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First National Broadbeach

Inside this issue:

Gold Coast 1
Market

Gold Coast 1
Rental
Market

Gold Coast 1
Holiday
Market

'Stand &
Wait' 2

Median 2
Sales Data &
3

Gold Coast Property Market

With the announcement of the Commonwealth Games, there has definitely been an increase for enquiry in the Gold Coast property market. It may take sometime for prices to increase but at least this decision will change the thinking people have about the future prospects of the Gold Coast which in turn will create a healthy market.

We have had high unemployment for a few years which has had an impact on property prices and vacancy rates. With the infrastructure that is needed for the games, this will ease our unemployment and should also help the real estate market.

The market is starting to move and this will help it gain momentum. There is also an air of positivity around the prospect of falling interest rates with the

hope this could spark a recovery in the property market. With fixed rate home loans as low as 5.99% now available in the market and variable rate loans being offered at just over 6%, it is expected there will be a substantial improvement in affordability and this will flow into overall housing activity by the end of the first quarter next year.

The unit market is showing signs of recovery with high rise sales increasing. There are presently approximately 1227 new apartments for sale which is the lowest level recorded since early 2004. Good quality units in prime locations which are priced to the market continue to attract buyers. Across the Gold Coast, there are currently properties avail-

able which are priced near or below replacement cost and serious investors are recognizing the prime time for buying well is now.

The prestige and waterfront areas of the coast, particularly, continue to offer significantly discounted properties.

Prices for many units are the lowest they have been for years and in some cases investors are picking up properties that are likely to be cash-flow positive from the outset.

Gold Coast agents are looking forward with enthusiasm to next year as most believe the market has finally 'bottomed' and sellers that want to sell are meeting the market. There are some excellent buys at present with good capital gains to be made.



Gold Coast Rental Market

The weekly median rent for a 3 bedroom house on the Gold Coast was steady at \$400 per week between September, 2011 and September last year. The median weekly rent for a 2 bedroom unit decreased \$5 per week to \$340 per week over the same period.

As a result, gross yields for both house and unit rentals have remained relatively stable at 4.5% and 5.3% respectively. The vacancy rate on the Gold Coast, as at the end of September was 4.5%, down from 5.2% in June. While an improvement, local agents report there is a slight oversupply of rental properties at present given many people have left the area, especially those who were employed in the hospitality sector, to find work elsewhere.



Gold Coast Holiday Rental Market

It has been another difficult year for the holiday rentals. Enquiries have been down throughout the Gold Coast with most hotels, unit complexes and house owners discounting their properties to get bookings.

The weather bureau and media are not helping with forecasts for a wet summer on the Gold Coast and along with the high aussie dollars, we have had to work hard to get interest.

It is important that owners maintain their properties which can assist in holiday makers re-booking for next year.



'Stand & Wait' Not Good Market Strategy

When media reports start talking about static or falling home prices, many homebuyers think that it's a good idea to watch the market and wait for it to reach the bottom. They feel that if they postpone their purchase long enough, they are likely to see prices fall further and snap up a 'real bargain'.

While bargains do exist, of course, for people who are in the right place at the right time, there are often more people who miss out by using this strategy than gain. Most homebuyers buy their family home and live in it for, on average, seven to ten years. And when we're looking at averages, the property market continues, in the big picture, to rise. Based on historical property cycles, property may undergo periods of static growth

and periods of galloping growth, but on average, well-located, well-selected residential property doubles in value every ten years or so. Certainly, if we could always pick the lowest time to buy and the highest time to sell we would do very well indeed, but the only buyers who need worry about the immediate state of the market are the real estate speculators who wish to buy then sell again straight away, or those who are too highly geared or who have entered into unrealistic amounts of debt. For everyone else, the chances of strong long-term capital gain are virtually assured, provided they buy well-selected property in well-selected locations.

It's famously difficult to pick the 'bottom' of the market. Often buyers

who wait find themselves having little to choose from as listings get scarce – and a sudden flurry of competition for the few desirable properties actually on the market for sale often causes them to sell for higher prices than expected, even in a market described as a difficult one for sellers. Buyers end up paying more than they bargained for if they keep on watching and waiting; because the 'flurries' they waited out were signaling an upturn in the market or the end of the halcyon days for buyers.

Purchasers who wait too long for a 'bargain' or the 'lowest point of the market' often only realise that the lowest point has already been reached once they can look back on it with the 20/20 vision of hindsight.

Median Sales Data—Units & Townhouses

Suburb	# of sales Sep Qtr 2011	Sep Qtr 2011	Change over Qtr	12 mnths to end of Sep 2011	Change over 1 year	Change over 5 years
Ashmore	12	\$277,000	2.6%	\$292,000	-5.8%	16.8%
Benowa	11	\$447,700	N/A	\$447,700	11.9%	41.2%
Main Beach	28	\$793,500	55.6%	\$600,000	-10.4%	3.4%
Carrara	12	\$420,000	26.0%	\$393,000	-11.6%	2.5%
Broadbeach Waters	7	\$380,000	11.8%	\$360,000	-12.0%	17.6%
Labrador	41	\$292,000	4.3%	\$300,000	-7.1%	13.6%
Mermaid Waters	10	\$290,500	3.8%	\$303,000	-6.5%	13.7%
Varsity Lakes	40	\$397,500	3.1%	\$386,750	0.9%	6.8%
Robina	16	\$440,000	1.1%	\$435,500	-4.7%	20.0%
Miami	16	\$318,500	-0.5%	\$352,500	-7.2%	13.7%
Runaway Bay	17	\$500,000	-3.5%	\$395,750	-22.4%	-16.7%
Palm Beach	37	\$320,000	-3.8%	\$352,500	-2.8%	13.3%
Southport	83	\$315,000	-6.0%	\$336,500	0.4%	12.2%
Surfers Paradise	148	\$322,250	-7.9%	\$350,000	-7.9%	-6.7%
Broadbeach	53	\$450,000	-10.9%	\$480,000	3.7%	6.4%
Nerang	20	\$252,500	-13.2%	\$282,500	-5.0%	10.8%

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Median Sales Data—Houses

Suburb	# of sales Sep Qtr 2011	Sep Qtr 2011	Change over Qtr	12 mnths to end of Sep 2011	Change over 1 year	Change over 5 years
Ashmore	19	\$471,000	17.0%	\$441,250	-9.6%	11.0%
Benowa	22	\$603,750	-32.9%	\$675,000	-12.1%	9.1%
Broadbeach Waters	22	688,350	-11.2%	\$740,000	-9.8%	8.8%
Bundall	11	\$715,000	10.2%	\$820,750	-9.8%	10.2%
Burleigh Heads	17	\$480,000	-11.4%	\$550,000	-2.9%	6.8%
Burleigh Waters	34	\$526,500	-2.8%	\$540,625	-5.5%	18.0%
Carrara	16	\$381,500	-6.7%	\$415,000	-5.3%	13.5%
Clear Island Waters	9	\$749,000	-20.2%	\$790,000	-9.2%	5.7%
Helensvale	40	\$441,250	-4.1%	\$490,000	-2.2%	12.6%
Hope Island	15	\$630,000	-16.7%	\$1,130,000	7.6%	-1.7%
Labrador	10	\$385,000	0.8%	\$400,000	-8.9%	4.4%
Mermaid Beach	7	\$950,000	N/A	\$1,025,000	-16.7%	-10.9%
Mermaid Waters	30	\$535,000	-9.0%	\$588,000	-9.8%	5.0%
Merrimac	9	\$379,000	N/A	\$406,000	-4.7%	16.6%
Miami	6	N/A	N/A	\$485,500	-12.5%	8.7%
Nerang	24	\$346,000	4.8%	\$350,000	-8.8%	10.1%
Palm Beach	15	\$512,500	4.6%	\$500,000	-9.1%	12.1%
Paradise Point	8	\$472,500	-20.0%	\$597,500	-3.7%	19.5%
Robina	45	\$481,000	-3.3%	\$520,000	-4.7%	9.2%
Runaway Bay	10	\$615,000	-16.9%	\$755,000	5.2%	-4.7%
Southport	24	\$420,000	0.0%	\$425,125	-11.3%	9.0%
Sovereign Island	10	\$1,805,000	N/A	\$1,815,000	-17.5%	-6.9%
Surfers Paradise	13	\$1,700,000	15.1%	\$1,375,000	9.1%	-8.3%
Varsity Lakes	24	\$418,500	-4.9%	\$460,000	-8.0%	12.2%

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Christmas Best Buys



Broadbeach

Sierra Grand

INTERSTATE SELLER LIQUIDATES 3 BRAND NEW UNITS.

A golden opportunity not to be missed!! Very spacious 2 bedrooms plus study (easily converted to 3rd bedroom), king sized master bedroom with ensuite, open plan living with superior fittings throughout, ducted air conditioning, large balcony for outdoor entertaining, north facing - skyline & some ocean views. Indoor & outdoor pool and spas, tennis court, theatre, gym. Pet friendly building—Low body corporate—Great location - close to beach, shops & Casino! Would rent \$600-\$650pw. Asking \$535,000.

Contact Pam 0418 777 853 for prices



Broadbeach

Boulevard Towers

A View To Last A Lifetime - Never To Be Built Out!

Trendy sought after location. In original condition - fully furnished spacious unit. Fantastic to renovate & priced to sell. Fabulous facilities - indoor and outdoor pool, tennis court etc. A great lifestyle. A short walk to restaurants, surf club and Oasis shops. Rented at \$350pw.

Asking \$360,000. **Contact Pam 0418 777 853**



Mermaid Beach

Beach House Priced To Sell!

\$925,000

Only metres to the beach & Hedges Avenue. This home is in excellent condition and is presently holiday let. Spacious living, timber floors and opens onto outdoor entertaining area. Air conditioned - 3 double sized bedrooms - heated swimming pool and secured parking. Very private home in a great location. An ideal investment with capital growth assured.

Contact Pam 0418 777 853



Surfers Paradise

\$340,000

This 2 bed gem is in a peaceful location between Broadbeach and Surfers Paradise, so you're never too far from the action. Air cond, balcony off main bed & ceiling fans. Everything you would desire is within easy walking distance, local shops, cafes and the beach just 200m away. This is the little piece of paradise you're searching for. Rented at \$330pw.

Body Corporate only \$18.50pw. **Contact Pam 0418 777 853**



Mermaid Beach

\$675,000

Selling way below value-capital gain is assured. Step out onto the sand & enjoy this great lifestyle. Presently holiday let so stay + also have the benefits of assistance with your outgoings etc. Ground floor unit on beach with breathtaking views. Large 2112sqm of land with 40m of beachfront makes this a prime development site. 3 beds - 2 toilets - shower & bath, & pool. Undercover carpark. A great investment and priced to sell. **Contact Pam 0418 777 853**



Broadbeach Waters

\$610,000

Located in a much desired and sought after street, this original waterfront home represents amazing value and is ready for renovation or re-development. 3 bedrooms, open plan living & dining and pool. Ideal position within an easy walk to convention centre, casino and the heart of Broadbeach. This is an opportunity not to be missed!

Contact Office 5592 5111

For further information on these properties or to find out what else we have for sale, contact our office on 07 5592 5111 or visit www.fnbroadbeach.com.au

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