

NUNDAH AREA

Property Watch®

PRD nationwide



NUNDAH AREA MARKET OVERVIEW

The following Property Watch report is the result of an investigation into the historic and current residential real estate market trends of the Nundah Area. For the purpose of this report, the Nundah Area encompasses the 4012 postcode, incorporating both Nundah and Wavell Heights.

The Nundah Area is set to experience renewed interest, with the Toombul Nundah Neighbourhood Plan coming into effect in October 2012 as a result of a study into the urban renewal of the Area. With this in mind, the Brisbane City Council aims to invigorate and strengthen the region, promoting retail, commercial and residential projects within the Area. The Area is seen as an important hub in servicing the major employment areas of the Brisbane Airport, the Port of Brisbane as well as the Brisbane CBD.

MARKET INDICATORS

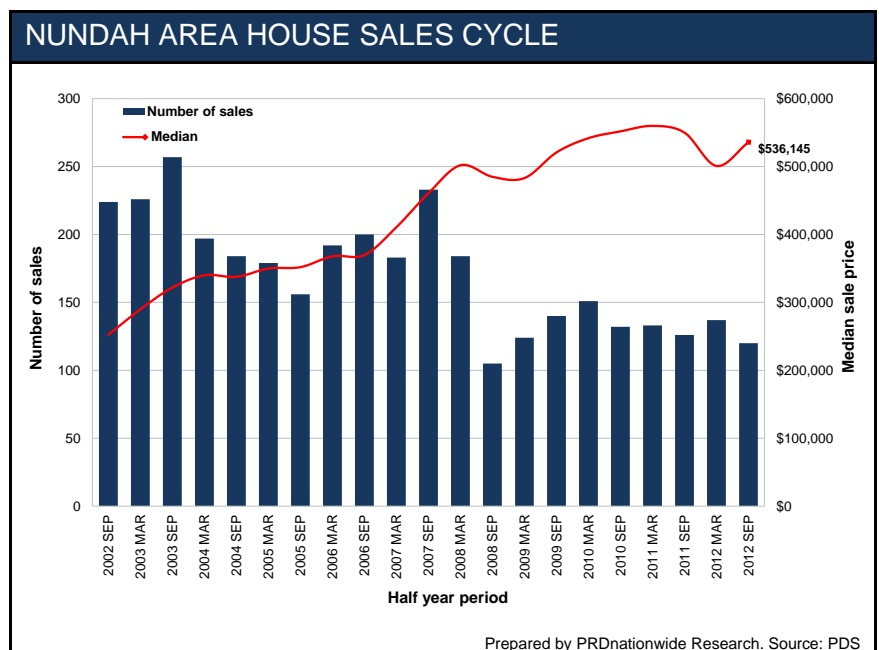
Change from Last	Year	Half Year
HOUSE SALES	↓	↓
HOUSE MEDIAN	↓	↑
HOUSE RENTS	↓	↑
UNIT SALES	↓	↓
UNIT MEDIAN	↓	↓
UNIT RENTS	↑	↓

Indicators are based on the year ending 30 September 2012

KEY HIGHLIGHTS

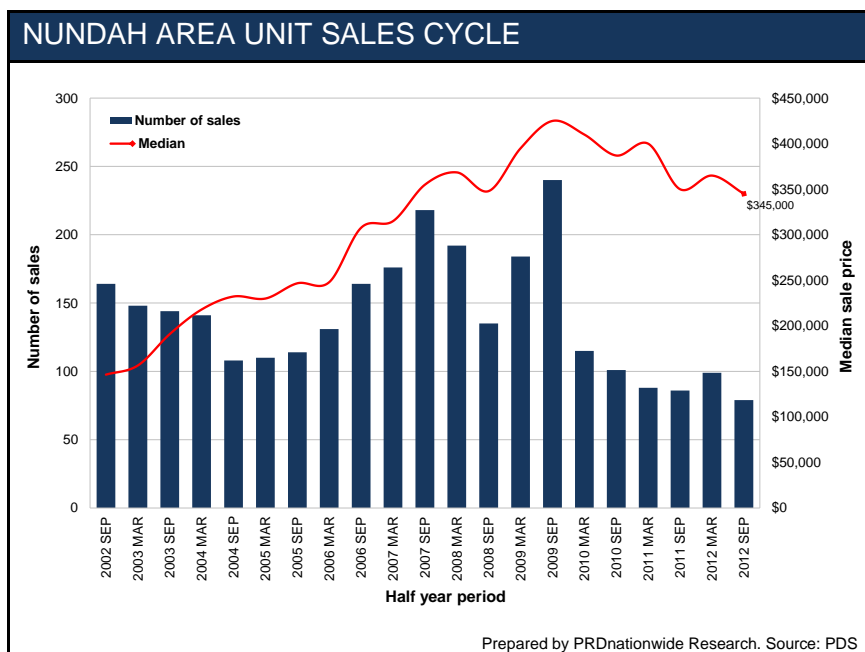
- The Nundah Area is set to experience renewed interest, with the Toombul Nundah Neighbourhood Plan coming into effect in October 2012
- The \$500,000 to \$700,000 price range proved popular among house buyers, accounting for 45 per cent of sales
- A 20 per cent drop in unit sales volume has made it the worst performing six month period in over ten years

In the six month period ending September 2012, the Nundah house market experienced an upturn in median price, witnessing an improvement of seven per cent to \$536,145. In that same period, sales volumes dropped, falling 12 per cent from 137 sales, down to 120 sales; the lowest recorded sales numbers since the period ending 30 September 2008. While a median price increase was experienced, the drop in sales volume may indicate that many buyers are still price sensitive, and are not willing to enter into high levels of debt. One could argue that buyer confidence in the house market in the Area is down, despite a large amount of development and infrastructure being invested in the Area.



A price point analysis undertaken for the house market has highlighted a shift in buyer preference towards more affordable housing options, with the sub \$500,000 price range accounting for 43 per cent of total purchases in the September 2012 period. However, the \$500,000 to \$700,000 range proved to be popular among buyers, accounting for 45 per cent of sales. Sellers who are willing to price their properties realistically are seeing results, while sellers who are idealistic in their pricing are sitting on the market for longer periods of time. With a renewed focus to stimulate the Nundah Area, sales levels may improve.

The Nundah Area unit market has experienced a significant contraction compared to the previous six month period. During this time, there was a brief strengthening in the market place where both sales volumes and median prices both rose. However, in the six month period ending 30th September 2012, sales dropped 20 per cent to 79, while median price softened five per cent to \$345,000. The 20 per cent drop in sales volume has made it the worst performing six month period in at least ten years, while the median unit price is at its lowest point since March 2007. This drop in median price can be attributed to a price-driven demand for product under \$400,000, which accounted for 78 per cent of total unit transactions for the period. With a number of new unit developments due to come to market throughout 2013, there may be an increase in sales volumes into and throughout the New Year.

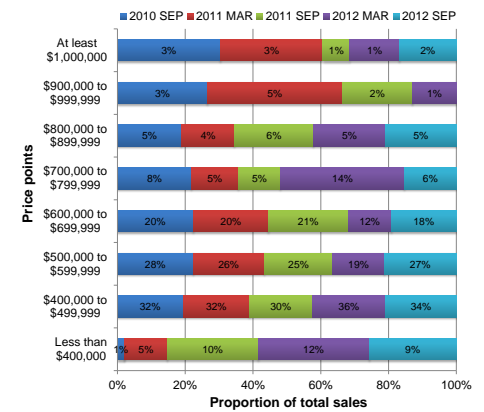


The Nundah Area rental market has remained relatively flat over the past two years, with the exception of three bedroom units and two bedroom townhouses, which both improved noticeably from September 2011 to September 2012. With new unit stock coming to the market in the next year, rents can be expected to contract slightly with tenants having more choice in the market, as supply begins to meet demand.

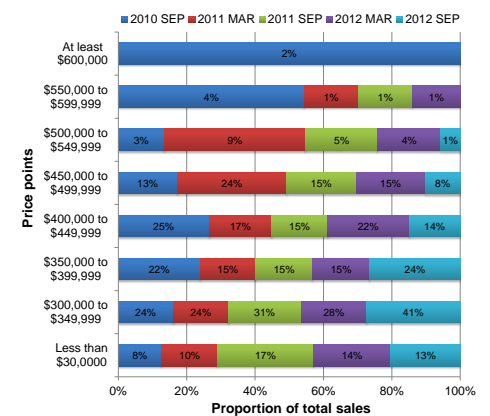
HOUSE PERFORMANCE FOR THE SEP 2012 HALF YEAR					
Suburb	No. House Sales		Suburb	Median House Price	
	HY Sep-12	Annual Change		HY Sep-12	Annual Change
Wavell Heights	82	-10%	Nundah	\$580,000	8%
Nundah	38	5%	Wavell Heights	\$500,000	-10%

Prepared by PRDnationwide Research. Source: PDS

HOUSE PRICE POINTS



UNIT PRICE POINTS



MEDIAN RENTS – 4012 P/C

