QUALITY ASSURANCE

REPORT CONTACT:

Sarah Hill
Practice Manager and Principal
BSc, MURP (Hons) PHD Candidate, MAPI, RTPI, JP
Email: sarah.hill@hillpda.com

QUALITY CONTROL

This document is for discussion purposes only unless signed and dated by a Principal of Hill PDA.

REVIEWED BY

[Signature]
14.1.11

………………………….. ……………                           Dated ……………….

Martin Hill
Managing Principal, Hill PDA
Master of Property Development UTS
Master of Real Estate (UNSW)
B.Sc. Hons. (Sydney University)
Certified Practising Valuer without Restriction
Fellow Australian Property Institute
Email: martin.hill@hillpda.com

REPORT DETAILS:

Job Ref No:      C10186
Version:        Final
Date Printed:   14/01/2011 4:41:00 PM
File Name:      C10190 - Kings Forest Affordable Housing Study Jan 12
CONTENTS

1. EXECUTIVE SUMMARY ........................................................................................................ 8
   1.1 Defining Housing Demand and Affordable Housing .................................................... 9
   1.2 Demographic Analysis ................................................................................................. 9
   1.3 Housing Affordability ................................................................................................. 10
   1.4 Recommended Strategy ............................................................................................. 11

2. INTRODUCTION ............................................................................................................... 13
   2.1 Requirement for the Study ......................................................................................... 13
   2.2 What is Affordable Housing? ..................................................................................... 14
   2.3 Study Scope .............................................................................................................. 14
   2.4 The Subject Site ....................................................................................................... 15
   2.5 The Approved Concept Plan ..................................................................................... 16
   2.6 Proposed Housing Mix .............................................................................................. 16

3. RELEVANT PLANNING POLICIES ............................................................................. 18
   3.2 SEPP Affordable Rental Housing 2009 ..................................................................... 19
   3.3 SEPP 65 – Design Quality ....................................................................................... 19
   3.4 North Coast REP 1988 ............................................................................................. 19
   3.5 Tweed LEP 2000 ..................................................................................................... 19
   3.6 Tweed DCP – Specific Sites: Tweed Coast .................................................................. 20

4. DEMOGRAPHIC ANALYSIS ......................................................................................... 21
   4.1 Population Growth – Past and Future Projections ...................................................... 21
   4.2 Household Formation Rates ...................................................................................... 22
   4.3 Household Type ........................................................................................................ 23
   4.4 Dwelling Diversity .................................................................................................... 24
   4.5 Dwelling Growth and Household Tenure .................................................................. 26
   4.6 Employment ............................................................................................................ 26
   4.7 Household Income .................................................................................................. 28
   4.8 Socio Economic Advantage and Disadvantage ........................................................ 29
   4.9 Key Findings ............................................................................................................ 30

5. RESIDENTIAL MARKET ANALYSIS ....................................................................... 32
   5.1 Tweed Heads and Tweed Coast Market Review ......................................................... 32
   5.2 Recent Developments .............................................................................................. 34
   5.3 Kings Forrest Property Market ................................................................................ 36
   5.4 Key Findings of Market Analysis ............................................................................. 38

6. CONSULTATION ............................................................................................................ 40
   6.1 Tweed Shire Council ............................................................................................... 40
   6.2 Housing NSW .......................................................................................................... 41
   6.3 QLD Department of Housing .................................................................................... 41

7. DEMAND FOR A RANGE OF HOUSING .................................................................... 42
   7.1 Demand for Housing ............................................................................................... 42
   7.2 Demand for a Mix of Housing Types ....................................................................... 43
   7.3 Demand for Affordable Housing .............................................................................. 45

8. RECOMMENDATIONS & STRATEGY ....................................................................... 52
   8.1 Planning Requirements ............................................................................................. 52
   8.2 Potential Mechanisms .............................................................................................. 52
   8.3 The Kings Forest Affordable Housing Strategy ....................................................... 53
   8.4 What is a VPA? ....................................................................................................... 55
   8.5 Plan of Potential Affordable Housing Location ....................................................... 55
Appendix 1 - Maps of the Relevant Geographic Areas
Appendix 2 - Proportion of Dwellings Available for Rent or Purchase for Very Low, Low and Moderate Income Bands

LIST OF FIGURES

Figure 1 - Location Plan of the Kings Forest Site ..................................................................................... 15
Figure 2 - Approved Kings Forest Concept Plan ..................................................................................... 16
Figure 3 - SEIFA Advantage and Disadvantage Scores for Tweed LGA 2006 ........................................... 30
Figure 4 - Snapshot of Hill PDA Household Income Affordability Calculator ........................................ 50
Figure 5 - Indicative Location of Affordable Rental Housing on the Kings Forest Site ............................... 56
Figure 6 - Gold Coast LGA 2001 Census................................................................................................ 59
Figure 7 - Gold Coast LGA 2006 Census................................................................................................ 59
Figure 8 - Tweed Heads LGA 2001 Census ............................................................................................... 60
Figure 9 - Tweed Heads LGA 2006 Census ............................................................................................... 60
Figure 10 - Tweed Heads SLA Boundary 2001 Census .......................................................................... 61
Figure 11 - Tweed Heads SLA 2006 Census .............................................................................................. 61
Figure 12 - Tweed Heads & Tweed Coast (Statistical Subdivision) 2006 Census ..................................... 62
Figure 13 - Tweed (A) Tweed Heads (Statistical Local Area) 2001 Census .............................................. 62

LIST OF TABLES

Table 1 - Population Growth by LGA and SLA 2001 to 2006 ................................................................. 22
Table 2 - Selected Historical and Project Population Characteristics for Tweed LGA .............................. 22
Table 3 - 2006 Occupancy Rates by LGA, SLA and NSW ..................................................................... 23
Table 4 - Change in Household Type by SLA and LGA 2001-2006 ......................................................... 23
Table 5 - Dwelling Types by SLA, LGA and NSW 2001 - 2006 ............................................................... 25
Table 6 - Number of bedrooms in Tweed LGA, Tweed Heads SLA, Tweed Outer & Coast 2001 – 2006 .... 25
Table 7 - Home Ownership by SLA, LGA and State 2001 – 2006 ........................................................... 26
Table 8 - Employment Type by SLA and LGA compared to NSW 2006 ................................................... 27
Table 9 - Employment Type by SLA and LGA compared to NSW 2001 .................................................... 27
Table 10 - Weekly Household Income between the Census Periods of 2001 and 2006 ......................... 28
Table 11 - Changing Levels of Socioeconomic Advantage and Disadvantage ....................................... 29
Table 12 - Number of Dwelling Approvals per Year in Tweed SLA (July-June) 2002-2009 .................... 33
Table 13 - Housing Sales by Price Bracket 2005-2009 ........................................................................... 37
Table 14 - Apartment Sales by Price Bracket 2005-2009 ..................................................................... 38
Table 15 - Number of Households in Housing Stress (Rental) 2006 ...................................................... 47
Table 16 - Number of Households in Housing Stress (Purchase) 2006 .................................................. 47
Table 17 - Number of Residents Receiving CRA and in Housing Stress 2001 - 2009 ......................... 48
Table 18 - Proportion of Dwellings Available for Rent for Very Low Income Households ..................... 64
Table 19 - Proportion of Dwellings Available for Rent for Low Income Households

Table 20 - Proportion of Dwellings Available for Rent for Moderate Income Households

Table 21 - Proportion of Dwellings Available for Purchase for Very Low Income Households

Table 22 - Proportion of Dwellings Available for Purchase for Low Income Households

Table 23 - Proportion of Dwellings Available for Purchase for Moderate Income Households
<table>
<thead>
<tr>
<th>LIST OF ABBREVIATIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australian Bureau of Statistics</td>
</tr>
<tr>
<td>Australian and New Zealand Standard Industrial Classification</td>
</tr>
<tr>
<td>Census Collection District</td>
</tr>
<tr>
<td>Development Control Plan</td>
</tr>
<tr>
<td>Floor space Ratio</td>
</tr>
<tr>
<td>Gross Floor Area</td>
</tr>
<tr>
<td>Gross Lettable Area</td>
</tr>
<tr>
<td>Local Environmental Plan</td>
</tr>
<tr>
<td>Local Government Area</td>
</tr>
<tr>
<td>NSW Department of Planning</td>
</tr>
<tr>
<td>Statistical Local Area</td>
</tr>
<tr>
<td>Transport Data Centre</td>
</tr>
</tbody>
</table>
1. **EXECUTIVE SUMMARY**

The provision of housing that meets the needs of Australians is a nationwide objective. The challenge is particularly acute in areas experiencing high population growth, a changing demographic and a lack of comparable housing development. Tweed LGA has experienced rapid population growth over the past two decades and is forecast to continue to experience high levels of growth targeting an additional 19,100 dwellings (+41,600 persons) by 2031. This growth represents a 50% increase on the existing population.

Despite this growth, as a result of the downturn in the economy in recent years, the development of housing in Tweed LGA has been stifled. This scenario has resulted in an increasing mismatch between housing demand and supply. As the demographic characteristics of the population have also changed (i.e. an ageing of the population, declining household sizes and occupancy rates, in addition to diversifying income levels) so too has the need for a range of housing types and tenures.

The Far North Coast Regional Strategy recognises the significant growth in demand for a range of dwelling types across the Region. Specific reference is made to Tweed LGA and Tweed Heads with the former targeted to achieve 37% of the entire Region’s dwelling growth by 2031. With regards to housing, the Regional Strategy seeks to “provide choice in housing form and affordability in appropriate locations that responds to changing demographics and the associated reduction in household occupancy rates”.

In light of this scenario, the NSW Department of Planning (DoP) has requested that a study of housing affordability is undertaken to be submitted with a Stage 1 Development Application for the Kings Forest development. A Concept Plan was approved for the Kings Forest development in August 2010 with the requirement for this additional information. The additional information was requested to ensure the orderly development of the Kings Forest site (Subject Site), to mitigate against potential environmental impacts and to maintain the amenity of the local area.

This affordable housing study was subsequently commissioned by Project 28 Pty Ltd (a subsidiary of the Leda group of companies) to consider:

1. The likely future demographics of the Kings Forest development and its immediate locality having particular regard to household type, income, employment and tenure;
2. The need for affordable housing for both rental and purchase within the development and its immediate locality; and
3. Potential mechanisms to secure affordable housing and its appropriate location(s) on the Subject Site.

An important requirement for the study was to consult with appropriate officers from Tweed Shire Council and Housing NSW (specifically the Centre for Affordable Housing). Based on discussions with these organisations and the above referenced analysis, the following trends were identified and recommendations provided.
1.1 Defining Housing Demand and Affordable Housing

Housing NSW defines housing demand “as the quantity of housing that households are willing and able to buy or rent”. For the purposes of this study, affordable housing has been defined as “housing that is appropriate to the needs of a household and within their means to pay for it”\(^1\).

It is generally accepted that housing is not within the means of a household’s ability to pay for it (and thereby not affordable) when housing costs (i.e. rent or mortgage costs) exceed 30% of the household’s gross income. It is important to note that this benchmark may vary dependant on the scale of the household’s income. For example for very low income households (i.e. those earning 50% of the median income for an area) the threshold may be lower than 30% whilst for higher income households (i.e. those earning over 120% of an area’s median income) there may be greater capacity to pay over 30% of household income on housing costs.

1.2 Demographic Analysis

The following section summarises the likely future employment, income, household and tenure characteristics of Tweed LGA, and more specifically the Tweed Heads locality within which the Kings Forest site is located. The analysis is primarily based on ABS Census data and builds on the demographic report prepared by Daryl Anderson Consulting and submitted with the Concept Plan. The analysis found that:

- The improved accessibility and attraction of Tweed LGA and Tweed Heads to a wider resident market has influenced the socio-economic character of the area with a growing share of residents employed as Managers and/or Professionals and a declining proportion employed as Clerical, Sales and Service Workers. This trend is in keeping with wider trends reflecting the growth of the knowledge and service economies and the declining proportion of jobs in traditional industries such as manufacturing. The changing employment characteristics of the resident population have also resulted in a higher proportion of residents in the +$2000 / week income brackets (the highest bracket) and in the $600-$999 bracket;

- Conversely the ageing of the population may be a major cause for the growing share of residents within the lowest income bracket ($0 - $299) as residents retire and rely on the pension or other asset sources for income. Notwithstanding the growth of residents within this category, overall the Socio-Economic Advantage and Disadvantage score for Tweed LGA and Tweed Heads improved over the 2001 - 2006 census period indicating the increasing wellbeing of the resident population based on a range of indicators including income, educational attainment, rate of unemployment and labour force skill;

- Tweed LGA, and to a greater extent Tweed Heads will continue to experience declining dwelling occupancy rates with the current average of 2.37 persons per dwelling being below the state average (2.6 persons). This trend is largely attributed to an ageing population, declining family sizes and changing lifestyle preferences. The trend may be abated to a modest extent by the in migration of families to Tweed LGA and Tweed Heads however overall demand for additional smaller dwellings will continue to increase across the LGA;

\(^1\) Sustainable Communities: Homes for All, Office of the Deputy Prime Minister, Cm 6424, 2005

\(^2\) Information on Tweed Housing Market, Housing NSW
Whilst the majority of dwellings in Tweed Heads continue to be separate houses, in response to the trend towards smaller dwelling sizes, the proportion of townhouses (24%) and ‘other’ dwellings (6%) as of 2006 were significantly higher than the same categories for NSW (10% and 1% respectively). With particular regard to townhouse dwellings, the proportion increased by 4 basis points from 2001 indicating an improving mix of housing types compared to the State average in response to demand; and

Whilst 3 bedroom dwellings continued to represent the greatest proportion of homes, the proportion of 1 and 2 bedroom dwellings increased between the 2001 and 2006 census periods with the most notable growth (+2 basis points) occurring for 2 bedroom dwellings in the Tweed Heads SLA thus indicating the housing markets response to the changing housing needs.

In summary, the demographic characteristics of Tweed LGA and Tweed Heads have changed, and will continue to change with the ongoing influx of residents largely from the South East Queensland Growth Area and the Greater Sydney Metropolitan Region. The combination of new residents with existing residents will result in a growing diversity of household types and thereby housing needs. One thing that will be consistent however will be the growing need for housing in the LGA and Tweed Heads.

1.3 Housing Affordability

Housing need in Tweed LGA and Tweed Heads relates not only to supply and type, but also to tenure and affordability. Based on Housing NSW benchmarks, Tweed LGA is categorised as one of the 25 LGAs in NSW with ‘high’ need for affordable housing. The need relates to both housing for rent and purchase however demographic and market analysis indicates that the most significant need is for affordable rental accommodation for existing low and very low income households in the locality. This need may be exemplified by Housing NSW analysis that over 57% of households in stress in Tweed LGA relate to single person households followed by single parent households (24%).

Accordingly this study finds that a significant increase in the supply of a mix of dwelling types and price points is required to meet the future housing needs of the Tweed Heads locality. The approved Kings Forest Concept Plan supports this need in a number of key ways including:

1. The provision of approximately 4,500 new dwellings representing a 19% increase on existing stock in Tweed Heads locality and 12% increase for Tweed LGA overall. The additional supply would also generate greater housing choice, helping to reduce the tightness of the market and therefore the affordability of offer;

2. A broad mix of dwelling types and densities that cater to the increasing proportion of smaller households and an ageing population; and

3. A mix of price points that meet a range of household incomes. Of relevance, discussions with Project 28 Pty Ltd have confirmed that the development will not be targeted at the luxury end of the market (as the case with other recent developments within the locality and particularly along the coast) but rather seek to attract a range of household types with land and property prices from an anticipated $300,000 to $600,000 with additional products above this range dependant on factors such as site characteristics.

3 Information on Tweed Housing Market, Housing NSW
Whilst the approved Concept Plan is considered in keeping with the State Government’s objectives to provide a range of dwelling types, in suitable locations at a range of affordability’s, without subsidy it cannot provide for all household incomes, especially those on the very low and low income levels.

Hill PDA’s independent financial modelling has found that households earning the forecast median income for the non-metropolitan area of NSW or below as of 2012 will not be able to service a housing debt for a property greater than $260,000 in value. Based on our development feasibility experience, we believe that it is unlikely for a new land and housing package to be viable for development within the locality within the $260,000 - $300,000 range. Accordingly we conclude that it would not be possible for the development to provide affordable housing options for lower income households without subsidy.

Taking these matters into consideration we have discussed potential options for the provision of affordable housing as part of the Kings Forest development with Housing NSW (the Centre for Affordable Housing), Tweed Shire Council and Project 28 Pty Ltd. Based on our discussions the following Strategy is recommended.

1.4 Recommended Strategy

The Affordable Rental Housing SEPP 2009 affirms that the State Government is seeking ways to work with developers to provide affordable housing. In order to achieve this objective, the NSW State Government has identified a number of planning mechanisms that may be used to encourage the provision of affordable housing. The most effective of these mechanisms however require implementation at the early stages of planning and scheme design. Accordingly it may be considered a greater challenge to identify how planning mechanisms can be used to encourage / support the provision of affordable housing at the later stages of a schemes assessment without making significant changes to its design or placing a significant burden on the developer.

Furthermore it is important to reiterate that there are no local or state statutory requirements for the provision of a number or proportion of affordable housing units within a development. Rather, the Far North Coast Regional Strategy encourages a range of dwelling types and affordability’s without clarification as to what levels of affordability must be addressed as part of a development.

Therefore as the Kings Forest development would not result in the loss of affordable housing (thereby triggering the Affordable Housing SEPP) but rather proposes a net increase in housing supply at a range of price points, a component of affordable housing has not been provided as part of the Concept Plan to date.

Notwithstanding the above, in light of the housing needs of the area, it is recommended that the development meets the full spectrum of housing affordability’s in the area by:

1. Providing a mix of housing types and sizes at market price for households earning the higher end of the moderate to high incomes as of 2012 (i.e. households earning $57,750 per annum and above);

2. Providing subsidised housing for rent for low and moderate incomes (i.e. below $57,750).

---

4 Median income of $50,000 as escalated to 2012 dollars to align with the earliest likely release of Stage 1 of the development
5 Assuming a 10% deposit, interest rate of 7.1% and repayments of no greater than 30% of household income
6 Figure determined by Hill PDA’s Household Income Affordability Calculator as the likely household income by 2012 that could afford to purchase the entry level dwelling type in Kings Forest based on the Project 28 Pty Ltd’s indicative starting point of $300,000.
With regards to point two above it is recommended that:

- Between 1% and 3% of housing (45–135 dwellings) is provided on the Subject Site as affordable housing for rent for a minimum of 10 years. This housing would be subsidised by funding from the National Rental Affordable Housing Scheme (NRAS) i.e. an annual cash contribution of $2,285 by the NSW Government and $6,855 in the form of a tax offset or payment by the Commonwealth Government on a per dwelling basis for 10 years indexed annually with the rental component of the Consumer Price Index;

- Dwellings are provided at a minimum 20% discounted market rent to eligible low and moderate income households for the entire 10 year period in keeping with NRAS requirements;

- Smaller dwellings are prioritised as affordable rental dwellings to meet the highest need group; and

- The affordable rental housing is located in close proximity to the proposed centre(s) to provide access to services and transport for high need users as well as the timely delivery of housing.

This Strategy has been agreed with Project 28 Pty Ltd subject to their successful application for NRAS funding. The fourth round for NRAS is currently open with a mid-December 2010 deadline for submissions. Given the timescales, it may be more reasonable for a submission under a future call for applications. As NRAS is a Commonwealth Government initiative, regrettably at this stage it is not possible to confirm when a Round 5 application may be called or if in the case that there is no Round 5, what alternative government initiative might be made available.

The current NRAS requirements stipulate that the construction of dwellings for Rounds 1 to 4 require completion by 2014. This deadline aligns with the current projections for the initial stages of the Concept Plan’s development. An extension for any prospective Round 5 funding would add further flexibility to this timeline.

There are a number of different options for securing the provision of affordable housing within the Kings Forest Development in accordance with the bullet points above. Two key options that are recommended, dependant on the nature of the future applications to be submitted and the relevant planning authority are as follows:

1. In the case of a project application(s) being submitted under Part 3a of the Act to the NSW DoP, the proposed affordable housing contribution could be secured through the Project Application’s Statement of Commitments (SoC) and embodied in its conditions of approval; or

2. In the case that a development application(s) be submitted under Part 4 of the Act to Tweed Shire Council, the proposed affordable housing contribution could be secured through a VPA with the local planning authority (Tweed Council) or the NSW Department of Housing.

In essence a Statement of Commitments (SoC) or VPA should establish that Project 28 will submit an application for, and use their ‘best endeavours’ to, secure NRAS funding to provide between 1% and 3% of dwellings within the Kings Forest Development as affordable housing for rent for a minimum of 10 years. The SoC or VPA should incorporate the key points bulleted above for clarity and certainty whilst maintaining sufficient flexibility to accommodate market fluctuations.
2. INTRODUCTION

Hill PDA has been engaged by Project 28 Pty Ltd (a subsidiary of the Leda group of companies) to undertake a study of affordable housing having regard to the Kings Forest, Kingscliff development located within the Tweed Heads Local Government Area.

On August 19, 2010 the NSW Minister for Planning granted concept approval for the development subject to modifications in accordance with Section 750 of the Environmental Planning and Assessment Act 1979 (EP&A Act). The modifications were sought to ensure the orderly development of the Kings Forest site, to mitigate against potential environmental impacts and to maintain the amenity of the local area.

2.1 Requirement for the Study

Of particular relevance to this study, the Concept Plan approval required further environmental assessment with regards to Affordable Housing. The Concept Plan approval stated that:

“The proponent shall provide, with the Environmental Assessment for the project application for Stage 1, a study to determine the need for affordable housing provision for the Kings Forest Estate. The study should address the following:

1) The likely future demographics of the population of the Kings Forest Estate and immediate locality by household type, income, employment and tenure;
2) The need for affordable housing both for rental and purchase in the Kings Forest Estate and immediate locality;
3) A plan showing the possible location of affordable housing on the Kings Forest site in the various precincts; and
4) Investigation of mechanisms for the provision of affordable housing, including any role for community housing providers or the potential use of Voluntary Planning Agreements.

The proponent is to consult with Tweed Shire Council and Housing NSW - Centre for Affordable Housing in the preparation of the study.”

In order to address the DoP Requirements, we have designed the study so that it:

- Develops in greater detail and scope the demographic analysis submitted with the Concept Plan to better understand the likely characteristics of the Kings Forest future residential population;
- Provides a market review of existing housing supply in the Kings Forest locality;
- Assesses the existing and likely need for affordable housing, both for rent and purchase, in the Kings Forest development and immediate locality;
- Compares likely demand to existing and forecast housing supply by type;
- Consulted with Housing NSW, The Centre for Affordable Housing, Tweed Shire Council and the DoP;
- Developed in cooperation with Project 28 Pty Ltd, a plan showing the possible location of affordable housing within the development; and
- Recommended mechanisms for the provision of affordable housing within the Kings Forest development.

An inherent challenge for the study relates to the longer timescales, need to forecast change and the availability of data to the local level i.e. the ABS only analyses data down to the Tweed Heads locality level yet within this geographic area there will be a number of different housing markets and social groups.

Data for this study has been sourced from the ABS, Housing NSW (including Centrelink, Rental Bond Board, Valuer General Department), the DoP, RP data, local agents and market research studies.

### 2.2 What is Affordable Housing?

For the purposes of this study, affordable housing has been defined as “housing that is appropriate to the needs of a household and within their means to pay for it”. This definition is in keeping with the definition applied by Housing NSW.

A common measure of housing affordability relates to the cost of purchasing or renting housing compared to the capacity of households to pay for it. It is generally accepted that housing is not affordable or that ‘housing stress’ occurs when lower income households are required to pay more than 30% of their gross income on housing costs (either housing rent or mortgage costs). It is important to note that for higher income earners, there is likely to be greater capacity to pay this proportion of income on housing costs.

To determine an area’s need for affordable housing, the proportion of households within given income brackets can be compared to an area’s median income (that is, the household income at which half the households have more income and half the households have less income). This analysis helps to define the proportion of:

- **Very low income households in area**: households with less than 50% of the area’s median income;
- **Low income households**: households with incomes between 50% and 80% of the median income;
- **Moderate income households**: households with between 80% and 120% of the median income; and
- **Higher income households**: households exceeding 120% of the given area’s median.

### 2.3 Study Scope

As referenced above, the study is required to assess the level of demand for affordable housing as a result of the approved Kings Forest Concept Plan as well as the housing demand in the surrounding ‘locality’. For the purposes of this study, and in direct response to the comments raised by Housing NSW, we have focused on the Tweed Heads Statistical Local Area (SLA) which includes the Kings Forest Subject Site, the suburb of Kingscliff in addition to Tweed Heads Urban Centre.

---

7 Information on Tweed Housing Market, Housing NSW
The Tweed Heads SLA (hereafter referred to as the Tweed Heads Locality) also aligns with the geographic boundaries employed by the ABS Census and various other data sources providing a useful and consistent reference.

In relation to study scope, it is important to note that the Kings Forest site is located within reasonable driving distance (i.e. 20km) to the Queensland border and thereby the high growth area of South East Queensland. Therefore the development should also be considered in light of this locality and accordingly we have included in our analysis, where appropriate data for Queensland and the Gold Coast LGA.

2.4 The Subject Site

The Concept Plan relates to 880ha of land known as Kings Forest in the Tweed Shire LGA (hereafter referred to as the Subject Site). The Subject Site is located approximately 20km south of the NSW and Queensland state border and the Tweed Heads / Coolangatta Town Centre as shown in Figure 1 below.

The Subject Site is located approximately 5km north of Bogangar and 4km south of Kingscliff centres. It is surrounded by agricultural and rural land uses in addition to Cudgen Lake (Cudgen Nature Reserve) and Cudgen Creek to the south and east.

Figure 1 - Location Plan of the Kings Forest Site

Source: Department of Lands Six Viewer
2.5 The Approved Concept Plan

The Kings Forest Concept Plan was approved in August 2010 for a mixed use development including residential (397ha); a town centre and a neighbourhood centre (13ha); community and education facilities (including two public primary schools, a private school and a community facility 19ha); land designated for environmental protection purposes (336ha); employment lands (7ha); an 18 hole golf course (57ha); open space (28ha) and an extension to the Turners Quarry Lake (9ha).

The approved land uses will be connected by a network of internal and external pedestrian and cycle paths as well as roads. The main access roads will be able to accommodate public transport services.

2.6 Proposed Housing Mix

The approved Kings Forest Concept Plan seeks to develop the Subject Site primarily for residential purposes. Approximately 397ha of the Subject Site is to be developed to provide in the order of 4,500 dwellings in three main residential areas. The 4,500 dwellings will comprise of:

- medium density dwellings on approximately 90ha of land to provide 1,800 dwellings in areas such as the town centre (300 dwellings) the neighbourhood centre, neighbourhood parks, the golf course and the proposed lake; and
- approximately 2,700 low density dwellings (306.4 hectares).

To facilitate the diversity of housing offer and price points, a range of lot sizes will be provided including:

- traditional detached dwellings generally on 550sqm lots;
- zero lot housing on 350-450sqm lots;
- small lot housing on approximately 250sqm lots;
- terrace housing on 200-250sqm lots; and
- attached dwellings on corner allotments (400-1,200sqm).

It is anticipated that between 200 and 300 dwellings will be developed annually for sale commencing with construction in the north east corner of the site. Accordingly it is anticipated that the development will be completed within a 15 year period with commencement likely to be in 2013.
3. RELEVANT PLANNING POLICIES

The following Chapter profiles the key objectives and considerations of the relevant planning policies to the study.


The Far North Coast Regional Strategy (hereafter referred to as the Regional Strategy) plans for the portion of NSW extending from Evans Head in the South to the Queensland border in the north. The Regional Strategy identifies a number of important demographic trends of relevance to this study as they will influence demand for housing including:

- smaller household sizes – i.e. increase in one and two person households;
- an ageing population (the number of residents aged 65 years and over is forecast to double by 2031); and
- increased population - 60,400 additional people will reside in the Region over the next 25 years.

Taking these projections into account, the Regional Strategy estimates that approximately 51,000 new dwellings will be required across the Region to 2031. Accordingly the Regional Strategy directs 35% of future housing to the three regional centres of Tweed Heads, Lismore and Ballina. This equates to 19,100 new dwellings within Tweed LGA. Kings Forest was identified in the Regional Strategy as part of Tweed LGA’s Town and Village growth boundary.

An update of the Regional Strategy release by the DoP in 2009 found that population growth over the two years since the Strategy’s implementation has exceeded the average forecast growth rate. The 2009 Update found that the strongest population growth had occurred in Tweed LGA achieving an annual growth rate of 2.2% per annum. The 2009 Update concluded however that it was too early to determine whether the Regional Strategy’s population assumptions for its 25 year life should be amended in line with the findings of two years of data.

Of relevance to this study, the Regional Strategy identifies a number of challenges and requirements including the need:

- to provide choice in housing form and affordability in appropriate locations that responds to changing demographics (i.e. the ageing of the population) and the associated reduction in household occupancy rates (page 7);
- to provide a wide range of housing choices to provide for different needs and different incomes. Traditional houses on their own block will be available along with smaller, lower maintenance homes, units and terraces for older people and young singles or couples (page 32);
- for local government to consider a range of affordable housing strategies, including forms of low cost housing, suitable zonings and development controls to improve housing choice, and specific schemes. These strategies must be consistent with relevant State policies (page 29).
3.2 SEPP Affordable Rental Housing 2009

The State Environmental Planning Policy (Affordable Rental Housing) 2009 encourages the development of new, and the retention of existing affordable rental housing. The policy was released in 2009 and is currently the subject of a review by the DoP.

The policy defines affordable housing as:

- Housing where the occupier (tenant) would have a gross income of not more than 20% above the median household income for the Sydney statistical division (according to the ABS) and pay no more than 30% of that gross income in rent; or
- Housing that would be eligible for a rental subsidy under the National Rental Affordability Scheme (NRAS). Under NRAS, the occupier (tenant) would pay no more than 80% of the market rental rate.

The policy provides incentives for new affordable rental housing and expands the role of not-for-profit providers. It also aims to support local centres by providing housing for workers close to places of work and facilitate development of housing for the homeless and other disadvantaged people.

This policy aims to encourage home owners, social housing providers and developers to invest and create new affordable rental housing. It supports good quality developments with a mix of market and affordable housing and their integration within existing suburbs. It also supports a range of housing types including granny flats and new style boarding houses.

3.3 SEPP 65 – Design Quality

SEPP 65 – Design Quality of Residential Flat Development (and Residential Flat Design Code) seeks to improve the design quality of residential flat development that exceeds 3 storeys. It establishes planning principles to be considered in the detailed design of dwellings. Of relevance to this study is the principle relating to social dimensions and housing affordability.

3.4 North Coast REP 1988

The North Coast Regional Environmental Plan (REP) (1988) establishes objectives and provisions for local councils in preparing local environmental plans and in determining development applications. Relevant to this study the REP seeks to promote the provision of a range of adequate, affordable and suitable housing to meet the needs of the Region’s population in keeping with the objectives of the Regional Strategy.

3.5 Tweed LEP 2000

The Tweed Local Environmental Plan (LEP) 2000 designates three land use zones across the Subject Site. A large portion of the Subject Site is designated as the 2(c) Residential - Urban Expansion zone. The key objective
of this zone is to identify land for mainly residential development and to ensure it is utilised efficiently and effectively in light of environmental constraints.

The remaining two land use zones designated for the Subject Site are 7(a) Environmental Protection (Wetlands and Littoral Rainforests) and 7(l) Environmental Protection (Habitat). Both of these zones permit a limited range of uses and generally seek to protect and enhance the diversity and scenic value of the local natural environment.

3.6 Tweed DCP – Specific Sites: Tweed Coast

Section B9 of the Tweed Development Control Plan (DCP) 2008 relates to development within the Tweed Coast locality. The Tweed Coast locality has three distinct local areas being: Kingscliff, South Kingscliff and Kings Forest.

The DCP 2008 estimates that the Tweed Coast population of 6,900 people as of 2008 could increase to over 26,000 people upon completion of development within the localities release areas. In respect to the Subject Site, the DCP recognises the potential for development that will accommodate and serve a population of approximately 10,000 people. It also identifies that:

- New residential areas will be established in close proximity to basic community and business services. Priority will be given to energy efficient subdivision and housing designs; and
- Council will seek to ensure the beneficial use of all urban zoned land is maximised, through such measures as housing densities and housing choice.

The DCP makes reference to Council’s S94 Plans and the requirement for any prospective development to contribute to: infrastructure services (i.e. roads, pathways); public open space and community facilities. The objective of the contributions is to ensure that the provision of infrastructure, public open space and community facilities is adequate for proposed development.

Of relevance to this study, the DCP does not refer to the requirement to supply affordable housing on the Subject Site with respect to housing mix or developer contributions.
4. Demographic Analysis

The following Chapter has been prepared to provide a robust demographic analysis of the likely future population of the Kings Forest development. This Chapter builds upon the assessment undertaken by Daryl Anderson Consulting (DAC) and submitted with the approved Concept Plan.

The analysis responds to requests from Housing NSW and the DoP for further information regarding the likely income, employment and occupation characteristics of the future population. The additional information was requested in order better understand the demand for affordable housing generated by the Kings Forest development and the immediate locality surrounding it.

For the purpose of this analysis three geographical areas have been analysed and compared to the state of NSW. The three geographical areas are Tweed LGA, Tweed Heads SLA and the Gold Coast LGA. The Gold Coast LGA has been included within the assessment given the Subject Site’s proximity to the Gold Coast LGA and the Queensland border. The Tweed Heads SLA incorporates Tweed LGA’s main urban centre and the coastal area extending down to Kingscliff and the Subject Site. This area accommodated 61% of the LGA’s population as of 2006.

The boundaries of the three geographical areas and the majority of the demographic information was acquired from the Australian Bureau of Statistics (ABS). Additional information was sourced from Housing NSW, Centrelink and the Bureau of Transport Statistics. Figures depicting the geographic boundaries are provided in Appendix 1.

4.1 Population Growth – Past and Future Projections

In examining future housing needs it is necessary to forecast both population change and changes in household formation rates. Starting with the former, the Far North Coast Regional Strategy (Regional Strategy) anticipates that the broader North Coast Region will experience a 26% increase in population (+60,400 people) by 2031. Recent forecasts for population growth released by the DoP anticipate that Tweed LGA alone will experience an increase of 41,600 persons between 2006 and 2031 representing 68% of the Far North Coast Region’s growth and an average annual growth rate of 1.4%.

The forecast annual growth rate for the LGA is in keeping with its growth rate between the 2001 and 2006 Census periods (as shown in Table 1 below) however less than the significant average annual growth rate experienced between 1996 and 2006 of 2.4%. During this period, Tweed LGA experienced the highest rate of growth of all LGA’s in the Region. Looking forward, Tweed LGAs rate of growth is likely to remain significant, albeit less than the neighbouring Gold Coast LGA and broader South East Queensland Region.

Whilst population forecasts are not available for the existing urban area of Tweed Heads SLA, historically it can be shown that between 2001 and 2006 the SLA also experienced strong growth gaining a net population increase of 3,353 persons representing a population growth rate of 1.4% per annum.

---

8 Based on NSW DoP Forecasts Released 2010
Table 1 - Population Growth by LGA and SLA 2001 to 2006

<table>
<thead>
<tr>
<th>Geographical Area</th>
<th>2001</th>
<th>2006</th>
<th>Net Increase 01-06</th>
<th>Net Increase 01-06 (%)</th>
<th>Compound Growth p.a (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tweed Heads SLA</td>
<td>47,102</td>
<td>50,455</td>
<td>3,353</td>
<td>7%</td>
<td>1.4%</td>
</tr>
<tr>
<td>Tweed Heads LGA</td>
<td>73,821</td>
<td>79,321</td>
<td>5,500</td>
<td>7%</td>
<td>1.4%</td>
</tr>
<tr>
<td>Gold Coast LGA</td>
<td>426,661</td>
<td>472,279</td>
<td>45,618</td>
<td>11%</td>
<td>2.1%</td>
</tr>
<tr>
<td>N.S.W</td>
<td>6,311,168</td>
<td>6,549,177</td>
<td>238,009</td>
<td>4%</td>
<td>0.7%</td>
</tr>
</tbody>
</table>

Source: ABS 2001 and 2006 Census

The NSW DoP forecasts that the majority of Tweed LGA’s population growth will occur as a result of net migration rather than natural increase. The Regional Strategy anticipates that the majority of the 42,390 new residents will be migrating from the Sydney Greater Metropolitan Region as well as South East Queensland.

The DoP population forecasts also anticipate a significant decline in the number of residents under the age of 14 years and a growing share of persons aged over 65 years. As a result, the DoP anticipates that the median age of residents in the LGA will increase from 43 years in 2006 to 50 years by 2031.

Table 2 - Selected Historical and Project Population Characteristics for Tweed LGA

<table>
<thead>
<tr>
<th>Year</th>
<th>Males</th>
<th>Females</th>
<th>Persons</th>
<th>% aged 0-14</th>
<th>% aged 65+</th>
<th>Median age</th>
</tr>
</thead>
<tbody>
<tr>
<td>1996</td>
<td>32,000</td>
<td>33,100</td>
<td>65,100</td>
<td>21%</td>
<td>20%</td>
<td>39</td>
</tr>
<tr>
<td>2001</td>
<td>36,600</td>
<td>37,900</td>
<td>74,600</td>
<td>20%</td>
<td>21%</td>
<td>42</td>
</tr>
<tr>
<td>2006</td>
<td>40,900</td>
<td>42,200</td>
<td>83,100</td>
<td>18%</td>
<td>22%</td>
<td>43</td>
</tr>
<tr>
<td>2011</td>
<td>45,000</td>
<td>46,700</td>
<td>91,700</td>
<td>17%</td>
<td>23%</td>
<td>45</td>
</tr>
<tr>
<td>2016</td>
<td>49,200</td>
<td>51,100</td>
<td>100,300</td>
<td>17%</td>
<td>25%</td>
<td>46</td>
</tr>
<tr>
<td>2021</td>
<td>53,300</td>
<td>55,400</td>
<td>108,700</td>
<td>16%</td>
<td>27%</td>
<td>48</td>
</tr>
<tr>
<td>2026</td>
<td>57,300</td>
<td>59,600</td>
<td>116,900</td>
<td>16%</td>
<td>30%</td>
<td>49</td>
</tr>
<tr>
<td>2031</td>
<td>61,100</td>
<td>63,600</td>
<td>124,700</td>
<td>16%</td>
<td>32%</td>
<td>50</td>
</tr>
</tbody>
</table>

Source: NSW SLA Population Projections 2006-2036

4.2 Household Formation Rates

Trend analysis shows that the household formation or household occupancy rates for Tweed LGA have been steadily declining since 1996 from an average of 2.5 persons per dwelling to 2.4 persons in 2006. Whilst declining occupancy rates have been a longer term trend across Australia (on account of changing lifestyle preferences, declining fertility rates and an ageing population) it is worth noting that as shown in Table 3 below, as of 2006 Tweed LGA had a noticeably lower occupancy rate than the neighbouring Gold Coast LGA and NSW. This occupancy rate had declined from 2.46 persons per dwelling in 2001 to 2.37 persons in 2006.
Furthermore, as shown in Table 3, the Tweed Heads SLA had a lower rate than the LGA indicating the propensity towards older households or households without children comparative to other areas in the LGA. The DAC demographic report referred to Council data that showed average occupancy rates changed by dwelling type i.e. 2.6 persons per detached dwelling; 2.3 per medium density unit, villa or townhouse and 1.95 persons per medium density apartment.

Looking forward, with the continued ageing of the population and declining share of households with children, it is anticipated that the occupancy rate of households will continue to decline. The trend may be abated to a modest extent by the in migration of families seeking affordable housing alternatives however overall demand for additional and for smaller dwellings will continue to increase across the LGA.

### 4.3 Household Type

The Table below reinforces the trend relating to household occupancy rates showing the declining proportion of family sized households across the LGA from 2001 and 2006 and its consistency with trends across Australia. The Table also shows the modest increase in the number of lone person households in Tweed Heads over the period as well as group households.

Notwithstanding the household trends shown in Table 4, as found by the DAC report, the proportion of couple households within Children, residing within Tweed’s urban areas has increased by 0.6% whilst it declined in the rural areas by 2%. This indicates the growing popularity of the LGA’s urban centres and residential developments for families with children against the wider trend of declining household sizes.

#### Table 3 - 2006 Occupancy Rates by LGA, SLA and NSW

<table>
<thead>
<tr>
<th>Occupancy Rates</th>
<th>Tweed Heads SLA</th>
<th>Tweed LGA</th>
<th>Gold Coast LGA</th>
<th>NSW</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Household Size</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Persons per Dwelling</td>
<td>2.3</td>
<td>2.4</td>
<td>2.5</td>
<td>2.6</td>
</tr>
</tbody>
</table>

Source: ABS 2006 Census

#### Table 4 - Change in Household Type by SLA and LGA 2001-2006

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>Difference to 2001</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Combined Tweed Coast &amp; Rural</td>
<td>Tweed Heads</td>
</tr>
<tr>
<td>Family household</td>
<td>69.2%</td>
<td>61.8%</td>
</tr>
<tr>
<td>Lone person household</td>
<td>23.0%</td>
<td>27.0%</td>
</tr>
<tr>
<td>Group household</td>
<td>2.5%</td>
<td>3.4%</td>
</tr>
</tbody>
</table>

Source: ABS 2001 and 2006 Census
4.4 Dwelling Diversity

As of 2006 Separate Houses were the predominate dwelling type within each of the geographic areas reviewed. Tweed LGA had the highest proportion (65%) representing an increase of 2 basis points from 2001. The Gold Coast LGA experienced the greatest proportional increase in the Separate House category (+5 basis points) of the three geographical areas from 2001 indicating the growing popularity of the area for families. Tweed Heads SLA experienced the second greatest proportional increase in the Separate House category (+4 basis points) from its 2001 Census proportion of 53%. This also indicates the growing popularity of the SLA for families or retirees looking for detached dwellings. The proportion of separate houses in all of the geographical areas were all significantly lower however than that of NSW which had 71% of dwelling types within the category in 2006 up 1% in the same category from 2001.

Townhouses were the second most prevalent dwelling type for all three of the geographic areas. Tweed Heads SLA had the highest proportion (24%) of the three geographic areas as of 2006 representing a 4 basis point increase from the 2001 Census followed by Tweed Shire LGA (19%) and the Gold Coast LGA (18%). In comparison to NSW, the three geographic areas had a significantly greater share of townhouse dwellings than NSW (10%).

In light of the above, it follows that each of the three geographic areas had a notably lower, and a declining proportion of Flats-Units–Apartments over the census period compared to NSW. It is important to note that whilst the proportion of this dwelling type decreased comparative to other forms, it cannot be concluded that the actual number of Flats-Units–Apartments also decreased over the period. In fact between 2001 and 2006 within Tweed Heads despite the declining proportion of Flats-Units–Apartments to other dwellings, there was a modest increase in the actual number of dwellings in this category (+130).

The proportion of ‘other dwellings’ (such as group homes, cabins, houseboats, shop top dwellings and caravans) also declined significantly during this period with a notable change for people recorded as living within caravans, cabins and houseboats (from 6% to 3%). Whilst the share of dwellings in this category halved over the past Census period, the proportion of ‘other dwellings’ in both Tweed Heads SLA (6%) and Tweed LGA (5%) remained significantly greater than the share for NSW (1%).

Housing NSW has found that the Tweed Heads and Tweed Coast Statistical Subdivision (Please refer to Appendix 1 for a Plan of this area) had just over 2,100 households living within Caravans as of the 2006 Census with over 88% of these households receiving a pension or benefit. Whilst this proportion declined by 2008 to 85%, there continues to be only one location in the state having a higher rate of people living in Caravans and manufactured homes receiving benefits (Wyong LGA).

Housing NSW considers the prevalence of Caravan accommodation to be a result of limited alternative options for lower income residents in the private rental market. Caravan accommodation is also considered desirable for residents who require housing flexibility. The popularity of Tweed LGA for this form of accommodation may in part be a result of the closure of many Caravan Parks on the North Coast.
Table 5 - Dwelling Types by SLA, LGA and NSW 2001 - 2006

<table>
<thead>
<tr>
<th>Dwelling Type</th>
<th>2006 Census</th>
<th>Change from 2001</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Tweed Heads SLA</td>
<td>Tweed LGA</td>
</tr>
<tr>
<td>Separate house</td>
<td>53%</td>
<td>63%</td>
</tr>
<tr>
<td>Townhouse</td>
<td>20%</td>
<td>15%</td>
</tr>
<tr>
<td>Flat-Unit-Apartment</td>
<td>15%</td>
<td>13%</td>
</tr>
<tr>
<td>Other dwelling</td>
<td>11%</td>
<td>9%</td>
</tr>
<tr>
<td>Not stated</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: ABS 2001 and 2006 Census

Another factor to consider when reviewing housing diversity relates to the number of bedrooms provided. For this analysis we have focused on the geographic areas that make up Tweed LGA being the Tweed Heads SLA and Tweed Heads A Part B SLA (hereafter referred to as the Outer and Coast Area). In relation to the Outer and Coast Area, our analysis was based on the boundary defined in the 2001 Census. At the time of the 2006 Census this area was split into two separate areas: Tweed Heads A Part B and Tweed Coast, and it is the combined total of these two SLA’s that is compared to the 2001 Census data for the Outer and Coast Area.

Table 6 shows that as of 2006, the largest single share of dwellings within the LGA across each geographic area were 3 bedrooms, followed by 2 bedroom dwellings. A common pattern of change over the 2001 to 2006 related to the increasing proportion of dwellings with 1, 2 or 3 bedrooms and the declining share of 4 bedroom dwellings. This trend was common across each geographic area indicating a housing market that is already responding to the growing need for greater housing diversity and a housing market that is already providing a greater component of small and medium sized dwellings in comparison to the NSW average, particularly in relation to the Tweed Heads urban centres.

Of particular note was the increasing number of 2 bedroom dwellings in the Tweed Heads SLA aligning with the significant growth of townhouse dwellings in this geographic location over the period.

Table 6 - Number of bedrooms in Tweed LGA, Tweed Heads SLA, Tweed Outer & Coast 2001 – 2006

<table>
<thead>
<tr>
<th>Number of Bedrooms</th>
<th>2006 Census</th>
<th>Change from 2001</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Tweed LGA</td>
<td>Tweed Heads SLA</td>
</tr>
<tr>
<td>1-bedroom</td>
<td>6%</td>
<td>6%</td>
</tr>
<tr>
<td>2-bedroom</td>
<td>25%</td>
<td>28%</td>
</tr>
<tr>
<td>3-bedroom</td>
<td>46%</td>
<td>45%</td>
</tr>
<tr>
<td>4 or more bedrooms</td>
<td>24%</td>
<td>22%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: ABS 2001 and 2006 Census

N.B May not total 100% due to rounding

* Based on Tweed A Part B 2001 Census boundaries
4.5 Dwelling Growth and Household Tenure

Between the 2001 and 2006 Census, Tweed Heads SLA, Tweed LGA and the Gold Coast LGA all experienced positive growth in the actual number of residential dwellings and occupied dwellings (+2,408, +3,230 and +34,255 dwellings respectively). The Tweed Heads SLA achieved close to 75% of Tweed LGA’s housing growth reinforcing its place as the LGA’s main urban centre as well as the Regional Strategy’s objectives for population growth to be focused within the existing urban centres such as Tweed, Byron and Ballina9.

Between the 2001 and 2006 Census nights Tweed Heads SLA, Tweed LGA and Gold Coast LGA each experienced positive growth in the proportion of dwellings in ownership or being purchased. The Gold Coast LGA recorded a 7% increase whilst both Tweed LGA and Tweed Heads SLA experienced a 2% increase in the category over the period indicating the growing popularity of the area as a place to permanently live rather than temporarily visit for holidays. This was compared to NSW which experienced a 3% increase in the proportion of dwellings listed as owned or being purchased.

Tweed LGA and Tweed Heads SLA did not however experience a change in the proportion of dwellings listed as rented whilst the Gold Coast LGA experienced negative change (-1%) in the rented category between the Census periods. This is compared to NSW which experienced a 2% increase in the proportion of home ownerships listed as rented. The results may be indicative of the area’s relative affordability to purchase and/or the lack of new housing stock for rent.

Further analysis of home ownership of the geographical areas can be seen in Table 7 below.

Table 7 - Home Ownership by SLA, LGA and State 2001 – 2006

<table>
<thead>
<tr>
<th>Home Ownership</th>
<th>2006 Census</th>
<th>Change from 2001</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Tweed Heads</td>
<td>Tweed LGA</td>
</tr>
<tr>
<td>Total Dwellings</td>
<td>24,087</td>
<td>36,398</td>
</tr>
<tr>
<td>Owned or Being Purchased</td>
<td>69%</td>
<td>69%</td>
</tr>
<tr>
<td>Rented</td>
<td>27%</td>
<td>27%</td>
</tr>
<tr>
<td>Other/Not Stated</td>
<td>5%</td>
<td>4%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: ABS 2001 and 2006 Census

4.6 Employment

Between the 2001 and 2006 Census the Tweed Heads SLA, Tweed LGA and Gold Coast LGA each experienced a notable increase in the proportion of residents employed as a Manager (+6%, +5% and +6% respectively). This trend was common, albeit less significant across NSW for the same period (+4%) on account of the growth of the ‘New Economy’ and the associated ‘Knowledge industries’. In keeping with this economic trend, across NSW the proportion of persons employed as professionals increased by 2% whilst in Tweed Heads, Tweed LGA and the Gold Coast LGA the proportion increased by 1%, 1% and 2% respectively.

---

9 Far North Coast Regional Strategy Page 4
During the same period the Tweed Heads SLA (-6%), Tweed LGA (-5%) and Gold Coast LGA (-4%) each experienced a decline in the proportion of residents employed as Clerical, Sales and Service Workers. This trend was common across NSW (-5%) over the same period.

Over the 2001 and 2006 Census periods, the rate of unemployment across the three geographical areas also declined notably by between 5 and 6 basis points in comparison to a 1 basis point change for NSW. It is important to note however that these statistics were collated prior to the onset of the GFC. It is therefore likely that unemployment rates should be adjusted up from their 2006 Census point. It is not likely however that they would be near to their 2001 figure.

The employment data indicates a significant shift over the census periods towards a resident workforce with more advanced / specialist management and professional qualifications and a corresponding decline in some lower value / paid professions.

Further analysis of the labour force categories can be seen in the tables below. It must be noted that between the 2001 and 2006 Census some of the labour force categories were changed, accordingly direct comparisons are not possible.

### Table 8 - Employment Type by SLA and LGA compared to NSW 2006

<table>
<thead>
<tr>
<th>Labor Force</th>
<th>Tweed Heads SLA</th>
<th>Tweed LGA</th>
<th>Gold Coast LGA</th>
<th>N.S.W</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managers</td>
<td>10%</td>
<td>11%</td>
<td>12%</td>
<td>13%</td>
</tr>
<tr>
<td>Professionals</td>
<td>13%</td>
<td>13%</td>
<td>14%</td>
<td>20%</td>
</tr>
<tr>
<td>Community &amp; Personal Services</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Workers</td>
<td>11%</td>
<td>10%</td>
<td>9%</td>
<td>8%</td>
</tr>
<tr>
<td>Clerical and Administrative Workers</td>
<td>13%</td>
<td>12%</td>
<td>14%</td>
<td>14%</td>
</tr>
<tr>
<td>Sales Workers</td>
<td>12%</td>
<td>11%</td>
<td>13%</td>
<td>9%</td>
</tr>
<tr>
<td>Technicians &amp; Trade Workers</td>
<td>16%</td>
<td>15%</td>
<td>16%</td>
<td>13%</td>
</tr>
<tr>
<td>Machinery Operators &amp; Drivers</td>
<td>5%</td>
<td>6%</td>
<td>5%</td>
<td>6%</td>
</tr>
<tr>
<td>Labourers &amp; Related Workers</td>
<td>12%</td>
<td>13%</td>
<td>10%</td>
<td>9%</td>
</tr>
<tr>
<td>Inadequately described or N.S.</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td>Unemployed</td>
<td>7%</td>
<td>7%</td>
<td>5%</td>
<td>6%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100%</strong></td>
<td><strong>100%</strong></td>
<td><strong>100%</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Source: ABS 2001 and 2006 Census

### Table 9 - Employment Type by SLA and LGA compared to NSW 2001

<table>
<thead>
<tr>
<th>Labor Force</th>
<th>Tweed Heads SLA</th>
<th>Tweed Heads LGA</th>
<th>Gold Coast LGA</th>
<th>NSW</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managers and Administrators</td>
<td>4%</td>
<td>6%</td>
<td>6%</td>
<td>9%</td>
</tr>
<tr>
<td>Professionals</td>
<td>12%</td>
<td>12%</td>
<td>12%</td>
<td>18%</td>
</tr>
<tr>
<td>Associate Professionals</td>
<td>11%</td>
<td>11%</td>
<td>12%</td>
<td>11%</td>
</tr>
<tr>
<td>Tradespersons &amp; Related Workers</td>
<td>13%</td>
<td>12%</td>
<td>12%</td>
<td>11%</td>
</tr>
<tr>
<td>Clerical, Sales and Service Workers</td>
<td>31%</td>
<td>28%</td>
<td>31%</td>
<td>28%</td>
</tr>
<tr>
<td>Production &amp; Transport Workers</td>
<td>7%</td>
<td>7%</td>
<td>6%</td>
<td>7%</td>
</tr>
<tr>
<td>Labourers &amp; Related Workers</td>
<td>8%</td>
<td>9%</td>
<td>7%</td>
<td>7%</td>
</tr>
<tr>
<td>Inadequately described or N.S.</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td>Unemployed</td>
<td>12%</td>
<td>13%</td>
<td>10%</td>
<td>7%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100%</strong></td>
<td><strong>100%</strong></td>
<td><strong>100%</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Source: ABS 2001 and 2006 Census
4.7 Household Income

As of the 2006 Census the median weekly household income for Tweed LGA was $683 and for the Tweed Heads SLAs $656. The median was significantly lower than the NSW median of $1,036 and the Gold Coast LGA median of $1,017.

In greater detail, between the 2001 and 2006 Census nights, Tweed LGA and Tweed Heads SLA experienced a significant increase (14 basis points) in the share of households earning within the $0-$299 weekly household income bracket range, whilst the Gold Coast LGA experienced an increase of 8 basis points. This was compared to just a 3% increase for NSW in the same bracket range. A notable increase was also experienced in the $600-$999 weekly household income bracket for each area with the most significant growth occurring in the Gold Coast LGA.

Tweed Heads LGA and Tweed Heads SLA areas experienced a significant decrease (10 basis points) in the $300-$599 weekly household income bracket range, whilst the Gold Coast LGA experienced a decrease of 5 basis points. This compared to no change for the state of NSW in the same bracket range.

At the other end of the spectrum, Tweed LGA and Tweed Heads SLA experienced a 2% increase in the $2,000+ weekly household income bracket range, whilst the Gold Coast LGA recorded no change. This is compared to NSW which experienced a 2% decline in the same bracket range.

These findings may point to a range of different socio-economic trends. In light of other factors described in this Chapter it may be hypothesised that the notable increase in the proportion of households moving from the $300-$599 income bracket to the $0-$299 bracket reflects the populations ageing and thereby the declining number of resident workers by household and / or the retirement of residents from full time / part time work with a growing dependency on pensions or other asset sources.

Conversely the growing share of households earning in the middle ($600-$999) and highest income bracket +$2000 may be a reflection of new residents who have moved from areas such as the Greater Sydney Metropolitan Region or South East Queensland that have chosen to live in Tweed Heads / Tweed LGA. These residents may have been attracted to the lifestyle appeal of the area as well as employment opportunities within, and enhanced by, road access to the Gold Coast LGA. This trend may also be explained in conjunction with the findings above relating to the growing proportion of residents in the LGA employed as either Managers or Professionals and the higher salary associated with these occupations.

Further analysis of each of the weekly household income categories can be seen in the graphs below.

### Table 10 - Weekly Household Income between the Census Periods of 2001 and 2006

<table>
<thead>
<tr>
<th>Weekly Household Income</th>
<th>2006 Census</th>
<th>%Change 2001 – 2006 Census</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Tweed Heads SLA</td>
<td>Tweed LGA</td>
</tr>
<tr>
<td>$0-$299</td>
<td>20%</td>
<td>20%</td>
</tr>
<tr>
<td>$300-$599</td>
<td>31%</td>
<td>30%</td>
</tr>
<tr>
<td>$600-$999</td>
<td>22%</td>
<td>23%</td>
</tr>
<tr>
<td>$1,000-$1,499</td>
<td>13%</td>
<td>13%</td>
</tr>
<tr>
<td>$1,500-$1,999</td>
<td>4%</td>
<td>4%</td>
</tr>
<tr>
<td>$2,000+</td>
<td>6%</td>
<td>7%</td>
</tr>
<tr>
<td>Partial income stated</td>
<td>4%</td>
<td>4%</td>
</tr>
<tr>
<td>All incomes not stated</td>
<td>0%</td>
<td>0%</td>
</tr>
</tbody>
</table>

Total | 100% | 100% | 100% | 100% |

Source: ABS 2001 and 2006 Census
4.8 Socio Economic Advantage and Disadvantage

Notwithstanding the analysis provided above, it is important to note that a review of weekly household incomes alone may not accurately shed light on the affluence of a resident population. By way of example, a review of weekly incomes alone would fail to consider an area with an ageing population and thereby a high level of retirees who have left the workforce yet still have a substantial asset base. Accordingly we have applied an alternative means of assessing the socio-economic character of the three geographical areas being the Socio-Economic Index for Areas (SEIFA).

The SEIFA is produced by the ABS and compares geographic areas (LGA’s and SLAs) with respect to advantage and disadvantage. The SEIFA Index of Socioeconomic Disadvantage (the ‘Index’) is derived from the attributes of an area’s residents such as income, educational attainment, rate of unemployment and labour force skill.

Accordingly the SEIFA shows where the affluent (as opposed to just high income earning) live; where disadvantaged (as opposed to the unemployed) live; and where the highly skilled and educated (as opposed to the tertiary educated people) live. The findings can be used to facilitate research into the relationship between socio-economic status and various health and educational outcomes, to determine areas that require funding and services and to identify new business opportunities.

The Index refers to the area in which a person lives, not to the socioeconomic situation of the particular individual. For the Index, every geographic area in Australia is given a SEIFA score which shows how advantaged or disadvantaged that area is compared with other areas in Australia. Higher values relate to advantage whilst lower values relate to disadvantage. On this basis Table 11 below shows that as of 2006, the Gold Coast LGA had the highest comparable level of advantage (1023) with Lismore and Tweed LGAs having the same level of advantage yet Tweed LGA being ranked the higher (more advantaged in the State).

Also of note, the score for each location shown in the table below had increased notably over the census period indicating rising levels of advantage over time as a result of the areas attraction to new residents.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Gold Coast LGA</td>
<td>982</td>
<td>151</td>
<td>1023</td>
<td>151</td>
</tr>
<tr>
<td>Tweed LGA</td>
<td>925</td>
<td>80</td>
<td>954</td>
<td>80</td>
</tr>
<tr>
<td>Tweed SLA</td>
<td>927</td>
<td>96</td>
<td>954</td>
<td>96</td>
</tr>
<tr>
<td>Lismore LGA</td>
<td>951</td>
<td>79</td>
<td>954</td>
<td>79</td>
</tr>
</tbody>
</table>

Source: ABS 2001 and 2006 Census
* Note the average score in NSW as of 2001 was 1015 and in QLD was 984

Within Tweed LGA, SEIFA scores are tallied by SLA, suburb and post code. A report prepared by the DoP on the Far North Coast Residential Submarket in 2008\(^{10}\) found that the SEIFA scores varied showing a definite increase in advantage between Tweed Heads and Murwillumbah. Furthermore the outer region of the LGA (Tweed Pt B SLA) generally displayed a lower SEIFA index score than the Tweed Heads and Coastal areas as shown in the figure below.

\(^{10}\)Macroplan 2008
4.9 Key Findings

In summary, of relevance to this study, this Chapter has found:

- Tweed LGA and the Tweed Heads SLA have experienced **significant population growth** over the past 20 years with growth anticipated to remain strong (1.4% per annum) well above the NSW forecast average of 0.9% resulting in continued **growth in demand for housing**;

- The majority of growth will be achieved by **in-migration** from areas such as the Greater Sydney Metropolitan Region or South East Queensland and correlates with the growing proportion of permanent residents owning or buying their properties in the LGA and SLA (rather than holiday home owners permanently residing elsewhere);

- The improved accessibility and attraction of Tweed LGA and Tweed Heads SLA to a wider market has led to a **changing socio-economic character** with a growing share of residents employed as Managers and / or Professionals with a declining proportion employed as Clerical, Sales and Service Workers. The changing employment characteristics of the resident population have also resulted in a higher proportion of residents in the +$2000 / week income brackets (the highest bracket) and in the $600-$999 bracket;

- Conversely the **ageing of the population** is believed to have resulted in the growing share of residents within the lowest income bracket ($0 - $299) as residents retire and rely on the pension or other asset sources for income. Notwithstanding the growth of residents within this category, overall the SEIFA advantage and disadvantage score for the LGA and Tweed Heads SLA improved over the 2001 - 2006 census period;

- Tweed LGA and to a greater extent the Tweed Heads SLA have experienced declining dwelling occupancy rates with the current average of 2.37 persons per dwelling being below the state average. This trend is in
part a result of an ageing population, declining family sizes and changing lifestyle preferences. The trend may be abated to a modest extent by the in migration of families to the LGA and Tweed Heads SLA seeking affordable housing alternatives however overall demand for additional smaller dwellings will continue to increase across the LGA;

- Whilst the majority of dwellings in the Tweed Heads SLA continue to be separate dwellings, in response to the trend towards smaller dwelling sizes, the proportion of townhouses (24%) and other dwellings (6%) were significantly higher than the same categories for NSW (10% and 1% respectively) indicating an improving mix of housing types compared to the State average; and

- Whilst 3 bedroom dwellings still represented the greatest proportion of homes in the LGA and SLA, the proportion of 1 and 2 bedroom dwellings increased between the 2001 and 2006 census periods with the most notable growth (+2%) occurring for 2 bedroom dwellings in the Tweed Heads SLA.
5. RESIDENTIAL MARKET ANALYSIS

The following Chapter has been prepared to provide an overview of the current performance of the Tweed Heads and Tweed Coast residential property market as well as the local Kings Forest property market.

For the purpose of this study we have defined the Tweed Heads and Coast property market as the area from Tweed Heads in the North to Pottsville in the South. This area aligns with the Tweed Heads and Tweed Coast Statistical Sub-division (please refer Appendix 1 for a plan of this area).

We have defined the Kings Forest residential property market to include the following suburbs;

- Kings Forest
- Kingscliff
- Casuarina
- Cudgen

In undertaking this analysis, particular attention has been paid to the supply and demand characteristics smaller and lower priced properties.

5.1 Tweed Heads and Tweed Coast Market Review

Over the past five years the Tweed Heads and Tweed Coast property market has undergone a rapid transformation with rising demand (as a result of significant population growth) leading to significant increases in supply. Much of the increase in demand has come as by-product of the markets close proximity to the Gold Coast and recent infrastructure improvements reducing travel times to both the Gold Coast and Brisbane. The market has been further characterised by the emergence of “Resort Communities” whereby land is released and developed surrounding a tourist resort facility or a medium density development is constructed with resort facilities and marketed to holiday investors and owner occupiers.

The figure below (which utilises 2001 SLA definitions) indicates that number of dwelling approvals within the Tweed LGA rose sharply from July 2007 to June 2008. Dwelling approvals in the Tweed (A) – Pt B SLA rose by the greatest proportion, indicative of the increase in residential supply associated with the new land releases located between Pottsville and Kingscliff.
Table 12 - Number of Dwelling Approvals per Year in Tweed SLA (July-June) 2002-2009

<table>
<thead>
<tr>
<th>Year</th>
<th>Tweed (A) - Pt A</th>
<th>Tweed (A) - Pt B</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002-03</td>
<td>1400</td>
<td>1200</td>
<td>2600</td>
</tr>
<tr>
<td>2003-04</td>
<td>1200</td>
<td>1000</td>
<td>2200</td>
</tr>
<tr>
<td>2004-05</td>
<td>1000</td>
<td>800</td>
<td>1800</td>
</tr>
<tr>
<td>2005-06</td>
<td>800</td>
<td>600</td>
<td>1400</td>
</tr>
<tr>
<td>2006-07</td>
<td>600</td>
<td>400</td>
<td>1000</td>
</tr>
<tr>
<td>2007-08</td>
<td>400</td>
<td>200</td>
<td>600</td>
</tr>
<tr>
<td>2008-09</td>
<td>200</td>
<td>100</td>
<td>300</td>
</tr>
<tr>
<td>2009-10</td>
<td>100</td>
<td>50</td>
<td>150</td>
</tr>
</tbody>
</table>

Source: ABS Building Approvals June 2010

Over the five years from December 2004 to December 2009 median house prices rose by an average of 4.0% per annum with median apartment prices rising by 3.3% over the same period. Since early 2008 however, property prices stagnated as the market adjusted to an increase in supply during a period of soft demand correlating with the global economic downturn.

At present the Tweed Coast residential market is dominated by an oversupply of vacant residential land with developers who commenced projects prior to the Global Financial Crisis struggling to secure sales. Within Tweed LGA, vacant land is still available for purchase in several developments which commenced marketing over two years ago including the Salt, Casuarina, Seabreeze, Black Rocks and Koala Beach land releases. In addition there are also several smaller estates with land remaining on the market.

Discussions with marketing agents for the above referenced developments has revealed that demand has been hindered as a result of buyers being cautious about future borrowing costs and the employment prospects within the broader Far North Coast Region. It was further noted that higher interest rates and falling property prices are now limiting the presence of investors and holiday home purchasers. Recent sales of vacant land indicate a price band from $180,000 to $330,000. Prices for beachfront land parcels are however, significantly higher.

The withdrawal of investors/holiday house owners from the market has led to an increase in the supply of established dwellings on the market. Discussions with local real estate agents have suggested that this increase in supply has been met with a fall in demand, subsequently increasing marketing times and placing downwards pressure on capital values. Local agents have noted that marketing periods of up to three months are common, with many properties being withdrawn from the market after this time. It was further noted however, that vendors are not yet willing to substantially discount asking prices, choosing instead to hold the property until the market recovers.

According to Housing NSW data, median housing prices in the Tweed Heads and Tweed Coast SSD have risen by 3% in the 12 months to June 2010 increasing to $485,000, while the median price for strata units has risen by 11% Based on Statistical Information Provided by RP Data
11% to $378,000\textsuperscript{12}. Care should however be taken in the interpretation of these results. Given the substantial increase in supply within the Tweed Heads and Tweed Coast SSD over the last five years, it is likely that the rise in median prices recorded, has come as a result of the increase in the proportion of newer stock within the housing mix, rather than an increase of individual property values. Anecdotally local real estate agents have observed up to a 10% fall in property values over the 12 months to November 2010.

The withdrawal of investors from the Tweed Heads and Tweed Coast market, coupled with the relative attractiveness of the Tweed Heads and Tweed Coast SSD has seen the demand for rental accommodation rise, at a time when supply has been limited. According to the Real Estate Institute of NSW, the vacancy rate for the Northern Rivers Region (including the Tweed Heads and Tweed Coast SSD) was 3.0% as at August 2010. Anecdotally local agents believe the Tweed Heads and Tweed Coast vacancy rate is closer to 2.0%, with agents commenting that letting up periods are almost non-existent. Over the past 12 months median rental rates have risen by 5.6% to $380 a week, while median rental rates for two bedroom units have remained firm at $285 a week.

\section*{5.2 Recent Developments}

As identified above, the Tweed Heads and Tweed Coast property market has been subjected to a significant increase in residential supply from 2003-2008, with the rate of yearly new supply falling from 2008 onwards. A detailed review of some of the more prominent developments is provided below.

\textbf{Salt Village, Casuarina}

The Salt Village development at Casurina is a multifaceted residential, tourism and town centre estate, currently being developed by the Ray Group. When completed the 72ha beachfront development will comprise of up to 2,000 new dwellings including detached housing, three resorts and a town centre featuring a small supermarket and associated retail tenancies. Due to the premium location and facilities provided, the development is firmly targeted at the upper end of the market, with higher land values, larger houses and high quality fittings.

The development is in its final stages having completed construction on all three of the resorts and released all of the vacant land and improved dwellings to the market. Discussions with the marketing agents for the development have revealed that the all of the vacant land allotments available through the developer have now sold out.

There is however, a large portion of the site still available for purchase, offered on behalf of a financial institution following the collapse of a major land owner. At present it is not clear if these sites have been sold, it is however believed that Don O’Rouke in conjunction with Multiplex has secured a portion of these sites. Furthermore it is understood that the future developers of this land will likely seek an amendment to existing development approvals and planning legislation, which mandates medium density housing, in favour of up to 135 single dwelling residential allotments.

In addition to these sites there are several vacant sites presently being offered through individual parties who originally purchased the sites from the Ray Group but have not yet constructed properties. The re-sale of this land has indicated a price between $390,000 (680sqm) and $525,000 (763sqm).

\textsuperscript{12} NSW Housing, Local Government Housing Kit.
Casuarina Beach

The 183ha Casuarina Beach development is currently being constructed by a consortium including Brookfield Multiplex, Kings Beach and APH Property Developers. When completed the development is expected to provide up to 600 homes, 1,500 apartments a town centre and a hotel.

A further 178 vacant sites are due to be released in late November 2010, with prices ranging from $375,000 (600sqm) to $380,000 (700sqm). According to the marketing agents for this release, pre-sales have been strong with 38 of the allotments selling during the month of October, 2010. Marketing agents commented there is currently two medium density sites for sale, but given the depressed conditions the Tweed Coast apartment market, these sites are not expected to be developed in the near future. Despite strong pre-sales, marketing agents commented that a withdrawal of holiday house purchasers and an increase in used but modern stock on the market is depressing vacant land sales.

Seabreeze Estate

Seabreeze Estate is a 26 stage 97ha land release developed by Metricon. As of November 2010 approximately 200 allotments have yet to sell, with about 100 of these still requiring rezoning. In the current release, vacant land is priced from $242,000 to $253,000 for an average non sloping 600sqm block, with the price falling to around $210,000 for sloping allotments. Larger blocks (720sqm) suitable for duplexes are selling for around $300,000.

Discussions with the marketing agents for the property revealed that historically they have sold between 8-10 a month. The agent did qualify that demand was much greater for non sloping blocks, with sloping blocks taking much longer to sell.

Koala Beach

The Koala Beach development was developed by the Ray Group. The 365ha sustainable development was designed to maintain the existing Koala habitat on the site. Accordingly only 92ha of the site was released for residential housing, with these houses subject to a no cat / dog policy.

The Koala Beach development has now reached completion with the Ray Group no longer marketing land within the estate. There are however several vacant allotments still available through private entities who have yet to construct a house. Recent sales of vacant land have indicated a selling price between $195,000 (787sqm) and $240,000 (895sqm).

Black Rocks

Black Rocks in Pottsville is nearing the end of its marketing stage, with approximately 70 blocks remaining within the development. As of November 2010 there were 15-20 blocks currently on the market with prices ranging between $300,000 and $440,000. According to the marketing agent, the development has sold between 20-25 blocks a year, furthermore the agent has suggested that demand would be greater if the allotments were priced at a 10% discount to their current rate.
5.3 Kings Forrest Property Market

In line with the general downturn in the Tweed Coast property market, market conditions in the housing market immediately surrounding the Kings Forrest market have been depressed since the onset of the Global Financial Crisis. In the twelve months to December 2009, median house prices within the Kings Forrest market fell from $720,000 to $630,000 representing a 12.5% fall. In the same period median apartment prices fell by 21.9% to $367,000\(^\text{13}\).

The property market surrounding Kings Forrest is heavily influenced by the performance of the surrounding residential land releases. As discussed above, demand for land and dwellings within these estates has been subdued since the onset of the Global Financial Crisis, depressing both rates of sale and housing values.

Discussions with local real estate agents revealed that the property market has been depressed for some time with a lack of buyers and unwillingness from vendors to drop prices to meet market expectations. Currently properties are remaining on the market for up to six months, with many vendors simply withdrawing the property

\(^{13}\) RP Data 2010.
after this time. Agents also commented that whilst increased selling times is a common factor across all price ranges, buyers are active in the market and are willing commit to purchasing a property if the vendor concedes property values have fallen and reduces the asking price accordingly.

Discussions with agents and a review of market data indicates that the value of the apartment market has fallen further than the detached dwelling market, with local agents noting that a withdrawal of holiday home owners has resulted in a significant increase in the number of apartments on the market. This increase in the level of stock, coupled with a fall in the number of buyers, has led to an increase in the average number of days a property is on the market, with agents commenting that apartments generally remain on the market for up to six months at a time.

Based on the data provided in the figure below, it can be seen that the most active segment in the market during 2009 was houses priced over $800,000. In this category over 29 property sales were achieved. It can also be seen that there was a lack of sales under $350,000 with only 12 properties selling for less than $350,000 during 2009.

**Table 13 - Housing Sales by Price Bracket 2005-2009**

The figure above is representative of the heightened supply of upper end properties over the five years to 2009. As shown in the figure, the number of properties sold above the $450,000 point rose over this period, culminating in 2007 when the supply of new housing was at its peak.

Given the rise in the number of upper end sales does not correspond strongly with a fall in lower priced property sales it can be concluded that the Kings Forrest market has not been subject to significant bracket creep\(^{14}\). Whilst the quantity of low priced housing stock cannot be calculated, the figure above indicates that there has only been a minimal reduction in lower priced housing sold over the five years to 2009.

\(^{14}\)Bracket creep occurs when a rise in one price bracket corresponds with a fall in another price bracket.
From the figure below it can be seen that the most active segment in the Kings Forrest market during 2009 was apartments priced between $250,001 and $350,000 with 79 property sales. Furthermore there was a lack of sales under $250,000 with only 18 apartments selling for less than $250,000 during 2009.

Table 14 - Apartment Sales by Price Bracket 2005-2009

The table above indicates that there has been a fall in the number of upper end property ($550,000+) sales from 2005 to 2009. This fall did not correspond however with a rise in the number of lower priced property sales, suggesting that the fall in upper end property sales was result of a reduction in new supply when compared to previous years. While the quantity of low priced apartment stock cannot be calculated, the figure above indicates while there has been an increase in the number of higher priced apartments. This trend has not however corresponded with a significant fall in lower price apartments.

Discussions with local leasing agents revealed that the Kings Forrest rental market is highly seasonal, with many rental properties leased on six month terms over the summer, remaining vacant or partially leased during the winter period. As such the current rental market for both houses and apartments is very tight, with one agent noting only 3 of 300 properties on their rental role are presently vacant.

According to local agents and following a review of rental listings, there appears to be two very distinct rental markets in operation. At one end property rental rates range between $320-$500 a week for older properties in the established suburbs, while at the other end rental rates range between $550-$1,000 a week for a recently completed large house located in one of the new developments. Agents have commented that despite the large range in rental prices demand is similar for both expensive and cheaper properties.

5.4 Key Findings of Market Analysis

Based on the research provided in this Chapter, the key findings may be summarised as follows:

**Tweed Heads and Tweed Coast**

- From a buyers perspective the property market has been depressed since early 2008, corresponding with the economic slowdown attributed to the GFC;
There was a substantial increase in supply to 2008, driven by increasing population. The rate of new supply has moderated since the onset of the GFC with many projects placed on hold;

Median house and apartment prices have recorded modest growth over the five years to December 2009, rising by 4.0% pa and 3.3% pa respectively. Over the 12 months to December 2009, median house values have risen by 3.0% while median apartment prices have grown by 11.0%;

Investors and holiday home owners are seeking to exit the market, resulting in an increase of the supply of established houses and apartments on the market; and

According to the Real Estate Institute of New South Wales the vacancy rate for the Northern Rivers Region was 3.0% as at August 2010. Anecdotally local agents place the vacancy rate closer to 2.0%, indicating an increasingly tight rental market.

Kings Forrest

Both the detached housing and apartment market are presently depressed with both property types recording falls in median prices in 2009;

Demand for established houses and apartments is weak with agents noting lengthy selling periods as common;

The market has been dominated by a large increase in supply over the past five years;

Residential land sales have stagnated with the economic downturn;

Developers have placed medium density projects on hold due to weak market conditions;

There has been minimal change in the quantum of lower priced house and apartments sold each year; and

The rental market is highly seasonal with the greatest demand occurring in summer. As such supply is currently limited during a period of heightened demand.
6. CONSULTATION

In accordance with the DoP’s requirements, this study has been informed through consultation with Tweed Shire Council and Housing NSW. A summary of the matters discussed during meetings and telephone correspondence with the organisations has been provided as below.

6.1 Tweed Shire Council

A meeting was held at the officer level with Tweed Shire Council on Wednesday November 26, 2010 to discuss the need for affordable housing in the Subject Sites locality and as a result of the approved Concept Plan. The meeting was attended by:

- Rowena Michel, Coordinator of Development and Assessment, Tweed Shire Council;
- Lindsay Mcgavin, Manager of Development and Assessment, Tweed Shire Council;
- Patria Jukes, Strategic Planner, Planning and Reform, Tweed Shire Council;
- Robyn Spragg, Social Planner, Community and Natural Resources Services, Tweed Shire Council; and
- Sarah Hill of Hill PDA.

For information purposes, Hill PDA’s demographic analysis (Chapter 3 of this study) was provided to all attendees prior to the meeting. Based on the demographic analysis and existing Council knowledge it was agreed that there was and would be demand for a range of dwelling types and affordability’s within both Kings Forest development and the broader locality.

It was recognised that there was an existing demand for affordable housing in Tweed LGA with an increasingly tight rental market. It was also agreed however that on account of recent migration to the LGA, the demographic profile of the locality was changing with an increasing diversity of residents and a growing number of medium to high income households.

Key demographic trends of relevance to the study also related to the ageing of the population and declining dwelling occupancies, thereby increasing demand for smaller housing options.

Officers advised that Council did not have any statutory policies or guidelines applicable to the provision of affordable housing at present. The most relevant policy in this regard therefore related to the Far North Coast Regional Strategy. Council had resolved however to commence the preparation of an affordable housing strategy in 2011 subject to funding. Owing to the early stages of the project, Council did not as yet have any preferred delivery mechanisms or standards for provision.

With respect to the Subject Site, the officers present at the meeting supported the Concept Plan’s provision of a range of dwelling types and sizes. Council also encouraged the provision of a range of housing affordability’s and where possible subsidised housing for lower income households as part of the development. A number of potential mechanisms to deliver affordable housing were discussed including a financial contribution, joint venture
with a Community Housing Provider (CHP) or State Government Agency, the sale of land to a Government Agency (i.e. Housing NSW) in addition to the dedication of land and the contribution of subsidised dwellings.

In order to support the financial viability of a contribution, options such as increased dwelling densities / building heights in addition to the provision of ‘granny flats’ (in keeping with the Affordable Rental Housing SEPP) were also discussed. It was agreed however that given the Concept Plan had been approved it would be inappropriate to amend the development at this stage to accommodate these design changes.

In summary, Council encourages the provision of affordable housing on the Subject Site and the opportunity to enter into a Voluntary Planning Agreement (VPA) with Project 28 Pty Ltd to secure its provision.

### 6.2 Housing NSW

Over the course of the study, a number of officers from Housing NSW were consulted for their input and expertise. Officers included:

- Phillipa Davis, Senior Policy Officer, Urban Renewal and Planning, Policy and Strategy Division;
- Michael Olefoyse, Senior Project and Policy Officer, Centre for Affordable Housing;
- Will Roden, Manager of Project Development; and
- Sarah Steel, Senior Project Officer, Centre for Affordable Housing.

In summary the Officers consulted supported the diversity of housing proposed by the Concept Plan given the growing need for housing in the locality as well as the increasing demand for smaller sized dwellings.

Housing NSW highlighted the high level of need for affordable housing in Tweed LGA identifying the significant proportion of residents residing in caravans in addition to the tight rental market as indicative of need. In support of this position, Housing NSW provided market evidence for the study including information on the Tweed Housing Market and demographic data.

Housing NSW therefore encourages and supports the provision of affordable housing, particularly for smaller sized dwellings on the Subject Site. A number of potential delivery mechanisms were discussed including a financial contribution, the provision of subsidised dwellings or land in return for bonus housing densities. The provision of dwellings was the preferred option with standard benchmarks between 1.5% and 3% of all dwellings.

### 6.3 QLD Department of Housing

During the Concept Plan’s exhibition period the Queensland Department of Housing was consulted. In response the Department advised that they supported the proposed development “as the project does not impact adversely upon housing issues in Queensland”. Accordingly for the purposes of this study we have taken their comments as received without further consultation.
7. **Demand for a Range of Housing**

Housing NSW defines housing demand “as the quantity of housing that households are willing and able to buy or rent”\(^{15}\). In order to determine the level of demand for housing within a given area, Housing NSW identifies a number of contributing factors including:

- the rate at which new households are formed;
- prices in the local housing market and other housing markets;
- the economic circumstances of the households and of the local housing market;
- the perceived advantages of the local area in terms of its access to a range of goods and services; and
- the particular tastes or preferences of the consumers”\(^{16}\).

Each of the above individual factors have been addresses and reviewed in Chapters 3 *Policy Analysis*, 4 *Demographic Analysis* and 5 *Market Analysis* of this study. This Chapter combines the findings of the prior Chapters to assess the demand for housing by type and price point for the Kings Forest development and the immediate locality surrounding it.

For the purposes of this Chapter, we have defined the Kings Forest sites as the site subject to the Concept Plan approved by the DoP in August 2010 (as defined in Chapter 2). The locality has been defined as the suburb of Kingscliff, the Kings Forest Release Area and the Tweed Heads Statistical Local Area, hereafter referred to as the Tweed Heads Locality.

### 7.1 Demand for Housing

As discussed in the preceding Chapters, Tweed LGA has been targeted by the NSW State Government for significant population growth. The advantages of increasing NSW’s population in Tweed LGA and more specifically its urban centre, Tweed Heads, relate to its employment opportunities (owing to its established urban centre, the presence of a District Hospital, and proximity to Coolangatta Airport) as well as its proximity to other major employment centres such as the Gold Coast and Brisbane. Recent infrastructure improvements have enhanced access between Tweed Heads and these destinations thereby making the area more attractive for resident workers.

More specifically the existing urban areas within Tweed LGA (within which the Subject Site falls) have been identified for significant growth owing to the need to protect the high environmental character of the area whilst “utilising and developing the existing network of major urban centres”.\(^{17}\)

In light of the advantages of Tweed’s urban areas for growth, the LGA is targeted to accommodate 47% of the Far North Coast’s population increase and 37% of its dwelling growth over the next 25 years. The majority of this

\(^{15}\) Sustainable Communities: Homes for All, Office of the Deputy Prime Minister, Cm 6424, 2005

\(^{16}\) Sustainable Communities: Homes for All, Office of the Deputy Prime Minister, Cm 6424, 2005

\(^{17}\) Far North Coast Regional Strategy 2006, NSW DoP page 27
growth is targeted for the Tweed Heads Urban Centre significantly increasing the demand for housing in this locality. A recent review of how the DoP’s targets are tracking has found that between 2006 and 2008 the LGA’s rate of growth in fact exceeded 2%\(^\text{18}\) with the majority of this growth occurring in Tweed Heads.

The increasing demand for housing in Tweed LGA and Tweed Heads is also being fuelled by declining household occupancy rates as discussed in Chapter 4 (i.e. from 2.46 persons per dwelling in 2001 to 2.37 persons in 2006). This means that even without net population growth in Tweed LGA and the Tweed Heads locality, there would be a likely growth in demand for housing.

Notwithstanding the significant growth in demand for housing in the locality, our market analysis has found that as a result of the economic downturn, the supply of housing has been hindered. As shown in Figure 4, Chapter 5 the volume of dwelling approvals across Tweed LGA has steadily declined since the 2002 / 2003 financial year with the greatest net impact occurring at the onset of the Global Financial Crisis and associated credit crunch at the commencement of 2008. Since 2008 the market has been in a period of adjustment as buyers have been more hesitant owing to rising interest rates and other economic uncertainties.

Whilst the number of dwelling approvals is once again showing a positive trend across the LGA, the trend is at best static for the Tweed Heads and Tweed Coast localities. During the 2008 – 2010 period when dwelling approvals declined significantly in Tweed Heads and the Tweed Coast (to their lowest levels since 2002) the population grew by over 2% per annum with household sizes continuing to decline. The combination of these factors may be leading to a growing latent demand for housing that will become prevalent when the market becomes more attractive again for household purchasers.

In order to address the growing mismatch between housing demand and supply in Tweed's urban localities, the provision of additional housing should be encouraged. The approved Kings Forest Concept Plan would support this objective providing over 4,500 dwellings and making a significant contribution to the Region’s dwelling targets.

### 7.2 Demand for a Mix of Housing Types

A key objective of the Far North Coast Regional Strategy is to provide “a wide range of housing choices to provide for different needs and different incomes. Traditional houses on their own block will be available along with smaller, lower maintenance homes, units and terraces for older people and young singles or couples.” The importance of providing a mix of housing forms relates to the changing lifestyle, demographic and social preferences of Australian communities. The Tweed LGA and Tweed Heads locality being no exception to this trend.

The Far North Coast Regional Strategy also identifies the need to provide an appropriate mix of dwellings in suitable locations. Accordingly this section will assess demand for different dwelling types in both the Tweed Heads locality and as a result of the proposed Kings Forest development.

---

\(^{18}\) Regional Strategy Update Report 2009, NSW DoP
Chapter 4 of this study found that as a result of significant in-migration, the demographic and socioeconomic characteristics of Tweed LGA and the Tweed Heads locality are diversifying. As a result there are two emerging submarkets driving competition for different housing types. The first relates to the existing resident population that moved into the area when it was more affordable. This population is now ageing and may be seeking to downsize to release capital in their property or are experiencing increasing housing stress as a result of the growing popularity of the area as a place to purchase or rent by new residents.

The second market relates to an increasing share of couples with children attracted to the locality owing to its comparative affordability to their existing place of residence for family sized accommodation. This market also relates to couples without children that may include younger professionals seeking to benefit from the proximity of new housing in Tweed to employment opportunities or retirees looking to benefit from the areas lifestyle appeal.

There is no doubt that the diversity of these housing markets calls for a diverse range of housing types, locations and price points in keeping with the objectives of the Regional Strategy. It is thus important to now analyse how the current market is addressing this need and what support the approved Concept Plan could have to meeting these needs.

As discussed in Chapter 4, the existing dwelling characteristic of the Tweed Heads locality varies notably from those of NSW and the remaining share of the Tweed LGA. For the purposes of this section it is worth reiterating some of these differences as follows:

- The share of detached dwellings (53%) was significantly lower than the LGA (65%) or NSW (71%) average;
- The share of townhouses (20%) was significantly greater than the LGA (15%) and NSW (9%) average;
- The proportion of flats / units / apartments (15%) was greater than the LGA (13%) albeit lower than NSW (18%);
- The proportion of ‘other dwellings’ (11%) was significantly greater than NSW (2%);
- The proportion of 2 bedroom dwellings was greater (28%) than the LGA (25%) and NSW (23%) average; and
- The proportion of 1 and 2 bedroom dwellings across the LGA, and most specifically in Tweed Heads increased positively between 2001 and 2006.

In light of the characteristics listed above, comparative to NSW and the broader Tweed LGA, it may be argued that the Tweed Heads locality is increasingly providing a mix of dwelling types to address the changing needs of its resident population. Whilst the market has continued to provide single detached, three bedroom dwellings it has increasingly provided medium to small sized dwellings (mainly in the form of townhouses) for residents seeking smaller (1 and 2 bedroom) dwellings.

Our market analysis has found that demand for the medium to smaller sized dwellings in Tweed LGA is particularly strong as smaller units cater to both the existing resident submarket that is ageing or seeking more affordable forms of accommodation as well as the emerging submarket of younger professionals / relocating retirees seeking more manageable sized accommodation. This demand is likely to remain strong owing to the ageing of the population, declining household sizes, reduced rate of fertility and increasing house prices.
With respect to the demands of the ageing population and demand for dwelling sizes, it is important to note some important research findings. Whilst it has been found that the vast majority of older people (aged 55 years and over) are living alone or as couples, many continue to value the benefit of space provided by medium to large dwellings (i.e. 2 to 3 bedrooms).

Surveys have found that the extra space afforded by larger dwellings (i.e. through additional bedrooms) is being valued for a range of purposes including accommodating visiting friends, family and grandchildren; space for storage, a home office / study or hobbies; housing temporary or permanent residents for additional income. For these reasons a study by the Australian Housing and Urban Research Institute in May 2010 found that 91% of older persons surveyed indicated a preference for staying in their own homes. Based on this analysis the presumption that the majority of the ageing population will ‘downsize’ or seek smaller accommodation (such as 1 bedroom apartments) may be an overestimate with the majority of demand for dwellings of this size relating more to matters concerning affordability.

Whilst the proportion of small and medium sized dwellings in Tweed Heads increased over the 2001 – 2006 Census period, the proportion of flats / units / apartments declined. This is a likely reflection of the decline in the holiday home rental market during the GFC as well as matters concerning the economic viability of this form of development for occupants who are not at the premium end of the market. Without the benefit of undertaking development feasibility studies, it is hypothesised that owing to the relationship of land and construction prices compared to end sale values, it is more financially attractive or viable to develop 1 and 2 bedroom dwellings as townhouses that unit type development within the Tweed Heads locality.

Kings Forest

As identified in Chapter 2, the Subject Site is a designated release area with significant capacity to provide a range of lot sizes and dwelling to appeal to a broad market base. Accordingly the approved Concept Plan includes a broad mix of housing types including single detached dwellings, small lot and multi dwelling housing.

As discussed above, the economic feasibility of developing in the Tweed locality (a factor of which relates to demand) will assist in defining the possible mix of housing types within the Kings Forest development. This will be defined as and when each stage of the development is planned for and the needs of the market at that time. The principle of providing a range of dwelling types and sizes is however and underlying and key element of the approved Concept Plan.

7.3 Demand for Affordable Housing

As described in Chapter 2 of this study, Housing NSW broadly defines affordable housing as “housing that is appropriate to the needs of a household and within their means to pay for it”. A common measure of housing affordability therefore relates to the cost of purchasing or renting housing compared to the capacity of households to pay for it. This measure is used to assess the availability of affordable housing within a given area.

---

19 How well do Older Australians Utilise their Homes? Australian Housing and Urban Research Institute, May 2010
20 Information on Tweed Housing Market, Housing NSW
In accordance with the project brief, this section of the study assesses the availability of affordable housing within the Subject Site’s locality in addition to the demand for affordable housing resulting from the proposed development.

To address the two issues, this section has been broken down to discuss:

1. The housing needs, with respect to affordability of the broader locality (i.e. Tweed Heads); and
2. The housing needs, with respect to affordability of the proposed Kings Forest development.

Whilst the Subject Site is only located within 20km of the Queensland border, this section focuses on the Tweed LGA for assessment. This focus has been made in order to respond to the comments provided by Housing NSW in relation to the proposed development. Where possible data has been provided for the Tweed Heads locality however owing to the nature of data collection and reporting, this level of detail has not always been available separately as it has been grouped with other localities.

**Demand for Affordable Housing in the Tweed Heads Locality**

By way of context Housing NSW identifies Tweed LGA as one of the 25 LGAs in NSW in ‘high’ need for affordable housing. This designation has been based on a range of different methods of analysis, including an assessment of the number or proportion of households within the area in ‘housing stress’.

Housing stress is likely to occur when lower income households are required to pay more than 30% of their gross income on housing costs (either housing rent or mortgage costs). It is important to note that for higher income earners, there may be greater capacity to pay this proportion of income on housing costs.

When determining affordable housing needs, the proportion of households within given income brackets is compared to an area’s median income (that is, the household income at which half the households have more income and half the households have less income). This analysis helps to define the proportion of:

- **Very low income households in area**: households with less than 50% of the area’s median income;
- **Low income households**: households with incomes between 50% and 80% of the median income;
- **Moderate income households**: households with between 80% and 120% of the median income; and
- **Higher income households**: households exceeding 120% of the given area’s median.

A comparison of the proportion / number of households within these categories to the local housing markets median dwelling prices provides an assessment of the number of households in housing stress. Table 12 below provides a summary of this assessment based on ABS Census data (household income) and Housing NSW market analysis (median rents).

The analysis finds that for the very low, low and moderate income categories, the proportion of households in Tweed Heads and along the Tweed Coast in rental stress, as of 2006, was higher than the NSW average and NSW excluding the Sydney SD. The greatest variations related to the low and moderate income household brackets.

Housing NSW relates this predicament to the increasing rate of owner-occupied dwellings in the locality owing to conversions from private rental accommodation. This finding is supported by Table 7 provided in Chapter 4 of this study that identifies a 2 basis point increase in the share of dwellings occupied by owners or purchasers for both
the Tweed Heads locality and Tweed LGA over the past census period. Housing NSW identifies that whilst this trend was a common one across non-metropolitan NSW between 2001 and 2006\textsuperscript{21} it occurred at a time of increasing demand for rental accommodation placing greater stress on the housing market. This deduction is supported by the findings of the Residential Market Analysis Chapter of this study.

### Table 15 - Number of Households in Housing Stress (Rental) 2006

<table>
<thead>
<tr>
<th></th>
<th>Tweed Heads &amp; Tweed Coast SSD</th>
<th>Tweed LGA</th>
<th>NSW</th>
<th>Rest of NSW (excludes Sydney SD)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>No. of Very Low Income Households in Rental Stress</strong></td>
<td>1,179</td>
<td>1,652</td>
<td>107,187</td>
<td>41,712</td>
</tr>
<tr>
<td><strong>Total Renters (Very Low Income Households)</strong></td>
<td>1,262</td>
<td>1,770</td>
<td>119,167</td>
<td>48,459</td>
</tr>
<tr>
<td><strong>% of Very Low Income Households in Rental Stress</strong></td>
<td>93%</td>
<td>93%</td>
<td>90%</td>
<td>86%</td>
</tr>
<tr>
<td><strong>No. of Low Income Households in Rental Stress</strong></td>
<td>998</td>
<td>1,399</td>
<td>59,117</td>
<td>22,506</td>
</tr>
<tr>
<td><strong>Total Renters (Low Income Households)</strong></td>
<td>1,362</td>
<td>1,910</td>
<td>103,734</td>
<td>43,542</td>
</tr>
<tr>
<td><strong>% of Low Income Households in Rental Stress</strong></td>
<td>73%</td>
<td>73%</td>
<td>57%</td>
<td>52%</td>
</tr>
<tr>
<td><strong>No of Moderate Income Households in Rental Stress</strong></td>
<td>363</td>
<td>509</td>
<td>28,085</td>
<td>5,585</td>
</tr>
<tr>
<td><strong>Total Renters (Moderate Income Households)</strong></td>
<td>1,061</td>
<td>1,487</td>
<td>107,261</td>
<td>36,032</td>
</tr>
<tr>
<td><strong>% of Moderate Income Households in Rental Stress</strong></td>
<td>34%</td>
<td>34%</td>
<td>26%</td>
<td>16%</td>
</tr>
</tbody>
</table>

Source: Housing NSW, ABS Census 2006

With respect to housing for purchase, the proportion of households in housing stress for Tweed Heads, Tweed Coast and Tweed LGA are also greater than the NSW average or average for NSW excluding the Sydney SD as shown in Table 13. Notwithstanding, the difference to the state average is less divergent for housing for purchase than housing for rent.

Accordingly it may be surmised that the Tweed Heads, Tweed Coast and Tweed LGA localities each have a higher proportion of very low, low and moderate income renters in housing stress than very low, low and moderate income band purchasers. Housing NSW confirms that this finding is also common across Australia\textsuperscript{22}.

### Table 16 - Number of Households in Housing Stress (Purchase) 2006

<table>
<thead>
<tr>
<th></th>
<th>Tweed Heads &amp; Tweed Coast SSD</th>
<th>Tweed LGA</th>
<th>New South Wales</th>
<th>Rest of NSW (excludes Sydney SD)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>No of Very Low Income Households in Home Purchase Stress</strong></td>
<td>494</td>
<td>692</td>
<td>58,052</td>
<td>20,529</td>
</tr>
<tr>
<td><strong>Total Purchasers (Very Low Income Households)</strong></td>
<td>653</td>
<td>915</td>
<td>75,431</td>
<td>30,187</td>
</tr>
<tr>
<td><strong>% of Very Low Income Households in Home Purchase Stress</strong></td>
<td>76%</td>
<td>76%</td>
<td>77%</td>
<td>68%</td>
</tr>
<tr>
<td><strong>No of Low Income Households in Home Purchase Stress</strong></td>
<td>536</td>
<td>751</td>
<td>56,504</td>
<td>19,608</td>
</tr>
<tr>
<td><strong>Total Purchasers (Low Income Households)</strong></td>
<td>1,064</td>
<td>1,491</td>
<td>109,211</td>
<td>47,653</td>
</tr>
<tr>
<td><strong>% of Low Income Households in Home Purchase Stress</strong></td>
<td>50%</td>
<td>50%</td>
<td>52%</td>
<td>41%</td>
</tr>
<tr>
<td><strong>No of Moderate Income Households in Home Purchase Stress</strong></td>
<td>574</td>
<td>805</td>
<td>62,323</td>
<td>19,713</td>
</tr>
<tr>
<td><strong>Total Purchasers (Moderate Income households)</strong></td>
<td>1,599</td>
<td>2,242</td>
<td>172,581</td>
<td>72,042</td>
</tr>
<tr>
<td><strong>% of Moderate Income Households in Home Purchase Stress</strong></td>
<td>36%</td>
<td>36%</td>
<td>36%</td>
<td>27%</td>
</tr>
</tbody>
</table>

Source: Housing NSW, ABS Census 2006

Another assessment of the need for affordable housing focuses on data from Centrelink relating to the number of people within the locality receiving Commonwealth Rent Assistance (CRA). Recipients of CRA are eligible for

\textsuperscript{21} Information on Tweed Housing Market, Housing NSW

\textsuperscript{22} Information on Tweed Housing Market, Housing NSW
government support as they are on low or very low incomes yet reside in locations where the rent they are required to pay exceeds a reasonable proportion of their income. In this respect, it is also worthy to note that the provision of public housing in Tweed LGA is 2.5% and therefore comparatively lower than the average for non-metropolitan NSW (3.5%).

With respect to CRA recipients, as shown in Table 14 below, as of 2009 there were 8,444 residents within Tweed LGA receiving support, of which 42% (3,501) were in housing stress. This ratio had increased from 34% in 2001 indicating a growing problem relating to housing affordability. Housing NSW analysis also finds that over 57% of households in stress in Tweed LGA relate to single person households followed by single parent households (24%)23. Thus indicating the mismatch between demand for smaller affordable dwellings and their provision.

The table below also indicates a change in the number of CRA recipients located in the Tweed Heads and Tweed Coast localities indicating that a higher proportion are choosing to reside outside of the major urban areas being another likely reflection of the increasing housing costs in these locations.

Table 17 - Number of Residents Receiving CRA and in Housing Stress 2001 - 2009

<table>
<thead>
<tr>
<th></th>
<th>Tweed Heads &amp; Tweed Coast</th>
<th>Tweed LGA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total CRA recipients 2001</td>
<td>8,440</td>
<td>8,440</td>
</tr>
<tr>
<td>CRA recipients in Housing Stress 2001</td>
<td>2,888</td>
<td>2,888</td>
</tr>
<tr>
<td>Total CRA recipients 2006</td>
<td>8,100</td>
<td>8,100</td>
</tr>
<tr>
<td>CRA recipients in Housing Stress 2006</td>
<td>2,883</td>
<td>2,883</td>
</tr>
<tr>
<td>Total CRA recipients 2008</td>
<td>7,819</td>
<td>7,819</td>
</tr>
<tr>
<td>CRA recipients in Housing Stress 2008</td>
<td>2,884</td>
<td>2,884</td>
</tr>
<tr>
<td>Total CRA recipients 2009</td>
<td>6,920</td>
<td>8,444</td>
</tr>
<tr>
<td>CRA recipients in Housing Stress 2009</td>
<td>2,804</td>
<td>3,501</td>
</tr>
</tbody>
</table>


Housing NSW also assesses housing affordability based on the proportion of dwellings available within an area for rent and purchase for very low, low and moderate income households. As of December 2009, the average proportion of dwellings that were theoretically affordable for households earning 80% of the Tweed LGA median income (low income earners) to purchase was 21% - well below the non-metropolitan average of 61% and the Sydney Greater Metropolitan Region average of 24%.

Housing NSW therefore concludes that the proportion of affordable rental accommodation in Tweed LGA is less than the Sydney GMR and more comparable to other LGAs in the Region including Ballina (27%) and Byron (15%)24. Furthermore the scenario has been exacerbated by the low vacancy rate of smaller dwellings for rent estimated to be between 2% and 3%.

With respect to affordable dwellings available for purchase, as of December 2009 the proportion of dwellings theoretically available for households within the 80% median income range was 1.1% in Tweed LGA. This compared to 24% in non-metropolitan NSW and 0.9% in the Sydney GMR. Housing NSW compares this figure for

23 Information on Tweed Housing Market, Housing NSW
24 Information on Tweed Housing Market, Housing NSW
Tweed LGA in 2006 (1.1%) to the equivalent estimate as of 2001 (13.2%) to show the decline in housing affordability over the census period.

With respect to the proportion of affordable dwellings available for purchase as of 2009, Tweed LGA (13.2%) had a greater proportion than Ballina LGA (0.8%) and Byron (0.3%). As of 2010, Tweed LGA also had a lower median sale price ($423,000) than Byron ($569,000) or Ballina ($433,000) having experienced a rapid increase in the median between the market peak in 2006 and 2008 with sale prices subsequently flattening.

Notwithstanding the change in the market since 2008, the proportion of Tweed LGA residents who were purchasing properties as of the 2006 in housing stress (54%) represented an increase (11%) from 2001 and equated to the equivalent assessment for Ballina LGA (52%) and Byron LGA (59%) with each LGA having a higher proportion of dwellings in stress than the non-metropolitan average.

A summary of this information for Tweed Heads, Tweed Coast and Tweed LGA compared to the NSW average and NSW excluding the Sydney SD is provided in Tables 15 to 20 in Appendix 2.

In summary, Tweed LGA and the Tweed Heads and Tweed Coast localities have a significant number of households in housing stress – either with respect to properties for rent or purchase. Furthermore this number has increased notably over the past census period. Owing to significant ongoing population growth and a suppressed housing market, the proportion of households in this predicament within the locality will continue to increase as a factor of supply compared to demand. This will increase pressure on demand for alternative means of housing such as caravans which presently provide flexible and more affordable housing options for many low income households.

Consistent with broader trends however, the proportion of low to moderate income households in the LGA and geographic localities in rental stress was greater than those in purchase owing to the increasing rate of dwelling occupancy by owners / purchasers and the lack of supply of private rental properties. This is a key social issue with implications for social equity as well as staffing and the provision of local services (such as medical facilities, fire services, schools) as key workers are priced out of purchasing in the area25.

**Need for Housing in Kings Forest**

As outlined above, there is a notable need for affordable housing in the Far North Coast Region including Tweed LGA and the Tweed Heads locality. As noted by Housing NSW, the affordability issue may in part be a reflection of a lack of housing stock diversity (i.e. dwelling type, number of bedrooms, price point and tenure)26. However housing diversity alone cannot guarantee housing affordability, particularly for households earning very low and low incomes.

To exemplify this point we have prepared an excel based model we call the Household Income Affordability Calculator (as shown in Figure 7). The model profiles household income bands based on NSW Non Metropolitan Census Data (indexed to 2012 dollars) and the level of rent / debt that each household income level could pay dependant on key variables (i.e. interest, deposit and disposable income). Census data for the NSW Non

---

25Bank West Key Worker Housing Affordability Report, May 2009
26Information on Tweed Housing Market, Housing NSW
Metropolitan Region was used as a conservative estimate to factor in the significant forecast population growth in Tweed Heads over the next 25 years and the changing demographic (towards higher income households) exemplified in Chapter 4. A base year of 2012 was chosen to align with the earliest possible date for completion of stage one of the development on the Subject Site.

The model shows that with a median household income of $50,000 per annum, a 10% deposit and 7.1% lending rate, a household could service a loan and therefore purchase a property for approximately $260,000. This means that half of all households in the NSW non metropolitan area could not afford to purchase a property over this price point. In our experience, given the cost of land, construction and other economic factors, it would be extremely difficult to provide housing within Kings Forest or the Tweed Heads locality for this value or below. Accordingly, based on NSW Non Metro household income data, it would not be possible for very low or low income households to purchase a property without government assistance or some other form of subsidy.

Figure 4 - Snapshot of Hill PDA Household Income Affordability Calculator

Discussions with Project 28 Pty Ltd concerning the Kings Forest development have indicated a number of important factors relating to its potential target market and affordability as follows:

- A range of dwelling types will be provided including single detached dwellings, small lot and multi dwelling housing (including, townhouses, villas, apartments, shop-top housing, and retirement communities);
The range of dwelling types and more specifically dwelling sizes will generate a range of price points typically from an anticipated $300,000 to $600,000 with some additional products above this range dependant on factors such as site characteristics;

Owing to the significant scale of the development, it is in Project 28 Pty Ltd’s interests as well as those of the community, to provide a range of dwelling types and affordability to maximise the potential market and take up rates;

The more affordable (around $300,000) end of provision will include smaller properties (i.e. 1 and 2 bedroom dwellings) suitable for aged persons;

The development will not target the high end luxury market as the case with other recent developments in Tweed LGA such as SALT and Casuarina owing to the nature of its location and mix of uses. The development will therefore provide a more affordable offer to existing and new households;

In light of the housing market and its purchasing potential, the majority of dwellings will be sold in the $450,000 to $550,000 range as of the initial stages of release in 2012 / 2013. This compares to the existing (2010) median sale price for Tweed LGA of $423,000 as discussed above.

In light of these factors it may be understood that the Kings Forest development will provide a range of dwelling types and affordability in keeping with the requirements of the Far North Coast Regional Strategy.

The development would seek to cater to households with incomes at or above the NSW Non Metropolitan median including some households in the moderate income band. As identified in Chapter 4 of this study, this demographic has become increasingly prevalent within Tweed LGA over the past census period with a growing number of households earning in the $600 to $999 and over $2000 per week brackets. In accordance with the Household Income Affordability Calculator, these households could purchase dwellings between $275,000 and low $500,000 range in keeping with Project 28 Pty Ltd’s indicative market offer.

Importantly, the Kings Forest development would also provide a significant increase in the number (+4,500 dwellings) representing a 19% increase on existing stock in Tweed Heads and 12% increase for Tweed LGA overall. The additional supply would also assist in reducing the tightness of the market and therefore the affordability of offer.

In summary, the proposed Kings Forest development would not result in the loss of affordable housing stock, but rather contribute to the number and range of dwellings supplied in the Far North Coast Region. The proposed development would therefore play an important role in supporting Tweed LGA to meet its housing target of 19,100 dwellings by 2031 whilst addressing the Far North Coast Regional Strategy’s objectives to provide a range of housing types and affordability.

Based on our household income affordability calculator, we anticipate that the Kings Forest development would provide affordable housing options for the upper end of the moderate household income band in addition to the growing market of new residents to the area.

Whilst the development would provide a range of housing affordability in keeping with policy requirements, it would not be possible to address the needs of the full spectrum of household incomes i.e. the very low ($25,000 and under) and low ($25,000 to 40,000). This is because it is not possible to develop and sell new housing at a cost that is affordable to these households. For these reasons, and in light of the housing affordability issues discussed in this Chapter, where possible we support the provision of subsidised housing on the Subject Site. The proceeding Chapter discusses further potential mechanisms to secure this.
8. RECOMMENDATIONS & STRATEGY

In accordance with the study brief, the following Chapter recommends a strategy for the provision of affordable housing on the Subject Site. In preparing this Strategy, we have had regard to the existing need for affordable housing in the Subject Site’s locality as well as need generated owing to the proposed development. The Strategy has been prepared in co-operation with Project 28 Pty Ltd and further to discussions with Tweed Shire Council and Housing NSW.

A location plan has also been developed to nominate potential locations by stage within the Estate. These locations will need to be refined subject to the provision of a more detailed development application under Part 4 of the EP&A Act.

8.1 Planning Requirements

The Affordable Rental Housing SEPP 2009 affirms that the State Government is seeking ways to work with developers to provide Affordable Housing. In order to achieve this objective, the NSW State Government has identified a number of planning mechanisms that may be applied including:

- The zoning of additional land for residential development;
- The provision of concessions on development controls i.e. bonus densities in return for affordable housing; and
- The provision of state and local government funding through the National Rental Affordable Housing Scheme (NRAS).

With the exception of the latter, the majority of planning mechanisms that may be used to encourage the provision of affordable housing have the greatest effect at the early stages of planning and scheme design. Accordingly it may be considered a greater challenge to identify how planning mechanisms may be used to encourage / support the provision of affordable housing at the later stages of a schemes assessment without making significant changes to its design or placing a significant burden on the developer.

Furthermore it is important to reiterate that there are no local or state statutory requirements for the provision of a number or proportion of affordable housing units within a development. Rather, the Far North Coast Regional Strategy encourages a range of dwelling types and affordability’s without clarification as to what levels of affordability must be addressed as part of a development.

Therefore as the Kings Forest development would not result in the loss of affordable housing (thereby triggering the Affordable Housing SEPP) but rather proposes a net increase in housing supply at a range of price points, a component of affordable housing has not been provided as part of the Concept Plan to date.

8.2 Potential Mechanisms

Notwithstanding the above, this study has identified the existing need for affordable housing in the Tweed Heads locality and broader LGA. It therefore recommends where reasonable, the provision of a component of affordable
accommodation as part of the development. In accordance with the study brief we have identified in co-operation with Tweed Shire Council and Housing NSW, a number of potential planning mechanisms that may be used to provide / secure affordable housing as part of major development.

These mechanisms include:

1. A financial contribution to a government agency or Community Housing Provider (CHP) towards affordable housing;
2. A contribution of land (i.e. 3%) to a government agency or CHP for the development of affordable housing;
3. The provision of an appropriate proportion of developed housing (i.e. 1% -3%) at a subsidised rate for rental or sale (i.e. with the support of NRAS);
4. A revision to the development so as to increase densities / building heights therefore providing economic incentives for provision (i.e. in accordance with the Affordable Housing Rental SEPP).

Each of the above mentioned mechanisms have been considered along with their potential implications to the viability of the Kings Forest development and the timely provision of housing on the Subject Site.

8.3 The Kings Forest Affordable Housing Strategy

It is recommended that the Kings Forest development meets the full spectrum of housing affordability’s in the area by:

1. Providing a mix of housing types and sizes at market price for households earning the higher end of the moderate to high incomes as of 2012 / 2013 (i.e. households earning $57,750 and above);
2. Providing subsidised housing for rent for low and moderate incomes (i.e. below $57,750).

With regards to point two above it is recommended that:

- Between 1% and 3% of housing (45-135 dwellings) is provided on site as affordable housing for rent for a minimum of 10 years. This housing would be subsidised by funding from the National Rental Affordable Housing Scheme (NRAS) i.e. an annual cash contribution of $2,285 by the NSW Government and $6,855 in the form of a tax offset or payment by the Commonwealth Government on a per dwelling basis for 10 years indexed annually with the rental component of the Consumer Price Index;
- Dwellings are provided at a minimum 20% discounted market rent to eligible low and moderate income households for the entire 10 year period in keeping with NRAS requirements;
- Smaller dwellings are prioritised as affordable rental dwellings to meet the highest need group;
- The affordable rental housing is located within a reasonable walking distance (i.e. 500m) of public transport and is delivered in a timely way; and

---

27 Figure determined by Hill PDA’s Household Income Affordability Calculator as the likely household income by 2012 that could afford to purchase the entry level dwelling type in Kings Forest based on Project 28 Pty Ltd’s indicative starting point of $300,000.
Details of the location, mix and type of dwellings to be provided as affordable rental accommodation to be clarified subject to the preparation of a staging plan and the submission of the appropriate future Part 3A Project Applications and Part 4 Development Applications.

This Strategy has been agreed with Project 28 Pty Ltd subject to their successful application for NRAS funding or the equivalent. The fourth round for NRAS is currently open with a mid-December 2010 deadline for submissions. Given the timescales, it may be more reasonable for a submission under a future call for applications. As NRAS is a Commonwealth Government initiative, regrettably at this stage Housing NSW cannot confirm when a Round 5 application may be called or if in the case that there is no Round 5, what alternative government initiative might be made available.

The current NRAS requirements stipulate that the construction of dwellings for Rounds 1 to 4 require completion by 2014. This deadline aligns with the current projections for the initial stages of the Concept Plan’s development. An extension for any prospective Round 5 funding would add further flexibility to this timeline.

Whilst Project 28 Pty Ltd is not required to engage with a Community Housing Provider (CHP) to secure NRAS B funding or to deliver and manage affordable housing on the site, there may be some merits of a joint relationship. A major CHP could support and enhance Project 28 Pty Ltd’s success in securing NRAS funding. A CHP could also provide support in ensuring the dwellings are occupied and maintained. Finally an appropriate CHP may wish to purchase the dwellings from Project 28 Pty Ltd thereby retaining the dwellings as affordable rental accommodation for a period over and above the nominated 10 years.

There are a number of different options for securing the provision of affordable housing within the Kings Forest Development in accordance with the bullet points above. Two key options that are recommended, dependant on the nature of the future applications to be submitted and the relevant planning authority are as follows:

3. In the case of a project application(s) being submitted under Part 3a of the Act to the NSW DoP, the proposed affordable housing contribution could be secured through the Project Application’s Statement of Commitments (SoC) and embodied in its conditions of approval; or

4. In the case that a development application(s) be submitted under Part 4 of the Act to Tweed Shire Council, the proposed affordable housing contribution could be secured through a VPA with the local planning authority (Tweed Council) or the NSW Department of Housing.

The use of the term best endeavours is recommended for any SoC or VPA owing to the need to apply for funding and therefore its security is beyond the control of Project 28 Pty Ltd. Furthermore Any prospective SoC or VPA should incorporate the key points bulleted above for clarity and certainty whilst maintaining sufficient flexibility to accommodate market fluctuations.

In this regard it is important to note that should Project 28 Pty Ltd not be successful in achieving NRAS funding for the provision of affordable housing dwellings, it may not be reasonable to insist upon their provision at sub market rent or value for reasons of financial viability. At this preliminary stage of the project there is insufficient detail available for Hill PDA to test this position using a development feasibility model.
8.4 What is a VPA?

Subdivision 2, Division 6 of Part 4 of the Environmental Planning and Assessment Act 1979 (EP&A Act) sets out the system of planning agreements in NSW. Section 93F(1) provides that “a planning agreement is a voluntary agreement or other arrangement between one or more planning authorities and a developer under which the developer agrees to make development contributions towards a public purpose”. In accordance with this definition Tweed Shire Council and Project 28 Pty Ltd support the option for a VPA.

Of relevance to this study and recommendation for a VPA, a public purpose is defined by Section 93F(2) of the EP&A Act to include: the provision of, or the recoupment of the cost of providing public amenities and public services (as defined in s93c), affordable housing, transport or other infrastructure. It also includes the funding of recurrent expenditure relating to such things as the monitoring of the planning impacts of development and the conservation and enhancement of the natural environment.

It is understood that Council has entered previously into a VPA in 2007 for the Seaside development which related to the dedication of passive open space, recreation space, vegetation management works, cycleways, water, sewerage and drainage works and land for roadworks. To date however Council has not entered into a VPA for affordable Housing.

8.5 Plan of Potential Affordable Housing Location

As the project is still in the planning stages, it is not possible to identify precisely on a plan where the potential affordable rental dwellings should be located. It is recommended that the VPA includes a mechanism to agree this at a suitable design stage or the provision of a Part 4 development application.

Owing to the demographic and socio-economic characteristics of households likely to benefit from the provision of this housing however, we recommend its provision within the smaller dwelling lots around the town centre as indicated on the plan below. The benefits of locating the affordable rental housing within these precincts also relates to the fact that it will be one of the earlier stages of development. Accordingly the provision of affordable housing will also be timely.
Figure 4 - Indicative Location of Affordable Rental Housing on the Kings Forest Site

Source: MPS Architects
DISCLAIMER

This report is for the confidential use only of the party to whom it is addressed (the client) for the specific purposes to which it refers. We disclaim any responsibility to any third party acting upon or using the whole or part of its contents or reference thereto that may be published in any document, statement or circular or in any communication with third parties without prior written approval of the form and content in which it will appear.

This report and its attached appendices are based on estimates, assumptions and information sourced and referenced by Hill PDA and its sub consultants. We present these estimates and assumptions as a basis for the reader’s interpretation and analysis. With respect to forecasts we do not present them as results that will actually be achieved. We rely upon the interpretation of the reader to judge for themselves the likelihood of whether these projections can be achieved or not.

As is customary, in a report of this nature, while all possible care has been taken by the authors to prepare the attached financial models from the best information available at the time of writing, no responsibility can be undertaken for errors or inaccuracies that may have occurred both with the programming or the financial projections and their assumptions.

This report does not constitute a valuation of any property or interest in property. In preparing this report we have relied upon information concerning the subject property and/or proposed development provided by the client and we have not independently verified this information excepted where noted in this report.
Appendix 1 - Maps of the Relevant Geographic Areas
Figure 5 - Gold Coast LGA 2001 Census

Source: Australian Bureau of Statistics (ABS)

Figure 6 - Gold Coast LGA 2006 Census

Source: Australian Bureau of Statistics (ABS)
Figure 7 - Tweed Heads LGA 2001 Census

Source: Australian Bureau of Statistics (ABS)

Figure 8 - Tweed Heads LGA 2006 Census

Source: Australian Bureau of Statistics (ABS)
Figure 9 - Tweed Heads SLA Boundary 2001 Census

Source: Australian Bureau of Statistics (ABS)

Figure 10 - Tweed Heads SLA 2006 Census

Source: Australian Bureau of Statistics (ABS)
Figure 11 - Tweed Heads & Tweed Coast (Statistical Subdivision) 2006 Census

Source: Australian Bureau of Statistics 2006 Census

Figure 12 - Tweed (A) Tweed Heads (Statistical Local Area) 2001 Census

Source: Australian Bureau of Statistics 2001 Census
Appendix 2 - PROPORTION OF DWELLINGS AVAILABLE FOR RENT OR PURCHASE FOR VERY LOW, LOW AND MODERATE INCOME BANDS
### Table 18 - Proportion of Dwellings Available for Rent for Very Low Income Households

<table>
<thead>
<tr>
<th>% of Affordable Rental Stock</th>
<th>Tweed Heads &amp; Tweed Coast SSD</th>
<th>Tweed LGA</th>
<th>New South Wales</th>
<th>Rest of NSW (excludes Sydney SD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dec 08</td>
<td>6</td>
<td>7</td>
<td>14</td>
<td>33</td>
</tr>
<tr>
<td>Jun 09</td>
<td>5</td>
<td>7</td>
<td>14</td>
<td>33</td>
</tr>
<tr>
<td>Dec 09</td>
<td>7</td>
<td>8</td>
<td>14</td>
<td>35</td>
</tr>
<tr>
<td>Jun 10</td>
<td>6</td>
<td>7</td>
<td>13</td>
<td>32</td>
</tr>
<tr>
<td>Sep 10</td>
<td>6</td>
<td>7</td>
<td>13</td>
<td>33</td>
</tr>
</tbody>
</table>

Source: Centre for Affordable Housing, Housing Toolkit

### Table 19 - Proportion of Dwellings Available for Rent for Low Income Households

<table>
<thead>
<tr>
<th>% of Affordable Rental Stock</th>
<th>Tweed Heads &amp; Tweed Coast SSD</th>
<th>Tweed LGA</th>
<th>New South Wales</th>
<th>Rest of NSW (excludes Sydney SD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dec 08</td>
<td>16</td>
<td>19</td>
<td>32</td>
<td>59</td>
</tr>
<tr>
<td>Jun 09</td>
<td>18</td>
<td>21</td>
<td>33</td>
<td>60</td>
</tr>
<tr>
<td>Dec 09</td>
<td>19</td>
<td>21</td>
<td>33</td>
<td>61</td>
</tr>
<tr>
<td>Jun 10</td>
<td>24</td>
<td>25</td>
<td>33</td>
<td>62</td>
</tr>
<tr>
<td>Sep 10</td>
<td>22</td>
<td>24</td>
<td>31</td>
<td>60</td>
</tr>
</tbody>
</table>

Source: Centre for Affordable Housing, Housing Toolkit

### Table 20 - Proportion of Dwellings Available for Rent for Moderate Income Households

<table>
<thead>
<tr>
<th>% of Affordable Rental Stock</th>
<th>Tweed Heads &amp; Tweed Coast SSD</th>
<th>Tweed LGA</th>
<th>New South Wales</th>
<th>Rest of NSW (excludes Sydney SD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dec 08</td>
<td>73</td>
<td>76</td>
<td>67</td>
<td>87</td>
</tr>
<tr>
<td>Jun 09</td>
<td>75</td>
<td>77</td>
<td>67</td>
<td>87</td>
</tr>
<tr>
<td>Dec 09</td>
<td>79</td>
<td>81</td>
<td>69</td>
<td>89</td>
</tr>
<tr>
<td>Jun 10</td>
<td>81</td>
<td>82</td>
<td>68</td>
<td>88</td>
</tr>
<tr>
<td>Sep 10</td>
<td>79</td>
<td>80</td>
<td>68</td>
<td>88</td>
</tr>
</tbody>
</table>

Source: Centre for Affordable Housing, Housing Toolkit

### Table 21 - Proportion of Dwellings Available for Purchase for Very Low Income Households

<table>
<thead>
<tr>
<th>% Affordable Stock for Purchase</th>
<th>Tweed Heads &amp; Tweed Coast SSD</th>
<th>Tweed LGA</th>
<th>New South Wales</th>
<th>Rest of NSW (excludes Sydney SD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of affordable Purchase stock for Very Low Incomes Dec 08</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>% of affordable Purchase stock for Very Low Incomes Jun 09</td>
<td>0</td>
<td>0</td>
<td>2</td>
<td>6</td>
</tr>
<tr>
<td>% of affordable Purchase stock for Very Low Incomes Dec 09</td>
<td>0</td>
<td>0</td>
<td>2</td>
<td>5</td>
</tr>
<tr>
<td>% of affordable Purchase stock for Very Low Incomes Jun 10</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>% of affordable Purchase stock for Very Low Incomes Sep 10</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>4</td>
</tr>
</tbody>
</table>

Source: Centre for Affordable Housing, Housing Toolkit
### Table 22 - Proportion of Dwellings Available for Purchase for Low Income Households

<table>
<thead>
<tr>
<th>% Affordable Stock for Purchase</th>
<th>Tweed Heads &amp; Tweed Coast SSD</th>
<th>Tweed LGA</th>
<th>New South Wales</th>
<th>Rest of NSW (excludes Sydney SD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of affordable Purchase stock for Low Incomes Dec 08</td>
<td>0</td>
<td>0</td>
<td>5</td>
<td>12</td>
</tr>
<tr>
<td>% of affordable Purchase stock for Low Incomes Jun 09</td>
<td>2</td>
<td>3</td>
<td>13</td>
<td>26</td>
</tr>
<tr>
<td>% of affordable Purchase stock for Low Incomes Dec 09</td>
<td>2</td>
<td>2</td>
<td>11</td>
<td>23</td>
</tr>
<tr>
<td>% of affordable Purchase stock for Low Incomes Jun 10</td>
<td>1</td>
<td>1</td>
<td>6</td>
<td>14</td>
</tr>
<tr>
<td>% of affordable Purchase stock for Low Incomes Sep 10</td>
<td>0</td>
<td>0</td>
<td>6</td>
<td>15</td>
</tr>
</tbody>
</table>

Source: Centre for Affordable Housing, Housing Toolkit

### Table 23 - Proportion of Dwellings Available for Purchase for Moderate Income Households

<table>
<thead>
<tr>
<th>% Affordable Stock for Purchase</th>
<th>Tweed Heads &amp; Tweed Coast SSD</th>
<th>Tweed LGA</th>
<th>New South Wales</th>
<th>Rest of NSW (excludes Sydney SD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of affordable Purchase stock for Moderate Incomes Dec 08</td>
<td>3</td>
<td>3</td>
<td>22</td>
<td>38</td>
</tr>
<tr>
<td>% of affordable Purchase stock for Moderate Incomes Jun 09</td>
<td>26</td>
<td>26</td>
<td>48</td>
<td>67</td>
</tr>
<tr>
<td>% of affordable Purchase stock for Moderate Incomes Dec 09</td>
<td>24</td>
<td>23</td>
<td>43</td>
<td>64</td>
</tr>
<tr>
<td>% of affordable Purchase stock for Moderate Incomes Jun 10</td>
<td>12</td>
<td>12</td>
<td>26</td>
<td>44</td>
</tr>
<tr>
<td>% of affordable Purchase stock for Moderate Incomes Sep 10</td>
<td>12</td>
<td>11</td>
<td>25</td>
<td>45</td>
</tr>
</tbody>
</table>

Source: Centre for Affordable Housing, Housing Toolkit