

Thin on the ground

Coast land grab knocks off blocks

by Peter Gleeson
chief reporter

Market messages mixed

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SALES of vacant land on the Gold Coast have reached the highest levels since the 2003 boom but house-and-land sales are falling because of stock shortages.

The latest Prodap survey of the Gold Coast land and housing market shows the supply of new rental accommodation is also critically low, driving rents up by 10 per cent a year.

"The paucity of investor stock is cause for concern and reflects a drift of investment funds away from property into the stock market and superannuation," said the report.

Aggregate sales of vacant land and packaged housing had increased by 19 per cent to 974 in the September quarter. Vacant land sales were particularly strong with a 32 per cent increase, the strongest performance since the peak of the boom in 2003.

"Overall, the Gold Coast land and housing market is strong in terms of sales volumes and values, and shows no sign of weakening, even if interest rates increase this year."

Prodap is written by Bill Morris, who puts together the Midwood report, and uses the latest property statistics to track housing trends.

The report said property investors were experiencing strong growth in rents as vacancy rates continued to remain low.

The Residential Tenancies Authority reports average rental growth for the Gold Coast of 8 per cent in the past 12 months.

The Office of Urban Management says the median price of vacant land sold in southeast Queensland was \$180,000 while the average Gold Coast price was \$201,500.

While the Gold Coast had performed solidly, there had been

some spectacular house price rises in Rockhampton (33 per cent), Mackay (24 per cent) and Gladstone (13 per cent), triggered by the mining boom.

On the Gold Coast, there is strong house building activity in the \$400,000 to \$500,000 house-land package range.

The report said there was about five-and-a-half months of vacant lot and housing supply on the Gold Coast.

Vacant land sales were highest in Pacific Pines, Coomera and Upper Coomera. Stockland's Pacific Pines and Jacobs Ridge both reported strong sales, as did Coomera Waters resort and Delfin's Woodlands.

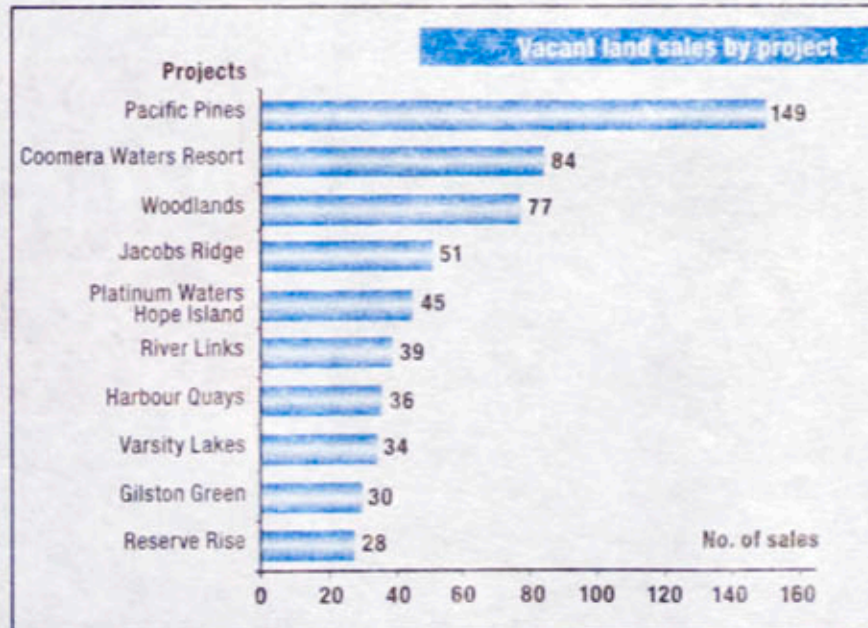
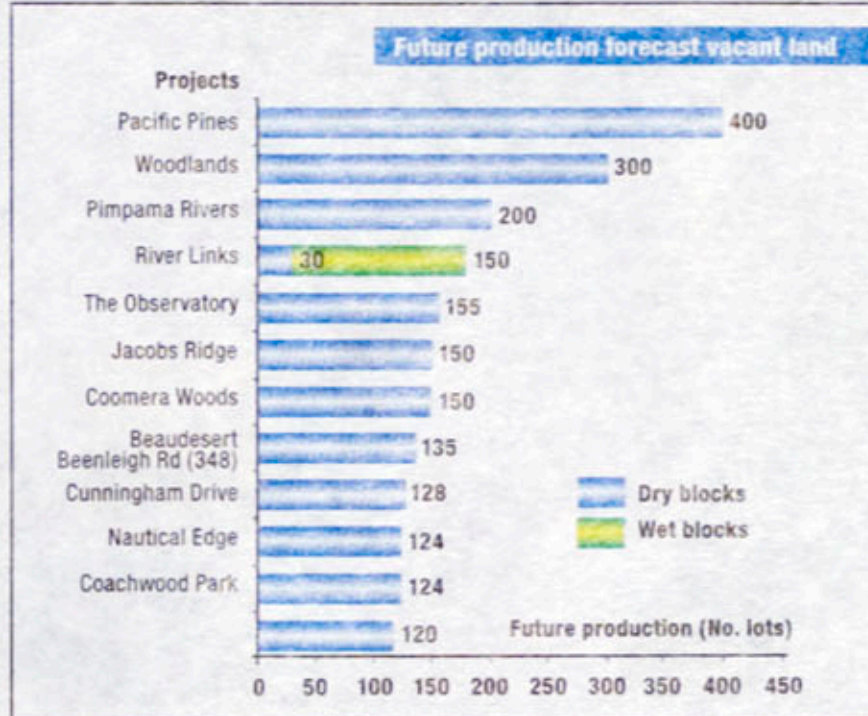
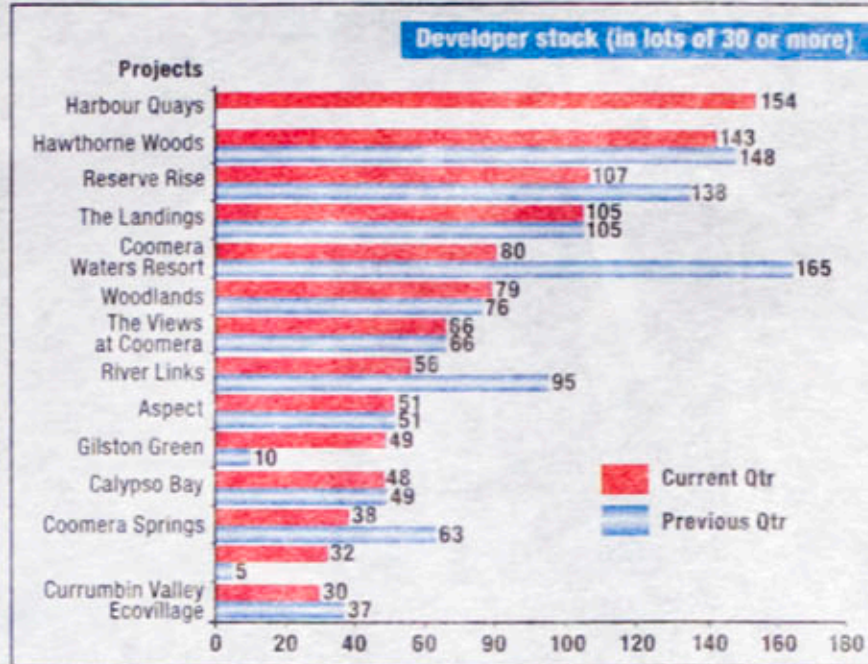
The top performing residential subdivisions were Harbour Quays, Hawthorne Woods, Reserve Rise, The Landings, Coomera Waters resort, Woodlands, The Views at Coomera, River Links, The Aspect, Gilston Green, Calypso Bay, Coomera Springs, Jacob's ridge and the Currumbin Valley Ecovillage.

Hinterland suburbs fared extra well, with investors snapping up vacant lots at projects such as The Aspect and The Observatory as quickly as they were put on the market.

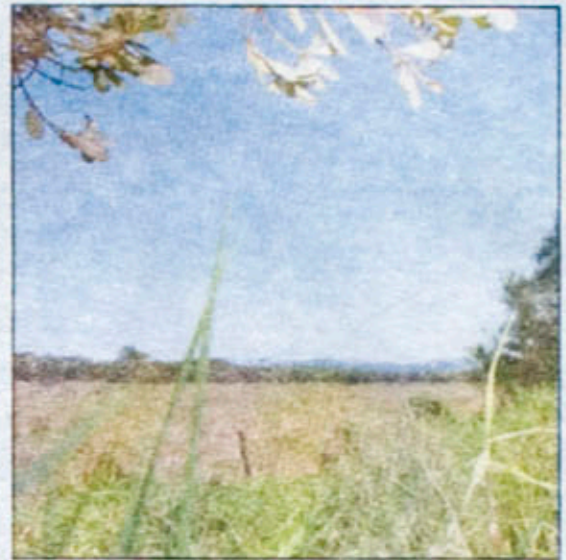
The Gold Coast's growth suburbs are Gaven, Coomera, Varsity Lakes, Hope Island, Tallai, Mudgeraba, Ormeau, Oxenford, Waterford and Gilston.

The Stockland Group is leading the developer assault with four projects, including Pacific Pines, The Observatory, Jacob's Ridge and Highland Reserve.

Taking stock in the land market



Residential vacant land market



Quarter	Sales
Sept 01	867
Dec 01	721
Mar 02	1146
Jun 02	813
Sept 02	778
Dec 02	623
Mar 03	993
Jun 03	1424
Sept 03	870
Dec 03	820
Mar 04	766
Jun 04	729
Sept 04	604
Dec 04	585
Mar 05	742
Jun 05	579
Sept 05	670
Dec 05	565
Mar 06	650
June 06	618
Sept 06	813



Tomorrow
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