

MARKET OUTLOOK

PALM BEACH

Palm Beach is a picturesque beachside suburb with an abundance of lifestyle amenity and major infrastructure in the form of education, transport, retail and commercial.

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Prepared exclusively for
Sunland Group

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Palm Beach

ACCESSIBILITY & CONNECTIVITY

Palm Beach is a picturesque beachside suburb with major infrastructure and lifestyle amenity. The beach is the suburb's natural eastern boundary, with Tallebudgera Creek forming its northern boundary and Currumbin Creek the southern boundary. This abundance of water allows residents and visitors to participate in numerous water-based sports and leisure activities.

Along with its natural amenity, Palm Beach has an emerging café and restaurant culture, together with retail and commercial spaces. Southern Cross University is a short drive away, as is John Flynn Private Hospital and the Gold Coast Airport. These facilities offer substantial employment opportunities for the local area. The M1 is only a minute's drive from central Palm Beach, allowing easy access to other employment nodes, north to Brisbane and south to northern New South Wales.

The southern beaches of the Gold Coast are known internationally for having some of the world's best surf breaks. International and national surfing competitions are held at locations from Snapper Rocks to Burleigh Heads.

INFRASTRUCTURE

Infrastructure and commercial projects valued at approximately \$2.7 billion are under construction, in the planning stages, or have been completed within the past 12 months across the Palm Beach Catchment.

PAVILIONS PALM BEACH EXPANSION

\$60 million (Under Construction)

Pavilions Palm Beach is undergoing a major expansion which will provide a full-line Coles Supermarket plus specialty stores and basement parking.

PALM BEACH SHORELINE PROJECT

\$20 million (Under Construction)

As part of the Ocean Beaches Strategy 2013-2023, the City of Gold Coast is undertaking the Palm Beach Shoreline Project. Stage 1 was completed in 2017 and included beach nourishment. Stage 2 is the construction of an artificial reef offshore. The design of the reef will harness wave energy before it reaches the shoreline, protecting coastal erosion and creating a new surf break. Completion is anticipated in October 2019.

GOLD COAST LIGHT RAIL STAGES 1 & 2

\$2.3 billion (Completed) **STAGE 3** \$660 million (Planned)

Stages 1 and 2 of the Gold Coast Light Rail now connect Helensvale to Broadbeach. The route runs from Helensvale through the Health & Knowledge Precinct, and commercial, retail and recreational centres of Southport and Surfers Paradise, and terminates at Broadbeach. The completion of Stage 2 in late 2017 provides an important transport link to Brisbane CBD and Brisbane Airport via the heavy rail network at Helensvale. Planning for Stage 3 is underway and will continue the route south from Broadbeach to Burleigh Heads.

SOUTHERN CROSS UNIVERSITY

Located in Bilinga adjacent to the Gold Coast Airport, the Southern Cross University is currently home to 4,115 students.



Surf Lifesaving Club

ENTERTAINMENT, SHOPPING & DINING

- 01 19th Avenue Shopping Centre
- 02 Pavilions Palm Beach
- 03 The Pines Shopping Centre
- 04 The Strand Coolangatta

HEALTH

- 05 John Flynn Private Hospital

RECREATION & SPORT

- 06 Burleigh Heads National Park
- 07 Currumbin Wildlife Sanctuary
- 08 David Fleay Wildlife Park
- 09 Mallowa Sports Complex
- 10 Tallebudgera Beach Outdoor Education Centre

INFRASTRUCTURE

- 11 Gold Coast Airport

EDUCATION

- 12 Currumbin Primary School
- 13 Elanora Primary School
- 14 Elanora High School
- 15 Palm Beach Primary School
- 16 Southern Cross University
- 17 TAFE Queensland Coolangatta Campus
- 18 St Andrews Lutheran College

GOLD COAST AIRPORT – MASTERPLAN EXPANSION

\$370 million (Under Construction)

Gold Coast Airport is Australia's fastest growing airport and the fifth busiest international airport in the country. More than 6.5 million passengers travelled through Gold Coast Airport during the year ending December 2018. The expansion will increase capacity and provide improved access. The airport complex will be expanded to the south and become a three-level structure with provision for aerobridges, with works scheduled for completion in 2021. Construction is also underway on the new \$50 million Rydges Hotel adjacent to the airport.

JOHN FLYNN PRIVATE HOSPITAL EXPANSION

\$46 million (Under Construction)

Construction was recently completed on new consulting suites, connecting walkways and car park. Construction is underway on an extension to the Cancer Care Centre and day oncology suite. Future work is planned to upgrade and expand the 340-bed private hospital.

M1 UPGRADE

\$220 million (Under Construction)

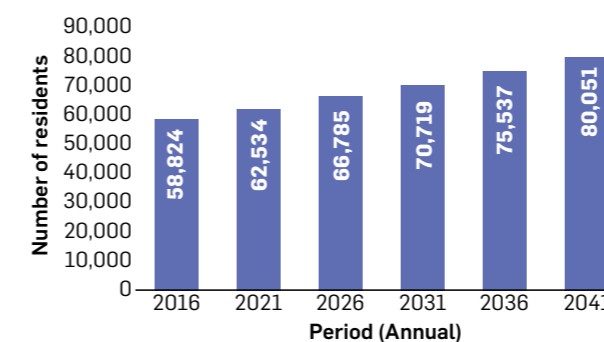
Construction has commenced on the upgrade of the M1 from Mudgeeraba to Varsity Lakes to six lanes. The expansion will eventually continue to Tugun.

POPULATION

The Palm Beach Catchment is projected to house an additional 850 residents each year over the next 25 years.

POPULATION GROWTH

Palm Beach Catchment



Prepared by Urbis; Source: QGSO, 2017

Palm Beach Catchment consists of Palm Beach, Bilinga, Burleigh Heads, Coolangatta, Currumbin, Kirra, Miami, Tugun.

EMPLOYMENT

The Palm Beach Catchment is projected to provide employment growth of 31 per cent over 25-years to 2041. The majority of employees (17.1 per cent) will be in Health Care and Social Assistance.

TOP 5 EMPLOYMENT SECTORS 2041

Palm Beach Catchment

	Employees at 2041	Proportion of Total
Health Care and Social Assistance	5,524	17.1%
Accommodation and Food Services	4,308	13.3%
Construction	3,676	11.4%
Manufacturing	2,474	7.7%
Professional, Scientific and Technical Services	1,997	6.2%

Prepared by Urbis; Source: Urbis

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APARTMENT MARKET ANALYSIS

NEW APARTMENT MARKET

Demand for new apartment product in Palm Beach is being met with several new projects launching to the market after many years of under supply. Increased supply has led to increased choice for potential purchasers in what was once a very limited market.

Since Urbis began monitoring the new apartment market, sales across the Southern Beaches Precinct have increased significantly. During 2014, a total of 45 new apartment sales occurred as supply was limited. Annual sales during 2018 lifted to a five-year high of 294. Over the past two years an average of 54 sales have been recorded each quarter.

During the past five years, the Southern Beaches Precinct has recorded the highest weighted average sale price of the four Gold Coast Precincts in 14 of the 21 quarters surveyed. The majority of new apartment sales have occurred at price points between \$500,000 and \$999,999 (68.6 per cent) while another 17.4 per cent were priced at \$1 million and over. The general apartment sales across the area recorded a median price of \$440,000 during the six months ending September 2018 – indicating the premium being paid for new product.

At the end of 2018, the Southern Beaches Precinct was recording a supply level of just over 1,000 new apartments. Of this supply, 253 apartments were in the suburb of Palm Beach.

The Palm Beach general apartment market, which includes all settled sales, has shown strong growth over the past five years with median unit price growth of 6.4 per cent per annum. Over the same period, the number of unit transactions has increased at a rate of 11.3 per cent per annum. This highlights the increasing popularity of the suburb.

RENTAL MARKET

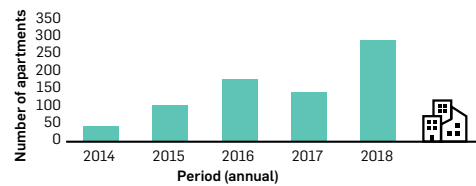
There are limited new and near-new apartments available for permanent rental in the Palm Beach Catchment.

Given the low level of apartments available for permanent rental, and the strong infrastructure and amenity on offer in Palm Beach, it is likely there will be pressure on the current supply of apartments offered for rent.

The Residential Tenancies Authority (RTA) provides median weekly rental data on recently rented dwellings, incorporating both established and new product. Over the past five years median weekly rents across the Palm Beach postcode of 4221 have shown strong growth. Two-bedroom apartments recorded growth of 6.4 per cent per annum, while three-bedroom apartments achieved 5.2 per cent growth per annum.

SOUTHERN BEACHES NEW APARTMENT MARKET 2014-2018

■ Apartments sold



Prepared by Urbis; Source: Gold Coast Apartment Essentials Q4 2018

Southern Beaches Precinct consist of Palm Beach, Bilinga, Burleigh Heads, Coolangatta, Currumbin, Kirra, Mermaid Beach, Miami, Tugun

SOUTHERN BEACHES NEW APARTMENT MARKET Q4 2013 to Q4 2018

Price Brackets	Total Sales	Proportion of Total Sales
\$0 - 499K	108	13.9%
\$500 - 999K	532	68.6%
\$1M+	135	17.4%
Total	755	

Prepared by Urbis; Source: Gold Coast Apartment Essentials Q4 2018

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MEDIAN UNIT PRICE GROWTH

At 6-months ending September 2018

	Median Unit Price	10yr Growth PA	5yr Growth PA
Gold Coast LGA	\$420,000	0.8%	3.6%
Palm Beach Catchment	\$522,750	2.2%	7.9%
Palm Beach	\$440,000	2.3%	6.4%

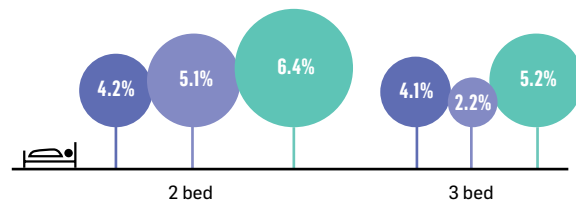
Prepared by Urbis; Source: PriceFinder

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MEDIAN WEEKLY RENTAL GROWTH

At 6-months ending September 2018

■ Gold Coast City Council Area ■ Gold Coast Southern Area ■ Palm Beach Catchment



Prepared by Urbis; Source: Residential Tenancies Authority (RTA) Q3 2018 Gold Coast Southern Area includes postcodes of: 4219, 4221, 4223, 4224, Palm Beach Catchment postcode: 4221

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