



Property Market Update

By Erle Levey - Property Editor

The Sunshine Coast has long been identified as one of the fastest growing precincts in South East Queensland with some major infrastructure projects well underway.

Both the National Australia Bank and a recent BIS Schrapnel Report identified the Sunshine Coast as one of the best property markets in the country at the present time.

It is one of Australia's largest regional economies with the region riding a wave of unprecedented infrastructure investment across all sectors including health, education, transport and tourism totalling \$18 billion.

The significant infrastructure projects include Australia's only greenfield Central Business District covering 53 hectares in Maroochydore.

The recent opening of the \$1.8 billion Sunshine Coast University Hospital, Australia's first new - not replacement - tertiary, teaching hospital in more than 25 years.

Australia's newest international airport is expected to be completed by 2020.

Then there is the recently completed major expansion of the University of the Sunshine Coast.

These projects, along with the commencement of a number of large scale master-planned communities has seen the Sunshine Coast achieve the strongest performing regional housing market in Queensland during September, with home values rising 6.6%.

The region's population of 350,000 is expected to jump to 550,000 by 2040 and this represents a 58% growth rate compared to the national average of 38%.

Maroochydore is the heart of the region and is undergoing some of the largest changes we have seen to our economic landscape in the past 20 years.

The Sunshine Coast Airport is set to open to the

world in 2020 with a new \$347 million expansion.

The upgrade will allow more direct international flights as well as increased services to New Zealand.

With the upgrade, 787 Dreamliners will be able to fly in from Asia.

Independent assessment value the economic benefit of the upgrade at \$4.1 billion in the 20 years after it opens.

Century 21 on Duporth's Damien Said believes the new runway and terminal will create a great pathway to international business and visitors.

"Our new CBD in Maroochydore is also under construction and is set to be the largest urban greenfill project undertaken in the country to date," he said.

"All of this leads to a very exciting property market at the present time in Maroochydore."

The 53ha Maroochydore CBD site has been a blur of activity throughout 2017, with the completion of the first stage of bulk earthworks followed by the start of civil construction.

SunCentral CEO John Knaggs said the \$25m civil construction program was supporting around 150 jobs on the Coast - the first of many thousands of employment opportunities to be created by the new CBD in the years ahead.

About 95% of the first stage of the CBD's underground infrastructure has now been installed, including telecommunications conduits, water and sewerage mains and the underground automated waste collection system. And progress on other fronts in 2017 has been just as impressive.

Sunshine Coast Council announced it would establish its new headquarters in the Maroochydore City Centre and in August, John Holland Group, one of Australia's largest construction, infrastructure and property development companies, unveiled a proposal to



develop five 'super-lots' in the CBD.

John Holland, SunCentral, the Council and the University of the Sunshine Coast have signed a Memorandum of Understanding for a \$200m deal which includes development of the new Council building, new teaching facilities and student accommodation for the university, and three prime commercial lots.

John Holland's involvement is a major vote of confidence in the vision for the Maroochydore CBD and the future of the Sunshine Coast more broadly.

Jason Mills of Ray White Maroochydore also points to the re-emergence of Maroochydore as a strong market, and coupled with key developments across the Coast can only fuel expectations for 2018.

"Major infrastructure investment and idyllic lifestyle drives the Sunshine Coast property market," he said.

"Throughout the first half of the year there was an obvious change in the property market. The number of sales were literally half that of the previous year.

"The rise of average prices across all suburbs proved that it wasn't a bad market for sellers. Some areas rose as much as 8.2% throughout the year.

The number of registered bidders for auctions increased and while the clearance rates climbed, they didn't rise as much as they should have.

"A distinct lack of options for buyers forced them to make compromise in both prices they were hoping to pay and the type of property they initially set out to buy."

Source: REIQ, Queensland Market Monitor 2017 Issue 34

