



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

URGENT REMINDER

Our new phone number is:

07 5526 3672

Please check you have updated your records as our call forwarding has ended.

SAVE MONEY

REFER A FRIEND & SAVE

3 Months Management Fees on your property.

HAVE ANOTHER

**INVESTMENT PROPERTY?
Or**

**BUYING ANOTHER
INVESTMENT PROPERTY?**

**SAVE by REDUCING YOUR
MANAGEMENT FEES by
having multiple properties
with us + PLUS \$AVE**

**3 Months Management
Fees on every property**

INSPIRATIONAL QUOTE

"Our biggest competition is never the others. Instead, it is always ourselves. It doesn't matter if we end up with first or last place. If we do our best to do better than before, then we've won." ~ Clint Cora

IMPORTANT: This is not advice. Clients should not act solely on the basis of the material contained in this newsletter. Items herein are general comments only and do not constitute or convey advice per se. Every effort is made to ensure the contents are accurate at the time of publication. Clients should seek their own independent professional advice before making any decision or taking action. We take no responsibility for any subsequent action that may arise from the use of this newsletter. Published by THE PPM GROUP - www.ppmssystem.com

GROWTH TO HIT NEW HEIGHTS

GOLD COAST



TEN residential apartment projects are set to deliver a \$1 billion injection into the Gold Coast economy between now and the 2018 Commonwealth Games.

Property observers say that should give the large number of people in the city who depend on the construction and property sector, from tradies to real estate agents, the confidence that there will be more employment opportunities in the future.

The projects range from the \$50 million Coast West Tower in Labrador in the north to the \$85 million Sanbano Coolangatta highrise in the south.

The unrealised \$1 billion Jewel development in Surfers Paradise has not been included in the list as a large question mark hangs over the project.

Also left out was a Chinese developer's plans for the former Southport home of the Star of the Sea Convent as plans have not been finalised with the Gold Coast City Council.

Colliers International director of project marketing Tony Holland said the sheer

number of projects already under construction or being marketed will give people confidence the market is improving.

"Historically the Gold Coast has had anywhere between five and 10 projects under construction or being marketed," Mr Holland said.

"That has not been the case for the last four to five years but by the end of this year there will be at least five or six."

Mr Holland said developers were moving away from lowrise apartment towers, such as Emandar Group's Harbour Quays project, and back to the coastal areas and beachfront.

Interstate investors and buyers were also back in force.

Mr Holland said there was a 35-40 per cent gap in price when comparing similar apartments on the Gold Coast and Sydney.

"They did have a negative perception of the Gold Coast in the wake of the global financial crisis but that has changed. If you look at the buyers in Oracle, of 200 who bought there, the majority were from Sydney and Melbourne."

Mr Holland said those buyers either bought the units because they were relocating to the Gold Coast or they wanted a holiday apartment.

Ray White Surfers Paradise Group boss Andrew Bell said new apartment projects underway on the Gold Coast would create significant economic benefit for the city.

"These new projects follow a longstanding void of residential development on the Gold Coast and represent an important step forward for our economy," he said.

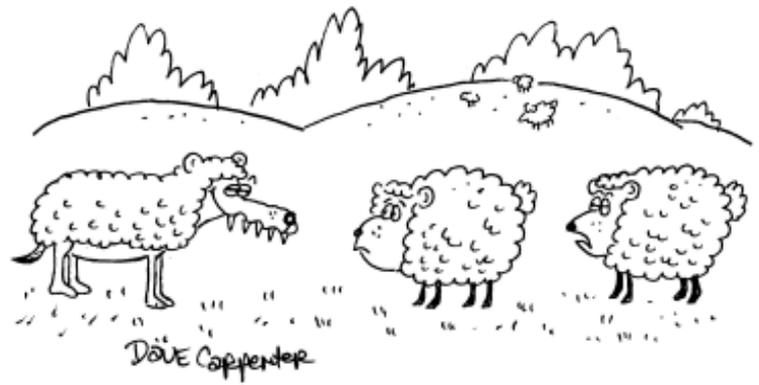
"One of our major economic drivers is construction and these projects will provide enormous employment opportunities to that industry."

Mr Bell said the new stock under construction or about to be built was affordable in contrast to previous years.

"Most new highrise apartment stock in recent years has been in the \$1 million-plus bracket.

"Throughout the past 30 years, the barometer of the health of the Gold Coast's economy has been the number of cranes on the horizon. After some void, we are now seeing green shoots of recovery and that will give confidence to the market."

~ GC Bulletin Aug 2014



"Who did the background check on him?"

TO REPAIR, OR NOT TO REPAIR... THAT IS THE QUESTION

There is no disputing that if repairs are required at the property then action must be taken. However, we are finding that some landlords are making the decision of undertaking repairs (to save money) that are 'almost' as costly as the replacement.

If a repair is required you need to ask yourself three questions:

How old is the appliance or item?

What is the approx. cost to repair?

What is the approx. cost to replace?



While these may appear to be simple & straight-forward questions, we find that some landlords can have a mind-set of 'just repair' thinking that it is going to save money.

Example: A dishwasher that is eight years old stops working and has no depreciation or tax saving benefits. The cost to repair has been quoted at approx. \$210 and the replacement cost is \$500.

Once an appliance or item starts to break down it is likely to do so again in the future.

LOSS OF APPLIANCE AND COMPENSATION

We also encounter landlords who state that they do not want to replace the appliance or item, such as an air conditioner or dishwasher that has ceased working.

While this is a consideration, you need to be mindful that if the appliance or item was present and working at the start of the tenancy it must be maintained or an agreement reached with the tenant to compensate them for the loss of the item.

Owning a property is no different to a car... it must be maintained. Have you set up a savings account for the unexpected repairs?

RESIDENTIAL DEVELOPMENT ON GOLD COAST TO 2018 MAJOR PROJECTS:

BRIGHTON ON BROADWATER

LOCATION: Southport (Sundale)
NUMBER OF UNITS: 488
VALUE OF PROJECT: \$400 million
DEVELOPER: Meriton
FINISH DATE: Late 2016

ZHEN

LOCATION: Southport
NUMBER OF UNITS: 221
VALUE OF PROJECT: \$78 million
DEVELOPER: Sanbano
START DATE: Late 2014 (2016)

SANBANO COOLANGATTA

LOCATION: Coolangatta
NUMBER OF UNITS: 28
VALUE OF PROJECT: \$85 million
DEVELOPER: Sanbano
FINISH DATE: September, 2014

RHAPSODY

LOCATION: Surfers Paradise
NUMBER OF UNITS: 223
VALUE OF PROJECT: \$120 million
DEVELOPER: Ho Bee Land
FINISH DATE: Late 2015

PURE KIRRA

LOCATION: Kirra
NUMBER OF UNITS: 33
VALUE OF PROJECT: \$35 million
DEVELOPER: Pikos
FINISH DATE: Late 2014

SYNERGY APARTMENTS

LOCATION: Broadbeach
NUMBER OF UNITS: 137
VALUE OF PROJECT: \$72 million
DEVELOPER: Morris Property Group
FINISH DATE: Late 2014 (Late 2015)

BEACH HOTEL

LOCATION: Broadbeach
NUMBER OF UNITS: 219
VALUE OF PROJECT: \$140 million
DEV: A Moreton & Pryde Group
FINISH DATE: Awaiting Dev. Appro.

COAST WEST TOWER

LOCATION: Labrador
NUMBER OF UNITS: 124
VALUE OF PROJECT: \$50 million
DEVELOPER: Heran Building group
FINISH DATE: Late 2014

SAGE APARTMENTS

LOCATION: Merrimac
NUMBER OF UNITS: 168
VALUE OF PROJECT: \$60 million
DEVELOPER: Minamarc Pty Ltd
FINISH DATE: First stage, early 2015

TALLAHASSEE

LOCATION: Burleigh Heads
NUMBER OF UNITS: 174
VALUE OF PROJECT: \$115
DEVELOPER: Morris Property Group
START DATE: Awaiting Dev. Appro.