

Gold Coasters can look on the bright s

The Coast's economy has remained solid, buoying demand in the city's property market

IT'S a time of opportunity in the Gold Coast property market because most people don't recognise the positive outlook for the city. That's the assessment of independent property researcher Colleen Coyne, director of Gold Coast-based Colleen Coyne Property Research, who said the Gold Coast had fared much better during recent economic conditions than many believed.

She said relatively strong employment and new industries would continue to underpin the Gold Coast economy and support the property market, which was likely to face under-supply as few new projects came out of the ground.

"Restrictions on development finance have limited start-up rates for new projects in the city, which will inevitably put a floor under values going forward, particularly in localities with high levels of amenity, such as proximity to the planned Rapid Transit line," she said.

"It is important to remember, while much of the negative sentiment about the Gold Coast has focused on the industries that have dominated in the past, in the past 20 years the city has significantly diversified its economy, helping to support more diverse jobs.

"The education, film, environment, health, medical and sports industries are among those that do not get the recognition they deserve and have all continued to generate employment, many even during the hard times."

Ms Coyne said the Gold Coast had shared in the national recovery, with more people employed in the city now than before the global financial crisis.

"The Gold Coast's unemployment rate of 5.6 per cent in July is only slightly above the national average of 5.2 per cent and better than the southern and eastern outer suburbs of Brisbane, at 6.4 per cent, and the Sunshine Coast at 6 per cent," she said.

"And, while domestic visitor numbers were flat in the year to March 2010, at 3.15 million compared with 3.2 million the previous year, international visitors increased by 5 per cent during the same period, at 829,000 up from 790,000 visitors.

"Total passenger arrivals through the Gold Coast Airport were also up by 12.9 per cent in 2009-10 compared with the previous financial year – another significant statistic for the city's tourism industry.

"This reflects both a surge in domestic arrivals, which increased by 8 per cent, and strong growth in international arrivals, up by 53 per cent."

Ms Coyne said, as a result, the Gold Coast economy remained solid, driving steady demand in the city's property market.



"Owner-occupiers are active, particularly those upgrading to their second or third home, and those choosing to down-size," she said.

"There is also evidence investors are back in the market, buoyed by the prospect that few additional apartment projects are likely to start while lending restrictions for developers remain tight.

"It is also predicted the apartment market along the route of the Rapid Transit System, which will run between Griffith University and Broadbeach, will gain momentum, with construction expected to begin over the next 12 months.

"At the same time, median house prices continue to firm, although there are bargains still available for those looking for them and vacant land sales remain steady."



Colleen Coyne from Colleen Coyne Prop