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An independent profile of your suburb

Cooloola Cove

Cooloola Cove is a fast growing community located between Tin Can Bay and Rainbow Beach in Cooloola Shire. Over the past three years, median house prices have increased at Cooloola Cove by an average of 15.8%. The capital growth performance of vacant land has been even more impressive, achieving an average annual capital gain of a staggering 28.3%. With an average land price of just \$113,000 the Cooloola Sands estate not only offers significant capital growth potential but is also very affordable.

The area

The Cooloola Region is located between the Sunshine Coast in the south, the Fraser Coast to the north and extends inland to the Mary Valley townships of Gympie and Imbil. During the ten years up to 2003, Cooloola Shire's population grew by an average of 480 permanent residents per annum. Since 2003, this population growth rate has doubled, with 980 new residents moving to Cooloola Shire in 2005 (the latest figures available). More significantly, 90% of this population growth has occurred outside of Gympie, mainly in the coastal villages of Tin Can Bay, Cooloola Cove and Rainbow Beach.

In fact, between 2004 and 2005, the Cooloola Shire (excluding Gympie) was the second fastest growing statistical local area across all of the Wide Bay-Burnett region, and between 2000 and 2005, the population of Cooloola Shire grew by an average of 3.0% per annum compared to 2.0% for the Wide Bay-Burnett area and 2.2% for all of Queensland over this period. Looking ahead, the Queensland Government's *Planning and Information Forecasting Unit* expects that the Wide Bay-Burnett Statistical Division will record the largest population growth outside of south east Queensland during the next twenty years.

Investment

In response to the area's sizeable population growth, local, State and Federal Governments have committed nearly one billion dollars to upgrading the Bruce Highway between Cooroy and Gympie and Gympie and Maryborough. In addition, the State Government has committed over \$25 million to road upgrades in and around the Cooloola Coast. There has been significant private investment also, with the Laminex Group expanding its export plant which is located just 15 minutes from Cooloola Cove. Such projects should not be underestimated, as research we have undertaken has shown that major transport infrastructure improvements can translate into a higher rate of sale, higher rental demand, increased land values, and a wider target market.

In 2005/06, applications for 490 new dwellings were approved in Cooloola Shire. Combined with renovations of existing dwellings and non-residential buildings, building approvals totalled \$146.7 million, up 36% from the previous year. Other local projects include stage 2 of the Rainbow Shores estate and a number of upmarket apartment projects at Rainbow Beach, as well as an upgrade to the marina in Tin Can Bay.

Top performance

Located between Tin Can Bay and Rainbow Beach - gateways to Fraser Island and a paradise for 4WD enthusiasts - Cooloola Cove is 35 minutes from Gympie and an hour from Noosa. Its great sub tropical climate, relaxed coastal lifestyle and natural bush setting have made it a much sought-after place in which to live and play. Over the past three years, median house prices have increased at Cooloola Cove from \$150,000 to \$233,250 – a very impressive average annual capital gain of 15.8%. The capital growth performance of vacant land has been even more impressive, with median sale prices rising from \$45,000 in 2003 to \$95,000 in 2006, an average annual capital gain of a staggering 28.3%.

Furthermore, according to the Residential Tenancies Authority, the median weekly rents for three bedroom houses in Cooloola Shire have increased by 22% over the past two years and by 24% for four bedroom houses.

Cooloola Sands

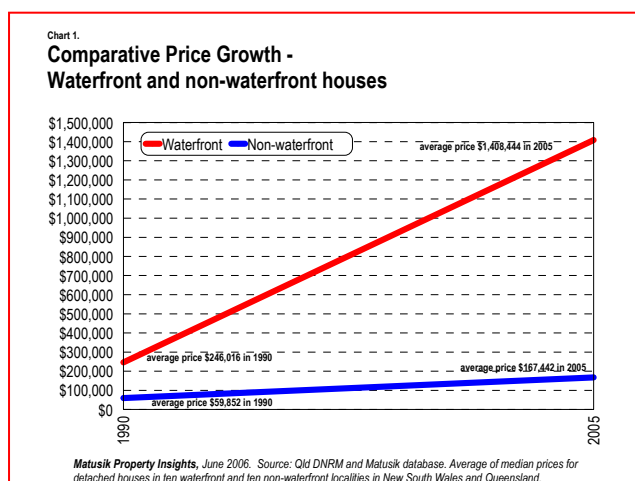
The largest residential development in Cooloola Cove is Cooloola Sands, a master planned community ultimately comprising 800 homes, planned and themed around the coastal feel of Tin Can Bay Inlet and the natural waterways within. A secluded coastal sanctuary but just minutes from Tin Can Bay, Cooloola Sands adheres to sustainable development principles including rainwater harvesting and the preservation of natural areas. In fact, over 40% of the development will be retained as natural bushland and waterway park reserves.

At Cooloola Sands, quality homesites - just five minutes from Cooloola Village's shops, schools, golf course, country club, deep water marina and yacht club - are set amongst parklands, playgrounds, nature reserves and recreational facilities. With an average land price of just \$113,000 Cooloola Sands not only offers significant capital growth potential but is also very affordable.

Waterproof

During 2006, Matusik Property Insights researched the capital growth performance of residential property in waterfront locations compared to property in non-coastal locations. To do this we looked at price growth of residential property in ten waterfront locations in New South Wales and Queensland (Yamba, Byron Bay, Pottsville, Mermaid Beach, Raby Bay, Bribie Island, Noosa Heads, Burrum Heads, Woodgate and Airlie Beach) during the period 1990 to 2005, and compared it to price growth over the same period in ten rural/hinterland locations (Maclean, Kyogle, Biggenden, Calliope, Childers, Clermont, Gin Gin, Gympie, Maryborough and Rockhampton).

In 1990 the average house price across the ten waterfront locations was \$246,000 and across the inland locations the average house price was a little under \$60,000.



In 2005, the average house price across the waterfront locations was in excess of \$1.4 million (nearly a six-fold increase) whilst the regional areas recorded an average house price of only \$167,000 (less than a three-fold increase). Over this fifteen year period, the average house price across the waterfront localities grew by an average of 11.4% per annum compared to an average of only 7.1% per annum for the inland locations. **See chart 1 opposite.** The effect of this was that in 1990 the average house price in waterfront locations was 4.1 times greater than that of inland locations. By 2005, the multiple was 8.4.

Our findings clearly show that the average annual price growth for waterfront properties exceeds that for residential property in non-waterfront locations, and we believe such findings are directly relevant to the performance of Cooloola Sands. We have also found that waterfront property is more resistant to a downturn in the residential cycle. The Australian residential market experienced downturns during 1983, the early 1990s, again in 1995 and in 2000. During these depressed periods, residential property (as averaged across the Australian mainland capitals) made losses, albeit small ones. In an important contrast, waterfront property grew in value during these downturns. Based on this research, it would appear the **prime waterfront property held in good precincts is recession proof.**

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