

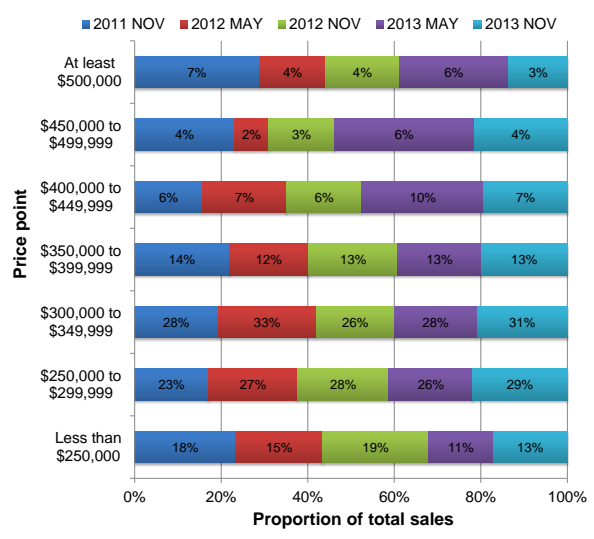
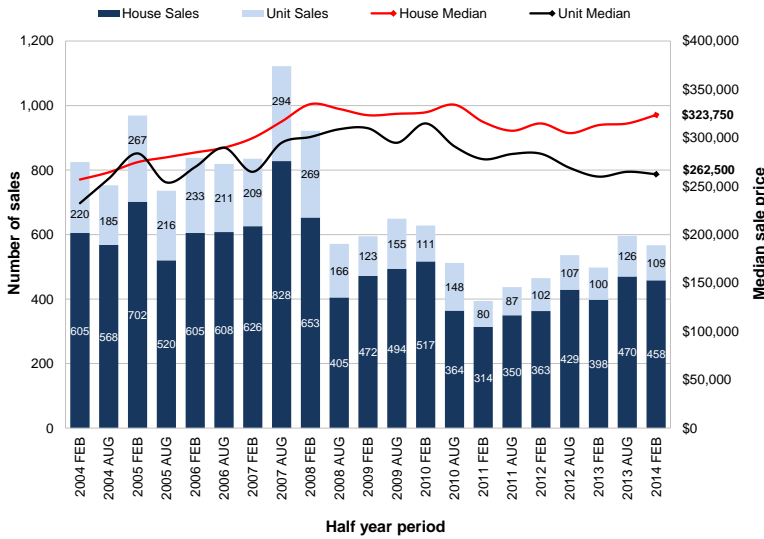
The following Property Watch report is the result of an investigation into the historic and current market trends of the Hervey Bay Area encompassing the suburbs of Urangan, Torquay, Scarness, Pialba, Point Vernon, Eli Waters, Urraween, Kawungan and Wondunna. Located three hours north of Brisbane by road, and just across the bay from beautiful Fraser Island, Hervey Bay is one of Australia's favourite tourist destinations.



There is an air of confidence being experienced in the Hervey Bay Area housing market with the six month period to November 2013 registering 832 transactions, a nine per cent increase on the five year average. The Hervey Bay Area median house price closed the November 2013 period with a median price of \$312,000 – nearing the price points that were witnessed prior to the economic uncertainty spurred by the Global Financial Crisis.

### Hervey Bay House and Unit Sales Cycle

### House Price Point Chart

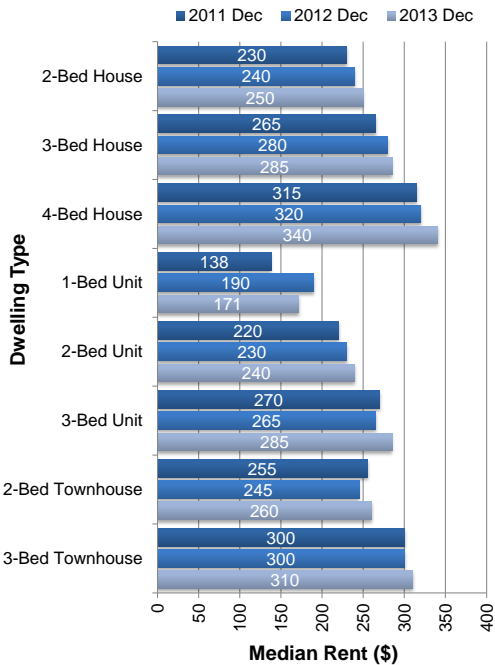


### Who's in the market?

There is a healthy mix of buyers active in the Hervey Bay Area with first home buyers emerging as they take advantage of record low interest rates and comparative affordability. On the other hand, sellers are looking to move on and take advantage of a much more active market, with shorter selling time and better prices.

Investors are forever present in the markets of the Fraser Coast, as rental demand remains high in neighbouring mining localities, the thrifty investor may look to relocate to capitalise on affordability and escape the shifting demographic the resource sector may bring in order to take advantage of lifestyle amenities on the Fraser Coast.

### Hervey Bay Median Rent



The rental market in the Hervey Bay Area has performed increasingly well over the past three years experiencing rental increases across all the dominant rental dwelling types. The Hervey Bay Area housing rental market is expected to continue its strong vein of form with houses providing over 80 per cent of the dwelling options. Similarly, the house rental market has kept parity with unit median rents and therefore provided the more affordable option for the thirty per cent of Hervey Bay renters.

***“4 bedroom houses witnessed a 6.25 per cent increase over the past twelve months closing 2013 with an asking \$340/week rent.”***

As there is currently a pipeline of large-scale development projects attracting workers to the Hervey Bay Area, it is expected that as rental demand increases, so will rental prices. With the market seemingly moving in an upward direction with a similar sentiment to the 2006-07 market, it may represent a solid opportunity for investors to get into the market early.

### Development and Jobs

**\$115,000,000**

#### Stockland Shopping Centre Expansion (Urraween)

Stockland's Urraween based redevelopment is expected to generate more than 250 local jobs during the 18-month construction program and more than 600 new retail jobs by the time of completion in late 2014.

**\$82,000,000**

#### St Stephen's Private Hospital (Pialba)

Australia's first fully integrated digital hospital will be ready for action by the end of 2014. With assistance from the Federal Government's \$47.1 million contribution the hospital will expand the current day surgery to a 96-bed inpatient facility.



Source: Stockland



Source: Uniting Church

## 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

**PRDnationwide provides a full range of property research services across all sectors and markets within Australia.**

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
- Competitive project activity analysis
- Economic indicators
- Social research, including focus groups

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