

# PLANET VALUATIONS



## **PRIORITY INFRASTRUCTURE PLAN**

### **LAND VALUE INDEX REPORT FINANCIAL YEAR 2010**

### **REDCLIFFE DISTRICT**

**PREPARED FOR:**

**MORETON BAY REGIONAL COUNCIL**

**DEPARTMENT OF STRATEGIC  
& DEVELOPMENT SERVICES**

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### **ANNEXURES**

Sales Data for Redcliffe District July 2009 – June 2010 - Vacant Land

Sales Data for North Lakes District July 2009 – June 2010 - Vacant Land

## 1 SUMMARY

A Land Value Index has been prepared for the Redcliffe District, Moreton Bay Regional Council, to indicate the movement of land values within the District during the period 1 July 2009 to 30 June 2010.

An overall indication of the movement of land value for the district has been calculated for the Financial Year period (F2010) based on vacant allotment sales in the 350m<sup>2</sup> to 650m<sup>2</sup> category.

There are only fifty six vacant sales in this category in the Redcliffe District which is insufficient for Index purposes. The average sale price is \$219,804 which indicates a decrease of 6.42% below the previous financial year (\$234,893). Pine Rivers and Caboolture districts indicate increases of 2.39% and 2.33% respectively.

A search of house price movements from F2009 to F2010 indicates there has been a rise in prices. A sample of house sales from \$300,000 - \$1 million; land area 500m<sup>2</sup> - 1000m<sup>2</sup>, indicates a general rise in the average house prices by 6.65%.

We have adopted the increases indicated by North Lakes which is adjacent to the Redcliffe district and considered indicative of land values in the general district. North Lakes research indicates 279 sales at an average of \$218,965 (an increase of 2.5% over the previous year).

The recommended average District increase of land value has been calculated on North Lakes figures and applied to the previous year's Land Index as follows:

|                                      | 2007<br>Index | 2008 | 2009  | 2010 |
|--------------------------------------|---------------|------|-------|------|
| Land Value Index                     | 100           | 110  | 115   | 118  |
| Applied Average<br>District Increase |               | 9.8% | 4.19% | 2.5% |

There is a level of stability in the property sector with steady prices and low sales volumes. The volumes of sales will remain low for the next 12 months and prices will also remain at current level.

## 2 AVERAGE REDCLIFFE DISTRICT ALLOTMENT SALES

The average sale prices for 350 m<sup>2</sup> - 650 m<sup>2</sup> allotments have been compiled from searches of the sales database provided by RP Data.

### Vacant Land Average Prices – Redcliffe District

| Year | Average Land Value | No of Sales | Ave Lot Size (m <sup>2</sup> ) | % Increase in value |
|------|--------------------|-------------|--------------------------------|---------------------|
| 2007 | \$186,959          | 246         | 524                            |                     |
| 2008 | \$205,306          | 105         | 501                            | 9.8%                |
| 2009 | \$234,893          | 38          | 487                            | 14.41%              |
| 2010 | \$219,804          | 56          | 442                            | -6.42%              |

### North Lakes

| Year | Average Land Value | No of Sales | Avg Lot Size (m <sup>2</sup> ) | % Increase in value |
|------|--------------------|-------------|--------------------------------|---------------------|
| 2008 | \$205,030          | 349         | 482                            |                     |
| 2009 | \$213,621          | 311         | 482                            | 4.19%               |
| 2010 | \$218,965          | 279         | 458                            | 2.5%                |

We have investigated the house price movements in Redcliffe district over the last three financial years to obtain secure market evidence and there has been a 6.65% increase in house prices. This data in Redcliffe is not supportive of the data in the Caboolture and Pine Rivers Districts.

Data relating to dwelling sales in Redcliffe in the \$300,000 - \$1 million bracket with land areas 500m<sup>2</sup> - 1000m<sup>2</sup> is detailed below:

### Dwelling House Prices

| Year | Average House Value | No of Sales | Avg Lot Size (m <sup>2</sup> ) | % Change |
|------|---------------------|-------------|--------------------------------|----------|
| 2008 | \$423,197           | 747         | 658                            |          |
| 2009 | \$417,131           | 636         | 654                            | -1.43%   |
| 2010 | \$444,895           | 706         | 657                            | 6.65%    |

### 3 MARKET OVERVIEW

The Redcliffe property market is predominantly older style residential properties with new single unit developments to the west of the district and urban redevelopment to multi-unit developments in the eastern section. The foreshore area has seen major highrise redevelopment.



Source – PDS Live

### Dwelling sales from F2006 – F2010



Source – PDS Live

The above chart indicates how house prices (line) and volumes of sales (bar) have tracked over the previous five financial years.

House prices rose significantly to the period October 2007 and then fell significantly during 2008. The volumes of sales have risen to about 350/month and then fallen to about 200/month at the end of F2010.

The number of sales is expected to remain low and prices steady at an average of about \$445,000.

#### **4 FUTURE TRENDS**

Market indicators suggest there will be levelling of values across the property sector, the Redcliffe district will experience little change in values across all markets. There are a number of downward pressures on demand including possible higher interest rates, however employment rates will remain high and net migration remain low.

We believe that with a stronger economy, a steady number of investors especially in the lower markets, and a limited supply of houses for sale, demand will be met by the current rate of listings of properties for sale. The Redcliffe district should maintain a good demand for dwellings being a bayside locality which attracts a range of potential buyers from first home buyers, investors and retirees in a limited market.

#### **5 LIMITATIONS**

It is noted that the vacant allotment values relied upon in this report are not all the vacant allotment sales that were recorded for the district. The sale category has been selected to give the best indication of changes in values in the District. The category was chosen as it can be best compared with the previous year and base year sales, and it has a significant volume of sales. All sales have been sourced through RP Data.

The graphs are extracted from PDS Live and their accuracy depends on the inputted data over which we have limited control. The information has been included in the report as indicative of the market and should not be relied upon as definitive price evidence.

The base year for the Index is 2007 with the Index for that year equalling 100. The year refers to the financial year e.g. 2007 = 1 July 2006 to 30 June 2007.



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