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AGENT



THE SECRET AGENT REPORT

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Downsizing

SPECIAL REPORT

CONTENTS

APRIL 2014

3 **HOW TO DOWNSIZE - SPECIAL REPORT**
Jodie Walker

10 **OFFSHORE INVESTMENT**
Paul Osborne

Table 1
 Total Approvals by Value and Number
 2009-10 to 2012-13

11 **Table 2**
State and Territory distribution of proposed
investment in real estate in 2012-13 (FIRB)

12 **Table 3**
Approvals by Country of Investor in 2012-13
Industry Sector (FIRB)

13 **RESIDENTIAL UPDATE**
Paul Osborne

14 **COMMERCIAL UPDATE**
Julian Faelli

15 **INNER MELBOURNE HIGHEST SALES & TURNOVER RATES**

Table 4
 Inner Melbourne Quarterly Turnover (Total Sales for
 the period against total housing supply)

16 **Inner Melbourne Apartments - Price Comparisons**


 **Table 5**
 Apartments - Price Comparisons

Figure 1
 Apartments - Quarterly Median Change (%)

18 **Inner Melbourne Townhouses - Price Comparisons**


 **Table 6**
 Townhouses - Price Comparisons

Figure 2
 Townhouses - Quarterly Median Change (%)

20 **Inner Melbourne Houses - Price Comparisons**


 **Table 7**
 Houses - Price Comparisons

Figure 3
 Houses - Quarterly Median Change (%)

22 **Acknowledgements**

COVER IMAGE

This cover image is a slight tip of the hat to the wonderful film poster for Hitchcock's *Vertigo*, created by the masterful Saul Bass.

Rather than using the 'whirlpool of terror' imagery, we've cleaned it up! Downsizing may seem daunting, but this special report by our resident Investigator, Jodie Walker helps to clarify and promote new ways of thinking about the task.

Saul Bass (1920-1996) created imagery for many films, for great directors such as Alfred Hitchcock and Stanley Kubrick. His distinct typographic style has enjoyed many 'revivals' over the years, and the playfulness of his imagery is still celebrated today.

"DESIGN IS THINKING MADE VISIBLE."

- Saul Bass

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

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HOW TO DOWNSIZE - SPECIAL REPORT

JODIE WALKER

Downsizing has become a popular trend recently as more and more people sell their family home in the suburbs to move to a smaller dwelling, usually closer to the city centre. Recent studies have shown that the changing economic and social landscape in Australia is influencing downsizing amongst older Australians.

Secret Agent has noticed an increase in the proportion of downsizing demographics in its customer base over the past few years. These customers have come to us looking to move from their property further out, to a smaller, lower maintenance property, closer to the CBD. Many of the desired properties sought are larger floor plan apartments with access to outdoor areas such as a balcony. A view and natural light are also crucial motivating factors when choosing what and where to downsize to.

We at Secret Agent expect that there will be an increase in this trend for people to downsize over the coming decade. To make this process less daunting we have put together the following How to Guide.

WHAT IS DOWNSIZING?

Downsizing generally refers to making something smaller, for example a business may be downsized by reducing the number of staff. In this report we will be talking about downsizing a property. This is not as simple as removing the extension that you built 20 years ago, but rather involves a transition into a smaller home. This may be smaller in terms of the block of land or garden area or number of bedrooms, or it may be smaller in terms of moving from a large suburban house to an inner city apartment, unit or townhouse.

WHO IS DOWNSIZING?

In Australia, the term downsizing is usually associated with the movement of older Australians in the property market. The latest data indicates that the majority of downsizers are those in the baby boomer generation (born 1946-1964). Historically, the housing dream for Australians was to own a large detached home. These were usually found in the suburbs and as each suburb became less affordable, people moved outwards to the next available suburb. We are now seeing a reverse of this trend due to changing expectations and attitudes amongst Baby Boomers and subsequent generations. More and more people are choosing to live in the inner city for the lifestyle conveniences it allows. By default they have to move into smaller blocks or high density apartments in order to do this. With urbanization upon us, baby boomers and older Australians are not the only people choosing to downsize.

MOTIVATIONS FOR DOWNSIZING

Every person has a different reason for wanting to downsize. For some it may be purely based on location. Urbanisation has caused a dramatic increase in the number of people choosing to live in the city.

RATHER THAN MOVE OUT TO A LARGE DWELLING IN OUTER SUBURBIA, LIVING CLOSE TO TRANSPORT AND LIFESTYLE DESTINATIONS HAS BECOME THE NEW DREAM.

Others may choose to downsize because they desire less maintenance. Reducing the amount of rooms, number of levels or size of the garden will greatly simplify life and open up time to spend on more enjoyable activities. Further, it may make more sense to transition to a smaller place once the kids have moved out of home. There are many downsizers who move to town in order to be closer to their children and grandchildren.

According to the recent report by the Australian Housing and Urban Research Institute (AHURI), the major contributing factor for downsizing is lifestyle preferences with 38% of downsizers choosing this from a list of 15 circumstances which included inability to maintain their house (27%), location dissatisfaction (1%), finances (10%) and death of spouse (10%). The family home itself no longer has the purpose of creating a sense of identity, but rather has the purpose of being "a place which provides access to cultural sites where lifestyle and consumption can be enacted." (Olsberg and Winters, 2005, 81)

In the report this was most evident amongst the cohort of Baby Boomers in the 50-59 age bracket where 42% expect to move to a smaller dwelling or a different location in the near future. One in five of these Baby Boomers wish to downsize so that they can release capital and live an easier lifestyle. Home and garden maintenance, walking proximity to shops and health services, and ill-health were other important reasons for people wanting to downsize, especially in the older age brackets. There are people who see the attractiveness of one level as they age, especially if they already have issues with their joints when walking up stairs. One of the biggest factors in stopping people from moving was leaving their friends in the area.

HOW TO DOWNSIZE

Deciding on the Location.

This is one of the most important things to get right. Urbanisation means that most people are wanting to live in the inner city. However there are still good and not so good pockets amongst these inner suburbs. For example- Carlton is one of the most walkable suburbs in Melbourne. If you want good proximity to shops, cafes and transport then it would be good to live here. Whilst North Melbourne is desirable in terms of its proximity to the city, the suburb itself is less walkable as some parts are actually quite a distance to the main strip or public transport options.

If you want to be close to the bay then suburbs such as Albert Park or Port Melbourne may be attractive. If you want to be close to a variety of restaurants and cafes then Collingwood or Brunswick may be more ideal. For some people they may wish to downsize to a smaller property close to a town centre but within a suburban area. For example, a quieter suburb such as Ivanhoe which is well connected and serviced but not as noisy and congested as the inner city.

In Sydney, Surry Hills and Paddington are great for proximity to shops and transport, whilst Double Bay is ideal for those looking to be near the harbour as well as the city.

In general, we find that people will normally spend quite a bit of time in a particular suburb by visiting friends or going to cafes in the area, before choosing to live there. This is supported by evidence which suggests there is usually some emotional connection to a suburb or area before moving there. (AHURI,2014) This may also involve moving back to an area where they spent time during their past. For example, someone that went to University in Parkville may be happy downsizing to Carlton as they already have some familiarity with the area. If you don't have a connection with a particular suburb, consider renting for a year first. It is important to get a feel of a suburb before buying there, as each is unique and may be better suited to a certain type of person.

Choosing the Right Property (Floor plans, Aspect, Storage).

With investors, first home buyers and older Australians all showing keen interest in the inner city property market, competition for smaller houses is only getting stronger. This has seen a proliferation of town-house developments as well as higher quality apartment buildings, especially in the inner suburbs. This trend means that in some suburbs houses outnumber townhouses and apartment blocks. For example, according to the 2006 census, over half of the homes in Footscray, Victoria, were houses. Compare this to the 2011 census and the number drops significantly. Only 47% of

dwelling were houses with the majority being townhouses and apartments. (REIV, 2013) Townhouses and apartments now represent 40% of new dwellings being built, whilst 10 years ago they were less than a third. (Janda, 2013)

High density living is the norm in the inner city suburbs. Whilst many people are happy to move to a smaller property, the transition from a house with windows on all four sides and a large, private backyard, to a two bedroom apartment with only a small balcony and windows on one side, may be more difficult than imagined.

Generally downsizers desire a property that is on one level (without stairs), has a small and manageable garden and has good neighbours. However, there are many additional things to be aware of when looking for the most suitable property for your needs. No matter how happy you are with the lifestyle amenities surrounding you, if you are not satisfied with certain aspects of your new home, this happiness may not be sustained.

It is important to determine what it is in your current home that is most important to you and try to find a property that includes these. Also make note of the things that don't matter so much to you. When you are looking, keep these in mind and don't get caught up in the moment and compromise on any of these priorities. For example, aspect and views may be highly important to you if you are used to living in a house with lots of natural light and parkland views. If this is the case then an apartment overlooking a busy road may not be right for you. Further it may be necessary to choose a small villa unit or townhouse to allow for more natural light. Other things that may be important to consider is outdoor space, internal and external storage, the size of individual rooms, ceiling heights and floor coverings.

The AHURI (2014) reported a number of factors which resulted in a downsizer being satisfied with their new property. These included:

- Less maintenance and time needed for cleaning and gardening
- Having enough space to entertain friends and family
- Adequate storage
- A safe location and good security
- Functional layout of floor plan
- Easy accessibility
- Good owners corporation
- Proximity to shops and transport

In terms of floor plan, one of the most important factors for apartments is the aspect. Since many apartments don't have windows on all sides, some may be very dark if not facing the right way. Also related to aspect is the amount of privacy this allows. If the balcony faces out onto another block of apartments that are directly opposite then privacy may be greatly compromised.

Similarly, security may be compromised in a ground floor apartment as opposed to one on a higher level. On the flip side, if an apartment is on the top floor it will be necessary to ensure the block has a decent lift. Older blocks with stairs will therefore be ruled out- unless exercise is part of your plan!

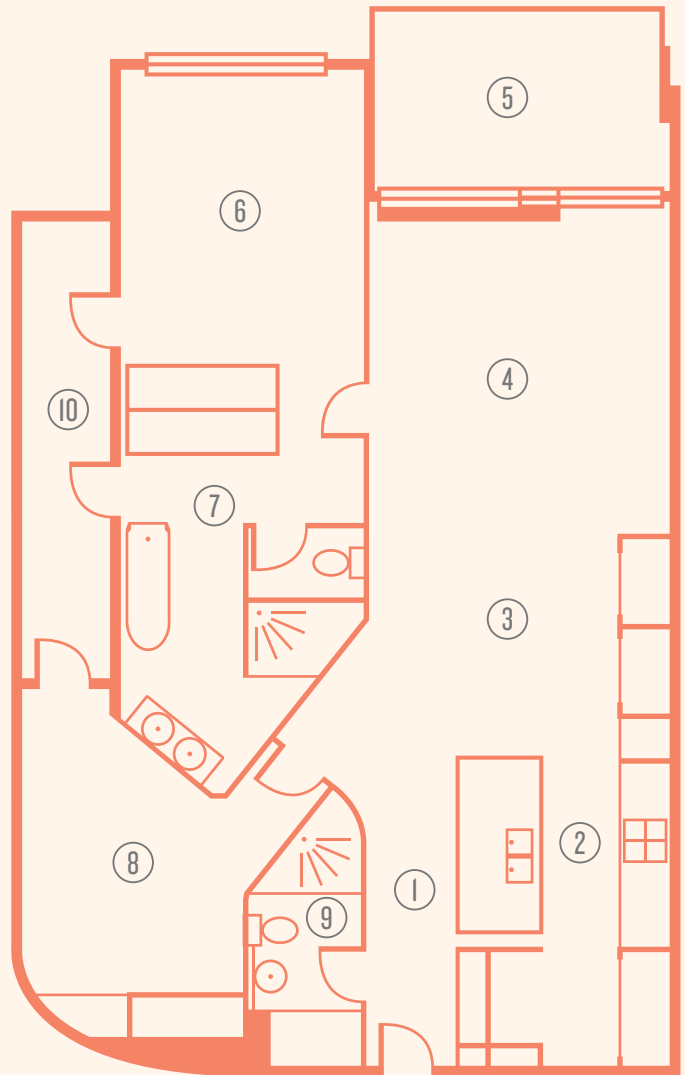
As with any situation there are always exceptions. Secret Agent has helped many clients, who have previously downsized to the inner city, upsize. For example, they may have moved from the suburbs into a generous two bedroom apartment in South Melbourne and then to a huge double storey terrace down the road. Or as illustrated in Case Study D, we have helped clients to find an inner city site to create their dream home. When it comes to property everyone has different needs and desires. You must identify these early on and find the best option that works for you!

The key theme is having accommodation that is easy to navigate, makes allowances for living with an older body, and is centrally located to amenities. In other words, we are finding that the need to be close to services such as shops, transport, hospitals as well as the grandkids is super important.

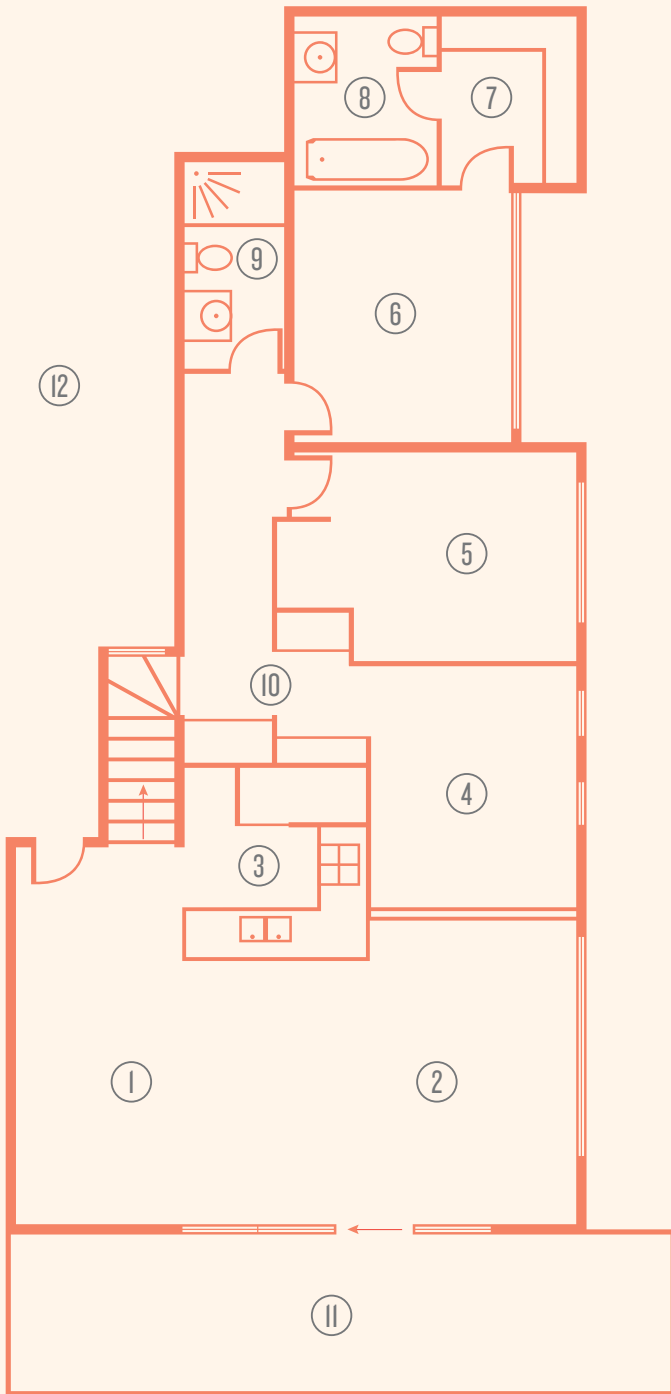
The Ideal Example / Perfect Floor Plan for a Downsizer

We have compiled a few examples of the perfect floor plan. Notable features are highlighted.

Example 1 (Right): This apartment in Carlton's Garden house development is suited to downsizers with it's good sized master bedroom. There is a large master bathroom and ample storage for clothes - an area where many apartments are lacking. Whilst the second bedroom is small, it's big enough to be a good study and accommodate the grandkids when they come to visit. The kitchen is big enough to cook in every day and there is a pantry area for storage. The living opens out onto a deep balcony with a great outlook over Carlton Gardens.



- ① Entry
- ② Kitchen
- ③ Dining
- ④ Living
- ⑤ Balcony
- ⑥ Bedroom with Robe
- ⑦ Ensuite Bathroom
- ⑧ Bedroom
- ⑨ Bathroom
- ⑩ Light Court
(Doors to rooms are glazed)



- | | |
|---------------------|---|
| ① Dining | ⑨ Bathroom |
| ② Living Area | ⑩ Storage / Laundry |
| ③ Kitchen | ⑪ Terrace |
| ④ Study | ⑫ Not in Place:
2 x Undercover Car Spaces
Storage Cage
Store (Beneath Study) |
| ⑤ Bedroom with Robe | |
| ⑥ Bedroom | |
| ⑦ Walk in Robe | |
| ⑧ Ensuite | |

Example 2 (Left): This is almost an ideal floor plan for a couple downsizing to a apartment. A large living/dining area opens out onto a generous terrace, allowing entertaining. There are two good sized bedrooms and a generous study. Separately zoned spaces such as this are needed when more time is spent in a apartment. It's important to have somewhere to go to read a book in peace and quiet!

Things to plan for/anticipate

- Reduced car space. It may take some getting used to parking on the street in suburbs such as Carlton and Fitzroy in Melbourne, or the tight streets of Surrey Hills in Sydney.
- Giving up one car. Car sharing is popular in the inner city as is collaborative consumption of other items.
- Pets may not be happy in an apartment building if used to having lots of room to run around. Some apartments also have restrictions on pets being allowed.
- Noise! Inner city living will always be noisier than a quiet suburban neighbourhood. Consider proximity to trams, restaurants, main roads and how noisy they are when you are inside. How the walls have been insulated will also make a difference between neighbours.
- Light and darkness. If your apartment window faces onto a main road the blinds may not be good enough to completely block a street lamp. A northern aspect may help provide the right lighting for during the day.
- Access to street. Think about the route you will need to take to get your grocery shopping back to your apartment. Ideally you don't want to have to walk too far and a lift may be required if on top floors.
- Storage. No matter how hard you try a 100sqm apartment will never fit as much in as your double storey suburban mansion. Consider having less things but of a higher quality so they last longer.

An interview of downsizers by the AHURI (2014) indicated the most common difficulties faced when downsizing:

- lack of availability of suitable housing type
- affordability of housing
- moving away from network of friends, local shops and services
- downsizing belongings/furniture in order to move

Secret Agent decided to ask some of our clients a few questions about their recent experience in downsizing. Their answers may help provide you will helpful advice and perspectives. They are reported in the following case studies.

CASE STUDY A - NICHOLAS

Where did you move from and how did you decide on your final location?

We are moving from Bulleen (Melbourne, Victoria) and from a fairly large house with plenty of storage. We wanted to move out of the suburbs and closer to the city and the activities we enjoy - music, theatre, cinema and eating out. We also wanted to be closer to public transport.

What do you love about the current floor plan and what do you dislike?

The aspects of the floor plan we like include entryway (not directly into the living room); north facing with windows in every room except the bathroom; the position of the kitchen in relation to the living area; the large and private terrace; the wooden floors; and the gas cooktop. We don't like the size of the bedrooms - small in comparison to our current ones; the lack of storage; the small laundry; and no storage cage. We will be putting in bookshelves, revamping the laundry and BIRs and adding a pantry to increase storage.

How do you think this property will meet your needs in the future?

We hope it will provide a secure, low maintenance and comfortable base to allow us to enjoy the lifestyle on offer in Brunswick East and the Melbourne CBD.

If you were to offer advice to a prospective downsizer, what tips would you give?

Identify the 'must have' (e.g close to transport, on one level; usable balcony; natural light) aspects and differentiate from 'nice to have' (e.g gas cooktop; floorboards; laundry room) aspects. Be prepared to spend a lot of time searching - visit the suburbs you are interested in and check out local facilities. Walk around the neighbourhood. Talk to locals about the pros and cons of living in the area. Check with the local council about planned developments or changes to zoning in the suburb. Seek independent advice on property values and previous sales history of any property you are interested in. Get a property report which may uncover problems not immediately visible. Consider using a buyer's advocate to secure your property. Give yourself ample time to de-clutter and plan for the move. Be prepared to pay for professional assistance. Recognize that downsizing is inevitably time consuming and stressful.

Do you have any further comments about things such as natural light, outdoor space, aspect, quality of workmanship, availability of car spaces?

Pleased with lack of noise from the street. Would prefer one car space rather than two in exchange for a storage cage.

CASE STUDY B - DIANA

Where will you move from and how did you decide on your final location?

Moving from a farm in New Zealand. Close to family, public transport, shops, beach and with advice from Secret Agent on area.

What do you love about the current floor plan and what do you dislike?

I love the walk through wardrobe to ensuite from the main bedroom, and having a separate study. I love the size of the floor plan. Don't really dislike anything, a larger veranda would have been great.

How do you think this property will meet your needs in the future?

I like that the property is great for me to live in now and that in the future if my circumstances change that it is a highly desirable rental property as well.

If you were to offer advice to a prospective downsizer, what tips would you give?

Look at a wide variety of properties, even those that are beyond your budget to get an idea of what is available, and also to see how they are lived in by the current occupants. Don't take your current furniture with you, start afresh!

Do you have any further comments about things such as natural light, outdoor space, aspect, quality of workmanship, availability of car spaces?

I was thrilled that the apartment complex had a swimming pool and gym within the complex. Coming from a farm privacy was a real issue for me and the property meets that requirement.

CASE STUDY C - MARTIN AND PATRICIA

Where did you move from and how did you decide on your final location?

Moved from Sale, Vic. Final location was decided on factors such as work locality, proximity to public transport and distance from Melbourne CBD. Given that we had lived on 5 acres, with extensive rural views, aspect was a very important factor, therefore when we found a house overlooking a park – we couldn't have been more pleased.

What do you love about the current floor plan and what do you dislike?

We love the open living space upstairs. It's a clever design and optimises the view over the park with an extensive outdoor living area. The hardest part has been moving from a six bedroom home with extensive shedding, to a smaller urban property (townhouse). We were forced to de-clutter (which wasn't such a bad thing) – but certainly, we have noticed the distinct reduction of storage space. Having had a 'parents retreat' up one end of the house was also a nice factor in our former home where as this is more compact. Not a particularly big deal given that are children don't live with us full time any more, but you tend to notice the lack of privacy when you have guests staying over.

How do you think this property will meet your needs in the future?

As we have downsized, the smaller floor space will be a bonus as there is less daily up-keep required both indoors and outdoors. Its proximity to everything is a real bonus that makes accessibility much easier than it was for us previously. With all of the public transport at our doorstep, we're even thinking of downsizing to a single car!

If you were to offer advice to a prospective downsizer, what tips would you give?

If coming from out of area, use a Property Advocate. Also ensure that you list your requirements...use Essential Requirements and Desirable Requirements...that way you can compare properties against each other in an analytical way and not be driven by emotion and possibly end up with something that doesn't meet your needs. Be prepared to change over some furniture – we got rid of some bulky items, and have purchased some bits that 'fit' the new home really well. Declutter Declutter Declutter! It's pretty hard when you first start, but it's actually quite cathartic. We had a garage sale and donated lots of stuff to the Salvation Army (also hired a skip bin and filled it frighteningly fast!)

Do you have any further comments about things such as natural light, outdoor space, aspect, quality of workmanship, availability of car spaces?

We are both fans of natural light and open spaces - coming from a country area, so that was important for us. Additionally, quality workmanship and finish is imperative. Whilst we have a double garage, you'd be pushing it to fit two average sized cars into it (you could do it if you didn't have anything else in there). Fortunately we have access to 3 parking spaces along our street (resident/visitor) so this is a real bonus. A big consideration for us was parking because we have lots of friends and family who live regionally who would drive to visit us and require parking. In the end, this became one of our key selection criteria after a few experiences squeezing down some narrow one-way lanes to attend open house inspections.

CASE STUDY D - SUE

Where are you moving from and how did you decide on your final location of West Melbourne?

We're moving from a high-rise apartment in Southbank. It was important to us to be right next to the city as we both have a lot of meetings in town and having lived in Southbank for 8 years- we knew how convenient it was to be within walking distance of the CBD. West Melbourne is serviced by the City Circle and the loop for public transport, and it's only 15 minutes to the airport. The site itself is also north facing which was really important to me as we know we can have natural light throughout the day.

In creating a new home within the inner city, what are you placing emphasis on in regards to the floor plan?

The new home establishes generous office space with an adjoining meeting room or board room. We have an entire floor dedicated to work (as well as an outdoor deck) with direct lift access from the entrance. That way we won't have business associates traipsing through the house. One of the key reasons for moving from the Southbank apartment, is the lack of outdoor space. So every level of the new house incorporates terraces and internal courtyards.

How long do you intend to live there and how have you considered the build within this context?

This will be our last house so we have included a lift for old age access, an additional bedrooms with en suites for a live in nurse. Hopefully that's a long way off and the rooms actually get used by grandchildren in the meantime. We've also allowed for an extra car park for people staying overnight.

If for any reason we did have to sell, we have ensured that the property would be attractive for the next owner. For example it has 3 bedrooms even though we only need one.

If you were to offer advice to a prospective downsizer, what tips would you give?

Over the years you collect a lot of material possessions. Throwing it out is quite liberating as you simply don't need it. Unclutter your mind and think about what's important to you. Being close to major sporting facilities or the river or restaurants can be a great lifestyle choice. Decide what's important to you, and go for it.

Do you have any further comments about things such as natural light, outdoor space, aspect, quality of workmanship, availability of car spaces?

We wanted a high quality home and found that the best way of achieving this was to use a great architect with similar views on materials and craftsmanship.

Secret Agent hopes you have enjoyed our special downsizing feature. We believe this 'how to guide' will provide useful advice for prospective downsizers and help make the task less daunting. We encourage you to contact Secret Agent at any time if you require further assistance with any aspect of downsizing your home.

A SUMMARY OF DOWNSIZING TIPS

1

Identify the 'must have' (e.g close to transport, on one level; usable balcony; natural light) aspects and differentiate from 'nice to have' (e.g gas cooktop; floorboards; laundry room) aspects.

2

Recognize that downsizing is inevitably time consuming and stressful, yet fulfilling in the long term.

3

Look at a wide variety of properties, even those that are beyond your budget to get an idea of what is available, and also to see how they are lived in by the current occupants. Don't take your current furniture with you, start afresh!

4

If coming from out of area, use a Property Advocate. Also ensure that you list your requirements...use Essential Requirements and Desirable Requirements...that way you can compare properties against each other in an analytical way and not be driven by emotion and possibly end up with something that doesn't meet your needs.

5

Find a property with quality workmanship and finish.

6

Over the years you collect a lot of material possessions. Throwing it out is quite liberating as you simply don't need it. Unclutter your mind and think about what's important to you. Being close to major sporting facilities or the river or restaurants can be a great lifestyle choice. Decide what's important to you, and go for it.

OFFSHORE INVESTMENT

PAUL OSBORNE

"Australia has one of the most expensive property markets in the world...We forecast Chinese buying power will increase as the economy develops and the population becomes wealthier. They (Chinese) purchased \$24bn of Australian housing over the past seven years; we forecast they (Chinese) will purchase \$44bn over the next seven, to 2020"

Credit Suisse - 'Australian Investment Strategy' 4th March 2014

The most recent FIRB (Foreign Investment Review Board) 'Annual Report' is an interesting account of offshore investment from foreign lands to Australia. Commencing with a word from the chairman of the FIRB to Joe Hockey, it's straight to point. China is mentioned as one of the most important foreign investment factors within Australia.

Foreign investment data lags well behind current conditions. Here we will explore the 2012/2013 'Annual Report' which has only just been released over the past month.

The country on everyone's lips is China. While Australia does receive higher foreign investment from the USA and Switzerland, it is the direct investment into real estate that we are interested in for the purposes of this report.

IN THE PROPERTY SPACE, IT IS CLEAR THAT CHINA PROVIDES THE MOST ACTIVE SOURCE OF INBOUND CAPITAL.

According to Credit Suisse, there are 1.1 Million Chinese that can easily afford to buy an apartment in Australia's most expensive market Sydney. They estimate that this number will increase 30% by 2020 and could support a further \$44 Billion

of Australian real estate transactions over the coming seven years. Of all new housing supply the Chinese are currently acquiring 12%. If we look closer into the capital cities we see a more concentrated pace with Chinese acquisitions accounting for 18% of new supply in Sydney and 14% in Melbourne.

Secret Agent believes that the pace of offshore investment into Australia will continue to accelerate, particularly from mainland China. The true figures may be far higher than the report from the FIRB suggests. It is not uncommon for family members with citizenship to purchase on behalf of foreign investors, particularly from Asia.

Discussed in Secret Agent Reports over the past 12 months has been the attraction of Australia to a country such as China and why moving forward this is set to increase. The main reasons being:

- Australia's largest capital cities, while expensive on a world wide index, still look cheap when compared to super cities such as Beijing and Shanghai.
- Most real estate in China is not wholly owned but on leasehold arrangement. We note that the Chinese are long term thinkers and consider generational investment.
- To get a freestanding home within a capital city is very hard to do within the big cities of China.
- Investment is not just about returns but also about capital protection. The Australian regulatory environment and level of trust is a great place to park capital and is a great hedge against homeland instability and sovereign risk.
- The Australian dollar remains high by historical standards. With a rising Chinese currency and potential easing of the Australian currency, the buying power of the Chinese will most likely improve.

Table 1: Total Approvals by Value and Number 2009-10 to 2012-13

Value of Proposal	2009 - 10		2010-11		2011-12		2012-13	
	No.	\$b	No.	\$b	No.	\$b	No.	\$b
< \$1 million	3,402	1.55	8,417	4.45	8,770	4.43	10,458	5.42
≥ \$1 million & < \$50 million	611	5.2	1,400	7.2	1,421	8.3	1,793	9.4
≥ \$50 million & < \$100 million	94	6.8	108	7.7	126	9.0	159	11.1
≥ \$100 million & < \$500 million	154	34.7	218	49.7	229	51.8	188	40.9
≥ \$500 million & < \$1 billion	35	22.9	36	23	44	28.3	31	22.2
≥ \$1 billion & < \$2 billion	14	18.2	24	32.2	24	34.3	12	18.7
≥ \$2 billion	13	50	16	52	8	35	6	28
TOTAL	4,323	139.5	10,219	176.7	10,622	170.7	12,647	135.7

This table was recreated from the Foreign Investment Review Board (FIRB) Annual Report 2012-13. (Table 2.3 of FIRB Annual Report, pg 23) Note: Totals may not add due to rounding. Excludes corporate reorganisations (84 in 2012-13). The 2009-10 figures were impacted by changes to the screening arrangements for residential real estate, as announced in April 2010.

- Countries like Canada have scrapped some of their visa schemes. This will put further visa pressures on the Australian system.

Below is a summary of the most interesting findings from the FIRB Annual Report:

- There were 12,731 applications approved by the FIRB in 2012-2013. Of these, 7,196 were approved subject to conditions, while 5,535 were without any conditions being imposed. All conditional approvals were in the real estate sector. Note that there were no rejections for applications in 2012-2013 compared to 13 rejections in 2011-2012.
- During 2012-2013, 446 proposals were withdrawn by the applicants. 76% involved real estate proposals. Most from applicants applying before upcoming auctions and then withdrawing the applications if they were unsuccessful at auction.
- There is an increasing trend for foreign investment into Australia. Interesting to note is the rise of applications being rejected in the boom years of 2007-2008 and 2010-2011 while the flat patches of the market 2008-2009 (Financial Crisis) and 2012-2013 show almost no rejections. Perhaps public pressure could be related to either the rise or fall of rejections by the FIRB.
- (Table 1) A remarkable point is the size of applications to the foreign investment review board under \$1 Million tripling since 2009-2010. This is good evidence to the rise of international property investors looking to secure Australian property assets under \$1Million.
- Real Estate is the largest sector for foreign investment. Mineral exploration and development is not far behind with just a slice of applications lodged compared to real estate. It goes without saying that the sheer investment into the mining space means large individual applications without the same frequency as property related ones.
- 2012-2013 actually witnessed a slight decline in international investment from overseas. The total approved investment fell from \$59.1 Billion to \$51.9 Billion.
- Approved proposals for existing property is up to a record 5,091 approved applications for the 2012-2013 year. Also, "Off the plan" has been at a record high on approved applications as have vacant land applications.
- We've noticed much more activity around the commercial real estate market. Existing commercial property applications approved has jumped to 248 (\$19.24 Billion) up from 107 (\$7.11 Billion) in 2009 - 2010. We note, that applications only need to be made if the commercial property is valued at more than \$54 Million, or is a heritage listed commercial property and is above \$5 Million. Vacant commercial property has gone up tenfold since 2009-2010 with 2012-2013 producing just over \$7 Billion approved land proposals by offshore development groups.
- (Table 2) State by state distribution of proposed investment reveals that Victoria has the most applications lodged out of any state. Victoria having 4,573 number of approvals compared to NSW's 3,580 shows a particular attraction to the Victorian region.
- Victoria appears to be the main source of attraction for offshore investors, particularly in "off the plan" property and existing dwellings. Land for development (both commercial and residential) appears to be favoured in Victoria over NSW. However, for existing large commercial property, NSW is the heavyweight. A large \$8.18 Billion was approved to be invested into NSW

Table 2: State and Territory distribution of proposed investment in real estate in 2012-13

Location	Number of Approvals	Residential (\$b)		Commercial (\$b)		TOTAL (\$b)
		Developed	For Development	Developed	For Development	
Various	107	2.17	0.45	12.45	1.16	16.22
New South Wales	3,580	1.34	4.24	8.18	0.55	14.31
Victoria	4,573	1.56	4.22	2.57	0.93	9.28
Queensland	1,734	0.59	1.27	1.14	3.87	6.87
Western Australia	1,267	0.46	0.43	1.99	1.06	3.94
ACT	123	0.04	0.09	-	-	0.13
South Australia	567	0.19	0.09	0.19	0.43	0.89
Northern Territory	30	0.01	0.00	0.02	0.00	0.04
Tasmania	44	0.01	0.02	-	0.21	0.23
TOTAL	12,025	6.36	10.80	26.55	8.20	51.91

This table was recreated from the Foreign Investment Review Board (FIRB) Annual Report 2012-13. (Table 2.10 of FIRB Annual Report, pg 31) (a) Comprises approved proposals where the proposed investment is to be undertaken in more than one state or territory. Note: Totals may not add due to rounding. '-' indicates a figure of zero.

Table 3: Approvals by Country of Investor in 2012-13 — Industry Sector

Country	Number of Approvals	Agriculture, forestry and fishing (\$m)	Finance and Insurance (\$m)	Manufacturing (\$m)	Mineral Exploration & Development (\$m)	Real Estate (\$m)	Resource Processing (\$m)	Services (\$m)	Tourism (\$m)	TOTAL (\$m)
USA	264	880	1,647	1,563	5,381	4,406	60	6,666	25	20,627
Switzerland	51	-	-	12	15,763	346	-	2,266	-	18,387
China	6,102	328	23	957	8,273	5,932	-	291	-	15,803
Canada	218	553	-	355	1,545	4,926	25	6,987	-	14,392
UK	1,197	-	159	494	3,198	1,671	-	1,318	-	6,849
Japan	111	-	129	-	2,906	895	-	654	-	4,589
Qatar	26	11	-	-	3,461	-	-	-	-	3,482
Singapore	675	380	-	-	189	2,008	-	562	-	3,145
Malaysia	894	-	-	826	147	1,600	-	198	-	2,785
Germany	113	-	129	253	-	769	330	635	-	2,117
New Zealand	34	-	-	82	60	644	-	1,116	-	1,903
UAE	45	-	-	-	15	885	-	809	-	1,709
South Korea	114	-	11	643	19	903	-	-	-	1,579
Hong Kong	251	14	18	350	386	649	-	74	-	1,491
South Africa	223	-	-	-	31	953	-	306	-	1,290
France	122	-	69	36	730	100	-	333	-	1,273
Spain	15	-	-	-	32	325	-	830	-	1,187
Netherlands	56	-	-	-	22	229	-	858	-	1,109
Other	2,332	205	79	725	1,570	10,216	-	767	-	13,561
Sub Total	12,843	2,396	2,279	6,299	43,728	37,457	422	24,669	25	117,279
Australia	578	461	645	210	1,414	14,450	-	1,241	-	18,420
TOTAL	13,421	2,858	2,924	6,509	45,142	51,907	422	25,909	25	135,699

This table was recreated from the Foreign Investment Review Board (FIRB) Annual Report 2012-13. (Table 2.11 of FIRB Report, pg 32) Note: Totals may not add due to rounding. '-' indicates a figure of \$10 million or less.

commercial property compared with \$2.57 Billion in the Victorian commercial property space. We can presume that the bigger cities of Sydney and Melbourne were the greatest beneficiaries of this investment, however the report does not break this down further.

(Table 3) Approvals by country also helps reveal a lot about inbound capital to Australia. The largest foreign investor nations into Australia are the USA and Switzerland. However this is going into other industries within the Australian economy. In terms of real estate, China is the largest contributor of capital into the Australian property space with over 6,000 approvals being granted and also having the largest dollar spend out of any country. The USA and Canada are also large property investors, however this is more to do with the commercial property space. Singapore and Malaysia are notable for their share of property approvals into Australian property.

The above points illustrate the changes occurring with foreign investment in Australia. We may be at just the very start of an accelerating trend of Asian dominated investment into the country. Many reports can easily exaggerate the influence of the elusive Asian buyer in present conditions, however moving forward, this could be the new reality. Home owners are thinking seriously about whether their home will suit this particular demographic and developers have for many years been building to meet the requirements of our near neighbours.

In a globalised world, capital should be encouraged rather than discouraged, into entering local markets. Our economy depends on it.

RESIDENTIAL UPDATE

PAUL OSBORNE

The previous month has provided for good stock selection within Melbourne's key inner city suburbs.

MARCH IS ALWAYS ONE OF THE GREAT MONTHS OF THE YEAR WHEN IT COMES TO CHOICE.

General inconsistency within pricing can still be found, which is a good thing for prospective purchasers provided they have patience.

Coming from a high volume in the past 6 weeks, it is fair to ask what is the availability of buying power? Stock absorption has been plentiful which tends to lead to a softening at the end of these periods. With the upcoming Easter and Anzac Day weekends in April, the auction cycle will slow down meaning a reduction in stock levels.

There are a few standout performing suburbs for this quarter in comparison to the previous quarter. In the housing market, South Melbourne was most notable for percentage median growth with a 54% increase, however there were slightly fewer sales. For apartments, Docklands showed signs of an improvement with a modest 5% median growth. The highest and lowest sales in this quarter were significantly higher values than the last quarter for apartments in Docklands. Townhouses performed particularly well in the east with Hawthorn and South Yarra having good percentage median changes of 42% and 32% respectively.



- ① 90 Gipps St, East Melbourne - \$5,275,000
- ② 87 St Vincent Place, Albert Park - \$4,300,000
- ③ 15 Wynnstay Road, Prahran - \$3,985,000
- ④ 222-224 McKean St, Fitzroy North - \$3,724,000
- ⑤ 170-174 Cardigan St, Carlton - \$3,400,000
- ⑥ 37 Airlie St, South Yarra - \$2,710,000
- ⑦ 16 Dundas Place, Albert Park - \$2,172,500
- ⑧ 115 Beaconsfield Parade, Albert Park - \$2,170,000

COMMERCIAL UPDATE

JULIAN FAELLI

There have been a number of large transactions in progress in the commercial market space over the past month, the biggest probably being the listing of the Block Arcade in the CBD, with a asking price of \$100 million. It's prime position on the corner of Collins and Elizabeth streets will ensure a comparative price.

In a more realistic price range we saw a vacant warehouse space at 1 Errol Place in North Melbourne sell for \$1,267,500. It was a 260m² shell, that offered access off two laneways. The sale price equated to \$4875/m². The warehouse was in a mixed use zone and will suit a variety of possible uses form residential to commercial. Located at the southern end of Errol St nearest the city we feel there is good value in the location moving into the future.

Four identical terraces at No. 67,69,71 and 73 Gertrude Street were sold on the 12th of March in a very competitive series of auctions. The buildings all had secure leases in place, but were well underlet in light of the sale prices ranging from \$800-905,000 each. The results are another indicator that this location has well and truly come of age and is now gaining maturity. It's proximity to the top end of the CBD will ensure it isn't just a phase.

In the office market a full 293m² office floor at 100 Collins St was sold by CBRE recently for \$1.6 million. It did have a dated fit out that would need renewal before re leasing but at a \$5460/m² it was a reasonably good buy. The prominent position on Collins Street would ensure a good return and solid tenant into the future. We expect the commercial market to continue bubbling along into the next couple of months.

QUALITY PROPERTIES THAT PRODUCE A REASONABLE RETURN OF 7-8% ARE BEING TARGETED OVER THE 'B' GRADE STOCK THAT MAY POTENTIALLY NET A HIGHER RETURN.

Incentives to commercial tenants are being offered across the board, however lease rates continue to remain strong once they are in there.



- ① 1 Errol Place, North Melbourne - \$1,267,500
- ② 49 John St, Brunswick East - \$800,000
- ③ 70 Lygon St, Brunswick East - \$1,750,000
- ④ 109 St David St, Fitzroy - \$2,000,000
- ⑤ 139 Brighton St, Richmond - \$1,188,000
- ⑥ 201 Greville St, Prahran - \$1,235,000
- ⑦ 864 Sydney Rd, Brunswick - \$720,000
- ⑧ 1161-1163 Burke Rd, Kew - \$1,460,000

INNER MELBOURNE HIGHEST SALES AND TURNOVER RATES



HIGHEST INNER MELBOURNE APARTMENT SALE

(JAN, FEB, MAR QUARTER, 2014)

1201/115 Beach St, Port Melbourne

Undisclosed between \$2.5m and \$2.8m.



HIGHEST INNER MELBOURNE TOWNHOUSE SALE

(JAN, FEB, MAR QUARTER, 2014)

2/31 Rockley Road, South Yarra

Undisclosed between \$3m and \$3.5m.



HIGHEST INNER MELBOURNE HOUSE SALE

(JAN, FEB, MAR QUARTER, 2014)

62 Park Street, South Yarra

Undisclosed between \$5m and \$6m.

Table 4: Inner Melbourne Quarterly Turnover (Total Sales for the period against total housing supply)

	PREVIOUS QUARTER (OCT, NOV & DEC 2013)		CURRENT QUARTER (JAN, FEB & MAR 2014)	
	A Apartments	H T Houses & Townhouses	A Apartments	H T Houses & Townhouses
Docklands	3.37%	2.22%	3.04%	0.00%
Melbourne	1.91%	3.03%	1.51%	0.00%
Southbank	2.25%	2.36%	1.27%	0.00%
Brunswick	1.80%	1.75%	1.40%	0.93%
Brunswick East	3.12%	1.72%	0.76%	0.84%
Carlton	1.10%	1.59%	1.10%	0.53%
Carlton North	1.52%	1.77%	0.76%	0.67%
Clifton Hill	1.20%	1.52%	1.40%	1.31%
Collingwood	1.32%	1.15%	0.97%	0.51%
Fitzroy	0.78%	1.78%	0.73%	1.14%
Fitzroy North	1.00%	1.07%	0.41%	0.96%
North Melbourne	1.25%	1.35%	1.18%	0.52%
Northcote	1.66%	1.22%	0.93%	0.88%
Parkville	0.58%	1.00%	0.70%	1.87%
Princes Hill	0.41%	0.00%	0.00%	0.81%
Abbotsford	2.43%	1.43%	3.47%	1.35%
Burnley	2.04%	0.00%	0.00%	0.98%
Cremorne	1.10%	0.79%	1.10%	0.79%
East Melbourne	1.75%	1.78%	1.50%	1.60%
Hawthorn	1.99%	1.71%	1.32%	1.13%
Prahran	2.23%	2.22%	1.60%	1.53%
Richmond	1.71%	2.41%	1.17%	1.02%
South Yarra	1.74%	1.86%	1.56%	1.13%
Albert Park	0.39%	1.31%	0.79%	0.71%
Middle Park	1.46%	1.28%	0.84%	1.45%
Port Melbourne	2.10%	2.26%	1.22%	1.14%
South Melbourne	1.87%	1.38%	0.94%	1.04%
Flemington	0.89%	2.01%	0.48%	1.51%
Kensington	1.51%	2.08%	1.91%	0.82%
Travancore	1.46%	1.49%	1.04%	0.74%
West Melbourne	2.36%	2.61%	1.06%	1.20%

Table compiled from data collected from October 2013 to March 2014. Total private dwellings information from the 2011 Census Report from the Australian Bureau of Statistics.

INNER MELBOURNE APARTMENTS PRICE COMPARISONS BY ROLLING QUARTERS



Table 5: Inner Melbourne Apartments - Price Comparisons

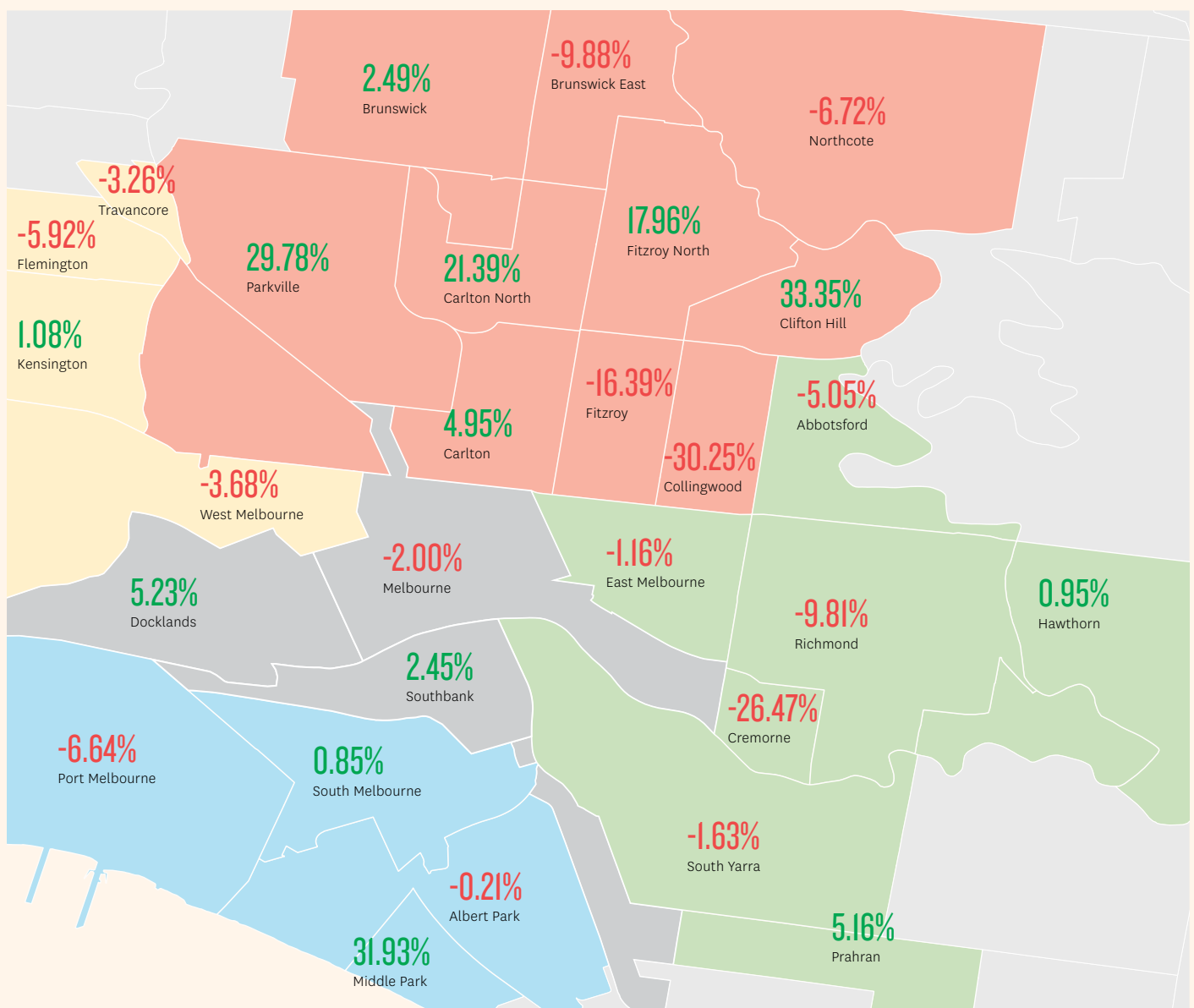
	PREVIOUS QUARTER (OCT, NOV & DEC 2013)				CURRENT QUARTER (JAN, FEB & MAR 2014)					
	Average Price	Median Price	Lowest Sale	Highest Sale	Average Price	% CHANGE	Median Price	% CHANGE	Lowest Sale	Highest Sale
Docklands	658,179	597,500	300,000	1,435,000	738,363 ↑	12.18%	628,750 ↑	5.23%	397,000	2,500,000
Melbourne	531,986	449,000	120,000	2,100,000	511,727 ↓	-3.81%	440,000 ↓	-2.00%	110,000	1,900,000
Southbank	587,020	530,000	345,000	2,120,000	593,996 ↑	1.19%	543,000 ↑	2.45%	345,000	1,880,000
Brunswick	423,541	422,500	260,000	755,000	443,950 ↑	4.82%	433,000 ↑	2.49%	262,000	930,000
Brunswick East	488,591	491,000	210,000	750,000	449,100 ↓	-8.08%	442,500 ↓	-9.88%	295,000	610,000
Carlton	384,185	297,750	135,000	1,031,000	360,725 ↓	-6.11%	312,500 ↑	4.95%	140,000	965,000
Carlton North	447,667	505,000	300,000	548,000	*974,000 ↑	117.57%	*613,000 ↑	21.39%	585,000	1,724,000
Clifton Hill	462,400	440,000	320,000	736,000	590,250 ↑	27.65%	586,750 ↑	33.35%	511,000	687,000
Collingwood	646,743	616,500	400,000	1,300,000	500,778 ↓	-22.57%	430,000 ↓	-30.25%	225,000	886,000
Fitzroy	628,194	637,500	255,000	906,000	540,274 ↓	-14.00%	533,000 ↓	-16.39%	285,000	910,000
Fitzroy North	464,563	466,250	360,000	635,000	539,500 ↑	16.13%	550,000 ↑	17.96%	310,500	850,000
North Melbourne	503,224	450,000	275,000	853,000	454,660 ↓	-9.65%	450,000 -	-	135,000	687,500
Northcote	484,556	487,000	310,000	730,000	457,321 ↓	-5.62%	454,250 ↓	-6.72%	305,000	625,000
Parkville	*537,400	*497,000	410,000	705,000	685,000 ↑	27.47%	645,000 ↑	29.78%	280,000	995,000
Princes Hill	*1,557,000	*1,557,000	1,557,000	1,557,000	-	-	-	-	-	-
Abbotsford	537,538	495,000	399,000	950,000	512,816 ↓	-4.60%	470,000 ↓	-5.05%	410,000	835,000
Burnley	*308,667	*305,000	295,000	326,000	-	-	-	-	-	-
Cremorne	*568,500	*568,500	420,000	717,000	*418,000 ↓	-26.47%	*418,000 ↓	-26.47%	418,000	418,000
East Melbourne	850,800	538,500	199,000	5,500,000	594,938 ↓	-30.07%	532,250 ↓	-1.16%	295,000	950,000
Hawthorn	545,767	525,000	115,000	1,310,000	594,245 ↑	8.88%	530,000 ↑	0.95%	310,000	1,380,000
Prahran	486,021	485,000	145,000	915,000	558,176 ↑	14.85%	510,005 ↑	5.16%	217,000	1,170,000
Richmond	534,296	525,000	290,000	1,288,000	500,352 ↓	-6.35%	473,500 ↓	-9.81%	265,000	950,000
South Yarra	592,876	530,000	245,000	2,150,000	659,653 ↑	11.26%	521,375 ↓	-1.63%	272,000	5,550,000
Albert Park	*702,500	*702,500	485,000	920,000	*691,333 ↓	-1.59%	*701,000 ↓	-0.21%	510,000	863,000
Middle Park	758,333	595,000	540,000	1,140,000	*785,000 ↑	3.52%	*785,000 ↑	31.93%	785,000	785,000
Port Melbourne	730,182	715,000	399,000	1,767,000	873,625 ↑	19.64%	667,500 ↓	-6.64%	370,000	2,790,000
South Melbourne	612,194	590,000	386,000	1,850,000	676,578 ↑	10.52%	595,000 ↑	0.85%	395,000	1,950,000
Flemington	356,167	380,000	220,000	472,000	362,500 ↑	1.78%	357,500 ↓	-5.92%	330,000	430,000
Kensington	422,036	415,500	365,000	491,000	422,205 ↑	0.04%	420,000 ↑	1.08%	300,000	600,000
Travancore	337,000	337,000	337,000	337,000	*326,000 ↓	-3.26%	*326,000 ↓	-3.26%	185,000	467,000
West Melbourne	538,735	475,000	332,000	860,000	460,886 ↓	-14.45%	457,500 ↓	-3.68%	272,088	655,000

Table compiled from data collected from October 2013 to March 2014. 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.

INNER MELBOURNE APARTMENTS QUARTERLY MEDIAN PRICES MAPPED



Figure 1: Inner Melbourne Apartments - Quarterly Median Change (%)



Map compiled from data collected from October 2013 to March 2014. Burnley, North Melbourne and Princes Hill were omitted due to insufficient data.

INNER MELBOURNE TOWNHOUSES PRICE COMPARISONS BY ROLLING QUARTERS



Table 6: Inner Melbourne Townhouses - Price Comparisons

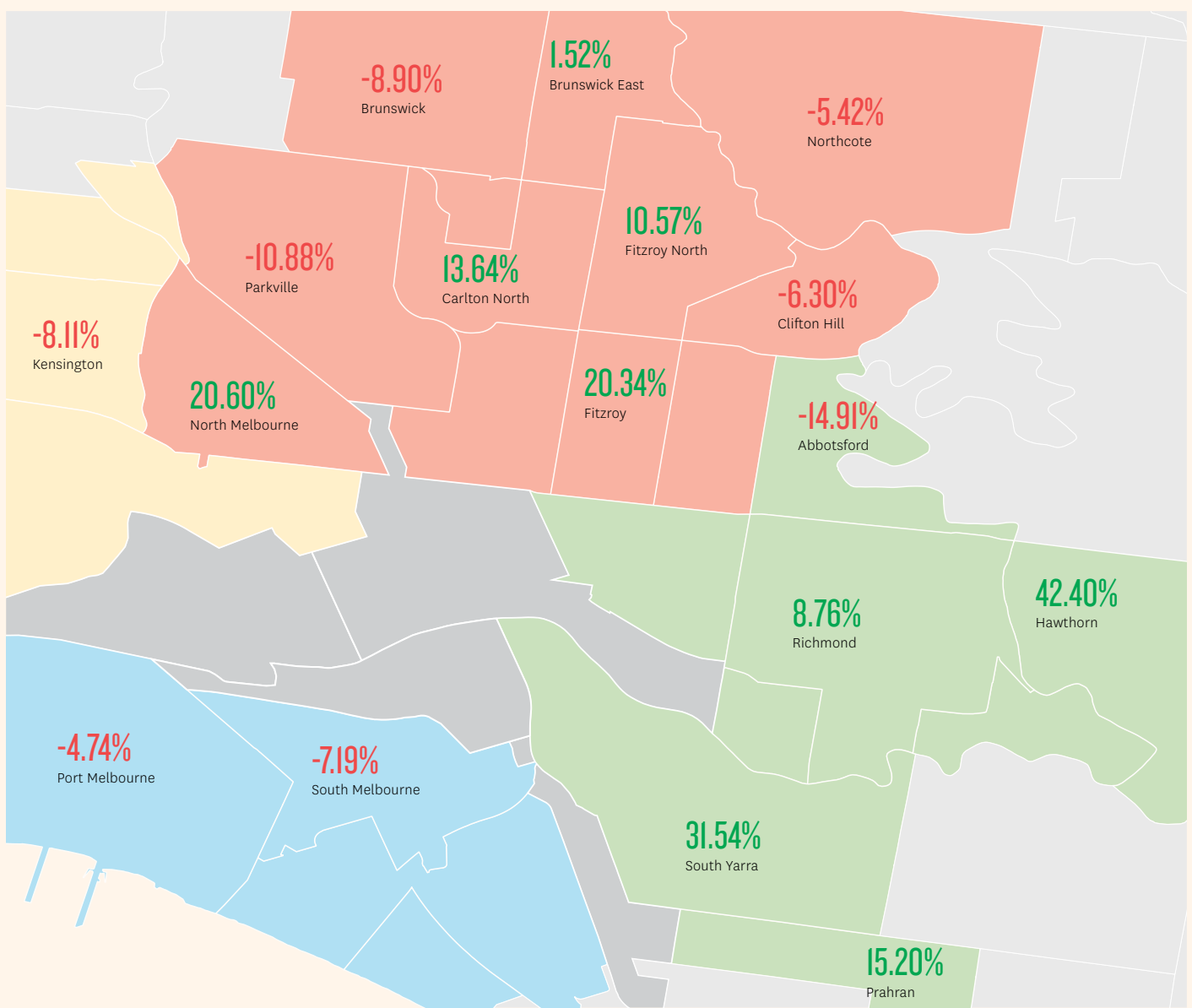
	PREVIOUS QUARTER (OCT, NOV & DEC 2013)				CURRENT QUARTER (JAN, FEB & MAR 2014)					
	Average Price	Median Price	Lowest Sale	Highest Sale	Average Price	% CHANGE	Median Price	% CHANGE	Lowest Sale	Highest Sale
Brunswick	692,583	702,500	480,000	950,000	673,677 ↓	-2.73%	640,000 ↓	-8.90%	600,000	827,000
Brunswick East	637,144	660,000	502,000	700,000	*664,200 ↑	4.25%	*670,000 ↑	1.52%	610,000	745,000
Carlton	*1,285,000	*1,285,000	1,285,000	1,285,000	-	-	-	-	-	-
Carlton North	*860,000	*880,000	600,000	980,000	*1,000,000 ↑	16.28%	*1,000,000 ↑	13.64%	1,000,000	1,000,000
Clifton Hill	792,778	770,000	715,000	890,000	*744,160 ↓	-6.13%	*721,480 ↓	-6.30%	650,000	861,000
Collingwood	*658,500	*658,500	465,000	852,000	-	-	-	-	-	-
Fitzroy	*831,000	*831,000	817,000	845,000	1,141,222 ↑	37.33%	1,000,000 ↑	20.34%	725,000	1,925,000
Fitzroy North	959,500	814,000	720,000	1,333,500	912,036 ↓	-4.95%	900,000 ↑	10.57%	625,250	1,300,000
North Melbourne	706,500	787,750	350,500	900,000	*950,000 ↑	34.47%	*950,000 ↑	20.60%	950,000	950,000
Northcote	684,200	655,500	535,000	864,000	763,364 ↑	11.57%	620,000 ↓	-5.42%	578,000	1,175,000
Parkville	*735,000	*735,000	650,000	820,000	*655,000 ↓	-10.88%	*655,000 ↓	-10.88%	655,000	655,000
Princes Hill	-	-	-	-	-	-	-	-	-	-
Abbotsford	*687,500	*687,500	600,000	775,000	*614,250 ↓	-10.65%	*585,000 ↓	-14.91%	525,000	762,000
Burnley	-	-	-	-	-	-	-	-	-	-
Cremorne	-	-	-	-	*789,000 -	-	*789,000 -	-	789,000	789,000
East Melbourne	*1,953,000	*1,953,000	1,056,000	2,850,000	-	-	-	-	-	-
Hawthorn	944,300	875,000	511,500	1,275,000	1,307,400 ↑	38.45%	1,246,000 ↑	42.40%	880,000	2,071,000
Prahran	1,092,208	937,500	741,000	1,744,000	*1,176,000 ↑	7.67%	*1,080,000 ↑	15.20%	1,050,000	1,535,000
Richmond	980,016	827,500	558,000	2,000,000	881,567 ↓	-10.05%	900,000 ↑	8.76%	585,000	1,335,000
South Yarra	1,455,917	1,395,000	717,000	2,335,000	*1,927,500 ↑	32.39%	*1,835,000 ↑	31.54%	790,000	3,250,000
Albert Park	-	-	-	-	-	-	-	-	-	-
Middle Park	-	-	-	-	*1,285,000 -	-	*1,285,000 -	-	1,000,000	1,570,000
Port Melbourne	1,003,056	950,000	660,000	1,500,000	955,214 ↓	-4.77%	905,000 ↓	-4.74%	685,000	1,400,500
South Melbourne	*1,103,333	*890,000	810,000	1,610,000	*826,000 ↓	-25.14%	*826,000 ↓	-7.19%	826,000	826,000
Flemington	-	-	-	-	*601,500 -	-	*601,500 -	-	601,500	601,500
Kensington	667,544	675,000	542,500	810,000	598,607 ↓	-10.33%	620,250 ↓	-8.11%	482,000	715,000
Travancore	-	-	-	-	-	-	-	-	-	-
West Melbourne	*721,750	*721,750	690,000	753,500	-	-	-	-	-	-

Table compiled from data collected from October 2013 to March 2014. 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.

INNER MELBOURNE TOWNHOUSES QUARTERLY MEDIAN PRICES MAPPED



Figure 2: Inner Melbourne Townhouses - Quarterly Median Change (%)



Map compiled from data collected from October 2013 to March 2014. Albert Park, Burnley, Carlton, Collingwood, Cremorne, East Melbourne, Flemington, Middle Park, Princes Hill, Travancore and West Melbourne were omitted due to insufficient data.

INNER MELBOURNE HOUSES PRICE COMPARISONS BY ROLLING QUARTERS



Table 7: Inner Melbourne Houses - Price Comparisons

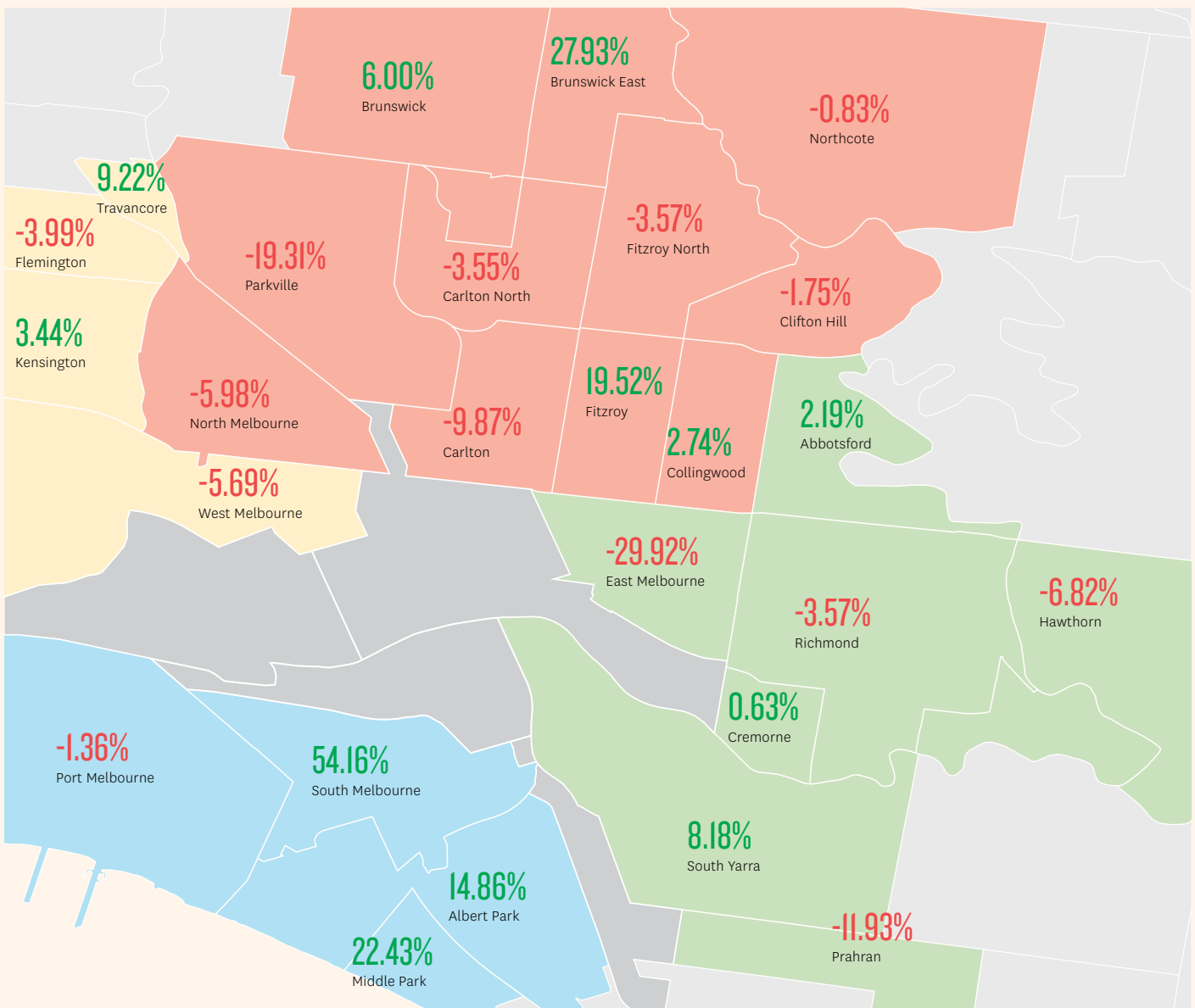
	PREVIOUS QUARTER (OCT, NOV & DEC 2013)				CURRENT QUARTER (JAN, FEB & MAR 2014)					
	Average Price	Median Price	Lowest Sale	Highest Sale	Average Price	% CHANGE	Median Price	% CHANGE	Lowest Sale	Highest Sale
Brunswick	822,080	783,000	550,000	1,535,000	899,446 ↑	9.41%	830,000 ↑	6.00%	515,000	1,500,000
Brunswick East	938,864	875,500	512,000	1,520,000	1,126,003 ↑	19.93%	1,120,000 ↑	27.93%	670,000	1,575,000
Carlton	1,280,289	1,115,000	726,000	2,700,000	1,031,000 ↓	-19.47%	1,005,000 ↓	-9.87%	700,000	1,400,000
Carlton North	1,185,855	1,042,000	710,000	3,850,000	1,305,650 ↑	10.10%	1,005,000 ↓	-3.55%	767,000	2,550,000
Clifton Hill	1,034,000	1,000,000	712,500	1,740,000	1,038,425 ↑	0.43%	982,500 ↓	-1.75%	680,000	1,685,000
Collingwood	792,769	712,500	645,000	1,345,000	772,375 ↑	-2.57%	732,000 ↑	2.74%	630,000	1,002,000
Fitzroy	1,239,460	1,050,000	671,000	3,000,000	1,268,000 ↑	2.30%	1,255,000 ↑	19.52%	780,000	1,925,000
Fitzroy North	1,238,776	1,177,000	729,000	2,060,000	1,330,723 ↑	7.42%	1,135,000 ↓	-3.57%	740,000	3,724,000
North Melbourne	942,026	820,000	565,000	2,000,000	741,083 ↓	-21.33%	771,000 ↓	-5.98%	442,500	927,000
Northcote	1,063,592	968,000	663,500	2,310,000	1,056,617 ↓	-0.66%	960,000 ↓	-0.83%	646,000	2,150,000
Parkville	*1,890,000	*1,890,000	1,830,000	1,950,000	1,434,444 ↓	-24.10%	1,525,000 ↓	-19.31%	710,000	2,100,000
Princes Hill	-	-	-	-	*1,101,000 -	-	*960,000 -	-	875,000	1,460,000
Abbotsford	808,917	753,500	595,000	1,160,000	815,615 ↑	0.83%	770,000 ↑	2.19%	641,500	1,060,000
Burnley	-	-	-	-	*950,250 -	-	*950,250 -	-	800,500	1,100,000
Cremorne	*788,500	*795,000	720,500	843,500	*816,667 ↑	3.57%	*800,000 ↑	0.63%	750,000	900,000
East Melbourne	3,446,429	3,200,000	1,300,000	6,350,000	*2,539,375 ↓	-26.32%	*2,242,500 ↓	-29.92%	1,300,000	5,275,000
Hawthorn	1,900,731	1,701,000	747,777	3,950,000	1,871,560 ↓	-1.53%	1,585,000 ↓	-6.82%	960,000	4,100,000
Prahran	1,228,599	1,215,000	635,000	2,500,000	1,253,500 ↑	2.03%	1,070,000 ↓	-11.93%	706,500	3,985,000
Richmond	1,032,753	980,000	577,000	2,700,000	1,139,817 ↑	10.37%	945,000 ↓	-3.57%	610,000	3,000,000
South Yarra	1,707,065	1,345,000	637,500	4,825,000	2,005,488 ↑	17.48%	1,455,000 ↑	8.18%	890,000	5,850,000
Albert Park	1,424,303	1,295,000	726,000	2,930,000	1,636,425 ↑	14.89%	1,487,500 ↑	14.86%	860,000	4,300,000
Middle Park	1,650,167	1,364,000	930,000	2,910,000	2,161,545 ↑	30.99%	1,670,000 ↑	22.43%	1,190,000	4,300,000
Port Melbourne	1,233,502	1,100,000	690,000	5,175,000	1,156,087 ↓	-6.28%	1,085,000 ↓	-1.36%	765,000	1,781,750
South Melbourne	1,191,676	986,000	626,000	2,400,000	1,568,581 ↑	31.63%	1,520,000 ↑	54.16%	764,000	2,850,000
Flemington	815,885	776,000	420,000	1,625,000	755,000 ↓	-7.46%	745,000 ↓	-3.99%	532,500	1,035,000
Kensington	805,039	763,750	395,000	1,700,000	857,383 ↑	6.50%	790,000 ↑	3.44%	387,000	1,591,000
Travancore	*862,000	*900,000	746,000	940,000	*983,000 ↑	14.04%	*983,000 ↑	9.22%	861,000	1,105,000
West Melbourne	1,094,222	1,055,000	715,000	1,900,000	1,105,200 ↑	1.00%	995,000 ↓	-5.69%	791,000	1,870,000

Table compiled from data collected from October 2013 to March 2014. 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.

INNER MELBOURNE HOUSES QUARTERLY MEDIAN PRICES MAPPED



Figure 3 : Inner Melbourne Houses - Quarterly Median Change (%)




Map compiled from data collected from October 2013 to March 2014. Burnley and Princes Hill were omitted due to insufficient data.

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