

Industry news

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## Buyers 'swoop' on units

**D**ESPITE global economic uncertainty, a major Gold Coast agency has reported a spike in market confidence over the Christmas and New Year holiday period, with \$25.1 million in sales recorded for new apartments and luxury homes.

Colliers International director of project marketing Brinton Keath said buyers had swooped on 22 new apartments across the region, capitalising on favourable variables such as historically low interest rates and competitively priced development stock.

Unit sales represented \$17.6 million of the \$25 million total for the period.

Colliers Gold Coast markets apartment projects including Allisee at Hollywell, Coast Marine Parade at Labrador, Surf 120 at Broadbeach, Ambience at Burleigh Heads, Kirra Surf Apartments, and Aparra at Duranbah.

Mr Keath said the holiday activity was in stark contrast to recent trends and past holiday periods when buyers sought off-the-plan apartments with long settlement dates.

"Sophisticated investors



over the festive season clearly sought to eliminate uncertainty in their investment decision by taking advantage of current interest rates and recent developer price adjustments, as the majority purchased completed stock," he said. "Our view, given the sheer number of people we engaged and did business with, was that investors think the market is, or is fast, approaching the bottom.

"Visitors to our on-site sales centres were up 35 per cent in comparison to the

months leading up to Christmas.

"We expect this trend towards completed stock to continue over the immediate term given the fact some banks are now offering sub-five per cent interest rates locked in for three years.

"With interest rate drops expected to continue and apartments already well priced, investors and owner occupiers are showing confidence to enter the market again."

Mr Keath said demand from international visitors was also noticeably higher,

which could be credited to the weak Australian dollar and the nation's reputation as a political safe haven.

"The international purchasers who bought apartments or homes indicated they expect Australia and China's economy to bounce back first," he said.

"Across Colliers International's portfolio, developments with apartments priced up to \$750,000 received the most inquiries.

"Following this was penthouse and prestige

Unit buyers have turned to the certainty of completed stock according to Brinton Keath of Colliers International

property. For example, a penthouse at Allisee was sold to a Russian investor and a home in The Sovereign Islands was snapped up by a Chinese investor for \$2.3 million, both after just a quick inspection."

Mr Keath said he expected the unit market to undergo a correction that could lead to under supply later this year.

Colliers' sales also included a \$6 million riverfront home and a \$1.5 million villa on Ephraim Island, both negotiated by John Natoli, director of Elite Properties at PRDnationwide - Colliers' general residential agency.

Mr Natoli said the \$6 million sale equalled the record price for the area, set in 2005, and defied the notion that the market for prime properties was stale.