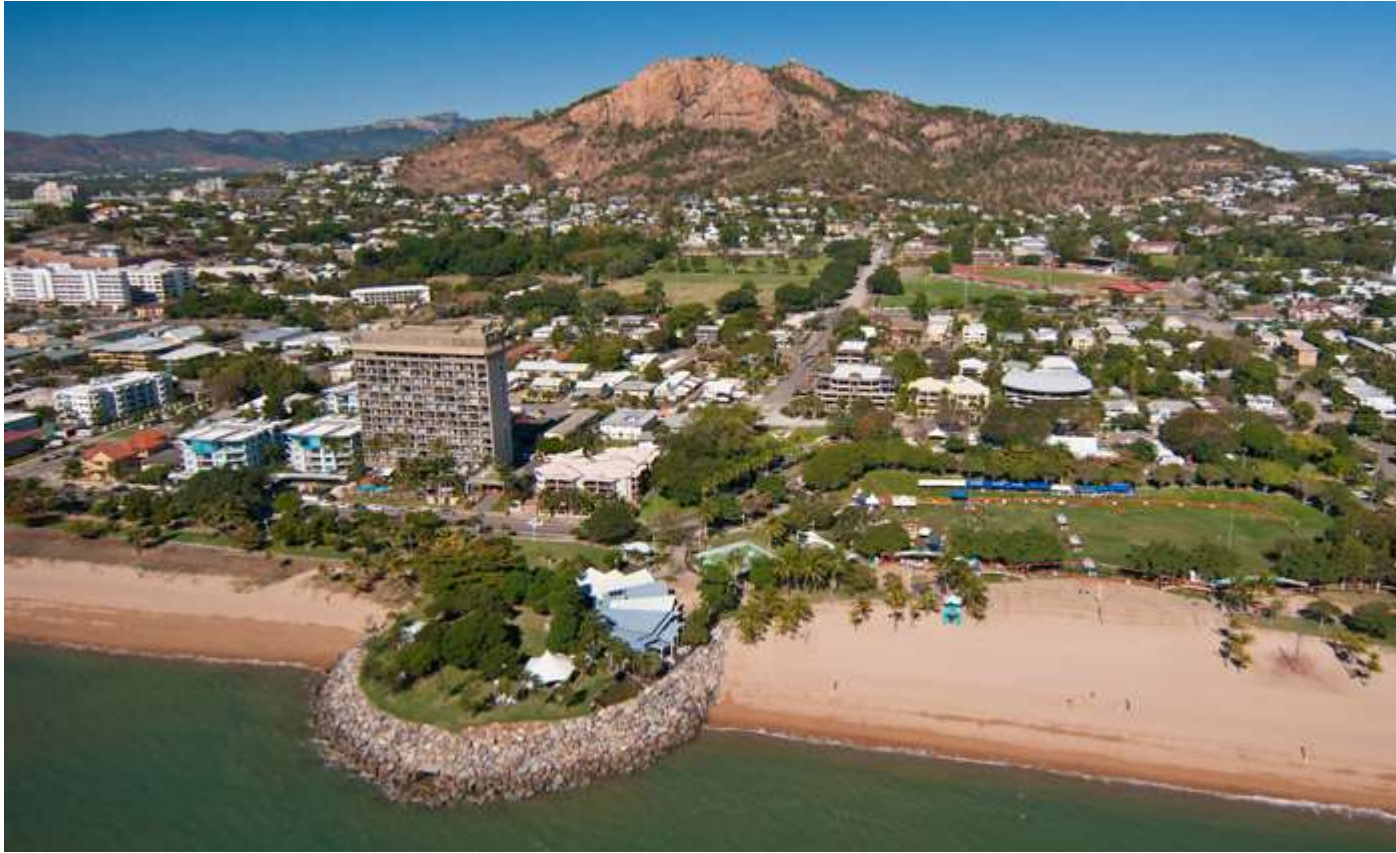


Sydney investors hit Townsville: John McGrath



Investment buying has ramped up in Queensland, according to estate agent John McGrath.

He says the typical house yield in Brisbane was 4.5% compared to Sydney's 3.7%.

"Apartment yields are even more impressive at 5.3% compared to 4.5% in Sydney," he blogged on *Switzer*.

Noting Brisbane property values haven't moved anywhere near the rate of Sydney and Melbourne in recent times, McGrath indicated Sydney's current median house price of \$745,000 and Melbourne's \$590,000 "makes Brisbane look seriously cheap at \$475,000."

"When you put affordable property values next to high yields and perfect timing in the cycle, that's an ideal time to buy and investors are noticing," he said.

His comments came as mortgage broker AFG reported investment activity in Queensland had jumped from 33.5% in January to 38.7% in June.

"A lot of that activity is in Brisbane but key regional centres are also attracting attention.

"For example, our office in Townsville estimates that 50% of investment sales are going to North Queenslanders and up to 40% are going to Sydneysiders."

McGrath said investors were attracted to newer houses around \$350,000 to \$450,000 and small sites with development potential.

It was May 2012 when McGrath Estate Agents opened in Brisbane. With the February 2014 opening at Townsville, it now has its first regional office in North Queensland and ninth in the Sunshine State.

The coastal city of [Townsville](#) is about 1,300 kilometres north of Brisbane, close to the Great Barrier Reef. The Queensland government forecasts tipping the population to reach 300,000 by 2030, compared with 185,000 in 2012.