

Astute buyers grab bargains

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THE Gold Coast property market has received a boost with strong sales at the first major national real estate auction of the year.

The 1000 people who packed The Arts Centre Gold Coast in Bundall for the Ray White Surfers Paradise Group residential auction yesterday found it was a bargain hunter's paradise, with numerous properties snapped up for much less than what they sold for six years ago.

Last night, with one hour left in the auction, Ray White Surfers Paradise Group boss Andrew Bell said 71 properties had sold for a combined value of \$35 million, with an average sale of \$485,714.

Mr Bell said that was a clearance rate of 59 per cent, which he described as "great for the Gold Coast".

"It's a positive sign," Mr Bell said. "At this event we've had people flying in from all over the country and that gives us an added boost.

"It's a very strong start to the year."

He said most properties fetched above the reserve price, with strong competition between the 400 registered bidders.

The clearance rate compared well to clearance rates around the country for auctions for the week ending January 22. According to RP Data in Sydney it was 30 per cent, while in Melbourne and Brisbane it was 18.2 per cent and 44.4 per cent respectively.

Twenty-three properties sold

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before the auction, including apartments in The Moroccan View Tower and Chevron Renaissance Tower buildings in Surfers Paradise and homes at Benowa Waters on Annies Crt and Hope Island in Riverleigh Drive.

A property at 10 Dirk Hartog Place in Hollywell sold for \$1.125 million, \$415,000 less than when it last sold in July, 2006.

The 679 sq m property includes five bedrooms, three bathrooms and a boat ramp.

A mortgagee sale of a luxury apartment in the Q1 building in Surfers Paradise which sold for \$2 million in October, 2006, fetched \$970,000 at the auction.

A home at 27 Rankin Pde at Main Beach sold for \$1.125 million, \$340,000 less than when it last sold in July, 2003.

At the lower end of the market there were plenty of sales as buyers picked up cheap apartments put on the market by receivers, including 15 at The Sands building at 40 The Esplanade.

A one-bedroom apartment in the building sold for \$180,000 while another sold for \$189,000.

REIQ Gold Coast zone chair John Newlands said it was a strong result helped by the number of mortgagee sales.

"To sell 50 per cent on the day of the auction is a strong result," he said.

"But they did have a whole batch from The Sands building and I'm sure the mortgagee would have let those go and that would have had the average up."

Mr Newlands said the dramatic drop in prices for some properties, including apartments at the Q1 building, was a reflection of "astronomical prices" when they first came on the market.

"We are seeing these new complexes at larger variance in the sale price than we would see in something existing," he said.

"They were priced so highly in the first place that the fall is greater."

Gold Coast property expert and Midwood Report author Bill Morris said it seemed to be a good result for Ray White.

"It does not have that much of an indication of which way the market is going, except the average price was close to \$500,000 and that indicates where the market is most active, in the middle."

Mr Morris said the clearance rate was higher than the historical average for Queensland of between 30 and 40 per cent.

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