

Gladstone defies doomsayers with 24% gain in annual median house prices with Moranbah also strong

By Larry Schlesinger
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Talk of the mining boom effect petering out in perennial property hotspot favourites Gladstone and Moranbah in northern Queensland appears premature with both bucking the trend of property markets that soar one year only to fizz out the next.

Property Observer analysis of the 15 best performing detaching housing markets across five house price brackets published last May by *Smart Property Investment* magazine now one year on, shows that nine markets went from boom to bust in the space of a year, two tread water and three grew strongly, albeit at slower rates in the prior year.

The biggest boom to bust occurred in Quindalup, a small town in the South West region of Western Australia in the shire Busselton and about 250 kilometres west of Perth, most famous as the hub of a thriving timber industry from the mid to late 1800s.

Just a few original buildings remain, including Harwoods Cottage, now a local tourist attraction.

Based on annual sales data, RP Data figures show that Quindalup median house prices rose 47% to Feb 2012 but then fell 38% in the twelve months to February 2013.

Double-digit corrections also occurred in Netherby, a suburb of Adelaide, Sydney's prestige McMahons Point on the lower north shore (though from a small number of prestige sales), Dicky Beach, a suburb on the Sunshine Coast, East Launceston in Tasmania, Alton Downs near Rockhampton and Shorewell Park on the north coast of Tasmania near Burnie.

However, Gladstone City median house prices (the greater Gladstone area) have risen 24% over the 12 months to February 2013 following a rise of 32% in the previous months to a median of \$600,000, albeit off just 17 recorded sales.

And in Moranbah, house prices rose 17% over the 12 months to February 2013 following a 33% in the previous 12 months to rise to \$740,000 from 159 sales.

The third location to register two consecutive years of strong price growth was Millthorpe in NSW, a tiny hamlet between Orange and Blayney with 1,100 people, with price gains of 31% in 2012 and 13%.