

REVEALED: TOP 100 SUBURB PICKS FOR 2019

your investment

January 2019
\$9.95 (GST incl.)

property

ANNUAL INVESTMENT GUIDE

1000

TOP PLACES TO INVEST IN 2019



PLUS

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SPECIAL REPORT

ANNUAL TOP 100 SUBURBS

Wondering where to invest your hard-earned dollars now that Sydney and Melbourne's property markets are correcting? Every year we turn to the experts in property data and analysis for their insights and input to collate our Annual Top 100 Suburbs Guide - and this year's list is a cracker!



IF YOU bought property in most parts of Sydney or Melbourne half a decade ago, you will have made a pretty penny. It was almost impossible to lose money in these markets in 2015 and 2016; the gains just kept coming, and coming, and coming.

Six-figure profits abounded for investors during this time. And while those boom conditions are over, there are still plenty of opportunities to profit from real estate in the current market conditions.

The reality is that even within each city there are micro markets that operate at different paces. Nerida Conisbee, chief economist at

REA Group, says that even in Melbourne and Sydney – which are admittedly “seeing the biggest declines in prices at the moment” – there are some suburbs that continue to outperform.

There is also an international appetite to consider, with overseas buyers favouring different aspects of the market to those chosen by local investors and homeowners.

“With overseas investors, particularly when we look at people from Asian countries, they are very focused on education, in Melbourne and Brisbane in particular. So when we look at the top purchases out of Asia, it’s places like Carlton and Clayton in

Melbourne and St Lucia in Brisbane,” Conisbee says.

The foreign appetite for property is just one of many factors that long-term investors need to consider. Unfortunately, as investors we don’t have a crystal ball to show us exactly where to invest to make the biggest profits in 2019 – but this is the next best thing.

Thanks to our respected panel of experts, and the latest data-rich resources from CoreLogic, we present *Your Investment Property’s Annual Suburbs Guide* – an in-depth ranking of the Top 100 property markets for 2019. ➤



HOW WERE THE SUBURBS SELECTED?

Your *Investment Property's* Annual Top 100 Suburbs list is the pre-eminent guide to property investment markets in Australia.

We have turned to the experts to gather and analyse data on thousands of suburbs across Australia in an effort to find the neighbourhoods that show the best promise for growth in 2019. The suburbs included in the list have been chosen for a number of reasons:



Affordability: In the wake of the recent boom in Sydney and Melbourne, affordability in these markets has been limited. Although not all of the suburbs in this list are considered 'affordable' – there are some seven-figure locations featured – we aimed to find suburbs with competitive prices, either for the base of people they appeal to or compared with neighbouring areas with similar offerings.



Demand: Each suburb had to pass the criterion of being a desirable place to live – an area where a large and diverse tenant base would create long-term demand for accommodation.



Demographics: Suburbs with a growing population moved to the top of our list, as these ensure increasing and continuing demand that underpins the housing market. We also paid attention to suburbs where the average household income of residents was increasing.



Economy: Property markets backed by sound economics generally have the best price and rent growth potential, so we looked for regions with growing economies that support wages growth and relatively high disposable incomes.



Growth prospects: Those areas with the most potential to grow in the short and long term were highly ranked. We took into account past property cycles, current buyer sentiment, supply and demand issues and the strength of the local economy.



Improvements: Markets made the cut if there were a number of changes planned, underway or recently completed, which would encourage more people into the area and drive demand. These include new infrastructure, gentrification and urban renewal.

WHAT DIDN'T MAKE THE CUT?

As always, the suburbs that we excluded are just as important as the suburbs that made the cut in our Top 100. Those markets where investors are likely to only make short-term gains over a period of less than five years, with a risky long-term future, were not ranked. This means the following markets were not prioritised:



Holiday havens: It is almost impossible to forecast the areas that will be in vogue for the next generation of holiday-home buyers, and these areas can be volatile.



One-industry towns: These are small, isolated regional communities that rely on only one major industry to sustain their economies.



Retirement locations: They may be beautiful places to retire to, but a swell of interest from those no longer employed doesn't create a strong foundation for growth.



Speculator markets: These are suburbs that may benefit from a development, proposed infrastructure or investment, but it has not yet been confirmed.

ARE THESE SUBURBS A SURE BET?



As much as we would love to say that they are, we can't promise that. While our suburbs guide offers the top picks from the industry's most experienced data experts and analysts, showcasing areas with strong growth prospects in the year ahead, there is unfortunately no such thing as a 'sure bet'. A suburb's inclusion in this list therefore does not guarantee profits or returns.

Instead, we suggest you consider this list as a starting point – a point from which to launch your own due diligence.

Some of the suburbs in our Annual Top 100 may be the perfect addition to your portfolio, delivering the exact return you're seeking. Others may be less suitable – it's only once you've done extensive research of your own, in consultation with your own advisors, that you should make an investing decision.

Your *Investment Property* recommends:

- conducting thorough due diligence on any property you're considering – never buy anything based on someone else's word without researching it yourself
- getting an independent valuation or price guide from an unrelated party to the sale before you make an offer on a property
- being strategic with your investment decisions: invest in a suburb and property that will meet your specific risk appetite, needs and budget

YOUR INVESTMENT PROPERTY'S TOP 100 SUBURBS FORMULA

Before you dive into our list, we want you to understand how the best investment suburbs across Australia were determined, compared, analysed and vetted.

Our Annual Top 100 Suburbs Guide was compiled through an intensive research process and calculated methodology.

Your Investment Property started by canvassing Australia's top property market analysts for their top picks of markets forecast to perform strongly over the immediate and distant future. We then compared these forecasts with past sales data, supply and demand indicators and our own research and findings to compile our Top 100 Suburbs list.



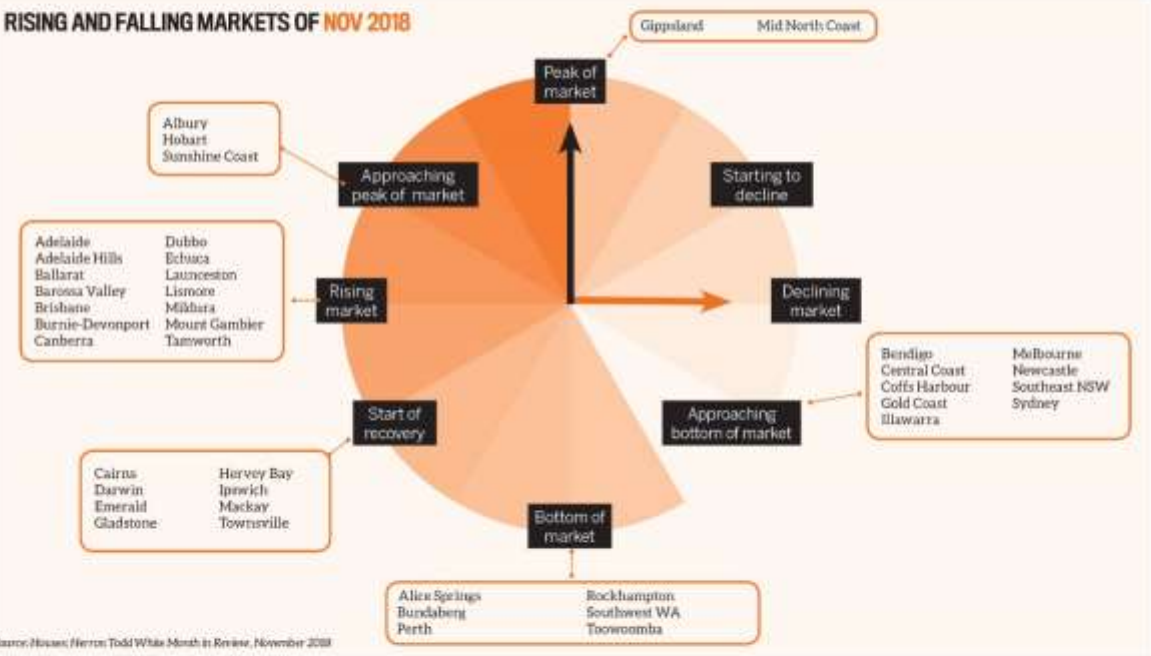
Jeremy Sheppard
Research director
Empower Wealth

Simon Pressley
Property analyst
Propertyology

Nerida Conisbee
Chief economist
REA Group

John Lindeman
Director
Lindeman Reports

RISING AND FALLING MARKETS OF NOV 2018



Source: NBSA, Herron Todd White Month in Review, November 2018

CAPITAL GROWTH YEAR-ON-YEAR (ALL DWELLINGS 2017/18)



Source: CoreLogic Daily Home Value Index, All Dwellings, November 2018

FEATURES | TOP 100 SUBURBS 2019

SUBURB	STATE	12 MONTH GROWTH	MEDIAN PRICE	AVERAGE ANNUAL GROWTH	PROPERTY TYPE	3-YEAR GROWTH	5-YEAR GROWTH	WEEKLY MEDIAN ADVERTISED RENT	GROSS RENTAL YIELD	SUPPLY DEMAND SCORE
Balaclava	VIC	10%	\$605,000	4.9%	Units	29%	30%	\$400	3%	76
Ballarat	VIC	13%	\$448,750	7.5%	Houses	43%	37%	\$280	3%	71
Belmont	VIC	13%	\$320,000	4.6%	Units	15%	-31%	\$300	4%	76
Black Rock	VIC	12%	\$900,000	4.5%	Units	16%	42%	\$490	3%	74
Caloundra	QLD	3%	\$555,000	1.3%	Houses	27%	43%	\$420	4%	60
Cairns City	QLD	6%	\$327,000	-2.7%	Units	-5%	-7%	\$460	7%	64
Carlton	VIC	11%	\$382,495	5.4%	Units	-12%	-9%	\$420	6%	67
Chapman	ACT	9%	\$801,000	3.4%	Houses	-3%	14%	\$675	4%	76
Chelsea	VIC	3%	\$610,000	6.9%	Units	31%	57%	\$375	3%	69
Coffs Harbour	NSW	4%	\$485,000	3.3%	Houses	20%	31%	\$430	5%	67
Collaroy	NSW	3%	\$913,500	7.1%	Units	31%	60%	\$595	3%	70
Colonel Light Gardens	SA	-2%	\$737,750	3.8%	Houses	12%	29%	\$510	4%	78
Conder	ACT	0%	\$586,250	2.3%	Houses	9%	14%	\$543	5%	77
Currumbin Waters	QLD	-3%	\$500,688	2.6%	Units	19%	46%	\$483	6%	80
Devonport	TAS	6%	\$250,000	1.0%	Houses	8%	9%	\$275	6%	72
Dingley Village	VIC	2%	\$871,000	7.5%	Houses	-30%	61%	\$480	3%	77
Dunlop	ACT	9%	\$595,000	3.8%	Houses	24%	23%	\$500	4%	79
Eilenbrook	WA	-4%	\$370,000	-0.2%	Houses	-14%	-9%	\$350	5%	55
Elsternwick	VIC	-9%	\$640,000	9.1%	Houses	56%	85%	\$800	2%	69
Eltham North	VIC	6%	\$820,000	6.8%	Houses	28%	56%	\$515	3%	75
Elwood	VIC	2%	\$635,250	3.4%	Units	7%	18%	\$430	4%	72
Evatt	ACT	12%	\$610,000	4.3%	Houses	27%	30%	\$515	4%	75
Fadden	ACT	2%	\$757,500	3.8%	Houses	17%	19%	N/A	N/A	76
Ferntree Gully	VIC	12%	\$580,000	7.8%	Units	39%	60%	\$370	3%	76
Ferry Hills	QLD	1%	\$545,000	2.8%	Houses	14%	22%	\$460	4%	77
Frankston South	VIC	12%	\$587,000	6.7%	Units	40%	62%	\$395	3%	73
Fremantle	WA	4%	\$795,000	1.0%	Houses	-3%	-3%	\$500	3%	57
Freshwater	NSW	-5%	\$820,000	7.4%	Units	18%	61%	\$600	4%	72
Geelong West	VIC	16%	\$698,000	8.3%	Houses	48%	63%	\$370	3%	69
Gilmore	ACT	0%	\$552,500	4.1%	Houses	5%	12%	\$533	5%	76
Gladstone Park	VIC	10%	\$649,500	8.0%	Houses	49%	70%	\$400	3%	79
Goodwood	SA	2%	\$845,000	4.1%	Houses	28%	37%	\$555	3%	70
Greensborough	VIC	2%	\$597,500	6.1%	Units	31%	44%	\$365	3%	78
Greenwich	NSW	1%	\$790,000	7.2%	Units	8%	39%	\$580	4%	71
Griffith	NSW	6%	\$330,000	2.1%	Houses	20%	32%	\$338	5%	77
Grovedale	VIC	14%	\$466,500	5.4%	Houses	27%	35%	\$370	4%	79
Herne Hill	VIC	4%	\$253,750	5.4%	Units	13%	22%	\$230	5%	77
Highton	VIC	1%	\$339,000	3.4%	Units	8%	18%	\$300	5%	77
Hobart	TAS	9%	\$627,000	6.7%	Units	31%	49%	\$550	5%	74
Holt	ACT	3%	\$391,000	2.1%	Units	9%	12%	\$380	5%	76
Hoppers Crossing	VIC	14%	\$377,500	6.4%	Units	39%	51%	\$315	4%	74
Howrah	TAS	13%	\$488,000	3.3%	Houses	30%	34%	\$430	5%	81
Kambah	ACT	1%	\$567,500	3.2%	Houses	12%	12%	\$495	5%	77
Kedron	QLD	8%	\$735,000	3.7%	Houses	21%	35%	\$460	3%	63
Kensington	VIC	1%	\$500,000	3.2%	Units	12%	19%	\$403	4%	77
Kilburn	SA	9%	\$487,000	3.7%	Houses	20%	37%	\$350	4%	75
Kulwin	QLD	7%	\$502,500	2.6%	Houses	23%	44%	\$480	5%	76
Langwarrin	VIC	13%	\$455,000	6.9%	Units	47%	56%	\$335	4%	74
Largs North	SA	5%	\$468,000	2.6%	Houses	11%	16%	\$378	4%	70
Latham	ACT	4%	\$554,500	3.7%	Houses	17%	23%	\$500	5%	77

All suburbs listed alphabetically, grouped into states.

SUBURBS	STATE	12 MONTH GROWTH	MEDIAN PRICE	AVERAGE ANNUAL GROWTH	PROPERTY TYPE	3-YEAR GROWTH	5-YEAR GROWTH	WEEKLY MEDIAN ADVERTISED RENT	GROSS RENTAL YIELD	SUPPLY DEMAND SCORE
Lauderdale	TAS	8%	\$449,150	3.3%	Houses	29%	36%	\$458	5%	80
Launceston	TAS	10%	\$485,000	5.4%	Houses	41%	46%	\$380	4%	67
Lenah Valley	TAS	14%	\$552,000	5.1%	Houses	36%	49%	\$455	4%	77
Lilyfield	NSW	-1%	\$1,000,000	8.4%	Units	16%	48%	\$600	3%	67
Lindisfarne	TAS	10%	\$502,500	4.1%	Houses	39%	45%	\$450	5%	75
Longford	TAS	3%	\$282,000	1.4%	Houses	13%	13%	\$300	6%	78
Macgregor	ACT	8%	\$777,000	4.4%	Houses	12%	21%	\$460	5%	82
Merbein	VIC	7%	\$187,500	1.4%	Houses	7%	29%	\$250	7%	76
Mill Park	VIC	10%	\$499,000	5.4%	Units	22%	40%	\$340	4%	76
Monash	ACT	9%	\$613,000	3.4%	Houses	8%	20%	\$530	4%	76
Montmorency	VIC	6%	\$900,000	7.5%	Houses	34%	64%	\$470	3%	72
Moonah	TAS	22%	\$410,000	5.3%	Houses	49%	53%	\$400	5%	78
Muswellbrook	NSW	11%	\$305,000	1.7%	Houses	15%	-9%	\$300	5%	65
Narrabeen	NSW	-4%	\$870,750	6.1%	Units	19%	50%	\$620	4%	70
New Town	TAS	8%	\$313,500	4.0%	Units	23%	25%	\$330	5%	79
Newcastle	NSW	15%	\$689,050	5.4%	Units	45%	62%	\$480	4%	61
Noosa Heads	QLD	12%	\$740,000	1.3%	Units	41%	48%	\$525	4%	63
Old Beach	TAS	8%	\$422,500	3.3%	Houses	26%	26%	\$430	5%	78
Orange	NSW	11%	\$400,000	3.9%	Houses	18%	21%	\$345	4%	71
Oxley	QLD	9%	\$585,000	3.5%	Houses	17%	33%	\$410	4%	65
Para Hills West	SA	-3%	\$315,000	2.2%	Houses	4%	10%	\$330	5%	76
Para Vista	SA	6%	\$349,500	2.4%	Houses	17%	17%	\$340	5%	78
Parkdale	VIC	3%	\$662,500	5.4%	Units	30%	45%	\$400	3%	71
Parkside	SA	-6%	\$242,500	3.3%	Houses	1%	29%	\$535	3%	72
Pascoe Vale	VIC	10%	\$590,000	5.5%	Units	27%	37%	\$390	3%	69
Randwick	NSW	5%	\$937,500	6.9%	Units	26%	50%	\$650	4%	70
Richardson	ACT	8%	\$547,000	3.9%	Houses	25%	24%	N/A	N/A	77
Richmond	VIC	6%	\$1,305,000	6.8%	Houses	25%	68%	\$660	3%	66
Rwett	ACT	9%	\$618,000	3.9%	Houses	19%	31%	\$510	4%	77
Rosanna	VIC	10%	\$745,000	7.8%	Units	29%	42%	\$400	3%	76
Sanctuary Point	NSW	10%	\$425,000	6.1%	Houses	47%	63%	\$360	4%	65
Sandy Bay	TAS	0%	\$493,000	3.5%	Units	36%	39%	\$400	4%	78
Shepparton	VIC	3%	\$270,000	1.3%	Houses	11%	13%	\$290	6%	71
Somerset	TAS	7%	\$238,000	1.5%	Houses	5%	6%	\$280	6%	72
St Kilda East	VIC	4%	\$536,000	4.0%	Units	3%	15%	\$400	4%	71
Stirling	SA	-6%	\$707,000	2.1%	Houses	11%	16%	\$500	4%	65
Strathpine	QLD	8%	\$421,600	2.2%	Houses	19%	30%	\$380	5%	71
The Hill	NSW	-1%	\$492,500	6.1%	Units	20%	37%	\$378	4%	71
Theodore	ACT	-1%	\$550,000	3.4%	Houses	16%	15%	\$495	5%	75
Upwey	VIC	12%	\$710,000	7.5%	Houses	42%	71%	\$440	3%	77
Valley View	SA	4%	\$400,000	3.4%	Houses	14%	26%	\$350	5%	76
Wagga Wagga	NSW	3%	\$410,000	3.6%	Houses	9%	24%	\$350	4%	63
Warragul	VIC	26%	\$434,500	6.1%	Houses	45%	42%	\$338	4%	77
Warrandyte	VIC	15%	\$1,061,750	6.0%	Houses	38%	74%	\$663	3%	71
Warranwood	VIC	7%	\$977,500	7.0%	Houses	34%	53%	\$575	3%	71
Warrnambool	VIC	4%	\$695,448	1.9%	Houses	4%	7%	\$330	5%	66
Watsonia North	VIC	9%	\$797,500	7.5%	Houses	35%	68%	\$430	3%	76
Wendouree	VIC	12%	\$281,000	4.1%	Houses	17%	20%	\$275	5%	79
Whitfield	QLD	18%	\$560,000	2.6%	Houses	9%	26%	\$450	4%	68
Whittington	VIC	20%	\$346,750	5.4%	Houses	21%	34%	\$310	5%	80

All suburbs listed alphabetically, grouped into states.