



Welcome to the Spring edition of our **Property Values Report**, a summary of property sales and related information, delivered to you exclusively by Buxton. We are committed to providing our clients with accurate, credible, relevant market information and have worked in partnership with independent real estate data specialists Property Analytics* to develop this report. The statistics within are designed to give you a deeper understanding of how the residential real estate market is performing across Melbourne, in this region and within your specific neighbourhood.

Prices up and still rising.

Melbourne property prices have risen steadily since 2012 meaning the growth phase we're in has spanned nearly 5 years. During this time home values have risen by nearly 60% (CoreLogic). Only Sydney has experienced more growth at 79%.

The main and most obvious driver of price growth has been low interest rates. The RBA dropped the Target Cash Rate on 8 separate occasions since mid 2012 and have kept them at a record low 1.5% for the last year. Obviously cheap finance spurs investor demand and lifts buyer's budgets.

But a second important price growth driver has emerged over the last couple years - low supply of established houses.

The ABS has reported year-on-year decreases in Melbourne house transactions in each of the last 6 quarters (the yet to be released June quarter figures will likely make it 7 quarters). For nearly 2 years sales volumes have been decreasing while sales values have been increasing - this is a pretty unusual trend.

What we see normally is sales volumes moving broadly in-line with sales values. Generally, more people are willing to list their property for sale when prices are on the rise as opposed to when prices are flat or decreasing. Look at the graph of Melbourne Metropolitan Houses Sales and Median Prices – see how trends have reversed in recent times.

What does this mean?

At its most basic, real estate is about supply and demand. When supply of houses for sale is high but demand from purchasers is subdued, prices stagnate or decrease. When supply of houses for sale is low but demand from purchasers is strong, prices increase – sometimes dramatically.

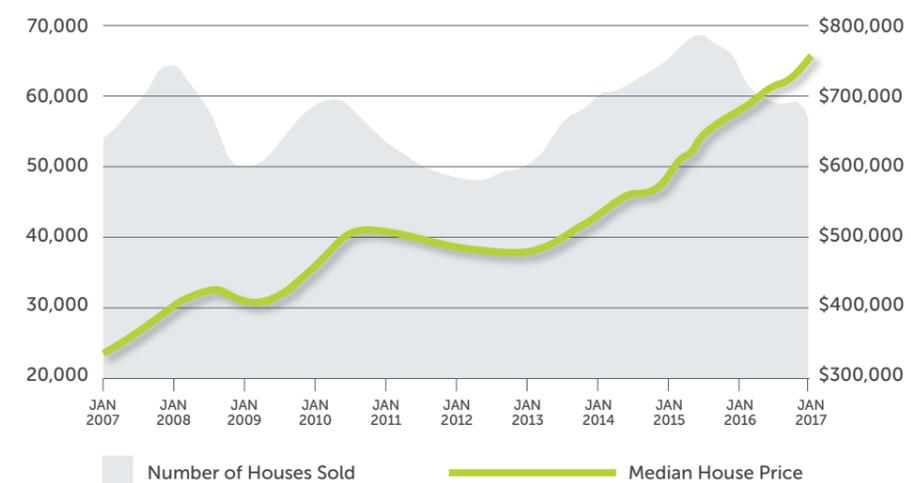
Let's assume that you're a young family looking to upsize into your 2nd house or maybe your kids have (finally!) moved out and you're looking to downsize into your final home. Are you comfortable with selling your existing home before finding your new one? Or purchasing your new house before selling your existing? Chances are you want to avoid the pressure of having to find a place within a few weeks and the idea of renting and moving twice doesn't appeal much. So you may be inclined to wait, and delay selling until you find something.

That, in a nutshell, is the conundrum facing many people in today's market. It's a bit of a self fulfilling cycle – fewer people are listing because fewer people are listing. It's also subtly changing the role of selling agents as we're increasingly being asked to help would be vendor clients find a place to purchase.

Good agents recognise that their job is more than simply selling property and gaining commissions, it's about assisting clients throughout their real estate journey. At Buxton we're proud to share industry leading market information such as this report and having sold over 9,000 properties collectively over the last 3 years we're uniquely positioned to help clients find their future property.

While interest rates remain at record lows we expect property prices to continue to rise, albeit, perhaps at a lower rate. Moving into Spring more properties will be offered to the market and we look forward to helping thousands of clients. Don't hesitate to contact your local office for more market information, an up to date market appraisal or to discuss your particular needs.

Melbourne Metropolitan House Sales and Median Prices



77.6%

is the Victoria wide Auction Clearance Rate over the last 12 months

(Source: Source: REIV)

13.7%

is how much median property prices have increased in Melbourne over the last 12 months

(Source: Corelogic)

Interest Rates and Melbourne Metropolitan House Prices



1.50%

is the current RBA Target Cash Rate and November 2010 is the last time the RBA has increased the Target Cash Rate.

(Source: Source: RBA)

135,296

residential property transactions have taken place Victoria wide over the last 12 months

(Source: Source: REIV)

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

Mentone and local neighbourhood property values



Houses: 2017

Area 1	1-3 Bedroom	4+ Bedroom	All Houses
Number Sold	10	8	18
Median	\$1,440,000	\$1,710,000	\$1,573,000
Highest	\$2,948,000	\$1,890,000	\$2,948,000
Median 3 yr % change	67*	30*	69*

Area 2	1-3 Bedroom	4+ Bedroom	All Houses
Number Sold	18	14	32
Median	\$1,100,000	\$1,457,500	\$1,217,500
Highest	\$1,530,000	\$2,832,500	\$2,832,500
Median 3 yr % change	34	18	38

Area 3	1-3 Bedroom	4+ Bedroom	All Houses
Number Sold	19	7	26
Median	\$1,025,000	\$830,000	\$887,500
Highest	\$1,250,000	\$1,125,000	\$1,250,000
Median 3 yr % change	51	-8*	8

Area 4	1-3 Bedroom	4+ Bedroom	All Houses
Number Sold	11	9	20
Median	\$856,250	\$1,150,000	\$902,500
Highest	\$1,063,000	\$1,300,000	\$1,300,000
Median 3 yr % change	31*	35*	32

Area 5	1-3 Bedroom	4+ Bedroom	All Houses
Number Sold	16	20	36
Median	\$1,292,500	\$1,650,000	\$1,570,000
Highest	\$1,950,000	\$3,500,000	\$3,500,000
Median 3 yr % change	40	32	49

Area 6	1-3 Bedroom	4+ Bedroom	All Houses
Number Sold	13	10	23
Median	\$1,295,000	\$1,475,500	\$1,346,000
Highest	\$1,625,000	\$1,715,000	\$1,715,000
Median 3 yr % change	41*	17*	41

Area 7	1-3 Bedroom	4+ Bedroom	All Houses
Number Sold	37	21	58
Median	\$1,010,000	\$1,215,000	\$1,110,000
Highest	\$1,430,000	\$1,845,000	\$1,845,000
Median 3 yr % change	41	34	44

Area 8	1-3 Bedroom	4+ Bedroom	All Houses
Number Sold	16	4	20
Median	\$825,000	\$962,500	\$892,500
Highest	\$1,282,000	\$1,115,000	\$1,282,000
Median 3 yr % change	28	32*	34

Area 9	1-3 Bedroom	4+ Bedroom	All Houses
Number Sold	19	22	41
Median	\$850,000	\$1,230,000	\$1,089,000
Highest	\$1,405,000	\$1,600,000	\$1,600,000
Median 3 yr % change	8	31	31

Area 10	1-3 Bedroom	4+ Bedroom	All Houses
Number Sold	7	3	10
Median	\$1,597,500	\$1,860,000	\$1,785,000
Highest	\$2,150,000	\$3,033,000	\$3,033,000
Median 3 yr % change	34*	20*	23*

Units / Townhouses: 2017

Area 1	1-2 Bedroom	3+ Bedroom	All Units
Number Sold	56	16	72
Median	\$510,000	\$965,000	\$545,000
Highest	\$900,000	\$1,620,000	\$1,620,000
Median 3 yr % change	16	25	16

Area 2	1-2 Bedroom	3+ Bedroom	All Units
Number Sold	53	29	82
Median	\$535,000	\$868,750	\$600,000
Highest	\$5,170,000	\$1,500,000	\$5,170,000
Median 3 yr % change	14	15	20

Area 3	1-2 Bedroom	3+ Bedroom	All Units
Number Sold	19	23	42
Median	\$525,000	\$783,000	\$707,500
Highest	\$1,710,000	\$1,105,000	\$1,710,000
Median 3 yr % change	27	19	31

Area 4	1-2 Bedroom	3+ Bedroom	All Units
Number Sold	6	4	10
Median	\$450,000	\$859,000	\$617,500
Highest	\$690,000	\$1,207,000	\$1,207,000
Median 3 yr % change	-11*	43*	14*

Area 5	1-2 Bedroom	3+ Bedroom	All Units
Number Sold	42	9	51
Median	\$580,000	\$1,220,000	\$602,500
Highest	\$967,500	\$1,425,000	\$1,425,000
Median 3 yr % change	33	40*	29

Area 6	1-2 Bedroom	3+ Bedroom	All Units
Number Sold	13	21	34
Median	\$641,000	\$930,000	\$863,000
Highest	\$951,000	\$1,450,000	\$1,450,000
Median 3 yr % change	44*	33	72*

Area 7	1-2 Bedroom	3+ Bedroom	All Units
Number Sold	18	22	40
Median	\$610,000	\$823,000	\$665,000
Highest	\$715,000	\$1,177,500	\$1,177,500
Median 3 yr % change	42*	29	11

Area 8	1-2 Bedroom	3+ Bedroom	All Units
Number Sold	4	6	10
Median	\$425,000	\$813,500	\$628,000
Highest	\$568,000	\$1,320,000	\$1,320,000
Median 3 yr % change	-4*	58*	30*

Area 9	1-2 Bedroom	3+ Bedroom	All Units
Number Sold	39	38	77
Median	\$476,500	\$781,500	\$620,000
Highest	\$661,000	\$1,265,000	\$1,265,000
Median 3 yr % change	11	17	27

Area 10	1-2 Bedroom	3+ Bedroom	All Units
Number Sold	15	2	17
Median	\$560,000	\$690,000	\$560,000
Highest	\$805,000	\$830,000	\$830,000
Median 3 yr % change	36*	-31*	-23*

Buxton has divided the map on this page into 10 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 30 June, 2017.

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

Median sale prices by suburb in the last 3 years

Median Value 3 Year % Change

Houses

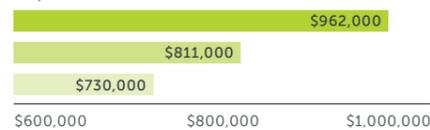
Aspendale	32
Beaumaris	25
Cheltenham	39
Mentone	32
Mordialloc	32
Parkdale	46

Units / Townhouses

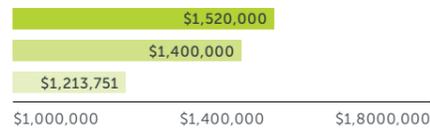
Aspendale	20
Beaumaris	-2
Cheltenham	22
Mentone	22
Mordialloc	30
Parkdale	23

2014-15 2015-16 2016-17

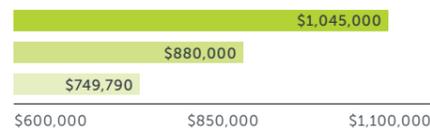
Aspendale - 78 sold



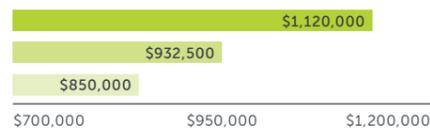
Beaumaris - 172 sold



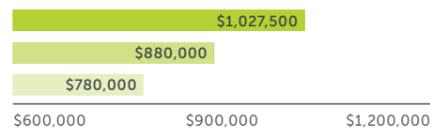
Cheltenham - 244 sold



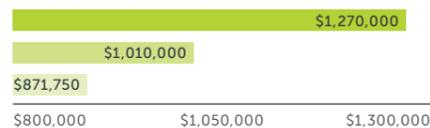
Mentone - 107 sold



Mordialloc - 73 sold

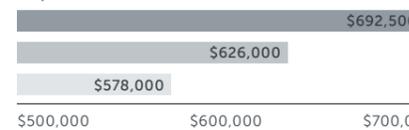


Parkdale - 105 sold

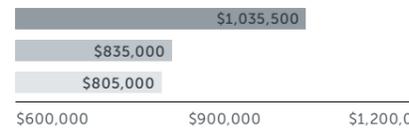


2014-15 2015-16 2016-17

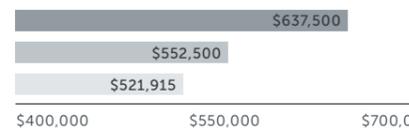
Aspendale - 42 sold



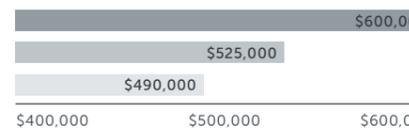
Black Rock - 79 sold



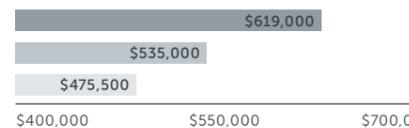
Cheltenham - 214 sold



Mentone - 220 sold



Mordialloc - 108 sold



Parkdale - 105 sold



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 30 June, 2017.

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 financial 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.

Did you know...

30

days is the average for property on the market in the Melbourne metropolitan area

(June 2017. Source: REIV).

\$600k

is the maximum price where first home buyers pay no stamp duty

(Source: REIV)

\$1,544

is the average weekly earnings

(May 2017. Source: ABS)

9,936

properties have been sold by the Buxton Real Estate Group over the last 3 financial years

June vacancy rates for Melbourne Metropolitan were 2.2% and regional Victoria were 2.5% (Source: REIV)

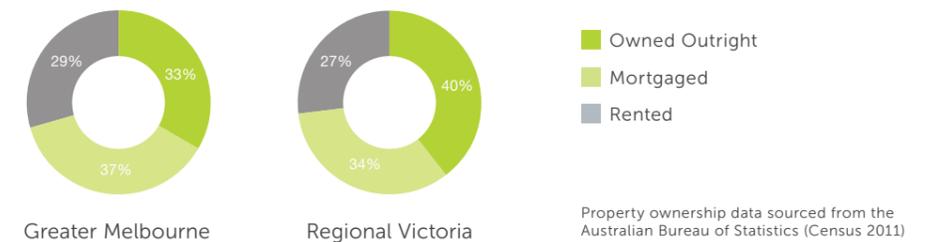
Melbourne Metropolitan average gross rental yield is 2.7% (Source: REIV)

The number of properties listed for sale in July 2017:

Melbourne Metropolitan - 27,184.
Regional Victoria - 21,372. (Source: REIV)



Property ownership in Victoria



\$440

is the median weekly rent for houses in metropolitan Melbourne and \$310 for regional Victoria.

(June 2017. Source: REIV)

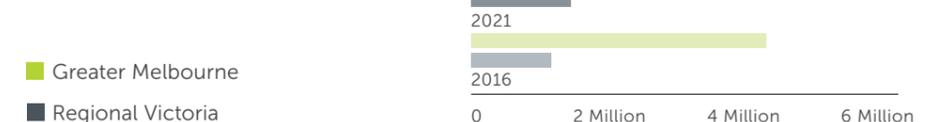
\$420

is the median weekly rent for units or townhouses in metropolitan Melbourne and \$248 for regional Victoria.

(June 2017. Source: REIV)

Population predictions

2026 population predictions are 5.586 million for Greater Melbourne and 1.585 million for regional Victoria.



Property
Values Report
Spring 2017

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

Wesley Belt 0418 310 753

Mathew Cox 0413 102 224

Emily Whitehead 0420 997 276

Amy Todisco 0451 373 830

Marie Anderson 0404 470 212

Aidan Oke 0430 137 587

Guy Shannon 0420 997 275

Travis Day 0438 808 841

Zac Damiani 0411 898 185