

Suburbs where house prices will surf the major projects wave

A multibillion-dollar wave of roads, mining and manufacturing projects, as well as Olympics spending, is set to push up property prices in key Queensland locations. WHERE PRICES WILL GROW

Brendan O'Malley February 2, 2023



Property experts say a huge wave of infrastructure projects across Queensland will boost prices, but warn investors to be cautious.

Property investors are hoping to cash in big time over the next decade as an unprecedented wave of infrastructure projects is tipped to drive up house prices across Queensland.

But real estate experts have cautioned people hoping to make a quick buck that the relationship between median house prices and major projects comes down to timing, location and even the type of infrastructure. McCrindle social researcher Geoff Brailey said while it was difficult to correlate types of infrastructure with median price rises, better roads and other projects which helped connect people to jobs probably had more impact than construction of extra services.

He also said timing was critical, with two windows for price growth — project announcement and post-completion of projects. “It’s a near and far kind of opportunity,” Mr Brailey said.



Lord Mayor Adrian Schrinner has unveiled plans for a new inner-city sports precinct which could boost home prices in the Albion area.

“For smaller population centres, one of the major benefits of infrastructure is new jobs.

“These are either in construction or in maintenance, which provides a long-term benefit.”

Picture: Brisbane City Council

IBIS World senior industry analyst Darcy Gannon agreed, saying the past decade in Queensland showed that during the construction phase sales usually declined and prices stabilised or dropped.

“It’s a case of short-term pain, long-term gain — you take a hit at the beginning, but at the end of (construction) you see prices and sales go up,” he said.

Examples included the Darling Downs from 2012-2016, when prices plateaued and sales dropped during project construction. They picked up by 2020. Work on more than \$1 billion in projects in central Queensland saw prices and sales drop from 2013-2105 before they later picked up ground.

Mr Gannon said the correlation between projects and house prices was not as clear-cut in Brisbane as the regional centres because it was much bigger. “There are also so many factors going on that affect house prices in Brisbane, from interstate migration to the Olympics,” he said.



REIQ CEO Antonia Mercorella expected big projects in the pipeline across Brisbane and regional Queensland would inevitably have an upwards impact on house prices.

“Big ticket infrastructure makes an area more desirable to live in – this of course drives buyer interest and has a positive flow-on impact to residential property prices,” she said.

Here’s a list of the major upcoming projects across the state and what experts believed would be their effect on property prices:

REIQ CEO Antonia Mercorella.

BRISBANE

With the 2032 Games announcement now well behind us, investors would have to wait until Olympics-related projects were finished to benefit from the next wave of price rises.

Ms Mercorella said suburbs to watch for a Games lift included: Woolloongabba, particularly near The Gabba which would also benefit from the Cross River Rail station; East Brisbane; Dutton Park; Annerley (inner-east flow-on effect); Kangaroo Point; West End; South Brisbane; Hamilton (athletes’ village site); Albion (proposed Council sports precinct). She said short-term tourism benefits would be spread across the state.



PRD chief economist Dr Diaswati Mardiasmo recently released a study which predicted [booming migration and Olympics infrastructure](#) would force median prices up to some of the highest in the country by 2030.

Large infrastructure spending ahead of the Olympics would propel over half of the houses from Noosa to the Gold Coast into the million-plus territory, the study found.

Her projections, based on average annual returns in the past 10 years, put Noosa Shire’s median at \$2.724 million by 2030, followed by the Gold Coast on \$2.669 million.

Brisbane was expected to hit a median of \$1.749 million.

PRD Chief Economist Dr Diaswati Mardiasmo. Picture: Contributed

And it’s not just the Olympics. The REIQ said [major infrastructure projects were forecast to inject \\$17 billion](#) into the Brisbane economy over the next six years. One of the biggies was Cross River Rail.



[Your Property Hound](#) guide said the opportunity for investors was to buy properties in Woolloongabba, Dutton Park and Bowen Hills within walking distance of CRR stations. But they also urged caution.

“There will be high demand for properties near, but not too close to, the train stations,” it advised readers.

“These suburbs are already dominated by unit developments with several new masterplanned complexes in close proximity to the proposed stations, some of which are already under way.

Supplied render of what a Cross River Rail train station will look like.

“Existing housing stock or units in small boutique complexes may offer better opportunities for investors.

“Investors should also look to purchase properties within walking distance of train stations and transport hubs in Brisbane’s middle and outer suburbs.

“These areas will become more and more desirable as the efficiency of Brisbane’s public transport system improves, specifically suburbs adjacent to Beenleigh train line (Fairfield, Annerley, Yeronga, Yeerongpilly, Moorooka, Rocklea, Salisbury and Coopers Plains).”



Research from Place Advisory revealed house prices in Albion, Woolloongabba and East Brisbane were set to spike as a result of improved public transport and longer term gentrification as a result of the city’s multibillion-dollar infrastructure pipeline.

Place Advisory residential research director Lachlan Walker said it was hard to put an exact number on the potential impact, but house prices within a 1km radius of new public transport nodes could increase by seven per cent to eight per cent.

How Brisbane Metro will look.

Some real estate agents say price growth could be as much as 20 per cent for houses in the suburbs directly affected. But several agents said price rises were not likely until at least six to 12 months after these projects were completed. Homes near the Brisbane Metro route were also tipped to receive a boost.

IPSWICH/WEST MORETON



Springfield City Group is looking to partner with an investor to transform 4ha of land into a hospitality hub near the new Brisbane Lions AFL stadium.

Place Estate Agents’ Sarah Hackett [tipped Springfield as a growth prospect](#) because of its long pipeline of recent and upcoming infrastructure, most recently the long-awaited opening of the new AFL stadium.

As well, Springfield City Group last year announced that it hoped to find a partner to build a hospitality hub near the stadium. “It’s the second largest masterplanned Australian city in history, with plenty of facilities on offer for residents (which) are constantly being added to,” Ms Hackett said.



Ipswich is in line for a total of \$135 million in upgrades at St Andrew’s Ipswich Private Hospital including new operating theatres and a [mental health unit](#). Local agents believed this could lift home prices in nearby suburbs due to the extra long-term jobs.

Dr Angus Moxon, orthopaedic surgeon, and Clare Price, nurse unit manager at St Andrews Ipswich Private Hospital. The hospital plans \$135 million in upgrades. Picture: Cordell Richardson

GOLD COAST



The two big projects expected to drive median prices on the coast were the [Burleigh to Palm Beach light rail extension](#) and the 220ha [Greenheart parklands project](#) stretching from Robina to Carrara.

Greenheart will be six times the size of the Southport Broadwater Parklands and rival Sydney’s Centennial Parklands, but will take 20 years to complete.

Burleigh Heads Light rail stop. Major construction is under way on Gold Coast Light Rail Stage 3. Image: State Government

Once finished it will feature up to 15 sporting fields for codes such as Aussie rules, rugby league and soccer and an events space to host major events and festivals.

REIQ Gold Coast Zone chairman, Andrew Henderson, said the light rail extension would open up the southern end of the coast for locals and day trippers from Brisbane, as well as helping movement of tourists from the airport.



“The transport corridor has opened up the opportunity for additional development along the route, creating jobs and additional housing,” Mr Henderson said.

“Since the introduction of Stages 1 and 2, the light rail has been well supported by the travelling public, with the G-link offering a modern and efficient means of public transport. “Stage 3 approval over the past few years — and now commencement — has resulted in additional building unit construction, increase in property prices, additional property availability, new commercial opportunities and increase in rents. All this even before construction has commenced.”

Gold Coast City Council has voted to develop a 270ha green playground, named Greenheart, between Robina and Merrimac. Picture: Supplied

MORETON BAY REGION



Ms Hackett said the Moreton Bay area was a prospect for growth due to a range of projects including the new Dolphins (Kayo) Stadium. The university campus at Petrie was emerging as a big jobs generator.

Both the state and federal governments have also recently announced massive roads infrastructure including a new arterial road, informally dubbed the Moreton Connector, to be built between Dohles Rocks Rd at Murrumba Downs and Anzac Ave at Mango Hill.

Kenny Bromwich passes the ball during a Dolphins NRL training session at Kayo Stadium. Picture: Bradley Kanaris/Getty Images

The Commonwealth announced in last year's Budget that it would tip \$200 million into the Dohles Rocks Rd-Anzac Ave upgrade.

The State Government has also promised to deliver upgrades to the Gateway Mwy, Gympie Rd and the Bruce Hwy. One of the biggest medium-term drivers of house prices in the region would be the planned Caboolture West satellite city, a giant 3500ha vision to build 26,000 homes and create 17,000 jobs.

In November last year the State Government revealed its preferred route for [stage 2 of a 60km-long Bruce Hwy Western Alternative](#) to connect the new residents, running from Beerburrum to the satellite city.

SUNSHINE COAST

The region's median prices were also forecast to benefit from the promised Bruce Hwy upgrades. In the meantime, a huge stretch of roadworks from Morayfield north, almost to Steve Irwin Way, is causing headaches for motorists. But it, too, was a case of long-term gain for short-term pain.

Initial works have started on upgrades to the North Coast rail line, while the Mooloolah River Interchange should have a significant impact.

A revamp of the Maroochydore CBD was expected to generate more widespread benefits to the area, which were hard to quantify.



REIQ Sunshine Coast Zone chairman Matt Diesel said a lack of infrastructure had held back the region in the past.

"But in the past couple of years we have seen many major projects kick off, which are either still under construction or being completed," he said.

"It is not just one project but the aggregate sum of all of these coming to fruition (which will drive price growth).

"This is having an impact on the whole region, not just certain suburbs."

REIQ Sunshine Coast Zone chairman Matt Diesel.

TOOWOOMBA



Terry Ryder, managing director of Ryder Research Resources and a Hotspotting property analyst, said Toowoomba was attracting a lot of attention because of its impressive infrastructure pipeline.

“It’s already our second largest inland city after Canberra. It’s the capital of a big agricultural area, a resources province and you’ve got Wellcamp airport,” he said.

“It will also be enhanced massively by the inland rail link. I’ve no doubt it’s going to grow in value.”

Toowoomba's Wellcamp Airport was at one point touted as a launch site for Richard Branson's Virgin Orbit. Picture: Supplied

FRASER COAST/BUNDABERG



The Maryborough region has regained its manufacturing mojo and the region’s house prices have already responded.

The announcement of a [\\$7 billion Torbanlea train factory](#) is the perfect example of a country town which had no industry (at least since the Burgowan Mine shut decades ago) but will come back to life when the factory starts. Property values are already well up.

REIQ Fraser Coast Zone chair Kim Carter said the Torbanlea area had seen more investors, as had Hervey Bay, Toogoom and Burrum Heads, because they were getting good returns.

Premier Annastacia Palaszczuk (rear, in hat) with Maryborough MP Bruce Saunders, Transport Minister Mark Bailey, Hervey Bay MP Adrian Tantari and Fraser Coast Mayor George Seymour turn the sod at the site of the new \$239 million Torbanlea train factory with the help of students from Maryborough State High School.

Other major projects in the wings included the Hyne timber mill expansion, completion of a \$60 million munitions factory and the promise of battery and medical device facilities. The final stage of the \$2 billion Cooroy to Curra Bruce Hwy Bypass, due for completion next year, also would be a price driver.

In the Bundaberg area, major infrastructure planned included the [Paradise Dam \\$1.2 billion improvement project](#), Hervey Bay’s massive new [library, Council administration centre and public plaza](#), a multi-billion [pumped hydro plan for Lake Borumba](#) near Gympie (expected before 2030), the \$336 million Bruce Hwy Tiara bypass and \$20 million [Bundaberg port facility](#) upgrade.

ROCKHAMPTON



Works ceased at Mount Morgan mine near Rockhampton in 1990, but after multiple attempts to revive it Heritage Minerals’ is planning to reprocess the old tailings using new technology.

The project was expected to create 250 direct new jobs in construction and up to 150 jobs once operational, with an economic impact to the Rockhampton region of \$849 million — which will put a rocket under house prices.

Grantley Jack, Jason Thomasson and Jack Trenaman from the Start Rockhampton Ring Road group in front of painted silos at Parkhurst.

Construction of the \$367 million Rookwood Weir, west of the city, was due to be completed soon, boosting agriculture and town water security — and in turn median prices.



The Rookwood Weir site.

The project also would create 300 jobs within the agricultural industry once operational.

After funding was pulled late last year, the \$1.1 billion Rockhampton Ring Road was now back in the federal budget thanks to a vocal convoy to Canberra.

The biggest infrastructure project in the area in years, it would generate bulk jobs and should lift prices.

Other big projects in the area included upgrades at Shoalwater Bay Training Area north of the city, a \$25 million upgrade to Browne Park Stadium and a new \$60 million maintenance, repair and overhaul hangar nearing completion at Rockhampton Airport. The hangar would bring 100 new jobs and a new industry to the region.

TOWNSVILLE



Member for Mundingburra Les Walker and Townsville Mayor Jenny Hill at the Lansdown Eco-Industrial Precinct at Woodstock. Picture: Evan Morgan

Confidence in the local property market has been buoyed with the announcement of a raft of major infrastructure projects in recent times.

One of the biggest is the [Lansdown Eco-Industrial Precinct](#), which looks like it will finally happen after a decade of talk.

A major [hydrogen hub](#) also looks to be making headway after the awarding of tens of millions in grants to support alternatives to coal and gas.

Townsville's [port is poised for an expansion](#) and associated dredging, while there are hopes for the [Big Rocks Weir](#) project.

CAIRNS



The Cairns Marine Precinct is poised for a major upgrade. Picture: Supplied

IBIS World's Darcy Gannon said the past decade had been a period of property booms and busts in the sugar and tourism hub.

"In 2012 prices started to stagnate and the volume of sales fell as major construction got under way, but by 2013/14 both prices and sales were back up," he said. Most recently, Covid hammered the economy which meant property took a big hit.

But a bunch of big infrastructure projects were set to lift median values in coming years. They included the \$535 million [Edmonton to Gordonvale Bruce Hwy upgrade](#), a \$359 million [Captain Cook Hwy](#) (CBD to Smithfield) upgrade, \$300 million [Cairns Marine Precinct expansion](#) and \$50 million [CQU University Precinct](#) works.

REIQ Cairns Zone chair Tom Quaid said the projects “represent a huge economic benefit to the region”.

“While a lot will go to national firms based outside of Cairns, they are still putting a lot of boots on the ground which translates into local spending including on housing for staff,” Mr Quaid said.

“The marine precinct and uni project will provide long-term direct employment, again growing the region, while the road projects improve transport, allowing for areas further out to be developed as viable, commutable housing.

“It’s these kinds of projects that will keep driving our region’s property market growth, even as we see slowdowns elsewhere.”