

BOOK 4

TEACH  
ME ABOUT  
*suburbs*  
SELECTION

TM<sup>△</sup>P



# The 9 Criteria for Smarter Property Investing

This guide is a strategic, data-led deep dive into how professional investors identify high-performing property opportunities in today's market.

Based on a presentation delivered by our CEO Massey Archibald, this guide and the associated masterclass breaks down how real-world data, risk profiling, and suburb-level analysis can be used to cut through headlines and hype — and focus instead on where the numbers truly stack up.

Rather than generic advice, the session walks through a clear, repeatable framework for assessing suburbs, balancing cashflow and growth, and aligning investment decisions with your personal goals, timeframe, and risk appetite.

# Start With You, Not the Suburb

Before choosing a suburb, we must first define your personal investment framework. Data only works when it is applied to the right strategy.

## Clarify Your Investor Profile

Every property decision starts with four questions:

### 1. BUDGET

Your budget is based on **borrowing capacity**.

This immediately removes entire markets and suburbs from consideration.

### 2. TIME HORIZON

How long will you hold the property?



Your time horizon determines both risk and location selection.

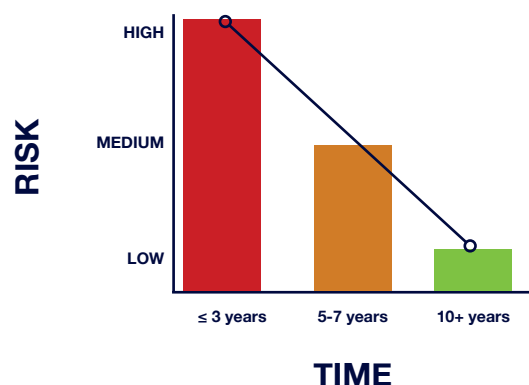
### 3. EQUITY EXTRACTION TIMELINE

When do you want to use the equity to buy again? **1-2 years, 5 years or 7-10 years?**

This matters because not all suburbs grow equity at the same speed.

### 4. RISK PROFILE

Risk is not emotional — it's mathematical.



#### EXAMPLE PROFILES:

BUDGET	YEAR HOLD	EQUITY	RISK
\$500k	7	2 Years	Medium
\$800k	10+	2 Years	Low
\$1.5m	3	12 Months	High

Once this is clear, suburb selection becomes logical, not emotional.

# The 9 Criteria for the Right Suburbs

We assessed **every suburb in Australia** using this same framework. No opinions. No headlines. Just data. Out of **9,634 suburbs**, only **18 currently meet all our criteria**.

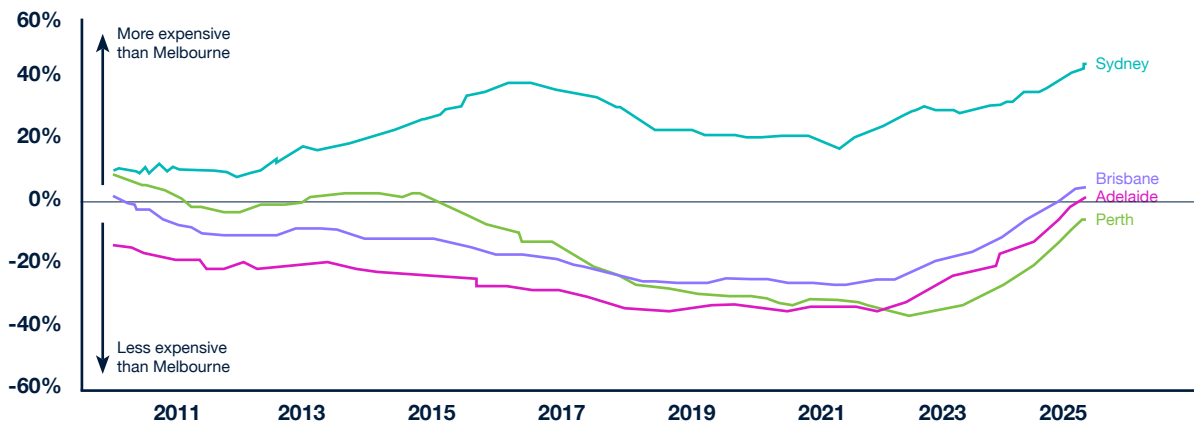
## The 9 Suburb Selection Criteria

### 1 PRICE (MEDIAN VALUE)

Is the suburb aligned with your budget — with room to grow?

**Median home prices in Adelaide and Brisbane are now more expensive than in Melbourne, and Perth is not far behind**

Median Price Relative to Melbourne



### 2 DATA CONFIDENCE

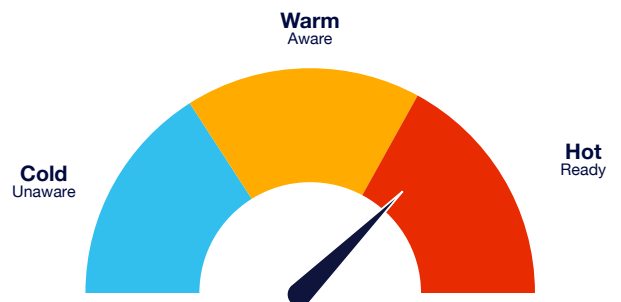
We only use high-confidence datasets. If the data isn't reliable, the suburb is excluded.

### 3 PRICE CHANGE (LAST 12 MONTHS)

This tells us where the market is in its cycle:

Market Type	12-Month Growth
Hot	+10% or more
Warm	-5% to +7%
Cold	Below -5%

#### Types of Leads



💡 Most wealth is created when a market moves from warm → hot.



#### 4 RELATIVE COMPOSITE SCORE

A combined score comparing:

- Price
- Growth
- Yield
- Supply pressure

This removes suburb-by-suburb bias.

#### RENTAL YIELD FORMULA:

**Annual Rent ÷ Purchase Price**

5%+ = strong

3.5–5% = average

<3.5% = weak

#### 5 LOWER RISK ZONE

We avoid:



Flood risk



Bushfire risk



Single-industry economies (e.g. mining towns)

This protects downside risk.

## 6 STOCK ON MARKET (%)

What percentage of properties are currently for sale?

1,000 homes → 10 for sale → 1% stock on market  
Lower = stronger demand.

## 7 STOCK ON MARKET (TREND)

Is supply falling over time?

6 months ago: 100 listings  
3 months ago: 50 listings  
Today: 10 listings

This shows momentum.

## 8 BUILDING APPROVAL RATIO

Approvals show future supply.

Low approvals = constrained future stock  
High approvals = future price pressure

**Melbourne City's 10-Year Unit Build Approval Rates**  
2016 - 2025



## 9 HOLD PERIOD

How long owners keep properties:

Short hold → low desirability  
Long hold → people don't want to leave

This is a powerful behavioural signal.



# What the Data Is Showing Right Now

While headlines remain negative, the data tells a different story. Melbourne currently delivers above-average yield + low entry price, creating positive cash flow opportunities.

## Why Melbourne Stands Out



Prices near 2018 (pre-COVID) levels



Units under \$500k within 5–10km of the CBD



Rental yields 5–7%+



Tightest supply of any capital city



Extremely low building approvals

## By comparison:



**Sydney:** higher prices, lower yields



**Brisbane:** the market has already moved

# The Big Insights

- The news tells you what already happened. Data tells you what happens next.
- Melbourne today is where Perth was five years ago — before an 80% growth cycle.
- When investors leave, opportunity appears.
- Property in Australia is predictable when you follow the data.
- Emotion loses money. Frameworks create wealth.



*Sign Up to our Weekly  
Investor Webinar to learn more*

[CLICK HERE](#)