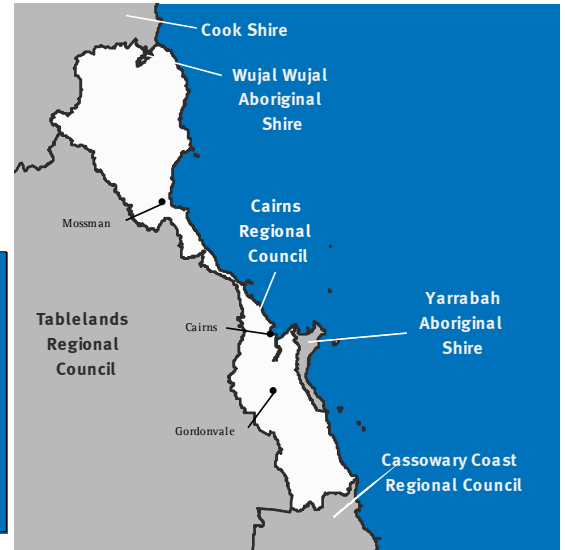


Residential land development activity profile

Cairns Regional Council

December quarter 2011

The residential land development activity profile for Cairns Regional Council provides a comprehensive summary of recent residential land development and dwelling activity indicators within the local government area. Topics covered include broadhectare land supply, uncompleted lots (approvals, operational works, and certifications), lot registrations, lot sales, dwelling sales and dwelling approvals (Figure 1).



Broadhectare land supply

Broadhectare land refers to residential greenfield and brownfield land (greater than 2,500 m²) that is currently suitable for residential development. In December 2011, there were approximately 1,480 hectares of broadhectare land suitable for residential development in Cairns Regional Council.

Based on the planning scheme intent, existing approvals, and an analysis of residential densities by location, this supply is expected to yield some 11,000 dwellings. This expected yield takes into account ownership and land fragmentation issues which often reduce the yield.

Residential lot approvals

Before residential lots can be created, an applicant must first obtain a development permit approval for *reconfiguring a lot* (RaL) from Cairns Regional Council. In the year to December quarter 2011, Cairns Regional Council approved the development of 749 residential lots. This was an increase compared with the same period last year when 129 lots were approved. Figure 2 compares quarterly lot approvals in Cairns Regional Council over recent years.

Figure 1: Residential land development stages

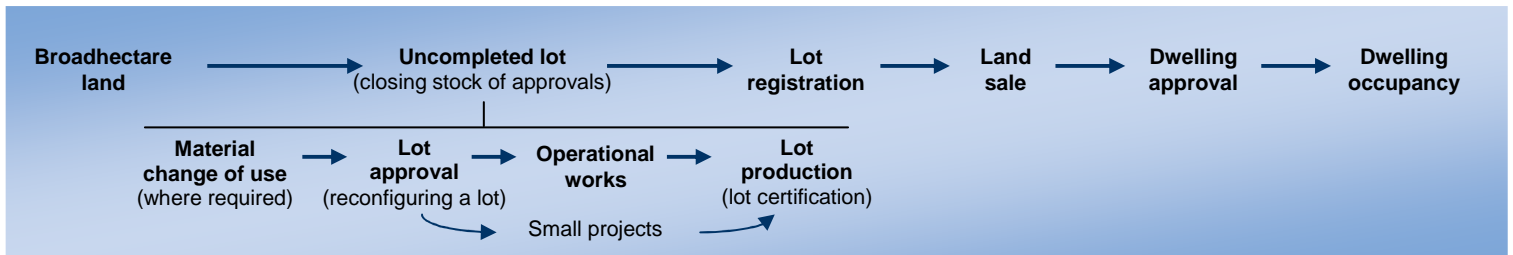
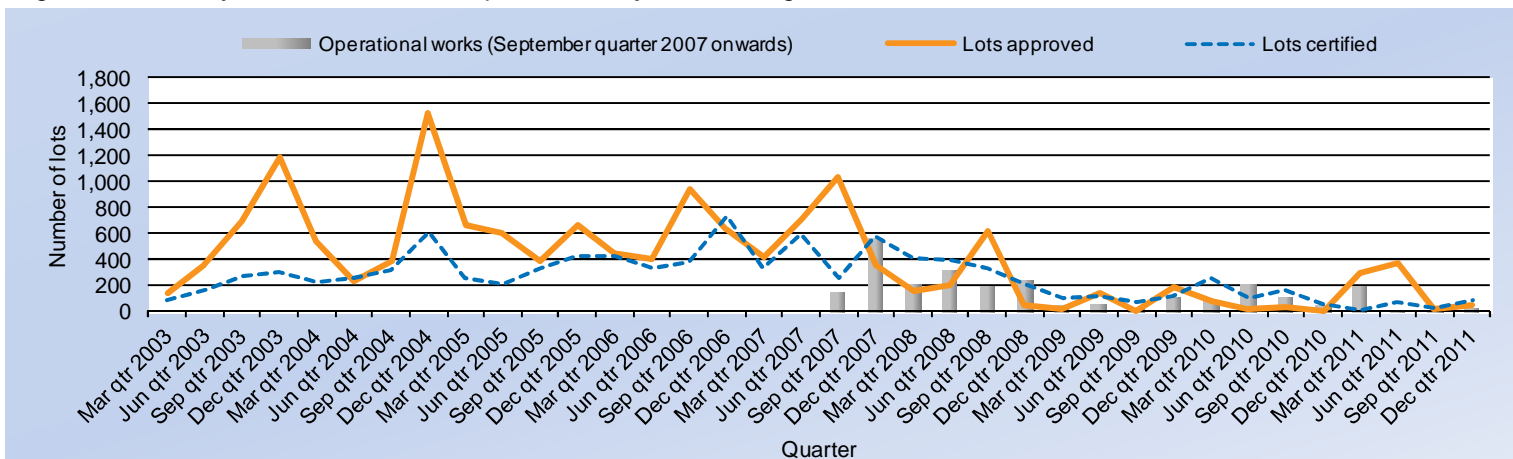


Figure 2: Quarterly residential lot development activity, Cairns Regional Council





Structure of residential lot approvals

In the year ending December quarter 2011, almost all of the lots approved for development in Cairns Regional Council were at urban densities (Figure 3). During this period, 8 lots were approved at rural residential densities as described in the planning scheme.

Table 1 shows that the total of 749 lots approved for development in Cairns Regional Council during the year ending December quarter 2011 were within 31 development projects. Projects approved to produce over 50 lots per project represented 6 per cent of the projects approved during this period, while accounting for 74 per cent of the total lots approved (Figure 4).

Figure 3: Lot approvals by type, Cairns Regional Council

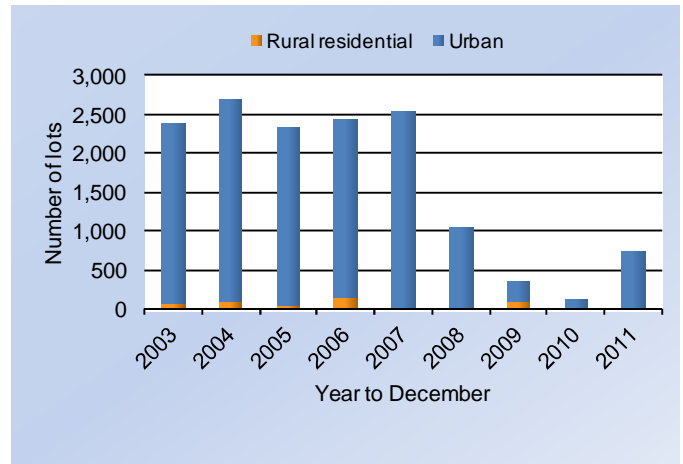
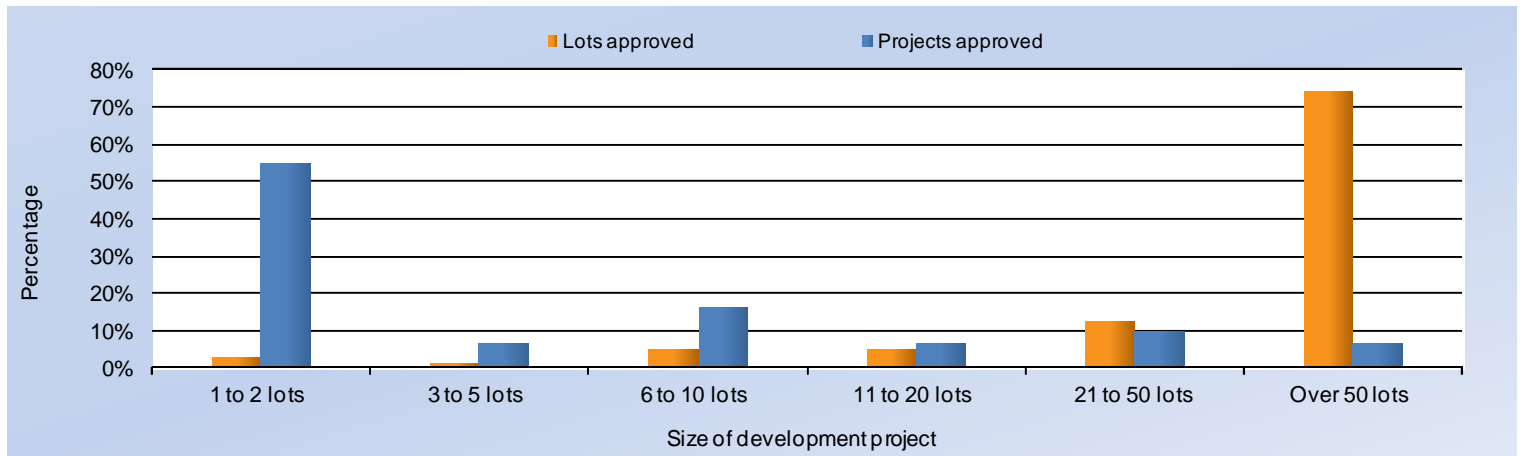


Table 1: Lot approvals by project size, Cairns Regional Council

Year ending December	Size of development project										All project sizes	
	smaller projects					larger projects						
	1 to 2 lots	3 to 5 lots	6 to 10 lots	11 to 20 lots	21 to 50 lots	Over 50 lots	Total lots	(Total projects)	Total lots	(Total projects)	Total lots	(Total projects)
2003	38 (35)	17 (5)	48 (6)	136 (9)	616 (21)	1,525 (12)	2,380	(88)				
2004	71 (68)	39 (11)	61 (8)	113 (7)	355 (9)	2,057 (17)	2,696	(120)				
2005	42 (40)	18 (5)	30 (4)	99 (6)	343 (11)	1,797 (18)	2,329	(84)				
2006	42 (40)	6 (2)	24 (3)	72 (5)	336 (9)	1,964 (16)	2,444	(75)				
2007	37 (33)	15 (5)	41 (5)	31 (2)	144 (5)	2,259 (14)	2,527	(64)				
2008	54 (44)	6 (2)	26 (3)	51 (4)	59 (2)	841 (4)	1,037	(59)				
2009	43 (38)	6 (2)	12 (2)	12 (1)	32 (1)	254 (3)	359	(47)				
2010	31 (27)	6 (2)	24 (3)	12 (1)	0 (0)	56 (1)	129	(34)				
2011	21 (17)	7 (2)	38 (5)	37 (2)	93 (3)	553 (2)	749	(31)				
Mar qtr 2011	6 (5)	7 (2)	9 (1)	0 (0)	66 (2)	213 (1)	301	(11)				
Jun qtr 2011	4 (3)	0 (0)	15 (2)	18 (1)	0 (0)	340 (1)	377	(7)				
Sep qtr 2011	5 (4)	0 (0)	0 (0)	19 (1)	0 (0)	0 (0)	24	(5)				
Dec qtr 2011	6 (5)	0 (0)	14 (2)	0 (0)	27 (1)	0 (0)	47	(8)				

Figure 4: Lot approvals by project size, year ending December 2011, Cairns Regional Council



Operational works approvals

Before an approved development proceeds, detailed engineering drawings and specifications for civil engineering and landscaping (or "operational works") must be approved by council. Such works may not be required for small projects.

In the year to December quarter 2011, Cairns Regional Council gave operational works approvals for the development of 232 lots (Table 2). The total stock of lots in Cairns Regional Council with current operational works approvals at the end of December quarter 2011 was 1,542 lots. These lots represent approved land that is most likely to be developed in the short term and accounted for 27 per cent of the 5,644 uncompleted lots in the pipeline (Table 3 and Figure 5).

Table 2: Uncompleted residential lots¹, Cairns Regional Council

Year to December	Opening stock (a)	Lots approved (b)	Operational works approvals	Lots certified (c)	Lots lapsed (d)	Closing stock (a+b-c-d)
2003	3,274	2,380	na	830	40	4,784
2004	4,784	2,696	na	1,404	361	5,715
2005	5,715	2,329	na	1,239	385	6,420
2006	6,420	2,444	na	1,865	309	6,690
2007	6,690	2,527	na	1,770	174	7,273
2008	7,273	1,037	978	1,362	202	6,746
2009	6,746	359	216	417	290	6,398
2010	6,398	129	451	575	467	5,485
2011	5,485	749	232	192	398	5,644
Mar qtr 2011	5,485	301	190	10	36	5,740
Jun qtr 2011	5,740	377	1	74	221	5,822
Sep qtr 2011	5,822	24	9	19	121	5,706
Dec qtr 2011	5,706	47	32	89	20	5,644

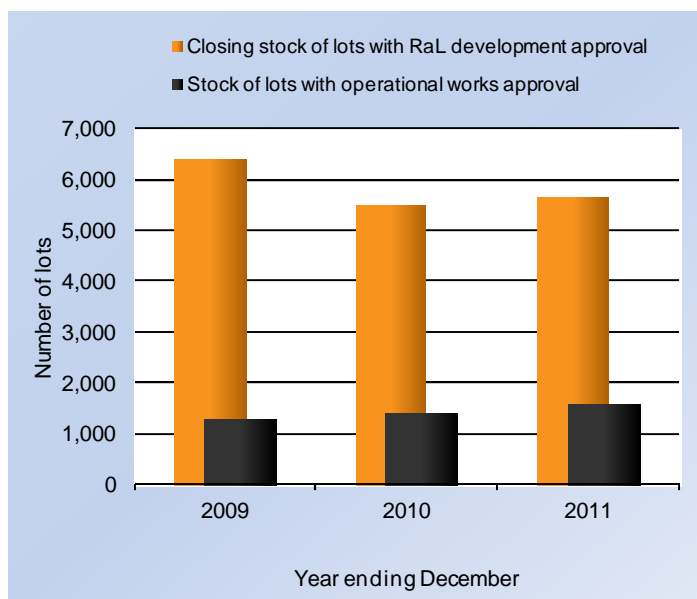
na = not available; operational works data collected since September quarter 2007.

1) Uncompleted lots are lots with a RaL development permit approval but have not proceeded to survey plan certification.

Table 3: Stock of approved lots by type, Cairns Regional Council

Quarter	Closing stock of lots		Percentage with operational works approval
	RaL development approval	Operational works approval	
Mar qtr 2009	6,629	1,229	19%
Jun qtr 2009	6,616	1,237	19%
Sep qtr 2009	6,548	1,219	19%
Dec qtr 2009	6,398	1,285	20%
Mar qtr 2010	6,223	1,206	19%
Jun qtr 2010	6,122	1,360	22%
Sep qtr 2010	5,581	1,380	25%
Dec qtr 2010	5,485	1,401	26%
Mar qtr 2011	5,740	1,590	28%
Jun qtr 2011	5,822	1,578	27%
Sep qtr 2011	5,706	1,583	28%
Dec qtr 2011	5,644	1,542	27%

Figure 5: Stock of approved lots by type, Cairns Regional Council





Lot production (lot certification)

Once council is satisfied with all aspects of the development being implemented, it will then issue a certificate of compliance. In total, 192 residential lots were certified by Cairns Regional Council in the year to December quarter 2011 (Table 2). Compared with the previous year when 575 lots were certified, this represented a decrease of 67 per cent.

Lots lapsed

Lots lapsed refers to the number of lots that receive approval by council, but are not developed or certified by the council within the prescribed period (allowing for time extensions if applicable). Lots lapsed also include previously approved lots that are not expected to proceed due to new or amended approvals (obsolete lots). In the year to December quarter 2011, 398 lots previously approved for development had lapsed in Cairns Regional Council.

Closing stock

The total stock of approved lots that are uncompleted is adjusted to take into consideration lots approved, certified and lapsed during the reporting period. Table 2 shows that at the end of December quarter 2011, Cairns Regional Council still had active approvals for the development of 5,644 new residential lots. It is expected, however, that some developments will not proceed and a number of approvals will subsequently lapse or be amended.

Lot registrations

New lots within plans certified by council do not legally exist until the titles have been registered by the Department of Natural Resources and Mines. This registration is the final stage in the development of new lots. The number of urban lots registered in Cairns Regional Council during December quarter 2011 increased by 50 per cent to 90 registrations compared with 60 registrations recorded in the previous quarter (Table 4 and Figure 6). Total lot registrations for the year ending December 2011 were down 67 per cent compared with the previous year. Table 5 categorises the standard lots registered in Cairns Regional Council by lot size.

Table 4: Lot registrations, Cairns Regional Council

Year to December	Urban residential lot registrations			Low density lot registrations 2,500m ² to 5ha	Total lot registrations
	Standard lots ¹ 60m ² to <2,500m ²	Unit and townhouse lots ²	Total urban lots		
2003	956	645	1,601	63	1,664
2004	1,210	972	2,182	152	2,334
2005	1,667	738	2,405	102	2,507
2006	1,606	1,227	2,833	191	3,024
2007	1,726	1,115	2,841	86	2,927
2008	1,457	869	2,326	136	2,462
2009	566	936	1,502	61	1,563
2010	511	242	753	106	859
2011	198	57	255	25	280
Mar qtr 2011	12	5	17	7	24
Jun qtr 2011	82	6	88	12	100
Sep qtr 2011	22	38	60	4	64
Dec qtr 2011	82	8	90	2	92

1) Lots on a standard format plan that are intended for detached dwellings. Also includes lots intended for detached dwellings within a community title scheme.

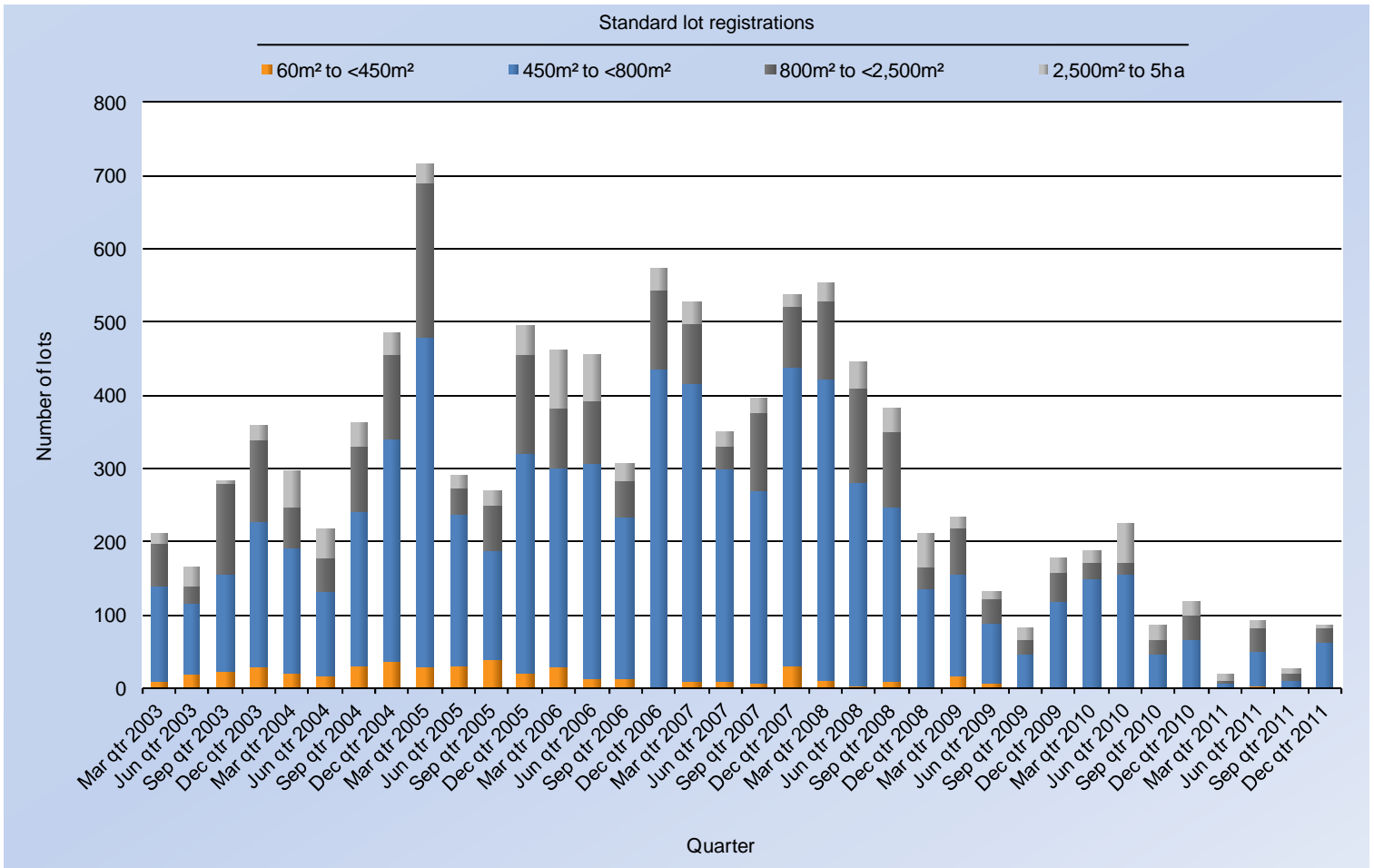
2) Lots on a building format plan or standard format plan that represent attached dwellings within a community title scheme.

Table 5: Standard lot registrations¹ by size, Cairns Regional Council

Year to December	Standard lot registrations by lot size category									Total standard registrations 60m ² to 5ha
	60m ² to <200m ²	200m ² to <350m ²	350m ² to <450m ²	450m ² to <600m ²	600m ² to <800m ²	800m ² to <1,000m ²	1,000m ² to <2,500m ²	2,500m ² to <4,000m ²	4,000m ² to 5ha	
2003	0	0	77	95	467	222	95	11	52	1,019
2004	0	0	104	136	668	166	136	16	136	1,362
2005	0	0	116	160	950	294	147	8	94	1,769
2006	0	0	57	210	1,012	199	128	8	183	1,797
2007	0	0	55	300	1,064	199	108	15	71	1,812
2008	0	0	25	152	911	218	151	14	122	1,593
2009	0	0	21	109	277	68	91	8	53	627
2010	0	0	3	69	346	57	36	11	95	617
2011	0	0	8	31	94	30	35	4	21	223
Mar qtr 2011	0	0	2	0	5	2	3	1	6	19
Jun qtr 2011	0	0	4	27	19	15	17	3	9	94
Sep qtr 2011	0	0	0	4	8	2	8	0	4	26
Dec qtr 2011	0	0	2	0	62	11	7	0	2	84

1) Lots on a standard format plan that are intended for detached dwellings. Also includes lots intended for detached dwellings within a community title scheme.

Figure 6: Quarterly standard lot registrations by size, Cairns Regional Council



New lot sales (includes house and land packages)

In the year ending December quarter 2011, there were 426 new lots sold in Cairns Regional Council of which 398 were vacant (Table 6). The remaining 28 lots were either part of a developer house and land package sale or consisted of an existing dwelling that was sold after subdivision of a parent parcel.

In the year ending December quarter 2011, the median sale price of vacant land in Cairns Regional Council was \$165,000. This represents almost no change in median value compared with the previous year (Table 6). Quarterly vacant land sales for Cairns Regional Council are shown in Figure 7.

Table 6: Sales of new lots, Cairns Regional Council

Year to December	Number of new lot sales (140m ² to 2,500m ²)			Median sale price (140m ² to 2,500m ²)	
	Vacant land ¹	House & land package ²	Total sales	Vacant land ¹	House & land package ²
2003	1,643	149	1,792	\$87,000	\$205,000
2004	1,423	130	1,553	\$108,000	\$274,000
2005	1,225	161	1,386	\$108,000	\$300,000
2006	1,617	157	1,774	\$119,250	\$350,000
2007	1,828	258	2,086	\$157,500	\$350,000
2008	759	192	951	\$165,000	\$373,000
2009	823	134	957	\$165,000	\$380,500
2010	564	67	631	\$167,000	\$420,000
2011p	398	28	426	\$165,000	\$413,000
Mar qtr 2011	78	6	84	\$181,500	na
Jun qtr 2011	107	9	116	\$165,000	na
Sep qtr 2011	96	9	105	\$168,500	na
Dec qtr 2011p	117	4	121	\$144,500	na

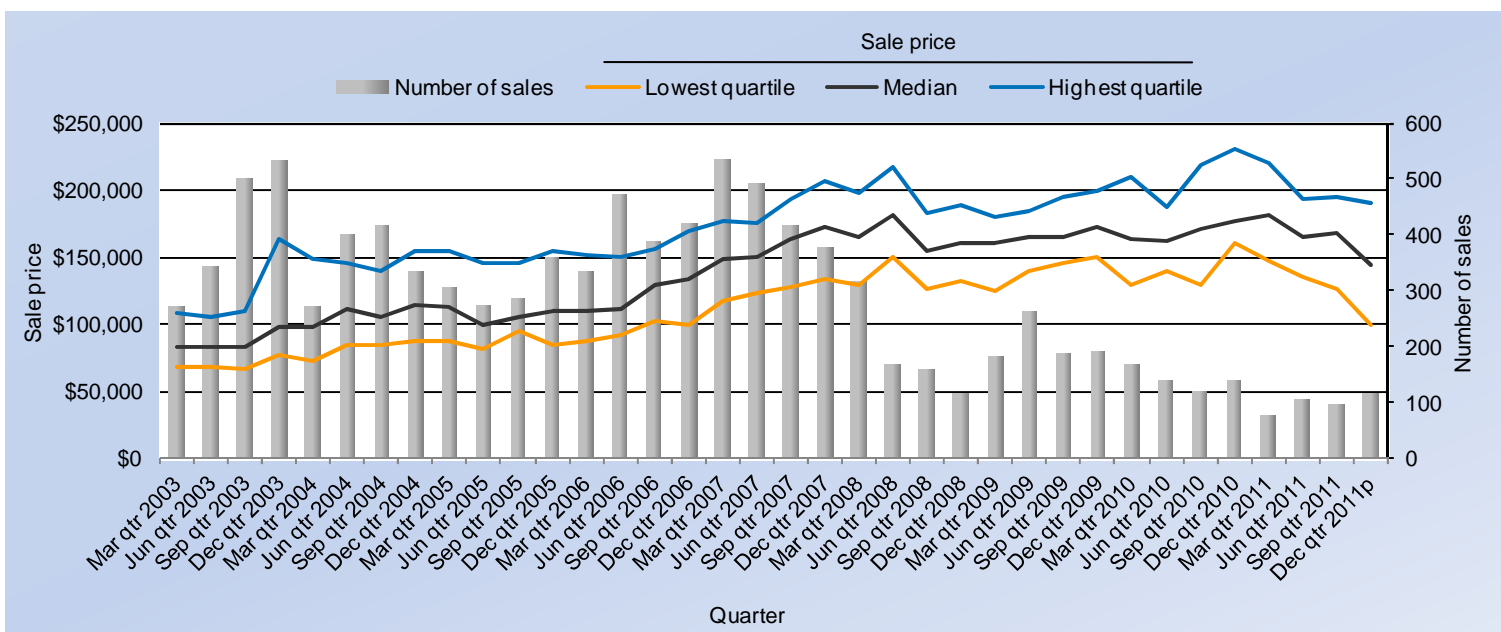
na = not available due to low number of sales

p = preliminary; subject to revision as a number of sale contracts may not have reached settlement at time of data collection.

1) May include resales of vacant land.

2) Includes lots as a component of a developer house and land package in addition to subdivided lots containing an existing dwelling.

Figure 7: Quarterly vacant land sales, Cairns Regional Council



p = preliminary; subject to revision as a number of sale contracts may not have reached settlement at time of data collection.

Dwelling sales

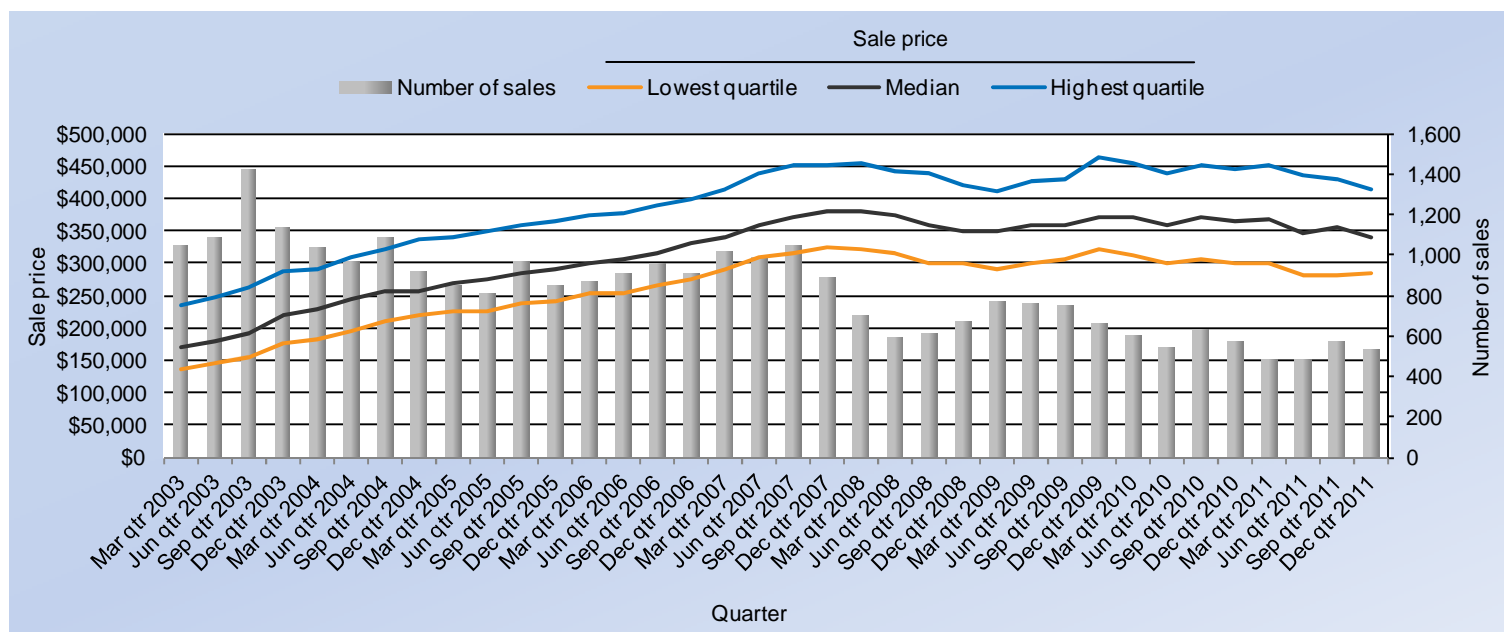
In the year ending December quarter 2011, there were 3,509 new and established dwellings sold in Cairns Regional Council. Of these dwellings, 2,079 (59 per cent) were detached houses (Table 7).

In December quarter 2011, 537 detached house sales were recorded with a median value of \$340,000. This was a decrease of 6 per cent in dwelling sales volume and a decrease of 7 per cent in median value compared with the same quarter last year (Figure 8).

Table 7: Dwelling sales, Cairns Regional Council

Year to December	Number of dwelling sales			Median sale price	
	Detached houses	Units & townhouses	Total dwellings	Detached houses	Units & townhouses
2003	4,700	5,005	9,705	\$190,000	\$147,500
2004	4,014	4,041	8,055	\$250,000	\$180,000
2005	3,478	3,682	7,160	\$280,000	\$195,000
2006	3,654	3,517	7,171	\$312,000	\$234,000
2007	3,950	3,835	7,785	\$363,000	\$260,000
2008	2,578	2,304	4,882	\$365,000	\$260,000
2009	2,947	2,283	5,230	\$360,000	\$258,000
2010	2,358	1,644	4,002	\$367,000	\$262,000
2011	2,079	1,430	3,509	\$350,000	\$218,000
Mar qtr 2011	480	353	833	\$368,000	\$230,000
Jun qtr 2011	488	296	784	\$346,500	\$215,000
Sep qtr 2011	574	391	965	\$355,000	\$210,000
Dec qtr 2011	537	390	927	\$340,000	\$216,000

Figure 8: Quarterly detached house sales, Cairns Regional Council



Dwelling approvals

In the year ending December quarter 2011, Cairns Regional Council recorded a 49 per cent decrease in residential dwelling approvals compared with the previous year. There were a total of 399 approvals (96 per cent of which were for separate houses) compared with 786 approvals in the year ending December 2010 (Table 8 and Figure 9).

Top local government areas for development activity

Table 9 displays the top 10 local government areas in Queensland for several development activity indicators for the year ending December 2011. The table shows that a considerable amount of the State's development activity is occurring in the local government areas of Moreton Bay Regional Council, Brisbane City, Gold Coast City, Logan City and Ipswich City.

Table 8: Dwelling approvals by type, Cairns Regional Council

Year to December	Number of dwellings		
	Houses	Other	Total
2003	1,092	439	1,531
2004	1,143	883	2,026
2005	1,121	663	1,784
2006	1,360	826	2,186
2007	1,604	1,003	2,607
2008	1,027	407	1,434
2009	754	176	930
2010	576	210	786
2011	384	15	399
Mar qtr 2011	97	5	102
Jun qtr 2011	100	2	102
Sep qtr 2011	94	8	102
Dec qtr 2011	93	0	93

Figure 9: Dwelling approvals by type, Cairns Regional Council

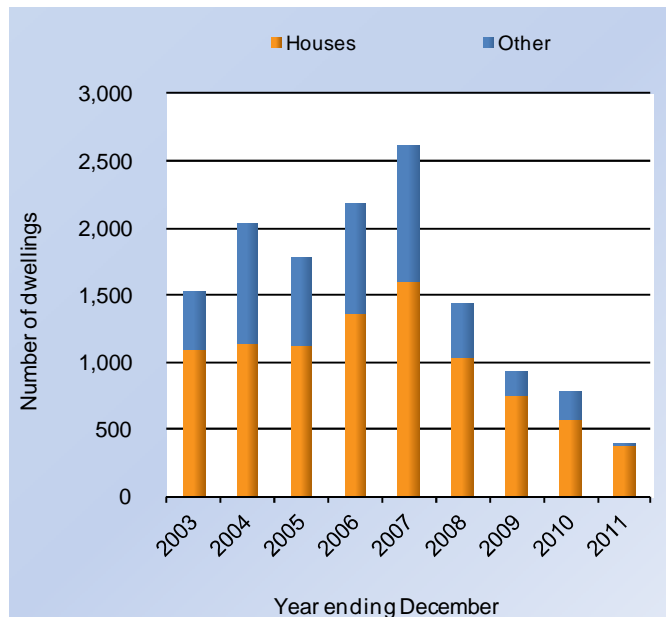


Table 9: Top local government areas for development activity in Queensland, year ending December 2011

Rank	Lot approvals		Standard lot registrations		New lot sales		Detached dwelling approvals ¹	
	Local government area	No.	Local government area	No.	Local government area	No.	Local government area	No.
1	Sunshine Coast (R)	2,932	Brisbane (C)	2,084	Moreton Bay (R)	1,447	Brisbane (C)	1,994
2	Logan (C)	2,680	Moreton Bay (R)	1,937	Brisbane (C)	1,297	Moreton Bay (R)	1,633
3	Moreton Bay (R)	2,526	Gold Coast (C)	1,182	Mackay (R)	1,013	Logan (C)	1,355
4	Townsville (C)	2,128	Mackay (R)	1,075	Ipswich (C)	944	Gold Coast (C)	1,317
5	Brisbane (C)	2,014	Townsville (C)	1,072	Townsville (C)	881	Ipswich (C)	1,225
6	Ipswich (C)	1,988	Sunshine Coast (R)	796	Gold Coast (C)	736	Sunshine Coast (R)	1,200
7	Fraser Coast (R)	1,530	Ipswich (C)	763	Sunshine Coast (R)	713	Townsville (C)	1,004
8	Gold Coast (C)	1,510	Logan (C)	662	Gladstone (R)	712	Mackay (R)	891
9	Gladstone (R)	1,388	Gladstone (R)	512	Rockhampton (R)	629	Gladstone (R)	786
10	Mackay (R)	1,290	Rockhampton (R)	510	Logan (C)	544	Toowoomba (R)	580

1) Detached dwelling approvals can occur on existing lots and are not directly comparable with new lot approvals, registrations and sales.

Sources for the Residential land development activity profile:

ABS unpublished dwelling approvals data; QDNRM Digital Cadastral Database (DCDB); OESR uncompleted lots database; QDNRM QVAS database.

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