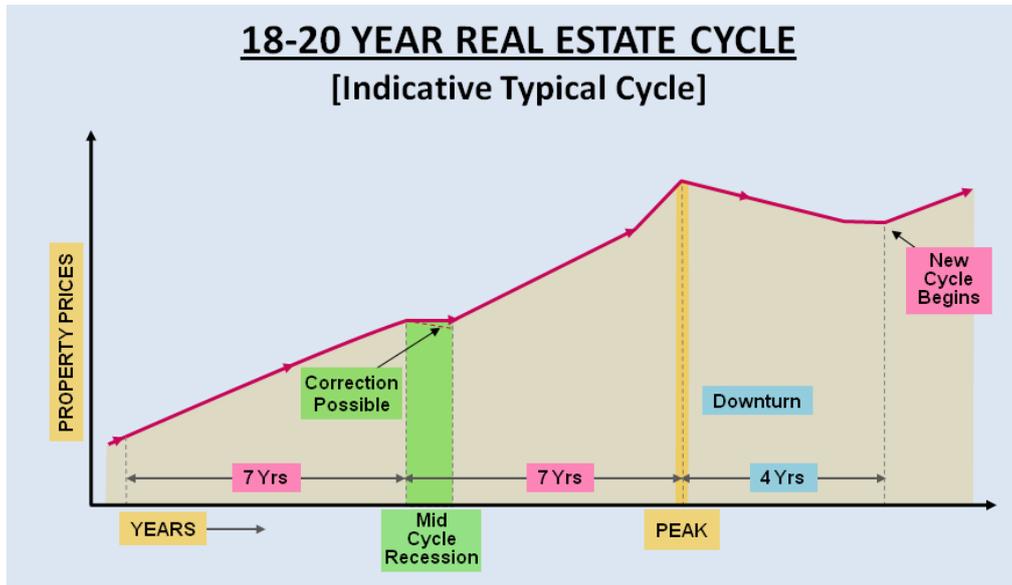


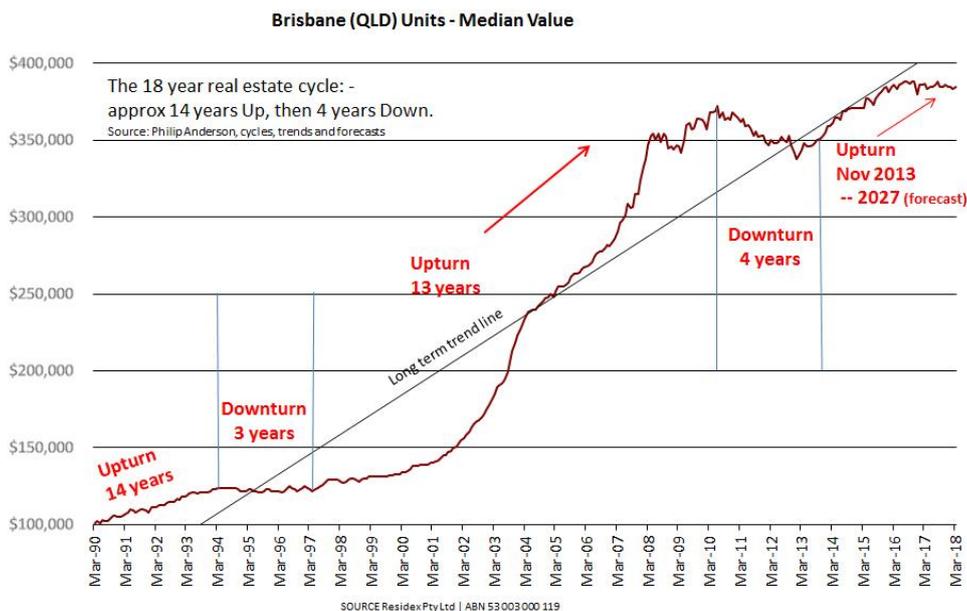
## If you've been thinking of making an Australian property investment recently, here is some critical information...

There is an 18-20 year real estate cycle as outlined by Phil Anderson in his book "The Secret Life of Real Estate and Banking" which has occurred for the past 200 years in both the United States and Great Britain... that is, approx. 14 years up, and 4 years down, before repeating.



If we apply this cycle to the Brisbane apartment market, (see below) we can see it too has followed a very similar cycle.

The new **upturn** cycle began in Brisbane again in 2013 and should **carry on until 2027**. As can be clearly seen Brisbane apartment prices are well below their long term trend line. Now seems the perfect time to make an investment.



**The Sydney cycle** is on a different timeline, and will end after a 14 years upswing in 2020.

To see all the cities cycles go to [www.citylifepropertygraphs.com](http://www.citylifepropertygraphs.com) and enter the user name: vip, with password: graphs.

**But best of all**, apartment prices in Brisbane right now are the lowest in all the major capital cities excluding Adelaide.

**Consider this**, Sydney is more than **DOUBLE BRISBANE**, Melbourne is **45% higher** and even Perth is higher.



**Yet salaries** in all these cities are not that much different: According the to the ABS (Australian Bureau of statistics) in 2017 NSW salaries are only a fraction higher than in Queensland, and Victorian salaries were the same as those in Queensland. Yet Sydney prices are double!

**When Sydney** house prices become expensive to those in other capitals, the exodus of people from New South Wales always tends to increase.

Average Weekly Ordinary Time Earnings, Full Time Adults by State, Original, Nov 2017



Persons

Select a different graph

Persons

Save Chart Image

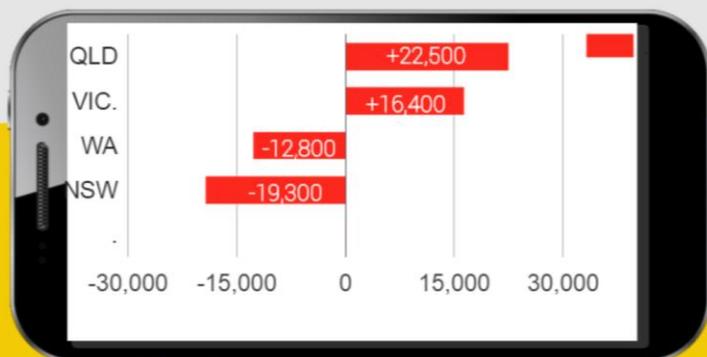
Australian Bureau of Statistics

© Commonwealth of Australia 2018.

When Sydney house prices become expensive to those in other capitals, the exodus of people from New South Wales increases.

See below, the record number of people who have left Sydney for Queensland in 2017. Prices are sure to follow!

## Net Interstate Migration 2017



SOURCE: Australian Bureau of Statistics, June 2018

This reflects Sydney homeowners cashing in to find better relative value elsewhere.

**What does this mean for investors?** Clearly, rental return is significantly higher in Brisbane than the other cities, affordability is better, and prospects for long term growth are strong.

**And on a sq. metre rate**, Brisbane is currently amongst the most affordable compared to ***all the world's major cities.***

And the ABS shows that projected population growth will **push Brisbane into a city bigger** than Sydney currently is today!

**Brisbane also has the lowest property taxes** for investors. (See chart below)

### **How is the rental market?**

Overall, except for certain oversupplied pockets, the whole of the Australian rental market **remains very strong.**

In fact, the latest figures from SQM Research have revealed a tougher market for renters nationwide. The national residential **vacancy rate** is at a very low 2.2% at Feb. 2018. (A balanced market is between 4% vacancy to 5%)

Sydney's vacancy rate is at just 2.3%, and in Melbourne, vacancies fell from 1.9% last year down to a record low of 1.4%, and Brisbane stands at just 3.4% and is dropping.

**We have also looked** at the amount of rental stock available in different locations of Brisbane finding **just 124 properties** for rent in Woolloongabba, compared to 425 available in the Brisbane CBD, 402 in South Brisbane, and 404 in Fortitude Valley! (Source: SQM Research February 2018) **This is an incredible difference**, and a clear indicator of where investors should put their money.

Low supply of rental stock means only one thing: potential rent increases! AND Brisbane already offers **the highest apartment rental yields** in Australia.



### Prices

Sydney apartment prices are more than double those of Brisbane. Melbourne's are 45% higher. And yet Brisbane has historically **achieved very similar capital growth over the long term.**

**Brisbane** has underperformed over the past 5 years, **meaning a huge catch up** could be on the way.

**In addition** the ONE SOUTH CITY project has recently completed its first 2 towers, winning several prestigious property awards.

A completed tower confirms the following to investors:

**Reasonable Body Corporate fees** - this means you're holding costs will be less, meaning more money in your pocket.

**Prime location** - a prime location means more chance of strong capital gain, being close to the city, transport, restaurants and the central business district.

**Walk to everything** - Studies overseas have shown that properties with a high WALKABILITY score generate higher rent returns and get higher and quicker resale prices. **We like to see Walk Scores of over 80 before we recommend projects to our clients.**

**The official WALK SCORE** for this location is already 87/100, and with more train and bus transport coming.

**The facilities are already attracting tenants** - there is a roof top lounge for entertaining or relaxing with a wine and book. In addition there is a kitchen, BBQ and plunge pool, and a dining room. Everything is perfect for inner-city living! 100% of the apartments in the first tower were rented out within 5 months, **with most rents showing in excess of a 5% return!**

**Trains and Buses on your doorstep** - you or your tenants will save petrol, parking fees and hassle by being able to easily walk to all transport.

**The contemporary kitchen, (many with rarely seen island kitchen benches)** and modern bathroom styling is another attractive feature to tenants.

**Bank valuations** came in **at purchase price** on virtually all apartments.

### What about oversupply?

Brisbane's supply of future apartments has recently been dramatically cut, by restrictions on financing set up to mainly ease speculative property buying in Sydney and Melbourne.

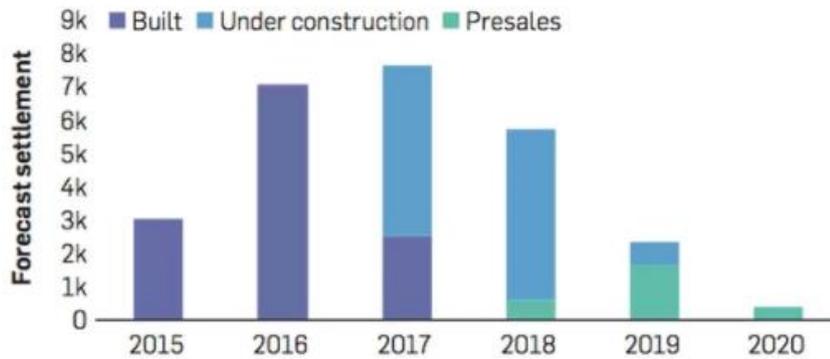
**Tighter and more expensive financing** for buyers and developers has started to bite with many future projects now shelved, meaning future prices and rents are likely to be higher, **with the current competitive price advantage** over Melbourne and Sydney expected to diminish in the future as prices rise.

**Today's prices in Brisbane are tomorrow's bargains.**



The above graph shows the supply of the major cities from 2007. As you can see, Brisbane has the least of the cities, and peaked in 2017 at around 7,500 apartments. However, the URBIS official forecast going forward to 2020 shows a completely different picture, with virtually no supply coming in by 2020.

**Forecast settlements most likely scenario  
(all construction + 50% in presales)  
Inner Brisbane 2015-2020**



Prepared by Urbis; Source: Urbis Apartment Essential, Q2 2017

**Finance is available up to 70%**, AND foreign income is acceptable! There is no restriction on foreigners buying and loans are readily available.

The exclusive first tenant guarantee applies after a “short let-up period” until a tenant is found for your property-in other words, the developer has committed as they are so confident of the rental market, to pay you 5% rent until your tenant moves in!

### LOW TAXES

In addition, Brisbane has **the lowest taxes** of all the major cities for buyers.

We look forward to being of service and please feel free to contact us with any questions you may have or schedule a telephone call with Michael Bentley or email me direct:

[michael@citylifeproperty.com](mailto:michael@citylifeproperty.com)

Visit [www.citylifeprojects.net/call-michael.php](http://www.citylifeprojects.net/call-michael.php)



Email [info@citylifeproperty.com](mailto:info@citylifeproperty.com) Tel 852 25 25 5680