

## Spike in Coast unit demand

Gold Coast Bulletin

DEMAND for apartments in new medium-rise developments spiked in the June quarter with sales almost trebling, a report on the Gold Coast and Tweed Coast apartment market has revealed. A total of 191 apartments across 25 medium-rise projects sold during the quarter, up from 74 apartment sales during the March quarter and 139 sales in the December quarter.

The report, compiled by Colliers International Gold Coast research manager Lynda Campbell (pictured), found high rise apartment sales were on par with the medium-rise sector, with 195 sales recorded in the June quarter. The high-rise sales figure was consistent with the past 12 to 18 months, although it was down significantly on the March quarter when a record 394 high-rise apartments went unconditional -- the highest in the sector since the survey began in December, 1996.

The research showed a total of 412 unconditional high, medium and low-rise apartment sales across 74 projects on the Gold and Tweed Coasts, for a gross value of \$352 million, in the June quarter. This compared to just 65 sales recorded in the Brisbane market over the same period. Seven new projects entered the survey, including five in the medium-rise sector and two in the high-rise sector.

These included Hilton Surfers Paradise Hotel and Residences' second tower, 38 Riverwalk, Allisee stage two, Bella Vista, French Quarter, Surf 120 and The Wharf.

Colliers International Queensland project marketing director Brinton Keath said the addition of several well-positioned and priced projects had helped prop up sales for the June quarter.

"Developers are acutely aware of the need to offer a unique point of difference, with branding and prestige coming to the fore as a new draw-card for buyers, along with state-of-the-art facilities and fixtures," he said. "We are also seeing savvy investors continuing to take advantage of current market conditions, by purchasing apartments in projects with long lead times, giving them several years until settlement in what is expected to be a stronger market," he said.

Allisee at Hollywell notched up the highest gross value of sales in the medium-rise sector, with 32 apartment sales totalling \$41 million, while the French Quarter at Emerald Lakes recorded the highest volume of sales, with 61 apartment sales totalling \$29.5 million.

The Wharf at Robina performed well, with 52 sales netting \$24.3 million. Mr Keath said the medium-rise sector continued to strengthen, with just 8.1 months supply left.

"We are seeing the values of these apartments rise, with 13 medium-rise projects in this quarter achieving average prices of more than \$1 million, compared with 12 projects in the high-rise sector achieving average seven-figure price," he said.

"Investors are also expected to come back into focus in this market, in particular, on the back of the latest interest rate drop."

Projects in Surfers Paradise accounted for the highest volume of high-rise apartment sales, with the Hilton Surfers Paradise the star performer, notching up 87 unconditional sales across its two towers for a total of \$123.3 million.

Southport Central, The Oracle, Ocean Pacific and Soul all achieved in excess of \$8 million in sales.

The low-rise sector performed the weakest, with 26 sales during the quarter. The Zone in Mermaid Beach accounted more than half the sales, with 15 totalling \$8.94 million.