



Market Report Spring 2010



Hello and Welcome to the 2010 Spring Quarter Update on the East Melbourne Market

The football has finished, the racing carnival has finished and the cricket and tennis are about to come. There is rarely a season without sensation in this vibrant community of Melbourne.

Heading towards Christmas 2010, we are now well into the spring season and its most active property selling season. Results are remaining strong, principally based on the very low supply in the better suburbs while there is evidence to suggest price slip, as a result of buyer preparation for higher interest rates, coming soon to someone near you.

We are excited with the current and coming market for the investment opportunities that we see becoming available and the improved rental returns that will follow.

As always, we thank our many clients for their continued recommendation of our services to their family and colleagues. Our referral Bonus Program has been very well received by many this quarter. (Call Paul Caine or Vicki Lekanis for information).

Best Wishes to you and your family for the festive season to come and we look forward to continued business with you throughout 2011 and beyond.

Regards

Paul Caine
Director
Executive Leasing & Sales



Melbourne 03 8413 8000

Recent East Melbourne Property Statistics

How many residential properties have been sold in East Melbourne over the last three months	35
How many residential properties are for sale in East Melbourne currently?	55
What was the highest residential property sale price in East Melbourne over the last three months?	\$4,300,001.00
What was the lowest residential property sale price in East Melbourne over the last three months?	\$306,000.00
What is the median sale price in East Melbourne over the last three months?	\$716,000.00
Which street in East Melbourne had the most sales over the last three months?	Powlett Street

Current at time of printing

Source: realestateview.com.au

Recent Caine Real Estate Sales in the East Melbourne **Property Market**

All care is taken to source accurate information. All information is sourced from PDOL realestateview.com.au

Address	Sale Date	Sale Price	Summary
5/11 Grey Street	10/07/2010	\$400,000	1 Bed 1 Bath
2/29 Albert Street	10/07/2010	\$420,000	1 Bed 1 Bath
206/30 St Andrews Place	27/07/2010	\$880,000	2 Bed 2 Bath 2 Car
6/8 Webb Lane	30/07/2010	\$680,000	2 Bed 1 Bath 1 Car
G03/140 Gipps Street	31/07/2010	\$835,000	2 Bed 1 Bath 1 Car
10/60 Flinders Street	14/08/2010	\$950,000	2 Bed, 2 Bath, 1 Car
602/9 Eades Street	14/08/2010	\$516,000	1 Bed, 1 Bath, 1 Car
G01W/189 Powlett Street	14/08/2010	\$748,500	2 Bed, 2 Bath, 1 Car
15 Gipps Street	31/08/2010	\$1,575,000	Residential Land
P01A/158 Albert Street	11/09/2010	\$565,000	2 Bed, 1 Bath, 1 Car
2/246 Albert Street	18/09/2010	\$717,000	2 Bed, 1 Bath, 1 Car
104A/158 Albert Street	29/09/2010	\$707,700	2 Bed, 2 Bath, 1 Car



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Spring Quarter July – September 2010

Being one to look at statistics, we see some interesting numbers coming from the last quarter.

Total numbers of sales reduced from the same quarter last year to this year by 30%.

The house median price increased on these sales from \$1,200,000 to \$1,850,000 and the apartment median price increased from \$423,500 to \$611,850.

So although there is less volume, there are increased sale prices across the board. Last quarter we asked the question "Could it continue?" The answer is largely "Only just"!

The slow down in numbers of properties is indicative of a market segment in caution mode, and the lack of supply has forced the buyers with specific requirements to pay slightly higher prices.

The next quarter will be a real indicator to the future trend, as we have just received, what some would suggest, was an unexpected rate rise at this time.

Further rate rises are likely in the New Year and this will most likely steady the local market even further.

What's the message here?

If selling, get on with it, sooner rather than later. If selling and buying, sell now and be cashed up to buy what becomes available.

Predictions for the quarter to come:

- Continuing tight supply, prices under pressure.
- Longer "time on the market" cycles.
- Banks tightening lending requirements.
- Rental figures to creep up to offset increased running costs.
- Increase in long term rental clients

With increasing demand for our services in the city and its neighboring precincts, we are now establishing a dedicated team of specialists to handle the demands including off-the-plan products, investor products and prestige apartment sales all in the most livable city in the world.

Should you have an interest in these services, feel most welcome to contact our office with your requirements.

As we head towards the Christmas Festive season, we take the opportunity to thank you for your continued referrals of family friends and colleagues. The business continues to thrive with the repeat customers and your recommendations.

We wish you and your family the best for this season and the quarter year to come.

Till next quarter,

Paul Caine

