

National Media Release

RP Data Property Pulse

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Australia's cheapest regional oceanfront suburbs

Although top-end waterfront properties have had their struggles during 2008, when you look to the regions, affordable properties in some locations can still be found.

In the first RP Data Property Pulse for 2009, Senior Research Analyst Cameron Kusher examines state by state, where in today's property market buyers can find the cheapest waterfront properties.

Right now the cheapest oceanfront suburb in which to purchase a house is in Port Pirie West in South Australia where the median house price is \$140,000. In contrast, the most expensive seaside suburb is Tamarama in Sydney which currently holds a median house price of \$4.4 million.

Cheapest suburbs by State

NSW - Corrindi Beach Median house price of \$272,500- (29kms from Coffs Harbour)

TAS - Beechford - Median house price of \$158,500 - (48kms from Launceston)

VIC - Loch Sport - Median house price of \$149,250 (45kms from Sale)

QLD - Halifax - Median house price of \$200,000 (45kms from Ingham)

SA - Port Pirie West - Median house price of \$140,000 (within the Port Pirie township)

WA - Withers - Median house price of \$270,000 (within Bunbury)

Mr Kusher said oceanfront suburbs and towns have traditionally been viewed as safe havens for property investors where properties in these locations have met with strong demand due to continual demand, thus creating limited supply. However, we are now seeing dramatic changes in this market which started emerging mid-2008.

"The common belief that waterfront property is a safe haven changed dramatically in 2008 with some of the nation's best known waterfront areas witnessing a sky-rocketing number of listings and heavy discounting in order to achieve sales.

"This increase in listing and price reduction has come largely due to the inclement global financial markets which saw many highly geared individuals suffer not just margin calls but simultaneously, massive cuts in executive bonuses as a result," he said.

Some reports are suggesting that in the worst cases, high-end vendors have been known to discount their properties by as much as \$1million in order to sell waterfront properties.

In spite of this, Mr Kusher said cashed up buyers looking to snare a bargain will now find many properties offering idyllic waterfront properties and land right now, particularly in regional coastal areas.

NSW

Across NSW the most affordable regional oceanfront suburb is Corindi

Beach, approximately 29km north of Coffs Harbour with a current median house price of \$272,500. Interestingly four of the five most affordable locations detailed in NSW are found on the Mid-North Coast. Just like the better established and more expensive oceanfront areas, most of the suburbs have recorded a long average time on the market.

Vic

All of the most affordable oceanfront locations in Victoria are found in Gippsland or East Gippsland. Loch Sport which is situated approximately 45 kilometres east of Sale is Victoria's most affordable regional oceanfront location with a median house price of \$149,250. Interestingly, some of the areas listed have recorded exceptional growth during the last 12 months however, Port Albert has seen substantial price falls.

Qld

Halifax which is located approximately 15km from Ingham and 100km north of Townsville is Queensland's most affordable oceanfront location with a median house price of just \$200,000. Unsurprisingly, all of the most affordable areas are outside of South-East Queensland, with 3 of the 5 having recorded increases in median prices during the last 12 months.

SA

Across the state and the country, the resource area of Port Pirie West within the Port Pirie township, is the most affordable oceanfront location with a median house price of \$140,000. All regions detailed have witnessed a relatively long average time on market and price growth results have been varied, falling by as much as 21.1% and increasing by as much as 14.5%.

Suburb	Statistical Division	State	Number Sold	Median Price	12 month Growth	Time on Market (days)
CORINDI BEACH	Mid-North Coast	NSW	26	\$272,500	9.0%	38
SANDY BEACH	Mid-North Coast	NSW	36	\$279,500	1.6%	87
DALMENY	South Eastern	NSW	40	\$280,000	-6.6%	91
DIAMOND BEACH	Mid-North Coast	NSW	15	\$282,000	-8.4%	n.a
NAMBUCCA HEADS	Mid-North Coast	NSW	64	\$283,750	-5.4%	99

Suburb	SD	State	Number Sold	Median Price	12 month Growth	Time on Market (days)
LOCH SPORT	East Gippsland	VIC	70	\$149,250	2.2%	n.a
TOORA	Gippsland	VIC	18	\$163,750	-1.9%	115
GOLDEN BEACH	East Gippsland	VIC	15	\$165,000	13.8%	145
SEASPRAY	East Gippsland	VIC	15	\$185,000	18.6%	65
PORT ALBERT	Gippsland	VIC	15	\$190,000	-20.0%	n.a

Suburb	SD	State	Number Sold	Median Price	12 month Growth	Time on Market (days)
HALIFAX	Northern	QLD	13	\$200,000	9.9%	70
ROCKY POINT	Far North	QLD	35	\$238,130	20.2%	n.a
BURNETT HEADS	Wide Bay-Burnett	QLD	44	\$271,500	-0.2%	124
ELLIOTT HEADS	Wide Bay-Burnett	QLD	25	\$285,000	-6.6%	97
CARDWELL	Far North	QLD	13	\$290,000	1.8%	103

Suburb	SD	State	Number Sold	Median Price	12 month Growth	Time on Market (days)
PORT PIRIE WEST	Northern	SA	74	\$140,000	14.5%	83
CEDUNA	Eyre	SA	36	\$164,250	4.6%	56
PORT MACDONNELL	South East	SA	22	\$165,750	-21.1%	154
CLINTON	Yorke and Lower North	SA	16	\$198,750	12.3%	118
CAPE JERVIS	Outer Adelaide	SA	12	\$206,000	-7.4%	96

Suburb	SD	State	Number Sold	Median Price	12 month Growth	Time on Market (days)
WITHERS	South West	WA	44	\$270,000	-4.5%	167
GERALDTON	Central	WA	27	\$339,000	9.4%	103
DERBY	Kimberley	WA	15	\$365,000	15.9%	31
SUNSET BEACH	Central	WA	14	\$370,000	1.5%	73
MANDURAH	South West	WA	70	\$382,500	-1.2%	80

Suburb	SD	State	Number Sold	Median Price	12 month Growth	Time on Market (days)
BEECHFORD	Northern	TAS	10	\$158,500	n.a	n.a
WHITE BEACH	Southern	TAS	17	\$167,000	-11.2%	n.a
GEORGE TOWN	Northern	TAS	48	\$167,750	-2.9%	24
STRAHAN	Mersey-Lyell	TAS	24	\$187,500	n.a	21
EAST DEVONPORT	Mersey-Lyell	TAS	59	\$188,500	1.2%	47

WA

Prices within oceanfront suburbs tend to be much higher in WA than all other states, with the most affordable suburb Withers, located within Bunbury City, having the most affordable price tag at \$270,000. Interestingly, most of the WA suburbs detailed have recorded positive growth or only slight falls which is a little surprising given that most areas of WA have recorded price falls through 2008.

Tas

Tasmania has some very affordable oceanfront locations with all of the five most affordable having a median price below \$200,000. Beechford on the northern coast of Tasmania approximately 48km north of Launceston has the state's most affordable oceanfront median price at \$158,500.

Although not all of these suburbs provide true oceanfront housing, all represent very affordable prices within suburbs which sit on the oceanfront. For persons looking for a relatively cheap oceanfront getaway or an underdeveloped 'sea change' area people may be well advised to look to these areas as they meet most people's budget and enjoy the significant benefit of waterfrontage. Also, most of these suburbs have a relatively long average time on market which means there may be scope for substantial negotiation on prices.

Also of note is that the fact that many of these suburbs are within commuting distance to major regional areas, a vital component for 'sea changers' and for holiday makers.

Note: NT was not included as there was less than five oceanfront locations with statistically reliable data located outside of Darwin City

Weekly listings

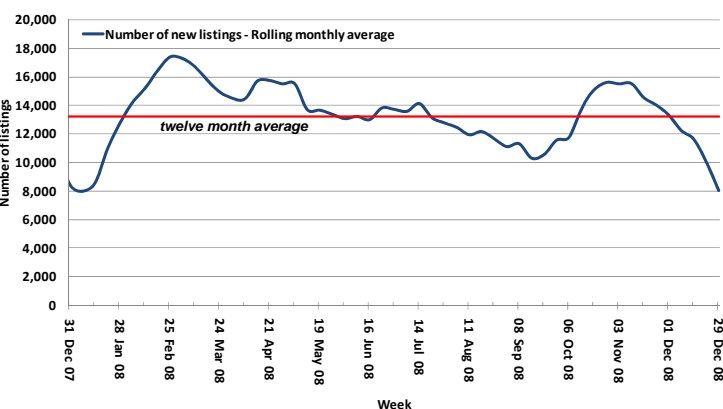
The traditional end of year / new year slow down is well and truly here with this phenomenon highlighted by the significant fall in new properties listed for sale during recent weeks. Historically, the market is unlikely to pick back up until late January when the holiday season finishes and most have returned to work and it is anticipated that 2009 will be no different.

During 2009, it is anticipated that we will see some areas of the market show improvement, particularly those properties priced below \$500,000. The Government's financial stimulus package which saw an increase to the First Home Owner's Grant available until the end of the 2008-09 financial year should see some urgency within this sector (generally properties priced under \$500,000) during the first half of 2009. This urgency is likely to be met by an increase in listings across these types of properties as owner's feel they are now better positioned than they were during 2008 to capitalise on increased purchaser demand. Anecdotally, agents are suggesting that they are already seeing renewed interest in properties within this price point.

2009 may also finally see the return of investors to the market. With 2008 seeing little to no value growth and rents continuing to rise, property investment is becoming more and more attractive with each passing month as yields improve and interest rates fall. Current market data shows that the cash rate is anticipated to fall below 3% by April 2009 and these much lower rates will translate into more and more properties representing positive cash flow opportunities. The significant falls on the share market witnessed during the last 12 months should also help to see investors return to the property market as they look to move away from the volatile share markets and return to bricks and mortar investment.

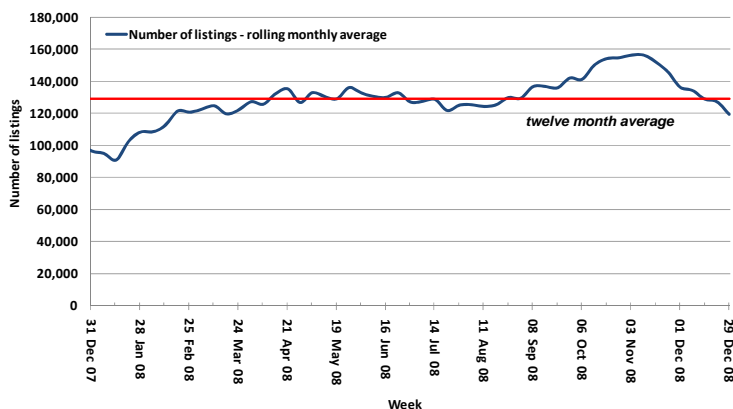
Australia

New residential property listings advertised each week



Australia

Total residential property listings advertised each week



Based on the median dwelling value of \$455,500, we estimate the total amount of available commission to be \$1.41 billion available across the Australian mainland.

Ends.

For media enquiries contact Mitch Koper on 041 777 1778 for additional information