

BURLEIGH HEADS AREA

Property Watch®

PRD nationwide



BURLEIGH HEADS AREA MARKET OVERVIEW

The following Property Watch report is the result of an investigation into the historic and current market trends of the Burleigh Heads Area, defined by the suburbs of Burleigh Heads, Burleigh Waters, Miami and Varsity Lakes.

Sales in the Burleigh Heads Area house market have been on a steady decline since stimulus packages propped the market up through the second half of 2009 into the first half of 2010. While the back half of 2012 saw more activity in the market, the six months to January 2013 saw sales come back 11 per cent. During this period there were 190 transactions recorded. With the Gold Coast City Council attempting to facilitate construction with their Construction Kickstart initiative (commenced 1st October 2012), it is hoped this stimulus promotes small to medium-sized businesses and creates short-term construction jobs.

The median house price over the past 12 months has strengthened in the Burleigh Heads Area with a notable nine per cent increase over the year to January 2013, rising in a similar vein to that seen from 2009 to 2010. During this time the House Price Points charts notes that there has been a notable contraction of sales activity of approximately seven per cent in the \$400,000 to \$499,999 price range. Concurrently, the \$600,000 plus price range grew seven per cent to account for a total 28 per cent of sales. Although lower priced property still occupies the majority of the market, the expansion of the higher priced properties transacting is a likely sign of the increased mortgage affordability coupled with the development of more flexible options when it comes to mortgage products. However as sales have continued to decline it may be a sign that the latest price rise is unsustainable, with sellers needing to be realistic if they wish to sell their property in a timely manner.

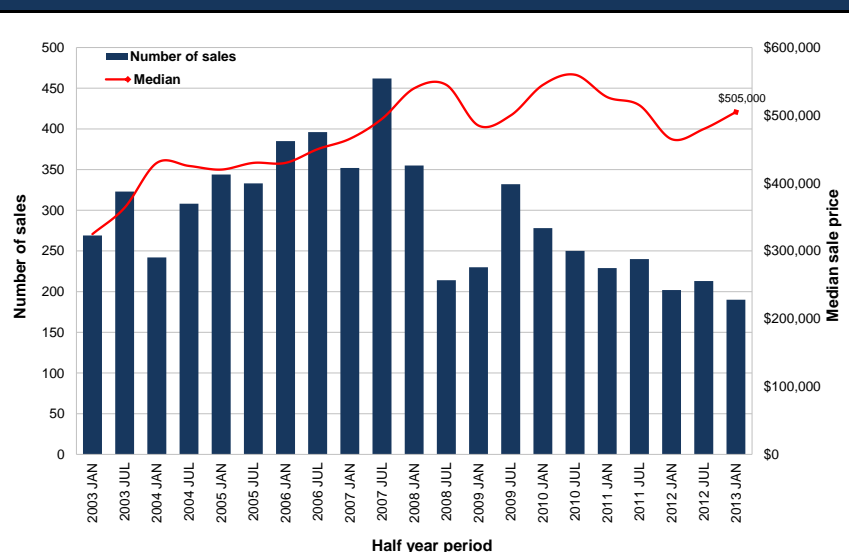
MARKET INDICATORS

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

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

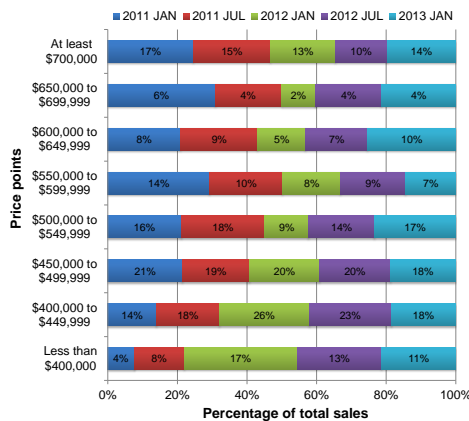
- The price gap between houses and units represents excellent value for money opportunities on offer in the Burleigh Heads Area unit market

BURLEIGH HEADS AREA HOUSE SALES CYCLE



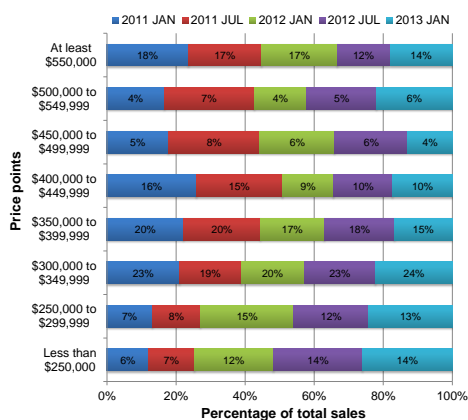
Prepared by PRDnationwide Research. Source: PDS

HOUSE PRICE POINTS



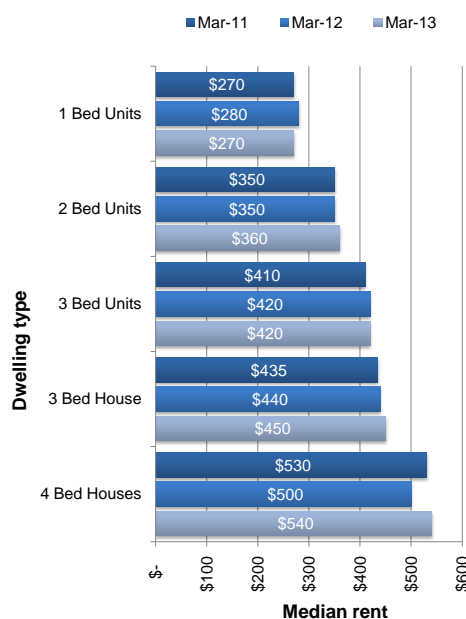
Prepared by PRDnationwide Research. Source: PDS

UNIT PRICE POINTS



Prepared by PRDnationwide Research. Source: PDS

MEDIAN RENTS – 4220 PC

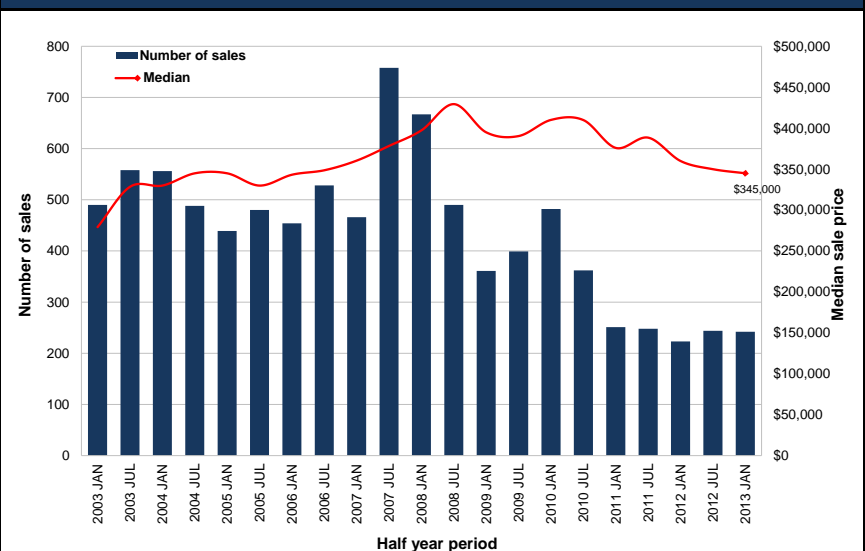


Prepared by PRDnationwide Research. Source: PDS

Sales in the Burleigh Heads Area unit market have been steady and plateaued as median price has contracted and is beginning to stabilise. In the six month period ending January 2013, there were 242 recorded unit transactions, representing a minimal one per cent drop from the previous six months; however represents a nine per cent increase over 12 months. Over the same time the median price has come back four per cent over the 12 months (and one per cent over the previous six months) to round out the January 2013 period at \$345,000. With the median price beginning to level off at its lowest point in six years, now represents a good time for buyers to enter the market. With a very limited amount of new unit supply occurring in the Burleigh Heads Area (approximately 31 units), and none of it due in 2013, median price can be expected to plateau and perhaps rise provided demand remains stable. Given the price gap between houses and units is currently at its greatest, the affordability and value for money offered in the unit market cannot be ignored.

The Unit Price Points chart represents the appetite of buyers for more affordable property, with the \$300,000 to \$349,999 accounting for 24 per cent of transactions, while the sub \$350,000 market accounted for 51 per cent of all transactions for the period. The \$550,000 plus market contracted three per cent over the 12 months to January 2013.

BURLEIGH HEADS AREA UNIT SALES CYCLE



Prepared by PRDnationwide Research. Source: PDS

The rental market in the Burleigh Heads Area has been slow over the past three years, with the average three year growth rate across all dwelling types sitting at a very modest 0.49 per cent. For interested investors intent on buying in the Burleigh Heads Area, three bedroom houses represent the most solid investment vehicle, with the category receiving a five per cent growth in bonds over three years, and a one per cent growth in weekly median rent.

MOST ACTIVE SUBURBS FOR THE JANUARY 2013 HALF YEAR

House market	No. House Sales		Unit Market	No. Unit Sales	
	HY Jan-13	Annual Change		HY Jan-13	Annual Change
Burleigh Waters	85	-8%	Burleigh Heads	103	16%
Varsity Lakes	55	-13%	Varsity Lakes	67	8%
Burleigh Heads	29	4%	Miami	43	5%
Miami	21	11%	Burleigh Waters	29	-6%

Prepared by PRDnationwide Research. Source: PDS