



# Pain and Gain

September Quarter, 2015

A quarterly assessment of realised gross profit and loss  
based on dwelling re-sales over the September Quarter of 2015

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# Executive Summary

CoreLogic's Pain and Gain Report is a quarterly analysis of homes which were resold over the quarter. It compares the most recent sale price to the previous sale price in order to determine whether the property sold at a gross profit or gross loss. It provides a proxy for the performance of each housing market and highlights the magnitude of profit or loss the typical seller of a home makes across those regions analysed.

Over the September 2015 quarter, 8.4% of all homes resold recorded a gross loss when compared to their previous purchase price; the lowest proportion of loss-making resales since December 2014. This figure was lower than the 9.2% over the June 2015 quarter and also lower than the 8.9% recorded a year ago. Across those dwellings which resold at a loss over the quarter, the total value of loss was \$376.2 million with an average loss of \$63,221.

While 8.4% of resales were transacted at a loss, the vast majority (91.6%) of properties resold over the quarter did so at a profit. In fact, 31.4% of homes resold for more than double their previous purchase price. Across those homes which resold at a profit, the total value of this profit was recorded at \$17.3 billion with the average gross profit recorded at \$265,605.

The data also highlights the fact that ownership of property, whether for investment or owner occupier purposes, should be seen as a long-term investment. Across the country, those homes that resold at a loss had an average length of ownership of 6.0 years. Across all sales recording a gross profit the average length of ownership was recorded at 10.1 years, while homes which sold for more than double their previous purchase price were owned for an average of 16.9 years.

The capital city housing markets continue to record a lower proportion of loss-making resales than regional areas of the country. The trends in regional areas are shifting with the proportion of loss-making resales trending lower in areas linked to tourism and lifestyle factors. On the other hand, housing markets linked to the resources sector are generally seeing an increase in loss-making resales after housing market conditions in many of these locations have posted a sharp correction.

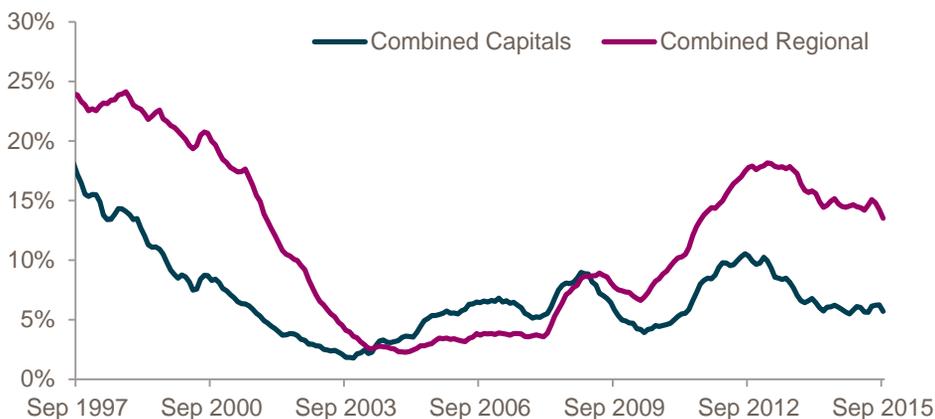


# National Overview

Across Australia, 8.4% of all home resales over the September 2015 quarter transacted at a gross loss; the lowest proportion of loss making resales since December 2014. The 8.4% figure was lower than the 9.2% recorded in September 2015 and also lower than the 8.9% recorded over the September 2014 quarter. The proportion of loss making resales has consistently been below 10% over the past 19 months highlighting a significant improvement in loss-making resales which were recently as high as 12.9% of all resales over the September 2012 quarter.

Throughout the combined capital cities, the proportion of loss-making resales is much lower (5.7%) than across the combined regional areas (13.5%). Across the combined capital cities the proportion of loss-making resales is lower than both the last quarter (6.1%) and a year ago (6.0%). The combined regional markets have a proportion of loss-making resales which is lower than the previous quarter (15.1%) and a year ago (14.7%). The data indicates that to September 2015 housing market conditions were generally improving however, conditions were much more advantageous for sellers in capital cities than in regional areas.

## Proportion of loss making sales, combined capitals v regional markets



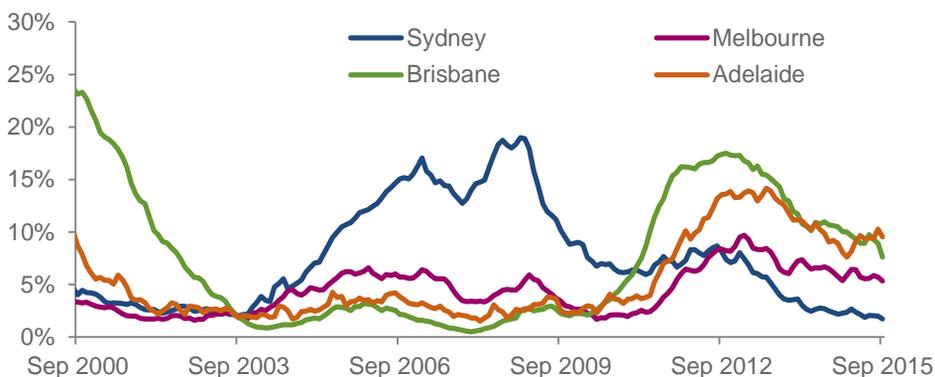
Focusing on the average length of ownership for homes sold over the quarter, once again there are some differences between capital city and regional markets. Across the combined capital cities, homes sold at a loss over the quarter had been owned for an average of 5.4 years compared to 10.0 years for homes sold at a gain and 16.6 years for those homes which sold for more than double their previous purchase price. The combined regional markets recorded a 6.6 year average for homes resold at a loss over the quarter compared to a 10.2 year average for homes sold at a gain and 17.8 years for homes sold for more than double their previous purchase price.

Nationally there was \$376.2 million in realised losses over the quarter at an average of \$63,221 and \$17.3 billion in realised profit at an average of \$265,605. Across the capital cities, there were \$193.5 million in losses with an average of \$71,996 per loss-making resale compared to \$14.4 billion in profit at an average of \$324,887. The combined regional areas recorded \$182.7 million in losses at an average of \$55,996 compared to \$2.9 billion in profit at an average of \$139,798. The average losses were greater in the capital cities, however they also generally experienced much greater profits, more than double those in regional areas.

# National Overview

Across individual capital cities, the proportion of loss-making resales is trending lower in Sydney, Melbourne, Brisbane and Hobart, is trending higher in Perth and Darwin and is relatively flat in Adelaide and Canberra. Across each city except Darwin, the proportion of loss-making resales is lower than the financial crisis peak. The trends generally reflect the value growth performances across each city, with values growing sharply in Sydney and Melbourne over the year, moderate value growth in Brisbane, Adelaide, Hobart and Canberra and values falling in Perth and Darwin.

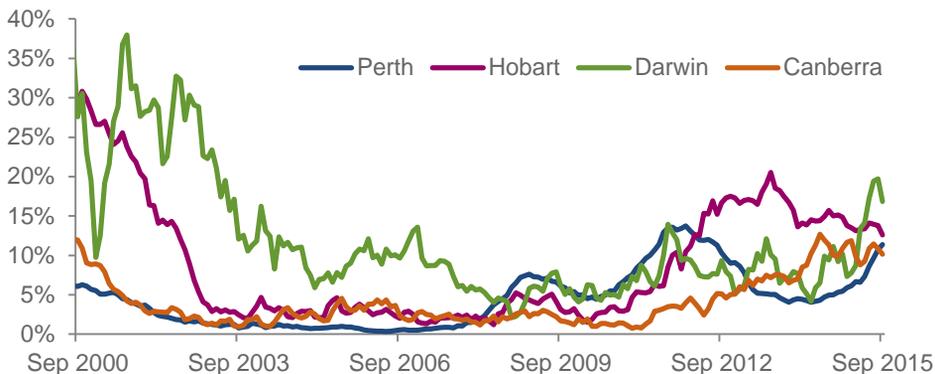
**Proportion of total resales at a loss over time:  
Sydney vs. Melbourne vs. Brisbane vs. Adelaide**



Within the regional areas of the country the proportion of loss-making resales is higher than those within the capital cities. The proportion of loss making resales is trending lower in Regional NSW and is fairly flat in most other areas except for Regional SA, Regional WA and Regional NT where loss-making sales are trending higher.

When looking at the capital city and regional markets, the lowest proportions of loss making resales are currently found in: Sydney at 1.7% (which is also a record low), Melbourne (5.4%), Regional NSW (7.4%) and Brisbane (7.6%). The highest proportions of loss making resales were recorded in: Regional WA (25.9%), Regional SA (21.1%), Regional Tas (19.6%) and Regional Qld (19.1%).

**Proportion of total resales at a loss over time:  
Perth vs. Hobart vs. Darwin vs. Canberra**



# Houses vs Units

During the third quarter of 2015, 7.3% of houses which resold transacted for less than their previous purchase price compared to 10.9% of unit resales. Across the capital cities, 4.9% of houses resold at a loss compared to 8.1% of units and in regional markets 11.5% of houses resold at a loss compared to 24.5% of units. The data indicates that units are much more likely to resell at a loss relative to houses.

Sydney remains the only capital city housing market in which units had a lower proportion of resales at a loss (1.5%) than houses (1.9%) over the quarter. The differential in loss-making resales between houses and units was quite substantial across most capital cities, in fact in Melbourne, Brisbane, Darwin and the ACT units were more than twice as likely to resell at a loss as houses. The relatively higher proportion of loss-making resales for units is reflective of the fact that house values tend to increase at a more rapid pace than units. It probably also reflects the fact that units are much more likely to be owned by investors than owner occupiers and investors are typically more willing to accept a loss on sale compared with owner occupiers.

Throughout the regional markets the proportion of loss-making resales for houses and units was much higher than in the capital cities. Across most regional areas, units recorded a greater proportion of loss-making resales than houses with Regional SA and Regional NT the exceptions.

## Proportion of total resales at a loss/gain, houses vs. units, September 2015 quarter

Region	Houses		Units	
	Pain	Gain	Pain	Gain
Sydney	1.9%	98.1%	1.5%	98.5%
Regional NSW	6.5%	93.5%	10.9%	89.1%
Melbourne	3.2%	96.8%	10.2%	89.8%
Regional VIC	9.2%	90.8%	11.7%	88.3%
Brisbane	5.5%	94.5%	13.3%	86.7%
Regional Qld	15.4%	84.6%	25.3%	74.7%
Adelaide	9.0%	91.0%	10.9%	89.1%
Regional SA	21.5%	78.5%	17.8%	82.2%
Perth	10.1%	89.9%	17.4%	82.6%
Regional WA	24.6%	75.4%	38.1%	61.9%
Hobart	12.5%	87.5%	12.8%	87.2%
Regional TAS	18.8%	81.2%	25.8%	74.2%
Darwin	12.5%	87.5%	26.6%	73.4%
Regional NT	20.4%	79.6%	7.1%	92.9%
Australian Capital Territory	4.2%	95.8%	21.0%	79.0%
National	7.3%	92.7%	10.9%	89.1%
Capital City	4.9%	95.1%	8.1%	30.1%
Regional	11.5%	88.5%	24.5%	19.5%

# Investor vs Owner Occupier Resales

Throughout the third quarter of 2015, 7.3% of owner occupiers and 10.3% of investors resold their properties at a loss. Sydney and Regional NT were the only regions of the country where the proportion of loss making resales was lower for investors than it was for owner occupiers.

4.8% of capital city homes which were resold by owner occupiers sold at a loss over the third quarter of the year compared to 7.1% of investor owned homes. Interestingly in Melbourne investors were more than twice as likely to take a loss on the resale of their property as owner occupiers.

In regional areas of the country the proportion of loss-making resales was higher than across the capital cities and the gap between loss-making owner occupier resales (11.7%) and investor resales (17.4%) was much greater.

Housing finance data has showed a sharp slowdown in investor activity over recent months. Despite the slowdown, investor activity remains high on an historic basis and has been at record high levels until recently. When it comes time to re-sell a property, owner occupier stock is much more likely to turn a gross profit than investment stock. This is most likely due to the fact that investment is more prevalent in the unit market than detached houses. As we've already shown, units are more than twice as likely to be resold at a loss than houses are. Furthermore, investor housing stock generally has a narrower overall appeal than owner occupier housing stock. Arguably, transacting at a gross loss is easier for an investor to accept, as the loss can be offset against future capital gains. The heightened level of investment purchasing therefore poses risks in the event of a housing market downturn as investors may be happy to sell their investment but they may find it hard to find willing purchasers.

## Proportion of total resales at a loss/gain, owner occupied vs. investors, September 2015 quarter

Region	Owner Occupied		Investor	
	Pain	Gain	Pain	Gain
Sydney	1.9%	1.5%	98.1%	98.5%
Regional NSW	6.5%	9.4%	93.5%	90.6%
Melbourne	3.0%	8.7%	97.0%	91.3%
Regional VIC	9.1%	10.6%	90.9%	89.4%
Brisbane	6.0%	10.4%	94.0%	89.6%
Regional Qld	16.1%	24.7%	83.9%	75.3%
Adelaide	8.2%	12.1%	91.8%	87.9%
Regional SA	18.6%	27.8%	81.4%	72.2%
Perth	10.9%	16.9%	89.1%	83.1%
Regional WA	16.3%	29.9%	83.7%	70.1%
Hobart	10.9%	12.4%	89.1%	87.6%
Regional TAS	23.5%	32.0%	76.5%	68.0%
Darwin	15.8%	18.1%	84.2%	81.9%
Regional NT	22.2%	11.1%	77.8%	88.9%
Australian Capital Territory	8.2%	13.9%	91.8%	86.1%
National	7.3%	10.3%	92.7%	89.7%
Capital City	4.8%	7.1%	95.2%	92.9%
Regional	11.7%	17.4%	88.3%	82.6%

## Hold Periods

The third quarter of 2015 saw that the typical house which resold at a loss across the country had been owned for 5.8 years compared to 6.5 years across unit resales. Of those homes resold at a profit, houses had typically been owned for an average of 10.4 years compared to 9.2 years for units.

In most capital cities the average length of ownership for loss-making resales of houses was shorter than for units. The exceptions were Sydney, Perth and Hobart where hold periods for houses were longer than for units. Capital city houses which resold at a loss had an average hold period of 5.3 years compared to 5.5 years for units. Of those capital city homes which sold at a profit, the average hold periods were 10.5 years for a house and 9.0 years for a unit. The average hold periods for homes selling at a profit tended to be longer in Melbourne and shorter in Darwin.

Looking at regional areas, the typical hold period for loss-making resales was 6.1 years for houses and 7.5 years for units and for profit-making resales it was 10.3 years for houses and 9.8 years for units. Houses reselling at a profit actually had a shorter average hold period in regional markets than they did across the capital cities. Perhaps the cheaper cost of housing in regional markets encourages home owners to move on a more regular basis than in capital cities where housing prices are generally much higher.

### Average hold period of resales at a loss/gain, houses vs. units, September 2015 quarter

Region	Houses		Units	
	Pain	Gain	Pain	Gain
Sydney	7.0	6.8	10.7	8.4
Regional NSW	6.4	7.7	10.2	9.3
Melbourne	4.3	5.4	11.3	9.9
Regional VIC	5.5	5.6	10.7	9.9
Brisbane	5.9	6.0	10.5	9.1
Regional Qld	6.0	7.6	10.4	10.0
Adelaide	5.0	5.2	9.3	9.2
Regional SA	6.4	5.7	10.0	9.8
Perth	5.0	4.9	9.3	9.9
Regional WA	6.4	8.0	10.6	11.3
Hobart	6.0	5.3	10.6	9.1
Regional TAS	5.8	5.0	11.0	11.3
Darwin	3.7	4.3	8.0	8.1
Regional NT	5.4	6.1	8.4	7.7
Australian Capital Territory	4.5	4.9	9.9	9.1
National	5.8	6.5	10.4	9.2
Capital City	5.3	5.5	10.5	9.0
Regional	6.1	7.5	10.3	9.8

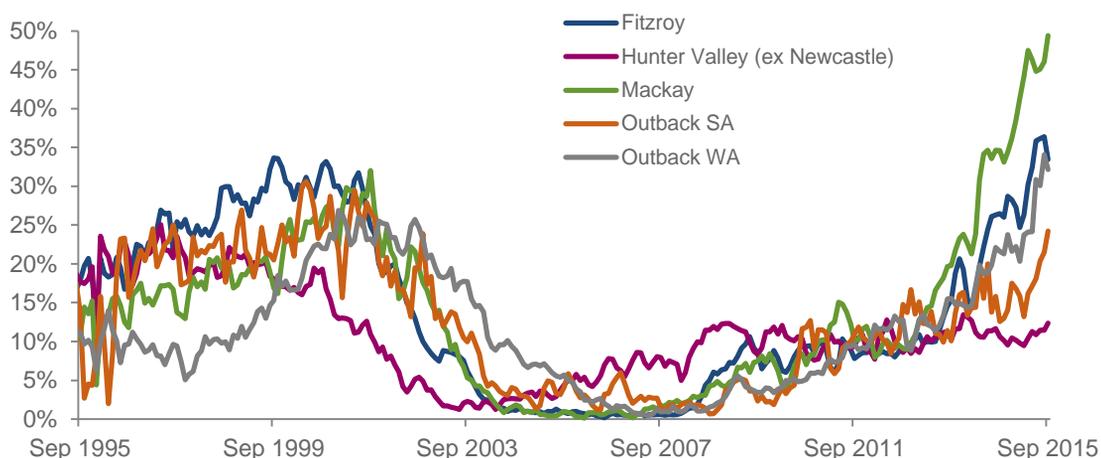
# Focus on Regional Markets

## Major mining regions

Trends across some of the major regions of the country which are intrinsically linked with the resources sector have been analysed and in most instances a heightened level of loss-making sales is evident as the mining investment boom slows. Over the September 2015 quarter, a record high 49.4% of resold properties in Mackay sold at a loss. Across the other regions analysed the figures were recorded at: 33.4% in Fitzroy, 12.4% in the Hunter Valley (excluding Newcastle), 24.2% in Outback SA and 32.2% in Outback WA. Each region except Fitzroy recorded a rise in the proportion of loss-making resales over the quarter.

To put the rapid change in conditions in certain regions into perspective, a year ago the proportion of loss-making resales were recorded at: 26.5% in Fitzroy, 10.6% in Hunter Valley (excluding Newcastle), 34.6% in Mackay, 12.6% in Outback SA and 21.6% in Outback WA. The slowdown in resource related investment and falling commodity prices is continuing to have a big impact on housing markets across these regions. This is despite the fact that many of these regions experienced a significant boom in home values as commodity prices and investment in the mining sector surged in the years leading up to 2012. Many home owners wish to sell their homes in these regions, unfortunately buyer demand remains relatively low in these markets. As a result, those people selling are having to reduce their asking prices substantially in order to sell.

**Proportion of total resales at a loss over time:  
major resource regions**



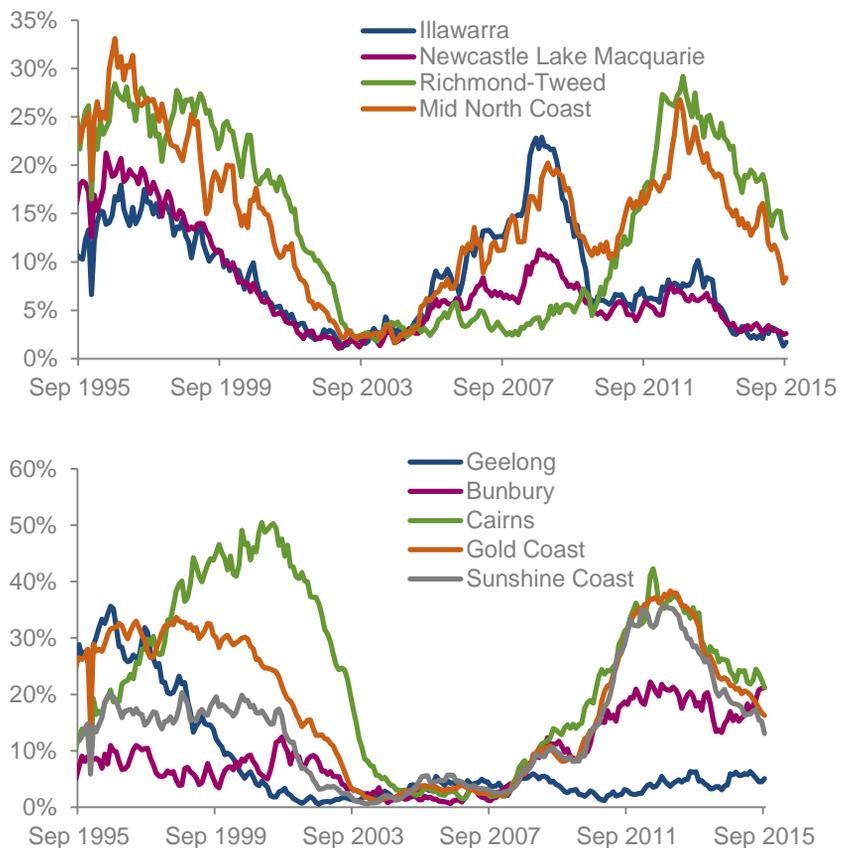
# Focus on Regional Markets

## Major coastal regions

While the markets linked to the resources sector have seen their proportion of loss-making sales rise over recent years the coastal markets have generally seen conditions improve. Across the regions we analysed, the proportion of loss-making resales has been recorded at: 1.7% in Illawarra, 2.6% in Newcastle-Lake Macquarie, 12.5% in Richmond-Tweed, 8.3% in Mid-North Coast, 5.0% in Geelong, 21.2% in Bunbury, 21.2% in Cairns, 16.3% on the Gold Coast and 13.1% on the Sunshine Coast.

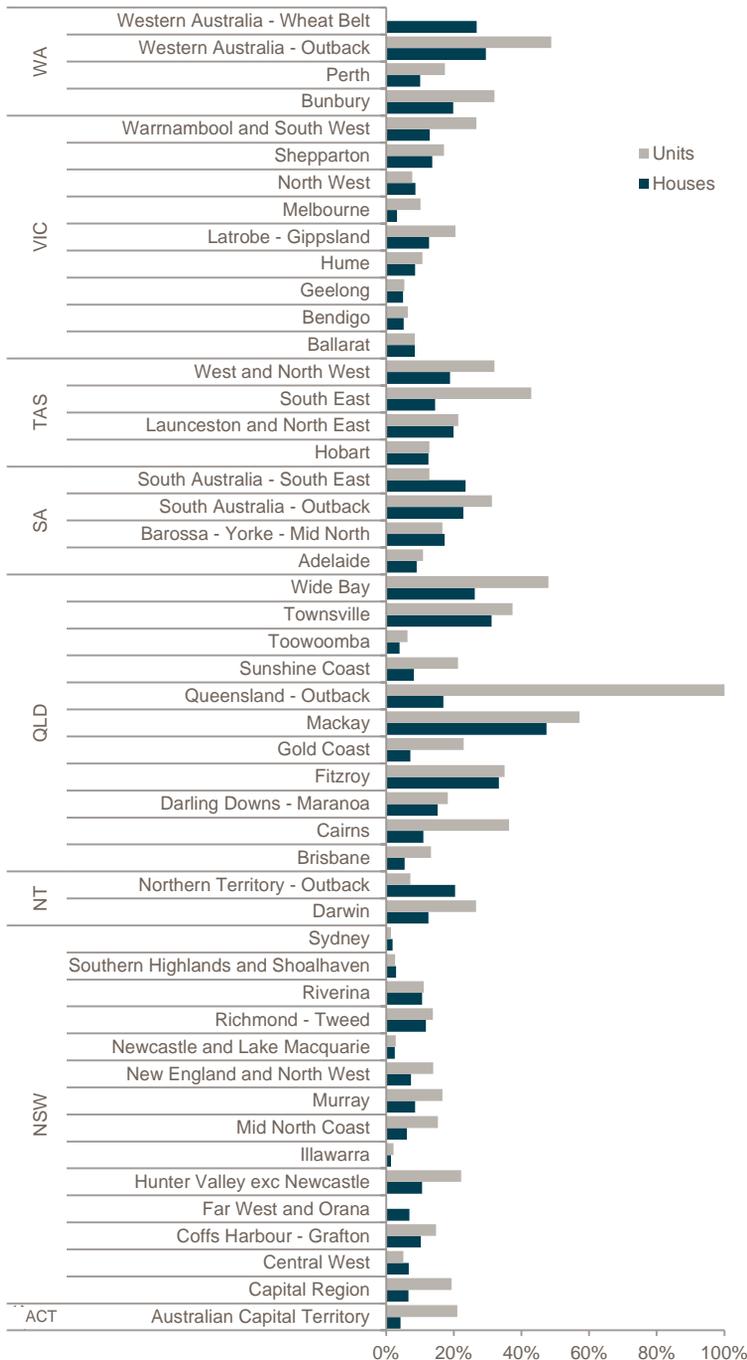
All of these regions are now showing a proportion of loss-making resales which is lower than the recent peak. Bunbury is the only region where the proportion of loss-making resales is now starting to trend higher. The charts show that there has been a fairly sharp decline in loss making resales over recent times in Richmond-Tweed, Mid-North Coast, Cairns, Gold Coast and Sunshine Coast. This is reflective of the returning value growth and overall improving housing market conditions in these areas. The improvement in market conditions is particularly evident across the Queensland regions. Cairns has its lowest proportion of loss-making resales since October 2010, Gold Coast has its lowest since November 2010 and Sunshine Coast has its lowest since August 2010.

**Proportion of total resales at a loss over time:  
major coastal markets**



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

Proportion of loss-making re-sales, September Quarter 2015 non-capital city SA4 regions and GCCSA regions, houses and units



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

- Mackay (Qld) (49.4%)
- Fitzroy (Qld) (33.4%)
- Townsville (Qld) (32.3%)
- Outback (WA) (32.2%)
- Wide Bay (Qld) (28.3%)
- Wheat Belt (WA) (26.4%)
- Outback (SA) (24.2%)
- Wheat Belt (WA) (24.4%)
- South East (SA) (22.5%)
- Cairns (Qld) (21.2%)
- Bunbury (WA) (21.2%)

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

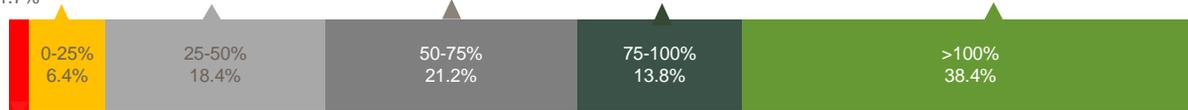
- Sydney (NSW) (1.7%)
- Illawarra (NSW) (1.7%)
- Newcastle and Lake Macquarie (NSW) (2.6%)
- Southern Highlands and Shoalhaven (NSW) (2.9%)
- Toowoomba (Qld) (4.3%)
- Geelong (Vic) (5.0%)
- Bendigo (Vic) (5.3%)
- Melbourne (Vic) (5.4%)
- Central West (NSW) (6.6%)
- Far West and Orana (NSW) (6.7%)

# Pain & Gain

## Sydney council regions

Only 1.7% of homes resold in Sydney over the third quarter of 2015 sold at a loss which is the lowest proportion on record. The Burwood and Hunters Hill council areas each recorded no resales at a loss over the quarter. The highest proportion of loss-making resales over the quarter were found in: Rockdale (3.7%), Pittwater (3.6%) and Blue Mountains (3.1%) however, the proportion of loss-making resales in these regions was extremely low relative to other cities.

Loss  
1.7%

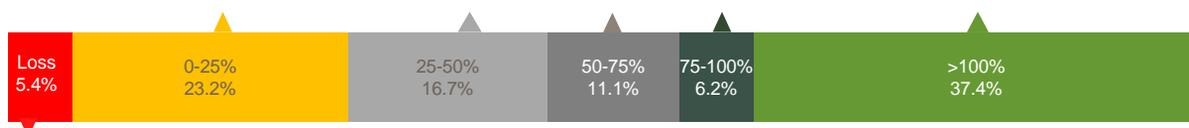


Region	Gross loss-making sales, Sep-15 qtr				Gross profit-making sales, Sep-15 qtr			
	% of all sales	Avg hold period	Median loss	Total value of loss	% of all sales	Avg hold period	Median profit	Total value of profit
Ashfield	2.5%	6.0	-\$265,000	-\$836,000	97.5%	10.2	\$397,500	\$65,072,969
Auburn	2.0%	3.0	-\$202,000	-\$860,750	98.0%	7.5	\$266,500	\$82,907,726
Bankstown	0.9%	9.8	-\$166,000	-\$604,500	99.1%	8.8	\$358,250	\$171,526,563
Blacktown	1.4%	5.6	-\$60,500	-\$3,445,577	98.6%	9.4	\$300,525	\$353,304,590
Blue Mountains	3.1%	4.4	-\$72,500	-\$1,093,500	96.9%	9.6	\$210,000	\$75,385,192
Botany Bay	1.2%	5.4	-\$367,500	-\$367,500	98.8%	10.8	\$316,250	\$33,423,750
Burwood	0.0%				100.0%	11.7	\$500,000	\$42,179,650
Camden	2.2%	17.5	-\$128,750	-\$1,024,500	97.8%	9.7	\$261,970	\$90,173,127
Campbelltown	1.2%	7.6	-\$74,750	-\$636,500	98.8%	10.0	\$255,000	\$186,211,500
Canada Bay	0.3%	2.0	-\$180,000	-\$180,000	99.7%	8.8	\$417,000	\$180,102,166
Canterbury	1.6%	5.0	-\$93,000	-\$1,171,800	98.4%	9.5	\$336,000	\$206,803,532
Fairfield	2.9%	12.4	-\$185,000	-\$2,024,996	97.1%	10.6	\$330,000	\$143,379,918
Gosford	2.7%	8.8	-\$102,000	-\$4,318,496	97.3%	9.4	\$215,000	\$220,537,658
Hawkesbury	0.9%	4.2	-\$287,500	-\$575,000	99.1%	9.9	\$250,000	\$77,664,865
Holroyd	1.7%	8.6	-\$40,000	-\$717,499	98.3%	9.4	\$292,000	\$165,364,159
Hornsby	1.7%	7.0	-\$100,000	-\$1,833,880	98.3%	11.3	\$526,000	\$247,286,639
Hunters Hill	0.0%				100.0%	10.5	\$715,000	\$23,327,500
Hurstville	1.7%	4.7	-\$225,000	-\$860,000	98.3%	8.9	\$382,500	\$100,698,036
Kogarah	0.6%	0.9	-\$22,500	-\$22,500	99.4%	9.3	\$385,000	\$90,287,940
Ku-ring-gai	1.1%	3.6	-\$225,000	-\$2,634,000	98.9%	9.9	\$720,000	\$382,833,299
Lane Cove	0.9%	6.0	-\$550,000	-\$550,000	99.1%	10.0	\$413,000	\$72,105,377
Leichhardt	0.9%	3.2	-\$400,000	-\$800,000	99.1%	9.1	\$581,750	\$157,567,240
Liverpool	1.8%	5.7	-\$132,000	-\$1,610,500	98.2%	10.0	\$289,000	\$195,912,289
Manly	0.6%	7.9	-\$149,000	-\$149,000	99.4%	10.4	\$567,500	\$136,430,365
Marrickville	1.7%	7.8	-\$315,000	-\$1,120,000	98.3%	11.2	\$472,000	\$126,058,532
Mosman	1.8%	3.7	-\$56,777	-\$113,553	98.2%	8.8	\$420,000	\$63,389,170
North Sydney	0.3%	4.8	-\$215,000	-\$215,000	99.7%	9.7	\$430,000	\$174,500,859
Parramatta	2.1%	6.8	-\$48,000	-\$1,514,934	97.9%	8.7	\$298,750	\$221,974,078
Penrith	0.5%	4.7	-\$90,500	-\$469,000	99.5%	10.3	\$270,000	\$261,864,217
Pittwater	3.6%	8.1	-\$150,000	-\$1,191,500	96.4%	9.5	\$411,000	\$96,703,340
Randwick	2.5%	4.4	-\$255,000	-\$3,752,000	97.5%	10.3	\$435,000	\$199,276,666
Rockdale	3.7%	5.7	-\$158,200	-\$2,608,700	96.3%	8.9	\$330,000	\$132,881,785
Ryde	0.8%	2.0	-\$18,450	-\$221,780	99.2%	10.0	\$539,500	\$237,258,686
Strathfield	0.7%	0.7	-\$70,000	-\$70,000	99.3%	7.8	\$320,001	\$82,574,005
Sutherland Shire	1.2%	6.2	-\$187,500	-\$2,327,847	98.8%	10.8	\$395,000	\$390,582,472
Sydney	2.1%	8.2	-\$119,800	-\$3,728,375	97.9%	9.0	\$350,000	\$434,656,515
The Hills Shire	0.7%	6.1	-\$217,500	-\$1,270,500	99.3%	11.2	\$647,500	\$370,790,579
Warringah	2.4%	6.7	-\$255,000	-\$3,114,500	97.6%	9.8	\$425,000	\$289,824,706
Waverley	1.3%	6.5	-\$15,000	-\$330,000	98.7%	9.3	\$553,000	\$157,267,300
Willoughby	2.4%	10.3	-\$95,000	-\$656,500	97.6%	9.6	\$510,000	\$174,733,454
Wollondilly	2.0%	2.7	-\$178,000	-\$593,000	98.0%	8.7	\$252,500	\$47,615,327
Woollahra	3.0%	4.3	-\$130,000	-\$1,880,000	97.0%	9.8	\$489,500	\$144,619,139
Wyong	2.9%	7.3	-\$45,250	-\$2,656,650	97.1%	9.4	\$175,000	\$184,545,417

# Pain & Gain

## Melbourne council regions

5.4% of Melbourne resales over the September 2015 quarter were at a price lower than the previous purchase price, down from 6.5% a year earlier and 5.6% at the end of the previous quarter. Murrindindi was the only council region to record no resales at a loss over the quarter while Knox (1.5%), Whitehorse (1.7%) and Yarra Ranges (1.9%) also had less than 2% of resales at a loss. The regions with the highest proportion of loss-making resales were Melbourne (24.8%), Mitchell (13.8%) and Stonnington (10.7%).

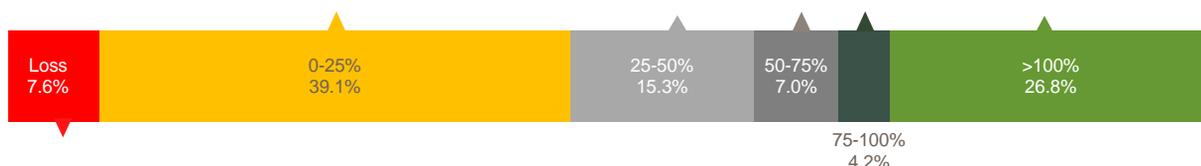


Region	Gross loss-making sales, Jun-15 qtr				Gross profit-making sales, Jun-15 qtr			
	% of all sales	Avg hold period	Median loss	Total value of loss	% of all sales	Avg hold period	Median profit	Total value of profit
Banyule	4.4%	5.0	-\$60,000	-\$1,494,750	95.6%	12.4	\$320,500	\$151,268,301
Bayside	2.1%	2.8	-\$181,448	-\$1,867,259	97.9%	11.9	\$505,000	\$188,039,738
Boroondara	2.8%	6.0	-\$39,000	-\$1,299,103	97.2%	13.1	\$600,000	\$322,777,336
Brimbank	3.2%	4.1	-\$17,250	-\$623,002	96.8%	10.3	\$163,000	\$78,836,875
Cardinia	6.8%	4.3	-\$37,495	-\$628,235	93.2%	7.7	\$93,500	\$24,414,475
Casey	2.7%	4.0	-\$31,250	-\$1,515,100	97.3%	9.6	\$139,750	\$119,646,322
Darebin	5.7%	4.6	-\$30,000	-\$2,325,000	94.3%	11.5	\$280,150	\$103,429,049
Frankston	2.4%	4.8	-\$14,995	-\$598,693	97.6%	9.0	\$132,500	\$86,681,726
Glen Eira	3.4%	5.8	-\$63,500	-\$1,890,012	96.6%	12.2	\$396,500	\$230,448,504
Greater Dandenong	2.8%	3.7	-\$25,000	-\$1,040,325	97.2%	11.0	\$200,000	\$82,794,640
Hobsons Bay	5.8%	2.6	-\$60,000	-\$1,854,500	94.2%	9.7	\$240,000	\$72,005,163
Hume	7.1%	4.2	-\$20,000	-\$1,406,797	92.9%	9.6	\$107,000	\$59,663,232
Kingston	4.5%	4.7	-\$49,917	-\$1,842,795	95.5%	11.3	\$281,000	\$144,317,541
Knox	1.5%	3.3	-\$58,375	-\$565,750	98.5%	12.3	\$386,250	\$161,546,465
Macedon Ranges	4.8%	3.8	-\$20,000	-\$240,000	95.2%	11.1	\$173,000	\$13,637,750
Manningham	3.7%	5.8	-\$44,000	-\$767,834	96.3%	12.0	\$547,000	\$182,929,389
Maribyrnong	7.3%	5.9	-\$23,500	-\$621,350	92.7%	9.1	\$217,000	\$67,218,826
Maroondah	2.4%	4.4	-\$75,000	-\$1,244,400	97.6%	12.1	\$310,500	\$128,199,134
Melbourne	24.8%	6.2	-\$35,300	-\$7,488,766	75.2%	9.9	\$115,000	\$77,742,892
Melton	9.1%	4.6	-\$20,000	-\$926,250	90.9%	7.7	\$67,000	\$30,869,162
Mitchell	13.8%	4.0	-\$19,875	-\$75,750	86.2%	7.8	\$75,000	\$2,143,332
Monash	2.1%	4.4	-\$77,500	-\$1,727,100	97.9%	12.5	\$564,000	\$290,551,209
Moonee Valley	7.2%	5.2	-\$83,500	-\$1,661,750	92.8%	11.9	\$264,000	\$107,809,711
Moorabool	10.0%	5.4	-\$7,000	-\$57,250	90.0%	6.8	\$62,000	\$2,982,806
Moreland	6.3%	4.9	-\$35,000	-\$2,284,000	93.7%	11.5	\$247,000	\$120,174,051
Mornington Peninsula	3.7%	3.7	-\$28,500	-\$1,329,195	96.3%	10.4	\$212,750	\$180,695,145
Murrindindi					100.0%	19.1	\$128,500	\$418,500
Nillumbik	5.4%	3.3	-\$27,500	-\$1,488,101	94.6%	11.6	\$252,000	\$46,520,980
Port Phillip	8.0%	4.3	-\$26,875	-\$1,421,300	92.0%	10.8	\$237,000	\$120,740,674
Stonnington	10.7%	5.0	-\$37,000	-\$1,603,243	89.3%	11.8	\$310,000	\$133,107,987
Whitehorse	1.7%	7.0	-\$55,000	-\$1,979,812	98.3%	13.2	\$560,250	\$326,120,745
Whittlesea	6.6%	4.1	-\$17,975	-\$1,047,948	93.4%	10.3	\$125,250	\$53,069,116
Wyndham	6.3%	4.4	-\$20,000	-\$937,995	93.8%	8.1	\$88,000	\$53,206,939
Yarra	8.0%	6.0	-\$33,250	-\$1,553,430	92.0%	12.3	\$385,000	\$126,352,887
Yarra Ranges	1.9%	4.2	-\$16,001	-\$596,252	98.1%	10.9	\$211,750	\$103,432,472

# Pain & Gain

## South-East Queensland council regions

Across Brisbane, the proportion of loss-making resales has trended lower over the past few years and was recorded at 7.6% over the September 2015 quarter, the lowest it has been since the first quarter of 2011. Across the South-East Queensland region, the Toowoomba (3.6%), Brisbane (5.4%) and Lockyer Valley (7.3%) council areas have the lowest proportions of loss-making sales. The council areas with the highest proportion of loss-making resales over the quarter were Gold Coast (16.3%) Ipswich (14.4%) and Sunshine Coast (13.1%).

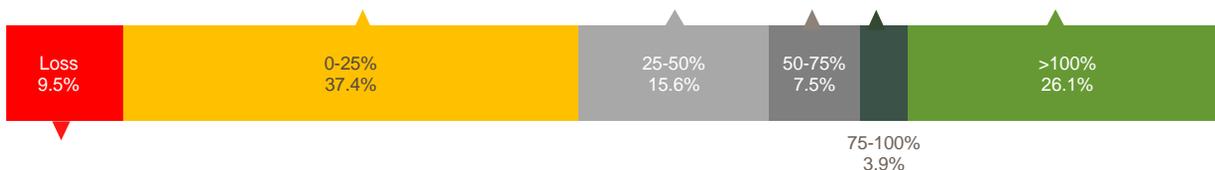


Region	Gross loss-making sales, Sep-15 qtr				Gross profit-making sales, Sep-15 qtr			
	% of all sales	Avg hold period	Median loss	Total value of loss	% of all sales	Avg hold period	Median profit	Total value of profit
Brisbane	5.4%	5.6	-\$21,000	-\$10,283,541	94.6%	10.4	\$160,000	\$962,253,351
Ipswich	14.4%	6.1	-\$18,750	-\$2,018,381	85.6%	10.0	\$62,000	\$51,968,675
Gold Coast	16.3%	7.3	-\$32,000	-\$31,713,214	83.7%	10.1	\$99,000	\$433,004,999
Lockyer Valley	7.3%	6.1	-\$22,500	-\$55,000	92.7%	8.9	\$51,000	\$3,220,800
Logan	9.7%	6.3	-\$25,000	-\$4,137,353	90.3%	10.4	\$92,375	\$135,533,279
Moreton Bay	10.4%	6.2	-\$20,000	-\$6,576,212	89.6%	8.8	\$75,000	\$143,943,646
Redland	7.7%	5.5	-\$20,500	-\$1,651,536	92.3%	10.2	\$103,000	\$80,345,285
Scenic Rim	11.6%	6.0	-\$50,000	-\$444,000	88.4%	9.3	\$72,250	\$4,306,250
Somerset	9.3%	5.1	-\$33,000	-\$169,000	90.7%	10.5	\$60,500	\$6,025,650
Sunshine Coast	13.1%	7.2	-\$31,000	-\$13,349,695	86.9%	9.9	\$90,000	\$216,612,985
Toowoomba	3.6%	3.9	-\$14,000	-\$313,500	96.4%	8.7	\$83,500	\$62,817,247

# Pain & Gain

## Adelaide council regions

Over the September 2015 quarter, 9.5% of Adelaide resales were at a gross loss, which was up from 9.4% at the end of the first quarter of 2015 and higher than the 9.1% over the same quarter last year. Prospect recorded no loss-making resales over the quarter while Campbelltown (2.2%) and Unley (2.9%) recorded less than 3.0% of all resales at a loss. The highest proportions of loss-making resales over the quarter were recorded in Playford (24.7%) and Light and Walkerville (both 14.3%) council areas.

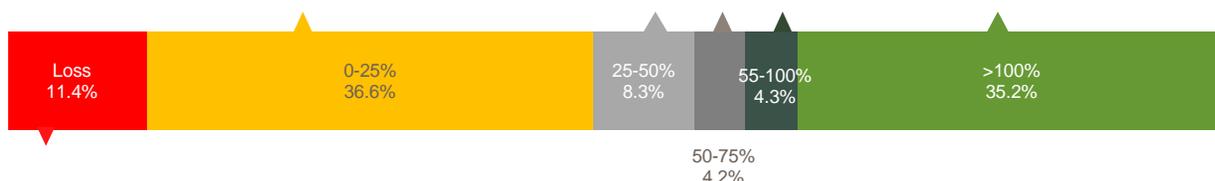


Region	Gross loss-making sales, Sep-15 qtr				Gross profit-making sales, Sep-15 qtr			
	% of all sales	Avg hold period	Median loss	Total value of loss	% of all sales	Avg hold period	Median profit	Total value of profit
Adelaide	10.6%	5.1	-\$45,000	-\$488,800	89.4%	8.5	\$110,000	\$9,485,074
Adelaide Hills	3.8%	5.0	-\$62,000	-\$187,000	96.2%	9.2	\$123,050	\$12,302,425
Burnside	4.7%	4.3	-\$40,000	-\$1,057,500	95.3%	10.3	\$192,000	\$38,396,745
Campbelltown	2.2%	4.4	-\$60,000	-\$213,000	97.8%	9.2	\$134,500	\$23,819,503
Charles Sturt	9.3%	4.4	-\$26,500	-\$1,592,612	90.7%	9.3	\$107,500	\$37,789,942
Gawler	10.0%	5.3	-\$28,000	-\$403,500	90.0%	8.3	\$54,500	\$4,725,143
Holdfast Bay	11.3%	4.2	-\$20,000	-\$782,500	88.7%	9.3	\$153,000	\$20,400,648
Light	14.3%	5.4	-\$55,000	-\$55,000	85.7%	6.2	\$32,750	\$289,000
Mallala	6.5%	4.8	-\$21,000	-\$845,045	93.5%	9.0	\$115,500	\$33,842,026
Marion	9.2%	4.5	-\$45,000	-\$1,218,369	90.8%	10.5	\$187,310	\$38,843,470
Mitcham	5.2%	7.1	-\$30,625	-\$158,250	94.8%	7.8	\$60,000	\$6,968,038
Mount Barker	8.7%	5.3	-\$85,000	-\$980,250	91.3%	9.5	\$152,500	\$20,129,369
Norwood Payneham St Peters	10.8%	5.1	-\$17,900	-\$1,741,812	89.2%	9.1	\$81,500	\$40,895,632
Onkaparinga	24.7%	5.5	-\$15,500	-\$1,273,400	75.3%	8.5	\$38,750	\$11,725,479
Playford	10.3%	5.0	-\$45,000	-\$2,858,750	89.7%	9.2	\$100,000	\$38,048,354
Port Adelaide Enfield					100.0%	9.7	\$182,475	\$10,897,998
Prospect	11.6%	5.3	-\$19,000	-\$1,028,700	88.4%	9.1	\$67,500	\$26,920,409
Salisbury	3.3%	5.7	-\$44,750	-\$532,040	96.7%	9.6	\$112,500	\$31,591,291
Tea Tree Gully	2.9%	4.3	-\$113,000	-\$404,500	97.1%	8.9	\$159,000	\$19,655,958
Unley	14.3%	5.0	-\$8,000	-\$16,000	85.7%	10.6	\$176,750	\$2,695,000
Walkerville	12.7%	5.0	-\$25,700	-\$1,189,200	87.3%	9.4	\$106,000	\$25,475,871
West Torrens	10.6%	5.1	-\$45,000	-\$488,800	89.4%	8.5	\$110,000	\$9,485,074

# Pain & Gain

## Perth council regions

11.4% of resold homes across Perth in the September 2015 quarter were sold for less than the previous purchase price which was the highest proportion of loss-making resales since July 2012. The 11.4% of resales at a loss is up from just 5.0% 12 months ago. The Cottesloe and Peppermint Grove council areas recorded no resales at a loss over the quarter, while Serpentine-Jarrahdale (2.3%) was the only other region below 5%. The highest proportion of loss-making resales occurred in the Perth (37.1%), Mandurah (23.6%) and Nedlands (20.0%) council areas.

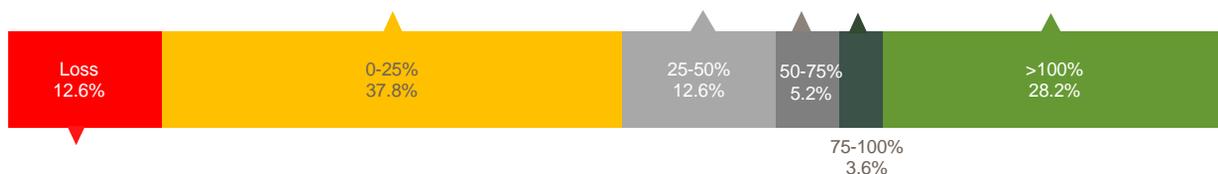


Region	Gross loss-making sales, Jun-15 qtr				Gross profit-making sales, Jun-15 qtr			
	% of all sales	Avg hold period	Median loss	Total value of loss	% of all sales	Avg hold period	Median profit	Total value of profit
Armadale	12.7%	4.8	-\$24,000	-\$1,836,000	87.3%	8.9	\$108,000	\$29,762,896
Bassendean	5.4%	5.7	-\$77,500	-\$155,000	94.6%	9.8	\$158,000	\$8,805,072
Bayswater	9.2%	3.4	-\$25,750	-\$834,500	90.8%	9.8	\$153,000	\$32,934,750
Belmont	9.5%	5.6	-\$60,000	-\$754,600	90.5%	9.5	\$122,500	\$16,193,400
Cambridge	11.4%	3.7	-\$29,000	-\$373,000	88.6%	9.2	\$133,000	\$17,712,848
Canning	7.4%	5.0	-\$25,000	-\$970,260	92.6%	9.9	\$215,250	\$54,254,379
Claremont	15.0%	2.6	-\$50,000	-\$103,500	85.0%	8.7	\$125,000	\$4,985,340
Cockburn	7.3%	4.2	-\$22,000	-\$1,277,000	92.7%	9.0	\$176,000	\$52,983,452
Cottesloe					100.0%	13.5	\$357,500	\$3,764,000
East Fremantle	11.1%	5.1	-\$40,500	-\$81,000	88.9%	10.3	\$239,250	\$6,612,500
Fremantle	7.1%	5.4	-\$50,000	-\$493,540	92.9%	10.0	\$240,000	\$17,825,965
Gosnells	5.6%	3.8	-\$18,000	-\$674,500	94.4%	9.9	\$128,375	\$40,718,663
Joondalup	9.3%	4.6	-\$28,000	-\$2,854,992	90.7%	10.5	\$199,000	\$102,510,259
Kalamunda	7.0%	5.8	-\$30,000	-\$519,014	93.0%	9.8	\$175,000	\$31,998,175
Kwinana	12.7%	4.7	-\$17,000	-\$333,400	87.3%	8.1	\$143,500	\$14,549,825
Mandurah	23.6%	6.3	-\$50,000	-\$5,802,977	76.4%	9.9	\$115,000	\$37,945,090
Melville	6.3%	4.1	-\$70,000	-\$1,836,000	93.7%	10.6	\$238,050	\$60,132,015
Mosman Park	14.3%	5.5	-\$25,000	-\$155,000	85.7%	11.3	\$257,500	\$7,043,500
Mundaring	11.7%	5.3	-\$35,000	-\$930,500	88.3%	9.8	\$189,000	\$21,561,900
Murray	17.1%	6.8	-\$20,000	-\$398,000	82.9%	9.6	\$111,500	\$5,068,500
Nedlands	20.0%	4.8	-\$127,750	-\$1,453,500	80.0%	12.8	\$407,250	\$13,004,500
Peppermint Grove					100.0%	2.6	\$20,000	\$20,000
Perth	37.1%	5.6	-\$45,000	-\$2,771,347	62.9%	9.2	\$99,000	\$13,564,550
Rockingham	15.3%	5.5	-\$28,500	-\$2,355,947	84.7%	8.4	\$98,000	\$47,282,975
Serpentine-Jarrahdale	2.3%	6.4	-\$340,000	-\$340,000	97.7%	6.6	\$142,500	\$8,057,000
South Perth	11.6%	5.1	-\$40,000	-\$1,296,500	88.4%	11.0	\$293,000	\$35,187,318
Stirling	9.7%	4.1	-\$25,000	-\$4,682,423	90.3%	9.6	\$160,000	\$116,883,143
Subiaco	16.3%	5.1	-\$45,000	-\$393,567	83.7%	9.9	\$168,750	\$11,727,350
Swan	11.8%	4.9	-\$20,000	-\$1,405,967	88.2%	9.0	\$170,000	\$53,606,106
Victoria Park	8.8%	4.9	-\$80,000	-\$927,000	91.2%	8.6	\$126,000	\$17,401,600
Vincent	6.0%	2.5	-\$57,500	-\$370,000	94.0%	10.0	\$207,000	\$12,881,768
Wanneroo	9.5%	5.0	-\$25,000	-\$2,512,750	90.5%	8.1	\$122,500	\$81,368,624

# Pain & Gain

## Hobart council regions

12.6% of Hobart homes resold over the September 2015 quarter were at a loss compared to 14.1% at the end of the previous quarter and 15.7% a year ago. Across the council areas, Sorrell (25.6%), Brighton (19.5%) and Derwent Valley (18.5%) had the highest proportion of loss-making resales over the quarter. The proportion of loss-making resales was lowest in Hobart (6.0%), Kingborough (6.5%) and Glenorchy (14.0%) council areas.



Region	Gross loss-making sales, Jun-15 qtr				Gross profit-making sales, Jun-15 qtr			
	% of all sales	Avg hold period	Median loss	Total value of loss	% of all sales	Avg hold period	Median profit	Total value of profit
Brighton	19.5%	5.8	-\$13,000	-\$116,500	80.5%	9.6	\$40,000	\$2,408,500
Clarence	14.5%	5.5	-\$15,000	-\$932,000	85.5%	10.0	\$73,000	\$14,722,700
Derwent Valley	18.5%	7.1	-\$55,000	-\$225,500	81.5%	10.8	\$44,000	\$1,384,500
Glenorchy	14.0%	6.2	-\$16,000	-\$441,988	86.0%	11.0	\$84,000	\$11,711,170
Hobart	6.0%	5.8	-\$23,000	-\$514,537	94.0%	9.9	\$130,000	\$23,365,735
Kingborough	6.5%	4.1	-\$8,000	-\$206,000	93.5%	9.6	\$77,000	\$9,414,051
Sorell	25.6%	5.9	-\$30,000	-\$556,500	74.4%	10.8	\$59,333	\$2,896,133

## Darwin council regions

Across Darwin over the three months to September 2015, 16.9% of homes resold at a loss compared to 17.2% at the end of the previous quarter and 9.4% a year ago. The relatively less developed Litchfield region has recorded no loss-making resales over the quarter compared to 15.9% in Palmerston and 19.5% in Darwin.

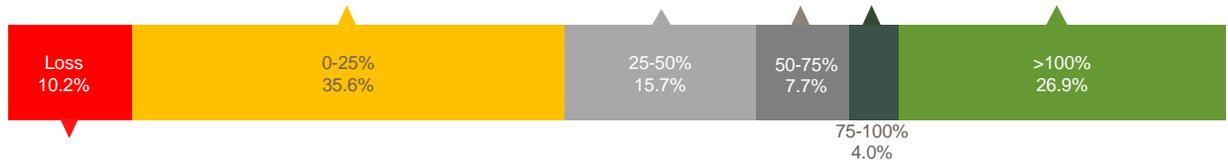


Region	Gross loss-making sales, Jun-15 qtr				Gross profit-making sales, Jun-15 qtr			
	% of all sales	Avg hold period	Median loss	Total value of loss	% of all sales	Avg hold period	Median profit	Total value of profit
Darwin	19.5%	4.0	-\$30,000	-\$2,296,460	80.5%	8.5	\$180,000	\$28,825,632
Litchfield	0.0%	0.0	\$0	\$0	100.0%	8.1	\$176,500	\$4,448,000
Palmerston	15.9%	4.0	-\$47,500	-\$1,935,850	84.1%	7.2	\$266,750	\$18,730,915

# Pain & Gain

## Canberra council regions

Over the three months to September 2015, 10.2% of Canberra homes re-sold at a loss compared to 10.9% over the previous quarter and 11.4% a year earlier.



Region	Gross loss-making sales, Jun-15 qtr				Gross profit-making sales, Jun-15 qtr			
	% of all sales	Avg hold period	Median loss	Total value of loss	% of all sales	Avg hold period	Median profit	Total value of profit
Unincorporated ACT	10.2%	4.8	-\$20,000	-\$2,821,034	89.8%	9.7	\$148,000	\$183,036,434

# About CoreLogic RP Data

CoreLogic RP Data is a wholly owned subsidiary of CoreLogic (NYSE: CLGX), which is the largest data and analytics company in the world with revenues of \$1.3Bn USD from 50,000 business and government customers and over 1 million end users. CoreLogic RP Data provides property information, analytics and services across Australia and New Zealand and is currently developing and growing partnerships throughout Asia.

With Australia's most comprehensive property databases, the company's combined data offering is derived from public, contributory and proprietary sources and includes over 500 million decision points spanning over three decades of collection, providing detailed coverage of property and other encumbrances such as tenancy, location, hazard risk and related performance information. With over 11,000 customers and 120,000 end users, CoreLogic RP Data is the leading provider of property data, analytics and related services to consumers, investors, real estate, mortgage, finance, banking, insurance, developers, wealth management and government.

CoreLogic RP Data delivers value to clients through unique data, analytics, workflow technology, advisory and geo spatial services. Clients rely on CoreLogic RP Data to help identify and manage growth opportunities, improve performance and mitigate risk. CoreLogic RP Data employs over 480 people at nine locations across Australia and in New Zealand. For more information call 1300 734 318 or visit [www.corelogic.com.au](http://www.corelogic.com.au)

## Granular Data and Analytics Driving Growth in your Business

CoreLogic RP Data produces an advanced suite of housing market analytics that provides key insights for understanding housing market conditions at a granular geographic level. Granular data is often used for portfolio analysis and benchmarking, risk assessments and understanding development feasibility and market sizing. It gives industry professionals valuable modules which provide essential analytics and insights for decision making and strategy formation within the residential property asset class. We can tailor reports to suit your business requirements. Call us on 1300 734 318 or email us at [ask@corelogic.com.au](mailto:ask@corelogic.com.au) or visit us at [www.corelogic.com.au](http://www.corelogic.com.au)

**Market Scorecard:** Monitor and measure performance of an individual office or a Franchise brand month on month through a detailed view of the Real Estate Listing and Sales market share across Australia. With the ability to gather market share statistics within your active market this product is designed to identify the competing brands and independents at a suburb, postcode, user defined territory and State level. Easily locate growth opportunities and market hotspots allowing you to view the performance of the established offices in these new areas of interest.

**Market Trends:** Detailed housing market indicators down to the suburb level, with data in time series or snapshot delivered monthly. CoreLogic RP Data's Market Trends data is segmented across houses and units. The Market Trends data includes key housing market metrics such as median prices, median values, transaction volumes, rental statistics, vendor metrics such as average selling time and vendor discounting rates.

**CoreLogic RP Data Indices:** The suite of CoreLogic RP Data Indices range from simple market measurements such as median prices through to repeat sales indices and our flagship hedonic home value indices. The CoreLogic RP Data Hedonic index has been specifically designed to track the value of a portfolio of properties over time and is relied upon by Australian regulators and industry as the most up to date and accurate measurement of housing market performance.

**Economist Pack:** A suite of indices and indicators designed specifically for Australian economic commentators who require the most up to date and detailed view of housing market conditions. The economist pack includes the CoreLogic RP Data Hedonic indices for capital cities and 'rest of state' indices, the stratified hedonic index, hedonic total return index, auction clearance rates and median prices.

**Investor Concentration Report:** Understanding ownership concentrations is an important part of assessing risk. Areas with high investor concentrations are typically allocated higher risk ratings due to the over-representation of a particular segment of the market. Through a series of rules and logic, CoreLogic RP Data has flagged the likely ownership type of every residential property nationally as either owner occupied, investor owned or government owned.

**Mortgage Market Trend Report:** CoreLogic RP Data is in a unique position to monitor mortgage related housing market activity. Transaction volumes, dwelling values and mortgage related valuation events all comprise our Mortgage market trend report which provides an invaluable tool for mortgage industry benchmarking and strategy.

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