

Hot suburbs to rise

ALISTER THOMSON
alister.thomson@news.com.au

A LEADING market analyst says houses in prime suburbs, including Robina and Burleigh, are set for massive price growth of between 25 and 30 per cent this financial year.

Bill Morris, author of the Midwood Queensland Investment Report, whose September-quarter edition was released yesterday, said the supply of houses in many suburbs was at an all-time low, which dictated one outcome.

"There are 16 four-bedroom houses on the market in Robina now," he said. "That's unbelievably low."

"You couple that with record low interest rates and the only outcome you can get is a boom."

Mr Morris said he expected house prices to increase by 25 to 30 per cent this financial year in areas such as Broadbeach, Robina, Burleigh and Paradise Point, where his research showed a small quantity of stock.

The effects of this growth would then spread in later years to suburbs such as Ashmore and Nerang.

REIQ Gold Coast zone chairman John Newlands said buyers were out in force snapping up properties.

"In some instances houses are being put on the market and have sold within 24 hours," he said.

Mr Newlands said there was a shortage of stock but home owners who bought in 2006 and 2007 were unwilling to sell because they would be unlikely to recoup their investment.

Colleen Coyne, of Colleen Coyne Property Research, said there was renewed interest in the Coast from

interstate and offshore buyers but "I would not use the word boom at this point". "I certainly believe there are offshore buyers actively looking," she said.

"They have identified that the bottom of the market has been reached and they like our lifestyle product."

Ray White Surfers Paradise boss Andrew Bell said Mr Morris had been too "pessimistic" with his assessments of the Coast market in the past.

"Today I would differ somewhat (with Mr Morris) but not dramati-

cally," he said. "Boom is potentially a misleading word. What we're expecting is a catch-up."

Mr Bell said catch-up meant that Gold Coast property prices had fallen further than they should have following the global financial crisis and were below fair market value.

Mr Bell said his group had sold 50 apartments this month in buildings such as Hilton and Soul.

He expected, based on demand, that the supply of highrise apartments would run out in eight months.