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Brisbane leads State's House Price Growth

New research released by PRDnationwide

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Queensland suburbs close to the CBD are the first to show signs of significant price recovery, new research reveals.

The top ten suburbs in Queensland which recorded the highest price growth in the twelve months to March 2010 have been identified by PRDnationwide research.

Jim Midgley, PRDnationwide managing director said eight out of Queensland's top ten growth suburbs were located within 17km of the Brisbane CBD.

"Topping the list for best price growth was Ascot in Brisbane's north – registering an astonishing 64.1% per cent increase," he said.

House

| Rank | Suburbs | Median Price | 1 yr Growth | 5 yr growth | Sales |
|------|-----------------|--------------|-------------|-------------|-------|
| 1 | Ascot | \$1,150,000 | 64.1% | 9.4% | 33 |
| 2 | St Lucia | \$1,085,000 | 59.6% | 9.2% | 29 |
| 3 | Hawthorne | \$874,944 | 34.6% | 8.8% | 52 |
| 4 | Mareeba | \$335,000 | 34.0% | 15.9% | 51 |
| 5 | Taringa | \$795,000 | 32.5% | 9.9% | 47 |
| 6 | Fig Tree Pocket | \$777,000 | 30.5% | 8.6% | 33 |
| 7 | Clayfield | \$937,500 | 30.0% | 9.2% | 56 |
| 8 | Sandgate | \$552,000 | 29.9% | 8.6% | 47 |
| 9 | Thorneside | \$497,000 | 28.3% | 9.9% | 32 |
| 10 | Dayboro | \$455,000 | 28.2% | 8.7% | 24 |

Report author, PRDnationwide research analyst Josh Brown said St Lucia recorded the second highest price growth of 59.6%, followed by Hawthorne (34.6%).

"The most affordable median price in the top ten was \$335,000 recorded in Mareeba, 30 km west of Cairns, despite a 12 month growth of 34%," said Mr Brown.

Mr Brown said an overall trend had emerged of strong growth in Brisbane's prestigious suburbs, with six out of the top ten recording median greater than \$750,000.

“Unfortunately this growth represents a recovery in markets which experienced significant softening’s during the economic downturn which unfolded during 2008,” he said.

“In general, these growth rates are too strong to be real price growth recorded within such close proximity to the Brisbane CBD under current market conditions.

“Instead, they are a reflection of the composition of stock being transacted.

“When you look at the real impact the Global Financial Crisis had on Brisbane’s property market, we saw the top end markets stall while more affordable price points saw a lot of activity which pushed median prices in these suburbs down.

He said currently, activity within the high to premium price points has strengthened on the back of historically low interest rates and strong consumer sentiment and business confidence.

The unit market was also investigated by PRDnationwide.

“Of the top ten suburbs for median price growth in units, four were located within 17.5 kilometres of the Brisbane CBD,” said Mr Brown.

These suburbs were Woolloowin, Woodridge, East Brisbane and Albion which all recorded growth rates between 16.7% and 21.4%.

The clear performers over the six months to March 2010 were East Toowoomba, Woody point and Westcourt. These suburbs all recorded staggering growth rates of 94.5%, 71.2% and 60.4% respectively.

“The most affordable median price was recorded in Woodridge with \$231,000 resulting from a strong growth of 18.5%,” said Mr Brown.

Units

| Rank | Suburbs | Median Price | 1 yr Growth | 5 yr growth | Sales |
|------|----------------|--------------|-------------|-------------|-------|
| 1 | East Toowoomba | \$353,500 | 94.5% | 13% | 24 |
| 2 | Woody Point | \$499,000 | 71.2% | 15.4% | 41 |
| 3 | West Court | \$320,800 | 60.4% | 18.6% | 39 |
| 4 | Rosslea | \$360,000 | 39.8% | 15.8% | 23 |
| 5 | Merrimac | \$418,000 | 34.8% | 12.3% | 33 |
| 6 | Woolloowin | \$397,000 | 21.4% | 12.7% | 22 |
| 7 | Woodridge | \$231,000 | 18.5% | 16.0% | 46 |
| 8 | East Brisbane | \$440,000 | 17.3% | 13.5% | 33 |
| 9 | North Mackay | \$275,000 | 17.0% | 12.3% | 19 |
| 10 | Albion | \$420,000 | 16.7% | 11.4% | 16 |

“It must be noted that these sharp increases in median price can be influenced by the release of new product onto the market. However given that, with the exception of Woody Point, sales activity has not changed significantly from the corresponding period 12 months earlier, it is likely that these suburbs are reflecting a change in the dominant players in the market.”

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About PRDnationwide

PRDnationwide was founded on Queensland's Gold Coast in 1975. The company has specialised in residential project marketing for more than three decades and it has a strong commercial presence in both the Gold Coast and Brisbane markets. It has a total of 139 franchise offices and corporate offices in Melbourne, Sydney, Brisbane and the Gold Coast. For further information about PRDnationwide visit www.prdnationwide.com.au.

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