

# City fringe housing boom

By DARYL PASSMORE

HOME buyers priced out of Brisbane are driving a new housing market boom on the metropolitan fringe.

A rush of first-time buyers and investors has seen median prices in the satellite cities of Logan and Ipswich rise much faster than other parts of southeast Queensland, the latest figures show.

Agents are warning that the last affordable family homes within reasonable travelling distance of the capital are disappearing fast.

And property prices in regional cities are rocketing as



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the boom spreads across the state.

Demand for housing for mining workers fuelled big price rises in Mount Isa (up 38.5 per cent in the year) and the Central Queensland shires of Banana (51.2 per cent) and Emerald (29.2 per cent).

There was also strong growth in Rockhampton, where prices increased 29 per cent to \$200,000, and Mackay, up 27 per cent to \$343,250.

The first of the two interest rate rises announced by the Reserve Bank did nothing to dampen the market, with most areas recording price increases in the three months to the end of June — defying the predictions of some pundits.

“Back in 2003, analysts were predicting sales volumes in southeast Queensland would collapse — they returned to ‘pre-boom’ levels and are now starting to increase,” said Real Estate In-

stitute of Queensland chairman Peter McGrath.

Figures compiled by the REIQ and released exclusively to *The Sunday Mail*, show the median house price in Brisbane rose 0.8 per cent in the June quarter, to \$373,000.

That was an increase of 2.8 per cent on the same time last year. But it was dwarfed by Logan — up 4.1 per cent in the quarter and 7.6 per cent over the year — and Ipswich, where the median price rose

2.1 per cent in the three months and 9.3 per cent over the year.

“The suburbs across these cities remain the only option for families to enter affordable home ownership within commuting distance to Brisbane,” Mr McGrath said.

Demand for property in Logan has also been fuelled by interstate investors, attracted by vacancy rates of just 1 per cent.

The principal of Century 21 in Logan Central, Laura

Castelli, said: “I’ve sold three investment properties this week to people from Sydney and Perth.”

The shortage of rental properties is repeated in centres across the state, with vacancy rates of less than 2 per cent in Brisbane, Gladstone, Pine Rivers, Rockhampton, Caloundra and Townsville.

Ascot edged closer to becoming Brisbane’s first million-dollar suburb, with the median sale price rising 16 per cent to \$912,000 since June 2005.

But it is still a long way behind Sovereign Islands on the Gold Coast, where the median was \$1.9 million.