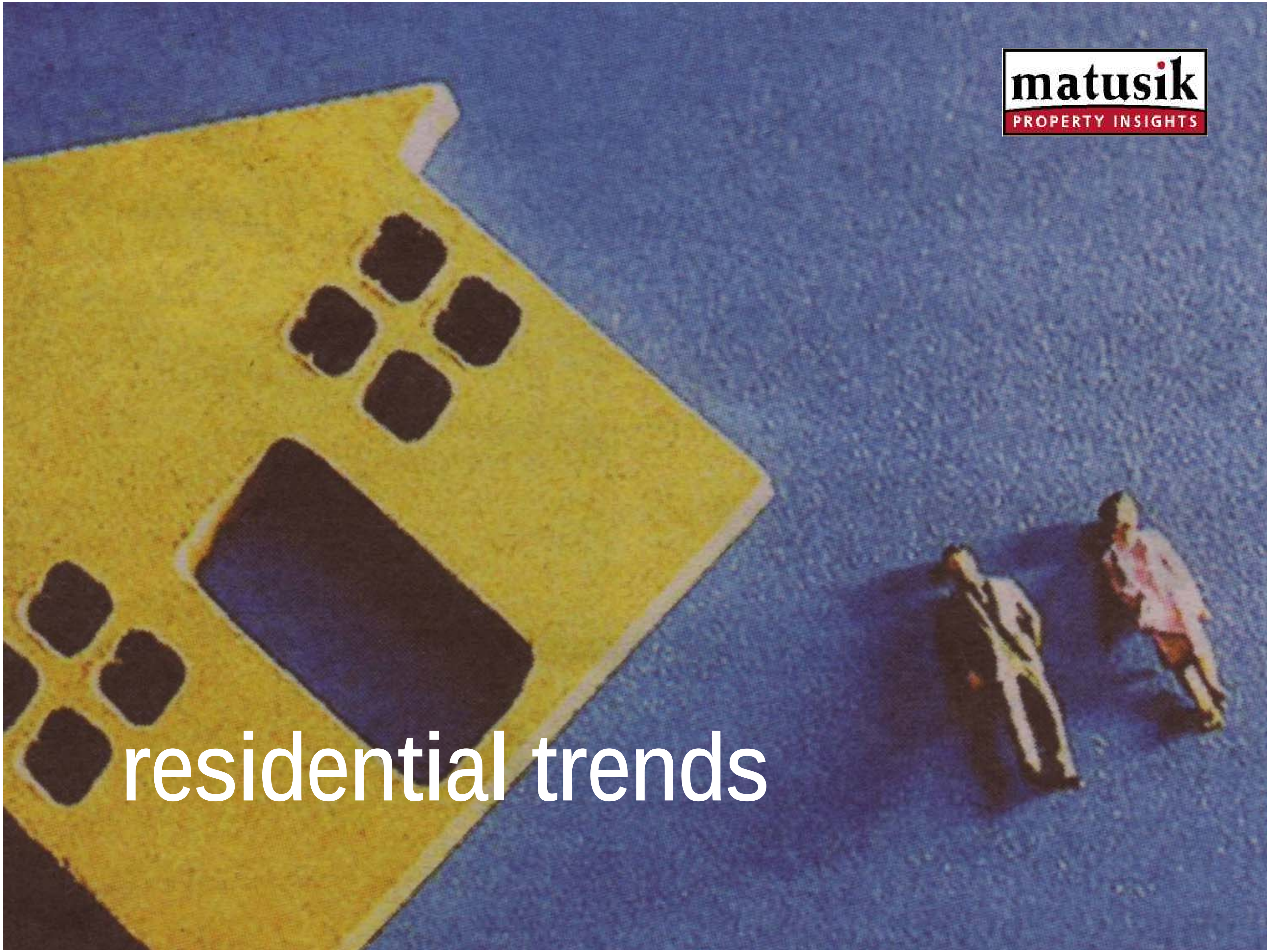
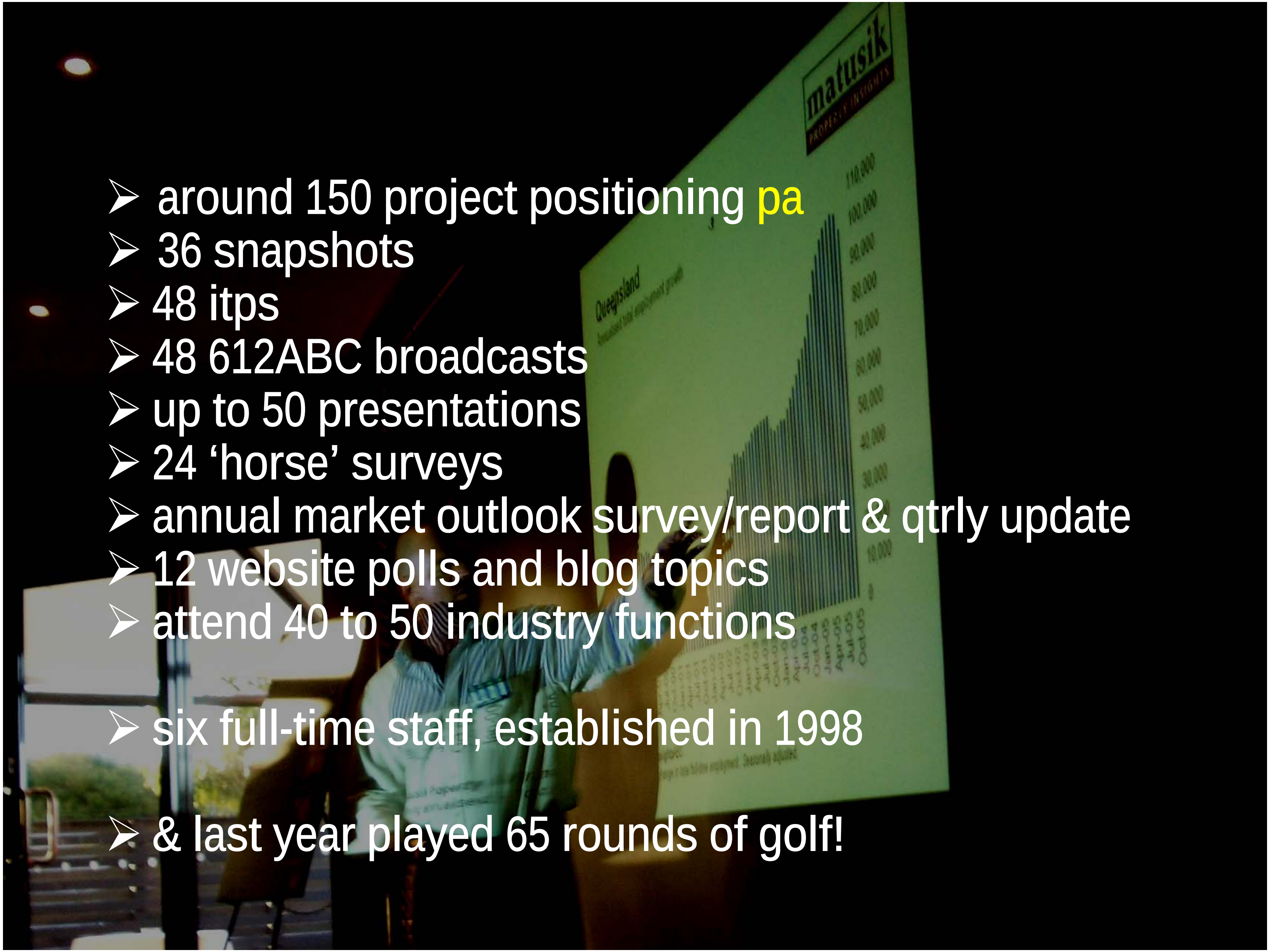


residential trends



- around 150 project positioning pa
- 36 snapshots
- 48 itps
- 48 612ABC broadcasts
- up to 50 presentations
- 24 ‘horse’ surveys
- annual market outlook survey/report & qtrly update
- 12 website polls and blog topics
- attend 40 to 50 industry functions

- six full-time staff, established in 1998

- & last year played 65 rounds of golf!

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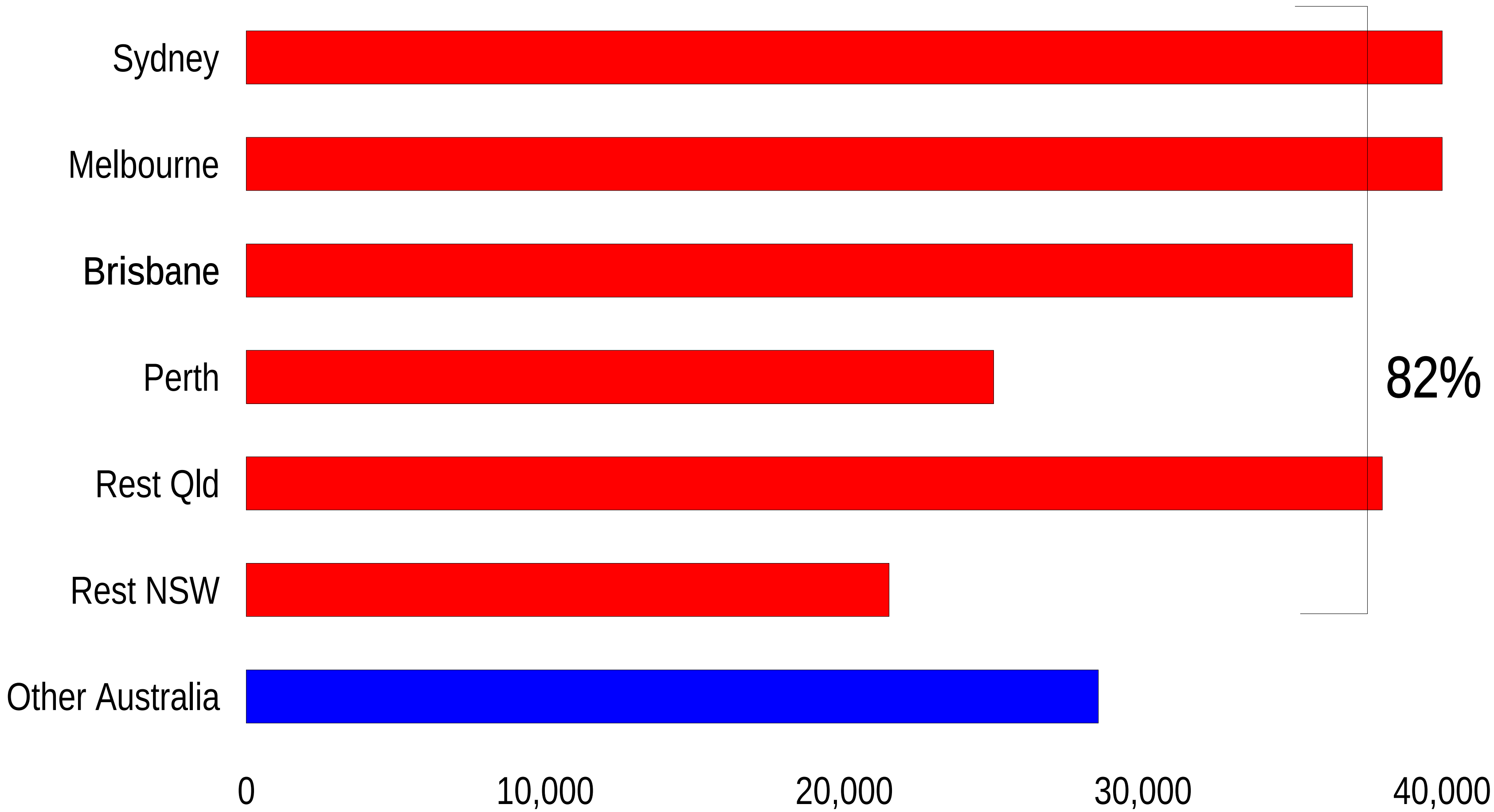
synopsis

- 20% buy a new residential property
- 70% upgrade, 20% first time & 10% investors
- 230,000 pa increase in pop, 70% in the capitals
- 165,000 new homes needed pa, but shortfall of 15%
- Pressure on price
- Aging population
- Considerable demographic change
- Poor infrastructure provision, no real strategic planning & low affordability = more alternate housing & more will rent

- Over the last 3 years, 1.1 million households (15%) bought a residential property
- 80% bought an existing dwelling, 20% something new
- 70% upgraded their existing abode
- 20% bought for the first time
- 10% bought an investment property

Estimated annual population growth

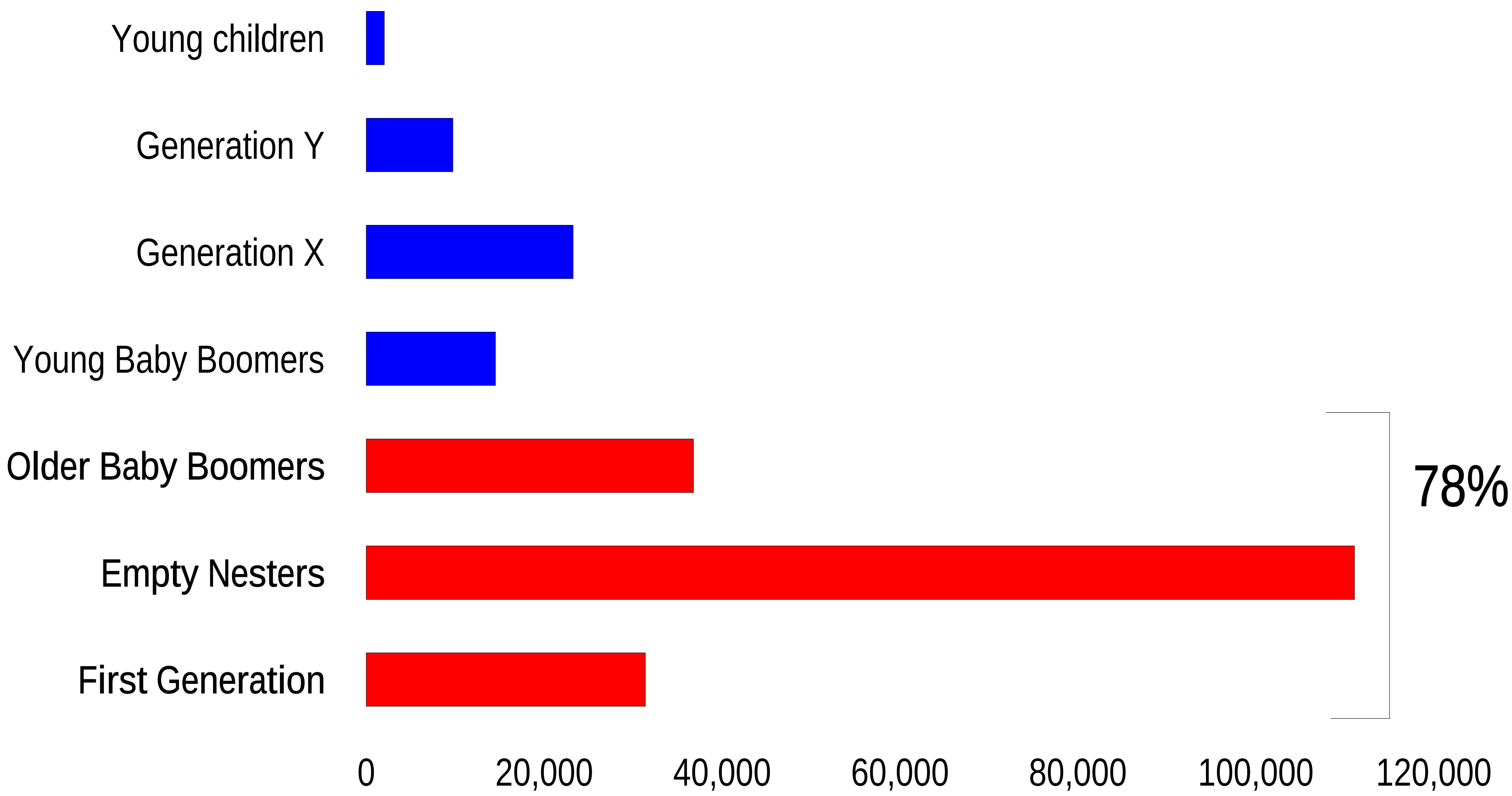
Major growth areas - next ten years



Matusik Property Insights, *and ABS.*

Generation projections

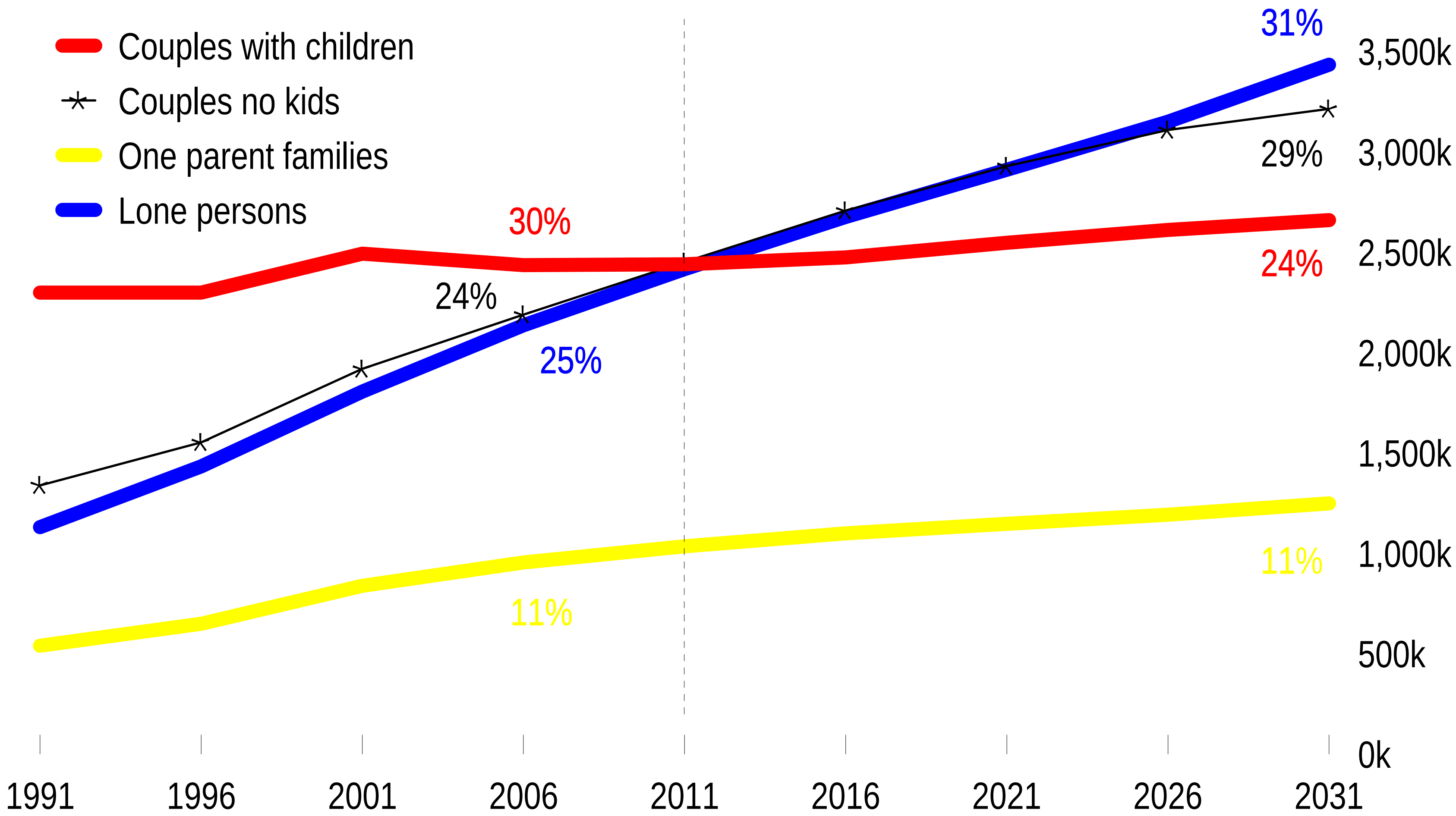
Australia - next five years, annual change



Matusik Property Insights, *and ABS.*

Australia

Household type - no. projections



Matusik Property Insights, *PCA - Australia on the move, 2005.*

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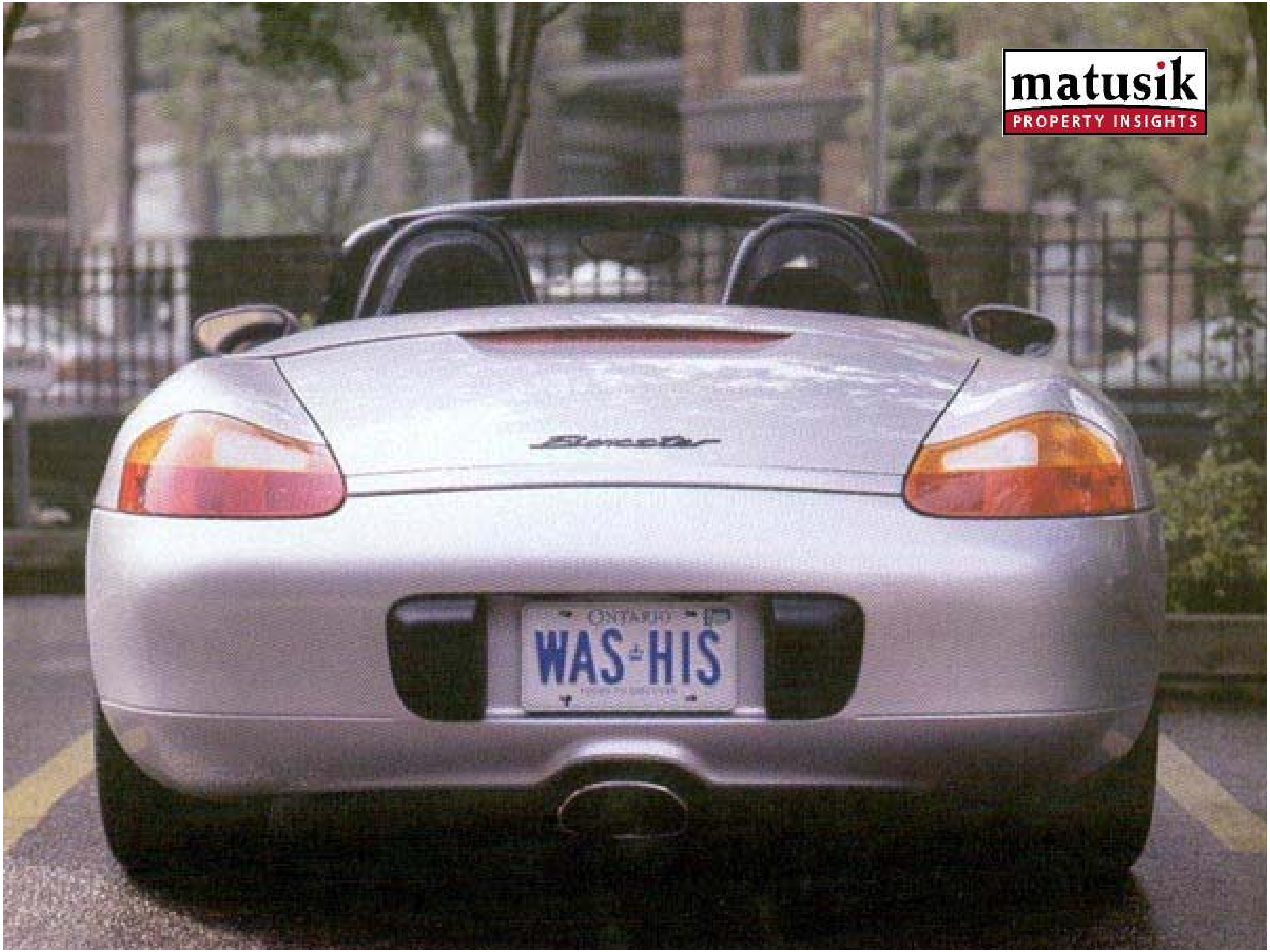
south east qld household type	total projected growth 2006-2016	
couples with young kids	5,700	7%
couples older kids at home	-650	-1%
couples no children	31,000	37%
one parent families	420	0%
other family types	850	1%
lone persons	37,000	43%
group households	11,000	13%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Cheating Husband

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year	lot size m2	house size m2	no. of cars	avg people	useable yard m2
1900	1,200	150	1	5.3	1,000
1950	900	200	1	4.0	600
1990	600	250	1.5	3.2	250
2005	400	325	2.2	2.56	50

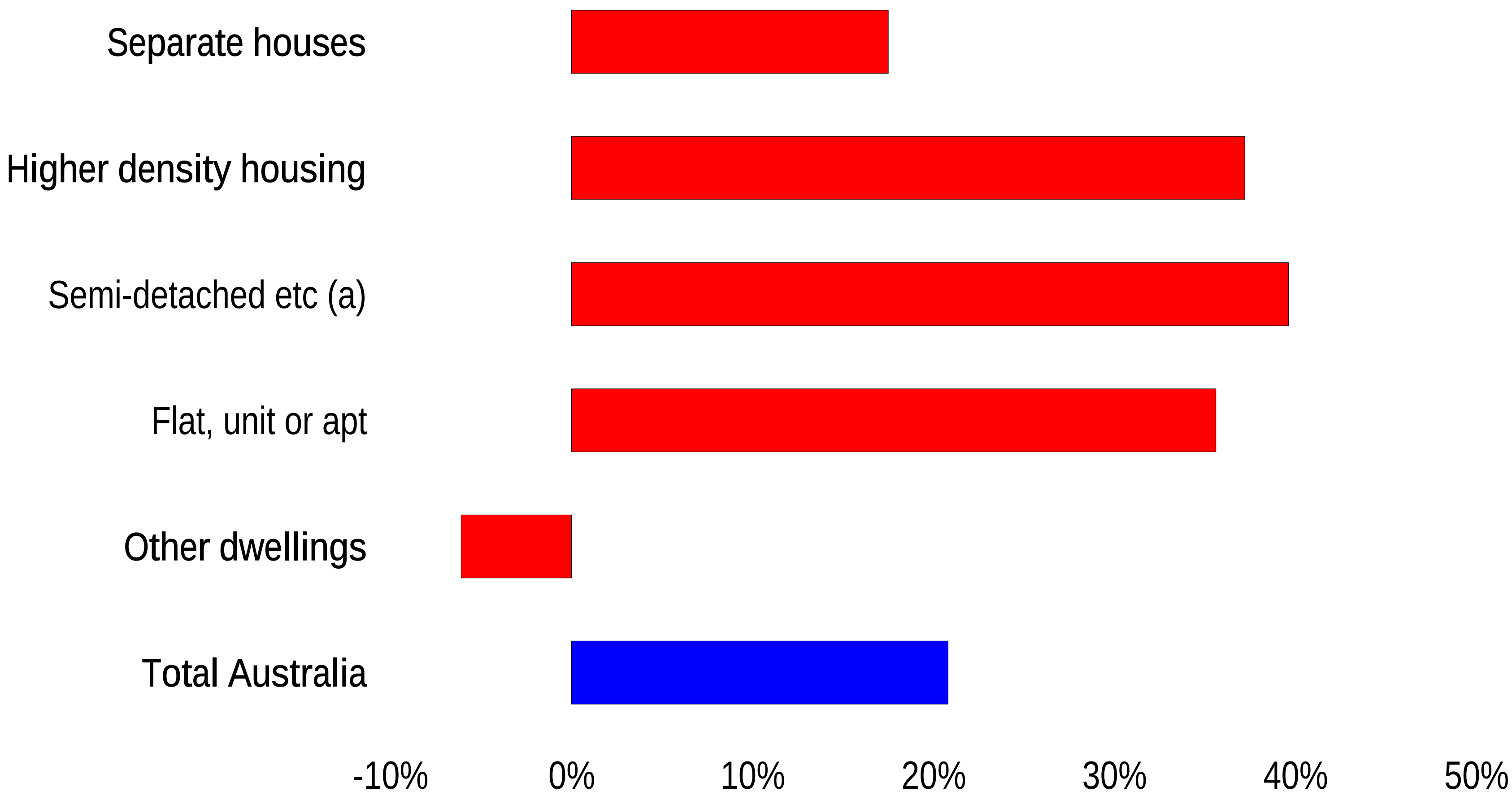
Source: Matusik Property Insights, ABS various.

	spare bedrooms			
	1	2	3+	total
total households	35%	33%	9%	77%
owners/mortgage	31%	48%	11%	90%
renters	39%	18%	2%	59%
families, kids at home	45%	18%	2%	65%
detached homes	33%	38%	11%	82%
apartments	42%	7%	nil	49%
townhouse/villas	47%	22%	2%	71%

Source: Matusik Property Insights, ABS 2003/04.

Dwelling structure

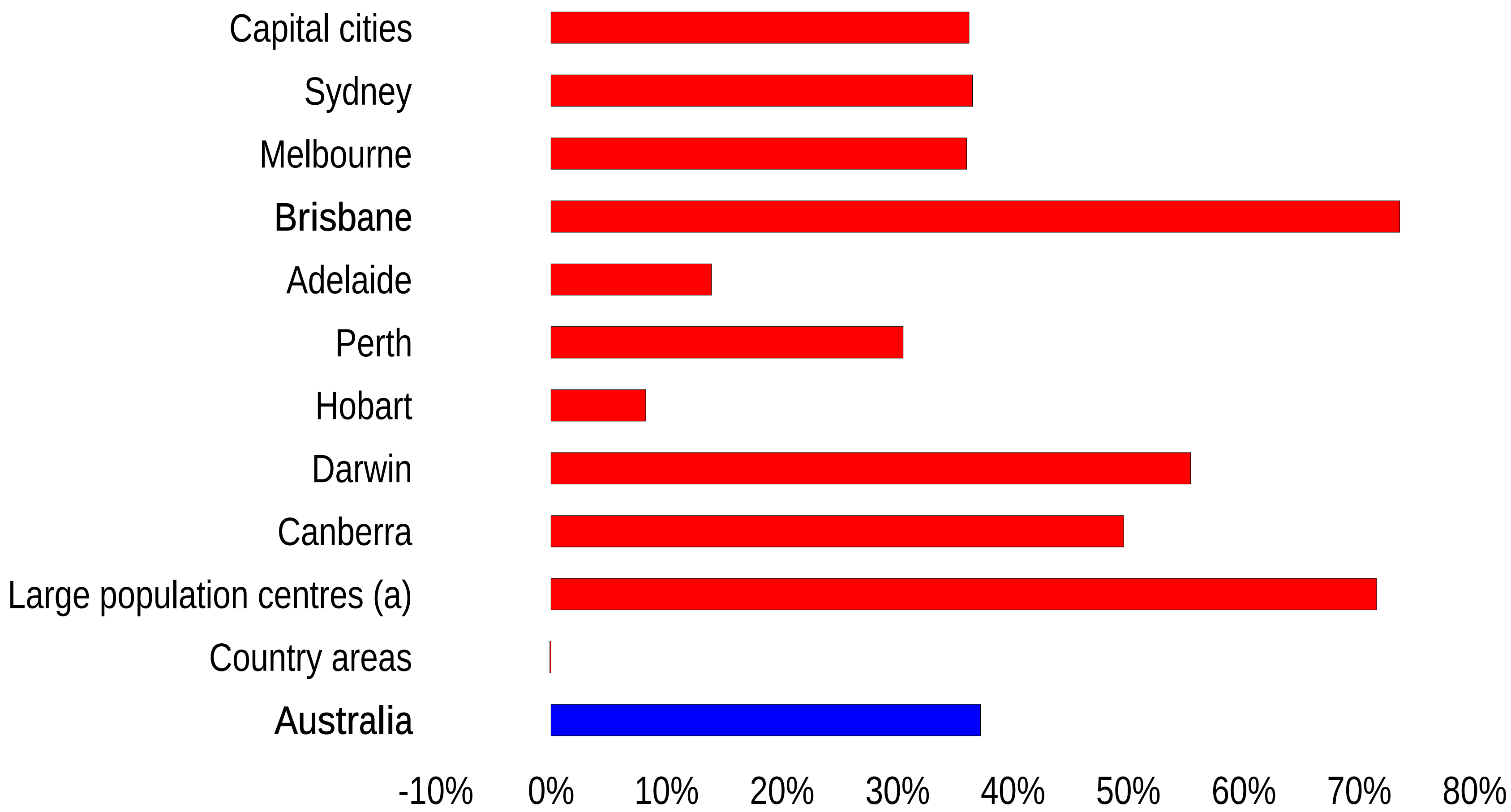
Australia - change in no. of dwellings*



*Matusik Property Insights, and ABS - Australian Social Trends, 4102.0. * = Last ten years.*
Occupied private dwellings. (a) = semi-detached, row or terrace, townhouse etc.

Higher density housing

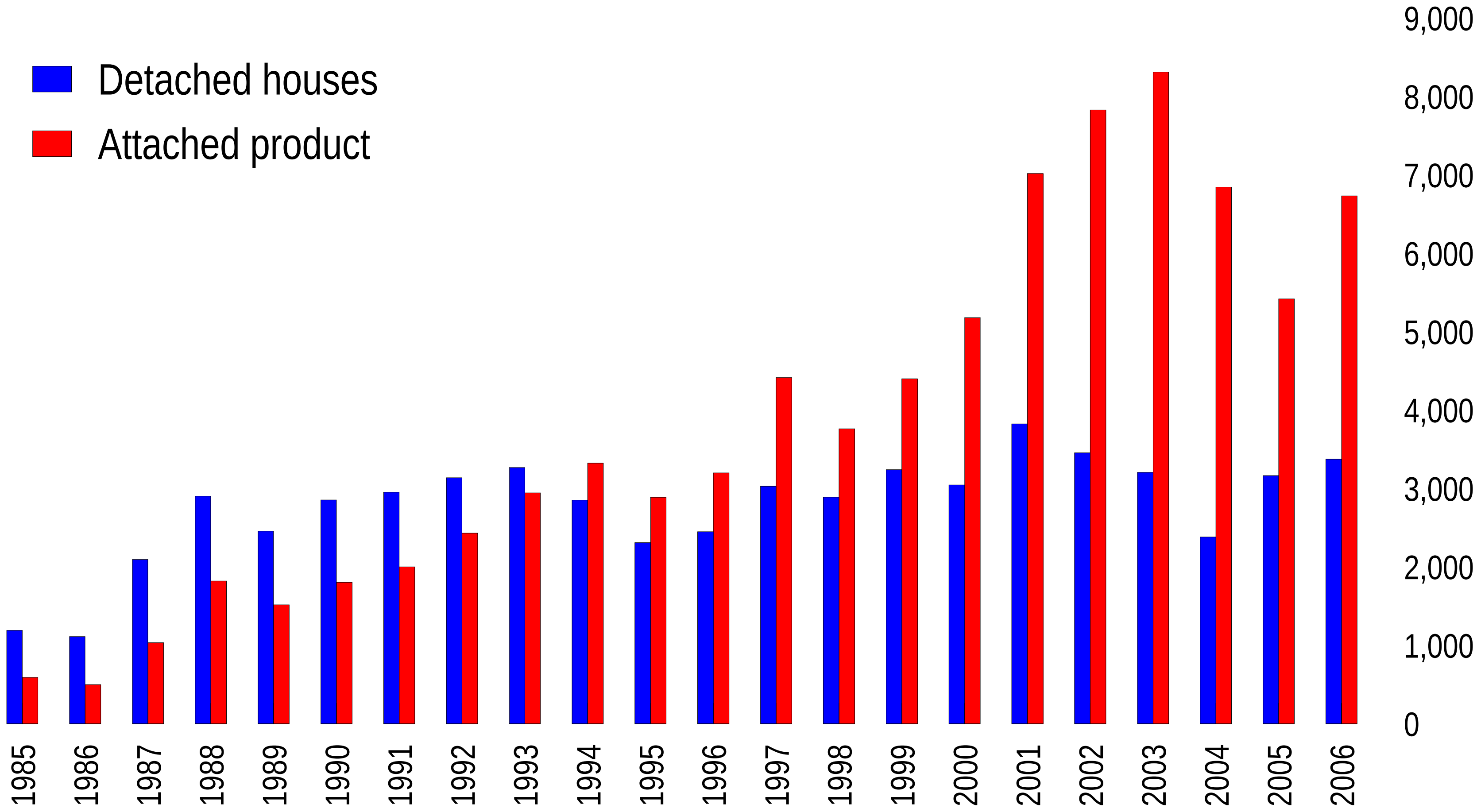
Geographic distribution - change in no. of higher density dwellings*



*Matusik Property Insights, and ABS - Australian Social Trends, 4102.0. * = Last ten years.*
Occupied private higher density dwellings. (a) = includes the likes of Cairns, the Gold and Sunshine Coasts etc.

Sale volumes

Inner Brisbane



Matusik Property Insights, Qld DNR and Matusik database. Calendar Years.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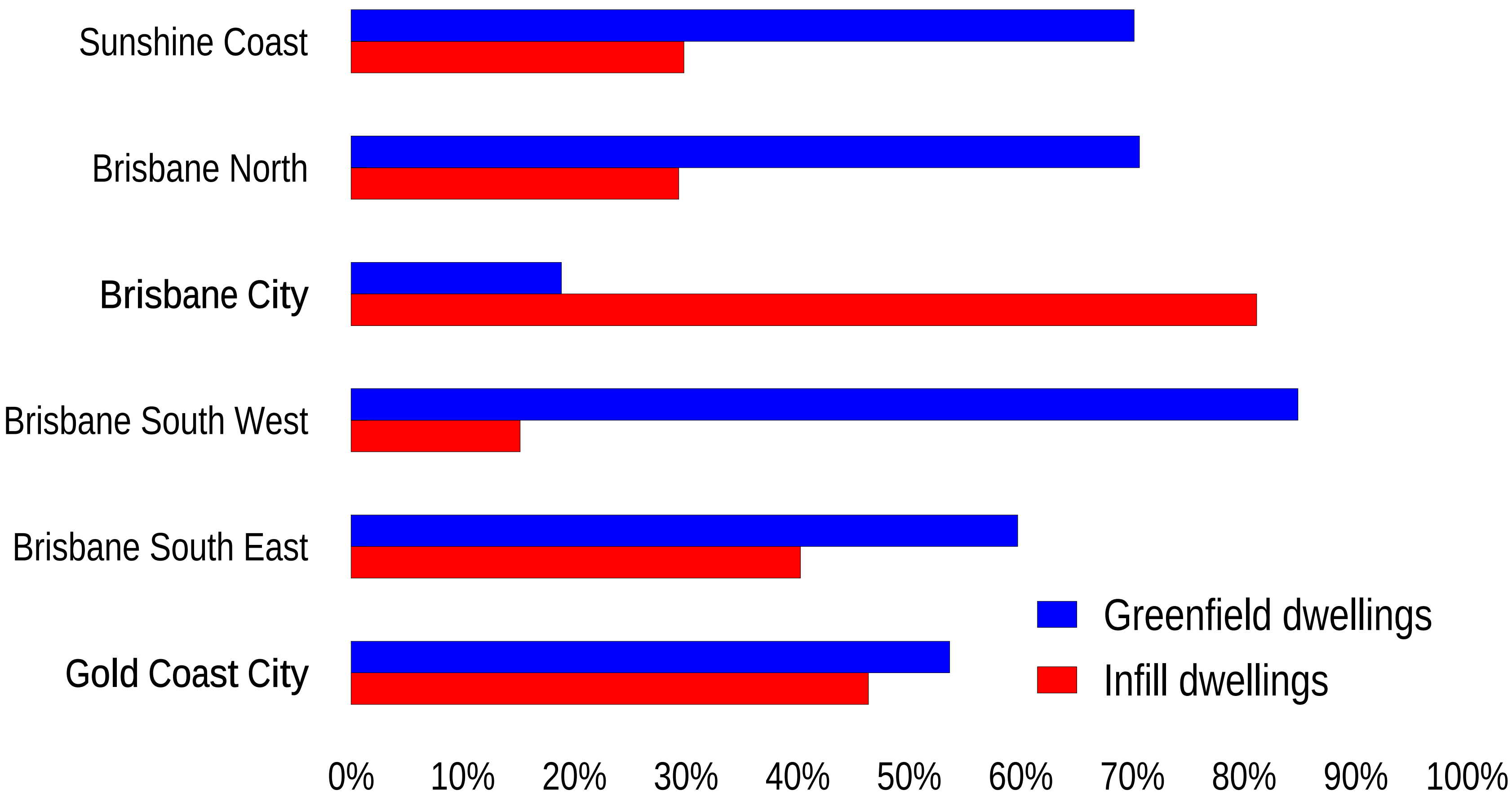
South East Queensland

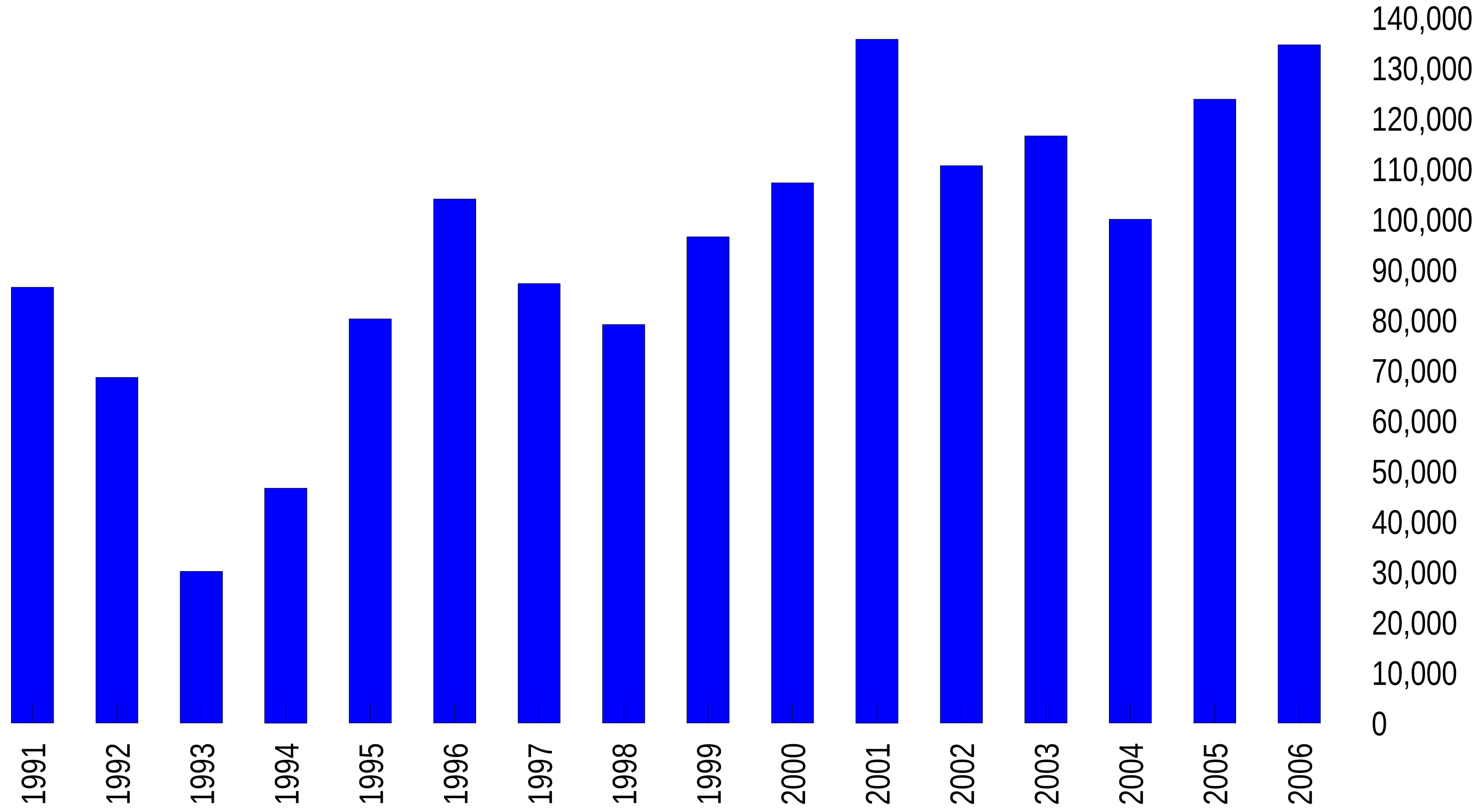
% increase in greenfield dwellings 2004 / 2026 vs infill dwellings 2004 / 2026



Matusik Property Insights, *SEQ Regional Plan.*

Net overseas migration

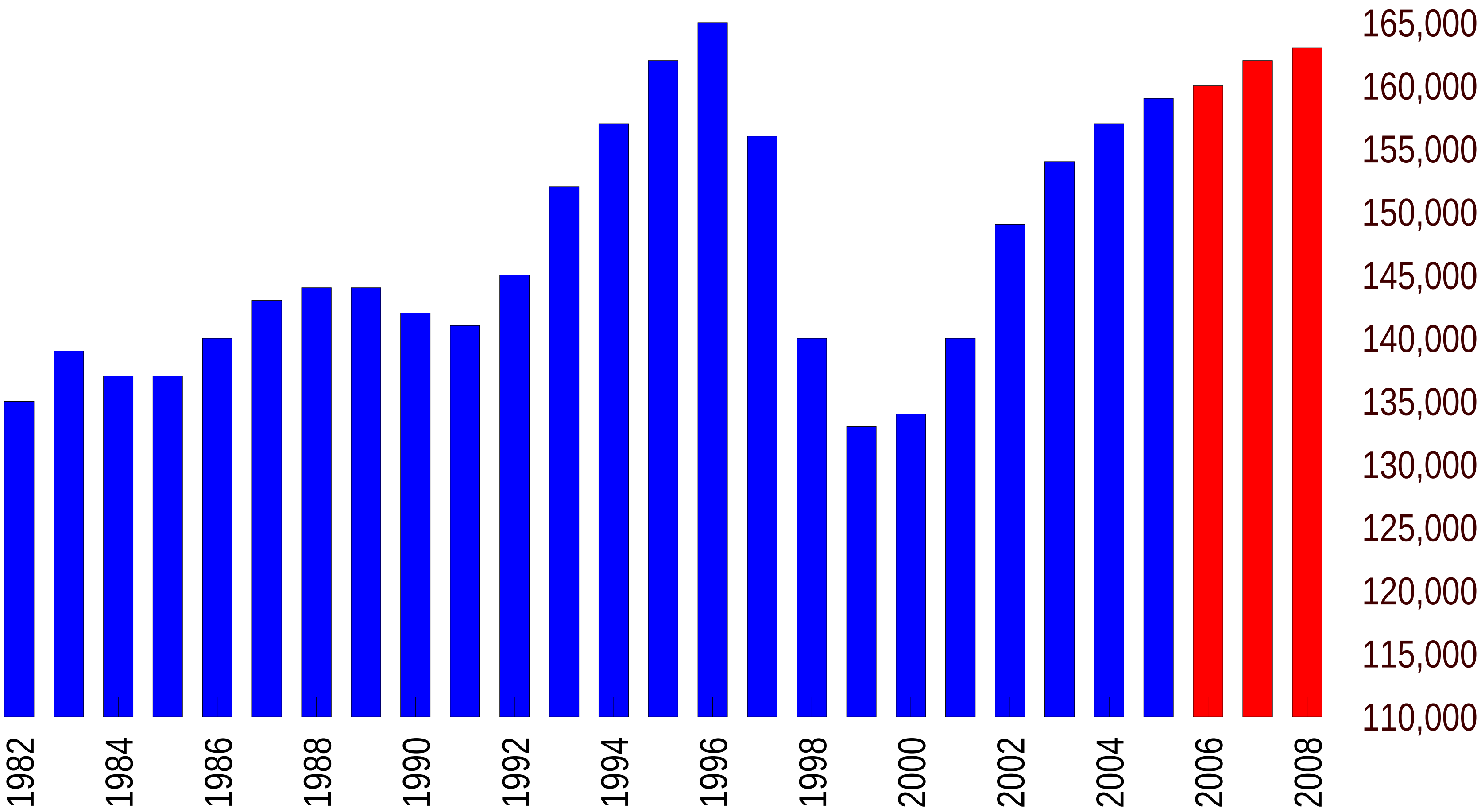
Australia



Matusik Property Insights, ABS.
Financial Years.

Underlying housing demand

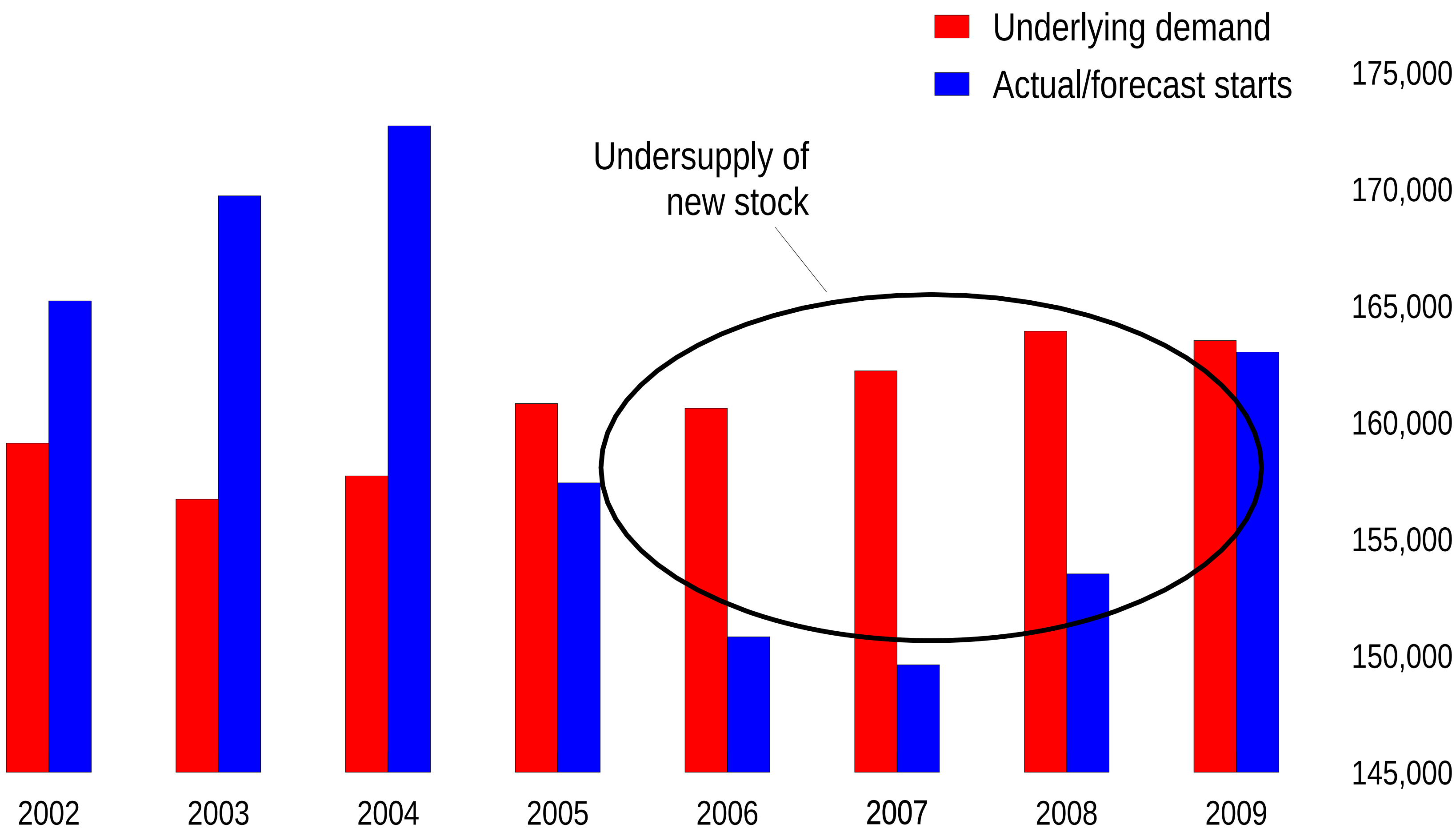
Australia



Matusik Property Insights & ABS & Economics@ANZ. Financial years.

Underlying demand v actual supply

Australia



Matusik Property Insights, HIA.
Financial Years.

Underlying dwelling demand v. supply - 2007
Australia

	Underlying demand	Anticipated supply	Balance
New South Wales	47,400	29,200	-18,200
Victoria	41,200	37,200	-4,000
Queensland	42,900	38,700	-4,200
South Australia	9,500	10,500	1,000
Western Australia	21,900	25,000	3,100
Tasmania	2,500	2,900	400
Northern Territory	1,500	1,100	-400
Canberra	2,600	2,000	-600
Australia	169,500	146,600	-22,900

(yellow)	Undersupplied
(orange)	Oversupplied
(blue)	Balanced

Matusik Property Insights. BIS Sharpnel. Financial year - 2006/07.

housing affordability

location	% detached house affordable 2000	% detached house affordable 2006
Noosa	32%	0%
Maroochy	58%	1%
Caloundra	61%	1%
Caboolture	91%	21%
Redcliffe	87%	11%
Pine Rivers	87%	18%
Brisbane	69%	9%
Ipswich	99%	48%
Logan	94%	25%
Redland	75%	9%
Gold Coast	48%	4%
Qld urban average	76%	17%

Source: Matusik Property Insights, Qld UDIA, ABS and Qld DNR.

affordability

- better land supply
- faster development assessment
- fairer infrastructure spread
- return of public housing
- smaller products
- changes to tax & access to super

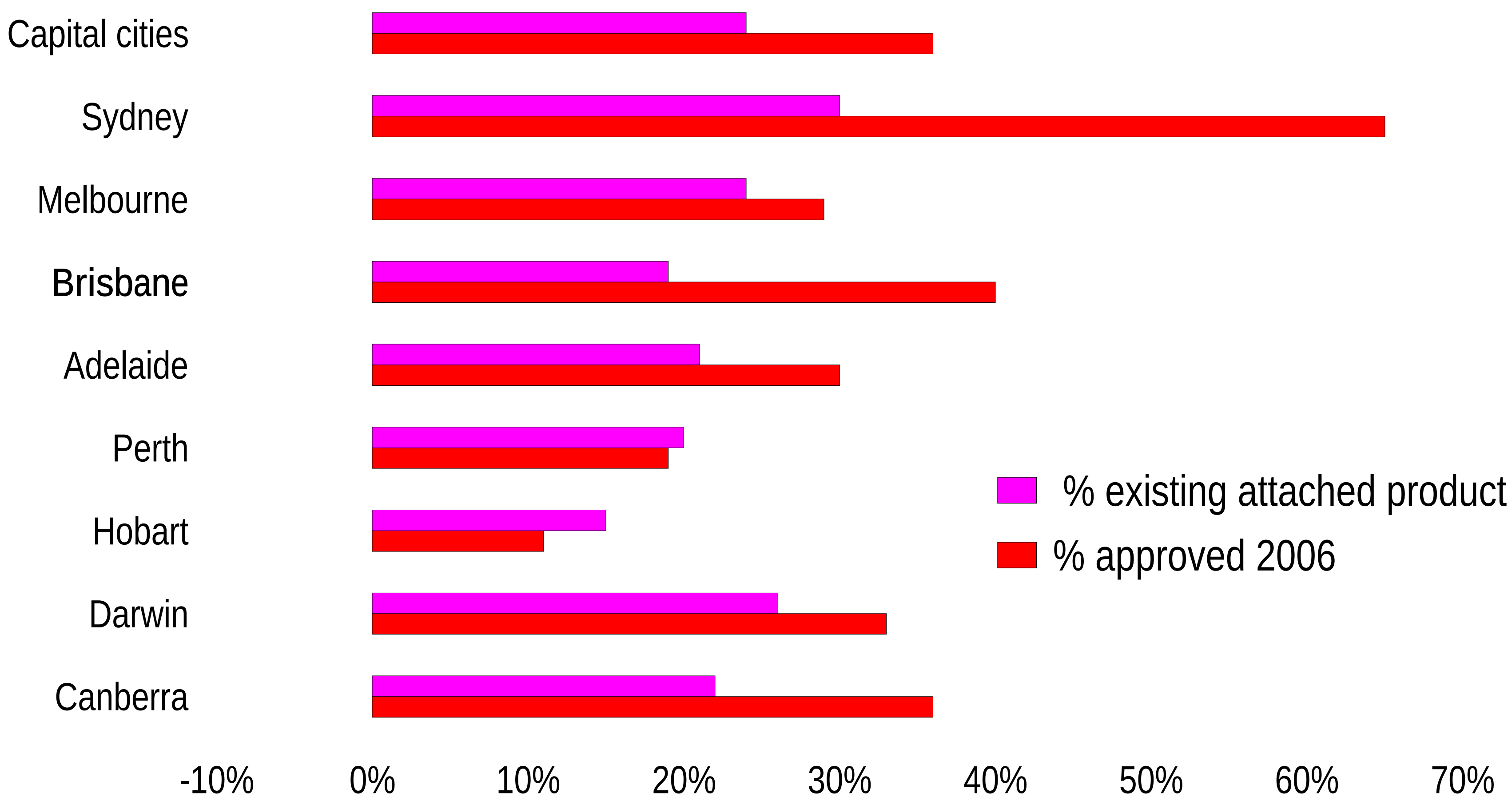
Housing cost increases - 1986 to 2006

Index series	Jun-86	Jun-06	Increase
Established house prices (includes land)	25.5	108.4	325%
Project homes (excludes land)	45	111.7	148%
Materials used in house building	55.9	106.9	91%
Consumer prices	75.6	154.3	104%

Matusik Property Insights, ABS various.

% attached housing

Australian capital cities



Matusik Property Insights, and ABS.

alternative products

- smaller product – under 50 sqm downtown
- one plus study & two bedroom detached houses
- smaller allotments, down to 200 sqm, even lower!
- ‘fonzie’ flats on separate titles within suburbia
- three, even four storey strata-titled terraces
- more ‘plexes’ = duplexes, triplexes & quadplex

year	lot size m2	house size m2	no. of cars	avg people	useable yard m2
1900	1,200	150	1	5.3	1,000
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Source: Matusik Property Insights, ABS various.

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value adders

- views – up to 100%, but usually 20% to 35%
- lifestyle precincts – 10% to 15%
- parkland – 3% to 5% pa

- schools – 5% to 10% premium
- public transport – 3% to 5%, 10% rail
- regional shopping – 5% to 10%

- esd initiatives – 2% to 5%

Potential established house price growth

Capital

	2006 (actual)	2007	2008
Sydney	-0.1%	2%	10%
Melbourne	8.1%	5%	10%
South east Qld	7.1%	5%	10%
Adelaide	6.4%	5%	8%
Perth	36.9%	0%	8%
Hobart	7.1%	5%	10%
Darwin	17.6%	8%	10%
Canberra	9.2%	5%	10%
Average	8.3%	4.5%	9.5%

Matusik Property Insights , ABS. Calendar years.

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south east qld total projected growth

tenure type

	2006	2016
fully owned	35%	32%
being purchased	25%	23%
rented	32%	35%
other	8%	10%

summary

- 20% buy a new residential property
- 70% upgrade, 20% first time & 10% investors
- 230,000 pa increase in pop, 70% in the capitals
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Property Research Consultants

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" Michael - thank you for your contribution in creating Brookwater, the Premier Golf Community. We have had the pleasure of working with many inspiring and creative people to develop this project over the last 5 years." **Springfield Land Corporation - Maha Sinnathamby & Bob Sharpless**

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Does a rain tank add value to your home? If so, by how much? Choose one of the following:

- Under 2%
- Between 2% and 5%
- Greater than 5%
- Adds no value

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