



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



**WE SELL**

**&**

**WE DO**

**PROPERTY  
MANAGEMENT**

## **INSPIRATIONAL QUOTE**

*The reality is that business and investment spending are the true leading indicators of the economy and the stock market. If you want to know where the stock market is headed, forget about consumer spending and retail sales figures. Look to business spending, price inflation, interest rates, and productivity gains.*

~ Mark Skousen

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## **SPRING PROPERTY BOOM HITS GOLD COAST**

**With interstate & locals buyers  
swarming city**

**SPRING** fever is gripping the Gold Coast property market, with the city going through an unprecedented bloom.

Cashed-up interstate buyers are swarming to the city, with locals hot on their heels in the hunt for their prized new home.

Harcourts Coastal managing director Dane Atherton described the boom as the “perfect storm”, with buyer demand on a par with pre-global financial crisis levels.

“This is by far the busiest spring I’ve ever seen on the Gold Coast,” he said.

“I think previously the Gold Coast hasn’t been as seasonal as other markets.

“Some of my colleagues in Sydney and Melbourne would say spring was their best market but our numbers up here never correlated.”

Interstate buyers were bringing a new buyer mentality to the Coast.

“They’re bringing the mentality that spring is the best time to buy,” he said.

“You pair that with locals upgrading and you’ve got the perfect storm.

“You’ve got interstate buyers and local buyers fuelling the market.”

Mr Atherton called the auction of a three-bedroom renovated Miami home which sold for \$900,000 at the weekend.

“It started very strong with a potential knockout bid at \$850,000 before it got to \$900,000,” he said.

“We stopped at \$875,000 and increased to \$900,00 before it sold under the hammer to a Sydney buyer who was on the phone.”

Among the spectators was swimming star Cameron McEvoy, who blended into the 100-plus crowd.



“The crowd was indicative of the changing dynamics in Miami and Burleigh,” Mr Atherton said.

“It was an ultra-trendy, younger crowd.”

Mr Atherton said he expected his agency to record more than \$100 million in sales this month, smashing all records.

“It’s momentum that we should see going strong right up until Christmas,” he said.

REIQ Gold Coast zone chairman John Newlands said the Coast’s property market was heating up, with major events including the Commonwealth Games pushing it.

“We’ve got very low interest rates, low tenancy rates and we’ve got a revival in tourism, especially with the lead-up to the Commonwealth Games,” he said.

“With the Commonwealth Games, there’s a lot of infrastructure to support that and then we’ve got the extension of the light rail out to Helensvale.

“Not only are those events helping the Coast mature every year, but the growing population will also be a big driver in years to come.”

~ Sept 2016 Aleisha Pidgeon GC Bulletin

# TRAMS HIKE LAND VALUE

**PROPERTY industry and city leaders have declared the Gold Coast light rail a success, with new research showing land values along the tram route have spiked by around \$300 million.**



The city's \$1.2 billion tram system, from Broadbeach to Griffith University, has been operational for more than two years and a stage two extension is under way.

University of Queensland economist Dr. Cameron Murray said the system was a success.

Writing for independent online website The Conversation, Dr Murray said his research had focused on changes in land values on the Gold Coast since July, 2014.

"My research on the Gold Coast light rail provides the figures to demonstrate the size of the gains to nearby land values, which were around 25 per cent of the \$1.2 billion capital cost in stage one of the project," he said.

"I found that land within 400m of the stations increased in value by seven per cent more than land between 400m and 2km from the stations, in the year after the light rail began operation.

Dr Murray said he has then used the price deviation to the total land value in those areas – a little over \$4.2 billion in 2015 – to estimate the absolute change in land value was \$300 million.

"This is the one-off gain to the owners of the 1324 plots of land within 400m of the light rail stations, as a result of this transport investment," he said.

Work is well under way on stage 2 of the tram system, with the route being cleared between Griffith University & Helensvale.

The 7.3km extension is expected to begin operating in early 2018 and it is already tipped to boost land prices in the city's north.

Gold Coast City Council planning and development boss, Cr Cameron Caldwell, said spikes in land values around major rail routes was a worldwide trend.

"The light rail network provides lifestyle enhancement that is attractive to many people," he said.

"Lots of people want to proactively not rely on motor vehicles as their primary form of transport and made choices to live on the light rail.

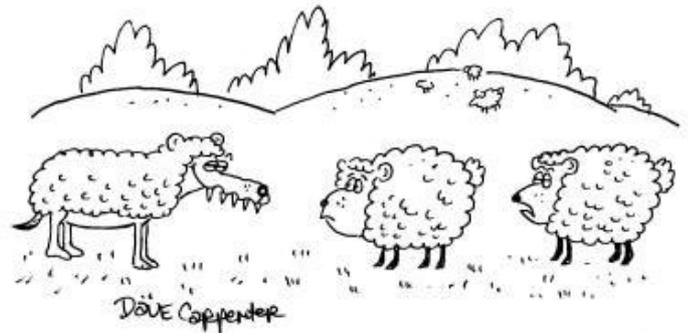
"No doubt, with the existing success of stage 1, we will see similar opportunities present themselves as further stages are built."

Tenders will be called in November to begin route planning and design for the proposed third stage to run along the coastal strip from Broadbeach to Gold Coast Airport, through Burleigh and Palm Beach.

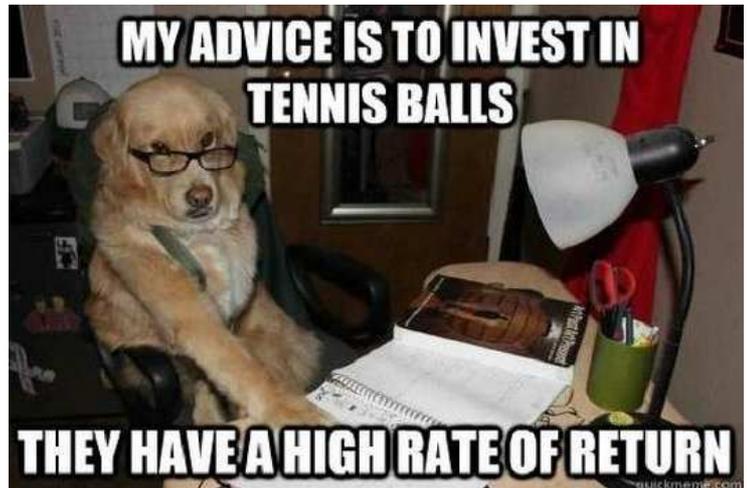
The council is funding the \$1.4 million study but no funds have yet been committed by the state or federal governments.

"The proximity also has the added benefit on traffic of, in some cases, reducing the need for a second car in the driveway."

*~ Sept 2016 Andrew Potts GC Bulletin*



"Who did the background check on him?"



## Real Estate Works

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MAKING  
REAL ESTATE WORK  
FOR YOU

