



# Why cashed-up families are leaving Sydney

**Duncan Hughes** Reporter



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Tracy Lines and family have sold their small inner-Sydney suburban property and moved to a bigger home in Brisbane with enough cash from the sale to buy the new house and pay for a renovation.

It's a decision being made by record numbers of Sydney and Melbourne families who want to [cash in on higher prices](#) to escape the congestion and costs of living in the nation's most crowded capitals for a better lifestyle. Another factor is the lack of alternative properties in those cities with similar features and amenities.



Tracy Lines with daughters Evie, left, and Stella. **Attila Csaszar**

“There was no way we could have sold our Sydney home and [moved to an affordable alternative](#) anywhere else in Sydney that was not too far out,” says Tracy, a publisher, about their Sydney home in Rozelle, about four kilometres west of the central business district

“There was also no way we could have bought a similar property in Sydney and have afforded to renovate,” she says.

Tracy, her husband, Paul Picksley, an academic, and daughters Evie, 12, and Stella, 8, sold their home (which they bought nine years earlier for \$1 million) for about \$1.7 million and purchased a two-storey, five-bedroom house in Newmarket, about six kilometres from Brisbane’s CBD, with off-street parking and a pool, for about \$1.3 million.

According to demographer Mark McCrindle, of McCrindle Research, an unprecedented number of families are migrating from expensive property hot-spot capitals, typically Sydney, to cheaper alternatives.

McCrindle says the scale of resettlement is driven by costs, ease of transport, technology enabling work from remote sites and a generational change as “people feel more confident about moving”.

McCrindle adds: “You do not lose any status by moving from Sydney to Melbourne or Brisbane.”

## **More than 27,000 a year leave Sydney**

Net migration – a measure of net gain or loss of population from one state or territory to another – from Sydney during the past 12 months was a loss of more than 27,000, according to the latest government statistics, with Brisbane being the most popular destination, accounting for about one-third.

The cost of living and property prices in Melbourne, which made modest intrastate population gains, is about 20 per cent cheaper than Sydney, McCrindle says. Jobs growth in Geelong, a regional Victorian city, and Melbourne’s western suburbs attracted many of those moving states.

Western Australia and the Northern Territory posted net losses as their local economies continued to struggle.

Patrick Bright, a Sydney-based buyers’ agent, says many are compelled by the prospect of using the profits from selling a Sydney or Melbourne home and paying cash – or massively reducing a mortgage – for a property in another capital city.

“Most people are moving from Sydney to Brisbane,” says Bright.

“It’s compelling for many and is happening more and more,” he says. “For the price of a three-bedroom apartment in Sydney you can buy a three-bedroom house in Brisbane for less than half the price.”

Shortage of supply in Melbourne and Sydney is creating a bottleneck for buyers that’s driving up prices and making potential sellers fearful of their prospects for finding a suitable replacement property.

“When people are selling they’re asking where they’ll go next,” Bright adds. “A lot of people will not go to market until they see something they want.”

Median property prices in Sydney and Melbourne are \$776,000 and \$619,000 respectively, according to CoreLogic, which monitors property prices. The means it will take more than five years to reach a 10 per cent deposit saving \$400 a week. By contrast, Brisbane’s median price is about \$485,000, or three years to reach the same deposit goal saving the same amount. These figures include stamp duty and lenders mortgage insurance.

## **Nation’s lowest payroll tax**

Kate Jones, Queensland’s minister for innovation and development, says the state is welcoming arrivals with the nation’s lowest payroll tax, more than three years of economic growth and \$750 million of investments in partnerships with the private sector, creating jobs.

Lines, director of Tracy Lines Creative, a publishing consultancy, says the “biggest wrench” moving from Sydney was separating from friends. “We have all struggled with the loss of our community,” she says.

But the factors driving her family, such as needing a bigger home, are also causing her Sydney friends to consider their options.

“Other people are doing the same,” Lines says. “Friends of ours have relocated to the same area independent of our decision.”

Demographer McCrindle says he expects the trend to continue. “This is going to grow with the next generation,” he says. “Its community is online, they can work anywhere at any time.”

Sydney and Melbourne populations will continue to grow as they attract immigrants from overseas.

“State governments need to understand people are increasingly mobile,” he says. “High levels of local population churn are not healthy for a community. Retention within a community is a sign of health.”

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