



2023 MARKET INSIGHTS

# What's Happening In The Brisbane Property Market

BY AUMR PROPERTY GROUP

# Welcome

Dear property owners and investors,

Welcome to the latest edition of the AUMR Property Report, where we get straight to the point with what's happening, why it matters, how it affects you and what you can do to make the most out of your property.

In this report we cover 4 key areas:

- 1 Lack Of Properties
- 2 International Investors
- 3 Apartment Demand
- 4 Olympics Grow Nearer

If you have any questions about managing or selling your property, feel free to reach out to us on social media or call us on 07 3737 7610.





# Lack Of Rental Properties.

## What's Happening?

The market is facing a shortage of available rentals, with prices growing rapidly for those that are available. This is primarily due to the ongoing impact of the pandemic, which caused a significant disturbance in housing conditions and a tightening of rental markets all across the country.

The average household size fell from 2.59 to 2.55 during COVID, which translates to the need for 160,000 more dwellings to house the population, particularly in areas such as QLD, which saw some of the highest migration rates.

## Why This Matters

With fewer available rentals, finding a home has become more challenging and expensive. Also, with international migration increasing and construction issues slowing down new builds, this issue is unlikely to be solved anytime soon.

The sharp rental increases (up 6.7% nationally over 2022), combined with growing economic inflection is changing the habits of renters, who are now seeking out apartments or shared houses due to affordability constraints.

## How This Affects You

Due to basic supply and demand, since there are fewer rentals available, prices go up. As a property investor this leads to higher rental yields, and also provides an opportunity for those looking to purchase an investment property.

If you own a secondary home that you don't currently rent out, you now have the opportunity to quickly find a high quality tenant and receive a premium rental return.

## How We Can Help

Whether you are investing or selling — by contacting our specialist team at AUMR, you can properly navigate through the current housing market and maximise your returns.

With our extensive knowledge and expertise, we can make sure you are getting the most out of your property portfolio. To find out how much rent you could be getting or how much you could sell for, contact us today.

# Olympic Levels Of Growth.

## What's Happening?

The best predictor of the future is the past, so you can rest assured that Brisbane's property market is likely to benefit significantly from the 2032 Olympic Games hosting duties.

## Why This Matters

Time and time again, the Olympic Games have shown a clear tendency to increase housing supply and demand, leading to healthy price growth in the local market. What's even more promising for QLD is that, unlike the 2000 Sydney Olympic Games, there are currently no plans to use modular or relocatable housing.

This is excellent news as it means all the buildings will be absorbed and integrated into the community. One example is the QLD government's recently revealed plan to repurpose the athletes' village in Northshore Hamilton to include new residential, retail, and commercial opportunities.

This is predicted to bring \$500M in private investment and create 1,600 construction jobs, in addition to many new homes.

## How This Affects You

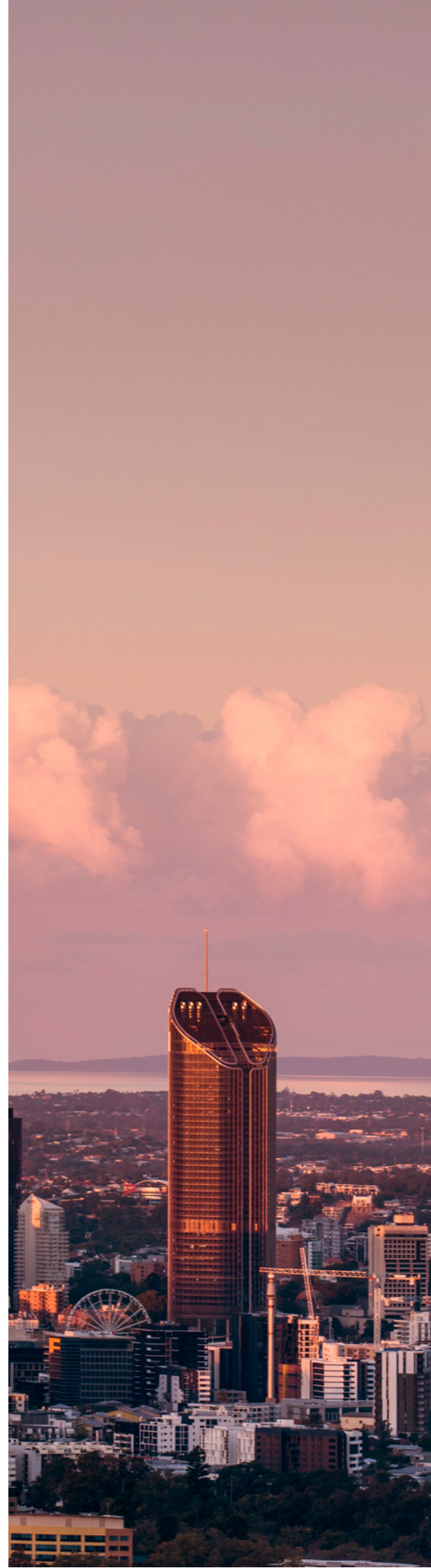
A report from PRD shows the suburbs likely to see strong property price growth post-Olympics include Woolloongabba, South Brisbane, Herston, Spring Hill, Twin Waters, Hamilton, and Chandler. According to the report, past Olympics saw median house prices grow 14.3% in the year following, and the PRD research team estimates that these suburbs will experience similar growth post-2032 Olympics.

## How We Can Help

We can help you capitalise on this expected growth in the property market by providing expert advice and assistance in buying, selling, or investing in property in these key suburbs.

Our team has a deep understanding of the local market and are confident we can help you navigate the opportunities and challenges presented by the 2032 Olympics to ensure a successful outcome and an incredible return.

Whether it's finding the right property, negotiating the best deal, or managing the rental of a property, AUMR can help you make the most of the market's growth potential.





# The Year of The Apartment

## What's Happening?

The Brisbane apartment market showed strong performance in the last financial year, with unit prices rising approximately 13%, outpacing the national average of 3%.

## Why This Matters

Despite predictions that this financial year will see a drop in apartment values, investors are still highly interested in this market for several reasons.

These include substantial rent rises of +8% in the last fiscal year, low vacancy rates, the incredible demand for rental properties, and the shelving of proposed land tax changes.

And with rents expected to rise a further 19% in the next three years up to June 2025, Brisbane looks likely to maintain its status as "one of the strongest landlord markets in more than a decade", as crowned by The Urban Developer.

## How This Affects You

Regarding the value drops of apartments, it's important to note that these are just a temporary speed bump, and some might even say, a window of opportunity for eagle eyes investors.

Brisbane unit prices are expected to decline in the short term, with a -5% drop forecasted for 2023, but after that, it will be full steam ahead with positive growth predicted for the subsequent years, taking the median value to \$507,000 by June 2025.

## How We Can Help

This is excellent news for the team here at AUMR, as we have significant experience with apartments in premier areas such as Newstead, Hamilton, Chermiside, Ascot, and Lutwyche.

Whether you're looking for a new investment or seeking a change of management for one you own, we are here to help. Contact us today to learn how to take advantage of these market conditions and set yourself up for financial success.

# International Investors Increase

## What's Happening?

The return of international investors to the Brisbane property market has been a highly anticipated event for many in the sector. After a period of uncertainty and reduced investment throughout the pandemic, international buyers have once again started to buy property in Brisbane, bringing renewed energy and optimism to the market.

## Why This Matters

China is the largest international investor in Australian property, purchasing more than seven times more properties than our number 2 investor. The Brisbane property market is particularly attractive to Chinese investors due to its relatively low prices compared to other major cities in Australia.

In addition, Brisbane offers a high standard of living, a stable political environment, and a well-established infrastructure, making it an ideal location for a secure investment. The city is also undergoing a significant transformation, with major developments in key areas such as the CBD and South Bank. These all serve to create a more attractive and livable city, attracting a wider range of investors from abroad.

## How This Affects You

What does this mean for property owners? One of the key benefits is the increased liquidity it brings to the market. This boosted demand is helping to drive prices up and reduce the impact of interest rate hikes, which is good news for local homeowners and property developers (as seen by our city's recent performance compared to the southern capitals).

Additionally, wealthy investors are helping revitalise certain areas of Brisbane, with new businesses and developments springing up in areas that were once considered less desirable, otherwise known as the value-boosting magic of gentrification.

## How We Can Help

As a real estate agency, we understand the importance of staying ahead of market trends. We are here to help you capitalise on this significant opportunity by helping prepare your property for the market, ensure it appeals to international investors, or even utilising our network of global connections to help you reach potential buyers from all over the world. Contact us today to learn more about how we can help you make the most of these market conditions.



# Contact Our Team Today



## Joshua Lewis

Business Development Manager

Committed, motivated, and results driven, Joshua will leave no stone unturned in his efforts to deliver the best service possible to all his clients. Recently selected as a finalist for the Real Estate Institute of Queensland's Awards for Excellence 2022, Joshua's contribution and efforts to the industry are recognised.



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## Chris Luo

Business Development Manager

With over 20 years living and working on the north side of Brisbane Chris's knowledge of the local areas, schools, parks, and facilities is second to none. Chris knew first-hand the challenges that Landlords and Vendors face with real estate transactions; a head start which has been beneficial to her success.



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AUMR PROPERTY



# About AUMR

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 asset is being managed and/or sold by the best, and that's the peace of mind we can give you.

With our superior team, expertise, market knowledge and innovative technology, AUMR has become a competitive leader 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.

