



Rural towns on urban fringe lure buyers

WITH interest rates and housing prices on the rise, owners and investors are looking outside greater Brisbane for affordable land to build on.

Strong price growth in townships within the rural shires adjoining the urban footprint of greater Brisbane are reflecting this demand.

While these townships afford residents a "country lifestyle" they are still within relatively easy driving distance to the Brisbane CBD or outlying transport hubs for city commuters.

One such example is the Brisbane Valley centre of Fernvale with research showing vacant land prices in the

township have increased by 167 per cent over the last five years.

The research, by Resolution Research and Marketing Solutions, also revealed 82 vacant lots in the Esk Shire township changed hands in 2007, compared to just seven in the year ending 2002.

According to Peter Bell, senior development analyst for Resolution, the underlying driver of the Fernvale market is the fact that properties in the area still represented good value buying.

"Astute buyers and investors are aware that a lower base price generally allows for a higher level of growth to be realised in the future," he said.

"In a similar trend to the vacant land market the Fernvale housing market has performed well with total price growth of 134 per cent during the 2002 through to 2007 period."

Fernvale's population has been steadily increasing and will likely accelerate as various infrastructure projects, such as the upgrade of the Ipswich Motorway and the construction of a new Woolworths supermarket in the town, come to fruition Mr Bell said.

"This growth is due to several factors such as location and property affordability however, it is important to note appropriate measures are being taken to ensure the areas popular village

feel is maintained," he said.

"It is likely that South East Queensland population growth will shift to the Western Corridor in which Fernvale is strategically located as vacant land and housing affordability diminish in the coastal areas and Brisbane."

On the back of Fernvale's growth, construction recently began on a \$125 million housing estate in the town.

Lateral Properties' Honeywood estate will encompass 1000 lots, to be released over several stages on a 115-hectare site.

Allotments in the initial release of the estate which is on Fairneyview Fernvale Road will range in size from

600sq m – 1005sq m and are priced from \$117,000.

In focus

Town: Fernvale

Current population: 700

Council area: Esk Shire
(soon to be amalgamated to form Somerset Regional Council)

Where: In the Brisbane Valley, 60 kilometres from Brisbane CBD

