

Property on Coast in a good position

By MATT QUAGLIOTTO

AUSSIE Home Loans boss John Symonds has backed the Coast property market's future against a backdrop of plunging prices in other parts of the country.

The well-publicised founder of the leading home loan broker was on the Coast to launch three new branches and the rebranding of five former Wizard home loans franchises under the Aussie name.

Mr Symonds said the softening in Coast prices was a 'damn good result' given the real estate pain being felt elsewhere.

"You've got pockets in Western Australia where 30 to 40 per cent has come off (prices) and in parts of southwest Sydney 30 per cent plus," he said.

"When you look at the Gold Coast area you look at 10 per cent softening, but when you look at

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how prices have gone up that's a damn good result."

He gave firm predictions on real estate's long-term future despite the market's current correction.

"I do believe the worst is behind us," he said.

His view correlated with findings from property research outfit Prodap highlighting a turnaround in sales activity for the Gold Coast region during the March quarter.

Its report showed a 78 per cent rise in vacant land sales to 383 and a 103 per cent increase in the house/land packages category to a total of 159 sales.

Significant sales increases were recorded in the Coast's northern reaches, with Gaven and Coomera leading the charge.

When asked about recent moves towards lending restrictions Mr Symonds put it down to the effect of economic cycles.

"Lending has been reined in – it always happens when the economy is contracting," he said.

"I've always questioned allowing people to buy homes with low or no deposits."

He said such practices had the potential to impact on younger homebuyers.

"They're the demographic most subject to change – they may start a family or employment may change," he said.

"Tightening credit is OK but we are seeing over-tightening in some areas."

However, he said the future looked solid for property moves with the nationwide lender hitting the \$2 billion mark in lending, 95 per cent of which was brokered.