

# IPSWICH AREA

Property Watch®

PRD nationwide



Ipswich Clock Tower Landmark

## MARKET INDICATORS

Change from Last	Year	Half Year
HOUSE SALES	↓	↓
HOUSE MEDIAN	↓	↑
HOUSE RENTS	↑	↑
LAND SALES	↓	↓
LAND MEDIAN	↓	↔

The indicators depicted above are based on the year ending April 2013, including rental indicators which reflect quarterly data up to March 2013.

## KEY HIGHLIGHTS

- Sales are expected to increase in the coming years as Ipswich remains one of the most popular areas in the state for population growth.
- The Ipswich Local Government Area has experienced a five per cent increase to the median house price during the April 2013 half year period.

## IPSWICH LGA MARKET OVERVIEW

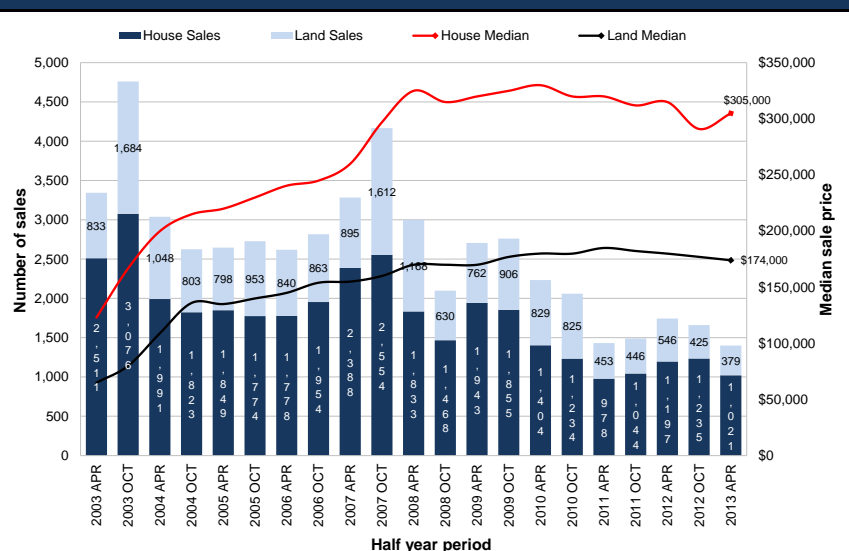
The following Property Watch report is the result of an investigation into the historic and current market trends of the Ipswich Area.

The Ipswich LGA house market has performed reasonably over the past years given the general economic climate and state of the property market, in combination with the flooding which occurred throughout Queensland in January 2011 and 2013. Proceeding the flooding events of 2011 and 2013, dips in the number of sales are clearly evident in the periods ending April 2011 and April 2013. Most recently, after recording its strongest period during the six months October 2012 (with 1,235 transactions) since late 2010, sales fell a sharp 17 per cent (to 1,021 recorded transactions), due to the most recent occurrence of flooding in the area. Prior to the most recent flooding, the Ipswich LGA was tending upwards, with consecutive periods of growth spurred on by the increased affordability in the region.

This increased affordability in the region is evidenced by the lowest median price in five years witnessed during the six month period ending October 2012, which dipped to \$291,000. Prices rebounded in the ensuing six month period ending April 2013, recording a median price of \$305,000 which represents a five per cent increase. Although this median price was three per cent lower when compared to the corresponding April 2012 six month period, signs are that it is trending back to previous levels.

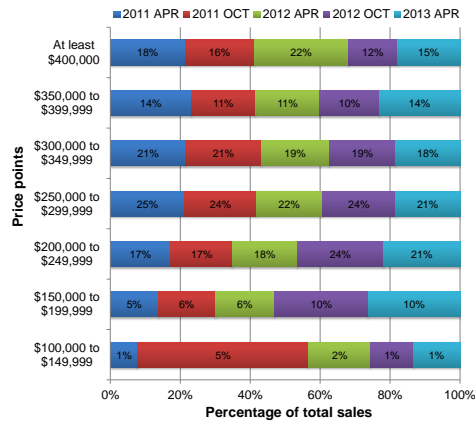
New home and land sales in the Ipswich LGA have been less affected by flooding, and the reduction of sales has been largely due to the reduced number of parcels available. The median price has trended down slowly, though remaining relatively stable. The previously touted First Home Owners Construction Grant (FHOCG) has unfortunately done little to encourage and increase the number of vacant land sales in the area.

## IPSWICH LGA HOUSE & LAND SALES CYCLE



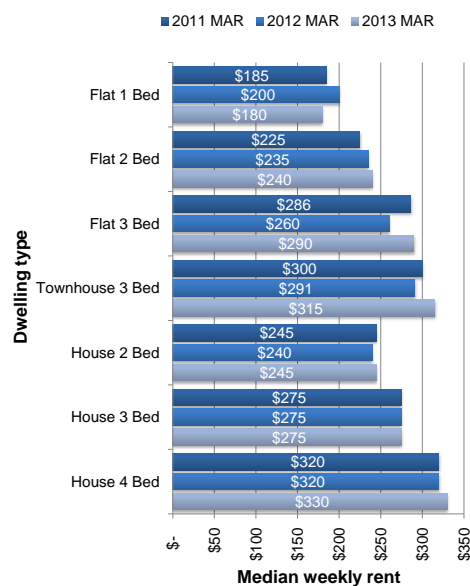
Prepared by PRDNationwide Research. Source: PDS

## HOUSE PRICE POINTS



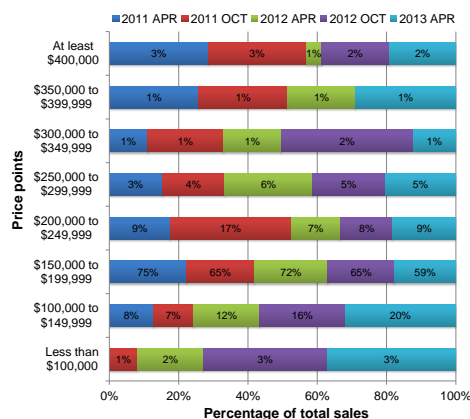
Prepared by PRDnationwide Research. Source: PDS

## MEDIAN HOUSE RENTS



Prepared by PRDnationwide Research. Source: RTA

## LAND PRICE POINTS



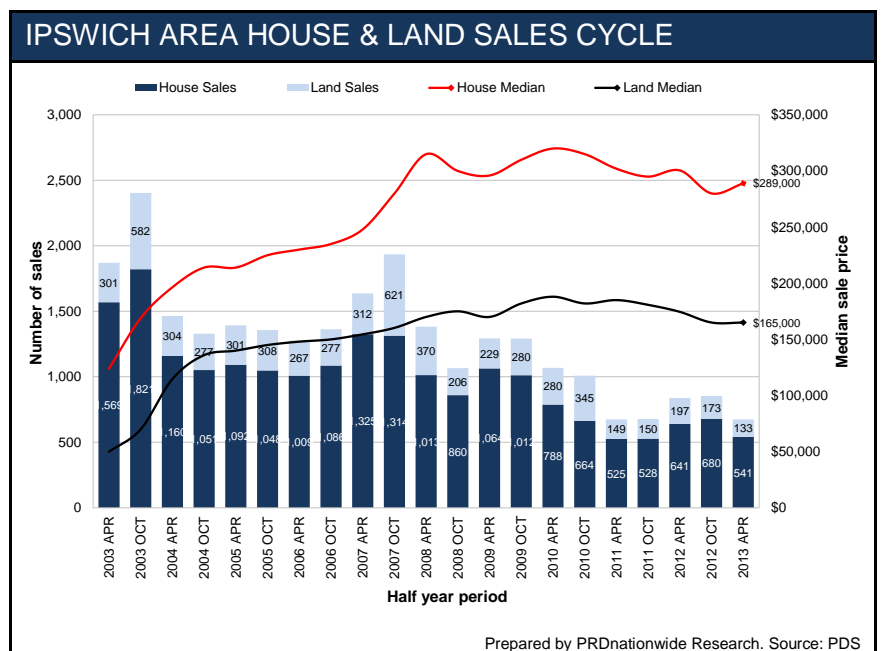
Prepared by PRDnationwide Research. Source: PDS

## IPSWICH AREA

The Ipswich Area encompasses the suburbs within the 4304, 4305 and 4306 postcodes. After performing strongly during the six months to October 2012, the next six month period ending April 2013 was more disappointing. The Ipswich Area experienced 541 recorded transactions, down 20 per cent from the previous October 2012 period. This drop in sales can likely be attributed to the flooding the Ipswich Area experienced over the past summer season, as can be seen in the same period after the more severe 2011 flooding.

The Ipswich Area saw a rise in median house price in the six months to April 2013, registering a median price of \$289,000. This is well below the median house price for the Ipswich LGA as a whole (at \$305,000) however represents a three per cent improvement on the previous half year period ending October 2012.

Observing the House Price Points chart, the rise in median price during the April 2013 half year period can be attributed to a rise in the number of transactions in the \$350,000 to \$399,999 price point as well as the \$400,000 plus price point. Where in the previous six months to October 2012, they accounted for 10 per cent and 12 per cent respectively, in the most recent half year period ending April 2013, they grew to 14 per cent and 15 per cent each. During the same time, the \$200,000 to \$249,999 and the \$250,000 to \$299,999 price points saw a contraction from 24 per cent of sales (each) during the October 2012 half year period down to 21 per cent of sales (each) during the most recent six months ending April 2013. This move to a higher price point may be a due to buyers wanting to buy outside of potential flood zones, hence driving the prices of these properties upward. It may be another reason for the reduction in the number of sales as these properties are snapped up quickly.



Prepared by PRDnationwide Research. Source: PDS

The new home and vacant land market has seen sales fall away in the same vain as the house market, dropping 23 per cent from the previous six months to October 2012 to experience 133 recorded transactions for the half year period ending April 2013. The median price in the Ipswich Area however has remained steady in recent times, finishing the April 2013 half year period at \$165,000 which is no change from the previous October 2012 period. The relative steadiness of the median price indicates the drop in sales is likely due to a lack of supply in the Ipswich Area, as buyers wait for new land releases around the Springfield Lakes area.