

CRESWICK-CLUNES AREA



Book Festival, Clunes

MARKET INDICATORS

Change from Last	Year	Half Year
HOUSE SALES	↓	↓
HOUSE MEDIAN	-	↑
UNIT SALES	-	↓
UNIT MEDIAN	↑	↑
LAND SALES	↓	↓
LAND MEDIAN	↑	↑

The indicators depicted above are based on the twelve months ending April 2012.

KEY HIGHLIGHTS

- The annual growth in the Creswick LGA house median price over the last ten years is an outstanding 9.0%
- Lower volumes seen across house and vacant land sales are in line with other Victorian regional centres

CRESWICK-CLUNES AREA MARKET OVERVIEW

The following Property Watch report is the result of an investigation into the historic and current market trends of the Creswick Local Government Area. Situated just 18 kilometres to the north of the regional hub of Ballarat, Creswick itself is home to just over 3,000 people. Known for its gold mining history, subsequent reforestation and artistic bent, the region extends to Clunes in the North, Ascot in West, Wattle Flat to the South and Newlyn in the East.

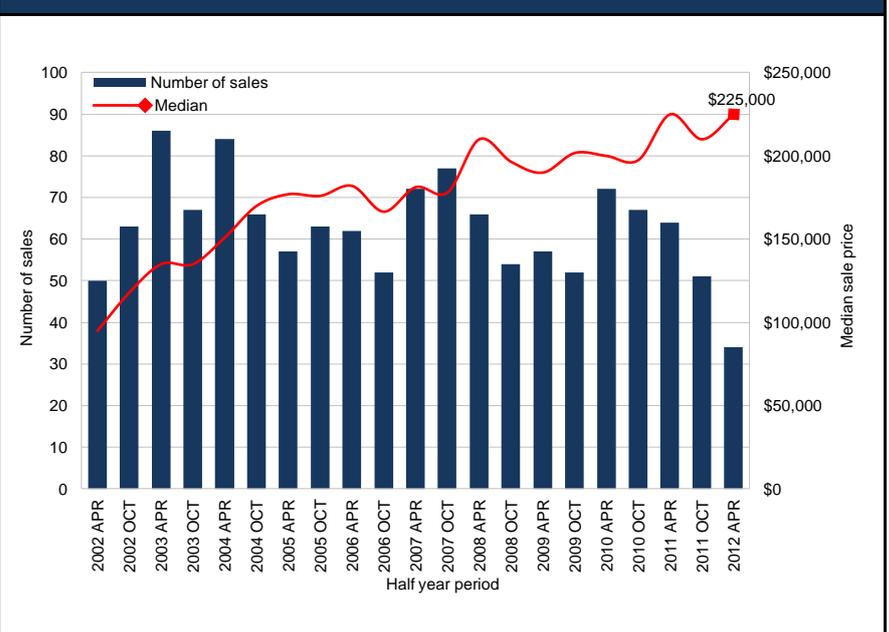
Transaction volumes for houses in the Creswick LGA have averaged 63 for a six month period over the last ten years. Volumes have ranged between 50 and 90 transactions. The six months to April 2012 saw an exceptionally low volume period with only 34 transactions recorded. This represents a 46.9% decrease on volumes from the same six month period of a year before.

The bulk of the sales occurred in the central hub of the region, Creswick with 22 (65%) of the transactions, the majority of the remaining transactions occurred in Clunes (10 - 39%), Allendale and Broomfield with one transaction each made up the balance.

The Creswick LGA has averaged only six unit transactions for a six month period over the last ten years. The Forest Resort development at the Creswick Golf Course has added to the stock of units in the area, but significant growth in this part of the market does not seem likely in the near future.

The fall in house transaction volumes in the Creswick LGA is typical of what is occurring across the broader Victorian market, and at similar levels to nearby Ballarat (39.8% decrease) and Buninyong (39.0% decrease)

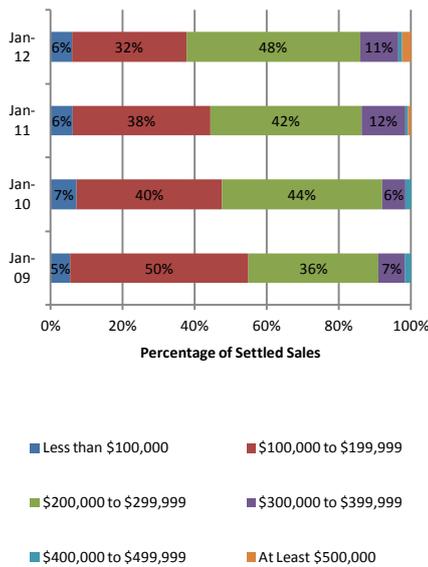
CRESWICK -CLUNES AREA HOUSE SALES CYCLE



Prepared by PRDnationwide Research. Source: PDS

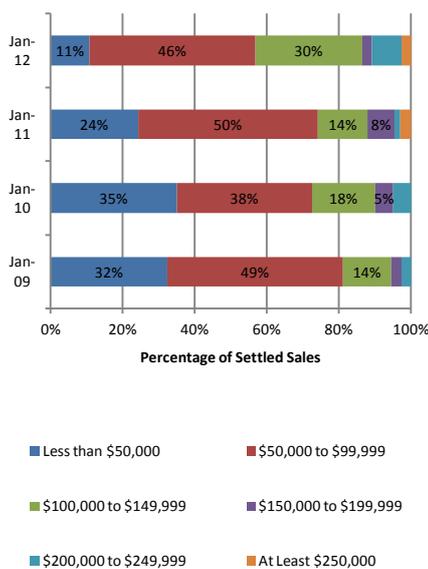
Vacant Land sales above \$150,000 have more than doubled since April 2009

HOUSE PRICE POINTS



Prepared by PRDnationwide Research. Source: PDS

VACANT LAND PRICE POINTS



Prepared by PRDnationwide Research. Source: PDS

The April 2012 six months saw the median price for houses close at \$225,000 the identical figure to twelve months before. Whilst recent growth has been more subdued, the longer term growth has outperformed most of the surrounding centres. The Creswick LGA average house price median growth per annum for the last ten years stands at 9.0%, this compares to Ballarat (7.4%), Buninyong (7.2%) and Maryborough (8.3%).

Kathy Curnow of PRDnationwide Creswick comments that the shortage of rental accommodation in Creswick sees most investment properties secure tenants prior to settlement. With subdued sales levels and lower growth in prices recently, the time appears ripe for investors to secure property with a healthy return

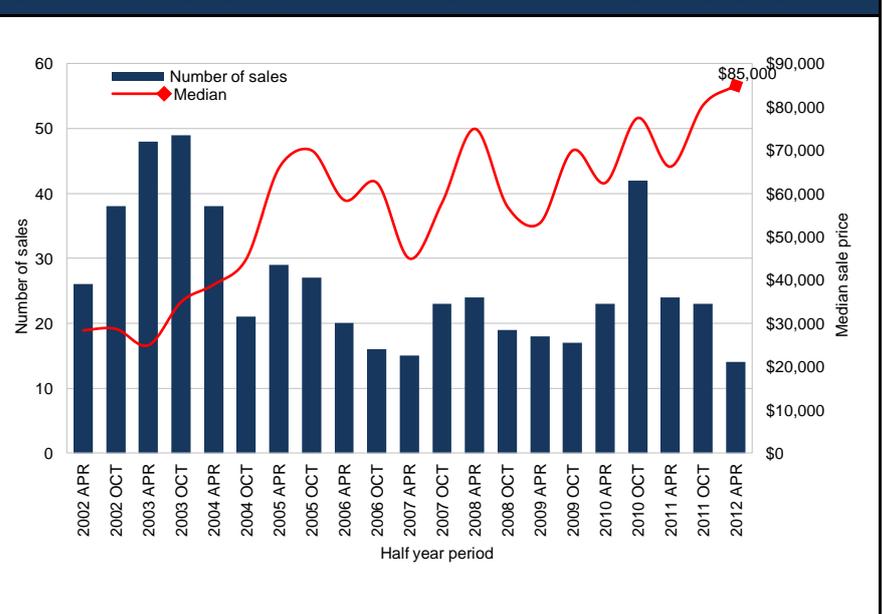
A property in Bell Street, Creswick represented the lowest price paid for a house in the six months to April 2012 when it sold for \$95,000 in November 2011. The top of the market was reached when a property on Melbourne Road, Creswick sold for just over \$500,000 also in November.

Sales under \$300,000 which represented 55% of all sales as recently as the twelve months to April 2009, have now fallen to only 38% as at April 2012, demonstrating the gradual upwards movement in prices. The \$200,000 to \$299,999 price bracket is now the dominant price bracket, with just under half (48%) of all sales occurring in this range..

Sales of Vacant Land in the Creswick LGA have typically fallen between ten and fifty sales for any six month period. The six months to April 2012 saw one of the lower volume periods when only 14 blocks transacted for the period. This decrease of 41.7% again compares reasonably closely with nearby centres Ballarat (-68.2%) and Maryborough (-46.5%). Buninyong is not a good comparison as it has some supply side issues. The 14 sales were split evenly between Creswick and Clunes with seven each.

With relatively low sales numbers the median price for Vacant Land is relatively volatile as might be expected. The median price for the six months to April 2012 closed at \$85,000 which represents a 28.3% increase on last years median price. The ten year growth rate gives a more balanced view of price trends, it stands at 11.5% per annum. Another factor in the volatility of the median price is the number of rural lifestyle blocks selling, which whilst considered residential generally come with substantially more land than a typical "town" block. Eight of the Fourteen sales for the month were for blocks in excess of 10,000 square metres.

CRESWICK-CLUNES AREA VACANT LAND SALES CYCLE



Prepared by PRDnationwide Research. Source: PDS

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