

APARTMENTS: PRICE PER SQUARE METRE

MELBOURNE'S
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MARKET INDEX!

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DEFLATION AND COMMERCIAL PROPERTY

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"The secret of happiness,
you see, is not found
in seeking more, but in
developing the capacity to
enjoy less."

Socrates

Apartments: Price Per Square Metre

by Sheng Yi Lee and Jodie Walker

Apartment supply in Melbourne is booming. It is only going to be more common for people to buy and live in apartments as a result of urbanisation.

Concerns continue to be raised about the size, amenity and quality of apartments being built in Melbourne. This issue of The Secret Agent Report will focus solely on the price per square metre of these apartments.

Square metre rates for apartments are often reported for brand new buildings and off the plan sales. Information is harder to obtain for the square metre rates of older apartments, including buildings that are only 10 years old. The secondary market comprises of established apartments like these and are the focus of the current study.

The question Secret Agent puts forth is one of value. We wanted to know what apartments are worth, based on their size, in the secondary market. This is an important consideration in order to juxtapose the prices of newly built apartments and off the plan purchases with their older counterparts. Comparisons of square metre rates in this way will enable buyers to determine whether or not an off the plan purchase is overpriced and what it is likely to be worth once it enters the secondary market. The size of the apartment is taken into account, allowing for more accurate estimations of value.

Comparing square metre rates for houses is common and quite simple as land measurement data is readily available. Apartments are slightly different since it isn't possible to make comparisons based on the land area they are built on. Floor plans are necessary to do this and the plans provided are often lacking full dimensions. Advertised floor sizes are often rounded-up figures that include external walls and non-habitable areas in the total, making them appear bigger than what they really are. To overcome this, Secret Agent has manually measured the floor plans of apartments sold from January to March 2016 to create a square metre index for apartments in inner Melbourne. This report will showcase our results with an in-depth look at square metre rates for regions, suburbs and particular apartment types.

Methodology

Secret Agent measured the floor areas of 392 apartments that had sold across inner Melbourne from January 1st 2016 to March 31st 2016. Sales were included only if a price and scaled floor plan were available.

To determine the floor areas accurately, the internal space was manually calculated for each apartment. While floor space that is usually quoted is taken from the median point within the external wall, we excluded the external walls entirely from our calculations. The final measurement excluded external walls or structural elements, outdoor space (including courtyards, balconies, terraces and entry porches), car spaces and storage cages. In other words, only the habitable space and internal walls were accounted for.

Once the square metre sizes were determined, apartments were classified according to region, suburb and building style. The price per square metre rates were established by dividing the sale price (\$) by the apartment size (sqm).

Averages were then obtained and tabulated according to area, suburb and property type. It should be noted that the accuracy of the results are based on the precision of the scale on the floor plans provided.

Table 1
Average price per square metre of apartments by inner Melbourne region

REGION	AVERAGE PRICE PER SQM	NO. OF SALES
INNER SOUTH	\$9,917	28
INNER EAST	\$9,293	119
INNER NORTH	\$8,767	91
CENTRAL	\$8,513	116
INNER WEST	\$7,305	27
OVERALL	\$8,767*	381*

* Excludes 11 student accommodation units.

Price Per SQM by Region

Table 1 shows the average price per square metre of apartments by region. On average, inner Melbourne apartments transact for \$8,767 per square metre.

Inner South apartments are the most expensive at \$9,917/sqm, with inner East following close behind at \$9,293 per square metre. The inner North is on par with the overall average of \$8,767/sqm, whilst Central apartments sit just below this figure. Inner West apartments have the best value for money, with each square metre of internal space selling for \$7,305.

Table 2
Average price per square metre of apartments by inner Melbourne suburb

SUBURB	AVERAGE PRICE PER SQM	NO. OF SALES
MIDDLE PARK	\$11,437	4
EAST MELBOURNE	\$10,924	9
FITZROY NORTH	\$9,939	6
PORT MELBOURNE	\$9,885	14
FITZROY	\$9,875	7
ABBOTSFORD	\$9,691	6
SOUTH YARRA	\$9,474	23
CARLTON*	\$9,427	6
PARKVILLE	\$9,068	8
CARLTON NORTH	\$9,043	6
CLIFTON HILL	\$8,897	3
RICHMOND	\$8,862	34
COLLINGWOOD	\$8,827	7
OVERALL AVERAGE	\$8,767	381
PRAHRAN	\$8,682	15
DOCKLANDS	\$8,568	30
SOUTHBANK	\$8,507	18
MELBOURNE	\$8,463	68
SOUTH MELBOURNE	\$8,430	10
NORTHCOTE	\$8,393	13
HAWTHORN	\$8,125	32
NORTH MELBOURNE	\$8,024	10
WEST MELBOURNE	\$7,992	5
BRUNSWICK EAST	\$7,967	4
FLEMINGTON	\$7,541	5
BRUNSWICK	\$6,978	21
TRAVANCORE	\$6,869	5
KENSINGTON	\$6,817	12
PRINCES HILL	-	-
BURNLEY	-	-
CREMORNE	-	-
ALBERT PARK	-	-

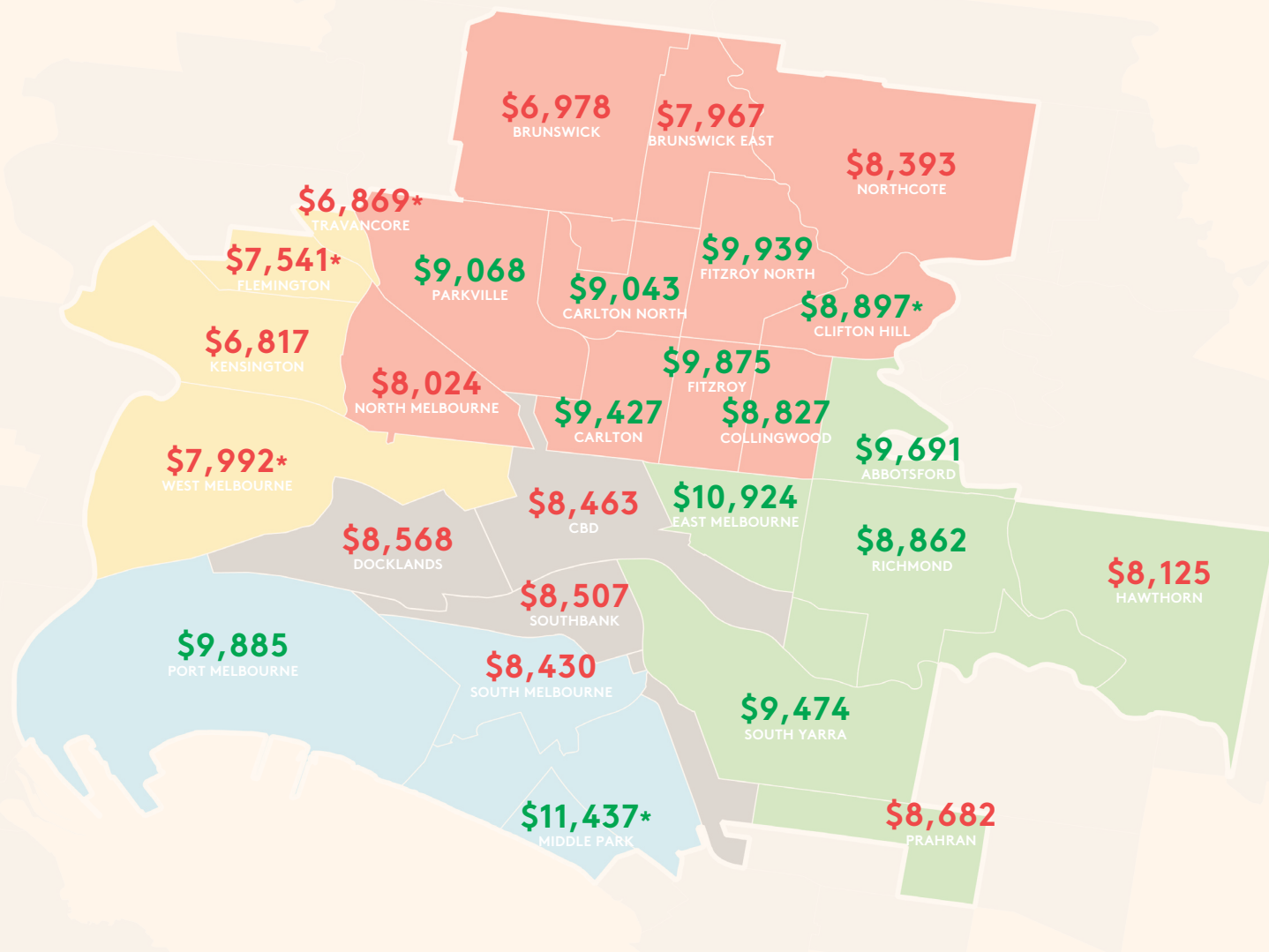
Colours indicate inner Melbourne region as described in Table 1.

* Carlton average excludes student accommodation.

Figure 1

Average price per square metre of apartments by inner Melbourne suburb

* Colours indicate if price per square metre is above (green) or below (red) the inner Melbourne average of \$8,767/sqm.



Price Per SQM by Suburb

By taking a closer look at individual suburbs, a greater range of price per square metre rates can be observed. See Table 2 and Figure 1 for the full results. Note that there was insufficient sales to draw conclusions about Princes Hill, Burnley, Cremorne and Albert Park.

Middle Park and East Melbourne were the most expensive suburbs, with apartments selling on average for \$11,437 and \$10,924 per square metre, respectively. The top result in the study was an apartment in the new One East Melbourne building, valued at \$15,832 per square metre. Out of the 13 apartments from both suburbs, this was the only newly built apartment building, with the rest being Art Deco or 60s-80s apartments.

Prahran, South Melbourne and Hawthorn were the only inner East and South suburbs below the overall average.

Apartments in Docklands, Southbank and Melbourne recorded very similar price per square metre rates between \$8,460 to \$8,570.

All of the inner West suburbs offered the best value for money, occupying the lower end of the spectrum, with Kensington and Travancore apartments selling for no more than \$6,900 per square metre. This is almost half of Middle Park's rates. Brunswick and Brunswick East apartments are the cheapest in the inner North region, at \$6,978/sqm and \$7,967/sqm, respectively.

Price Per SQM by Building Style

There are 5 main styles of apartments across inner Melbourne; Art Deco/Period buildings, 1960s-1980s brick apartments, warehouse/industrial conversions, post-90s buildings and student accommodation. For the purpose of this study, only student accommodation in Carlton was included.

Categorising the sales into one of the styles listed shows similar square metre rates regardless of apartment type. Student accommodation is the exception, as shown in Table 3.

Table 3
Average price per square metre of apartments by building style

STYLE	AVERAGE PRICE PER SQM	NO. OF SALES
ART DECO/PERIOD	\$8,887	32
OVERALL AVERAGE	\$8,767	392
POST-90s*	\$8,697	236
WAREHOUSE/ INDUSTRIAL CONVERSIONS	\$8,411	20
60s-80s BRICK	\$8,378	93
STUDENT ACCOMMODATION	\$6,121	11

* Defined as apartments built from the 1990s onwards with at least 1 resale. Does not include off the plan sales.

The age or style of the building did not have a significant influence on how much each square metre of internal space would cost. Art Deco apartments appeared to be valued slightly above the average at \$8,887/sqm, which is expected, as most buyers tend to place value in heritage and period features which are difficult to replicate.

Student accommodation in Carlton had the lowest value per square metre across the board (lower on average than Kensington) at \$6,121/sqm, compared to the average of \$9,427/sqm for non-student Carlton apartments. This can be attributed to this particular type of apartment being very hard to finance and are not owner occupied.

Price Per SQM in the Central suburbs

Central Melbourne apartments had the largest number of sales in the time period, representing almost a third of the sample size (on par with Inner East apartments).

In terms of the inner city, 84% of the apartments included in this study are newly built (i.e. after 1990 with at least 1 resale).

To break these down further, they were categorised into groups according to the number of bedrooms and carspaces.

Table 4
Average price per square metre of apartments in Central Melbourne

BED	CAR*	AVERAGE PRICE PER SQM	NO. OF SALES	AVERAGE SIZE
4	2	\$9,806	4	203
2	2	\$9,458	3	87
3	2	\$9,008	5	131
2	1	\$8,711	42	71
3	1	\$8,683	6	97
CENTRAL AVG		\$8,513	116	-
1	1	\$8,507	18	59
STUDIO	0	\$8,227	9	28
2	0	\$7,872	12	59
1	0	\$7,755	16	45
1	2	-	1	-

* Carspaces were not included in calculating the apartment size.


There is a direct correlation between the number of car spaces and bedrooms with the apartment size. These results should be considered in the context of the inner city, where space is a luxury. The inner city rarity, 4 bedroom apartments, topped the list at \$9,806/sqm, averaging at least 200sqm in size.

2 bedroom apartments with 2 car spaces came in at a close second at \$9,458/sqm, measuring 87sqm on average, more than 20sqm bigger than those without parking included (which are priced at \$7,872/sqm).

Studio apartments, although smaller than 1 bedroom units on average, fetch a higher price per square metre (\$8,227/sqm) due to more competition at the lower end of the price spectrum. The same can be said for 2 bedroom units being more expensive than their 3 bedroom equivalents.

Conclusion

To summarise, the average square metre rate for inner Melbourne apartments is \$8,767/sqm. The most expensive suburbs to buy in are Middle Park and East Melbourne, while Kensington, Travancore and Brunswick are the cheapest. Interestingly, Art Deco apartments on average are more expensive than newly built ones.

Value should be measured from as many different angles as possible and square metre rates are only one way of doing this. However, they are becoming an increasingly important metric as people seek to get more value for their money in the property market. This is one of the few studies available that has looked at the secondary apartment market in this way and Secret Agent believes it is a useful guide for owners and buyers alike. 

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Settlement Risk Looms

by Paul Osborne

The development space in inner Melbourne and Sydney is set to be severely challenged. Conversations between Secret Agent and various developers over the past month have revealed their increasing anxiety about potential settlement issues. These developers, who have settlements due in the next 18 months, are worried that many of their apartments may not be able to settle due to the restrictions placed on foreign buyers by local banks. This is likely to have substantial implications.

For some time now, developers have used successful business models to sell their projects directly to Asia. Sales companies who specialise in selling unseen apartments to the Chinese market have made large financial gains. These apartments, many of which are tiny by local standards, have been purposely designed for the overseas market. Committed contracts, once thought to be rock solid, are now on shaky ground.

To understand the problem at hand, let us consider a hypothetical situation. An investor group, on behalf of a developer, sells a small two bedroom CBD apartment to a buyer based in Shanghai. The buyer pays \$714,000 for the 68sqm apartment, which is \$10,500 per square metre, and pays a 10% deposit. Since the transaction was entered into 12 months ago, the investor has no stamp duty to pay at settlement. It so happens that this purchaser defaults. The developer gets to keep the 10% deposit minus fees. The problem is that there is a need to sell the apartment to someone else.

The product is now competing within the secondary market, which according to Secret Agent's square metre index, is priced at \$8,463/sqm in Melbourne CBD. This makes the unit worth approximately \$575,500, meaning there is a shortfall of \$138,500, not including professional fees and commissions that also need to be paid. Recouping of the deposit would bring this back to \$67,100. However, after paying out commissions to the agents, the developer would most likely be closer to losing \$100,000 for each apartment that fails to settle.

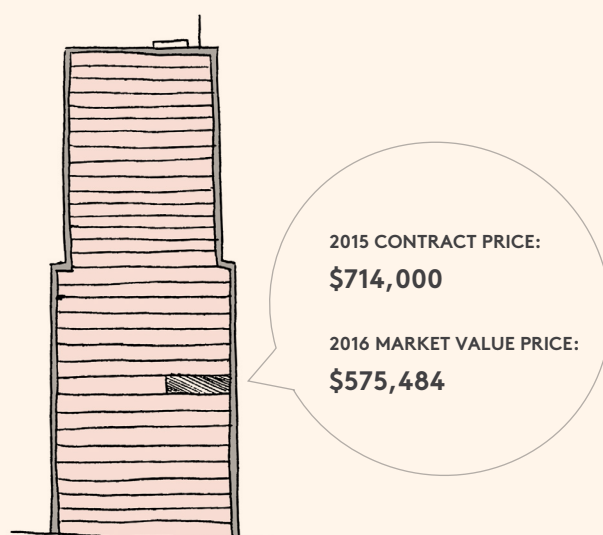
The design of the apartments has not been tailored to the local market, which makes it harder to sell. The overseas buyer that can still purchase it under limited circumstances would now have to pay stamp duty plus a further foreign purchasers levy of 7% which is set to come into the market in July 2016. This means that \$87,890 would need to be paid in additional fees by a foreign buyer purchasing the unit at settlement. This is unlikely. The developer has a right to claim a shortfall in price to the defaulting purchaser, however this might be extremely hard to do when committed contracts have originated from countries such as China.

With most of the local major banks out of the market, there is hope for developers that Australian domiciled Chinese Banks will take on the lending to buyers. However, the current loan ratios are unlikely to be favourable and the valuations of the apartments might push foreign buyers to drop their deposits and not settle their contracts at all.

At Secret Agent, we have our doubts whether many of these buyers understand their contractual obligations. We also believe that many developers are not aware of who these buyers are. This only adds to the problems already highlighted. It is easy to see why developers are feeling anxious when considering the losses that could ensue if their settlements don't go through. The repercussions might go much further. The banking sector and the entire economy will be tested should settlement risk not be contained. ♦

2 BEDROOM CBD APARTMENT, 68SQM

CONTRACT PRICE	\$714,000
PRICE PER SQM	\$10,500
10% DEPOSIT PAID	\$71,400
CURRENT MARKET RATE PER SQM	\$8,463
MARKET PRICE	\$575,484
TRUE PRICE AT SETTLEMENT	-\$138,516
RECOUP DEPOSIT	+\$71,400
OFF THE PLAN EXPENSES	-\$21,420
MARKETING FEES & COMMISSIONS	-11,510
REVISED DEVELOPER PROCEEDS	\$613,954
LOSS OF PROFIT	\$100,046



Deflation and Commercial Property

by Paul Osborne

For the first time since December 2008 in Australia, consumer prices have fallen. According to the ABS, the March 2016 quarter saw the consumer price index fall by 0.2%. This is big news.

Whether the deflation numbers are noise or signal, it's hard to say just yet. However, it poses an interesting question: what would be the impact on the Australian property market if deflation were to creep further into our economy? Secret Agent intends to cover this a little further over the coming month, but for today, let's look at the impact on commercial property.

Commercial property is a much desired asset for investors. The allure of a lease that guarantees the investor a return over a period of time is highly attractive, especially in a world of low returns. Rent increases every year are a common component of leases and either a fixed percentage increase or CPI measure is used. This begs the question; what happens if we continue to move into deflationary conditions?

While most new leases use a fixed percentage increase, some leases are still using CPI as the rate of increase. Also, many older leases that are still current operate on a CPI basis. We may start to see leases that produce rent decreases for tenants annually and erode the value of some buildings, especially where long leases and terms have been secured by tenants.

The current reality is that negative bond yields are being acquired globally. A world with deflation could mean future tenants secure a fixed rate of decrease over the term of the lease, or negotiate hard for CPI-only leases.

Although this is all hypothetical at the moment, there tends to be a general deflationary trend in many leading economies right now and it should be considered by investors. The following scenario illustrates the large variations in asset value over time with fixed increase leases and CPI increase leases.

Property A and Property B are both leased out for \$100,000 per annum. Property A has had a lease negotiated using a CPI increase each year, while Property B has a fixed increase of 3.5% per annum. Suppose there is a bearish five year term with an annual deflation in Melbourne's all groups inflation measure of -0.4%. This means that Property A's lease is now returning \$98,016 at the end of five years, below the \$100,000 per annum starting point. Great news for the tenant, not so much for the landlord. Meanwhile, Property B has seen

a healthy return (especially in real terms) and has a lease returning \$118,769 per annum at the end of five years.

Both Property A and Property B are put to market with further years still to run on the lease. While both properties may have been identical with the same tenant, Property B may be worth almost \$3,400,000 to an investor that is happy to accept a net yield of 3.5% and a favourable lease. On the other hand, Property A may only be valued at \$2,800,000 by an investor eyeing a 3.5% net yield, or perhaps even less, if the investor feels that deflationary conditions are due to continue.

This example is summarised in the table below.

	PROPERTY A	PROPERTY B
	CPI	FIXED
	-0.40%	3.50%
RENT P.A.	\$100,000	\$100,000
YEAR 1	\$99,600	\$103,500
YEAR 2	\$99,202	\$107,123
YEAR 3	\$98,805	\$110,872
YEAR 4	\$98,410	\$114,752
YEAR 5	\$98,016	\$118,769
BUY @ 3.5% YIELD	\$2,800,455	\$3,393,389
DIFFERENCE		\$592,934

The assumptions made here are simplistic. They emphasise the importance of completing proper due diligence when a purchaser of commercial property is seeking a tenanted investment.

Both types of rent increases can produce winners and losers. It's important that anyone committing to a lease is aware of the long term implications of such an agreement. We may think that things will quickly return to past conditions (inflation) rather than conditions not experienced in our lifetime (deflation). We must also remember that the future is radically uncertain. ♦

Market Review

by Richard Rossman

The month of May proved to be one of the strongest for inner Melbourne property prices.

While all property types experienced tremendous price growth over the quarter, it was apartments that saw the biggest change, with median prices increasing by nearly 9% over the quarter. This breaks the recent trend of between 1 and 2 percent growth per quarter. Suburbs where apartments did particularly well include North Melbourne, South Yarra and Kensington. CBD apartments also had a great month, with average prices up 8.50% in real terms since May last year. It will be interesting to see how the expected completion of additional apartment buildings will impact prices. Docklands and Southbank have both seen two consecutive quarters of price decline, even while apartments in other areas are booming. Investors trying to obtain an apartment prior to the end of financial year may be another driver. Suggesting changes to negative gearing are spooking some into action in case retrospective policy changes are made.

Houses and townhouses in the inner suburbs also had a fantastic quarter, with median prices up 4.58% and 5.78% respectively. Listings this month compared to last were slightly down, which is more a reflection of good clearance rates rather than less properties being put on the market. Buyers in inner Melbourne will now need to fork out \$7,000 per square metre to buy a townhouse, while houses are also more expensive at \$5,700 per square metre on average. Breaking it down by suburb, Flemington and Kensington in the inner West, Hawthorn and Richmond in the inner East, as well as North Melbourne and Fitzroy North in the inner North all join the 'boom' list.

Since this time last year, house and townhouse prices in the inner South are up 4.18% in real terms. In the inner North and West, average prices are up nearly 10% over the same period and even more in the inner East, however prices here tend to fluctuate with the sales of large properties pushing up averages. Going into the winter months of June and July, prices are expected to soften due to seasonality, however there is a good chance that the year-on-year figures will show similarly strong results.

Next month, as the quarter draws to an end, we will be updating our capital growth graphs and inner Melbourne index. This will yield deeper insights into the property market, as it takes a lot of white noise and fluctuations due to housing types out of the equation. Additionally, we plan to investigate

the supply side of the market in more detail. By looking at the sort of apartment buildings to be released to the market, we hope to gain greater forecasting ability and deliver our readers a more vivid picture of what to expect in the near future. 

Top Sales

Price Per Square Metre
Vol.44 Jun 2016

MAY 2016

Residential



- 1 **\$2,150,000** 4/10-22 Manton Lane, Melbourne
- 2 **\$2,210,000** 122 Amess Street, Carlton North
- 3 **\$2,100,000** 44 Miller Street, West Melbourne
- 4 **\$3,400,000** 79 Delbridge Street, Fitzroy North
- 5 **\$3,720,000** 81-83 Park Drive, Parkville
- 6 **\$2,180,000** 93 Charles Street, Prahran
- 7 **\$3,891,000** 105 Grey Street, East Melbourne
- 8 **\$2,160,000** 111 Stokes Street, Port Melbourne
- 9 **\$2,600,000** 118 Barkly Street, Carlton
- 10 **\$7,805,000** 24 St Vincent Place North, Albert Park

Quarterly Scorecard

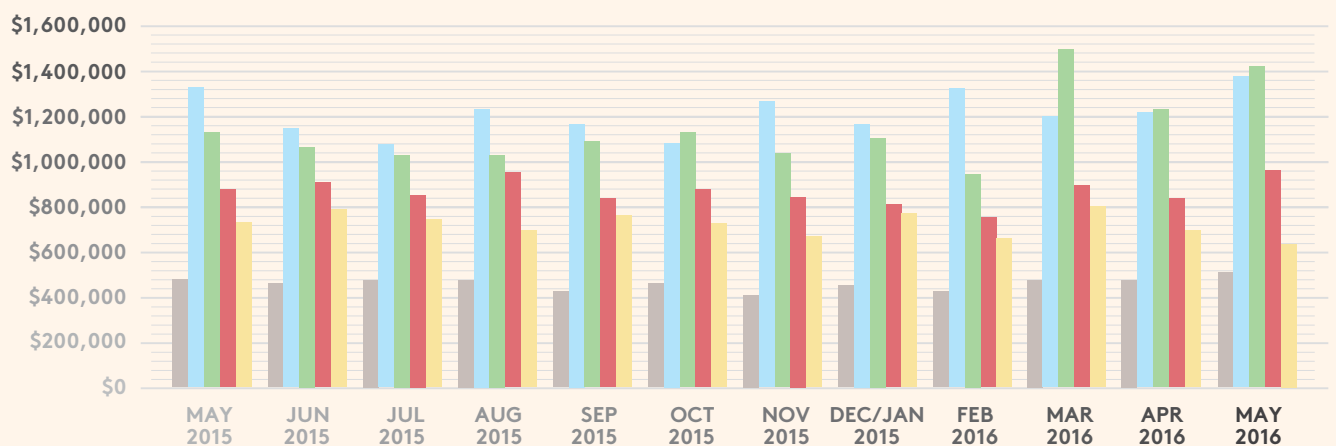
Price Per Square Metre
Vol.44 Jun 2016

MAR - MAY 2016

	Apartments	Houses	Townhouses
QUARTERLY GROWTH/DECLINE	+8.93% ↑	+4.58% ↑	+5.78% ↑
MEDIAN PRICE	\$561,000	\$1,255,000	\$892,500
AVERAGE PRICE	\$637,845	\$1,527,601	\$995,296
MEDIAN SQM	-	\$5,733 +14.66% ↑	\$7,969 +19.00% ↑
STOCK INVENTORY	3290 +2.33% ↑	282 -11.30% ↓	111 -1.77% ↓
	BOOM (Sun icon) Kensington ↑ North Melbourne ↑↑ South Yarra ↑	Fitzroy North ↑ Flemington ↑↑ Hawthorn ↑↑ Kensington ↑↑ North Melbourne ↑↑ Richmond ↑	-
	BUST (Cloud icon) Carlton North ↓ Docklands ↓↓ Parkville ↓↓ Southbank ↓↓ Travancore ↓↓	Port Melbourne ↓ Travancore ↓↓	-

YEAR ON YEAR LOOK

Median Prices



MAY 2015 - MAY 2016 GROWTH/DECLINE

- **+8.50%** CBD Apartments
- **+4.18%** Inner South Apartments, Townhouses and Houses (A,T & H)
- **+27.17%** Inner East (A,T & H)
- **+9.77%** Inner North (A,T & H)
- **+9.91%** Inner West (A,T & H)

NOTES

- Strong growth across all property types, with apartments up nearly 9% over the quarter.
- The number of apartment listings remains strong at nearly 3,300 units.
- Five suburbs have joined the house 'boom' list, more than any other period over the past year.
- Inner East prices are up by 27%, however prices in this region tend to fluctuate due to the sales of very prestigious properties.

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

Price Per Square Metre
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MAR - MAY 2016

		PREVIOUS QUARTER (DEC 2015, JAN, FEB 2016)				CURRENT QUARTER (MAR, APR, MAY 2016)			
		Apartments	Apartments (by area)	Houses & Townhouses	Houses & Townhouses (by area)	Apartments	Apartments (by area)	Houses & Townhouses	Houses & Townhouses (by area)
Central	Docklands	2.31%		0.00%		2.15%		0.00%	
	Melbourne	1.03%	1.21%	0.00%	0.00%	0.99%	1.18%	0.00%	0.00%
	Southbank	1.11%		0.00%		1.19%		0.00%	
Inner North	Brunswick	0.98%		0.49%		1.05%		1.15%	
	Brunswick East	0.95%		0.76%		1.13%		0.84%	
	Carlton	0.80%		0.91%		0.43%		1.06%	
	Carlton North	0.38%		0.72%		0.57%		0.77%	
	Clifton Hill	0.80%		0.60%		0.80%		0.92%	
	Collingwood	1.15%	0.82%	0.38%	0.60%	1.23%	0.67%	0.83%	0.87%
	Fitzroy	0.78%		0.45%		0.78%		0.70%	
	Fitzroy North	0.91%		0.42%		0.50%		0.73%	
	North Melbourne	0.77%		0.83%		0.37%		0.88%	
	Northcote	0.57%		0.68%		0.52%		0.78%	
	Parkville	0.82%		0.72%		0.70%		0.57%	
Princes Hill	0.41%		0.16%		0.00%		0.65%		
Inner East	Abbotsford	1.04%		0.80%		1.73%		1.20%	
	Burnley	0.68%		0.00%		0.68%		0.49%	
	Cremorne	0.55%		0.98%		0.00%		0.39%	
	East Melbourne	0.63%	1.03%	1.25%	0.85%	0.50%	0.74%	1.60%	1.15%
	Hawthorn	0.80%		0.70%		0.71%		1.00%	
	Prahran	1.15%		1.17%		0.67%		1.65%	
	Richmond	1.30%		0.93%		0.78%		1.04%	
	South Yarra	1.07%		0.58%		0.76%		1.20%	
Inner South	Albert Park	0.39%		0.27%		0.20%		0.71%	
	Middle Park	1.46%	1.00%	0.77%	0.62%	0.42%	0.71%	1.02%	0.99%
	Port Melbourne	1.07%		0.87%		0.88%		1.29%	
	South Melbourne	0.94%		0.69%		0.64%		0.94%	
Inner West	Flemington	0.48%		0.86%		0.30%		1.08%	
	Kensington	0.95%	0.84%	0.68%	0.73%	1.19%	0.87%	1.29%	1.28%
	Travancore	2.29%		0.74%		1.25%		0.37%	
	West Melbourne	0.59%		0.60%		1.30%		2.20%	

Total sales for the period against total housing supply. Table compiled from data collected from December 2015 to May 2016.
Total private dwellings information from the 2011 Census Report from the Australian Bureau of Statistics.

Apartments

Price Per Square Metre
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PRICE COMPARISONS BY ROLLING QUARTERS

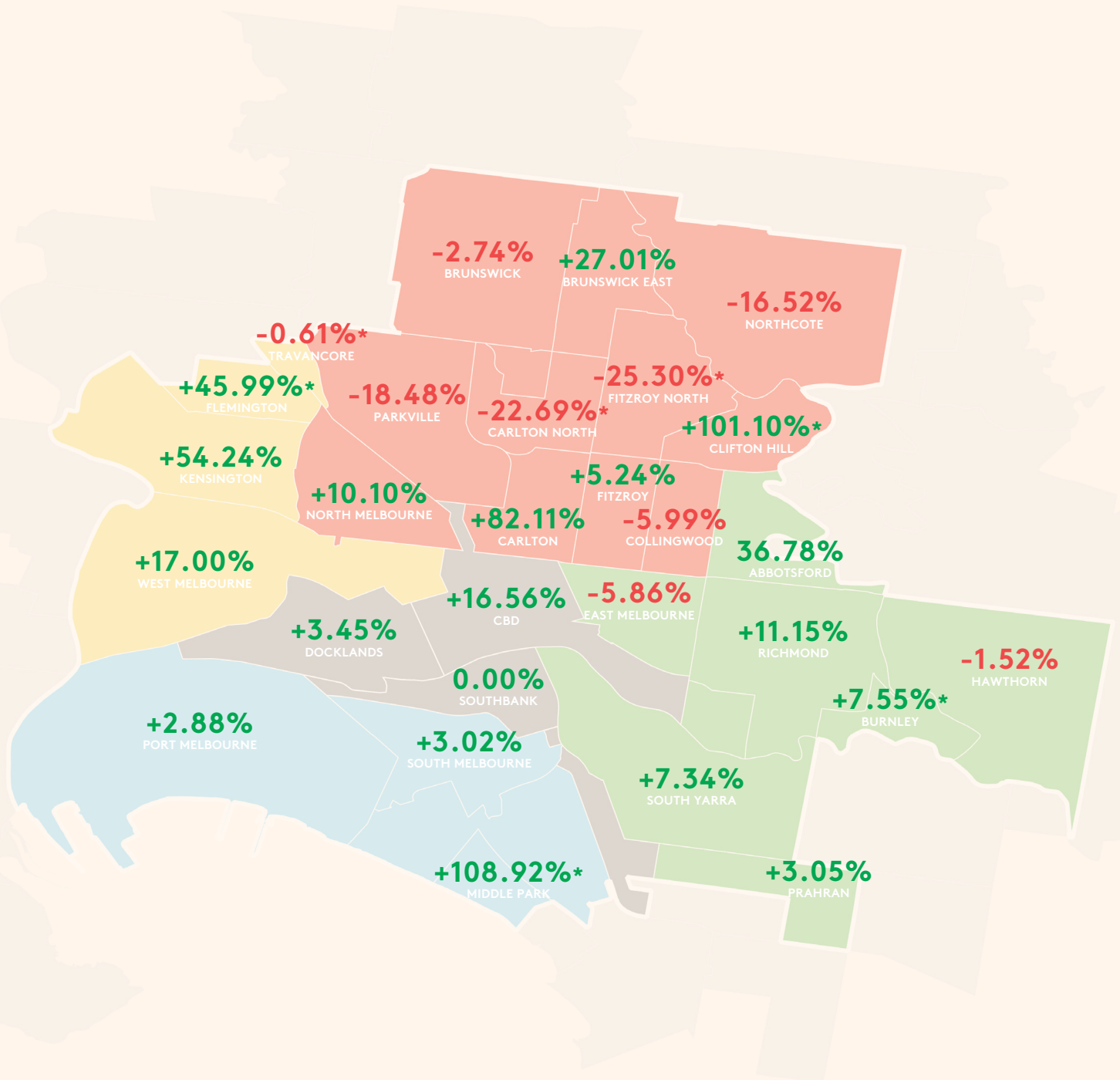
	PREVIOUS QUARTER (DEC 2015, JAN, FEB 2016)				CURRENT QUARTER (MAR, APR, MAY 2016)					
	Average Price	Median Price	Lowest Sale	Highest Sale	Average Price	% change	Median Price	% change	Lowest Sale	Highest Sale
Docklands	\$672,353	\$580,000	\$135,000	\$1,850,000	\$672,720	↑ 0.05%	\$600,000	↑ 3.45%	\$348,000	\$1,560,000
Melbourne	\$503,985	\$453,000	\$170,000	\$1,200,000	\$599,280	↑ 18.91%	\$528,000	↑ 16.56%	\$129,000	\$3,500,000
Southbank	\$631,345	\$580,000	\$294,000	\$1,330,000	\$607,617	↓ -3.76%	\$580,000	0.00%	\$315,000	\$1,250,000
Brunswick	\$497,543	\$475,000	\$216,000	\$892,000	\$486,306	↓ -2.26%	\$462,000	↓ -2.74%	\$300,000	\$815,000
Brunswick East	\$456,500	\$442,500	\$280,000	\$610,000	\$587,208	↑ 28.63%	\$562,000	↑ 27.01%	\$395,000	\$1,010,000
Carlton	\$406,206	\$285,000	\$201,000	\$1,250,000	\$527,365	↑ 29.83%	\$519,000	↑ 82.11%	\$185,000	\$1,126,000
Carlton North	*\$595,000	*\$595,000	\$530,000	\$660,000	*\$504,000	↓ -15.29%	*\$460,000	↓ -22.69%	\$301,000	\$751,000
Clifton Hill	*\$511,500	*\$453,000	\$320,000	\$820,000	*\$896,375	↑ 75.24%	*\$911,000	↑ 101.10%	\$543,500	\$1,220,000
Collingwood	\$748,750	\$617,500	\$363,000	\$1,575,000	\$734,393	↓ -1.92%	\$580,500	↓ -5.99%	\$140,000	\$1,700,000
Fitzroy	\$732,462	\$659,000	\$295,000	\$2,000,000	\$699,164	↓ -4.55%	\$693,500	↑ 5.24%	\$150,000	\$1,330,000
Fitzroy North	\$564,409	\$535,500	\$326,000	\$1,200,000	*\$474,000	↓ -16.02%	*\$400,000	↓ -25.30%	\$270,000	\$775,000
North Melbourne	\$499,500	\$485,000	\$265,000	\$741,500	\$593,750	↑ 18.87%	\$534,000	↑ 10.10%	\$460,000	\$950,000
Northcote	\$477,618	\$469,000	\$350,560	\$560,000	\$419,750	↓ -12.12%	\$391,500	↓ -16.52%	\$280,000	\$672,500
Parkville	\$631,250	\$644,000	\$477,500	\$760,000	\$509,667	↓ -19.26%	\$525,000	↓ -18.48%	\$335,000	\$695,000
Princes Hill	*\$660,000	*\$660,000	\$660,000	\$660,000	-	-	-	-	-	-
Abbotsford	*\$544,000	*\$552,000	\$420,000	\$660,000	\$708,688	↑ 30.27%	\$755,000	↑ 36.78%	\$423,500	\$975,000
Burnley	*\$470,000	*\$470,000	\$470,000	\$470,000	*\$505,500	↑ 7.55%	*\$505,500	↑ 7.55%	\$505,500	\$505,500
Cremorne	*\$510,000	*\$510,000	\$510,000	\$510,000	-	-	-	-	-	-
East Melbourne	\$663,375	\$725,000	\$382,000	\$795,000	\$953,500	↑ 43.73%	\$682,500	↓ -5.86%	\$114,000	\$2,275,000
Hawthorn	\$540,724	\$525,000	\$118,000	\$1,150,000	\$577,328	↑ 6.77%	\$517,000	↓ -1.52%	\$275,000	\$1,505,000
Prahran	\$476,681	\$525,000	\$220,000	\$790,000	\$554,773	↑ 16.38%	\$541,000	↑ 3.05%	\$275,000	\$830,000
Richmond	\$544,043	\$520,000	\$310,000	\$900,000	\$665,914	↑ 22.40%	\$578,000	↑ 11.15%	\$301,000	\$2,020,000
South Yarra	\$580,768	\$545,000	\$210,000	\$1,900,000	\$667,220	↑ 14.89%	\$585,000	↑ 7.34%	\$119,000	\$1,600,000
Albert Park	*\$944,000	*\$944,000	\$944,000	\$944,000	-	-	-	-	-	-
Middle Park	\$825,083	\$868,750	\$706,000	\$880,000	*\$1,815,000	↑ 119.98%	*\$1,815,000	↑ 108.92%	\$880,000	\$2,750,000
Port Melbourne	\$1,007,400	\$782,500	\$420,000	\$4,050,000	\$943,444	↓ -6.35%	\$805,000	↑ 2.88%	\$410,000	\$2,260,000
South Melbourne	\$614,688	\$612,500	\$385,000	\$750,000	\$839,450	↑ 36.57%	\$631,000	↑ 3.02%	\$300,000	\$2,100,000
Flemington	\$326,100	\$274,000	\$163,000	\$501,000	*\$348,500	↑ 6.87%	*\$400,000	↑ 45.99%	\$250,000	\$420,500
Kensington	\$412,636	\$389,000	\$332,500	\$636,500	\$581,571	↑ 40.94%	\$600,000	↑ 54.24%	\$330,000	\$845,000
Travancore	\$388,100	\$369,750	\$335,000	\$566,000	*\$372,500	↓ -4.02%	*\$367,500	↓ -0.61%	\$315,000	\$420,000
West Melbourne	*\$502,400	*\$500,000	\$335,000	\$680,000	\$685,000	↑ 36.35%	\$585,000	↑ 17.00%	\$342,000	\$1,325,000

Table compiled from data collected from December 2015 to May 2016. 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

Price Per Square Metre
Vol.44 Jun 2016

QUARTERLY MEDIAN CHANGE BY SUBURB



Based on data collected from December 2015 to May 2016. Princes Hill, Cremorne and Albert Park were omitted due to insufficient data.
* indicates a median value calculated using 5 sales or less.

PRICE COMPARISONS BY ROLLING QUARTERS

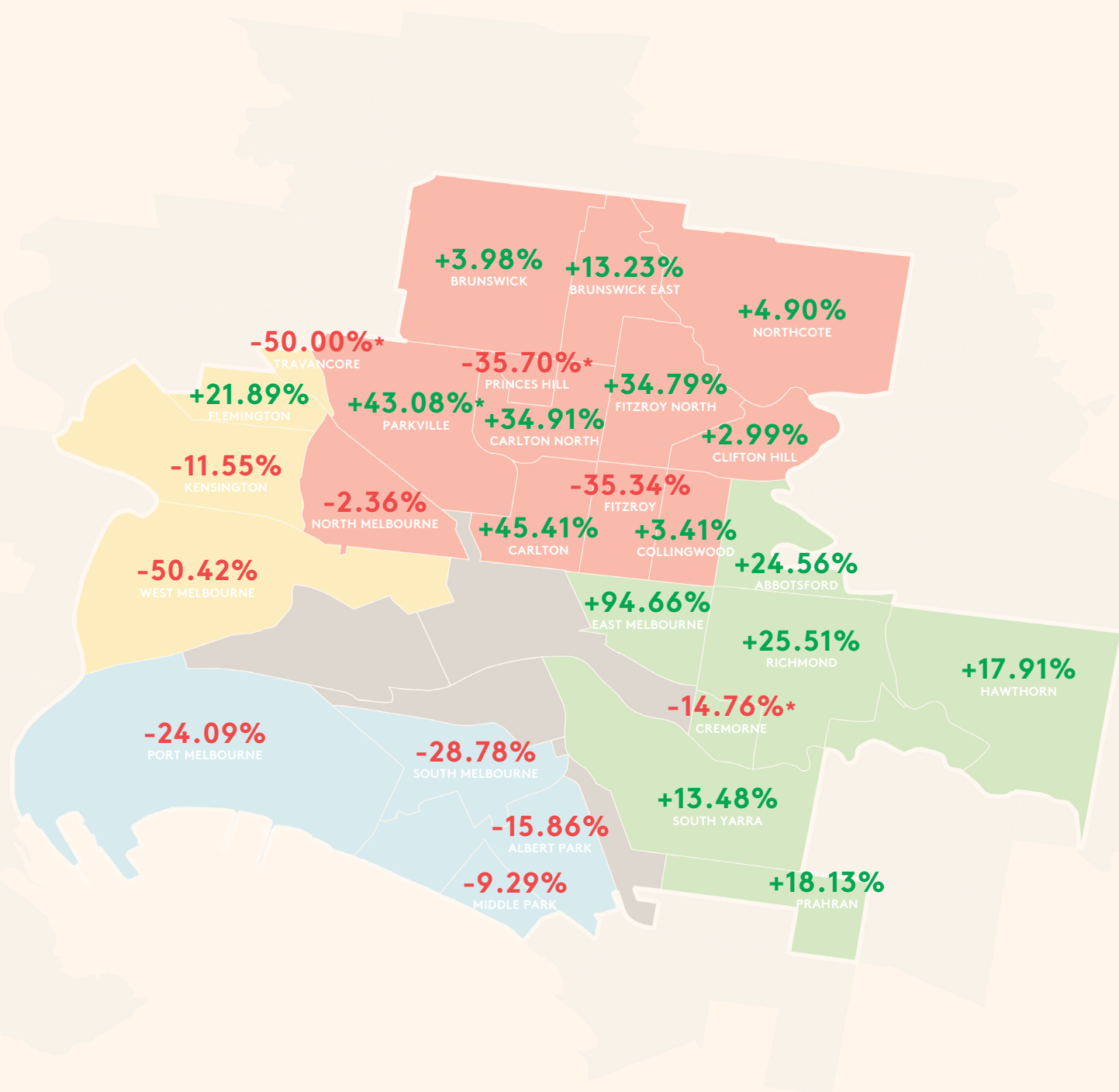
	PREVIOUS QUARTER (DEC 2015, JAN, FEB 2016)				CURRENT QUARTER (MAR, APR, MAY 2016)					
	Average Price	Median Price	Lowest Sale	Highest Sale	Average Price	% change	Median Price	% change	Lowest Sale	Highest Sale
Docklands	-	-	-	-	-		-		-	-
Melbourne	-	-	-	-	-		-		-	-
Southbank	-	-	-	-	-		-		-	-
Brunswick	\$898,676	\$880,000	\$667,000	\$1,340,000	\$991,589	↑ 10.34%	\$915,000	↑ 3.98%	\$542,000	\$1,550,000
Brunswick East	\$978,071	\$952,500	\$740,000	\$1,357,000	\$1,135,918	↑ 16.14%	\$1,078,500	↑ 13.23%	\$106,183	\$1,750,000
Carlton	\$1,234,100	\$1,121,000	\$830,000	\$1,930,000	\$1,618,008	↑ 31.11%	\$1,630,100	↑ 45.41%	\$780,000	\$2,600,000
Carlton North	\$1,416,286	\$1,267,500	\$900,000	\$2,800,000	\$1,640,800	↑ 15.85%	\$1,710,000	↑ 34.91%	\$880,000	\$2,800,000
Clifton Hill	\$1,315,300	\$1,187,000	\$730,000	\$2,335,000	\$1,294,917	↓ -1.55%	\$1,222,500	↑ 2.99%	\$730,000	\$2,610,000
Collingwood	*\$893,700	*\$880,000	\$737,500	\$1,010,000	\$1,055,222	↑ 18.07%	\$910,000	↑ 3.41%	\$810,000	\$1,770,000
Fitzroy	*\$1,550,333	*\$1,825,000	\$711,000	\$2,036,000	\$1,273,250	↓ -17.87%	\$1,180,000	↓ -35.34%	\$835,000	\$2,020,000
Fitzroy North	\$1,241,833	\$1,180,000	\$835,000	\$2,716,000	\$1,646,208	↑ 32.56%	\$1,590,500	↑ 34.79%	\$899,000	\$3,400,000
North Melbourne	\$1,085,500	\$1,270,000	\$475,000	\$1,650,000	\$1,276,455	↑ 17.59%	\$1,240,000	↓ -2.36%	\$665,000	\$1,950,000
Northcote	\$1,161,968	\$1,001,000	\$753,000	\$2,370,000	\$1,226,953	↑ 5.59%	\$1,050,000	↑ 4.90%	\$800,000	\$2,700,000
Parkville	*\$2,287,600	*\$2,600,000	\$1,238,000	\$3,250,000	*\$3,003,333	↑ 31.29%	*\$3,720,000	↑ 43.08%	\$1,340,000	\$3,950,000
Princes Hill	*\$2,150,000	*\$2,150,000	\$2,150,000	\$2,150,000	*\$1,966,250	↓ -8.55%	*\$1,382,500	↓ -35.70%	\$1,100,000	\$4,000,000
Abbotsford	\$869,643	\$900,000	\$617,500	\$1,100,000	\$1,319,500	↑ 51.73%	\$1,121,000	↑ 24.56%	\$750,000	\$2,440,000
Burnley	-	-	-	-	*\$881,000		*\$881,000		\$881,000	\$881,000
Cremorne	*\$1,336,700	*\$1,440,000	\$933,500	\$1,790,000	*\$1,227,500	↓ -8.17%	*\$1,227,500	↓ -14.76%	\$1,145,000	\$1,310,000
East Melbourne	*\$2,599,000	*\$1,825,000	\$1,020,000	\$4,600,000	\$3,150,750	↑ 21.23%	\$3,552,500	↑ 94.66%	\$1,070,000	\$5,850,000
Hawthorn	\$2,002,600	\$1,912,500	\$1,041,000	\$3,460,000	\$2,534,033	↑ 26.54%	\$2,255,000	↑ 17.91%	\$1,077,000	\$6,000,000
Prahran	\$1,524,000	\$1,445,000	\$860,000	\$2,975,000	\$1,752,389	↑ 14.99%	\$1,707,000	↑ 18.13%	\$845,000	\$2,895,000
Richmond	\$1,217,029	\$1,072,000	\$725,000	\$2,350,000	\$1,432,938	↑ 17.74%	\$1,345,500	↑ 25.51%	\$796,500	\$3,100,000
South Yarra	\$1,511,909	\$1,410,000	\$626,000	\$2,265,000	\$2,251,783	↑ 48.94%	\$1,600,000	↑ 13.48%	\$906,000	\$7,150,000
Albert Park	\$2,270,714	\$2,270,000	\$1,300,000	\$3,110,000	\$2,284,722	↑ 0.62%	\$1,910,000	↓ -15.86%	\$980,000	\$7,805,000
Middle Park	\$1,963,083	\$1,802,500	\$1,407,500	\$2,905,000	\$1,873,500	↓ -4.56%	\$1,635,000	↓ -9.29%	\$1,005,000	\$4,050,000
Port Melbourne	\$1,773,250	\$1,818,000	\$940,000	\$2,900,000	\$1,395,914	↓ -21.28%	\$1,380,000	↓ -24.09%	\$825,000	\$2,950,000
South Melbourne	\$1,911,500	\$1,707,500	\$930,000	\$3,970,000	\$1,470,583	↓ -23.07%	\$1,216,000	↓ -28.78%	\$790,000	\$2,900,000
Flemington	\$1,089,450	\$818,750	\$650,000	\$2,112,000	\$1,237,429	↑ 13.58%	\$998,000	↑ 21.89%	\$770,000	\$2,370,000
Kensington	\$901,125	\$935,000	\$82,000	\$1,300,000	\$1,000,080	↑ 10.98%	\$827,000	↓ -11.55%	\$650,000	\$1,875,000
Travancore	*\$1,400,000	*\$1,400,000	\$650,000	\$2,150,000	*\$700,000	↓ -50.00%	*\$700,000	↓ -50.00%	\$700,000	\$700,000
West Melbourne	*\$1,800,000	*\$1,800,000	\$1,800,000	\$1,800,000	\$1,140,833	↓ -36.62%	\$892,500	↓ -50.42%	\$585,000	\$2,100,000

Table compiled from data collected from December 2015 to May 2016. 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

Price Per Square Metre
Vol.44 Jun 2016

QUARTERLY MEDIAN CHANGE BY SUBURB



Based on data collected from December 2015 to May 2016. Docklands, Melbourne, Southbank and Burnley were omitted due to insufficient data.

* indicates a median value calculated using 5 sales or less.

Townhouses

Price Per Square Metre
Vol.44 Jun 2016

PRICE COMPARISONS BY ROLLING QUARTERS

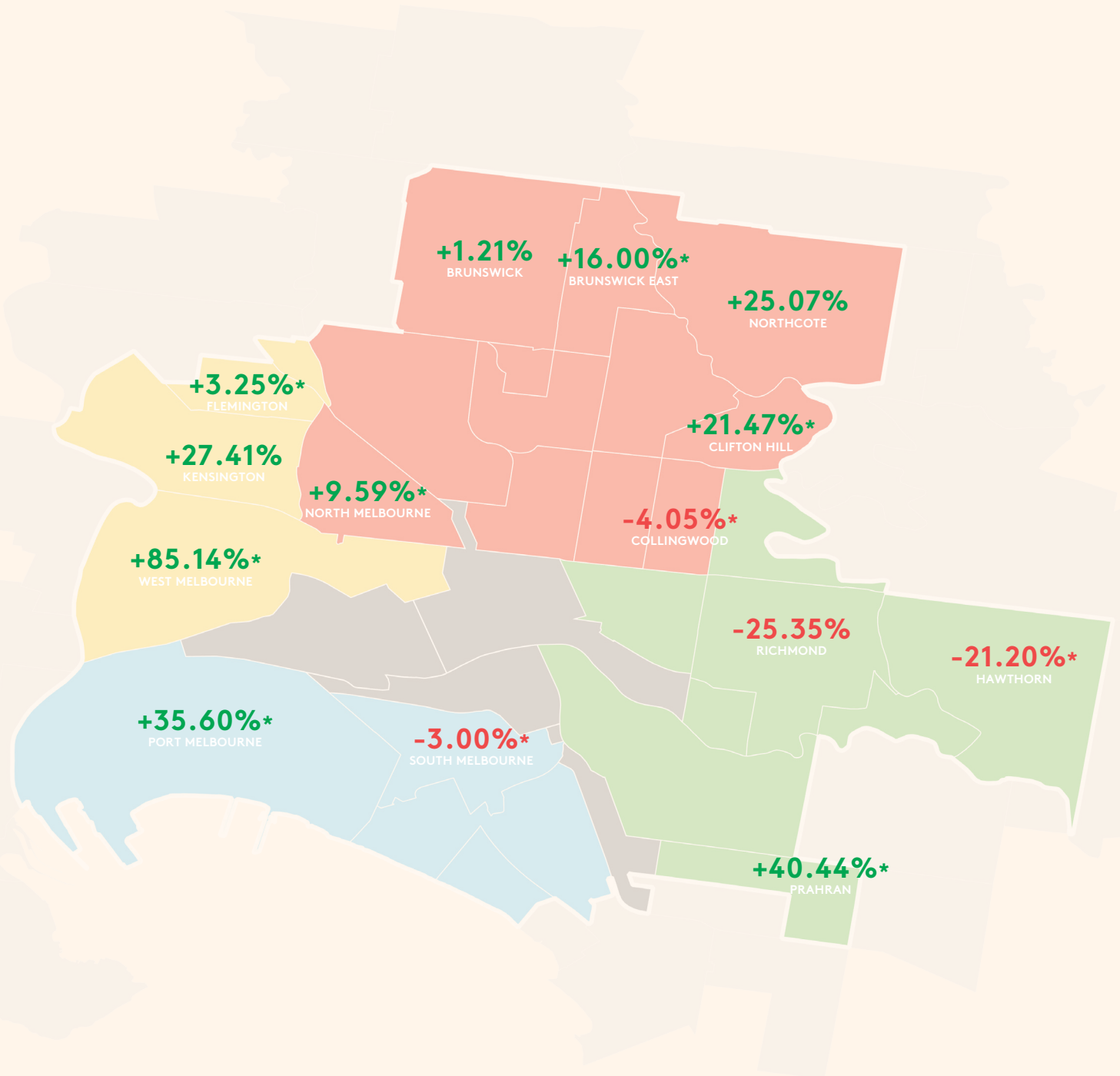
	PREVIOUS QUARTER (DEC 2015, JAN, FEB 2016)				CURRENT QUARTER (MAR, APR, MAY 2016)					
	Average Price	Median Price	Lowest Sale	Highest Sale	Average Price	% change	Median Price	% change	Lowest Sale	Highest Sale
Docklands	-	-	-	-	-		-		-	-
Melbourne	-	-	-	-	-		-		-	-
Southbank	-	-	-	-	-		-		-	-
Brunswick	\$713,182	\$746,000	\$533,000	\$965,000	\$738,600	↑ 3.56%	\$755,000	↑ 1.21%	\$595,000	\$872,000
Brunswick East	*\$756,667	*\$775,000	\$685,000	\$810,000	*\$887,000	↑ 17.22%	*\$899,000	↑ 16.00%	\$771,000	\$1,010,000
Carlton	*\$645,000	*\$645,000	\$645,000	\$645,000	-		-		-	-
Carlton North	-	-	-	-	-		-		-	-
Clifton Hill	*\$955,000	*\$955,000	\$955,000	\$955,000	*\$1,064,800	↑ 11.50%	*\$1,160,000	↑ 21.47%	\$862,000	\$1,220,000
Collingwood	*\$925,000	*\$925,000	\$925,000	\$925,000	*\$837,500	↓ -9.46%	*\$887,500	↓ -4.05%	\$727,500	\$897,500
Fitzroy	-	-	-	-	*\$906,667		*\$910,000		\$780,000	\$1,030,000
Fitzroy North	-	-	-	-	*\$725,000		*\$725,000		\$725,000	\$725,000
North Melbourne	*\$842,000	*\$850,000	\$795,000	\$881,000	*\$908,250	↑ 7.87%	*\$931,500	↑ 9.59%	\$705,000	\$1,065,000
Northcote	*\$702,000	*\$710,000	\$630,000	\$745,000	\$901,000	↑ 28.35%	\$888,000	↑ 25.07%	\$760,000	\$1,100,000
Parkville	-	-	-	-	-		-		-	-
Princes Hill	-	-	-	-	-		-		-	-
Abbotsford	-	-	-	-	*\$644,667		*\$710,000		\$429,000	\$795,000
Burnley	-	-	-	-	-		-		-	-
Cremorne	-	-	-	-	-		-		-	-
East Melbourne	-	-	-	-	*\$1,620,000		*\$1,620,000		\$1,620,000	\$1,620,000
Hawthorn	*\$955,000	*\$955,000	\$610,000	\$1,300,000	*\$752,500	↓ -21.20%	*\$752,500	↓ -21.20%	\$752,500	\$752,500
Prahran	*\$1,153,500	*\$1,153,500	\$807,000	\$1,500,000	*\$1,556,250	↑ 34.92%	*\$1,620,000	↑ 40.44%	\$1,195,000	\$1,790,000
Richmond	\$1,313,071	\$1,420,000	\$837,500	\$1,900,000	\$1,157,000	↓ -11.89%	\$1,060,000	↓ -25.35%	\$710,000	\$2,020,000
South Yarra	-	-	-	-	*\$822,500		*\$822,500		\$760,000	\$885,000
Albert Park	-	-	-	-	*\$1,085,000		*\$1,085,000		\$1,085,000	\$1,085,000
Middle Park	*\$1,300,000	*\$1,300,000	\$1,300,000	\$1,300,000	-		-		-	-
Port Melbourne	\$1,156,545	\$1,097,000	\$805,000	\$1,585,000	*\$1,426,250	↑ 23.32%	*\$1,487,500	↑ 35.60%	\$1,130,000	\$1,600,000
South Melbourne	*\$1,665,000	*\$1,665,000	\$1,530,000	\$1,800,000	*\$1,633,333	↓ -1.90%	*\$1,615,000	↓ -3.00%	\$1,185,000	\$2,100,000
Flemington	*\$554,000	*\$554,000	\$554,000	\$554,000	*\$572,000	↑ 3.25%	*\$572,000	↑ 3.25%	\$572,000	\$572,000
Kensington	*\$613,000	*\$613,000	\$613,000	\$613,000	\$761,813	↑ 24.28%	\$781,000	↑ 27.41%	\$387,500	\$980,000
Travancore	-	-	-	-	-		-		-	-
West Melbourne	*\$690,000	*\$690,000	\$690,000	\$690,000	*\$1,277,500	↑ 85.14%	*\$1,277,500	↑ 85.14%	\$1,230,000	\$1,325,000

Table compiled from data collected from December 2015 to May 2016. 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.

Townhouses

Price Per Square Metre
Vol.44 Jun 2016

QUARTERLY MEDIAN CHANGE BY SUBURB



Based on data collected from December 2015 to May 2016. Docklands, Melbourne, Southbank, Carlton, Carlton North, Fitzroy, Fitzroy North, Parkville, Princes Hill, Abbotsford, Burnley, Cremorne, East Melbourne, South Yarra, Albert Park, Middle Park and Travancore were omitted due to insufficient data. * indicates a median value calculated using 5 sales or less.



Apartments: Price Per Square Metre Report
Vol. 44 June 2016

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The data upon which this report is based was sourced from:
The Australian Bureau of Statistics (abs.gov.au/census),
REIV (reiv.com.au/property-data/auction-results),
The Department of Human Resources, Google Maps,
Land Victoria (land.vic.gov.au), realestateview.com.au,
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