

# Why invest in The Sunshine Coast?



Ctrl + Click to activate video or copy and paste URL: <https://www.youtube.com/watch?v=pPQmDhRuGhc>

## So Where is the best Location to Invest?

The fundamentals you always look for are population growth, employment opportunities, infrastructure spending, affordability, access to services (hospitals, education facilities, shopping, transport) as well as vacancy rates. It's also important to look at past growth trends and the current market to understand where an area sits on the "property clock". If all of these check out, then what is the current and future supply and demand outlook?

When considering all of these fundamentals it's very hard to go past Australia's tenth largest city, The Sunshine Coast, and in particular north of the Maroochy River to Noosa Heads.

## Why?

Let's tick the fundamentals off one by one.

### Population growth

The Sunshine Coast has been one of the fastest growing regions in Australia for decades. This looks like it will ramp up even further in coming years with the population conservatively set to grow by around 50% in the next 20 years from 316,000 to 475,000. That's massive growth meaning huge demand for new housing!!

<http://www.sunshinecoast.qld.gov.au/Investment/sitePage.cfm?code=growth2>

### Employment Opportunities

The entire Sunshine Coast economy is in a stage of transition right now with an anticipated 100,000 jobs to be created over the next 20 years. The local council has commenced on a path to diversify the economy away from just tourism and construction (both of which are now booming) with massive spending on medical and education infrastructure.

### Infrastructure Spending

The Sunshine Coast is currently experiencing unprecedented spending on infrastructure with the construction of the largest health hub in the Southern Hemisphere among other massive projects. A brand new city centre has just commenced construction in Maroochydore that will create around 10,000 jobs. The airport extension is expected to add another 10,000 jobs and open The Sunshine Coast up to international markets.



Ctrl + Click to activate video or copy and paste URL: <https://www.youtube.com/watch?v=I4xbXROMIAE>

### **Affordability**

House prices on The Sunshine Coast have enjoyed a return to growth in the past 18 months after being around 8% less than they were 6 years ago. Incomes have increased strongly over this time frame and properties in the region are now more affordable than any time in the past 12 years. Many new residents to The Sunshine Coast migrate from southern capital cities such as Sydney where the median house price is just over \$1,034,000 and Melbourne \$734,000 compared to just over \$480,000 on The Sunshine Coast. So it's easy to see why people choose to move to a beautiful location with great family friendly lifestyle for incredibly less money than Australia's two major cities and remove the debt noose from around their necks.

### **Access to Services**

The Sunshine Coast is Australia's 10th largest city and has access to all service's a major city needs. The Sunshine Coast airport has been a factor in the regions recent return to growth providing connection for many fly in fly out miners. The airport is to undergo massive expansion in coming years to accommodate the expected increase in flights. The region will have the largest health hub in the Southern Hemisphere and a brand new city is to be built in Maroochydore. There is also talk of a light rail system to connect the major regions on the coast.



**The Maroochydore new CBD**

Ctrl + Click to activate video or copy and paste URL: [https://www.youtube.com/watch?v=y\\_2jYv2-TE](https://www.youtube.com/watch?v=y_2jYv2-TE)

### **Vacancy Rate**

The vacancy rate across the Sunshine Coast currently sits between 1% with some developments have next to no properties available for rent. While the owner occupier market has turned the corner on The Sunshine Coast, investor are only now starting to pay attention meaning supply of new rental properties will not meet the growing demand. While the major projects set to employ tens of thousands of more people rents should continue to rise.

### **Past Performance**

The Sunshine Coast has traditionally had consistently high capital growth but this has not been the case since the GFC. The market hit the bottom mid to late last year and property prices are still around 8% below their pre GFC peak. It should now see a period of consistent growth.

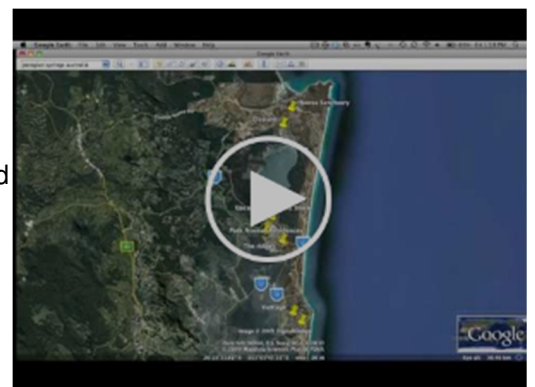
### **Supply and Demand**

Of all the investment fundamentals listed above the current and future supply of land on The Sunshine Coast indicates a huge opportunity for investors. While there is thousands of lots to be developed south of the Maroochy River, there is a massive shortfall to the North. The further North you go, the worse it gets, with the Noosa Shire only holding around 1 years land supply left. Peregian Springs has currently sold out of all stages with no new registered land expected until mid-next year, and they have around 20 of those 100 Lots pre-sold.

Please see the following link with more information about land supply on The Sunshine Coast. While the video is a few years old the information is still current

Ctrl + Click to activate video or copy and paste

URL: <https://www.youtube.com/watch?v=9fDi5X9mCeM>



## **Baby Boomers**

Another massive factor that will push up prices on The Sunshine Coast are the baby boomers. Around 3 million baby boomers are set to retire in coming years and many will downsize or move to coastal locations. They will want easy access to amenities so The Sunshine Coast fits the bill perfectly.

## **Asian Market**

While Sydney, Melbourne and to a lesser extent Brisbane and The Gold Coast has seen a mass of overseas buyers in the last couple of years, very few have purchased on The Sunshine Coast. With the Airport extension will bring more tourists which in turn will bring more residents.

So all of the fundamentals are incredibly strong and the cherry on top is that The Sunshine Coast is one of the most desirable locations in Australia to live. So for generations to come families will gravitate to The Sunshine Coast but the land to the north is fast running out. Now is the time to invest before this region becomes unaffordable for the average Australian.

