



Robina Town Shopping Centre

KEY 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 30 June 2012.

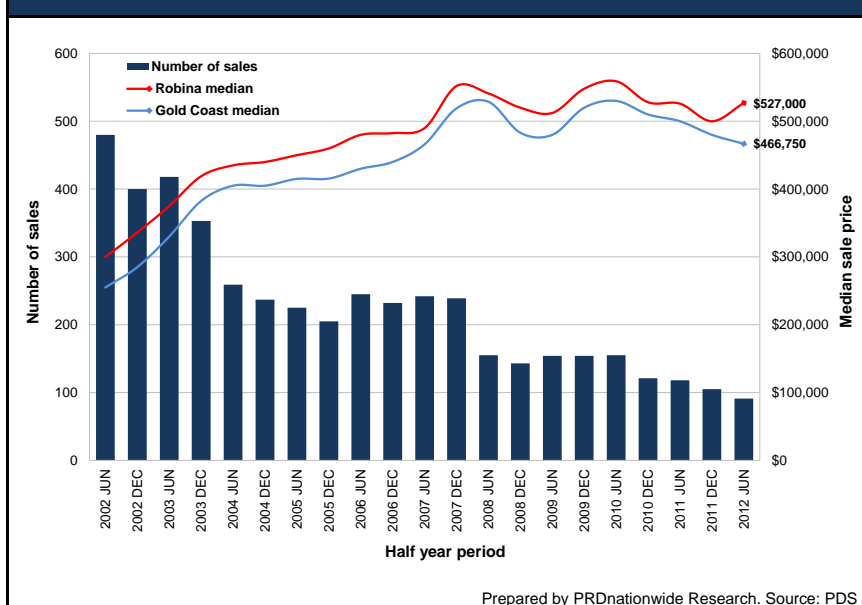
ROBINA MARKET OVERVIEW

The following property watch report investigates the historic and current trends of the Robina residential real estate market, specifically the house and unit (apartment and townhouse) markets.

The Robina house market continues to follow the trends of the wider Gold Coast Local Government Area (LGA), recording historically low sales volumes and up until the most recent June 2012 half year period, a median price as low as that recorded in 2007 prior to the Global Financial Crisis (GFC). In the six months to 30 June 2012, the median price increased a notable 5.4 per cent to \$527,000, bucking the sustained decline in the median price of the wider LGA. Prior to the most recent period, the median price had softened on average 2.2 per cent per annum since the median price peak in June 2010 period. The peak subsequent to the GFC was the result of the inflationary pressures of the stimulus driven 2009 market, which temporarily underpinned the market from the collapse highlighted in the June 2008 period.

Sales activity since the June 2010 period has tapered down considerably, with a total of 91 transactions registered during the six months to 30 June 2012, almost half of the five year sales average. The reluctance of many vendors to revise their price expectations together with the vulture like mentality of many active buyers has served to curtail any resurgence in activity, despite large improvements to mortgage affordability in the first half of 2012. A price point analysis of the Robina house market suggests that the recent uplift in the median price is largely attributed to increased activity within the \$550,000 to \$600,000 price range. Sales under \$500,000 accounted for 56 per cent of activity during the June 2012 period compared to 64 per in the previous six month period contributing to the acute increase in the median price.

ROBINA HOUSE SALES CYCLE

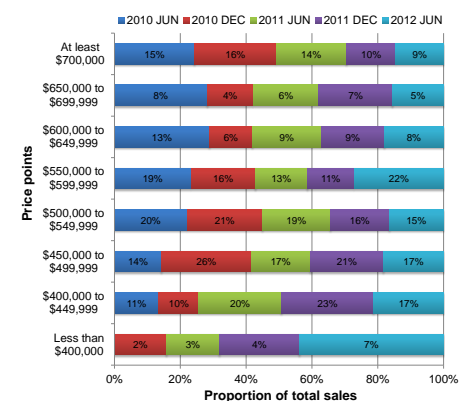


The Robina unit market (which includes apartments and townhouses) has outperformed the wider LGA to record a spike in the median price and a marginal increase to sales volumes during the June 2012 period. The median price disparity between the Robina and Gold Coast unit market has widened to almost \$100,000 in the June 2012 period despite both areas recording positive growth from the previous six month period. A total of 99 transactions were registered during the June 2012 period, representing a 22.2 per cent uplift in activity from the December 2011 period, bucking the Gold Coast's trend of depressed unit sales. Perhaps the phasing out of the \$10,000 Building Boost Grant (effective between the 1st of August and the 30th of April 2012) contributed to a late upturn in volumes, considering the availability of several new townhouse/ terrace developments available in the market. However, in general the incentive failed to make a marked impression to volumes across the Gold Coast LGA, though perhaps contributed to a stabilisation in the median price.

In an attempt to boost activity in the construction industry, first home buyers are set to benefit from a revamped First Home Buyers Scheme which purports to replace the existing \$7,000 cash hand out for the purchase of any property to \$15,000 exclusively for purchases of new/ off the plan property. Whilst vested interested groups are crying poor regarding the removal of the \$7,000, it is not expected to have a material impact on the established market whatsoever, from a buyer's perspective that is. Similarly, the stimulatory effect of the First Home Owners Construction Grant (FHOCG) isn't likely to transpire to a surge in buyer activity likened to the boost in 2009, considering the deflated purchasing segment that the grant targets.

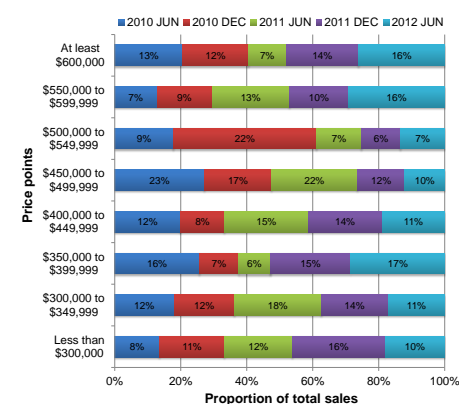
Anecdotal evidence suggests enquiry levels from end users have increased since the beginning of 2012 in the unit market, influenced by increased mortgage affordability (as a result of increased competition between the banks and their mortgage products), sustained price corrections and a notable price disparity between the house and unit market. With stable median rental growth experienced across each property market over the past three years (with exception to four bedroom houses) investors are also beginning to consider the Robina market as it not only offers a diverse housing mix that caters for all budgets but boasts an unparalleled level of services, infrastructure and amenity within the Gold Coast. A price point analysis of the unit market highlighted activity above \$550,000 accounted for 32 per cent of total sales during the June 2012 period, in contrast to the 24 per cent the previous six month period. This supports the indication of resurgence in the investor segment for higher end property; which in general presents the best market value in the Gold Coast market today.

HOUSE PRICE POINTS



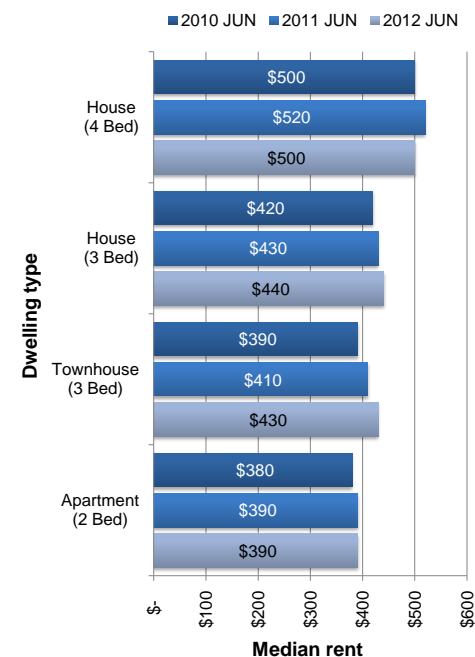
Prepared by PRDNationwide Research. Source: PDS

UNIT PRICE POINTS



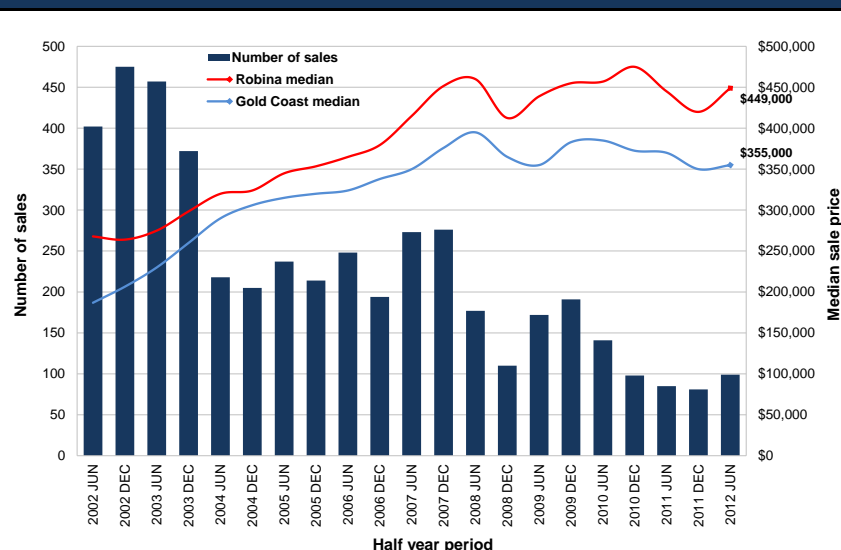
Prepared by PRDNationwide Research. Source: PDS

MEDIAN RENTS – 4226 PC



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ROBINA UNIT SALES CYCLE



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