

Development Site Appraisal

Basic Report

29 Sample Street, Surfers Paradise QLD 4217



Nov 2008

Introduction

The suburb of Surfers Paradise boasts the Gold Coast's largest number of high rise buildings. The most prolific decade for high rise construction in Surfers Paradise was the 1980's when 49 towers went up. This was followed by the 1970's when 25 towers were constructed and is closely followed by the current decade, which has seen 22 towers go up. The remaining towers were constructed in the 1960's (2) and 1990's (13).

Many of the towers are occupied by holiday makers and according to figures from the ABS, Surfers Paradise had an occupancy rate of 74.3% during the September 2007 quarter. This compares well to the entire Gold Coast occupancy figure of 72%.

Central Surfers Paradise has been undergoing a transformation over the last 5-6 years with many of the older buildings being demolished to make way for new retail, commercial and residential complexes. Beachfront and beachside new developments are being sought after not only by savvy investors but also by owner occupiers who choose to live close to a vibrant 24/7 precinct, whilst being able to stroll down to some of the best patrolled beaches in Australia.

The transformation is ongoing with the recent completion of Circle on Cavill and projects such as the re-development of the Dolphin Arcade into the Surfers Paradise Hilton and the beachfront Soul development. The new developments in Central Surfers Paradise have brought in the latest trends in retail, commercial and apartment buildings to the suburb.

Surfers Paradise is unique in that it is situated between the golden sands of the world famous Surfers Paradise beach and the playground that is the Nerang River.

Queensland's entertainment capital, Surfers Paradise is a vibrant 24 hour destination with a year round calendar of events including Indy and the Magic Millions. It is the jewel of Queensland's Gold Coast and one of the most popular holiday destinations in Australia.

Surfers Paradise is where one finds the perfect fusion of city and beach lifestyles set amidst a spectacular skyline and brilliant stretch of coast. Vibrant and eclectic, it provides non-stop action, with an abundance of world-renown theme parks and family attractions all within easy access.

Property Particulars

Address

29 Sample Street, Surfers Paradise QLD 4217

Legal Title

Lot 4, DP123456, Parish of Gilston

Site area and dimensions

920sqm (23m x 40m)

Locality

The beachside location of the site at 29 Sample Street is approximately 200m from the patrolled Northcliffe Beach and SLSC. The shopping and entertainment facilities offered in Central Surfers Paradise are within easy walking distance. Public transport such as buses, taxis and the planned ferry and light-rail services connect locals directly to destinations as far as Coolangatta and Brisbane Airports.

The iconic Q1 (the tallest residential building in the world) and ultra-luxury absolute beachfront tower Jade, are just two blocks to the north (see image below)



Location map – UBD



Jade Apartments and Q1

Site Description

The site is generally level, regular and rectangular in shape. It is oriented north - south and accessed from Sample Street at the northern frontage, which is approximately 23m in width. It is flanked by a recently completed 12 storey apartment block to the west and an older-style 21 storey apartment tower to the east.

Current improvements upon the site include an older-style single storey building, on-grade parking and an in ground pool.

Planning overview

Gold Coast "Our Living City" Planning Scheme 2003 Version 1.1

Gold Coast "Our Living City" Planning Scheme is the applicable Planning Scheme for the subject site.

Zoning

Under the Gold Coast Planning Scheme, the site is zoned as follows:

Domain	-	Tourist & Residential
LAP	-	Surfers Paradise
Precinct	-	High Rise Accommodation Precinct 2
Density	-	RD8 (1 bedroom per 13m ² of net site area)
Max Height	-	30 storeys

The following Planning Scheme codes are applicable:

- Surfers Paradise Place Code - Precinct 2
- High Rise Residential and Tourist Accommodation Code
- Car Parking - Access and Transport Integration Code

Below are some extracts from the Surfers Paradise Local Area Plan (LAP) and Place Code - Precinct 2:-

“ 3.0 DESIRED ENVIRONMENTAL OUTCOMES

3.1 The promotion and enhancement of Surfers Paradise as Australia’s premier leisure tourist destination, including the consolidation of commercial, retail, tourist and entertainment activities within the core of Surfers Paradise (refer to DEO Econ.4)

3.2 Encouragement of distinctive high rise residential and tourist development to enhance Surfers Paradise’s famous skyline and townscape (refer to DEO Soc.1). “

“ Precinct 2: Intent for High Rise Accommodation

*This precinct incorporates land south and north of the Entertainment Precinct, shown on LAP Map 25.2. This area is already extensively developed, providing a range of residential and resort accommodation. Retailing is confined largely to the Gold Coast Highway and Ferny Avenue. **The intent for this precinct is to encourage further high rise accommodation, both for permanent residents and tourists in appropriate locations.** Buildings should be of high quality, both in terms of design and finishes, and sited amidst lush sub-tropical grounds with minimal hard stand areas. In encouraging further high rise development, the precinct seeks to minimise those uses which adversely impact upon the residential amenity of these areas. As a result, high impact non- residential uses should be confined to arterial roads.”*

The planning information noted has been obtained from the Gold Coast City Council website. This information has been relied upon in our assessment of development potential and no responsibility is accepted for the accuracy of the planning information provided. We strongly recommend that clients seek further independent planning advice as part of their due diligence process

Development options

It is understood that the site has a total area of 920m² with a frontage of 23m.

From our very preliminary review of the relevant planning controls, it is apparent that the planning scheme is encouraging higher density residential development on the subject site. Opportunity for a cafe or convenience shop at ground level would exist and be encouraged by Council.

We are advised that an estimated GFA of around 3500 - 4000m² could be achieved subject to Council granting bonus plot provisions. It is our view that a building in the order of 12 to 13 storeys could realistically be achieved on the site. It is expected one of the most limiting factors will be the requirement for the provision of onsite car parking. In recent times Council has accepted mechanical stacker carparking arrangements.

Summary

High - rise residential development is consistent with existing development occurring along Sample Street. The site and its prime location in close proximity to beaches and other lifestyle facilities, lends itself to development that is of an iconic architectural design quality, targeted at the higher end of the property market.

Without a market and site analysis, it is not possible to assess the “highest and best use” of the site.

Furthermore, at this preliminary level we cannot determine yield, product type and mix, or preliminary feasibility, without first conducting a site and conceptual design analysis.