



This newsletter has been designed to keep you updated on what is happening within the industry and our real estate office

SOUTHERN INVESTORS SPY ON BEST RESIDENTIAL ESTATE LOTS IN CITY'S NORTH AS GAMES VIBE TAKES OFF



A MEXICAN wave of serious southern development money is building as the Gold Coast begins a \$6 billion construction industry boom.

Several major Sydney and Melbourne companies admit to spying on potential development estates in southeast Queensland, with the Gold Coast a key spot as the interstate residential property markets reach their peak.

The key drivers are affordability as the Glitter Strip works its way out of the GFC, the positive vibe about jobs growth with the Commonwealth Games and the council removing bureaucratic red tape for planning applications.

"It's the Mexicans that are coming – there is a renewed interest from Sydney and Melbourne investors in the Coast," Villawood Properties executive director Tony Johnson said.

The Melbourne-based company which has just received council approval for a \$500 million residential estate on an 89ha site next to the heavy and light rail at Helensvale has land banked 20,000 allotments on the Coast since the Global Financial Crisis.

Villawood has 70 per cent of its business in its home State but the potential is for the Coast to provide 30 per cent of its investment portfolio.

Mr Johnson said interstate developers and building companies were moving to the Coast as the Sydney property market peaked and Melbourne had only small room for growth.

A "tidal wave of buyers" were looking to invest, including cashed-up Baby Boomers, immigrants and families frustrated by spending \$500,000 for a block of land in Sydney's west where they face an hour-and-a-half commute to work.

"It's a joke," Mr Johnson said, when comparing the western Sydney market to his Helensvale plot within 300 metres of the Pacific Motorway and rail link.

The latest data on the development industry shows:

- City Planning estimates more than \$6 billion of actual buildings on its books which includes mega projects like Jewel, the Pacific Fair upgrade, the Coomera Town Centre and four tower Ruby project.
- The number of building applications so far this year already totals 1469 which compares to 9998 in 2015. Only 3215 were received three years ago.

Happy
Mother's Day



strawberry
roses



ashandcrafts.com



Something thoughtful
for Mother's Day

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- 15 major projects are due to the 2018 Commonwealth Games with that infrastructure to costed at \$950 million and the event itself expected to inject \$2 billion into the local economy.
- Some suburbs like Southport and Ashmore have recorded average median growth in the past 12 months of 11 per cent and 10 per cent with market forecasts suggesting the increases will "continue up to 2018 and beyond".
- The final quarter of 2015 recorded the highest sales rate for new apartments since mid-2008 with some of this older stock being picked up by buyers.

In terms of business performance the Gold Coast, after strong growth between September and December last year, has slightly dipped but the forecast for both turnover and profit by June will top last year's highs.

Compared to State-wide figures on setbacks for the industry, the city on average has more available land, lower infrastructure charges, better interest rates and infrastructure charges.

The region, unlike central and northern Queensland centres, recorded a positive change in total employment of 16,800 in the past 12 months.

Master Builders deputy executive director Paul Bidwell said the latest ABS statistics showed building activity across the State had reached a record high of more than 18 per cent in 2015.

"The large number of approvals in the pipeline means that we expect to see these elevated levels continue through to 2016," Mr Bidwell said.

Mr Johnson, from Villawood, sees much of that future building occurring on the Coast and in the wider Brisbane area and singles out Gold Coast City and Logan councils for being supportive of projects.

"I was that scared of the Gold Coast 10 years ago. They were anti-development. Coming up here four years ago, I was downright depressed," he said.

"Several of the (new) councillors, I think they are very smart people.

"I listened to the Mayor Tom Tate (at a seminar), I was impressed by what he said.

"They are very proactive and can see they need and encourage quality development."

~ Paul Weston and Andrew Potts: GC Bulletin April 2016



LOST AND FOUND

Unclaimed super?

It is a great feeling to find money that you thought you didn't have or lost.

The Australian Taxation Office (ATO) have a dedicated feature on their website to assist you with locating lost super. Visit www.ato.gov.au and type 'super seeker' into the search box. There are more than 6 million unclaimed superannuation accounts. Enter your TFN and details and click search.

INSPIRATIONAL QUOTE

*"Financial peace isn't the acquisition of stuff.
It's learning to live on less than you make, so you can give money back and have money to invest.
You can't win until you do this."
~ Dave Ramsey*

Real Estate Works

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