



the voice of the industry

FOR IMMEDIATE RELEASE

MEDIA RELEASE

Northern Rivers and Gold Coast Home Building Land Costs More Than a Princely Sum

Although residential land sales on the Gold Coast and Northern Rivers remain at low levels by historical standards, sales do look to at least be climbing off the mat according to the recent HIA-RP Data Residential Land Report. What is not surprising is that medium price/land values in Northern Rivers and Gold Coast remains the highest regional priced land in Australia, and in some cases almost equal to some of our capital cities.

In particular Tweed Heads and Tweed Coast - which forms the largest population base in Northern Rivers - has struggled to bring large new land developments on stream even when there are developers in a position to commence.

On the Queensland side of the border, Gold Coast developers have continually been faced with ever mounting red tape and a multiple levels of local, state government charges – although the industry has managed to obtain some minor relief in fees and charges.

While on the Tweed side - where some planning fees and charges have traditionally been capped by State Government - there appears to be a larger red-tape problem arising from the need to obtain multiple department and agency approvals, which require ever more professional reports.

The result of this red tape driven extended planning process means that developers accrue large holding costs – that often go back many years - before a block of land can be made ready to sell. And ultimately it is the consumer that will bear these costs in the purchase price of the land.

On a brighter note, as land sales are an early leading indicator, then the northern end of the Gold Coast is starting to show signs of a slight building recovery. Unfortunately on the Tweed side of the border there is not enough affordable land for sale and the community urgently needs new land development releases to make a difference.

In a record not to be proud of, the Richmond-Tweed region again claimed the mantle as the most expensive regional residential land in NSW. And now the median lot price has eclipsed the Sunshine Coast to be the most expensive regional land in Australia. The Sunshine Coast remains in second place, with the Gold Coast not far behind in third.

10 MOST EXPENSIVE REGIONAL MARKETS		
Rank	Region	Median Lot Price (\$)
1	Richmond-Tweed (NSW)	238,250
2	Sunshine Coast (QLD)	237,500
3	Gold Coast (QLD)	225,000
4	Illawarra (NSW)	220,000
5	Barwon (VIC)	189,000
6	Fitzroy (QLD)	180,000
7	South Eastern (WA)	179,000
8	Hunter (NSW)	178,000
9	Mackay (QLD)	172,000
10	Mid-North Coast (NSW)	170,000

Source: RP Data, HIA Economics Group

10 LEAST EXPENSIVE REGIONAL MARKETS		
Rank	Region	Median Lot Price (\$)
1	Northern (SA)	60,000
2	South East (SA)	75,000
3	Southern (TAS)	77,250
4	Mallee (VIC)	78,750
5	Northern (NSW)	83,000
6	Murray Lands (SA)	87,000
7	Murrumbidgee (NSW)	90,000
8	Yorke and Lower North (SA)	91,500
9	Mersey-Lyell (TAS)	95,000
10	Murray (NSW)	100,000

Source: RP Data, HIA Economics Group

One way forward is for State Governments to ensure that land made available for residential development has already been assessed as appropriate ie. it is not flood prone, has no threatened species, or protected vegetation or is subject to hazards like bushfires.

Building and land development should not be the major source of income that Council relies upon to operate because, as we have seen, when development slows so does Council income. We need broader and fairer local government tax systems that will encourage development.

Colin Buttenshaw
Executive Director Gold Coast & Northern Rivers
tel 0408 189 098

HOUSING INDUSTRY ASSOCIATION LIMITED ACN 004 631 752