



RURAL

HERRON TODD WHITE

PROPERTY MARKET OVERVIEW



Herron Todd White

Queensland Overview
Doug Knight

Historical Trends 1951-1980 & 1981-2010

| | | |
|-----------------|--------|-----------|
| Toowoomba | 13.67% | Reduction |
| Dalby | 15.5% | Reduction |
| Roma | 10% | Reduction |
| Charleville | 5.6% | Reduction |
| Longreach | 8% | Reduction |
| Clermont | 8% | Reduction |
| Charters Towers | 7.6% | Reduction |
| Richmond | 2.8% | Reduction |

Source: HTW analysis of Bureau of Meteorology data

Last Two Years

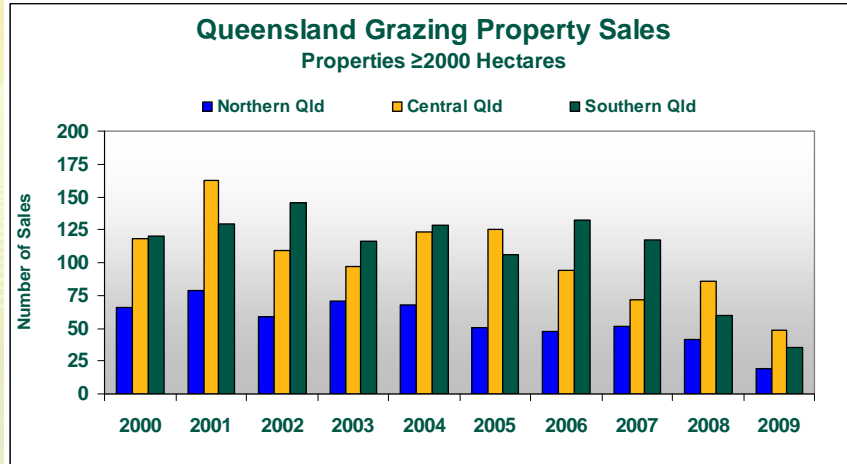
- Good breaks at the start of 2008 and 2009 through the west and the north. Patchy through the south-east.
- Excellent start to 2010 throughout much of Queensland but also still patchy in the south-east.
- Need to capitalise on the good start

2000 – 2007

- A 2 ½ to 3 ½ times appreciation in land values over the period.
- First 3 to 4 years initial catch up.
- Stanbroke Aggregation selloff in 2003.
- Post 2005 value growth not sustainable.
- “Easy money” post 2005.
- Grass acquisitions.

Post 2007

- A general reduction in values in the order of 5% to 20%
- Location/Industry/Quality and Development of the holding
- Last On /First Off scenario
- 2008/2009 – The volume of sales has reduced significantly.
- Vendor Realisation
- Succession Planning

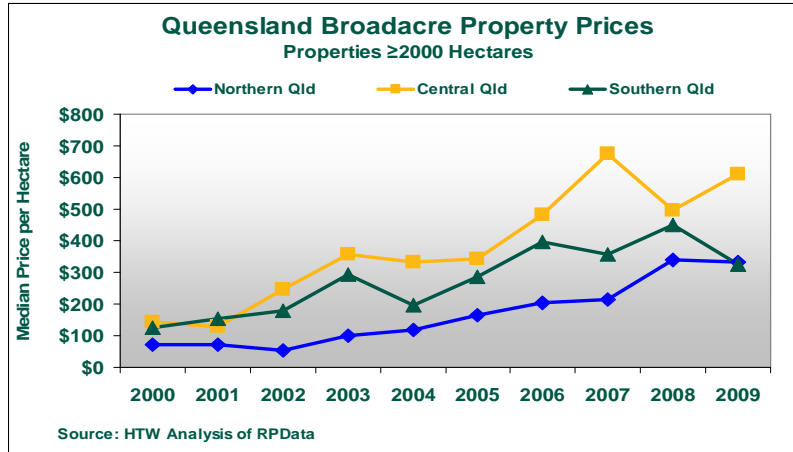


North Queensland
5 major re-sales since 2008

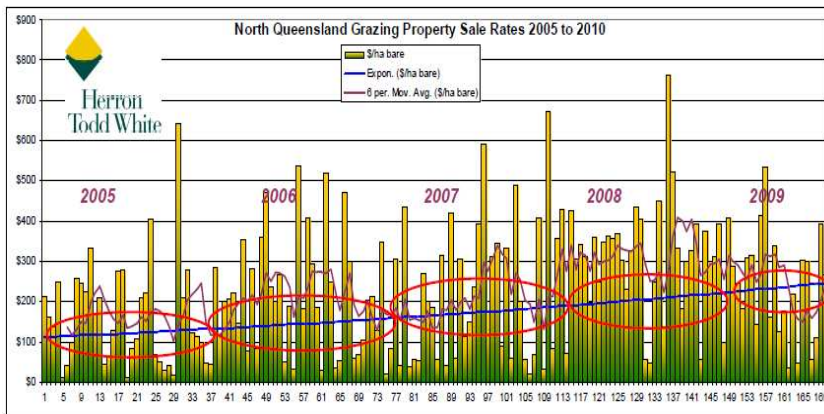
Central Queensland
"Eastmere"

Southern Queensland
"Ninderra"

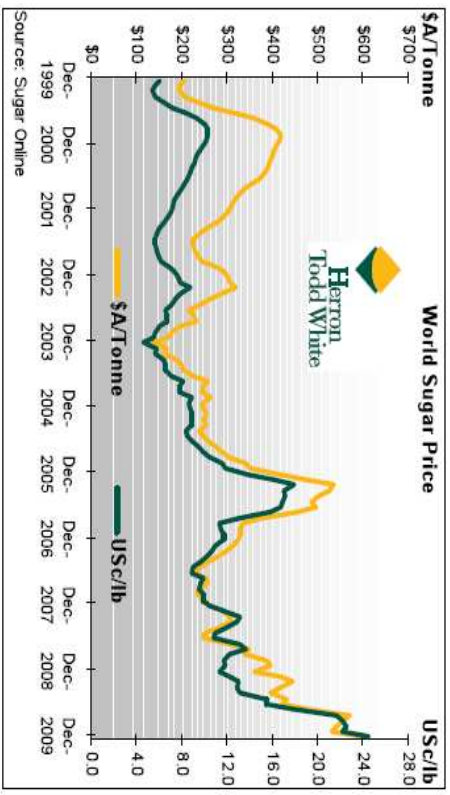
Land Sale Value Trend 2000 - 2009



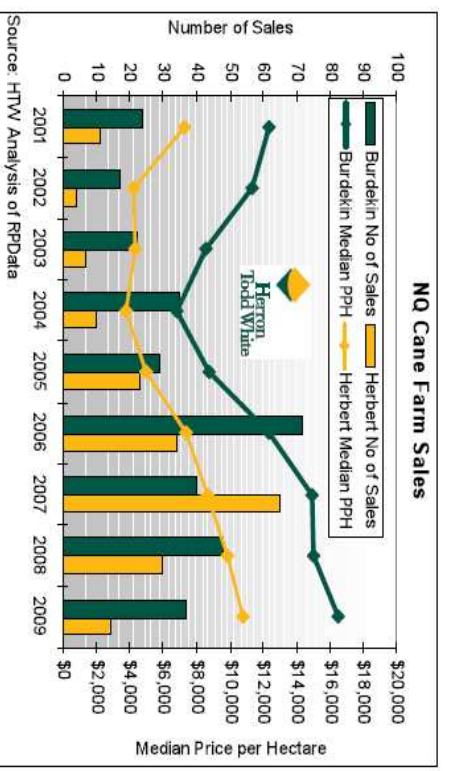
North Queensland - Grazing Property Sales



North Queensland – Sugar Price



North Queensland – Cane Farm Sales



- Great start to the season
- Values generally flat in the short term
- More improved activity expected over the next 12 months
- Readjustment / repositioning of holdings within portfolios

- Great start to 2010
- A maintenance of current values just back off the peaks in the short term.
- Central Queensland mining still very active.
- Very little interest being expressed in irrigation country.
- Grazing still dominated by large family interests.

- Great start to 2010 especially in the west. No so lucky in the south-east.
- Biggest adjustment in values still being felt in Southern Queensland.
- Mining/Gas Exploration expansion.

- Interest Rates
- Australian Dollar
- Bank Policy
- More Corporate players
- Improved seasonal conditions
- Federal Election on the horizon
- Greater export cattle competition out of the north

Vegetation Management

- PMAV in place
- No PMAV in place

Coal & Gas Exploration - v - Food & Fibre

Coal & Gas

- Central Qld/Northern Qld – last 10-20 years
- Southern Qld – “tip of the iceberg”
- Issues with Infrastructure

Coal

- Higher % of more productive farming land involved
- Whole of property acquisition

Gas

- More generally contained to grazing country
- Ongoing integration required

Food & Fibre

- More acquisition of multi-sited holdings

For further information please contact:-



Queensland – Doug Knight 07 4639 7600

New South Wales – Robin Gardiner 02 6766 9898

Victoria – Mick Eason 03 5480 2601

Northern Territory – Frank Peacocke 08 8941 4833



THANK YOU

Disclaimer

The information contained in this report is provided in good faith and has been derived from sources believed to be reliable and accurate. However, the report is not intended to be comprehensive or render advice and neither Herron Todd White nor any persons involved in the preparation of this report accepts any form of liability for its contents. This report has copyright and cannot be reproduced without written permission of Herron Todd White.

Herron Todd White