



**GREAT OPPORTUNITIES:** UDA Sunshine Coast president Fraser Dean.

## Time is right to invest in Sunshine Coast economy

"We do not want to be a place where whales come to die."

The recent unfortunate event of a hapless whale carcass washing ashore on South Stradbroke Island has brought those prophetic words of Olive Palmer to the forefront of our minds.

The Sunshine Coast branch of the UDA says that while the medium to long term future of the Coast looks exciting, it is certainly optimistic about the region's short to mid-term future despite a number of new development projects starting in the past few months.

UDA Sunshine Coast president Fraser Dean said the local industry was coming from a fair way back following the loss of thousands of local construction jobs in the past calendar year.

"While it's great to see people like Olive Palmer invest heavily in the region's tourism sector, as well as projects such as the Sunshine Coast Private Hospital, Emporio and Harvey Norman come out of the ground, it's important to remember that we've had a lot of trades and services who now travel to Brisbane every day or have relocated out to the mines in regional Queensland."

"The region's long term future looks very positive with the Sunshine Coast University Hospital, Palmview/Gippy Downs Town Centre and Caloundra South all commencing imminently."

"The key is to get more projects up and running in the interim so we can keep things rolling along until the big projects start."

Mr Dean said the redevelopment of Sunshine Coast Airport would generate significant employment opportunities and he believed it required a "whole of region" approach to secure necessary funding to move forward.

"The time is right for businesses to invest in the local economy," he said.

"There are some great opportunities for new and new businesses to set up in the new Caloundra and Coolum industrial parks as the vendors are now providing the market from a price point of view. Investors can leverage off major projects by providing piggyback services essential for the operation of these significant pieces of infrastructure from these locations."

"The commencement of the Five Key Economic Drivers projects identified by the UDA will certainly go a long way towards providing vital jobs not just for the development industry but the whole region and provide the much needed boost to our local economy."

# Developers look to brighter future

Coast developers take heart from shift in confidence. Erle Levey reports

**A**NOTHER milestone has been reached in the development of the Maroochydoon CBD, with stage two of the mixed-use Emporio community.

Reed Property Group managing director Matt Reed said with the construction of stage one apartments now well underway and 50% sold, the company was excited to release the next round of residential apartments.

"Stage two of the development features 71 one, two

and three-bedroom apartments and includes a communal rooftop garden terrace for residents and fresh food marketplace, with some apartments also featuring an exclusive landscaped courtyard," Mr Reed said.

"With more than \$4 billion being spent on infrastructure and development within a firm radius of the Emporio site, we anticipate these apartments will be highly popular amongst investors and owner-occupiers alike who are keen to capitalise on the

future growth of Maroochydoon."

Mr Reed said once complete, the Emporio community will incorporate more than 240 residential apartments as well as commercial and retail space across seven urban village buildings, bringing a new style of living to the Sunshine Coast.

"The whole concept of living, working and playing within the one community is completely new to the Coast, and offers residents the opportunity to experience European-inspired village style living

similar to James Street in Brisbane," Mr Reed said.

"With countless developments cropping up along Maroochy Boulevard and new retail precincts, cafes and entertainment venues set to be constructed as part of the new Maroochydoon CBD, Emporio residents will have a vibrant social hub at their fingertips."

Mr Reed said apartments in particular had proved to be extremely popular in the Maroochydoon region, with many buyers choosing

"...residents will have a vibrant social hub at their fingertips."

apartments over houses based on their affordability, size and resale value.

"The median unit price in Maroochydoon is \$260,000, and with Emporio apartments selling from just \$214,000, it's no wonder investors and owner-occupiers have already expressed strong interest in stage two apartments," Mr Reed said.

One, two and three-bedroom Emporio apartments are selling now, with just a 10% deposit required until completion.

## Hospital start provides positive shot in the arm

THESE are a level of confidence returning to the development industry, particularly with the impetus being provided by the proposed \$2.2 billion Sunshine Coast University Hospital at Kawana.

It follows work beginning on the adjoining 200-bed \$150 million Ranney Health Private Hospital.

RGD Property Group director Ron Grabbie has been building on the Sunshine Coast for 30 years and has an unshakeable belief in the Kawana area.

"People are realising the impact the medical precinct is having," he said. "They are realising how the entire Sunshine Coast will benefit. It will have a huge multiplier effect."

RGD Property Group expect to start work on their latest development Island Waters before the end of this year. The \$220 million waterfront complex at 241-



**MOMENTUM IN BUILDING:** RGD Property Group director Ron Grabbie.

Island will provide 44 one, two and three-bedroom apartments designed for the end user. All will have the same facilities RGD has become renowned for with developments such as Ocean Reach.

"Inquiry has definitely picked up," Mr Grabbie said. "Particularly from people associated with the medical aids industry who will potentially be employed here as doctors, nurses or in education."

"As time goes on that momentum will build. It will bring exciting opportunities to the area. There is 172,350sq m of commercial area around the hospital which will allow for 10-12 storey buildings. "People can live in Noosa or Caloundra and be employed here. You will also see people driving up the Bruce Highway instead of to Brisbane."

Kawana's water-pleasured sea is also bringing increased confidence.

"Education, sport, commercial, a town centre and now the medical precinct... not all seen here that," he said.

## Downturn showing signs of a new regional direction

TERRY Gil has been building on the Sunshine Coast since the early 1970s. It started with Surflet at Maroochs Beach and has included the Carnaby Street precinct in Maroochydoon CBD over the past 11 years.

Now he is watching The Corporate Centre in Norval Court near completion.

Mr Gil has seen the ups and downs, the booms and busts on the coast but only scratched the surface in regard to development, having reached only about 20% of its potential.

He is a strong advocate of the book *The Richard Mas Next Door* about someone who always bought best at a sale. Now Mr Gil

believes the best time to buy property on the Sunshine Coast has almost passed.

"This downturn is different to what we've seen from previous downturns," he said. "Previously there was a lot of land available which was over-building. That is not the case now. Land is in short supply."

"It's only when people do not understand the area that they over-ride for its needs." The Carnaby Street precinct has seen about 11,000sq m of office space created over the past decade where about 1500 people now work.

The 27-storey Corporate Centre, which has been designed for small to medium

enterprise business and includes 2600sq m of lettable or retail area, is due for completion late this month.

"The Coast needs to double before we have a sustainable base," Mr Gil said. "It needs to reach about 500,000."

"The newer is a dealer, always a creator. Over the decades I have made more money in tougher times than in good times."

"A creator has a limited number of projects but in tougher times you do not have the Johnny-come-lately as competitors."

"A lot of developers do not understand the depth of the Coast or how quickly word gets around."

"Eventually people come back to those who can't wait to get the job done."

Mr Gil said a lot of people have moved to the Sunshine Coast in the past decade who probably prefer the area as it was yesterday and are doing their utmost to keep it that way. He said that at the end of the day a developer does not make exceptional windfall profits. The numbers have to add up.

"Today you are taking those four times greater risk you would have 15 years ago. Why? Now there are more 'Johnny come lately's' than 15 years ago."

"Tight times are good for the industry as it puts reality back into it."