



2018 COMMONWEALTH GAMES

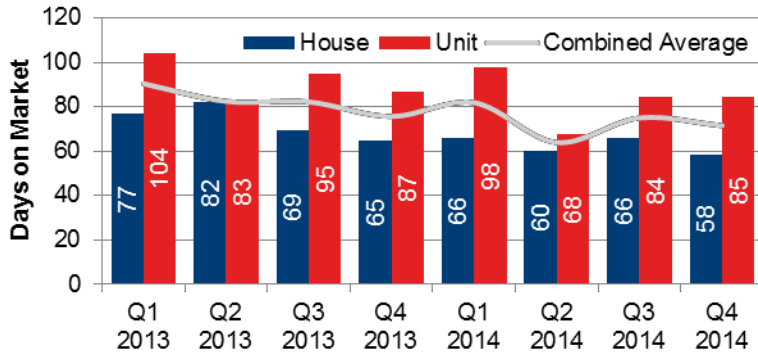
GOLD COAST PROJECT HIGHLIGHTS

1ST QUARTER 2015

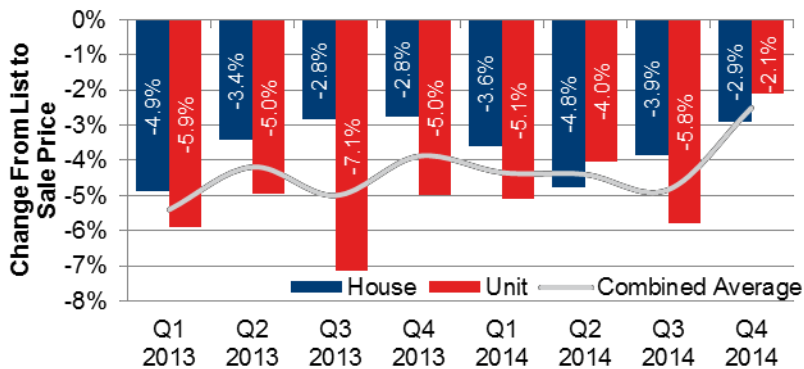


GOLD COAST MARKET OVERVIEW

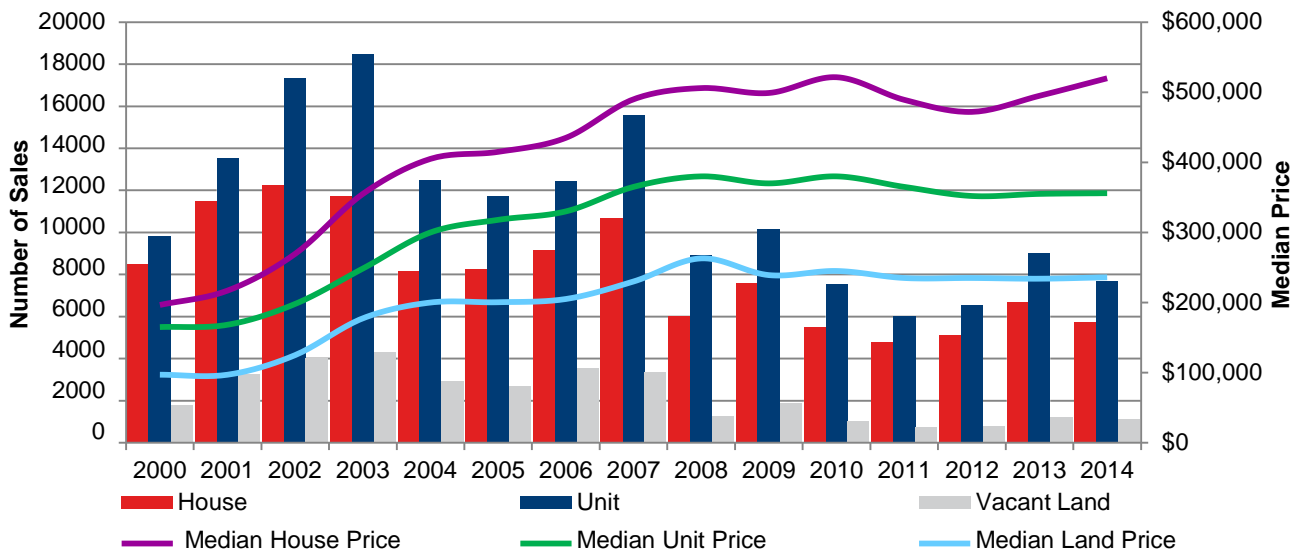
AVERAGE DAYS ON MARKET



AVERAGE VENDOR DISCOUNT



10 YEAR CAPITAL GROWTH



HIGHLIGHTS

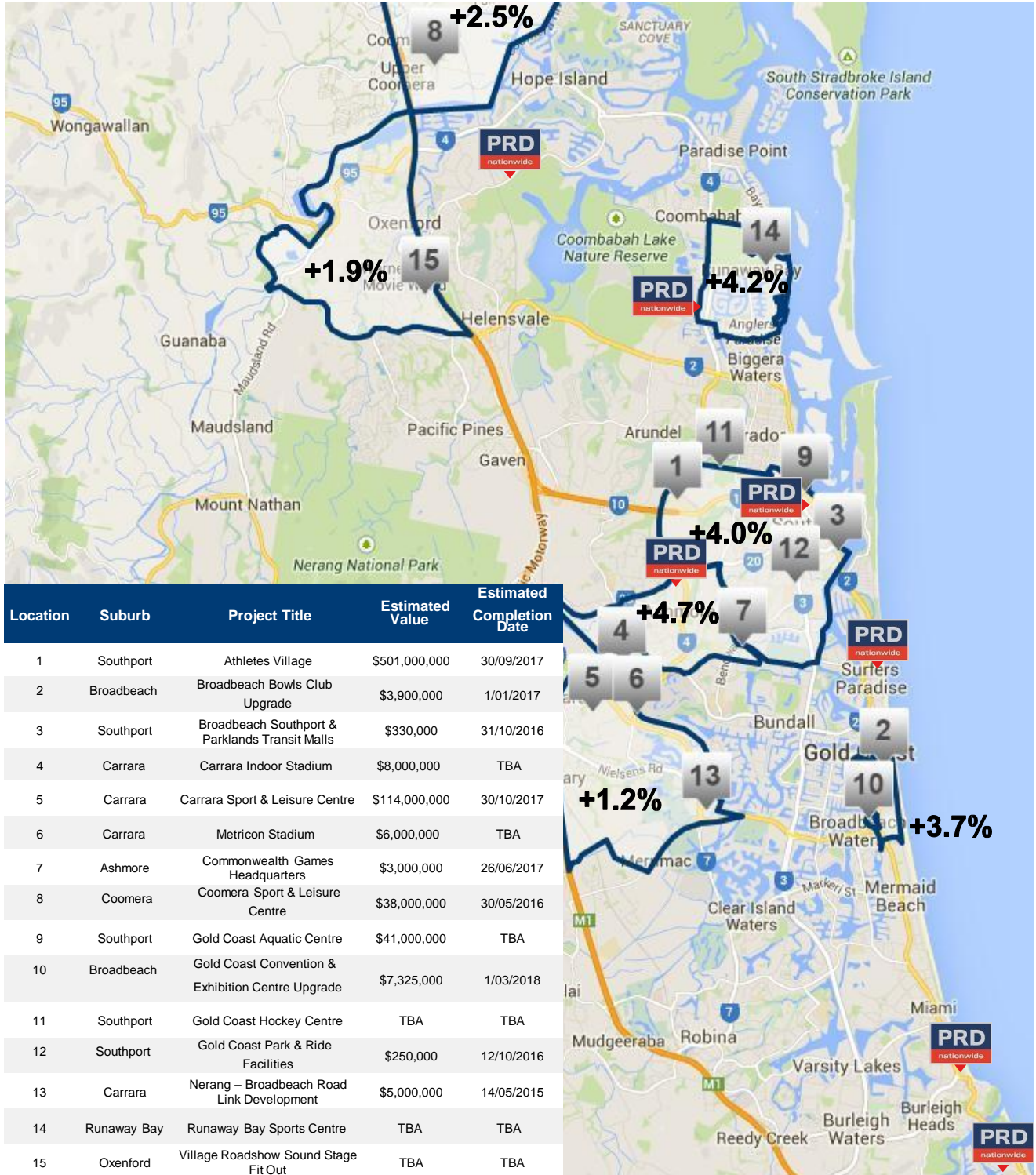
Host to the 2018 Commonwealth Games, the growing Gold Coast property market is expected to reap a strong positive impact from the event; as did its predecessor Sydney (Olympics, 2000) and Melbourne (Commonwealth Games, 2006)

Between 2013 and 2014, houses in the area recorded an average rise in median prices of 5.1%*.

Average days on market and vendor discounting has been improving over the past 3 months to December 2014. Combined average vendor discounting now sits at only -2.5%, the lowest in over 2 years. This suggests buyer competition is increasing and are willing to pay more to secure the deal.

There are currently 15 major projects relating to the Commonwealth Games across the Gold Coast. In total, related infrastructure is expected to cost \$950 million while the games are expected to inject a total of \$2 billion into the local economy. The new infrastructure is expected to improve the property values in surrounding suburbs.

COMMONWEALTH GAMES DEVELOPMENT



Disclaimer:

Estimated value is the value of land and construction costs provided by relevant data authority, it does not reflect the project's sale/commercial value
Percentage figures on the map represent annual median price growth between 2013 and 2014

Source: Gold Coast City Council, Queensland Department of State Development, Infrastructure and Planning, Cordell Database, PRDnationwide, Scribblemaps

CASE STUDY: PARKVILLE, VIC

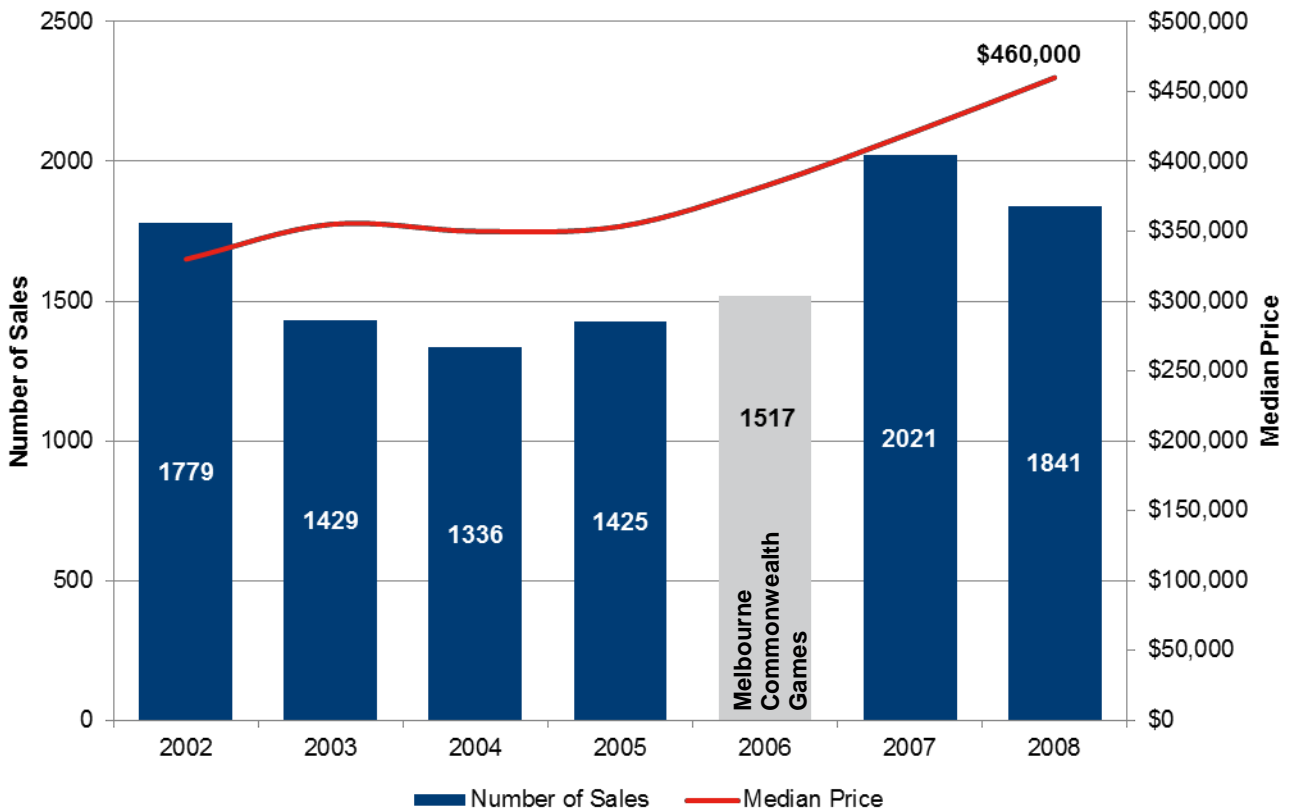
In March 2006 Melbourne played host to the Commonwealth Games. Much like the upcoming 2018 Commonwealth Games, new and upgraded sporting infrastructure was scattered throughout the city rather than having a specific centre for activity. The Athletes Village was constructed in the established suburb of Parkville on the site of the old psychiatric hospital, around 3km from the CBD with plans to execute construction in two phases and create a new residential pocket after the Commonwealth Games.

The high demand and undersupply of property in the area led to a successful development; with transactions rising over 33% in Parkville and the surrounding suburbs between 2006 to 2007.

Much of this growth can be attributed to the sale of residential properties in the Village; with 85 sales from the developer being recorded in 2007. Growth in the area has proven to be sustainable with median prices increasing at a rate of 9.52% two years past the 2006 Commonwealth Games. It is therefore concluded that Commonwealth Games developments have had a positive impact on the property market of the suburb and its surrounds; both during the year of the games and long after the games have finished.



PARKVILLE & SURROUNDS COMBINED SALES CYCLE



CASE STUDY: NEWINGTON, NSW

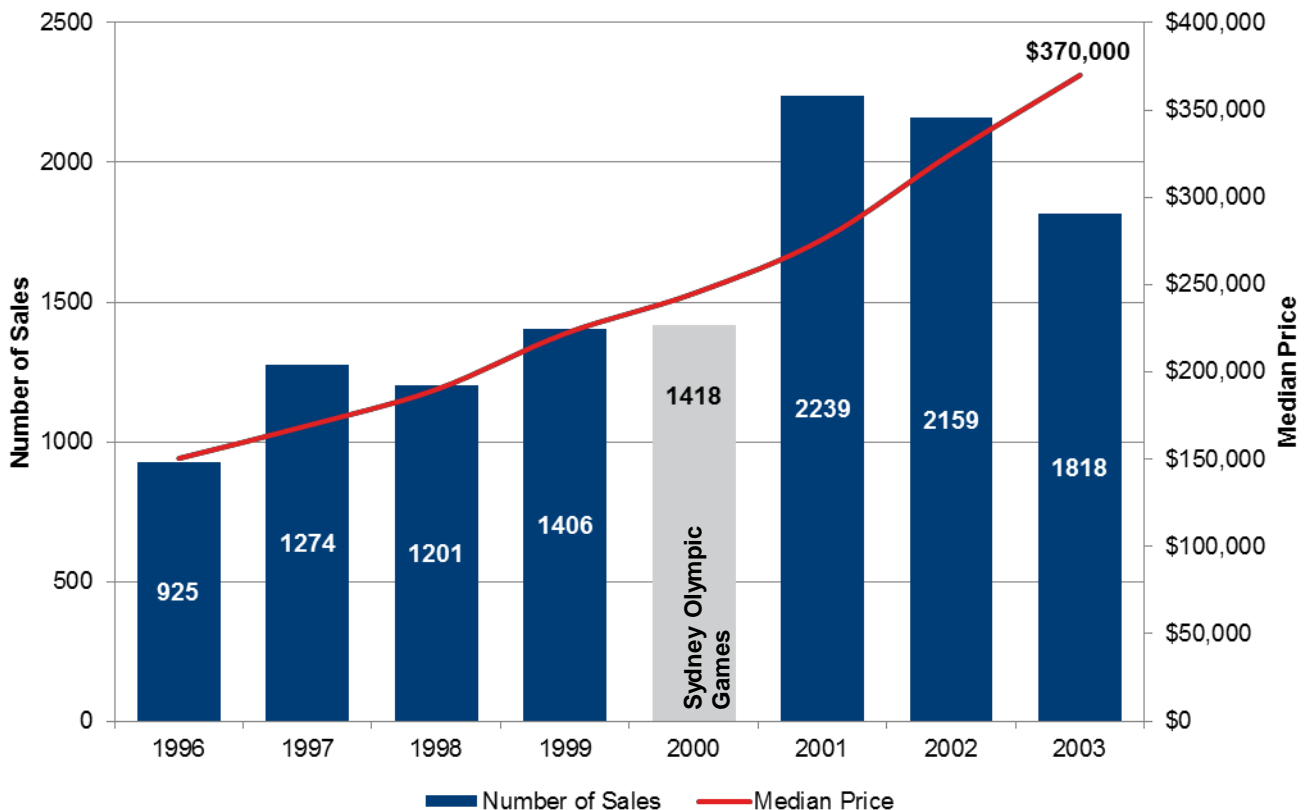
The 2000 Sydney Summer Olympics was one of the largest sporting events ever hosted in Australia and as such, it required one of the largest recreational, cultural and residential developments in Sydney's history; with the total cost of the games estimated at \$6.6 billion. The location for the development was an underutilised site 25km from the CBD, which now remains a leading sporting and cultural centre for the city.

The Athletes Village was built on its own separate, exclusively residential site neighbouring the Olympic Park. After the event the athletes accommodation was reconfigured to offer nearly 900 townhouses and 700 apartments to be offered to the public. This led to a surge in transaction activity in the area, with Newington and surrounding suburbs sales numbers rising nearly 58% from 2000 to 2001.

The Athletes Village development played the largest role in the growth, with 561 residential sales by the Olympic Park Authority recorded in 2011. The development proved successful with first home buyers due to the affordability of the area. The 2000 Sydney Summer Olympics proved to have had a sustainable positive impact on the property market in Newington as well as surrounding suburbs.



NEWINGTON & SURROUNDS COMBINED SALES CYCLE



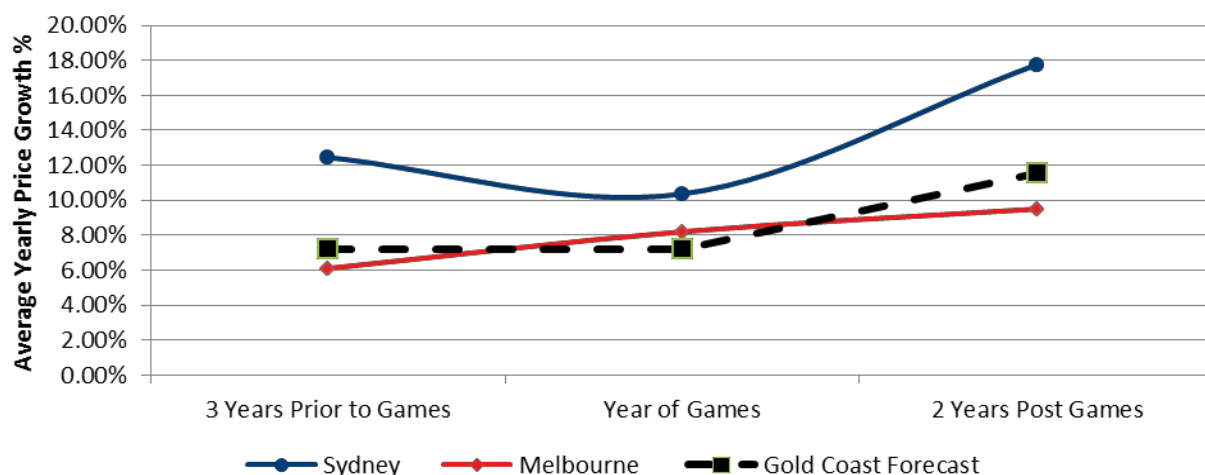
GOLD COAST MARKET RECAP 2014

	Median Price		Price Growth		Transaction Growth		Rental Growth		Rental Yield	
	House	Unit	House	Unit	House	Unit	House	Unit	House	Unit
Ashmore	\$520,500	\$287,000	+17.1%	+4.4%	-20.1%	-7.4%	+2.1%	+1.1%	5.1%	5.8%
Broadbeach	N/A	\$422,000	N/A	-7.3%	N/A	-28.7%	N/A	0.7%	N/A	4.3%
Carrara	\$482,000	\$399,000	+9.8%	-2.7%	-21.5%	-15.0%	+4.9%	+13.3%	4.9%	5.1%
Coomera	\$368,000	\$325,000	+2.2%	-25.8%	+13.7%	+13.9%	+4.7%	N/A	6.0%	5.3%
Oxenford	\$434,000	\$280,000	-3.1%	+7.7%	-19.1%	+49.1%	+1.8%	+3.0%	5.2%	5.8%
Runaway Bay	\$818,000	\$430,000	+11.7%	-2.9%	-22.4%	-25.7%	+5.3%	+2.7%	3.2%	4.4%
Southport	\$470,000	\$330,000	+10.3%	+3.8%	-23.4%	-21.3%	+6.9%	+4.1%	4.9%	5.4%

MARKET FORECAST

The Gold Coast market recap for 2014 above clearly identifies that houses in almost all of the suburbs surrounding the 2018 Commonwealth Games have witnessed median price growth over the past 12 months. The central suburbs of Southport and Ashmore have been some of the strongest performers witnessing combined average growth of 11.0% and 10.2% respectively.

The recent growth witnessed is expected to continue up to 2018 and beyond thanks to overall improvement in market conditions as well as the infrastructure and publicity the Gold Coast will be receiving due to the Commonwealth Games. The Athletes Village development will be a welcomed addition to residential property stock in the area following the games, with some 1,200 new apartments expected. The Gold Coast City Council has one of the highest projected population growth in Queensland and as was the case with previous sporting events in Sydney and Melbourne, it is expected that the new development will not go to waste, but rather enhance the attractiveness of the surrounding areas. Based on data available from the Sydney and Melbourne case studies, it is forecasted that the Gold Coast property market will also reap sustainable positive growth in the years during and after the 2018 Commonwealth Games.



Disclaimer:
Data in the Market Recap 2014 captures growth between 2013-2014.
Forecast graph is based on the average median price growth in each relevant sporting suburb and surrounds in each city.
Source: PriceFinder, Real Estate Institute of Australia

ABOUT PRDnationwide RESEARCH

PRDnationwide's research division provides reliable, unbiased, and authoritative property research and consultancy to clients in metro and regional locations across Australia

Our extensive research capability and specialised approach ensures our clients can make the most informed and financially sound decisions about residential and commercial properties.

OUR KNOWLEDGE

Access to accurate and objective research is the foundation of all good property decisions

As the first and only truly knowledge based property services company, PRDnationwide shares experience and knowledge to deliver innovative and effective solutions to our clients.

We have a unique approach that integrates people, experience, systems and technology to create meaningful business connections. We focus on understanding new issues impacting the property industry; such as the environment and sustainability, the economy, demographic and psychographic shifts, commercial and residential design; and forecast future implications around such issues based on historical data and fact.

OUR PEOPLE

Our research team is made up of highly qualified researchers who focus solely on property analysis

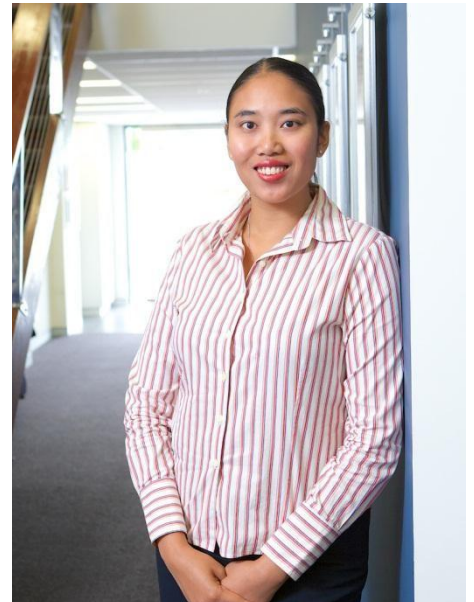
Skilled in deriving macro and micro quantitative information from multiple credible sources, we partner with clients to provide strategic advice and direction regarding property and market performance. We have the added advantage of sourcing valuable and factual qualitative market research in order to ensure our solutions are the most well considered and financially viable.

Our experts are highly sought after consultants for both corporate and government bodies and their advice has helped steer the direction of a number of property developments and secured successful outcomes for our clients.

OUR SERVICES

Our research team is made up of highly qualified researchers who focus solely on property analysis

We have the ability and systems to monitor market movements, demographic changes and property trends. We use our knowledge of market sizes, price structure and buyer profiles to identify opportunities for clients and provide market knowledge that is unbiased, thorough and reliable.



OUR SERVICES INCLUDE:

- Advisory and consultancy
- Market Analysis including profiling and trends
- Primary qualitative and quantitative research
- Demographic and target market Analysis
- Geographic information mapping
- Project Analysis including product and pricing recommendations
- Rental and investment return analysis

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