

TWEED COAST AREA

Property Watch®



TWEED COAST AREA MARKET OVERVIEW

The following Property Watch report is the result of an investigation into the historic and current market trends of the Tweed Coast Area, which encompasses the suburbs of Bogangar, Cabarita Beach, Casuarina, Chinderah, Cudgen, Fingal, Fingal Head, Hastings Point, Kingscliff and Pottsville.

The Tweed Coast Area property market has begun to regain some traction and stabilise, with sales numbers remaining relatively level amongst both the house and unit markets in the 12 months to March 2013. The house market recorded a total 114 transactions for the March 2013 half year period, translating to an 11 per cent increase in sales activity from the six month period ending September 2012; however was a minor two per cent increase on the corresponding period 12 months earlier.

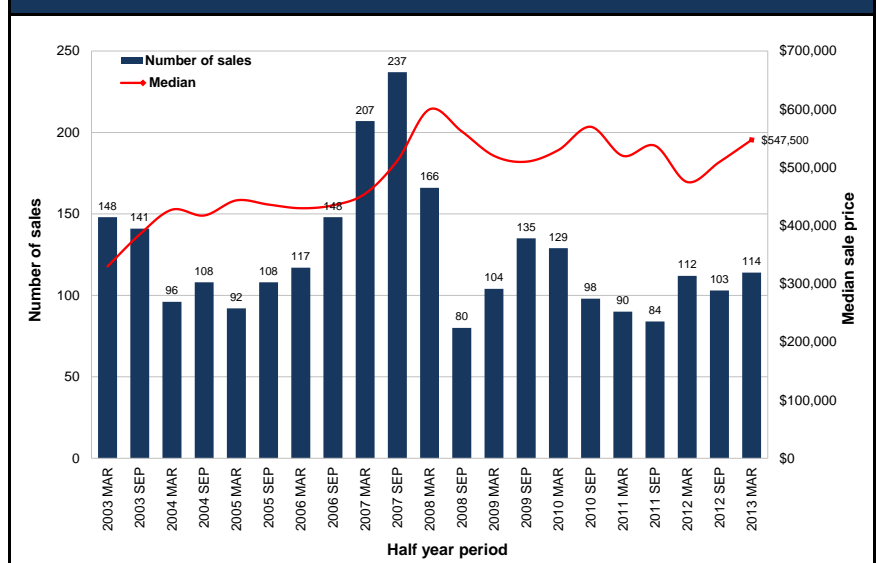
The median house price has shot up over the past 12 months ending March 2013, seeing a 15 per cent jump over the year to close the March 2013 six month period at \$547,500. According to the House Price Points chart, it can be seen that coinciding with this rise in median price has been the contraction of the lower end of the market. The sub \$449,999 market, which 12 months ago accounted for 38 per cent of total transactions in the house market, accounted for only 19 per cent of transactions during the most recent March 2013 six month period. At the same time, the \$450,000 to \$499,999 price range saw a boost of six per cent over the 12 months to account for 23 per cent of total transactions. This boost in the number of transactions in this price range may be a result of homes priced in the \$500,000 to \$549,999 price range needing to be discounted in order to sell, thus pushing them down into the lower price range after languishing on the market. Also of note is that the top end of the market, being those properties that sold for at least \$650,000 has seen strong growth, accounting for 36 per cent of total transactions in the Tweed Coast Area.

MARKET INDICATORS

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

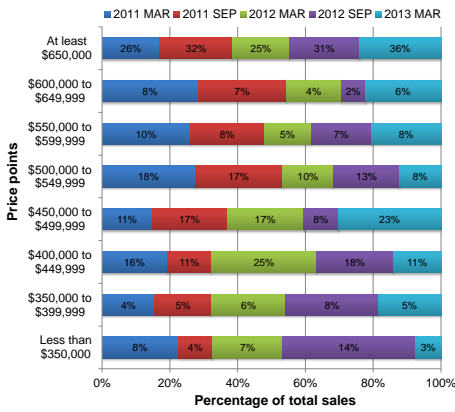
The indicators depicted above are based on the year ending March 2013, including rental indicators which reflect quarterly data up to March 2013.

TWEED COAST AREA HOUSE SALES CYCLE



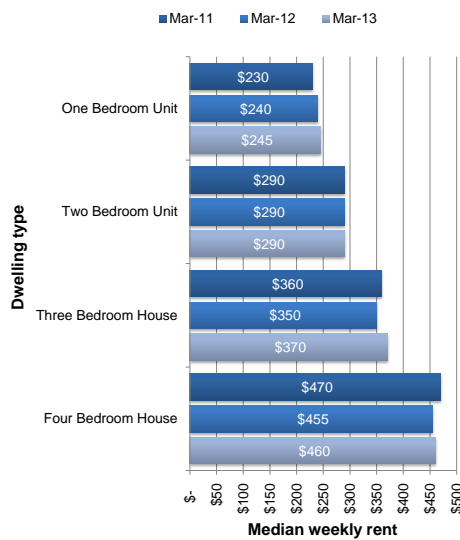
Prepared by PRDnationwide Research. Source: PDS

HOUSE PRICE POINTS



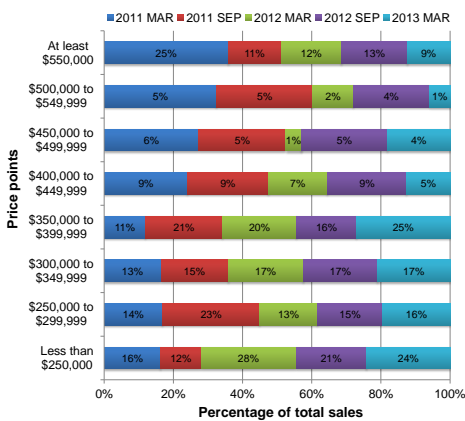
Prepared by PRDnationwide Research. Source: PDS

MEDIAN RENTS FOR TWEED



Prepared by PRDnationwide Research. Source: RTA

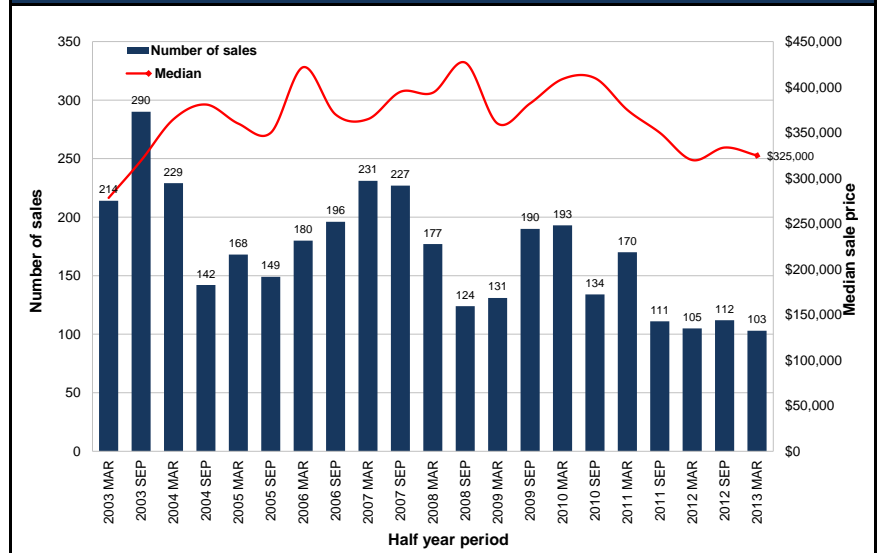
UNIT PRICE POINTS



Prepared by PRDnationwide Research. Source: PDS

The unit market in the Tweed Coast Area has seen sales stabilise since the six month period ending September 2011. For the March 2013 half year period, the Tweed Coast Area recorded 103 transactions, representing an eight per cent drop on the previous six month period (112 sales), and a smaller two per cent drop over the twelve months (105 sales). The unit market has reacted slower than the house market in the Tweed Coast Area, and the steady run of sales recently is more due to limited supply in the market.

TWEED COAST AREA UNIT SALES CYCLE



Prepared by PRDnationwide Research. Source: PDS

The median unit price has dropped again after a slight rise in the previous half year period ending September 2012. For the period ending March 2013, the Tweed Coast Area recorded a median unit price of \$325,000 which as mentioned earlier was a fall of three per cent on the previous half year period ending September 2012, however when looking at the corresponding six month period ending March 2012 the Tweed Coast Area saw an improvement of two per cent.

Observing the Unit Price Points chart, this small half yearly drop in the median unit price can be seen through the small contraction of the \$450,000 upward price range. Where in the half year period earlier it accounted for a total of 22 per cent of transactions, during the March 2013 six month period the same price range decreased eight per cent to account for 14 per cent of total transactions. During this same time period, the \$350,000 to \$399,999 price range saw an expansion from accounting for 16 per cent of total transactions up to 25 per cent. With other price brackets remaining more or less the same it can be ascertained that it is likely that the contraction and expansion explained above may be a result of existing stock being discounted in order to achieve a sale. Buyers are still looking for perceived bargains in the market, therefore those selling their property need to consider this if they would like a quick sale.

The Tweed Coast Area new home and land market has seen sales drop off considerably after 2012 proved a very fruitful year. The March 2013 half year period amassed 48 new home and land transactions, which is a drop of 45 per cent compared to the previous September 2012 half year period. With less product being available, the Tweed Coast Area has witnessed a gentle rise in median price over the past 12 months. Over the year to the period ending March 2013, the median price rose five per cent to finish the period at \$295,000. It is expected that the new home and land market will begin to record more transactions, as more land is released and residents look to upgrade to new homes. It is anticipated this will put downward pressure on the pricing in the existing house market, however may facilitate more sales as a result of the added affordability, assuming sellers accept this and price accordingly.