

ISSUE 06 SUMMER 21
Sunshine Coast

Place.  Advisory

Apartment.



FORECAST & INSIGHTS
FOR THE SUNSHINE COAST
PROPERTY MARKET

In this edition of **Apartment Sunshine Coast**, we uncover why the Sunshine Coast has **captured the attention of a nation**. We explain why **apartment values are expected to rise**, and we give insights into the **emerging trends** identified in Australia's strongest residential market.

WE WANT TO KNOW HOW THE SUNSHINE COAST PROPERTY MARKET IS PERFORMING, WHAT IS HAPPENING AND WHERE IT IS HEADING.

At Place Advisory, we understand the importance of ongoing market research. We employ in-house full-time researchers, so we can retain and have easy access to all the information we gather. By providing our clients with accurate, up-to-date research, it ensures they can make informed, financially sound business decisions. It enables us to identify opportunities for our clients, provide advice on choosing the best available site and create the optimal package for each project. We can then provide qualified recommendations on the product mix, positioning, design, finishes and price.

Access to such comprehensive buyer information also enables us to identify early market trends. Our in-depth local market knowledge can help you develop a product that will yield greater returns, experience faster sales and achieve the best financial result.

Our main aim of "Apartment Sunshine Coast" is to continue to provide meaningful insights into the new apartment market throughout other regions of South East Queensland, of which little is often known or reported.



Market Overview.



Over the past year the Sunshine Coast property market has witnessed significant spike in values, with house prices increasing by 28 per cent and apartments prices increasing 24 per cent across the region.

In comparison, the same period saw Brisbane house values post a 15 per cent increase and apartment prices post a mere one per cent increase.

A product of the 'Covid catalyst', the boom can be attributed to mass migration to the region brought on by the feasibility of working remotely in our new Covid world, and the lure of a beachside lifestyle. This has caused the Sunshine Coast to gain triple its expected annual population increase over the year.

This heightened influx has placed immense pressure on the region's rental market, pushing vacancy rates to their lowest levels since 2005 and causing housing supply to drastically dwindle.

The new-found scarcity, which has played a hand in raising the region's median house price above the \$1m mark has triggered a shift in demand.

With buyers unable to see value in purchasing a house on the Sunshine Coast for \$190k more than what they would expect to pay in Brisbane. Their attention has now switched to spacious apartments that come at a much cheaper premium.

The increased uptake of larger apartments with three or more bedrooms has emerged as a defining trend on the Sunshine Coast, accounting for 40 per cent of all apartment transactions over the year.

However, the attractiveness of the price of apartments is tipped to be momentary.

It is expected the increased interest and low availability of apartments on the Sunshine Coast will significantly boost apartment values in the coming year.

For those looking to enter the Sunshine Coast property market, the time to make a move is now as the housing boom is expected accelerate upon border reopening's in the new year.

APARTMENTS

MEDIAN

\$620,000

10 YEAR ANNUAL
AVERAGE GROWTH

5.4%

1 YEAR
GROWTH

23.6%

HOUSES

MEDIAN

\$1,025,000

10 YEAR ANNUAL
AVERAGE GROWTH

8.0%

1 YEAR
GROWTH

27.8%

Sunshine Coast Regions.



What's happening with private and public infrastructure as well as the property market on Queensland's Sunshine Coast is significant and dramatic. It is changing the region forever. We are now seeing the impact that COVID-19 has had on the market and it seems to have fast-tracked the growth of this region in population and prices.

Caloundra

Caloundra, Currimundi, Dicky Beach, Kings Beach, Moffat Beach, Shelly Beach.

APR – SEP 2021	MEDIAN PRICE	1 YEAR GROWTH	10 YEAR GROWTH*
APARTMENTS	\$575,000	26.4%	4.7%
HOUSES	\$920,000	47.2%	8.7%

Kawana Waters

Birtinya, Bokarina, Buddina, Minyama, Parrearra, Warana, Wurtulla.

APARTMENTS	\$550,000	9.8%	4.3%
HOUSES	\$1,125,000	40.5%	8.7%

Maroochydore

Alexandra Headland, Maroochydore, Mooloolaba.

APARTMENTS	\$570,000	21.3%	5.8%
HOUSES	\$950,000	22.6%	7.2%

Northern Beaches

Coolum Beach, Mudjimba, Peregrian Springs, Point Arkwright, Yaroomba.

APARTMENTS	\$670,000	32.7%	5.2%
HOUSES	\$1,035,000	40%	8.5%

Noosa

Noosa Heads, Sunshine Beach, Sunrise Beach, Castaways Beach.

APARTMENTS	\$1,145,000	23.5%	8.3%
HOUSES	\$1,650,000	24.5%	9.2%

*Annual average growth rate

Jewel
BIRTINYA ISLAND

SOLD OUT

106 2 & 3 BEDROOM RESIDENCES
WITH PARK AND WATER VIEWS



88

BURLEIGH

SOLD OUT

30 HALF-FLOOR 3 BEDROOM RESIDENCES
& THE CROWNING 4 BEDROOM PENTHOUSE



Projector.

THE SUNSHINE COAST NEW APARTMENT MARKET APRIL – SEPTEMBER 2021

In accordance with the wider Sunshine Coast residential market, project sales have performed strongly, posting the highest sales rate in recent history.

Heightened demand triggered by record migration and regional shift to the Sunshine Coast has seen 729 OTP apartment sales transacted over the last six months, an increase of 79 per cent from the previous six month period.

It is evident that sentiment towards purchasing off-the-plan has well and truly regained its favour among buyers, as external economic forces and the spike in house prices seemingly have started to push purchasers to consider the apartment market.

Furthermore, buyers have begun to recognise benefits of securing apartments at their present-day price and paying upon completion, as they bid to enter the market before prices rise, look to eliminate the turmoil of inflation, and bypass the rising costs of construction.

Currently, Place Advisory's historical sales rates suggest if no new projects enter the market, under five months of off-the-plan and new stock remains if no new projects enter the Sunshine Coast market.

This undersupply presents fruitful prospects for new projects entering the market, especially those which can cater for the demand for larger apartments that can accommodate families which have become increasingly popular over the last year as droves relocate to the region.

It's expected that the positive sentiment will continue throughout the year as migration research suggests the record increase in interstate arrivals and the trend of regional relocation to the Sunshine Coast to continue.

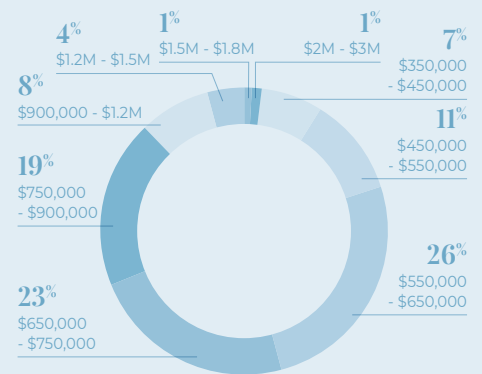
SUMMARY

- During the six months ending September 30, 2021, there were 729 new apartment sales.
- At the end of September 30, 2021, there were 51 new apartment developments on the market in the Sunshine Coast.
- Of the 2,390 total new apartment supply, only 446 (19%) remain available for sale.
- The weighted average sale price for the six-month period ending September 2021 was \$730,000, a \$210,000 increase from the March period.
- 'Jewel Birtinya' was the top-performing apartment development for the period, recording an impressive 53 apartment sales to sell out completely.
- During the six-month period ending September 30, 2021, the majority of unconditional sales were two-bedroom configurations, accounting for 54% of all sales for the period. Three-bedroom apartments accounted for 27% of sales followed by one-bedroom apartments, accounting for a further 13%. The remaining are four-bedroom and penthouse configurations.
- The \$550,000 to \$650,000 price bracket was the most common for new apartment sales during the six-months ending September 30, 2021, accounting for 26% of sales. This was followed by the \$650,000 to \$750,000 price bracket, which each accounted for a further 24% of sales, respectively.
- 28 of the 51 new apartment developments completely sold out during the six months ending September 30, 2021, with another six developments reaching above 90% sold.
- With new developments entering the marketplace, the proportion of new apartments that have now completed construction has decreased. At the end of September 30, 2021, 855 apartments

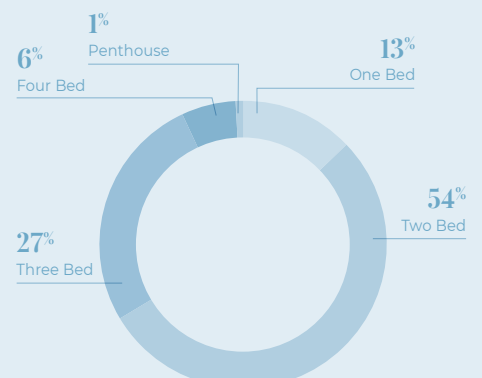
(36%) have been physically delivered to the market. A further 741 apartments (31%) were under construction. The remaining 794 apartments (33%) were still awaiting construction.

- The majority of new supply is located in the central hub of Maroochydore (514 apartments), Birtinya (405 apartments), Bokarina (287 apartments), Buddina (279 apartments), Sippy Downs (275 apartments), and Cotton Tree (195 apartments).

UNCONDITIONAL SALES BY PRICE POINT



UNCONDITIONAL SALES BY CONFIGURATION



A 12 MONTH COMPARISON

Looking at the previous six month period to September 30, 2020, there were a total of 281 unconditional new apartment sales. During the latest six month period there were a total of 729 unconditional new apartment sales, an increase of 160%.

There are currently 446 new apartments available for sale throughout the Sunshine Coast, which is 7% less when comparing to the year prior.

During the six-month period ending September 30, 2020, 31% of the new

apartment stock was remaining available for purchase. Whereas, during the six-months ending September 30, 2021, only 18% of the total stock remains available for sale. This further suggests that if additional supply is added to the Sunshine Coast market, it will continue to sell.

The unsold stock (446 apartments) represents less than 5 months of supply; this is based on Place Advisory's historical data and sales rates collected over the past 12 months.

Developments such as Market Lane, Curve, Revive Oceanside, Jewel, and One Prosperity have been the top-performing apartment developments during the last 12 months on the Sunshine Coast.

Apartment supply over the last 12 months remains consistent with majority of the new supply being located within Maroochydore (22%), Birtinya (17%), Bokarina (12%), and Buddina (12%).

APARTMENTS AS AT SEPTEMBER 2021

DEVELOPMENT	SUBURB	STATUS	TOTAL	SOLD	AVAILABLE	% SOLD	APR - SEP SALES
Jewel	Birtinya	Under Construction	106	106	0	100	53
Haven Stage 1	Sippy Downs	Under Construction	46	46	0	100	46
Seasons	Birtinya	Awaiting Construction	154	38	116	25	38
Saltair Rise	Kings Beach	Constuction Completed	35	35	0	100	35
The Cosmopolitan	Cotton Tree	Constuction Completed	143	138	5	97	35
Pinnacle on Maud	Nambour	Under Construction	40	33	7	83	33
Azzure (Stage 2)	Bokarina	Awaiting Construction	68	32	36	47	32
Parkwoods	Sippy Downs	Under Construction	58	58	0	100	32
Curl - Stockland	Bokarina	Awaiting Construction	30	30	0	100	30
Parkridge	Noosa	Constuction Completed	166	163	3	98	30
The Cove - Stage 1	Pelican Waters	Awaiting Construction	36	30	6	83	30
The Hedge Lifestyle Apartments	Buddina	Constuction Completed	97	97	0	100	30
Lowanna	Buddina	Awaiting Construction	109	85	24	78	25
Azzure (Stage 1)	Bokarina	Awaiting Construction	44	36	8	82	22
Curve Birtinya	Birtinya	Constuction Completed	55	55	0	100	22
Paperbark Apartments	Maroochydore	Under Construction	20	20	0	100	20
Zinc Stage 1	Bokarina	Awaiting Construction	44	19	25	43	19
Forest Edge & Botanica	Sippy Downs	Constuction Completed	104	104	0	100	15
Alpha Luxury Apartments	Maroochydore	Constuction Completed	14	14	0	100	14
Revive Oceanside (Stage 1)	Birtinya	Constuction Completed	60	60	0	100	14
Plaza Central Maroochydore (Stage 2)	Maroochydore	Under Construction	43	43	0	100	13
Habitat A	Twin Waters	Awaiting Construction	12	12	0	100	12
HQ	Sippy Downs	Under Construction	30	30	0	100	12
Nature	Cotton Tree	Awaiting Construction	13	11	2	85	11
Driftwood	Maroochydore	Constuction Completed	10	10	0	100	10
Haven Stage 2	Sippy Downs	Awaiting Construction	37	10	27	27	10
RIVIERA Mooloolaba	Mooloolaba	Constuction Completed	11	10	1	91	10
East 153	Moffat Beach	Under Construction	10	9	1	90	9
Karingal Sands	Golden Beach	Awaiting Construction	8	7	1	88	7
Avalon	Maroochydore	Under Construction	93	93	0	100	6
The Beachfront Buddina	Buddina	Awaiting Construction	73	70	3	96	6
Reflection Cove	Maroochydore	Awaiting Construction	94	5	89	5	5
Zinc Stage 2	Bokarina	Awaiting Construction	38	5	33	13	5
Ocean Verge	Kings Beach	Under Construction	40	4	36	10	4
Seanna Residences	Bokarina	Under Construction	63	63	0	100	4
Essence Cotton Tree	Cotton Tree	Under Construction	19	19	0	100	3
INFINITY	Noosaville	Under Construction	3	3	0	100	3
One The Esplanade	Cotton Tree	Under Construction	20	19	1	95	3
Rise Maroochydore Beach	Maroochydore	Constuction Completed	48	48	0	100	3
Banksia	Maroochydore	Constuction Completed	15	15	0	100	2
Botanica Riverside Residences	Maroochydore	Constuction Completed	16	16	0	100	2
Market Lane - Tower 2	Maroochydore	Under Construction	65	65	0	100	2
Noir	Maroochydore	Awaiting Construction	15	2	13	13	2
Oceane Coolum Beach	Coolum Beach	Constuction Completed	21	21	0	100	2
Pinnacle	Picnic Point	Constuction Completed	30	30	0	100	2
Seashore by Karam	Kings Beach	Under Construction	4	2	2	50	2
SEVEN	Noosaville	Awaiting Construction	2	2	0	100	2
Affinity Place	Birtinya	Constuction Completed	30	30	0	100	1
Market Lane - Tower 1	Maroochydore	Under Construction	81	81	0	100	1
Eclipse	Picnic Point	Awaiting Construction	13	10	3	77	0
SOCO NOOSA	Noosa Heads	Awaiting Construction	4	0	4	0	0
OVERALL			2,390	1,944	446	82	729

Investing in the future.

THE HIGHEST LEVEL OF INFRASTRUCTURE INVESTMENT, PER CAPITA, IN THE COUNTRY.

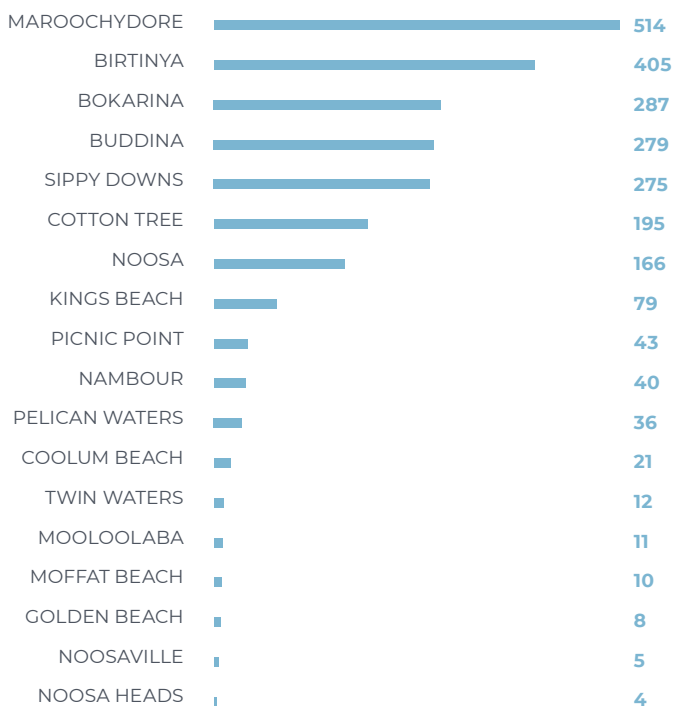
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|----|----------------------------------|--|
| 1 | SUNSHINE PLAZA | \$450m Expansion
<i>Complete</i> |
| 2 | KAWANA SHOPPINGWORLD | \$110m Expansion
<i>Complete</i> |
| 3 | THE SPORTS HUB | New state of the art complex
<i>Complete</i> |
| 4 | UNIVERSITY OF THE SUNSHINE COAST | \$81m expansion
<i>Complete</i> |
| 5 | SUBMARINE BROADBAND CABLE | Generate \$927 million in new investment
<i>Connected</i> |
| 6 | SUNSHINE COAST AIRPORT | \$500m Upgrade, Additional Runway
<i>Complete</i> |
| 7 | MAROOCHYDORE CBD | \$4bn Development
<i>Underway</i> |
| 8 | AURA COMMUNITY | \$7bn+ Development
<i>Underway</i> |
| 9 | OCEANSIDE DEVELOPMENT BIRTINYA | \$5.2bn Development
<i>Underway</i> |
| 10 | BRUCE HIGHWAY UPGRADE | \$2bn+ Development
<i>Underway</i> |
| 11 | PALMVIEW COMMUNITIES | \$7bn Developments
<i>Underway</i> |
| 12 | BIRTINYA TOWN CENTRE | \$850m Development
<i>Underway</i> |
| 13 | SIPPY DOWNS TOWN CENTRE | New town centre precinct
<i>Underway</i> |
| 14 | SEKISUI 5-STAR RESORT YAROOMBA | \$900m Development
<i>Proposed</i> |
| 15 | 5-STAR RESORT MOOLOOLABA | \$250m Development
<i>Proposed</i> |
| 16 | SUNSHINE COAST STADIUM | \$68m Expansion
<i>Proposed</i> |
| 17 | KELLY SLATER SURF RANCH COOLUM | \$100m Development
<i>Proposed</i> |
| 18 | AUSSIE WORLD | \$150m Expansion
<i>Proposed</i> |
| 19 | MASS TRANSIT PROJECT | \$2bn+ Development
<i>Proposed</i> |



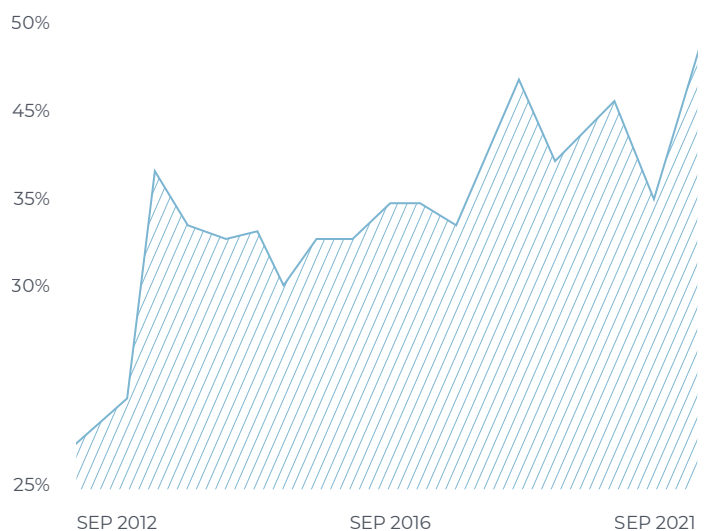
SUNSHINE COAST

by the numbers.

NEW & OFF-THE-PLAN SUPPLY



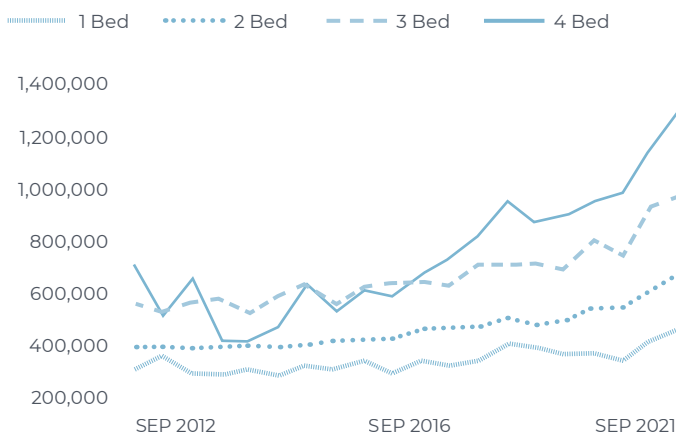
HOUSE & APARTMENT MEDIAN VALUE GAP



AVERAGE FOR SEPTEMBER 2021

APARTMENTS	HOUSE	DIFFERENCE
\$620,000	\$1,022,500	49%

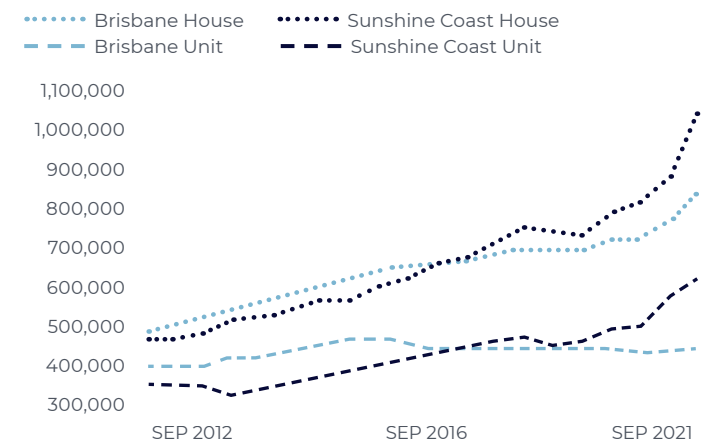
MEDIAN PRICE BY CONFIGURATION



AVERAGE FOR SEPTEMBER 2021

1 BED	2 BED
\$449,837	\$670,462
3 BED	4 BED
\$977,833	\$1,319,233

SUNSHINE COAST & BRISBANE MEDIAN DWELLING PRICE COMPARISON



AVERAGE FOR SEPTEMBER 2021

BRISBANE HOUSE	SUNSHINE COAST HOUSE
\$828,750	\$1,022,500
BRISBANE APARTMENT	SUNSHINE COAST APARTMENT
\$450,000	\$620,000

Million Dollar Market.

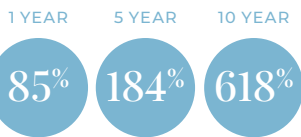
THE SUNSHINE COAST MILLION-DOLLAR MARKET HAS TAKEN OFF SINCE THE MIDWAY POINT OF 2020.

Transaction volumes for houses and apartments over \$1 million have been 67 per cent and 54 per cent higher than the previous year, owing to the strength of the market and the intensified competition for real estate right across the Sunshine Coast.

It's hard to believe in the March 2012 six-month period only 60 houses and 40 apartments were sold for over \$1 million. Fast forward to the September 2021 period, and 516 houses and 287 apartments sold for over the million-dollar mark.

Volume Increase

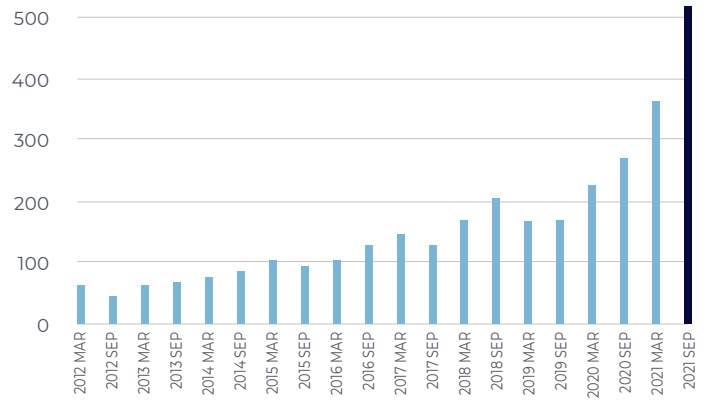
APARTMENTS



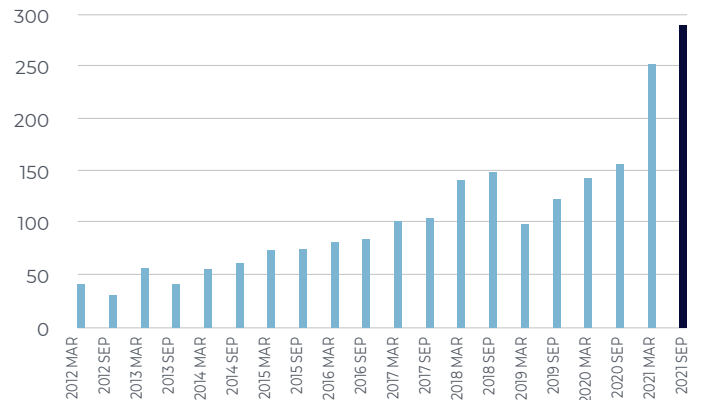
HOUSES



HOUSE SALES OVER \$1M



APARTMENT SALES OVER \$1M

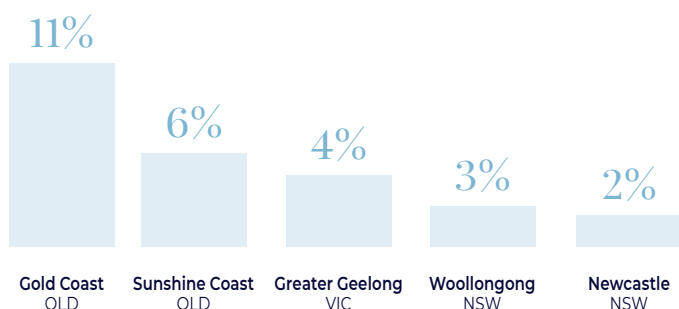


Migration Boom.

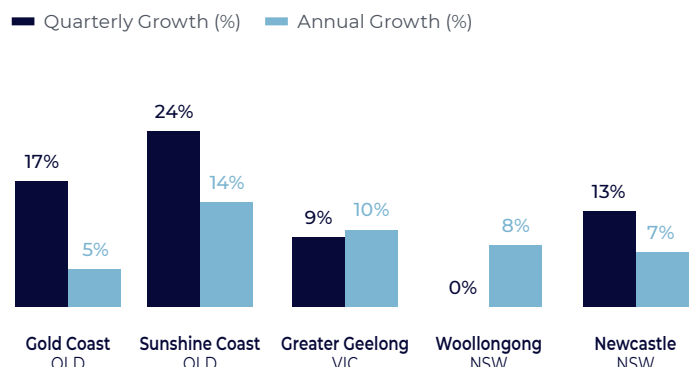
According to the latest Commonwealth Bank regional movers report, the Sunshine Coast has become the second most popular destination for people moving away from capital cities to regional Queensland and regional NSW.

Of the top five local government areas for regional migration, the Sunshine Coast recorded the largest growth in migration from capital cities over the quarter and year to March 2021, owing to the mass migration brought on by covid-19. Migration to the Sunshine Coast grew by 24 per cent in the March 2021 quarter, and by 14 per cent over the year.

TOP 5 LGAS BY SHARE OF CAPITAL TO REGIONAL MIGRATION



GROWTH IN MARCH '21 QUARTER FOR TOP 5 LGAS





Place.



Projects

About Place Projects.

Place Projects is South East Queensland's premier project marketing agency with the experience and resources to bring success to your next residential development.

Our people are 'hands on' operators who specialise in marketing off-the-plan apartment developments and master-planned communities in the South East of Queensland market. Our clients range from small local builders to large publicly listed companies; our buyers range from first home buyers and luxury downsizers, to professional national and international investors.

Place Projects is a high-quality organisation with a proven track record of customer satisfaction and outstanding sales results, which has helped us achieve record residential sales. The secret to this success is managing our growth and hand-picking the very best sales professionals in the business. Our unique set of systems and processes helps our staff grow professionally. It also allows us to offer a comprehensive sales and marketing service that minimises costs to our clients.

Using our proven formula, we empower developers and investors with information to make informed decisions on areas including site selection, development creation and planning, and buying opportunities. It also assists in the development of tailor-made strategic marketing campaigns that actively engage a project's most suitable target markets. This holistic approach, combined with our experience and local knowledge, means we can minimise the risk, while maximising the return on your development.

The detail of our reporting systems to developers is second to none. The reporting system available supports rational discussion in marketing spends, and minimises lost sales opportunities.

The Place Projects team is led by some of the most experienced and high achieving sales and marketing professionals in the industry. If you are interested in discussing how Place Projects can work with you, and your next project, please contact our team.



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