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Fletchers Real Estate

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## LOCAL PROPERTY NEWS

### FOREST HILL - SPRING 2012

Dear Forest Hill Resident,

Welcome to the spring edition of your Local Property News. As the weather improves so does our local property market, with more people more inclined to enter the market as either a seller or buyer. This edition will help explain some of the factors impacting you and your home in the coming months.

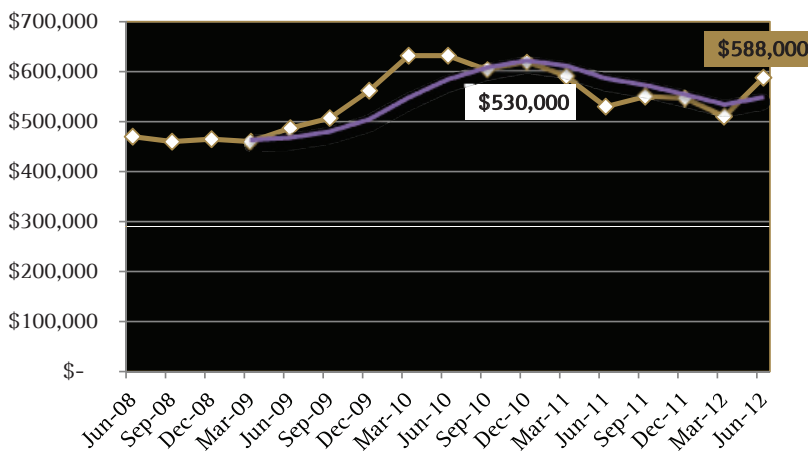
We hope you enjoy reading and discovering a little more about your local community in the process.

**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

#### FOREST HILL - LOCAL OVERVIEW



Source: REIV QTR Median House Pricing Report June 2012

Like a number of suburbs across Melbourne's east, Forest Hill has seen a degree of fluctuation in median pricing over the last two years. Median house prices are seen as an important indicator of pricing trends by the market and the dramatic shift in the June quarter shows a positive sign for your suburb. By reviewing annualised trends for the last four years, following the significant growth in 2009, we have seen a steadiness in pricing despite the quarterly fluctuations. With spring upon us we anticipate the influx of buyers into the market to stimulate more activity in the Forest Hill property market.

Properties sold in Forest Hill  
from April 2012 - June 2012

38 approx.

Number of properties currently for sale  
in Forest Hill as at 10 August 2012

32 approx.

Record sale price in Forest Hill

\$1,116,800

The median house price in Forest Hill

\$588,000

#### COMMUNITY NOTICE BOARD

##### Calamity Jane

**When:** Wednesday, 3 October 2012  
10am (1 hour, 40 minutes)

**Where:** Doncaster Playhouse  
679 Doncaster Road, Doncaster

**What:** Calamity Jane is too darn busy fighting Indians to pay mind to girly dresses and Wild Bill Hickock is too danged busy to give a hoot about a hot-headed tomboy. But things change when each becomes love's target in this musical masterpiece. Phone the box office: (03) 9262 6555.

##### 42nd Street

**When:** From 26 October - 11 November 2012

**Where:** Whitehorse Centre  
397 Whitehorse Road, Nunawading

**What:** NOVA Music Theatre Inc. is a musical theatre company based in the Eastern suburbs. For more information and ticket bookings call 1300 305 771 or visit [www.novamusictheatre.com.au](http://www.novamusictheatre.com.au).

##### Surrey Hills Music Festival

**When:** Saturday, 27 October 2012  
12pm - 11pm

**Where:** Surrey Hills Neighbourhood Centre  
157 Union Road, Surrey Hills

**What:** All-inclusive music event, hosted and supported by the Surrey Hills Neighbourhood Centre. For more information contact (03) 9890 0314.

##### Baby, the New Musical

**When:** From 16 - 24 November 2012

**Where:** Doncaster Playhouse  
679 Doncaster Road, Doncaster

**What:** Baby is a musical concerning the reactions of three couples, each newly expecting a child and having different but familiar reactions.

Traditionally we see a large number of properties enter the market in spring with a sizeable jump of over 15% from those coming on the market in the winter months. The reasons why individual home owners think spring is the prime selling time are many and varied. We believe it comes down to a combination of both market and emotional factors. The concept of more buyers being in the market, creating increased interest in a newly listed home, is a great attraction to those placing their home for sale. This certainly stands true and as more property enters the market, so too do potential buyers as people look at trading up into a larger home or conversely choosing to downsize.

The other influence is the emotionality of people. We often hear that with spring and better weather people become more inclined to get out and about and with that, it instils the thought of looking at improving their housing options. Buying a home is a very personal choice and for some it may be the hardest decision they will make. Having a property presented that creates the most emotional appeal to potential buyers is critical. This is why spring is a key time with gardens being a major attraction. Following a wet winter and some soaked gardens, those listing their property for the spring period are hoping for some sunshine soon to present their home at its best.

This winter we have seen lower stock levels compared to previous years however, with a shift in weather and with some great properties entering the market we see spring as a good period for both buyers and sellers. Auction clearance rates have remained stable for the last six months with good signs of improvement in July, which points to an underlying confidence in the market. With signs of a stable economic environment and consumer sentiment improving, we anticipate this being reflected in the property market. We are certainly seeing the numbers of people attending house opens increase and interested purchasers more buoyant, which bodes well for a good spring and the opportunity for people to explore their housing dreams.

So what does the economic environment hold for the coming months? Too often we hear through the media the negative issues with our economic environment and the doomsayers predicting our property market is at risk, but there exists a more positive view of the property landscape. The Housing Industry Association recently stated, "the fundamentals of Australia's housing market remain very strong – rents continue to grow at a rate well above headline inflation, rental vacancy rates are tight, and Australia's unemployment rate remains the envy of the developed world". This great news for investors is mirrored for residential home owners.

Despite positive news on the economy, it appears that the growing economic confidence seen in July has abated, evidenced in Westpac's Consumer Sentiment Index which seems to be driven by uncertainty surrounding the introduction of the carbon tax. This Index measures people's perceptions on our future economy, with more cautious support for economic conditions over the next twelve months and the longer term of five years. Spending in both the retail and property sectors traditionally follows a positive trend in consumer confidence and, with a softening of consumer confidence, spending may need to be influenced through lower interest rates.

The Reserve Bank of Australia's decision to leave the cash rate unchanged in August does show that the economy is performing well within its expectations. The prudence in this decision was supported by increases in retail trade and building approvals for the May period, further bolstering recent economic stability. The RBA has indicated that they are relatively happy with the economy but continue to monitor the impact of the high Australian dollar - specifically, its impact on exports (in particular manufacturing) and the state of the Euro zone.

Recent improved retail spending commonly flows into spending on property. Key economists project that Melbourne's property market is to remain at a stable level for the next two years, presenting a market in which both buyers and sellers can benefit. Only marginal changes in Melbourne's median pricing over the last twelve months have occurred; a trend expected to continue. Now is good time to trade into a new home or invest.

RECENT FLETCHERS SALES IN FOREST HILL

[Source: PDOL]

Address	BRs	Land Size	Type	Price
Forest Road	4	1,083 sq m approx.	House	\$900,000
Cumberland Court	3	618 sq m approx.	House	\$636,000
Balyarta Court	4	606 sq m approx.	House	\$795,000
Canterbury Road	3	635 sq m approx.	House	\$550,000
Green Walk	4	576 sq m approx.	House	\$880,000
Wickham Avenue	2	N/A	Unit	Undisclosed
Mill Avenue	2	700 sq m approx.	House	\$606,000
Boeing Court	4	679 sq m approx.	House	\$615,000
Milgate Court	3	620 sq m approx.	House	\$510,000



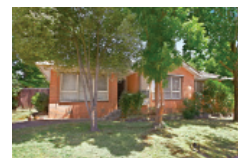
Forest Road



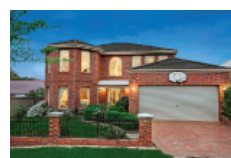
Cumberland Court



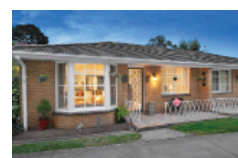
Balyarta Court



Canterbury Road



Green Walk



Wickham Avenue



Mill Avenue



Boeing Court

Commitment

Local Knowledge

Integrity

Quality Service



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