



## Property investors look to Adelaide's northern suburbs

**Low price points and high rental yields are attracting investors to look north of the city.**

While Adelaide's northern suburbs are not traditional areas for property investment, they are now shaping as a popular area to sink some capital.

Nine northern suburbs appear in Adelaide's top 10 areas with the highest rental yield, latest RP Data figures reveal.

All of these suburbs are also in Adelaide's 10 most affordable, with median house prices between \$204,000 and \$228,000 - well below Adelaide's overall median house price of \$406,000.

Real Estate Institute of South Australia president Greg Nybo says at the moment there is a spotlight on the north, not just locally but nationally as well. He says the huge amount of development, government investment and planned jobs growth in the area has peaked the interest of investors from all over Australia.

"If you look at the cost against rental return the area is giving outstanding results." While there is no "frenzy" surrounding the rental properties when they hit the market, Mr Nybo says reports from the industry show vacancy rates are fairly tight.

"A lot of the newer properties are also attracting better quality tenants," he says.

University lecturer, investor and author Peter Koulizos agrees the northern suburbs are attractive for investors, but mainly those looking for high yields - rent price against the house value - over capital growth.

"A lot of investors go to the northern suburbs for the high yields but do not expect high capital growth," he says. "You usually only get one or the other."

Mr Koulizos says while high yields help to pay the bills, stronger profits will be made in those areas where there is high capital growth.

Source: [adelaidenow.com.au](http://adelaidenow.com.au)

