

SPECIAL SUPPLEMENT

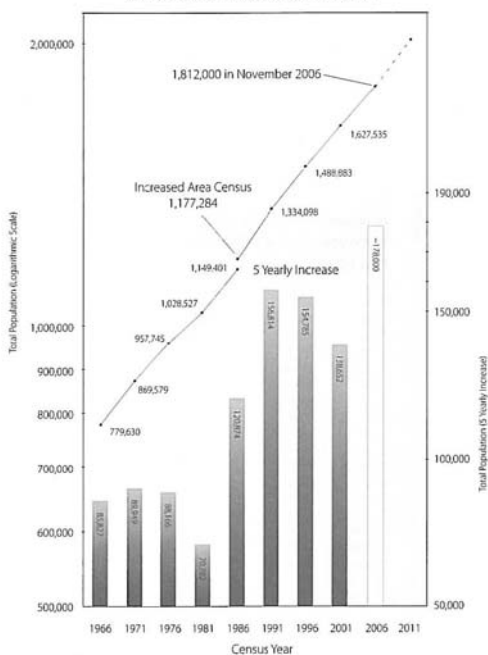
RENTAL COMPARISONS

As some of you may be aware, Independence Investments have been collating information regarding the rents received by our clients for their various investment properties.

As we have numerous clients in each development, we have been able to compare the rents being received by each Lot Owner to each other and to the rent achievable in the rental market for that particular area. With the assistance of our Queensland counterpart, Position Property's Nicholas Petrie, we have been able to increase the rent in some apartments by as much as \$30 to \$40 per week. This can only be done when the lease in progress expires.

Research needs to be done and the pros' and cons' need to be taken into consideration before you can increase the rent. This is where having our Queensland connection is invaluable.

BRISBANE POPULATION GROWTH
(projected growth rate 2.1% p.a.)



Market Update – March quarter 2007*

| Brisbane | Mar quarter median | % change Dec 06 – Mar 07 | % change Mar 06 – Mar 07 |
|--------------------|--------------------|--------------------------|--------------------------|
| House Price | \$345,000 | +1.6 | +6.5 |
| House Rent (3 b/r) | \$280 pw | +3.7 | +9.8 |
| Unit Price | \$289,000 | +3.2 | +8.9 |
| Unit Rent (2 b/r) | \$280 pw | +7.7 | +12.0 |
| Vacancy rate | 1.7 | +0.2 | +0.2 |

* This is the most up to date available - property data is released 3 months after the end of each quarter. Source: Real Estate Institute of Australia and REIQ.

Comment:

Brisbane is showing all the signs of delivering solid growth over the short to medium term due to the strong underlying fundamentals that currently prevail. The market is undersupplied and this is translating into consistently strong rental and price growth. It is unlikely that the shortage of property will be addressed in the short term, which bodes well for future prospects.

Sometimes a slow and steady approach is the best, with a steady increase every year, to keep with CPI, if you have an excellent long term tenant. Alternatively when a tenant decides to vacate, a major increase may be warranted to keep in line with the rental market.

Brisbane rental market never seems to plummet, it may plateau, or it may boom but it has always shown a positive strength (due to the continued strong population growth). Brisbane has an energy that motivates the whole city from the bustling CBD, the vibrant river life, to the families enjoying the many beautiful Parks and Gardens and entertainment facilities.

If you would like any further information, or would like to invest in a piece of the Brisbane action, please give me a call on 4962 5800 during office hours and I would be only too glad to help. It's all part of the Independence service to our valued clients.

Susie O'Neill
for
INDEPENDENCE INVESTMENTS



Together we can....

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Comments and contributions always welcomed.

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