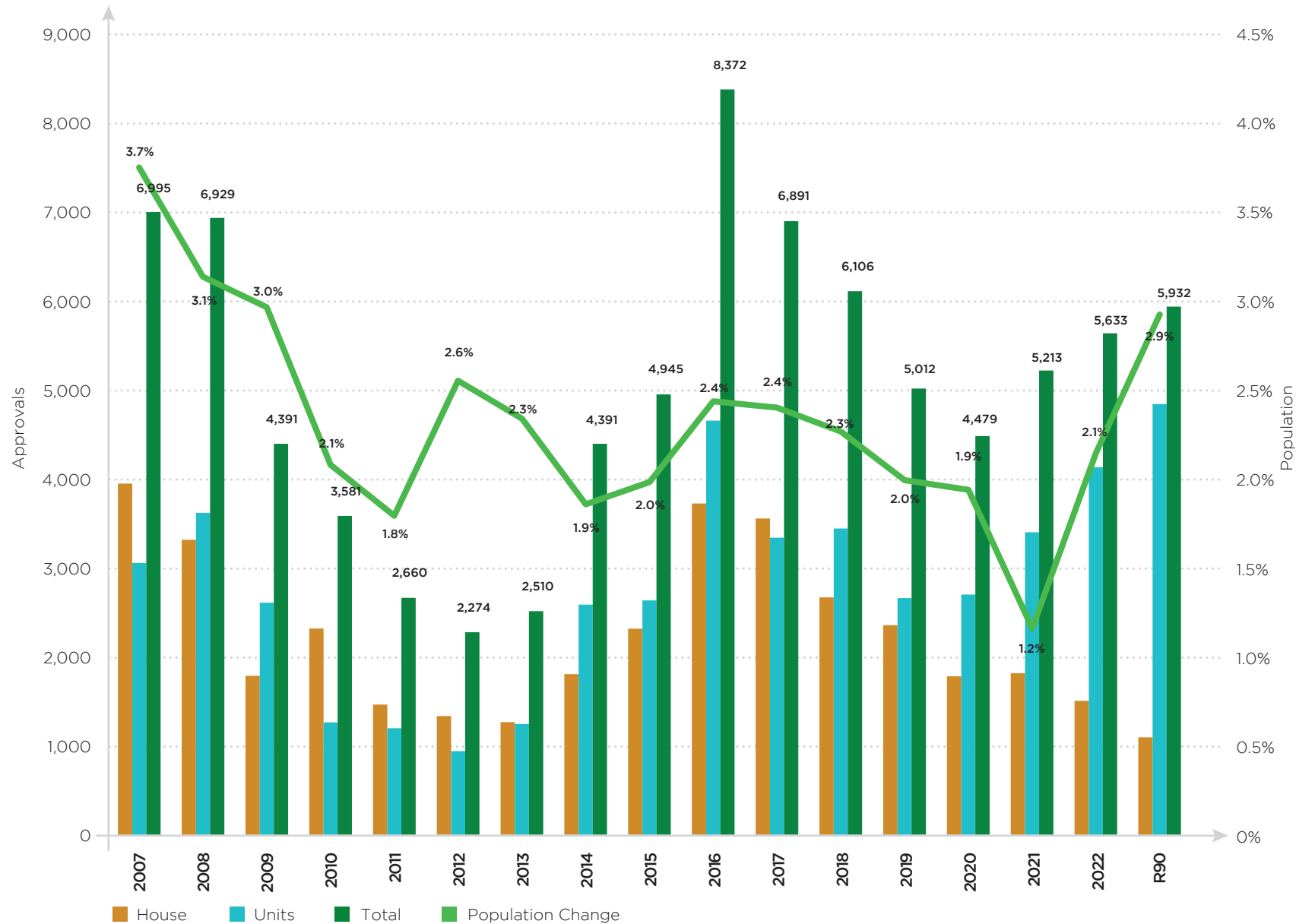
POSITIVE

DWELLING SALES



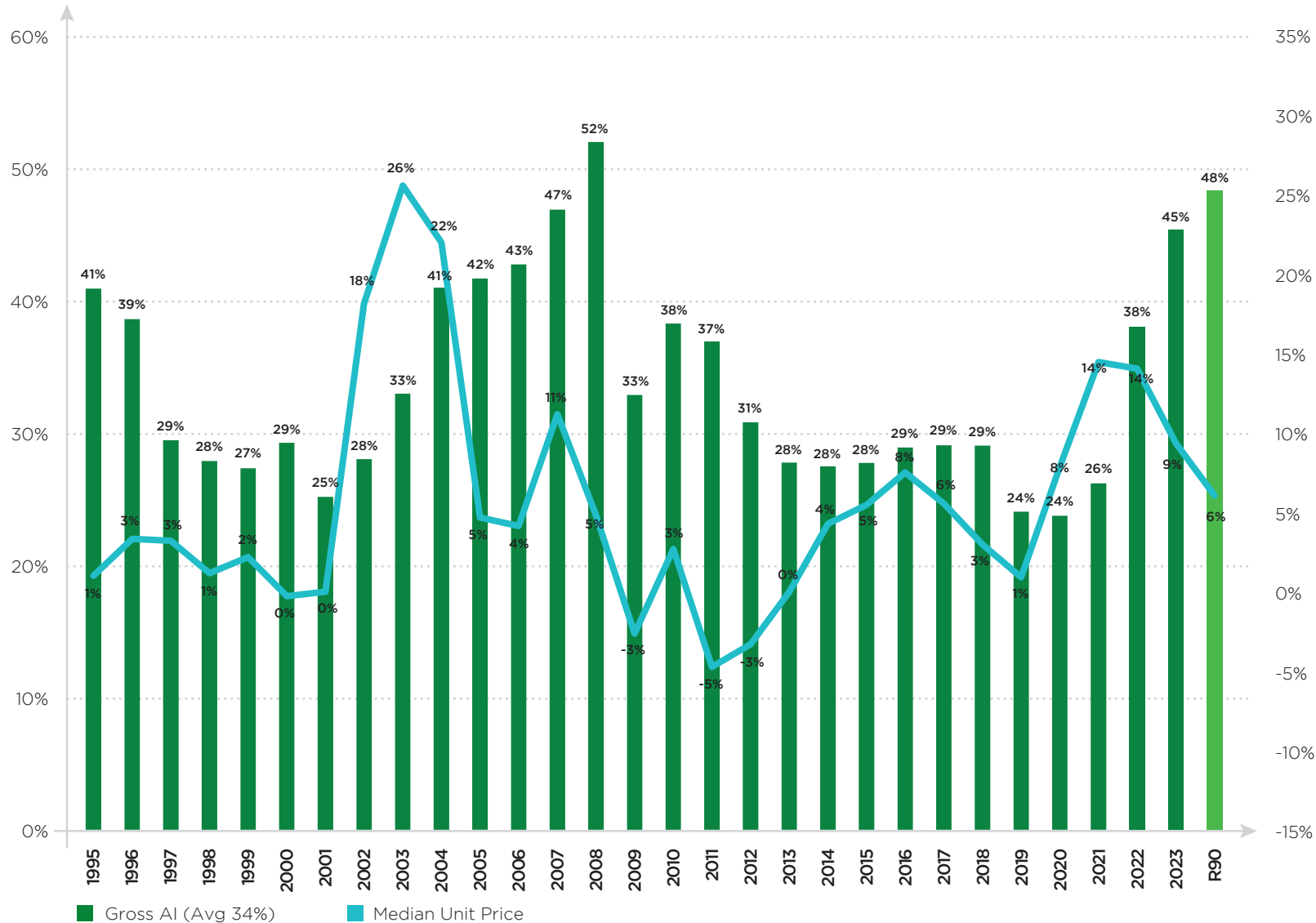
**SLIGHTLY
NEGATIVE**

DWELLING APPROVALS



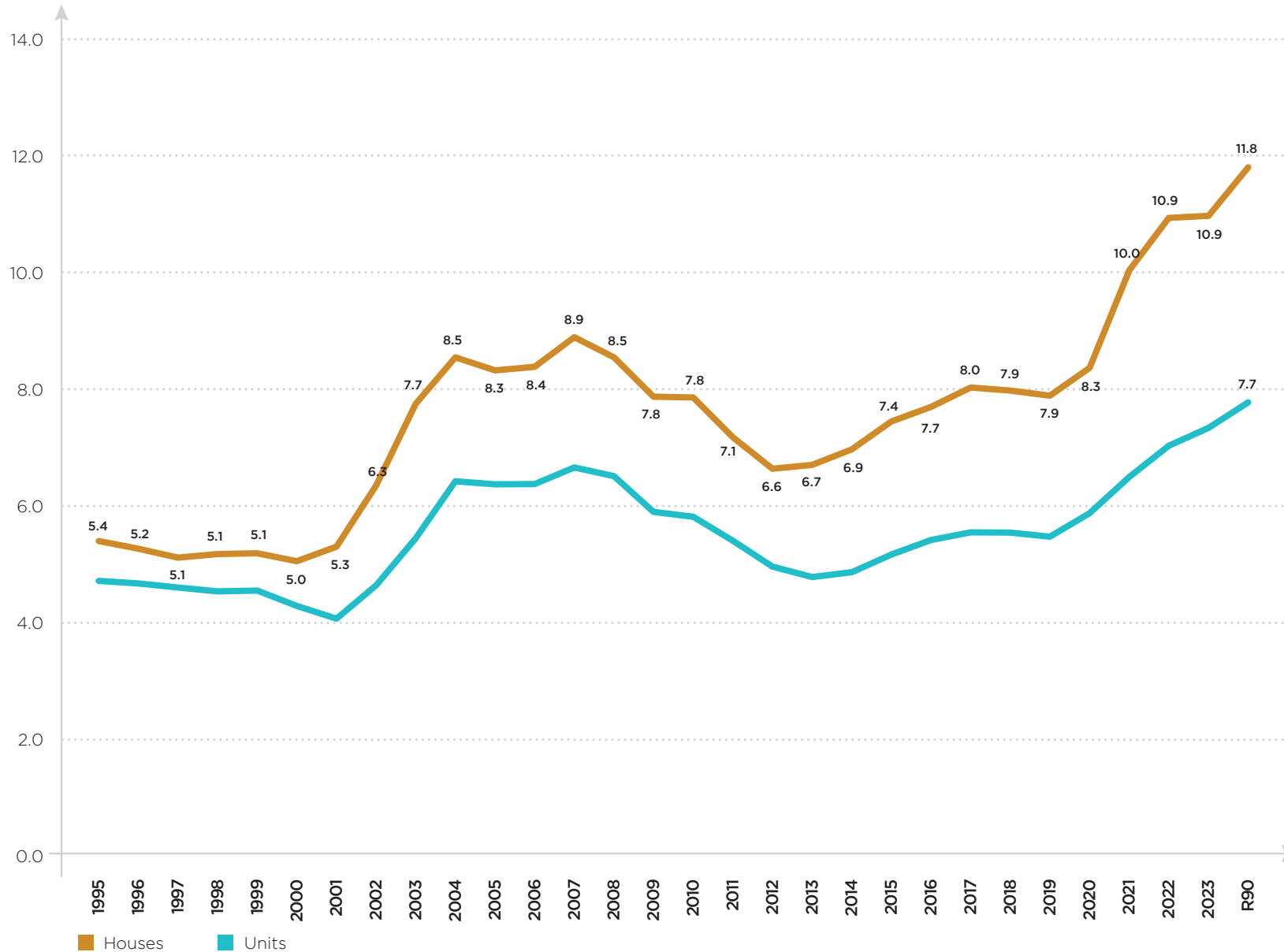
SLIGHTLY
NEGATIVE

GROSS AFFORDABILITY INDEX (UNIT) V. PRICE GROWTH



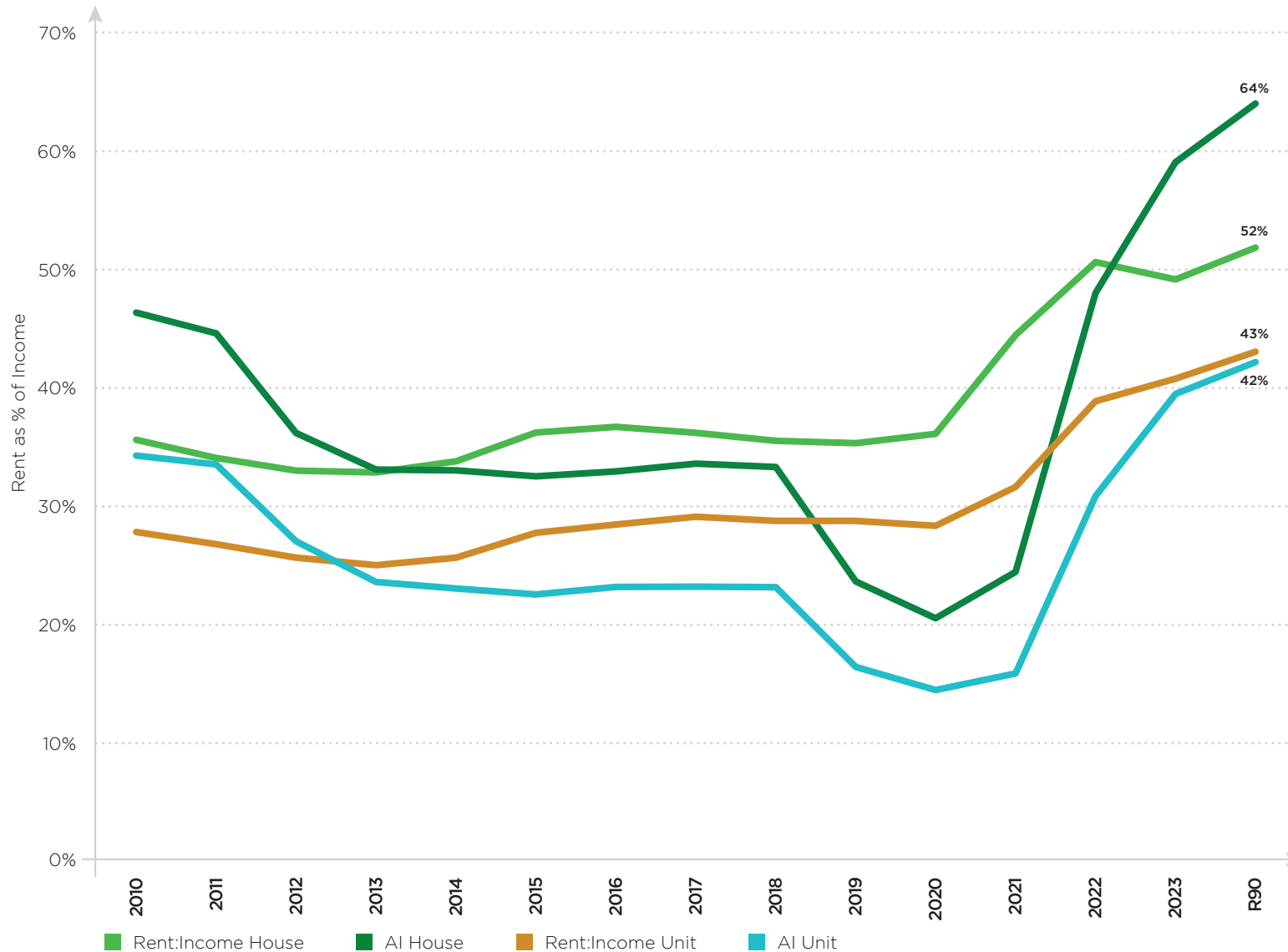
SLIGHTLY
NEGATIVE

PRICE TO INCOME RATIO



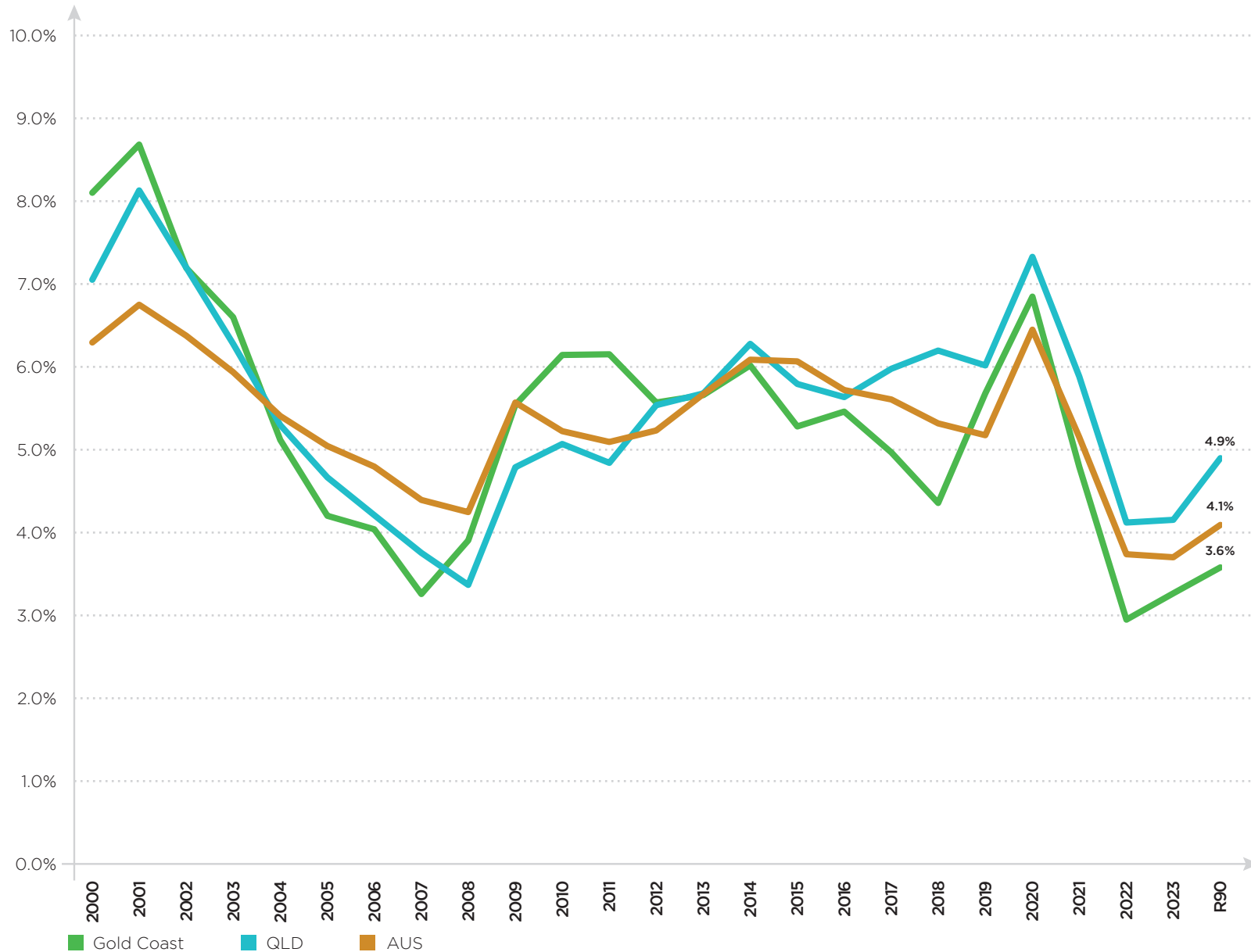
NEGATIVE

RENT AS % OF INCOME V. AFFORDABILITY INDEX



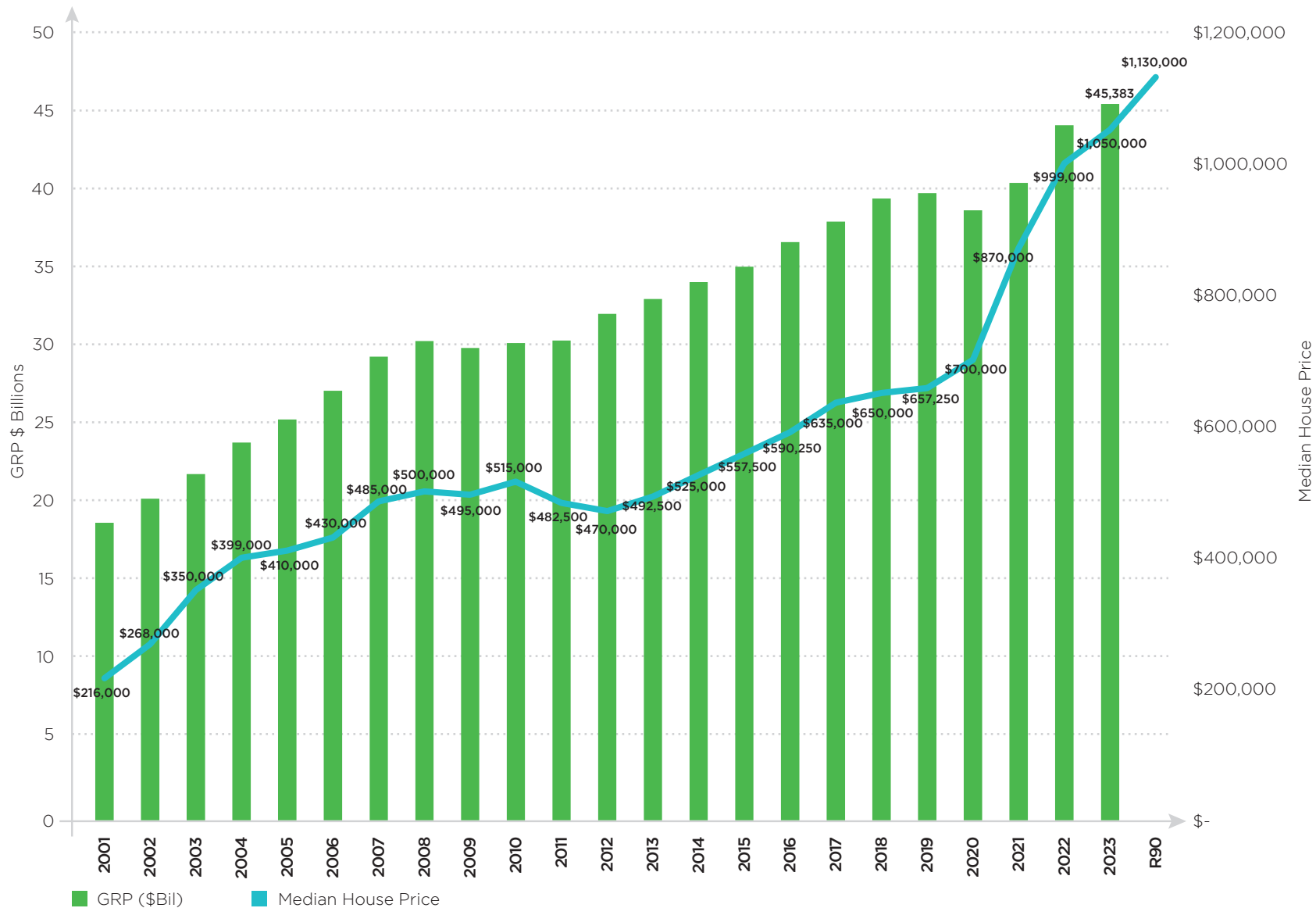
NEGATIVE

UNEMPLOYMENT RATE



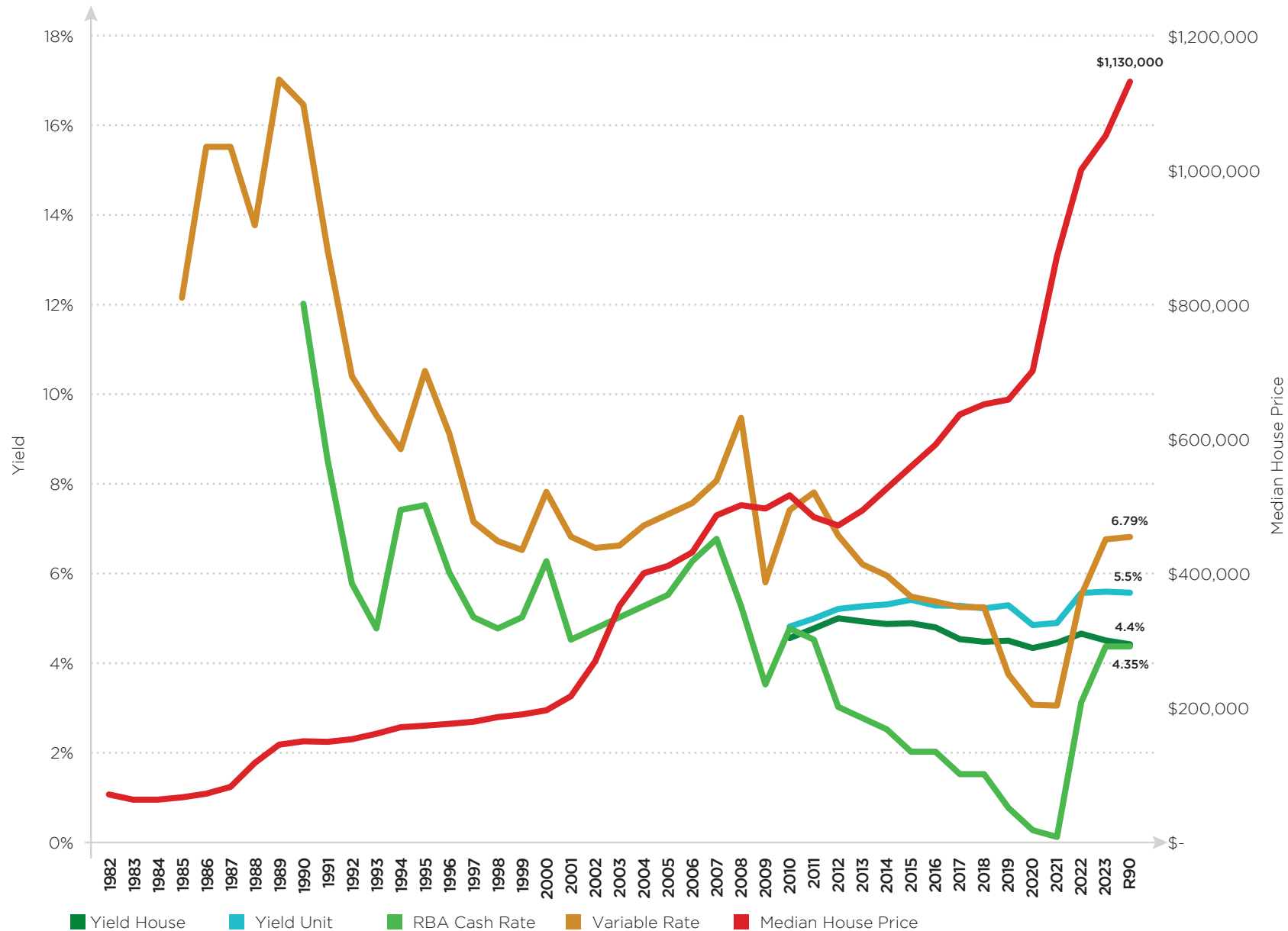
POSITIVE

GROSS REGIONAL PRODUCT V. MEDIAN PRICE



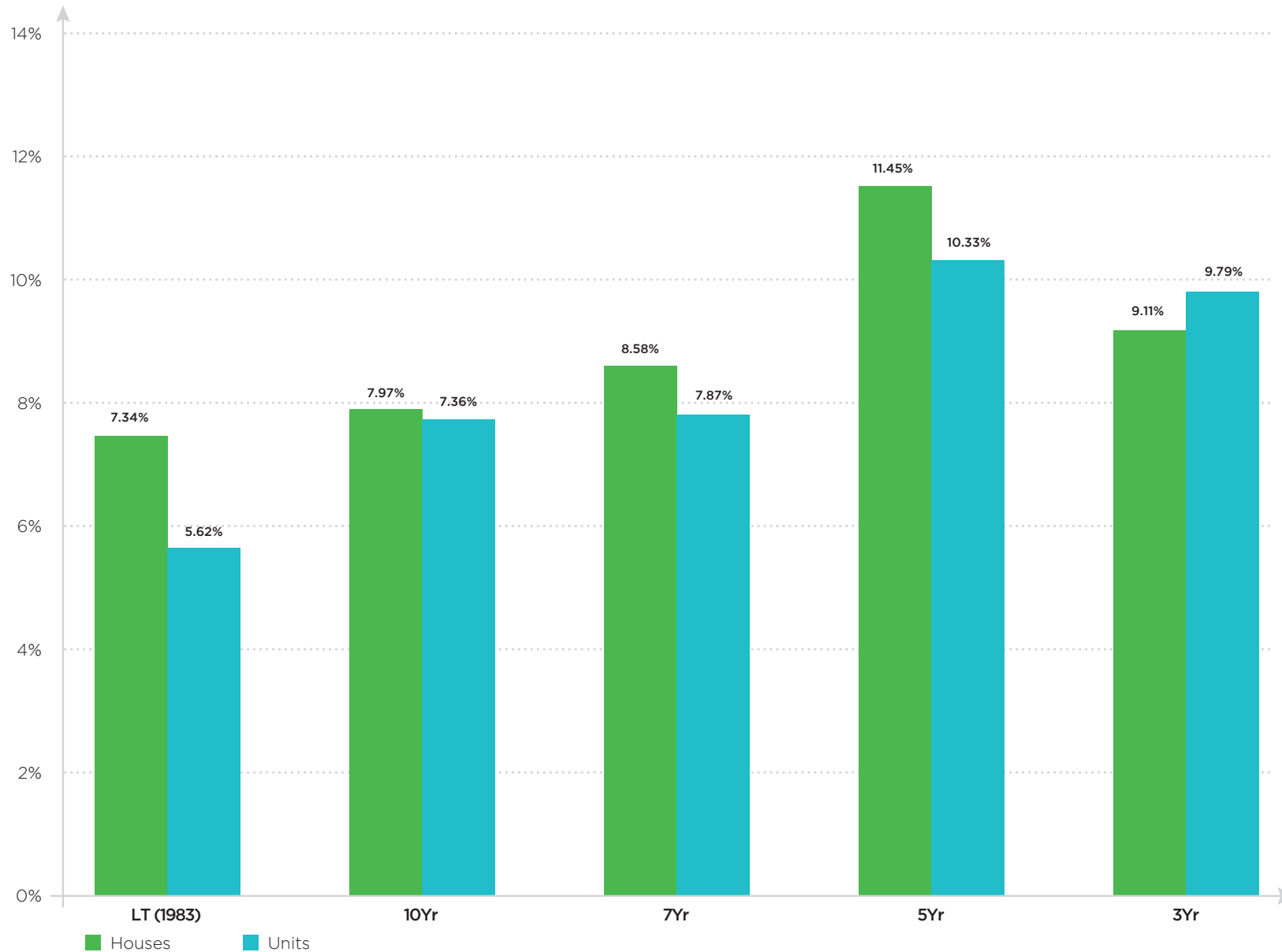
POSITIVE

YIELD



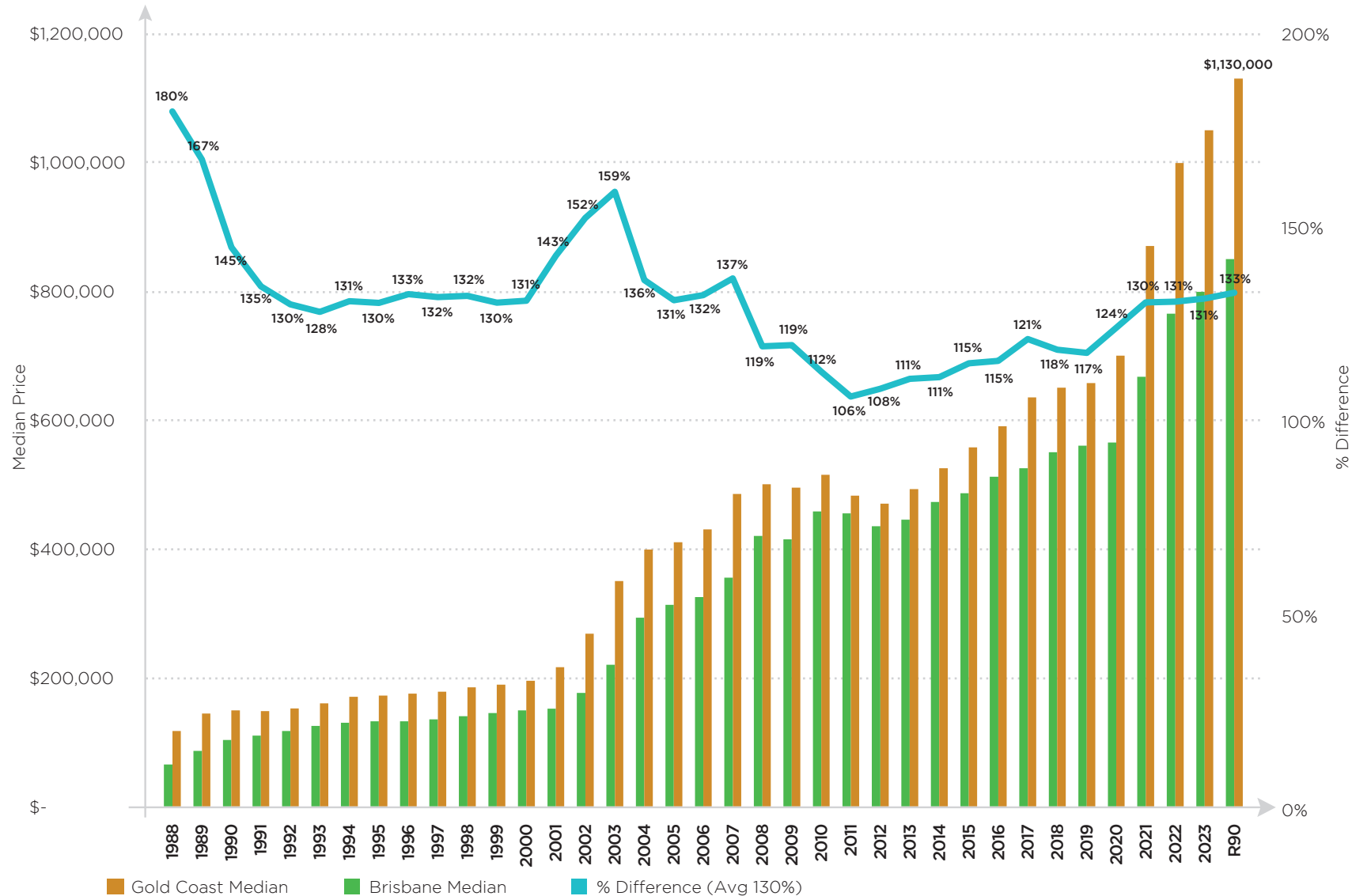
NEUTRAL

LONG TERM PERFORMANCE



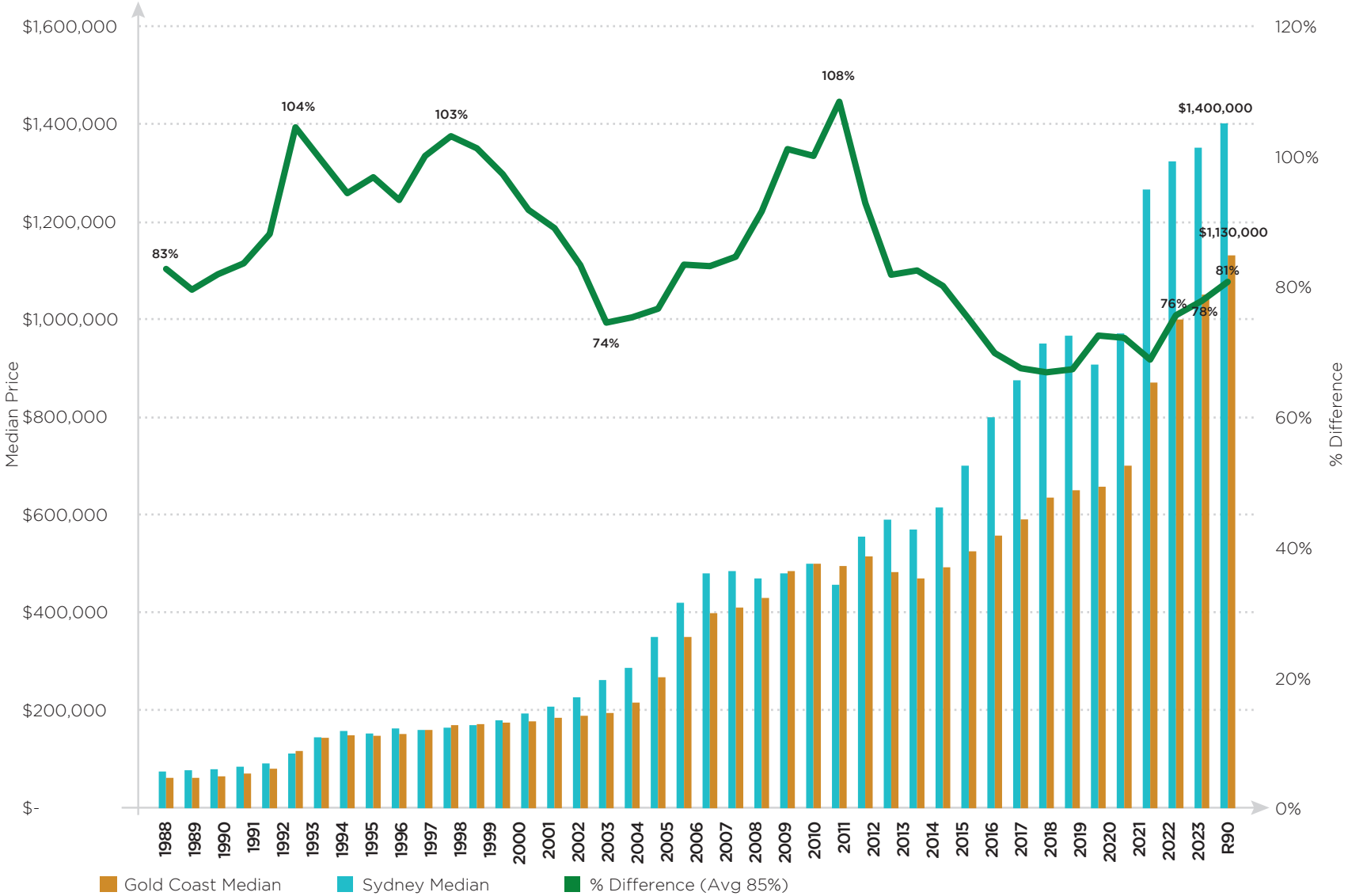
NEGATIVE

GOLD COAST V. BRISBANE PRICE COMPARISON



NEUTRAL

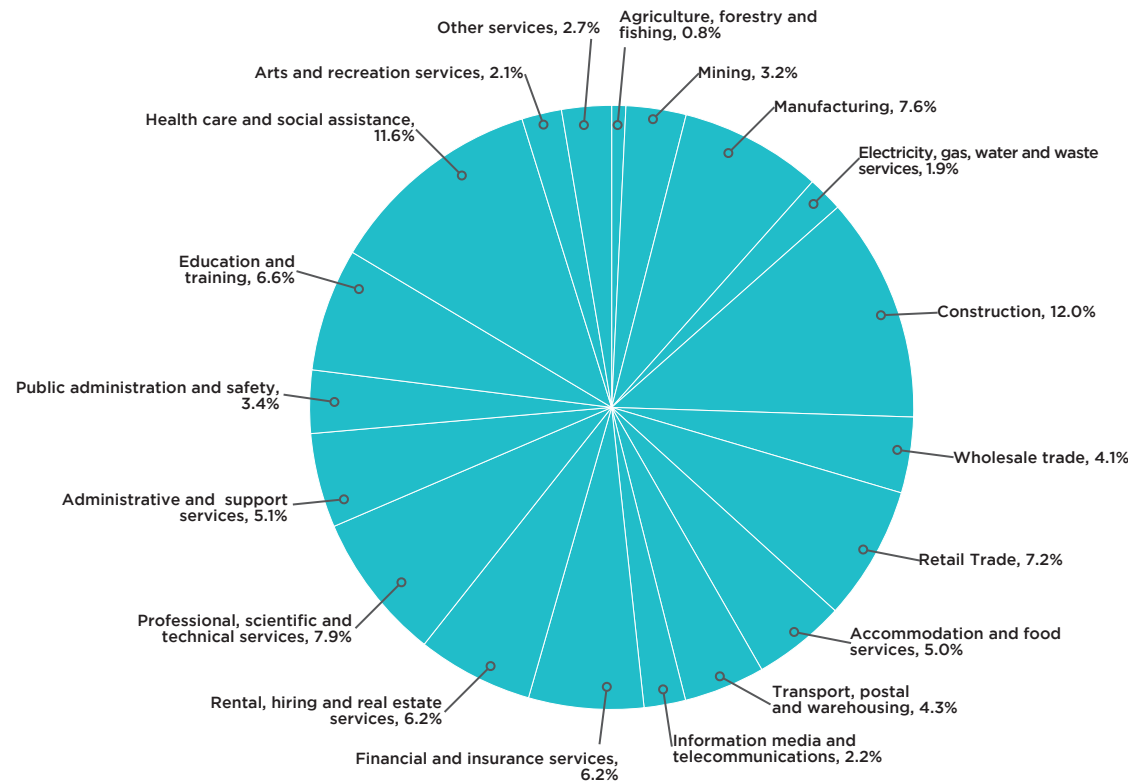
GOLD COAST V. SYDNEY PRICE COMPARISON



SLIGHTLY POSITIVE

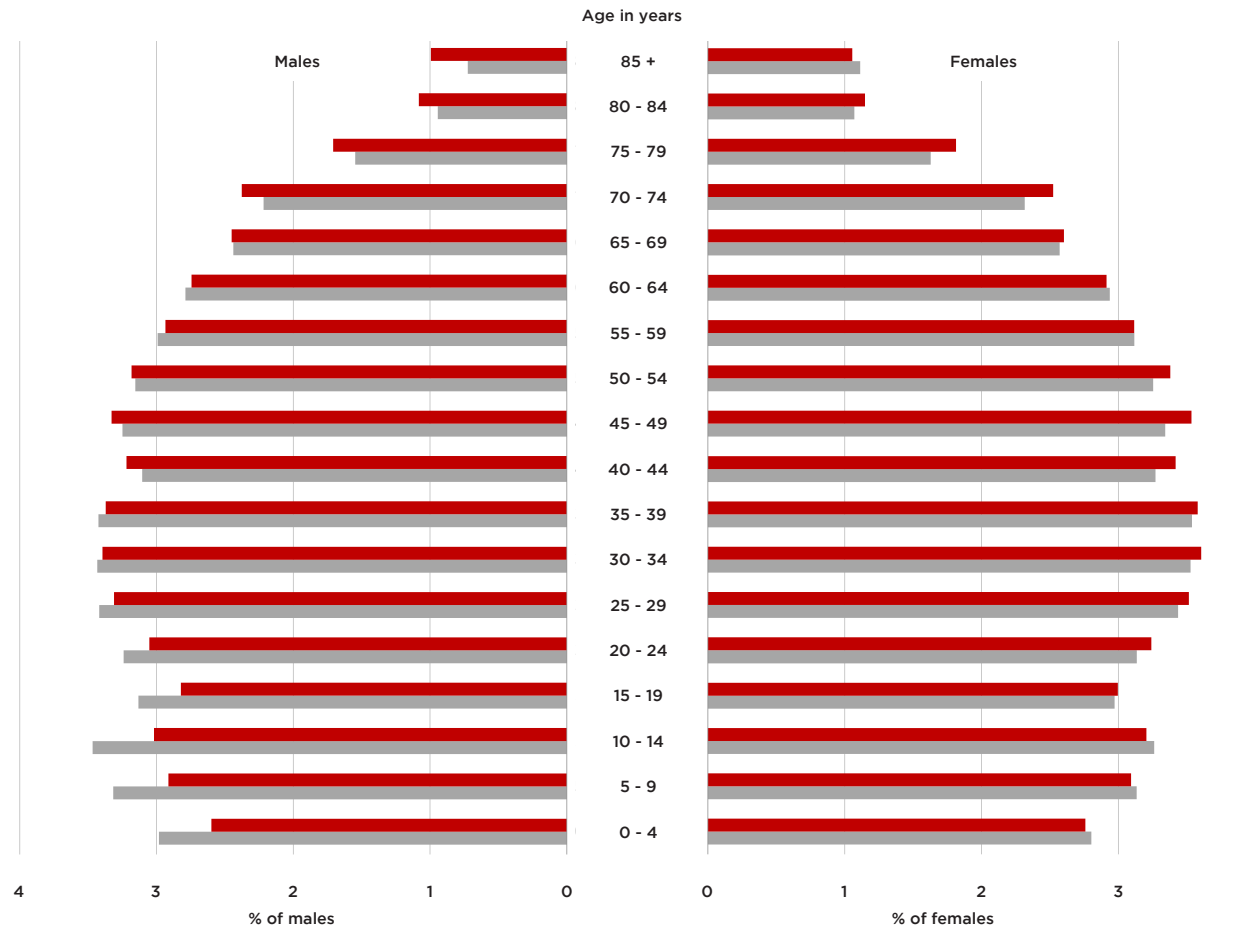
INDUSTRY VALUE ADDED

INDUSTRY BREAKDOWN



POSITIVE

POPULATION PYRAMID



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

■ Gold Coast City ■ Greater Brisbane

NEGATIVE

INVESTMENT PHILOSOPHY

PERFORMANCE
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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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