

## Low sales hit high-rises [goldcoast.com.au](http://goldcoast.com.au)

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**Tracey McBean | December 17th, 2010**

SALES of high-rise apartments on the Gold Coast have plummeted to the lowest level in two years as the post-GFC credit freeze keeps buyer demand on ice.

The Midwood Report for the November quarter reveals that the city recorded 47 unconditional highrise deals during the period, compared with 74 in the August quarter and 172 the same time last year.

They did not hit the low of 38 recorded in late 2008 as the GFC took hold.

Report author Bill Morris said the city's highrise developer stock had almost halved, dropping from a peak of nearly 1400 in late 2008 to 792, representing four years' supply at the current rate of take-up.

"This is the result of some mortgagee stock being taken off the market, as well as a lower number of completions over the past two years," he said.

A sizeable chunk of supply is in Southport, where receivers to the completed Southport Central have 193 apartments to sell, while the nearby Victoria Towers has 136 units for sale.

Mr Morris said the effects of the post-GFC credit squeeze were starting to bite, with financiers awaiting settlement success rates on existing projects before lending on new developments.

"There has been trepidation regarding the outcome of settlements at Oracle at Broadbeach and Hilton at Surfers Paradise," he said.

Settlements at both projects are, according to their developers, progressing well.

Total sales across the city's apartment market -- taking in high, mid and lowrise units -- for the quarter were 117, compared with 350 the same time last year.

The market for apartments in Brisbane took a similar battering during the November quarter, recording 115 sales, down from 300 for the corresponding period last year.

The Coast's lacklustre residential building sector is underlined in sluggish dwelling approvals, which Midwood reveals are at less than half of boom levels