

PROPERTY

INVESTMENT OPPORTUNITIES

INTRODUCING TOWNSVILLE, NORTH QUEENSLAND



Queensland

Queensland is renowned for its relaxed outdoor lifestyle, spectacular landscapes and natural amenities. Queensland is also the least centralised state in Australia with major cities and economies throughout the State. Queensland's spread across the regions has helped maintain its wealth and highly valued spacious lifestyle.

As a result of the enviable lifestyle and strong economic opportunities Queensland's population continues to grow strongly, with the second highest level of growth of Australian states and territories after Western Australia. Queensland is expected to continue to grow substantially from both interstate and overseas migration in the coming decades.

Strong population growth, strong economic opportunities and a lifestyle people continue to aspire to means the fundamentals of investing in a home in Queensland are as sound as can be found anywhere. These fundamentals are particularly strong in the North Queensland city of Townsville, the largest city in the top half of Australia. Townsville is formally Queensland's **'Second Capital City'**, with a level of services and opportunities consistent with this position. For those looking to maximise lifestyle, career and residential wealth positions for the future, Townsville is well worth a serious look.



Introducing Townsville

Queensland has long been the state which other Australian's hope to move to. Queensland's population continues to grow strongly, with an average growth of around 2.1% p.a. recorded over 2007 to 2012. Queensland is expected to grow substantially from both interstate and overseas migration in the coming decades. The population is projected to reach 6.5 million people by 2031 and 9.4 million people by 2056.

The Townsville region is one of the strongest economic regions in Northern Australia, with strong population, economic, public and private infrastructure growth over recent decades. Townsville has the most diverse and stable regional economy in Australia, is the largest service centre in the North but also benefits from connections to Queensland's vast minerals resources.

Townsville has in recent decades transformed itself into one of the best rated lifestyle centres in Australia. The attraction of the city has created one

of the fastest population growth rates in Australia, with an average growth rate of 2.4% p.a. over 2007 to 2012, higher than that of Queensland (2.1%) and Australia (1.5%). It has been nominated as the 'Second Capital' for Queensland by the State Government in recognition of its strong economy, popularity with new residents and level of services.

Australia's most diverse regional economy creates a stable environment for investment and residential property growth. No sector in the Townsville economy contributes to more than 12.2% of output, ensuring stability during periods of high and low economic growth. Significant industries include construction, manufacturing, property and business services, health and education and public administration and defence. There is a strong investment outlook at present across residential, commercial, tourism, industrial, retail and the mining and mineral exports sectors.



Townsville's Developing Economy

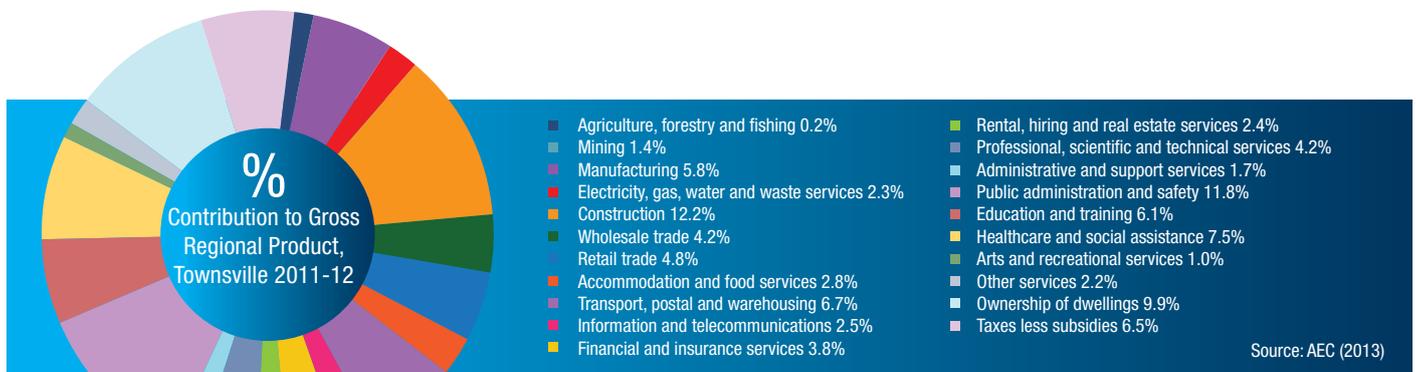
Townsville is one of the fastest growing regions in Northern Australia. It's diverse economy, strong growth and strategic location of the city has seen Townsville recognised as a model of regional economic success. The outdoor, family friendly lifestyle, employment opportunities, affordable housing and strong property market have drawn thousands of people to the region each year.

Infrastructure investment and planning has allowed for continued sustainable economic growth and the enhancement of Townsville's unique lifestyle, with the cultural and service benefits of a metropolitan city. The high level of services include the largest (and only tertiary) hospital in regional Australia, largest community health centre in Australia and the largest Catholic and State High Schools in Queensland. Townsville also has abundant resources, including access to arguably the most reliable water supply of any Australian city.

A large number of international, national and North Queensland students are drawn each year to Townsville's education and research hub, which includes a major Australian university, the Australian Institute for Marine Science (AIMS), the Commonwealth Science and Industrial Research Organisation (CSIRO) and Great Barrier Reef Marine Park Authority (GBRMPA). The areas of tropical science and medicine, marine biology and renewable energy are major areas of research and innovation in the region. Townsville is the fourth most sustainable city in Australia according to the Australian Conservation Foundation, with major strengths in public transport, biodiversity, health, employment and low household debt.

"Townsville has a higher average income per capita than any other regional centre within Australia's 20 largest cities. Townsville's mix of employment drivers provided its residents with the highest average disposable income among Australia's largest regional urban centres."

Bernard Salt, KPMG Partner and Leading Australian Demographer



Living in Townsville

Townsville's CBD is a hub for business and culture and plays a vital role in the history, lifestyle and administration of the city. It is planned that the CBD will accommodate more than 30,000 workers and residents by 2030. The CBD has a high level of amenity, with over 60,000sqm of retail shopping. It is serviced by major community facilities, art galleries, dining and accommodation precincts. The recently developed Flinders Street rejuvenates the main retail precinct with heritage buildings, modern street frontage, arcades and tropical thoroughfares. Townsville's CBD is also home to major banks and State and Government Offices, as well as major professional services including consulting, legal, accounting and business service firms.

Just out of the CBD, there are a range of parkland and cultural facilities for recreation and relaxation. These include cinemas, Reef HQ, the Museum of Tropical Queensland, Cultural Centre, The Strand, Jezzine Barracks and riverside walkways. Magnetic Island is a 20 minute ferry trip from the CBD.

Townsville has been recognised as a model of regional economic success due to its diverse economy, strong growth and strategic location. Strong population growth in the region is set to continue, with thousands being drawn to Townsville's:

- Outdoor lifestyle and natural assets;
- Family friendly atmosphere;
- Affordable land and housing;
- Economic and employment opportunities; and
- High level of amenity, services and community facilities.



Townsville's employment opportunities and lifestyle have drawn thousands of people to the region each year. The tropical, outdoor lifestyle and relaxed, family-friendly atmosphere of the region is highly valued by the community. Around 4% of Queensland families (or around 45,000 families) live in the Townsville City Council area. Furthermore, there is a proportionately higher level of children than elsewhere in Queensland. The population is relatively young with a median age of around 33 years, 3 years younger than that of the state. The population is wealthy due to high labour force participation and low unemployment rates.



Townsville offers year round outdoor activities and is the gateway to the World Heritage Listed Great Barrier Reef, with the largest population of tropical marine scientists in the world. The weather in Townsville is famously sunny, yet within 40 kilometres of the CBD begins the Wet Tropics World Heritage rainforests.

Townsville's Property Future

Land and housing in Townsville is still relatively affordable. A diverse range of housing options are available. Median house, unit and townhouse, and vacant land prices for Townsville and Brisbane city over the 12 months to December 2013 are as follows:

LGA	HOUSES	UNITS	LAND
Brisbane City (LGA)	\$535,000	\$408,000	\$334,500
Townsville City (LGA)	\$360,000	\$288,575	\$164,000

Source: REIQ (2014)

The Townsville and North Queensland region has maintained growth in its property market despite global economic instability. House prices have increased by an average 6.2% per year since 2004. Growth is set to continue due to high population growth resulting in strong demand for housing. Townsville's northern suburbs are designated as the region's next major population growth centre. Growth of around 4.3% p.a. is expected at Bohle Plains and 6.3% p.a. at Deeragun over the period to 2031, compared to around 2.2% p.a. for Townsville generally.

Townsville is being increasingly discovered by the nation's property experts.

Terry Ryder, founder of Hotspotting, Australia's number one residential property intelligence provider, says: *"Townsville is, I believe, Australia's strongest regional city. I always look for locations with diverse economies, not reliant on a dominant sector. Townsville has that in spades."*

Bernard Salt, Australia's leading demographer writes: *"Townsville is unlike any other city in Australia. No city of comparable size has quite the connection into the future prosperity of the Australian nation as does Townsville. Townsville's next phase of growth is likely to accrue the critical mass in population to transform from regional centre to a metropolitan centre."*

Now is the time to invest in Townsville before the rest of Australia catches on too.

