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INSIDE PERSPECTIVE

AGENT

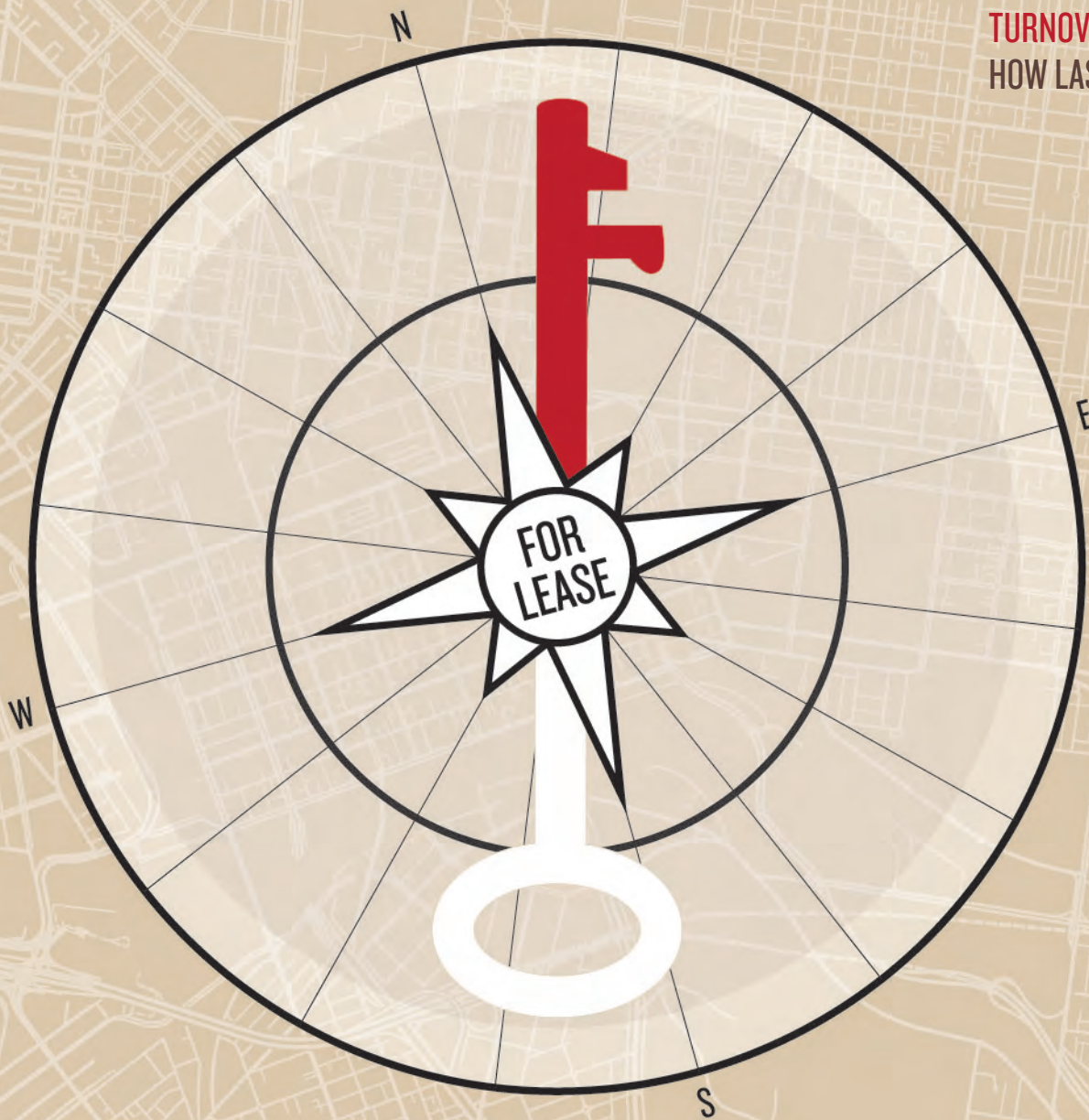


THE SECRET AGENT REPORT

VOLUME 4 - FEBRUARY 2013

THE STATE OF RENTS
AN IN DEPTH ANALYSIS

TURNOVER 2012
HOW LAST YEAR PERFORMED



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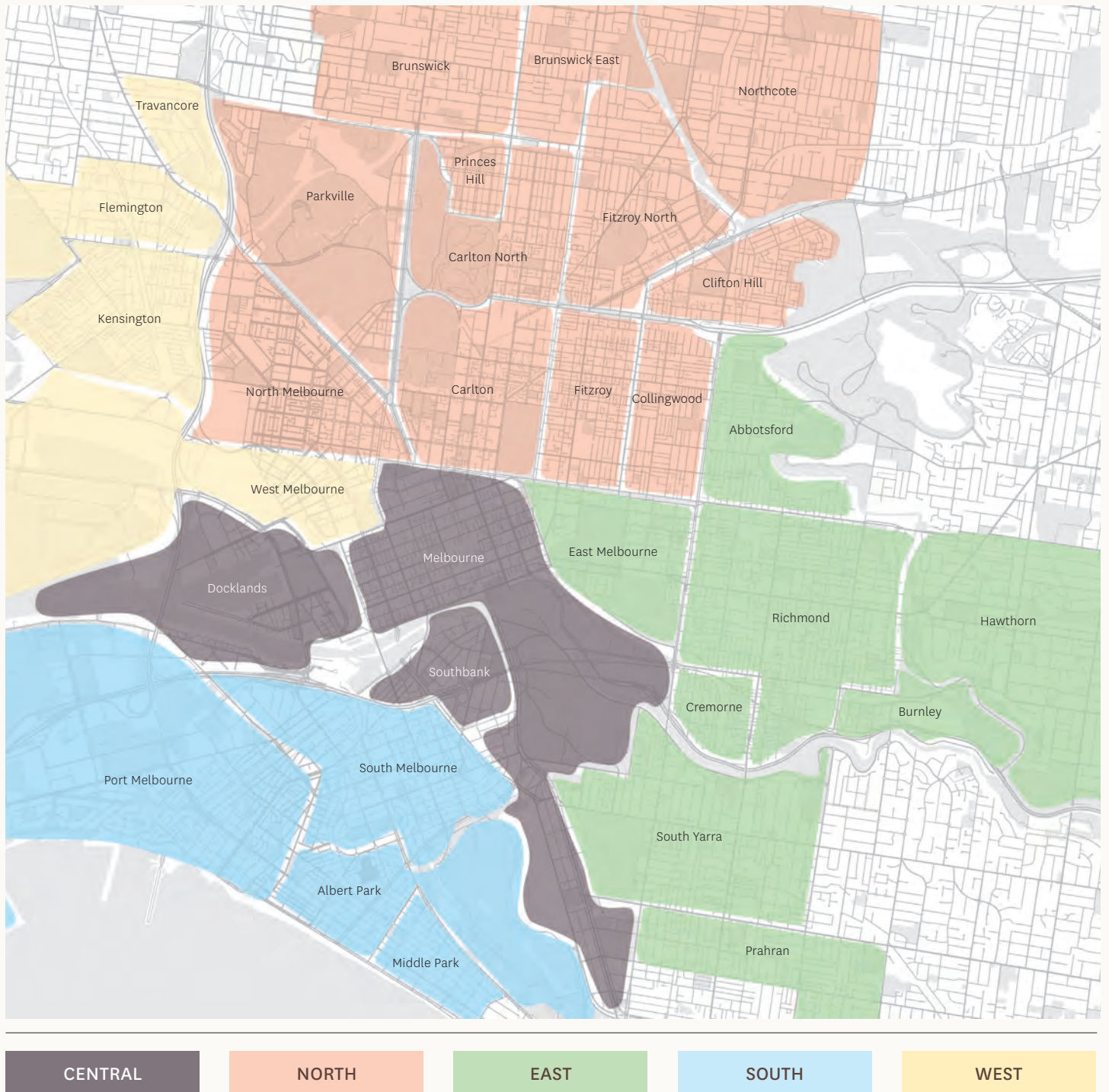
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SUBURBS ADDRESSED IN THIS REPORT

Figure 1: Inner Suburbs by Locational Classification



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, rpdata.com, Fairfax, Residex and various individual real estate agents operating in inner Melbourne.



A MESSAGE FROM THE FOUNDER OF SECRET AGENT

PAUL OSBORNE

Welcome to the first edition for 2013 of The Secret Agent Report!

Last year was another inconsistent year for much of the property market. 2013 has started with a certain optimism and, while we don't expect too many big changes this year, small trends are developing on the horizon.

First, in order for us to better understand the current property cycle, we need to start thinking about what we call "micro-markets". A micro-market can be "warehouse loft conversions in Collingwood", this is vastly different to talking about "The Melbourne property market" - one is general - the other is specific (micro). The property consumer has moved away from certain segments of real-estate, while gravitating to other small pockets.

Badly positioned property; house-and-land package-style accommodation; new apartments; and property low in quality have all taken a beating over the past twelve months. This trend does not appear likely to reverse.

Vibrancy was retained and, in many cases, intensified for quality inner-city homes; for art deco and period-style units; and for edgy designer warehouses. Exceptionally beautiful properties with period appeal, quality, and position saw increased demand. In some cases last year this meant frenzied buying encounters.

Very scarce assets should increase in desirability throughout the year.

Another area of interest this year will be the state of credit. Thanks to expected lower interest rates the cost of borrowing money may fall radically: we could see the lowest costs of borrowing in recent times. Cheap money could further stimulate Melbourne's market, as well as those of many other capital cities around Australia.

The effect of such an interest rate cut would likely be a short-term price growth at best: we do not think such a stimulus will lead to substantial growth. One must take this possibility into consideration if the market does start to accelerate.

As important as the cost of borrowing is the willingness of lenders to lend. Banks tightened lending throughout 2012, and valuers became much harsher on the estimates they placed on assets. This development in valuing assisted the banks to restrict credit. And so we have a paradox: cheap money may potentially be harder to obtain.

The rate of de-leveraging by consumers will also be a much-watched indicator throughout 2013. The willingness of borrowers to take on debt is just as important to the equation described above. The rate of borrowing correlates with how confident (or not) people are that they will be able to hold onto their jobs, or their general feelings about the state of the economy.

A growing trend of last year was the rise of wealthy consumers purchasing with no or very little debt. These consumers placed a tremendous amount of emphasis on the quality of the asset. Assets for such buyers shouldn't be affected negatively this year.

For this issue, we are getting into the whole topic of rents. Is it cheaper to buy or rent? What are the likely returns for the year ahead if you're an investor? Also covered is last year's turnover. How does it compare to the sales of previous years?

We look forward to keeping you up to date and informed about the residential property market throughout 2013!



THE STATE OF RENTS

PAUL OSBORNE & PRISCILLA GUSMAN

Since the incredibly manic property boom of 2008-10, we have seen prices fall with no insight as to when it would pick up again... until now.

The Office of Housing is perhaps the most accurate gauge to the yearly flow of the rental market. Updated each financial year, the most recent data helps paint a picture for the current state of the rental market.

This helps impact both home buyers considering their entrance into the market as well as investors trying to understand likely returns.

Lets take a closer look at inner city suburbs and the moving annual median change.

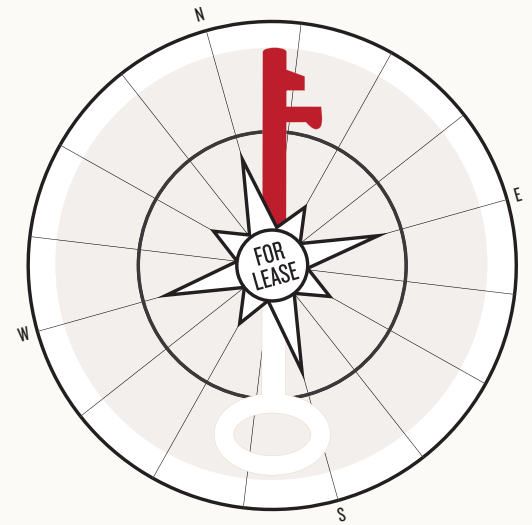


Table 1: Inner Melbourne - Property Style Rental Comparison (June 2011 - June 2012)

Suburb / Area	1 Bed Flat			2 Bed Flat			2 Bed House			3 Bed House		
	Count	Median	Annual Change	Count	Median	Annual Change	Count	Median	Annual Change	Count	Median	Annual Change
Albert Park, Middle Park & West St Kilda	285	\$330	3.1%	215	\$450	7.1%	121	\$560	5.7%	106	\$800	6.7%
Armadale	168	\$310	4.0%	240	\$390	2.6%	24	\$590	18.0%	30	\$660	1.5%
Carlton North	51	\$310	3.3%	87	\$421	5.3%	54	\$500	8.7%	42	\$620	4.2%
Carlton & Parkville	2,042	\$318	2.6%	763	\$453	3.0%	37	\$480	2.1%	41	\$690	11.3%
CBD & St Kilda Rd	2,949	\$380	1.3%	2,448	\$520	3.0%	-	-	-	-	-	-
Collingwood & Abbotsford	185	\$330	11.9%	195	\$485	3.2%	89	\$490	7.7%	48	\$600	9.1%
Docklands	384	\$425	-2.7%	596	\$560	-2.6%	-	-	-	-	-	-
East Melbourne	197	\$350	-2.8%	183	\$495	3.1%	11	\$470	-3.7%	12	\$790	-7.1%
East St Kilda	465	\$290	5.1%	751	\$375	1.4%	39	\$520	5.1%	72	\$642	7.9%
Elwood	501	\$310	5.1%	849	\$410	3.8%	43	\$570	4.0%	59	\$750	7.1%
Fitzroy	190	\$350	6.1%	190	\$523	2.5%	61	\$520	5.1%	33	\$680	4.6%
Fitzroy North & Clifton Hill	165	\$310	12.7%	279	\$430	10.3%	133	\$500	6.4%	92	\$620	3.3%
Flemington & Kensington	248	\$300	3.4%	485	\$380	4.1%	139	\$420	3.7%	118	\$543	8.6%
North Melbourne & West Melbourne	760	\$285	1.8%	554	\$440	10.0%	68	\$455	-3.2%	47	\$565	-2.6%
Port Melbourne	283	\$415	1.2%	462	\$550	1.9%	137	\$550	10.0%	93	\$750	9.5%
Prahran-Windsor	659	\$290	-1.7%	515	\$420	2.4%	141	\$510	4.1%	100	\$688	5.8%
Richmond-Burnley	756	\$360	16.1%	671	\$500	8.7%	301	\$520	5.1%	177	\$650	1.6%
South Melbourne	192	\$400	2.6%	204	\$520	4.0%	106	\$520	4.0%	61	\$700	-1.3%
South Yarra	1,485	\$350	9.4%	1,145	\$495	10.0%	90	\$540	3.8%	59	\$695	-0.7%
Southbank	388	\$428	4.4%	788	\$540	0.4%	-	-	-	-	-	-
St Kilda	1,243	\$320	1.6%	1,029	\$420	2.4%	41	\$520	-1.0%	43	\$675	12.9%
Toorak	204	\$300	1.7%	296	\$450	7.1%	-	-	-	43	\$800	8.4%
Inner Melbourne - Total	13,830	\$340	3.0%	12,945	\$475	5.6%	1,659	\$500	4.2%	1,281	\$670	6.3%

Data released by the Department of Human Resources - Office of Housing, as at June 2012. High annual changes are highlighted in **Bold**. A dash indicates no available data.

Since this data release by the Office of Housing, we have seen the rental market slow - however some key points are worth bringing to the attention of our readers:

- A strong demand for one bedroom apartments meant rental increases across many of Melbourne's inner city suburbs. Exception being the CBD which rose just ahead of inflation.
- Richmond (16.1%), Fitzroy North / Clifton Hill (12.7%) and Collingwood / Abbotsford (11.9) led the way in rent gains for one bedroom apartments.
- 3 Bedroom houses also experienced rental increases, especially in Carlton (11.3%), Collingwood / Abbotsford (9.1%) and St Kilda (12.9%).
- Docklands was one of the rental markets poorest performers with negative rental movement in all segments.
- Armadale had the strongest rental increase in the two bedroom house market with a 18% increase in rents.

Table 2: Melbourne Regional - Rental Market Data (June 2011 - June 2012)

Region	Median Rent	Quarterly Change	Annual Change
Inner Melbourne	\$430	4.9%	2.4%
Inner Eastern Melbourne	\$390	1.3%	2.6%
Southern Melbourne	\$395	0.0%	3.9%
Western Melbourne	\$300	-2.9%	0.0%
North Western Melbourne	\$340	-2.9%	0.0%
North Eastern Melbourne	\$330	0.0%	-2.9%
Outer Eastern Melbourne	\$340	0.0%	0.0%
South Eastern Melbourne	\$320	3.2%	3.2%
Mornington Peninsula	\$310	0.0%	0.0%

Data released by the Department of Human Resources - Office of Housing, as at June 2012.

Growth by regions shows Inner Melbourne performing strongly over the most recent quarter while the North Eastern suburbs performed poorly over the past year. Medium size housing information is shown below. Albert Park, Middle Park, West St Kilda, Toorak and East Melbourne hold the strongest rents for 3 bedroom houses. Docklands still has the highest 2 bedroom apartment Median rent - however this is on the decline.

Table 3: Melbourne - Highest Annual Median Rents
3 Bedroom Houses

Region	3 Bedroom House Median Rent (per week)
Albert Park, Middle Park & West St Kilda	\$430
Toorak	\$390
East Melbourne	\$395
Brighton	\$300
Elwood	\$340
Malvern	\$330
Port Melbourne	\$340

Data released by the Department of Human Resources - Office of Housing, as at June 2012.

Table 4: Melbourne - Highest Annual Median Rents
2 Bedroom Flats

Region	2 Bedroom Flat Median Rent (per week)
Docklands	\$430
Port Melbourne	\$390
Southbank	\$395
Fitzroy	\$300
CBD & St Kilda Rd	\$340
South Melbourne	\$330

Data released by the Department of Human Resources - Office of Housing, as at June 2012.



While rent increases are important, many landlords will lag rent increases after initial spurts of price growth. This means the increases we are seeing, are also a lagging indicator. Further indications of this are seen below. Turnover and tenancy duration has been consistent over the past few years. Median tenancy duration is 17 months compared to a mean of 26 months across Melbourne.

Table 5: Metropolitan Melbourne - Turnover and Tenancy Duration

Region	June 2011	June 2012
Turnover Rate	9.0%	9.0%
Median Tenancy Duration	17 months	17 months
Average (Mean) Tenancy Duration	26 months	26 months

Data released by the Department of Human Resources - Office of Housing, as at June 2012.

Table 6: New Lettings by Region

Region	June 2011	June 2012	Change
Inner Melbourne	7,105	7,918	11.4%
Inner Eastern Melbourne	4,123	4,123	3.8%

Data released by the Department of Human Resources - Office of Housing, as at June 2012.

Changes in new lettings have been noticeable, with a substantial increase in Inner Melbourne (11.4%). This is most likely due to many new developments being completed - a drop off in city rents should be expected over this coming financial year.

Table 7: Metropolitan Melbourne & Regional Victoria - Price Change per accommodation style

Housing Type	Metropolitan Melbourne			Regional Victoria		
	Median Rent	Quarterly Change	Annual Change	Median Rent	Quarterly Change	Annual Change
1 Bedroom Flat	\$300	3.9%	3.3%	\$150	-1.5%	3.8%
2 Bedroom Flat	\$360	0.4%	2.7%	\$210	-1.2%	1.8%
3 Bedroom Flat	\$380	1.0%	2.1%	\$290	0.0%	3.2%
2 Bedroom House	\$370	0.4%	2.5%	\$230	-0.8%	2.1%
3 Bedroom House	\$340	-0.5%	-0.2%	\$270	-2.3%	2.9%
4 Bedroom House	\$380	-1.3%	0.3%	\$340	-1.8%	3.4%

Data released by the Department of Human Resources - Office of Housing, as at June 2012.

At Secret Agent, we've been interested in the above information for some time, as it indicates movement of demographics. Counter to common thought, the highest rental growth has been recorded for 1 bedroom apartments (Melbourne city and regional). Demographics of rising singles and more folk living solo - seem to be an increasing trend.

3 Bedroom and 4 Bedroom houses performed poorly in Metropolitan Melbourne, but not so bad further out. A sign of singles gravitating inwards, and families toward deep suburbia. Perhaps the inner city student share house is becoming a less popular option!

However, price growth should be tied in with turnover. While 1 bedroom accommodation is the strongest performing section of the rental market, the demographics are a more transient lot. The median duration of a 1 bedroom lease is 15 months. While 3 bedroom dwellings performed poorly on rental growth, they seem to have stronger tenant retention than 1 bedrooms. 2 Bedrooms also performed just as strongly in this indicator with a median tenancy duration of 18 months. (please refer to Table 0 on the following page)



Table 8: Median Tenancy Duration and Turnover by Dwelling Size - Metropolitan Melbourne (June 2011 - June 2012)

Housing Type	Tenancy Duration (months)	Turnover
1 Bedroom	15	10.4%
2 Bedrooms	18	8.8%
3 Bedrooms	18	8.6%
4+ Bedrooms	16	8.8%
All properties	17	8.9%

Data released by the Department of Human Resources - Office of Housing, as at June 2012.

Table 9: Vacancy Rate By Region - Jan 2013

Housing Type	January 2013
Inner Melbourne (0-4km)	4.6
Inner Melbourne (4-10km)	3.6
Mid Suburbs (10-20km)	3.9
Outer Melbourne (20+ km)	2.6
Outer Melbourne (Mornington Peninsula)	2.9
Melbourne Total	3.6

Data released by REIV - January 2013.

The REIV also releases rental data collected from estate agencies. While it isn't as broad as the information provided by Government, it is released in a consistent monthly manner. The table above right shows that region comparison for January 2013.

The rental market still shows tight figures, however the vacancy rates should increase with the amount of new developments in the pipeline. The Office of Housing has a slightly higher vacancy rate than the REIV recorded figures.

We always discuss markets within markets. On trends, we expect that 2013 will be a year of flat or negative rental movement for:

- New developments based in the CBD that offer generic accommodation.
- 3 - 4 Bedroom dwellings in areas that are poorly situated.
- Housing estate accommodation.
- Student accommodation.

While we still see upside for:

- Inner city property in proximity rich locations.
- Period style and character filled dwellings.
- 1 Bedroom apartments with good views, balcony or courtyard and good light.
- Entry point priced rental homes.
- Furnished property close to large employment base with international appeal.

Suburbs that have started off well this year and are likely to intensify in demand include:

- North Melbourne - Thanks to universities, Hospital and proximity to CBD.
- West Melbourne - Still raw and getting the attention of inner hipsters seeking cheaper rents.
- Collingwood / Abbotsford - Last year these areas continued to show huge demand especially for warehouse style and period homes.
- South Melbourne - Ease of access to CBD and bay. Warehouse and period style homes, South Melbourne is gaining in popularity.
- Fitzroy - Wedged between Carlton and Collingwood, tenants are finding the best of both worlds plus a strong lifestyle focus that Fitzroy excels at.

2013 looms to be a year of fair exchange - value both ways between landlord and tenant. We have found that it has taken slightly longer obtaining the right tenant, and this should give pause to landlords expecting immediate rent increases throughout the year. Sometimes a bird in the hand, is better than two in the bush.

The next few months will provide a good indication of the trends to be expected throughout 2013. The Secret Agent Report looks forward to updating the progress of rents in the near future.



INNER CITY TURNOVER; HOW 2012 FARED

Many believe that turnover was low for house sales in the inner city throughout 2012. We now have the data to test this assumption.

Whilst some of the suburbs in Melbourne's inner city tightened, it wasn't the case across the board. Albert Park, Brunswick East, Clifton Hill, Collingwood, Middle Park, Northcote, Port Melbourne, Prahran, South Melbourne and South Yarra all had increased turnover on housing stock throughout 2012 in comparison to 2011.

On other side: Brunswick, Abbotsford, Carlton, Cremorne, East Melbourne, Fitzroy, Flemington, Hawthorn and Kensington were all down on turnover throughout 2012 compared to the previous year.

We are comparing two soft years. Compare 2012 against 2009, and you see the increase in negative signs in the data - showing that the majority of suburbs have stabilised slightly over the past 4 years.

We take great interest in seeing how 2013 performs.

Table 10: Inner Melbourne - Turnover Comparison (2009-2012)

	Total Number of Sales				Total number of sales (Compared against 2012)		
	2009	2010	2011	2012	2012 compared to 2009	2012 compared to 2010	2012 compared to 2011
Brunswick	187	207	181	153	-18.18%	-26.09%	-15.47%
Brunswick East	53	44	44	50	-5.66%	13.64%	13.64%
Carlton	26	49	32	23	-11.54%	-53.06%	-28.13%
Carlton North	84	92	67	73	-13.10%	-20.65%	8.96%
Clifton Hill	62	76	54	64	3.23%	-15.79%	18.52%
Collingwood	59	43	30	35	-40.68%	-18.60%	16.67%
Fitzroy	57	64	49	45	-21.05%	-29.69%	-8.16%
Fitzroy North	116	115	98	94	-18.97%	-18.26%	-4.08%
Northcote	219	222	191	219	0.00%	-1.35%	14.66%
North Melbourne	36	42	52	44	22.22%	4.76%	-15.38%
Parkville	23	16	16	15	-34.78%	-6.25%	-6.25%
Princes Hill	7	11	10	14	100.00%	27.27%	40.00%
Abbotsford	44	51	67	58	31.82%	13.73%	-13.43%
Burnley	11	10	5	7	-36.36%	-30.00%	40.00%
Cremorne	25	26	32	15	-40.00%	-42.31%	-53.13%
East Melbourne	32	19	20	15	-53.13%	-21.05%	-25.00%
Hawthorn	163	164	140	136	-16.56%	-17.07%	-2.86%
Prahran	133	122	109	132	-0.75%	8.20%	21.10%
Richmond	253	262	224	235	-7.11%	-10.31%	4.91%
South Yarra	117	131	101	115	-1.71%	-12.21%	13.86%
Albert Park	117	90	95	102	-12.82%	13.33%	7.37%
Middle Park	46	52	37	53	15.22%	1.92%	43.24%
Port Melbourne	131	159	112	147	12.21%	-7.55%	31.25%
South Melbourne	93	88	71	85	-8.60%	-3.41%	19.72%
Flemington	68	49	53	48	-29.41%	-2.04%	-9.43%
Kensington	73	84	73	68	-6.85%	-19.05%	-6.85%
Travancore	11	7	1	4	-63.64%	-42.86%	300.00%
West Melbourne	13	32	16	16	23.08%	-50.00%	0.00%

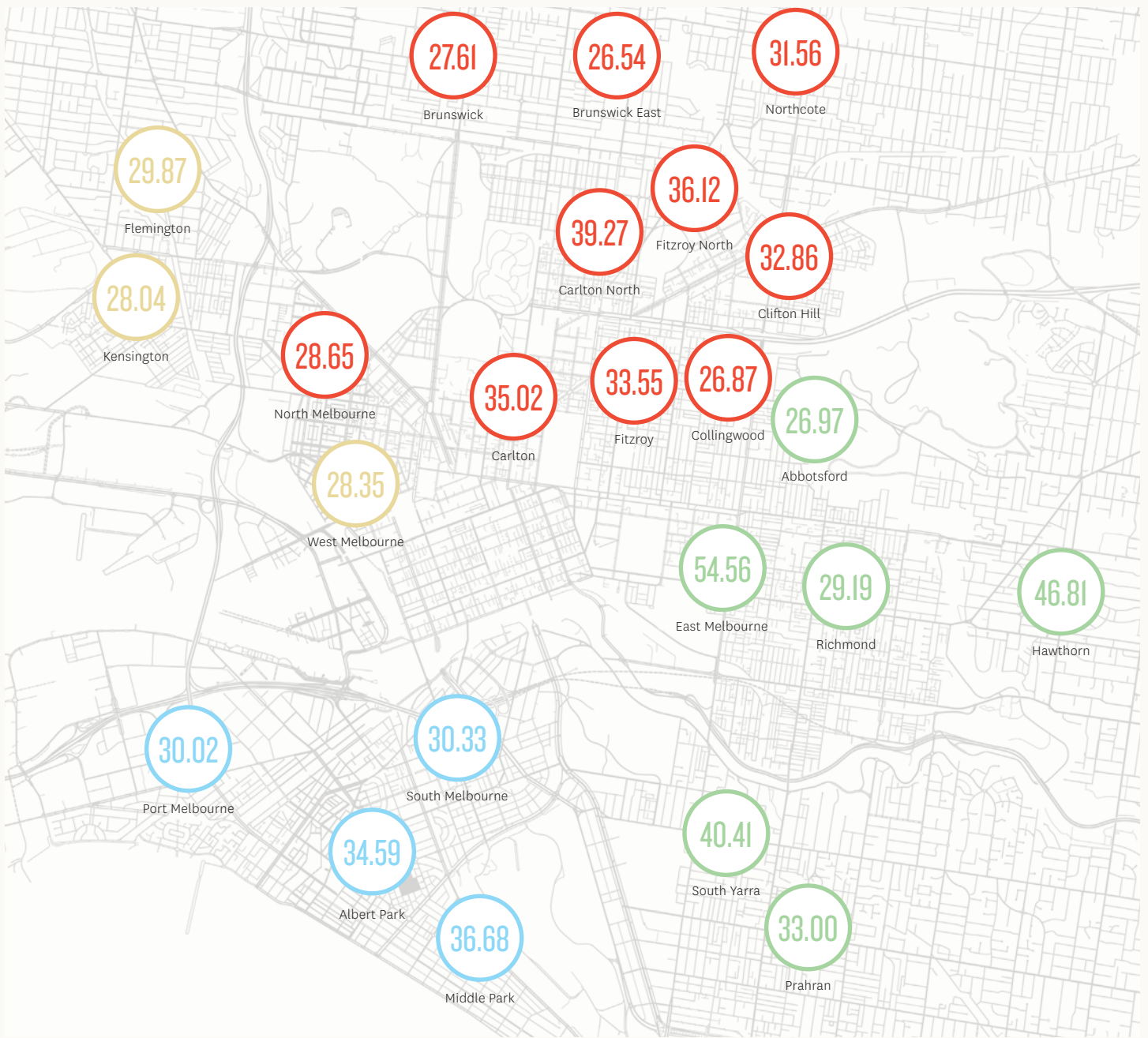
Table compiled from data collected over 2009, 2010, 2011 and 2012. This data reflects houses only.



BUY VS RENT RATIO

The Buy vs Rent Ratio is a simple formula that helps establish whether it is more beneficial to rent or buy in a particular location. By dividing the average sales price by the average rental income, we get a simple figure. The higher the figure, the more preferable is it to rent. The lower the figure, the more buying becomes a smarter move. First published in The Secret Agent Report in November 2012, we have updated to include data from January to December 2012 to show an interesting suburb comparison.

Figure 2: Inner Melbourne - Buy vs Rent Ratio



Compiled from data collected from January - December 2012 (House data only). The Buy vs Rent Ratio is calculated by dividing the Median house price by the Median yearly rent (by suburb).

INNER MELBOURNE APARTMENTS - PRICE COMPARISONS



Table 11: Inner Melbourne - Price Comparisons (Apartments Only)

	November		December		January		QUARTER (Nov, Dec & Jan)			
	Average Price	Median Price	Average Price	Median Price	Average Price	Median Price	Average Price	Median Price	Lowest Sale	Highest Sale
Docklands	629,917	538,500	664,958	531,250	911,350	595,000	704,282	547,500	304,000	3,495,000
Melbourne	620,627	496,250	529,223	456,000	385,227	395,500	544,784	485,000	130,000	3,550,000
Southbank	698,875	493,000	647,000	595,500	658,091	550,000	602,547	545,000	340,000	1,663,000
Brunswick	360,750	348,750	425,625	425,000	559,000	559,000	421,563	390,250	275,500	865,000
Brunswick East	449,267	440,000	411,000	414,500	436,273	440,000	440,688	440,000	190,000	710,000
Carlton	504,500	505,000	562,500	562,500	289,750	233,000	397,182	400,000	125,000	840,000
Carlton North	460,000	460,000	442,500	451,250	-	-	446,000	460,000	335,000	532,500
Clifton Hill	610,625	610,625	-	-	-	-	610,625	610,625	526,750	694,500
Collingwood	213,000	213,000	549,917	536,000	363,000	363,000	464,850	418,000	213,000	935,000
Fitzroy	555,464	526,750	480,000	485,000	-	-	538,864	605,000	222,000	820,000
Fitzroy North	455,000	455,000	410,500	306,500	-	-	421,625	380,750	300,000	625,000
Northcote	475,800	475,000	385,663	375,000	302,500	302,500	411,914	434,250	249,500	660,000
North Melbourne	504,142	450,000	486,400	470,000	376,000	376,000	479,500	442,000	172,000	840,000
Parkville	647,500	647,500	-	-	580,000	580,000	625,000	580,000	545,000	750,000
Abbotsford	489,000	520,000	751,250	751,250	500,000	500,000	530,750	510,000	327,000	890,000
Cremonne	385,000	385,000	-	-	-	-	385,000	385,000	385,000	385,000
East Melbourne	585,333	551,000	555,375	515,750	293,500	293,500	508,895	511,000	137,000	860,000
Hawthorn	487,408	415,000	473,929	448,750	334,269	347,500	458,602	412,750	230,000	795,000
Prahran	513,471	486,000	489,722	485,000	449,250	490,000	484,545	490,000	115,000	825,000
Richmond	450,368	430,000	472,611	495,500	327,667	312,500	455,727	435,000	272,000	800,000
South Yarra	601,024	600,000	595,664	500,000	392,600	381,500	576,252	541,500	206,500	1,725,000
Albert Park	280,000	280,000	439,600	430,000	516,250	480,000	454,300	470,000	250,000	690,000
Middle Park	650,000	650,000	650,000	650,000	-	-	650,000	650,000	550,000	750,000
Port Melbourne	660,818	622,000	652,750	612,500	556,750	486,000	619,540	610,000	340,000	1,200,000
South Melbourne	539,688	510,250	598,708	569,500	392,500	392,500	543,422	507,250	375,000	836,000
Flemington	356,375	360,000	288,750	328,500	-	-	322,563	328,500	148,000	444,500
Kensington	413,250	424,000	365,667	386,000	400,000	400,000	384,600	387,000	262,500	495,000
Travancore	564,000	564,000	513,000	513,000	-	-	530,000	550,000	476,000	564,000
West Melbourne	-	-	668,333	685,000	-	-	636,250	612,500	495,000	825,000

Table compiled from data collected over November, December and January 2012/2013. A dash indicates no recorded sales for the month. Princes Hill and Burnley were omitted due to insufficient data. This table does not include Student Housing Apartments.



Table 12: Inner Melbourne - Quarterly Median Prices (Apartments Only)

	150,000	175,000	200,000	225,000	250,000	275,000	300,000	325,000	350,000	375,000	400,000	425,000	450,000	475,000	500,000	525,000	550,000	575,000	600,000	625,000	650,000	675,000	700,000	725,000	750,000	775,000	800,000	825,000	850,000	875,000		
Docklands																																547,500
Melbourne																																485,000
Southbank																																545,000
Brunswick																																390,250
Brunswick East																																440,000
Carlton																																400,000
Carlton North																																460,000
Clifton Hill																																*610,625
Collingwood																																418,000
Fitzroy																																605,000
Fitzroy North																																*380,750
Northcote																																434,250
North Melbourne																																442,000
Parkville																																*580,000
Abbotsford																																510,000
Cremorne																																385,000
East Melbourne																																511,000
Hawthorn																																412,750
Prahran																																490,000
Richmond																																435,000
South Yarra																																541,500
Albert Park																																470,000
Middle Park																																*650,000
Port Melbourne																																610,000
South Melbourne																																507,250
Flemington																																328,500
Kensington																																387,000
Travancore																																*550,000
West Melbourne																																*612,500

Table compiled from data collected over November, December and January 2012/2013. * Indicates a quarterly median value calculated using under 5 sales. Princes Hill and Burnley were omitted due to insufficient data. This table does not include Student Housing Apartments.

INNER MELBOURNE HOUSES - PRICE COMPARISONS



Table 13: Inner Melbourne - Price Comparisons (Houses Only)

	November		December		January		QUARTER (Nov, Dec & Jan)			
	Average Price	Median Price	Average Price	Median Price	Average Price	Median Price	Average Price	Median Price	Lowest Sale	Highest Sale
Brunswick	679,333	670,000	752,571	659,250	635,000	635,000	717,406	659,250	510,000	1,362,500
Brunswick East	837,000	803,500	706,000	710,500	840,000	840,000	820,533	803,500	541,000	1,275,000
Carlton	726,750	726,750	735,000	735,000	-	-	778,375	763,750	661,000	925,000
Carlton North	996,154	970,000	984,667	875,000	635,000	635,000	967,188	922,500	570,000	1,510,000
Clifton Hill	959,900	897,750	1,100,333	995,500	-	-	1,030,567	941,000	591,000	2,040,000
Collingwood	759,100	817,500	626,500	626,500	-	-	691,417	626,500	565,000	895,000
Fitzroy	1,078,750	1,125,000	1,476,667	1,215,000	612,000	612,000	1,151,000	1,115,000	612,000	2,100,000
Fitzroy North	1,131,625	933,500	777,125	735,000	-	-	1,029,176	896,000	693,500	1,800,000
Northcote	901,000	827,500	768,087	745,000	1,400,000	1,400,000	816,032	758,000	550,000	1,400,000
North Melbourne	914,000	735,000	845,750	739,000	-	-	1,100,000	740,000	485,000	2,310,000
Parkville	1,440,000	1,440,000	-	-	-	-	1,440,000	1,440,000	1,190,000	1,690,000
Princes Hill	1,291,000	1,291,000	1,927,500	1,927,500	-	-	1,447,400	1,255,000	800,000	2,600,000
Abbotsford	705,000	705,000	722,417	700,000	-	-	718,063	700,000	635,000	1,367,500
Burnley	-	-	875,500	875,500	-	-	875,500	875,500	875,500	875,500
East Melbourne	-	-	2,480,000	2,480,000	-	-	2,480,000	2,480,000	2,480,000	2,480,000
Hawthorn	1,635,292	1,135,500	1,756,987	1,490,000	1,950,000	1,950,000	1,711,725	1,447,500	720,000	3,250,000
Prahran	1,007,286	905,000	1,397,833	1,210,000	-	-	1,170,571	975,000	775,000	2,700,000
Richmond	754,600	742,500	1,059,435	950,000	767,500	767,500	948,444	812,500	565,000	1,850,000
South Yarra	1,698,000	1,632,000	1,547,600	1,242,000	-	-	1,645,780	1,584,900	628,000	2,900,000
Albert Park	1,333,413	1,125,000	1,291,429	1,375,000	800,000	800,000	1,289,467	1,125,000	760,000	2,050,000
Middle Park	1,675,000	1,675,000	1,806,250	1,880,000	-	-	1,780,000	1,880,000	1,530,000	1,935,000
Port Melbourne	1,047,727	970,000	925,667	880,000	-	-	969,550	895,000	672,000	1,770,000
South Melbourne	941,250	870,000	1,125,000	910,000	762,000	762,000	994,583	910,000	633,000	1,890,000
Flemington	-	-	809,000	645,500	477,500	477,500	687,643	570,000	477,500	1,425,000
Kensington	771,550	633,500	814,833	737,000	-	-	858,269	745,000	580,000	1,775,000
Travancore	590,000	590,000	-	-	-	-	590,000	590,000	590,000	590,000
West Melbourne	525,000	525,000	2,210,000	2,210,000	-	-	1,367,500	1,367,500	525,000	2,210,000

Table compiled from data collected over November, December and January 2012/2013. A dash indicates no recorded sales for the month. Cremorne was omitted due to insufficient data.



Table 14: Inner Melbourne - Quarterly Median Prices (Houses Only)

	400,000	450,000	500,000	550,000	600,000	650,000	700,000	750,000	800,000	850,000	900,000	950,000	1,000,000	1,050,000	1,100,000	1,150,000	1,200,000	1,250,000	1,300,000	1,350,000	1,400,000	1,450,000	1,500,000	1,550,000	1,600,000	1,650,000	1,700,000	1,750,000	1,800,000	1,850,000 +		
Brunswick																																659,250
Brunswick East																																803,500
Carlton																																*763,750
Carlton North																																922,500
Clifton Hill																																941,000
Collingwood																																626,500
Fitzroy																																1,115,000
Fitzroy North																																896,000
Northcote																																758,000
North Melbourne																																740,000
Parkville																																*1,440,000
Princes Hill																																1,255,000
Abbotsford																																700,000
Burnley																																*875,500
East Melbourne																																*2,480,000
Hawthorn																																1,711,725
Prahran																																1,170,571
Richmond																																948,444
South Yarra																																1,645,780
Albert Park																																1,289,467
Middle Park																																1,780,000
Port Melbourne																																969,550
South Melbourne																																994,583
Flemington																																687,643
Kensington																																858,269
Travancore																																*590,000
West Melbourne																																*1,367,500

Table compiled from data collected over November, December and January 2012/2013. * Indicates a quarterly median value calculated using under 5 sales. Cremorne was omitted due to insufficient data.



INNER MELBOURNE HOUSES - SQUARE METRE RATE COMPARISONS



Table 15: Inner Melbourne - Square Metre Rate Comparisons

	November		December		January		QUARTER (Nov, Dec & Jan)			
	Average \$/sqm	Median \$/sqm	Average \$/sqm	Median \$/sqm	Average \$/sqm	Median \$/sqm	Average \$/sqm	Median \$/sqm	Lowest \$/sqm	Highest \$/sqm
Brunswick	2,820	3,652	2,375	2,475	3,784	3,784	2,651	3,256	1,249	8,284
Brunswick East	3,151	4,345	1,855	1,828	2,293	2,293	2,664	3,146	1,411	4,749
Carlton	6,991	6,981	4,926	4,926	-	-	5,718	5,886	4,926	7,127
Carlton North	4,809	5,512	6,460	6,081	5,595	5,595	4,927	5,553	2,539	9,488
Clifton Hill	4,252	4,239	3,953	4,439	-	-	4,055	4,201	2,527	5,597
Collingwood	3,894	3,681	4,126	4,379	-	-	4,017	4,301	2,960	6,432
Fitzroy	8,020	7,677	6,479	6,073	4,619	4,619	6,441	6,070	4,619	9,285
Fitzroy North	4,881	4,999	3,561	4,017	-	-	4,441	4,827	2,302	10,040
Northcote	2,367	2,348	2,292	2,605	2,962	2,962	2,324	2,375	1,353	4,764
North Melbourne	6,209	6,610	8,109	7,140	-	-	8,966	7,313	4,124	20,773
Parkville	3,178	4,170	-	-	-	-	3,178	4,170	1,842	6,498
Princes Hill	4,442	4,374	4,957	5,028	-	-	4,722	4,842	3,509	5,239
Abbotsford	4,391	4,418	4,391	4,247	-	-	3,997	4,257	2,731	6,692
Burnley	-	-	5,408	5,408	-	-	5,408	5,408	5,408	5,408
East Melbourne	-	-	10,925	10,925	-	-	10,925	10,925	10,925	10,925
Hawthorn	3,081	3,431	2,985	3,182	2,864	2,864	3,085	3,431	1,999	6,981
Prahran	3,182	4,270	4,076	4,635	-	-	3,648	4,321	2,190	6,696
Richmond	3,903	3,984	4,678	4,932	4,088	4,524	4,429	4,225	1,323	8,673
South Yarra	5,771	4,497	4,920	4,728	-	-	5,488	4,880	3,240	12,855
Albert Park	7,689	6,910	8,840	8,858	8,830	8,830	8,401	8,542	5,548	11,035
Middle Park	10,941	10,941	6,637	6,954	-	-	7,168	7,608	4,893	10,941
Port Melbourne	4,659	5,978	4,799	5,901	-	-	4,634	5,639	1,850	16,239
South Melbourne	6,595	5,995	5,094	5,312	6,828	6,828	6,030	6,582	4,259	11,297
Flemington	-	-	2,997	3,648	3,036	3,036	2,797	3,267	1,712	4,938
Kensington	3,023	2,982	3,601	4,066	-	-	3,309	3,789	2,130	5,508
Travancore	3,460	3,460	-	-	-	-	3,461	3,461	3,461	3,461
West Melbourne	3,159	3,159	6,752	6,752	-	-	5,542	4,956	3,159	6,752

Table compiled from data collected over November, December and January 2012/2013. A dash indicates no recorded sales for the month. Cremorne was omitted due to insufficient data.



Figure 16: Inner Melbourne - Quarterly Median Square Metre Rates - Mapped by Suburb

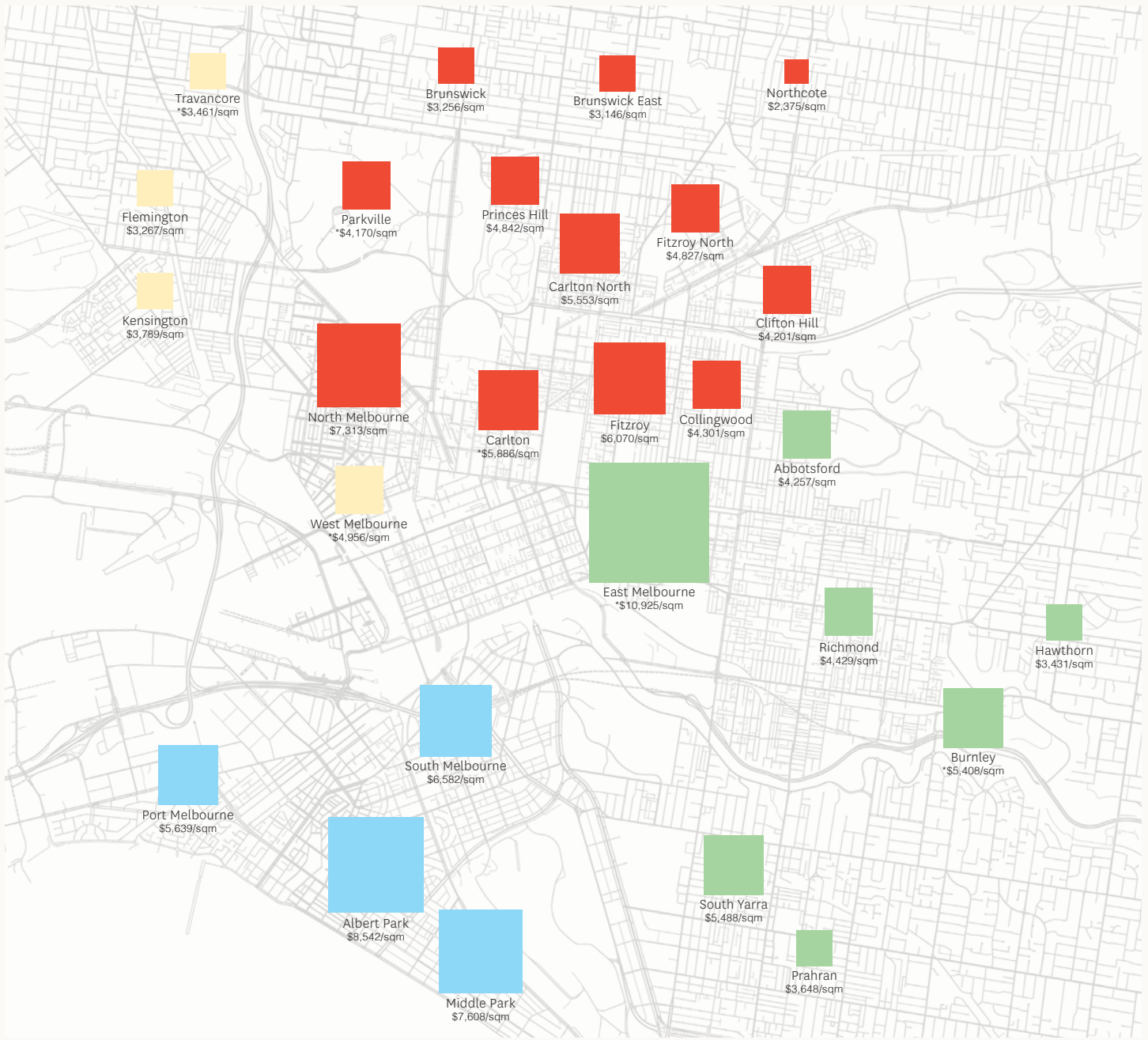


Table compiled from data collected over November, December and January 2012/2013. * Indicates a quarterly median value calculated using under 5 sales.



JANUARY 2013 - NOTABLE SALES

January is a traditionally quiet month - January 2013 was no different. Below are some of the highlights.



\$940,000

5 Curtain Street, Carlton North

3 Bedrooms / 3 Bathrooms / 2 Car spaces



\$880,000

8 Dickens Street, Richmond

3 Bedrooms / 1 Bathrooms / 2 Car spaces



\$3,065,000

14 The Vaucluse, Richmond

5 Bedrooms / 4 Bathrooms / 1 Car spaces



\$635,000


118 Evans Street, Brunswick

2 Bedrooms / 1 Bathrooms / 0 Car spaces

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