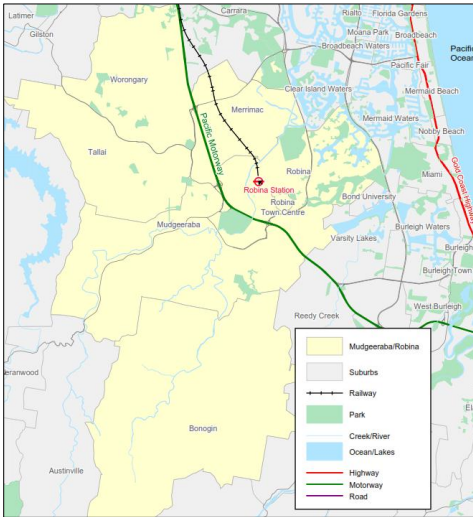


MUDGEERABA & ROBINA

Property Watch®



MUDGEERABA AND ROBINA AREA MARKET OVERVIEW

The following Property Watch report is the result of an investigation into the historic and current market trends of the Gold Coast region encompassing the suburbs of Worongary, Tallai, Merrimac, Robina, Mudgeeraba and Bonogin, highlighting the area's characteristics and trends to provide an understanding of the current market. The Property Watch report will attempt to forecast future house, unit and vacant land markets based on historical and economic trends for the Mudgeeraba and Robina Area, largely comprised of the master-planned residential community located centrally in Robina.

Considered one of Australia's most successful planned communities, the Greater Robina Area has become one of the fastest growing Gold Coast regions experiencing a population growth of 4.8 per cent per annum between 2001 and 2011. The Robina Town Centre provides a major shopping centre as well as the final rail station on Queensland Rail's Gold Coast line from Brisbane. The Robina Area is also home to the \$160 million Skilled Park, a major entertainment facility which can cater for crowds of up to 27,000 and Bond University.

The Gold Coast residential property market as a whole has been hit hard since the economic uncertainty spurred from the Global Financial Crisis (GFC) but while it comes down very quickly, the Gold Coast is expected to see a revival in the near future. With the announcement of the Commonwealth Games and installation of a new federal government in the September 2013, consumer confidence along the Gold Coast will continually strengthen.

The Mudgeeraba and Robina Area provide a prime example of the immediate shift in sentiment. Since recording a 2.3 per cent annum decline in median price since June 2008 the house market has rebounded very strongly with a 7.6 per cent increase since June 2012 to close the 2013 financial year with a median price of \$500,500.

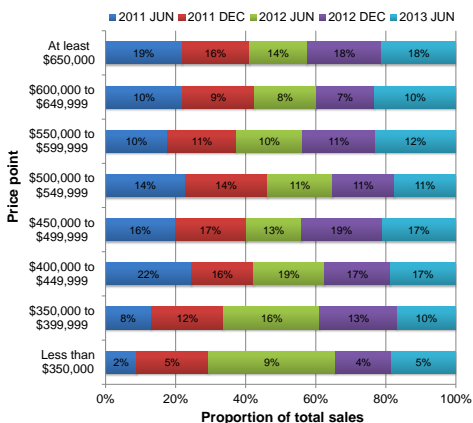
Like the median price trend for the Mudgeeraba and Robina Area, the sales cycle has similarly recorded a sharp increase despite registering a negative 3.4 per cent per annum sales decline since June 2008. The five year average of 716 transactions per financial year has been met with 722 settled sales for the 2013 period which does look to have stabilised as we now can expect continued steady growth.

MARKET INDICATORS

Change from Last	Year	Half Year
HOUSE SALES	↑	↓
HOUSE MEDIAN	↑	↑
LAND SALES	↓	↑
LAND MEDIAN	↓	↓
UNIT SALES	↑	↑
UNIT MEDIAN	↓	↑

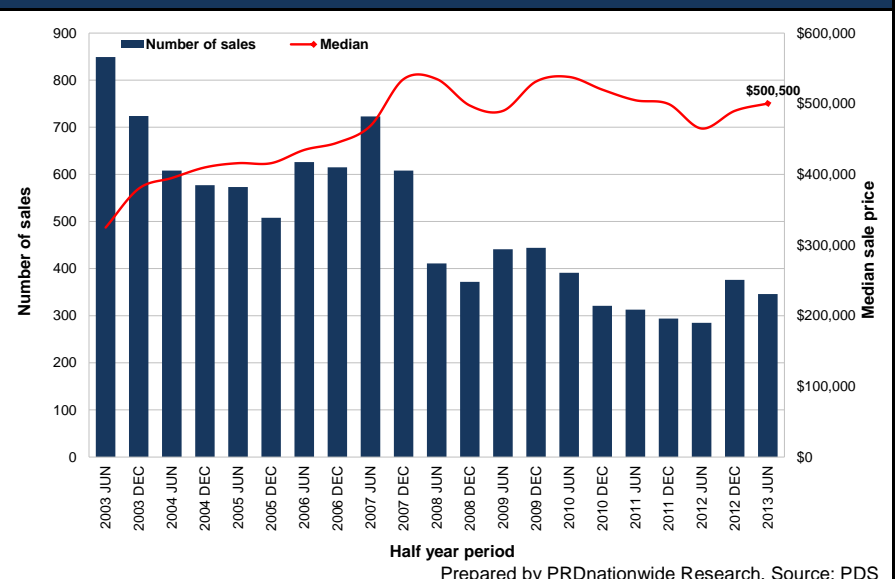
The indicators depicted above are based on the year ending 30 June 2013, with exception to rental indicators which are based on the year ending 30 June 2013.

HOUSE PRICE POINTS



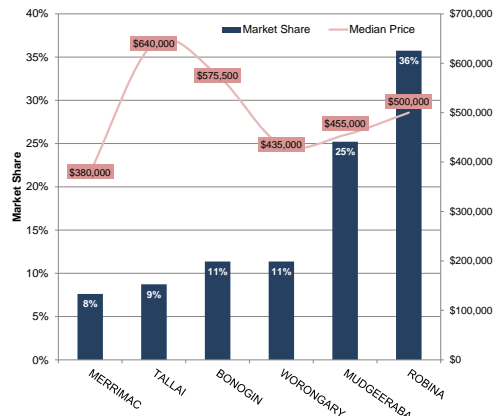
Prepared by PRDnationwide Research. Source: PDS

MUDGEERABA AND ROBINA HOUSE SALES CYCLE



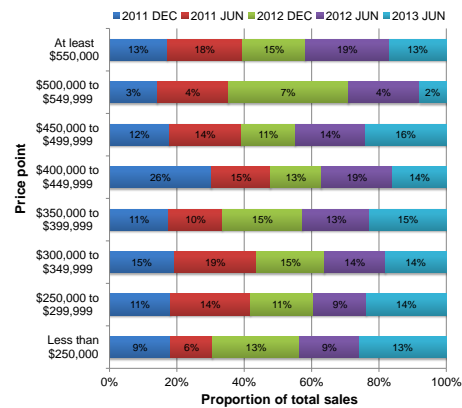
Prepared by PRDnationwide Research. Source: PDS

MEDIAN SUBURB HOUSE PRICE Annual Period to June 2013



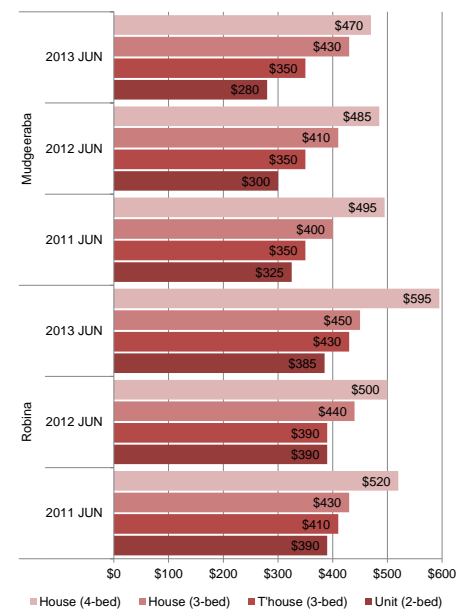
Prepared by PRDnationwide Research. Source: PDS

UNIT PRICE POINTS



Prepared by PRDnationwide Research. Source: PDS

MUDGEERABA AND ROBINA MEDIAN RENTS (2011-2013)

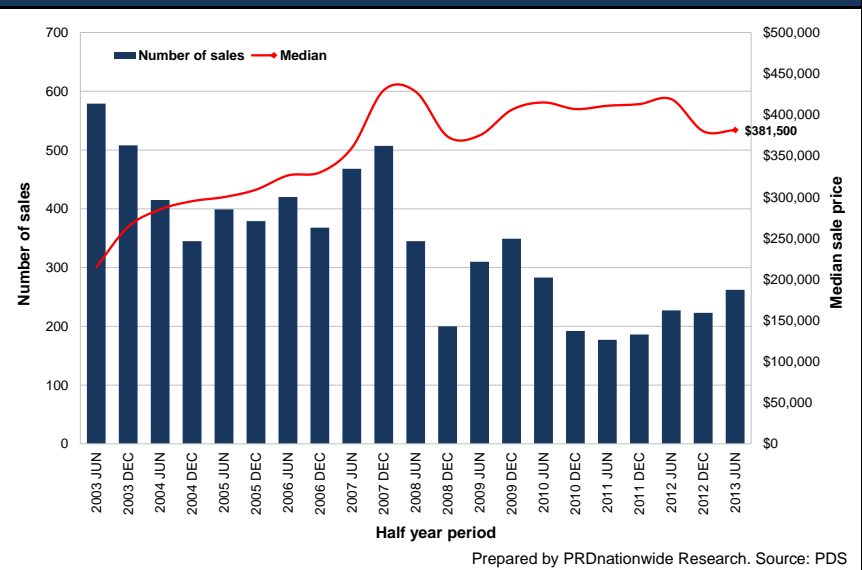


Prepared by PRDnationwide Research. Source: RTA

The house price points table reflects a robust market however not a great deal of price point shift over the previous 24 months. This being said, the 7.6 per cent positive shift in house median price over the past year has been largely in part due to the 12 per cent decline in sales under \$350,000 over the last twelve months. This, paired with a six per cent incline in the high end property greater than \$600,000 price has both shifted the median price rapidly yet also indicated that the Robina and Mudgeeraba Area is now seeing some consumer confidence and consistency in the market that will lead to continued growth.

As recorded in the *Median Suburb House Price* chart, the 2013 financial year recorded 64 per cent of housing transactions within the localities of Robina and Mudgeeraba recording median prices of \$500,000 and \$455,000 respectively. Of the remaining suburbs, Merrimac and Worongary have provided the affordable option for the area with median prices under \$435,000 while the suburbs of Bonogin (\$575,000) and Tallai (\$640,000) represent the higher end house sales largely due to the smaller lot size comparison with residential property east of the Pacific Motorway.

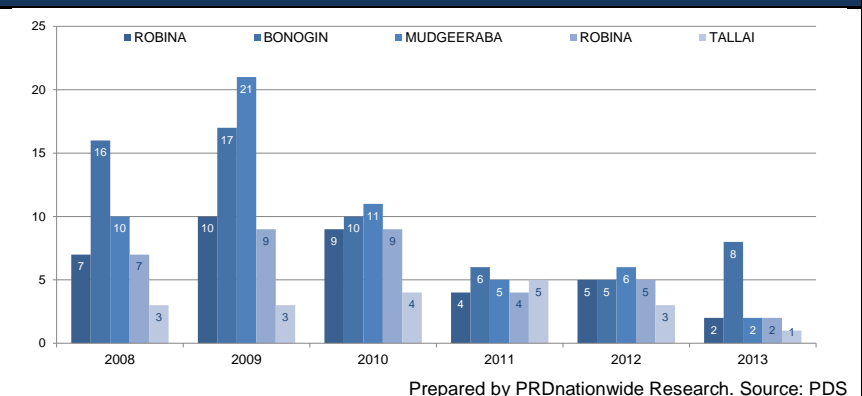
MUDGEERABA AND ROBINA UNIT SALES CYCLE



Prepared by PRDnationwide Research. Source: PDS

The Mudgeeraba and Robina vacant land market has recorded a steady decline of 11.6 per cent per annum over the last five year period since June 2008. Previous to this, the region witnessed a dramatic decline from 195 down to 40 (79 per cent) sales for the 2007 and 2008 calendar years. This is largely due to the diminishing availability of land within the Robina and Mudgeeraba localities as the masterplan begins to witness ultimate development. In terms of vacant land opportunities, the suburb of Bonogin remains the only desired option with eight transactions settled thus far in 2013 registering an affordable median price of \$258,000.

VACANT LAND SALES TRANSACTIONS BY SUBURB



Prepared by PRDnationwide Research. Source: PDS

The Pacific Motorway provides a point of difference in the local rental market with Mudgeeraba providing a vastly more affordable rental option for the thrifty investor. At the period ending June 2013, the Robina median rental was demanding up to 27 per cent higher rent than Mudgeeraba for 2 bedroom units. The Robina 3-bed townhouse and 4-bed housing markets recorded similarly registering 19 and 21 per cent respective increases. The best rental value to be located east of the Pacific Motorway resides in the Robina (\$450/wk) 3-bed house rental market where the Mudgeeraba (\$430/wk) median rent is comparably only marginally less.