



> Affordable & Liveable Property Guide

Brisbane Metro 2nd Half 2021

OVERVIEW

Median property prices in Brisbane Metro increased by 22.3% for houses to \$825,000 from Q3 2020 to Q3 2021*, and by 3.6% for units at \$465,000. Between Q3 2020 – Q3 2021 total house sales declined by -11.7% (to 4,902 sales), but unit sales increased by 121.9% (to 4,043 sales). Undersupply is evident in Brisbane Metro's house market, as price growth is alongside lower transaction volumes, suggesting an imbalance between available stock and high demand. Units show real returns in capital investment, as price growth was sustained by increased sales. \$4.8B of projects are planned across the 2nd half of 2021, where mixed-use and residential projects will assist with housing supply. Infrastructure and commercial projects suggest new businesses and improved services. The Olympics 2032 announcement brought a certain buzz into Brisbane's property market, and with imminent border openings soon, this trend is expected to continue in 2022.

RECENT TOP PERFORMERS

| Area | Suburb | Type | Median Price 2020 | Median Price 2021* | Price Growth | Projects 2021*** |
|-------|----------------|-------|-------------------|--------------------|--------------|------------------|
| Inner | Kangaroo Point | House | \$1,084,000 | \$1,937,000 | 78.7% | \$386.9M |
| | Kangaroo Point | Unit | \$520,000 | \$900,000 | 73.4% | \$386.9M |
| North | Carseldine | House | \$648,000 | \$760,000 | 17.1% | \$67.5M |
| | Nundah | Unit | \$390,000 | \$418,000 | 7.2% | \$31.6M |
| South | Carindale | House | \$919,000 | \$1,150,000 | 25.1% | \$80.7M |
| | Rochedale | Unit | \$587,000 | \$635,000 | 8.2% | \$171.0M |
| East | Lota | House | \$690,000 | \$782,000 | 13.3% | \$30.3M |
| | Murarie | Unit | \$575,000 | \$605,000 | 5.2% | \$56.0M |
| West | Indooroopilly | House | \$972,000 | \$1,344,000 | 38.2% | \$203.4M |
| | Redbank | Unit | \$210,000 | \$263,000 | 25.2% | \$87.8M |

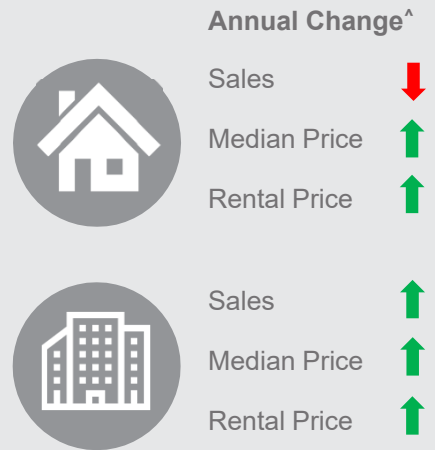
METHODOLOGY

This affordable and liveable property guide for Brisbane Metro analyses all suburbs within a 20km radius of the Brisbane CBD. The following criteria were considered:

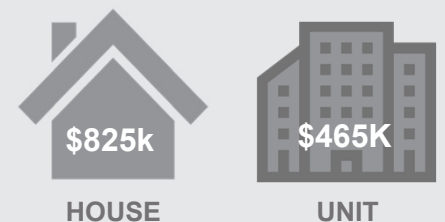
- Property trends criteria** – all suburbs have a minimum of 20 sales transactions for statistical reliability purposes. Based on market conditions suburbs have either positive, or as close as possible to neutral price growth between 2020 to 2021*.
- Investment criteria** – as of September 2021, suburbs considered will have an on-par or higher rental yield than Brisbane Metro, and an on-par or lower vacancy rate.
- Affordability criteria** – identified affordable and liveable 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 \$461,414** as of Q2 2021. Premiums of 56% for houses and -3% for units were added, which were below those required to reach Brisbane Metro's median prices (79% for houses and 1% for units). This places the chosen suburbs below Brisbane's median prices, meaning that the suburbs identified within this report are more affordable for buyers.
- Development criteria** – suburbs identified must have a high total estimated value of future project development for the 2nd half of 2021, as well as a higher proportion of commercial and infrastructure projects. This ensures the suburbs show signs of sustainable economic growth, in turn positively affecting the property market.
- Liveability criteria** – all identified suburbs 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 QLD average (as determined by the Department of Jobs and Small Business, June Quarter 2021 release).

*Median price quoted captures sale transactions from 1st January 2021 to 30th September 2021, or Q1 2020 – Q3 2021. **Average home loan figure is derived from June Quarter 2021 Housing Affordability Report by the Real Estate Institute of Australia (REIA) and Adelaide Bank. ***Project development is based on aggregate of estimated construction value for residential, commercial, industrial, mixed-use and infrastructure projects scheduled to commence in the 2nd half of 2021 as stated by the relevant data authority. ^Annual Change is reflective of median price change from Q3 2020 to Q3 2021. Figures displayed in infographics are for the period Q3 2020. Source: APM Pricerfindr, REIA, SQM Research, Cordell Connect, Department of Jobs and Small Business. © PRD 2021.

BRISBANE METRO



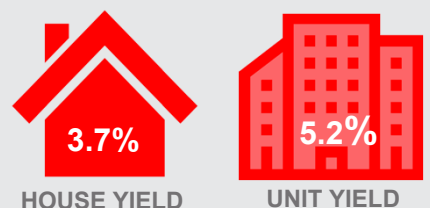
MEDIAN SALE PRICE



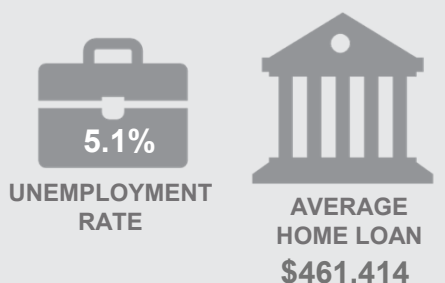
MEDIAN RENTAL PRICE



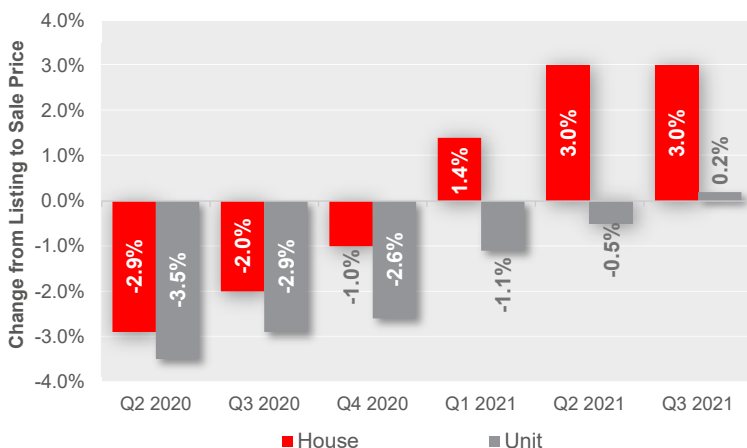
BENCHMARKS BRISBANE METRO



BENCHMARKS QUEENSLAND



AVERAGE VENDOR DISCOUNT

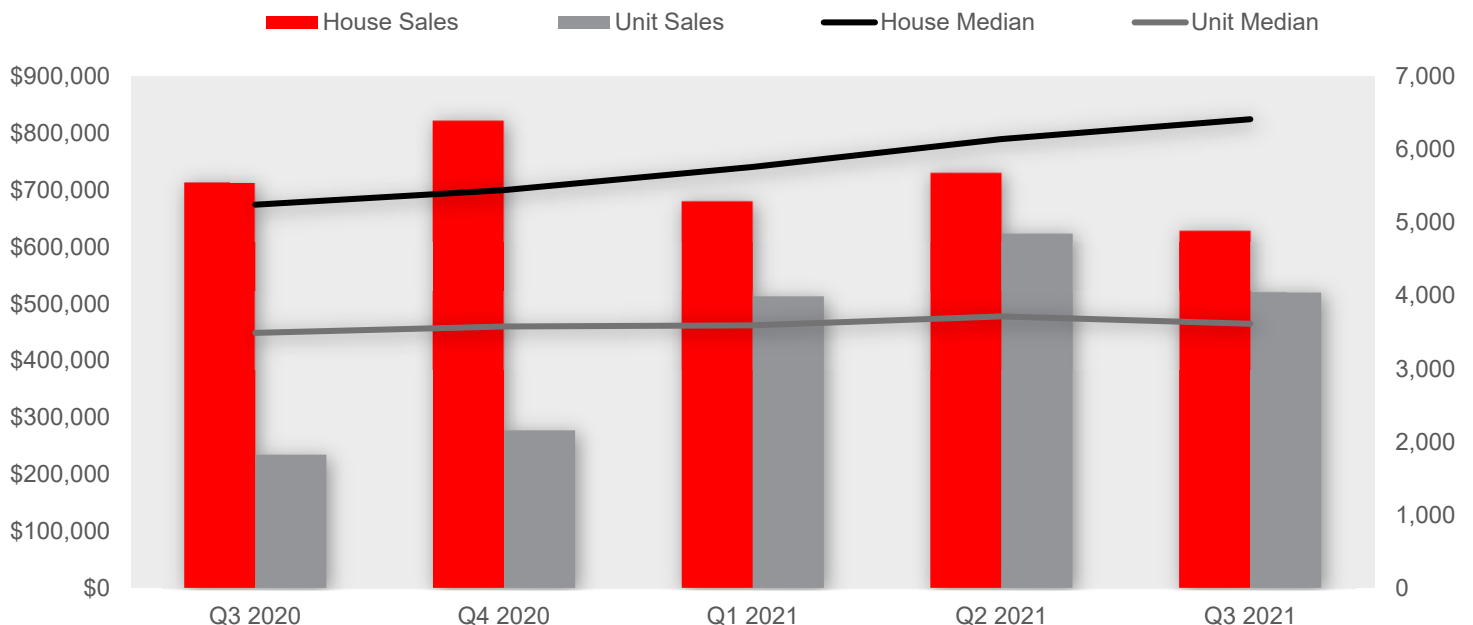


KEY COMMENTS

Average vendor discounts between Q3 2020 and Q3 2021 have swung to a premium for both property types, at 3.0% for houses and 0.2% for units. The Brisbane Metro market conditions have shifted to favour sellers, where buyers must offer above the initial listing price. The average vendor discount for houses have swung to a premium since Q1 2021, for the past 3 quarters. Now is the time to transact, before the premium paid climbs further.

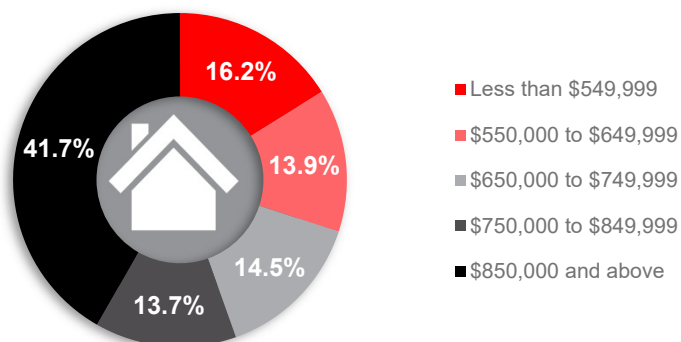
The dominant proportion of homes sold in Brisbane Metro across 2021# were in the premium price bracket of \$850,000 and above (41.7%). Units also recorded a dominant premium price bracket of \$550,000 and above (35.5%). There is a shift towards premium pricing in Brisbane Metro. Affordable options are still available, however have shrunk in the past 12 months.

MARKET PERFORMANCE

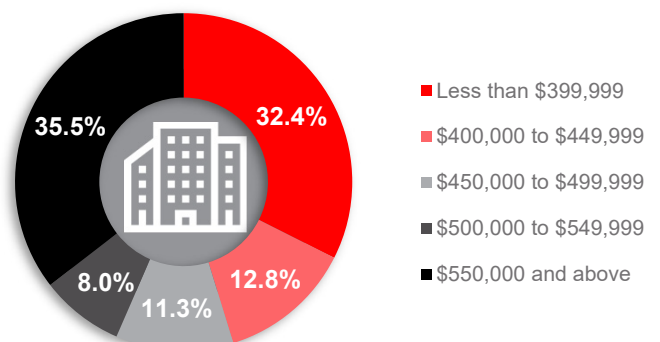


PRICE BREAKDOWN 2021#

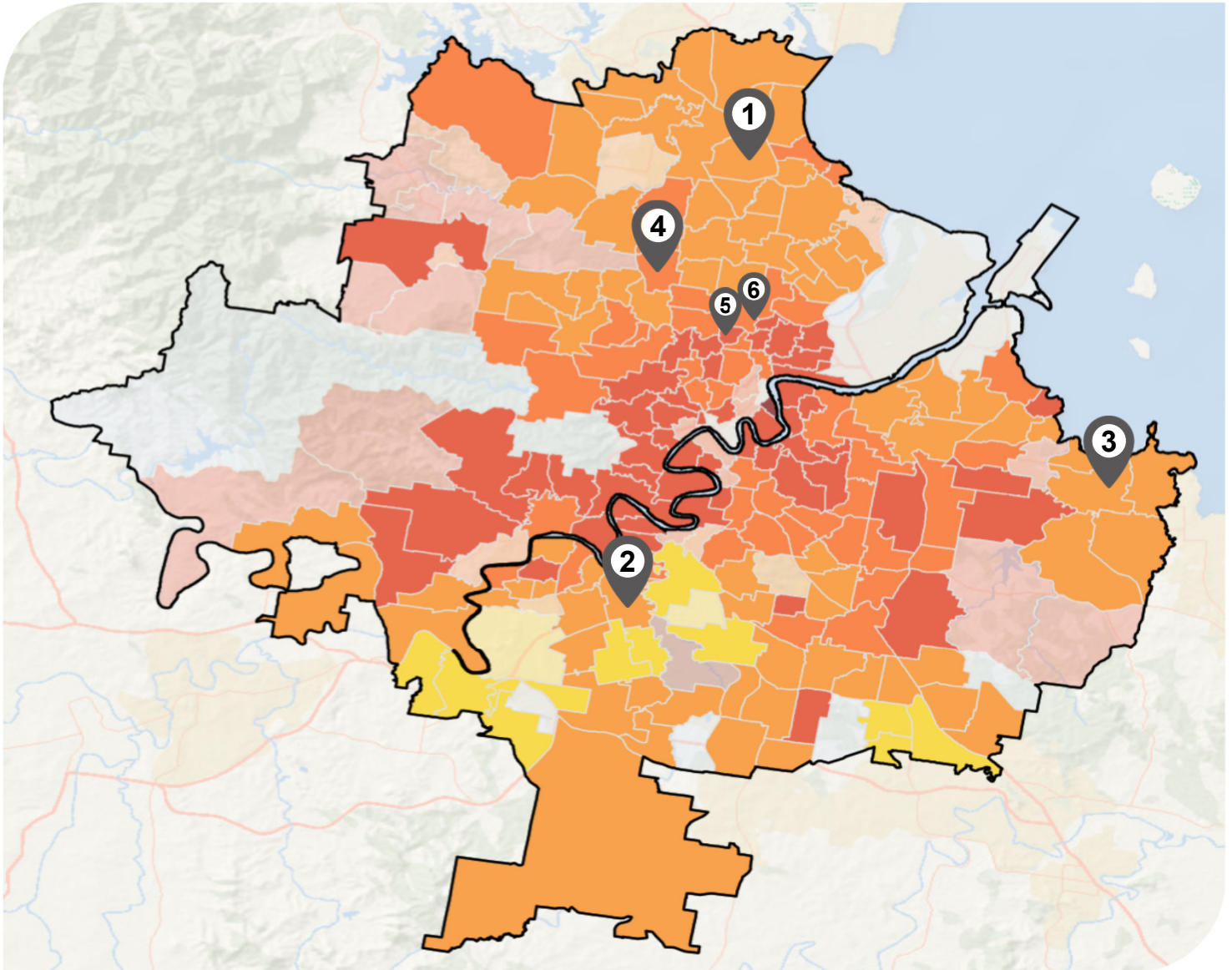
HOUSES SOLD



UNITS SOLD



BRISBANE METRO MEDIAN HOUSE PRICE 2021* 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

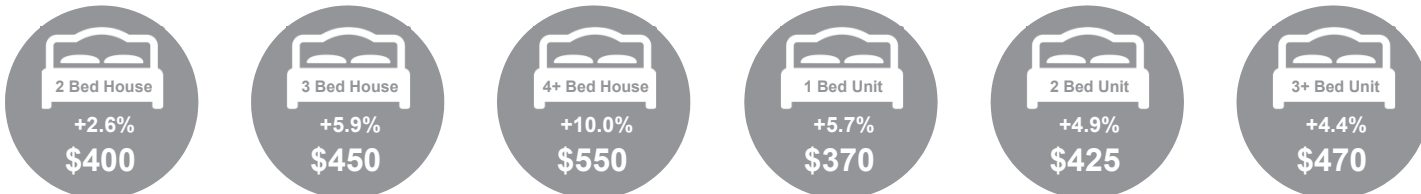
| Suburb | | House | Suburb | | Unit |
|--------|---------------|-------|--------|-------------|------|
| 1 | Bracken Ridge | 3.9% | 4 | McDowall | 5.4% |
| 2 | Oxley | 3.8% | 5 | Gordon Park | 5.6% |
| 3 | Birkdale | 3.8% | 6 | Kedron | 5.6% |

RENTAL GROWTH 2021€

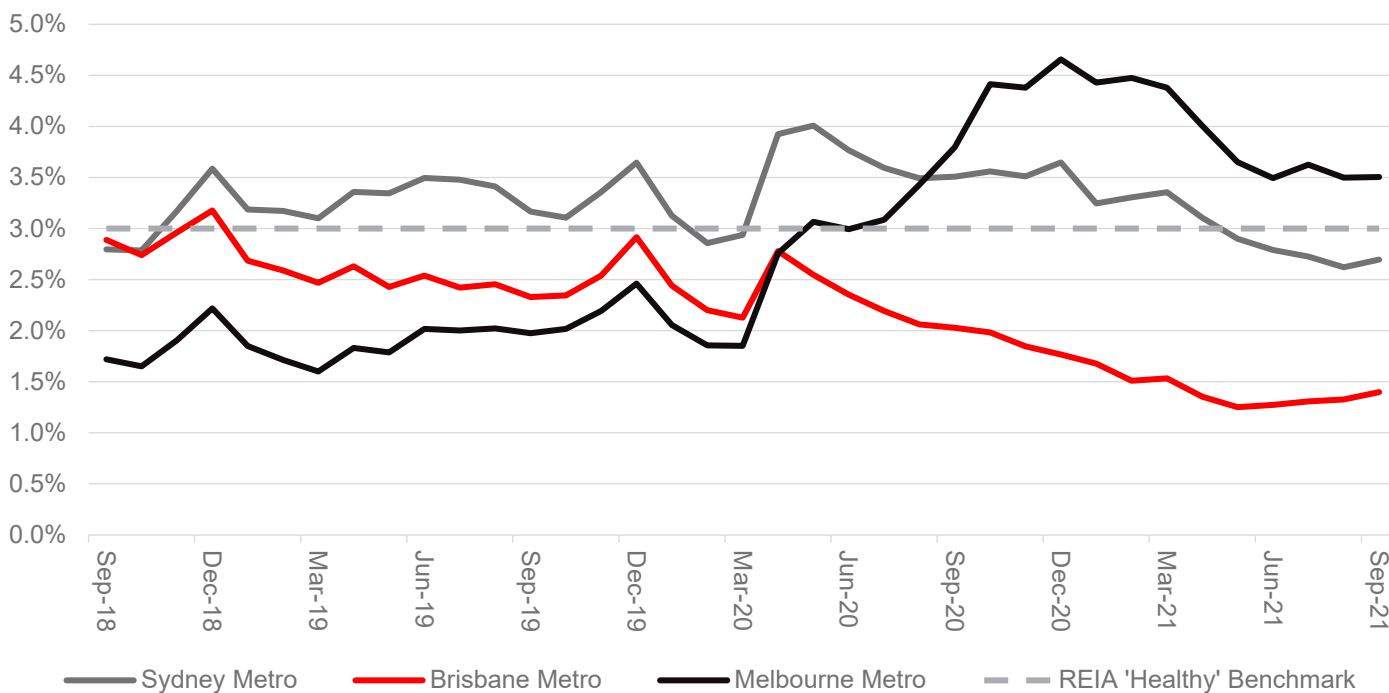
In September 2021, house rental yields in Brisbane Metro were recorded at 3.7%. In the 12 months to Q3 2021, the median house rental price increased by 11.1% to \$500 per week, further complemented with a low average days on the market, of 21 days. The house rental market has continued to show strong growth, proving its gains to reluctant investors.

Four bedroom+ houses recorded the highest annual rental growth (of +10.0%) to reach \$550 per week. There is a direct correlation to the increase in median house rental price, of 11.1%, proving profitability despite an increase in median house sale price. More people are working from home, therefore tenants are seeking extra space for a home office.

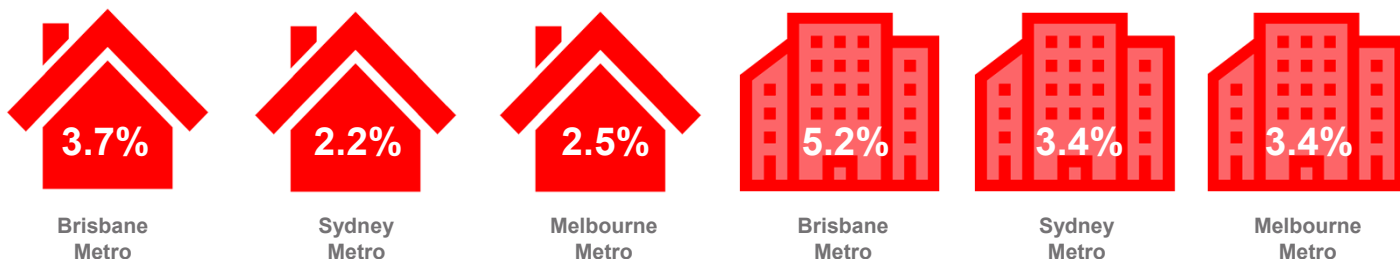
In September 2021, Brisbane Metro recorded a low vacancy rate of 1.4%, well below that of Sydney Metro (2.7%) and Melbourne Metro (3.5%). Vacancy rates in Brisbane Metro remained well below the Real Estate Institute of Australia's healthy benchmark of 3.0%, even throughout COVID-19. Brisbane Metro's vacancy rate continues to show a declining trend since January 2021, showcasing historical low trends in the past 18 months. This should provide greater confidence to investors.



RENTAL VACANCY RATES 2021



RENTAL YIELD 2021\$



€ Annual rental growth is a comparison between Q3 2020 – Q3 2021 (01/01/2020 – 30/09/2021) house median rent figures.

\$ Rental yields shown are as reported at September 2021.

Source: APM Pricefinder, SQM Research. © Copyright PRD 2021.

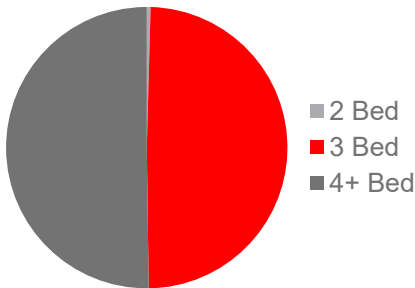


PROPERTY CLOCK - HOUSES



AFFORDABLE & LIVEABLE HOUSE SUBURBS

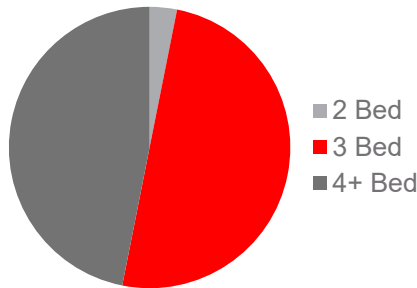
BRACKEN RIDGE 4017



Located about **16.0km** from the Brisbane CBD.

Median House Price **\$624,000**
 • 2 Bed Median Price **\$450,000***
 • 3 Bed Median Price **\$580,000**
 • 4+ Bed Median Price **\$626,000**

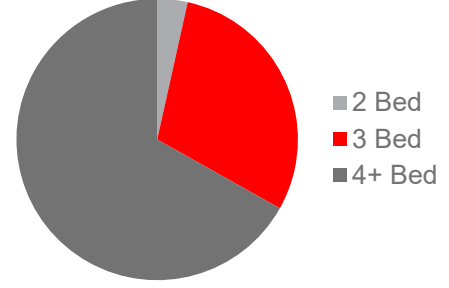
OXLEY 4075



Located about **11.0km** from the Brisbane CBD.

Median House Price **\$695,000**
 • 2 Bed Median Price **\$631,000***
 • 3 Bed Median Price **\$657,000**
 • 4+ Bed Median Price **\$775,000**

BIRKDALE 4159



Located about **18.0km** from the Brisbane CBD.

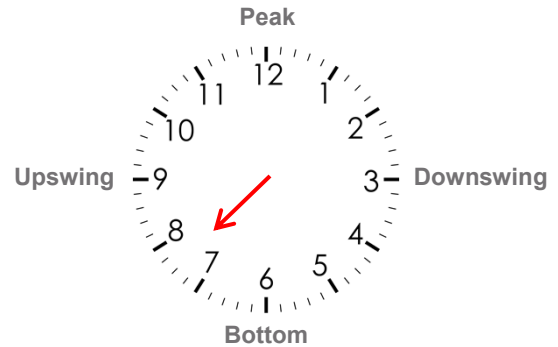
Median House Price **\$720,000**
 • 2 Bed Median Price **\$547,000***
 • 3 Bed Median Price **\$572,000**
 • 4+ Bed Median Price **\$785,000**

| | | | | | |
|----------------------------|--|----------------------------|---|----------------------------|--|
| Annual Median Price Growth | 18.9%** | Annual Median Price Growth | 17.8%** | Annual Median Price Growth | 13.6%** |
| Vacancy Rate (Sep-21) | 0.5% | Vacancy Rate (Sep-21) | 0.9% | Vacancy Rate (Sep-21) | 0.6% |
| Rental Yield (Sep-21) | 3.9%% | Rental Yield (Sep-21) | 3.8% | Rental Yield (Sep-21) | 3.8% |
| Key Amenity (5km) | Chermside Westfield Shopping Centre | Key Amenity (5km) | Indooroopilly Shopping Centre | Key Amenity (5km) | Redland Hospital |
| Total Projects (\$) | \$30.2M^ | Total Projects (\$) | \$6.2M^ | Total Projects (\$) | \$8.5M^ |
| Key Project | Bracken Ridge Units (\$8.7M, 28 Units) | Key Project | Douglas Street Units (\$3.5M, 14 Units) | Key Project | Collingwood Road Development Site (\$4.8m) |
| Unemployment Rate | 3.6% | Unemployment Rate | 4.4% | Unemployment Rate | 4.5% |

^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 quoted as an indication only due to having less than 20 sales transactions. **Median price growth quoted captures sale transactions from 1st January 2021 to 30th September 2021, or Q1 2021 – Q3 2021. Source: APM Pricefinder, SQM Research, Cordell Connect, Department of Small Jobs and Business, Google Maps. © PRD 2021.

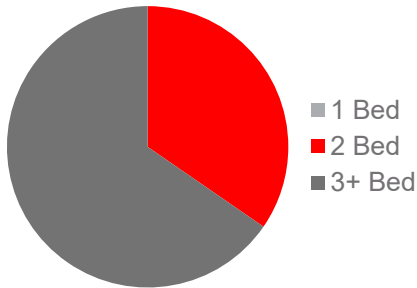


PROPERTY CLOCK - UNITS



AFFORDABLE & LIVEABLE UNIT SUBURBS

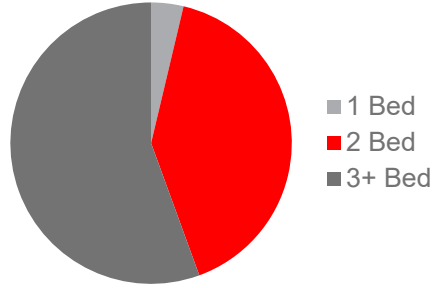
MCDOWALL 4053



Located about **9.5km** from the Brisbane CBD.

| | |
|-----------------------|-------------------|
| Median Unit Price | \$423,000 |
| • 1 Bed Median Price | N/A |
| • 2 Bed Median Price | \$357,000* |
| • 3+ Bed Median Price | \$480,000* |

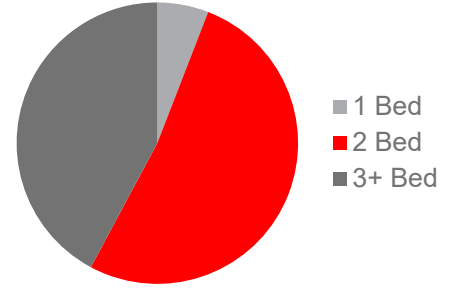
GORDON PARK 4031



Located about **6.0km** from the Brisbane CBD.

| | |
|-----------------------|-------------------|
| Median Unit Price | \$440,000 |
| • 1 Bed Median Price | \$334,000* |
| • 2 Bed Median Price | \$342,000 |
| • 3+ Bed Median Price | \$564,000 |

KEDRON 4031



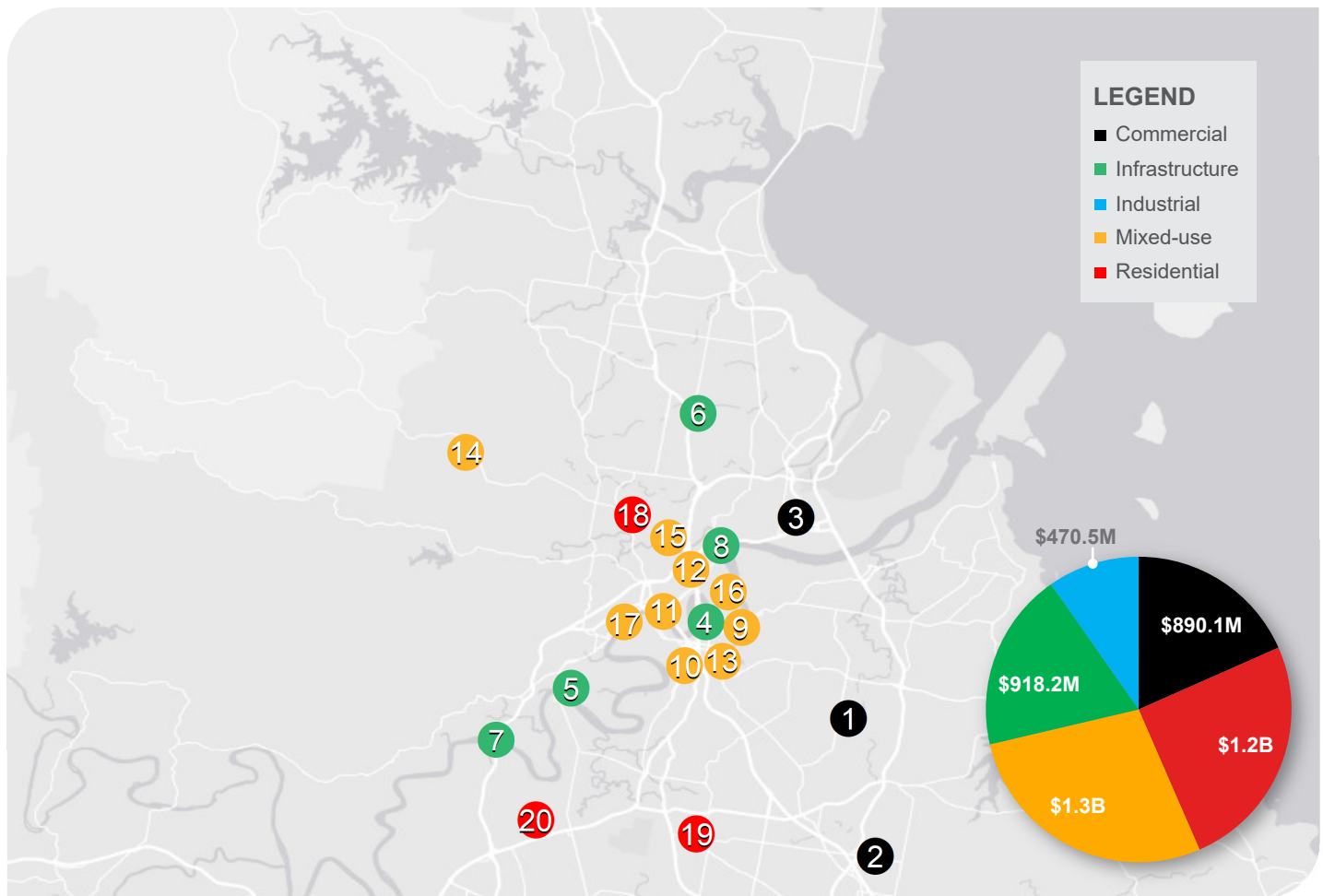
Located about **7.0km** from the Brisbane CBD.

| | |
|-----------------------|-------------------|
| Median Unit Price | \$449,000 |
| • 1 Bed Median Price | \$314,000* |
| • 2 Bed Median Price | \$373,000 |
| • 3+ Bed Median Price | \$595,000 |

| | | | | | |
|----------------------------|---|----------------------------|---|----------------------------|---|
| Annual Median Price Growth | 0.8%** | Annual Median Price Growth | 2.9%** | Annual Median Price Growth | 14.4%** |
| Vacancy Rate (Sep-21) | 0.7% | Vacancy Rate (Sep-21) | 0.8% | Vacancy Rate (Sep-21) | 0.8% |
| Rental Yield (Sep-21) | 5.4% | Rental Yield (Sep-21) | 5.6% | Rental Yield (Sep-21) | 5.6% |
| Key Amenities (5km) | Chermside Westfield Shopping Centre | Key Amenities (5km) | Chermside Westfield Shopping Centre | Key Amenities (5km) | Chermside Westfield Shopping Centre |
| Total Projects (\$) | \$33.9M^ | Total Projects (\$) | \$3.0M^ | Total Projects (\$) | \$11.7M^ |
| Key Project | Mcdowall Residences (\$33.9M, 113 Lots) | Key Project | Pavilions On Burnaby (\$3.0M, 7 Townhouses) | Key Project | Gallagher Terrace Units (\$11.0M, 37 Units) |
| Unemployment Rate | 2.7% | Unemployment Rate | 4.4% | Unemployment Rate | 4.4% |

^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 quoted as an indication only due to having less than 20 sales transactions. **Median price growth quoted captures sale transactions from 1st January 2021 to 30th September 2021, or Q1 2021 – Q3 2021. Source: APM Pricefinder, SQM Research, Cordell Connect, Department of Small Jobs and Business, Google Maps. © PRD 2021.

PROJECT DEVELOPMENT MAP 2ND HALF 2021*



| Location | Project [£] | Type | Estimated Value ^µ | Suburb |
|----------|---|----------------|------------------------------|----------------|
| 1 | Reside Retirement Village Carindale | Commercial | \$50,000,000 | Carindale |
| 2 | Rochedale Town Centre Mixed Development | Commercial | \$70,000,000 | Rochedale |
| 3 | Bernborough Ascot Stages 2-4 | Commercial | \$74,000,000 | Ascot |
| 4 | Kangaroo Point Green Bridge (Kpgb) | Infrastructure | \$190,000,000 | Kangaroo Point |
| 5 | Moggill Road Corridor | Infrastructure | \$180,000,000 | Indooroopilly |
| 6 | Northern Transitway | Infrastructure | \$53,000,000 | Chermside |
| 7 | Centenary Motorway Bridge Works | Infrastructure | \$150,000,000 | Jindalee |
| 8 | Breakfast Creek Green Bridge | Infrastructure | \$67,000,000 | Newstead |
| 9 | Skye Apartments- (68 Units) | Mixed-use | \$60,000,000 | Kangaroo Point |
| 10 | Boggo Road Mixed Use Development- (318 Units) | Mixed-use | \$60,000,000 | Dutton Park |
| 11 | Akin Residences- (190 Units) | Mixed-use | \$70,000,000 | South Brisbane |
| 12 | Lake@waterfront Precinct | Mixed-use | \$200,000,000 | Newstead |
| 13 | Trilogy- (525 Apartments) | Mixed-use | \$100,000,000 | Kangaroo Point |
| 14 | Ferny Grove Station Precinct (Tod) - Ferny Grove Central- (82 Units) | Mixed-use | \$100,000,000 | Ferny Grove |
| 15 | Albion Exchange- (253 Units) | Mixed-use | \$107,300,000 | Albion |
| 16 | Newstead Precinct Mixed Use Development Stages 1-2 - Liv Anura- (395 Units) | Mixed-use | \$118,500,000 | Newstead |
| 17 | Cordelia Street Mixed Use Development- (265 Units) | Mixed-use | \$95,000,000 | South Brisbane |
| 18 | Brickworks Park Residential Development Stages 1-3- (171 Apartments) | Residential | \$66,600,000 | Alderley |
| 19 | Cornerstone Living Residential Development- (171 Apartments, 51 Townhouses) | Residential | \$160,000,000 | Coopers Plains |
| 20 | Arabella Residential Development- (170 Townhouses) | Residential | \$53,000,000 | Darra |

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Our research services span over every suburb, LGA, and state within Australia; captured in a variety of standard and customised products.

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