

Our hinterland towns the top places to buy, says research

By KATHY SUNDSTROM

THE railway towns in the Sunshine Coast hinterland are the pick of the property market, a national real estate research director said yesterday.

Areas like Beerwah, Landsborough and Nambour rate "third best" in the country on PRD national research director Tim Lawless's list of places to buy and only fall behind because of lack of infrastructure.

"My first pick would be northern New South Wales followed by the Capricorn Coast and then the Sunshine Coast hinterland," Mr Lawless said.

"But the hinterland would rate higher except its infrastructure is currently letting it down. This should hopefully improve in the next few years."

Mr Lawless also advised a UDIA breakfast yesterday that interest rates were expected to rise again this year.

"We should see another increase which will have an effect on the market."

But the property market on the Sunshine Coast continued to fare well, even though market activity in most shires had halved since the peak in 2002/2003.

"Prices have stayed pretty much the same even though the market has fallen flat," Mr Lawless said.

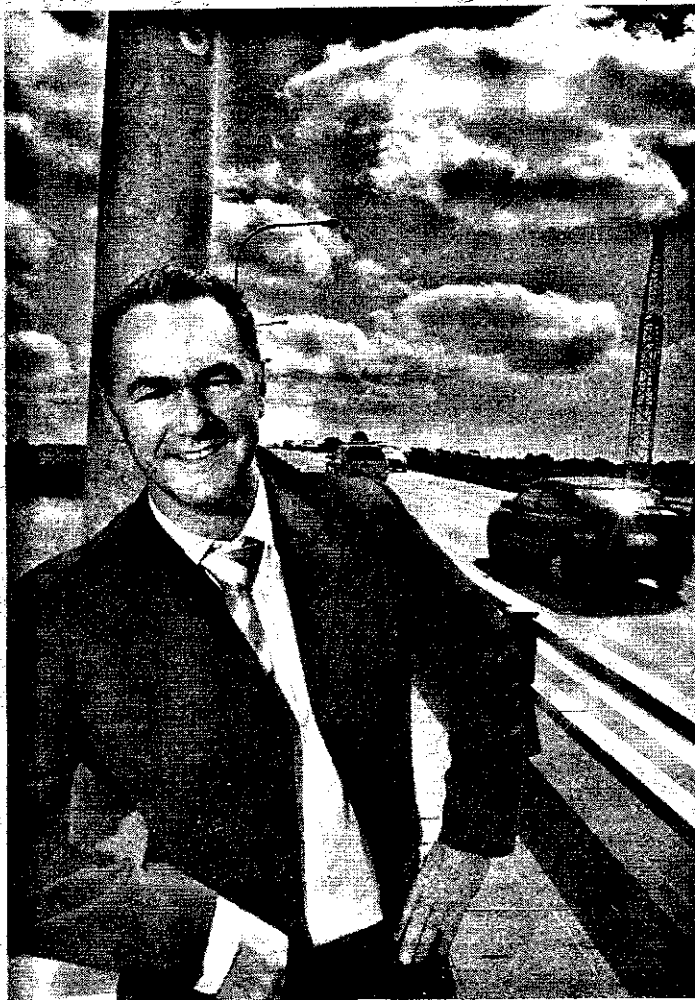
While the market continues to be too expensive for many first home-buyers, the premium million-dollar market was flourishing.

"The premium sector is increasingly popular throughout the Sunshine Coast including the hinterland," Mr Lawless said.

"This sector isn't affected by interest rates; their decisions are based on a lifestyle choice."

Queensland has become the second most unaffordable state to buy in Australia.

It is only behind New South Wales and has beaten Melbourne to this unenviable position.



GOLD IN THEM HILLS: PRD research director Tim Lawless rates the Coast hinterland as the property market pick. PHOTO: MICHAELA GLEN / MG159928C

"About 33.7% of the family income is tied up into paying a mortgage in Queensland compared to 37% in New South Wales," Mr Lawless said.

"There needs to be some government incentive for people to buy back, and also people need to look at purchasing further away from the city where it is more affordable."

The property market boom ended in 2003 and the share market has taken investors away from property.

Only rental properties in Cooroy, Kenilworth, Nambour and the southern Sunshine Coast like Sippy Downs were providing over 4% yields.

Mr Lawless expected this to continue with Caloundra one of the fastest growing shires in Queensland, attracting 2831 new residents each year.

Caloundra and Maroochy shires were attracting the middle-aged and the older market while in Noosa the "stand-out" was the retirement market.

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