



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



GOLD COAST PROPERTY TO RISE 11% 2016



UPDATING AND CHANGING YOUR PERSONAL DETAILS

It is important that we are kept up-to-date with your current contact details. If you change your contact numbers or postal address, please let us know.

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If you want to change your bank details please let us know in writing.

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The man who repeatedly predicted the boom in Sydney's house prices is now forecasting growth of up to 11 per cent in Gold Coast prices next year.

Louis Christopher, the managing director of SQM Research, said Sydney house prices would rise 15 per cent to 20 per cent in 2013-14 and 8 per cent to 12 per cent in Sydney in 2014-15. He now expects Australia's famous glitter strip has entered "a robust housing recovery.

"There is no question right now that landlords are in charge of the Gold Coast market as vacancies have plummeted and rents have accelerated," Mr Christopher said.

His data shows low vacancy rates of under 2 per cent and rent rises of up to 8 per cent a year.

Mr Christopher said the Gold Coast had yet to see its traditional building

surge and that the market crash of 2009-13 had only modestly recovered until now, meaning prices were still below fair value.

"Back in 2010 the Gold Coast housing market suffered a perfect storm of events that created a major dwelling price crash. A lot of those events have now dissipated and right now, there are many favourable economic factors which are helping to improve the region. So we believe Gold Coast property investors are likely to enjoy good returns, both in rents and capital growth for up to the next three years." SQM expects a rise of 7 per cent to 11 per cent in dwelling prices for 2016.

Ray White Prestige Surfers Paradise's Robert Graham said the 11 per cent forecast was harder to see in the prestige market because of the low level of turnover.

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"I think an 11 per cent increase is difficult to ascertain in the \$2 million to \$5 million market place," Mr Graham said.

"Certainly we are seeing a lot of growth in the sub \$2 million mark. Demand far outweighs supply there."

"The only factor limiting the number of sales is the amount of stock." The higher end is yet to really move. Former Billabong director Scott Perrin and wife Rachel are still looking to sell their Mermaid Beach mansion at 45-51 Albatross Avenue. It is expected to set a record for Queensland residential property.

In the new apartment market, major developers such as China's Wanda Group have already started projects and domestic developers are also well under way with plans, including from the well known Jim Raptis.

Citimark, which has over \$1 billion worth of high-rise apartment towers planned at Surfers Paradise and Chevron Island, is also developing after seeing the opportunity over 18 months ago.

Joint managing director Angus Johnson said the fundamentals at the Gold Coast had never been stronger.

"The market at the moment is characterised by a lack of supply and growing demand.

"We have been attracted to the Gold Coast because of the strong fundamentals and you only need to see the difference between the median apartment value in Sydney compared to the Gold Coast – it's never been greater. It's a 124 per cent difference."

Listed management rights group Mantra has also noted strong occupancy rates across its portfolio of managed apartments.

~ Matthew Cranston : Financial Review

"Real" Estate Vocabulary

- low maintenance yard**: everything on your lawn is dead
- pond site**: wet spot in yard
- COZY**: a very, very small box
- furnished**: owner doesn't want to move his/her junk out of the house
- needs light cleaning**: needs HEAVY cleaning; hire nearest cleaning crew
- new appliances**: well, they're newer than the house....
- partial view**: you get a view through the window of another building
- has potential**: day away from falling down; good luck!
- motivated seller**: something is wrong and owner needs out

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VALENTINE'S DAY

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