



Gold Coast

It's time to buy the most desired lifestyles in Australia at Sanctuary Cove and Hope Island

Australian properties are not cheap and prices in Brisbane, Sydney and Melbourne are rising. However Queensland's Gold Coast has seen significant price drops since the financial crisis, dropping 20-40 percent since 2008. Some of these have fallen to 2005 levels, further enhanced by weakened Australian dollar and indications that the market has bottomed out following a seven-year boom-bust period. Gold Coast's property cycle has excellent opportunities for investors to buy properties at record low prices. With the Gold Coast University Hospital opening next month and 2018 Commonwealth Games, Asia Homes (HK) Consultancy research team predicts that this will generate employment opportunities and stimulate the housing market. Asia Homes believes that Gold Coast is currently one of the best-valued markets in Australia, and buying into the market now would reap handsome rewards in the near future.

The Gold Coast, the Global Financial Crisis and the Future
Gold Coast City is Australia's sixth largest

city and one of its fastest growing regions. It has one of the fastest growing population corridors in Australia (approximately 515,000) and is forecast to grow beyond 730,000 by 2026. Known for its beautiful beaches and serene coastal environment the Gold Coast is one of Australia's top five tourist destinations. Gold Coast has the lifestyle and attractions for owner-occupiers, investors and retirees alike.

For the past five years, since the financial crisis, Gold Coast's property market has been one of Australia's worst performers, suffering over-supply that has dragged down values and rents, which has ultimately not only affected the high-rise market in Surfers Paradise but all residential sectors on the coast. However, supply is tightening as the population has grown, which has resulted in undersupply. There have been no new residential developments within the area in the last five years.

In preparation for the Commonwealth Games, the Gold Coast has initiated a multi-billion dollar investment programme,

developing major infrastructure projects, including new stadiums, hospitals, tourism destinations and the construction of a new light rail network. The new projects will complement the 70 kilometres of beach (and more canals than Venice), the wealth of parks and recreation space and world-class education and business opportunities that already exist.

Where should you invest?

The prime destinations are in Hope Island and Sanctuary Cove. These two locations comprise luxury property and resort style living with great rental and resale opportunities. Sanctuary Cove and Hope Island Resort areas are fully Foreign Investment Review Board (FIRB) approved, making them exempt from non-resident purchase application, and unlike off-plan properties selling in Hong Kong, you can then resell to anyone from anywhere, not just locals — a point of fact that not may foreign nationals realise. Sanctuary Cove and Hope Island are exempt from this due to their special classification as an Integrated Tourism Resort (ITR).

Boutique and gated communities such as Sanctuary Cove and Hope Island Resort offer architecturally designed detached homes on manageable allotments. This has proved to be the ideal residence for the Gold Coast property market. For empty nesters, local amenities are a key buying factor. A small, gated, boutique, infill estate with individual homes, which is part of a quality golf course, is ideal. Both areas are well maintained, boast resort-style facilities, access to buggy tracks for residents and 24-hour security. Sanctuary Cove (Royal Pines Golf Course) and Hope Island Resort (The Links Golf Course) both have there own individual championship golf courses and research shows that home values grow faster in golf course estates due to the influx of visitors.

Location

Sanctuary Cove and Hope Island Resort are ideally situated at the northern tip of Gold Coast, just 45 minutes from the vibrant urban bustle of Brisbane and 15 from the pristine idyll of Surfers Paradise. Whether you are looking to try your luck at the casino, head out for a swim or enjoy a night out on the town with friends, Hope Island and Sanctuary Cove are positioned perfectly for it all. In addition the properties are less than one hour from both Brisbane and Gold Coast international airports and major theme parks such as Movie World, Wet 'n' Wild, Sea World and Dream World. Many long-term residents commute to and from Brisbane daily, and the nearest train station is a 10-minute drive away. Close proximity to major amenities and services makes the area highly accessible, with over eight



Championship Golf Course



Sanctuary Cove and luxurious waterfront living

private and public schools, world-class universities and major shopping districts just a short distance from both Sanctuary Cove and Hope Island.

Local statistics

Hope Island and Sanctuary Cove have good demographics, demonstrating strong signs for growth. Twenty-five percent of the area is home to baby boomers with a median age is 45. Fifty-five percent of those are empty nesters that purchase due to the fantastic location, architectural landscaping and the attractive lifestyle that Hope Island and Sanctuary Cove provides. Currently Gold Coast is stated as undersupplied by about approximately 25 percent as there are not enough townhouses and small units to accommodate for different markets however, this may change in the near future.

This year has seen a 16 percent increase in home sales and due to an influx of people wanting to relocate. Vacancy rates are low with rentals reserved as soon as they



Hope Island Resort aerial view

come on the market. The median rent in the area is AU\$715 (HK\$5,000) per week, and a median three-bedroom home cost is AU\$749,000 (HK\$5.2 million). Rental yield grosses average 5.2 percent.

Timing

Several key measures of real estate health are improving in the area, providing further evidence that the Gold Coast residential market, and especially Hope Island and Sanctuary Cove, are on the rise. Gold Coast property values are forecast to start growing within 2013 and then accelerating through 2015. Local asking prices are accelerating and rents have also been increasing over the last year. Those factors — as well as a host of freshly launched infrastructure projects — point to an early phase of market recovery and adds up to the time being now to buy property at Hope Island and Sanctuary Cove.

Conclusion

Given the favourable market dynamics and drastic price drops to below replacement value, now is the time to buy properties at Hope Island and Sanctuary Cove. There is a clear upside for anyone who purchases in the area now as there is a clear indication that these two areas are on the path to recovery. For the last 20 years these areas have proven to be highly popular with strong resale rates and above average demand for rentals at all times — the bedrock of safe investment. The two projects in the next two pages offer great value for money. Sanctuary is your Cove. Hope is your Island.



The Address, Sanctuary Cove, facade and modern architecture

Sanctuary Cove and The Address

Sanctuary Cove is Australia’s premier integrated golf and boating residential community. Unveiled in 1987, the area was one of the first gated communities to be developed on the Gold Coast. For development to proceed, planning legislation in Queensland had to be altered due to the privatisation of such large areas of urban land. Sanctuary Cove covers 474 hectares and was granted rare FIRB status, giving it an exit strategy for resale to international buyers.

Sanctuary Cove provides a completely self-contained residential environment with its own shopping centre and entertainment precinct in addition to many of the facilities of a holiday resort, such as deep water marinas and two championship golf courses — The Palms and Arnold Palmer’s signature course, The Pines — an exclusive

country club, marine shopping village and the Intercontinental Hotel. Sanctuary Cove continues to grow as its remaining land is developed. The area promotes the pinnacle of luxury and nowhere else in Australia will you find such a diverse range of living options. The majority of homes are valued in excess of AU\$2 million (HK\$14 million).

THE ADDRESS at Sanctuary Cove

The Address, Sanctuary Cove is a new development by the Sunland Group, whose core philosophy is innovation, quality and service with its commitment to the highest calibre projects, such as the Palazzo Versace on the Gold Coast. The premier estate in Sanctuary Cove, The Address is offering 31 home sites with permanent FIRB status as an ITR, allowing international purchasers to buy property without approval from the federal government.

The Address’ superlative duplexes, single and two-storey homes redraw the dimensions of Sanctuary Cove living. It incorporates the modern luxuries of privacy, security and uninterrupted views across immaculate fairways, lakes and gardens. The Address takes open plan living to its ultimate expression with generous living spaces flowing from one area to another. Superior finishes combine to produce an exclusive living environment that is warm and inviting. Fully ducted reverse cycle air conditioning, kitchens outfitted with contemporary appliances, master suites with walk-in wardrobes and quality bathroom fixtures are standard. Also included are dual car parking accommodation and space for a golf buggy with direct access to drive between The Palms and The Pines.

Pricing

Prices at The Address are very attractive, as land prices in the area are high in comparison, with some land sites costing more than the house and land packages being offered. House and land rates begin at AU\$710,000 (HK\$4.9 million) and lakefront residences at AU\$1million (HK\$7 million). A total of 12 properties are still available. Plot sizes range from 4,336 square feet with built space measuring 2,205 square feet. The body corporate is approximately AU\$125 (HK\$875) per week, and includes 24-hour back to base security, full access via buggy through the golf courses, maintenance of exteriors and gardens, external building insurance and much more.

Security

Being one of the first gated and guarded resorts in Australia the security at Sanctuary Cove comes with 24-hour land and water security services ensuring complete peace of mind for home owners. The security team provides mobile land and water patrols, medical emergency response and alarm monitoring to ensure comfortable living for residents.

Make The Address your address and join the wonderful community at Sanctuary Cove.

Hope Island Resort and Pavilions

Hope Island Resort is the leading lifestyle resort for family living on the Gold Coast. Boasting over 360 hectares of community living, the resort features ocean access canals, one of Queensland’s premier golf courses, over 200 marina berths, the Marina Village with Boardwalk Tavern, convenient shopping and retail services and access to everything the northern Gold Coast has to offer. 24-hour manned security of both the roadways and the waterways ensures peace of mind for all residents. The buggy network connects the residential villages with the golf links, the marina and the recreation clubs ensuring simple, safe and quick access. There also is more than 70 hectares of controlled tidal private water to enjoy and deep-water ocean access for the serious boating enthusiast.

The quality of the resort is maintained by the Architectural Review Board, which ensures every home is designed and built to meet the premium standards of the community. Hope Island Resort is the premier lifestyle choice in the northern Gold Coast and it has a full FIRB status, providing a good exit strategy for when the decision to sell arises.

Pavilions Hope Island

Pavilions Hope Island is a newest addition to the Hope Island Resort enclave. It is comprised of 43 detached homes and it is next to the Links Hope Island Golf Course. The first stage is sold out and second phase has 14 house and land packages available. Land plots begin at 4,300 square feet with three home design option beginning at 2,259 square feet on a single level or two storeys. All come with open plan living spaces and are architecturally driven, matching the needs of baby boomers in the area that would like to upgrade from townhouses or apartments to a house of their own.

Pricing

The prices for The Pavilion properties are currently very affordable offering land starting from AU\$221,000 (HK\$1.5 million) and house and land packages from only AU\$570,000 (HK\$4 million). It offers great



Pavilions at Hope Island, internal airy designs



Pavilions at Hope Island smart and handsome facade designs

value for money as it is below replacement costs. The estate has a low body corporate fee of only AU\$72 (HK\$500) per week.

Australian or Hong Kong dollar loans

For Australian dollar loans, normally the margin is 70-80 percent, with Australian lending rates hovering around 5 percent. For Hong Kong dollar loans, the margin is in the rage of 60-70 percent. Those working in Hong Kong with either Hong Kong or American dollar based earnings can enjoy mortgage rates as low as 1.8 to 2.3 percent depending on loan amount. There is a substantial reduction in interest cost, the advantage of locked in loan amounts at drawdown date by opting for Hong Kong dollar loans, particularly when exchange rates are favourable. Conversely carrying a Hong Kong dollar loan when the Australian currency is high mean that a drop will mean the same payments to no advantage. There are advantages and disadvantages in both, and switching during the mortgage tenure is also an option.



The Address, Sanctuary Cove, living area

Security

Gated and guarded since 1993, security in the Hope Island Resort estate is excellent, with guard patrols 24 hours a day. One of the major factors that local residents enjoy living within the Hope Island Resort is its security and the privacy that comes with having no outsiders accessing the area.

To sum up, Pavilions offers a great opportunity to be nestled within the Hope Island Resort area and buying at this time provides an opportunity to purchase at below replacement cost. The product is well suited to the Hope Island precinct and will provide strong resale opportunities when the project is completed. Take this opportunity now to build the house of your dreams.

For more information on Sanctuary Cove and Hope Island, please contact Asia Homes (HK) Consultancy. Please also refer to back cover.



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The Address, kitchen and dining area



The Address bathroom