

Revealed: Brisbane's new renovation hotspots

Homeowners in some areas are spending up to four times more on renovations than one year ago. TOP 20 SUBURBS REVEALED

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Brisbane's south has emerged as a renovation hub

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Homeowners in some areas of Brisbane are spending up to four times more on renovations than one year ago, with the city's south notching up the biggest increase in project costs despite a wider decline across the city.

Exclusive new data has also revealed the top 20 suburbs with the most growth in renovation costs.

Brisbane's south had the biggest bill outside of the inner-city, with a total spend of \$161m, the analysis by region of Australian Bureau of Statistics (ABS) data by Place Advisory shows.



PropTrack senior economist Eleanor Creagh

PropTrack economist Eleanor Creagh said renovation activity had slowed across the board.

Queensland's total dwelling approvals fell 18.8 per cent in the 12 months to the end of January, while building costs were up 18 per cent, according to the ABS.

“A shortage of building materials, supply chain disruptions, labour shortages and soaring costs have hit the construction industry,” Ms Creagh said.

“Consumer confidence fell last year as interest rates quickly rose. Coupled with construction industry challenges and the significant increases in costs, there has been fewer people looking to renovate and less demand for new builds.”



Renovator at 43 Palmer St, Windsor sold for \$1.67m





Place Bulimba agent Joanna Gianniotis, of Place Bulimba, said homeowners in traditional areas such as Camp Hill and Coorparoo had realised impressive capital gains through renovation.



Place Bulimba agent Joanna Gianniotis

“It’s the new generation of families moving in,” Ms Gianniotis said.

“In the past, people stayed in their homes for so much longer, now it’s more transient because people will see they can make good capital gains on their work, and then they’ll turn around and do it again.”

PropTrack data shows house prices in Coorparoo rose steeply through 2021/22 to a median of \$1.338m, up 4.9 per cent since last year.

Camp Hill followed a similar trajectory, with the median prices hitting \$1.425m in November, but were down 3.2 per cent from 12 months ago.





“Buyers have realised that these are beautiful areas to live in, and that they won’t go wrong by adding value to a home, because the recent sales support that.”

Real Estate Institute of Queensland (REIQ) CEO Antonia Mercorella advised would-be renovators to evaluate their home’s current market value and obtain several quotes for required work.



55 Shelley St, Sunnybank sold for \$1.086m

Other factors included the cost of rental accommodation while the project was underway, and the potential emotional toll.

“For those of us that bought at yesteryear prices, it’s not uncommon to look around to see what else is available in the area and where market prices have moved to, and decide that upgrading your property is an appealing alternative to the upheaval and expense of moving house,” Ms Mercorella said.

“It’s also important to consider the additional costs that come with buying property, with stamp duty being the most significant.”



REIQ CEO Antonia Mercorella

For cosmetic renovations, Ms Mercorella said a general rule of thumb was to spend less than 10 per cent of the property’s market value.

“Unfortunately, the cost of any improvements you make don’t always automatically add to the value of your home and translate to a higher valuation. This is particularly true if the work is not done properly, so ensuring your builder is licenced is a must,” she said.

“It’s very easy to get carried away and overcapitalise when it comes to making improvements to our own homes and this is where thorough price research and sticking to a budget is essential.”

