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The Brisbane suburb tipped as Australia's best investment spot

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Suburbs benefiting from new or upgraded transport infrastructure, such as Woolloongabba in Brisbane's inner east and Crows Nest in Sydney's lower north shore, are tipped to deliver solid [returns for landlords](#) looking to capitalise on the post-COVID-19 recovery, a new research commissioned by ME Bank shows.

Analysis of the best places to invest by Ethos Urban, a planning and urban economics consultancy, has found NSW dominating the top 20 rankings, claiming nine spots, followed by Victoria and WA, with three suburbs each and Queensland with two.



Apartments in Burleigh Heads on the Gold Coast are set to benefit from the new Cross City Rail and the Burleigh Heads Light Rail extension. **Getty**

Woollongabba was ranked as the country's best investment location, followed by Burleigh Heads on the Gold Coast, Five Dock in Sydney and North Melbourne.

ME's consulting demographer, Chris McNeill from Ethos Urban, said new transport infrastructure had a huge impact on creating investment opportunities in a suburb.

“Recently completed, soon to be completed, or under-construction transport infrastructure is expected to drive land value growth and potentially, urban renewal,” he said.

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“Woolloongabba, for example, is already serviced by two train stations and the new Cross City Rail Project will provide a new line running directly under the suburb, increasing connectivity and changing the way people use the area.

Suburbs with investment potential (score, selected categories)

Suburb	Property type	Coffee shops (the vibe)	Impact of transport infrastructure	Total score
Woollongabba, Qld	Apartment	25	37	100
Burleigh Heads, Qld	Apartment	23	31	94
Five Dock, NSW	House	23	37	94
North Melbourne, Vic	Apartment	25	36	90
Rozelle, NSW	Townhouse	23	36	90
Ellenbrook, WA	House	20	33	89
Parramatta, NSW	Apartment	23	36	89
Crows Nest, NSW	Apartment	23	37	89
Preston, Vic	House	23	25	88
South Melbourne, Vic	Apartment	23	33	86
Yanchep, WA	House	20	33	84
Waterloo, NSW	Apartment	23	33	84
Coffs Harbour, NSW	House	20	20	83
North Sydney, NSW	Apartment	25	31	83
Pymont, NSW	Apartment	25	33	82
Claremont, WA	House	23	20	81
Mermaid Beach, Qld	Apartment	14	25	81

“This will only be bolstered in the coming years as Brisbane prepares its infrastructure for the 2032 Olympics.”

Mr McNeill said the new Cross City Rail and the Burleigh Heads Light Rail would create greater connectivity to both the Coolangatta and Surfers Paradise for the

three Gold Coast suburbs of Burleigh Heads, Mermaid Beach and Miami – and boost home values in these areas.

Property investor Scott Aggett, who has just bought a house in Mermaid Waters, said the area had seen strong demand due to its location and the transport infrastructure upgrades.

“Fundamentally it’s a desirable area to occupy or live there myself,” he said.

“The state government is upgrading the international airport and adding further sections of the light-rail train through the Gold Coast, which will make living here more attractive and functional. I think this will further attract homebuyers and renters into the area.”

In Sydney, key transport infrastructure projects such as the Metro South West Project would also enhance connectivity to the CBD from areas including North Sydney and Crows Nest, Mr McNeil said.

“Anywhere where there’s new rail lines and particularly new stations in areas that are unserved by rail, you tend to get a substantial improvement in amenity and people’s mobility as a result,” he said.

High-speed line

Five Dock, Rozelle, Parramatta, Pyrmont and Concord are also tipped to offer investment potential as they significantly benefit from the high-speed, high-frequency metro line connecting them to the Sydney CBD.

“This adds to their appeal for investors following recent growth in rental prices, median house prices and change in white-collar workers,” Mr McNeil said.

In [Melbourne](#), the North Melbourne underground which will connect with Melbourne Central, Melbourne University and Flinders Street would improve the investment prospect for the suburb, while the Melbourne Metro upgrade would enhance demand and desirability of South Melbourne.

The report used a range of qualitative and quantitative criteria to identify suburbs with the best investment prospects, including how new transport infrastructure would re-shape the investment landscape.

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It also took into account the average rental yields, recent population growth, median house prices, average rental prices and lifestyle appeal, such as the availability of coffee shops and cafes.

However, it did not take into consideration the supply situation in the suburbs. As such, investors are urged to ensure they research current and upcoming supply in a given area.

Apartment-based markets represent most of the suburbs in the top 20 list, followed by houses and only one townhouse-based market.

Jeremy Sheppard, head of research at Select Residential Property, warns about the risk of oversupply in some apartment markets.

“Units in general are always at risk of oversupply as it’s too easy for more to pop up next door, across the road or around the corner, and they can keep growing higher too,” he said.

“New units are the worst because of the rapid rate of depreciation and low land to asset ratio, and they date the quickest.

“As a general rule, houses in built-up areas that have run out of land are a much safer option.”

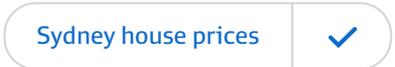
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