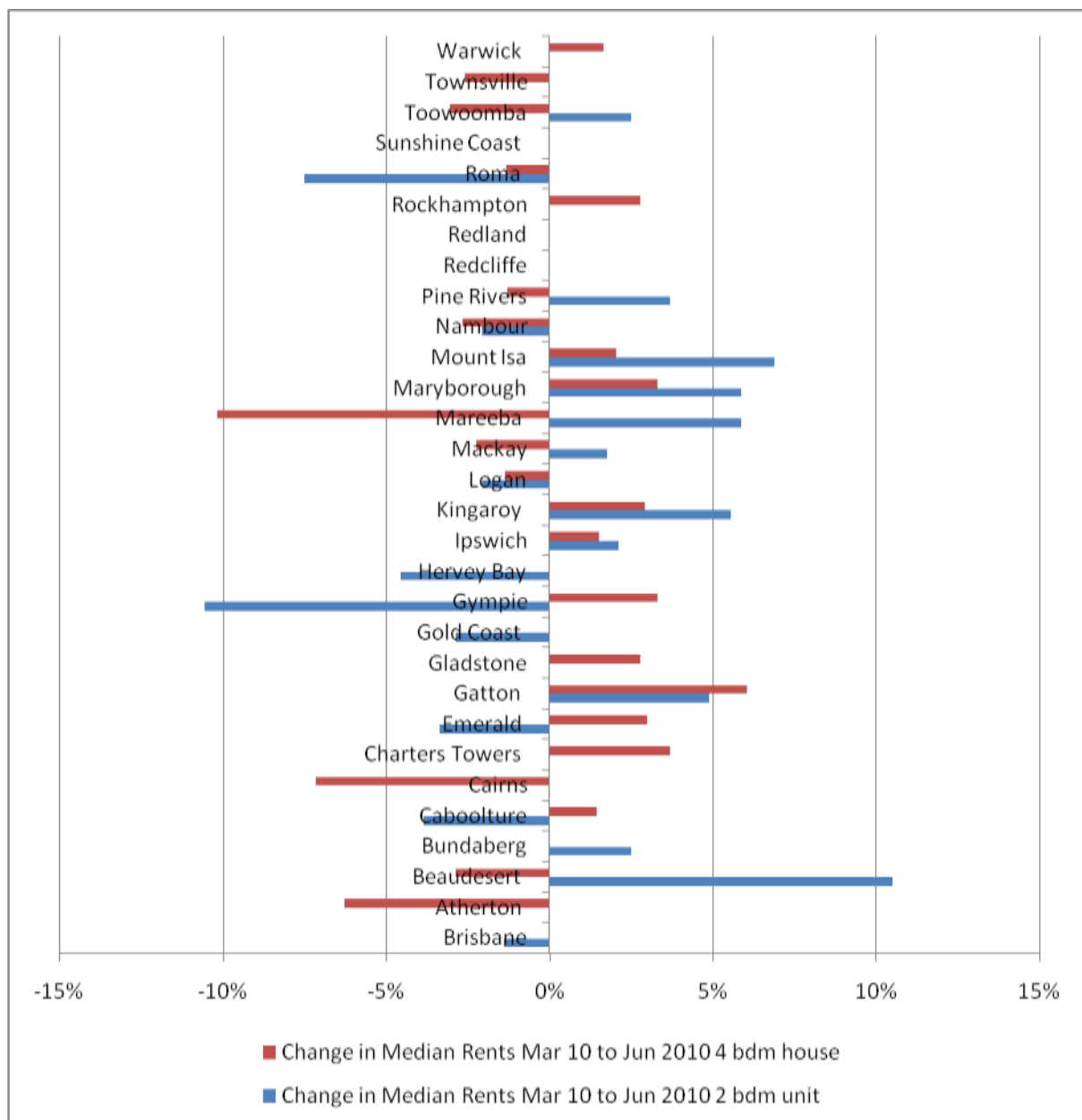


Quarterly Rental Data - June 2010

Many regions across the state have shown significant movement in weekly rents in the latest quarter relative to the previous six months. Two bedroom units in Beaudesert, in particular, experienced an 11% increase in rental prices. Rents of two bedroom units increased by 7% in Mt Isa, 6% increases occurred in Kingaroy, Mareeba and Maryborough. The median weekly rental prices for two bedroom units in both Gympie and Roma decreased by 11% and 8% respectively. Rental prices of four bedroom homes in Mareeba and Cairns also saw reductions of 10% and 7% respectively. The private rental market in Brisbane showed minimal change since the last quarter with a 1% decrease in the price of two bedroom units while the price of four bedroom houses remained static.

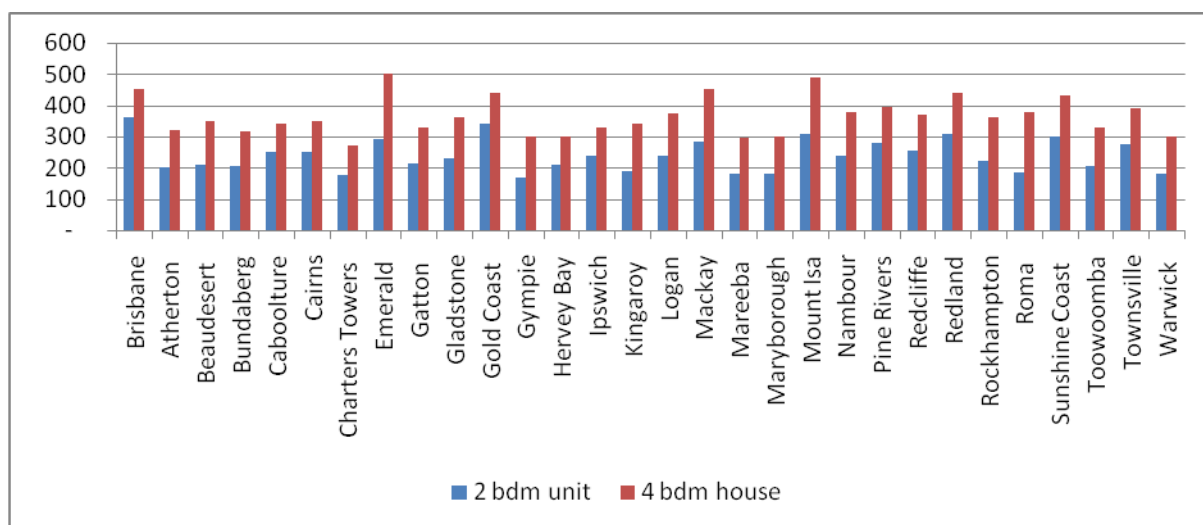


Change in Median Rents Mar 10 to Jun 2010

The increases and decreases presented as significant percentage changes in median rental prices did not differ by more than \$20 from the previous quarter in general. Exceptions included Cairns, and Mareeba, where prices fell by \$25, and \$30, respectively.

These movements did not align with the highest or lowest rents within the state and may only indicate temporary imbalances in the market, however, if pressure continues, the current adjustments may signal imminent improvements or tightening in the private rental market.

MEDIAN WEEKLY RENTS



Median Rents June Quarter 2010

The variances as expressed through percentage changes can tell a different story to that of actual market prices. Some rental prices have not experienced significant changes in the latest quarter yet weekly rents remain high. High rental prices for both two bedroom units and four bedroom houses appear to be occurring in the same locations. Of particular concern are locations noted in the table below where the median rents are greater than \$250 per week for two bedroom units and above \$400 per week for four bedroom houses. Mining towns and urban centres appear to remain the most expensive regions in the state.

Region	2 bedroom unit	4 bedroom houses
Brisbane	\$360	\$450
Emerald	\$290	\$500
Gold Coast	\$340	\$440
Mackay	\$285	\$450
Mount Isa	\$310	\$490
Pine Rivers	\$280	\$395
Redland	\$310	\$440

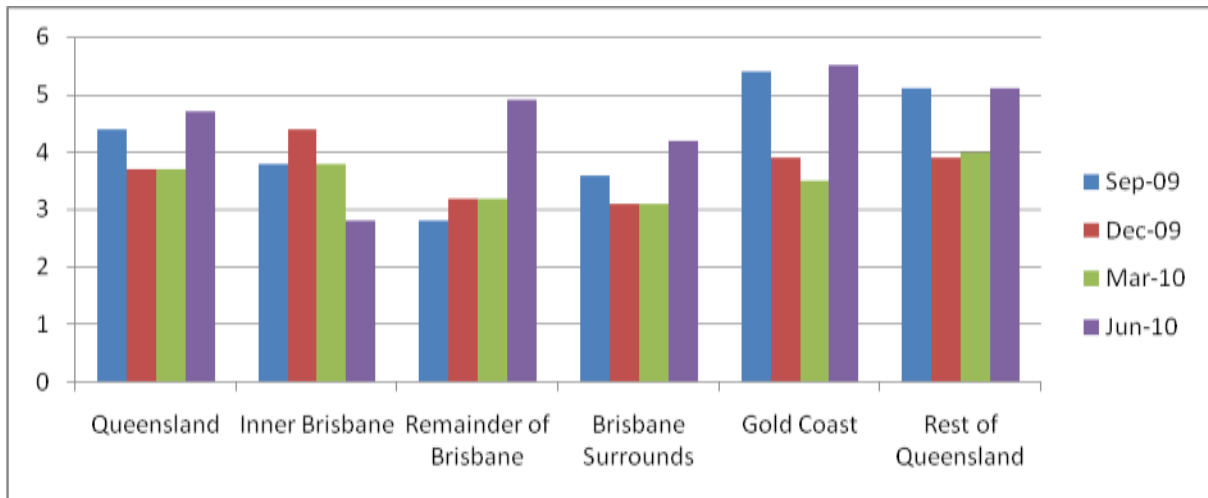
Sunshine Coast	\$300	\$430
Townsville	\$275	\$390

The locations throughout Queensland offering the lowest rents for both two bedroom units and four bedroom houses occurred fairly consistently within the same location, except for Roma, where the median rental price of two bedroom units is only \$185, however, the median price per week for three and four bedroom houses is \$380. The regions with the most inexpensive rent for two bedroom units and four bedroom houses during the June quarter were: Charters Towers (\$175, \$270), Gympie (\$170, \$300) and Mareeba (\$180, \$295).

VACANCY RATES

Since the March quarter, according to OESR data, vacancy rates have been alleviated in all locations across the state other than inner Brisbane which reduced by one percentage point to 2.8%. The rest of the state experienced increases greater than one percent.

Vacancy rates in the remainder of Brisbane were 4.9%, Brisbane surrounds had 4.2%, the rest of Queensland had 5.1% and the Gold Coast was up by two percentage points to 5.5%.



OESR Quarterly Vacancy Rates

The increase in vacancy figures throughout most of the state was not accompanied by a general reduction in rental prices. Increases may indicate an increase in stock that has not placed significant pressure on prices due to continued demand.