

# Suburbs cheaper to buy in than rent

by Melanie Pilling

FIRST home buyers could soon be flooding Highland Park after the suburb was declared cheaper to buy than rent.

New figures show it is almost \$600 a month cheaper to repay a unit in Highland Park than it is to rent one.

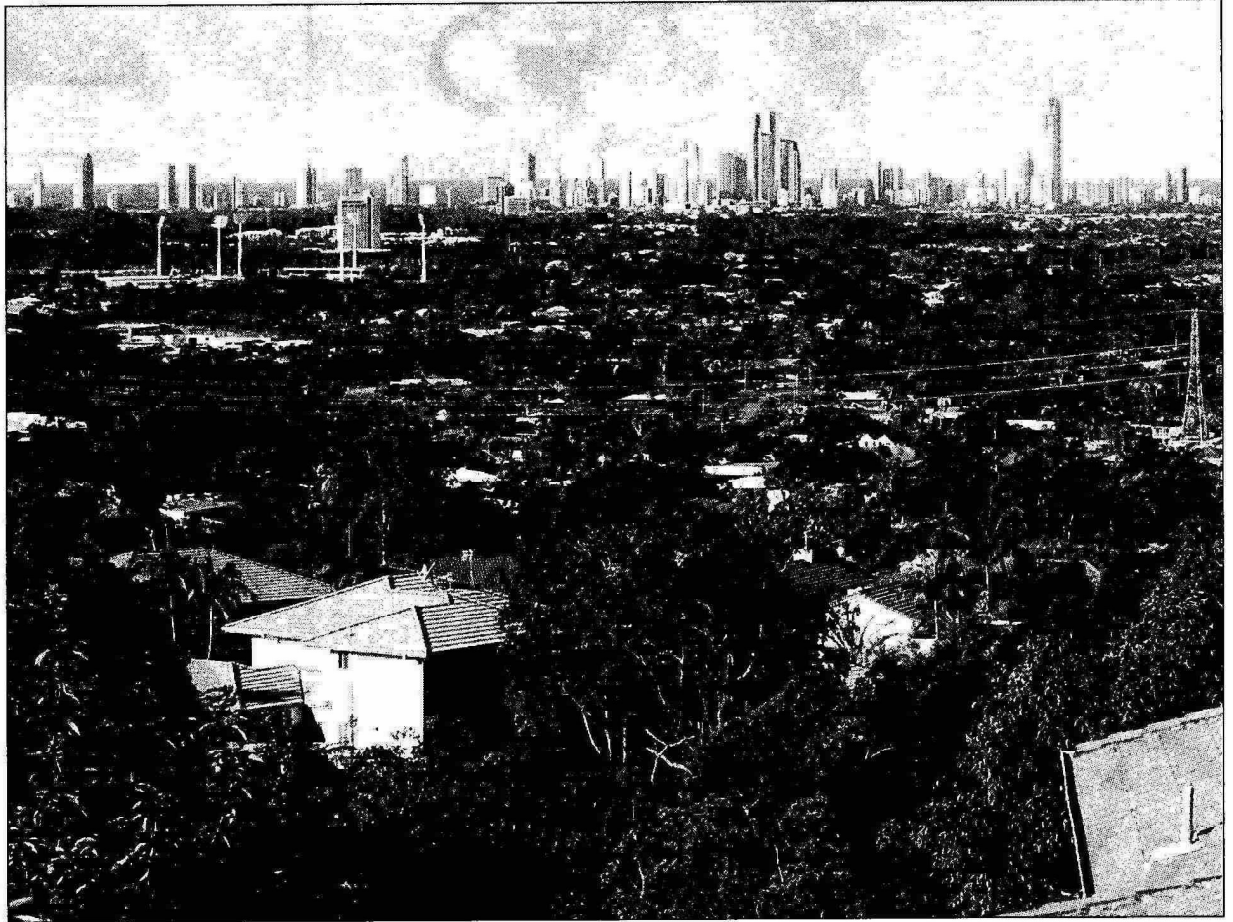
Pacific Pines is also a property hotspot for first home buyers, although mortgage repayments there are only about \$3 a month cheaper than rent payments.

The Commonwealth Bank and real estate information service RP Data has researched every suburb in Australia and found there are 94 suburbs where it is cheaper to buy a house or unit than rent one.

For first home buyers there are more than 200 affordable suburbs.

Highland Park and Pacific Pines were the only suburbs on the Gold Coast to make the list using figures based on buyers having a deposit of 15 per cent.

This meant a Highland Park unit valued at \$290,000 would require loan repayments of \$1364 a month while the average rent payment would be \$1960 a



The new home-buying hotspot Highland Park, where it is \$600 a month cheaper to buy than rent

month – a saving of \$595.73.

The most affordable suburbs in Queensland have doubled in the past six months from nine to 18, with two in Brisbane – Sunnybank Hills and Beachmere – and four on the Sunshine Coast – Sippy Downs, Peregian Springs, Wurtulla and Minyama.

There are 18 other

regional suburbs in Queensland that considered cheaper to buy in than rent.

Property analyst Bill Morris said there were some 'good buys' at Highland Park, Pacific Pines and at Nerang.

He said rents had gone up 40 per cent in the past five years on the Gold Coast, making buying a house

or unit more attractive.

"Renting has recently become an expensive thing to do," said Mr Morris.

"Forty per cent is a big jump. The growth in rents has outstripped the growth in house and unit prices.

"There is a short supply of rental properties and quite high demand – therefore rents have gone up."

Mr Morris said renters in Highland Park, Pacific Pines and Nerang should be 'taking the plunge' and entering the property market.

His advice to first home buyers was to take advantage of the first home buyers grant, low interest rates and stamp duty concessions.

"It's time to buy," he said.