

New Preston high school tipped to lift the suburb's appeal and property prices

Nov 5, 2016

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Why I love where I live

We asked Melburnians what they love about their home suburb.

House prices in Preston in Melbourne's inner north are expected to enjoy a significant boost following the announcement of a [new public high school](#) in the gentrification hotspot.

Nicknamed "Fitzroy 2.0" due to its dramatic hipsterfication in recent years, the former blue-collar suburb has seen its median house price more than double in the past decade, comfortably outperforming the equivalent figure for Melbourne as a whole.

Jokes about mandatory kale juicing classes and lessons in facial hair grooming aside, the property market in postcode 3072 is expected to tighten after the government this week unveiled plans to reopen the old Preston Girls' Secondary School as a co-educational school for Years 7-12.

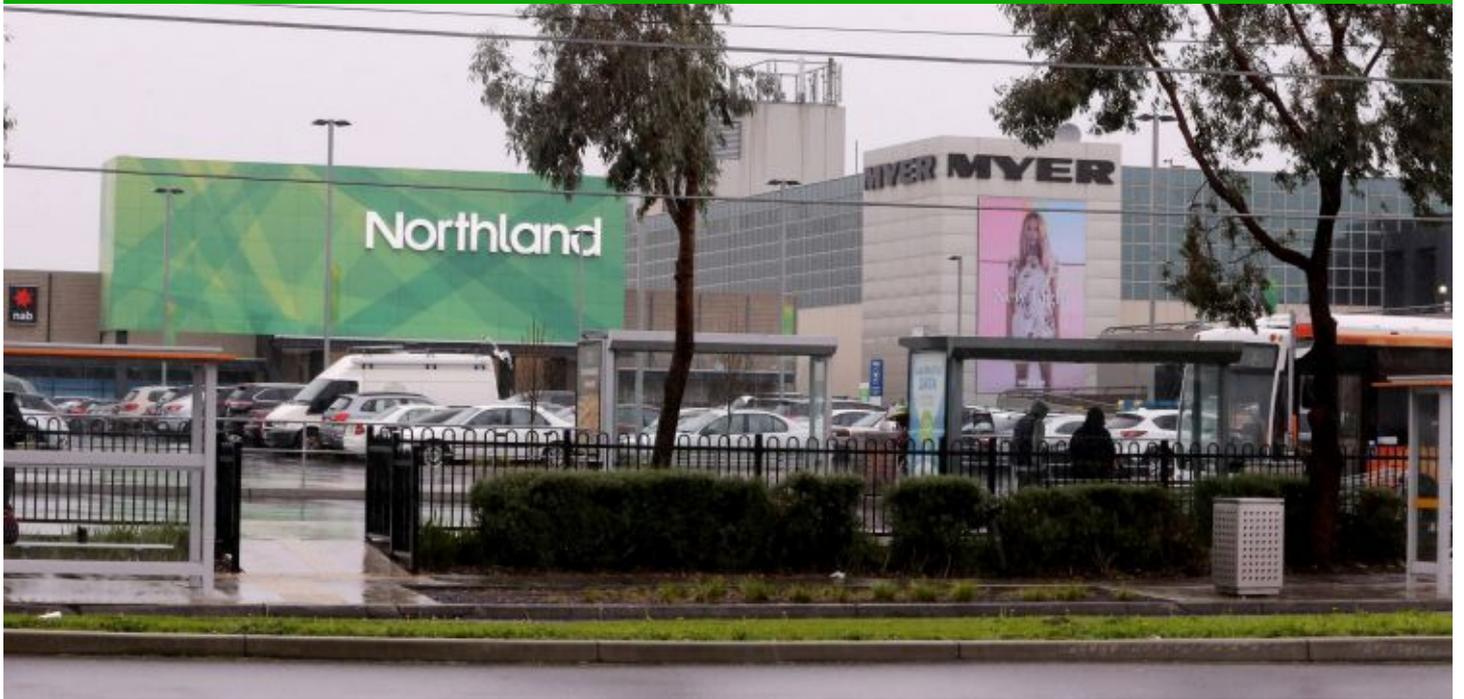


The Education Minister and Deputy Premier James Merlino announcing that the old Preston Girls School will re-open as a High School for the Preston area. Photo: PENNY STEPHENS. The Age. 2ND NOVEMBER 2016 Photo: Penny Stephens

George Metax, principal at the Preston branch of Barry Plant Real Estate, said the impact of the announcement on the [Preston property market](#) was twofold.

Firstly, it would provide an additional incentive for families, or couples who were planning to have children, to purchase a home in the suburb. Secondly, it would encourage existing homeowners to hold on to their properties.

“One of the reasons we’re losing people out of the area is the fact that we don’t have a good high school,” he said. “They go to Ivanhoe or try to push back into Northcote to get into the Northcote High School zone.”



Northland shopping centre in Preston. Photo: Wayne Taylor

According to data from the Real Estate Institute of Victoria, houses in the catchment areas for Melbourne's top government schools can fetch hundreds of thousands of dollars more than neighbouring houses outside the zone.

Homes within the zone for University High School in Parkville fetched a median price of \$1.395 million in the year to March 31, a staggering \$596,000 more than the \$799,000 median for houses within a one kilometre radius of the catchment area, the REIV survey, released in June, showed.

While not as dramatic, the median house price differential applies in the areas surrounding other elite state schools, such as McKinnon Secondary College (\$305,000), Cheltenham Secondary College (\$150,000), Box Hill High School (\$90,800) and Balwyn High School (\$64,500).



The Education Minister and Deputy Premier James Merlino announces that the old Preston Girls School will re-open as a High School. Photo: Penny Stephens

REIV chief executive Geoff White said it might be some time before the planned high school in Preston made a significant impact on house prices within its catchment zone.

The uplift in residential property values was, however, almost inevitable.

“It may take a little while [for the school] to establish a reputation, but sooner or later you would expect a flow-through in terms of buyers looking to send their children to a state school in that area,” he said.

Paul Osborne, founder of buyers’ advocates Secret Agent, said the government’s decision to spend on education infrastructure in Preston was “100 per cent linked” to the suburb’s ongoing gentrification.

“The area changes first, and then there’s a demand for better services, particularly schools,” he said. “It’s a flow-on effect from a younger demographic moving into the area.”

Preston Girls’ Secondary School was closed in 2013. The site, which will undergo a multi-million dollar upgrade, is expected to accommodate up to 1,000 students when it relaunches as a coeducational high school around 2019/2020.

The school was opened followed intense lobbying from local families. The government has also announced plans for a new education precinct in Footscray and new schools in Docklands, Fishermans Bend and North Melbourne to combat classroom overcrowding.

