

Overview

Varsity Lakes sits at the geographic heart of the Gold Coast, Australia's fastest growing city and currently its sixth largest.

Varsity Lakes is a master planned community with the Gold Coast's widest range of housing set around the 80Ha Lake Orr. At the heart of Varsity Lakes is Varsity Central, a business and innovation precinct, boasting more than 5,000 daily workers, Varsity College, a host of shops and services and the adjacent Bond University.

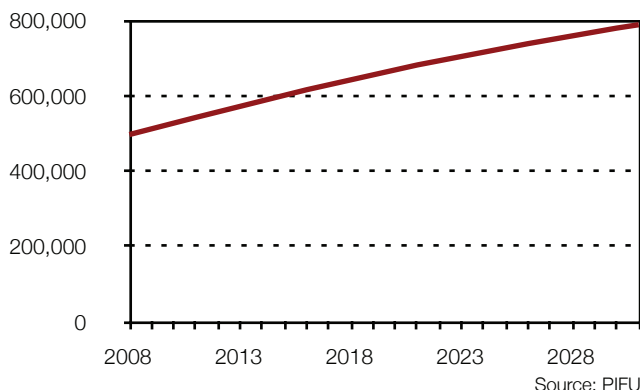
Varsity Lakes has easy access to an abundance of services and recreational amenities, including Varsity Lakes Rail Station, Robina Town Centre, Skilled Park Football Stadium, Lake Orr, Gold Coast Hospital Robina campus, Varsity College (P-12) and Bond University. Approximately 4,000 students attend and this number is growing with Bond University's expansion program.

Population Growth

Recent data from the ABS indicated that there are now more than 2,000 people moving to Queensland every week. Varsity Lakes has a current population growth rate of 8.9%, one of the highest in Australia, attracting one new family per day and creating one new job per day on average.

The Gold Coast long term growth rate to 2031 of 2.03% will result in an additional 291,870 residents. ABS data indicates that the Gold Coast is the second fastest growing municipality in Australia.

Forecast Gold Coast Population Growth



Property Fundamentals

Varsity Lakes property fundamentals have in the past consistently performed well to achieve favorable investment outcomes through long term capital growth.

In the 10 year period to 2009, Varsity Lakes houses have achieved an annual compound growth rate, on the median house price, of 9.5%. For units this growth rate is 9%. Represented as a dollar term this is a capital increase over the 10 year period of \$262,500 for houses and \$224,000 for units.

The following data shows the growth in median property values since 1999.

	Houses	Units
Average % Growth p.a.	9.5%	9%
Capital Growth (\$)	\$262,500	\$224,000
Capital Growth (% Gross)	123%	120%

Source: DNR/NPR

Fast Facts

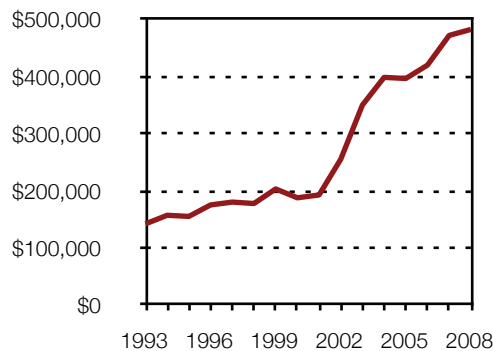
- Brisbane Airport 60 mins
- Gold Coast Airport 20 mins
- Beaches 7 mins
- Robina Town Centre 3 mins
- Robina Stadium 3 mins
- Varsity Lakes Rail 3 mins
- 5,000 Business People
- 7,000 Students
- 8,000 Residents



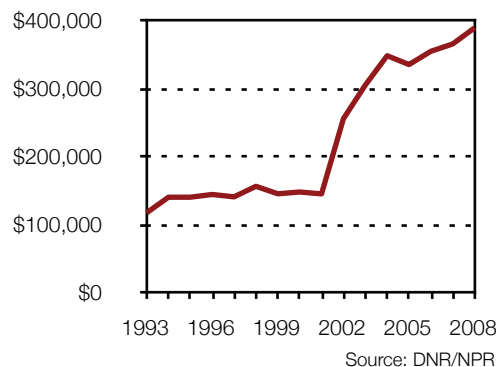
House & Unit Growth

Housing and unit growth has been driven by the population growth (residents, students and business people), easy access to amenity and the proximity to Gold Coast beaches and lifestyle.

Varsity Lakes Median House Price Growth 1993 - 2008



Varsity Lakes Median Unit Price Growth 1993 - 2008



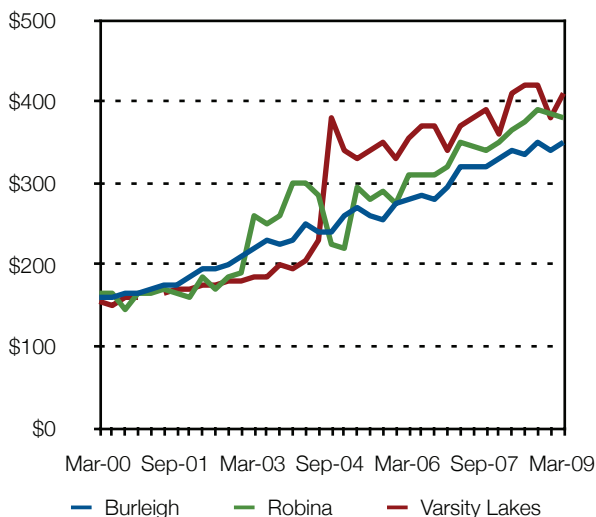
Source: DNR/NPR

Rental Analysis

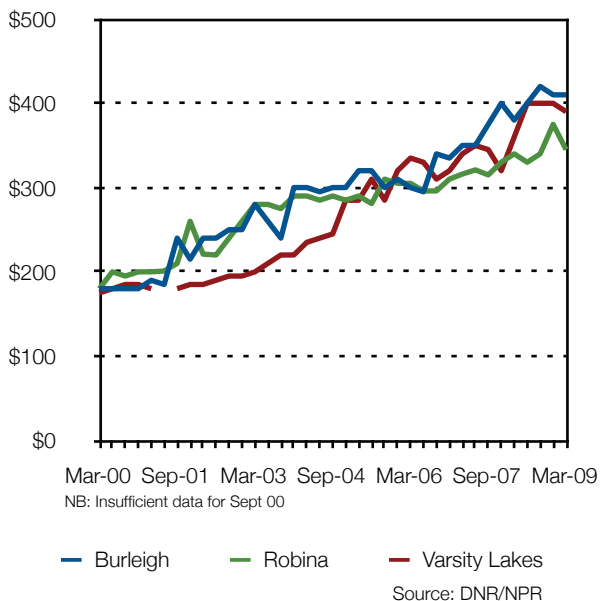
The suburb of Varsity Lakes (4227) has grown to outperform the neighbouring areas in two bedroom unit rental rates. This change occurred over the period of two quarters (March-September 2004) and has been generally sustained since.

Two bedroom units at Varsity Lakes have generally been out performing Robina since 2005. Three bed units' rents are inline with the surrounding regions.

Two Bedroom Units Rent 00 - 09 / Qtr



Three Bedroom Units Rent 00 - 09 / Qtr



Median Rental Yields (As at Mar 09)

Varsity Lakes March 09	Median Weekly Rent	Annualised Median Rent	Gross Rental Yield
Houses	\$400	\$20,800	4.73%
2 Br Unit	\$410	\$21,320	5.61%
3 Br Unit	\$390	\$20,280	5.34%

Source: DNR/NPR

Gold Coast Supply & Demand Forecast

BIS Shrapnel, using ABS data, forecast significant housing stock shortages across the Gold Coast region in the 'BIS Shrapnel Outlook for Residential Land 2009 - 2013' - published 2008. The following data shows the forecast shortage of housing for the Gold Coast region.

Source: BIS/ABS

Year	Total Dwelling Completions	Annual Underlying Demand	Deficiency of Stock (as at June)
2009	6,957	8,493	4,977
2010	7,770	8,161	5,367
2011	8,799	7,817	4,386
2012	9,140	8,262	3,508
2013	8,207	8,550	3,851

Demographic Snapshot - Varsity Lakes

Median Age	32
Median Weekly Family Income	\$1,067
People / Household	2.5
Median House Price (09)	\$440,000
Median Unit Price (09)	\$380,000

Source: ABS

Infrastructure & Investment

Varsity Lakes is located in the centre of the Gold Coast, Australia's 6th largest city and a centre for economic growth and activity. The Gold Coast City Council 2009/10 budget alone is \$1.3 billion.

A total of \$11.7 billion is to be spent on infrastructure and development in the Gold Coast region by 2031.

The spending is primarily focused on residential accommodation, transport and health. The following points have particular relevance to Varsity Lakes.

- The Tugun Bypass is now open and will allow the public a significantly easier route into Northern NSW. Estimated Total Cost - \$543 million
- Additional traffic lanes and interchanges from Nerang to Stewart Road. This will allow improved vehicular access into the central Gold Coast. Varsity Lakes interchange to be completed in 2010. Estimated Total Cost - \$330 million
- Intra regional transport corridor: Nerang to Stapylton. (2025-26). Estimated Total Cost - \$1.7 billion
- Robina to Varsity Lakes Rail Extension. (2010) Estimated Total Cost - \$300 million
- Varsity Lakes to Elanora Rail Extension. Estimated Total Cost - \$835 million
- Gold Coast Rapid Transit (SEQIPP project). This project will construct the Gold Coast public transport spine to connect Griffith University to Broadbeach as the first stage and extend to Coolangatta in the second stage of construction. The Gold Coast Rapid Transit corridor will be constructed via a Private Public Partnership. (2014) Estimated Total Cost - \$1.67 billion
- Gold Coast University Hospital Southport (SEQIPP project). (2012) Estimated Total Cost - \$1.55 billion

This information does not constitute a warranty, a promise or a valuation. All interested parties should make their own enquiries to establish that all information presented is accurate. This information is prepared using the resources of Delfin Varsity Lakes, Blirt!, National Property Research, Department of Natural Resources, Department of Infrastructure & Planning and the Australian Bureau of Statistics. Prepared August 2009.