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THE SECRET AGENT REPORT

VOLUME 24 - OCTOBER 2014

# PROPERTY SEASONALITY

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**"TO BE INTERESTED IN THE CHANGING SEASONS IS A HAPPIER STATE OF MIND THAN TO BE HOPELESSLY IN LOVE WITH SPRING."**

- GEORGE SANTAYANA

### COVER IMAGE

Our cover image this month has been created by freelance illustrator and graphic designer Dan Vaughan. Dan pays respect to the four seasons by presenting fruits that come into season at the start of each of them. With a tip of his hat toward Eric Carle's classic *The Very Hungry Caterpillar*, Dan's energetic style presents the movement and change of the seasons.

George Santayana was a Spanish Born naturalist, philosopher, poet and essayist, and we identify with his viewpoint above when applied to the property market. Spring is know as an exciting time for the industry, but it's not to say we should ignore the fruits of the other seasons.



[WWW.INSTAGRAM.COM/CURATION1](http://WWW.INSTAGRAM.COM/CURATION1)

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# PROPERTY SEASONALITY

JODIE WALKER AND RICHARD ROSSMANN

With the winter period finally coming to an end things are starting to look a lot brighter. The days are longer, the clouds are clearing and the real estate market is coming out of hibernation. It is well known that there is a seasonal cycle in the housing market. Sale volumes are higher in the warmer months and lower in the cooler months. This is a worldwide phenomenon. In both the USA and the UK, the housing market experiences above trend results for both prices and transactions in the two warmest quarters of the year. According to one study, in the UK, the difference in annual growth rates for house prices between hot and cold seasons was 6.5%. (Tenreyro, 2009)

Secret Agent decided to investigate this cycle to quantify how much seasonality influences house prices in the inner city property market of Melbourne. In the first part of this report we analysed the results of house and townhouse sales for the last ten years in the inner city suburbs of Melbourne. All two and three bedroom townhouses and houses were included in the study if they were sold between January 2004 and August 2014 and if information about the number of bedrooms, bathrooms and land size was accurately recorded. The results are summarized in Table 1 and discussed in further detail below.

At a glance, there seems to be a positive correlation between the amount of sales and the average sale prices during the period. This is consistent with the notion of “hot and fast” versus “cold and slow” periods in the housing market. However, the results do not seem to entirely match what would be expected in the different seasons.

Summer was the worst performing month in terms of number of sales and average sale prices. It would be expected that since the weather is warmest during summer, if warm weather positively influences house prices then, the average sale prices would be highest in summer. This was not the case. The turn of the seasons, autumn and spring performed the best with both the highest number of sales and highest average prices. Winter did not perform as badly as expected with a significantly greater amount of sales compared to summer and also a higher average sale price. However, if you compare winter to spring, the results appear as you would expect with the average number of sales picking up in spring and prices increasing quite significantly. Overall spring was the standout season which is consistent with the general perception that spring is the best season for real estate transactions.

There are many other factors that could be impacting house prices in different seasons that couldn't be controlled for in this study. For example, spring not only brings warmer weather, but also a greater supply of stock to choose from. Owners with better properties tend to wait until spring to sell, and properties which have beautiful gardens will be listed during spring to showcase these at their fullest. It is interesting that even though supply and demand both go up as the weather gets warmer in spring, prices also rise concurrently. In general, properties being purchased equate with properties coming onto the market on the other side of the equation. This means that the supply of properties rises alongside the market demand (though slightly later). Since both supply and demand rise, basic economic theory would indicate relatively stable pricing but interestingly the market consistently experiences a price spike as the weather begins to warm up.

Table 1: 2 and 3 Bedroom Housing Sales, Inner Melbourne, Jan 2004 - Aug 2014

	Average Sales Price	Average Number of Sales	Notes
Summer	\$795,508	231	Lowest amount of sales as people go on holidays and spend time with family.
Autumn	\$811,243	421	Period that saw the highest amount of sales and average prices just below those in Spring.
Winter	\$799,259	361	Significant decrease in sales price and volume from previous period
Spring	\$817,329	403	Busy time, with houses sold over the past decade scoring the highest price in this period.
<b>TOTAL</b>	<b>\$1,178,844</b>	<b>(13,793)</b>	

Table compiled from data collected from January 2004 to August 2014.

One possible explanation for this is that with a greater supply of stock, the probability of someone finding what they are looking for in terms of accommodation is greater. This means people are willing to pay more because they wouldn't want to miss out on purchasing the home that ticks all their boxes. Buying is often emotional and people will pay more than what something is worth if it is exactly what they want. In winter when supply and demand is lower, there is a smaller chance that someone will find their perfect match and so people are less willing to pay good money. A study conducted by Tenreyro and Ngai (2013) aimed to explain why more people tend to buy in summer, even though they know they are most likely going to have to pay more. To do this they formed a model which attempted to reveal the drivers behind seasonal price differences in the real estate market. This model was based on the underlying mechanism that matches between people and houses formed in the summer are of better quality. They found that this model could quantitatively account for the seasonal patterns of house prices and number of transactions observed in the UK and United States, and that it was consistent with other empirical evidence. Our study is also consistent with this match-quality theory. The lowest number of sale correlated with the lowest average sale price. In this case this happened to be in summer.

Other contextual factors that have a significant impact on the housing market include the overall economic climate, interest rates, unemployment levels and consumer confidence. On top of this we have the end of financial year which hits just in time for winter, as well as the extended holiday season over Christmas during summer. These all influences whether or not people are willing to buy or sell.

In attempt to reduce some of these variables, Secret Agent set up a model using Hedonic Regression techniques. This allowed us to control for standard variable home loan interest rates, the year of sale, the region the property was sold in (inner North, inner South, inner East and inner West), the land size and the number of rooms (size of the property). This produced interesting results. According to this model, houses sold in summer or spring had an expected sale price approximately \$22,000 higher than an identical house sold in winter or autumn, holding all else constant. The fluidity of the housing market means that the prices should cycle in a fairly predictable manner. In the second part of this report we test this using the above model to see if it is possible to accurately forecast prices in the coming spring and summer periods of 2014. The model was applied to sales in each quarter of 2013 to show the difference between real and predicted average sale prices for each inner region of Melbourne. The results are broken down and presented in Table 2 to 5 to the right.

Table 2: Inner Northern Suburbs 2013 Average Sales Price, actual and predicted.

	Q1	Q2	Q3	Q4
Predicted	\$942,943	\$945,008	\$947,252	\$971,678
Actual	\$826,994	\$857,456	\$874,435	\$922,225
% Difference	-12.30%	-9.26%	-7.69%	-5.09%

Q1 - Jan, Feb, Mar. Q2 - Apr, May, Jun. Q3 - Jul, Aug, Sep. Q4 Oct, Nov, Dec.

Table 3: Inner Eastern Suburbs 2013 Average Sales Price, actual and predicted.

	Q1	Q2	Q3	Q4
Predicted	\$1,123,300	\$1,098,874	\$1,096,631	\$1,094,566
Actual	\$1,167,170	\$1,118,585	\$1,119,040	\$1,096,000
% Difference	3.91%	1.79%	2.04%	0.13%

Q1 - Jan, Feb, Mar. Q2 - Apr, May, Jun. Q3 - Jul, Aug, Sep. Q4 Oct, Nov, Dec.

Table 4: Inner Southern Suburbs 2013 Average Sales Price, actual and predicted.

	Q1	Q2	Q3	Q4
Predicted	\$1,228,118	\$1,230,183	\$1,232,427	\$1,256,853
Actual	\$1,162,760	\$1,230,903	\$1,177,414	\$1,263,197
% Difference	-5.32%	0.06%	-4.46%	0.50%

Q1 - Jan, Feb, Mar. Q2 - Apr, May, Jun. Q3 - Jul, Aug, Sep. Q4 Oct, Nov, Dec.

Table 5: Inner Western Suburbs 2013 Average Sales Price, actual and predicted.

	Q1	Q2	Q3	Q4
Predicted	\$860,304	\$862,369	\$864,613	\$889,039
Actual	\$774,190	\$714,020	\$711,450	\$764,565
% Difference	-10.01%	-17.20%	-17.71%	-14.00%

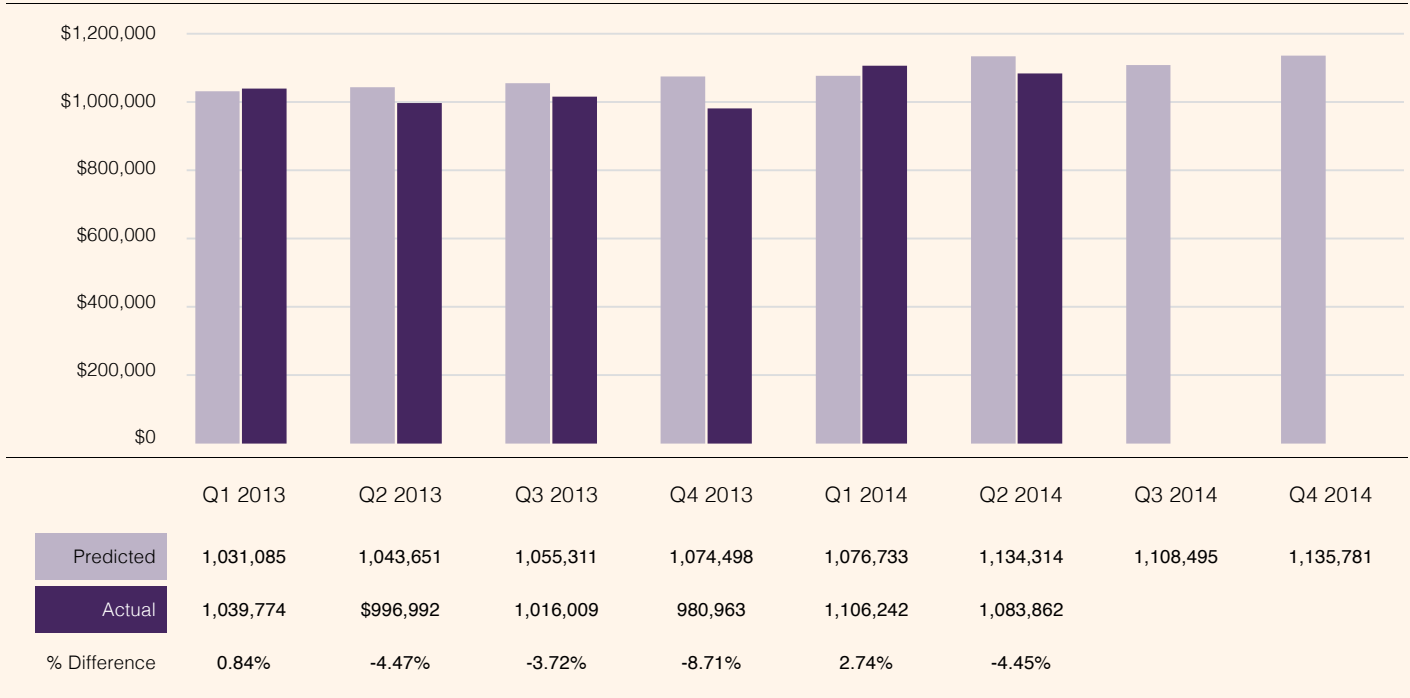
Q1 - Jan, Feb, Mar. Q2 - Apr, May, Jun. Q3 - Jul, Aug, Sep. Q4 Oct, Nov, Dec.

The following insights can be gained from the results. In the inner North, all suburbs under-performed by between 5 to 12 % in all quarters of 2013. With each consecutive quarter the gap between actual and predicted prices closes and by the fourth quarter prices are almost on trend. Both predicted and actual prices increase to reach their maximum values at the end of the year. The inner East shows stronger prices than predicted but only by a small margin. Again this difference between actual and predicted values closes towards the final quarter. The worst performing area analysed was the inner West. Average prices were at least 10% worse than expected with no sign of them returning to their expected values. The inner South showed interesting results. During the busy periods in quarters two and four, these suburbs experienced prices almost exactly as predicted. However, the area had weak sales during the slower periods (the first and third quarters) with prices about 5% below trend.

Whilst our model is not perfect, it does give a good indication of average prices, especially in the inner South and inner East. To finish, the model was used to predict the average prices of two and three bedroom houses and townhouses for the second half of 2014 across all suburbs within an 8km radius of Melbourne’s CBD. The results are presented in Figure 1.

Our expectations for the second half of 2014 are optimistic. It is expected that average two and three bedroom house prices will stabilize and increase slightly towards the end of spring. If our analysis of the past 6 months remains unchanged, Northern and Western suburbs may under-perform slightly, while Southern and Eastern suburbs may see average prices exceeding our expectations. Most of the growth will come from the higher end market and the most sought after properties will be those closely connected to transport hubs. In conclusion Secret Agent believes that even though house prices on average are greater in warmer weather, selling in winter may not be a bad idea. Conversely, value can also be found during the summer months if you are looking to buy. The winter market often means less stock and more demand for higher quality properties. If you own something with an edge it could be just as good to sell in cold weather regardless of what the statistics and general trends tend to tell us. According to our analysis, it seems that many factors are at play in property transactions and warm weather alone will not always guarantee a higher sale price. All else aside, a house sold in spring or summer can expect to receive approximately \$22,000 more than an identical house sold in the cooler months of autumn and winter.

Figure 1: 2 and 3 Bedroom Housing Sales, Inner Melbourne, Jan 2004 - Aug 2014



Q1 - Jan, Feb, Mar. Q2 - Apr, May, Jun. Q3 - Jul, Aug, Sep. Q4 Oct, Nov, Dec.

## RESIDENTIAL UPDATE

JODIE WALKER

The previous quarter, surprisingly produced a slowing residential property market, in terms of median growth rates.

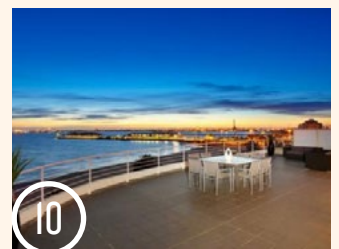
Houses in the inner city grew by just 1% in this rolling quarter compared to the last quarter. The worst performing suburbs with two consecutive quarters of negative growth were in the inner North (Brunswick East, Carlton North, Fitzroy North) and inner South (Albert Park, South Melbourne). These powerhouse suburbs had seen previously robust growth and have since started to retreat.

Investors seeking to buy in central Melbourne's CBD district should also take note. These apartments are experiencing a downturn. CBD apartments decreased almost 8% from prices in the previous quarter. If we compare the median price of Melbourne CBD apartments in September 2014 to September 2013, the results show a fall in values of 13.45%. The central CBD area is not the only suburb seeing negative growth in the apartment market. Kensington, Clifton Hill and Docklands are experiencing a recession with two quarters in a row of declining values.

Townhouse growth remained steady over the quarter. Whilst prices remained consistent, there was a growth in the availability of this style of accommodation with most suburbs selling at least one townhouse.

In terms of actual standalone sales, the strongest performing properties were in the bayside suburbs of Port Melbourne and Albert Park, especially those close to the water. The three bedroom apartment at 703/55 Beach Street Port Melbourne had a stunning outlook over the water and sold for \$2.46 Million. The inner West, not to be ignored, with the sale of 36 Tongue Street Yarraville for \$1.52 Million.

With grand final day over we expect listing activity to increase with more choice for those looking to buy. We now have no inner Melbourne suburbs in a Boom state which is 3 consecutive quarters of positive growth. The next month will be a key test to see whether any Melbourne inner city suburbs trend back to Boom or dig themselves out of Recession.



- ① 3/242 Beaconsfield Parade, Middle Park - \$1,860,000
- ② 26 Yarra Bank Court, Abbotsford - \$1,700,000
- ③ 36 Tongue Street, Yarraville - \$1,520,000
- ④ 39 St Vincent Street, Albert Park - \$1,700,000
- ⑤ 44 Story Street, Parkville - \$2,340,000

- ⑥ 45 Macarthur Place, Carlton - \$1,570,000
- ⑦ 46 Garton Street, Port Melbourne - \$1,753,000
- ⑧ 53 Perth Street, Prahran - \$1,715,000
- ⑨ 222 Esplanade West, Port Melbourne - \$2,920,000
- ⑩ 703/55 Beach Street, Port Melbourne - \$2,460,000

## COMMERCIAL UPDATE

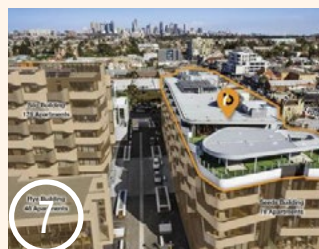
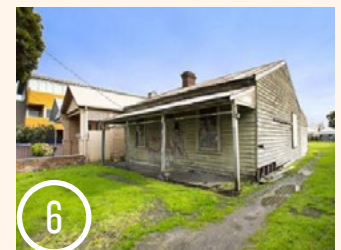
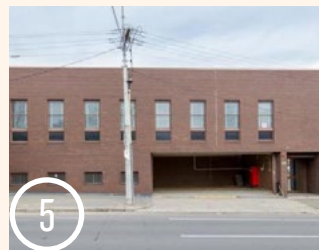
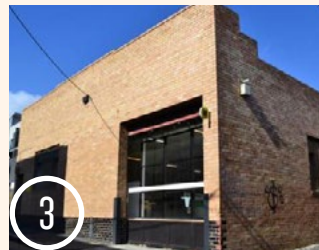
JODIE WALKER

It has been a highly active past month for the commercial property market in inner Melbourne.

North Melbourne was hot with two large warehouse shells selling strongly and a number of fresh listings added in September. Notable sales were 241 Dryburgh Street, which sold for a little over 3 million. This double storey brick office/warehouse on 696sqm of land has huge development potential having two frontages and mixed use zoning. A similar but smaller warehouse (285sqm) with mixed use zoning at 15-19 Purcell Street sold for \$1,681,000. This is an attractive property for residential conversion as it is extremely close to Errol Street, trams and major hospitals. Investors are paying good money for large sites in locations which are well connected and close to lifestyle hubs.

Out west the shopfront on a corner site at 154 Hopkins Street Footscray sold for \$2,360,000. The 180sqm block is in the busiest intersection of Footscray and has a secure lease in place returning \$126,000 per annum. This offers a gross yield of approximately 5%. The proximity of Footscray to the CBD is becoming more and more realised by investors and home owners alike. We expect to see great changes in this area over the next year.

Sites which have plans and permits already in place are attracting the highest figures. A good example of this was the run down house at 336 Burnley Street in Richmond. The 769sqm block had plans and permits already approved for four townhouses and sold for \$2,544,000 which is \$923,000 more than what it sold for two years earlier.



- ① 1-6/168-170 Vere Street, Abbotsford - \$1,820,000
- ② 3/409 Victoria Street, Abbotsford - \$790,000
- ③ 15-19 Purcell Street, North Melbourne - \$1,681,000
- ④ 154 Hopkins Street, Footscray - \$2,360,000
- ⑤ 241 Dryburgh Street, North Melbourne - \$3,027,000
- ⑥ 336 Burnley Street, Richmond - \$2,544,000
- ⑦ Level 5/1 Weston Street, Brunswick East - \$3,300,000
- ⑧ 79-81 Palmerston Crescent, South Melbourne - \$2,600,000

# THE SECRET AGENT REPORT

## INNER MELBOURNE SCORECARD - JULY, AUGUST & SEPTEMBER QUARTER

Table 6: Inner Melbourne - Quarterly Summary (JUL, AUG, SEP 2014)

	Apartments	Townhouses	Houses
Median Price	\$507,500	\$820,000	\$1,000,000
Average Price	\$573,556	\$934,080	\$1,200,707
House m <sup>2</sup> Rate	-	\$7,455	\$4,396
Stock Inventory	3071 (up 5.75%) ↑	* 517 (up 7.22%) ↑	

Inner Melbourne = 8km radius of the CBD. \* House + Townhouse stock shown collectively

### GROWTH / DECLINE



APARTMENTS



TOWNHOUSES



HOUSES

Inner Melbourne is defined by suburbs falling into the 8km radius of the CBD

### BOOM !

THERE WERE NO INNER MELBOURNE SUBURBS THAT RECORDED BOOM GROWTH FOR THE PERIOD



A 'Boom' is recorded when a category records three consecutive quarters of positive growth.

### RECESSION



A 'Recession' is recorded when a category records two consecutive quarters of negative growth.

### KEY POINTS

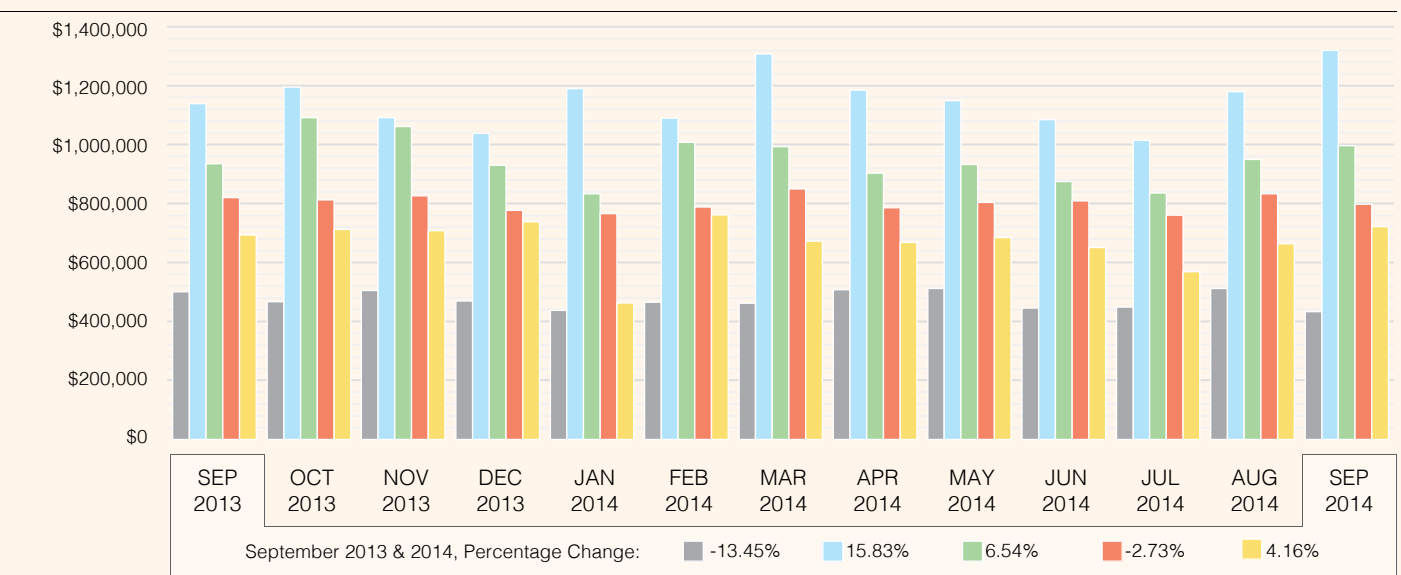
Apartments took a big downturn this quarter, median prices decreasing almost 8% from prices in the previous quarter, and about 13.5% lower than September 2013.

Even though several suburbs in the inner North, East and South have seen two rolling quarters of negative growth, overall housing prices grew slightly.

The declines in some areas is most likely due to seasonality as the winter period comes to an end. Only the Northern suburbs saw a decline in real terms since last year.

The more expensive areas in the South and East continue to be the main drivers of growth, with prices increasing 15.8% and 6.5% respectively.

Figure 2: Inner Melbourne Median Prices, Sep 2013 - Sep 2014, (Grouped by Orientation)



■ CBD Apartments ■ Inner South Apartments, Townhouses and Houses (A,T & H) ■ Inner East (A,T & H) ■ Inner North (A,T & H) ■ Inner West (A,T & H)



## INNER MELBOURNE TURNOVER

Table 7: Inner Melbourne Quarterly Turnover

		PREVIOUS QUARTER (APR, MAY & JUN 2014)				CURRENT QUARTER (JUL, AUG & SEP 2014)			
		Apartments	Apartments (By Area)	Houses & Townhouses	Houses & Townhouses (By Area)	Apartments	Apartments (By Area)	Houses & Townhouses	Houses & Townhouses (By Area)
CENTRAL	Docklands	3.25%		0.00%		2.60%		0.00%	
	Melbourne	1.89%	<b>1.97%</b>	0.00%	<b>0.00%</b>	1.20%	<b>1.41%</b>	0.00%	<b>0.00%</b>
	Southbank	1.55%		0.00%		1.39%		0.00%	
INNER NORTH	Brunswick	1.63%		1.01%		0.98%		0.94%	
	Brunswick East	0.85%		0.88%		2.17%		1.20%	
	Carlton	1.26%		0.68%		0.78%		0.68%	
	Carlton North	0.76%		0.77%		0.38%		0.91%	
	Clifton Hill	1.60%		1.36%		1.20%		0.92%	
	Collingwood	0.97%	<b>1.11%</b>	0.51%	<b>1.26%</b>	1.06%	<b>0.98%</b>	0.89%	<b>0.87%</b>
	Fitzroy	0.87%		1.27%		0.73%		1.08%	
	Fitzroy North	0.41%		0.96%		0.66%		0.73%	
	North Melbourne	1.14%		0.62%		0.99%		0.57%	
	Northcote	1.09%		0.94%		1.29%		0.87%	
	Parkville	0.82%		2.01%		1.29%		0.57%	
	Princes Hill	0.00%		0.81%		0.00%		0.32%	
INNER EAST	Abbotsford	3.64%		1.35%		2.77%		1.27%	
	Burnley	0.00%		1.47%		0.00%		2.94%	
	Cremorne	1.10%		0.79%		0.55%		0.39%	
	East Melbourne	1.69%	<b>1.60%</b>	1.42%	<b>0.95%</b>	1.38%	<b>1.36%</b>	0.89%	<b>1.25%</b>
	Hawthorn	1.43%		1.15%		1.10%		1.10%	
	Prahran	1.94%		1.57%		1.75%		1.53%	
	Richmond	1.26%		1.09%		1.53%		1.33%	
	South Yarra	1.67%		1.24%		1.18%		1.17%	
INNER SOUTH	Albert Park	0.79%		0.74%		0.39%		0.56%	
	Middle Park	1.05%	<b>1.24%</b>	1.53%	<b>1.22%</b>	1.05%	<b>0.97%</b>	0.77%	<b>0.59%</b>
	Port Melbourne	1.35%		1.20%		0.85%		0.33%	
	South Melbourne	1.23%		1.09%		1.28%		0.94%	
INNER WEST	Flemington	0.54%		1.51%		0.36%		0.79%	
	Kensington	1.99%	<b>1.36%</b>	0.82%	<b>1.06%</b>	1.43%	<b>0.75%</b>	0.75%	<b>0.86%</b>
	Travancore	1.46%		1.12%		0.62%		0.00%	
	West Melbourne	1.42%		1.00%		0.59%		2.20%	

(Total Sales for the period against total housing supply) Table compiled from data collected from April to September 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 8: Inner Melbourne Apartments - Price Comparisons

	PREVIOUS QUARTER (APR, MAY & JUN 2014)				CURRENT QUARTER (JUL, AUG & SEP 2014)					
	Average Price	Median Price	Lowest Sale	Highest Sale	Average Price	% CHANGE	Median Price	% CHANGE	Lowest Sale	Highest Sale
Docklands	758,813	624,000	345,000	3,750,000	511,000 ↓	-32.66%	530,000 ↓	-15.06%	282,000	700,000
Melbourne	602,590	483,000	145,000	3,150,000	442,818 ↓	-26.51%	478,750 ↓	-0.88%	262,000	690,000
Southbank	675,888	592,000	378,000	1,600,000	599,908 ↓	-11.24%	552,250 ↓	-6.71%	290,000	1,150,000
Brunswick	454,615	460,000	229,500	830,000	461,583 ↑	1.53%	434,500 ↓	-5.54%	225,000	775,000
Brunswick East	473,417	495,000	245,000	690,000	453,795 ↓	-4.14%	423,000 ↓	-14.55%	362,500	643,000
Carlton	328,143	280,000	130,000	642,000	347,489 ↑	5.90%	250,544 ↓	-10.52%	149,000	715,000
Carlton North	*479,500	*479,000	320,000	640,000	*730,500 ↑	52.35%	*730,500 ↑	52.51%	730,500	730,500
Clifton Hill	*522,000	*538,000	353,000	649,000	*511,100 ↓	-2.09%	*523,000 ↓	-2.79%	297,500	670,000
Collingwood	662,618	645,000	315,000	1,200,000	757,300 ↑	14.29%	723,000 ↑	12.09%	348,000	1,237,000
Fitzroy	764,050	760,500	435,000	1,105,000	738,423 ↓	-3.35%	636,000 ↓	-16.37%	287,000	1,410,000
Fitzroy North	498,341	525,000	331,000	710,000	511,000 ↑	2.54%	530,000 ↑	0.95%	282,000	700,000
North Melbourne	517,563	510,000	152,500	1,050,000	478,045 ↓	-7.64%	475,000 ↓	-6.86%	148,000	667,500
Northcote	468,214	496,500	318,000	613,500	442,818 ↓	-5.42%	478,750 ↓	-3.58%	262,000	690,000
Parkville	646,192	560,000	382,000	1,020,000	816,889 ↑	26.42%	596,000 ↑	6.43%	395,000	2,620,000
Princes Hill	-	-	-	-	-	-	-	-	-	-
Abbotsford	423,636	410,000	339,000	620,000	592,562 ↑	39.88%	558,000 ↑	36.10%	395,000	980,300
Burnley	*308,500	*308,500	302,000	315,000	-	-	-	-	-	-
Cremorne	*675,000	*675,000	675,000	675,000	-	-	-	-	-	-
East Melbourne	707,987	652,000	103,000	2,000,000	609,237 ↓	-13.95%	550,000 ↓	-15.64%	92,000	1,090,000
Hawthorn	536,147	503,000	100,000	1,050,000	561,705 ↑	4.77%	536,750 ↑	6.71%	135,000	1,208,000
Prahran	554,540	535,000	332,500	892,000	563,321 ↑	1.58%	565,000 ↑	5.61%	332,500	1,030,000
Richmond	501,194	447,750	282,500	1,190,000	499,271 ↓	-0.38%	450,000 ↑	0.50%	197,000	1,200,000
South Yarra	627,597	538,500	225,000	3,400,000	578,602 ↓	-7.81%	560,000 ↑	3.99%	291,500	1,275,000
Albert Park	*1,888,750	*2,407,500	270,000	2,470,000	*630,000 ↓	-66.64%	*630,000 ↓	-73.83%	630,000	630,000
Middle Park	*791,400	*760,000	630,000	1,100,000	*802,450 ↑	1.40%	*478,000 ↓	-37.11%	456,250	1,860,000
Port Melbourne	745,205	649,000	400,000	2,000,000	921,399 ↑	23.64%	632,500 ↓	-2.54%	345,000	2,460,000
South Melbourne	639,285	596,250	385,000	1,420,000	707,523 ↑	10.67%	627,500 ↑	5.24%	370,000	1,660,000
Flemington	408,964	379,250	270,000	675,000	392,167 ↓	-4.11%	382,750 ↑	0.92%	307,500	490,000
Kensington	433,167	439,500	362,500	485,000	399,531 ↓	-7.77%	405,000 ↓	-7.85%	300,000	490,500
Travancore	*373,750	*373,750	307,500	440,000	*555,000 ↑	48.49%	*555,000 ↑	48.49%	460,000	650,000
West Melbourne	546,821	549,500	358,000	750,000	*614,325 ↑	12.34%	*616,150 ↑	12.13%	520,000	705,000

Table compiled from data collected from April to September 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 3: Inner Melbourne Apartments - Quarterly Median Change (%)

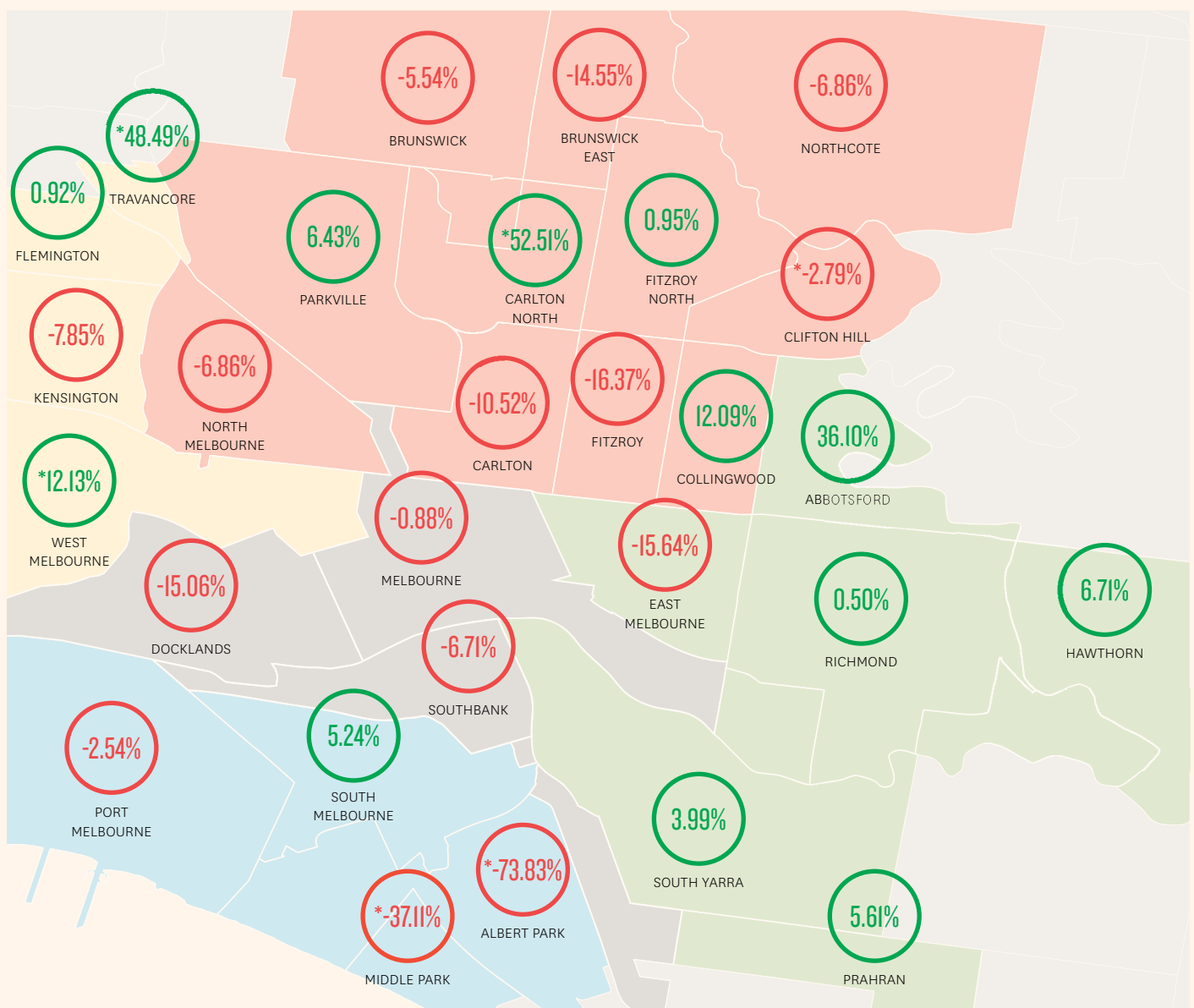


Table compiled from data collected from April to September 2014. Burnley, Cremorne, and Princes Hill were omitted due to insufficient data.  
\* indicates an average or median value calculated using 5 sales or less.

## INNER MELBOURNE TOWNHOUSES PRICE COMPARISONS BY ROLLING QUARTERS



Table 9: Inner Melbourne Townhouses - Price Comparisons

	PREVIOUS QUARTER (APR, MAY & JUN 2014)				CURRENT QUARTER (JUL, AUG & SEP 2014)					
	Average Price	Median Price	Lowest Sale	Highest Sale	Average Price	% CHANGE	Median Price	% CHANGE	Lowest Sale	Highest Sale
Brunswick	697,056	667,500	560,000	900,000	708,964 ↑	1.71%	703,750 ↑	5.43%	600,000	880,000
Brunswick East	699,500	715,000	552,000	820,000	732,708 ↑	4.75%	742,500 ↑	3.85%	546,500	1,027,000
Carlton	*762,333	*840,000	555,000	892,000	*707,500 ↓	-7.19%	*707,500 ↓	-15.77%	707,500	707,500
Carlton North	-	-	-	-	*1,039,000 -	-	*1,039,000 -	-	853,000	1,225,000
Clifton Hill	776,143	735,500	680,000	1,100,000	*937,500 ↑	20.79%	*937,500 ↑	27.46%	750,000	1,125,000
Collingwood	-	-	-	-	*783,000 -	-	*770,000 -	-	657,000	935,000
Fitzroy	*860,000	*860,000	860,000	860,000	*735,000 ↓	-14.53%	*735,000 ↓	-14.53%	650,000	820,000
Fitzroy North	*786,250	*765,000	655,000	960,000	*995,625 ↑	26.63%	*812,500 ↑	6.21%	687,500	1,670,000
North Melbourne	724,250	675,000	459,000	1,225,000	*717,700 ↓	-0.90%	*730,000 ↑	8.15%	638,000	790,500
Northcote	*687,000	*601,000	590,000	870,000	767,643 ↑	11.74%	740,000 ↑	23.13%	627,500	879,000
Parkville	-	-	-	-	*703,750 -	-	*703,750 -	-	507,500	900,000
Princes Hill	-	-	-	-	-	-	-	-	-	-
Abbotsford	*755,250	*685,500	600,000	1,050,000	*881,667 ↑	16.74%	*910,000 ↑	32.75%	740,000	995,000
Burnley	-	-	-	-	1,467,500 -	-	1,467,500 -	-	985,000	1,950,000
Cremorne	-	-	-	-	888,500 -	-	888,500 -	-	888,500	888,500
East Melbourne	*1,131,250	*1,100,000	760,000	1,565,000	1,610,000 ↑	42.32%	1,610,000 ↑	46.36%	1,610,000	1,610,000
Hawthorn	1,111,000	945,500	745,000	2,170,000	976,000 ↓	-12.15%	976,000 ↑	-3.23%	976,000	976,000
Prahran	*1,000,250	*1,000,250	963,000	1,037,500	*753,000 ↓	-24.72%	*753,000 ↓	-24.72%	753,000	753,000
Richmond	979,293	880,000	652,000	1,850,000	1,022,705 ↑	4.43%	876,000 ↓	-0.45%	720,000	2,530,000
South Yarra	1,094,333	1,082,500	761,000	1,340,000	1,266,143 ↑	15.70%	1,006,000 ↓	-7.07%	705,000	2,720,000
Albert Park	*2,303,333	*2,310,000	1,995,000	2,605,000	*1,255,000 ↓	-45.51%	*1,150,000 ↓	-50.22%	765,000	1,850,000
Middle Park	-	-	-	-	-	-	-	-	-	-
Port Melbourne	1,118,333	1,110,000	775,000	1,460,000	1,484,143 ↑	32.71%	1,400,000 ↑	26.13%	906,000	2,020,000
South Melbourne	-	-	-	-	*1,625,000 -	-	*1,625,000 -	-	1,625,000	1,625,000
Flemington	1,118,333	1,110,000	775,000	1,460,000	*655,000 ↓	-41.43%	*655,000 ↓	-40.99%	655,000	655,000
Kensington	689,625	680,500	380,000	925,000	659,214 ↓	-4.41%	650,000 ↓	-4.48%	485,000	865,000
Travancore	-	-	-	-	-	-	-	-	-	-
West Melbourne	*855,500	*855,500	810,000	901,000	*1,000,000 ↑	16.89%	*1,000,000 ↑	16.89%	1,000,000	1,000,000

Table compiled from data collected from April to September 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 4: Inner Melbourne Townhouses - Quarterly Median Change (%)

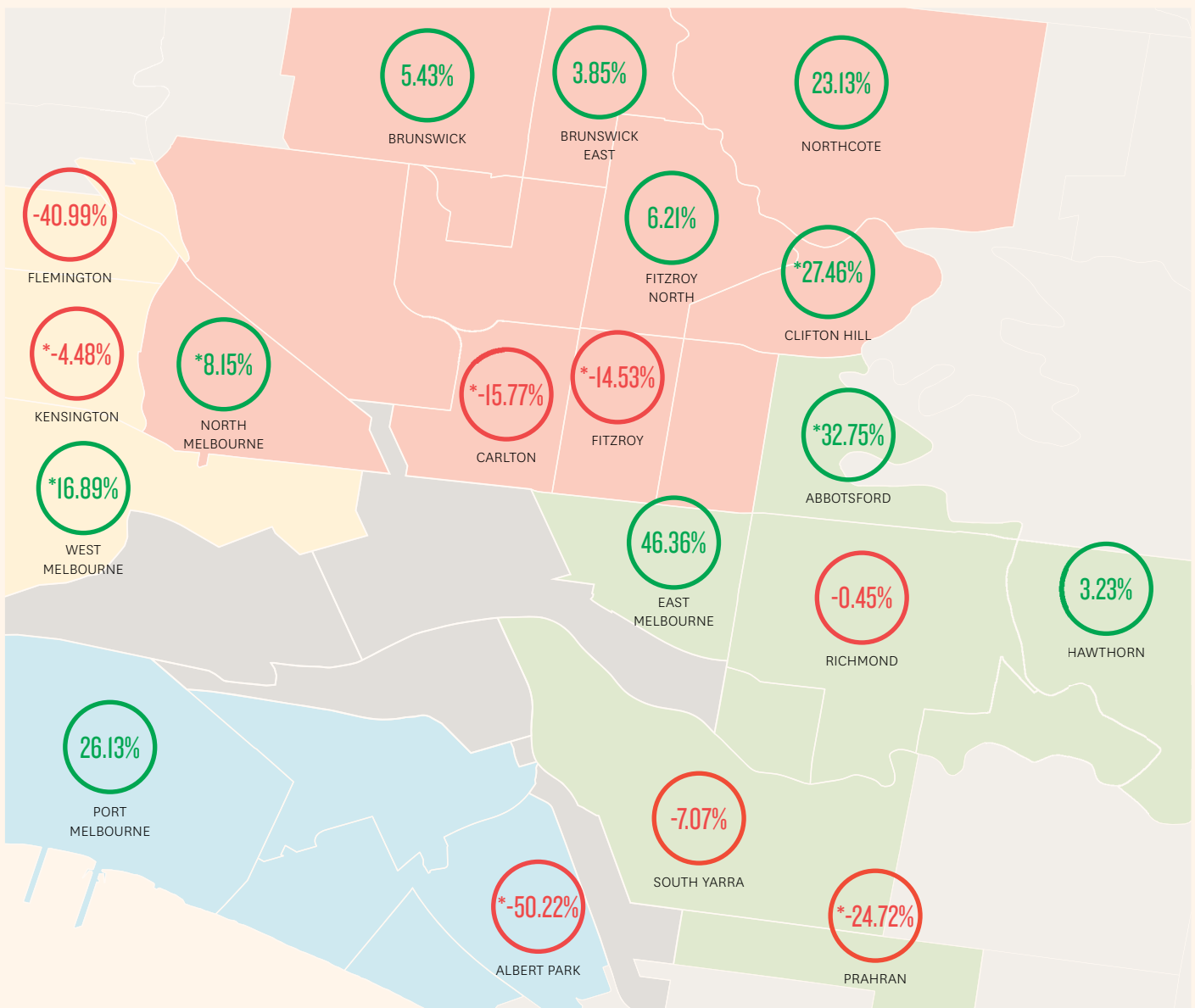


Table compiled from data collected from April to September 2014. Burnley, Carlton North, Collingwood, Cremorne, Middle Park, Parkville, Princes Hill, South Melbourne and Travancore were omitted due to insufficient data.\* indicates an average or median value calculated using 5 sales or less.

## INNER MELBOURNE HOUSES PRICE COMPARISONS BY ROLLING QUARTERS



Table 10: Inner Melbourne Houses - Price Comparisons

	PREVIOUS QUARTER (APR, MAY & JUN 2014)				CURRENT QUARTER (JUL, AUG & SEP 2014)					
	Average Price	Median Price	Lowest Sale	Highest Sale	Average Price	% CHANGE	Median Price	% CHANGE	Lowest Sale	Highest Sale
Brunswick	902,870	865,000	527,000	1,606,000	883,083 ↓	-2.19%	821,250 ↓	-5.06%	660,000	1,390,000
Brunswick East	889,212	810,000	545,000	1,460,000	832,406 ↓	-6.39%	802,500 ↓	-0.93%	627,000	1,090,000
Carlton	*917,333	*907,000	740,000	1,105,000	1,197,188 ↑	30.51%	1,196,500 ↑	31.92%	754,500	1,736,000
Carlton North	1,141,929	1,102,500	715,000	1,725,000	1,104,118 ↓	-3.31%	970,000 ↓	-12.02%	723,000	1,980,000
Clifton Hill	1,072,412	1,000,000	695,000	1,455,000	1,111,643 ↑	3.66%	905,000 ↓	-9.50%	645,000	2,100,000
Collingwood	793,769	770,000	700,000	1,140,000	875,875 ↑	10.34%	806,000 ↑	4.68%	653,000	1,362,000
Fitzroy	1,094,455	986,000	750,000	1,606,000	1,317,375 ↑	20.37%	1,237,500 ↑	25.51%	741,000	1,800,000
Fitzroy North	1,275,050	1,210,000	740,000	2,500,000	1,184,500 ↓	-7.10%	1,183,750 ↓	-2.17%	792,500	1,650,000
North Melbourne	1,025,600	950,000	560,000	2,200,000	949,083 ↓	-7.46%	937,500 ↓	-1.32%	625,000	1,314,500
Northcote	1,043,636	923,000	590,000	2,300,000	1,059,515 ↑	1.52%	915,000 ↓	-0.87%	560,000	2,520,000
Parkville	1,533,071	1,556,000	1,050,000	2,100,000	*1,832,500 ↑	19.53%	*1,832,500 ↑	17.77%	1,325,000	2,340,000
Princes Hill	*1,197,333	*1,270,000	972,000	1,350,000	*1,570,000 ↑	31.12%	*1,570,000 ↑	23.62%	1,465,000	1,675,000
Abbotsford	1,010,591	885,500	600,000	3,002,000	1,029,692 ↑	1.89%	810,500 ↓	-8.47%	730,000	1,700,000
Burnley	*1,052,500	*1,052,500	820,000	1,285,000	*1,276,667 ↑	21.30%	*1,175,000 ↑	11.64%	855,000	1,800,000
Cremorne	*962,333	*865,000	707,000	1,315,000	*1,087,000 ↑	12.95%	*1,087,000 ↑	25.66%	1,087,000	1,087,000
East Melbourne	2,335,833	2,600,000	432,500	4,100,000	*3,400,000 ↑	45.56%	*3,400,000 ↑	30.77%	1,700,000	5,100,000
Hawthorn	1,794,279	1,520,000	315,000	4,350,000	1,576,206 ↓	-12.15%	1,440,000 ↓	-5.26%	415,000	4,360,000
Prahran	1,321,177	1,170,000	725,000	4,060,000	1,294,024 ↓	-2.06%	1,100,000 ↓	-5.98%	605,000	4,500,000
Richmond	1,061,000	901,500	660,500	4,480,000	1,137,725 ↑	7.23%	955,000 ↑	5.93%	720,000	4,070,000
South Yarra	2,107,100	1,465,000	735,000	5,700,000	1,659,045 ↓	-21.26%	1,510,000 ↑	3.07%	700,000	3,800,000
Albert Park	1,717,040	1,481,000	790,000	3,800,000	1,538,000 ↓	-10.43%	1,375,000 ↓	-7.16%	1,058,000	3,235,000
Middle Park	1,757,222	1,525,000	985,000	2,700,000	2,414,286 ↑	37.39%	2,510,000 ↑	64.59%	840,000	3,950,000
Port Melbourne	1,158,000	982,500	690,000	2,650,000	1,253,917 ↑	8.28%	1,042,500 ↑	6.11%	700,000	2,920,000
South Melbourne	1,387,729	1,300,000	700,000	2,880,000	1,312,500 ↓	-5.42%	1,112,000 ↓	-14.46%	611,000	3,250,000
Flemington	810,500	722,000	633,000	1,212,000	919,500 ↑	13.45%	797,500 ↑	10.46%	560,000	1,686,000
Kensington	*871,486	*771,500	622,500	2,000,000	742,000 ↓	-14.86%	711,000 ↓	-7.84%	520,000	1,001,000
Travancore	585,000	585,000	585,000	585,000	-	-	-	-	-	-
West Melbourne	*1,066,750	*1,172,500	662,000	1,260,000	975,083 ↓	-8.59%	987,750 ↓	-15.76%	608,000	1,300,000

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# INNER MELBOURNE HOUSES QUARTERLY MEDIAN PRICES MAPPED



Figure 5: Inner Melbourne Houses - Quarterly Median Change (%)

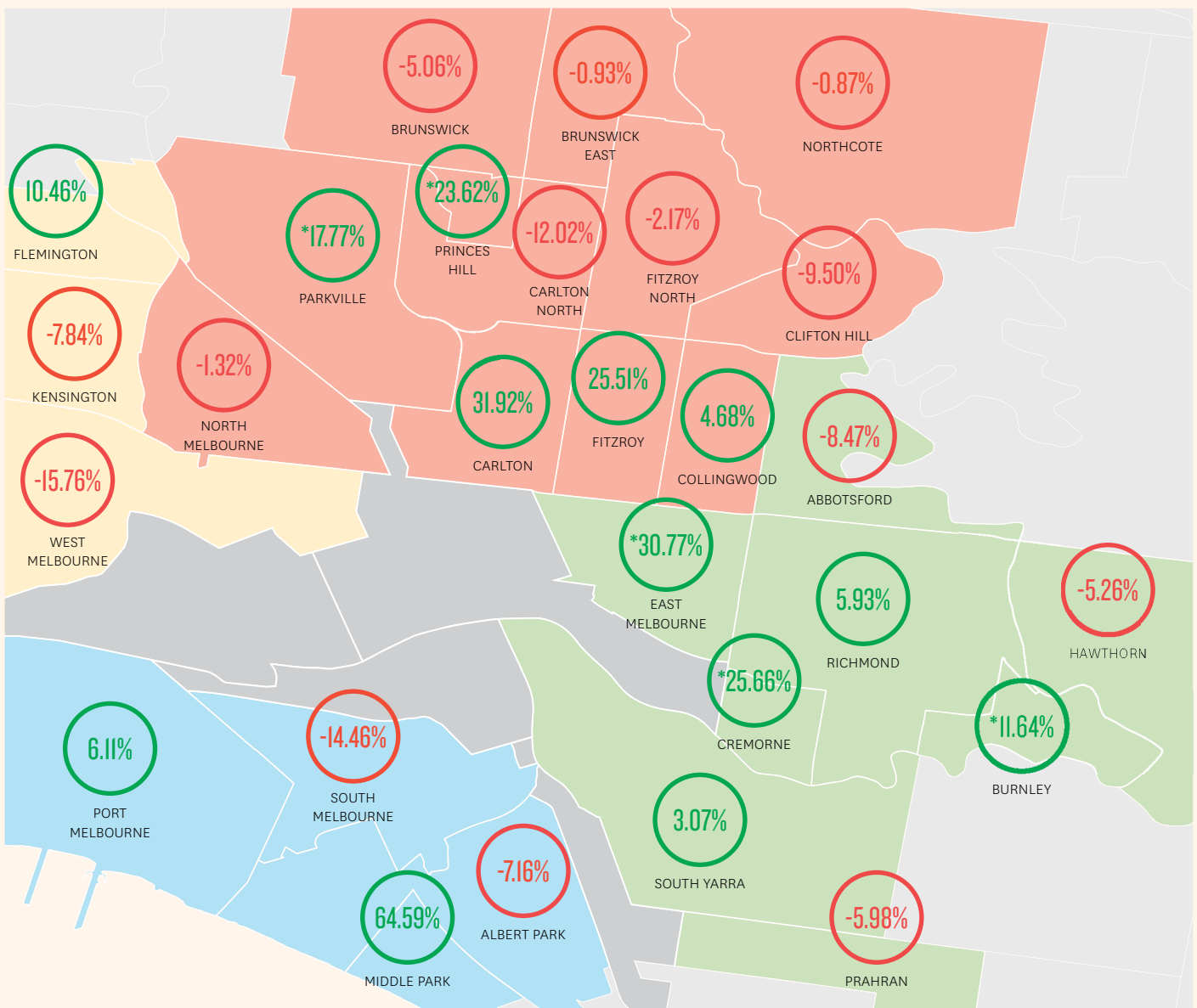


Table compiled from data collected from April to September 2014. \* indicates an average or median value calculated using 5 sales or less. Travancore was omitted due to insufficient data.

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Paul Osborne

Richard Rossmann

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