

CAMDEN HAVEN AREA

Property Watch®

PRD nationwide



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 August 2012. Rental indicators are based on 12 months to September 2012.

KEY HIGHLIGHTS

- Detached houses in the sub \$400,000 market attracted a large number of offers, leading to shorter days on the market.
- First home buyer activity remained scarce, but investor enquiries intensified as rent prices firmed.
- Positive growth in the vacant land market was evidenced, with a total of 24 transactions over the August 2012 period.

MARKET OVERVIEW

This report navigates through the Camden Haven area's residential market, located in the south-eastern corner of the Port Macquarie-Hastings Local Government Area. The region experienced an increased level of enquiry and sales over the past two years.

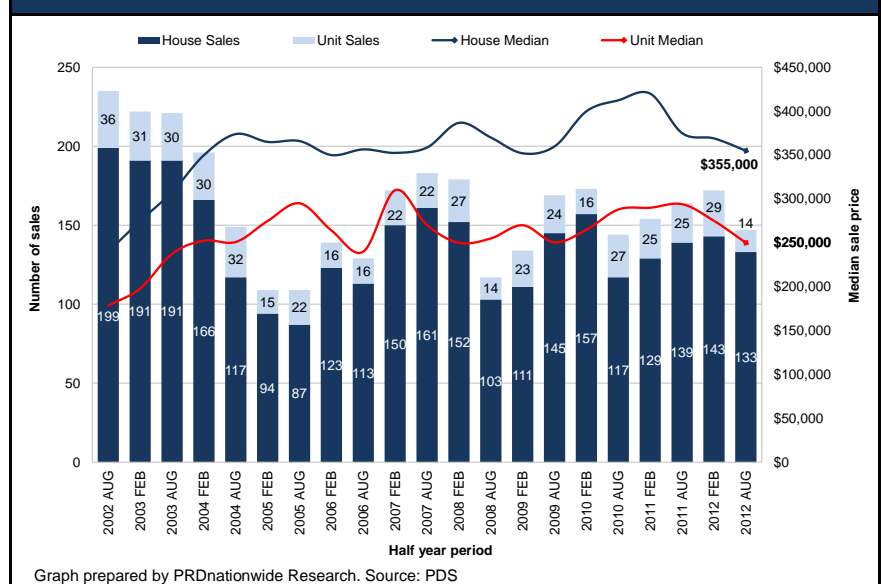
Houses

Enquiry slowly increased since the beginning of 2012, and continued to build up since August as realistic sellers and an increase in buyers' confidence led to multiple offers being put on some properties. The median price for a house closed the August six month period at \$355,000, representing a 5.3% decline over the 12 months from August 2011.

Toward the bottom end of the market the share of house transactions under \$300,000 increased between the August 2011 and 2012 period, while the share of sales in the \$300,000 to \$399,999 declined. The proportion of house transactions over \$400,000 remained unchanged, with a 40% market share. Detached houses in the sub \$400,000 market attracted a large number of offers, leading to shorter days on the market. Properties in the \$400,000 plus bracket remained out of reach for most buyers and often experienced prolonged selling periods.

Second and third home buyers were most active in Camden Haven over the August period. They included a large share of purchasers from outside the area, looking to downsize, or secure a property for rental purposes with a view to use the investment as a retirement accommodation in the long term. First home buyer activity remained scarce, but investor enquiries intensified as rent prices firmed.

CAMDEN HAVEN HOUSE & UNIT SALES CYCLE



HOUSE PRICE POINTS

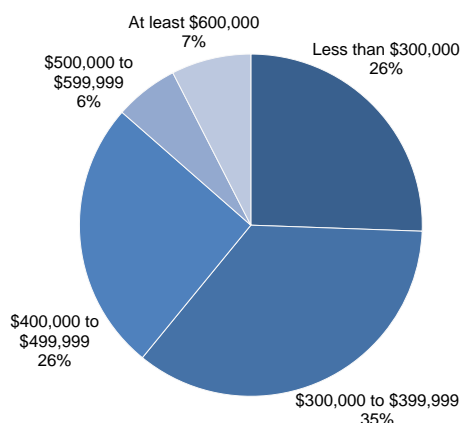
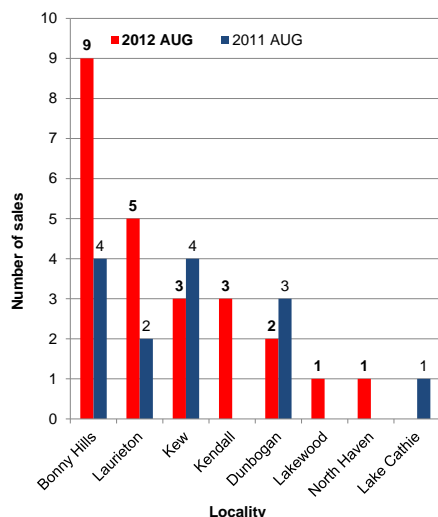


Chart prepared by PRDnationwide Research. Source: PDS

VACANT LAND ACTIVITY



Graph prepared by PRDnationwide Research. Source: PDS

Bonny Hills remained the most **active** suburb, appealing to **sea changers** and **families**.

Units

With only a small attached dwelling market in the area, unit sales have been inconsistent over the past ten years. The August six month period recorded a low unit activity, following two years of above average number of transactions. The market averaged 22 transactions per six month period over the past five years, compared to 14 sales in the August 2012 period. Observing two suburbs with the largest number of unit dwellings, the beachfront town of Lake Cathie declined from seven transactions in August 2011 to three in 2012, while sales in Laurieton dropped from eleven in 2011 to four in 2012. Ten units sold for \$300,000 or less, with four selling over \$300,000.

The rental market

Rent remained stable in the year to September 2012, with stable prices for houses and an increase for medium-density dwellings. The median rent for a three-bedroom house remained unchanged in the 12 months to September 2012 (\$350 per week), while two-bedroom villas and apartments recorded a median price increase of 7.3% to \$258 per week. Demand for rental accommodation firmed over the past three years as potential buyers limited their exposure to the decline in house and unit prices by remaining in the rental market. Shortage in quality rental dwellings led to an increase in rent prices across the region, subjecting tenants to higher rents even for modest accommodation.

Vacant land

Vacant land activity has contracted over the past eight years as a result of lukewarm demand for new homes. In the three years since the financial crisis, lots in Bonny Hills accounted for almost one third (32%) of transactions, with Lake Cathie, Dunbogan and Kew collectively accounting for 91 sales or 41% of the total five-year activity. While ample land was set aside for future residential lot rezoning, the high cost of construction and prohibitive government requirements meant that most buyers opted for existing dwellings over a home and land option. That said, the Vacant Land Activity graph provides positive signs of growth in this market, with a total of 24 vacant land transactions over the August 2012 period compared with 14 in August 2011.

HOUSE SALES COMPARISON

Suburb	Activity			Median price		
	Aug-11	Aug-12	12 month change	Aug-11	Aug-12	12 month change
Bonny Hills	25	26	▲ 1	\$450,000	\$418,750	▼ -6.9%
Lake Cathie	26	22	▼ -4	\$379,750	\$353,000	▼ -7.0%
North Haven	21	16	▼ -5	\$355,000	\$327,500	▼ -7.7%
Lakewood	14	15	▲ 1	\$332,500	\$320,000	▼ -3.8%
West Haven	7	14	▲ 7	\$335,000	\$371,500	▲ 10.9%
Laurieton	10	14	▲ 4	\$367,500	\$348,000	▼ -5.3%
Dunbogan	16	11	▼ -5	\$381,250	\$385,000	▲ 1.0%
Kendall	6	9	▲ 3	\$332,500	\$330,000	▼ -0.8%

Table prepared by PRDnationwide Research. Source: PDS

The house sales table points to a decline in activity across Lake Cathie, North Haven and Dunbogan, while sales in West Haven and Laurieton increased. Bonny Hills remained the most active suburb, appealing to sea changers and families. While activity in the beachside suburb firmed, the median price of a house declined. The opposite was observed in West Haven, where the increase in median price was linked to the sale of a unique waterfront property on a 1200 square metre lot in Seltin Glen.

The residential market in Camden Haven is expected to improve once certainty and confidence return to the economy. However, the resilience of this coastal market is already evidenced in the increased level of transactions over the past two years.