

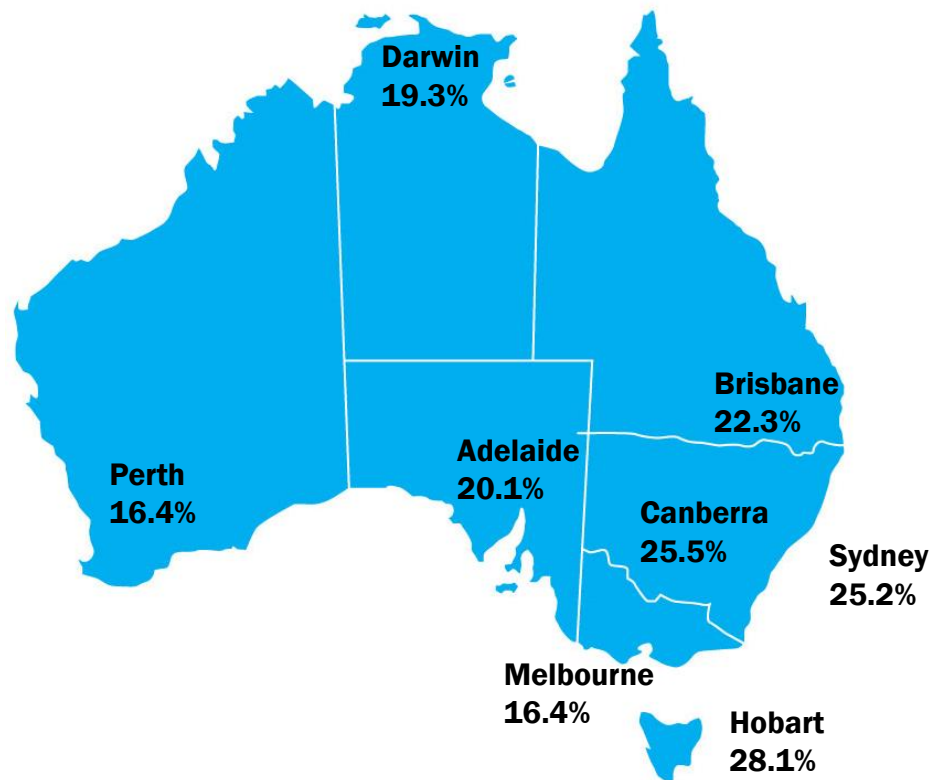
# South East Queensland Property Overview Breakfast

11 November 2021

Gavin Hulcombe

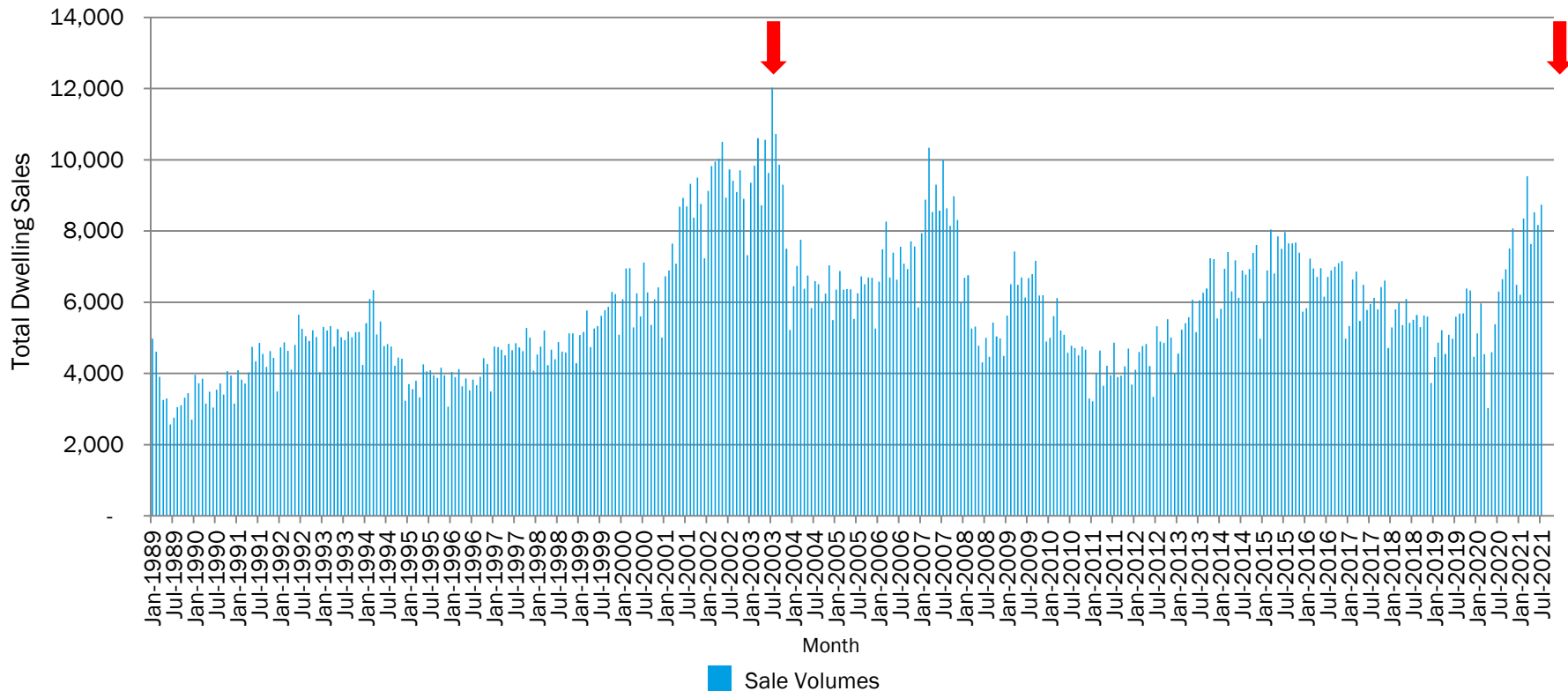


# The National Perspective



Source: CoreLogic Hedonic Home Value Index – November 2021

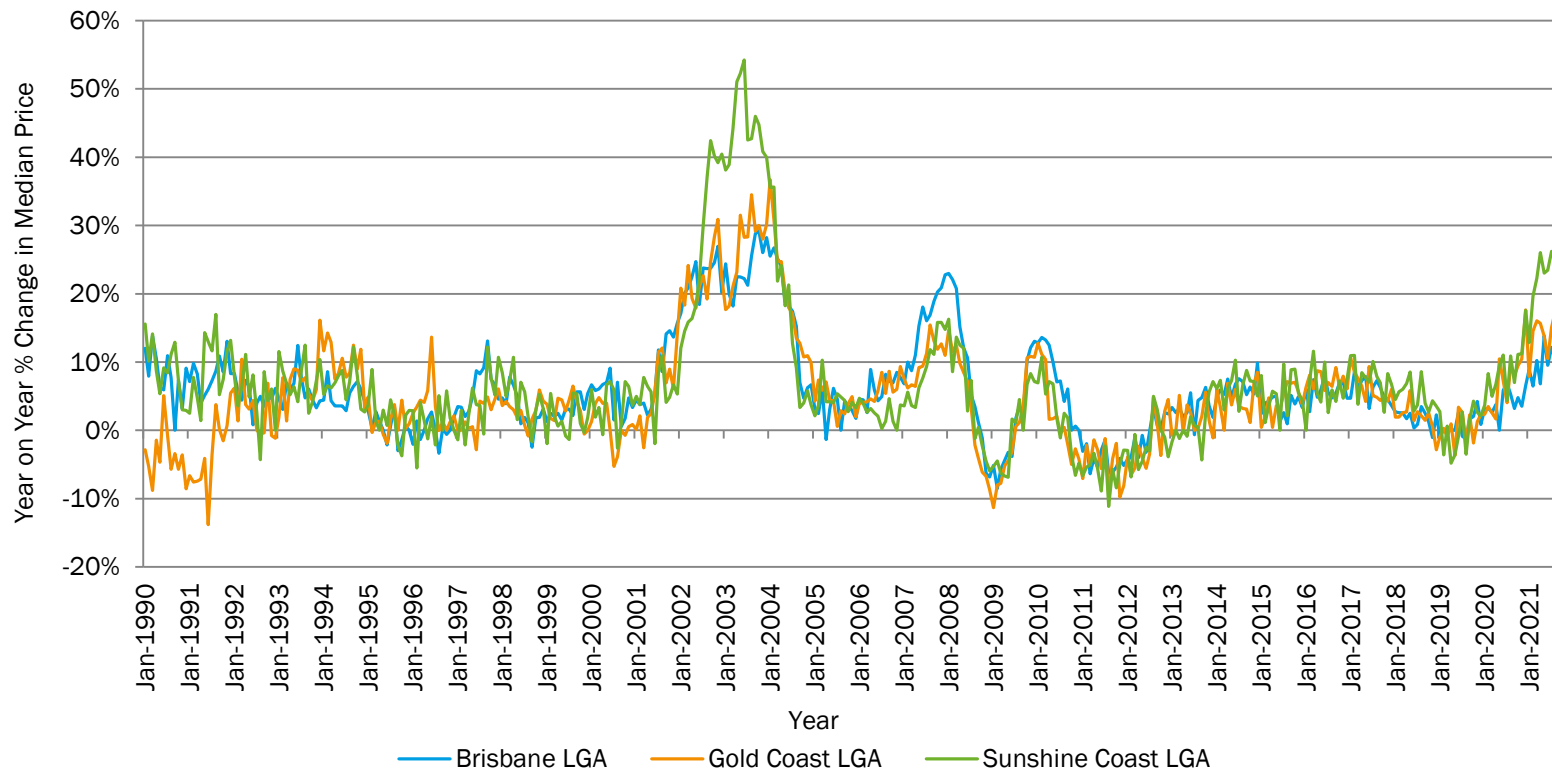
# South East Queensland\* Dwelling Sales Volumes



\*Local Government Areas of Brisbane, Moreton Bay, Logan, Ipswich, Redland, Gold Coast, Sunshine Coast and Noosa

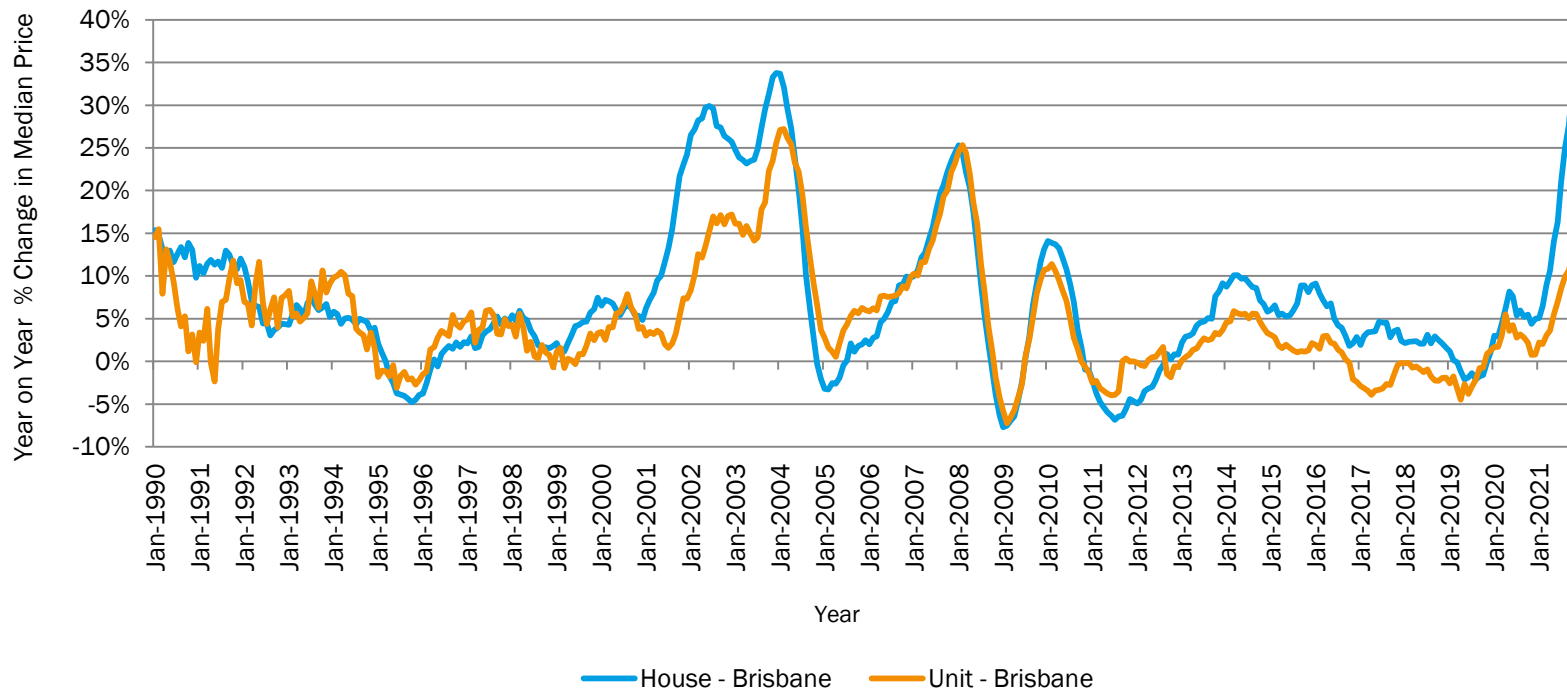
Source: CoreLogic RP Data, Oct 2021

# Yearly Change in Median Dwelling Price – Brisbane, Gold Coast, and Sunshine Coast



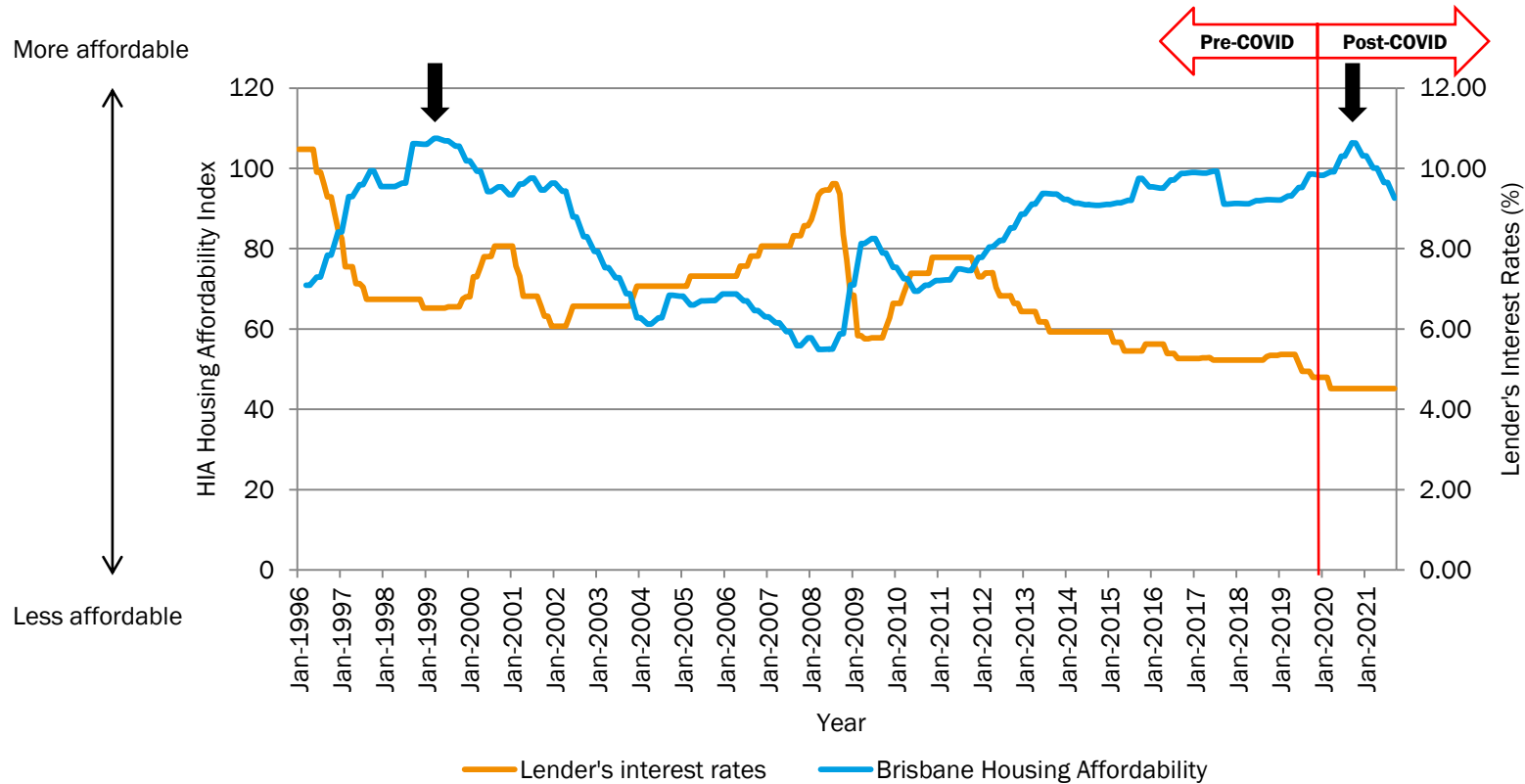
Source: CoreLogic RP Data

# Yearly Change in Median Price of Units and Houses – Brisbane

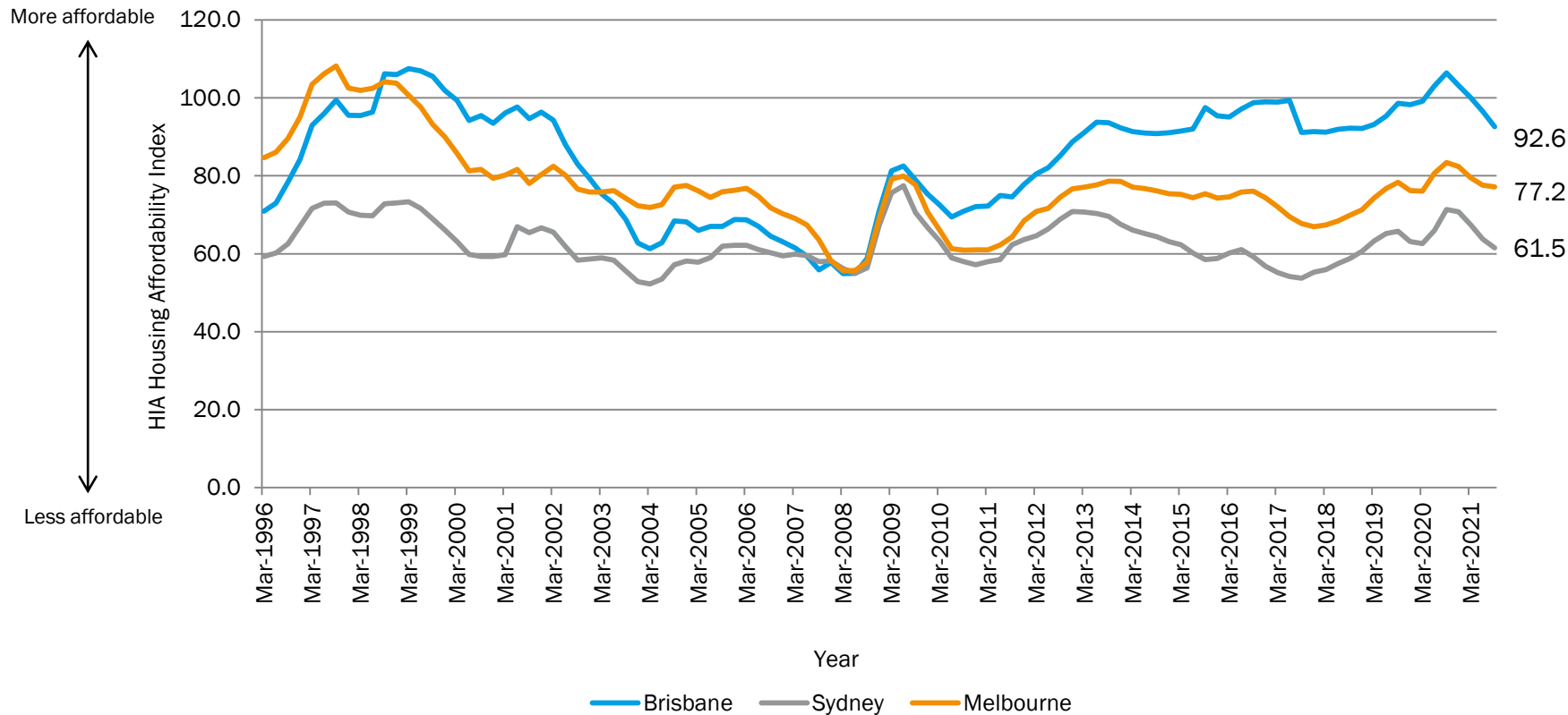


Source: CoreLogic RP Data

# Long term affordability index

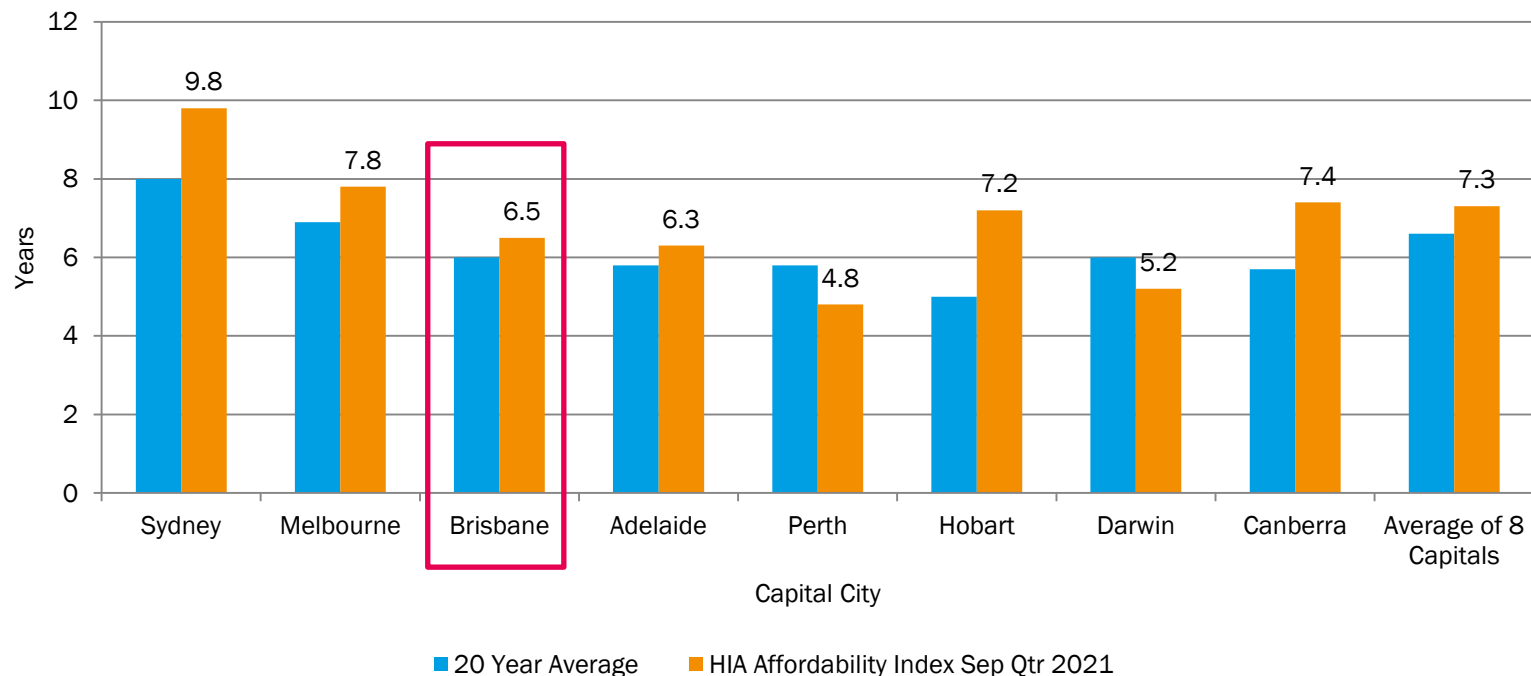


# Long term affordability index



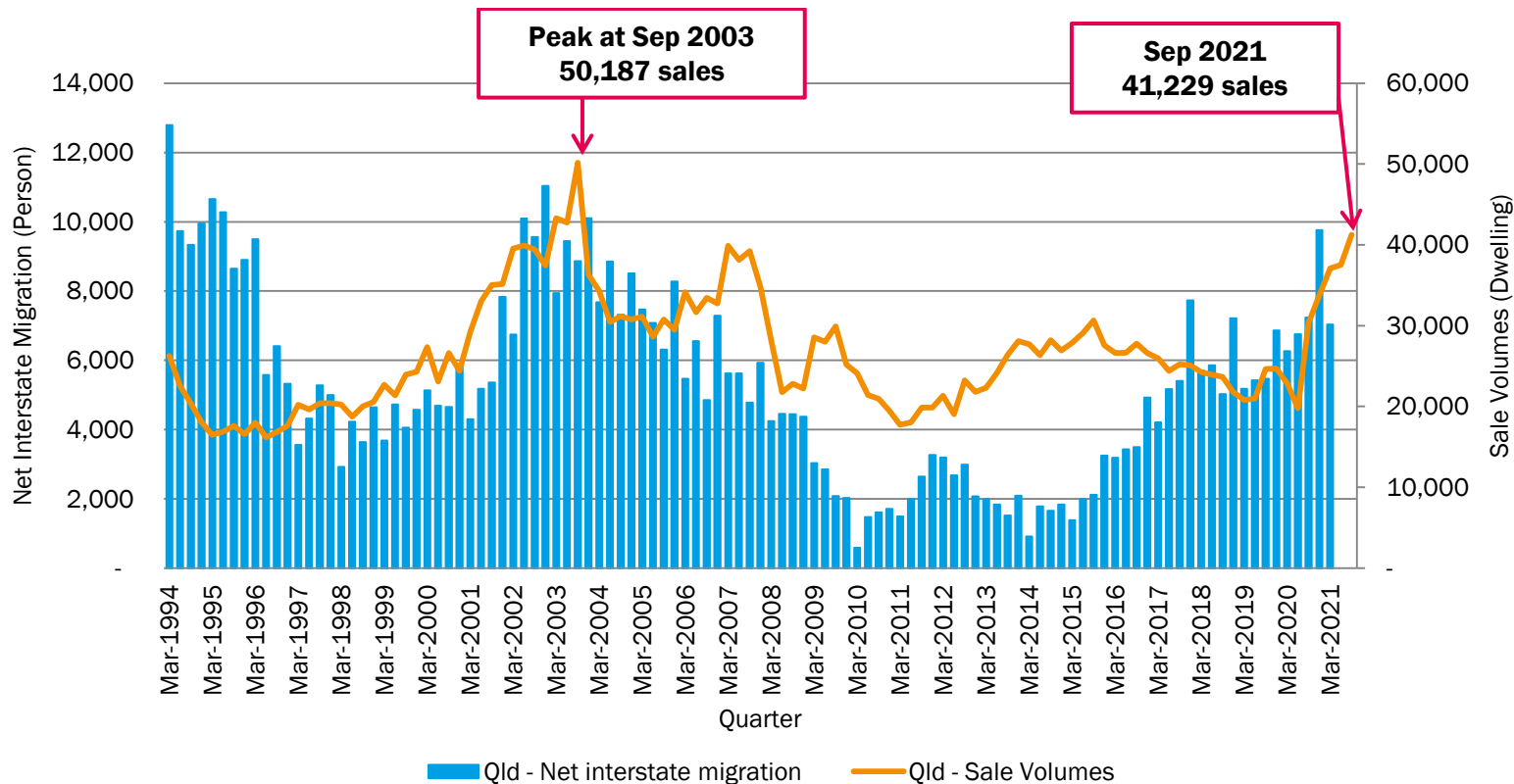
Source: RBA & HIA

# First Home Buyers: Years to save for deposit on typical home, September 2021





# Net interstate migration vs. sale volumes





# Housing Market

# Re-sales - Brisbane

Suburb	Property Type	Sale Price	Sale Date	Re-sale Price	Re-sale Date	Months	% Change
Springwood	House	\$530,000	May 2020	\$965,000	October 2021	17	82%
Mount Samson	House (rural)	\$970,000	June 2020	\$1,556,000	August 2021	14	60%
Bulimba	House	\$1,750,000	August 2020	\$2,380,000	March 2021	7	36%
Warner	House	\$710,000	June 2020	\$930,000	August 2021	14	31%
Cedar Creek	House (rural)	\$1,870,000	January 2020	\$2,320,000	July 2021	18	24%
Cleveland	House	\$1,290,000	November 2020	\$1,600,000	June 2021	7	24%
Manly West	House	\$499,000	April 2021	\$550,000	August 2021	3	10%

# Re-sales – Sunshine Coast

Suburb	Property Type	Sale Price	Sale Date	Re-sale Price	Re-sale Date	Months	% Change
Tinbeerwah	Acreage	\$1,400,000	October 2020	\$3,010,000	October 2021	12	115%
Coolum Beach	Land	\$589,000	July 2020	\$1,200,000	August 2021	13	104%
Woombye	House	\$529,000	May 2020	\$875,000	October 2021	16	65%
Noosaville	Duplex	\$3,200,000	April 2020	\$5,100,000	October 2021	18	59%
Sunshine Beach	House	\$1,230,000	March 2021	\$1,820,000	October 2021	7	48%
Mountain Creek	Townhouse	\$428,000	January 2021	\$590,000	October 2021	9	38%

# Re-sales – Gold Coast

Suburb	Property Type	Sale Price	Sale Date	Re-sale Price	Re-sale Date	Months	% Change
Mermaid Beach	House	\$1,350,000	March 2019	\$2,100,000	February 2021	23	56%
Burleigh Waters	House	\$650,000	November 2019	\$950,000	October 2021	23	46%
Labrador	Unit	\$260,000	July 2019	\$355,000	October 2021	27	37%
Palm Beach	House	\$3,700,000	February 2019	\$5,000,000	October 2020	20	35%
Surfers Paradise	Unit	\$420,000	March 2020	\$555,000	October 2021	19	32%
Sanctuary Cove	House	\$6,100,000	June 2021	\$7,000,000	October 2021	4	15%
Burleigh Heads	House	\$3,750,000	May 2021	\$4,305,000	October 2021	5	15%

# Don't sell unless you have something to buy

	14 February 2021	19 June 2021
Sale Price	\$1,720,000	1,860,000
Increase in Price		\$140,000
Stamp Duty		\$80,300
Agents Commission (sale)	\$43,000	
Incidental Costs (legal, relocation, building inspections)		\$5,000
Additional Cost		\$268,300

## 10 Wilden Street, Paddington



4



3



2

# 11 Norbiton Street, Zillmere

**Sale Price: \$1,000,000**

Under Contract: September 2021



4



2

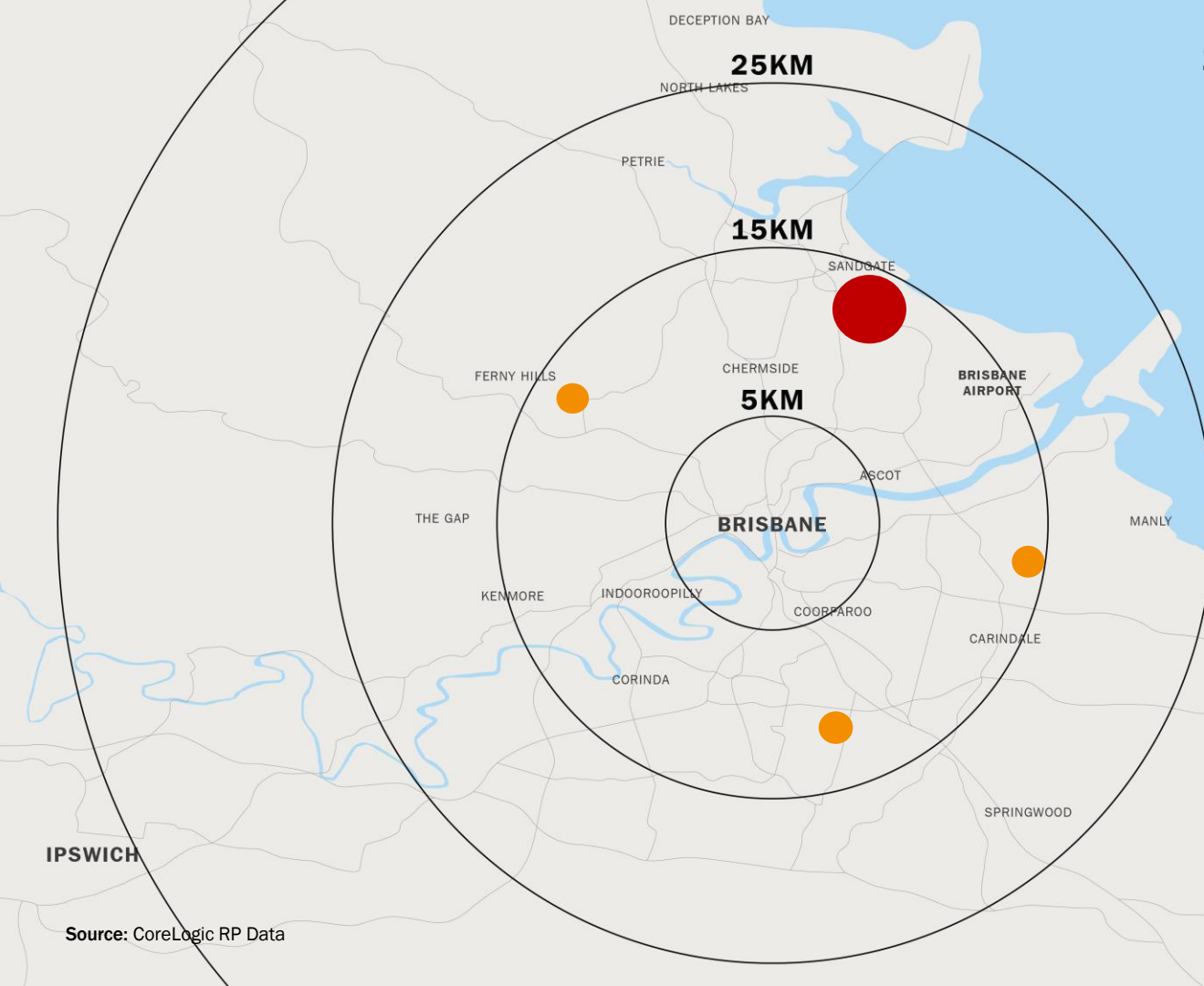


4



607m<sup>2</sup>

HERRON  
TODD  
WHITE



Source: CoreLogic RP Data



# 18 Radstock Place, Tingalpa

**Sale Price: \$1,090,000**

Sale Date: September 2021



5



3

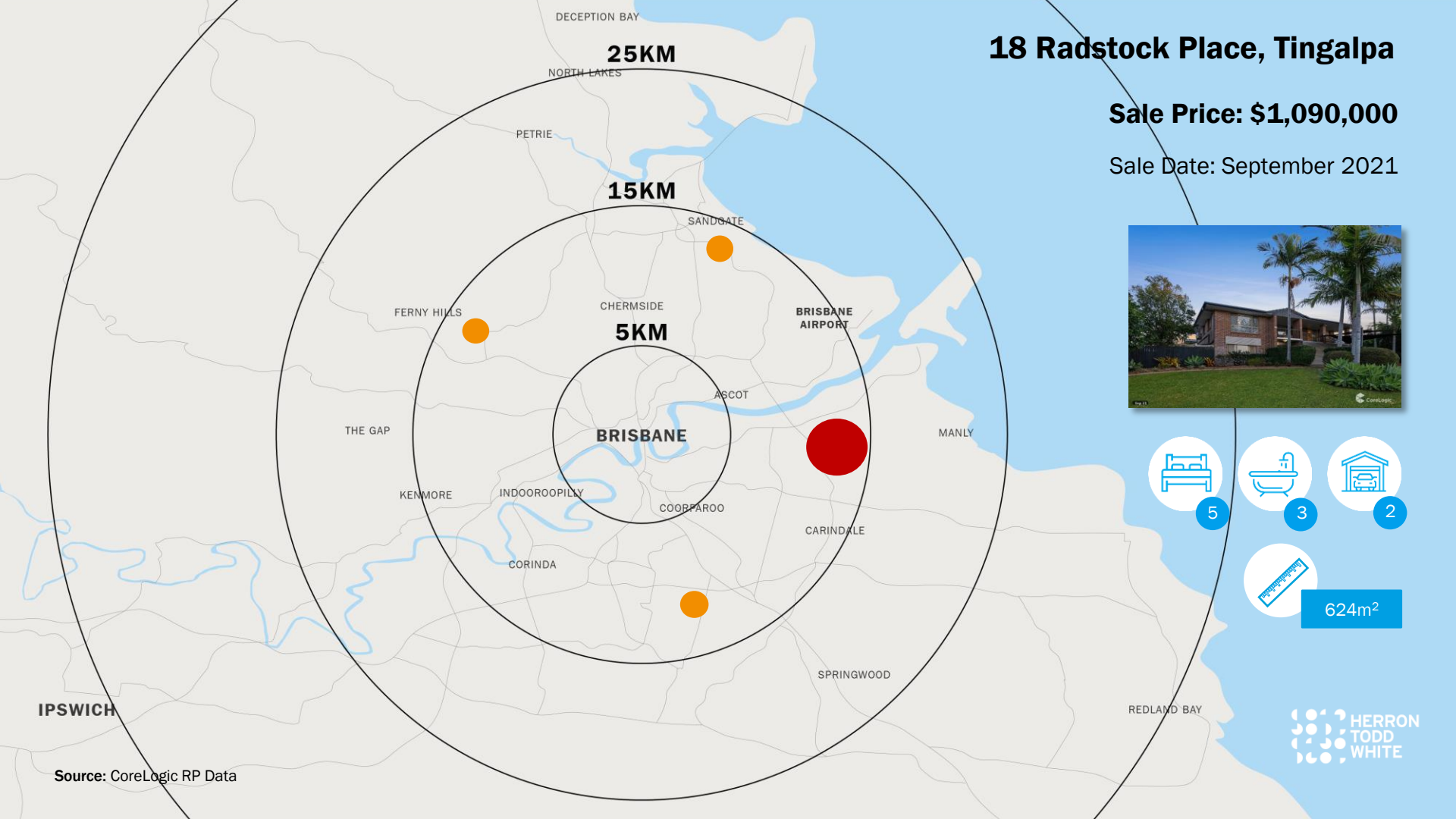


2



624m<sup>2</sup>

HERRON  
TODD  
WHITE



Source: CoreLogic RP Data



# 21 Leven Street, Coopers Plains

**Sale Price: \$1,060,000**

Sale Date: August 2021



5



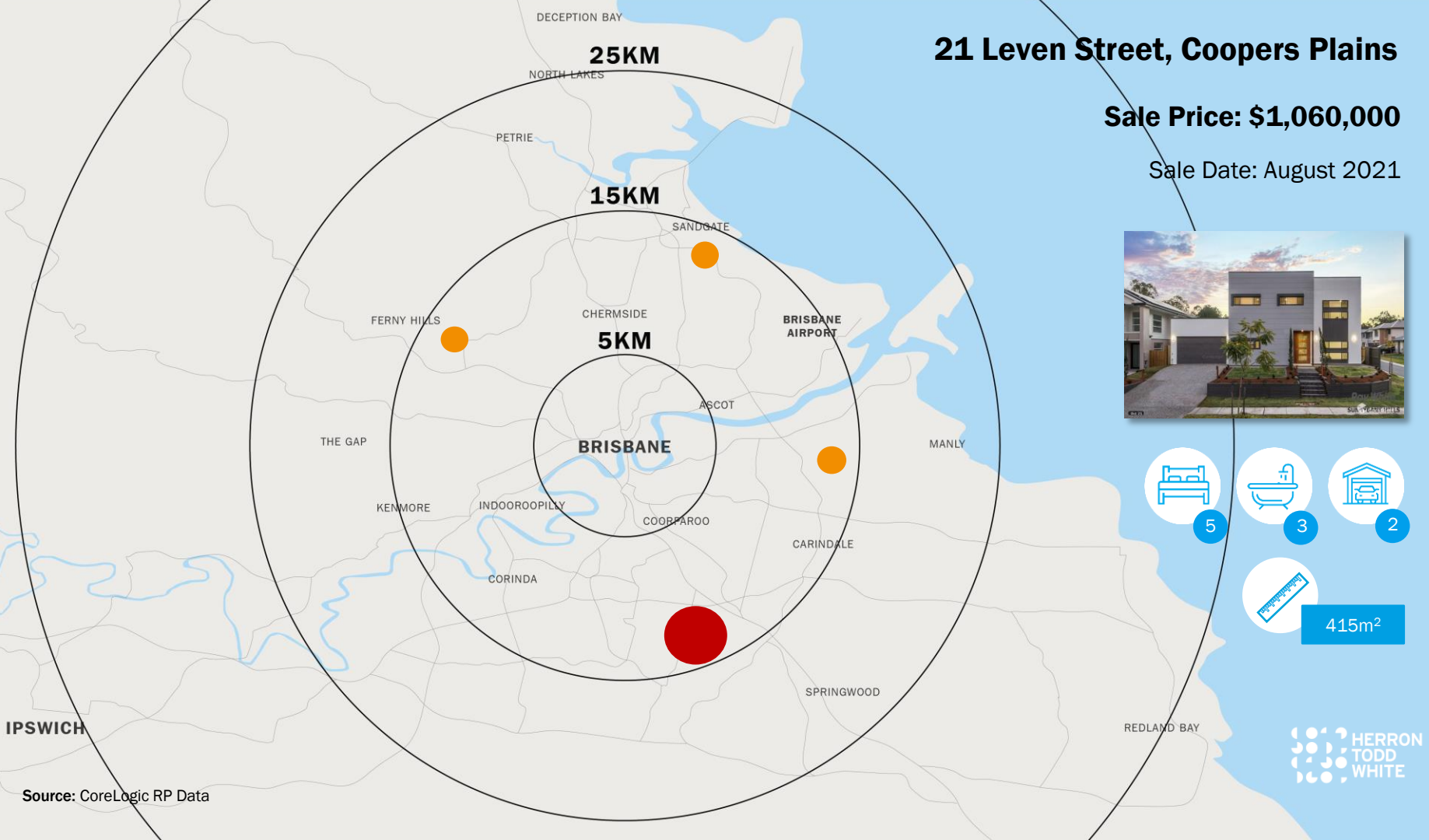
3



2



415m<sup>2</sup>



Source: CoreLogic RP Data

HERRON  
TODD  
WHITE

# 38 Plucks Road, Arana Hills

**Sale Price: \$1,055,000**

Under Contract: September 2021



6



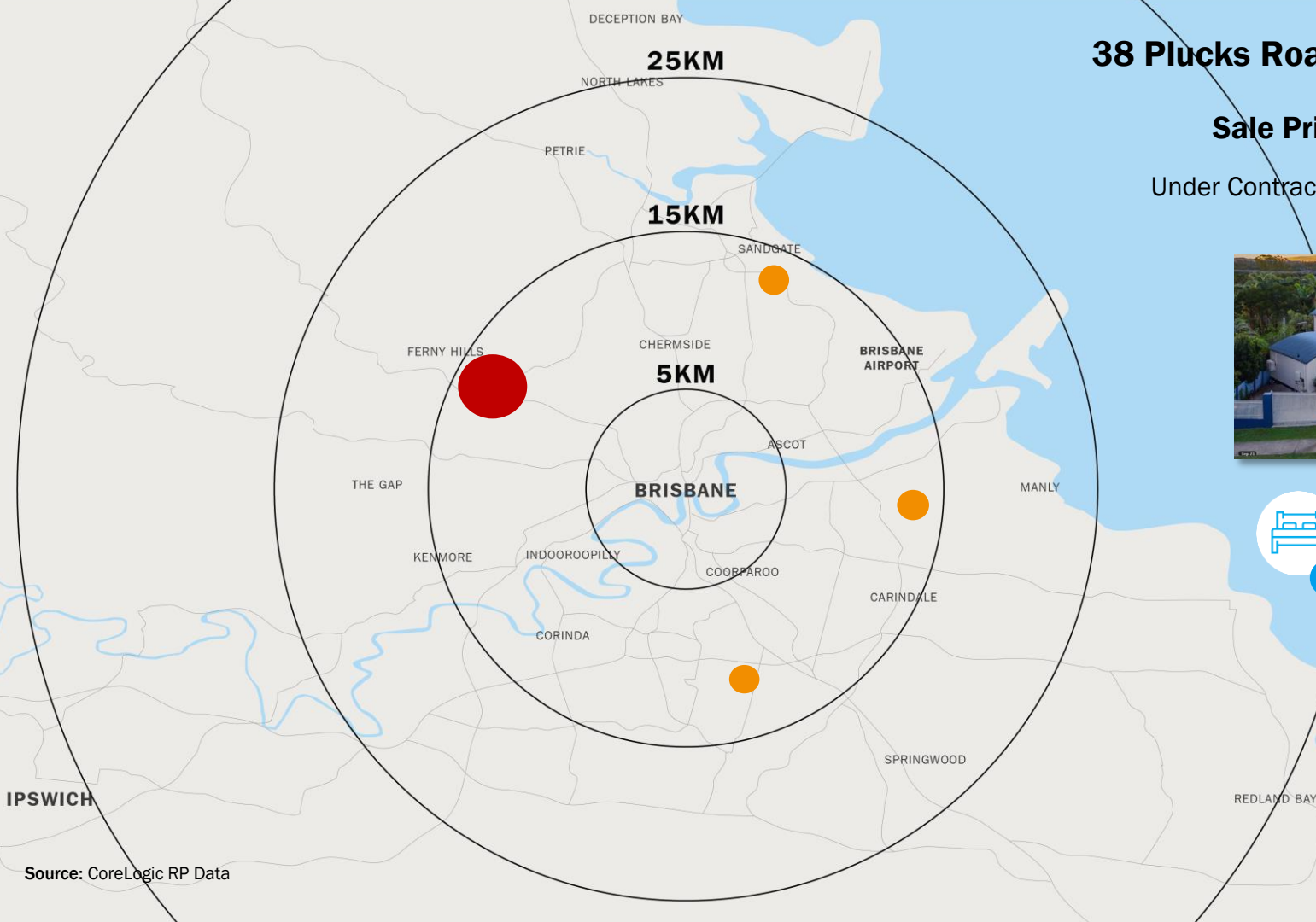
3



4



703m<sup>2</sup>



Source: CoreLogic RP Data

HERRON  
TODD  
WHITE

# I need a bigger house! Prestige Sales

## 5 McMillan Court, Southport



**Sale Price: \$23,500,000**

Reportedly U/C early 2021

## 39-41 Picture Point Crescent, Noosa Heads



**Under Contract: \$16,480,000**

Auction Date: October 2021

**State record - auction**

## 17 Webb Road, Sunshine Beach



**Queensland Record**

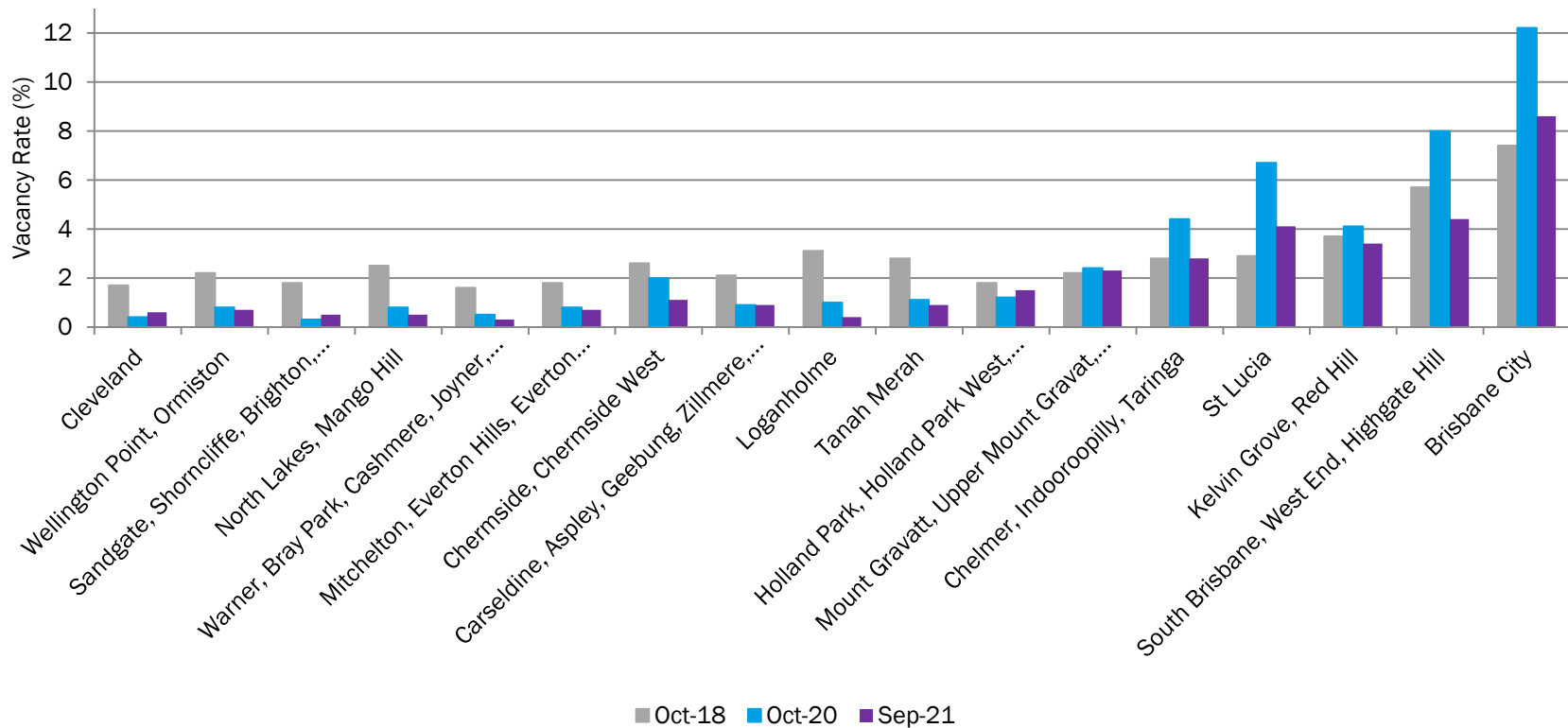


**Sale Price: \$34,000,000**

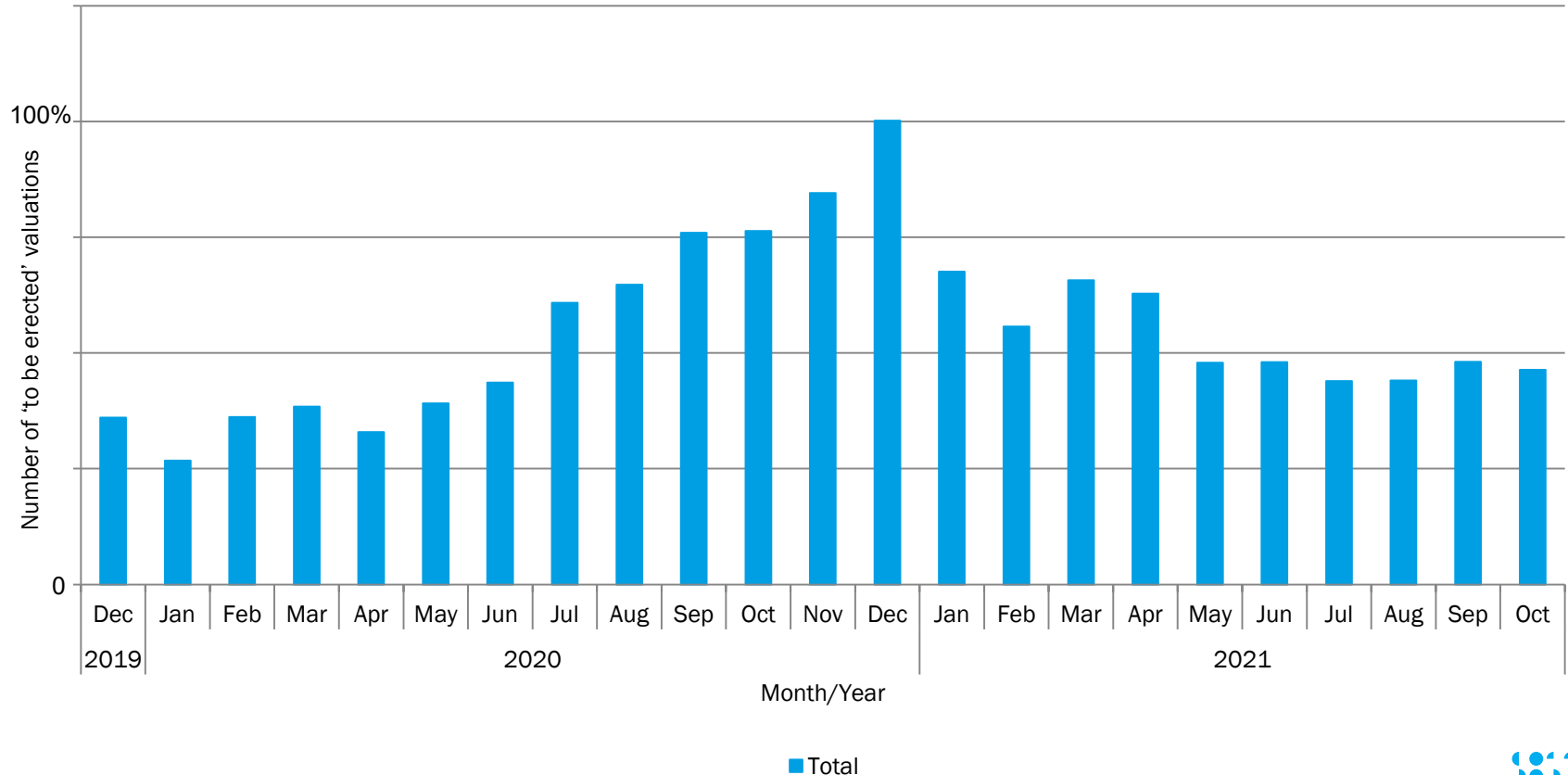
Sale Date: June 2021

**State record - Queensland's  
most expensive property**

# Rental Vacancy (Dwellings)



# Impact of Home Builder Grant – Queensland





# Are building materials the new toilet paper?

Builder risks:

- Increased volume
- Availability of materials and trades
- Cost of materials and trades
- Construction delays
- Its hard being a builder!

# Residential Unit Market

Source: Argyle, TDD Developments



# Prestige Unit Sales

## Residence 10, Argyle 49 Maxwell Street, New Farm



**Under Contract: \$15,300,000**

Contract Date: August 2020

\$21,858 per m<sup>2</sup>

700 m<sup>2</sup> internal

## Penthouse 7001, Soul Surfers Paradise



**Sale Price: \$15,250,000**

Sale Date: May 2021

\$25,587 per m<sup>2</sup>

596 m<sup>2</sup> internal

## Unit 5, 81 Hastings Street, Noosa Heads



**Qld Record - Unit**



**Sale Price: \$16,100,000**

Sale Date: October 2021

\$54,023 per m<sup>2</sup>

298 m<sup>2</sup> internal



# Development risk is all about construction risk

- Gross realisations are up
- Site values and costs have increased
- Margins down
- Does a presold project now carry more risk?
- Supply?

# LMR sites being subdivided into house lots

## 42-46 Sizer Street, Everton Park



1821m<sup>2</sup>

**2021 Combined resale  
Price: \$2,400,000**

Sale Date: August/September 2021

Combined parcel held DA for  
10 townhouses

## 7-15 School Road, Stafford



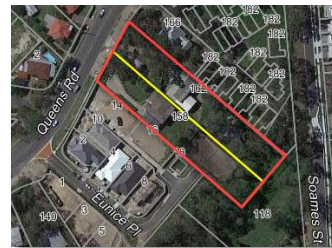
2,551m<sup>2</sup>

**Two of three lots sold for  
subdivision into four house lots**

Sale Date: August 2021

Combined parcel held DA for  
37 units over three storeys

## 158 Queens Road, Everton Park



2,408m<sup>2</sup>

**Sale Price: \$1,155,000**

Sale Date: August 2021

Holds DA with adjoining parcel  
for 18 townhouses

# Investment Grade Unit Performance

Building Name/Suburb	Year Built	Unit Type	Number of Resales 2021	Average % decline in value
Canterbury Towers, Fortitude Valley	2016	1 bed	3	37%
		2 bed	2	
The Yards, Bowen Hills	2017	1 bed	2	33%
		2 bed	3	
Aqua, Newstead	2016	1 bed	3	30%
		2 bed	1	
Broadway on Ann, Fortitude Valley	2016	1 bed	2	29%
		2 bed	1	
Laguna Apartments, Newstead	2017	1 bed	1	27%
		2 bed	2	
Capri, Fortitude Valley	2018	1 bed	1	23%
		2 bed	2	
Brisbane Casino Towers, South Brisbane	2018	1 bed	3	12%
		2 bed	0	

# An opportunity?

**9/31 Bayliss Street, Toowong**



**Sale Price: \$350,000**

Sale Date: September 2021

Rental: \$355 per week

**10/34 Lowerson Street, Lutwyche**



**Sale Price: \$350,000**

Sale Date: February 2021

Rental: \$370 per week

**8/34 Dornoch Terrace, West End**



**Sale Price: \$379,000**

Under Contract: October 2021

Rental: \$325 per week

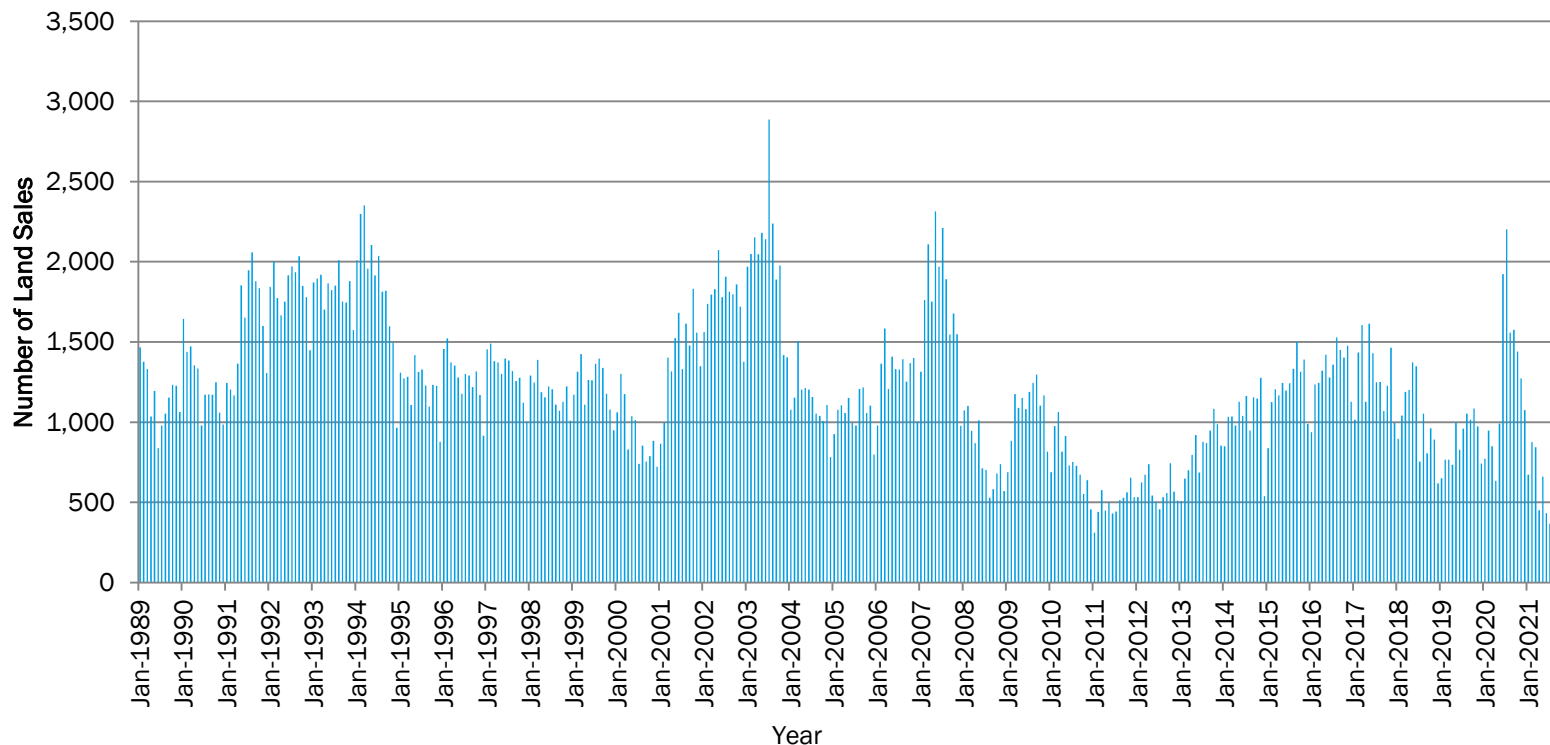


# Land



Source: The Surrounds, Helensvale. Villawood Properties

# South East Queensland\* Land Sales



\*Local Government Areas of Brisbane, Moreton Bay, Logan, Ipswich, Redland, Gold Coast, Sunshine Coast and Noosa

Source: CoreLogic RP Data, Herron Todd White Research

# Developer auctioning last remaining lots



Source: RealEstate.com.au, Villaworld

# Infill development

## 171 Molloy Road, Morningside



810m<sup>2</sup>

**\$950,000**

Sale date: September 2020

**Lot 1: \$740,000**

**Lot 2: \$808,000**

Sale date: June/July 2021

## 19 Pinedale Street, Morningside



809m<sup>2</sup>

**\$1,050,000**

Sale date: May 2021

**Lot 1: \$830,000**

**Lot 2: \$830,000**

Sale date: August 2021

## 77 The Promenade, Isle of Capri



1,151m<sup>2</sup>

**\$9,501,000**

Under Contract: October 2021

**To be demolished for new  
luxury home**



# It's hard to see too far ahead right now

- Tightening of lending
- Rising interest rates
- Brisbane affordability
- Global economic uncertainty
- Impact of construction costs

# There is lots to be optimistic about

- Momentum
- Olympics
- Brisbane playing catch up
- Coming out of COVID-19
- Migration/interstate arrivals
- Cycles last longer than we think



# Disclaimer

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