



**Brisbane**

Affordable & Liveable  
Property Guide

1<sup>st</sup> Half 2019



# BRISBANE AFFORDABLE & LIVEABLE PROPERTY GUIDE

1<sup>st</sup> HALF 2019

## METHODOLOGY

This affordable and liveable property guide for Brisbane analyses all suburbs in the Brisbane City Local Government Area (LGA), within a 20km radius of the Brisbane CBD. The following criteria were considered:

- **Property trends criteria** – all suburbs considered have a minimum of 20 transactions for statistical reliability purposes, with positive price growth between 2017 to 2018/19\*.
- **Investment criteria** – as of December 2018, all suburbs considered will have an on-par or higher rental yield than Brisbane Metro, and an on-par or lower vacancy rate.
- **Affordability criteria** – all identified suburbs required a median price below a set threshold. This was determined by adding percentage premiums to the Queensland (QLD) average home loan, which was \$346,383\*\* as of Q4 2018. Premiums of 81% for houses and 17% for units were added, which were below those required to reach Brisbane Metro's median prices (95% for houses and 30% for units). This places the suburbs below Brisbane's median prices, meaning that the affordable and liveable suburbs identified within this report are more affordable for buyers.
- **Development criteria** – all suburbs reviewed have a high total estimated value of future project developments for the 1<sup>st</sup> half of 2019, as well as a higher proportion of commercial and infrastructure projects. This ensures suburbs chosen show signs of sustainable economic growth, which in turn has a positive effect on the property market.
- **Liveability criteria** – this included ensuring all suburbs assessed have low crime rates, availability of amenities within a 5km radius (i.e. schools, green spaces, public transport, shopping centres and health care facilities), and an unemployment rate on-par or lower in comparison to the state average (as determined by the Department of Jobs and Small Business, December Quarter 2018 release).

## RECENT TOP PERFORMERS

Area	Suburb	Type	Median Price 2017	Median Price 2018/19**	Price Growth	Projects 2019***
Inner	South Brisbane	House	\$1,080,000	\$1,337,500	23.8%	\$127.5M
	Milton	Unit	\$405,000	\$505,000	24.7%	\$89.3M
North	Stafford	House	\$611,000	\$626,000	2.5%	\$36.6M
	Herston	Unit	\$316,000	\$390,000	23.4%	\$96.9M
South	Rochedale	House	\$1,040,000	\$1,155,44	11.1%	\$99.9M
	Rochedale	Unit	\$548,000	\$690,000	25.9%	\$99.9M
East	Wynnum West	House	\$530,000	\$550,000	3.8%	\$42.4M
	Wynnum West	Unit	\$335,000	\$345,000	3.0%	\$42.4M
West	Chapel Hill	House	\$790,000	\$819,000	3.7%	\$30.0M
	Toowong	Unit	\$455,000	\$470,000	3.3%	\$26.8M

## OVERVIEW

Between 2017 and 2018/19\* the number of houses sold in the Brisbane City LGA grew by 8.1%. During this time, the median house price remained stable, growing +0.7% (to \$675,000), which shows market resilience. Brisbane LGA's unit market has seen a sustainable price growth, with a median of \$450,000 in 2018/19\*. Over the past 12 months (to Q4 2018), median rent for both houses and units was also at a sustainable level, remaining stable and benefiting both tenants and investors. With \$4.4B worth of development in the pipeline and/or under construction in the 1<sup>st</sup> half of 2019, there are many projects that will attract commercial activity and interstate migration. There is a shift towards adding property stock through mixed-use projects as opposed to pure residential, which will also increase commercial activity.

## KEY MARKET INDICATORS BRISBANE CITY COUNCIL

Indicator	Market Variation <sup>^</sup>
House Sales	↑
House Median Price	↑
House Median Rent	↔
Unit Sales	↑
Unit Median Price	↔
Unit Median Rent	↔

## KEY COMMENTS

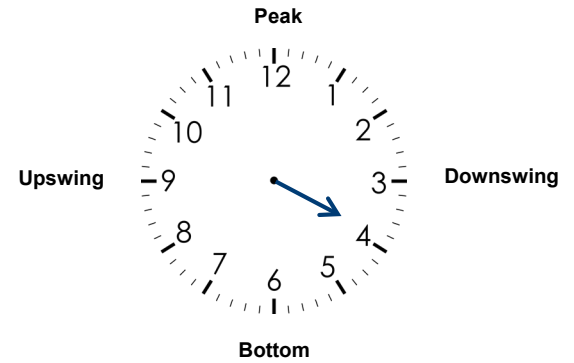
QLD's home loan affordability has declined, with the proportion of income to meet home loan repayments increasing to 28.1% over the past 12 months (to Q4 2018). First home buyer loan activity also decreased by -5.7%.

Affordable house suburbs (those with a maximum property sale price of the QLD average state loan, plus a 75% premium, as per the *2<sup>nd</sup> Half 2018<sup>§</sup>* report) exist. These affordable house suburbs include: Ferny Grove, Chermside West, Tingalpa, Ellen Grove, Bulimba, and Bardon.

Although affordable, these suburbs fail to meet the liveability criteria, as an 81% premium needed to be added to the average state loan to be deemed liveable. Aspley and Geebung were identified as affordable and liveable house suburbs in the *2<sup>nd</sup> Half 2018<sup>§</sup>* report, and recorded lower rental yields than Brisbane Metro, higher crime rates, and a lower estimated value of project developments. However, within only 6 months, these two suburbs no longer meet affordability criteria. This highlights an urgent need to quickly improve liveability aspects in many affordable areas of QLD, as it is becoming difficult to not increase the premium needed to meet liveability criteria in the state.

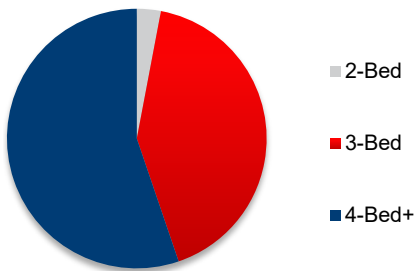


**PROPERTY CLOCK – HOUSES**



**AFFORDABLE & LIVEABLE HOUSE SUBURBS**

**NUDGEЕ 4014**



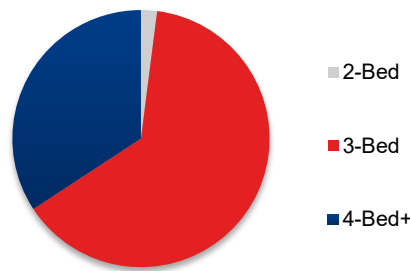
Located in an approximate radius of **13.0km** from the Brisbane CBD.

Median House Price **\$627,000**

- 2-Bed Median Price **\$521,000\***
- 3-Bed Median Price **\$575,000**
- 4-Bed+ Median Price **\$685,000**

Nudgee is located north of Brisbane's CBD, with median price growth of 7.0% since 2017. Investors are currently benefiting from solid rental yields of 4.0%, which is above the Brisbane Metro average of 3.8%. Combined with a low vacancy rate of 2.3%, this makes Nudgee an ideal investment suburb. The 1<sup>st</sup> half of 2019 will see approximately \$25.0M<sup>^</sup> worth of project developments in the area, with a focus on residential projects. This addition of new property stock will cater to Nudgee's growing population, which increased by 25.3% over the 5 years to 2016. Now is the ideal time for first home buyers to capitalise on this affordable and liveable suburb.

**EVERTON PARK 4053**



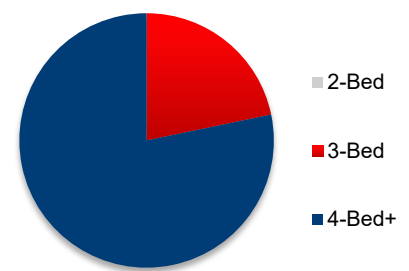
Located in an approximate radius of **8.5km** from the Brisbane CBD.

Median House Price **\$602,000**

- 2-Bed Median Price **\$470,000\***
- 3-Bed Median Price **\$580,000**
- 4-Bed+ Median Price **\$660,000**

The popular suburb of Everton Park is located north from the Brisbane CBD, offering great entry level house prices. It is an affordable and liveable suburb that benefits both investors and first home buyers. It is close to hospitals, schools, a variety of shops, and public transport. Investors currently benefit from great rental yields of 4.0%, along with a low trending vacancy rate of 2.5%, which is well below the Brisbane Metro average of 3.2%. \$72.8M<sup>^</sup> worth of commercial and residential projects will commence in the 1<sup>st</sup> half of 2019. These projects will stimulate local jobs and economic growth, in turn having a positive multiplier effect on the property market.

**DOOLANDELLA 4077**



Located in an approximate radius of **17.0km** from the Brisbane CBD.

Median House Price **\$490,000**

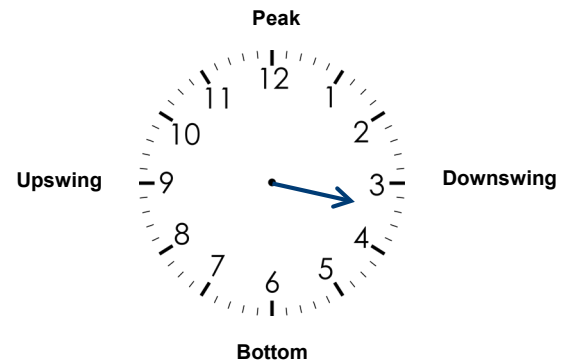
- 2-Bed Median Price **N/A\***
- 3-Bed Median Price **\$380,000**
- 4-Bed+ Median Price **\$500,000**

Doolandella is located south of the Brisbane CBD, making it the most affordable and liveable suburb under \$500,000. Doolandella offers a high level of liveability for first home buyers as it is close to amenities such as shops, green parkland, schools, a medical centre, and great public transport access. Investors are receiving extraordinary rental yields of 4.3%, which is well above that of Brisbane Metro's 3.8%. Vacancy rates are at a low 2.2%, which is well below that of Brisbane Metro's 3.2%. The 1<sup>st</sup> half of 2019 is expected to see approximately \$70.0M<sup>^</sup> worth of residential projects commence. This addition of property stock will assist first home buyers to enter the market.



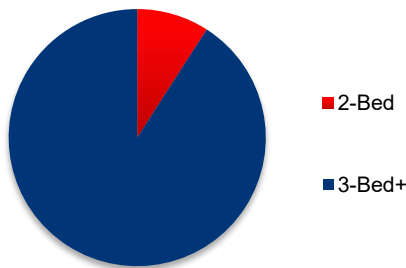


**PROPERTY CLOCK – UNITS**



**AFFORDABLE & LIVEABLE UNIT SUBURBS**

**PARKINSON 4115**



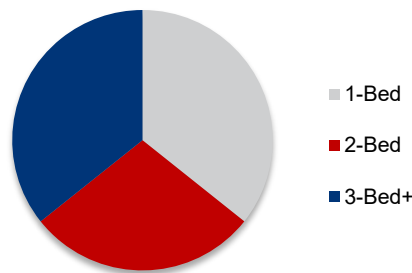
Located in an approximate radius of **19.0km** from the Brisbane CBD.

Median Unit Price **\$405,000**

- 1-Bed Median Price **N/A\***
- 2-Bed Median Price **\$287,000\***
- 3-Bed+ Median Price **\$359,000**

Parkinson is located south of the Brisbane CBD, with ample affordable opportunities for first home buyers. The suburb is positioned well, with access to a range of schools, shops, public transport and community parks. Investors in the suburb currently benefit from extraordinary unit rental yields of 6.2%, which is well above Brisbane Metro’s average of 5.2%. Vacancy rates are on-par with Brisbane Metro at 3.2%. The 1<sup>st</sup> half of 2019 is earmarked for \$12.5M<sup>^</sup> worth of commercial and industrial projects that will stimulate further economic growth in the area, which will attract investors and first home buyers. Now is an ideal time to enter the Parkinson market.

**HERSTON 4006**



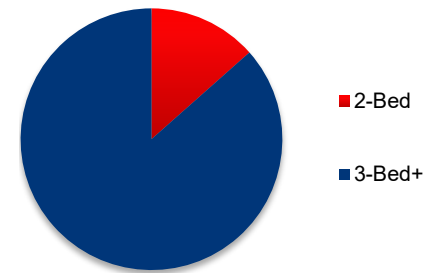
Located in an approximate radius of **2.3km** from the Brisbane CBD.

Median Unit Price **\$390,000**

- 1-Bed Median Price **\$271,250\***
- 2-Bed Median Price **\$348,000**
- 3-Bed+ Median Price **\$536,000\***

Herston is positioned to the north of the Brisbane CBD and offers an affordable entry price, while showing outstanding annual price growth of 23.4%. A rental yield of 5.4% should also attract many investors into the area. Herston ticks many liveability factors, as it is located close to medical centres, schools, shops, public transport and parks. An estimated \$96.9M<sup>^</sup> of projects are set to start in the 1<sup>st</sup> half of 2019 across Herston, with infrastructure projects being the main focus. This is a key strategy for the area, as improving infrastructure will further increase liveability for current residents, which at the same time has the potential to attract more economic activity into the area.

**WYNNUM WEST 4178**



Located in an approximate radius of **12.5km** from the Brisbane CBD.

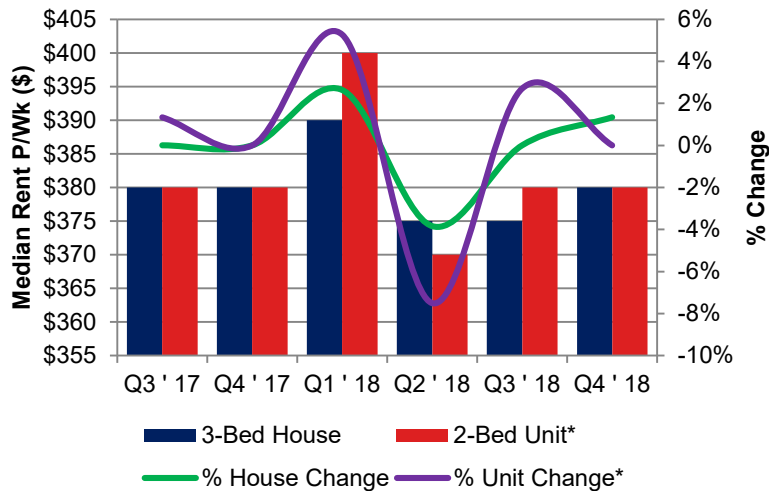
Median Unit Price **\$345,000**

- 1-Bed Median Price **N/A\***
- 2-Bed Median Price **\$460,000\***
- 3-Bed+ Median Price **\$530,000**

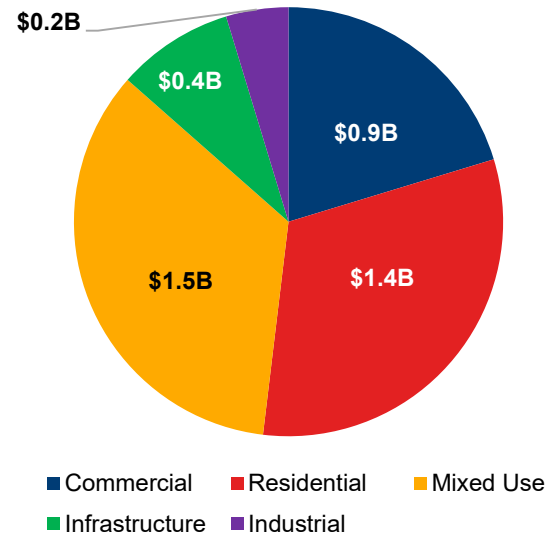
Wynnum West is located to the east of Brisbane’s CBD. It has a great liveability offering as it is close to beaches, medical centres, shops, schools, public transport and many community parks. Since 2017, Wynnum West has recorded price growth of 3.0%. Investors currently benefit from solid rental yields of 5.2%, along with a low vacancy rate of 2.5%. The 1<sup>st</sup> half of 2019 is expected to deliver \$42.4M<sup>^</sup> of residential projects in the suburb. New property stock will cater to the growing population, which increased by 4.7% over the 5 years to 2016. First home buyers should act quickly to make the most of property opportunities in this growing suburb.

\*Quoted estimated values of projects are based on reported land construction values as stated by the relevant data authority and do not signify their commercial/resale value. \*Median price is either N/A due to no recorded sales data or quoted as an indication only due to having less than 20 sales transactions. Source: APM Pricerfinder, SQM Research, Cordell Connect, Department of Jobs and Small Business, ABS Census 2016, Google Maps. © Copyright PRDnationwide 2019.

## RENTAL MARKET ANALYSIS



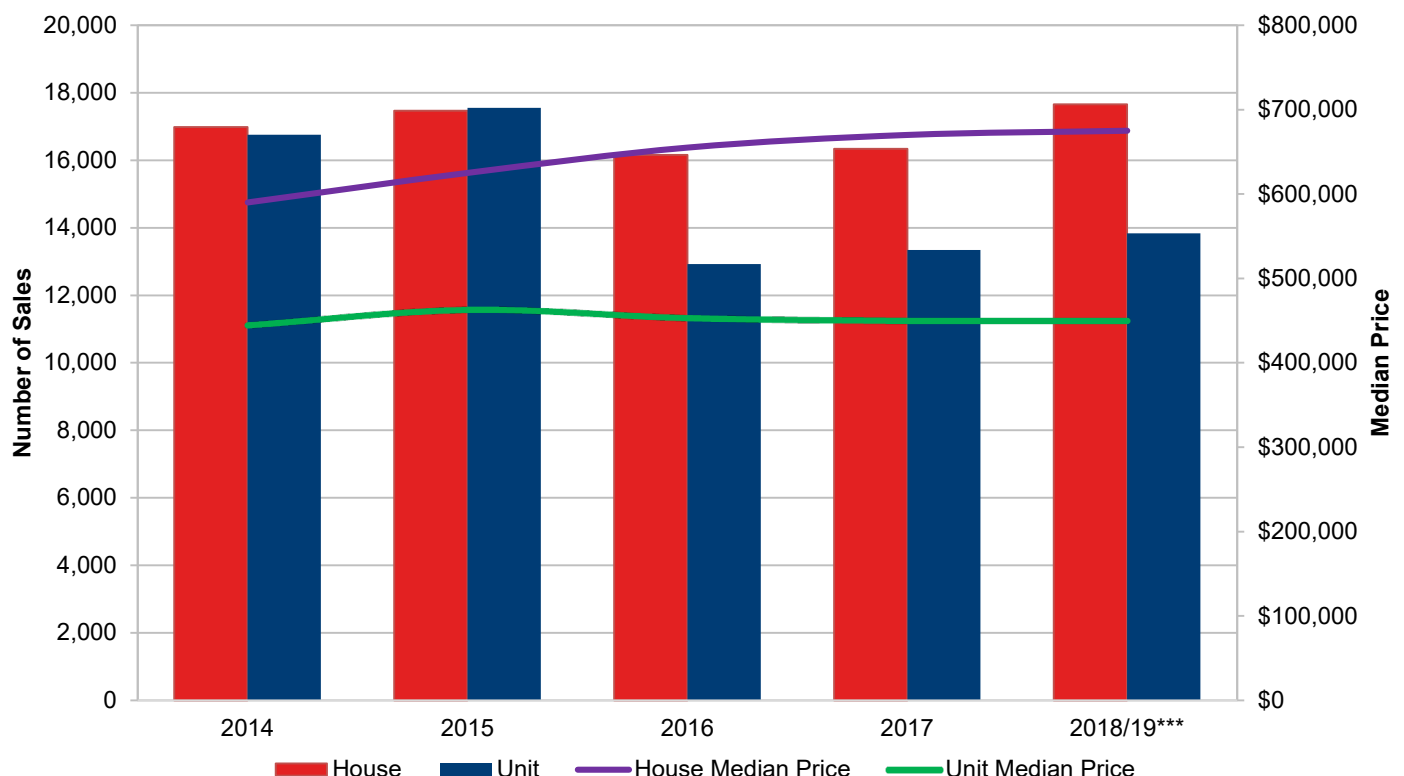
## 1<sup>ST</sup> HALF 2019 PROJECTS\*\*



Over the past 12 months (to Q4 2018), rental prices have stayed steady, confirming sustainable levels of growth in the Brisbane rental market. Brisbane Metro's vacancy rates continue to trend downwards, with interstate migration being the main driver. Vacancy rates were recorded at 2.3% in Q4 2018, which is well below the Real Estate Institute of Australia's healthy benchmark of 3.0%. This suggests Brisbane is heading towards a healthy rental market and is no longer oversupplied. At the same time, Brisbane Metro's rental yields were 3.8% for houses and 5.2% for units, which is well above Sydney Metro's 2.9% for houses and 3.8% for units, and Melbourne Metro's 2.9% for houses and 2.9% for units.

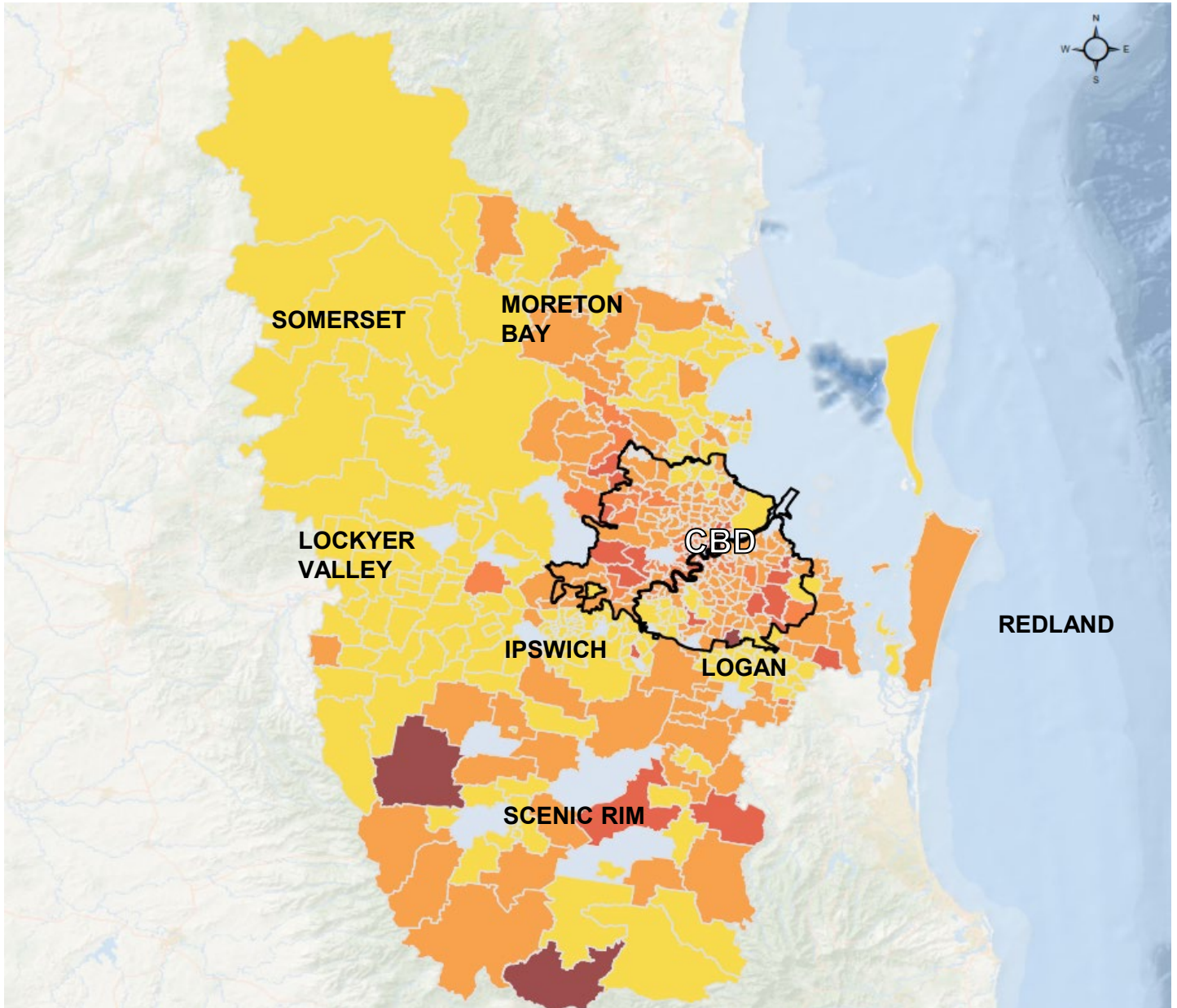
Brisbane is set to invest approx. \$4.4B\*\* worth of projects in the 1<sup>st</sup> half of 2019, with mixed-use (\$1.5B 34.6%) and residential (\$1.4B, 31.6%) accounting for the majority, which will create new property stock and commercial activity opportunities. West Village Mixed-Use Development (\$800.0M) is the main mixed-use project, set to deliver 1,250 units, shops, restaurants, and child care. The main industrial project is Dexu Industrial Estate Warehouse (\$40.0M). Air Services Australia is a key infrastructure project (\$100.0M).

## BRISBANE CITY COUNCIL SALES AND MEDIAN PRICE GROWTH



\*Data is based on '2 Bedroom Other Dwellings' figures as per REIA's Real Estate Market Facts December quarter 2018 report and are assumed to be predominantly units.  
 \*\*Quoted project development spending reflects aggregate of estimated values for projects commencing in the 1<sup>st</sup> half of 2019. Quoted estimated value of projects is based on reported land construction value as stated by the relevant data authority and does not signify its commercial/resale value. \*\*\*Median price for 2019 captures sale transactions from 1<sup>st</sup> January 2018 to 31<sup>st</sup> March 2019.  
 Source: APM Pricerfinder, Real Estate Institute of Australia, SQM Research, Cordell Connect. © Copyright PRDnationwide 2019.

## GREATER BRISBANE MEDIAN HOUSE PRICES 2018/19\*\*

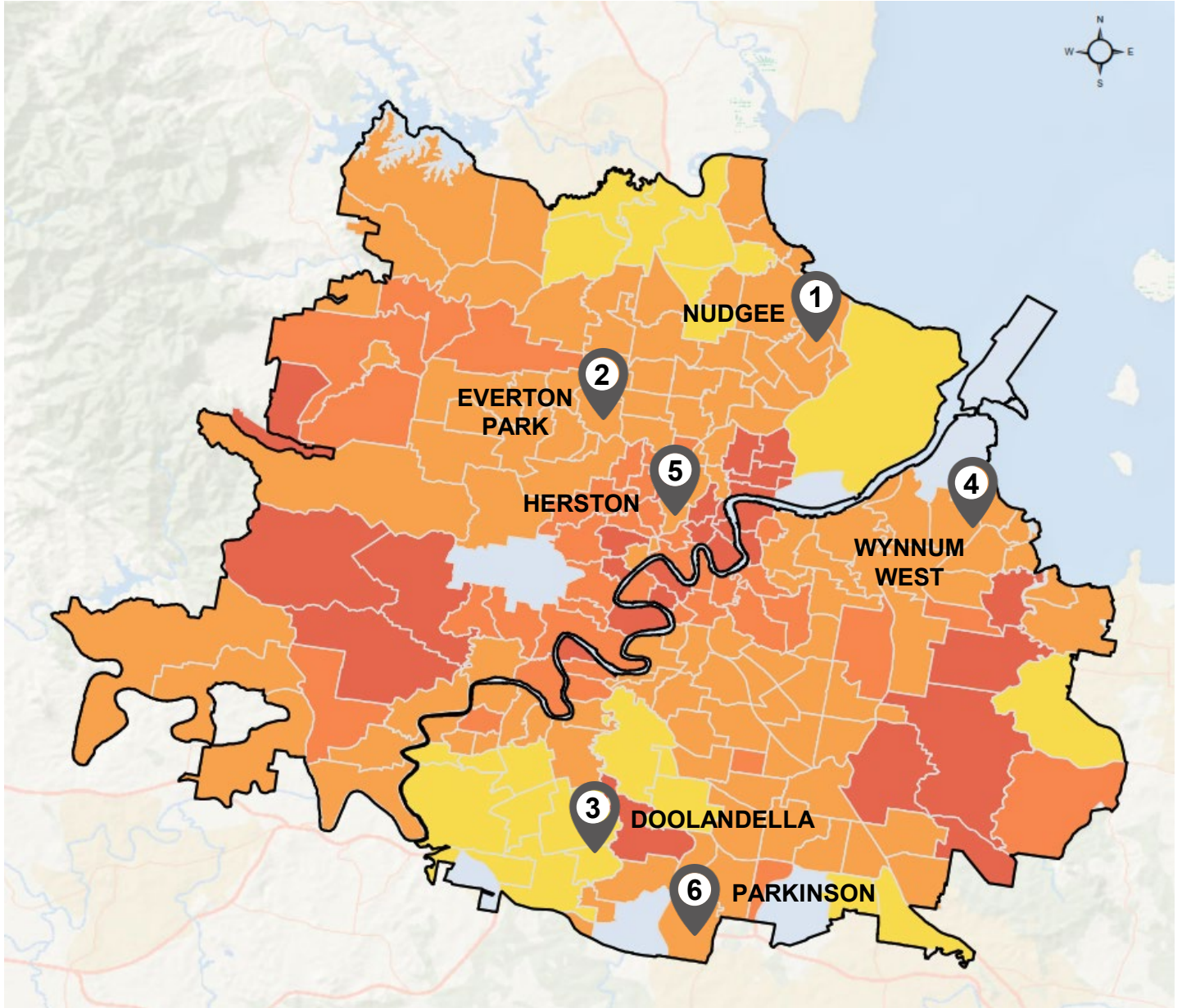


LEGEND	Top 3 Lowest Priced Suburbs**		Median Price 2018/19**	Project Development***	Median Rent 2018/19**	Rental Yield
	Data not available	Ellen Grove	\$300,000	\$14,100,000	\$320	4.8%
\$0 - \$500,000	Durack	\$436,000	\$11,600,000	\$378	4.4%	
\$500,000 - \$800,000	Zillmere	\$480,000	\$4,650,000	\$385	4.0%	
\$800,000 - \$1,000,000	Top 3 Highest Priced Suburbs**		Median Price 2018/19**	Project Development***	Median Rent 2018/19**	Rental Yield
\$1,000,000 - \$2,000,000	South Brisbane	\$1,337,500	\$127,500,000	\$575	4.0%	
\$2,000,000+	Rochedale	\$1,155,444	\$99,950,000	\$630	3.5%	
20km from CBD	Hendra	\$1,115,000	\$5,980,000	\$640	3.0%	

\*Median house price reflected in the heat-map captures sale transactions from 1st January 2018 to 31st March 2019. Grey areas represent areas where no recorded sales data could be accessed or due to having less than 20 sales transactions.  
 \*\*Top 3 suburbs identified are located within 20km from the Brisbane CBD; suburb median price and median rent figures capture data from 1st January 2018 to 31st March 2019. \*\*\*Project development value is an aggregate of estimated construction value for residential, commercial, industrial, mixed use, and infrastructure projects commencing in the 1st half of 2019; it does not reflect commercial/re-sale value.  
 Source: APM PriceFinder, Cordell Connect, ESRI ArcGIS, SQM Research. © PRDNationwide 2019.



# BRISBANE MEDIAN HOUSE PRICES 2018/19\* 20KM FROM CBD



## LEGEND

	Data not available
	\$0 - \$500,000
	\$500,000 - \$800,000
	\$800,000 - \$1,000,000
	\$1,000,000 - \$2,000,000
	\$2,000,000+
	20km from CBD

## BRISBANE AFFORDABLE & LIVEABLE SUBURBS

### RENTAL YIELD

	Suburb	House		Suburb	Unit
1	Nudgee	4.0%	4	Wynnum West	5.2%
2	Everton Park	4.0%	5	Herston	5.4%
3	Doolandella	4.3%	6	Parkinson	6.2%

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