



Waiting for a crane revival

Projects worth about \$8 billion are yet to start in Surfers Paradise where the crane count indicates that developers are holding back. Colliers International Gold Coast research manager **LYNDA CAMPBELL** examines what's in store for the city's iconic skyline.

DEVELOPMENT valued at more than \$10.2 billion is set to transform the Surfers Paradise landscape, although it could be some time before some projects get off the ground, new research by Colliers International shows.

Colliers' Surfers Paradise Development Map, compiled by Gold Coast research manager Lynda Campbell, reveals just \$1.769 billion of the projects pinpointed in the suburb and its surrounds is under construction, with a further \$8.4 billion in the pipeline.

The total value of developments under way or planned for the area – which takes in Surfers Paradise, Main Beach, Budds Beach, Chevron Island, Bundall and Benowa – has dipped from the \$11.2 billion identified last year, although it is still above the 2007 figure of \$9.83 billion.

Colliers Gold Coast director-in-charge Stewart Gilchrist said with a number of projects on hold, it was unlikely cranes would dominate the skyline in the near future.

“At this stage, it appears it could be some time before the

planned projects get under way,” he said.

“As a result, Hilton Surfers Paradise Hotel and Residences and Soul will continue to account for the majority of construction activity in the heart of Surfers Paradise.

“We have seen a number of new developments put on hold and several sites placed on the market.

“Developers will zero in on the opportunity to secure these sites, with Surfers Paradise one of the most sought after suburbs on the Gold Coast due to its residential and tourism appeal.

“As economic conditions improve, these sites will be developed, although perhaps not in the current planned form.”

The \$850 million Soul is the largest project under construction, followed by the \$700 million Hilton Surfers Paradise Hotel and Residences, and \$130 million Elston apartments.

Ms Campbell said all development under way was centred on the apartment sector, which was set to continue dominating activity in the area.

“Of all development activity either planned or under way, the apartment sector accounted for nearly half, with a significant

\$4.56 billion worth of projects,” she said.

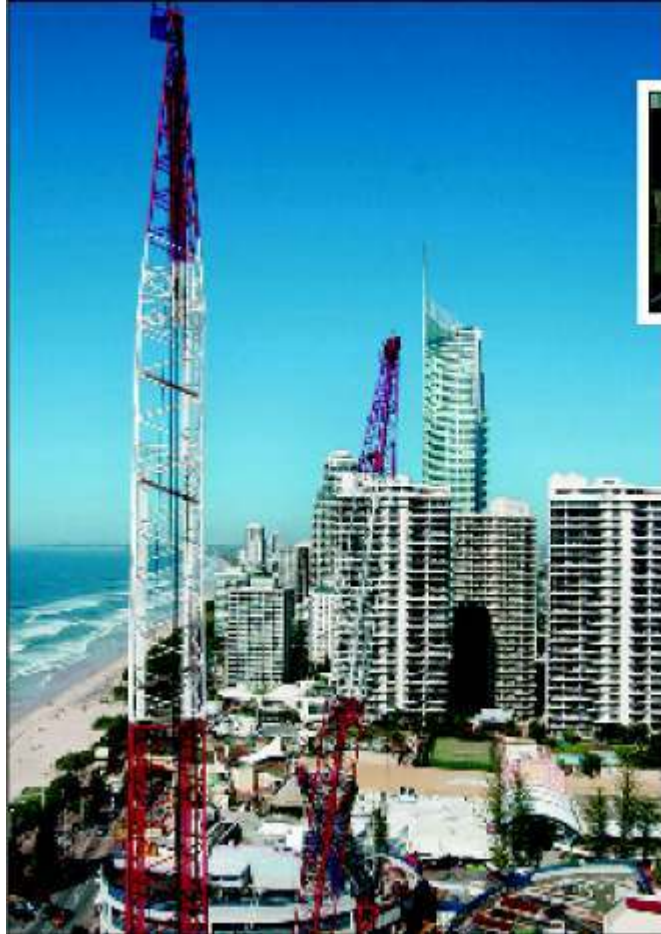
“Surfers Paradise, Main Beach, Budds Beach and Chevron Island are attractive for apartment developers, with zoning in place for high densities and the area continuing to draw interest from residents due to its central position and proximity to the beach, restaurants, cafes and shops.”

A \$2.5 billion commercial and tourism development proposed by the State Government for The Spit – known as the Gold Coast Marine Development Project – was the largest sole project identified.

Infrastructure projects accounted for \$2.185 billion, with the \$1.8 billion planned Gold Coast Rapid Transit System the major contributor.

An \$89.5 million redevelopment of the Surfers Paradise foreshore is another significant infrastructure improvement in the pipeline.

Mixed-use developments totalled \$900 million, while commercial development accounted for just \$57 million of projects in the area.



Only a few cranes, including these at the Soul tower project (left), dot the Surfers skyline at present. Inset: Colliers' Stewart Gilchrist





05/09/2009

Page: 7

Real Estate

Region: QLD

Circulation: 41121

Type: Regional

Size: 588.32 sq.cms

Frequency: -----S-



Surfers Paradise, Main Beach, Budds Beach, Chevron Island, Bundall & Benowa					
Major Development Projects over \$5million		Proposed & Under Construction			
ID	Project	Suburb	Development Type	Status	Value \$m
18	Pindara Hospital upgrade	Benowa	Infrastructure	Planned	\$180
8	Azzura Pacific Resort	Budds Beach	Apartments	Planned	\$1,000
6	Ferry, Palm, Oak & Norfolk Aves	Budds Beach	Apartments	Planned	\$500
25	Bundall Rd & Upton St	Bundall	Mixed	Planned	\$100
20	Bundall Road upgrade	Bundall	Infrastructure	Planned	\$90
19	Racecourse Road	Bundall	Apartments	Planned	\$20
24	Racecourse Road	Bundall	Commercial	Planned	\$30
12	Modena on Chevron	Chevron Island	Apartments	Under Construction	\$36
10	Parklands on Chevron	Chevron Island	Apartments	Planned	\$23
11	Spirit of Chevron	Chevron Island	Mixed	Planned	\$46
28	Bimbi Court	Isle of Capri	Mixed	Planned	\$5
1	Gold Coast Marine Development Project	Main Beach	Commercial	Planned	\$2,500
2	Main Beach Parade	Main Beach	Apartments	Planned	\$10
4	Platinum on Main	Main Beach	Apartments	Planned	\$25
3	XXV Breaker Street	Main Beach	Apartments	Under Construction	\$53
22	Elston	Surfers Paradise	Apartments	Under Construction	\$130
	Energex substation	Surfers Paradise	Infrastructure	Planned	\$25
29	Era	Surfers Paradise	Apartments	Planned	\$125
9	Gold Coast International site	Surfers Paradise	Apartments	Planned	na
5	Gold Coast Rapid Transit System	Surfers Paradise	Infrastructure	Planned	\$1,800
23	Hamilton Avenue	Surfers Paradise	Apartments	Planned	\$12
7	Higman Street	Surfers Paradise	Apartments	Planned	\$170
14	Hilton Surfers Paradise Hotel & Residences	Surfers Paradise	Apartments	Under Construction	\$700
16	Iuka redevelopment	Surfers Paradise	Mixed	Planned	\$750
27	La Sorella	Surfers Paradise	Apartments	Planned	\$90
30	Luxe	Surfers Paradise	Apartments	Planned	\$20
32	Old Burleigh Road	Surfers Paradise	Apartments	Planned	\$25
33	Pacific Beach	Surfers Paradise	Apartments	Planned	\$600
21	Remembrance Drive	Surfers Paradise	Commercial	Planned	\$15
26	Reve site	Surfers Paradise	Apartments	Planned	\$175
13	Sequel	Surfers Paradise	Commercial	Planned	\$12
15	Soul	Surfers Paradise	Apartments	Under Construction	\$850
17	Surfers Paradise Foreshore Redevelopment	Surfers Paradise	Infrastructure	Planned	\$89.5
Total \$10,207					

Source: BCI Australia, various newspapers

Prepared by: Colliers International Research August 2009