

# Australia's Hottest Investment Markets

Which markets have had the  
best investment fundamentals?



## Contents

Introduction	3
Rental growth, Rental yeilds	4
What are the best suburbs?	5
Highest Ranking Investment Suburbs 2022	6
National – Regional	7
NSW – Metro	9
NSW – Regional	10
QLD – Metro	11
QLD – Regional	12
VIC – Metro	14
VIC – Regional	15
SA – Metro	16
SA – Regional	17
WA – Metro	19
WA – Regional	20
TAS	21
ACT	23
NT	24

# Introduction

Australia's residential property market has gone through a full cycle over the past five years. It started with the pre-Covid softness in 2018 and 2019, which was driven by APRA tightening restrictions on banks lending to investors. As 2020 began, the market looked ready to bounce back, but that was before the pandemic's start dented confidence and activity. Throughout this time, the RBA loosened its monetary policy position and reduced the cash rate to a record low of just 0.10 per cent, driving strong buyer demand and price growth throughout 2021. However, recent months have seen the onset of the next market cycle phase. The rapid rise of inflation and cost of living pressures have taken hold, leading to higher interest rates and a change in buyer enquiry.

During this time, there has been a period of uncertainty and change for property investors. The early phase of the pandemic saw government regulations introduced, which froze evictions and moratoriums on rent payments.

This uncertainty saw many investors sell their properties. Holiday locations were more severely impacted due to the drying up of visitors and the owners' inability to cover the cost of servicing their investments. However, this has now changed again. Rental growth is rising strongly thanks to low vacancy rates as tenant demand increases solidly.

This has led to very positive market fundamentals for investors. Higher rents and lower sales prices mean rental yields have reached new heights. In addition, the return on international visitors and workers suggests that rental vacancy rates will remain low and rental growth will be positive over the short term.

This report looks at the locations across Australia which have seen the best conditions for investors these past 12 months.



**Mathew Tiller**  
Head of Research

## Rental growth

Nationally, rents have grown by 10 per cent over the past 12 months. However, in some markets, this growth has been higher.

Queensland has seen the strongest growth in rents with Brisbane rents increasing by 13.5 per cent over the past 12 months while they were up 12.1 per cent in Regional QLD. Adelaide has seen rents rise by 13 per cent while in Sydney they are up 10.4 per cent.

## Rental yields

Rental yields have risen across most markets, as property prices have softened and rents increased. In January this year, the national median gross rental yield was 3.2 per cent. This has now risen to 3.7 per cent. In capital cities, yields average 3.4 per cent while they're higher in regional centres at 4.4 per cent. Darwin has the highest rental yield at 6.3 per cent, followed by Perth at 4.6 per cent, while the lowest are in Sydney (3.0 per cent) and Melbourne (3.1 per cent).



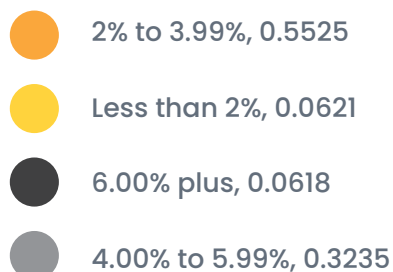
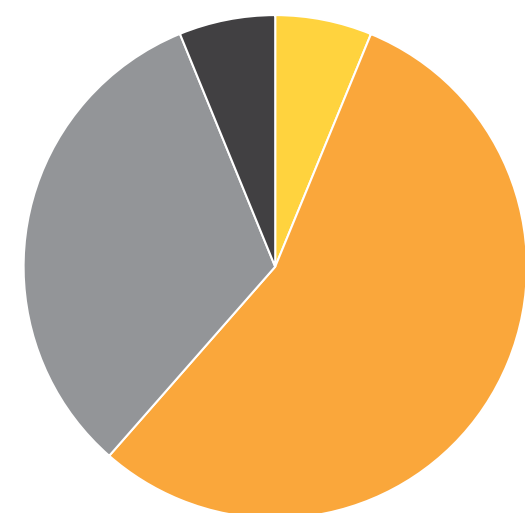
# What are the best suburbs?

## Yields

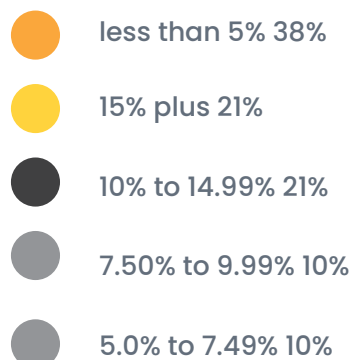
Positively, there are many suburbs that have solid investment fundamentals. LJ Hooker has identified more than 1,000 suburbs across the country with a rental yield above 4 per cent, while almost 200 suburbs have a yield of more than 6 per cent. The majority (55 per cent) have a yield between 2 and 4 per cent.

When choosing a suburb for investment, it's also important to understand the demand for rental properties within the region. Even though we have seen strong rental price growth over the past 12 months, it's not been evenly spread across all suburbs. We have identified that 38 per cent of suburbs in Australia had less than 5 per cent rental growth, while 21 per cent of suburbs had rental growth of 15 per cent or more during the same period.

Australian Suburbs by rental yield



Australian Suburbs by 12-month rental growth



# Highest Ranking Investment Suburbs 2022

In order to determine which suburbs have performed best for investors over the past 12 months, we have ranked all suburbs across Australia. The ranking is based on a combination of three important investment components: median sale price growth, rental price growth, and gross rental yield. Those suburbs with strong sales and rental price growth while still maintaining a high rental yield are highly desirable suburbs for property investors.

(Data note: All data is sourced from CoreLogic Market Trends data for the 12 months to September 2022. Suburbs were only included if they achieved more than 50 sales during the period)

## NATIONAL – Metro

Suburb	State	City	Median sales price	Median sales price growth	Median asking rent (Sep-22)	Annual rental growth	Gross Rental Yield (Sep-22)
Elizabeth South	SA	Adelaide	\$290,000	57%	\$320	17%	5.7%
Leichhardt	QLD	Brisbane	\$392,000	39%	\$380	27%	5.0%
Davoren Park	SA	Adelaide	\$276,000	45%	\$315	16%	5.9%
Elizabeth North	SA	Adelaide	\$258,500	33%	\$320	19%	6.4%
Elizabeth Downs	SA	Adelaide	\$290,000	35%	\$330	18%	5.9%
Elizabeth Vale	SA	Adelaide	\$377,500	40%	\$350	25%	4.8%
Salisbury North	SA	Adelaide	\$370,000	37%	\$360	19%	5.1%
North Booval	QLD	Brisbane	\$395,000	34%	\$380	21%	5.0%
Hackham West	SA	Adelaide	\$425,000	42%	\$390	18%	4.8%
Mount Warren Park	QLD	Brisbane	\$610,000	40%	\$495	25%	4.2%

## NATIONAL – Regional

Suburb	State	Region	Median sales price	Annual median sales price growth	Median asking rent (Sep-22)	Annual rental growth	Gross Rental Yield (Sep22)
Ingham	QLD	Northern	\$225,000	46%	\$318	27%	7%
Collinsville	QLD	Mackay	\$145,000	49%	\$320	23%	11%
Monto	QLD	Wide Bay-Burnett	\$171,313	37%	\$250	28%	8%
Finley	NSW	Murray	\$275,000	36%	\$320	33%	6%
Rangeway	WA	Central	\$169,750	43%	\$285	19%	9%
Wonthella	WA	Central	\$315,000	37%	\$340	31%	6%
Walkervale	QLD	Wide Bay-Burnett	\$320,000	36%	\$380	23%	6%
Home Hill	QLD	Northern	\$195,000	39%	\$290	18%	8%
Ashmont	NSW	Murrumbidgee	\$329,500	43%	\$330	29%	5%
Warialda	NSW	Northern	\$225,000	36%	\$285	19%	7%
Warracknabeal	VIC	Wimmera	\$210,000	35%	\$283	18%	7%

“

When choosing a suburb for investment, it's also important to understand the demand for rental properties within the region.



## NSW – Metro

Suburb	Region	Median sales price	Sales price growth	Median asking rent	Rental growth	Gross rental yield
Hazelbrook	Outer Western Sydney	\$842,500	23.4%	\$580	28.9%	3.6%
Mount Annan	Outer South Western Sydney	\$950,000	25.5%	\$600	20.0%	3.3%
Thirlmere	Outer South Western Sydney	\$900,000	29.5%	\$550	15.8%	3.2%
Marsden Park	Blacktown	\$1,150,000	36.9%	\$680	13.3%	3.1%
Oxley Park	Outer Western Sydney	\$640,000	18.5%	\$450	20.0%	3.7%
Bargo	Outer South Western Sydney	\$997,750	23.6%	\$550	22.2%	2.9%
Faulconbridge	Outer Western Sydney	\$873,789	16.5%	\$583	25.3%	3.5%
Lawson	Outer Western Sydney	\$822,500	16.7%	\$550	22.2%	3.5%
Matraville	Eastern Suburbs	\$2,464,000	24.8%	\$1,200	26.3%	2.5%
Leura	Outer Western Sydney	\$1,255,000	32.2%	\$600	15.4%	2.5%

## NSW – Regional

Suburb	Region	Median sales price	Sales price growth	Median asking rent	Rental growth	Gross rental yield
Finley	Murray	\$275,000	35.8%	\$320	33.3%	6.1%
Ashmont	Murrumbidgee	\$329,500	43.3%	\$330	29.4%	5.2%
Warialda	Northern	\$225,000	36.4%	\$285	18.8%	6.6%
Kyogle	Richmond-Tweed	\$500,000	44.9%	\$450	28.6%	4.7%
Tolland	Murrumbidgee	\$394,850	38.5%	\$370	23.3%	4.9%
Blayney	Central West	\$480,500	31.6%	\$460	35.3%	5.0%
Junee	Murrumbidgee	\$366,500	33.5%	\$350	25.0%	5.0%
South Grafton	Mid-North Coast	\$400,000	30.5%	\$420	20.0%	5.5%
Hay	Murrumbidgee	\$215,000	53.6%	\$245	11.4%	5.9%
Corowa	Murray	\$412,500	28.9%	\$380	20.6%	4.8%

## QLD – Metro

Suburb	Sub-Region	Median sales price	Sales price growth	Median asking rent	Rental growth	Gross rental yield
Leichhardt	Ipswich City	\$392,000	38.5%	\$380	26.7%	5.0%
North Booval	Ipswich City	\$395,000	33.9%	\$380	20.6%	5.0%
Mount Warren Park	Logan City	\$610,000	40.2%	\$495	25.3%	4.2%
Rosewood	Ipswich City	\$430,200	34.4%	\$380	20.6%	4.6%
Waterford West	Logan City	\$520,500	37.0%	\$435	20.8%	4.3%
Bellmere	Caboolture	\$550,000	32.5%	\$450	23.3%	4.3%
Bundamba	Ipswich City	\$423,000	28.2%	\$385	20.3%	4.7%
Caboolture	Caboolture	\$550,000	31.6%	\$438	23.2%	4.1%
Morayfield	Caboolture	\$575,000	35.5%	\$430	22.9%	3.9%
East Ipswich	Ipswich City	\$420,250	26.6%	\$385	20.3%	4.8%

## QLD – Regional

Suburb	Region	Median sales price	Sales price growth	Median asking rent	Rental growth	Gross rental yield
Ingham	Northern	\$225,000	46.1%	\$318	27.0%	7.3%
Collinsville	Mackay	\$145,000	48.7%	\$320	23.1%	11.5%
Monto	Wide Bay-Burnett	\$171,313	37.1%	\$250	28.2%	7.6%
Walkervale	Wide Bay-Burnett	\$320,000	36.2%	\$380	22.6%	6.2%
Home Hill	Northern	\$195,000	39.3%	\$290	18.4%	7.7%
Rockhampton City	Fitzroy	\$247,500	35.6%	\$350	16.7%	7.4%
Maryborough	Wide Bay-Burnett	\$335,000	34.0%	\$373	20.2%	5.8%
Nanango	Wide Bay-Burnett	\$275,000	27.3%	\$340	25.9%	6.4%
Avoca	Wide Bay-Burnett	\$420,000	28.2%	\$450	25.0%	5.6%
St George	South West	\$270,000	35.0%	\$300	15.4%	5.8%

A photograph of a modern house with large glass windows and a balcony railing. The house is white with dark wood accents. The windows reflect the surrounding greenery. A green plant is visible in the foreground on the right side.

“

LJ Hooker has identified more than 1,000 suburbs across the country with a rental yield above 4 per cent, while almost 200 suburbs have a yield of more than 6 per cent.

## VIC – Metro

Suburb	Sub-Region	Median sales price	Sales price growth	Median asking rent	Rental growth	Gross rental yield
Crib Point	Mornington Peninsula Shire	\$842,500	21.9%	\$515	20.5%	3.2%
Hastings	Mornington Peninsula Shire	\$710,000	20.3%	\$475	13.1%	3.5%
Rosebud	Mornington Peninsula Shire	\$750,000	22.1%	\$475	13.1%	3.3%
Warranwood	Eastern Outer Melbourne	\$1,347,000	25.4%	\$625	17.9%	2.4%
Aspendale	Southern Melbourne	\$1,450,000	22.9%	\$655	23.6%	2.3%
Melbourne	Inner Melbourne	\$429,000	0.5%	\$425	16.4%	5.2%
Docklands	Inner Melbourne	\$619,000	2.3%	\$480	37.1%	4.0%
Bonbeach	Southern Melbourne	\$1,212,500	16.9%	\$600	26.3%	2.6%
Rockbank	Melton–Wyndham	\$616,500	31.2%	\$400	2.6%	3.4%
Narre Warren North	South Eastern Outer Melbourne	\$1,592,500	20.6%	\$625	20.2%	2.0%

Sarah 1300 766216

## VIC – Regional

Suburb	Region	Median sales price	Sales price growth	Median asking rent	Rental growth	Gross rental yield
Warracknabeal	Wimmera	\$210,000	35.5%	\$283	17.7%	7.0%
Ararat	Central Highlands	\$367,500	33.6%	\$350	16.7%	5.0%
Churchill	Gippsland	\$359,500	32.5%	\$340	17.2%	4.9%
Terang	Western District	\$360,000	28.6%	\$340	21.4%	4.9%
Morwell	Gippsland	\$325,000	31.0%	\$318	13.4%	5.1%
Kyabram	Goulburn	\$380,000	26.7%	\$350	18.6%	4.8%
Maffra	East Gippsland	\$389,000	19.0%	\$400	37.9%	5.3%
Moe	Gippsland	\$355,000	24.6%	\$340	17.2%	5.0%
Metung	East Gippsland	\$677,500	31.0%	\$470	30.6%	3.6%
Stawell	Wimmera	\$346,500	33.3%	\$330	10.0%	5.0%

## SA – Metro

Suburb	Sub-Region	Median sales price	Sales price growth	Median asking rent	Rental growth	Gross rental yield
Elizabeth South	Northern Adelaide	\$290,000	56.8%	\$320	17.4%	5.7%
Davoren Park	Northern Adelaide	\$276,000	45.3%	\$315	16.5%	5.9%
Elizabeth North	Northern Adelaide	\$258,500	33.2%	\$320	18.5%	6.4%
Elizabeth Downs	Northern Adelaide	\$290,000	34.9%	\$330	17.9%	5.9%
Elizabeth Vale	Northern Adelaide	\$377,500	39.8%	\$350	25.0%	4.8%
Salisbury North	Northern Adelaide	\$370,000	37.2%	\$360	19.0%	5.1%
Hackham West	Southern Adelaide	\$425,000	41.7%	\$390	18.2%	4.8%
Elizabeth Grove	Northern Adelaide	\$320,000	48.8%	\$320	14.3%	5.2%
Elizabeth Park	Northern Adelaide	\$326,000	35.8%	\$340	13.3%	5.4%
Christie Downs	Southern Adelaide	\$430,000	33.5%	\$393	17.2%	4.7%

## SA – Regional

Suburb	Sub-Region	Median sales price	Sales price growth	Median asking rent	Rental growth	Gross rental yield
Millicent	Lower South East	\$272,500	26.7%	\$280	21.7%	5.3%
Mount Gambier	Lower South East	\$352,850	26.0%	\$350	16.7%	5.2%
Port Pirie West	Pirie	\$130,000	18.2%	\$260	18.2%	10.4%
Risdon Park South	Pirie	\$256,000	42.2%	\$270	8.0%	5.5%
Murray Bridge	Murray Mallee	\$307,000	22.2%	\$310	17.0%	5.3%
Kingscote	Kangaroo Island	\$350,000	26.8%	\$310	15.9%	4.6%
Williamstown	Barossa	\$488,500	20.2%	\$440	33.3%	4.7%
Middleton	Fleurieu	\$751,000	15.5%	\$1,120	19.3%	7.8%
Port Augusta	Flinders Ranges	\$175,250	12.0%	\$308	23.0%	9.1%
Strathalbyn	Fleurieu	\$510,000	21.4%	\$430	19.4%	4.4%

“

Rental growth is rising strongly thanks to low vacancy rates as tenant demand increases solidly.



## WA – Metro

Suburb	Sub-Region	Median sales price	Sales price growth	Median asking rent	Rental growth	Gross rental yield
Armadale	South East Metropolitan	\$269,000	28.1%	\$340	13.3%	6.6%
Iluka	North Metropolitan	\$1,050,000	23.9%	\$900	25.9%	4.5%
Leda	South West Metropolitan	\$367,500	18.5%	\$420	20.0%	5.9%
Armadale	South East Metropolitan	\$297,000	14.2%	\$360	20.0%	6.3%
Golden Bay	South West Metropolitan	\$430,000	18.5%	\$440	17.3%	5.3%
Calista	South West Metropolitan	\$331,500	17.3%	\$380	15.2%	6.0%
Midland	East Metropolitan	\$366,250	18.5%	\$380	15.2%	5.4%
Warnbro	South West Metropolitan	\$400,000	14.3%	\$430	19.4%	5.6%
Waikiki	South West Metropolitan	\$440,000	22.2%	\$430	13.2%	5.1%
Balga	North Metropolitan	\$343,750	10.9%	\$400	21.2%	6.1%

## WA – Regional

Suburb	Region	Median sales price	Sales price growth	Median asking rent	Rental growth	Gross rental yield
Rangeway	Central	\$169,750	43.2%	\$285	18.8%	8.7%
Wonthella	Central	\$315,000	37.0%	\$340	30.8%	5.6%
Kambalda West	South Eastern	\$150,000	20.0%	\$330	32.0%	11.4%
Kununurra	Kimberley	\$410,000	20.6%	\$600	29.0%	7.6%
Vasse	South West	\$600,000	29.7%	\$600	17.6%	5.2%
Boulder	South Eastern	\$261,500	18.9%	\$450	32.4%	8.9%
Withers	South West	\$271,250	20.6%	\$380	22.6%	7.3%
Capel	South West	\$400,000	23.1%	\$425	21.4%	5.5%
Beachlands	Central	\$340,000	19.3%	\$380	22.6%	5.8%
Exmouth	Central	\$660,000	23.4%	\$625	19.0%	4.9%

## TAS

Suburb	Sub-Region	Median sales price	Sales price growth	Median asking rent	Rental growth	Gross rental yield
Ravenswood	Greater Launceston	\$342,500	37.8%	\$360	20.0%	5.5%
Queenstown	Lyell	\$190,000	35.7%	\$250	13.6%	6.8%
Perth	Greater Launceston	\$602,500	31.0%	\$520	36.8%	4.5%
South Launceston	Greater Launceston	\$610,000	37.1%	\$470	23.7%	4.0%
Smithton	North Western Rural	\$353,500	28.5%	\$350	16.7%	5.1%
Kings Meadows	Greater Launceston	\$550,000	32.5%	\$460	17.9%	4.3%
Somerset	Burnie-Devonport	\$425,000	32.8%	\$380	15.2%	4.6%
Mowbray	Greater Launceston	\$445,000	25.4%	\$420	20.0%	4.9%
Prospect Vale	Greater Launceston	\$680,000	43.2%	\$480	20.0%	3.7%
Legana	Greater Launceston	\$720,000	35.6%	\$535	18.9%	3.9%



“

Darwin has the highest rental yield at 6.3 per cent, followed by Perth at 4.6 per cent, while the lowest are in Sydney (3.0 per cent) and Melbourne (3.1 per cent).

## ACT

Suburb	Sub-Region	Median sales price	Sales price growth	Median asking rent	Rental growth	Gross rental yield
Casey	Gungahlin-Hall	\$939,000	31.9%	\$700	18.6%	3.9%
Theodore	Tuggeranong	\$850,000	26.4%	\$650	22.6%	4.0%
Forde	Gungahlin-Hall	\$1,220,000	33.3%	\$780	20.0%	3.3%
Conder	Tuggeranong	\$907,500	24.7%	\$650	20.9%	3.7%
Flynn	Belconnen	\$960,000	28.0%	\$680	16.7%	3.7%
Fadden	Tuggeranong	\$1,175,000	29.1%	\$775	19.2%	3.4%
Phillip	Woden Valley	\$490,287	20.0%	\$540	11.3%	5.7%
Evatt	Belconnen	\$897,500	17.9%	\$700	27.3%	4.1%
Ngunnawal	Gungahlin-Hall	\$821,000	26.3%	\$615	13.9%	3.9%
Palmerston	Gungahlin-Hall	\$1,022,000	23.1%	\$690	23.2%	3.5%

## NT

Suburb	Sub-Region	Median sales price	Sales price growth	Median asking rent	Rental growth	Gross rental yield
Karama	Darwin City	\$485,000	15.1%	\$550	14.6%	5.9%
Gunn	Palmerston-East Arm	\$517,500	10.1%	\$570	9.1%	5.7%
Rapid Creek	Darwin City	\$405,000	24.6%	\$415	-24.5%	5.3%
Darwin City	Darwin City	\$453,000	23.1%	\$550		6.3%
Bakewell	Palmerston-East Arm	\$463,500	-1.4%	\$505	12.2%	5.7%
Zuccoli	Palmerston-East Arm	\$521,250	-3.7%	\$650	10.6%	6.5%
Durack	Palmerston-East Arm	\$540,000	3.8%	\$600	9.1%	5.8%
Rosebery	Palmerston-East Arm	\$551,250	4.0%	\$600	9.1%	5.7%
Gillen	Central NT	\$487,000	9.4%	\$555	4.7%	5.9%
Parap	Darwin City	\$400,000	17.3%	\$500	-26.5%	6.5%
Leanyer	Darwin City	\$597,000	2.1%	\$600	9.1%	5.2%
Bellamack	Palmerston-East Arm	\$589,500	3.7%	\$630	5.0%	5.6%

**Disclaimer**

This eBook does not necessarily reflect the opinion of the publisher. It is intended to provide general news and information only. The content does not take into account your personal objectives, financial situation or needs. While every care has been taken to ensure the accuracy of the information it contains, neither the publishers, authors nor their employees, can be held liable for inaccuracies, errors or omission. Copyright is reserved throughout. No part of this publication can be reproduced or reprinted without the express permission of the publisher. All information is current as at publication release and the publishers take no responsibility for any factors that may change thereafter. Readers are advised to contact their financial adviser, broker or accountant before making any investment decisions and should not rely on this eBook as a substitute for professional advice. This information is to be used as a guide only and is subject to change at any time.