



BROUGHT TO YOU BY

Fletchers Canterbury

9836 2222, info@fletchers.net.au

LOCAL PROPERTY NEWS

CANTERBURY - WINTER 2012

Dear Canterbury Resident,

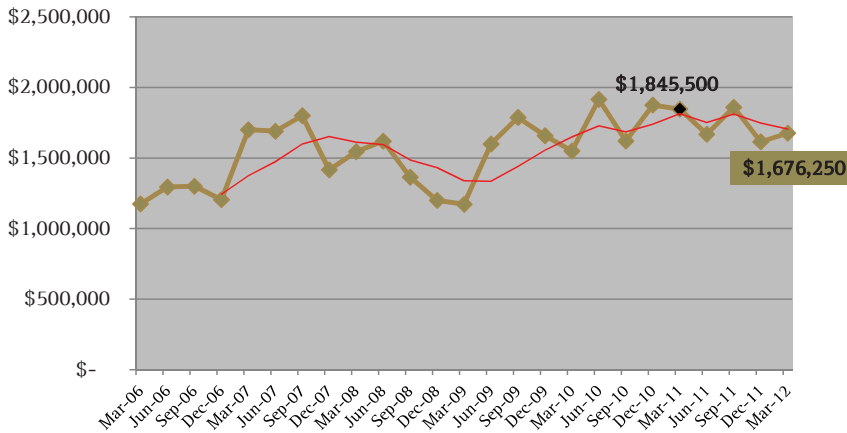
Welcome to the winter edition of Local Property News. The last few months have seen a positive market place with more buyers active in your area, which we believe will stimulate increased demand and pricing. With consumer confidence and spending expected to continue, we look forward to a stronger market in the coming months. We hope you enjoy reading about the influences behind this great news and the impact on both your home and suburb.

REIV AWARDS
FOR EXCELLENCE 2011
Large Residential Agency of the Year **WINNER**

REIV AWARDS
FOR EXCELLENCE 2011
Website Award **WINNER**
2003, 2010 and 2011

REIV AWARDS
FOR EXCELLENCE 2011
Residential Salesperson of the Year **WINNER**
2006, 2010 and 2011

CANTERBURY - LOCAL OVERVIEW



Source: REIV QTR Median House Pricing Report March 2012

Canterbury continues its roller coaster ride of median pricing in the March quarter, showing an upward trend. To gain a better perspective, we have included a trend line that builds in the four most recent quarters; it shows a slight decline. Tightly held, the lower volume of properties sold influences the median price in Canterbury, which is still ranked as one of Melbourne's most expensive suburbs. We are certainly seeing greater buyer activity in your suburb and pricing is expected to remain relatively stable.

Properties sold in Canterbury
from January 2012 - March 2012

30 approx.

Number of properties currently for sale
in Canterbury as at 4 May 2012

45 approx.

Record sale price in Canterbury

\$8,000,888

The median house price in Canterbury

\$1,676,250

COMMUNITY NOTICE BOARD

Boroondara Farmers Market

When: Third Saturday of the month
8am - 1pm

Where: Pattersons Reserve
Auburn Road, Hawthorn East
Melways Ref: 59 E4

What: The Boroondara Farmers Market is the perfect chance to stock up on farm-fresh supplies and delicious treats. Entry is only \$2.

All for Kids Market

When: Saturday, 30 June 2012
9am - 1pm

Where: The Crossway Centre
2 Vision Drive, Burwood East

What: Grab that near perfect pre-loved bargain, or find that elusive new or handmade gift from our creative and talented 'mumpreneurs'. Only \$3 entry, kids free and heaps of parking! Visit www.allforkidsmarket.com.au

Dvorak's Requiem

When: Saturday, 8 September 2012
2.30pm - 5pm

Where: Sacred Heart Church
116 Cotham Road, Kew

What: The Clough Choristers proudly present Dvorak's *Requiem*. Tickets cost \$30 for adults or \$25 for concession. Contact (03) 9458 1797 to book. Tickets also at the door.

Camberwell Sunday Market

When: Every Sunday
7am - 12.30pm

Where: Station Street car park, Camberwell
Melways Ref: 45 J12

What: Going strong since 1976, you never know what you'll find at the Camberwell Sunday Market!

“The property market moves in cycles and now we are in one of stability, with overall median house prices showing no real growth. The median house price in metropolitan Melbourne was \$535,000, representing a minor increase of 0.9 per cent from a revised December quarter median of \$530,000”, says REIV CEO Enzo Raimondo.

Whilst this is a reflection of what we are experiencing in our key areas, as most of our suburbs remained static over the last 12 months, we are seeing a refreshing trend of increased buyer activity. Clearly, this is a positive sign that seems to be fueled by recent interest rate cuts which helps stimulate all sections of the market, including first home buyers. Further to this, our local market is demonstrating very strong signs of recovery with auction clearance rates over the last two months well above those seen across greater Melbourne, showing buyers are becoming particularly active in our area. This augurs well for the future as we expect the latest May interest rate cut to further stimulate buyer interest.

Traditionally, winter is seen as a slower period for real estate but as the supply of property remains at realistic levels and buyer demand grows, we expect an upward pressure on pricing and well priced property to sell quickly. If you are looking at buying or selling property soon we see the period ahead as a good time as there are potential gains to be had for both parties. Buyers who act quickly may be able to upgrade or buy into an area that they could not previously afford and sellers can feel more positive about the increase in buyer activity.

A further sign of recovery is the number of high end properties returning to the marketplace. Recently we achieved a record sale price for a modern home in the suburb of Mont Albert North and we have a number of other higher priced properties coming up for sale that we also expect will produce record results. This resurgence of quality new stock and positivity driven by higher attendances at inspections certainly provides us with market confidence going into winter.

In this edition we shall cover two key questions that are very relevant to our real estate market.

1. How do interest rates influence the market?

Quite simply, lower interest rates enable us to spend more thereby circulating cash into our economy. Increased cash flow means that people are more inclined to spend and/or save. Cash also builds consumer confidence and tends to have a domino effect on spending. Assuming the local and national economy remains intact, as it is currently, it will lead to increased activity in the real estate market. The return in confidence does not occur overnight and there is usually a three month lag following any interest rate shifts, whether up or down. In our market we are particularly buoyed by the Reserve Bank of Australia’s (RBA) decision to substantially reduce the cash rate and as the banks follow suit we expect a further injection of buying confidence.

2. What are the drivers of an interest rate cut?

The RBA looks at a number of economic indices when deciding whether to change interest rates on the premise that the stronger the economy the less likely a rate cut. As we operate in a two speed economy that is also fueled by the mining sector, in deciding to reduce interest rates the RBA took the precautionary stance that our economy needs some stimulus, particularly given the influence of the high Australian dollar on exports that is negatively impacting our manufacturing sector.

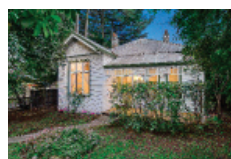
The RBA wrote in its May rate statement *“In Australia, output growth was somewhat below trend over the past year...and was affected in part by temporary factors, but also by the persistently high exchange rate. Labour market conditions softened during 2011, though the rate of unemployment has so far remained little changed at a low level.”*

This all means that the RBA sees some potential challenges ahead and so have moved to build more confidence in some of our more volatile sectors being retail, manufacturing and the property market. As consumers we also thank the banks for following the RBA’s lead and passing on the rate cuts.

RECENT FLETCHERS SALES IN CANTERBURY & SURROUNDS

[Source: PDOL]

Address	BRs	Land Size	Type	Price
McGregor Street	3	557 sq m approx.	House	\$1,100,000
Maysia Street	3	696 sq m approx.	House	\$1,150,000
Burke Road	3	414 sq m approx.	House	\$870,000
Mont Albert Road	4	1,590 sq m approx.	House	\$3,830,000
Hunter Road	3	652 sq m approx.	House	\$1,050,000
Bellett Street	3	242 sq m approx.	House	\$1,150,000
Judd Street	4	722 sq m approx.	House	\$1,660,000
Moorhouse Street	5	1,025 sq m approx.	House	\$2,250,000
Vaughan Avenue	4	711 sq m approx.	House	\$1,901,500



McGregor Street



Maysia Street



Burke Road



Mont Albert Road



Hunter Road



Bellett Street



Judd Street



Moorhouse Street

Commitment

Local Knowledge

Integrity

Quality Service



Fletchers Canterbury
244 Canterbury Road
Canterbury VIC 3126

Phone: (03) 9836 2222
Fax: (03) 9836 9822

Email: info@fletchers.net.au
Web: fletchers.net.au



Every precaution has been taken to verify the accuracy of the details contained in this newsletter. However, Fletchers gives no warranty to these details and expressly disclaims all liability for any loss or damage, whatever the cause which may arise from any person acting on any such statements. All data has been sourced from the REIV, Census and Property Data Online.

