

Market for Gold Coast realty still cool

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MORE new units are changing hands on the Gold Coast but a glut of almost 1500 new units for sale shows the market has a long way to recover.

The latest research into the apartment market shows sale prices have been relatively stagnant compared with the previous year and in the beleaguered new unit sector there

On the Gold Coast, there were 79 new unit sales in the three months to May 2009, compared with just 49 the previous quarter. But it is a long way from the boom times of 2007 when 369 new units sold in the August quarter.

The latest Midwood Queensland Investment Report says at current take-up rates there is more than four years' supply of new unit stock.

In the past three months, nearly half of the new unit sales were in Meriton's Brighton on Broadwater project.

Midwood report author Bill Morris said most of these deals were in the sub \$500,000 range, where the market was fairly steady.

Median price data from the Real Estate Institute of Queensland released yesterday reveals no change in the median price for units in the Gold Coast local government area.

The median of \$345,000 for the March quarter is 3.4 per cent down on the previous year.

Real Estate Institute of Queensland chief executive officer Peter McGrath said price discounting had helped bring buyers back into the market at the upper end.

"We've seen some receiver sales where people who bought a unit off the plan for \$2.5 million, being sold for \$1.6-\$1.7 million," Mr McGrath said.

"Units that had previously been selling for \$900,000 were getting \$750,000."

In Brisbane, the unit market also is showing signs of improvement despite the median price for the Brisbane statistical division dropping 1.4 per cent over the quarter to \$345,000.

Over the year, the median has increased by 2.6 per cent.

There were 28 unconditional new apartment sales in Brisbane during the May 2009 quarter, the highest number since February last year.

For the past 18 months, new unit sales have averaged 13 every three months.

The median price for all unit deals in Brisbane city has fallen 4.3 per cent to \$440,000 in the three months to March 2009. Over the previous 12 months the median increased 1 per cent to \$450,000.

In regional areas, Rockhampton was one of the strong performers, recording 10.8 per cent growth in the median price to \$277,000.

And in Gladstone the median unit price is now \$290,000 – more expensive than the median in the Moreton Bay local government area (\$289,500).