



PROPERTY WATCH®

Burleigh Area Residential Market Overview

August 2008

Area Characteristics

The Burleigh Area is located 11 km south of Surfers Paradise along a central stretch of the Gold Coast oceanfront. The Burleigh area is home to some of the best swimming and surfing beaches on the Gold Coast. The area is growing at a rapid rate and attracts a diverse range of people, who require an array of amenity and services. The famous Burleigh Beach is a major drawcard hosting the Quicksilver Pro Surfing event every year. The following Property Watch report is the result of an examination of historic and current activity that takes into account recent sales, median house prices and price points and aims to identify the trends of housing and unit product in the area.

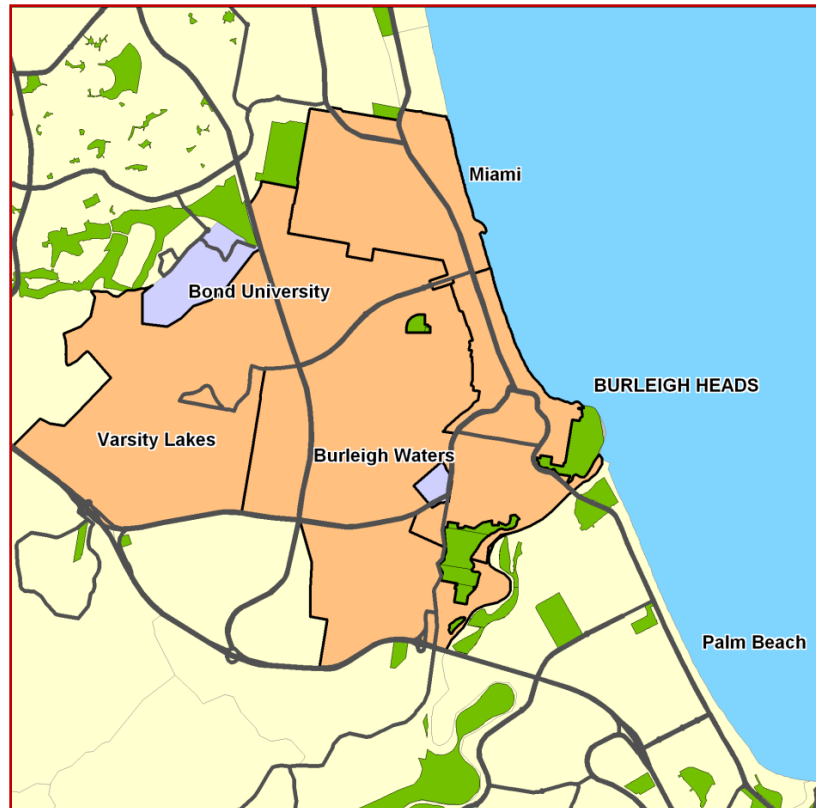
Demographics

The Burleigh Area is growing at a rapid rate and needs to cater for a diverse range of people. According to the Australian Bureau of Statistics (ABS) the Burleigh Area including the suburbs of Burleigh Heads, Burleigh Waters, Miami and Varsity Lakes had a total population of 42,794 during the 2006 – 2007 financial year; a 3.3% increase from the previous year. There is a substantial demographic difference from suburb to suburb within the Burleigh Area and to discuss the area as a whole average seems misleading. The best way to gain a demographic understanding of the Burleigh Area is to compare individual suburb averages against the Burleigh Area averages and consider the information as a collective. Looking at the age distribution table to the right, Burleigh Heads has an average age of 43, this is due to a large portion of the population (35%) are aged 55 years and over, whereas Varsity Lakes' aging population only equates to 18.7% of the suburbs' total population. Whereas the 0 – 14 years bracket in Varsity Lakes equates to 21.5% and the average age is 32.

It is a similar story with tenure and housing characteristics within the Burleigh Area, so tenure and characteristics have also been presented as a suburb breakdown. Looking at the tenure and housing characteristics table to the right, Miami has only 31.9% single houses and 66.1% unit, apartment and townhouse stock in comparison to Burleigh Waters with 76.1% single houses and only 23.8% dedicated to medium density living. Burleigh Waters has the highest rate of owner occupation at 43.3% with lowest rental at 20.6% whereas being a new suburb, Varsity Lakes has the lowest owner occupation at 19.6% and the highest rental rate of 42.7%.

Housing Market

The Burleigh Area housing market experienced a decline in the number of sales during the March 2008 half year period. This trend was seen in the majority of residential markets across the nation and is due to an interest rate adjustment, a drop in consumer sentiment and the credit crunch being experienced globally. Over the past five years, the Burleigh Area has experienced growth at a healthy rate of 10.2% per annum which is an overall increase of \$213,985. Most recently, the area saw an 18.1% increase in house prices over the year ending March 2008. Looking at the house sales cycle graph to the right, the March 2008 half year recorded the highest median price to date with a median house price of \$555,000.



Burleigh Area Age Distribution

Age Group	Total % of people in Burleigh Area	Total % of people in Burleigh Heads	Total % of people in Varsity Lakes
0 - 4 yrs	5.4%	4.3%	6.6%
5-14 yrs	7.7%	8.1%	14.9%
15-24 yrs	14.3%	11.6%	16.8%
25-54 yrs	46.4%	41.0%	42.9%
55-64 yrs	11.1%	12.6%	9.3%
65 yrs & over	15.1%	22.4%	9.4%
Average age	36	43	32

Burleigh Area Tenure & Characteristics

Suburb	House	Unit, apartment	Fully Owned	Being Purchased	Rented
Burleigh Heads	32.5%	65.2%	33.0%	18.0%	36.0%
Burleigh Waters	76.1%	23.8%	43.3%	30.6%	20.6%
Varsity Lakes	58.9%	40.5%	19.6%	29.0%	42.7%
Miami	31.9%	66.1%	23.5%	21.8%	39.6%
Burleigh av.	49.9%	48.9%	29.9%	24.9%	34.7%
Australian av.	74.8%	23.4%	32.6%	32.2%	27.2%

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The median house price was based on 301 transactions during the March 2008 half year, which is 141 less transactions than the six months ending September 2007.

The greatest number of transactions in the March 2008 half year were recorded in Varsity Lakes, equating to 120 of total transactions and a median house price of \$497,500 followed by Burleigh Waters with 108 transactions and a median of \$590,500 which is a growth rate of 20.3% for Burleigh Waters since the year ending March 2007. Miami and Burleigh Heads recorded significantly less house transactions at 28 and 45 respectively. The greatest number of sales were recorded in the \$400,000 to \$499,999 price bracket, equating to 30% of total sales and the \$500,000 to \$599,999 bracket with 29% of sales. The highest house sale during the six months ending March 2008 was made by a lottery winner who had the pleasure of moving into a family home on Skyline Terrace Burleigh Heads, with ocean views on an elevated 1,257m² block for \$2.25 million in October 2007.

The kind of positive market activity seen during the last half year period is not expected to be reported in the six months ending June 2008. The expected down turn in the market is due to current market conditions which are offset by the natural property cycle. Buyer's and seller's need to be aware of this and manage their expectations accordingly.

Unit Market

Unfortunately there is a three month delay between when a property sale is recorded and when the data is ready to be released. This is due to the various stakeholders and quality controls it needs to pass through before the data is finally ready for analysis. Considering the nature of the property market and how much it can change in three months, buyer's and seller's need to understand that there has been a shift in the market and this will be reflected in the June 2008 half year data release (due in September 2008).

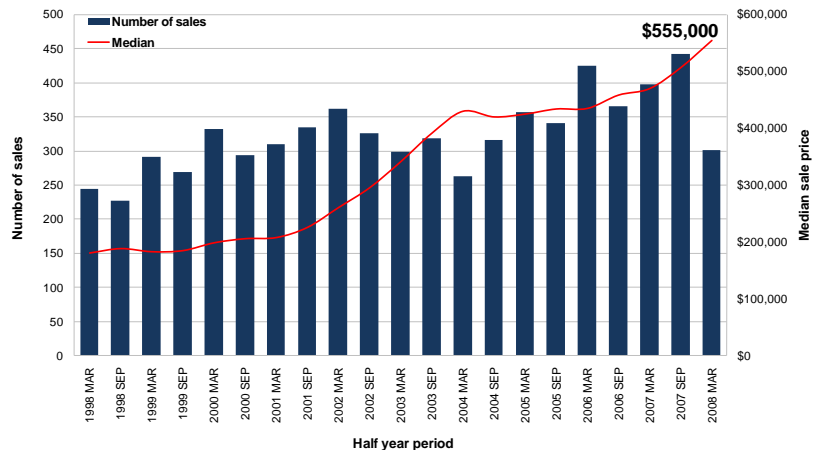
During the March 2008 half year period the Burleigh Area unit market recorded an increase in median prices regardless of the decrease in sales numbers. The median sale price for the March 2008 half year period was \$390,000 and registered a growth of 13.0%. The median price was calculated from 550 settled transactions that occurred during the March 2008 half year period, down 272 transactions from the September 2007 half year period. Irrespective of the higher median unit price in the Burleigh Area, investors and owner occupiers continue to move into the area. This suggests people are willing to pay more for the lifestyle choice and holiday rental opportunities that the area provides.

Of the 550 transactions that occurred during the six months ending March 2008, the majority of sales occurred in Burleigh Heads with 199 settled transactions, followed by Varsity Lakes recording strong market activity with 173 transactions. During the March 2008 half year, units ranged in price from \$220,000 to \$2.45 million indicating that the market is a diverse one with something on offer for all tastes and budgets. The majority of sales occurred in the \$300,000 to \$399,999 price bracket accounting for 39% of total sales. The highest recorded transaction was a new beachfront apartment along The Esplanade Burleigh Heads which sold for \$2.45 million during November 2007. Median sale prices varied from suburb to suburb with Burleigh Waters recording a median unit price of \$401,900, based on 79 transactions. Varsity Lakes was the most affordable with a median unit price of \$380,000, based on 173 transactions.

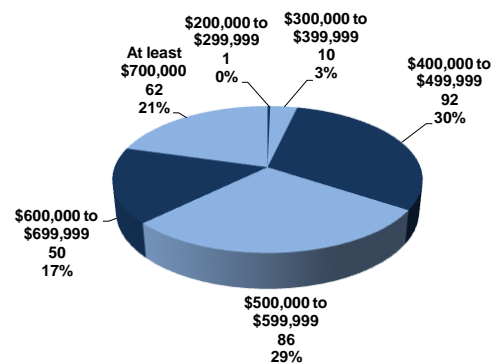
Top 10 Unit Buildings by Sales Activity

Top Performing Projects	Mar-08	
	half yr sales	half yr price range
THIS, Burleigh Waters	19	\$380,900 - \$560,000
THE RESERVE, Varsity Lakes	16	\$357,000 - \$1.02 mill.
VARSITY VIEWS, Burleigh Waters	15	\$403,375 - \$462,000
GRAND FLORIDA, Miami	13	\$220,000 - \$385,000
SCHOLARS COVE, Varsity Lakes	9	\$260,000 - \$317,000
CENTRAL PARK APARTMENTS, Varsity Lakes	6	\$284,000 - \$375,000

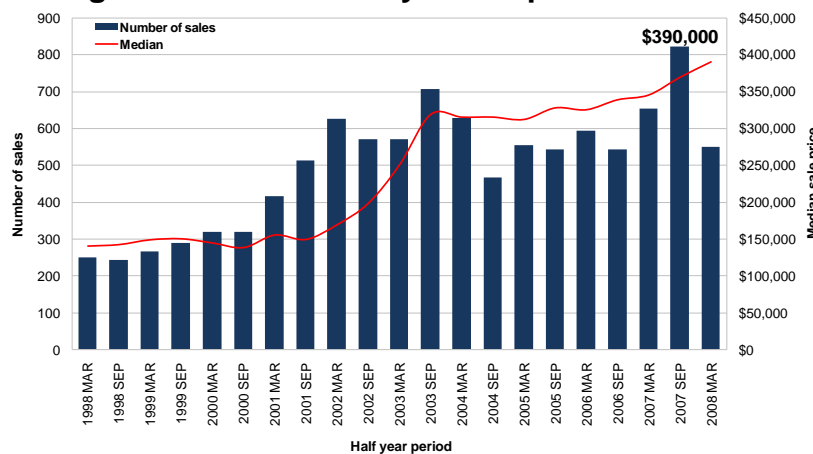
Burleigh Area House Sales Cycle Graph



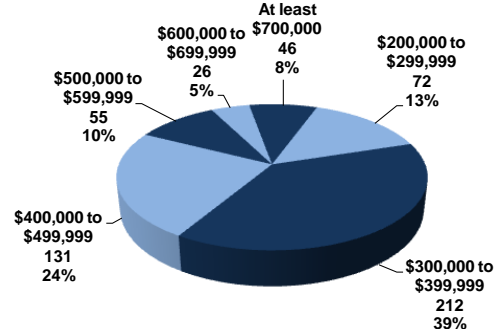
Burleigh Area House Price Points



Burleigh Area Unit Sales Cycle Graph



Burleigh Area Unit Price Points



Prepared by PRDnationwide Research, Source: RPData

Prepared by PRDnationwide Research. Source: RP Data and the ABS.

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