



# Affordable & Liveable Property Guide <

Brisbane Metro 1st Half 2021

## 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 2019 to 2020/21\*.
- **Investment criteria** – as of March 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 \$438,131\*\* as of Q4 2020. Premiums of 49% for houses and -4% for units were added, which were below those required to reach Brisbane Metro's median prices (65% for houses and 4% 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 1st 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, December Quarter 2020 release).

## RECENT TOP PERFORMERS

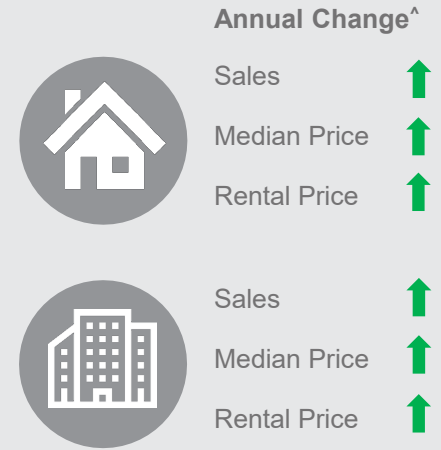
Area	Suburb	Type	Median Price 2019	Median Price 2020/21*	Price Growth	Projects 2021***
Inner	Teneriffe	House	\$1,900,000	\$2,000,000	5.3%	\$50.0M
	New Farm	Unit	\$587,000	\$680,000	15.8%	\$30.3M
North	Herston	House	\$792,000	\$877,000	10.7%	\$28.5M
	Enoggera	Unit	\$387,500	\$452,000	16.6%	\$7.3M
South	Annerley	House	\$732,500	\$812,000	10.9%	\$10.5M
	Upper Mount Gravatt	Unit	\$413,500	\$440,000	6.4%	\$24.0M
East	Camp Hill	House	\$885,000	\$940,000	6.2%	\$35.4M
	Wynnum	Unit	\$430,000	\$472,000	9.8%	\$53.9M
West	Indooroopilly	House	\$940,000	\$1,010,000	7.4%	\$74.0M
	Sinnamon Park	Unit	\$431,000	\$462,000	7.1%	\$1.9M

## OVERVIEW

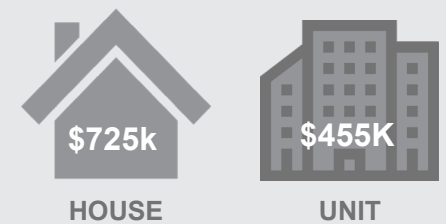
Median property prices in Brisbane Metro increased by 11.5% for houses, to \$725,000 from Q1 2020 to Q1 2021\*, and by 0.2% for units at \$455,000. Across the same period, total sales in Brisbane Metro increased, by 1.9% (to 4,555 sales) for houses, and by 7.6% (to 1,802 sales) for units. Brisbane Metro's median price activity has been driven by interstate migration to the city, creating more demand, alongside record low interest rates. Brisbane Metro's median price growth occurred amidst increased sales activity, giving confidence in the local market's real returns in capital investment. This is further confirmed by a decline in average days on the market, by -23.6% (to 42 days). \$4.3B of development is approximated across the 1st half of 2021. A key focus on infrastructure projects will help improve liveability and create jobs in the construction phase, whilst commercial and mixed-use projects are also positive long term growth drivers.

\*Median price quoted captures sale transactions from 1st January 2020 to 31st March 2021, or Q1 2020 – Q1 2021. \*\*Average home loan figure is derived from December Quarter 2020 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 1st half of 2021 as stated by the relevant data authority. ^Annual Change is reflective of median price change from Q1 2020 to Q1 2021. Figures displayed in infographics are for the period Q1 2020. Source: APM Pricerfinder, REIA, SQM Research, Cordell Connect, Department of Jobs and Small Business. © PRD 2021.

## BRISBANE METRO



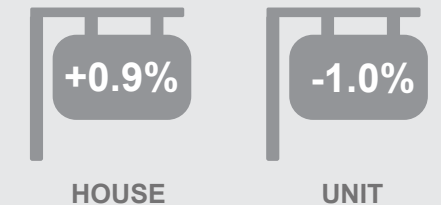
## MEDIAN SALE PRICE



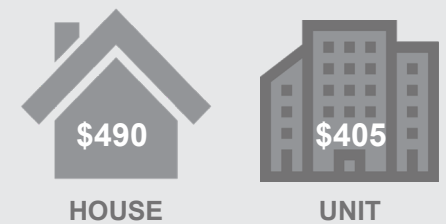
## AVERAGE DAYS TO SELL



## AVERAGE VENDOR DISC.



## MEDIAN RENTAL PRICE

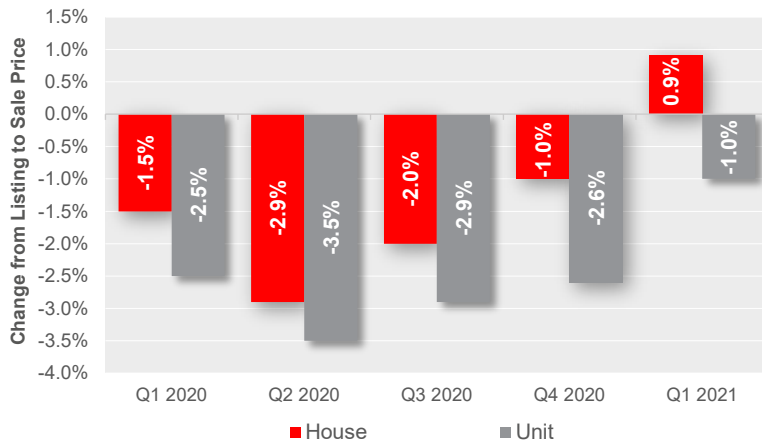


## AVERAGE DAYS TO LET



## AVERAGE VENDOR DISCOUNT

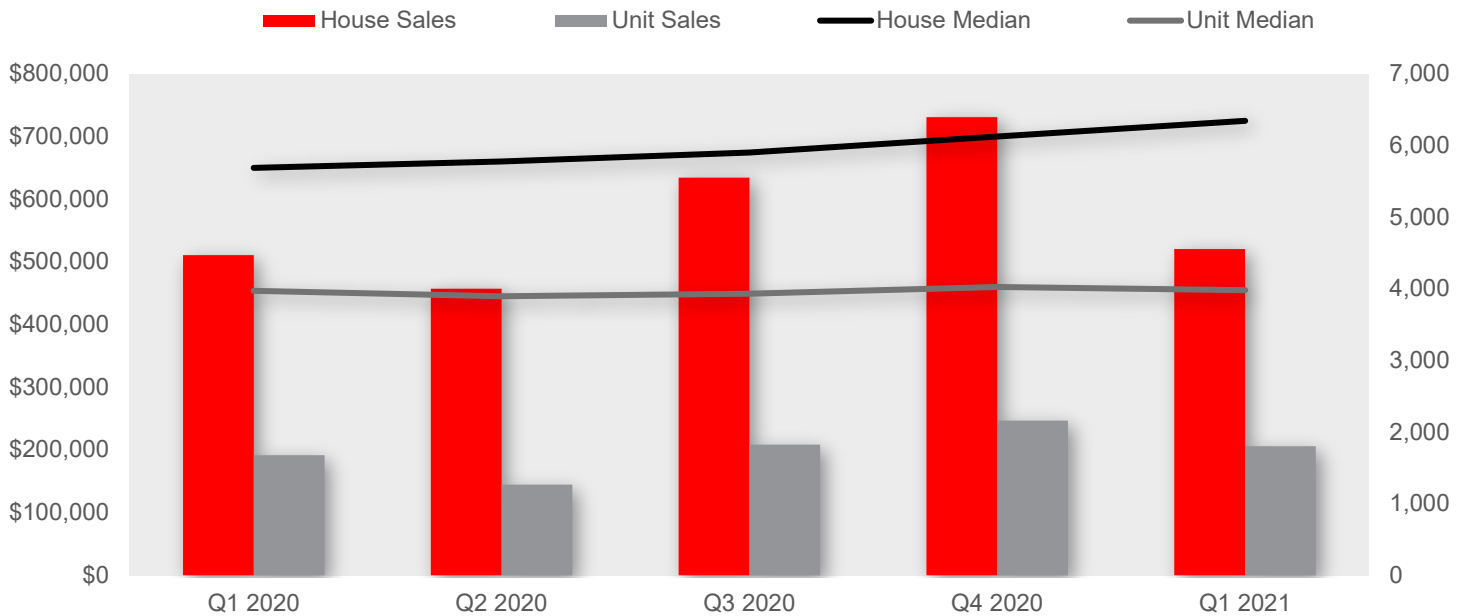
## KEY COMMENTS



Average vendor discounts between Q1 2020 and Q1 2021 for houses have just swung to a premium of +0.9%, whereas units have tightened to -1.0%. House market conditions in Brisbane Metro have shifted to favour vendors, as buyers are willing to offer above initial list prices. There is still a small discount for unit buyers, however, time to act is of the essence.

The dominant proportion of homes sold in Brisbane Metro across 2020/21# were in the premium price bracket of \$850,000 and above (28.7%). Units recorded a dominant lowest price bracket of less than \$399,999 (36.3%). There is a split market in both property types, with premium and lower end markets making up sales almost equally. There is a home for all budgets.

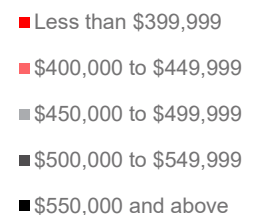
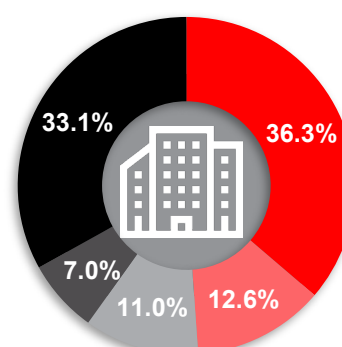
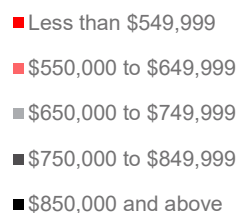
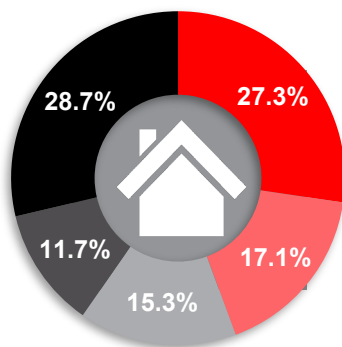
## MARKET PERFORMANCE



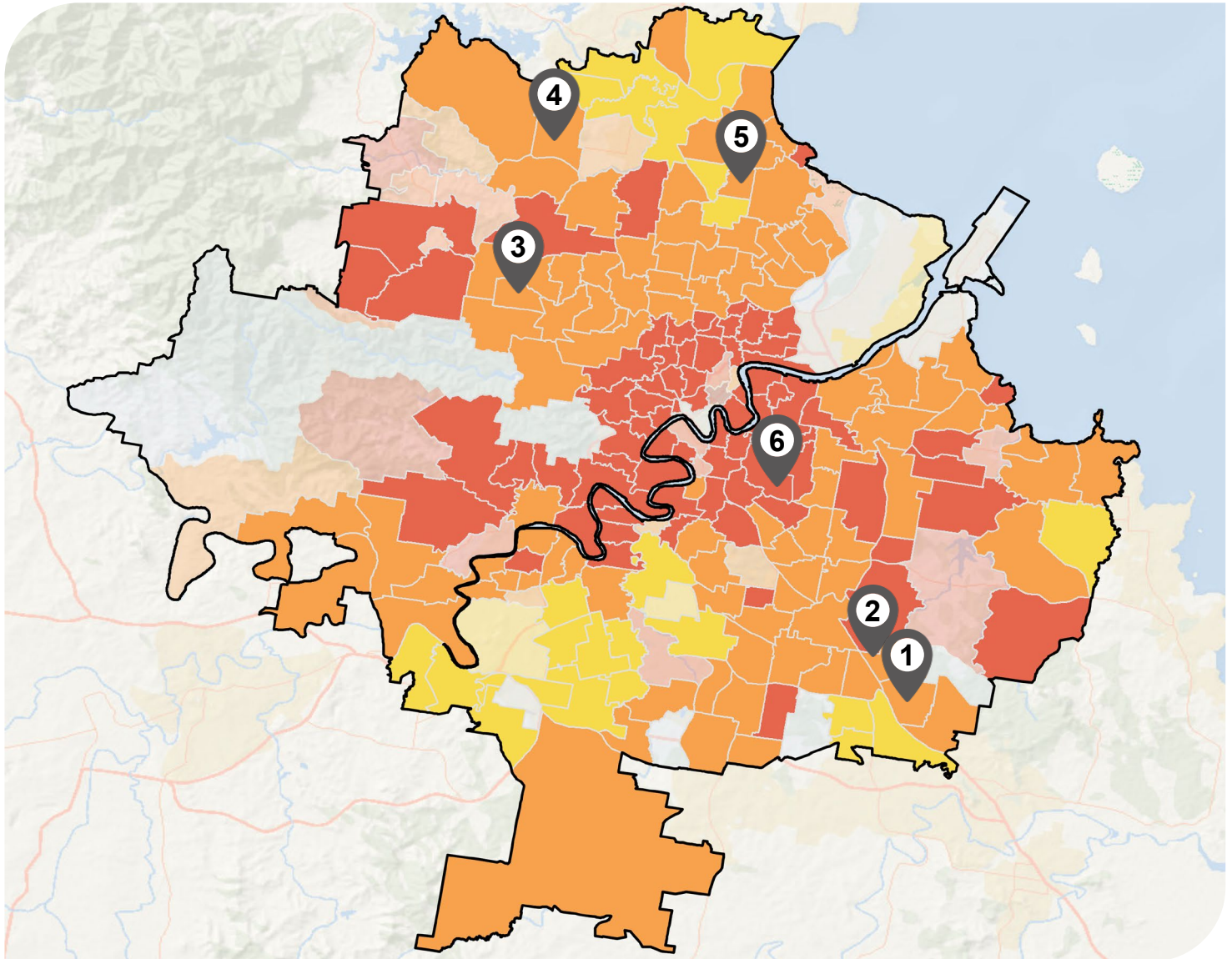
## PRICE BREAKDOWN 2020/21#

### HOUSES SOLD

### UNITS SOLD



# BRISBANE METRO MEDIAN HOUSE PRICE 2020/21\* 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	Springwood	4.0%	4	Warner	6.6%
2	Rochedale South	4.3%	5	Taigum	5.5%
3	Ferry Grove	4.3%	6	Coorparoo	5.2%

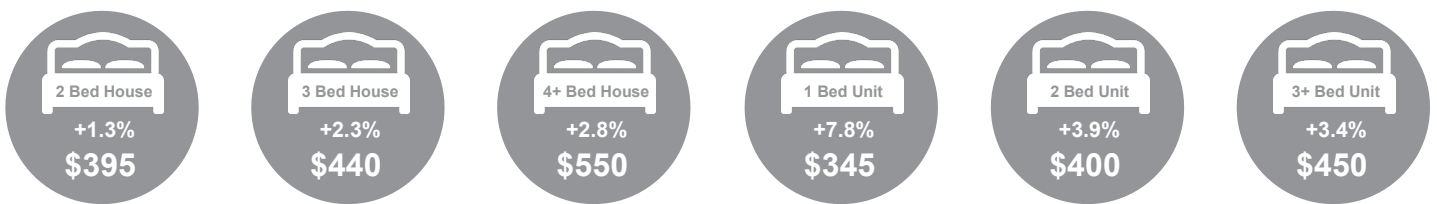
\*House median price reflected in the heat-map captures sale transactions from 1st January 2021 to 31st March 2021.  
Source: APM Pricefinder, ESRI ArcGIS, SQM Research. © PRD 2021.

## RENTAL GROWTH 2020/21€

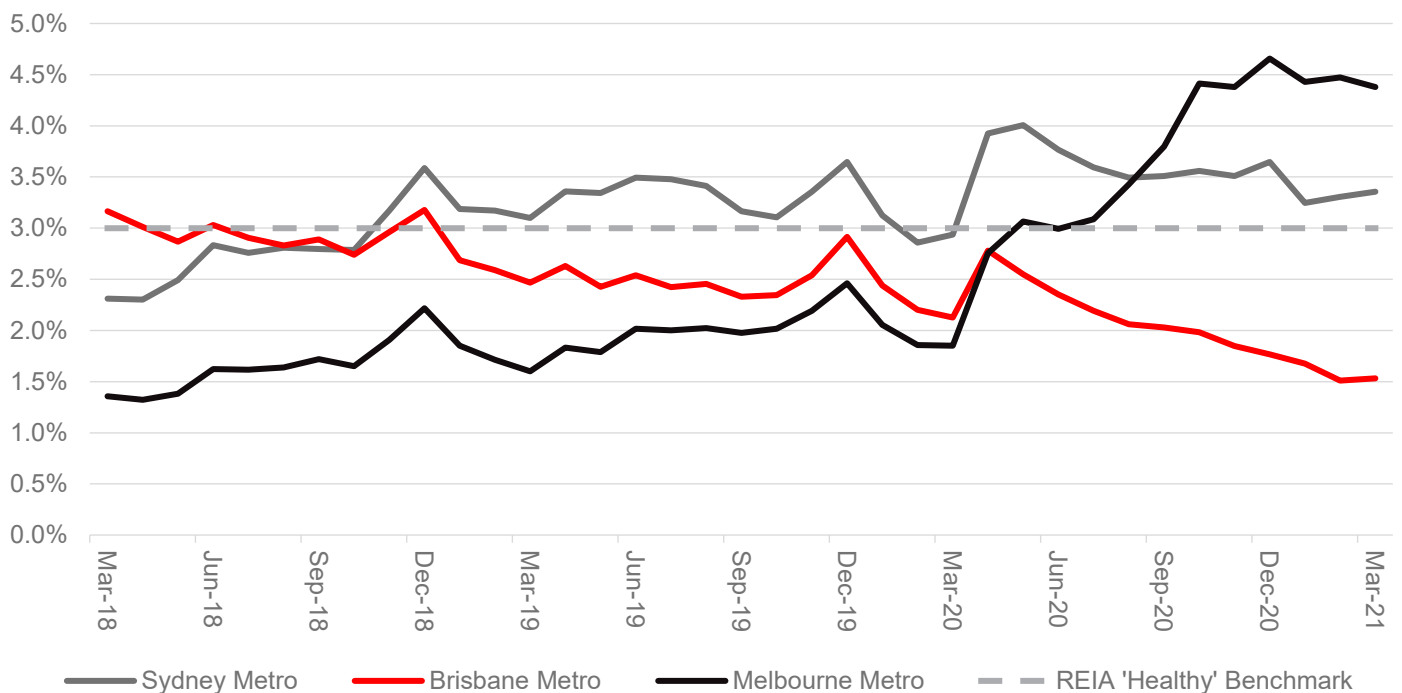
In March 2021, house rental yields in Brisbane Metro were recorded at 3.8%. In the 12 months to Q1 2021, the median house rental price increased by 7.7% to \$490 per week, coupled with average days on the market declining by -30.8% (to 18 days). Overall, the Brisbane Metro rental house market has shown strong growth and resilience throughout COVID-19.

One bedroom units recorded the highest annual rental growth (of +7.8%) to reach \$345 per week. This is in conjunction with the increase in the Brisbane Metro median unit rental price of 3.8% respectively. This is great news for investors as units are now being absorbed, despite fears of an oversupply spill-over from early 2018, and COVID-19 international students decline.

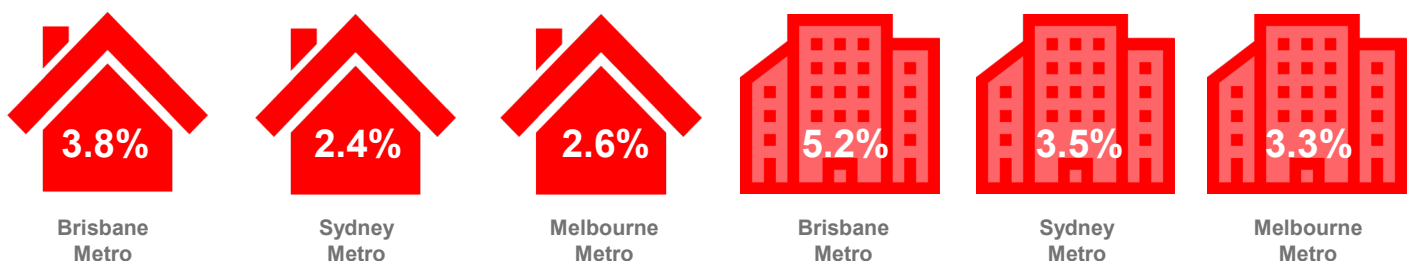
In March 2021, Brisbane Metro recorded a low vacancy rate of 1.5%, well below that of Sydney Metro (3.4%), and Melbourne Metro (4.4%). Vacancy rates in Brisbane Metro remained well below the Real Estate Institute of Australia's healthy benchmark of 3.0%, even throughout COVID-19. Furthermore, Brisbane Metro's vacancy rate has shown a declining trend since peaking in April 2020 due to COVID-19, which provides greater confidence to investors considering Brisbane Metro.



## RENTAL VACANCY RATES 2021



## RENTAL YIELD 2021§



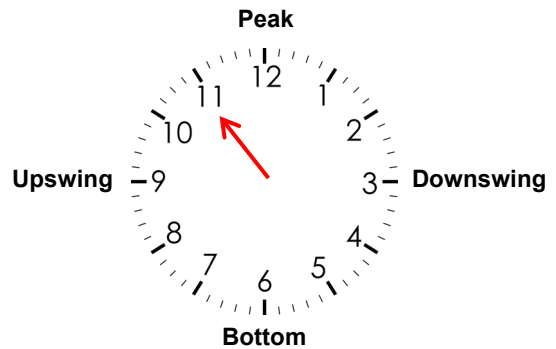
€ Annual rental growth is a comparison between 2019 and 2020/21 (01/01/2020 – 31/03/2021) house median rent figures.

§ Rental yields shown are as reported at March 2021.

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



**PROPERTY CLOCK - HOUSES**

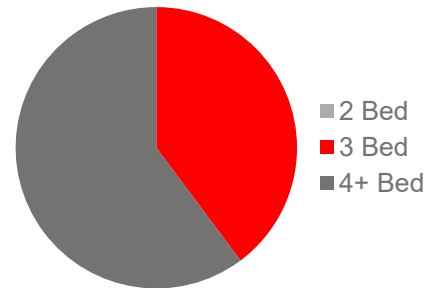
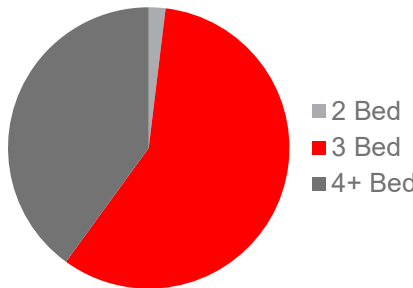
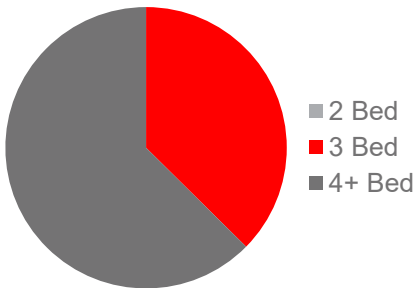


**AFFORDABLE & LIVEABLE HOUSE SUBURBS**

**SPRINGWOOD 4127**

**ROCHEDALE SOUTH 4123**

**FERNY GROVE 4055**



Located about **18.8km** from the Brisbane CBD.

- Median House Price **\$530,000**
- 2 Bed Median Price **N/A**
- 3 Bed Median Price **\$509,000**
- 4+ Bed Median Price **\$600,000**

Located south of Brisbane CBD, Springwood is the most affordable of the three affordable and liveable suburbs chosen. Investors are now benefitting from above average rental yields of 4.0%, higher than Brisbane Metro (3.8%). Springwood recorded a low vacancy rate of 0.8%, below that of Brisbane Metro (1.5%), indicating a healthier rental demand. Springwood is within proximity of Springwood shopping centre, Springwood State School, public transport and the M1 Highway, connecting it to major cities such as Brisbane and Gold Coast. A proposed \$26.3M<sup>^</sup> of development for the 1st half of 2021, with a large focus on commercial projects. This creates more local employment in the near future, improving an already low unemployment rate of 4.6%.

Located about **19.0km** from the Brisbane CBD.

- Median House Price **\$545,000**
- 2 Bed Median Price **\$542,000\***
- 3 Bed Median Price **\$522,000**
- 4+ Bed Median Price **\$600,000**

Rochedale South provides first home buyers with an attractive entry price, whilst also assuring capital investment growth, as median house prices grew by 4.6% from 2019 to 2020/21\*\*. A house rental yield of 4.3% is attractive to investors, being above Brisbane Metro's benchmark of 3.8%. Vacancy rates were recorded at 1.2%, which indicates higher rental demand as it is lower than Brisbane Metro's 1.5%. Rochedale South ticks many boxes as the suburb is well served by medical centres, schools, shops, parks, public transport, and other amenities. A key project due to commence in the 1<sup>st</sup> half of 2021 is USG Boral Pinkenba (\$15.0M). This will add 24 apartments to the area, as well as a gym, medical centre, childcare centre, offices, and food and drink outlets and shops.

Located about **12.0km** from the Brisbane CBD.

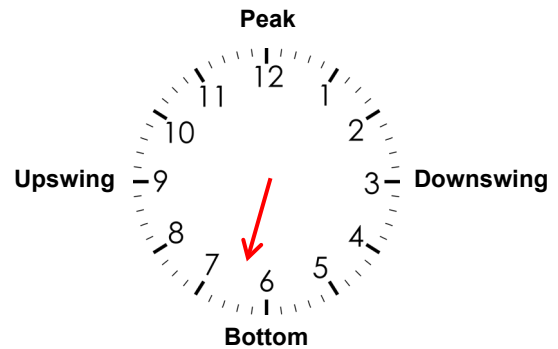
- Median House Price **\$653,000**
- 2 Bed Median Price **N/A**
- 3 Bed Median Price **\$600,000**
- 4+ Bed Median Price **\$695,000**

Ferny Grove, north of Brisbane CBD, recorded median price growth of 5.3% from 2019 to 2020/21\*\*. This is the highest price growth out of the three affordable and liveable suburbs chosen, indicating the area's strong potential. Investors are currently benefitting from rental yields of 4.3%, above Brisbane Metro's 3.8%. This is combined with an extremely low 0.3% vacancy rate, below Brisbane Metro's 1.5%, thus setting Ferny Grove as an ideal investment suburb. The 1st half of 2021 will see \$190.0M<sup>^</sup> of project developments planned, with a focus on infrastructure and mixed-use projects. This project mix will create both employment opportunities and innovative new housing stock in the area. 82 new units are planned for the area, ideal for first time investors.

<sup>^</sup>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. <sup>\*</sup>Median price is quoted as an indication only due to having less than 20 sales transactions. <sup>\*\*</sup>Median price growth quoted captures sale transactions from 1st January 2020 to 31st March 2021, or Q1 2020 – Q1 2021. <sup>µ</sup> PRD Affordable and Liveable Property Guide Brisbane 2nd Half 2018 report. <sup>€</sup> PRD Affordable and Liveable Property Guide Brisbane 1st Half 2019 report. <sup>¥</sup> PRD Affordable and Liveable Property Guide Brisbane 1st Half 2020 report. <sup>§</sup> PRD Affordable and Liveable Property Guide Brisbane 2nd Half 2020 report. Source: APM Pricefinder, SQM Research, Cordell Connect, Department of Small Jobs and Business, Google Maps. © PRD 2021.

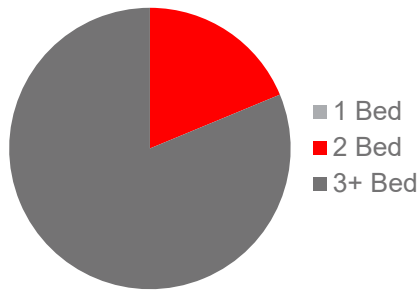


## PROPERTY CLOCK - UNITS



## AFFORDABLE & LIVEABLE UNIT SUBURBS

### WARNER 4500

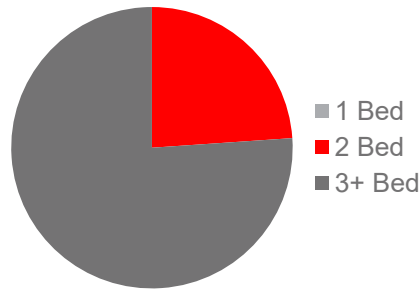


Located about **19.0km** from the Brisbane CBD.

- Median Unit Price **\$290,000**
- 1 Bed Median Price **N/A**
- 2 Bed Median Price **\$250,000\***
- 3+ Bed Median Price **\$305,000\***

Warner is located north of Brisbane's CBD, with the most affordable median unit price compared to other chosen affordable and liveable suburbs. The area ticks all liveability factors, with schools, parks, public transport, and a shopping centre (Strathpine Centre) all within 5km. Investors benefited from attractive unit rental yields of 6.6%, above the Brisbane Metro's 5.2%. This is combined with a very low vacancy rate of 0.7%, lower than Brisbane Metro's 1.5%. This provides investors with confidence in terms of quicker and more secure cashflow, making Warner an ideal investment suburb. \$4.5M<sup>^</sup> of developments is planned in the 1st half of 2021, with a main focus on infrastructure projects. This will improve liveability for current residents as well as create local jobs.

### TAIGUM 4018

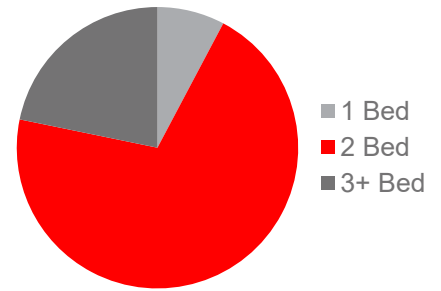


Located about **13.1km** from the Brisbane CBD.

- Median Unit Price **\$320,000**
- 1 Bed Median Price **N/A**
- 2 Bed Median Price **\$296,000**
- 3+ Bed Median Price **\$325,000**

Taigum continues to make the list of affordable and liveable suburbs, due to its affordable median unit price and relatively stable price growth of 1.0% from 2019 to 2020/21<sup>\*\*</sup>. Taigum ticks all liveability factors, with schools, parks, public transport options, and a large shopping centre (Westfield Chermside) within 5km. Investors are currently benefiting from extraordinary unit rental yields of 5.5%, which is above Brisbane Metro's 5.2%. This is combined with a low vacancy rate of 0.9%, well below Brisbane Metro's 1.5%. The 1<sup>st</sup> half of 2021 will see approximately \$28.0M<sup>^</sup> worth of project developments, with a main focus on residential projects. This will reinvigorate current unit offerings and assist in addressing the high rental market demand in Taigum.

### COORPAROO 4151

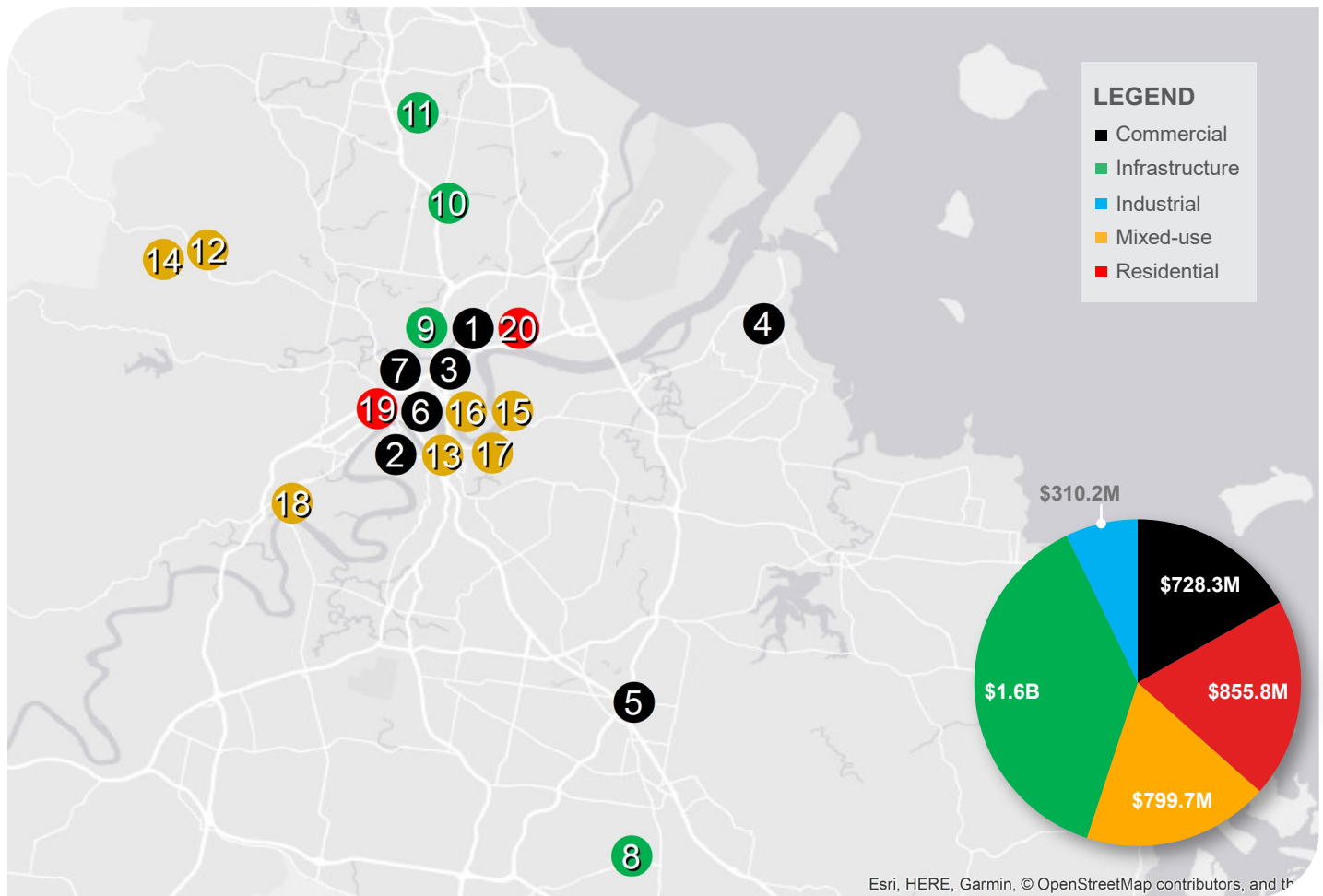


Located about **3.3km** from the Brisbane CBD.

- Median Unit Price **\$422,000**
- 1 Bed Median Price **\$310,000**
- 2 Bed Median Price **\$380,000**
- 3+ Bed Median Price **\$527,000**

Coorparoo was previously featured in the *2nd Half 2020*<sup>§</sup> guide and have made a comeback. Despite its lower median unit price compared to the Brisbane Metro, Coorparoo recorded a 7.9% growth from 2019 to 2020/21<sup>\*\*</sup>. An average rental yield of 5.2% for units is on-par with the wider Brisbane Metro area, which suggests investors can be confident of market-level returns. At the same time, a low vacancy rate of 0.9% is a positive indicator of ongoing rental demand in the area. Unemployment rate of 3.5%, lower than the Queensland average, and an estimated \$3.6M<sup>^</sup> of projects for the 1st half of 2021 are indicators of local economic growth in the near future. A notable residential project is the Cavendish Road Units, which will add 8 units to the area.

# PROJECT DEVELOPMENT MAP 1ST HALF 2021\*



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Location	Project <sup>£</sup>	Type	Estimated Value <sup>µ</sup>	Suburb
1	Ozcare Newstead	Commercial	\$200,000,000	Newstead
2	South Brisbane Cultural Precinct	Commercial	\$100,000,000	South Brisbane
3	Ann Street Office Tower - 895 Ann Street	Commercial	\$86,600,000	Fortitude Valley
4	Nazareth House Aged Care Facility Redevelopment	Commercial	\$50,000,000	Wynnum
5	Brisbane Metro Depot	Commercial	\$43,000,000	Rochedale
6	Wickham Terrace Medical Suites & Serviced Apartments - Wickham Private	Commercial	\$40,000,000	Spring Hill
7	Wickham Street Hotel	Commercial	\$38,000,000	Fortitude Valley
8	Better Neighbourhoods Logan	Infrastructure	\$1,000,000,000	Logan Central
9	Cross River Rail	Infrastructure	\$200,000,000	Bowen Hills
10	Kedron To Chermshire Northern Transitway Bus Lane	Infrastructure	\$50,698,000	Chermshire
11	Carseldine Urban Village - Overall	Infrastructure	\$35,000,000	Carseldine
12	Ferny Grove Station Precinct (Tod) - Ferny Grove Central	Mixed Use	\$100,000,000	Ferny Grove
13	Trilogy- (525 Apartments)	Mixed Use	\$100,000,000	Kangaroo Point
14	Ferny Grove Central- (82 Units)	Mixed Use	\$90,000,000	Ferny Grove
15	Newstead Precinct Mixed Use Development Stages 1-2- (333 Units)	Mixed Use	\$80,000,000	Newstead
16	Skyring Terrace Mixed Used Development- (163 Apartments)	Mixed Use	\$50,000,000	Teneriffe
17	Wellington Road Mixed Use Development- (122 Units)	Mixed Use	\$40,000,000	East Brisbane
18	Keating Park Development- (98 Units)	Mixed Use	\$35,000,000	Indooroopilly
19	Mcdougall Residential Tower – Obsidian- (181 Units)	Residential	\$87,000,000	Milton
20	Lamington Avenue Residential Development - Aurora Ascot- (209 Townhouses)	Residential	\$75,000,000	Ascot



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Our research team is made up of highly qualified researchers who focus solely on property analysis.

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