



Shipping container cafe Rudimentary captures the changing face of Footscray. Picture: Josie Hayden

VIC

How to pick the next Melbourne suburb set for gentrification

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ONCE upon a time many of Melbourne's inner suburbs were among the city's shadiest areas; however they are now among its trendiest — and most expensive.

Suburbs with a grungy past, such as St Kilda and Richmond, are now flooded with buyers looking for a trendy locale thanks to gentrification.

Peter Koulizos, who operates thepropertyprofessor.com.au website, said gentrified suburbs could be identified as those that had shaken off their seedier history.

"This is a process whereby an area that used to be an ugly duckling becomes a graceful swan," Mr Koulizos said.

Homeowners in these suburbs had benefited greatly from increased property prices over the past few decades.

“When they first bought into these areas, nobody else wanted to live there and they were full of old derelict buildings,” Mr Koulizos said.

Secret Agent Property Services founder Paul Osborne agreed the gentrification process often began with a changing of the guard.

“Normally a trend for the suburbs that are just beginning to undergo a change are that people who have lived there for 40 or 50 years are starting to move out and younger buyers are moving in,” Mr Osborne said.

“The suburbs we consider to be gentrified are in the inner city and traditionally had a more industrial or unsavoury feel and are now among Melbourne’s most popular areas.”

With popularity comes price growth, so many buyers are on the hunt for Melbourne’s next big thing.

“Internally we often talk about following the artists,” Mr Osborne said.

“People in the creative industries tend to have a knack for finding the next popular suburb first, so keeping an eye out for that community is a good idea.”

Unbranded coffee shops on backstreets are another sign of changing times, as are veggie patches out the front of people’s houses, Mr Osborne said.

For those looking for more quantifiable indicators, Mr Osborne said there were things to keep an eye on. “If you take a look at the average age of the suburb in the census and it is trending downward as opposed to upward it is a good sign gentrification is on the cards,” Mr Osborne said.

“The other thing to take a look at is the ranking of schools. As they improve it’s a good sign of the changing demographics.”

Mr Koulizos agreed that Melbourne’s mantle as Australia’s coffee capital made trendy cafes a strong indicator.

“Is the local cafe in a corner shop that had been vacant for years? Does the waitress ask if you would like single-origin, organic or free-trade coffee?” Mr Koulizos said. “If you answered yes to these questions, the area is probably gentrifying.”

Another sign a suburb might be on the brink of gentrification was a change in cars on local streets.

“When an area improves in value, so do the type of cars you will find in the driveways,” Mr Koulizos said.

“This is because the seniors that used to drive the old cars have moved out and are replaced by young, university qualified, suit-wearing, aspiring homeowners.”

SUBURBS SET TO GENTRIFY

Those looking for the next hipster haven should be looking in the inner north and west, according to Mr Osborne.

“It’s hard to buy a house in the inner city for under \$1 million now, so areas where that is possible are often at the start- or midpoint of the gentrification process,” Mr Osborne said.

“This highlights the fact the suburbs in the northwest are the ones to watch as in the south and east everything has been ‘discovered.’”

Here’s his list of the one’s to watch:

- Footscray
- Seddon
- Spotswood
- Coburg
- Preston

HOW TO SPOT A GENTRIFYING AREA

CANINES

Have the dogs in your neighbourhood become smaller as house prices have become bigger?

COFFEE

Has the coffee menu at your local cafe gone from “with milk or without” to a list that details the origins of the coffee beans? Cafes on backstreets without logos are another good sign.

CARS



📷 Preston is home to a trendy food truck park.



📷 Dogs are a key clue to the changing fortunes of a suburb.

Are you starting to see fewer cars that date back to the 1980s and more that were on a television advertisement last night?

BARBER SHOPS

The grooming business is booming. Are your local traditional hairdressers giving way to trendy barber shops where free beverages are being handed out?

ARTISTS

They have been the leaders of culture since the dawn of time and tend to get the jump on areas that are about to undergo a change. What's the local art culture?

VEGGIE PATCHES

Are there community gardens on front nature strips?