

RESIDENTIAL RESEARCH



FOCUS ON BRISBANE

RESIDENTIAL GUIDE Q4 2018

LIVING & STUDYING

BUYING PROPERTY

WHY INVEST?

BRISBANE— THE NEW WORLD CITY

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Brisbane has emerged as a vibrant hub attracting forward-thinking industry sectors in the new world economy, while enabling relatively affordable urban precincts to live, work and collaborate.

To sustain an emerging global city, there must be viable opportunities to attract globally scalable industry sectors and create a highly desirable place to do business. Brisbane is rapidly emerging as a leader in this space while enabling affordable urban precincts to live, work and collaborate for higher education, research, start-ups and technological innovation. This guide focuses on living, studying and buying residential property in Brisbane.

Liveability

Brisbane ranked in 22nd place of the World's Most Liveable Cities in 2018 according to the Economist Intelligence Unit, as shown in Table 1. The index is based on 30 factors spread across five areas: stability, infrastructure, education, health care and environment.

TABLE 1

Most Liveable Cities 2018

Index of 140 global cities based on Stability, Infrastructure, Education, Health Care & Environment

1. Vienna, Austria
2. Melbourne, Australia
3. Osaka, Japan
22. Brisbane, Australia

Source: Knight Frank Research, Economist Intelligence Unit

Quality of Living

Mercer placed Brisbane in equal 37th position, from 233 cities, in their Quality of Life index as shown in Table 2. This index is ranked on internal stability, crime, effectiveness of law enforcement and relationships with other countries.

TABLE 2

Quality of Living 2018

Index of 233 global cities ranked on internal stability, crime, law enforcement and relationships with other countries

1. Vienna, Austria
2. Zürich, Switzerland
=3. Auckland, New Zealand
=3. Munich, Germany
37. Brisbane, Australia

Source: Knight Frank Research, Mercer

City Wealth Index

The Knight Frank City Wealth Index 2018 ranked Brisbane 49th of the cities that matter to the ultra-wealthy. Across the four categories, Brisbane performed best in the 'investment' category (54th) based on the annual average private investment into property over 2016 and 2017. The 'future' category also scored well (57th), considering future economic performance (GDP) measured in constant prices.

TABLE 3

Knight Frank City Wealth Index 2018, Brisbane

314 international cities ranked in each category

	Ranking
Wealth	76
Investment	54
Lifestyle	141
Future	57
OVERALL	53

Source: Knight Frank Research

International Visitors

Brisbane is the gateway to Queensland's famous attractions with many local and international events held throughout the year.

A drive from Brisbane to the Gold Coast is approximately one (1) hour by road. Many of Australia's largest theme parks are located on the Gold Coast. The destination is popular with families, catering to all age groups and particularly in school holiday times.

Queensland is also home to one of the most renowned natural wonders of the world—the Great Barrier Reef. A flight from Brisbane to the serene Hamilton and Hayman Islands arrives within two (2) hours of take-off, a perfect weekend away for locals and tourists alike.

Brisbane accommodates a vast array of renowned restaurants, art galleries, independent fashion houses and vibrant retail strips. Queen Street Mall, in the heart of Brisbane CBD, offers a pedestrian-only shopping district, lined

with unrivalled local, national and international labels and flagship stores. Luxury brands are found along Queens Plaza within the mall, Edward Street and Wintergarden, with its striking and colourful metallic webbed entrance.

Fortitude Valley, on the edge of the CBD, provides a range of shops supporting local designers with luxury designers home along James Street. Heritage buildings contrast modern, edgy buildings—much like the shopping experience.

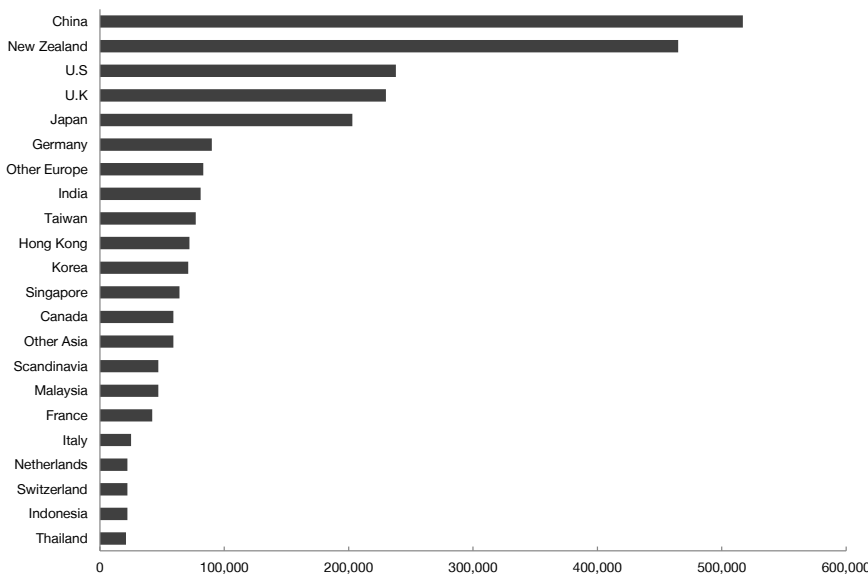
The number of international visitors to Queensland grew 5.5%, to total 2.7 million, in the year ending March 2018. The most number of international tourists came from China (517,000), New Zealand (465,000), United States (238,000), United Kingdom (230,000) and Japan (203,000) as shown in Figure 1.

Compared to a year earlier, in Queensland, international visitors from India grew by 41.4% in the year ending March 2018, while Thailand and Hong Kong increased by 25.1% and 20.9% respectively.

FAST FACTS BRISBANE

- Brisbane is the state capital of Queensland (Qld).
- Australia's third largest capital city, with approximately 2.4 million residents estimated living in the Greater Brisbane region in 2017.
- Located on the East Coast with a geographic area of 15,800 sqm.
- Hot and humid sub-tropical summers (mean maximum 29°C) and warm winters (mean average of 10°C).
- Most daily sunshine is 11 hours in the month of January.
- Brisbane operates under the Australian Eastern Standard Time (AEST) time zone at all times of the year.
- From Brisbane, current average flying travel time is approximately eight (8) hours to Singapore and Kuala Lumpur, nine (9) hours to Hong Kong and Jakarta, 11 hours to Shanghai and 13 hours to Beijing.
- Brisbane is located in the 'Sunshine State' and home to one of the natural wonders of the world—the Great Barrier Reef.

FIGURE 1
International Visitors to Queensland, by Country of Residence
 Total number, year ending March 2018



Source: Knight Frank Research, Tourism & Events Queensland

BRISBANE ANNUAL EVENT CALENDAR

JANUARY

- Brisbane Chinese New Year
- Australia Day Brisbane Celebrations

FEBRUARY

- Brisbane Comedy Festival

MARCH

- Brisbane Irish Festival

APRIL

- Brisbane to Gladstone Yacht Race

MAY

- Paniyiri Greek Festival
- Brisbane Winter Racing Carnival

JUNE

- Brisbane Racing Carnival
- Caxton Street Seafood and Wine Festival
- Oxfam Trailwalker

JULY

- Brisbane Night Noodle Markets
- Gift and Homewares Fair

AUGUST

- The EKKA Brisbane Show
- Brisbane Valley Fiesta
- Brisbane Marathon Festival

SEPTEMBER

- Brisbane Festival
- Riverfire Finale
- Bridge to Brisbane Fun Run

OCTOBER

- Oktoberfest Brisbane
- Good Food and Wine Show

NOVEMBER

- Brisbane International Film Festival

DECEMBER

- Asia Pacific Screen Awards
- Christmas in the City Celebrations
- Brisbane New Year's Eve

LIVING IN BRISBANE

Brisbane's Demographic Profile

Population

Population has been steadily rising in Brisbane with recent interstate migration into the city. Over the year to 30 June 2017, an increase in the estimated resident population was recorded at 2.0% to 2.4 million. This is ahead of the overall Australian population growth of 1.6%. According to the Australian Bureau of Statistics (ABS), the Brisbane population is projected to grow annually by a minimum of 1.8%, to total 3.5 million persons by 2036.

Age Distribution

Residents are primarily young to middle aged—with 36% of Brisbane's population aged between 15 and 39 years old compared to the national average of 33.9% for this age group.

Multiculturalism

The Brisbane population is on par with the national average—with 32.2% of the city's residents being born outside of Australia. The most prominent countries of birth include New Zealand (4.7%), England (4.0%), China (1.6%), India (1.6%) and South Africa (1.0%). In addition, approximately 31.9% of Brisbane's residents' parents were born overseas—slightly below the national average of 34.4%.

Religion

The Catholic religion was practiced by 21.5% of Brisbane residents at the time of the Census 2016, this was followed by Anglican at 13.3%, then Uniting Church with 4.6%. No religion was the most common response in Brisbane with 30.6% of the population.

Language

Other than English, Mandarin (2.4%) is the most common language spoken in a Brisbane household. Other typical languages include Vietnamese (1.0%),

Cantonese (0.9%), Spanish (0.7%) and Hindi (0.6%).

Education

Brisbane is a skilled city. A higher proportion of people are educated at university level (22.9%) compared to the Australian average (22%). In Brisbane, 18.7% of the local student population were studying at university in the 2016 Census, compared to the national average of 16.1%.

Work

The most common occupation of Brisbane's residents are in professional services—at 22.9% compared to the national 22.2% average. Clerical and administrative workers (14.8%), technicians and trades workers (13.0%) and managers (11.8%) were the next most common occupations.

Of all the employed people in Brisbane, 4.4% worked in hospitals. Other major industries of employment included primary education (2.4%), cafés and restaurants (2.3%), state government administration (2.3%) and supermarket and grocery stores (2.3%).

Travel to Work

In Brisbane at the time of the Census 2016, the most common methods of travel to work for employed people were by car, as a driver (61.2%), car, as a passenger (5.0%) and bus (4.7%). Other common responses were worked at home (4.6%) and train (3.6%).

On the day, 11.6% of employed people used public transport (train, bus, ferry, tram/light rail) as at least one of their methods of travel to work and 69% used car (either as driver or as passenger).

Key Employment Hubs

The distribution of employment opportunities are wide across Brisbane,

although there are key concentrated areas for office and industrial workers.

Commercial

Brisbane CBD is the largest office market in Brisbane. It extends around the Brisbane River from North Quay, cutting across Alice Street, north along Boundary Street, south on Turbot Street then south of Roma Street Station and Transit Centre. Workers regularly access the Brisbane City Botanic Gardens and Roma Street Parkland at lunchtime. Accessible by: train, ferry, bus, car and footbridge from the Inner South.

Milton office accommodation is located further around the Brisbane River and based around Milton Train Station, extending through Petrie Terrace, skirting Suncorp Stadium and Gregory Park. Accessible by: train, ferry, bus and car.

Spring Hill adjoins the CBD to the south, and Victoria Park Golf Course to the north and includes St Andrews Memorial

Hospital, Brisbane Private Hospital and Brisbane Central State School. Accessible by: train, bus and car.

Toowong is concentrated around Toowong Village and Train Station and bound by Anzac Park, Mt Coot-tha Botanic Gardens, and Toowong Park and the Brisbane River to the south. Accessible by: train, ferry, bus and car.

Urban Renewal Precinct incorporates the vibrant urban precincts of Fortitude Valley, New Farm, Teneriffe, Newstead and Bowen Hills with many vantage points along the Brisbane River. Accessible by: bus, car, train and/or ferry.

Inner South sprawls south of the Brisbane River to include locations such as Southbank, South Brisbane, West End, Woolloongabba, Kangaroo Point, East Brisbane and Greenslopes. Accessible by: bus, car, train, ferry and/or footbridge from CBD.

Brisbane Airport Precinct is mostly

home to companies with synergy to the airport and/or logistics. This precinct also accommodates retail outlets. Accessible by: train, bus and car.

Industrial

Industrial areas are more spread across the metropolitan area varying from distribution centres to warehouses and industrial estates. Mostly they are accessible via bus, truck and car.

North: Brendale, Geebung.

South East: Rochedale, Yatala, Ormeau, Stapylton.

South West and Outer South West: Richlands, Darra, Redbank, Ipswich.

South: Berrinba, Acacia Ridge, Heathwood, Parkinson, Salisbury.

Trade Coast: Lytton, Eagle Farm, Pinkenba, Hendra, Hemmant, Morningside, Murarrie, Airport, Port.

MAP 1
Brisbane
Major infrastructure network



Source: Knight Frank Research



STUDYING IN BRISBANE

Schools

Schools in Australia generally comprise a mix of local and international students. The education system is broadly divided into **primary (aged 5-12)** and **secondary (aged 13-18)**. There are two main types of public and private schools:

Public Schools

Public schools are financially and administratively operated by the State Government and provide free education to domestic students. First preference is normally given to those living within a particular catchment area from the school. Student visa holders must pay a fixed fee for each year of education, dependent on the type of visa held.

Selective public schools are financially and administratively operated by the State Government. Selective public schools are regarded as more prestigious due to the academic selective nature. Students must sit academic examination and excel in order to be offered a position from the respective school.

Additionally, these selective public schools do not usually limit their intake to catchment areas. Due to their public nature, student visa holders must pay a fee for each year of education.

Private Schools

Independent schools are financially and administratively privately operated. Independent schools therefore hold more control over the quantity and quality of teachers, classroom sizes, amenities and co-curricular activities. Fees for independent schools are usually high, but can be considered to provide an investment for superior education and amenities to students.

Religion-based schools hold faith at the core of their education—however they continue to follow the state government education curriculum. These religion-based schools are usually non-government, and thus often have higher fees than government subsidised schools.

Universities

Most universities have a main campus with several smaller campuses located across multiple states and territories; in CBD, metropolitan and regional areas. This provides a wide range of options when studying in Australia with many universities also setting up campuses based in major international cities.

International Students

Reflecting the good reputation internationally, universities in Queensland accommodate a large international student base. International student enrolments in Queensland increased 11.2%, to 123,750, in 2017. Higher Education had the most demand in student enrolments with 45,800, while international enrolments in Schools represented 5,650 students.

Across all education sectors, the largest group of international students enrolled in Queensland are from China (26,700), India (11,750), Brazil (11,250), South Korea (7,200) and Colombia (5,350).

The application process for international students applying to Australian universities is similar to local students. The length of the application process can often be longer than local students, as more information is required before acceptance.

Most universities will require an IELTS (International English Language Testing System) examination conducted, an internationally recognised education qualification and a portfolio of previous work experience where applicable.

The Simplified Student Visa Framework (SSVF)

The Simplified Student Visa Framework (SSVF) is designed to make the process of applying for a student visa in Australia simpler to navigate via two subclasses:

Student Visa—Subclass 500 where international students can apply for a

single student visa regardless of their chosen course of study and the **Student Guardian Visa—Subclass 590** where student guardians can apply for the new Student Guardian Visa.

All students and student guardians will generally be required to lodge their visa application online by creating an [ImmiAccount](#).

APPLICATION PROCESS FOR INTERNATIONAL STUDENTS

TO SCHOOL

Expression of interest form: must be completed prior to the school year in order to guarantee a position for the student.

Wait for offer: If all requirements are met, the school will offer a formal placement in writing.

Apply for a Student Visa: With the formal school offer, students can then apply for the SSVF online.

TO UNIVERSITY

Apply directly online: through the university website and provide all required evidence. In most instances this is prior education, financial and English language competence.

Wait for Offer: If all requirements are met, the university will offer a formal placement in writing.

Apply for a Student Visa: With the formal university offer, students can then apply for SSVF online.

TABLE 4

Private Schools for International Students, Brisbane

Sample of private schools registered to accept international students, 2018

Suburb	School	Religion	Gender	Year Levels
Ascot	St Margaret's Anglican Girls School	Anglican	Girls	pre-K-12
Ashgrove	Marist College	Catholic	Boys	5-12
Boondall	St Joseph's College (Boondall)	Catholic	Boys	5-12
Brisbane	Catholic Education Archdiocese of Brisbane	Catholic	Boys	pre-K-12
Brisbane	Brisbane Grammar School	Non-denominational	Boys	5-12
Brisbane	All Hallows' School	Catholic	Girls	5-12
Brisbane	St Joseph's College (Gregory Terrace)	Catholic	Boys	5-12
Brisbane	St James College	Christian	Co-ed	7-12
Brisbane	Brisbane Girls Grammar School	Non-denominational	Girls	7-12
Brisbane	Anglican Church Grammar School	Anglican	Boys	K-12
Caboolture	Grace Lutheran College (Caboolture)	Lutheran	Co-ed	7-12
Cannon Hill	Cannon Hill Anglican College	Anglican	Co-ed	pre-K-12
Cannon Hill	St Oliver Plunkett School	Catholic	Co-ed	pre-K-6
Carindale	Citipointe Christian College	Christian	Co-ed	pre-K-12
Clayfield	Clayfield College	Presbyterian & Uniting	Girls	pre-K-12
Corinda	St Aidan's Anglican Girls' School	Anglican	Girls	K-12
Dutton Park	St Ita's Primary School	Catholic	Co-ed	pre-K-6
Enoggera	Hillbrook Anglican School	Anglican	Co-ed	7-12
Everton Park	Northside Christian College	Christian	Co-ed	pre-K-12
Forest Lake	St John's Anglican College	Anglican	Co-ed	pre-K-12
Hawthorne	Lourdes Hill College	Catholic	Girls	7-12
Hendra	Our Lady Help of Christians School	Catholic	Co-ed	pre-K-6
Indooroopilly	St Peters Lutheran College	Lutheran	Co-ed	pre-K-12
Kangaroo Point	St Joseph's Primary School	Catholic	Co-ed	pre-K-6
Karawatha	Islamic College of Brisbane	Islamic	Co-ed	pre-K-12
Keperra	St Williams School	Catholic	Co-ed	pre-K-6
Mansfield	Brisbane Adventist College	Christian	Co-ed	pre-K-12
Mitchelton	Mt Maria College	Catholic	Co-ed	7-12
New Farm	Holy Spirit School	Catholic	Co-ed	pre-K-6
Nundah	Mary MacKillop College	Catholic	Girls	7-12
Ormiston	Ormiston College	Christian	Co-ed	pre-K-12
Rochedale	Redeemer Lutheran College	Lutheran	Co-ed	pre-K-12
Rothwell	Mueller College	Community	Co-ed	pre-K-12
Rothwell	Grace Lutheran College (Rothwell)	Lutheran	Co-ed	7-12
Salisbury	Brisbane Christian College	Christian	Co-ed	pre-K-12
Scarborough	Southern Cross Catholic College	Catholic	Co-ed	pre-K-12
Sheldon	Sheldon College	Non-denominational	Co-ed	pre-K-12
South Brisbane	St Laurence's College	Catholic	Boys	5-12
South Brisbane	Somerville House	Presbyterian & Methodist	Girls	pre-K-12
Sunnybank	St Thomas More College	Catholic	Co-ed	7-12
The Gap	St Peter Chanel Primary School	Catholic	Co-ed	pre-K-6
Toowong	Stuartholme School	Catholic	Girls	7-12
Toowong	Brisbane Boys' College	Presbyterian & Methodist	Boys	pre-K-12
Toowong	St Ignatius' School	Catholic	Co-ed	pre-K-6
Upper Mt Gravatt	Clairvaux MacKillop College	Catholic	Co-ed	7-12
Wellington Point	Redlands College	Churches of Christ	Co-ed	pre-K-12
Wooloowin	Holy Cross Primary School	Non-denominational	Co-ed	pre-K-6
Zillmere	St Flannan's School	Catholic	Co-ed	pre-K-6

Source: Private Schools Guide 2018

TABLE 5

Universities, Queensland

Universities accepting international students

University Name	World Ranking 2017	Australian Ranking 2017	Adjusted Graduate Salary	Number of International Students	International Students % of Total Students	Annual Average International Student Fees
University of Queensland	60	6	\$49,752	11,236	23%	\$34,000
Queensland Uni. of Technology	292	11	\$47,548	7,525	16%	\$28,000
Griffith University	353	8	\$48,531	8,432	19%	\$24,000
James Cook University	377	16	\$53,404	6,211	29%	\$25,000
University of Southern Queensland	805	22	\$52,191	4,548	18%	\$21,000
Bond University	880	13	\$49,204	1,763	35%	\$33,000
University of the Sunshine Coast	1,535	24	\$47,046	1,921	14%	\$21,000

Definitions

World Ranking is calculated by averaging the ranking produced by QS World University Ranking, the Shanghai Academic Ranking of World Universities and Webometrics web publishing rankings.

Australian Ranking is calculated from the combined score for World Ranking (reputation), Graduate Satisfaction (ratings) and Adjusted Graduate Salary (results).

Adjusted Graduate Salary is a measure of how well students are doing in the job market some months after graduating based on graduate salaries, rates of unemployment and the proportion of students who go onto further study.

Annual International Student Fees are an estimate only. It is highly recommended to engage directly with the Australian university for information on the course and fees applicable. Further information is available at universityreviews.com.au

Source: Knight Frank Research, University Reviews (2015 & 2017)



HOUSING IN BRISBANE

The 'Great Australian Dream', a house standing on a 'quarter acre block', is still relatively affordable across Greater Brisbane and within close proximity to the city and fringe. Although with our fast-paced lives, many are now choosing low maintenance living and opting for apartments in complexes with high amenity. This is becoming particularly popular with downsizing households. This reinforces the changing demand across the metropolitan area for public parklands and shared facilities.

Dwelling Types

Standalone houses (also known as landed) continue to be the most dominant dwelling type in Brisbane, representing 76% of all dwellings. This trends higher than the national average of 73% given the greater volume of lower density property.

Similarly, semi-detached, row or terrace houses and townhouses, with a compact backyard, comprised a 10% share; trending lower than the national share of 12.7%. A little under 13% of dwellings are flats or apartments – compared to the national average of 13.1%.

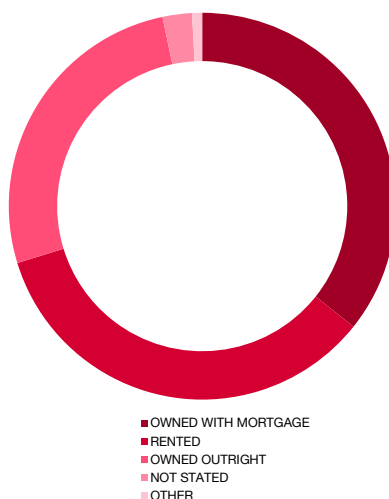
Ownership

In Australia, most residential dwellings are purchased as freehold property, that is, the land and building are owned outright, in perpetuity, under the Torrens Title system.

The same exists for Strata Title, although ownership allows individual ownership of part of a property (or 'lot'), combined with shared ownership in the remainder, or common property, through a legal entity called the owners corporation (see further information on page 19).

Across Brisbane, on the night of the Census 2016, 26% of residential private properties being lived in were owned outright, whilst 36% were owned with a mortgage. The remainder (35%) were being rented from a landlord.

FIGURE 2
Distribution of Tenure, Brisbane
% of private dwellings



Source: Knight Frank Research, ABS (2016)

Growth precincts

The Queensland government has identified key locations across Brisbane suitable for rejuvenation with new homes and jobs.

The employment growth action plan to deliver 'Australia's New World City' identifies key precincts:

- Boggo Road/Princess Alexandra Hospital/The University of Queensland
- Herston/Kelvin Grove
- Upper Mt Gravatt/Eight Mile Plains
- City Reach
- City West
- South Brisbane, including Kurilpa
- Australia TradeCoast
- Valley Gateway

Brisbane sites identified for specific accelerated development as Priority Development Areas (PDAs), with a focus on economic growth currently include:

- Bowen Hills
- Fitzgibbon
- Herston Quarter
- Northshore Hamilton

- Oxley
- Queen's Wharf
- Woolloongabba
- Yeronga

To deliver new well-planned communities 'growth by consolidation' in 'Shaping SEQ', has been identified in key locations including:

- Knowledge and technology precincts: CBD, Dutton Park/Buranda, Herston, St Lucia, South Brisbane, Kelvin Grove, Gardens Point and Auchenflower/Toowong.
- Brisbane north-east, south, south-west and east rail transport corridor: Toombul, Strathpine, Caboolture/Morayfield, Logan Central, Beenleigh, Meadowbrook, Toowong, Indooroopilly, Wynnum Central, Cleveland.
- Northern, Eastern & South East Busway corridors: Chermiside, Carindale, Capalaba, Upper Mount Gravatt, Springwood, Nathan/Coopers Plains.

Considering 'growth by expansion' has been identified in key locations including:

- Bahrs Scrub
- Caboolture West
- Flinders
- Greater Flagstone
- North Lakes/Mango Hill
- Park Ridge
- Southern Redland Bay
- Warner
- Yarrabilba

Prime properties

Prime properties, considered the top 5% of the residential market by value, are mostly located close to, or dotted around, the Brisbane River. Well-respected private schools located in these suburbs attract both local and international families alike.

New Farm is considered the most expensive suburb by value, according to Australian Property Monitors (APM). This is followed by Teneriffe, Chandler, Ascot, Hamilton, Bulimba, Fig Tree Pocket, Hawthorne, Pullenvale and Clayfield.

RENTING IN BRISBANE

The process of renting (also known as leasing or letting) a residential property can vary in each state, but generally the main factors for a tenant to consider are outlined below.

Tenancy Agreement

A tenancy agreement (property lease) is a contract where one party conveys property to another for a specified period of time, in return for a regular payment. When leasing out a property, the owner receives an income, but there are maintenance costs and responsibilities for the landlord.

Before signing a tenancy agreement, a tenancy application must be submitted to the real estate agency (property manager) with proof of identity, ability to meet rental payments and good references.

Rent

As stipulated in the tenancy agreement, the tenant agrees to regularly pay rent to the landlord. Most times this is conducted via a property manager and rent can be paid weekly, fortnightly or monthly. Any future increases will be stated within the tenancy agreement as the landlord cannot increase the rent until the end of the fixed term, unless otherwise stated.

Term

The length of a tenancy agreement can vary, however the standard term is usually six (6) or twelve (12) months for the initial agreement although alternate periods may be negotiable dependent on the requirements of the landlord and/or tenant. Once a tenancy agreement expires, the tenant can request a new fixed term, or alternatively the tenant can stay in the premises at the same rent and conditions until advised.

Bond

A bond is a lump sum payment paid upfront by the tenants as security before moving into the property. This lump sum—usually four (4) weeks rent—is held

in a trust. At the termination of the tenancy agreement, if the property is vacated and left in a suitable condition, the bond will be repaid in full to the tenant.

Utility & Service Charges

Responsibility for utility charges will be stipulated within the tenancy agreement—this is not always covered by the landlord. Although, the landlord must pay for the actual installation and initial connection costs for electricity, gas, oil and water supply. If these need replacing, then the landlord must replace them to the minimum efficiency standards.

Inspections & Repairs

Throughout the tenancy, the property will be periodically inspected by the landlord or property manager. A minimum of seven (7) days notice will be given with the purpose of these inspections being to check the maintenance of the property.

Repairs to the property that are due to the normal wear and tear of the property must be paid for by the landlord. Repairs classified as 'urgent' must be completed as soon as possible, while 'non-urgent' repairs must be taken care of before the 14 days of notification.

Furniture

Generally, residential properties do not come furnished, although this becomes more common for a rental property closer to the CBD. This will be clarified in the tenancy agreement.

Terminating the Tenancy

A tenancy can be terminated at the conclusion of the tenancy agreement. However, both landlord and tenant can request to end the tenancy for a variety of reasons. Certain conditions must be met before it can be terminated, including days of notice, number of notices and reason for termination.

For further information, contact [Residential Tenancies Authority](#).



BUYING IN BRISBANE

The Process

The process to purchase a residential property can vary widely but the most common steps are outlined below. For further information and clarity, consult with your legal representative.

Finance Representation

Before starting the journey to purchase a residential property, carry out due diligence of the subject property and surrounding area to ensure the price expectation can be achieved with the allocated budget.

The lending environment has become challenging in recent years, when seeking a loan from a financial institution. Many local banks will only lend if 20% of the deposit has been saved and there is good evidence the property loan can be repaid regularly with the property loan based on market value. Shop around as mortgages and deposits can vary significantly between providers.

Legal Representation

Engaging a solicitor or conveyancer prior to purchasing the property is highly recommended so they can review the contract before signing, and then stay engaged throughout the process until the property settles (when the property officially changes ownership).

Buying Established Property

Search for a property priced to match requirements for location, proximity to transport, work and education and the quality, size and age of the dwelling. Staying abreast of comparable sales will assist in the negotiation process.

Inspect the property at an open house or by private appointment. Request a copy of the **contract** and have solicitor (or conveyancer) read over the document.

Gain **pre-approval** for loan from lender and confirm qualification from FIRB if required. Arrange a **pest and building**

inspection to guarantee the quality of the building and be aware of maintenance required.

Negotiate by private treaty the highest price willing to be paid for the property with the vendors (via the selling agent) or alternatively **bid at public auction**.

Holding deposit is recommended for a private treaty until cooling off ends (say, \$1,000) until formal finance is approved; at this time the full deposit (say, 10%) is paid. If bid was accepted at auction, the **full deposit** is payable at this time (say, 10%) with any cooling off period now void. The deposit is generally paid by cheque or electronic transfer (private treaty only).

Contracts are signed and exchanged by both parties and it's time the solicitor (or conveyancer) finalises the formal paperwork with the lender. Loan documents are signed.

Settlement occurs when the property officially changes ownership, following one final inspection on the day and the locks are changed.

Buying Off-The-Plan

In most cases, buying off-the-plan (OTP) is the commitment to buy a property that's not yet built.

An OTP property can be better priced than established stock as developers are keen to secure the project so lenders will provide funding so construction can commence. There is also the potential flexibility at this time to make design changes to an apartment or house prior to turning sod.

In most cases a deposit, typically 10%, is paid to the developer and the remaining is paid on settlement of the property, allowing more time to save throughout the construction period. Through this time, the market may push market values up, at an advantage to the buyer, at the same time consideration must be made

should the market slow over this time. It's wise for this type of investment, especially with smaller and unknown developers, that contracts are reviewed by legal representation and the 'sunset clause' explained, which places a deadline for the construction timeline. Should a development not proceed, deposits will be returned, but could be at the expense of missed interest and capital gains through other investments.

There can also be more tax depreciation available on new properties, meaning maximising benefits and improving after-tax cash flow for investment properties.

General Costs

When buying property in Australia, there are both federal and state taxes and a range of fees that are implemented.

Transfer Duty

Transfer duty (also known as Stamp Duty) is levied by the state government on the purchase of property.

Legal Fees

Legal fees will vary between legal firms and may be dependent on property value. Generally fees range from \$1,000 to \$3,000 plus GST.

Land Transfer Fee

When a property changes ownership, a document known as a Land Transfer is lodged and registered with the Office of State Revenue, and a fee is charged. It is this document that records the change of ownership. The cost to register the title varies in each state of Australia. A solicitor or conveyancer will perform this task on your behalf.

Mortgage Application Fee

A fee charged by the state government for the registration of a mortgage. A lender will perform this task on your behalf.

BUYING AS A FIRST HOME BUYER IN BRISBANE

Both the Australian and state governments provide incentives for Australian first home buyers.

Incentives for First Home Buyers in Australia

First Home Super Scheme

The Australian Government, from 1 July 2017, has allowed individuals to make voluntary concessional (before-tax) and non-concessional (after-tax) contributions into superannuation funds to fast-track the time taken to purchase a new home under the First Home Super Scheme (FHSS). Since 1 July 2018, individuals can apply to release these voluntary contributions, along with associated earnings, to assist in purchasing their first

TABLE 4
First Home Super Scheme Eligibility Criteria, Australia
First Home Super Scheme (FHSS)

Conditions
First home buyer – never owned property in Australia – this includes an investment property, vacant land, commercial property, a lease of land in Australia or a company title interest in land in Australia;
Must live in the premises you are buying, or intend to as soon as practicable;
Must intend to live in the property for at least six months of the first 12 months you own it, after it is practical to move in;
Superannuation contributions can be from any age but persons must be a minimum age of 18 years to request for funds to be released;
Not previously requested the Commissioner to issue a FHSS release authority;
Eligibility is assessed on an individual basis – so multiple persons can access their own FHSS contributions to purchase the same property;
If any persons have previously owned a home, it will not stop any other persons being eligible to apply;
Don't sign contract to purchase or construct the home until money is released or there may be FHSS tax liability; this may take up to 25 days.

Source: Australian Taxation Office

home. The scheme allows Australians to make voluntary contributions of up to \$15,000 in any one financial year, to a maximum \$30,000 across all years. This includes undeducted (non-concessional) personal contributions, deducted (concessional) personal contributions and salary sacrifice contributions. These contributions, which are taxed at 15%, along with deemed earnings, can then be withdrawn for a deposit if the eligibility criteria is met.

Concessional contributions and earnings that are withdrawn will be taxed at marginal rates less a 30% offset. Contributions made under this scheme are not a new type of contribution. They are voluntary contributions made to your superannuation fund. As a result, a separate special account doesn't need to be established nor does the fund need to be notified.

For further information, contact the [Australian Taxation Office](#).

Incentives for First Home Buyers in Queensland

First Home Owners' Grant

Queensland First Home Owners' Grant is currently available. An eligibility criteria must be met before the grant is issued.

TABLE 5
First Home Owner Grant Available
First Home Owners' Grant

Queensland; including Brisbane & Gold Coast	
Grant	
One-off	\$15,000

Source: Queensland Office of State Revenue

Stamp Duty Concessions

The first home concession only applies to a home valued under \$550,000, where purchasers may be eligible for a stamp duty reduction on a sliding scale. If the

TABLE 6
First Home Owner Grant Eligibility Criteria

First Home Owners' Grant	
Queensland; including Brisbane & Gold Coast	
Threshold (the property must be valued less than)	
Buyer of new property	\$750,000
Conditions	
Dwelling must be new, unless specified;	
Persons must be a minimum age of 18 years;	
At least one applicant is a natural person and an Australian permanent resident or citizen;	
The contract date must be on or after 1 July 2018;	
You or your spouse must not have previously received a first home owner grant in any state or territory of Australia. If you received a grant that you later paid back, together with any penalty, you may be able to reapply for the grant;	
You or your spouse must not currently or previously owned property in Australia that you lived in, or owned a home before 1 July 2000 whether you lived in or not. However if you owned an interest in residential property since this time, for investment purposes (with evidence), you may be eligible;	
Must live in new home as principal place of residence continuously for at least 6 months within the first 12 months of settlement.	

Source: Queensland Office of State Revenue

home is valued at \$500,000 or under, the first home concession amount will match the home concession rate resulting in no duty payable. First home vacant land concession only applies to vacant land valued under \$400,000.

Only one of these concessions can be claimed, with similar eligibility as the First Home Owners' Grant, plus, one must not dispose of the property before moving in. Additionally for a home, one must live in on a daily basis within a year of settlement and for land, only one home can be built, one must be certain there is not already an existing dwelling and live there daily within two years of settlement.

For further information, contact the [Office of State Revenue](#).

Current regulations for foreign investors purchasing residential property in Brisbane

For further information:

Foreign Investment Review Board [FIRB]

firb.gov.au

Department of Immigration and Border Protection

border.gov.au

- Must apply and gain approval from the FIRB prior to purchasing property in Australia.
- Applications are generally approved if the property purchased adds to the housing stock, including new dwellings that are yet to be occupied or sold, off-the-plan properties under construction or yet to be built. This includes vacant land for residential development where ongoing construction begins within 24 months.
- Non-permanent residents are forbidden to purchase established dwellings as investment properties or as homes. Although there could be an exception if the established dwelling is being redeveloped into multiple dwellings, and as a result, there is an increase in the dwelling count. Over the development period, the house must remain unoccupied.
- Foreign buyers can purchase an off-the-plan dwelling, when another buyer has failed to reach settlement—reverting to its previous status as a new dwelling. An apartment or house that has just been built, or is still under construction and for which the title has never changed hands, is not considered an established dwelling.

Non-Permanent Resident (Foreign Investor)

- A temporary resident is a person who is residing in Australia and holds a temporary residency visa which permits them to stay in Australia for a continuous period of more than 12 months (regardless of how long remains on the visa); or has submitted an application for permanent residency and holds a bridging visa which permits them to stay in Australia until that application has been finalised.
- Are required to notify FIRB prior to purchasing property in Australia, including an established dwelling, a new dwelling that has been purchased directly from the developer and has not been previously occupied for more than 12 months in total and vacant land for residential development where ongoing construction begins with 24 months. Temporary residents are not permitted to buy established dwellings as investment properties.
- May acquire one established dwelling only and it must be used as their main residence (home) in Australia. Such proposals normally meet with no foreign investment objections subject to conditions; such as, that the temporary resident sells the property when it ceases to be their main residence.

Temporary Resident (Temporary Residency Visa)

BUYING A BRISBANE RESIDENTIAL PROPERTY AS A FOREIGN INVESTOR

The Australian Government welcomes foreign investment into Australia's residential property market. The current rules around foreign investment in residential property aim to direct investment into new housing, increasing the housing supply and support local economic activity.

- Acquiring second-hand dwellings for the purpose of providing housing for their Australian-based staff normally meet with no objections subject to the conditions set by FIRB.
- The company must sell the property if it is expected to remain vacant for six months or more. In remote and rural locations foreign companies may rent out dwellings acquired under this category only where they are unable to sell the property.
- Whether a company is eligible, and the number of properties it may acquire under this category, will depend upon the scope of the foreign company's operations and assets in Australia.
- Foreign companies would not be eligible under this category where the property would represent a significant proportion of its Australian assets.

Foreign Company with Australian Business

- Investment migrants under this scheme are required to invest at least AUD\$5 million into complying investments in Australia for a minimum of four years before becoming eligible for permanent residency.
- The SIV scheme is intended to target the migration of high net-worth individuals to Australia with the longer-term aim of transferring wealth of international businesses and individuals to benefit Australian businesses and the broader economy.
- The SIV scheme was introduced on 24 November 2012 and is operated by the Department of Immigration and Border Protection.

Significant Investor Visa (SIV)

- Investment migrants under this scheme are required to invest at least AUD\$15 million into complying investments in Australia for a minimum of 12 months before becoming eligible for permanent residency; a more expeditious pathway than the SIV.
- The PIV scheme is aimed at attracting applicants with business and entrepreneurial skills and capital to enhance investment into innovative Australian businesses and the commercialisation of Australian ideas, research and development.
- The PIV scheme was introduced on 1 July 2015 and is operated by the Department of Immigration and Border Protection.

Premium Investor Visa (PIV)

Investment Migrants (High Net Worth Individuals)

“Before purchasing a residential property in Australia, all foreign investors must apply to the Foreign Investment Review Board (FIRB).”

“A fee is payable before their foreign investment application will be processed.”

“Seeking approval from the FIRB is property-specific; therefore one application per property.”

“The fee on application does not provide any assurance of securing the property.”

Additional Costs for Foreign Buyers

All foreign persons — that is, temporary residents and non-residents — can apply to purchase vacant residential land for development and newly constructed dwellings in Australia.

Non-resident foreign persons are generally prohibited from purchasing established dwellings in Australia. However, temporary residents can apply to purchase one established dwelling to use as their residence while they live in Australia, although on the condition the property is sold when it ceases to be their principal place of residence.

Once a property has been identified to purchase, an application must be made to the Australian Foreign Investment Review Board (FIRB).

It is highly recommended that an application is submitted prior to the advance of any transaction—to ensure complete legality of the purchase. Additionally, approval from FIRB is property-specific— one application per property.

When the application is submitted, the government investigates to ensure that the purchase of the property will be in the country’s best interest.

A decision on the application is made within 30 days—unless complications or alterations occur, in which it may take up to 90 days.

Foreign Investor Application Fee

All foreign investors must pay a fee before their foreign investment application will be processed.

Foreign investors are required to pay \$5,600 to purchase a new property if valued under \$1 million, with additional fees payable per million in the value of the property.

This fee does not provide any assurance of securing the property and strict penalties are applied for those who breach the rules.

TABLE 9
Fees payable by Foreign Investors, Residential property
Based on Property Value, AUD

\$0 - \$1,000,000	\$5,600
\$1,000,001 - \$1,999,999	\$11,300
\$2,000,000 - \$2,999,999	\$22,700
\$3,000,000 - \$3,999,999	\$34,000
\$4,000,000 - \$4,999,999	\$45,400
\$5,000,000 - \$5,999,999	\$56,700
\$6,000,000 - \$6,999,999	\$68,100
\$7,000,000 - \$7,999,999	\$79,500
\$8,000,000 - \$8,999,999	\$90,900
\$9,000,000 - \$9,999,999	\$102,300
\$10,000,000 or more	tiered per million

An interactive on-line fee estimator is available at firb.gov.au

Source: FIRB

The FIRB provides an interactive [fee estimator](#).

Duty Surcharge

The Queensland state government imposes a duty surcharge for foreign investors, payable in addition to general state-based transfer duties; known as the Additional Foreign Acquirer Duty.

Since 1 July 2018, foreign purchasers are required to pay an additional 7% of the sale price.

Other states with foreign investor duties include New South Wales (8%) as of 1 July 2017, Victoria (7%) as of 1 July 2016 and Western Australia (7%) effective 1 January 2019.

TABLE 10
Duties payable by Foreign Investors, Residential property
Based on Property Value, AUD, Payable in addition to general state-based transfer duties

Queensland; including Brisbane	
Duty Surcharge on Purchase Price; from 1 July 2018	7%

Source: Queensland Office of State Revenue

CASE STUDY: COST TO BUY A NEW RESIDENTIAL PROPERTY IN BRISBANE

TABLE 11

Estimated Property Purchase Costs, Brisbane

All costs represented in AUD, As at 1 October 2018

Purchase Price	350,000	500,000	750,000	1,000,000	1,250,000	1,500,000
Transfer Duty	3,500	8,750	19,600	30,850	45,230	59,600
Land Transfer Fee	790	1,310	2,190	3,060	3,940	4,810
Legal Fee (includes GST payable)	1,500	1,500	1,500	2,000	2,000	2,000
Mortgage Application Fee	190	190	190	190	190	190
General: Estimated Total Costs	5,980	11,750	23,480	36,100	51,360	66,600
Foreign Investor Application Fee*	5,600	5,600	5,600	5,600	11,300	11,300
Foreign Investor Duty Surcharge @7%	24,500	35,000	52,500	70,000	87,500	105,000
Foreign Investor: Estimated Total Costs	36,080	52,350	81,580	111,700	150,160	182,900

*The FIRB application must be made prior to the advance of any transaction to ensure complete legality of the purchase. Seeking approval from the FIRB is property-specific; therefore one application per property. The fee on application does not provide any assurance of securing the property. An interactive on-line fee estimator available at www.firb.gov.au

Important Notice: The above worked examples are an estimate only based on the NAB stamp duty calculator. It is highly recommended to engage a solicitor or conveyancer during the entire process of a property purchase.

Source: Queensland Office of State Revenue, Foreign Investment Review Board

TABLE 12

Estimated Property Purchase Costs, Brisbane

All costs represented in AUD, As at 1 October 2018

Purchase Price	1,750,000	2,000,000	2,250,000	2,500,000	5,000,000	7,500,000
Transfer Duty	73,980	88,350	102,730	117,100	260,850	404,600
Land Transfer Fee	5,690	6,560	7,440	8,310	17,060	25,810
Legal Fee (includes GST payable)	3,000	3,000	3,000	3,000	3,000	3,000
Mortgage Application Fee	190	190	190	190	190	190
General: Estimated Total Costs	82,860	98,100	113,360	128,600	281,100	433,600
Foreign Investor Application Fee*	11,300	22,700	22,700	22,700	56,700	79,500
Foreign Investor Duty Surcharge @7%	122,500	140,000	157,500	175,000	350,000	525,000
Foreign Investor: Estimated Total Costs	216,660	260,800	293,560	326,300	687,800	1,038,100

*The FIRB application must be made prior to the advance of any transaction to ensure complete legality of the purchase. Seeking approval from the FIRB is property-specific; therefore one application per property. The fee on application does not provide any assurance of securing the property. An interactive on-line fee estimator available at www.firb.gov.au

Important Notice: The above worked examples are an estimate only based on the NAB stamp duty calculator. It is highly recommended to engage a solicitor or conveyancer during the entire process of a property purchase.

Source: Queensland Office of State Revenue, Foreign Investment Review Board



OWNING IN BRISBANE

In Brisbane, costs and taxes associated with the ownership of a property can vary dependent on the services the building provides.

General Costs

Land Tax

Land tax is an annual state tax that is calculated based on the aggregated taxable value of all land owned (or jointly owned) by an individual. Land Tax is not applied if the property is your principal residence.

Council Rates

This varies across states and local government areas. This is the tax the council charges owners for the services to the property—generally paid quarterly or annually.

Income Tax

Income tax is payable on gross rental income, less any allowable deductions incurred in earning that income. As there are a number of potential allowable deductions, it is recommended that an Australian Tax advisor is consulted.

Owners Corporation

If the purchased property is Strata Titled (a building with common areas and facilities for the use of all occupants of the building), an owners corporation will be established for the building.

A regular fee must be paid to the Owners Corporation to maintain these common areas. This can include elevators, foyers, swimming pools and spa, gymnasiums, plants and foliage, lighting, staircases, fences, visitor car parks and security.

A group of elected people manage the operations and decision-making of the common area of the property.

In most states, the owners corporation comprises of an executive committee (generally individual owners of the apartments) who make decisions on the behalf of their owners.

Additional Costs as a Landlord

Property Management Fees

Letting Fees are usually equivalent to two (2) weeks rent paid to the agent as a fee for finding and securing a tenant.

Management Fees cover any costs associated with managing the property and range from 7% to 8.5% plus GST.

Utility and Service Charges

The owner must pay for the use of utilities (electricity, gas, oil and water supply). Although if the owner leases the property to a tenant, some of these can be passed on but this must be stipulated within the tenancy agreement. However, the owner must pay for the actual installation and initial connection costs.

Landlord Insurance

Landlord insurance is designed specifically to cover rental properties. Depending on the insurance provider, it protects the home from damage, theft, severe weather or rent default in some cases. To decrease risk, landlord insurance is highly recommended.

Additional Costs for Foreign Owners

Foreign-Owned Vacant Residential Property Levy

The Australian government charges an annual levy for foreign-owned vacant residential property (ghost tax). The levy is equivalent to the FIRB application fee imposed at the time the property was purchased if they fail to occupy or lease for at least six (6) months of the year.

Absentee Land Tax Surcharge

The Queensland state government has imposed a 1.5% absentee land tax surcharge for foreign investors. This is payable in addition to general land tax and is based on the taxable value.

WHAT IS THE ROLE OF AN OWNERS CORPORATION?

The rights and responsibilities of both the owners corporation and its members is different in each state but generally comprise:

- Maintain and repair the common property of the strata scheme;
- Manage the finances of the strata scheme;
- Maintain required insurances including public liability and building insurance where applicable;
- Keep records of all details of notices given under the relevant state strata management legislation;
- A strata register must be established and maintained, detailing the owner's name or agent's name and address for each lot within the strata scheme;
- Administration of any by-laws for the strata scheme;
- To provide a grievance register.

SELLING IN BRISBANE

There are costs and taxes to consider when selling residential property in Australia.

General Costs

Legal Fees

Legal fees include, but are not limited to, the costs for preparing a contract for sale. The solicitor or conveyancer fee could be dependent on value of property, and may vary between state and territory as well as the particular solicitor chosen. The cost may range between \$2,000 and \$4,000, plus GST.

Real Estate Agent Fees

An agent fee is the commission paid by the owner, to the agent, for selling the property—either tiered rate or a fixed rate. Do ensure you understand the breakdown of the fee structure as commissions will vary between states, and price point. Fees often range between 2% and 3% of the value of the property sold.

Marketing Costs

When an agent is selected to sell the property, the fee breakdown will often stipulate the budget associated to the marketing and advertising of the property. Additionally, there may be a period allocated to marketing with multiple open house inspections over several weeks. Budgets for marketing, media, as well as length of advertising should all be discussed with the agent to ensure maximum advertising potential.

Capital Gains Tax

Capital gains tax (CGT) is a federal tax levied on the gain or loss upon the sale of an investment property.

The tax is implemented on the difference between the cost of acquiring the property, and the value when sold. The difference is then added to the income tax for the individual or company for that financial year, and taxed accordingly with those rates.

Additional Costs for Foreign Owners

Capital Gains Tax Clearance Certificate

Foreign and temporary tax residents are no longer entitled to access the CGT main residence exemption from 7.30PM (AEST) on 9 May 2017.

Although, existing properties held prior to this date will be grandfathered until 30 June 2019.

A CGT withholding rate for foreign investors is applicable for all contracts with a market value over \$750,000 when signed on or after the 1st July 2017.

This requires 12.5% of the purchase price to be withheld by the purchaser and remitted to the Australian Taxation Office (ATO) unless a clearance certificate has been provided by the vendor. The money withheld is a portion (not in addition to) from the agreed sale price.

If a purchase price negotiated between a purchaser and vendor is on an 'arm's length basis', then the purchase price may be used as a proxy for market value.

The ATO can only grant a clearance certificate to a vendor who is considered to be an Australian resident.

Do note a residency status for tax purposes is not necessarily the same as that for immigration purposes; or for the FIRB. It is recommended to seek professional legal advice to further clarify the residency definition for this legislation.

The foreign resident CGT regime for withholding tax applies to taxable Australian property including vacant land, buildings, residential and commercial property, leaseholds and strata title schemes.

For further information, contact the [Australian Taxation Office](#).

DOWNSIZER INCENTIVE

Downsizers (aged 65+ years) can make a non-concessional (after-tax) contribution into their Superannuation account of up to \$300,000 from the sale of their family home.

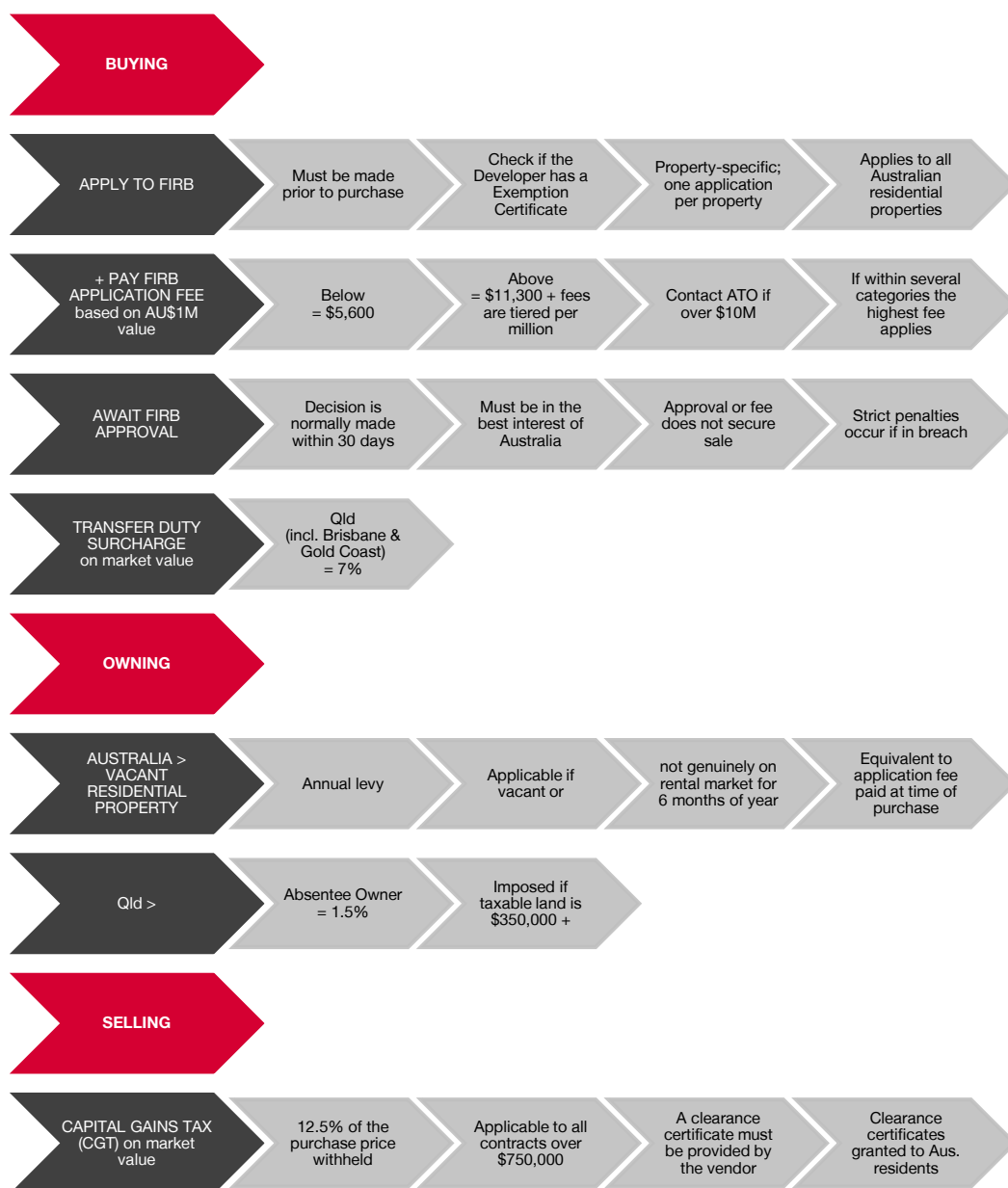
Introduced from 1 July 2018, the legislation states the property sold must be the person's home (main residence and be eligible for the main residence exemption for capital gains tax) and held for at least the past 10 years.

This will increase their tax-free fund limits. Couples will be able to contribute up to \$300,000 each, giving a total contribution per couple of up to \$600,000.

SUMMARY: INVESTING IN A BRISBANE RESIDENTIAL PROPERTY AS A FOREIGN INVESTOR

In recent years, the federal and state governments have introduced foreign investor fees, tax surcharges and levies. Below is a summary of the current process for foreign buyers when purchasing, owning and selling Australian residential property.

FIGURE 3
The Process for Foreign Buyers when Purchasing, Owning and Selling Residential Property, Brisbane
 As at 1 October 2018



Source: Knight Frank Research, Commonwealth Government, Queensland Office of State Revenue

FEATURE: 10 REASONS TO INVEST IN BRISBANE



HIGH RANKING LIVEABILITY.

When measured against other cities around the world, Brisbane is placed well for liveability. In 2018, the Economist's Intelligence Unit ranked Brisbane in 22nd position from 140 global cities based on stability, infrastructure, education, health care and environment. Mercer placed Brisbane in 37th position from 233 cities in their Quality of Life index. At the last Census, the ABS ranked Brisbane 53rd most advantaged local government area according to the relative socio-economic conditions of people and households.



GOVERNMENT INVESTMENT.

The Queensland domestic economy (GSP) is projected to strengthen to 2.8% in 2017-18, and accelerate to 3.0% in 2018-19, according to the Queensland State Budget. In the short term, this will reflect further improvement in domestic demand as business spending continues to pick up along with a recovery in coal exports following Severe Tropical Cyclone (STC) Debbie. Over the medium term, household consumption is expected to gain some momentum, and a contribution to growth from the trade sector, as imports ease.



BUSINESS CONFIDENCE GROWS.

Business confidence has rallied in Queensland, to sustain +8pts in August 2018, on the back of business conditions (+18pts) according to the NAB Monthly Business Survey. This improved confidence has flowed through to the labour market with the unemployment rate averaging 6.3% in the year ending August 2018, down from 6.4% the previous year.



ON THE ITINERARY FOR INTERNATIONAL VISITORS.

International departure capacity at the Brisbane Airport expanded by 25% between 2012 and 2017 as reported by OAG Schedules Analyser. This is earmarked to grow further opening more routes to South-East Asia in the coming years and when the second runway opens in 2022. Each year since 2012, Tourism Australia has calculated international visitors to Brisbane has grown on average by 6.1%.



GROWTH IN INTERNATIONAL STUDENTS.

The number of international students enrolled to study in Queensland education facilities rose 11.2%, in 2017, according to the Department of Education and Training. Higher education facilities saw growth of 8.6%, while international school-aged students grew by 13.8%. Brisbane is fortunate to accommodate seven world-class university campuses and numerous private schools accepting international students. The SSVF has made the process of applying for a student visa in Australia easier to navigate for both students and guardians.

FEATURE: 10 REASONS TO INVEST IN BRISBANE



RELATIVE VALUE TO OTHER MAJOR CAPITAL CITIES.

Brisbane houses and apartments are relatively well-placed for value on the East Coast. The median value for an apartment in June 2018 was \$379,000 in Brisbane, whilst Sydney was \$737,000, and Melbourne \$496,000 according to APM. This was similar for houses in Brisbane with the median value being \$566,500; significantly lower than Sydney (\$1.14m) and Melbourne (\$882,000). Those now priced out of these southern East Coast cities are looking for value in the Brisbane market.



HOUSES CAPITAL VALUE GROWTH.

The strongest annual capital growth across the four major capital cities was recorded for Brisbane houses at 2.0%, in June 2018 (APM). This is ahead of the national annual capital growth of -1.0%. Over the past ten years Brisbane houses have averaged capital growth at a sustainable 2.9% per year.



LOWERED VACANCY AS LESS APARTMENTS BEING BUILT.

With less apartment projects starting construction, the Brisbane market is now absorbing the recently added rental stock. As a result, total vacancy has lowered to 2.3% at the end of June 2018, as reported by REIQ. In the medium term, as the population growth picks up and the economy strengthens, additional apartments will be required to meet the changing demand for low maintenance, high-density living. Growing the share of apartments in Brisbane to beyond the national average, will accommodate workers required to foster the new world city.



WEALTH FLOWS.

Brisbane saw a net inflow of up to 1,000 HNWI's in 2017; taking up to one-tenth of the 10,000 new Australian HNWI's each year, according to data released on the Australian market by New World Wealth. This is someone with net worth of US\$1 million, excluding their primary residence. Australia remains the top country ranked by HNWI net inflow for the third consecutive year.



RISE OF PRIME PROPERTY.

As the number of HNWI's rise, Brisbane prime property prices continue to strengthen growing 3.4% in the year ending June 2018. Knight Frank considers prime property to be the most desirable and most expensive property in a given location, generally defined as the top 5% of each market by value. Similar to Brisbane's mainstream market, the value proposition for a prime property is relatively cheaper than other cities in Australia. In Brisbane, US\$1m can buy 122 sqm of prime property in June 2018, while only 50 sqm can be purchased in Sydney and 94 sqm in Melbourne.



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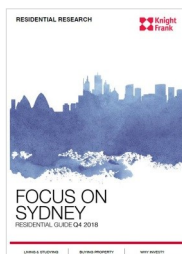
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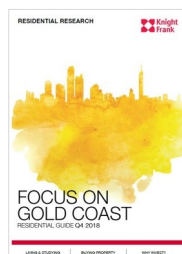
Focus On Sydney
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Focus On Melbourne
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Focus On Perth
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Focus On Gold Coast
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Branded Residences
Report 2019



Australian Residential
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