



# Surfers Paradise High Rise Apartments

## Research Scope

This report is based on a study of 115 high rise apartment buildings in the Gold Coast suburb of Surfers Paradise. The report covers approximately 10,000 settled apartment resales from January 1997 to the end of December 2007 and preliminary figures for 2008.

In this report we look at the volume of sales, the average price of apartments and the average capital growth per annum. We have analysed all high rise buildings and sorted them into categories which reflect their location in relation to the beach. We have taken out six buildings which recorded less than five resales over the eleven year period of this study. (Allure, Artique, Avalon, Jade, Solaire and Ultima).

## Comment

The suburb of Surfers Paradise boasts the Gold Coast's largest number of high rise buildings. The most prolific decade for high rise construction in Surfers Paradise was the 80's when 50 towers went up. This was followed by the current decade when 25 towers were constructed and the 70's which saw 23 towers go up. The remaining towers were constructed in the 60's (2) and 90's (15). Many of these towers are occupied by holiday makers and according to figures from the Australian Bureau of Statistics, Surfers Paradise had an occupancy rate of 75.9% during the March 2008 quarter. This compares to the overall Gold Coast figure of 71.3%.

Central Surfers Paradise has been undergoing a transformation over the last five or six years with many older buildings being demolished to make way for new retail, commercial and residential complexes. This transformation is ongoing with the completion of Circle on Cavill last year and projects such as the redevelopment of the Dolphin Arcade and the Soul project underway. The new developments in central Surfers Paradise have brought fresh retail, commercial and apartment buildings to the suburb.

High rise apartment resales in Surfers Paradise are showing signs of being affected by the general market downturn being experienced across many sectors of the Gold Coast property market. During 2007 the volume of high rise sales in Surfers Paradise increased while capital growth declined and prices had a slight increase. When compared to figures from a decade ago, Surfers Paradise apartments are achieving higher prices and higher capital growth in a more buoyant market.

Apartments sold in 1997 achieved average capital growth per annum of 1.4%, but if sold in 2007 the figure was 6.2%. The highest average capital growth achieved was in 2004 (14.3%).

The average price of apartments sold in 1997 was \$222,967, this compares to the 2007 figure of \$507,186 – an increase of 127% and is the highest average price on record.

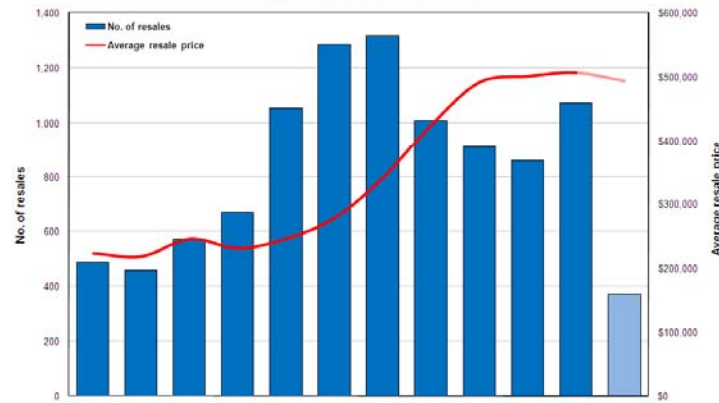
Preliminary figures for 2008 are showing average capital growth per annum of 5.5% on an average price of \$494,124.

## Beach vs non beach and riverfront

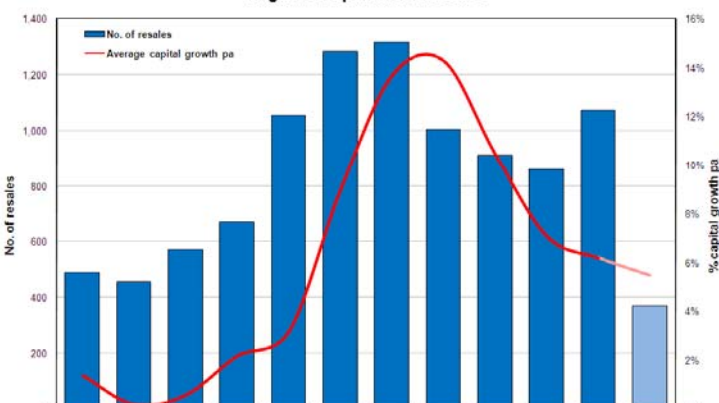
Surfers Paradise is unique in that it is situated between the beach and the Nerang River. In this report we have categorised each building as to its location. It is no surprise that the absolute beachfront apartment resales

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**Surfers Paradise high rise apartment resales**



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PRD Nationwide Research  
Source: RP Data & Gold Coast City Council  
\*preliminary figures

came out on top in terms of price and capital growth for 2007 with an overall average resale price of \$1,022,130 and average capital growth figure of 11% per annum based on 50 resales. Absolute beachfront apartments sales accounted for only 5% of the total market for 2007.

The riverfront apartment resales were next with an average resale price of \$583,269 for 2007. This figure was based on 154 resales with average capital growth of 8.7% pa.

The beachside buildings had an average resale price of \$555,560 and average capital growth of 7.3% pa. These figures are based on 242 apartment resales.

The last category is non-beachside. This category is the largest, accounting for 58% of the total sales for 2007. Non-beachside apartments recorded an average price of \$428,765 and average capital growth of 4.9% based on 627 resales.

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**Price points**

The two graphs at the bottom of this page show the breakdown of price points during 1997 and 2007.

During 1997 there were 488 high rise apartment resales in Surfers Paradise, 86% of which were priced at under \$300,000. This compares to 2007 which recorded 1,073 resales, with only 22% of them in this price bracket.

At the other end of the price scale, during 1997 there were only two apartments sold for over one million, but during 2007 this figure increased to 60.

**How individual buildings performed**

Over the eleven years that have been analysed, the building which has had the largest volume of sales is Crown Towers with 419 resales followed by Sun City (368) and Grand Mariner (288). This is probably understandable as these buildings, until recently, had the largest number of apartments.

The building which had the highest average resale price over the last eleven years was Platinum on the Beach. Situated on the corner of Northcliffe Terrace and Markwell Avenue, Platinum is on the absolute beachfront. Ten resales have recorded an average price of \$2,822,500. Beaches, which is just down the road from Platinum and also on the absolute beachfront was next with an average resale price of \$1,285,731. Third on the list is Madison Point, at the northern end of Surfers Paradise, with an average price of \$1,153,316. The full list of the top ten buildings by price is opposite.

Finally we look at the buildings which had the highest average capital growth per annum over the eleven years. As you can see in the table opposite this was Longbeach (formerly Shangri-La) just south of central Surfers Paradise with 18.6% per annum growth based on 100 resales. Longbeach was followed by Surfers Beachcomber (249 resales) with 18.1% per annum and Platinum on the Beach with 12.1% per annum based on 10 sales.

Platinum on the Beach is the only building to appear in the top ten lists for both price and capital growth.

The top two buildings for capital growth were strata titled and sold off within the five or six years. For the purposes of this report we have not included bulk purchases by developers. The bulk sell-offs have been recorded as the original sale and subsequent resales are what we have included.

**Top 10 Surfers Paradise high rise buildings by average price 97-07 & preliminary 2008 figures**

Building	Total No. Resales	Ave Price
Platinum on the Beach	10	\$2,822,500
Beaches	43	\$1,285,731
Madison Point	19	\$1,153,316
La Sabbia	89	\$1,046,508
The Surfers Manhattan	33	\$980,909
The Moroccan - Esplanade	41	\$909,329
Sentinel	34	\$889,765
The Pinnacle	66	\$768,530
Q1	224	\$694,277
The Circle - Highrise Tower	47	\$666,383

**Top 10 Surfers Paradise high rise buildings by average capital growth 97-07 & preliminary 2008 figures**

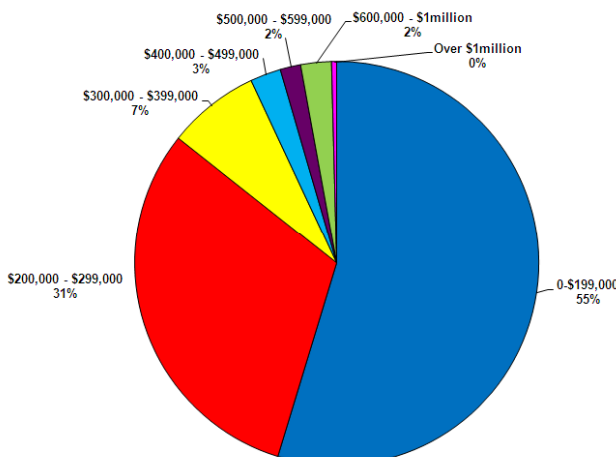
Building	Total No. Resales	Ave Growth pa
Longbeach	100	18.6%
Surfers Beachcomber	249	18.1%
Platinum on the Beach	10	12.1%
The Sands	125	11.8%
The Penthouses	63	11.6%
Aristocrat	109	11.4%
President	31	11.4%
The Shore	79	11.2%
River Park Towers	50	11.0%
Alexander Apartments	106	10.9%

PRDnationwide Research Source: RP Data & GCCC

**Note:**

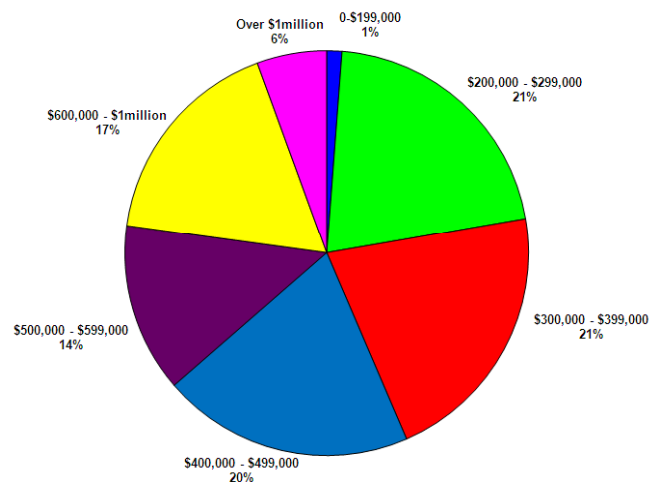
- \*Sales information does not take into account any subsequent renovations, demolitions or improvements made to properties from the original purchase date to the sale date.
- \*Highrise comprises buildings with nine storeys and over in height
- \*Capital growth rates are per annum compounding and are calculated between sales dates of individual properties and annualised.
- \*Absolute Beachfront – walk directly on to beach
- \*Beachside – across road or park to beach

**Surfers Paradise high rise apartment resales Price Points 1997**



PRDnationwide Research Source: RP Data & Gold Coast City Council

**Surfers Paradise high rise apartment resales Price Points 2007**



Prepared by PRDnationwide Research. Source: RP Data and Gold Coast City Council

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