



Brisbane Hotspots Report 2011

The purpose of this Hotspot report is to identify suburbs of Brisbane that have the potential to perform over the coming year. Suburbs have been chosen based on current pricing levels, infrastructure, property trends, access to amenity and other factors. In addition, our hotspot picks from the past year were analysed to see how they performed.

Performance of 2010 hot spot picks

Our ten hotspots from twelve months ago are shown to the right, together with how they performed over the past year. A total of 57 suburbs in the Brisbane LGA made over 10% growth in the median house price during the year, showing a price correction in the marketplace after the skewed median price in 2009 (mainly due to increased activity in 2009 from first home buyers). Over the 12 month period ending September 2010 the average growth in median price for houses in Brisbane was 5.5%, while units achieved 6.7%. The hotspot picks by PRDnationwide Research for 2010 achieved a higher average growth of 10% for houses and 9.9% for units. The suburbs that experienced median house growth above 10% were fairly dispersed between the inner, middle and outer rings of Brisbane. A total of 35 suburbs within 10 kilometers of the CBD achieved 10% plus median price growth, while 22 suburbs located in the outer ring achieved over 10% growth.

Looking forward in 2011

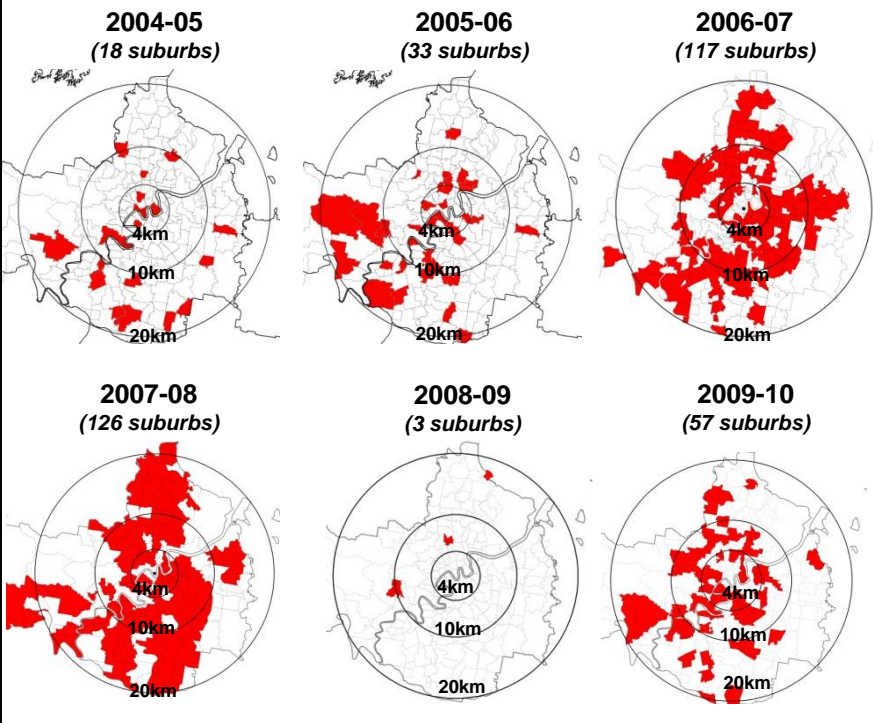
Buyers in the Brisbane property market during 2010 were hard to secure, choosing to negotiate hard in what has become a buyers market. As a result of a decline in demand, the market has shifted from intense high growth in values over the short term, to focusing on longer term gains. If we look to the Sydney house market as an example, it experienced little price growth from 2004 to 2009. In Brisbane, price growth will not be so flat for so long, but the days when suburbs experienced 20% plus growth over the duration of one year will not be seen for several years.

As the focus has shifted to longer term gains, savvy buyers will look for opportunities where prices are still affordable but have potential to grow in value quicker than other Brisbane suburbs. That being said, many key developments target at improving transportation infrastructure around Brisbane are yet to be completed. As these developments are finalised in the coming years, accessibility to many suburbs will open up and in turn suburbs will experience greater levels of demand.

Hotspot picks for 2011

For this year, hotspot suburbs revolve around two key fundamentals. The first is the affordability of the suburb, allowing room to increase in value over the short to medium term. Several picks for the 2011 hotspots, are suburbs that are located in or next to highly desirable areas, at an affordable price. The second fundamental is improving accessibility to and from the suburb. With traffic congestion quickly becoming common among many Brisbane roads, suburbs that have reliable public transport or do not rely upon the main choked up, arterial roads are desirable. For this reason, several picks for 2011 are located in the middle north of Brisbane, where much of the development in transportation infrastructure has taken place. The Northern Link and Busway are expected to be open in mid-2012 and shall have a positive impact in the northern region of the city. Those suburbs lying closer to the city will experience greater demand for property firstly, then shall be rippled out to the outer lying suburbs. Investors would be wise to enter into the middle north Brisbane market before developments are completed.

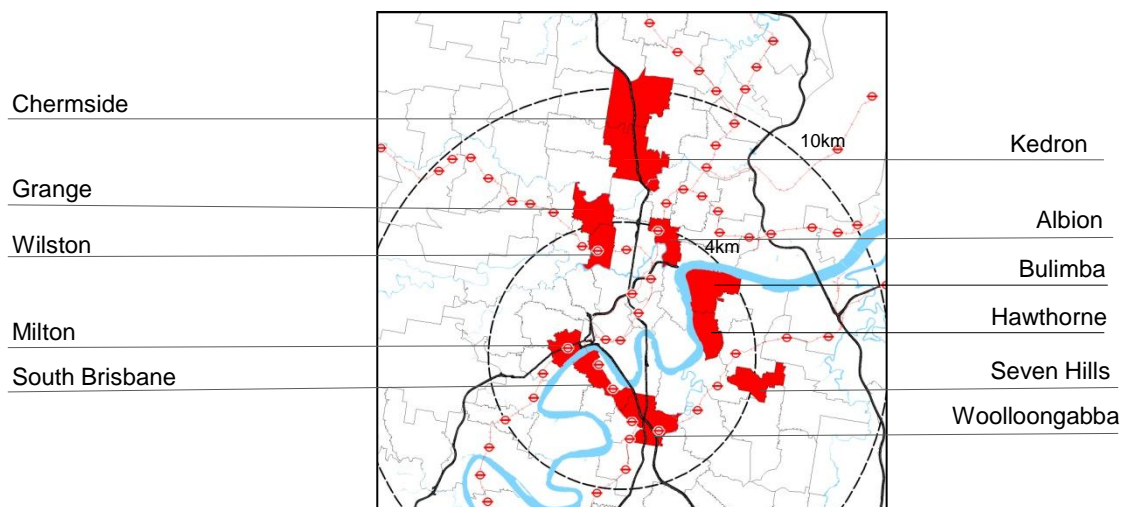
Suburbs of Brisbane Local Government Area recording at least ten percent growth in median house price by financial year



Hotspot Results 2010

Suburb	Property Type	2009	2010	Change
Annerley	House	\$520,000	\$595,000	14.4%
Bracken Ridge	House	\$414,500	\$429,000	3.5%
Cannon Hill	House	\$495,250	\$567,500	14.6%
Chermside	House	\$440,000	\$460,000	4.5%
Hemmant	House	\$425,000	\$430,000	1.2%
Indooroopilly	House	\$590,000	\$690,000	16.9%
Red Hill	House	\$683,750	\$685,000	0.2%
Woolloongabba	House	\$537,500	\$669,000	24.5%
Annerley	Unit	\$392,000	\$368,000	-6.1%
Chermside	Unit	\$415,000	\$430,000	3.6%
Fortitude Valley	Unit	\$386,000	\$395,000	2.3%
Indooroopilly	Unit	\$428,000	\$438,000	2.3%
Red Hill	Unit	\$317,500	\$480,000	51.2%
South Brisbane	Unit	\$400,000	\$440,000	10.0%
Woolloongabba	Unit	\$396,000	\$420,000	6.1%

<p>Albion (Houses & Units) Approx distance from CBD 4.5km Median house price: \$614,300 Median unit price: \$407,500</p>	<p>Albion is primarily located next to the highly affluent suburb of Ascot. It is only four and a half kilometers out of the CBD and has its own rail station. It will be one of several middle north suburbs that will receive greater levels of demand for property, once the Northern Link Tunnel and Busway has been completed. Currently, both median prices for houses and units are at affordable levels. Expect Albion to receive growth in property value that will follow the trend of Ascot, Clayfield and Woolloowin.</p>
<p>Bulimba (Units) Approx distance from CBD 3.8km Median unit price: \$475,000</p>	<p>Bulimba, located next to the Brisbane River, is one of the most prestigious markets in Brisbane with its chic cafes on Oxford Street and city views. For some time the house market has been out of reach for many potential buyers. Compared to the median house price of \$910,000, units offer an affordable option to enter the Bulimba market, with a median unit price at \$475,000. A good opportunity to enter one of Brisbane's blue chip markets.</p>
<p>Chermside (Houses) Approx distance from CBD 10km Median house price: \$460,000</p>	<p>Chermside is an affordable, middle ring suburb and has one of the largest centres of amenity in Brisbane, providing a high level of quality of life for its residents. The suburb will benefit from the opening of the Airport Link and the Northern Busway in 2012, which will provide easier access to the Brisbane CBD and Airport. It has been earmarked for future densification as an employment hub to Brisbane resulting in house prices likely to climb northwards as land becomes at a premium. The median house price during the September 2010 period was \$460,000, but expect this to rise over the next year.</p>
<p>Grange (Houses) Approx distance from CBD 5km Median house price: \$620,000</p>	<p>This hilly, middle ring suburb offers a small café precinct and is in short distance to the Newmarket and Stafford shopping centers. It is well serviced by four neighboring railway stations and is only a six kilometer drive into the CBD. This suburb is ideal for professionals working in the CBD, yet wanting their own space for families. Grange certainly has the potential to increase its house prices during the next couple of years.</p>
<p>Hawthorne (Units) Approx distance from CBD 3.5km Median unit price: \$377,500</p>	<p>Located next to Bulimba and in close proximity to the Brisbane CBD, Hawthorne has become a highly desirable suburb for home owners and investors. The median house price was edging closer towards blue chip at \$820,000, but like Bulimba, the unit market offers an affordable alternative. With a median price at \$377,500, this suburb is sure to be a hit with low maintenance lifestyle residents such as Gen Y and provides plenty of room for capital growth.</p>
<p>Kedron (Houses) Approx distance from CBD 6.8km Median house price: \$540,000</p>	<p>Another middle north suburb, Kedron is arguably one of the best suburbs set to receive the benefits from when the Northern Link and Busway is completed. The suburb is only a short drive away from the Chermside and Stafford shopping centres, with the Kedron Brook reserve and parks proving great recreational use. The liveability and affordability of this suburb is excellent for families.</p>
<p>Milton (Units) Approx distance from CBD 2km Median unit price: \$380,000</p>	<p>Located just outside the CBD and home to Suncorp Stadium, Milton offers plenty to its residents. It is central to one of Brisbane's strongest cafe and restaurant districts with Park Road, Rosalie and Paddington all nearby. Accessibility is made easy with several bus routes and a rail station. Although some areas of the suburb were hit strongly by the recent floods, much of the suburb was left unscathed. With an affordable median price of \$380,000, investors and first home buyers should look closely at the opportunities that Milton has to offer.</p>
<p>Seven Hills (Houses) Approx distance from CBD 5km Median house price: \$585,000</p>	<p>Seven Hills is a hilly, small suburb, that is poised to see price growth similar to the neighbouring suburbs of Camp Hill and Norman Park, which each have median house prices in the mid \$600,000s. Residents travelling to the CBD can take a train from either the Norman Park or Morningside stations. General amenity is plentiful with the Morningside shops, Cannon Hill Central and Westfield Carindale all short distances away.</p>
<p>South Brisbane (Units) Approx distance from CBD 1km Median unit price: \$440,000</p>	<p>South Brisbane is at a premium location, with direct city views. This suburb has strong levels of existing amenity and infrastructure. It appeals to both investors and home owners with its proximity to Griffith, QUT and the Brisbane CBD. South Brisbane is facilitated by the CityCat, a busway, railway line, and pedestrian bridge, offering a range of transportation modes. The cultural centre of South Bank provides a variety of restaurants catering to all needs, movie theatre and cultural arts centre. There is a full range of apartments that currently exist, with outlooks from river views to views of Mt Coota. Although affected by the recent floods, the area maintains the potential to grow and develop due to the range and diversity of lifestyles within the precinct.</p>
<p>Wilston (Units) Approx distance from CBD 3.5km Median unit price: \$375,000</p>	<p>Wilston offers a rare commodity of an inner-ring suburb with a median unit price below \$400,000. The suburb has a solid level of amenity being next to the Newmarket shopping centre and Homezone on Newmarket Road. Several parks lie to the south of the suburb along the Enoggera Creek, providing residents with several recreational options. Wilston is another northern suburb set to receive the benefits of having accessibility to the region improved with the new tunnel and Busway. The median price is expected to increase above \$400,000 during the next year.</p>
<p>Woolloongabba (Units) Approx distance from CBD 3km Median unit price: \$420,000</p>	<p>Woolloongabba, home to the Brisbane Cricket Ground is also known as "The Gabba". This suburb has been under the spotlight of the Urban Renewal Task Force, the same Council-led team responsible for the rejuvenation of some of Brisbane's most popular inner city locations including New Farm/Tenerife, Fortitude Valley and Bulimba. The taskforce is determined to transform the industrial and tired looking suburb into a thriving and diverse community. The aim is to transform Woolloongabba into a more liveable environment, looking to upgrade streetscapes and provide public and pedestrian space along major precincts such as Ipswich Road Stanley Street and the core of Woolloongabba. Considering the success of other Urban Renewal precincts in Brisbane, Woolloongabba is surely set to experience confident growth in the years to come.</p>



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