



SPLITTER-BLOCK BUY-UP

These rare parcels are being snapped by those wanting space and income potential, reports Elizabeth Tilley

Home seekers have been gifted a rare opportunity to snag one of Brisbane's most sought-after pieces of real estate thanks to the COVID-19 crisis.

Large land parcels of 800 sqm or more, known as 'golden' or 'splitter' blocks, have become a dying breed in the city's inner and middle rings. More often than not they sell before making it to the market, having been snapped up by savvy investors or developers, who can subdivide them.

Daniel Prosser of RE/MAX First National, who is marketing a splitter property at 38 Kenneth St, Coorparoo, said now was a good time for "mum and dad investors" or owner-occupiers to look at buying one.

"From a finance point of view, builders and developers aren't really purchasing at the moment, so for mum and dad investors, young couples or families with stable jobs, it's a really good opportunity to swoop in and beat the developers and bigger companies, who were buying them on a regular basis," Mr Prosser said.

A report by Place Advisory reveals just how many of these coveted properties remain within 10km of Brisbane's CBD.

The report found the suburb of Annerley, in Brisbane's inner south, had the highest number of splitter blocks in the city at 337, followed by Coorparoo (298) and Camp Hill (285).

Only 19 per cent of splitter blocks above 800 sqm in Brisbane were owned by investors — the rest were owned by owner-occupiers.

The report describes a splitter block as being a single property comprising two lots of land on one title.

Place Advisory director Lachlan Walker said one of the main benefits of owning such a block was that it could remove the need to subdivide a new property, saving hassle and money. Subdividing a property in Brisbane costs close to \$30,000 in council contribution fees, which are similar to a tax or levy.

"Rather than having to purchase a house solely on its own lot and renovate, you're almost creating a second income," he said.

"You could sell one and hold the other or hold both and rent one, or both, out."

Mr Walker said double blocks were becoming more rare every year and some

buyers simply wanted them for the space they provided.

"There are definitely people looking for a larger block, so they can have the backyard and pool, but it depends on street and location too — and it usually does come with a price tag," he said.

Real estate agents say demand for splitter blocks is still high despite the impact of coronavirus. "Savvy buyers are very much in the market for double blocks," Peter Stone of RE/MAX Results said. "I think people see them as good investments, whichever way things go with the situation we're in."

Mr Stone has just sold a Queenslander on a double block at 33 Dutton St, Hawthorne, for an undisclosed price, to a family who wanted a big block close to the city.

Sarah Hackett of Place Estate Agents has just sold a four-bedroom, post-war home on a 863 sqm, subdividable block at 74 Waverley Rd, Camp Hill, to a local builder for \$1.225 million.

Hauss Graceville principal Charles Wiggett said splitter blocks in Brisbane's inner west were so in demand they rarely made it to the public market.

He said a double block in a good street in Graceville, preferably with a post-war house on it, would "easily" fetch \$1.2 million.

CASE STUDY

Brisbane couple Ryan and Kirsty Jackson, *above*, who own the Fitstop Greenslopes gym franchise, are in the market for a splitter block in an inner-city suburb, but have had trouble getting their hands on one. "I think there's a lot of offmarket deals done," Mr Jackson said.

"It's hard for non-developers to get in because there is such a demand for them."

Mr Jackson, whose income has taken a hit from the coronavirus, said the attraction with a splitter block was that it could generate value. "For us, we'd look at building two places on it and using one of them to partially fund our live-in home," he said.



HOT TOPIC

THE TOP FIVES

Top suburbs to find splitter blocks (within 10km of Brisbane's CBD and more than 800 sqm)

- Camp Hill** 212
- Norman Park** 205
- Coorparoo** 182
- Bardon** 160
- Annerley** 149

Top five (within 10km of Brisbane's CBD)

- Annerley** 337
- Coorparoo** 298
- Camp Hill** 285
- Norman Park** 224
- West End** 201

(Prepared by Place Advisory. Source: PriceFinder)