

Location Report

 **MORETON BAY REGION**
Far northern suburbs of Brisbane

January to May 2020



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Highlights

- Affordable housing
- Low vacancies and good yields
- \$980 million in new infrastructure
- Moreton Bay University Precinct
- \$250 million Laguna North Lakes
- \$2 billion North East Business Park
- Principal Regional Activity Centre in State Government plan
- Road and rail links to Brisbane and Sunshine Coast.

Suburb - houses	Typical prices	Suburb- units	Typical prices
Burpengary	\$450,000	Burpengary	\$255,000
Caboolture	\$350,000	Caboolture	\$180,000
Deception Bay	\$360,000	Deception Bay	\$245,000
Griffin	\$470,000	Griffin	\$310,000
Morayfield	\$355,000	Morayfield	\$225,000

Moreton Bay Region is one of the highest-growth LGAs in Australia, spurred by high levels of infrastructure spending and attractive housing affordability. This is attracting interstate migrants, first-home buyers and investors to the area, driving strong demand for housing.

The Moreton Bay Region is strategically located between central Brisbane and the Sunshine Coast, making job nodes easily accessible. Properties are not only affordable but many suburbs are near the water, providing a sought-after lifestyle.

With ample land suitable for development, combined with recent changes to zoning laws, the number of applications for residential estates has increased in the last 12 months. These are accompanied by construction of the \$2 billion North East Business Park and a new university campus, which are creating new employment in the area.

This region has been identified by the State Government as a Principal Regional Activity Centre for major growth in the Brisbane area, an encouraging factor for the LGA's long-term economic prospects.

Moreton Bay has numerous suburbs with rising demand, based on Hotspotting's quarterly surveys of sales activity - and price growth in the area is generally above Brisbane averages.

Economy and Amenities

Caboolture is a former timber and dairy centre. Cheap land, de-regulation of the dairy industry in 2001 and decline of the timber industry led to Caboolture changing from an agricultural centre to an urban village.

The introduction of electric trains and the upgrade of the Bruce Highway in the 1980s meant the Brisbane CBD could be reached in less than an hour.

Train stations are located at Caboolture, Morayfield, Burpengary, Narangba, Dakabin, Petrie and Lawnton.

Morayfield Shopping Centre is the principal shopping complex, anchored by Coles, Big W, Target and Kmart, with 150 speciality stores, 3,000 car parks and a Birch Carroll and Coyle Cinema.

Westfield North Lakes, which has recently undergone a \$140 million expansion, is another major shopping centre in this precinct.

Caboolture has several state and private schools with more in the pipeline. The Caboolture North-East Primary School opened in January 2017.

Medical care can be sourced at Caboolture Hospital, a 206-bed hospital.

Attractions include an historical village and the Queensland State Equestrian Centre, a multipurpose events venue which hosts major equestrian events as well as the Farm Fantastic Expo.

There is also the Caboolture Hub comprising a conference centre, art gallery and library.

Sporting facilities include:

- \$13 million Moreton Bay Complex, Burpengary (AFL)
- \$9 million AFL precinct, Brendale
- Caboolture Regional Aquatic Centre
- Caboolture Golf Club
- Centenary Lakes Sports Club & Function Centre.

Citytrain has regular train services from the Brisbane CBD to Caboolture and the Sunshine Coast; these stop at Caboolture, Morayfield, Burpengary and Narangba.

The new Moreton Bay Rail Link, which opened in October 2016, includes stations at Kallangur, Murrumba Downs, Griffin, Rothwell and Kippa-Ring.



Location

- 50km north of the Brisbane CBD
- Covers 2,000km² and 12 Council Divisions
- This report covers Divisions 2 & 3: Beachmere, Burpengary, Deception Bay, Narangba, Caboolture, Upper Caboolture, Caboolture South, Bellmere and Morayfield.

(NOTE: The suburbs of the Redcliffe Peninsula, which also form part of the Moreton Bay Region, are covered in a separate Location Report).



Population & Demographics

- Moreton Bay LGA: 425,000
- Projected population 2041: 656,000
- Median age: 38
- Children aged 0-14: 21%
- People aged 65+: 16%

With an annual growth rate of 2.8%, Moreton Bay Region is one of the fastest growing regions in Queensland. This compares to the Queensland average of 1.9%.

Source: 2016 Census and Moreton Bay Regional Council

Property Profile

The Moreton Bay region has ranked as the busiest market in Greater Brisbane for some time and, in terms of the number of suburbs with rising sales activity, one of the leading LGAs in the nation.

In our research for the Price Predictor Index Spring Edition, we identified five suburbs with a strong pattern of growing sales activity (Arana Hills, Murrumba Downs, Petrie, Sandstone Point and Warner) and a significant number of consistent ones. Margate was included in our National Top 50 suburbs for consistency with a quarterly sales pattern of: 61 66 69 59 59 60 56 66 51 65 54 50.

There are also pockets which have delivered moderate price growth in the past 12 months, including most Burpengary East (up 5%) and other suburbs which are increased 3-4%.

The key attractions of the Moreton Bay property market are affordable prices, rail links, a new university campus (soon) and a bayside lifestyle for some precincts.

Most of the region's suburbs have median house prices below \$500,000, with several in the \$300,000s, and this is one of the key drawcards for buyers of all types.

With land being rezoned for higher density development as well house-and-land packages, especially along transport corridors, the region is attracting interstate migration and population growth.

The population in the Caboolture precinct, which includes Caboolture, Deception Bay, Burpengary, Morayfield and Narangba, is expected to increase by 24,000 between 2016 and 2021.

In support of this growth, it's estimated that 13,500 new dwellings will be needed. By 2041, Moreton Bay Regional Council (MBRC) forecasts the region will need an additional 88,000 dwellings.

At present, there are 13 residential land estates under development between Strathpine and Caboolture, according to realestate.com.au.

Houses priced in the \$300,000s or low \$400,000s are readily available in most suburbs, the cheapest option being Caboolture South where the median price is \$295,000.

Sandstone Point, a newer waterside suburb popular with retirees who own their own homes, has a median house price of \$450,000.

HOME OWNERSHIP

- 27% own their homes outright
- 38% own with mortgages
- 32% rent their homes

Source: 2016 Census

Rents on houses are trending upwards at Sandstone Point. Data from SQM Research shows the median weekly rent of \$410 is 5% higher than a year ago and 9% higher than three years ago.

Median rental yields on houses are generally in the 4.5% to 5.5% range for most suburbs in the Moreton Bay precinct.

The majority of homes around Caboolture, Morayfield and Burpengary are standalone houses while small acreages are also popular.

The unit market is small, with median prices in Burpengary and Deception Bay generally around \$245,000–250,000. Caboolture is cheaper (\$180,000) and the prices at Mango Hill are higher (\$380,000).

The returns on units are good; the median weekly rent of \$280 in Caboolture will deliver a median yield of 8.1% while the typical rent of \$320 in Burpengary generates 6.6%.

The median weekly rent for Deception Bay units is \$315 and the median yield is 6.7%.

Vacancy Rates

Vacancy rates are generally low, with most postcodes currently below 3.0% - and some are under 2%.

Those suburbs where new land estates are being developed have been higher in the last 2–3 years. This includes Burpengary and Narangba, though Narangba is now below 3.0%. Burpengary is 3.3%.

This means that the region generally presents an attractive package for investors: affordable prices, low vacancies and above-average rental yields.

The steady uplift in buyer activity suggests that the modest growth in median prices seen in several suburbs is likely to spread throughout this region.

MORETON REGION VACANCY RATES

Postcode	Suburb	Vacancy rate
4507	Bellara	2.4 %
4505	Burpengary	3.3 %
4510	Beachmere, Bellmere, Caboolture	1.3 %
4019	Clontarf, Woody Point	1.9 %
4508	Deception Bay	1.3 %
4501	Lawnton	1.7 %
4506	Morayfield	1.9 %
4503	Murrumba Downs	2.3 %
4504	Narangba	2.3 %
4509	Mango Hill, North Lakes	1.8 %
4502	Petrie	2.3 %
4511	Sandstone Point	1.1 %
4500	Warner	1.2 %

Source: sqmresearch.com.au



The house market in the Moreton Region can be summarised as:

Suburb	Sales Houses	Median Houses	1-year Growth	Growth Average	Median Yield
Beachmere	83	\$385,000	-8 %	1 %	5.0 %
Bellara	64	\$390,000	-1 %	2 %	5.0 %
Bellmere	118	\$350,000	-1 %	0 %	5.3 %
Bray Park	132	\$440,000	2 %	2 %	4.8 %
Burpengary	198	\$450,000	1 %	2 %	4.7 %
Burpengary East	87	\$605,000	5 %	2 %	3.6 %
Caboolture	398	\$350,000	0 %	1 %	5.1 %
Caboolture South	97	\$295,000	-3 %	1 %	5.6 %
Clontarf	137	\$440,000	-3 %	2 %	4.7 %
Deception Bay	285	\$360,000	3 %	1 %	4.9 %
Everton Hills	90	\$580,000	1 %	3 %	4.3 %
Griffin	125	\$470,000	2 %	2 %	4.6 %
Kallangur	334	\$395,000	0 %	1 %	5.0 %
Lawnton	72	\$415,000	-1 %	2 %	4.7 %
Mango Hill	143	\$525,000	-1 %	2 %	4.4 %
Morayfield	360	\$355,000	0 %	1 %	5.3 %
Murrumba Downs	151	\$520,000	-6 %	3 %	4.3 %
Narangba	326	\$490,000	-1 %	1 %	4.5 %
North Lakes	392	\$480,000	-2 %	1 %	4.7 %
Petrie	129	\$445,000	1 %	2 %	4.6 %
Sandstone Point	88	\$450,000	0 %	1 %	4.7 %
Strathpine	207	\$445,000	3 %	3 %	4.6 %
Upper Caboolture	69	\$415,000	-8 %	2 %	4.6 %
Warner	201	\$525,000	1 %	2 %	4.4 %

Source: CoreLogic. "No. of sales" is the number of house sales in the past 12 months. "Growth ave." is the average annual growth in median prices over the past 10 years." snr" = statistically not reliable

Future Prospects

The Moreton Bay Region is one of the fastest-growing urban areas in Australia.

With 3,800ha of vacant land suitable for residential and commercial projects, the region is expected to grow 40% over the next 20 years.

During this time, the suburbs of Kallangur, Murrumba Downs, Mango Hill, Rothwell, Kippa-Ring and Petrie are forecast to grow by 40,000 residents and 19,000 jobs.

MBRC has spent \$980 million on community and transport infrastructure over the past six years and more serious infrastructure is predicted.

The Government has named Caboolture-Morayfield as a Principal Regional Activity Centre in the *South East Queensland Regional Plan 2009-2031*.

The \$100 million Morayfield Health Hub which offers a range of medical facilities is an example of the new infrastructure while the Capestone master-planned community at Mango Hill is under development. It is now home to around 6,000 residents creating demand for the Capestone Shopping Centre which is expected to open in 2020.

Access to the Port of Brisbane and Brisbane Airport has been improved with the \$1.1 billion Gateway Upgrade North project now complete.

This will improve road access for Moreton Bay Region residents who work in these precincts, which collectively comprise the largest jobs node in the Greater Brisbane Area.

- New University: Petrie

One of the key projects will be a university campus and precinct – the Mill at Moreton Bay – at Petrie.

Expected to open in 2020, the precinct would cater for 10,000 students by 2030 and, ultimately, 20,000 students. It is supported by Federal Government funding of \$70 million to cover 7,200 student placements in the first three years.

The university precinct, declared a Priority Development Area in 2016, is expected to become a major tech hub that will provide 6,000 jobs by 2036. The educational facilities will be complemented by retail, commercial and residential sections. The project is estimated to give a \$950 million annual boost to the local economy.

This project, coupled with the opening of the new Moreton Bay Rail Link, is expected to fuel population growth, prompting the MBRC to introduce incentives for developers.

CORE INFLUENCES

Ugly Ducklings

Cheapies with Prospects

Ripple Effect

Transport Infrastructure

Government Policy

- North East Business Park, Caboolture

Another major development is the \$2 billion North East Business Park, an integrated business, residential, commercial and light industrial precinct next to the M1.

The 769ha park will be developed over 15 years and will adjoin the master planned community at North Harbour along the Caboolture River.

The park will feature:

- 169ha mixed industry/business area
- 350-berth marina
- 500 dry boat stacker
- marina village
- community facilities
- 1,600 residential housing lots
- approximately 420ha of open space.

There is also the \$90 million Corporate Park East next to the Caboolture Airfield which is under construction. The park will support 605 jobs.

- Tourism

Tourism is gaining in popularity, especially for day trippers and 4WD enthusiasts. Attractions such as Pumicestone Passage, Redcliffe Peninsula, Mt Mee and Woodford Folk Festival lured 2.9 million visitors to the region in 2017.

Concerts at Sandstone Point have increased demand for accommodation and in November 2018, the \$20 million BIG4 Sandstone Point Holiday Resort opened.

There are also plans for a permanent Abbeystowe tourist attraction in Caboolture with the MBRC signing off on a feasibility study into the creation of a 14th century medieval village.

The proposed project has been likened to Ballarat's Sovereign Hill which employs 1,500 workers and contributes \$228 million to the local economy.

- Future Developments

Other areas identified by the State Government for future development include Narangba East and Elimbah East, with Strathpine as a Major Regional Activity Centre.

Land around the Petrie and Strathpine train stations and the Strathpine Shopping Centre has been rezoned for medium-density housing while Gympie Rd has been earmarked to be a boulevard.

These are longer-term projects, but in the meantime, MBRC has announced plans to allow 1,600 dwellings to be built at Warner.

The proposed Warner Investigation Area requires 130 changes to zoning laws with state approval.

Strathpine and Morayfield train stations are undergoing upgrades as part of the Queensland Government's \$300 million station upgrade program.

There are plans by the State Government to turn run-down buildings on Bribie Island into an aquaculture hub. The land is part of the Bribie Island Research Centre and aquaculture is worth \$125 million to the Queensland economy.

- Caboolture West

But probably the most interesting proposal is the Caboolture West Master Plan which covers 6,500ha west of Caboolture and Morayfield and extends north beyond Wamuran.

The Caboolture West site has been selected because much infrastructure is already in place and it is not significantly affected by slope, flood, water supply catchment areas or Class A agricultural land.

It is projected that Caboolture West would have a 40-year development horizon accommodating 70,000 residents. There would be seven new suburbs, three high schools, nine primary schools and new commercial and industrial areas.

There are provisions in the plan for 17,000 full-time jobs in the region, according to the local council.

To accommodate the expected growth from Caboolture West, as well as Morayfield South and Pine Valley, the Department of Transport and Main Roads will carry out a transport corridor study in 2019.

The Moreton Bay Western Arterial Corridor study will examine possible routes for an arterial road linking Dohles Rocks Rd, Kallangur, to Steve Irwin Way, Beerburrum.

MBRC plans to spend \$26 million on improvements to three sporting facilities:

- Queensland State Equestrian Centre
- Moreton Bay Central Sports Complex
- Morayfield Sports & Event Centre.

TERRY RYDER'S PICKS

The precinct around Petrie and Lawnton stands out for multiple reasons.

Both suburbs have median house prices in the low-to-mid-\$400,000s and median rental yields above 4.5%.

They have train stations on the line linking Brisbane to the Sunshine Coast, a big retail offering, lots of schools and ready access to major green space areas, including those around Pine River and the recreational lakes.

The game-changer is the new University of the Sunshine Coast campus, now under construction. It will create a major jobs nodes and general big demand for housing accommodation. Within 10 years it will be catering for around 10,000 students.

Major projects currently impacting the region are:

INFRASTRUCTURE – EDUCATION

Project	Value	Status	Impact
The Mill at Moreton Bay University precinct, Petrie	\$200 million Will cater for 10,000 students by 2030	Under construction	Jobs: 100 per year during construction; 6,000 in operations by 2036
Sunshine Coast Uni			

COMMERCIAL DEVELOPMENTS

Project	Value	Status	Impact
North East Business Park, Caboolture	\$2 billion	Proposed Has EIS approval with conditions	Includes a commercial precinct, 350-berth marina and 1,600 homes
Corporate Park East	\$90 million	Under construction Stage 1 of 5 stages is completed	Jobs: 650
Laguna North Lakes George Group JV with Pointcorp	\$250 million	Under construction	Retail, dining, office space, 140-room hotel and function centre
Newport Shopping Centre Stockland	TBA Includes restaurants, health services, indoor sports facility, offices	Approved	Jobs: 467 construction; 150 operational
New office complex, Strathpine Super Retail Group	\$75 million	Under construction Completion expected in 2020	Jobs: 470 operational
The Big Fish Travel Centre, Caboolture Eildon Funds Management	\$100 million	Under construction	Includes supermarket, retail and recreation facilities, medical centre and accommodation
Capestone Shopping Centre RR Morris Group	\$20 million	Under construction Completion expected in late 2020	
Burpengary Station Village Comiskey Group	\$40 million	Approved	
Woolworths, Dakabin	TBA	Under construction	Jobs: 150 during construction; 200 operational
Kaufland, Morayfield	TBA	Proposed An existing building next to Morayfield Shopping Centre has been acquired with the supermarket expected to open in 2020	

INFRASTRUCTURE – TRANSPORT

Project	Value	Status	Impact
Bruce Hwy upgrade, Pine Rivers to Caloundra	\$536 million Brisbane to Caloundra is being upgraded to 6 lanes	Under construction	Needed to service strong population rises in the northern growth corridor
Morayfield train station upgrade	TBA Part of a \$300mil State Govt package	Under construction The old station is being replaced in full, completion expected in 2020	Jobs: 250
State Govt			
Gateway Motorway upgrade, Brackenridge to Bruce Hwy	\$200 million	Approved	
State Govt			

RESIDENTIAL DEVELOPMENTS

Project	Value	Status	Impact
1785 Anzac Avenue, Mango Hill	TBA	Proposed	715 mid-rise units are planned
Mango Hill Property			
Narangba Heights	TBA	Under construction	300 residential lots
Oxmar Properties			
Forest Ridge, Narangba	TBA	Under construction	130 residential lots, Woolworths and high school
Bolton Clarke Fernhill, Caboolture	\$48 million	Under construction Completion expected in 2020	Includes 162 aged care rooms and retail space
Warner Road Devt	TBA	Proposed	296 residential lots are planned
Ausbuild			
Residential estate, Warner	TBA	Proposed	500 residential lots are planned
Mordar Investments			

RESIDENTIAL DEVELOPMENTS

Project	Value	Status	Impact
Caboolture West urban area, between Caboolture River Rd and D'Aguilar Hwy	TBA New urban area: 2 Town Centres, 7 suburbs, about 12 schools	Proposed To proceed over 40 years. Has been declared a Master Planned Area by the State Govt	Expected to ultimately have a population of 70,000
Master planned community, Caboolture AV Jennings	TBA	Proposed	3,500 lots are planned
Pine Valley, Burpengary Lendlease	TBA	Proposed	2,500 lots are planned
Capestone, Mango Hill Urbex	TBA	Under construction	2,000 dwellings around a central lake, with retail plaza and child care centre
Aspire, Griffin Fairland Group	TBA	Under construction	600 dwellings
Park Vista, Mango Hill Villa World	TBA	Under construction	390+ lots (homes and units) are planned
Amity, Narangba Pointcorp and Dahua Group	TBA	Under construction Completion expected in 2020	467 residential lots
Ridgeview, Narangba Satterley Group	TBA	Proposed	620 residential lots are planned
Central Springs, Caboolture QM Properties	\$400 million	Under construction	1,000 homes for 3,000 residents
Residential estate, Kremzow Rd, Warner CSR	TBA	Proposed	500 residential lots are planned

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