

## Values up in face of market slowdown

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THE value of absolute waterfront property on the Gold Coast's premier beachfront and riverfront strips continues to climb despite a softening in actual sales numbers, research from PRDnationwide shows.

Preliminary figures for 2008 revealed four absolute beachfront sales averaged a substantial \$11 million in the prestige Mermaid Beach enclaves of Hedges and Albatross avenues, compared with 14 sales averaging \$8.41 million in 2007.

The report, compiled by PRDnationwide research manager Lynda Campbell, found absolute beachfront property in the suburb had recorded a massive 576 per cent price growth over the past decade, with values lifting from an average of just \$1.244 million in 1997.

Palm Beach locations Jefferson Lane and The Esplanade have also achieved strong growth over the past 10 years, with values jumping by 525 per cent from \$603,875 in 1997 to \$3.77 million in 2007.

The report also showed the value of prime riverfront properties was on the up, with 85 sales during 2007 averaging \$2.59 million, which was up from \$2.1 million the previous year, and a significant 252 per cent increase on the 1997 figure of just \$737,992.

Preliminary figures for 2008 reveal further values growth, with absolute riverfront properties averaging \$2.6 million over 18 sales.

Riverfront properties in Surfers Paradise recorded the highest increase in values over the past decade, with prices leaping 663 per cent from \$395,600 in 1997 to more than \$3 million in 2007. Waterfront homes in Paradise Waters achieved the steepest sales prices last year, with five homes achieving an average of \$5.78 million, followed by Cronin Island, which averaged \$4.65 million, and Southport, which averaged \$4.1 million.

PRDnationwide Elite Properties director John Natoli said the trend toward amalgamating waterfront sites was continuing to wane.

"In the past, buyers had been keen to purchase two or three adjoining blocks and were prepared to pay a premium price for the adjoining land in order to build bigger homes with wider beach or river frontages," he said.

"With the trend swinging away from wanting to build, these premium prices have been lost for the moment."

The report revealed Carrara had recorded the strongest capital growth for absolute riverfront properties during 2007, at 20.5 per cent, followed closely by Southport, which recorded 20.3 per cent. Ms Campbell said both suburbs boasted a small selection of riverfront properties that were tightly held.

"Properties in Carrara have been among the most affordable waterfront homes on the Gold Coast," she said.

"Savvy buyers have realised this and are now snapping up homes in the suburb, which is contributing to strong capital growth." Ms Campbell said riverfront properties close to The Broadwater continued to record the highest sales prices, as they offered residents quicker access by boat to the open water.

A home in Monaco Street at Broadbeach Waters, achieved the highest riverfront sale price in 2007 -- fetching \$7.675 million. This transaction was closely followed by a residence in Admiralty Drive at Paradise Waters, which sold for \$7.535 million.

"With boat ownership on the Gold Coast continuing to grow, lifting 118 per cent in the 12 years between June 1996 and June 2008, properties close to The Broadwater are in increasing demand," said Ms Campbell. "Interestingly, these prime riverfront positions are currently valued considerably higher than absolute beachfront property in Palm Beach, but we would expect that gap to start to close.

"Developers are increasingly turning their attention to the southern Gold Coast, and Palm Beach in particular, due to the more affordable prices. We would expect to see continued urban renewal in the area in the next few years."