

■ QUEENSLAND

Floods likely to slow some markets

Floods that inundated vast swathes of Queensland in January are likely to slow down local real estate markets in at least the short term, according to property experts. Matthew Liddy

EMERALD, Charleville and Rockhampton were among the districts hit hard as more than two thirds of the state – about 1.2 million square km – was flood declared.

Tim Lawless, research director with RP Data, said the market was likely to get “very quiet” during the clean-up.

“To a certain extent, these areas will have gained some notoriety as flood-prone areas, however in my opinion that will be short lasting,” Lawless said.

“Some potential buyers will be put off by the recent flooding, however the slowness in the market is likely to be more influenced by vendors being reluctant to sell until the

flooding issue blows over and the overall township is cleaned up.”

Lawless said he was confident flood-hit areas would recover over time.

“The fundamentals of these areas is what matters, not a freak flooding situation,” he said. “Emerald, for example, is a major mining service centre with ongoing demand for housing. This factor will ensure the market recovers within a relatively short frame of time.”

Property author and investor Margaret Lomas, however, was not so sure the impact of the floods would be short-lived. She said small towns relied heavily on outside investment to create growth in property prices and the floods would likely deter investors from out of town.

She said it would take at least several years for the property market to recover.

Both Lawless and Lomas said the floods should serve as a reminder to investors to check flood zoning when purchasing property and to ensure they have appropriate insurance on their properties.

