

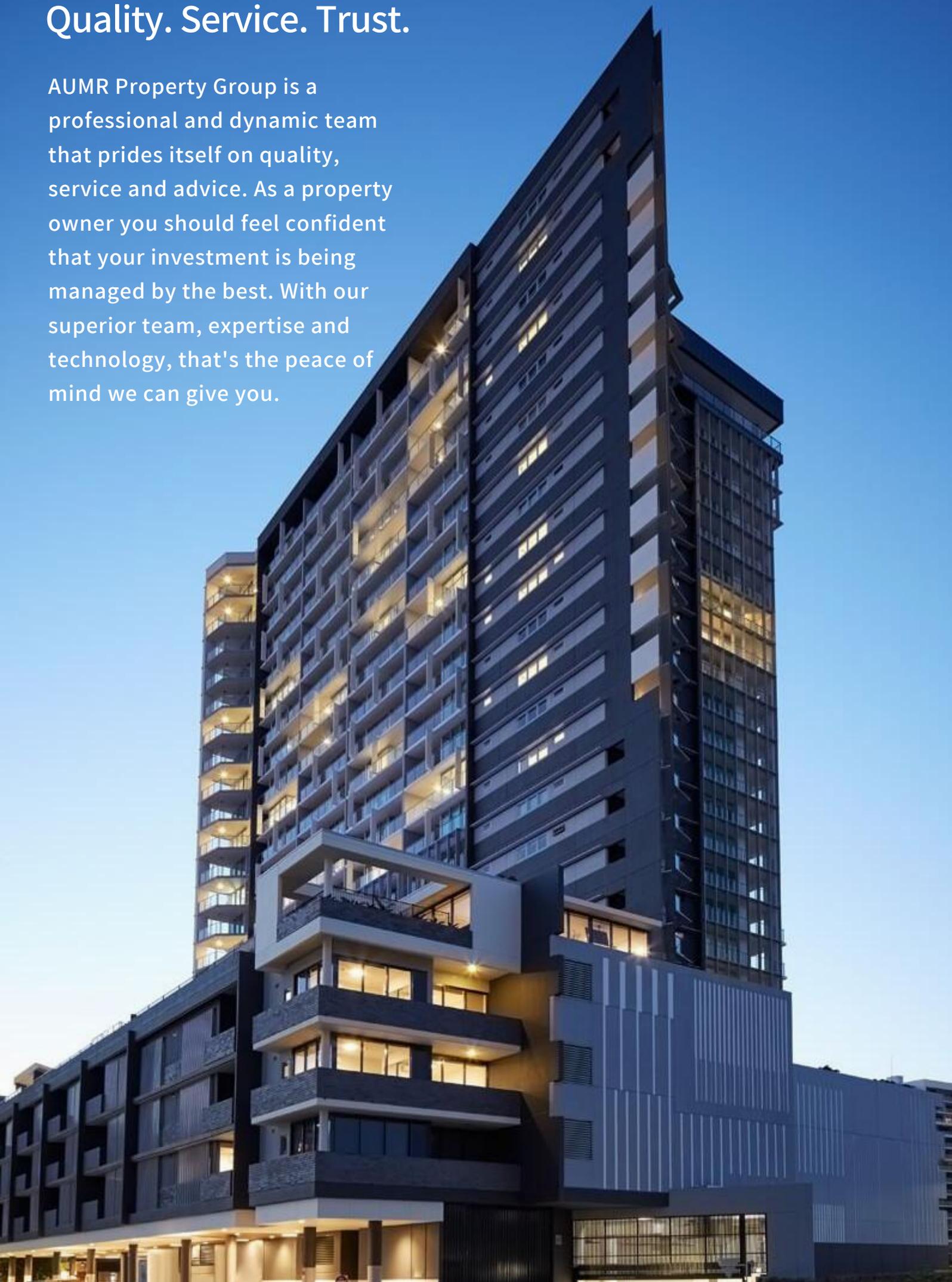


Inner Brisbane Market Report

BY AUMR PROPERTY GROUP

Quality. Service. Trust.

AUMR Property Group is a professional and dynamic team that prides itself on quality, service and advice. As a property owner you should feel confident that your investment is being managed by the best. With our superior team, expertise and technology, that's the peace of mind we can give you.



Welcome

Welcome fellow property owners and investors to the latest edition of the AUMR Property Report.

We are finally coming out the other side of the COVID-19 pandemic and everyday life has (mostly) returned to normal.

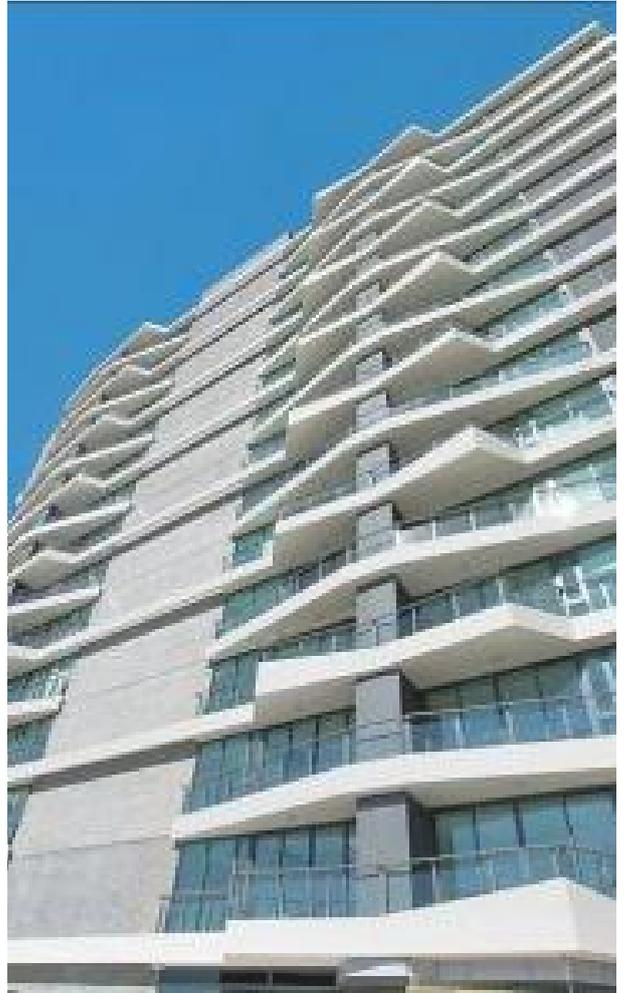
However when it comes to the property market and the economy as a whole we are in uncharted waters, with property and assets at all-time highs along with increasing inflation and interest rates.

In this guide you'll discover the key information you need to know, how it affects you and what you can do to make the most out of your portfolio in 2022.

If you have any questions or need a hand either managing or selling your property feel free to reach out to us on social media or give us a call on 07 3737 7610.



The Top 4 Market Factors



Large Rental Yield Growth

The rapid growth of the property values in the past 12 months has been well documented, but there has also been a 10 - 20% spike in rental yield. This is great news for investors, but compounds the affordability issue that buyers and tenants are facing.

Rising Interest Rates

A topic on everyone's lips is how much the RBA will increase interest rates. They have already risen and are expected to keep rising which will affect mortgage repayments, rental yields and property values. With the property market at an all-time high, we will see what impact this has, with experts forecasting a 15% drop in potential value across the board. This could be a positive or negative news depending on where you currently sit!

Students Set To Return

With borders reopening to the world (finally), students are set to return to Australia. This will have a large impact on rental demand, especially in areas that rely heavily on student accommodation. It will also bring a boost to suburbs neighbouring university campuses.

The Olympics Grow Nearer

If there was one thing to offset a potential fall in property values in Brisbane, it's The Olympics. With infrastructure spending currently increasing amongst the Northern Suburbs and Inner City areas, these two pockets will experience more growth and become a hot spot over the coming years. The good news here is that it won't just impact property values, it will make Brisbane and even better place to live in that it already is.



National rental index rises 2.6% over the March quarter

The pace of rental growth increased over the first quarter of 2022 with the national rental index recording a 2.6% quarterly rise. This was comprised of a 0.8% rise in January and February and a 1% rise in March. The March result is down 60 basis points from the peak rate of quarterly growth recorded over the three months to March 2021 (3.2%), however, it is 70 basis points up from the 1.9% rental growth recorded over the December quarter, suggesting the rental market is seeing some re-acceleration in growth. With the peak quarterly growth now falling out of the annual growth calculation, the annual pace of growth fell from its peak rate (9.44%) recorded over the year to November, to 8.7% over the 12 months to March.

Continuing the trend seen since the onset of the pandemic (March 2020), regional rental growth outpaced growth in capital city rents over the first quarter, with regional rents rising 2.9% compared with a 2.5% rise across the capitals. Compared to the December quarter, the pace of growth increased across both markets, up 80 and 40 basis points for the combined capitals and combined regionals respectively.

Region	Median Rent	Change in rents (all dwellings)		
		Month	Quarter	12 Months
Sydney	\$621	0.8%	2.3%	8.7%
Melbourne	\$468	0.8%	2.5%	5.7%
Brisbane	\$523	1.2%	2.9%	10.5%
Adelaide	\$464	1.3%	3.0%	8.5%
Perth	\$496	0.9%	2.2%	6.6%
Hobart	\$532	1.1%	2.4%	8.7%
Darwin	\$559	-0.1%	-0.6%	6.3%
Canberra	\$674	1.2%	3.3%	8.7%
Combined Capitals	\$522	0.9%	2.5%	8.0%
Combined Regionals	\$478	1.2%	2.9%	10.7%
National	\$509	1.0%	2.6%	8.7%



Rental demand increase over the last 12 months.

Many people keep tabs on their investment properties, looking at realestate.com.au when their lease is due to expire or if they are thinking about renting their property.

However, when it comes to accurately interpreting the marketplace, breaking down data and knowing what it all means is a different story.

With the last two turbulent years of COVID we have seen significant changes in the Brisbane property market. Real estate works on supply and demand, meaning if the demand is higher than the supply, prices will increase.

Across Brisbane due to many factors such as COVID and interstate migration, Brisbane is flooding with the displacement of families and an already short supply of rental properties on the market. As a result, we have seen rental demand skyrocket to new heights.

What does this mean?

On average, properties across the inner city of Brisbane are seeing a 10% - 20% increase on their current weekly rental income for their investment.

We do not see this easing anytime soon and if you are a new investor... get your property on the market ASAP!

We are also seeing our lowest vacancy rates across the board consistently under 1%. The price for properties that see the most significant interest are in the affordable housing categories for medium income earners between \$350 and \$600 per week.

At this stage based on the current market conditions we do not see this pressure easing towards the end of this year. So if you're thinking about renting our your property, contact us today to make sure you don't miss out on any potential gains.

Buyers eyeing off units, with interest at a 2-year high.

Interest in units proved to be the highest it's been in two years at 31.4 per cent. With credit conditions tightening, rising interest rates and migration opportunities, we are seeing pressure on inner city rental markets. This creates demand for units as buyers look for more affordable options and investors capitalise on unit discounts.

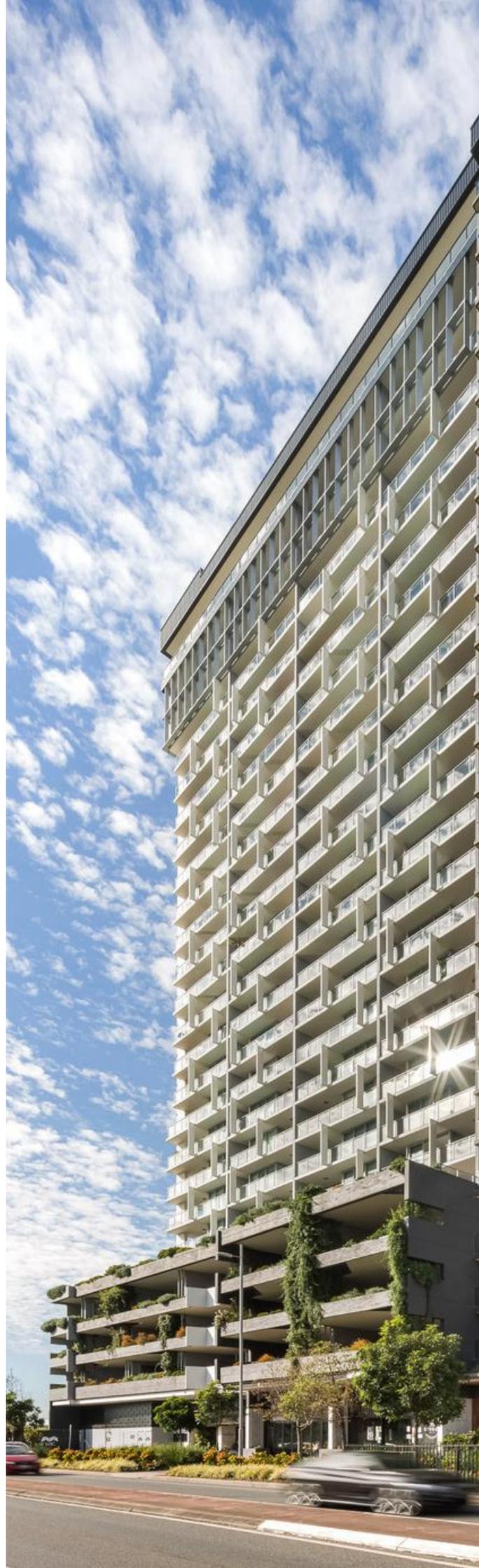
Brisbane views skyrocketed by 81.5 per cent for the month. Today's buyers have more choice, a reality that will take some of the heat out of the market," said PropTrack senior economist, Eleanor Creagh.

Units recorded a 0.3% rise in values

CoreLogic's monthly Unit Market Update shows the annual performance gap between houses and units fell to 8.7% in March as both markets slipped further from their peak rate of growth recorded in January.

At the national level, units recorded a 0.3% rise in values over March, in line with the growth rates recorded in January and February, resulting in a first quarter appreciation of 0.9%. This is equivalent to a \$5,464 increase in median unit values through the quarter.

National house values rose 0.8% in March and 2.8% over the three months to March, thanks in part to strong growth in QLD and SA. The rise in house values through the quarter was equivalent to a rise of \$21,690 in median values.



Average Prices

Houses

Suburb

Buy

Rent

Newstead	\$1,016,499	\$528/wk
Ascot	\$2,403,738	\$913/wk
Hamilton	\$2,245,414	\$680/wk
Clayfield	\$1,762,070	\$695/wk
Woolloowin	\$1,304,484	\$565/wk
Lutwyche	\$1,298,564	\$523/wk
Gordon Park	\$1,367,745	\$625/wk
Kedron	\$1,235,404	\$600/wk
Banyo	\$913,046	\$500/wk
Nudgee	\$933,106	\$600/wk

Units

Suburb

Buy

Rent

Newstead	\$631,066	\$528/wk
Ascot	\$501,266	\$425/wk
Hamilton	\$544,488	\$450/wk
Clayfield	\$438,939	\$375/wk
Woolloowin	\$451,209	\$380/wk
Lutwyche	\$460,800	\$425/wk
Gordon Park	\$436,356	\$390/wk
Kedron	\$447,017	\$395/wk
Banyo	\$390,732	\$340/wk
Nudgee	\$591,574	\$500/wk



What tenants are wanting.

Pet friendliness.

There is an increasing frustration about homes not being pet friendly. Tenants are willing to pay more for a home that will allow pets. The laws around pets are expected to change in the near future as well. There is no correlation between pets and tenant quality, so if you have been against pets, consider accepting them.

Reasonable rent.

Tenants are well aware of how much the property market has grown, but they are on the negative side of this trend. Landlords are hiking up the rent just because they can which is understandably frustrating. To keep your tenants happy make sure you are reasonable, your rent is comparable to what else is in the area and you continue to provide value, not treating them as an ATM.

Timely maintenance.

Maintenance needs to be completed on time and not be knocked back or negotiated. Remember, their rent has likely gone up recently so if they have to argue over something that needs fixing, they will quickly start searching for a better option once it arises.

A positive community.

Tenants of all demographics and age groups want to be part of a positive community, both offline and online. For the families out there they are also wanting to live in the catchment of good schools. Some investors forget about the value of being in a catchment zone.



What else is happening?

Catching Up On Growth

We are excited to show a lot of positive news for our investors, some of whom have not been a part of the growth train in the past two or three years. Now they are seeing significant growth in the rent of their properties.

Furnished For The Win

The area where we've seen the highest rental prices are actually for furnished apartments. This is a direct result of the recent flooding in Brisbane that devastated homes and displaced families, and something to consider when leasing.

If You're On The Fence

If you are thinking of renting out your home, have recently purchased or are looking at putting your current home on the market, reach out today. We have tenants and applicants waiting for the right home, and you could be the perfect match.

Landlord Checklist

- The premises and inclusions are to be clean and are to comply with local and state authority building regulations with it being safe and fit to live in.
- A Safety Switch is to be installed for the power circuit. Owners of leased domestic residences must have a safety switch installed for the power circuit of the residence after a residential tenancy agreement has been entered into.
- All locks are secure and operate effectively with keys.
- All houses and units in QLD must have installed smoke alarms complying with the 2022 smoke alarm legislation. A quick guide is one in each bedroom and one in a hallway or room outside the bedroom. An information pack is available upon request.
- If water consumption costs are to be passed onto the Tenant ALL the minimum criteria is to be met as legislation requires. A plumber will need to attend and conduct a water compliance certificate.
- If your property has a pool, ensure it meets Government Regulations in regards to fencing, CPR signage and water consumption/use. Fact sheets available upon request

If it is your own home being rented out:

- Re-direct mail via Australia Post
- Notify the Council of your forwarding address for Rates Notices if you have not instructed our agency to pay the rates on your behalf.
- Notify electricity, gas, phone and other utility companies to finalize accounts if applicable, and provide your forwarding address details.
- Notify your Insurance Company of the change of occupancy status.

Our Figures

Leasing
Enquiries

3028

Applications
Received

739

Properties
Leased

60

AUMR Building
Vacancies

0%

Vacancy Rate
Across The Group

0.12%





Check Your Insurance

Landlord Protection Insurance.

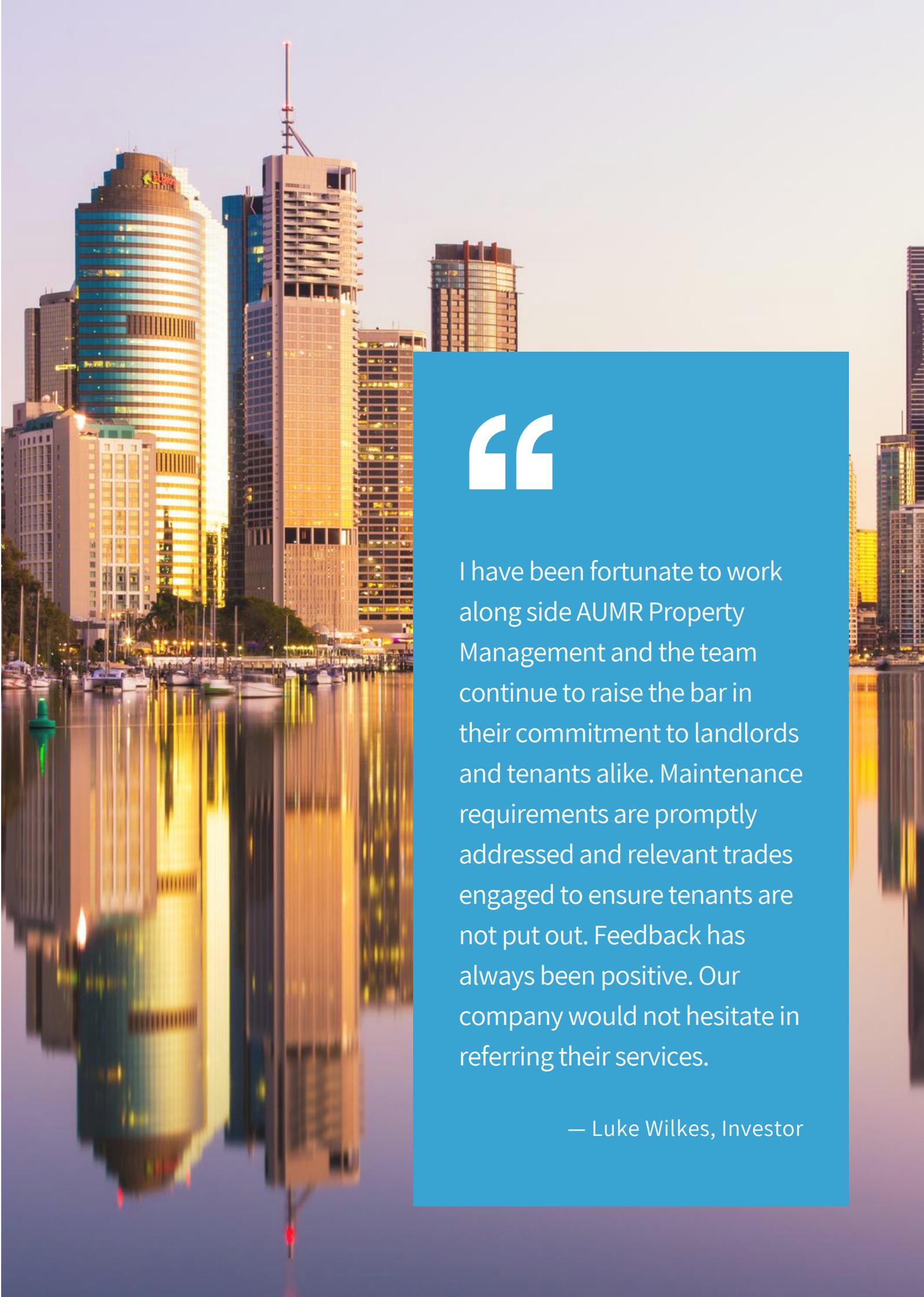
Whilst rental reference checks are completed as thoroughly as lawfully allowed, we can not predict or know how a Tenant's future ability to meet their tenancy obligations can be affected e.g. in event of death or long illness, loss of job, relationship split etc.

We recommend all Lessors arrange an insurance policy to protect their investment. Brochures are available upon request.

Contents Insurance

Contents insurance for your property's fittings and fixtures – may be included with your Property insurances or incorporated in a Landlord Protection policy. As your managing agent we require that you have Public Liability Insurance for your property.

If your property is a unit the cover must include the internal unit space. NOTE: Public Liability under Building Insurance, taken out by the Body Corporate, only covers the common areas. It does not cover events inside your unit.

A photograph of a city skyline at sunset. The buildings are illuminated with warm golden light, and their reflections are visible in the water in the foreground. The sky is a mix of orange and blue. A blue rectangular box is overlaid on the right side of the image, containing a white quote icon, a testimonial text, and the name of the investor.

“

I have been fortunate to work along side AUMR Property Management and the team continue to raise the bar in their commitment to landlords and tenants alike. Maintenance requirements are promptly addressed and relevant trades engaged to ensure tenants are not put out. Feedback has always been positive. Our company would not hesitate in referring their services.

— Luke Wilkes, Investor

Want to know what your property should be renting for?

As an investor, you need to feel confident that your property is being managed to the highest possible standard. We can help you increase your rental returns, find and keep quality tenants, and keep your property in the best condition possible. Let us do the hard work so you don't have to.

Request a free rental appraisal and our experts will send an estimated rental value of your property, a suburb overview comparing recently leased and marketed properties, plus the local trends and data you need to know as an investor.

[Request a property appraisal →](#)





About AUMR

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With our superior team, expertise, market knowledge and innovative technology, AUMR has become a competitive leading in the industry. If you want consistent results delivered to you year in and year out, contact our team today and let's discuss your goals.

