



Property
Values Report
Spring 2018

Box Hill, Box Hill North, Box Hill South,
Croydon, Croydon South, Heathmont,
Ringwood, Ringwood East, Ringwood North



The market of 2018 is very different to preceding years

At the beginning of this year, we examined a few forces that would lead to a flattening of house prices in Melbourne: cycle length, tighter lending, and less foreign buyer demand. There’s little doubt that these forces have bitten.

The graph adjacent shows how median house prices in Melbourne have fluctuated over the last 25 years. Each bar represents a quarter in time (Jan-Mar / Apr-Jun / Jul-Sep / Oct-Dec), and the height shows whether prices were up compared to the same quarter in the previous year, or down.

In every quarter since late 2012, we’ve experienced solid year-on-year growth; the value of the typical Melbourne house has increased about 70% over the period. But, notice how the rate of growth has fallen over the most recent 4 quarters – from about 15% in September 2017 to near 0% in June 2018.

Melbourne has experienced similar sharp changes in price growth several times before, each with different outcomes:

- The flattening from Dec-2003 was short-lived, and prices ramped back up pretty quickly
- From Jun-2008, prices actually went backwards for 2 consecutive quarters, but then growth returned in dramatic fashion
- From Sep-2010, prices again went backwards, this time for nearly 2 years

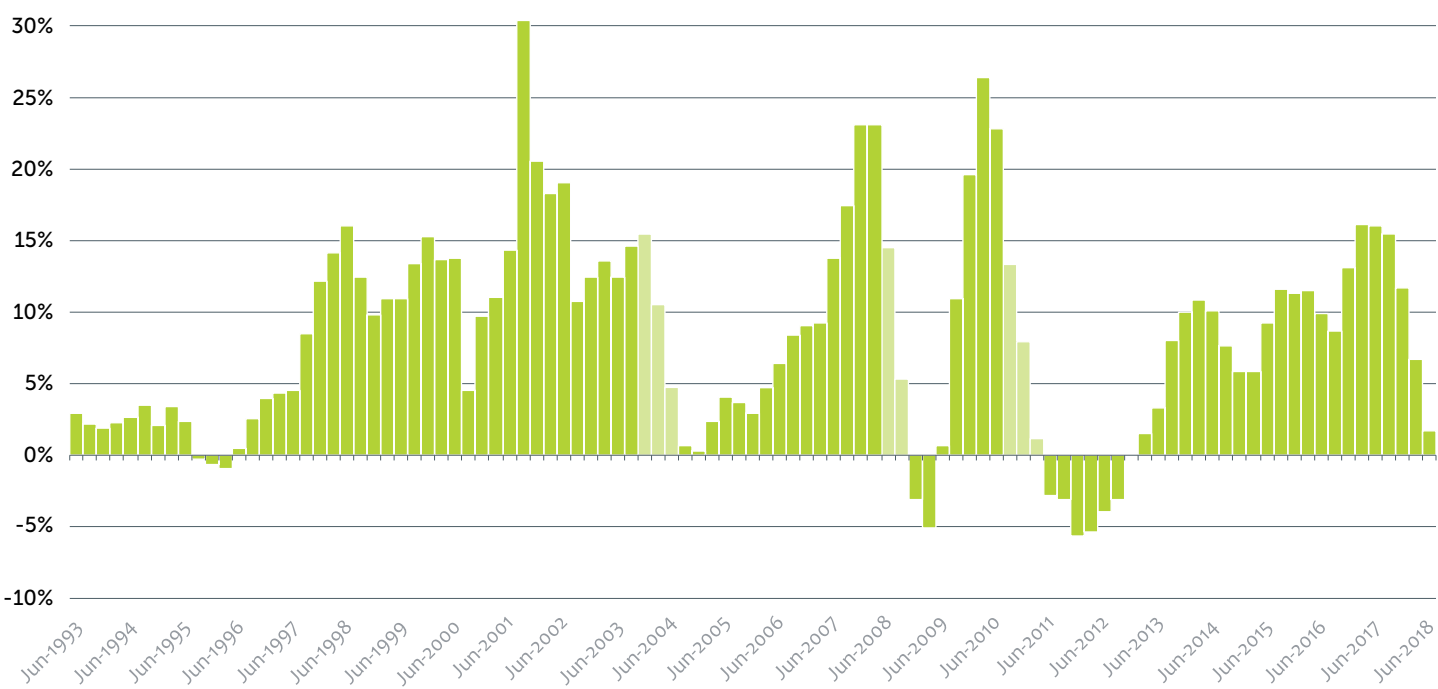
So, will price growth return quickly? Will values fall a bit, then build back gradually? Or, are we in for a hard landing and a rough couple of years ahead? The obvious truth is that nobody knows for certain. But, a reading of some fundamentals suggests that the middle path is most likely...

Yes, we’ve seen the market perform really strongly over the last 5 years, but peak growth was around 15% in early 2017. The fact that it never hit the dizzying heights seen in 2008 and 2010 gives some comfort that a boom-bust scenario isn’t playing out. And, the fact that prices have gone backwards in only 10 of the last 100 quarters suggests that any potential falls are likely to be short lived.

Changes in lending criteria continue to act as handbrakes on the property market, and outcomes from the banking royal commission loom. But, Interest Rates remain at record lows, and are likely to stay there through 2018, making it unlikely that a large number of existing homeowners will be forced to sell at discounted prices due to mortgage stress.

Finally, demand from cashed up overseas investors has certainly subsided, but continued high levels of overseas immigration and interstate migration into Victoria means that Melbourne is projected to become Australia’s largest city by 2030. A growing population means growing demand for housing, and you know the saying – they’re not making more land.

Year-on-Year % Change in Median House Prices: Melbourne



This statistical analysis was conducted by Property Analytics Australia
Australian Bureau of Statistics compiles capital city indexes for Established Houses on a quarterly basis for each capital city. The indexes measure price movements over time.

We’re undoubtedly in a different market today than we were 12 months ago, but this shouldn’t come as a surprise to anyone who follows real estate. The seller’s market couldn’t last forever. Real estate transactions in coming months will be shaped more by rational decision-making than by emotional fear of missing out, and those who are informed and well advised will do well.

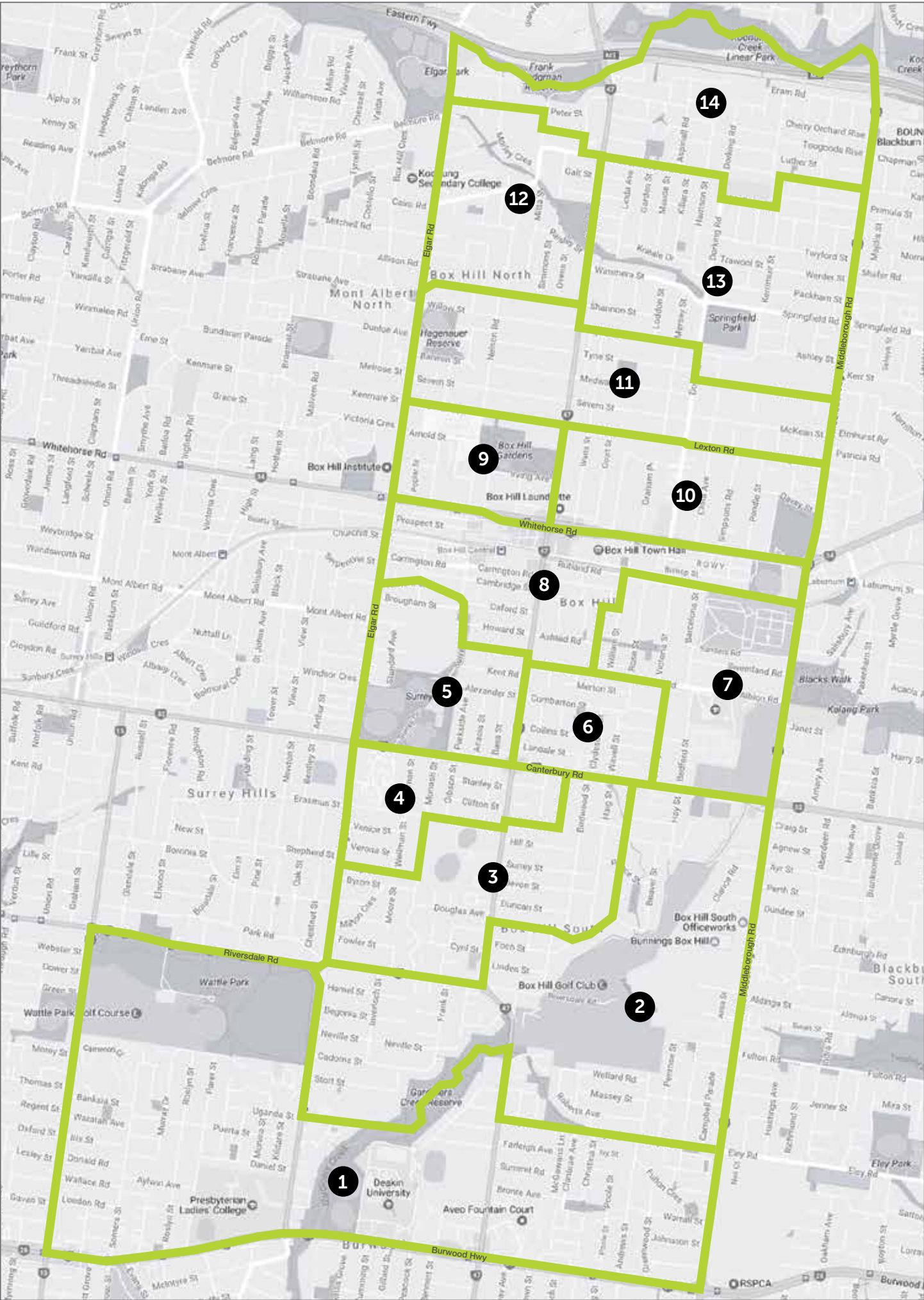
143,400
is how much the VIC population grew by last year (compared to 116,800 in NSW)
(Source: ABS)

35 days
is the average time it takes to sell a property in Melbourne.
44 days in Regional VIC.
(Source: REIV)

0.6%
is the difference between Owner Occupier Interest Rates and Investor Interest Rates
(Source: RBA)

1.9%
is the vacancy rate of residential properties in Melbourne
1.6% in Regional VIC
(Source: REIV)

* Property Analytics (www.propertyanalytics.com.au) provides independent statistical information to real estate professionals throughout Victoria and New South Wales.



Box Hill and local neighbourhood property values

Houses: FY18

Area 1	1-3 Bedroom	4+ Bedroom	All Houses
Number Sold	54	29	83
Median	\$1,340,000	\$1,600,000	\$1,407,750
Highest	\$2,185,000	\$9,350,000	\$9,350,000
Median 3 yr % change	14	23	16

Area 2	1-3 Bedroom	4+ Bedroom	All Houses
Number Sold	39	16	55
Median	\$1,190,000	\$1,465,000	\$1,290,000
Highest	\$1,655,000	\$1,900,000	\$1,900,000
Median 3 yr % change	16	12	15

Area 3	1-3 Bedroom	4+ Bedroom	All Houses
Number Sold	27	18	45
Median	\$1,320,000	\$1,640,000	\$1,435,000
Highest	\$1,800,000	\$2,150,000	\$2,150,000
Median 3 yr % change	14	20	19

Area 4	1-3 Bedroom	4+ Bedroom	All Houses
Number Sold	12	9	21
Median	\$1,317,500	\$1,520,000	\$1,445,000
Highest	\$2,020,000	\$2,246,000	\$2,246,000
Median 3 yr % change	22*	5*	5

Area 5	1-3 Bedroom	4+ Bedroom	All Houses
Number Sold	8	3	11
Median	\$1,767,000	\$1,950,000	\$1,819,000
Highest	\$1,820,000	\$2,220,000	\$2,220,000
Median 3 yr % change	36*	15*	35*

Area 6	1-3 Bedroom	4+ Bedroom	All Houses
Number Sold	8	4	12
Median	\$1,350,000	\$1,800,000	\$1,435,000
Highest	\$2,838,000	\$1,851,200	\$2,838,000
Median 3 yr % change	16*	27*	23*

Area 7	1-3 Bedroom	4+ Bedroom	All Houses
Number Sold	N/A	9	11
Median	N/A	\$1,790,000	\$1,786,250
Highest	N/A	\$2,285,000	\$2,285,000
Median 3 yr % change	N/A	42*	51*

Area 8	1-3 Bedroom	4+ Bedroom	All Houses
Number Sold	6	8	14
Median	\$1,280,000	\$1,979,944	\$1,630,000
Highest	\$1,630,000	\$4,600,000	\$4,600,000
Median 3 yr % change	-1*	7*	9*

Area 9	1-3 Bedroom	4+ Bedroom	All Houses
Number Sold	5	2	7
Median	\$2,640,000	\$12,200,000	\$800,000
Highest	\$5,150,000	\$12,200,000	\$12,200,000
Median 3 yr % change	-14*	0*	-72*

Area 10	1-3 Bedroom	4+ Bedroom	All Houses
Number Sold	12	12	24
Median	\$1,696,800	\$1,800,000	\$1,700,600
Highest	\$2,831,000	\$3,120,000	\$3,120,000
Median 3 yr % change	30*	7*	16

Area 11	1-3 Bedroom	4+ Bedroom	All Houses
Number Sold	13	14	27
Median	\$1,188,000	\$1,800,000	\$1,595,000
Highest	\$2,000,000	\$2,500,000	\$2,500,000
Median 3 yr % change	1*	30*	20

Area 12	1-3 Bedroom	4+ Bedroom	All Houses
Number Sold	16	9	25
Median	\$1,126,500	\$1,439,000	\$1,252,500
Highest	\$2,551,000	\$1,625,000	\$2,551,000
Median 3 yr % change	6	22*	17

Area 13	1-3 Bedroom	4+ Bedroom	All Houses
Number Sold	27	18	45
Median	\$1,281,500	\$1,420,000	\$1,335,000
Highest	\$1,815,000	\$2,980,000	\$2,980,000
Median 3 yr % change	22	11	21

Area 14	1-3 Bedroom	4+ Bedroom	All Houses
Number Sold	24	9	33
Median	\$1,150,000	\$1,300,000	\$1,180,000
Highest	\$1,530,000	\$1,760,000	\$1,760,000
Median 3 yr % change	20	2*	19

Units / Townhouses: FY18

Area 1	1-2 Bedroom	3+ Bedroom	All Units
Number Sold	37	26	63
Median	\$520,000	\$912,000	\$600,000
Highest	\$850,000	\$1,240,000	\$1,240,000
Median 3 yr % change	-1	11	1

Area 2	1-2 Bedroom	3+ Bedroom	All Units
Number Sold	18	18	36
Median	\$400,000	\$800,000	\$700,000
Highest	\$825,000	\$1,250,000	\$1,250,000
Median 3 yr % change	-16*	-2	-7

Area 3	1-2 Bedroom	3+ Bedroom	All Units
Number Sold	10	10	20
Median	\$600,000	\$1,125,000	\$815,000
Highest	\$650,000	\$1,221,000	\$1,221,000
Median 3 yr % change	0*	35*	6

Area 4	1-2 Bedroom	3+ Bedroom	All Units
Number Sold	8	2	10
Median	\$662,000	\$961,000	\$710,000
Highest	\$827,000	\$961,000	\$961,000
Median 3 yr % change	3*	15*	-15*

Area 5	1-2 Bedroom	3+ Bedroom	All Units
Number Sold	8	4	12
Median	\$466,000	\$977,500	\$532,000
Highest	\$700,000	\$1,055,000	\$1,055,000
Median 3 yr % change	8*	-3*	-18*

Area 6	1-2 Bedroom	3+ Bedroom	All Units
Number Sold	1	N/A	1
Median	\$396,000	N/A	\$396,000
Highest	\$396,000	N/A	\$396,000
Median 3 yr % change	-20*	N/A	-20*

Area 7	1-2 Bedroom	3+ Bedroom	All Units
Number Sold	12	8	20
Median	\$625,000	\$800,500	\$731,880
Highest	\$755,000	\$1,202,000	\$1,202,000
Median 3 yr % change	19*	-4*	22

Area 8	1-2 Bedroom	3+ Bedroom	All Units
Number Sold	77	9	86
Median	\$428,000	\$1,150,000	\$451,500
Highest	\$1,248,000	\$1,352,000	\$1,352,000
Median 3 yr % change	-2*	53*	3

Area 9	1-2 Bedroom	3+ Bedroom	All Units
Number Sold	118	N/A	118
Median	\$391,000	N/A	\$462,000
Highest	\$835,000	N/A	\$835,000
Median 3 yr % change	46	N/A	19

Area 10	1-2 Bedroom	3+ Bedroom	All Units
Number Sold	33	2	35
Median	\$520,000	\$950,000	\$538,000
Highest	\$910,000	\$950,000	\$950,000
Median 3 yr % change	-12	9*	-21*

Area 11	1-2 Bedroom	3+ Bedroom	All Units
Number Sold	27	14	41
Median	\$686,800	\$977,500	\$725,000
Highest	\$850,000	\$1,205,000	\$1,205,000
Median 3 yr % change	27*	20*	15

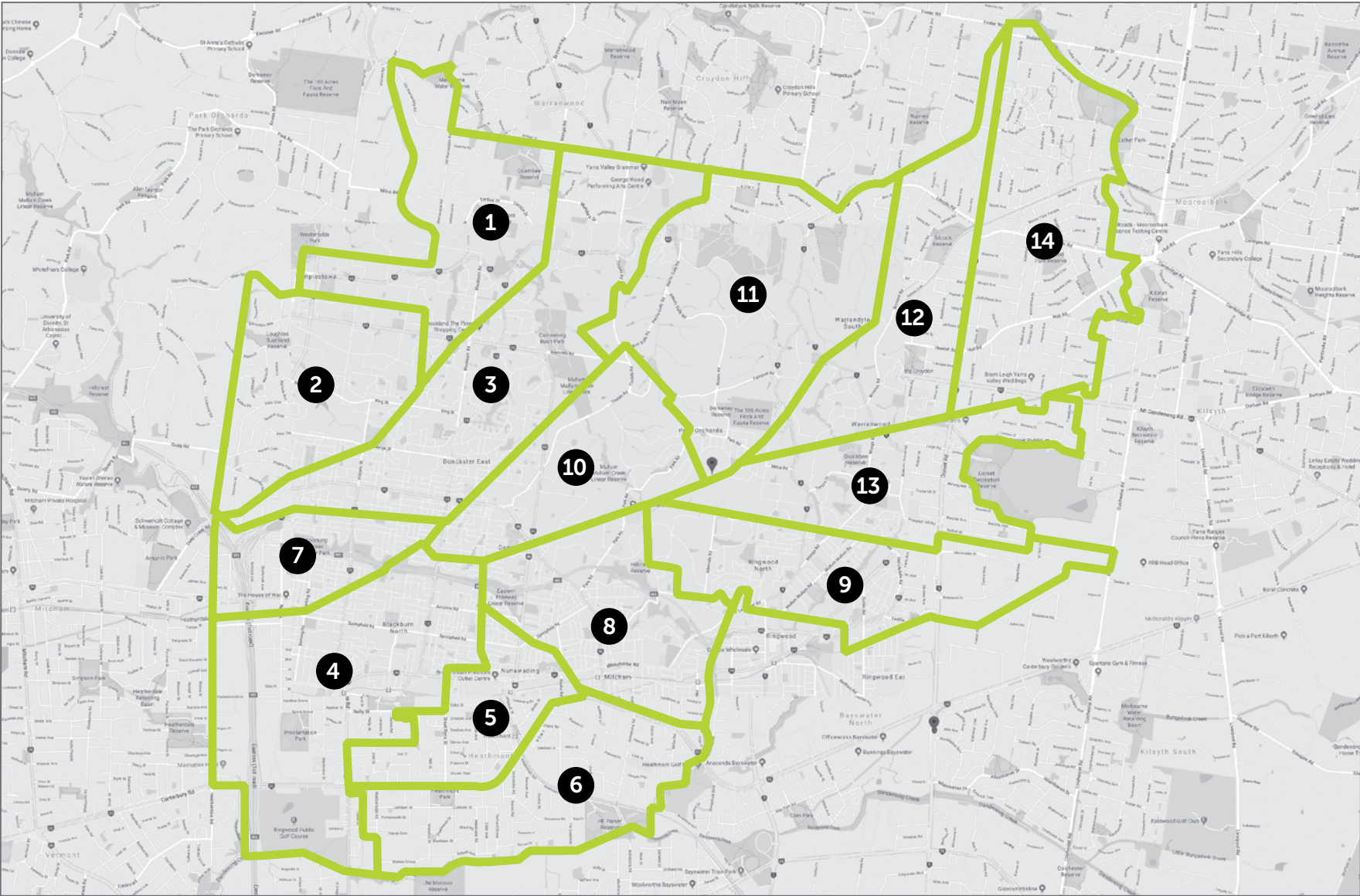
Area 12	1-2 Bedroom	3+ Bedroom	All Units
Number Sold	2	9	11
Median	\$701,800	\$1,069,000	\$940,000
Highest	\$701,800	\$1,111,000	\$1,111,000
Median 3 yr % change	4*	26*	38*

Area 13	1-2 Bedroom	3+ Bedroom	All Units
Number Sold	9	13	22
Median	\$749,500	\$1,038,000	\$915,000
Highest	\$875,000	\$1,360,000	\$1,360,000
Median 3 yr % change	36*	13*	11

Area 14	1-2 Bedroom	3+ Bedroom	All Units
Number Sold	4	7	11
Median	\$736,000	\$1,016,000	\$917,500
Highest	\$782,000	\$1,505,000	\$1,505,000
Median 3 yr % change	0*	6*	-4*

Buxton has divided the map on this page into 14 different property value areas. To find out the median house value in your neighbourhood, simply locate your street on this map to discover which area your property is in, then look up the relevant chart. Data shown is for the Financial Year ending June 2018.

*Median Value Increase in 3 years % figure is statistically unreliable due to insufficient sales volumes.



Ringwood and local neighbourhood property values

Buxton has divided the map on this page into 16 different property value areas. To find out the median house value in your neighbourhood, simply locate your street on this map to discover which area your property is in, then look up the relevant chart. Data shown is for the Financial Year ending June 2018.

*Median Value Increase in 3 years % figure is statistically unreliable due to insufficient sales volumes.

Houses: FY18

Area 1	1-3 Bedroom	4+ Bedroom	All Houses
Number Sold	13	37	50
Median	\$890,000	\$1,050,000	\$982,000
Highest	\$1,351,000	\$1,901,000	\$1,901,000
Median 3 yr % change	17*	18	14

Area 2	1-3 Bedroom	4+ Bedroom	All Houses
Number Sold	23	38	61
Median	\$845,000	\$997,000	\$965,000
Highest	\$1,310,000	\$1,390,000	\$1,390,000
Median 3 yr % change	17	17	23

Area 3	1-3 Bedroom	4+ Bedroom	All Houses
Number Sold	70	39	109
Median	\$850,000	\$976,000	\$865,000
Highest	\$1,310,000	\$2,175,000	\$2,175,000
Median 3 yr % change	16	13	8

Area 4	1-3 Bedroom	4+ Bedroom	All Houses
Number Sold	59	21	80
Median	\$880,000	\$1,246,000	\$965,000
Highest	\$1,796,667	\$1,796,667	\$1,796,667
Median 3 yr % change	5	18	12

Area 5	1-3 Bedroom	4+ Bedroom	All Houses
Number Sold	43	25	68
Median	\$905,000	\$970,000	\$936,000
Highest	\$1,145,000	\$1,825,000	\$1,825,000
Median 3 yr % change	33	14	30

Area 6	1-3 Bedroom	4+ Bedroom	All Houses
Number Sold	30	39	69
Median	\$880,000	\$970,000	\$951,000
Highest	\$1,600,000	\$1,700,000	\$1,700,000
Median 3 yr % change	21	17	22

Area 7	1-3 Bedroom	4+ Bedroom	All Houses
Number Sold	52	23	75
Median	\$819,000	\$1,010,000	\$860,000
Highest	\$1,700,000	\$1,656,000	\$1,700,000
Median 3 yr % change	21	22	19

Area 8	1-3 Bedroom	4+ Bedroom	All Houses
Number Sold	31	35	66
Median	\$863,000	\$1,065,000	\$920,000
Highest	\$1,380,000	\$1,950,000	\$1,950,000
Median 3 yr % change	18	28	18

Area 9	1-3 Bedroom	4+ Bedroom	All Houses
Number Sold	48	16	64
Median	\$735,506	\$901,500	\$800,000
Highest	\$1,575,000	\$1,235,000	\$1,575,000
Median 3 yr % change	26	36	33

Area 10	1-3 Bedroom	4+ Bedroom	All Houses
Number Sold	9	7	16
Median	\$732,000	\$1,265,000	\$1,185,000
Highest	\$790,500	\$1,755,000	\$1,755,000
Median 3 yr % change	-32*	64*	12

Area 11	1-3 Bedroom	4+ Bedroom	All Houses
Number Sold	75	43	118
Median	\$745,000	\$939,000	\$825,000
Highest	\$1,580,000	\$2,250,000	\$2,250,000
Median 3 yr % change	10	18	16

Area 12	1-3 Bedroom	4+ Bedroom	All Houses
Number Sold	60	14	74
Median	\$702,000	\$1,020,000	\$726,500
Highest	\$3,050,000	\$1,370,000	\$3,050,000
Median 3 yr % change	18	34*	16

Area 13	1-3 Bedroom	4+ Bedroom	All Houses
Number Sold	48	20	68
Median	\$770,000	\$986,000	\$790,000
Highest	\$1,100,000	\$1,222,000	\$1,222,000
Median 3 yr % change	27	40	30

Area 14	1-3 Bedroom	4+ Bedroom	All Houses
Number Sold	96	54	150
Median	\$736,000	\$965,000	\$806,500
Highest	\$1,165,000	\$1,335,000	\$1,335,000
Median 3 yr % change	22	21	25

Units / Townhouses: FY18

Area 1	1-2 Bedroom	3+ Bedroom	All Units
Number Sold	4	N/A	4
Median	\$576,750	N/A	\$652,500
Highest	\$652,500	N/A	\$652,500
Median 3 yr % change	-1*	N/A	-21*

Area 2	1-2 Bedroom	3+ Bedroom	All Units
Number Sold	5	4	9
Median	\$575,000	\$733,750	\$725,000
Highest	\$630,000	\$817,500	\$817,500
Median 3 yr % change	8*	5*	34*

Area 3	1-2 Bedroom	3+ Bedroom	All Units
Number Sold	39	15	54
Median	\$565,000	\$795,000	\$636,000
Highest	\$655,000	\$1,085,000	\$1,085,000
Median 3 yr % change	19	25	28

Area 4	1-2 Bedroom	3+ Bedroom	All Units
Number Sold	45	17	62
Median	\$562,500	\$860,000	\$581,650
Highest	\$701,000	\$1,330,000	\$1,330,000
Median 3 yr % change	16	18	14

Area 5	1-2 Bedroom	3+ Bedroom	All Units
Number Sold	8	8	16
Median	\$525,000	\$895,000	\$642,000
Highest	\$650,000	\$990,000	\$990,000
Median 3 yr % change	25*	47*	29

Area 6	1-2 Bedroom	3+ Bedroom	All Units
Number Sold	7	7	14
Median	\$605,000	\$700,000	\$643,500
Highest	\$830,000	\$845,000	\$845,000
Median 3 yr % change	20*	10*	7*

Area 7	1-2 Bedroom	3+ Bedroom	All Units
Number Sold	40	25	65
Median	\$567,500	\$742,500	\$608,500
Highest	\$660,000	\$1,315,000	\$1,315,000
Median 3 yr % change	19	11	13

Area 8	1-2 Bedroom	3+ Bedroom	All Units
Number Sold	18	6	24
Median	\$652,500	\$675,000	\$667,000
Highest	\$695,000	\$700,000	\$700,000
Median 3 yr % change	37	13*	28

Area 9	1-2 Bedroom	3+ Bedroom	All Units
Number Sold	4	6	10
Median	\$540,000	\$653,000	\$620,000
Highest	\$615,000	\$765,000	\$765,000
Median 3 yr % change	35*	9*	11*

Area 10	1-2 Bedroom	3+ Bedroom	All Units
Number Sold	50	5	55
Median	\$460,000	\$593,500	\$465,000
Highest	\$630,000	\$647,000	\$647,000
Median 3 yr % change	2	-1*	1

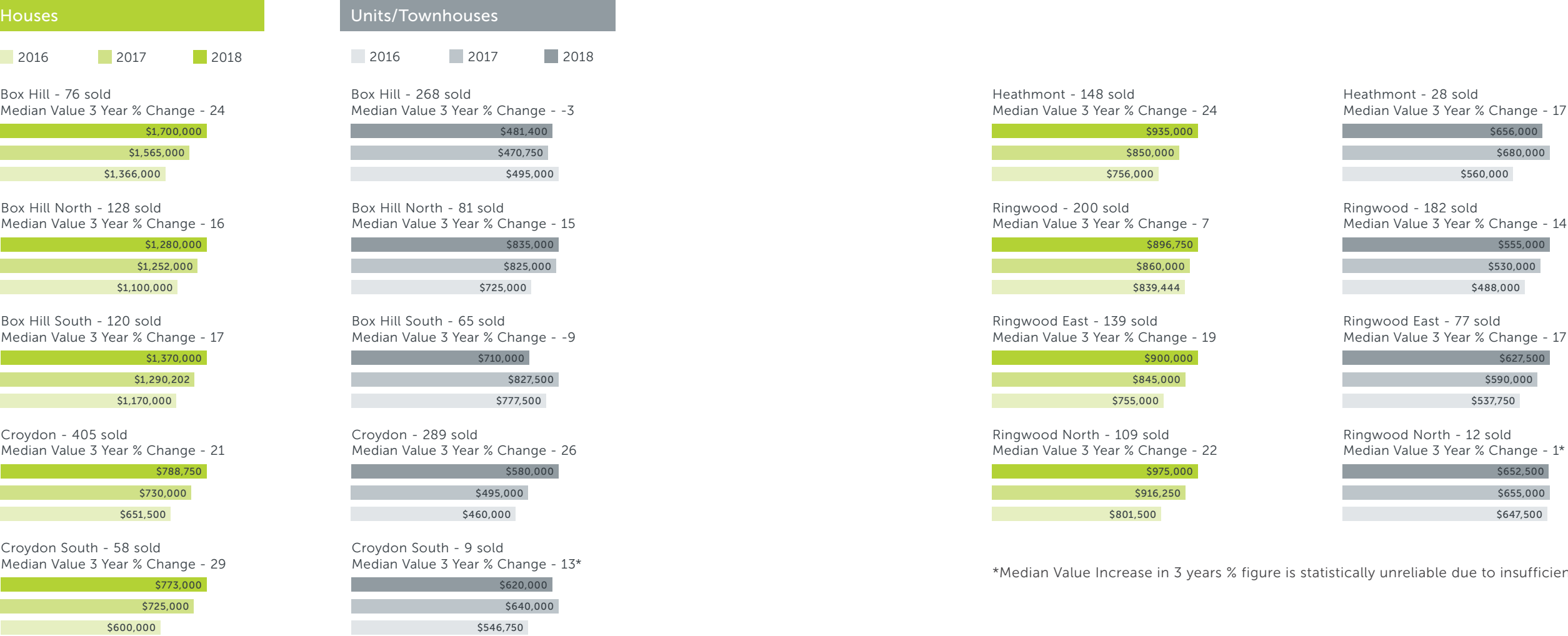
Area 11	1-2 Bedroom	3+ Bedroom	All Units
Number Sold	32	22	54
Median	\$538,000	\$637,500	\$570,500
Highest	\$730,000	\$920,000	\$920,000
Median 3 yr % change	26	10	17

Area 12	1-2 Bedroom	3+ Bedroom	All Units
Number Sold	94	30	124
Median	\$436,250	\$640,000	\$495,000
Highest	\$678,000	\$800,000	\$800,000
Median 3 yr % change	12	21	26

Area 13	1-2 Bedroom	3+ Bedroom	All Units
Number Sold	23	25	48
Median	\$533,000	\$712,000	\$636,500
Highest	\$620,000	\$772,500	\$772,500
Median 3 yr % change	22	23	22

Area 14	1-2 Bedroom	3+ Bedroom	All Units
Number Sold	23	46	69
Median	\$556,000	\$721,500	\$632,750
Highest	\$610,000	\$825,000	\$825,000
Median 3 yr % change	34	24	19

Median sale prices by suburb in the last 3 years



Did you know...

About median values

The median value is a more reliable figure than an average price. This is used as an indicator of price trends in a particular area.

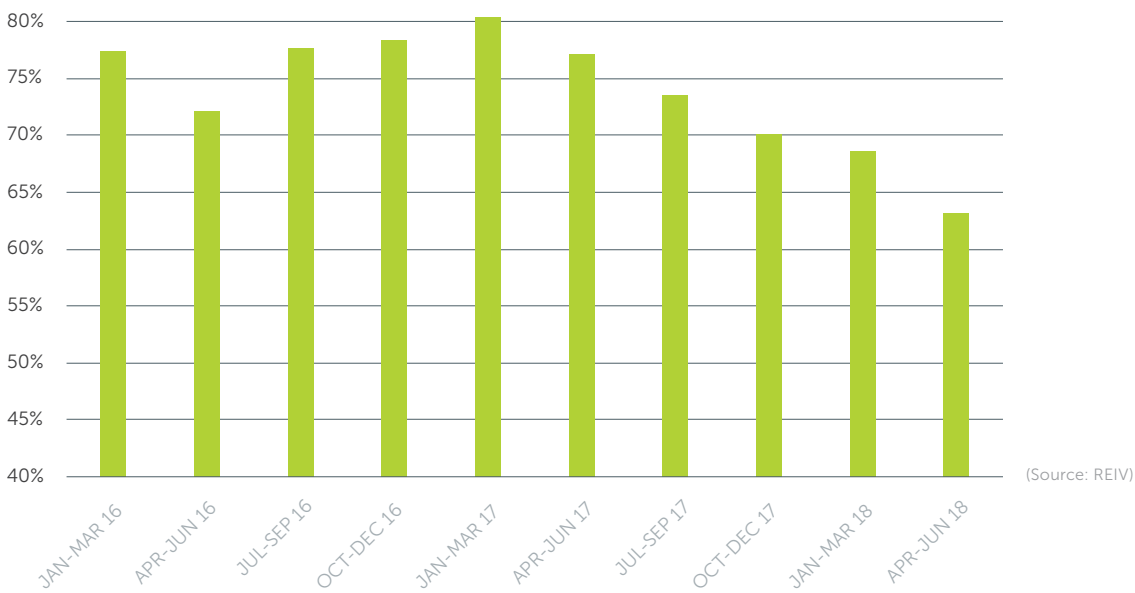
That’s why median prices are used by Buxton, the Real Estate Institute of Victoria and the Valuer General. Simply, the average price is obtained by adding up the value of all sales and dividing that figure by the number of sales. The median average is the middle price when all sales are arranged in order from highest to lowest. Data shown is for the Financial Year ending June 2018.

Please note that figures relate to sales of individual residential properties only and exclude sales of multiple dwellings in single transactions (e.g. blocks of units), vacant land, and commercial real estate. The data on these pages also includes Valuer General data and because of the delay in receiving it, the 2017 data may be missing some sales taking place towards the end of the calendar year. Also be aware that if any area has a particularly low number of sales during any period, this may unfairly influence the trend. Whilst every care has been taken to confirm the accuracy of the information presented, neither the authors, editors or publishers can be responsible for errors or omissions or for any consequences from application of the information given.

Auction Clearance Rates Are Telling

When assessing the relationship between supply and demand in the market place (and associated leverage between seller and buyer), auction clearance rates can be useful.

Auction Clearance Rates Across Buxton’s 140+ Suburb Area



This graph shows how rates have changed over the last 2.5 years across the 140+ suburbs that Buxton operates in Victoria. While every suburb and region is different, overall we’ve seen a significant decrease in clearance rates from the beginning of 2017 to now.

What does this mean? Highly competitive auctions with many bidders is becoming rarer, and as a result, vendors must take more care when considering pre-auction offers and when determining their ultimate reserve price. Employing an experienced local agent with in-depth knowledge of active buyers is becoming increasingly important.

If you are considering selling and would like to achieve the highest price possible, contact a Box Hill local area expert for an up-to-date market appraisal.

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