



# Pain and Gain

A quarterly assessment of realised gross profit and loss based on dwelling re-sales over the March quarter of 2014

## March Quarter, 2014 Released June 2014

Over the first quarter of 2014 RP Data recorded 64,518 residential property resales nationally; of these 9.8% recorded a gross loss from the original purchase price. The gross value of the losses associated with these loss making re-sales totalled \$381.1 million. Conversely, 90.2% of all March 2014 quarter resales recorded a gross profit relative to their original purchase price. The gross profit from these resales equated to \$12.2 billion.

Lifestyle regions continue to show the largest proportion of loss making re-sales, particularly within the unit markets as opposed to detached housing markets. Queensland's Wide Bay region has recorded the largest proportion of loss making resales, with 30.6% of all March 2014 quarter re-sales transacting at a price lower than what the home was purchased for. It is important to note that while loss-making re-sales remain a high proportion of the market, in many of these regions the proportion of these sales is now trending lower.

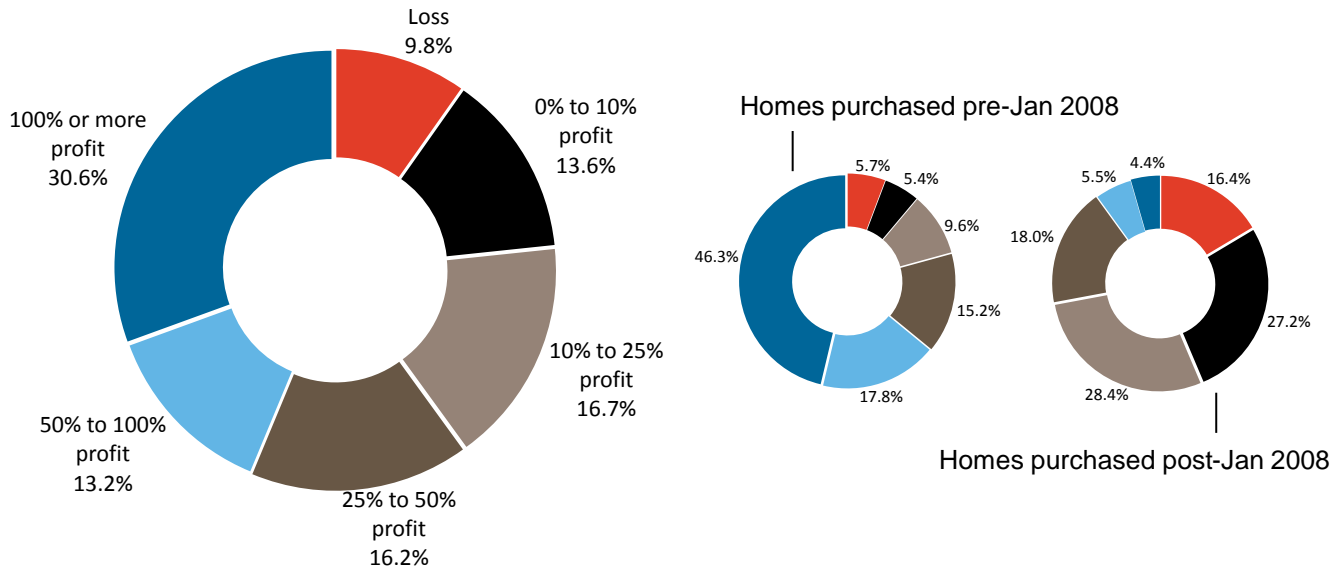
In contrast, regional areas often associated with the agricultural sector as well as most capital cities have recorded very low rates of loss making resales, with Sydney recording the nation's lowest proportion of loss-making resales.

# Headline results for March quarter 2014

9.8% of all home re-sales that transacted over the first quarter of 2014 recorded a gross loss compared with their original purchase price. The figure increased slightly from 9.7% at the end of 2013 however, it was lower than the 12.4% recorded over the same period a year ago. The gross value of losses on homes re-sold over the quarter was recorded at \$381.1 million and the average gross loss per loss making transaction was \$60,544.

In contrast, 90.2% of all re-sales over the March quarter of 2013 transacted at a gross profit, with 30.6% of all re-sales at least doubling their money compared with their original purchase price. The gross profit on these re-sales was \$12.2 billion and the average gross profit per profit making transaction was \$225,088.

## Pain/Gain results for house and unit re-sales over March quarter 2014



The likelihood of making a gross profit or loss is quite different based on the length of time a property has been owned. As a stark example, those homes that were previously purchased prior to January 1st, 2008 (ie pre-GFC) and were subsequently sold during the March quarter of 2014, only 5.7% of re-sales were made at a gross loss. For those homes that were purchased on or after January 1st, 2008 the propensity to make a loss on the sale climbs substantially. Of those homes that sold over the March 2014 quarter, 16.4% recorded a gross loss relative to the previous purchase price.

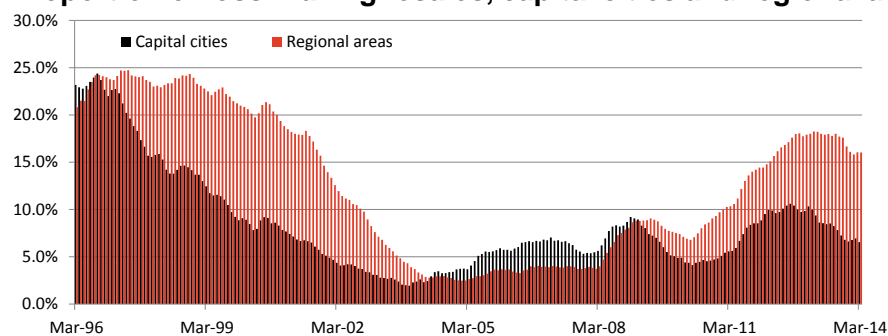
To further illustrate this point, for those re-sales that incurred a gross loss over the March quarter, their average length of ownership was just 5.5 years. Properties that recorded a gross profit were held for an average of 9.7 years, while those homes that recorded a gross profit of more than 100% of the previous purchase price were owned for an average of 16.2 years.

# The proportion of loss-making resales has peaked and is slowly trending lower

Nationally 9.8% of all homes which re-sold over the three months to March incurred a gross loss compared with a peak of 13.1% of re-sales over the three months ending January 2013.

At the capital city level, the proportion of loss-making re-sales has been lower than the national average since early 2009. Over the three months ending March 2014, 6.5% of all capital city re-sales recorded a gross loss compared to 16.0% of sales at a loss across the combined regional areas. Loss-making re-sales are down from 9.4% a year ago across capital cities and down from 18.2% in regional markets.

## Proportion of loss-making resales, capital cities and regional areas



Across the broad regions of Australia, the most significant proportion of loss-making re-sales are being recorded within the Regional Queensland marketplace (23.2%) and in Regional Tasmania (19.0%). The weakness in Queensland is mostly reflective of the previously weak conditions across the lifestyle markets and the growing weakness across regions linked to the resources sector. It is important to note that across lifestyle areas the proportion of loss making sales is reducing as we start to see some low levels of value growth return to these housing markets.

The lowest proportion of loss-making re-sales are being recorded in Sydney (3.0%), Perth (5.0%), Darwin (6.6%) and Australian Capital Territory (7.1%).

## March quarter 2014, proportion of all re-sales by pain/gain bracket

Region	Loss	0% to 10% profit	10% to 25% profit	25% to 50% profit	50% to 100% profit	100% or more profit
Sydney, NSW	3.0%	5.4%	17.1%	26.2%	20.6%	27.7%
Regional NSW	10.7%	16.3%	19.6%	14.7%	10.0%	28.7%
Melbourne, Vic	7.4%	11.4%	13.3%	16.5%	15.7%	35.7%
Regional Vic	8.4%	15.2%	18.8%	16.0%	11.1%	30.5%
Brisbane, Qld	10.9%	19.3%	16.8%	14.2%	11.0%	27.9%
Regional Qld	23.2%	19.3%	15.8%	10.1%	9.0%	22.5%
Adelaide, SA	11.5%	18.1%	13.8%	16.2%	12.1%	28.2%
Regional SA	17.4%	18.1%	19.0%	10.4%	10.6%	24.5%
Perth, WA	5.0%	12.5%	20.2%	11.6%	9.2%	41.5%
Regional WA	17.5%	12.7%	9.1%	5.4%	10.2%	45.1%
Hobart, Tas	14.8%	20.0%	13.2%	10.0%	6.7%	35.3%
Regional Tas	19.0%	19.1%	14.2%	8.4%	6.5%	32.8%
Darwin, NT	6.6%	11.4%	16.6%	15.2%	15.5%	34.6%
Regional NT	11.7%	11.7%	10.7%	19.4%	24.3%	22.3%
Australian Capital Territory	7.1%	17.8%	15.2%	15.8%	11.1%	32.9%

# Properties held for a short period are much more susceptible to loss

Of those homes re-sold throughout the March 2014 quarter, properties that were held for a short period of time have been much more susceptible to loss. Despite home values having risen over the past year, 12.0% of owners who purchased and sold in the same year sold at a gross loss (the actual number of homes re-sold in less than a year is very small). The greatest proportion of loss making sales has occurred across those homes re-sold after three to five years (19.4%). If an owner wishes to double their initial outlay upon resale they typically need to hold the home for at least a decade. 54.8% of homes re-sold between 10 and 15 years after purchase sold for double the purchase price and 95.0% of re-sales after 15 years were for more than double the initial purchase price.

## Proportion of resales profit by length of ownership, December quarter 2013

Length of ownership	Loss	0% to 10% profit	10% to 25% profit	25% to 50% profit	50% to 100% profit	100% or more profit
Less than a year	12.0%	47.0%	21.4%	11.3%	3.8%	4.4%
1 year to 3 years	11.9%	31.5%	33.7%	14.7%	3.7%	4.6%
3 years to 5 years	19.4%	27.0%	27.4%	17.3%	4.5%	4.4%
5 years to 7 years	17.5%	17.7%	24.5%	25.0%	10.9%	4.4%
7 years to 10 years	9.0%	8.8%	17.4%	28.9%	24.9%	10.9%
10 years to 15 years	2.5%	1.9%	4.5%	10.9%	25.3%	54.8%
15 years or more	0.4%	0.1%	0.3%	0.7%	3.5%	95.0%

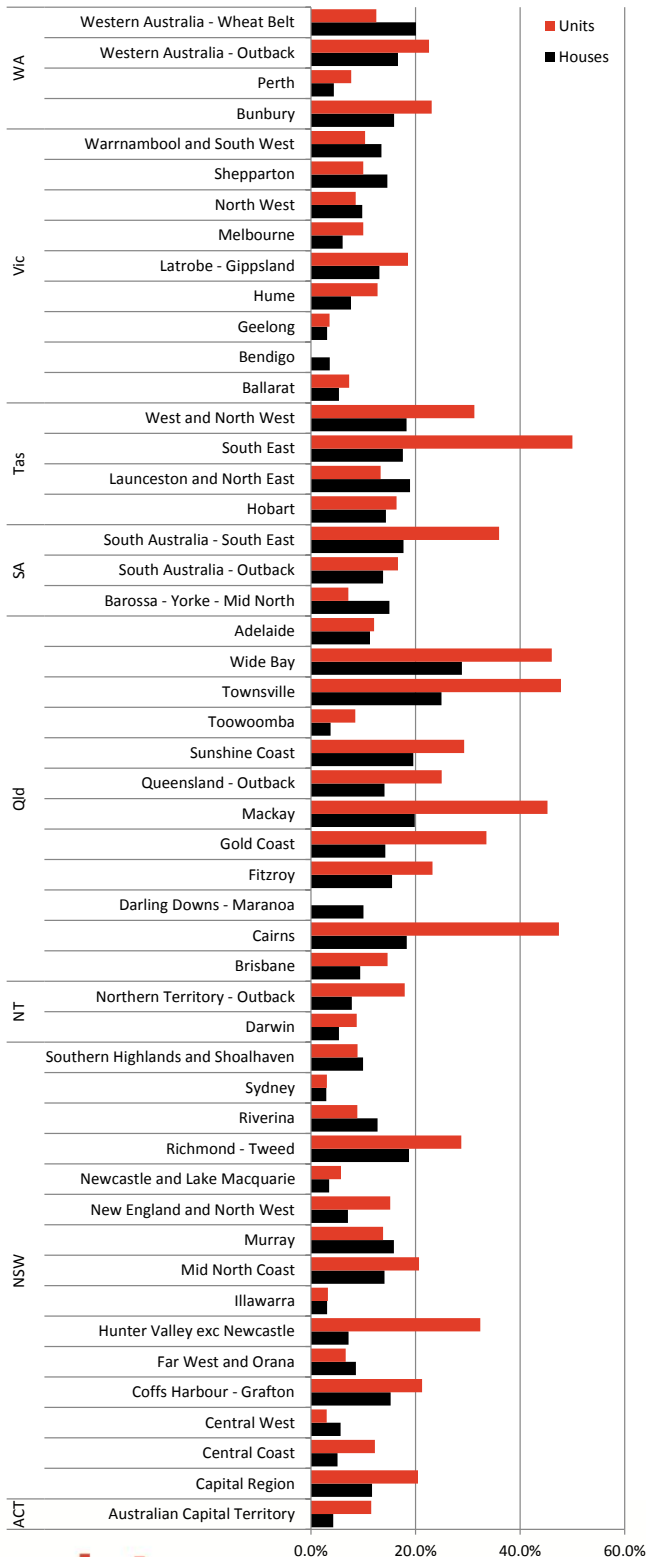
Across the broad regions of the country you can see that there is quite a divergence in the proportion of loss making re-sales and the length of time over which they peak. What is overwhelmingly clear is that buying and re-selling over a short period of time significantly increases the chances of incurring a loss-making sale. In Sydney, Perth and Darwin the proportion of loss making sales was highest for homes re-sold in less than 1 year. In Melbourne, Brisbane, Adelaide and Hobart homes which re-sold between 3 and 5 years after purchase were most likely to sell at a loss. In Canberra, homes purchased between 1 years and 3 years ago were the most likely to sell at a loss over the quarter. The long-term nature of housing investment means that if you buy and sell over a shorter period of time you are going to be much more susceptible to loss than if you have a long-term hold strategy. Of course, factoring in the high transaction costs associated with buying and selling a property would substantially increase the number of loss making sales.

## Proportion of resales at a loss by length of ownership, March quarter 2014

Region	Less than 1 year	1 year to 3 years	3 years to 5 years	5 years to 7 years	7 years to 10 years	10 years to 15 years	15 years or more
Sydney, NSW	5.9%	3.3%	3.3%	3.3%	4.8%	3.0%	0.6%
Regional NSW	15.6%	11.2%	18.6%	15.2%	16.2%	5.3%	0.7%
Melbourne, Vic	12.3%	19.9%	20.7%	5.5%	3.2%	1.1%	0.1%
Regional Vic	16.4%	18.7%	16.0%	10.4%	8.0%	1.3%	0.2%
Brisbane, Qld	15.1%	10.0%	28.8%	22.8%	4.3%	0.6%	0.1%
Regional Qld	9.3%	18.3%	42.5%	47.3%	23.0%	4.7%	0.8%
Adelaide, SA	20.0%	24.0%	31.5%	14.3%	3.0%	1.8%	0.7%
Regional SA	37.5%	17.8%	33.6%	32.3%	13.0%	2.2%	3.4%
Perth, WA	12.1%	3.6%	6.8%	11.9%	5.9%	0.4%	0.0%
Regional WA	22.2%	12.5%	33.6%	49.2%	16.3%	1.5%	0.0%
Hobart, Tas	0.0%	24.1%	39.2%	31.3%	7.3%	0.8%	0.0%
Regional Tas	20.0%	29.7%	50.9%	30.1%	9.6%	0.8%	1.1%
Darwin, NT	25.0%	14.5%	9.3%	3.0%	2.4%	4.2%	0.0%
Regional NT	0.0%	25.0%	18.5%	0.0%	11.5%	0.0%	0.0%
Canberra, ACT	20.0%	32.9%	19.0%	3.1%	1.4%	0.0%	0.0%
National	12.0%	11.9%	19.4%	17.5%	9.0%	2.5%	0.4%

# Unit dwellings within lifestyle markets are generally showing the largest proportion of loss-making re-sales

Proportion of loss-making re-sales March quarter 2014 non-capital city SA4 regions and GCCSA regions, houses and units



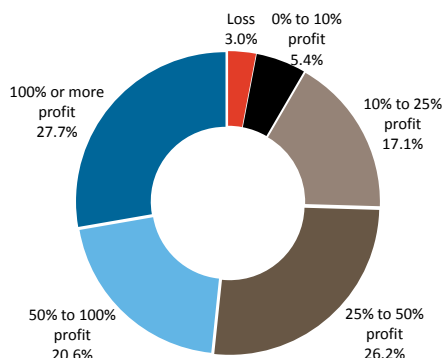
From a regional perspective the largest proportion of loss-making re-sales were located in the following regions:

- Wide Bay (Qld) (30.6%)
- Townsville (Qld) (28.5%)
- Cairns (Qld) (28.2%)
- Gold Coast (Qld) (25.6%)
- Mackay (Qld) (23.3%)
- Sunshine Coast (Qld) (23.2%)
- Richmond-Tweed (NSW) (22.3%)
- West and North West (Tas) (20.2%)
- Wheat Belt (WA) (19.9%)
- South-East (SA) (19.8%)

The lowest proportion of loss-making re-sales were recorded in the following regions:

- Sydney (NSW) (3.0%)
- Bendigo (Vic) (3.1%)
- Illawarra (NSW) (3.1%)
- Geelong (Vic) (3.2%)
- Newcastle and Lake Macquarie (NSW) (3.9%)
- Toowoomba (Qld) (4.5%)
- Perth (WA) (5.0%)
- Central West (NSW) (5.5%)
- Ballarat (Vic) (5.6%)
- Central Coast (NSW) (6.6%)
- Darwin (NT) (6.6%)

# Pain & Gain: Sydney council regions

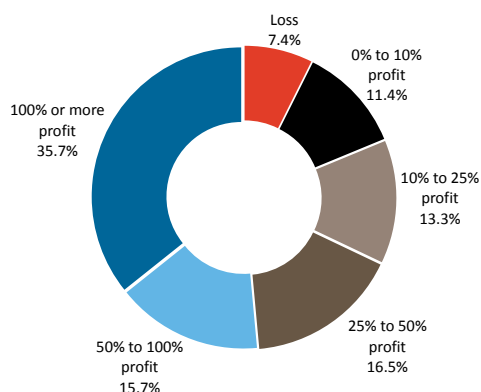


Only 3.0% of homes re-sold over the March 2014 quarter in Sydney sold for less than their previous purchase price, down from 6.9% 12 months ago and at its lowest level since December 2003. All regions had less than 8% of all re-sales at a loss over the quarter and there were no loss making re-sales in Botany Bay, Hunters Hill or Marrickville.

## Key statistics: Sydney council regions

Region	Gross LOSS making sales, Mar quarter 2014				Gross PROFIT making sales, Mar quarter 2014			
	% of all sales	Average hold period	Median loss	Total value of loss	% of all sales	Average hold period	Median profit	Total value of profit
Ashfield	1.7%	3.5	-\$152,500	-\$152,500	98.3%	9.1	\$302,000	\$23,059,999
Auburn	5.7%	6.6	-\$20,000	-\$679,883	94.3%	8.0	\$140,000	\$48,103,575
Bankstown	3.3%	6.6	-\$140,000	-\$1,987,500	96.7%	8.2	\$185,000	\$88,180,715
Blacktown	2.2%	6.4	-\$92,500	-\$1,798,740	97.8%	9.2	\$162,250	\$169,271,681
Blue Mountains	3.5%	5.6	-\$150,000	-\$1,578,409	96.5%	9.5	\$112,250	\$41,960,985
Botany Bay	0.0%				100.0%	11.0	\$227,000	\$20,997,791
Burwood	3.3%	7.1	-\$652,314	-\$1,304,627	96.7%	9.6	\$325,000	\$27,095,488
Camden	2.3%	4.0	-\$17,500	-\$534,911	97.7%	9.9	\$121,000	\$46,592,126
Campbelltown	1.5%	6.5	-\$30,000	-\$428,500	98.5%	9.5	\$122,750	\$74,170,676
Canada Bay	3.3%	6.6	-\$20,000	-\$886,500	96.7%	9.2	\$224,242	\$94,450,737
Canterbury	2.7%	7.8	-\$221,000	-\$3,122,000	97.3%	9.6	\$217,000	\$97,058,839
Fairfield	3.7%	9.2	-\$96,334	-\$2,696,298	96.3%	9.8	\$174,500	\$76,026,558
Gosford	6.2%	7.6	-\$53,750	-\$5,782,550	93.8%	9.3	\$115,000	\$116,263,744
Hawkesbury	5.4%	6.7	-\$41,250	-\$1,080,950	94.6%	10.8	\$150,000	\$42,900,350
Holroyd	1.9%	6.8	-\$67,000	-\$964,500	98.1%	9.0	\$150,500	\$75,592,235
Hornsby	1.4%	3.8	-\$260,000	-\$1,584,500	98.6%	11.0	\$291,000	\$134,953,324
Hunters Hill	0.0%				100.0%	9.4	\$400,000	\$8,402,153
Hurstville	0.9%	6.7	-\$152,084	-\$304,167	99.1%	8.0	\$239,000	\$69,047,819
Kogarah	1.5%	7.4	-\$160,000	-\$320,000	98.5%	9.1	\$235,000	\$43,120,999
Ku-ring-gai	4.0%	6.3	-\$99,223	-\$3,466,966	96.0%	9.6	\$322,500	\$175,044,172
Lane Cove	1.1%	10.7	-\$262,000	-\$262,000	98.9%	10.7	\$341,000	\$45,128,319
Leichhardt	2.2%	10.5	-\$138,750	-\$645,000	97.8%	8.2	\$315,000	\$74,008,244
Liverpool	2.0%	7.8	-\$190,000	-\$2,320,000	98.0%	9.7	\$145,000	\$100,761,014
Manly	1.3%	8.1	-\$175,000	-\$350,000	98.7%	10.8	\$296,500	\$73,152,511
Marrickville	0.0%				100.0%	9.4	\$322,250	\$67,692,106
Mosman	1.2%	13.5	-\$207,000	-\$207,000	98.8%	9.7	\$295,000	\$35,855,000
North Sydney	2.5%	6.2	-\$115,000	-\$992,500	97.5%	9.4	\$273,000	\$102,819,603
Parramatta	2.4%	6.0	-\$38,000	-\$1,162,233	97.6%	9.1	\$180,000	\$135,356,068
Penrith	2.0%	6.8	-\$59,000	-\$890,990	98.0%	10.5	\$131,500	\$121,168,491
Pittwater	6.7%	7.9	-\$60,000	-\$1,562,300	93.3%	9.5	\$241,000	\$67,452,646
Randwick	3.5%	7.8	-\$77,750	-\$1,332,700	96.5%	10.4	\$320,440	\$148,175,307
Rockdale	3.1%	7.7	-\$182,500	-\$1,347,617	96.9%	8.8	\$221,250	\$78,047,279
Ryde	1.8%	7.9	-\$29,500	-\$241,500	98.2%	9.3	\$276,000	\$109,739,708
Strathfield	0.7%	15.5	-\$780,000	-\$780,000	99.3%	8.1	\$185,000	\$48,558,062
Sutherland Shire	2.4%	7.3	-\$91,250	-\$2,756,167	97.6%	11.2	\$240,000	\$223,773,760
Sydney	3.4%	7.5	-\$195,000	-\$5,112,988	96.6%	8.9	\$231,000	\$218,801,424
The Hills Shire	0.9%	1.9	-\$174,000	-\$1,199,834	99.1%	10.5	\$337,000	\$220,071,516
Warringah	1.5%	7.0	-\$437,500	-\$2,078,750	98.5%	9.5	\$230,000	\$165,586,485
Waverley	3.4%	4.6	-\$230,000	-\$1,332,000	96.6%	10.9	\$300,000	\$76,956,283
Willoughby	1.9%	7.1	-\$214,000	-\$1,013,000	98.1%	9.4	\$305,000	\$96,561,191
Wollondilly	5.5%	7.3	-\$40,000	-\$408,500	94.5%	10.0	\$113,750	\$20,261,921
Woollahra	3.8%	6.7	-\$225,000	-\$2,258,110	96.2%	9.2	\$300,000	\$78,942,550
Wyong	7.0%	8.4	-\$40,000	-\$4,187,900	93.0%	9.3	\$90,000	\$98,916,273

# Pain & Gain: Melbourne council regions

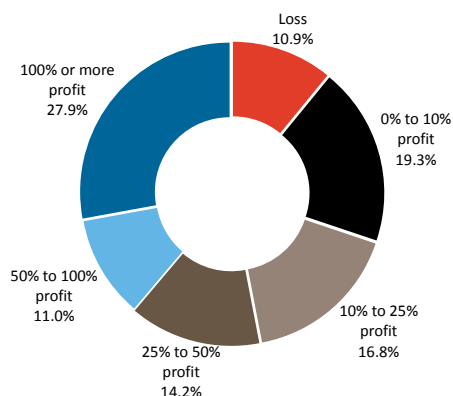


7.4% of Melbourne homes which re-sold over the March 2014 quarter sold at a loss, down from 9.3% at the same time a year ago but up from 6.1% the previous quarter. The Melbourne Council Area had the highest proportion of loss-making re-sales (19.1%) followed by Whittlesea (13.4%) and Melton (12.8%). The Moorabool and Murrindindi Council Areas recorded no loss making re-sales over the quarter.

## Key statistics: Melbourne council regions

Region	Gross LOSS making sales, Mar quarter 2014				Gross PROFIT making sales, Mar quarter 2014			
	% of all sales	Average hold period	Median loss	Total value of loss	% of all sales	Average hold period	Median profit	Total value of profit
Banyule	7.2%	3.6	-\$20,000	-\$929,867	92.8%	11.8	\$232,500	\$76,966,042
Bayside	7.8%	4.0	-\$25,000	-\$1,957,940	92.2%	13.0	\$458,000	\$136,092,529
Boroondara	7.0%	3.9	-\$40,000	-\$1,613,330	93.0%	12.5	\$429,000	\$169,754,904
Brimbank	9.3%	3.6	-\$20,000	-\$1,006,898	90.7%	10.4	\$131,000	\$44,772,393
Cardinia	8.8%	2.9	-\$13,000	-\$438,950	91.2%	8.8	\$74,775	\$19,846,943
Casey	6.1%	3.3	-\$21,000	-\$1,351,300	93.9%	9.3	\$111,500	\$62,323,031
Darebin	4.4%	6.2	-\$22,000	-\$1,155,850	95.6%	10.9	\$270,000	\$83,309,210
Frankston	7.2%	3.9	-\$21,750	-\$1,169,951	92.8%	9.7	\$110,500	\$56,227,062
Glen Eira	7.4%	3.9	-\$70,000	-\$3,079,500	92.6%	11.9	\$299,500	\$138,385,177
Greater Dandenong	3.7%	4.3	-\$27,000	-\$476,500	96.3%	11.5	\$169,000	\$53,797,192
Hobsons Bay	3.7%	3.9	-\$20,000	-\$181,600	96.3%	10.1	\$182,500	\$43,704,889
Hume	8.9%	3.8	-\$20,500	-\$1,042,396	91.1%	10.0	\$99,750	\$33,438,430
Kingston	4.7%	5.0	-\$35,000	-\$2,183,600	95.3%	10.9	\$226,000	\$106,032,699
Knox	2.3%	4.3	-\$70,000	-\$647,000	97.7%	11.9	\$234,286	\$74,566,095
Macedon Ranges	6.1%	6.5	-\$161,000	-\$1,031,000	93.9%	8.8	\$143,000	\$7,632,501
Manningham	7.2%	3.0	-\$36,500	-\$963,180	92.8%	13.8	\$455,500	\$95,356,545
Maribyrnong	8.9%	4.3	-\$17,250	-\$1,580,200	91.1%	9.5	\$172,250	\$42,029,003
Maroondah	4.2%	3.3	-\$44,000	-\$1,745,912	95.8%	11.3	\$206,500	\$61,612,846
Melbourne	19.1%	5.7	-\$35,000	-\$4,209,591	80.9%	9.5	\$125,000	\$75,525,181
Melton	12.8%	3.5	-\$16,500	-\$1,098,297	87.2%	7.4	\$65,000	\$17,341,391
Mitchell	5.6%	5.3	-\$7,000	-\$7,000	94.4%	9.9	\$54,997	\$1,975,095
Monash	4.3%	4.0	-\$28,700	-\$1,089,050	95.7%	12.0	\$336,000	\$141,996,963
Moonee Valley	10.7%	4.7	-\$45,000	-\$1,316,480	89.3%	11.1	\$252,500	\$68,666,751
Moorabool	0.0%				100.0%	8.1	\$49,000	\$2,624,850
Moreland	10.8%	4.0	-\$30,000	-\$1,290,700	89.2%	11.3	\$225,500	\$73,860,875
Mornington Peninsula	6.6%	3.8	-\$55,750	-\$5,082,759	93.4%	10.9	\$207,500	\$180,375,425
Murrindindi	0.0%				100.0%	6.5	\$46,250	\$92,500
Nillumbik	4.8%	3.0	-\$36,999	-\$562,288	95.2%	11.6	\$236,250	\$34,769,016
Port Phillip	6.0%	4.9	-\$48,500	-\$887,801	94.0%	9.4	\$187,500	\$74,602,915
Stonnington	6.5%	5.0	-\$45,000	-\$2,937,862	93.5%	12.6	\$335,025	\$116,584,737
Whitehorse	3.6%	2.6	-\$71,000	-\$1,997,400	96.4%	12.9	\$368,500	\$146,307,270
Whittlesea	13.4%	3.5	-\$17,500	-\$616,848	86.6%	10.8	\$130,000	\$25,878,977
Wyndham	10.2%	4.4	-\$15,000	-\$676,302	89.8%	8.1	\$90,000	\$27,662,702
Yarra	6.3%	4.9	-\$29,750	-\$1,791,000	93.8%	9.9	\$271,250	\$73,777,716
Yarra Ranges	5.9%	3.4	-\$33,000	-\$1,319,401	94.1%	11.9	\$177,250	\$67,188,040

# Pain & Gain: Brisbane council regions



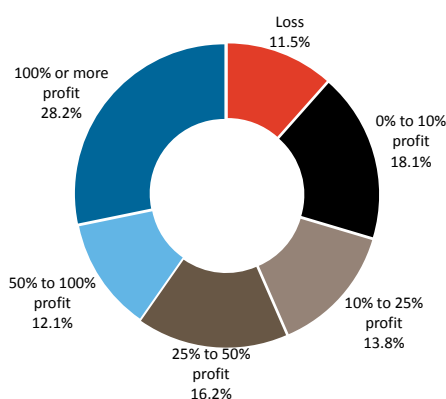
The proportion of Brisbane loss-making re-sales continues to trend lower, recorded at 10.9% over the March 2014 quarter and down from 16.6% a year ago. Although the proportion of loss-making re-sales remains relatively high, it is now at its lowest level since the 3 months to May 2011. Looking across the handful of council regions across the city, Brisbane stands out with a significantly lower proportion of loss-making re-sales (6.6%) than the other regions with Ipswich (19.2%) and Moreton Bay (18.1%) showing substantially higher proportions.

## Key statistics: Brisbane council regions

Region	Gross LOSS making sales, Mar quarter 2014				Gross PROFIT making sales, Mar quarter 2014			
	% of all sales	Average hold period	Median loss	Total value of loss	% of all sales	Average hold period	Median profit	Total value of profit
Brisbane	6.6%	4.8	-\$24,000	-\$10,851,896	93.4%	9.9	\$140,000	\$742,019,272
Ipswich	19.2%	5.1	-\$21,000	-\$2,761,072	80.8%	10.3	\$75,250	\$39,169,469
Lockyer Valley	12.9%	4.9	-\$16,250	-\$71,000	87.1%	11.2	\$95,000	\$3,267,500
Logan	15.0%	4.9	-\$20,000	-\$3,948,960	85.0%	11.1	\$117,500	\$103,360,520
Moreton Bay	18.1%	5.2	-\$25,000	-\$8,831,718	81.9%	8.6	\$78,000	\$117,044,747
Redland	12.7%	5.5	-\$22,000	-\$2,825,233	87.3%	9.8	\$100,000	\$67,782,084
Scenic Rim	14.7%	5.9	-\$16,000	-\$157,500	85.3%	11.4	\$170,000	\$4,281,220
Somerset	14.8%	4.7	-\$33,750	-\$270,500	85.2%	9.6	\$84,750	\$5,763,800



# Pain & Gain: Adelaide council regions

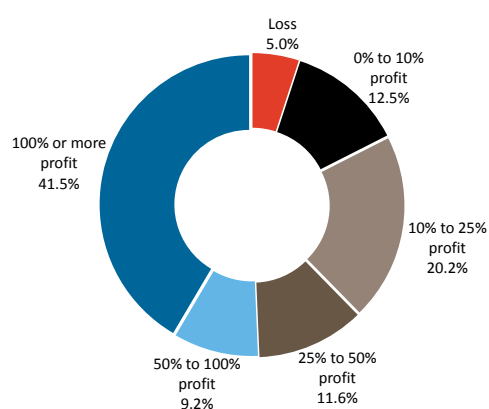


The lack of any significant recent capital growth in Adelaide is resulting in a relatively high proportion of loss making re-sales at 11.5% over the March 2014 quarter. 12 months earlier, 14.3% of re-sales were at a loss. Over the past three months, Mallala had the highest proportion of loss making sales (33.3%) followed by Playford (22.8%) and Adelaide (19.7%). Walkerville recorded no loss-making sales over the quarter and relatively few were recorded in Unley (5.6%) and Burnside (6.2%).

## Key statistics: Adelaide council regions

Region	Gross LOSS making sales, Mar quarter 2014				Gross PROFIT making sales, Mar quarter 2014			
	% of all sales	Average hold period	Median loss	Total value of loss	% of all sales	Average hold period	Median profit	Total value of profit
Adelaide	19.7%	5.3	-\$40,250	-\$1,014,274	80.3%	7.8	\$116,000	\$9,982,651
Adelaide Hills	8.0%	3.7	-\$24,000	-\$253,950	92.0%	9.1	\$129,000	\$15,458,916
Burnside	6.2%	4.5	-\$36,000	-\$1,253,500	93.8%	9.1	\$180,000	\$32,444,703
Campbelltown	12.6%	4.6	-\$54,125	-\$946,750	87.4%	9.6	\$153,000	\$16,914,842
Charles Sturt	10.4%	4.8	-\$25,000	-\$925,600	89.6%	9.7	\$132,000	\$34,517,472
Gawler	16.4%	4.9	-\$10,000	-\$166,500	83.6%	8.2	\$51,500	\$5,023,550
Holdfast Bay	10.8%	4.0	-\$22,500	-\$602,150	89.2%	8.9	\$120,000	\$21,038,294
Light	14.3%	1.6	-\$18,500	-\$18,500	85.7%	6.0	\$51,000	\$437,500
Mallala	33.3%	8.5	-\$52,500	-\$52,500	66.7%	15.4	\$219,500	\$439,000
Marion	11.6%	4.1	-\$17,500	-\$1,657,757	88.4%	9.4	\$130,000	\$30,431,097
Mitcham	8.5%	4.6	-\$65,000	-\$1,404,169	91.5%	10.0	\$176,000	\$28,335,277
Mount Barker	13.0%	3.8	-\$16,250	-\$153,780	87.0%	8.6	\$95,010	\$8,219,395
Norwood Payneham St	8.6%	7.5	-\$65,000	-\$698,100	91.4%	9.0	\$168,000	\$23,981,350
Onkaparinga	11.3%	4.2	-\$20,000	-\$3,083,950	88.7%	8.4	\$83,000	\$46,071,640
Playford	22.8%	4.8	-\$20,000	-\$1,291,761	77.2%	8.8	\$54,750	\$10,461,226
Port Adelaide Enfield	13.5%	4.9	-\$20,000	-\$2,452,725	86.5%	9.1	\$110,000	\$34,315,327
Prospect	7.1%	2.8	-\$20,000	-\$235,000	92.9%	8.0	\$102,500	\$7,054,592
Salisbury	12.3%	4.4	-\$24,000	-\$2,108,700	87.7%	8.6	\$71,000	\$25,239,859
Tea Tree Gully	8.4%	4.6	-\$20,000	-\$1,055,750	91.6%	9.9	\$125,000	\$30,935,806
Unley	5.6%	6.4	-\$21,750	-\$343,000	94.4%	9.0	\$180,000	\$22,847,942
Walkerville	0.0%				100.0%	9.7	\$217,500	\$3,569,500
West Torrens	11.9%	4.2	-\$20,000	-\$1,585,976	88.1%	9.4	\$107,000	\$21,543,600

# Pain & Gain: Perth council regions

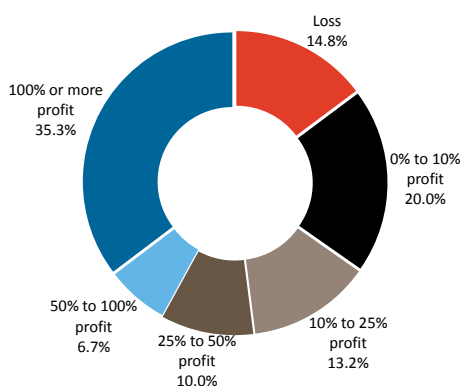


5.0% of homes re-sold in Perth over the March 2014 quarter sold for less than the previous purchase price compared to 6.4% a year earlier. The proportion of loss-making sales across Perth has risen recently since reaching a low of 4.8% in December 2013. Bassendean, Kalamunda and Peppermint Grove each recorded no loss-making re-sales over the. The proportion of loss-making re-sales was highest in Mandurah (18.0%), Cottesloe (12.5%) and Claremont (12.1%).

## Key statistics: Perth council regions

Region	Gross LOSS making sales, Mar quarter 2014				Gross PROFIT making sales, Mar quarter 2014			
	% of all sales	Average hold period	Median loss	Total value of loss	% of all sales	Average hold period	Median profit	Total value of profit
Armadale	6.1%	6.1	-\$20,000	-\$889,000	93.9%	7.8	\$165,000	\$52,536,796
Bassendean	0.0%				100.0%	9.0	\$210,000	\$13,518,199
Bayswater	3.3%	4.7	-\$27,000	-\$598,000	96.7%	8.3	\$175,000	\$51,606,971
Belmont	2.0%	4.6	-\$175,000	-\$427,600	98.0%	8.9	\$228,250	\$39,730,599
Cambridge	6.3%	5.4	-\$75,000	-\$365,000	93.7%	10.2	\$255,000	\$30,251,650
Canning	0.9%	2.0	-\$36,000	-\$284,000	99.1%	8.6	\$215,280	\$86,191,016
Claremont	12.1%	5.4	-\$144,500	-\$694,000	87.9%	10.4	\$335,000	\$13,002,000
Cockburn	2.3%	5.0	-\$149,750	-\$1,002,500	97.7%	7.9	\$209,000	\$84,908,264
Cottesloe	12.5%	5.6	-\$105,500	-\$211,000	87.5%	10.9	\$374,000	\$8,193,000
East Fremantle	11.1%	5.1	-\$43,000	-\$272,000	88.9%	8.9	\$250,000	\$9,210,500
Fremantle	6.3%	4.0	-\$50,000	-\$682,500	93.8%	9.1	\$334,000	\$32,614,675
Gosnells	1.1%	4.8	-\$102,500	-\$427,500	98.9%	8.5	\$172,000	\$68,842,666
Joondalup	3.4%	5.0	-\$46,500	-\$2,233,051	96.6%	10.1	\$288,250	\$168,751,400
Kalamunda	0.0%				100.0%	8.7	\$175,000	\$46,299,961
Kwinana	7.8%	6.7	-\$12,000	-\$1,045,500	92.2%	8.2	\$135,000	\$22,629,210
Mandurah	18.0%	6.6	-\$55,000	-\$9,184,200	82.0%	9.1	\$181,500	\$89,110,704
Melville	3.4%	4.5	-\$45,000	-\$600,500	96.6%	9.7	\$317,500	\$101,849,615
Mosman Park	2.6%	6.4	-\$50,000	-\$50,000	97.4%	10.6	\$225,000	\$15,072,500
Mundaring	3.9%	3.8	-\$40,000	-\$222,500	96.1%	8.3	\$105,000	\$23,753,446
Murray	9.4%	5.6	-\$60,000	-\$249,000	90.6%	11.6	\$285,000	\$13,984,400
Nedlands	5.3%	6.6	-\$237,500	-\$475,000	94.7%	10.2	\$437,500	\$19,845,949
Peppermint Grove	0.0%				100.0%	6.8	\$92,500	\$185,000
Perth	9.0%	5.1	-\$23,000	-\$704,945	91.0%	6.6	\$93,514	\$26,948,580
Rockingham	7.0%	6.2	-\$20,000	-\$1,846,000	93.0%	8.3	\$175,500	\$105,888,150
Serpentine-Jarrahdale	1.7%	7.0	-\$10,000	-\$10,000	98.3%	5.6	\$213,000	\$12,428,000
South Perth	4.2%	4.1	-\$39,500	-\$592,000	95.8%	8.7	\$216,750	\$58,141,003
Stirling	3.5%	4.9	-\$79,000	-\$3,683,000	96.5%	8.7	\$185,000	\$208,165,348
Subiaco	7.4%	5.4	-\$55,000	-\$357,000	92.6%	9.5	\$230,000	\$19,456,250
Swan	2.0%	4.0	-\$26,000	-\$233,200	98.0%	7.4	\$181,500	\$88,224,174
Victoria Park	4.3%	4.9	-\$175,000	-\$935,000	95.7%	8.0	\$189,975	\$33,009,105
Vincent	3.5%	5.1	-\$157,500	-\$315,000	96.5%	7.8	\$190,000	\$14,650,008
Wanneroo	4.7%	4.7	-\$26,000	-\$2,320,500	95.3%	7.1	\$154,284	\$124,785,369

# Pain & Gain: Hobart council regions

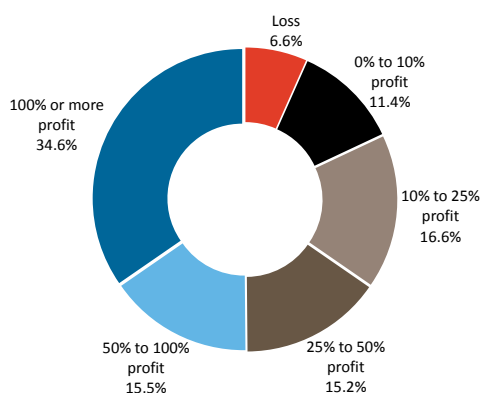


Hobart's ongoing weak housing fundamentals sees it having the highest proportion of loss-making re-sales of all capital cities (14.8%) over the March 2014 quarter. The proportion of loss-making re-sales is lower than in December 2013 (16.6%) and at its lowest level since April 2012. Brighton (33.3%), Sorrell (23.3%) and Kingborough (17.4%) council areas had the highest proportion of loss-making re-sales over the quarter. The proportion of loss-making re-sales was much lower in Derwent Valley (6.7%), Hobart (8.8%) and Clarence (12.7%).

## Key statistics: Hobart council regions

Region	Gross LOSS making sales, Mar quarter 2014				Gross PROFIT making sales, Mar quarter 2014			
	% of all sales	Average hold period	Median loss	Total value of loss	% of all sales	Average hold period	Median profit	Total value of profit
Brighton	33.3%	4.6	-\$8,000	-\$127,500	66.7%	9.4	\$52,500	\$1,195,250
Clarence	12.7%	4.5	-\$20,000	-\$416,293	87.3%	10.4	\$95,500	\$16,452,550
Derwent Valley	6.7%	8.0	-\$10,000	-\$10,000	93.3%	11.1	\$110,750	\$1,427,250
Glenorchy	16.5%	4.8	-\$17,500	-\$269,567	83.5%	11.4	\$104,000	\$7,171,275
Hobart	8.8%	4.1	-\$20,250	-\$697,750	91.2%	9.9	\$116,000	\$21,749,145
Kingborough	17.4%	5.3	-\$25,000	-\$663,000	82.6%	10.3	\$107,500	\$10,749,250
Sorell	23.7%	4.2	-\$23,000	-\$293,500	76.3%	10.0	\$109,000	\$3,357,500

# Pain & Gain: Darwin council regions

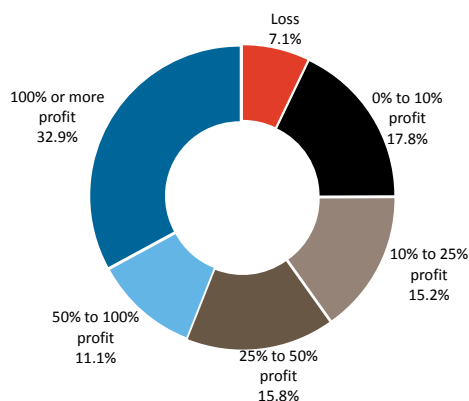


Across Darwin over the three months to March 2014, 6.6% of homes re-sold at a loss compared to a higher 8.8% a year earlier. The proportion of loss-making re-sales is at its lowest level since June 2011. The relatively less developed Litchfield and Unincorporated NT regions had no loss-making re-sales over the quarter compared to 4.8% of sales at a loss in Palmerston and 8.8% at a loss in Darwin

## Key statistics: Darwin council regions

Region	Gross LOSS making sales, Mar quarter 2014				Gross PROFIT making sales, Mar quarter 2014			
	% of all sales	Average hold period	Median loss	Total value of loss	% of all sales	Average hold period	Median profit	Total value of profit
Darwin	8.8%	5.1	-\$178,500	-\$2,728,925	91.2%	6.8	\$158,000	\$35,791,339
Litchfield	0.0%				100.0%	8.3	\$285,000	\$9,987,590
Palmerston	4.8%	3.5	-\$219,250	-\$1,251,206	95.2%	6.3	\$227,500	\$30,040,690
Unincorporated NT	0.0%				100.0%	7.4	\$217,200	\$217,200

# Pain & Gain: Canberra



Over the three months to March 2013, 7.1% of Canberra homes re-sold at a loss compared to 7.8% at the end of 2013 and 6.2% a year ago.

## Key statistics: Canberra council regions

Region	Gross LOSS making sales, Mar quarter 2014				Gross PROFIT making sales, Mar quarter 2014			
	% of all sales	Average hold period	Median loss	Total value of loss	% of all sales	Average hold period	Median profit	Total value of profit
Canberra	7.1%	3.4	-\$30,000	-\$3,072,391	92.9%	9.7	\$153,000	\$144,682,765

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