

Capital is driven by café culture

THE Brisbane property market has shown widespread resilience and augers to continue the upwards trend.

While Real Estate Institute of Queensland (REIQ) chairman Peter McGrath believes the effects of the three interest rate rises since mid last year have caused some notable movements in median house prices – both in the south-east corner and throughout the State – recent statistics highlight some positive developments.

Brisbane recorded a median property price of \$382,000, an increase of 2.4 per cent since the June quarter 2006.

“The middle-ring suburbs – between 5km and 20km from the city centre – were the strongest performers in Brisbane, with a high volume of sales and robust price growth,” McGrath said.

In the north-west corridor, Everton Park (9.1 per cent), Ashgrove (7.5 per cent), Windsor (6 per cent) and Kedron (5.2 per cent) all performed particularly well, while in the eastern corridor, suburbs such as Hawthorn (13.5 per cent), Murarrie (7.1 per cent) and Camp Hill (5.7 per cent), showed similar trends.

McGrath believes the dining and entertainment precincts that are increasingly considered

as highly desirable features of suburban living and favourable attributes to potential buyers are the main attraction.

City's coming of age

“Brisbane has really come of age as a cultural and entertainment hub. Residents appreciate the outdoor dining and café experience and this has created a stimulus for the growth of trendy dining and retail strips in many middle-ring suburbs.”

‘Now is a good time for buyers to be positioning themselves strategically’

Eight of the high growth suburbs are located along the Brisbane River and a large majority of the city's hectare suburbs and inner-city locations also made the grade.

According to PRDnationwide's national research director Tim Lawless, growth appears to be returning to the market place relative to 2004/05.

“Now is a good time for buyers to be positioning themselves strategically in the market place for higher levels of growth that will most likely return towards the end of 2007 and into 2008,” he noted.

Lawless predicts the following trends will provide an insight into the growth drivers in his hotspot picks for 2007.

■ Follow the infrastructure spend: The major infrastructure and renewal projects such as the Eleanor Schonell Bridge (recently opened), the Northern Busway and Eastern Busway, and Northshore Hamilton urban renewal project to name a few.

These are projects to watch as the carry-on effects should provide positive results for the

suburbs benefiting from this new transport infrastructure.

■ Premium unit living: With more baby boomers looking to downsize into prime inner-city apartments, Lawless expects the high-end and boutique unit market to continue outperforming the broader unit market.

New developments around Norman Park, Hamilton, New Farm and Newstead will provide well located, premium apartment stock over the next several years and prime locations like these are running out fast.

■ Inner-city subdivision scope: Housing on subdividable blocks

Harbour Keys,
near Harbour Town



within close proximity of the CBD provide excellent scarcity value, often with a reasonable price tag.

■ Outer suburbs with strong transport links and major working nodes close by: The outer areas are appealing to first-home

buyers and young families, plus renters working at nearby employment nodes such as the industrial centres of Brisbane.

Investors will drive demand in these areas as they try to buy into a high-yield market with strong capital growth potential.