

APARTMENT

S U N S H I N E C O A S T


ISSUE 03
WINTER 2020

In this edition of Apartment **Sunshine Coast**, we review **off-the-plan apartment sales** during the last six months (October to March), the **local economy** and what the region has to offer in the coming years.

A STRENGTHENING REGIONAL
ECONOMY DRIVEN BY
FUTURE INFRASTRUCTURE,
POPULATION GROWTH AND
THE PROPERTY MARKET.



place
advisory



AS SOUTH EAST QUEENSLAND'S
LEADING OFF-THE-PLAN APARTMENT
MARKETING COMPANY, WE ARE
CONSTANTLY MONITORING THE
PROPERTY MARKET, ANALYSING
TRENDS, NEW PROPERTY
DEVELOPMENTS AND ALMOST
EVERYTHING PROPERTY RELATED.

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 of 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.



ECONOMIC SNAPSHOT

The Sunshine Coast regional economy continues to evolve with a rising population, increased tourism activity and upcoming infrastructure. These three things are the key drivers for future growth of the region.

Over the last 15 years, the Sunshine Coast has outperformed many of the other regional economies within Australia (NIEIR, 2018). With an expected A\$33 billion economy by 2033, the 9th largest government in Australia and the delivery of almost 25,000 additional jobs since 2013 (Sunshine Coast Council Website and Australian Bureau of Statistics). This just shows that the Sunshine Coast will see large growth within the coming years, offering something for owner occupiers and investors alike.

GRP

\$17.28 billion

(NIEIR, 2019)

LARGEST INDUSTRY BY EMPLOYMENT

**HEALTH CARE &
SOCIAL ASSISTANCE**

(NIEIR, 2019)

POPULATION

328,428

(ABS ERP, 2019)

LOCAL BUSINESSES

32,444

(ABS, 2019)

LOCAL JOBS

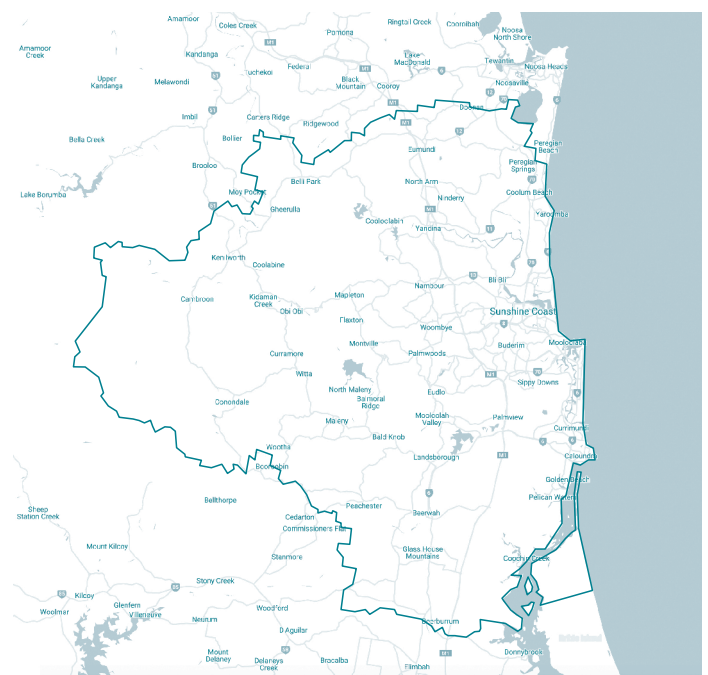
149,362

(NIEIR, 2019)

EMPLOYED RESIDENTS

156,418

(NIEIR, 2019)



PROJECTOR

THE SUNSHINE COAST NEW APARTMENT MARKET OCTOBER TO MARCH 2020

THE SUNSHINE COAST OFF THE PLAN AND NEW APARTMENT MARKET CONTINUES TO RECORD STRONG SALES NUMBERS DESPITE THE REGION EXPERIENCING THE RECENT PANDEMIC.

COVID-19 hit Australia hard towards the end of February and the beginning of March. However, the number of new apartment sales over the last six months have been consistent.

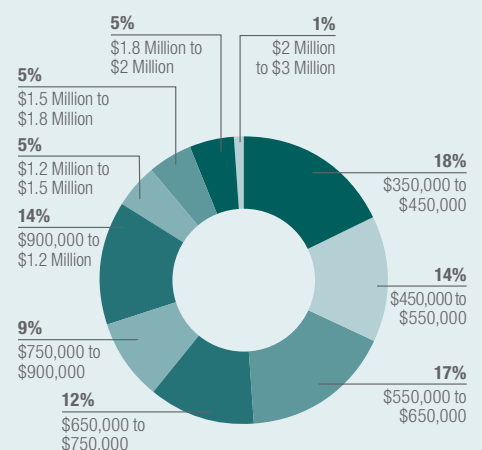
During the six months ending March 2020, there were a total of 230 unconditional new apartments sold throughout the Sunshine Coast.

Looking at the short-to-medium term, the Sunshine Coast property market, much like other regions at this time, have turbulent waters ahead. However, the long-term outlook for the Sunshine Coast remains positive, with approximately 17 months' supply remaining available, at the current rate of sale. It is projected that interstate migration for Queensland will continue to increase in the coming months and with more people opting to work from home, it is expected that people will move to the Sunshine Coast for the lifestyle it brings.

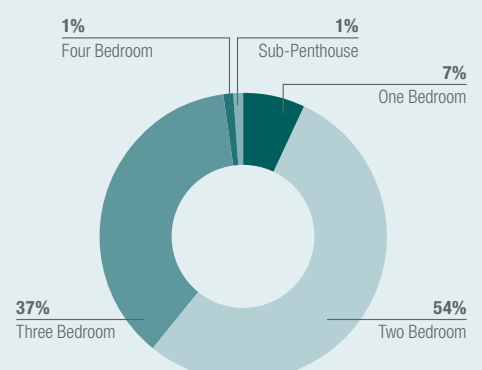
SUMMARY

- During the six months ending March 2020, there were 230 new apartment sales, accounting for 15% of the total new apartment supply.
- At the end of March 2020, there were 30 new apartment developments on the market in the Sunshine Coast.
- Of the 1,555 total new apartment supply, only 592 (38%) remain available for sale.
- The weighted average sale price for the six month period ending March 2020 was \$565,374, showing that there is a demand for mid-range apartments.
- Mosaic's luxury beachfront apartments "First Bay", located in Coolum Beach was the top performing apartment development for the period recording an impressive 35 apartment sales or 92% of its total stock. The development offers an extremely rare, direct beach-front location with a limited collection of apartments.
- During the six month period ending March 2020, the majority of apartments sold unconditionally were two-bedroom configurations, accounting for 54% of all sales for the period. Three-bedroom apartments accounted for 37% of sales followed by one-bedroom apartments, accounting for a further 7%. The remaining 2% are four-bedroom and sub-penthouse configurations.
- The \$350,000 to \$450,000 price bracket was the most common for new apartment sales during the six months ending March 2020, accounting for 18% of sales. This was followed by the \$550,000 to \$650,000 price bracket, which accounted for a further 17% of sales.
- Two out of the 30 new apartment developments completely sold out during the six months ending March 2020, with another six of these developments recording at least 90% sold out.
- With few new developments entering the marketplace, the proportion of new apartments that have now completed construction continues to increase.
- At the end of March 2020, 510 apartments (33%) have been physically delivered to the market. A further 624 apartments (40%) were under construction. The remaining 421 apartments (27%) were still awaiting construction.
- The majority of new supply is located in the central hub of Maroochydore (352 apartments) with Birtinya (321 apartments), Cotton Tree (172 apartments), Buddina (170 apartments) and Bokarina (162 apartments) following close behind. The remaining apartment supply is spread out between Alexandra Headland, Coolum Beach, Mooloolaba, Noosa, Buderim and Sippy Downs.

UNCONDITIONAL SALES BY PRICE POINT



UNCONDITIONAL SALES BY BEDROOM CONFIGURATION



A 12 MONTH COMPARISON

Looking at the previous six month period from April to September 2019, there were a total of 189 unconditional new apartment sales. During the October to March 2020 period there were a total of 230 unconditional new apartment sales, which is an additional 41 sales when comparing to the previous period.

THERE ARE
CURRENTLY **1,555**
NEW APARTMENTS
AVAILABLE FOR SALE
THROUGHOUT THE
SUNSHINE COAST,
AN ADDITIONAL **320**
APARTMENTS WHEN
COMPARING TO THE
SIX MONTHS PRIOR.

During the six month period ending September 2019, 51% of the new apartment stock was remaining available for purchase. Whereas, during the six months ending March 2020 only 38% 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 (592 apartments) represents approximately 17 months of supply, this is based on Place Advisory's historical data collected over the past 12 months. Due to the turbulent waters ahead, it is important to take into consideration the slowing of sales in the coming months. Although, past data shows that supply is decreasing at a fast rate, the potential slowing of sales should somewhat stall this.

Developments such as Avalon continue to perform well, being one of 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, Buddina and Cotton Tree. However, the area of Birtinya during the last six month period ending March 2020 has gained some traction. This region now occupies 21% of off the plan and new apartment supply across the Sunshine Coast.

As at March 2020

Development	Suburb	Status	Total Apartments	Apartments Remaining	Apartments Sold March 2020 Half Year	Period Sold Proportion of Total	Proportion of Total Apartments Sold
Seanna Residences	Bokarina	Awaiting Construction	63	33	14	22%	48%
Oceanus Bokarina Beach	Bokarina	Awaiting Construction	99	61	27	27%	38%
The Beachfront Buddina	Buddina	Awaiting Construction	73	55	11	15%	25%
Plaza Central Maroochydore (Stage 1)	Maroochydore	Awaiting Construction	42	21	4	10%	50%
Jewel Birtinya Island	Birtinya	Awaiting Construction	106	90	16	15%	15%
First Bay	Coolum Beach	Awaiting Construction	38	3	35	92%	92%
Beachlife Alex	Alexandra Headland	Under Construction	58	9	10	17%	84%
Curve Birtinya	Birtinya	Under Construction	55	31	1	2%	44%
Latitude Coolum Beach	Coolum Beach	Under Construction	7	4	0	0%	43%
Oceane Coolum Beach	Coolum Beach	Under Construction	21	10	3	14%	52%
Essence Cotton Tree	Cotton Tree	Under Construction	19	3	6	32%	84%
Botanica Riverside Residences	Maroochydore	Under Construction	16	6	0	0%	63%
Revive Oceanside (Stage 1)	Birtinya	Under Construction	60	38	8	13%	37%
Alpha Luxury Apartments	Maroochydore	Under Construction	14	1	0	0%	93%
Rise Maroochydore Beach	Maroochydore	Under Construction	48	3	2	4%	94%
Avalon	Maroochydore	Under Construction	93	8	21	23%	91%
Southbank at Oceanside	Birtinya	Under Construction	70	52	0	0%	26%
Driftwood	Cotton Tree	Under Construction	10	1	7	70%	90%
Parkridge Noosa	Noosa	Under Construction	138	**	**	**	**
Banksia	Maroochydore	Under Construction	15	7	3	20%	53%
Reflections on Bradman	Maroochydore	Constuction Completed	15	9	2	13%	40%
The Cosmopolitan	Cotton Tree	Constuction Completed	143	70	16	11%	51%
The Ivy Picnic Point	Maroochydore	Constuction Completed	37	6	3	8%	84%
The Rhythm on the Beach	Maroochydore	Constuction Completed	72	10	10	14%	86%
116 Alex	Alexandra Headland	Constuction Completed	6	0	1	17%	100%
Affinity Place	Birtinya	Constuction Completed	30	8	3	10%	73%
The Hedge Lifestyle Apartments	Buddina	Constuction Completed	97	47	8	8%	52%
One Tree Apartments	Sippy Downs	Constuction Completed	72	3	15	21%	96%
Elevate on Buderim	Buderim	Constuction Completed	7	3*	**	**	57%
Allure Mooloolaba	Mooloolaba	Constuction Completed	31	0	4	13%	100%
OVERALL			1555	592	230	15%	62%

Note: 1. * indicates approximate values. 2. ** indicates values unknown 3. Total proportion sold excludes developments with unknown sold proportions.

WHY SUNSHINE COAST?

The Sunshine Coast offers a unique lifestyle that consumers have become quickly accustomed to. Offering a relaxed beachy vibe combined with inner-city convenience. The region is known for its sandy beaches and deep blue oceans, with over 50 kilometres of open coastline. The coastal towns located within the Sunshine Coast are community minded with bustling town centres.

If you head inland, you'll find yourself in the Sunshine Coast Hinterland which is surrounded by beautiful mountainside, forest trails and fresh produce. But why should you really consider the Sunshine Coast for a sea change?

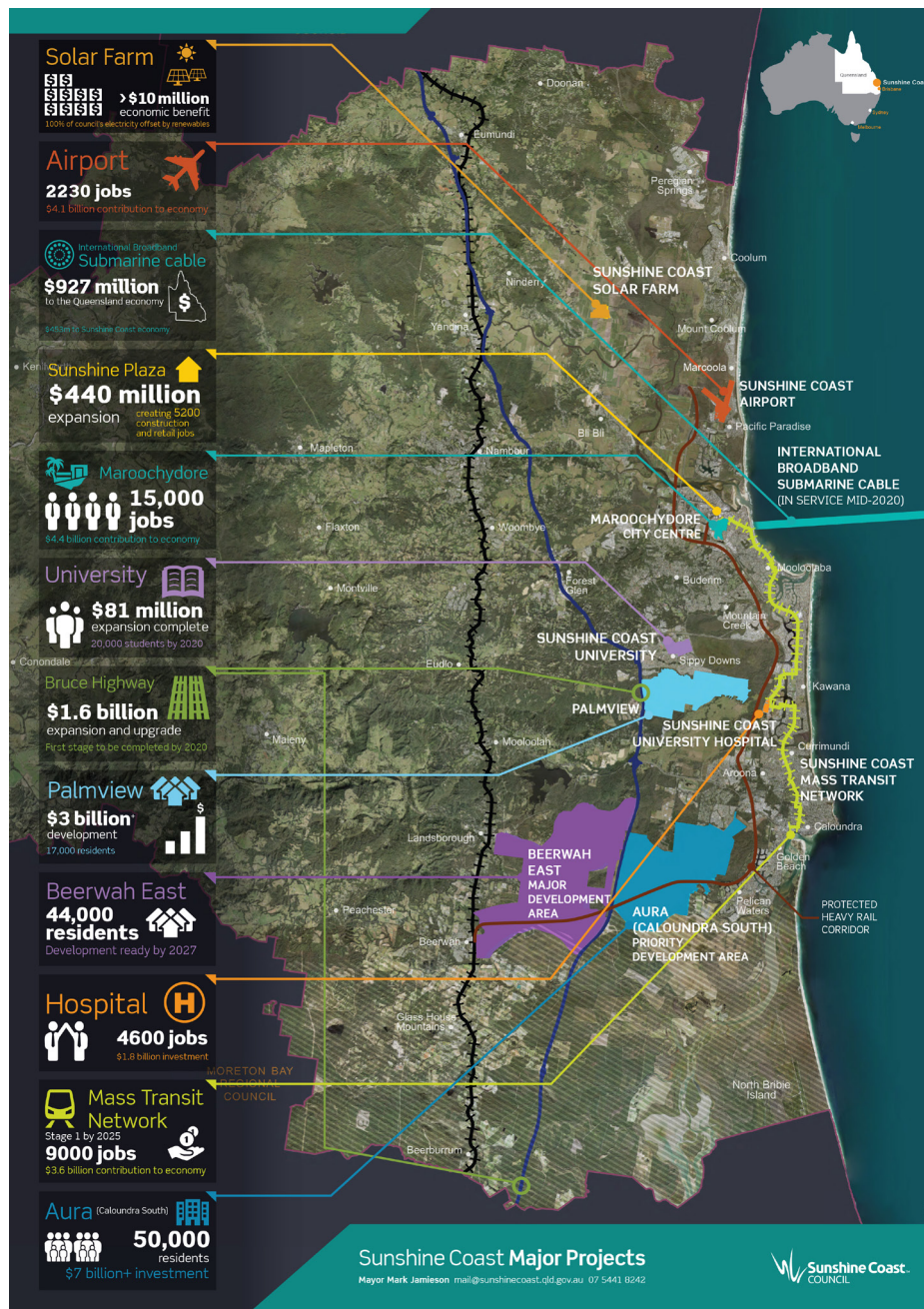
We've all heard about Queensland's 2032 Olympic bid, but besides this the Sunshine Coast has many new infrastructure developments, education facilities and upgrades to healthcare precincts being developed and transformed over the coming years.

THE CURRENT PROJECTS UNDERWAY

- The expansion of the Sunshine Coast Airport, delivering more direct access for domestic and international travel.
- A 17-hectare health infrastructure precinct, this will be known as the new 'tertiary teaching hospital campus'.
- The development of a greenfield city centre within Maroochydore's existing urban area, a first within the whole of Australia.

FUTURE PROJECTS

- Commercial and residential developments delivered across the region (such as the Caloundra South Priority Development Area).
- Adjacent to Australia's top-ranking university, 'The University of the Sunshine Coast', is the development of a new retail, business, and technology precinct.
- The development of the Sunshine Coast International Broadband Network, aiming to diminish risk, increase data transmission speed and decrease international communication costs for businesses and consumers.



- source: Sunshine Coast Council Website.

SECURE PREMIUM GOLF COURSE FRONTAGE LOTS WITHIN VANTAGE COOLUM ESTATE.



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coolum



Vantage Coolum land presents great value for money, with its large flat lots available now to build on and the proximity to the pristine Yaroomba and Coolum beaches.

Enjoy the ambiance of the gated Vantage Coolum estate, it's safe and secure and when you overlook a lush golf course, you can enjoy a wonderful relaxed vibe which means you can live like you are on holidays all year round.

Scott Heaney | 0408 711 027 | vantagecoolum.com.au

Place Projects is Brisbane's and one of the Sunshine Coast's premier project marketing company. Specialising in marketing off-the-plan apartment developments, we provide a full-service sales organization to the South East Queensland market.

Our passion for innovation and exceptional results ensures interaction with quality people, quality properties and quality marketing.

If you are interested in personalised property data analysis for the Sunshine Coast or Brisbane markets, please get in touch.



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