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AGENT

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Melbourne Metro Rail Project

Melbourne Metro Rail Project
Vol.34 August 2015

The Inside Perspective

"THE REALITY ABOUT TRANSPORTATION IS THAT IT'S FUTURE-ORIENTED. IF WE'RE PLANNING FOR WHAT WE HAVE, WE'RE BEHIND THE CURVE."

ANTHONY FOXX

Cover Art

The Metro Report

by Stiabhna Baker-Holland and Jodie Walker

In this report, Secret Agent decided to investigate how the Melbourne Metro Rail Project could affect the value of both commercial and residential property in areas surrounding the proposed metro stations.

Introduction

Melbourne is the fastest growing city in Australia. Our population is expected to double to 7.7 million by 2051 (Savage, 2014).

In our recent report on the Melbourne Congestion Charge, Secret Agent emphasised that changes to our transportation system and infrastructure needed to be implemented in order to accommodate this rapid growth in population. A congestion levy was proposed, but in order for this to be successful, a simultaneous upgrade in our train services would be required.

Melbourne trains have experienced overcrowding for a number of years now and it continues to be a serious problem as more people choose to take public transport. Train patronage in Melbourne grew by 44 percent from 2005 to 2011 (Victorian State Government, 2012).

A step towards relieving congestion on our roads and train network is the Melbourne Metro Rail Project. This proposed rail infrastructure project will add a new underground metro system to Melbourne's existing rail network. This could transform our current radial system into a more integrated network, and will provide an efficient way of crossing the city from the west to the east.

Secret Agent decided to follow up from our Congestion Charge report by investigating the proposal for the Melbourne Metro Rail Project. We consider how it will affect Melbourne as a whole, and of course, how it could affect the value of both commercial and residential property in areas surrounding the new metro stations.

Project overview

The Melbourne Metro railway line will consist of two 9km tunnels running from South Kensington through the CBD to South Yarra. This will connect the Sunbury line in the west and Cranbourne/Pakenham lines in the east. Five new underground stations will be built at Arden, Parkville, CBD North, CBD South and Domain as shown in Figure 1. This would start to integrate Melbourne's train lines better, moving away from the radial network to a more grid-like one. It will enable many people living nearby the CBD to travel from the west and north to the east within a single train ride.

The stations at Domain and Parkville will have a train/tram interchange, allowing those coming from further out via tram to easily jump onto the metro. The new line will bypass both the existing South Kensington and South Yarra stations, and there will be rail tunnel entrances a short distance away.

The project will provide a good basis for expanding Melbourne's public transport system in years to come, with further continuations of the line possible.

According to the proposal, this will be the first step towards achieving a public transport system where commuters will not need to rely on a timetable and can simply turn up and go (Melbourne Metro Rail Authority, 2015b).

This would emulate how other public transport systems across Europe and Japan operate, putting Melbourne on the map for having world class public transport. The Victorian government plans for major construction to begin in 2018 and to be completed by 2026. Currently, the project is still in its planning stages with geotechnical works being undertaken to determine more detailed information about the correct alignment and depth for the tunnels.

The five new underground stations and the areas that they will service are described in more detail on the following pages. We have also projected a 400 metre radius around each station to show properties considered to be within easy walking distance to public transport. The value of properties within this 400 metre radius will be most significantly affected.

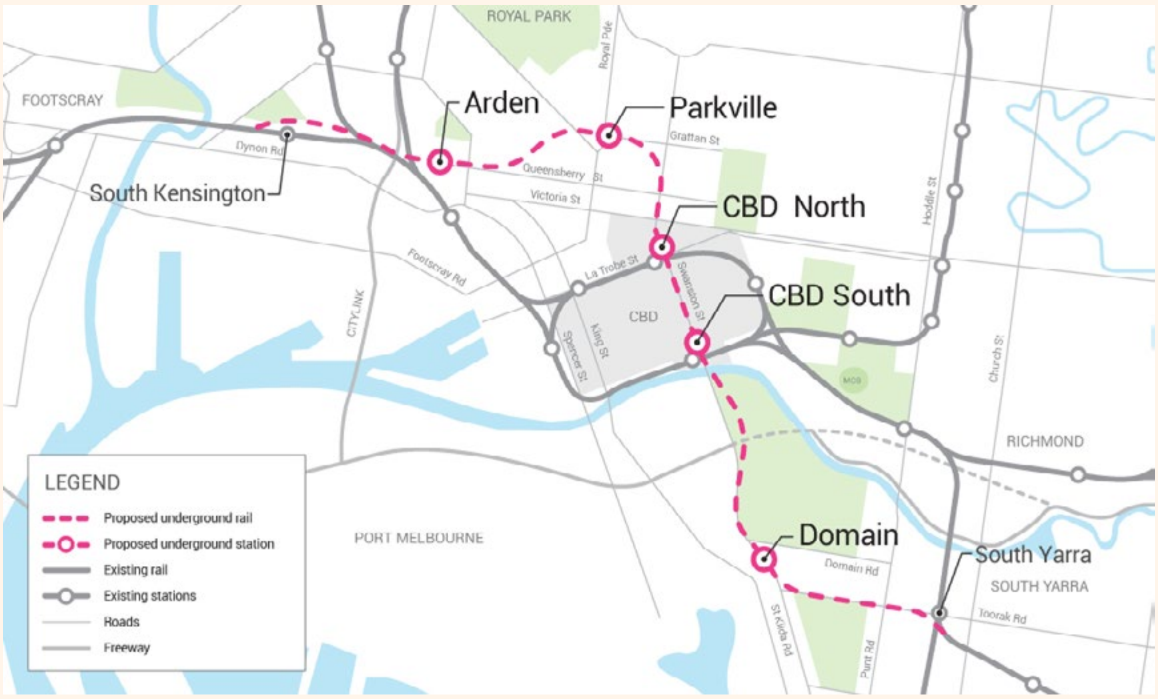

Figure 1. Melbourne Metro Rail Project - Adapted from (Melbourne Metro Rail Authority, 2015a)

Arden

Arden station will act as a catalyst for the development of Arden Central as an extension of Melbourne's CBD. Arden Central is a mixed used precinct and is the core of the Arden-Macaulay Structure Plan, an urban renewal project involving the revitalisation of the Arden-Macaulay area into a thriving community. It is proposed that Arden Central will accommodate 14,000 jobs, 4,000 residents and 12,000 students. The inclusion of a metro station is therefore a crucial part of this proposal (City of Melbourne, 2012).

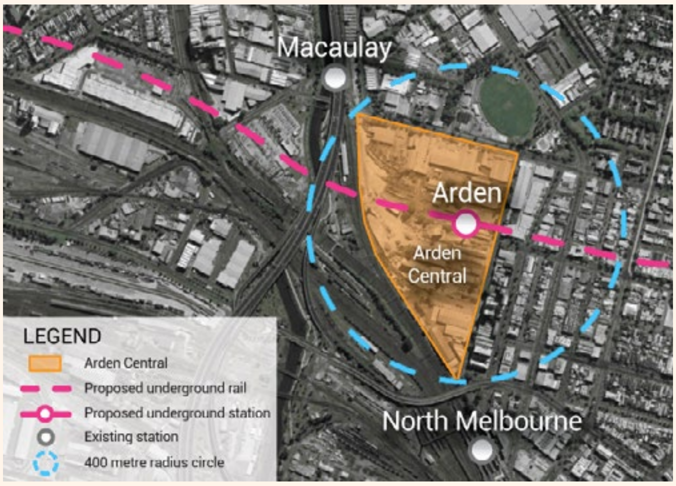

Figure 2. Arden Station

Parkville

An underground station in Parkville will include a tram/ train interchange and will provide greater accessibility to Melbourne University, University High School and Melbourne's hospital facilities, including the new Cancer Centre. There is currently no train station in the vicinity, so this new station will attract a large amount of patronage. Residents of Parkville, Carlton and North Melbourne will greatly benefit from the proposed Parkville station, since many of these residents will be able to access the station by tram, rather than by car.

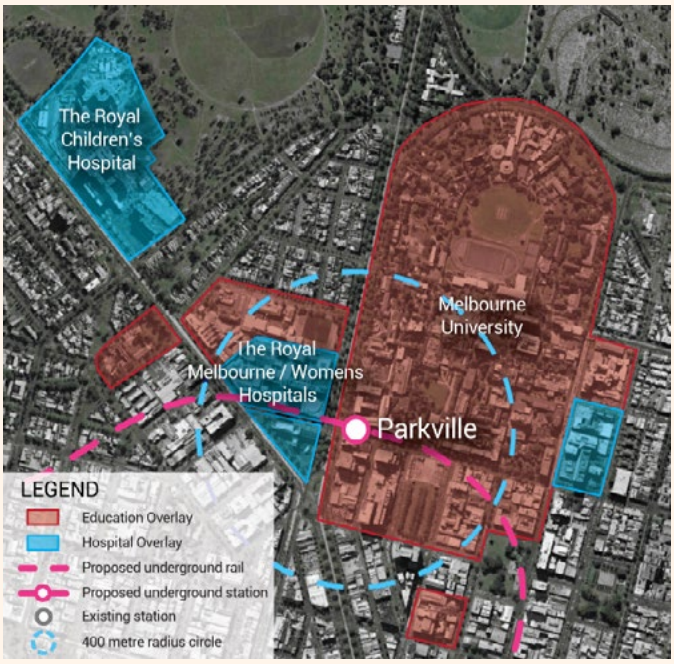

Figure 3. Parkville Station

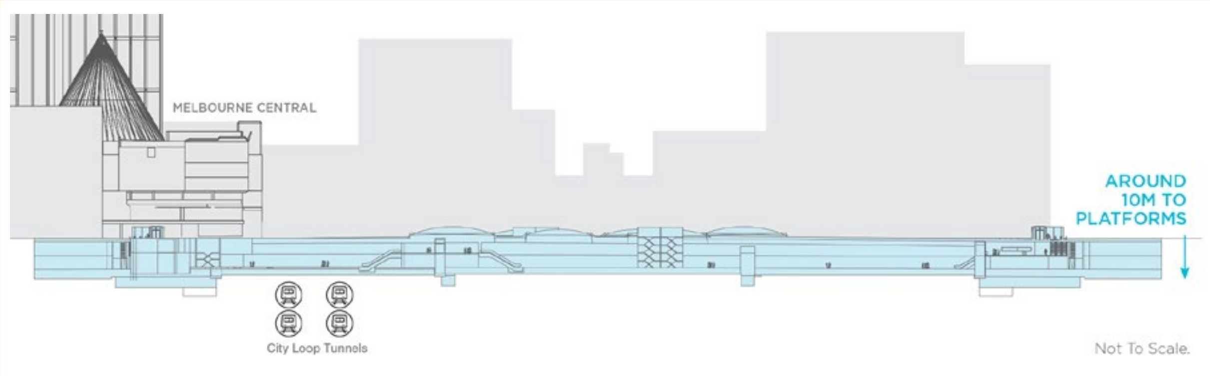

Figure 4. Swanston Street alignment tunnel (Melbourne Metro Rail Authority, 2015a)

CBD North & CBD South

CBD North station will provide access to RMIT University and connection to Melbourne Central Station, while CBD South will be connected to Flinders Street Station. These stations will relieve some of the congestion on the Swanston Street tram network.

The Swanston Street alignment was the optimal choice for the Melbourne Metro Rail as it will allow passengers to transfer directly to the City Loop tunnels. The street also has favourable ground conditions that will support the underground rail system (Melbourne Metro Rail Authority, 2015a). The twin tunnels will run under Swanston Street at a 10m depth, requiring a cut and cover tunnelling technique (see Figure 4). Shallow tunnels have been chosen as they are more cost effective, more accessible for commuters and will cope better with the ground conditions.

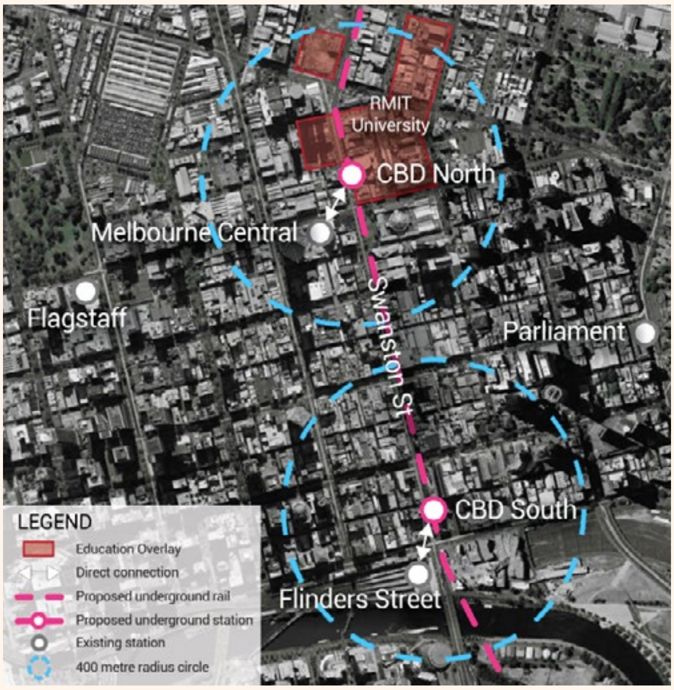

Figure 5. CBD North & CBD South Stations

Domain

Domain station will be located on Toorak Road just south of the Domain Road intersection. It will include a train/tram interchange and will provide access to the Royal Botanic Gardens, the Shrine of Remembrance, Melbourne Grammar School and Mac Robertson Girls High School. Businesses surrounding the station, as well as residential properties in the vicinity, will greatly benefit from this station since there are none currently in the immediate area.

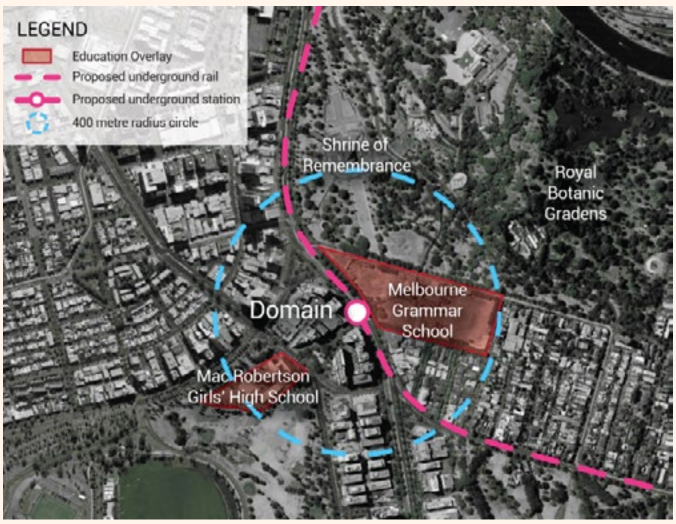

Figure 6. Domain Station

General effects of metro lines on property value

Access to public transport significantly influences property value. Generally speaking, properties with greater proximity to public transportation have a higher market value than similar properties that are further away (Agostini & Palmucci, 2008). This is mainly due to the lower cost of transport to employment and retail precincts that public transport provides. However, there are exceptions to this generalisation. "The net benefit from station proximity may also vary with station characteristics, the median income of the neighbourhood, and the distance the station is located from the CBD centre." (Bowes & Ihlanfeldt, 2001)

In some cases, rail lines can have negative effects on the value of properties in the immediate vicinity of a station due to noise pollution and growth in crime rates. Increased crime is generally only an issue for above ground stations with parking lots, hence will not apply to any of the new metro stations. As the new rail line is underground, noise pollution will not be an issue and these negative externalities can be ignored. This will likely further increase the accessibility premium on the value of houses nearby.

A study looking at the capitalisation effect of a new metro line in Santiago, Chile found that the effect on property is not homogenous but dependant on distance from the station. Prices of residential apartments located less than 200 metres from a station entrance, and between 800-1000 metres from the entrance, were analysed. They found that there was a pre-anticipated growth in prices due to the unveiling of the station locations on the Metro line. Apartments located within 200 metres of a station rose on average by 5% and those located between 800-1000 metres rose by approximately 4%. (Agostini and Palmucci, 2008) This study only considered residential property.

An examination of the changes in property prices around newly built metro stations in Naples considered both residential and commercial property. (Pagliara and Papa, 2011) Further, the change in the number of residents between 2001 and 2008 within the station catchment areas was measured. Control areas were used as a comparison point.

By 2008, it was found that the number of residents increased in each of the catchment areas. The metro stations helped to further gentrify the area, making it more desirable to live there. Property prices of all types increased greater than in the control areas. On average, for residential homes and commercial offices the increase was greater by 10% and for retail property the prices rose by 8%. The growth rates were variable depending on location, local property market trends and connectivity given by the new line to the city centre. Properties were least affected in areas which already had good accessibility to other rail services.

The positive effects on residential property value do not increase exponentially - rather, they diminish when accessibility in an area is already high, due to closeness to the CBD or existing rail infrastructure in the region.

This is the case for the CBD North and CBD South metro stations. Whilst Domain, Arden and Parkville are relatively close to the CBD and tram lines, the nearest train station is currently quite a distance away. Since trains are faster and more direct than trams, it would be likely that these areas will experience greater growth in value than the CBD areas adjacent to the metro line stations, as the city is already saturated with public transport options.

With regards to commercial properties, a nearby metro station can increase foot traffic to the area. This effect is concentrated within 400 metres of a train station as this is felt to be within an easy walking distance.

An analysis of train lines in Atlanta found that the positive effects of a metro station on residential properties are greatest in high income neighbourhoods at a distance of between 400 metres and 800metres from the station.

High income house owners place a higher premium on public transport access and are willing to pay more for the convenience. The opportunity cost of commuting time enhances the value they place on access to transport. At the same time, they don't want to be right next to the station due to the general area being busier and noisier.

Train stations have a large impact on retail development. When a retail node is created away from the CBD, accessibility here becomes more important and makes the area more desirable, pushing up prices of property located nearby. (Bowes & Ihlanfeldt, 2001)

The long-term effects on property value due to the provision of a local metro line can be significant. Analysis of the suburbs surrounding the proposed Domain station just south of Melbourne's CBD show a clear divide between east and west when it comes to train services and growth in property value.

Suburbs to the west of this station, which include Albert Park, Middle Park, Port Melbourne and South Melbourne, are well serviced by trams but have no train line. Conversely, the suburbs to the east of the proposed Domain station have numerous train lines as part of their public transport. This includes Cremorne, Prahran, Richmond and South Yarra. Property value growth from 2003 to 2013 in these suburbs is shown in Figure 7.

Apart from Middle Park, the suburbs to the west have experienced relatively low growth while the suburbs to east all have consistently high growth.

There are of course many factors that contribute to the growth of an area, however, it can be assumed that the train network has played some part in the growth of the eastern suburbs.

Train stations influence land use patterns and promote development; this makes an area more attractive, increases demand for property and in turn raises the value of property. Domain station will almost certainly add value to properties in its immediate area, especially those west of the station.

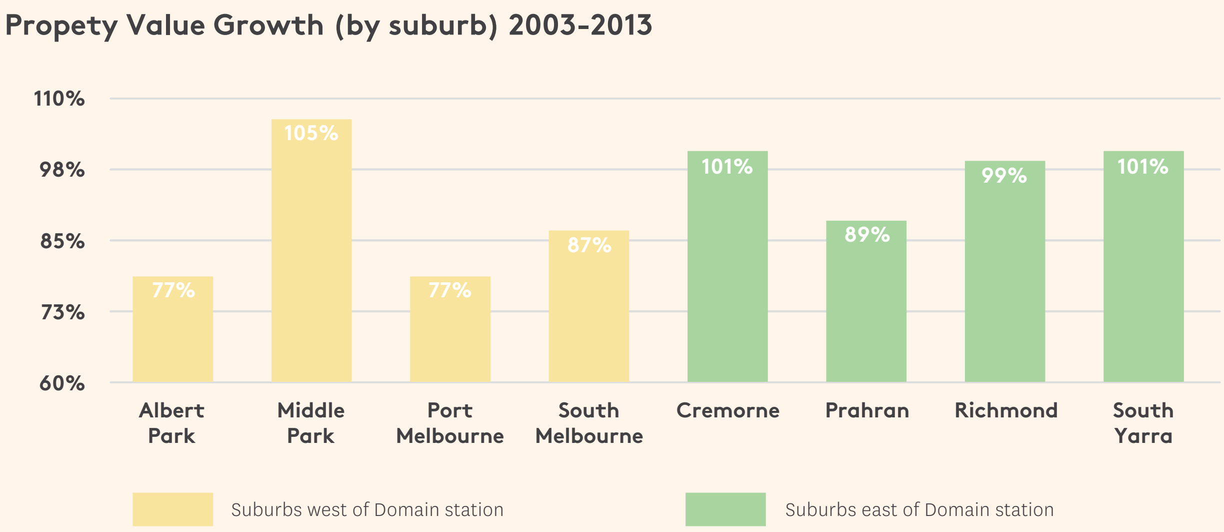

Figure 7. Property value growth in suburbs surrounding Domain Station (Department of Transport, Planning and Local Infrastructure, 2015)

Potential impact of MMRP on property value in Melbourne

There is currently no other similar project in Australia to model expected price increases resulting from the Melbourne Metro Rail Project. Findings from studies conducted overseas cannot be extrapolated accurately to the Australian setting, making it difficult to attach a monetary value to the actual increase, especially in these early planning stages.

However, the general consensus that property closer to the metro station entrances will experience greater growth can be applied here. It is likely that there will be different impacts on property value around each of the individual metro stations.

These differences can be expected based on current trends in each of the micro markets and variations in pre-existing infrastructure surrounding the metro station sites.

Figure 8 shows both 400 metre and 800 metre radii at each underground metro station. Effects on property value are likely to be most evident within these distances, regardless of the specific station.

As discussed earlier, it is likely that within 400 metres of a station, commercial properties will greatly increase in value, while residential properties should be positively affected up to 800 metres away. (Bowes & Ihlanfelt, 2001)

Arden

There is great potential for more development in the Arden-Macaulay urban renewal area and Arden station will help spur this development as new businesses set up around the station.

The Arden metro station will have a highly positive impact on property values in the area and high rates of growth can be expected, especially as retail and commercial development are already planned. The effects on residential property value may be slightly diminished by the already existing Macaulay and North Melbourne stations, however these are quite a distance apart from each other, at opposite ends of the suburb of North Melbourne. Arden will provide the central link between the two, making the entire suburb more desirable for work and living.

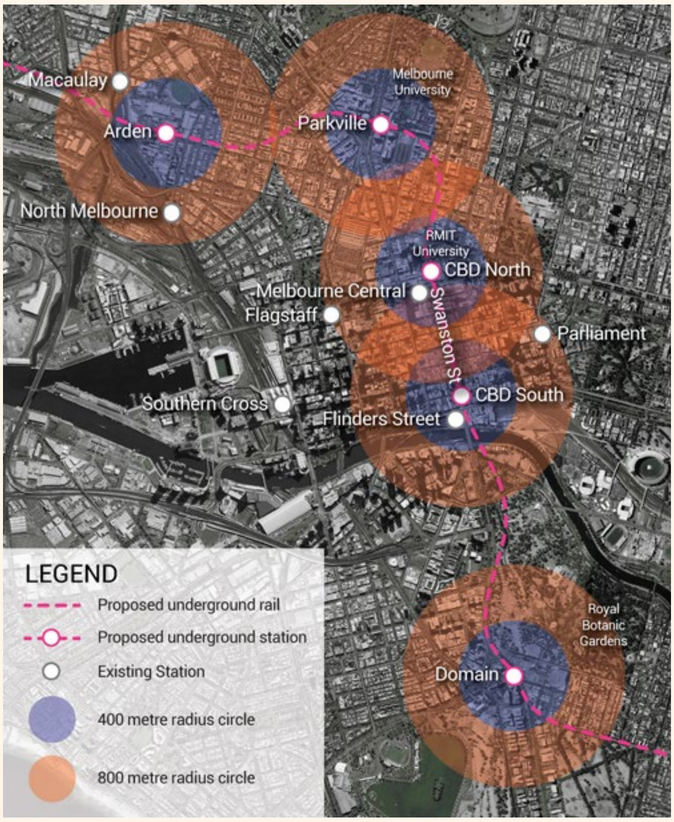

Figure 8. Proposed metro stations.

North Melbourne residential houses experienced a 5% increase in value in 2014 and the suburb is likely to continue growing steadily as the metro station and urban renewal come into effect.

If designed with a transit-oriented development approach, this station will result in significant investment in the area, creating an activity hub as an extension of the CBD. This will link more workers to employment, improve accessibility to a variety of services for people living in the western and northern suburbs, encourage affordable housing and help curb Melbourne's urban sprawl (Cervero & Duncan, 2002).

Parkville

The station at Parkville will bring many benefits to residential properties in the area. There are no other existing train stations in the area, so residents of Parkville, North Melbourne and Carlton can all expect to be positively affected.

In 2014, houses in Parkville grew by 11% compared to the previous year. As demand for houses in this region is already so high, it is likely that the metro will only increase the demand and push prices up even further to unprecedented levels.

Apartments will likely see a reversal of the current trend of slightly declining value (down 3% in 2014).

More families may choose to move to the area due to the ease of commuting to private schools in the east for their children.

Unlike Arden-Macaulay, there is not a lot of opportunity for development in this region. Vacant commercial property and land is sparse, mostly occupied by the University of Melbourne and hospitals. There will be little effect on the commercial market here.

CBD North & CBD South

In the short term, there will be mostly negative impacts until the project is complete. The construction of the twin tunnels along Swanston Street will cause large disruptions for businesses and commuters in this area - one of the busiest in Melbourne's CBD. Business owners and traders that rely on foot traffic are understandably distressed.

Generally, there is recognition that the project will bring many more long term benefits including increased commercial productivity once the metro line is built. Commercial property adjacent to Swanston Street will be negatively affected up until the expected completion date of 2026. With increased accessibility and foot traffic, commercial properties within the 400 metre radius of the new stations can expect to greatly increase in value as the project nears completion.

Residential properties in these regions can expect less substantial positive effects due to the high amount of existing public transport options in the CBD.

The metro stations will be a great marketing tool for residential developments aimed towards overseas investors and may push up prices slightly for new release apartments. A new, modern and dynamic train station will be highly regarded, particularly amongst the Asian population.

Domain

Domain station will bring widespread benefits to property values and encourage further development within the vicinity of the station. The commercial office spaces and cafes in the area can expect to substantially increase in value as more people pass through or choose to work there due to easier access. Residential properties up to 800 metres away, and perhaps those further out, can also expect to increase in value.

Property in South Melbourne and South Yarra should continue to experience high growth rates as the area surrounding the station develops further. South Melbourne will perhaps see the greatest growth since they currently have no proper train station and rely on a very congested light rail network.

Conclusion

The five proposed metro stations will increase accessibility in areas which are not currently serviced by any train station. Ease of access, especially to the CBD, is one of the most important features home buyers consider when choosing to purchase a property. A further premium can be applied if the station is within walking distance. Many negative features of living nearby a train station will not apply to the Melbourne Metro Rail Project since the underground stations will be out of sight.

The new metro rail stations in Arden, Parkville and Domain will have the greatest short term impact on property value.

The long term benefits these stations will bring to each area include further investment and more intense land use of inner city regions. Modified consumer location preferences will create new hubs of activity, easing pressure on the CBD as being the principle place of employment in Melbourne.

The Melbourne Metro railway will increase the capacity and efficiency of Melbourne's train network, easing traffic congestion on our roads and tram lines. Over the long term, the metro's effects will enable Melbourne to continue to grow as one of the world's most liveable cities.

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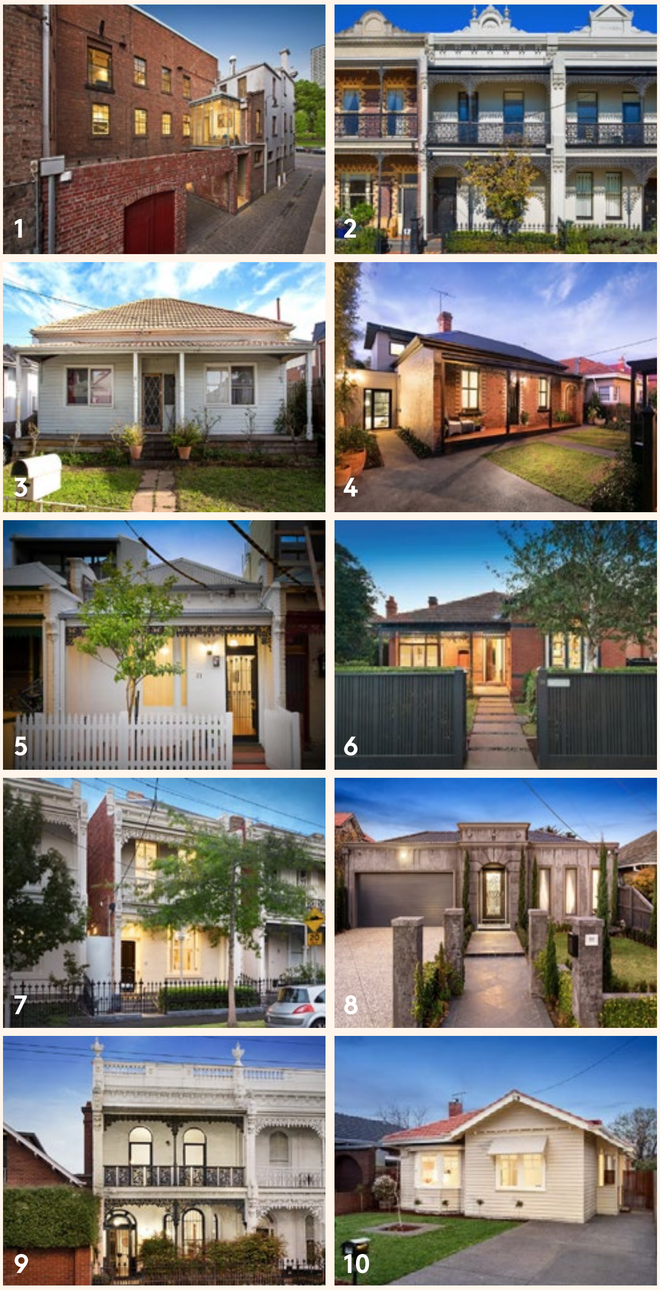
Residential Review

by Ken Premtic



1 **$1,605,000** 4-6 Phoenix Lane, West Melbourne
2 **$1,920,000** 10 Bell Street, Fitzroy
3 **$1,511,000** 10 Millward Street, Brunswick
4 **$2,820,000** 11 Mitchell Street, Northcote
5 **$1,098,000** 21 O'Connor Street, Brunswick East
6 **$2,650,000** 34 Airlie Avenue, Prahran
7 **$3,600,000** 52 Millswyn Street, South Yarra
8 **$1,625,000** 66 Cooper Street, Essendon
9 **$2,346,000** 116 Canterbury Road, Middle Park
10 **$1,420,000** 151 Shaftesbury Parade, Thornbury

Market shrugs off winter freeze

Uncertainty in the macroeconomic environment still persists. Greece's bail out and the volatility of the Chinese sharemarket are still ongoing points of concern. The higher volatility is leading many to continue to invest in the property market.

Both the ANZ and Commonwealth banks have increased interest rates for property investors by 0.29%, which might be an early headwind to the Spring market.

Melbourne's auction clearance rate dropped to its lowest point in three months. The adjustment in investment rates for investors may have been the contributing factor. Despite the clearance rate dropping, some of the results were still pushing to new heights. According to Secret Agent's rolling quarters, both houses and townhouses gained further price increases for another quarter.

Melbourne's median house price surpassed $700,000 for the first time, with Sydney now exceeding the $1,000,000 mark.

Winter auction listings are 20% higher than they were back in 2014. This is a reflection of the confidence in the current market by sellers. There has been a lower than average number of listings for high quality property above the $1,500,000 mark. As a result, these quality offerings in inner Melbourne have received large premiums recently, with demand outperforming supply. This should ease a little as we approach Spring and a higher volume of quality homes come onto the market.

The suburbs currently booming according to Secret Agent's scorecard data are Abbotsford, Brunswick, Brunswick East, Northcote and South Yarra. It is interesting to note that suburbs performing the best are those that offer the most value for money and are within close proximity to the CBD. The exception to this is property in South Yarra.

Commercial Review

by Ken Premtic

The commercial property market has accelerated this month with many properties selling for unprecedented results. This could be attributed to the considerable decline in the Chinese stock market over the past two months, with a recent 8.5% decline in one day. The volatile sharemarket is proving to have implications for both the residential and commercial sectors of the Melbourne real estate market.

Lower interest rates, coupled with the plunging Australian dollar, is causing many foreign investors to turn to commercial property as the attractive alternative. This has been evident in the past month with Chinese developer activity significantly increasing - many Chinese developers are purchasing sites across inner Melbourne and the CBD fringe.

319-325 Swanston Street is situated in one of Melbourne's busiest pedestrian positions, on the corner of Swanston Street and little Lonsdale Street, and sold for a record price of $26 million to a Malaysian investor. This represents a strong square metre value of $82,000, breaking new ground. The investor was one of five other foreign investors taking interest in the property. It offered a secure 8-10 year lease, 4-5% fixed annual rental growth per annum and a rental income of $1,014,000 per annum.

Another impressive result nearby at 123 Swanston Street, an 8 storey heritage building with a $438,400 per annum rental income, sold for $15.8 million.

We can expect this trend to continue in the commercial market over the coming months.

1 **Undisclosed** 22 Singleton Street, Collingwood
2 **$2,700,000** 41 Grosvenor Street, Abbotsford
3 **$3,020,000** 111 Brighton Road, Elwood
4 **$15,800,000** 123 Swanston Street, Melbourne
5 **Undisclosed** 149 Gipps Street, Abbotsford
6 **Undisclosed** 295 Clarendon Street, South Melbourne
7 **$26,000,000** 319-325 Swanston Street, Melbourne
8 **Undisclosed** 386 Smith Street, Collingwood
9 **Undisclosed** 392 Albert Street, East Melbourne
10 **$5,700,000** 702 Station Street, Box Hill

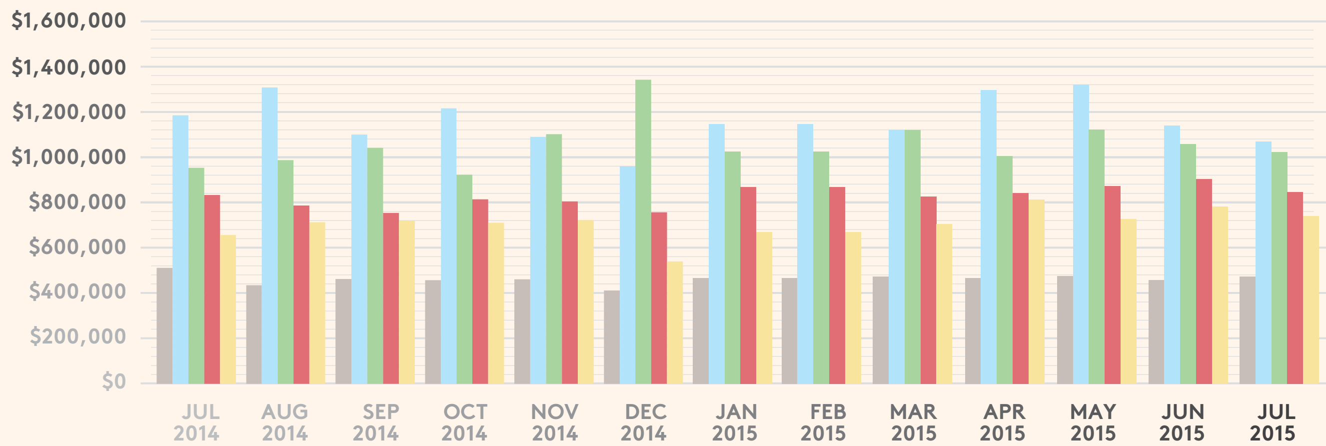
Quarterly Scorecard

MAY, JUN & JUL 2015

	Apartments	Houses	Townhouses
QUARTERLY GROWTH/DECLINE	-0.09% ↓	+7.43% ↑	+3.17% ↑
MEDIAN PRICE	$539,540	$1,192,500	$910,000
AVERAGE PRICE	$605,635	$1,399,718	$1,005,893
MEDIAN SQM	-	$5,408 +5.24% ↑	$6,047 -10.88% ↓
STOCK INVENTORY	3224 +0.09% ↑	322 +35.86% ↑	90 +1.11% ↑
BOOM	East Melbourne ↑	Abbotsford ↑ Brunswick ↑ Brunswick East ↑ Northcote ↑ South Yarra ↑	-
BUST	Brunswick ↓ Collingwood ↓ Fitzroy ↓ Hawthorn ↓ Kensington ↓ Melbourne ↓ Prahran ↓ Richmond ↓ Southbank ↓	Cremorne ↓ Collingwood ↓ Fitzroy ↓ Middle Park ↓ Prahran ↓ Richmond ↓	-

YEAR ON YEAR LOOK

Median Prices



JULY 2014 - JULY 2015 GROWTH/DECLINE

- -7.89% CBD Apartments
- -8.94% Inner South Apartments, Townhouses and Houses (A,T & H)
- +8.43% Inner East (A,T & H)
- +1.88% Inner North (A,T & H)
- +11.38% Inner West (A,T & H)

NOTES

- Inner suburb houses continued to grow in median price by around 8%, while apartments experienced practically no change in median prices, continuing last month's trend. Median prices of townhouses grew at a slightly larger 3.17%.
- Since July last year, houses and townhouses in the inner West and East have gained the most in real terms, at 11.38% and 8.43% respectively. The inner North saw real, annual price increases of less than 2%.
- Many more suburbs join the apartment bust list and only East Melbourne has managed three consecutive rolling quarters of growth in average apartment prices.

LEGEND

1. Inner Melbourne is defined by suburbs falling into the 8km radius of the CBD.
2. Overall growth/decline is based on changes in median price between quarters.
3. A boom! is recorded when a category records three consecutive quarters of positive growth.
4. A bust! is recorded when a category records two consecutive quarters of negative growth.

Quarterly Turnover

MAY, JUN & JUL 2015

		PREVIOUS QUARTER (FEB, MAR, APR 2015)				CURRENT QUARTER (MAY, JUN, JUL 2015)			
		Apartments	Apartments (by area)	Houses & Townhouses	Houses & Townhouses (by area)	Apartments	Apartments (by area)	Houses & Townhouses	Houses & Townhouses (by area)
Central	Docklands	3.98%	1.39%	2.22%	2.22%	4.18%	1.69%	8.89%	10.46%
	Melbourne	1.01%		-		1.41%		-	
	Southbank	1.13%		-		1.19%		1.57%	
Inner North	Brunswick	1.24%	0.95%	0.88%	0.81%	1.63%	1.21%	0.84%	0.89%
	Brunswick East	1.42%		0.92%		2.08%		0.92%	
	Carlton	0.84%		1.14%		0.91%		0.83%	
	Carlton North	0.95%		0.86%		1.71%		0.72%	
	Clifton Hill	0.60%		1.14%		0.40%		1.47%	
	Collingwood	1.32%		0.19%		1.59%		1.02%	
	Fitzroy	1.00%		1.02%		1.19%		0.57%	
	Fitzroy North	1.08%		0.99%		1.24%		1.01%	
	North Melbourne	0.29%		0.10%		0.66%		0.94%	
	Northcote	1.29%		0.87%		1.81%		0.87%	
	Parkville	0.82%		0.29%		0.70%		0.72%	
	Princes Hill	-		-		-		0.32%	
Inner East	Abbotsford	2.43%	1.35%	1.27%	1.19%	1.56%	1.69%	0.96%	1.33%
	Burnley	-		0.49%		-		0.49%	
	Cremorne	-		0.39%		0.55%		0.39%	
	East Melbourne	1.56%		0.53%		1.75%		0.71%	
	Hawthorn	1.19%		1.10%		1.36%		1.10%	
	Prahran	1.34%		1.45%		2.05%		1.82%	
	Richmond	1.39%		1.31%		1.65%		1.36%	
	South Yarra	1.36%		1.13%		1.88%		1.72%	
Inner South	Albert Park	0.98%	1.35%	0.68%	1.18%	0.79%	1.58%	0.59%	0.88%
	Middle Park	1.05%		1.19%		0.63%		0.85%	
	Port Melbourne	1.60%		1.68%		1.94%		1.23%	
	South Melbourne	1.13%		1.19%		1.43%		0.79%	
Inner West	Flemington	1.01%	1.38%	1.01%	0.94%	0.77%	1.50%	1.01%	1.14%
	Kensington	2.07%		0.99%		2.15%		1.02%	
	Travancore	0.62%		0.74%		2.70%		0.37%	
	West Melbourne	1.53%		0.60%		1.30%		2.61%	

Total sales for the period against total housing supply. Table compiled from data collected from February to July 2015.
Total private dwellings information from the 2011 Census Report from the Australian Bureau of Statistics.

Apartments

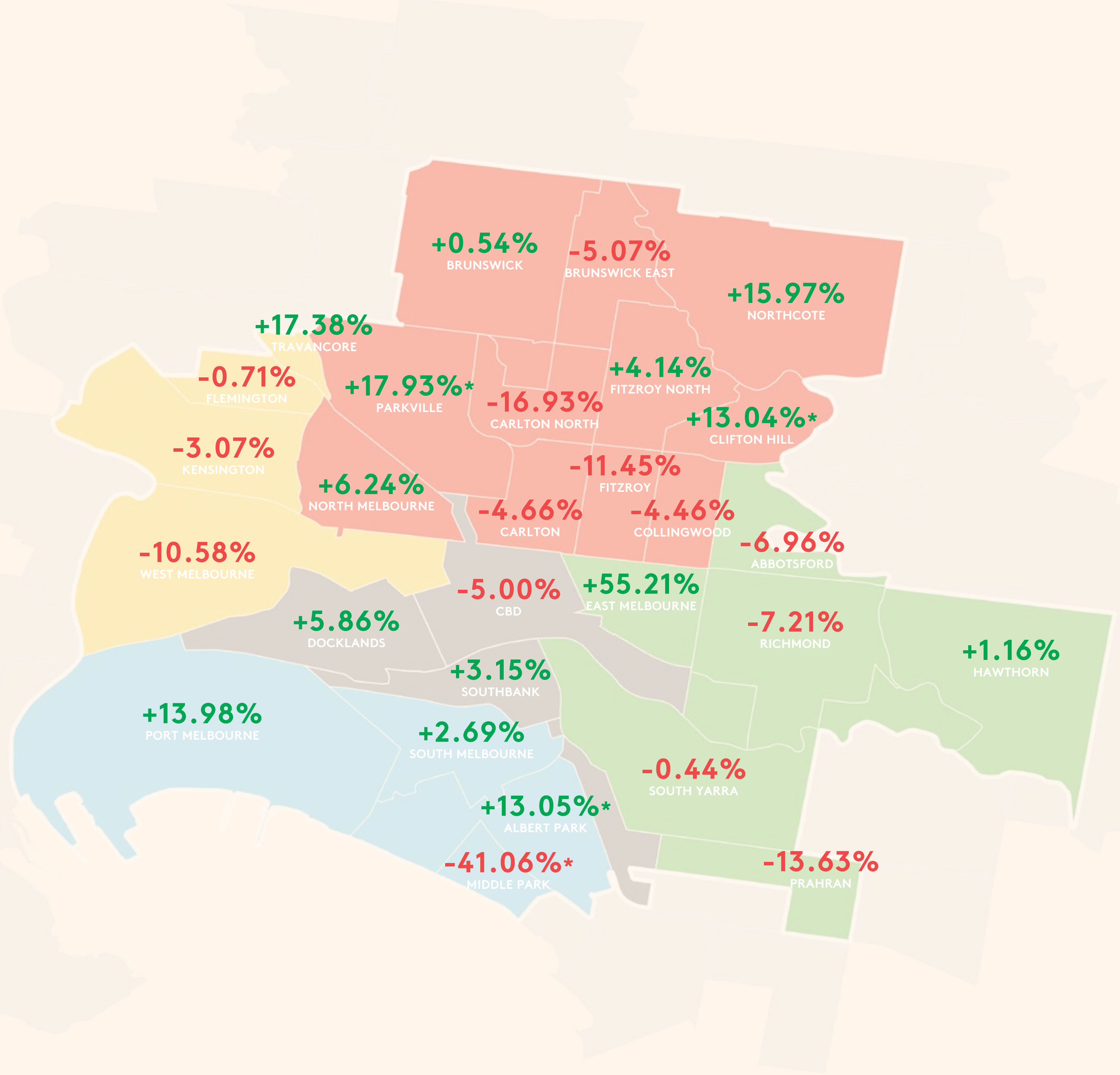
PRICE COMPARISONS BY ROLLING QUARTERS

	PREVIOUS QUARTER (FEB, MAR, APR 2015)				CURRENT QUARTER (MAY, JUN, JUL 2015)					
	Average Price	Median Price	Lowest Sale	Highest Sale	Average Price	% change	Median Price	% change	Lowest Sale	Highest Sale
Docklands	$736,731	$590,375	$360,000	$1,880,000	$714,920	↓ -2.96%	$625,000	↑ 5.86%	$355,000	$1,560,000
Melbourne	$602,731	$500,000	$165,000	$2,120,000	$549,990	↓ -8.75%	$475,000	↓ -5.00%	$185,000	$2,100,000
Southbank	$707,298	$516,250	$295,000	$2,800,000	$605,112	↓ -14.45%	$532,500	↑ 3.15%	$300,000	$1,528,500
Brunswick	$465,477	$462,500	$260,000	$775,000	$485,442	↑ 4.29%	$465,000	↑ 0.54%	$225,000	$1,290,000
Brunswick East	$508,717	$488,000	$285,000	$917,500	$454,806	↓ -10.60%	$463,250	↓ -5.07%	$267,500	$617,500
Carlton	$441,790	$364,500	$125,000	$1,185,000	$395,550	↓ -10.47%	$347,500	↓ -4.66%	$138,000	$1,200,000
Carlton North	*$557,400	*$632,000	$385,000	$730,000	$606,714	↑ 8.85%	$525,000	↓ -16.93%	$300,000	$1,410,000
Clifton Hill	*$638,000	*$575,000	$449,000	$890,000	*$650,000	↑ 1.88%	*$650,000	↑ 13.04%	$325,000	$975,000
Collingwood	$648,889	$628,000	$185,000	$1,025,000	$642,462	↓ -0.99%	$600,000	↓ -4.46%	$395,000	$1,351,000
Fitzroy	$789,477	$705,000	$120,000	$1,400,000	$629,607	↓ -20.25%	$624,250	↓ -11.45%	$276,000	$865,000
Fitzroy North	$532,000	$537,750	$350,000	$770,000	$590,464	↑ 10.99%	$560,000	↑ 4.14%	$350,000	$930,000
North Melbourne	$529,333	$481,000	$420,000	$818,000	$530,700	↑ 0.26%	$511,000	↑ 6.24%	$310,000	$760,000
Northcote	$461,857	$429,000	$261,000	$750,000	$488,369	↑ 5.74%	$497,500	↑ 15.97%	$235,000	$783,000
Parkville	*$545,200	*$580,000	$390,000	$650,000	*$702,333	↑ 28.82%	*$684,000	↑ 17.93%	$413,000	$1,010,000
Princes Hill	-	-	-	-	-		-		-	-
Abbotsford	$841,500	$805,000	$291,000	$1,525,000	$733,714	↓ -12.81%	$749,000	↓ -6.96%	$270,000	$1,275,000
Burnley	-	-	-	-	-		-		-	-
Cremorne	-	-	-	-	*$474,000		*$474,000		$474,000	$474,000
East Melbourne	$696,273	$618,500	$379,000	$1,920,000	$1,154,900	↑ 65.87%	$960,000	↑ 55.21%	$400,000	$3,815,000
Hawthorn	$631,239	$519,000	$120,500	$2,095,000	$583,294	↓ -7.60%	$525,000	↑ 1.16%	$105,000	$1,990,000
Prahran	$544,522	$576,000	$134,500	$980,000	$537,977	↓ -1.20%	$497,500	↓ -13.63%	$115,000	$1,410,000
Richmond	$522,606	$506,500	$270,000	$1,650,000	$515,363	↓ -1.39%	$470,000	↓ -7.21%	$284,000	$1,205,000
South Yarra	$719,743	$562,500	$245,000	$5,150,000	$655,988	↓ -8.86%	$560,000	↓ -0.44%	$260,000	$2,450,000
Albert Park	*$750,000	*$525,000	$475,000	$1,670,000	*$663,500	↓ -11.53%	*$593,500	↑ 13.05%	$537,000	$930,000
Middle Park	*$1,005,000	*$895,000	$635,000	$1,485,000	*$641,167	↓ -36.20%	*$527,500	↓ -41.06%	$511,000	$885,000
Port Melbourne	$755,640	$601,000	$364,000	$1,850,000	$910,872	↑ 20.54%	$685,000	↑ 13.98%	$377,000	$3,300,000
South Melbourne	$700,033	$622,000	$356,000	$1,531,000	$739,900	↑ 5.70%	$638,750	↑ 2.69%	$227,500	$2,200,000
Flemington	$429,706	$423,000	$274,000	$686,000	$414,077	↓ -3.64%	$420,000	↓ -0.71%	$285,000	$596,000
Kensington	$519,156	$488,000	$361,000	$775,000	$454,012	↓ -12.55%	$473,000	↓ -3.07%	$315,000	$565,000
Travancore	*$355,167	*$328,000	$317,500	$420,000	$426,813	↑ 20.17%	$385,000	↑ 17.38%	$285,000	$695,000
West Melbourne	$613,000	$643,000	$415,000	$861,000	$665,778	↑ 8.61%	$575,000	↓ -10.58%	$415,000	$1,361,000

Table compiled from data collected from February to July 2015. A dash indicates no recorded sales for the quarter, inability to show a quarterly change or no quarterly change. Directional arrows indicate change in comparison to the previous rolling quarter. * indicates an average or median value calculated using 5 sales or less.

Apartments

QUARTERLY MEDIAN CHANGE BY SUBURB



Based on data collected from February to July 2015. Princes Hill, Burnley and Cremorne were omitted due to insufficient data.
* indicates a median value calculated using 5 sales or less.

Houses

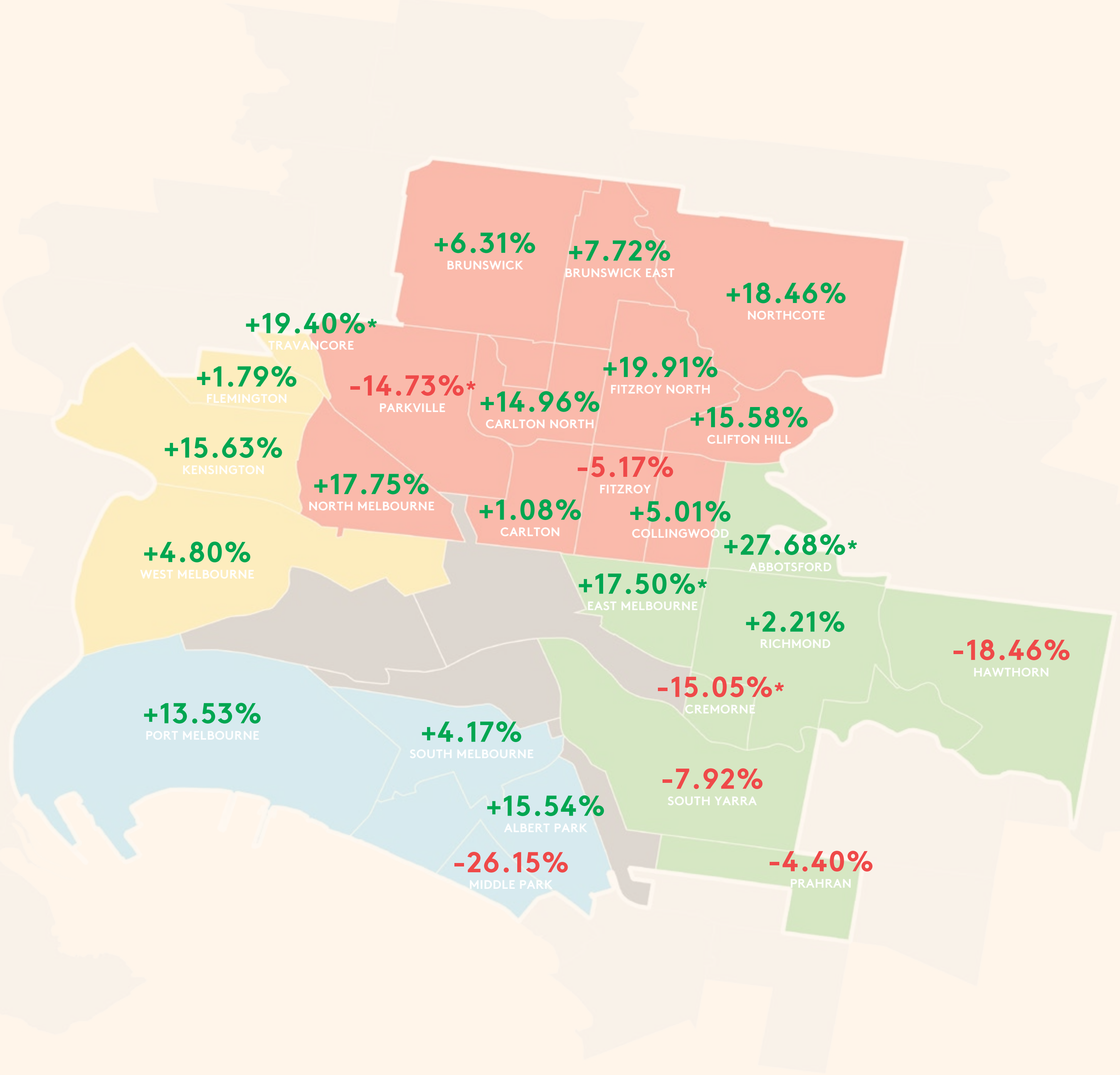
PRICE COMPARISONS BY ROLLING QUARTERS

	PREVIOUS QUARTER (FEB, MAR, APR 2015)				CURRENT QUARTER (MAY, JUN, JUL 2015)					
	Average Price	Median Price	Lowest Sale	Highest Sale	Average Price	% change	Median Price	% change	Lowest Sale	Highest Sale
Docklands	-	-	-	-	-		-		-	-
Melbourne	-	-	-	-	-		-		-	-
Southbank	-	-	-	-	-		-		-	-
Brunswick	$877,323	$832,000	$645,000	$1,340,000	$923,013	↑ 5.21%	$884,500	↑ 6.31%	$610,000	$1,900,000
Brunswick East	$859,293	$835,500	$670,000	$1,200,000	$1,012,692	↑ 17.85%	$900,000	↑ 7.72%	$840,000	$1,450,000
Carlton	$1,422,367	$1,202,000	$790,000	$2,780,000	$1,235,000	↓ -13.17%	$1,215,000	↑ 1.08%	$740,000	$2,060,000
Carlton North	$1,157,806	$1,052,500	$660,000	$2,231,000	$1,365,846	↑ 17.97%	$1,210,000	↑ 14.96%	$810,000	$2,920,000
Clifton Hill	$1,124,975	$998,000	$752,000	$1,945,000	$1,296,875	↑ 15.28%	$1,153,500	↑ 15.58%	$929,000	$2,006,000
Collingwood	*$883,000	*$848,000	$741,000	$1,060,000	$905,083	↑ 2.50%	$890,500	↑ 5.01%	$618,000	$1,420,000
Fitzroy	$1,635,733	$1,335,000	$862,000	$3,580,000	$1,358,889	↓ -16.92%	$1,266,000	↓ -5.17%	$892,000	$2,385,000
Fitzroy North	$1,274,017	$1,120,000	$740,000	$3,571,000	$1,486,214	↑ 16.66%	$1,343,000	↑ 19.91%	$740,000	$3,400,000
North Melbourne	*$845,000	*$845,000	$845,000	$845,000	$1,022,042	↑ 20.95%	$995,000	↑ 17.75%	$688,500	$1,551,000
Northcote	$1,006,844	$921,000	$600,000	$1,860,000	$1,157,522	↑ 14.97%	$1,091,000	↑ 18.46%	$642,500	$2,820,000
Parkville	*$1,695,000	*$1,695,000	$1,515,000	$1,875,000	*$1,423,875	↓ -16.00%	*$1,445,250	↓ -14.73%	$855,000	$1,950,000
Princes Hill	-	-	-	-	*$1,136,500		*$1,136,500		$973,000	$1,300,000
Abbotsford	$935,182	$925,000	$610,000	$1,250,000	*$1,276,600	↑ 36.51%	*$1,181,000	↑ 27.68%	$805,000	$2,180,000
Burnley	-	-	-	-	*$865,000		*$865,000		$865,000	$865,000
Cremorne	*$1,167,500	*$1,167,500	$1,110,000	$1,225,000	*$991,750	↓ -15.05%	*$991,750	↓ -15.05%	$986,000	$997,500
East Melbourne	*$2,778,333	*$2,000,000	$1,720,000	$4,615,000	*$2,433,333	↓ -12.42%	*$2,350,000	↑ 17.50%	$1,800,000	$3,150,000
Hawthorn	$2,953,121	$2,370,000	$865,000	$9,000,000	$2,230,924	↓ -24.46%	$1,932,500	↓ -18.46%	$465,000	$6,850,000
Prahran	$1,429,520	$1,250,000	$820,000	$2,650,000	$1,278,214	↓ -10.58%	$1,195,000	↓ -4.40%	$819,000	$2,380,000
Richmond	$1,228,292	$1,131,250	$720,000	$2,740,000	$1,201,935	↓ -2.15%	$1,156,250	↑ 2.21%	$110,000	$2,500,000
South Yarra	$1,915,781	$1,846,250	$680,000	$4,290,000	$2,194,632	↑ 14.56%	$1,700,000	↓ -7.92%	$820,000	$4,555,000
Albert Park	$1,478,053	$1,480,000	$840,000	$2,520,000	$1,919,167	↑ 29.84%	$1,710,000	↑ 15.54%	$1,160,000	$4,210,000
Middle Park	$2,942,100	$2,390,000	$1,051,000	$5,500,000	$2,537,000	↓ -13.77%	$1,765,000	↓ -26.15%	$1,210,000	$5,750,000
Port Melbourne	$1,426,125	$1,308,000	$765,000	$4,560,000	$1,692,964	↑ 18.71%	$1,485,000	↑ 13.53%	$820,000	$3,690,000
South Melbourne	$1,407,361	$1,200,000	$750,000	$3,210,000	$1,427,778	↑ 1.45%	$1,250,000	↑ 4.17%	$750,000	$2,365,000
Flemington	$1,148,000	$840,000	$570,000	$2,900,000	$985,292	↓ -14.17%	$855,000	↑ 1.79%	$660,000	$2,120,000
Kensington	$912,467	$800,000	$530,000	$1,350,000	$967,538	↑ 6.04%	$925,000	↑ 15.63%	$590,000	$1,410,000
Travancore	*$837,500	*$837,500	$715,000	$960,000	*$1,000,000	↑ 19.40%	*$1,000,000	↑ 19.40%	$1,000,000	$1,000,000
West Melbourne	*$1,030,500	*$1,030,500	$980,000	$1,081,000	$1,111,786	↑ 7.89%	$1,080,000	↑ 4.80%	$730,000	$1,660,000

Table compiled from data collected from February to July 2015. A dash indicates no recorded sales for the quarter, inability to show a quarterly change or no quarterly change. Directional arrows indicate change in comparison to the previous rolling quarter. * indicates an average or median value calculated using 5 sales or less.

Houses

QUARTERLY MEDIAN CHANGE BY SUBURB



Based on data collected from February to July 2015. Docklands, Melbourne, Southbank, Princes Hill and Burnley were omitted due to insufficient data.
* indicates a median value calculated using 5 sales or less.

Townhouses

PRICE COMPARISONS BY ROLLING QUARTERS

	PREVIOUS QUARTER (FEB, MAR, APR 2015)				CURRENT QUARTER (MAY, JUN, JUL 2015)					
	Average Price	Median Price	Lowest Sale	Highest Sale	Average Price	% change	Median Price	% change	Lowest Sale	Highest Sale
Docklands	*$6,100,000	*$6,100,000	$6,100,000	$6,100,000	*$1,183,500	↓ -80.60%	*$1,183,500	↓ -80.60%	$888,000	$1,479,000
Melbourne	-	-	-	-	-		-		-	-
Southbank	-	-	-	-	$1,172,500		$1,172,500		$1,145,000	$1,200,000
Brunswick	$694,000	$685,000	$460,000	$893,000	*$788,000	↑ 13.54%	*$805,000	↑ 17.52%	$735,000	$825,000
Brunswick East	$752,875	$725,500	$575,000	$1,085,000	$703,000	↓ -6.62%	$730,000	↑ 0.62%	$458,000	$850,000
Carlton	-	-	-	-	*$1,152,500		*$1,152,500		$1,075,000	$1,230,000
Carlton North	-	-	-	-	-		-		-	-
Clifton Hill	*$1,115,000	*$1,115,000	$1,115,000	$1,115,000	$990,667	↓ -11.15%	$992,000	↓ -11.03%	$835,000	$1,185,000
Collingwood	-	-	-	-	-		-		-	-
Fitzroy	*$1,401,000	*$1,401,000	$1,401,000	$1,401,000	-		-		-	-
Fitzroy North	*$804,000	*$680,000	$620,000	$1,150,000	$1,047,929	↑ 30.34%	$950,000	↑ 39.71%	$750,000	$1,468,000
North Melbourne	*$760,000	*$760,000	$760,000	$760,000	*$700,000	↓ -7.89%	*$700,000	↓ -7.89%	$630,000	$770,000
Northcote	$828,125	$820,000	$650,000	$1,142,000	$786,929	↓ -4.97%	$771,000	↓ -5.98%	$715,000	$912,500
Parkville	-	-	-	-	*$940,000		*$940,000		$940,000	$940,000
Princes Hill	-	-	-	-	-		-		-	-
Abbotsford	*$652,733	*$578,275	$577,500	$802,425	*$837,750	↑ 28.34%	*$759,500	↑ 31.34%	$737,000	$1,095,000
Burnley	*$1,030,000	*$1,030,000	$1,030,000	$1,030,000	-		-		-	-
Cremorne	-	-	-	-	-		-		-	-
East Melbourne	-	-	-	-	*$1,380,000		*$1,380,000		$1,380,000	$1,380,000
Hawthorn	$1,093,429	$1,055,000	$629,000	$1,400,000	$1,017,857	↓ -6.91%	$899,000	↓ -14.79%	$461,000	$1,508,000
Prahran	*$998,250	*$925,000	$885,000	$1,258,000	*$1,195,000	↑ 19.71%	*$1,195,000	↑ 29.19%	$1,000,000	$1,390,000
Richmond	$1,087,111	$1,068,000	$667,000	$1,400,000	$1,062,471	↓ -2.27%	$980,000	↓ -8.24%	$800,000	$2,000,000
South Yarra	$1,333,750	$1,166,250	$615,000	$2,600,000	$1,197,500	↓ -10.22%	$1,180,000	↑ 1.18%	$810,000	$1,710,000
Albert Park	*$1,382,000	*$1,382,000	$1,382,000	$1,382,000	*$910,000	↓ -34.15%	*$910,000	↓ -34.15%	$890,000	$930,000
Middle Park	*$963,000	*$963,000	$963,000	$963,000	-		-		-	-
Port Melbourne	$1,067,250	$928,000	$735,000	$1,632,500	$1,362,045	↑ 27.62%	$1,290,000	↑ 39.01%	$1,100,000	$1,990,000
South Melbourne	*$1,438,000	*$1,438,000	$1,438,000	$1,438,000	$1,311,667	↓ -8.79%	$1,105,000	↓ -23.16%	$885,000	$2,200,000
Flemington	*$634,667	*$610,000	$599,000	$695,000	-		-		-	-
Kensington	$687,545	$637,500	$516,000	$1,041,000	$812,846	↑ 18.22%	$810,000	↑ 27.06%	$590,000	$1,030,000
Travancore	-	-	-	-	-		-		-	-
West Melbourne	*$935,000	*$935,000	$935,000	$935,000	*$725,000	↓ -22.46%	*$725,000	↓ -22.46%	$650,000	$800,000

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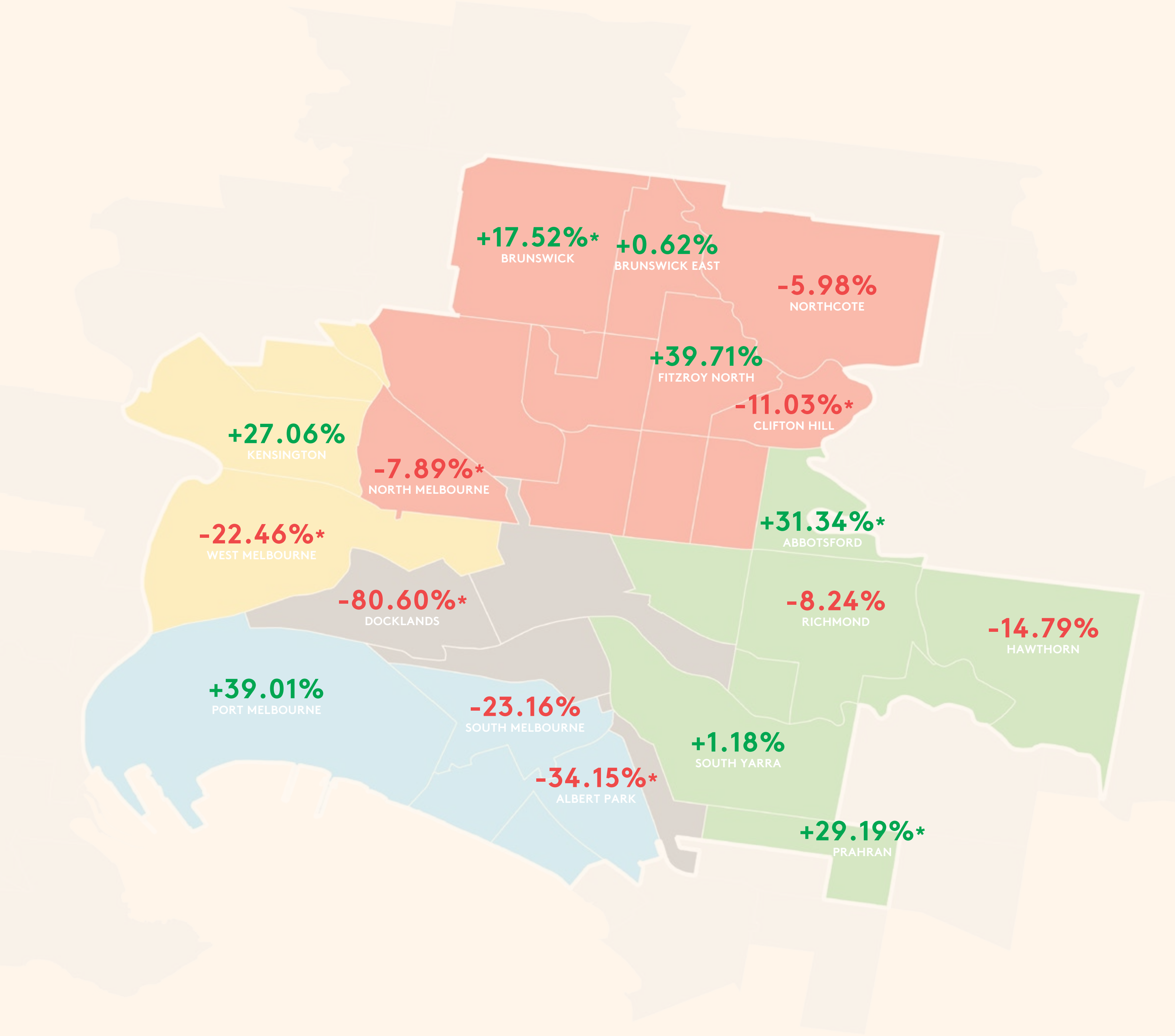
Townhouses

QUARTERLY MEDIAN CHANGE BY SUBURB



Based on data collected from February to July 2015. Melbourne, Southbank, Carlton, Carlton North, Collingwood, Fitzroy, Parkville, Princes Hill, Burnley, Cremorne, East Melbourne, Middle Park, Flemington and Travancore were omitted due to insufficient data. * indicates a median value calculated using 5 sales or less.

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SECRET
INSIDE PERSPECTIVE
AGENT

The data upon which this report is based was sourced from: The Australian Bureau of Statistics (abs.gov.au/census), The Department of Human Resources, Google Maps, Land Victoria (land.vic.gov.au), propertydata.com.au, realestateview.com.au, realestate.com.au, domain.com.au, Fairfax, Residex, various individual real estate agents operating in inner Melbourne, and other specialised sources as noted in the content.

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