

Coomera Area Market Overview

Scope

The Coomera Area is located along the Pacific Motorway in between Beenleigh to the north and Helensvale to the south. This relatively new development area has thrived being centrally located to the tourism mecca of the Gold Coast, as well as the commercial hub of Brisbane. It is facilitated with the main motorway and railway line running straight through the area, linking the eastern seaboard of Australia. With Australia's biggest and most popular theme park, Dreamworld and future plans for the construction of a TAFE (university campus), the Coomera Area has been predicted to grow considerably beyond its present size. For the purpose of this report, the Coomera Area includes the suburbs of Coomera, Upper Coomera, Pimpama, Willow Vale, Kingsholme, Ormeau, Ormeau Hills and Canowindra.

Demographics

According to the Australian Bureau of Statistics (ABS) the Coomera Area had a population of 7,866 residents from the Estimated Resident Population of June 2007. The Coomera Area has been identified as one of the fastest growing communities in Australia, with population growing by 21.2% from 2006. With the average household size at 2.8 people, the Coomera Area requires approximately 39 new dwellings to be constructed per month, if growth is to be sustained for the Coomera Area population. Out of the total households, 82.5% of these are considered to be a family, signifying the area's appeal to families with its location and affordable price points. Just over 67% of all dwellings are either purchased or in the process of being purchased, leaving a strong rental market of 32.3%.

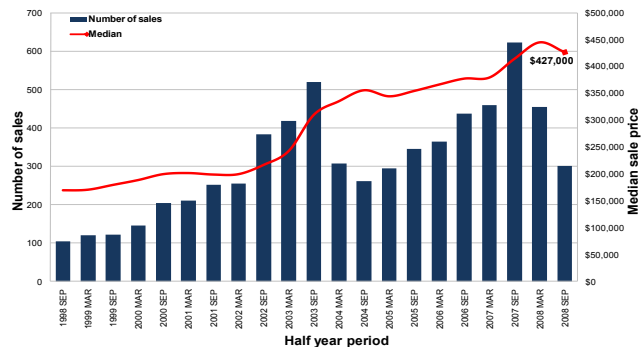
Housing Market

The Coomera Area housing market has emerged to record high levels of activity in the past decade. The peak of activity came during the September 2007 half year period, where 623 sales took place. Transaction levels have since decreased during 2008, which looks to have affected settled transaction prices. Median house price growth for the year ending September 2008 increased by \$12,000, to register a median of \$427,000. This equates roughly to 2.9%, which is slightly below the compounding growth rate of 6.6% per annum. There was 301 settled house transactions for the six month period ending September 2008, a decrease from the previous six month period by 33.7%. This decrease in activity might be due to the challenging economic environment experienced throughout 2008, which initially saw high interest rates, then the share market crash and a global recession.

When looking at the housing price points graph to the right, it can be determined that the majority of transactions occurred in the affordable price points of \$400,000 to \$499,999 and \$300,000 to \$399,999 with a combined total of 72% of total sales. However, when comparing price points from the previous six months period ending September 2007, a distinct change can be identified. There seems to be a shift of 6% less transactions occurring in the \$300,000 to \$399,999 and an increase of 5% in the \$500,000 to \$599,999 bracket, during the six month period ending September 2008. This signifies the slight change of buyers willing to spend a little more, even in the tough economic conditions.

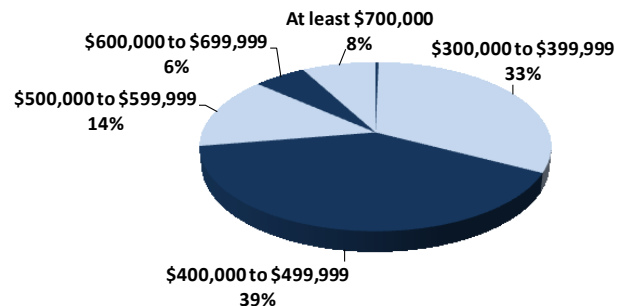


Coomera Area House Sales Cycle Graph



Prepared by Colliers International Research. Source: RP Data

Coomera Area House Price Points



Prepared by Colliers International Research. Source: RP Data



The suburb of Upper Coomera recorded the most transactions for the six month period ending September 2008, with 149 and this was followed by Ormeau (106), Pimpama (20) and Coomera (15). Pimpama registered the highest median house price at \$632,500, while Coomera registered the most affordable at \$403,500. Pimpama recorded the most growth during the year ending September 2008, by increasing the median house price by \$213,500, equating to an impressive 51%. This was followed by Ormeau with an increase of 11.2%. Looking at a five year period, Upper Coomera has the highest level of growth, with a rate of 9% per annum, followed by Ormeau with 8.3% per annum.

Out of the top ten most affordable sales, Ormeau registered five, while the most affordable sale took place in Gecko Crescent for \$330,000 on 900m². Pimpama registered seven sales in the top ten highest priced transactions, mainly due to five sales occurring in Nambucca Crescent, ranging in price from \$1.75 million to \$2.4 million. The highest priced sale occurred on a large house site of 100,004m², in Kiama Court for \$4.5 million.

Unit Market

During the past decade a Coomera unit market has steadily emerged with growing levels of both transactions and median price growth. The peak of activity occurred during the September 2007 half year period, where 224 settled transactions took place. One year on and activity has decreased by 44.2% to register 125 sales for the six month period ending September 2008. Annual median price growth was at 5.9%, which is slightly below the five year growth rate of 9.2% per annum. The median unit price recorded for the September half year period was at \$360,000, equating to \$20,000 more than the previous year. The bulk of transactions occurred in the affordable price bracket of \$300,000 to \$399,999, with 64% of total sales and was followed by the price bracket of \$200,000 to \$299,999, with 17%. Only 10% of total sales took place over \$500,000, signifying that this affordable unit market currently caters mostly for first home buyers, couples without children, and potential investors.

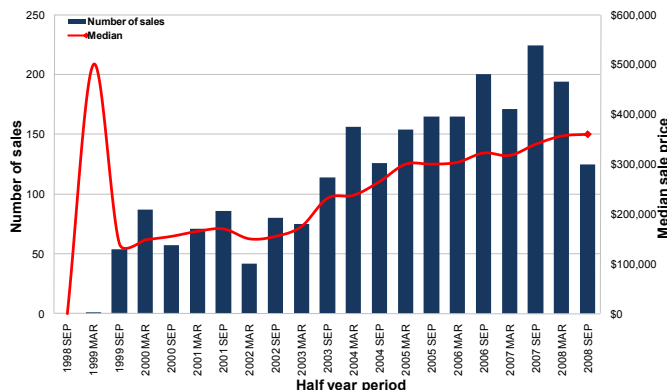
The majority of transactions occurred in Upper Coomera, with 57 sales, which was followed by Ormeau (39) and Coomera (25). Ormeau recorded the highest median at \$385,000 as well as the most annual median growth, at 13.2%. Upper Coomera recorded a median unit price at \$362,000 and Coomera had a median at \$310,000 for the half year period ending September 2008. Beattie Road recorded the most affordable sale, at \$255,000, while the highest priced sale took place in Sierra Place for \$550,000.

Vacant Land Market

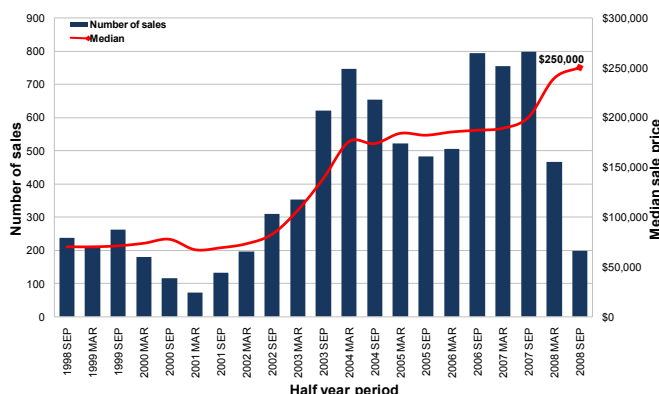
The vacant land market in the Coomera Area has also experienced a decrease in the number of transactions recorded for the six month period ending September 2008. Vacant land transactions decreased by 75% from the previous year to record 198 settled sales. However, median price has increased by an impressive 25% during the year ending September 2008, equating to \$50,000, to register a median of \$250,000. Eighty-two per cent of all vacant land transactions occurred inside the price bracket of \$200,000 to \$299,999.

Upper Coomera recorded the most transactions, with 106 out of the total 198 sales, while Ormeau had 37 and Coomera had 36. The highest median recorded was in Ormeau, at \$260,000, followed by Upper Coomera at \$245,000. The most affordable sale occurred in Maidenwell Road for \$190,000 on 525m², while the most expensive took place on Motorway Circuit for \$2 million on 4,300m².

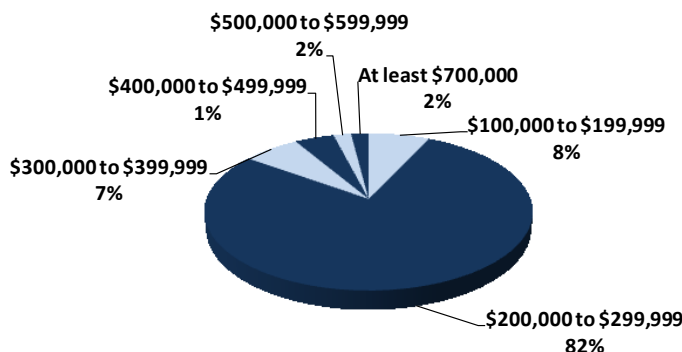
Coomera Area Unit Price Points



Coomera Area Vacant Land Sales Cycle Graph



Coomera Area Vacant Land Price Points



Coomera Area Sales Comparison by Suburb

Sept 2008 Hlf Yr		Coomera	Ormeau	Upper Coomera
House	Median	\$403,500	\$462,500	\$410,000
	Sales	15	106	149
Unit	Median	\$310,000	\$385,000	\$362,000
	Sales	25	39	57
Land	Median	\$237,500	\$260,000	\$245,000
	Sales	36	37	106

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