



Brisbane
Affordable & Liveable
Property Guide
2nd Half 2019



METHODOLOGY

This report analyses all suburbs in the Greater Brisbane area, within a 20km radius of the Brisbane CBD. The following criteria were considered:

- **Property trends** – all suburbs have a minimum of 20 transactions for statistical reliability purposes. Based on market conditions, suburbs have either positive, or as close as possible to neutral price growth, between 2018 to 2019*.
- **Investment** – as of June 2019, all suburbs considered will have an on-par or higher rental yield than Brisbane Metro, and an on-par or lower vacancy rate.
- **Affordability** – identified suburbs have a median price below a set threshold. This was determined by adding percentage premiums to the Queensland (QLD) average home loan, which was \$355,640** as of the June quarter of 2019. Premiums of 75% for houses and 44% for units were added, which for houses was below the required to reach Brisbane Metro's median price (89% premium), but is above the 24% premium needed to purchase a unit in Brisbane Metro. This places house suburbs identified in the report below Brisbane's median prices, meaning they are more affordable for buyers.
- **Development criteria** – all suburbs identified within this report have a high total estimated value of future development for the 2nd 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, March Quarter 2019 release).

RECENT TOP PERFORMERS

Area	Suburb	Type	Median Price 2018	Median Price 2019*	Price Growth	Projects 2019***
Inner	Morningside	House	\$730,000	\$797,000	9.2%	\$36.0M
	Fortitude Valley	Unit	\$438,000	\$477,000	9.0%	\$277.3M
North	Griffin	House	\$460,000	\$471,000	2.4%	\$45.8M
	Nundah	Unit	\$395,000	\$405,000	2.5%	\$41.7M
South	Fairfield	House	\$705,000	\$770,000	9.2%	\$1.8M
	Richlands	Unit	\$385,000	\$389,000	1.0%	\$82.0M
East	Seven Hills	House	\$805,000	\$910,000	13.0%	\$55.0M
	Tingalpa	Unit	\$370,000	\$382,000	3.4%	\$18.0M
West	Indooroopilly	House	\$870,000	\$940,000	8.0%	\$94.4M
	Ashgrove	Unit	\$471,000	\$510,000	8.3%	\$45.0M

OVERVIEW

Between 2018 and 2019* the number of houses sold in the Brisbane City Local Government Area (LGA) softened by -35.7%. During this time, median house prices slightly softened by -1.5%, to \$670,000. Brisbane's unit market also saw an annual median price softening of -3.7%, with a median price of \$440,000 in 2019*. These indicators confirm higher property price affordability. Alongside this, in the 12 months to Q2 2019, median rental prices for both houses and units increased by 1.3% and 2.7% respectively, which is indicative of a healthier rental demand in Brisbane. This is supported by the low trending vacancy rate of 2.5% in June 2019. A total of \$8.4B in project development is in the pipeline and/or under construction in the 2nd half of 2019, which will increase economic activity and employment opportunities and create a positive spill-over effect in the property market for the rest of 2019 and early 2020.

KEY MARKET INDICATORS BRISBANE METRO

Indicator	Market Variation [^]
House Sales	↓
House Median Price	↓
House Median Rent	↑
Unit Sales	↓
Unit Median Price	↓
Unit Median Rent	↑

KEY COMMENTS

QLD's home loan affordability has slightly improved, with the proportion of income to meet home loan repayments increasing by 0.4% in the 12 months to Q2 2019. However, first home buyer loan activity decreased by -17.8% over the same period, heading towards a recovery as new incentives are being introduced.

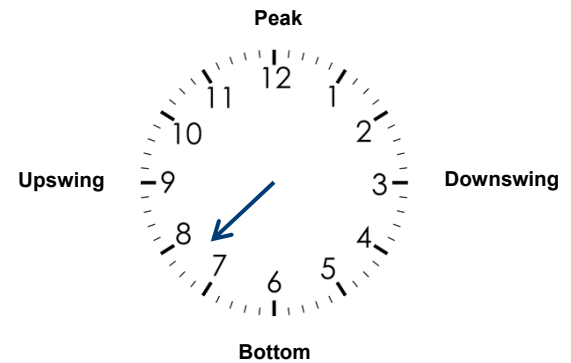
Affordable house suburbs (those with a maximum property sale price of the QLD average state loan, plus 81% premium, as per the *1st Half 2019^u* report), included: Nudgee, Doolandella, Everton Park, Calamvale, Wellington Point and Upper Kedron. In the 2nd half of 2019, 91 suburbs were within this price range, an improvement compared with the 78 suburbs in the *1st Half 2019^u* report.

Interestingly enough, these suburbs still meet liveability criteria. Further, the premium needed to be added to the QLD average state loan in this report is 75%. This is lower than the 81% added in *1st Half 2019^u* report. These suburbs have a median house price below the Brisbane Metro median house price, which is good news for those wanting to enter the market.

That said, three suburbs identified in the *1st Half 2019^u* report had negative growth and a small-scale amount of development. A cooling of the market impacted affordable and liveable suburb choices, as well as an absence of projects which will sustain price growth in the future. There is a need for a more strategic approach to quickly improve liveability conditions in a number of affordable areas.

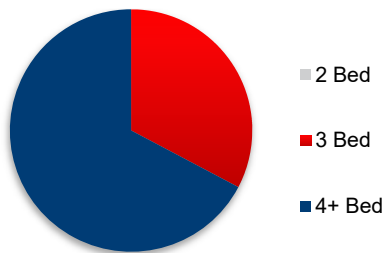


PROPERTY CLOCK – HOUSES



AFFORDABLE & LIVEABLE HOUSE SUBURBS

FERNY GROVE 4055



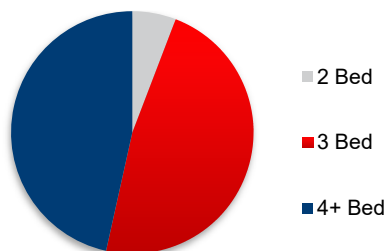
Located in an approximate radius of **15.3km** from the CBD.

Median House Price **\$622,000**

- 2 Bed Median Price **N/A**
- 3 Bed Median Price **\$533,920**
- 4+ Bed Median Price **\$626,000**

The suburb of Ferny Grove, about 15.3km north of Brisbane's CBD, had median price growth of 2.6% between 2018-2019**. Investors are benefiting from solid rental yields of 4.3%, which is above the Brisbane average of 3.8%. Combined with a low vacancy rate of 1.7%, this sets Ferny Grove as an ideal investment suburb. The 2nd half of 2019 will see approximately \$91.8M[^] worth of developments commence in Ferny Grove, with a focus on mixed-use projects. This will create both more commercial opportunities and innovative new housing stock. Now is an ideal time for first home buyers to capitalise on this affordable suburb.

BOONDALL 4034



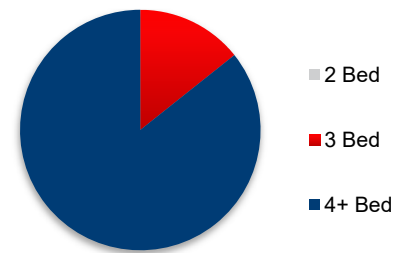
Located in an approximate radius of **18.0km** from the CBD.

Median House Price **\$521,000**

- 2 Bed Median Price **\$440,000**
- 3 Bed Median Price **\$495,000**
- 4+ Bed Median Price **\$553,000**

The popular suburb of Boondall is about 18.0km north of the Brisbane CBD, offering great entry level house prices. It is an affordable and liveable suburb for both investors and first home buyers. Being close to entertainment amenities, a variety of shops, and public transport it ticks all the right boxes. Investors are currently benefiting from great rental yields of 4.2%, and a low trending vacancy rate of 2.2%, which is well below Brisbane Metro's average of 2.5%. An estimated \$17.0M[^] worth of developments are planned for the 2nd half of 2019. These projects will stimulate local jobs and economic growth, having a positive multiplier effect on the property market in the future.

GRIFFIN 4503



Located in an approximate radius of **20.0km** from the CBD.

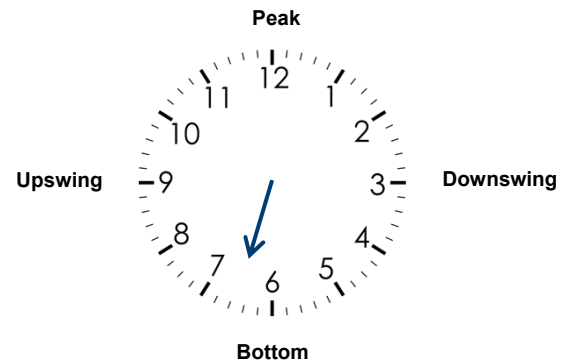
Median House Price **\$471,000**

- 2 Bed Median Price **N/A**
- 3 Bed Median Price **\$440,000**
- 4+ Bed Median Price **\$473,000**

Griffin is about 20.0km north of Brisbane's CBD, with median price growth of 2.4% between 2018-2019**. Griffin also meets liveability criteria as it is close (within 5km) to schools, parks, public transport and a large shopping centre (Westfield North Lakes). Investors are currently benefiting from solid rental yields of 4.4%, which is above the Brisbane average of 3.8%. Combined with a low vacancy rate of 1.9% (lower than Brisbane Metro average of 2.5%), this makes Griffin an ideal investment suburb. The 2nd half of 2019 will see approximately \$45.8M[^] worth of developments, which includes Griffin Mews (\$40.0M), which is delivering 88 new townhouses to the Griffin market.

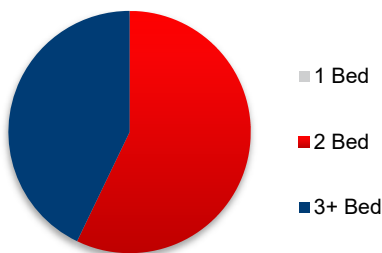


PROPERTY CLOCK – UNITS



AFFORDABLE & LIVEABLE UNIT SUBURBS

EVERTON PARK 4053



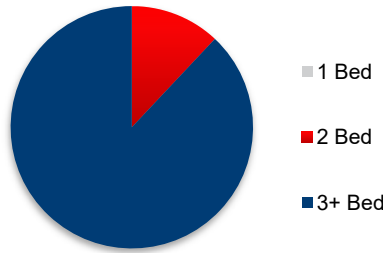
Located in an approximate radius of **10.8km** from the CBD.

Median Unit Price **\$512,000**

- 1 Bed Median Price **N/A**
- 2 Bed Median Price **\$350,000**
- 3+ Bed Median Price **\$480,000**

Everton Park is about 10.8km to the north of the Brisbane CBD. Between 2018–2019** the median unit price in Everton Park grew by 25.8%. A unit rental yield of 5.3% has attracted many investors into the area. Everton Park ticks many liveability criteria as it is close to medical centres, schools, shops, public transport and parks. There is \$38.0M[^] worth of projects set to commence in the 2nd half of 2019, with a focus on commercial projects. Large developments are a key strategy for Everton Park as it increase liveability for current residents, and has the potential to attract more commercial and economic activity into the area.

BRACKEN RIDGE 4017



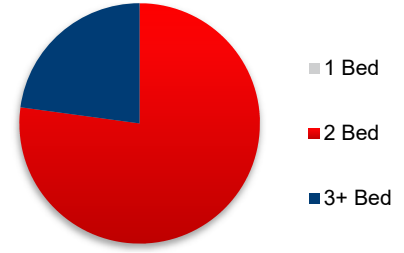
Located in an approximate radius of **20.0km** from the CBD.

Median Unit Price **\$312,000**

- 1 Bed Median Price **N/A**
- 2 Bed Median Price **\$311,000**
- 3+ Bed Median Price **\$312,000**

Positioned to the north of the Brisbane CBD, Bracken Ridge offers buyers affordable entry prices and has shown resilience in median price growth. A unit rental yield of 5.6% has attracted many investors into the area. Liveability factors in Bracken Ridge include close proximity to Bracken Ridge State School and Strathpine Shopping Centre. There is \$8.1M[^] worth of projects scheduled to commence in the 2nd half of 2019, with residential projects the main focus, delivering 21 lots and 35 units to the Bracken Ridge market. First home buyers and investors are encouraged to act quickly to make the most of this growing liveable suburb while it is still affordable.

SPRINGWOOD 4127



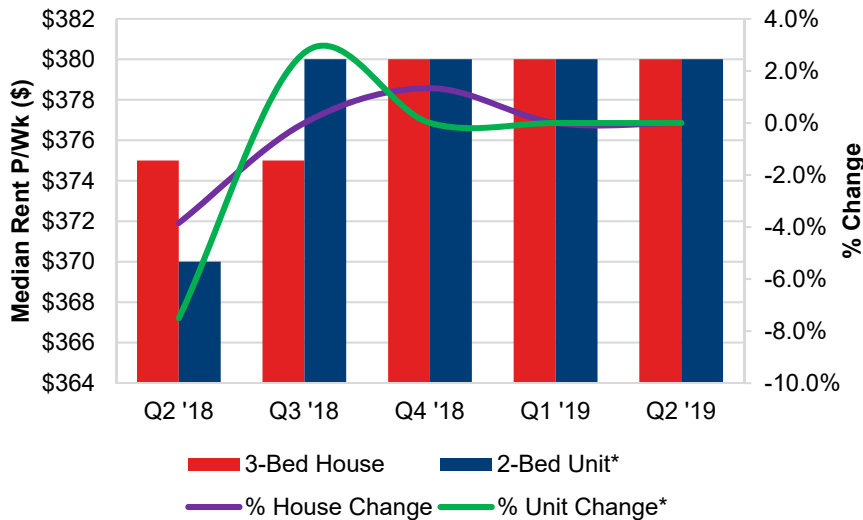
Located in an approximate radius of **20.0km** from the CBD.

Median Unit Price **\$276,000**

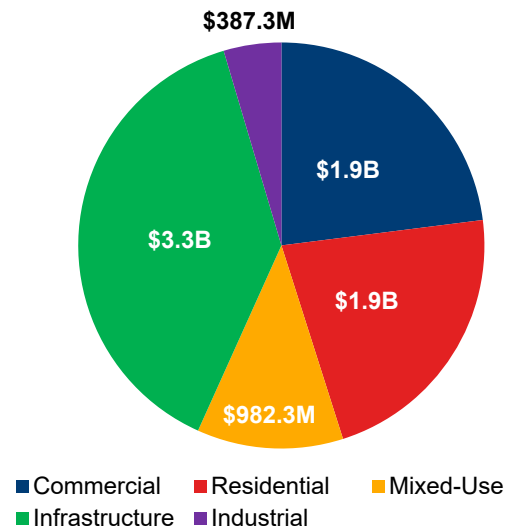
- 1 Bed Median Price **N/A**
- 2 Bed Median Price **\$251,000**
- 3+ Bed Median Price **\$284,000**

Springwood is positioned south of Brisbane's CBD. Between 2018–2019** Springwood recorded steady median unit price growth of 1.7%, which is significantly above Brisbane's median unit price softening of -3.7%. Investors currently benefit from solid rental yields of 6.3%, along with a low vacancy rate of 2.4%. It is in close to Springwood shopping mall, Springwood State School, ample public transport, and the M1 highway, which connects Brisbane and the Gold Coast. The 2nd half of 2019 will deliver about \$49.1M[^] worth of developments including the Monarc Everton Park Development (a major mixed-use project of \$15.0M), a medical centre and child-care centre.

RENTAL MARKET ANALYSIS



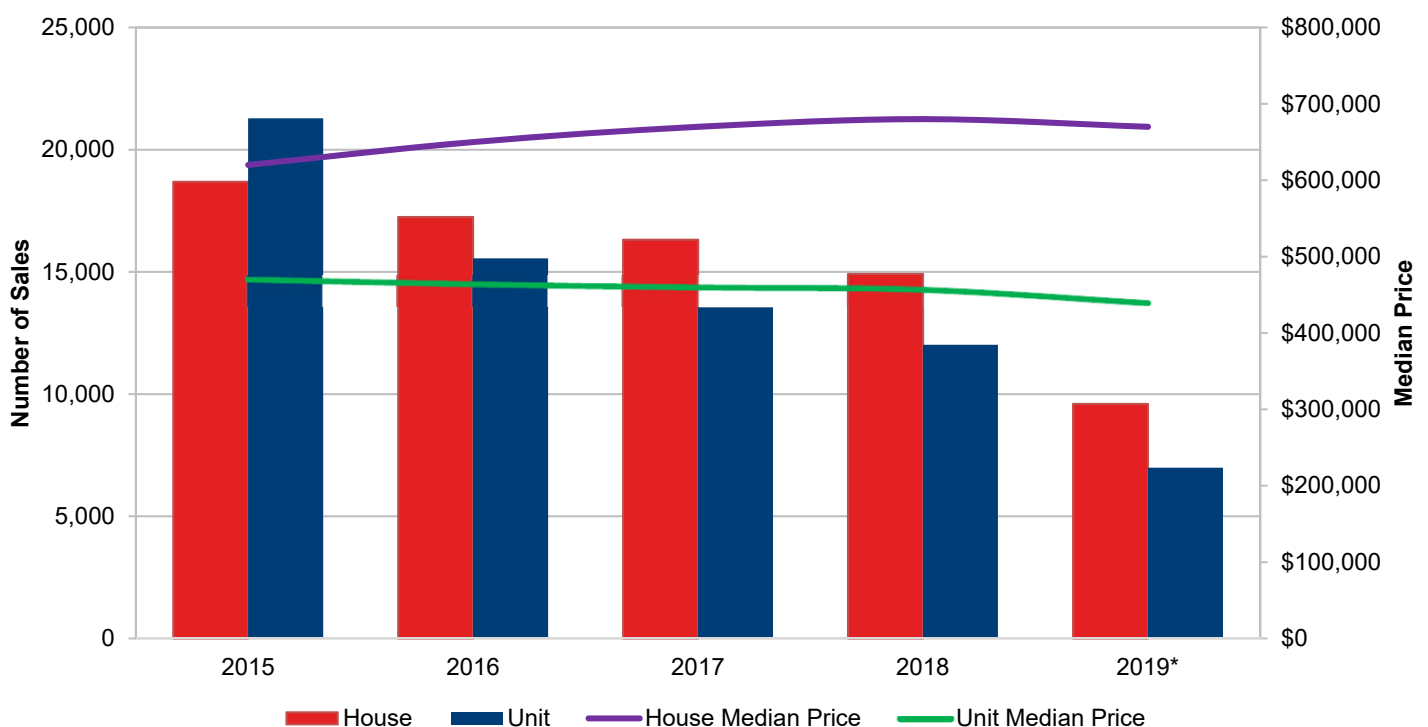
2nd HALF 2019 PROJECTS**



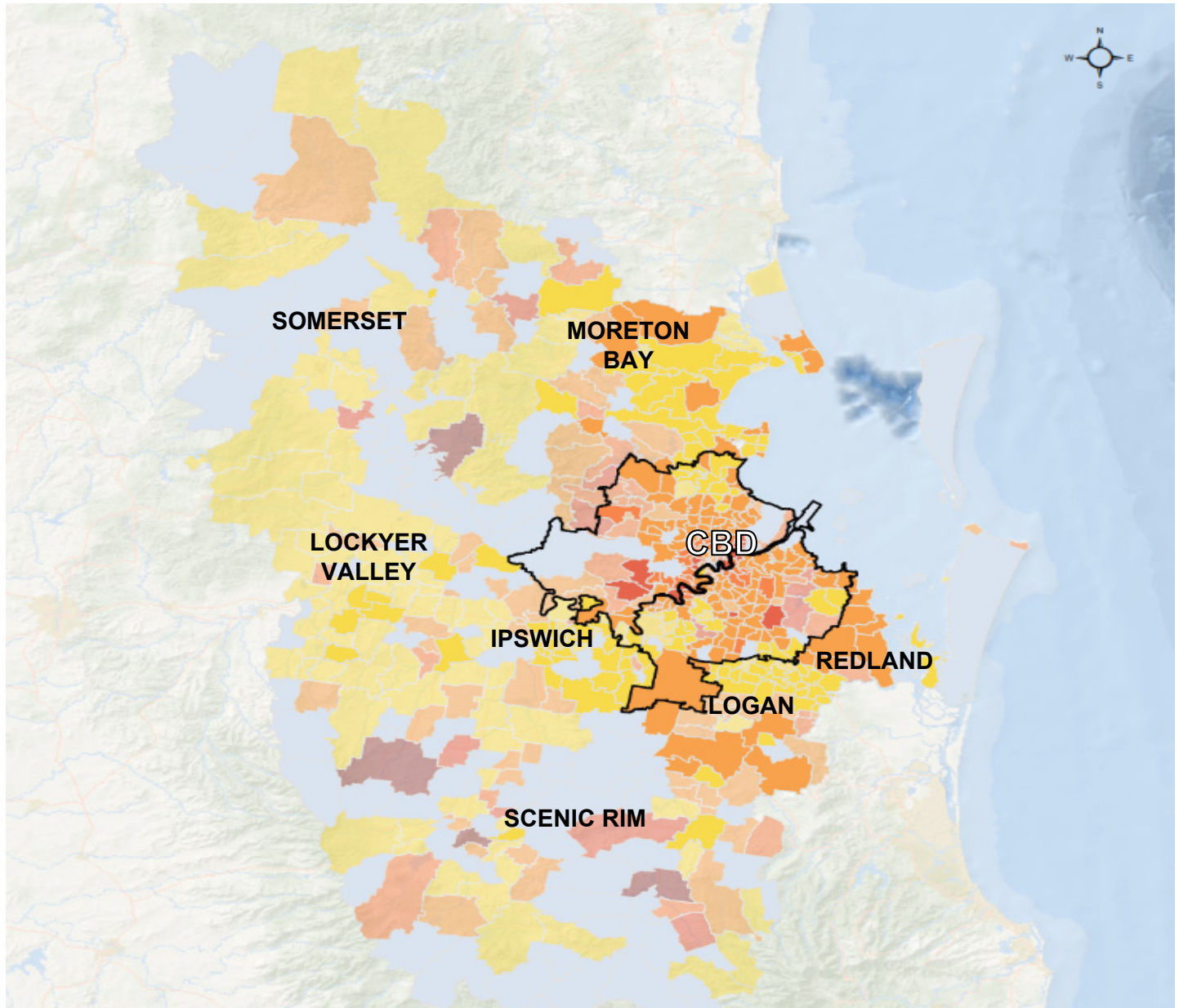
Over the 12 months to Q2 2019, median rental prices have increased by +1.3% for houses and +2.7% for units. This suggests a growing rental market on the back of a softer sales market. Vacancy rates continue to decrease due to affordability and employment opportunities, which suggests that investors can be more confident of their properties being rented/occupied. The average vacancy rate was 2.5% in June 2019, which is well below the Real Estate Institute of Australia's healthy benchmark of 3.0%. This further indicates Brisbane is heading towards a healthier rental market, as property stock is being absorbed. Brisbane Metro's rental yields were 3.8% (houses) and 5.3% (units), which is well above Sydney Metro (houses 2.9% and units 3.8%) and Melbourne Metro (houses 3.0% and units 3.8%).

Over the 2nd half of 2019, Brisbane is set to invest an estimated \$8.4B on project development, with infrastructure being the major focus with spending of \$3.4B (38.7%). This is followed by commercial projects (\$1.9B, 23.0%) and residential projects (\$1.9B, 22.1%). The Herston Quarter Health Precinct (\$1.1B) and Queens Wharf Redevelopment (\$1.5B) are set to be the main drivers of economic growth in Brisbane, as these projects create large employment opportunities both during and after their construction. A key residential project is the River Reach Apartments (\$120.0M), which will create a total of 576 units.

BRISBANE CITY COUNCIL SALES AND MEDIAN PRICE GROWTH



GREATER BRISBANE MEDIAN HOUSE PRICES 2019**



LEGEND

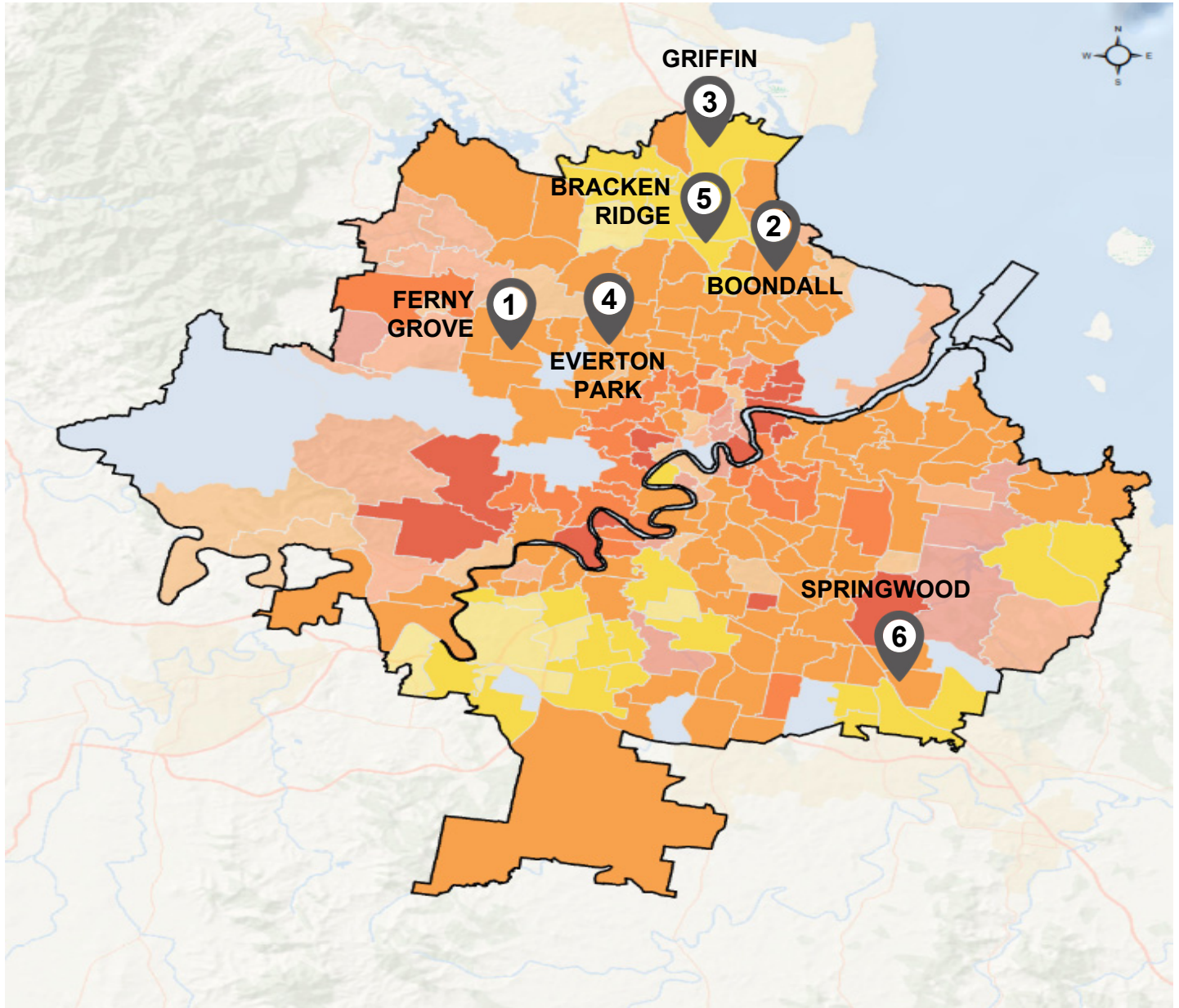
	Data not available
	\$0 - \$500,000
	\$500,000 - \$800,000
	\$800,000 - \$1,000,000
	\$1,000,000 - \$2,000,000
	\$2,000,000+
	20km from CBD

Translucent colours for <20 sales

Top 3 Lowest Priced Suburbs**	Median Price 2019**	Project Development***	Median Rent 2019**	Rental Yield
Ellen Grove	\$280,000	\$1.8M	\$310	4.7%
Logan Central	\$280,000	\$40.1M	\$320	5.3%
Goodna	\$288,000	\$10.0M	\$330	4.7%
Top 3 Highest Priced Suburbs**	Median Price 2019**	Project Development***	Median Rent 2019**	Rental Yield
Teneriffe	\$1,900,000	\$15.2M	\$900	3.1%
New Farm	\$1,640,000	\$50.2M	\$750	3.1%
Bulimba	\$1,338,000	\$14.9M	\$750	3.2%

BRISBANE MEDIAN HOUSE PRICES 2019**

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
	Translucent colours for <20 sales

BRISBANE AFFORDABLE & LIVEABLE SUBURBS

RENTAL YIELD

House			Unit		
	Suburb	House		Suburb	Unit
1	Ferny Grove	4.3%	4	Everton Park	5.3%
2	Boondall	4.2%	5	Bracken Ridge	5.6%
3	Griffin	4.4%	6	Springwood	6.3%

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