



Property



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Summer sales heat up

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SUMMER is expected to inject some heat into the Gold Coast property market with analysts and agents predicting a hot season for sales figures.

The summer forecast is positive despite data provided by the Real Estate Institute of Queensland revealing there has been no constant season in the past six years and residential sales numbers only put summer ahead in 2008.

Tony Holland, Colliers International director of Gold Coast Project Marketing, confirmed summer was by far the biggest season due to a dramatic population expansion by tourists who investigate the property market.

"Why summer doesn't show up in the stats is because people rarely buy straightaway but wait until they are back to their normal life to make the emotional and mental decision to buy something," Mr Holland said.



Colleen Coyne

He said recent price adjustments, which have instilled confidence that prices won't further deteriorate resulting in an increased volume of buyer activity, will carry through the summer months.

Mr Holland said other trends pointing to a bumper summer were that the Gold Coast usually performed well when interest rates were in a declining cycle, median house prices were below parity with Melbourne and Sydney, and supply was extremely low for new apartments.



Andrew Bell

The Gold Coast is still rated the number one tourist destination in Australia and Ray White Surfers Paradise Group's Andrew Bell, who has seen 21 summers in Gold Coast real estate, is anticipating this to be the best Christmas period for some years.

"We have had a couple of softer years with tourist numbers but this year... hotel bookings are up substantially and we are getting a lot of phone calls from people down south," Mr Bell said.

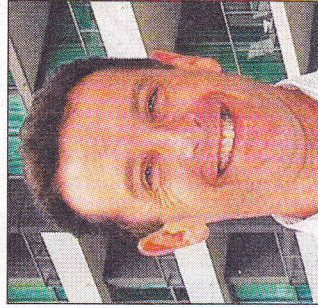
"We've seen this building



Barney McGrath

for some time now. It started six months ago when internet viewings increased substantially, then two months ago we saw more people responding to newspaper advertisements and turning up to open homes, then there was an increase in those turning up to auctions but still hesitant.

"Then when interest rates dropped and we got the Commonwealth Games it was a real game changer. The final piece was a lot of those people that were looking have now jumped in and bought stuff."



Tony Holland

The group's auction last week saw robust bidding, \$11 million in sales achieved, and a 55 per cent clearance rate that has since risen to above 70 per cent with sales negotiated post auction.

"The comments we are getting from people buying is that they believe now is the time to buy," Mr Bell said.

A relative newcomer to the region, Barney McGrath, principal of McGrath Real Estate Surfers Paradise, commented the market has already started to show some green

shoots with November proving a record month for his agency since it opened 17 months ago.

"We're gaining momentum, not just us as a brand but across the industry," Mr McGrath said.

"The traditional transactions in the January period tend to be the more lower end as tourists come up on holiday and think it would be good to have an investment property or holiday house.

"But because of the affordability at the top end I'm expecting more activity there than normal."

Colleen Coyne, of Colleen Coyne Property Research, said numerous factors would influence the residential market and improve buyer sentiment over summer including winning the 2018 Commonwealth Games, keeping the prices low, and seeing reduced stock levels due to limited new construction in the apartment market in the coming three years.