

Gold Coast needs 129 new homes a week: report

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RESIDENTIAL property values on the Gold Coast are set to benefit from a booming population and strong demand for housing, according to research from PRDnationwide.

The research, compiled by Lynda Campbell of PRDnationwide's Gold Coast office, shows the city needs 129 new dwellings a week to cope with the present population growth of 3.6 per cent -- 2.1 per cent higher than Australia's national growth rate.

Ms Campbell said while the actual population figure was down from previous years, this was a direct result of recent local government boundary reforms rather than a declining population.

"Population figures have dropped below 500,000, but when you consider that Beenleigh and its surrounds no longer form part of the Gold Coast, the population growth is still significantly high," she said.

The report states that building approvals for houses and apartments on the Gold Coast have dropped dramatically in the 12 months to June, 2008.

"Building approvals aren't keeping up with the residential demand resulting from the Gold Coast's burgeoning population," said Ms Campbell. "The last year has seen approval of 735 fewer houses and apartments across the region.

"Combined with current record low interest rates, this drop in supply and continual increase in demand should have a positive impact on property.

"Overall, residential property values look good for the long term.

"The Gold Coast remains Australia's number one property hot spot and there is \$66.3 billion worth of residential, commercial, retirement, refurbishment, tourism and infrastructure development proposed or under construction to cater for the city's future growth.

"Of this, \$15.6 billion alone has been slated for infrastructure projects including roads, public transport, medical facilities and waste water systems."

The report also shows the number of sales has decreased in the five years from June, 2003 to June, 2008, while prices have increased with the median house price rising by almost \$200,000.

"Median house prices have jumped over 60 per cent, from \$310,000 to \$500,000, with a similar increase of the median unit price, from \$230,000 to \$375,000" said Ms Campbell. "Land prices have also seen an impressive price rise from \$155,000 to \$265,000, or 70 per cent.

Ms Campbell said that the Gold Coast's popularity was not just a result of permanent migration, with 4.28 million visitors spending a total of 23.3 million nights.

"Our domestic tourism market remains strong with 56 per cent visiting from interstate.

"Asian countries and New Zealand lead the international tourism figures at 34 per cent and 26 per cent respectively.

"The Gold Coast also saw 5.3 million day trippers, with 90 per cent coming from Queensland, of which 83 per cent were from Brisbane."