

# Demand strong for first lots in Gladstone development

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DEMAND for lots in a residential land development in Gladstone has been as strong as anticipated, with expressions of interest already in for half of the first stage.

Construction is now underway for the 16-lot Stage One of the Sanctuary Hill Private Estate, a development that comprises a total of 35 residential allotments ranging in size from 632sq m to 1,570sq.

Expressions of Interest have been received for fifty per cent of Stage One, and construction of this stage is expected to be completed early in the new year, with house and land packages now being created.

Paul Merritt, Colliers International Residential Associate Director, who is marketing the development, said investors had always been active in the Gladstone market, but there was now a re-emergence of owner-occupiers.

"Gladstone has great investment fundamentals - it is a city with many industries, but the mining boom really kicked it up a notch over the past few years," he said.

"With more people moving into the city to work on mining and infrastructure projects, it was difficult for housing supply to satisfy demand, and consequently residential property prices have risen substantially, along with rents, with the potential for great returns drawing investors in.

"Prices are now starting to stabilise however, with the huge price growth seen over the past few years having subsided a little. While the investment potential is still clearly there, with the resources industry still going gangbusters in the area, the stabilisation of the market has made housing more affordable for owner-occupiers, and it also has the effect of making them more confident about getting into the market."

Mr Merritt said owner-occupiers were particularly attracted to the Sanctuary Hill Private Estate over other residential land developments, as it offered larger lots as well as traditional-sized lots, with the average lot being 952sq m.

Developer Twin Ocean Property has designed the Sanctuary Hill Private Estate to be just that - private - and it achieves this by being situated in a private pocket off Carinya Drive in Clinton, a small established residential area of Gladstone. The 36-lot residential development is close to plenty of amenities and services, including schools and shops.

"It is the exclusivity that also appeals to owner-occupiers in particular," said Tim Jones, Twin Ocean Property's managing director.

"This type of development is unique in Gladstone and is one of the reasons that we expect the strong demand from buyers to continue as we continue to roll out the lots in Sanctuary Hill."

While there has been plenty of speculation of late about the slowdown in Australia's mining sector, Mr Merritt said there was plenty of longevity left in the industry, which would sustain its property market for a long time to come.

Gladstone still has a long list of mining and infrastructure projects in the pipeline, including the \$15 billion Queensland Curtis LNG project and the \$3.65 billion Gladstone Pacific Nickel Limited project, and from 2011 to 2016 the greater Gladstone area is forecast to see around \$49.3 billion in investment in LNG projects alone.

Futhermore, according to the Australian Bureau of Statistics Gladstone's population is expected to continue growing at a rate of 2.9 per cent per annum, almost doubling to 111,690 in the year 2031.

"These projects and associated population growth will ensure there is plenty of ongoing demand for housing in Gladstone, which will safeguard house prices and rents," said Mr Merritt.

<http://www.gladstoneobserver.com.au/news/demand-strong-first-lots-gladstone-development/1617432/#.UKxFJ-R38bE.emai>