

The tip is Gladstone's house prices are about to start soaring Market prepares to fly



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THE Gladstone housing market is predicted to go literally through the roof.

The current average house price in Gladstone is \$355,000 but that price is expected to rise to more than \$900,000 in just five years.

Investors are buying up Gladstone homes over the phone and on the internet without even seeing them.

Like Mackay and Darwin, the resource boom exploded house prices by up to 300 per cent within

Some units have sold over the phone.

TONY LLOYD-JONES

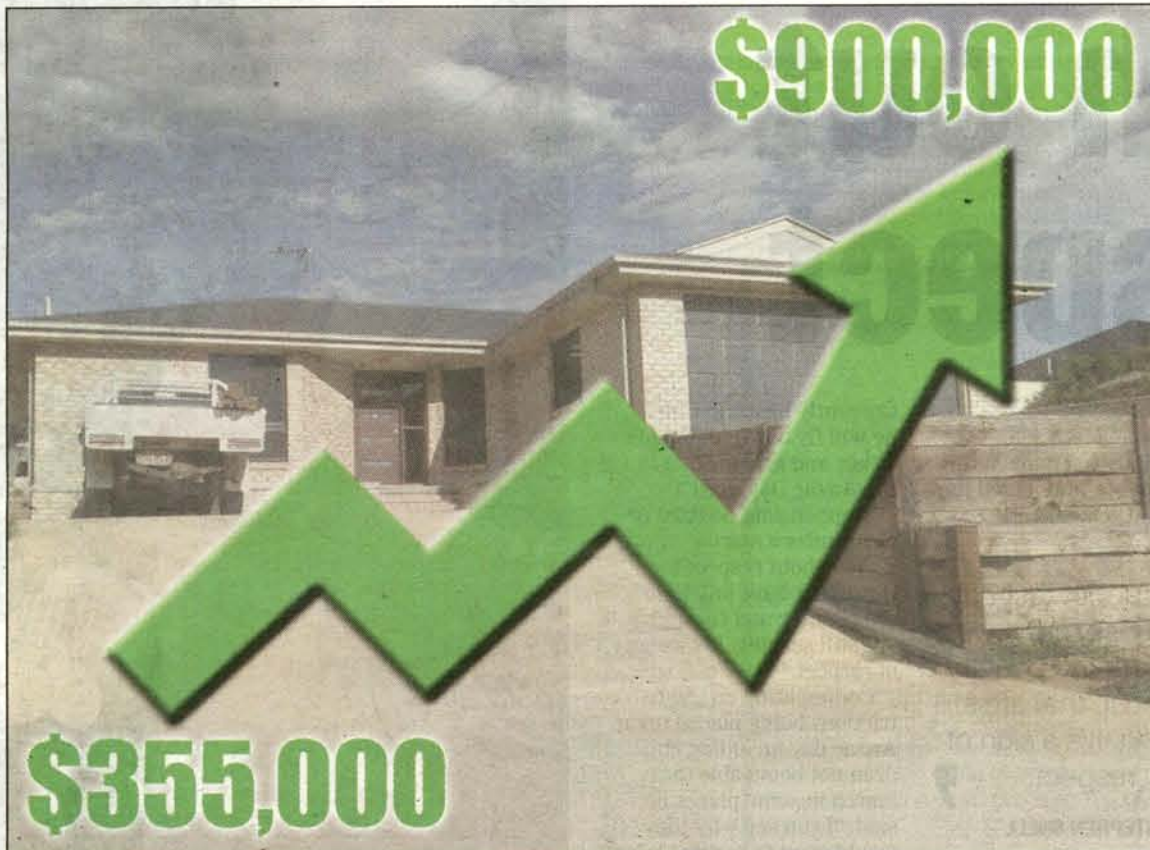
five years.

General manager of LJ Hooker Mackay Michael Rossiter said Mackay experienced major price rises during the resource boom in 2004-05.

"We had about 20-30% increases per annum and our vacancy factor went to almost zero and our stock levels went to an all time low," Mr Rossiter said.

LJ Hooker Gladstone has reported people buying units and putting houses under contract over the phone from Perth, Sydney and even an offshore oil rig.

Director of LJ Hooker Gladstone



PRICE INFLATER: The Darwin liquefied natural gas boom inflated house prices more than 300% in five years.

Tony Lloyd-Jones said there were a lot of out-of-town investors coming through.

"The calls that we are getting at the moment are people wanting to place things under contract sub-

ject to a site inspection," Mr Lloyd-Jones said.

"Some are travelling up and they are having a look, but some are securing them prior to coming up and having a look. Some units

have sold over the phone that are not even completed yet.

"The inquiry ratio from out-of-towners towards locals would be eight out-of-town inquiries to every one local inquiry per week."

A GLIMPSE OF GLADSTONE

Gladstone has benefited significantly from the growth of industry, employment and population in the area over the past three years with many further developments planned for the next three.

Major industries in the city include Queensland Alumina Ltd (QAL), Boyne Smelters Ltd (BSL), Queensland Cement Ltd (QCL) and the Comalco Alumina Refinery (CAR), which recently began production.

In addition, three major industrial coal, coke and aluminium sites are also planned for the area in the near future.

This will mean more jobs and a revenue increase in the area; and as a result, many new residential developments have been planned all over Gladstone.

The port of Gladstone is also one of the largest natural deep-water ports on the eastern seaboard and handles roughly 50 million tonnes of cargo each year. This makes it the largest multi-cargo port in Queensland. With high wages paid in the industrial jobs and an increase in exports (there is a new wharf being built to handle the increase), there are more opportunities for people moving to the area in search of employment and an affordable lifestyle.

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City real estate the subject of speculation

By **KIERAN MORAN**
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A Darwin bricklayer bought a house in Gladstone on the internet.

Dave Rowe said house prices in Darwin were ridiculous whereas Gladstone house prices were reasonable.

"I bought a town house over the internet a couple of weeks ago and I have already leased it out to Rio Tinto," Mr Rowe said.

"I bought because of the expected LNG industry. If it is

anything like what happened here with Darwin's LNG industry I would expect prices to go through the roof."

The basic house price in Darwin before the LNG industry moved in was \$300,000 and within five years that price skyrocketed to more than \$900,000.

"The price for an investment property went up 300 per cent in five years," Mr Rowe said.

"It went out of control. Darwin certainly wasn't pre-

pared for the impacts of the LNG industry.

"Land is very hard to get in Darwin now.

"The only way to buy a house in Darwin now is by a ballot box and that's if you're lucky enough to get your name pulled out of the hat," he said.

Mr Rowe said Gladstone still had some land available but he expected that to get smaller as the LNG industry grows.

"I wouldn't sit back and

wait," he said.

"The LNG industry will be bigger in Gladstone than it is in Darwin.

"Now is the time or you will miss out.

"The sad thing however is that the young people in Darwin are being pushed out of the housing market with many not being able to afford the rent of most houses.

"It's really the only negative thing about the boom.

"I believe that prices should be kept under wraps."

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Fact 004

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*Advice of the Australian Government's Chief Medical Officer. *GPs may charge a consultation fee.



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