

Property

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State's billions to drive Brisbane prices

Lisa Allen

Unprecedented infrastructure spending will drive substantial residential property price increases in key Brisbane suburbs this year as analysts forecast 10 per cent growth across the board in the fastest-growing capital city.

According to DTZ's *Express Suburbs* report, obtained exclusively by *The Australian Financial Review*, five Brisbane suburbs and three outlying areas will surge strongly this year.

Beenleigh, between Brisbane and the Gold Coast, is expected to sustain good price growth given more than \$1.08 billion is being spent on road and rail infrastructure.

Although the region has sustained 22 per cent price growth since 2002 it is still affordable and its location offers the choice of working in either the Gold Coast or Brisbane.

Redbank Plains, west of Brisbane near Ipswich, is expected to do well this year as more than \$300 million is being spent on health services in

the region and the state government is spending \$815 million upgrading road and rail services. The federal government is spending a further \$2.1 billion on transport links in the Ipswich region.

Cheap housing has encouraged significant population growth of 5.6 per cent a year in Redbank Plains, according to DTZ, and this strong population growth is forecast to continue at about 4.5 per cent a year until 2026.

House prices have risen 24 per cent a year since 2002.

North of Brisbane, Caboolture is also expected to sustain good price growth given \$2.5 billion worth of road infrastructure projects are under way. The area has sustained 3.5 per cent population growth each year since 2001. Over that period house prices have grown 20 per cent while apartment prices have jumped 15 per cent a year.

Closer to Brisbane, DTZ expects the suburbs of Milton, Nundah and Albion to sustain "speed growth" during 2008.

Hot spots

Brisbane suburbs to watch

Suburb	Mooted residential projects	Mooted commercial projects	Transport investment	Infrastructure investment
Beenleigh	>\$270m	>\$210m	>\$1.08bn	>\$20m
Redbank Plains	>\$800m	>\$200m	>\$2.92bn	>\$500m
Caboolture	>\$1bn	>\$350m	>\$2.5bn	>\$320m
Milton	>\$520m	>\$625m	>\$2.75bn	>\$22m
Nundah	>\$450m	>\$215m	>\$3.25bn	>\$198m
Albion	>\$370m	>\$355m	>\$3bn*	>\$20m
Hamilton	>\$1.16bn	>\$460m	>\$3bn*	>\$100m
Woolloongabba	>\$355m	>\$300m	>\$2.82bn	>\$984m

* Value of Gateway Arterial works based on benefit to suburb

SOURCE: DTZ RESEARCH

Developers are already flocking to Milton, 1.5 kilometres from the CBD, which has more than \$155 million worth of residential projects under way.

The ageing suburb of Nundah near the Brisbane airport may become popular because of its beach access and there is already \$450 million worth of residential develop-

ment in the pipeline. Price growth in this suburb has been minimal, with 12 per cent increases in houses. But more than \$3.25 billion worth of infrastructure projects to ease access to the northern suburbs will increase its popularity, according to DTZ.

FKP's long-awaited \$400 million The Mill redevelopment in Albion may increase residential prices in this

older suburb close to the CBD. Albion will benefit from the \$6 billion worth of road and tunnel projects under way in the city's north.

The Hamilton-Ascot area, traditionally Brisbane's most blue-chip precinct, may benefit from substantial housing projects including Multiplex's Portside Wharf. Hamilton has large tracts of industrial land fronting the Brisbane River still available for development, which may further lift prices.

DTZ says that while house prices in this suburb have risen 19-20 per cent a year since 2002, the demand for waterfront property will sustain further price growth.

Woolloongabba, on the south side, is also mooted for strong price growth with the opening of the \$2 billion north south bypass tunnel, which is expected to dramatically ease traffic congestion.

Respected Queensland property analyst Michael Matusik recently said he expected 10 per cent growth in residential property prices for Brisbane in 2008.