



# Residential

April 2019

# National Property Clock: Houses

Entries coloured orange indicate positional change from last month.



Month in Review  
April 2019



RESIDENTIAL

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# National Property Clock: Units

Entries coloured blue indicate positional change from last month.

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# New South Wales

## Overview

There are some fundamental rules for great buying opportunities in real estate and the right location tops the list. Unfortunately, everyone wants a piece of the action in these desirable suburbs.

But what if there was a way to secure a holding in a blue-chip address without the exorbitant price tag?

This month, our offices uncover the secrets to getting the location you want at a price you can afford.

## Sydney

Location is the key factor in determining value in Sydney and we've considered four popular suburbs in different parts of the city. These suburbs aren't necessarily the most expensive suburbs in their parts of the city but are well regarded and provide some decent beer budget or entry level opportunities.

### Inner City

Paddington is well regarded as a result of it being a well-preserved conservation area for Victorian architecture which is in demand and a lack of supply. Furthermore, close proximity to quality schools, the CBD and Bondi Junction only broadens the appeal of this suburb.

The median house price in Paddington for 2018 was \$2.35 million, with the median unit price coming in at \$920,000 (realestate.com.au). A recent sale at just under the median price was 32 Napier Street which sold in January for \$2.13 million. The property is a renovated Victorian terrace with three

bedrooms, two bathrooms and rear single carport on a 158 square metre lot. At the unit median price, 1/56 Ormond Street, an updated, 68 square metre, two-bedroom, one-bathroom Art Deco unit with no parking, sold in January for \$915,000.



32 Napier Street, Paddington

Source: CoreLogic

Looking at cheaper or entry level options, units provide the best option. An original 1970s, 43 square metre, one-bedroom, one-bathroom unit at 206/176 Glenmore Road sold in January for \$617,500. The unit did have a car space although you are compromising on size, condition and the period appeal that other properties in the area provide.



206/176 Glenmore Road, Paddington

Source: CoreLogic

Another example is that of 29/8 Bennetts Grove Avenue which sold for \$880,000 in February. It is a split-level two-bedroom, one-bathroom unit with a nice outlook and parking. Surprisingly, it's in liveable condition, although ideally you would want to update. With this unit you are again forgoing the period appeal and size for a two-bedroom unit, with the living area around 60 square metres.

Are the compromises worth it? Absolutely, if you want to be in the heart of the action. You're buying into a premium and highly liveable suburb for well under a million dollars, with the added bonus of a parking space. Even a basic renovation would greatly increase the appeal of these units.

*These suburbs aren't necessarily the most expensive suburbs, but are well regarded and provide some decent beer budget or entry level opportunities.*





When it comes to units, the quality of the complex makes a big difference. Unit blocks of owner-occupiers are typically more well maintained and have facilities such as pools, gyms, visitor parking and concierge. Often period blocks with a high number of owner-occupiers are well preserved, further enhancing their value.

The dwelling market within the inner city is largely dominated by owner-occupiers, however some investor activity does occur. Those properties targeted by investors tend to be on smaller parcels of land and often forgo parking. If they are terrace properties they commonly have a narrower frontage.

As one would expect, investors target lower maintenance, higher yielding properties, often leaving out extras such as common amenities, larger yard, parking or updates to improve their overall return on investment.

### Northern Sydney

Northbridge is an established suburb located approximately 6.5 kilometres north of the Sydney CBD, on Sydney's Lower North Shore. It is a highly regarded suburb with a mix of housing styles, with the most prestigious properties positioned on waterfront land and orientated to incorporate expansive Middle Harbour views.

On the affordability scale, Northbridge does not often get a mention, having a median house price in 2018 of \$3.18 million (realestate.com.au). It must be noted however that this median price is down from \$3.49 million in 2017, although still not quite in the affordable category for the majority.

Obviously some serious sacrifices are going to have to be made if you want to live in Northbridge on a beer budget. Waterfront positioning and expansive water views are out of the question,

with thoroughfare roads and dated dwellings being the compromises that will have to be made. A very recent sale occurred in Northbridge in January of this year which presents a very good example of such a property. 27 Strathallen Avenue, Northbridge sold on 23 January 2019 for \$1.7 million after being on the market for a reported 140 days (RP Data). Strathallen Avenue is a main thoroughfare and the sale comprised a dated circa 1920 dwelling in need of a full renovation. It is also noted that the allotment of this property is of slightly irregular shape and is terraced at the rear, reducing the overall usability of the land.



27 Strathallen Avenue, Northbridge

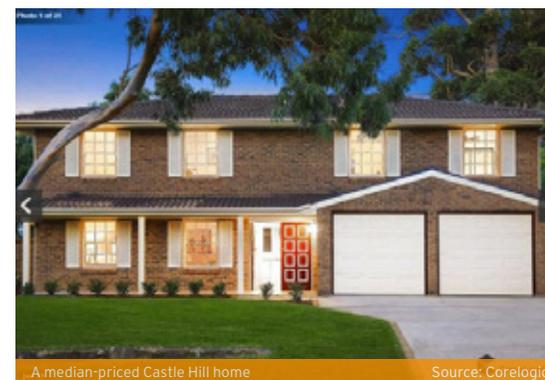
Source: CoreLogic

Entry level properties within such a well-regarded suburb, such as 27 Strathallen Avenue at almost half of the median price in Northbridge, surely must have long-term prospects. The main thoroughfare cannot be removed, but the allotment could be better utilised with development of the dwelling to incorporate the above-mentioned irregularities. There is also rear street access to the property, reducing the access issues of being positioned on a main road and also providing the potential to add a studio at the rear (subject to council approval). If these positive attributes can be capitalised upon, then it is worth making the sacrifices to be within this champagne suburb on a beer budget.

### Western Sydney

In north-western Sydney, Castle Hill is seen as a desirable location and a suburb many locals aspire to live in. This suburb provides a variety of real estate, but houses begin from \$1.2 million for entry-level dwellings to executive style mansions at between \$3 million and \$4 million. The main draw cards are high quality schools, larger blocks, quiet leafy streets and close proximity to a major shopping centre, bulky goods precinct and the Norwest business park. In addition there are two new train stations being built within the suburb.

The median value in Castle Hill for houses in 2018 was \$1.4 million (realestate.com.au). For that sort of money, you can get an updated four-bedroom home on a decent parcel of land with potentially a pool. The house pictured recently sold for \$1.35 million and provides four bedrooms, three bathrooms, double garage and a pool on a 923 square metre block.



A median-priced Castle Hill home

Source: CoreLogic

An example of a high-end property is this six-bedroom, six-bathroom executive dwelling with an eight-car garage. This home features high quality inclusions with an in ground pool all improved on 2,000 square metres of landscaped land. This property sold for \$3.8 million in June 2018.



A executive-level home in Castle Hill Source: Corelogic

The absolute entry level for dwellings in Castle Hill is the sub-\$1 million market. Any dwellings under this mark have a number of less desirable features, but for the savvy purchaser, present a foothold in the market.

The dwelling below sold for \$940,500 in January. It provides three bedrooms and one bathroom with a built-in garage. Overall the property is in below average condition and is positioned on a 696 square metre corner block.



Castle Hill cheapie for \$940,000 Source: Corelogic

The compromise for buying this property is being located on the outskirts of Castle Hill and the dwelling is in need of attention which could be

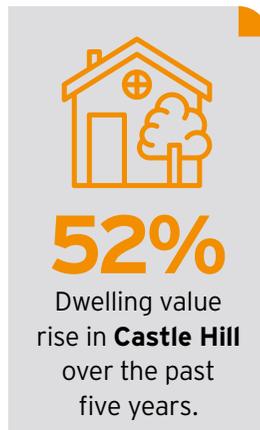
costly. Is it worth it? It all depends on what you want. Some people want a detached house they can add value to and escape strata living. Others may wish to spend similar money on a more modern townhouse offering the same or maybe more accommodation with superior features throughout.

Long term, land in Sydney will become more valuable and having 700 square metres in Castle Hill should prove to be a smart decision. In the past five years, dwellings in Castle Hill have risen 52 per cent. This came off the back of a huge price boom in Sydney. Whilst the median has dropped in the past 12 months, Castle Hill in the long term is seen as a wise move given the solid fundamentals and major draw cards that underpin the area.

#### Southern Sydney

Oatley is a quiet, well-regarded suburb in the St George area, positioned on the northern foreshores of the Georges River, just to the south-west of Hurstville, and approximately 18 kilometres south of the CBD. It benefits from a train station on the Illawarra line, a popular shopping strip and bus services, along with close proximity to the major shopping precinct at Hurstville. All these attributes make Oatley a suburb great for families and popular for both owner-occupiers and investors.

The median house price for Oatley in 2018 was \$1.7 million, while the median unit price was \$835,000 (realestate.com.au). A sale just above that median price was of 26 Douglas Haig Street, which sold in November for \$1.821



million. The property comprised an updated, 1960s, single storey brick home with three bedrooms, two bathrooms, garage, carport and in ground pool on 697 square metres of land.



26 Douglas Haig Street, Oatley Source: CoreLogic

Oatley is a suburb of extremes when it comes to property prices, with large waterfront homes achieving \$3 million-plus and in some cases \$4 million-plus, while at the other end of the scale, there are a number of unit complexes which provide opportunities for first home buyers and investors. Entry level for an original 1960s two-bedroom, one-bathroom unit with one-car garage is between \$650,000 and \$700,000, with most of these complexes located within close proximity to the railway station and shops.

At the entry level for houses, 9 Boundary Street sold in November for \$900,000. The sale provided a small 1960s, single level, weatherboard home with three bedrooms and two bathrooms in updated condition with carport and above ground pool.

The compromise here however was a smaller than average block of land at 487 square metres and being located on a busy local thoroughfare and further from the railway station and shopping precinct. This type of property can provide a good opportunity in a declining market as prices for



properties with secondary attributes often see the largest declines. Whilst that makes these types of properties slightly riskier, they are still a good option if they are located in a popular suburb such as Oatley.



9 Boundary Street, Oatley

Source: CoreLogic

## Lismore

Lismore is known for its relative affordability not only on a broader scale but also in relation to its more notable neighbours including Ballina and Byron Bay.

So to say champagne locations on a beer budget is disingenuous, as lovely and desirable as many of these locations are, so today we are going to discuss premium beer locations on a VB budget.

Due to the make-up of the Lismore market, we have looked at ways purchasers could break into the more desirable locations and how they could possibly buy the dream of the tree change and acquire a relatively affordable rural residential property.

### Residential

Within the residential market there two locations that stand out as being sought after: Girards Hill and Clunes.

Girards Hill is a centrally located, elevated pocket

of Lismore dominated by older style weatherboard cottages with period features. The area is known for its cottages with desirable features. It is in this location that metropolitan purchasers are often active. The generally elevated nature of the location ensures the property is above the flood level and often provides views across the city and towards the north. The location is dominated by owner-occupiers and is relatively tightly held. This means there are still opportunities to acquire a dated but sound cottage with features and lots of potential. You should expect to be required to update kitchens and bathrooms. Some portions of the suburb are listed as heritage so a purchaser should confirm the status before purchasing to get a clear understanding of what can be done to the property. There are a few unit developments located in Girards Hill and this is also an alternative.

An example of this style of property is 10 James Street, Girards Hill. This property sold last year for \$450,000 and is a single level, three-bedroom weatherboard cottage with dated kitchen and bathroom and period features.

Clunes is a small village situated to the north of Lismore on the road to Bangalow and Byron Bay located only ten minutes further south of Bangalow. We consider Clunes provides a champagne location on a beer budget in relation to Bangalow which is in the Byron shire. The small village feel with its café, bookshop, general store and bottle shop provides Clunes with the basics and a lifestyle. Once again, the properties in this market are tightly held and prospective purchasers should pay attention to unrenovated properties in the village. Clunes has on site sewerage systems so properties with older sewerage disposal systems will sell for a discount, however this comes with the need to spend the money required to update the system to current standards.

An example of this style of property is 15 Main Street, Clunes, which sold in late 2018 for \$570,000 - a centrally located older style cottage with period features and dated kitchen and bathroom on a 900 square metre lot.

### Rural residential

There are some truly champagne locations in the Lismore market for this type of property. McLeans Ridges, Richmond Hill, Boat Harbour and the surrounding areas provide some spectacular rural residential properties. These locations are champagne properties on a beer budget when compared to similar rural residential properties in the Byron shire.

Within the Lismore market they can represent the prestige end of the market.

How can you break into this end of the market in a relatively affordable way? There are three locations that offer the opportunity to secure relatively affordable rural residential property. Dunoon, Modanville and Bexhill have small lot rural residential subdivisions on the outskirts of these villages. The entry point for these locations for a property located on a parcel in excess of 2,000 square metres is around \$500,000.

11 Henderson Place in Modanville sold in late 2018 for \$558,000. A well-presented four-bedroom, two-level timber cottage on 5,000 square metres with town water and local bushland views is a good example of what can be expected in these locations.

Lismore is an affordable location and offers champagne properties at beer budgets compared to other neighbouring markets. Within the Lismore market itself there are some tightly held locations that appeal to a broader market and these are the areas we have discussed as we believe they represent the premium beer locations in the Lismore market.



## Casino / Kyogle

The rural townships of Casino and Kyogle possess similar characteristics in that properties within close proximity to the CBD are generally sought after and attract price levels at the upper end of the market range for the region. The same can be applied to the areas comprising new developments such as modern houses in an estate approximately three kilometres north-east of Kyogle town centre where price levels have broken through the \$400,000 mark.

The satellite suburb of Gays Hill, approximately five kilometres south-west of Casino CBD, is considered the premier location for residential stock in Casino, thanks in part to the above average sized lots and high quality large homes. Recent sales in the past three years have seen the half-million-mark being breached.

Proximity to the CBD in both townships is also associated with other key features including proximity to schools, shopping, banks and parks.

Opportunities for the price conscious individual are generally limited in proximity to the CBD. Any lower priced residential stock is generally in moderate or poor condition and would require significant maintenance and renovation. However, these are few and far between with competition also coming from the investor sector.

The key positive for Casino and Kyogle is that as regional towns within the Northern Rivers region, they are two of the few townships which are still relatively affordable in comparison to other regional towns.

Now that the residential property market is experiencing a slight softening and coupled with tighter lending criteria, opportunities in the future could reveal some good buys in the town centre for

the well prepared and those with a penchant for a hammer and nails could generate some tidy profit.

## Ballina /Byron Bay

The most sought-after localities in the Ballina Shire are Lennox Head/Skennars Head, East Ballina and the rural localities from Tintenbar to Newrybar.

Locations from Lennox Head through to East Ballina are considered sought after for their proximity to beaches and services, whilst the rural localities of Tintenbar to Newrybar are considered the southern areas of the Byron Hinterland. The cheapest property within Lennox Head (excluding serviced apartments which are not suitable for permanent residential occupation) in 2018 was a modest but tidy two-bedroom, one-bathroom unit with a single garage in Aurora Place which transacted for \$460,000. This property, whilst small and modest, is located within walking distance of shops and beaches.

On Lennox Hill the cheapest dwelling in 2018 transacted for \$670,000. This property was located on Survey Street and comprised a modest 1980s two-bedroom dwelling, however does feature restricted ocean views.

Generally speaking, it is now difficult to purchase a freestanding dwelling within Lennox Head under \$700,000 and East Ballina is considered slightly more affordable than Lennox Head. The cheapest unit within East Ballina in 2018 transacted for \$290,000 and comprises an internally renovated two-bedroom villa. The cheapest dwelling in East Ballina transacted for \$510,000. This property was located on Mcdougall Street and comprised a lowset circa 1980 three-bedroom, one-bathroom dwelling with single garage.

The Byron Shire's three best locations would be the suburbs of Byron Bay, Suffolk Park and

Lennox Head. These coastal resort towns which are currently thriving from an influx of interstate buyers are having a regentrification to their CBDs. The main attractions to Byron Bay are the fact that properties are flat and level and are in close proximity to the township. As with Lennox Head, the main attraction in this suburb includes elevated views still within close proximity to the CBD.

### TYPICAL HOME AND UNIT PRICE POINTS IN THESE SOUGHT-AFTER LOCATIONS ARE:

#### Byron Bay:

- ▶ House - \$1 million to \$2 million
- ▶ Unit - \$800,000 to \$1.1 million

#### Suffolk Park:

- ▶ House - \$900,000 to \$1.1 million
- ▶ Unit - \$800,000 to \$1 million

#### Lennox Head

- ▶ House - \$850,000 to \$1 million
- ▶ Unit - \$700,000 to \$900,000

However, if you wanted to buy a cheaper property in these locations, your options are as follows:

**Byron Bay** - It would be best to try and source a property out in the Sunrise development. These properties are considered to be slightly less desirable due to their close proximity to the industrial estate and further out of town, being approximately three kilometres away from the CBD.

**Suffolk Park** - There are thinning options for a cheaper property in this suburb. The only option would be to try and source a smaller block in the Baywood Chase estate on the western side of the Coast Road, where there are pockets of properties within the 400 to 500 square metre market.





**Lennox Head** - It would be best to try and source a property out the back of the Pines estate. Properties here are typically a little older, located in an established area with elevated views approximately 3 kilometres away from the CBD.

Absolute entry level price points in these desirable coastal resort towns are as follows:

**Byron Bay:** one to two-bedroom units, located within close proximity to town with prices between \$500,000 and \$600,000;

**Suffolk Park:** two to three-bedroom units, located within close proximity to town with prices around \$700,000;

**Lennox Head:** one to two-bedroom modest style units in 1970s style complexes with prices around \$500,000.

#### COMPROMISES INVOLVED IN SEEKING A CHAMPAGNE LOCATION ON A BEER BUDGET:

- ▶ Smaller allotment sizes
- ▶ Potentially exchanging yard space for balcony space
- ▶ Choosing walk-up style units instead of large family dwellings
- ▶ Having to settle for older, dated style properties instead of modern alternatives

#### Real examples of these options include:

##### Byron Bay:

- ▶ 5 Old Bangalow Road - right on the brink of Byron Bay and offers walk up style, two-bedroom units.
- ▶ Shirley Street - If not zoned as a tourist facility, offers modest style, one to two-bedroom units in a busy location.

##### Lennox Head

- ▶ Aurora Place - 1970s built unit complexes provide an affordable location with a slightly dated style.
- ▶ Byron Street - Located on the main thoroughfare heading out of town, affordability is achieved here at the expense of proximity to the CBD.

Buying a property in these coastal resort towns is a good idea if it is a long-term holding. If market conditions remain stable and these options are taken up for a long term capital holding, then they can be observed to be a good buy. Urbanisation will see the CBD areas sprawl out, so close proximity to the township is becoming very sought after.

There seems to be little to no differences in this local shire between investors and owner-occupiers. Investors and owner-occupiers are both working in the same market presently, but if there is a fluctuation in the market, this could always change.

##### Coffs Harbour

When talking best location within the Coffs Harbour region, I'm sure you would get very heated debate over which locations would make the top three. The diversity of property on offer from the beach to the bush is wide and all offer great lifestyle opportunities, depending on the lifestyle you are after.

In an attempt to identify three which we think are worthy of debate, we'll need to look at values and more specifically top end value localities as price is the ultimate indicator of supply and demand.

We'll kick off with one of the better known beachside destinations of Sawtell, approximately ten kilometres south of central Coffs Harbour. The main feature of the area is a very vibrant and trendy shopping strip and popular swimming and

surfing beach. Real estate.com shows a median house price of \$682,500 which will barely get you a 1960s fishing shack within the more sought after central Sawtell location. Entry level are the older style motel units which are circa 25 to 35 square metres with no covered car accommodation. These are limited and will set you back around \$150,000 to \$200,000 depending on the location. This style of unit does represent good cheap buying and is perfect for the investor or single or couple looking for a holiday unit. For buyers looking for more than a shoe box to live in, we step up to the 1970s to 1980s walk up complexes being generally two-bedroom, one-bathroom and covered car accommodation. You may get one for \$350,000 to \$400,000, although the decent ones close to the village centre will start at around \$400,000.

From here, prices go skyward depending on the unit. Modern high-quality units start around the \$650,000 mark. Entry level for a home close to the village centre is \$650,000 being a fibro shack, whilst any modern construction will be \$850,000-plus and on the beach side, if you can find one, there will be no change from \$1 million to \$1.3 million for a renovator's delight. Good quality beach properties are \$1.7 million and up. Long-term prospects for Sawtell are good as this is a known blue chip location driven by limited supply and high demand.

Next off the rank is the harbour location known as The Jetty which is three kilometres east of the Coffs Harbour town centre. This location, like Sawtell, is well known by the latte set with plenty of restaurants and bars to choose from. It is well located to town, the harbour precinct and beaches with good ocean views available from many of the properties. Entry level here is around the \$250,000 mark for an older 1980s walk-up unit in the back streets with no views and requiring a lot of TLC.

Generally, a decent two-bedroom, one-bathroom walk up unit will set you back in the \$300,000 to \$350,000 range. Houses are more difficult to find with a very basic 1970s style house on a 600 square metre, main road position setting you back \$500,000. Anything off main road with a hint of a view or potential to further develop will jump up to \$600,000. Good quality homes with ocean views are \$950,000 up to \$1.75 million. There are some properties listed higher than \$1.75 million, however the market is very thin at this level and generally limited to the out of town buyers. Modern units with views will start at \$600,000 up to the \$1.2 million mark generally.

As advice for the investor in this area (with rent returns being very strong), I would suggest seeking out the older style two-bedroom units in the sub-\$300,000 range in a small complex with large land size which may reap some potential re-development in the long term. Long-term prospects for The Jetty will always be strong with several new medium-rise developments earmarked for the future plus the revamping of the Jetty foreshore which is a major attraction to the area.

Lastly in my top three, we will move away from the beach and go 35 kilometres west to the very popular rural township of Bellingen. Bellingen is a semi-rural township located within the scenic Bellinger Valley and on the banks of the Bellinger River. According to the 2016 census, the township of Bellingen has approximately 3,074 residents. The local economy remains rural oriented with timber and horticulture associated activities forming the major industries. The town has become increasingly popular over recent years with alternative life-stylists or tree changers with a high proportion of the market activity being from the out of town purchasers coming from the metropolitan areas.

The town has a varied style product available, from the more modern fringe locations dominated by 1990 to 2010 built traditional brick homes to the more sought after inner town locations which feature the quintessential character homes of the early 1900s. There is very limited unit product available, typical of older established rural towns. What is available is modest and entry level value is \$250,000 to \$300,000. Entry level homes will be varied in style, either original cottage or semi-modern, brick-and-tile which will set you back in the order of \$400,000 to \$450,000. A character home in a central town location will start around the \$700,000 mark and top out around the \$950,000 to \$1 million.

For the investor, this area is riskier. The economics of a small rural township don't provide for the infrastructure or jobs to support high income levels and those reliant on commuting to work or conducting internet-based tasks aren't well catered for either. The area has seen some strong capital growth over recent years, driven by the general market uplift and out of town tree changers. The fear is that now the capital city markets are on the decline, the buyer pool from these markets will decrease, creating softer market conditions.

### Albury

Location in Albury is predominantly focused on proximity to the CBD and shopping or view, aspect and street appeal. Like many expanding regional cities, Albury's core features older homes and units and as you increase the radius from the centre, homes become younger and are brand spanking new by the time you reach the outer rings of the city, so location predetermines the age of the majority of stock available.

Central Albury offers the highest proportion of period homes circa 1900 to 1940, a limited

number of older units circa 1950 to 1980 and a scattering of modern homes and townhouses. With old homes you have old streets which means gorgeous tree lined avenues full of character dwellings, a good proportion now highly renovated and extended. Sometimes it is difficult to get a full picture of what is happening in this highly sought after location due to the number of off market transactions occurring. Often a chat with a resident can unleash more market info than from the local agent. There is a limited supply of these properties and they do not come to market very often and do not last long when they do, being very popular with young professionals, families and downsizers or farmers retiring with cash to spend.

The entry-level in Central Albury has increased significantly in the past three to five years. Units remain well priced and entry level is approximately \$200,000 for an unrenovated, 1980s, two-bedroom, one-bathroom, one-car unit and approximately \$500,000 to \$550,000 for an unrenovated, possibly original condition, circa 1920 to 1940 three-bedroom, one-bathroom brick cottage. These properties generally have one of two features - super close to the CBD or super great street appeal.

The compromise for entry level in Central Albury is living in an old dwelling with basic fit out requiring complete renovation and no budget to do it. This is fine if you are patient and happy to wait for the next lift in prices where we have seen unrenovated homes increase from around \$300,000 to \$500,000, meaning there was nearly as much uplift from holding and not renovating as there was from the complete do over, or alternatively enjoying the increased equity over a relatively short time period enabling the call to the master builder for a quotation for an addition or renovation. More



patience again, these builders mirror the central Albury scenario of limited supply and high demand and a wait list for the really good ones. There is speculation at present on whether this market segment will sustain the profile of who is entering the market, however what is clear is if you need \$500,000 to get in, a recent sale at \$540,000 for a circa 1920, brick three-bedroom, one-bathroom, one-car in basic condition on 629 square metres and \$400,000 to renovate and the recent ground breaking sale at \$965,000 for a circa 1934, red brick, highly renovated and extended five-bedroom, two-bathroom, two-car with pool on 764 square metre level block with no views located on the fringe of the Central Albury hot spot will have to become the norm not the exception. If this happens, there will be no real discussion required on snagging a champagne location with a beer budget on what we call the flat of Central Albury.

Of course, this makes what is happening in areas either within close proximity to blue ribbon central Albury or areas with similar aged housing stock very interesting. And before looking a little further afield, the areas next to central Albury are now being marketed as central as well, as the market considers how to get into the second or third best option. The housing stock changes, it is more mixed, with fewer circa 1900 to 1940 stock, but a great mix with circa 1945 to 1975 dwellings trading on slope for some very nice local and city skyline views. This area, dubbed Forrest Hill by locals, is north-west of central. Some of it is walkable to town, but the real appeal is the interesting housing stock (the largest supply of art decos in town - the most recent sale at \$585,000 was a circa 1950, three-bedroom, one-bathroom, one-car in good but original condition, within walking distance from town on 1,098 square metres), larger homes that may only need renovating not full additions

and homes that were usually built to capitalise on the views they have and provide under house storage too. This area is popular with people still determined to shun suburbia but locked out of the flat. Beer is on the way out here too. Remodelling homes on hills is pricey but we are seeing the rewards for those with the deep pockets to do so, with a recent sale of \$1.08 million for a circa 1965, highly renovated, five-bedroom, three-bathroom, four-car with pool and terrific views setting a new bar for this area. Entry here is craft beer only.

This central Albury phenomena is being mirrored in old East Albury, not surprisingly east of the CBD on the other side of the railway line and Hume Freeway, but still walking distance to town if you live on the flat or easy sloping areas of East

circa 1960 three-bedroom, one-bathroom, one-car in a good street is an example. It wasn't large and sold in 2014 for \$292,000 with only a refresh and alfresco added since. So if you have \$400,000, apart from size of house, there is not much compromise. Location trumps a second bathroom or adequate car accommodation in this area.

So if you do not have \$400,000 to \$550,000 to enter central or old East Albury, the compass and market has sharply moved to North and South Albury. North Albury, now marketed very often as central Albury fringe, has been flagged as the best buying in Albury for a few years now and apart from a small exclusive pocket, entry level on a beer budget anywhere from \$180,000 to \$250,000 for stock circa 1950s to 1960s is still happening. This is a flipping paradise in the making. The major

### *In five to ten minutes, you can be anywhere on the compass with your ice bucket or esky.*

Albury. The older character dwellings are on the flat and gradually get younger and more mixed as you progress up the hill. This is the logical area if locked out of central Albury and entry for an unrenovated dwelling sub-\$300,000 was common. The majority of original dwellings are only three-bedroom, one-bathroom, so addition and renovation is required to really capitalise on the location. People love old East Albury and whilst sales have been strong, there is still an occasional opportunity to purchase an original condition older dwelling to DIY but the real beauty of old East Albury is a lot of stock coming to market has already been renovated and possibly extended and you can get more for your money with nothing to do. A recent sale at \$390,000 of a renovated,

compromise may be some non-sought-after local street appeal and deciding whether to renovate or knock it down.

The final great location, once only for the industrial minded and not for the faint hearted, is South Albury. It is super close to town and even with a substantial and mixed industrial hub and feel, all eyes for a nearly there terrific location are hip to this area. The savvy entry level central hunters and investors have been buying in this location for a while now and the line between the good or bad parts of South Albury are fading as the industrial stigma turns to trendy rustic chic, but an esky full of beer still goes a fair way here. A recent sale at \$155,000 for a fibro shack on a 671 square metre block surrounded by industrial uses on three sides



is the exception rather than the rule these days, and a sale at \$537,500 of a circa 1930, renovated red brick, four-bedroom, two-bathroom, two-car with the rear neighbour being an industrial site shows the market will accept the compromise of sharing a suburb with residential and industrial co-existing. Is it worth buying in South Albury from a pure location point of view? Yes, it is.

There is a reason location is the first factor valuers consider in comparable sales analysis - you cannot change it and you cannot make more of it. This is especially the case in regional cities where building up (high rise development) is nearly non-existent, making supply very limited and a good location appeals to many different buyer profiles. Investors and home-owners alike benefit from acquiring a property in a great location. In Albury capital gain probably trumps returns in prime locations, but this is a moveable feast with the factors for popularity diverse (including Sydney and Melbourne buyers with both champagne taste and budget) and potential being realised. It really is all about location, location, location and the desire for champagne on a beer budget enhances other areas as the market continues to seek out this scenario. The good news in Albury is our housing affordability translates to a great deal of choice and diversity of housing stock without the central location. In five to ten minutes, you can be anywhere on the compass with your ice bucket or esky.

## Tamworth

Tamworth's top locations (in order of preference) are East Tamworth, North Tamworth and the southern part of Hillvue. Each of these markets offers buyers different options whether it be larger blocks but dated homes or modern homes on a smaller block.

East Tamworth is the most sought after due to its close CBD location, larger blocks and the established federation style of dwelling with established parks and landscaping throughout the suburb. To get into East Tamworth on a budget, a purchaser will need to be willing to put in a little bit of elbow grease to bring the property up to a good standard. For an older dwelling in need of renovation, a buyer would be looking at \$300,000 to \$400,000. For example, 52 Rawson Avenue recently sold for \$327,500 as a dated three-bedroom, one-bathroom weatherboard dwelling. It's in central East and in need of renovation throughout. It is a good example of what can be picked up in a good location on a budget.

North Tamworth gives a buyer the flexibility of living close to the CBD in an older style dwelling in the closer, established parts of the suburb, or moving slightly further out into one of the new fringe subdivisions and purchasing or building a modern home. An older property will set you back \$270,000 to \$350,000. As with East, these properties will require renovation but once completed the buyer will be walking distance to the CBD and surrounded by established properties. 27 Hyman Street recently sold for \$280,000 as a two-bedroom, one-bathroom weatherboard dwelling in dated condition.

On the modern side of things, \$370,000 to \$400,000 is where a buyer will be able to enter this market. 17 Sherborne Street recently sold for \$382,500 as a 2018, three-bedroom, two-bathroom brick veneer dwelling.

The southern area of Hillvue, being nearby or adjoining the Longyard golf course, offers great views and modern builds. This area is very attractive for those wanting a modern home in a prestigious location. This area, while the least

sought after, is the most expensive to get into due to the age of the properties. \$400,000 to \$450,000 is the range that buyers would be looking at to get into this area with \$395,000 recently paid for 25 The Patio, a three-bedroom, two-bathroom brick dwelling and only eight years old. The downside to purchasing on a budget in this area is size, with block sizes often below 500 square metres. The above mentioned sale is 492 square metres which when compared to the other modern suburbs of Tamworth is quite small.

As stated, between these three suburbs, a buyer has a large range of choice depending on their motivation to renovate or just walk straight in. There is higher potential growth within East and North Tamworth, not only with natural capital growth but also with the correct renovations adding good value to a property. On the flipside of the coin, Hillvue offers a higher rate of rental return so the choice depends on an investor's aim.

## Newcastle

There's always one suburb that seems to be the desirable postcode and high on the wish list of many people buying property. There's just something about that spot that makes people desperately want to buy. As we have seen in previous years, some people have gone in over their heads financially just to secure these properties, sometimes with negative results.

But what is it that drives people to seek out these locations? It could be the proximity to beaches, lakes, shopping precincts, particular schooling options for the kids or just a case of simply keeping up with the Joneses. But when you find yourself totally priced out of the suburb, where do you head?



In this month's review, we've been asked to compare some suburbs within the Newcastle region based on champagne location on a beer budget. But what does that mean exactly? We know in the Newcastle region we have the Hunter Valley - where you can literally have a champagne location. Although due to copyright and branding regulations we must say "sparkling location" as we are technically not in the Champagne region in France. So basically, this month, we are looking for desirable suburb locations that don't break the bank, which, given the sensitive lending regulations at present seems like a smart financial move.

Luckily for those living in the Newcastle area, we have beaches, lakes, wine regions, more beaches and even rural and tree change properties. No wonder Newcastle has had increases in Sydney-siders moving north to take advantage of our glorious region.

If you're looking for lakeside living, Lake Macquarie has you covered. But the price tag and property types vary quite dramatically depending where you sit yourself on the lake. Look at Valentine (2280) on the gleaming eastern lake shores. It has enough retailers to get you the day to day, but further shopping options can be found in nearby Warners Bay or Belmont. Valentine is a hotspot for retirees and established family groups. The median price here is \$755,000 (RP Data, 2019).

A recent example of what you get in Valentine is a two-storey brick home with five bedrooms, three bathrooms and a two car garage which sold for \$860,000 in January 2019. This property also boasts a rather large swimming pool at the rear of the property.



Valentine Dwelling. Sold for \$860,000 in Jan 2019 Source: RP Data, 2019

Now jump over the lake to the western side of Lake Macquarie and you will find Coal Point (2283). Easily accessed by the M1, you'll find yourself on the way to Sydney or the North Coast in no time. Here in Coal Point you will find a tight knit community with quiet streets and just as magnificent lake views. There's a public school, plus you can find shopping and cafes in the nearby suburb of Toronto. There has previously been strong buyer demand for waterfront properties in Coal Point, despite its fairly limited availability. The median house price here is \$736,000. According to RP Data the predominant age group is 60 to 69 year-olds.

A two-storey brick home on 959 square metres of land with four bedrooms, three bathrooms, a two-car garage and sweeping views of the lake sold for \$755,000 in August 2018.



Coal Point property - sold for \$755,000 in August 2018 Source: RP Data 2019

When comparing Valentine and Coal Point, it could almost come down to which side of the lake you'd prefer to be on and how much you really want to spend for the postcode.

Let's now say you want beachside living. There are so many suburbs to choose from when thinking of Newcastle. You may know of Merewether, Bar Beach and Newcastle East. We can comfortably say these are your more sparkling locations with highly desirable postcodes and certainly larger price tags that accompany these properties and rightly so. If you're more interested in the beer budget style location, we present you with Stockton (2295). This long-overlooked suburb is making a roaring comeback. It feels like a country town that's surrounded by water. Stockton has beach for days and is famous for its sand dunes. There's general convenience shopping, a primary school and a convenient ferry which takes you directly across to the Newcastle CBD. Median prices are \$720,000 and the predominant age group is 50 to 59 years (RP Data, 2019).

Stockton has come far from its original working-class roots and previous levels of housing commission properties, but don't hold that against it anymore. Where else in Newcastle can you buy a beachfront property for circa \$2 million? This property sale was in February 2019 and has five

**\$750  
THOUSAND**

Valentine median house price.

RP Data, 2019

**\$736  
THOUSAND**

Coal Point median house price.

RP Data, 2019

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bedrooms, four bathrooms and space for four cars. The previous owners extensively renovated this property and also included some large reclaimed timber beams, apparently from an old bridge in Wagga Wagga (country New South Wales).



Stockton Beachside sale circa \$2mil - Feb 2019 Source: RP Data, 2019

Want something a little cheaper than \$2 million? There has been a recent sale of an art deco style property on 525 square metres of land with three bedrooms, one bathroom and one car space. It needs a little TLC but has some good bones. But where else can you buy a property only blocks away from the ocean for just \$800,000?



Stockton sale of \$800,000 Source: RP Data

It has to be said, there are plenty of other options for cheaper properties in Stockton. Depending on your beer tastes, there's almost something for

## **This long-overlooked suburb is making a roaring comeback.**

everyone in this single suburb alone, ranging from your good ol' Tooheys New right up to recent craft beer options complete with fancy branding labels.

This is just a small sample of suburbs and property styles within the Newcastle region. It really becomes a matter of taste, sparkling wine or beer budget, and what you're willing to compromise on in order to live in a more expensive suburb. Each individual is different with pros and cons, just like suburbs.

(\*Drink and buy properties responsibly)

### Central Coast

The Central Coast region of New South Wales lies approximately midway between the state's capital of Sydney and the beautiful port city of Newcastle. Some say this is a perfect place to be - we can skip down the motorway to Sydney and escape the place just as easily or head north to Newcastle to experience everything that wonderful city has on offer.

In the end though, returning to the coast is what life is all about.

This month, we are nominating some champagne locations within the region and exploring what can be purchased on a beer budget.

Terrigal and Wamberal have long been regarded as the region's places to be. These are adjoining beach locations with a cool shopping and tourist precinct, great food spots, parks and of course, a near perfect beach - rival locations are few. At the top of the real estate price guide, a beachfront property with a renovated five-bedroom dwelling recently sold for \$3.95 million and a near new

penthouse apartment with four bedrooms in the thick of Terrigal Town Centre sold for a little over \$2.7 million.

For those looking to secure property in Terrigal or Wamberal with limited funds available, we have noticed that an older style two-bedroom dwelling recently sold for \$560,000. It is located away from the beach and tourist precinct and needs some updating, but for this outlay, we consider this very good buying but somewhat rare. Older units are more common in the area and we have seen a few selling for less than \$600,000. A well-placed unit within the Terrigal Bowl recently sold for \$565,000. It was a ground floor, unrenovated, two-bedder, but less than 150 metres to the beach.

The northern end of the region's answer to Terrigal would have to be The Entrance and what a wonderful location this is. More shops and eateries than can be imagined and a very cool, family friendly beach and esplanade area. Prices here are much more reasonable. A tastefully renovated home with four bedrooms on the beach at the beautiful Toowoona Bay recently sold for \$3.56 million with a very well appointed and modern four-bedroom apartment at The Entrance North selling for \$2 million.

At the other end of the real estate scale, we have noticed a two-bedroom unit with single garage and corridor water views in a 1980s style complex opposite the beach has sold for \$500,000 with lower prices being seen as we move one street away from the beachfront area. An old but neat three-bedroom dwelling with a carport in the backstreets of The Entrance sold for \$575,000.

If a more rural setting is preferable, then we would have to say that Matcham is regarded as the best location for small acreage. Values here are variable with the main point of difference between



values being the level of dwelling and ground improvements. At the top end of the market, a dwelling with a high standard of finishes, six bedrooms, six-car garage, tennis court, resort style pool and manicured grounds has been sold for \$4.5 million. More affordable properties within Matcham can be secured for around the \$1.5 million mark and at this level, buyers can expect a renovated and a well-appointed three-bedroom dwelling with small pool, garage and the added bonus of a neat and tidy second dwelling for extra income.

Back in the real world, another favourite location would be Woongarra. This location is just off the M1 motorway and home to many young families and commuters to Sydney. It is a relatively new suburb with an abundance of mostly project style dwellings. The benefit of this location is the closeness of good shopping, schools, hospital and Motorway access. At the higher end of the real estate values, we have seen large four and five-bedroom dwellings with garaging, undercover entertaining areas and most likely a pool being sold in the high \$800,000s. More affordable dwellings can easily be found. We have recently come across a circa 1995 single level, three-bedroom, one-car garage brick and tile dwelling that sold for \$445,000.

### Southern Highlands

**Bowral (current median value of \$915,000)** is the commercial centre of the Southern Highlands and is increasingly popular with Sydney families and retirees who continue to discover the region as an alternative to an increasingly congested urban existence. The benefits aside from the more relaxed lifestyle include proximity to retail, medical, school and transport infrastructure as well as a reasonable commute time to Canberra, with many locals opting to fly domestically out of Canberra airport. In the township of Bowral, purchasers can

expect to compromise on the age and condition of the property within secondary locations in order to enter the bottom end of the Bowral market. With more recent signs of the market recently cooling off, the entry point into the Bowral market is around \$490,000, demonstrated by the sale at this price in September 2018 of a 1970s renovated, three-bedroom, one-bathroom dwelling on Sheaffe Street, only a short drive to Bowral's CBD, albeit located in an established public housing area which limited broader market appeal. Whilst we wouldn't classify this as a champagne location, in our opinion the medium and long-term prospects of this area of Bowral will continue to transform as we see young families and investors buy into these precincts and benefit from general cosmetic renovation works, enhancing the overall appeal of the area.

**Burradoo (current median value of \$1.5 million)** is considered one of the higher-end suburbs in the Southern Highlands, comprising a mix of older style substantial scale residences and curtilage, dating back to the late 1800s and turn of the 20th century, to a large proportion of 1980s brick veneer and concrete tile dwellings on 4,000 square metre lots and more recently, executive-style residences and project homes. Burradoo is appealing due to its close proximity to the Bowral town centre and secondary schools.

The entry price point to Burradoo is around \$920,000 for an original 1950s three-bedroom, one-bathroom dwelling on Toongoon Road. Buyers with a beer budget trying to enter the blue-ribbon locations of Burradoo should expect to compromise on the age and condition of the property in order to reap the benefits of the leafy tree lined streets on the great Australian dream half acre lot. Historically, a premium price is being paid by investors for sites with circa 1960s, 1970s and 1980s dated houses in these prestigious suburbs due to the limited land

releases and tightly held vacant parcels in these areas. The above having been said, Burradoo has, along with other rural lifestyle acreage across the Highlands such as Sutton Forest and Exeter, shown a historically higher degree of market volatility. This has been up to 40 per cent, particularly in the \$3 million-plus price point where purchasers are increasingly discriminating in their decisions. Some elements of that volatility relate to ancillary improvements, expansive landscaped gardens, water features and equine facilities.

**Burrawang (current median value of \$1.375 million)** is a small country village some 20 kilometres south-east of Bowral. The precinct is comprised of a mix of rural lifestyle and rural properties in proximity to the historic village of Burrawang which features many cottages and churches in the area dating back to colonial times. Again, as in Burradoo, there's been historically increased market volatility with some of the larger rural lifestyle and rural holdings. Some of that volatility can be attributed to the presence across Burrawang of high tension power lines transecting many properties.

**Berrima (current median value is \$1.525 million)** is a small village within close proximity to the Bowral Commercial hub and is renowned for its historical significance and country lifestyle dating back to the early 1830s.

The entry point to both Berrima and Burrawang is \$700,000 to \$800,000 for a two-to-three bedroom, one-bathroom cottage within close proximity to the villages and attracts a similar demographic of buyer being the Sydneysider, weekender and retiree. These buyers should expect to compromise on the condition and fitout in order to reside in these premium grade historic villages at this price point. The medium and longer-term



prospects of these locations is considered to be more volatile compared to the overall Wingearribee Shire markets as a large proportion of the market in these locations relies on discretionary income levels being maintained.

## Illawarra

The Illawarra region runs along the south-east coast of New South Wales and it is no surprise that the Pacific Ocean is the consistent feature when we identify the most desirable locations. As the saying goes, they're not making any more coastline.

The northern coastal suburbs are the most popular with cashed up buyers. Ocean front properties and those with significant views can be tightly held but can command prices upwards of \$3 million when and if they hit the market. Lower Coast Road in Stanwell Park is an example, with two sales over \$3 million since 2013. Paterson Road in Coalcliff is another location having achieved two \$3 million-plus sales over the past two-and-a-half years. Sandon Point in Bulli is a high profile modern subdivision and home to many contemporary substantial dwellings. Three properties have sold for over \$3 million in past years, the most recent being 6 Garaban Court for \$3.2 million in January 2019.



## Is it possible to buy into these champagne locations on a beer budget? Well, the easiest thing to give up is a view.

Cliff Road and North Wollongong are where the high-end medium-density developments are located in the Illawarra region. A \$3.35 million sale of a unit on Blakett Street, North Wollongong in July 2018 is an example and a 2018 off market sale at \$4 million of an oversized podium level unit in Rockpool on Cliff Road are examples.

We have been unable to identify any open market sales of single coastal residential dwellings that break the \$4 million barrier across the Illawarra, although we note an ocean front property comprising two dwellings did sell in Hyams Beach for \$4.8 million in May 2018. Hyams Beach is the most popular of the Jervis Bay towns for holiday homes, with other spots such as Currarong, Huskisson and Vincentia also being favourites.

The \$4 million ceiling can be well and truly smashed when it comes to rural lifestyle properties. Areas around Berry are well known getaway spots for purchasers with high levels of discretionary income, with many Sydney rich-listers having weekenders in the region. A recent example is a rural lifestyle property comprising 100 hectares, expansive hinterland views and contemporary architect designed residence in Wire Lane in Berry which sold in December 2018 for \$5.4 million.

But what if you are lacking the oversized bank account? Is it possible to buy into these champagne locations on a beer budget?

Well, the easiest thing to give up is a view. If you want to be a part of the action but don't need to look at it, this can save a significant amount of money. Houses in Stanwell Park can still be purchased for less than \$1 million, or if \$750,000

is more your idea of affordability then there are plenty of villas and townhouses still within 500 metres of the beach that sell for around this mark in Thirroul and Austinmer. The market has even weakened enough for a sale of a house in Hyams Beach to drop under \$1 million in October, but don't think you'll be able to see the water from your living area.

The best residential locations in the Illawarra still appear to be in sync with the rest of the market. Recent weakening conditions have also hit these locations and affordability is starting to return. The prospects moving forward are estimated to be similar on a broader scale, expectations that the market will bottom out and stabilise for a decent period prior to starting the growth phase of the cycle again in the future.



# Victoria

## Melbourne

Potential property buyers in Melbourne have always had “location, location, location” in the back of their minds when considering the purchase of property. The question remains, how much is location really worth and what does you need to sacrifice to ensure you get a property that meets your desired location?

## East

Arguably three of the best suburbs in Melbourne’s East are Hawthorn, Kew and Camberwell. Hawthorn and Kew are both situated approximately six kilometres east of Melbourne’s CBD and Camberwell approximately ten kilometres. These historic suburbs are the exemplars of location, location, location. All consist of a blend of period homes on tree-lined streets and innovative apartments in lively positions, located in the middle of leafy parks, prestigious schools, great shopping strips and excellent restaurants, bars and cafes. Public transport is easily accessible, with several train stations amongst Hawthorn and Camberwell, as well as multiple tram routes servicing both suburbs and Kew, leading seamlessly into Melbourne’s CBD.

The current median house price in Hawthorn is \$2.2175 million (PropertyData, 2019). Buyers can expect to purchase a detached period home with a land area of approximately 450 square metres. Such dwellings generally consist of three to four bedrooms, two bathrooms and two car accommodation. For instance, 16 Power Street, Hawthorn, a recently renovated Edwardian

charmer sold for \$2.065 million in August 2018. The property provides a generous four bedrooms, two bathrooms and two car accommodation. Although situated on a busy road, the property is in the heart of Hawthorn, surrounded by amenities, parks and prestigious schools such as Xavier College.

It really is all about location. Residents can enjoy easy access to public transport, a quick trip into the Melbourne CBD or a short walk along leafy Hawthorn Grove to enjoy Glenferrie Road’s renowned restaurants, cafes and shopping.



16 Power Street Hawthorn, VIC 3122 Source: realestate.com.au

Recently, the unit median price in Hawthorn has decreased to \$566,000 (PropertyData, 2019). This price point generally offers either an updated 1970s unit with two bedrooms, one bathroom and single-car accommodation or a contemporary apartment with two bedrooms, two bathrooms and a car spot. The main factor for purchasers to consider is the location. Whether a student attending Swinburne

University or an employee working in the CBD, Hawthorn’s units provide convenience and lifestyle over affordability. Some recent sales include 5/127 Riversdale Road, Hawthorn in November 2018 for \$510,000 and 503/8 Queens Avenue, Hawthorn for \$570,000 in October 2018.



Kew and Camberwell currently share similar median house prices, in which both have seen a dramatic decline in recent months. Kew and Camberwell median house prices are \$1.975 million



and \$1.88 million respectively (PropertyData, 2019). Land sizes in Kew are on average larger than those in Hawthorn, therefore \$2 million will offer an unrenovated detached 1950s or 1960s dwelling. For instance, 30 Laver Street, Kew consists of four bedrooms, three bathrooms and two car accommodation and sold for \$2.055 million in December 2018.

190 Brougham Street, Kew situated on approximately 850 square metres sold for \$2.1 million in February 2019 and provides five bedrooms, two bathrooms and a two car garage. The median house price in Camberwell offers a three to four bedroom detached dwelling with on average two bathrooms and two car accommodation on generous land size.

These historic eastern suburbs have a purpose for long-term living and investment. Hawthorn, Kew and Camberwell's blend of heritage homes, contemporary architectural wonders and sleek new apartments ensure that owner-occupiers and investors are provided with the stability of purchasing in great locations. It is evident that these suburbs are not extremely affordable, however they depict that location really is everything and the benchmark for successful property buying.

### North

Current market conditions have resulted in a decrease in property values in the northern suburbs, creating the opportunity to buy into



**\$556,000**

the unit median in Hawthorn has decreased.

PropertyData, 2019

	Inferior	Standard	Superior
<b>Brunswick</b>	<ul style="list-style-type: none"> <li>• 9/45-47 De Carle St</li> <li>• 2 Bedroom 1 Bathroom</li> <li>• Living area 62 m2</li> <li>• Dated Apartment</li> <li>• Sale Price: \$430,000</li> <li>• Sale Date: 16/02/2019</li> <li>• Good location</li> </ul>	<ul style="list-style-type: none"> <li>• 34 Charles St</li> <li>• 3 Bedroom 1 Bathroom</li> <li>• Land: 385 m2</li> <li>• Living: 108 m2</li> <li>• Unrenovated Victorian Dwelling</li> <li>• Sale Price: \$950,000</li> <li>• Sale Date: 15/02/2019</li> <li>• Good location</li> </ul>	<ul style="list-style-type: none"> <li>• 123 Tinning St</li> <li>• 4 Bedroom 2 Bathroom</li> <li>• Land: 406 m2</li> <li>• Living: 99 m2</li> <li>• Renovated Victorian Dwelling</li> <li>• Sale Price: \$1,560,000</li> <li>• Sale Date: 02/03/2019</li> <li>• Great location</li> </ul>
<b>Carlton</b>	<ul style="list-style-type: none"> <li>• 805/495 Rathdowne St</li> <li>• 2 Bedroom 2 Bathroom</li> <li>• Living area: 64 m2</li> <li>• Modern Apartment</li> <li>• Sale Price: \$705,000</li> <li>• Sale Date: 04/01/2019</li> <li>• Great Location</li> </ul>	<ul style="list-style-type: none"> <li>• 14 Murchison St</li> <li>• 3 Bedroom 1 Bathroom</li> <li>• Land: 103 m2</li> <li>• Living: Unknown</li> <li>• Dated Victorian Terrace</li> <li>• Sale Price: \$1,275,000</li> <li>• Sale Date: 18/12/2018</li> <li>• Great Location</li> </ul>	<ul style="list-style-type: none"> <li>• 396 Cardigan St</li> <li>• 3 Bedroom 1 Bathroom</li> <li>• Land: 217 m2</li> <li>• Living: Unknown</li> <li>• Updated Attached Terrace</li> <li>• Sale Price: \$2,020,000</li> <li>• Sale Date: 13/12/2018</li> <li>• Excellent location</li> </ul>
<b>Northcote</b>	<ul style="list-style-type: none"> <li>• 26 Elm Street</li> <li>• 3 Bedroom 1 Bathroom</li> <li>• Land: 266 m2</li> <li>• Living: 103 m2</li> <li>• Semi-dated Dwelling</li> <li>• Sale Price: \$1,100,000</li> <li>• Sale Date: 14/12/2018</li> <li>• Good location</li> </ul>	<ul style="list-style-type: none"> <li>• 12 Hakatere Street</li> <li>• 3 Bedroom 2 Bathroom</li> <li>• Land: 500 m2</li> <li>• Living: 122 m2</li> <li>• Dated Dwelling</li> <li>• Sale Price: \$1,335,000</li> <li>• Sale Date: 06/02/2019</li> <li>• Good location</li> </ul>	<ul style="list-style-type: none"> <li>• 16 Tanner Grove</li> <li>• 4 Bedroom 2 Bathroom</li> <li>• Land: 605 m2</li> <li>• Living: 154 m2</li> <li>• Renovated Dwelling</li> <li>• Sale Price: \$1,960,000</li> <li>• Sale Date: 02/03/2019</li> <li>• Good location</li> </ul>

Source: Core Logic, 2019

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prestigious inner northern locations such as Brunswick, Northcote and Carlton.

Location, as we know, is paramount for any property purchase, and these locations are certainly the best selections of the northern suburbs. Being six kilometres from the CBD, Brunswick has its own arty vibe with the area surrounded by decorative cafes and restaurants. The close proximity of Carlton to the CBD alongside its heritage and historic buildings is what makes it a great location to live, a stone's throw away from the Victorian Markets and shopping centres are just a small bonus. Northcote is one of Melbourne's most famous mixed use areas and was recently named Melbourne's suburb of the moment (Domain, 2019). Northcote is home to a diverse population with many families, young couples and working professionals.

The hunt to find a suitable property in these locations for a long term stay continues to be an issue for many people wanting to make the move, because as we know, great location comes with a big price tag.

As shown, the cheapest property available in these locations will find you a two-bedroom apartment ranging from \$400,000 to \$500,000 in Brunswick and \$700,000 to \$775,000 in Carlton. You will find similar prices for apartments in Northcote, however the lowest price you will pay for a detached dwelling in the area is \$1.1 million to \$1.3 million.

The key factor surrounding the property in these areas is location. Purchasers wanting to live closer to the CBD within the northern suburbs but who have a price range of \$400,000 to \$800,000 must be willing to give up their aspirations for a spacious dwelling with large internal living areas, high number of bedrooms and land area. If the price point is out of reach for

purchasers, the only way to obtain standard to superior property is to move further out north, away from the city.

However, given the property market is in noticeable decline, it may present opportunities for prices to drop even further and offer a fair entry level. 19 Horne Street, Brunswick sold for \$1.55 million in May 2016 and eighteen months later sold for a loss at \$1.365 million in November 2018 (RP Data, 2019). Having a loss of \$185,000 and entering a volatile and declining property market, it could end up being much worse for property value going forward.



19 Horne Street, Brunswick

Source: RP Data

Purchasing inferior-standard property for an investment may be a great decision in six to twelve months' time, as property prices in these sought after areas will continue to be hit hardest. If the decline does indeed push property prices further, an investment in one of these locations could yield healthy capital returns when the market corrects.

**Rippleside has seen a jump in value of dwelling prices of almost 19 per cent over the past three years.**

## Geelong

Geelong, Drumcondra and Rippleside can easily be argued as Geelong's premium suburbs. Tightly held, these suburbs offer exceptional bayside living in a blend of period and modern style dwellings. Generally set over a generous allotment, they are located within easy walking distance of central Geelong and the waterfront.

Rippleside has seen a jump in the value of dwelling prices of almost 19 per cent over the past three years thanks to the Balmoral Quay waterfront development. An initial off the plan apartment purchased for \$1.029 million recently sold again for \$1.1 million, a seven per cent increase in just over 12 months since the occupation.



7 Lumb Place, Rippleside

Source: realestate.com.au

According to Realestate.com, the median house prices for Drumcondra is \$885,000, Geelong \$745,000 and Rippleside \$735,000. This may be set to increase with the announcement of the proposed \$40 million redevelopment of the Royal Geelong Yacht Club Safe Harbour.





Waterfront Geelong - Proposed Safe Harbour Precinct Source: G21

For those looking to enter the market in these locations, patience will be the key as the area is tightly held. Good opportunities still present themselves, however buyers will have to compromise on location, size and quality of dwellings. Furthermore, they may need to roll up their sleeves and get their hands dirty undertaking cosmetic renovation and updates to bring the dwelling up to spec.

An example is 22 Walker Street, Ripplside.



22 Walker Street, Ripplside Source: realestate.com.au

The property comprises two bedrooms, single living area and central bathroom situated over a 269 square metre allotment.

## *A true entry level property in Portsea would be an apartment in close proximity to the beach and shops.*

If the budget is tight, neighbouring suburbs such as Geelong West, South and East Geelong all offer similar period style dwellings of varying quality however miss out on the waterfront lifestyle that makes these suburbs a cut above the rest.

### **Inner and Outer South East**

Portsea has long been held as one of Victoria's most prestigious addresses, tucked away at the bottom of the Mornington Peninsula. This is a tightly held pocket and property rarely comes up for sale. With a small strip of local shops and pristine beaches it has been a favourite with retirees and prominent business people looking to have a retreat away from the city. It is also home to the annual Portsea Polo, which hosts guests from around the globe.



3732 Point Nepean Road, Portsea Source: realestate.com.au

3732 Point Nepean Road is an example of one of the high-quality homes in the area. The property has a price range of between \$6.5 million and \$7 million. The house was built circa 1900s and was constructed of limestone, however has

been extensively renovated. The home is split over three levels and features a north facing terrace with bay views and a swimming pool. The property also includes vaulted ceilings, exposed beams and an underground wine cellar. Situated in a prime location, the property benefits from private beach access and is only a short walk from Portsea Village.

If looking to purchase a small family home, 55 Elizabeth Road, Portsea can be purchased for within the median house price range which is currently \$1.965 million. It is currently on the market for between \$1.75 million and \$1.9 million. This single level dwelling with five bedrooms and three bathrooms features a large deck as well as a renovated interior. This location however lacks the benefit of being within walking distance of the beach and amenities.

A true entry level property in Portsea would be an apartment within close proximity to the beach and shops. For example 328/3765 Point Nepean Road is currently on the market for \$700,000. The apartment is located in the Portsea Village Resort and comprises two bedrooms, two bathrooms (one including laundry facilities) and two undercover car spaces. Amenities include an indoor/outdoor swimming pool, gymnasium, and tennis court as well as a restaurant, bar and lounge area. Purchasing an apartment enables the buyer to have access to the beach and amenities, but they must sacrifice space. Given the location, these will always be a good investment due to the many tourists Portsea attracts over summer.

Closer to the city, the bayside suburb of Black Rock benefits from its prime beachside location but within a commutable distance to the Melbourne CBD of approximately 18 kilometres.



44 Ebden Avenue, Black Rock

Source: realestate.com.au

An example of a grand home is 44 Ebden Avenue, Black Rock, with a selling range of between \$6.4 million and \$7 million. The five-bedroom, six-bathroom property is only three years old and situated close to cafes, sought after schools, public transport and the beach, and benefits from 180 degree views across Port Phillip Bay. The home features an industrial kitchen, marble bathrooms and foyer, high ceilings, parquet, indoor gym, heated pool and spa with a sauna.

Within the median price range of \$2.2 million, 6A Glenmore Crescent, Black Rock is on the market for between \$1.75 million and \$1.9 million. The townhouse features four bedrooms and two bathrooms, with high ceilings, a plunge pool and deck. The property is within walking distance of the beach, bus stops and the popular Bay Trail.

If looking to buy into Black Rock at an entry level price, the easiest way is to purchase an apartment. 6/54 Ebden Avenue is currently on the market for \$550,000. This apartment contains two bedrooms,

one bathroom (with laundry combined) and a modern kitchen with an allocated undercover parking space and is located close to bus stops, cafes and only a block away from the foreshore.

Sandringham is another bayside suburb that has become well known as a prestigious address and is approximately 19 kilometres from the CBD.



1 Southey Street, Sandringham

Source: realestate.com.au

1 Southey Street, Sandringham is currently on the market for between \$4.55 million and \$5 million. The house comprises four bedrooms and four bathrooms, home theatre and self-cleaning pool. It is situated in a prime location close to Sandringham beach, the local yacht club, train station and shopping strip.

A typical family home in the area for sale is 22 McLauchlin Avenue, Sandringham, which has a price range of \$1.65 million to \$1.725 million. The three-bedroom, two-bathroom home built in the 1920s has many period features such as picture rails, coffered ceiling and stained glass bay windows and also features a pool. The location is close to local bus stops and quality schools such as Firkbank Grammar, however it is not in close proximity to the beach.

Buying an entry level studio apartment in Sandringham (3.14/18-34 Station Street) will set you

back \$280,000. The above apartment also comes with a secure underground car park and storage cage. It is only metres from Sandringham station and popular cafes and shops are situated right on the doorstep.

All these sought-after locations have a few things in common; they are all within close proximity to shops, cafes, schools and the beach.

It is clear that if you are on a limited budget, the only way to buy into these sought-after south-eastern suburbs is to compromise on space and purchase an apartment. Apartments also make great investments and have the benefit of being in prime locations.

If you are willing to spend a little more, in most suburbs you will be able to purchase a renovated period home. Whilst you may need to sacrifice the views, they are generally still situated within close proximity of the beach and shopping strips and are generally resistant to huge fluctuations in value that we tend to see with higher value properties.

Occasionally in order to buy into these addresses on a tight budget, one must look at purchasing in secondary positions (such as on a busy road), or a run-down fixer upper in order to live in the desired location.

### Mildura

Most people would agree that the Murray River is the prime natural feature of the Mildura district and so it is no surprise that our highest value properties tend to enjoy either frontage to or views over the river.

Our Victorian forebears felt that a 60-metre strip of Crown Land should separate the river from privately owned land, while New South Wales has no such restriction. The result is that people go



## *People go camping on the Victorian side, but aspire to live on the New South Wales side.*

camping on the Victorian side, but aspire to live on the New South Wales side, where they can better enjoy the unrestricted amenity of the river.

It is no surprise then that our best regarded residential locations are mostly in New South Wales, either in the Gol Gol district or between Buronga and Boeill Creek.

The first homes built to capitalise on the river views started to appear in the 1970s and many such homes have been built in the intervening period. Most of the better standard homes with river frontage in Gol Gol now trade for in excess of \$1.25 million and larger size vacant lots are typically fetching over \$800,000.

For those unable to afford these price tags, options include buying in a secondary location, perhaps with frontage to Gol Gol Creek rather than the Murray River, or buying a smaller block of land in Gol Gol or nearby Buronga with river views. A recent example of the latter is the sale of a 546 square metre lot at Carbone Court in mid 2018 for \$585,000. At this size, it is still possible to construct a dwelling with direct access and views of the river, but the narrow frontage restricts the views and the shape of any dwelling.

An example of a sale of an older dwelling with frontage to Go Gol Creek is 4 Wilga Road South, Gol Gol, which sold in early 2018 for \$449,000. The property comprised a solid three-bedroom home, likely built in the late 1970s, on a 3,240 square metre lot and enjoying frontage to Gol Gol Creek. This represents a significant discount to what homes within 200 metres which have frontage to the Murray River have sold for in the past.

### Echuca

There are several opportunities to buy into a well-located property within the Echuca-Moama area that are central without costing the earth.

In particular, the eastern side of Echuca where housing costs a fraction of the price of houses located centrally but which might be equally close if not closer than some of the more renowned central streets such as Hopwood and Francis Streets, the old part of Moama, provides plenty of opportunity to purchase older homes for renovation or demolition while being very central to Moama and relatively close to the Echuca CBD. In both instances, larger allotments of more than 1,000 square metres will cost upward of \$250,000 but provide unit development potential or the possibility of redevelopment into single residential homes.

Month in Review  
April 2019



RESIDENTIAL

# Queensland

## Brisbane

Want a champagne location on a beer budget? Welcome to Brisbane.

We are the bottle of bubbly on the top shelf of this nation's real estate market. A limited edition where every sip is a joy.

Compared to other major cities, we come at a reasonable discount. Yes, you can have it all in the Sunshine State and for a fraction of the cost you'd pay in Sydney or Melbourne.

It's this sort of affordability factor that's driving new residents to our region as net interstate migration finds itself on the rise. We are seeing a growth in infrastructure spending and there's a general sense of positivity about private investment in the region too. As we look forward to rising employment, the long-term future for Brisbane property remains very positive.

So, regardless of the fact you can already buy a high-quality, reasonably priced home in our city, what about the micro markets?

First up, if you're looking for the blue-chip, ooh-la-la addresses in Brisbane, there are a wide range of options. From prestige acreage to high-end apartments, most tastes can be catered for.

For the sake of this discussion, it would be fair to

say that most suburbs that ping on buyers' radars are those within a stone's throw of the CBD. This means locations such as Ascot, Hamilton, New Farm, Teneriffe and Paddington.

These are the resilient addresses of style where land values have a penchant for consistently rising. Resilient addresses full of all the fundamental drivers property people crave.

Things such as proximity to the CBD and Brisbane River; high-end amenities and lifestyle choices such as established café and restaurant precincts; great transport options including public transport alternatives or easy access through to major roadways. They often include elements such as prestigious school catchments too.

There are also physical attributes with elevation and views to the city, mountains or river helping increase the appeal.

So, for these addresses, what will it cost you to buy at the bottom of the price point?

To illustrate, your typical starter price for a detached dwelling in Ascot, Hamilton or Paddington would be around \$700,000 plus as an absolute kick off.

As an example, 73 Dobson Street, Ascot sold for \$751,000. This was a two-bedroom, one-bathroom home that was very well presented and located.



73 Dobson Street, Ascot Source: realestate.com.au

Another recent sale was 10 Hopetoun Street, Ascot which sold for \$770,000 - a three-bedroom, two-bathroom home in modest condition and within proximity of a train line.



10 Hopetoun Street, Ascot Source: realestate.com.au

Starting prices for homes in New Farm and Teneriffe are a little more expensive at around \$900,000. For example, a renovator option on approximately 250 square metres located at 21 Clay Street, New Farm sold for \$940,000.

*To illustrate, your typical starter price for a detached dwelling in Ascot/Hamilton/Paddington you'd be in or around \$700,000+ as an absolute kick off.*





21 Clay Street, New Farm

Source: realestate.com.au

These are great options, but what if our beer budget is more XXXX than hipster craft? Then you must compromise and give up on the land component.

In fact, there are chances to rub shoulders with an affluent neighbour for less than \$250,000 if you're willing to make the switch to attached housing. One-bedroom, one-bathroom units are available in all these locations and enjoy the same access to services and facilities without the million-dollar price tags.

Examples include 8/12-14 Bailey Street, New Farm which sold for \$224,000. This is a good-condition circa 1940 (converted 1997), one-bedroom/multi-purpose room, one-bathroom post-war strata studio unit situated within the Venice Apartments development on ground level. It has a living area of 24 square metres and a south-westerly aspect with no significant views.



8/12-14 Bailey Street, New Farm

Source: realestate.com.au

Another is 3/83 Dobson Street, Ascot which sold for \$245,000. This unit is circa 1980 (converted 1997) and offers one-bedroom, one-bathroom on level two of The Dobson residential complex. The unit has a living area of 44 square metres, outdoor area of three square metres and car accommodation of 35 square metres. It was in good condition overall as well.



3/83 Dobson Street, Ascot

Source: realestate.com.au

Smarter buyers might up the ante a little and hunt down a 1970s or 1980s two-bedroom brick unit in good condition and with car accommodation. In many hot suburbs, these are available for below \$400,000. This sector has been hit hard by the recent oversupply of new unit stock which means

the buy-in is low. If you're an owner-occupier, enjoy living in the space for a stretch before moving on and renting it out. Yields are pretty good so holding the unit isn't too much of a chore.

What you are compromising to get in for less money is obvious. You're giving up land and space. Some of the cheaper properties might also be exposed to road noise and high pedestrian traffic areas too.

In some cases, they'll come with no car accommodation and many will need some renovation work.

The other downside is that while they will enjoy the benefit of overall growth in locational demand, attached housing typically doesn't rise in value as strongly as detached homes (that whole land component thing has a lot to do with it).

That said, first home buyers would do well to secure a well-located property at the low buy-in price level. When it comes time to move, they will rent out in a flash at a decent yield so you can start your portfolio with a set-and-forget option.

## Gold Coast

### North/North-West

Mount Warren Park, Beenleigh and Windaroo are top of the list for the north-west. Whilst market activity and in some cases prices have come off a bit in recent months, it is still possible to find a value for money house or unit. There are options for those who want to buy and renovate for a profit or rental returns. Some positively geared options are also around.

The suburbs we have chosen are established older areas, not flooded with redevelopment, new estates or investors.





14/9 Quinton Crt, Mt Warren Park QLD Sold for \$230,000 on 01/2019  
Source: realestate.com.au

On-ground, semi modern, circa 1990, bagged brick three-bedroom, one-bathroom villa with tiled roof and single-car garage. Property includes renovated kitchen, bathroom and new carpets. It rents for \$310 per week with body corporate fees of \$40 per week.



13 Mewing Crt, Windaroo QLD Sold for \$335,000 on 12/2018.  
Source: realestate.com.au

This property comprises a semi modern, on-ground, circa 1992, brick three-bedroom, two-bathroom dwelling with single-car garage and tiled roof. The property includes recent floor coverings and paint with original kitchen and bathrooms. Land area is 622 square metres. Property rents for \$390 per week.

The compromises are that you are mainly looking at older properties which may require maintenance or updating soon. When you look at nearby suburbs such as Bahrs Scrub or Holmview where you can buy a new dwelling, these properties are usually priced up to the dollar and can often take some years before you see a capital gain given the premium paid for being new.

We consider there to be a likelihood of prices falling somewhat for most of this year in these locations, then hopefully a resurgence in the market thereafter. However at present, the rental market in these locations is pretty strong providing a good holding income in the meantime. The property to buy as a home or an investment are regarded as the same property in these locations.

#### Central North Gold Coast

Hollywell is a small suburb located just below Paradise Point and just above Runaway Bay on the Gold Coast, Queensland. It is often overlooked in property searches due to its size and well known surrounding suburbs. Hollywell features canal front properties with bridge free broadwater access to a number of sites, as well as broadwater views. Whilst the suburb does lack quality shopping facilities, restaurants and cafes, it is within walking distance to suburbs that offer these. Furthermore, public transport is readily accessible and runs straight through the middle of the suburb.

Price points within the suburb do range as the property mix comprises units, dry block houses and canal front houses. Over the past six months we have seen entry level two-bedroom, two-bathroom units being acquired for just under \$400,000, dry block houses selling upwards from \$525,000 and canal front properties with bridge free broadwater access from \$900,000. Some examples for reference are:



361 Bayview Street, Hollywell sold for 26/11/2018 for \$900,000.  
Source: RPData

Circa 1980, part two-storey, brick and tile dwelling with five bedrooms, three bathrooms, double lock up garage and tandem bay carport. Features updated kitchen with timber floors, updated bathroom, solar panels, concrete boat ramp, pontoon jetty and swimming pool. North-east, 18 metre canal frontage with bridge free broadwater access. Land area is 725 square metres.

The property is positioned on a local thoroughfare road that runs through Hollywell, which is a detracting factor. The property was on the market for 64 days and original asking price was \$1.15 million.





68 Jacaranda Avenue, Hollywell sold on 4/1/2019 for \$530,000.  
Source: RPData

68 Jacaranda Avenue, Hollywell sold 4 January 2019 for \$530,000. A circa 1975, part two-storey, painted brick and timber weatherboard and metal dwelling with four bedrooms, two bathrooms, tandem lock up garage and tandem bay carport. Features basic fixtures and fittings, polished timber floors and a garden shed. The land is level and backs onto bushland, featuring local and bushland views. Land area is 506 square metres. The property was sold by a local agent with an asking price of \$549,000 and was sold within 18 days.

We note that the difference between buying a home and an investment property is emotion. We believe that Hollywell offers buying opportunities for investors and home owners and all price points, as the best investment properties include owner-occupier appeal and long term growth for the Gold Coast region is looking good with strong migration and proposed infrastructure spending in the region.

### Central Gold Coast

Mermaid Beach is the top pick, being a popular beachside, residential and holiday locality adjoining the central hub of Broadbeach to the south. Development in this location is very mixed, ranging from basic one or two bedroom units of modest

quality to ultra-modern, prestige quality beachfront homes exceeding the \$10 million level. There has been a high level of building activity in this suburb over the past ten years, with older style houses either substantially renovated and extended, or demolished and redeveloped with large prestige quality houses and duplex residences.

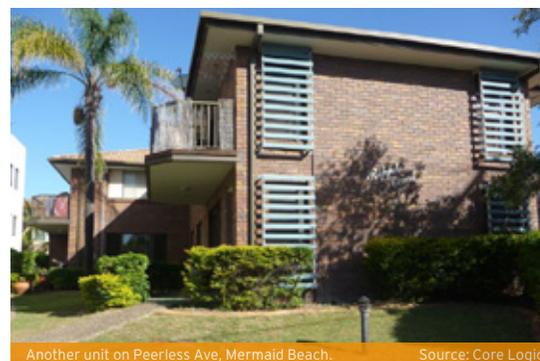
More recently, we have seen some older style properties being amalgamated and redeveloped into modern, medium rise and high rise residential buildings, particularly at the northern and western fringes of the suburb.

The beachfront precinct of Mermaid Beach along Hedges Avenue and Albatross Avenue is regarded as one of the most prestigious residential locations on the Gold Coast and just 100 to 200 metres back from these streets, you can still find terrific investment opportunities under \$450,000.

Search for units on the beachside section (east of the Gold Coast Highway) of the suburb. All properties in this precinct generally have good accessibility to the beach. Avoid the budget units located in the holiday style resorts as these are typically subject to high body corporate and management fees. One-bedroom apartments have typically sold between \$250,000 and \$300,000 in the past few months, however, if you are in the market to buy, consider two-bedroom units in the \$350,000 to \$450,000 price bracket as they offer better value and are a larger unit. Look for circa 1970 to 1990 built two-bedroom apartments with low body corporate fees as these can potentially achieve a weekly rental value of \$450 to \$500 per week.



Unit on Peerless Ave, Mermaid Beach Source: Raywhite.com



Another unit on Peerless Ave, Mermaid Beach. Source: Core Logic

### Gold Coast South

The best three locations for being able to buy champagne on a beer budget on the southern Gold Coast would be Burleigh Heads, Miami and Burleigh Waters due to the close proximity to the beach, shopping centres, highway access and leisure activities.

Between \$300,000 and \$400,000 will secure an original one-bedroom unit in an esplanade position in Miami. A two-bedroom unit will cost between \$400,000 and \$600,000 depending on age, location and quality within all three hot spots.

A 405 square metre block will set you back close to \$700,000 in Miami. If you can't afford the



\$700,000 price tag, you could compromise with a smaller original or renovated duplex in Miami or Burleigh Waters for between \$500,000 and \$650,000.

The next six months should see more stock come onto the market and if vendors are reasonable with list prices the market will hopefully become steady without some of the erratic sale prices we have seen over the past nine months.

If you are talking even budget beer tastes, the bare minimum to get into a property is \$300,000 for a one-bedroom beach side original unit. Whilst the location is worth it being close to the beach, the returns and potential capital growth on this product are probably going to remain the same within the next two years.

A cross section of recent beer budget sales within the southern Gold Coast hotspots are as follows:

A one-bedroom beachside unit at 14/286 The Esplanade, Miami transacted in October 2018 for \$300,000.



14/286 The Esplanade, Miami Source: CoreLogic

An entry level Miami duplex unit at 1/23 Doggett Drive, Miami sold in November 2018 for \$465,000.



1/23 Doggett Drive, Miami Source: CoreLogic

If you are lucky enough to find an older house with room to spare, either put a second house or demolish and rebuild your dream house, \$640,000 would have recently bought 42 Paradise Avenue, Miami.



42 Paradise Avenue, Miami Source: CoreLogic

#### Far North-Eastern New South Wales.

The champagne locations include Kingscliff, Salt (Kingscliff/Casuarina) and Cabarita Beach (Bogangar) for the Tweed Shire - all the coastal towns! Their locality on the beach and small village-like feel, away from the hustle and bustle of the Brisbane and Gold Coast, are what makes these areas attractive. However, for those who travel up the coast for work, the commute is not too bad. Unfortunately, these locations are not

too kind to investors and are more for the owner-occupier.

Price points in Salt (Kingscliff/Casuarina) are generally in the \$1 million to \$1.3 million price bracket for a house and Cabarita Beach (Bogangar) around the \$700,000 mark.

However, if you want to get into these markets on a beer budget, you will need to look at downsizing to an older duplex, townhouse, villa or unit.

Kingscliff Hill which is quite a popular location with good views and close to town and the beach has quite a few 1980s style duplex units.



2/9 Gaggin Way, Kingscliff Source: RP Data

2/9 Gaggin Way, Kingscliff NSW 2487 sold for \$530,000 on 20 December 2018 - The property comprises a semi-modern, lowset, circa 1985, brick two-bedroom, one-bathroom semi-detached duplex with single-car garage and tiled roof. Original kitchen and bathroom. Would rent for approximately \$370 per week.

If you're after something a little bit bigger but looking somewhere in the \$500,000s, you will need to head a little further south to Cabarita Beach (Bogangar). The town is still a very popular location and within walking distance of the town and beach and a very popular location for surfers.





2/1 Red Ash Place, Bogangar Source: RP Data

2/1 Red Ash Place, Bogangar NSW 2488 sold for \$565,000 on 2 October 2018. The property comprises a semi modern, lowset, circa 1990, brick three-bedroom, two-bathroom, semi-detached duplex with single-car garage and tiled roof. New flooring. Original kitchen and bathrooms. Would rent for approximately \$520 per week.

The catch of course with beer prices is that the dwelling is not a freestanding dwelling and you will need to look for a strata titled property in original condition. Of course there is opportunity to add value to the property by updating the interior.

The Tweed Shire market seems to be steady at the moment and prices have grown exceptionally from the lows of 2013. Right now, I would sit and wait for the market to pull back - what goes up must eventually come down.

### Sunshine Coast

We have all heard the catch cry "location, location, location" when it comes to real estate and typically this brings with it a high price tag. Well this month we look at the champagne locations and see if you can buy on a beer budget.

To get into a property in any of the sought-after locations on a beer budget will take compromise.

## You are able to purchase a one-bedroom investment unit for under \$375,000 with access to Hastings Street.

This typically comes down to size and condition. As a general rule, the smaller the house or unit, and the worse the condition, the more likely it is the price will be lower. Clichés such as worst house in the best street and renovator's delight all ring true.

### Units

When looking at champagne locations, there is no more desirable unit location than Hastings Street at Noosa Heads, particularly for investors. Although you may not be able to purchase a property on Hastings Street on a beer budget, you are able to purchase a one-bedroom investment unit for under \$375,000 with access to Hastings Street from within the Viridian Noosa Complex less than 500 metres from Hastings Street. If you want to add a bedroom or two, you just have to climb up Noosa Hill where for around \$500,000 you should be able to find something.

Looking to other sections of the coast, namely around Caloundra and Mooloolaba, there are opportunities as well. These spots are close to the beach and in some cases, will provide ocean views. One-bedroom units in both these areas start at around \$200,000 and when adding a bedroom you step up to \$300,000 and you get an older unit a few street back.

### Houses

Starting at the southern areas of the coast, the Maroochydore area offers some good opportunities to be located in and around the new town centre. The land sizes are still around the traditional 600 square metres, but the compromise will be on the home. It will be an older style home that will need some work. Price points for these are around the

\$550,000 level. This is mirrored in the Caloundra and Noosa areas as well with similar lot sizes and house styles. The difference is in the price points. Caloundra is similar to Maroochydore at \$550,000 but Noosa steps up to \$700,000.

### Rural Residential.

In the rural residential market, there are so many champagne locations, it's best just to look what you can get. For an acre close to the hinterland township areas west of the highway, you can still get an older home with a shed for around \$500,000. When you look east of the highway, they step up to around \$600,000. This is still pretty good value given that even when you add water tank and sewerage systems, it would still be at below replacement cost.

To grab a property in a champagne location on beer budget is still possible. You will just have to compromise on the unit or home. It's a pretty good strategy for future value growth as the land is the constant and, let's face it, when it comes to land in these areas, they aren't making any more of it.

### Darling Downs/Toowoomba

Suburbs encompassing the prestige sector include Middle Ridge, Rangeville, Redwood, Prince Henry Heights, Mount Lofty and the stand out performer, East Toowoomba. These suburbs are located on the eastern escarpment of Toowoomba, enjoying large lots and valley views as well as being within many of Toowoomba's private school catchment areas.

The typical price point for homes in these areas is around \$500,000 to \$600,000, and for units around \$300,000 to \$400,000.



Below are some examples of these typical price points.



4 Pugh St, Middle Ridge

Source: realestate.com.au

A modern dwelling at 4 Pugh St, Middle Ridge sold for \$591,000 in January 2019



1/178 Mary St, East Toowoomba

Source: realestate.com.au

A tidy villa at 1/178 Mary St, East Toowoomba sold for \$380,000 in October 2018.

Price points for absolute entry level properties in these prestige areas range from about \$200,000 to \$300,000 for dwellings and \$100,000 to \$200,000 for units. The biggest compromises with these properties from the typical properties in these suburbs are: location (usually situated on arterial roads or thoroughfares); age of dwelling; and condition of dwelling. The age and condition of a property isn't a huge compromise when you can renovate and restore the dwelling to a more desirable quality, however location cannot be changed and the difference between a quiet

suburban street and a busy thoroughfare is a compromise many buyers are not willing to make.

Below are some examples of entry level properties in these prestige suburbs.



74 James St, Rangeville

Source: realestate.com.au

An older style, original condition dwelling at 74 James Street, Rangeville located on a highway sold for \$230,000 in September 2018.



224 Stenner St, Middle Ridge

Source: realestate.com.au

A semi-modern, original condition dwelling at 224 Stenner Street, Middle Ridge located on a busy thoroughfare sold for \$217,500 in September 2018. (source: realestate.com.au)

*The Toowoomba market has continued to be multispeed and property specific.*



6/5 Murlali Ct, East Toowoomba

Source: realestate.com.au

Located on a quieter street, however close to the highway, it comprises an older style, original condition unit at 6/5 Murlali Court, East Toowoomba. Sold for \$157,500 in July 2018.



70 North St, Mount Lofty

Source: realestate.com.au

An older style, original condition dwelling at 70 North Street, Mount Lofty located on a busy thoroughfare sold for \$269,100 in July 2018.

The medium and long-term prospects of buying property of this nature are hard to determine. The Toowoomba market has continued to be multispeed and property specific. The Toowoomba Second Range Crossing will be completed later this year and will reduce the amount of heavy vehicles travelling through the city and should reduce noise



and odour issues for properties on or near James Street (Warrego Highway). The market effect will take some time to identify. There has been little consistency and the variations in sale prices and buyer interest make it difficult to establish well performing suburbs and specific property types.

## Cairns

Champagne locations in Cairns are not really suburb based but are defined more in terms of their features. Upper end properties are generally located in elevated positions with views, beachfront or canal front locations, inner CBD quality apartment buildings and quality rural residential properties in Redlynch or the Northern Beaches. Another market for champagne properties is Edge Hill/Whitfield.

To purchase a cheap property in these locations requires compromise and as the attractiveness of the area is normally reflected in the underlying land value, the building is normally what you need to compromise on. You will need to look for something that undercapitalises the site or a house or unit that requires renovation or extension. Unfortunately, due to the flat market in Cairns, full renovations tend to add less than they cost, so often you are better buying an already renovated property instead of a renovator's delight.

There is a real risk that buying something cheap in a good area is really just deferring expenses you will have to incur down the track. Although it may be a stretch, if it is your aim to live in a champagne location, it may be much wiser to purchase a completed project. Many renovators admit that they would never have spent the money they did if they were honest with themselves at the start. Your bank account and you marriage will probably thank you for it.

## Rockhampton

Rockhampton typically has two market sectors where everyone wants to live depending on the buyer's preference. One buyer profile is seeking to own or surround themselves with grand scale, renovated Queenslander homes. This style of property is limited to the suburb of The Range. The other buyer profile seeks quite the opposite, looking to modern living, often with all the optional extras such as a pool and shed. The location to obtain this style of product is not as restricted and can encompass a number of suburbs including Frenchville, Norman Gardens and even selected areas of park residential areas on the fringe of town including Parkhurst and Rockyview.

Each location has its own unique element which helps to make it into our location, location, location list. The Range has all the charm and appeal of Rockhampton's rich history as well as elevation and convenience to the CBD and highly regarded schooling. Frenchville and Norman Gardens have well established, leafy neighbourhoods within easy commuting distance of major facilities and Parkhurst and Rockyview have room to move on blocks ranging in size from 1,500 square metres to an acre, with town water available.

Price points vary as much as the suburbs themselves. Absolute entry level into The Range for a dwelling sits at around \$200,000. Houses at this price point generally lack any views or elevation however do have the other benefits of the suburb (i.e. the address). Renovation is typically a necessity and over time, the immediate surrounding development will go through the same renovation trend. This is somewhat cheaper than a typical price point in the area which we consider to be anywhere from say \$400,000 to \$500,000.

North of the river, entry level properties in Frenchville and Norman Gardens are again few and far between at price levels below say \$225,000. The product varies somewhat from the Range and will typically be a dated yet functional home. Again, quite a way below the average home in the area around \$350,000. The park residential areas of Parkhurst and Rockyview are typically newer areas developed in recent years therefore entry level is much higher at around the mid \$400,000s for a 25-year-old brick four-bedroom home on an acre block. The typical home in these park residential areas is typically upwards of \$550,000.

From these comparisons, we can easily see there is an affordable entry level into each of the preferred locations of Rockhampton, however obviously compromises will need to be made, whether it be the condition of the home, number of bedrooms (two-bedder verses three-or-four beds), lack of ancillary improvements such as a pool, lack of views or the quality of the immediate neighbours. Typically, given the limited availability of land south of the river, long term most of these compromises are worth considering in the Range. In the north side suburbs, the compromises need to be assessed on a case by case basis depending on the buyer and their intentions, whether they are long or short-term prospects. There is a greater availability of stock on the north side which gives buyers more options to consider in the currently stable market.

Typically, there are some differences between buying a home or an investment in these well regarded localities. An owner- occupier is likely to place more importance on the number of bedrooms or busy road frontage, whereas an investor is likely to be less concerned if the return is at an acceptable level. There are a number of opportunities in the Rockhampton market for





future capital gain over the long term and rental price increases in the short term with a tightening rental market being experienced at present. This may counterbalance some of these less attractive features for the investor but may not be practical for an owner-occupier to live with every day.

## Gladstone

One of the most popular and tightly held suburbs in Gladstone is Telina. Much of the suburb borders the botanic gardens and is in close proximity to both the Woolworths Kirkwood and Sun Valley neighbourhood shopping centres. Schools and parks are close by and there is easy access to major transport routes. Entry-level pricing in Telina sits at around the \$200,000 mark. Houses at this price point are generally 1980s to 1990s three-bedroom brick homes, or dwellings situated close to or on arterial roads. This is somewhat cheaper than the typical price point in the area which we consider to be anywhere from say \$300,000 to \$500,000. Other well-established suburbs such as Clinton, New Auckland and Kin Kora also fall into a similar typical price point, however entry level pricing is more in the vicinity of \$150,000 to \$200,000.

Central suburbs such as South and West Gladstone are always popular due to their proximity to the CBD, shopping, schools and parkland. There are pockets of highly sought after addresses in these locations comprising large, high-quality homes which are almost always elevated and have some sort of view of the harbour or the district. The entry-level price point in these suburbs is around the \$150,000 mark. This will get you a circa 1950s dated timber high set home. The highly sought after addresses in these suburbs are typically priced above \$400,000. There is plenty of stock in between these ranges, say \$200,000 to

**While some of these might not be considered champagne, there are definitely beer budget buys to be had.**

\$400,000. In this price bracket, depending how much you wish to compromise, you can still get a reasonably modern or renovated dwelling with some degree of district or harbour views.

## Mackay

Mackay has many different suburbs to meet all levels of accommodation. While some of these might not be considered champagne, there are definitely beer budget buys to be had.

Some of the more sought after areas in Mackay are located in the modern residential estates, such as Northview Garden, Richmond Hills, Mira Flores and Kerrisdale in the north, as well as Cuttersfield in the south. While prices in these estates can be expensive, there are some cheaper options available.

For example, while Northview Gardens estate comprises large executive style dwellings selling from \$500,000 and above, there are scattered smaller dwellings that can be picked up for under \$400,000. This will generally get you a smaller three-bedroom, two-bathroom dwelling with limited ancillary improvements. It gets a bit more difficult in the newly developed estates, with building covenants restricting smaller dwellings. However, some of these estates do offer small lot sizes in some sections, allowing purchasers in the \$400,000



range to get into these new estates, usually for new smaller dwellings.

The more established suburbs of Mackay, while not classed as champagne, do offer some great buying opportunities on a budget. For example, the median house price in Mackay is around the \$340,000 mark. There are many examples of older established dwellings for sale at the low \$200,000 mark for those on a budget and able to enter the property market.

## Hervey Bay

Hervey Bay has many appealing locations however the right area will depend on price, buyer expectations and personal preferences. Certainly, property located near the beach is always popular in the suburbs of Pialba, Scarness, Torquay, Point Vernon and Urangan. These suburbs generally have pockets of inferior quality homes scattered throughout, with owner-occupiers looking to renovate older beach shacks or subdivide sites. The transition to more owner-occupiers rather than investors appears to be an ongoing trend. Price points within close proximity to the beach are typically trading between \$250,000 and \$450,000, which is very affordable in comparison to other beach side locations. Buyers who choose to renovate to a good standard are likely to get their money back if they are looking to sell within a few years and do not over capitalise on the fit out. Gradual capital growth is expected in the short to medium term, given the regional locality and moderate to improving economic activity.

Sale prices within the prestige suburb of Dundowran Beach have risen over the past few



years with more transactions now taking place between \$550,000 and \$750,000. There are still some properties selling between \$350,000 and \$550,000 which are likely to be older homes that require maintenance.

The demand for Esplanade stock has also improved with some vacant sites selling at \$460,000 and above. The majority of homes along the Esplanade are older dwellings with full renovations being a common occurrence and sale prices starting from \$500,000 to \$600,000 for original stock. Tinana and Oakhurst near Maryborough are some of the more preferred areas for this location, with property selling from \$250,000 for a standard brick, three-bedroom home in Tinana and over \$300,000 for Oakhurst (rural residential). The Maryborough market is quite flat at the present time which is expected to continue in the short term.

### Emerald

Most of the champagne locations in Emerald are modern owner-occupier estates. The entry level into these areas is a three-bedroom, two-bathroom unit starting at \$230,000. These best location areas are mostly under ten years old, have large architecturally designed homes, are owner-occupied, well maintained and presented and usually come with a pool or shed. Scattered throughout these estates are strata titled duplex units. Otherwise to pick up a modern good quality home on a lower budget would mean buying a property in a modern estate but that is flood liable.

### Townsville

Some of Townsville's most desirable suburbs include those located within close proximity to the City Centre and Strand foreshores. These include the suburbs of North Ward, Belgian Gardens and Castle Hill.

Castle Hill is widely regarded as Townsville's premier address due to its location and elevated views. The median house value in this location is currently around \$915,000, with what you get for this money depending on the quality of views. To buy in at an absolute entry level to this location a price of around \$400,000 will likely get you a very basic home on a small lot on the lower skirts of Castle Hill with limited views. That is highly dependent on whether you can find something available, as properties in this price range and location are highly sought after.

Belgian Gardens and North Ward are other desirable locations with a current median price of around \$450,000 to \$500,000 for houses. For this price, you would get a neat, mostly renovated timber framed dwelling on a traditional sized lot. Entry level buy in prices are around \$350,000 for something basic requiring extensive renovation works, generally situated on a smaller allotment.

Another option to get into these areas is units. The unit market varies significantly in quality, age and amenities each complex offers with prices starting around \$120,000 for older style two-bedroom, one-bathroom units in basic complexes.



The question of whether it is worth buying in at the absolute entry level to these areas is very much relative to the individual buyer. Typically, when the market starts to pulse again, we see price movement in these areas first, which we are already starting to see. Properties at this entry level buy in are likely to require extensive renovation works to bring them to their full potential. When you consider the current median house price in Townsville is around \$320,000, you can certainly get a more modern or fully renovated home for the buy in cost in these locations, however these locations provide a great level of amenity which is likely to continue with the stadium currently underway and other projects proposed for the inner city including the Waterfront precinct.

# South Australia

## Adelaide

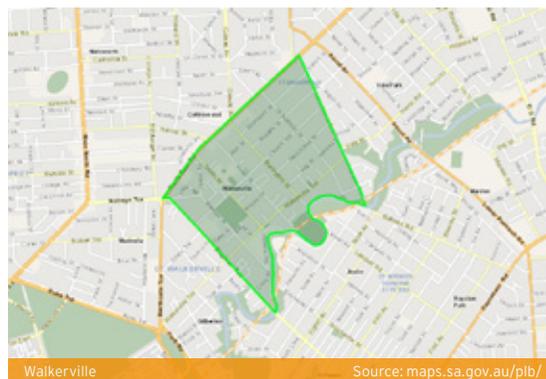
The worst house on the best street is the war cry of those purchasers trying to tap into the keg of the champagne location. This mentality produces a different breed of buyer. A buyer who will sacrifice creature comforts, who will spend years waiting for the right property and who will downsize for the upside.

An abundance of champagne locations can be found within the inner-ring particularly to the north, south and east of the CBD. Purchasers are drawn to these locations for their proximity to Adelaide's East End, North Adelaide and the Adelaide Parklands. Further, these locations are situated in proximity to a vast array of community services and facilities. Considered champagne are the suburbs of Walkerville to the north, Unley Park to the south and Norwood to the east. Equally the bubbles could be sprayed the length of those western suburbs which straddle the metropolitan beaches. Henley Beach Road provides a direct transport route west of the CBD with the suburb of Henley Beach situated at its conclusion. With the popular Henley Square at its epicentre, this is one of the most in demand beachside suburbs.

To buy at the entry point in these suburbs, purchasers will need to make sacrifices and seek out what other purchasers view as the undesirable. Properties at the entry price point may be poorly located within the suburb, may provide limited accommodation, may have no off-street parking and may be in poor condition. An open mind has

to be kept for those desperately wanting to be in a specific location.

Walkerville is located within four kilometres of the CBD and is characterised by turn of the century homes on large allotments. Traditional 1960s to 1970s units are scattered throughout the suburb with the refurbished Transport SA building known as The Watson providing Walkerville's first multi-level apartment complex. The suburb centres around the retail and dining precinct of Walkerville Terrace. Church Street, Walkerville is considered one of the premier streets within the suburb. **Walkerville has a median dwelling value of \$1.25 million and an entry price point of \$750,000 to \$950,000 and median unit value of \$375,000 and an entry price point of \$200,000 to \$400,000.**



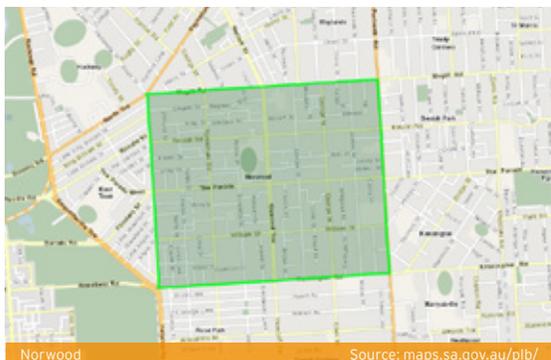
The lowest dwelling transaction within Walkerville in the past nine months was that of 4 Lansdowne Terrace which achieved a sale price of \$795,000. This is an original character dwelling disposed as

three bedrooms and one bathroom on an allotment of 630 square metres. The property is located in proximity to a major arterial road and is situated a significant distance away from the hustle and bustle of Walkerville Terrace.



Norwood is situated approximately three kilometres east of the Adelaide CBD and provides a mixture of property types from substantial heritage homes and historical settlers cottages to recent multi-level infill developments such as The Bath Hotel and Nuova Apartments. The heart of Norwood is The Parade which is central to the suburb. The Parade is one of the premier retail, entertainment and dining precincts in suburban Adelaide. Of the inner ring champagne suburbs, Norwood provides one of the lowest entry points given the large variety of property types. **Norwood has a median dwelling value of \$790,000 and an entry price point of \$500,000 to \$700,000 and a median unit value of \$540,000 and an entry price point of \$200,000 to \$400,000.**





Norwood Source: maps.sa.gov.au/plb/

Purchased in the beer budget price bracket was 116 Sydenham Road, Norwood which achieved a sale price of \$555,000. This property comprises an updated detached settlers cottage disposed as two bedrooms and one bathroom on 206 square metres of land. Off-street parking is awkwardly accessed via a shared laneway.



116 Sydenham Road Norwood Source: realestate.com.au

The suburb of Unley Park is situated approximately four kilometres south of the Adelaide CBD. This suburb is characterised by heritage homes on large allotments. Purchasers are drawn to Unley Park with its proximity to the shopping and dining precincts of King William and Unley Roads. Victoria Avenue and Northgate Terrace are considered the

most desirable streets within Unley Park. Unley Park has a median dwelling value of \$1.85 million and an entry price point of \$1.2 million to \$1.4 million.



Unley Park Source: maps.sa.gov.au/plb/

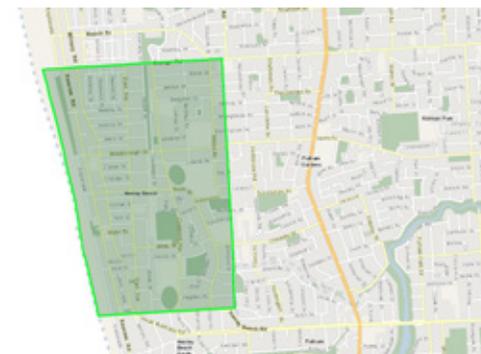
Representing the market entry point in Unley Park is 11 Greer Street, Unley Park which achieved a sale price of \$1.265 million. This property provides a well-presented character bungalow disposed as three bedrooms and two bathrooms. The dwelling is situated on a 668 square metre allotment and features a swimming pool.



11 Greer Street Unley Park Source: realestate.com.au

Situated 12 kilometres west of the CBD is the beachside suburb of Henley Beach. This suburb is

accessed directly from the CBD via Henley Beach Road. Henley Beach is spotted with coffee shops and eateries with Henley Square being the central meeting place. With a flat landscape providing limited opportunity for ocean or beach views, price levels drastically increase with proximity to the water's edge. This provides purchasers the ability to buy close to the beach at a fraction of the price of the properties with beach frontage. The Esplanade and Seaview Road are considered to be the most desirable streets within Henley Beach. Henley Beach has a median dwelling value of \$905,000 and an entry price point of \$550,000 to \$750,000 and a median unit value of \$520,000 and an entry price point of \$250,000 to \$350,000.



Henley Beach Source: maps.sa.gov.au/plb/

At the bottom end of the market and below the typically accepted entry point is 69 Wright Street, Henley Beach which achieved a sale price of \$520,000. This is a 1950s conventional style dwelling disposed as three bedrooms and one bathroom. A rear portion of the allotment has been subdivided leaving the property with 310 square metres of land. The property is conveniently located opposite a reserve and within 700 metres of the beach.



69 Wright Street Henley Beach Source: realestate.com.au

Investors looking in these suburbs are typically playing the long game as gross rental yields are well below the accepted six to seven per cent. Buying at the entry level price point in these suburbs would provide an investor the ability to value add or long-term hold to achieve the benefits of capital growth.

The suburbs of Medindie, Norwood, Unley Park and Henley Beach are only a fraction of the champagne locations within metropolitan Adelaide. There are plenty of properties out there for those South Australians who use beer as their currency. All they have to do is wait and watch and before they know it, they'll be cracking the top off a cold one in celebration of a new buy.

### Mount Gambier

Within Mount Gambier, two of the most sought-after locations are Bay Road and Ferrers Street. These are centrally located and property types here are mostly old character dwellings situated on large allotments. We would also consider the small coastal town of Robe to be one of our best locations, specifically those properties which feature an ocean view or are centrally located.

For those wishing to purchase a good quality property on Bay Road or Ferrers Street, they would be looking at a price range between \$500,000

and \$900,000. Within this price range, dwellings are of a high quality and are generally renovated character dwellings situated on large allotments, such as the recent sales below.



61 Bay Road - \$775,000. A circa 1910 character dwelling situated on 1,962 square metres. Source: CoreLogic



48 Ferrers Street - \$720,000. A circa 1930 character dwelling situated on 2,158 square metres. Source: CoreLogic

For those looking at purchasing a good quality property situated along the Robe Esplanade or with an ocean frontage with good ocean views, they would be looking at a price range of anywhere between \$800,000 and \$1.9 million. Properties within this price range will generally be on a good size residential allotment and have direct ocean views. \$1.85 million is one of the highest prices paid for a property in Robe in recent years and is shown below. This is a large, modern, two-storey dwelling,

centrally located, situated on approximately 932 square metres with absolute beach frontage and ocean views.



15 Wrattenbully Road Source: CoreLogic



15 Wrattenbully Road Source: CoreLogic

If you wanted to buy a cheap property on Bay Road or Ferrers Street, the price for absolute entry level may be between \$250,000 and \$350,000. These are highly sought-after locations though so they are tightly held. Within this price range dwellings are generally smaller, original dwellings situated on smaller allotments and are of an inferior quality to the champagne dwellings. These properties will require renovation works and extensive capital expenditure to bring to a high quality.



The price for absolute entry level for properties situated along the Robe Esplanade may be approximately \$400,000 to \$500,000. However most of this price is for the value of the land, with the dwelling and site improvements not contributing a significant amount of value to the property. An example is shown below.



82 Esplanade - \$490,000

Source: CoreLogic



82 Esplanade - \$490,000

Source: CoreLogic

As mentioned above, some of the compromises for buying a beer budget property in these champagne locations could include the size of the allotment, the condition of the dwelling and site improvements, the overall quality of the improvements and even the property type. While buying at the bottom end may require some

compromises, it still gives you the option of entry into the market within these champagne locations. If you're buying at the bottom end of a champagne location, you're buying in an area that has previously been known to grow in value and this may benefit your property in the future.

In Mount Gambier, there isn't really much difference between buying a home and buying an investment property in these areas, whereas in Robe most properties are purchased as investment properties or holiday rentals.



# Western Australia

## Perth

In this edition, we look at some of the best locations within the Perth metro area and whilst there are a plethora of suburbs we could discuss, we have narrowed it down to the iconic beachside suburb of Cottesloe, the coastal suburb of North Coogee, the riverside suburb of Salter Point and the character filled suburb of Subiaco.

## Cottesloe

Cottesloe is a coastal suburb situated approximately 10.5 kilometres south-west of the Perth CBD. Revered for its beach-side lifestyle, Cottesloe boasts several pubs, restaurants and cafés along Marine Parade including The Blue Duck and Ocean Beach Hotel. Other amenities in the area include Sea View Golf Club, Cottesloe Tennis Club, Cottesloe Rugby Union Football Club, Dog Beach, Deane Street Beach and of course the famous Cottesloe Beach. The Fremantle train line runs along the eastern side of Cottesloe making transport to the CBD easy, with four different stops at Victoria Street, Mosman Park, Cottesloe and Grant Street.

Cottesloe's housing options predominantly consist of fully detached dwellings on lots that vary in size and elevation. Views also differ significantly by location due to the inclining contour of the streets. Generally, properties within 300 metres of the coast are more likely to enjoy the benefits

of ocean views however this varies from street to street. Looking south, some properties benefit from distant views of North Fremantle and Mosman Park; looking east you will most likely see along Stirling Highway and into Peppermint Grove; and if you live to the north and are northern facing, you may have views of Swanbourne.

As an estimate, the median lot size in Cottesloe is close to 650 square metres. Dwellings in Cottesloe also vary substantially from original 1940s builds up to modern luxury residences with most homes benefiting from at least some form of renovation over their life span.

Realestate.com.au currently has 93 listings for Cottesloe including apartments, units, townhouses, detached homes and vacant land with 14 per cent of stock currently under contract. Recent vacant land sales in the area suggest a wide range of land values from \$1,600 per square metre in inferior locations with irregular shaped lots to upwards of \$6,000 per square metre for lots with significant views close to the coast line.

The median house price in Cottesloe is currently \$2.145 million, up 0.9 per cent from the September 2018 quarter and up 0.2 per cent since the end of 2017. The median unit price is \$865,000, up 8.8 per cent since the end of 2017.

*Dwellings in Cottesloe also vary substantially from original 1940s builds up to modern luxury residences with most homes benefiting from at least some form of renovation over their lifespan.*



This Overton Gardens property (pictured above) sold for \$2.25 million in September 2018 as part of a modern unit complex at Overton Gardens, Cottesloe. On a 225 square metre allotment, this dwelling consists of three bedrooms, two bathrooms and two car spaces and was built to a high specification.



This property (shown above) was built in 2000 and is located 400 metres inland at the northern end of Cottesloe on Brighton Street. It comprises four bedrooms, two bathrooms, a double garage





and a pool on a 629 square metre allotment. It sold for \$2.28 million in November 2018 after just four days of listing, proving strength in Perth's prestige market.



Facade at Athelstan Road, Cottesloe

Source: CoreLogic

This two-storey dwelling (pictured above) was originally built in 1956 but has been significantly renovated since that time. The dwelling comprises a pool, five bedrooms, four bathrooms and a double garage on an 817 square metre sloping allotment. It sold for \$2.35 million in June 2018 after 132 days on the market - \$150,000 under the original asking price of \$2.5 million.



Facade at Curtin Avenue, Cottesloe

Source: CoreLogic

This Curtin Avenue property (shown above) is an example of what you can purchase in Cottesloe at

entry level for a fully-detached home. It is located on the north-east perimeter of the suburb facing south-east and looks out onto West Coast Highway which would be undesirable to most. The dwelling was originally built in circa 1969 and has a mostly renovated interior. It comprises four bedrooms, one bathroom and a pool on 537 square metres of land. The exterior has been left untouched. Whilst it is being marketed without an asking price, expectations are in the low to mid \$1 million range.



Cottesloe Heights at McNamara Way, Cottesloe

Source: CoreLogic

For many of us, significant compromises would have to be made in order to own a Cottesloe address. The easiest way to buy into this market is to extinguish your desire of owning fully-detached property. The cheapest unit or apartment on the market in Cottesloe currently is a one-bedroom, one-bathroom and one-car space, 45 square metre, circa 1965 unit on McNamara Way (pictured above) that backs onto Stirling Highway. The owners are taking offers above \$245,000. Understandably this is probably not the level of sacrifice that most would be willing to make in order to own property in such a prestigious suburb.

For couples who have children, unless you can afford purchases above the \$1 million mark it is unlikely that you would be buying property in

Cottesloe, as below this point you're really only looking at properties with two bedrooms. Good news if you do manage to purchase fully-detached property in Cottesloe though, as it has historically been fair in value increases, averaging three per cent price growth over the past five years compared to growth in the Perth metro region of minus 0.8 per cent.

### North Coogee

North Coogee is a developing coastal suburb in the City of Cockburn, situated approximately 18.5 kilometres south-west of the Perth CBD and less than five kilometres south of Fremantle. North Coogee was created in late 2006 incorporating the surrounding suburbs of Hamilton Hill, Spearwood and Coogee and is said to be home to a few of Fremantle Football Club's recent stars. South Beach and Port Coogee are the two primary residential estates in North Coogee comprising quality multi-level residences, modern strata dwellings and vacant lots.

North Coogee has a few parks and reserves close by and is in close proximity to Coogee Beach and Woodman Point. The Port Coogee Village Shopping Centre provides shopping resources for local residents. Getting to the Perth CBD via public transport is fairly simple from North Coogee as a bus goes directly to Fremantle Train Station which can then be used to get to Perth at a travel time of under one hour.

Realestate.com.au currently has 158 total listings for North Coogee including apartments, units, townhouses, detached homes and vacant land, with 11% of stock currently under contract.

The current median house price in North Coogee is \$1.165 million, remaining stable over the December 2018 quarter but increasing 2.9 per cent in the past year. The unit median is

\$560,000, down 23.3 per cent from the end of 2017, but up 3.9 per cent in the past quarter. This figure is susceptible to fluctuations as often the expensive penthouse and top floor apartments are purchased quickest in new complexes and as such, when the rest of the cheaper product is purchased in the months or year following there is a quick decline in the median price. Also, Perth is still feeling the effects of low population growth and as such, demand has eased.

North Coogee's housing options are limited in age as it is a newly developed area, however it is quite diverse in product type. There are a few apartment complexes on Coromandel Approach, Orsino Boulevard and O'Connor Close. These offer apartments from 82 to 270 square metres with one-bedroom and one-bathroom, to three-bedroom and two-bathroom units, as well as an array of views from inland, to marina, to ocean scenes. Along Ocean Drive there are a number of prestige strata development townhouses which are currently being purchased off-the-plan.

Slightly further inland there is the standard form land development on 300 to 600 square metre allotments. Two-storey fully detached dwellings are usually seen here.



Artist Impression - Othello Quays, North Coogee Source: Realestate.com.au



Current Development at Othello Quays, North Coogee Source: Department Of Planning, Lands & Heritage

Othello Quays (pictured above) is the closest you will get to the centre of Perth for marina living with direct access to a canal from your backyard. Similar to the canals seen in Mandurah, these lots vary in size and value but are generally around \$1,500 per square metre for vacant land.



65 Ocean Drive, North Coogee Source: CoreLogic

This property (pictured above) is part of the beach-front strata development mentioned before. On completion, it will feature three bedrooms, two bathrooms and a double garage on a 254 square metre allotment. It was purchased off-the-plan for \$2.1 million in January 2019.

For units, absolute entry-level property starts at around \$250,000. This would get you a circa 2014, one-bedroom, one-bathroom unit on Breaksea Drive, further out from the marina. On Shoalwater Street you can get one-bedroom, one-bathroom units from \$320,000.

For vacant land within Port Coogee, 180 to 250 square metre lots have been selling for \$305,000 to \$385,000 over the past year. If you are looking at buying established fully-detached dwellings then you will be looking at just under \$1 million for the cheapest product. If you are willing to look at semi-detached townhouses then prices start from about \$600,000 for a three-bedroom, two-bathroom.

Generally, most purchasers would have to compromise on lot size or property type to own an address in North Coogee, but if you love a relaxing, marina lifestyle then North Coogee is definitely worth looking into.

#### Salter Point

Salter Point is situated eight kilometres directly south of the CBD in the City of South Perth. Access to the city is simple as the Kwinana Freeway runs adjacent on the suburb's western border. Salter Point is surrounded by the Canning River on the west, south and south east, with properties along Stitfold Promenade, Edgewater Road, River Way and Salter Point Parade enjoying these riverfront views. Curtin University is less than three kilometres away and there are a plethora of schools and other amenities close by, including Aquinas College.

158

current listings for North Coogee on realestate.com.au with 11% of stock currently under contract.

Month in Review  
April 2019



RESIDENTIAL

Housing in Salter Point is almost all single residential or duplex subdivisions. Older lots from development during the 1960s are generally greater than 750 square metres unless they have been subdivided. More development occurred in the late 1990s, creating lots of around 400 to 500 square metres and more recently developers purchased a portion of bushland next to Aquinas College (adjoining Roebuck Drive and Redmond Street) and have subdivided it into 27 separate lots ranging from 315 to 485 square metres.

Salter Point is known as a fairly affluent suburb, with a median house price of \$1.257 million. This figure has grown 9.3 per cent since the beginning of 2018 and 7.9 per cent in the December 2018 quarter. There are 60 properties for sale currently on Realestate.com.au including retirement living, vacant land and established dwellings with only one property being under offer at present.



Hogg Avenue, Salter Point

Source: CoreLogic

Pictured above is an example of a property which recently sold close to Salter Point's median house price. This Hogg Avenue dwelling was built circa 2003 and comprises four bedrooms, two bathrooms and a double garage on a 450 square metre allotment. It sold in October 2018 for \$1.225 million after 147 days on the market. The vendors

discounted their asking price by \$225,000 in order to sell.



Stitfold Promenade, Salter Point

Source: CoreLogic



View at Stitford Promenade, Salter Point

Source: CoreLogic

This two-storey property at Stitfold Promenade (pictured above) sold in March 2018 for \$1.3 million. It comprises four bedrooms, two bathrooms, a double garage and a large alfresco area. The 542 square metre lot also has sweeping north-westerly views over the Canning River and the Kwinana Freeway.

Entry into Salter Point starts from around the \$700,000 mark. Vacant lots in the Roebuck Drive subdivision start from \$570,000 for 315 square metres.



Sulman Avenue, Salter Point

Source: CoreLogic

The cheapest property currently for sale is this back-lot duplex subdivision on Sulman Avenue. Built circa 1981 it has been substantially renovated inside and comprises three bedrooms, one bathroom, a double garage and a pool. The owners are currently taking offers from \$749,000.

There aren't too many options for buying into this location at a low price. The best chance to get into this market would be to find an older property on a small subdivided lot, but these are few and far between.

### Subiaco

Subiaco is an inner-western suburb situated just over three kilometres west of the Perth CBD. It is famous for having an abundance of restaurants, pubs, cafes and bars all surrounding The Regal Theatre, with Patersons Stadium (Subiaco Oval) being the former home of football in Western Australia. Other amenities around Subiaco include Lords Recreational Centre, Subi Square (shopping complex) and the Fremantle Train Line with stations at Daglish, Subiaco and West Leederville.

Subiaco has a very diverse array of property from residential, to commercial offices and retail. On the residential side Subiaco is, again, extremely diverse in nature. Most single residential lots are between



400 and 600 square metres and are of a slender rectangular shape, with many of the dwellings having a character or heritage facade. There are around 2,000 houses and townhouses in Subiaco at present, and about 3,000 units and apartments, with more currently in development. Most of the suburb's recent development is situated in the north-west corner.

There are 107 properties for sale in Subiaco on Realestate.com.au, with 20 per cent of stock currently under contract.

The median house price in Subiaco is currently \$1.3075 million, growing 4.6 per cent over the past year but down by 1.5 per cent in the December quarter 2018. Subiaco's median unit price settled at \$500,000, declining 7.2 per cent from the year previous and down 3.9 per cent in the December quarter 2018. The decrease in the median unit price can likely be attributed to the influx of off-the-plan apartment purchases around Perth's central suburbs.



Allora Avenue, Subiaco

Source: CoreLogic

The property shown above is a two-storey, circa 2006 build on a snug 281 square metre allotment. It comprises three bedrooms, three bathrooms, a double garage to the rear, a pool and a spa. It sold

for \$1.38 million in November 2018 after 77 days on the market. The vendors ended up selling the property for \$70,000 below their original asking price of \$1.45 million. This property represents the median house price in Subiaco.



Union Street, Subiaco

Source: CoreLogic

This period property (pictured above) sold in May 2018 for \$1.375 million after only five days on the market at \$80,000 above the original asking price of \$1.295 million. This character dwelling features circa 1925 tuck-pointed brick and Marseilles tile construction with three bedrooms, one bathroom and one car space on a 501 square metre allotment. It is a wonderful example of the demand for old dwellings with period features that people love to renovate or extend.



Roydhouse Street, Subiaco

Source: CoreLogic

This property (shown above) on Roydhouse Street is in a low-rise apartment complex. Built circa 2003, it consists of two bedrooms, one bathroom, and has one dedicated car space. It sold in January 2019 (just above Subiaco's unit median) for \$516,500 after 143 days on the market.

Due to the variety of product type and age available in Subiaco, entry into this market is easy if you don't need much space and are happy with a dated dwelling.



Bagot Road, Subiaco

Source: CoreLogic

This 1960s unit is the cheapest property available in Subiaco currently. It has one combined living and bedroom space, one bathroom and a small kitchen. The vendors are offering this 41 square metre space for \$248,000. This property is as entry-level as it gets in Subiaco.

For townhouses, the cheapest available properties

**107**  
current listings  
for Subiaco on  
realestate.com.au  
with 20% of stock  
currently under  
contract.

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start from about \$650,000. This would get you a modest 1980s, two-bedroom, one-bathroom strata dwelling with one or two car spaces on under 200 square metres of land.



Rupert Street, Subiaco

Source: CoreLogic

The property shown above represents absolute entry level for a semi-detached dwelling. For \$835,000 you can purchase a circa 1920, partially renovated dwelling on a 233 square metre allotment with period features, two bedrooms, one bathroom and two car spaces.

The compromises needed to buy into the Subiaco location may be a mix of land size, property type, condition or age. As Subiaco has such a diverse profile, most people should be able to purchase some type of property here if they are flexible in their wants and needs.

If you are economically driven, then being flexible can provide lucrative outcomes. Making compromises on your ideal home or living situation can allow you to purchase larger lots in suburbs with potential for value increases. It is always a good idea to engage a professional when making decisions on property purchases.

## Southwest WA

One of the more desirable locations in the South West is Dunsborough, a tourist town of approximately 5,000 inhabitants which swells to over double that during the holiday seasons. Dunsborough is a strategically located suburb which has good access to Geographe Bay and is close to the pristine beaches of Eagle Bay, Bunker Bay and Yallingup. Furthermore, it is situated at the northern end of the Margaret River wine region and is conveniently located close to many significant wineries.

Properties with ocean views and particularly ocean frontage can sell for over \$4 million, however take a step back into the Old Dunsborough locality and the average value range drops to around \$1.3 million to \$1.5 million. Still not what many would consider to be affordable.

This is similar in the sections closer to the Bay such as Peppermint Drive with values in the range of \$900,000 to \$1.1 million. However if you go back another street from the bay, values drop significantly with an average value of \$600,000 to \$700,000. Again still perhaps out of the average beer drinker's price range.

The Dunsborough Lakes area offers a more affordable entry into this desirable location. The older areas in Dunsborough Lakes such as Brookland Loop and Amberley Loop have values in the low \$400,000 and the newer areas at the southern end of the Lakes have entry levels of \$450,000 to \$500,000. You could even build your own modern project style home for under \$450,000.

The Lakes is particularly attractive as the subdivision is quickly running out of land, with less than two years of future land stock available. Once

this has been exhausted it could be a while before another significant subdivision development enters the market. This would put a squeeze of supply and therefore one would assume that this will place upward pressure on values in the suburb.

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# Northern Territory

## Darwin

It's been known that Darwin's most sought-after suburbs are Fannie Bay, Parap and Larrakeyah which are located close to the coast line for the beach views and close to Darwin's CBD.

The Darwin market has declined in the past couple of years and the prime locations have not been immune to the fall in values, however for most, these locations are still outside the affordable price bracket.

So where to look? For the inner-city close to the CBD and some water views, Stuart Park comes up trumps. However, if you want the coastline seaside vibes you can't go past Rapid Creek, particularly being so close to the northern suburbs prime location of Nightcliff.

Stuart Park is an inner Darwin suburb located approximately three radial kilometres from the Darwin CBD. It consists of mainly single residential dwellings and medium to high-density unit development. The area is well serviced by schools, shops, parks and public transport and appeals to a mix of owner-occupiers and investors. Most of Stuart Park is older pre-cyclone elevated and ground level dwellings, however there are many that are starting to be renovated and modernised. The current median house price in Stuart Park is \$660,000, which is down from \$735,000 in 2016. Ground-level dwellings are known to be slightly cheaper than elevated dwellings. Currently a three-bedroom, one-bathroom, pre-cyclone brick dwelling, which has been renovated throughout and features an in-ground spa pool, is listed for sale

at \$539,000. A three-bedroom elevated dwelling which has been fully renovated to a modern standard located opposite parkland and featuring an in-ground pool sold in January for \$640,000.

The current median unit price is \$360,000, which is also down from \$450,000 in 2016. Currently two-bedroom, one-bathroom, partly updated units are listed for sale between \$189,000 and \$260,000. The cheapest of them all is a two-bedroom, one-bathroom updated top floor unit within a two-storey complex listed at \$149,000. The only downside to this bargain is that it's located on the Stuart Highway, which is the main arterial road into the Darwin CBD. An additional bathroom to a two-bedroom unit brings the price bracket up to \$290,000 to \$310,000, with some of the newer developments being in the mid to high \$300,000. Three-bedroom, two-bathroom units are ranging from \$335,000 to \$380,000. However, there is one property listed at a bargain buy of \$312,000. This top floor unit is original to its 1997 built condition with some upgrades to the air conditioners, hot water system and window treatments and has a balcony with harbour views! There is even a lift and two-car spaces.



**\$660,000**

current median house price in **Stuart Park**, down from **\$735,000** in 2016.



View from the unit

Source: realestate.com.au

For investors, Stuart Park has a mass of units and apartments. The median rent for a two-bedroom unit is \$380 per week and the median price is \$310,000; this gives a return of 6.3 per cent. Three-bedroom units have a median rent of \$475 per week and the median price is \$420,000, which gives a return of six per cent, however dwellings don't fare as well with returns of 4.7 per cent, based on the median rental of \$600 per week.

Rapid Creek is a northern Darwin suburb located approximately ten radial kilometres from the Darwin CBD and close to the Nightcliff foreshore area. It consists mainly of single residential dwellings and low to medium density unit development. The area is well serviced by schools, Nightcliff Shopping Centre, parks and public transport, while being close to Casuarina Shopping Centre, Charles Darwin University and Royal Darwin Hospital. The suburb appeals to a mix of owner-occupiers and investors.

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Rapid Creek is an older suburb with a mix of pre and post-cyclone elevated and ground level dwellings. Many of these dwellings are starting to be renovated and modernised, however there are some that are still in original condition. The current median house price in Rapid Creek is \$555,000, which is down from \$672,000 in 2015. Currently a three-bedroom, one-bathroom pre-cyclone brick dwelling, which has been updated over time to an average quality, on a 919 square metre allotment, is listed for sale at \$515,000. A renovated three-bedroom ground level dwelling on a 929 square metre allotment with good gardens and an in-ground pool recently sold for \$630,000. An elevated three-bedroom dwelling on an 873 square metre allotment, which has been updated to an average standard sold in September 2018 for \$500,000. This property represents good entry level buying as the dwelling is to a standard that is easily liveable yet the property is a blank canvas with no additional ancillary improvements. A basic four-bedroom elevated dwelling is currently on the market for offers over \$550,000 and an updated four-bedroom ground level dwelling has an asking price of offers over \$570,000.

The current median unit price is \$366,000, which is down from \$420,000 in 2015. Currently two-bedroom, older units are listed for sale between \$205,000 and \$250,000 and three-bedroom units are listed for sale from \$310,000



**\$555,000**  
current median house price in **Rapid Creek**, down from **\$672,000** in 2015.

to \$410,000. The prime location of Rapid Creek is Casuarina Drive (the esplanade). Units along Casuarina Drive have higher asking prices with two-bedroom units ranging from \$320,000 to \$420,000 and three-bedroom units ranging from \$440,000 to \$485,000. Some of these units have great ocean views and are located close to the Nightcliff Pool, café and Beachfront Hotel.

While Nightcliff is not normally considered to be beer budget, it is worth keeping an eye on the listings for that rare gem that comes onto the market. There have been some basic three and four-bedroom dwellings listed for prices below \$600,000 and units selling for prices similar to Rapid Creek.

Palmerston is a satellite city located approximately 21 kilometres south-east of Darwin. The champagne suburb for beer budget in Palmerston is Durack.

Durack is located within two radial kilometres of the Palmerston CBD. It was originally developed by Delfin in 1995 and features modern, single residential dwellings and some low-density unit development intertwined amongst parklands, lakes and a golf course. The area is well serviced by schools, Palmerston and Gateway Shopping Centres, Charles Darwin University, the Water Park and public transport and appeals to a mix of owner-occupiers and investors.

The current median house price for Durack is \$468,000, down from \$475,000 in 2015. Durack had many dwellings built by Defence Housing Australia (DHA), which were managed and leased by DHA. These dwellings have become surplus to DHA and put to the market providing solid, good sized dwellings for buyers. Whilst dated and with average quality fit-out, the dwellings are all well maintained, have an en suite bathroom and most are recently painted and feature a garden shed.

Three-bedroom dwellings on 300 to 450 square metre allotments range in asking price from \$385,000 to \$420,000. Average four-bedroom dwellings range in asking price from \$495,000 to \$550,000. However, there are two exceptions. There is currently a four-bedroom, two-bathroom dwelling with an asking price of offers over \$399,000. Located on Woodlake Boulevard and set on a 464 square metre lot, the dwelling is an ex-DHA dwelling with average quality fit out and garden shed. The second is a four-bedroom, two-bathroom dwelling with offers over \$445,000. This dwelling has a larger 656 square metre allotment and is located on a cul de sac street close to parklands.

For investors, the median rent for a three-bedroom dwelling is \$430 per week and the median price is \$428,000; this gives a return of 5.2 per cent. Four-bedroom dwellings have a median rent of \$420 per week and the median price is \$542,000, which gives a return of five per cent.

The short to medium term outlook for Darwin and Palmerston is still difficult with no sign of the market improving. While the number of transactions has remained steady and government incentives entice first home buyers, the declining population and poor state of the economy does not help the property market. Long-term investment in any of the champagne locations will eventually prosper as these locations are generally the first to show signs of growth.



**\$468,000**  
current median house price in **Durack**, down from **\$475,000** in 2015.



# Australian Capital Territory

## Canberra

That old adage of location, location, location is something most of us have heard before. Or alternatively you may have heard someone advise you to buy the worst house in the best street. Generally speaking, both sayings imply that when buying real estate, it's best to buy in a prestigious suburb or find a house along that dress circle address.

Well, it is! But why, you ask? From a residential perspective a good suburb will have a diverse number of desirable factors that cement its position within a market and that market's perception. But buying real estate in these suburbs can come at a price point not everyone can afford. So is there a way to find an affordable dwelling within a prestigious suburb?

For the purpose of this piece, we'll look at the Gungahlin District in Canberra's outer north and see what suburbs are its best, what the entry level prices are and where and what to look for when buying at an affordable price point.

Firstly, the Gungahlin District is located approximately 13 kilometres north of Canberra City and is made up of 16 residential suburbs. By postcode, these are: 2618 - Hall; 2911 - Crace; 2912 - Gungahlin; 2913 - Franklin, Casey, Nicolls, Ngunnawal, Taylor and Palmerston; 2914 - Harrison, Throsby, Forde, Amaroo, Bonner, Moncrieff and Jacka.

The district's top three suburbs would arguably have to be Hall, Nicholls and Forde. Whilst each

suburb has unique elements that make them different from each other, there is an underlying common theme of multiple desirable factors across all three suburbs. Beginning with establishment and green space, the three suburbs are all well established. There are minimal vacant residential blocks, landscaped streetscapes and established private gardens and multiple public green spaces such as parks, golf courses and nature reserves dotted throughout or straddling the boundary of each of the suburbs.

Prices for entry level homes in Hall begin at around the \$1 million mark, while entry level homes in Forde and Nicholls are cheaper and begin at around \$500,000 to \$600,000. Entry-level properties in Hall sell for higher as most of the blocks are over 2,000 square metres, there is a limited amount of residential stock available, which is tightly held, and the suburb is well established and one of Canberra's oldest, which is in unique contrast to the rest of Gungahlin District's modern residential stock.

When looking at unit titled properties, Hall offers a very limited choice of stock and therefore prices reflect this with two-bedroom units starting in excess of \$600,000. Nicholls and Forde offer a much larger breadth of choice to suit a range of budgets, with entry level two-bedrooms units

beginning around the low \$400,000s, whilst larger four-bedroom properties sell around the \$600,000 range. On rare occasions, four-bedroom unit titled properties in Nicholls will sell in excess of \$700,000 but properties that sell in this price range are afforded the luxury of uninterrupted golf course views and directly back onto golf course greens.

Then there is the make-up of the residential stock within each of the suburbs. All three tend to be characterised by large free standing dwellings on large blocks, with smaller free standing and duplex style dwellings on smaller courtyard style blocks scattered scarcely throughout or confined only to a limited location within each suburb. As a point of contrast, more affordable suburbs such as Ngunnawal and Bonner have sizeable sections within their boundaries made up of smaller courtyard style blocks, with larger style blocks being confined to only certain sections within the suburb.

There is also a difference in the proportion of residential stock that is comprised of separately titled Crown Lease properties and unit titled properties. Hall, Nicholls and Forde all have unit titled properties within them but relative to the proportion of separately titled Crown Lease properties, they're largely outweighed. Of the unit titled properties within the three suburbs it is not

*It almost seems like an oxymoron, to buy an affordable property in a prestigious location, but it can be done if you understand that compromises may be needed.*

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uncommon to find smaller sized developments with ten or fewer units within the body corporate and free standing unit titled townhouses. Generally speaking unit titled developments within Hall, Nicholls and Forde benefit from an overall lower density style of construction.

Given we've now had a brief look at some of the desirable factors that help make Hall, Nicholls and Forde favoured suburbs within Gungahlin District, what then is the best way to buy into these suburbs at an affordable price point and are there certain spots where you can find such properties?

It almost seems like an oxymoron, to buy an affordable property in a prestigious location, but it can be done if you understand that compromises may be needed. Firstly though, when using the term affordable property and talking about a prestigious location, it is important to understand that it is relative to the location you're searching in.

The most obvious way to get into a prestigious location has to do with what type of property you buy. As previously mentioned, certain styles of property and block sizes tend to be confined to certain locations within a prestigious suburb. The more affordable properties are often clustered around spots characterised by smaller blocks sizes and higher density style living, so sections of a prestigious suburb where duplex style dwellings and courtyard sized blocks are commonly found will tend to have overall lower advertised prices than sections characterised by large free standing dwellings on large blocks.

Unit titled properties also offer an affordable entry point into prestigious suburbs and in the case of Hall, Nicholls and Forde, they often present more desirable developments to buy into than other unit titled developments in surrounding suburbs such as Moncrieff and Casey due to the overall

lower density style of construction and choice of developments with small body corporate sizes.

Furthermore affordable properties may be located along local thoroughfares routes, close to commercial and retail amenities or along suburb boundaries adjacent to less desirable adjoining suburbs.

The compromise here is the potential increase in noise and visual aspect issues. However on the flip side when choosing unit titled properties, proximity to public transport routes along local thoroughfares within a suburb can be beneficial as private car spots can be a limited luxury for unit titled properties.

Although the above piece has been applied to suburbs within Gungahlin District, it can be generally applied to other locations when looking for an opportunity to purchase an affordable property within a prestigious suburb.



# Tasmania

## Hobart

Just like property price rises, the summer is not ending in our southern capital!

Want to buy in a reasonable area but keep some coin in the pockets? Taroona (the next suburb south of Sandy Bay) is a good place to start. It's on the eastern bank of the Derwent River and thus many homes enjoy water views and is readily accessible to the shops and schools in Sandy Bay.

While the median price was \$735,000 in 2018, for those on a budget, cheaper buys still exist.

3 Tower Court is a stand-alone two-bedroom brick dwelling on a 558 square metre site which recently sold for \$475,000. A larger 132 square metre weatherboard house on a 675 square metre lot at 8 Meath Avenue recently settled for \$535,000.



3 Tower Ct, Taroona

Source: realestate.com.au

On the other side of the river at Lindisfarne, the median price is just \$520,000. The suburb is adjacent to the bridge and given a clear run in, is

just a hop skip and a jump to the city. Eastlands is located in the nearby suburb of Rosny.

A two-bedroom 69 square metre unit at 8 Ballawinnie Road just transacted for \$338,000 while a larger 148 square metre weatherboard three-bedroom home on an 827 square metre lot in Cedar Street just sold for \$425,000.

For buyers who want the champagne suburb, let's have a look at Battery Point. The median price is just north of \$1.15 million. Well, for \$550,000, a compact two-bedroom, 56 square metre unit just sold in Battery Square for \$577,000.

Larger stand-alone houses are a bit harder to find nowadays however. A three-bedroom historic 1890s cottage in sought after Waterloo Street on a 235 square metre lot did sell for \$875,000 recently.

In general (as with most locations) the cheaper buys are available. It may need a bit of home renovation but provides an opportunity to make a capital gain. Pricing conditions remain positive, underpinned by continued improved economic performance and sentiment.

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