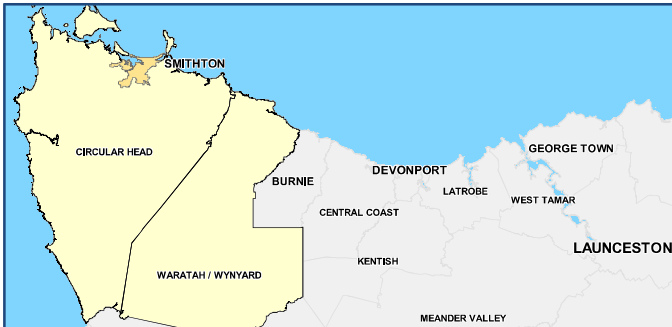


# SMITHTON AREA

## Property Watch®

PRD nationwide

### SMITHTON AREA MARKET OVERVIEW



The following Property Watch report is the result of an investigation into the historic and current market trends of the Smithton Area situated on the Northern Tasmanian coastline. The Smithton Area (left) services the majority of the Circular Head LGA including markets along the West Coast through to South of the Arthur River and across to the seaside city of Burnie.

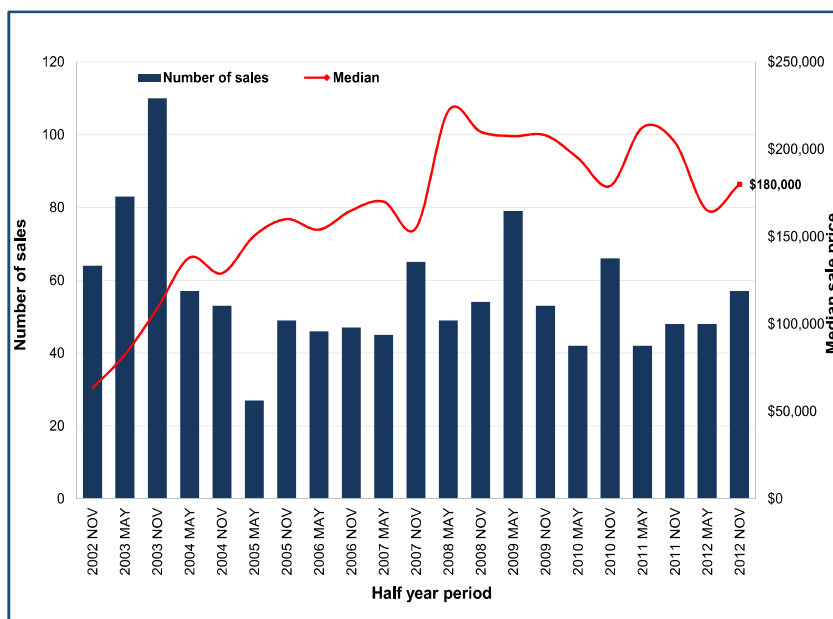
The Tasmanian government in March 2013 endorsed plans to invest in the North-West with Tasmanian producers to increase dairy production, aquaculture industry, and wine production over

the next decade. March simultaneously saw the opening of Tasmanian Dairy Products' new \$80 million milk processing facility in Smithton which backed by industry research suggests a 40% expansion for dairy farmers with an additional 550 on-farm jobs expected to be created over the next 3-5 years directly affecting the short term rural, single family residential and vacant land markets throughout Smithton and the Circular Head municipality alike.

The immediate Smithton Area comprises over 50 per cent of total settlements and has witnessed consistent sales over the past 5 year period and while the total transaction number has remained consistently low, ranging between 40 and 60 closings over the past two year period, enquiries within Smithton and surrounding suburbs including Stanley and Burnie seem to be robust maintaining a sound share of the residential transaction market. Conversely, as a result of the rural nature and large catchment the Smithton Area services, it is noted in this Property Watch report that the number of sales are generally lower as a large proportion of sales are in fact designated rural farming and primary industry land not directly affecting residential markets.



### SMITHTON HOUSE SALES CYCLE



The Smithton Area median house price closed the period ending October 2012 at \$180,000 and while this represented a 3 per cent increase on the five year period since November 2007, indicated a slowing regionally compared with the 11 per cent increase per annum witnessed since May 2002. It seems the Smithton Area represents a market where the median price does not justify the competitiveness and interest within the Tasmanian market due to the large variety of lot sizes which provide monthly variances to median pricing. In the 3-year period to October 2012 the Smithton Area witnessed 70 per cent of transactions in the sub-1,500<sup>m</sup><sup>2</sup> markets producing a median of \$185,000 for the aforementioned settlements. Alternately, the rural market (at least 1,500<sup>m</sup><sup>2</sup>) saw 30% of the housing market resulting in a median of \$215,000, a 14 per cent median house price swing directly influencing the fluctuation shown in above 'Sales Cycle' chart.