

Why invest in Milton?

Prestige

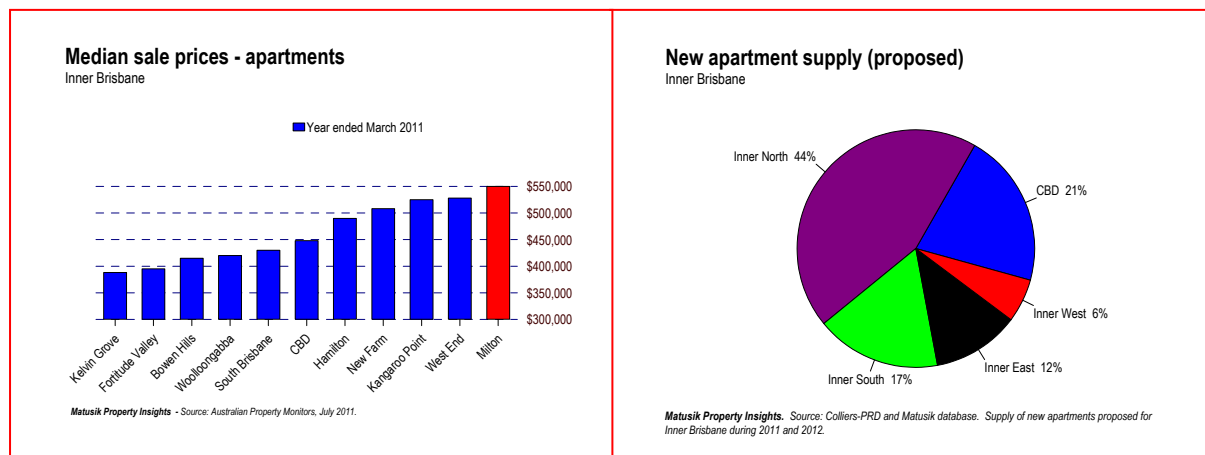
The suburb of Milton is located just two kilometres from Brisbane's central business district (CBD) and adjoins the prestige suburbs of Rosalie, Paddington, Bardon and Auchenflower. It is home to cosmopolitan Park Road with its eateries, entertainment and shopping and many employment centres along Coronation Drive and Milton Road (such as Suncorp Stadium, the XXXX brewery, a light industrial precinct and the Wesley Hospital).

Milton borders the Brisbane River and offers quick access to the city via road and rail, and the bicycle/walking path that links the CBD to the University of Queensland at St. Lucia. The Go-Between Bridge enables residents of Milton to easily access the South Brisbane and West End areas, including:

- The fabulous Southbank parklands with walking/bike tracks, picnic areas and playgrounds;
- The Queensland Performing Arts Centre, Millenium Arts Precinct, art gallery, museum and State Library; and
- The Brisbane Convention and Exhibition Centre.

Significantly, Milton and the Inner West have a higher proportion of high-income individuals than other areas of Inner Brisbane outside of the CBD, as well as a higher proportion of families earning more than \$4,000 per week than even the CBD itself.

This may partly explain the fact that the median sale price of apartments in Milton is significantly higher than in most other suburbs across Inner Brisbane, as shown in **chart 1** below.

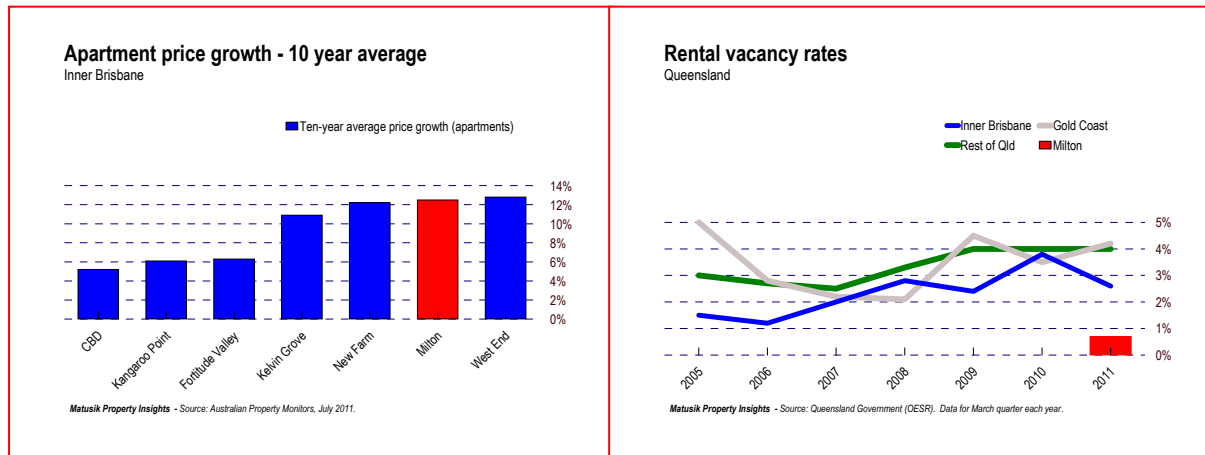


Scarcity

FKP Limited's *The Milton* is the only project currently selling "off-the-plan" in Brisbane's Inner West at present. Looking ahead, according to Colliers-PRD, there are approximately 5,000 apartments expected to be released to the market across Inner Brisbane between now and the end of 2012. The least amount of this new stock – just 6% - is proposed for the Inner West. See **chart 2** above.

Top performance

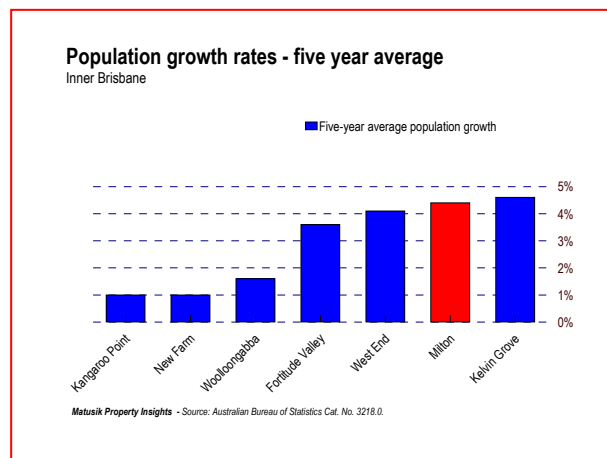
As shown in **chart 3** below, the median sale price of apartments in Milton has increased by an average of 12.5% per annum over the past decade. This is higher than other areas of Inner Brisbane with the exception of West End (12.8% per annum) and more than twice the average annual increase in the CBD of 5.2% per annum.



Vacancy rates are extremely tight across Inner Brisbane at present, a trend that has accelerated over the past 12 months. See **chart 4** above.

No better example of these low vacancy rates across Inner Brisbane is the suburb of Milton itself, which has a vacancy rate of just 0.7% with only 17 dwellings currently available for rent.

Milton's extremely tight vacancy rate is at least partly due to the fact that Milton's population has increased by an average of 4.4% per annum over the past five years, one of the highest growth rates of all suburbs across Inner Brisbane, as shown in **chart 5** opposite.



With almost two-thirds (62%) of households in Milton renting, tight vacancy rates have put significant upward pressure on rents. For example, the Residential Tenancies Authority reports a 5.6% increase in median weekly rents over the past 24 months for two-bedroom apartments in Milton, Paddington and Rosalie.

Looking ahead, new apartments which allow sharing to occur – in essence, two-bedroom/two-bathroom configurations with equal-sized bedrooms – should do best with regard to rental returns into the future, as well as well-designed (and not necessarily large) one bedroom apartments.

Disclaimer

Whilst this information has been carefully compiled no warranty or promise as to its correctness is made or intended. **The information enclosed also represents subjective interpretation by Matusik Property Insights Pty Ltd (ABN 85 088 308 847) and should not be relied upon for investment decisions.** Interested parties should undertake independent inquiries and investigations to satisfy themselves that any details herein are true and correct. The material in this publication is copyright. Reproduction only allowed with permission. **Phone (07) 3720 9988. Date compiled August 2011.** Information is valid for six months from date of compilation.