

# Apartment sales upswing

**T**HE city's apartment market is looking up, with sales of new stock at their highest level in a year and more than double where they were six months ago, new research by Colliers International reveals.

The latest Gold Coast Apartment Report found 178 new apartments sold across the Gold Coast and northern NSW during the June quarter, up from 117 in the March quarter, 77 in the December quarter and 121 in the September quarter.

Colliers Gold Coast project marketing director Brinton Keath said gross sales values had also increased, while supply levels had decreased – both positive signs for the market.

“This is the third quarter in a row where there has been improvement in sales volumes and, as such, I think we can now clearly say the market has bottomed out and is on the improve,” he said.

“What we are seeing at present across all our sale room floors is lifting activity with investors and owner-occupiers becoming increasingly confident to re-enter the market.

“While there is noticeable increase in activity, we are not expecting any strong price growth over the coming 12 months.

“This is the amount of time we believe it will take for most of the current supply to be soaked up.

“Completed stock is attracting the most interest, accounting for 53 per cent of sales, as investors feel confident in securing apartments at



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today's prices and interest rates. “There is a clear feeling in the market that now is the time to get in, with talk interest rates are about to climb and the market is at bottom.”

Mr Keath said property priced below \$600,000 was again proving the most popular.

“In contrast to past quarters, it is now investors who are driving the market, not first home buyers who have been extremely active since the boosted First Home Owner Grant was announced by the Federal Government late last year,” he said.

“However, probably the best

news story over the past months has been the resurgence of locals back into the marketplace, particularly for new apartments priced up to \$900,000.

“A number of quality projects providing larger owner-occupier style units have noticed good upswings in sales, which has also helped drive up the quarterly sales figure.”

Colliers Gold Coast research manager Lynda Campbell, who compiled the report, said four projects sold out during the June quarter – Sunland's Avalon and

Circle on Cavill, with both the south and north towers achieving a sellout, and Gallery Vie in Varsity Lakes.

She said six new projects had also entered the survey, the largest number of new developments to be included since June, 2008.

“Despite the new projects coming on line, the supply level on the Gold Coast and Tweed is now sitting at 3.4 years, the lowest we have seen since June 2008,” said Ms Campbell.

“With several projects shelved and the majority in our survey either completed or under construction,

this supply level is poised to continue to fall as sales rates increase, and we foresee the city could face an undersupply of new apartments in the future.”

Ms Campbell said the high-rise sector accounted for the lion's share of sales during the quarter, with 129 unconditional sales for a gross value of \$95.6 million.

Medium-rise apartments, defined as four to eight storeys in height, accounted for 27 sales, while there were 22 sales in the low-rise sector.

The best performing project was Meriton's Brighton on Broadwater, with 42 sales, contributing to Labrador and Southport's position as the most active precinct during the quarter.

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